

EXAMPLE OF BENEFIT OF \$100 INVESTED IN THREE TYPES OF SAVINGS



Illustration

	INTERNAL INVESTMENT	EXTERNAL INVESTMENT	BENEFIT /\$100	# OF \$100	BENEFIT
DOLLARS INVESTED	100	100			
ALLOCATION RETURN	7.0	7.0			
ACTIVE RETURN	0.54	0.54			
COST/FEEES ¹	-0.07	-0.34			
TOTAL VALUE	107.47	107.2	0.27	30,000,000 ⁴	\$ 8,100,000.00
CASH INVESTED	100	100			
RETURN ²	7.0	2.75			
TOTAL VALUE	107.0	102.75	4.25	1,000,000 ⁴	\$ 4,250,000.00
REBALANCE BENEFIT ³	100.02	100	0.02	200,000,000 ⁴	\$ 4,000,000.00

1. Based on 2021 ACFR Fees and weights of lower fee strategies being managed internally first (conservative).
 2. Based on Callan Capital Market Assumptions.
 3. Based on monthly drift of a 60/40 allocation. This is conservative compared to past history. 2022 would have had a benefit that is much larger.
 4. Based on 15% of fund managed internally, 0.5% of assets in cash, all of plan assets subject to rebalance benefits 18