

City of Birmingham Employees Retirement System

Agenda: April 8, 2022

1. Investment Policy Statement
2. Economic & Capital Markets Commentary
3. Performance Review

Prepared by:

CAPTRUST

City of Birmingham, Michigan

City of Birmingham Employees Retirement System

Investment Policy Statement

April 2022

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I. INTRODUCTION

Prologue

City of Birmingham, Michigan is the “sponsor” of the City of Birmingham Employees Retirement System (the “Plan”). The financial integrity of City of Birmingham Employees Retirement System (the “Plan”) is maintained by establishing and managing funds for the immediate and future needs of the Plan’s operations and programs. Moreover, the Plan’s Board (the “Retirement Board”) is dedicated to acting in accordance with applicable fiduciary responsibility standards as a responsible steward for the financial resources that have been provided to the Plan.

Definitions

“Sponsor” shall mean City of Birmingham, Michigan.

“Fiduciary” shall mean any individual or group of individuals that exercise authority or control over management, disposition, or administration of the Plan’s assets on a comprehensive and continuous basis.

“Investment Assets” of the Plan consists of all assets so designated. The purpose of the Investment Assets is to provide capital appreciation and earnings sufficient to meet the operational and long-term capital needs of the Plan.

“Retirement Board” is the Birmingham Employees Retirement Board.

“Investment Policy” is this Investment Policy Statement of the Plan.

“Investment Consultant” shall mean any individual or organization employed to provide investment advisory services, including advice on investment policy, investment goals and objectives, asset allocation, manager search and selection, and performance measurement and evaluation.

“Investment Manager” shall mean any individual or group of individuals employed to manage all or part of the Investment Assets.

“Custodian” shall mean any individual or group of individuals that (1) hold securities for safekeeping; (2) report on holding.

“Full Market Cycle” shall be a period of time during which the long-term historic rates of return are realized, but no less than three years.

“Plan” shall mean the City of Birmingham Employees Retirement System.

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II. STATEMENT OF PURPOSE

Mission Statement

The fundamental mission of the Plan is to provide the capital assets necessary to meet the financial obligations made to participants of the Plan. Investment Assets are intended to provide a level of return generating sufficient capital to meet these obligations. In order to meet these goals, all related parties will exercise a prudent standard of care, while exercising their roles.

Purpose

The Investment Policy Statement (IPS) establishes the guidelines by which the Investment Assets of the Plan should be managed. The guidelines within the Investment Policy are designed to enhance the probability of achieving the goals and objectives of the Plan in a manner that is consistent with the laws, regulations and policies that govern the prudent management of investment assets in a fiduciary setting. The document is further intended as a reference tool as well as an operating code and communications link between the Retirement Board, its Investment Consultant, and Investment Managers.

The Investment Policy provides guidance in the following areas:

- Determining an appropriate risk level for the Investment Assets
- Seeking to ensure prudent diversification of the Investment Assets
- Defining the responsibilities of the Retirement Board for managing the investment process
- Defining monitoring criteria for selected investment options and investment managers
- Establishing asset allocation targets for asset classes and investment styles deemed suitable for the Investment Assets and providing rebalancing guidelines
- Addressing the funding and liquidity needs of the Plan, recognizing the provisions of Michigan Public Act 314 of 1965, as amended, City ordinances and the City Charter

Moreover, this document is drafted and adopted in an attempt to ensure a funding resource for the future needs of the Plan.

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Investment Goals and Objectives

In order to meet the following investment goals and objectives, the Investment Assets are to be managed in accordance with the overall target asset allocation of equity and fixed income/cash as defined in section IV.

1. Achieve investment returns that together with contributions will provide funds adequate to pay promised benefits to present and future Plan beneficiaries
2. To earn a long-term investment return in excess of the growth of the Plan's retirement liabilities
3. To minimize pension expense and cumulative contributions resulting from liability measurement and asset performance
4. Maintain a diversified portfolio to reduce the risk of large losses

Investment Philosophy

Investment Return. In order to meet its needs, the investment strategy of the Plan is to focus upon total return (combined return from capital appreciation plus dividend and interest income). Each investment manager should manage with the goal of optimizing the long-term inflation-adjusted investment returns given that portfolio's investment guidelines.

Preservation and Appreciation of Capital. Consistent with their respective investment styles and philosophies, Investment Managers should make reasonable efforts to preserve and appreciate capital, understanding that losses may occur in individual securities.

Definition of Risk. The Retirement Board realizes there are many ways to define risk. The Retirement Board defines risk as the probability of not meeting the investment objectives. The Retirement Board expects that each Investment Manager will manage its portfolio in a manner consistent with the investment objectives and investment strategy as defined in this Investment Policy applicable to its portfolio. The Investment Consultant and Investment Managers are to make reasonable efforts to control risk and will be evaluated regularly to ensure the risk assumed is commensurate with the given investment style and objectives.

Volatility of Returns. The Retirement Board understands in order to achieve its objectives for the Investment Assets, the portfolios will experience volatility of returns and fluctuations of market value.

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Diversification. The Retirement Board recognizes the broad diversification of the Investment Assets among various asset classes will help mitigate the magnitude of a loss in any single year.

Market Timing and Shifts. The Retirement Board wishes to allow its Investment Managers the opportunity to practice their skill without undo interference. However, it is hereby made clear this Investment Policy is the product of the study of proven performance patterns in the capital markets. The Retirement Board recognizes there is considerable evidence that the passage of time causes the greatest rewards to accrue in favor of consistent investing approaches. Furthermore, the overall risk exposure could become uncontrollable without reasonable, careful adherence to the asset allocation guidelines in this Investment Policy. It is not, therefore, the general intention of this Investment Policy to allow short-term judgments to introduce significant unplanned risk. The Retirement Board recognizes adherence to this Investment Policy will occasionally appear to be either too risky or too conservative for current market conditions. However, the Retirement Board also recognizes that experts rarely agree about the near-term direction of the capital markets, and such opinions have generally proven to be a poor guide for action.

Adherence to Investment Discipline. Investment Managers are expected to adhere to the investment management styles for which they were retained. Investment Managers will be evaluated regularly for adherence to investment discipline.

Benchmark Indices and Performance Objectives. The Retirement Board recognizes Investment Managers must use the broad capital markets as their basic tools for investment and a substantial portion of investment returns will not be attributable to management skills, but rather to the markets themselves. However, the Retirement Board expects its active Investment Managers will add value to the broad market returns over a Full Market Cycle, net of fees and its passive Investment Managers will track the broad market returns with an acceptable tracking error. The investment options in the various categories may be evaluated according to the benchmarks described in the section entitled “Asset Allocation”.

Performance Expectations

The Retirement Board fully understands the volatility of the various capital markets and the need to maintain a long-term time horizon when reviewing performance. In general, the Retirement Board has set the following *total return expectation* for the Investment Assets:

- A composite portfolio rate of return that is equal to or greater than the return realized using the asset allocation strategy described in section IV and appropriate market indices.

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It is the goal of the Retirement Board to:

- Achieve a long-term total return which equals or exceeds a long-term rate of return assumption, net of fees and expenses.
- Provide funding for the operation and support of the Plan.
- Prudently appreciate capital to provide additional funding for the Plan's future operation and support.
- Pay all investment related expenses of the Plan out of earnings from the Investment Assets.
- Minimize risk and preserve capital as appropriate for a tax-qualified defined benefit retirement plan.

Further, the goal of each Investment Manager shall be to:

- Meet or exceed a market index, or blended market index, selected and agreed upon by the Retirement Board.
- Display an overall level of risk in the portfolio that is consistent with the risk associated with the asset style and relevant index. Risk will be measured by the standard deviation of quarterly returns.

III. ROLES AND RESPONSIBILITIES

Responsibilities of the Retirement Board

The Retirement Board maintains the ultimate responsibility for approving the Investment Policy and managing the Investment Assets. The Plan has delegated to the Retirement Board those responsibilities as defined below.

- Oversee the management of the Investment Assets.
- Adopt, review, and revise, as needed, an Investment Policy on an annual basis.
- Recommend policy guidelines for the asset allocation of the Investment Assets within the equity and fixed income segments according to investment style, taking into account near term cash needs and liquidity.

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- Approve selection and retention or termination of all Investment Consultants, Investment Managers, and Custodians.
- Review reports from outside professionals and the Investment Consultant on the status of the Investment Assets.
- Periodically measure and evaluate the investment performance of the Investment Managers against the established goals and objectives defined herein and in the Investment Manager's agreement with the Retirement Board and agreed upon rebalancing procedures for strategic asset allocation. On a periodic basis, in reference to the current liability obligation, an asset allocation study will occur.
- Consider, revise, and accept (or reject) recommendations made by the Investment Consultant regarding the management of the Investment Assets.
- Control and account for all investment, recordkeeping and administrative expenses associated with the Investment Assets.
- Avoid prohibited transactions and conflicts of interest.
- Apply the prudent person standard of care in the context of managing an overall portfolio.
- Comply with the provisions of pertinent federal and local regulations and rulings, in particular Michigan Public Act 314 of 1965, as amended, the City Charter, and City Ordinances.

Responsibilities of the Investment Consultant

- Serve as an objective, third party advisor to the Retirement Board. As such, the Investment Consultant will guide the Retirement Board through a disciplined and rigorous process and may make recommendations to the Retirement Board but will not have discretion to make investment or allocation decisions without their approval.
- Assist in the development, implementation, review, and monitoring of this Investment Policy.
- Offer advice that is consistent with the investment objectives, policies, guidelines, and constraints as established in this Investment Policy.

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- Conduct Investment Manager searches and fee negotiations when requested by the Retirement Board.
- Provide research, analysis, and general information about the Investment Managers.
- Measure, monitor, and evaluate the investment performance and asset allocation of the Plan and report the findings to the Retirement Board no less frequently than on a quarterly basis.
- Periodically monitor the Investment Assets and provide reports to the Retirement Board regarding investment performance and other pertinent information.
- Apply the prudent person standard of care in the context of managing an overall portfolio.

Responsibilities of the Investment Manager(s)

As distinguished from the Retirement Board and the Investment Consultant, who are responsible for managing the investment process, each Investment Manager is responsible for making investment decisions with respect to its portfolio. Specific duties and responsibilities of each Investment Manager are to:

- Select the investments of its portfolio in accordance with the general investment goals, objectives and guidelines expressed by this Investment Policy as well as the specific goals, objectives, and guidelines pertaining to its portfolio.
- Communicate with the Investment Consultant regarding all significant matters that the Investment Manager deems material including, but not limited to, changes in the Investment Manager's ownership, organizational structure, professional staffing, investment philosophy or investment process and other changes of a substantial nature.
- Comply with all legislation and regulations as they pertain to the Investment Manager's duties, functions, and responsibilities as a Fiduciary in managing the portfolio.
- Provide statements setting forth all account activity and the financial position of the portfolio quarterly and otherwise as requested.
- Provide expanded analysis to the Investment Consultant and/or Retirement Board upon request. This may include, but is not limited to, the following:

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- Statements showing compliance with asset allocation guidelines
- Comparison of returns to benchmarks
- Statement of policy regarding “soft dollar” usage of brokerage commissions
- Detailed account of fees and expenses paid by “the Sponsor” of the Plan including management fees and commissions on trades
- Apply the prudent person standard of care in the context of managing an overall portfolio.

If mutual funds are utilized, the restrictions outlined above do not apply. Instead, the existing policy outlined in the prospectus of the fund would take precedence. However, the Investment Manager and/or Investment Consultant will carefully scrutinize the prospectuses of potential mutual fund candidates so as to find funds with similar policies, restrictions, and characteristics to those outlined in this Investment Policy.

IV. ASSET ALLOCATION

Priority & Purpose of Asset Allocation

Asset allocation is commonly considered the most important decision made in the investment management process. The purpose of a strategic asset allocation is to provide an optimal mix of investments with the potential to produce the desired returns and meet current and future liabilities, while having the least amount of fluctuation in the overall value of the investment portfolio. Allocating funds among a variety of investment types, increases the probability that if one of the investment types is decreasing in value, another one is increasing in value.

Asset Allocation Range

The following allocation of asset classes is intended to produce a rate of return sufficient to meet the goals and objectives established by the Retirement Board. The returns of the Investment Managers, who are selected because of their expertise in specific asset classifications, will be measured against the target percentage of the appropriate index returns as shown below.

The return of the Investment Assets will be measured against the blended target percentages of the appropriate indices below.

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Asset Class		Asset Allocation			
		Index	Minimum	Target	Maximum
Fixed Income	Bloomberg Barclays U.S. Aggregate Bond TR USD		5.0%	20.0%	35.0%
Large Cap Equities	S&P 500 TR USD		15.0%	30.0%	45.0%
Mid Cap Equities	Russell Mid Cap TR USD		0.0%	11.5%	27.0%
Small Cap Equities	Russell 2000 TR USD		0.0%	4.5%	20.0%
International Equities	MSCI EAFE GR USD		0.0%	15.0%	30.0%
Emerging Market Equities	MSCI EM GR USD		0.0%	4.0%	19.0%
Alternative Investments	HFRX Absolute Return		0.0%	15.0%	30.0%

*Alternative Investments may include managed futures, hedge funds, venture capital, real estate, and private equity.

The above represents the current asset allocation. However, the current strategy does not preclude the Plan Sponsor from investing in other asset classes in the future.

Consequently, prudent and reasoned consideration must be given to use of other asset classes.

Re-balancing Among Asset Classes and Allocation of Net Contributions

Purpose: Because different asset classes will perform at different rates, the Retirement Board, with the assistance of the Investment Consultant, will monitor the asset allocation shifts caused by performance. When allocations exceed the target allocation indicated in this section (IV), rebalancing may occur.

Method: By rebalancing in this manner, the Retirement Board can be assured that portfolios will be managed to clear parameters. The portfolio will be analyzed on at least a quarterly basis and will be re-allocated as required.

Accordingly:

- The Retirement Board, with the assistance of the Investment Consultant, will review the relative market values of the asset segments whenever there is material cash flow.
- To the extent that adequate re-balancing among asset categories cannot be affected via the allocation of contributions/distributions, the Retirement Board may redirect monies from one Investment Manager to another, if necessary, to maintain the asset allocation strategy described in this section (IV) of this Investment Policy. However, the Retirement Board recognizes that a rigid asset allocation would be both impractical and, to some extent, undesirable under various market conditions. Therefore, the allocation of the Investment Assets may vary from the allocation guidelines without being considered an exception to this Investment Policy.

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V. INVESTMENT GUIDELINES

Selection of Investment Managers

The Retirement Board is responsible for the selection of the Investment Managers. All investment products will be compared to an appropriate benchmark index. The quantitative and qualitative factors to be considered for selecting Investment Managers may include, but are not necessarily limited to:

- Total firm assets under management and assets specific to the product of interest
- Stability and quality of the investment firm and its personnel
- Portfolio manager's tenure with the specific product of interest
- Historical performance of the Investment Manager's specific product of interest
- Risk adjusted performance of the product
- Consistency and correlation of the product's investment style
- Overlap of investment style and/or fund holdings with other Investment Managers
- Expense ratios and fees

Selection of Mutual Funds

Furthermore, any mutual fund considered will be measured against the following preferred criteria:

1. Performance track record of 3 years or longer
2. Manager tenure of 3 years or longer
3. Assets under management exceed \$250 million
4. Average investment expense ratio less than category average

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VI. PERFORMANCE MONITORING

Purpose

The purpose of monitoring investment performance is to be able to ensure compliance with policy and applicable law, manage the risk of the portfolio, and assess the performance of investment managers.

The Retirement Board acknowledges fluctuating rates of return characterize the securities markets, particularly during short-term time periods. Recognizing that short-term fluctuations may cause variations in performance, the Plan intends to evaluate Investment Manager performance from a long-term perspective.

Investment Managers Performance Review and Evaluation

The investment performance of each Investment Manager/fund will be measured against commonly accepted performance benchmarks determined for each Investment Manager/fund based on the asset class mix of the Investment Manager's portfolio. As part of that process, the Investment Consultant may consider the ranking of investment options relative to their peers using CAPTRUST's Investment Policy Monitoring Methodology document. At no time will an individual Investment Manager/fund's performance be compared to overall portfolio expectations. Rather, the Retirement Board will review Investment Manager/fund returns versus appropriate indices as well as comparable performance to similar managers by investment style.

The following quantitative and qualitative criteria provide an outline for the evaluation process:

Quantitative:

- There is failure to adhere to any specific aspect of this Investment Policy
- There is an increase in the product's fees and expenses
- The product's assets decrease by greater than 20% of the assets under management of that investment manager

Qualitative:

- There is a change in the professionals managing the portfolio or firm ownership
- There is an indication of deviation of stated style or strategy
- There are uncharacteristic surges in portfolio trading volume

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- An event occurs that may interfere with the Investment Manager's ability to fulfill its role in the future

It may be determined, after further analysis, that one of the following is necessary:

- A letter/call to the Investment Manager asking for an analysis of its underperformance
- A face-to-face meeting with the Investment Manager, which may be conducted on-site, to gain insight into organizational changes and any changes in strategy or discipline

The Retirement Board intends to evaluate the Investment Manager and/or Fund quarterly but reserves the right to terminate an Investment Managers and/or Funds for any reason including, but not limited to:

- Significant qualitative changes to the Investment Manager or fund's organization affecting areas such as firm ownership, organizational structure, professional staffing
- Investment performance that is significantly lower than the appropriate benchmark
- Deviation from stated investing style as evidenced by the actual characteristics of the portfolio
- Failure to adhere to any aspect of this Investment Policy

The decision to retain or terminate an Investment Manager or fund cannot be made solely by a formula. Rather, it is the Retirement Board's judgement in the strategy's ability to perform in the future that ultimately determines the retention of the Investment Manager or fund.

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VII. ACKNOWLEDGEMENT AND ACCEPTANCE

The Retirement Board will review this Investment Policy at least annually to determine whether stated investment objectives are still relevant and the continued feasibility of achieving the same. It is not expected that the Investment Policy will change frequently. In particular, short-term changes in the financial markets should not require adjustments to the Investment Policy.

The undersigned acknowledge that this Investment Policy was revised and approved by the Retirement Board on behalf of the Plan.

Signed _____
Printed _____ Date _____

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Signed _____
Printed _____ Date _____

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BIRMINGHAM EMPLOYEES RETIREMENT SYSTEM

Adopted December 5, 1990

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I. **PURPOSE**

The purpose of this statement is to assist the Trustees in more effectively supervising and monitoring the investment manager regarding the management of the assets of the Birmingham Employees' Retirement System by:

- A. Defining the separate investment related responsibilities of both the Trustees and the investment manager(s);
- B. Stating in a written document the Trustees' attitudes, expectations and objectives in the investment of the Fund's assets;
- C. Providing a framework which offers guidance and limitations for all managers, thereby enabling regular effective communication between the Trustees and the investment manager(s);
- D. Establishing formal yet flexible investment guidelines incorporating prudent asset allocation and realistic total return goals;
- E. The allocation of assets among various asset classes shall be approved (as set forth here-in) by the Board of Trustees. The asset allocation policy shall be predicated on the following factors:¹
 - 1. The historical performance and risk measures of capital markets adjusted for the expectations of the future short and long-term capital market performance;
 - 2. The correlation of returns and risk among the relevant asset classes;
 - 3. The expectations of future economic conditions, including inflation and interest rate assumptions;
 - 4. The projected liability stream of benefits and the costs of funding to both covered employees and employers; and
 - 5. The relationship between the current and projected assets of the plan and the projected actuarial liability stream.
- F. Addressing the funding and liquidity needs of the plan, recognizing current actuarial data, estimates of future Plan characteristics, the provisions of Michigan Public Act 314 of 1965, as amended, City ordinances and the City Charter;
- G. Creating standards for evaluating investment performance that are historically achievable and by which the manager(s) agrees to be measured over a reasonable time period;
- H. Reviewing the performance of the investment manager(s), comparing it with the performance of its peer group of competitors;
- I. Monitoring the performance results of the investment manager(s) to determine whether the investment manager(s) continues to satisfactorily comply with the policy and the Fund's stated objectives.

¹Section added 9/13/13.

The Fund's assets must be managed effectively and prudently. The Trustees recognize that matters concerning the investment of the Fund's assets are of sufficient importance to merit serious attention and frequent consideration. It is expected that this statement will be reviewed periodically to insure its relevance to current capital conditions and Plan needs.

As stated above, the investment objectives and investment policy guidelines, which follow, should be dynamic in nature. They should represent the current consensus of the Trustees' philosophy regarding the investment of the Fund's assets. The statement will need to be reviewed and possibly revised from time to time to insure that it continues to reflect the Trustees' attitudes, expectations, objectives and Plan needs.

II. **DELEGATION OF RESPONSIBILITIES**

A. **Responsibilities of Trustees**

The Birmingham Employees Retirement System Retirement Board acknowledges its responsibility as a Pension Plan fiduciary. In this regard, it must act prudently and for the exclusive interest of Plan participants and beneficiaries. They are responsible for directing and monitoring the investment management of the Plan assets. As such, they are authorized to delegate certain responsibilities to professional experts in various fields as shown below.¹

1. **Investment Consultant.** The consultant may assist the Board of Trustees in: establishing investment policy, objectives, and guidelines; selecting investment managers; reviewing such managers over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.
2. **Investment Manager.** The investment manager has discretion to purchase, sell, or hold the specific securities that will be used to meet the Plan's investment objectives.
3. **Custodian.** The custodian will physically (or through agreement with sub-custodian) maintain possession of securities owned by the Plan, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Plan accounts.
4. Additional specialists, such as attorneys, auditors, actuaries, retirement plan consultants, and others may be employed by the Board of Trustees to assist in meeting its responsibilities and obligations to administer Plan assets prudently.

The specific responsibilities of the Trustees in the investment process include and are limited to:

1. Complying with the provisions of pertinent federal and local regulations

¹Section expanded 9/13/13.

and rulings, in particular Michigan Public Act 314 of 1965, as amended, the City Charter and City Ordinances;

2. Developing sound and consistent investment policy guidelines;
3. Establishing reasonable investment objectives;
4. Developing performance measurement standards;
5. Selecting an investment manager(s) to invest and manage the Plan's assets;
6. Communicating these guidelines, objectives, and standards to the investment manager(s);
7. Deploying existing assets and new monies to the investment manager(s);
8. Monitoring and evaluating performance results to assure that policy guidelines are being adhered to and that objectives are being met;
9. Taking whatever corrective action is deemed prudent and appropriate for the investment manager(s)'s failure to perform as mutually expected, for whatever reasons.

