EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

THROUGH: Cindy Charan, Director of Human Resources Cindy R. Charan

FROM: Lisa Sorani, Manager of Employee Services Lisa Sorani

SUBJECT: Retirement Board Regular Meeting – 3/19/2026

A regular meeting of the Retirement Board will convene at 9:00 a.m. on Thursday, March 19, 2026. This meeting will be conducted in person with all Retirement Board members physically present in the Administration Training Resource Center, 375 Eleventh Street, Oakland, California, which shall serve as the physical location for members of the public who wish to attend the meeting in person. Please note, however, that members of the public will also be provided with the opportunity to participate via video and teleconference. Public participation will also be available by live audio stream at https://www.ebmud.com/about-us/board-directors/board-meetings/retirement-board-meetings/; however, listeners will not be able to provide public comment via live audio stream. To participate in the meeting or provide public comment, please see the Appendix of the Agenda for instructions on joining the Zoom meeting online or by phone.

Some Staff and Presenters may be attending via Zoom which will be broadcast at the meeting.

Enclosed are the agenda items for the March 19, 2026, meeting and the Minutes for the January 29, 2025, regular meeting. The package also includes the following: **(1) CONSENT items**: Approval of Minutes of the Retirement Board – Regular Meeting of January 29, 2026; Ratifying and Approving Investment Transactions by Retirement Fund Managers for December 2025 and January 2026; Ratifying and Approving the Short-Term Investment Transactions for December 2025 and January 2026; Approving Treasurer's Statement of Receipts and Disbursements for December 2025 and January 2026; **(2) ACTION items**: Approve Resolution Thanking Andy Yeung of Segal for his service to the Retirement Board; Adopt Cost of Living Adjustment effective July 1, 2026; Authorize change to Retirement Board Rule C-21; Authorize updated Asset Allocation; **3) INFORMATION items:** Meketa Performance Report and Economic Review; Global Market Education – Training; 2025 Disability Retiree Earnings Income Verification; Annual Retirement Board Training Report; PensionGold (LRS) Implementation Project Update; **(4) REPORTS FROM THE RETIREMENT BOARD:**

CRC:ls

Enclosure

AGENDA

EBMUD EMPLOYEES' RETIREMENT SYSTEM
March 19, 2026

A regular meeting of the Retirement Board will convene at 9:00 a.m. on Thursday, March 19, 2026. This meeting will be conducted with Retirement Board Members physically present in the Administration **Training Resource Center**, 375 Eleventh Street, Oakland, California. This location shall serve as the physical location for members of the public who wish to attend the meeting in person. Please note, however, that members of the public will also be provided with the opportunity to participate via video and teleconference. Public participation will also be available by live audio stream https://www.ebmud.com/about-us/board-directors/board-meetings/retirement-board-meetings/; however, listeners will not be able to provide public comment via live audio stream. To participate in the meeting or provide public comment, please see the Appendix of the Agenda for instructions on joining the Zoom meeting online or by phone. Some Presenters may be attending via Zoom.

Retirement Board Members: Jim Oddie, Marguerite Young, Jae Park, Gus Cicala and Elizabeth Grassetti

Staff to the Retirement Board: Sophia Skoda, Lourdes Matthew, and Lisa Sorani

Consultants & Presenters: Segal: Andy Yeung; Meketa: Colin Bebee

****Public Participation****
Please see Appendix at end of Agenda for Public Participation Details

ROLL CALL:

PUBLIC COMMENT: The Retirement Board is limited by State Law to providing a brief response, asking questions for clarification, or referring a matter to staff when responding to items that are not listed on the agenda.

CLOSED SESSION AGENDA

1. Personnel matters pursuant to Government Code Section 54957: Application for Disability Retirement of Devonn Harding.
2. Personnel matters pursuant to Government Code Section 54957: Application for Disability Retirement of Kurt Borden.

REGULAR BUSINESS MEETING

CONSENT CALENDAR:

1. Approval of Minutes of the Retirement Board – Regular Meeting of January 29, 2026 – C. Charan
2. Ratifying and Approving Investment Transactions by Retirement Fund Managers for December 2025 and January 2026 – S. Skoda
3. Ratifying and Approving Short-Term Investment Transactions for December 2025 and January 2026 – S. Skoda
4. Approving Treasurer's Statement of Receipts and Disbursements for December 2025 and January 2026 – S. Skoda

4. Approving Treasurer's Statement of Receipts and Disbursements for December 2025 and January 2026 – S. Skoda

ACTION:

5. Approve Resolution Thanking Andy Yeung of Segal for his service to the Retirement Board – S. Skoda

6. Adopt Cost of Living Adjustment effective July 1, 2026 – C. Charan

7. Authorize change to Retirement Board Rule C-21 – C. Charan

8. Authorize updated Asset Allocation – S. Skoda

INFORMATION:

9. Meketa Performance Report and Economic Review – S. Skoda

10. Global Market Education – Training – S. Skoda

11. 2025 Disability Retiree Earnings Income Verification – C. Charan

12. Annual Retirement Board Training Report and Ethics Training Update – C. Charan

13. PensionGold (LRS) Implementation Project Update – C. Charan

REPORTS FROM THE RETIREMENT BOARD:

ITEMS TO BE CALENDARED:

MEETING ADJOURNMENT:

The next regular meeting of the Retirement Board will be held on May 21, 2026.

Retirement Board Meetings

- May 21, 2026
- July 9, 2026
- September 17, 2026
- November 19, 2026

APPENDIX

Retirement Board Meeting
Thursday, March 19, 2026
9:00 a.m.

This meeting will be conducted with Retirement Board Members physically present in the Administration Training Resource Center, 375 Eleventh Street, Oakland, California. Members of the public are welcome to attend in person or virtually as described below.
Please note that Retirement Board meetings are recorded and live-streamed.

To **view the livestream of the** Retirement Board Meeting, without making public comment, please visit: https://www.ebmud.com/about-us/board-directors/board-meetings/retirement-board-meetings/

If you wish to join the meeting, or to make public comment, please visit this page beforehand to familiarize yourself with Zoom: http://support.zoom/us/hc/en-us/articles/201362193-Joining-a-Meeting

Zoom Webinar Information

You are invited to a Zoom webinar.
When: March 19, 2026 09:00 AM Pacific Time (US and Canada)
Topic: March 19, 2026 EBMUD Retirement Board Meeting

Join from PC, Mac, iPad, or Android:
https://ebmud.zoom.us/j/83029751776
Phone one-tap:
+16699006833,,83029751776# US (San Jose)
+16694449171,,83029751776# US

Join via audio:
+1 669 900 6833 US (San Jose)
+1 669 444 9171 US
Webinar ID: 830 2975 1776
International numbers available: https://ebmud.zoom.us/u/kldF3xuoc

Providing Public Comment

The EBMUD Retirement Board is limited by State Law to providing a brief response, asking questions for clarification, or referring a matter to staff when responding to items that are not listed on the agenda.
If you wish to provide public comment, please:

- Use the raise hand feature in Zoom to indicate you wish to make a public comment https://support.zoom/us/hc/en-us/articles/20055661-Raising-your-hand-in-a-webinar
  - If you participate by phone, press *9 to raise your hand
- When prompted by the Asst. Secretary, please state your name, affiliation if applicable, and topic
- The Assistant Secretary will call each speaker in the order received
- Comments on non-agenda items will be heard at the beginning of the meeting
- Comments on agenda items will be heard when the item is up for consideration

- Each Speaker is allotted 3 minutes to speak; the Retirement Board President has the discretion to amend this time based on the number of speakers
- The Assistant Secretary will keep track of time and inform each speaker when time is up

MINUTES
EBMUD EMPLOYEES' RETIREMENT SYSTEM
January 29, 2026

A regular meeting of the Retirement Board convened at 9:00 a.m. on Thursday, January 29, 2026. This meeting was conducted with Retirement Board Members physically present in the Administration **Training Resource Center**, 375 Eleventh Street, Oakland, California. This location served as the physical location for members of the public who wished to attend the meeting in person.

****Public Participation****
Please see Appendix at end of Agenda for Public Participation Details

ROLL CALL:

Ahead of roll call, President Jae Park announced that Director Jim Oddie replaced Director April Chan. Gus Cicala, Retirement Board member that was elected to the employee seat vacated by Max Fefer, is absent from today's meeting.

Present: Jae Park, Clifford Chan, Marguerite Young, Jim Oddie, and Elizabeth Grassetti

PUBLIC COMMENT: The Retirement Board is limited by State Law to providing a brief response, asking questions for clarification, or referring a matter to staff when responding to items that are not listed on the agenda.

There were no further public comments, in person or online.

REGULAR BUSINESS MEETING

CONSENT CALENDAR:

The consent calendar included four items: approval of November 20, 2025, minutes; ratifying and approving Investment Transactions by Retirement Fund Managers; Short-Term Investment Transactions; and Treasurer's Statement of Receipts and Disbursements for October 2025 and November 2025.

A motion to approve the Consent Calendar, Items #1 through #4, was made by Director Marguerite Young and seconded by Clifford Chan. Director Jim Oddie abstained from voting on the approval of the minutes due to absence from that meeting. The motion passed 3-0-1-0 by the following vote AYES (M. Young, C. Chan, and J. Park), NOES (none), ABSTAIN (J. Oddie), ABSENT (none).

To accommodate a consultant's travel, the Retirement Board decided to move Informational agenda item #10 MacKay Shields Manager Market Education and Update before Action agenda items.

10. MacKay Shields Manager Market Education and Update (Training) – S. Skoda

Sophia Skoda introduced Andrew Susser, Head of the High Yield Group at MacKay Shields, and explained that the firm manages the System's high yield mandate. The presentation was intended as an educational update. Sophia also noted that portfolio manager Therese Hernandez was unable to attend due to illness.

Andrew Susser provided an overview of the System's high yield bond portfolio and the broader high yield market. MacKay Shields manages about 37 billion dollars in high yield assets for a wide range of clients and operates as an independent boutique under New York Life. The mandate uses a long only United States high yield strategy with no derivatives, no leverage and no hedge funds. The investment process begins with the full high yield universe, then removes issuers that functionally resemble investment grade credits. The team uses an asset coverage requirement in which estimated enterprise value must be at least one and a half times total debt. This standard is intended to limit exposure to severe losses in a market where upside is naturally constrained. Fundamental credit analysis follows and focuses on business durability, strategic importance, capital structure, covenant strength, governance, management quality and overall salability. ESG factors are incorporated into credit evaluations because environmental, social and governance risks can materially affect long term creditworthiness. The team also looks for potential total return catalysts such as possible acquisitions or rating upgrades. Bonds that meet these criteria are categorized into internal risk groups that guide overall portfolio construction.

Several examples were provided to illustrate the risk group approach. Hilton was cited as a Group 1 issuer with business qualities consistent with potential investment grade. Talos Energy served as an example of a Group 2 issuer with approximately two and a half times asset coverage. Mattamy Homes represented a Group 3 holding where higher spreads are necessary to compensate for greater but contained risk. The portfolio does not rely on heavy trading and allows group allocations to evolve as relative valuations change.

Reviewing 2025 performance, Andrew Susser explained that BB, B and CCC bonds produced relatively similar returns. Sector effects were more influential than rating differences. Cyclical basic industries produced weak results among CCC issuers, while telecom, media and healthcare performed more strongly. The portfolio underperformed the index by 112 basis points for the year due to overweight exposure to cyclical and basic industries and underweight positions in certain telecom and media issuers such as Dish Network that were rewarded in the market despite significant long-term concerns.

Over a longer horizon, beginning with the System's hiring of MacKay Shields in 2019, the portfolio has outperformed the benchmark gross of fees by about 91 basis points per year and by roughly 70 basis points per year over five years. As of the valuation date, the portfolio's yield was slightly below the benchmark, duration was shorter at about two and a half years compared with 2.85 years for the index and average credit quality at approximately double B was higher. The team has favored shorter maturities due to a flat or only slightly rising yield curve and limited yield compensation for longer term credit and rate risk. ESG metrics showed a portfolio carbon intensity of about 196 compared with 225 for the index and a higher MSCI ESG rating on average. It was noted that carbon metrics can underrepresent companies in transition that still have elevated emissions even while actively reducing their carbon footprint.

Andrew Susser outlined structural changes in the high yield market. Quality has increased across the sector, with roughly two thirds of issuers now public companies. Triple C issuers represent about 11 percent of the market and double B issuers about 55 percent. Highly leveraged and weaker credits have migrated toward leveraged loans and private credit markets where documentation is often looser. Rating data show more upgrades than downgrades in high yield while leveraged loans have experienced the opposite trend. Some segments of high yield function similarly to a lower tier of investment grade although risk concentrations remain. Triple C issuance has been limited, and a larger share of bonds now carry security provisions. Market size has remained steady and long-term investors such as pensions, insurers and mutual funds dominate ownership while exchange traded funds represent a smaller portion. Price volatility in high yield has been materially lower than in equities. During a recent equity decline of roughly 20 percent, high yield declined only about 2 percent. Interest rate sensitivity for the asset class is near historic lows.

Andrew Susser closed by discussing the rapid expansion of spending related to artificial intelligence and the likelihood that both public and private credit markets will be used to finance these developments. Potential disruptions from artificial intelligence across multiple industries were also noted. The team is actively reviewing credit exposures for both risks and opportunities associated with artificial intelligence and will adjust holdings as assessments evolve. The Retirement Board thanked Andrew Susser for the presentation.

ACTION:

5. Adopt the Actuarial Valuations of the Retirement System as of June 30, 2025, and Adopt the Fiscal Year 2027 Employer Contribution Rates for the Pension and the Health Insurance Benefit Plans – S. Skoda

Sophia Skoda opened the meeting by introducing the Segal actuarial team which included Andy Yeung, Emily Klare, and Dirk Adamsen. This meeting marked the final paid session for Andy Yeung before retirement, although a return visit in March was possible for final reporting and recognition. Andy Yeung reflected on many years of service to the Retirement Board and emphasized that improvements in funding were the result of decisions made by the Retirement Board and stakeholders to strengthen funding policies and actuarial assumptions. Andy Yeung noted that the current valuation results were strong with improving funded ratios, declining unfunded liability, and overall decreasing contribution trends when pension and HIB are considered together.

Emily Klare outlined the purposes of the actuarial valuation and presented the results for June 30, 2025. The average employer pension contribution rate declined from 39.9 percent to 38.0 percent of payroll. Member contribution rates did not change. Investment performance was a major factor in the improvement. The market return was 13 percent, and the five-year smoothed return was 9.5 percent compared with the 6.75 percent assumption. This created actuarial gains of about 65 million dollars and reduced the unfunded actuarial accrued liability from roughly 750 million dollars to 676 million dollars. The smoothed funded ratio rose from about 76 percent to about 79 percent and the market value funded ratio increased to about 84 percent. A question regarding the COLA trigger led to clarification that the funded ratio used for the COLA cap rule is based on pension and HIB liabilities together compared with market value of assets. The combined ratio was about 83.6 percent which remained below the 85 percent threshold.

Review of plan experience showed an 11-million-dollar demographic and salary loss caused mainly by salary increases that were higher than assumed. Higher payroll nonetheless reduced the contribution rate because contributions are collected as a percentage of payroll. Segal explained that salary assumptions are based on long term patterns and reviewed during experience studies. Membership levels and workforce characteristics remained stable. Average salary increased about 3.4 percent and retiree counts and average benefits continued to grow gradually.

Historical reviews showed that although the smoothed funded ratio has risen only modestly since 2007 the underlying financial strength of the plan has increased significantly. The Retirement Board adopted multiple assumption changes over the years including reductions to the investment return assumption and adoption of updated mortality standards. This strengthened the long-term outlook even though they initially reduced the funded ratio.

The UAAL reconciliation showed that the plan would have been expected to end the year at about 730 million dollars if all assumptions were met. Investment gains reduced the UAAL by about 65 million dollars and other experience increased it by about 11 million dollars resulting in the final figure of approximately 676 million dollars. Long term projections showed that the UAAL is expected to decline steadily and be fully amortized around 2045. The decrease in employer contribution rates was due primarily to the strong investment performance.

Andy Yeung then presented the HIB valuation results and described the impact of the recently adopted benefit enhancement. The new structure replaces the old fixed monthly subsidy with a single subsidy amount tied to a benchmark premium that can increase annually by up to 3 percent. For 2026 the amount is approximately 618.58 dollars per month. Vesting for PEPRA members is shortened to 15 years while the earlier plan tiers continue with 20-year vesting. Segal had estimated that the enhancement would require about 2.3 percent of payroll in additional employer costs, but strong investment performance and higher payroll reduced the actual impact to about 1.4 percent. Member HIB contributions are increasing in scheduled steps from 0.40 percent to 1.0 percent by 2028. The HIB unfunded liability increased from about 65 million dollars to about 94 million dollars which aligned with expectations. Projections show both pension and HIB unfunded liabilities declining under the current funding policy.

Following questions and discussion staff recommended Board adoption of the pension and HIB valuations as of June 30, 2025, and approval of the employer contribution rates for fiscal year 2027. The Board approved the recommendation and concluded with expressions of appreciation to Andy Yeung for many years of guidance and service.

Director Marguerite Young moved to Adopt the Actuarial Valuations of the Retirement System as of June 30, 2025, and Adopt the Fiscal Year 2027 Employer Contribution Rates for the Pension and the Health Insurance Benefit Plans. The motion was seconded by Clifford Chan. The motion passed unanimously with no opposition or abstentions. The motion passed 4-0 by the following vote AYES (M. Young, C. Chan, J. Oddie, and J. Park), NOES (none), ABSTAIN (none), ABSENT (none).

6. Adopt Proposed Retirement Board Election Board Rule – C. Charan

Valerie Weekly presented the proposed Retirement Board Election Board Rule. This rule is the final component of work that began in March 2025 following an ordinance amendment that extended Retirement Board member terms from three years to four years. The new rule establishes the detailed procedures required to conduct Retirement Board elections in alignment with that ordinance. Multiple drafts were previously reviewed by the Retirement Board, and staff incorporated Retirement Board feedback along with public comments. A major feature of the new rule is the adoption of ranked choice voting for Retirement Board elections, which aligns the System's election process with the method used by Alameda County for Board of Director elections.

Valerie addressed a previous public comment recommending that term vested members be granted voting rights. Staff reviewed the retirement ordinance and determined that the ordinance does not authorize voting rights for term vested members. As a result, the proposed rule does not include that change. Staff indicated support for extending voting rights to term vested members and intends to propose ordinance revisions in a future cycle. Once those ordinance changes are made, the Board rule would be updated to define whether term vested members participate in active or retiree elections.

Retirement Board members asked clarifying questions, and staff confirmed that term vested members can be identified in the current system and will be even easier to track once PensionGold is fully implemented. The classification of term vested members for voting purposes will be addressed at the time of the next ordinance update.

Clifford Chan moved to adopt proposed Retirement Board election board rule. The motion was seconded by Director Marguerite Young. The motion passed unanimously with no opposition or abstentions. The motion passed 4-0 by the following vote AYES (M. Young, C. Chan, J. Oddie, and J. Park), NOES (none), ABSTAIN (none), ABSENT (none).

7. Approval Revisions to the Statement of Investment Policy and Procedures – S. Skoda

Sophia Skoda introduced Colin Bebee from Meketa to present proposed revisions to the Statement of Investment Policy and Procedures. Sophia Skoda reminded the Board that the IPS underwent an initial update in November 2025 to reflect the new asset allocation and to address straightforward items. The current phase focuses on modernizing and streamlining the entire document.

Colin Bebee referred to a summary memo that organized edits by purpose through color coding. The edits align the IPS with best practices, streamline language, remove outdated provisions, eliminate redundancy, and delete content that does not add meaningful policy guidance. Colin Bebee emphasized that none of the revisions alter Board policy or intent and that the objective is to maintain a clear and effective governance document and noted that overly lengthy IPS documents become impractical and described Meketa's commitment to keeping EBMUD's policy concise and functional.

Colin Bebee also discussed the placement agent questionnaire. Meketa recommended keeping placement agent policy language in the IPS but moving the detailed questionnaire to an internal staff operations manual. This approach preserves the policy direction while allowing staff to maintain operational documents that outline procedures for processes such as rebalancing and obtaining disclosures.

In response to questions about developing the operations manual, Sophia Skoda explained that the concept is new and will require time to complete, especially for staff members balancing other responsibilities. A future update will provide a clearer timeline.

President Jae Park submitted several minor editorial suggestions. Colin Bebee explained that Meketa performs a full formatting and punctuation review after Board approval of substantive edits and that these corrections would be incorporated during that final review. Board members supported the revisions and appreciated the color-coded explanation.

After clarification that President Jae Park's minor edits did not require a separate motion, Clifford Chan moved approval of the revised IPS with the understanding that minor editorial corrections would be included in the final cleanup. The motion was seconded by Director Margeurite Young. The motion passed unanimously with no opposition or abstentions. The motion passed 4-0 by the following vote AYES (M. Young, C. Chan, J. Oddie, and J. Park), NOES (none), ABSTAIN (none), ABSENT (none).

8. Approve Finalists for Private Credit Manager Interviews – S. Skoda

Sophia Skoda introduced Colin Bebee from Meketa and reminded the Board that the 2024 asset liability study resulted in a new strategic asset allocation that included a five percent allocation to private credit. In late 2025, Meketa issued an RFP for private credit managers with a preference for evergreen structures to reduce administrative burden for small staff.

Colin Bebee explained that evergreen private credit has expanded quickly. A few years ago, the market included only a small group of managers, while the System's RFP produced forty one responses. Meketa's private credit team conducted a full review and recommended four finalists for potential interviews. Colin Bebee provided an overview of private credit, describing corporate direct lending and asset-based lending as the core segments most relevant for the System, along with special situations and diversified strategies within Meketa's broader framework, and also explained the differences between closed end drawdown funds and evergreen structures, noting that evergreen funds continually reinvest capital and support a stable allocation, while closed end funds require repeated commitments and more ongoing engagement. A graph was shown illustrating the smoother capital pattern for evergreen funds.

Colin Bebee informed the Retirement Board that Meketa's updated 2026 Capital Market Assumptions reduced the expected private credit return by about ninety basis points. With the current asset allocation, including private credit, the expected total portfolio return is about seven and a half percent. If the five percent allocation remained in the covered call strategy instead of private credit, the portfolio's expected return would fall by only nine basis points with similar volatility and emphasized the illiquidity and complexity of private credit. A redemption from an evergreen fund would take years because underlying loans must mature or be repaid.

Colin Bebee noted that private credit can be appropriate for investors who have deep familiarity with the asset class and the capacity to monitor it closely, but advised that it must weigh the modest expected return advantage against complexity, illiquidity, monitoring burden, and headline risk, and stated that any significant discomfort should be treated as a signal not to move forward.

The Retirement Board engaged in an in-depth discussion. Director Marguerite Young expressed strong reservations after reviewing the finalist materials and noted the complexity, cost, and risk involved, as well as current macroeconomic uncertainty. Clifford Chan asked how fees were evaluated in review of the candidates and also had a question about how to thing about leverage. Colin Bebee responded that Meketa focuses on net returns and considers each manager's full risk and performance profile, including leverage, and described rapid growth in the private credit market and the risk of increased competition and spread compression, fees alone cannot tell you which is the best option, need to review the mosaic of details. Staff added concerns about complexity, market conditions, and the long commitment period. Colin reminded the board that if there is an hesitation or uncertainty, his fiduciary opinion is that you should not invest at this time. The Board also asked for staff's opinion and Sophia and Robby shared thoughts also about the complexity of the private credit market. It was noted that the covered call strategy may benefit from near term volatility and that there is no obligation to enter private credit immediately.

A public comment from retiree Tim McGowan encouraged consideration of what asset class would be used instead of private credit would it be covered calls or some other Bond offering. Meketa confirmed that a full comparison will be provided, including options beyond covered calls.

Director Jim Oddie asked whether interviews could occur before making a final decision. Some Board members cautioned that interviews often function as persuasive marketing presentations and that the Board should first determine whether private credit belongs in the strategic allocation at all. Sophia Skoda suggested that Meketa return in March 2026 with alternative asset allocation options that exclude private credit, allowing the Board to decide whether to remove or defer the allocation.

Elizabeth Grassetti added her own concern about the timing of this investment and while not a voting board member referenced that she does not feel now is the right time to make this decision to invest in private credit. If the Board elects not to move forward with manager interviews for private credit, Meketa will bring back new alternatives for discussion.

Clifford Chan moved to not move forward with the approval of the finalists for private credit interviews at this time and to reconsider this 5% investment as something other than private credit at the March meeting. The motion was seconded by Director Marguerite Young. The motion passed unanimously with no opposition or abstentions. The motion passed 4-0 by the following vote AYES (M. Young, C. Chan, J. Oddie, and J. Park), NOES (none), ABSTAIN (none), ABSENT (none).

Brief break was taken at 11:02 a.m. and reconvened at 11:07 a.m.

INFORMATION:

9. Meketa Performance Report and Economic Review – S. Skoda

Sophia Skoda introduced Eric Larsen and Colin Bebee from Meketa to provide a performance and economic update covering results through November 2025 and offering context for the full 2025 calendar year. As of November 30, 2025, system assets exceeded three billion dollars for the first time, supported by a twelve-month investment gain of more than three hundred sixty five million dollars. The one-year return was about 13.7 percent, with an estimated additional gain in December bringing the 2025 calendar year return to roughly 17 percent. Strong equity markets and the System's low cost, largely passive investment structure contributed to the results. Asset allocation stayed within all policy ranges, although equities became modestly overweight and fixed income and core private real estate were underweight. Some of the real estate underweight reflected weaker results in that sector along with transitions tied to implementation of the new allocation. A year-end rebalance was completed to bring exposure closer to targets.

Equities were the largest source of return and non-United States equities outperformed domestic markets. Developed international equities benefited from a weakening United States dollar and increased defense and infrastructure spending in several regions. Emerging markets gained from exposure to technology and supply chains related to artificial intelligence. Investment grade bonds returned about 7.5 percent, supported by falling yields.

Eric Larsen noted that market leadership broadened late in the year and into early 2026. Value and smaller cap stocks gained relative strength, while mega cap growth stocks slowed and some corrected. The declining dollar lifted returns for United States investors in international assets, with the MSCI EAFE index gaining about 18 percent in local terms and more than 27 percent in United States dollar terms. Broader macroeconomic factors included persistent but moderating inflation pressures, resilient corporate earnings, steady economic growth, and a Federal Reserve decision to hold interest rates steady, and pointed to signs of pressure among certain household groups, including rising student loan delinquencies, heightened concerns about prices and employment, and consumer sentiment at a twelve-year low. Consumption was increasingly concentrated among higher income households with fewer debt burdens.

Colin Bebee added comments about currency movements, precious metals, and monetary conditions. The United States dollar experienced notable depreciation, while gold and silver saw sharp price increases. Bitcoin did not track precious metals in the same way, creating a divergence that some investors view as a signal of uncertainty about global currency conditions. Colin Bebee also highlighted the large volume of federal debt due to refinancing in the coming year at higher interest rates and noted the importance of diversified, long term investment programs in the face of these challenges.

Board members asked questions about the implications of student loan distress and the magnitude of the dollar's decline. Colin Bebee explained that the dollar remains above longer-term levels, but the speed of the decline is significant, and that student loan pressures primarily affect specific groups but contribute to broader signs of consumer strain.

See item 10 above.

11. Annual Report on Proxy Voting – S. Skoda

Sophia Skoda introduced the annual proxy voting report and explained that the System now uses two proxy voting streams. Most equity holdings are voted through Northern Trust Asset Management, while the remaining actively managed separate accounts continue to be voted by Glass Lewis under its public pension policy. Both firms presented their reports.

Eric Gerber from Northern Trust outlined the firm's stewardship program, which treats proxy voting and corporate engagement as core fiduciary responsibilities. Northern Trust holds positions in more than ten thousand companies and engages with corporate leadership to understand financial risks, governance practices, and long-term value drivers. The stewardship team expanded significantly across global regions, and engagement activity increased by more than fifty percent from 2023 to 2024, with similar growth expected for 2025. Northern Trust voted for more than one hundred forty-seven thousand ballot items at approximately fifteen thousand meetings in 2024 and supported about one third of environmental and social shareholder proposals. Examples of supported proposals included requests for political spending disclosure, supply chain human rights oversight, reporting on operations in high-risk countries, and disclosure of climate targets.

For the ACWI ex United States index fund, Northern Trust voted nearly thirty-four thousand proposals at about three thousand meetings and supported management in roughly eighty nine percent of cases. Support varied across strategic transactions and social proposals where transparency was lacking. High risk governance engagements included companies such as Tencent, NetEase, LVMH, Xiaomi, Mitsubishi Heavy Industries, and China Petroleum and Chemical, with topics such as board independence, diversity, and modern slavery oversight. For Tencent, Northern Trust encouraged improved board gender representation, which increased to roughly twenty-five percent with a stated goal of thirty percent.

For the Russell 3000 index fund, Northern Trust voted for about twenty-four thousand proposals at roughly two thousand six hundred meetings and supported management in about ninety percent of cases. Northern Trust scrutinized director elections and opposed proposals that would reduce accountability to shareholders. On shareholder proposals, Northern Trust supported many executive compensation and governance items, including those addressing golden parachutes during mergers and those strengthening shareholder rights. Engagements with major United States companies addressed governance concerns and oversight of artificial intelligence. Northern Trust also opposed Tesla's 2025 compensation package for Elon Musk after concluding that the scale of the award would concentrate too much voting power.

Northern Trust introduced a new Proxy Voting Choice platform for pooled funds that allows clients to select among several voting policies. Northern Trust indicated that the Taft Hartley policy may align most closely with public pension objectives. Board members requested clearer chart labeling in future reports and asked about impacts of federal inquiries into ESG. Northern Trust responded that stewardship practices remain unchanged and that the firm is increasingly framing its approach around long term value and financial risk rather than terminology that has become politically charged.

Director Marguerite Young raised questions about the charting in Northern Trust's slides, especially the bars that appeared to show divergence between Northern Trust's votes and ISS benchmark recommendations. The current charts did not clearly label which bars represented vote support and which represented alignment with ISS and asked that these be clarified in future reports to avoid confusion. Director Marguerite Young also asked whether Northern Trust had changed its terminology or approach in response to the recent Presidential executive order calling on federal agencies to review the use of ESG by proxy advisors.

Eric Gerber explained that the executive order directed the SEC, the Federal Trade Commission, and the Department of Labor to investigate potential issues around proxy advisers such as ISS and Glass Lewis, but that no new regulations have yet been issued and that Northern Trust's stewardship processes and relationships with ISS remain unchanged, and acknowledged that there has been political backlash against the label "ESG" in some quarters and that some firms, including Northern Trust, increasingly frame their work around "sustainability" or "long-term value" to emphasize the financial materiality of environmental, social, and governance risks rather than ideology. Eric Gerber noted that Northern Trust's guidelines continue to use case-by-case, financially-oriented analysis in voting decisions and that the broadening of language is aimed at capturing all financially relevant risks, not reducing rigor.

Staff will return to a future meeting ideally before the upcoming proxy season with a recommendation on whether the System should opt into the voting choice platform.

Matt Seufert from Glass Lewis then reported on proxy voting for the small portion of active equity accounts still under Glass Lewis coverage. Glass Lewis voted five hundred ten meetings across eleven countries, covering about one thousand ballots and nearly seven thousand proposals. Support for management increased to seventy seven percent, driven by proposals that improved governance, such as eliminating supermajority requirements and declassifying boards. Management proposals were opposed most often for excessive auditor tenure, inadequate human rights oversight, and insufficient board independence. Support for shareholder proposals remained lower overall due to an increase in anti-ESG proposals and several overly prescriptive environmental and social proposals. The public pension policy continued to show its strongest support in the governance category. Support for compensation related shareholder proposals rose as well, particularly those requesting safeguards or additional disclosure in situations involving mergers. Glass Lewis observed a high degree of alignment between its public pension policy and Northern Trust's policy, with the public pension policy generally more assertive in favor of shareholder rights. In response to questions, Glass Lewis noted that earlier environmental proposals focused on disclosure while newer proposals increasingly request specific action, and the policy emphasizes workable, broadly applicable standards.

12. Annual Review of Health Insurance Benefit (HIB) – C. Charan

Lisa Sorani presented this item which reviewed Board requirements related to an annual review of the Health Insurance Benefit in accordance with Board Rule C 17 and Section 36 of the retirement ordinance. The review covers eligibility rules, benefit levels, program cost, funding, and administration. Lisa Sorani noted that for about fifteen years the System has also conducted a separate HIB survey almost annually, with the most recent survey completed in 2024 to support negotiations leading to the 2025 HIB changes. There was no survey in 2025 due to the focus on negotiations and implementation. In response to a prior request from Elizabeth Grassetti, staff recommended shifting the HIB survey to a three- or four-year cycle to align with a broader employee benefits survey schedule and to support more structured preparation for future negotiations.

Lisa Sorani summarized the three HIB tiers. Tier 1 covers members hired before July 1, 1996, who retire with eligibility and receive the original four hundred fifty-dollar single subsidy and five hundred fifty dollar married subsidy with full vesting after five years. Tier 2 covers members hired on or after July 1, 1996, who retire or terminate with eligibility before July 28, 2025, and receive the same subsidy amounts but with vesting over a twenty-year schedule. Tier 3 covers members retiring or terminating with eligibility on or after July 28, 2025. Under the new structure, the maximum subsidy for 2026 is six hundred eighteen dollars and fifty-eight cents with annual adjustments tied to the Kaiser Senior benchmark premium and capped at three percent. Vesting for PEPRA members occurs over fifteen years and vesting for 1955 and 1980 plan members remains on a twenty-year schedule. All qualifying service, including service before July 28, 2025, count under the new formula once eligibility is met.

Lisa Sorani noted that Segal's valuation earlier in the meeting provided full cost and funding details for HIB and that future HIB reports will also summarize administrative expenses, including payments to Flexible Benefit Administrators. On program administration, Lisa Sorani explained that

HIB is paid monthly to eligible retirees by check or direct deposit and that FBA now processes payments. All retirees receiving HIB must complete an annual audit. Retirees using non EBMUD coverage must submit proof each year, while those using District retiree medical coverage are verified through District systems and still receive audit notices.

The transition to FBA in mid-2025 generally went well but included some early challenges, such as a few direct deposit errors and initial confusion about contact points. Staff meet weekly with FBA to review issues, refine processes, and prepare for the 2026 audit. Staff also work to identify complex cases early so that FBA has complete information for accurate benefit administration.

Elizabeth Grassetti requested that future reports include more detail on administrative contract costs and that retirees receive clearer and more durable access to FBA contact information. Lisa Sorani agreed and explained that staff is developing a dedicated retiree webpage as part of the PensionGold project that will link to FBA's portal and include contact details. Lisa acknowledged that some retirees prefer mailed materials and stated that print communications with clear contact information will continue, with staff considering a more durable format for future mailings.

13. Declaring the Results of the Special Election of an Active Member of the Retirement Board – C. Charan

Valerie Weekly presented the results of the special election held to fill the active member seat vacated by Max Fefer. The election followed existing Retirement Board procedures. Four employees expressed interest in the seat and two qualified for the ballot after obtaining the required number of nominations. Acting Secretary Lisa Sorani tabulated the votes and confirmed the outcome.

Gus Cicala received the most votes and was elected as the new active member representative. Gus Cicala joined the meeting remotely from Tanzania and expressed appreciation for the opportunity to serve. President Jae Park welcomed Gus Cicala.

A question arose regarding the correct term end date for this seat. Staff will confirm the exact end date of Gus Cicala's term and reconcile minor discrepancies in written references. The Board accepted the election results.

14. 2026 Election Schedule for Active Member and Retired Member Representatives to the EBMUD Retirement Board – C. Charan

Valerie Weekly presented the 2026 election schedule for the upcoming regular elections of one active member representative and one retired member representative. Valerie Weekly reminded the Board that under the recently updated ordinance and Election Board Rule, terms are now four years. Because of staggered terms, 2026 will be the final year in which two regular elections occur at the same time; future elections will follow a more staggered pattern.

The schedule outlines nomination periods, ballot mailings, ballot return deadlines, and canvassing timelines. Staff will provide timely notification to all eligible active and retired members and will ensure that the election process aligns with the newly adopted rules and ordinance language. Staff also noted that once future ordinance updates regarding term vested voters are completed, any needed clarifications will be incorporated into the election process.

REPORTS FROM THE RETIREMENT BOARD:
None

ITEMS TO BE CALENDARED:

Upcoming Board items were outlined for future meetings. In March 2026, Meketa will present revised strategic asset allocation options that exclude private credit and will provide expected returns, volatility, and implementation considerations for alternative uses of the five percent previously assigned to private credit.

Before the next proxy season, staff will return with a recommendation on whether the System should participate in Northern Trust's Proxy Voting Choice platform and will compare Northern Trust's default policy, the Taft Hartley option, and other available guidelines so the Board can determine which approach, if any, to adopt.

Staff will verify and correct the end date for the special active member term and ensure consistency across all election materials. Staff will also incorporate the Board's interest in conducting the Health Insurance Benefit survey on a three-to-four-year cycle and will integrate this schedule into the broader benefits survey plan, with periodic updates to the Board.

MEETING ADJOURNMENT: Meeting adjourned at 12:24 p.m.

President

ATTEST:

Lisa Sorani
Asst. Secretary

3/19/2026

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

FROM: Sophia D. Skoda, Director of Finance SDS

SUBJECT: Investment Transactions by Retirement Fund Managers for December 2025 and January 2026

The attached Investment Transactions by Retirement Fund Managers report for the months of December 2025 and January 2026 is hereby submitted for Retirement Board approval.

SDS:RLH:SGL

Attachment: Investment Transactions by Retirement Fund Managers

R.B. RESOLUTION NO. 7049

RATIFYING AND APPROVING INVESTMENT TRANSACTIONS BY FUND MANAGERS FOR DECEMBER 2025 AND JANUARY 2026

Introduced by: Marguerite Young ; Seconded by: Gus Cicala

WHEREAS, Retirement Board Rule No. B-5 provides for investment transactions without prior specific approval by the Retirement Board; and

WHEREAS, investment transactions have been consummated during December 2025 and January 2026, in accordance with the provisions of said rule and in securities designated as acceptable by Retirement Board Resolution No. 4975, as amended;

NOW, THEREFORE, BE IT RESOLVED that the investment transactions appearing on the following Exhibit A are hereby ratified and approved.

President

ATTEST:

Lisa Sorani

Asst. Secretary

03/19/2026

INVESTMENT TRANSACTIONS BY RETIREMENT FUND MANAGERS

December 2025

	PURCHASES	SALES	PORTFOLIO VALUE
FIXED INCOME			
C.S. McKee	$106,424,860	$58,108,699	$304,364,875
Federated Bank Loans	$0	$0	$213
Garcia Hamilton Associates	$53,076,084	$2,503,901	$303,347,993
Mackay Shields - HY	$6,894,077	$726,996	$105,689,786
Aristotle Pacific Asset Mgmt Bank Loan Fund LP	$0	$0	$70,029,570
Beach Point Loan Fund LP	$0	$0	$68,000,000
Brigade High Yield LP	$37,500,000	$0	$105,500,000
Total Fixed Income	**$203,895,020**	**$61,339,596**	**$956,932,437**
DOMESTIC EQUITY			
Russell 3000 Index Fund	$0	$95,000,000	$1,073,800,826
Total Domestic Equity	**$0**	**$95,000,000**	**$1,073,800,826**
COVERED CALLS			
Parametric (BXM)	$0	$0	$267
Parametric (Delta-Shift)	$3,224,277	$77,746,529	$149,387,537
Total Covered Calls	**$3,224,277**	**$77,746,529**	**$149,387,804**
INTERNATIONAL EQUITY			
ACWI Index fund	$0	$0	$808,904,227
Global Transition	$0	$0	$1,134,327
Total International Equity	**$0**	**$0**	**$810,038,554**
REAL ESTATE EQUITY			
RREEF America II	$0	$0	$55,320,471
Total Real Estate	**$0**	**$0**	**$55,320,471**
TOTAL ALL FUND MANAGERS	**$207,119,297**	**$234,086,125**	**$3,045,480,091**

January 2026

	PURCHASES	SALES	PORTFOLIO VALUE
FIXED INCOME			
C.S. McKee	$51,130,124	$53,053,061	$304,687,402
Federated Bank Loans	$0	$0	$0
Garcia Hamilton Associates	$12,704,541	$11,209,158	$303,636,894
Mackay Shields - HY	$30,520,648	$756,322	$106,086,798
Aristotle Pacific Asset Mgmt Bank Loan Fund LP	$0	$0	$70,556,733
Beach Point Loan Fund LP	$0	$0	$68,000,000
Brigade High Yield LP	$0	$0	$105,500,000
Total Fixed Income	**$94,355,313**	**$65,018,541**	**$958,467,828**
DOMESTIC EQUITY			
Russell 3000 Index Fund	$0	$0	$1,090,437,050
Total Domestic Equity	**$0**	**$0**	**$1,090,437,050**
COVERED CALLS			
Parametric (BXM)	$0	$0	$0
Parametric (Delta-Shift)	$263,027	$301,076	$151,414,533
Total Covered Calls	**$263,027**	**$301,076**	**$151,414,533**
INTERNATIONAL EQUITY			
ACWI Index fund	$0	$6,514,000	$851,131,556
Global Transition	$0	$0	$1,146,080
Total International Equity	**$0**	**$6,514,000**	**$852,277,636**
REAL ESTATE EQUITY			
RREEF America II	$523,536	$0	$55,421,318
Total Real Estate	**$523,536**	**$0**	**$55,421,318**
TOTAL ALL FUND MANAGERS	**$95,141,877**	**$71,833,617**	**$3,108,018,364**

Prepared By: Sherry Sarcos
Sherry Sarcos, Accounting Technician

Date: 02/27/2026

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

FROM: Sophia D. Skoda, Director of Finance SDS

SUBJECT: Short Term Investment Transactions for December 2025 and January 2026

The attached Short Term Investment Transactions reports for the months of December 2025 and January 2026 are hereby submitted for Retirement Board approval.

SDS:RLH:SGL

Attachments: Short Term Investment Transactions December 2025
Short Term Investment Transactions January 2026

R.B. RESOLUTION NO. 7050

RATIFYING AND APPROVING SHORT TERM INVESTMENT TRANSACTIONS BY THE TREASURER FOR DECEMBER 2025 AND JANUARY 2026

Introduced by: Marguerite Young ; Seconded by: Gus Cicala

WHEREAS, Retirement Board Rule No. B-7 provides for the temporary investment of retirement system funds by the Treasurer or Assistant Treasurer in securities authorized by Sections 1350 through 1366 of the Financial Code or holding funds in inactive time deposits in accordance with Section 12364 of the Municipal Utility District Act; and

WHEREAS, investment transactions during December 2025 and January 2026, have been made in accordance with the provisions of the said rule;

NOW, THEREFORE, BE IT RESOLVED that the investment transactions consummated by the Treasurer and included on the attached reports for December 2025 and January 2026 are hereby ratified and approved.

President

ATTEST:

Luisa Sorani

Asst. Secretary

03/19/2026

EBMUD EMPLOYEES' RETIREMENT SYSTEM
SHORT TERM INVESTMENT TRANSACTIONS
CONSUMMATED BY THE TREASURER
MONTH OF DECEMBER 2025

COST/ FACE VALUE	DESCRIPTION	DATE OF PURCHASE	DATE OF SALE/MATURITY	YIELD (%)
$ 5,807,000.00	Local Agency Investment Fund	5-Dec-26		4.025
$ 5,792,000.00	Local Agency Investment Fund	19-Dec-26		4.025
$ (14,264,000.00)	Local Agency Investment Fund		31-Dec-26	4.025
$ (2,665,000.00)	Net Activity for Month			

$ 4,306,245.82	Beginning Balance
(2,665,000.00)	Net Activity for Month
$ 1,641,245.82	Ending Balance

SUBMITTED BY David Glasser

DATE 03/02/2026

David Glasser
Controller

Robert L. Hannay
Treasury Mgr.

Kevin Ma
Kevin Ma
Acct. Sys. Supv.
prepared by Ssarcos

EBMUD EMPLOYEES' RETIREMENT SYSTEM
SHORT TERM INVESTMENT TRANSACTIONS
CONSUMMATED BY THE TREASURER
MONTH OF JANUARY 2026

	COST/ FACE VALUE	DESCRIPTION	DATE OF PURCHASE	DATE OF SALE/MATURITY	YIELD (%)
$	5,985,000.00	Local Agency Investment Fund	2-Jan-26		3.931
$	121,841.73	Local Agency Investment Fund	15-Jan-26		3.931
$	5,975,000.00	Local Agency Investment Fund	16-Jan-26		3.931
$	2,960,000.00	Local Agency Investment Fund	28-Jan-26		3.931
$	(15,209,000.00)	Local Agency Investment Fund		29-Jan-26	3.931
$	5,675,000.00	Local Agency Investment Fund	30-Jan-26		3.931
$	**5,507,841.73**	Net Activity for Month			

$	1,641,245.82	Beginning Balance
	5,507,841.73	Net Activity for Month
$	**7,149,087.55**	Ending Balance

SUBMITTED BY David Glasser

David Glasser
Controller

DATE 03/02/2026

Robert L. Hannay
Treasury Mgr.

Kevin Ma

Kevin Ma
Acct. Sys. Supv.
prepared by Ssarcos

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

FROM: Sophia D. Skoda, Director of Finance SDS

SUBJECT: Treasurer's Statement of Receipts and Disbursements for December 2025 and January 2026

SUMMARY

The attached Treasurer's Statement of Receipts and Disbursements reports for the months of December 2025 and January 2026 are hereby submitted for Retirement Board approval.

SDS:RLH:SGL

Attachments: Statement of Receipts and Disbursements December 2025
Statement of Receipts and Disbursements January 2026

STATEMENT OF RECEIPTS AND DISBURSEMENTS
EMPLOYEES' RETIREMENT FUND
MONTH OF DECEMBER 2025

CASH BALANCE at November 30, 2025			$	86,162.42
Receipts				
Employees' Contributions	$	1,803,940.10		
District Contributions		9,922,283.10		
LAIF Redemptions		14,264,000.00		
Northern Trust Redemptions		0.00		
Refunds and Commission Recapture		10,832.27		
TOTAL Receipts				26,001,055.47
Disbursements				
Checks/Wires Issued:				
Service Retirement Allowances	$	12,399,993.24		
Disability Retirement Allowances		183,322.21		
Health Insurance Benefit		2,043,277.96		
Payments to Retiree's Resigned/Deceased		64,421.11		
LAIF Deposits		11,599,000.00		
Administrative Cost		350,548.23		
TOTAL Disbursements				(26,640,562.75)
CASH BALANCE at December 31, 2025			$	(553,344.86)
LAIF				1,641,245.82
LAIF and CASH BALANCE at December 31, 2025			$	1,087,900.96
Domestic Equity				
Russell 3000 Index Fund	$	1,073,800,825.88		
Subtotal Domestic Equity		1,073,800,825.88		
Covered Calls				
Parametric (BXM)	$	267.13		
Parametric (Delta-Shift)		149,387,536.86		
Subtotal Covered Calls		149,387,803.99		
International Equity				
ACWI Index fund	$	808,904,226.66		
Global Transition		1,134,326.86		
Subtotal International Equity		810,038,553.52		
Real Estate				
RREEF America REIT II	$	55,320,471.13		
Subtotal Real Estate		55,320,471.13		
Fixed Income				
CS Mckee	$	304,364,874.91		
Federated Bank Loans		212.78		
Garcia Hamilton Associates		303,347,992.83		
Mackay Shields-High Yield		105,689,786.15		
Aristotle Pacific Asset Mgmt Bank Loan Fund LP		70,029,570.00		
Beach Point Loan Fund LP		68,000,000.00		
Brigade High Yield LP		105,500,000.00		
Subtotal Fixed Income		956,932,436.67		
Total for Domestic and International Equities				3,045,480,091.19
MARKET VALUE of ASSETS at December 31, 2025			$	3,046,567,992.15

Respectfully submitted,

David Glasser

David Glasser
Controller

Robert L. Hannay
Treasury Mgr.

