

FRANKLIN REGIONAL RETIREMENT SYSTEM

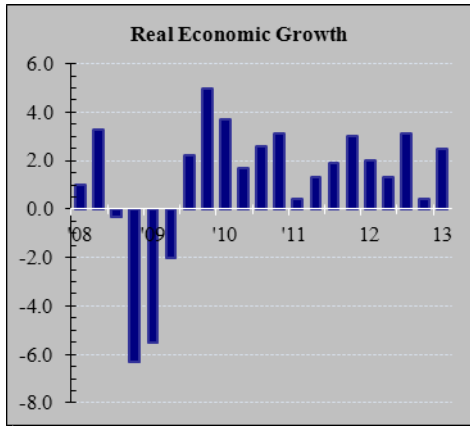
**PERFORMANCE REVIEW
MARCH 2013**



ECONOMIC ENVIRONMENT

Solid Growth in the Face of the Sequester Headwind

The US economy expanded at an estimated 2.5% during the first quarter amid legitimate corporate and consumer concerns that the US economy would stall. Sequestration cuts to government spending were especially worrisome coming on the heels of a prolonged political struggle leading up to the November election. Nonetheless, the economy climbed these “walls of worry” because there was more good news than bad:



- *Fourth quarter 2012 GDP was revised upwards from -0.1% to +0.4% and pundits now believe that 2013 GDP will exceed initial forecasts.*
- *The employment picture was quite positive in January and February, followed by only negligible change in March.*
- *Housing prices, sales and new construction took star billing – the best since 2006.*
- *Federal Reserve policy remained steady due to the bond buying program (quantitative easing) and the absence of meaningful inflation.*
- *Manufacturing and non-manufacturing output levels continue to grow.*

By contrast, consumer confidence fell noticeably in March, coinciding with the Sequester activation, calling for \$85.4 Billion in enforced budget reductions each year for the next 10-years. (Consumer

confidence is a highly volatile measure and the gradual implementation of the Sequester is likely to reduce investor anxiety.) Slow growth in the US is still a positive, especially when juxtaposed against the current European recession (the second of two back-to-back downturns) and the slowing of China’s growth engine.

March payroll gains were an anemic 88,000. Contributing to the weak numbers were job losses in the retail and postal sectors, which shrank by 24,000 and a 12,000, respectively. Even so, the unemployment rate fell slightly to 7.6%, as fewer job seekers more than offset the small number of new hires. Importantly, January’s 148,000 new jobs and February’s phenomenal 268,000 gains were encouraging. In spite of disappointing job gains both last fall and in March, there has been an average of 169,000 net hires since March 2012.

Home prices accelerated in January (latest data available), according to the S&P/Case-Shiller Price Index, which surged an unexpected 8.1% during the 12-months ending January. This gain represents the best report since early in 2006! Nineteen of the twenty large cities in the index participated in the advance. Only Detroit decelerated. Even there, housing prices were still absolutely positive. After more than two years of annualized declines, New York City’s housing prices finally turned positive in January. Low mortgage rates available to a growing workforce have pushed housing inventories to a post-recession low.

On March 20th, the Federal Reserve’s Open Market Committee voted to make no policy changes. In effect, the Fed will hold interest rates at historic lows by continuing its monthly \$85 billion bond buying program. Continued low inflation contributed to the Fed’s decision-making, with CPI at 1.5% on an unadjusted basis over the trailing 12 months.

Manufacturing activity increased for the 46th consecutive month in March. The overall manufacturing rate registered 51.3. Still, any figure above 50.0 signals net expansion. The non-manufacturing economy also grew for the 39th month. The related index reached a healthy 54.4% in March. Among 15 non-manufacturing sectors, only mining, healthcare and agriculture contracted.

EQUITY MARKET

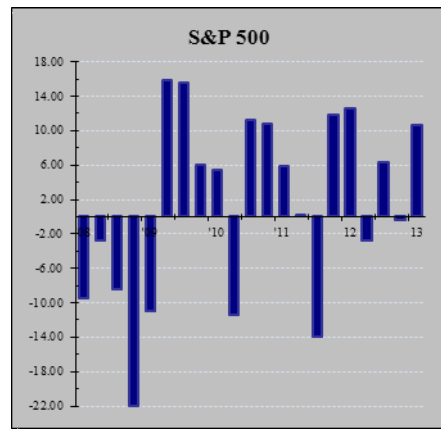
Ta-Da! New Record Closes

At the end of the quarter, both the Dow Jones Industrial and the S&P 500 indices closed at all-time record highs (14,579 and 1,569 respectively). The combined hurdles of the fiscal cliff, the Sequester and the Cyprus bailout couldn't contain the domestic stock market! As evidence, all of the S&P and Russell indices advanced smartly, most by 10% or more. Among the Russell group, the Mid-Cap Value Index was the star performer, shooting up 14.2%. The 1000 Growth Index performed absolutely well, but, at 9.5%, brought up the rear.