B. Responsibilities of the Investment Manager(s)

The investment manager(s), in recognition of this role as a fiduciary of the Plan, must assume the following responsibilities as they pertain to:

1. Investment Program

- a. The assets of the Fund are to be managed in accordance with the policy guidelines and objectives expressed herein and in conformance with Michigan Public Act 314 of 1965, as amended, City ordinances and the City Charter.
- b. The investment manager(s) is expected to exercise complete investment discretion. Such discretion includes decisions to buy, hold and sell equities or fixed income securities (including cash equivalents) in amounts and proportions reflective of the manager(s)' current investments strategy and compatible with the Trustees' guidelines.
- c. The investment manager(s) is expected, within the limitation of the account size, to diversify the portfolio to minimize the risk of large losses unless, under the circumstances, it is clearly prudent not to so diversify.
- d. The investment manager(s) shall invest the assets of the Fund with care, skill, prudence and diligence under the circumstances then prevailing that a prudent man, acting in a like capacity and familiar

with such matters, would use in the conduct of an enterprise of a like character and with such aims.

2. Communications

- a. The investment manager(s) acknowledges his acceptance of the performance standards herein stated by signing a contract with the Retirement Board.
- b. The investment manager(s) shall provide a written statement describing, in brief form, what specific investment program will be undertaken to achieve the objectives and goals herein stated.
- c. The investment manager(s) is responsible for communicating with the Trustees, regarding all significant matters pertaining to the investment of the Fund's assets. The Trustees shall be kept apprised of substantive changes in investment strategy, asset mix, portfolio structure, market value of the Fund's assets and other information as requested by the Trustees.
- d. The trustees shall be informed of any significant changes in the ownership, organizational structure, financial condition and/or professional personnel staffing of the investment manager(s)'s organization.
- e. All documents, exhibits, written material, etc. which will be used during any meetings, which may be scheduled between the Trustees and the manager(s), must be submitted to and received by the Trustees at least five (5) business days in advance of these meetings.
- f. The Trustees recognize that the capital markets are dynamic and that this Statement of Investment Objectives and Investment Policy Guidelines may require periodic reexamination and revision if it is to continue to serve as a working document to encourage effective investment management. Whenever the investment manager(s) believes that this statement should be altered, it is the responsibility of the manager(s) to initiate written communication with the Trustees.

3. Reporting

- a. At least monthly, the investment manager(s) provide:
 - 1.) Portfolio composition showing asset structure for each major class of security.
 - 2.) Positions, by individual security, showing both cost and market value (except for commingled assets, in which case, showing the unit position and unit value).

- 3.) All principal cash transactions, including all buys and sells in sufficient, descriptive detail.
- 4.) All income cash transactions, including sources and nature of all interest and dividends in sufficient, descriptive detail.
- b. At least quarterly, the investment manager(s) shall provide:
 - 1.) A brief review of the recent capital market environment to include discussion of any event particularly pertinent to the management of this portfolio.
 - 2.) A commentary on investment results in light of the appropriate standards of performance as stated herein.
 - 3.) A synopsis of the key investment decisions made by the manager(s), his underlying rationale, and how those decisions could impact future results.
 - 4.) A discussion of the manager(s)'s outlook what specific investment decisions this outlook may trigger, and how these decisions could impact future results.
 - 5.) Reports of transaction activity, portfolio holding and performance reviews.
- c. Upon written or oral request, the investment manager(s) shall provide reports, which may include, but not be limited to, the following:
 - 1.) Copies of all documentation in support of any buy, sell, or hold decision.
 - 2.) Certified financial statements of investment management organization.
 - 3.) Evidence of suitable insurance coverage of the investment manager(s) fiduciary responsibilities.
 - 4.) Other reports the board may request.

C. Responsibilities of the Investment Consultant¹

The Investment Consultant's role is that of a non-discretionary advisor to the Board of Trustees of the Plan. Investment advice concerning the investment

¹Section added 9/13/13.

management of Plan assets will be offered by the Investment Consultant and will be consistent with the Investment Policies. Specific responsibilities of the Investment Consultant include:

1. Assisting in the development and periodic review of these investment policies.
2. Conducting investment manager searches as needed.
3. Providing “due diligence”, or research, on investment manager(s) that are under contract for said research.
4. Monitoring the performance of the investment manager(s) to provide the Board of Trustees with progress reports toward meeting investment objectives and compliance with Michigan Public Act No. 314 of 1965, as amended.
5. Communicating matters of policy, manager research, and manager performance to the Board of Trustees.
6. Reviewing Plan investment history, historical capital markets performance and instructing any newly appointed members of the Board of Trustees of the contents of these investment policies.

III. **OBJECTIVES**

It is the intention of the Retirement Board Trustees that assets of the Retirement System be managed with the objectives of protecting principal from both market value and inflationary erosion. To accomplish these objectives, it is necessary for the investment manager(s) to diversify the assets to take advantage of opportunities available in the capital markets. The allocation decision, limited by the guidelines set forth in Section IV, will be implemented by the manager(s). Performance, however, will be evaluated in the context of the established targets, as outlined in Section V.

The Trustees believe that the following investment objectives are appropriate and consistent with the needs of the Fund and their attitudes and expectations concerning the investment process.¹

- A. The total fund's rate of return shall equal or exceed the returns of an index comprised of 45% S&P Index, 10% MSCI EAFE Index, 5% MSCI Emerging Markets Free Index, 5% Stark Trader Index and 35% Barclays Aggregate Bond Index over a 5-8 year time horizon.
- B. The equity investment manager(s) shall achieve a rate of return equal or exceeding the rate of return of their respective benchmark over a 5-8 year cycle.
- C. The fixed-income investment manager(s) shall achieve a rate of return equal or exceeding the rate of return of their respective benchmark over a 5-8 year cycle.
- D. In total, over the intermediate to long term, the retirement plan's objective is to earn an investment return equal to or in excess of the current actuarial assumption over a 5-8 year cycle.

¹Revised 9/21/01, 5/21/08, 12/9/11, 9/13/13.

IV. INVESTMENT POLICY GUIDELINES

A. Investment Philosophy

The Trustees' attitude regarding Fund assets combines both preservation of capital and moderate risk-taking. The trustees recognize that risk (i.e., the uncertainty of future events), volatility, and the potential of loss in purchasing power (due to inflation) are present to some degree with all types of investment vehicles. While high levels of risk are to be avoided, the assumption of a moderate level of risk is warranted and encouraged in order to allow the investment manager(s) the opportunity to achieve satisfactory results consistent with the objectives and character of the Fund.

The Trustees believe that Fund assets should be managed in a manner, which reflects the following statements.

B. Policy Guidelines Regarding the Investment of Fund Assets

1. Risk, Volatility and Loss

- a. Avoiding large risks is preferred with the result of possibly limiting large gains. This may mean sacrificing some opportunities for gain during rising markets in order to avoid large potential losses during declining markets.
- b. Consistent year-to-year results are preferred to large fluctuations in returns.
- c. The trustees adhere to capital market theory, which maintains that over the very long term the risk of owning equities should be rewarded with a greater return than available from fixed-income investments. Consequently, moderate risk-taking is justifiable as a method in increasing the principal of the Fund, as well as providing long-term inflation protection to the plan.¹

2. Asset Allocation Summary

The following asset allocation percentages are intended to:

- a. Address the current desire of the Retirement Board Trustees to provide for the long-range liability and benefit needs of the Plan through feasible, formalized investment strategies.
- b. Accommodate the future inclusion of other asset classes (i.e., global, real estate, passive debt or venture capital investments) when appropriate and permitted to diversify risk without penalizing return.
- c. Provide a framework for regular monitoring and evaluation of the

¹Revised 9/13/2013.

investment manager(s) performance to stated targets .

It is understood that both the choice of asset class and the targeted percentages will be reviewed periodically to insure that the long term investment needs of the plan and desires of the Retirement Board Trustees are being met in the most appropriate and prudent manner.

RECOMMENDED ASSET CLASS ALLOCATION
Market Value Percentage

<u>Asset Class</u>	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>
Equities	35	35-55	65 +/- 5% ¹
Global Equities)	5	10-20	20 ²
(Emerging Markets) ³	2	4	6
Fixed Income	25 +/- 5%	25-40	60 ⁴
(Domestic Fixed Income)	25	20-35	50
(Global Fixed Income) ⁵	0	5	10
Cash Equivalents	0	5-10	20
Alternative Investments, (including managed futures, hedge funds, venture capital, and real estate & private equity)	0	10	15 ⁶

Cash equivalents may be held in lieu of any asset class at the discretion of the investment manager(s). Allocation will include any investment in global equities.

At such time as the asset allocation in equities reaches 70%, based on a review of the monthly report, it shall be returned to the Investment Committee for re-allocation⁷.

3. Asset Guidelines

a. Equities

1.) Diversification

No more than 5% of the total Birmingham Employees Retirement Fund equities at market value shall be invested in any one company. No investment manager will initiate an investment of more than 10% of the individual manager's equities at market value in any one company. In instances

¹ The Trustees wish to acknowledge the equity-like behavior (from a risk/reward standpoint) of convertible securities by classifying them as "equities" for the purpose of this Statement and the management of Plan assets. Accordingly, the "fixed income" allocation ranges, as set forth above, do not include convertibles. Revised 3/7/91, 12/2/94, 2/13/96, 10/3/97, 12/17/97, 3/10/00, 6/9/06.

² Revised 9/19/03, 6/9/06, 9/13/13.

³Revised 11/16/07. Emerging markets is part of the total allocation to global equities. State law limits total allocation in global equities plus global fixed income to 20% of total assets.

⁴ Revised 12/10/99, 6/9/06.

⁵Added 5/21/08. Global fixed income is part of total allocation to fixed income. State law limits total allocation in global equities plus global fixed income to 20% of total assets.

⁶ The total allocation to this asset class may not exceed 15% under the "Small Plan – Basket Clause" provision of Michigan Public Act 314 of 1965, as amended. Revised 10/27/10, 6/14/13, 9/13/13.

⁷ Paragraph added 3/10/00. Revised 6/9/06.

where positions have appreciated, the current position in any one company will be permitted to grow to no more than 15% of the individual manager's equities at market value (10% at purchase).¹²

2.) Quality

Only securities whose quality is generally classified as investment grade are permissible.

3.) Turnover

There shall be no specific guidelines with regard to portfolio activity. By not restricting turnover, the manager is given the flexibility to adjust his asset mix and security selection to changing market expectations.

4.) Permissible Universe

- a.) Common stocks listed on a major U.S. Exchange (including Over-The-Counter securities as permitted under Public Act 314 of 1965, as amended)
- b.) Securities convertible into common stocks
- c.) Mutual funds
- d.) Bank collective investment funds
- e.) American Depository Receipts (A.D.R.'s)
- f.) Global equities

b. Fixed Income

1.) Diversification

No more than 5% of the manager's portfolio shall be invested in any one issuer. There shall be no limit on U.S. Government and Agency holdings and U.S. Government Guaranteed Agency holdings.

2.) Quality

No more than 20% of the bond portfolio may be invested in securities that are less than investment grade³, as measured by either Standard & Poor's or Moody's. If issues

¹ Revised 9/21/01.

² Revised 9/11/2020

³Revised 6/11/10.

are downgraded so as to violate these guidelines, the manager(s) must either seek written approval from the Trustees to continue holding the security, or should judiciously liquidate it, if its retention is in violation of Michigan Public Act 314 of 1965, as amended. Commercial paper must be rated either A1 or P1.

3.) Permissible Universe

- a.) Debt securities issued or guaranteed by the United States, its agencies or instrumentalities (including U.S. Government Agency mortgage backed securities)
- b.) Corporate bonds, debentures and other forms of corporate debt obligations, including equipment trust certificates
- c.) Indexed notes, floaters, variable rate obligations, zero coupon obligations, etc.
- d.) Yankee Bonds and other dollar denominated obligations
- e.) Bank or Trust Company Collective Investment Funds
- f.) No-load mutual funds
- g.) Guaranteed rate investments
- h.) Global fixed income (investment-grade)¹

Bonds should be actively "managed". Active management is meant to include shifting section emphasis as well as affecting other prudent strategies, which enhance the portfolio or decrease the volatility or exposure to capital depreciation.

The diversification of fixed-income securities by maturity, sector and coupon is the responsibility of the investment manager(s).

c. Cash equivalents

It is understood that the investment manager(s) use interest bearing money market funds, FDIC insured certificates of deposits, government Treasury Bills, and other cash equivalent securities with a maturity of one (1) year or less.

¹ Added 5/21/08.

- d. Alternative Investments, Including managed futures, hedge funds, venture capital, real estate, and private equity¹

The total allocation to this class is limited under the “Small Plan-Basket Clause” provision (Section 38.1140d) of Michigan Public Act 314 of 1965, as amended.

C. Prohibited Transactions

- 1. Prohibited transactions as defined in Michigan Public Act 314 of 1965, as amended, City ordinances and the City Charter.²

D. Rule Applicable in the Event of Conflict among Investment Policies and P.A. 314 of 1965, as amended³

The investment policy shall include all the investment guidelines and restrictions as set forth in Public Act 314 of 1965, as amended. In the event of conflict among the investment policy and Public Act 314 of 1965, as amended, the most restrictive rule applicable to the particular issue will control.

¹ Revised 10/27/10, 9/13/13.

² Revised 10/27/10.

³Added 9/13/13.

V. PERFORMANCE STANDARDS

- A. Equity Investment Manager.¹ An equity investment manager is responsible for asset classes EQUITIES, CASH EQUIVALENTS and ALTERNATIVE INVESTMENTS, INCLUDING MANAGED FUTURES, HEDGE FUNDS, VENTURE CAPITAL, REAL ESTATE AND PRIVATE EQUITY as noted in Section IV. Each equity manager is expected to achieve, on average, a targeted total rate of return derived accordingly:
1. RELATIVE GOAL - Over a market cycle, currently defined as 5-8 years, the equity fund should earn a total return equal to or in excess of the manager's determined benchmark.
- B. Fixed-Income Investment Manager.² A fixed-income investment manager is responsible for asset classes FIXED INCOME, AND CASH EQUIVALENTS as noted in Section IV. Each fixed-income investment manager is expected to achieve, on average, a targeted total rate of return derived accordingly:
1. RELATIVE GOAL – Over a market cycle, currently defined as 5-8 years, the fixed income fund must earn a total return (net of investment management fees) in excess of the Barclays Capital Government/Credit Index and/or the Barclays Capital Aggregate Bond Index.
- C. In addition, each asset class will be separately compared to its respective index (i.e., equities vs. the Standard and Poor's 500 Index and other equity indices and fixed-income vs. the Barclays Capital Government/Credit Index and/or the Barclays Capital³ Aggregate Index).

VI. EVALUATION AND REVIEW

- A. On a timely basis, but not less than annually, the Trustees will review actual results achieved (with a perspective toward a three to five-year time horizon), to determine whether:
1. The investment manager(s) performed in adherence with the investment philosophy and policy guidelines set forth herein,
 2. Asset allocation and individual security selections were reasonable.
 3. The investment manager(s) performed in a manner consistent with its outlook, and
 4. The investment manager(s) performed satisfactorily when compared with:
 - a. Established objectives.
 - b. Other investment management organizations managing similar funds, as well as recognized market indices.

¹ Revised 9/21/01, 9/13/13.

² Revised 3/12/04, 9/13/13.

If the Retirement Board Trustees are not satisfied with the performance of the Investment Manager(s), they may take corrective action as outlined in Section II.

VII. VALIDITY¹

If any provision, section, paragraph, sentence, clause, or phrase of this investment policy is for any reason found to be invalid or inoperative or shall be held by any court to be unconstitutional, the remainder of the provisions of this policy shall nevertheless continue in full force and effect.

¹Section added 9/13/13.

CITY OF BIRMINGHAM, MICHIGAN
4TH QUARTER, 2021

QUARTERLY REVIEW

CAPTRUST

3000 Town Center Boulevard, Suite 2650, Southfield, MI, 48075
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Our mission is to enrich the lives of our clients, colleagues and communities through sound financial advice, integrity, and a commitment to service beyond expectation.



City of Birmingham Employees Retirement System

4th Quarter, 2021 Quarterly Review

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Section 1

MARKET COMMENTARY AND REVIEW

Section 2

EXECUTIVE SUMMARY

Section 3

DUE DILIGENCE

Section 4

MANAGER FACT SHEETS

Appendix



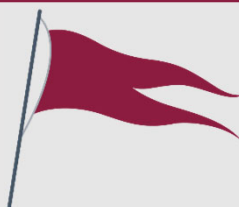
ECONOMIC OUTLOOK

Markets in 2021 were propelled by a strong but bumpy reacceleration of economic activity. Although fundamentals remain in place for continued, albeit moderating, growth, investors continue to weigh a range of risks that will shape the markets' next phase.

HEADWINDS

Variants Raise Specter of Winter Surge

- New virus variants continue to rattle markets. Omicron represents an uncertain threat given reports of high transmissibility. However, given its milder symptoms, this could also mark the beginning of COVID-19's transition from pandemic to endemic.



As Inflation Fears Mount...

- The November Consumer Price Index (CPI) reached a 40-year high level of 6.8%. Although skewed by outliers in categories such as energy and transportation, robust demand, supply constraints, and rising wages and housing costs suggest more persistent inflationary pressures may be ahead.

...Central Bank Hawks Kettle

- The Federal Reserve has joined other global central banks in emphasizing inflation risks in statements on future policy. In December, it doubled the pace of tapering its asset purchases, paving the way for rate hikes in 2022.
- The pace of tightening will be driven by how sticky inflation is relative to virus threats and labor conditions. This raises the risks of policy error if the Fed acts too soon—or waits too long.

TAILWINDS

Buying Power

- The consumer is the engine of the global economy, and U.S. household balance sheets are uncommonly strong following several years of asset price gains, lower costs, and stimulus checks. The result is trillions of dollars in excess savings that will buoy demand into 2022.



Strong Fundamentals

- Corporate profit margins exploded in 2021 as pandemic-driven cost-containment measures met a surge of pent-up demand, resulting in an estimated 45% pop in S&P 500 earnings—far in excess of the 5% average growth seen over the past decade.
- Even as earnings growth returns to earth and input costs rise, easing supply chains and an extended inventory restocking cycle bode well for continued above-trend earnings growth.

Tight Labor Markets Push Wages Higher

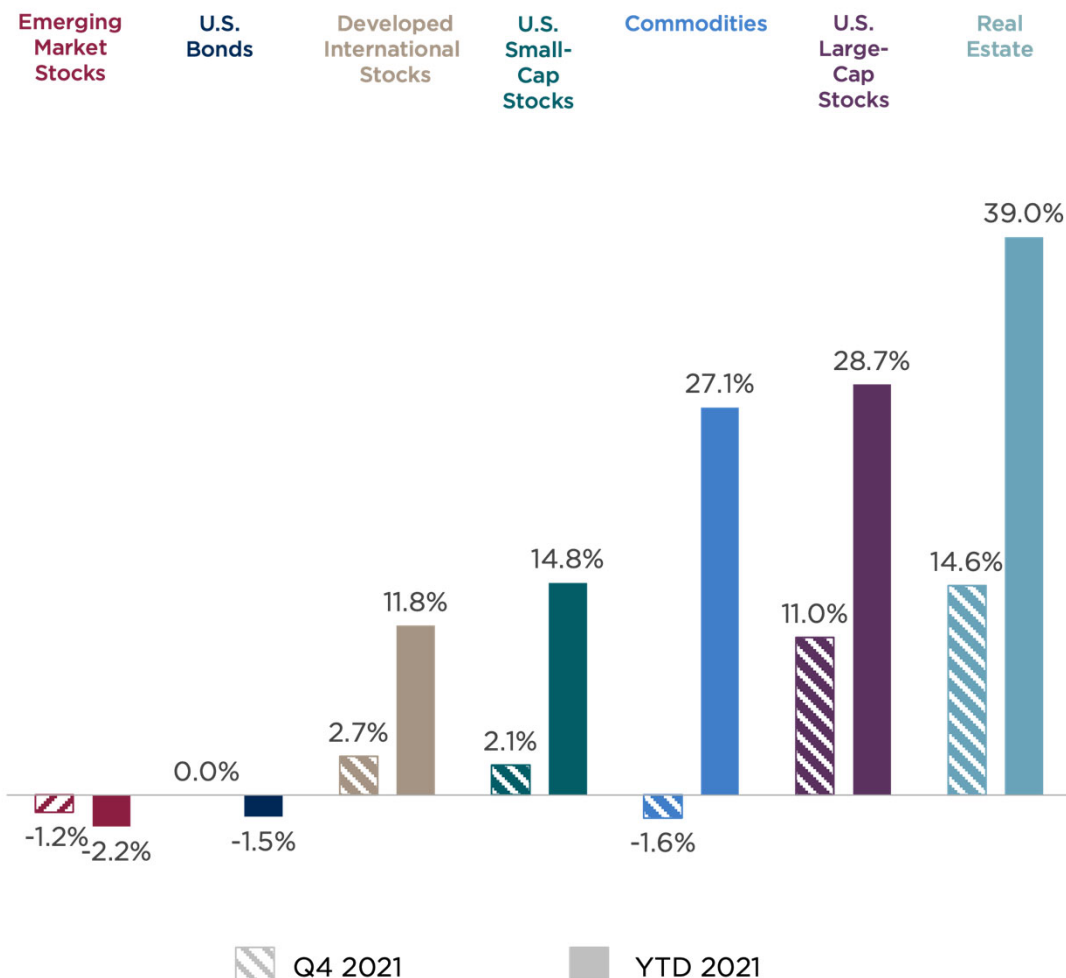
- Rising wages will help fill the gap left by the winding down of government stimulus, particularly as inflation pressure falls. A combination of higher pay, pandemic progress, and fewer childcare constraints could entice workers sidelined by the pandemic back to the workplace.

Following a third year of outsized equity returns, investors should not be complacent. Although fundamentals remain strong, the global economy now faces a risky transition as exceptional stimulus fades into a tighter policy environment even as virus risks remain.

CHOPPY QUARTER CAPS STELLAR YEAR FOR U.S. STOCKS

Despite bouts of volatility fueled by virus and policy uncertainty, supply chain woes, and inflation worries, most asset classes posted solid returns in 2021, led by economically sensitive sectors that benefitted from reopening trends. Emerging markets stocks were roiled by China policy and growth concerns, and core bonds moved sideways as bond yields ticked modestly higher.

- U.S. large-cap stocks delivered solid returns for the quarter and finished 2021 with a gain of nearly 29% for a third consecutive year of outsized returns. Small-cap stocks lagged their large-cap peers but still posted double-digit returns.
- International developed market stocks also posted healthy returns for the year, even as China risks cast a dark cloud over emerging markets.
- Fueled by a rebound in oil prices, commodities advanced by more than 27% for the year despite a fourth-quarter pullback amid rapid spread of the omicron variant.
- Public real estate added to gains in the fourth quarter despite continued virus concerns, following steady advances over the course of the year.
- Core bonds treaded water in the fourth quarter (and the full year), as bond yields shrugged off inflation concerns with only a modest uptick.



