



**Employee Pension Board of Trustees
Pension Board Meeting Agenda
October 19, 2021
3:00 PM
Online Meeting**

Zoom Meeting Link

<https://us02web.zoom.us/j/85787665778>

Zoom Meeting ID

857 8766 5778

Zoom by Phone

1-312-626-6799

Call to Order

Public Comments

Approve Agenda

Approve Minutes

Approval of July 20, 2021 Employee Pension Board of Trustees Pension Board Meeting Minutes

New Business

***Appoint New Chair and Vice Chair
Sunpointe Investments - Presenting***

Quarterly Sunpointe Report 9-30-21

Commerce Bank - Report Only

Quarterly Commerce Bank Report 9-30-21

Milliman Reports

Actuarial Valuation

Gasb 67 68

***Joint Work Session Discussion
Schwab Account Signers***

Old Business



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Discussion of Meetings Held Online or In Person

Retirement Activity

***Don Fischer Retired 9/30/21 - Public Works
Alan Mueller Retired 9/30/21 - Public Works***

Invoices

Meeting Schedule

2022 Meeting Schedule

Adjournment



**Employee Pension Board of Trustees
Pension Board Meeting Minutes
July 20, 2021
3:00 PM
Online Meeting**

Zoom Meeting Information

<https://us02web.zoom.us/j/86042353652>

Meeting ID: 860 4235 3652

Call to Order

| | | |
|------------------|-------------------------|----------|
| Jeff Hartman | Chief of Police | |
| David Caldwell | Vice Chair | |
| Joseph Martinich | Council Liaison | |
| Michael Karasick | Chair | |
| Ted Armstrong | Board Member | |
| Carol Lippman | Board Member | |
| Brad Holmes | Employee Representative | (Absent) |
| Lori Obermoeller | Director of Finance | |
| Anne Cronin | | |
| Jack Dwyer | | |
| Lee Boudouris | | |
| Matt McCarty | | |
| John Bascio | | |
| Rhonda O'Brien | Board Member | |

Public Comments

The Pension Board on 7/20/21 was David Caldwell's, Vice Chairman, last meeting. The Board welcomed new members Rhonda O'Brien and Joe Martinich, City Council Representative. At the next meeting, the Pension Board will vote for a new Chairman and Vice Chairman. Michael Karasick called the meeting to order and asked if anyone from the public was attending with comments for the Board. No one from the public had any comments.

Approve Agenda

Approve Agenda

| | |
|------------------|--|
| RESULT: | APPROVED [UNANIMOUS] |
| MOVER: | Michael Karasick, Chair |
| SECONDER: | Carol Lippman, Board Member |
| AYES: | Hartman, Caldwell, Martinich, Karasick, Armstrong, Lippman |
| ABSENT: | Holmes |

Approve Minutes

Approval of April 20, 2021 Employee Pension Board of Trustees Pension Board Meeting Minutes



**Employee Pension Board of Trustees
Pension Board Meeting Minutes
July 20, 2021
3:00 PM
Online Meeting**

| | |
|------------------|--|
| RESULT: | ACCEPTED [UNANIMOUS] |
| MOVER: | Ted Armstrong, Board Member |
| SECONDER: | David Caldwell, Vice Chair |
| AYES: | Hartman, Caldwell, Martinich, Karasick, Armstrong, Lippman |
| ABSENT: | Holmes |

Approve Minutes

| | |
|------------------|--|
| RESULT: | APPROVED [UNANIMOUS] |
| MOVER: | Ted Armstrong, Board Member |
| SECONDER: | David Caldwell, Vice Chair |
| AYES: | Hartman, Caldwell, Martinich, Karasick, Armstrong, Lippman |
| ABSENT: | Holmes |

New Business

The following summary of the Pension Board’s quarterly meeting discussion topics was provided by Jack Dwyer with Sunpointe Investments.

The primary purpose of the meeting was to 1) Update you on portfolio implementation and performance for the quarter, 2) Approve the revised investment policy Statement (IPS), 3), Review the Commerce Bond portfolio and mandate, and 4) Discuss future implementation including active management in US small-cap and international equities. The following is a summary of our discussion.

(1) Portfolio Implementation Update:

- Trimmed the **Vanguard Total Stock Market** and **Vanguard Mid Cap** funds by approximately \$300,000 each on 4/22/21.
- Used the proceeds of these trades to invest \$300,000 each in **Cliffwater Corporate Lending** and **PIMCO Income Fund** on 4/26/21.

(2) Quarterly Performance Report:

- Sunpointe and the Pension Board reviewed the June 2021 performance report for the pension plan.
- The portfolio returned 5.3% during the second quarter and 27.7% over the past 12 months. The full performance is in the meeting’s agenda packet.
- For the quarter, the portfolio underperformed the 70% ACWI IMI/ 30% Barclays Aggregate Benchmark by 0.3%. The bond portfolio slightly outperformed the Barclays Aggregate, but the value, small-cap, and infrastructure allocations all trailed the ACWI IMI index for the quarter.
- Year-to-date, the portfolio has outperformed the 70/30 benchmark by 1%.
- Sunpointe and the Board discussed a comparison to LAGERS. The most recent report is from 3/31/21. For the first quarter, the CCERP portfolio returned 3.8% (vs. 5.2% for LAGERS). For the 12 months ending 3/31/21, the CCERP portfolio returned 39.9% (vs 28.5% for LAGERS). Comparisons between the two plans should be viewed in the context that LAGERS portfolio is about half private investments and using 35% leverage.

(3) Investment Policy Statement (IPS):

- The Board approved the updated IPS that included:
 - Redlined changes regarding applicable benchmarks and spending language.

Minutes Acceptance: Minutes of Jul 20, 2021 3:00 PM (Approve Minutes)



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- Rewording the statement regarding the bond allocation to: “The total of below investment grade bonds, emerging market debt, and interval fund fixed income may not be more than 25% of the fixed income allocation.”
 - Moved “Infrastructure” next to the other components of the “Equity” major asset class in the chart on page 5 of the IPS. (Per Carol Lippman’s Suggestion)
 - Updated the effective date from June to July 2021.
 - Jack Dwyer sent Mike Karasick a clean revised IPS for signature on 7/21/21.
- (4) Commerce Bond Portfolio and Mandate
- The Board considered any possible changes to Commerce Bank’s mandate including increasing the allowable allocation to BBB bonds in the portfolio.
 - Matt McCarty of Commerce Bank noted that of the 22.1% of BBB rated bonds shown in the Commerce report, 5 bonds or 5.6% are split-rated (rated A3 or better by at least one rating agency). If the Board were to take the higher rating, then that would move the BBB exposure to 16.5%.
 - In the end, the Board decided to maintain the current 20% limit on BBB rated bonds, but to clarify that split-rated bonds where at least one rating agency rates the bond A3 / A- or above would not apply to that limit. Mr. McCarty agreed to add that measure to their report to assist in monitoring.
- (5) New Implementation:
- We (Sunpointe) discussed our analysis that active management has historically made sense in US small-cap and unconstrained (ACWI ex-US) international equities and presented two new managers.
 - The Board considered **Fuller & Thaler Behavioral Small Cap Equity** and discussed that the fund had displayed less volatility and lower drawdowns than the index and current ETFs. In the end, the Board decided not to approve the fund for use at this time, in part due to the higher fees involved with the active manager.
 - The Board approved the use of **Goldman Sachs GQG Partners International Opportunities** which will replace the portion of the passive non-US equity exposure currently with **iShares MSCI International Quality** and **Vanguard International Dividend Appreciation**.
 - We (Sunpointe) placed trades to implement the inclusion of **Goldman Sachs GQG Partners International Opportunities**, rebalanced the portfolio to its target risk profile on 7/21/21, and transferred \$500,000 to the Commerce account on 7/23/21.

Commerce Bank Quarterly Report - Presenting

Sunpointe Quarterly Report - Presenting

Other Notes on the Quarterly Performance Report

Sunpointe proposed to the Board the idea of having a manager, Fuller & Thaler Behavioral Small Cap Equity, for the small cap area. Mr. Dwyer explained that the 4.6% of small cap would be split equally between active and passive management. Ted Armstrong commented that the small cap area is a very small portion of the portfolio. This addition of management would increase the expense ratio and might not be profitable. Mr. Armstrong proposed making changes to the international area as opposed to small cap. He stated that the need to increase returns for small cap are not necessary at this time. Michael Karasick added that a small cap manager should be used to protect the investments. Mr. Dwyer explained that protection of the investments was the reasoning behind suggesting the additions to the Board. He continued that if the Board were to choose between making changes to international or small cap that international would be more of a priority and a higher chance of outperforming. The international change proposed by Sunpointe would replace the two quality managers from international and emerging markets (iShares MSCI International Quality and Vanguard

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International Dividend Appreciation) with Goldman Sachs GQG Partners International Opportunities. The Board decided to approve the change to Goldman Sachs due to its lower basis points.

Review Investment Policy Assumptions and Asset Allocations

Other Notes on Investment Policy Statement (IPS)

The Board discussed the limit on the fixed income allocation of no more than 15% of the bond allocation could be in below investment grade or emerging market bonds.

Mr. Dwyer suggested specifying that the category should also include fixed income interval funds (the Cliffwater investment) and that therefore, the limit should be increased from 15% to 25% of the fixed income allocation.

Joe Martinich expressed concern with the need to raise the limit on these types of bonds from 15% to 25%. David Caldwell added further a concern about how Sunpointe will monitor managers going over the 25%. Mr. Dwyer explained that the other 75% of the bond portfolio is reserved for bonds that are low volatility stable and likely to go up in value by only roughly 1-3% per year over the next 5 years. The 25% of the fixed income allocation dedicated to below investment grade, emerging market bonds, and interval fixed income should have a higher expected return, but a volatility of less than 10% which is significantly less than the volatility expected from equity investments. The Board decided to change the constraint to: "The total of below investment grade bonds, emerging market debt, and interval fund fixed income may not be more than 25% of the fixed income allocation."

Approve Changes to IPS as so Noted

| | |
|------------------|--|
| RESULT: | APPROVED [UNANIMOUS] |
| MOVER: | Carol Lippman, Board Member |
| SECONDER: | David Caldwell, Vice Chair |
| AYES: | Hartman, Caldwell, Martinich, Karasick, Armstrong, Lippman |
| ABSENT: | Holmes |

Discussion of LAGERS Quarterly Report and Performance

The Board quickly reviewed the LAGERS performance report and requested that this report be included in the agenda packets annually.

Discussion of Future Meetings

The Board discussed whether they should meet in person or online. They discussed the health concern and compared how other committees were conducting their meetings. Due to the unpredictability of the pandemic, the Board decided to hold the October meeting on Zoom. At the October meeting, they will discuss further returning to in person meetings.

Hold Pension Board Meeting on October 19, 2021 Via Online

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**Employee Pension Board of Trustees
Pension Board Meeting Minutes
July 20, 2021
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Online Meeting**

| | |
|------------------|---------------------------------------|
| RESULT: | APPROVED [4 TO 0] |
| MOVER: | Carol Lippman, Board Member |
| SECONDER: | Ted Armstrong, Board Member |
| AYES: | Hartman, Karasick, Armstrong, Lippman |
| ABSTAIN: | Caldwell, Martinich |
| ABSENT: | Holmes |

Old Business

Retirement Activity

The Board was made aware of the recent retirements and an invoice paid to Commerce Trust.

Dennis Woods - 6/30/2021

Patsy R. Rosenblatt - Deceased

Invoices

June Invoices Paid

Adjournment

Jeff Hartman will be stepping down from the Board due to his recent promotion. The City Police Department will nominate a new representative to serve on the Board for the next meeting.

Adjourn

| | |
|------------------|---|
| RESULT: | APPROVED [UNANIMOUS] |
| MOVER: | David Caldwell, Vice Chair |
| SECONDER: | Jeff Hartman, Chief of Police |
| AYES: | Hartman, Caldwell, Karasick, Armstrong, Lippman |
| ABSENT: | Martinich, Holmes |

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St. Louis, MO 6310
P: (314) 880-082
SunpointeInvestments.coi

Creve Coeur Employee Retirement Plan

Quarterly Performance Report

Period Ending: 09-30-2021



Communication: Quarterly Sunpointe Report 9-30-21 (Sunpointe Investments - Presenting)

September saw increased equity market volatility and a decline in equity prices. It is worth noting that this volatility in the equity market is entirely normal; the average intra-year drop in the S&P 500 since 1980 is 14.3% while the recent pullback was slightly more than 5%. Concerns over rising interest rates and Chinese property developer Evergrande sparked the volatility. Bond prices were little changed during the quarter as yields fell in the first half of the quarter but then rose back to a level near where they started the quarter.

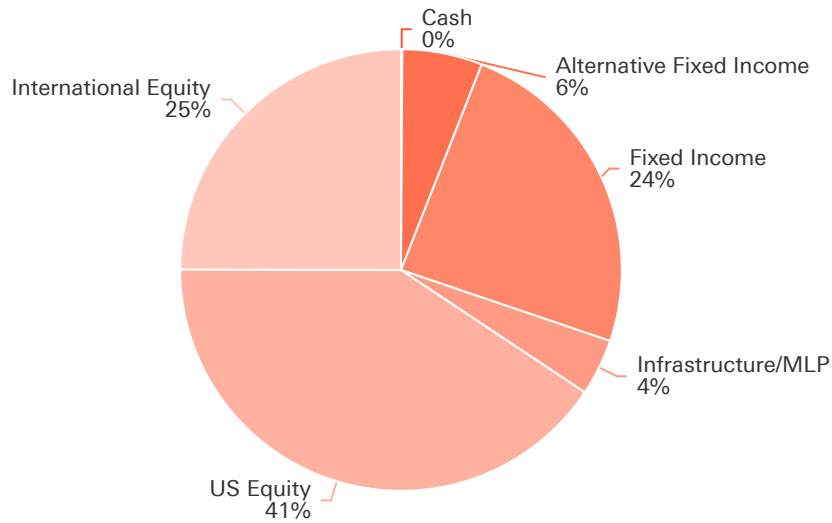
Unemployment fell to 5.2% in August, down from 5.9% last quarter. Inflation continued its recent jump with the headline PCE deflator up to 4.3%. Wage growth was up to 4.9%, above the 50-year average of 4%. While we expect inflation to fall over the next year from its current level to closer to 2.5%, we do expect it to remain above the Federal Reserve's target of 2%. Therefore, our base case is the that the Fed will begin tapering of bond buying in the next few months and make its first rate increase by the end of 2022. These Fed actions risk increasing yields which would hurt the prices of longer duration bonds and could introduce additional volatility into the equity markets.

Market Returns

| INDEX | 3MO (%) | YTD (%) | 1YR (%) | 3YR (%) | 5YR (%) | 7YR (%) | 10YF (%) |
|---|---------|---------|---------|---------|---------|---------|----------|
| <i>FTSE USBIG Treasury Bill 3M</i> | 0.0% | 0.0% | 0.1% | 1.1% | 1.1% | 0.8% | 0.6% |
| <i>Bloomberg US Aggregate (Total Return)</i> | 0.1% | (1.6%) | (0.9%) | 5.4% | 2.9% | 3.3% | 3.0% |
| <i>Bloomberg US Corporate High Yield (Total Return)</i> | 0.9% | 4.5% | 11.3% | 6.9% | 6.5% | 5.9% | 7.4% |
| <i>CRSP US Total Market (Total Return)</i> | (0.1%) | 15.2% | 32.1% | 16.0% | 16.9% | 13.9% | 16.6% |
| <i>MSCI All Country World IMI (Net Return)</i> | (1.1%) | 11.4% | 28.9% | 12.4% | 13.1% | 10.0% | 11.9% |
| <i>S&P 500 (Total Return)</i> | 0.6% | 15.9% | 30.0% | 16.0% | 16.9% | 14.0% | 16.6% |
| <i>CRSP US Mid Capital (Total Return)</i> | 0.0% | 15.3% | 36.1% | 14.7% | 14.6% | 12.4% | 15.6% |
| <i>CRSP US Small Cap (Total Return)</i> | (2.6%) | 13.3% | 44.0% | 12.0% | 13.9% | 11.9% | 15.3% |
| <i>FTSE EPRA/NAREIT Global</i> | (2.2%) | 9.8% | 22.8% | 2.4% | 1.3% | 2.4% | 4.8% |
| <i>FTSE Developed Ex US (USD) (Total Return)</i> | (1.2%) | 8.8% | 27.3% | 8.6% | 9.7% | 6.5% | 8.6% |
| <i>FTSE Emerging (USD) (Total Return)</i> | (6.6%) | 1.1% | 18.9% | 9.7% | 9.5% | 6.0% | 6.5% |
| <i>Bloomberg Commodity Index</i> | 6.6% | 29.1% | 42.3% | 6.9% | 4.5% | (1.5%) | (2.7%) |
| <i>S&P Global Infrastructure (Total Return)</i> | 1.5% | 7.0% | 23.0% | 6.7% | 5.9% | 4.9% | 7.8% |

Communication: Quarterly Sunpointe Report 9-30-21 (Sunpointe Investments - Presenting)

Actual %



Market Value History



| CC MASTER ASSET CLASS | PORTFOLIO % | ADJUSTED VALUE (USD) | QTD TWR |
|--------------------------|---------------|----------------------|---------------|
| Cash | 0.1% | \$32,506 | 0.0% |
| Alternative Fixed Income | 5.9% | \$1,933,500 | 2.3% |
| Fixed Income | 24.3% | \$8,003,602 | 0.0% |
| Infrastructure/MLP | 4.1% | \$1,366,287 | (0.9%) |
| US Equity | 40.7% | \$13,432,068 | (0.4%) |
| International Equity | 25.0% | \$8,236,080 | (3.3%) |
| Total | 100.0% | \$33,004,042 | (0.9%) |

Cash Flows

| | QTD | YTD |
|---------------------------|--------------|--------------|
| Starting Value | \$33,095,491 | \$31,200,630 |
| Gain/Loss | (\$481,027) | \$2,026,829 |
| Net Income | \$162,345 | \$496,598 |
| Net Cash Flow | \$217,103 | (\$720,923) |
| Change In Accrued Inco... | \$10,129 | \$90,000 |
| Ending Value | \$33,004,042 | \$33,004,042 |

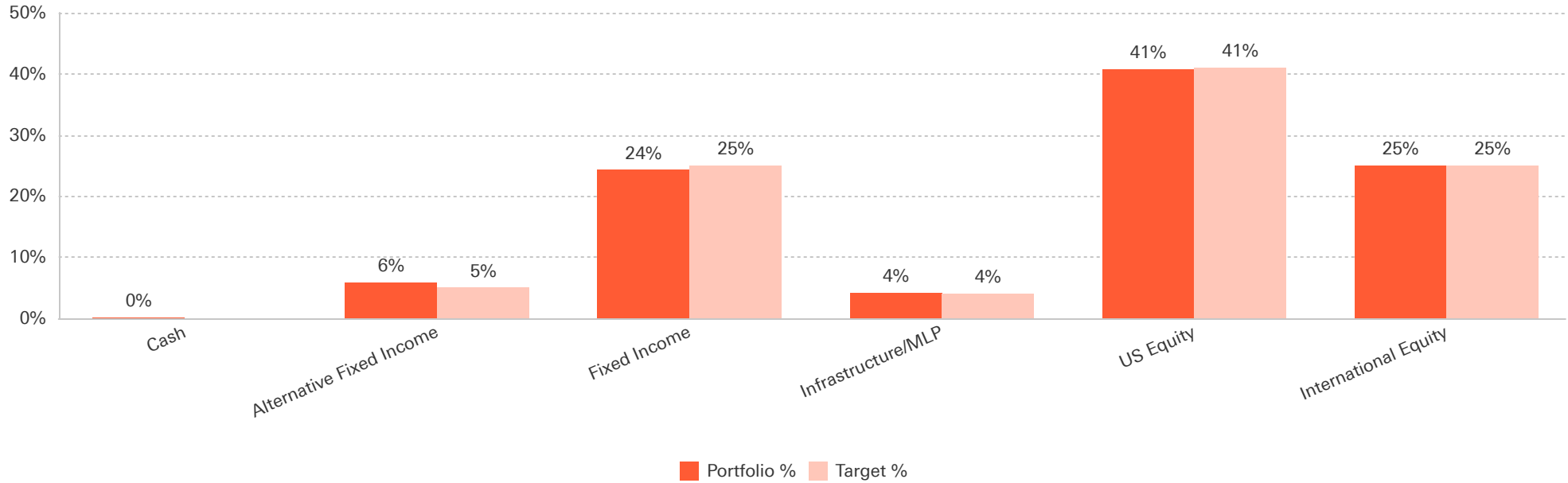
Communication: Quarterly Sunpointe Report 9-30-21 (Sunpointe Investments - Presenting)

| | MARKET VALUE | PORTFOLIO | 3MO | YTD | 1YR | 3YR | 5YR | 7YR | 10YR | 10 Y STD |
|---|-------------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|-------------|
| Total | 33,004,042 | 100.0% | (0.9%) | 8.2% | 20.2% | 10.2% | 9.9% | 8.3% | 9.9% | 9.5' |
| <i>CCERP Blended Benchmark</i> | | | <i>(0.7%)</i> | <i>7.5%</i> | <i>20.2%</i> | <i>9.4%</i> | <i>9.2%</i> | <i>7.6%</i> | <i>9.3%</i> | <i>9.5</i> |
| <i>70% MSCI ACWI IMI / 30% Bloomberg Agg</i> | | | <i>(0.7%)</i> | <i>7.4%</i> | <i>19.4%</i> | <i>10.6%</i> | <i>10.2%</i> | <i>8.2%</i> | <i>9.4%</i> | <i>9.6</i> |
| <i>CCERP Actuarial Target (6.75%)</i> | | | <i>1.7%</i> | <i>5.0%</i> | <i>6.7%</i> | <i>6.7%</i> | <i>6.8%</i> | <i>6.9%</i> | <i>7.1%</i> | <i>0.1</i> |
| Risk Mitigation Asset | 9,969,608 | 30.2% | 0.4% | 1.0% | | | | | | |
| Defensive | 8,036,108 | 24.3% | 0.0% | (0.4%) | | | | | | |
| Cash | 32,506 | 0.1% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | |
| <i>FTSE USBIG Treasury Bill 3M</i> | | | <i>0.0%</i> | <i>0.0%</i> | <i>0.1%</i> | <i>1.1%</i> | <i>1.1%</i> | <i>0.8%</i> | <i>0.6%</i> | |
| USD | 32,506 | 0.1% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | |
| US Fixed Income | 8,003,602 | 24.3% | 0.0% | (0.3%) | | | | | | |
| <i>Bloomberg US Aggregate (Total Return)</i> | | | <i>0.1%</i> | <i>(1.6%)</i> | <i>(0.9%)</i> | <i>5.4%</i> | <i>2.9%</i> | <i>3.3%</i> | <i>3.0%</i> | |
| Commerce Core Bond Account | 6,154,425 | 18.6% | (0.1%) | (0.8%) | 0.1% | 5.7% | 3.3% | 3.5% | 5.7% | |
| PIMCO Income Fund | 1,310,473 | 4.0% | 0.7% | 2.5% | | | | | | |
| Vanguard Intermediate-Term Corporate Bond ETF | 538,703 | 1.6% | | | | | | | | |
| Flexible | 1,933,500 | 5.9% | 2.3% | 7.9% | | | | | | |
| Credit Strategies | 1,933,500 | 5.9% | 2.3% | 7.9% | | | | | | |
| <i>Bloomberg US Credit Corporate 5-10 Year</i> | | | <i>(0.6%)</i> | <i>(2.6%)</i> | | | | | | |
| Cliffwater Corp Lending FD I | 1,933,500 | 5.9% | 2.3% | 7.9% | | | | | | |
| Risky Asset | 23,034,434 | 69.8% | (1.5%) | 11.3% | | | | | | |
| Growth | 21,668,148 | 65.7% | (1.5%) | 11.3% | | | | | | |
| US Large Core Equity | 11,737,009 | 35.6% | (0.1%) | 14.6% | | | | | | |
| <i>CRSP US Total Market (Total Return)</i> | | | <i>(0.1%)</i> | <i>15.2%</i> | | | | | | |
| iShares MSCI USA Quality | 1,389,752 | 4.2% | (0.5%) | 14.6% | | | | | | |
| Vanguard Dividend Appreciation | 1,317,888 | 4.0% | (0.3%) | 10.2% | | | | | | |
| Vanguard Total Stock Market | 9,029,370 | 27.4% | 0.0% | 15.1% | | | | | | |
| US Large Cap Value | 597,522 | 1.8% | (0.9%) | 15.7% | | | | | | |
| <i>CRSP US Large Capital Value (Total Return)</i> | | | <i>(0.9%)</i> | <i>15.7%</i> | <i>32.5%</i> | <i>9.9%</i> | <i>12.2%</i> | <i>10.4%</i> | - | |
| Vanguard Value ETF | 597,522 | 1.8% | (0.9%) | 15.7% | 32.9% | 9.9% | 12.2% | 10.4% | 14.1% | |
| US Small Cap Value Equity | 415,428 | 1.3% | (2.2%) | 20.4% | | | | | | |
| <i>CRSP US Small Cap Value (Total Return)</i> | | | <i>(2.2%)</i> | <i>20.4%</i> | <i>55.8%</i> | <i>8.8%</i> | <i>11.0%</i> | <i>10.2%</i> | - | |
| Vanguard Small Cap Value ETF IV | 415,428 | 1.3% | (2.2%) | 20.4% | 54.0% | 8.5% | 10.8% | 10.0% | 14.1% | |
| US Small Cap Equity | 682,108 | 2.1% | (2.7%) | 13.2% | | | | | | |
| <i>CRSP US Small Cap (Total Return)</i> | | | <i>(2.6%)</i> | <i>13.3%</i> | <i>44.0%</i> | <i>12.0%</i> | <i>13.9%</i> | <i>11.9%</i> | <i>15.3%</i> | |
| Vanguard Small Cap ETF | 682,108 | 2.1% | (2.7%) | 13.2% | 44.0% | 11.9% | 14.0% | 12.0% | 15.3% | |

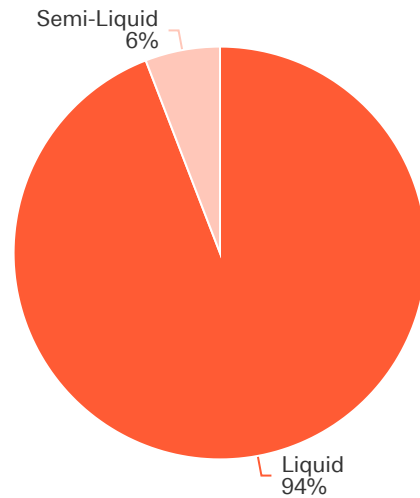
Communication: Quarterly Sunpointe Report 9-30-21 (Sunpointe Investments - Presenting)

| RISK LEVEL | MARKET VALUE | PORTFOLIO | 3MO | YTD | 1YR | 3YR | 5YR | 7YR | 10YR |
|---|------------------|--------------|---------------|-------------|--------------|-------------|-------------|-------------|-------------|
| International All Cap/Large Cap Equity | 4,734,228 | 14.3% | (1.2%) | 8.7% | | | | | |
| <i>FTSE Developed Ex US (USD) (Total Return)</i> | | | <i>(1.2%)</i> | <i>8.8%</i> | <i>27.3%</i> | <i>8.6%</i> | <i>9.7%</i> | <i>6.5%</i> | <i>8.6%</i> |
| Vanguard FTSE Developed Markets ETF | 3,440,187 | 10.4% | (1.6%) | 8.7% | 26.6% | 8.2% | 9.2% | 6.4% | 8.7% |
| MSCI EAFE (USD) (Net Return) | | | (0.4%) | 8.3% | 25.7% | 7.6% | 8.8% | 5.8% | 8.1% |
| Goldman Sachs GQG Partners Intl Oppty Inst | 1,294,041 | 3.9% | | | | | | | |
| International Large Cap Value Equity | 536,432 | 1.6% | (1.8%) | 9.5% | | | | | |
| <i>MSCI EAFE Value (Net Return)</i> | | | <i>(1.0%)</i> | <i>9.6%</i> | <i>30.7%</i> | <i>3.0%</i> | <i>6.0%</i> | <i>2.7%</i> | <i>6.0%</i> |
| iShares MSCI EAFE Value ETF | 536,432 | 1.6% | (1.8%) | 9.5% | 29.9% | 2.8% | 5.6% | 2.5% | 5.9% |
| Emerging Market Equity | 2,965,420 | 9.0% | (7.0%) | 1.5% | | | | | |
| <i>FTSE Emerging (USD) (Total Return)</i> | | | <i>(6.6%)</i> | <i>1.1%</i> | <i>18.9%</i> | <i>9.7%</i> | <i>9.5%</i> | <i>6.0%</i> | <i>6.5%</i> |
| Vanguard EM Equity Fund | 2,965,420 | 9.0% | (7.0%) | 1.5% | 18.1% | 9.6% | 8.6% | 5.3% | 6.3% |
| Hybrid/Income | 1,366,287 | 4.1% | (0.9%) | 7.0% | 15.3% | 4.1% | 1.0% | 3.4% | 6.0% |
| Infrastructure/MLP | 1,366,287 | 4.1% | (0.9%) | | | | | | |
| <i>S&P Global Infrastructure (Total Return)</i> | | | | <i>1.5%</i> | | | | | |
| Frontier MFG Select Infrastructure | 1,366,287 | 4.1% | (0.9%) | | | | | | |

Actual % VS Target %



Liquidity



For IPS compliance, the Infrastructure/MLP allocation is considered part of US Equity.