The REIT sector also lagged a bit, returning 8.1%. Results for the three bellwether indices ranged from the Dow Jones Industrials (+11.9%) to the S&P 500 (+10.6%) to the NASDAQ (+8.2%).

Value names performed better than growth names among mid and large-cap companies. In contrast, growth stocks bested value stocks at the small end of the market. All of the S&P market sectors were in the black. The tiny transportation sector returned 17.2%, with consumer non-durables right behind at 16.2%. Amazingly, seven other sectors recorded double-digit returns between 10.7% and 12.4%. Only basic industries (6.0%) and consumer technology (4.9%) returned in the single-digit range.

In the first quarter of 2013, the S&P dividend rate declined slightly to 2.0%. This reflected a return to regular quarterly dividends, after many major corporations issued an extra tax-related dividend in the 4th quarter. The S&P P/E ratio rose from 18.4x to 19.2x based on soaring 1st quarter stock prices. As of quarter-end, 65% of stock holdings still had P/E ratios below 20x; yet the overall P/E suggests that earnings haven't quite caught up with recent price moves.



INTERNATIONAL EQUITIES

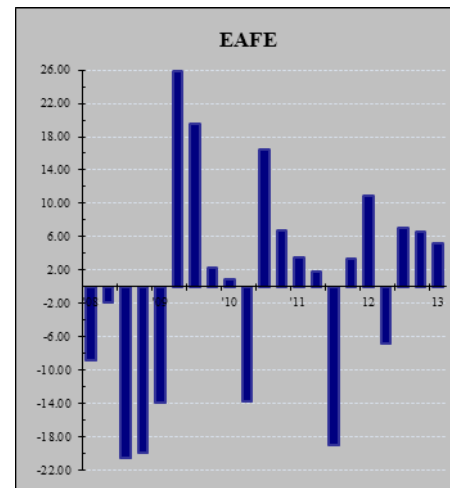
Developed Markets Did Okay; EM was Sub-Par; Both Far Behind US

Performance among the developed overseas markets ranged from an approximate low of -10% to +14%, resulting in a very wide 24 percentage point performance gap. The MSCI EAFE Index, comprising Europe, Australia and the Far East, climbed a very respectable 5.2%. The European recession hit hard the bourses in that part of the world; but on a bright note, some countries that previously had to be bailed out of debt, now performed surprisingly well. The Far East component of the EAFE Index surged, buoyed by encouraging developments in Japan.

Australia and Hong Kong benefited from strength in their respective banking sectors.

European results were all over the map (pun intended). Among the problematic PIIGS countries, the Greek and Irish markets astounded investors on the heels of their bailouts. Both countries extended their 4th quarter gains, with Ireland advancing 12.9% and Greece jumping 14%. Unfortunately, Portugal was down 0.3% and Spain lost 5.4%, reflecting their shaky economies. That left Italy (-9.8%) as the worst performer among the major euro countries. The recession also impacted Europe's two largest players, Germany and France, as those stock markets fell fractionally. The UK fared better than most (+2.5%), reflecting the sentiment of some investors who considered it a safer haven.

Far East returns were the sweet spot for developed markets. This region returned over 10%. Japan, the largest sub-component, jumped 11.7%. The Japanese market benefited from a new political administration determined to fight the country's longstanding stagnation. A sizable



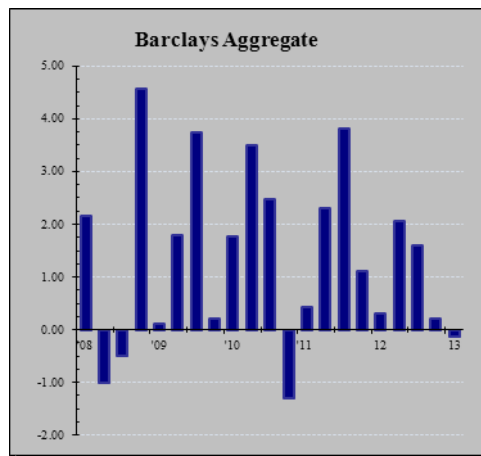
weakening of the yen against the dollar also helped its export economy. Like Australia, Hong Kong's strong bank stocks pushed its market ahead 3.5%. Reverses on the part of real estate companies held down Hong Kong's results. Singapore gained 3%.