Asset class returns are represented by the following indexes: Bloomberg Barclays U.S. Aggregate Bond Index (U.S. bonds), S&P 500 Index (U.S. large-cap stocks), Russell 2000® (U.S. small-cap stocks), MSCI EAFE Index (international developed market stocks), MSCI Emerging Market Index (emerging market stocks), Dow Jones U.S. Real Estate Index (real estate), and Bloomberg Commodity Index (commodities).

DIGGING DEEPER: STOCKS AND BONDS

Equities

	Q4 2021	YTD 2021	Last 12 Months
U.S. Stocks	11.0%	28.7%	28.7%
• Q4 Best Sector: Real Estate	17.5%	46.1%	46.1%
• Q4 Worst Sector: Communication Service	0.0%	21.6%	21.6%
International Stocks	2.7%	11.8%	11.8%
Emerging Market Stocks	-1.2%	-2.2%	-2.2%

Fixed Income

	12.31.2021	09.30.21	12.30.20
1-Year U.S. Treasury Yield	0.39%	0.09%	0.10%
10-Year U.S. Treasury Yield	1.52%	1.52%	0.93%
	QTD 2021	YTD 2021	Last 12 Months
10-Year U.S. Treasury Total Return	0.67%	-3.60%	-3.60%

Equities – Relative Performance by Market Capitalization and Style

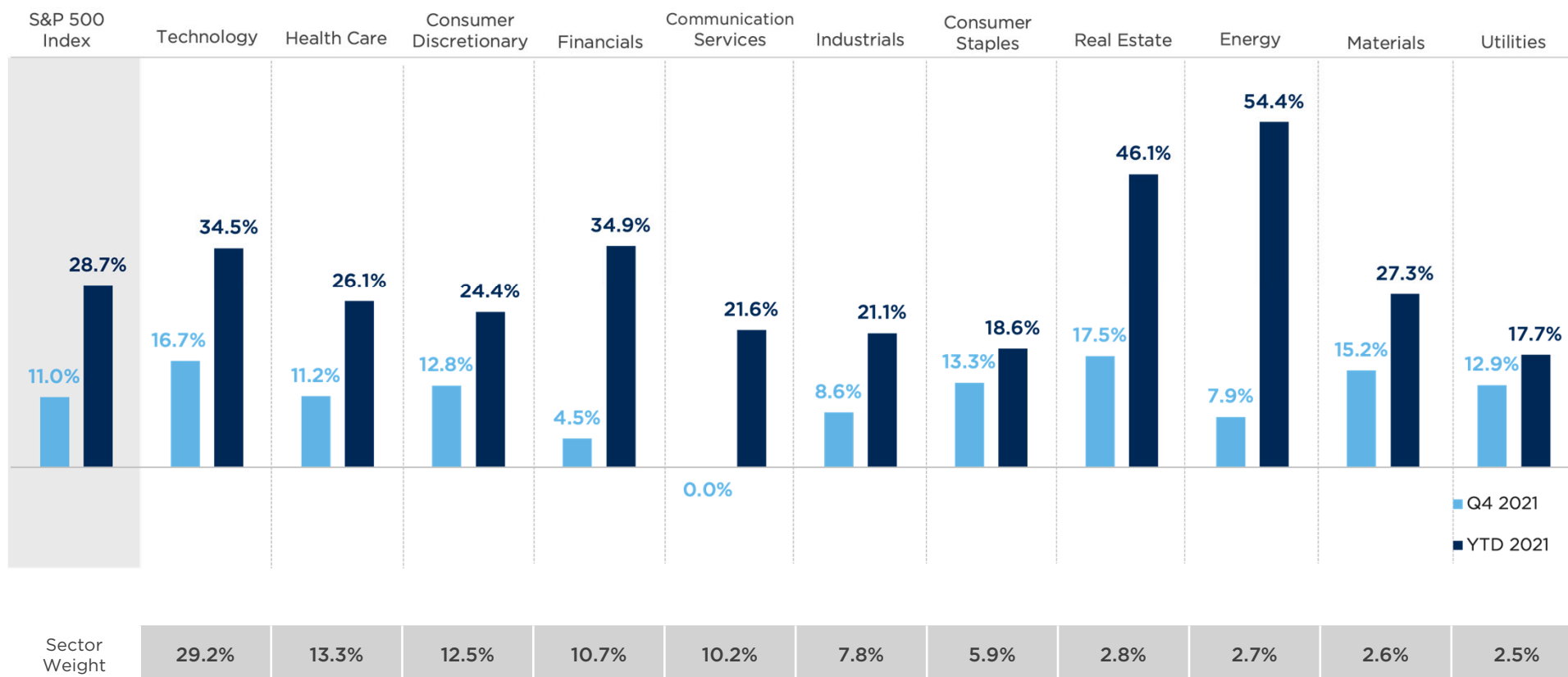
Q4 2021				YTD 2021				Last 12 Months			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	7.8%	11.0%	11.6%	Large	25.2%	28.7%	27.6%	Large	25.2%	28.7%	27.6%
Mid	8.5%	6.4%	2.8%	Mid	28.3%	22.6%	12.7%	Mid	28.3%	22.6%	12.7%
Small	4.4%	2.1%	0.0%	Small	28.3%	14.8%	2.8%	Small	28.3%	14.8%	2.8%

Sources: Bloomberg, U.S. Treasury. Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international developed market stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell US Style Indexes except for large-cap blend, which is based upon the S&P 500 Index.

DIGGING DEEPER: U.S. EQUITY MARKETS

The S&P 500 Index is a market-capitalization-weighted index of U.S. large-cap stocks across a diverse set of industry sectors. The stocks represented in these 11 sectors generated a range of returns for the last 12 months and the most recent quarter.

Returns by S&P 500 Sector



Source: Bloomberg. All calculations are cumulative total return, not annualized, including dividends for the stated period. Past performance is not indicative of future returns.

DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Months	2 Years	5 Years	10 Years	30 Years	Mortgage Rate
September 2021	0.04%	0.28%	0.98%	1.52%	2.08%	3.18%
December 2021	0.06%	0.73%	1.26%	1.52%	1.90%	3.27%
Change	0.02%	0.45%	0.28%	0.00%	-0.18%	0.09%

U.S. Treasury yields noticeably increased in the fourth quarter at the shorter end of the yield curve, reflecting increased rate hike expectations. Mortgage rates continued trending upward in the latter half of 2021, although borrowing costs for housing remain at historically low levels.

Bloomberg Barclays U.S. Aggregate Bond Index	Yield to Worst	Duration	Total Return Q4 2021	Spread	Treasury Rate	AA Spread	BBB Spread
September 2021	1.56%	6.71	0.01%	0.33%	1.23%	0.48%	1.06%
December 2021	1.75%	6.78		0.36%	1.39%	0.53%	1.15%
Change	0.19%	0.07		0.03%	0.16%	0.05%	0.09%

Core fixed income total return was negative for a calendar year—down 1.54%—for first time since 2013. Credit spreads remain tight with a strong economic backdrop as investors continue to yearn for yield.

Bloomberg Barclays U.S. Long Credit Index	Yield to Worst	Duration	Total Return Q4 2021	Spread	Treasury Rate	AA Spread	BBB Spread
September 2021	3.13%	15.11	1.52%	1.23%	1.91%	0.84%	1.49%
December 2021	3.10%	15.01		1.30%	1.80%	0.91%	1.55%
Change	-0.04%	-0.10		0.07%	-0.11%	0.07%	0.07%

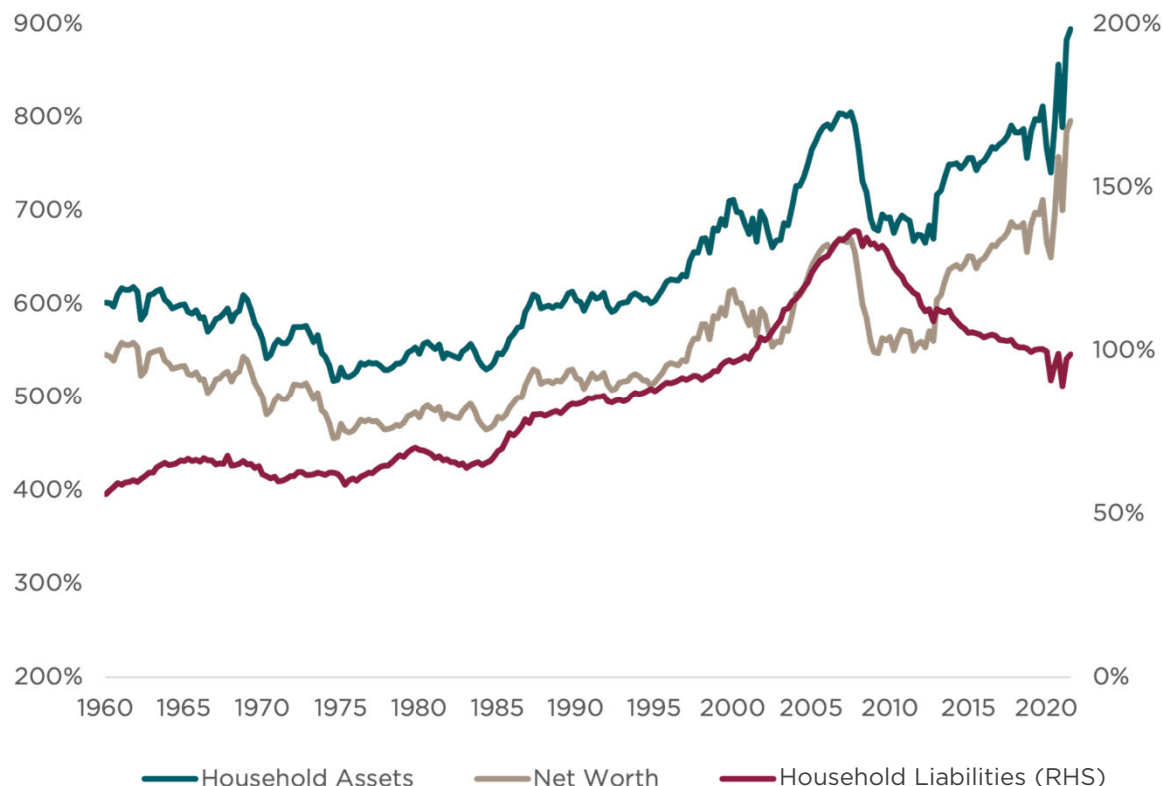
Long credit demonstrated solid performance in the fourth quarter but still was negative for 2021 due to rising interest rates. Typically, corporate bonds' yield advantage mitigates the impact of rising rates, but tight credit spreads subdued this effect.

Sources: Bloomberg, U.S. Treasury, CAPTRUST Research

HOUSEHOLD WEALTH SURGE SUSTAINS GROWTH

Despite the personal and economic trauma caused by the COVID-19 pandemic, U.S. household wealth swelled by nearly \$30 trillion since the end of 2019 through the combination of massive fiscal support and stimulus programs and surging asset prices. Although the direct impacts of fiscal stimulus are now fading, solid wage growth will provide further support to household balance sheets in 2022 and beyond.

Household Assets, Liabilities, and Net Worth
(as a % of Disposable Income)



OBSERVATIONS

- Consumer balance sheets have never been stronger. Household wealth surged over the past two years, propelled by financial and real estate asset prices and elevated savings rates.
- Importantly, wealth gains have been spread across income bands, given the significant impact of stimulus checks, extended unemployment benefits, and rising wages.
- Although the post-pandemic surge in pent-up demand for goods may be behind us, higher levels of U.S. household wealth and income will continue to provide significant support to the economy.
- Shrinking loan balances represent another reservoir of future spending power as households have steadily de-levered following the global financial crisis.

Sources: U.S. Federal Reserve, U.S. Bureau of Economic Analysis, Federal Reserve Bank of St. Louis

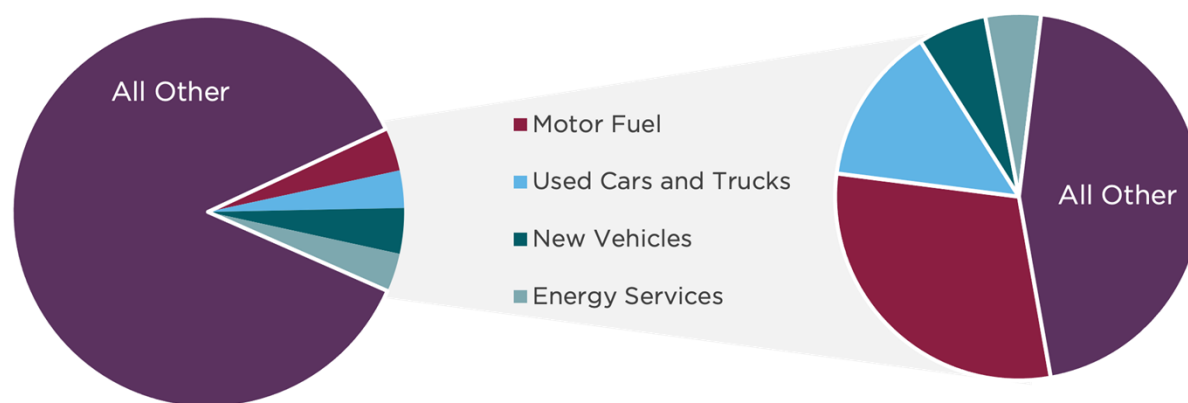
INFLATION: LOOKING PAST THE HEADLINES

The Consumer Price Index (CPI) posted a shocking 6.8% year-over-year change in November, the highest reading since 1982, quickly prompting a pivot by the Federal Reserve as it begins to tighten policy. However, a closer look at the latest CPI reading reveals that price pressures remain uneven, largely isolated within categories most disrupted by the pandemic.

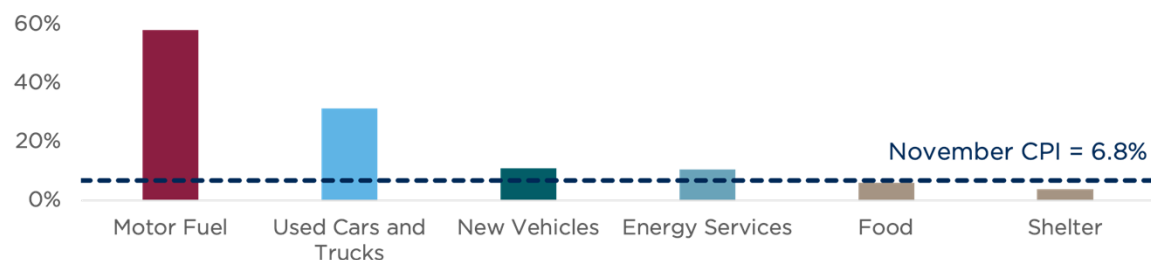
November CPI by Category

Categories representing 14% of CPI weight...

...drove 55% of the CPI increase



Consumer Price Index - November 2021
Year-over-Year Change (in %)



OBSERVATIONS

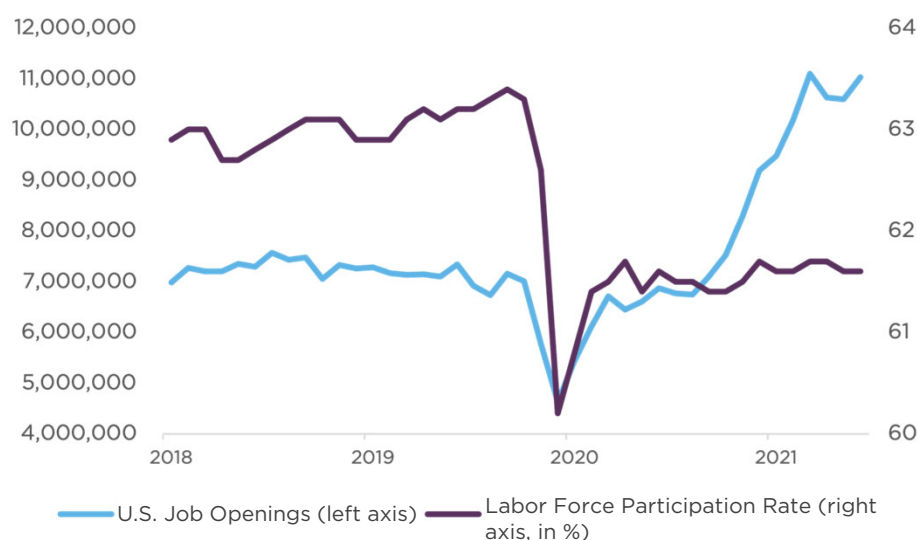
- A subset of categories tightly linked to the economic reopening—such as fuel and energy—along with categories most affected by supply chain problems (such as autos) has driven most of the inflation pressure this year.
- Despite alarming levels of headline inflation, market-based measures remain more sanguine. Treasury yields have barely budged, and the 10-year breakeven rate—the average level of inflation expected by investors over the next decade—remains well below 3%.
- A key aspect of whether inflation is temporary or a stickier, 1970s-style problem is how it alters consumer behaviors. So far, consumers appear unfazed.
- A recent survey suggests consumers expect inflation to settle at 3% over the next five years, even given the historical tendency of such surveys to overestimate inflation's future path.

Sources: U.S. Bureau of Labor Statistics, Bloomberg, CAPTRUST Research

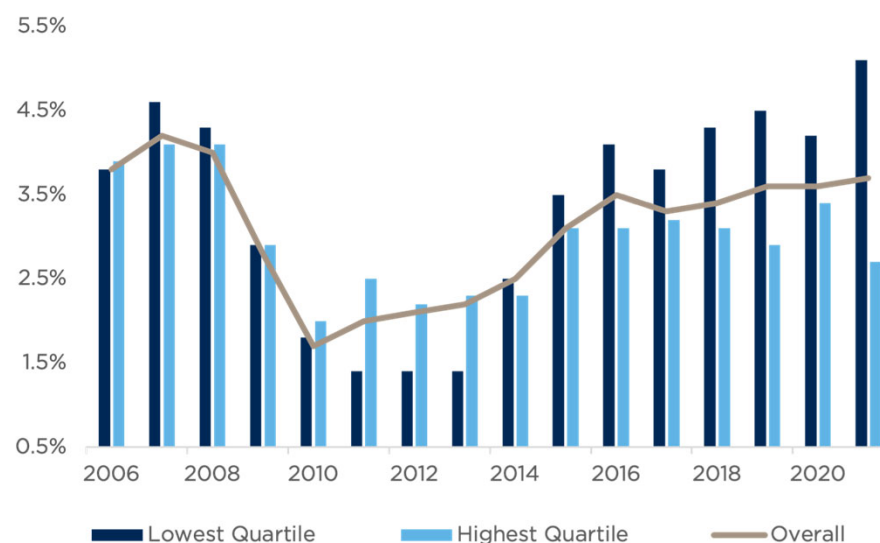
TIGHT LABOR MARKET DRIVES WAGES HIGHER

In 2021, economic challenges were largely driven by supply constraints. Soaring demand for goods and stressed supply chains have contributed to delays, bottlenecks, and rising prices. The same forces are now at work within labor markets as the economy continues to add jobs—but not the workers to fill them. The result is rapidly rising wages, particularly for lower-wage service sector jobs.

Job Openings and Job Seekers



Wage Growth by Income Quartile



OBSERVATIONS

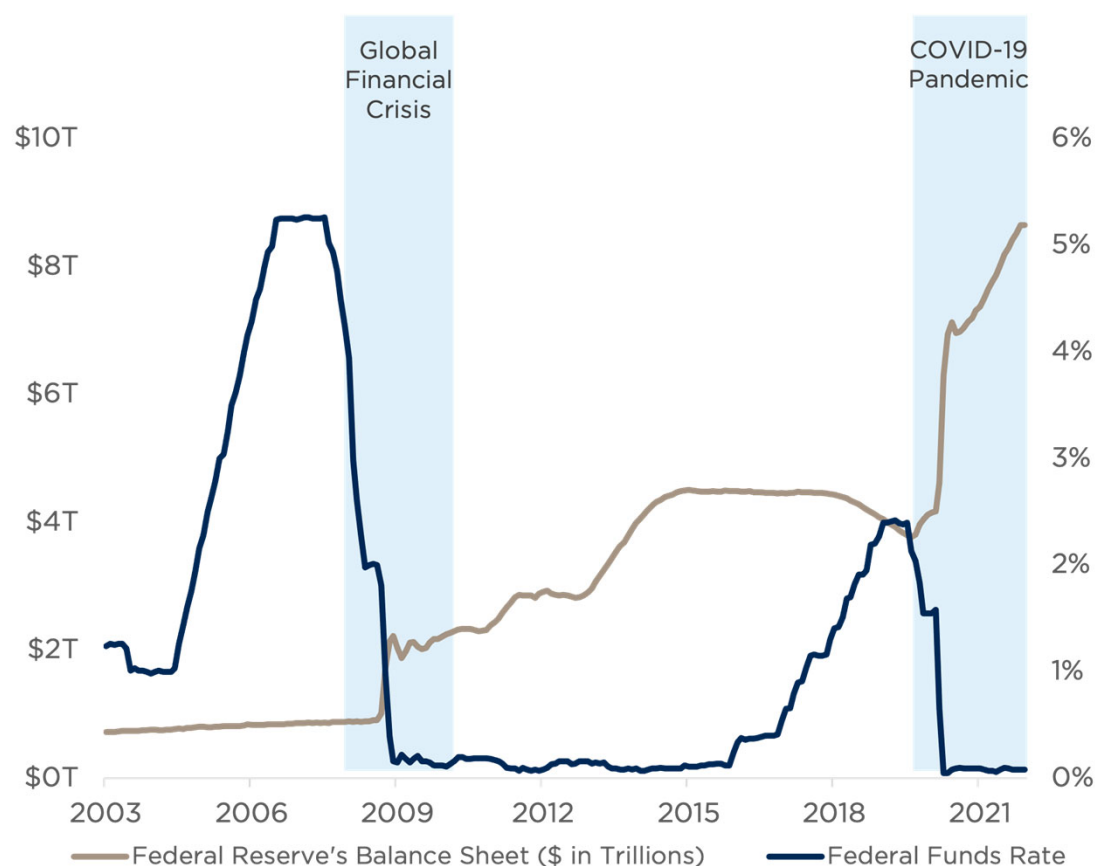
- As U.S. gross domestic product returned to pre-pandemic levels, job creation has been strong, resulting in more than 10 million open positions. However, total employment continues well below its pre-pandemic peak as labor force participation remains stubbornly low.
- Reasons for this shortfall are many and complex, including accelerated retirements made possible by strong investment returns, health fears, and childcare concerns, not to mention elevated personal savings, stimulus checks, and enhanced unemployment benefits.
- Many workers will eventually be compelled to return to work. But if they don't return soon enough, an already-tight labor market could get even tighter, adding to inflation concerns and threatening corporate profit margins under pressure from rising input costs.