Kevin Ma

Kevin Ma
Acct. Sys. Supv.

prepared by Ssarcos

STATEMENT OF RECEIPTS AND DISBURSEMENTS
EMPLOYEES' RETIREMENT FUND
MONTH OF JANUARY 2026

CASH BALANCE at December 31, 2025			$	(553,344.86)
Receipts				
Employees' Contributions	$	3,263,187.86		
District Contributions		15,087,448.48		
LAIF Redemptions		15,209,000.00		
Northern Trust Redemptions		6,514,000.00		
Refunds and Commission Recapture		11,488.91		
TOTAL Receipts				40,085,125.25
Disbursements				
Checks/Wires Issued:				
Service Retirement Allowances	$	12,427,075.21		
Disability Retirement Allowances		180,154.00		
Health Insurance Benefit		1,606,981.89		
Payments to Retiree's Resigned/Deceased		165,308.97		
LAIF Deposits		20,595,000.00		
Administrative Cost		753,788.56		
TOTAL Disbursements				(35,728,308.63)
CASH BALANCE at January 31, 2026			$	3,803,471.76
LAIF				7,149,087.55
LAIF and CASH BALANCE at January 31, 2026			$	10,952,559.31
Domestic Equity				
Russell 3000 Index Fund	$	1,090,437,049.64		
Subtotal Domestic Equity		1,090,437,049.64		
Covered Calls				
Parametric (BXM)	$	0.00		
Parametric (Delta-Shift)		151,414,532.57		
Subtotal Covered Calls		151,414,532.57		
International Equity				
ACWI Index fund	$	851,131,555.97		
Global Transition		1,146,079.88		
Subtotal International Equity		852,277,635.85		
Real Estate				
RREEF America REIT II	$	55,421,318.10		
Subtotal Real Estate		55,421,318.10		
Fixed Income				
CS Mckee	$	304,687,402.44		
Federated Bank Loans		0.00		
Garcia Hamilton Associates		303,636,894.38		
Mackay Shields-High Yield		106,086,798.23		
Aristotle Pacific Asset Mgmt Bank Loan Fund LP		70,556,733.00		
Beach Point Loan Fund LP		68,000,000.00		
Brigade High Yield LP		105,500,000.00		
Subtotal Fixed Income		958,467,828.05		
Total for Domestic and International Equities				3,108,018,364.21
MARKET VALUE of ASSETS at January 31, 2026			$	3,118,970,923.52

Respectfully submitted,

David Glasser

David Glasser
Controller

Robert L. Hannay
Treasury Mgr.

Kevin Ma

Kevin Ma
Acct. Sys. Supv.

prepared by Ssarcos

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

FROM: Sophia D. Skoda, Director of Finance SDS

SUBJECT: Commending Andy Yeung's Service to the Retirement System

RECOMMENDATION

Approve a resolution commending the service of Andy Yeung, of The Segal Group Inc. to the Retirement System.

BACKGROUND

In the fall of 2025, Andy Yeung informed Retirement System staff of his plan to retire from his position at The Segal Group Inc. Mr. Yeung has worked closely with the Retirement System as its lead actuary for 25 years. Mr. Yeung began providing actuarial services in 2000 as an actuary with Buck Consultants and continued as a member of The Segal Group team when they began as the Retirement System's actuary in 2007. During this time, Mr. Yeung helped guide the Retirement System towards a significantly improved funded ratio and a more sustainable financial future. Mr. Yeung has supported the adoption of more conservative assumptions and realistic investment targets that have improved the long-term viability of the Retirement System while simultaneously helping to create a funding policy that has improved overall funding. Through his hard work, responsiveness and dedication, Mr. Yeung has embodied the values of both the District and the Retirement System.

Mr. Yeung has been a trusted source of advice for the Retirement Board as it fulfills its duties to the District's employees, retirees, and rate payers. For all his dedicated service and his contribution to the East Bay Municipal Utility District Employees' Retirement System, the Retirement Board would like to recognize Mr. Yeung and extend to him this resolution of appreciation and thanks.

SDS:SGL

R.B. RESOLUTION NO. 7051

EXPRESSING APPRECIATION TO ANDY YEUNG FOR HIS SERVICE TO THE EAST BAY MUNICIPAL UTILITY DISTRICT RETIREMENT BOARD

Introduced by: Marguerite Young ; Seconded by: Gus Cicala

WHEREAS, Andy Yeung began his client work for the East Bay Municipal Utility District Employees' Retirement System (the Retirement System) as an actuary at Buck Consultants in 2000; and

WHEREAS, Andy Yeung continued his work with the Retirement System at Segal Group Inc. in 2007; and

WHEREAS, in his position as Vice President and Actuary, Andy Yeung provided regular, ongoing advice to the Retirement System's Retirement Board in his capacity as the lead actuary for the Retirement System; and

WHEREAS, Andy Yeung has provided careful and professional actuarial judgment to the Retirement Board, helping Board members understand complex actuarial concepts and their implications for the long-term financial health of the Retirement System; and

WHEREAS, Andy Yeung has diligently prepared the Retirement System's annual actuarial valuation reports and has provided responsive and reliable support to the Retirement Board and staff in addressing numerous ad hoc actuarial inquiries; and

WHEREAS, Andy Yeung assisted the Retirement System in advising the Retirement Board on the development and implementation of a funding policy that has improved the System's overall funded ratio and strengthened its long-term sustainability; and

WHEREAS, Andy Yeung assisted the Retirement System in implementing requirements under provisions in the Public Employees' Pension Reform Act; and

WHEREAS, Andy Yeung assisted the Retirement System by recommending actuarial and investment assumptions that have led to greater long-term stability; and

NOW, THEREFORE, BE IT RESOLVED that on behalf of the Board of the East Bay Municipal Utility District Employees' Retirement System, we hereby commend Andy Yeung and express our gratitude for his years of service to the Retirement System.

President

ATTEST:

Lisa Sorani

Asst. Secretary

03/19/2026

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

THROUGH: Cindy Charan, Director of Human Resources Cindy R. Charan

FROM: Lisa Sorani, Manager of Employee Services Lisa Sorani

SUBJECT: Determination of Retiree Cost of Living Adjustment

ACTION: Adopt Cost of Living Adjustment Effective July 1, 2026

RECOMMENDATION

Adopt Resolution authorizing a 2.2% Cost of Living Adjustment (COLA) for retirees, effective July 1, 2026, with up to 0.8% to be deducted from eligible retiree COLA banks.

DISCUSSION

In accordance with Retirement Board Rule C-24, the Retirement System actuary, Segal, has confirmed the annual average Consumer Price Index for All Urban Consumers for the San Francisco-Oakland-Hayward Area (CPI-U) for each of the two immediately preceding calendar years and has determined the current year COLA as the percentage by which such index for the most recent full calendar year shall have increased or decreased over or below such index for the full calendar year immediately prior to the most recent calendar year. In addition, the Treasury Manager and the Manager of Employee Services have both reviewed and confirmed Segal's calculations.

Pursuant to Section 33 of the Retirement Ordinance, the annual retiree COLA is limited to 3%, unless the Retirement System is funded on a Projected Benefit Obligation (PBO) basis at or above 85%, in which case the maximum COLA is 5%.

The ratio of the past two annual average CPI-U as a percentage change is 2.2%. Based on the June 30, 2025, actuarial valuations, the PBO funding ratio of the Retirement System is 83.6%. This ratio does not exceed the 85% threshold. Therefore, the COLA is calculated to be 2.2% for retirees effective July 1, 2026. Since the change in CPI was 2.2%, eligible retirees will have up to 0.8% subtracted from their COLA banks to raise the benefit to the 3% maximum.

Upon approval of the attached Resolution, the COLA shall be applied to Retirement Allowances effective on July 1, 2026.

CRC:ls

Attachments:
1. Resolution - Declaring the Cost of Living Adjustment to be Effective as of July 1, 2026
2. Segal Letter on July 2026 EBMUDERS COLA

R. B. RESOLUTION NO. 7052

DECLARING THE COST OF LIVING ADJUSTMENT
TO BE EFFECTIVE AS OF JULY 1, 2026

Introduced by: Marguerite Young ; seconded by: Jim Oddie

WHEREAS, pursuant to Section 33 of the Ordinance, the annual retiree Cost of Living Adjustment (COLA) is limited to 3% unless the Retirement System is funded on a Projected Benefit Obligation (PBO) basis at or above 85%, in which case the maximum COLA is 5%; and

WHEREAS, based on the June 30, 2025, actuarial valuations, the PBO funding ratio of the Retirement System was 83.6%; and

WHEREAS, the COLA to be applied effective July 1, 2026 is calculated to be 2.2%, including up to a 0.8% decrease from eligible retiree's COLA banks.

NOW, THEREFORE, BE IT RESOLVED BY THE RETIREMENT BOARD that Members who retired on or before July 1, 2025, shall receive up to a 2.2% increase, and their COLA bank, where available, will be decreased by up to 0.8%.

BE IT FURTHER RESOLVED that employees who retired after July 1, 2025, will receive a proration of up to 2.2%, or 1/12 of the full COLA for each full month retired since July 1, 2025.

Any other resolution or parts of resolution in conflict herewith are hereby rescinded and cancelled.

President

ATTEST: Luisa Sorani
Asst. Secretary

3/19/2026

Emily Klare, ASA, MAAA, EA
Senior Actuary
T 415.263.8236
eklare@segalco.com

180 Howard Street
Suite 1100
San Francisco, CA 94105-6147
segalco.com

Via Email

March 9, 2026

Ms. Sophia Skoda
Director of Finance
East Bay Municipal Utility District
375 11th Street
Oakland, CA 94607-4240

Re: East Bay Municipal Utility District Employees' Retirement System (EBMUDERS) Cost-of-Living Adjustments (COLA) as of July 1, 2026

Dear Sophia:

We have determined the cost-of-living adjustment for retirees effective July 1, 2026 in accordance with Section 33 of the Employees' Retirement System Ordinance.

Pursuant to our understanding of the Ordinance, the cost-of-living adjustment to be used by the System each July 1 is determined by the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the San Francisco-Oakland-Hayward Area[1] as published by the Bureau of Labor Statistics, for each of the two immediately preceding calendar years (i.e., the annual average CPI).[2] The ratio of the past two annual average CPI, 356.005 in 2025 and 348.417 in 2024,[3] is 1.022 and the resulting percentage change (rounded to the nearest one-tenth of one percent) is 2.2%.

Under Section 33 of the Ordinance, the annual retiree COLA is limited to 3%, unless the Retirement System is funded on a Projected Benefit Obligation (PBO) basis at or above 85%, in which case the maximum COLA is 5%. This funding measure is defined as the ratio of the market value of assets to the PBO. Any excess of the change in the CPI above the maximum COLA is accumulated in individual retiree COLA banks. Withdrawals from the COLA banks can be made in years when the change in the CPI is less than 3%. We further understand that, effective October 1, 2000, in years when the Retirement System is more than 85% funded on a PBO basis (which allows for up to 5% COLA) and the change in the CPI is less than 4%, withdrawals from the banks can be made to allow COLAs up to 4% (not up to 5%).

[1] We note that reference was made to the change in the Consumer Price Index in the San Francisco-Oakland Metropolitan Area in the Ordinance, but such Index is now only available for the San Francisco-Oakland-Hayward Area from the Bureau of Labor Statistics.

[2] In the past, the annual average CPI has been calculated by the Bureau of Labor Statistics (BLS) by taking the sum of the CPI for each of the past 12 months and dividing that total by 12. While the October CPI would have been used in the calculation of the average annual CPI, the BLS has determined the average annual CPI for 2025 without the October 2025 CPI.

[3] Source: https://data.bls.gov/timeseries/CUURS49BSA0

Based on the June 30, 2025 actuarial valuations, the PBO funding ratio of the Retirement System as a whole (including both the Pension and Health Plans) was 83.6%, while the PBO funding ratios for each of the Pension and Health Plans were 86.0% and 43.7%, respectively. Accordingly, the maximum COLA payable effective July 1, 2026 is 3.0%. Since the change in the CPI mentioned above was 2.2%, this means that up to 0.8% can be subtracted from each eligible retiree's COLA bank as of July 1, 2026 to be granted up to the maximum 3.0% COLA. For active and deferred Members who retired (or active and deferred Members who died, leaving an eligible beneficiary) less than one full year before July 1, 2026, the 2.2% COLA noted above is to be prorated by one-twelfth of 2.2% for each full calendar month between the date of retirement (or date of death) and July 1, 2026.

Please give us a call if you have any questions.

Sincerely,

Emily Kl

Emily Klare, ASA, MAAA, EA
Senior Actuary

JT/bbf

cc: Steven Goodman-Leibof
Robert Hannay
Lisa Sorani

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

THROUGH: Cindy Charan, Director of Human Resources *Cindy R. Charan*

FROM: Lisa Sorani, Manager of Employee Services *Lisa Sorani*

SUBJECT: Authorize change to Retirement Board Rule C-21

RECOMMENDATION

Adopt resolution to approve the proposed amendments to Retirement Board Rule C-21 to collect only one verification document of outside earnings for retirees residing out-of-state and to require annual, rather than quarterly, reporting of outside earnings.

BACKGROUND

Section 18(c) of the Retirement Ordinance requires that a Member retired for disability prior to the Normal Retirement Age who engages in gainful occupation not in the District's service shall be subject to a reduction of his/her Retirement Allowance if outside earnings cause the Member to exceed their "earnings safeguard." Earnings safeguard is defined as "monthly salary compensation that said Member was paid at the time of retirement as subsequently adjusted over time by general salary increases."

In 2006, Board Rule C-21 was created to provide administrative guidelines to the Retirement Board Secretary for tracking and obtaining data about "outside earnings" for the Disability Retirees under Normal Retirement Age. There is disparity in the rule for how the District tracks the earning for Disability Retirees residing in California and those residing outside of California. Staff are requesting an update to Retirement Board Rule C-21 to reduce the disparity and improve retirees' ability to comply with the monitoring request.

SUMMARY

Staff's practice in following Retirement Board Rule C-21 includes annually sending a letter to each Disability Retired Member under full retirement age that defines the retirees "earning safeguard" for the year and requests the member self-report any outside earning in an included form that reminds them of their responsibility for reporting outside earnings. Whether or not a form is returned, staff reviews earnings for those members living in California with data from the California Employment Development Department (EDD).

In the past year, staff, on behalf of the Secretary, began asking for further documentation from those seven members currently residing outside California, requesting each member submit both

Federal and State tax returns as well supporting 1099 and W-2 forms as referenced in Board Rule C-21. Staff have found it difficult to collect all the documentation from the current seven members living outside California.

The Board rule also suggests quarterly reporting requirements by members that are not reasonable to track. Staff propose moving to annual reporting. Based on available records there have been no members earning beyond their individual "earnings safeguard" over the past 12 years.

To create a more equitable process between the members residing in California and members residing out of state, staff recommend the Secretary collect, when needed, only one data source from non-California residents. Instead of both Federal and State tax form with back up documents, collect only one of the following: Social Security Earnings Statement, Federal tax return with supporting W-2 and/or 1099, or State tax returns with supporting W-2 and /or 1099. In addition, staff request to move the member reporting to an annual versus quarterly process. The Retirement Ordinance is silent on administration for monitoring outside earnings. These proposed updates are not contrary to Retirement Ordinance 18(c) or (e) and improve staff's ability to accurately monitor the outside earnings.

Proposed Edits:

RULE NO. C-21

Report of Outside Earnings by Members Retired For Disability,
Adopted by Motion 07/27/06
Resolution No. 6614

Pursuant to Section 18(c) of the Retirement Ordinance and in accordance with this Rule, Members who retire on Disability and have not attained Normal Retirement Age, which is currently age sixty-five, are required to report their "outside earnings" to the Retirement System that are in excess of their "earnings safeguard" as those terms are defined in Section 18(c) of the Retirement Ordinance. For Disability Retired Members who are receiving income from non-District employment, the definition of "outside earnings" under Section 18(c) of the Ordinance is clarified as meaning only employment or self-employment wages reported for income tax purposes on a W-2 or 1099-Misc form.

Effective August 1, 2006 and for all Disability Retired Members who are age 64 or younger, the Retirement System shall provide written notice of the applicable earnings safeguard to each Member upon his or her retirement for Disability, and shall provide further annual written notice of the applicable earnings safeguard to all Members who have retired for Disability before, on or after August 1, 2006. The written notice shall inform the Disability Retired Member of his or her duty to notify the Secretary of the Retirement Board whenever said Member's outside earnings exceed his or her earnings safeguard to enable the Retirement System to adjust his or her retirement allowance in accordance with Section 18(c) of the Retirement Ordinance.

All Disability Retired Members whose outside earnings exceed their earnings safeguard in any calendar year quarter (the three-month period ending on March 31st, June 30th, September 30th, and December 30th) must notify the Secretary **as soon as possible, but no later than April 15 of the following year.** ~~before the end of that quarter regarding their excess earnings so that the Retirement System can adjust those Members' retirement allowances in the following quarter~~ in the manner required by Section 18(c) of the Retirement Ordinance, **so that the Retirement System can adjust those Members' retirement allowances**. Any subsequent increases or decreases in the Disability Retired Member's outside earnings must be similarly reported to the Secretary so that the appropriate adjustment can be made to the Member's retirement allowance ~~in the following quarter~~.

Failure on the part of any Disability Retired Member to notify the Secretary that his or her outside earnings exceed his or her earnings safeguard will be treated by the Secretary as an overpayment for collection purposes pursuant to Section 40 of the Retirement Ordinance.

In order to monitor Disability Retired Members' compliance with this Rule, the Secretary will verify Disability Retired Members' outside earnings on an annual basis through the Employment Development Department (EDD) Reports for Disability Retired Members residing in California. Disability Retired members who do not reside in California ~~will be required~~ **are required** to submit satisfactory documentation upon request by the Secretary including, but not limited to, copies of annual filed State **or** ~~and~~ Federal Income Tax Returns along with the W-2 or 1099 forms, ~~and/~~or ~~of~~ annual Social Security Earnings Statements mailed to them by the Social Security Administration.

~~Should any Disability Retired Member fail to submit the required documents upon request by the Secretary as required by this Rule, his or her retirement allowance shall be discontinued by the Secretary until the Member submits the requested documents, and should such failure continue for one year, his or her entire retirement allowance may be cancelled by the Retirement Board in accordance with Section 18(e) of the Retirement Ordinance.~~ **Should any Disability Retired Member fail to submit the required documents upon request by the Secretary as required by this Rule, his or her retirement allowance may be suspended by the Secretary until such time the Member submits the requested documents. Should such failure to provide the required information continue for more than 365 days from the date the Member's retirement allowance is suspended, the Member's retirement allowance may be cancelled by the Retirement Board in accordance with Section 18(e) of the Retirement Ordinance.**

NEXT STEPS

Staff recommend that Retirement Board approved these proposed edits to Retirement Board Rule C-21. If approved, staff will update the Rule and provide training for staff on updated procedures.

CRC:LS:vw

R.B. RESOLUTION NO. 7053

AMENDING RETIREMENT BOARD RULE C-21 TO IMPLEMENT RULES FOR ADMINISTERING ELECTIONS TO THE RETIREMENT BOARD

Introduced by: Jim Oddie ; Seconded by: Marguerite Young

WHEREAS, Section 4(b) of the Retirement Ordinance authorizes the Retirement Board to adopt such rules and regulations as are necessary and proper in the administration of the provisions of the Retirement Ordinance; and

WHEREAS, Section 18 (c) of the Retirement Ordinance provides that the disability retirement allowance of a Member retired for disability, prior to attaining Normal Retirement Age who engages in gainful occupation not in the District Service, or a Member who re-enters District Service and is ineligible for membership in the Retirement System, shall be reduced to an amount which when added to the compensation earned in such occupation (referred to as "outside earnings") does not exceed the "earnings safeguard"; and

WHEREAS, the "earnings safeguard" is defined in Section 18 (c) of the Retirement Ordinance as the monthly salary compensation that said Member was paid at the time of disability retirement as subsequently adjusted over time by general salary increases approved by the Board for current members within the applicable represented unit or unrepresented group; and

WHEREAS, Section 18(c) further provides that the outside earnings of a Member retired for disability when combined with the amount of the Member's Retirement Allowance shall not exceed the Member's earnings safeguard; and

WHEREAS, Retirement Board Rule C-21 provides for the administrative procedures to implement the required safeguards set forth in Section 18(c); and

WHEREAS, Retirement Board Rule C-21 provides that Members who disability retire prior to attaining Normal Retirement Age must report outside earnings that are in excess of their earnings safeguard to the Retirement System; and

WHEREAS, to verify the Member's outside earnings, Retirement System staff obtains a report from the California Employment Development Department to verify the outside earnings earned by Members who reside in the state of California; and

WHEREAS, Members who do not reside in the state of California, are required to submit documentation attesting to the amount of their outside earnings and a copy of both state and federal income tax returns, W-2s or 1099 forms which report income received by the Member; and

WHEREAS, Members who live outside the state of California have had difficulty in submitting both state and federal income tax returns;

WHEREAS, it is the desire of the Retirement System and the Retirement Board to require Members who live outside of the state of California to submit either state or federal income tax returns, or Social Security earnings statements, for the purpose of verifying their outside earnings and to allow for parity with Members who reside in the state of California; and

WHEREAS, the Retirement System and the Retirement Board wish to implement further administrative safeguards to prevent against fraudulent and untimely reporting of outside earnings; and

WHEREAS, to effectuated such changes, amendments to Retirement Board Rule C-21 are necessary;

NOW, THEREFORE, BE IT RESOLVED, that Retirement Board Rule C-21 shall be amended as follows:

1. **Retirement Board Rule C-21 shall be amended as follows:**

RULE NO. C-21

Report of Outside Earnings by Members Retired For Disability, Adopted by Motion 07/27/06 Resolution No. 6614

Pursuant to Section 18(c) of the Retirement Ordinance and in accordance with this Rule, Members who retire on Disability and have not attained Normal Retirement Age, which is currently age sixty-five, are required to report their "outside earnings" to the Retirement System that are in excess of their "earnings safeguard" as those terms are defined in Section 18(c) of the Retirement Ordinance. For Disability Retired Members who are receiving income from non-District employment, the definition of "outside earnings" under Section 18(c) of the Ordinance is clarified as meaning only employment or self-employment wages reported for income tax purposes on a W-2 or 1099-Misc form.

Effective August 1, 2006 and for all Disability Retired Members who are age 64 or younger, the Retirement System shall provide written notice of the applicable earnings safeguard to each Member upon his or her retirement for Disability, and shall provide further annual written notice of the applicable earnings safeguard to all Members who have retired for Disability before, on or after August 1, 2006. The written notice shall inform the Disability Retired Member of his or her duty to notify the Secretary of the Retirement Board whenever said Member's outside earnings exceed his or her earnings safeguard to enable the Retirement System to adjust his or her retirement allowance in accordance with Section 18(c) of the Retirement Ordinance.

All Disability Retired Members whose outside earnings exceed their earnings safeguard in any calendar year quarter (the three-month period ending on March 31st, June 30th, September 30th, and December 30th) must notify the Secretary **as soon as possible, but no later than April 15 of the following year.** ~~before the end of that quarter regarding their excess earnings so that the Retirement System can adjust those Members' retirement allowances in the following quarter~~ in the manner required by Section 18(c) of the Retirement Ordinance, **so that the Retirement System can adjust those Members' retirement allowances**. Any subsequent increases or decreases in the Disability Retired Member's outside earnings must be similarly reported to the Secretary so that the appropriate adjustment can be made to the Member's retirement allowance ~~in the following quarter~~.

Failure on the part of any Disability Retired Member to notify the Secretary that his or her outside earnings exceeds his or her earnings safeguard will be treated by the Secretary as an overpayment for collection purposes pursuant to Section 40 of the Retirement Ordinance.

In order to monitor Disability Retired Members' compliance with this Rule, the Secretary will verify Disability Retired Members' outside earnings on an annual basis through the Employment Development Department (EDD) Reports for Disability Retired Members residing in California. Disability Retired members who do not reside in California ~~will be required~~ **are required** to submit satisfactory documentation upon request by the Secretary including, but not limited to, copies of annual filed State **or** ~~and~~ Federal Income Tax Returns along with the W-2 or 1099 forms, ~~and/~~or ~~of~~ annual Social Security Earnings Statements mailed to them by the Social Security Administration.

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ADOPTED this 19th day of March, 2026 by the Retirement Board.

President

ATTEST:

Luisa Sorani

Asst. Secretary

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

FROM: Sophia D. Skoda, Director of Finance SDS

SUBJECT: Approve Updated Asset Allocation

DISCUSSION

As part of its Asset Allocation Study approved at the May 23, 2024 Retirement Board meeting, the Retirement Board selected an asset allocation that included a five percent allocation to Private Credit. At its January 29, 2026 meeting, the Retirement Board made the decision to pause the Private Credit manager search and re-evaluate the asset allocation. This decision was made due to an update in Meketa's capital market assumptions, recent trends and news in the Private Credit market, and questions regarding the risk-return profile. Staff and Meketa have discussed options for the asset allocation going forward and the attached presentation walks through three potential allocations:

1. Retaining the current five percent Covered Calls allocation previously re-allocated to Private Credit under the Asset Allocation Study and not moving forward with the Private Credit search.
2. Moving forward with the five percent Private Credit allocation as approved during the Asset Allocation Study.
3. Split the five percent allocation current invested in Covered Calls between the Russell 3000 (three percent) and Core Fixed Income (two percent) asset classes.

Given the updated capital market assumptions, the very marginal increase in the expected return under Option 2, and the current mixed sentiment toward Private Credit, Staff and Meketa recommend that the Retirement Board choose Options 1 or 3 and end the Private Credit search.

SDS:SGL

Attachment: Presentation – Asset Allocation Discussion

MEKETA

East Bay Municipal Utility District Employees' Retirement System

March 19, 2026

Asset Allocation Discussion

Table of Contents

Introduction

Introduction

→ At the May 2024 meeting, the EBMUDERS Retirement Board approved a new long-term strategic asset allocation that included a 5% target allocation to Private Credit.

→ At the January 2026 meeting, the EBMUDERS Retirement Board requested the exploration of alternative long-term asset allocation options.

- This was the result of changes in Capital Market Assumptions ("CMAs") and ongoing dynamics within the Private Credit market segment.
- As of January 2026, EBMUDERS has progressed through the Evolving Policy Plan, with the last remaining portfolio transition being the funding of Private Credit.

→ **The purpose of this presentation is to review Meketa's 2026 CMAs and alternative asset allocation options for final selection by the EBMUDERS Retirement Board.**

Capital Market Assumptions

Setting Capital Market Assumptions ("CMAs")

- → CMAs are the inputs needed to calculate a portfolio's expected return, volatility, and relationships (i.e., correlations) to the broader markets.
  - CMAs are also used in mean-variance optimization, simulation-based optimization, asset-liability modeling, and every other technique for finding "optimal" portfolios.
- → Consultants (including Meketa) generally set their CMAs once per year.
  - Our results are typically published in January based on previous December 31 data.
- → This process involves setting long-term expectations for a variety of asset class/strategy attributes:
  - Returns
  - Standard Deviations
  - Correlations
- → Meketa's process relies on both quantitative and qualitative methodologies.
- → We do not assume any "alpha generation", and all assumptions are inclusive of estimated fees.

Asset Class Definitions

→ We identify asset classes and strategies that are both investable and appropriate for the long-term allocation of funds.

→ Several considerations influence this process:

- Unique return behavior
- Observable historical track record
- A robust market
- Client requests

→ We then make forecasts for each asset class.

- We created inputs for 115 "asset classes" for our 2026 Capital Markets Assumptions.

Building 10-Year Forecasts

→ Our first step is to develop 10-year forecasts based on fundamental models.

- Each model is based on the most important factors that drive returns for that asset class:

Asset Class Category	Major Factors
Equities	Dividend Yield, Earnings Growth, Valuation
Bonds	Yield to Worst, Default Rate, Recovery Rate
Commodities	Collateral Yield, Roll Yield, Inflation
Infrastructure	Public IS Valuation, Income, Growth, Leverage
Natural Resources	Price per Acre, Income, Public Market Valuation
Real Estate	Cap Rate, Yield, Growth, Leverage
Private Equity	EBITDA Multiple, Leverage, Public VC Valuation
Hedge Funds and Other	Leverage, Alternative Betas

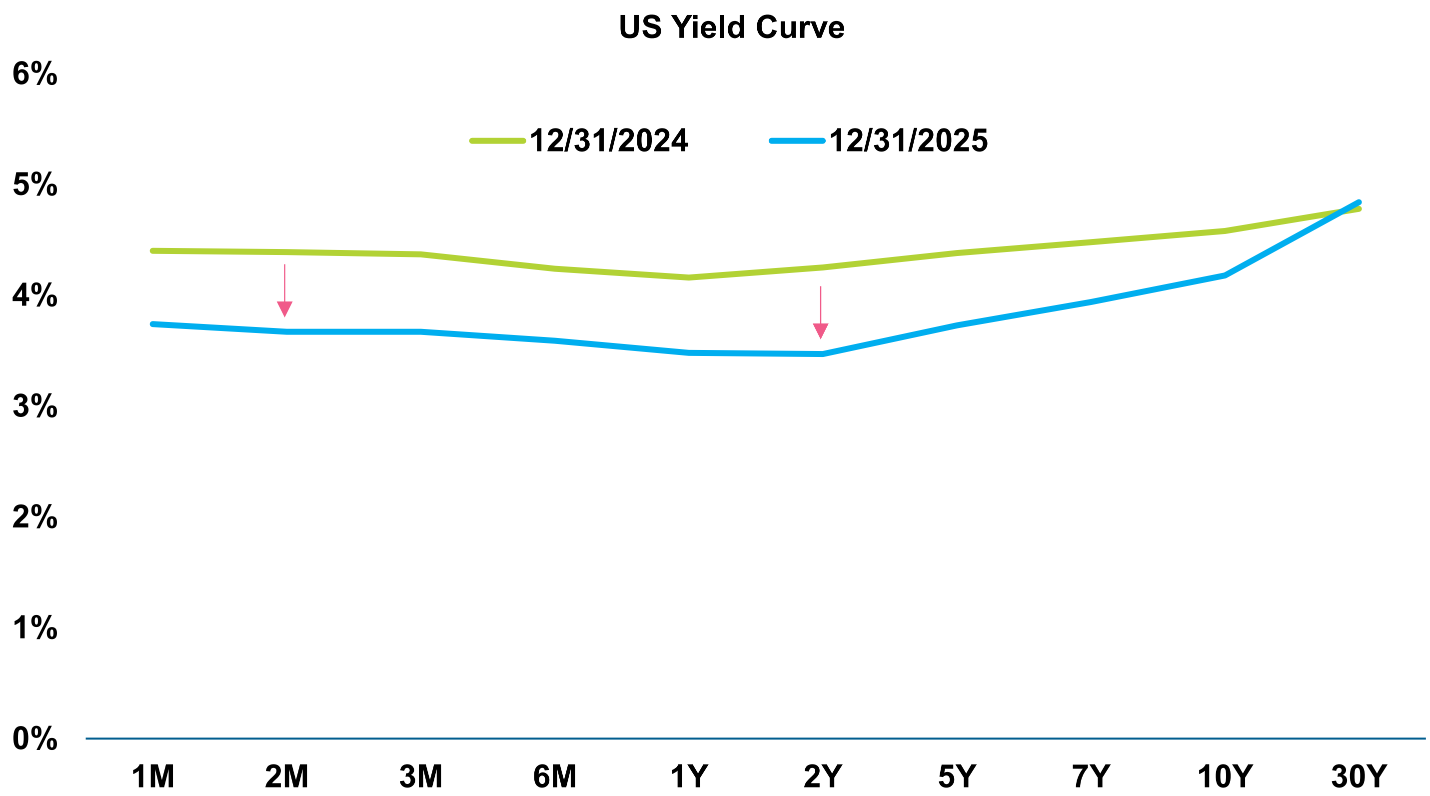
→ The common components are income, growth, and valuation.

- Leverage and currency impact are also key factors for many strategies.

→ Our 20-year forecasts combine these 10-year forecasts with a risk premia/building block approach for years 11-20.

Falling Interest Rates

- The short and intermediate portions of the yield curve moved down, driven by multiple Fed rate cuts.
- The result was a shift away from the slightly "U"-shaped curve to a somewhat more traditional shape (i.e., upward sloping, at least beyond two years).

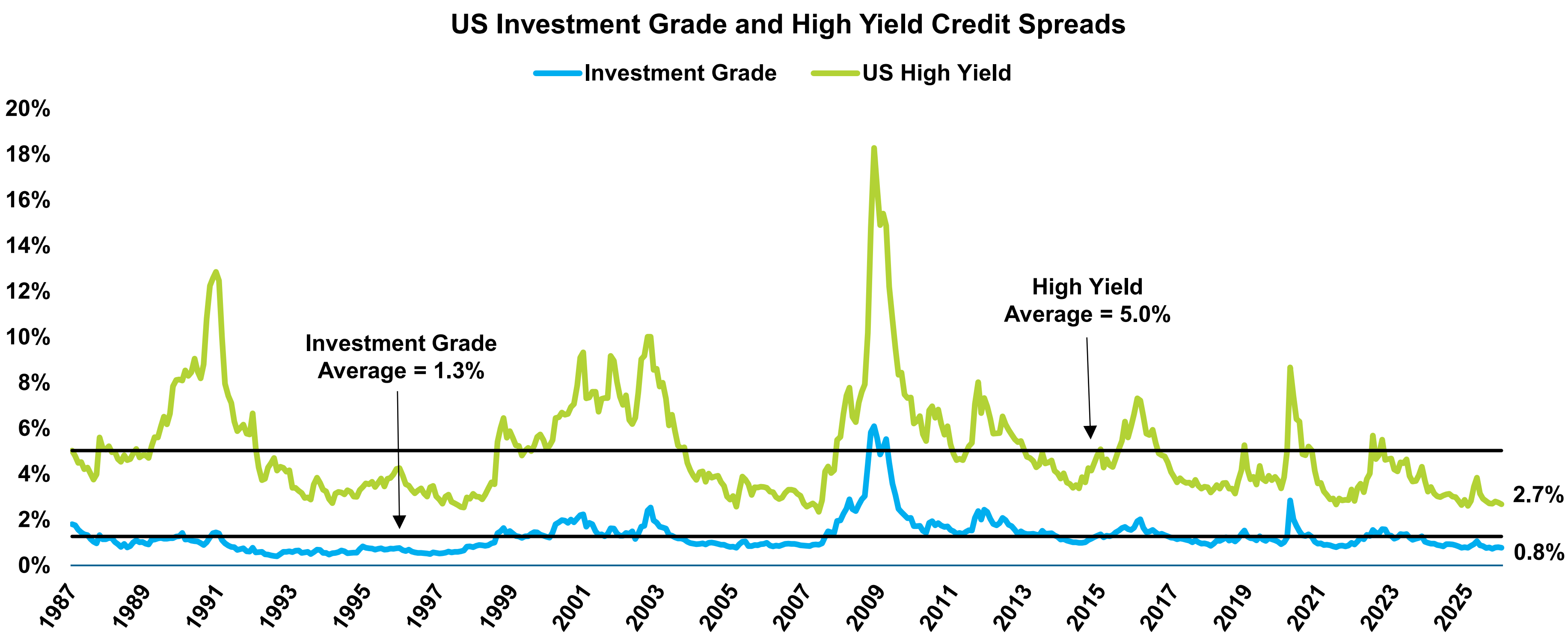


Source: Bloomberg. Data is as of December 31, 2025.

Slightly Narrower Credit Spreads

→ Credit spreads tightened slightly in 2025, moving further below their long-term averages.

- The spread for high yield bonds declined from 287 basis points to 266 basis points, while the spread for investment grade corporates declined from 80 basis points to 78 basis points.



Source: Bloomberg. High Yield is proxied by the Bloomberg High Yield Index and Investment Grade Corporates are proxied by the Bloomberg US Corporate Investment Grade Index. Spread is calculated as the difference between the Yield to Worst of the respective index and the 10-Year US Treasury yield. Data is as of December 31, 2025.

Lower Yields

- Short-term interest rates declined as the Fed cut its target rate, and the yield on the 10-year Treasury decreased.
- Tighter credit spreads amplified the yield reduction in credit markets.

Index	Yield to Worst 12/31/25 (%)	Yield to Worst 12/31/24 (%)
Fed Funds Effective Rate	3.50 – 3.75	4.25 – 4.50
10-year Treasury	4.18	4.58
Bloomberg Aggregate	4.32	4.91
Bloomberg Corporate	4.81	5.33
Bloomberg Securitized	4.61	5.25
Bloomberg Global Aggregate	3.52	3.68
Bloomberg US Corporate High Yield	6.53	7.49

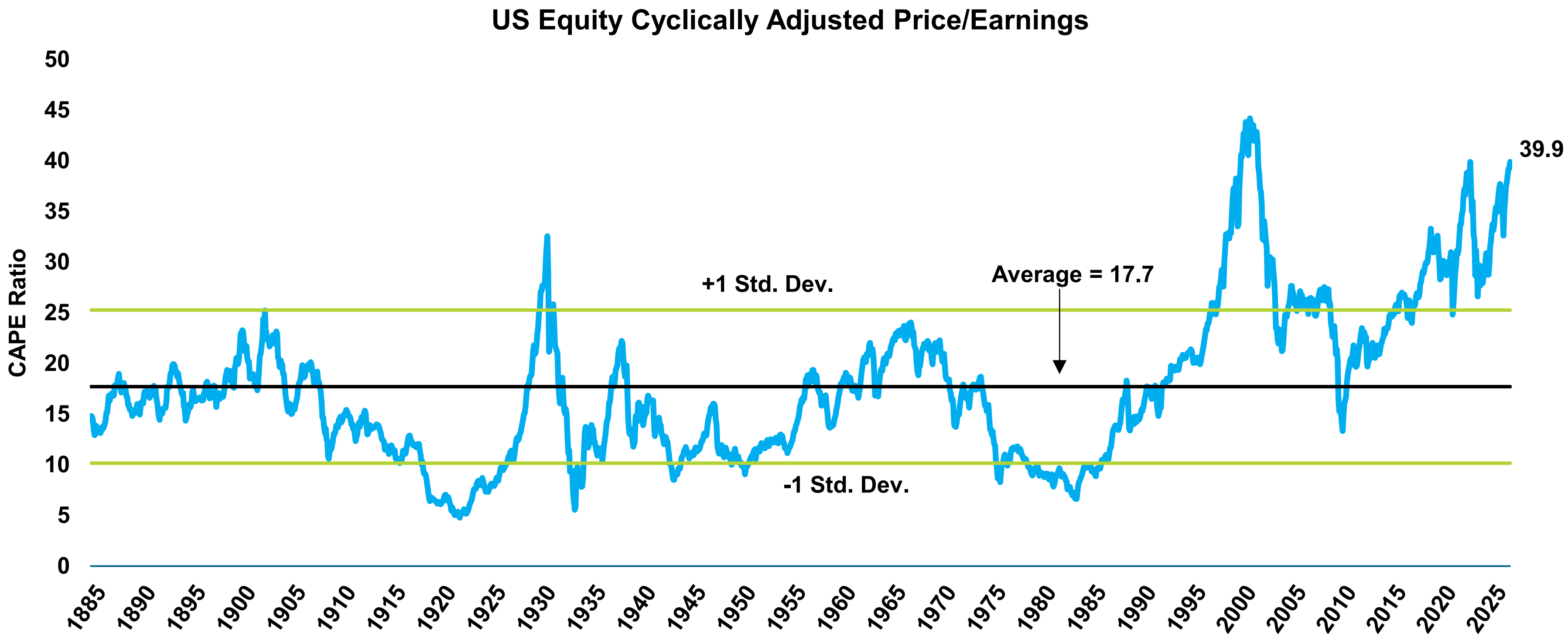
Source: Bloomberg. Data is as of December 31, 2024 and December 31, 2025.

Surprisingly Little Change in US Equity Valuations

→ US stocks had another good year, with the S&P 500 index gaining 17.9%.

→ Valuations are higher than one year ago, with the CAPE moving from 38 to 39.9.

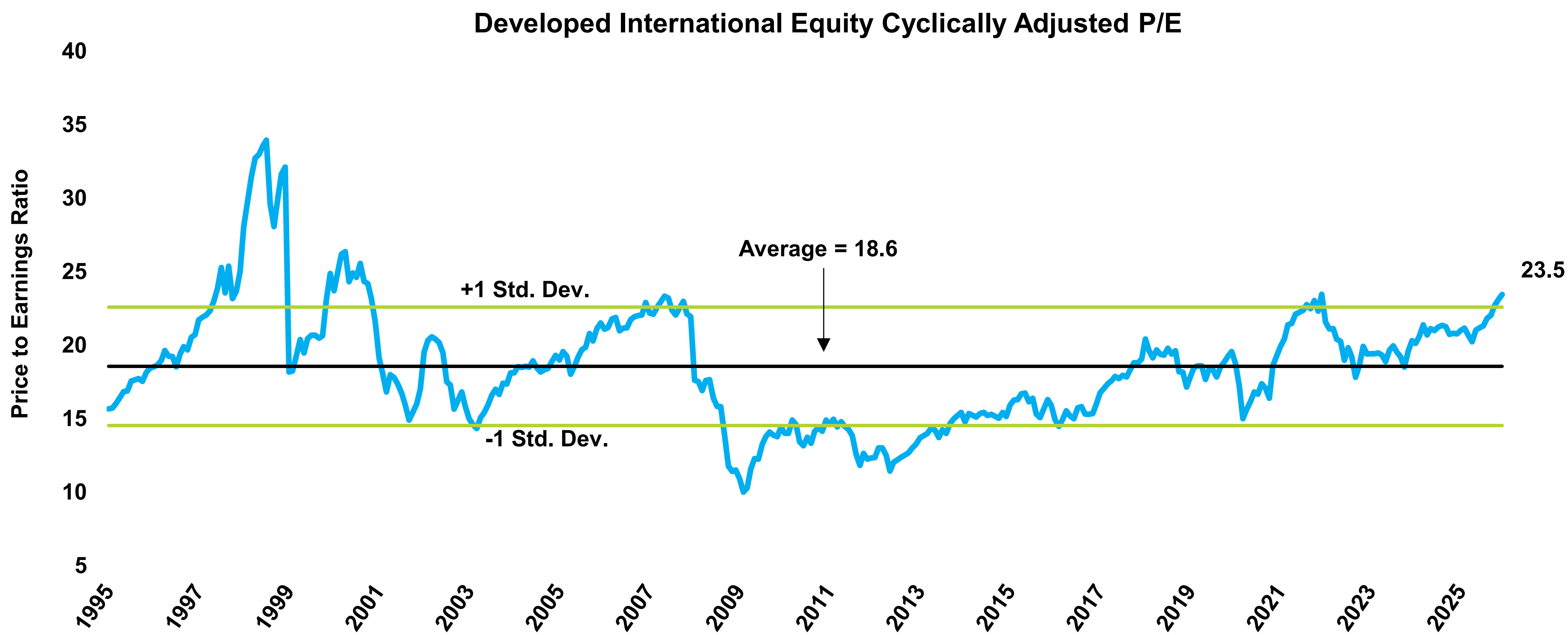
- Still, valuations remain elevated relative to their long-term history.



Source: Robert Shiller, Yale University, and Meketa Investment Group. Data is as of December 31, 2025 for the S&P 500 Index.

Higher Non-US Developed Equity Valuations

- EAFE equities had a great year, posting a 31.2% gain for USD investors.
  - A currency tailwind aided these gains, as EAFE posted a 20.6% return in local currency terms.
- The gains also reflected higher valuations, with the price-earnings ratio going from 21 to 23.5.
  - EAFE valuations are now above their historical average.



Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of December 31, 2025.

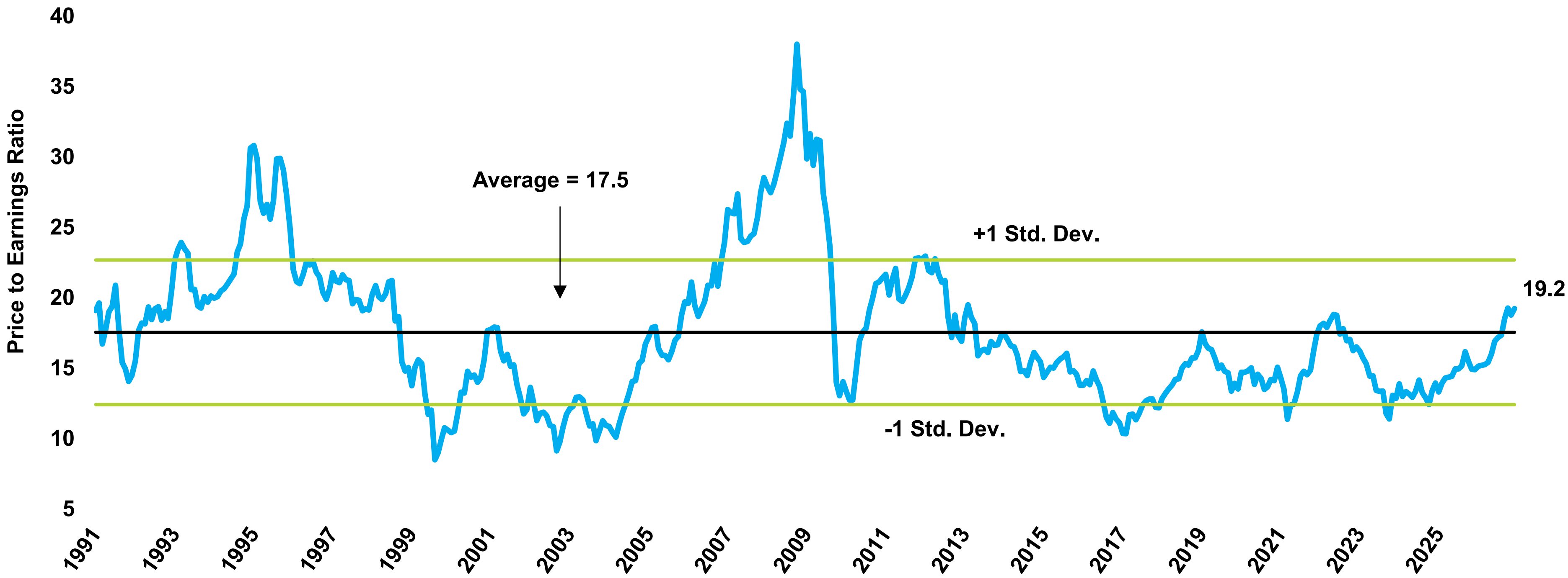
Higher Prices in Emerging Market Equities

→ Emerging market equities had a great year, gaining 33.5% for USD investors.