Communication: Quarterly Sunpointe Report 9-30-21 (Sunpointe Investments - Presenting)



Expenses and Fees

| ROLLED UP ACCOUNT | SUNPOINTE ASSET CLASS | TICKER SYMBOL | VALUE (USD) | EXP RATIO | ANNUAL COS |
|--|--|---------------|---------------------|-------------|-----------------|
| Commerce Core Bond Account | US Fixed Income | - | \$6,154,425 | 0.30 | \$18,467 |
| Cliffwater Corp Lending FD I | Credit Strategies | CCLFX | \$1,933,500 | 1.79 | \$34,611 |
| Frontier MFG Select Infrastructure | Infrastructure/MLP | FMSSX | \$1,366,287 | 0.95 | \$12,988 |
| Goldman Sachs GQG Partners Intl Oppty Inst | International All Cap/Large Cap Equity | GSIMX | \$1,294,041 | 0.79 | \$10,222 |
| iShares MSCI EAFE Value ETF | International Large Cap Value Equity | EFV | \$536,432 | 0.39 | \$2,099 |
| iShares MSCI USA Quality | US Large Core Equity | QUAL | \$1,389,752 | 0.15 | \$2,088 |
| PIMCO Income Fund | US Fixed Income | PIMIX | \$1,310,473 | 0.62 | \$8,122 |
| Vanguard Dividend Appreciation | US Large Core Equity | VIG | \$1,317,888 | 0.06 | \$79 |
| Vanguard EM Equity Fund | Emerging Market Equity | VWO | \$2,965,420 | 0.10 | \$2,966 |
| Vanguard FTSE Developed Markets ETF | International All Cap/Large Cap Equity | VEA | \$3,440,187 | 0.05 | \$1,722 |
| Vanguard Intermediate-Term Corporate Bond E... | US Fixed Income | VCIT | \$538,703 | 0.05 | \$26 |
| Vanguard Small Cap ETF | US Small Cap Equity | VB | \$682,108 | 0.05 | \$34 |
| Vanguard Small Cap Value ETF IV | US Small Cap Value Equity | VBR | \$415,428 | 0.07 | \$29 |
| Vanguard Total Stock Market | US Large Core Equity | VTI | \$9,029,370 | 0.03 | \$2,707 |
| Vanguard Value ETF | US Large Cap Value | VTV | \$597,522 | 0.04 | \$23 |
| Total | | | \$32,971,536 | | |

Fees Paid

| TRADE DATE | ACCOUNT NAME | TYPE | VALUE |
|------------|----------------------------|--------------------------|---------------|
| 09-15-2021 | Commerce Core Bond Account | Account Fee | (\$1,580.66) |
| 09-15-2021 | Commerce Core Bond Account | Account Fee | (\$172.00) |
| 08-13-2021 | Commerce Core Bond Account | Account Fee | (\$1,626.97) |
| 08-13-2021 | Commerce Core Bond Account | Account Fee | (\$172.00) |
| 07-26-2021 | CC Schwab Account | Account Fee (Custodian) | (\$25.00) |
| 07-15-2021 | Commerce Core Bond Account | Account Fee | (\$174.00) |
| 07-15-2021 | Commerce Core Bond Account | Account Fee | (\$1,353.48) |
| 07-08-2021 | CC Schwab Account | Account Fee (Management) | (\$10,000.00) |

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Creve Coeur Employee Retirement Plan Blended Benchmark

CRSP US Total Market (Total Return) 41%
FTSE Developed Ex US (USD) (Total Return) 16%
FTSE Emerging (USD) (Total Return) 9%
Barclays US Aggregate (Total Return) 30%
S&P Global Infrastructure (Total Return) 4%

*Monthly performance data prior to 7/1/2013 is gross returns (before fees) as reported by Commerce
Data since 7/1/13 is net of fees. Monthly performance from 7/1/13-10/1/20 provided by Fiduciary Advisors*

CCERP Actuarial Target benchmark - 7.5% prior to 7.31.2015; 7.0% from 8.01.2015 until 6/30/2018; 6.75% thereafter

Creve Coeur Employee Retirement Plan Blended Benchmark: MSCI US Mid Cap 450 6%, MSCI US Prime Market Value 5%, MSCI All Country World Ex US (Net Return), 14%, Barclays US Aggregate (Total Return) 30%, S&P 500 (Total Return) 25%, MSCI US Small Cap 1750 8%, MSCI ACWI ex USA Small Cap 4%, MSCI US Small Cap Value 1%, MSCI US REITS (Total Return) 4%, S&P Goldman Sachs Commodity Index (Total Return) 3% until 5/31/2018; S&P Goldman Sachs Commodity Index (Total Return) 3%, MSCI ACWI ex USA Small Cap 6%, MSCI All Country World Ex US (Net Return) 17%, MSCI US Small Cap Value 1%, MSCI US Small Cap 1750 8%, MSCI US Mid Cap 450 5%, MSCI US Prime Market Value 4%, MSCI US REITS (Total Return) 4%, Barclays US Aggregate (Total Return) 30%, S&P 500 (Total Return) 22% thereafter until 7/31/2019; MSCI US REITS (Total Return) 4%, MSCI Emerging Markets (Net Return) 5%, S&P 500 (Total Return) 22%, MSCI US Small Cap 1750 8%, Barclays US Aggregate (Total Return) 30%, MSCI US Mid Cap 450 5%, MSCI EAFE Value (Net Return) 3%, MSCI US Prime Market Value 4%, MSCI US Small Cap Value 1%, MSCI EAFE Small Cap (Net Return) 5%, MSCI EAFE (USD) (Net Return) 13% thereafter until current allocation above.

Investment advisory services are offered through Sunpointe Investments, LLC, a Securities and Exchange Commission Registered Investment Advisor. Values are provided by the Custodian as of the date of the report. We believe the sources to be reliable, however, the accuracy and completeness of the information is not guaranteed. In the event of a discrepancy, the Custodian's valuation shall prevail.

Data reflected within this report may reflect data held at various Custodians and may not be covered under SIPC. Certain other reported entities may be SIPC members that provide coverage for assets held there. You should contact your financial representative, or the other entity, or refer to the other entity's statement, regarding SIPC coverage. Assets reflected on this report are not held at the Firm on your behalf, but at the Custodian.

**City of Creve Coeur Employee Pension Plan
10/5/2021
Implementation Plan**

| | Ticker | Expense Ratio | Current Value | Current % | Current Policy | Transactions | Resulting Balance | Result % | Rec'd Policy |
|---|--------|---------------|---------------------|--------------|----------------|-------------------|----------------------|--------------|--------------|
| RISK MITIGATION ASSETS | | | | 29.7% | 30.0% | | | | 30.0% |
| Defensive | | | | 23.8% | 25.0% | | | | 25.0% |
| Cash | - | | 22,506 | 0.1% | | - | 22,506 | 0.1% | |
| Cash | | | \$ 22,506 | 0.1% | 0.0% | \$ - | \$ 22,506 | 0.1% | 0.0% |
| Vanguard Intermediate-Term Corporate Bond ETF | VCIT | 0.05% | 538,475 | 1.6% | | | 538,475 | 1.6% | |
| PIMCO Income Fund | PIMIX | 0.13% | 1,311,561 | 4.0% | | | 1,311,561 | 3.9% | |
| Commerce Core Bond Account | - | 0.30% | 5,981,800 | 18.1% | | 500,000 | 6,481,800 | 19.4% | |
| US Fixed Income | | | \$ 7,831,836 | 23.8% | 25.0% | \$ 500,000 | \$ 8,331,836 | 24.9% | 25.0% |
| Total Defensive | | | \$ 7,854,342 | 23.8% | 25.0% | \$ 500,000 | \$ 8,354,342 | 25.0% | 25.0% |
| Flexible | | | | 5.9% | 5.0% | | | | 5.0% |
| Cliffwater Corp Lending FD I | CCLFX | 1.79% | 1,935,317 | 5.9% | | | 1,935,317 | 5.8% | |
| Credit Strategies | | | \$ 1,935,317 | 5.9% | 5.0% | \$ - | \$ 1,935,317 | 5.8% | 5.0% |
| Total Flexible | | | \$ 1,935,317 | 5.9% | 5.0% | \$ - | \$ 1,935,317 | 5.8% | 5.0% |
| TOTAL RISK MITIGATION | | | \$ 9,789,659 | 29.7% | 30.0% | \$ 500,000 | \$ 10,289,659 | 30.7% | 30.0% |
| RISKY ASSETS | | | | 70.3% | 70.0% | | | | 70.0% |
| Growth | | | | 66.1% | 66.0% | | | | 66.0% |
| iShares MSCI USA Quality | QUAL | 0.15% | 1,397,137 | 4.2% | | | 1,397,137 | 4.2% | |
| Vanguard Dividend Appreciation | VIG | 0.06% | 1,332,217 | 4.0% | | | 1,332,217 | 4.0% | |
| Vanguard Total Stock Market (Large Portion) | VTI | 0.03% | 6,461,086 | 19.6% | | - | 6,461,086 | 19.3% | |
| US Large Core Equity | | | \$ 9,190,439 | 27.9% | 41.0% | \$ - | \$ 9,190,439 | 27.5% | 41.0% |
| Vanguard Value ETF | VTV | 0.04% | 607,101 | 1.8% | | | 607,101 | 1.8% | |
| US Large Cap Value | | | \$ 607,101 | 1.8% | 0.0% | \$ - | \$ 607,101 | 1.8% | 0.0% |
| Vanguard Total Stock Market (Mid Portion) | VTI | 0.03% | 1,638,022 | 5.0% | | - | 1,638,022 | 4.9% | |
| US Mid Cap Equity | | | \$ 1,638,022 | 5.0% | 0.0% | \$ - | \$ 1,638,022 | 4.9% | 0.0% |
| Vanguard Small Cap ETF | VB | 0.05% | 689,158 | 2.1% | | | 689,158 | 2.1% | |
| Vanguard Total Stock Market (Small Portion) | VTI | 0.03% | 1,001,013 | 3.0% | | - | 1,001,013 | 3.0% | |
| US Small Cap Equity | | | \$ 1,690,172 | 5.1% | 0.0% | \$ - | \$ 1,690,172 | 5.0% | 0.0% |
| Vanguard Small Cap Value ETF IV | VBR | 0.07% | 423,993 | 1.3% | | | 423,993 | 1.3% | |
| US Small Cap Value Equity | | | \$ 423,993 | 1.3% | 0.0% | \$ - | \$ 423,993 | 1.3% | 0.0% |

Communication: Quarterly Sunpointe Report 9-30-21 (Sunpointe Investments - Presenting)

| | Ticker | Expense Ratio | Current Value | Current % | Current Policy | Transactions | Resulting Balance | Result % | Rec'd Policy |
|---|--------|---------------|--------------------------------|--------------|----------------|-------------------|----------------------|--------------|--------------|
| Vanguard FTSE Developed Markets ETF | VEA | 0.05% | 3,438,143 | 10.4% | | | 3,438,143 | 10.3% | |
| Goldman Sachs GQG Partners Intl Oppty Inst | GSIMX | 0.79% | 1,310,538 | 4.0% | | | 1,310,538 | 3.9% | |
| International All Cap/Large Cap Equity | | | \$ 4,748,681 | 14.4% | 16.0% | \$ - | \$ 4,748,681 | 14.2% | 16.0% |
| iShares MSCI EAFE Value ETF | EFV | 0.39% | 539,649 | 1.6% | | | 539,649 | 1.6% | |
| International Large Cap Value Equity | | | \$ 539,649 | 1.6% | 0.0% | \$ - | \$ 539,649 | 1.6% | 0.0% |
| Vanguard EM Equity Fund | VWO | 0.10% | 2,954,153 | 9.0% | | | 2,954,153 | 8.8% | |
| Emerging Market Equity | | | \$ 2,954,153 | 9.0% | 9.0% | \$ - | \$ 2,954,153 | 8.8% | 9.0% |
| Total Growth | | | \$ 21,792,211 | 66.1% | 66.0% | \$ - | \$ 21,792,211 | 65.1% | 66.0% |
| Regional Exposure | | | | | | | | | |
| | | | <i>United States</i> | <i>62.2%</i> | <i>62.1%</i> | | | <i>62.2%</i> | <i>62.1%</i> |
| | | | <i>International Developed</i> | <i>24.3%</i> | <i>24.2%</i> | | | <i>24.3%</i> | <i>24.2%</i> |
| | | | <i>Emerging Markets</i> | <i>13.6%</i> | <i>13.6%</i> | | | <i>13.6%</i> | <i>13.6%</i> |
| Hybrid/Income | | | | 4.2% | 4.0% | | | | 4.0% |
| Frontier MFG Select Infrastructure | FMSSX | 0.95% | 1,388,953 | 4.2% | | | 1,388,953 | 4.1% | |
| Infrastructure/MLP | | | \$ 1,388,953 | 4.2% | 4.0% | \$ - | \$ 1,388,953 | 4.1% | 4.0% |
| Total Hybrid/Income | | | \$ 1,388,953 | 4.2% | 4.0% | \$ - | \$ 1,388,953 | 4.1% | 4.0% |
| TOTAL RISKY ASSETS | | | \$ 23,181,164 | 70.3% | 70.0% | \$ - | \$ 23,181,164 | 69.3% | 70.0% |
| | | | \$ 32,970,823 | 100% | 100% | \$ 500,000 | \$ 33,470,823 | 100% | 100% |

Sunpointe Investments

City of Creve Coeur Employee Pension Plan

October 19, 2021

Jack Dwyer CFA, CAIA
President

Michael Pompian, CFA, CAIA, CFP
Founder and CIO

Lee Boudouris, CAIA, CIPM
Senior Associate



- Executive Summary
- Objectives and Monitoring
- Asset Allocation
- Manager Information
- Market Environment

Today we plan to:

- Update the progress of implementing portfolio changes
 - The updated Investment Policy Statement (IPS) was approved at the last meeting.
 - Creve Coeur deposited \$705,518 for a pension payment on 7/21/21.
 - Rebalanced the portfolio and added investments in **Goldman Sachs GQG Partners International Opportunities** and **Vanguard Intermediate-Term Corporate Bond ETF** on 7/21/21.
 - Partially rebalanced the portfolio on 9/8/21. Trimmed US and international developed equities and added to fixed income and emerging market equities.

- Review Portfolio Performance
 - The portfolio returned -0.9% during the third quarter and 20.2% over the past 12 months.
 - For the quarter, the portfolio underperformed the 70% MSCI ACWI IMI / 30% Bloomberg Aggregate Benchmark by 0.2%. For the quarter:
 - The risk mitigation (bond) bucket outperformed the Bloomberg Aggregate by 0.3%
 - The emerging market, small-cap, and value allocations all trailed the MSCI ACWI IMI resulting in risky assets trailing MSCI ACWI IMI by 0.4%
 - Year-to-date, the portfolio has outperformed the 70/30 benchmark by 0.8%.

- Review Fund Performance
 - **Cliffwater** and **PIMCO Income** outperformed the Bloomberg US Aggregate by 2.2% and 0.6%, respectively, due to their higher yield and shorter duration.
 - **Vanguard Dividend Appreciation** and **iShares MSCI US Quality** both trailed the S&P 500 as quality stocks were out of favor during the quarter.
 - **Frontier MFG Select Infrastructure** trailed the S&P Global Infrastructure benchmark by 2.4% during the quarter but outperformed the broad ACWI IMI benchmark. The fund's underweight to energy stocks and overweight to utilities compared to the S&P Global Infrastructure benchmark detracted from relative performance.

- Expected Implementation:
 - A deposit from the city of about \$500,000 is expected on or about 10/26/21
 - The additional funds will be deposited into the Commerce Bond account

- Board Activity over the past year:
 - Sunpointe surveyed Board members in the fall of 2020 and presented the results on 10/21/20.
 - The Board selected a target allocation and the IPS was revised in November of 2020, with a subsequent revision adopted at the 7/20/21 board meeting.
 - In December 2020, the board approved the use of the **Cliffwater Corporate Lending** and **PIMCO Income** Funds.
 - At the January 2021 meeting, the Board:
 - Approved the use of the **Frontier MFG Select Infrastructure Fund**.
 - Decided to lower the assumed actuarial return from 6.75% to 6.0%. This change, along with a new mortality table, went into effect on 7/1/21.
 - In July 2021, the board:
 - approved the use of **Goldman Sachs GQG Partners International Opportunities**
 - reviewed and confirmed the mandate for the **Commerce Bond Portfolio**
- In September, Jack met with each of the Board members added in 2021.
- As a reminder, Sunpointe has been delegated authority to manage the portfolio within the IPS guidelines, but the board has reserved the right to approve new active managers.

Retirement Plan for Employees of the City of Creve Coeur

“In establishing this Investment Policy, the Board has considered the fact that the Plan, together with social security, is the major retirement vehicle for most plan participants and has acted to discharge its fiduciary responsibility solely in the interests of such participants and their beneficiaries. The basic goal underlying the establishment of this policy is to provide that the assets of the Plan shall be invested in a prudent manner, and that together with expected contributions to the Plan they will be sufficient to meet the obligations of the Plan.”¹

Time Horizon:

The investment guidelines are based upon a 20-year investment horizon with the ability to pay current and future obligations. The time horizon should be reviewed at least annually to coincide with the actuarial forecast of gross and net distributions.

Spending:

The net distribution rate from the portfolio is expected to be less than 5% per year between 2021 and 2024, then 5-6% between 2025-2028. In 2029, net distributions are expected to jump to approximately 8% of the portfolio and grow steadily due to the closed nature of the plan.

Risk Tolerance:

The Board recognizes that some risk must be assumed in order to achieve the investment objectives of the Portfolio. In establishing the risk tolerances of the IPS, the ability to withstand short and intermediate term variability were considered. The Portfolio's long time horizon, current financial condition and other factors suggest collectively some interim fluctuations in market value and rates of return may be tolerated in order to achieve the longer term objectives.

Performance Expectations:

The desired investment objective is a rate of return on assets that, before fees, matches the policy index as defined later in this IPS.

¹ Source: INVESTMENT POLICY STATEMENT for the Retirement Plan for Employees of the City of Creve Coeur, revised July 2021

- We continually review the portfolio to ensure that the allocation remains within the IPS guidelines.
- Below, we summarize those constraints and how the portfolio compares to them.

| Constraint | Current Status |
|---|----------------|
| US small and mid cap equities may not be more than 50% of the total US equity allocation | 28% |
| The overweight to growth or value stocks may not be more than 20% relative to the core asset class benchmark ¹ | Value +12% |
| Emerging market equities may not be more than 20% of the total equity allocation | 14% |
| The total of below investment grade bonds, emerging market debt, and interval fund fixed income may not be more than 25% of the fixed income allocation. ² | 25% |

¹ Derived from underlying portfolio holdings using Morningstar Direct and based on total equity portfolio. Calculated as value weight in portfolio (30.25%) divided by the value weight in the ACWI IMI benchmark weight (27.0%)

² Based on 100% of **Cliffwater** value as interval fixed income and **PIMCO Income** value classified as 13% below investment grade bonds and 29% emerging market debt.

| | CCERP Current Strategic Allocation | Actual 9/30/2021 Allocation | Best Ideas Portfolio |
|---|------------------------------------|-----------------------------|----------------------|
| | A | B | C |
| Risk Mitigation | | | |
| Defensive | | | |
| Cash/Low Duration | | 0.1% | |
| US Core Fixed Income | 30.0% | 20.2% | 17.0% |
| Total Defensive | 30.0% | 20.3% | 17.0% |
| Flexible | | | |
| Diversifying Strategies | | 4.0% | 5.0% |
| Credit Strategies | | 5.9% | 10.0% |
| Total Flexible | 0.0% | 9.9% | 15.0% |
| Total Risk Mitigation | 30.0% | 30.2% | 32.0% |
| Risky Asset | | | |
| Growth | | | |
| US All Cap/Large Cap Equity | 45.0% | 28.2% | 28.0% |
| US Mid Cap Equity | | 6.9% | 6.0% |
| US Small Cap Equity | | 5.7% | 5.0% |
| Intl All Cap/Large Cap Equity | 16.0% | 15.9% | 15.0% |
| Emerging Market Equity | 9.0% | 9.0% | 9.0% |
| Total Growth | 70.0% | 65.7% | 63.0% |
| Hybrid/Income | | | |
| Infrastructure | | 4.1% | 5.0% |
| Total Hybrid/Income | 0.0% | 4.1% | 5.0% |
| Total Risky Asset | 70.0% | 69.8% | 68.0% |
| Total | 100% | 100% | 100% |
| <i>Assumes 2.2% inflation</i> | | | |
| Return | | | |
| 10 Yr. Horizon Expected Return | 4.9% | 5.3% | 5.4% |
| Risk (Using 10-yr Horizon Returns) | | | |
| Standard Deviation (1 Yr.) | 10.8% | 11.4% | 11.2% |
| 95% Confidence Return Range (1 Yr.) | -16.8% - 26.5% | -17.5% - 28% | -17.1% - 27.9% |
| 95% Confidence Return Range (10 Yr.) | -2% - 11.7% | -1.9% - 12.5% | -1.7% - 12.5% |
| Probability of Loss Year | 30.8% | 30.3% | 29.7% |
| Probability of 10% or Worse Loss | 7.7% | 8.2% | 7.7% |
| Lowest Likely Return (1 Yr.) | -19.7% | -20.6% | -20.1% |
| Lowest Likely Return (10 Yr.) | -2.7% | -2.7% | -2.5% |
| Sharpe Ratio | 0.37 | 0.38 | 0.40 |

- The portfolio allocation is now close to our best ideas allocation.
- The allocation to credit strategies is limited by the IPS constraint regarding interval fixed income.
- Rebalancing the portfolio is expected to reduce expected volatility (standard deviation) without reducing expected return.
- Including credit strategies and infrastructure in the portfolio results in a higher Sharpe Ratio. The Sharpe Ratio is a measure of return per unit of risk and a higher number is better.

- **GS GQG International Opportunities** was added to the portfolio on July 21st after the Committee approved the fund at the last meeting.
- Performance is not shown on the performance report as the fund was not held for the entire quarter. However, the fund had a strong third quarter, outperforming its benchmark by 190 basis points and protecting capital during a down market environment.

| | 3 Month | YTD | 1 Yr. | 3 Yr. | 5 Yr. |
|----------------------------|---------|-------|-------|-------|-------|
| GS GQG Int'l Opportunities | -1.1% | 10.0% | 15.4% | 13.9% | |
| MSCI ACWI ex-USA | -3.0% | 5.9% | 23.9% | 8.0% | |
| Vanguard FTSE Developed | -1.5% | 8.3% | 26.6% | 8.2% | 9.2% |
| iShares MSCI EAFE Value | -1.6% | 9.0% | 29.8% | 2.7% | 5.7% |

Returns are presented net of fees.

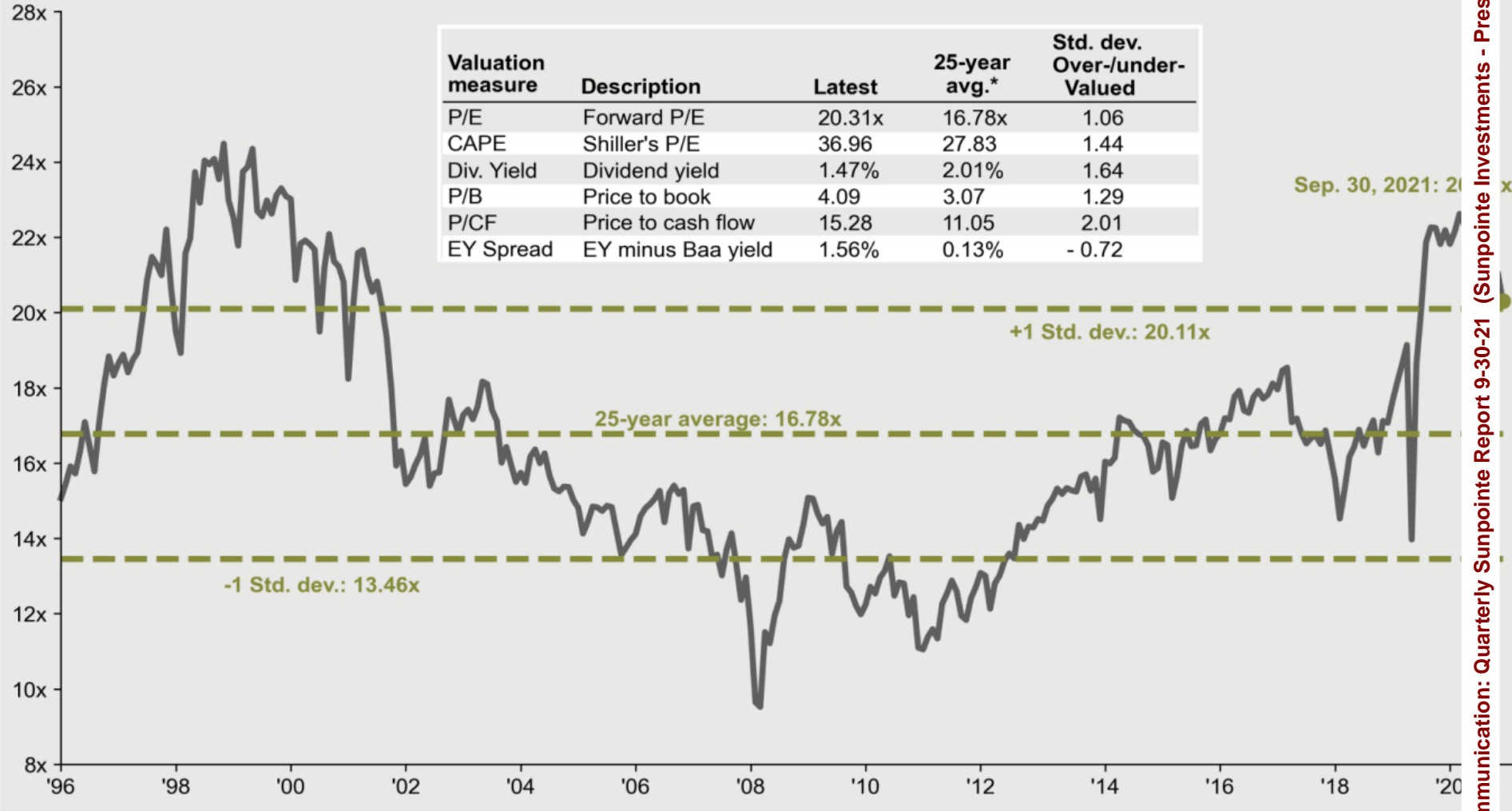
- We added **Vanguard Intermediate-Term Corporate Bond Index ETF** on July 21st.
- The fund is a passively managed ETF that tracks the Bloomberg U.S. 5-10 Year Corporate Bond Index. The fund’s expense ratio is just five basis points.
- We will use the small allocation to this fund (1.6% of the portfolio) as a source of liquidity and a means with which to rebalance the portfolio.

| | 3 Month | YTD | 1 Yr. | 3 Yr. | 5 Yr. |
|-----------------------------|---------|-------|-------|-------|-------|
| Vanguard Interm.-Term Corp. | 0.0% | -1.0% | 1.3% | 7.5% | 4.4% |
| Bloomberg US Corp 5-10 Year | 0.0% | -1.1% | 1.3% | 7.6% | 4.5% |

Returns are presented net of fees.