Sources: Bloomberg, Bureau of Labor Statistics, Federal Reserve Bank of Atlanta

TALKING ABOUT TAPERING AND TIGHTENING

In December, the U.S. Federal Reserve abruptly shifted its tone from one of patience while the labor market fully recovers to heightened wariness of inflation pressures. Given the outsized influence of monetary policy on asset prices and growth conditions, investors are wise to pay close attention to the Fed's comments and actions. Shifting gears on policy priorities also creates heightened risk of a policy error, if the Fed either tightens too soon and too fast or waits too long.

Federal Reserve Balance Sheet and Fed Funds Rate



OBSERVATIONS

- To accomplish its dual mandate of maintaining maximum employment and price stability, the Fed relies on two primary tools: changes to the fed funds rate and the size and composition of its balance sheet.
- Less traditional tools, such as credit and liquidity facilities, are also available in times of stress.
- After slashing its discount rate to zero at the onset of the COVID-19 crisis, the Fed returned to its crisis playbook and began gobbling up Treasury and mortgage bonds at a \$120 billion per month clip to lower financing costs, loosen financial conditions, and spur demand.
- Now, with the economy expanding at a faster-than-expected rate and inflation fears rising, the Fed announced a swifter conclusion to this program. Its planned \$30 billion/month taper is a much faster pace than following the global financial crisis and paves the way for rate hikes next year if inflation concerns persist.

Sources: St. Louis Federal Reserve Bank; CAPTRUST Research

ASSET CLASS RETURNS

Period Ending 12.31.21 | Q4 21

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fixed Income 5.08%	Mid-Cap Growth 46.29%	Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%
Cash 1.51%	Large-Cap Growth 37.21%	Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	International Equities 25.62%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%
Small-Cap Value -28.92%	Small-Cap Growth 34.47%	Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	Mid-Cap Growth 25.27%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%
Large-Cap Value -36.85%	Mid-Cap Value 34.21%	Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 8.28%	Large-Cap Value 25.16%
Mid-Cap Value -38.44%	International Equities 32.46%	Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%
Large-Cap Growth -38.44%	Small-Cap Value 20.58%	Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.66%	Mid-Cap Value 4.96%	International Equities 11.78%
Small-Cap Growth -38.54%	Large-Cap Value 19.69%	International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%
International Equities -43.06%	Fixed Income 5.24%	Fixed Income 5.89%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%
Mid-Cap Growth -44.32%	Cash 0.21%	Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.36%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%

Small-Cap Value Stocks (Russell 2000 Value)	Large-Cap Value Stocks (Russell 1000 Value)	International Equities (MSCI EAFE)
Small-Cap Growth Stocks (Russell 2000 Growth)	Mid-Cap Growth Stocks (Russell Mid-Cap Growth)	Fixed Income (Bloomberg Barclays U.S. Aggregate Bond)
Large-Cap Growth Stocks (Russell 1000 Growth)	Mid-Cap Value Stocks (Russell Mid-Cap Value)	Cash (Merrill Lynch 3-Month Treasury Bill)

Source: Markov Processes, Inc., Bloomberg, Mobius

The information contained in this report is from sources believed to be reliable but is not warranted by CAPTRUST to be accurate or complete.



INDEX PERFORMANCE

Period Ending 12.31.21 | Q4 21

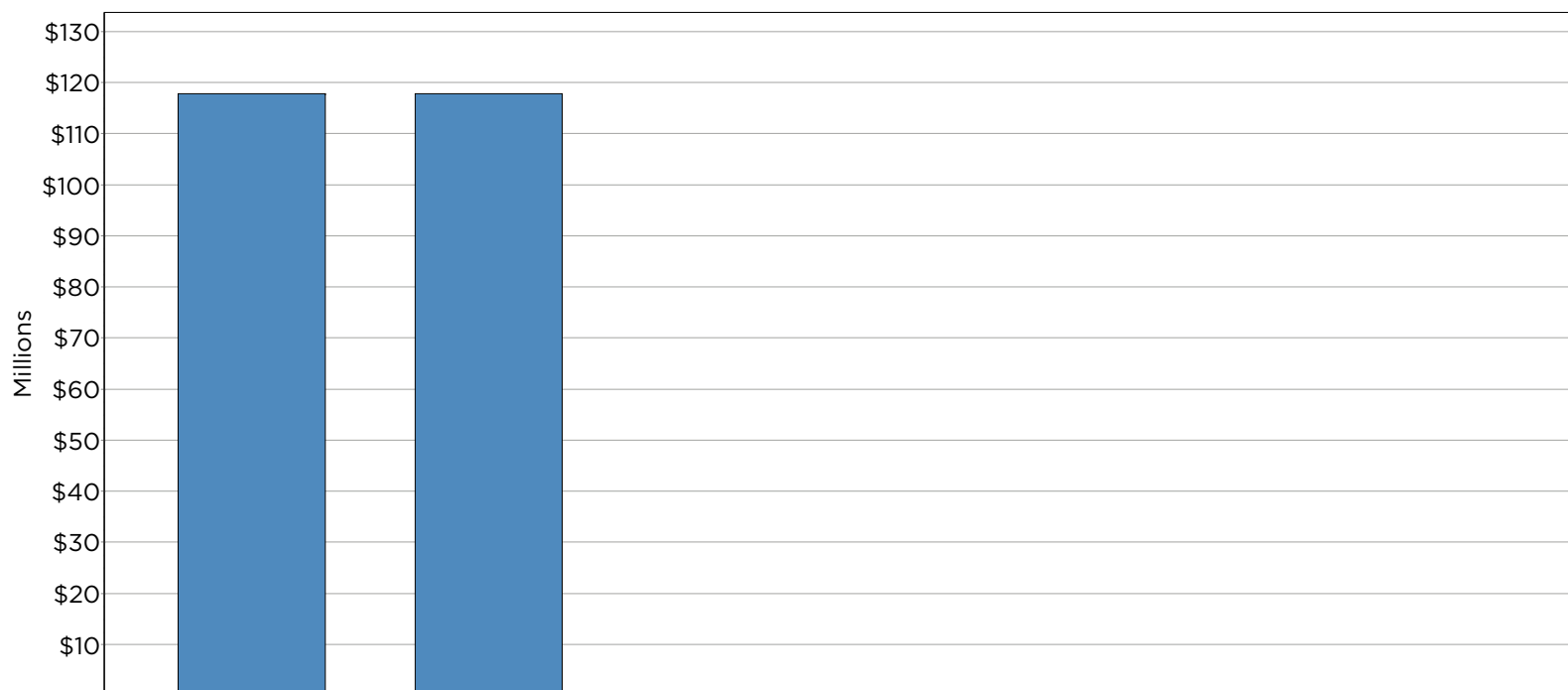
INDEXES	Q4 2021	YTD	2020	2019	2018	2017	2016	1 YEAR	3 YEARS	5 YEARS	10 YEARS
90-Day U.S. Treasury	0.01%	0.05%	0.67%	2.28%	1.87%	0.86%	0.33%	0.05%	0.99%	1.14%	0.63%
Bloomberg Barclays Government 1-3 Year	-0.58%	-0.60%	3.14%	3.59%	1.58%	0.45%	0.87%	-0.60%	2.03%	1.62%	1.10%
Bloomberg Barclays Intermediate Govt	-0.58%	-1.69%	5.73%	5.20%	1.43%	1.14%	1.05%	-1.69%	3.02%	2.32%	1.68%
Bloomberg Barclays Muni Bond	0.72%	1.52%	5.21%	7.54%	1.28%	5.45%	0.25%	1.52%	4.72%	4.17%	3.72%
Bloomberg Barclays Intermediate Govt/Credit	-0.57%	-1.44%	6.43%	6.80%	0.88%	2.14%	2.08%	-1.44%	3.86%	2.91%	2.38%
Bloomberg Barclays Intermediate Credit	-0.55%	-1.03%	7.08%	9.52%	0.01%	3.67%	3.68%	-1.03%	5.09%	3.77%	3.53%
Bloomberg Barclays Aggregate Bond	0.01%	-1.54%	7.51%	8.72%	0.01%	3.54%	2.65%	-1.54%	4.79%	3.57%	2.90%
Bloomberg Barclays Corporate IG Bond	0.23%	-1.04%	9.89%	14.54%	-2.51%	6.42%	6.11%	-1.04%	7.59%	5.26%	4.69%
Bloomberg Barclays High Yield	0.71%	5.28%	7.11%	14.32%	-2.08%	7.50%	17.13%	5.28%	8.83%	6.29%	6.82%
Bloomberg Barclays Global Aggregate	-0.67%	-4.71%	9.20%	6.84%	-1.20%	7.39%	2.09%	-4.71%	3.59%	3.36%	1.77%
Bloomberg Barclays U.S. Long Corporate	1.47%	-1.13%	13.94%	23.89%	-7.24%	12.09%	10.97%	-1.13%	11.75%	7.73%	6.54%
S&P 500	11.03%	28.71%	18.40%	31.49%	-4.38%	21.83%	11.96%	28.71%	26.06%	18.46%	16.54%
Dow Jones Industrial Average	7.87%	20.95%	9.72%	25.34%	-3.48%	28.11%	16.50%	20.95%	18.48%	15.51%	14.20%
NASDAQ Composite	8.28%	21.39%	43.64%	35.23%	-3.88%	28.24%	7.50%	21.39%	33.09%	23.77%	19.62%
Russell 1000 Value	7.77%	25.16%	2.80%	26.54%	-8.27%	13.66%	17.34%	25.16%	17.64%	11.16%	12.96%
Russell 1000	9.78%	26.45%	20.96%	31.43%	-4.78%	21.69%	12.05%	26.45%	26.20%	18.41%	16.53%
Russell 1000 Growth	11.64%	27.60%	38.49%	36.39%	-1.51%	30.21%	7.08%	27.60%	34.07%	25.30%	19.77%
Russell Mid-Cap Value Index	8.54%	28.34%	4.96%	27.06%	-12.29%	13.34%	20.00%	28.34%	19.62%	11.21%	13.43%
Russell Mid-Cap Index	6.44%	22.58%	17.10%	30.54%	-9.06%	18.52%	13.80%	22.58%	23.28%	15.09%	14.89%
Russell Mid-Cap Growth Index	2.85%	12.73%	35.59%	35.47%	-4.75%	25.27%	7.33%	12.73%	27.45%	19.82%	16.61%
MSCI EAFE	2.74%	11.78%	8.28%	22.66%	-13.36%	25.62%	1.51%	11.78%	14.07%	10.06%	8.53%
MSCI ACWI ex U.S.	1.88%	8.29%	11.13%	22.13%	-13.78%	27.77%	5.01%	8.29%	13.69%	10.11%	7.77%
Russell 2000 Value	4.36%	28.27%	4.63%	22.39%	-12.86%	7.84%	31.74%	28.27%	17.99%	9.06%	12.02%
Russell 2000	2.14%	14.82%	19.96%	25.52%	-11.01%	14.65%	21.31%	14.82%	20.02%	12.01%	13.22%
Russell 2000 Growth	0.01%	2.83%	34.63%	28.48%	-9.31%	22.17%	11.32%	2.83%	21.16%	14.52%	14.12%
MSCI Emerging Markets	-1.24%	-2.22%	18.69%	18.90%	-14.25%	37.75%	11.60%	-2.22%	11.32%	10.26%	5.86%
Dow Jones U.S. Real Estate Index	14.58%	38.99%	-5.29%	28.92%	-4.03%	9.84%	7.56%	38.99%	19.27%	12.33%	11.70%
HFRX Absolute Return Index	0.27%	2.10%	2.72%	4.37%	-0.49%	3.39%	0.31%	2.10%	3.06%	2.40%	2.04%
Consumer Price Index (Inflation)	7.12%	2.21%	1.30%	2.26%	1.92%	2.10%	2.05%	7.12%	3.53%	2.92%	2.12%
BLENDED BENCHMARKS	Q4 2021	YTD	2020	2019	2018	2017	2016	1 YEAR	3 YEARS	5 YEARS	10 YEARS
25% S&P 500/5% MSCI EAFE/70% BB Agg	2.87%	6.13%	10.87%	14.96%	-1.55%	8.93%	5.00%	6.13%	10.59%	7.72%	6.66%
30% S&P 500/10% MSCI EAFE/60% BB Agg	3.56%	8.27%	11.56%	16.79%	-2.44%	10.90%	5.43%	8.27%	12.15%	8.83%	7.65%
35% S&P 500/15% MSCI EAFE/50% BB Agg	4.25%	10.44%	12.18%	18.63%	-3.34%	12.90%	5.85%	10.44%	13.70%	9.91%	8.63%
40% S&P 500/20% MSCI EAFE/40% BB Agg	4.94%	12.64%	12.75%	20.48%	-4.25%	14.93%	6.26%	12.64%	15.23%	10.99%	9.60%
45% S&P 500/25% MSCI EAFE/30% BB Agg	5.63%	14.87%	13.25%	22.33%	-5.17%	16.99%	6.65%	14.87%	16.75%	12.04%	10.56%
60% S&P 500/40% Bloomberg Barclays Agg	6.57%	15.86%	14.73%	22.18%	-2.35%	14.21%	8.31%	15.86%	17.54%	12.62%	11.14%

Sources: Morningstar Direct, MPI. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or to participate in any investment strategy. The performance data quoted represents past performance and does not guarantee future results. Index averages are provided for comparison purposes only. The information and statistics in this report are from sources believed to be reliable but are not guaranteed to be accurate or complete. CAPTRUST is an investment adviser registered under the Investment Advisers Act of 1940.





MARKET VALUES AND CASH FLOW SUMMARY



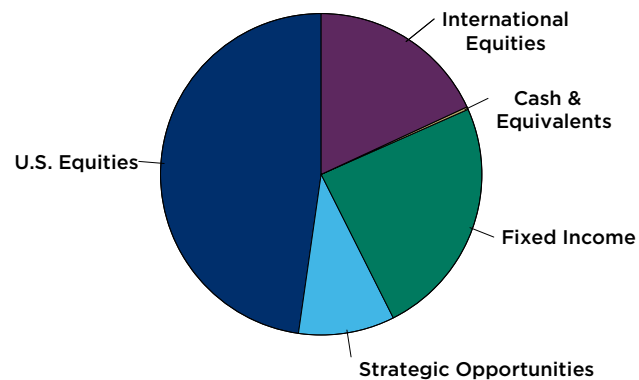
	Current Qtr	2021 YTD	2020	2019	2018	2017
Total Mkt Value Assets	\$117,861,435.14	\$117,861,435.14	N/A	N/A	N/A	N/A
Net Contributions	(\$927,466.36)	(\$927,466.36)	N/A	N/A	N/A	N/A
Net Investment Return	\$118,788,901.50	\$118,788,901.50	N/A	N/A	N/A	N/A

ASSET ALLOCATION SUMMARY

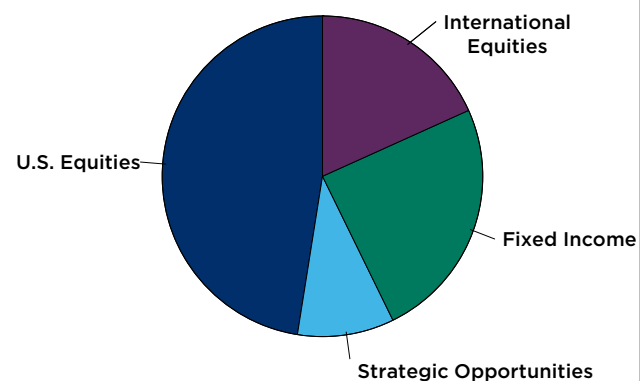
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City of Birmingham Employees Retirement System

ACTUAL ALLOCATION



TARGET ALLOCATION



HISTORIC ALLOCATION TREND



12/2021-12/2021

	0.03%
	24.24%
	47.77%
	18.28%
	9.68%

ASSET REBALANCING ANALYSIS

Asset Class	Actual Allocation	Target Allocation	(+/-) Variance
Cash & Equivalents	0.03%	0.00%	0.03%
Fixed Income	24.24%	24.50%	-0.26%
U.S. Equities	47.77%	47.50%	0.27%
International Equities	18.28%	18.25%	0.03%
Strategic Opportunities	9.68%	9.75%	-0.07%

ASSET ALLOCATION DETAIL

Period Ending 12.31.21 | Q4 21

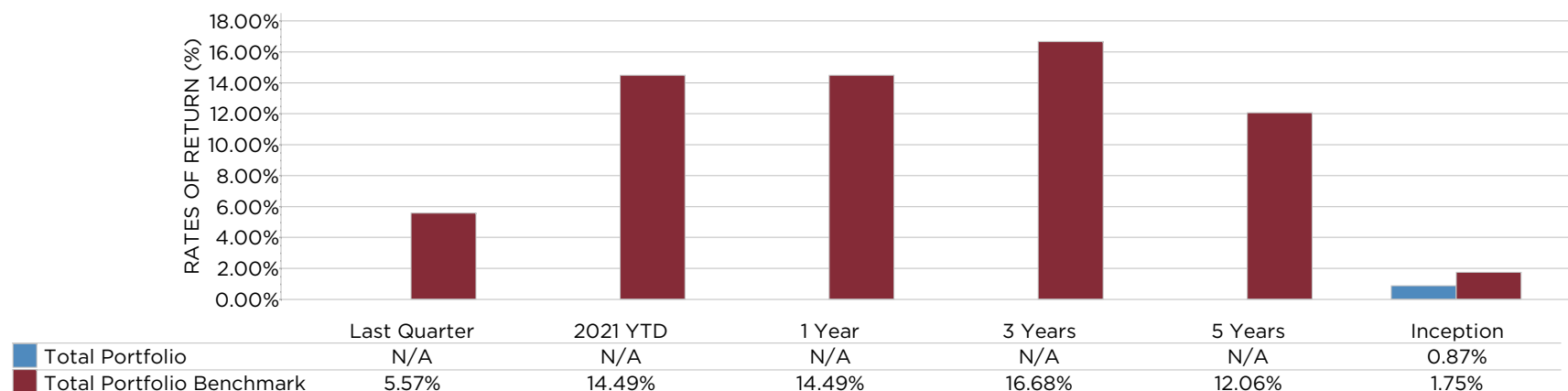
City of Birmingham Employees Retirement System

MANAGER NAME	- MARKET VALUE -			TOTAL	TARGET	ACTUAL	VARIANCE
	CASH	INVESTED	% CASH				
Cash & Equivalents	38,073.17	0.00	100.00 %	38,073.17		0.03 %	
TOTAL CASH & EQUIVALENTS	38,073.17	0.00	100.00 %	38,073.17	0.00 %	0.03 %	0.03 %
BlackRock Total Return K	0.00	14,217,051.16	0.00 %	14,217,051.16		12.06 %	
CS McKee LP	0.00	3,709.48	0.00 %	3,709.48		0.00 %	
Ducenta Squared Asset Managment	0.00	158,960.71	0.00 %	158,960.71		0.13 %	
Metropolitan West Total Return Bd I	0.00	14,188,045.75	0.00 %	14,188,045.75		12.04 %	
TOTAL FIXED INCOME	0.00	28,567,767.10	0.00 %	28,567,767.10	24.50 %	24.24 %	-0.26 %
Allspring Special Small Cap Value R6	0.00	2,695,219.92	0.00 %	2,695,219.92		2.29 %	
BlackRock Mid Cap Growth Equity K	0.00	6,707,725.40	0.00 %	6,707,725.40		5.69 %	
Fidelity 500 Index	0.00	37,339,065.92	0.00 %	37,339,065.92		31.68 %	
Gabelli Asset Managment Advisory Account	0.00	19,606.40	0.00 %	19,606.40		0.02 %	
MFS Mid Cap Value R6	0.00	6,969,943.39	0.00 %	6,969,943.39		5.91 %	
Principal Small Cap Growth Fund R6	0.00	2,569,511.94	0.00 %	2,569,511.94		2.18 %	
TOTAL U.S. EQUITIES	0.00	56,301,072.97	0.00 %	56,301,072.97	47.50 %	47.77 %	0.27 %
Amer Funds EuroPac Growth R6	0.00	8,416,381.02	0.00 %	8,416,381.02		7.14 %	
Driehaus Emerging Markets Growth	0.00	4,441,543.99	0.00 %	4,441,543.99		3.77 %	
Hartford International Opps R6	0.00	8,688,321.85	0.00 %	8,688,321.85		7.37 %	
TOTAL INTERNATIONAL EQUITIES	0.00	21,546,246.86	0.00 %	21,546,246.86	18.25 %	18.28 %	0.03 %
Graham Absolute Return CL	0.00	3,735,420.66	0.00 %	3,735,420.66		3.17 %	
Starwood Property Trust Inc. REIT	0.00	3,644,851.64	0.00 %	3,644,851.64		3.09 %	
WhiteBox Multi-Strategy Fund LP	0.00	4,028,002.74	0.00 %	4,028,002.74		3.42 %	
TOTAL STRATEGIC OPPORTUNITIES	0.00	11,408,275.04	0.00 %	11,408,275.04	9.75 %	9.68 %	-0.07 %
TOTAL PORTFOLIO	38,073.17	117,823,361.97	0.03 %	117,861,435.14	100.00 %	100.00 %	0.00 %

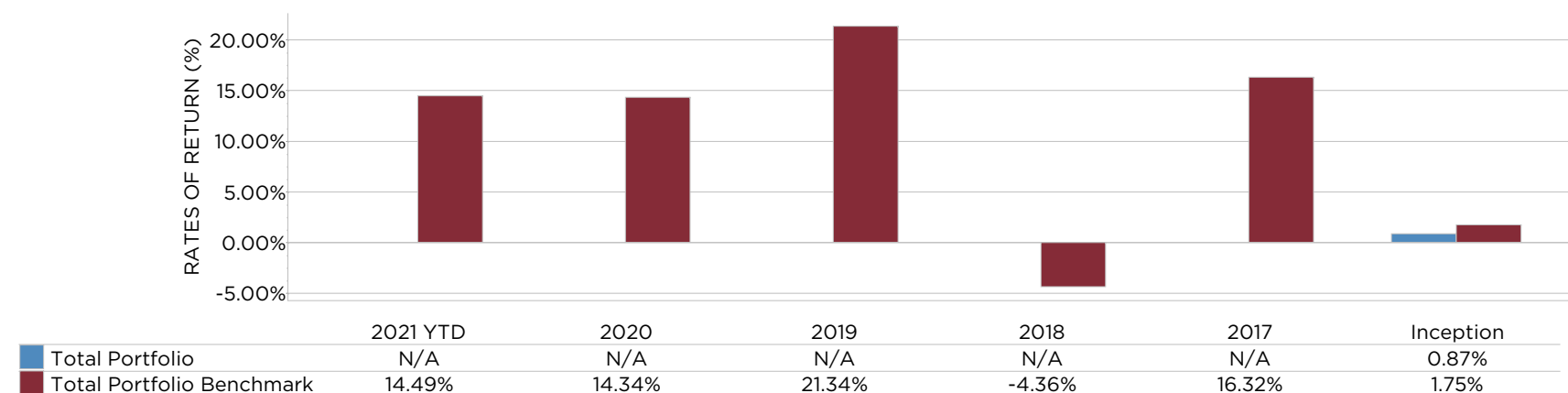
Information and statistics have been provided by the custodian and are not guaranteed to be accurate or complete. This is not a substitute for the official custodial account statement; please refer to the custodial statement for verification.