→ These gains were driven largely by higher valuations, with the price-earnings ratio going from 14.8 to 19.2.

- As a result, EM equity valuations have also moved above their long-term average, with the EM ex-China index continuing to trade at higher valuations than the China index.

Emerging Market Equity Cyclically Adjusted P/E



Source: MSCI and Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of December 31, 2025.

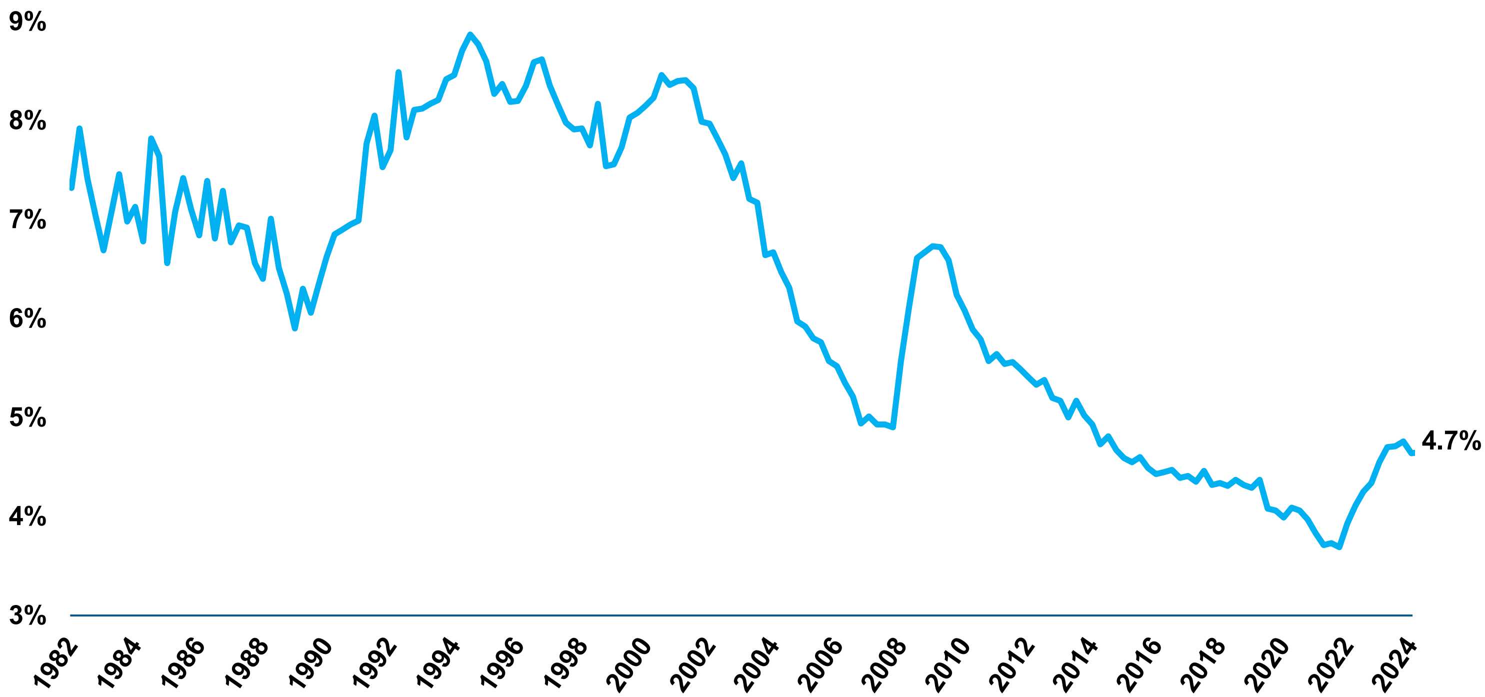
Real Estate Valuations Solidifying

→ Cap rates appeared to level off in 2025.

- This is likely welcomed by investors who have seen cap rates rise (and prices fall) for several years.

→ Still, cap rates remain below the trough experienced during the Global Financial Crisis ("the GFC").

Core Real Estate Cap Rates



Source: NCREIF NPI value-weighted cap rates. As of September 30, 2025.

EBMUDERS Asset Class and Respective 20-yr Expected Returns

EBMUDERS Asset Class	2025 ER (%)	2026 ER (%)
US Equity	8.4	8.0 ⬇
Non-US Equity	8.7	8.1 ⬇
Covered Calls	7.0	6.6 ⬇
Core Private Real Estate	7.4	7.3 ⬇
Investment Grade Bonds	5.3	4.9 ⬇
High Yield Bonds	7.1	6.6 ⬇
Bank Loans	6.8	6.4 ⬇
Private Credit	9.1	8.2 ⬇

- All of EBMUDERS's asset classes saw decreases to their forward-looking expected returns.
- Private Credit experienced the largest decrease at 90 basis points (2026 vs. 2025 ER).

Brief Notes on Expected Return Changes

EBMUDERS Asset Class	Notes/Drivers of Change
US Equity	Higher prices partially offset by earnings power/growth
Non-US Equity	Higher prices without commensurate earnings power/growth offset
Covered Calls	Similar to US Equity, but the volatility risk premium remains relatively stable
Core Private Real Estate	Lower borrowing costs, more stabilized pricing, improved cap rates, but sector specific challenges (e.g., office) remain
Investment Grade Bonds	Lower yields
High Yield Bonds	Lower yields, marginally tighter credit spreads
Bank Loans	Lower yields, marginally tighter credit spreads
Private Credit	Lower yields, updated opportunity set weightings, and increased default/loss assumptions

→ The significantly positive returns across most asset classes in calendar year 2025 effectively "borrowed from the future" as it relates to forward-looking expected returns.

Asset Allocation Options

23'-24' Asset-Liability Study and Potential Changes

- The 2023-2024 Asset-Liability Study provided a holistic analysis of EBMUDERS on a forward-looking basis.
- Essentially, the EBMUDERS "balance sheet" was projected over time, incorporating a wide array of scenarios and implications as it relates to funding status, contributions, etc.
- The goal of the A/L Study was to select an asset allocation that, from the perspective of the EBMUDERS Retirement Board, provided the best tradeoff among various measures of success and risks.

- Given the recency of the A/L Study, there is no need to conduct a similar review at this time.
- If changing the long-term asset allocation policy targets, all that is required is that the new targets exhibit a similar risk/return posture as the policy portfolio that was originally selected.

- The following page provides three potential asset allocation options:
  1. Remain with the current asset allocation targets, which includes 5% to Covered Calls.
  2. Continue transitioning to previously approved asset allocation targets, which includes 5% to Private Credit.
  3. Reallocate the 5% (from Private Credit) to a mixture of US Equity and Investment Grade Bonds.

- Option #3 is a result of optimization work by Meketa with the 2026 CMAs.

EBMUDERS Asset Class and Respective Expected Returns

EBMUDERS Asset Class	2026 ER (%)	2026 Volatility (%)	Option #1 Current Target Allocation	Option #2 A/L Approved Long-term Allocation	Option #3 Re-optimized without Private Credit
US Equity	8.0	17.0	35.0	35.0	38.0 (+3.0)
Non-US Equity	8.1	18.0	25.0	25.0	25.0
Covered Calls	6.6	13.0	5.0	---	---
Core Private Real Estate	7.3	12.0	2.5	2.5	2.5
Investment Grade Bonds	4.9	4.0	20.0	20.0	22.0 (+2.0)
High Yield Bonds	6.6	11.0	7.5	7.5	7.5
Bank Loans	6.4	10.0	5.0	5.0	5.0
Private Credit	8.2	15.0	---	5.0	---
Expected Return (20yr)	---	---	7.4%	7.5%	7.4%
Volatility	---	---	12.0%	12.0%	12.0%

red border indicates asset classes with allocation differences/changes

→ The expected risk/return postures of all three portfolios are nearly identical.

- Without rounding, the expected returns are within 9 bps and the expected volatilities are within 4 bps.

Transition Considerations

- When the new long-term policy targets were approved in the 23’-24’ Asset-Liability Study, an Evolving Policy Plan was produced that was designed to efficiently transition to the new targets.
  - The estimated completion date was 7/1/26.
  - Given the pause for Private Credit, should the Retirement Board elect to continue with a Private Credit allocation, the timeline would be shifted by 1-2 quarters.
- Option #1 represents the current policy allocations, and thus there would be no further transition needed.
- Option #3 could be achieved within 1-2 months.

Conclusion

Conclusion

→ At the January 2026 meeting, the EBMUDERS Retirement Board requested the exploration of alternative long-term asset allocation options.

- This was the result of changes in Capital Market Assumptions ("CMAs") and ongoing dynamics within the Private Credit market segment.

→ Meketa and EBMUDERS Staff have provided three asset allocation options for the Retirement Board to consider:

1. Remain with the current asset allocation targets, which includes 5% to Covered Calls.
2. Continue transitioning to previously approved asset allocation targets, which includes 5% to Private Credit.
3. Reallocate the 5% (from Private Credit) to a mixture of US Equity and Investment Grade Bonds.

→ All three options have nearly identical expected return and risk projections.

→ **Meketa and EBMUDERS Staff recommend the Retirement Board select asset allocation options #1 or #3.**

Appendix

Covered Calls

- The contents of this Appendix provide a review on Covered Calls as a strategy/asset class.
  - This asset class has been in the EBMUDERS portfolio since 2014.
- Covered Calls provide exposure to the equity risk premium as well as the volatility risk premium.
- It is the combination of these two risk premiums that allow Covered Calls strategies to provide equity-like returns (~75-90% of equity) with less volatility than traditional equity.

Definitions

→ **Option:** A security that gives the buyer the right, but not the obligation, to buy or sell the underlying instrument at a pre-specified price at a certain date or within a certain timeframe.

→ **Two Basic Types:**

- **Calls**: - Buyer of the option has the right to buy the underlying

  - Seller/writer has the obligation to sell the underlying

- **Puts**: - Buyer of the option has the right to sell the underlying

  - Seller/writer has the obligation to buy the underlying

Option Examples: "at-the-money"

→ **Call Option:**

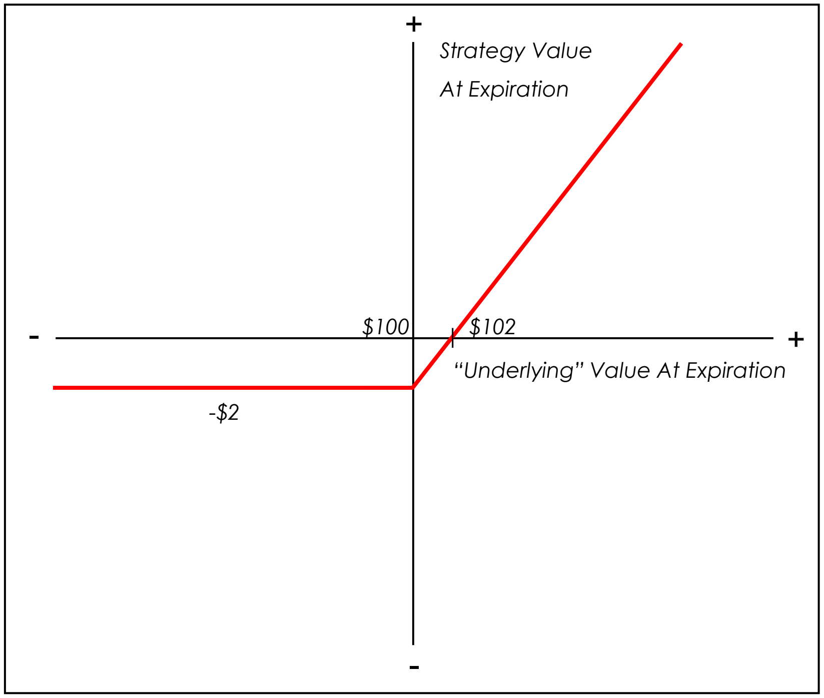
- Underlying Stock Price = $100
- Option Strike Price = $100 ("at-the-money")
- Option Maturity = 1 month
- Option Premium/Cost ≈ $2
- *Goal = option buyer hopes stock price rises above $100*
  - *Requires stock to be above $102 to make a profit*

→ **Put Option:**

- Underlying Stock Price = $100
- Option Strike Price = $100 ("at-the-money")
- Option Maturity = 1 month
- Option Premium/Cost ≈ $2
- *Goal = option buyer hopes stock price drops below $100*
  - *Requires stock to be below $98 to make a profit*

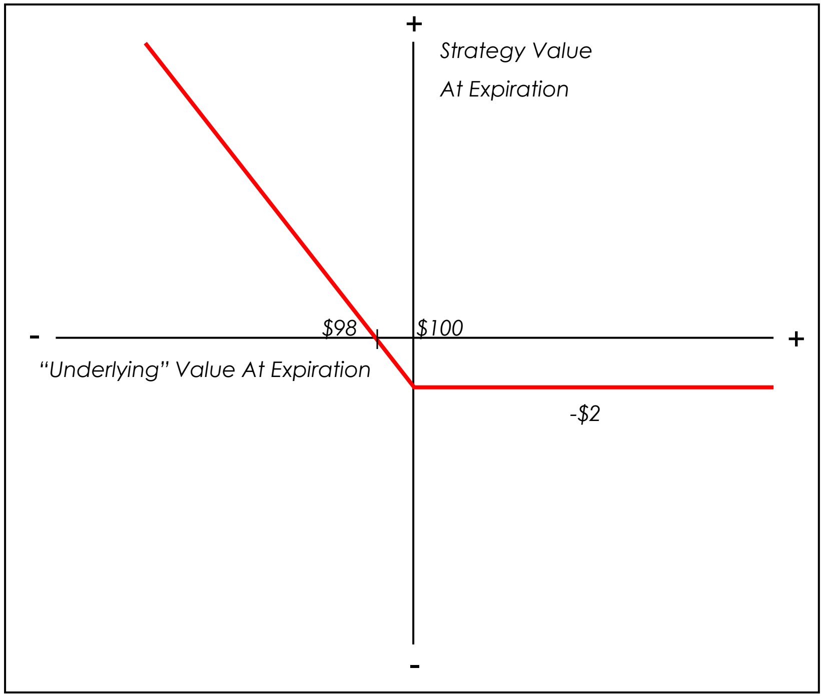
Payoffs (at month end)

Long Call



- Positive payoff if underlying increases in price (i.e., lottery ticket)

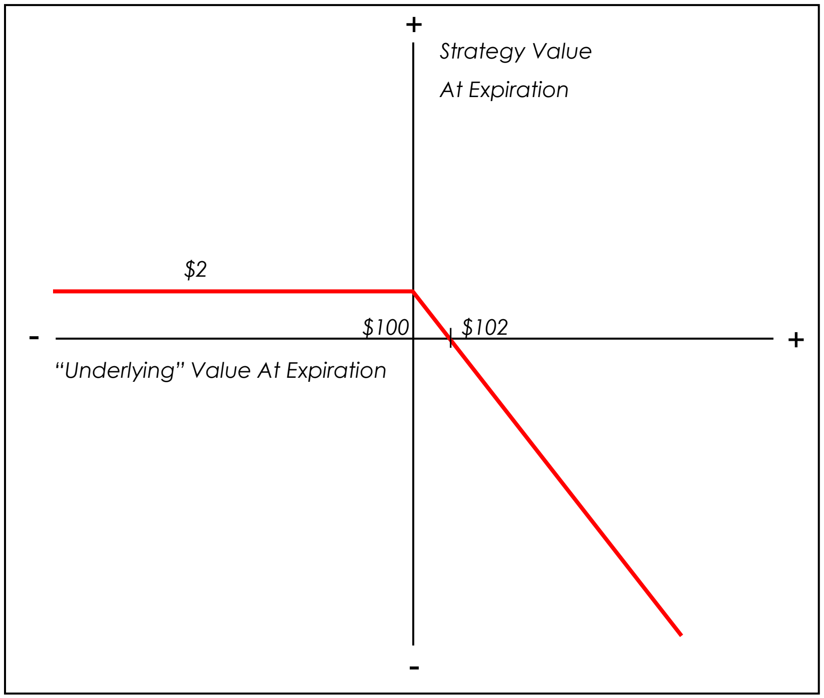
Long Put



- Positive payoff if underlying decreases in price (i.e., insurance policy)

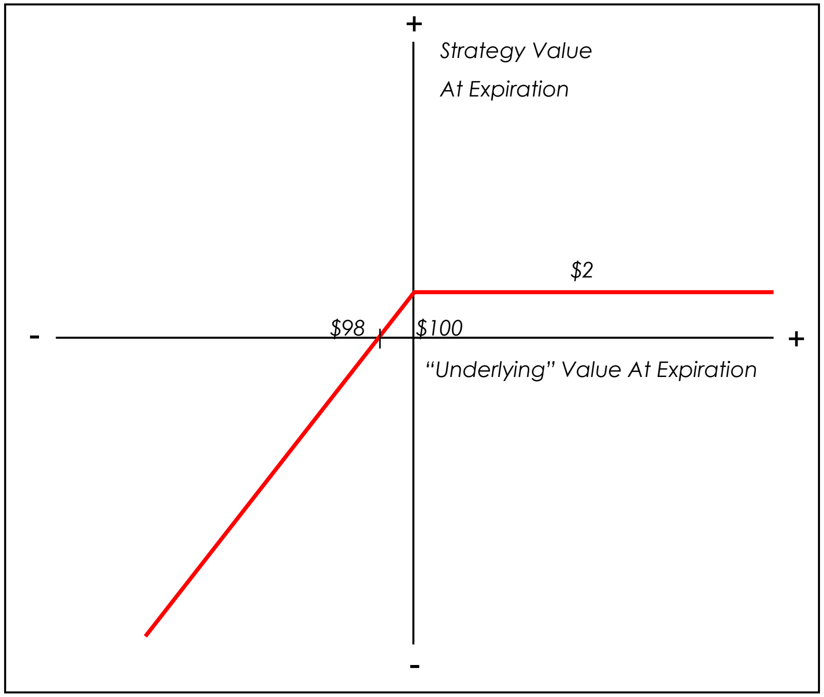
Payoffs (at month end)

Short Call



- Receives a premium but liable if underlying increases in price

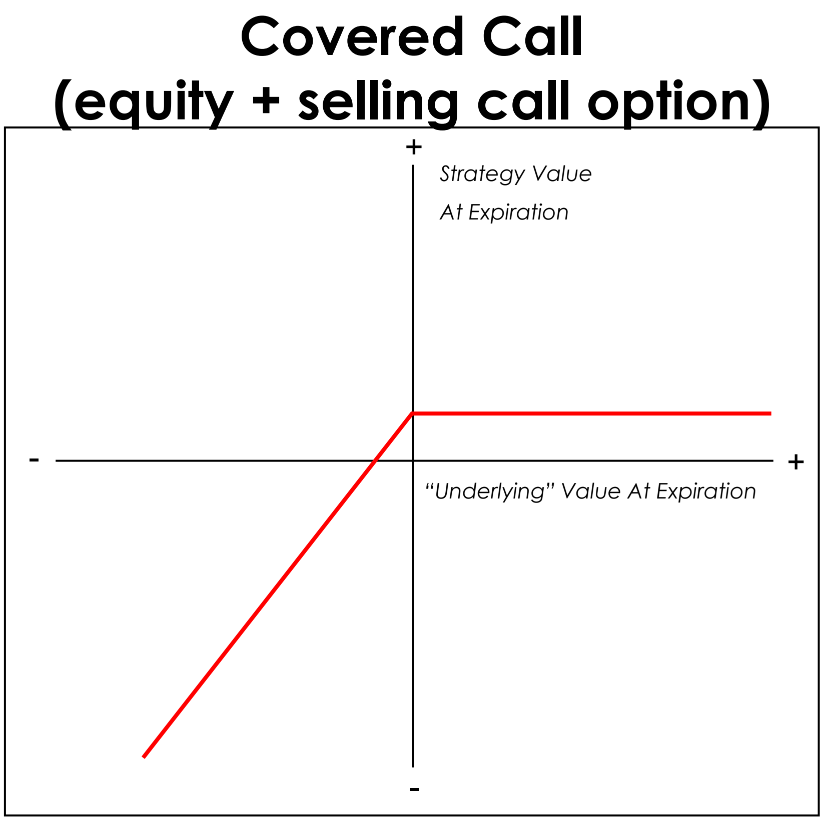
Short Put

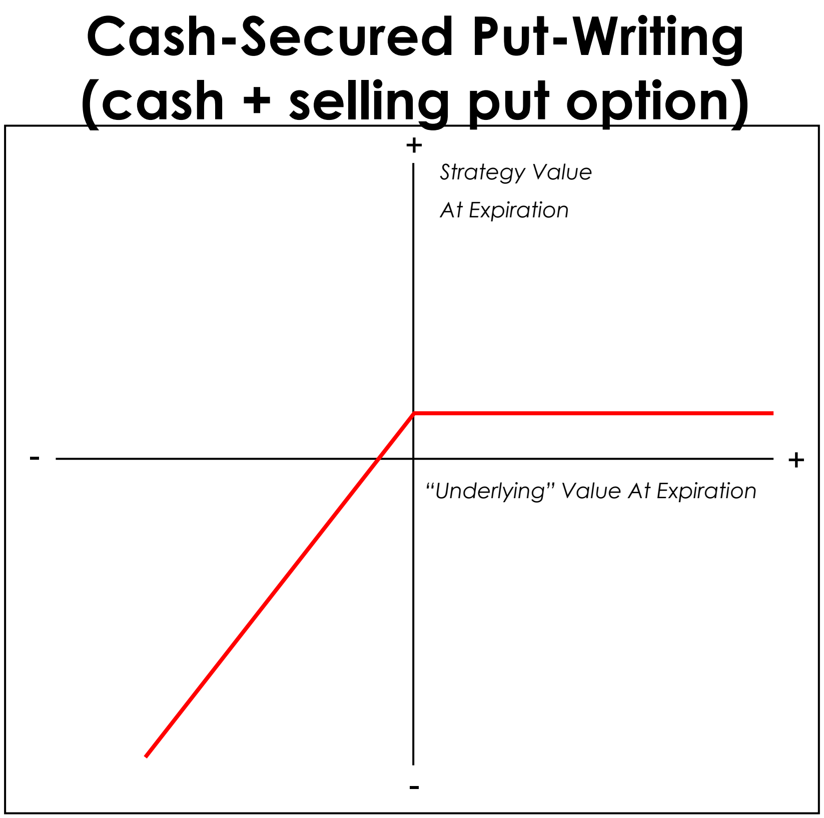


- Receives a premium but liable if underlying decreases in price

Both strategies require collateral in order to be sustainable

Collateralized Strategies





Strategies are mathematically identical

Why Do These Strategies Work? Intuitive Description

→ **Strategy: Covered Calls**

- Portfolio holds 100% of the balance in equities (equity risk)
- Strategy sells call options on 100% of the balance (fully covered)
  - Replaces unknown upside potential for a known premium
  - Premium ≈ average upside return (detailed on following slide)
- Strategy maintains downside exposure with income/premium as a buffer
- Over a full market cycle =>
  - actual/random downside equity return + “average” upside return = equity-like returns
- Overall volatility is lower than 100% equities due to “average” upside return
  - i.e., a fairly stable monthly return when equities are positive

Why Do These Strategies Work? Intuitive Description

→ **Option Premium Calculation**

- For simplicity, suppose a $100 stock/index has four potential upside outcomes:
  - 25% probability of a 1% return
  - 50% probability of a 2% return
  - 20% probability of a 5% return
  - 5% probability of a 35% return

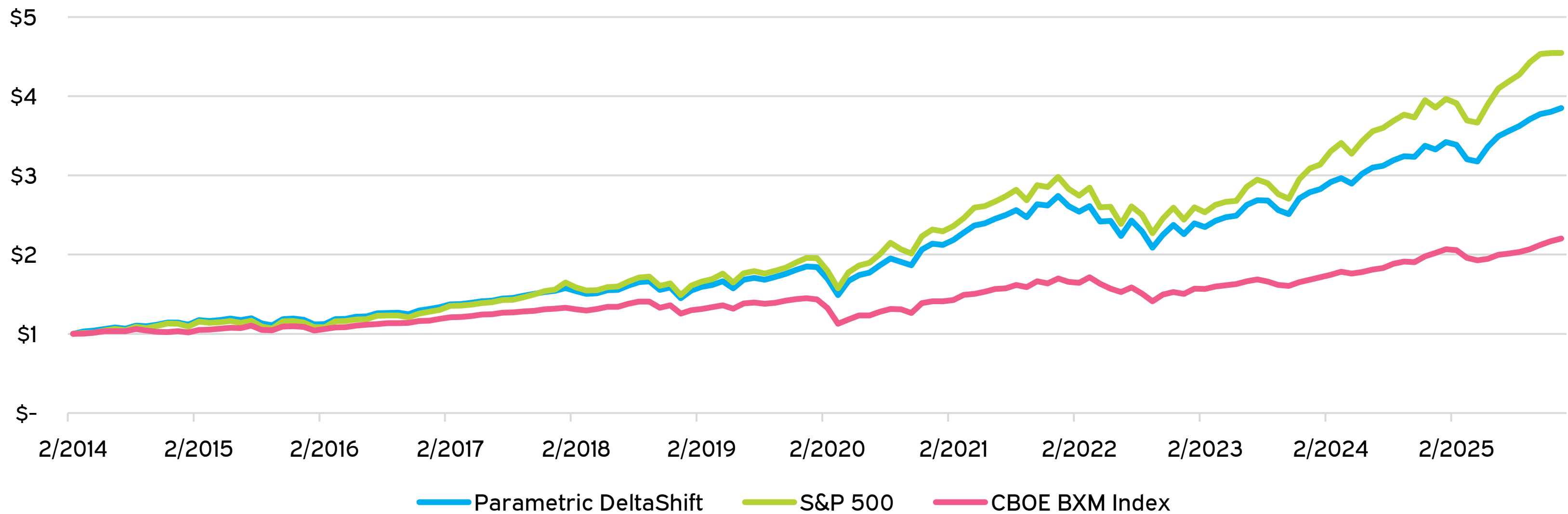
- Average positive return = (.25*.01) + (.50*.02) + (.20*.05) + (.05*.35) = 4.0%

- Call option premium ≈ probability of a positive return * average positive return
- Call option premium ≈ 50%*4.0% = 2.0%
- Call option premium ≈ 2.0%*$100 = $2.00
- The "volatility risk premium" reflects the idea that these probabilities are usually overestimated, implying that options are naturally overpriced.

EBMUDERS Experience - Parametric

Growth of $1

(as of 12/31/25)



	1-yr	3-yr	5-yr	10-yr	10-yr Volatility
Parametric DeltaShift	15.7%	19.5%	12.5%	12.6%	13.1%
S&P 500	17.9%	23.0%	14.4%	14.8%	14.5%
CBOE BXM Index	8.9%	13.5%	9.3%	7.3%	9.9%

- The Parametric DeltaShift strategy has kept pace (~85% of returns) with the S&P 500 over the last ten years.
- The CBOE BXM Index (a basic Covered Calls Index) as not met expectations, largely due to the lack of sustained volatility and drawdowns during this period.

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EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

FROM: Sophia D. Skoda, Director of Finance SDS

SUBJECT: Meketa Performance and Economic Review

SUMMARY

Under section III, part D of the Retirement System's Statement of Investment Policy and Procedures (the Investment Policy), the Retirement System's investment consultant is required to present quarterly performance reports to the Retirement Board. The attached report from the Retirement System's investment consultant, Meketa, provides information on portfolio performance through December 31, 2025.

DISCUSSION

The Retirement System's portfolio had a market value of $3.01 billion as of December 31, 2025 – up $24 million from the end of the third quarter of 2025. The portfolio return was 2.7 percent for the quarter. Over a one-year period, the portfolio return was 17.2 percent, above the total plan benchmark return of 16.6 percent. The portfolio return remains above the plan benchmark by 0.4 percent over a 10-year period.

SDS:SGL

Attachment: Performance Report

East Bay Municipal Utility District Employees' Retirement System

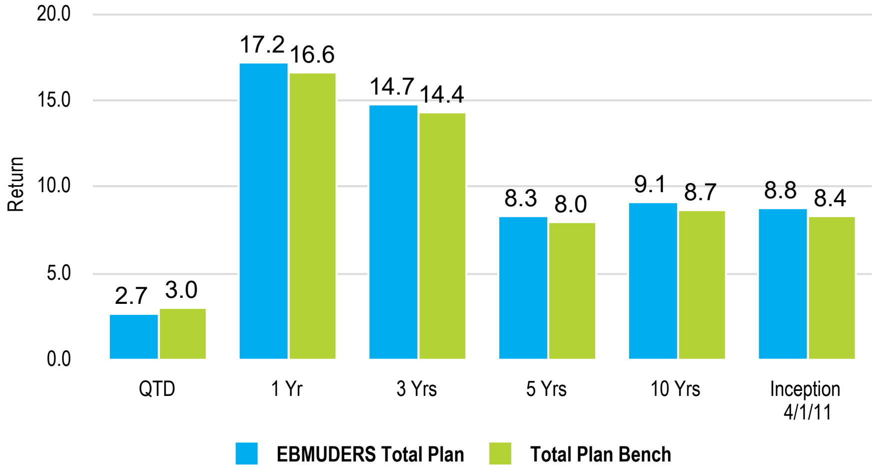
March 19, 2026

Q4 2025 Performance Report

Introduction

EBMUDERS Total Plan | As of December 31, 2025

Return Summary



Summary of Cash Flows

	QTD	1 Yr
EBMUDERS Total Plan		
Beginning Market Value	$2,989,132,128	$2,632,474,028
Net Cash Flow	-$55,797,436	-$68,395,256
Net Investment Change	$79,428,448	$448,684,368
Ending Market Value	$3,012,763,140	$3,012,763,140

	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)
EBMUDERS Total Plan - Net	**2.7**	**17.2**	**14.7**	**8.3**	**9.1**	**--**
EBMUDERS Total Plan - Gross	**2.7**	**17.3**	**14.9**	**8.5**	**9.3**	**7.6**
Total Plan Benchmark	*3.0*	*16.6*	*14.4*	*8.0*	*8.7*	*7.2*
InvMetrics Public DB > $1B Median	2.2	13.5	11.4	7.3	8.5	7.1

Historical net returns for the Total Portfolio Aggregate are currently available from 2Q 2011.

EBMUDERS | As of December 31, 2025

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
EBMUDERS Total Plan	**3,012,763,140**	**100.0**	**2.7**	**17.2**	**14.7**	**8.3**	**9.1**	**8.8**	**Apr-11**
Total Plan Benchmark			*3.0*	*16.6*	*14.4*	*8.0*	*8.7*	*8.4*	
US Equity	**1,074,935,153**	**35.7**	**2.1**	**16.7**	**22.1**	**13.1**	**14.3**	**13.4**	**Apr-11**
Russell 3000 Hybrid			*2.4*	*17.1*	*22.2*	*13.1*	*14.3*	*13.3*	
Non-US Equity	**808,904,227**	**26.8**	**5.0**	**32.9**	**17.5**	**8.4**	**8.0**	**6.9**	**Jul-95**
MSCI ACWI xUS (blend)			*5.1*	*33.1*	*18.0*	*8.5*	*8.9*	*6.2*	
Covered Calls	**149,387,804**	**5.0**	**3.7**	**13.6**	**16.0**	**10.6**	**9.7**	**9.9**	**Feb-14**
Cboe S&P 500 Buy Write Index			*6.5*	*8.9*	*13.5*	*9.3*	*7.3*	*7.2*	
Core Private Real Estate	**54,276,767**	**1.8**	**1.6**	**3.9**	**2.8**	**6.1**	**6.2**	**5.7**	**Jan-07**
Real Estate Benchmark			*1.2*	*4.6*	*4.6*	*6.6*	*6.3*	*6.7*	
Investment Grade Bonds	**607,712,868**	**20.2**	**1.2**	**7.9**	**4.6**	**0.3**	**2.3**	**2.5**	**Jan-14**
Fixed Income Core Benchmark			*1.1*	*7.3*	*4.5*	*0.1*	*--*	*--*	
High Yield Bonds	**176,307,059**	**5.9**	**1.2**	**7.5**	**8.2**	**5.3**	**--**	**5.5**	**Jul-19**
Blmbg. U.S. Corp: High Yield Index			*1.3*	*8.6*	*10.1*	*4.5*	*--*	*5.2*	
Bank Loans	**139,598,017**	**4.6**	**1.0**	**3.9**	**6.6**	**3.5**	**--**	**3.2**	**Jul-19**
S&P UBS Leveraged Loan Index			*1.2*	*5.9*	*9.3*	*6.4*	*--*	*5.7*	
Cash	**1,641,246**	**0.1**	**1.2**	**4.5**	**4.7**	**3.1**	**2.3**	**1.6**	**Aug-10**
FTSE 3 Month T-Bill			*1.0*	*4.4*	*5.0*	*3.3*	*2.2*	*1.5*	

Economic and Market Update
Data as of December 31, 2025

Commentary

Despite considerable policy and trade uncertainty, most major markets posted positive returns in the fourth quarter and for the year, with non-US equities leading the way.

→ In the fourth quarter US equities (Russell 3000) returned 2.4% bringing the full year results to 17.1%. Value outperformed growth for the quarter as market sentiment turned cautious given valuations in the AI related tech sector.

→ Non-US equities outperformed US stocks in the fourth quarter and for the year, supported by attractive valuations, a rotation out of US tech stocks, a weaker US dollar, and defense and infrastructure spending.

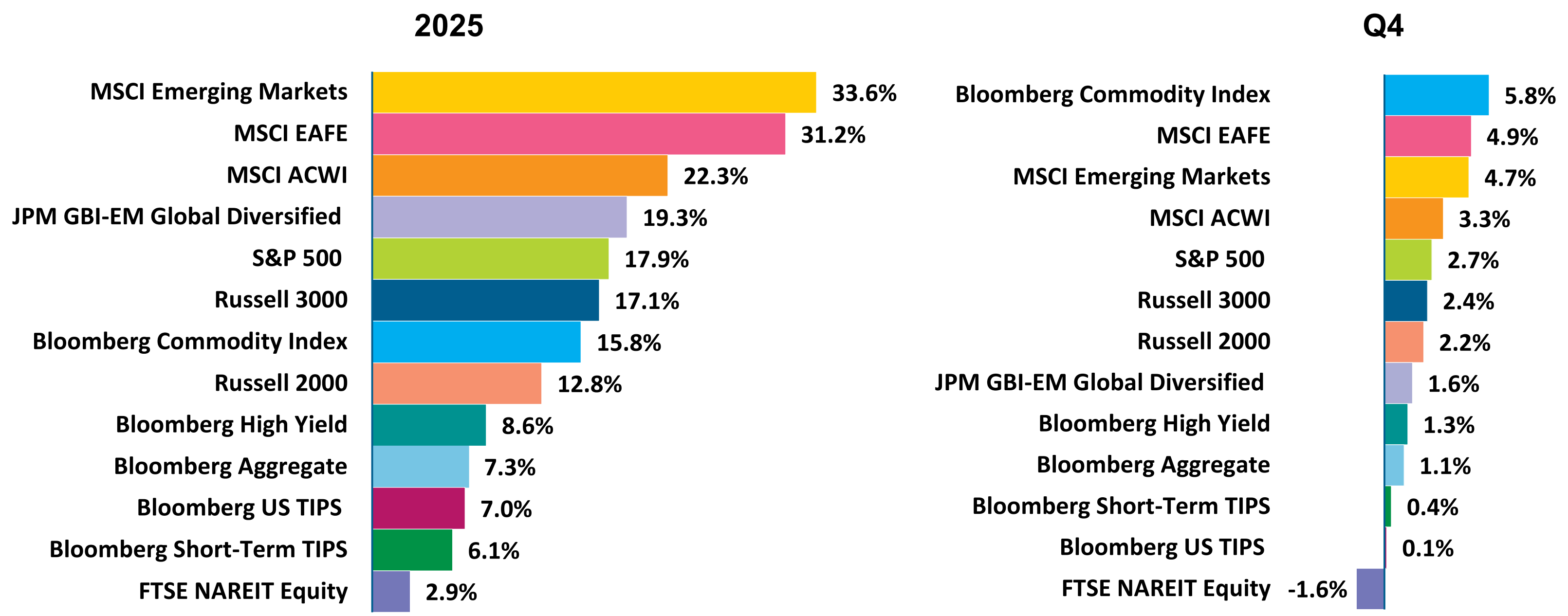
- Non-US developed stocks (MSCI EAFE) rose 4.9% in the fourth quarter and 31.2% in 2025.
- Emerging markets (MSCI Emerging Markets) gained 4.7% for the quarter and led the way in 2025 returning 33.6%. Although Chinese stocks declined in the fourth quarter (MSCI China: -7.8%), the broad emerging market group rallied, supported by strong returns in South Korea and Taiwan.

→ Most major bond markets finished the fourth quarter in positive territory with strong overall results for the year, particularly for riskier bonds. In the fourth quarter the broad US bond market (Bloomberg Aggregate) returned 1.1%, while cooling inflation led to lower returns for TIPS (+0.1%) and short-term TIPS (+0.4%). High yield and emerging market debt led the way, returning 1.3% and 1.6%, respectively.

→ The government reopened in mid-November but the longest shutdown on record likely had a meaningful short-term impact on the economy, while delayed and, in some cases, skipped economic data releases increased uncertainty for policymakers and financial markets.

→ Key questions going forward include how the Fed will manage interest rates given competing pressures on its dual mandate of inflation and employment, will the impact of tariffs on inflation grow, can earnings growth remain resilient in the US, will the significant investment in the AI infrastructure buildout pay off, and how will China's economy and relations with the US track.

Index Returns[1]



→ In the fourth quarter, except for REITs, markets delivered positive returns. Non-US developed and emerging market stocks outperformed US stocks while bond markets benefited from stable inflation and lower interest rates. Commodities were the top performer given the significant run in precious and industrial metals.

→ In 2025, all asset classes rose, with international equities leading the way. Key drivers of the strong performance last year include resilient earnings, AI optimism, a weaker US dollar, and expectations for lower interest rates.

[1] Source: Bloomberg. Data is as of December 31, 2025.

Domestic Equity Returns[1]

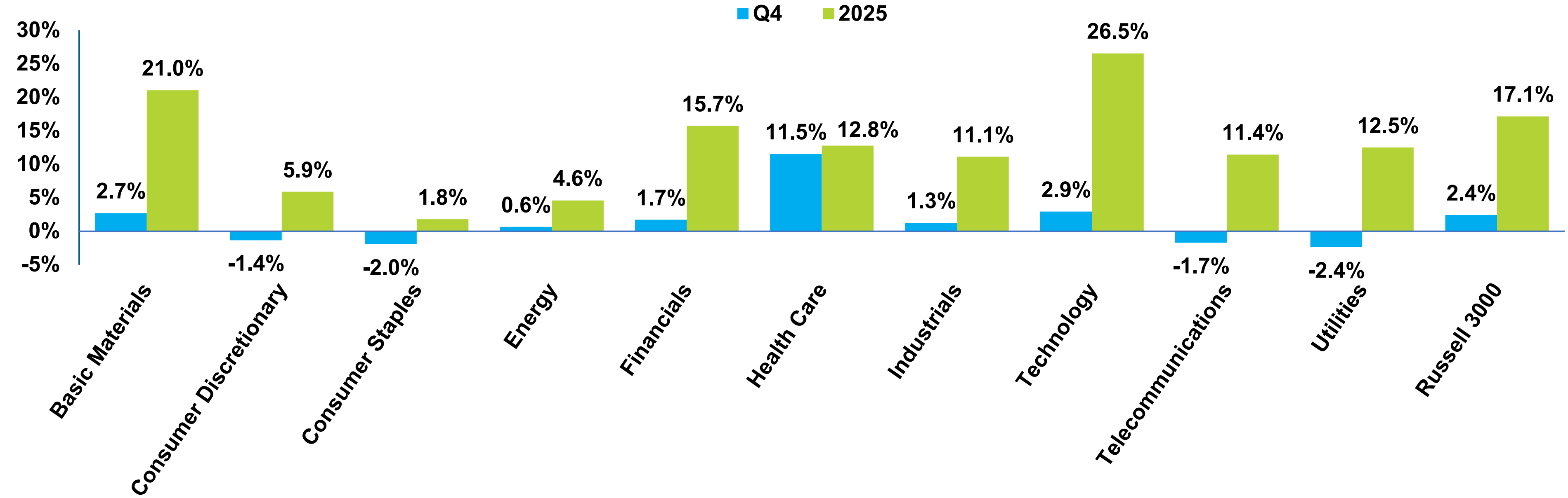
Domestic Equity	December (%)	Q4 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	0.1	2.7	17.9	23.0	14.4	14.8
Russell 3000	0.0	2.4	17.1	22.2	13.1	14.3
Russell 1000	0.0	2.4	17.4	22.7	13.6	14.6
Russell 1000 Growth	-0.6	1.1	18.6	31.1	15.3	18.1
Russell 1000 Value	0.7	3.8	15.9	13.9	11.3	10.5
Russell MidCap	-0.3	0.2	10.6	14.3	8.7	11.0
Russell MidCap Growth	-1.3	-3.7	8.7	18.6	6.6	12.5
Russell MidCap Value	0.1	1.4	11.0	12.3	9.8	9.8
Russell 2000	-0.6	2.2	12.8	13.7	6.1	9.6
Russell 2000 Growth	-1.3	1.2	13.0	15.6	3.2	9.6
Russell 2000 Value	0.2	3.3	12.6	11.7	8.9	9.3

US Equities: The Russell 3000 index returned 2.4% in the fourth quarter and 17.1% in 2025.

- The gains in Q4 were driven mainly by a double-digit rebound in health care stocks. For the full calendar year, roughly half the 17.1% return came from the "Magnificent 7" stocks. Besides enthusiasm for the AI trade, the Fed starting to cut interest rates, an overall resilient economy, and strong earnings all helped US equity markets have another double-digit return year.
- Growth stocks trailed value for the quarter given concerns over valuations for AI-related companies and a shift in sentiment toward more "reasonably" priced economically sensitive areas.
- Large (Russell 1000) and small (Russell 2000) cap stocks had similar returns for the quarter, but large cap outperformed by close to 5.0% for the full year. The 2025 outperformance was mostly driven by the "Magnificent 7" stocks. Large cap banks also contributed to this divergence in performance. While small cap stocks rose nearly 13% for the full year, unprofitable stocks rose nearly twice as much as profitable stocks.

[1] Source: Bloomberg. Data is as of December 31, 2025.

Russell 3000 Sector Returns[1]



- For the quarter, sector results were mixed with seven sectors increasing and four declining.
- Health care stocks (+11.5%) significantly outperformed other sectors in the fourth quarter. Eli Lilly rose over 40% during the quarter as investors expressed enthusiasm for its lead in the GLP-1 market. The technology and materials sectors both returned over 2.0%, given AI momentum and strength in metals/mining, respectively. More defensive sectors like utilities and consumer staples trailed in Q4.
- For the full year, technology led the way, driven by the "Magnificent 7" stocks, plus Broadcom. Materials also rose over 20% in 2025, given easing trade tensions and stronger demand for industrial and energy transition metals.

[1] Source: Bloomberg. Data is as of December 31, 2025.

Foreign Equity Returns[1]

Foreign Equity	December (%)	Q4 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI Ex US	3.0	5.1	32.4	17.3	7.9	8.4
MSCI EAFE	3.0	4.9	31.2	17.2	8.9	8.2
MSCI EAFE (Local Currency)	2.1	6.1	20.6	15.9	11.5	8.6
MSCI EAFE Small Cap	2.3	2.7	31.8	14.9	5.6	7.5
MSCI Emerging Markets	3.0	4.7	33.6	16.4	4.2	8.4
MSCI Emerging Markets (Local Currency)	2.6	5.6	31.3	17.7	6.6	9.5
MSCI EM ex China	4.7	10.2	34.6	18.7	8.2	9.9
MSCI China	-1.2	-7.4	31.2	11.6	-3.2	5.5

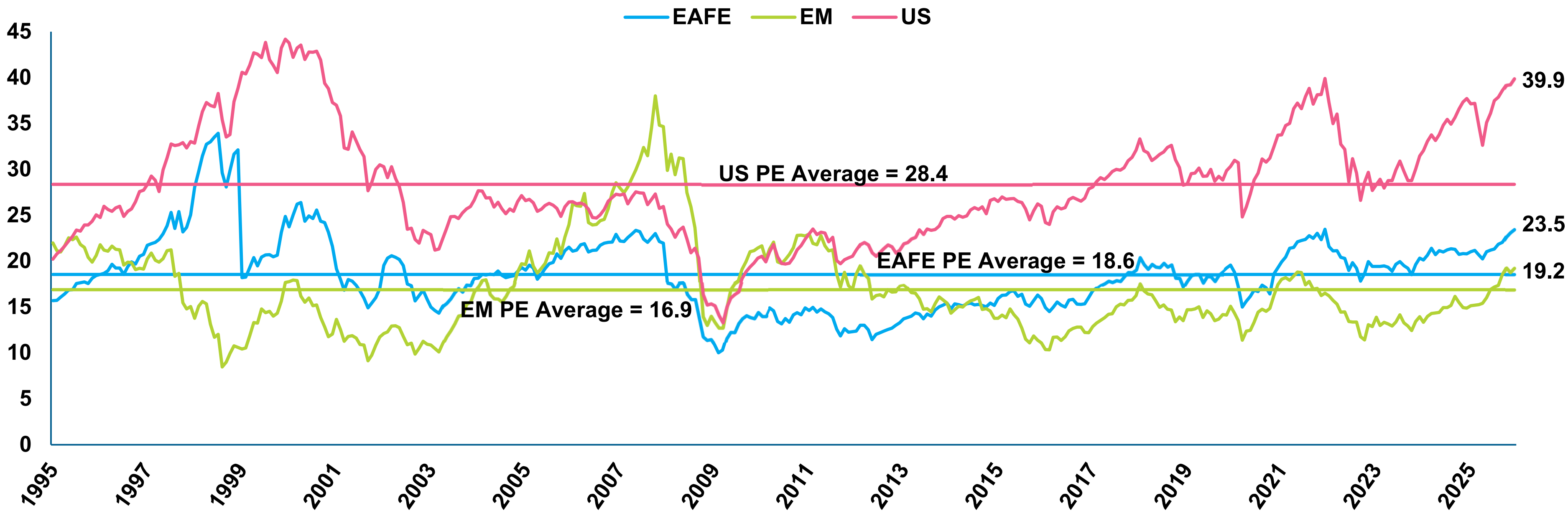
Foreign Equity: Developed international equities (MSCI EAFE) returned 4.9% in the fourth quarter and 31.2% in 2025. Emerging markets equities rose 4.7% in the fourth quarter, returning 33.6% for the full year.