S&P 500 Valuations Versus L-T Average

S&P 500 Index: Forward P/E ratio



Source: FactSet, FRB, Robert Shiller, Standard & Poor's, Thomson Reuters, J.P. Morgan Asset Management.

Valuations are above average, except relative to fixed income—equity risk premium remains attractive. However, the forward P/E ratio of the S&P 500 declined from 21.5x on 6/30 to 20.3x on 9/30, mostly due to strong earnings.

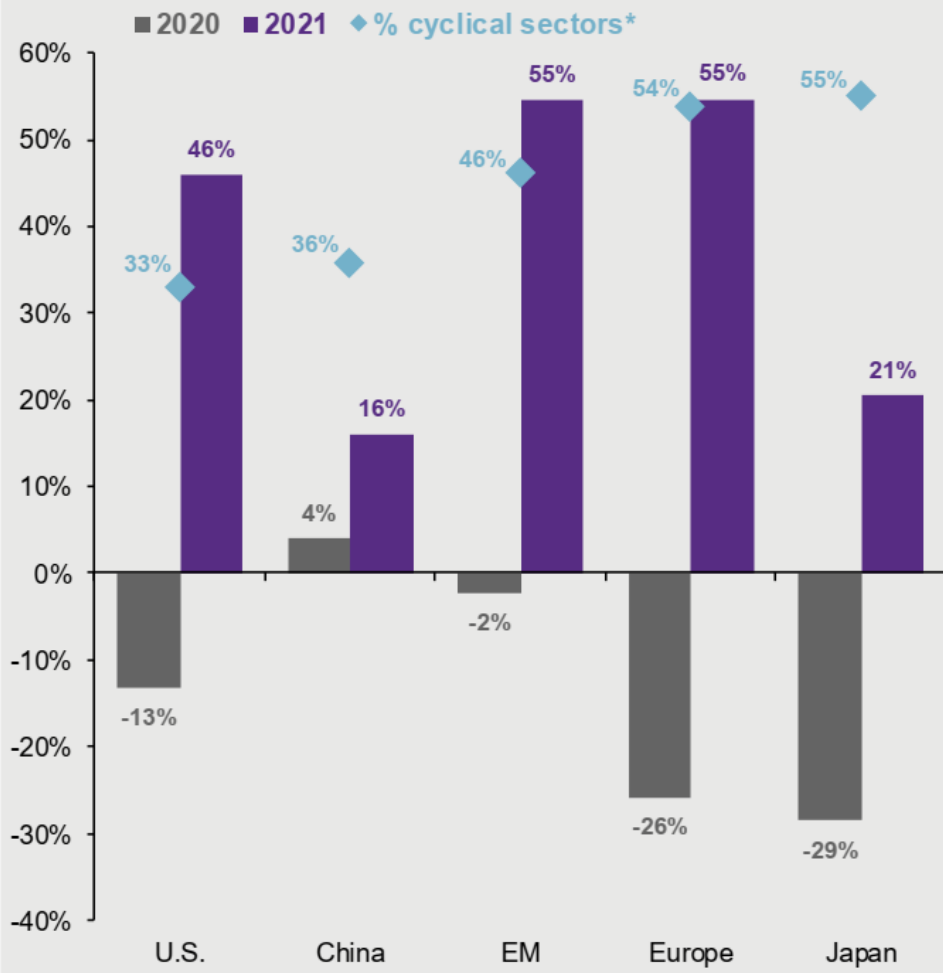


Source: FactSet, FTSE Russell, NBER, J.P. Morgan Asset Management. Data are as of September 31, 2021. Growth is represented by the Russell 1000 Growth Index and Value is represented by the Russell 1000 Value.

Based on forward P/E ratios, value appears somewhat cheaper than growth; the recent rise in interest rates has not changed this yet. It is worth noting that due to the earnings of growth companies, the valuation difference is much less extreme than during the internet bubble of the late 1990s.

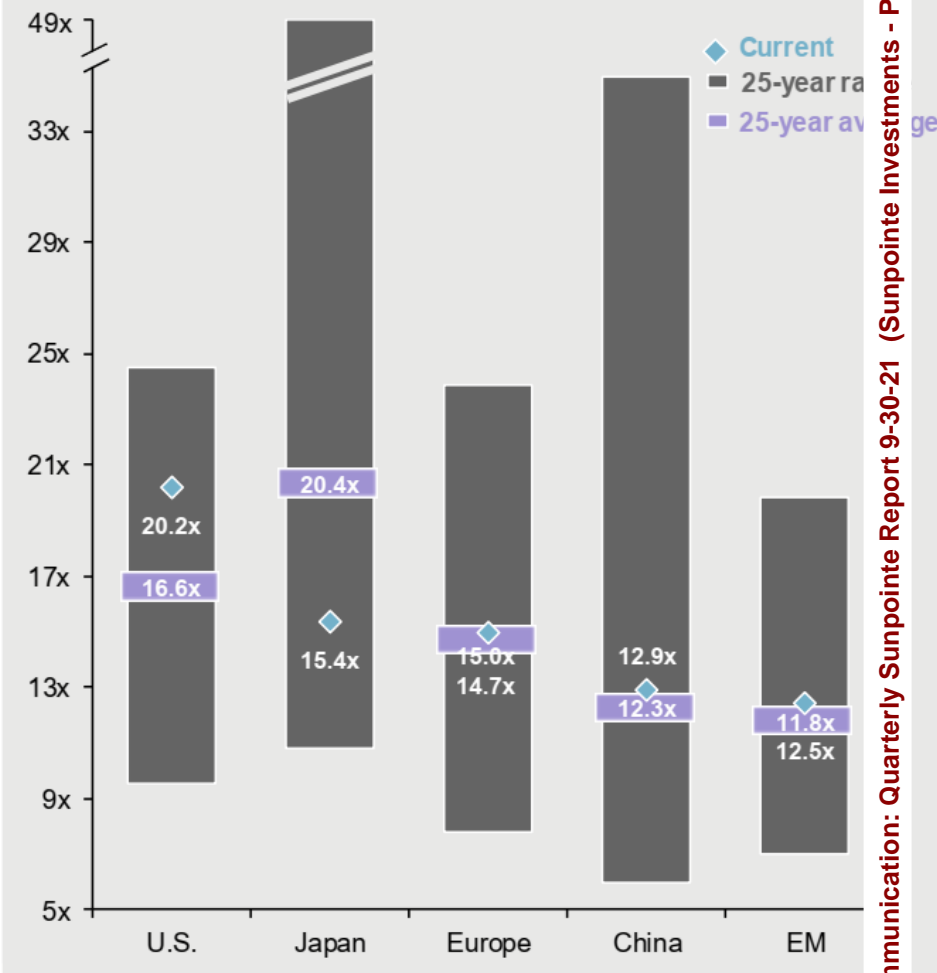
Global earnings growth

Calendar year consensus estimates



Global valuations

Current and 25-year next 12 months price-to-earnings ratio



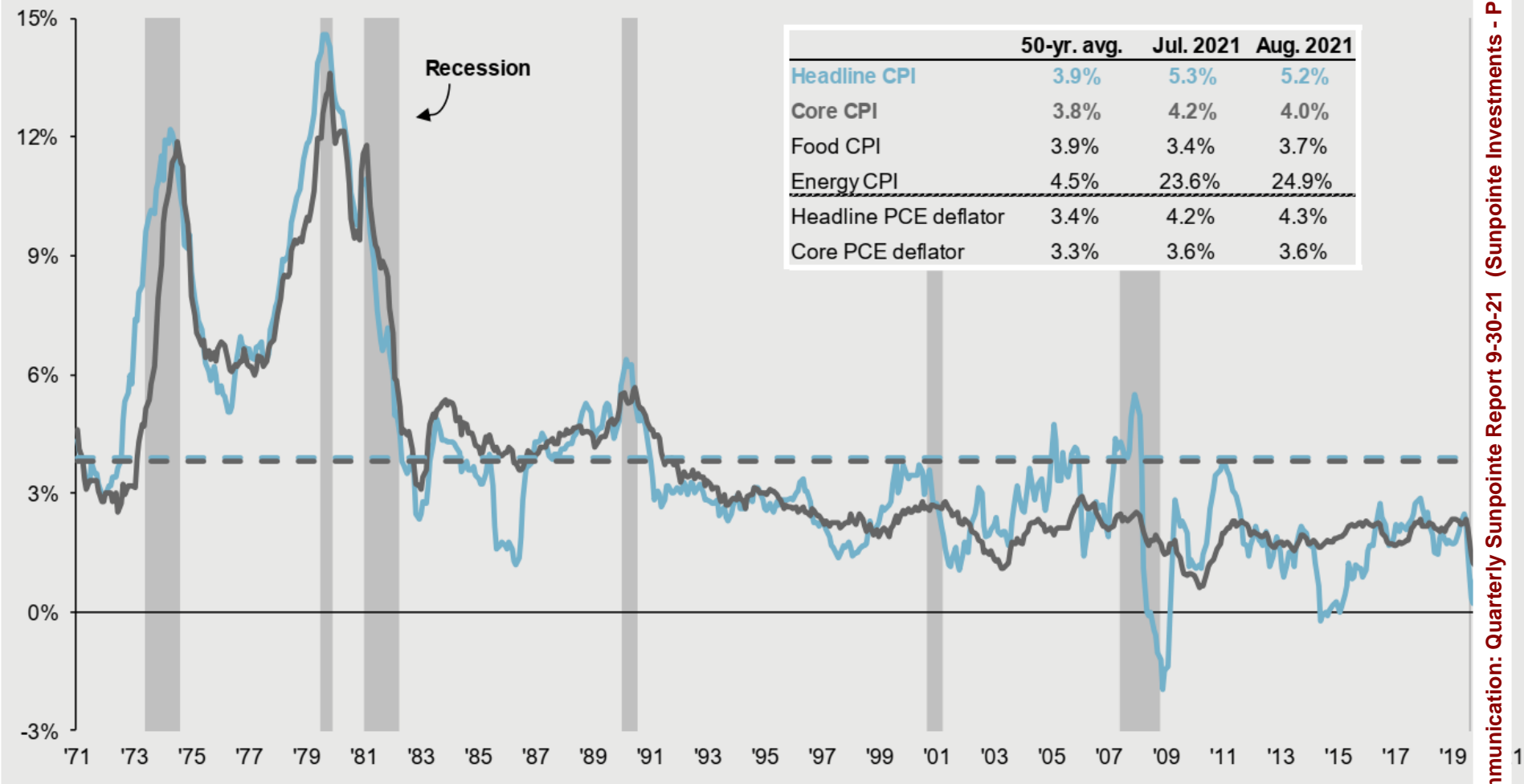
Source: FactSet, MSCI, Standard & Poor's, Thomson Reuters, J.P. Morgan Asset Management.

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Global equity valuations outside of Japan have fallen to levels close to their long-term averages. Japanese and European equities have significant exposure to cyclical sectors, such as industrials, that may perform well in a market recovery.

CPI and core CPI

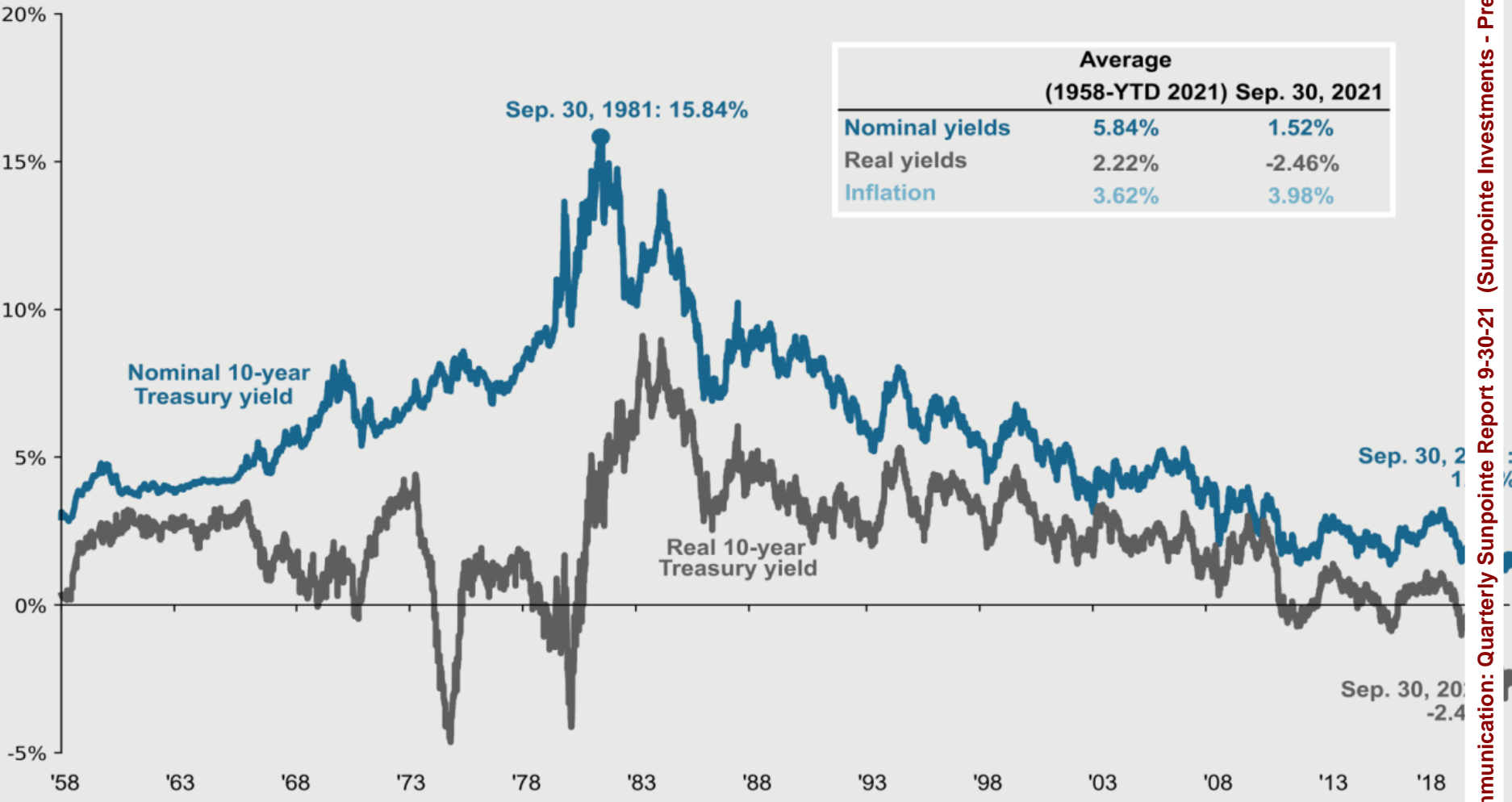
% change vs. prior year, seasonally adjusted



Source: BLS, FactSet, J.P. Morgan Asset Management.

Inflation has continued to rise in recent months, although year-over-year comparisons are skewed by the low level of economic activity through most of 2020. A rise in oil prices, caused by surging economic activity and relatively tight supply, has helped push inflation higher as well.

Nominal and real 10-year Treasury yields

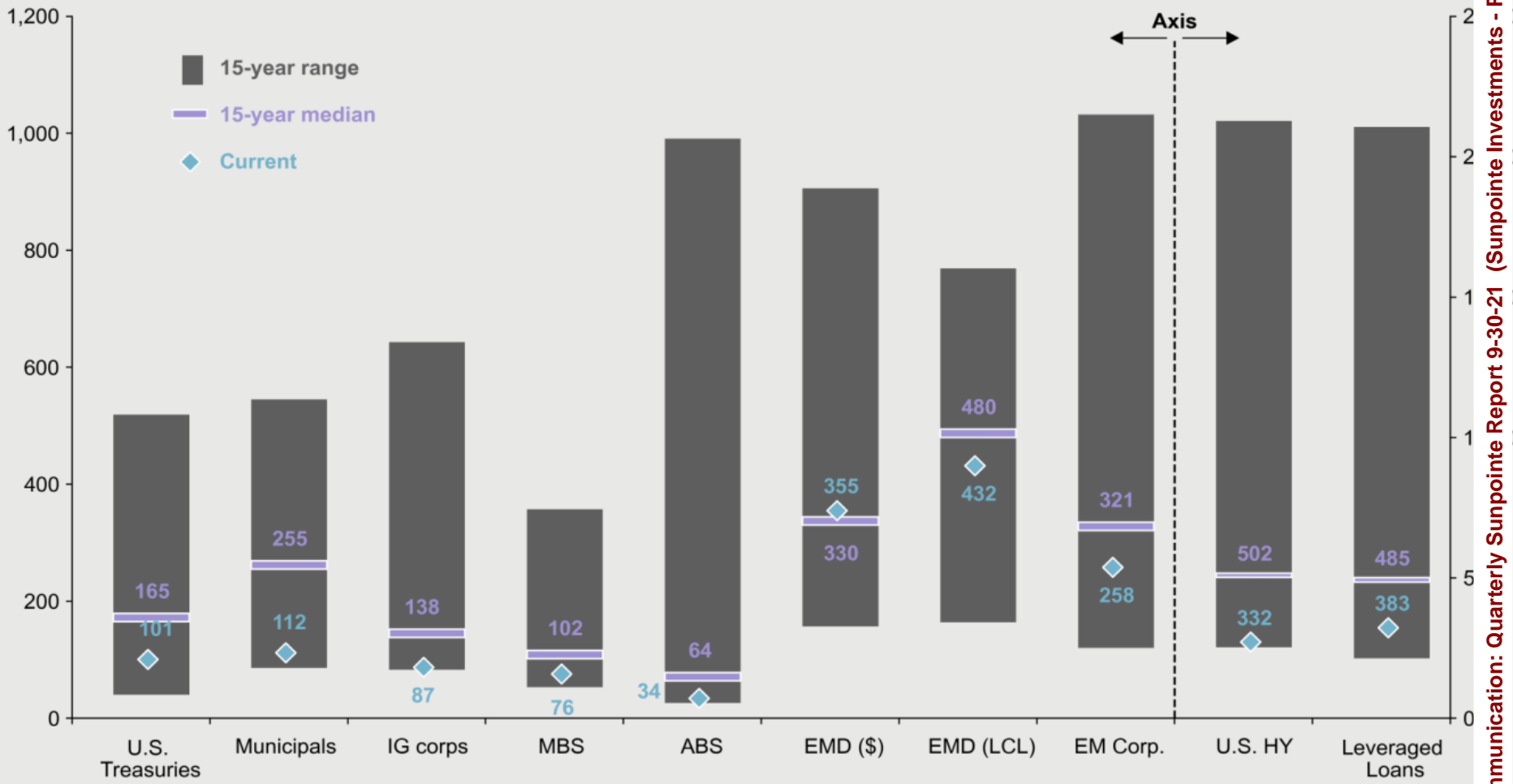


Source: BLS, FactSet, Federal Reserve, J.P. Morgan Asset Management.

Interest rates have risen in recent weeks, with the US ten-year treasury bond yielding 1.52% at the end of September. However, rising inflation numbers leave real yields of most core bonds below zero.

Spread-to-worst across fixed income sectors

Basis points, past 15 years



Source: Barclays, Bloomberg, FactSet, J.P. Morgan Credit Research, J.P. Morgan Asset Management. Indices used are Barclays except for emerging market debt and leveraged loans:

Fixed income spreads remain very tight (as of 9/30/2021), implying relatively low returns from fixed income going forward.

The charts and information in this presentation are for illustrative purposes only, and are based upon sources of information that Sunpointe, LLC generally considers reliable, however we cannot guarantee, nor have we verified, the accuracy of such independent market information. The charts and information, and the sources utilized in the compilation thereof, are subjective in nature and open to interpretation.

Investment advisory services are offered through Sunpointe Investments, LLC, a Securities and Exchange Commission Registered Investment Advisor. Values are provided by the Custodian as of the date of the report. We believe the sources to be reliable, however, the accuracy and completeness of the information is not guaranteed. In the event of a discrepancy, the Custodian's valuation shall prevail.

Data reflected within this report may reflect data held at various Custodians and may not be covered under SIPC. Certain other reported entities may be SIPC members that provide coverage for assets held there. You should contact your financial representative, or the other entity, or refer to the other entity's statement, regarding SIPC coverage. Assets reflected on this report are not held at the Firm on your behalf, but at the Custodian.

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal of an investment will fluctuate so that an investor's shares when redeemed may be worth more or less than original cost. The values represented in this report may not reflect the true original cost of your initial investment.

FOR USE WITH INSTITUTIONAL INVESTORS AND INVESTMENT PROFESSIONALS ONLY.
PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

CITY OF CREVE COEUR PENSION (FIXED INCOME)

As of September 30, 2021

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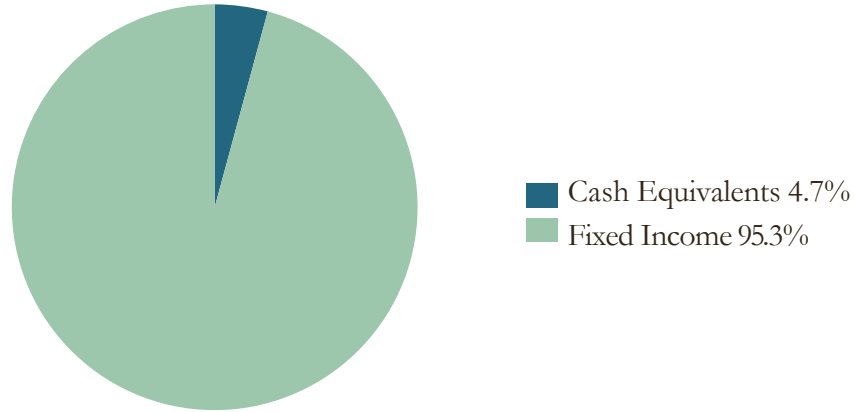
- Sector of Limitations Analysis
- Bond Portfolio Holdings
- Portfolio Holdings

Appendix

ASSET ALLOCATION SUMMARY

as of September 30, 2021

Actual Allocation



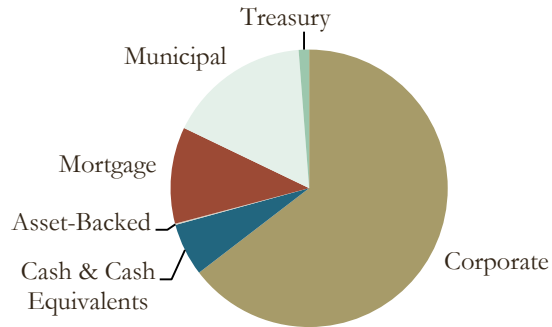
| | % of Portfolio | Market Value | Total Cost | Est. Annual Income | Yield |
|--------------------------|----------------|--------------|-------------|--------------------|-------|
| Cash Equivalents | 4.70% | \$286,576 | \$285,576 | \$75 | 0.03% |
| Fixed Income Investments | 95.30% | \$5,805,977 | \$5,527,890 | \$170,356 | 1.77% |
| Domestic | 95.30% | \$5,805,977 | \$5,527,890 | \$170,356 | 1.77% |
| GRAND TOTAL | 100.00% | \$6,092,553 | \$5,814,466 | \$170,431 | 1.69% |

**Market Values reflected do not include accrued income.*

PORTFOLIO VS. BENCHMARK COMPARISON

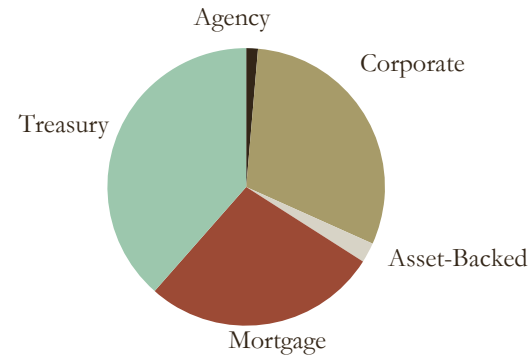
as of September 30, 2021

City of Creve Coeur (MV: \$6.0MM)



| Asset Class | % |
|-------------------------|---------------|
| Treasury | 1.20 |
| Corporate | 64.57 |
| Asset-Backed | 0.17 |
| Mortgage | 11.25 |
| Municipal | 16.66 |
| Cash & Cash Equivalents | 6.15 |
| Total | 100.00 |

BBG Barclays Aggregate



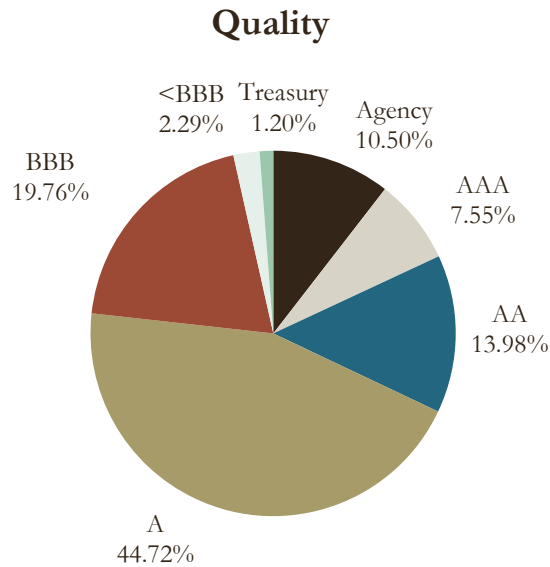
| Asset Class | % |
|--------------|---------------|
| Treasury | 38.52 |
| Agency | 1.36 |
| Corporate | 30.37 |
| Asset-Backed | 2.33 |
| Mortgage | 27.42 |
| Total | 100.00 |

| | | |
|-------|----------------|-------|
| 1.67% | YTM | 1.57% |
| 7.79 | Maturity (yrs) | 8.63 |
| 6.06 | Duration (yrs) | 6.71 |
| A+ | Quality | AA |

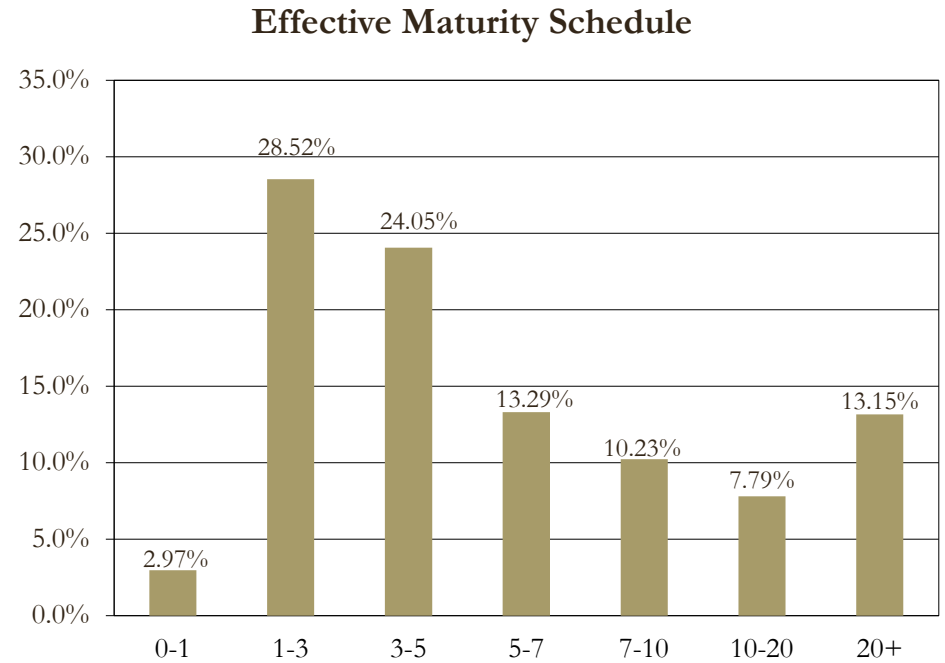
Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