TOTAL PORTFOLIO TRAILING PERFORMANCE



TOTAL PORTFOLIO CALENDAR PERFORMANCE



Performance returns over one-year are annualized. For important details regarding benchmarks, please refer the slides entitled "Total Fund Policy Benchmark Summary" in this presentation.

INVESTMENT RETURNS | MANAGER RESULTS

Period Ending 12.31.21 | Q4 21

City of Birmingham Employees Retirement System

CASH & EQUIVALENTS RETURNS	LAST QTR	YTD' 21	2020	2019	2018	2017	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL CASH & EQUIVALENTS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.01%	10/31/2021
ICE BOFAML US TREASURY BILL 3 MON TR USD	0.01%	0.05%	0.63%	2.24%	1.87%	0.86%	0.05%	0.97%	1.13%	0.01%	
CASH & EQUIVALENTS MANAGER RESULTS:											
Cash & Equivalents	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.01%	10/31/2021
ICE BofAML US Treasury Bill 3 Mon TR USD	0.01%	0.05%	0.63%	2.24%	1.87%	0.86%	0.05%	0.97%	1.13%	0.01%	

FIXED INCOME RETURNS	LAST QTR	YTD' 21	2020	2019	2018	2017	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL FIXED INCOME	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-0.02%	10/31/2021
BBGBARC AGGREGATE BOND INDEX	0.01%	-1.54%	7.51%	8.72%	0.01%	3.54%	-1.54%	4.79%	3.57%	0.04%	
FIXED INCOME MANAGER RESULTS:											
BlackRock Total Return K	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-0.03%	10/31/2021
BBgBarc Aggregate Bond Index	0.01%	-1.54%	7.51%	8.72%	0.01%	3.54%	-1.54%	4.79%	3.57%	0.04%	
Morningstar Intd Core Plus Bond Universe	-0.13%	-0.82%	8.34%	9.24%	-0.80%	4.26%	-0.82%	5.52%	3.99%	-0.02%	
CS McKee LP	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.43%	10/31/2021
BBgBarc Aggregate Bond Index	0.01%	-1.54%	7.51%	8.72%	0.01%	3.54%	-1.54%	4.79%	3.57%	0.04%	
Morningstar Intd Core Plus Bond Universe	-0.13%	-0.82%	8.34%	9.24%	-0.80%	4.26%	-0.82%	5.52%	3.99%	-0.02%	
Ducenta Squared Asset Managment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.12%	10/31/2021
BBgBarc Aggregate Bond Index	0.01%	-1.54%	7.51%	8.72%	0.01%	3.54%	-1.54%	4.79%	3.57%	0.04%	
Morningstar Intd Core Plus Bond Universe	-0.13%	-0.82%	8.34%	9.24%	-0.80%	4.26%	-0.82%	5.52%	3.99%	-0.02%	
Metropolitan West Total Return Bd I	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-0.02%	10/31/2021
BBgBarc Aggregate Bond Index	0.01%	-1.54%	7.51%	8.72%	0.01%	3.54%	-1.54%	4.79%	3.57%	0.04%	
Morningstar Intd Core Plus Bond Universe	-0.13%	-0.82%	8.34%	9.24%	-0.80%	4.26%	-0.82%	5.52%	3.99%	-0.02%	

Performance returns over one-year are annualized.



INVESTMENT RETURNS | MANAGER RESULTS

Period Ending 12.31.21 | Q4 21

City of Birmingham Employees Retirement System

U.S. EQUITIES RETURNS	LAST QTR	YTD' 21	2020	2019	2018	2017	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL U.S. EQUITIES	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.43%	10/31/2021
S&P 500 INDEX	11.03%	28.71%	18.40%	31.49%	-4.38%	21.83%	28.71%	26.07%	18.47%	3.76%	
U.S. EQUITIES MANAGER RESULTS:											
Allspring Special Small Cap Value R6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.86%	10/31/2021
Russell 2000 Value	4.36%	28.27%	4.63%	22.39%	-12.86%	7.84%	28.27%	17.99%	9.07%	0.52%	
Morningstar Small Cap Value Universe	6.51%	31.38%	3.52%	21.99%	-15.25%	9.36%	31.38%	18.44%	9.05%	2.59%	
BlackRock Mid Cap Growth Equity K	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-4.16%	10/31/2021
Russell Mid Cap Growth	2.85%	12.73%	35.59%	35.47%	-4.75%	25.27%	12.73%	27.46%	19.83%	-3.89%	
Morningstar Mid Cap Growth Universe	3.23%	12.30%	35.39%	33.80%	-5.17%	24.95%	12.30%	27.60%	19.81%	-3.30%	
Fidelity 500 Index	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3.76%	10/31/2021
S&P 500 Index	11.03%	28.71%	18.40%	31.49%	-4.38%	21.83%	28.71%	26.07%	18.47%	3.76%	
Morningstar Large Cap Blend Universe	9.86%	26.62%	17.17%	29.99%	-5.57%	21.16%	26.62%	24.43%	16.96%	3.16%	
Gabelli Asset Managment Advisory Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-30.70%	10/31/2021
Russell 2000 Value	4.36%	28.27%	4.63%	22.39%	-12.86%	7.84%	28.27%	17.99%	9.07%	0.52%	
Morningstar Small Cap Value Universe	6.51%	31.38%	3.52%	21.99%	-15.25%	9.36%	31.38%	18.44%	9.05%	2.59%	
MFS Mid Cap Value R6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.59%	10/31/2021
Russell Mid Cap Value	8.54%	28.34%	4.96%	27.06%	-12.29%	13.34%	28.34%	19.62%	11.22%	3.05%	
Morningstar Mid Value Universe	8.07%	28.56%	2.82%	26.79%	-13.44%	13.67%	28.56%	18.37%	10.39%	3.34%	
Principal Small Cap Growth Fund R6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-4.25%	10/31/2021
Russell 2000 Growth Index	0.01%	2.83%	34.63%	28.48%	-9.31%	22.17%	2.83%	21.17%	14.53%	-4.46%	
Morningstar Small Growth Universe	1.81%	9.21%	38.32%	28.87%	-4.65%	23.76%	9.21%	25.67%	18.26%	-3.37%	

INTERNATIONAL EQUITIES RETURNS	LAST QTR	YTD' 21	2020	2019	2018	2017	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL INTERNATIONAL EQUITIES	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-2.13%	10/31/2021
MSCI AC WORLD EX US FREE	1.88%	8.29%	11.13%	22.13%	-13.78%	27.77%	8.29%	13.70%	10.12%	-0.52%	
INTERNATIONAL EQUITIES MANAGER RESULTS:											
Amer Funds EuroPac Growth R6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-3.01%	10/31/2021
MSCI AC World ex US Free	1.88%	8.29%	11.13%	22.13%	-13.78%	27.77%	8.29%	13.70%	10.12%	-0.52%	
Morningstar Foreign Large Blend Universe	2.93%	10.07%	10.04%	22.17%	-15.06%	25.59%	10.07%	13.87%	9.57%	-0.07%	

Performance returns over one-year are annualized.



INVESTMENT RETURNS | MANAGER RESULTS

Period Ending 12.31.21 | Q4 21

City of Birmingham Employees Retirement System

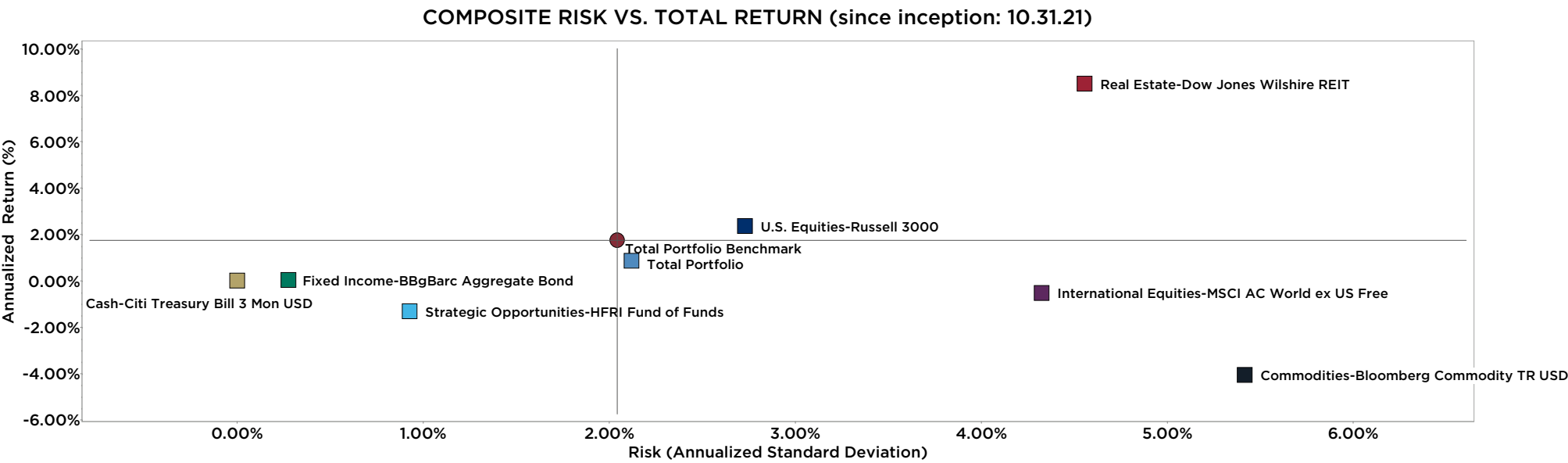
INTERNATIONAL EQUITIES RETURNS	LAST QTR	YTD' 21	2020	2019	2018	2017	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
Driehaus Emerging Markets Growth	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-3.11%	10/31/2021
MSCI Emerging Markets Net	-1.31%	-2.54%	18.31%	18.44%	-14.58%	37.28%	-2.54%	10.94%	9.87%	-2.28%	
Morningstar Diversified Emg Mks Universe	-1.34%	-1.92%	18.66%	21.76%	-16.44%	37.22%	-1.92%	11.96%	9.69%	-2.74%	
Hartford International Opps R6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-0.66%	10/31/2021
MSCI EAFE	2.74%	11.78%	8.28%	22.66%	-13.36%	25.62%	11.78%	14.08%	10.07%	0.25%	
Morningstar Foreign Large Blend Universe	2.93%	10.07%	10.04%	22.17%	-15.06%	25.59%	10.07%	13.87%	9.57%	-0.07%	

STRATEGIC OPPORTUNITIES RETURNS	LAST QTR	YTD' 21	2020	2019	2018	2017	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL STRATEGIC OPPORTUNITIES	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.38%	10/31/2021
HFRX ABSOLUTE RETURN INDEX	0.27%	2.10%	2.72%	4.37%	-0.49%	3.39%	2.10%	3.06%	2.40%	0.10%	
STRATEGIC OPPORTUNITIES MANAGER RESULTS:											
Graham Absolute Return CL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-1.85%	10/31/2021
HFRX Absolute Return Index	0.27%	2.10%	2.72%	4.37%	-0.49%	3.39%	2.10%	3.06%	2.40%	0.10%	
Morningstar Multistrategy Universe	1.29%	5.31%	3.59%	7.51%	-3.99%	6.10%	5.31%	5.80%	3.44%	0.00%	
Starwood Property Trust Inc. REIT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6.01%	10/31/2021
FTSE EPRA/NAREIT US	16.28%	42.83%	-9.95%	24.34%	-3.87%	3.91%	42.83%	16.94%	9.82%	7.87%	
Morningstar Specialty-Real Est Universe	15.72%	41.45%	-4.43%	28.11%	-5.71%	5.74%	41.45%	20.21%	11.45%	8.14%	
WhiteBox Multi-Strategy Fund LP	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.46%	10/31/2021
HFRX Absolute Return Index	0.27%	2.10%	2.72%	4.37%	-0.49%	3.39%	2.10%	3.06%	2.40%	0.10%	
Morningstar Multistrategy Universe	1.29%	5.31%	3.59%	7.51%	-3.99%	6.10%	5.31%	5.80%	3.44%	0.00%	

TOTAL PORTFOLIO RETURNS	LAST QTR	YTD' 21	2020	2019	2018	2017	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL PORTFOLIO	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.87%	10/31/2021
Total Portfolio Benchmark	5.57%	14.49%	14.34%	21.34%	-4.36%	16.32%	14.49%	16.68%	12.06%	1.75%	

Performance returns over one-year are annualized.





TOTAL PORTFOLIO POLICY BENCHMARK SUMMARY

Period Ending 12.31.21 | Q4 21

City of Birmingham Employees Retirement System

DATE	BENCHMARKS	INDEX WEIGHTS
10/31/2021	HFRX Absolute Return Index	9.75
To	MSCI AC World ex US Free	18.25
Present	BBgBarc Aggregate Bond Index	24.50
	S&P 500 Index	47.50





INVESTMENT REVIEW | INVESTMENT POLICY MONITOR

Period Ending 12.31.21 | Q4 21

City of Birmingham Employees Retirement System

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
Fixed Income BlackRock Total Return K	●	●	●	●	●	●	●	●	●	●	●	95
Fixed Income Metropolitan West Total Return Bd I	●	●	●	●	●	●	●	●	▼	●	●	92
U.S. Equities BlackRock Mid-Cap Growth Equity K	●	●	●	●	●	●	●	●	●	●	●	100
U.S. Equities MFS Mid Cap Value R6	●	●	●	●	●	●	●	●	●	●	●	100
U.S. Equities Principal SmallCap Growth I R6	●	●	●	●	●	●	●	●	●	●	●	94
U.S. Equities Allspring Special Small Cap Value R6	●	●	●	●	●	●	●	●	●	●	●	96
International Equities Driehaus Emerging Markets Growth Instl	●	●	●	●	●	●	●	●	●	●	●	100
International Equities American Funds Europacific Growth R6	●	●	●	●	●	●	●	●	●	●	●	100

LEGEND












●	IN GOOD STANDING	▼	MARKED FOR REVIEW	●	CONSIDER FOR TERMINATION
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CONTINUED...

The CAPTRUST Investment Policy Monitor ("Scorecard") is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields for actively managed investment options. Quantitative scoring areas include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; Style Attribution; and Confidence. Qualitative Scoring Areas measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have an Investment Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Some Investments that have less than 3 years of performance history may not be scored.

This material is for institutional investor use only and is not intended to be shared with individual investors.

City of Birmingham Employees Retirement System

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
International Equities Hartford International Opportunities R6												94

LEGEND

	IN GOOD STANDING		MARKED FOR REVIEW		CONSIDER FOR TERMINATION
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The CAPTRUST Investment Policy Monitor (“Scorecard”) is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields for actively managed investment options. Quantitative scoring areas include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; Style Attribution; and Confidence. Qualitative Scoring Areas measure the quality of the Management Team while also considering the stewardship of the investment option’s parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have an Investment Management assessment of ‘25’ as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Some Investments that have less than 3 years of performance history may not be scored.

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City of Birmingham Employees Retirement System

PASSIVE INVESTMENTS

INVESTMENT	Overall	Commentary
Fidelity 500 Index		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.

The CAPTRUST Investment Policy Monitor ("Scorecard") is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields. Quantitative scoring areas for target date funds include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; and Glidepath. Qualitative Scoring Areas for target date funds measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. Qualitative Scoring for Target Date funds also includes a score for Portfolio Construction and Underlying Investment vehicles to express CAPTRUST's views on the manager or strategy. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have an Investment Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Some Investments that have less than 3 years of performance history may not be scored.

Capital Preservation options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics, depending on the type of capital preservation option being evaluated, and may include quantitative criteria such as: Crediting Rate/Yield, Market to Book Ratio, Average Crediting Quality, Insurer Quality/Diversification, Duration, and Sector Allocations, and/or qualitative criteria such as quality and experience of the Management Team and stewardship of the investment option's parent company.

Passively Managed options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics and may include quantitative criteria such as: Tracking Error, Fees, and Performance versus relevant peer group, and/or qualitative criteria such as index replication strategy, securities lending practices, and fair value pricing methodology.

Distinct investment options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics.

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City of Birmingham Employees Retirement System

FUND MANAGEMENT ITEMS	COMMENTARY
American Funds EuroPacific Growth	Portfolio Manager Jesper Lyckeus has retired from Capital Group.
Metropolitan West Total Return Bond	Metropolitan West Asset Management, part of the TCW Group, announced that Tad Rivelle, CIO of Fixed Income and a member of the generalist portfolio management team of the TCW Core Plus, Metropolitan West Total Return Bond, and MassMutual Total Return Bond strategies, will be retiring at year-end. Laird Landmann, Steve Kane, and Bryan Whalen will continue as generalist portfolio managers, with Steve and Bryan assuming Co-CIO roles for the Fixed Income team beginning in Q4 2021. Additionally, Ruben Hovhannisyan, a senior analyst for the Generalist team has been promoted to the new position of associate generalist.

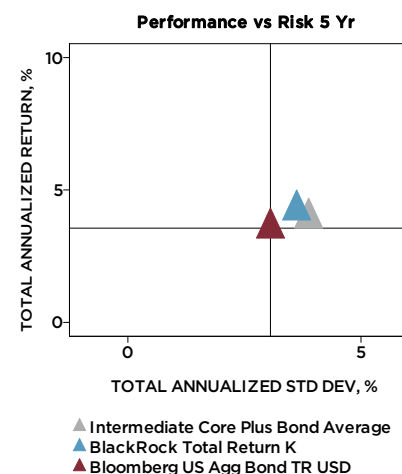
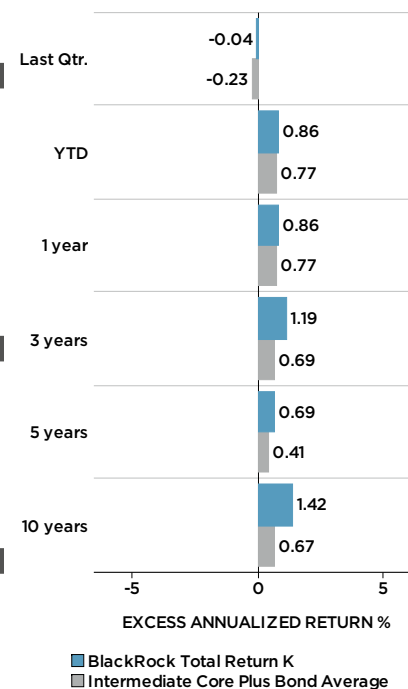
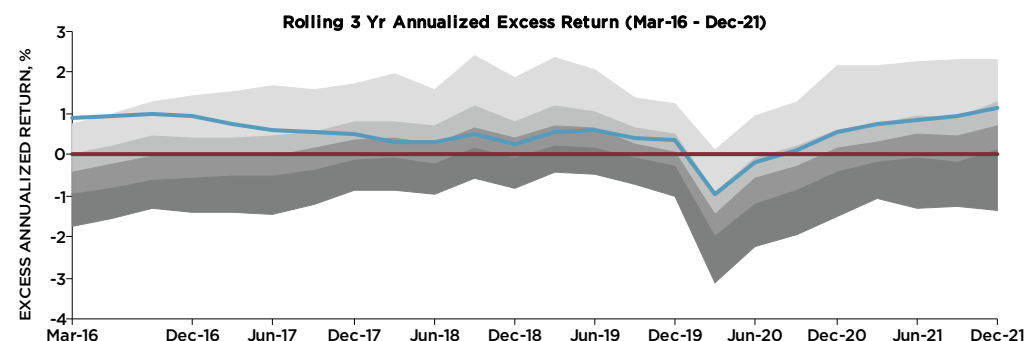
FUND FIRM ITEMS	COMMENTARY
MFS Family of Funds	Effective 3/1/2022, Executive Chair Robert Manning will retire from MFS. At that time, CEO Michael Roberge will become executive chair and retain his role as CEO.



