



**PENSION FUND TRUSTEES MEETING
LANSING BOARD OF WATER AND LIGHT BOARD OF COMMISSIONERS
AGENDA**

November 15, 2022

4:30 P.M. – 1201 S. Washington Ave., Lansing, MI 48910

The BWL full meeting packet and public notice/agenda is located on the official web site at <https://www.lbwl.com/about-bwl/governance>.

Call to Order

Roll Call

Public Comments

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 - a. Pension Fund Trustees Meeting (November 16, 2021) – David Price, Chairperson
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6. Post-Employment Benefit Plan (VEBA)..... **TAB 9-12**
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Other

Adjourn



**LANSING BOARD OF WATER & LIGHT
PENSION FUND TRUSTEES MEETING MINUTES
November 16, 2021**

The Pension Fund Trustees of the Lansing Board of Water & Light (BWL) met at the BWL Headquarters in the REO Town Depot located at 1201 S. Washington Ave., Lansing, MI) at 5:00 P.M. on Tuesday, November 16, 2021.

Trustee and Board Chairperson David Price called the meeting to order at 5:00 p.m.

Corporate Secretary Griffin called the Roll:

The following Trustees were present: Beth Graham (arrived @5:26 p.m.), Dusty Horwitt (arrived at 5:22 p.m.), Semone James (arrived @5:22 p.m.), DeShon Leek, Tony Mullen, David Price, Tracy Thomas, and Sandra Zerkle. Also Present: Douglas Jester (East Lansing), Larry Merrill (Delta Township), and Brian Ross (DeWitt Township)

Absent: None

The Corporate Secretary declared a quorum.

Public Comments

None.

Approval of Minutes

Motion by Trustee Zerkle and Seconded by Trustee Mullen to approve the minutes from the November 17, 2020; March 16, 2021; and May 25, 2021 Pension Fund Trustees Meetings.

Action: Motion Carried.

Pension Fund

Chief Financial Officer (CFO) Heather Shawa provided an overview of the information from the Pension Memo and Pension Dashboard. VEBA plan updates include Atlanta Capital being appointed to replace Aristotle as a VEBA small/mid cap investment manager, amending the plan for non-bargaining employee premium sharing, and executing three rebalancing transactions as needed for the VEBA Trust to maintain required asset allocations. DC plan updates include the transition to Nationwide, application to an IRS Voluntary Correction Program for DC Plans 1 & 2, and extending the Captrust contract for investment advisory services through 5/31/2023. The DB Plan has approximately \$62 million in funded assets and 127% funding status; the VEBA Plan has approximately \$248 million in funded assets and 168% funding status. This is an increase of 39% which is largely due to market performance of 25% returns. These results were achieved while maintaining very low fees of 0.65% and 0.63%. The 401(a) and 457(b) plans have 1,081 and 966 participants respectively and there are 261 active loans.

Commissioner Zerkle asked how the loans were repaid and what percentage was lost by taking out a loan on the 401. CFO Shawa responded that the participants repay their loans and can have up to

two loans outstanding. CFO Shawa responded that it depended on their asset allocation. Mr. Taylor responded that the money borrowed wouldn't be part of market returns on what is invested.

Mr. Scott Taylor, BWL Finance Manager, introduced the financial advisory panel. The Panel provided financial plan information and followed by a question and answer session.

- 1) Nathan Burk, Vice President and Senior Consultant with Asset Consulting Group (ACG); ACG assists in investment allocation, evaluation of investment managers, reporting of investment performance and investment policy statements.
- 2) Mark Miller, Founder and Principal Consultant with Benassist Retirement Consulting, LLC; Mr. Miller provides actuarial evaluation reports, assists with required annual state filing requirements, and performs calculations for DB employee benefits at retirement.
- 3) Anthony Bergstrom, Financial Advisor and Relationship Manager with Captrust; Captrust assists with fund line up selection and monitoring, investment performance reporting, fee benchmarking and fiduciary compliance for the DC plans.
- 4) Michael Burkhart, Executive Relationship Manager with Nationwide; Nationwide is the DC Plan administrator and provides personalized resources to help employees and retirees reach their financial goals.

Mr. Nathan Burk gave a capital market update for 2021. Mr. Burke stated that as the market came from the bottom due to the pandemic, due to the cutting of Federal Reserve interest rates to zero and pumping liquidity into the system, there were strong equities in the fiscal year period—up on average of about 40% to 60%. Fixed income rates were a little higher and private real estate was higher due to the industrial sector. Mr. Burke noted that the VEBA plan had a 25.2% return on assets for FY 2021 and the DB plan had a return of 22.13%.

Commissioner Mullen asked if anything special is done with real estate investments, relating to the real estate situation in 2008. Mr. Burk responded that there are two primary real estate managers in the VEBA and DB plans who invest in high quality properties without taking a lot of risk. Commissioner Mullen also asked if the real estate situation with China has any effect on decisions made. Mr. Burke responded that all of the real estate investments are domestic.

Chair Price asked how unusual it was for retirement funds to have a 25% return in one year. Mr. Burke responded that it is not common, not to be expected and it was a very good year.

Mr. Mark Miller spoke about the actuary of the DB and VEBA plans funding. He noted that the funded status for the DB plan is 127.3% while the average for funded plans in Michigan is 75%. The funded status for the VEBA plan is 167.8% while the average for funded plans in Michigan is 50.9%. BWL is in the top 3% out of 862 Michigan plans.

Mr. Anthony Bergstrom with Captrust spoke about the investment management, fiduciary process, plan design, vendor monitoring, and participant engagement for the 401(a) and 457(b) plans and the conversion from ICMA to Nationwide.

Mr. Michael Burkhart with Nationwide provided information about the retirement services that Nationwide furnishes.

RESOLUTION #2021-11-01

ACCEPTANCE OF 2021 AUDITED FINANCIAL STATEMENTS FOR DEFINED BENEFIT PENSION PLAN, DEFINED CONTRIBUTION PENSION PLAN, AND RETIREE BENEFIT PLAN

Resolved, that the Corporate Secretary receive and place on file the Defined Benefit, Defined Contribution, and Retiree Benefit Plan reports presented during the Pension Trustee Meeting.

Staff comments: All three Plans received clean audit reports.

Motion by Trustee Mullen, **Seconded** by Trustee Zerkle, to accept the 2021 Audited Financial Statements for Defined Benefit Pension Plan, Defined Contribution Pension Plan, and Retiree Benefit Plan.

Action: Motion Carried.

Other

None.

Adjourn

There being no further business, the Pension Fund Trustees meeting adjourned at 5:47 p.m.

Approved by the Trustees on _____, 2022



**Lansing Board of Water and Light
FY 2022 Pension Trustee Packet for 11-15-2022**

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M E M O R A N D U M

From: Heather Shawa – Chair, Retirement Plan Committee (RPC)

To: Board of Water and Light Trustees

Date: November 01, 2022

Subject: Annual Trustee Meeting – November 15, 2022

At the Annual Trustee Meeting to be held November 15, 2022, staff will summarize FY 2022 performance of the Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions ("DB"), the Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light ("VEBA"), and the participant-directed 401(a) Defined Contribution & 457(b) Deferred Compensation Plans and Trusts ("DC"). Representatives from Asset Consulting Group ("ACG") and Benassist Retirement Consulting ("Benassist") will be present to address DB and VEBA. Representatives from Nationwide and Captrust will be present to address DC.

Audited financial reports are included in the meeting packet. BWL's external auditor, Baker Tilly, has issued each report with an unmodified opinion. This indicates that the financial statements present fairly, in all material respects, the fiduciary position as of June 30, 2022, in accordance with accounting principles generally accepted in the United States of America.

DB & VEBA UPDATES

During the fiscal year 2022, the RPC completed the following notable actions:

- Established Administrative Services Agreement (ASA) between the BWL (the "employer") and VEBA. ASA governs the employer's administration of the post-retirement benefit plan for eligible employees of the BWL, it became effective January 1, 2022.
- Updated Statements of Investment Policies, Procedures and Objectives ("IPS") for both DB and VEBA were recommended and approved
- Extended ACG contract for investment advisory services for the DB and VEBA plans through 02/28/2023.

Actuarial Reports Overview

Included in the packet are the actuarial reports for DB and VEBA. These reports were prepared by Benassist using census data as of February 28, 2022, and financial data as of June 30, 2022. Benassist calculated the funding status and actuarially determined contribution (“ADC”) for each plan. ADC is the amount BWL is required to contribute to the Trust annually to provide adequate funding for payment of future benefits. The VEBA ADC decreased from \$220,026 in FY 2021 to \$0 in FY 2022.

DB	As of 6/30/2021	As of 6/30/2022
Actuarially Determined Contribution	\$0	\$0
Total Pension Liability	\$48.4 million	\$47.9 million
Fiduciary Net Position	\$61.7 million	\$50.7 million
Funded Status	127.3%	105.8%
Net Pension (Asset) / Liability	(\$13.2 million)	(\$2.8 million)

VEBA	As of 06/30/2021	As of 06/30/2022
Actuarially Determined Contribution	\$220,026	\$0
Total OPEB Liability	\$147.6 million	\$156.4 million
Fiduciary Net Position	\$247.7 million	\$228.1 million
Funded Status	167.8%	145.9%
Net OPEB (Asset) / Liability	(\$100.1) million	(\$71.7) million

Asset Class Allocation

Investments for DB and VEBA are directed by the plan sponsor, BWL, under the guidance of the Statement of Investment Policies, Procedures and Objectives (“IPS”) for each plan.

Listed below are the asset class allocations for DB and VEBA. Except for Real Estate Assets, all investment allocations fell within target ranges at fiscal year-end. The RPC initiated rebalancing transactions in August 2022 which will bring the allocation back in to target range when completed.

<u>Asset Class:</u>	<u>Fund Allocation as of 06/30/2022</u>	
	<u>DB</u>	<u>VEBA</u>
<u>US Large Cap Equity:</u>		
Loomis Sayles	10.67%	13.26%
Vanguard Russell 1000 Value	12.27%	15.65%
<u>US Small/Mid Cap Equity:</u>		
Atlanta Capital	9.71%	9.66%
<u>Non-US Equity:</u>		
Harding Loevner Int'l Equity	8.95%	8.62%
Lazard Int'l Equity	9.53%	7.99%
<u>Fixed Income:</u>		
JPMorgan Core Bond	19.36%	13.00%
Fidelity Tactical Bond	9.48%	5.18%
BlackRock Strategic Income	9.20%	5.52%
<u>Real Estate Assets:</u>		
AEW Core Property Trust	8.49%	10.98%
Blackstone Property Partners	0.00%	9.95%
<u>Cash & Cash Equivalents:</u>		
Cash & Cash Equivalents	2.35%	0.19%

Management Fees

The IPS prescribes that consideration will be given to fees prior to retaining professionals. The following table lists all fees associated with DB and VEBA funds as of June 30, 2022.

	Manager Fee	Custodial Fee	ACG Fee*	Total Fees
US Large Cap Equity				
Loomis Sayles	0.52 %	0.02 %	0.04 %	0.58 %
Vanguard Russell 1000 Value	0.07 %	0.02 %	0.04 %	0.13 %
US Small/Mid Cap Equity				
Atlanta Capital	0.82%	0.02 %	0.04 %	0.88 %
Non-US Equity				
Harding Loevner Int'l Equity	0.75 %	0.02 %	0.04 %	0.81 %
Lazard Int'l Equity	0.82 %	0.02 %	0.04 %	0.88 %
Fixed Income				
JP Morgan Fixed Income	0.30 %	0.02 %	0.04 %	0.36 %
Fidelity Tactical Bond	0.36 %	0.02 %	0.04 %	0.42 %
BlackRock Strategic Income	0.65 %	0.02 %	0.04 %	0.71%
Real Estate Assets				
AEW Core Property Trust	1.10 %	0.02 %	0.04 %	1.16 %
Blackstone Property Partners	1.00 %	0.02 %	0.04 %	1.06 %

*ACG advisory fee is a flat dollar cost. For purposes of this report, this fee is shown as a weighted average of total assets under management.

Performance of Investment Managers

These charts show DB and VEBA investment returns from inception of BWL investment through June 30, 2022. The charts reflect investment managers employed by the BWL as of June 30, 2022. These returns are compared to the market index that most closely resembles each investment manager's style as described in the current IPS documents for DB and VEBA, respectively. Note that due to differing individual portfolio start dates and investment sectors, the comparative market index will vary between managers.

DB	Inception Date	Return	Index
Loomis Sayles	01/13	13.66%	15.07%
Vanguard	05/17	7.19%	7.24%
Atlanta Capital	08/18	7.87%	4.45%
Harding Loevner Int'l Equity	09/17	2.92%	2.19%
Lazard Int'l Equity	09/17	1.25%	2.19%
JP Morgan	01/09	3.28%	2.80%
Fidelity Tactical Bond	09/18	2.63%	1.07%
BlackRock Strategic Income	09/17	2.32%	0.63%
AEW Core Property Trust	01/19	10.55%	10.55%

VEBA	Inception Date	Return	Index
Loomis Sayles	01/13	13.43%	15.07%
Vanguard	05/17	7.19%	7.24%
Atlanta Capital	04/21	(4.17%)	(13.60%)
Harding Loevner Int'l Equity	09/17	2.91%	2.19%
Lazard Int'l Equity	09/17	1.25%	2.19%
JP Morgan	01/09	3.32%	2.80%
Fidelity Tactical Bond	09/18	2.29%	1.07%
BlackRock Strategic Income	09/17	2.30%	0.63%
AEW Core Property Trust	01/19	10.55%	10.55%
Blackstone Property Partners	10/19	11.21%	12.37%

DC UPDATES

The BWL continues to sponsor three DC Plans whose participants elect their own investments from a menu designed by the Plan Sponsor:

- The Lansing Board of Water and Light Defined Contribution Plan and Trust 1 (“DC Plan 1”)
- The Lansing Board of Water and Light Defined Contribution Plan and Trust 2 (“DC Plan 2”)
- The Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust (“457 Plan”)

During fiscal year 2022, the RPC completed the following notable actions:

- Amended and Restated DC Plan 1 and DC Plan 2 plan documents effective January 1, 2022 to comply with the Internal Revenue Service’s 6-year restatement requirement

Retirement Plans Dashboard: FY 2022

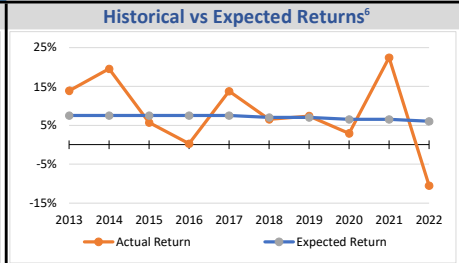
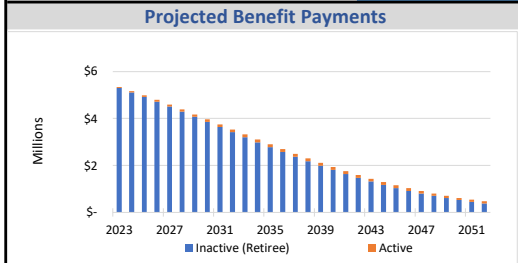


Lansing Board of Water & Light: Defined Benefit Plan - 06/30/2022

Funding Status		Returns	
Fiduciary Net Position	\$ 50,658,774	FY 2022 Return on Assets	-10.55%
Total Pension Liability	\$ 47,886,693	Expected Return	6.00%
Funding Status	106%	Median Expected Return ²	7.00%
Average Funding Percentage ¹	76%	% Over/Under Median	-1.00%
Actuarially Determined Contribution (ADC)	\$ -		
FY 2022 Total Revenues	\$ 397,149,164		
ADC as % of Revenues	0.00%		

Change in Assets		Participants ³	
FY 2022 Beginning Market Value	\$ 61,658,099	Total Active Participants	3
FY 2022 Contributions	\$ -	Total Inactive Participants	2
FY 2022 Net Investment Income	\$ (5,398,557)	Total Retiree Participants	284
FY 2022 Distributions	\$ (5,600,768)	Total Participants	289
FY 2022 Ending Market Value	\$ 50,658,774		
FY 2022 Inc/(Dec) in Market Value	\$ (10,999,325)		

Asset Allocation			
Asset Class	Allocation	Target Allocation	
US Equity	33%	25 - 45%	
Non-US Equity	18%	15 - 25%	
Fixed Income	38%	20 - 50%	
Real Assets	8%	0 - 10%	
Cash & Equivalents	2%	0 - 5%	



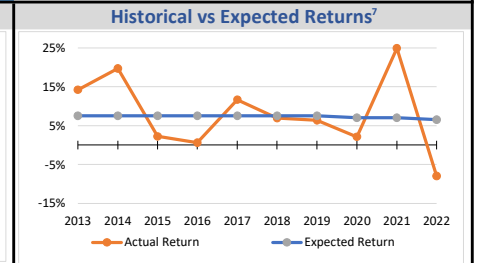
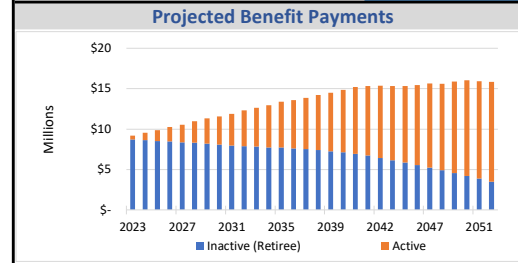
Approximate Plan Fees			
Type	Annual Fees Paid	% of Assets	
Investment Fees ⁴	\$ 264,414	0.43%	
Custodial Fees	\$ 8,015	0.01%	
Advisory Fees ⁵	\$ 55,000	0.09%	
Total	\$ 327,429	0.53%	

Lansing Board of Water & Light: VEBA Plan - 06/30/2022

Funding Status		Returns	
Fiduciary Net Position	\$ 228,140,094	FY 2022 Return on Assets	-7.98%
Total OPEB Liability	\$ 156,408,876	Expected Return	6.5%
Funding Status	146%		
Prior Year Funding Percentage	168%		
Actuarially Determined Contribution (ADC)	\$ -		
FY 2022 Total Revenues	\$ 397,149,164		
ADC as % of Revenues	0.00%		

Change in Assets		Participants ³	
FY 2022 Beginning Market Value	\$ 247,743,227	Total Active Participants	696
FY 2022 Contributions	\$ 13,492,757	Total Retiree Participants	761
FY 2022 Net Investment Income	\$ (19,249,317)	Total Participants	1,457
FY 2022 Distributions	\$ (13,846,573)		
FY 2022 Ending Market Value	\$ 228,140,094		
FY 2022 Inc/(Dec) in Market Value	\$ (19,603,133)		

Asset Allocation			
Asset Class	Allocation %	Target Allocation	
US Equity	39%	30 - 50%	
Non-US Equity	17%	15 - 25%	
Fixed Income	24%	10 - 50%	
Real Assets	21%	0% - 20%	
Cash & Equivalents	< 1%	0% - 5%	



Approximate Plan Fees			
Type	Annual Fees Paid	% of Assets	
Investment Fees ⁴	\$ 1,179,169	0.48%	
Custodial Fees	\$ 36,910	0.01%	
Advisory Fees ⁵	\$ 55,000	0.02%	
Total	\$ 1,271,078	0.51%	

1 Average funding for state and local pensions nationwide as published Nov. 2022. Data obtained from Public Plans Database and PENDAT as provided by BWL's external advisor, ACG.

2 Median investment return assumption for public pensions from 2022 data obtained from NASRA Public Fund Survey Summary of Findings as provided by BWL's external advisor, ACG.

3 Participant data from actuarial census date of February 28, 2022.

4 Aggregate of explicit payments as well as underlying expense ratios. Certain investment fees are charged on a "% of Assets" basis and have been converted to an estimated dollar amount for purposes of this comparison.

5 Advisory fees are a flat dollar amount and have been converted to a "% of Assets" basis for purposes of this comparison.

6 In FY 2022, the expected return for the DB plan was reduced from 6.5% to 6.00%.

7 In FY 2022, the expected return for the VEBA plan was reduced from 7.00% to 6.50%.

Investment manager and advisory fees are accounted for on an accrual basis for purposes of this dashboard, but on a cash basis for purposes of external audit.

Due to rounding, sums and percentages in this dashboard may not precisely reflect absolute figures or those found in other reports.

Retirement Plans Dashboard: FY 2022



Lansing Board of Water & Light: Defined Contribution 401(a) Plans & Deferred Compensation 457(b) Plan

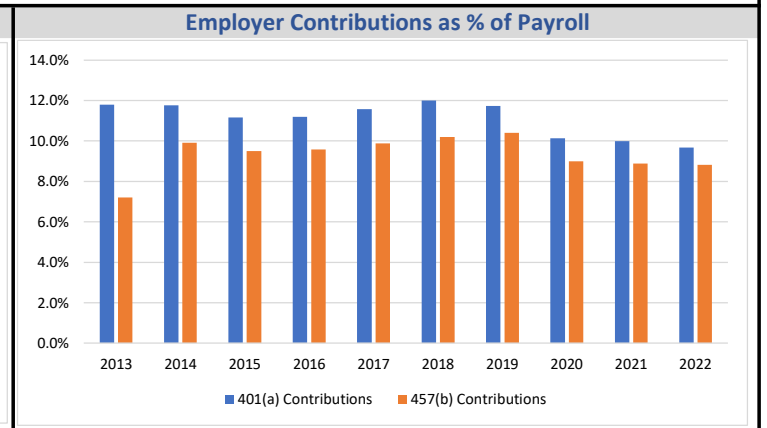
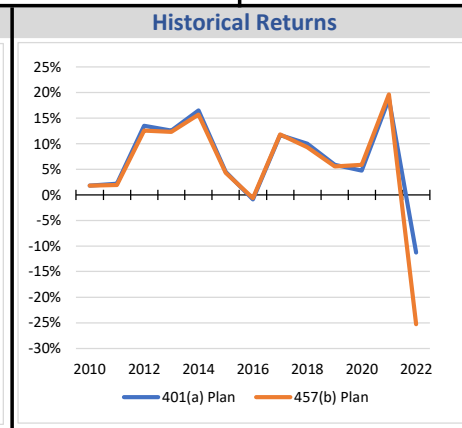
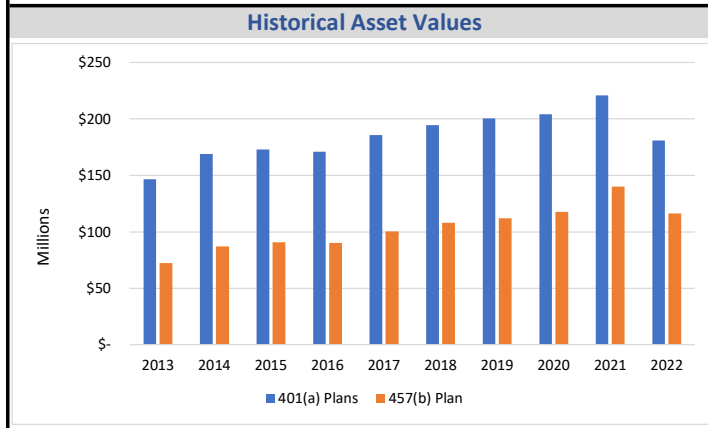
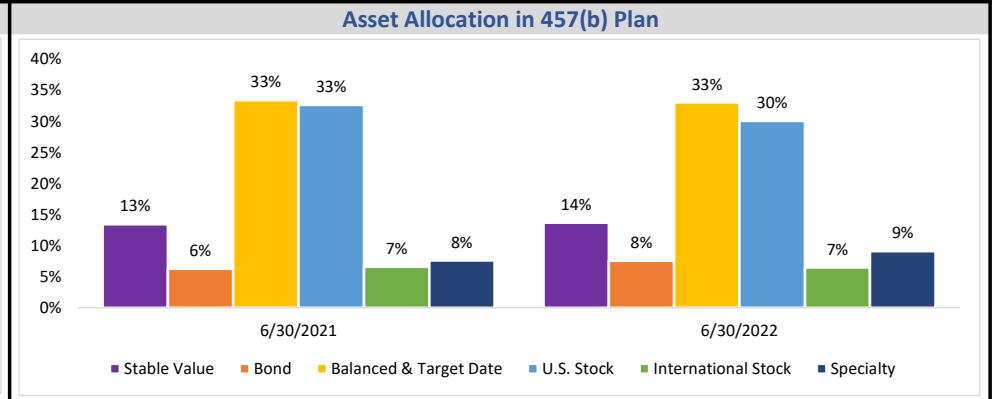
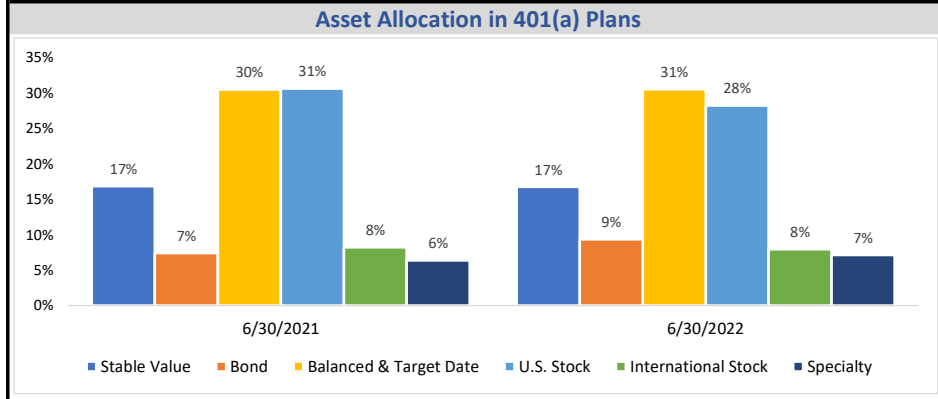
Total Participants		401(a) Loan Statistics		Aggregate Education Statistics		
Plan Type	Participants	Active Loans		Retirement Specialists	Certified Financial Planner	Seminars
401 Plan ¹	1,033	Total Loan Balance	\$ 3,061,515	65 days in service	16 Attendees	24 Seminars On Site
457 Plan ²	946	Avg Active Loan Balance	\$ 13,667	214 attendees		225 Attendees

Participants & Assets by Age Group: 401(a) Plans

Age Group	Average Balance	Total Participants	Total Assets
Under 30	\$ 24,596	60	\$ 1,475,782
30 - 39	\$ 54,547	168	\$ 9,163,896
40 - 49	\$ 106,361	223	\$ 23,718,465
50 - 59	\$ 194,737	264	\$ 51,410,465
60 - 69	\$ 331,779	215	\$ 71,332,400
70 & Up	\$ 230,652	100	\$ 23,065,164
N/A	\$ 229,783	3	\$ 689,348
Total		1,033	\$ 180,855,519

Participants and Assets by Age Group: 457(b) Plan

Age Group	Average Balance	Total Participants	Total Assets
Under 30	\$ 24,117	68	\$ 1,639,957
30 - 39	\$ 53,210	171	\$ 9,098,941
40 - 49	\$ 103,068	208	\$ 21,438,065
50 - 59	\$ 150,140	254	\$ 38,135,511
60 - 69	\$ 194,794	188	\$ 36,621,199
70 & Up	\$ 168,518	55	\$ 9,268,465
N/A	\$ 154	2	\$ 308
Total		946	\$ 116,202,447



1 401(a) Plans are employer contribution only.

2 457(b) Plan is employee contribution with an employer contribution of \$1,000 and an additional employer match up to \$1,500 per calendar year.

Due to rounding, sums and percentages in this dashboard may not precisely reflect absolute figures or those found in other reports

**Lansing Board of Water and Light
Defined Benefit Plan and Trust for
Employees' Pensions**

**Financial Report
with Required Supplementary Information
As of and for the Years Ended June 30, 2022 and 2021**

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

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Independent Auditors' Report

To the Honorable Mayor, Members of the City Council,
Commissioners of the Board of Water and Light of
Lansing Board of Water and Light
Defined Benefit Plan and Trust for Employees' Pensions

Opinion

We have audited the accompanying financial statements of the Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions (the Plan), a fiduciary fund of the Lansing Board of Water and Light, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan as of June 30, 2022 and 2021 and the respective changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Plan is presenting only the financial statements of the Plan and do not purport to, and do not, present fairly the financial position of the Lansing Board of Water and Light, as of June 30, 2022 and 2021, and the changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Baker Tilly US, LLP

Madison, Wisconsin
September 12, 2022

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Management's Discussion and Analysis (Unaudited)
As of and for the Years Ended June 30, 2022 and 2021

Using this Annual Report

The annual report consists of two parts: (1) Management's Discussion and Analysis (this section) and (2) the financial statements. The financial statements include notes that explain information in the statements and provide more detail.

Condensed Financial Information

The table below compares key financial information in a condensed format between the current year and the prior two years:

	2022	2021	2020
Assets held in trust:			
Money market collective trust fund	\$ 1,308,877	\$ 1,401,780	\$ 1,402,445
Mutual funds	24,919,695	33,017,321	27,724,351
Common collective funds	18,671,886	19,776,148	19,028,423
Common stock	5,259,217	7,460,769	7,429,429
Trade Receivable due from Broker	500,000	20,550	-
Interest and dividend receivable	1,171	1,964	2,247
Total assets held in trust	<u>\$ 50,660,846</u>	<u>\$ 61,678,532</u>	<u>\$ 55,586,895</u>
Liabilities - Accrued liabilities	\$ 2,072	\$ 20,433	\$ -
Net position restricted for pension	<u>50,658,774</u>	<u>61,658,099</u>	<u>55,586,895</u>
Total liabilities and net position	<u>\$ 50,660,846</u>	<u>\$ 61,678,532</u>	<u>\$ 55,586,895</u>
Changes in net position:			
Net investment income (loss)	\$ (5,398,557)	\$ 11,852,724	\$ 1,657,911
Benefits payments	(5,466,158)	(5,658,372)	(6,347,779)
Administrative fees	(134,610)	(123,148)	(145,084)
Net change in net position	<u>\$ (10,999,325)</u>	<u>\$ 6,071,204</u>	<u>\$ (4,834,952)</u>

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Management's Discussion and Analysis (Unaudited) (Continued) As of and for the Years Ended June 30, 2022 and 2021

Investment Results

The fiscal year ended June 30, 2022 saw a net investment loss of (\$5.4) million. We believe this performance is consistent with the experience of similarly situated employee benefit funds.

The Lansing Board of Water & Light's ("BWL") actuarially determined contribution ("ADC") as determined by the BWL's actuary was \$0 in fiscal year 2022, therefore no employer contributions were required.

The discount rate was 6.5% in fiscal year 2021 and 6.0% in fiscal year 2022

Investment Objectives and Asset Allocation

The Lansing Board of Water & Light Defined Benefit Plan and Trust for Employees' Pensions ("Plan") assets shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals. In establishing the investment objectives of the Plan, the BWL has considered the time horizon available for investment, the nature of the Plan's cash flows and liabilities, and other factors that affect the Plan's risk tolerance.

The investment of Plan assets is intended to result in moderate, long-term capital appreciation through moderate risk-taking. The Plan's overall investment objective is to earn an average, annual return of 6.0% over five-year rolling periods. Achievement of this objective is likely to result in stable contribution rates and ensure its ability to pay retirement benefits for all plan participants.

Consistent with the advice of the investment advisor, the BWL has selected the following target asset allocation strategy:

<u>Asset Class</u>	<u>Target Asset Allocation</u>
Core Bonds	20%
Multi-Sector	10%
Liquid Absolute Return	10%
U.S. Large Cap Equity	25%
U.S. Small Cap Equity	10%
Non-U.S. Equity	20%
Core Real Estate	<u>5%</u>
Total	100%

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Management's Discussion and Analysis (Unaudited) (Continued)
As of and for the Years Ended June 30, 2022 and 2021

Future Events

The Plan is currently overfunded, with a funded ratio (fiduciary net position divided by total pension liability) of 106%. This funding level results in an actuarially determined contribution of \$0 for fiscal year 2023. As a result, the BWL does not expect to make contributions to the trust in fiscal year 2023.

The Plan expects to make an annual withdrawal of approximately \$5,000,000 to cover participant benefits in fiscal year 2023.

Contacting the Plan's Management

The financial report is intended to provide a general overview of the Plan's finances and to demonstrate accountability for the funds it administers. Questions about this report should be submitted to Lansing Board of Water & Light Defined Benefit Plan and Trust for Employees' Pensions, Attn: Retirement Plan Committee, P.O. Box 13007, Lansing, Michigan 48901-3007.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Statements of Plan Fiduciary Net Position

	As of June 30	
	2022	2021
Assets		
Investments at fair value:		
Cash and money market trust fund	\$ 1,308,877	\$ 1,401,780
Mutual funds	24,919,695	33,017,321
Common collective funds	18,671,886	19,776,148
Common stocks	5,259,217	7,460,769
	<hr/>	<hr/>
Total investments at fair value	50,159,675	61,656,018
Trade receivable - due from broker	500,000	20,550
Receivable - investment interest receivable	1,171	1,964
	<hr/>	<hr/>
Total assets	50,660,846	61,678,532
Liabilities		
Trade payable - due to broker	2,072	20,433
	<hr/>	<hr/>
Net Position Restricted for Pensions	\$ 50,658,774	\$ 61,658,099

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Statements of Changes in Plan Fiduciary Net Position

	For the Year Ended June 30	
	2022	2021
Additions		
Investment income:		
Net appreciation in fair value of investments	\$ -	\$ 10,760,058
Interest and dividend income	2,102,005	1,092,666
Total investment income	2,102,005	11,852,724
Deductions		
Net depreciation in fair value of investments	7,500,562	-
Retiree benefits paid	5,466,158	5,658,372
Administrative expenses	134,610	123,148
Total deductions	13,101,330	5,781,520
Net Increase (Decrease) in Net Position	(10,999,325)	6,071,204
Net Position Restricted for Pensions		
Beginning of year	61,658,099	55,586,895
End of year	\$ 50,658,774	\$ 61,658,099

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
As of and for the Years Ended June 30, 2022 and 2021

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The Lansing Board of Water & Light (“BWL”) sponsors the Lansing Board of Water & Light Defined Benefit Plan and Trust for Employees’ Pensions (“Plan”), which is a noncontributory single-employer defined benefit, public employee retirement system established and administered by the BWL under Section 5-203.10 of the City Charter. A participant’s interest shall be fully vested when the participant has been credited with seven years of vesting service. The Plan was established in 1939 and has been amended several times, with the latest amendment effective July 1, 2010. Participants should refer to the Plan Document for a more complete description of the Plan’s provisions.

Accounting and Reporting Principles

The Plan follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board.

Basis of Accounting

Fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Employer contributions to the Plan are recognized when due pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Report Presentation

This report includes the fund-based statements of the Plan.

Investment Valuation and Income Recognition – Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales prices. Investments that do not have an established market are reported at estimated fair value.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
As of and for the Years Ended June 30, 2022 and 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Report Presentation (Continued)

Purchases and sales of securities are recorded on a trade-date basis.

Appreciation or depreciation of investments is calculated based on the beginning of year fair value of investments.

Expenses – Substantially all Plan expenses are paid by the Plan.

Use of Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Regulatory Status – The Plan is not subject to the reporting requirements of the Employee Retirement Income Security Act of 1974 (ERISA) as it has been established for the benefit of a governmental unit.

Note 2 – Plan Description

Plan Administration – The BWL administers the Plan – a noncontributory single-employer defined benefit pension plan for employees of the BWL. The benefit terms were established by the BWL and may be amended by future BWL actions.

Management of the Plan is vested in the BWL Board of Commissioners, which consists of eight members appointed by the mayor of the City of Lansing, Michigan. Board members have by resolution delegated administrative and investment duties to the BWL's Retirement Plan Committee ("RPC").

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 2 – Plan Description (Continued)

Plan Membership – At February 28, 2022 and February 28, 2021 (the most recent actuarial valuation for funding purposes), Plan membership consisted of the following:

	<u>2022</u>	<u>2021</u>
Inactive Plan members or beneficiaries currently receiving benefits	284	296
Inactive Plan members entitled to but not yet receiving benefits	2	2
Active Plan members	<u>3</u>	<u>3</u>
Total	<u><u>289</u></u>	<u><u>301</u></u>

The Plan, by resolution of the Board of Commissioners, was closed to employees hired subsequent to December 31, 1996, and a defined contribution retirement savings plan was established for employees hired after December 31, 1996. Effective December 1, 1997, all active participants in this Plan were required to make an irrevocable choice to either remain in this Plan (defined benefit) or move to the newly established defined contribution plan. Those participants who elected to move to the defined contribution plan received lump-sum distributions from this Plan that were rolled into their accounts in the newly established defined contribution plan. Of the 760 employees who were required to make this election, 602 elected to convert their retirement benefits to the newly established defined contribution plan. As a result of this action, effective December 1, 1997, the Board of Commissioners transferred \$75,116,470 to the newly established defined contribution plan, reflecting the Plan participants' accumulated benefits as of said date.

Benefits Provided – The Plan provides retirement, early retirement, disability, termination, and death benefits. The Plan provides for an annual benefit upon normal retirement age equal to the product of the employee's pension service credit (service credited on an elapsed time basis) multiplied by a percentage equal to 1.80% of the employee's annual pay (base pay plus bonus received during the year in which the base pay was the highest within the last ten years of employment), paid in equal monthly installments.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 2 – Plan Description (Continued)

Payments will either be nonincreasing or increase only as follows: (a) by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics; (b) to the extent of the reduction in the amount of the employee's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in Section 9 of the Plan document dies or is no longer the employee's beneficiary pursuant to a qualified domestic relations order within the meaning of Internal Revenue Code Section 414(p); (c) to provide cash refunds of employee contributions upon the employee's death; or (d) to pay increased benefits that result from a Plan amendment.

Contributions – Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, the BWL retains an independent, external actuary to determine the annual contribution. The actuarially determined contribution is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. There was no contribution required for the years ended June 30, 2022 and 2021. Plan documents do not require participant contributions.

Plan Termination – Although the BWL has not expressed any intent to terminate the Plan, the BWL has the right to do so at any time. If the Plan is terminated, each employee who has a pension benefit under the Plan will be fully vested in that benefit. Those benefits shall be calculated on Plan termination as though each person had elected to receive his or her accrued benefit as a lump sum amount, although no employee would be required to accept his or her Plan termination distribution in the form of a lump sum. The lump sum amount to be paid to each individual in any of the forms permitted by the Plan would be calculated in accordance with the Plan document. On termination of the Plan, each employee would have recourse toward satisfaction of his or her nonforfeitable benefit from the Plan assets and from the general assets of the BWL and its successor, if any.

The Plan is also authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, bonds, mutual funds, collective investment funds, diversified investment companies, annuity investment contracts, mortgages, real estate, debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
As of and for the Years Ended June 30, 2022 and 2021

Note 3 – Cash, Investments, and Fair Disclosure

The Plan's deposits and investment policies are in accordance with PA 196 of 1997; the Plan has authorized the investments according to Michigan PA 314 of 1965, as amended.

Custodial Credit Risk of Bank Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Plan's deposits may not be returned to it. The Plan requires that financial institutions must meet minimum criteria to offer adequate safety to the Plan. The Plan evaluates each financial institution with which it deposits funds and only those institutions meeting minimum established criteria are used as depositories. The Plan does not have any deposits exposed to custodial credit risk.

Custodial Credit Risk of Investments – Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan does not have a policy for custodial credit risk. At year end, all investments of the Plan were held in the name of the Plan and are therefore not subject to custodial credit risk.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The Plan's investment policy does not restrict investment maturities, other than commercial paper, which can only be purchased with maturities 270 days or less. The Plan has no investments subject to interest rate risk as of June 30, 2022 and June 30, 2021.

Credit Risk – State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Plan has no investment policy that would further limit its investment choices. The Plan has no investments subject to credit risk as of June 30, 2022 and June 30, 2021.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 4 – 401(h) Account

Effective July 1, 1999, the Plan was amended to include a medical-benefit component, in addition to the normal retirement benefits, to fund a portion of the postretirement obligations for certain retirees and their beneficiaries in accordance with Section 401(h) of the Internal Revenue Code (IRC). A separate account has been established and maintained in the Plan for the net assets related to the medical-benefit component 401(h) account. In accordance with IRC Section 401(h), the Plan's investments in the 401(h) account may not be used for, or diverted to, any purpose other than providing health benefits for retirees and their beneficiaries. Employer contributions or qualified transfers to the 401(h) account are determined annually and are at the discretion of the Plan sponsor. At June 30, 2022 and 2021, there were no excess Plan assets available for transfer.

Note 5 – Tax Status

The Plan obtained, from the Internal Revenue Service, a determination letter dated November 4, 2011. The letter affirmed that the Plan complied with the requirements of Internal Revenue Code section 401(a). The Plan continues to operate as a qualified plan.

Note 6 - Plan Investments - Policy and Rate of Return

Investment Policy – The Plan's policy in regard to the allocation of invested assets is established and may be amended by the BWL by a majority vote of its members. It is the policy of the board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the BWL's adopted asset allocation policy as of June 30, 2022 and 2021:

<u>Asset Class</u>	<u>2022 Target Allocation</u>	<u>2021 Target Allocation</u>
Global Fixed Income	40%	40%
U.S. Equities	35%	35%
Non-U.S. Equities	20%	20%
Commercial real estate	5%	5%

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 6 – Plan Investments - Policy and Rate of Return (Continued)

Rate of Return – For the year ended June 30, 2022, the annual money-weighted rate of return on plan investments, net of plan investment expense, was -9.18%. For the year ended June 30, 2021, the annual money-weighted rate of return on plan investments, net of plan investment expense, was 22.42%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Note 7 – Net Pension Asset of the BWL

The components of the net pension asset of the BWL at June 30, 2022 and 2021 were as follows (in thousands):

	<u>2022</u>	<u>2021</u>
Total pension liability	\$ 47,887	\$ 48,444
Plan fiduciary net pension	<u>50,659</u>	<u>61,658</u>
Plan's net pension asset	<u>\$ (2,772)</u>	<u>\$ (13,214)</u>
Plan fiduciary net position, as a percentage of the total pension liability	105.79%	127.28%

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 7 – Net Pension Asset of the BWL (Continued)

Actuarial Assumptions – The June 30, 2022 total pension liability was determined by an actuarial valuation as of February 28, 2022, which used updated procedures to roll forward the estimated liability to June 30, 2022. The June 30, 2021 total pension liability was determined by an actuarial valuation as of February 28, 2021, which used updated procedures to roll forward the estimated liability to June 30, 2021. The total pension liability is determined by the Plan's independent actuary and is that amount that results from applying actuarial assumptions to adjust the total pension liability to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. Benassist Retirement Consulting, LLC was the actuary for the February 28, 2022 and February 28, 2021 valuations, respectively. The inflation rate used was 2.25% for the February 28, 2022 and February 28, 2021 valuations. Salary increase used was 3.5% for both the February 28, 2022 and February 28, 2021 valuations, respectively. The most recent experience review was completed in 2014. Since the Plan only covered 17 active participants in fiscal year 2014, assumptions like termination, retirement, and disability have an immaterial impact on the results and have not been changed.

The mortality table was based on the PUB-2010 General Mortality Table, Male and Female, projected generationally using the MP-2021 projection scale for the June 30, 2022 valuation. The June 30, 2021 valuation used the PUB-2010 General Mortality Table, Male and Female, projected generationally using the MP-2019 projection scale.

Discount Rate – The discount rate used to measure the total pension liability was 6.0% and 6.5% for June 30, 2022 and June 30, 2021, respectively. The projection of cash flows used to determine the discount rate in both years assumed that BWL contributions will be made at rates equal to the actuarially determined contribution rates.

Projected Cash Flows Section – Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 7 – Net Pension Asset of the BWL (Continued)

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return as of June 30, 2022 and 2021 for each major asset class included in the Plan's target asset allocation, as disclosed in Note 6, are summarized in the following table:

Asset Class	2022 Long-term Expected Real Rate of Return	2021 Long-term Expected Real Rate of Return
Core Bonds	2.58%	2.58%
Multi-Sector	3.53%	3.42%
Liquid Absolute Return	3.25%	3.26%
U.S. large Cap Equity	7.13%	7.15%
U.S. Small cap Equity	8.53%	8.44%
Non-U.S. Equity	8.22%	8.15%
Core Real Estate	6.60%	6.66%

Sensitivity of the Net Pension Asset to Changes in the Discount Rate – The following presents the net pension asset of the BWL at June 30, 2022, calculated using the discount rate of 6.00%, as well as what the BWL's net pension asset would be if it were calculated using a discount rate that is 1 percentage point lower (5.00%) or 1 percentage point higher (7.00%) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net pension liability (asset) of the BWL	\$ 1,749,379	\$ (2,772,080)	\$ (5,093,794)

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 7 – Net Pension Asset of the BWL (Continued)

The following presents the net pension asset of the BWL at June 30, 2021, calculated using the discount rate of 6.50%, as well as what the BWL's net pension asset would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net pension liability (asset) of the BWL	\$ (8,727,745)	\$ (13,214,275)	\$ (15,551,002)

Note 8 – Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three Levels of the fair value hierarchy under authoritative guidance are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted market prices for identical assets in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- > quoted prices for similar assets or liabilities in active markets;
- > quoted prices for identical or similar assets or liabilities in inactive markets;
- > inputs other than quoted prices that are observable for the asset or liability;
- > inputs that are derived principally from or corroborated by observable market data by correlation or other means; and
- > if the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
As of and for the Years Ended June 30, 2022 and 2021

Note 8 – Fair Value Measurements (Continued)

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observables and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022 and 2021:

Money market trust fund: Valued at the quoted net asset value ("NAV") of shares held by the Plan at year end.

Common stock: Valued at the most recent closing price reported on the market on which individual securities are traded.

Mutual and common collective funds: Valued at the daily closing price as reported by the fund. Mutual and common collective funds held by the Plan are open-end mutual and common collective funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual and common collective funds held by the Plan are deemed to be actively traded.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 8 – Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2022 and 2021:

Investment Type	June 30, 2022			
	Level 1	Level 2	Level 3	Total
Cash and money market trust fund	\$ -	\$ 1,308,877	\$ -	\$ 1,308,877
Mutual funds	-	24,919,695	-	24,919,695
Common collective funds	4,093,767	14,578,119	-	18,671,886
Common stocks	5,259,217	-	-	5,259,217
Total	<u>\$ 9,352,984</u>	<u>\$ 40,806,691</u>	<u>\$ -</u>	<u>\$ 50,159,675</u>

Investment Type	June 30, 2021			
	Level 1	Level 2	Level 3	Total
Cash and money market trust fund	\$ -	\$ 1,401,780	\$ -	\$ 1,401,780
Mutual funds	-	33,017,321	-	33,017,321
Common collective funds	3,334,176	16,441,972	-	19,776,148
Common stocks	7,460,769	-	-	7,460,769
Total	<u>\$ 10,794,946</u>	<u>\$ 50,861,072</u>	<u>\$ -</u>	<u>\$ 61,656,018</u>

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
As of and for the Years Ended June 30, 2022 and 2021

Note 9 – Risks and Uncertainties

The total pension liability is reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

In addition, the Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Plan Fiduciary Net Position.

Note 10 – Subsequent Events

The Plan has evaluated subsequent events occurring through September 12, 2022 the date that the Plan's financial statements were approved and available to be issued, for events requiring recording or disclosure in the Plan's financial statements. There are no subsequent events warranting disclosures.

Required Supplementary Information

**Lansing Board of Water and Light
Defined Benefit Plan and Trust for Employees' Pensions**

**Required Supplementary Information (Unaudited)
Schedule of Changes in the BWL's
Net Pension Asset and Related Ratios
Last Ten Fiscal Years
(in Thousands)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability										
Service cost	\$ 26	\$ 26	\$ 42	\$ 60	\$ 50	\$ 113	\$ 223	\$ 274	\$ 349	\$ 407
Interest	2,974	3,212	3,566	3,691	4,031	4,317	4,625	4,919	4,751	5,085
Changes in benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	179	(968)	(919)	(743)	(230)	(383)	299	(1,093)	964	(1,716)
Changes in assumptions	1,730	(366)	1,555	1,210	1,419	(857)	(1,468)	-	4,538	-
Benefit payments, including refunds	(5,466)	(5,658)	(5,872)	(6,143)	(6,414)	(7,473)	(7,896)	(8,046)	(8,541)	(7,777)
Net Change in Total Pension Liability	(557)	(3,754)	(1,628)	(1,925)	(1,144)	(4,283)	(4,217)	(3,946)	2,061	(4,001)
Total Pension Liability - Beginning of year	<u>48,444</u>	<u>52,198</u>	<u>53,826</u>	<u>55,751</u>	<u>56,895</u>	<u>61,178</u>	<u>65,395</u>	<u>69,341</u>	<u>67,280</u>	<u>71,281</u>
Total Pension Liability - End of year	47,887	48,444	52,198	53,826	55,751	56,895	61,178	65,395	69,341	67,280
Plan Net Position										
Contributions - Employer	-	-	-	-	-	-	-	-	-	-
Contributions - Member	-	-	-	-	-	-	-	-	-	-
Net investment income	(5,399)	11,853	1,658	4,381	3,112	8,272	47	1,771	14,243	10,170
Administrative expenses	(134)	(123)	(145)	(183)	(255)	(317)	(388)	(576)	(596)	(536)
Benefit payments, including refunds	(5,466)	(5,658)	(5,872)	(6,143)	(6,414)	(7,473)	(7,896)	(8,045)	(8,541)	(7,777)
Other	-	-	(477)	-	-	-	-	-	-	-
Net change in Net Position Held in Trust	(10,999)	6,072	(4,836)	(1,945)	(3,557)	482	(8,237)	(6,850)	5,106	1,857
Net Position Restricted for Pensions - Beginning of year	<u>61,658</u>	<u>55,586</u>	<u>60,422</u>	<u>62,367</u>	<u>65,924</u>	<u>65,442</u>	<u>73,679</u>	<u>80,529</u>	<u>75,424</u>	<u>73,567</u>
Net Position Restricted for Pensions - End of year	<u>50,659</u>	<u>61,658</u>	<u>55,586</u>	<u>60,422</u>	<u>62,367</u>	<u>65,924</u>	<u>65,442</u>	<u>73,679</u>	<u>80,530</u>	<u>75,424</u>
BWL Net Pension Asset - Ending	<u>\$ (2,772)</u>	<u>\$ (13,214)</u>	<u>\$ (3,388)</u>	<u>\$ (6,596)</u>	<u>\$ (6,616)</u>	<u>\$ (9,029)</u>	<u>\$ (4,264)</u>	<u>\$ (8,284)</u>	<u>\$ (11,189)</u>	<u>\$ (8,144)</u>
Plan Net Position as a % of Total Pension Liability	105.79%	127.28%	106.49%	112.25%	111.87%	115.87%	106.97%	112.67%	116.14%	112.10%
Covered Employee Payroll	\$ 238	\$ 237	\$ 240	\$ 406	\$ 603	\$ 586	\$ 772	\$ 1,018	\$ 1,225	\$ 1,684
BWL's Net Pension Asset as a % of Covered Employee Payroll	(1,165%)	(5,576%)	(1,412%)	(1,625%)	(1,097%)	(1,541%)	(552%)	(814%)	(913%)	(484%)

**Lansing Board of Water and Light
Defined Benefit Plan and Trust for Employees' Pensions**

**Required Supplementary Information (Unaudited)
Schedule of Employer Contributions
Last Ten Fiscal Years
(in Thousands)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	-	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Employee Payroll	\$ 238	\$ 237	\$ 240	\$ 406	\$ 603	\$ 586	\$ 772	\$ 1,018	\$ 1,225	\$ 1,684
Contributions as a Percentage of Covered Employee Payroll	- %	- %	- %	- %	- %	- %	- %	- %	- %	- %

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Required Supplementary Information (Unaudited) Years Ended June 30, 2022 and 2021

Actuarial valuation information relative to the determination of contributions:

Valuation date June 30, 2022, based on roll-forward of February 28, 2022 valuation

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age method
Amortization method	Level dollar over a 15-year period
Remaining amortization period	15 years
Asset valuation method	Market value of the assets
Inflation	2.25%
Salary increases	3.5% per year
Investment rate of return	6.0% per year compounded annually
Mortality	PUB-2010 General Mortality Table with MP-2021 Improvement Scale

Actuarial valuation information relative to the determination of contributions:

Valuation date June 30, 2021, based on roll-forward of February 28, 2021 valuation

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age method
Amortization method	Level dollar over a 15-year period
Remaining amortization period	15 years
Asset valuation method	Market value of the assets
Inflation	2.25%
Salary increases	3.5% per year
Investment rate of return	6.5% per year compounded annually
Mortality	PUB-2010 General Mortality Table with MP-2020 Improvement Scale

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Required Supplementary Information (Unaudited) Years Ended June 30, 2022 and 2021

Significant Changes:

June 30, 2022

- > Difference between actual and expected experience – The \$179K actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2022 is primarily attributable to the difference between actual experience and demographic assumptions.
- > Assumption change – The plan experienced a \$1.73MM actuarial loss due to the change in the mortality improvement scale and the decrease in the discount rate from 6.50% to 6.00%. Updating the mortality improvement scale to the MP-2021 scale resulted in a \$120K actuarial loss and decreasing the discount rate resulted in a \$1.61MM actuarial loss. The combination of these two changes resulted in an overall actuarial loss of \$1.73MM.

June 30, 2021

- > Difference between actual and expected experience – The \$968K actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2021 is primarily attributable to participant deaths.
- > Assumption change – The plan experienced a \$366K actuarial gain due to the change in the mortality improvement scale.

June 30, 2020

- > Difference between actual and expected experience – The \$.92MM actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2020 is primarily attributable to participant deaths.
- > Assumption change – The plan experienced a \$1.55MM actuarial loss due to the change in the mortality improvement scale and decrease in the discount rate from 7.00% to 6.50%. Updating the mortality improvement scale to the MP-2019 scale resulted in a \$.22MM actuarial gain and decreasing the discount rate resulted in a \$1.77MM actuarial loss. The combination of these two changes resulted in an overall actuarial loss of \$1.55MM.

June 30, 2019

- > Difference between actual and expected experience – The \$.74MM gain on the Total Pension Liability for the fiscal year ending June 30, 2019 is primarily attributable to participant deaths.
- > Assumption change – The plan experienced a \$1.21MM loss due to the change of the mortality assumption from the RP-2014 Total Dataset Mortality adjusted to 2006 and projected generationally using the MP-2017 improvement scale to the PUB-2010 General Employees Mortality, projected generationally using the MP-2018 improvement scale.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Required Supplementary Information (Unaudited) Years Ended June 30, 2022 and 2021

Significant Changes (Continued):

June 30, 2018

- > Difference between actual and expected experience – The \$230,000 gain on the Total Pension Liability for the fiscal year ending June 30, 2018 is primarily attributable to participant deaths.
- > Assumption change – Assumptions for the discount rate and expected return on assets were decreased from 7.50% to 7.00% to reflect the expected long term rate of return on the trust.

June 30, 2017

- > Difference between actual and expected experience – The \$383,000 gain on the Total Pension Liability for the fiscal year ending June 30, 2017 is primarily attributable to participant deaths.
- > Assumption change – The plan experienced a \$.86MM gain due to the change of the mortality assumption from the RP-2014 table projected generationally with Scale MP-2014 with MP-2016 Improvement Scale.

June 30, 2016

- > Difference between actual and expected experience – The \$299,000 loss on the Total Pension Liability for the fiscal year ending June 30, 2016 is primarily attributable to participant deaths.
- > Assumption change – The plan experienced a \$1.47MM gain due to the change of the mortality assumption from the RP-2014 table projected generationally with Scale MP-2014 with MP-2015 Improvement Scale.

June 30, 2015

- > Difference between actual and expected experience – The \$1.01MM gain on the Total Pension Liability for the fiscal year ending June 30, 2015 is primarily attributable to participant deaths.
- > Assumption change – There were no impacts associated with assumption changes.

June 30, 2014

- > Difference between actual and expected experience – The \$964,000 loss on the Total Pension Liability for the fiscal year ending June 30, 2014 is primarily attributable to participant deaths.
- > Assumption change – The plan experienced a \$4.54MM loss due to the change of the mortality assumption from the RP2000CH table projected to 2018 with Scale AA to the RP-2014 table projected generationally with Scale MP-2014.

**Lansing Board of Water and Light
Defined Benefit Plan and Trust for Employees' Pensions**

**Required Supplementary Information (Unaudited)
Schedule of Investment Returns
Last Ten Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013*
Annual money-weighted rate of return, net of investment expense	(9.18%)	22.42%	2.90%	7.39%	4.97%	12.10%	(0.49%)	1.55%	19.18%	- %

*GASB 67 was implemented as of June 30, 2014. Information from 2013 is not available and this schedule will be presented on a prospective basis



Lansing Board of Water and Light

Defined Benefit Plan for Employees' Pensions

June 30, 2022 GASB 67/68 Report

July 26, 2022

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
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Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Executive Summary

Governmental accounting requirements and purpose of this report

The Governmental Accounting Standards Board Statements No. 67 and No. 68 require trusts (GASB 67) and employers (GASB 68) to accrue the cost associated with pension benefits while eligible employees are providing services to the employer. The purpose of this actuarial valuation report is to provide the Lansing Board of Water and Light (the "Board") with:

- 1) The amount of accrued liability related to the Board's pension plan (Total Pension Liability) using the most recent census data and discount rate;
- 2) The funded status of the plan;
- 3) The actuarial determined contribution; and
- 4) The GASB 67/68 expense and disclosure information needed to fulfill the Board's financial reporting requirements for the current fiscal year.

Key measures for the prior and current fiscal years	6/30/2021	6/30/2022
Active participants	3	3
Terminated vested participants	2	2
Retired, disabled and surviving participants	<u>296</u>	<u>284</u>
Total	301	289
Present value of future benefits (PVFB)	\$ 48,534,642	\$ 47,977,152
Total pension liability (TPL)	\$ 48,443,824	\$ 47,886,693
Fiduciary net position (FNP)	\$ 61,658,099	\$ 50,658,773
Net pension liability (NPL)	\$ (13,214,275)	\$ (2,772,080)
Funded status	127.28%	105.79%
Pension expense	\$ (3,076,889)	\$ 2,115,980
Actuarially determined contribution	\$ 0	\$ 0

Key assumptions

Census date	2/28/2021	2/28/2022
Valuation date	2/28/2021	2/28/2022
Measurement date	6/30/2021	6/30/2022
Discount rate	6.50%	6.00%
Expected long term rate of return on plan assets	6.50%	6.00%
Actuarial cost method	Entry Age Normal	Entry Age Normal

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Executive Summary (continued)

Discount rate

Pursuant to GASB 67/68, projected benefit payments are required to be discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA/Aa credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on plan investments is 6.00%; the municipal bond rate is 3.54% (based on the daily rate closest to but not later than the measurement date of the Bond Buyer "20-Bond GO Index"); and the resulting Single Discount Rate is 6.00%.

The plan's projected fiduciary net position covers all future pension benefit payments. Therefore, the discount rate is equal to the long-term expected rate of return on plan investments.

Assumption and method changes from the prior year

The discount rate was decreased from 6.50% to 6.00% and the mortality improvement scale was updated to the MP-2021 scale.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Actuarial Certification

July 26, 2022

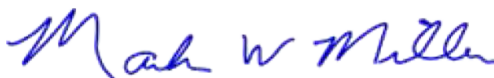
This report presents actuarial and accounting results related to the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions (the "Plan"). The results herein were prepared pursuant to Governmental Accounting Standards Board Statements 67 and 68 ("GASB 67/68").

The primary purpose of this report is to provide financial statement information pursuant to GASB 67/68 for the fiscal year ending June 30, 2022. The results of our calculations are set forth in this report, as are the actuarial assumptions and methods and a brief summary of the eligibility criteria and benefits for retirees.

To the best of our knowledge, the information supplied in this report is complete and accurate. The analysis and calculations were conducted in a manner consistent with the Standards of Professional Conduct, Qualifications, and Practice of the American Academy of Actuaries and consistent with the standards of practice of the Actuarial Standards Board.

All costs, liabilities, rates of interest, and other factors under the Plan have been determined on the basis of actuarial assumptions and methods which are reasonable and consistent with our understanding of GASB 67/68. All assumptions have been discussed with Lansing Board of Water and Light and appear to represent the best estimate of anticipated experience under the Plan. In preparing this report we relied on the census data, plan provisions, and other plan financial information provided by the Lansing Board of Water and Light. Actuarial computations under GASB 67/68 are for purposes of fulfilling employer financial accounting requirements. Determinations for purposes other than meeting employer financial accounting requirements may be significantly different from the results contained in this report.