→ Developed markets posted solid gains in the fourth quarter, outperforming US equities. Eurozone performance was broad-based with financials, health care, and utilities leading. The UK saw similarly strong performance led by financials. Japanese equities rose significantly, with AI investment generating enthusiasm, yen weakness boosting exporters, and the newly elected government announcing stimulus measures.

→ Emerging market stocks had strong fourth quarter performance, also benefitting from AI themes and central bank easing. Korea and Taiwan saw solid gains, driven by record-high profits in the tech sector, particularly among semiconductor companies. India rose modestly, benefitting from easing inflation and strong exports, despite steep US tariffs. China fell over the quarter amid lackluster economic data, weak domestic consumption, and slowing US exports.

[1] Source: Bloomberg. Data is as of December 31, 2025.

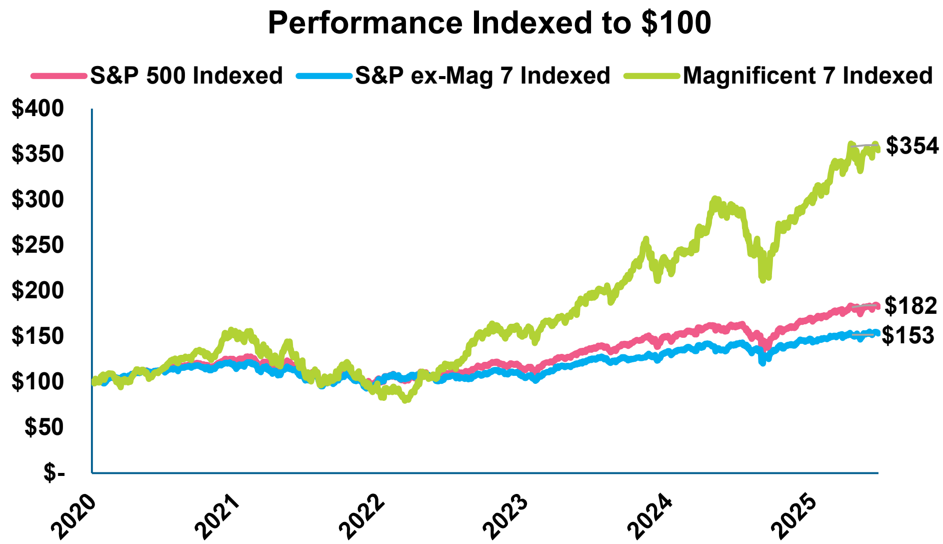
Equity Cyclically Adjusted P/E Ratios[1]

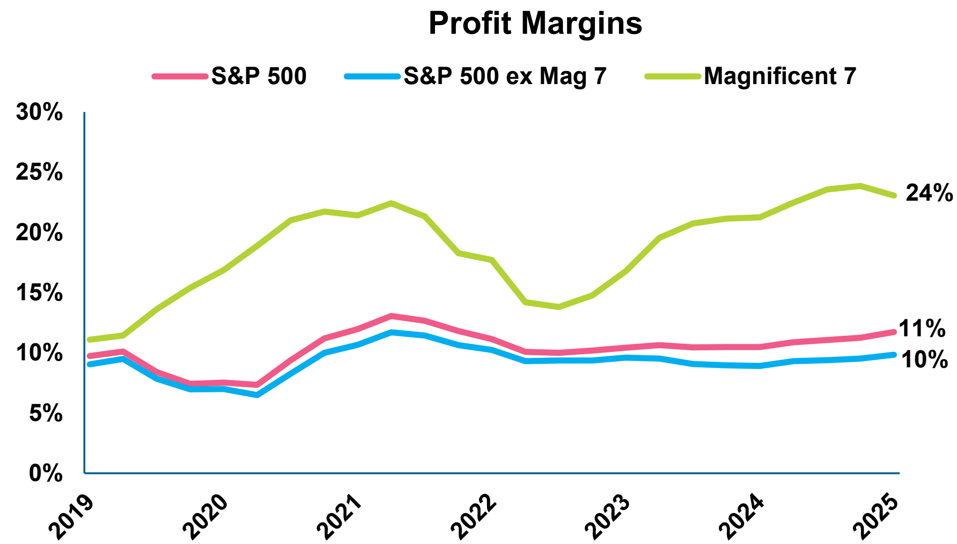


- Cyclically adjusted US stock valuations finished the year just shy of 40, a level slightly above the post-pandemic peak. AI-related optimism has been a key driver pushing valuations higher since the April lows.
- Given strong results this year in non-US developed stocks, valuations moved further above their long-run P/E ratio (23.5 versus 18.6).
- As emerging market stocks led the way in 2025, their valuations are now also trading at levels above their long-run average (19.2 versus 16.9).

[1] US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E Source: Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of December 2025. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end, respectively.

Performance and Profit Margins: S&P 500 and "Magnificent 7"[1]





- Despite an over 25% decline to start last year, the so-called "Magnificent 7" AI-related technology stocks continued to drive market results, gaining close to 25% for 2025. Since 2020, these stocks increased roughly 3.5x while the other members of the S&P 500 increased about 1.5x.
- The relatively strong performance of the "Magnificent 7" has led to them currently comprising roughly a third of the entire S&P 500 index by market-capitalization, making their performance going forward key to overall market results.
- Profit margins have been relatively strong for these companies, with the latest readings more than double the broad market (24% versus 11%).

[1] Source: Bloomberg. Data is as of December 31, 2025, for index prices and September 30, 2025, for profit margins.

Fixed Income Returns[1]

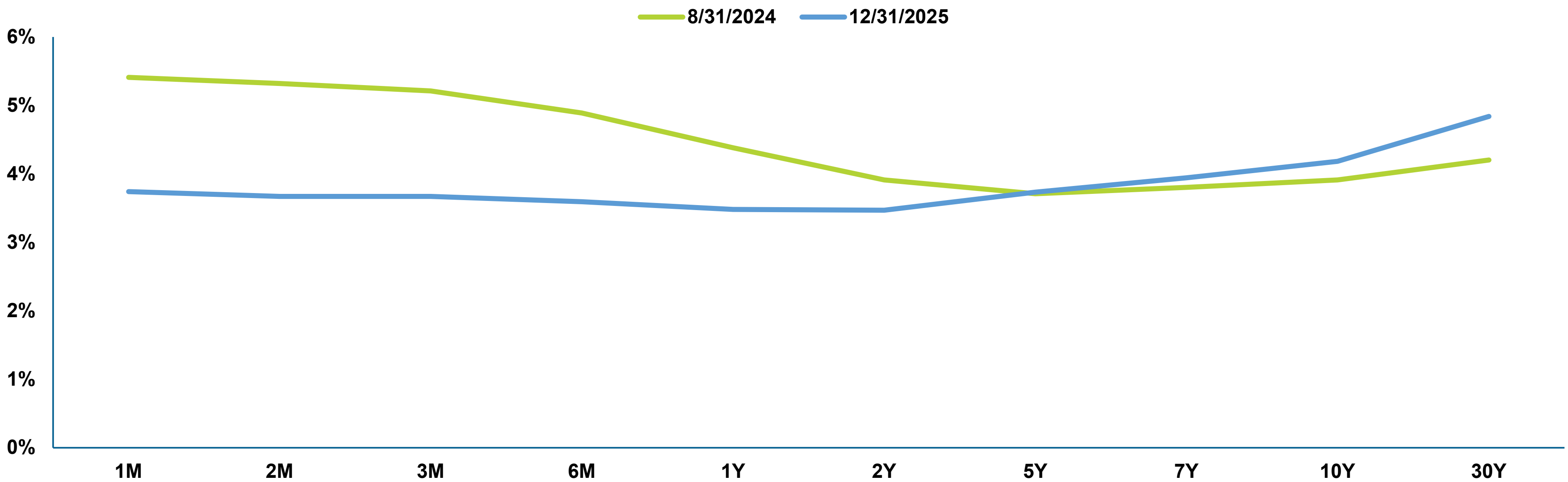
Fixed Income	December (%)	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-0.1	1.2	7.6	5.2	0.1	2.4	4.5	5.8
Bloomberg Aggregate	-0.1	1.1	7.3	4.7	-0.4	2.0	4.3	6.0
Bloomberg US TIPS	-0.4	0.1	7.0	4.2	1.1	3.1	4.0	6.5
Bloomberg Short-term TIPS	0.1	0.4	6.1	5.1	3.5	3.2	3.6	2.4
Bloomberg US Long Treasury	-1.1	0.1	5.6	0.6	-7.2	0.0	4.8	14.5
Bloomberg High Yield	0.6	1.3	8.6	10.0	4.5	6.5	6.5	3.0
JPM GBI-EM Global Diversified (USD)	2.2	1.6	19.3	9.5	1.1	3.9	--	--

Fixed Income: The Bloomberg Universal index rose 1.2% in the fourth quarter, returning 7.6% in 2025.

- → In the fourth quarter falling short-term interest rates and relatively stable credit spreads led to overall gains in the bond market.
- → The broad US bond market (Bloomberg Aggregate) rose 1.1% with longer-dated US Treasuries essentially flat. Shorter and longer-dated TIPS gained 0.4% and 0.1%, respectively, as inflation concerns eased modestly.
- → As overall risk appetite remained strong, riskier bonds led the way with emerging market debt and US high yield returning 1.6% and 1.3%, respectively. In 2025 emerging market bonds returned an impressive 19.3% given relatively high yields, an earlier start to central bank easing, and generally contained inflation.

[1] Source: Bloomberg. Data is as of December 31, 2025. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.

US Yield Curve[1]



→ In the fourth quarter interest rates for shorter maturities fell, while rates for longer-dated maturities stayed stable or rose. These dynamics were driven by expectations for additional interest rate cuts by the Fed and rising term premium, lingering inflation, and fiscal uncertainty.

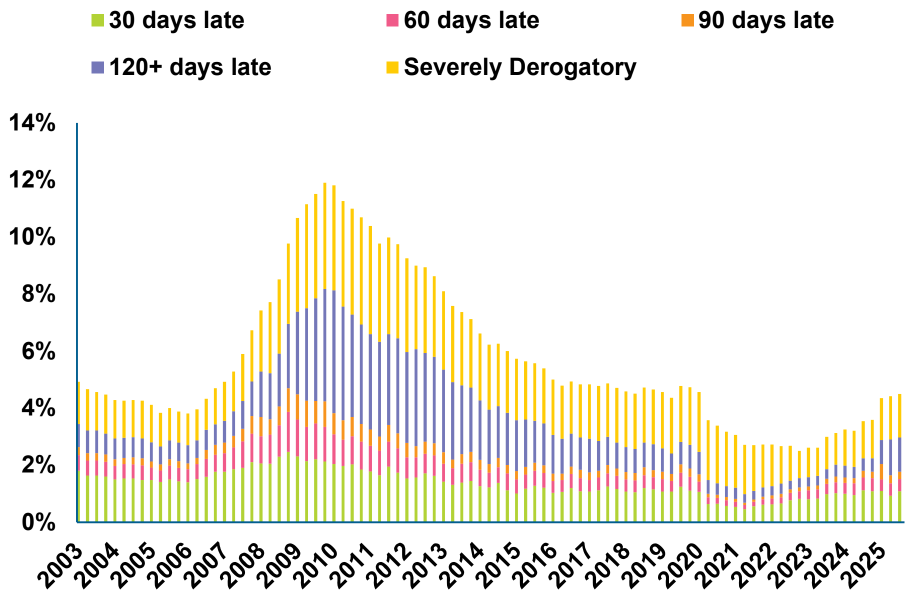
→ The policy-sensitive 2-year nominal Treasury yield fell from 3.61% to 3.48%. The 10-year nominal Treasury yield rose from 4.15% to 4.17%, while the 30-year nominal Treasury yield moved from 4.73% to 4.84%.

→ Given these dynamics the yield curve steepened further in the fourth quarter. The spread between a two-year and ten-year Treasury increased from 54 basis points to 70 basis points.

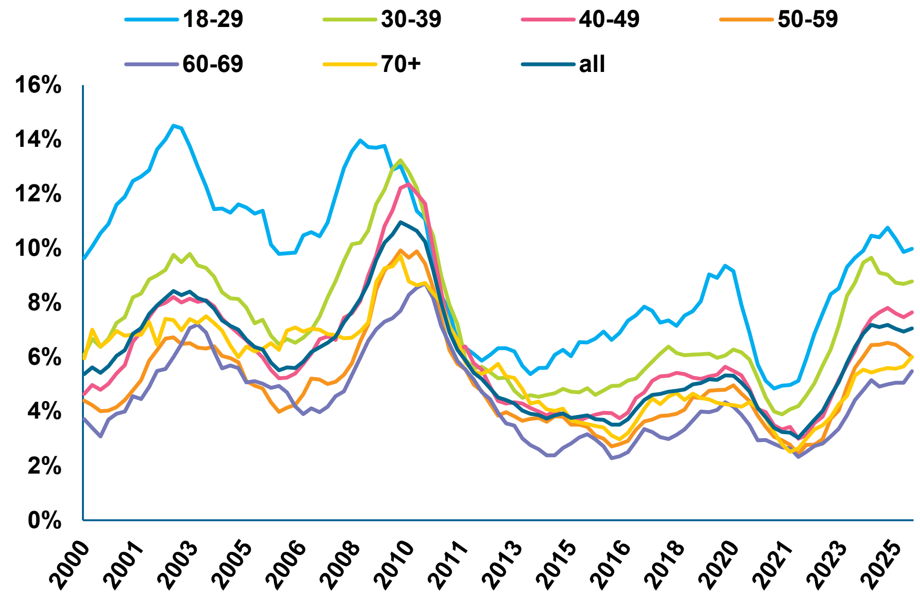
[1] Source: Bloomberg. Data is as of December 31, 2025. The August 2024 Treasury yields are shown as a reference before the first interest rate cut.

Stress is Building Among US Consumers

Percent of Total Outstanding Credit Card Balance by Delinquency Status[1]



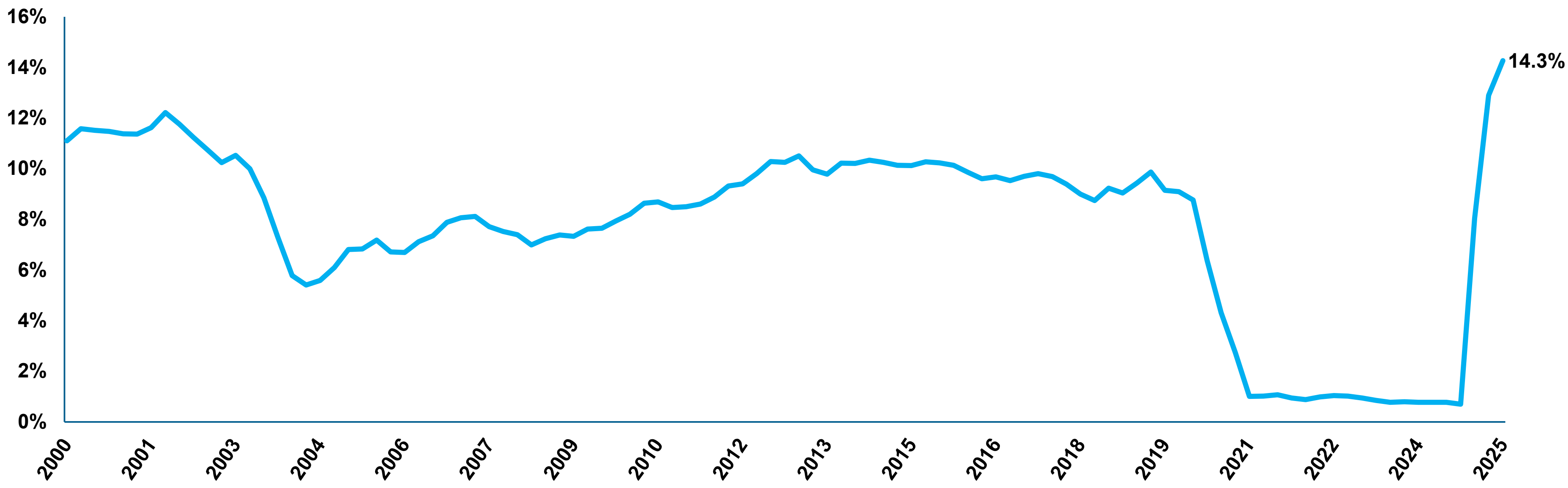
Transition into Serious Delinquency for Credit Cards by Age[1]



- → Signs of stress on the US consumer have started to emerge, given persistently higher prices and interest rates.
- → After falling to historic lows during the pandemic, loan delinquencies have increased.
- → Parts of the credit card market, especially for younger cohorts, have begun to show stress as most borrowers are subject to variable and higher borrowing costs. Total delinquencies are below pre-pandemic levels though.

[1] Source: New York Federal Reserve, Quarterly Household Debt and Credit Report. See also FRED. Data is as of September 30, 2025.

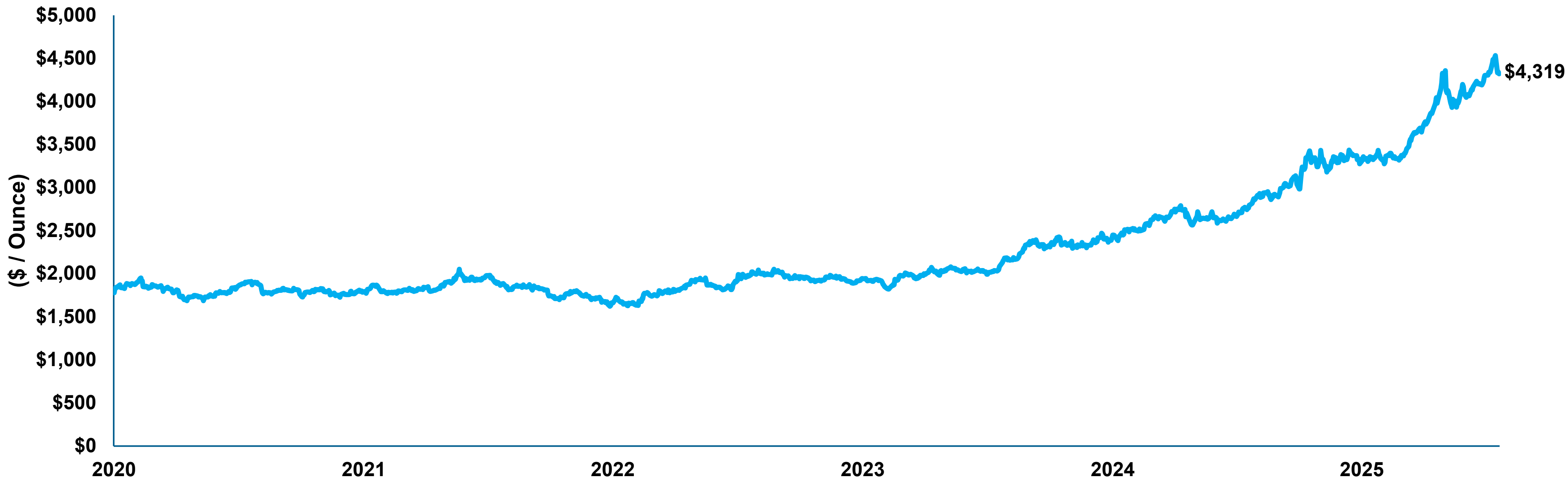
Transition Into Serious Delinquency (90+ Days) for Student Loans[1]



- The restarting of student loan payments and reporting for those in default could add further pressures to consumers.
- During the pandemic, student loan repayments were suspended with an estimated 43 million borrowers deferring payments.
- Pressures have been growing in the student loan market. Roughly nine million borrowers missed at least one loan payment last year and approximately 14.3% of student debt has moved into seriously delinquent status.

[1] Source: New York Federal Reserve, Quarterly Household Debt and Credit Report. See also FRED. Data is as of September 30, 2025. Percent of student loan holders transitioning in serious default (90-days or more) based on four quarter moving average. Delays in reporting may cause fluctuations.

Gold[1]



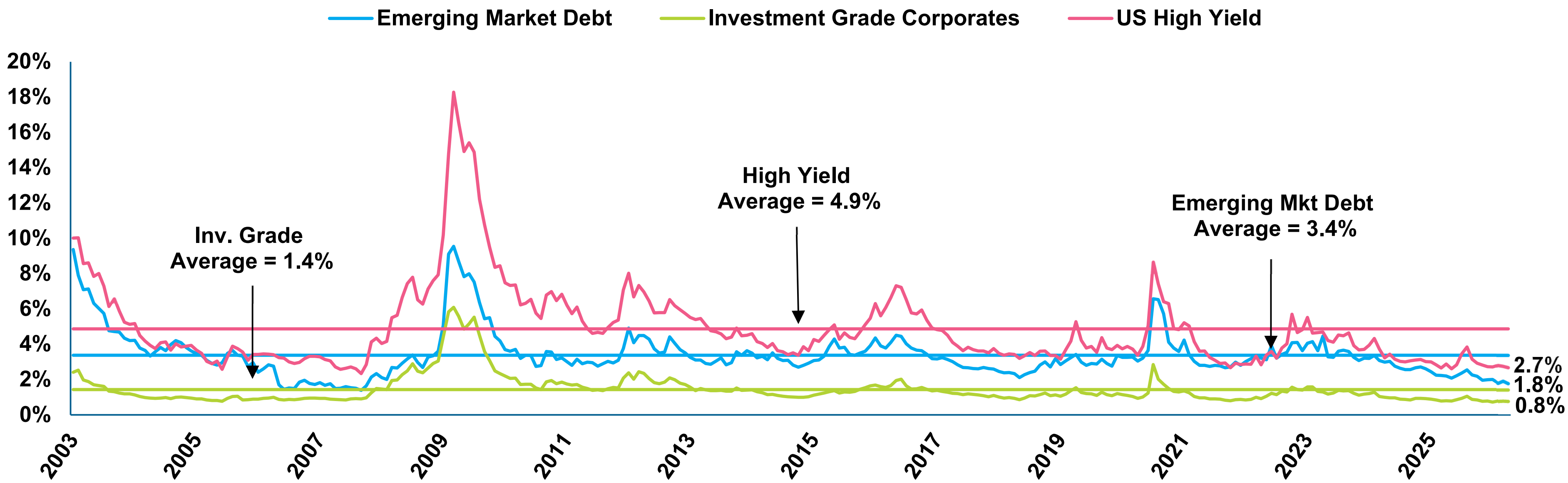
→ In a year where risk assets did particularly well, gold, which is usually perceived as a safe haven, did even better, gaining close to 65%.

→ Key drivers of gold's strong year include central bank demand, a weaker US dollar, inflation concerns, central banks purchasing bullion, and expectations for lower rates.

→ In 2025, the price of gold rose from just over $2,600 an ounce to over $4,300 an ounce.

[1] Source: Bloomberg as of December 31, 2025. Gold Spot Price is quoted as US Dollars per Troy Ounce.

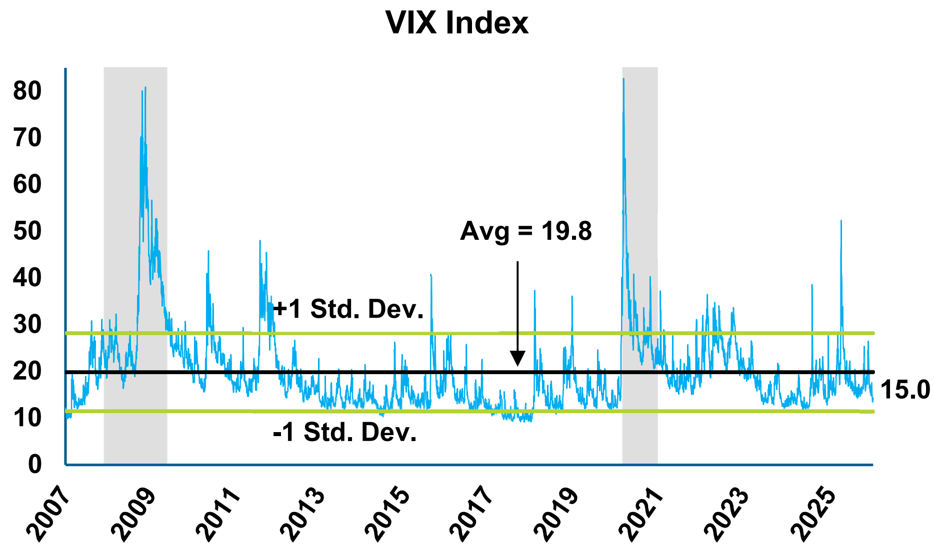
Credit Spreads vs. US Treasury Bonds[1]

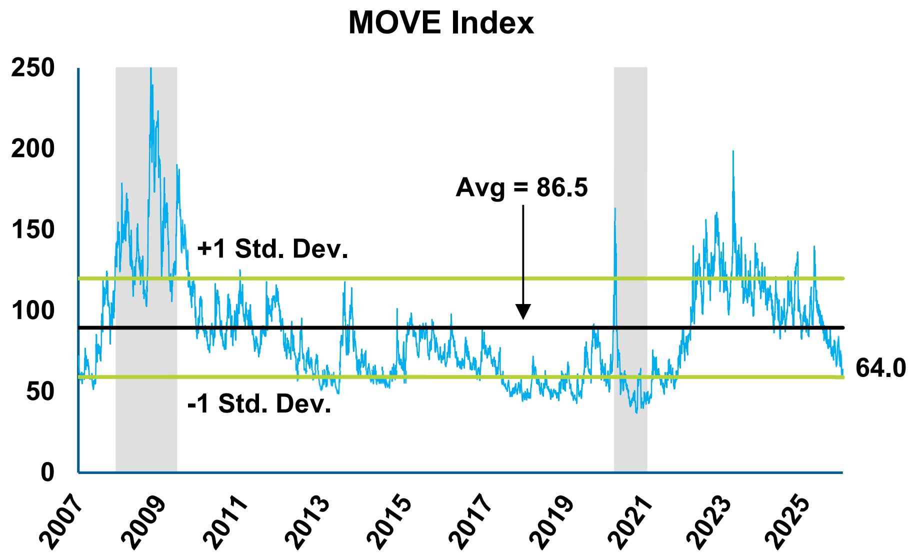


- Credit spreads (the difference in yield from a comparable maturity Treasury) remained relatively stable over the quarter at historically tight levels. A resilient US economy, strong corporate balance sheets/low default rates, and investor demand for yield have all contributed to tight spreads.
- Investment grade spreads remained below 1.0% in December.
- High yield spreads stayed at 2.7% for the quarter, while emerging market spreads tightened from 2.0% to 1.8%.
- All yield spreads remained well below their respective long-run averages, especially high yield (2.7% versus 4.9%).

[1] Source: Bloomberg. Data is as of December 31, 2025. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

Equity and Fixed Income Volatility[1]

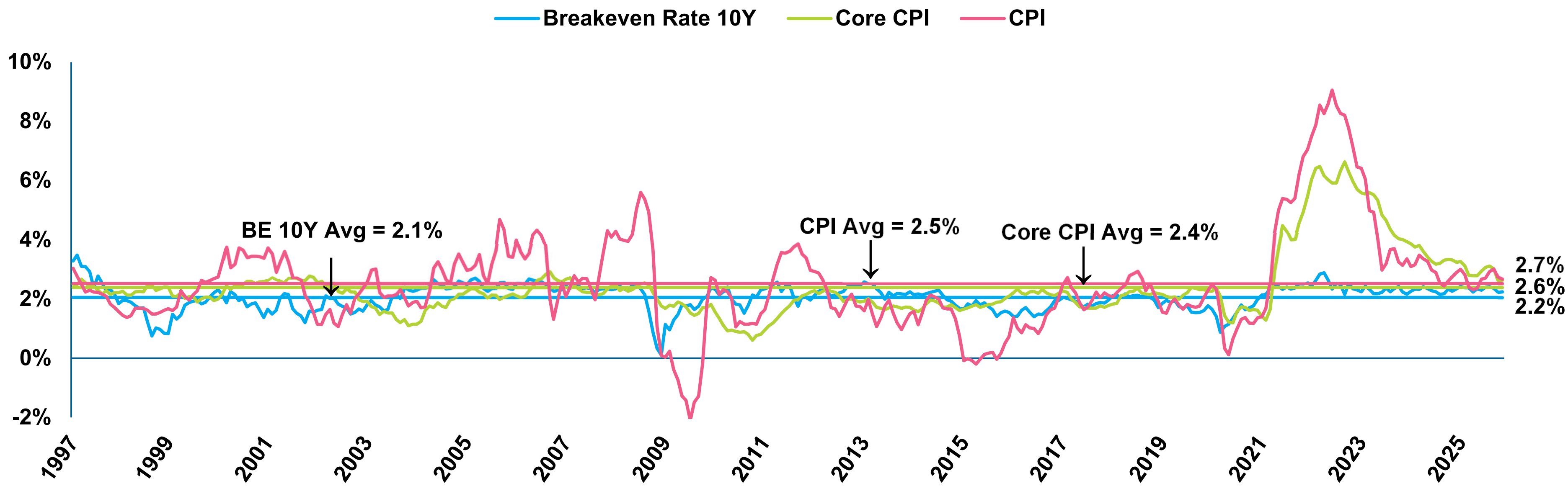




- Equity and bond market volatility eased in the fourth quarter to levels well below their long-run averages but there were several spikes in volatility during the quarter.
- Equity market volatility (VIX) finished the quarter at 15.0 versus a long-term average of 19.8. There were spikes above the 25 level in October and November in the wake of geopolitical tensions, questions about the path of interest rates given Fed messaging, and mixed economic data.
- Despite several spikes, bond market volatility (MOVE) ended the quarter at 64.0, below a long-term average of 86.5. Interest-rate uncertainty declining as inflation moderated and the Fed's policy path became clearer drove bond market volatility lower over the quarter.

[1] Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of December 31, 2025. The average line indicated is the average of the VIX and MOVE values between January 2007 and December 2025.

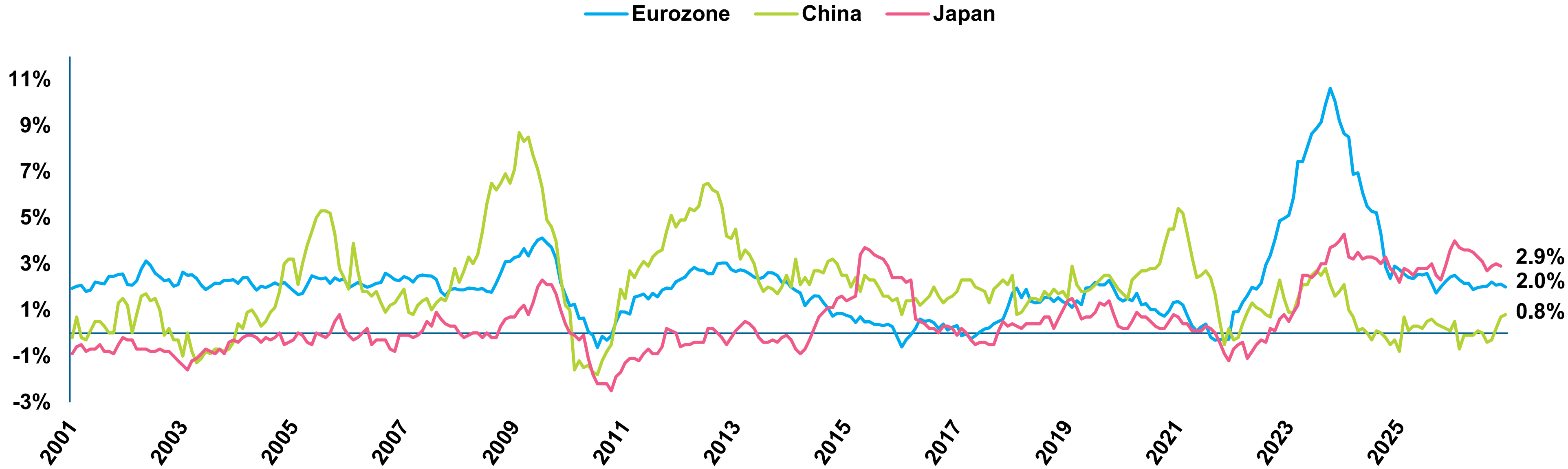
US Inflation[1]



- In the final quarter of 2025, year-on-year headline inflation fell 0.3% to 2.7% (matching expectations). This was driven by a drop in services, as prices for goods, food, and energy remained stable. The month-on-month rate was 0.3% (like September). This was the only monthly reading during the quarter given the government shutdown.
- Core inflation year-on-year fell from 3.0% to 2.6% (below expectations of 2.7%) in Q4 largely due to a decline in services, particularly shelter. The monthly growth rate came in at 0.2% in December (the same as September) slightly below expectations. This was also the only monthly reading during the quarter.
- Long-term inflation expectations fell slightly over the quarter (2.4% to 2.2%) and remain well anchored close to their long-run average of 2.1%.

[1] Source: FRED. Data is as of December 31, 2025. This represents the latest inflation data. The October report was canceled given the government shutdown.

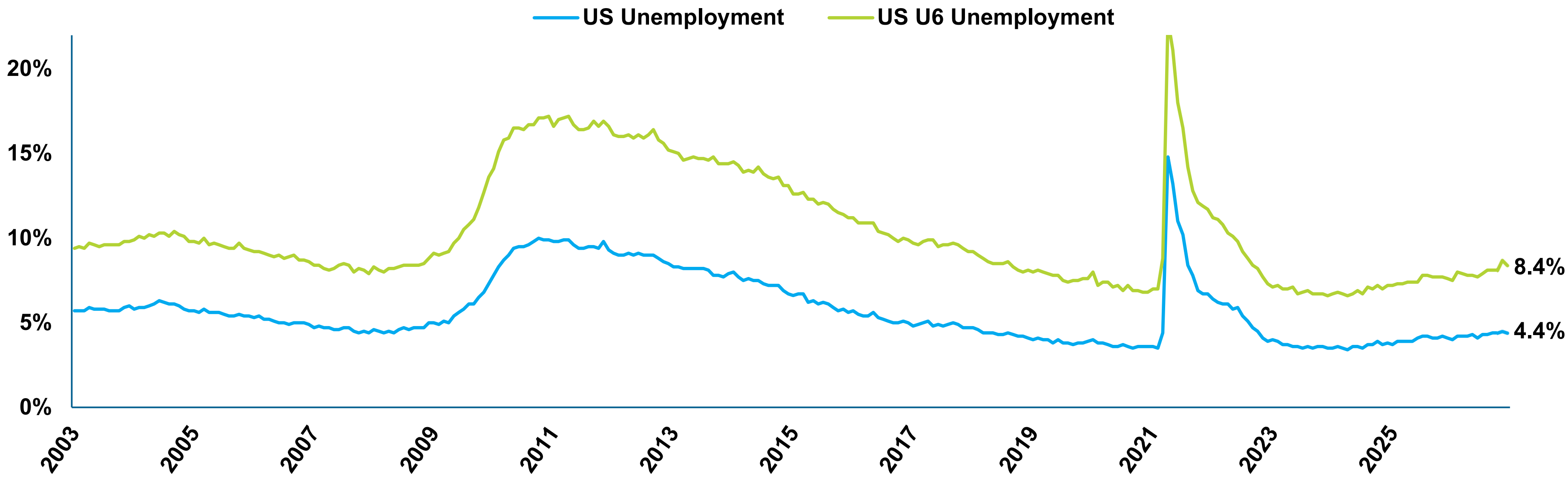
Global Inflation (CPI Trailing Twelve Months)[1]



- With inflation at its 2.0% target, the ECB has held policy rates steady at 2.0% with disinflationary pressures expected to continue in 2026.
- In December the Bank of Japan raised interest rates to their highest level in three decades from 0.5% to 0.75%. Inflation in Japan fell slightly (3.0% to 2.9%) but remains above target. Despite the slight drop, inflation levels continue to be roughly 1% above the Bank of Japan's target level.
- China's annual inflation rate moved into positive territory in the fourth quarter. It finished the year at 0.8%, the highest level since early 2023, largely driven by higher food prices particularly fresh vegetables (+18.2% yoy). Despite the positive reading, inflation in China remains stubbornly low even after significant stimulus.

[1] Source: Bloomberg. Data is as of December 2025 except Japan which is of November.

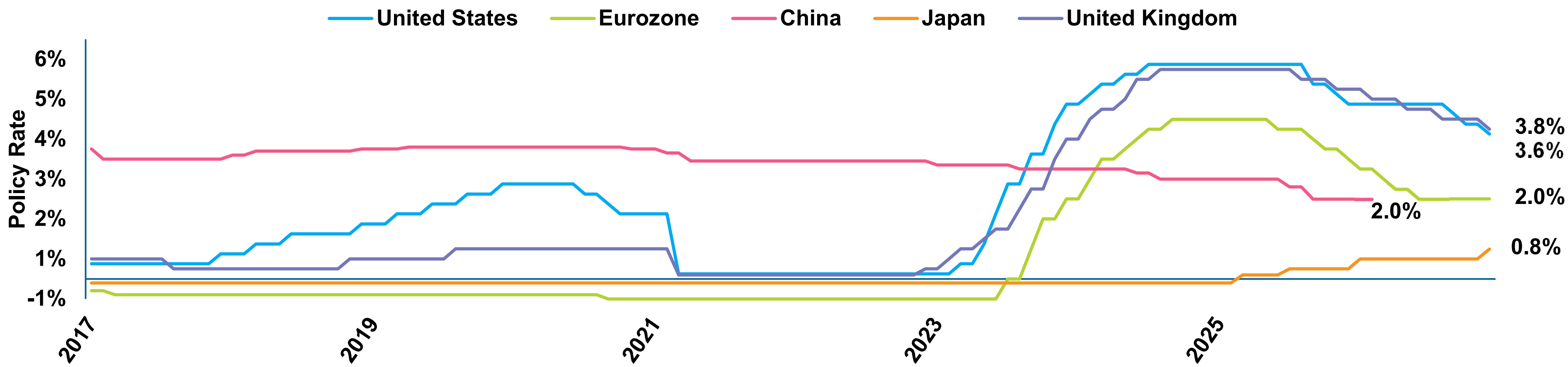
US Unemployment[1]



- In December, the US added 50,000 new jobs and the unemployment rate declined slightly from 4.6% to 4.4% (the same level as the end of Q3). Over the quarter the US shed 67,000 jobs, driven by the loss of government jobs in October related to the shutdown.
- Food services, health care, and social assistance sectors added the most jobs in December while the retail sector lost jobs. These steady job gains plus fewer people re-entering the labor force and slowing layoffs drove the decline in the unemployment rate.
- In other labor data, job openings continued to decline and hiring slowed, but layoffs have recently fallen and wages continued to grow above the rate of inflation.

[1] Source: FRED. Data is as of December 31, 2025.

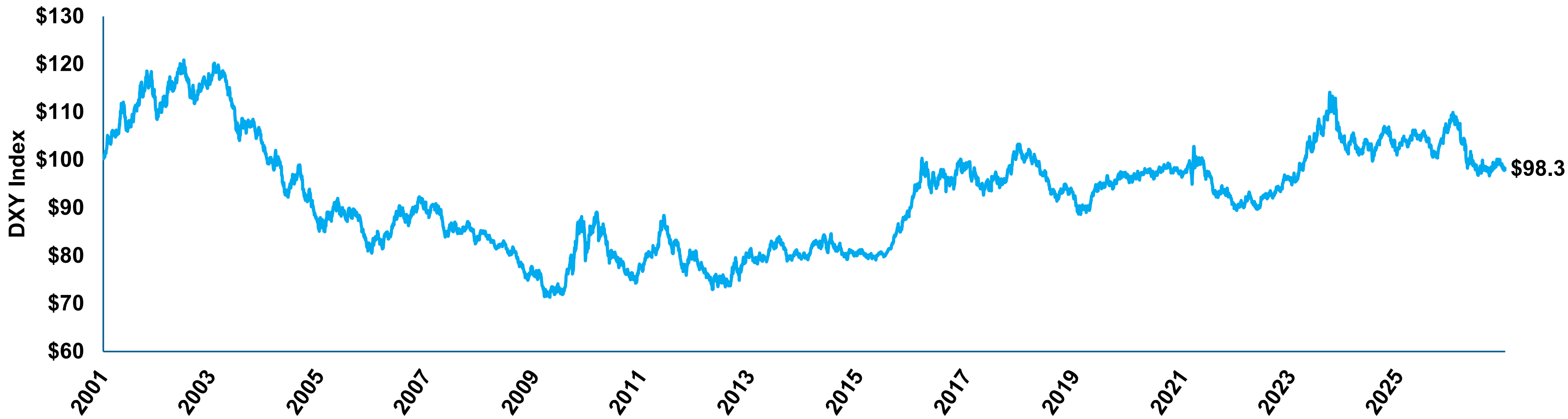
Global Policy Rates[1]



- It appears that we are moving into an environment in which the Fed may continue to cut interest rates while other central banks are on hold or are moving rates higher.
- The Fed cut interest rates again in December to a range of 3.5% to 3.75% with market expectations for roughly two more cuts over the next 12 months. Based on comments after the recent meeting it appears the Fed will move cautiously, given inflation remaining elevated despite signs of weakness in the labor market.
- The ECB has held rates steady since last summer. In 2026, there are no expectations of further cuts by the ECB, but markets are pricing in nearly two cuts from the BOE.
- After cutting rates in May of last year, China's central bank has held rates steady, although disinflationary pressures continue to be a concern.
- The BOJ increased rates by 0.25% at their last meeting with markets expecting nearly two more hikes this year, given inflation levels remaining above their 2% target.

[1] Source: Bloomberg. Data is as of December 31, 2025, except China which is as of February 28, 2025. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the China Central Bank 1-Year Medium Term Interest Rate. UK rate is the UK Bank of England Official Bank Rate.

US Dollar vs. Broad Currencies[1]



- The US dollar weakened by over 9% in 2025 on lower rate expectations, slowing growth, and fiscal deficit concerns.
- After a decline in the first half of the year, the dollar largely stayed range bound for the second half of 2025 as expectations for aggressive Fed rate cuts eased, yields in the US remained relatively high, and demand for safe-haven assets rose.

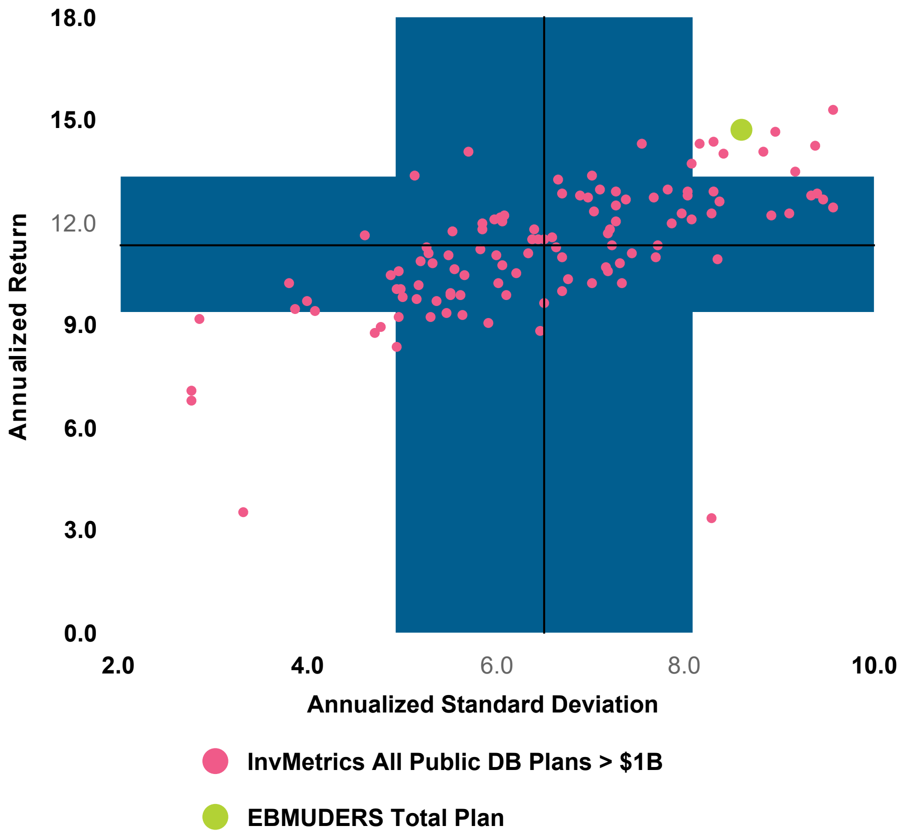
[1] Source: Bloomberg. Data as of December 31, 2025.