BOND PORTFOLIO CHARACTERISTICS

as of September 30, 2021



Average Quality = A+

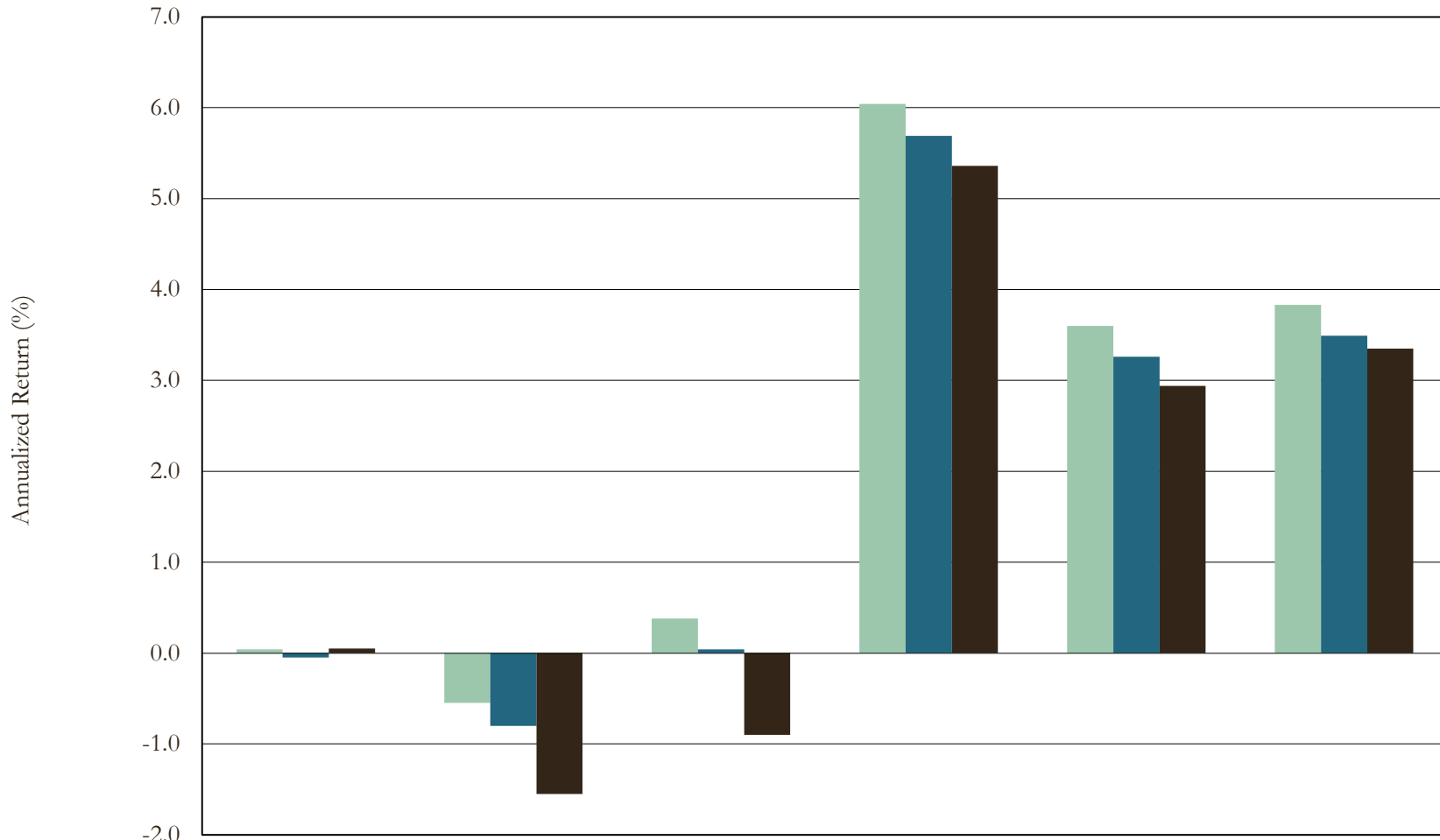


Average Life = 7.79 years

Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

FIXED INCOME PERFORMANCE COMPARISON

as of September 30, 2021



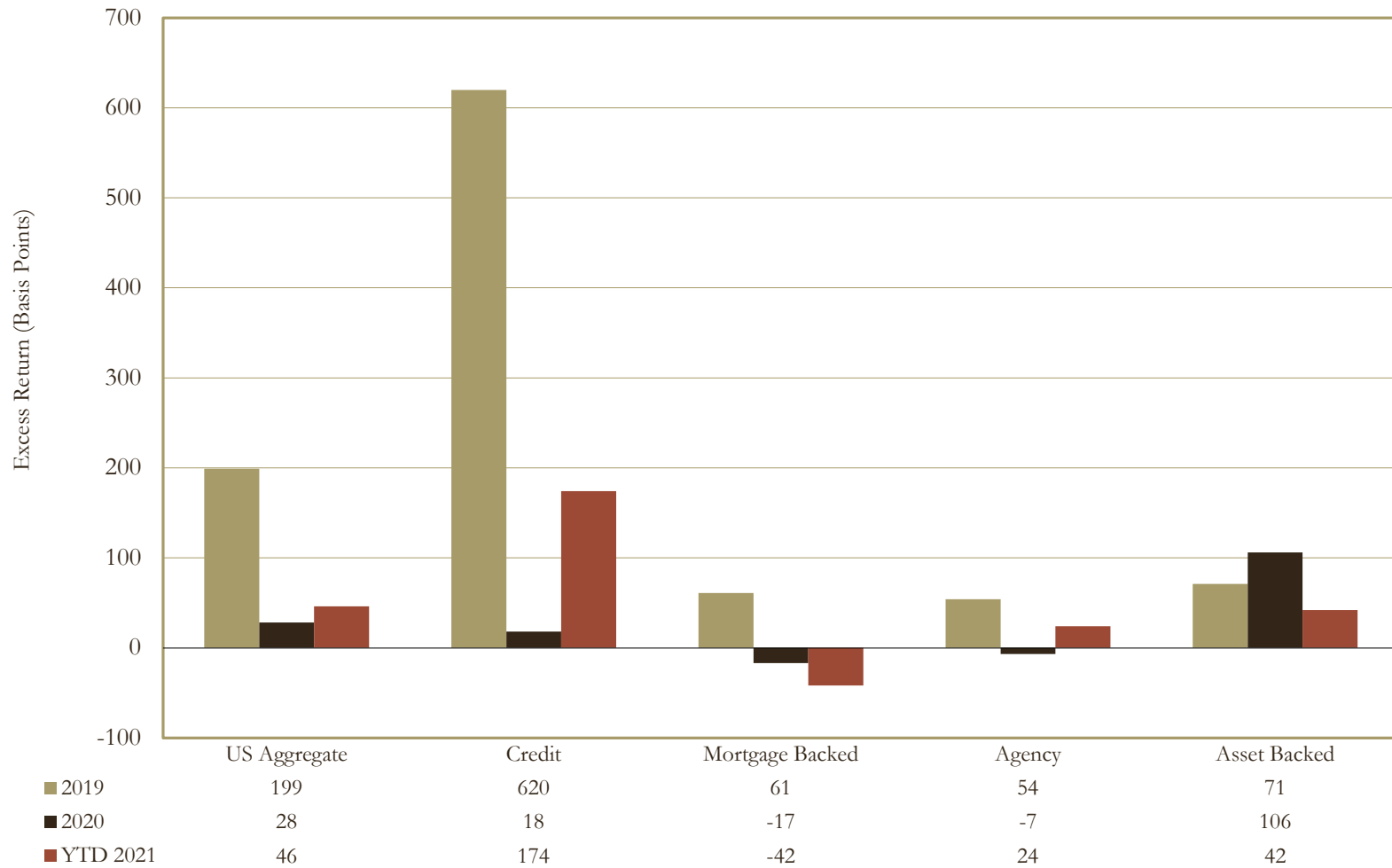
| | Quarter | YTD | 1 Year | 3 Year* | 5 Year* | Inception* (9/30/13) |
|---------------------------------------|---------|-------|--------|---------|---------|----------------------|
| ■ City of Creve Coeur (Gross of Fees) | 0.04 | -0.55 | 0.38 | 6.04 | 3.60 | 3.83 |
| ■ City of Creve Coeur (Net of Fees) | -0.05 | -0.80 | 0.04 | 5.69 | 3.26 | 3.49 |
| ■ BBG Barclays Aggregate | 0.05 | -1.55 | -0.90 | 5.36 | 2.94 | 3.35 |

*Returns for period greater than one year are annualized, performance is gross of fees

Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

DURATION-ADJUSTED EXCESS RETURNS*

as of 9/30/21

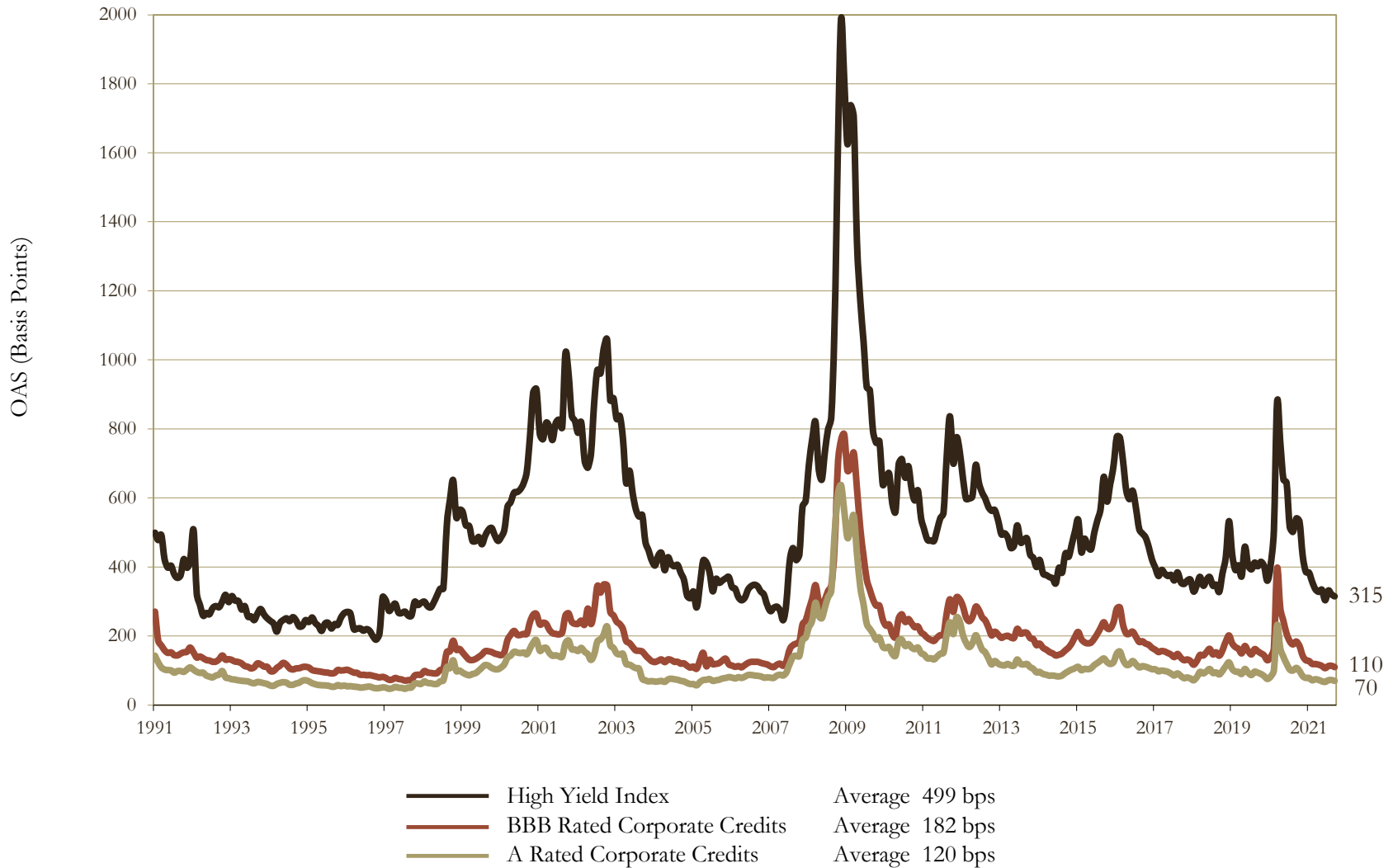


*versus U.S. Treasuries

Source: BBG Barclays

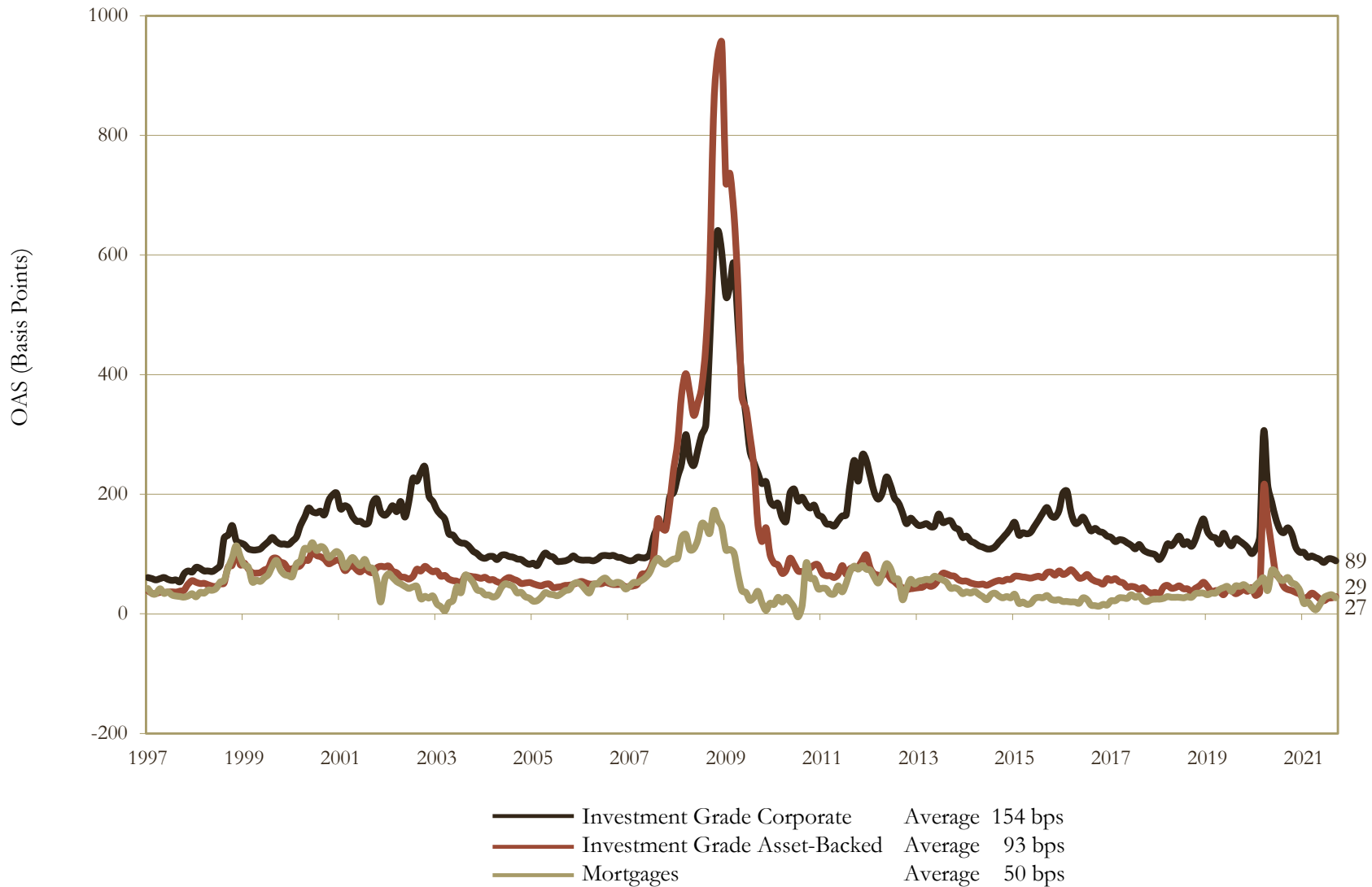
Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

CORPORATE CREDIT SPREADS – 1/31/91 through 9/30/21



Source: BBG Barclays, ICE BofA ML

SECTOR CREDIT SPREADS – 1/31/97 through 9/30/21



Source: BBG Barclays, ICE BofA ML

Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

BOND MARKET TOTAL RETURNS

| Market | 2019 | 2020 | 2021 1Q | 2021 2Q | 2021 3Q | Sept. | YTD |
|-----------------------|--------|--------|---------|---------|---------|--------|--------|
| Master Index | 8.96% | 7.64% | -3.66% | 2.04% | -0.03% | -0.97% | -1.73% |
| Corporate | 14.23% | 9.81% | -4.50% | 3.60% | -0.06% | -1.06% | -1.12% |
| Treasuries | 6.99% | 8.22% | -4.61% | 2.02% | -0.03% | -1.20% | -2.71% |
| Agencies | 5.87% | 5.75% | -1.77% | 1.00% | 0.01% | -0.60% | -0.78% |
| Mortgages | 6.51% | 4.09% | -1.15% | 0.32% | 0.08% | -0.39% | -0.79% |
| Asset-Backed | 3.80% | 3.48% | 0.23% | 0.46% | 0.16% | -0.11% | 0.85% |
| High-Yield | 14.40% | 6.21% | 0.81% | 2.75% | 0.94% | 0.02% | 4.55% |
| Municipal | 7.74% | 5.26% | -0.36% | 1.72% | -0.38% | -0.76% | 0.98% |
| 2 Yr Treasury | 3.49% | 3.03% | -0.03% | -0.08% | 0.09% | -0.10% | -0.01% |
| 10 Yr Treasury | 8.91% | 10.58% | -7.10% | 3.23% | -0.31% | -1.97% | -4.40% |
| 30 Yr Treasury | 16.34% | 18.65% | -16.25% | 8.41% | 0.03% | -3.42% | -9.18% |
| TIPS | 8.43% | 10.99% | -1.47% | 3.25% | 1.75% | -0.72% | 3.51% |

Source: BBG Barclays, ICE BofA ML

THE ECONOMY TODAY

GROWTH

As the second quarter ended, US GDP had fully recovered from last year's recession and was well above its pre-pandemic level. Massive fiscal stimulus, ongoing zero percent monetary policy, an eventual infrastructure package and a positive vaccination response will continue to drive our recovery forward at a more modest pace against the wave like surge of the COVID delta variant. We have, however, lowered our projected growth over the second half of the year materially given the global COVID rebound in new and ongoing global supply chain disruptions that have yet to clear (even a little). Third quarter growth will likely be about 2%-3%, with somewhat better fourth quarter print still to come, but down substantially from the first half's growth rate of 6.5%.

JOBS

Unemployment peaked a year ago at a post depression high of 14.7% and has quickly fallen to 5.2% in August. While employment is rebounding strongly, there are still approximately 5.3 million fewer employed today than were prior to the pandemic. Fortunately, the unemployment rate should continue to decline with job openings as measured by the JOLTS, NFIB and Manpower survey at record levels. Help wanted is this recovery's mantra and will be the driving force that transitions our current stimulus led/cyclical re-opening growth towards a longer term self-sustaining economic recovery along with a peaking in COVID cases and continued progress on the vaccination front.

INTEREST RATES

Monetary policy remains in hyperdrive, but strong growth and rising asset prices have pulled the potential for an unwind of quantitative easing and an eventual boost to short term interest rates forward a bit. In addition, the financial markets remain wide open and bond credit spreads are approaching all time lows. While interest rates have fallen somewhat from this year's March highs, further reduction in the "output gap", and a leveling off of inflation at high levels (August CPI of 5.3% down slightly from the June and July 5.4% year over year pace) will likely continue to put upward pressure on interest rates and hurt bond market returns. We think investors should have shorter maturities and more credit exposure (higher yields) than typical.

MARKETS

Despite the 34% plunge in the S&P 500 early last year (exactly the average historic loss during a recession), the S&P 500 finished up 18% in 2020. This year it has added nearly another 20% through August. Underneath the index returns has been a tremendous amount of sector rotation with first quarter results cyclically driven as the markets turned from mega cap tech stocks toward value stocks and smaller companies. This trend reversed sharply in the second quarter as FANG names drove the averages higher as the outlook for growth cooled just a bit. Given this on again/off again rotation in equity style, we are evenly weighted between growth and value. International markets are also up and but still lag US returns, while negative China returns have held emerging markets down. We remain one third underweight international asset targets but are actively looking for pockets of overseas value.

OUTLOOK

After this year's surge in stock prices, we reduced equity exposure back to our normal targets during the third quarter. We also remain underweight bonds while recommending some high yield exposure. The underweight in our bond allocation has been directed initially toward cash with an expected eventual boost in our hedged equity strategies coming at the end of the third quarter. We continue to emphasize domestic mid cap stocks and underweight international markets. With earnings still growing, we remain fully committed to risk-based assets, although most models suggest domestic stock markets are extended and due for consolidation. While we expect some pause in this upward equity trend, particularly in September (weak seasonality), we find it extremely difficult to recommend adding to bond positions that likely lock in a negative real return for our investors with longer term investment horizons.

Source: Commerce Trust Company

City of Creve Coeur Retirement Analysis of Sector Limitations September 30, 2021

| Sector Type | Normal Unit Commitment (% Portfolio) | Max Exposure Per Credit (% Portfolio) | Max Sector Exposure (% Portfolio) | Current (% Portfolio) | Additional Constraints | Constraint | Current |
|------------------------------------|--|---|---|--------------------------|--------------------------|---------------|---------|
| | | | | | Average Credit Quality | >=A- | A+ |
| U.S. Treasury Securities | Unlimited | Unlimited | Unlimited | 1.2% | Duration | ±30% of index | -9.7% |
| Federal Agency Securities | Unlimited | Unlimited | Unlimited | 0.0% | BBB Credits | <=20% | 19.8% |
| Agency Passthroughs/CMOs/Other MBS | 2% | 5% | 60% | 11.3% | 144A Issues | <=10% | 0.0% |
| Asset Backed Securities | 2% | 5% | 25% | 0.2% | Below Investment Grade** | <=5% | 2.3% |
| Corporate Securities | 2% | 5% | 75% | 64.6% | | | |
| Municipal Securities | 2% | 5% | 20% | 16.7% | | | |
| Cash & Equivalents | 2% | 10% | 10% | 6.2% | | | |

* Index = BBG Barclays Aggregate

** No below investment grade security may be purchased. Securities downgraded to below the BBB range (up to 5% of the portfolio value) may be held at the manager's discretion - amounts over 5% must be sold within 90 days.

Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

Portfolio Position Report

Portfolio: CITY OF CREVE C 8016

Currency: USD

Pricing Date: 09/30/2021

Representative:

| Sector 1 | CUSIP9 | Par (000) | Mkt Val (000) | % Held (MV) | Issuer Name | Coupon | Maturity | Quality | Mdys | S&P | YTM | Avg Life | Eff Dur | Conv (Par) | OAS |
|-------------|-----------|--------------|---------------|---------------|------------------------------|--------------|---------------|------------|------------|------------|--------------|---------------|---------------|--------------|-----------|
| CASH | | 107 | 107 | 1.790 | | 0.060 | 0.085 | Aaa | Aaa | AAA | 0.060 | 0.083 | 0.085 | 0.000 | 0 |
| | 000000CM9 | 107 | 107 | 1.790 | CASH & EQUIVALENTS | 0.060 | 10/31/2021 | Aaa | Aaa | AAA | 0.060 | 0.083 | 0.085 | 0.000 | 0 |
| TSY | | 60 | 72 | 1.203 | | 3.125 | 22.875 | Aa1 | Aaa | AA+ | 2.056 | 22.917 | 17.549 | 1.855 | 4 |
| | 912810RH3 | 60 | 72 | 1.203 | UNITED STATES TREAS BDS | 3.125 | 08/15/2044 | Aa1 | TSY | TSY | 2.056 | 22.917 | 17.549 | 1.855 | 4 |
| OGVT | | 870 | 922 | 15.427 | | 2.956 | 4.584 | Aa3 | Aa2 | AA- | 1.341 | 3.612 | 3.624 | 0.007 | 52 |
| | 117068GH3 | 80 | 83 | 1.388 | BRUNSWICK CNTY N C ENTERPRI | 2.100 | 04/01/2023 | Aa3 | Aa3 | AA- | 0.332 | 1.500 | 1.468 | 0.015 | 13 |
| | 64972C3H4 | 75 | 81 | 1.349 | NEW YORK N Y CITY HSG DEV C | 3.467 | 11/01/2023 | Aa2 | Aa2 | AA+ | 0.550 | 2.083 | 2.001 | 0.025 | 24 |
| | 696543MZ7 | 55 | 60 | 1.002 | PALM BEACH CNTY FLA PUB IMP | 4.000 | 11/01/2023 | Aa1 | Aa1 | AAA | 0.513 | 2.083 | 1.990 | 0.025 | 21 |
| | 60374Y8A8 | 50 | 53 | 0.893 | MINNEAPOLIS MINN TAXABLE GO | 4.379 | 03/01/2034 | Aa1 | Aa1 | AAA | 3.643 | 2.417 | 2.982 | -0.548 | 124 |
| | 033167CH8 | 75 | 80 | 1.341 | ANCHORAGE ALASKA CTFS PARTN | 3.058 | 07/01/2024 | Aa1 | N/A | AA+ | 0.809 | 2.750 | 2.639 | 0.038 | 34 |
| | 494224PJ1 | 70 | 70 | 1.176 | KILLEEN TEX WTRWKS & SWR RE | 0.860 | 08/15/2024 | Aa2 | N/A | AA | 0.742 | 2.917 | 2.838 | 0.042 | 23 |
| | 20772KEV7 | 65 | 71 | 1.181 | CONNECTICUT ST TAXABLE GO B | 3.693 | 09/15/2024 | A1 | Aa3 | A+ | 0.792 | 3.000 | 2.827 | 0.043 | 27 |
| | 613741KQ9 | 75 | 79 | 1.329 | MONTGOMERY CNTY VA ECONOMIC | 2.342 | 06/01/2025 | Aa3 | Aa2 | AA- | 0.909 | 3.667 | 3.516 | 0.068 | 22 |
| | 650009S20 | 100 | 105 | 1.764 | NEW YORK ST TWY AUTH GEN RE | 2.406 | 01/01/2026 | A2 | A1 | A | 1.243 | 4.250 | 4.055 | 0.092 | 42 |
| | 45506DK53 | 75 | 79 | 1.317 | INDIANA ST FIN AUTH REV TAX | 3.300 | 02/01/2026 | A3 | N/A | A- | 2.222 | 4.333 | 4.049 | 0.093 | 138 |
| | 974450N87 | 75 | 84 | 1.404 | WINNEBAGO CNTY ILL TAXABLE | 4.150 | 12/30/2027 | Aa3 | Aa3 | N/A | 2.280 | 5.250 | 4.879 | 0.054 | 94 |
| | 56052FUM5 | 75 | 77 | 1.282 | MAINE ST HSG AUTH MTG PUR T | 2.674 | 11/15/2035 | Aa1 | Aa1 | AA+ | 2.568 | 8.167 | 9.579 | -0.059 | 79 |
| IND | | 1,786 | 2,008 | 33.591 | | 3.822 | 9.166 | A3 | A3 | A | 1.978 | 9.054 | 7.173 | 0.433 | 77 |
| | 30219GAQ1 | 40 | 42 | 0.699 | EXPRESS SCRIPTS HLDG CO | 3.000 | 07/15/2023 | A3 | NR | A- | 0.884 | 1.667 | 1.584 | 0.016 | 46 |
| | 89153UAF8 | 60 | 63 | 1.052 | TOTAL CAP CDA LTD | 2.750 | 07/15/2023 | A2 | A1 | A | 0.397 | 1.833 | 1.745 | 0.020 | 15 |
| | 61945CAC7 | 25 | 27 | 0.453 | MOSAIC CO | 4.250 | 11/15/2023 | Baa3 | Baa3 | BBB | 1.088 | 1.917 | 1.789 | 0.021 | 43 |
| | 546268AG8 | 45 | 53 | 0.884 | LOUISIANA LD & EXPL CO | 7.650 | 12/01/2023 | A3 | A3 | A- | 0.717 | 2.167 | 2.000 | 0.025 | 39 |
| | 84756NAD1 | 30 | 33 | 0.546 | SPECTRA ENERGY PARTNERS LP | 4.750 | 03/15/2024 | Baa1 | Baa1 | BBB+ | 1.168 | 2.250 | 2.113 | 0.027 | 45 |
| | 37045XBW5 | 35 | 38 | 0.637 | GENERAL MTRS FINL CO INC | 3.950 | 04/13/2024 | Baa3 | Baa3 | BBB | 1.181 | 2.333 | 2.242 | 0.029 | 62 |
| | 66989HAG3 | 80 | 87 | 1.454 | NOVARTIS CAPITAL CORP | 3.400 | 05/06/2024 | A1 | A1 | AA- | 0.585 | 2.583 | 2.477 | 0.035 | 15 |
| | 69371RR40 | 60 | 60 | 1.002 | PACCAR FINANCIAL CORP | 0.500 | 08/09/2024 | A1 | A1 | A+ | 0.599 | 2.833 | 2.837 | 0.042 | 9 |
| | 377372AM9 | 75 | 83 | 1.387 | GLAXOSMITHKLINE CAP INC | 3.625 | 05/15/2025 | A2 | A2 | A | 1.044 | 3.667 | 3.393 | 0.064 | 37 |
| | 718337AC2 | 30 | 37 | 0.611 | KONINKLIJKE PHILIPS N V | 7.750 | 05/15/2025 | Baa1 | Baa1 | BBB+ | 2.301 | 3.667 | 3.164 | 0.058 | 164 |
| | 920355AK0 | 30 | 33 | 0.550 | VALSPAR CORP | 3.950 | 01/15/2026 | Baa2 | NR | BBB | 1.807 | 4.083 | 3.781 | 0.058 | 91 |
| | 426767AA7 | 60 | 63 | 1.050 | HENRY J KAISER FAMILY FNDDTN | 3.356 | 12/01/2025 | Aaa | N/A | AAA | 2.469 | 4.167 | 3.867 | 0.085 | 167 |
| | 74834LAZ3 | 40 | 44 | 0.735 | QUEST DIAGNOSTICS INC | 3.450 | 06/01/2026 | Baa2 | Baa2 | BBB+ | 1.507 | 4.417 | 4.154 | 0.069 | 55 |
| | 110122AB4 | 55 | 72 | 1.200 | BRISTOL-MYERS SQUIBB CO | 6.800 | 11/15/2026 | A2 | A2 | A+ | 1.187 | 5.167 | 4.433 | 0.119 | 21 |
| | 05565QDN5 | 100 | 110 | 1.833 | BP CAP MKTS P L C | 3.279 | 09/19/2027 | A3 | A2 | A- | 1.610 | 5.750 | 5.357 | 0.133 | 44 |
| | 12541WAA8 | 40 | 46 | 0.770 | C H ROBINSON WORLDWIDE IN | 4.200 | 04/15/2028 | Baa2 | Baa2 | BBB+ | 2.056 | 6.333 | 5.599 | 0.163 | 80 |
| | 28176EAD0 | 40 | 46 | 0.775 | EDWARDS LIFESCIENCES CORP | 4.300 | 06/15/2028 | Baa2 | Baa2 | BBB | 1.981 | 6.500 | 5.753 | 0.173 | 70 |
| | 801060AD6 | 50 | 57 | 0.956 | SANOFI | 3.625 | 06/19/2028 | A1 | A1 | AA | 1.539 | 6.500 | 5.895 | 0.176 | 26 |
| | 037833EH9 | 65 | 64 | 1.072 | APPLE INC | 1.400 | 08/05/2028 | Aa1 | Aa1 | AA+ | 1.656 | 6.833 | 6.555 | 0.223 | 36 |
| | 007944AF8 | 100 | 105 | 1.759 | ADVENTIST HEALTH SYS WEST | 2.952 | 03/01/2029 | A2 | N/A | A | 2.235 | 7.167 | 6.623 | 0.218 | 90 |
| | 89352LAG5 | 25 | 35 | 0.579 | TRANSCANADA PIPELINE STRIP | 7.700 | 06/15/2029 | Baa1 | Baa1 | BBB+ | 2.521 | 7.750 | 6.136 | 0.231 | 124 |
| | 05723KAG5 | 55 | 60 | 0.999 | BAKER HUGHES A GE CO LLC / B | 3.138 | 11/07/2029 | A3 | A3 | A- | 2.152 | 7.833 | 7.076 | 0.259 | 77 |
| | 806854AJ4 | 75 | 78 | 1.302 | SCHLUMBERGER INVT SA | 2.650 | 06/26/2030 | A2 | A2 | A | 2.262 | 8.500 | 7.761 | 0.311 | 85 |

Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

Portfolio Position Report

Portfolio: CITY OF CREVE C 8016

Currency: USD

Pricing Date: 09/30/2021

Representative:

| Sector 1 | CUSIP9 | Par (000) | Mkt Val (000) | % Held (MV) | Issuer Name | Coupon | Maturity | Quality | Mdys | S&P | YTM | Avg Life | Eff Dur | Conv (Par) | OAS |
|-------------|-----------|--------------|---------------|---------------|------------------------------|--------------|---------------|-----------|-----------|-----------|--------------|---------------|---------------|--------------|------------|
| | 231021AT3 | 65 | 62 | 1.040 | CUMMINS INC | 1.500 | 09/01/2030 | A2 | A2 | A+ | 2.055 | 8.917 | 8.360 | 0.359 | 62 |
| | 717081FB4 | 65 | 64 | 1.063 | PFIZER INC | 1.750 | 08/18/2031 | A2 | A2 | A+ | 2.023 | 9.917 | 9.089 | 0.430 | 54 |
| | 097023AG0 | 36 | 54 | 0.905 | BOEING CO | 8.625 | 11/15/2031 | Baa3 | Baa2 | BBB- | 3.164 | 10.167 | 7.373 | 0.346 | 176 |
| | 898384AQ5 | 60 | 73 | 1.223 | TRUSTEES UNION COLLEGE | 4.877 | 07/01/2035 | A1 | A1 | N/A | 3.031 | 13.750 | 10.510 | 0.674 | 140 |
| | 902133AG2 | 25 | 39 | 0.646 | TYCO ELECTRONICS GROUP S A | 7.125 | 10/01/2037 | Baa1 | Baa1 | A- | 3.081 | 16.000 | 10.837 | 0.766 | 138 |
| | 92343VFT6 | 50 | 47 | 0.792 | VERIZON COMMUNICATIONS INC | 2.650 | 11/20/2040 | Baa1 | Baa1 | BBB+ | 3.084 | 19.167 | 15.069 | 1.328 | 113 |
| | 12189LAG6 | 40 | 52 | 0.867 | BURLINGTON NORTHN SANTA FE C | 4.950 | 09/15/2041 | A3 | A3 | AA- | 2.985 | 19.500 | 13.865 | 1.188 | 105 |
| | 038222AG0 | 40 | 59 | 0.988 | APPLIED MATLS INC | 5.850 | 06/15/2041 | A2 | A2 | A | 2.800 | 19.750 | 13.403 | 1.160 | 91 |
| | 13645RAQ7 | 25 | 34 | 0.564 | CANADIAN PAC RY CO NEW | 5.750 | 01/15/2042 | Baa2 | Baa2 | BBB+ | 3.438 | 20.333 | 13.399 | 1.176 | 154 |
| | 035242AB2 | 55 | 61 | 1.020 | ANHEUSER BUSCH INBEV FIN INC | 4.000 | 01/17/2043 | Baa1 | Baa1 | BBB+ | 3.338 | 21.333 | 15.002 | 1.427 | 138 |
| | 655844BQ0 | 35 | 43 | 0.723 | NORFOLK SOUTHN CORP | 4.450 | 06/15/2045 | Baa1 | Baa1 | BBB+ | 3.116 | 23.250 | 15.716 | 1.584 | 112 |
| | 384802AB0 | 40 | 52 | 0.867 | GRAINGER W W INC | 4.600 | 06/15/2045 | A3 | A3 | A+ | 2.942 | 23.250 | 15.736 | 1.587 | 94 |
| | 0778FPAH2 | 35 | 35 | 0.589 | BELL TEL CO CDA-BELL | 3.200 | 02/15/2052 | Baa1 | Baa1 | BBB+ | 3.192 | 29.917 | 19.824 | 2.548 | 112 |
| FIN | | 1,285 | 1,397 | 23.376 | | 3.064 | 7.167 | A3 | A3 | A- | 1.436 | 6.996 | 5.395 | 0.358 | 53 |
| | 06051GGK9 | 45 | 46 | 0.773 | BK OF AMERICA CORP | 2.881 | 04/24/2023 | A3 | A2 | A- | 0.885 | 0.583 | 0.557 | 0.003 | 35 |
| | 12572QAE5 | 30 | 31 | 0.516 | CME GROUP INC | 3.000 | 09/15/2022 | Aa3 | Aa3 | AA- | 0.275 | 1.000 | 0.950 | 0.007 | 17 |
| | 44644MAA9 | 80 | 82 | 1.368 | HUNTINGTON NATIONAL BANK MAR | 1.800 | 02/03/2023 | A3 | A3 | A- | 0.393 | 1.250 | 1.251 | 0.006 | 14 |
| | 828807DD6 | 75 | 78 | 1.307 | SIMON PPTY GROUP LP | 2.750 | 06/01/2023 | A3 | A3 | A- | 0.796 | 1.417 | 1.384 | 0.012 | 28 |
| | 59523UAA5 | 25 | 27 | 0.454 | MID-AMERICA APTS LP | 4.300 | 10/15/2023 | Baa1 | Baa1 | BBB+ | 1.069 | 1.833 | 1.704 | 0.019 | 39 |
| | 89114QCJ5 | 85 | 85 | 1.423 | TORONTO DOMINION BANK | 0.450 | 09/11/2023 | A2 | A1 | A | 0.442 | 1.917 | 1.936 | 0.024 | 16 |
| | 42217KBC9 | 25 | 27 | 0.453 | WELLTOWER INC | 4.500 | 01/15/2024 | Baa1 | Baa1 | BBB+ | 1.230 | 2.083 | 1.949 | 0.024 | 56 |
| | 808513BU8 | 75 | 82 | 1.370 | CHARLES SCHWAB CORP | 3.750 | 04/01/2024 | N/A | N/A | N/A | 0.784 | 2.417 | 2.330 | 0.031 | 30 |
| | 929089AD2 | 35 | 37 | 0.624 | VOYA FINANCIAL INC | 3.125 | 07/15/2024 | Baa2 | Baa2 | BBB+ | 0.957 | 2.667 | 2.527 | 0.028 | 39 |
| | 0641596E1 | 55 | 55 | 0.920 | BANK NOVA SCOTIA B C | 0.650 | 07/31/2024 | A3 | A2 | A- | 0.716 | 2.833 | 2.805 | 0.042 | 21 |
| | 14040HBT1 | 35 | 38 | 0.636 | CAPITAL ONE FINL CORP | 3.300 | 10/30/2024 | Baa2 | Baa1 | BBB | 0.905 | 3.000 | 2.849 | 0.041 | 31 |
| | 38141GWQ3 | 50 | 53 | 0.893 | GOLDMAN SACHS GROUP INC | 3.272 | 09/29/2025 | Baa1 | A2 | BBB+ | 1.061 | 3.000 | 2.883 | 0.042 | 44 |
| | 00912XBA1 | 35 | 37 | 0.619 | AIR LEASE CORP | 3.250 | 03/01/2025 | Baa2 | N/A | BBB | 1.587 | 3.250 | 3.122 | 0.034 | 91 |
| | 03076CAK2 | 60 | 65 | 1.081 | AMERIPRISE FINL INC | 3.000 | 04/02/2025 | A3 | A3 | A- | 1.190 | 3.417 | 3.243 | 0.047 | 52 |
| | 59156RBQ0 | 55 | 61 | 1.019 | METLIFE INC | 3.600 | 11/13/2025 | A3 | A3 | A- | 1.259 | 3.833 | 3.632 | 0.058 | 39 |
| | 69349LAQ1 | 55 | 63 | 1.047 | PNC BK N A PITTSBURGH PA DIS | 4.200 | 11/01/2025 | A3 | A3 | A- | 1.171 | 4.000 | 3.690 | 0.075 | 35 |
| | 78016EZQ3 | 60 | 60 | 1.002 | ROYAL BK CDA | 1.200 | 04/27/2026 | A2 | A2 | A | 1.350 | 4.583 | 4.447 | 0.110 | 44 |
| | 49327V2A1 | 45 | 49 | 0.827 | KEYBANK NATIONAL ASSOCIATION | 3.400 | 05/20/2026 | Baa1 | Baa1 | BBB+ | 1.481 | 4.667 | 4.298 | 0.106 | 58 |
| | 254709AM0 | 30 | 34 | 0.562 | DISCOVER FINL SVCS | 4.100 | 02/09/2027 | Baa3 | Baa3 | BBB- | 1.865 | 5.083 | 4.694 | 0.110 | 77 |
| | 95000U2F9 | 70 | 76 | 1.267 | WELLS FARGO & CO | 3.196 | 06/17/2027 | Baa1 | A1 | BBB+ | 1.537 | 5.750 | 4.416 | 0.106 | 65 |
| | 172967KU4 | 30 | 34 | 0.564 | CITIGROUP INC | 4.125 | 07/25/2028 | Baa2 | Baa2 | BBB | 2.278 | 6.833 | 6.036 | 0.212 | 102 |
| | 46625HHV5 | 55 | 77 | 1.281 | JPMORGAN CHASE & CO | 5.500 | 10/15/2040 | A3 | A2 | A- | 2.966 | 19.083 | 13.062 | 1.102 | 110 |
| | 026874DA2 | 30 | 37 | 0.618 | AMERICAN INTL GROUP INC | 4.500 | 07/16/2044 | Baa2 | Baa2 | BBB+ | 3.133 | 22.333 | 15.302 | 1.488 | 115 |
| | 743315AQ6 | 55 | 63 | 1.048 | PROGRESSIVE CORP | 3.700 | 01/26/2045 | A2 | A2 | A | 2.913 | 23.333 | 16.547 | 1.724 | 92 |
| | 89417EAK5 | 55 | 68 | 1.146 | TRAVELERS COMPANIES INC | 4.300 | 08/25/2045 | A2 | A2 | A | 2.897 | 23.417 | 16.202 | 1.658 | 89 |
| | 361448BH5 | 35 | 33 | 0.558 | GATX CORP | 3.100 | 06/01/2051 | Baa2 | Baa2 | BBB | 3.409 | 29.667 | 19.301 | 2.432 | 134 |
| UTIL | | 406 | 454 | 7.603 | | 3.777 | 20.212 | A2 | A1 | A+ | 2.690 | 19.999 | 13.401 | 1.464 | 104 |

Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

Portfolio Position Report

Portfolio: CITY OF CREVE C 8016

Currency: USD

Pricing Date: 09/30/2021

Representative:

| Sector 1 | CUSIP9 | Par (000) | Mkt Val (000) | % Held (MV) | Issuer Name | Coupon | Maturity | Quality | Mdys | S&P | YTM | Avg Life | Eff Dur | Conv (Par) | OAS |
|---------------|-----------|--------------|---------------|----------------|------------------------------|--------------|---------------|------------|------------|------------|--------------|--------------|--------------|---------------|------------|
| | 26444GAB9 | 21 | 21 | 0.354 | DUKE ENERGY FL A- A21 | 1.731 | 09/01/2024 | Aaa | Aaa | AAA | 0.671 | 0.667 | 0.628 | 0.004 | 58 |
| | 68233JAZ7 | 75 | 81 | 1.349 | ONCOR ELEC DELIVERY CO LLC | 2.950 | 04/01/2025 | A2 | A2 | A+ | 1.197 | 3.250 | 3.115 | 0.027 | 47 |
| | 665772CB3 | 45 | 65 | 1.084 | NORTHERN STS PWR CO WIS | 6.250 | 06/01/2036 | A2 | Aa3 | A | 2.753 | 14.667 | 10.601 | 0.707 | 110 |
| | 595620AL9 | 50 | 64 | 1.073 | MIDAMERICAN ENERGY COMPANY | 4.800 | 09/15/2043 | A1 | Aa2 | A+ | 3.039 | 21.500 | 14.858 | 1.393 | 107 |
| | 842400FZ1 | 50 | 59 | 0.983 | SOUTHERN CALIF EDISON CO | 4.650 | 10/01/2043 | A3 | A3 | A- | 3.642 | 21.500 | 14.330 | 1.334 | 168 |
| | 66765RCH7 | 40 | 45 | 0.751 | NORTHWEST NAT GAS CO | 3.869 | 06/15/2049 | A2 | A2 | AA- | 3.258 | 27.250 | 17.796 | 2.072 | 122 |
| | 29364WBD9 | 75 | 73 | 1.224 | ENTERGY LA LLC | 2.900 | 03/15/2051 | A2 | A2 | A | 3.035 | 29.500 | 20.151 | 2.565 | 96 |
| | 209111FZ1 | 50 | 47 | 0.786 | CONSOLIDATED EDISON CO N Y I | 3.000 | 12/01/2060 | Baa1 | Baa1 | A- | 3.325 | 39.167 | 22.817 | 3.600 | 124 |
| PASS | | 197 | 210 | 3.508 | | 3.114 | 5.378 | Aa1 | Aaa | AA+ | 1.540 | 5.378 | 3.405 | -0.913 | 18 |
| | 3138EPA46 | 11 | 11 | 0.190 | FNMA POOL - AL6326 | 2.500 | 01/01/2030 | Aa1 | AGY | AGY | 1.305 | 2.583 | 2.033 | -0.280 | 48 |
| | 3138X6NG6 | 15 | 16 | 0.264 | FNMA POOL - AU6690 | 2.500 | 09/01/2028 | Aa1 | AGY | AGY | 0.486 | 2.583 | 1.858 | -0.323 | -30 |
| | 3140Q87E9 | 18 | 20 | 0.330 | FNMA UMBS POOL - CA1792 | 4.500 | 03/01/2038 | Aa1 | AGY | AGY | 1.648 | 3.500 | 3.052 | 0.007 | 68 |
| | 3138WD2G5 | 27 | 30 | 0.495 | FNMA UMBS POOL - AS4374 | 3.500 | 02/01/2045 | Aa1 | AGY | AGY | 1.148 | 4.167 | 2.564 | -0.676 | -4 |
| | 3140HP7C5 | 22 | 25 | 0.414 | FNMA UMBS POOL - BK9890 | 5.000 | 08/01/2048 | Aa1 | AGY | AGY | 1.848 | 4.250 | 3.599 | -0.175 | 71 |
| | 31418CWM2 | 17 | 18 | 0.294 | FNMA POOL - MA3351 | 3.000 | 04/01/2048 | Aa1 | AGY | AGY | 2.218 | 4.333 | 3.480 | -0.670 | 54 |
| | 3132J7YK2 | 38 | 41 | 0.693 | FHLMC GOLD POOL - Q16613 | 3.000 | 03/01/2043 | Aa1 | AGY | AGY | 1.367 | 5.750 | 2.799 | -1.719 | -10 |
| | 3140XBHD5 | 49 | 50 | 0.829 | FNMA UMBS POOL - FM7427 | 2.000 | 05/01/2051 | Aa1 | AGY | AGY | 1.869 | 9.000 | 5.238 | -1.534 | 3 |
| CMO | | 450 | 463 | 7.748 | | 2.291 | 4.880 | Aa1 | Aaa | AA+ | 1.500 | 4.880 | 3.501 | -1.078 | 9 |
| | 3137F4N65 | 3 | 3 | 0.050 | FHLMC 4776- DW | 4.000 | 09/15/2044 | Aa1 | AGY | AGY | 2.133 | 0.083 | 0.034 | 0.045 | 75 |
| | 3137B6B34 | 6 | 6 | 0.103 | FHLMC 4272- DG | 3.000 | 04/15/2043 | Aa1 | AGY | AGY | 1.468 | 1.667 | 1.875 | -0.380 | 91 |
| | 3136A9KS6 | 14 | 14 | 0.239 | FNMA 2012-114- ND | 2.000 | 10/25/2041 | Aa1 | AGY | AGY | 1.054 | 2.083 | 2.027 | -0.814 | 13 |
| | 3136AMQD4 | 16 | 16 | 0.276 | FNMA 2015-002- PA | 2.250 | 03/25/2044 | Aa1 | AGY | AGY | 0.848 | 2.167 | 2.497 | -0.413 | 8 |
| | 35564CAN7 | 43 | 45 | 0.761 | FHLMC SLSTT 2018-002- A1 | 3.500 | 11/25/2028 | N/A | N/A | N/A | 1.370 | 2.750 | 1.946 | -0.492 | 50 |
| | 3136B6K36 | 70 | 73 | 1.227 | FNMA 2019-068- KP | 2.500 | 11/25/2049 | Aa1 | AGY | AGY | 1.161 | 3.667 | 3.873 | -0.012 | -29 |
| | 3136A2JE4 | 24 | 26 | 0.430 | FNMA 2011-111- ME | 4.000 | 11/25/2041 | Aa1 | AGY | AGY | 2.130 | 4.000 | 3.789 | -0.211 | 95 |
| | 3136BGTH4 | 64 | 65 | 1.087 | FNMA 2021-051- JB | 2.000 | 08/25/2051 | Aa1 | AGY | AGY | 1.694 | 4.917 | 3.770 | -1.057 | 15 |
| | 3137H23T9 | 65 | 66 | 1.108 | FHLMC 5140- H | 2.000 | 08/25/2046 | Aa1 | AGY | AGY | 1.650 | 5.583 | 3.132 | -1.644 | 12 |
| | 3136BGD99 | 65 | 65 | 1.085 | FNMA 2021-060- ND | 1.500 | 09/25/2051 | Aa1 | AGY | AGY | 1.557 | 5.833 | 4.331 | -1.198 | -2 |
| | 3137FWYV6 | 80 | 83 | 1.382 | FHLMC 5020- KW | 2.000 | 09/25/2045 | Aa1 | AGY | AGY | 1.545 | 7.500 | 4.072 | -2.357 | -13 |
| ABS | | 10 | 10 | 0.166 | | 0.831 | 3.738 | N/A | N/A | N/A | 0.675 | 3.738 | 0.668 | 0.586 | 72 |
| | 45254NQR1 | 1 | 1 | 0.017 | IMPAC CMB TR 2005-006- 2A2 | 0.886 | 10/25/2035 | N/A | N/A | NR | 0.410 | 1.417 | 0.407 | 0.299 | 47 |
| | 45254NLP0 | 9 | 9 | 0.149 | IMPAC SEC 2004-010- 4A1 | 0.824 | 03/25/2035 | N/A | N/A | NR | 0.705 | 4.000 | 0.698 | 0.619 | 75 |
| MUNI | | 70 | 73 | 1.228 | | 2.750 | 11.676 | Aa3 | Aa3 | AA- | 2.365 | 4.667 | 7.120 | -1.367 | 107 |
| | 76804ADA0 | 70 | 73 | 1.228 | RIVER CITY INC KY PKG AUTH | 2.750 | 12/01/2033 | Aa3 | Aa3 | AA- | 2.365 | 4.667 | 7.120 | -1.367 | 107 |
| MM | | 260 | 260 | 4.359 | | 0.650 | 2.867 | Aaa | Aaa | AAA | 0.614 | 2.867 | 2.839 | 0.042 | 11 |
| | 38149MXZ1 | 130 | 130 | 2.176 | GOLDMAN SACHS BK USA | 0.600 | 08/12/2024 | N/A | N/A | N/A | 0.611 | 2.867 | 2.841 | 0.042 | 10 |
| | 795451AL7 | 130 | 130 | 2.182 | SALLIE MAE BANK CD | 0.700 | 08/12/2024 | Aaa | Aaa | AAA | 0.617 | 2.867 | 2.837 | 0.042 | 11 |
| Total: | | 5,501 | 5,976 | 100.000 | | 3.105 | 8.116 | A1 | A1 | A+ | 1.665 | 7.787 | 6.064 | 0.234 | 58 |

Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

PORTFOLIO HOLDINGS

CITY OF CREVE COEUR EMP RETIREMENT | 910048016 | as of 09/30/2021

Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

| | TICKER | % OF PORTFOLIO | QUANTITY | PRICE | MARKET VALUE | UNIT COST | TOTAL COST | EST. ANNUAL INCOME | YIELD |
|--|--------|----------------|----------|--------|------------------|-----------|------------------|--------------------|--------------|
| Cash Equivalents | | | | | | | | | |
| Cash Equivalents | | | | | | | | | |
| FINANCIAL SQUARE TR GOVERNMENT INSTITUTIONAL CLASS FD #465 | FGTXX | 4.70% | 286,576 | 1.00 | \$286,576 | 1.00 | \$286,576 | \$75 | 0.03% |
| Total for Cash Equivalents | | 4.70% | | | \$286,576 | | \$286,576 | \$75 | 0.03% |
| TOTAL FOR CASH EQUIVALENTS | | 4.70% | | | \$286,576 | | \$286,576 | \$75 | 0.03% |
| Fixed Income Investments | | | | | | | | | |
| Agencies | | | | | | | | | |
| GOLDMAN SACHS BK MKT CD 0.6% 8/12/24 FDIC #33124 | | 2.13% | 130,000 | 99.97 | \$129,957 | 100.00 | \$130,000 | \$780 | 0.61% |
| SALLIE MAE MKT CD 0.7% 8/12/24 FDIC #58177 | | 2.14% | 130,000 | 100.25 | \$130,326 | 100.00 | \$130,000 | \$910 | 0.61% |
| Total for Agencies | | 4.27% | | | \$260,283 | | \$260,000 | \$1,690 | 0.61% |
| Credit | | | | | | | | | |
| BANK OF AMERICA NT V/R 4/24/23 | | 0.75% | 45,000 | 101.39 | \$45,626 | 100.00 | \$45,000 | \$1,296 | 0.42% |
| CME GROUP INC NT 3% 9/15/22 | | 0.51% | 30,000 | 102.61 | \$30,782 | 98.95 | \$29,684 | \$900 | 0.28% |
| HUNTINGTON NATL BK NT 1.8% 2/3/23 | | 1.34% | 80,000 | 101.88 | \$81,505 | 102.83 | \$82,266 | \$1,440 | 0.30% |
| SIMON PPTY NT 2.75% 6/1/23 | | 1.27% | 75,000 | 103.23 | \$77,425 | 99.82 | \$74,864 | \$2,063 | 0.46% |
| EXPRESS SCRIPTS NT 3% 7/15/23 | | 0.68% | 40,000 | 103.75 | \$41,501 | 101.76 | \$40,704 | \$1,200 | 0.67% |
| TOTAL CAP CANADA NT 2.75% 7/15/23 | | 1.03% | 60,000 | 104.20 | \$62,518 | 98.33 | \$58,999 | \$1,650 | 0.40% |
| TORONTO DOMINION BK NT 0.45% 9/11/23 | | 1.40% | 85,000 | 100.02 | \$85,013 | 99.86 | \$84,878 | \$383 | 0.44% |
| MID AMERICA APT LP NT 4.3% 10/15/23 | | 0.44% | 25,000 | 106.51 | \$26,627 | 99.05 | \$24,762 | \$1,075 | 0.64% |
| MOSAIC CO NT 4.25% 11/15/23 | | 0.44% | 25,000 | 106.62 | \$26,656 | 99.79 | \$24,948 | \$1,063 | 0.69% |
| LA LAND & EXPL DEB 7.65% 12/01/23 | | 0.85% | 45,000 | 114.90 | \$51,703 | 129.94 | \$58,473 | \$3,443 | 0.72% |
| HEALTH CARE REIT NT 4.5% 1/15/24 | | 0.44% | 25,000 | 107.37 | \$26,842 | 98.96 | \$24,740 | \$1,125 | 0.85% |
| SPECTRA ENERGY NT 4.75% 3/15/24 | | 0.54% | 30,000 | 108.66 | \$32,597 | 99.77 | \$29,930 | \$1,425 | 0.79% |
| CHARLES SCHWAB CORP NT 3.75% 4/1/24 | | 1.32% | 75,000 | 107.34 | \$80,503 | 100.00 | \$75,000 | \$2,813 | 0.69% |
| GENERAL MOTORS FIN NT 3.95% 4/13/24 | | 0.61% | 35,000 | 106.90 | \$37,414 | 99.83 | \$34,941 | \$1,383 | 1.00% |
| NOVARTIS CAP NT 3.4% 5/6/24 | | 1.41% | 80,000 | 107.25 | \$85,802 | 110.24 | \$88,191 | \$2,720 | 0.59% |