BLACKROCK TOTAL RETURN K

Period Ending 12.31.21 | Q4 21

	BlackRock Total Return K	Peer Group Rank	Bloomberg US Agg Bond TR USD	Intermediate Core Plus Bond	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	3.62	41%	3.06	3.87	548
Sharpe Ratio	0.86	26%	0.79	0.75	548
Alpha	0.55	39%	0.00	0.42	548
Beta	1.06	38%	1.00	1.00	548
R-Squared	76.45	27%	100.00	63.98	548
Up Mkt Capture	111.90	42%	100.00	107.68	548
Down Mkt Capture	101.13	44%	100.00	101.81	548
Information Ratio	0.37	23%	NA	0.17	548
TRAILING RETURNS					
Last Qtr.	-0.03	33%	0.01	-0.22	605
YTD	-0.68	44%	-1.54	-0.77	592
1 Year	-0.68	44%	-1.54	-0.77	592
3 Years	5.99	31%	4.79	5.48	582
5 Years	4.26	34%	3.57	3.98	548
10 Years	4.32	12%	2.90	3.57	491
CALENDAR RETURNS					
2020	9.08	31%	7.51	8.49	582
2019	9.89	28%	8.72	9.06	582
2018	-0.82	52%	0.01	-0.74	556
2017	4.32	48%	3.54	4.35	548
2016	3.51	62%	2.65	3.94	524



INVESTMENT PROFILE

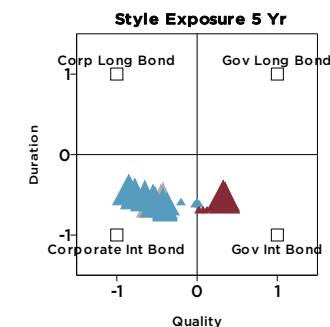
Ticker	MPHX
CUSIP	09252M743
Net Assets \$MM	\$21,344.00
Manager Names	Team Managed
Manager Tenure	11.4 Years
Prospectus Exp Ratio	0.37%
Cat Median Exp Ratio	0.66%
Current 12b-1	N/A
Annld Ret Since Incept	4.60%
Inception Date	12/07/2001
Phone Number	800-537-4942
Sub Advisor	BlackRock (Singapore) Limited/ BlackRock International Limited

HOLDINGS OVERVIEW

Total Number of Holdings	4536
% Assets in Top 10 Holdings	30.81%
Avg Mkt Cap \$MM	\$14,649.11
Turnover Ratio	459.00%

TOP HOLDINGS

BlackRock Liquidity T-Fund	7.03%
Federal National Mortgage	6.26%
Government National Mortg	3.01%
Federal National Mortgage	2.69%
Fnma Pass-Thru I 4%	2.44%



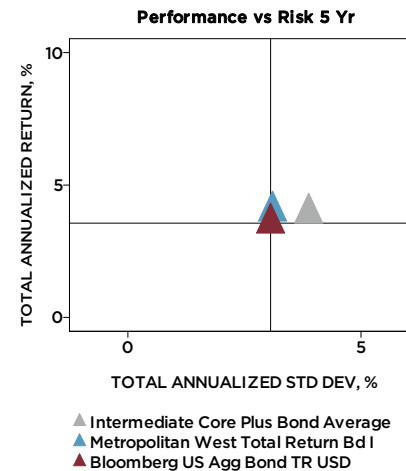
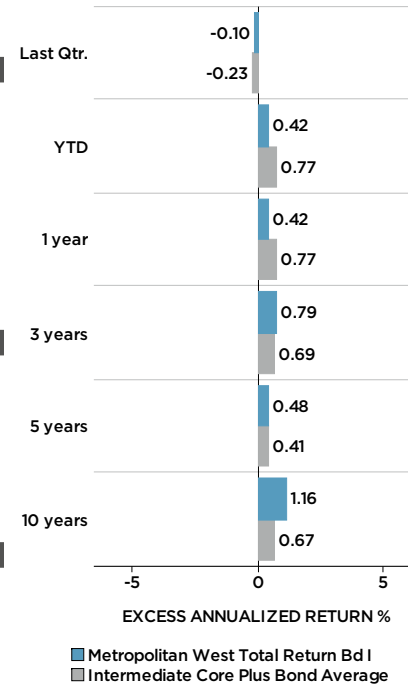
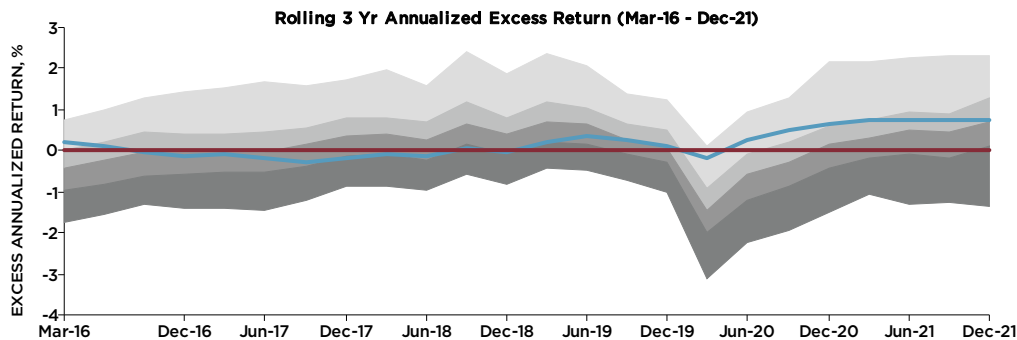
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METROPOLITAN WEST TOTAL RETURN BD I

Period Ending 12.31.21 | Q4 21

	Metropolitan West Total Return Bd I	Peer Group Rank	Bloomberg US Agg Bond TR USD	Intermediate Core Plus Bond	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	3.12	10%	3.06	3.87	548
Sharpe Ratio	0.93	15%	0.79	0.75	548
Alpha	0.45	45%	0.00	0.42	548
Beta	1.01	56%	1.00	1.00	548
R-Squared	96.86	1%	100.00	63.98	548
Up Mkt Capture	104.52	70%	100.00	107.68	548
Down Mkt Capture	92.35	27%	100.00	101.81	548
Information Ratio	0.84	3%	NA	0.17	548
TRAILING RETURNS					
Last Qtr.	-0.09	44%	0.01	-0.22	605
YTD	-1.12	65%	-1.54	-0.77	592
1 Year	-1.12	65%	-1.54	-0.77	592
3 Years	5.58	48%	4.79	5.48	582
5 Years	4.04	47%	3.57	3.98	548
10 Years	4.06	22%	2.90	3.57	491
CALENDAR RETURNS					
2020	9.11	29%	7.51	8.49	582
2019	9.09	55%	8.72	9.06	582
2018	0.16	17%	0.01	-0.74	556
2017	3.43	80%	3.54	4.35	548
2016	2.46	85%	2.65	3.94	524



INVESTMENT PROFILE

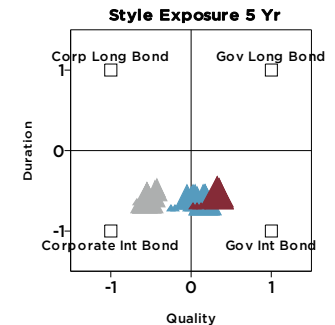
Ticker	MWTIX
CUSIP	592905509
Net Assets \$MM	\$85,630.00
Manager Names	Team Managed
Manager Tenure	24.8 Years
Prospectus Exp Ratio	0.45%
Cat Median Exp Ratio	0.66%
Current 12b-1	N/A
Annld Ret Since Incept	5.75%
Inception Date	03/31/2000
Phone Number	800-241-4671
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	1797
% Assets in Top 10 Holdings	47.44%
Avg Mkt Cap \$MM	N/A
Turnover Ratio	470.00%

TOP HOLDINGS

Federal National Mortgage	7.33%
Federal National Mortgage	6.83%
United States Treasury Not	5.78%
United States Treasury Not	5.71%
United States Treasury Bon	4.65%



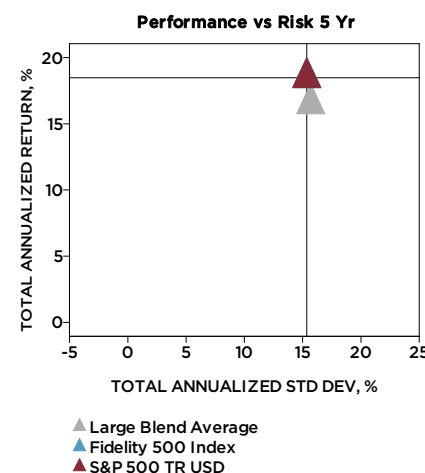
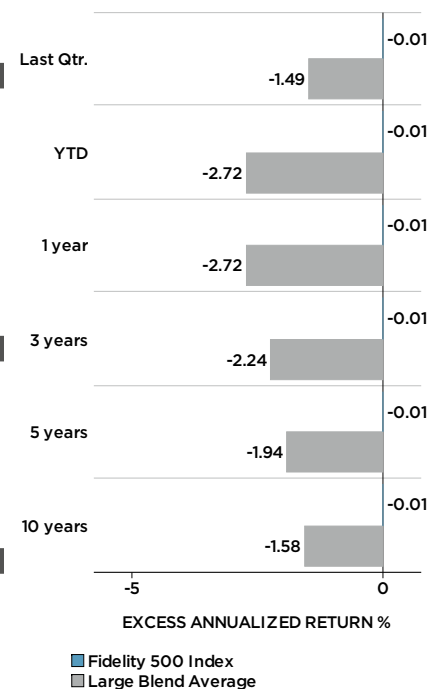
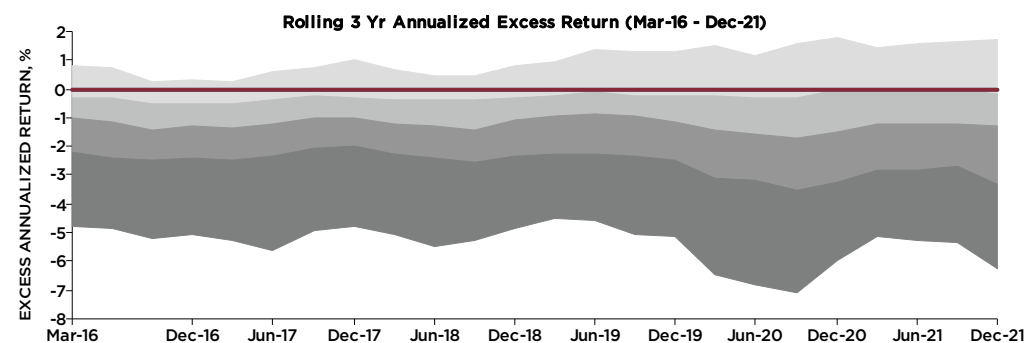
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FIDELITY 500 INDEX

Period Ending 12.31.21 | Q4 21

KEY MEASURES / 5 YEAR	Fidelity 500 Index	Peer Group Rank	S&P 500 TR USD	Large Blend	# of Funds
Standard Deviation	15.39	43%	15.39	15.69	1139
Sharpe Ratio	1.13	16%	1.13	0.99	1139
Alpha	-0.01	18%	0.00	-1.87	1139
Beta	1.00	49%	1.00	1.00	1139
R-Squared	100.00	1%	100.00	95.56	1139
Up Mkt Capture	99.96	22%	100.00	95.00	1139
Down Mkt Capture	100.01	36%	100.00	102.30	1139
Information Ratio	-0.87	72%	NA	-1.07	1139
TRAILING RETURNS					
Last Qtr.	11.02	23%	11.03	9.54	1244
YTD	28.69	21%	28.71	25.98	1226
1 Year	28.69	21%	28.71	25.98	1226
3 Years	26.06	21%	26.07	23.83	1175
5 Years	18.46	16%	18.47	16.54	1139
10 Years	16.54	11%	16.55	14.97	1001
CALENDAR RETURNS					
2020	18.40	35%	18.40	16.44	1201
2019	31.47	24%	31.49	29.40	1175
2018	-4.40	24%	-4.38	-6.24	1160
2017	21.81	33%	21.83	20.86	1139
2016	11.97	26%	11.96	10.19	1116



INVESTMENT PROFILE

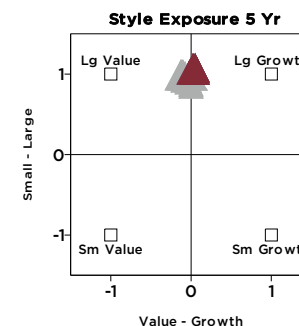
Ticker	FXAIX
CUSIP	315911750
Net Assets \$MM	\$399,363.00
Manager Names	Team Managed
Manager Tenure	12.9 Years
Prospectus Exp Ratio	0.01%
Cat Median Exp Ratio	0.80%
Current 12b-1	N/A
Annld Ret Since Incept	14.86%
Inception Date	05/04/2011
Phone Number	202-551-8090
Sub Advisor	Geode Capital Management, LLC

HOLDINGS OVERVIEW

Total Number of Holdings	509
% Assets in Top 10 Holdings	30.22%
Avg Mkt Cap \$MM	\$227,483.98
Turnover Ratio	7.00%

TOP HOLDINGS

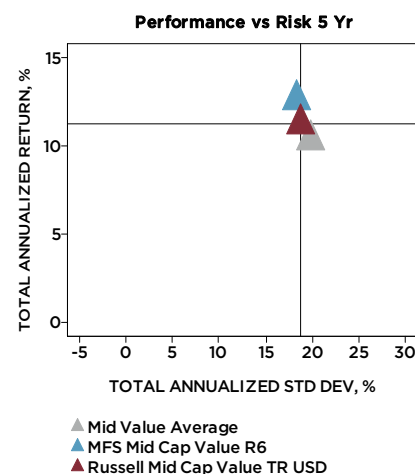
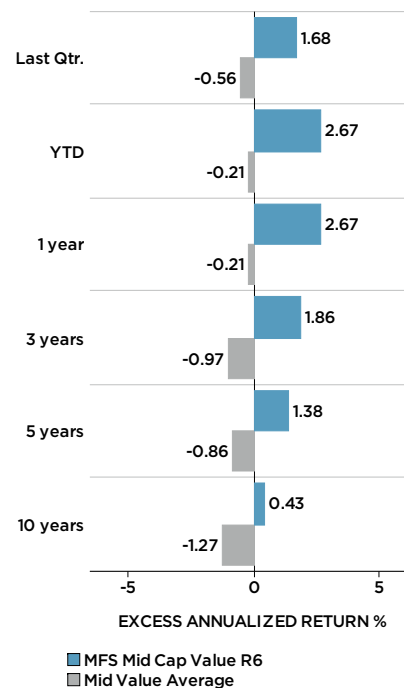
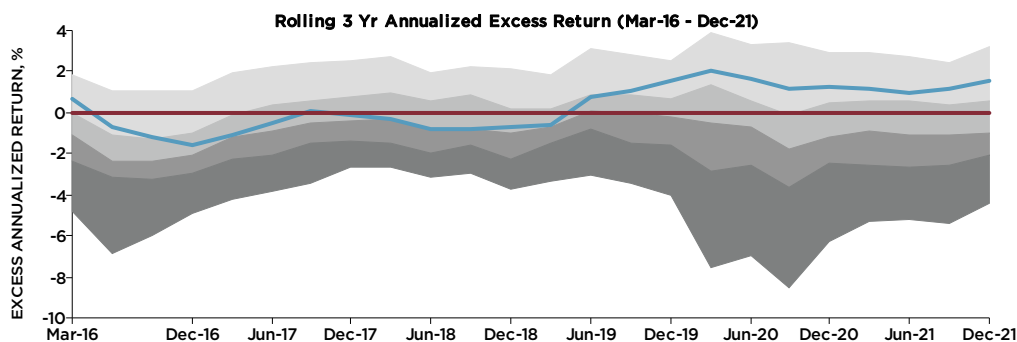
Apple Inc	6.67%
Microsoft Corp	6.38%
Amazon.com Inc	3.92%
Tesla Inc	2.39%
Alphabet Inc Class A	2.19%



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KEY MEASURES / 5 YEAR	MFS Mid Cap Value R6	Peer Group Rank	Russell Mid Cap Value TR USD	Mid Value	# of Funds
Standard Deviation	18.36	30%	18.79	19.79	364
Sharpe Ratio	0.62	8%	0.54	0.48	364
Alpha	1.67	8%	0.00	-1.18	364
Beta	0.97	71%	1.00	1.03	364
R-Squared	98.90	4%	100.00	96.10	364
Up Mkt Capture	102.20	38%	100.00	101.18	364
Down Mkt Capture	96.27	22%	100.00	105.34	364
Information Ratio	0.61	3%	NA	-0.16	364
TRAILING RETURNS					
Last Qtr.	10.22	10%	8.54	7.98	385
YTD	31.00	28%	28.34	28.13	381
1 Year	31.00	28%	28.34	28.13	381
3 Years	21.48	14%	19.62	18.65	379
5 Years	12.60	12%	11.22	10.36	364
10 Years	13.87	8%	13.44	12.17	327
CALENDAR RETURNS					
2020	4.40	36%	4.96	3.11	380
2019	31.08	10%	27.06	26.67	379
2018	-11.31	22%	-12.29	-13.68	379
2017	13.84	47%	13.34	13.92	364
2016	15.86	67%	20.00	18.16	364



INVESTMENT PROFILE

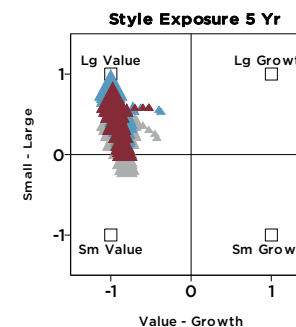
Ticker	MVCKX
CUSIP	55273W475
Net Assets \$MM	\$16,301.00
Manager Names	Team Managed
Manager Tenure	13.1 Years
Prospectus Exp Ratio	0.68%
Cat Median Exp Ratio	0.97%
Current 12b-1	N/A
Annld Ret Since Incept	12.60%
Inception Date	02/01/2013
Phone Number	800-225-2606
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	149
% Assets in Top 10 Holdings	12.43%
Avg Mkt Cap \$MM	\$15,826.01
Turnover Ratio	19.00%

TOP HOLDINGS

Life Storage Inc	1.44%
Arthur J. Gallagher & Co	1.35%
Zebra Technologies Corp	1.35%
Johnson Controls Internati	1.29%
LKQ Corp	1.26%

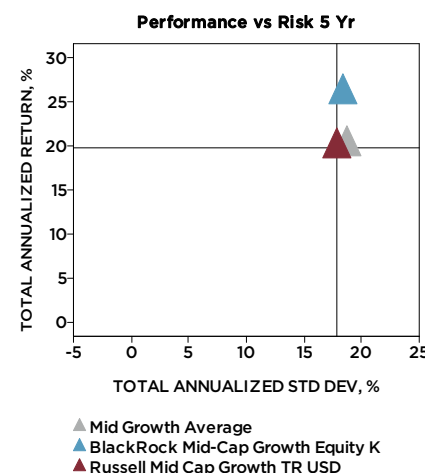
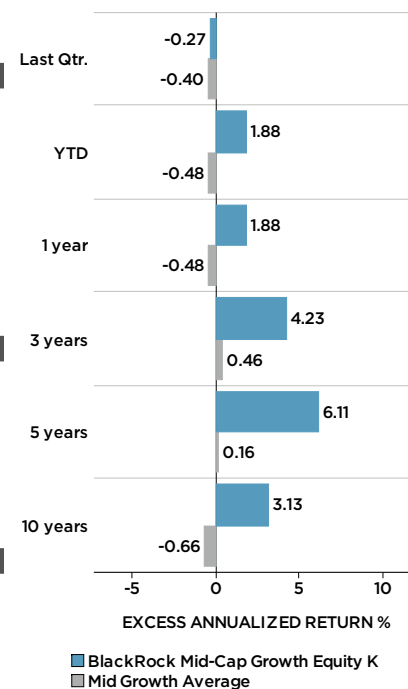
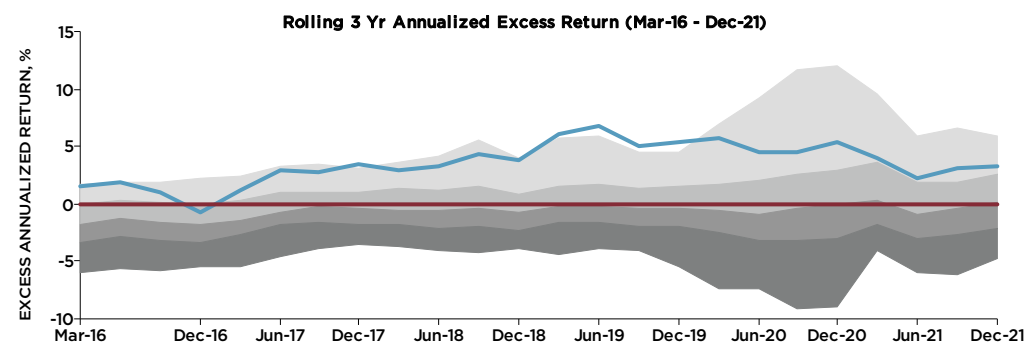


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BLACKROCK MID-CAP GROWTH EQUITY K

Period Ending 12.31.21 | Q4 21

	BlackRock Mid-Cap Growth Equity K	Peer Group Rank	Russell Mid Cap Growth TR USD	Mid Growth	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	18.29	53%	17.90	18.67	514
Sharpe Ratio	1.36	3%	1.04	1.02	514
Alpha	6.66	4%	0.00	0.44	514
Beta	0.97	56%	1.00	0.99	514
R-Squared	90.37	70%	100.00	90.47	514
Up Mkt Capture	117.65	7%	100.00	100.25	514
Down Mkt Capture	98.63	47%	100.00	99.46	514
Information Ratio	0.90	5%	NA	-0.05	514
TRAILING RETURNS					
Last Qtr.	2.58	61%	2.85	2.45	576
YTD	14.60	38%	12.73	12.25	567
1 Year	14.60	38%	12.73	12.25	567
3 Years	31.68	18%	27.46	27.92	535
5 Years	25.94	6%	19.83	19.99	514
10 Years	19.76	2%	16.63	15.96	489
CALENDAR RETURNS					
2020	46.23	27%	35.59	41.25	545
2019	36.26	33%	35.47	33.89	535
2018	2.91	7%	-4.75	-4.74	528
2017	34.82	4%	25.27	25.38	514
2016	3.16	69%	7.33	5.71	514



INVESTMENT PROFILE

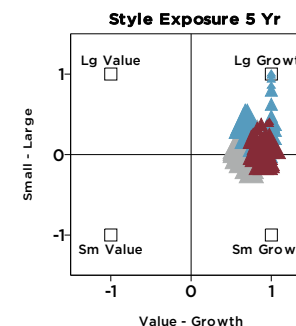
Ticker	BMGKX
CUSIP	09258N604
Net Assets \$MM	\$19,872.00
Manager Names	Team Managed
Manager Tenure	8.8 Years
Prospectus Exp Ratio	0.70%
Cat Median Exp Ratio	1.04%
Current 12b-1	N/A
Annld Ret Since Incept	24.44%
Inception Date	03/28/2016
Phone Number	800-537-4942
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	71
% Assets in Top 10 Holdings	27.37%
Avg Mkt Cap \$MM	\$23,520.80
Turnover Ratio	22.00%

TOP HOLDINGS

MSCI Inc	3.29%
MongoDB Inc Class A	3.03%
Entegris Inc	2.74%
Cadence Design Systems	2.68%
Copart Inc	2.67%

