

September 2022



Retirement Benefits

the Eder Way

With lower fees, you can have your cake and eat it too

If you are like the average Eder Retirement Plan member, you're looking for great performing investments at low fees that also promote strong social values.

These goals are now easier to achieve than ever before.

In July, Eder Retirement Plan launched five new low-cost index-based funds with low fees (kind of like mutual funds), that follow traditional Eder Values Investing guidelines by screening out firms that are associated with substantial profit from alcohol, tobacco, pornography, gambling, abortion, defense systems or weapons, or are known to ignore environmental laws or engage in human rights abuses.

The investment manager fees for these funds is a low 9 1/2 basis points, which is what one would expect from an index strategy that tries to match, rather than actively trying to outperform, a benchmark. Index funds have become increasingly popular over the past decade, as managed funds have been challenged to provide earnings that exceed benchmarks. Index funds cost much less since they try to mirror established indexes — like the S&P 500 — and there is less cost for analysis and fund management.



A winning partnership includes Eder Values Investing

Eder has partnered with an investment management firm that allows us to provide a low-cost index strategy and also screens out companies that don't conform to Eder's investment policies. Low fees, indexed returns, Eder values investing — it's a solid win for Eder Retirement Plan members.

The new index funds include –

- EVI Domestic Large Cap Core Index Fund
- EVI Domestic Mid Cap Core Index Fund
- EVI Domestic Small Cap Core Index Fund
- EVI International Developed Stock Index Fund
- EVI Emerging Markets Index Fund



Eder also lowered fees on its Target Date Funds and EVI Balanced Fund by replacing the equity holdings in those funds with the new EVI index funds. This move reduced investment manager fees by 19 basis points on the TDFs, and 17 basis points on the Balanced Fund. You can select these funds as part of your asset allocation by signing in to the Eder Retirement Plan member portal and choosing the Investment tab.



NEW Domestic Large Cap Value Fund

Plan members who like to choose a managed strategy for their Retirement Plan investments with the intent that their investments would outperform indexes now have a Domestic Large Cap Value strategy in which they can invest. This strategy, to complement the Large Cap Core and Value strategies, was also implemented in July.

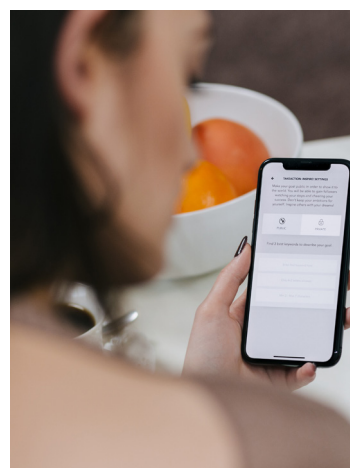
Not sure what to do? Contact Ed or Edelman

Does information on different funds leave you wondering what makes sense for your retirement strategy? If so, there are two places you can go for help –

- Ed Shannon, Retirement Specialist, can assist with breaking down Eder Financial investments, so you can make sound decisions about the funds you choose. Ed can be reached at 847-622-3370 or eshannon@eder.org.
- Edelman Financial Engines offers three levels of advising services for people looking for help with retirement fund investing. You can find Edelman by logging into the Eder Retirement Plan portal at ederfinancial.org and clicking the Get Advice tab.

Coming soon - check your account balance on your phone

Eder Financial is finalizing plans to supply a smartphone app that allows members to check account balances and see other useful information regarding their Retirement Plan savings. This app is in the final stages of testing, and we would be glad to have several volunteer users as a test group before the app is launched for all Plan members. If you would like to be part of the test group, please contact Lori Domich at 847-622-3365 or ldomich@eder.org.



Questions? Contact Ed Shannon • 847-622-3370 • eshannon@eder.org
For retirement planning advice – Edelman Financial Engines
is our strategic partner at your service.