Respectfully Submitted,

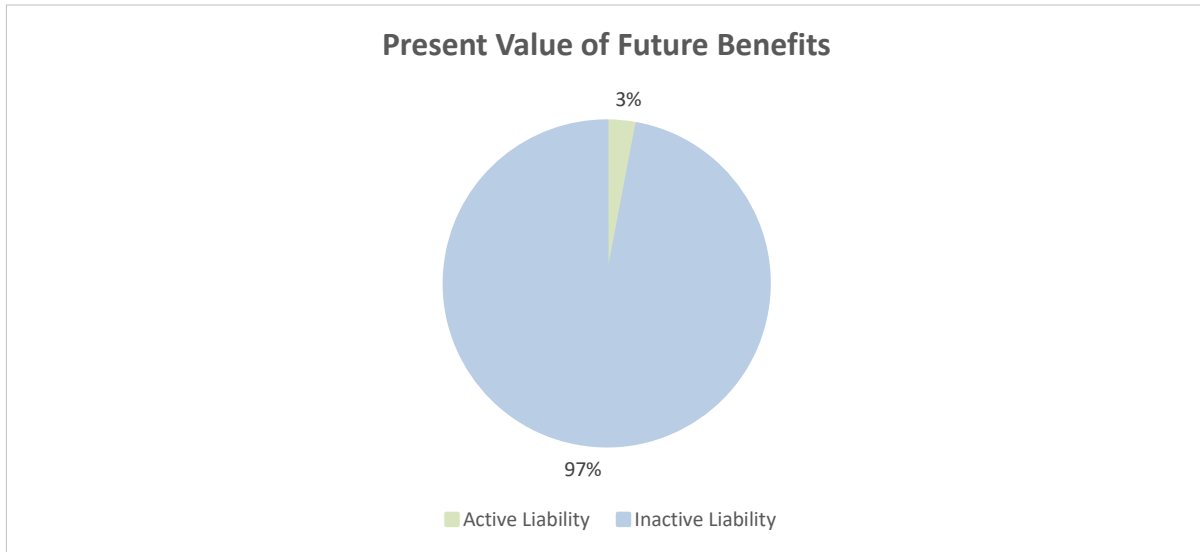


Mark W. Miller, FCA, EA, ASA, MAAA
Benassist Retirement Consulting, LLC

**Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Summary of Key Results**

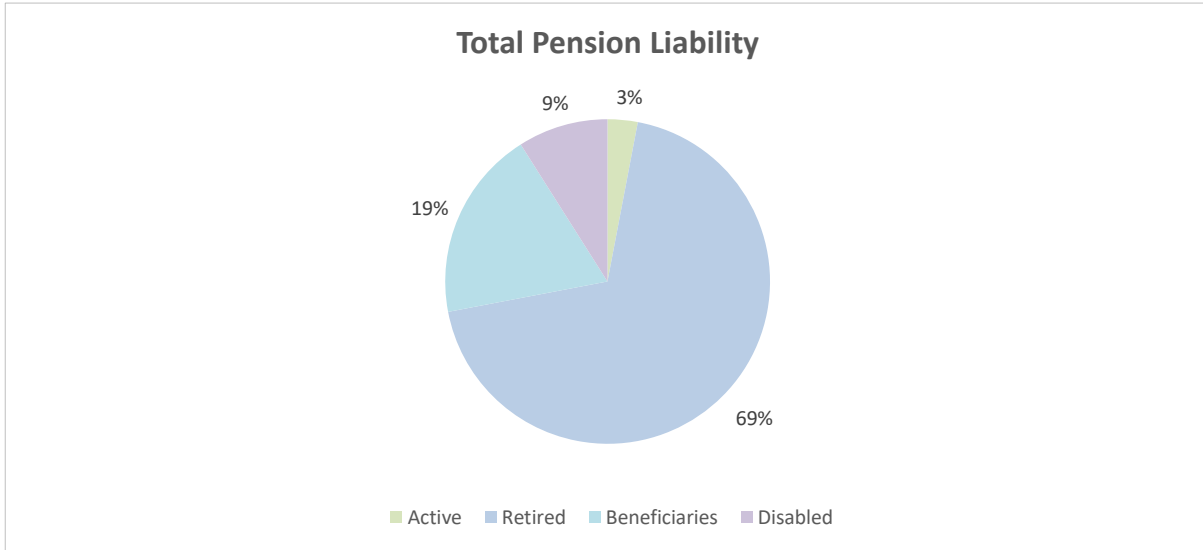
	6/30/2021	6/30/2022
Census data summary		
Active participants	3	3
Terminated vested participants	2	2
Retired, disabled and surviving participants	<u>296</u>	<u>284</u>
Total	301	289
Covered payroll	\$ 236,973	\$ 237,506
Present value of future benefits (PVFB)		
Active participants	\$ 1,281,228	\$ 1,428,355
Terminated vested participants	\$ 145,311	163,565
Retired, disabled and surviving participants	<u>47,108,103</u>	<u>46,385,232</u>
Total	<u>\$ 48,534,642</u>	<u>\$ 47,977,152</u>
Present value of future normal costs (PVFNC)	\$ 90,818	\$ 90,459
Total pension liability (TPL)		
Active participants	\$ 1,190,410	\$ 1,337,896
Terminated vested participants	\$ 145,311	163,565
Retired, disabled and surviving participants	<u>47,108,103</u>	<u>46,385,232</u>
Total	<u>\$ 48,443,824</u>	<u>\$ 47,886,693</u>
Fiduciary net position (FNP)	\$ 61,658,099	\$ 50,658,773
Net pension liability (NPL)	\$ (13,214,275)	\$ (2,772,080)
Funded status	127.28%	105.79%
Pension expense	\$ (3,076,889)	\$ 2,115,980
Contribution		
Actuarially determined contribution	\$ 0	\$ 0
Actuarially determined contribution as a % of covered payroll	0.00%	0.00%

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Present Value of Future Benefits



	6/30/2021	6/30/2022
Present value of future benefits		
Active participants	\$ 1,281,228	\$ 1,428,355
Inactive participants		
Retired	\$ 34,080,920	\$ 33,165,468
Beneficiaries	9,008,917	9,187,812
Disabled	4,018,266	4,031,952
Terminated vested	<u>145,311</u>	<u>163,565</u>
Total inactive	47,253,414	46,548,797
Total	<u>\$ 48,534,642</u>	<u>\$ 47,977,152</u>
Fiduciary net position (FNP)	\$ 61,658,099	\$ 50,658,773
Unfunded present value of future benefits (surplus)	\$ (13,123,457)	\$ (2,681,621)

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Total Pension Liability



	6/30/2021	6/30/2022
Total pension liability		
Active participants	\$ 1,190,410	\$ 1,337,896
Inactive participants		
Retired	\$ 34,080,920	\$ 33,165,468
Beneficiaries	9,008,917	9,187,812
Disabled	4,018,266	4,031,952
Terminated vested	<u>145,311</u>	<u>163,565</u>
Total inactive	47,253,414	46,548,797
Total	<u>\$ 48,443,824</u>	<u>\$ 47,886,693</u>
Fiduciary net position (FNP)	\$ 61,658,099	\$ 50,658,773
Net pension liability (NPL)	\$ (13,214,275)	\$ (2,772,080)
Service cost	\$ 24,067	\$ 27,609

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Statement of Fiduciary Net Position

	6/30/2021	6/30/2022
Assets		
Cash and deposits	\$ 1,401,780	\$ 1,806,805
Receivables		
Contributions	0	0
Due from broker for investments sold	20,550	0
Net receivable on investments	<u>1,964</u>	<u>1,169</u>
Total receivables	\$ 22,514	\$ 1,169
Investments		
U.S. government and agencies	0	0
Corporate bonds and notes	0	0
U.S. common stocks	7,460,770	5,259,218
Common collective fund - other	16,441,972	14,578,119
Mutual funds	33,017,321	24,919,695
Real estate	<u>3,334,176</u>	<u>4,093,767</u>
Total investments	\$ 60,254,239	\$ 48,850,799
 Total assets	 \$ 61,678,533	 \$ 50,658,773
Liabilities		
Payables:		
Investment management fees	\$ 0	\$ 0
Due to broker for investments purchased	<u>(20,434)</u>	<u>0</u>
Total payables	\$ (20,434)	\$ 0
 Total liabilities	 \$ (20,434)	 \$ 0
 Net position restricted for pensions	 <u>\$ 61,658,099</u>	 <u>\$ 50,658,773</u>

Investment Policy - A detailed description of the investment policy for the plan can be found in the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions Statement of Investment Policies, Procedures and Objectives.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Statement of Changes in Fiduciary Net Position

	6/30/2021	6/30/2022
Additions		
Contributions		
Employer	\$ 0	\$ 0
Employee	<u>0</u>	<u>0</u>
Total contributions	\$ 0	\$ 0
Investment income		
Net increase in fair value of investments	\$ 10,760,057	\$ (7,500,563)
Interest and dividends	1,092,666	2,102,005
Less investment expense	<u>0</u>	<u>0</u>
Net investment income	\$ 11,852,723	\$ (5,398,558)
Total additions	\$ 11,852,723	\$ (5,398,558)
Deductions		
Benefit payments	\$ (5,658,372)	\$ (5,466,158)
Administrative expenses	<u>(123,147)</u>	<u>(134,610)</u>
Total deductions	\$ (5,781,519)	\$ (5,600,768)
Net increase in net position	\$ 6,071,204	\$ (10,999,326)
Net position restricted for pensions		
Beginning of year	\$ 55,586,895	\$ 61,658,099
End of year	<u>\$ 61,658,099</u>	<u>\$ 50,658,773</u>

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at 6/30/2021	\$ 48,443,824	\$ 61,658,099	\$ (13,214,275)
Changes for the year			
Service cost	25,631	0	25,631
Interest	2,973,995	0	2,973,995
Change of benefit terms	0	0	0
Differences between expected and actual experience	178,944	0	178,944
Change in assumptions and other inputs	1,730,457	0	1,730,457
Contributions - employer	0	0	0
Contributions - retiree	0	0	0
Net investment income	0	(5,398,558)	5,398,558
Benefit payments and refunds of employee contributions	(5,466,158)	(5,466,158)	0
Administrative expense	0	(134,610)	134,610
Other changes	0	0	0
Net changes	\$ (557,131)	\$ (10,999,326)	\$ 10,442,195
Balances at 6/30/2022	\$ 47,886,693	\$ 50,658,773	\$ (2,772,080)

Notes

The Net Pension Liability (NPL) is equal to the Total Pension Liability (TPL) minus the Fiduciary Net Position (FNP), or market value of assets. Pension Expense includes amounts for: service cost, interest on the TPL, changes in the benefit structure, recognition of increases/decreases in liability due to actual vs. expected experience, actuarial assumption changes, investment gains/losses on the market value of assets and expected return on plan assets. The impact of actual experience and assumption changes are recognized over the average expected remaining service life of the plan participants, while investment gains/losses are recognized equally over five years.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Schedule of Changes in the Net Pension Liability

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Total pension liability							
Service cost	\$ 25,631	\$ 26,036	\$ 42,363	\$ 60,468	\$ 50,072	\$ 112,672	\$ 223,219
Interest	2,973,995	3,211,895	3,565,796	3,691,180	4,030,924	4,316,565	4,625,283
Change of benefit terms	0	0	0	0	0	0	0
Difference between expected and actual experience	178,944	(967,935)	(918,913)	(743,020)	(229,751)	(383,137)	299,179
Change in assumptions and other inputs	1,730,457	(366,222)	1,554,711	1,209,610	1,418,554	(856,662)	(1,469,174)
Benefit payments	(5,466,158)	(5,658,372)	(5,871,654)	(6,142,622)	(6,413,954)	(7,472,625)	(7,895,767)
Refunds of contributions	0	0	0	0	0	0	0
Net change in total pension liability	\$ (557,131)	\$ (3,754,598)	\$ (1,627,697)	\$ (1,924,384)	\$ (1,144,155)	\$ (4,283,187)	\$ (4,217,260)
Total pension liability - beginning	<u>48,443,824</u>	<u>52,198,422</u>	<u>53,826,119</u>	<u>55,750,503</u>	<u>56,894,658</u>	<u>61,177,845</u>	<u>65,395,105</u>
Total pension liability - ending (a)	<u>\$ 47,886,693</u>	<u>\$ 48,443,824</u>	<u>\$ 52,198,422</u>	<u>\$ 53,826,119</u>	<u>\$ 55,750,503</u>	<u>\$ 56,894,658</u>	<u>\$ 61,177,845</u>
Fiduciary net position							
Contributions - employer	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions - non-employer	0	0	0	0	0	0	0
Contributions - member	0	0	0	0	0	0	0
Net investment income	(5,398,558)	11,852,723	1,657,912	4,380,721	3,112,090	8,271,674	46,762
Benefit payments	(5,466,158)	(5,658,372)	(5,871,654)	(6,142,622)	(6,413,954)	(7,472,625)	(7,895,767)
Administrative expense	(134,610)	(123,147)	(145,084)	(183,238)	(254,964)	(317,071)	(388,495)
Refunds of contributions	0	0	0	0	0	0	0
Other - 2/29/2020 COLA	0	0	(476,125)	0	0	0	0
Net change in fiduciary net position	(10,999,326)	6,071,204	(4,834,951)	(1,945,139)	(3,556,828)	481,978	(8,237,500)
Fiduciary net position - beginning	<u>61,658,099</u>	<u>55,586,895</u>	<u>60,421,846</u>	<u>62,366,985</u>	<u>65,923,813</u>	<u>65,441,835</u>	<u>73,679,335</u>
Fiduciary net position - ending (b)	<u>\$ 50,658,773</u>	<u>\$ 61,658,099</u>	<u>\$ 55,586,895</u>	<u>\$ 60,421,846</u>	<u>\$ 62,366,985</u>	<u>\$ 65,923,813</u>	<u>\$ 65,441,835</u>
Net pension liability - ending (a)-(b)	<u>\$ (2,772,080)</u>	<u>\$ (13,214,275)</u>	<u>\$ (3,388,473)</u>	<u>\$ (6,595,727)</u>	<u>\$ (6,616,482)</u>	<u>\$ (9,029,155)</u>	<u>\$ (4,263,990)</u>
Plan fiduciary net position as a percentage of the total pension liability	105.79%	127.28%	106.49%	112.25%	111.87%	115.87%	106.97%
Covered payroll	237,506	236,973	240,482	405,694	603,382	586,181	771,810
Net pension liability as a percentage of covered payroll	-1167.16%	-5576.28%	-1409.03%	-1625.79%	-1096.57%	-1540.34%	-552.47%
Census date	2/28/2022	2/28/2021	2/29/2020	2/28/2019	2/28/2018	2/28/2017	2/28/2016
Measurement date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Reporting date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Schedule of Changes in the Net Pension Liability

	6/30/2015	6/30/2014
Total pension liability		
Service cost	\$ 274,052	\$ 348,952
Interest	4,919,427	4,751,843
Change of benefit terms	0	0
Difference between expected and actual experience	(1,093,705)	964,016
Change in assumptions and other inputs	0	4,538,152
Benefit payments	(8,045,948)	(8,541,275)
Refunds of contributions	0	0
Net change in total pension liability	\$ (3,946,174)	\$ 2,061,688
Total pension liability - beginning	69,341,279	67,279,591
Total pension liability - ending (a)	<u>\$ 65,395,105</u>	<u>\$ 69,341,279</u>
Fiduciary net position		
Contributions - employer	\$ 0	\$ 0
Contributions - non-employer	0	0
Contributions - member	0	0
Net investment income	1,771,424	14,243,164
Benefit payments	(8,045,948)	(8,541,275)
Administrative expense	(576,122)	(595,925)
Refunds of contributions	0	0
Other - 2/29/2020 COLA	0	0
Net change in fiduciary net position	(6,850,646)	5,105,964
Fiduciary net position - beginning	80,529,981	75,424,017
Fiduciary net position - ending (b)	<u>\$ 73,679,335</u>	<u>\$ 80,529,981</u>
Net pension liability - ending (a)-(b)	<u>\$ (8,284,230)</u>	<u>\$ (11,188,702)</u>
Plan fiduciary net position as a percentage of the total pension liability	112.67%	116.14%
Covered payroll	1,017,849	1,224,727
Net pension liability as a percentage of covered payroll	-813.90%	-913.57%
Census date	2/28/2015	2/28/2014
Measurement date	6/30/2015	6/30/2014
Reporting date	6/30/2015	6/30/2014

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Development of Net Pension Liability (Gain) / Loss

	6/30/2021	6/30/2022
Total pension liability		
Total pension liability at BOY	\$ 52,198,422	\$ 48,443,824
Service cost	26,036	25,631
Benefit payments	(5,658,372)	(5,466,158)
Expected interest	3,211,895	2,973,995
Assumption change	<u>(366,222)</u>	<u>1,730,457</u>
Expected total pension liability at EOY	49,411,759	47,707,749
Actual total pension liability at EOY	48,443,824	47,886,693
Total pension liability (gain) / loss	<u>\$ (967,935)</u>	<u>\$ 178,944</u>
 Fiduciary net position		
Fiduciary net position at BOY	\$ 55,586,895	\$ 61,658,099
Employer contributions	0	0
Employee contributions	0	0
Benefit payments	(5,658,372)	(5,466,158)
Administrative expenses	(123,147)	(134,610)
Expected net investment income	<u>3,428,207</u>	<u>3,828,617</u>
Expected fiduciary net position at EOY	53,233,583	59,885,948
Actual fiduciary net position at EOY	\$ 61,658,099	50,658,773
Fiduciary net position (gain) / loss	<u>\$ (8,424,516)</u>	<u>\$ 9,227,175</u>
 Net pension liability (gain) / loss	 <u>\$ (9,392,451)</u>	 <u>\$ 9,406,119</u>

Note

Notes for the fiscal years shown above are provided on page 15.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Notes to Schedule of Changes in the Net Pension Liability

June 30, 2022

- Difference between actual and expected experience - The \$179K actuarial loss on the Total Pension Liability for the fiscal year ending June 30, 2022 is primarily attributable to the difference between actual experience and demographic assumptions.
- Assumption change - The plan experienced a \$1.73MM actuarial loss due to the change in the mortality improvement scale and the decrease in the discount rate from 6.50% to 6.00%. Updating the mortality improvement scale to the MP-2021 scale resulted in a \$120K actuarial loss and decreasing the discount rate resulted in a \$1.61MM actuarial loss. The combination of these two changes resulted in an overall actuarial loss of \$1.73MM.
- Investment loss - The plan experienced a \$9.23MM loss on plan assets during the fiscal year ending June 30, 2022 due to the actual return on assets equaling -9.18% vs. an expected return of 6.50%.

June 30, 2021

- Difference between actual and expected experience - The \$968K actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2021 is primarily attributable to participant deaths.
- Assumption change - The plan experienced a \$366K actuarial gain due to the change in the mortality improvement scale.
- Investment gain - The plan experienced a \$8.42MM gain on plan assets during the fiscal year ending June 30, 2021 due to the actual return on assets equaling 22.42% vs. an expected return of 6.50%.

June 30, 2020

- Difference between actual and expected experience - The \$.92MM actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2020 is primarily attributable to participant deaths.
- Assumption change - The plan experienced a \$1.55MM actuarial loss due to the change in the mortality improvement scale and the decrease in the discount rate from 7.00% to 6.50%. Updating the mortality improvement scale to the MP-2019 scale resulted in a \$.22MM actuarial gain and decreasing the discount rate resulted in a \$1.77MM actuarial loss. The combination of these two changes resulted in an overall actuarial loss of \$1.55MM.
- Investment loss - The plan experienced a \$2.35MM loss on plan assets during the fiscal year ending June 30, 2020 due to the actual return on assets equaling 2.90% vs. an expected return of 7.00%.

June 30, 2019

- Difference between actual and expected experience - The \$.74MM gain on the Total Pension Liability for the fiscal year ending June 30, 2019 is primarily attributable to participant deaths.
- Assumption change - The plan experienced a \$1.21MM loss due to the change of the mortality assumption from the RP-2014 Total Dataset Mortality adjusted to 2006 and projected generationally using the MP-2017 improvement scale to the PUB-2010 General Employees Mortality, projected generationally using the MP-2018 improvement scale.
- Investment loss - The plan experienced a \$.23MM gain on plan assets during the fiscal year ending June 30, 2019 due to the actual return on assets equaling 7.39% vs. an expected return of 7.00%.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Sensitivity Analysis

Sensitivity of the net pension liability to changes in the discount rate - The following presents the net pension liability, calculated using the discount rate of 6.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.00%) or 1-percentage point higher (7.00%) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net pension liability (asset)	\$ 1,749,379	\$ (2,772,080)	\$ (5,093,794)

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Pension Expense

	6/30/2021	6/30/2022
Service cost with interest	\$ 26,036	\$ 25,631
Interest on the total pension liability	3,211,895	2,973,995
Change of benefit terms	0	0
Expensed portion of current-period difference between expected and actual experience in the total pension liability	(967,935)	178,944
Expensed portion of current-period changes in assumptions	(366,222)	1,730,457
Expensed portion of current-period difference between expected and actual earnings on plan investments	(1,684,903)	1,845,435
Employee contributions	0	0
Expected earnings on pension plan investments	(3,428,207)	(3,828,617)
Administrative expenses	123,147	134,610
Recognition of deferred inflows	(777,669)	(1,731,442)
Recognition of deferred outflows	<u>786,969</u>	<u>786,967</u>
Pension expense	<u>\$ (3,076,889)</u>	<u>\$ 2,115,980</u>
Census date	2/28/2021	2/28/2022
Measurement date	6/30/2021	6/30/2022
Reporting date	6/30/2021	6/30/2022
Discount rate	6.50%	6.00%
Expected return on assets	6.50%	6.00%

**Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Deferred Inflows and Outflows**

The following table provides a summary of the deferred inflows and outflows as of 6/30/2022.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 0	\$ 0
Changes of assumptions or other inputs	0	0
Net difference between projected and actual earnings on plan investments	<u>8,321,025</u>	<u>(5,101,247)</u>
Total	\$ 8,321,025	\$ (5,101,247)

Collective amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future years as follows:

Year Ended June 30	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2023	\$ 2,315,077	\$ (1,731,440)
2024	2,315,078	(1,684,903)
2025	1,845,435	(1,684,904)
2026	1,845,435	0
2027	0	0
Thereafter	0	0

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Amortization Schedule

Date Established	Description	Initial Amount	Outstanding Balance	Years Remaining	2022 Installment
6/30/2017	Actuarial (Gain)/Loss	\$ (383,137)	\$ 0	0.00	\$ 0
6/30/2018	Actuarial (Gain)/Loss	(229,751)	0	0.00	0
6/30/2019	Actuarial (Gain)/Loss	(743,020)	0	0.00	0
6/30/2020	Actuarial (Gain)/Loss	(918,913)	0	0.00	0
6/30/2021	Actuarial (Gain)/Loss	(967,935)	0	0.00	0
6/30/2022	Actuarial (Gain)/Loss	178,944	0	0.00	178,944
Total			\$ 0		\$ 178,944
6/30/2017	Assumption Change	\$ (856,662)	\$ 0	0.00	\$ 0
6/30/2018	Assumption Change	1,418,554	0	0.00	0
6/30/2019	Assumption Change	1,209,610	0	0.00	0
6/30/2020	Assumption Change	1,554,711	0	0.00	0
6/30/2021	Assumption Change	(366,222)	0	0.00	0
6/30/2022	Assumption Change	1,730,457	0	0.00	1,730,457
Total			\$ 0		\$ 1,730,457
6/30/2016	Investment (Gain)/Loss	\$ 5,168,528	\$ 0	0.00	\$ 0
6/30/2017	Investment (Gain)/Loss	(3,655,650)	0	0.00	0
6/30/2018	Investment (Gain)/Loss	1,586,633	0	0.00	317,325
6/30/2019	Investment (Gain)/Loss	(232,693)	(46,537)	1.00	(46,539)
6/30/2020	Investment (Gain)/Loss	2,348,211	939,285	2.00	469,642
6/30/2021	Investment (Gain)/Loss	(8,424,516)	(5,054,710)	3.00	(1,684,903)
6/30/2022	Investment (Gain)/Loss	9,227,175	7,381,740	4.00	1,845,435
Total			\$ 3,219,778		\$ 900,960

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Rate of Return

The long-term expected rate of return on plan investments was determined using a building-block method where expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Core bonds	20.00%	2.58%
Multi-sector	10.00%	3.53%
Liquid absolute return	10.00%	3.25%
U.S. large cap equity	25.00%	7.13%
U.S. small cap equity	10.00%	8.53%
Non-U.S. equity	20.00%	8.22%
Core real estate	5.00%	6.60%
Total	100.00%	

Notes

- (1) The amounts shown above were provided ACG Asset Consulting Group.
- (2) The Long-Term Expected Real Rate of Return equals the Long-Term Arithmetic Average Nominal Return minus an average annual inflation rate of 2.75%.
- (3) The long-term expected rate of return for the June 30, 2022 measurement date is 6.00%.

**Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Actuarially Determined Contribution**

	FYE 6/30/2022	FYE 6/30/2023
Normal cost	\$ 36,543	\$ 39,183
Actuarial accrued liability (beginning of year)	49,248,704	48,721,703
Actuarial value of assets (beginning of year)	56,436,641	55,019,948
Unfunded actuarial accrued liability	(7,187,937)	(6,298,245)
Net amortization charges / (credits)	(717,800)	(611,778)
Administrative expenses	111,000	159,000
Actuarially determined contribution (beginning of year)	<u>\$ 0</u>	<u>\$ 0</u>
Covered payroll	\$ 236,973	\$ 237,506
Percentage of covered payroll	0.00%	0.00%
Discount rate	6.50%	6.00%
Amortization period	15 Years	15 Years
	Closed	Closed

Notes

(1) Administrative expenses are assumed to equal the expenses for the prior year rounded up to the next \$1,000.

(2) Disclosure of the actuarial methods and assumptions to develop the Actuarially Determined Contribution for the fiscal year ending June 30, 2023 can be found in the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions February 28, 2022 Actuarial Valuation for Funding Purposes dated June 14, 2022.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Schedule of Contributions

	FYE 2022	FYE 2021	FYE 2020	FYE 2019	FYE 2018	FYE 2017	FYE 2016	FYE 2015	FYE 2014	FYE 2013
Actuarially determined employer contribution	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Actual employer contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Annual contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered payroll	\$ 237,506	\$ 236,973	\$ 240,482	\$ 603,382	\$ 586,181	\$ 771,810	\$ 1,017,849	\$ 1,224,727	\$ 1,683,696	\$ 2,101,442
Actual contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Actuarial Assumptions and Methods Used for Funding Policy

The following actuarial methods and assumptions were used in the February 28, 2022 funding valuation. Please see that valuation report dated June 14, 2022 for further details.

Actuarial Cost Method - Projected unit credit.

Amortization Method - 15 year closed level dollar amortization of Unfunded Actuarial Accrued Liability.

Asset Valuation Method - The Actuarial Value of Assets is equal to the Market Value of Assets plus a five year smoothing of gains and losses on the Market Value of Assets, subject to a 20% corridor around the Market Value of Assets.

Inflation Rate - 2.25% per year.

Salary Increase Rate - 3.50% per year.

Discount Rate and Expected Long-Term Rate of Return on Investments - 6.00% per year.

Retirement Rates - See Table A on page 29.

Mortality Rates - PUB-2010 General Mortality, male and female, projected generationally using the MP-2021 improvement scale.

Disability Rates - 1985 Pension Disability Incident Class 1 rates for males and females. See table of sample rates in Table B on page 29.

Termination Rates - None assumed.

Expenses - Administrative expenses are assumed to equal the expenses for the prior year rounded up to the next \$1,000.

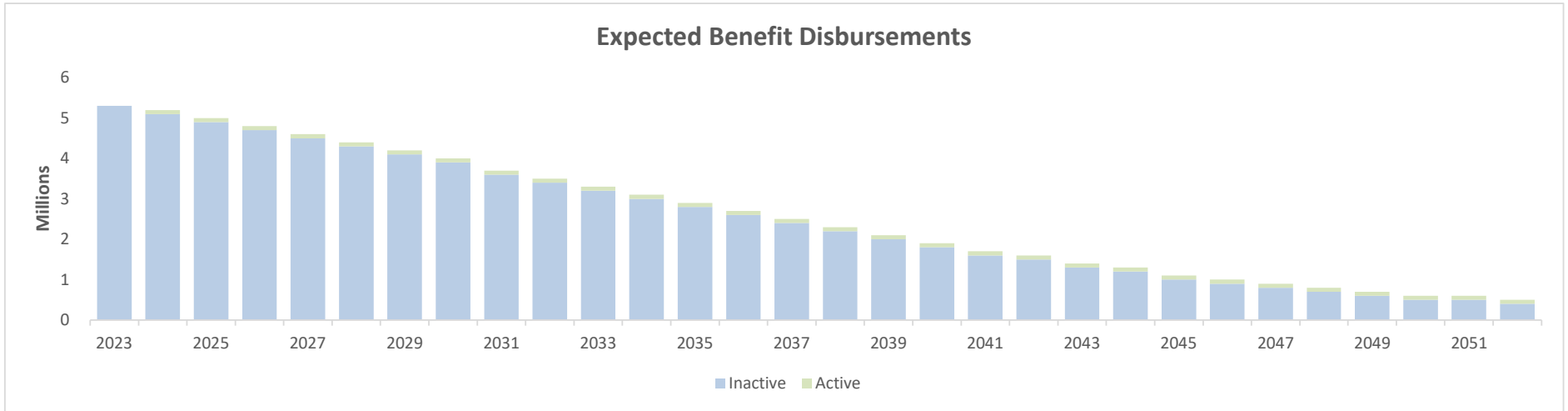
Benefit Commencement Age for Deferred Vested Participants - Age 65.

Spouse Assumptions - (1) 100% of the male participants are assumed to be married with the spouse assumed to be 3 years younger; (2) 100% of the female participants are assumed to be married with the spouse assumed to be 3 years older.

Form of Payment - All active participants are assumed to elect a 100% joint and survivor annuity.

Assumption and Method Changes from Prior Year - The discount rate was decreased from 6.50% to 6.00% and the mortality improvement scale was updated to the MP-2021 scale.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Expected Benefit Disbursements



FYE	Inactive	Active	Total	FYE	Inactive	Active	Total	FYE	Inactive	Active	Total
2023	\$ 5,300,719	\$ 37,712	\$ 5,338,431	2033	\$ 3,204,713	\$ 118,984	\$ 3,323,697	2043	\$ 1,320,454	\$ 120,652	\$ 1,441,106
2024	5,112,527	59,605	5,172,132	2034	2,990,049	122,615	3,112,664	2044	1,176,970	118,135	1,295,105
2025	4,919,072	66,376	4,985,448	2035	2,779,020	125,325	2,904,345	2045	1,043,572	115,277	1,158,849
2026	4,721,607	72,982	4,794,589	2036	2,572,510	128,075	2,700,585	2046	920,368	112,077	1,032,445
2027	4,515,826	78,699	4,594,525	2037	2,371,372	129,618	2,500,990	2047	807,322	108,553	915,875
2028	4,299,805	86,775	4,386,580	2038	2,176,463	128,718	2,305,181	2048	704,290	104,731	809,021
2029	4,081,268	96,734	4,178,002	2039	1,988,548	127,621	2,116,169	2049	611,007	100,649	711,656
2030	3,861,400	104,244	3,965,644	2040	1,808,367	126,294	1,934,661	2050	527,079	96,346	623,425
2031	3,641,331	109,793	3,751,124	2041	1,636,580	124,708	1,761,288	2051	452,046	91,858	543,904
2032	3,422,114	114,932	3,537,046	2042	1,473,784	122,836	1,596,620	2052	385,389	87,208	472,597

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Census Data Summary

	2/28/2021	2/28/2022
Number of participants		
Active	3	3
Terminated vested	2	2
Retired	162	155
Beneficiaries	107	104
Disabled	27	25
Total	301	289
Active demographics		
Average age	59.3	60.3
Average past service	31.2	32.2
Average future service	4.1	3.6
Average compensation	\$ 78,990	\$ 79,169
Covered payroll	\$ 236,973	\$ 237,506
Average monthly accrued benefit	\$ 3,552	\$ 3,675
Total monthly accrued benefits	\$ 10,656	\$ 11,026
Terminated vested demographics		
Average age	57.8	58.8
Average monthly accrued benefit	\$ 589	\$ 589
Total monthly accrued benefits	\$ 1,179	\$ 1,179
Retiree demographics		
Average age	77.8	78.6
Average monthly accrued benefit	\$ 2,011	\$ 2,027
Total monthly accrued benefits	\$ 325,710	\$ 314,131
Beneficiary demographics		
Average age	82.3	82.6
Average monthly accrued benefit	\$ 1,024	\$ 1,046
Total monthly accrued benefits	\$ 109,575	\$ 108,828
Disabled demographics		
Average age	73.9	73.9
Average monthly accrued benefit	\$ 1,229	\$ 1,296
Total monthly accrued benefits	\$ 33,190	\$ 32,388

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Age & Service Distribution - Active Participants

Attained Age	Years of Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Over	
Under 25											0
25 to 29											0
30 to 34											0
35 to 39											0
40 to 44											0
45 to 49											0
50 to 54											0
55 to 59							2				2
60 to 64											0
65 to 69										1	1
70+											0
Total	0	0	0	0	0	0	2	0	0	1	3

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Census Data Reconciliation

	<u>Active</u>	<u>Term Vested</u>	<u>Retired</u>	<u>Benef</u>	<u>Disabled</u>	<u>Total</u>
February 28, 2021	3	2	162	107	27	301
Vested terminations	0	0	0	0	0	0
Retirements	0	0	0	0	0	0
Disabled	0	0	0	0	0	0
Death with survivor	0	0	(3)	3	0	0
Death without survivor	0	0	(4)	(6)	(2)	(12)
New entrants	0	0	0	0	0	0
Rehires	0	0	0	0	0	0
Data corrections	0	0	0	0	0	0
February 28, 2022	3	2	155	104	25	289

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Summary of Assumptions and Methods

Cost Method - Individual entry age normal level percent of salary.

Dates of Calculations

Actuarial valuation date: February 28, 2022

Census date: February 28, 2022

Measurement date GASB 67 and GASB 68: June 30, 2022

Reporting date GASB 67 and GASB 68: June 30, 2022

Employees Included in the Calculations - All active employees who are eligible to receive pension benefits as a retiree. Retired, disabled, beneficiaries and terminated vested participants who are receiving benefits or entitled to receive benefits in the future.

Source of Data - Data is as of the valuation date and was supplied by the Lansing Board of Water and Light. While we have not audited this data, we believe the census data and financial information to be accurate and complete.

Discount Rate - Pursuant to GASB 67/68, projected benefit payments are required to be discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA/Aa credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on plan investments is 6.00%; the municipal bond rate is 3.54% (based on the daily rate closest to but not later than the measurement date of the Bond Buyer "20-Bond GO Index"); and the resulting Single Discount Rate is 6.00%.

The plan's fiduciary net position was projected to cover all future pension benefit payments. Therefore, the discount rate is equal to the long-term expected rate of return on plan investments.

Inflation Rate - 2.25% per year.

Salary Increase Rate - 3.50% per year.

Mortality Rates - Pre and Post retirement - PUB-2010 General Mortality, male and female, projected generationally using the MP-2021 improvement scale.

Retirement Rates - Sample rates are listed on Table A herein.

Termination Rates - None assumed.

Disability Rates - The 1985 Pension Disability Incidence Class 1 rates for males and females. Sample rates are listed on Table B herein.

Expenses - Administrative expenses are assumed to equal the expenses for the prior year rounded up to the next \$1,000.

Benefit Commencement Age for Deferred Vested Participants - Age 65.

Spouse Assumptions - (1) 100% of the male participants are assumed to be married with the spouse assumed to be 3 years younger; (2) 100% of the female participants are assumed to be married with the spouse assumed to be 3 years older.

Form of Payment - All active participants are assumed to elect a 100% joint and survivor annuity.

Assumption and Method Changes from Prior Year - The discount rate was decreased from 6.50% to 6.00% and the mortality improvement scale was updated to the MP-2021 scale.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Summary of Assumptions and Methods (continued)

Table A - Retirement Rates

Age	Rate	Age	Rate
50	4.00%	61	14.00%
51	4.00%	62	25.00%
52	8.00%	63	25.00%
53	4.00%	64	20.00%
54	10.00%	65	25.00%
55	5.00%	66	25.00%
56	8.00%	67	33.00%
57	10.00%	68	33.00%
58	12.00%	69	50.00%
59	14.00%	70	100.00%
60	10.00%		

Table B - Disability Rates

Age	Male	Female
20	0.03%	0.03%
25	0.04%	0.05%
30	0.05%	0.08%
40	0.12%	0.21%
50	0.36%	0.53%
55	0.72%	0.95%
60	1.26%	1.16%

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Summary of Plan Provisions

Effective Date and Plan Year – The most recent effective date is July 1, 2010. The plan year is from July 1 through June 30.

Participation and Eligibility - Eligible employees are those who were participating in the plan on December 31, 1996 and who elected to remain in the plan as of December 1, 1997.

Employer Contributions - The employer contributes the entire cost of the Plan. Participant contributions are not required.

Pension Service Credit - Service is credited on an elapsed time basis.

Annual Pay - Annual pay equals the base pay plus bonus received during the year in which the base pay was the highest within the last ten years of employment.

Normal Retirement Date - The normal retirement date for employees hired prior to July 1, 1990 is the earlier of (1) the first day of the month on or after attainment of age 60, and (2) the first day of the month on or after completion of 30 years of Pension Service Credit and attainment of age 55. If an employee who was hired before July 1, 1990 terminates employment after attainment of age 45 and completion of 25 years of Pension Service Credit, the normal retirement date is the first day of the month on or after the date he has attained age 55 and would have completed 30 years of Pension Service Credit if he had remained employed.

For employees hired after July 1, 1990, the normal retirement date is the first day of the month on or after attainment of age 65.

Normal Retirement Benefit - 1.8% of Annual Pay multiplied by the Pension Service Credit and payable as a life annuity.

Early Retirement Date - A reduced early retirement benefit is payable during the 10 years prior to a participant's Normal Retirement Date upon completion of 25 years of Pension Service Credit or 5 years prior to a participant's normal retirement date upon completion of 15 years of Pension Service Credit.

Early Retirement Benefit - The Normal Retirement Benefit is reduced 0.25% per month for the first 60 months and then reduced 0.4167% per month for the next 60 months.

Disability Retirement Benefit - A disability benefit is payable upon disability after completion of at least 10 years of service. The disability benefit is equal to the Normal Retirement Benefit accrued as of the date of disability and is payable immediately. The disability benefit is offset for any workers' compensation payments.

Deferred Vested Benefit - If a participant terminates employment for any reason other than death or disability prior to his or her Normal or Early Retirement Date, and if the participant has completed at least three (3) years service on his or her date of termination of employment, then the participant will become vested in his or her accrued Normal Retirement Benefit subject to a 7 year graded vesting schedule.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Summary of Plan Provisions (continued)

Death in Service Benefit - If a vested employee dies while still an employee and has a spouse, the Board will assume that the employee retired on the day preceding his or her death on a disability pension and elected a 100% Joint and Survivor form of payment.

Forms of Payment - The following actuarially equivalent forms of payment are available under the plan:

- a) a monthly benefit payable for the participant's lifetime;
- b) a monthly benefit payable for the participant's lifetime with 15% up to 100% of such benefit continued to a surviving contingent annuitant following the participant's death;
- c) a monthly benefit payable for the participant's lifetime with 15% up to 100% of such benefit continued to a surviving contingent annuitant following the participant's death. If the beneficiary dies first, the pension amount will revert back to the life annuity amount;
- d) a lump sum payment

Cost of Living Increases - None

Actuarial Equivalence - The plan's definition of Actuarial Equivalence is as follows:

- a) Non-decreasing annuities: Actuarial Equivalence is computed using the 1983 Group Annuity Mortality Table applied on a unisex basis and 7.50% interest.
- b) Accelerated forms of payments: Actuarial Equivalence is computed using the 1983 Group Annuity Mortality Table applied on a unisex basis and the annual rate of interest on a 30 year constant maturity U.S. Treasury securities for the month of December immediately preceding the start of the calendar year in which distribution occurs.

Maximum Compensation - Annual Pay for any 12-month period used to determine a participant's accrued benefit may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins.

Maximum Benefit - Annual benefit amounts payable under the plan may not exceed the limits in IRC Section 415.

Changes in Plan Provisions Since Last Valuation - None.

Lansing Board of Water and Light

Defined Benefit Plan for Employees' Pensions

June 30, 2022 GASB 67/68 Report

Glossary

Actuarial Assumptions - Assumptions relating to future experience under the plan. These include assumptions about the occurrence of future events affecting costs or liabilities, such as:

- mortality, withdrawal, disablement, and retirement;
- future increases in salary;
- future rates of investment earnings and future investment and administrative expenses;
- characteristics of members not specified in the data, such as marital status;
- characteristics of future members;
- future elections made by members; and
- other relevant items.

Actuarial Cost Method - A procedure for allocating the Actuarial Present Value of Future Benefits to various time periods; a method used to determine the Normal Cost and the Total Pension Liability (TPL).

Actuarial (Gain) or Loss - A measure of the difference between actual experience and experience expected under a set of Actuarial Assumptions, during the period between two Actuarial Valuation dates. Through the actuarial assumptions, rates of decrements, rates of salary increases, and rates of fund earnings that have been forecasted. To the extent that actual experience differs from that assumed, actuarial accrued liabilities emerge which may be the same as forecasted, or may be larger or smaller than projected. Actuarial gains are due to favorable experience, e.g., the plan's assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, actuarial losses are the result of unfavorable experience, i.e., actual results that produce actuarial liabilities which are larger than projected. Actuarial gains will shorten the time required for funding of the actuarial balance sheet deficiency while actuarial losses will lengthen the funding period.

Actuarially Equivalent - Of equal actuarial present value, determined as of a given date and based on a given set of Actuarial Assumptions.

Actuarial Present Value (APV) - The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of Actuarial Assumptions. For purposes of this standard, each such amount or series of amounts is:

- adjusted for the probable financial effect of certain intervening events (such as changes in marital status, etc.)
- multiplied by the probability of the occurrence of an event (such as survival, death, disability, termination of employment, etc.) on which the payment is conditioned, and
- discounted according to an assumed rate (or rates) of return to reflect the time value of money.

Actuarial Present Value of Future Benefits - The Actuarial Present Value of those benefit amounts which are expected to be paid at various future times under a particular set of Actuarial Assumptions, taking into account such items as the effect of advancement in age and past and anticipated future benefit increases. The Actuarial Present Value of Future Benefits includes the liabilities for active members, retired members and spouses receiving benefits. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.

Actuarial Present Value of Future Earnings - The Actuarial Present Value of a participant's expected future earnings.

Actuarial Present Value of Future Normal Costs - The portion of the Actuarial Present Value of Future Benefits allocated to future years.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2022 GASB 67/68 Report
Glossary (continued)

Actuarial Valuation - The determination, as of a valuation date, of the Normal Cost, Total Pension Liability (TPL), Fiduciary Net Position (FNP), and related Actuarial Present Values for a plan. An Actuarial valuation for a retirement system typically includes calculations that provide financial information for the plan, such as the funded status, unfunded actuarial accrued liability and the contribution amounts.

Actuarially Determined - Values which have been determined utilizing the principles of actuarial science. An actuarially determined value is derived by application of the appropriate actuarial assumptions to specified values determined by provisions of the law.

Covered Payroll - Payroll as of the valuation date for active participants who have not attained normal retirement age.

Decrements - Those causes/events due to which a member's status (active-inactive-retiree-spouse) changes, that is: death, retirement, disability, or termination.

Entry Age Normal Cost Method - The EAN cost method is a standard actuarial funding method. The annual cost of benefits under EAN cost method is comprised of two components:

- Normal cost
- Amortization of the unfunded liability

The normal cost is determined on an individual basis, from a member's age at plan entry, and is designed to be a level percentage of pay throughout a member's career.

Fiduciary Net Position - The value of the plan's assets as of a given date, used by the actuary for valuation purposes. This usually equals the market value of plan assets.

Funded Status - The ratio of the Fiduciary Net Position (FNP) to the Total Pension Liability (TPL).

Net Pension Liability (NPL) - The excess of the Total Pension Liability (TPL) over the Fiduciary Net Position (FNP). This value may be negative in which case it may be expressed as a negative Fiduciary Net Position, also called the funding surplus.

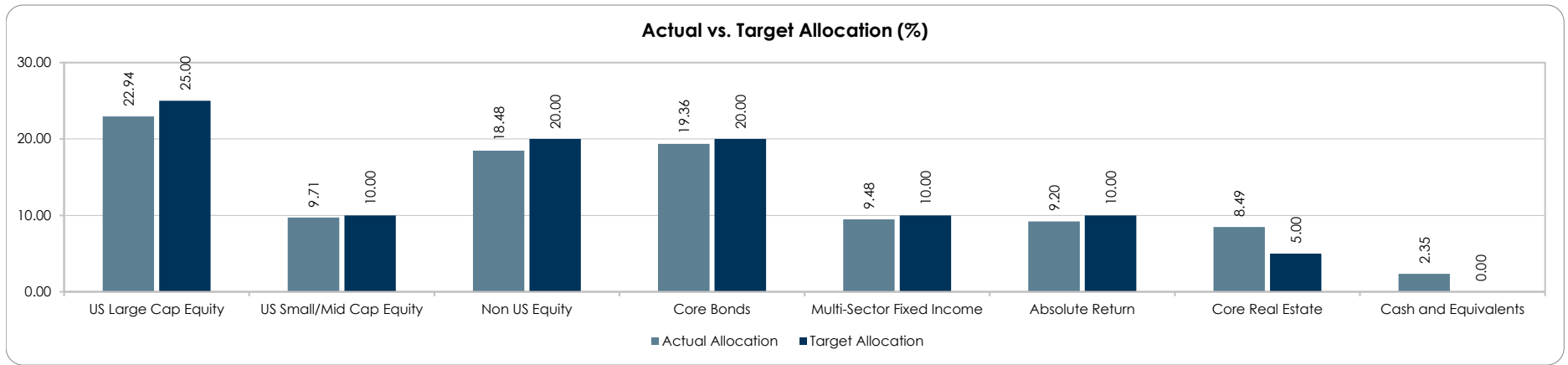
Normal Cost - The portion of the Actuarial Present Value of Future Benefits allocated to a valuation year by the Actuarial Cost Method. Any payment in respect of an unfunded actuarial accrued liability is not part of Normal Cost. Under the entry age normal cost method, the Normal Cost is intended to be the level cost (when expressed as a percentage of pay) needed to fund the benefits of a member from hire until ultimate termination, death, disability or retirement.

Total Pension Liability (TPL) - The portion of the Actuarial Present Value of Future Benefits which is not provided for by future Normal Costs. It is equal to the Actuarial Present Value of Future Benefits minus the actuarial present value of future Normal Costs.

Valuation Date or Actuarial Valuation Date - The date on which the value of plan assets, the Actuarial Present Value of Future Benefits, the Total Pension Liability (TPL) and Normal Cost are determined. The expected future benefits are discounted to this date.

LBWL Defined Benefit Plan and Trust for Employees' Pensions

For the Periods Ending June 30, 2022



Asset Class	Market Value (\$000s)	Actual Allocation (%)	Target Allocation (%)	Over/Under (%)	Range Min - Max (%)
Total Portfolio	50,206	100.00	100.00		
Equity	25,670	51.13	55.00	-3.87	40.00 70.00
US Large Cap Equity	11,517	22.94	25.00	-2.06	20.00 30.00
US Small/Mid Cap Equity	4,876	9.71	10.00	-0.29	5.00 15.00
Non US Equity	9,277	18.48	20.00	-1.52	15.00 25.00
Fixed Income	19,095	38.03	40.00	-1.97	20.00 50.00
Core Bonds	9,719	19.36	20.00	-0.64	10.00 30.00
Multi-Sector Fixed Income	4,758	9.48	10.00	-0.52	5.00 15.00
Absolute Return	4,618	9.20	10.00	-0.80	5.00 15.00
Real Assets	4,262	8.49	5.00	3.49	0.00 10.00
Core Real Estate	4,262	8.49	5.00	3.49	0.00 10.00
Cash and Equivalents	1,179	2.35	0.00	2.35	0.00 5.00

	Mar 2022 Market Value (\$000s)	Jun 2022 Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Total Portfolio (01/17) *	56,879	50,206	100.00	-4.69	-9.41	-13.35	-10.55	4.00	4.77	--	5.91
Total Portfolio (07/04)	56,879	50,206	100.00	-4.65	-9.29	-13.13	-10.08	4.55	5.32	7.49	5.92
Policy Index ¹				-5.16	-10.33	-14.73	-12.03	4.11	5.32	7.57	6.62

LBWL Defined Benefit Plan and Trust for Employees' Pensions

For the Periods Ending June 30, 2022

	Mar 2022 Market Value (\$000s)	Jun 2022 Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Total Portfolio (01/17) *	56,879	50,206	100.00	-4.69	-9.41	-13.35	-10.55	4.00	4.77	--	5.91
Total Portfolio (07/04)	56,879	50,206	100.00	-4.65	-9.29	-13.13	-10.08	4.55	5.32	7.49	5.92
<i>Policy Index</i> ¹				-5.16	-10.33	-14.73	-12.03	4.11	5.32	7.57	6.62
US Large Cap Equity (01/17)	13,923	11,517	22.94	-8.21	-17.27	-20.74	-16.18	7.62	9.43	--	11.29
<i>Russell 1000</i>				-8.38	-16.67	-20.94	-13.04	10.17	11.00	12.82	11.74
US Small/Mid Cap Equity (01/17)	5,527	4,876	9.71	-7.05	-11.60	-15.59	-9.22	7.75	9.60	--	8.75
<i>Blended Benchmark</i> ²				-9.55	-16.98	-21.81	-21.00	5.91	6.16	--	5.96
Non US Equity (01/17) *	10,662	9,277	18.48	-7.94	-13.00	-20.79	-19.72	1.13	2.52	--	4.35
<i>MSCI EAFE</i>				-9.26	-14.29	-19.25	-17.33	1.54	2.69	5.89	4.95
Fixed Income (01/17)	21,371	19,095	38.03	-2.07	-4.59	-8.69	-8.35	0.79	2.12	--	2.37
<i>Bloomberg US Aggregate</i>				-1.57	-4.69	-10.35	-10.29	-0.93	0.88	1.54	1.21
Real Assets (01/19) *³	4,138	4,262	8.49	2.99	2.99	11.42	27.03	11.43	--	--	10.55
<i>NFI ODCE Net</i>				4.58	4.58	12.05	28.36	11.68	9.56	10.16	10.55
Cash and Equivalents (01/17)	1,257	1,179	2.35	0.10	0.16	0.17	0.19	0.49	0.94	--	0.90
<i>US T-Bills 90 Day</i>				0.02	0.10	0.14	0.17	0.63	1.11	0.64	1.06

LBWL Defined Benefit Plan and Trust for Employees' Pensions

For the Periods Ending June 30, 2022

	Mar 2022 Market Value (\$000s)	Jun 2022 Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Equity (01/17)	30,113	25,670	51.13	-7.87	-14.66	-19.61	-15.82	5.74	7.33	--	8.81
US Large Cap Equity											
Loomis Sayles (01/13)	6,902	5,355	10.67	-7.60	-22.42	-28.41	-25.09	7.12	10.93	--	13.66
<i>Russell 1000 Growth</i>				-7.92	-20.92	-28.07	-18.77	12.58	14.29	14.80	15.07
Vanguard Russell 1000 Value (05/17) *	7,021	6,162	12.27	-8.74	-12.23	-12.90	-6.90	6.82	7.12	--	7.19
<i>Russell 1000 Value</i>				-8.74	-12.21	-12.86	-6.82	6.87	7.17	10.50	7.24
US Small/Mid Cap Equity											
Atlanta Capital (08/18) *	5,527	4,876	9.71	-7.12	-11.78	-15.94	-9.96	6.83	--	--	7.87
<i>Russell 2500</i>				-9.55	-16.98	-21.81	-21.00	5.91	7.04	10.49	4.45
Non US Equity											
Harding Loevner Int'l Equity (09/17) *	5,273	4,493	8.95	-7.77	-14.80	-24.15	-22.51	2.16	--	--	2.92
<i>MSCI ACWI ex US</i>				-8.56	-13.54	-18.15	-19.01	1.81	2.98	5.31	2.19
Lazard Int'l Equity (09/17) *	5,389	4,784	9.53	-8.10	-11.23	-17.35	-16.92	-0.03	--	--	1.25
<i>MSCI EAFE</i>				-9.26	-14.29	-19.25	-17.33	1.54	2.69	5.89	2.19
Fixed Income (01/17)	21,371	19,095	38.03	-2.07	-4.59	-8.69	-8.35	0.79	2.12	--	2.37
Core Bonds											
JP Morgan Fixed Income (01/09)	10,154	9,719	19.36	-1.36	-4.25	-9.45	-9.38	-0.28	1.38	1.90	3.28
<i>Bloomberg US Aggregate</i>				-1.57	-4.69	-10.35	-10.29	-0.93	0.88	1.54	2.80
Multi-Sector Fixed Income											
Fidelity Tactical Bond (09/18) *	5,655	4,758	9.48	-3.33	-7.16	-10.87	-9.99	0.79	--	--	2.63
<i>Bloomberg US Aggregate</i>				-1.57	-4.69	-10.35	-10.29	-0.93	0.88	1.54	1.07
Absolute Return											
BlackRock Strategic Income Opp (09/17) *	5,561	4,618	9.20	-1.89	-2.62	-5.37	-5.61	1.70	--	--	2.32
<i>Bloomberg US Aggregate</i>				-1.57	-4.69	-10.35	-10.29	-0.93	0.88	1.54	0.63
<i>US T-Bills 90 Day + 3.0%</i>				0.27	0.85	1.63	3.17	3.65	4.14	3.66	4.14
Real Assets (01/19) *³	4,138	4,262	8.49	2.99	2.99	11.42	27.03	11.43	--	--	10.55
Core Real Estate											
AEW Core Property Trust (01/19) *³	4,138	4,262	8.49	2.99	2.99	11.42	27.03	11.43	--	--	10.55
<i>NFI ODCE Net</i>				4.58	4.58	12.05	28.36	11.68	9.56	10.16	10.55
Cash & Equivalents (01/17)	1,257	1,179	2.35	0.10	0.16	0.17	0.19	0.49	0.94	--	0.90
Cash & Equivalents (01/17)	1,257	1,179	2.35	0.10	0.16	0.17	0.19	0.49	0.94	--	0.90
<i>US T-Bills 90 Day</i>				0.02	0.10	0.14	0.17	0.63	1.11	0.64	1.06

All returns prior to 12/31/2016 were calculated by the prior consultant.

* Net of Fee return data.

1 Policy Index: Effective January 2019, the index consists of 25.0% Russell 1000, 10.0% Russell 2500, 20.0% MSCI ACWI ex US, 40.0% Bloomberg US Aggregate, 5.0% NFI ODCE Net.

2 Blended Benchmark: Effective August 2018, the index consists of 100% Russell 2500.

3 Valuation and performance are assessed quarterly.

The Fiscal Year End is June.

Total Portfolio

Dollar Reconciliation (\$000s)

For the Periods Ending June 30, 2022

	3 Months	FYTD
Beginning Market Value	56,879	61,745
Net Additions	-1,436	-5,829
Return on Investment	-5,237	-5,710
Ending Market Value	50,206	50,206

Market Overview

For the Periods Ending June 30, 2022

	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)
Equity Markets - Core							
S&P 500	-8.25	-16.10	-19.96	-10.62	10.60	11.31	12.96
Russell 1000	-8.38	-16.67	-20.94	-13.04	10.17	11.00	12.82
Russell 2000	-8.22	-17.20	-23.43	-25.20	4.21	5.17	9.35
Russell 2500	-9.55	-16.98	-21.81	-21.00	5.91	7.04	10.49
Equity Markets - Growth							
S&P 500 Growth	-8.28	-20.81	-27.62	-16.41	11.64	13.46	14.35
Russell 1000 Growth	-7.92	-20.92	-28.07	-18.77	12.58	14.29	14.80
Russell 2000 Growth	-6.19	-19.25	-29.45	-33.43	1.40	4.80	9.30
Russell 2500 Growth	-6.92	-19.55	-29.45	-31.81	3.68	7.53	10.88
Equity Markets - Value							
S&P 500 Value	-8.23	-11.27	-11.41	-4.86	8.23	8.19	10.97
Russell 1000 Value	-8.74	-12.21	-12.86	-6.82	6.87	7.17	10.50
Russell 2000 Value	-9.88	-15.28	-17.31	-16.28	6.18	4.89	9.05
Russell 2500 Value	-10.95	-15.39	-16.66	-13.19	6.19	5.54	9.54
International Markets							
MSCI ACWI	-8.39	-15.53	-19.97	-15.37	6.71	7.54	9.32
MSCI ACWI ex US	-8.56	-13.54	-18.15	-19.01	1.81	2.98	5.31
MSCI EAFE	-9.26	-14.29	-19.25	-17.33	1.54	2.69	5.89
MSCI EAFE Growth	-8.57	-16.74	-26.62	-23.53	1.64	3.84	6.67
MSCI EAFE Value	-9.93	-12.11	-11.67	-11.29	0.79	1.13	4.85
MSCI Emerging Markets	-6.56	-11.34	-17.47	-25.00	0.92	2.55	3.43
MSCI World	-8.63	-16.05	-20.29	-13.94	7.52	8.22	10.10
MSCI World ex US	-9.38	-14.44	-18.45	-16.30	2.20	3.18	5.89
Fixed Income							
ICE BofA ML 1 Yr Treasury Note	-0.51	-0.48	-1.27	-1.44	0.54	1.10	0.73
ICE BofA ML High Yield Master II	-6.81	-9.97	-14.04	-12.66	-0.03	1.95	4.41
Bloomberg US Aggregate	-1.57	-4.69	-10.35	-10.29	-0.93	0.88	1.54
Bloomberg Intermediate G/C	-1.11	-2.37	-6.77	-7.28	-0.16	1.13	1.45
Bloomberg 10 Yr Municipal	-1.08	-2.16	-8.26	-7.90	0.00	1.66	2.52
Bloomberg US Credit	-2.61	-6.90	-13.81	-13.64	-1.00	1.24	2.45
Real Assets							
NFI ODCE Net	4.58	4.58	12.05	28.36	11.68	9.56	10.16

Disclosures and Legal Notice

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The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) & Public Act 530 of 2016 Pension Report

Enter Local Government Name	LANSING CITY BOARD OF WATER & LIGHT	Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting .
Enter Six-Digit Municode	337537	
Unit Type	Authority	
Fiscal Year End Month	June	
Fiscal Year (four-digit year only, e.g. 2019)	2022	Questions: For questions, please email LocalRetirementReporting@michigan.gov . Return this original Excel file. Do not submit a scanned image or PDF.
Contact Name (Chief Administrative Officer)	Scott Taylor	
Title if not CAO	Director, Accounting, Finance, and Planning	
CAO (or designee) Email Address	SCOTT_TAYLOR@LBWL.COM	
Contact Telephone Number	517-702-6104	
Pension System Name (not division) 1	and Trust for Employees' Pensions	If your pension system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.
Pension System Name (not division) 2		
Pension System Name (not division) 3		
Pension System Name (not division) 4		
Pension System Name (not division) 5		

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	NO	NO	NO	NO	NO
2	Provide the name of your retirement pension system	Calculated from above	Lansing Board of Water and Light Defined Benefit Pension Trust for				
3 Financial Information							
4	Enter retirement pension system's assets (system fiduciary net position ending)	Most Recent Audit Report	50,658,773				
5	Enter retirement pension system's liabilities (total pension liability ending)	Most Recent Audit Report	47,886,693				
6	Funded ratio	Calculated	105.8%				
7	Actuarially Determined Contribution (ADC)	Most Recent Audit Report	-				
8	Governmental Fund Revenues	Most Recent Audit Report	397,149,164				
9	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
10 Membership							
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	3				
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	2				
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	284				
14 Investment Performance							
15	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	-10.55%				
16	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	4.77%				
17	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	7.49%				
18 Actuarial Assumptions							
19	Actuarial assumed rate of investment return	Actuarial Funding Valuation used in Most Recent Audit Report	6.00%				
20	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report					
21	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report					
22	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	Yes				
23 Uniform Assumptions							
24	Enter retirement pension system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	55,019,948				
25	Enter retirement pension system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	48,595,014				
26	Funded ratio using uniform assumptions	Calculated	113.2%				
27	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	-				
28	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
29 Pension Trigger Summary							
30	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	Primary government triggers: Less than 60% funded <u>AND</u> greater than 10% ADC/Governmental fund revenues. Non-Primary government triggers: Less than 60% funded	NO	NO	NO	NO	NO

Requirements (For your information, the following are requirements of P.A. 202 of 2017)
 Local governments must post the current year report on their website or in a public place.
 The local government must electronically submit the form to its governing body.
 Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years.
 Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

By emailing this report to the Michigan Department of Treasury, the local government acknowledges that this report is complete and accurate in all known respects.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Financial Report

With Required Supplementary Information

As of and for the Years Ended June 30, 2022 and 2021

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

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Independent Auditors' Report

To the Honorable Mayor, Members of the City Council,
Commissioners of the Board of Water and Light
Post-Retirement Benefit Plan and Trust for Eligible
Employees of Lansing Board of Water and Light

Opinion

We have audited the accompanying financial statements of the Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light (the Plan), a fiduciary fund of the Lansing Board of Water and Light, as of and for the years ended June 30, 2022 and 2021 and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan as of June 30, 2022 and 2021 and the respective changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Plan is presenting only the financial statements of the Plan and do not purport to and do not, present fairly the financial position of the Lansing Board of Water and Light, as of June 30, 2022 and 2021 and the changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Baker Tilly US, LLP

Madison, Wisconsin
September 12, 2022

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Management's Discussion and Analysis (Unaudited) As of and for the Years Ended June 30, 2022 and 2021

Using this Annual Report

The annual report consists of two parts: (1) Management's Discussion and Analysis (this section) and (2) the financial statements. The financial statements include notes that explain information in the statements and provide more detail.