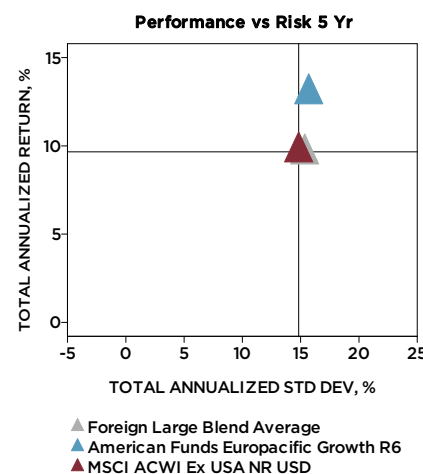
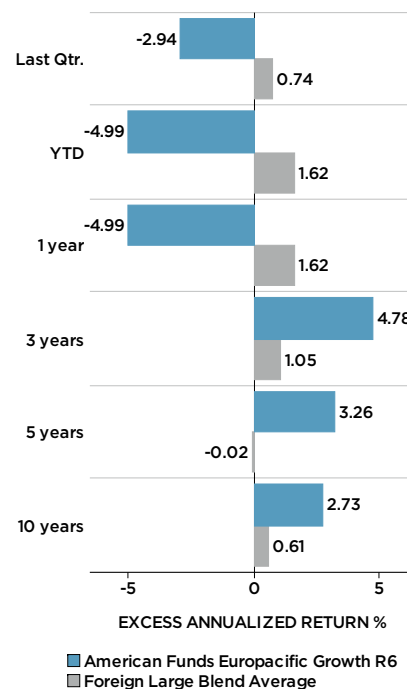
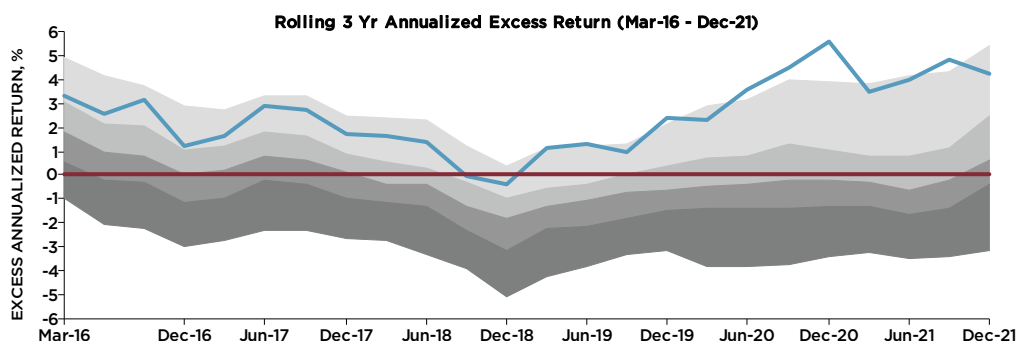


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AMERICAN FUNDS EUROPACIFIC GROWTH R6

Period Ending 12.31.21 | Q4 21

KEY MEASURES / 5 YEAR	American Funds Europacific Growth R6	Peer Group Rank	MSCI ACWI Ex USA NR USD	Foreign Large Blend	# of Funds
Standard Deviation	15.70	69%	14.81	15.31	644
Sharpe Ratio	0.75	7%	0.57	0.56	644
Alpha	2.97	7%	0.00	-0.04	644
Beta	1.03	28%	1.00	1.00	644
R-Squared	95.20	47%	100.00	93.99	644
Up Mkt Capture	109.54	11%	100.00	99.24	644
Down Mkt Capture	94.80	26%	100.00	98.98	644
Information Ratio	0.86	4%	NA	0.01	644
TRAILING RETURNS					
Last Qtr.	-1.13	97%	1.82	2.55	712
YTD	2.84	95%	7.82	9.45	709
1 Year	2.84	95%	7.82	9.45	709
3 Years	17.95	10%	13.18	14.22	677
5 Years	12.87	6%	9.61	9.59	644
10 Years	10.01	6%	7.28	7.89	543
CALENDAR RETURNS					
2020	25.27	2%	10.65	11.25	696
2019	27.40	10%	21.51	22.76	677
2018	-14.91	48%	-14.20	-15.45	652
2017	31.17	6%	27.19	25.82	644
2016	1.01	48%	4.50	0.99	629



INVESTMENT PROFILE

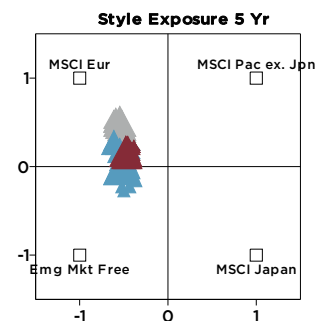
Ticker	REGRX
CUSIP	298706821
Net Assets \$MM	\$173,430.00
Manager Names	Team Managed
Manager Tenure	20.7 Years
Prospectus Exp Ratio	0.46%
Cat Median Exp Ratio	0.94%
Current 12b-1	N/A
Annld Ret Since Incept	9.33%
Inception Date	05/01/2009
Phone Number	800-421-4225
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	403
% Assets in Top 10 Holdings	20.81%
Avg Mkt Cap \$MM	\$61,494.19
Turnover Ratio	32.00%

TOP HOLDINGS

ASML Holding NV	4.04%
Reliance Industries Ltd	2.58%
Taiwan Semiconductor Mar	2.53%
LVMH Moet Hennessy Loui	2.25%
Shopify Inc Registered Shs	1.67%



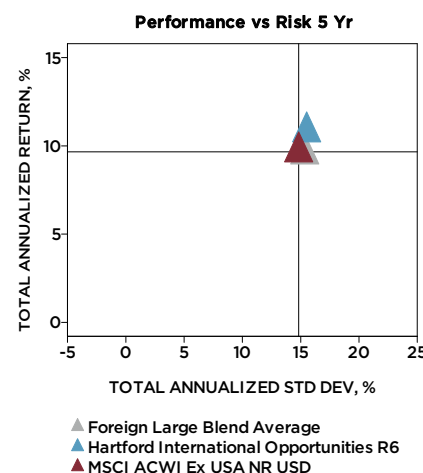
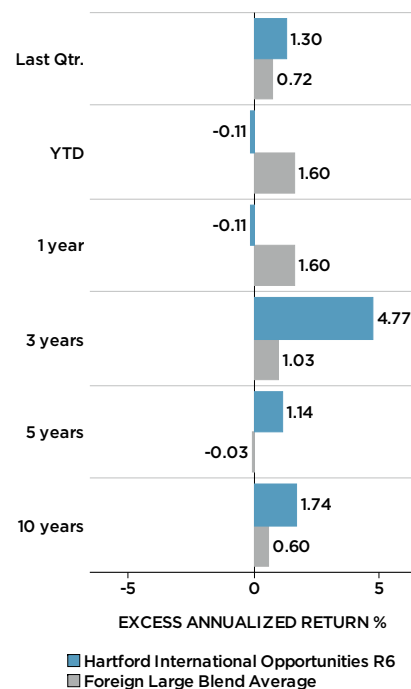
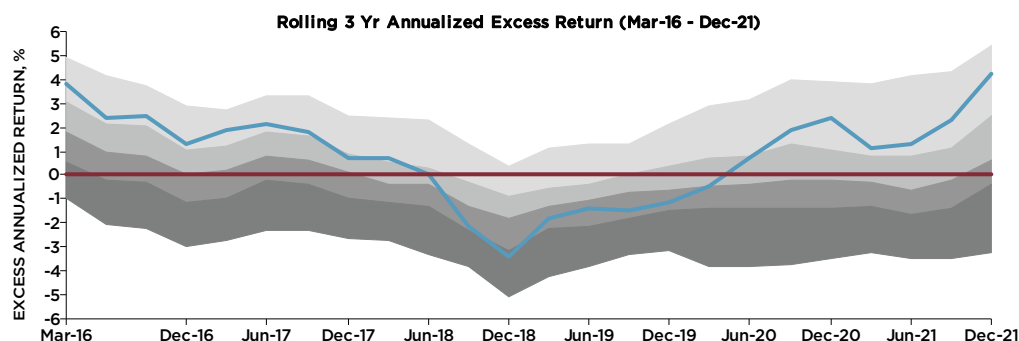
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HARTFORD INTERNATIONAL OPPORTUNITIES R6

Period Ending 12.31.21 | Q4 21

	Hartford International Opportunities R6	Peer Group Rank	MSCI ACWI Ex USA NR USD	Foreign Large Blend	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	15.57	65%	14.81	15.31	645
Sharpe Ratio	0.62	26%	0.57	0.55	645
Alpha	0.99	26%	0.00	-0.04	645
Beta	1.02	38%	1.00	1.00	645
R-Squared	93.70	69%	100.00	93.98	645
Up Mkt Capture	102.18	33%	100.00	99.22	645
Down Mkt Capture	96.64	34%	100.00	99.01	645
Information Ratio	0.26	23%	NA	0.01	645
TRAILING RETURNS					
Last Qtr.	3.12	42%	1.82	2.54	712
YTD	7.71	72%	7.82	9.43	710
1 Year	7.71	72%	7.82	9.43	710
3 Years	17.95	10%	13.18	14.21	678
5 Years	10.75	21%	9.61	9.58	645
10 Years	9.02	15%	7.28	7.89	544
CALENDAR RETURNS					
2020	20.75	9%	10.65	11.24	697
2019	26.15	21%	21.51	22.75	678
2018	-18.61	85%	-14.20	-15.45	653
2017	24.77	66%	27.19	25.82	645
2016	1.15	45%	4.50	1.00	630



INVESTMENT PROFILE

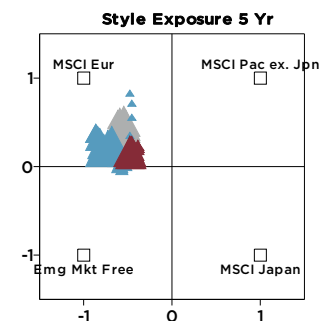
Ticker	IHOVX
CUSIP	41664R275
Net Assets \$MM	\$4,774.00
Manager Names	Team Managed
Manager Tenure	15.0 Years
Prospectus Exp Ratio	0.71%
Cat Median Exp Ratio	0.94%
Current 12b-1	N/A
Annldz Ret Since Incept	7.69%
Inception Date	11/07/2014
Phone Number	888-843-7824
Sub Advisor	Wellington Management Company LLP

HOLDINGS OVERVIEW

Total Number of Holdings	106
% Assets in Top 10 Holdings	22.49%
Avg Mkt Cap \$MM	\$62,471.45
Turnover Ratio	100.00%

TOP HOLDINGS

Taiwan Semiconductor Mar	3.22%
iShares MSCI ACWI ex US I	2.72%
Tencent Holdings Ltd	2.21%
AstraZeneca PLC	2.19%
Siemens AG	2.16%

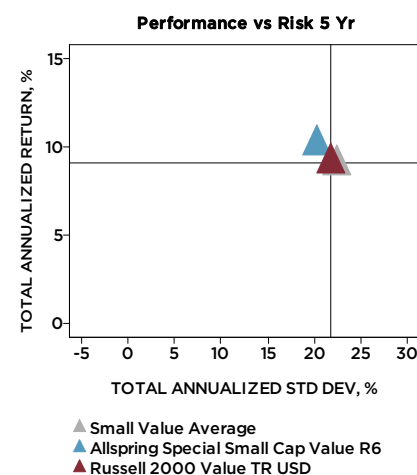
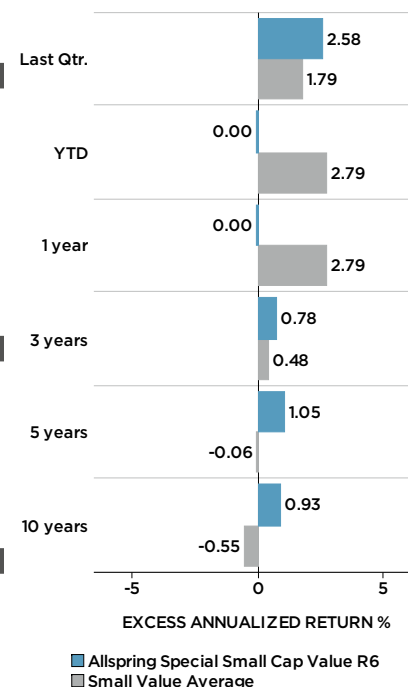
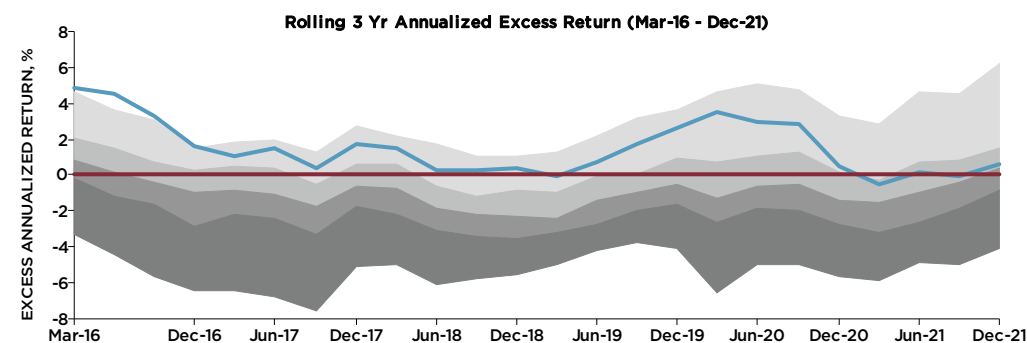


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ALLSPRING SPECIAL SMALL CAP VALUE R6

Period Ending 12.31.21 | Q4 21

KEY MEASURES / 5 YEAR	Allspring Special Small Cap Value R6	Peer Group Rank	Russell 2000 Value TR USD	Small Value	# of Funds
Standard Deviation	20.27	13%	21.74	22.44	408
Sharpe Ratio	0.44	16%	0.36	0.35	408
Alpha	1.69	17%	0.00	-0.11	408
Beta	0.92	86%	1.00	1.01	408
R-Squared	97.17	23%	100.00	94.82	408
Up Mkt Capture	96.33	68%	100.00	99.81	408
Down Mkt Capture	92.30	21%	100.00	99.73	408
Information Ratio	0.25	21%	NA	-0.01	408
TRAILING RETURNS					
Last Qtr.	6.94	41%	4.36	6.14	432
YTD	28.27	65%	28.27	31.06	428
1 Year	28.27	65%	28.27	31.06	428
3 Years	18.77	40%	17.99	18.47	414
5 Years	10.12	29%	9.07	9.01	408
10 Years	12.96	19%	12.03	11.48	382
CALENDAR RETURNS					
2020	1.57	64%	4.63	3.81	424
2019	28.61	9%	22.39	22.51	414
2018	-13.35	32%	-12.86	-15.32	409
2017	11.52	30%	7.84	9.46	408
2016	29.46	23%	31.74	25.02	406



INVESTMENT PROFILE

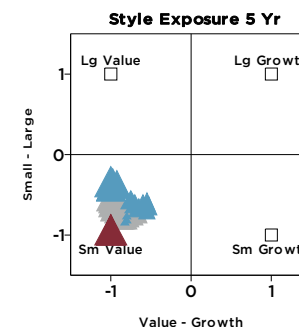
Ticker	ESPRX
CUSIP	94988A668
Net Assets \$MM	\$6,240.00
Manager Names	Team Managed
Manager Tenure	19.9 Years
Prospectus Exp Ratio	0.85%
Cat Median Exp Ratio	1.15%
Current 12b-1	0.00%
Annld Ret Since Incept	10.70%
Inception Date	10/31/2014
Phone Number	800-222-8222
Sub Advisor	Allspring Global Investments, LLC

HOLDINGS OVERVIEW

Total Number of Holdings	154
% Assets in Top 10 Holdings	24.58%
Avg Mkt Cap \$MM	\$2,637.79
Turnover Ratio	40.00%

TOP HOLDINGS

Eagle Materials Inc	2.98%
Mueller Industries Inc	2.86%
Spectrum Brands Holding	2.55%
Innospec Inc	2.54%
Avient Corp	2.53%

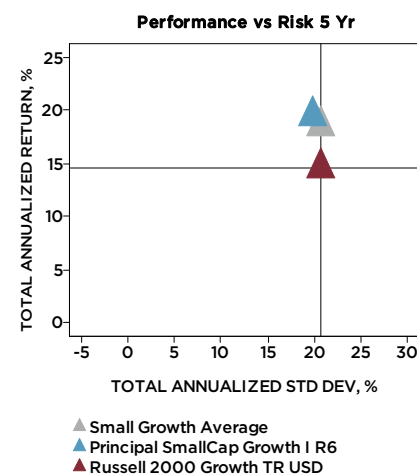
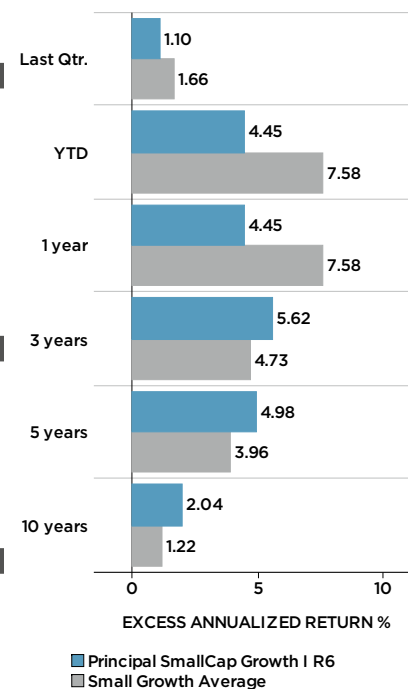
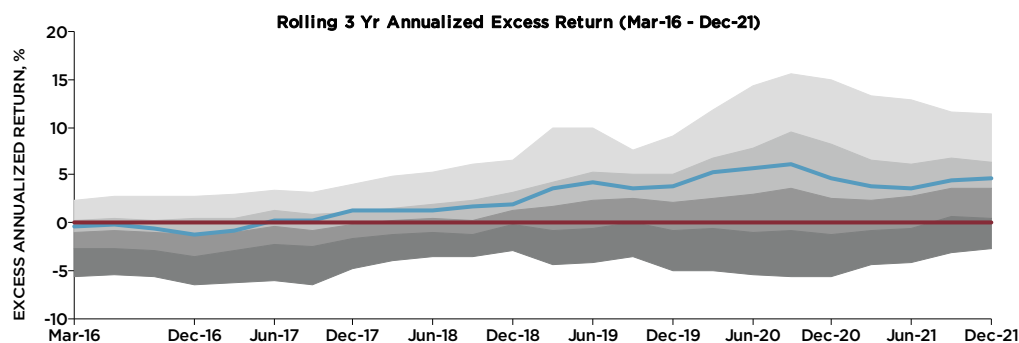


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PRINCIPAL SMALLCAP GROWTH I R6

Period Ending 12.31.21 | Q4 21

	Principal SmallCap Growth I R6	Peer Group Rank	Russell 2000 Growth TR USD	Small Growth	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	19.88	36%	20.64	20.77	571
Sharpe Ratio	0.92	37%	0.65	0.84	571
Alpha	5.75	41%	0.00	4.70	571
Beta	0.94	53%	1.00	0.94	571
R-Squared	95.73	12%	100.00	89.38	571
Up Mkt Capture	105.08	38%	100.00	103.17	571
Down Mkt Capture	86.61	44%	100.00	88.05	571
Information Ratio	1.04	19%	NA	0.50	571
TRAILING RETURNS					
Last Qtr.	1.11	57%	0.01	1.67	604
YTD	7.28	60%	2.83	10.41	603
1 Year	7.28	60%	2.83	10.41	603
3 Years	26.79	40%	21.17	25.90	587
5 Years	19.51	42%	14.53	18.49	571
10 Years	16.18	35%	14.14	15.36	519
CALENDAR RETURNS					
2020	42.27	40%	34.63	41.39	602
2019	33.53	33%	28.48	29.63	587
2018	-5.34	58%	-9.31	-4.62	585
2017	26.36	32%	22.17	23.63	571
2016	9.17	55%	11.32	10.47	560



INVESTMENT PROFILE

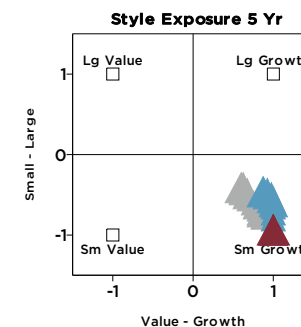
Ticker	PCSMX
CUSIP	742537574
Net Assets \$MM	\$3,111.00
Manager Names	Team Managed
Manager Tenure	12.6 Years
Prospectus Exp Ratio	0.84%
Cat Median Exp Ratio	1.15%
Current 12b-1	N/A
Annldz Ret Since Incept	15.16%
Inception Date	11/25/2014
Phone Number	800-222-5852
Sub Advisor	AllianceBernstein L.P./ Brown Advisory LLC/ Emerald Advisers, LLC

HOLDINGS OVERVIEW

Total Number of Holdings	1324
% Assets in Top 10 Holdings	13.43%
Avg Mkt Cap \$MM	\$4,634.31
Turnover Ratio	62.10%

TOP HOLDINGS

Principal Government Moni	3.30%
Lattice Semiconductor Cor	1.45%
Tetra Tech Inc	1.25%
Rapid7 Inc	1.23%
MACOM Technology Soluti	1.07%



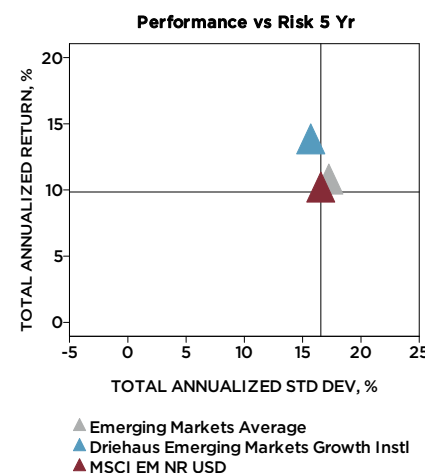
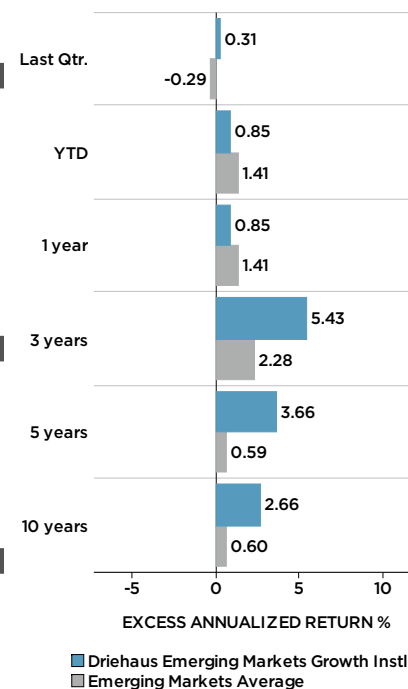
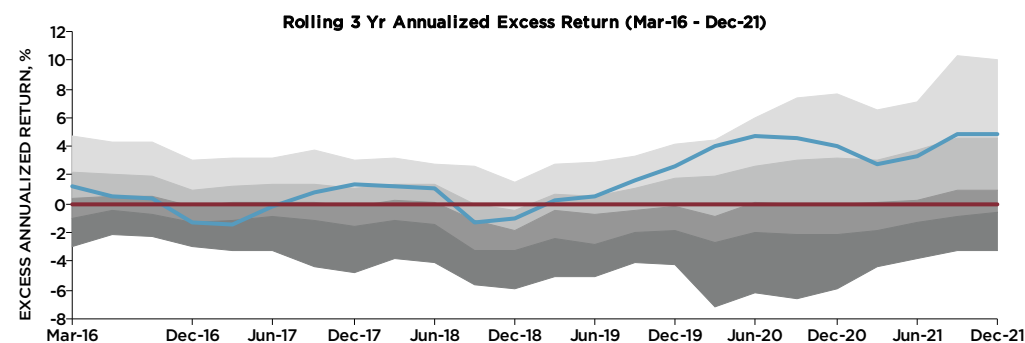
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DRIEHAUS EMERGING MARKETS GROWTH INSTL

Period Ending 12.31.21 | Q4 21

KEY MEASURES / 5 YEAR	DrieHaus Emerging Markets Growth Instl	Peer Group Rank	MSCI EM NR USD	Emerging Markets	# of Funds
Standard Deviation	15.70	12%	16.63	17.19	640
Sharpe Ratio	0.79	10%	0.53	0.54	640
Alpha	4.37	13%	0.00	0.78	640
Beta	0.92	84%	1.00	0.98	640
R-Squared	94.62	30%	100.00	89.88	640
Up Mkt Capture	104.20	31%	100.00	99.83	640
Down Mkt Capture	88.27	16%	100.00	96.91	640
Information Ratio	0.85	6%	NA	0.07	640
TRAILING RETURNS					
Last Qtr.	-1.01	45%	-1.31	-1.60	750
YTD	-1.69	49%	-2.54	-1.13	732
1 Year	-1.69	49%	-2.54	-1.13	732
3 Years	16.37	23%	10.94	13.23	691
5 Years	13.53	16%	9.87	10.47	640
10 Years	8.15	15%	5.49	6.09	459
CALENDAR RETURNS					
2020	27.62	24%	18.31	21.15	709
2019	25.60	27%	18.44	21.76	691
2018	-16.08	46%	-14.58	-16.61	654
2017	42.62	18%	37.28	36.43	640
2016	5.88	65%	11.19	8.29	617



INVESTMENT PROFILE

Ticker	DIEMX
CUSIP	262028756
Net Assets \$MM	\$2,329.00
Manager Names	Team Managed
Manager Tenure	14.4 Years
Prospectus Exp Ratio	1.19%
Cat Median Exp Ratio	1.20%
Current 12b-1	N/A
Annld Ret Since Incept	9.75%
Inception Date	07/17/2017
Phone Number	800-560-6111
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	104
% Assets in Top 10 Holdings	34.94%
Avg Mkt Cap \$MM	\$66,000.71
Turnover Ratio	203.00%

TOP HOLDINGS

Taiwan Semiconductor Mar	7.39%
Northern Institutional US Gc	7.13%
Samsung Electronics Co Ltd	4.58%
Tencent Holdings Ltd	3.71%
ICICI Bank Ltd ADR	2.54%

Performance Disclosure: For use with CAPTRUST clients only. Mutual fund investing involves risk. Please visit captrustadvisors.com/risk-disclosures/ for a detailed description of the risks associated with investing by asset class. Statistics and data have been derived from Morningstar and are not guaranteed to be accurate or complete. Performance data included here represents past performance and does not guarantee future results. This is not a solicitation to invest. Each mutual fund has a prospectus with a complete description of the risks associated with investing in the specific fund. To request a prospectus on this fund, please call CAPTRUST at (800)216-0645.