Key Trends

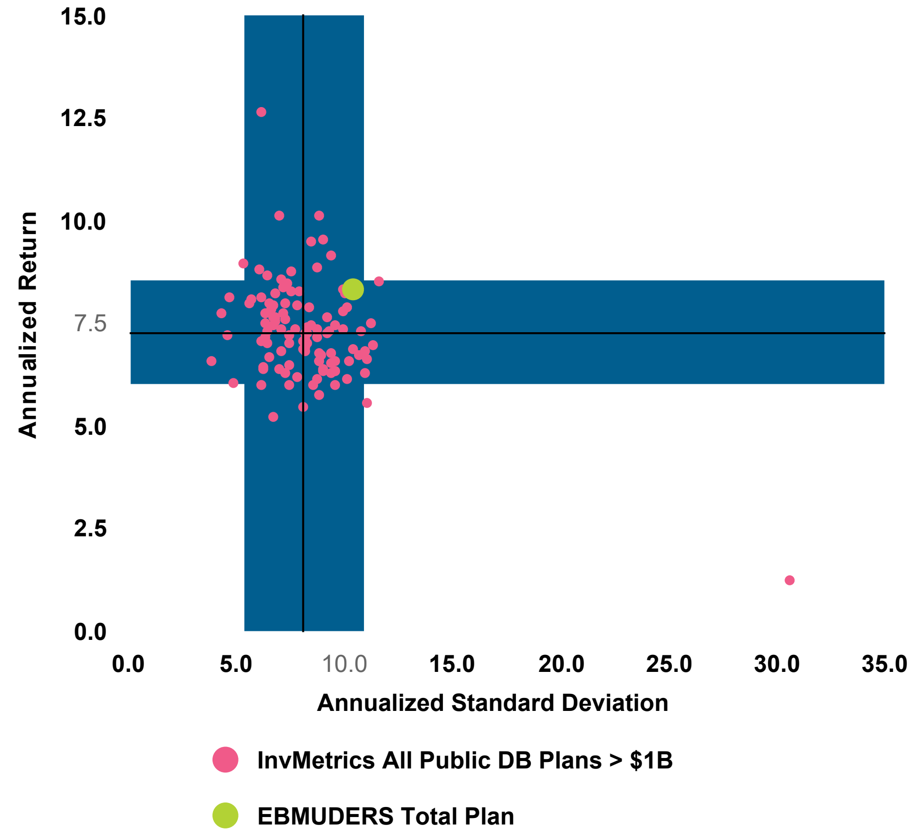
- According to the International Monetary Fund's (IMF) October's World Economic Outlook, the global economy will decelerate from 3.2% in 2025 to 3.1% in 2026. The US is expected to modestly accelerate economic growth in 2026 to 2.1% from 2.0% in 2025. The euro area will slow slightly from 1.2% in 2025 to 1.1% in 2026. China's economy is expected to slow from 4.8% in 2025 to 4.2% in 2026.
- Despite the decline in tariff rhetoric since earlier in 2025, questions remain about how tariffs will ultimately impact inflation. Overall, higher tariff levels and continued uncertainty could weigh on growth while increasing prices. Inflation levels and potential developments with tariffs combined with a weakening labor market will complicate the Fed's rate cutting path.
- Some signs of US consumer stress have started to emerge, with weakness in the jobs market and sentiment deteriorating. Consumers are particularly concerned about losing their jobs and the potential for higher prices. Overall, risk to economic growth and to inflation from tariffs, as well as elevated borrowing costs, could put further pressure on consumers and lead to an even weaker job market. The resumption of collecting and reporting delinquent student loans could be a further headwind to consumption.
- US equities continue to reach new highs. Relatively strong earnings, AI optimism, and rate cuts from the Fed all helped drive stocks higher last year. How earnings track from here, particularly for the large AI-related companies that make up a significant portion of the market, will be key going forward. Many questions remain about the return on investment for companies making significant investments in building AI infrastructure. We could see this year a divergence in results within the "Magnificent 7" as well as a rotation into other more economically sensitive sectors.
- Trade tensions between the US and China will remain an important focus as well as the overall health of China's economy. President Trump and President Xi met in late October last year and agreed to suspend trade sanctions for a year. However, it is not clear if China and the US will indeed de-escalate strategic high tech and rare earth tensions despite the official truce. How China manages its slowing economy, and deflationary pressures will also be important. Rising geopolitical tensions related to other countries like Venezuela, Denmark/Greenland, and Iran could also add to volatility this year.

Fourth Quarter Performance Review

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2025



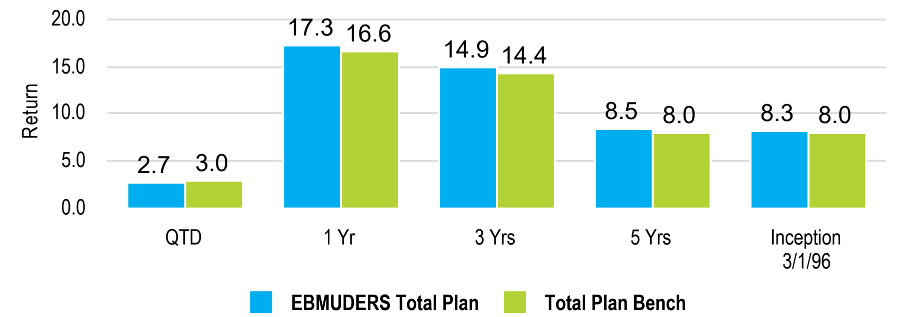
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2025



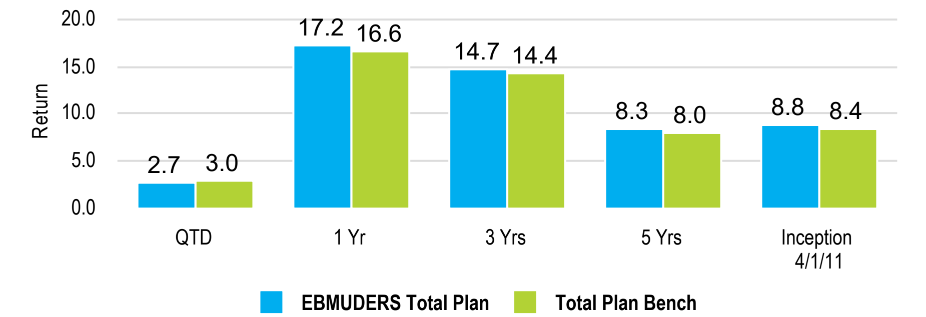
3 Years Ending December 31, 2025	Return	Standard Deviation	Sharpe Ratio
EBMUDERS Total Plan	14.7	8.6	1.1
Total Plan Bench	14.4	8.0	1.1

5 Years Ending December 31, 2025	Return	Standard Deviation	Sharpe Ratio
EBMUDERS Total Plan	8.3	10.3	0.5
Total Plan Bench	8.0	9.7	0.5

Trailing Performance - Gross

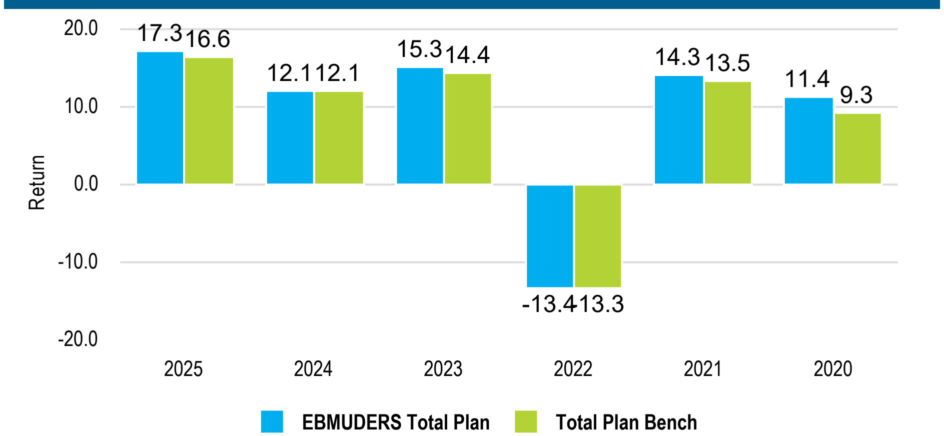


Trailing Performance - Net

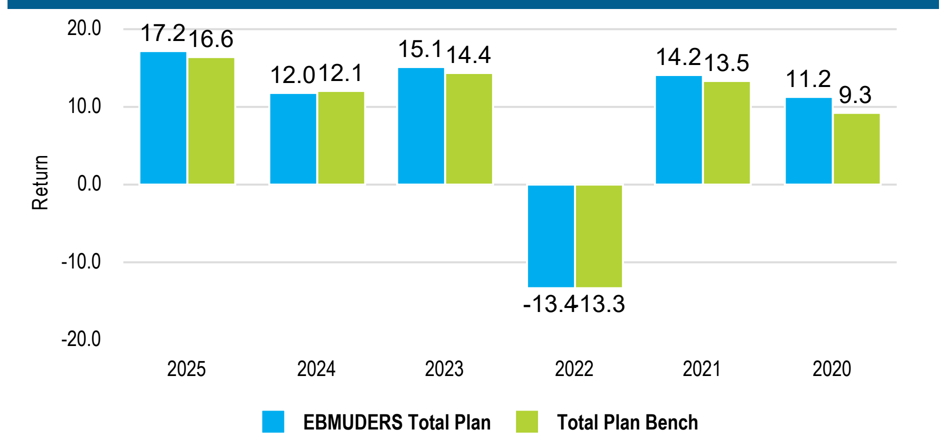


	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)
EBMUDERS Total Plan	**2.7**	**17.2**	**14.7**	**8.3**	**9.1**	**17.2**	**12.0**	**15.1**	**-13.4**	**14.2**	**11.2**
EBMUDERS Total Plan	**2.7**	**17.3**	**14.9**	**8.5**	**9.3**	**17.3**	**12.1**	**15.3**	**-13.4**	**14.3**	**11.4**
Total Plan Benchmark	*3.0*	*16.6*	*14.4*	*8.0*	*8.7*	*16.6*	*12.1*	*14.4*	*-13.3*	*13.5*	*9.3*
InvMetrics Public DB > $1B Median	2.2	13.5	11.4	7.3	8.5	13.5	9.3	11.4	-10.3	16.0	12.0

12-month Performance - Gross



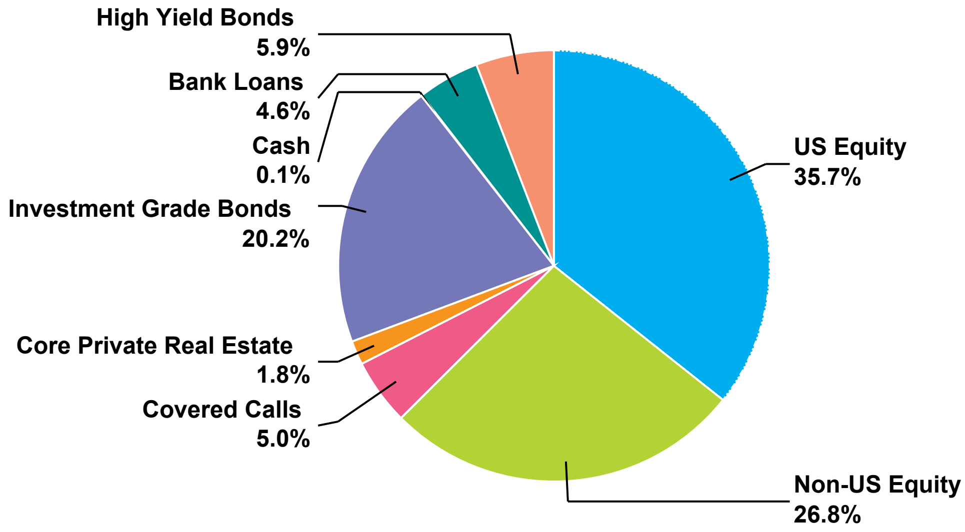
12-month Performance - Net



Actual vs Target Allocation | As of December 31, 2025

Allocation vs. Targets and Policy

	Current Balance ($)	Current Allocation (%)	Policy (%)	Policy Range (%)
US Equity	$1,074,935,153	35.7	35.0	30.0 - 40.0
Non-US Equity	$808,904,227	26.8	25.0	20.0 - 30.0
Covered Calls	$149,387,804	5.0	7.5	4.5 - 10.5
High Yield Bonds	$176,307,059	5.9	5.0	2.5 - 7.5
Bank Loans	$139,598,017	4.6	5.0	2.5 - 7.5
Investment Grade Bonds	$607,712,868	20.2	20.0	17.0 - 23.0
Core Private Real Estate	$54,276,767	1.8	2.5	0.5 - 4.5
Cash	$1,641,246	0.1	0.0	0.0 - 100.0
Total	**$3,012,763,140**	**100.0**	**100.0**	



Policy Targets reflect stage 1 Interim Policy Targets per the Evolving Policy Plan.
Actual allocations may deviate from Policy Targets and ranges during the asset allocation transition.

Manager Performance - Net of Fees | As of December 31, 2025

	Market Value ($)	QTR (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
EBMUDERS Total Plan	**3,012,763,140**	**2.7**	**17.2**	**14.7**	**8.3**
Total Plan Benchmark		*3.0*	*16.6*	*14.4*	*8.0*
US Equity	**1,074,935,153**	**2.1**	**16.7**	**22.1**	**13.1**
Russell 3000 Hybrid		*2.4*	*17.1*	*22.2*	*13.1*
Northern Trust Russell 3000	1,073,800,826	2.1	16.7	22.1	13.1
Russell 3000 Index		*2.4*	*17.1*	*22.2*	*13.1*
Non-US Equity	**808,904,227**	**5.0**	**32.9**	**17.5**	**8.4**
MSCI ACWI xUS (blend)		*5.1*	*33.1*	*18.0*	*8.5*
Northern Trust ACWI ex US	808,904,227	5.0	32.9	17.5	8.2
MSCI AC World ex USA Index		*5.1*	*33.1*	*18.0*	*8.5*

Manager Performance - Net of Fees | As of December 31, 2025

	Market Value ($)	QTR (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Covered Calls	**149,387,804**	**3.7**	**13.6**	**16.0**	**10.6**
Cboe S&P 500 Buy Write Index		*6.5*	*8.9*	*13.5*	*9.3*
Parametric BXM	267	1.0	4.7	12.0	8.6
Cboe S&P 500 Buy Write Index		*6.5*	*8.9*	*13.5*	*9.3*
Parametric Delta Shift	149,387,537	3.7	15.6	19.4	12.5
Cboe S&P 500 Buy Write Index		*6.5*	*8.9*	*13.5*	*9.3*

Manager Performance - Net of Fees | As of December 31, 2025

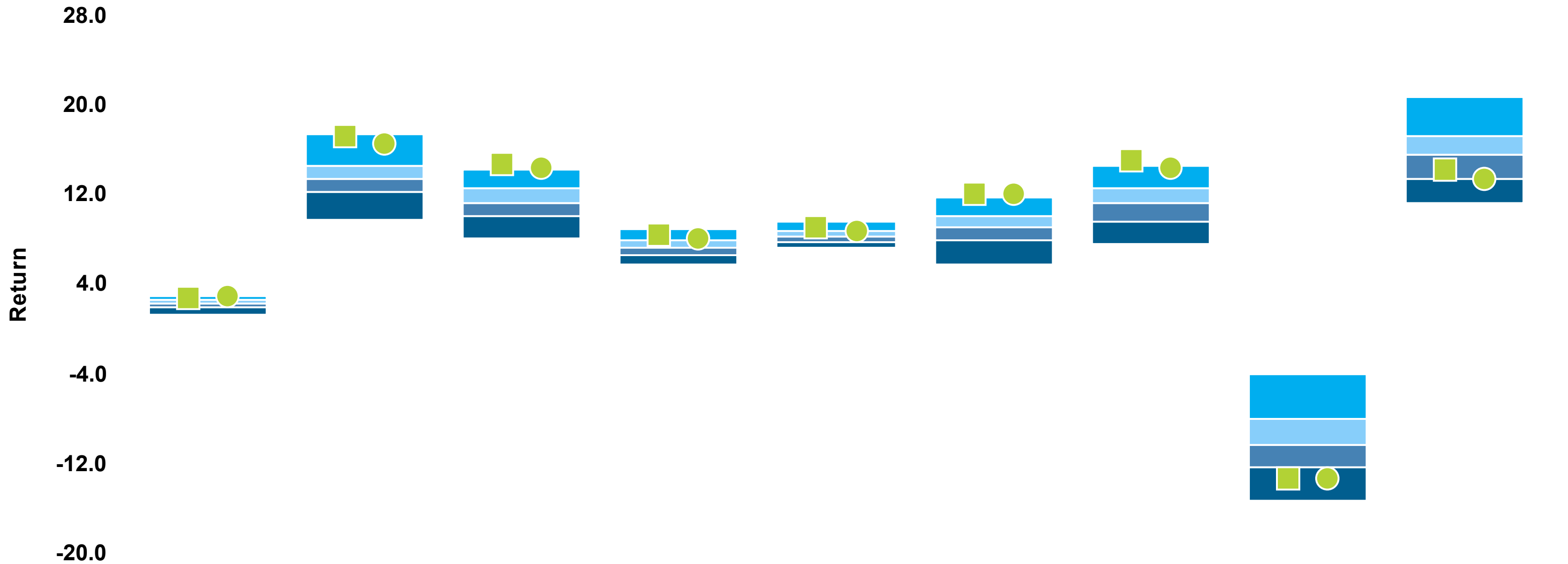
	Market Value ($)	QTR (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Investment Grade Bonds	**607,712,868**	**1.2**	**7.9**	**4.6**	**0.3**
Investment Grade Bonds Benchmark		*1.1*	*7.3*	*4.5*	*0.1*
CS McKee	304,364,875	1.2	7.5	5.1	-0.2
Blmbg. U.S. Aggregate Index		*1.1*	*7.3*	*4.7*	*-0.4*
Garcia Hamilton	303,347,993	1.2	8.3	4.1	0.6
Garcia Hamilton Blended Benchmark		*1.1*	*7.3*	*4.3*	*0.5*
High Yield	**176,307,059**	**1.2**	**7.5**	**8.2**	**5.3**
Blmbg. U.S. Corp: High Yield Index		*1.3*	*8.6*	*10.1*	*4.5*
MacKay Shields (HY)	105,689,786	1.2	7.2	8.1	5.3
Mackay Shields Blended Benchmark		*1.3*	*8.6*	*9.3*	*5.3*
Brigade High Yield	70,617,273	1.2	--	--	--
ICE BofA Global High Yield Constrained (USD)		*1.2*	*--*	*--*	*--*
Bank Loans	**139,598,017**	**1.0**	**3.9**	**6.6**	**3.5**
S&P UBS Leveraged Loan Index		*1.2*	*5.9*	*9.3*	*6.4*
Aristotle Bank Loans	70,556,733	1.8	--	--	--
Morningstar LSTA U.S. Leveraged Loan		*1.2*	*--*	*--*	*--*
Beach Point Bank Loans	69,041,071	0.3	--	--	--
Morningstar LSTA U.S. Leveraged Loan		*1.2*	*--*	*--*	*--*
Federated Investment Counseling (Bank Loans)	213	1.0	3.2	6.3	3.3
Federated Investment Counseling Blended Benchmark		*1.2*	*5.9*	*7.9*	*5.3*

Manager Performance - Net of Fees | As of December 31, 2025

	Market Value ($)	QTR (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Core Private Real Estate	**54,276,767**	**1.6**	**3.9**	**2.8**	**6.1**
Real Estate Benchmark		*1.2*	*4.6*	*4.6*	*6.6*
RREEF America II Lag	54,276,767	1.6	3.9	-6.1	2.8
NCREIF NPI Lag		*1.2*	*4.6*	*-2.6*	*3.8*

RREEF results are lagged 1 quarter.

InvMetrics Public Plans > $1B Return Comparison
December 31, 2025



	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)
EBMUDERS Total Plan	2.7 (15)	17.2 (6)	14.7 (1)	8.3 (13)	9.1 (12)	12.0 (3)	15.1 (5)	-13.4 (86)	14.2 (64)
Total Plan Bench	3.0 (5)	16.6 (8)	14.4 (4)	8.0 (20)	8.7 (27)	12.1 (2)	14.4 (7)	-13.3 (84)	13.5 (75)
5th Percentile	2.9	17.3	14.2	8.9	9.6	11.7	14.6	-4.0	20.7
1st Quartile	2.6	14.6	12.6	7.9	8.8	10.1	12.5	-8.0	17.2
Median	2.2	13.4	11.3	7.2	8.3	9.0	11.3	-10.3	15.5
3rd Quartile	1.9	12.2	10.1	6.6	7.8	8.0	9.6	-12.4	13.3
95th Percentile	1.2	9.7	8.0	5.7	7.2	5.7	7.6	-15.3	11.2
Population	115	115	115	112	106	194	204	193	227

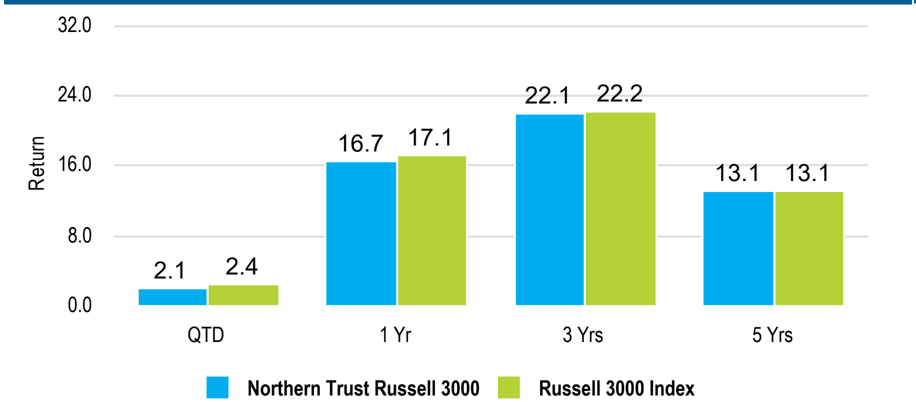
Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Northern Trust Russell 3000 | As of December 31, 2025

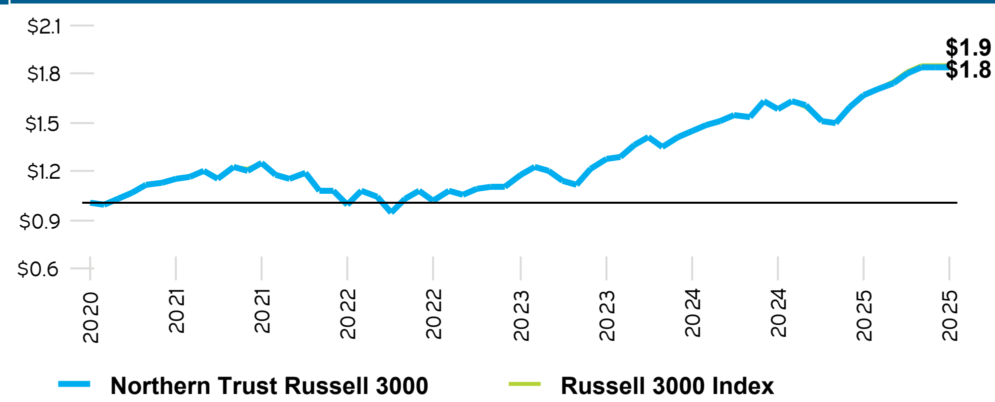
Statistics Summary
5 Years Ending December 31, 2025

	Alpha	Beta	Information Ratio	Sharpe Ratio	Tracking Error	R-Squared	Up Capture	Down Capture
Northern Trust Russell 3000	-0.1	1.0	-0.5	0.7	0.2	1.0	99.7	100.0
Russell 3000 Index	0.0	1.0	-	0.7	0.0	1.0	100.0	100.0

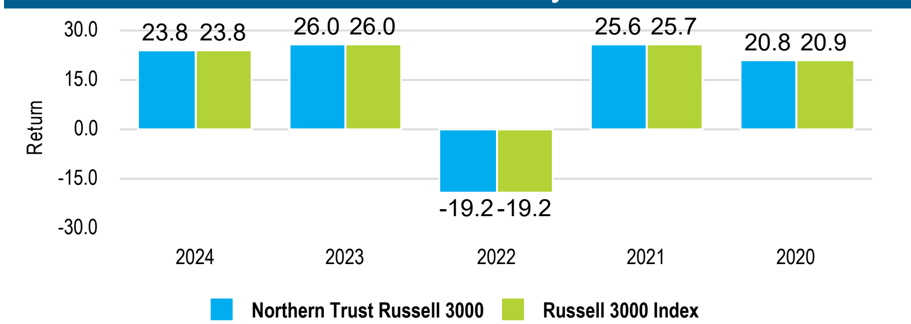
Return Summary



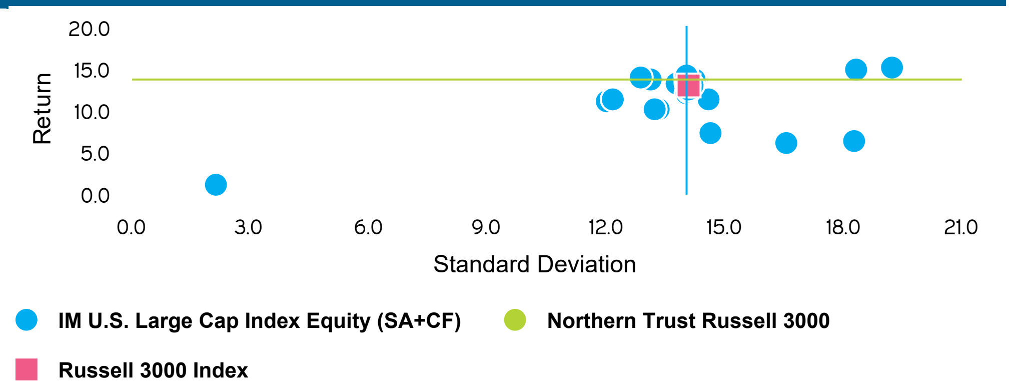
Investment Growth



Return Summary

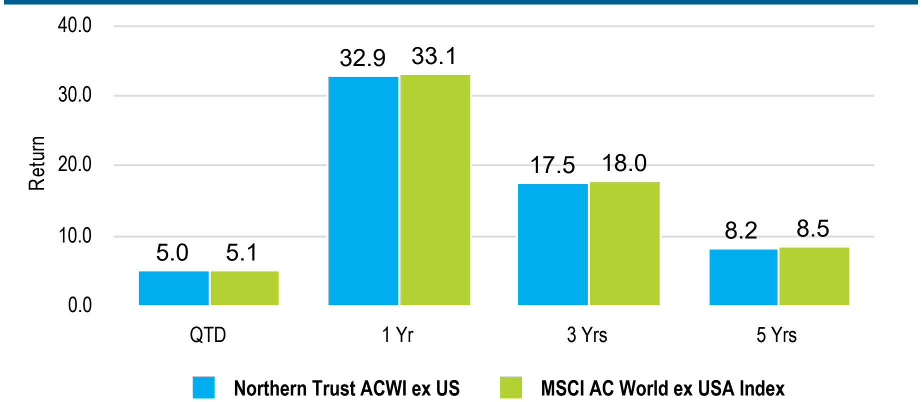


Risk Reward

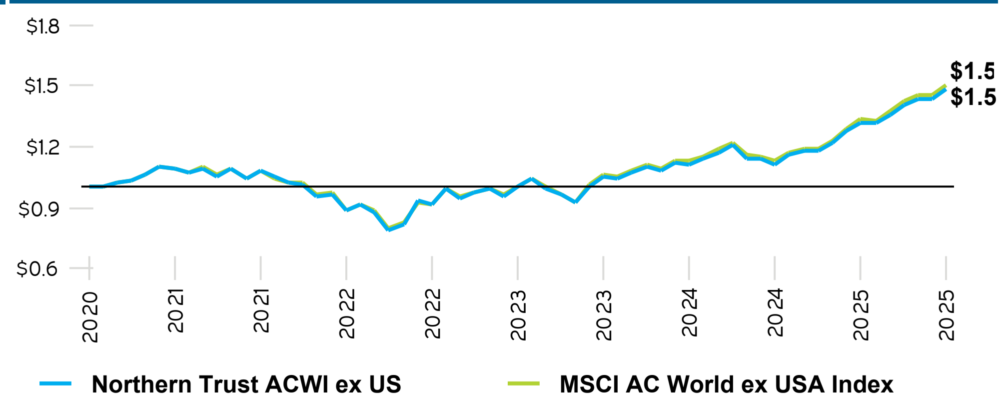


Statistics Summary 5 Years Ending December 31, 2025	Alpha	Beta	Information Ratio	Sharpe Ratio	Tracking Error	R-Squared	Up Capture	Down Capture
Northern Trust ACWI ex US	-0.5	1.0	-0.1	0.4	1.6	1.0	102.8	105.7
MSCI AC World ex USA Index	0.0	1.0	-	0.4	0.0	1.0	100.0	100.0

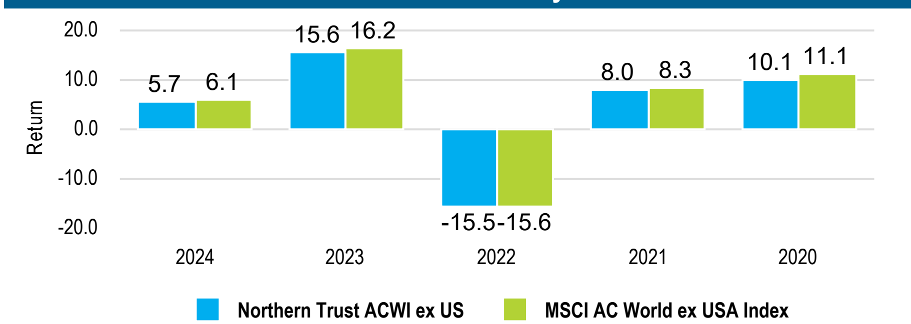
Return Summary



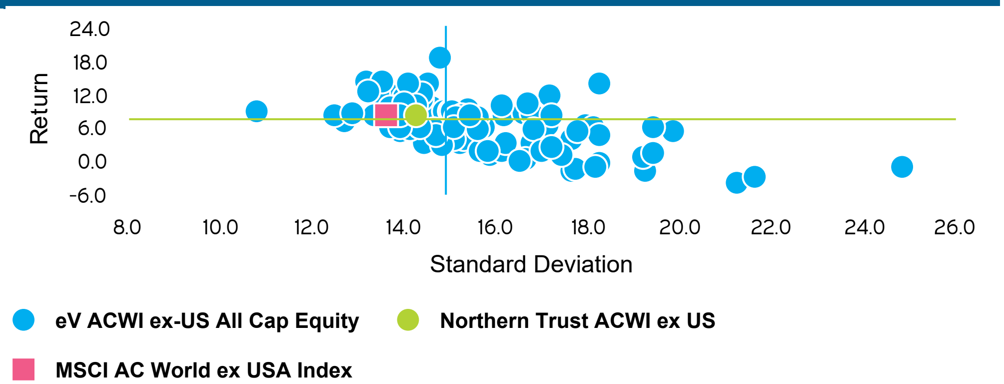
Investment Growth



Return Summary



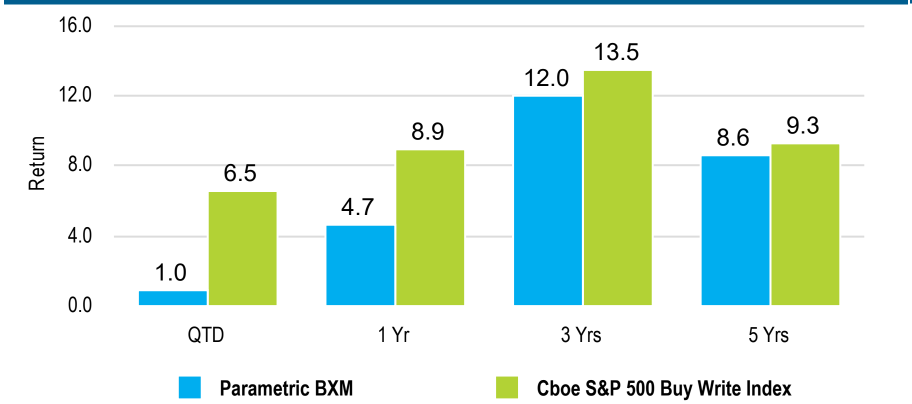
Risk Reward



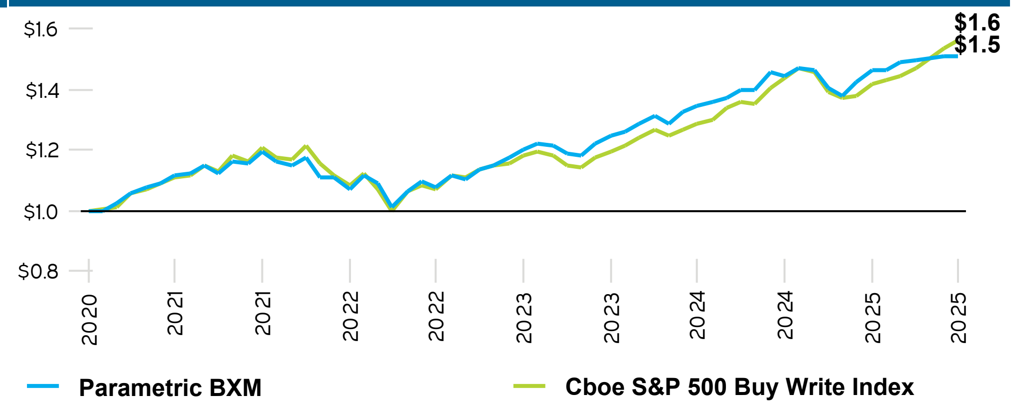
Statistics Summary
5 Years Ending December 31, 2025

	Alpha	Beta	Information Ratio	Sharpe Ratio	Tracking Error	R-Squared	Up Capture	Down Capture
Parametric BXM	0.6	0.9	-0.2	0.6	3.9	0.8	91.0	89.5
Cboe S&P 500 Buy Write Index	0.0	1.0	-	0.7	0.0	1.0	100.0	100.0

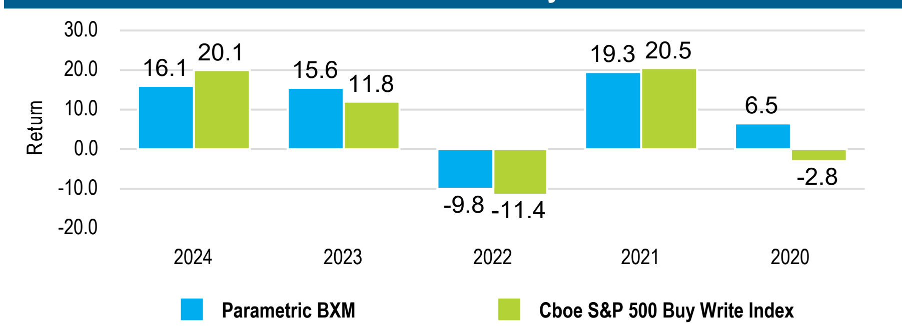
Return Summary



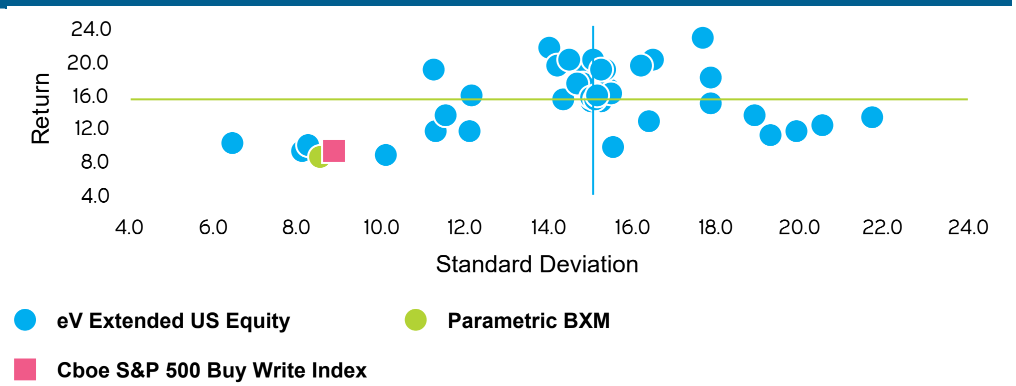
Investment Growth



Return Summary



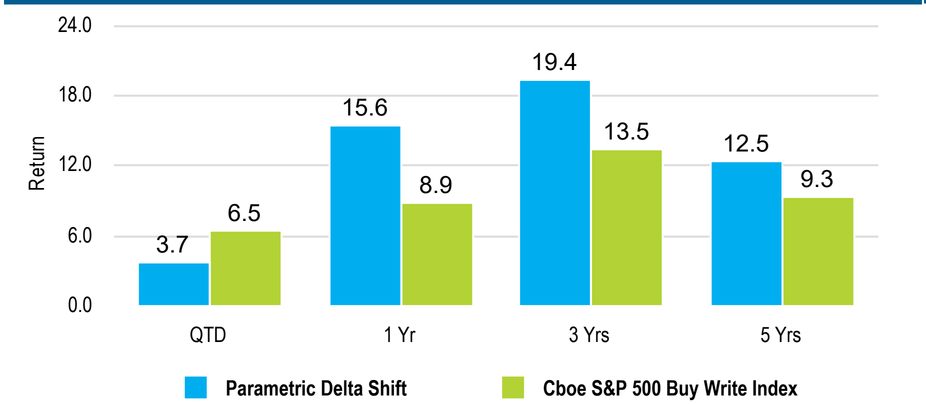
Risk Reward



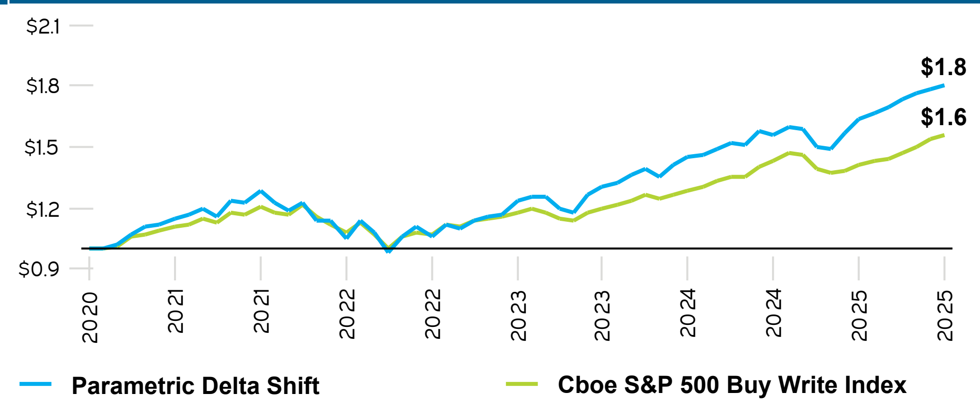
Statistics Summary
5 Years Ending December 31, 2025

	Alpha	Beta	Information Ratio	Sharpe Ratio	Tracking Error	R-Squared	Up Capture	Down Capture
Parametric Delta Shift	0.4	1.3	0.5	0.7	7.1	0.8	140.9	146.1
Cboe S&P 500 Buy Write Index	0.0	1.0	-	0.7	0.0	1.0	100.0	100.0

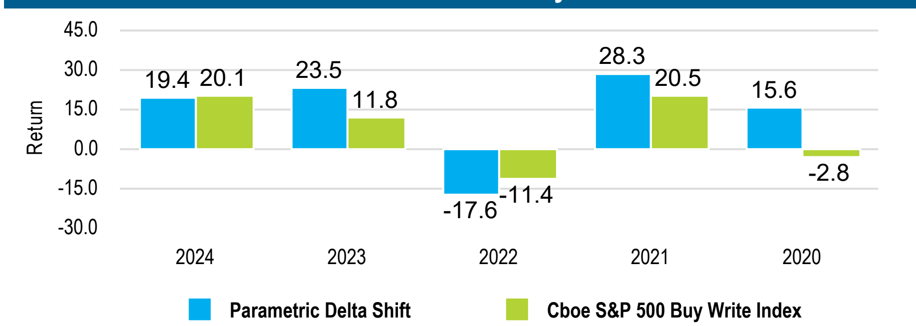
Return Summary



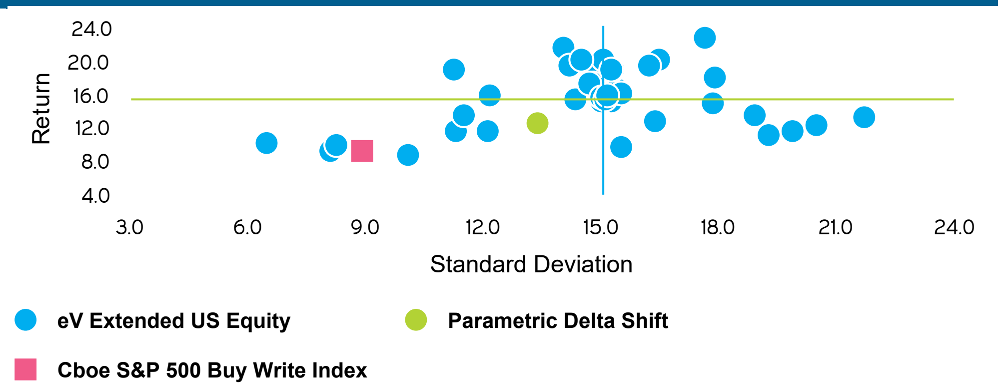
Investment Growth



Return Summary



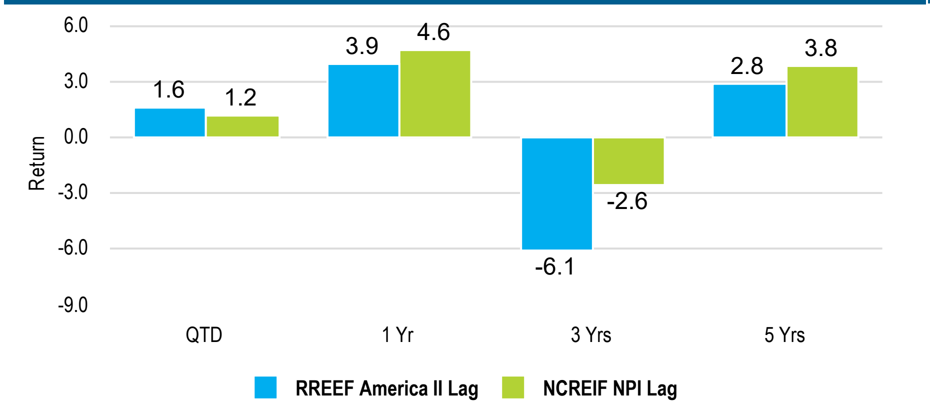
Risk Reward



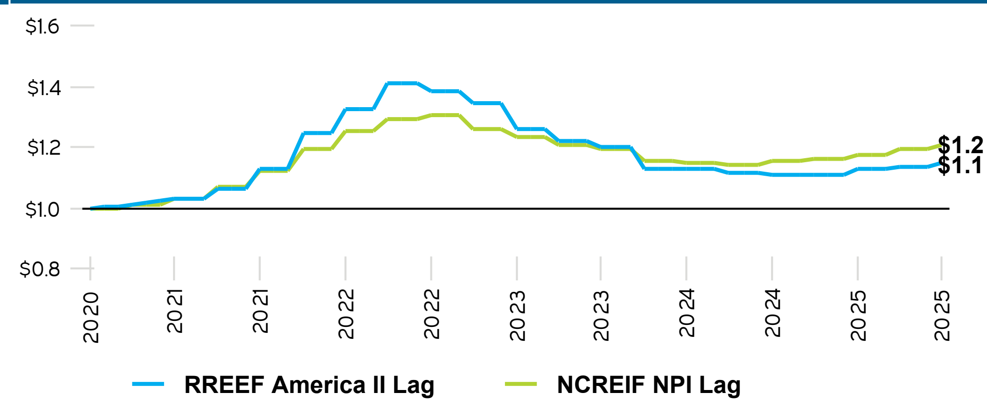
RREEF American II Lag | As of December 31, 2025

Statistics Summary 5 Years Ending December 31, 2025	Alpha	Beta	Information Ratio	Sharpe Ratio	Tracking Error	R-Squared	Up Capture	Down Capture
RREEF America II Lag	-2.2	1.4	-0.2	0.0	3.8	0.9	115.0	166.4
NCREIF NPI Lag	0.0	1.0	-	0.1	0.0	1.0	100.0	100.0

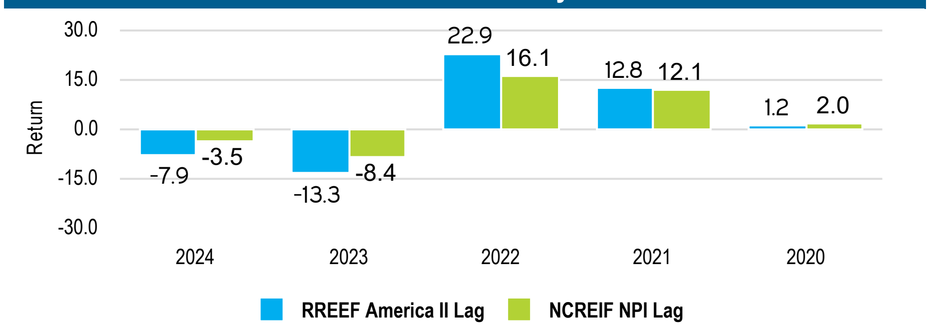
Return Summary



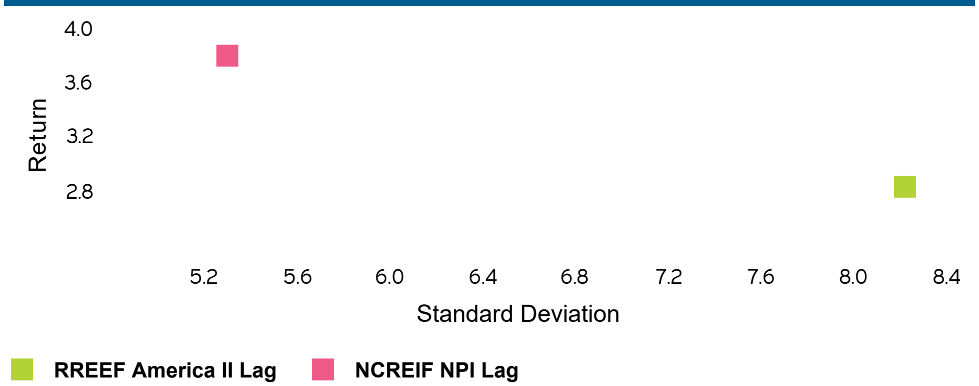
Investment Growth



Return Summary



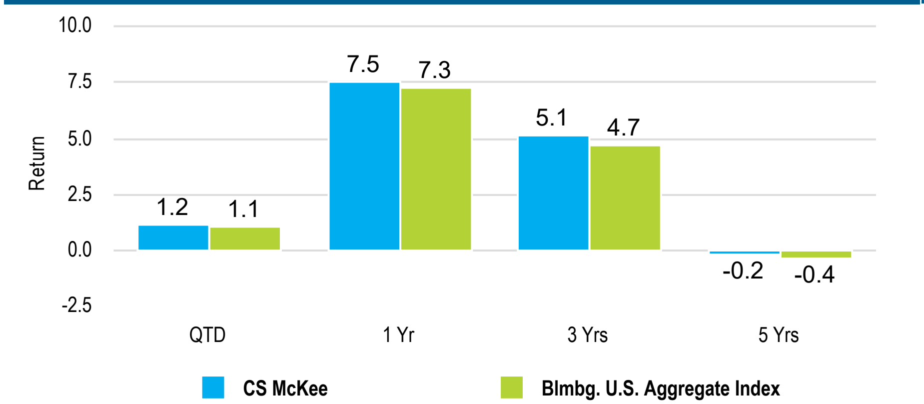
Risk Reward



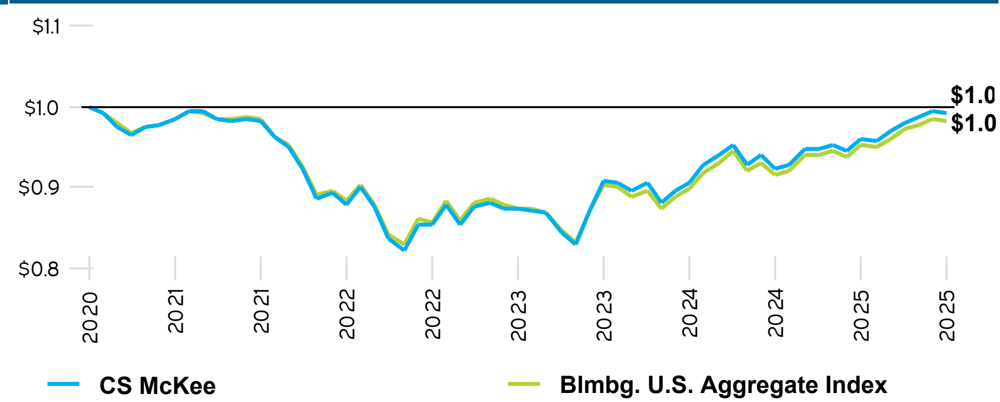
Statistics Summary
5 Years Ending December 31, 2025