Condensed Financial Information

The table below compares key financial information in a condensed format between the current year and the prior two years:

	2022	2021	2020
Assets held in trust:			
Cash and money market trust funds	\$ 957,009	\$ 1,042,711	\$ 578,216
Fixed income securities	-	286	283
Equities	29,852,049	49,879,749	85,193,786
Mutual funds	108,461,092	120,768,939	72,136,937
Common collective funds	88,879,109	76,041,081	40,856,781
Interest and dividend receivable	3,091	12,481	26,604
Trade Receivable - Due from Broker	-	135,656	13,252
	<u>\$ 228,152,350</u>	<u>\$ 247,880,903</u>	<u>\$ 198,805,859</u>
Liabilities:			
Trade Payable - Due to Broker	<u>\$ 12,256</u>	<u>\$ 137,676</u>	<u>\$ 1,057</u>
	<u>\$ 228,140,094</u>	<u>\$ 247,743,227</u>	<u>\$ 198,804,802</u>
Changes in net position:			
Net investment income (loss)	\$ (19,249,317)	\$ 49,388,725	\$ 4,158,326
Employer contributions	13,492,757	8,343,977	9,156,565
Retiree benefits paid	(13,492,757)	(8,343,977)	(9,156,565)
Administrative fees	(353,816)	(450,300)	(512,101)
	<u>\$ (19,603,133)</u>	<u>\$ 48,938,425</u>	<u>\$ 3,646,225</u>

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Management's Discussion and Analysis (Unaudited) (Continued)
As of and for the Years Ended June 30, 2022 and 2021

Investment Results

The fiscal year ended June 30, 2022 saw a net investment loss of (\$19.2) million. We believe this performance is consistent with the experience of similarly situated employee benefit funds.

The Lansing Board of Water & Light ("BWL") actuarially determined contribution ("ADC") as determined by the BWL's actuary was \$0 in fiscal year 2022.

The discount rate was 7.0% in fiscal year 2020 & 2021 and 6.5% in fiscal year 2022.

Investment Objectives and Asset Allocation

The Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light ("Plan") assets shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals. In establishing the investment objectives of the Plan, the BWL has considered the time horizon available for investment, the nature of the Plan's cash flows and liabilities, and other factors that affect the Plan's risk tolerance.

The investment of Plan assets is intended to result in moderate, long-term capital appreciation through moderate risk-taking. The Plan's overall investment objective is to earn an average, annual return of 6.5% over five-year rolling periods. Achievement of this objective is likely to result in stable to declining future contribution rates and ensure the ability to pay retirement benefits for all plan participants.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Management’s Discussion and Analysis (Unaudited) (Continued) As of and for the Years Ended June 30, 2022 and 2021

Consistent with the advice of its investment advisor, the BWL has selected the following target asset allocation strategy:

<u>Asset Class</u>	<u>Target Asset Allocation</u>
Core Bonds	15%
Multi-Sector	5%
Liquid Absolute Return	5%
U.S. Large Cap Equity	30%
U.S. Small Cap Equity	10%
Non-U.S. Equity	20%
Core Real Estate	8%
Value Add Real Estate	<u>7%</u>
Total	100%

Future Events

The Plan is currently overfunded, with a funded status (fiduciary net position divided by total pension liability) of 146%. This funding level results in an actuarially determined contribution of \$0 for fiscal year 2023. As a result, the BWL does not expect to make contributions to the trust in fiscal year 2023.

Contacting the Plan’s Management

The financial report is intended to provide a general overview of the Plan’s finances and to demonstrate accountability for the funds it administers. Questions about this report should be submitted to Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light, Attn: Retirement Plan Committee, P.O. Box 13007, Lansing, Michigan 48901-3007.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Statements of Fiduciary Net Position

	As of June 30	
	2022	2021
Assets		
Investments - fair value:		
Cash and money market trust funds	\$ 957,009	\$ 1,042,711
Fixed income securities	-	286
Equities	29,852,049	49,879,749
Mutual funds	108,461,092	120,768,939
Common collective funds	88,879,109	76,041,081
Total investments at fair value	228,149,259	247,732,766
Investment interest and dividend receivable	3,091	12,481
Trade receivable - due from broker	-	135,656
Total assets	228,152,350	247,880,903
Liabilities		
Trade payable - due to broker	12,256	137,676
Net position restricted for retiree benefits	\$ 228,140,094	\$ 247,743,227

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Statements of Changes in Fiduciary Net Position

	For the Year Ended June 30	
	2022	2021
Additions		
Investment income:		
Net appreciation in fair value of investments	\$ -	\$ 47,489,394
Interest and dividend income	7,872,032	1,899,331
Total investment income	7,872,032	49,388,725
Employer contributions	13,492,757	8,343,977
Total additions	21,364,789	57,732,702
Deductions		
Net depreciation in fair value of investments	27,121,349	-
Retiree benefits paid	13,492,757	8,343,977
Administrative expenses	353,816	450,300
Total deductions	40,967,922	8,794,277
Net Increase (Decrease) in Net Position	(19,603,133)	48,938,425
Net Position Restricted for Retiree Benefits		
Beginning of year	247,743,227	198,804,802
End of year	\$ 228,140,094	\$ 247,743,227

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
As of and for the Years Ended June 30, 2022 and 2021

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

The Lansing Board of Water & Light (“BWL”) sponsors the Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water & Light (“Plan”), which is a single-employer retiree benefit plan. The Plan was established on October 20, 1999, effective as of July 1, 1999, for the purpose of accumulating assets to fund retiree healthcare insurance costs in future years.

Accounting and Reporting Principles

The Plan follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board.

Basis of Accounting

Fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Employer contributions to the Plan are recognized when due pursuant to legal requirements.

Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Report Presentation

This report includes the fund-based statements of the Plan.

Investment Valuation and Income Recognition – Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price.

Purchases and sales of investments are recorded on a trade-date basis.

Appreciation or depreciation of investments is calculated based on the beginning of the period’s fair value of investments.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
As of and for the Years Ended June 30, 2022 and 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

Report Presentation (Continued)

Expenses – Substantially all Plan expenses are paid by the Plan.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Note 2 – Plan Description

The following description of the Plan provides only general information. Participants should refer to the Plan and Trust Documents for a more complete description of the Plan's provisions.

General – The Plan was established by the Lansing Board of Water & Light on October 20, 1999 under Section 5–203 of the City Charter. The Plan became effective July 1, 1999. Eligible Participants of the Plan may include BWL employees, former BWL employees, and their spouses, dependents, or beneficiaries.

The Plan provides medical, dental, and life insurance benefits to eligible Participants. Substantially all BWL employees may become eligible Participants of the Plan if they reach normal retirement age while actively employed full-time by the BWL. There were 761 participants eligible to receive benefits at June 30, 2022 and 747 participants eligible at June 30, 2021.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 2 – Plan Description (Continued)

Trustees – Each voting member of the BWL Board of Commissioners is a Trustee during the term of office as a commissioner. The Trustees have appointed Fifth Third Bank as custodian of the Plan’s assets.

Agreement – The Lansing Board of Water & Light (the “Employer”) entered into an Administrative Services Agreement (the “Agreement”) with the Trust for Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water & Light (the “VEBA” or “Trust”) effective January 1, 2022. The Agreement obligates the Employer to provide the administrative services necessary to pay Plan benefits. The Agreement also governs the conditions related to Trust contributions and disbursements.

Benefits – Plan benefits shall not be paid to participants or their beneficiaries during a plan year in which there has been a “qualified transfer” pursuant to Internal Revenue Code Section 420(e)(1)(8) from the Lansing Board of Water & Light Defined Benefit Plan and Trust for Employees’ Pensions, except that once the “qualified transfer” has been exhausted for the purpose of paying qualified current retiree health liabilities, benefit payments may be made under this Plan consistent with Internal Revenue Code Section 420(e)(1)(B). After “qualified transfers” have been exhausted, benefits paid under the Plan shall be those benefits described in the Plan Document.

Contributions – Section 5–203 of the City Charter grants the authority to establish and amend the contribution requirement of the City and Plan members to BWL. The retiree benefits are paid by BWL’s general cash flow to the third party administrators who process participant claims. These payments represent contributions to the Plan. Employer contribution amounts are quantified in the statement of changes in net position. During the years ended June 30, 2022 and 2021, BWL incurred \$13,492,757 and \$8,343,977 in benefit payments, respectively.

The BWL may make additional contributions in such a manner and at such times as appropriate per the Plan and Trust documents. All contributions received, together with the income thereon, are held, invested, reinvested, and administered by the Trustees pursuant to the terms of the Plan. No employee contributions are allowed under this Plan.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 2 – Plan Description (Continued)

Contributions are recognized when due and when the amount to be contributed is committed by the BWL. For the years ended June 30, 2022 and 2021, the contribution rates of the employer were 21.4% and 13.8% of covered-employee payroll, respectively.

Participation – Participation is determined in accordance with the terms of the Plan. At June 30, 2022, there were 696 active participants (not yet eligible to receive benefits), 71 disabled participants, 537 retired participants, and 153 surviving spouses participating in the Plan. At June 30, 2021, there were 698 active participants (not eligible to receive benefits), 72 disabled participants, 526 retired participants, and 149 surviving spouses participating in the Plan.

Vesting – Benefits become payable in accordance with the terms of the Plan. At no time will benefits of the Plan be vested. The BWL may reduce or eliminate any or all Plan benefits at any time, subject to the requirements of any collective bargaining agreement.

Termination – In the event of Plan termination, all Plan assets shall be used to purchase additional eligible benefits in accordance with the terms of the Plan. In the event of dissolution, merger, consolidation, or reorganization of the BWL, the Plan shall terminate and liquidate in a manner consistent with the Plan agreement unless the Plan is continued by a successor to the BWL.

Note 3 - Cash, Investments, and Fair Disclosure

The Plan is authorized through Public Act 149 of 1999 to invest in accordance with Public Act 314. Public Act 314 of 1965, as amended, allows the Plan to invest in certain reverse repurchase agreements, stocks, bonds, mutual funds, collective investment funds, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate, debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

The Plan's deposits and investment policies are in accordance with PA 196 of 1997 and have authorized the investments according to Michigan PA 314 of 1965, as amended.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 3 - Cash, Investments, and Fair Disclosure (Continued)

The Plan's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Plan's deposits may not be returned to it. The Plan requires that financial institutions must meet minimum criteria to offer adequate safety to the Plan. The Plan evaluates each financial institution with which it deposits funds and only those institutions meeting minimum established criteria are used as depositories. The Plan does not have any deposits exposed to custodial credit risk.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan does not have a policy for custodial credit risk. At year-end, all investments of the Plan were held in the name of the Plan and are therefore not subject to custodial credit risk.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Plan's investment policy does not restrict investment maturities. At June 30, 2022, the Plan has no investments subject to interest rate risk.

At June 30, 2021 the average maturities of investments subject to interest rate risk are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (in years)</u>
Fixed income securities	\$ 286	24.3

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 3 - Cash, Investments, and Fair Disclosure (Continued)

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Plan has no investment policy that would further limit its investment choices. As of June 30, 2022, At June 30, 2022, the Plan has no investments subject to credit risk.

As of June 30, 2021, the credit quality ratings of investments subject to credit risk are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Fixed income securities	\$ 286	AA	S&P

Note 4 - Tax Status

The Plan is exempt under Internal Revenue Code Section 501(c)(9) and received an exemption letter as of February 9, 2000. The Plan has since been amended. Management believes the Plan continues to operate as a qualified plan.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 5 - Plan Investments - Policy and Rate of Return

BWL's policy regarding the allocation of invested assets is established and may be amended by the BWL Board by a majority vote of its members. It is the policy of the BWL Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board's adopted asset allocation policy as of June 30, 2022 and 2021:

<u>Asset Class</u>	<u>2022 Target Allocation</u>	<u>2021 Target Allocation</u>
Core Bonds	15.00%	15.00%
Multi-Sector	5.00%	5.00%
Liquid Absolute Return	5.00%	5.00%
U.S. Large Cap Equity	30.00%	30.00%
U.S. Small Cap Equity	10.00%	10.00%
Non-U.S. Equity	20.00%	20.00%
Core Real Estate	8.00%	8.00%
Value Add Real Estate	7.00%	7.00%

Rate of Return – For the years ended June 30, 2022 and 2021 the annual money-weighted rate of return on investments, net of investment expense, was (7.77%) and 24.87%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 6 - Net OPEB Liability (Asset) of BWL

Net OPEB Liability (Asset) of BWL –The components of the net OPEB liability (asset) for BWL at June 30, 2022 and 2021 were as follows:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Total OPEB Liability	\$ 156,408,876	\$ 147,644,491
Plan fiduciary net position	<u>228,140,094</u>	<u>(247,743,227)</u>
BWL’s net OPEB liability (asset)	<u>\$ (71,731,218)</u>	<u>\$ (100,098,736)</u>
Plan fiduciary net position as a percentage of the total OPEB Liability (asset)	145.86%	167.80%

Actuarial assumptions – The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Payroll Growth	9.0% growth at age 25 and decreases to 5.3% for ages 60+. This percentage includes general wage inflation and merit / productivity increases
Long-term expected Rate of Return	6.5%
Healthcare cost trend rates	7.25% for 2022, decreasing 0.25% per year to an ultimate rate of 4.50% in 2033 and later years

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 6 - Net OPEB Liability (Asset) of BWL (Continued)

Actuarial assumptions – The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Payroll Growth	9.3% growth at age 25 and decreases to 6.4% for ages 60+. This percentage includes general wage inflation and merit / productivity increases
Long-term expected Rate of Return	7.0%
Healthcare cost trend rates	7.50% for 2021, decreasing 0.25% per year to an ultimate rate of 4.50% in 2033 and later years

For the June 30, 2022 and 2021 valuation, mortality rates were based on the PUBH-2010 General Mortality Table projected generationally using MP-2021 scale and MP-2020 scale, respectively.

Best actuarial practices call for a periodic assumption review and BWL had completed a performance study in 2022.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 6 - Net OPEB Liability (Asset) of BWL (Continued)

For the June 30, 2022 valuation, the long-term expected rate of return was 6.5%. The rate was determined using a building-block method where expected future real rates of return are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2022 are as follows:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Core Bonds	2.58%
Multi-Sector	3.53%
Liquid Absolute Return	3.25%
U.S. Large Cap Equity	7.13%
U.S. Small Cap Equity	8.53%
Non-U.S. Equity	8.22%
Core Real Estate	6.60%
Value Add Real Estate	8.10%

For the June 30, 2021 valuation, the long-term expected rate of return was 7.0%. The rate was determined using a building-block method where expected future real rates of return are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2021 are as follows:

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 6 - Net OPEB Liability (Asset) of BWL (Continued)

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Core bonds	2.58%
Multi-sector	3.42%
Liquid absolute return	3.26%
U.S. large cap equity	7.15%
U.S. small cap equity	8.44%
Non-U.S. equity	8.15%
Core real estate	6.66%
Value add RE	8.16%

Discount Rate – The discount rate used to measure the total OPEB liability was 6.5% and 7.0% for June 30, 2022 and 2021, respectively. The discount rate is based on the long-term expected rate of return on OPEB plan investments that are expected to be used to finance future benefit payments to the extent that (a) they are sufficient to pay for the projected benefit payments and (b) the OPEB plan assets are invested using a strategy that will achieve that return. When the OPEB plan investments are insufficient to cover future benefit payments, a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA /Aa or higher (or equivalent quality on another rating scale) must be used.

Sensitivity of the net OPEB liability (asset) to changes in the discount rate – The following presents the net OPEB liability (asset) of BWL, as well as what BWL’s net OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (5.5%) or 1 percentage point higher (7.5%) than the current discount rate (6.5%) as of June 30, 2022:

	<u>June 30, 2022</u>		
	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net OPEB Liability (asset)	\$(53,297,418)	\$(71,731,218)	\$(87,189,127)

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 6 - Net OPEB Liability (Asset) of BWL (Continued)

The following presents the net OPEB liability (asset) of BWL, as well as what BWL's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current discount rate (7.0%) as of June 30, 2021:

	June 30, 2022		
	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net OPEB Liability (asset)	\$(83,406,607)	\$(100,098,736)	\$(114,179,696)

Sensitivity of the net OPEB liability (asset) to changes in the healthcare cost trend rates – The following presents the net OPEB liability (asset) of BWL, as well as what BWL's net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates as of June 30, 2022 and 2021:

	June 30, 2022		
	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB Liability (asset)	\$(88,432,330)	\$(71,731,218)	\$(51,458,308)

	June 30, 2021		
	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB Liability (asset)	\$(115,475,352)	\$(100,098,736)	\$(81,548,417)

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 7 - Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under authoritative guidance are described as follows:

- Level 1 – Inputs to the valuation methodology are unadjusted quoted market prices for identical assets in active markets that the Plan has the ability to access.
- Level 2 – Inputs to the valuation methodology include:
- > quoted prices for similar assets or liabilities in active markets;
 - > quoted prices for identical or similar assets or liabilities in inactive markets;
 - > inputs other than quoted prices that are observable for the asset or liability;
 - > inputs that are derived principally from or corroborated by observable market data by correlation or other means; and
 - > if the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observables and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022 and 2021:

Money market fund: Valued at the quoted net asset value ("NAV") of shares held by the Plan at year-end.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
As of and for the Years Ended June 30, 2022 and 2021

Note 7 - Fair Value Measurements (Continued)

Common Stock, Fixed income securities, and U.S. government obligations: Valued at the most recent closing price reported on the market on which individual securities are traded.

Mutual and common collective funds: Valued at the daily closing price as reported by the fund. Mutual and common collective funds held by the Plan are open-end mutual and common collective funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual and common collective funds held by the Plan are deemed to be actively traded.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2022 and 2021:

Investment Type	June 30, 2022			
	Level 1	Level 2	Level 3	Total
Cash and money market trust fund	\$ -	\$ 957,009	\$ -	\$ 957,009
Common Stock	29,852,049	-	-	29,852,049
Mutual Funds	-	108,461,092	-	108,461,092
Common collective funds	46,922,667	41,956,442	-	88,879,109
Total	<u>\$ 76,774,716</u>	<u>\$ 151,374,543</u>	<u>\$ -</u>	<u>\$ 228,149,259</u>

Investment Type	June 30, 2021			
	Level 1	Level 2	Level 3	Total
Cash and money market trust fund	\$ -	\$ 1,042,711	\$ -	\$ 1,042,711
Fixed income securities	-	286	-	286
Common Stock	49,879,749	-	-	49,879,749
Mutual Funds	-	120,768,939	-	120,768,939
Common collective funds	34,030,243	42,010,838	-	76,041,081
Total	<u>\$ 83,909,992</u>	<u>\$ 163,822,774</u>	<u>\$ -</u>	<u>\$ 247,732,766</u>

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
As of and for the Years Ended June 30, 2022 and 2021

Note 8 – Risks and Uncertainties

Plan contributions are made and the accrued actuarial liability is reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

In addition, the Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Fiduciary Net Position.

Note 9 – Subsequent Events

The Plan has evaluated subsequent events occurring through September 12, 2022, the date that the Plan's financial statements were approved and available to be issued, for events requiring recording or disclosure in the Plan's financial statements. There are no subsequent events warranting disclosures.

Required Supplementary Information

**Post-Retirement Benefit Plan and Trust for
Eligible Employees of Lansing Board of Water and Light**

**Required Supplemental Information (Unaudited)
Schedule of Changes in BWL's
Net OPEB Liability and Related Ratios
Last Ten Fiscal Years
(in thousands)**

	2022	2021	2020	2019	2018	2017	2016*	2015*	2014*	2013*
Total OPEB Liability										
Service cost	\$ 3,299	\$ 3,396	\$ 3,245	\$ 4,403	\$ 4,827	\$ 3,130	\$ -	\$ -	\$ -	\$ -
Interest	9,871	10,535	10,804	14,920	15,039	14,226	-	-	-	-
Changes in benefit terms	-	-	-	(415)	-	-	-	-	-	-
Differences between expected and actual experience	(1,084)	(8,794)	(6,093)	(5,231)	(9,880)	5,281	-	-	-	-
Changes in assumptions	10,173	(3,752)	7,254	(59,336)	(1,728)	(2,027)	-	-	-	-
Benefit payments, including refunds	(13,493)	(8,344)	(9,157)	(9,278)	(10,395)	(9,574)	-	-	-	-
Net Change in Total OPEB Liability	8,766	(6,959)	6,053	(54,937)	(2,137)	11,036	-	-	-	-
Total OPEB Liability - Beginning of year	147,644	154,603	148,550	203,487	205,624	194,588	-	-	-	-
Total OPEB Liability - End of year	156,410	147,644	154,603	148,550	203,487	205,624	-	-	-	-
Trust Net Position										
Contributions - Employer	13,493	8,344	9,157	9,278	10,395	9,574	-	-	-	-
Contributions - Member	-	-	-	-	-	-	-	-	-	-
Net investment income	(19,247)	49,387	4,158	11,688	11,039	18,040	-	-	-	-
Administrative expenses	(354)	(449)	(512)	(569)	(634)	(705)	-	-	-	-
Benefit payments, including refunds	(13,493)	(8,344)	(9,157)	(9,278)	(10,395)	(9,574)	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Net change in Net Position Held in Trust	(19,601)	48,938	3,646	11,119	10,405	17,335	-	-	-	-
Trust fiduciary net position - Beginning of year	247,743	198,805	195,159	184,040	173,635	156,300	-	-	-	-
Trust fiduciary net position - End of year	228,142	247,743	198,805	195,159	184,040	173,635	-	-	-	-
BWL Net OPEB Liability (Asset) - Ending	\$ (71,732)	\$ (100,099)	\$ (44,202)	\$ (46,609)	\$ 19,447	\$ 31,989	\$ -	\$ -	\$ -	\$ -
Trust Fiduciary Net Position as a % of Total OPEB Liability (Asset)	145.86%	167.80%	128.59%	131.38%	90.44%	84.44%	- %	- %	- %	- %
Covered Employee Payroll	\$ 62,976	\$ 60,269	\$ 58,198	\$ 56,785	\$ 55,650	\$ 54,383	\$ -	\$ -	\$ -	\$ -
BWL's Net OPEB Liability (Asset) as a % of Covered Employee Payroll	(113.90%)	(166.09%)	(75.95%)	(82.08%)	34.95%	58.82%	- %	- %	- %	- %

*GASB Statement No. 74 was implemented as of June 30, 2017. Information from 2013 - 2016 is not available and this schedule will be presented on a prospective basis.

See notes to financial statement

**Post-Retirement Benefit Plan and Trust for
Eligible Employees of Lansing Board of Water and Light**

**Required Supplemental Information (Unaudited)
Schedule of Employer Contributions
Last Ten Fiscal Years
(in thousands)**

Fiscal Year Ended	Employer Contributions		Difference of Required to Actual Contributions	Covered Employee Payroll	Percentage of Actual Contributions to Covered Payroll
	Required	Actual			
6/30/2013	13,994	14,045	51	47,468	30%
6/30/2014	9,200	9,268	68	46,971	20%
6/30/2015	5,762	9,671	3,909	50,885	19%
6/30/2016	5,788	9,423	3,635	53,893	17%
6/30/2017	7,508	9,574	2,066	54,383	18%
6/30/2018	7,535	10,395	2,860	55,650	19%
6/30/2019	7,031	9,278	2,247	56,785	16%
6/30/2020	-	9,157	9,157	58,198	16%
6/30/2021	220	8,344	8,124	60,269	14%
6/30/2022	-	13,493	13,493	62,976	21%

See notes to financial statement

**Post-Retirement Benefit Plan and Trust for
Eligible Employees of Lansing Board of Water and Light**

**Required Supplemental Information (Unaudited)
Schedule of Investment Returns
Last Ten Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016	2015*	2014*	2013*
Annual money-weighted rate of return, net of investment expense	-7.77%	24.87%	2.13%	6.36%	6.37%	10.01%	0.32%	- %	- %	- %

*GASB Statement No. 74 was implemented as of June 30, 2017. Information from 2013 - 2015 is not available and this schedule will be presented on a prospective basis.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Required Supplementary Information (Unaudited) Years Ended June 30, 2022 and 2021

Actuarial valuation information relative to the determination of contributions:

Valuation date June 30, 2022, based on roll-forward of February 28, 2022 valuation

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal level % of salary method
Amortization method	Level dollar over a 30-year closed period
Remaining amortization period	26 years
Inflation	2.25%
Salary increases	9.0% growth at age 25 and decreases to 5.3% for ages 60+. This percentage includes general wage inflation and merit / productivity increases.
Investment rate of return	6.5% per year compounded annually
Mortality	PUBH-2010 General Mortality Table projected generationally using MP-2021 scale

Actuarial valuation information relative to the determination of contributions:

Valuation date June 30, 2021, based on roll-forward of February 29, 2021 valuation

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal level % of salary method
Amortization method	Level dollar over a 30-year closed period
Remaining amortization period	27 years
Inflation	2.25%
Salary increases	9.3% growth at age 25 and decreases to 6.4% for ages 60+. This percentage includes general wage inflation and merit / productivity increases.
Investment rate of return	7.0% per year compounded annually
Mortality	PUBH-2010 General Mortality Table projected generationally using MP-2020 scale

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Required Supplementary Information (Unaudited) Years Ended June 30, 2022 and 2021

Significant Changes:

June 30, 2022

- > Difference between actual and expected experience – The \$1.08MM actuarial gain on the Total OPEB Liability for the fiscal year ending June 30, 2022 is attributable to favorable demographic experience. The favorable demographic experience is mainly attributable to deaths (25 participants), termination of active participants and changes in coverage elections.
- > Assumption change – The \$10.17MM actuarial loss on the Total OPEB liability for the fiscal year ending June 30, 2022 is attributable to updating the mortality improvement scale to the MP-2021 scale, updating the demographic assumptions to reflect the results of the 2022 experience analysis and decreasing the discount rate from 7.0% to 6.5%. Updating the mortality improvement scale resulted in a \$.38MM actuarial loss. Updating the demographic assumptions resulted in a \$1.73MM actuarial loss. The remaining \$8.06MM of actuarial loss is attributable to decreasing the discount rate from 7.0% to 6.5%.

June 30, 2021

- > Difference between actual and expected experience – The \$8.79MM actuarial gain on the Total OPEB Liability for the fiscal year ending June 30, 2021 is attributable to the combination of favorable demographic experience and lower than expected 2021 per capita claims cost. \$3.94MM of the actuarial gain is associated with demographic experience and is mainly attributable to deaths (37 participants), termination of active participants and changes in coverage elections. The remaining \$4.85MM of the actuarial gain is due to less than expected 2021 per capita claims cost. The 2021 Humana premiums are slightly lower than what was expected for 2021 (\$321.92 per month vs. \$347.80 per month)
- > Assumption change – The \$3.75MM actuarial gain on the Total OPEB liability for the fiscal year ending June 30, 2021 is attributable to updating the mortality improvement scale to the MP-2020 scale and reflecting the updated healthcare trend assumptions set forth in the Michigan Uniform Assumptions memo for the 2021 fiscal year. Updating the mortality improvement scale resulted in a \$1.18MM actuarial gain. The remaining \$2.57MM of the actuarial gain is attributable to reflecting the updated trend assumptions.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Required Supplementary Information (Unaudited) Years Ended June 30, 2022 and 2021

Significant Changes (Continued):

June 30, 2020

- > Difference between actual and expected experience – The \$6.09MM gain on the Total OPEB Liability for the fiscal year ending June 30, 2020 is attributable to the combination of unfavorable demographic experience and a reduction in the per capita claims cost used in the June 30, 2020 valuation. The \$1.13MM loss associated with demographic experience is mainly attributable to active participant retirements. The \$7.22MM gain due to a reduction in per capita claims cost is attributable a decrease in the Pre-65 medical and prescription drug premiums for 2020. The 2019 Pre-65 medical and Rx monthly premium for a retiree was \$1,073.13. For 2020, the Pre-65 medical and Rx monthly premium for a retiree is \$957.99, an 11% reduction in monthly premium. The combination of the demographic loss and the reduction in monthly premiums resulted in the overall \$6.09MM actuarial gain.
- > Assumption change – The \$7.25MM loss on the Total OPEB liability for the fiscal year ending June 30, 2020 is attributable to updating the mortality improvement scale to the MP-2019 scale and decreasing the discount rate from 7.50% to 7.00%. Updating the mortality improvement scale resulted in a \$.53MM actuarial gain. Whereas, decreasing the discount rate resulted in a \$7.78MM actuarial loss. The combination of these changes resulted in the overall \$7.25MM actuarial loss.

June 30, 2019

- > Difference between actual and expected experience – The \$5.2 million gain on the Total OPEB Liability for the fiscal year ending June 30, 2019 is primarily due to favorable demographic experience. The favorable experience is mainly attributable to terminations of active participants and deaths of participants with and without beneficiaries.
- > Assumption changes – (1) The plan experienced a \$54.4 million gain on the Total OPEB Liability due to a change of the assumed per capita claims cost. The Board changed the Plan's insurance provider for Medicare eligible participants from The Hartford and Envision Insurance to Humana. Doing so resulted in a dramatic decrease in both the medical and prescription drug monthly premiums from the prior fiscal year (\$98.99 per month vs. \$219.54 per month for medical coverage and \$213.47 per month vs. \$305.00 per month for prescription drug coverage); (2) The Plan experienced a \$3.8 million loss on the mortality assumption change. The mortality assumption was updated from the RPH-2014 Total Dataset mortality, adjusted to 2006 and projected generationally using the MP-2017 improvement scale to the PUBH-2010 General Employees Mortality, projected generationally using the MP-2018 improvement scale; and (3) The Plan experienced a \$8.7 million gain on a change to the medical and prescription drug trend assumptions. The trend assumptions were changed to those prescribed under the Michigan Uniform Assumptions for the 2019 fiscal year.

Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Required Supplementary Information (Unaudited) Years Ended June 30, 2022 and 2021

Significant Changes (Continued):

June 30, 2019 (Continued)

- > Change in benefit terms – The Plan experienced a \$.4 million gain due to an expected increase in the retiree contribution percentage for employees hired on or after January 1, 2009. The expected contribution percentage was increased from 14% to 20% of the premium charged to active employees.

June 30, 2018

- > Difference between actual and expected experience – The \$9.9 million gain on the Total OPEB Liability for the fiscal year ending June 30, 2018 is attributable to a reduction in the per capita claims cost used in the 6/30/2018 valuation. Better than expected claims experience during the fiscal year resulted in a decrease in the projected claims when compared to those used in the 6/30/2017 valuation.
- > Assumption change – The mortality improvement scale was updated to the MP-2017 scale.



Lansing Board of Water and Light

Post-Retirement Benefit Plan for Eligible Employees

June 30, 2022 GASB 74/75 Actuarial Valuation Report

July 27, 2022

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
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Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Executive Summary

Governmental accounting requirements and purpose of this report

The Governmental Accounting Standards Board Statements No. 74 and No. 75 require trusts (GASB 74) and employers (GASB 75) to accrue the cost associated with other post-employment benefits ("OPEB") while eligible employees are providing services to the employer. Lansing Board of Water and Light (the "Board") adopted GASB 74/75 for the fiscal year ending June 30, 2018.

The purpose of this actuarial valuation report is to provide the Board with:

- 1) The amount of accrued liability related to the Board's OPEB plan (Net OPEB Liability) using the most recent census data, discount rate and healthcare trend rates;
- 2) Projected cash contributions (pay-as-you-go costs); and
- 3) The GASB 74/75 expense and disclosure information needed to fulfill the Board's financial reporting requirements for the current fiscal year.

Key measures for the prior and current fiscal years	6/30/2021	6/30/2022
Active participants	698	696
Retired participants	<u>747</u>	<u>761</u>
Total	1,445	1,457
Present value of future benefits (PVFB)	\$ 181,287,384	\$ 191,421,650
Total OPEB liability (TOL)	\$ 147,642,469	\$ 156,408,876
Fiduciary net position (FNP)	247,741,205	228,140,094
Net OPEB liability (NOL)	(100,098,736)	(71,731,218)
Funded ratio	167.80%	145.86%
OPEB expense	\$ (18,208,418)	\$ (12,431,882)
Expected contributions in upcoming fiscal year	\$ 9,032,480	\$ 9,208,733

Key assumptions

Census date	2/28/2021	2/28/2022
Valuation date	6/30/2021	6/30/2022
Measurement date	6/30/2021	6/30/2022
Discount rate	7.00%	6.50%
Healthcare trend rates		
Year 1	7.50%	7.25%
Year 2	7.25%	7.00%
Ultimate	4.50%	4.50%
Year ultimate trend rate is achieved	2033	2033
Actuarial cost method	Entry Age Normal	Entry Age Normal

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Executive Summary (continued)

Discount rate

Projected benefit payments are required to be discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA/Aa credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 6.50%; the municipal bond rate is 3.54% (based on the daily rate closest to but not later than the measurement date of the Bond Buyer "20-Bond GO Index"); and the resulting Single Discount Rate is 6.50%.

The projection of cash flows used to determine the discount rate assumes that Lansing Board of Water and Light will make contributions based on its VEBA Funding Policy. Based on this policy, the OPEB plan's fiduciary net position is projected to cover all future OPEB payments. Therefore, the discount rate is equal to long-term expected rate of return on OPEB plan investments.

Assumption and method changes since the prior valuation

1) The mortality improvement scale was updated to the MP-2021 scale; (2) The assumed Medicare Part B premium reimbursement was increased from \$1,604 per year to \$1,837 per year; (3) The discount rate was decreased from 7.00% to 6.50%; and (4) The demographic assumptions were updated to reflect the results of the 2022 experience analysis.

Plan provision changes since the prior valuation - None.

Funding policy

Currently, the Board pays the annual pay-as-you-go cost from both its general assets and the VEBA trust. Additional details can be found in the Lansing Board of Water and Light VEBA Funding Policy.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Actuarial Certification

July 27, 2022

This report presents actuarial and accounting results related to the Lansing Board of Water and Light Post-Retirement Benefit Plan for Eligible Employees (the "Plan"). Results herein were prepared pursuant to Governmental Accounting Standards Board Statements 74 and 75 ("GASB 74/75").

The primary purpose of this report is to provide financial statement information pursuant to GASB 74/75 for the fiscal year ending June 30, 2022. The results of our calculations are set forth in this report, as are the actuarial assumptions and methods and a brief summary of the eligibility criteria and benefits for retirees.

To the best of our knowledge, the information supplied in this report is complete and accurate. The analysis and calculations were conducted in a manner consistent with the Standards of Professional Conduct, Qualifications, and Practice of the American Academy of Actuaries and consistent with the standards of practice of the Actuarial Standards Board.

All costs, liabilities, rates of interest, and other factors under the Plan have been determined on the basis of actuarial assumptions and methods which are reasonable and consistent with our understanding of GASB 74/75. All assumptions have been discussed with the Lansing Board of Water and Light and appear to represent the best estimate of anticipated experience under the Plan. In preparing this report we relied on the census data, plan provisions, and other plan financial information provided by the Lansing Board of Water and Light. Actuarial computations under GASB 74/75 are for purposes of fulfilling employer financial accounting requirements. Determinations for purposes other than meeting employer financial accounting requirements may be significantly different from the results contained in this report.

Respectfully Submitted,

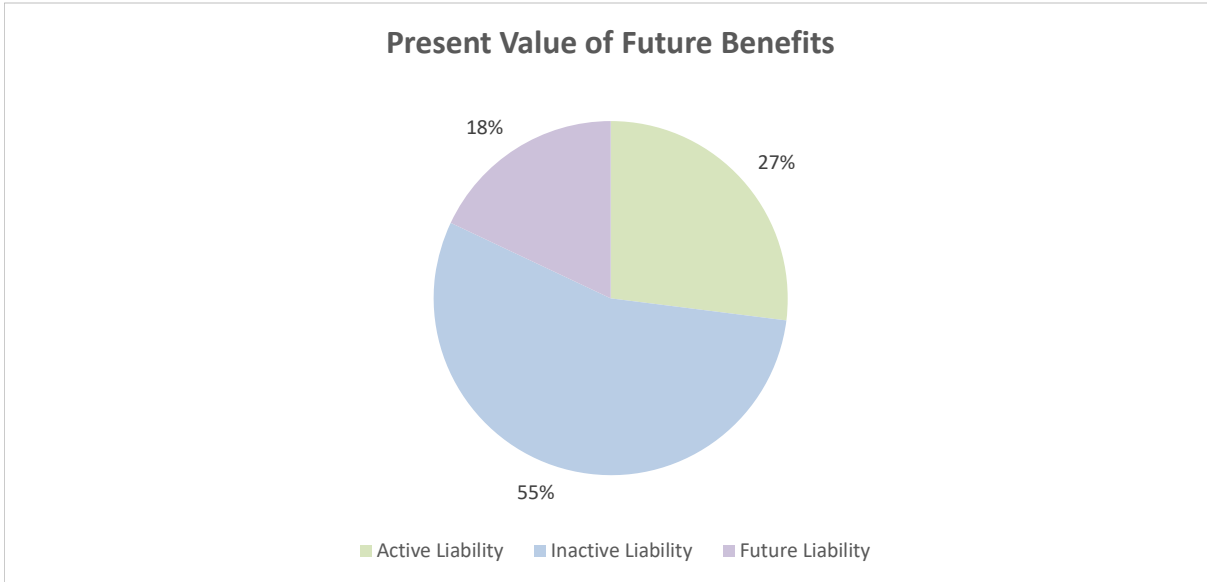


Mark W. Miller, FCA, EA, ASA, MAAA
Benassist Retirement Consulting, LLC

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Summary of Key Results

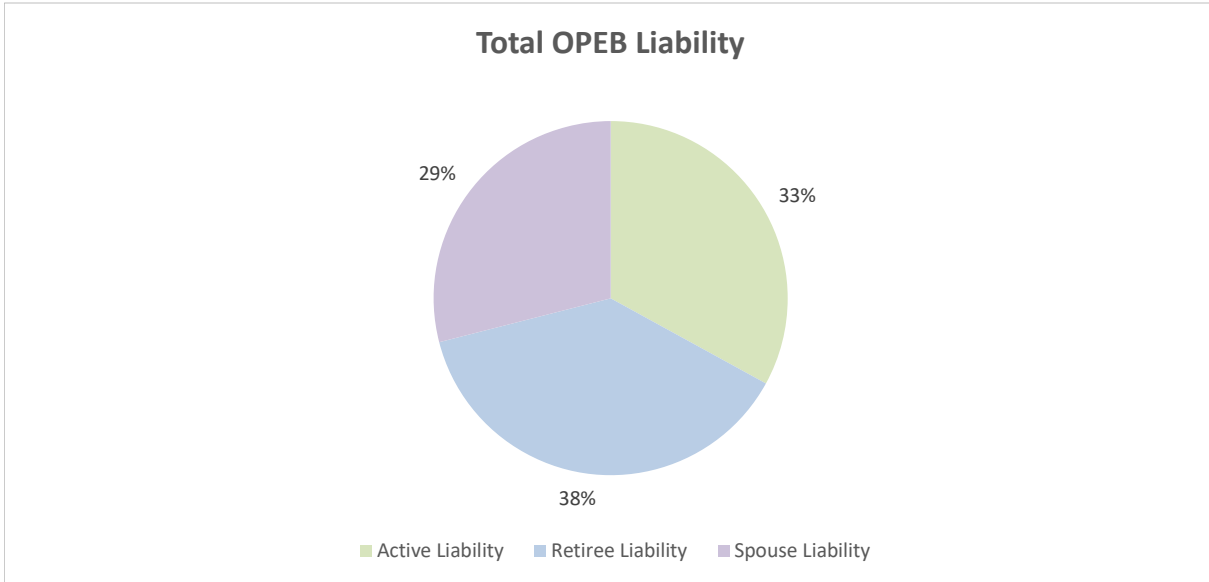
	6/30/2021	6/30/2022
Census data summary		
Active participants	698	696
Retired participants	<u>747</u>	<u>761</u>
Total	1,445	1,457
Covered payroll	\$ 60,269,205	\$ 62,975,762
Present value of future benefits (PVFB)		
Active participants	\$ 80,382,211	\$ 85,799,208
Retired participants	<u>100,905,173</u>	<u>105,622,442</u>
Total	<u>\$ 181,287,384</u>	<u>\$ 191,421,650</u>
Present value of future normal costs (PVFNC)	\$ 33,644,915	\$ 35,012,774
Total OPEB Liability (TOL)		
Active participants	\$ 46,737,296	\$ 50,786,434
Retired participants	<u>100,905,173</u>	<u>105,622,442</u>
Total	<u>\$ 147,642,469</u>	<u>\$ 156,408,876</u>
Fiduciary net position (FNP)	\$ 247,741,205	\$ 228,140,094
Net OPEB liability (NOL)	\$ (100,098,736)	\$ (71,731,218)
Funded status	167.80%	145.86%
OPEB expense	\$ (18,208,418)	\$ (12,431,882)
Contribution		
Actuarially determined contribution	\$ 220,026	\$ 0
Actuarially determined contribution as a % payroll	0.38%	0.00%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Present Value of Future Benefits



	6/30/2021	6/30/2022
Present value of future benefits		
Active participants	\$ 80,382,211	\$ 85,799,208
Inactive participants		
Retirees	\$ 57,343,259	\$ 60,316,588
Spouses	<u>43,561,914</u>	<u>45,305,854</u>
Total inactive	100,905,173	105,622,442
Total	<u>\$ 181,287,384</u>	<u>\$ 191,421,650</u>
Fiduciary net position (FNP)	\$ 247,741,205	\$ 228,140,094
Unfunded present value of future benefits (surplus)	\$ (66,453,821)	\$ (36,718,444)
Funded ratio	136.66%	119.18%
Discount rate	7.00%	6.50%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Total OPEB Liability



	6/30/2021	6/30/2022
Total OPEB liability		
Active participants	\$ 46,737,296	\$ 50,786,434
Inactive participants		
Retirees	\$ 57,343,259	\$ 60,316,588
Spouses	<u>43,561,914</u>	<u>45,305,854</u>
Total inactive	100,905,173	105,622,442
Total	<u>\$ 147,642,469</u>	<u>\$ 156,408,876</u>
 Fiduciary net position (FNP)	 \$ 247,741,205	 \$ 228,140,094
 Net OPEB liability (NOL)	 \$ (100,098,736)	 \$ (71,731,218)
 Funded ratio	 167.80%	 145.86%
 Service cost	 \$ 3,083,438	 \$ 3,240,889
 Discount rate	 7.00%	 6.50%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Statement of Fiduciary Net Position

	6/30/2021	6/30/2022
Assets		
Cash and deposits	\$ 1,040,689	\$ 944,753
Receivables		
Contributions	0	0
Due from broker for investments sold	135,656	0
Net receivable on investments	<u>12,481</u>	<u>3,091</u>
Total receivables	\$ 148,137	\$ 3,091
Investments		
U.S. government and agencies	0	0
Corporate bonds and notes	287	0
U.S. common stocks	49,879,749	29,852,049
Common collective fund - other	42,010,838	41,956,442
Mutual funds	120,768,939	108,461,092
Real estate	<u>34,030,244</u>	<u>46,922,667</u>
Total investments	\$ 246,690,057	\$ 227,192,250
 Total assets	 \$ 247,878,883	 \$ 228,140,094
Liabilities		
Payables:		
Investment management fees	\$ 0	\$ 0
Due to broker for investments purchased	<u>(137,678)</u>	<u>0</u>
Total payables	\$ (137,678)	\$ 0
 Total liabilities	 \$ (137,678)	 \$ 0
 Net position restricted for OPEBs	 <u>\$ 247,741,205</u>	 <u>\$ 228,140,094</u>

Investment Policy - A detailed description of the investment policy for the plan can be found in the Trust Agreement for Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Statement of Changes in Fiduciary Net Position

	6/30/2021	6/30/2022
Additions		
Contributions		
Employer	\$ 8,343,977	\$ 13,492,757
Employee	<u>0</u>	<u>0</u>
Total contributions	\$ 8,343,977	\$ 13,492,757
Investment income		
Net increase in fair value of investments	\$ 47,530,462	\$ (27,119,327)
Interest and dividends	1,856,241	7,872,032
Less investment expense	<u>0</u>	<u>0</u>
Net investment income	\$ 49,386,703	\$ (19,247,295)
Total additions	\$ 57,730,680	\$ (5,754,538)
Deductions		
Benefit payments	\$ (8,343,977)	\$ (13,492,757)
Administrative expenses	<u>(450,300)</u>	<u>(353,816)</u>
Total deductions	\$ (8,794,277)	\$ (13,846,573)
Net increase in net position	\$ 48,936,403	\$ (19,601,111)
Net position restricted for OPEBs		
Beginning of year	\$ 198,804,802	\$ 247,741,205
End of year	<u>\$ 247,741,205</u>	<u>\$ 228,140,094</u>

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at 6/30/2021	\$ 147,642,469	\$ 247,741,205	\$ (100,098,736)
Changes for the year			
Service cost	3,299,279	0	3,299,279
Interest	9,870,713	0	9,870,713
Change of benefit terms	0	0	0
Differences between expected and actual experience	(1,083,990)	0	(1,083,990)
Changes in assumptions or other inputs	10,173,162	0	10,173,162
Contributions - employer	0	13,492,757	(13,492,757)
Contributions - retiree	0	0	0
Net investment income	0	(19,247,295)	19,247,295
Benefit payments and refunds of employee contributions	(13,492,757)	(13,492,757)	0
Administrative expense	0	(353,816)	353,816
Other changes	0	0	0
Net changes	\$ 8,766,407	\$ (19,601,111)	\$ 28,367,518
Balances at 6/30/2022	\$ 156,408,876	\$ 228,140,094	\$ (71,731,218)

Note

The Net OPEB Liability (NOL) is equal to the Total OPEB Liability (TOL) minus the Fiduciary Net Position (FNP), or market value of assets. OPEB Expense includes amounts for: service cost, interest on the TOL, changes in the benefit structure, recognition of increases/decreases in liability due to actual vs. expected experience, actuarial assumption changes, investment gains/losses on the market value of assets and expected return on plan assets. The impact of actual experience and assumption changes are recognized over the average expected remaining service life of the plan participants, while investment gains/losses are recognized equally over five years.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Schedule of Changes in the Net OPEB Liability

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Total OPEB liability					
Service cost	\$ 3,299,279	\$ 3,394,619	\$ 3,244,596	\$ 4,402,631	\$ 4,826,401
Interest	9,870,713	10,535,088	10,804,062	14,919,912	15,039,052
Change of benefit terms	0	0	0	(414,594)	0
Differences between expected and actual experience	(1,083,990)	(8,793,909)	(6,092,830)	(5,231,311)	(9,879,514)
Change in assumptions or other inputs	10,173,162	(3,752,038)	7,253,746	(59,336,488)	(1,727,939)
Benefit payments	(13,492,757)	(8,343,977)	(9,156,565)	(9,277,538)	(10,395,327)
Refunds of contributions	0	0	0	0	0
Net change in total OPEB liability	<u>\$ 8,766,407</u>	<u>\$ (6,960,217)</u>	<u>\$ 6,053,009</u>	<u>\$ (54,937,388)</u>	<u>\$ (2,137,327)</u>
Total OPEB liability - beginning	<u>147,642,469</u>	<u>154,602,686</u>	<u>148,549,677</u>	<u>203,487,065</u>	<u>205,624,392</u>
Total OPEB liability - ending (a)	<u>\$ 156,408,876</u>	<u>\$ 147,642,469</u>	<u>\$ 154,602,686</u>	<u>\$ 148,549,677</u>	<u>\$ 203,487,065</u>
Fiduciary net position					
Contributions - employer	\$ 13,492,757	\$ 8,343,977	\$ 9,156,565	\$ 9,277,538	\$ 10,395,327
Contributions - non-employer	0	0	0	0	0
Contributions - member	0	0	0	0	0
Net investment income	(19,247,295)	49,386,703	4,158,328	11,687,551	11,038,903
Benefit payments	(13,492,757)	(8,343,977)	(9,156,565)	(9,277,538)	(10,395,327)
Administrative expense	(353,816)	(450,300)	(512,101)	(568,600)	(634,336)
Refunds of contributions	0	0	0	0	0
Other	0	0	0	0	0
Net change in fiduciary net position	<u>(19,601,111)</u>	<u>48,936,403</u>	<u>3,646,227</u>	<u>11,118,951</u>	<u>10,404,567</u>
Fiduciary net position - beginning	<u>247,741,205</u>	<u>198,804,802</u>	<u>195,158,575</u>	<u>184,039,624</u>	<u>173,635,057</u>
Fiduciary net position - ending (b)	<u>\$ 228,140,094</u>	<u>\$ 247,741,205</u>	<u>\$ 198,804,802</u>	<u>\$ 195,158,575</u>	<u>\$ 184,039,624</u>
Net OPEB liability - ending (a)-(b)	<u>\$ (71,731,218)</u>	<u>\$ (100,098,736)</u>	<u>\$ (44,202,116)</u>	<u>\$ (46,608,898)</u>	<u>\$ 19,447,441</u>
Plan fiduciary net position as a percentage of the total OPEB liability	145.86%	167.80%	128.59%	131.38%	90.44%
Covered payroll	62,975,762	60,269,205	58,198,143	56,785,166	55,650,345
Net OPEB liability as a percentage of covered payroll	-113.90%	-166.09%	-75.95%	-82.08%	34.95%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Schedule of Changes in the Net OPEB Liability (continued)

	6/30/2017
Total OPEB liability	
Service cost	\$ 3,130,487
Interest	14,226,364
Change of benefit terms	0
Differences between expected and actual experience	5,280,548
Change in assumptions or other inputs	(2,027,643)
Benefit payments	(9,573,671)
Refunds of contributions	0
Net change in total OPEB liability	<u>\$ 11,036,085</u>
Total OPEB liability - beginning	<u>194,588,307</u>
Total OPEB liability - ending (a)	<u><u>\$ 205,624,392</u></u>
Fiduciary net position	
Contributions - employer	\$ 9,573,671
Contributions - non-employer	0
Contributions - member	0
Net investment income	18,039,508
Benefit payments	(9,573,671)
Administrative expense	(704,793)
Refunds of contributions	0
Other	0
Net change in fiduciary net position	<u>17,334,715</u>
Fiduciary net position - beginning	<u>156,300,342</u>
Fiduciary net position - ending (b)	<u><u>\$ 173,635,057</u></u>
Net OPEB liability - ending (a)-(b)	<u>\$ 31,989,335</u>
Plan fiduciary net position as a percentage of the total OPEB liability	84.44%
Covered payroll	54,382,507
Net OPEB liability as a percentage of covered payroll	58.82%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Development of Net OPEB Liability (Gain)/Loss

	6/30/2021	6/30/2022
Total OPEB liability		
Total OPEB liability at BOY	\$ 154,602,686	\$ 147,642,469
Service cost	3,394,619	3,299,279
Benefit payments	(8,343,977)	(13,492,757)
Expected interest	10,535,088	9,870,713
Assumption change	(3,752,038)	10,173,162
Plan change	<u>0</u>	<u>0</u>
Expected total OPEB liability at EOY	156,436,378	157,492,866
Actual total OPEB liability at EOY	147,642,469	156,408,876
Total OPEB liability (gain)/loss	<u>\$ (8,793,909)</u>	<u>\$ (1,083,990)</u>
 Fiduciary net position		
Fiduciary net position at BOY	\$ 198,804,802	\$ 247,741,205
Employer contributions	8,343,977	13,492,757
Employee contributions	0	0
Benefit payments	(8,343,977)	(13,492,757)
Administrative expenses	(450,300)	(353,816)
Expected net investment income	<u>13,900,842</u>	<u>17,329,710</u>
Expected fiduciary net position at EOY	212,255,344	264,717,099
Actual fiduciary net position at EOY	247,741,205	228,140,094
Fiduciary net position (gain)/loss	<u>\$ (35,485,861)</u>	<u>\$ 36,577,005</u>
 Net OPEB liability (gain)/loss	 <u>\$ (44,279,770)</u>	 <u>\$ 35,493,015</u>

Note

Notes for the FYE June 30, 2022 shown above are provided on page 15.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Notes to Schedule of Changes in the Net OPEB Liability

June 30, 2022

- Difference between actual and expected experience - The \$1.08MM actuarial gain on the Total OPEB Liability for the fiscal year ending June 30, 2022 is attributable to favorable demographic experience. The favorable demographic experience is mainly attributable to deaths (25 participants), termination of active participants and changes in coverage elections.
- Assumption change - The \$10.17MM actuarial loss on the Total OPEB liability for the fiscal year ending June 30, 2022 is attributable to updating the mortality improvement scale to the MP-2021 scale, updating the demographic assumptions to reflect the results of the 2022 experience analysis and decreasing the discount rate from 7.00% to 6.50%. Updating the mortality improvement scale resulted in a \$.38MM actuarial loss. Updating the demographic assumptions resulted in a \$1.73MM actuarial loss. The remaining \$8.06MM of the actuarial loss is attributable decreasing the discount rate from 7.00% to 6.50%.
- Investment loss - The \$36.58MM investment loss during the fiscal year ending June 30, 2022 is attributable an actual return on assets of -7.77% vs. an expected return of 7.00%.

June 30, 2021

- Difference between actual and expected experience - The \$8.79MM actuarial gain on the Total OPEB Liability for the fiscal year ending June 30, 2021 is attributable to the combination of favorable demographic experience and lower than expected 2021 per capita claims cost. \$3.94MM of the actuarial gain is associated with demographic experience and is mainly attributable to deaths (37 participants), termination of active participants and changes in coverage elections. The remaining \$4.85MM of the actuarial gain is due to less than expected 2021 per capita claims cost. The 2021 Humana premiums are slightly lower than what was expected for 2021 (\$321.92 per month vs. \$347.80 per month)
- Assumption change - The \$3.75MM actuarial gain on the Total OPEB liability for the fiscal year ending June 30, 2021 is attributable to updating the mortality improvement scale to the MP-2020 scale and reflecting the updated healthcare trend assumptions set forth in the Michigan Uniform Assumptions memo for the 2021 fiscal year. Updating the mortality improvement scale resulted in a \$1.18MM actuarial gain. The remaining \$2.57MM of the actuarial gain is attributable to reflecting the updated trend assumptions.
- Investment gain - The \$35.49MM investment gain during the fiscal year ending June 30, 2021 is attributable an actual return on assets of 24.87% vs. an expected return of 7.00%.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Sensitivity Analysis

Sensitivity of the net OPEB liability to changes in the discount rate - The following presents the net OPEB liability, calculated using the discount rate of 6.50%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage point higher (7.50%) than the current rate:

	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase (7.5%)
Net OPEB liability (asset)	\$ (53,297,418)	\$ (71,731,218)	\$ (87,189,127)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates - The following presents the net OPEB liability as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Rates	1% Increase
Net OPEB liability (asset)	\$ (88,432,330)	\$ (71,731,218)	\$ (51,458,308)

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report

OPEB Expense

	6/30/2021	6/30/2022
Service cost with interest	\$ 3,394,619	\$ 3,299,279
Interest on the total OPEB liability	10,535,088	9,870,713
Change of benefit terms	0	0
Expensed portion of current-period difference between expected and actual experience in the total OPEB liability	(1,364,963)	(177,572)
Expensed portion of current-period changes in assumptions	(582,379)	1,666,502
Expensed portion of current-period difference between expected and actual earnings on plan investments	(7,097,172)	7,315,401
Employee contributions	0	0
Expected earnings on OPEB plan investments	(13,900,842)	(17,329,710)
Administrative expenses	450,300	353,816
Recognition of deferred inflows	(14,518,788)	(22,306,029)
Recognition of deferred outflows	<u>4,875,719</u>	<u>4,875,718</u>
OPEB Expense	<u>\$ (18,208,418)</u>	<u>\$ (12,431,882)</u>
Census date	2/28/2021	2/28/2022
Measurement date	6/30/2021	6/30/2022
Reporting date	6/30/2021	6/30/2022
Discount rate	7.00%	6.50%
Expected return on assets	7.00%	6.50%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Deferred Inflows and Outflows

The following table provides a summary of the deferred inflows and outflows as of 6/30/2022.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 406,196	\$ (14,216,180)
Changes of assumptions or other inputs	12,279,164	(25,122,623)
Net difference between projected and actual earnings on plan investments	<u>33,864,384</u>	<u>(21,291,517)</u>
Total	\$ 46,549,744	\$ (60,630,320)

Collective amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future years as follows:

Year Ended June 30	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2023	\$ 13,059,352	\$ (22,327,629)
2024	12,234,258	(21,043,659)
2025	10,142,317	(13,831,445)
2026	9,273,165	(2,369,562)
2027	1,666,502	(1,039,467)
Thereafter	174,150	(18,558)

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Amortization Schedule

Date Established	Description	Initial Amount	Outstanding Balance	Years Remaining	2022 Installment
6/30/2017	Actuarial (Gain)/Loss	\$ 5,280,548	\$ 406,196	0.50	\$ 812,392
6/30/2018	Actuarial (Gain)/Loss	(9,879,514)	(2,136,949)	1.38	(1,548,513)
6/30/2019	Actuarial (Gain)/Loss	(5,231,311)	(1,940,091)	2.36	(822,805)
6/30/2020	Actuarial (Gain)/Loss	(6,092,830)	(3,168,739)	3.25	(974,697)
6/30/2021	Actuarial (Gain)/Loss	(8,793,909)	(6,063,983)	4.44	(1,364,963)
6/30/2022	Actuarial (Gain)/Loss	(1,083,990)	<u>(906,418)</u>	5.10	<u>(177,572)</u>
Total			\$ (13,809,984)		\$ (4,076,158)
6/30/2017	Assumption Change	\$ (2,027,643)	\$ (155,973)	0.50	\$ (311,945)
6/30/2018	Assumption Change	(1,727,939)	(373,754)	1.38	(270,837)
6/30/2019	Assumption Change	(59,336,488)	(22,005,616)	2.36	(9,332,718)
6/30/2020	Assumption Change	7,253,746	3,772,504	3.25	1,160,414
6/30/2021	Assumption Change	(3,752,038)	(2,587,280)	4.44	(582,379)
6/30/2022	Assumption Change	10,173,162	<u>8,506,660</u>	5.10	<u>1,666,502</u>
Total			\$ (12,843,459)		\$ (7,670,963)
6/30/2017	Investment (Gain)/Loss	\$ (6,286,361)	\$ 0	0.00	\$ 0
6/30/2018	Investment (Gain)/Loss	1,960,369	0	0.00	392,073
6/30/2019	Investment (Gain)/Loss	2,094,485	418,897	1.00	418,897
6/30/2020	Investment (Gain)/Loss	10,459,709	4,183,883	2.00	2,091,942
6/30/2021	Investment (Gain)/Loss	(35,485,861)	(21,291,517)	3.00	(7,097,172)
6/30/2022	Investment (Gain)/Loss	36,577,005	<u>29,261,604</u>	4.00	<u>7,315,401</u>
Total			\$ 12,572,867		\$ 3,121,141

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Rate of Return

The long-term expected rate of return on plan investments was determined using a building-block method where expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the VEBA plan's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Core bonds	15.00%	2.58%
Multi-sector	5.00%	3.53%
Liquid absolute return	5.00%	3.25%
U.S. large cap equity	30.00%	7.13%
U.S. small cap equity	10.00%	8.53%
Non-U.S. equity	20.00%	8.22%
Core real estate	8.00%	6.60%
Value add real estate	7.00%	8.10%
Total	100.00%	

Notes

- (1) The amounts shown above were provided ACG Asset Consulting Group.
- (2) The Long-Term Expected Real Rate of Return equals the Long-Term Arithmetic Average Nominal Return minus an average annual inflation rate of 2.75%.
- (3) The long-term expected rate of return for the June 30, 2022 measurement date is 6.50%.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Actuarially Determined Contribution

	FYE 6/30/2022	FYE 6/30/2023
Normal cost	\$ 3,299,279	\$ 3,451,547
Actuarial accrued liability (beginning of year)	147,642,469	156,408,876
Market value of assets (beginning of year)	247,741,205	228,140,094
Unfunded actuarial accrued liability	(100,098,736)	(71,731,218)
Net amortization charges / (credits)	(7,910,703)	(5,521,720)
Interest to the end of year	(553,749)	(358,912)
Administrative expenses	<u>451,000</u>	<u>354,000</u>
Actuarially determined contribution	<u>\$ 0</u>	<u>\$ 0</u>
Expected benefit disbursements	\$ 9,032,480	\$ 9,208,733
Covered payroll	\$ 60,269,205	\$ 62,975,762
Percentage of covered payroll	0.00%	0.00%
Discount rate	7.00%	6.50%
Amortization period	26 Years	25 Years
	Closed	Closed

Note

For the FYE June 30, 2022, administrative expenses are assumed to equal the expenses for the prior year rounded up to the next \$1,000.