Bond Yield is Market Yield

PORTFOLIO HOLDINGS

CITY OF CREVE COEUR EMP RETIREMENT | 910048016 | as of 09/30/2021

| TICKER | % OF PORTFOLIO | QUANTITY | PRICE | MARKET VALUE | UNIT COST | TOTAL COST | EST. ANNUAL INCOME | YIELD |
|--------------------------------------|----------------|----------|--------|--------------|-----------|------------|--------------------|-------|
| VOYA FINL NT 3.125% 7/15/24 | 0.61% | 35,000 | 105.96 | \$37,085 | 99.70 | \$34,895 | \$1,094 | 0.83% |
| BANK OF NOVA SCOTIA NT 0.65% 7/31/24 | 0.90% | 55,000 | 99.82 | \$54,898 | 99.91 | \$54,951 | \$358 | 0.72% |
| PACCAR FINANCIAL NT 0.5% 8/9/24 | 0.98% | 60,000 | 99.72 | \$59,832 | 99.95 | \$59,968 | \$300 | 0.60% |
| GOLDMAN SACHS NT V/R 9/29/25 | 0.88% | 50,000 | 106.77 | \$53,384 | 100.00 | \$50,000 | \$1,636 | 0.98% |
| CAPITAL ONE FIN NT 3.3% 10/30/24 | 0.62% | 35,000 | 107.27 | \$37,543 | 99.71 | \$34,898 | \$1,155 | 0.84% |
| AIR LEASE NT 3.25% 3/1/25 | 0.61% | 35,000 | 105.51 | \$36,930 | 102.06 | \$35,720 | \$1,138 | 1.51% |
| ONCOR ELEC NT 2.95% 4/1/25 | 1.30% | 75,000 | 106.00 | \$79,496 | 95.39 | \$71,544 | \$2,213 | 1.07% |
| AMERIPRISE FINANCIAL NT 3% 4/2/25 | 1.05% | 60,000 | 106.20 | \$63,718 | 107.11 | \$64,263 | \$1,800 | 1.15% |
| GLAXOSMITHKLINE NT 3.625% 5/15/25 | 1.34% | 75,000 | 109.16 | \$81,869 | 112.76 | \$84,569 | \$2,719 | 1.04% |
| KONINKLIJKE PHILIPS NT 7.75% 5/15/25 | 0.59% | 30,000 | 118.84 | \$35,653 | 127.27 | \$38,180 | \$2,325 | 2.27% |
| PNC BANK NA NT 4.2% 11/1/25 | 1.01% | 55,000 | 112.05 | \$61,629 | 99.97 | \$54,984 | \$2,310 | 1.12% |
| METLIFE NT 3.6% 11/13/25 | 0.99% | 55,000 | 109.37 | \$60,151 | 99.99 | \$54,996 | \$1,980 | 1.12% |
| HENRY J KAISER FMY NT 3.356% 12/1/25 | 1.02% | 60,000 | 103.49 | \$62,094 | 100.00 | \$60,000 | \$2,014 | 2.47% |
| VALSPAR CORP NT 3.95% 1/15/26 | 0.54% | 30,000 | 108.81 | \$32,643 | 99.56 | \$29,868 | \$1,185 | 1.69% |
| ROYAL BK OF CANADA NT 1.2% 4/27/26 | 0.98% | 60,000 | 99.34 | \$59,603 | 100.14 | \$60,085 | \$720 | 1.35% |
| KEY BANK NT 3.4% 5/20/26 | 0.80% | 45,000 | 108.57 | \$48,858 | 111.63 | \$50,233 | \$1,530 | 1.48% |
| QUEST DIAGNOSTICS NT 3.45% 6/1/26 | 0.71% | 40,000 | 108.73 | \$43,491 | 94.87 | \$37,949 | \$1,380 | 1.41% |
| WELLS FARGO NT V/R 6/17/27 | 1.23% | 70,000 | 107.30 | \$75,108 | 100.00 | \$70,000 | \$2,237 | 1.58% |
| BRISTOL MYERS NT 6.8% 11/15/26 | 1.15% | 55,000 | 127.83 | \$70,304 | 127.55 | \$70,151 | \$3,740 | 1.19% |
| DISCOVER FINANCIAL NT 4.1% 2/9/27 | 0.55% | 30,000 | 111.34 | \$33,403 | 112.60 | \$33,780 | \$1,230 | 1.77% |
| BP CAPITAL MARKETS NT 3.279% 9/19/27 | 1.80% | 100,000 | 109.46 | \$109,462 | 100.00 | \$100,000 | \$3,279 | 1.54% |
| CH ROBINSON NT 4.2% 4/15/28 | 0.74% | 40,000 | 113.06 | \$45,224 | 115.65 | \$46,258 | \$1,680 | 1.98% |
| EDWARDS LIFESCIENCES NT 4.3% 6/15/28 | 0.75% | 40,000 | 114.50 | \$45,800 | 99.77 | \$39,907 | \$1,720 | 1.90% |
| SANOFI NT 3.625% 6/19/28 | 0.93% | 50,000 | 113.27 | \$56,634 | 99.27 | \$49,635 | \$1,813 | 1.46% |
| CITIGROUP INC NT 4.125% 7/25/28 | 0.55% | 30,000 | 111.60 | \$33,481 | 99.69 | \$29,907 | \$1,238 | 2.28% |
| APPLE INC NT 1.4% 8/5/28 | 1.05% | 65,000 | 98.35 | \$63,927 | 99.77 | \$64,853 | \$910 | 1.66% |
| ADVENT HLTH SYST 2.952% 3/1/29 | 1.72% | 100,000 | 104.88 | \$104,876 | 100.00 | \$100,000 | \$2,952 | 2.21% |
| TRANSCANADA NT 7.7% 6/15/29 | 0.56% | 25,000 | 136.07 | \$34,019 | 139.41 | \$34,853 | \$1,925 | 2.52% |
| BAKER HUGHES NT 3.138% 11/7/29 | 0.97% | 55,000 | 107.29 | \$59,011 | 108.55 | \$59,701 | \$1,726 | 2.13% |

Bond Yield is Market Yield

Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

PORTFOLIO HOLDINGS

CITY OF CREVE COEUR EMP RETIREMENT | 910048016 | as of 09/30/2021

| TICKER | % OF PORTFOLIO | QUANTITY | PRICE | MARKET VALUE | UNIT COST | TOTAL COST | EST. ANNUAL INCOME | YIELD |
|--------------------------------------|----------------|----------|--------|--------------------|-----------|--------------------|--------------------|--------------|
| SCHLUMBERGER INV NT 2.65% 6/26/30 | 1.27% | 75,000 | 103.06 | \$77,293 | 99.61 | \$74,706 | \$1,988 | 2.25% |
| CUMMINS INC NT 1.5% 9/1/30 | 1.02% | 65,000 | 95.50 | \$62,076 | 97.90 | \$63,633 | \$975 | 2.06% |
| PFIZER INC NT 1.75% 8/18/31 | 1.04% | 65,000 | 97.57 | \$63,417 | 99.66 | \$64,781 | \$1,138 | 2.02% |
| BOEING CO NT 8.625% 11/15/31 | 0.87% | 36,000 | 146.99 | \$52,917 | 146.71 | \$52,815 | \$3,105 | 3.16% |
| TRUSTEES OF UN CLG NT 4.877% 7/7/35 | 1.19% | 60,000 | 120.63 | \$72,377 | 100.00 | \$60,000 | \$2,926 | 3.03% |
| NORTHERN STATES PWR NT 6.25% 6/1/36 | 1.05% | 45,000 | 141.96 | \$63,883 | 139.54 | \$62,791 | \$2,813 | 2.75% |
| TYCO ELECTRONICS NT 7.125% 10/1/37 | 0.62% | 25,000 | 150.79 | \$37,697 | 136.19 | \$34,048 | \$1,781 | 3.36% |
| JPMORGAN CHASE NT 5.5% 10/15/40 | 1.23% | 55,000 | 136.66 | \$75,160 | 107.34 | \$59,034 | \$3,025 | 2.97% |
| VERIZON COMMN NT 2.65% 11/20/40 | 0.77% | 50,000 | 93.75 | \$46,877 | 99.91 | \$49,954 | \$1,325 | 3.08% |
| APPLIED MATERIALS NT 5.85% 6/15/41 | 0.96% | 40,000 | 145.95 | \$58,378 | 120.39 | \$48,156 | \$2,340 | 2.80% |
| BURLINGTON NORTH NT 4.95% 9/15/41 | 0.85% | 40,000 | 129.39 | \$51,755 | 104.25 | \$41,701 | \$1,980 | 2.95% |
| CANADIAN PAC RR NT 5.75% 1/15/42 | 0.55% | 25,000 | 133.56 | \$33,391 | 124.17 | \$31,042 | \$1,438 | 3.44% |
| ANHEUSER-BUSCH NT 4% 1/17/43 | 0.99% | 55,000 | 110.02 | \$60,513 | 89.98 | \$49,488 | \$2,200 | 3.34% |
| MIDAMERICAN ENERGY NT 4.8% 9/15/43 | 1.05% | 50,000 | 128.07 | \$64,033 | 99.53 | \$49,764 | \$2,400 | 3.01% |
| SOUTHERN CAL EDISON NT 4.65% 10/1/43 | 0.95% | 50,000 | 115.16 | \$57,580 | 99.51 | \$49,756 | \$2,325 | 3.63% |
| AMERICAN INTL GRP NT 4.5% 7/16/44 | 0.60% | 30,000 | 122.14 | \$36,643 | 99.40 | \$29,819 | \$1,350 | 3.12% |
| PROGRESSIVE CORP NT 3.7% 1/26/45 | 1.02% | 55,000 | 113.25 | \$62,289 | 98.05 | \$53,926 | \$2,035 | 2.91% |
| NORFOLK SOUTHERN NT 4.45% 6/15/45 | 0.70% | 35,000 | 122.23 | \$42,781 | 107.85 | \$37,747 | \$1,558 | 3.10% |
| WW GRAINGER NT 4.6% 6/15/45 | 0.84% | 40,000 | 128.16 | \$51,265 | 109.64 | \$43,855 | \$1,840 | 2.92% |
| TRAVELERS COS INC NT 4.3% 8/25/45 | 1.12% | 55,000 | 124.08 | \$68,246 | 99.22 | \$54,569 | \$2,365 | 2.88% |
| NW NATURAL GAS NT 3.869% 6/15/49 | 0.73% | 40,000 | 111.10 | \$44,440 | 100.00 | \$40,000 | \$1,548 | 3.25% |
| ENTERGY LA NT 2.9% 3/15/51 | 1.20% | 75,000 | 97.38 | \$73,035 | 104.41 | \$78,310 | \$2,175 | 3.04% |
| GATX CORP NT 3.1% 6/1/51 | 0.54% | 35,000 | 94.26 | \$32,990 | 99.94 | \$34,980 | \$1,085 | 3.41% |
| BELL CANADA NT 3.2% 2/15/52 | 0.58% | 35,000 | 100.15 | \$35,052 | 99.96 | \$34,986 | \$1,120 | 3.19% |
| CON EDISON NT 3% 12/1/60 | 0.76% | 50,000 | 92.91 | \$46,455 | 99.40 | \$49,699 | \$1,500 | 3.33% |
| Total for Credit | 62.42% | | | \$3,803,176 | | \$3,603,084 | \$122,613 | 1.82% |
| Mortgage | | | | | | | | |
| FNMA POOL # AU6690 2.5% 9/1/28 | 0.25% | 14,625 | 104.92 | \$15,344 | 102.25 | \$14,954 | \$366 | 1.74% |

Bond Yield is Market Yield

Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

PORTFOLIO HOLDINGS

CITY OF CREVE COEUR EMP RETIREMENT | 910048016 | as of 09/30/2021

| TICKER | % OF PORTFOLIO | QUANTITY | PRICE | MARKET VALUE | UNIT COST | TOTAL COST | EST. ANNUAL INCOME | YIELD |
|--------------------------------------|----------------|----------|--------|------------------|-----------|------------------|--------------------|--------------|
| SLST 2018-2 CL A1 3.5% 11/25/28 | 0.74% | 43,012 | 105.50 | \$45,378 | 98.66 | \$42,438 | \$1,505 | 2.65% |
| FNMA POOL # AL6326 2.5% 8/1/28 | 0.19% | 11,401 | 102.87 | \$11,728 | 102.00 | \$11,629 | \$285 | 2.05% |
| IMM 2004-10 CL 4A1 V/R 3/25/35 | 0.15% | 9,067 | 99.03 | \$8,979 | 98.00 | \$8,886 | \$215 | 0.99% |
| IMM 2005-6 CL 2A2 V/R 10/25/35 | 0.02% | 1,161 | 100.68 | \$1,169 | 95.50 | \$1,109 | \$20 | 1.25% |
| FNMA POOL # CA1792 4.5% 3/1/38 | 0.33% | 18,368 | 109.19 | \$20,055 | 103.63 | \$19,033 | \$827 | 3.75% |
| FNR 2012-114 CL ND 2% 10/25/41 | 0.23% | 13,948 | 101.83 | \$14,203 | 95.00 | \$13,250 | \$279 | 1.89% |
| FNR 2011-111 CL ME 4% 11/25/41 | 0.43% | 24,333 | 106.71 | \$25,967 | 102.41 | \$24,919 | \$973 | 3.53% |
| FHLMC POOL # Q16613 3% 3/1/43 | 0.68% | 37,855 | 108.74 | \$41,163 | 101.36 | \$38,370 | \$1,136 | 2.47% |
| FHR 4272 CL DG 3% 4/15/43 | 0.11% | 6,299 | 102.43 | \$6,452 | 101.75 | \$6,409 | \$189 | 2.85% |
| FNR 2015-2 CL PA 2.25% 3/25/44 | 0.27% | 16,141 | 102.88 | \$16,606 | 101.23 | \$16,340 | \$363 | 2.09% |
| FHR 4776 CL DW 4% 9/15/44 | 0.05% | 2,916 | 99.95 | \$2,914 | 101.50 | \$2,959 | \$117 | 4.00% |
| FNMA POOL #AS4374 3.5% 2/1/45 | 0.48% | 27,035 | 109.22 | \$29,527 | 103.05 | \$27,859 | \$946 | 2.95% |
| FHR 5020 CL KW 2% 9/25/45 | 1.35% | 80,000 | 103.12 | \$82,493 | 103.62 | \$82,894 | \$1,600 | 1.84% |
| FHR 2021-5140 CL H 2% 8/25/46 | 1.08% | 64,746 | 101.73 | \$65,867 | 102.44 | \$66,324 | \$1,295 | 1.91% |
| FNMA POOL #MA3351 3% 4/1/48 | 0.28% | 16,694 | 102.97 | \$17,189 | 100.47 | \$16,772 | \$501 | 2.84% |
| FNMA POOL # BK9890 5% 8/1/48 | 0.40% | 21,874 | 112.11 | \$24,523 | 105.63 | \$23,104 | \$1,094 | 4.24% |
| FNR 2019-68 CL KP 2.5% 11/25/49 | 1.21% | 70,363 | 104.56 | \$73,572 | 99.31 | \$69,880 | \$1,759 | 2.28% |
| FN UMBS POOL #FM7427 2% 5/1/51 | 0.82% | 49,490 | 100.97 | \$49,968 | 102.53 | \$50,743 | \$990 | 1.96% |
| FNR 2021-51 CL JB 2% 8/25/51 | 1.07% | 64,438 | 101.31 | \$65,279 | 101.95 | \$65,696 | \$1,289 | 1.94% |
| FNR 2021-60 CL ND 1.5% 9/25/51 | 1.06% | 64,835 | 99.62 | \$64,586 | 100.39 | \$65,086 | \$973 | 1.52% |
| Total for Mortgage | 11.21% | | | \$682,962 | | \$668,654 | \$16,720 | 2.27% |
| Tax Exempt Revenue | | | | | | | | |
| RIVER CITY INC KY 2.75% 12/1/33 | 1.19% | 70,000 | 103.91 | \$72,736 | 84.73 | \$59,312 | \$1,925 | 2.38% |
| Total for Tax Exempt Revenue | 1.19% | | | \$72,736 | | \$59,312 | \$1,925 | 2.38% |
| Taxable Muni Bonds | | | | | | | | |
| BRUNSWICK CNTY NC TXBL 2.1% 4/1/23 | 1.35% | 80,000 | 102.65 | \$82,118 | 100.00 | \$80,000 | \$1,680 | 0.33% |
| NEW YORK CITY NY TXBL 3.467% 11/1/23 | 1.31% | 75,000 | 106.04 | \$79,531 | 100.00 | \$75,000 | \$2,600 | 0.55% |
| PALM BEACH CO FL TXBL 4% 11/1/25 | 0.97% | 55,000 | 107.23 | \$58,974 | 98.89 | \$54,390 | \$2,200 | 2.14% |

Bond Yield is Market Yield

Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)

PORTFOLIO HOLDINGS

CITY OF CREVE COEUR EMP RETIREMENT | 910048016 | as of 09/30/2021

| TICKER | % OF PORTFOLIO | QUANTITY | PRICE | MARKET VALUE | UNIT COST | TOTAL COST | EST. ANNUAL INCOME | YIELD |
|---|----------------|----------|--------|--------------------|-----------|--------------------|--------------------|--------------|
| ANCHORAGE AK TXBL COPS 3.058% 7/1/24 | 1.31% | 75,000 | 106.11 | \$79,583 | 100.00 | \$75,000 | \$2,294 | 0.81% |
| KILLEEN TX SWR TXBL 0.86% 8/15/24 | 1.15% | 70,000 | 100.34 | \$70,235 | 100.00 | \$70,000 | \$602 | 0.74% |
| CT ST TXBL GO 3.693% 9/15/24 | 1.16% | 65,000 | 108.47 | \$70,503 | 100.00 | \$65,000 | \$2,400 | 0.79% |
| MONTGOMERY VA TXBL 2.342% 6/1/25 | 1.29% | 75,000 | 105.16 | \$78,871 | 100.00 | \$75,000 | \$1,757 | 0.91% |
| NY ST TXBL 2.406% 1/1/26 | 1.72% | 100,000 | 104.80 | \$104,801 | 100.00 | \$100,000 | \$2,406 | 1.24% |
| IN ST TXBL UNIV 3.3% 2/1/26 | 1.29% | 75,000 | 104.43 | \$78,323 | 100.00 | \$75,000 | \$2,475 | 2.22% |
| WINNEBAGO IL TXBL GO 4.15% 12/30/27 | 1.36% | 75,000 | 110.83 | \$83,123 | 100.00 | \$75,000 | \$2,925 | 2.28% |
| MINNEAPOLIS MN TXBL GO 4.379% 3/1/34 | 0.87% | 50,000 | 106.39 | \$53,194 | 100.00 | \$50,000 | \$2,190 | 3.73% |
| ME ST HSG TXBL 2.674% 11/15/35 | 1.25% | 75,000 | 101.18 | \$75,882 | 100.00 | \$75,000 | \$2,006 | 2.57% |
| Total for Taxable Muni Bonds | 15.02% | | | \$915,138 | | \$869,390 | \$25,534 | 1.45% |
| Treasury | | | | | | | | |
| US TREASURY BOND 3.125% 8/15/44 | 1.18% | 60,000 | 119.47 | \$71,681 | 112.42 | \$67,451 | \$1,875 | 2.05% |
| Total for Treasury | 1.18% | | | \$71,681 | | \$67,451 | \$1,875 | 2.05% |
| TOTAL FOR FIXED INCOME INVESTMENTS | 95.30% | | | \$5,805,976 | | \$5,527,890 | \$170,356 | 1.77% |
| Grand Total | 100.00% | | | \$6,092,553 | | \$5,814,466 | \$170,431 | 1.69% |

Communication: Quarterly Commerce Bank Report 9-30-21 (Commerce Bank - Report Only)



RETIREMENT PLAN FOR EMPLOYEES OF THE CITY OF CREVE COEUR

Actuarial Valuation Report July 1, 2021

Prepared by

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Consulting Actuary

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Consulting Actuary

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Communication: Actuarial Valuation (Milliman Reports)

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Introduction and Purpose

In this report, we present the results of the July 1, 2021 actuarial valuation for the Retirement Plan for Employees of the City of Creve Coeur.

Purposes of the Valuation

The actuarial valuation of the Plan is intended to accomplish several purposes:

- (a) In general, the determination of current levels of employer contributions which, together with prior funding, will accumulate monies sufficient to meet benefit payments when due under the terms of the Plan;
- (b) review plan experience for the year ended on the valuation date to ascertain whether the assumptions and methods employed for valuation purposes are reflective of actual events and remain appropriate for prospective application; and
- (c) assessment of the relative funded position of the plan on an ongoing basis, i.e., through a comparison of plan assets and projected plan liabilities.

Actuarial Certification

As requested, we have performed an actuarial valuation of the Retirement Plan for Employees of the City of Creve Coeur as of July 1, 2021 for the Plan Year ending June 30, 2022. Our findings are set forth in this actuary's report. This report reflects the benefit provisions in effect on July 1, 2021.

In preparing this report, we relied, without audit, on information (some oral and some in writing) supplied by the the Plan's Administrative Staff. This information includes, but is not limited to, statutory plan provisions, employee data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete our results may be different and our calculations may need to be revised.

The valuation results were developed using models intended for valuations that use standard actuarial techniques. In addition, Milliman has developed certain models to develop the expected long term rate of return on assets used in this analysis. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice. The models, including all input, calculations, and output may not be appropriate for any other purpose.

All costs, liabilities, rates of interest, and other factors for the Plan have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of the Plan and reasonable expectations); and which, in combination, offer our best estimate of anticipated experience affecting the Plan. Further, in our opinion, each actuarial assumption used is reasonably related to the experience of the Plan and to reasonable expectations which, in combination, represent our best estimate of anticipated experience under the Plan.

This valuation report is only an estimate of the Plan's financial condition as of a single date. It can neither predict the Plan's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of Plan contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. The City has the final decision regarding the appropriateness of the assumptions and adopted them as indicated in this report.

Actuarial Certification

Actuarial computations presented in this report are for purposes of determining the recommended funding amounts for the Fund. The calculations in the enclosed report have been made on a basis consistent with our understanding of the Fund's funding requirements and goals. Determinations for purposes other than meeting these requirements may be significantly different from the results contained in this report.

Milliman's work is prepared solely for the internal business use of the City of Creve Coeur and its employees (for their use in administering the Plan). To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions:

- (a) The System may provide a copy of Milliman's work, in its entirety, to the System's professional advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the System.
- (b) The System may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their specific needs.

The consultants who worked on this assignment are pension actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuaries are independent of the City. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and has been prepared in accordance with generally recognized accepted actuarial principles and practices. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

We respectfully submit the following report, and we look forward to discussing it with you.



Michael J. Zwiener, FSA
Consulting Actuary



William Winningham, EA, MAAA
Consulting Actuary

Discussion of Valuation Results

Actuarially Determined Contribution

The results of this valuation are used to actuarially determine contribution amounts to the Fund for the July 1, 2021 - June 30, 2022 fiscal year. A comparison of actuarially determined contribution amounts for the current and immediately preceding valuation are summarized below:

| | Actuarial Valuation as of | |
|--|---------------------------|--------------|
| | July 1, 2020 | July 1, 2021 |
| Actuarially Determined Employer Contribution* | \$1,230,482 | \$977,511 |
| Actuarially Determined Employer Contribution** | \$1,313,540 | \$1,036,162 |
| Actual Employer Contribution | \$1,271,253 | N/A |

* Assuming payment as of first day of plan year

** Assuming payment as of last day of plan year

Plan Assets

The market value of plan assets increased from \$26,373,489 at July 1, 2020 to \$33,098,397 at June 30, 2021. A balance sheet and statement of income and disbursements are presented on pages 7 and 8. Investment income (net of expense) was \$7,359,276 for a return of 28.2%. During the prior year, investment return was 2.3%. Contributions to the fund were \$1,361,091 and benefit payments totaled \$1,929,682.

Valuation assets are defined to be actuarial value using an asset smoothing method. On an actuarial value basis, fund assets are \$29,800,918 on July 1, 2021, compared to \$27,258,531 on July 1, 2020. Net investment income was \$3,176,755 for return of 11.8%. The development of the actuarial value of assets is shown on page 9.

Actuarial Assumptions, Methods and Plan Provisions

The amortization period for the pre-2015 unfunded actuarial liability was extended an additional 4 years. The interest rate was changed from 6.75% to 6.00%. The mortality table was changed from RP-2000 Combined Healthy Table with a 70% Blue Collar adjustment using projection scale BB to Pub-2010 General Amount-Weighted Mortality table using improvement scale updates published annually (currently MP-2020). The employee contribution rate was increased from 3.00% to 4.00% effective July 1, 2019.

All other actuarial assumptions and methods remained the same as the prior valuation. Descriptions of all actuarial assumptions, methods, and Plan provisions can be found on pages 13-16.

Plan Population

The number of active participants decreased from 35 on July 1, 2020 to 31 on July 1, 2021. The number of retirees/beneficiaries/disableds increased from 82 to 86, and the number of deferred vested participants decreased from 20 to 18.

Discussion of Valuation Results

Plan Experience

Prior to assumption changes, plan experience resulted in an overall experience gain for the plan year ending June 30, 2021. This is primarily due to a gain on Actuarial Value of Assets.

GASB 67/68

Results under GASB 67 and 68 are presented in a separate report.

Funded Status - Accrued Benefit Basis

Another measure of a plan's funded status is the relationship of the market value of plan assets to the present value of benefits accrued to date. The amounts for the current and prior year are shown in the following table:

| | Valuation Date <u>July 1, 2020</u> | Valuation Date <u>July 1, 2021</u> |
|---|---------------------------------------|---------------------------------------|
| a) Present Value of Vested Accrued Benefits | \$30,278,709 | \$33,417,805 |
| b) Present Value of All Accrued Benefits | \$30,657,028 | \$33,744,681 |
| c) Market Value of Assets | \$26,373,489 | \$33,098,397 |
| d) Ratio: (c)/(a) | 87.1% | 99.0% |
| e) Ratio: (c)/(b) | 86.0% | 98.1% |

The interest discount utilized for this purpose was 6.75% in 2020 and 6.00% in 2021. The discount rate that is required to value plan liabilities on a settlement basis is typically lower than the “ongoing basis” discount rate. Therefore, these amounts should not be used to assess the plan’s funded status on a settlement basis.