	Alpha	Beta	Information Ratio	Sharpe Ratio	Tracking Error	R-Squared	Up Capture	Down Capture
CS McKee	0.2	1.0	0.3	-0.5	0.6	1.0	103.4	100.7
Blmbg. U.S. Aggregate Index	0.0	1.0	-	-0.5	0.0	1.0	100.0	100.0

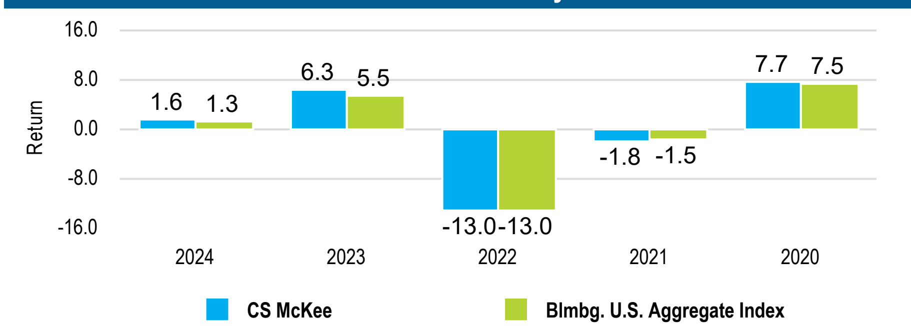
Return Summary



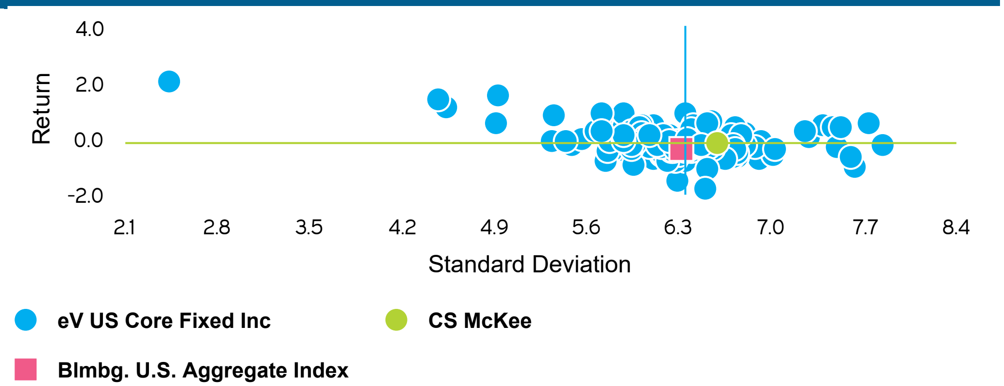
Investment Growth



Return Summary



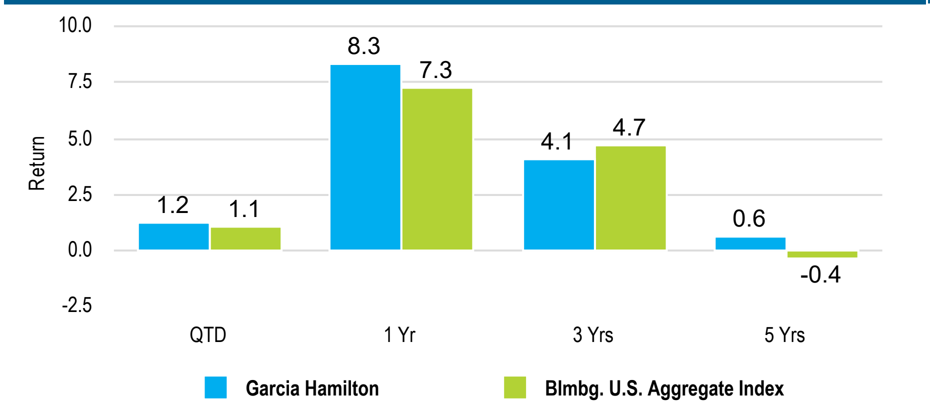
Risk Reward



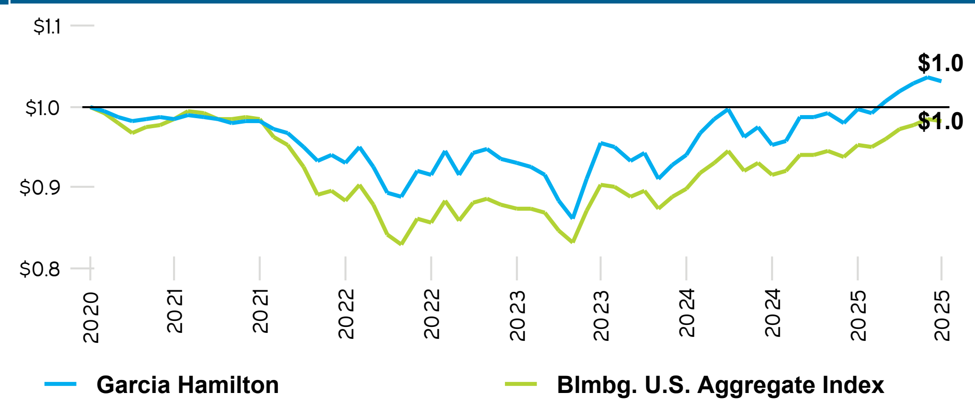
Statistics Summary
5 Years Ending December 31, 2025

	Alpha	Beta	Information Ratio	Sharpe Ratio	Tracking Error	R-Squared	Up Capture	Down Capture
Garcia Hamilton	1.0	1.0	0.5	-0.3	2.0	0.9	109.4	97.4
Blmbg. U.S. Aggregate Index	0.0	1.0	-	-0.5	0.0	1.0	100.0	100.0

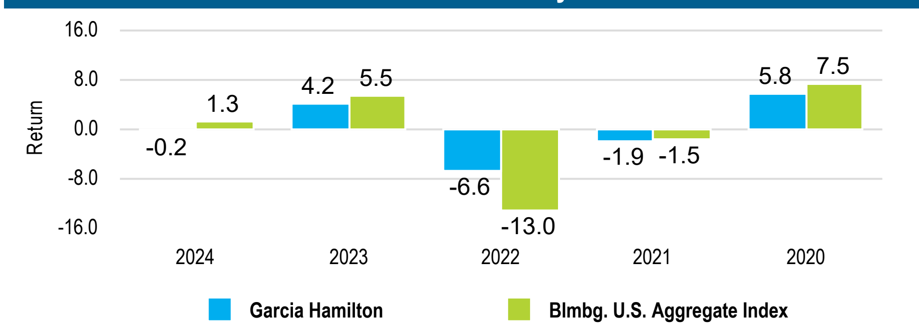
Return Summary



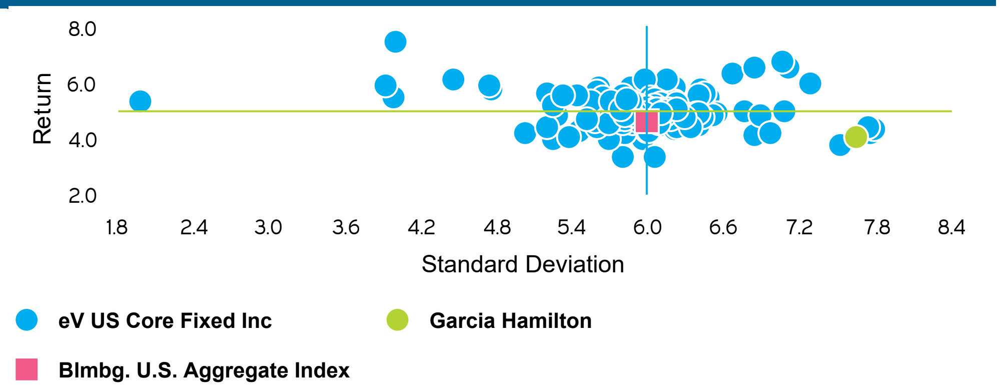
Investment Growth



Return Summary



Risk Reward

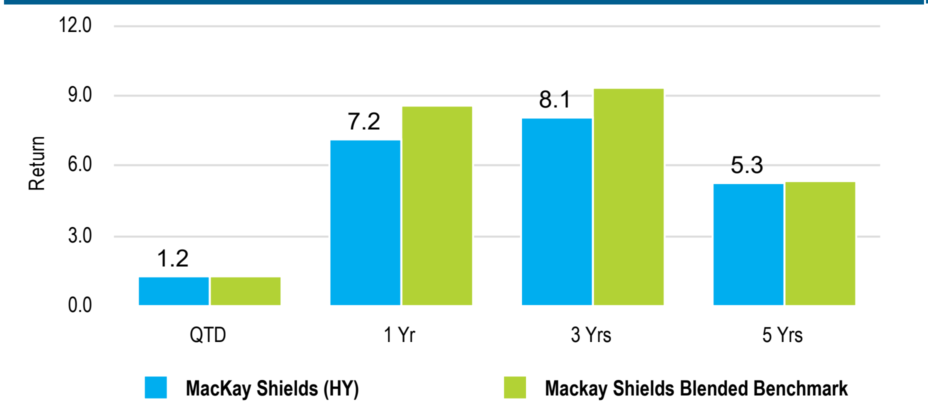


Mackay Shields | As of December 31, 2025

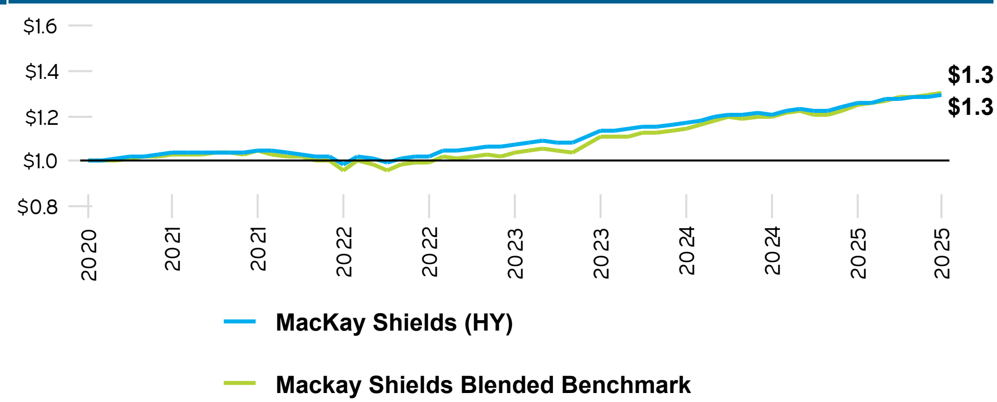
Statistics Summary
5 Years Ending December 31, 2025

	Alpha	Beta	Information Ratio	Sharpe Ratio	Tracking Error	R-Squared	Up Capture	Down Capture
MacKay Shields (HY)	1.6	0.7	-0.1	0.6	1.8	0.9	81.1	58.0
Mackay Shields Blended Benchmark	0.0	1.0	-	0.5	0.0	1.0	100.0	100.0

Return Summary



Investment Growth



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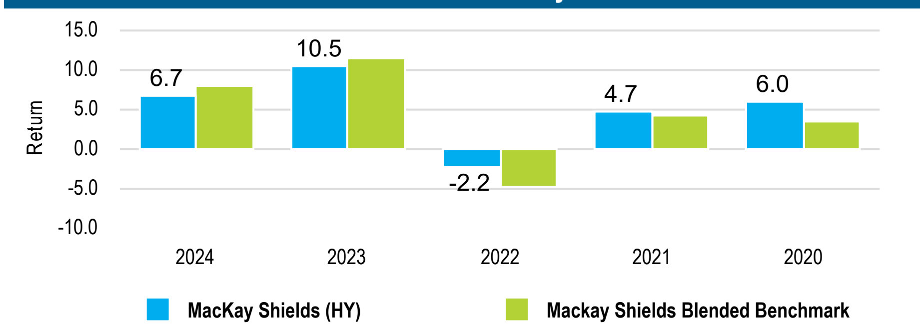
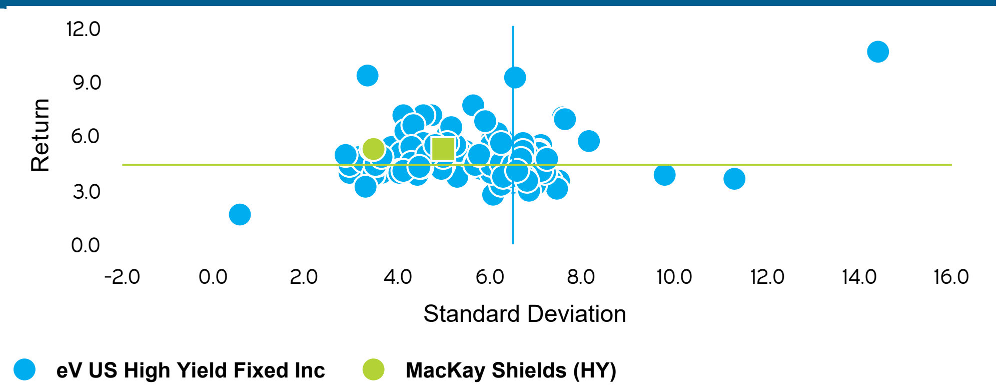


Risk Reward

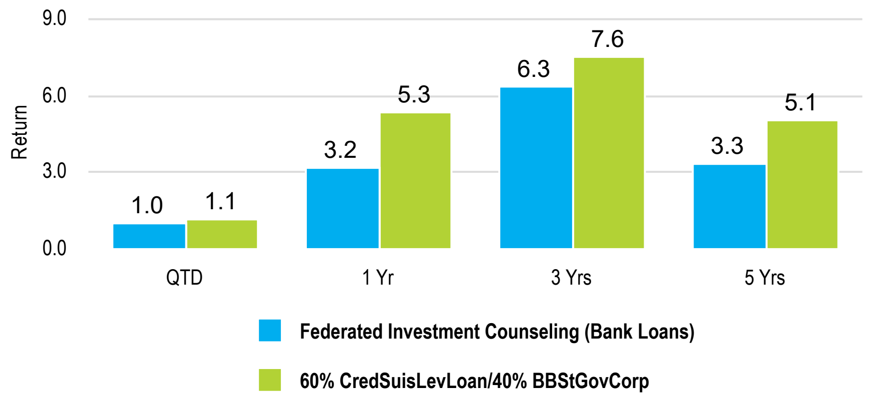


Federated Investment Counseling (Bank Loans) | As of December 31, 2025

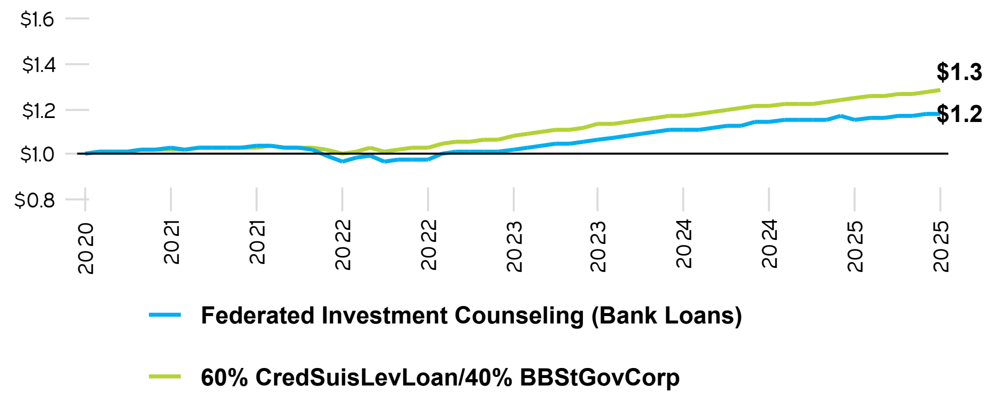
Statistics Summary
5 Years Ending December 31, 2025

	Alpha	Beta	Information Ratio	Sharpe Ratio	Tracking Error	R-Squared	Up Capture	Down Capture
Federated Investment Counseling (Bank Loans)	-3.3	1.3	-1.0	0.1	1.6	0.8	86.3	192.1
60% CredSuisLevLoan/40% BBStGovCorp	0.0	1.0	-	1.1	0.0	1.0	100.0	100.0

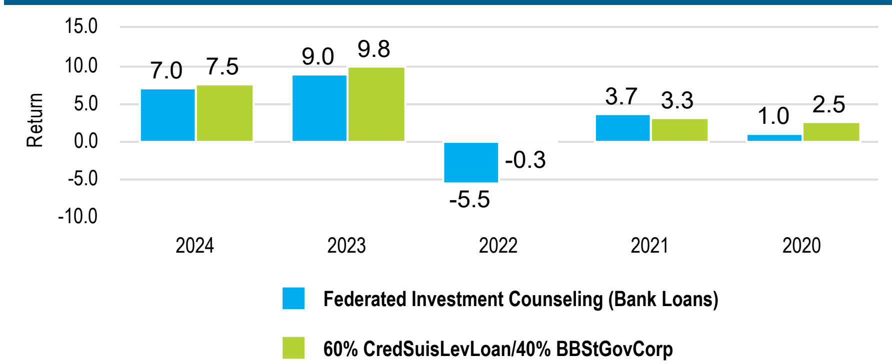
Return Summary



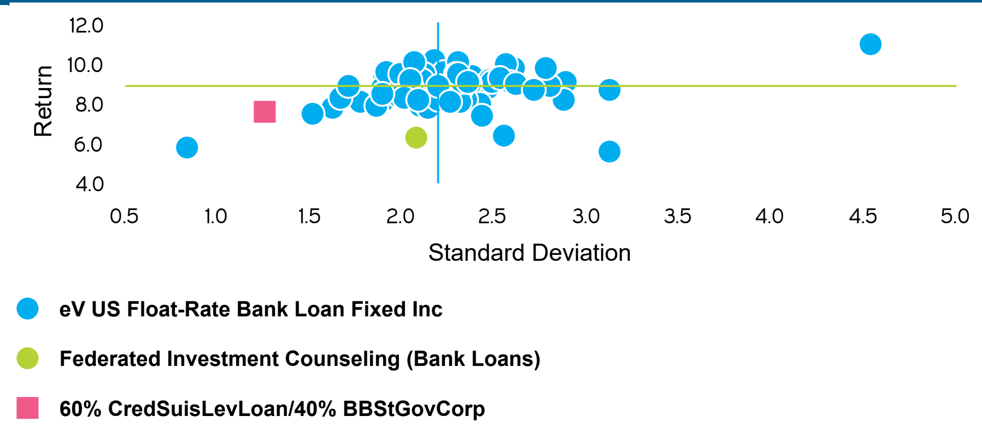
Investment Growth



Return Summary



Risk Reward



Benchmark History

From Date	To Date	Benchmark
EBMUDERS Total Plan		
07/01/2025	Present	35.0% Russell 3000 Index, 7.5% Cboe S&P 500 Buy Write Index, 25.0% MSCI AC World ex USA Index, 20.0% Blmbg. U.S. Aggregate Index, 5.0% Blmbg. U.S. Corp: High Yield Index, 5.0% S&P UBS Leveraged Loans, 2.5% NCREIF NPI Lag
10/01/2024	06/30/2025	33.5% Russell 3000 Index, 14.0% Cboe S&P 500 Buy Write Index, 25.0% MSCI AC World ex USA Index, 20.0% Blmbg. U.S. Aggregate Index, 2.5% Blmbg. U.S. Corp: High Yield Index, 2.5% S&P UBS Leveraged Loans, 2.5% NCREIF NPI Lag
02/01/2023	09/30/2024	25.0% Russell 3000 Index, 20.0% Cboe S&P 500 Buy Write Index, 25.0% MSCI AC World ex USA Index, 20.0% Blmbg. U.S. Aggregate Index, 2.5% ICE BofA ML US Corp Cash Pay BB-B 1-5Yr, 2.5% 60% CredSuisLevLoan/40% BBStGovCorp, 2.5% NCREIF NPI Lag, 2.5% FTSE NAREIT All Equity REITs
12/01/2019	01/31/2023	25.0% Russell 3000 Index, 20.0% Cboe S&P 500 Buy Write Index, 25.0% MSCI AC World ex USA Index, 10.0% Blmbg. U.S. Aggregate Index, 10.0% Blmbg. Intermed. U.S. Government/Credit, 2.5% ICE BofA ML US Corp Cash Pay BB-B 1-5Yr, 2.5% 60% CredSuisLevLoan/40% BBStGovCorp, 2.5% NCREIF NPI Lag, 2.5% FTSE NAREIT All Equity REITs
03/01/2019	11/30/2019	25.0% Russell 3000 Index, 20.0% Cboe S&P 500 Buy Write Index, 25.0% MSCI AC World ex USA Index, 15.0% Blmbg. U.S. Aggregate Index, 5.0% Bloomberg U.S. Gov/Credit 1-3 Year Index, 2.5% ICE BofA ML US Corp Cash Pay BB-B 1-5Yr, 2.5% 60% CredSuisLevLoan/40% BBStGovCorp, 2.5% NCREIF NPI Lag, 2.5% FTSE NAREIT All Equity REITs
07/01/2018	02/28/2019	25.0% Russell 3000 Index, 20.0% Cboe S&P 500 Buy Write Index, 25.0% MSCI AC World ex USA Index, 15.0% Blmbg. U.S. Aggregate Index, 5.0% Bloomberg U.S. Gov/Credit 1-3 Year Index, 2.5% Blmbg. U.S. High Yield 1-5 Yr Cash Pay 2%, 2.5% Morningstar LSTA U.S. Performing Loans, 2.5% NCREIF NPI Lag, 2.5% FTSE NAREIT All Equity REITs
04/01/2014	06/30/2018	40.0% Russell 3000 Index, 20.0% Cboe S&P 500 Buy Write Index, 15.0% MSCI AC World ex USA Index, 10.0% Blmbg. U.S. Aggregate Index, 5.0% Bloomberg U.S. Gov/Credit 1-3 Year Index, 2.5% Blmbg. U.S. High Yield 1-5 Yr Cash Pay 2%, 2.5% Morningstar LSTA U.S. Performing Loans, 2.5% NCREIF NPI Lag, 2.5% FTSE NAREIT All Equity REITs
03/01/2014	03/31/2014	40.0% Russell 3000 Index, 20.0% Cboe S&P 500 Buy Write Index, 15.0% MSCI AC World ex USA Index, 15.0% Blmbg. U.S. Aggregate Index, 2.5% Blmbg. U.S. High Yield 1-5 Yr Cash Pay 2%, 2.5% Morningstar LSTA U.S. Performing Loans, 2.5% NCREIF NPI Lag, 2.5% FTSE NAREIT All Equity REITs
11/01/2011	02/28/2014	50.0% Russell 3000 Index, 20.0% MSCI AC World ex USA Index, 25.0% Blmbg. U.S. Universal Index, 2.5% NCREIF NPI Lag, 2.5% FTSE NAREIT All Equity REITs
01/01/2008	10/31/2011	50.0% Russell 3000 Index, 20.0% MSCI AC World ex USA Index, 25.0% Blmbg. U.S. Universal Index, 5.0% NCREIF NPI Lag
01/01/2007	12/31/2007	50.0% Russell 3000 Index, 20.0% MSCI AC World ex USA Index, 25.0% Blmbg. U.S. Aggregate Index, 5.0% NCREIF NPI Lag
10/01/2005	12/31/2006	50.0% Russell 3000 Index, 20.0% MSCI EAFE (Net), 25.0% Blmbg. U.S. Aggregate Index, 5.0% NCREIF NPI Lag
04/01/2005	09/30/2005	30.0% S&P 500 Index, 10.0% S&P MidCap 400 Index, 10.0% Russell 2000 Index, 20.0% MSCI EAFE (Net), 25.0% Blmbg. U.S. Aggregate Index, 5.0% NCREIF NPI Lag
09/01/1998	03/31/2005	10.0% Russell 2000 Index, 33.0% S&P 500 Index, 10.0% S&P MidCap 400 Index, 30.0% Blmbg. U.S. Aggregate Index, 17.0% MSCI EAFE (Net)

From Date	To Date	Benchmark
07/01/1978	08/31/1998	30.0% S&P 500 Index, 30.0% Blmbg. U.S. Aggregate Index, 5.0% FTSE 3 Month T-Bill, 15.0% MSCI EAFE (Net), 5.0% NCREIF NPI Lag, 15.0% Wilshire 5000 Total Market Index
Investment Grade Bonds		
02/01/2023	Present	100.0% Blmbg. U.S. Aggregate Index
12/01/2019	01/31/2023	50.0% Blmbg. Intermed. U.S. Government/Credit, 50.0% Blmbg. U.S. Aggregate Index
Core Private Real Estate		
10/01/2024	Present	100.0% NCREIF NPI Lag
11/01/2011	09/30/2024	50.0% NCREIF NPI Lag, 50.0% FTSE NAREIT Equity REIT Index
10/01/1998	10/31/2011	100.0% NCREIF NPI Lag
04/01/1978	09/30/1998	100.0% NCREIF Property Index
Fixed Income Blended Benchmarks		
Garcia Hamilton		
02/01/2023	Present	100.0% Blmbg. U.S. Aggregate Index
11/01/2019	01/31/2023	100.0% Blmbg. Intermed. U.S. Government/Credit
MacKay Shields (HY)		
10/01/2024	Present	100.0% Blmbg. U.S. Corp: High Yield Index
02/01/2019	09/30/2024	100.0% ICE BofA ML US Corp Cash Pay BB-B 1-5Yr
Federated Investment Counseling (Bank Loans)		
10/01/2024	Present	100.0% S&P UBS Leveraged Loans
02/01/2019	09/30/2024	100.0% 60% CredSuisLevLoan/40% BBStGovCorp

Appendix

Glossary of Terms

Alpha: The premium an investment earns above a set standard. This is usually measured in terms of a common index (i.e., how the stock performs independent of the market). An Alpha is usually generated by regressing a security's excess return on the S&P 500 excess return.

Annualized Performance: The annual rate of return that when compounded t times generates the same t-period holding return as actually occurred from period 1 to period t.

Batting Average: Percentage of periods a portfolio outperforms a given index.

Beta: The measure of an asset's risk in relation to the Market (for example, the S&P 500) or to an alternative benchmark or factors. Roughly speaking, a security with a Beta of 1.5 will have moved, on average, 1.5 times the market return.

Bottom-up: A management style that de-emphasizes the significance of economic and market cycles, focusing instead on the analysis of individual stocks.

Dividend Discount Model: A method to value the common stock of a company that is based on the present value of the expected future dividends.

Growth Stocks: Common stock of a company that has an opportunity to invest money and earn more than the opportunity cost of capital.

Information Ratio: The ratio of annualized expected residual return to residual risk. A central measurement for active management, value added is proportional to the square of the information ratio.

R-Squared: Square of the correlation coefficient. The proportion of the variability in one series that can be explained by the variability of one or more other series a regression model. A measure of the quality of fit. 100% R-square means perfect predictability.

Standard Deviation: The square root of the variance. A measure of dispersion of a set of data from its mean.

Sharpe Ratio: A measure of a portfolio's excess return relative to the total variability of the portfolio.

Style Analysis: A returns-based analysis using a multi-factor attribution model. The model calculates a product's average exposure to particular investment styles over time (i.e., the product's normal style benchmark).

Top-down: Investment style that begins with an assessment of the overall economic environment and makes a general asset allocation decision regarding various sectors of the financial markets and various industries.

Tracking Error: The standard deviation of the difference between the performance of a portfolio and an appropriate benchmark.

Turnover: For mutual funds, a measure of trading activity during the previous year, expressed as a percentage of the average total assets of the fund. A turnover rate of 25% means that the value of trades represented one-fourth of the assets of the fund.

Value Stocks: Stocks with low price/book ratios or price/earnings ratios. Historically, value stocks have enjoyed higher average returns than growth stocks (stocks with high price/book or P/E ratios) in a variety of countries.

Definition of Benchmarks

BC Aggregate: an index comprised of approximately 6,000 publicly traded investment-grade bonds including U.S. Government, mortgage-backed, corporate, and yankee bonds with an approximate average maturity of 10 years.

BC High Yield: covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (e.g., Argentina, Brazil, Venezuela, etc.) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included. Original issue zeroes, step-up coupon structures, 144-As and pay-in-kind bonds (PIKs, as of October 1, 2009) are also included. Must be rated high-yield (Ba1/BB+ or lower) by at least two of the following ratings agencies: Moody's, S&P, Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. All issues must have at least one year to final maturity regardless of call features and have at least $150 million par amount outstanding.

BC Multiverse Non-US Hedged: provides a broad-based measure of the international fixed-income bond market. The index represents the union of the BC Global Aggregate Index and the BC Global High Yield Index. In this sense, the term "Multiverse" refers to the concept of multiple universes in a single macro index.

BC US Credit: includes publicly issued U.S. corporate and foreign debentures and secured notes that which are rated investment grade or higher by Moody's Investor Services, Standard and Poor's Corporation, or Fitch Investor's Service, with all issues having at least one year to maturity and an outstanding par value of at least $250 million. Issues must be publicly issued, dollar-denominated and non-convertible.

BC US Government: includes treasuries (i.e., public obligations of the U.S. Treasury that have remaining maturities of more than one year) and agencies (i.e., publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government).

BC Universal: includes market coverage by the Aggregate Bond Index fixed rate debt issues, which are rated investment grade or higher by Moody's Investor Services, Standard and Poor's Corporation, or Fitch Investor's Service, with all issues having at least one year to maturity and an outstanding par value of at least $100 million) and includes exposures to high yield CMBS securities. All returns are market value weighted inclusive of accrued interest.

Citigroup 3-Month Treasury Bills (T-bills): tracks the performance of U.S. Treasury bills with 3-month maturity.

MSCI ACWI x US ND: comprises both developed and emerging markets less the United States. As of August 2008, the index consisted of 23 counties classified as developed markets and 25 classified as emerging markets. This series approximates the minimum possible dividend reinvestment. The dividend is reinvested after deduction of withholding tax, applying the rate to non-resident individuals who do not benefit from double taxation treaties. MSCI Barra uses withholding tax rates applicable to Luxembourg holding companies, as Luxembourg applies the highest rates.

MSCI EAFE Free (Europe, Australasia, Far East) ND: is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the US & Canada. This series approximates the minimum possible dividend reinvestment. The dividend is reinvested after deduction of withholding tax, applying the rate to non-resident individuals who do not benefit from double taxation treaties. MSCI Barra uses withholding tax rates applicable to Luxembourg holding companies, as Luxembourg applies the highest rates.

MSCI EM (Emerging Markets) GD: is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. This series approximates the maximum possible dividend reinvestment. The amount reinvested is the entire dividend distributed to individuals resident in the country of the company, but does not include tax credits.

MSCI Europe is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. As of June 2007, this index consisted of the following 16 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

MSCI Pacific is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in the Pacific region. As of June 2007, this index consisted of the following 5 Developed Market countries: Australia, Hong Kong, Japan, New Zealand, and Singapore.

NAREIT Index: consists of all tax-qualified REITs listed on the New York Stock Exchange, American Stock Exchange, and the NASDAQ National Market System. The data is market weighted.

NCREIF Property Index: the NPI contains investment-grade, non-agricultural, income-producing properties which may be financed in excess of 5% gross market value; were acquired on behalf of tax exempt institutions; and are held in a fiduciary environment. Returns are gross of fees; including income, realized gains/losses, and appreciation/depreciation; and are market value weighted. Index is lagged one quarter.

Russell 1000: measures the performance of the 1,000 largest securities in the Russell 3000 Index. Russell 1000 is highly correlated with the S&P 500 Index and capitalization-weighted.

Russell 1000 Growth: measures the performance of those Russell 1000 securities with a greater-than-average growth orientation. Securities in this index tend to exhibit higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Value universe.

Russell 1000 Value: measures the performance of those Russell 1000 securities with a less-than-average growth orientation. Securities in this index tend to exhibit lower price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Growth universe.

Russell 2000: measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index.

Russell 2000 Growth: measures the performance of those Russell 2000 securities with a greater-than-average growth orientation. Securities in this index tend to exhibit higher price-to-book and price-to-earnings ratios.

Russell 2000 Value: measures the performance of those Russell 2000 securities with a less-than-average growth orientation. Securities in this index tend to exhibit lower price-to-book and price-to-earnings ratios.

Russell 3000: represents the largest 3,000 US companies based on total market capitalization, representing approximately 98% of the investable US equity market.

Value Relative Ratio (VRR): Performance metric used to evaluate long-term manager performance relative to a benchmark and to highlight compounded over/under performance data over a certain time frame. VRR is calculated by the growth of a dollar invested with the manager divided by the growth of a dollar invested in the benchmark for the same time period.

Risk Metric Description – Rationale for Selection and Calculation Methodology

US Equity Markets
Metric: P/E ratio = Price / "Normalized" earnings for the S&P 500 Index

To represent the price of US equity markets, we have chosen the S&P 500 index. This index has the longest published history of price, is well known, and also has reliable, long-term, published quarterly earnings. The price=P of the P/E ratio is the current price of the market index (the average daily price of the most recent full month for the S&P 500 index). Equity markets are very volatile. Prices fluctuate significantly during normal times and extremely during periods of market stress or euphoria. Therefore, developing a measure of earnings power (E) which is stable is vitally important, if the measure is to provide insight. While equity prices can and do double, or get cut in half, real earnings power does not change nearly as much. Therefore, we have selected a well known measure of real, stable earnings power developed by Yale Professor Robert Shiller known as the Shiller E-10. The calculation of E-10 is simply the average real annual earnings over the past 10 years. Over 10 years, the earnings shenanigans and boom and bust levels of earnings tend to even out (and often times get restated). Therefore, this earnings statistic gives a reasonably stable, slow-to-change estimate of average real earnings power for the index. Professor Shiller's data and calculation of the E-10 are available on his website at http://www.econ.yale.edu/~shiller/data.htm. We have used his data as the base for our calculations. Details of the theoretical justification behind the measure can be found in his book *Irrational Exuberance* [Princeton University Press 2000, Broadway Books 2001, 2nd ed., 2005].

Developed Equity Markets Excluding the US
Metric: P/E ratio = Price / "Normalized" earnings for the MSCI EAFE Index

To represent the price of non-US developed equity markets, we have chosen the MSCI EAFE index. This index has the longest published history of price for non-US developed equities. The price=P of the P/E ratio is the current price of the market index (the average daily price of the most recent full month for the MSCI EAFE index). The price level of this index is available starting in December 1969. Again, for the reasons described above, we elected to use the Shiller E-10 as our measure of earnings (E). Since 12/1972, a monthly price earnings ratio is available from MSCI. Using this quoted ratio, we have backed out the implied trailing-twelve month earnings of the EAFE index for each month from 12/1972 to the present. These annualized earnings are then inflation adjusted using CPI-U to represent real earnings in US dollar terms for each time period. The Shiller E-10 for the EAFE index (10 year average real earnings) is calculated in the same manner as detailed above.
However, we do not believe that the pricing and earnings history of the EAFE markets are long enough to be a reliable representation of pricing history for developed market equities outside of the US. Therefore, in constructing the Long-Term Average Historical P/E for developed ex-US equities for comparison purposes, we have elected to use the US equity market as a developed market proxy, from 1881 to 1982. This lowers the Long-Term Average Historical P/E considerably. We believe this methodology provides a more realistic historical comparison for a market with a relatively short history.

Emerging Market Equity Markets
Metric: Ratio of Emerging Market P/E Ratio to Developed Market P/E Ratio

To represent the Emerging Markets P/E Ratio, we have chosen the MSCI Emerging Market Free Index, which has P/E data back to January 1995 on Bloomberg. To represent the Developed Markets PE Ratio, we have chosen the MSCI World Index, which also has data back to January 1995 on Bloomberg. Although there are issues with published, single time period P/E ratios, in which the denominator effect can cause large movements, we feel that the information contained in such movements will alert investors to market activity that they will want to interpret.

US Private Equity Markets
Metrics: S&P LCD Average EBITDA Multiples Paid in LBOs and US Quarterly Deal Volume

The Average Purchase Price to EBITDA multiples paid in LBOs is published quarterly by S&P in their LCD study. This is the total price paid (both equity and debt) over the trailing-twelve month EBITDA (earnings before interest, taxes, depreciation and amortization) as calculated by S&P LCD. This is the relevant, high-level pricing metric that private equity managers use in assessing deals. Data is published monthly.

US quarterly deal volume for private equity is the total deal volume in $ billions (both equity and debt) reported in the quarter by Thomson Reuters Buyouts. This metric gives a measure of the level of activity in the market. Data is published quarterly.

US Private Real Estate Markets
Metrics: US Cap Rates, Cap Rate Spreads, and Transactions as a % of Market Value

Real estate cap rates are a measure of the price paid in the market to acquire properties versus their annualized income generation before financing costs (NOI=net operating income). The data, published by NCREIF, describes completed and leased properties (core) on an unleveraged basis. We chose to use current value cap rates. These are capitalization rates from properties that were revalued during the quarter. This data relies on estimates of value and therefore tends to be lagging (estimated prices are slower to rise and slower to fall than transaction prices). The data is published quarterly.

Spreads between the cap rate (described above) and the 10-year nominal Treasury yield, indicate a measure of the cost of properties versus a current measure of the cost of financing.

Transactions as a % of Market Value Trailing-Four Quarters is a measure of property turnover activity in the NCREIF Universe. This quarterly metric is a measure of activity in the market.

Credit Markets Fixed Income
Metric: Spreads

The absolute level of spreads over treasuries and spread trends (widening / narrowing) are good indicators of credit risk in the fixed income markets. Spreads incorporate estimates of future default, but can also be driven by technical dislocations in the fixed income markets. Abnormally narrow spreads (relative to historical levels) indicate higher levels of valuation risk, wide spreads indicate lower levels of valuation risk and / or elevated default fears. Investment grade bond spreads are represented by the Barclays Capital US Corporate Investment Grade Index Intermediate Component. The high yield corporate bond spreads are represented by the Barclays Capital US Corporate High Yield Index.

Measure of Equity Market Fear / Uncertainty
Metric: VIX – Measure of implied option volatility for US equity markets

The VIX is a key measure of near-term volatility conveyed by implied volatility of S&P 500 index option prices. VIX increases with uncertainty and fear. Stocks and the VIX are negatively correlated. Volatility tends to spike when equity markets fall.

Measure of Monetary Policy
Metric: Yield Curve Slope

We calculate the yield curve slope as the 10 year treasury yield minus the 1 year treasury yield. When the yield curve slope is zero or negative, this is a signal to pay attention. A negative yield curve slope signals lower rates in the future, caused by a contraction in economic activity. Recessions are typically preceded by an inverted (negatively sloped) yield curve. A very steep yield curve (2 or greater) indicates a large difference between shorter-term interest rates (the 1 year rate) and longer-term rates (the 10 year rate). This can signal expansion in economic activity in the future, or merely higher future interest rates.

Measures of US Inflation Expectations
Metrics: Breakeven Inflation and Inflation Adjusted Commodity Prices

Inflation is a very important indicator impacting all assets and financial instruments. Breakeven inflation is calculated as the 10 year nominal treasury yield minus the 10 year real yield on US TIPS (treasury inflation protected securities). Abnormally low long-term inflation expectations are indicative of deflationary fears. A rapid rise in breakeven inflation indicates an acceleration in inflationary expectations as market participants sell nominal treasuries and buy TIPs. If breakeven inflation continues to rise quarter over quarter, this is a signal of inflationary worries rising, which may cause Fed action and / or dollar decline.

Commodity price movement (above the rate of inflation) is an indication of anticipated inflation caused by real global economic activity putting pressure on resource prices. We calculate this metric by adjusted in the Dow Jones UBS Commodity Index (formerly Dow Jones AIG Commodity Index) by US CPI-U. While rising commodity prices will not necessarily translate to higher US inflation, higher US inflation will likely show up in higher commodity prices, particularly if world economic activity is robust.

These two measures of anticipated inflation can, and often are, conflicting.

Measures of US Treasury Bond Interest Rate Risk
Metrics: 10-Year Treasury Forward-Looking Real Yield and 10-Year Treasury Duration

The expected annualized real yield of the 10 year US Treasury Bond is a measure of valuation risk for US Treasuries. A low real yield means investors will accept a low rate of expected return for the certainly of receiving their nominal cash flows. Meketa estimates the expected annualized real yield by subtracting an estimate of expected 10 year inflation (produced by the Survey of Professional Forecasters as collected by the Federal Reserve Bank of Philadelphia), from the 10 year Treasury constant maturity interest rate.

Duration for the 10-Year Treasury Bond is calculated based on the current yield and a price of 100. This is a measure of expected percentage movements in the price of the bond based on small movements in percentage yield. We make no attempt to account for convexity.

Definition of "Extreme" Metric Readings
A metric reading is defined as "extreme" if the metric reading is in the top or bottom decile of its historical readings. These "extreme" reading should cause the reader to pay attention. These metrics have reverted toward their mean values in the past.

RISK METRICS DESCRIPTION – Meketa Market Sentiment Indicator

What is the Meketa Market Sentiment Indicator (MMSI)?

The MMSI is a measure meant to gauge the market's sentiment regarding economic growth risk. Growth risk cuts across most financial assets, and is the largest risk exposure that most portfolios bear. The MMSI takes into account the momentum[1] (trend over time, positive or negative) of the economic growth risk exposure of publicly traded stocks and bonds, as a signal of the future direction of growth risk returns; either positive (risk seeking market sentiment), or negative (risk averse market sentiment).

How do I read the Meketa Market Sentiment Indicator (MMSI) graph?

Simply put, the MMSI is a color coded indicator that signals the market's sentiment regarding economic growth risk. It is read left to right chronologically. A green indicator on the MMSI indicates that the market's sentiment towards growth risk is positive. A gray indicator indicates that the market's sentiment towards growth risk is neutral or inconclusive. A red indicator indicates that the market's sentiment towards growth risk is negative. The black line on the graph is the level of the MMSI. The degree of the signal above or below the neutral reading is an indication the signal's current strength.

How is the Meketa Market Sentiment Indicator (MMSI) Constructed?

The MMSI is constructed from two sub-elements representing investor sentiment in stocks and bonds:

1. Stock return momentum: Return momentum for the S&P 500 Equity Index (trailing 12-months)
2. Bond yield spread momentum: Momentum of bond yield spreads (excess of the measured bond yield over the identical duration U.S. Treasury bond yield) for corporate bonds (trailing 12-months) for both investment grade bonds (75% weight) and high yield bonds (25% weight). The scale of this measure is adjusted to match that of the stock return momentum measure.

The black line reading on the graph is calculated as the average of the stock return momentum measure and the bonds spread momentum measure. The color reading on the graph is determined as follows:

1. If both stock return momentum and bond spread momentum are positive = GREEN (positive)
2. If one of the momentum indicators is positive, and the other negative = GRAY (inconclusive)
3. If both stock return momentum and bond spread momentum are negative = RED (negative)

What does the Meketa Market Sentiment Indicator (MMSI) mean? Why might it be useful?

There is strong evidence that time series momentum is significant and persistent.[2] In particular, across an extensive array of asset classes, the sign of the trailing 12-month return (positive or negative) is indicative of future returns (positive or negative) over the next 12 month period. The MMSI is

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[1] Momentum is defined as the persistence of relative performance. There is a significant amount of academic evidence indicating that positive momentum (e.g., strong performing stocks over the recent past continue to post strong performance into the near future) exists over near-to-intermediate holding periods. See, for example, "Understanding Momentum," *Financial Analysts Journal*, Scowcroft, Sefton, March, 2005.

[2] "Time Series Momentum" Moskowitz, Ooi, Pedersen, August 2010 http://pages.stern.nyu.edu/~lpederse/papers/TimeSeriesMomentum.pdf

constructed to measure this momentum in stocks and corporate bond spreads. A reading of green or red is agreement of both the equity and bond measures, indicating that it is likely that this trend (positive or negative) will continue over the next 12 months. When the measures disagree, the indicator turns gray. A gray reading does not necessarily mean a new trend is occurring, as the indicator may move back to green, or into the red from there. The level of the reading (black line) and the number of months at the red or green reading, gives the user additional information on which to form an opinion, and potentially take action.

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

FROM: Sophia D. Skoda, Director of Finance SDS

SUBJECT: Global Equity Training

SUMMARY

The Retirement System's investment consultant, Meketa, will provide a training on the global equity markets.

DISCUSSION

This training from Meketa provides the Retirement Board with some background, historical perspective and forward-looking projections on the global equity markets. As the largest portion of the portfolio, equities remain a critical element for the long-term sustainability of the Retirement System. Maintaining an up-to-date understanding of the asset class will provide the Retirement Board with a good foundation for future investment decisions.