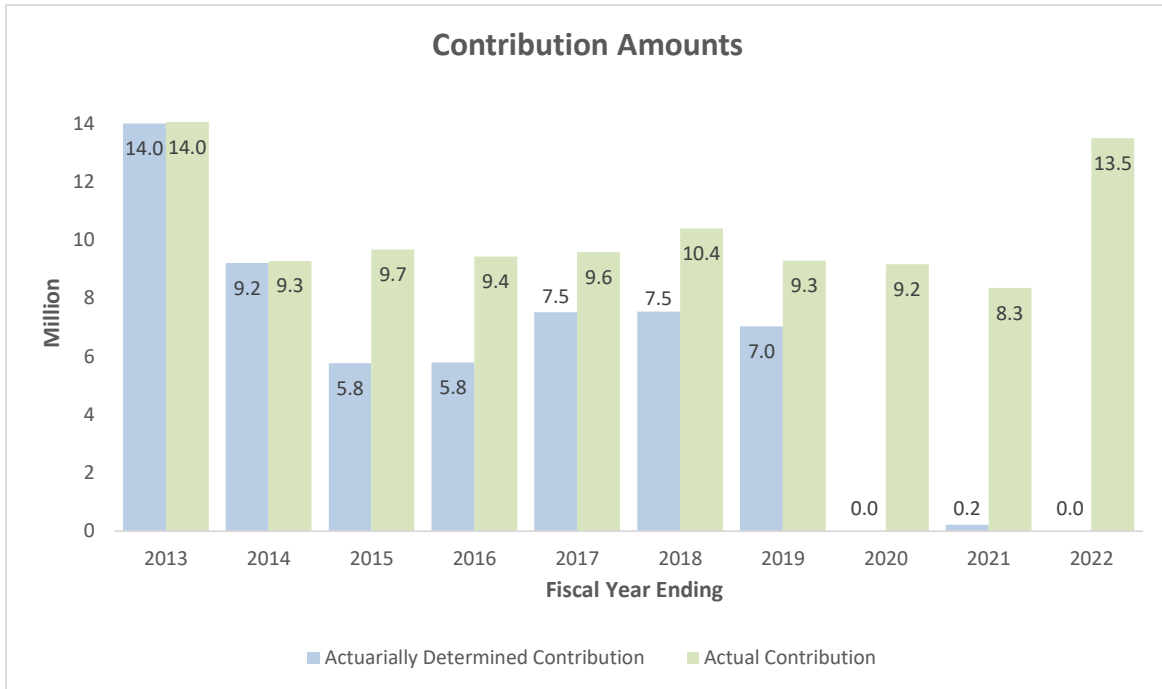
Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Schedule of Contributions

	FYE 2022	FYE 2021	FYE 2020	FYE 2019	FYE 2018	FYE 2017	FYE 2016	FYE 2015	FYE 2014	FYE 2013
Actuarially determined employer contribution	\$ 0	\$ 220,026	\$ 0	\$ 7,030,548	\$ 7,534,978	\$ 7,507,689	\$ 5,787,960	\$ 5,762,462	\$ 9,199,669	\$ 13,993,843
Actual employer contributions	\$ 13,492,757	\$ 8,343,977	\$ 9,156,565	\$ 9,277,538	\$ 10,395,327	\$ 9,573,671	\$ 9,423,081	\$ 9,670,794	\$ 9,268,334	\$ 14,045,204
Annual contribution deficiency (excess)	\$ (13,492,757)	\$ (8,123,951)	\$ (9,156,565)	\$ (2,246,990)	\$ (2,860,349)	\$ (2,065,982)	\$ (3,635,121)	\$ (3,908,332)	\$ (68,665)	\$ (51,361)
Covered payroll	\$ 62,975,762	\$ 60,269,205	\$ 58,198,143	\$ 56,785,166	\$ 55,650,345	\$ 54,382,507	\$ 53,892,858	\$ 50,885,058	\$ 46,971,463	\$ 47,467,921
Actual contributions as a percentage of covered payroll	21.43%	13.84%	15.73%	16.34%	18.68%	17.60%	17.48%	19.01%	19.73%	29.59%

Notes

- (1) The actual employer contributions for fiscal years 2017 through 2022 include employer contributions for pay as you go cost paid from the General Fund and pre-funding contributions deposited into the OPEB Trust.
(2) LBWL contributed the pay as you go cost for fiscal years 2017 through 2022.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Historical Contributions

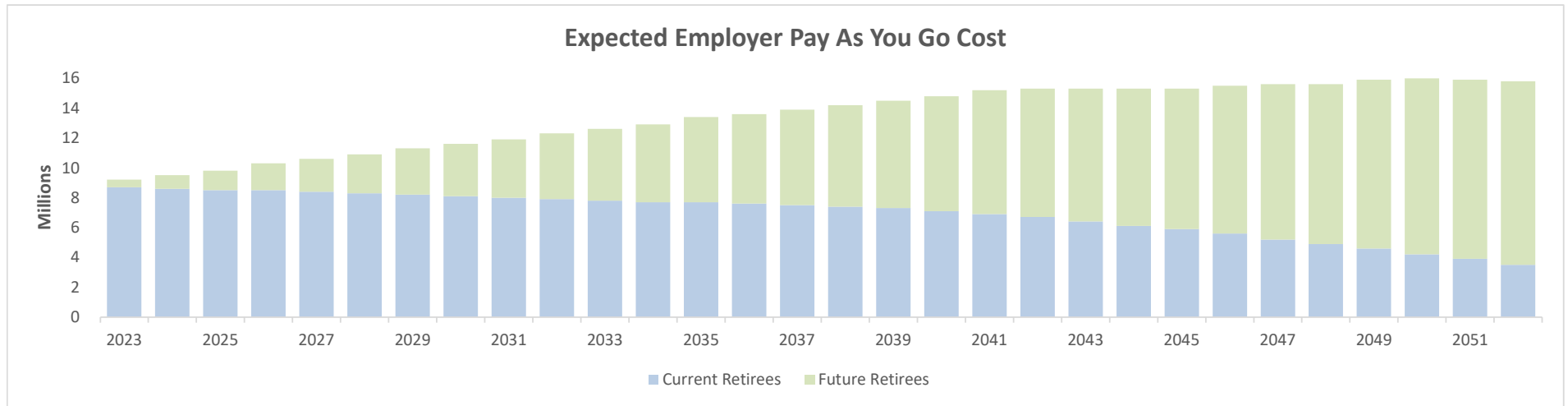


Fiscal Year Ending	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)
2013	\$ 13,993,843	\$ 14,045,204	\$ (51,361)
2014	9,199,669	9,268,334	(68,665)
2015	5,762,462	9,670,794	(3,908,332)
2016	5,787,960	9,423,081	(3,635,121)
2017	7,507,689	9,573,671	(2,065,982)
2018	7,534,978	10,395,327	(2,860,349)
2019	7,030,548	9,277,538	(2,246,990)
2020	0	9,156,565	(9,156,565)
2021	220,026	8,343,977	(8,123,951)
2022	0	13,492,757	(13,492,757)

Notes

- (1) The actual employer contributions for fiscal years 2017 through 2022 include employer contributions for pay as you go cost paid from the General Fund and pre-funding contributions deposited into the OPEB Trust.
- (2) LBWL contributed the pay as you go cost for fiscal years 2017 through 2022.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Expected Employer Pay As You Go Cost



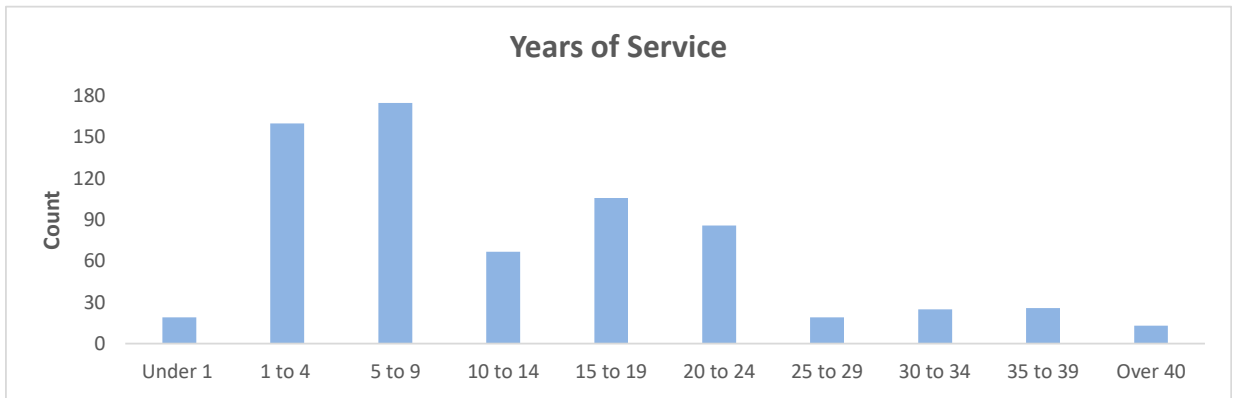
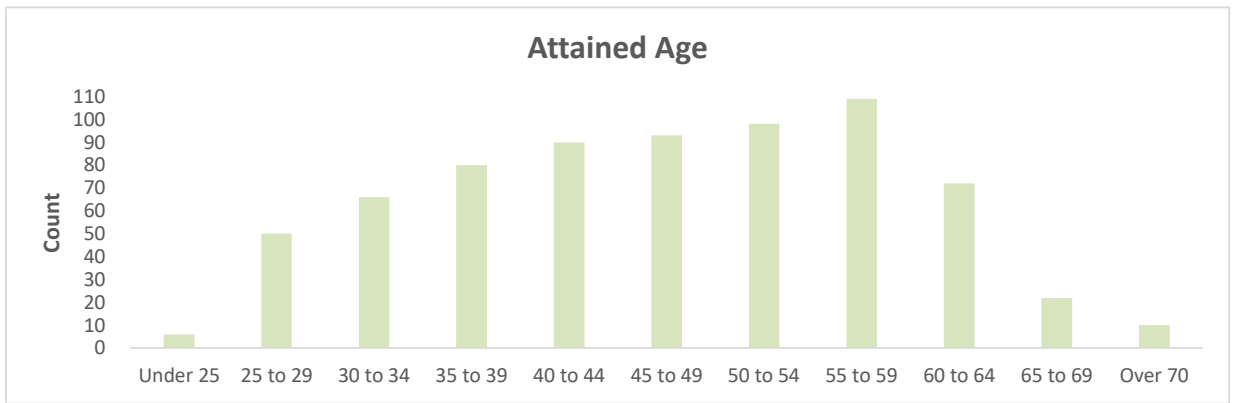
FYE	Current Retirees	Future Retirees	Total	FYE	Current Retirees	Future Retirees	Total	FYE	Current Retirees	Future Retirees	Total
2023	\$ 8,725,957	\$ 482,776	\$ 9,208,733	2023	\$ 7,834,317	\$ 4,769,878	\$ 12,604,195	2043	\$ 6,424,330	\$ 8,937,050	\$ 15,361,380
2024	8,625,656	910,588	9,536,244	2034	7,724,156	5,229,601	12,953,757	2044	6,138,498	9,203,953	15,342,451
2025	8,522,768	1,334,022	9,856,790	2035	7,722,870	5,672,265	13,395,135	2045	5,855,510	9,449,200	15,304,710
2026	8,462,455	1,786,869	10,249,324	2036	7,598,711	5,995,416	13,594,127	2046	5,553,847	9,904,389	15,458,236
2027	8,352,088	2,187,087	10,539,175	2037	7,509,286	6,367,929	13,877,215	2047	5,236,662	10,395,082	15,631,744
2028	8,328,587	2,619,908	10,948,495	2038	7,416,552	6,822,530	14,239,082	2048	4,907,468	10,684,574	15,592,042
2029	8,204,667	3,103,591	11,308,258	2039	7,265,216	7,203,890	14,469,106	2049	4,570,017	11,291,432	15,861,449
2030	8,075,387	3,474,987	11,550,374	2040	7,112,404	7,740,640	14,853,044	2050	4,228,160	11,792,022	16,020,182
2031	7,972,289	3,911,442	11,883,731	2041	6,932,363	8,279,795	15,212,158	2051	3,886,638	12,026,832	15,913,470
2032	7,899,496	4,420,027	12,319,523	2042	6,726,529	8,586,967	15,313,496	2052	3,496,027	12,331,703	15,827,730

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Data Summary - Active Participants

	6/30/2021	6/30/2022
Medical coverage		
Participant count - single coverage	149	153
Participant count - non-single coverage	481	479
Total	630	632
Average age	47.4	47.1
Average past service	13.5	13.0
Average future service	14.3	14.3
Covered payroll	\$ 54,389,292	\$ 57,229,893
Average compensation	\$ 86,332	\$ 90,554
Cash in lieu		
Participant count	55	52
Average age	45.7	46.6
Average past service	9.8	10.8
Average future service	16.8	15.8
Covered payroll	\$ 4,837,184	\$ 4,730,527
Average compensation	\$ 87,949	\$ 90,972
Waived coverage		
Participant count	13	12
Average age	44.0	40.5
Average past service	14.2	10.1
Average future service	16.2	18.5
Covered payroll	\$ 1,042,729	\$ 1,015,342
Average compensation	\$ 80,210	\$ 84,612
Total		
Participant count	698	696
Average age	47.2	47.0
Average past service	13.2	12.8
Average future service	14.6	14.4
Covered payroll	\$ 60,269,205	\$ 62,975,762
Average compensation	\$ 86,346	\$ 90,482

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Age & Service Distribution - Active Participants

Attained Age	Years of Service										40 & Over	Total	
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Over			
Under 25	1	4	1										6
25 to 29	5	30	14	1									50
30 to 34	6	26	27	7									66
35 to 39	2	30	36	5	7								80
40 to 44	2	20	27	10	22	9							90
45 to 49	3	18	22	10	18	22							93
50 to 54		12	22	13	16	25	7	3					98
55 to 59		13	19	10	21	16	9	11	10				109
60 to 64		7	7	7	15	11	1	10	12	2			72
65 to 69				2	6	3	1	1	2	7			22
70+				2	1		1		2	4			10
Total	19	160	175	67	106	86	19	25	26	13			696



Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Data Summary - Inactive Participants

	6/30/2021	6/30/2022
Medical coverage		
Retirees		
Participant count - single coverage	136	145
Participant count - non-single coverage	<u>351</u>	<u>351</u>
Total	487	496
Average age	71.8	72.2
Disabled		
Participant count - single coverage	25	26
Participant count - non-single coverage	<u>46</u>	<u>44</u>
Total	71	70
Average age	69.7	69.5
Surviving spouses		
Participant count - single coverage	126	127
Participant count - non-single coverage	<u>5</u>	<u>7</u>
Total	131	134
Average age	78.2	78.0
Total		
Participant count - single coverage	287	298
Participant count - non-single coverage	<u>402</u>	<u>402</u>
Total	689	700
Average age	72.8	73.0
Cash in lieu		
Participant count	31	32
Average age	74.0	74.9
Waived coverage		
Retirees		
Participant count	8	9
Average age	68.0	70.4
Disabled		
Participant count	1	1
Average age	58.0	59.0
Surviving spouses		
Participant count	18	19
Average age	79.4	79.8
Total		
Participant count	27	29
Average age	75.2	76.2

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Age Distribution - Inactive Participants

Attained Age	Retired	Disabled	Surviving Spouse	Total
Under 50		1		1
50 to 54	1	1	4	6
55 to 59	12	5	2	19
60 to 64	66	10	3	79
65 to 69	142	23	24	189
70 to 74	130	17	22	169
75 to 79	91	5	33	129
80 to 84	52	5	21	78
85 to 89	28	3	15	46
90 & Over	15	1	29	45
Total	537	71	153	761

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Census Data Reconciliation

	<u>Active</u>	<u>Retired</u>	<u>Surviving Spouse</u>	<u>Disabled</u>	<u>Total</u>
February 28, 2021	698	526	149	72	1,445
Terminations	(24)	0	0	0	(24)
Part time - not eligible	0	0	0	0	0
Retirements	(24)	24	0	0	0
Disabled	(2)	0	0	2	0
Deceased with beneficiary	(2)	(7)	10	(1)	0
Deceased without beneficiary	(1)	(6)	(6)	(2)	(15)
New entrants	51	0	0	0	51
Rehires	0	0	0	0	0
Data corrections	0	0	0	0	0
February 28, 2022	696	537	153	71	1,457

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Summary of Assumptions and Methods

Cost Method - Individual entry age normal level percent of salary.

Dates of Calculations

Actuarial valuation date: June 30, 2022

Census date: February 28, 2022

Measurement date GASB 74 and GASB 75: June 30, 2022

Reporting date GASB 74 and GASB 75: June 30, 2022

Employees Included in the Calculations - All active employees who are potentially eligible to receive healthcare benefits as a retiree. Retirees (healthy and disabled) and their spouses or their survivors who are receiving benefits.

Source of Data - Data is as of the valuation date and was supplied by the Lansing Board of Water and Light. While we have not audited this data, we believe the census data and financial information to be accurate and complete.

Discount Rate - Pursuant to GASB 74/75, projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA/Aa credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 6.50%; the municipal bond rate is 3.54% (based on the daily rate closest to but not later than the measurement date of the Bond Buyer "20-Bond GO Index"); and the resulting Single Discount Rate is 6.50%.

The projection of cash flows used to determine the discount rate assumes that the Lansing Board of Water and Light will make contributions equal to at least the annual "pay as you go cost". Based on this assumption, the OPEB plan's fiduciary net position is projected to cover all future OPEB payments. Therefore, the discount rate is equal to long-term expected rate of return on OPEB plan investments.

Inflation Rate - 2.25% per year.

Salary Increase Rates - The salary increase rates are based on the Lansing Board of Water and Light historical experience from 2017 to 2021 that was used in the 2022 experience analysis. Sample rates are listed on Table A herein. The rates include general wage inflation and merit / productivity increases.

Mortality Rates - Pre and Post retirement - PUBH-2010 General Employees Mortality Table, Male and Female, projected generationally using the MP-2021 improvement scale.

Retirement Rates - The retirement rates are based on the Lansing Board of Water and Light historical experience from 2017 to 2021 that was used in the 2022 experience analysis. Sample rates are listed on Table B herein.

Termination Rates - The termination rates are based on the Lansing Board of Water and Light historical experience from 2017 to 2021 that was used in the 2022 experience analysis. Sample rates are listed on Tables C and D herein.

Disability Rates - The 1985 Pension Disability Incidence Class 1 rates for males and females. Sample rates are listed on Table E herein.

Per Capita Claims Costs - Annual per capita costs are based on the premiums in effect on January 1, 2022 and are actuarially increased using current enrollment and aging factors. In addition, these costs are assumed to increase with medical, prescription drug and dental trend rates. Aging factors and sample per capita claims costs are shown on Tables F and G herein.

Healthcare Trend - Sample healthcare trend rates are shown on Table H herein.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Summary of Assumptions and Methods (continued)

Retiree Contributions - The 2022 retiree contributions shown in the plan provisions of this report are assumed to increase according to the healthcare trend rates.

Medicare Part B Reimbursement - It is assumed that the annual Medicare Part B reimbursement amount is \$1,837 for the current valuation. This amount is assumed to increase with the Medicare Part B trend rates.

Election Percentage - Ninety five percent (95%) of active employees who currently have healthcare coverage are assumed to elect coverage at retirement. Ninety five percent (95%) of active employees who currently elect cash in lieu of healthcare coverage are assumed to make the same election at retirement. All active employees who currently waive coverage are assumed to waive coverage at retirement. One hundred percent (100%) of retirees who currently have healthcare coverage are assumed to continue coverage until death. One hundred percent (100%) of retirees who currently elect cash in lieu of healthcare coverage are assumed to make the same election until death. All retirees who currently waive coverage are assumed to never elect coverage with the Lansing Board of Water and Light. All employees who currently have \$10,000 of life insurance coverage are assumed to never purchase additional insurance and thus are not eligible for retiree life insurance coverage.

Marriage Percentage - It is assumed that 65% of active employees are married upon retirement. Husbands are assumed to be three years older than wives.

Assumption Changes - (1) The mortality improvement scale was updated to the MP-2021 scale; (2) The assumed Medicare Part B premium reimbursement was increased from \$1,604 per year to \$1,837 per year; (3) The discount rate was decreased from 7.00% to 6.50%; (4) The healthcare trend assumption was updated to reflect the rates set forth in the Michigan Uniform Assumptions memo for the 2022 fiscal year; and (5) The demographic assumptions were updated to reflect the results of the 2022 experience analysis.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Summary of Assumptions and Methods (continued)

Table A - Salary Increase Rates

Age	Rate	Age	Rate
25	9.00%	45	6.75%
30	8.50%	50	6.35%
35	8.00%	55	6.00%
40	7.30%	60+	5.30%

Table B - Retirement Rates

Age	Rate	Age	Rate	Age	Rate
50	5.00%	57	7.00%	64	20.00%
51	3.00%	58	7.00%	65	25.00%
52	3.00%	59	15.00%	66	50.00%
53	3.00%	60	17.00%	67	25.00%
54	9.00%	61	23.00%	68	25.00%
55	10.00%	62	30.00%	69	25.00%
56	7.00%	63	15.00%	70	100.00%

Table C - Termination Rates - Males

Age	Years of Service					
	0	1	2	3	4	5+
20	10.64%	10.39%	8.89%	6.89%	5.64%	6.00%
30	9.20%	7.75%	6.25%	4.25%	3.00%	4.25%
40	7.12%	6.87%	5.37%	3.37%	2.12%	3.25%
50	6.32%	6.07%	4.57%	2.73%	1.64%	1.50%
60	5.56%	5.51%	4.17%	2.33%	1.24%	1.16%
70+	5.16%	5.11%	3.77%	1.93%	0.84%	0.88%

Table D - Termination Rates - Females

Age	Years of Service					
	0	1	2	3	4	5+
20	15.82%	13.87%	12.37%	11.37%	10.87%	2.80%
30	11.20%	9.25%	7.75%	6.75%	6.25%	2.30%
40	9.66%	7.71%	6.21%	5.21%	4.71%	2.00%
50	8.26%	6.31%	4.81%	4.09%	3.87%	1.80%
60	6.93%	5.33%	4.11%	3.39%	3.17%	1.40%
70+	6.23%	4.63%	3.41%	2.69%	2.47%	0.60%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Summary of Assumptions and Methods (continued)

Table E - Disability Rates

Age	Male	Female
20	0.03%	0.03%
30	0.05%	0.08%
40	0.12%	0.21%
50	0.36%	0.53%
60	1.26%	1.16%

Table F - Aging Factors

Age	Medical	Rx
35 – 39	2.00%	5.00%
40 – 44	2.00%	4.50%
45 – 49	2.00%	4.00%
50 – 54	2.00%	3.50%
55 – 59	4.00%	3.00%
60 – 64	4.00%	2.50%
65 – 69	3.00%	1.50%
70 – 74	2.00%	1.00%
75 – 79	1.00%	0.00%
80+	0.00%	0.00%

Table G - Per Capita Claims Cost

Age	Healthy Retirees			Disabled Retirees		
	Medical	Rx	Dental	Medical	Rx	Dental
50	\$ 8,875	\$ 2,092	\$ 536	\$ 19,969	\$ 4,708	\$ 536
55	9,799	2,485	536	22,048	5,591	536
60	11,922	2,882	536	26,824	6,484	536
65	2,967	N/A	536	2,967	N/A	536
70	3,439	N/A	536	3,439	N/A	536
75	3,798	N/A	536	3,798	N/A	536
80+	3,991	N/A	536	3,991	N/A	536

Notes

(1) Post-65 per capita claims cost for Rx coverage are included in the in medical per capita claims cost amounts shown above.

(2) The annual per capita claims shown above are for disabled retirees that are not Medicare primary due to disability. For disabled retirees who are Medicare primary due to disability, the pre-65 annual per capita costs are \$3,018 for medical and Rx coverages. 70% of disabled retirees are assumed to be Medicare primary due to disability.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Summary of Assumptions and Methods (continued)

Table H - Healthcare Trend Rates

FYE	Medical & Rx		Part B	Dental
	Pre-65	Post-65		
2022	7.25%	5.50%	3.75%	4.25%
2023	7.00%	5.25%	4.00%	4.00%
2024	6.75%	5.00%	4.25%	4.00%
2025	6.50%	4.75%	4.50%	4.00%
2026	6.25%	4.50%	4.75%	4.00%
2027	6.00%	4.50%	5.00%	4.00%
2028	5.75%	4.50%	5.00%	4.00%
2029	5.50%	4.50%	5.00%	4.00%
2030	5.25%	4.50%	5.00%	4.00%
2031	5.00%	4.50%	5.00%	4.00%
2032	4.75%	4.50%	5.00%	4.00%
2033+	4.50%	4.50%	5.00%	4.00%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Summary of Plan Provisions

Effective Date - Initial effective date was July 1, 1999. The plan was restated on March 27, 2007.

Eligibility - Employees who satisfy the eligibility requirements for either normal retirement, early retirement, or disability are eligible for lifetime health benefits under the plan.

Normal Retirement Date - The normal retirement date for employees hired prior to July 1, 1990 is the earlier of (1) the first day of the month on or after attainment of age 60 and the completion of at least 10 years of Benefit Service Credit, and (2) the first day of the month on or after completion of 30 years of Benefit Service Credit and attainment of age 55. If an employee who was hired before July 1, 1990 terminates employment after attainment of age 45 and completion of 25 years of Benefit Service Credit, the normal retirement date is the first day of the month on or after the date he has attained age 55 and would have completed 30 years of Benefit Service Credit if he had remained employed.

For employees hired on or after July 1, 1990, the normal retirement date is the first day of the month on or after attainment of age 65 and completion of 10 years of Benefit Service Credit.

Early Retirement Date - The date that is 10 years prior to an employee's Normal Retirement Date upon completion of 25 years of Benefit Service Credit or 5 years prior to an employee's normal retirement date upon completion of 15 years of Benefit Service Credit.

Disability Retirement Date - The date that the employee is determined to be disabled, provided the employee has completed at least 10 years of Years of Service.

Healthcare Coverage - The healthcare coverage (medical, prescription drug and dental) provided under the plan is substantially the same coverage (based on the cost per retiree to the employer for providing said health coverage) that is available to active employees. All health plans are self-insured except for the Medicare plan that is fully-insured with Humana. Dental benefits are fully insured with Delta Dental. Spousal and family coverage is available. In addition, coverage will continue to a surviving spouse upon the death of a retiree or an active employee who is eligible to retire. If an employee with at least ten years of service dies while in employment, the surviving spouse will qualify for retiree healthcare benefits under the disability retirement status. Surviving spouse contributions are the same as the member's prior to the member's death.

Retiree Premiums - The monthly retiree premium rates effective on January 1, 2022 are shown below:

<u>Non-Medicare</u>	<u>Medical Only</u>	<u>Medical & Rx</u>	<u>Dental</u>
Single	\$ 963.40	\$ 1,192.93	\$ 42.83
2 Person	\$ 2,167.68	\$ 2,684.12	\$ 78.73
Family	\$ 2,697.55	\$ 3,340.23	\$ 137.26
 <u>Medicare Eligible</u>		<u>Medical & Rx</u>	<u>Dental</u>
1 Person Humana		\$ 299.96	\$ 42.83
2 Person Humana		\$ 599.92	\$ 78.73
Family Humana		\$ 899.98	\$ 137.26

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Summary of Plan Provisions (continued)

Retiree Contributions - Retiree healthcare benefits are non-contributory for employees who were hired prior to January 1, 2009. Retiree healthcare benefits for employees hired on or after January 1, 2009 are contributory. Future retiree contributions for this group will be equal to the current employees' healthcare premium sharing arrangement in effect immediately prior to retirement. Currently, Union and Non-Union employees contribute 20% of the active medical and prescription drug coverage premium and do not contribute for dental coverage. The monthly premiums in effect on January 1, 2022 are shown below:

<u>Coverage</u>	<u>Medical Only</u>	<u>Medical & Rx</u>	<u>Dental</u>
Single	\$ 570.07	\$ 772.97	\$ 42.83
2 Person	\$ 1,282.68	\$ 1,739.20	\$ 78.73
Family	\$ 1,596.22	\$ 2,164.33	\$ 137.26

Medicare Part B Reimbursement - The Lansing Board of Water and Light reimburses retirees and spouses for 90% of the Medicare Part B premium (standard premium prior to income-related adjustment). As of June 30, 2022 the amount of reimbursement is \$153.09 per month.

Cash in Lieu of Coverage - Retirees may elect to receive cash in lieu of healthcare benefits. Currently, retirees electing this option receive \$2,232 per year.

Life Insurance - Employees that have life insurance coverage equal to 1.5 times of their salary immediately prior to retirement may continue this coverage at one-third of the amount in effect immediately prior to retirement rounded to the next higher \$500. Bargaining unit retirees contribute 50% of the premium for retiree life insurance coverage. Contributions are not required for non-bargaining unit retirees. A closed group of disabled retirees receive retiree life insurance coverage at no cost. Retiree life insurance coverage is not provided for employees who have \$10,000 of life insurance coverage immediately prior to retirement. The monthly retiree life insurance premium in effect on January 1, 2022 is 40.2 cents per thousand dollars of coverage.

Changes in Plan Provisions since the Prior Valuation - None.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
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Glossary

Actuarial Assumptions - Assumptions relating to future experience under the plan. These include assumptions about the occurrence of future events affecting costs or liabilities, such as:

- mortality, withdrawal, disablement, and retirement;
- future increases in salary;
- future rates of investment earnings and future investment and administrative expenses;
- characteristics of members not specified in the data, such as marital status;
- characteristics of future members;
- future elections made by members; and
- other relevant items.

Actuarial Cost Method - A procedure for allocating the Actuarial Present Value of Future Benefits to various time periods; a method used to determine the Normal Cost and the Total OPEB Liability (TOL).

Actuarial (Gain) or Loss - A measure of the difference between actual experience and experience expected under a set of Actuarial Assumptions, during the period between two Actuarial Valuation dates. Through the actuarial assumptions, rates of decrements, rates of salary increases, and rates of fund earnings that have been forecasted. To the extent that actual experience differs from that assumed, actuarial accrued liabilities emerge which may be the same as forecasted, or may be larger or smaller than projected. Actuarial gains are due to favorable experience, e.g., the plan's assets earn more than projected, healthcare trend does not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, actuarial losses are the result of unfavorable experience, i.e., actual results that produce actuarial liabilities which are larger than projected. Actuarial gains will shorten the time required for funding of the actuarial balance sheet deficiency while actuarial losses will lengthen the funding period.

Actuarially Equivalent - Of equal actuarial present value, determined as of a given date and based on a given set of Actuarial Assumptions.

Actuarial Present Value (APV) - The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of Actuarial Assumptions. For purposes of this standard, each such amount or series of amounts is:

- adjusted for the probable financial effect of certain intervening events (such as changes in marital status, etc.)
- multiplied by the probability of the occurrence of an event (such as survival, death, disability, termination of employment, etc.) on which the payment is conditioned, and
- discounted according to an assumed rate (or rates) of return to reflect the time value of money.

Actuarial Present Value of Future Benefits - The Actuarial Present Value of those benefit amounts which are expected to be paid at various future times under a particular set of Actuarial Assumptions, taking into account such items as the effect of advancement in age and past and anticipated future benefit increases. The Actuarial Present Value of Future Benefits includes the liabilities for active members, retired members and spouses receiving benefits. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.

Actuarial Present Value of Future Earnings - The Actuarial Present Value of a participant's expected future earnings.

Actuarial Present Value of Future Normal Costs - The portion of the Actuarial Present Value of Future Benefits allocated to future years.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2022 GASB 74/75 Actuarial Valuation Report
Glossary (continued)

Actuarial Valuation - The determination, as of a valuation date, of the Normal Cost, Total OPEB Liability (TOL), Fiduciary Net Position (FNP), and related Actuarial Present Values for a plan. An Actuarial valuation for a healthcare arrangement typically also includes calculations that provide the financial information of the plan, such as the funded status, unfunded actuarial accrued liability and the contribution amounts.

Actuarially Determined - Values which have been determined utilizing the principles of actuarial science. An actuarially determined value is derived by application of the appropriate actuarial assumptions to specified values determined by provisions of the law.

Covered Payroll - Payroll as of the valuation date for active participants who have not attained normal retirement age.

Decrements - Those causes/events due to which a member's status (active-inactive-retiree-spouse) changes, that is: death, retirement, disability, or termination.

Entry Age Normal Cost Method - The EAN cost method is a standard actuarial funding method. The annual cost of benefits under EAN cost method is comprised of two components:

- Normal cost
- Amortization of the unfunded liability

The normal cost is determined on an individual basis, from a member's age at plan entry, and is designed to be a level percentage of pay throughout a member's career.

Fiduciary Net Position - The value of the plan's assets as of a given date, used by the actuary for valuation purposes. This usually equals the market value of plan assets.

Funded Status - The ratio of the Fiduciary Net Position (FNP) to the Total OPEB Liability (TOL).

Net OPEB Liability (NOL) - The excess of the Total OPEB Liability (TOL) over the Fiduciary Net Position (FNP). This value may be negative in which case it may be expressed as a negative Fiduciary Net Position, also called the funding surplus.

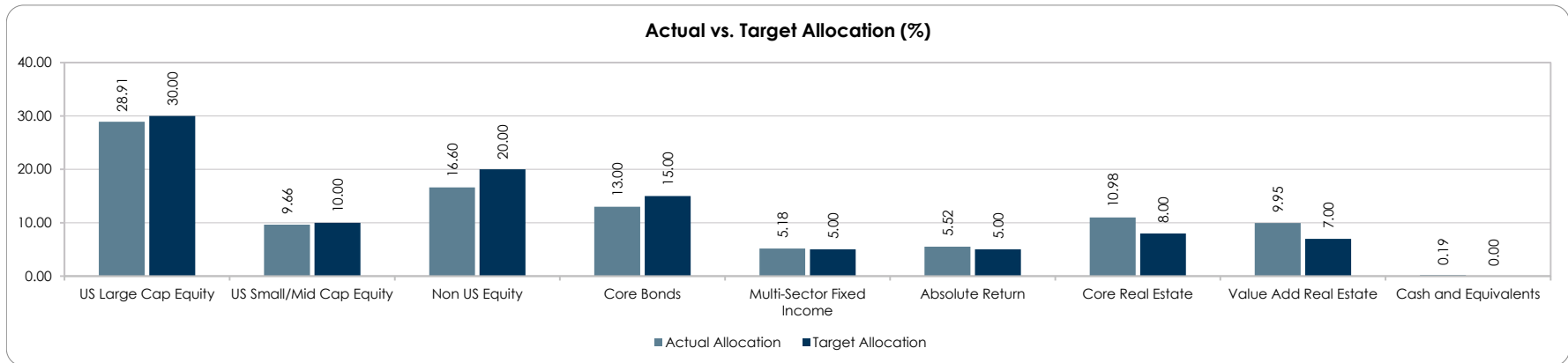
Normal Cost - The portion of the Actuarial Present Value of Future Benefits allocated to a valuation year by the Actuarial Cost Method. Any payment in respect of an unfunded actuarial accrued liability is not part of Normal Cost. Under the entry age normal cost method, the Normal Cost is intended to be the level cost (when expressed as a percentage of pay) needed to fund the benefits of a member from hire until ultimate termination, death, disability or retirement.

Total OPEB Liability (TOL) - The portion, as determined by a particular Actuarial Cost Method, of the Actuarial Present Value of Future Benefits which is not provided for by future Normal Costs. It is equal to the Actuarial Present Value of Future Benefits minus the actuarial present value of future Normal Costs.

Valuation Date or Actuarial Valuation Date - The date on which the value of plan assets, the Actuarial Present Value of Future Benefits, the Total OPEB Liability (TOL) and Normal Cost are determined. The expected future benefits are discounted to this date.

Post-Retirement Benefit Plan and Trust for Eligible Employees of LBWL

For the Periods Ending June 30, 2022



Asset Class	Market Value (\$000s)	Actual Allocation (%)	Target Allocation (%)	Over/Under (%)	Range Min - Max (%)
Total Portfolio	228,721	100.00	100.00		
Equity	126,206	55.18	60.00	-4.82	45.00 70.00
US Large Cap Equity	66,130	28.91	30.00	-1.09	25.00 35.00
US Small/Mid Cap Equity	22,098	9.66	10.00	-0.34	5.00 15.00
Non US Equity	37,978	16.60	20.00	-3.40	15.00 25.00
Fixed Income	54,206	23.70	25.00	-1.30	10.00 50.00
Core Bonds	29,742	13.00	15.00	-2.00	10.00 35.00
Multi-Sector Fixed Income	11,841	5.18	5.00	0.18	0.00 10.00
Absolute Return	12,622	5.52	5.00	0.52	0.00 10.00
Real Assets	47,884	20.94	15.00	5.94	0.00 20.00
Core Real Estate	25,122	10.98	8.00	2.98	-- --
Value Add Real Estate	22,761	9.95	7.00	2.95	-- --
Cash and Equivalents	426	0.19	0.00	0.19	0.00 5.00

	Mar 2022 Market Value (\$000s)	Jun 2022 Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Total Portfolio (01/17) *	252,591	228,721	100.00	-4.46	-9.44	-12.31	-7.98	5.40	5.70	--	6.63
Total Portfolio (07/04)	252,591	228,721	100.00	-4.37	-9.28	-11.95	-7.21	6.09	6.32	7.86	6.26
<i>Policy Index</i> ¹				-4.89	-10.04	-13.29	-8.86	5.99	6.47	8.22	7.01

¹The range for real estate outlined in the investment policy statement is at the asset class level.

Post-Retirement Benefit Plan and Trust for Eligible Employees of LBWL

For the Periods Ending June 30, 2022

	Mar 2022 Market Value (\$000s)	Jun 2022 Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Total Portfolio (01/17) *	252,591	228,721	100.00	-4.46	-9.44	-12.31	-7.98	5.40	5.70	--	6.63
Total Portfolio (07/04)	252,591	228,721	100.00	-4.37	-9.28	-11.95	-7.21	6.09	6.32	7.86	6.26
<i>Policy Index</i> ¹				-4.89	-10.04	-13.29	-8.86	5.99	6.47	8.22	7.01
US Large Cap Equity (01/17)	79,916	66,130	28.91	-8.23	-17.24	-20.82	-16.09	7.64	9.47	--	11.30
<i>Russell 1000</i>				-8.38	-16.67	-20.94	-13.04	10.17	11.00	12.82	11.74
US Small/Mid Cap Equity (01/17)	25,049	22,098	9.66	-7.05	-11.60	-15.59	-9.22	5.41	4.94	--	4.54
<i>Blended Benchmark</i> ²				-9.55	-16.98	-21.81	-21.00	5.91	6.16	--	5.96
Non US Equity (01/17) *	43,713	37,978	16.60	-7.93	-13.12	-21.03	-19.92	1.08	2.48	--	4.31
<i>MSCI EAFE</i>				-9.26	-14.29	-19.25	-17.33	1.54	2.69	5.89	4.95
Fixed Income (01/17)	56,785	54,206	23.70	-1.92	-4.48	-8.79	-8.49	0.57	1.93	--	2.19
<i>Bloomberg US Aggregate</i>				-1.57	-4.69	-10.35	-10.29	-0.93	0.88	1.54	1.21
Real Assets (01/19) *³	46,606	47,884	20.94	2.74	2.74	11.78	26.53	10.87	--	--	10.08
<i>NFI ODCE Net</i>				4.58	4.58	12.05	28.36	11.68	9.56	10.16	10.55
Cash and Equivalents (01/17)	521	426	0.19	0.08	0.15	0.16	0.17	0.50	1.00	--	0.94
<i>US T-Bills 90 Day</i>				0.02	0.10	0.14	0.17	0.63	1.11	0.64	1.06

Post-Retirement Benefit Plan and Trust for Eligible Employees of LBWL

For the Periods Ending June 30, 2022

	Mar 2022 Market Value (\$000s)	Jun 2022 Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Equity (01/17)	148,678	126,206	55.18	-7.92	-15.03	-19.92	-15.94	5.58	6.81	--	8.32
US Large Cap Equity											
Loomis Sayles (01/13)	39,134	30,336	13.26	-7.62	-22.48	-28.44	-24.98	7.21	10.93	--	13.43
<i>Russell 1000 Growth</i>				-7.92	-20.92	-28.07	-18.77	12.58	14.29	14.80	15.07
Vanguard Russell 1000 Value (05/17) *	40,782	35,794	15.65	-8.74	-12.23	-12.90	-6.89	6.81	7.11	--	7.19
<i>Russell 1000 Value</i>				-8.74	-12.21	-12.86	-6.82	6.87	7.17	10.50	7.24
US Small/Mid Cap Equity											
Atlanta Capital (04/21) *	25,049	22,098	9.66	-7.12	-11.78	-15.94	-9.96	--	--	--	-4.17
<i>Russell 2500</i>				-9.55	-16.98	-21.81	-21.00	5.91	7.04	10.49	-13.60
Non US Equity											
Harding Loevner Int'l Equity (09/17) *	23,136	19,713	8.62	-7.77	-14.80	-24.15	-22.51	2.15	--	--	2.91
<i>MSCI ACWI ex US</i>				-8.56	-13.54	-18.15	-19.01	1.81	2.98	5.31	2.19
Lazard Int'l Equity (09/17) *	20,577	18,266	7.99	-8.10	-11.23	-17.35	-16.92	-0.03	--	--	1.25
<i>MSCI EAFE</i>				-9.26	-14.29	-19.25	-17.33	1.54	2.69	5.89	2.19
Fixed Income (01/17)	56,785	54,206	23.70	-1.92	-4.48	-8.79	-8.49	0.57	1.93	--	2.19
Core Bonds											
JP Morgan Fixed Income (01/09)	31,077	29,742	13.00	-1.36	-4.26	-9.47	-9.39	-0.19	1.42	2.05	3.32
<i>Bloomberg US Aggregate</i>				-1.57	-4.69	-10.35	-10.29	-0.93	0.88	1.54	2.80
Multi-Sector Fixed Income											
Fidelity Tactical Bond (09/18) *	12,742	11,841	5.18	-3.38	-7.16	-11.02	-10.23	0.38	--	--	2.29
<i>Bloomberg US Aggregate</i>				-1.57	-4.69	-10.35	-10.29	-0.93	0.88	1.54	1.07
Absolute Return											
BlackRock Strategic Income Opp (09/17) *	12,966	12,622	5.52	-1.92	-2.65	-5.41	-5.66	1.68	--	--	2.30
<i>Bloomberg US Aggregate</i>				-1.57	-4.69	-10.35	-10.29	-0.93	0.88	1.54	0.63
<i>US T-Bills 90 Day + 3.0%</i>				0.27	0.85	1.63	3.17	3.65	4.14	3.66	4.14

Post-Retirement Benefit Plan and Trust for Eligible Employees of LBWL

For the Periods Ending June 30, 2022

	Mar 2022 Market Value (\$000s)	Jun 2022 Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Real Assets (01/19) *³	46,606	47,884	20.94	2.74	2.74	11.78	26.53	10.87	--	--	10.08
Core Real Estate											
AEW Core Property Trust (01/19) *³	24,392	25,122	10.98	2.99	2.99	11.42	27.03	11.43	--	--	10.55
<i>NFI ODCE Net</i>				4.58	4.58	12.05	28.36	11.68	9.56	10.16	10.55
Value Add Real Estate											
Blackstone Property Partners (10/19) *³	22,214	22,761	9.95	2.46	2.46	12.16	25.98	--	--	--	11.21
<i>NFI ODCE Net</i>				4.58	4.58	12.05	28.36	11.68	9.56	10.16	12.37
Cash & Equivalents (01/17)	521	426	0.19	0.08	0.15	0.16	0.17	0.50	1.00	--	0.94
Cash & Equivalents (01/17)	521	426	0.19	0.08	0.15	0.16	0.17	0.50	1.00	--	0.94
<i>US T-Bills 90 Day</i>				0.02	0.10	0.14	0.17	0.63	1.11	0.64	1.06

All returns prior to 12/31/2016 were calculated by the prior consultant.

* Net of Fee return data.

¹ Policy Index: Effective October 2019, the index consists of 30.0% Russell 1000, 10.0% Russell 2500, 20.0% MSCI ACWI ex US, 25.0% Bloomberg US Aggregate, 15.0% NFI ODCE Net.

² Blended Benchmark: Effective August 2018, the index consists of 100% Russell 2500.

³ Valuation and performance are assessed quarterly.

The Fiscal Year End is June.

Total Portfolio

Dollar Reconciliation (\$000s)

For the Periods Ending June 30, 2022

	3 Months	FYTD
Beginning Market Value	252,591	248,577
Net Additions	-448	-2,098
Return on Investment	-23,421	-17,757
Ending Market Value	228,721	228,721

Market Overview

For the Periods Ending June 30, 2022

	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)
Equity Markets - Core							
S&P 500	-8.25	-16.10	-19.96	-10.62	10.60	11.31	12.96
Russell 1000	-8.38	-16.67	-20.94	-13.04	10.17	11.00	12.82
Russell 2000	-8.22	-17.20	-23.43	-25.20	4.21	5.17	9.35
Russell 2500	-9.55	-16.98	-21.81	-21.00	5.91	7.04	10.49
Equity Markets - Growth							
S&P 500 Growth	-8.28	-20.81	-27.62	-16.41	11.64	13.46	14.35
Russell 1000 Growth	-7.92	-20.92	-28.07	-18.77	12.58	14.29	14.80
Russell 2000 Growth	-6.19	-19.25	-29.45	-33.43	1.40	4.80	9.30
Russell 2500 Growth	-6.92	-19.55	-29.45	-31.81	3.68	7.53	10.88
Equity Markets - Value							
S&P 500 Value	-8.23	-11.27	-11.41	-4.86	8.23	8.19	10.97
Russell 1000 Value	-8.74	-12.21	-12.86	-6.82	6.87	7.17	10.50
Russell 2000 Value	-9.88	-15.28	-17.31	-16.28	6.18	4.89	9.05
Russell 2500 Value	-10.95	-15.39	-16.66	-13.19	6.19	5.54	9.54
International Markets							
MSCI ACWI	-8.39	-15.53	-19.97	-15.37	6.71	7.54	9.32
MSCI ACWI ex US	-8.56	-13.54	-18.15	-19.01	1.81	2.98	5.31
MSCI EAFE	-9.26	-14.29	-19.25	-17.33	1.54	2.69	5.89
MSCI EAFE Growth	-8.57	-16.74	-26.62	-23.53	1.64	3.84	6.67
MSCI EAFE Value	-9.93	-12.11	-11.67	-11.29	0.79	1.13	4.85
MSCI Emerging Markets	-6.56	-11.34	-17.47	-25.00	0.92	2.55	3.43
MSCI World	-8.63	-16.05	-20.29	-13.94	7.52	8.22	10.10
MSCI World ex US	-9.38	-14.44	-18.45	-16.30	2.20	3.18	5.89
Fixed Income							
ICE BofA ML 1 Yr Treasury Note	-0.51	-0.48	-1.27	-1.44	0.54	1.10	0.73
ICE BofA ML High Yield Master II	-6.81	-9.97	-14.04	-12.66	-0.03	1.95	4.41
Bloomberg US Aggregate	-1.57	-4.69	-10.35	-10.29	-0.93	0.88	1.54
Bloomberg Intermediate G/C	-1.11	-2.37	-6.77	-7.28	-0.16	1.13	1.45
Bloomberg 10 Yr Municipal	-1.08	-2.16	-8.26	-7.90	0.00	1.66	2.52
Bloomberg US Credit	-2.61	-6.90	-13.81	-13.64	-1.00	1.24	2.45
Real Assets							
NFI ODCE Net	4.58	4.58	12.05	28.36	11.68	9.56	10.16

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The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) Health Care (OPEB) Report

Enter Local Government Name	LANSING CITY BOARD OF WATER & LIGHT	Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting
Enter Six-Digit Municode	337537	
Unit Type	Authority	
Fiscal Year End Month	June	Questions: For questions, please email LocalRetirementReporting@michigan.gov . Return this original Excel file. Do not submit a scanned image or PDF.
Fiscal Year (four-digit year only, e.g. 2019)	2022	
Contact Name (Chief Administrative Officer)	Scott Taylor	
Title if not CAO	Director, Accounting, Finance, and Planning	
CAO (or designee) Email Address	SCOTT.TAYLOR@LBWL.COM	
Contact Telephone Number	517-702-6104	

OPEB System Name (not division) 1	Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light	If your OPEB system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.
OPEB System Name (not division) 2		
OPEB System Name (not division) 3		
OPEB System Name (not division) 4		
OPEB System Name (not division) 5		

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	NO	NO	NO	NO	NO
2	Provide the name of your retirement health care system	Calculated from above	Post-Retirement Benefit Plan and Trust				
3 Financial Information							
4	Enter retirement health care system's assets (system fiduciary net position ending)	Most Recent Audit Report	228,140,094				
5	Enter retirement health care system's liabilities (total OPEB liability)	Most Recent Audit Report	156,408,876				
6	Funded ratio	Calculated	145.9%				
7	Actuarially determined contribution (ADC)	Most Recent Audit Report	-				
7a	Do the financial statements include an ADC calculated in compliance with Numbered Letter 2018-3?	Most Recent Audit Report	YES				
8	Governmental Fund Revenues	Most Recent Audit Report	397,149,164				
9	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
10 Membership							
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	696				
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report					
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	761				
14	Provide the amount of premiums paid on behalf of the retirees	Most Recent Audit Report or Accounting Records	13,492,757				
15 Investment Performance							
16	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	-7.98%				
17	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	5.70%				
18	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	7.86%				
19 Actuarial Assumptions							
20	Assumed Rate of Investment Return	Actuarial Funding Valuation used in Most Recent Audit Report	6.50%				
21	Enter discount rate	Actuarial Funding Valuation used in Most Recent Audit Report	6.50%				
22	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report					
23	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report					
24	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	No				
25	Health care inflation assumption for the next year	Actuarial Funding Valuation used in Most Recent Audit Report	7.00%				
26	Health care inflation assumption - Long-Term Trend Rate	Actuarial Funding Valuation used in Most Recent Audit Report	4.50%				
27 Uniform Assumptions							
28	Enter retirement health care system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	228,140,094				
29	Enter retirement health care system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	155,985,053				
30	Funded ratio using uniform assumptions	Calculated	146.3%				
31	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	-				
32	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
33 Summary Report							
34	Did the local government pay the retiree insurance premiums for the year?	Accounting Records	YES				
35	Did the local government pay the normal cost for employees hired after June 30, 2018?	Accounting Records	YES				
36	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	Primary government triggers: Less than 40% funded AND greater than 12% ARC/Governmental fund revenues. Non-Primary government triggers: Less than 40% funded	NO	NO	NO	NO	NO

Requirements (For your information, the following are requirements of P.A. 202 of 2017)
Local governments must post the current year report on their website or in a public place.
The local government must electronically submit the form to its governing body.
Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years.
Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

By emailing this report to the Michigan Department of Treasury, the local government acknowledges that this report is complete and accurate in all known respects.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Financial Report

With Required Supplementary Information

As of and for the Years Ended June 30, 2022 and 2021

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

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Independent Auditors' Report

To the Honorable Mayor, Members of the City Council,
Commissioners of the Board of Water and Light of
Lansing Board of Water and Light
Defined Contribution Plan and Trust 1

Opinion

We have audited the accompanying financial statements of the Lansing Board of Water and Light Defined Contribution Plan and Trust 1 (the Plan), a fiduciary fund of the Lansing Board of Water and Light, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan as of June 30, 2022 and 2021 and the respective changes in the Plan's fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Plan is presenting only the financial statements of the Plan and do not purport to, and do not, present fairly the financial position of the Lansing Board of Water and Light, as of June 30, 2022 and 2021, and the changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Baker Tilly US, LLP

Madison, Wisconsin
September 12, 2022

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Management's Discussion and Analysis (Unaudited) As of and for the Years Ended June 30, 2022 and 2021

Using this Annual Report

The annual report consists of two parts: (1) Management's Discussion and Analysis (this section) and (2) the financial statements. The financial statements include notes that explain information in the statements and provide more detail.

Condensed Financial Information

The table below compares key financial information in a condensed format between the current year and the prior two fiscal years:

	2022	2021	2020
Assets held in trust:			
Mutual funds	\$ 139,302,720	\$ 159,281,467	\$ 148,613,938
Stable value	29,720,419	35,542,619	36,833,694
Guaranteed income fund	-	-	8,975,990
Self-directed brokerage account	11,157,807	12,317,950	6,330,405
Participant notes receivable and other	3,302,591	3,424,144	3,251,182
Net position	<u><u>\$ 183,483,537</u></u>	<u><u>\$ 210,566,180</u></u>	<u><u>\$ 204,005,209</u></u>
Changes in plan assets:			
Net investment income (loss)	\$ (17,658,093)	\$ 39,694,089	\$ 8,692,176
Employer and participant contributions	11,864,174	8,679,314	7,199,159
Benefits paid to participants	(20,560,553)	(41,414,977)	(11,912,104)
Loan defaults and other changes	(728,171)	(397,455)	(245,034)
Changes in net position	<u><u>\$ (27,082,643)</u></u>	<u><u>\$ 6,560,971</u></u>	<u><u>\$ 3,734,197</u></u>

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Management's Discussion and Analysis (Unaudited) (Continued) As of and for the Years Ended June 30, 2022 and 2021

Investment Objectives

The principal purpose of the Lansing Board of Water & Light Defined Contribution Plan and Trust 1 ("Plan") is to provide eligible Plan participants with a retirement income benefit at a normal retirement age. The Plan's investment funds are selected to optimize return on a risk-adjusted basis within each asset class, to provide an opportunity to create a well-diversified portfolio, to control administrative and management cost, and to comply with applicable Michigan and federal law.

Pursuant to the Plan's Investment Policy Statement, each participant may direct the investment of funds in their Plan account across various investment options. The plan is sponsored by the Lansing Board of Water & Light ("BWL"). The Retirement Plan Committee on behalf of the Trustee periodically reviews the performance of investment options available to participants to ensure that each option is meeting its investment objectives.

Investment Results

The fiscal year ended June 30, 2022 saw a net investment loss of (\$17.7) million. Total assets held in trust at the end of the fiscal year were \$183 million.

Future Events

The BWL has no plan to materially revise the terms of its Plan.

Contacting the Plan's Management

The financial report is intended to provide a general overview of the Plan's finances and to demonstrate accountability for the funds it administers. Questions about this report should be submitted to Lansing Board of Water & Light Defined Contribution Plan and Trust 1, Attn: Retirement Plan Committee, P.O. Box 13007, Lansing, Michigan 48901-3007.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Statements of Fiduciary Net Position

	As of June 30	
	2022	2021
Assets		
Participant-directed investments (Note 1):		
Mutual funds	\$ 139,302,720	\$ 159,281,467
Stable value	29,720,419	35,542,619
Self-directed brokerage account	<u>11,157,807</u>	<u>12,317,950</u>
Total participant-directed investments	180,180,946	207,142,036
Participant notes receivable	<u>3,302,591</u>	<u>3,424,144</u>
Net Position Restricted for Pensions	<u>\$ 183,483,537</u>	<u>\$ 210,566,180</u>

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Statements of Changes in Fiduciary Net Position

	For the Year Ended June 30	
	2022	2021
Additions		
Investment income:		
Net appreciation in fair value of investments	\$ -	\$ 33,701,209
Dividend income	2,665,738	5,992,880
	<u>2,665,738</u>	<u>5,992,880</u>
Total investment income	2,665,738	39,694,089
Employer contributions (Note 1)	11,134,555	7,863,510
Participant rollover contributions	-	467,189
Interest from participant notes receivable	729,619	227,245
Other	-	121,370
	<u>14,529,912</u>	<u>48,373,403</u>
Total additions	14,529,912	48,373,403
Deductions		
Investment loss:		
Net depreciation in fair value of investments	20,323,831	-
Benefits paid to participants	20,560,553	41,414,977
Loan defaults	577,197	231,871
Participants' note and administrative fees	150,974	165,584
	<u>41,612,555</u>	<u>41,812,432</u>
Total deductions	41,612,555	41,812,432
Net Increase (Decrease) in Net Position	(27,082,643)	6,560,971
Net Position Restricted for Pensions		
Beginning of year	<u>210,566,180</u>	<u>204,005,209</u>
End of year	<u>\$ 183,483,537</u>	<u>\$ 210,566,180</u>

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 1 – Plan Description

The following description of Lansing Board of Water & Light Defined Contribution Plan and Trust 1 (“Plan”) provides only general information. Participants should refer to the Plan Documents, in conjunction with the Plan Adoption Agreement, for a more complete description of the Plan’s provisions.

General – The Plan was established by the Lansing Board of Water & Light (“BWL”) in 1997 under Section 5–203.10 of the City Charter. Prior to its establishment, the BWL sponsored a defined benefit plan (Lansing Board of Water & Light Defined Benefit Plan and Trust for Employees’ Pensions) in which substantially all employees of the BWL were participants. Effective December 1, 1997, all active participants of the defined benefit plan were required to make an irrevocable choice to either remain in the defined benefit plan or move to the newly established Plan. Those participants who elected to move to the Plan received lump–sum distributions from the defined benefit plan, which were rolled into their accounts in the Plan. Of the 760 active participants who were required to make this election, 602 elected to convert their retirement benefits to the Plan. As a result of this action, effective December 1, 1997, the Board of Commissioners transferred \$75,116,470 to the Plan, reflecting the plan participants’ accumulated benefits as of said date.

For FY 2021 and a portion of FY 2022, ICMA–RC served as Plan recordkeeper and was responsible for Plan administration and processing of participant investments. During FY 2022, this role was transitioned to Nationwide Retirement Solutions (“Nationwide”).

Contributions – For eligible employees hired before January 1, 1997, the BWL is required to contribute 15% of the employees’ eligible compensation. For employees hired on or after January 1, 1997, the BWL is required to contribute 9.5% of the employees’ compensation. In addition, the BWL is required to contribute an additional 3.0% of the employees’ compensation for all employees who are not eligible to receive overtime pay and 0.5% of the employees’ compensation for all non–bargaining employees. As part of the transition to Nationwide, effective April 25, 2021, the Lansing Board of Water & Light adopted Nationwide’s prototype plan documents.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 1 – Plan Description (Continued)

Participant Accounts – Each participant’s account is credited with the participant’s rollover contributions and withdrawals, as applicable, and allocations of the BWL’s contributions and Plan earnings. Allocations are based on participants’ earnings or account balances, as defined in the Plan document. Forfeited balances of terminated participants’ non-vested accounts are used to reduce future BWL contributions. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s account.