ederfinancial.org



RETIREMENT PLAN FUND PERFORMANCE REPORT

For the period ending August 31, 2022	YTD	3 Months	1 Year	3 Years	5 Years	10 Years
TARGET DATE FUNDS						
	%	%	%	%	%	%
Target Date 2015	-14.0	-2.8	-13.8	0.2	1.5	—
Blended Index	-13.7	-3.2	-13.2	-0.1	2.0	—
Target Date 2025	-14.4	-2.8	-13.9	0.9	2.1	—
Blended Index	-14.3	-3.5	-13.5	0.8	2.6	—
Target Date 2035	-15.8	-3.2	-14.6	2.3	3.1	—
Blended Index	-15.7	-4.2	-14.2	2.1	3.5	—
Target Date 2045	-16.5	-3.5	-15.0	3.6	4.0	—
Blended Index	-16.3	-4.5	-14.6	3.4	4.3	—
Target Date 2055	-16.5	-3.5	-15.0	5.0	4.9	—
Blended Index	-16.4	-4.5	-14.6	4.8	5.2	—
EDER VALUES INVESTING ¹						
	%	%	%	%	%	%
EVI Balanced Fund	-14.7	-2.3	-13.4	5.9	6.3	—
Blended Balanced Index	-14.1	-3.1	-11.4	6.8	7.6	—
Common Stock Fund	-17.9	-4.1	-15.3	9.7	8.9	10.3
S&P 500 Index	-16.1	-3.9	-11.2	12.4	11.8	13.1
EVI Domestic Stock Large Cap Core Index	-16.3	-4.0	-11.5	12.1	11.8	—
S&P 500 Index	-16.1	-3.9	-11.2	12.4	11.8	—
Domestic Stock Value Fund	—	—	—	—	—	—
Russell 1000 Value Index	—	—	—	—	—	—
Domestic Stock Growth Fund	-23.1	-5.1	-21.8	11.1	11.6	11.9
Russell 1000 Growth Index	-23.2	-1.7	-19.1	14.5	14.8	15.1
Domestic Stock Mid Cap Fund	-12.7	-3.2	-7.0	9.6	5.8	10.0
Russell Midcap Index	-16.5	-4.2	-14.8	9.4	9.2	11.6
EVI Domestic Stock Mid Cap Index Fund	-16.8	-4.4	-13.8	8.7	—	—
Blended Mid Cap Index	-17.4	-3.8	-14.5	9.9	—	—
Small Cap Fund	-10.7	1.2	-7.2	11.4	15.3	15.5
Russell 2000 Index	-17.2	-0.7	-17.9	8.6	7.0	10.0
EVI Domestic Stock Small Cap Index Fund	-17.1	-5.3	-16.5	7.8	—	—
Blended Small Cap Index	-17.2	-4.2	-16.6	8.4	—	—
International Stock Core Fund	-25.2	-8.2	-28.6	1.6	1.1	4.6
MSCI EAFE Index	-19.6	-9.3	-19.8	2.4	1.6	5.0
EVI International Stock Core Index Fund	-17.6	-8.4	-18.2	1.7	—	—
Blended International Index	-19.2	-9.2	-19.7	3.4	—	—
EVI Emerging Markets Stock Index Fund	-12.1	0.2	-14.3	2.3	—	—
Blended Emerging Markets Index	-15.8	-5.7	-19.0	3.6	—	—
Treasury-Free Bond Fund	-11.5	-1.5	-12.5	-1.8	1.0	1.8
Bloomberg U.S. Government/Credit Bond Index	-11.5	-2.1	-12.3	-2.0	0.7	1.5
Short-Term Fund	-0.1	0.2	-0.2	0.4	1.0	0.8
ICE BofA 6-Month Treasury Bill Index	0.2	0.2	0.2	0.7	1.3	0.8
Community Development Fund	-4.7	-1.6	-5.1	-1.2	-0.1	0.8
No Benchmark	—	—	—	—	—	—
INDEX FUNDS (NON-EVI)						
	%	%	%	%	%	%
Balanced Index Fund	-13.6	-2.8	-11.8	5.8	—	—
60% CRSP US Total Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index	-14.3	-2.8	-12.3	6.9	—	—
Total Bond Market Index Fund	-10.0	-1.9	-11.0	-1.7	—	—
Bloomberg U.S. Aggregate Float Adjusted Index	-10.9	-2.0	-11.7	-2.0	—	—
GENERAL (NON-EVI)						
	%	%	%	%	%	%
Balanced Fund	-15.1	-3.0	-13.8	5.7	6.2	7.2
Blended Balanced Index	-14.1	-3.1	-11.4	6.8	7.6	8.5
Emerging Markets Stock Fund	-21.5	-7.1	-26.3	-1.4	-3.1	1.0
MSCI Emerging Markets Index	-17.5	-6.5	-21.8	2.7	0.6	2.9
Bond Fund	-11.0	-1.7	-11.9	-1.7	1.0	1.8
Bloomberg U.S. Government/Credit Bond Index	-11.5	-2.1	-12.3	-2.0	0.7	1.5
Treasury Inflation-Protected Securities Fund	-6.3	-1.2	-5.1	2.9	3.4	1.8
Bloomberg U.S. Treasury Inflation-Linked Bond Index	-7.5	-1.6	-6.0	2.7	3.2	1.7
Bank Loans Fund	-0.4	1.5	0.6	2.8	3.2	—
S&P/LSTA U.S. Leveraged Loan 100 Index	-1.5	1.4	-0.5	2.6	3.2	—
High Yield Bond Fund	-2.7	-0.8	-2.2	3.9	4.0	5.2
Bloomberg U.S. Corporate High Yield Bond Index	-11.2	-3.5	-10.6	1.0	2.6	4.5
Global Aggregate Fixed Income	-7.6	-5.5	-9.6	-4.5	-2.8	—
Bloomberg Global Aggregate Index	-15.6	-5.1	-17.6	-4.4	-1.5	—
ALTERNATIVES (NON-EVI)						
	%	%	%	%	%	%
Global Inflation Protection	-9.0	-4.6	-7.4	6.5	6.5	—
Bloomberg U.S. TIPS 1-10 Year Index +2%	-2.8	-0.9	-1.2	5.3	5.3	—
Multi-Strategy Hedge Fund	-11.2	-6.1	-9.8	4.1	2.1	—
60% S&P 500 Index/40% Capital U.S. Aggregate Bond Index	-13.9	-3.0	-11.1	6.8	7.5	—
Public Real Estate Fund	-20.4	-8.1	-18.4	-0.4	2.9	4.4
S&P Developed Property Index	-19.3	-7.3	-15.9	0.1	2.8	5.8
Commodities-Based Fund	22.9	-10.1	27.7	20.4	11.2	-0.7
Bloomberg Commodity Total Return Index	23.6	-6.9	27.7	17.2	8.8	-1.2
U.S. INFLATION						
	%	%	%	%	%	%
Consumer Price Index ² (July 2022)	6.6	2.5	8.5	4.9	3.9	2.6

¹ Eder Values Investing (EVI) assets under management are invested in a manner that is consistent with the positions of the Church of the Brethren as expressed in Annual Conference statements. ² Most recent data available. CPI data are from the Consumer Price Index for all Urban Consumers; all items are not seasonally weighted.