SDS:SGL

Attachment: Presentation – Global Equity Markets

MEKETA
INVESTMENT GROUP

East Bay Municipal Utility District Employees' Retirement System

March 19, 2026

Global Equity Markets – Landscape and Review

Introduction

→ This presentation seeks to review the Global Equity markets through the following lenses:

1. Basic description
2. Historical perspective
3. Recent experience and forward-looking considerations

Basic Description

Global Equity – Starting Point

→ MSCI All Country World Investment Market Index (MSCI ACWI IMI) represents the Global Equity (developed & emerging markets, small to large cap) opportunity set.*

MSCI ACWI IMI Basic Facts

8,206 constituents / holdings

$107.5 trillion market capitalization

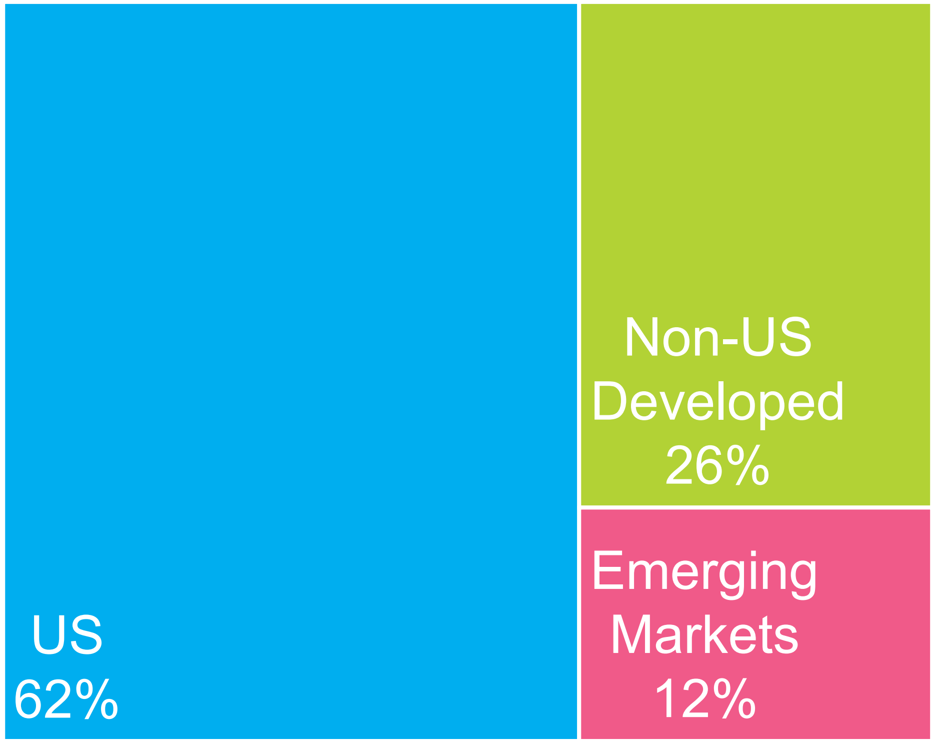
Developed Markets Countries (23)

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, UK, USA

Emerging Markets (24)

Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudia Arabia, South Africa, Taiwan, Thailand, Turkey, UAE

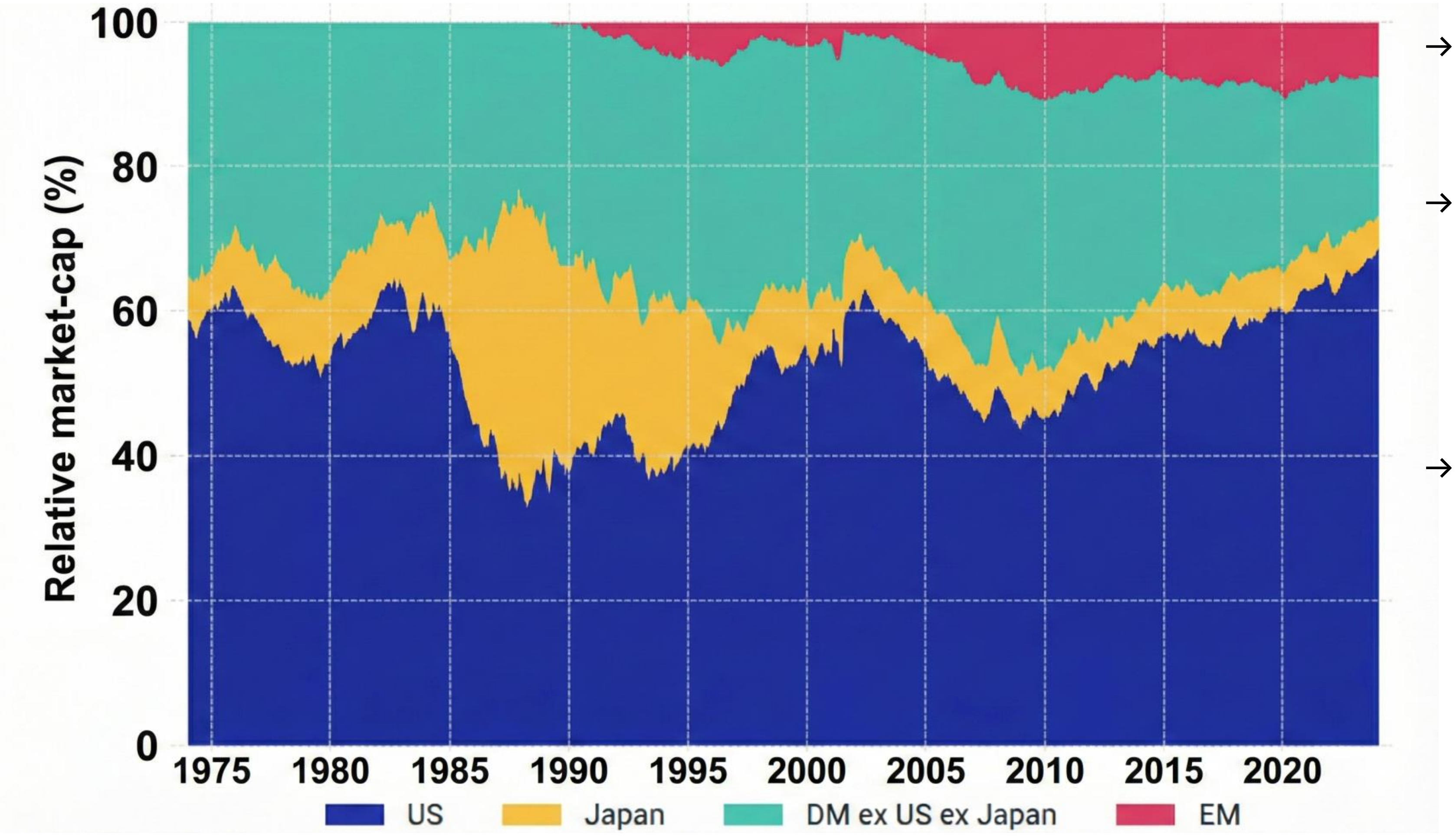
Regional Weights



*Data as of 1/31/26. Source: MSCI.

Historical Perspective

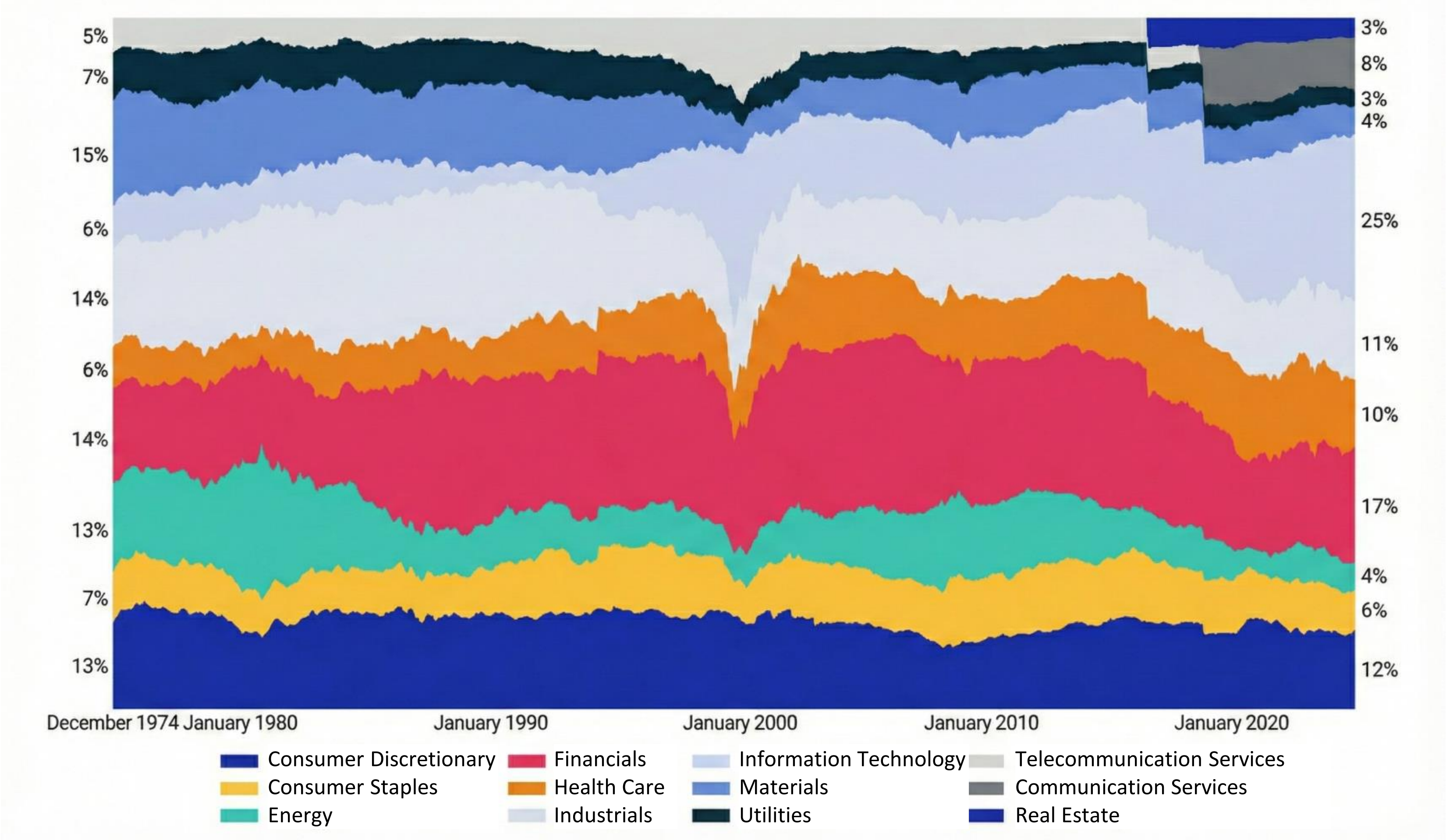
Regional Weightings over Time – Global Equity



- → Over the last ~50 years, regional weightings have changed dramatically.
- → The US Equity market has grown massively in importance since the Global Financial Crisis.
- → While not shown in this chart (data is through 2024), recent Non-US outperformance is naturally decreasing the regional weight of US Equity (from ~65% to ~62%).

Source: MSCI. Data from Dec. 31, 1974, to Dec. 31, 2024. Weights are for the MSCI World Index through Dec. 31, 1987, MSCI ACWI Index from Jan. 1, 1988, to April 30, 1998, and MSCI ACWI IMI thereafter.

Sector Weightings over Time – Global Equity



- Sector weightings have also changed meaningfully over time.
- In December 1974, the top five sectors — Materials, Industrials, Financials, Energy, and Consumer Discretionary — had weights between 13% and 15%, collectively accounting for 69% the market.
- More recently, the index is now dominated by Information Technology, Financials, Consumer Discretionary, Industrials, and Health Care.

Source: MSCI. Data from Dec. 31, 1974, to Dec. 31, 2024. Weights are for the MSCI World Index through Dec. 31, 1987, MSCI ACWI Index from Jan. 1, 1988, to April 30, 1998, and MSCI ACWI IMI thereafter

Equity Market Style Returns – Last 10 Years

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
R3000 Growth 5.1%	R2000 Value 31.7%	EM Growth 46.8%	R3000 Growth -2.1%	R3000 Growth 35.8%	R3000 Growth 38.3%	R2000 Value 28.3%	EAFE Value -5.6%	R3000 Growth 41.2%	R3000 Growth 32.5%	EAFE Value 42.2%
EAFE Growth 4.1%	R2000 Index 21.3%	EM Equity 37.3%	R3000 Index -5.2%	ACWI Growth 32.7%	R2000 Growth 34.6%	R3000 Growth 25.8%	ACWI Value -7.5%	ACWI Growth 33.2%	ACWI Growth 24.2%	EM Growth 34.3%
ACWI Growth 1.5%	R3000 Value 18.4%	ACWI Growth 30.0%	ACWI Growth -8.1%	R3000 Index 31.0%	ACWI Growth 33.6%	R3000 Index 25.7%	R3000 Value -8.0%	R3000 Index 26.0%	R3000 Index 23.8%	EM Equity 33.6%
R3000 Index 0.5%	EM Value 14.9%	R3000 Growth 29.6%	R3000 Value -8.6%	R2000 Growth 28.5%	EM Growth 31.3%	R3000 Value 25.4%	EAFE Equity -14.5%	ACWI Equity 22.2%	ACWI Equity 17.5%	EM Value 32.7%
EAFE Equity -0.8%	R3000 Index 12.7%	EAFE Growth 28.9%	R2000 Growth -9.3%	EAFE Growth 27.9%	R3000 Index 20.9%	ACWI Value 19.6%	R2000 Value -14.5%	EAFE Value 19.0%	R2000 Growth 15.2%	EAFE Equity 31.2%
R2000 Growth -1.4%	ACWI Value 12.6%	EM Value 28.1%	ACWI Equity -9.4%	ACWI Equity 26.6%	R2000 Index 20.0%	ACWI Equity 18.5%	EM Value -15.8%	R2000 Growth 18.7%	R3000 Value 14.0%	ACWI Growth 22.4%
ACWI Equity -2.4%	R2000 Growth 11.3%	EAFE Equity 25.0%	EM Value -10.7%	R3000 Value 26.3%	EM Equity 18.3%	ACWI Growth 17.1%	ACWI Equity -18.4%	EAFE Equity 18.2%	R2000 Index 11.5%	ACWI Equity 22.3%
R3000 Value -4.1%	EM Equity 11.2%	ACWI Equity 24.0%	ACWI Value -10.8%	R2000 Index 25.5%	EAFE Growth 18.3%	R2000 Index 14.8%	R3000 Index -19.2%	EAFE Growth 17.6%	ACWI Value 10.8%	ACWI Value 22.0%
R2000 Index -4.4%	ACWI Equity 7.9%	R2000 Growth 22.2%	R2000 Index -11.0%	EM Growth 25.1%	ACWI Equity 16.3%	EAFE Equity 11.3%	EM Equity -20.1%	R2000 Index 16.9%	EM Growth 10.3%	EAFE Growth 20.8%
EAFE Value -5.7%	EM Growth 7.6%	EAFE Value 21.4%	EAFE Growth -12.8%	R2000 Value 22.4%	EAFE Equity 7.8%	EAFE Growth 11.3%	R2000 Index -20.4%	R2000 Value 14.6%	R2000 Value 8.1%	R3000 Growth 18.2%
ACWI Value -6.3%	R3000 Growth 7.4%	R3000 Index 21.1%	R2000 Value -12.9%	EAFE Equity 22.0%	EM Value 5.5%	EAFE Value 10.9%	EAFE Growth -22.9%	EM Value 14.2%	EM Equity 7.5%	R3000 Index 17.1%
R2000 Value -7.5%	EAFE Value 5.0%	ACWI Value 18.3%	EAFE Equity -13.8%	ACWI Value 20.6%	R2000 Value 4.6%	EM Value 4.0%	EM Growth -24.0%	ACWI Value 11.8%	EAFE Value 5.7%	R3000 Value 15.7%
EM Growth -11.3%	ACWI Growth 3.3%	R2000 Index 14.6%	EM Equity -14.6%	EM Equity 18.4%	R3000 Value 2.9%	R2000 Growth 2.8%	R2000 Growth -26.4%	R3000 Value 11.7%	EM Value 4.5%	R2000 Growth 13.0%
EM Equity -14.9%	EAFE Equity 1.0%	R3000 Value 13.2%	EAFE Value -14.8%	EAFE Value 16.1%	ACWI Value -0.3%	EM Equity -2.5%	ACWI Growth -28.6%	EM Equity 9.8%	EAFE Equity 3.8%	R2000 Index 12.8%
EM Value -18.6%	EAFE Growth -3.0%	R2000 Value 7.8%	EM Growth -18.3%	EM Value 12.0%	EAFE Value -2.6%	EM Growth -8.4%	R3000 Growth -29.0%	EM Growth 5.8%	EAFE Growth 2.0%	R2000 Value 12.6%

- → US equity, and US Growth in particular, have dominated the last decade.
- → This began to shift in 2025, with Non-US Equity leading the way.

Endpoint Bias

- Historical experience is an input into forward-looking decisions, but it is not the conclusion.
- When one chooses to "stop the clock" matters. *See example below:*

Annualized Returns as of March 2000					
As of 3/31/2000	1 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Since Inception (%)
Russell 1000 Growth	34.1	31.8	21.6	18.5	18.3
Russell 1000 Value	6.3	21.0	16.0	17.2	16.8

Annualized Returns as of March 2001					
As of 3/31/2001	1 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Since Inception (%)
Russell 1000 Growth	-42.7	11.6	12.7	13.2	14.5
Russell 1000 Value	0.3	14.2	15.2	15.3	16.0

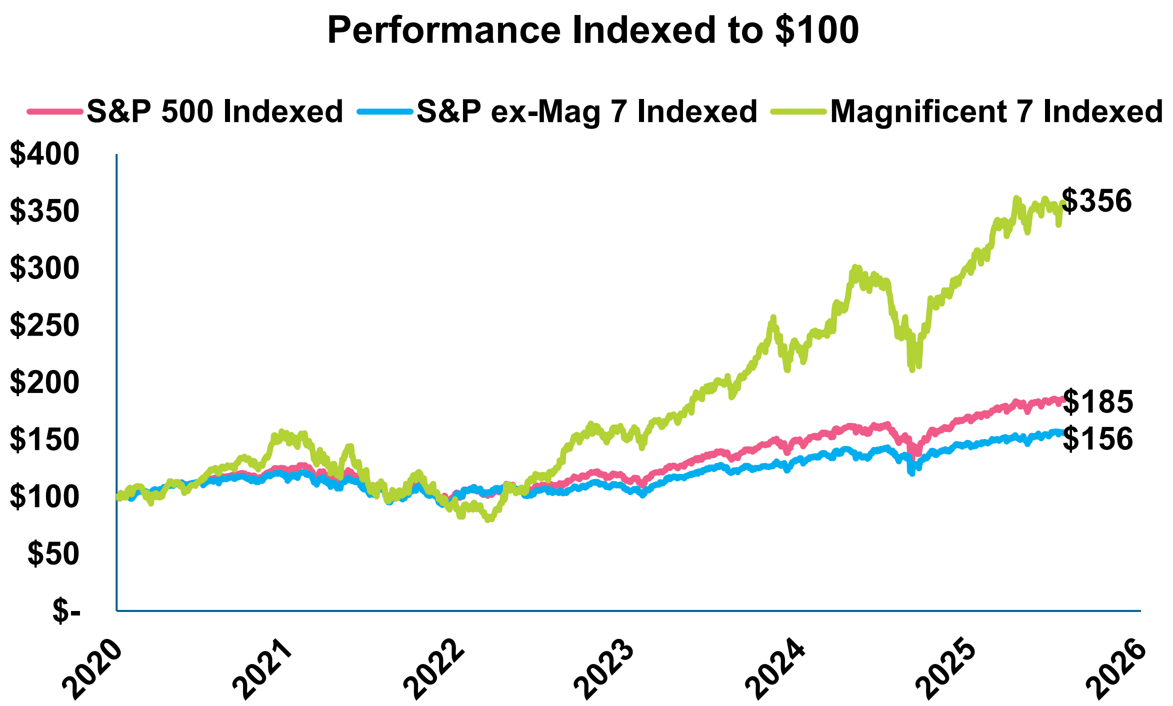
- During the bursting of the tech bubble, one year of experience changed the entire since inception performance of large cap growth vs. large cap value performance.

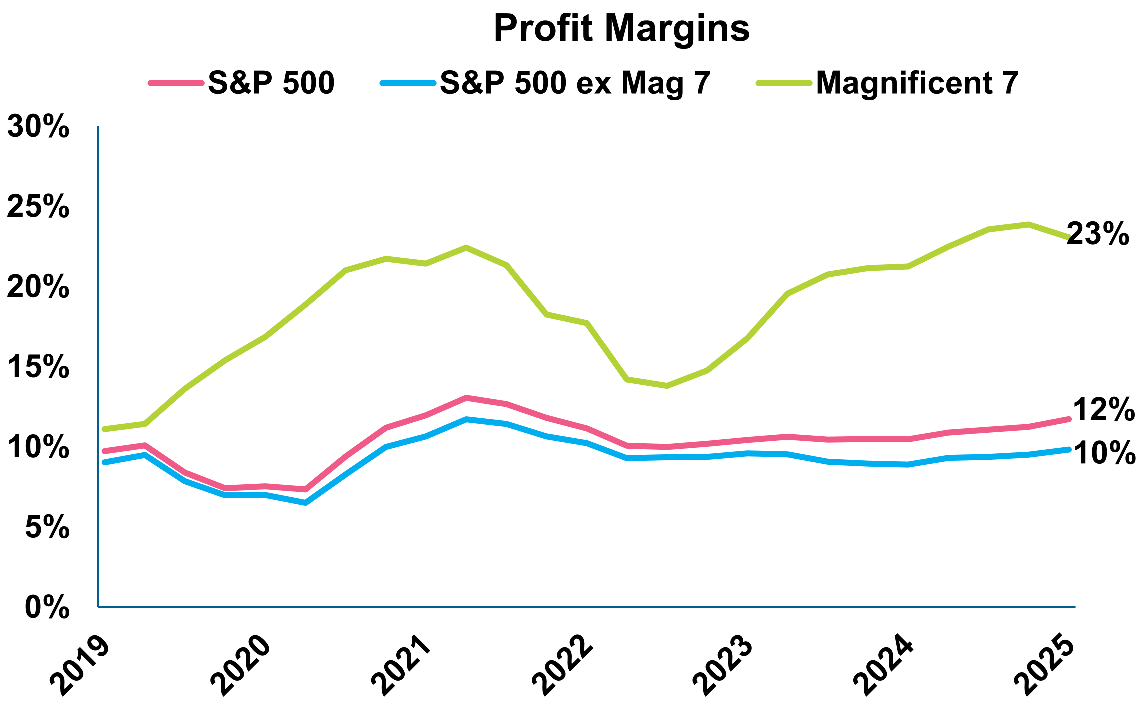
Source: Bloomberg. Inception for Russell 1000 Growth and Russell 1000 Value was January 1979.

Recent Experience and Forward-looking Considerations

US Equity Storylines

→ AI-oriented mega cap stocks have continued to play a meaningful role in broad US Equity returns, supported by strong earnings growth and elevated profit margins.

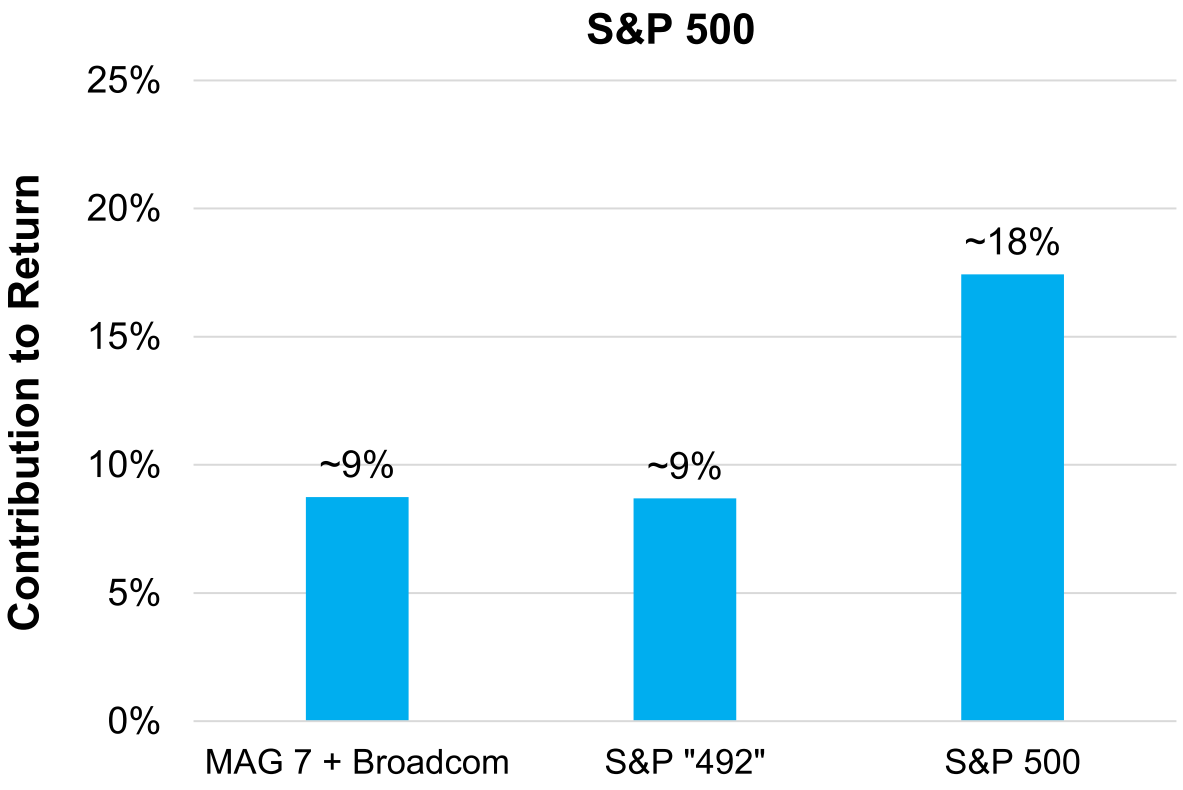


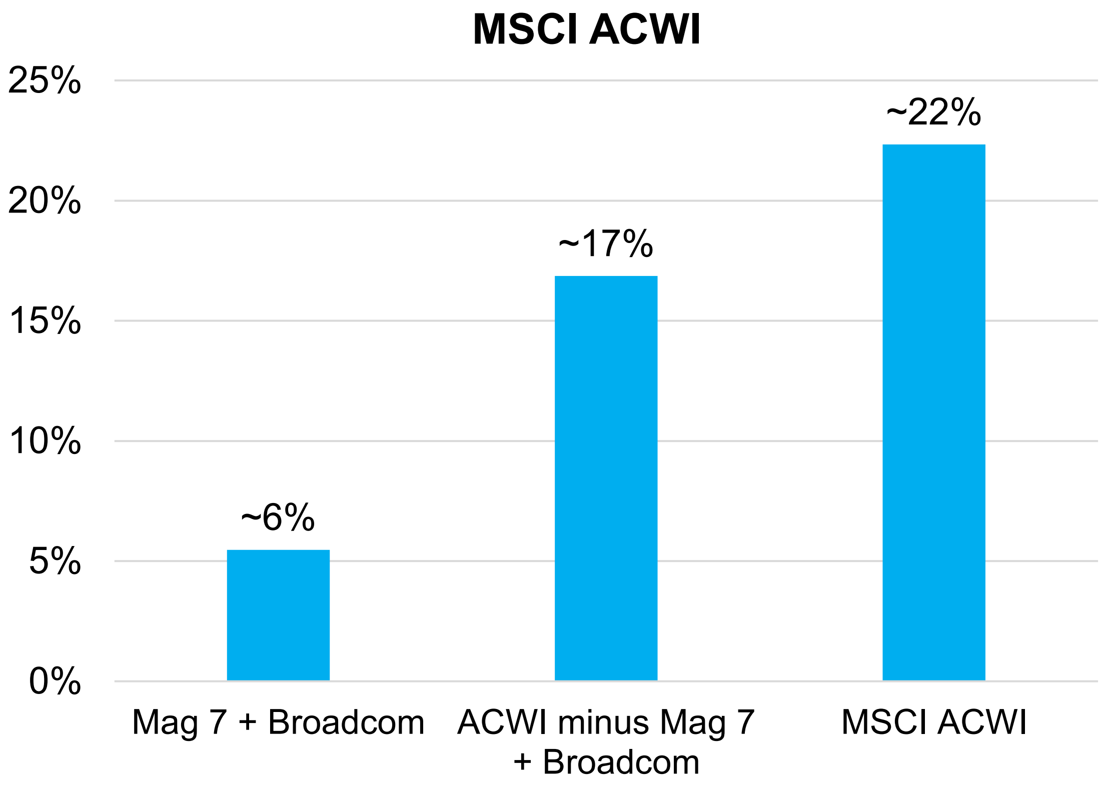


Source: Bloomberg. Data is as of January 31, 2026, for index prices and December 31, 2025, for profit margins.

Mega Cap Influences on Global Equity

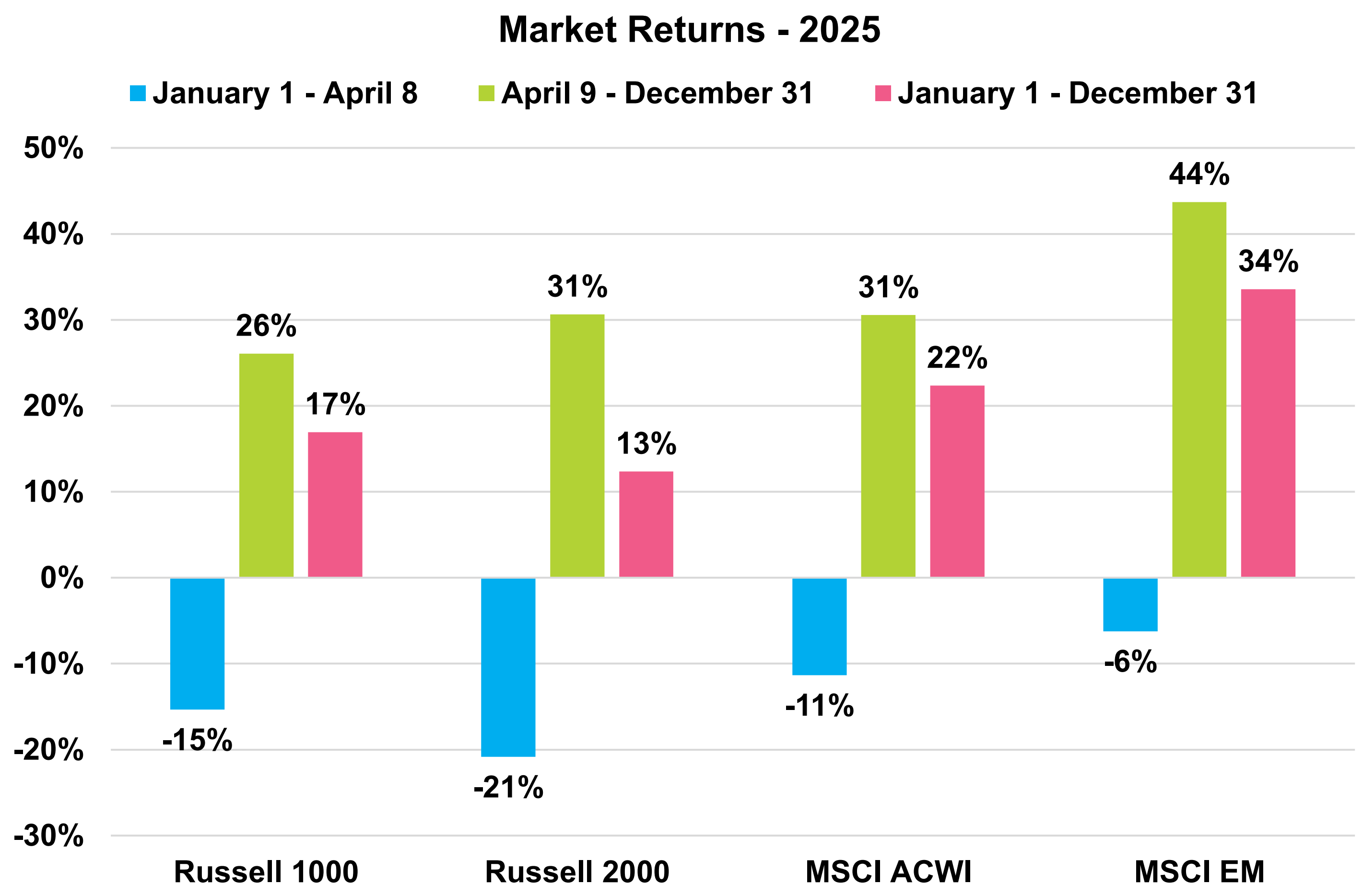
→ In calendar year 2025, mega cap (proxied by Mag 7 + Broadcom) generated roughly 50% of the S&P 500's return and roughly 25% of MSCI ACWI's return.





Source: Bloomberg.

2025 Decomposed



Source: Bloomberg.

→ 2025 was a unique period for equity market returns.

→ “Liberation Day” sent shockwaves across the Global Equity markets, but this was quickly erased by the end of April.

→ Non-US Equity markets outperformed the US in Q1 2025 and continued this outperformance through the remainder of 2025.

→ While mega cap continues to contribute to Global Equity returns, markets have broadened out across regions and market cap.

The Gap Narrows…

→ The unfettered dominance of US Equity began to fade in 2025, as Global Equity markets broadened out across market capitalizations and regions.

→ Trailing period performance, as of 1/31/2026, shows diversification returning to the limelight.

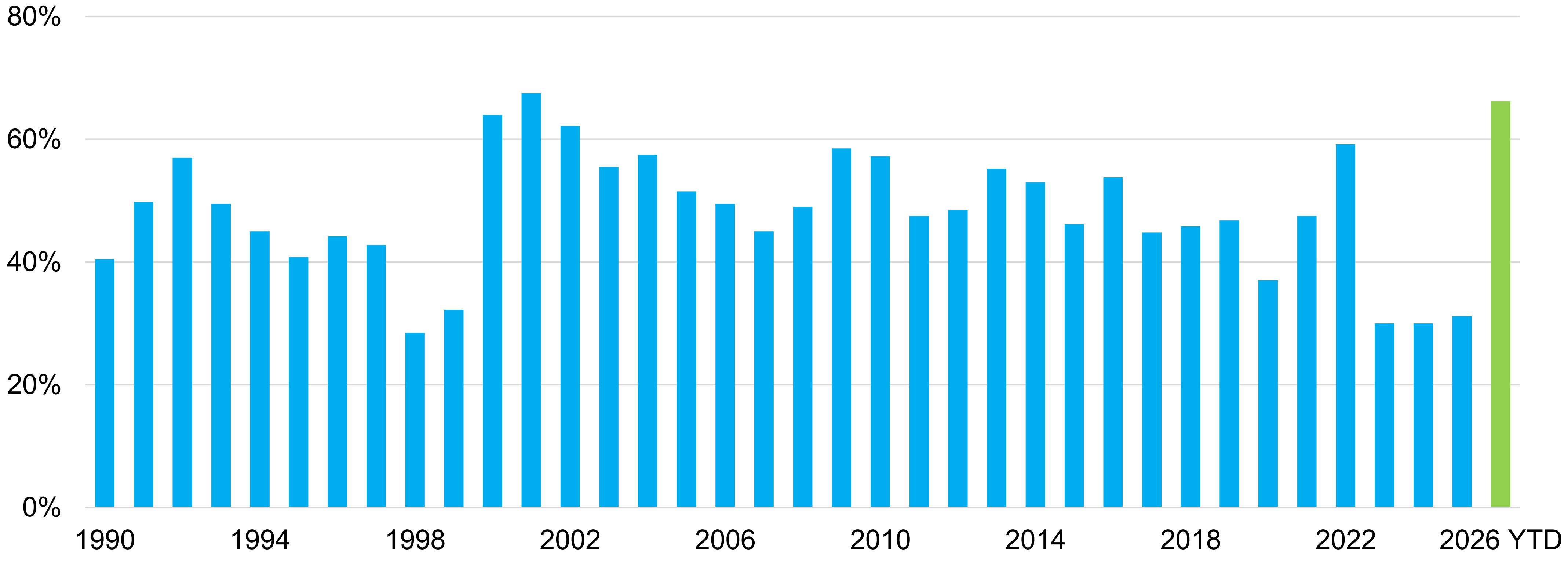
	2026 YTD	FYTD	1 YR	3 YR	5 YR	10 YR
MSCI ACWI	3.0%	14.5%	21.9%	19.1%	11.9%	12.8%
Russell 3000	1.6%	12.5%	15.3%	20.2%	13.6%	15.1%
MSCI EAFE	5.2%	15.6%	31.2%	16.2%	10.3%	9.6%
MSCI EM	8.9%	26.1%	42.8%	16.7%	5.3%	10.1%
Russell 2000	5.4%	21.0%	15.8%	12.2%	6.2%	11.2%
MSCI EAFE Small Cap	5.8%	15.4%	34.8%	14.4%	6.9%	9.0%
MSCI EM Small Cap	7.3%	14.9%	30.9%	16.0%	9.9%	10.0%

Source: Bloomberg.

Variety of Stories Under the Hood

→ Aggregate index behavior can mask underlying dynamics. In 2026 YTD, individual stock performance has varied meaningfully, while aggregate S&P 500 performance has been muted.

Percentage of S&P 500 Stocks outperforming S&P 500 Index

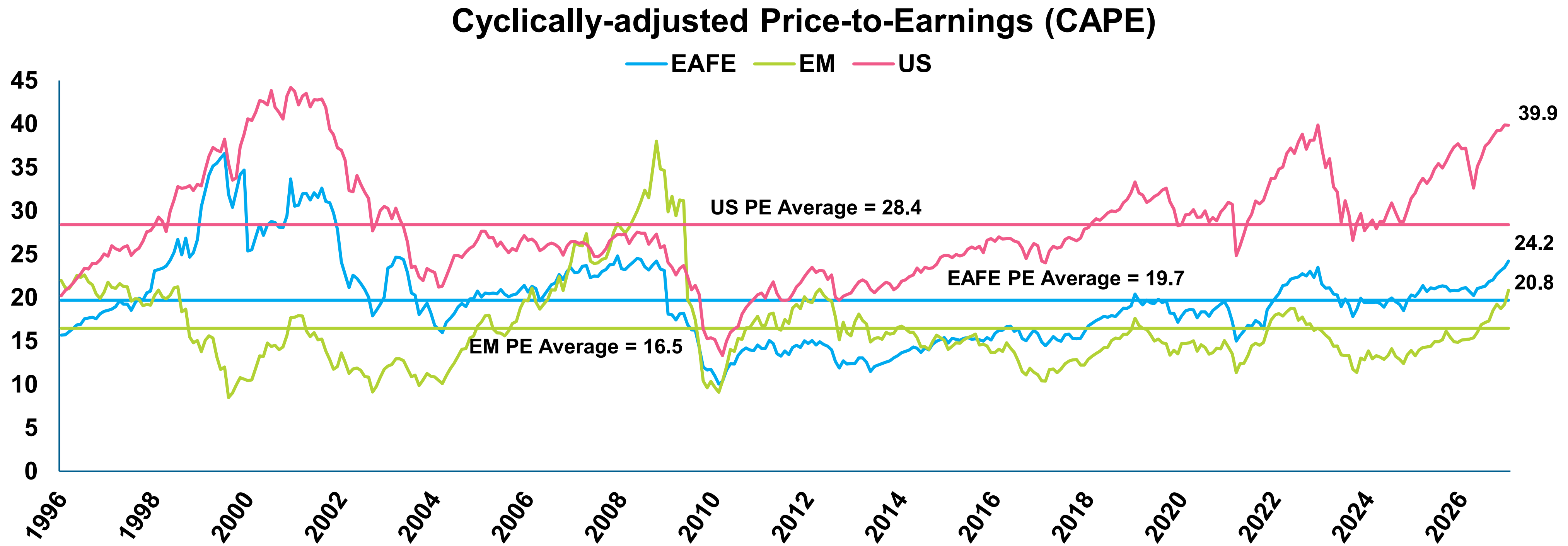


Source: Financial Times, Ned Davis Research.

Equity Valuations

→ After a robust CY 2025 and strong start to 2026, Global Equity valuations have continued to increase.

→ US Equity valuations remain well above the long-term average, whereas Non-US Developed (EAFE) and Emerging Markets have only recently increased above their long-term averages.



Source: US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E Source: Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of January 2026. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month end, respectively.

Meketa's 2026 Capital Market Assumptions ("CMAs")

→ Meketa's forward-looking expected returns for Global Equity markets declined compared to 2025.

→ While expected returns are lower, Global Equity remains a critical component of EBMUDERS.

Asset Class	2025 Expected Return: 20-Year Geometric (%)	2026 Expected Return: 20-Year Geometric (%)
US Equity	8.4	8.0
Developed International Equity	8.7	7.9
Emerging Markets Equity	8.7	8.0

Asset Class	Expected Return Change from 2025	Notes/Drivers of Change
US Equity	↓	Higher prices partially offset by earnings power/growth
Developed International Equity	↓	Higher prices without commensurate earnings power/growth offset
Emerging Markets Equity	↓	Much higher prices without commensurate earnings power/growth offset

Conclusion

Summary and Key Takeaways

→ Global Equity remains a critical element of the EBMUDERS Total Portfolio and represents the highest returning, liquid markets component.

→ Global Equity markets have a dynamic history: regional/sector weights, as well as their performance contributions, have changed throughout time.

→ After a 10+ year period of dominance, Global Equity market leadership has begun to broaden out across regions and market capitalizations. Given their meaningful index weighting, and the overall AI/Tech market themes, US mega cap equities remain a meaningful source of return and volatility.

→ With 10+ years of annualized performance above expectations, Meketa's forward-looking assumptions for Global Equity have declined again in 2026.

Appendix

Drivers of Equity Returns

→ Realized, and forward-looking, performance for Global Equity is driven by three factors:

1. Income (i.e., earnings and/or shareholder payouts, such as buybacks or dividends)
2. Growth of income over time
3. Valuation changes (e.g., price-to-earnings, price-to-book, etc.)

→ Global Equity is inherently risky (e.g., 1990s Japan, bursting of tech bubble, global financial crisis, COVID/2020, etc.)

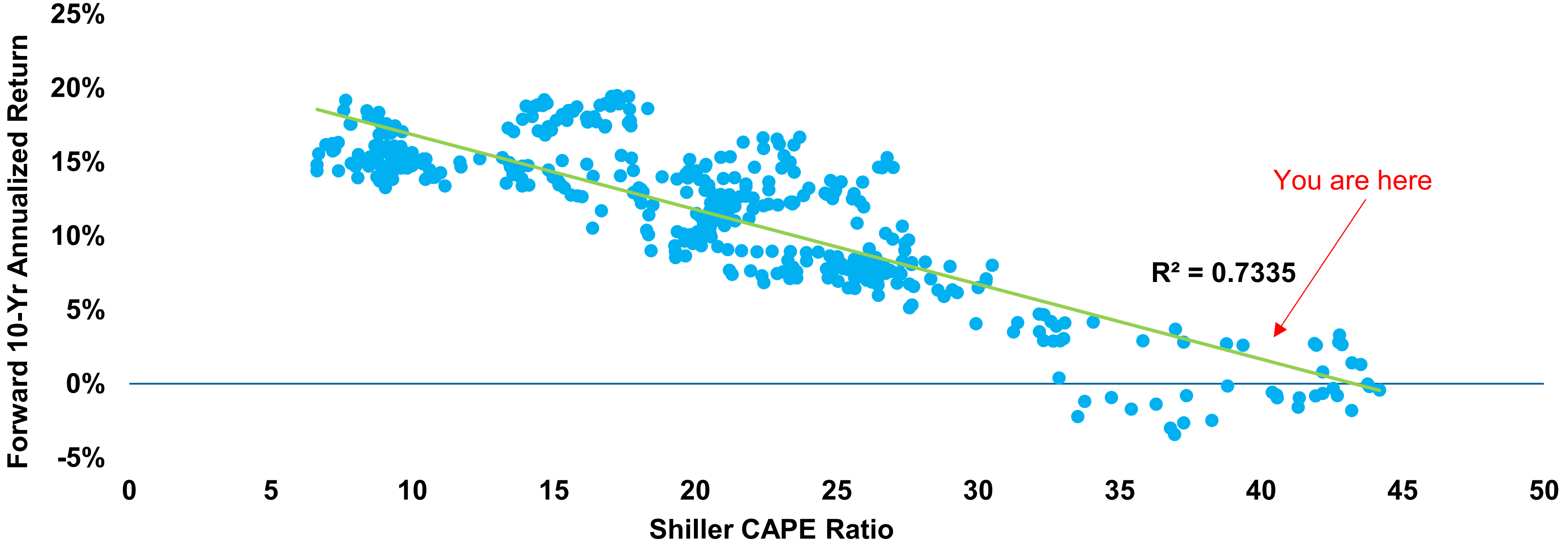
- As a reminder, Meketa projects annual volatility to be ~17% for Global Equity.
  - With a forward-looking expected return of 8.0%, this implies that single-period annual returns will fall within the range of -9.0% to 25.0% roughly $^{2}/_{3}$ of the time.

- The drivers of equity returns can vary over time and across regions.

Equity Valuations – Impact of Prices on Returns

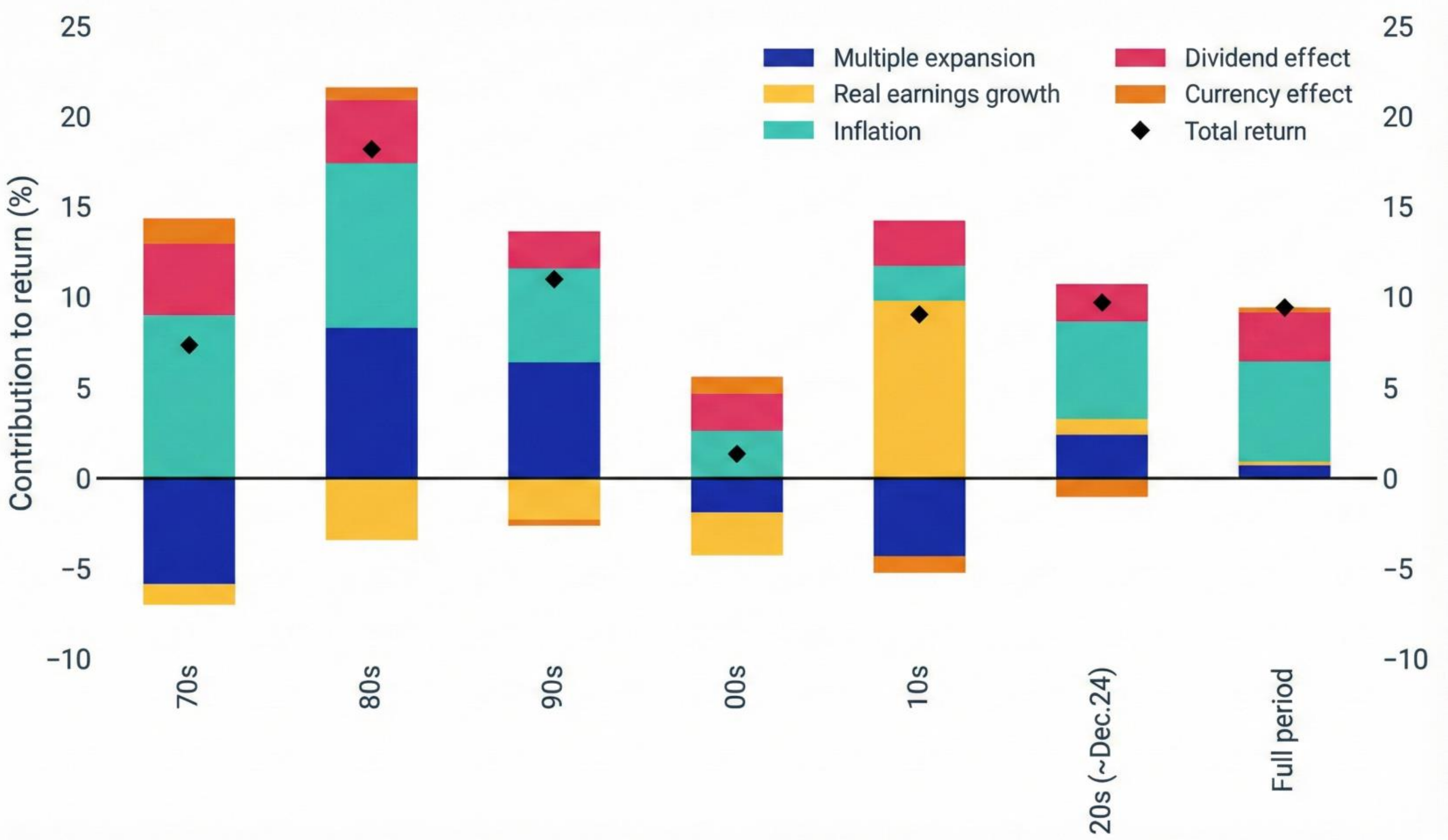
→ Both history and financial theory show: the price you pay matters to the subsequent return.
→ High starting valuations tend to lead to lower realized returns, but it can take years to manifest.

