

Investment Update Friday, September 9, 2022

Transfer Schedule

Tranche #	Transfer Date	Number of Funds		\$ millions	
		Tranche	Total	Tranche	Total
1	March 1, 2022	14	14	220	220
2	April 1, 2022	18	32	443	663
3	May 2, 2022	14	46	354	1,017
4	June 1, 2022	27	73	771	1,787
5	June 24, 2022	46	119	1,249	3,037
6	August 1, 2022	36	155	1,464	4,500
7	September 1, 2022	64	219	2,040	6,540
8	October 3, 2022	74	293	1,090	7,630
9	November 1, 2022	35	328	604	8,234
DNT	Did Not Transfer	11	339	345	8,579
LIT	litigation plaintiffs	16	355	1,331	9,909

Preliminary Performance Estimates

Overall¹	March	April	May	June	July
State Street	0.6%	-4.5%	0.8%	-5.0%	3.6%
Verus	0.5%	-5.0%	0.2%	-5.1%	
Policy Benchmark ²	0.5%	-4.9%	0.0%	-5.8%	4.3%
Broad Benchmark ³	0.6%	-7.2%	0.1%	-7.1%	5.7%
Investment Pool					
	March	April	May	June	July
State Street		-5.2%	0.3%	-5.8%	4.6%
Verus		-5.1%	0.2%	-5.8%	
Policy Benchmark ²	0.5%	-4.9%	0.0%	-5.8%	4.3%
Broad Benchmark ³	0.6%	-7.2%	0.1%	-7.1%	5.7%

1 - Overall includes the Investment Pool plus assets in transition

2 - Policy Benchmark is the weighted average of asset class benchmarks

3 - Broad Benchmark is 70% global stocks and 30% global bonds

Performance Commentary

- Initial performance measurement results can vary widely based on calculation methodology.
 - Numerous initial cash flows that are large relative to the overall fund create a measurement challenge.
 - State Street using large flow basis.
 - Verus using daily performance basis until fund is stable.
- March and April “monthly flash” reports posted on IPOPIF website. May and June are being finalized.
- Verus quarterly report expected shortly.
- Much quicker report turnaround expected once transition is complete, and process is stabilized.

Asset Allocation 9/7/22

Account	Current		Target		Variance	
	\$M	%	\$M	%	\$M	%
Growth	1,971	49.4%	1,994	50.0%	(24)	-0.6%
RHUMBLINE US LARGE	730	18.3%	718	18.0%	12	0.3%
RHUMBLINE US SMALL	205	5.1%	199	5.0%	6	0.1%
SSGA NON-US DEVELOPED	572	14.3%	598	15.0%	(26)	-0.7%
SSGA NON-US DEVELOPED SC	191	4.8%	199	5.0%	(9)	-0.2%
SSGA EM EQUITY	272	6.8%	279	7.0%	(7)	-0.2%
Income	633	15.9%	638	16.0%	(5)	-0.1%
SSGA HIGH YIELD	400	10.0%	399	10.0%	1	0.0%
SSGA EM DEBT	233	5.8%	239	6.0%	(6)	-0.2%
Inflation Protection	377	9.5%	359	9.0%	18	0.5%
SSGA TIPS	126	3.2%	120	3.0%	6	0.2%
SSGA REITS	122	3.1%	160	4.0%	(38)	-0.9%
PRINCIPAL US PROPERTY	129	3.2%	80	2.0%	50	1.2%
Risk Mitigation	1,008	25.3%	997	25.0%	11	0.3%
IPOPIF CASH	130	3.3%	120	3.0%	11	0.3%
SSGA ST GOV-CREDIT	601	15.1%	598	15.0%	3	0.1%
SSGA CORE BONDS	277	6.9%	279	7.0%	(2)	-0.1%
Total Investment Pool	3,989	100.0%	3,989	100.0%	-	0.0%
Transition Pool	319					
Participant Fund Accounts	2,091					
Grand Total	6,398					

General Commentary

- Organizational Structure
 - New investment officer started July 19
 - Need operations and accounting personnel
- Cash flow planning
 - Currently cash flow positive due to transfers of residual cash
 - After transition, expect roughly 1% net outflow annually
 - Will start rolling cash flow forecast next year
- Non-transferrable Assets
 - Accepting contributions of excess cash
 - Verus starting evaluation of insurance contracts
- Project List
 - Active management planning and implementation
 - Migration to long-term asset allocation
 - Develop and implement ESG policy