As of June 30, 2022, there were 1,030 participants in the Plan, of which 639 were active employees. As of June 30, 2021, there were 948 participants in the Plan, of which 656 were active employees.

Vesting – The portion of employer contribution which is subject to vesting is vested on the following schedule: 25% vested after three years and an additional 25% after each subsequent completed year of service.

Investment Options – Participants may direct contributions to any of the following investment options, some of which are administered by subsidiaries (or related parties) of Nationwide. Since Nationwide is a service provider to the Plan, transactions in the Nationwide Stable Value Account qualify as party-in-interest transactions.

Stable Value – Seeks safety of principal, adequate liquidity, and returns superior to shorter maturity alternatives by actively managing a diversified portfolio of assets issued by highly rated financial institutions and corporations as well as obligations of the U.S. government or its agencies.

Balanced – Seeks both current income and capital appreciation by investing in a combination of stocks, bonds, and money market instruments.

Growth – Seeks long-term capital appreciation by investing primarily in equity securities of companies with above-average growth prospects. Current income is a secondary concern.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 1 – Plan Description (Continued)

International – Seeks long-term capital appreciation by investing primarily in equity securities of issuers located outside of the U.S.

Stock Funds – Seeks long-term growth through capital gains, although historically dividends have been an important source of total return. These funds primarily invest in the common stocks of companies based in the United States. There are many options for diversification within this category.

Bond and Equity Funds – Seeks to maximize current income with capital appreciation as a secondary consideration by investing primarily in debt securities issued by the U.S. government or its agencies and domestic and foreign corporations. They are not fixed-income investments. Even when a mutual fund's portfolio is composed entirely of bonds, the fund itself has neither a fixed yield nor a contractual obligation to give investors back their principal at some later maturity date – the two key fixed characteristics of individual bonds.

Self-directed Brokerage Account – Participants meeting minimum balance and transaction requirements may transfer funds to a self-directed brokerage account providing access to additional investment options including a large selection of mutual funds.

Participant Notes Receivable – Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of the lesser of \$50,000 or 50% of their account balances. Notes receivable are treated as transfers between the investment fund and the notes receivable fund. Note terms range from one to five years or up to 20 years for the purchase of a primary residence. The notes receivable are secured by the balance in the participant's account and bear interest at a rate commensurate with prevailing rates as determined periodically by the Plan administrator. Principal and interest are paid ratably through payroll deductions.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 1 – Plan Description (Continued)

Payment of Benefits – Upon termination of service, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or choose from a variety of periodic payment options. Upon reaching normal retirement age, a participant may elect to receive in service distributions.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting – Fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Plan participant contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

Valuation of Investments and Income Recognition – The investments are stated at fair value based on closing sales prices reported on recognized securities exchanges on the last business day of the year, or for listed securities having no sales reported, and for unlisted securities, upon the last reported bid prices on that date. The mutual funds are valued at quoted market prices, which represent the net asset values of shares held by the Plan at year-end.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 2 – Summary of Significant Accounting Policies (Continued)

Participant Notes Receivable – Participant notes receivable are recorded at their unpaid principal balances plus any accrued interest. Participant notes receivable are written off when deemed uncollectible.

Expenses – Substantially all Plan expenses are paid by Plan participants.

Regulatory Status – The Plan is not subject to the reporting requirements of the Employee Retirement Income Security Act of 1974 (ERISA) as it has been established for the benefit of a governmental unit.

Note 3 – Investments

The Plan is authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, bonds, mutual funds, collective investment funds, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate, debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

The Plan's deposits and investment policies are in accordance with PA 196 of 1997 and have authorized the investments according to Michigan PA 314 of 1965, as amended.

Custodial Credit Risk of Bank Deposits – As of June 30, 2022 and 2021, the Plan has no bank deposits.

Custodial Credit Risk of Investments – Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan does not have a policy for custodial credit risk. At year end, all investments of the Plan were held in the name of the Plan and are therefore not subject to custodial credit risk.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 3 – Investments (Continued)

Credit Risk – Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligations. As of June 30, 2022, the credit quality ratings of investments subject to credit risk are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Mutual funds – Bond funds	\$ 16,900,960	Not rated	Not rated

As of June 30, 2021, the credit quality ratings of investments subject to credit risk are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Mutual funds – Bond funds	\$ 16,365,491	Not rated	Not rated

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The Plan’s investment policy does not address this risk. At June 30, 2022, the average maturities of investments subject to interest rate risk are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Mutual funds – Bond funds	\$16,900,960	6.7 years

At June 30, 2021, the average maturities of investments subject to interest rate risk are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Mutual funds – Bond funds	\$16,365,491	5.6 years

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 4 – Plan Termination

Although it has not expressed any intention to terminate the Plan, the BWL has the right to do so at any time. In the event of any termination of the Plan, or upon complete or partial discontinuance of contributions, the accounts of each affected participant shall become fully vested.

Note 5 – Tax Status

The Plan utilizes Nationwide's prototype plan document. The prototype plan has received a favorable opinion letter from the Internal Revenue Service (IRS) that the prototype plan, as designed, is qualified for federal income tax-exempt status. The Plan has not individually sought its own determination letter.

Note 6 – Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under authoritative guidance are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted market prices for identical assets in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- > quoted prices for similar assets or liabilities in active markets;
- > quoted prices for identical or similar assets or liabilities in inactive markets;
- > inputs other than quoted prices that are observable for the asset or liability;
- > inputs that are derived principally from or corroborated by observable market data by correlation or other means; and
- > if the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 6 – Fair Value Measurements (Continued)

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observables and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022 and 2021:

Money market fund, growth funds, and international funds: Valued at the quoted net asset value ("NAV") of shares held by the Plan at year-end.

Common stock and bond and equity funds: Valued at the most recent closing price reported on the market on which individual securities are traded.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Stable value fund: The Vantagepoint PLUS Fund is a collective fund that seeks to maintain a stable net asset value. It invests primarily in a diversified portfolio of stable-value investments, including traditional guaranteed investment contracts (traditional GICs), separate account GICs, synthetic GICs backed by fixed income securities or investments, and short-term investment funds, including money market mutual funds. The Nationwide Stable Value Account ("Account") is a Separate Account Product that seeks to provide a low-risk, stable investment option offering consistently competitive returns for retirement plan investors. The Account invests in a diversified portfolio of fixed income securities. Nationwide Life Insurance Company provides a crediting rate guarantee each quarter, which is backed by the assets in the Account and the claims paying ability of Nationwide Life Insurance Company. Assets in the Account are not part of the General Account of Nationwide Life Insurance Company. This investment portfolio is not a mutual fund.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 6 – Fair Value Measurements (Continued)

Self-directed brokerage account: The self-directed brokerage account allows participants of the Plan the option of selecting a more personalized and broad range of investment choices. The investments within the account consist of corporate stocks, which are valued at the most recent closing price reported on the market on which individual securities are traded.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2022 and 2021:

Investment Type	June 30, 2022			Total
	Level 1	Level 2	Level 3	
Mutual funds:				
Bond funds	\$ 16,900,960	\$ -	\$ -	\$ 16,900,960
Stock funds	52,769,642	-	-	52,769,642
Balanced funds	55,251,321	-	-	55,251,321
International funds	14,380,797	-	-	14,380,797
Self-directed brokerage account	<u>11,157,807</u>	<u>-</u>	<u>-</u>	<u>11,157,807</u>
Total Investments by Fair Value				
Level	<u>\$ 150,460,527</u>	<u>\$ -</u>	<u>\$ -</u>	<u>150,460,527</u>
Investments measured at the net asset value (NAV)				
Stable value				<u>29,720,419</u>
Total Investments				<u>\$ 180,180,946</u>

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements As of and for the Years Ended June 30, 2022 and 2021

Note 6 – Fair Value Measurements (Continued)

Investment Type	June 30, 2021			Total
	Level 1	Level 2	Level 3	
Mutual funds:				
Bond and equity funds	\$ 16,365,491	\$ -	\$ -	\$ 16,365,491
Stock funds	69,556,974	-	-	69,556,974
Balanced funds	55,153,523	-	-	55,153,523
International funds	18,205,479	-	-	18,205,479
Self-directed brokerage account	<u>12,317,950</u>	<u>-</u>	<u>-</u>	<u>12,317,950</u>
Total Investments by Fair Value Level	<u>\$ 171,599,417</u>	<u>\$ -</u>	<u>\$ -</u>	<u>171,599,417</u>
Investments measured at the net asset value (NAV)				
Stable value				<u>35,542,619</u>
Total Investments				<u>\$ 207,142,036</u>

Investments Measured Using NAV per Share Practical Expedient: The stable value fund uses NAV per share as a practical expedient to measuring fair value. The stable value fund had a fair value of \$29,720,419 and \$35,542,619 as of June 30, 2022 and 2021, respectively. This fund has no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

Note 7 – Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Fiduciary Net Position.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements
As of and for the Years Ended June 30, 2022 and 2021

Note 8 – Subsequent Events

The Plan has evaluated subsequent events occurring through September 12, 2022, the date that the Plan's financial statements were approved and available to be issued, for events requiring recording or disclosure in the Plan's financial statements. There are no subsequent events warranting disclosures.

LANSING BOARD OF WATER & LIGHT
2ND QUARTER, 2022

**DEFINED CONTRIBUTION
QUARTERLY REVIEW**

CAPTRUST

3000 Town Center Boulevard, Suite 2650, Southfield, MI, 48075
99 Monroe Avenue, N.W., Suite 901, Grand Rapids, MI 49503

Our mission is to enrich the lives of our clients, colleagues and communities through sound financial advice, integrity, and a commitment to service beyond expectation.



Lansing Board of Water & Light Defined Contribution Plan and Trust 2
Lansing Board of Water and Light Defined Contribution Plan and Trust 1
Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust

2nd Quarter, 2022 Quarterly Review

prepared by:
Dori Drayton, CPA ,CFP®
Principal | Financial Advisor

Section 1
RETIREMENT INDUSTRY UPDATES

Section 2
MARKET COMMENTARY AND REVIEW

Section 3
PLAN INVESTMENT REVIEW

Section 4
FUND FACT SHEETS

Appendix

SECTION 1: RETIREMENT INDUSTRY UPDATES

Industry Updates.....



FIDUCIARY UPDATE

Retirement plan fiduciaries should be mindful of the following items this summer: mandatory arbitration provisions and the use of participant data for non-retirement plan purposes.



MANDATORY ARBITRATION

Some plans include mandatory arbitration clauses to help avoid class-action retirement plan litigation. However, courts are currently split over the enforceability of these provisions in ERISA-covered plans.

Plan sponsors should consider these action items:

- Discuss with retirement plan counsel whether mandatory arbitration and other litigation defense provisions—like class action waivers, venue provisions, and limitation periods—are appropriate in the plan document.
- If appropriate, determine whether your plan document can be amended. Some vendor preapproved documents may not accommodate these provisions and could necessitate an individually designed plan.



PARTICIPANT DATA

A recent topic in retirement plan litigation is whether participant data is considered a plan asset under ERISA. Plaintiffs' attorneys have successfully incorporated restrictions on its use in several lawsuit settlements. However, a few courts have ruled that participant data is not a plan asset. ERISA is silent on the issue.

As more recordkeepers use participant data to market products and services to participants, plan sponsors should take the following steps:

- Understand how your recordkeeper is using participant data.
- Discuss the need for any restrictions on the use of participant data in recordkeeping agreements with plan counsel.

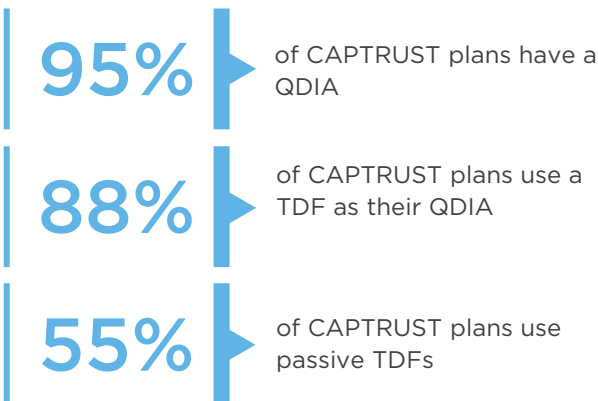
WHAT'S NEXT FOR QDIA?

Following the Pension Protection Act (PPA) in 2006, qualified default investment alternatives (QDIA) and target-date funds (TDFs) became core retirement plan offerings. Fifteen years later, plan sponsors should reassess and understand what's next for QDIAs.

HISTORY OF QDIA

QDIA regulations were issued to encourage the use of autoenrollment features among plan sponsors.

The final regulations allow four types of QDIAs—a lifecycle or target date fund, a professionally managed account, a risk-based fund, or a capital preservation product (with restrictions).¹

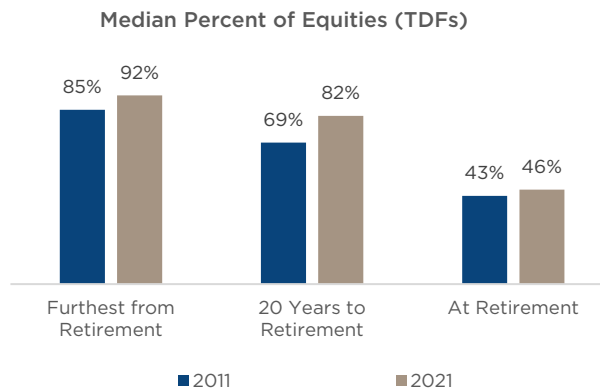


EVOLUTION OF TDFs

Collective investment trust (CIT) strategies made up 86% of all target-date net inflows in 2021 and will soon overtake mutual funds as the most popular target-date vehicle.

The average asset-weighted fee for TDFs was 0.34% in 2021, down from 0.51% five years ago.

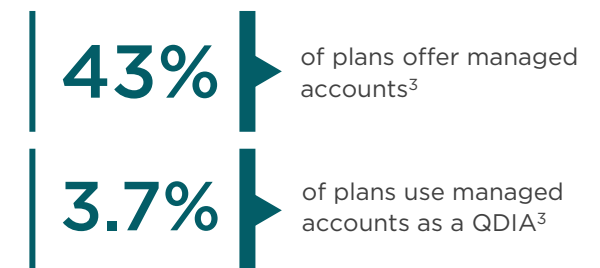
Target-date strategies have adopted more equity-heavy and more gradual glidepaths over the last ten years.²



WHAT'S NEXT?

Managed Accounts - The next generation of QDIA is likely to be a hybrid of TDFs for younger employees and managed accounts for those closer to retirement who may benefit from more customized portfolios. A future state could also incorporate guaranteed annuities.

Target-Date Funds - Some TDF managers have altered their series to be more retirement income-friendly, offering different landing points at retirement, incorporating guaranteed annuities into the glidepath, or launching new series altogether.



¹United States, Department of Labor. "Default Investment Alternatives Under Participant Directed Individual Account Plans." 72 FR 60452

²Morningstar, "Target Date Strategy Landscape" 2022

³Plan Sponsor Council of America's 64th Annual Survey of Profit Sharing and 401(k) Plans, PSCA

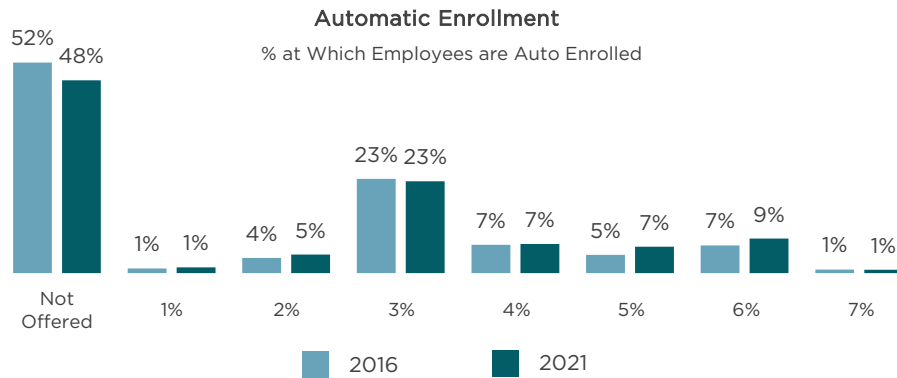


CAPTRUST PLAN DESIGN REVIEW: THEN VS. NOW (<\$250M)

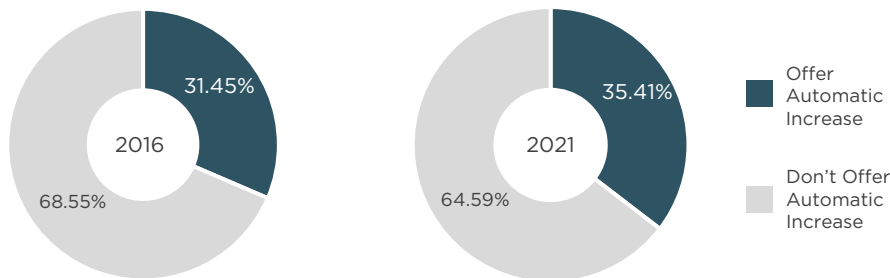
CAPTRUST has gathered and maintained plan design benchmarking information for clients since 2016. Here we take a five-year look-back on what's changed for plan sponsors over that time period.

PLAN AUTOMATION

Plan automation features are an effective way to increase plan participation and increase employee contributions over time.

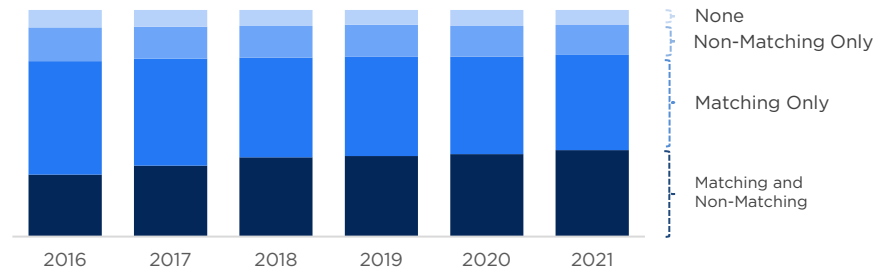


Automatic Annual Increase (% of Plans)



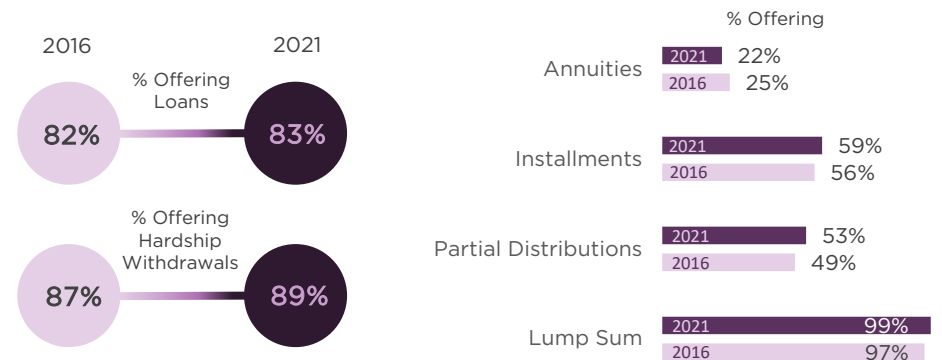
EMPLOYER CONTRIBUTION TYPES

Employer contributions vary by plan and are a benefit provided to employees.



DISTRIBUTION OPTIONS

Distribution options define how participants can withdraw money from the plan.



The CAPTRUST Plan Design Survey includes 401(k), 403(b), 401(a), and profit sharing plans (PSP). The data reflects plans under \$250 million in plan assets based on the following plan count—2016: 798, 2017: 959, 2018: 1012, 2019: 1061, 2020: 1154, 2021: 1330.

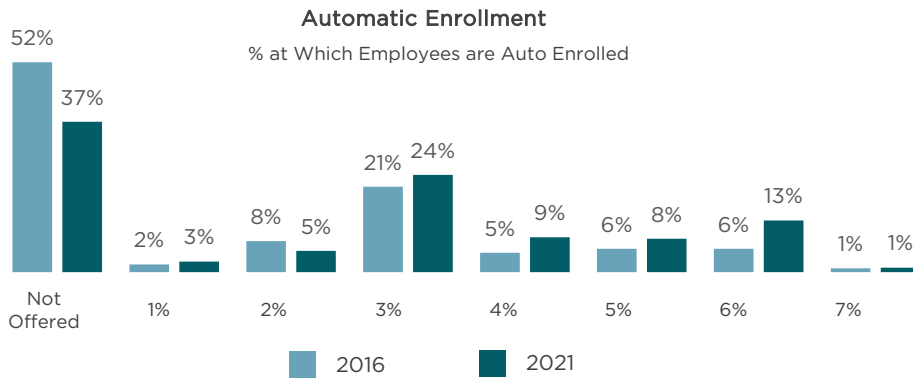


CAPTRUST PLAN DESIGN REVIEW: THEN VS. NOW (>\$250M)

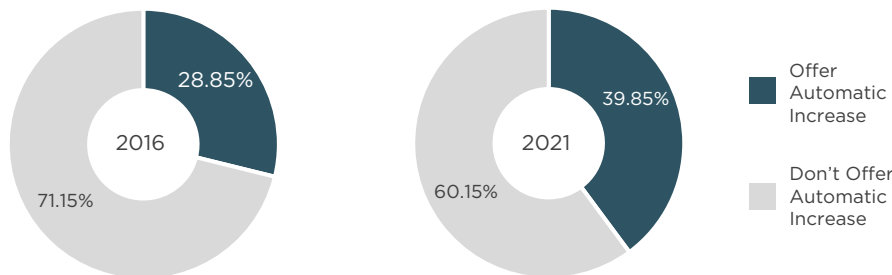
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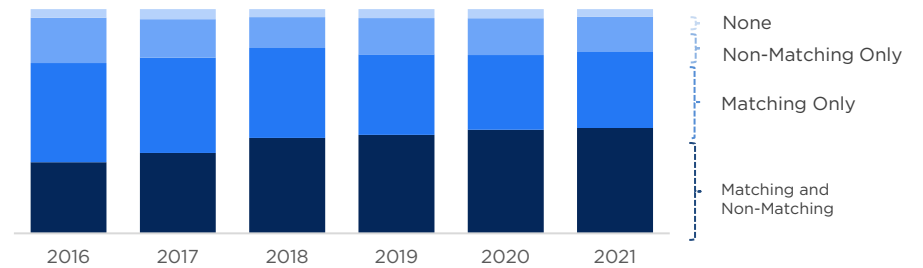


Automatic Annual Increase (% of Plans)



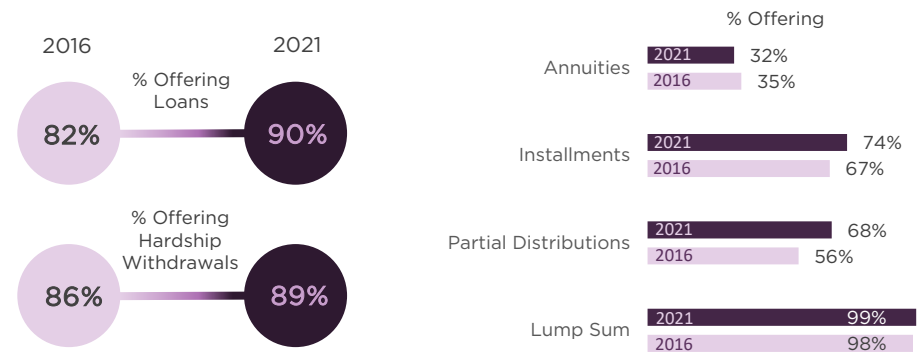
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FIDUCIARY TRAINING - CONDUCTING A COMPLIANCE SELF-REVIEW

Fiduciary training is a critical part of being a fiduciary and a way to minimize risk through education and governance. The DOL views this as an important element to managing a retirement plan and frequently looks for evidence of formal training during plan investigations. A good fiduciary curriculum covers a range of topics—from an overview of ERISA to best practices for monitoring investments. In this installment, we cover the importance of an annual compliance review.

IMPLEMENTING AN ANNUAL COMPLIANCE REVIEW

An annual compliance review process can help minimize risk and create operational efficiency. To begin, compile a plan documentation file with the following information:

Required Plan Documents:

- Plan Document
- Elective and mandatory plan amendments and related projects
- Summary Plan Description

Fiduciary Guidance and Governance Documents:

- Investment policy statement (IPS)
- Investment reports, benchmarking, and meeting minutes
- Bylaws or charters (if used)

Government Reporting:

- Form 5500 and audit (if applicable)
- Summary Annual Report

Once established, the file should be reviewed and updated with current compliance results or updated plan documents and amendments.

An annual compliance checkup can highlight weaknesses or misalignments in the plan, allowing plan sponsors to make corrections before larger deficiencies emerge. Maintaining an updated file also prepares plan sponsors in the event of an IRS or DOL audit.

PLAN SPONSOR ACTIONS

Work with your CAPTRUST advisor to ensure CAPTRUST Direct (or another document repository) is up-to-date with recent plan documents, contracts, and amendments.

SECTION 3: MARKET COMMENTARY AND REVIEW

Market Commentary.....

Market Review.....

Asset Class Returns.....

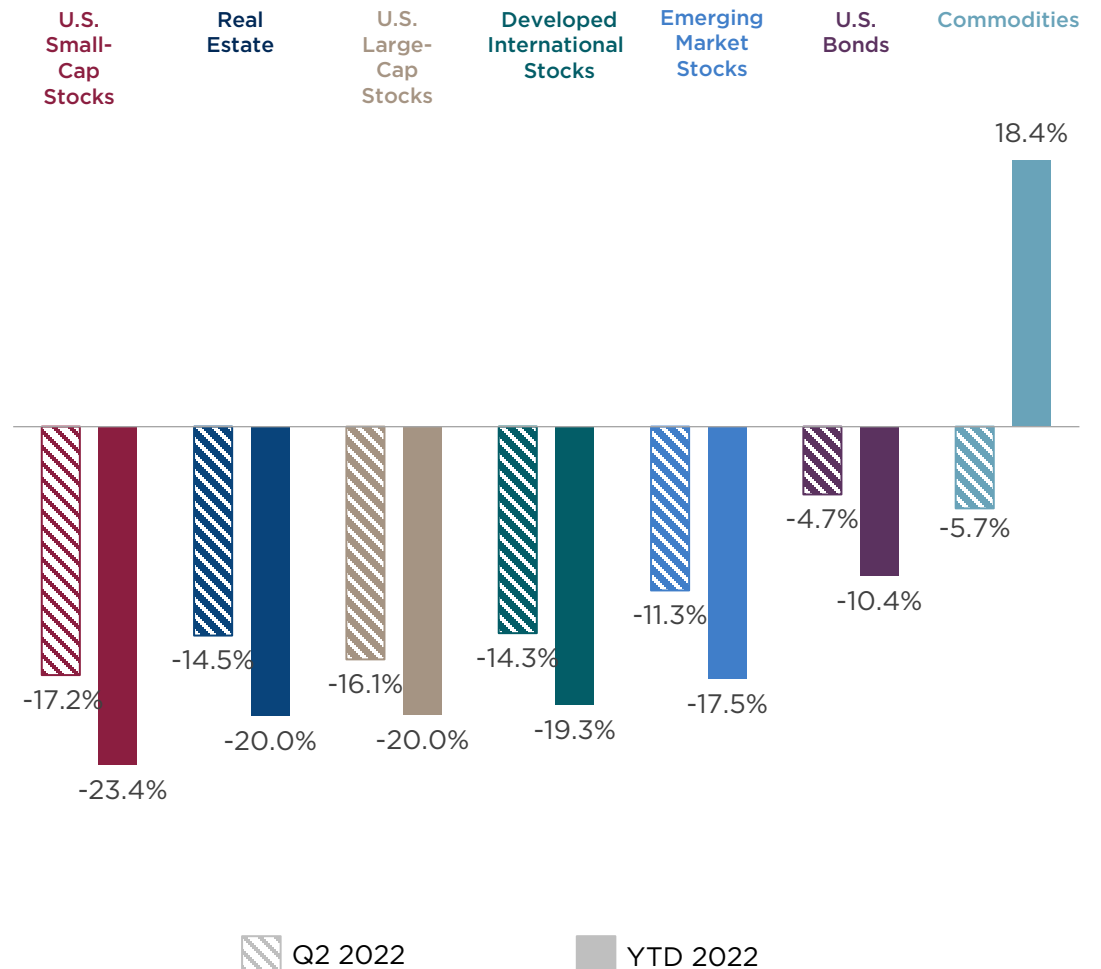
Index Performance.....



TENSE TIMES TURN TO TOUGH TIMES

As the uncertainty that surrounded the start of 2022 began to clear, investors realized the tense times were likely to be followed by more difficult times going forward. The result was a broad-based repricing of risk, sending stocks and bonds lower during the second quarter.

- U.S. large-cap stocks posted double-digit declines for the period and briefly entered bear market territory in early June. Despite a late-quarter bounce, they ended the second quarter down more than 16%, bringing their year-to-date losses to 20%.
- International stocks fared modestly better than their domestic counterparts. However, the dollar's continued strength offset this relative advantage.
- After their best quarter since 1990, commodities weakened in the second quarter. Ongoing inflation pressures were offset by increasing economic growth concerns. Despite this second quarter breather, commodities have been the outlier during the global market pullback in the first half of 2022.
- Bond prices remained under pressure as interest rates continued their ascent. For the quarter, the Bloomberg U.S. Aggregate Bond Index lost another 4.7%, bringing its decline to 10.3% at mid-year.



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



DIGGING DEEPER: STOCKS AND BONDS

Equities

	Q2 2022	YTD 2022	Last 12 Months
U.S. Stocks	-16.1%	-20.0%	-10.6%
• Q2 Best Sector: Consumer Staples	-4.6%	-5.6%	6.7%
• Q2 Worst Sector: Consumer Discretionary	-26.2%	-32.8%	-24.2%
International Stocks	-14.3%	-19.3%	-17.3%
Emerging Market Stocks	-11.3%	-17.5%	-25.0%

Fixed Income

	6.30.22	3.31.22	6.30.21
1-Year U.S. Treasury Yield	2.80%	1.63%	0.07%
10-Year U.S. Treasury Yield	2.98%	2.32%	1.45%
	QTD 2022	YTD 2022	Last 12 Months
10-Year U.S. Treasury Total Return	-5.20%	-11.71%	-11.18%

Equities – Relative Performance by Market Capitalization and Style

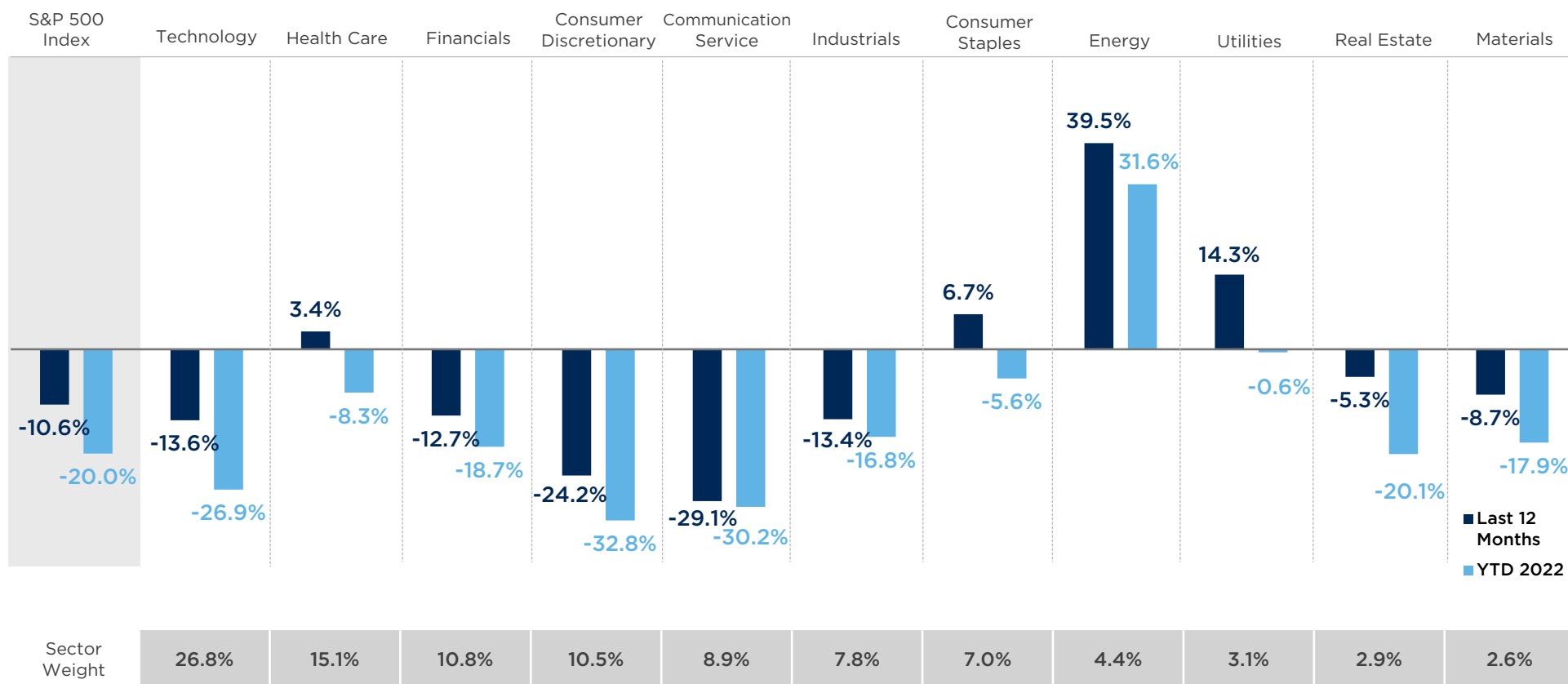
	Q2 2022			YTD 2022			Last 12 Months				
	Value	Blend	Growth	Value	Blend	Growth	Value	Blend	Growth		
Large	-12.2%	-16.1%	-20.9%	Large	-12.9%	-20.0%	-28.1%	Large	-6.8%	-10.6%	-18.8%
Mid	-14.7%	-16.8%	-21.1%	Mid	-16.2%	-21.6%	-31.0%	Mid	-10.0%	-17.3%	-29.6%
Small	-15.3%	-17.2%	-19.3%	Small	-17.3%	-23.4%	-29.5%	Small	-16.3%	-25.2%	-33.4%

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

DIGGING DEEPER: U.S. EQUITY MARKETS

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

Returns by S&P 500 Sector



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



DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Months	2 Years	5 Years	10 Years	30 Years	Mortgage Rate
March 2022	0.52%	2.28%	2.42%	2.32%	2.44%	4.90%
June 2022	1.72%	2.92%	3.01%	2.98%	3.14%	5.83%
Change	1.20%	0.64%	0.59%	0.66%	0.70%	0.93%

U.S. Treasury yields spiked again this quarter, driven by persistently high inflation and an aggressive Fed policy response. Mortgage rates have nearly doubled since the beginning of the year, cooling demand in a hot housing market.

Bloomberg U.S. Aggregate Bond Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	2.92%	6.58	-4.69%	0.41%	2.51%	0.64%	1.42%
June 2022	3.72%	6.44		0.55%	3.17%	0.79%	1.92%
Change	0.80%	-0.14		0.14%	0.66%	0.15%	0.50%

Core bonds recorded their worst first half in history, declining over 10% year to date. Credit spreads have continued to widen, but rising interest rates drove most of the pullback.

Bloomberg U.S. Long Credit Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	4.02%	14.21	-12.59%	1.55%	2.48%	1.10%	1.85%
June 2022	5.09%	13.38		1.84%	3.25%	1.24%	2.27%
Change	1.07%	-0.83		0.30%	0.77%	0.13%	0.41%

Longer-maturity bonds were hit by rising interest rates this quarter. Despite more attractive yields, their higher durations cause a more dramatic impact as rates move higher.

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

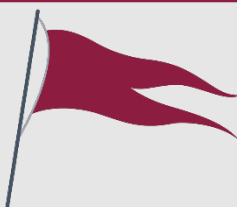
ECONOMIC OUTLOOK

Inflation and recession, two economic challenges that require opposite monetary policy responses, are top of mind for investors. Navigating these opposing paths requires the Federal Reserve to adapt to changing economic data while maintaining transparency to minimize the risk of a policy surprise. Fed policy makers will also need to be lucky enough to clear the supply constraints monetary policy cannot control.

HEADWINDS

Inflation-Fighting Hurdles

- The Federal Reserve continues to be challenged with a moving inflation target as the Russia-Ukraine conflict and global COVID-19 outbreaks compound domestic challenges.
- The Fed has minimal policy tools to combat supply-driven inflation and risks overtightening to bring aggregate demand down to constrained supply levels.



Consumer Spending Under Pressure

- Shifting budgets—Food and energy are taking a greater share of consumers' cash flow. So far, the impact has been limited, but credit card balances are climbing, and the personal savings rate has reached lows not seen since 2008.
- Housing affordability—Rising mortgage rates have increased the monthly payment on the median home by more than 55% in 2022 as the Fed attempts to cool an overheated housing market.
- Negative wealth effect—With stocks and bonds both down double-digits year to date, consumer balance sheets have taken a hit. Will home equity be next?

TAILWINDS

More Attractive Valuations

- While index valuations are in line with longer-term averages, more than 500 companies in the Russell 3000® are trading at forward price-to-earnings ratios below 10x. Historically, this breadth of cheapness has been a rewarding entry point for stock investors.



Strong Profitability Outlook

- Despite an increasing number of forecasts by analysts projecting a recession, estimates for corporate revenue and earnings continue to climb for 2022 and 2023.
- Another potential driver of corporate earnings-per-share growth is the accelerated pace of record-setting stock buyback programs.

Low Expectations

- Both consumer and investor sentiment are near all-time lows. These often-cited data points have proven to be a sound contrarian indicator as excess pessimism gets priced into markets. These low expectations set the stage for positive surprises.

The potential range of future outcomes has narrowed slightly, but monetary policy risks remain high. The initial phase of equity market weakness focused on prices and valuations. However, with rising recession fears, corporate earnings are now in the spotlight.

INFLATION-FIGHTING HURDLES

The Federal Reserve is fighting the inflation battle with an ill-equipped arsenal. Monetary policy is designed to influence aggregate demand to ease inflation pressures, but much of today’s inflation has been driven by constrained supply.

Estimated Impact to Consumer Price Index (CPI) – May 2022

41%

Geopolitical Tensions

The Russian invasion of Ukraine has shocked energy and agriculture prices.

24%

COVID-19 Pandemic

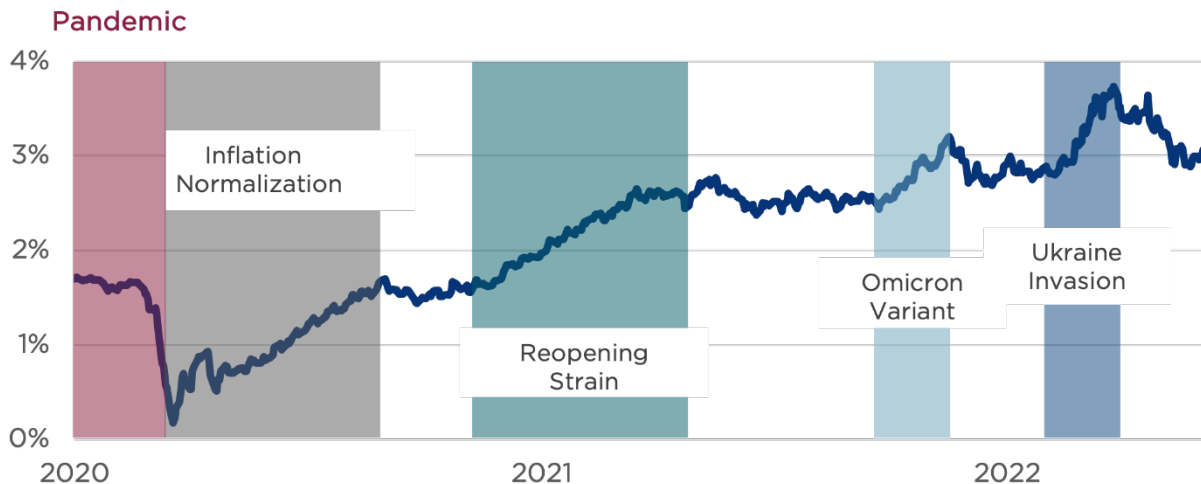
Pandemic effects include supply-chain disruptions, reopening effects, and labor market dynamics.

35%

Demand-Driven Inflation

This includes all other categories such as vehicles, apparel, shelter, transportation, medical care, etc.

Inflation Waves: Five-Year Inflation Expectations



OBSERVATIONS

- Approximately 65% of recent CPI increases have an element of constrained supply as a contributor to inflation pressures, dulling the potential impact of monetary policy actions.
- The Fed initially argued that inflation pressures were transient and would quickly subside. However, as the chart to the left reflects, with each sign of inflation rolling over, a new wave of supply constraints pushed inflation and inflation expectations higher.

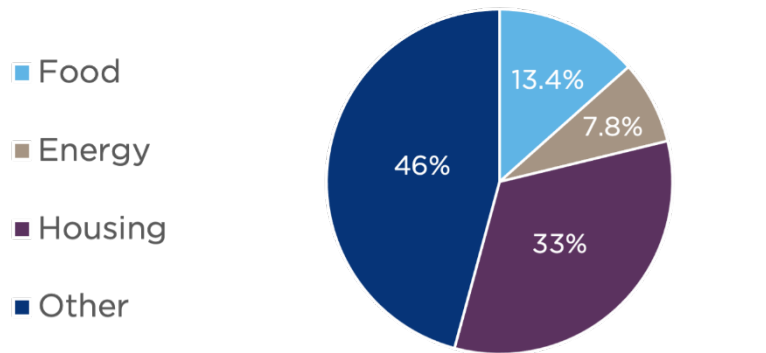
Sources: U.S. Bureau of Labor Statistics, Moody’s Analytics, Bloomberg, CAPTRUST Research; Data as of 6.10.2022.



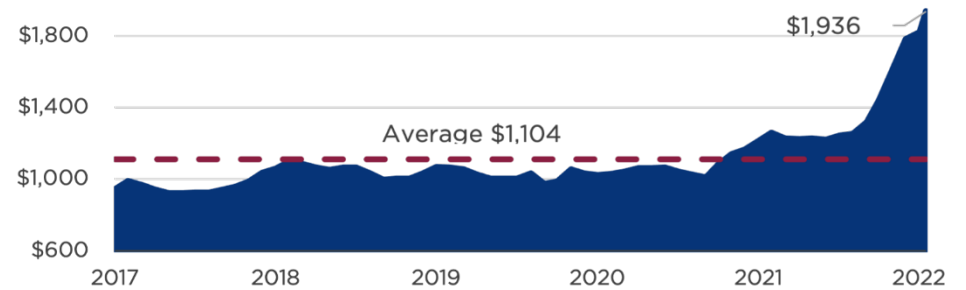
CONSUMERS UNDER PRESSURE

A surge in the pricing of key goods such as groceries and gasoline has diluted consumers' purchasing power and occupied a greater share of consumers' household budgets. While many consumers are delaying purchases of vehicles or home furnishings, spending on necessities cannot be avoided. As credit card bills that granted a temporary reprieve are coming due, pressure on consumers is mounting.

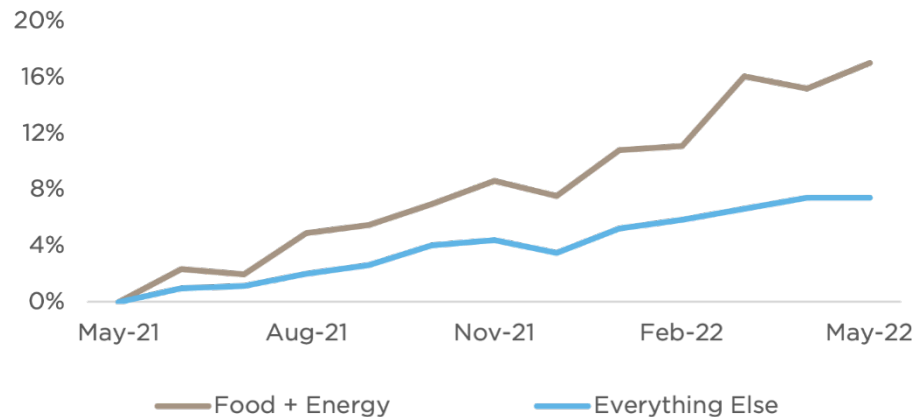
WHERE ARE CONSUMERS SPENDING THEIR MONEY?



MONTHLY MORTGAGE PAYMENT
(Median Existing Home Sale Price)



FOOD AND ENERGY PRICES HAVE SOARED



OBSERVATIONS

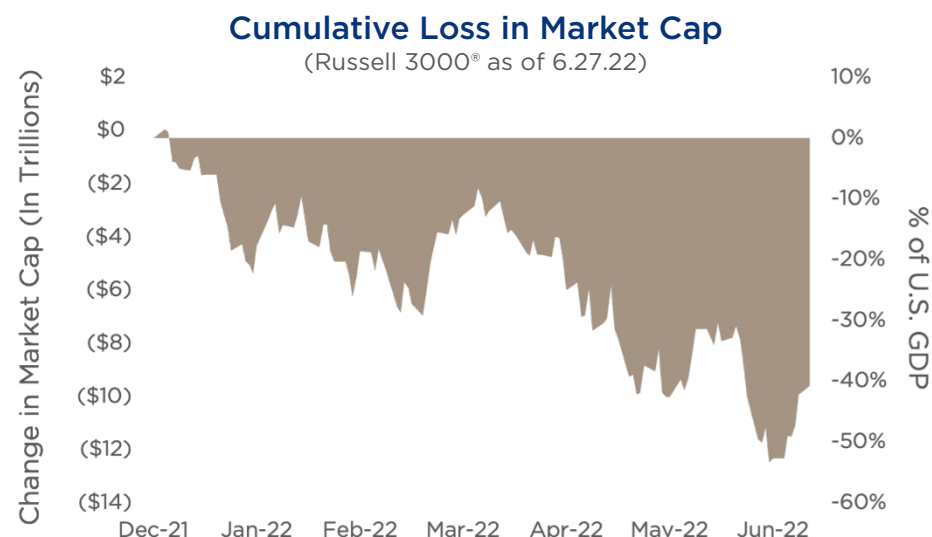
- Consumers are grappling with increasing food prices in both grocery stores and restaurants as food manufacturers pass along the higher cost of ingredients, labor, and transportation.
- Gas prices are soaring as travel returns to pre-pandemic levels and companies bring workers back to the office. Consumers have responded with reduced demand: fewer office days and less travel. This may not be enough to ease prices as limited refinery capacity and sanctions on Russian oil exports impact supply.
- A 55% increase in monthly mortgage payments since the beginning of the year is pushing many home buyers out of the market.

Sources: U.S. Bureau of Labor Statistics, Bloomberg, CAPTRUST Research. Median Home Value is as of 04.30.2022. Mortgage Rate is as of 06.15.2022. Fixed-rate mortgage, assumes 20% down payment.



NEGATIVE WEALTH EFFECT

While the Federal Reserve’s direct policies dominate the headlines, the secondary effect that influences consumer wealth can be equally impactful to economic activity. With stocks and bonds both down double-digits, consumer balance sheets have taken a hit. Will home equity be next?



OBSERVATIONS

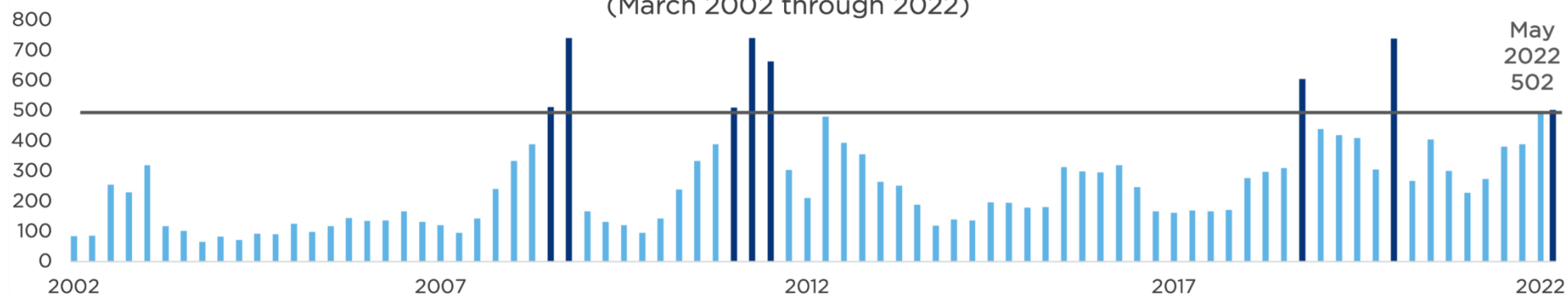
- The personal savings rate, which peaked during the height of the COVID-19 pandemic, has fallen to lows not seen since the financial crisis in 2008 and 2009.
- The value of the U.S. equity market, as defined by the Russell 3000® Index, has contracted more than \$9 trillion in 2022, or approximately 40% of U.S. gross domestic product (GDP). Additionally, when the double-digit losses in bonds and cryptocurrency are included, the cumulative amount of investment losses easily exceeds 50% of GDP.
- While consumers have not materially changed spending patterns yet, this level of wealth destruction will inevitably ripple through spending activity and could accelerate if housing values come under pressure.

Sources: Federal Reserve Bank of St. Louis, Bloomberg, CAPTRUST Research

VALUATIONS UNDER THE SURFACE

Multiples on mega-cap cash flow giants remain elevated, keeping index valuations near their longer-term averages. However, under the surface, valuation dispersion is increasingly wide. As of May 2022, there were 502 companies in the Russell 3000® Index trading with forward price-to-earnings ratios below 10x.

Number of Companies in the Russell 3000® with a Forward P/E Ratio below 10x
(March 2002 through 2022)



Quarter End	Russell 3000® 1-Year Forward Return	Russell 3000® 2-Year Cumulative Forward Return
September 30, 2008	-6.4%	3.8%
December 31, 2008	28.3%	50.1%
March 31, 2011	7.2%	22.8%
June 30, 2011	3.8%	26.1%
September 30, 2011	30.2%	58.3%
December 31, 2018	31.0%	58.4%
March 31, 2020	62.5%	81.9%

OBSERVATIONS

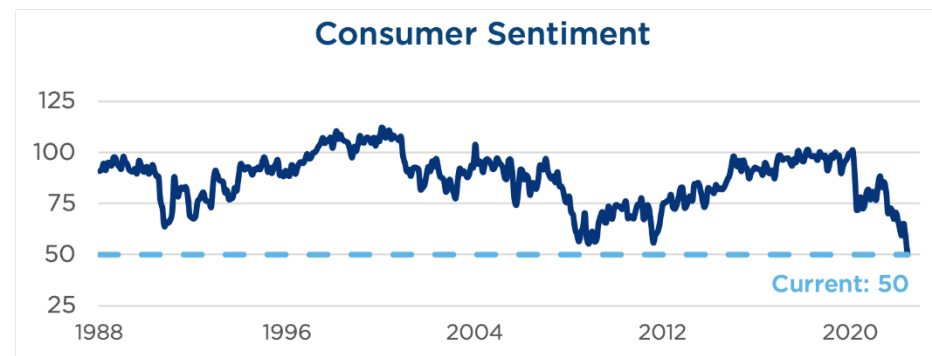
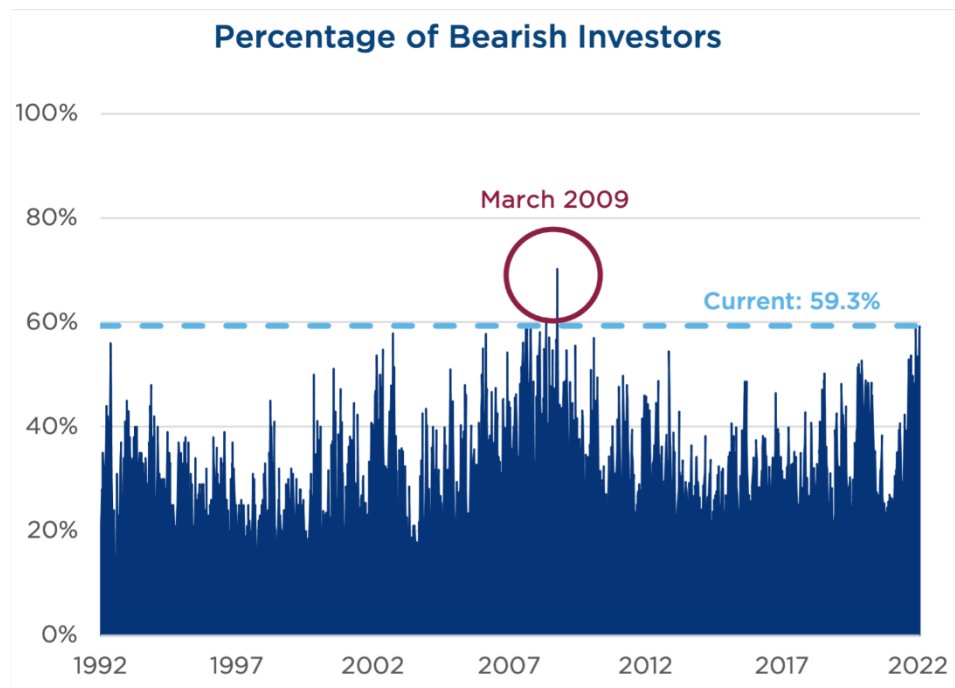
- While 500 is not a magic number and market depth can go lower, historically, this low level of valuations has been a rewarding entry point for stocks.
- Evaluating the seven quarter-end periods that meet this valuation threshold over the last 20 years shows equity investors experienced double-digit annualized gains over the next two years in all but one occurrence. Additionally, in four periods, cumulative two-year returns were greater than 50%.

Sources: FactSet, Morningstar Direct, CAPTRUST Research



BULL MARKET FOR PESSIMISM

Markets move when investor expectations change. Consequently, when sentiment is low, expectations often follow. These lowered expectations often increase the odds of a positive surprise, providing the required catalyst for a rally in expectations and markets.



Consumer Sentiment	S&P 500 3-Year Forward Return	S&P 500 5-Year Forward Return
Lowest Third	12.1%	13.8%
Middle Third	11.3%	11.7%
Highest Third	9.7%	5.6%

OBSERVATIONS

- The percentage of investors with a bearish outlook is approaching 60%, a level only exceeded during the financial crisis. This percentage peaked in March 2009, which coincided with the market bottom during this turbulent period.
- Consumer sentiment reached an all-time low in late June with its reading of 50. Historically, this measurement has fallen below 60 only four times, and the average 12-month return from these troughs has been 20%.

Sources: American Association of Individual Investors (AAII), University of Michigan: Consumer Sentiment Index, Bloomberg, CAPTRUST Research

ASSET CLASS RETURNS

Period Ending 6.30.22 | Q2 22

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
Mid-Cap Growth 46.29%	Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%	Cash 0.14%
Large-Cap Growth 37.21%	Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	International Equities 25.62%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%	Fixed Income -10.35%
Small-Cap Growth 34.47%	Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	Mid-Cap Growth 25.27%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%	Large-Cap Value -12.86%
Mid-Cap Value 34.21%	Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 8.28%	Large-Cap Value 25.16%	Mid-Cap Value -16.23%
International Equities 32.46%	Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%	Small-Cap Value -17.31%
Small-Cap Value 20.58%	Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.66%	Mid-Cap Value 4.96%	International Equities 11.78%	International Equities -19.25%
Large-Cap Value 19.69%	International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%	Large-Cap Growth -28.07%
Fixed Income 5.24%	Fixed Income 5.89%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%	Small-Cap Growth -29.45%
Cash 0.21%	Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.36%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%	Mid-Cap Growth -31.00%

Source: Markov Processes, Inc., Bloomberg, Mobius

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

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



INDEX PERFORMANCE

Period Ending 6.30.22 | Q2 22

INDEXES	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
90-Day U.S. Treasury	0.10%	0.14%	0.05%	0.67%	2.28%	1.87%	0.86%	0.17%	0.63%	1.11%	0.64%
Bloomberg Barclays Government 1-3 Year	-0.52%	-3.01%	-0.60%	3.14%	3.59%	1.58%	0.45%	-3.50%	0.18%	0.90%	0.78%
Bloomberg Barclays Intermediate Govt	-1.65%	-5.77%	-1.69%	5.73%	5.20%	1.43%	1.14%	-6.32%	-0.30%	0.87%	0.97%
Bloomberg Barclays Muni Bond	-2.94%	-8.98%	1.52%	5.21%	7.54%	1.28%	5.45%	-8.57%	-0.18%	1.51%	2.38%
Bloomberg Barclays Intermediate Govt/Credit	-2.37%	-6.77%	-1.44%	6.43%	6.80%	0.88%	2.14%	-7.28%	-0.16%	1.13%	1.45%
Bloomberg Barclays Intermediate Credit	-3.63%	-8.52%	-1.03%	7.08%	9.52%	0.01%	3.67%	-8.96%	-0.14%	1.43%	2.21%
Bloomberg Barclays Aggregate Bond	-4.69%	-10.35%	-1.54%	7.51%	8.72%	0.01%	3.54%	-10.29%	-0.93%	0.88%	1.54%
Bloomberg Barclays Corporate IG Bond	-7.26%	-14.39%	-1.04%	9.89%	14.54%	-2.51%	6.42%	-14.19%	-0.99%	1.28%	2.61%
Bloomberg Barclays High Yield	-9.83%	-14.19%	5.28%	7.11%	14.32%	-2.08%	7.50%	-12.81%	0.21%	2.10%	4.47%
Bloomberg Barclays Global Aggregate	-8.26%	-13.91%	-4.71%	9.20%	6.84%	-1.20%	7.39%	-15.25%	-3.22%	-0.55%	0.11%
Bloomberg Barclays U.S. Long Corporate	-12.80%	-22.75%	-1.13%	13.94%	23.89%	-7.24%	12.09%	-21.71%	-2.34%	1.06%	3.28%
S&P 500	-16.10%	-19.96%	28.71%	18.40%	31.49%	-4.38%	21.83%	-10.62%	10.60%	11.30%	12.95%
Dow Jones Industrial Average	-10.78%	-14.44%	20.95%	9.72%	25.34%	-3.48%	28.11%	-9.05%	7.24%	9.98%	11.70%
NASDAQ Composite	-22.44%	-29.51%	21.39%	43.64%	35.23%	-3.88%	28.24%	-23.96%	11.26%	12.42%	14.15%
Russell 1000 Value	-12.21%	-12.86%	25.16%	2.80%	26.54%	-8.27%	13.66%	-6.82%	6.87%	7.16%	10.49%
Russell 1000	-16.67%	-20.94%	26.45%	20.96%	31.43%	-4.78%	21.69%	-13.04%	10.17%	11.00%	12.81%
Russell 1000 Growth	-20.92%	-28.07%	27.60%	38.49%	36.39%	-1.51%	30.21%	-18.77%	12.58%	14.28%	14.79%
Russell Mid-Cap Value Index	-14.68%	-16.23%	28.34%	4.96%	27.06%	-12.29%	13.34%	-10.00%	6.70%	6.27%	10.61%
Russell Mid-Cap Index	-16.85%	-21.57%	22.58%	17.10%	30.54%	-9.06%	18.52%	-17.30%	6.59%	7.96%	11.28%
Russell Mid-Cap Growth Index	-21.07%	-31.00%	12.73%	35.59%	35.47%	-4.75%	25.27%	-29.57%	4.25%	8.88%	11.50%
MSCI EAFE	-14.29%	-19.25%	11.78%	8.28%	22.66%	-13.36%	25.62%	-17.33%	1.54%	2.69%	5.88%
MSCI ACWI ex U.S.	-13.54%	-18.15%	8.29%	11.13%	22.13%	-13.78%	27.77%	-19.01%	1.81%	2.97%	5.31%
Russell 2000 Value	-15.28%	-17.31%	28.27%	4.63%	22.39%	-12.86%	7.84%	-16.28%	6.18%	4.89%	9.05%
Russell 2000	-17.20%	-23.43%	14.82%	19.96%	25.52%	-11.01%	14.65%	-25.20%	4.21%	5.16%	9.35%
Russell 2000 Growth	-19.25%	-29.45%	2.83%	34.63%	28.48%	-9.31%	22.17%	-33.43%	1.40%	4.80%	9.29%
MSCI Emerging Markets	-11.34%	-17.47%	-2.22%	18.69%	18.90%	-14.25%	37.75%	-25.00%	0.92%	2.55%	3.43%
Dow Jones U.S. Real Estate Index	-14.46%	-20.02%	38.99%	-5.29%	28.92%	-4.03%	9.84%	-7.58%	4.42%	6.20%	7.72%
HFRX Absolute Return Index	-1.07%	-0.95%	2.10%	2.72%	4.37%	-0.49%	3.39%	-1.30%	2.17%	1.93%	1.93%
Consumer Price Index (Inflation)	2.65%	5.43%	7.10%	1.28%	2.26%	1.92%	2.13%	9.00%	4.97%	3.88%	2.60%
BLENDING BENCHMARKS	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
25% S&P 500/5% MSCI EAFE/70% BB Agg	-8.10%	-13.19%	6.13%	10.87%	14.96%	-1.55%	8.93%	-10.53%	2.29%	3.78%	4.72%
30% S&P 500/10% MSCI EAFE/60% BB Agg	-9.15%	-14.12%	8.27%	11.56%	16.79%	-2.44%	10.90%	-10.88%	3.04%	4.43%	5.53%
35% S&P 500/15% MSCI EAFE/50% BB Agg	-10.21%	-15.05%	10.44%	12.18%	18.63%	-3.34%	12.90%	-11.25%	3.76%	5.06%	6.34%
40% S&P 500/20% MSCI EAFE/40% BB Agg	-11.25%	-15.97%	12.64%	12.75%	20.48%	-4.25%	14.93%	-11.63%	4.45%	5.66%	7.13%
45% S&P 500/25% MSCI EAFE/30% BB Agg	-12.29%	-16.90%	14.87%	13.25%	22.33%	-5.17%	16.99%	-12.03%	5.12%	6.25%	7.90%
60% S&P 500/40% Bloomberg Barclays Agg	-11.63%	-16.11%	15.86%	14.73%	22.18%	-2.35%	14.21%	-10.24%	6.23%	7.37%	8.50%

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



SECTION 5: PLAN INVESTMENT REVIEW

Plan Investment Menu Review.....