ALPHA

Alpha measures a manager's rate of return in excess of that which can be explained by its systematic risk, or Beta. It is a result of regressing a manager's returns against those of a benchmark index. A positive alpha implies that a manager has added value relative to its benchmark on a risk-adjusted basis.

BATTING AVERAGE

Batting Average, an indicator of consistency, measures the percentage of time an active manager outperformed the benchmark.

BETA

Beta measures a manager's sensitivity to systematic, or market risk. Beta is a result of the analysis regressing a manager's returns against those of a benchmark Index. A manager with a Beta of 1 should move perfectly with a benchmark. A Beta of less than 1 implies that a manager's returns are less volatile than the market's (i.e., selected benchmarks). A Beta of greater than 1 implies that a manager exhibits greater volatility than the market (i.e., selected benchmark).

CAPTURE RATIO

Up Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was positive. Down Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was negative. An Up Market Capture of greater than 100% and a Down Market Capture of less than 100% is considered desirable.

INFORMATION RATIO

The Information Ratio measures a manager's excess return over the passive index divided by the volatility of that excess return, or Tracking Error. To obtain a higher Information Ratio, which is preferable, a manager must demonstrate the ability to generate returns above its benchmark while avoiding large performance swings relative to that same benchmark.

PERCENTILE RANK

Percentile Rankings are based on a manager's performance relative to all other available funds in its universe. Percentiles range from 1, being the best, to 100 being the worst. A ranking in the 50th percentile or above demonstrates that the manager has performed better on a relative basis than at least 50% of its peers.

RISK-ADJUSTED PERFORMANCE

Risk-adjusted Performance, or RAP, measures the level of return that an investment option would generate given a level of risk equivalent to the benchmark index.

R-SQUARED

R-squared measures the portion of a manager's movements that are explained by movements in a benchmark index. R-squared values range from 0 to 100. An R-squared of 100 means that all movements of a manager are completely explained by movements in the index. This measurement is identified as the coefficient of determination from a regression equation. A high R-squared value supports the validity of the Alpha and Beta measures, and it can be used as a measure of style consistency.

SHARPE RATIO

Sharpe ratio measures a manager's return per unit of risk, or standard deviation. It is the ratio of a manager's excess return above the risk-free rate divided by a manager's standard deviation. A higher Sharpe ratio implies greater manager efficiency.

STANDARD DEVIATION


Standard Deviation is a measure of the extent to which observations in a series vary from the arithmetic mean of the series. This measure of volatility or risk allows the estimation of a range of values for a manager's returns. The wider the range, the more uncertainty, and, therefore, the riskier a manager is assumed to be.

TRACKING ERROR

Tracking Error is the standard deviation of the portfolio's residual (i.e. excess) returns. The lower the tracking error, the closer the portfolio returns have been to its risk index. Aggressively managed portfolios would be expected to have higher tracking errors than portfolios with a more conservative investment style.

TREYNOR RATIO

The Treynor Ratio is a measure of reward per unit of risk. With Treynor, the numerator (i.e. reward) is defined as the annualized excess return of the portfolio versus the risk-free rate. The denominator (i.e. risk) is defined as the portfolio beta. The result is a measure of excess return per unit of portfolio systematic risk. As with Sharpe and Sortino, the Treynor Ratio only has value when it is used as the basis of comparison between portfolios. The higher the Treynor Ratio, the better.

	QUANTITATIVE EVALUATION ITEMS	QUALITATIVE EVALUATION ITEMS
 MARKED FOR REVIEW The following categories of the Investment Policy Monitor appear “Marked For Review” when:	3/5 Year Risk- adjusted Performance The investment option’s 3 or 5 Year Annualized Risk Adjusted Performance falls below the 50th percentile of the peer group.	Fund Management A significant disruption to the investment option’s management team has been discovered.
	3/5 Year Performance vs. Peers The investment option’s 3 or 5 Year Annualized Peer Relative Performance falls below the 50th percentile of the peer group.	Fund Family A significant disruption to the investment option’s parent company has been discovered.
	3/5 Year Style The investment option’s 3 or 5 Year R-Squared measure falls below the absolute threshold set per asset class.	
	3/5 Year Confidence The investment option’s 3 or 5 Year Confidence Rating falls below the 50 th percentile of the peer group.	
CAPTRUST’s Investment Policy Monitoring Methodology The Investment Policy Monitoring Methodology document describes the systems and procedures CAPTRUST uses to monitor and evaluate the investment vehicles in your plan/account on a quarterly basis. Our current Investment Policy Monitoring Methodology document can be accessed through the following link: captrust.com/investmentmonitoring		

ASSET ALLOCATION DETAIL

Period Ending 2.28.22

City of Birmingham Employees Retirement System

MANAGER NAME	- MARKET VALUE -			TOTAL	TARGET	ACTUAL	VARIANCE
	CASH	INVESTED	% CASH				
Cash & Equivalents	0.00	300,219.21	0.00 %	300,219.21		0.27 %	
TOTAL CASH & EQUIVALENTS	0.00	300,219.21	0.00 %	300,219.21	0.00 %	0.27 %	0.27 %
BlackRock Total Return K	0.00	13,650,407.98	0.00 %	13,650,407.98		12.48 %	
Ducenta Squared Asset Managment	0.00	10,169.97	0.00 %	10,169.97		0.01 %	
Metropolitan West Total Return Bd I	0.00	13,711,472.34	0.00 %	13,711,472.34		12.53 %	
TOTAL FIXED INCOME	0.00	27,372,050.29	0.00 %	27,372,050.29	24.50 %	25.02 %	0.52 %
Allspring Special Small Cap Value R6	0.00	2,596,629.34	0.00 %	2,596,629.34		2.37 %	
BlackRock Mid Cap Growth Equity K	0.00	5,575,596.31	0.00 %	5,575,596.31		5.10 %	
Fidelity 500 Index	0.00	33,058,209.74	0.00 %	33,058,209.74		30.21 %	
Gabelli Asset Managment Advisory Account	0.00	27,498.60	0.00 %	27,498.60		0.03 %	
MFS Mid Cap Value R6	0.00	6,780,811.41	0.00 %	6,780,811.41		6.20 %	
Principal Small Cap Growth Fund R6	0.00	2,208,878.68	0.00 %	2,208,878.68		2.02 %	
TOTAL U.S. EQUITIES	0.00	50,247,624.08	0.00 %	50,247,624.08	47.50 %	45.93 %	-1.57 %
Amer Funds EuroPac Growth R6	0.00	7,459,412.63	0.00 %	7,459,412.63		6.82 %	
Driehaus Emerging Markets Growth	0.00	4,121,400.88	0.00 %	4,121,400.88		3.77 %	
Hartford International Opps R6	0.00	8,019,989.40	0.00 %	8,019,989.40		7.33 %	
TOTAL INTERNATIONAL EQUITIES	0.00	19,600,802.91	0.00 %	19,600,802.91	18.25 %	17.91 %	-0.34 %
Graham Absolute Return CL	0.00	3,958,875.15	0.00 %	3,958,875.15		3.62 %	
Starwood Property Trust Inc. REIT	0.00	3,765,942.15	0.00 %	3,765,942.15		3.44 %	
WhiteBox Multi-Strategy Fund LP	0.00	4,166,294.22	0.00 %	4,166,294.22		3.81 %	
TOTAL STRATEGIC OPPORTUNITIES	0.00	11,891,111.52	0.00 %	11,891,111.52	9.75 %	10.87 %	1.12 %
TOTAL PORTFOLIO	0.00	109,411,808.01	0.00 %	109,411,808.01	100.00 %	100.00 %	0.00 %

Information and statistics have been provided by the custodian and are not guaranteed to be accurate or complete. This is not a substitute for the official custodial account statement; please refer to the custodial statement for verification.

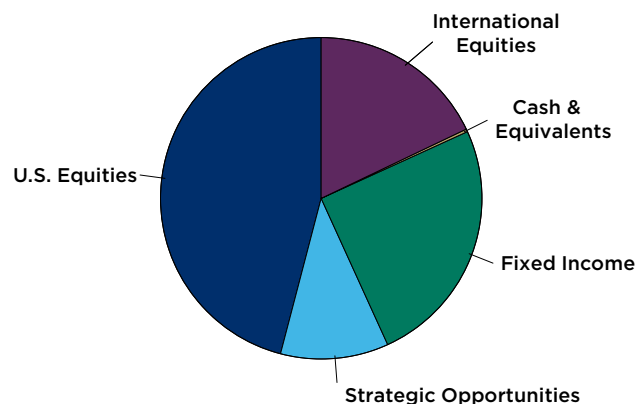


ASSET ALLOCATION SUMMARY

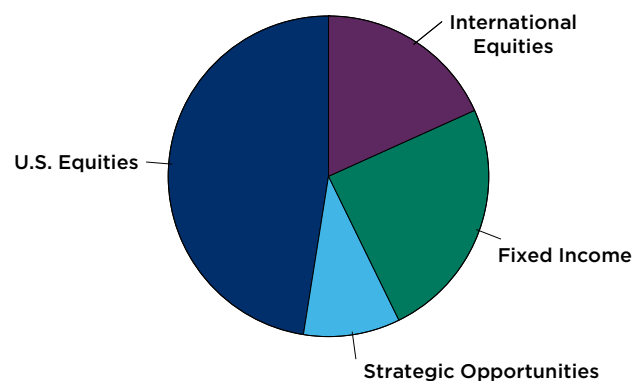
Period Ending 2.28.22

City of Birmingham Employees Retirement System

ACTUAL ALLOCATION



TARGET ALLOCATION



HISTORIC ALLOCATION TREND



2/2022

	0.27%
	25.02%
	45.93%
	17.91%
	10.87%

ASSET REBALANCING ANALYSIS

Asset Class	Actual Allocation	Target Allocation	(+/-) Variance
Cash & Equivalents	0.27%	0.00%	0.27%
Fixed Income	25.02%	24.50%	0.52%
U.S. Equities	45.93%	47.50%	-1.57%
International Equities	17.91%	18.25%	-0.34%
Strategic Opportunities	10.87%	9.75%	1.12%

INVESTMENT RETURNS | MANAGER RESULTS

Period Ending 2.28.22

City of Birmingham Employees Retirement System

CASH & EQUIVALENTS RETURNS	MTD'22	QTD'22	YTD'22	2021	2020	2019	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL CASH & EQUIVALENTS	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A	0.01%	10/31/2021
ICE BOFAML US TREASURY BILL 3 MON TR USD	0.01%	0.01%	0.01%	0.05%	0.63%	2.24%	0.04%	0.85%	1.11%	0.02%	
CASH & EQUIVALENTS MANAGER RESULTS:											
Cash & Equivalents	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A	0.01%	10/31/2021
ICE BofAML US Treasury Bill 3 Mon TR USD	0.01%	0.01%	0.01%	0.05%	0.63%	2.24%	0.04%	0.85%	1.11%	0.02%	

FIXED INCOME RETURNS	MTD'22	QTD'22	YTD'22	2021	2020	2019	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL FIXED INCOME	-1.34%	-3.52%	-3.52%	N/A	N/A	N/A	N/A	N/A	N/A	-3.54%	10/31/2021
BBGBARC AGGREGATE BOND INDEX	-1.12%	-3.25%	-3.25%	-1.54%	7.51%	8.72%	-2.64%	3.30%	2.71%	-3.21%	
FIXED INCOME MANAGER RESULTS:											
BlackRock Total Return K	-1.50%	-3.84%	-3.84%	N/A	N/A	N/A	N/A	N/A	N/A	-3.87%	10/31/2021
BBgBarc Aggregate Bond Index	-1.12%	-3.25%	-3.25%	-1.54%	7.51%	8.72%	-2.64%	3.30%	2.71%	-3.21%	
Ducenta Squared Asset Managment	0.14%	0.49%	0.49%	N/A	N/A	N/A	N/A	N/A	N/A	1.62%	10/31/2021
BBgBarc Aggregate Bond Index	-1.12%	-3.25%	-3.25%	-1.54%	7.51%	8.72%	-2.64%	3.30%	2.71%	-3.21%	
Metropolitan West Total Return Bd I	-1.18%	-3.23%	-3.23%	N/A	N/A	N/A	N/A	N/A	N/A	-3.25%	10/31/2021
BBgBarc Aggregate Bond Index	-1.12%	-3.25%	-3.25%	-1.54%	7.51%	8.72%	-2.64%	3.30%	2.71%	-3.21%	

U.S. EQUITIES RETURNS	MTD'22	QTD'22	YTD'22	2021	2020	2019	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL U.S. EQUITIES	-2.20%	-8.50%	-8.50%	N/A	N/A	N/A	N/A	N/A	N/A	-6.27%	10/31/2021
S&P 500 INDEX	-2.99%	-8.01%	-8.01%	28.71%	18.40%	31.49%	16.39%	18.24%	15.17%	-4.56%	
U.S. EQUITIES MANAGER RESULTS:											
Allspring Special Small Cap Value R6	1.15%	-3.66%	-3.66%	N/A	N/A	N/A	N/A	N/A	N/A	-0.90%	10/31/2021
Russell 2000 Value	1.65%	-4.27%	-4.27%	28.27%	4.63%	22.39%	6.63%	10.91%	7.97%	-3.77%	
BlackRock Mid Cap Growth Equity K	-2.32%	-16.88%	-16.88%	N/A	N/A	N/A	N/A	N/A	N/A	-20.34%	10/31/2021
Russell Mid Cap Growth	-1.21%	-13.96%	-13.96%	12.73%	35.59%	35.47%	-4.32%	14.71%	14.86%	-17.31%	

Disclosure: Performance returns over one-year are annualized.



INVESTMENT RETURNS | MANAGER RESULTS

Period Ending 2.28.22

City of Birmingham Employees Retirement System

U.S. EQUITIES RETURNS	MTD'22	QTD'22	YTD'22	2021	2020	2019	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
Fidelity 500 Index	-2.99%	-8.01%	-8.01%	N/A	N/A	N/A	N/A	N/A	N/A	-4.56%	10/31/2021
S&P 500 Index	-2.99%	-8.01%	-8.01%	28.71%	18.40%	31.49%	16.39%	18.24%	15.17%	-4.56%	
Gabelli Asset Managment Advisory Account	23.20%	40.86%	40.86%	N/A	N/A	N/A	N/A	N/A	N/A	-2.38%	10/31/2021
Russell 2000 Value	1.65%	-4.27%	-4.27%	28.27%	4.63%	22.39%	6.63%	10.91%	7.97%	-3.77%	
MFS Mid Cap Value R6	0.22%	-2.71%	-2.71%	N/A	N/A	N/A	N/A	N/A	N/A	1.75%	10/31/2021
Russell Mid Cap Value	-0.47%	-4.72%	-4.72%	28.34%	4.96%	27.06%	13.75%	12.74%	9.18%	-1.81%	
Principal Small Cap Growth Fund R6	-0.61%	-14.04%	-14.04%	N/A	N/A	N/A	N/A	N/A	N/A	-17.69%	10/31/2021
Russell 2000 Growth Index	0.44%	-13.03%	-13.03%	2.83%	34.63%	28.48%	-17.40%	9.22%	10.49%	-16.91%	

INTERNATIONAL EQUITIES RETURNS	MTD'22	QTD'22	YTD'22	2021	2020	2019	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL INTERNATIONAL EQUITIES	-3.73%	-9.03%	-9.03%	N/A	N/A	N/A	N/A	N/A	N/A	-10.96%	10/31/2021
MSCI AC WORLD EX US FREE	-1.97%	-5.57%	-5.57%	8.29%	11.13%	22.13%	0.03%	8.16%	7.76%	-6.06%	
INTERNATIONAL EQUITIES MANAGER RESULTS:											
Amer Funds EuroPac Growth R6	-4.32%	-11.37%	-11.37%	N/A	N/A	N/A	N/A	N/A	N/A	-14.04%	10/31/2021
MSCI AC World ex US Free	-1.97%	-5.57%	-5.57%	8.29%	11.13%	22.13%	0.03%	8.16%	7.76%	-6.06%	
Driehaus Emerging Markets Growth	-3.65%	-7.35%	-7.35%	N/A	N/A	N/A	N/A	N/A	N/A	-10.23%	10/31/2021
MSCI Emerging Markets Net	-2.99%	-4.83%	-4.83%	-2.54%	18.31%	18.44%	-10.69%	6.04%	6.99%	-6.99%	
Hartford International Opps R6	-3.23%	-7.69%	-7.69%	N/A	N/A	N/A	N/A	N/A	N/A	-8.30%	10/31/2021
MSCI EAFE	-1.76%	-6.50%	-6.50%	11.78%	8.28%	22.66%	3.30%	8.29%	7.67%	-6.26%	

STRATEGIC OPPORTUNITIES RETURNS	MTD'22	QTD'22	YTD'22	2021	2020	2019	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL STRATEGIC OPPORTUNITIES	1.48%	4.23%	4.23%	N/A	N/A	N/A	N/A	N/A	N/A	5.67%	10/31/2021
HFRX ABSOLUTE RETURN INDEX	-0.03%	-0.90%	-0.90%	2.10%	2.72%	4.37%	0.79%	2.36%	2.14%	-0.80%	
STRATEGIC OPPORTUNITIES MANAGER RESULTS:											
Graham Absolute Return CL	2.42%	5.98%	5.98%	N/A	N/A	N/A	N/A	N/A	N/A	4.02%	10/31/2021
HFRX Absolute Return Index	-0.03%	-0.90%	-0.90%	2.10%	2.72%	4.37%	0.79%	2.36%	2.14%	-0.80%	

Disclosure: Performance returns over one-year are annualized.



INVESTMENT RETURNS | MANAGER RESULTS

Period Ending 2.28.22

City of Birmingham Employees Retirement System

STRATEGIC OPPORTUNITIES RETURNS	MTD'22	QTD'22	YTD'22	2021	2020	2019	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
Starwood Property Trust Inc. REIT	1.78%	3.32%	3.32%	N/A	N/A	N/A	N/A	N/A	N/A	9.53%	10/31/2021
FTSE EPRA/NAREIT US	-3.34%	-9.95%	-9.95%	42.83%	-9.95%	24.34%	22.56%	8.69%	6.91%	-2.85%	
WhiteBox Multi-Strategy Fund LP	0.34%	3.43%	3.43%	N/A	N/A	N/A	N/A	N/A	N/A	3.91%	10/31/2021
HFRX Absolute Return Index	-0.03%	-0.90%	-0.90%	2.10%	2.72%	4.37%	0.79%	2.36%	2.14%	-0.80%	

TOTAL PORTFOLIO RETURNS	MTD'22	QTD'22	YTD'22	2021	2020	2019	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL PORTFOLIO	-1.87%	-6.14%	-6.14%	N/A	N/A	N/A	N/A	N/A	N/A	-5.32%	10/31/2021
Total Portfolio Benchmark	-2.00%	-5.64%	-5.64%	14.49%	14.34%	21.34%	7.20%	11.71%	9.90%	-3.98%	

Disclosure: Performance returns over one-year are annualized.



TOTAL PORTFOLIO POLICY BENCHMARK

Period Ending 2.28.22

City of Birmingham Employees Retirement System

DATE	BENCHMARKS	INDEX WEIGHTS
10/31/2021	HFRX Absolute Return Index	9.75
To	MSCI AC World ex US Free	18.25
Present	BBgBarc Aggregate Bond Index	24.50
	S&P 500 Index	47.50