Funded Status - Actuarial Accrued Liability Basis

The most common measure of a public sector plan's funded status is dividing the Plan Assets by the Actuarial Accrued Liability. As of the valuation date, this ratio is 84.7% using Actuarial Value of Assets and 94.1% using the Market Value of Assets.

Communication: Actuarial Valuation (Milliman Reports)

Summary of Valuation Results

| | <u>Valuation Date</u> <u>July 1, 2020</u> | <u>Valuation Date</u> <u>July 1, 2021</u> |
|--|--|--|
| Participant Data | | |
| Number of Participants | | |
| Active participants | 35 | 31 |
| Terminated vested participants | 20 | 18 |
| Retirees and beneficiaries | 82 | 86 |
| Total | <u>137</u> | <u>135</u> |
| Covered Payroll | 2,532,924 | 2,510,196 |
| Assets | | |
| Market Value of Assets | 26,373,489 | 33,098,397 |
| Investment Yield | 2.3% | 28.2% |
| Actuarial Value of Assets | 27,258,531 | 29,800,918 |
| Investment Yield | 5.0% | 11.8% |
| Actuarial Present Values | | |
| Accrued Liability | 32,071,575 | 35,171,396 |
| - Actuarial Value of Assets | <u>27,258,531</u> | <u>29,800,918</u> |
| Unfunded Accrued Liability | <u>4,813,044</u> | <u>5,370,478</u> |
| Funded Ratio (Market Value Basis) | 82.2% | 94.1% |
| Funded Ratio (Actuarial Value Basis) | 85.0% | 84.7% |
| Costs and Contributions | | |
| Normal Cost | 267,260 | 324,322 |
| % of Covered Payroll | 10.6% | 12.9% |
| Actuarially Determined Contribution (ADC) | 1,230,482 | 977,511 |
| % of Covered Payroll* | 48.6% | 38.9% |
| Funded Status of Accumulated Benefits | | |
| Present Value of Accrued Benefits | 30,657,028 | 33,744,681 |
| Funded Ratio (Market Value Basis) | 86.0% | 98.1% |
| Funded Ratio (Actuarial Value Basis) | 88.9% | 88.3% |

*Since the Plan has been closed to new members since 2006, Active Participant headcount as well as Covered Payroll have steadily declined (in line with expectations). Coupled with the aggressive funding policy (14-year amortization of the pre-2015 UAL), the ADC when expressed as a % of payroll is sharply increased. In dollar terms, the ADC has remained relatively flat and is expected to remain so through 2028. At that time, the pre-2015 UAL will be fully amortized and the ADC will decrease significantly.

Statement of Assets as of June 30, 2021

| Assets | <u>Market Value</u> |
|---|----------------------------|
| Cash and cash equivalents | \$264,515 |
| Receiveable investment income | \$34,451 |
| Fixed income | \$9,029,376 |
| Stocks | \$23,770,055 |
| Real estate | \$0 |
| Total Assets | <u>33,098,397</u> |
| | |
| Liabilities | |
| Payable to brokers for unsettled trades | 0 |
| Total Liabilities | <u>0</u> |
| Net Assets | <u><u>\$33,098,397</u></u> |

Communication: Actuarial Valuation (Milliman Reports)

Statement of Income and Disbursements

| | |
|---|---------------------|
| Market Value of Assets as of July 1, 2020 | \$26,373,489 |
| Income | |
| Employer Contributions | 1,271,253 |
| Employee Contributions | 89,838 |
| Interest and Dividends | 741,075 |
| Net Appreciation/(Depreciation) | 6,655,773 |
| Investment Expenses | (37,572) |
| Total Income | 8,720,367 |
| Disbursements | |
| Employee Benefit Distributions | 1,929,682 |
| Administrative Expenses | 65,777 |
| Total Expenses | 1,995,459 |
| Net Increase (Decrease) | 6,724,908 |
| Market Value of Assets as of June 30, 2021 | \$33,098,397 |
| Net Rate of Return | 28.2% |

Communication: Actuarial Valuation (Milliman Reports)

Development of Actuarial Value of Assets

| | | |
|--|---|--------------|
| 1. Actuarial Value Beginning of Year | \$27,258,531 | |
| 2. Market Value End of Year | 33,098,397 | |
| 3. Market Value Beginning of Year | 26,373,489 | |
| 4. Non-Investment Cash Flows ⁽¹⁾ | (568,591) | |
| 5. Investment Income | | |
| a. Market Total: (2) - (3) - (4) | 7,293,499 | |
| b. Assumed Rate of Return | 6.75% | |
| c. Expected Investment Return ⁽²⁾ | 1,761,021 | |
| d. Gain/(Loss): (5a) - (5c) | 5,532,478 | |
| 6. Phased-In Recognition of Investment Income | | |
| a. Current Year: (1/3) x (5d) | 1,844,159 | |
| b. (1/3) of Gain/(Loss) during plan year ending June 30, 2020 | (390,836) | |
| c. (1/3) of Gain/(Loss) during plan year ending June 30, 2019 | (103,366) | |
| d. Phased-In Investment Gain to be Recognized in Current Year: (6a) + (6b) + (6c) | <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-top: 1px solid black; border-bottom: 3px double black;">1,349,957</td> </tr> </table> | 1,349,957 |
| 1,349,957 | | |
| 7. Actuarial Value End of Year: (1) + (4) + (5c) + (6d) | <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-top: 1px solid black; border-bottom: 3px double black;">\$29,800,918</td> </tr> </table> | \$29,800,918 |
| \$29,800,918 | | |
| 8. Excess of Market Value over Actuarial Value: (2) - (7) | 3,297,479 | |
| 9. Approximate Rate of Return on Actuarial Value | 11.8% | |
| 10. Ratio of Actuarial Value of Assets to Market Value of Assets: (7) / (2) | 90.0% | |

⁽¹⁾ Contributions less benefit payments

⁽²⁾ Assumed Rate times (3) + (4) times Assumed Rate/2

Statement of Accrued Benefits

| | July 1, 2020 | July 1, 2021 |
|--|--------------|--------------|
| 1. Accumulated Plan Benefits | | |
| a. Actuarial Present Value of Vested Benefits | | |
| i. Participants currently receiving payments | 19,265,030 | 22,962,084 |
| ii. Active Participants | 9,426,772 | 8,772,561 |
| iii. Deferred Vested Participants | 1,586,907 | 1,683,160 |
| iv. Total Vested Benefits | 30,278,709 | 33,417,805 |
| b. Actuarial Present Value of Non-Vested Benefits | 378,319 | 326,876 |
| c. Total Actuarial Present Value of Accumulated Plan Benefits: (aiv) + (b) | 30,657,028 | 33,744,681 |
| 2. Net Assets (Market Value) available for benefits | 26,373,489 | 33,098,397 |
| 3. Funded Ratio | | |
| a. Vested Benefits: (2) / (1aiv) | 87.1% | 99.0% |
| b. Accumulated Benefits: (2) / (1c) | 86.0% | 98.1% |
| 4. Net Assets (Actuarial Value) available for benefits | 27,258,531 | 29,800,918 |
| 5. Funded Ratio | | |
| a. Vested Benefits: (4) / (1aiv) | 90.0% | 89.2% |
| b. Accumulated Benefits: (4) / (1c) | 88.9% | 88.3% |

Communication: Actuarial Valuation (Milliman Reports)

Development of Actuarially Determined Contribution

July 1, 2021

1. Accrued Liability

| | |
|-----------------------------------|--------------|
| a. Active Participants | \$10,526,152 |
| b. Terminated Vested Participants | 1,683,160 |
| c. Retired Participants | 22,962,084 |
| d. Total | 35,171,396 |

2. Actuarial Value of Assets

29,800,918

3. Funded Ratio: (2) / (1d)

84.7%

4. Covered Payroll

2,510,196

5. Unfunded Actuarial Liability (UAL)

5,370,478

- a. Outstanding UAL from July 1, 2015
- b. Outstanding UAL after July 1, 2015

3,350,156
2,020,322

6. Normal Cost:

- a. Entry Age Normal Cost
- b. Expected Employee Contributions
 - i. As a percentage of Covered Payroll: (6b) / (3)
- c. Employer Normal Cost without Expenses: (6a) - (6b)
 - ii. As a percentage of Covered Payroll: (6c) / (3)
- d. Assumed Administrative Expenses
- e. Employer Normal Cost including Expenses: (6c) + (6d)

324,322
100,408
4.0%
223,914
8.9%
48,396
272,310

7. 14-Year Amortization of UAL from July 1, 2015

508,958

8. 15-Year Amortization of Additional UAL after July 1, 2015

196,243

9. Employer Cost

- a. Actuarially Determined Contribution: (6e) + (7) + (8)
- b. Payable as of the end of the plan year: (9a) x 1.06
- c. As a percentage of Covered Payroll: (9a) / (4)

977,511
1,036,162
38.9%

Communication: Actuarial Valuation (Milliman Reports)

Historical Investment Returns on Market Value Basis

| Year Ended June 30 | Rate of Return | | | | |
|-----------------------|----------------|------------|--------------|---------------|---------------|
| | Annual | Cumulative | Last 5 Years | Last 10 Years | Last 20 Years |
| 1995 | 8.09% | 8.09% | N/A | N/A | N/A |
| 1996 | 14.35% | 11.18% | N/A | N/A | N/A |
| 1997 | 18.08% | 13.43% | N/A | N/A | N/A |
| 1998 | 17.31% | 14.39% | N/A | N/A | N/A |
| 1999 | 8.46% | 13.18% | 13.18% | N/A | N/A |
| 2000 | 9.27% | 12.52% | 13.42% | N/A | N/A |
| 2001 | -5.76% | 9.70% | 9.12% | N/A | N/A |
| 2002 | -10.64% | 6.93% | 3.20% | N/A | N/A |
| 2003 | 1.59% | 6.32% | 0.28% | N/A | N/A |
| 2004 | 13.39% | 7.01% | 1.17% | 7.01% | N/A |
| 2005 | 6.21% | 6.93% | 0.60% | 6.82% | N/A |
| 2006 | 8.62% | 7.07% | 3.50% | 6.27% | N/A |
| 2007 | 16.67% | 7.78% | 9.17% | 6.14% | N/A |
| 2008 | -8.15% | 6.56% | 6.99% | 3.58% | N/A |
| 2009 | -18.25% | 4.69% | 0.21% | 0.69% | N/A |
| 2010 | 12.16% | 5.14% | 1.31% | 0.95% | N/A |
| 2011 | 19.62% | 5.94% | 3.28% | 3.39% | N/A |
| 2012 | 0.23% | 5.62% | 0.19% | 4.58% | N/A |
| 2013 | 12.87% | 5.99% | 4.41% | 5.69% | N/A |
| 2014 | 17.86% | 6.55% | 12.34% | 6.10% | 6.55% |
| 2015 | 1.99% | 6.33% | 10.22% | 5.67% | 6.24% |
| 2016 | 1.15% | 6.09% | 6.58% | 4.92% | 5.59% |
| 2017 | 11.43% | 6.32% | 8.87% | 4.44% | 5.29% |
| 2018 | 7.69% | 6.37% | 7.85% | 6.12% | 4.84% |
| 2019 | 5.50% | 6.34% | 5.48% | 8.86% | 4.69% |
| 2020 | 2.30% | 6.18% | 5.55% | 7.86% | 4.35% |
| 2021 | 28.20% | 6.92% | 10.67% | 8.61% | 5.97% |

Communication: Actuarial Valuation (Milliman Reports)

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Actuarial Methods

Following are brief descriptions of the actuarial cost and asset valuation methods used in the valuation.

Actuarial Cost Method Entry Age Normal

The Entry Age Normal Cost Method on an individual basis is used. Normal costs are computed as a level percentage of pay.

The Unfunded Entry Age Accrued Liability as of July 1, 2015 is amortized over a 10 year period. Each year, the amortization period will decrease by 1 until it reaches 0 years as of July 1, 2025. This period was extended as of July 1, 2021 for an additional 4 years. The amortization period will end as of July 1, 2029. Any subsequent Unfunded Entry Age Accrued Liability is amortized over an open 15 year period.

Asset Valuation Method A three-year smoothed value, with difference between actual investment return and expected investment return recognized in equal installments over a three-year period.

Actuarial Assumptions

Following are the primary actuarial assumptions used in performing the valuation.

Interest Rates 6.00% per annum (effective July 1, 2021), net of investment expenses

Annual Pay Increases 4.00% per year

Mortality Pub-2010 General Amount-Weighted Mortality tables for Employees, Healthy Retirees, Disabled Retirees and Contingent Survivors, male and female rates, with generational projection from 2010 using Scale MP-2020 (improvement scale updates published annually) (effective July 1, 2021)

Turnover Rates are as follows:

| Age | Percentage |
|-----|------------|
| 25 | 10% |
| 35 | 8% |
| 45 | 4% |
| 55 | 0% |

Rate of Disability None assumed.

Retirement Non-Uniformed: Participants are assumed 60% retirement at their Unreduced Early Retirement Age, if it is prior to their Normal Retirement Age. Retirement rates of 5% are assumed between their Unreduced Early Retirement Age and age 65, at which a retirement rate of 100% is assumed.

Uniformed: Retirement rates are as follows:

| Age | Percentage |
|---------|------------|
| 55 | 60% |
| 56 - 61 | 5% |
| 62 | 100% |

Administrative Expenses Average of last two years of actual administrative expenses (effective July 1, 2019)

Marriage For retired members, actual marital status and spouse birth date is used. For active members, 100% are assumed married with males assumed three years older than their spouses.

Form of Payment It is assumed that all employees will elect a life annuity with 120 months guaranteed.

Summary of Plan Provisions

A summary of the current primary provisions of the Plan are described below. A complete description of the provisions can be found in the local statutes.

| | |
|---|---|
| Effective Date | Last restated effective July 1, 2013. Reflects subsequent Ordinance 5656 and Retirement Board resolution dated September 25, 2019. |
| Eligibility | Full-time employees enter the Plan on the July 1 on or immediately following their completion of two years of continuous employment and attainment of age 21. No Employees hired after May 23, 2006 may enter the Plan. |
| Employee Contributions | Participants are required to contribute 4% of salary (effective July 1, 2019). Contributions accumulate at an interest rate of 5%. |
| Credited Service | Elapsed time, in years and completed months, from date of hire. |
| Final Average Compensation | Average of the high 60 consecutive months in the last 120 months. |
| Normal Retirement Age | Age 55 for a uniformed participant and age 65 for a non-uniformed participant. |
| Normal Retirement Benefit | A benefit equal to Final Average Compensation times 1.7% times Credited Service not to exceed 30 years. If a participant elected not to participate in the City's defined contribution plan, then the multiplier would be 2.0%. |
| Normal Form of Payment | The benefit is payable for 120 months guaranteed and for the member's lifetime, thereafter. |
| Unreduced Early Retirement Eligibility | The participant will be eligible to retire with an unreduced benefit prior to their Normal Retirement Age when the sum of their age and Credited Service equals 85. |
| Early Retirement Age | Age 50 with at least 20 years of Credited Service. |
| Early Retirement Benefit | The actuarial equivalent of a benefit calculated in the same manner as the Normal Retirement Benefit with Final Average Compensation and Credited Service determined as of the Early Retirement Date. |
| Late Retirement Benefit | If a member remains employed after his Normal Retirement Date, he will receive a monthly benefit equal to the benefit computed using service and pay as of his late retirement date. Benefits commence on the first day of the month following actual retirement. |

Summary of Plan Provisions

Pre-Retirement Death Benefit

The Surviving Spouse of a Participant who is actively employed and has satisfied Early or Normal Retirement eligibility requirements is entitled to a Death Benefit determined as if the Participant had retired on his date of death, selected a Joint & 2/3 Survivor Annuity and died the next day.

The Surviving Spouse of any other actively employed vested participant is entitled to a Death Benefit determined as follows:

- i) assume the Participant separated from service on date of death
- ii) survived to the earliest possible retirement eligibility date
- iii) retired with a Joint and 2/3 Survivor Annuity, and
- iv) dies the next day

Vested Termination

Members who terminate employment are eligible for a monthly benefit calculated in the same manner as the Normal Retirement Benefit, multiplied by the applicable vesting percentage:

| Sum of Attained Age & Years of Service | Vesting Percentage |
|---|-----------------------|
| 50 | 50% |
| 51 | 60% |
| 52 | 70% |
| 53 | 80% |
| 54 | 90% |
| 55 and after | 100% |

However, if a participant has at least 8 years of Credited Service, then they are fully vested.

Refund of Contributions

If a participant terminates employment without a vested benefit, then the participant will receive a refund of contributions with interest. If the sum of benefit payments received by a retiree or beneficiary is less than the sum of contributions with interest, then the difference may be paid to their beneficiary as an additional death benefit.

Optional Forms of Payment

| | |
|---------------------------------|---|
| Life Annuity | Joint & 50% Survivor Annuity with Pop-Up |
| Joint & 50% Survivor Annuity | Joint & (2/3)% Survivor Annuity with Pop-Up |
| Joint & (2/3)% Survivor Annuity | Joint & 100% Survivor Annuity with Pop-Up |
| Joint & 100% Survivor Annuity | |

Distribution of Active Members by Age and by Years of Service Number of Participants by Age-Service Groups

| Attained Age | Years of Service | | | | | | | | | | | | | | | | | | | | | |
|--------------|------------------|-----------|--------|-----------|--------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|-----------|-----------|-------|-----------|
| | 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 and up | | Total | |
| | No. | Avg. Comp | No. | Avg. Comp | No. | Avg. Comp | No. | Avg. Comp | No. | Avg. Comp | No. | Avg. Comp | No. | Avg. Comp | No. | Avg. Comp | No. | Avg. Comp | No. | Avg. Comp | No. | Avg. Comp |
| Under 25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25 to 29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 to 34 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35 to 39 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | N/A | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | N/A |
| 40 to 44 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | N/A | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | N/A |
| 45 to 49 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | N/A | 3 | N/A | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | N/A |
| 50 to 54 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | N/A | 2 | N/A | 4 | N/A | 1 | N/A | 0 | 0 | 0 | 0 | 10 | 88,266 |
| 55 to 59 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | N/A | 3 | N/A | 0 | 0 | 2 | N/A | 0 | 0 | 0 | 0 | 7 | 80,954 |
| 60 to 64 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | N/A | 2 | N/A | 1 | N/A | 1 | N/A | 1 | N/A | 0 | 0 | 6 | 69,868 |
| 65 to 69 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | N/A |
| 70 and up | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | N/A | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | N/A |
| Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11 | 73,212 | 10 | 96,593 | 5 | 81,615 | 4 | N/A | 1 | N/A | 0 | 0 | 31 | 83,333 |

Average Age 54.2

Average Service 22.8

Communication: Actuarial Valuation (Milliman Reports)

Inactive Participants - Summary by Age

Deferred Vested Participants

| Age Group | No. of | Total Monthly Benefit Amount | Average Monthly Benefit Amount |
|--------------|--------|------------------------------|--------------------------------|
| Less than 30 | 0 | \$0 | \$0 |
| 30 - 34 | 0 | 0 | 0 |
| 35 - 39 | 0 | 0 | 0 |
| 40 - 44 | 3 | 2,410 | 803 |
| 45 - 49 | 4 | 2,567 | 642 |
| 50 - 54 | 2 | 2,660 | 1,330 |
| 55 - 59 | 4 | 4,320 | 1,080 |
| 60 and over | 5 | 4,804 | 961 |
| Total | 18 | 16,761 | 931 |

Retired Participants

| Age Group | No. of | Total Monthly Benefit Amount | Average Monthly Benefit Amount |
|--------------|--------|------------------------------|--------------------------------|
| Less than 55 | 0 | \$0 | \$0 |
| 55 - 59 | 10 | 25,905 | 2,591 |
| 60 - 64 | 14 | 33,921 | 2,423 |
| 65 - 70 | 19 | 50,151 | 2,640 |
| 70 - 75 | 19 | 30,567 | 1,609 |
| 75 - 80 | 10 | 12,669 | 1,267 |
| 80 and over | 14 | 16,650 | 1,189 |
| Total | 86 | 169,863 | 1,975 |

Communication: Actuarial Valuation (Milliman Reports)

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Summary of Changes in Member Data

| | Active Participants | Retired Participants | Terminated Vested Participants | Total |
|---------------------------------|------------------------|-------------------------|--------------------------------------|------------|
| Count as of July 1, 2020 | 35 | 82 | 20 | 137 |
| New Entrants | 0 | 0 | 0 | 0 |
| Rehired | 0 | 0 | 0 | 0 |
| Retired | (4) | 6 | (2) | 0 |
| Lump Sum Payouts | 0 | 0 | 0 | 0 |
| Died with Beneficiary | 0 | (1) | 0 | (1) |
| New Alternate Payees | 0 | 0 | 0 | 0 |
| New Beneficiaries | 0 | 1 | 0 | 1 |
| Died without Beneficiary | 0 | (2) | 0 | (2) |
| Certain Period Expired | 0 | 0 | 0 | 0 |
| Terminated with Vesting | 0 | 0 | 0 | 0 |
| Terminated without Vesting | 0 | 0 | 0 | 0 |
| Data Corrections | 0 | 0 | 0 | 0 |
| Total Changes | (4) | 4 | (2) | (2) |
| Count as of July 1, 2021 | 31 | 86 | 18 | 135 |

Communication: Actuarial Valuation (Milliman Reports)

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Actuarial Standard of Practice 51 (ASOP 51)

The purpose of this section is to identify, assess, and provide illustrations of risks that are significant to the Plan, and in some cases to the Plan's participants.

The results of the actuarial valuation are based on one set of reasonable assumptions. However, it is almost certain that future experience will not exactly match the assumptions. As an example, investments may perform better or worse than assumed in any single year and over any longer time horizon. It is therefore important to consider the potential impacts of these potential differences when making decisions that may affect the future financial health of the Plan, or of the Plan's participants.

In addition, as plans mature they accumulate larger pools of assets and liabilities. This increases the potential risk to plan funding and the finances of those who are responsible for plan funding. As an example, it is more difficult for a plan sponsor to deal with the effects of a 10% investment loss on a plan with \$1 Billion in assets and liabilities than if the same plan sponsor is responsible for a 10% investment loss on a plan with \$1 Million in assets and liabilities. Since pension plans make long-term promises and rely on long-term funding, it is important to consider how mature the plan is today, and how mature it may become in the future.

Actuarial Standard of Practice No. 51 (ASOP 51) addresses these issues by providing actuaries with guidance for assessing and disclosing the risk associated with measuring pension liabilities and the determination of pension plan contributions. Specifically, it directs the actuary to:

- Identify risks that may be significant to the plan.
- Assess the risks identified as significant to the plan.
- Disclose plan maturity measures and historical information that are significant to understanding the plan's risks.

ASOP 51 states that if in the actuary's professional judgment, a more detailed assessment would be significantly beneficial in helping the individuals responsible for the plan to understand the risks identified by the actuary, then the actuary should recommend that such an assessment be performed.

This appendix uses the framework of ASOP 51 to communicate important information about: significant risks to the Plan, the Plan's maturity, and relevant historical Plan data.

Actuarial Standard of Practice 51 (ASOP 51)

Maturity Risk

Definition: This is the potential for total plan liabilities to become more heavily weighted toward inactive liabilities over time.

Identification: The Plan is subject to maturity risk because as Plan assets and liabilities continue to grow, the impact of any gains or losses on the assets or liabilities also becomes larger.

Assessment: Currently assets are equal to 24 times last year's contributions indicating a one-year asset loss of 10% would be equal to 2.4 times last year's contributions.

Retirement Risk

Definition: This is the potential for participants to retire and receive subsidized benefits more valuable than expected.

Identification: This plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

Investment Risk

Definition: The potential that investment returns will be different than expected.

Identification: To the extent that actual investment returns differ from the assumed investment return, the plan's future assets, funding contributions and funded status may differ significantly from those presented in this valuation.

Interest Rate Risk

Definition: The potential that interest rates will be different than expected.

Identification: The pension liabilities reported herein have been calculated by computing the present value of expected future benefit payments using the interest rate(s) described in the report. If interest rate(s) in future valuations are different from those used in this valuation, future pension liabilities, funding contributions and funded status may differ significantly from those presented in this valuation. As a general rule, using a higher interest rate to compute the present value of future benefit payments will result in a lower pension liability, and vice versa. One aspect that can be used to estimate the impact of different interest rates is the plan's

Assessment: If the interest rate changes by 1%, the estimated percentage change in pension liability is approximately 11%.

Actuarial Standard of Practice 51 (ASOP 51)

Demographic Risks

Definition: The potential that mortality or other demographic experience will be different than expected.

Identification: The pension liabilities reported herein have been calculated by assuming that participants will follow patterns of demographic experience (e.g. mortality, withdrawal, disability, retirement, form of payment election, etc.) as described in the appendix. If actual demographic experience or future demographic assumptions are different from what is assumed to occur in this valuation, future pension liabilities, funding contributions and funded status may differ significantly from those presented in this valuation.

Glossary of Terms

| | |
|--|--|
| Actuarial Liability | The difference between the actuarial present value of all Fund benefits and the actuarial value of future normal costs. Also referred to as “actuarial accrued liability.” |
| Actuarial Assumptions | Estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation. |
| Actuarial Cost Method | A mathematical budgeting procedure of allocating the dollar amount of the actuarial present value of retirement fund benefit between future normal cost and actuarial accrued liability. Sometimes referred to as the “actuarial funding method.” |
| Experience Gain (Loss) | The difference between actual experience and anticipated experience based on the actuarial assumptions during the period between two actuarial valuation dates. |
| Actuarial Present Value | The amount of funds currently required to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest and by probabilities of payment. |
| Amortization | Paying off an interest-discounted amount with periodic payments of interest and principal, as opposed to paying off with a lump sum payment. |
| Normal Cost | The actuarial present value of retirement fund benefits allocated to the current year by the actuarial cost method. |
| Unfunded Actuarial Liability | <p>The difference between actuarial liability and the valuation assets.</p> <p>Most retirement systems have unfunded actuarial liability. They arise each time new benefits are added, each time an actuarial loss is realized and when actuarial assumptions are modified.</p> |
| Accumulated Benefits | Sometimes referred to as Accrued Benefits. These are the benefits that have been earned by all plan members as of the valuation date. |
| Actuarially Determined Contribution | This is the annual contribution determined in accordance with a plan’s funding policy - typically the sum of the Normal Cost and an Amortization payment towards the Unfunded Actuarial Liability. |



RETIREMENT PLAN FOR EMPLOYEES OF THE CITY OF CREVE COEUR

GASB 67 and 68 DISCLOSURE

Fiscal Year: July 1, 2020 to June 30, 2021

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Communication: Gasb 67 68 (Milliman Reports)

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Certification

Actuarial computations presented in this report under Statements No. 67 and 68 of the Governmental Accounting Standards Board are for purposes of assisting the City of Creve Coeur in fulfilling its financial accounting requirements. No attempt is being made to offer any accounting opinion or advice. This report is for fiscal year July 1, 2020 to June 30, 2021. The reporting date for determining plan assets and obligations is June 30, 2021. The calculations enclosed in this report have been made on a basis consistent with our understanding of the plan provisions. Determinations for purposes other than meeting financial reporting requirements may be significantly different than the results contained in this report. Accordingly, additional determinations may be needed for other purposes, such as judging benefit security or meeting employer funding requirements.

In preparing this report, we relied, without audit, on information as of June 30, 2021 and June 30, 2021 furnished by the City of Creve Coeur. This information includes, but is not limited to, statutory provisions, member census data, and financial information. Please see Milliman's funding valuation report dated October 13, 2021 for more information on the plan's participant group as of June 30, 2021 as well as a summary of the plan provisions and a summary of the actuarial methods and assumptions used for funding purposes.

We performed a limited review of the census and financial information used directly in our analysis and have found them to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete our results may be different and our calculations may need to be revised.

We hereby certify that, to the best of our knowledge, this report, including all costs and liabilities based on actuarial assumptions and methods, is complete and accurate and determined in conformance with generally recognized and accepted actuarial principles and practices, which are consistent with the Actuarial Standards of Practice promulgated by the Actuarial Standards Board and the applicable Guides to Professional Conduct, amplifying Opinions and supporting Recommendations of the American Academy of Actuaries.