Plan Assets.....

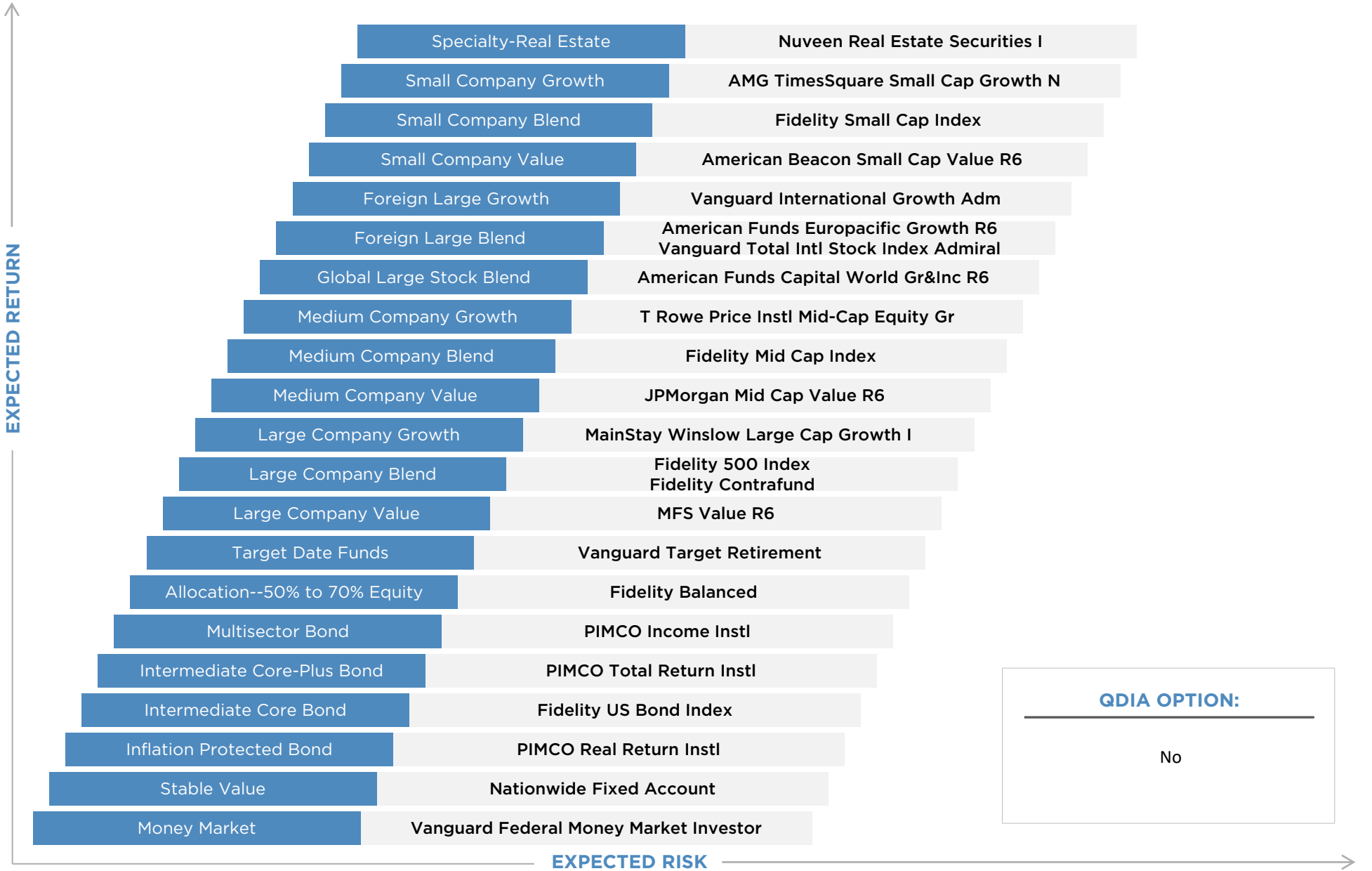
Investment Policy Monitor.....

Investment Review Select Commentary.....

Investment Performance Summary.....



Lansing Board of Water & Light Defined Contribution Plans



PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.22 | Q2 22

Lansing Board of Water & Light Defined Contribution Plan and Trust 2

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2021	(%)	CURRENT	(%)
Money Market	Vanguard Federal Money Market Investor	\$0	0.00%	\$0	0.00%
Stable Value	Nationwide Fixed Account	\$9,961	10.15%	\$10,321	14.82%
Inflation Protected Bond	PIMCO Real Return Instl	\$2,479	2.53%	\$2,123	3.05%
Intermediate Core Bond	Fidelity US Bond Index	\$4,971	5.06%	\$5,765	8.28%
Intermediate Core-Plus Bond	PIMCO Total Return Instl	\$7,454	7.59%	\$7,888	11.32%
Multisector Bond	PIMCO Income Instl	\$7,462	7.60%	\$7,824	11.23%
Allocation--50% to 70% Equity	Fidelity Balanced	\$0	0.00%	\$0	0.00%
Target Date Ret Income Moderate	Vanguard Instl Trgt Retire Inc Instl	\$0	0.00%	-	-
Target Date Ret Income Moderate	Vanguard Target Retirement Income Fund	-	-	\$0	0.00%
Target Date 2015 Moderate	Vanguard Instl Trgt Retire 2015 Instl	\$0	0.00%	-	-
Target Date 2015 Moderate	Vanguard Target Retirement 2015 Fund	-	-	\$0	0.00%
Target Date 2020 Moderate	Vanguard Instl Trgt Retire 2020 Instl	\$15,634	15.93%	-	-
Target Date 2020 Moderate	Vanguard Target Retirement 2020 Fund	-	-	\$0	0.00%
Target Date 2025 Moderate	Vanguard Instl Trgt Retire 2025 Instl	\$0	0.00%	-	-
Target Date 2025 Moderate	Vanguard Target Retirement 2025 Fund	-	-	\$0	0.00%
Target Date 2030 Moderate	Vanguard Instl Trgt Retire 2030 Instl	\$0	0.00%	-	-
Target Date 2030 Moderate	Vanguard Target Retirement 2030 Fund	-	-	\$0	0.00%
Target Date 2035 Moderate	Vanguard Instl Trgt Retire 2035 Instl	\$0	0.00%	-	-

CONTINUED...

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.22 | Q2 22

Lansing Board of Water & Light Defined Contribution Plan and Trust 2

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2021	(%)	CURRENT	(%)
Target Date 2035 Moderate	Vanguard Target Retirement 2035 Fund	-	-	\$0	0.00%
Target Date 2040 Moderate	Vanguard Instl Trgt Retire 2040 Instl	\$0	0.00%	-	-
Target Date 2040 Moderate	Vanguard Target Retirement 2040 Fund	-	-	\$0	0.00%
Target Date 2045 Moderate	Vanguard Instl Trgt Retire 2045 Instl	\$0	0.00%	-	-
Target Date 2045 Moderate	Vanguard Target Retirement 2045 Fund	-	-	\$0	0.00%
Target Date 2050 Moderate	Vanguard Instl Trgt Retire 2050 Instl	\$0	0.00%	-	-
Target Date 2050 Moderate	Vanguard Target Retirement 2050 Fund	-	-	\$0	0.00%
Target Date 2055 Moderate	Vanguard Instl Trgt Retire 2055 Instl	\$0	0.00%	-	-
Target Date 2055 Moderate	Vanguard Target Retirement 2055 Fund	-	-	\$0	0.00%
Target Date 2060 Moderate	Vanguard Instl Trgt Retire 2060 Instl	\$0	0.00%	-	-
Target Date 2060 Moderate	Vanguard Target Retirement 2060 Fund	-	-	\$0	0.00%
Target Date 2065+ Moderate	Vanguard Instl Trgt Retire 2065 Instl	\$0	0.00%	-	-
Target Date 2065+ Moderate	Vanguard Target Retirement 2065 Fund	-	-	\$0	0.00%
Large Company Value	MFS Value R6	\$8,422	8.58%	\$6,074	8.72%
Large Company Blend	Fidelity 500 Index	\$7,603	7.74%	\$5,370	7.71%
Large Company Blend	Fidelity Contrafund	\$2,446	2.49%	\$2,673	3.84%
Large Company Growth	MainStay Winslow Large Cap Growth I	\$4,021	4.10%	\$3,387	4.86%
Medium Company Value	JPMorgan Mid Cap Value R6	\$2,482	2.53%	\$1,316	1.89%

CONTINUED...

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.22 | Q2 22

Lansing Board of Water & Light Defined Contribution Plan and Trust 2

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2021	(%)	CURRENT	(%)
Medium Company Blend	Fidelity Mid Cap Index	\$0	0.00%	\$0	0.00%
Medium Company Growth	T Rowe Price Instl Mid-Cap Equity Gr	\$2,436	2.48%	\$1,346	1.93%
Global Large Stock Blend	American Funds Capital World Gr&Inc R6	\$0	0.00%	\$0	0.00%
Foreign Large Blend	American Funds Europacific Growth R6	\$1,586	1.62%	\$0	0.00%
Foreign Large Blend	Vanguard Total Intl Stock Index Admiral	\$12,987	13.23%	\$8,124	11.66%
Foreign Large Growth	Vanguard International Growth Adm	\$3,109	3.17%	\$3,416	4.90%
Small Company Value	American Beacon Small Cap Value R6	\$806	0.82%	\$651	0.94%
Small Company Blend	Fidelity Small Cap Index	\$0	0.00%	\$0	0.00%
Small Company Growth	AMG TimesSquare Small Cap Growth N	\$776	0.79%	\$675	0.97%
Specialty-Real Estate	Nuveen Real Estate Securities I	\$3,539	3.61%	\$2,712	3.89%
Self-Directed Brokerage	Self-Directed Brokerage	\$0	0.00%	\$0	0.00%
TOTALS		\$98,174	100%	\$69,663	100%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.22 | Q2 22

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2021	(%)	CURRENT	(%)
Money Market	Vanguard Federal Money Market Investor	\$0	0.00%	\$0	0.00%
Stable Value	Nationwide Fixed Account	\$34,716,696	15.35%	\$29,720,419	16.22%
Inflation Protected Bond	PIMCO Real Return Instl	\$2,588,433	1.14%	\$2,928,176	1.60%
Intermediate Core Bond	Fidelity US Bond Index	\$4,916,640	2.17%	\$4,185,463	2.28%
Intermediate Core-Plus Bond	PIMCO Total Return Instl	\$6,168,947	2.73%	\$5,578,126	3.04%
Multisector Bond	PIMCO Income Instl	\$3,193,805	1.41%	\$4,209,196	2.30%
Allocation--50% to 70% Equity	Fidelity Balanced	\$5,821,093	2.57%	\$4,404,426	2.40%
Target Date Ret Income Moderate	Vanguard Instl Trgt Retire Inc Instl	\$2,834,946	1.25%	-	-
Target Date Ret Income Moderate	Vanguard Target Retirement Income Fund	-	-	\$2,382,191	1.30%
Target Date 2015 Moderate	Vanguard Instl Trgt Retire 2015 Instl	\$4,301,791	1.90%	-	-
Target Date 2015 Moderate	Vanguard Target Retirement 2015 Fund	-	-	\$3,476,146	1.90%
Target Date 2020 Moderate	Vanguard Instl Trgt Retire 2020 Instl	\$8,870,860	3.92%	-	-
Target Date 2020 Moderate	Vanguard Target Retirement 2020 Fund	-	-	\$6,786,329	3.70%
Target Date 2025 Moderate	Vanguard Instl Trgt Retire 2025 Instl	\$11,941,187	5.28%	-	-
Target Date 2025 Moderate	Vanguard Target Retirement 2025 Fund	-	-	\$9,428,239	5.15%
Target Date 2030 Moderate	Vanguard Instl Trgt Retire 2030 Instl	\$9,031,290	3.99%	-	-
Target Date 2030 Moderate	Vanguard Target Retirement 2030 Fund	-	-	\$7,100,007	3.88%
Target Date 2035 Moderate	Vanguard Instl Trgt Retire 2035 Instl	\$9,104,009	4.03%	-	-

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.22 | Q2 22

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2021	(%)	CURRENT	(%)
Target Date 2035 Moderate	Vanguard Target Retirement 2035 Fund	-	-	\$7,279,381	3.97%
Target Date 2040 Moderate	Vanguard Instl Trgt Retire 2040 Instl	\$8,099,716	3.58%	-	-
Target Date 2040 Moderate	Vanguard Target Retirement 2040 Fund	-	-	\$6,374,914	3.48%
Target Date 2045 Moderate	Vanguard Instl Trgt Retire 2045 Instl	\$5,797,159	2.56%	-	-
Target Date 2045 Moderate	Vanguard Target Retirement 2045 Fund	-	-	\$4,793,876	2.62%
Target Date 2050 Moderate	Vanguard Instl Trgt Retire 2050 Instl	\$2,832,436	1.25%	-	-
Target Date 2050 Moderate	Vanguard Target Retirement 2050 Fund	-	-	\$2,418,613	1.32%
Target Date 2055 Moderate	Vanguard Instl Trgt Retire 2055 Instl	\$384,210	0.17%	-	-
Target Date 2055 Moderate	Vanguard Target Retirement 2055 Fund	-	-	\$374,192	0.20%
Target Date 2060 Moderate	Vanguard Instl Trgt Retire 2060 Instl	\$368,384	0.16%	-	-
Target Date 2060 Moderate	Vanguard Target Retirement 2060 Fund	-	-	\$379,539	0.21%
Target Date 2065+ Moderate	Vanguard Instl Trgt Retire 2065 Instl	\$43,000	0.02%	-	-
Target Date 2065+ Moderate	Vanguard Target Retirement 2065 Fund	-	-	\$53,467	0.03%
Large Company Value	MFS Value R6	\$9,881,030	4.37%	\$7,847,956	4.28%
Large Company Blend	Fidelity 500 Index	\$15,643,158	6.92%	\$12,108,247	6.61%
Large Company Blend	Fidelity Contrafund	\$10,656,143	4.71%	\$7,519,774	4.10%
Large Company Growth	MainStay Winslow Large Cap Growth I	\$8,974,712	3.97%	\$6,112,355	3.34%
Medium Company Value	JPMorgan Mid Cap Value R6	\$1,336,928	0.59%	\$1,279,490	0.70%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.22 | Q2 22

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2021	(%)	CURRENT	(%)
Medium Company Blend	Fidelity Mid Cap Index	\$2,812,234	1.24%	\$2,197,277	1.20%
Medium Company Growth	T Rowe Price Instl Mid-Cap Equity Gr	\$10,607,989	4.69%	\$7,757,297	4.23%
Global Large Stock Blend	American Funds Capital World Gr&Inc R6	\$9,223,944	4.08%	\$6,379,667	3.48%
Foreign Large Blend	American Funds Europacific Growth R6	\$1,101,201	0.49%	\$920,957	0.50%
Foreign Large Blend	Vanguard Total Intl Stock Index Admiral	\$5,065,515	2.24%	\$4,780,778	2.61%
Foreign Large Growth	Vanguard International Growth Adm	\$2,926,069	1.29%	\$2,299,394	1.26%
Small Company Value	American Beacon Small Cap Value R6	\$3,037,771	1.34%	\$2,368,755	1.29%
Small Company Blend	Fidelity Small Cap Index	\$3,094,593	1.37%	\$2,302,155	1.26%
Small Company Growth	AMG TimesSquare Small Cap Growth N	\$2,107,796	0.93%	\$1,541,082	0.84%
Specialty-Real Estate	Nuveen Real Estate Securities I	\$2,099,931	0.93%	\$1,735,255	0.95%
Self-Directed Brokerage	Self-Directed Brokerage	\$13,553,681	5.99%	\$11,157,807	6.09%
Loan	Loan Balance	\$3,003,719	1.33%	\$3,015,164	1.65%
TOTALS		\$226,141,017	100%	\$183,196,110	100%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.22 | Q2 22

Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2021	(%)	CURRENT	(%)
Money Market	Vanguard Federal Money Market Investor	\$0	0.00%	\$0	0.00%
Stable Value	Nationwide Fixed Account	\$18,117,236	12.62%	\$15,930,148	13.71%
Inflation Protected Bond	PIMCO Real Return Instl	\$1,242,875	0.87%	\$1,301,013	1.12%
Intermediate Core Bond	Fidelity US Bond Index	\$2,241,141	1.56%	\$1,980,040	1.70%
Intermediate Core-Plus Bond	PIMCO Total Return Instl	\$3,149,252	2.19%	\$2,777,666	2.39%
Multisector Bond	PIMCO Income Instl	\$2,213,020	1.54%	\$2,723,079	2.34%
Allocation--50% to 70% Equity	Fidelity Balanced	\$3,349,661	2.33%	\$2,532,017	2.18%
Target Date Ret Income Moderate	Vanguard Instl Trgt Retire Inc Instl	\$906,839	0.63%	-	-
Target Date Ret Income Moderate	Vanguard Target Retirement Income Fund	-	-	\$794,831	0.68%
Target Date 2015 Moderate	Vanguard Instl Trgt Retire 2015 Instl	\$1,234,131	0.86%	-	-
Target Date 2015 Moderate	Vanguard Target Retirement 2015 Fund	-	-	\$951,000	0.82%
Target Date 2020 Moderate	Vanguard Instl Trgt Retire 2020 Instl	\$6,219,278	4.33%	-	-
Target Date 2020 Moderate	Vanguard Target Retirement 2020 Fund	-	-	\$3,454,072	2.97%
Target Date 2025 Moderate	Vanguard Instl Trgt Retire 2025 Instl	\$6,283,659	4.38%	-	-
Target Date 2025 Moderate	Vanguard Target Retirement 2025 Fund	-	-	\$5,257,399	4.52%
Target Date 2030 Moderate	Vanguard Instl Trgt Retire 2030 Instl	\$8,061,538	5.62%	-	-
Target Date 2030 Moderate	Vanguard Target Retirement 2030 Fund	-	-	\$6,793,391	5.85%
Target Date 2035 Moderate	Vanguard Instl Trgt Retire 2035 Instl	\$5,977,682	4.17%	-	-

CONTINUED...

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.22 | Q2 22

Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2021	(%)	CURRENT	(%)
Target Date 2035 Moderate	Vanguard Target Retirement 2035 Fund	-	-	\$5,176,046	4.45%
Target Date 2040 Moderate	Vanguard Instl Trgt Retire 2040 Instl	\$7,537,338	5.25%	-	-
Target Date 2040 Moderate	Vanguard Target Retirement 2040 Fund	-	-	\$6,263,944	5.39%
Target Date 2045 Moderate	Vanguard Instl Trgt Retire 2045 Instl	\$4,872,932	3.40%	-	-
Target Date 2045 Moderate	Vanguard Target Retirement 2045 Fund	-	-	\$4,103,278	3.53%
Target Date 2050 Moderate	Vanguard Instl Trgt Retire 2050 Instl	\$2,710,332	1.89%	-	-
Target Date 2050 Moderate	Vanguard Target Retirement 2050 Fund	-	-	\$2,342,814	2.02%
Target Date 2055 Moderate	Vanguard Instl Trgt Retire 2055 Instl	\$460,156	0.32%	-	-
Target Date 2055 Moderate	Vanguard Target Retirement 2055 Fund	-	-	\$442,132	0.38%
Target Date 2060 Moderate	Vanguard Instl Trgt Retire 2060 Instl	\$243,290	0.17%	-	-
Target Date 2060 Moderate	Vanguard Target Retirement 2060 Fund	-	-	\$276,608	0.24%
Target Date 2065+ Moderate	Vanguard Instl Trgt Retire 2065 Instl	\$21,350	0.01%	-	-
Target Date 2065+ Moderate	Vanguard Target Retirement 2065 Fund	-	-	\$31,422	0.03%
Large Company Value	MFS Value R6	\$4,231,583	2.95%	\$3,442,919	2.96%
Large Company Blend	Fidelity 500 Index	\$11,268,748	7.85%	\$9,123,422	7.85%
Large Company Blend	Fidelity Contrafund	\$9,309,282	6.49%	\$6,498,904	5.59%
Large Company Growth	MainStay Winslow Large Cap Growth I	\$10,295,130	7.17%	\$6,915,904	5.95%
Medium Company Value	JPMorgan Mid Cap Value R6	\$1,088,747	0.76%	\$810,243	0.70%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.22 | Q2 22

Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2021	(%)	CURRENT	(%)
Medium Company Blend	Fidelity Mid Cap Index	\$1,753,845	1.22%	\$1,424,099	1.23%
Medium Company Growth	T Rowe Price Instl Mid-Cap Equity Gr	\$4,892,696	3.41%	\$3,617,605	3.11%
Global Large Stock Blend	American Funds Capital World Gr&Inc R6	\$1,173,629	0.82%	\$874,915	0.75%
Foreign Large Blend	American Funds Europacific Growth R6	\$772,615	0.54%	\$642,631	0.55%
Foreign Large Blend	Vanguard Total Intl Stock Index Admiral	\$3,522,353	2.45%	\$3,315,541	2.85%
Foreign Large Growth	Vanguard International Growth Adm	\$3,774,371	2.63%	\$2,724,984	2.35%
Small Company Value	American Beacon Small Cap Value R6	\$963,661	0.67%	\$756,412	0.65%
Small Company Blend	Fidelity Small Cap Index	\$2,420,456	1.69%	\$1,720,528	1.48%
Small Company Growth	AMG TimesSquare Small Cap Growth N	\$811,260	0.57%	\$623,138	0.54%
Specialty-Real Estate	Nuveen Real Estate Securities I	\$1,767,888	1.23%	\$1,500,250	1.29%
Self-Directed Brokerage	Self-Directed Brokerage	\$10,629,466	7.41%	\$9,079,871	7.81%
TOTALS		\$143,517,442	100%	\$116,202,265	100%

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Lansing Board of Water & Light Defined Contribution Plans

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
Inflation Protected Bond PIMCO Real Return Instl	●	●	●	●	●	●	●	●	●	●	●	96
Intermediate Core-Plus Bond PIMCO Total Return Instl	▼	●	●	●	●	●	●	●	●	●	●	89
Allocation--50% to 70% Equity Fidelity Balanced	●	●	●	●	●	●	●	●	●	●	●	100
Large Company Value MFS Value R6	●	●	▼	▼	●	●	●	▼	●	●	●	84
Large Company Blend Fidelity Contrafund	▼	●	▼	●	●	●	●	●	●	●	●	91
Large Company Growth MainStay Winslow Large Cap Growth I	▼	●	▼	●	●	●	▼	●	●	●	●	88
Medium Company Value JPMorgan Mid Cap Value R6	▼	●	▼	●	●	●	▼	●	●	●	●	86
Medium Company Growth T Rowe Price Instl Mid-Cap Equity Gr	▼	●	▼	▼	●	●	▼	▼	●	●	●	81

LEGEND

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



Lansing Board of Water & Light Defined Contribution Plans

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
Global Large Stock Blend American Funds Capital World Gr&Inc R6	▼	▼	▼	▼	●	●	▼	▼	●	●	▼	73
Foreign Large Blend American Funds Europacific Growth R6	▼	●	▼	●	●	●	▼	●	●	●	●	92
Foreign Large Growth Vanguard International Growth Adm	●	●	●	●	▼	▼	●	●	●	●	●	96
Small Company Value American Beacon Small Cap Value R6	▼	▼	●	▼	●	●	●	▼	●	▼	●	80
Small Company Growth AMG TimesSquare Small Cap Growth N	▼	▼	▼	▼	●	●	▼	▼	●	●	●	66
Specialty-Real Estate Nuveen Real Estate Securities I	▼	▼	▼	▼	●	●	▼	▼	●	●	▼	78

LEGEND

●	IN GOOD STANDING	▼	MARKED FOR REVIEW	●	CONSIDER FOR TERMINATION
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Lansing Board of Water & Light Defined Contribution Plans

TARGET DATE INVESTMENTS

INVESTMENT	QUANTITATIVE						QUALITATIVE				TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Glidepath		Portfolio Construct.	Underlying Inv. Vehicles	Fund Mgmt	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	% of Equities	Beta to Equities						
Vanguard Target Retirement	●	●	●	●	●	●	●	●	●	●	●	91

CAPITAL PRESERVATION INVESTMENTS

INVESTMENT	Overall	Commentary
Vanguard Federal Money Market Investor	●	This Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.
Nationwide Fixed Account	●	This Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.






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The CAPTRUST Financial Advisors Investment Scorecard is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields. Quantitative scoring areas for target date funds include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; and Glidepath. Qualitative Scoring Areas for target date funds measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. Qualitative Scoring for Target Date funds also includes a score for Portfolio Construction and Underlying Investment vehicles to express CAPTRUST's views on the manager or strategy. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. Capital Preservation options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics, depending on the type of capital preservation option being evaluated, and may include quantitative criteria such as: Crediting Rate/Yield, Market to Book Ratio, Average Crediting Quality, Insurer Quality/Diversification, Duration, and Sector Allocations, and/or qualitative criteria such as quality and experience of the Management Team and stewardship of the investment option's parent company. Passively Managed options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics and may include quantitative criteria such as: Tracking Error, Fees, and Performance versus relevant peer group, and/or qualitative criteria such as index replication strategy, securities lending practices, and fair value pricing methodology. Distinct investment options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics. This material is for institutional investor use only and is not intended to be shared with individual investors.



Lansing Board of Water & Light Defined Contribution Plans

PASSIVE INVESTMENTS

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

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Lansing Board of Water & Light Defined Contribution Plans

INVESTMENTS IN DISTINCT ASSET CLASSES

INVESTMENT	Overall	Commentary
PIMCO Income Instl	●	This fund currently meets the guidelines set forth by CAPTRUST for distinct investments in the Investment Policy Statement. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, excess return, and risk-adjusted performance.

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FUND MANAGEMENT ITEMS	COMMENTARY
<p>American Beacon Small Cap Value</p>	<p>American Beacon terminated Foundry and Hillcrest from their roles managing assets for the American Beacon Small Cap Value strategy. Combined, they managed 23.4% of the strategy as of 12/31/2021. Consequently, DePrince, Race, and Zollo was hired to replace the managers, and now manages 20% of the strategy, alongside four other sub-advisors, each managing a 20% sleeve of the portfolio.</p> <p>Portfolio Manager Gene Needles has been removed from American Beacon. There are no changes to the sub-advisors or portfolio managers responsible for the day-to-day management of this fund as a result of his departure.</p>
<p>American Funds Capital World Growth and Income</p>	<p>Renaud Samyn has joined the portfolio management team for the American Funds Capital World Growth and Income Fund. Renaud has been with Capital Group for 20 years.</p> <p>Like all American Funds strategies, the fund is managed by the Capital System, which is a team of portfolio managers each running their own sleeve of the overall fund. The team focuses on both growth and dividend income, targeting a portfolio yield greater than that of the MSCI All Country World Index (ACWI). The yield objective has resulted in a portfolio that is overweight international stocks relative to the index and peer group. This positioning has been a persistent headwind in recent years, as U.S. markets have soundly outperformed international. Based on solid longer-term results, we believe clients currently holding this strategy should continue to do so. However, we look for improved results in the coming quarters to maintain that conviction.</p>
<p>American Funds EuroPacific Growth</p>	<p>Portfolio Manager Jesper Lyckeus has transitioned off American Funds EuroPacific Growth and American Funds IS International.</p> <p>Harold La has been added as a portfolio manager to the American Funds EuroPacific Growth Fund. Mr. La has 24 years of investment experience and has been with Capital Group for 23 years.</p>
<p>MainStay Winslow Large Cap Growth</p>	<p>Peter Dlugosch was promoted from analyst to portfolio manager on the U.S. Large Cap Growth Strategy. Mr. Dlugosch's primary role is risk management. He has been involved with the strategy since joining Winslow in 2013 as a trader and joined the U.S. Large Cap Growth team in 2018 as an analyst.</p>



Lansing Board of Water & Light Defined Contribution Plans

FUND MANAGEMENT ITEMS	COMMENTARY
<p>AMG TimesSquare Small Cap Growth</p>	<p>The strategy has been run by Portfolio Managers Grant Babyak and Kenneth Duca since 2000 and 2006, respectively. They look to outperform the Russell 2000 Growth index using a bottom-up, fundamental research approach to identify small-cap growth stocks that they believe have the potential for significant price appreciation over the next 12-18 months. This has led to the portfolio having slightly outperformed the index, but has trailed the peer group in the last three years. We believe clients could be better served by considering a superior manager.</p>
<p>Vanguard Target Retirement</p>	<p>Vanguard launched a 2070 vintage for the Target Retirement and Target Retirement Trust series. In addition, Vanguard has merged the 2015 vintage with the Vanguard Target Retirement Income Fund. The merger also occurred for the CIT series.</p>
FUND FIRM ITEMS	COMMENTARY
<p>T. Rowe Price</p>	<p>T. Rowe Price has split its investment research group into two separate and independent groups. T. Rowe Price has transitioned six existing strategies, including portfolio management, research, and trading teams to a new investment advisor it has formed called T. Rowe Price Investment Management. This new group will remain entirely separate from the legacy group T. Rowe Price Associates. As a result of this change, the two groups will operate independently, meaning they will not share investment research, resources, or portfolio management responsibilities.</p>
<p>American Beacon Advisors, Inc.</p>	<p>Jeff Ringdahl was appointed as president and CEO of Resolute Investment Managers and American Beacon Advisors by the respective Board of each organization, succeeding Gene Needles.</p>
<p>Nuveen Asset Management</p>	<p>Saira Malik has been named CIO of Nuveen. She will continue in her current roles of CIO, Equity and lead portfolio manager for the CREF Stock, CREF Growth, and CREF Global Equities strategies.</p>



Lansing Board of Water & Light Defined Contribution Plans

FUND FIRM ITEMS	COMMENTARY
<p>New York Life Investment Management LLC</p>	<p>Three of New York Life Investments' boutiques, GoldPoint Partners, PA Capital, and Madison Capital Funding, were combined to create one unified company called Apogem Capital, an alternatives investment manager with \$37 billion in assets. Madison Capital's Christopher Taylor heads up the new entity as CEO. As a result of this move, the New York Life Investments Alternatives and individual boutique brands were retired.</p>



PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.22 | Q2 '22

Lansing Board of Water & Light Defined Contribution Plans

INVESTMENT NAME	Q2 '22	YTD '22	2021	2020	2019	2018	2017	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
MONEY MARKET											
Vanguard Federal Money Market Investor	0.16%	0.17%	0.01%	0.45%	2.14%	1.78%	0.81%	0.17%	0.53%	1.01%	0.57%
ICE BofA ML US Treasury Bill 3 Mon USD	0.10%	0.14%	0.05%	0.67%	2.28%	1.87%	0.86%	0.17%	0.63%	1.11%	0.64%
STABLE VALUE											
Nationwide Fixed Account	-	-	-	-	-	-	-	-	-	-	-
ICE BofA ML US Treasury Bill 3 Mon USD	0.10%	0.14%	0.05%	0.67%	2.28%	1.87%	0.86%	0.17%	0.63%	1.11%	0.64%
Morningstar US Stable Value GR USD	0.43%	0.84%	1.74%	2.26%	2.52%	2.26%	1.95%	1.69%	2.04%	2.13%	1.97%
INFLATION PROTECTED BOND											
PIMCO Real Return Instl	-6.42%	-9.26%	5.67%	12.09%	8.52%	-1.97%	3.92%	-5.85%	3.13%	3.18%	1.69%
Bloomberg US Treasury US TIPS TR USD	-6.08%	-8.92%	5.96%	10.99%	8.43%	-1.26%	3.01%	-5.14%	3.04%	3.21%	1.73%
Inflation Protected Bond Universe	-5.44%	-7.59%	5.55%	9.75%	7.33%	-1.58%	2.44%	-4.43%	2.83%	2.81%	1.32%
INTERMEDIATE CORE BOND											
Fidelity US Bond Index	-4.66%	-10.26%	-1.79%	7.80%	8.48%	0.01%	3.50%	-10.35%	-0.94%	0.86%	1.50%
Bloomberg US Agg Bond TR USD	-4.69%	-10.35%	-1.54%	7.51%	8.72%	0.01%	3.54%	-10.29%	-0.93%	0.88%	1.54%
Intermediate Core Bond Universe	-5.01%	-10.63%	-1.49%	8.03%	8.33%	-0.46%	3.44%	-10.85%	-0.96%	0.72%	1.48%
INTERMEDIATE CORE-PLUS BOND											
PIMCO Total Return Instl	-5.46%	-11.31%	-0.84%	8.88%	8.26%	-0.26%	5.13%	-11.11%	-0.77%	0.99%	1.87%
Bloomberg US Agg Bond TR USD	-4.69%	-10.35%	-1.54%	7.51%	8.72%	0.01%	3.54%	-10.29%	-0.93%	0.88%	1.54%
Intermediate Core Plus Bond Universe	-5.72%	-11.16%	-0.70%	8.50%	9.05%	-0.66%	4.23%	-11.29%	-0.72%	0.94%	1.93%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.22 | Q2 '22

Lansing Board of Water & Light Defined Contribution Plans

INVESTMENT NAME	Q2 '22	YTD '22	2021	2020	2019	2018	2017	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
MULTISECTOR BOND											
PIMCO Income Instl	-5.18%	-9.16%	2.61%	5.80%	8.05%	0.58%	8.60%	-8.48%	0.33%	2.04%	5.07%
Bloomberg US Agg Bond TR USD	-4.69%	-10.35%	-1.54%	7.51%	8.72%	0.01%	3.54%	-10.29%	-0.93%	0.88%	1.54%
Multisector Bond Universe	-6.49%	-10.51%	2.47%	5.55%	10.23%	-1.58%	6.58%	-10.17%	-0.25%	1.31%	2.88%
ALLOCATION--50% TO 70% EQUITY											
Fidelity Balanced	-13.82%	-18.07%	18.28%	22.43%	24.39%	-4.02%	16.50%	-12.81%	8.75%	8.73%	9.52%
60% S&P 500, 40% Bloomberg Agg	-11.54%	-16.08%	15.96%	15.37%	22.11%	-2.26%	14.26%	-10.19%	6.48%	7.53%	8.57%
Allocation--50% to 70% Equity Universe	-11.02%	-15.16%	13.06%	12.27%	19.29%	-5.60%	13.77%	-11.70%	4.44%	5.26%	6.73%
TARGET DATE RET INCOME MODERATE											
Vanguard Target Retirement Income Fund	-7.37%	-11.79%	5.25%	10.02%	13.16%	-1.99%	8.47%	-10.14%	2.09%	3.34%	4.12%
Morningstar Lifetime Moderate Income Index	-8.56%	-12.35%	7.62%	10.56%	13.27%	-2.20%	8.55%	-10.02%	2.79%	3.85%	4.25%
Retirement Income Moderate	-8.53%	-13.40%	5.79%	10.17%	13.33%	-3.55%	9.24%	-11.75%	1.65%	2.93%	3.74%
TARGET DATE 2015 MODERATE											
Vanguard Target Retirement 2015 Fund	-7.40%	-11.84%	5.78%	10.32%	14.81%	-2.97%	11.50%	-10.12%	2.48%	3.85%	5.55%
Morningstar Lifetime Moderate 2015 Index	-10.70%	-15.39%	8.31%	12.67%	16.29%	-3.54%	11.39%	-12.76%	2.71%	4.18%	5.28%
2015 Moderate	-8.93%	-13.22%	7.75%	10.47%	15.19%	-4.18%	11.21%	-11.09%	2.64%	3.70%	5.16%
TARGET DATE 2020 MODERATE											
Vanguard Target Retirement 2020 Fund	-9.20%	-13.80%	8.17%	12.04%	17.63%	-4.24%	14.08%	-11.65%	3.36%	4.64%	6.51%
Morningstar Lifetime Moderate 2020 Index	-11.69%	-16.70%	9.04%	13.32%	17.73%	-4.16%	12.79%	-13.95%	2.75%	4.36%	5.81%
2020 Moderate	-9.70%	-14.34%	9.00%	11.15%	16.57%	-4.93%	13.25%	-11.90%	2.94%	4.09%	5.90%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.22 | Q2 '22

Lansing Board of Water & Light Defined Contribution Plans

INVESTMENT NAME	Q2 '22	YTD '22	2021	2020	2019	2018	2017	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
TARGET DATE 2025 MODERATE											
Vanguard Target Retirement 2025 Fund	-10.72%	-15.63%	9.80%	13.30%	19.63%	-5.15%	15.94%	-13.21%	3.74%	5.07%	7.10%
Morningstar Lifetime Moderate 2025 Index	-12.56%	-17.74%	10.10%	13.67%	19.36%	-4.90%	14.54%	-14.87%	2.93%	4.66%	6.49%
2025 Moderate	-10.43%	-15.36%	10.05%	12.54%	18.33%	-5.54%	15.15%	-12.74%	3.47%	4.68%	6.64%
TARGET DATE 2030 MODERATE											
Vanguard Target Retirement 2030 Fund	-11.67%	-16.66%	11.38%	14.10%	21.07%	-5.86%	17.52%	-13.94%	4.22%	5.50%	7.68%
Morningstar Lifetime Moderate 2030 Index	-13.38%	-18.57%	11.69%	13.69%	21.24%	-5.82%	16.59%	-15.55%	3.30%	5.07%	7.23%
2030 Moderate	-11.64%	-16.77%	11.99%	13.44%	20.55%	-6.43%	17.27%	-13.79%	4.00%	5.24%	7.31%
TARGET DATE 2035 MODERATE											
Vanguard Target Retirement 2035 Fund	-12.41%	-17.37%	12.96%	14.79%	22.44%	-6.58%	19.12%	-14.36%	4.80%	5.96%	8.27%
Morningstar Lifetime Moderate 2035 Index	-14.07%	-19.07%	13.63%	13.38%	23.04%	-6.82%	18.52%	-15.92%	3.81%	5.52%	7.83%
2035 Moderate	-12.78%	-18.02%	14.15%	14.78%	22.37%	-7.33%	19.10%	-14.66%	4.80%	5.90%	7.93%
TARGET DATE 2040 MODERATE											
Vanguard Target Retirement 2040 Fund	-13.17%	-18.08%	14.56%	15.47%	23.86%	-7.32%	20.71%	-14.82%	5.35%	6.42%	8.74%
Morningstar Lifetime Moderate 2040 Index	-14.61%	-19.40%	15.35%	13.09%	24.35%	-7.65%	19.87%	-16.14%	4.27%	5.87%	8.18%
2040 Moderate	-13.65%	-18.99%	15.61%	15.32%	23.69%	-7.90%	20.10%	-15.52%	5.13%	6.18%	8.30%
TARGET DATE 2045 MODERATE											
Vanguard Target Retirement 2045 Fund	-13.93%	-18.82%	16.16%	16.30%	24.94%	-7.90%	21.42%	-15.29%	5.89%	6.80%	8.97%
Morningstar Lifetime Moderate 2045 Index	-14.95%	-19.58%	16.36%	12.95%	24.97%	-8.17%	20.53%	-16.28%	4.53%	6.03%	8.28%
2045 Moderate	-14.19%	-19.56%	16.76%	15.32%	24.39%	-8.42%	20.57%	-15.96%	5.31%	6.28%	8.27%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.22 | Q2 '22

Lansing Board of Water & Light Defined Contribution Plans

INVESTMENT NAME	Q2 '22	YTD '22	2021	2020	2019	2018	2017	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
TARGET DATE 2050 MODERATE											
Vanguard Target Retirement 2050 Fund	-14.21%	-19.06%	16.41%	16.39%	24.98%	-7.90%	21.39%	-15.45%	5.91%	6.81%	8.97%
Morningstar Lifetime Moderate 2050 Index	-15.06%	-19.63%	16.60%	12.91%	25.09%	-8.41%	20.78%	-16.40%	4.59%	6.04%	8.25%
2050 Moderate	-14.42%	-19.80%	17.10%	15.16%	24.67%	-8.33%	20.76%	-16.03%	5.28%	6.31%	8.40%
TARGET DATE 2055 MODERATE											
Vanguard Target Retirement 2055 Fund	-14.19%	-19.07%	16.44%	16.32%	24.98%	-7.89%	21.38%	-15.45%	5.89%	6.80%	8.95%
Morningstar Lifetime Moderate 2055 Index	-15.08%	-19.65%	16.50%	12.91%	25.05%	-8.57%	20.95%	-16.53%	4.54%	5.99%	8.17%
2055 Moderate	-14.67%	-19.98%	16.87%	15.25%	24.48%	-8.95%	20.73%	-16.39%	5.21%	6.06%	8.23%
TARGET DATE 2060 MODERATE											
Vanguard Target Retirement 2060 Fund	-14.19%	-19.07%	16.44%	16.32%	24.96%	-7.87%	21.36%	-15.44%	5.89%	6.79%	8.96%
Morningstar Lifetime Moderate 2060 Index	-15.08%	-19.67%	16.33%	12.89%	24.96%	-8.69%	21.06%	-16.66%	4.47%	5.91%	-
2060 Moderate	-14.81%	-20.05%	16.97%	16.07%	25.06%	-8.56%	20.72%	-16.61%	5.50%	6.39%	9.03%
TARGET DATE 2065+ MODERATE											
Vanguard Target Retirement 2065 Fund	-14.20%	-19.03%	16.46%	16.17%	24.96%	-7.95%	-	-15.40%	5.86%	-	-
Morningstar Lifetime Moderate 2065 Index	-15.04%	-19.65%	16.10%	12.88%	24.74%	-	-	-16.75%	4.40%	-	-
2065+ Moderate	-14.80%	-20.29%	17.18%	15.67%	26.02%	-9.43%	-	-16.76%	5.47%	-	-
LARGE COMPANY VALUE											
MFS Value R6	-9.88%	-13.13%	25.55%	4.03%	30.18%	-9.78%	17.86%	-5.03%	7.60%	7.55%	11.23%
Russell 1000 Value	-12.21%	-12.86%	25.16%	2.80%	26.54%	-8.27%	13.66%	-6.82%	6.87%	7.17%	10.50%
Large Value Universe	-11.33%	-11.54%	26.11%	3.42%	25.53%	-8.64%	16.17%	-5.04%	7.84%	7.67%	10.25%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.22 | Q2 '22

Lansing Board of Water & Light Defined Contribution Plans

INVESTMENT NAME	Q2 '22	YTD '22	2021	2020	2019	2018	2017	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
LARGE COMPANY BLEND											
Fidelity 500 Index	-16.10%	-19.97%	28.69%	18.40%	31.47%	-4.40%	21.81%	-10.63%	10.59%	11.29%	12.95%
Fidelity Contrafund	-20.36%	-28.19%	24.36%	32.58%	29.98%	-2.13%	32.21%	-21.97%	8.41%	11.26%	12.94%
S&P 500 Index	-16.10%	-19.96%	28.71%	18.40%	31.49%	-4.38%	21.83%	-10.62%	10.60%	11.31%	12.96%
Large Blend Universe	-15.16%	-19.56%	26.13%	16.52%	29.36%	-6.20%	20.94%	-11.83%	9.03%	9.64%	11.61%
LARGE COMPANY GROWTH											
MainStay Winslow Large Cap Growth I	-22.24%	-32.32%	24.81%	37.38%	33.67%	3.74%	32.39%	-25.11%	8.03%	12.49%	13.33%
Russell 1000 Growth	-20.92%	-28.07%	27.60%	38.49%	36.39%	-1.51%	30.21%	-18.77%	12.58%	14.29%	14.80%
Large Growth Universe	-21.53%	-30.10%	20.31%	38.98%	32.83%	-1.40%	28.93%	-24.93%	7.82%	10.97%	12.56%
MEDIUM COMPANY VALUE											
JPMorgan Mid Cap Value R6	-12.36%	-13.20%	30.11%	0.43%	26.67%	-11.66%	13.68%	-7.26%	6.71%	6.29%	10.35%
Russell Mid Cap Value	-14.68%	-16.23%	28.34%	4.96%	27.06%	-12.29%	13.34%	-10.00%	6.70%	6.27%	10.62%
Mid Value Universe	-12.87%	-13.43%	28.04%	2.85%	26.72%	-13.64%	13.92%	-7.82%	7.11%	6.09%	9.76%
MEDIUM COMPANY BLEND											
Fidelity Mid Cap Index	-16.85%	-21.58%	22.56%	17.11%	30.51%	-9.05%	18.47%	-17.31%	6.57%	7.95%	11.28%
Russell Mid Cap	-16.85%	-21.57%	22.58%	17.10%	30.54%	-9.06%	18.52%	-17.30%	6.59%	7.96%	11.29%
Mid Blend Universe	-14.73%	-19.14%	22.98%	13.87%	27.88%	-10.74%	15.83%	-14.44%	6.63%	6.85%	10.03%
MEDIUM COMPANY GROWTH											
T Rowe Price Instl Mid-Cap Equity Gr	-16.48%	-26.15%	15.52%	23.87%	33.09%	-2.23%	26.02%	-22.49%	3.90%	8.51%	12.69%
Russell Mid Cap Growth	-21.07%	-31.00%	12.73%	35.59%	35.47%	-4.75%	25.27%	-29.57%	4.25%	8.88%	11.50%
Mid Growth Universe	-20.77%	-30.87%	12.05%	41.74%	33.90%	-4.73%	25.30%	-29.42%	4.56%	8.81%	10.86%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.22 | Q2 '22

Lansing Board of Water & Light Defined Contribution Plans

INVESTMENT NAME	Q2 '22	YTD '22	2021	2020	2019	2018	2017	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
GLOBAL LARGE STOCK BLEND											
American Funds Capital World Gr&Inc R6	-14.70%	-21.07%	15.15%	15.78%	25.74%	-9.97%	25.08%	-17.74%	4.60%	5.65%	8.56%
MSCI ACWI NR USD	-15.66%	-20.18%	18.54%	16.25%	26.60%	-9.41%	23.97%	-15.75%	6.21%	7.00%	8.76%
Global Large Stock Blend	-13.68%	-18.82%	17.97%	14.01%	25.91%	-9.99%	22.94%	-14.33%	5.67%	6.27%	8.35%
FOREIGN LARGE BLEND											
American Funds Europacific Growth R6	-14.65%	-25.10%	2.84%	25.27%	27.40%	-14.91%	31.17%	-27.68%	1.49%	3.10%	6.30%
Vanguard Total Intl Stock Index Admiral	-12.86%	-18.16%	8.62%	11.28%	21.51%	-14.43%	27.55%	-18.94%	2.00%	2.71%	5.17%
MSCI EAFE	-14.29%	-19.25%	11.78%	8.28%	22.66%	-13.36%	25.62%	-17.33%	1.54%	2.69%	5.89%
Foreign Large Blend Universe	-13.15%	-19.52%	9.40%	11.32%	22.75%	-15.50%	25.87%	-19.24%	1.56%	2.10%	5.11%
FOREIGN LARGE GROWTH											
Vanguard International Growth Adm	-18.13%	-31.60%	-0.74%	59.74%	31.48%	-12.58%	43.16%	-36.18%	6.33%	7.51%	9.17%
MSCI EAFE	-14.29%	-19.25%	11.78%	8.28%	22.66%	-13.36%	25.62%	-17.33%	1.54%	2.69%	5.89%
Foreign Large Growth Universe	-16.44%	-27.84%	7.04%	25.55%	29.04%	-13.83%	32.01%	-27.70%	1.50%	3.47%	6.12%
SMALL COMPANY VALUE											
American Beacon Small Cap Value R6	-14.63%	-15.28%	28.21%	4.03%	23.50%	-15.59%	8.71%	-11.42%	6.91%	4.95%	9.52%
Russell 2000 Value	-15.28%	-17.31%	28.27%	4.63%	22.39%	-12.86%	7.84%	-16.28%	6.18%	4.89%	9.05%
Small Value Universe	-13.59%	-15.54%	30.89%	3.92%	22.72%	-15.26%	9.68%	-12.28%	7.14%	5.20%	8.93%
SMALL COMPANY BLEND											
Fidelity Small Cap Index	-17.18%	-23.37%	14.71%	19.99%	25.71%	-10.88%	14.85%	-25.20%	4.26%	5.25%	9.51%
Russell 2000	-17.20%	-23.43%	14.82%	19.96%	25.53%	-11.01%	14.65%	-25.20%	4.21%	5.17%	9.35%
Small Blend Universe	-15.19%	-20.49%	23.15%	12.07%	24.65%	-12.23%	13.14%	-17.94%	5.25%	5.37%	9.38%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.22 | Q2 22

Lansing Board of Water & Light Defined Contribution Plans

INVESTMENT NAME	Q2 '22	YTD '22	2021	2020	2019	2018	2017	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
SMALL COMPANY GROWTH											
AMG TimesSquare Small Cap Growth N	-21.80%	-32.29%	6.72%	34.96%	27.98%	-4.38%	20.87%	-31.85%	-0.22%	5.81%	9.34%
Russell 2000 Growth	-19.25%	-29.45%	2.83%	34.63%	28.48%	-9.31%	22.17%	-33.43%	1.40%	4.80%	9.30%
Small Growth Universe	-19.80%	-30.31%	10.06%	41.28%	29.60%	-4.68%	23.54%	-30.68%	3.70%	7.80%	10.29%
SPECIALTY-REAL ESTATE											
Nuveen Real Estate Securities I	-16.42%	-19.63%	41.32%	-6.12%	25.56%	-5.51%	5.61%	-5.23%	4.20%	5.40%	7.28%
Dow Jones US Select REIT	-18.10%	-21.14%	45.91%	-11.20%	23.10%	-4.22%	3.76%	-6.41%	2.54%	4.28%	6.61%
Specialty-Real Estate Universe	-16.12%	-20.80%	39.97%	-3.29%	28.12%	-6.33%	6.85%	-8.16%	4.72%	5.66%	7.18%

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SECTION 2: FUND FACT SHEETS	
Fund Fact Sheets.....	



Lansing Board of Water & Light Defined Contribution Plans

INDUSTRY ANALYSIS

With inflation concerns remaining and levels hitting record highs, the Federal Reserve increased the overnight lending rate twice in the second quarter to a final target range between 1.50% - 1.75%. Guaranteed contract providers continue to operate as expected, with increases to guaranteed crediting rates overall year-to-date. Following the Fed's rate increase and announcement of plans for seven or eight rate increases in total for 2022, we can expect guaranteed products to continue increasing crediting rates. When determining the guaranteed rate for a fund, insurance companies use forward-looking projections of the interest rate environment. Rising interest rates present negative pressure on current general account underlying portfolios, in the short-term, as the value of current portfolio holdings decline but give insurer's comfort that higher yields will support the ability to offer higher guaranteed rates future quarters.

CAPTRUST ANALYSIS

Jennifer Dunbar- Senior Manager | Investment Research

The Nationwide Fixed Account is a group annuity contract issued and guaranteed by Nationwide Life Insurance Company. It invests in the general account of Nationwide Life Insurance Company. It seeks to provide a low-risk, stable investment option that offers participants competitive yields and limited volatility with a guarantee of principal and accumulated interest for retirement investors. Contributions are invested in a diversified fixed income portfolio within Nationwide's general account.

The crediting rate of the Fixed Account is subject to change every three months following the initial contract. Participants may transfer or reallocate account balances out of the Nationwide Fixed Account up to four times per calendar year.

NEW CLIENT GROSS CREDITING RATES

4/1/21 - 6/30/21	7/1/21 - 9/30/21	10/1/21 - 12/31/21	1/1/22 - 3/31/22	4/1/22 - 6/30/22
2.81%	2.69%	2.93%	1.52%	1.55%

INVESTMENT DETAILS

Crediting Rate Details:	Crediting rates are quoted quarterly and reset quarterly.
Competing Options:	Allowed, with 90 day equity wash.
Minimum Rate:	0.50%

LIQUIDITY PROVISIONS

Plan Sponsor	Participant
Five-year book value payout OR Subject to MVA	Fully liquid or, for a higher crediting rate, limited to either 20% per participant per year or 12% of total assets in the product per year.

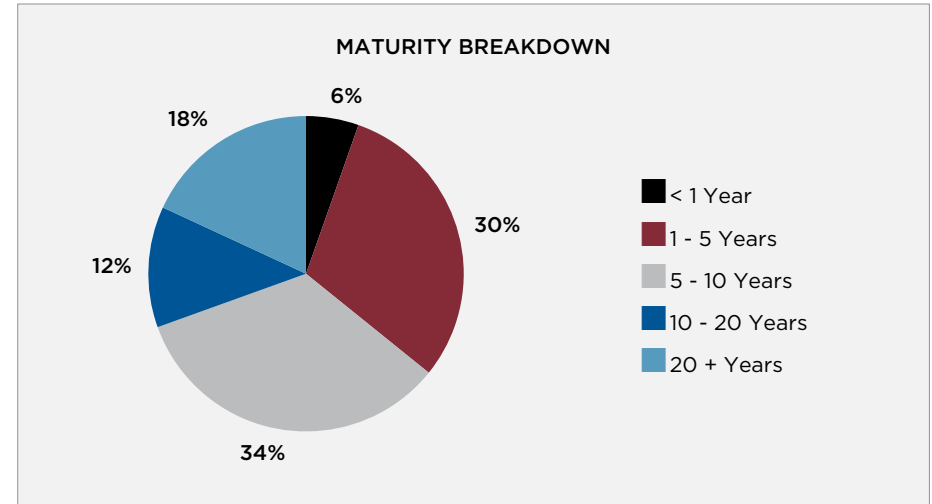
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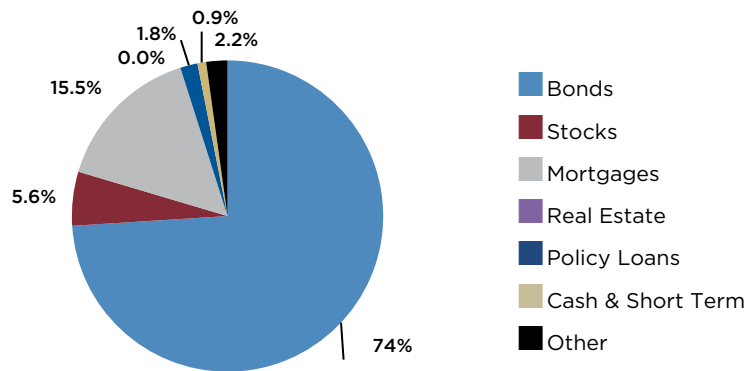
AGENCY RATINGS*

A.M. Best (15 ratings)	A+ (2)
Standard & Poors (20)	A+ (5)
Moody's (21)	A1 (5)
Weiss (16)	B- (6)
Comdex Ranking (Percentile Rank)	90

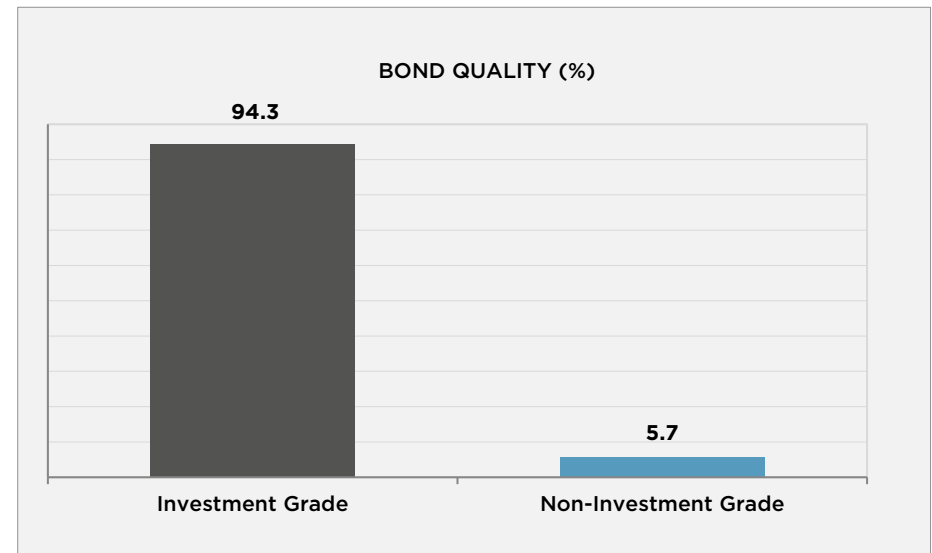


Comdex Ranking: Insurers are assigned a percentile rank, per agency, based on their ratings relative to peers. Percentiles are then averaged to arrive at one Comdex Ranking; over 1,100 companies are currently ranked.

GENERAL ACCOUNT INVESTMENTS



Total Surplus & Asset Valuation Reserve (as % of GA Assets): 18.8%

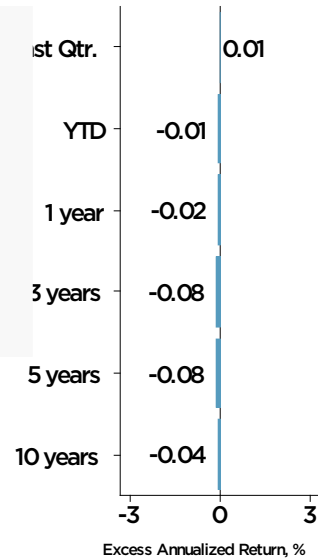


Source: Vital Signs *Agency ratings as of most recent quarter-end; all other data as of most recent year end.