US Equities: Shiller CAPE vs. Forward 10-Year Returns



Source: Robert Shiller, Yale University, and Meketa Investment Group. Data is based on monthly returns and Cyclically Adjusted P/E ratio on S&P 500 Index for the period from January 1980 through December 2025.

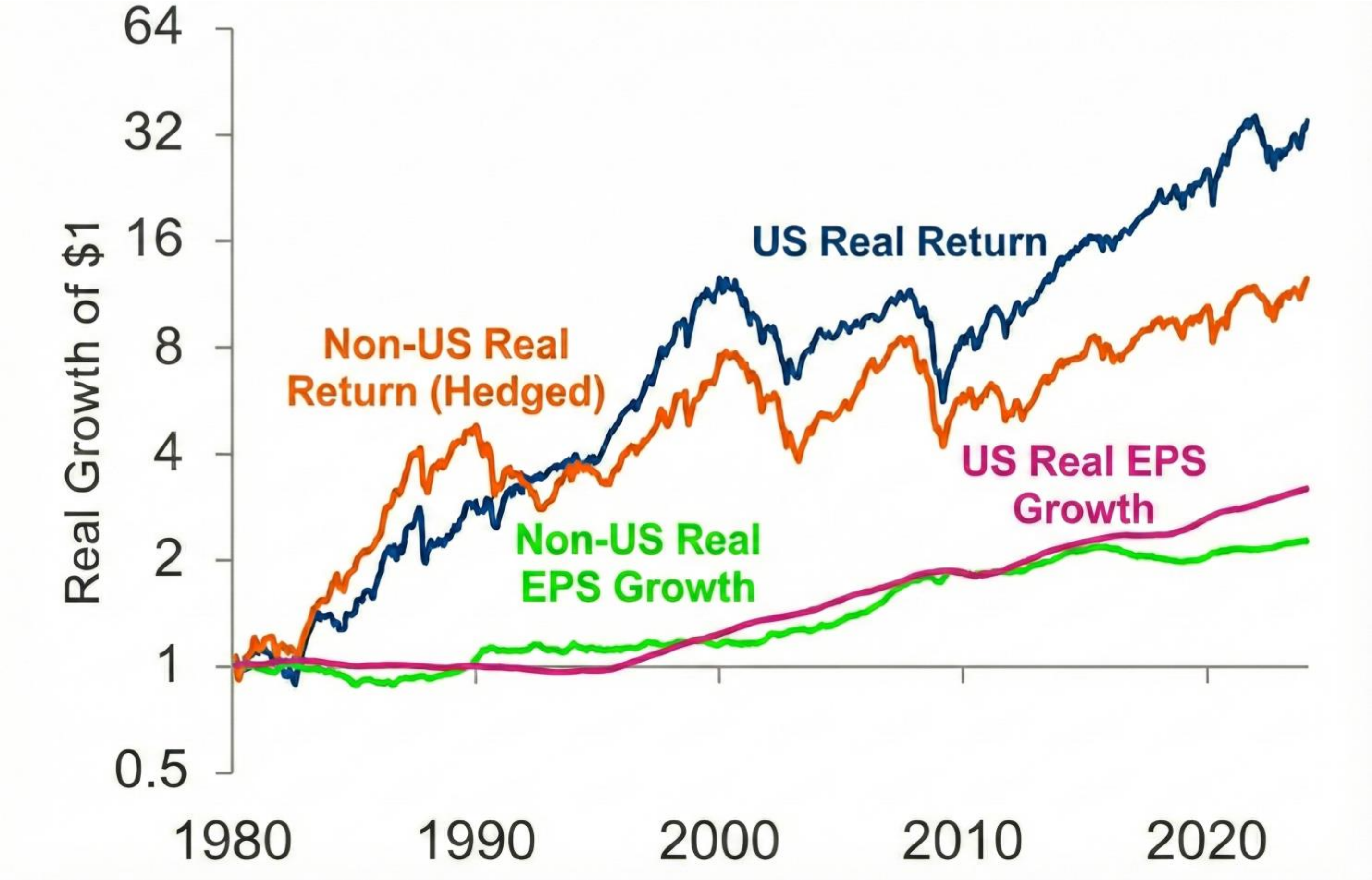
Historical Drivers of Returns – Global Equity



- For Global Equity broadly, the return drivers (by decade) have varied.
- Most notably, the 2010s (i.e., recent history) were largely driven by real earnings growth (led by the US).
  - This is also a period where different regions (e.g., US vs. Non-US) had different drivers of return.
- Multiple expansion is an unreliable source of return.

Source: MSCI and OECD. Data from Jan. 31, 1970, to Dec. 31, 2024. Monthly gross USD return is calculated for the MSCI World Index through Dec. 31, 1991, MSCI ACWI Index from Jan. 1, 1992, to April 30, 1998, and MSCI ACWI IMI thereafter. Real earnings are calculated by dividing EPS by the CPI of OECD countries.

Examining US Outperformance



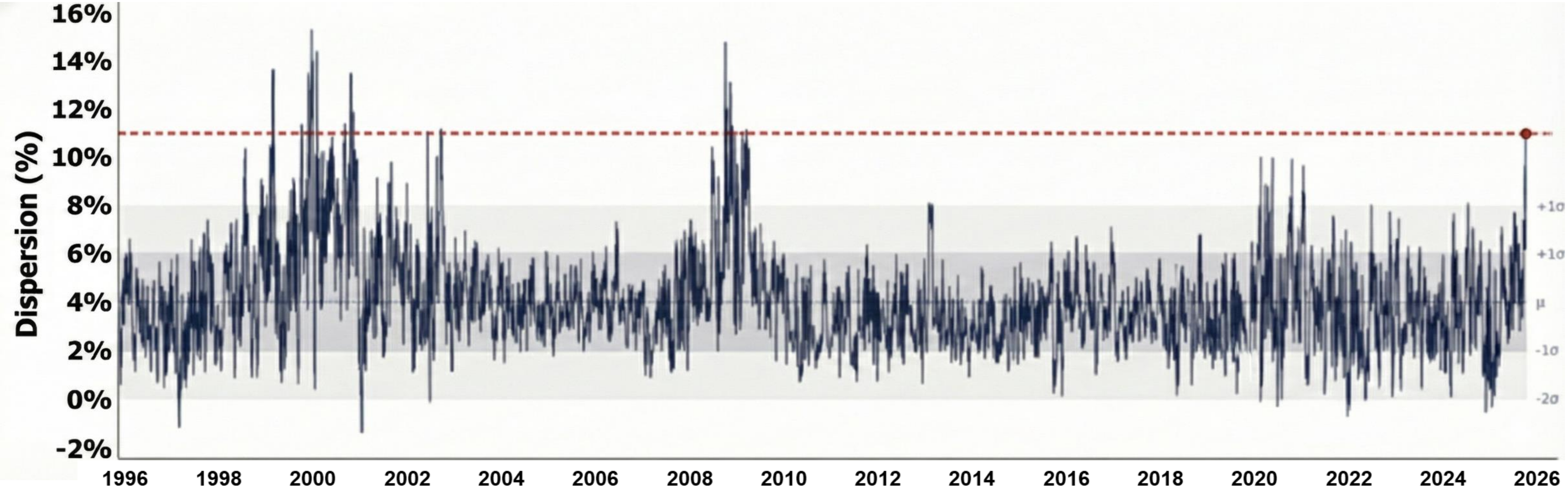
- US equities have meaningfully outperformed Non-US equities over the last ~35 years, with most of this occurring post-GFC.
- Multiple studies have sought to decompose the "why" of this outperformance.
- One notable study (reflected in the graphic) found that roughly 80% of the outperformance was due to valuation changes, with the residual largely coming from earnings growth.

Source: AQR, Bloomberg, IBES. US and Non-US equities are represented by MSCI USA and MSCI World ex USA indices, respectively. Real returns are total returns above US CPI inflation. Real EPS (earnings per share) growth is 10-year smoothed. Non-US EPS and CAPE are estimated using the eight largest non-US developed markets (Australia, Canada, France, Germany, Japan, Netherlands, Switzerland and UK).

Significant Dispersion within S&P 500 – Stock Pickers Market?

→ After over a decade of relatively narrow markets, dispersion within the US Equity market has picked up.

→ This graphic shows the difference between the volatility of individual stocks compared to the S&P 500.



Source: Bloomberg as compiled by Citadel Securities, GMI, as of 2/6/25. Data = SPX Constituent Average 30-Day Move – PX Absolute Move.

US Equity Returns (as of 1/31/26)

Domestic Equity	January (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	1.5	16.3	21.1	15.0	15.6
Russell 3000	1.6	15.3	20.2	13.6	15.1
Russell 1000	1.4	15.3	20.7	14.1	15.4
Russell 1000 Growth	-1.5	14.5	27.1	15.1	18.6
Russell 1000 Value	4.6	15.8	13.7	12.5	11.6
Russell MidCap	3.1	9.3	12.5	9.4	12.1
Russell MidCap Growth	-0.9	1.3	15.0	6.5	13.3
Russell MidCap Value	4.3	11.9	10.9	10.8	10.9
Russell 2000	5.4	15.8	12.2	6.1	11.2
Russell 2000 Growth	4.0	13.9	13.5	3.0	11.3
Russell 2000 Value	6.9	17.9	10.8	9.2	10.7

Source: Bloomberg.

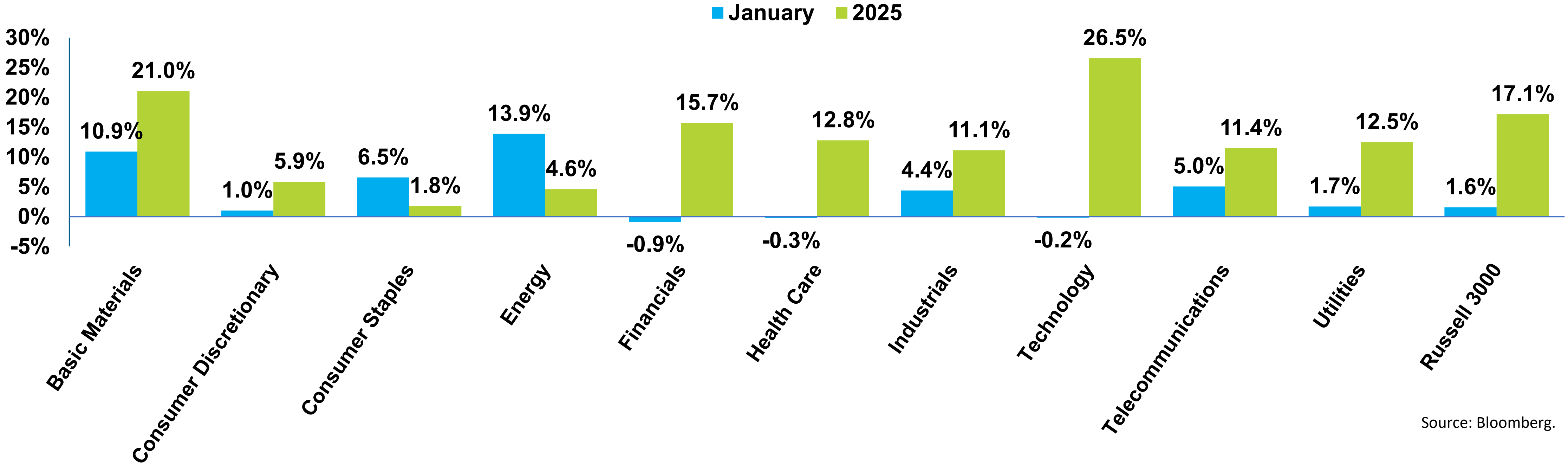
→ US Equities: The Russell 3000 index rose 1.6% in January, bringing the one-year return to 15.3%.

→ The trend of value stocks outperforming growth stocks that started late last year continued in January. Signs of a resilient US economy have driven a rotation toward economically sensitive, value-oriented segments of the market, alongside growing concerns about stretched valuations among mega-cap, AI-focused growth leaders.

→ Small-cap stocks (Russell 2000) outpaced large-cap stocks (Russell 1000) by 4.0% in January, supported by expectations of lower interest rates and again signs of stable growth in the US and weakness among the "Magnificent Seven".

→ While the "Magnificent Seven" represents approximately 30% of the Russell 3000 Index by weight, their aggregate contribution to the Russell 3000's overall returns were slightly negative in January.

Russell 3000 Sector Returns (as of 1/31/26)



Source: Bloomberg.

→ In January 2025, sector results were broadly positive, with seven sectors posting gains and three declining.

→ Energy (+13.9%) and basic materials (+10.9%) significantly outperformed other sectors in January. Energy's strength was driven by the broad rotation into economically sensitive and value-oriented names, with refiners and major oil and gas companies particularly doing well. The basic materials sector benefitted from rising precious and industrial metal prices like gold, silver, and copper.

→ Coming off a year as the strongest performing sector, technology stocks returned -0.2% in January, reflecting broader concerns over AI-related valuations and the ultimate return on the massive capex spending on the infrastructure buildout.

Foreign Equity Returns (as of 1/31/26)

Foreign Equity	January (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI Ex US	6.0	34.9	16.6	9.1	9.8
MSCI EAFE	5.2	31.2	16.2	10.3	9.5
MSCI EAFE (Local Currency)	3.2	18.7	14.8	12.2	9.6
MSCI EAFE Small Cap	5.8	34.8	14.4	6.9	9.0
MSCI Emerging Markets	8.9	42.8	16.7	5.3	10.1
MSCI Emerging Markets (Local Currency)	8.8	40.6	18.5	7.6	11.1
MSCI EM ex China	10.4	45.6	20.3	10.3	11.5
MSCI China	4.7	36.1	9.2	-3.7	7.5

Source: Bloomberg.

→ Foreign Equity: Developed international equities (MSCI EAFE) returned 5.2% in January and emerging markets equities (MSCI Emerging Markets) rose 8.9%.

→ Developed markets saw solid returns in January, outpacing the US and benefiting from dollar weakness. Eurozone equities saw modest gains, driven by strength in technology, energy, and utilities, with a mid-month dip following Greenland-related threats from the US. The UK outperformed continental peers, with the materials sector leading returns supported by gains in metals prices. Japan led developed markets, fueled in part by optimism ahead of the snap election and continued AI-related demand.

→ Emerging market stocks rallied in January, outperforming developed peers. China saw modest gains but lagged emerging market peers amid continued uncertainty about policy support and growth prospects, with Q4 GDP growth slowing to the weakest pace in years. Korea and Taiwan were standout performers, with continued strong demand for semiconductors and other hardware. India and Indonesia both fell in January, with foreign investors favoring tech-heavy exporters.

WE HAVE PREPARED THIS REPORT (THIS "REPORT") FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

SIGNIFICANT EVENTS MAY OCCUR (OR HAVE OCCURRED) AFTER THE DATE OF THIS REPORT AND THAT IT IS NOT OUR FUNCTION OR RESPONSIBILITY TO UPDATE THIS REPORT. ANY OPINIONS OR RECOMMENDATIONS PRESENTED HEREIN REPRESENT OUR GOOD FAITH VIEWS AS OF THE DATE OF THIS REPORT AND ARE SUBJECT TO CHANGE AT ANY TIME. ALL INVESTMENTS INVOLVE RISK. THERE CAN BE NO GUARANTEE THAT THE STRATEGIES, TACTICS, AND METHODS DISCUSSED HERE WILL BE SUCCESSFUL.

INFORMATION USED TO PREPARE THIS REPORT WAS OBTAINED FROM INVESTMENT MANAGERS, CUSTODIANS, AND OTHER EXTERNAL SOURCES. WHILE WE HAVE EXERCISED REASONABLE CARE IN PREPARING THIS REPORT, WE CANNOT GUARANTEE THE ACCURACY OF ALL SOURCE INFORMATION CONTAINED HEREIN.

CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE "FORWARD - LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "AIM", "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE" OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD - LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

THROUGH: Cindy Charan, Director of Human Resources *Cindy R. Charan*

FROM: Lisa Sorani, Manager of Employee Services *Lisa Sorani*

SUBJECT: Disability Earnings Income Verification for 2025

BACKGROUND

Section 18(c) of the Retirement Ordinance creates an "earnings safeguard" that Members who retire on disability and have not attained Normal Retirement Age, currently age sixty-five. Retirement Board Rule C-21 provides administrative guidance for staff's review of "outside earnings" and "earnings safeguards including requiring that these retirees report their "outside earnings" to the Retirement System that are in excess of their "earnings safeguard." Their "earnings safeguard" is defined as their final monthly salary inflated by wage increases minus their retirement allowance.

SUMMARY

Rule C-21 provides that Disability Retired Members whose earnings exceed their earnings safeguard in any quarter must notify the Retirement Board Secretary before the end of that quarter so any necessary adjustment to the retirement allowance can be made. The Rule provides for staff to verify outside earnings through the State Employment Development Department (EDD) Reports for Disability Retired Members based in California. The rule provides a different verification from those members who reside outside of California.

Each calendar year a letter is sent to disability retirees who are under age 65, notifying them of their quarterly "earnings safeguard." The letter also requests verification of earnings. To confirm the compliance of in-state Disability Retired Members', staff verify earnings through EDD earnings reports. Twenty-three disability retirees residing in California were reviewed, and it was concluded that no in-state Members' earnings exceeded the allowed earnings safeguards.

In previous years, documentation was requested from out-of-state disability retired members but was not required. Retirement Services has started requesting documentation from out of state retirees in accordance with the Retirement Board Rule C-21: "*Disability Retired members who do not reside in California will be required to submit satisfactory documentation upon request by the Secretary including, but not limited to, copies of annual filed State and Federal Income Tax Returns along with the W-2 or 1099 forms, and/or of annual Social Security Earnings Statements mailed to them by the Social Security Administration.*

The notice that was sent to the seven out-of-state retirees notified them that they are required to submit tax documents annually. Staff provided an April 15, 2026 deadline for EBMUD to receive the required documents and reminded members that their retirement benefit could be suspended if documentation was not received. As we did last year we will extend the deadline to the end of the year.

It has been difficult to collect all of the documents required by Board Rule C-21 from the out-of-state retirees. Staff suggested updates to Board Rule C-21 today in an effort to both create parity in treatment between in state and out of state retirees and to improve the ability to collect documentation to monitor the "earnings safeguards".

CRC:LS:kg

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

THROUGH: Cindy Charan, Director of Human Resources Cindy R. Charan

FROM: Lisa Sorani, Manager of Employee Services Lisa Sorani

SUBJECT: Annual Retirement Board Training Report and Ethics Training Update

SUMMARY

This memo discusses the Retirement Board's training during calendar years 2024 and 2025 and provides a list of upcoming trainings in 2026 that are available annually.

DISCUSSION

As designed by the Retirement Board, Retirement Board Rule C-23 requires 24 hours of training every two years for Retirement Board members and provides a budget of $2,500 per year for each Board member for training expenses.

The attached spreadsheets provide the training hours and costs for each Retirement Board member for the two-year period from January 1, 2024, to December 31, 2025. As a reminder, training sessions brought to Retirement Board meetings are included in the training hours and are noted on the attached worksheet.

The one mandated training requirement is the semi-annual AB 1234 Ethics Training. Retirement Board member Ethics Trainings taken in this two-year period are included on the attached training report so that hours are counted. Board Member Ethics Training is tracked with most recent training dates on the second page of the report.

Below is a list of trainings for 2026 from the California Association of Public Retirement Systems (CALAPRS) and International Foundation of Employee Benefit plans (IFEBP). Our membership in these systems are District memberships, and Retirement Board members are named participants on the membership lists we maintain. The CALAPRS Round Tables are held twice each year, one in-person and one virtual. The Trustee and Investment Officer Round Tables may be of interest to the Retirement Board. They cost $150 per participant. The CALAPRS sessions are generally inexpensive short sessions, and several of the sessions are virtual.

IFEBP is a U.S. and Canadian agency promoting health and retirement benefit administration. They offer trustee/administrator level trainings for public sector benefit plan trustees at all levels of experience.

Lastly, the State Association of County Retirement Systems (SACRS) runs a Public Pension Investment Management Program with UC Berkeley each year.

California Association of Public Retirement Systems-CALAPRS

- Virtual Trustee Round Table – 5/29/26
- Principles of Pension Governance for Trustees – 8/24/26 to 8/27/26
- Virtual Trustee Round Table – 10/2/26
- Virtual Investment Officer's Round Table – 10/16/26
- General Assembly – annually in March. The location alternates between the Bay Area and Southern California every other year. The 2027 assembly will be held in the Bay Area.

International Foundation of Employee Benefit Plans-IFEBP

- 2026 Investments Institute (Austin, TX) 4/22/26 to 4/23/26
    - https://www.ifebp.org/education---events/educational-program-schedule/investments-institute/event-home
- Investment Basics (Scottsdale, AZ) 4/27/26 – 4/28/26
- Portfolio Concepts and Management (Philadelphia, PA) 5/11/26- 5/14/26
- Washington Legislative Update (Washington, DC) 5/18/26 – 5/19/26
- Advanced Trustees and Administrators Institute (San Diego, CA) 6/15/26 to 6/17/26
- IFEBP Annual Conference (New Orleans, LA) – 10/25/26 to 10/28/26

State Association of County Retirement Systems-SACRS

- *Modern Investment Theory & Practice for Retirement Systems* https://sacrs.org/Events/SACRS-UC-Berkeley-Program (Berkeley) – available in July 2026 but not yet posted to their website. Info seems to publish only a month or so in advance. Registration opens just prior to the course and closes quickly. If you are interested, call SACRS at (916) 701-5158 for more information.

Meketa Webinars

- If you are interested in webinars through Meketa, please email Robert Hannay who can connect you to Meketa and subscribe you to an informational mailing list that will include occasional Webinars.

NEXT STEPS

If you are interested in any of these trainings, please send your training request to the Retirement Board President for approval and contact retirement staff by email:Emily

Walker (Emily.Walker@ebmud.com) and cc Valerie Weekly (Valerie.Weekly@ebmud.com) on your email request. Some of the trainings require staff to help you enroll.

CRC:LS:ew

Attachments: Calendar Years 2024 and 2025 Retirement Board Training Report
Calendar Years 2024 and 2025 Ethics Training Report
2026 IFEBP Educational Programs List
Brochure for the April Investments Institute from IFEBP (Austin)

Retirement Board Member Training Pursuant to RB Rule C-23				
1/1/2024 - 12/31/2025		*Goal is 24 hours in two years - we review in 2 year blocks.* *Budgeted amount is $2,500 per a year/per Member.*		
Clifford Chan	**Training Date**	**Provider/Topic**	**Hours**	**Cost**
	3/13/2024	Ethics Training	2	
Hours at Ret. Board Meetings 2024			7	$ -
Hours at Ret. Board Meetings 2025			2	$ -
Total			**11**	**$ -**
Marguerite Young	**Training Date**	**Provider/Topic**	**Hours**	**Cost**
	12/20/2024	Ethics Training	2	
Hours at Ret. Board Meetings 2024			7	$ -
Hours at Ret. Board Meetings 2025			2	$ -
Total			**11**	**$ -**
Jae Park	**Training Date**	**Provider/Topic**	**Hours**	**Cost**
	3/12/2024	Ethics Training	2	
	4/16/2025	Meketa Webinar: "Markets in Motion" / Tariff Tipping Point	1	$ -
	12/10/2025	Meketa Webinar: "Mission-Driven Investment"	1	
Hours at Ret. Board Meetings 2024			7	$ -
Hours at Ret. Board Meetings 2025			2	$ -
Total			**13**	**$ -**
Elizabeth Grassetti	**Training Date**	**Provider/Topic**	**Hours**	**Cost**
	10/8/2024	Ethics Training	2	
Hours at Ret. Board Meetings 2024			7	$ -
Hours at Ret. Board Meetings 2025			2	$ -
Total			**11**	**$ -**

<u>Ethics Training</u>

Retirement Board

AB 1234 (effective January 1, 2006) requires all elected officials to undergo two hours of ethics training every other year. Retirement Board Trustees are required to undergo ethics training within six months of taking office and then must renew the training every two years pursuant to California law.

Retirement Board Member	**Last Training**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2034**	**2035**	**2036**	**2037**
Clifford Chan	3/13/24	🌢	N/A									
Marguerite Young	12/20/24	🌢	N/A									
Jae Park	3/12/24	🌢	N/A									
Elizabeth Grassetti	10/8/24	🌢	N/A									

🌢 = certificate of completion on file

🌢 = pending receipt of certificate

Updated – 3/6/2026

2026 Educational Programs

Institute for Apprenticeship, Training and Education Programs
January 12-14, 2026
San Juan, Puerto Rico

35th Annual Health Benefits Conference & Expo (HBCE)
January 20-22, 2026
Ponte Vedra Beach, Florida

Multiemployer Plan Administration
February 21-22, 2026
Orlando, Florida

New Trustees Institute—Level I: Core Concepts
February 23-25, 2026
Orlando, Florida

June 15-17, 2026
San Diego, California

Trustees Institute—Level II: Concepts in Practice
February 21-22, 2026
Orlando, Florida

June 13-14, 2026
San Diego, California

Public Plan Trustees Institute—Level I
February 23-24, 2026
Orlando, Florida

Advanced Trustees and Administrators Institute
February 23-25, 2026
Orlando, Florida

June 15-17, 2026
San Diego, California

36th Annual Art & Science of Health Promotion Conference
March 25-27, 2026
Colorado Springs, Colorado

Health Care Management Conference
April 20-21, 2026
Austin, Texas

Investment Institute
April 22-23, 2026
Austin, Texas

Employee Benefits Courses and Certificates
April 27-May 2, 2026
Scottsdale, Arizona

September 28-October 3, 2026
Orlando, Florida

Portfolio Concepts and Management
May 11-14, 2026
Philadelphia, Pennsylvania

Washington Legislative Update
May 18-19, 2026
Washington, D.C.

Public Plan Trustees Institute—Level I and Level II
June 15-16, 2026
San Diego, California

Accounting and Auditing Institute for Employee Benefit Plans
June 15-17, 2026
San Diego, California

Understanding Negotiated Employee Benefits
July 14-15, 2026
Brookfield, Wisconsin

Designing Curriculum to Close the Skills Gap
July 21-22, 2026
Brookfield, Wisconsin

Annual Wellness Summit
July 28-30, 2026
Nashville, Tennessee

45th Annual ISCEBS Employee Benefits Symposium
August 23-26, 2026
Phoenix, Arizona

Collection Procedures Institute
September 28-29, 2026
Orlando, Florida

72nd Annual Employee Benefits Conference
October 25-28, 2026
New Orleans, Louisiana
Preconferences: October 23-25, 2026

New Trustees Institute—Level I: Core Concepts

Trustees Institute—Level II: Concepts in Practice

Public Plan Trustees Institute—Level I and Level II

Trustees Masters Program (TMP)

TMP Advanced Leadership Summit

www.**ifebp.org**/education

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International Foundation OF EMPLOYEE BENEFIT PLANS®

Investments
Institute

April 22-23, 2026
Omni Austin Hotel Downtown
Austin, Texas

Securing Tomorrow's Investments Today

www.**ifebp.org**/investments

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April 22-23, 2026
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Securing Tomorrow's Investments Today

The year ahead is poised to bring meaningful changes for institutional investors. Market uncertainty remains a dominant theme, shaped by inflation, liquidity concerns, geopolitical risk and a rapidly evolving global economy. As a fiduciary, your role is not just to understand these shifts but to position your funds to benefit from them while protecting and enhancing returns for your plan members.

The Investments Institute delivers relevant sessions and insights, led by industry experts. You'll gain the knowledge, strategies and confidence needed to navigate the challenges ahead and ensure your fund's long-term success.

Who Should Attend

The Investments Institute is designed for individuals involved in setting investment policy for defined benefit and defined contribution retirement plans, health and welfare plans, and joint apprenticeship and training committees, including:

- Trustees
- Administrators and staff
- Corporate officers and executives
- Finance personnel.

Benefits of Attending

- Learn from highly regarded experts in the field of investing.
- Network with peers who are facing similar challenges.
- Hear current perspectives on the global economy.
- Discuss your fund's strategies with peers from other benefit plans.
- Take advantage of the intimate learning environment and get your specific questions answered.

Why You Need to Attend in 2026

If you're looking for a deep dive into timely topics, the **Investments Institute** is the place for you!

1. **Learn From the Experts**
   You'll gain the knowledge, strategies and confidence needed to navigate the challenges ahead and ensure your fund's long-term success. Hear current perspectives on the global economy.

2. **Quality Networking**
   Attendees will have direct contact with and access to industry professionals and their peers to find solutions and make lasting connections.

3. **Get Your Questions Answered**
   The content is meant to take a deeper dive into investment institute topics in an intimate setting designed to answer the questions and address the obstacles your fund faces in your day-to-day operations.

4. **Lasting Investment in Education**
   Attendees will walk away with access to all conference session presentations and takeaways for 90 days to utilize as a lasting postconference resource.

SESSIONS AT A GLANCE

Breakfasts, lunches and welcome reception included!

WEDNESDAY | April 22, 2026	
8:15-9:30 a.m.	Markets in Transition: What to Look for Over the Next Year
9:45-10:45 a.m.	Smart Asset Allocation for Uncertain Times
11:00 a.m.-12:00 noon	Private Markets at a Crossroads
1:00-2:00 p.m.	Bricks and Mortar, Market Shifts: The Future of Real Estate Investing
2:15-3:15 p.m.	Infrastructure and Public–Private Partnerships: Building Resilient Portfolios
3:30-4:30 p.m.	Portfolio Case Study Roundtables
THURSDAY | April 23, 2026	
8:30-9:30 a.m.	From Buzz to Portfolio Impact: AI in Institutional Investing
9:45-10:45 a.m.	Fixed Income's Role in Volatile Markets
11:00 a.m.-12:00 noon	Austin to Auckland: Opportunities in Global Markets
1:00-2:00 p.m.	The True Cost of Investing: Understanding Benchmarking and Fees
2:15-3:15 p.m.	Paying Out Without Paying the Price: Decumulation for Multiemployer Plans

(All times are listed in Central Standard Time.)

Register online at
www.**ifebp.org**/investments.

PROGRAM SCHEDULE

(All times are listed in Central Standard Time.)

TUESDAY, April 21, 2026

3:00-5:00 p.m.

Registration/Information

WEDNESDAY, April 22, 2026

7:30-8:15 a.m.

Registration/Information

7:30-8:15 a.m.

Continental Breakfast

8:15-9:30 a.m.

Markets in Transition: What to Look for Over the Next Year

Because of inflation, trade policies and global markets are recalibrating. This market update will unpack the economic signals trustees should monitor to guide long-term fund stability.

9:45-10:45 a.m.

Smart Asset Allocation for Uncertain Times

Trustees face fast-moving markets and must reassess asset mix and liquidity. Learn how to balance growth and risk, set rebalancing guardrails and use diversifiers to keep the plan on track.

WEDNESDAY, April 22, 2026 *(continued)*

11:00 a.m.-12:00 noon

Private Markets at a Crossroads

With private markets now overtaking public markets in many portfolios, trustees need to understand how slowing distributions and liquidity pressures are testing investors' patience. This session will cover how private equity managers and trustees are adapting to tighter cash flows, the rise of secondaries and changing valuation dynamics. It will also examine what these shifts mean for long-term allocation, pacing and plan liquidity management.

12:00 noon-1:00 p.m.

Lunch

1:00-2:00 p.m.

Bricks and Mortar, Market Shifts: The Future of Real Estate Investing

From office building downturns to the surge in industrial and multifamily housing, real estate is at an inflection point. This session will explore how trustees can balance long-term stability while mitigating risk by reassessing portfolio exposure, monitoring manager performance and identifying opportunities in emerging sectors that align with fund objectives.

2:15-3:15 p.m.

Infrastructure and Public–Private Partnerships: Building Resilient Portfolios

Public–private partnerships and infrastructure projects are gaining momentum as viable investments. Learn how trustees can evaluate opportunities, measure risk and return, and ensure infrastructure aligns with plan objectives.

WEDNESDAY, April 22, 2026 *(continued)*

3:30-4:30 p.m.

Portfolio Case Study Roundtables

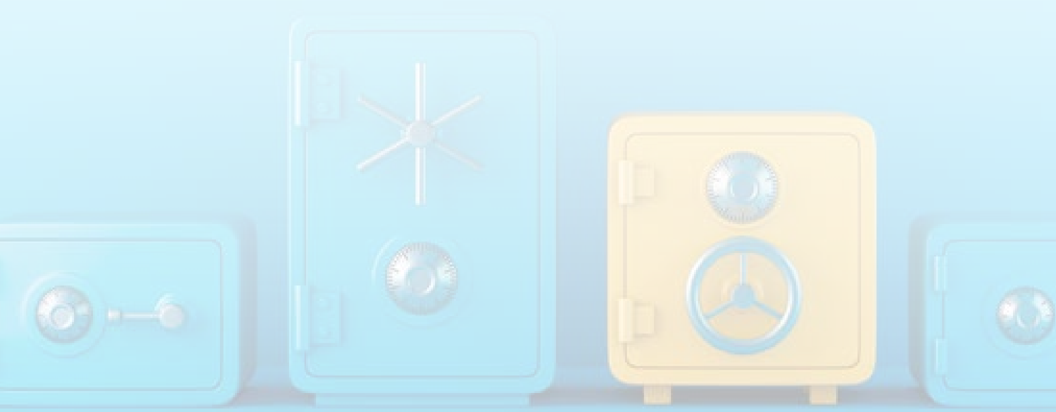
This highly interactive session will feature cross-sector case studies and allow trustees to share how they would navigate evolving investment issues. The session encourages peer-to-peer discussion and the exchange of real-world decision-making experiences.

4:30-5:30 p.m.

Welcome Reception (Guests Welcome)

Refreshments and light hors d'oeuvres will be served.

Register online at
www.**ifebp.org**/investments.



THURSDAY, April 23, 2026

7:30-8:30 a.m.

Registration/Information

7:30-8:30 a.m.

Continental Breakfast

8:30-9:30 a.m.

From Buzz to Portfolio Impact: AI in Institutional Investing

Artificial intelligence is reshaping how investment decisions are made, from manager research and portfolio construction to market analysis. This session explores how trustees can assess the growing use of AI in investment strategies, understand its opportunities and limitations, and ensure fiduciary responsibility remains at the center of decision making.

9:45-10:45 a.m.

Fixed Income's Role in Volatile Markets

Fixed income is back in focus. This session looks at derisking strategies and how trustees can use bonds and credit to provide stability without sacrificing opportunity. Discussion will also address how changing interest rates, inflation trends and global debt markets are reshaping the role of fixed income in long-term plan strategy.

11:00 a.m.-12:00 noon

Austin to Auckland: Opportunities in Global Markets

As the U.S. market concentration in a small number of companies grows and geopolitical shifts reshape global trade, trustees must look beyond domestic borders for opportunity. Explore how global and emerging markets are able to strengthen diversification and improve long-term portfolio resilience.

THURSDAY, April 23, 2026 *(continued)*

12:00 noon-1:00 p.m.

Lunch

1:00-2:00 p.m.

The True Cost of Investing: Understanding Benchmarking and Fees

Trustees face increasing pressure to justify investment costs. This session will review how to assess and compare fees across asset classes, ensure costs align with performance and plan objectives, and benchmark expenses effectively to identify when your fund may be paying more than necessary for similar results.

2:15-3:15 p.m.

Paying Out Without Paying the Price: Decumulation for Multiemployer Plans

With more members entering retirement, trustees must rethink how plan assets can support lifetime income without eroding plan stability. This session will examine practical decumulation strategies used by funds, including liability-driven investing, sustainable withdrawal methods and effective communication planning to help members make informed retirement decisions.

Register online at
www.**ifebp.org**/investments.

Hotel Information

Omni Austin Hotel Downtown
Austin, Texas

Reservation Deadline: March 23, 2026

Rates: US$299.00 single/double occupancy (Additional US$20/person per night for a third and/or fourth guest)

Hotel Accommodations

Resort Fees: US$12/night (reduced from US$22/night)

Hotel Cancellation Policy: Hotel deposit forfeited for reservations canceled within 72 hours prior to arrival.

For additional hotel information, visit our Hotel/Travel tab at www.ifebp.org/investments.

**Note: Hotel room availability is not guaranteed outside of scheduled program dates.*

Hotel Details

Renewed in midcentury style, this downtown Austin hotel offers vibrant color and playful details from the lobby to your guest room. Walk to the Austin Convention Center or the Texas State Capitol for business. Just blocks away, dive into Austin's nightlife and hear live music in entertainment hotspots including Sixth Street, Rainey Street and the Red River Cultural District. There's no better place to experience the energy of the Texas capital than from the Omni Austin Hotel Downtown.

Location Details

One of the fastest growing cities in the United States, Austin is an exciting place to be, with multinational tech companies setting up shop here. Austin is also home to some of the most well-known live music festivals, such as South by Southwest and Austin City Limits. Most importantly, Austin provides a food and drink experience unmatched by many cities in the U.S.—from food truck tacos to BBQ brisket joints and local craft breweries. Stroll down Sixth Street and experience the best in Austin nightlife.

Sponsorship Opportunities

Sponsors will gain valuable exposure for their organizations when they network with **experienced** trustees, administrators, corporate officers and finance personnel who are involved with setting and managing their investment policies for both defined benefit and defined contribution plans.

Sponsorship Levels

Gold | *Attendee Lunch*
Conference App
Lanyards SOLD
Welcome Reception
Spotlight Sponsorship

Sponsors receive one complimentary registration.

Silver | *Continental Breakfast*
Refreshment Break
Design Your Own Wellness Sponsorship (a fitness activity or provide a healthy snack)
Pens/Highlighters
Notepads
Hand Sanitizers
Sponsor-Provided Item

Sponsors receive one conference registration at 50% off.

Sponsorships at each level are recognized in a variety of ways, including on the conference web page and in preconference promotions, on conference signage and table tent cards at the sponsored event, with a company listing on the conference app, with **complimentary or discounted conference registrations, and more!**

Contact us today! Julie Ichiba | (262) 373-7674 | jichiba@ifebp.org

Learn more at www.**ifebp.org**/sponsorships.

Health Care Management Conference

Looking to extend your education? Attend the **Health Care Management Conference**, held immediately before the Investments Institute.

Monday, April 20-Tuesday, April 21, 2026

Omni Austin Hotel Downtown | Austin, Texas

Health fund fiduciaries are on the front lines of a rapidly shifting health care environment. They are tasked with balancing the needs of participants and the sustainability of their funds. Fulfilling these duties in the face of new therapies, aging plan populations and double-digit annual cost increases requires stakeholders to be nimble.

This year's conference will take a proactive approach to coverage, allowing attendees to identify trends that are driving cost and impacting outcomes while adapting to the unknown. Conference sessions will be hands-on and practical, combining lectures, interactive case studies and roundtable discussions. Each session has formal learning objectives to clearly communicate outcomes. Attendees will have direct contact with peers and industry professionals to ensure that their needs are met.

Content Designed for Your Role

- Trustees of multiemployer trust funds of any size
- Third-party and salaried administrators and key staff
- Members of bargaining committees
- Fiduciaries, staff and trustees from governmental plans

Register today at www.**ifebp.org**/healthcare.

ATTEND BOTH PROGRAMS AND SAVE US$500!

SESSIONS AT A GLANCE

MONDAY | April 20, 2026	
8:30-9:30 a.m.	Adapting to a Shifting Landscape—Federal Implications
9:45-10:45 a.m.	Adapting to a Shifting Landscape—State-Level Implications
11:00 a.m.-12:00 noon	Prescription Drug Pipeline—What's Coming Next?
1:00-2:00 p.m.	Weight-Loss Offerings—Balancing Cost and Results
2:15-3:15 p.m.	Mental Health and Substance Use Disorder Benefit Update
3:30-4:30 p.m.	Fraud Prevention Initiatives—Protecting Plan Assets
TUESDAY | April 21, 2026	
8:30-9:30 a.m.	Using Plan Data to Improve Outcomes
9:45-10:45 a.m.	Cost Containment— Who Are You Paying, and What Are You Paying For?
11:00 a.m.-12:00 noon	Navigating Health Claim Denials
1:00-2:00 p.m.	Hot Topics in Health—Speaker Debates
2:15-3:15 p.m.	Preventive Services—Accessing Vital Information
3:30-4:30 p.m.	Advancements in Care—Success Stories

(All times are listed in Central Standard Time.)

Plan Ahead

MAY 2026

18-19 **Washington Legislative Update**
Washington, D.C.
www.**ifebp.org**/washington

JUNE 2026

15-17 **Accounting and Auditing Institute for Employee Benefit Plans**
San Diego, California
Virtual Option Available
www.**ifebp.org**/accounting

15-17 **Advanced Trustees and Administrators Institute**
San Diego, California
www.**ifebp.org**/junetrustees

JULY 2026

28-30 **Annual Wellness Summit**
Nashville, Tennessee
www.**ifebp.org**/annual-wellness-summit

AUGUST 2026

23-26 **45th Annual ISCEBS Employee Benefits Symposium**
Phoenix, Arizona
www.**ifebp.org**/symposium

OCTOBER 2026

25-28 **72nd Annual Employee Benefits Conference**
New Orleans, Louisiana
Virtual Option Available
www.**ifebp.org**/usannual

REGISTRATION

Register today at www.ifebp.org/investments.

CONFERENCE REGISTRATION FEES

Through March 11, 2026	Member: US$1,795	Nonmember: US$2,015
After March 11, 2026	Member: US$2,095	Nonmember: US$2,315

Save US$300 when you register before March 11!

POLICIES

Cancel and transfer fees are based on registration fee paid: 60+ days before meeting is 10%; 31-59 days before meeting is 25%; within 30 days of meeting is 50%. Registration fee is forfeited once program commences. For details and the current policy, see www.ifebp.org/policies.

CONTINUING EDUCATION CREDIT

Continuing education (CE) credit for professions and designations MAY be available for attendance at live sessions. You must request CE credit on your program registration at least 60 days prior to the beginning of the program so that the Foundation can seek preapproval from the governing agency. More information is available at www.ifebp.org/ce.

Note: Requests made for CE credit do not guarantee administration of credit. For further information on CE credit, please call (262) 786-6710, option 2, or email continuinged@ifebp.org.

CEBS COMPLIANCE APPROVED Educational sessions at this program can qualify for self-reported CEBS® Compliance credit. Visit www.cebs.org/compliance for additional information.

INTERNATIONAL FOUNDATION MISSION

The International Foundation of Employee Benefit Plans is the premier educational organization dedicated to providing the diverse employee benefits community with objective, solution-oriented education, research and information to ensure the health and financial security of plan beneficiaries worldwide.

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April 22-23, 2026
Austin, Texas

Register by March 11 to save US$300 with the early registration discount!

Visit www.**ifebp.org**/investments to register.

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EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: March 19, 2026

MEMO TO: Members of the Retirement Board

THROUGH: Cindy R. Charan, Director of Human Resources Cindy R. Charan

FROM: Lisa Sorani, Manager of Employee Services Lisa Sorani

SUBJECT: PensionGold (LRS) Implementation Project Update

SUMMARY

This memo provides a status update on the implementation of the PensionGold (LRS) project and related Human Resources technology initiatives.

DISCUSSION

Project Sponsor Update

Human Resources continues to make progress across several key initiatives:

- **HRIS Core Replacement Project**
  The Product Owner for this project retired in January. Since that time, Project Sponsor Cindy Charan engaged Info-Tech to provide IS Administrator level support coordination across the three major projects currently underway within the HR and Finance teams. This resource will help strengthen governance across the initiatives, which rely on many of the same staff resources. Info-Tech will also support clear communication with Steering Committees regarding project risks, resource constraints, and potential impacts, enabling timely and informed decision-making to keep all three projects progressing.

- **Payroll Replacement Project**
  The contract with Workday and the implementation partner, Strada, has been finalized and approved by the Board of Directors. Early staging activities and pre-project meetings with Workday and Strada have begun. The teams are also continuing to assess potential impacts and dependencies related to the HRIS Core Replacement project.

- **Retirement Services / PensionGold Project**
  In December, staff worked to identify additional resources to support the PensionGold project and secured contractor support through LRS. One of the contractors will assume portions of the project management responsibilities from the current Project Manager, who has been supporting the PensionGold implementation since its inception but is also leading the HRIS Core project as it moves forward.

The contract Project Manager and an HR Business Analyst began work on February 9, 2026. The contract PM has been tasked with finalizing the project plan within the first 60 days so that the Steering Committee can confirm a go-live date for PensionGold. The implementation timeline is also being evaluated in light of dependencies related to the Emergency Payroll system and the HRIS Core Project.

Product Owner Update

The Project team has a completed a significant portion of the UAT testing for Software Deliverable Five (SWD5) – MemberDirect and Compliance. The Project team also participated in the four-day HR Technology Strategy workshop in December as their work will be closely aligned with the broader HRIS initiative. Efforts are continuing to retest functionality and address previously identified issues.

Key Tasks

- The Product Owner and Project Manager are working to quantify the remaining project tasks to determine a go-live date.

- Staff met with Retirement System staff for the Metropolitan Water Reclamation District of Greater Chicago (MWRDGC) and discussed their PensionGold implementation and their post go-live staffing levels.

- PensionGold requirements for the new HIB tier have been delivered to the vendor.

- The Pension Project team continues to support the Emergency Payroll Replacement Project and PeopleSoft development for the new HIB tier. There are discussions regarding mid-cycle budget requests to support system administration and post go-live work.

- Operational Transition Planning: A formal transition plan is being developed to transfer PensionGold responsibilities to Retirement Services and Payroll. Due to competing initiatives, additional training and structured knowledge transfer are required to ensure sustained operational readiness before full ownership is assumed.

- Operational Readiness Documentation: Development of standardized procedures and job aids to support a controlled and sustainable transition of PensionGold responsibilities to Retirement Services.

- Development of EBMUDERS web pages on ebmud.com for retiree and employee access to retirement system information is in progress.

Active Risks – Cross-System Dependencies and Data Integrity

The District is concurrently implementing three major enterprise systems: PensionGold, a new Payroll system, and a new Core HR system. These initiatives rely on many of the same subject matter experts and technical resources, creating capacity constraints and interdependencies that require careful coordination and active management.

In addition, implementation of the newly negotiated HIB tier requires development in PeopleSoft and configuration updates within PensionGold. These cross-system changes introduce integration and testing dependencies.

The Project team is also monitoring production timekeeping defects within the payroll environment that affect pay accuracy in certain scenarios. Because pension calculations rely on accurate payroll data, resolution and validation of these issues is necessary to mitigate potential downstream impacts such as retroactive recalculations.

External vendors are engaged, and remediation efforts are underway. While no immediate impact to PensionGold go-live has been confirmed, this dependency presents schedule and cost risk if resolution extends into critical integration or cutover periods.

CRC:LS:vw