Each of the assumptions used in this valuation with the exception of those set by law was set based on industry standard published tables and data, the particular characteristics of the plan, relevant information from the plan sponsor or other sources about future expectations, and our professional judgment regarding future plan experience. We believe the assumptions are reasonable for the contingencies they are measuring, and are not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

This valuation report is only an estimate of the Plan's financial condition as of a single date. It can neither predict the Plan's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of Plan contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement.

Certification

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of such future measurements.

The valuation results were developed using models intended for valuations that use standard actuarial techniques. In addition, Milliman has developed certain models to develop the expected long term rate of return on assets used in this analysis. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice. The models, including all input, calculations, and output may not be appropriate for any other purpose.

Milliman's work is prepared solely for the internal use and benefit of the City of Creve Coeur. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions: (a) the Plan Sponsor may provide a copy of Milliman's work, in its entirety, to the Plan Sponsor's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the City of Creve Coeur; and (b) the Plan Sponsor may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their specific needs.

The consultants who worked on this assignment are pension actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuaries are independent of the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and has been prepared in accordance with generally recognized accepted actuarial principles and practices. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.



Michael Zwiener, FSA, MAAA
Consulting Actuary



William Winingham, EA, MAAA
Consulting Actuary

Overview of GASB 67 and GASB 68

The Governmental Accounting Standards Board (GASB) released accounting standards for public pension plans and participating employers in 2012. These standards, GASB Statements No. 67 and 68, have substantially revised the accounting requirements previously mandated under GASB Statements No. 25 and 27. The most notable change is the distinct separation of funding from financial reporting. The Annual Required Contribution (ARC) has been eliminated under GASB 67 and 68 and is no longer relevant for financial reporting purposes. As a result, plan sponsors have been encouraged to establish a formal funding policy that is separate from financial reporting calculations.

GASB 67 applies to financial reporting for public pension plans and is required to be implemented for plan fiscal years beginning after June 15, 2013. Note that a plan's fiscal year might not be the same as the employer's fiscal year. Even if the plan does not issue standalone financial statements, but rather is considered a pension trust fund of a government, it is subject to GASB 67. Under GASB 67, enhancements to the financial statement disclosures are required, along with certain required supplementary information.

GASB 68 governs the specifics of accounting for public pension plan obligations for participating employers and is required to be implemented for employer fiscal years beginning after June 15, 2014. GASB 68 requires a liability for pension obligations, known as the Net Pension Liability, to be recognized on the balance sheets of participating employers. Changes in the Net Pension Liability will be immediately recognized as Pension Expense on the income statement or reported as deferred inflows/outflows of resources depending on the nature of the change.

Executive Summary

Relationship Between Valuation Date, Measurement Date, and Reporting Date

The Valuation Date is June 30, 2021. This is the date as of which the actuarial valuation is performed. The Measurement Date is June 30, 2021. This is the date as of which the net pension liability is determined. The Reporting Date is June 30, 2021. This is the plan's and/or employer's fiscal year ending date.

Significant Changes

There have been no significant changes between the valuation date and fiscal year end.

Participant Data as of June 30, 2021

| | |
|-------------------------------------|-----------|
| Actives | 31 |
| Terminated vested & other inactives | 18 |
| Retirees and beneficiaries | <u>86</u> |
| Total | 135 |

Schedule of Employer Contributions

| Fiscal Year Ending June 30 | Actuarially Determined Contribution | Actual Employer Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contribution as a % of Covered Payroll |
|----------------------------------|---|------------------------------------|--|--------------------|--|
| 2012 | \$1,339,314 | \$1,389,538 | (\$50,224) | \$4,073,539 | 34.11% |
| 2013 | 1,204,193 | 1,261,350 | (57,157) | 4,016,528 | 31.40% |
| 2014 | 1,088,415 | 1,444,717 | (356,302) | 3,822,287 | 37.80% |
| 2015 | 910,670 | 1,254,457 | (343,787) | 3,866,480 | 32.44% |
| 2016 | 1,220,627 | 1,270,404 | (49,777) | 3,816,272 | 33.29% |
| 2017 | 1,139,751 | 1,200,992 | (61,241) | 3,557,984 | 33.75% |
| 2018 | 1,159,936 | 1,188,826 | (28,890) | 3,224,888 | 36.86% |
| 2019 | 1,262,474 | 1,307,755 | (45,281) | 2,611,428 | 50.08% |
| 2020 | 1,252,981 | 1,303,058 | (50,077) | 2,532,924 | 51.44% |
| 2021 | 1,230,482 | 1,271,253 | (40,771) | 2,510,196 | 50.64% |

Communication: Gasb 67 68 (Milliman Reports)

This work product was prepared solely for the City of Creve Coeur for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

Actuarial Methods and Assumptions Used for Funding Policy

The following actuarial methods and assumptions were used in the June 30, 2021 funding valuation. Please see the valuation report dated October 13, 2021 for further details.

| | |
|----------------------------------|---|
| Valuation Timing | Actuarially determined contribution rates are calculated as of June 30 |
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | |
| Level percent or level dollar | Level percent |
| Closed, open, or layered periods | Closed, 14 year term for UAL as of 07/01/2015 Open, 15 year period for any UAL arising after 07/01/2015 |
| Asset Valuation Method | |
| Smoothing period | 3 years |
| Corridor | None |
| Inflation | 2.30% |
| Salary Increases | 4.00% |
| Investment Rate of Return | 6.00% |
| Retirement Age | Retirement rates are summarized in the 2021 Actuarial Valuation |
| Turnover | Turnover rates are summarized in the 2021 Actuarial Valuation |
| Mortality | Pub-2010 General Amount-Weighted Mortality tables for Employees, Healthy Retirees, Disabled Retirees and Contingent Survivors, male and female rates, with generational projection from 2010 using Scale MP-2020 (improvement scale updates published annually) |

Communication: Gasb 67 68 (Milliman Reports)

Statement of Fiduciary Net Position

| | June 30, 2020 | June 30, 2021 |
|--|---------------------|---------------------|
| Assets | | |
| Cash and cash equivalents | \$711,008 | \$264,515 |
| Receivables and prepaid expenses: | | |
| Receivable contributions | 0 | 0 |
| Receivable investment income | 49,617 | 34,451 |
| Receivables from brokers for unsettled trades | 0 | 0 |
| Prepaid expenses | 0 | 0 |
| Total receivables | 49,617 | 34,451 |
| Investments: | | |
| Fixed income | 7,737,736 | 9,029,376 |
| Stocks | 17,188,202 | 23,770,055 |
| Short-term investments | 0 | 0 |
| Real estate | 875,211 | 0 |
| Alternative investments | 0 | 0 |
| Total investments | 25,801,149 | 32,799,431 |
| Invested securities lending cash collateral | 0 | 0 |
| Capital assets net of accumulated depreciation | 0 | 0 |
| Total assets | 26,561,774 | 33,098,397 |
| Liabilities | | |
| Accrued expenses and benefits payable | 0 | 0 |
| Securities lending cash collateral | 0 | 0 |
| Payable to brokers for unsettled trades | 188,285 | 0 |
| Total liabilities | 188,285 | 0 |
| Net position restricted for pensions | \$26,373,489 | \$33,098,397 |

Communication: Gasb 67 68 (Milliman Reports)

Statement of Changes in Fiduciary Net Position

| | June 30, 2021 |
|---|---------------|
| Additions | |
| Member contributions | \$89,838 |
| Employer contributions | 1,271,253 |
| Total contributions | 1,361,091 |
| Investment income (loss): | |
| Interest and dividends | 741,075 |
| Net increase in fair value of investments | 6,655,773 |
| Less investment expenses: | |
| Direct investment expense | 37,572 |
| Net investment income | 7,359,276 |
| Other income | 0 |
| Total additions | 8,720,367 |
| Deductions | |
| Service benefits | 1,929,682 |
| Disability benefits | N/A |
| Death benefits | N/A |
| Refunds of member contributions | N/A |
| Administrative expenses | 65,777 |
| Total deductions | 1,995,459 |
| Net increase (decrease) | 6,724,908 |
| Net position restricted for pensions | |
| Beginning of year (June 30, 2020) | 26,373,489 |
| End of year (June 30, 2021) | \$33,098,397 |

Communication: Gasb 67 68 (Milliman Reports)

Money-Weighted Rate of Return

| Fiscal Year Ending June 30 | Net Money-Weighted Rate of Return |
|----------------------------------|---|
| 2012 | 0.23% |
| 2013 | 12.87% |
| 2014 | 17.86% |
| 2015 | 1.99% |
| 2016 | 1.15% |
| 2017 | 11.43% |
| 2018 | 7.83% |
| 2019 | 5.69% |
| 2020 | 2.46% |
| 2021 | 27.90% |

Calculation of Money-Weighted Rate of Return

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

| | Net External Cash Flows | Periods Invested | Period Weight | Net External Cash Flows With Interest |
|----------------------------------|----------------------------|---------------------|------------------|---|
| Beginning Value - July 1, 2020 | \$26,373,489 | 12.00 | 1.00 | \$33,730,948 |
| Monthly net external cash flows: | | | | |
| July | (169,079) | 12.00 | 1.00 | (216,247) |
| August | 200,478 | 11.00 | 0.92 | 251,408 |
| September | (148,264) | 10.00 | 0.83 | (181,857) |
| October | 763,176 | 9.00 | 0.75 | 917,847 |
| November | (169,479) | 8.00 | 0.67 | (199,854) |
| December | (149,452) | 7.00 | 0.58 | (172,378) |
| January | (149,584) | 6.00 | 0.50 | (169,167) |
| February | (153,049) | 5.00 | 0.42 | (169,712) |
| March | (152,572) | 4.00 | 0.33 | (165,478) |
| April | (156,819) | 3.00 | 0.25 | (166,768) |
| May | (160,666) | 2.00 | 0.17 | (167,529) |
| June | (189,058) | 1.00 | 0.08 | (192,816) |
| Ending Value - June 30, 2021 | 33,098,397 | | | 33,098,397 |
| Money-Weighted Rate of Return | | | | 27.90% |

Long-Term Expected Rate of Return

The assumption for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of June 30, 2021.

| Asset Class | Target Allocation | Long-Term Expected Arithmetic Real Rate of Return |
|--|-------------------|---|
| US Cash | 1.00% | N/A* |
| US Core Fixed Income | 27.00% | 1.37% |
| US Large Caps | 36.00% | 5.15% |
| US Small Caps | 2.00% | 6.58% |
| US Mid Caps | 1.00% | 5.71% |
| US Large Value | 6.00% | 5.14% |
| US Small Value | 1.00% | 6.05% |
| Foreign Developed Equity | 17.00% | 6.27% |
| Emerging Markets Equity | 9.00% | 8.64% |
| Assumed Inflation - Mean | | 2.30% |
| Long-Term Expected Rate of Return | | 6.00% |

*Expected to earn less than inflation

Communication: Gasb 67 68 (Milliman Reports)

Depletion Date Projection

GASB 67 and 68 generally require that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 67 and 68 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 67 and 68 (paragraph 29) do allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for the City of Creve Coeur:

- The City of Creve Coeur has at least a 5-year history of paying at least 100% of the Actuarially Determined Contribution (previously termed the Annual Required Contribution).
- The Actuarially Determined Contribution is based on a closed amortization period for the majority of the unfunded liability and a 15 year amortization for unfunded liability realized since July 1, 2015.
- GASB 67 and 68 specify that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our professional opinion that the detailed depletion date projections outlined in GASB 67 and 68 will show that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Net Pension Liability

| Net Pension Liability | June 30, 2020 | June 30, 2021 |
|--|---------------|---------------|
| Total pension liability | \$32,071,575 | \$35,171,396 |
| Fiduciary net position | 26,373,489 | 33,098,397 |
| Net pension liability | 5,698,086 | 2,072,999 |
| Fiduciary net position as a % of total pension liability | 82.23% | 94.11% |
| Covered payroll | 2,532,924 | 2,510,196 |
| Net pension liability as a % of covered payroll | 224.96% | 82.58% |

The total pension liability was determined by an actuarial valuation as of the measurement date, calculated based on the discount rate and actuarial assumptions below.

Discount Rate

| | | |
|--|-------|-------|
| Discount rate | 6.75% | 6.00% |
| Long-term expected rate of return, net of investment expense | 6.75% | 6.00% |
| Municipal bond rate | N/A | N/A |

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 discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Other Key Actuarial Assumptions

The plan has not had a formal actuarial experience study performed.

| | | |
|--------------------------------------|--|--|
| Valuation date | June 30, 2020 | June 30, 2021 |
| Measurement date | June 30, 2020 | June 30, 2021 |
| Actuarial cost method | Entry Age Normal | Entry Age Normal |
| Inflation | 2.50% | 2.30% |
| Salary increases including inflation | 4.00% | 4.00% |
| Mortality | RP-2000 Combined Healthy Table with a 70% Blue Collar adjustment with a fully generational projection of mortality improvement using Scale BB | Pub-2010 General Amount-Weighted Mortality tables for Employees, Healthy Retirees, Disabled Retirees and Contingent Survivors, male and female rates, with generational projection from 2010 using Scale MP-2020 (improvement scale updates published annually) |

Please see Milliman's funding valuation report dated October 13, 2021 for more detail.

Changes in Net Pension Liability

| Changes in Net Pension Liability | Increase (Decrease) | | |
|--|-----------------------------------|---------------------------------------|---------------------------------------|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balances as of June 30, 2020 | \$32,071,575 | \$26,373,489 | \$5,698,086 |
| Changes for the year: | | | |
| Service cost | 267,260 | | 267,260 |
| Interest on total pension liability | 2,118,808 | | 2,118,808 |
| Effect of plan changes | (2,229) | | (2,229) |
| Effect of economic/demographic gains or losses | (200,891) | | (200,891) |
| Effect of assumptions changes or inputs | 2,846,555 | | 2,846,555 |
| Benefit payments | (1,929,682) | (1,929,682) | 0 |
| Employer contributions | | 1,271,253 | (1,271,253) |
| Member contributions | | 89,838 | (89,838) |
| Net investment income | | 7,359,276 | (7,359,276) |
| Administrative expenses | | (65,777) | 65,777 |
| Balances as of June 30, 2021 | 35,171,396 | 33,098,397 | 2,072,999 |

Sensitivity Analysis

The following presents the net pension liability of the City of Creve Coeur, calculated using the discount rate of 6.00%, as well as what the City of Creve Coeur's 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% |
|-------------------------|-------------------------|-----------------------------------|-------------------------|
| Total pension liability | \$39,020,817 | \$35,171,396 | \$31,901,456 |
| Fiduciary net position | 33,098,397 | 33,098,397 | 33,098,397 |
| Net pension liability | 5,922,420 | 2,072,999 | (1,196,941) |

Schedule of Changes in Net Pension Liability and Related Ratios

| | Fiscal Year Ending June 30 | | | | | | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------|------|
| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
| Total Pension Liability | | | | | | | | | | |
| Service cost | \$267,260 | \$272,815 | \$291,592 | \$255,915 | \$409,425 | \$424,445 | \$371,341 | \$447,610 | N/A | N/A |
| Interest on total pension liability | 2,118,808 | 2,132,606 | 2,124,982 | 2,089,956 | 2,059,465 | 1,994,674 | 1,918,318 | 1,827,698 | N/A | N/A |
| Effect of plan changes | (2,229) | (120,161) | 0 | 0 | 0 | 0 | 0 | 0 | N/A | N/A |
| Effect of economic/demographic gains or losses | (200,891) | (344,009) | (208,439) | 187,078 | (279,360) | 21,701 | 64,357 | 3,949 | N/A | N/A |
| Effect of assumption changes or inputs | 2,846,555 | 0 | 0 | 793,015 | 0 | 0 | 1,832,668 | 0 | N/A | N/A |
| Benefit payments | (1,929,682) | (2,343,780) | (1,817,650) | (1,657,854) | (1,544,910) | (1,457,024) | (1,392,017) | (1,508,007) | N/A | N/A |
| Net change in total pension liability | 3,099,821 | (402,529) | 390,485 | 1,668,110 | 644,620 | 983,796 | 2,794,666 | 771,250 | N/A | N/A |
| Total pension liability, beginning | 32,071,575 | 32,474,104 | 32,083,619 | 30,415,509 | 29,770,889 | 28,787,093 | 25,992,427 | 25,221,177 | N/A | N/A |
| Total pension liability, ending (a) | 35,171,396 | 32,071,575 | 32,474,104 | 32,083,619 | 30,415,509 | 29,770,889 | 28,787,093 | 25,992,427 | N/A | N/A |
| Fiduciary Net Position | | | | | | | | | | |
| Employer contributions | \$1,271,253 | \$1,303,058 | \$1,307,755 | \$1,188,826 | \$1,200,992 | \$1,270,402 | \$1,254,457 | \$1,444,717 | N/A | N/A |
| Member contributions | 89,838 | 96,152 | 86,614 | 99,041 | 107,272 | 112,251 | 93,099 | 74,183 | N/A | N/A |
| Net investment income | 7,359,276 | 630,154 | 1,464,646 | 1,893,838 | 2,499,524 | 251,339 | 426,117 | 3,245,642 | N/A | N/A |
| Benefit payments | (1,929,682) | (2,343,780) | (1,817,650) | (1,657,854) | (1,544,910) | (1,457,024) | (1,392,017) | (1,508,007) | N/A | N/A |
| Administrative expenses | (65,777) | (31,015) | (52,266) | (44,133) | 0 | 0 | 0 | 0 | N/A | N/A |
| Net change in plan fiduciary net position | 6,724,908 | (345,431) | 989,099 | 1,479,718 | 2,262,878 | 176,968 | 381,656 | 3,256,535 | N/A | N/A |
| Fiduciary net position, beginning | 26,373,489 | 26,718,920 | 25,729,821 | 24,250,103 | 21,987,225 | 21,810,257 | 21,428,601 | 18,172,066 | N/A | N/A |
| Fiduciary net position, ending (b) | 33,098,397 | 26,373,489 | 26,718,920 | 25,729,821 | 24,250,103 | 21,987,225 | 21,810,257 | 21,428,601 | N/A | N/A |
| Net pension liability, ending = (a) - (b) | \$2,072,999 | \$5,698,086 | \$5,755,184 | \$6,353,798 | \$6,165,406 | \$7,783,664 | \$6,976,836 | \$4,563,826 | N/A | N/A |
| Fiduciary net position as a % of total pension liability | 94.11% | 82.23% | 82.28% | 80.20% | 79.73% | 73.85% | 75.76% | 82.44% | N/A | N/A |
| Covered payroll | \$2,510,196 | \$2,532,924 | \$2,611,428 | \$3,224,888 | \$3,557,984 | \$3,816,272 | \$3,866,480 | \$3,822,287 | N/A | N/A |
| Net pension liability as a % of covered payroll | 82.58% | 224.96% | 220.38% | 197.02% | 173.28% | 203.96% | 180.44% | 119.40% | N/A | N/A |

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

Pension Expense

| Pension Expense | July 1, 2019 to June 30, 2020 | July 1, 2020 to June 30, 2021 |
|---|----------------------------------|----------------------------------|
| Service cost | \$272,815 | \$267,260 |
| Interest on total pension liability | 2,132,606 | 2,118,808 |
| Effect of plan changes | (120,161) | (2,229) |
| Administrative expenses | 31,015 | 65,777 |
| Member contributions | (96,152) | (89,838) |
| Expected investment return net of investment expenses | (1,771,139) | (1,759,150) |
| Recognition of Deferred Inflows/Outflows of Resources | | |
| Recognition of economic/demographic gains or losses | (315,201) | (252,820) |
| Recognition of assumption changes or inputs | 0 | 2,189,658 |
| Recognition of investment gains or losses | 298,199 | (1,076,391) |
| Pension Expense | 431,982 | 1,461,075 |

As of June 30, 2021, the deferred inflows and outflows of resources are as follows:

| Deferred Inflows / Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources |
|--|----------------------------------|-----------------------------------|
| Differences between expected and actual experience | (\$46,359) | \$0 |
| Changes of assumptions | 0 | 656,897 |
| Net difference between projected and actual earnings | (3,735,095) | 0 |
| Contributions made subsequent to measurement date | 0 | 0 |
| Total | (3,781,454) | 656,897 |

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| | |
|---------------------|-------------|
| Year ended June 30: | |
| 2022 | (\$272,140) |
| 2023 | (840,563) |
| 2024 | (891,828) |
| 2025 | (1,120,026) |
| 2026 | 0 |
| Thereafter* | 0 |

* Note that additional future deferred inflows and outflows of resources may impact these numbers.

Schedule of Deferred Inflows and Outflows of Resources

| | Original Amount | Date Established | Original Rec. Period* | Amount Recognized in Pension Expense for FYE 06/30/2021 | Amount Recognized in Pension Expense through 06/30/2021 | Balance of Deferred Inflows as of 06/30/2021 | Balance of Deferred Outflows as of 06/30/2021 |
|--|--------------------|---------------------|-----------------------------|--|--|--|---|
| Economic/ demographic gains or losses | (\$200,891) | 6/30/2021 | 1.3 | (\$154,532) | (\$154,532) | (\$46,359) | \$0 |
| | (344,009) | 6/30/2020 | 1.4 | (98,288) | (344,009) | 0 | 0 |
| | | Total | | (252,820) | (498,541) | (46,359) | 0 |
| Assumption changes or inputs | 2,846,555 | 6/30/2021 | 1.3 | 2,189,658 | 2,189,658 | 0 | 656,897 |
| | | Total | | 2,189,658 | 2,189,658 | 0 | 656,897 |
| Investment gains or losses | (5,600,126) | 6/30/2021 | 5.0 | (1,120,025) | (1,120,025) | (4,480,101) | 0 |
| | 1,140,985 | 6/30/2020 | 5.0 | 228,197 | 456,394 | 0 | 684,591 |
| | 256,329 | 6/30/2019 | 5.0 | 51,266 | 153,798 | 0 | 102,531 |
| | (210,580) | 6/30/2018 | 5.0 | (42,116) | (168,464) | (42,116) | 0 |
| | (968,561) | 6/30/2017 | 5.0 | (193,713) | (968,561) | 0 | 0 |
| | | Total | | (1,076,391) | (1,646,858) | (4,522,217) | 787,122 |
| Total for economic/demographic gains or losses and assumption changes or inputs | | | | | | (46,359) | 656,897 |
| Net deferred (inflows)/outflows for investment gains or losses | | | | | | (3,735,095) | 0 |
| Total deferred (inflows)/outflows | | | | | | (3,781,454) | 656,897 |
| Total net deferrals | | | | | | (3,124,557) | |

* Investment (gains)/losses are recognized in pension expense over a period of five years; economic/demographic (gains)/losses and assumption changes or inputs are recognized over the average remaining service life for all active and inactive members.

Milliman Financial Reporting Valuation

| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability | Deferred (Inflows) | Deferred Outflows | Net Investment (Inflows)/ Outflows | Net Deferrals | Net Pension Liability plus Net Deferrals | Annual Expense |
|---|-------------------------|-----------------------------|-----------------------|--------------------|-------------------|------------------------------------|---------------|--|----------------|
| Balances as of June 30, 2020 | (\$32,071,575) | \$26,373,489 | (\$5,698,086) | (\$98,288) | \$0 | \$788,640 | \$690,352 | (\$5,007,734) | |
| Service cost | (267,260) | | (267,260) | | | | | | 267,260 |
| Interest on total pension liability | (2,118,808) | | (2,118,808) | | | | | | 2,118,808 |
| Effect of plan changes | 2,229 | | 2,229 | | | | | | (2,229) |
| Effect of liability gains or losses | 200,891 | | 200,891 | (200,891) | | | (200,891) | | |
| Effect of assumption changes or inputs | (2,846,555) | | (2,846,555) | | 2,846,555 | | 2,846,555 | | |
| Benefit payments | 1,929,682 | (1,929,682) | 0 | | | | | | |
| Administrative expenses | | (65,777) | (65,777) | | | | | | 65,777 |
| Member contributions | | 89,838 | 89,838 | | | | | | (89,838) |
| Expected net investment income | | 1,759,150 | 1,759,150 | | | | | | (1,759,150) |
| Investment gains or losses | | 5,600,126 | 5,600,126 | | | (5,600,126) | (5,600,126) | | |
| Employer contributions | | 1,271,253 | 1,271,253 | | | | | 1,271,253 | |
| Recognition of liability gains or losses | | | | 252,820 | | | 252,820 | | (252,820) |
| Recognition of assumption changes or inputs | | | | | (2,189,658) | | (2,189,658) | | 2,189,658 |
| Recognition of investment gains or losses | | | | | | 1,076,391 | 1,076,391 | | (1,076,391) |
| Annual expense | | | | | | | | (1,461,075) | 1,461,075 |
| Balances as of June 30, 2021 | (35,171,396) | 33,098,397 | (2,072,999) | (46,359) | 656,897 | (3,735,095) | (3,124,557) | (5,197,556) | |

Communication: Gasb 67 68 (Milliman Reports)

Glossary

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| Actuarially Determined Contribution | A target or recommended contribution to a defined benefit pension plan for the reporting period, determined based on the funding policy and most recent measurement available when the contribution for the reporting period was adopted. |
| Deferred Inflows/Outflows of Resources | Portion of changes in net pension liability that is not immediately recognized in Pension Expense. These changes include differences between expected and actual experience, changes in assumptions, and differences between expected and actual earnings on plan investments. |
| Discount Rate | Single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the sum of: <ol style="list-style-type: none">1) The actuarial present value of benefit payments projected to be made in future periods where the plan assets are projected to be sufficient to meet benefit payments, calculated using the Long-Term Expected Rate of Return.2) The actuarial present value of projected benefit payments not included in (1), calculated using the Municipal Bond Rate. |
| Fiduciary Net Position | Equal to market value of assets. |
| Long-Term Expected Rate of Return | Long-term expected rate of return on pension plan investments expected to be used to finance the payment of benefits, net of investment expenses. |
| Money-Weighted Rate of Return | The internal rate of return on pension plan investments, net of investment expenses. |
| Municipal Bond Rate | Yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. |
| Net Pension Liability | Total Pension Liability minus the Plan's Fiduciary Net Position (unfunded accrued liability). |
| Projected Benefit Payments | All benefits estimated to be payable through the pension plan to current active and inactive employees as a result of their past service and expected future service. |
| Service Cost | The portion of the actuarial present value of projected benefit payments that is attributed to a valuation year. |
| Total Pension Liability | The portion of actuarial present value of projected benefit payments that is attributable to past periods of member service using the Entry Age Normal cost method based on the requirements of GASB 67 and 68. |

2022 Pension Board Meeting Schedule

| | | | <u>Core Topics for all Meetings</u> |
|----------------|-------------------------|------------------|--|
| Tuesday | January 18, 2022 | 3:00 p.m. | Approval of Meeting Minutes Presentation of Quarterly Reports Discussion of other Topics as necessary Invoice(s) Paid Since Last Meeting Retirement(s) since last meeting Other Business |
| Tuesday | April 19, 2022 | 3:00 p.m. | Approval of Meeting Minutes Presentation of Quarterly Reports Discussion of other Topics as necessary Invoice(s) Paid Since Last Meeting Retirement(s) since last meeting Other Business |
| Tuesday | July 19, 2022 | 3:00 p.m. | Approval of Meeting Minutes Presentation of Quarterly Reports Discussion of other Topics as necessary Invoice(s) Paid Since Last Meeting Retirement(s) since last meeting Review Investment Policy Assumptions & Asset Allocations LAGERS Report Other Business |
| Tuesday | October 18, 2022 | 3:00 p.m. | Apoin Chair & Vice Chair Approval of Meeting Minutes Presentation of Quarterly Reports Actuarial Report Discussion of other Topics as necessary Invoice(s) Paid Since Last Meeting Retirement(s) since last meeting Other Business |

NOTE: Other meetings needed during the year will be scheduled when it is necessary.