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INDUSTRY ANALYSIS

The Federal Reserve increased the overnight lending rate to a target between 1.50% - 1.75%, resulting in an increase in short-term interest rates. As such, yields on money market funds have increased year-to-date and are expected to normalize as rates settle. Inflation levels continue to post record numbers in the second quarter accelerating the Fed's response timeline, with two of the expected seven or eight rate hikes occurring in the second quarter, making it three in total year-to-date. In December 2021, the SEC proposed amendments that would improve the resilience of money market funds through increased transparency and liquidity requirements for money market funds, aiming to provide funds a more substantial liquidity buffer in the event of rapid redemptions. The proposed amendments remain under regulatory review and are susceptible to changes before

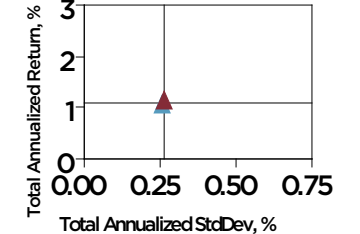


INVESTMENT PROFILE

Ticker	VMFXX
Strategy Incept Date	07/13/1981
Prospectus Exp Ratio	0.11%
12 Mo Yield	0.17%

	Vanguard Federal Money Market Investor	FTSE Treasury Bill 3 Mon USD
TRAILING RETURNS		
Last Qtr.	0.16	0.14
YTD	0.17	0.17
1 Year	0.17	0.19
3 Years	0.53	0.61
5 Years	1.01	1.09
10 Years	0.57	0.62
CALENDAR RETURNS		
2021	0.01	0.05
2020	0.45	0.58
2019	2.14	2.25
2018	1.78	1.86
2017	0.81	0.84
KEY MEASURES / 5 YEAR		
5 Year	0.26	0.26

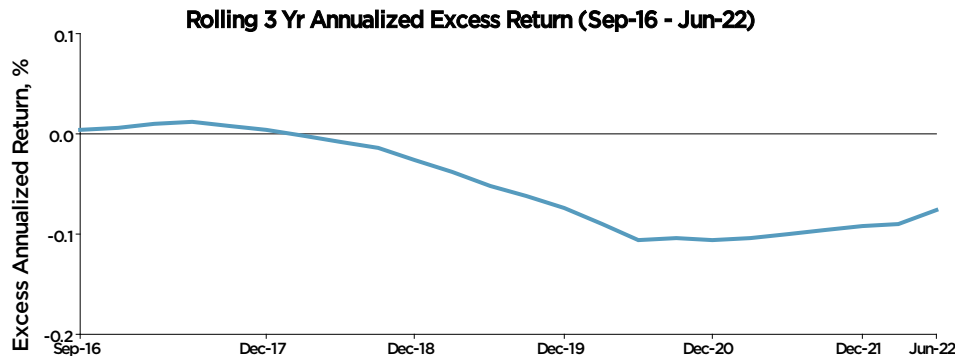
Performance vs Risk - 5 Year



Vanguard Federal Money Market

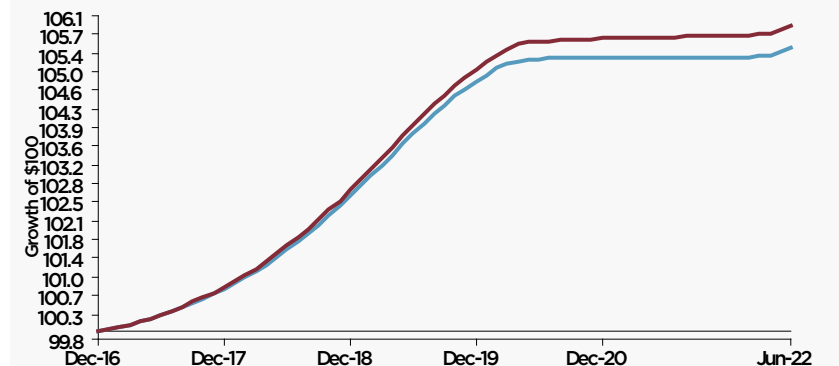
■ Excess

▲ Vanguard Federal Money Market Investor
▲ FTSE Treasury Bill 3 Mon USD



Cumulative Performance

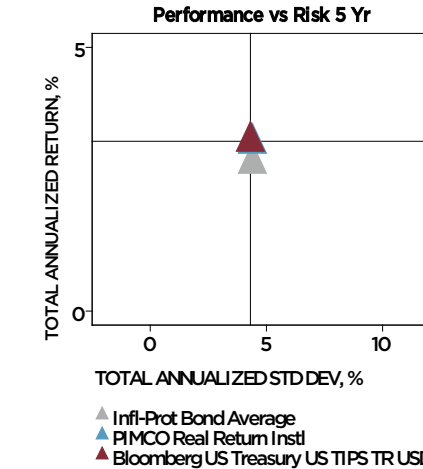
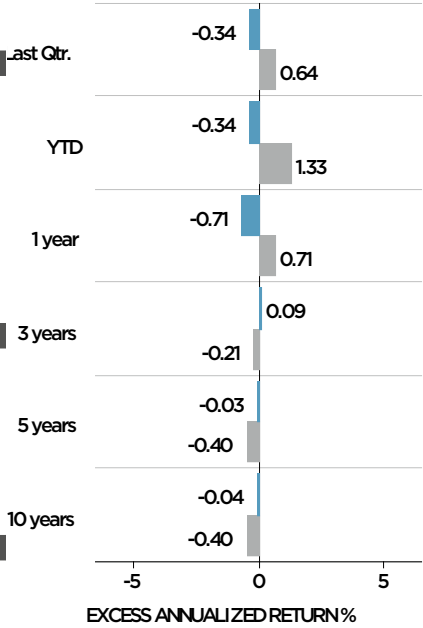
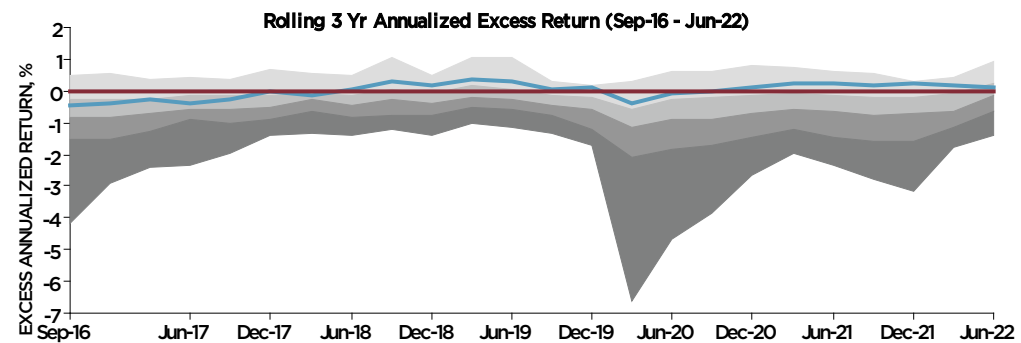
Dec-16 - Jun-22



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	PIMCO Real Return Instl	Peer Group Rank	Bloomberg US Treasury US TIPS TR USD	Infl-Prot Bond	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	4.42	62%	4.29	4.35	184
Sharpe Ratio	0.47	38%	0.49	0.43	184
Alpha	-0.06	47%	0.00	-0.18	184
Beta	1.02	25%	1.00	0.90	184
R-Squared	96.48	29%	100.00	81.56	184
Up Mkt Capture	100.20	11%	100.00	87.40	184
Down Mkt Capture	100.88	63%	100.00	87.51	184
Information Ratio	-0.03	25%	NA	-0.40	184
TRAILING RETURNS					
Last Qtr.	-6.42	71%	-6.08	-5.44	194
YTD	-9.26	77%	-8.92	-7.59	194
1 Year	-5.85	68%	-5.14	-4.43	192
3 Years	3.13	33%	3.04	2.83	189
5 Years	3.18	21%	3.21	2.81	184
10 Years	1.69	19%	1.73	1.32	149
CALENDAR RETURNS					
2021	5.67	35%	5.96	5.55	191
2020	12.09	15%	10.99	9.75	189
2019	8.52	15%	8.43	7.33	189
2018	-1.97	68%	-1.26	-1.58	184
2017	3.92	8%	3.01	2.44	184



INVESTMENT PROFILE

Ticker	PRRIX
CUSIP	693391104
Net Assets \$MM	\$10,699.00
Manager Names	Team Managed
Manager Tenure	3.5 Years
Prospectus Exp Ratio	0.47%
Cat Median Exp Ratio	0.56%
Current 12b-1	N/A
Annlzd Ret Since Incept	5.39%
Inception Date	01/29/1997
Phone Number	888-877-4626
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	1031
% Assets in Top 10 Holdings	68.25%
Avg Mkt Cap \$MM	N/A
Turnover Ratio	104.00%

TOP HOLDINGS

Euro Schatz Future June 2:	14.36%
10 Year Treasury Note Futu:	11.26%
United States Treasury Not:	9.93%
5 Year Treasury Note Futu:	7.23%
US Treasury Bond Future J:	4.70%

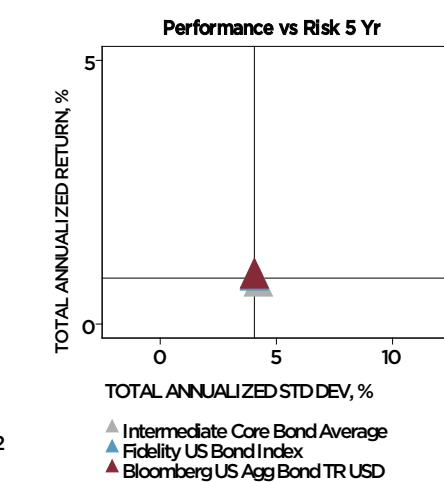
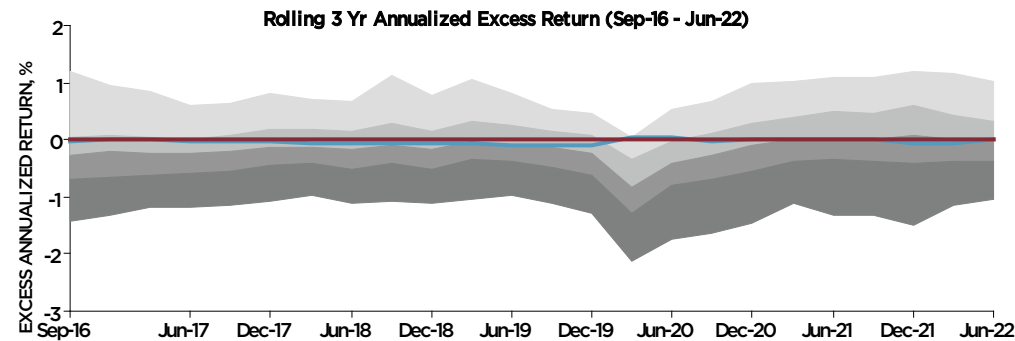
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FIDELITY US BOND INDEX

Period Ending 6.30.22 | Q2 22

	Fidelity US Bond Index	Peer Group Rank	Bloomberg US Agg Bond TR USD	Intermediate Core Bond	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	4.05	36%	4.04	4.18	386
Sharpe Ratio	-0.06	40%	-0.06	-0.10	386
Alpha	-0.02	39%	0.00	-0.16	386
Beta	1.00	61%	1.00	0.99	386
R-Squared	99.48	10%	100.00	90.07	386
Up Mkt Capture	99.74	57%	100.00	98.82	386
Down Mkt Capture	100.10	32%	100.00	101.65	386
Information Ratio	-0.07	47%	NA	-0.25	386
TRAILING RETURNS					
Last Qtr.	-4.66	24%	-4.69	-5.01	425
YTD	-10.26	28%	-10.35	-10.63	425
1 Year	-10.35	27%	-10.29	-10.85	424
3 Years	-0.94	47%	-0.93	-0.96	404
5 Years	0.86	39%	0.88	0.72	386
10 Years	1.50	51%	1.54	1.48	354
CALENDAR RETURNS					
2021	-1.79	65%	-1.54	-1.49	419
2020	7.80	53%	7.51	8.03	409
2019	8.48	49%	8.72	8.33	402
2018	0.01	25%	0.01	-0.46	390
2017	3.50	44%	3.54	3.44	384



INVESTMENT PROFILE

Ticker	FXNAX
CUSIP	316146356
Net Assets \$MM	\$52,687.00
Manager Names	Team Managed
Manager Tenure	8.1 Years
Prospectus Exp Ratio	0.03%
Cat Median Exp Ratio	0.53%
Current 12b-1	N/A
Annlzd Ret Since Incept	2.07%
Inception Date	05/04/2011
Phone Number	800-544-8544
Sub Advisor	Multiple

HOLDINGS OVERVIEW

Total Number of Holdings	8474
% Assets in Top 10 Holdings	9.36%
Avg Mkt Cap \$MM	N/A
Turnover Ratio	76.00%

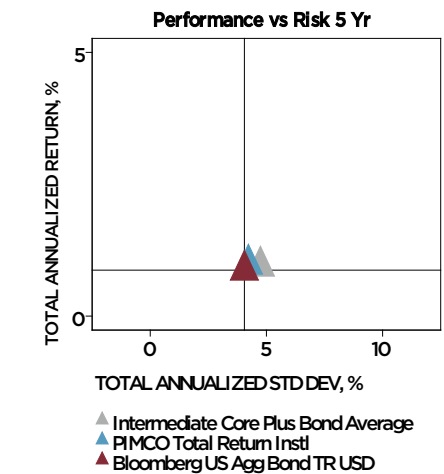
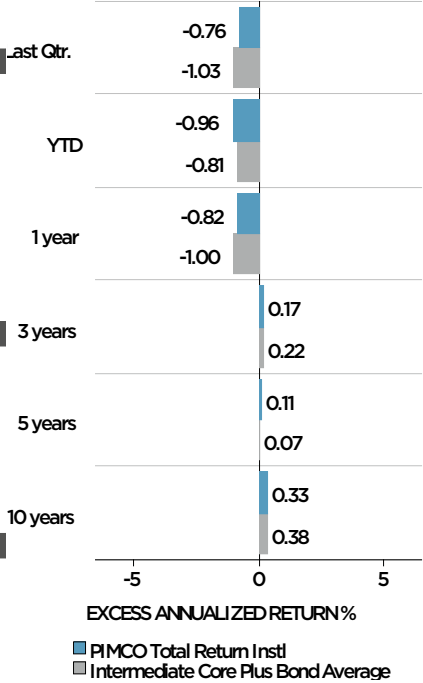
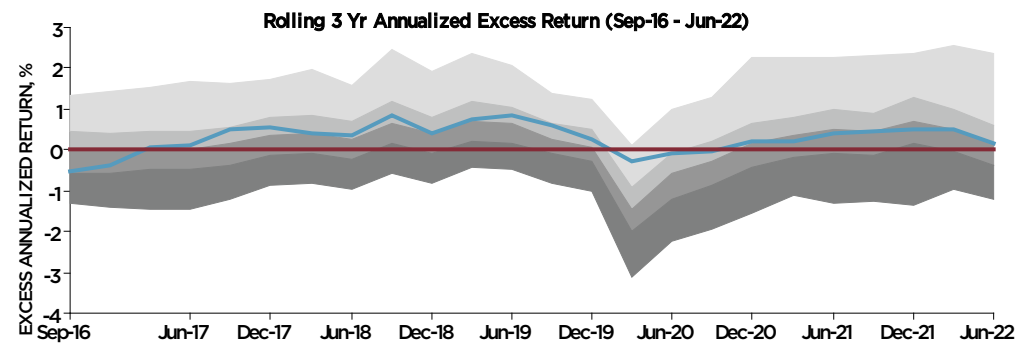
TOP HOLDINGS

United States Treasury Not	1.23%
Federal Home Loan Mortgæ	1.19%
United States Treasury Not	1.09%
United States Treasury Not	0.96%
United States Treasury Not	0.91%

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	PIMCO Total Return Instl	Peer Group Rank	Bloomberg US Agg Bond TR USD	Intermediate Core Plus Bond	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	4.22	15%	4.04	4.75	549
Sharpe Ratio	-0.03	44%	-0.06	-0.04	549
Alpha	0.12	43%	0.00	0.06	549
Beta	1.02	53%	1.00	1.00	549
R-Squared	93.24	5%	100.00	72.58	549
Up Mkt Capture	101.43	69%	100.00	104.04	549
Down Mkt Capture	99.31	32%	100.00	103.10	549
Information Ratio	0.10	35%	NA	0.01	549
TRAILING RETURNS					
Last Qtr.	-5.46	31%	-4.69	-5.72	614
YTD	-11.31	46%	-10.35	-11.16	614
1 Year	-11.11	39%	-10.29	-11.29	594
3 Years	-0.77	46%	-0.93	-0.72	575
5 Years	0.99	43%	0.88	0.94	549
10 Years	1.87	54%	1.54	1.93	483
CALENDAR RETURNS					
2021	-0.84	52%	-1.54	-0.70	586
2020	8.88	37%	7.51	8.50	575
2019	8.26	76%	8.72	9.05	575
2018	-0.26	28%	0.01	-0.66	552
2017	5.13	21%	3.54	4.23	543



INVESTMENT PROFILE

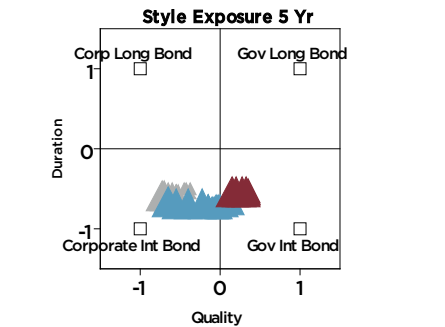
Ticker	PATTRX
CUSIP	693390700
Net Assets \$MM	\$60,379.00
Manager Names	Team Managed
Manager Tenure	7.8 Years
Prospectus Exp Ratio	0.47%
Cat Median Exp Ratio	0.65%
Current 12b-1	N/A
Annlzd Ret Since Incept	6.46%
Inception Date	05/11/1987
Phone Number	888-877-4626
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	8001
% Assets in Top 10 Holdings	49.60%
Avg Mkt Cap \$MM	\$1,011.20
Turnover Ratio	289.00%

TOP HOLDINGS

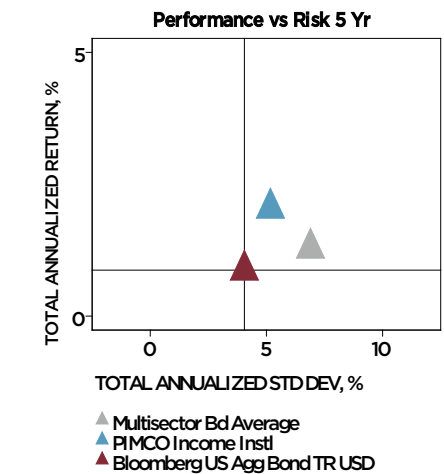
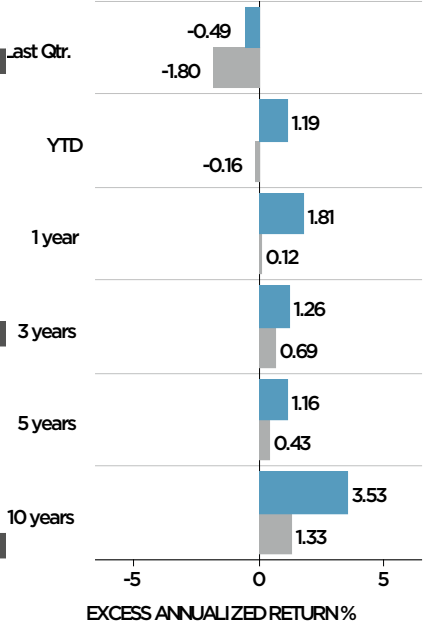
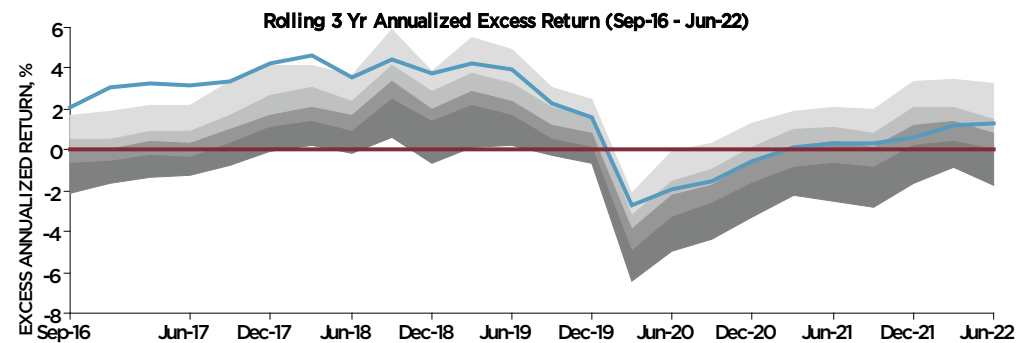
Euro Bund Future June 22	8.76%
Federal National Mortgage	8.70%
10 Year Treasury Note Futu	8.47%
Federal National Mortgage	6.79%
5 Year Treasury Note Futur	5.41%



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	PIMCO Income Instl	Peer Group Rank	Bloomberg US Agg Bond TR USD	Multisector Bd	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	5.19	15%	4.04	6.89	264
Sharpe Ratio	0.18	18%	-0.06	0.05	264
Alpha	1.06	23%	0.00	0.37	264
Beta	0.58	83%	1.00	0.74	264
R-Squared	19.16	56%	100.00	21.50	264
Up Mkt Capture	82.10	75%	100.00	93.68	264
Down Mkt Capture	56.09	12%	100.00	83.97	264
Information Ratio	0.23	17%	NA	0.09	264
TRAILING RETURNS					
Last Qtr.	-5.18	27%	-4.69	-6.49	339
YTD	-9.16	26%	-10.35	-10.51	333
1 Year	-8.48	26%	-10.29	-10.17	331
3 Years	0.33	33%	-0.93	-0.25	298
5 Years	2.04	22%	0.88	1.31	264
10 Years	5.07	1%	1.54	2.88	182
CALENDAR RETURNS					
2021	2.61	45%	-1.54	2.47	328
2020	5.80	56%	7.51	5.55	313
2019	8.05	80%	8.72	10.23	278
2018	0.58	16%	0.01	-1.58	270
2017	8.60	19%	3.54	6.58	258



INVESTMENT PROFILE

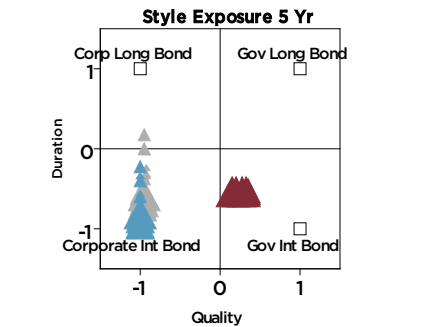
Ticker	PIMIX
CUSIP	72201F490
Net Assets \$MM	\$117,705.00
Manager Names	Team Managed
Manager Tenure	15.3 Years
Prospectus Exp Ratio	0.62%
Cat Median Exp Ratio	0.91%
Current 12b-1	N/A
Annulzd Ret Since Incept	6.75%
Inception Date	03/30/2007
Phone Number	888-877-4626
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	8175
% Assets in Top 10 Holdings	31.33%
Avg Mkt Cap \$MM	\$4,203.46
Turnover Ratio	319.00%

TOP HOLDINGS

10 Year Treasury Note Futu	8.95%
Pimco Fds	5.15%
Federal National Mortgage	2.68%
Federal National Mortgage	2.42%
Federal National Mortgage	2.32%



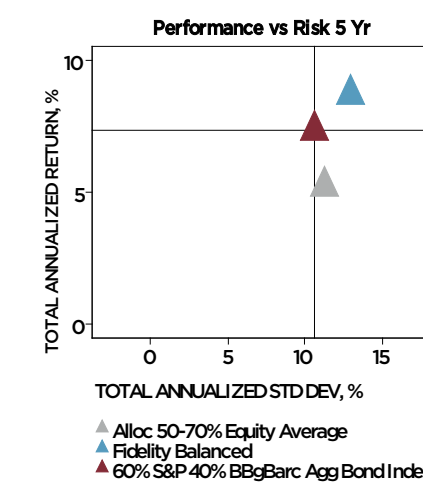
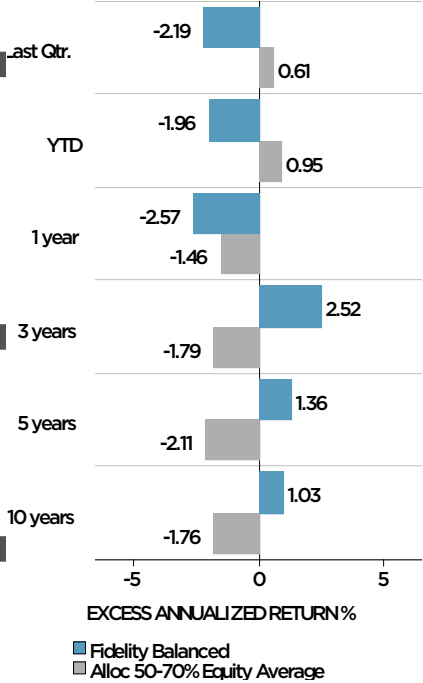
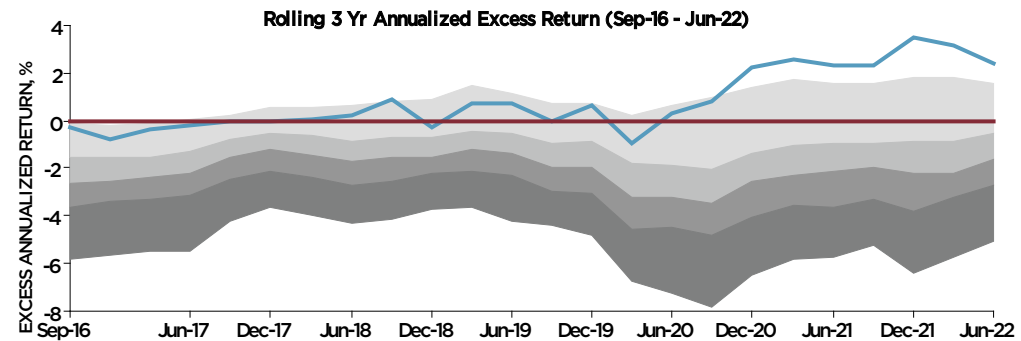
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KEY MEASURES / 5 YEAR	Fidelity Balanced	Peer Group Rank	60% S&P 40% BBgBarc Agg Bond Index	Alloc 50-70% Equity	# of Funds
Standard Deviation	12.98	94%	10.65	11.25	696
Sharpe Ratio	0.59	7%	0.59	0.37	696
Alpha	0.06	8%	0.00	-2.17	696
Beta	1.21	3%	1.00	1.01	696
R-Squared	97.89	7%	100.00	91.71	696
Up Mkt Capture	119.49	1%	100.00	90.64	696
Down Mkt Capture	116.32	91%	100.00	103.21	696
Information Ratio	0.43	4%	NA	-0.62	696

TRAILING RETURNS	Fidelity Balanced	Peer Group Rank	60% S&P 40% BBgBarc Agg Bond Index	Alloc 50-70% Equity	# of Funds
Last Qtr.	-13.82	96%	-11.63	-11.02	767
YTD	-18.07	91%	-16.11	-15.16	763
1 Year	-12.81	60%	-10.24	-11.70	755
3 Years	8.75	2%	6.23	4.44	731
5 Years	8.73	3%	7.37	5.26	696
10 Years	9.52	3%	8.50	6.73	610

CALENDAR RETURNS	Fidelity Balanced	Peer Group Rank	60% S&P 40% BBgBarc Agg Bond Index	Alloc 50-70% Equity	# of Funds
2021	18.28	6%	15.86	13.06	745
2020	22.43	4%	14.73	12.27	734
2019	24.39	3%	22.18	19.29	727
2018	-4.02	26%	-2.35	-5.60	711
2017	16.50	13%	14.21	13.77	696



INVESTMENT PROFILE	
Ticker	FBALX
CUSIP	316345206
Net Assets \$MM	\$38,583.00
Manager Names	Team Managed
Manager Tenure	13.8 Years
Prospectus Exp Ratio	0.51%
Cat Median Exp Ratio	0.95%
Current 12b-1	N/A
Annulzd Ret Since Incept	9.19%
Inception Date	11/06/1986
Phone Number	800-544-5555
Sub Advisor	Multiple

HOLDINGS OVERVIEW	
Total Number of Holdings	5087
% Assets in Top 10 Holdings	22.29%
Avg Mkt Cap \$MM	\$154,282.95
Turnover Ratio	40.00%

TOP HOLDINGS	
Microsoft Corp	4.65%
Apple Inc	3.91%
Amazon.com Inc	2.73%
Fidelity Revere Str Tr	1.95%
United States Treasury No	1.80%

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Investor Assumptions/Glidepath Methodology

Glidepath Management	• Through retirement (assumed at age 65) ending 7 years after retirement
Assumed Investor Savings Rate:	• Contributions start at 5% at age 25 and increase to 10% at age 65. Also includes a 50% employer match up to 3% of salary.
Assumed Investor Income Growth Rate	• 1.1% annual salary growth
Income Replacement	• The portfolios are designed to provide withdrawals in retirement based on multiples of an investor's age 65 salary.
Assumed Accumulated Savings at Retirement	• N/A
Life Expectancy	• Through age 95
Asset Allocation Flexibility	• Strict targets with narrow ranges.
Other Assumptions	• Glidepath was tested against 10,000 potential lifetime return outcomes

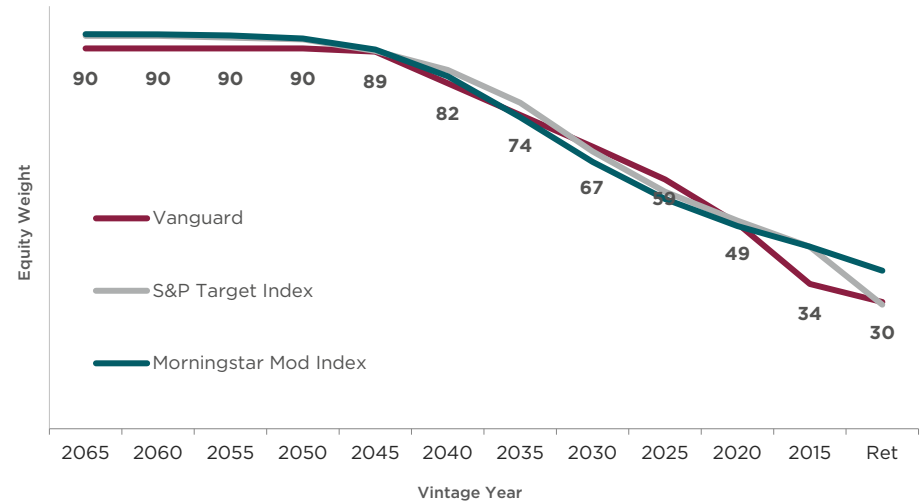
Vanguard uses a proprietary capital markets modeling tool to statistically analyze historical data, including interest rates, inflation, and other risk factors for global equities, fixed income, and commodity markets. This tool is used to generate forward-looking distributions of expected returns. Then, by combining these figures with their investor assumptions, Vanguard constructs target portfolios with asset allocations that seek to provide the highest probability of a successful outcome (not outliving retirement savings).

Investment Profile

% Open Architecture:	0%	Active/Passive:	Passive
Inception Date:	10-27-2003	% Active:	0%
Net Assets \$MM:	\$561,343	Manager Tenure:	9.42 years (longest)
Manager Name:	Nejman, Coleman	Expense Range:	0.08%
Avg # of Holdings:	5	Investment Structure:	Mutual Fund

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Target Asset Allocation Glidepath per Vintage Year



Dedicated Asset Class Granularity/Diversification

Emerging Market Equities	No
International/Global Debt	Yes
Inflation-Protected Securities	Yes
High Yield Fixed Income	No
Real Estate	No
Commodities	No

The Vanguard Target Retirement funds allocate to five broad index funds that provide comprehensive exposure to U.S. and non-U.S. equity and bond markets. Using index funds allows Vanguard to provide investment diversification at a low cost while also producing returns in line with equity and fixed income markets. Through its five index funds, the strategies gain exposure to over 25 sub-asset classes, capturing over 90% of the world's investable market.



VANGUARD TARGET RETIREMENT

Period Ending 6.30.22 | Q2 22

Material Changes to the Series

2006:

- Increased minimum equity allocation from 20% to 30%

2010:

- Collapsed three international equity index funds (Europe, Pacific, and Emerging Markets) with Vanguard Total International Stock Index

2013:

- Replaced the broad TIPs fund with a short-term TIPs allocation
- Eliminated the Prime Money Market fund
- Added a 20% International Bond Index Allocation

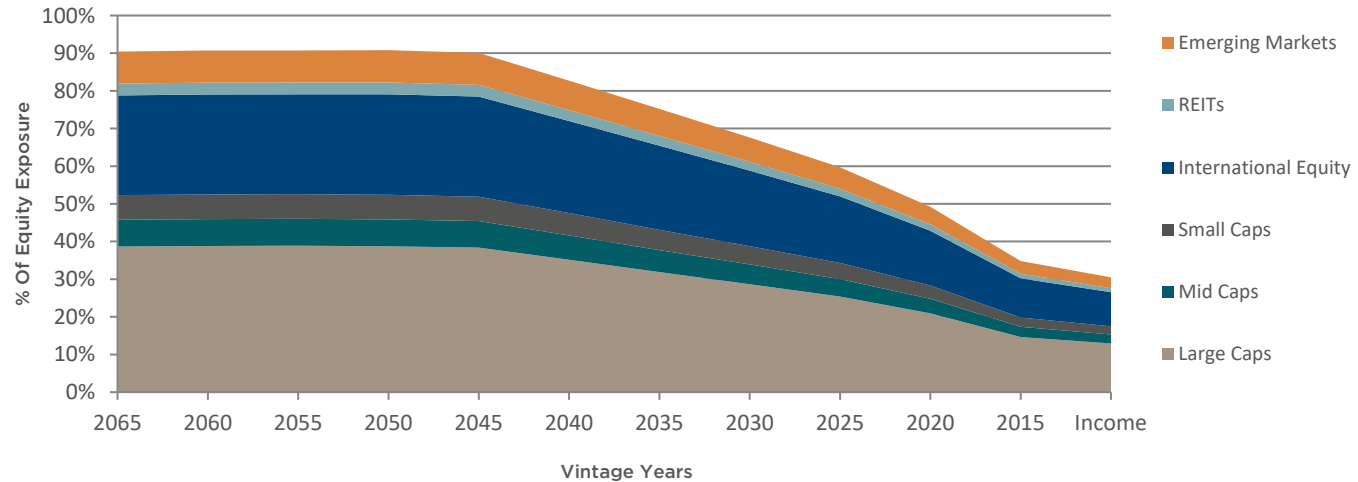
2015:

- Increased international stock allocation from 30% to 40%
- Increased International bond allocation from 20% to 30%

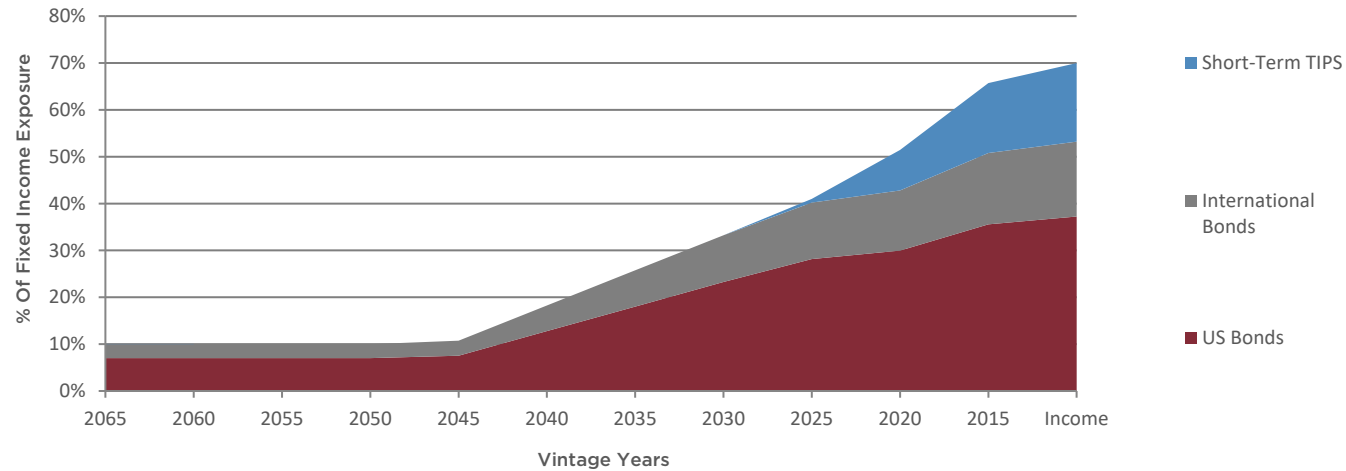
2021:

- The firm announced that in February 2022 the Institutional share class will merge into the Investor share class. Following this merger, expense ratio for the combined series will be 0.08%. The series will be available for all clients with no asset minimum.

Equity Exposure



Fixed Income Exposure



*All information provided by the asset manager, as of 12/31/21. Asset allocations shown are static in nature and do not incorporate any tactical views implemented by the manager.

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TARGET DATE ANALYSIS

Period Ending 6.30.22 | Q2 22

	3 Year				5 Year			
	Beta	Sharpe	Up Capture	Down Capture	Beta	Sharpe	Up Capture	Down Capture
Vanguard Target Retirement 2015 Inv	0.86	0.24	85.95	87.83	0.87	0.40	88.35	86.17
Morningstar Target Date 2015	1.03	0.22	101.08	104.34	1.01	0.34	98.65	100.99
S&P Target Date 2015 TR	1.00	0.26	100.00	100.00	1.00	0.37	100.00	100.00

	3 Year				5 Year			
	Beta	Sharpe	Up Capture	Down Capture	Beta	Sharpe	Up Capture	Down Capture
Vanguard Target Retirement 2025 Inv	1.04	0.27	103.09	103.70	1.03	0.38	103.47	102.70
Morningstar Target Date 2025	0.98	0.23	95.16	98.91	0.97	0.34	95.18	97.51
S&P Target Date 2025 TR	1.00	0.28	100.00	100.00	1.00	0.38	100.00	100.00

	3 Year				5 Year			
	Beta	Sharpe	Up Capture	Down Capture	Beta	Sharpe	Up Capture	Down Capture
Vanguard Target Retirement 2045 Inv	1.01	0.32	101.55	100.23	1.01	0.38	102.10	100.66
Morningstar Target Date 2045	0.99	0.29	98.93	100.19	0.99	0.35	99.00	99.90
S&P Target Date 2045 TR	1.00	0.30	100.00	100.00	1.00	0.37	100.00	100.00

*Lowest cost share class shown

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VANGUARD TARGET RETIREMENT

MEETING DATE: JULY 22, 2022

FOCUS AREA

Organizational Update

COMMENTARY

There were no material changes to the target date investment team during the quarter.

Investments Update

COMMENTARY

There were no changes to the underlying investments of the Target Retirement series during the quarter.

Performance and Positioning Update

COMMENTARY

Vanguard Target Retirement Performance Update:

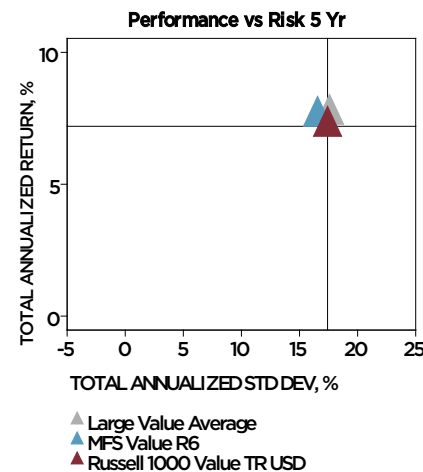
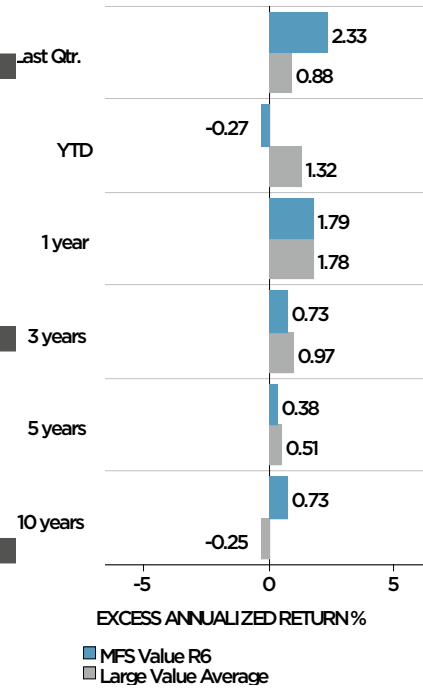
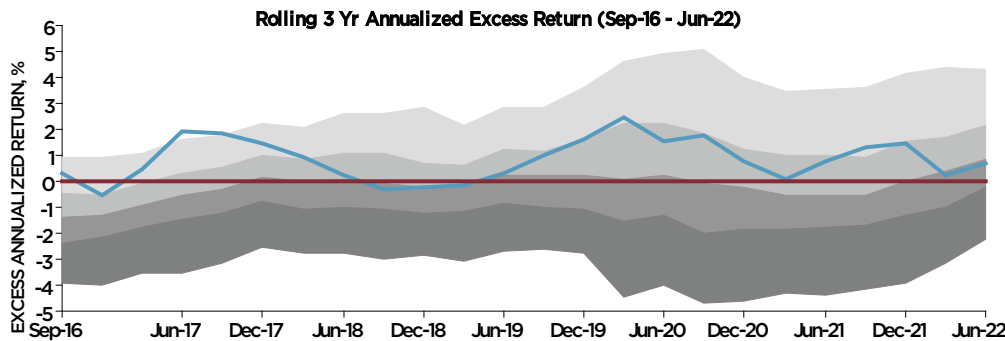
Vanguard Target Retirement posted mixed results relative to peers and the benchmark, but most vintages outperformed during the second quarter.

- The vintages that underperformed were the ones approaching and just in retirement (2020 – 2030).
- This part of the glidepath is where Vanguard has a slightly larger equity allocation compared to peers and the benchmark, and it weighed on performance given the equity market's continued slide.
- The rest of the glidepath carries an equity allocation that is in line with the industry average or slightly below.
- In these vintages, Target Retirement was aided by its sub-asset class allocations.
- Specifically, the series benefitted from its above average allocation to non-U.S. equities, which held up better than U.S. stocks in the second quarter.
- The composition of the series' fixed income portfolio was also a contributor.
- Target Retirement's exclusion of high yield was additive as investment grade bonds outperformed.
- In addition, the series use of short-term TIPS helped absolute and relative performance as they outperformed broad TIPS.

There were no changes made to the series' strategic asset allocation during the quarter.

Note: Benchmark relative performance refers to the series' performance compared to the S&P Target Date Indexes.

	MFS Value R6	Peer Group Rank	Russell 1000 Value TR USD	Large Value	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	16.47	24%	17.35	17.57	1088
Sharpe Ratio	0.39	44%	0.35	0.38	1088
Alpha	0.77	46%	0.00	0.58	1088
Beta	0.94	74%	1.00	0.99	1088
R-Squared	97.26	34%	100.00	95.22	1088
Up Mkt Capture	98.73	61%	100.00	100.14	1088
Down Mkt Capture	96.93	43%	100.00	97.72	1088
Information Ratio	0.12	52%	NA	0.12	1088
TRAILING RETURNS					
Last Qtr.	-9.88	24%	-12.21	-11.33	1147
YTD	-13.13	69%	-12.86	-11.54	1142
1 Year	-5.03	49%	-6.82	-5.04	1132
3 Years	7.60	54%	6.87	7.84	1107
5 Years	7.55	55%	7.17	7.67	1088
10 Years	11.23	18%	10.50	10.25	979
CALENDAR RETURNS					
2021	25.55	58%	25.16	26.11	1120
2020	4.03	40%	2.80	3.42	1118
2019	30.18	9%	26.54	25.53	1105
2018	-9.78	68%	-8.27	-8.64	1101
2017	17.86	32%	13.66	16.17	1078



INVESTMENT PROFILE

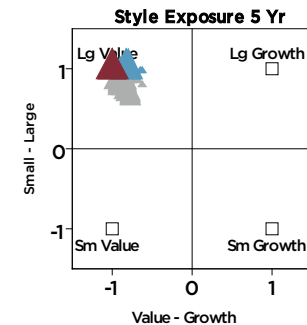
Ticker	MEIKX
CUSIP	55273H353
Net Assets \$MM	\$56,970.00
Manager Names	Team Managed
Manager Tenure	16.1 Years
Prospectus Exp Ratio	0.45%
Cat Median Exp Ratio	0.89%
Current 12b-1	N/A
Annlzd Ret Since Incept	7.91%
Inception Date	05/01/2006
Phone Number	800-225-2606
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	77
% Assets in Top 10 Holdings	26.35%
Avg Mkt Cap \$MM	\$98,587.01
Turnover Ratio	8.00%

TOP HOLDINGS

JPMorgan Chase & Co	3.72%
Johnson & Johnson	3.36%
Northrop Grumman Corp	2.58%
Pfizer Inc	2.54%
Texas Instruments Inc	2.49%



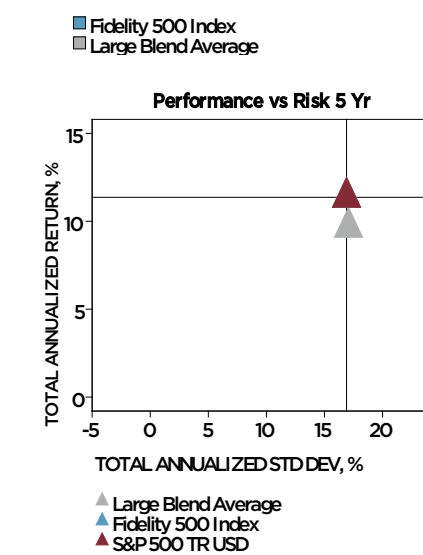
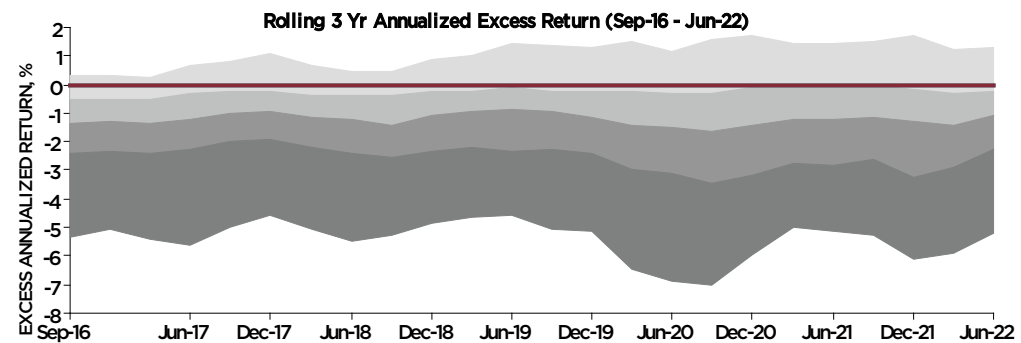
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KEY MEASURES / 5 YEAR	Fidelity 500 Index	Peer Group Rank	S&P 500 TR USD	Large Blend	# of Funds
Standard Deviation	16.94	48%	16.95	17.11	1110
Sharpe Ratio	0.60	18%	0.60	0.50	1110
Alpha	-0.01	21%	0.00	-1.54	1110
Beta	1.00	44%	1.00	0.99	1110
R-Squared	100.00	1%	100.00	95.79	1110
Up Mkt Capture	99.96	17%	100.00	94.56	1110
Down Mkt Capture	100.01	41%	100.00	100.52	1110
Information Ratio	-0.97	82%	NA	-1.03	1110

TRAILING RETURNS	Fidelity 500 Index	Peer Group Rank	S&P 500 TR USD	Large Blend	# of Funds
Last Qtr.	-16.10	58%	-16.10	-15.16	1202
YTD	-19.97	47%	-19.96	-19.56	1200
1 Year	-10.63	34%	-10.62	-11.83	1194
3 Years	10.59	18%	10.60	9.03	1148
5 Years	11.29	14%	11.31	9.64	1110
10 Years	12.95	12%	12.96	11.61	977

CALENDAR RETURNS	Fidelity 500 Index	Peer Group Rank	S&P 500 TR USD	Large Blend	# of Funds
2021	28.69	22%	28.71	26.13	1183
2020	18.40	36%	18.40	16.52	1158
2019	31.47	23%	31.49	29.36	1134
2018	-4.40	25%	-4.38	-6.20	1119
2017	21.81	34%	21.83	20.94	1098



INVESTMENT PROFILE

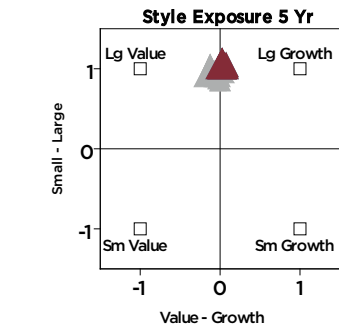
Ticker	FXAIX
CUSIP	315911750
Net Assets \$MM	\$339,938.00
Manager Names	Team Managed
Manager Tenure	13.4 Years
Prospectus Exp Ratio	0.01%
Cat Median Exp Ratio	0.80%
Current 12b-1	N/A
Annulzd Ret Since Incept	11.90%
Inception Date	05/04/2011
Phone Number	202-551-8090
Sub Advisor	Geode Capital Management, LLC

HOLDINGS OVERVIEW

Total Number of Holdings	508
% Assets in Top 10 Holdings	26.67%
Avg Mkt Cap \$MM	\$185,514.50
Turnover Ratio	2.00%

TOP HOLDINGS

Apple Inc	6.59%
Microsoft Corp	5.82%
Amazon.com Inc	3.01%
Alphabet Inc Class A	1.95%
Tesla Inc	1.81%



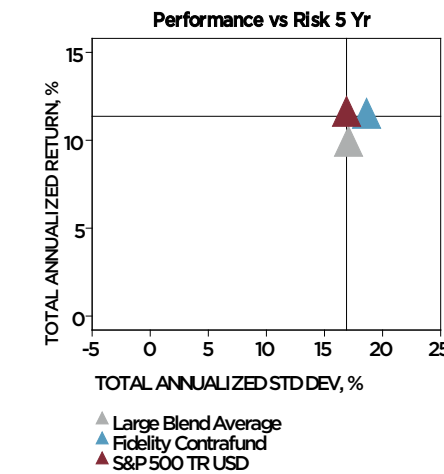
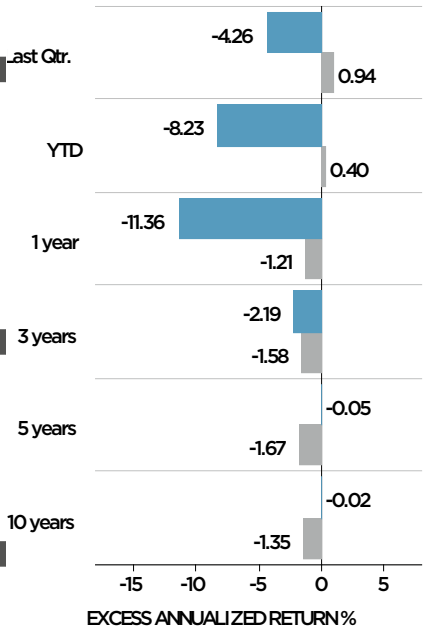
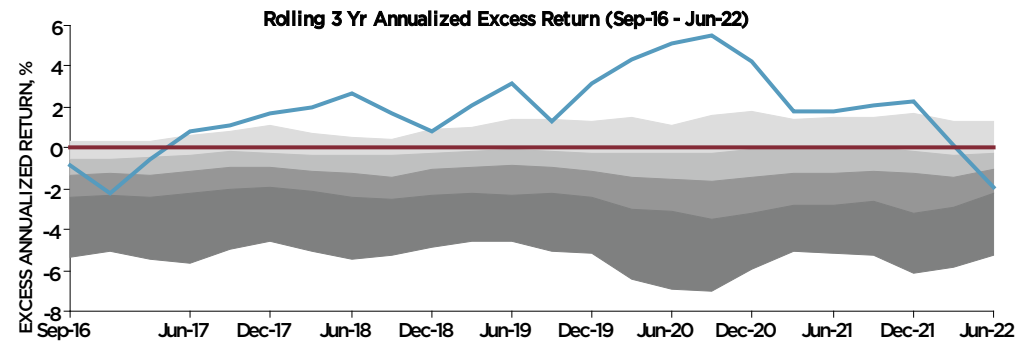
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KEY MEASURES / 5 YEAR	Fidelity Contrafund	Peer Group Rank	S&P 500 TR USD	Large Blend	# of Funds
Standard Deviation	18.54	91%	16.95	17.11	1110
Sharpe Ratio	0.55	45%	0.60	0.50	1110
Alpha	-0.47	36%	0.00	-1.54	1110
Beta	1.04	14%	1.00	0.99	1110
R-Squared	90.77	89%	100.00	95.79	1110
Up Mkt Capture	104.13	5%	100.00	94.56	1110
Down Mkt Capture	105.31	83%	100.00	100.52	1110
Information Ratio	-0.01	14%	NA	-1.03	1110

TRAILING RETURNS	Fidelity Contrafund	Peer Group Rank	S&P 500 TR USD	Large Blend	# of Funds
Last Qtr.	-20.36	99%	-16.10	-15.16	1202
YTD	-28.19	100%	-19.96	-19.56	1200
1 Year	-21.97	98%	-10.62	-11.83	1194
3 Years	8.41	71%	10.60	9.03	1148
5 Years	11.26	16%	11.31	9.64	1110
10 Years	12.94	12%	12.96	11.61	977

CALENDAR RETURNS	Fidelity Contrafund	Peer Group Rank	S&P 500 TR USD	Large Blend	# of Funds
2021	24.36	76%	28.71	26.13	1183
2020	32.58	1%	18.40	16.52	1158
2019	29.98	50%	31.49	29.36	1134
2018	-2.13	9%	-4.38	-6.20	1119
2017	32.21	1%	21.83	20.94	1098



INVESTMENT PROFILE

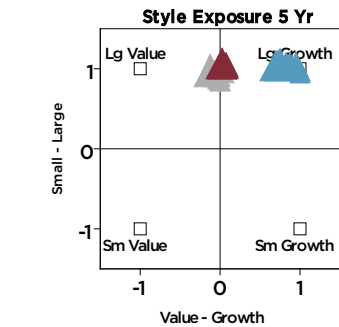
Ticker	FCNTX
CUSIP	316071109
Net Assets \$MM	\$97,040.00
Manager Names	William Danoff
Manager Tenure	31.8 Years
Prospectus Exp Ratio	0.81%
Cat Median Exp Ratio	0.80%
Current 12b-1	N/A
Annlzd Ret Since Incept	12.32%
Inception Date	05/17/1967
Phone Number	800-544-8544
Sub Advisor	Multiple

HOLDINGS OVERVIEW

Total Number of Holdings	340
% Assets in Top 10 Holdings	49.71%
Avg Mkt Cap \$MM	\$289,102.26
Turnover Ratio	27.00%

TOP HOLDINGS

Berkshire Hathaway Inc C	8.34%
Meta Platforms Inc Class /	7.51%
Amazon.com Inc	6.80%
Microsoft Corp	6.56%
UnitedHealth Group Inc	4.87%



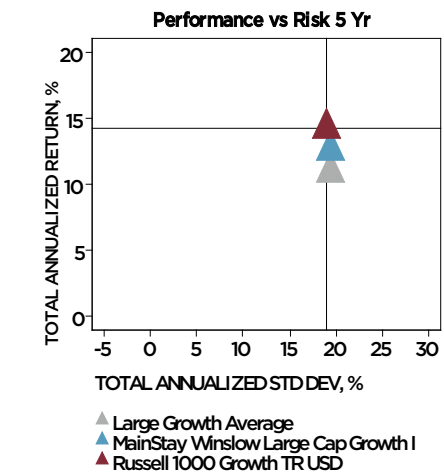
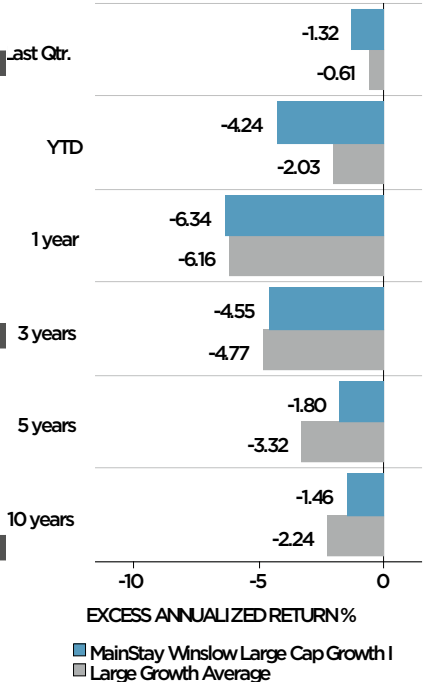
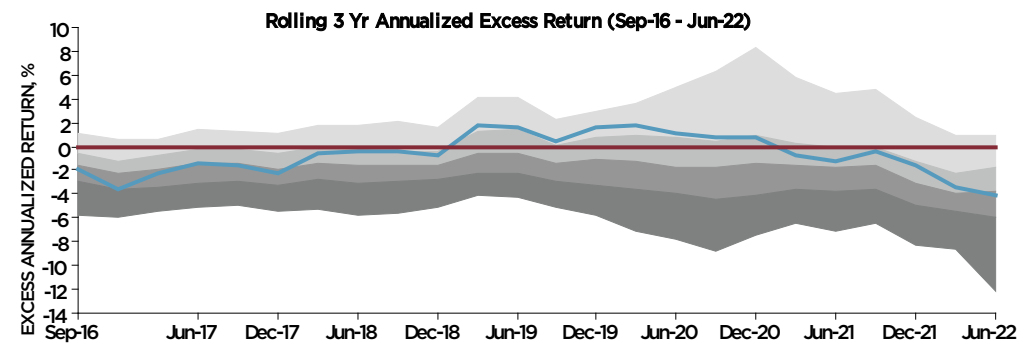
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MAINSTAY WINSLOW LARGE CAP GROWTH I

Period Ending 6.30.22 | Q2 22

	MainStay Winslow Large Cap Growth I	Peer Group Rank	Russell 1000 Growth TR USD	Large Growth	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	19.32	61%	19.00	19.49	1110
Sharpe Ratio	0.59	34%	0.69	0.52	1110
Alpha	-1.74	35%	0.00	-3.09	1110
Beta	1.00	39%	1.00	0.98	1110
R-Squared	95.94	39%	100.00	92.47	1110
Up Mkt Capture	94.08	22%	100.00	89.07	1110
Down Mkt Capture	99.47	55%	100.00	98.85	1110
Information Ratio	-0.41	30%	NA	-0.62	1110
TRAILING RETURNS					
Last Qtr.	-22.24	62%	-20.92	-21.53	1193
YTD	-32.32	71%	-28.07	-30.10	1185
1 Year	-25.11	60%	-18.77	-24.93	1180
3 Years	8.03	54%	12.58	7.82	1143
5 Years	12.49	26%	14.29	10.97	1110
10 Years	13.33	32%	14.80	12.56	1029
CALENDAR RETURNS					
2021	24.81	30%	27.60	20.31	1174
2020	37.38	41%	38.49	38.98	1155
2019	33.67	44%	36.39	32.83	1124
2018	3.74	9%	-1.51	-1.40	1116
2017	32.39	25%	30.21	28.93	1094



INVESTMENT PROFILE

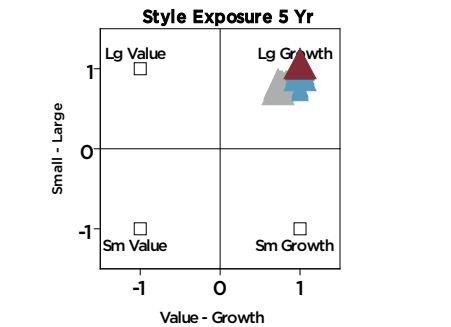
Ticker	MLAIX
CUSIP	56062X641
Net Assets \$MM	\$11,430.00
Manager Names	Team Managed
Manager Tenure	16.7 Years
Prospectus Exp Ratio	0.68%
Cat Median Exp Ratio	0.91%
Current 12b-1	N/A
Annulzd Ret Since Incept	10.64%
Inception Date	04/01/2005
Phone Number	800-624-6782
Sub Advisor	Winslow Capital Management, LLC

HOLDINGS OVERVIEW

Total Number of Holdings	50
% Assets in Top 10 Holdings	38.79%
Avg Mkt Cap \$MM	\$184,234.86
Turnover Ratio	66.00%

TOP HOLDINGS

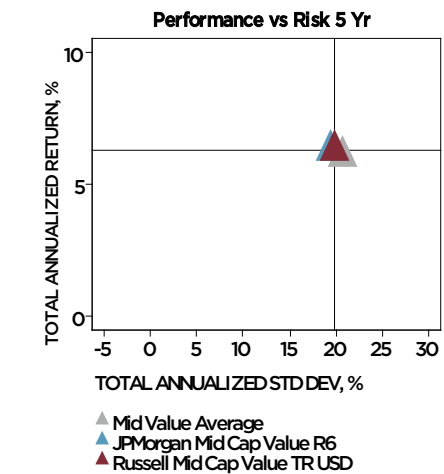
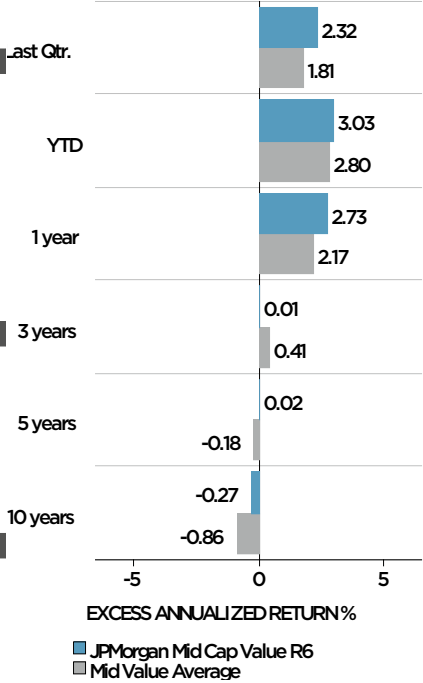
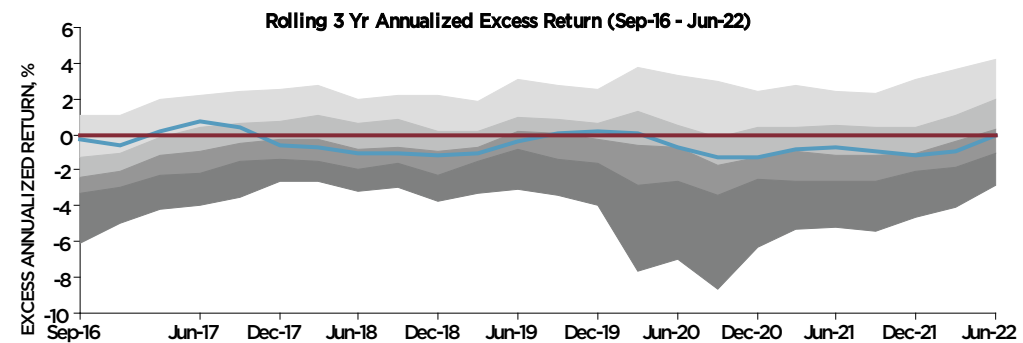
Microsoft Corp	10.83%
Amazon.com Inc	4.07%
Mastercard Inc Class A	3.88%
Visa Inc Class A	3.37%
UnitedHealth Group Inc	3.04%



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	JPMorgan Mid Cap Value R6	Peer Group Rank	Russell Mid Cap Value TR USD	Mid Value	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	19.37	34%	19.90	20.65	364
Sharpe Ratio	0.27	45%	0.26	0.25	364
Alpha	0.21	46%	0.00	-0.26	364
Beta	0.96	65%	1.00	1.01	364
R-Squared	98.17	9%	100.00	95.72	364
Up Mkt Capture	95.22	74%	100.00	100.32	364
Down Mkt Capture	95.05	33%	100.00	100.79	364
Information Ratio	0.01	48%	NA	-0.01	364
TRAILING RETURNS					
Last Qtr.	-12.36	39%	-14.68	-12.87	375
YTD	-13.20	46%	-16.23	-13.43	373
1 Year	-7.26	50%	-10.00	-7.82	372
3 Years	6.71	55%	6.70	7.11	370
5 Years	6.29	48%	6.27	6.09	364
10 Years	10.35	32%	10.62	9.76	326
CALENDAR RETURNS					
2021	30.11	35%	28.34	28.04	372
2020	0.43	70%	4.96	2.85	371
2019	26.67	55%	27.06	26.72	370
2018	-11.66	27%	-12.29	-13.64	369
2017	13.68	48%	13.34	13.92	360



INVESTMENT PROFILE

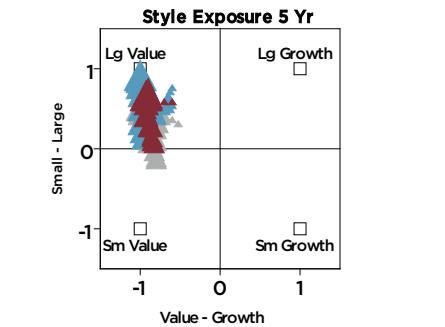
Ticker	JMYYX
CUSIP	46647B404
Net Assets \$MM	\$13,817.00
Manager Names	Team Managed
Manager Tenure	24.6 Years
Prospectus Exp Ratio	0.65%
Cat Median Exp Ratio	0.97%
Current 12b-1	N/A
Annulzd Ret Since Incept	7.66%
Inception Date	09/09/2016
Phone Number	800-480-4111
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	109
% Assets in Top 10 Holdings	18.62%
Avg Mkt Cap \$MM	\$16,620.85
Turnover Ratio	N/A

TOP HOLDINGS

JPMorgan Prime Money M	2.98%
Williams Companies Inc	2.06%
M&T Bank Corp	1.96%
Coterra Energy Inc Ordina	1.88%
Xcel Energy Inc	1.79%



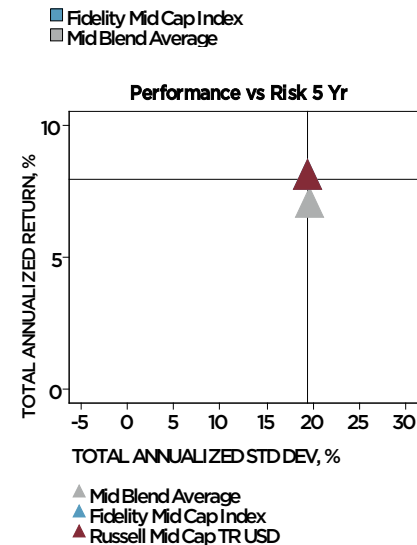
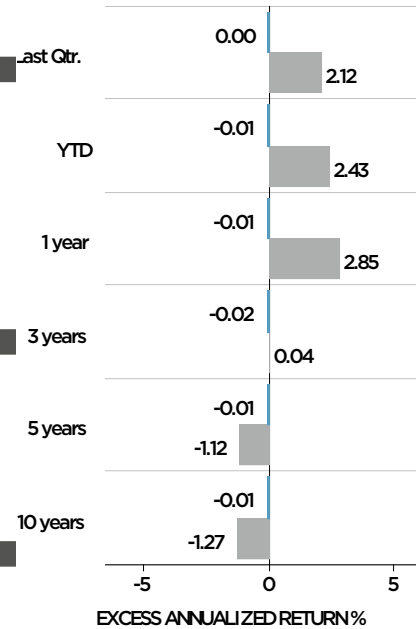
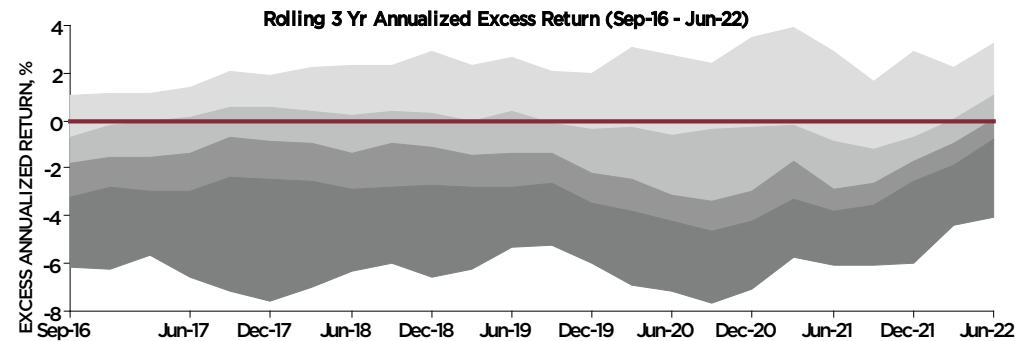
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FIDELITY MID CAP INDEX

Period Ending 6.30.22 | Q2 22

	Fidelity Mid Cap Index	Peer Group Rank	Russell Mid Cap TR USD	Mid Blend	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	19.31	49%	19.33	19.63	318
Sharpe Ratio	0.35	30%	0.35	0.30	318
Alpha	-0.01	33%	0.00	-1.01	318
Beta	1.00	42%	1.00	0.98	318
R-Squared	100.00	1%	100.00	93.84	318
Up Mkt Capture	99.83	32%	100.00	95.65	318
Down Mkt Capture	99.88	55%	100.00	99.55	318
Information Ratio	-0.19	41%	NA	-0.29	318
TRAILING RETURNS					
Last Qtr.	-16.85	86%	-16.85	-14.73	355
YTD	-21.58	76%	-21.57	-19.14	355
1 Year	-17.31	80%	-17.30	-14.44	351
3 Years	6.57	53%	6.59	6.63	336
5 Years	7.95	27%	7.96	6.85	318
10 Years	11.28	19%	11.29	10.03	266
CALENDAR RETURNS					
2021	22.56	64%	22.58	22.98	346
2020	17.11	26%	17.10	13.87	344
2019	30.51	28%	30.54	27.88	335
2018	-9.05	30%	-9.06	-10.74	323
2017	18.47	28%	18.52	15.83	315



INVESTMENT PROFILE

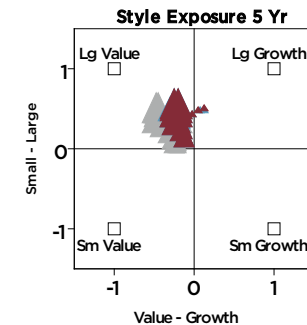
Ticker	FSMDX
CUSIP	316146265
Net Assets \$MM	\$22,516.00
Manager Names	Team Managed
Manager Tenure	10.8 Years
Prospectus Exp Ratio	0.03%
Cat Median Exp Ratio	0.98%
Current 12b-1	N/A
Annulzd Ret Since Incept	11.62%
Inception Date	09/08/2011
Phone Number	800-544-8544
Sub Advisor	Geode Capital Management, LLC

HOLDINGS OVERVIEW

Total Number of Holdings	827
% Assets in Top 10 Holdings	5.29%
Avg Mkt Cap \$MM	\$18,286.45
Turnover Ratio	12.00%

TOP HOLDINGS

Marathon Petroleum Corp	0.62%
Pioneer Natural Resource	0.60%
Occidental Petroleum Cor	0.58%
Valero Energy Corp	0.53%
Archer-Daniels Midland C	0.50%



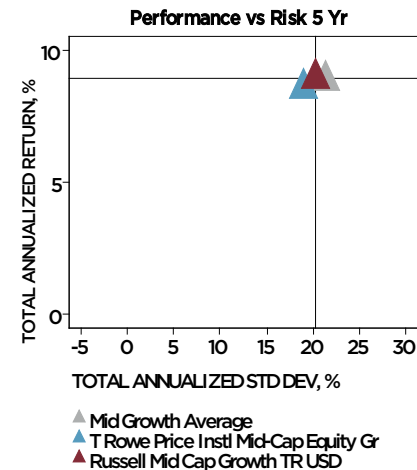
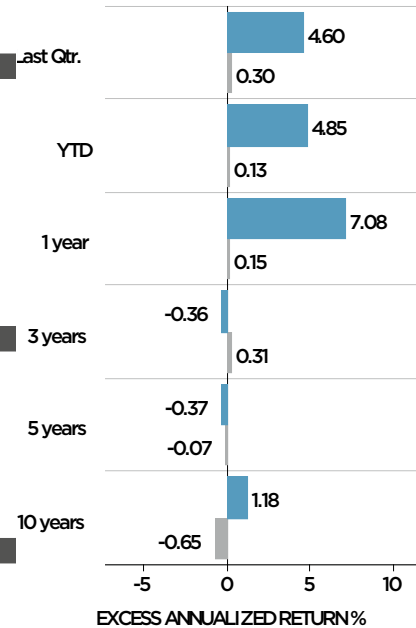
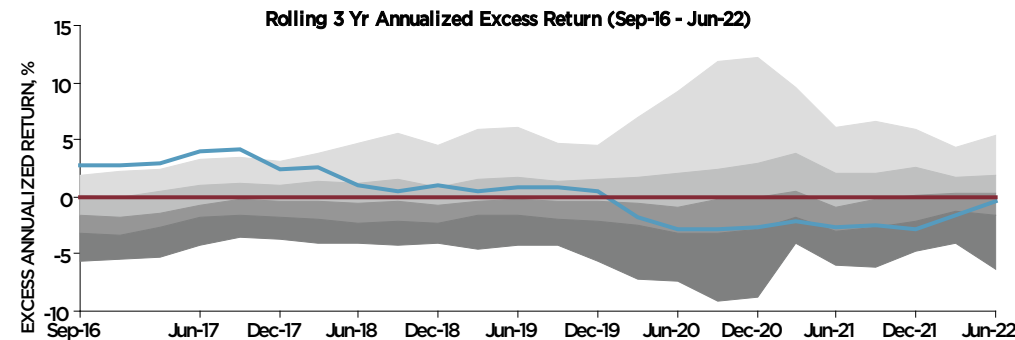
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T ROWE PRICE INSTL MID-CAP EQUITY GR

Period Ending 6.30.22 | Q2 22

	T Rowe Price Instl Mid-Cap Equity Gr	Peer Group Rank	Russell Mid Cap Growth TR USD	Mid Growth	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	18.97	14%	20.33	21.24	511
Sharpe Ratio	0.39	45%	0.38	0.37	511
Alpha	0.33	44%	0.00	0.00	511
Beta	0.91	83%	1.00	0.99	511
R-Squared	94.89	39%	100.00	91.25	511
Up Mkt Capture	87.52	89%	100.00	99.67	511
Down Mkt Capture	87.65	14%	100.00	99.61	511
Information Ratio	-0.07	55%	NA	-0.10	511
TRAILING RETURNS					
Last Qtr.	-16.48	15%	-21.07	-20.77	568
YTD	-26.15	16%	-31.00	-30.87	568
1 Year	-22.49	20%	-29.57	-29.42	562
3 Years	3.90	61%	4.25	4.56	530
5 Years	8.51	55%	8.88	8.81	511
10 Years	12.69	14%	11.50	10.86	480
CALENDAR RETURNS					
2021	15.52	33%	12.73	12.05	556
2020	23.87	86%	35.59	41.74	534
2019	33.09	56%	35.47	33.90	524
2018	-2.23	26%	-4.75	-4.73	517
2017	26.02	42%	25.27	25.30	504



INVESTMENT PROFILE

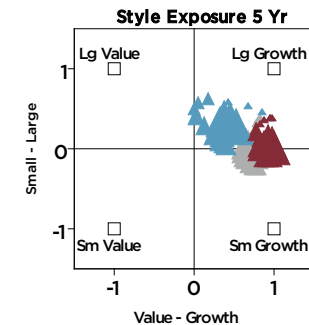
Ticker	PMEGX
CUSIP	45775L101
Net Assets \$MM	\$4,855.00
Manager Names	Brian W.H. Berghuis
Manager Tenure	25.9 Years
Prospectus Exp Ratio	0.61%
Cat Median Exp Ratio	1.03%
Current 12b-1	N/A
Annlzd Ret Since Incept	11.50%
Inception Date	07/31/1996
Phone Number	800-638-8797
Sub Advisor	T. Rowe Price Investment Management, Inc.

HOLDINGS OVERVIEW

Total Number of Holdings	136
% Assets in Top 10 Holdings	23.86%
Avg Mkt Cap \$MM	\$19,125.70
Turnover Ratio	17.70%

TOP HOLDINGS

Hologic Inc	3.14%
Textron Inc	2.69%
Microchip Technology Inc	2.60%
Catalent Inc	2.46%
Ball Corp	2.46%



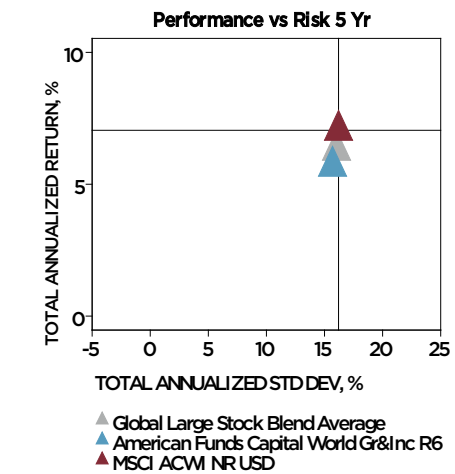
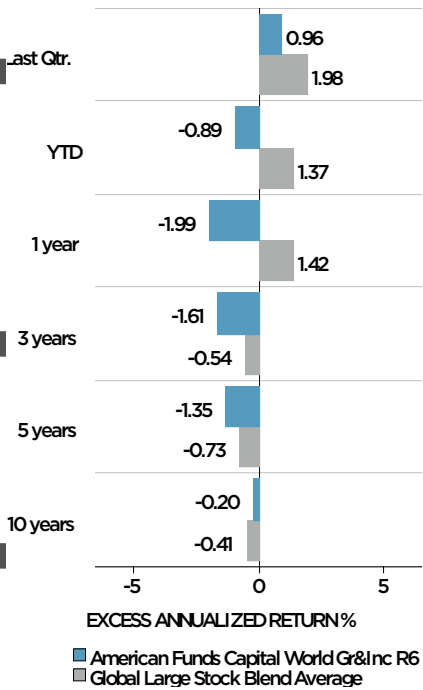
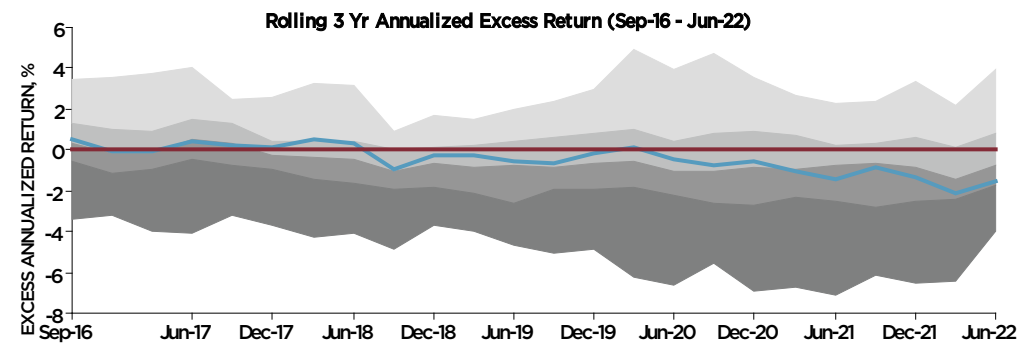
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AMERICAN FUNDS CAPITAL WORLD GR&INC R6

Period Ending 6.30.22 | Q2 22

	American Funds Capital World Gr&Inc R6	Peer Group Rank	MSCI ACWI NR USD	Global Large Stock Blend	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	15.69	42%	16.20	15.97	287
Sharpe Ratio	0.29	66%	0.36	0.33	287
Alpha	-1.09	69%	0.00	-0.45	287
Beta	0.96	59%	1.00	0.95	287
R-Squared	97.52	25%	100.00	93.24	287
Up Mkt Capture	92.48	63%	100.00	93.97	287
Down Mkt Capture	97.94	41%	100.00	96.50	287
Information Ratio	-0.49	78%	NA	-0.17	287
TRAILING RETURNS					
Last Qtr.	-14.70	54%	-15.66	-13.68	332
YTD	-21.07	64%	-20.18	-18.82	331
1 Year	-17.74	74%	-15.75	-14.33	316
3 Years	4.60	70%	6.21	5.67	307
5 Years	5.65	66%	7.00	6.27	287
10 Years	8.56	50%	8.76	8.35	218
CALENDAR RETURNS					
2021	15.15	74%	18.54	17.97	316
2020	15.78	33%	16.25	14.01	310
2019	25.74	57%	26.60	25.91	299
2018	-9.97	52%	-9.41	-9.99	289
2017	25.08	27%	23.97	22.94	271



INVESTMENT PROFILE

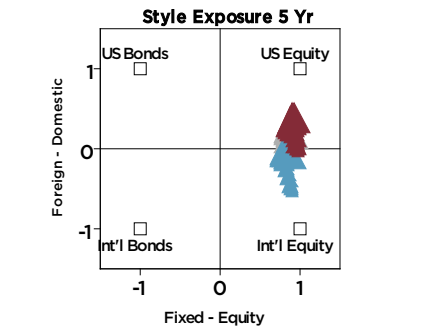
Ticker	RMIGX
CUSIP	140543810
Net Assets \$MM	\$98,934.00
Manager Names	Team Managed
Manager Tenure	16.4 Years
Prospectus Exp Ratio	0.42%
Cat Median Exp Ratio	0.95%
Current 12b-1	N/A
Annlzd Ret Since Incept	9.47%
Inception Date	05/01/2009
Phone Number	800-421-4225
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	353
% Assets in Top 10 Holdings	21.13%
Avg Mkt Cap \$MM	\$108,764.74
Turnover Ratio	32.00%

TOP HOLDINGS

Microsoft Corp	3.73%
Broadcom Inc	3.42%
Taiwan Semiconductor Mar	3.14%
Alphabet Inc Class C	1.70%
UnitedHealth Group Inc	1.69%



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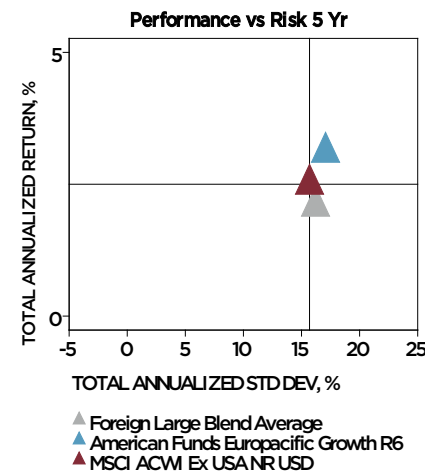
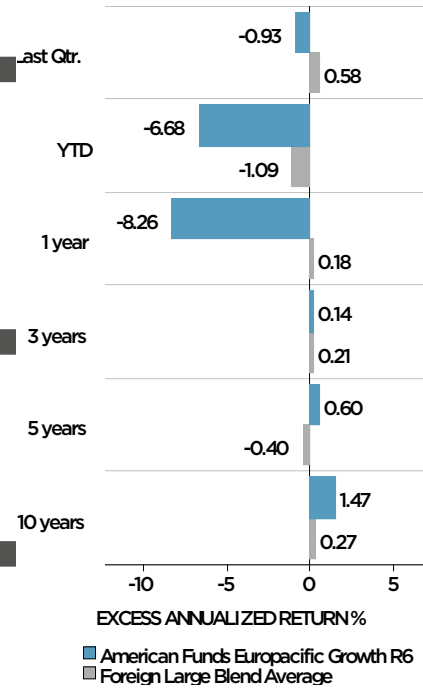
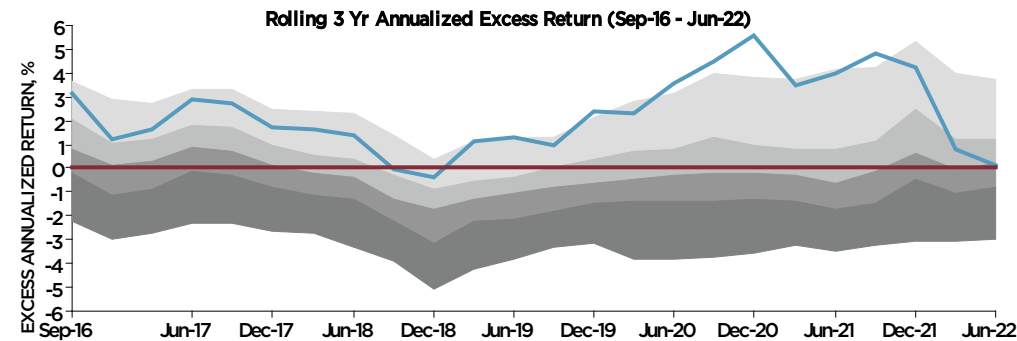
AMERICAN FUNDS EUROPACIFIC GROWTH R6

Period Ending 6.30.22 | Q2 22

KEY MEASURES / 5 YEAR	American Funds Europacific Growth R6	Peer Group Rank	MSCI ACWI Ex USA NR USD	Foreign Large Blend	# of Funds
Standard Deviation	17.07	80%	15.70	16.26	634
Sharpe Ratio	0.12	23%	0.09	0.06	634
Alpha	0.53	21%	0.00	-0.40	634
Beta	1.06	24%	1.00	1.00	634
R-Squared	94.54	59%	100.00	94.03	634
Up Mkt Capture	106.59	19%	100.00	98.82	634
Down Mkt Capture	103.27	68%	100.00	100.56	634
Information Ratio	0.14	21%	NA	-0.09	634

TRAILING RETURNS	American Funds Europacific Growth R6	Peer Group Rank	MSCI ACWI Ex USA NR USD	Foreign Large Blend	# of Funds
Last Qtr.	-14.65	83%	-13.73	-13.15	706
YTD	-25.10	97%	-18.42	-19.52	698
1 Year	-27.68	98%	-19.42	-19.24	695
3 Years	1.49	52%	1.35	1.56	672
5 Years	3.10	19%	2.50	2.10	634
10 Years	6.30	10%	4.83	5.11	541

CALENDAR RETURNS	American Funds Europacific Growth R6	Peer Group Rank	MSCI ACWI Ex USA NR USD	Foreign Large Blend	# of Funds
2021	2.84	95%	7.82	9.40	693
2020	25.27	2%	10.65	11.32	680
2019	27.40	10%	21.51	22.75	663
2018	-14.91	47%	-14.20	-15.50	638
2017	31.17	6%	27.19	25.87	630



INVESTMENT PROFILE

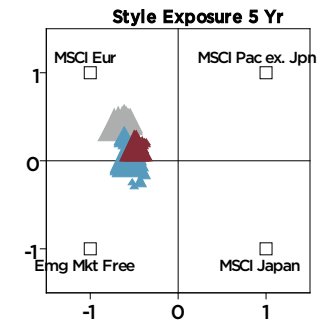
Ticker	REGX
CUSIP	298706821
Net Assets \$MM	\$135,588.00
Manager Names	Team Managed
Manager Tenure	21.1 Years
Prospectus Exp Ratio	0.46%
Cat Median Exp Ratio	0.94%
Current 12b-1	N/A
Annlzd Ret Since Incept	7.28%
Inception Date	05/01/2009
Phone Number	800-421-4225
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	397
% Assets in Top 10 Holdings	20.40%
Avg Mkt Cap \$MM	\$56,762.44
Turnover Ratio	29.00%

TOP HOLDINGS

ASML Holding NV	3.32%
Reliance Industries Ltd	3.12%
Taiwan Semiconductor Mar	2.65%
LVMH Moet Hennessy Loui	2.22%
Airbus SE	1.78%



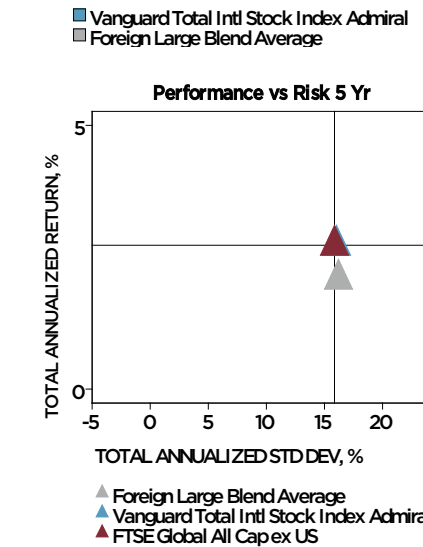
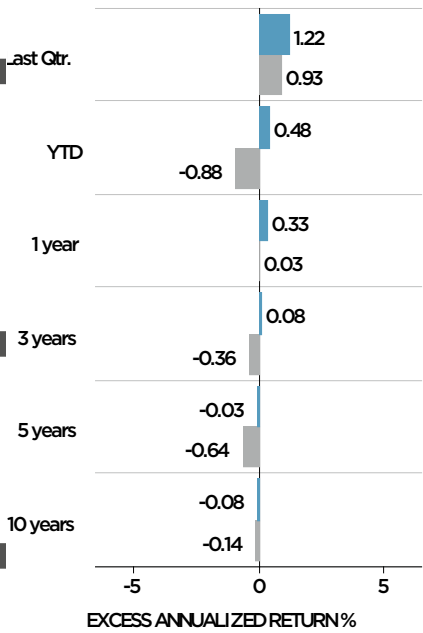
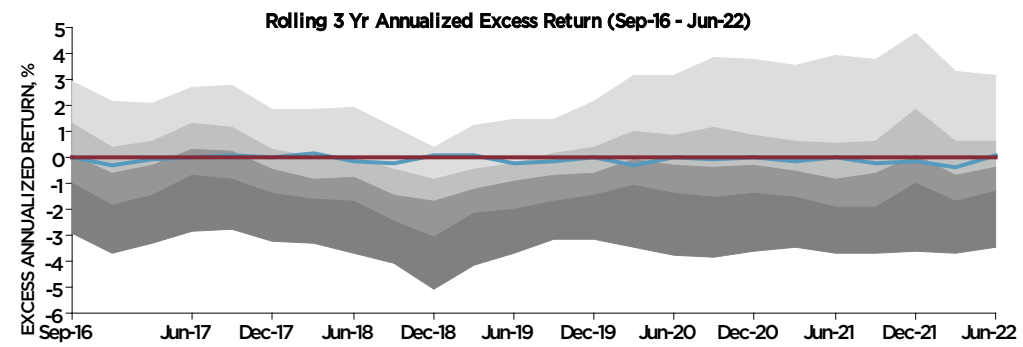
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VANGUARD TOTAL INTL STOCK INDEX ADMIRAL

Period Ending 6.30.22 | Q2 22

	Vanguard Total Intl Stock Index Admiral	Peer Group Rank	FTSE Global All Cap ex US	Foreign Large Blend	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	15.96	43%	15.91	16.26	634
Sharpe Ratio	0.10	31%	0.10	0.06	634
Alpha	-0.02	32%	0.00	-0.62	634
Beta	1.00	45%	1.00	0.99	634
R-Squared	98.87	2%	100.00	94.10	634
Up Mkt Capture	99.75	40%	100.00	97.53	634
Down Mkt Capture	99.89	40%	100.00	100.43	634
Information Ratio	-0.02	33%	NA	-0.16	634
TRAILING RETURNS					
Last Qtr.	-12.86	41%	-14.08	-13.15	706
YTD	-18.16	28%	-18.63	-19.52	698
1 Year	-18.94	46%	-19.27	-19.24	695
3 Years	2.00	38%	1.92	1.56	672
5 Years	2.71	31%	2.74	2.10	634
10 Years	5.17	48%	5.24	5.11	541
CALENDAR RETURNS					
2021	8.62	64%	8.84	9.40	693
2020	11.28	42%	11.24	11.32	680
2019	21.51	62%	21.81	22.75	663
2018	-14.43	41%	-14.62	-15.50	638
2017	27.55	31%	27.41	25.87	630



INVESTMENT PROFILE	
Ticker	VTIAX
CUSIP	921909818
Net Assets \$MM	\$337,990.00
Manager Names	Team Managed
Manager Tenure	13.9 Years
Prospectus Exp Ratio	0.11%
Cat Median Exp Ratio	0.94%
Current 12b-1	N/A
Annlzd Ret Since Incept	3.97%
Inception Date	11/29/2010
Phone Number	800-662-7447
Sub Advisor	N/A

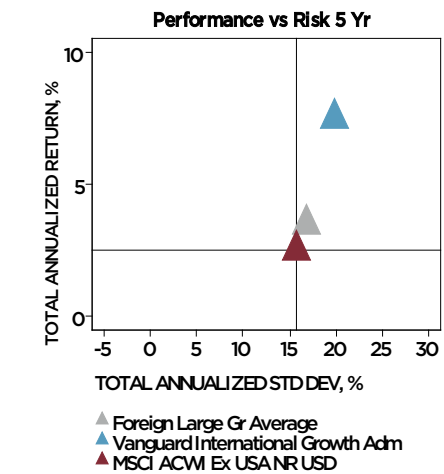
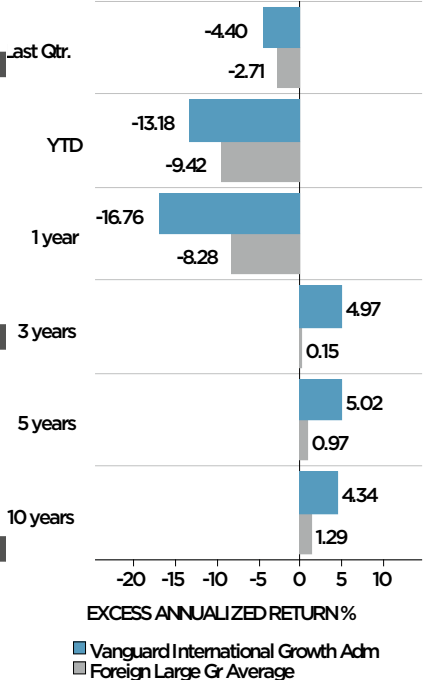
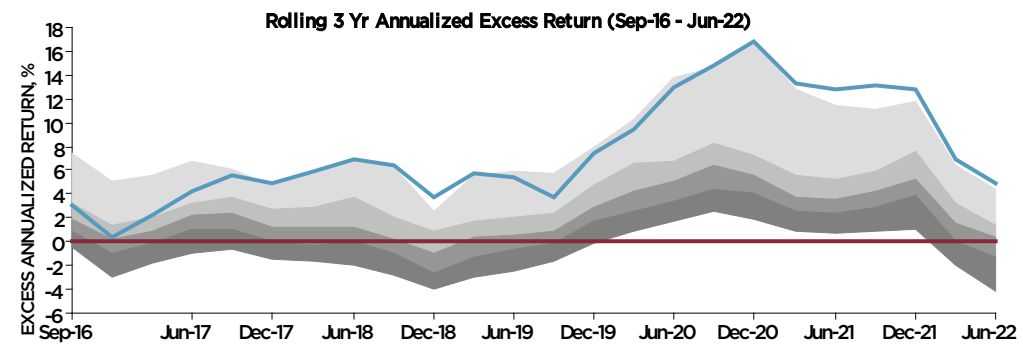
HOLDINGS OVERVIEW	
Total Number of Holdings	7899
% Assets in Top 10 Holdings	9.06%
Avg Mkt Cap \$MM	\$27,067.43
Turnover Ratio	8.00%

TOP HOLDINGS	
Taiwan Semiconductor Mar	1.58%
Nestle SA	1.17%
Tencent Holdings Ltd	0.95%
Samsung Electronics Co Lt	0.89%
Roche Holding AG	0.83%

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	Vanguard International Growth Adm	Peer Group Rank	MSCI ACWI Ex USA NR USD	Foreign Large Gr	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	19.90	93%	15.70	16.75	391
Sharpe Ratio	0.32	7%	0.09	0.14	391
Alpha	4.85	5%	0.00	1.01	391
Beta	1.12	5%	1.00	0.98	391
R-Squared	78.51	79%	100.00	84.38	391
Up Mkt Capture	127.91	1%	100.00	100.70	391
Down Mkt Capture	102.86	69%	100.00	96.20	391
Information Ratio	0.52	8%	NA	0.13	391
TRAILING RETURNS					
Last Qtr.	-18.13	76%	-13.73	-16.44	446
YTD	-31.60	78%	-18.42	-27.84	444
1 Year	-36.18	91%	-19.42	-27.70	440
3 Years	6.33	4%	1.35	1.50	411
5 Years	7.51	5%	2.50	3.47	391
10 Years	9.17	2%	4.83	6.12	325
CALENDAR RETURNS					
2021	-0.74	88%	7.82	7.04	428
2020	59.74	2%	10.65	25.55	413
2019	31.48	24%	21.51	29.04	402
2018	-12.58	35%	-14.20	-13.83	398
2017	43.16	8%	27.19	32.01	385



INVESTMENT PROFILE

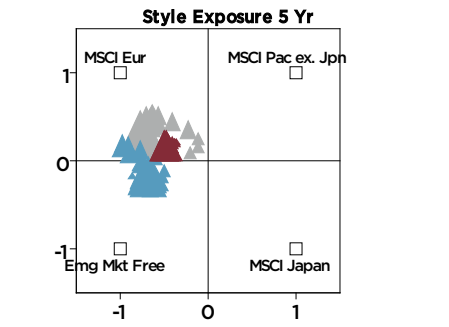
Ticker	VWILX
CUSIP	921910501
Net Assets \$MM	\$42,677.00
Manager Names	Team Managed
Manager Tenure	12.5 Years
Prospectus Exp Ratio	0.32%
Cat Median Exp Ratio	0.99%
Current 12b-1	N/A
Annlzd Ret Since Incept	7.24%
Inception Date	08/13/2001
Phone Number	800-662-7447
Sub Advisor	Multiple

HOLDINGS OVERVIEW

Total Number of Holdings	145
% Assets in Top 10 Holdings	35.56%
Avg Mkt Cap \$MM	\$73,941.16
Turnover Ratio	25.00%

TOP HOLDINGS

ASML Holding NV	5.84%
MercadoLibre Inc	4.56%
Tencent Holdings Ltd	3.88%
Adyen NV	3.55%
Taiwan Semiconductor Mar	3.47%



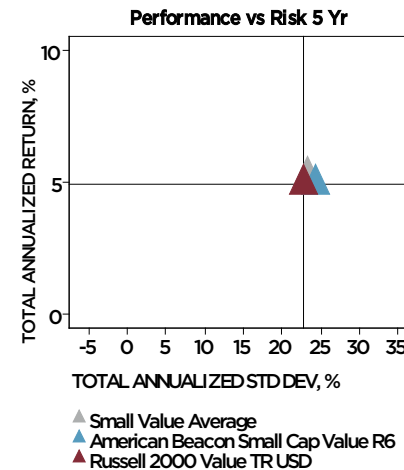
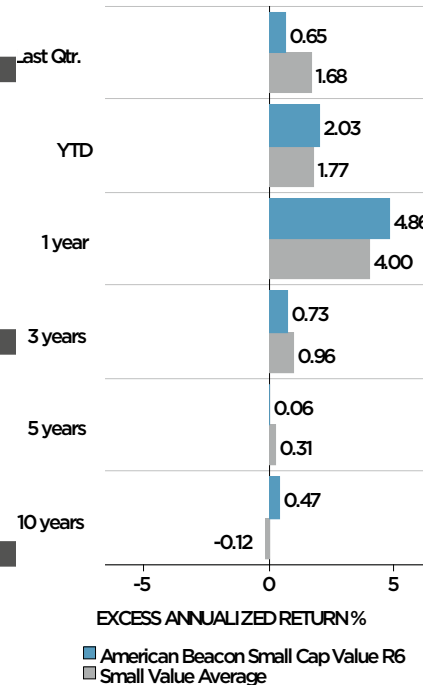
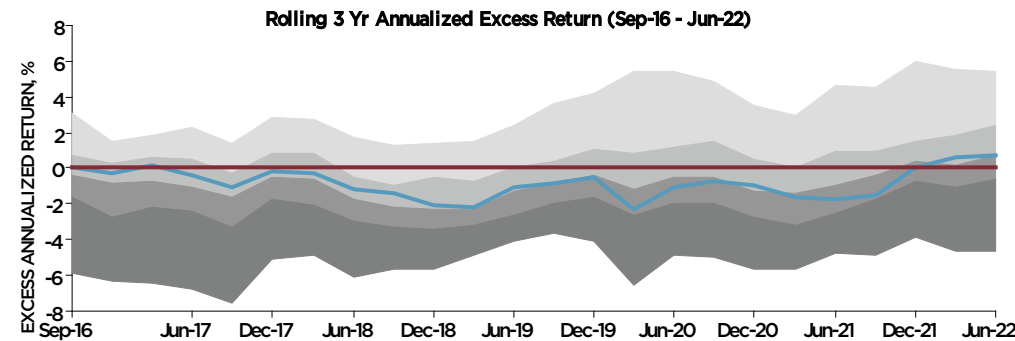
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AMERICAN BEACON SMALL CAP VALUE R6

Period Ending 6.30.22 | Q2 22

	American Beacon Small Cap Value R6	Peer Group Rank	Russell 2000 Value TR USD	Small Value	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	24.40	74%	22.68	23.28	419
Sharpe Ratio	0.16	58%	0.17	0.18	419
Alpha	-0.18	59%	0.00	0.31	419
Beta	1.06	25%	1.00	1.00	419
R-Squared	97.70	9%	100.00	94.79	419
Up Mkt Capture	108.17	19%	100.00	99.82	419
Down Mkt Capture	106.86	84%	100.00	98.63	419
Information Ratio	0.01	55%	NA	0.05	419
TRAILING RETURNS					
Last Qtr.	-14.63	64%	-15.28	-13.59	452
YTD	-15.28	40%	-17.31	-15.54	451
1 Year	-11.42	42%	-16.28	-12.28	449
3 Years	6.91	52%	6.18	7.14	432
5 Years	4.95	55%	4.89	5.20	419
10 Years	9.52	36%	9.05	8.93	389
CALENDAR RETURNS					
2021	28.21	64%	28.27	30.89	445
2020	4.03	44%	4.63	3.92	441
2019	23.50	35%	22.39	22.72	431
2018	-15.59	53%	-12.86	-15.26	426
2017	8.71	60%	7.84	9.68	419



INVESTMENT PROFILE

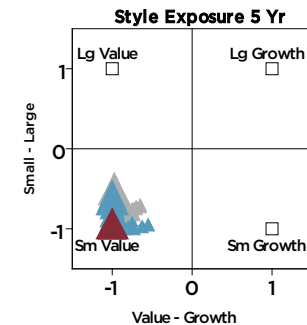
Ticker	AASRX
CUSIP	024526774
Net Assets \$MM	\$4,576.00
Manager Names	Team Managed
Manager Tenure	23.5 Years
Prospectus Exp Ratio	0.79%
Cat Median Exp Ratio	1.14%
Current 12b-1	0.00%
Annulzd Ret Since Incept	4.46%
Inception Date	02/28/2017
Phone Number	800-658-5811
Sub Advisor	Multiple

HOLDINGS OVERVIEW

Total Number of Holdings	458
% Assets in Top 10 Holdings	16.49%
Avg Mkt Cap \$MM	\$2,579.83
Turnover Ratio	48.00%

TOP HOLDINGS

Future on Russell 2000 Ju	4.53%
State Street Instl US Govt	3.07%
Adient PLC	1.47%
Evercore Inc Class A	1.24%
Allegheny Technologies In	1.19%



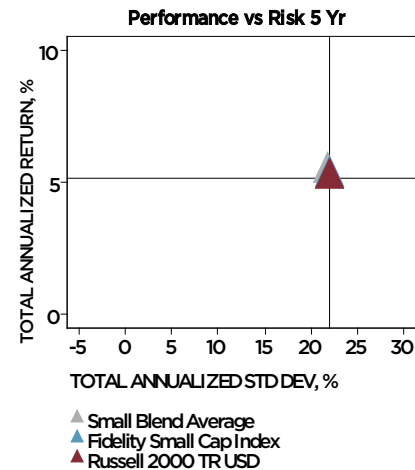
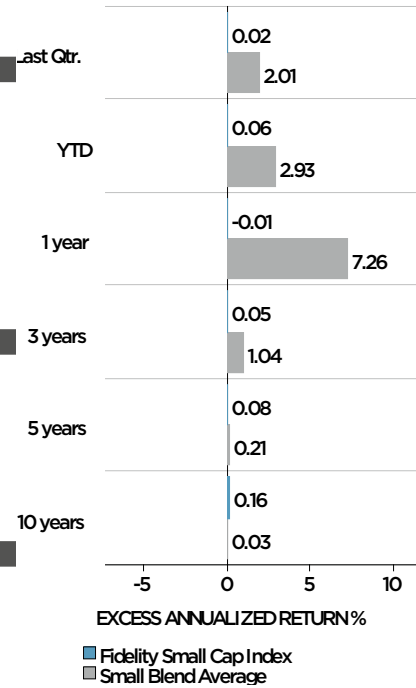
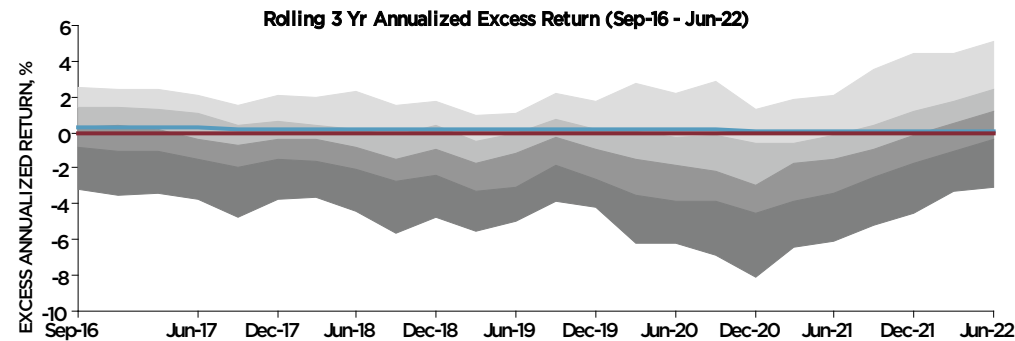
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FIDELITY SMALL CAP INDEX

Period Ending 6.30.22 | Q2 22

	Fidelity Small Cap Index	Peer Group Rank	Russell 2000 TR USD	Small Blend	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	22.02	63%	22.03	21.77	539
Sharpe Ratio	0.19	59%	0.18	0.20	539
Alpha	0.08	61%	0.00	0.38	539
Beta	1.00	27%	1.00	0.96	539
R-Squared	100.00	1%	100.00	94.10	539
Up Mkt Capture	100.22	33%	100.00	96.80	539
Down Mkt Capture	99.93	66%	100.00	96.30	539
Information Ratio	0.92	2%	NA	-0.10	539
TRAILING RETURNS					
Last Qtr.	-17.18	79%	-17.20	-15.19	557
YTD	-23.37	77%	-23.43	-20.49	557
1 Year	-25.20	92%	-25.20	-17.94	552
3 Years	4.26	67%	4.21	5.25	549
5 Years	5.25	57%	5.17	5.37	539
10 Years	9.51	51%	9.35	9.38	456
CALENDAR RETURNS					
2021	14.71	90%	14.82	23.15	551
2020	19.99	14%	19.96	12.07	551
2019	25.71	37%	25.53	24.65	548
2018	-10.88	37%	-11.01	-12.23	540
2017	14.85	27%	14.65	13.14	532



INVESTMENT PROFILE

Ticker	FSSNX
CUSIP	316146182
Net Assets \$MM	\$17,162.00
Manager Names	Team Managed
Manager Tenure	10.8 Years
Prospectus Exp Ratio	0.03%
Cat Median Exp Ratio	1.00%
Current 12b-1	N/A
Annulz Ret Since Incept	10.28%
Inception Date	09/08/2011
Phone Number	800-544-8544
Sub Advisor	Geode Capital Management, LLC

HOLDINGS OVERVIEW

Total Number of Holdings	2021
% Assets in Top 10 Holdings	5.21%
Avg Mkt Cap \$MM	\$2,372.10
Turnover Ratio	24.00%

TOP HOLDINGS

E-mini Russell 2000 Index	1.14%
Fidelity Revere Str Tr	1.04%
Ovintiv Inc	0.54%
Avis Budget Group Inc	0.45%
Antero Resources Corp	0.41%

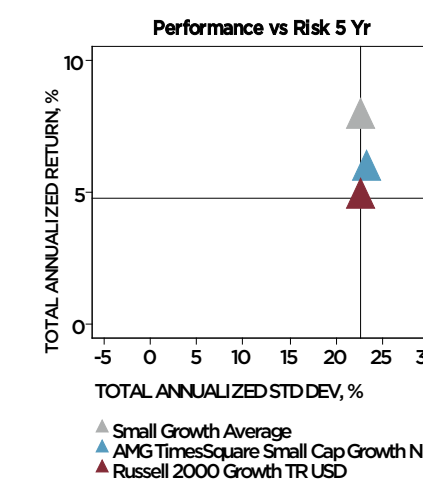
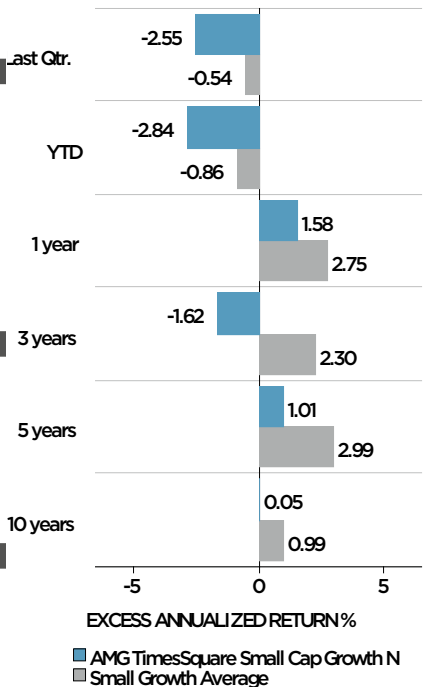
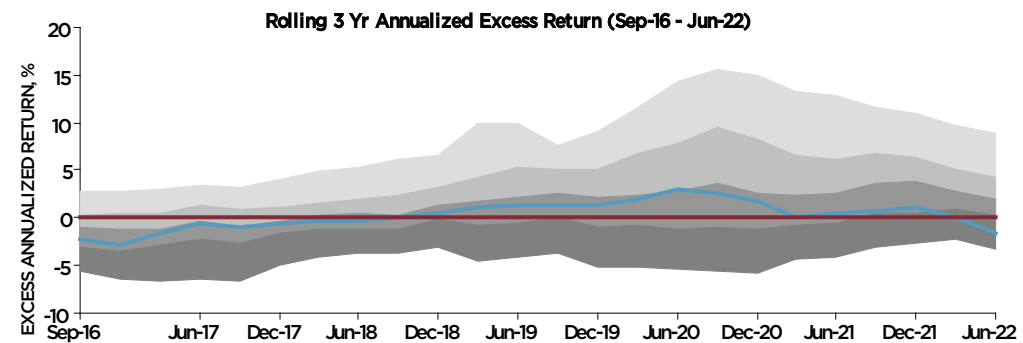
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AMG TIMESQUARE SMALL CAP GROWTH N

Period Ending 6.30.22 | Q2 22

	AMG TimesSquare Small Cap Growth N	Peer Group Rank	Russell 2000 Growth TR USD	Small Growth	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	23.25	69%	22.65	22.72	578
Sharpe Ratio	0.20	78%	0.16	0.30	578
Alpha	1.00	78%	0.00	3.17	578
Beta	1.00	27%	1.00	0.95	578
R-Squared	95.17	23%	100.00	90.72	578
Up Mkt Capture	105.69	36%	100.00	102.14	578
Down Mkt Capture	101.83	90%	100.00	92.23	578
Information Ratio	0.19	73%	NA	0.41	578
TRAILING RETURNS					
Last Qtr.	-21.80	73%	-19.25	-19.80	616
YTD	-32.29	70%	-29.45	-30.31	616
1 Year	-31.85	62%	-33.43	-30.68	611
3 Years	-0.22	92%	1.40	3.70	591
5 Years	5.81	76%	4.80	7.80	578
10 Years	9.34	73%	9.30	10.29	527
CALENDAR RETURNS					
2021	6.72	65%	2.83	10.06	608
2020	34.96	59%	34.63	41.28	607
2019	27.98	56%	28.48	29.60	590
2018	-4.38	46%	-9.31	-4.68	588
2017	20.87	63%	22.17	23.54	576



INVESTMENT PROFILE

Ticker	TSCPX
CUSIP	00170K737
Net Assets \$MM	\$244.00
Manager Names	Team Managed
Manager Tenure	22.5 Years
Prospectus Exp Ratio	1.19%
Cat Median Exp Ratio	1.12%
Current 12b-1	N/A
Annlzd Ret Since Incept	7.93%
Inception Date	01/21/2000
Phone Number	800-548-4539
Sub Advisor	TimesSquare Capital Management, LLC

HOLDINGS OVERVIEW

Total Number of Holdings	92
% Assets in Top 10 Holdings	20.56%
Avg Mkt Cap \$MM	\$3,052.63
Turnover Ratio	65.00%

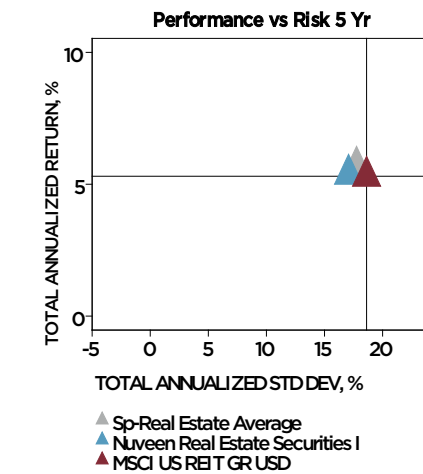
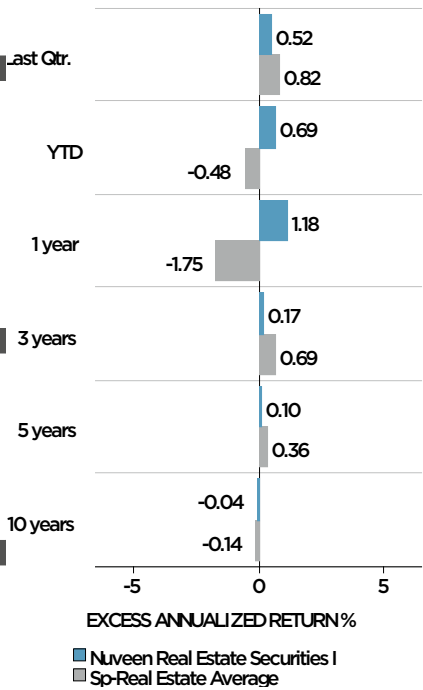
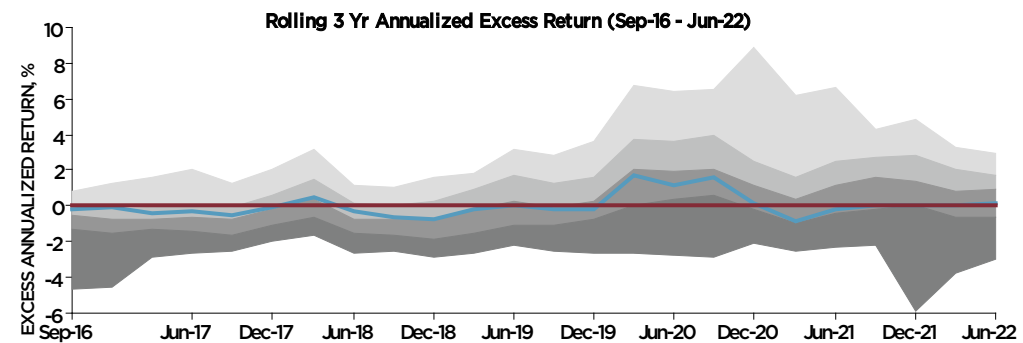
TOP HOLDINGS

EMCOR Group Inc	2.34%
Matador Resources Co	2.30%
Leslies Inc Ordinary Share:	2.25%
Onto Innovation Inc	2.21%
Casella Waste Systems Inc	2.08%

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	Nuveen Real Estate Securities I	Peer Group Rank	MSCI US REIT GR USD	Sp-Real Estate	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	17.07	27%	18.57	17.68	206
Sharpe Ratio	0.25	61%	0.23	0.26	206
Alpha	0.48	65%	0.00	0.68	206
Beta	0.91	65%	1.00	0.92	206
R-Squared	97.62	28%	100.00	93.96	206
Up Mkt Capture	93.72	72%	100.00	94.27	206
Down Mkt Capture	93.31	43%	100.00	92.65	206
Information Ratio	0.03	64%	NA	0.11	206
TRAILING RETURNS					
Last Qtr.	-16.42	54%	-16.95	-16.12	224
YTD	-19.63	24%	-20.32	-20.80	224
1 Year	-5.23	15%	-6.41	-8.16	220
3 Years	4.20	66%	4.03	4.72	219
5 Years	5.40	65%	5.30	5.66	206
10 Years	7.28	50%	7.32	7.18	184
CALENDAR RETURNS					
2021	41.32	55%	43.06	39.97	220
2020	-6.12	68%	-7.57	-3.29	220
2019	25.56	75%	25.84	28.12	219
2018	-5.51	48%	-4.57	-6.33	215
2017	5.61	54%	5.07	6.85	205



INVESTMENT PROFILE	
Ticker	FARCX
CUSIP	670678507
Net Assets \$MM	\$1,358.00
Manager Names	Team Managed
Manager Tenure	17.1 Years
Prospectus Exp Ratio	0.97%
Cat Median Exp Ratio	1.05%
Current 12b-1	0.00%
Annldz Ret Since Incept	10.61%
Inception Date	06/30/1995
Phone Number	800-257-8787
Sub Advisor	Nuveen Asset Management, LLC

HOLDINGS OVERVIEW	
Total Number of Holdings	80
% Assets in Top 10 Holdings	41.37%
Avg Mkt Cap \$MM	\$19,376.88
Turnover Ratio	101.00%

TOP HOLDINGS	
Prologis Inc	9.30%
Public Storage	5.70%
Equinix Inc	4.92%
Sun Communities Inc	3.46%
American Tower Corp	3.37%

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APPENDIX	
Advisory Services Review.....	
Plan Administration Review.....	
Action Items/Notes.....	



ALPHA

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

BATTING AVERAGE

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

BETA

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

CAPTURE RATIO

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

INFORMATION RATIO

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

PERCENTILE RANK

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

RISK-ADJUSTED PERFORMANCE

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

R-SQUARED

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

SHARPE RATIO

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

STANDARD DEVIATION

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

TRACKING ERROR

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

TREYNOR RATIO

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

	QUANTITATIVE EVALUATION ITEMS	QUALITATIVE EVALUATION ITEMS
<div data-bbox="233 397 579 448" data-label="Image"> </div> <p data-bbox="121 488 579 602">The following categories of the Investment Policy Monitor appear “Marked For Review” when:</p> <p data-bbox="121 773 585 829">CAPTRUST’s Investment Policy Monitoring Methodology</p> <p data-bbox="121 846 592 1015">The Investment Policy Monitoring Methodology document describes the systems and procedures CAPTRUST uses to monitor and evaluate the investment vehicles in your plan/account on a quarterly basis.</p> <p data-bbox="121 1049 564 1131">Our current Investment Policy Monitoring Methodology document can be accessed through the following link:</p> <p data-bbox="121 1166 510 1190">captrust.com/investmentmonitoring</p>	<p data-bbox="751 344 1150 368">3/5 Year Risk- adjusted Performance</p> <p data-bbox="751 386 1320 469">The investment option’s 3 or 5 Year Annualized Risk Adjusted Performance falls below the 50th percentile of the peer group.</p> <p data-bbox="751 531 1094 555">3/5 Year Performance vs. Peers</p> <p data-bbox="751 573 1312 656">The investment option’s 3 or 5 Year Annualized Peer Relative Performance falls below the 50th percentile of the peer group.</p> <p data-bbox="751 735 917 760">3/5 Year Style</p> <p data-bbox="751 777 1287 860">The investment option’s 3 or 5 Year R-Squared measure falls below the absolute threshold set per asset class.</p> <p data-bbox="751 914 978 938">3/5 Year Confidence</p> <p data-bbox="751 946 1268 1029">The investment option’s 3 or 5 Year Confidence Rating falls below the 50th percentile of the peer group.</p> <p data-bbox="751 1083 995 1107">Glidepath Assessment</p> <p data-bbox="751 1125 1310 1240">% of Equity Exposure: The combined percentage of an investment option’s equity exposure ranks in the top 20th percentile or bottom 20th percentile of the peer group.</p> <p data-bbox="751 1273 1316 1356">Regression to the Benchmark: The investment option’s sensitivity to market risk - as measured by beta relative to a Global Equity Index - is above 0.89.</p>	<p data-bbox="1409 344 1617 368">Fund Management</p> <p data-bbox="1409 386 1944 440">A significant disruption to the investment option’s management team has been discovered.</p> <p data-bbox="1409 505 1547 529">Fund Family</p> <p data-bbox="1409 553 1944 607">A significant disruption to the investment option’s parent company has been discovered.</p> <p data-bbox="1409 693 1652 717">Portfolio Construction</p> <p data-bbox="1409 735 1965 818">The investment option’s combined Portfolio Construction score is 6 or below out of a possible 15 points.</p> <p data-bbox="1409 889 1755 914">Underlying Investment Vehicles</p> <p data-bbox="1409 946 1923 1029">The investment option’s combined Underlying Investment Vehicles score is 6 or below out of a possible 15 points.</p>

Proposed Resolution

**Acceptance of 2022 Audited Financial Statements for Defined Benefit Pension Plan,
Defined Contribution Pension Plan, and Retiree Benefit Plan**

Resolved, that the Corporate Secretary receive and place on file the Defined Benefit, Defined Contribution, and Retiree Benefit Plan reports presented during the Pension Trustee Meeting.

Staff comments: All three Plans received clean audit reports.

Motion by Commissioner _____, Seconded by Commissioner _____ to approve the Resolution at a Board meeting held on November 15, 2022.