Emerging markets (EM) stocks struggled, as investors grew concerned about several economies in the developing countries. The MSCI EM Index fell 1.6%, far more negative than the US and developed market indices. All four of the BRIC countries lost ground. The Brazilian market (-0.8%) suffered from a weak economy and continuing, rampant inflation. Russia's 3.2% loss reflected both falling commodity prices and its lending ties to the Cyprus banks. Investors in India (-2.6%) worried about a host of issues: political impasse; anger over the failure to prosecute crimes against women; a falling currency; and low corporate earnings. Chinese stocks (-4.5%) were impacted by credit tightening in that country's real estate market and questions about the rate of future economic expansion.

BOND MARKET

A Small Decline

The Barclays Aggregate Index spilled a drop of red ink, dipping 0.1% for the quarter. The decline, a recent rarity for the index, was attributable to two factors. First, an uptick in interest rates at the long maturity end of the yield curve caused both long Treasuries and corporates to lose ground. Additionally, there was a massive shift out of low-yielding bonds into a bullish stock market. Mortgage-backed securities (MBS), which comprise close to 30% of the index, also fell 0.1%. The one bright spot was the



high yield (junk bond) instruments, which continued to perform well.

Lower credit corporates again provided respite for investors. Bonds rated BA, one grade below BAA, advanced 2.0%. Moving further down, single B-rated issues averaged a 2.7% return. CAAs surged 5.8%. However, the very lowest rated credits lost 1.2%, suggesting that there are limits to taking credit risk in the current market environment. The quarter's winning strategy was a tilt toward high yield debt and away from Government debt.

At quarter-end, the Aggregate Index yielded 1.86%; this was a 12 basis point increase from December. Average maturity increased to 7.2-years and the related duration level lengthened modestly to 5.3-years. Total market value of the index was just below \$17 Trillion.

Sovereign returns among the G-6 (ex-US) repeated the prior quarter's negative pattern. Collectively, G-6 Treasuries fell 4.7%. These losses were in line with currency declines in the €, ¥ and £ against the US dollar. French, German and Italian sovereigns each lost between 2.3% and 2.8%. Both Japan and UK issues dropped approximately 6%. Canada was the notable exception, declining just 1.8%.

CASH EQUIVALENTS

Nothing New Here

Ultra-short Treasuries and money market funds offered essentially zero return during the quarter much as they have for three years.

MARKET SUMMARY

ECONOMIC STATISTICS

	CURRENT QTR	LAST QTR
GDP	2.5	0.4
Unemployment	7.6	7.8
CPI All Items Year/Year	1.47	1.74
Fed Funds Rate	0.25	0.25
Industrial Capacity	78.5	77.7
US Dollars per Euro	1.28	1.32

MAJOR INDEX QUARTER RETURNS

INDEX	PERFORMANCE
Russell 3000	11.1
S&P 500	10.6
Russell Mid	13.0
Russell 2000	12.4
MSCI EAFE	5.2
MSCI Emg Mkts	-1.6
NCREIF ODCE	2.7
Barclays Agg	-0.1
90 Day Tbills	0.0

EQUITY RETURN DISTRIBUTIONS

	QUARTER			TRAILING YEAR		
	VAL	COR	GRO	VAL	COR	GRO
LC	12.3	11.0	9.5	18.8	14.4	10.1
MC	14.2	13.0	11.5	21.5	17.3	12.8
SC	11.6	12.4	13.2	18.1	16.3	14.5

MARKET SUMMARY

- * GDP is estimated to have expanded by 2.5% in Q1.
- * The US unemployment rate fell slightly to 7.6%.
- * Domestic Equity markets rallied, favoring Mid and Small Cap over Large Cap and Value over Growth. In the Small Cap space, Growth beat Value. Int'l Equity Markets did not do as well as Domestic Equity. Emerging countries fell behind Developed countries into negative territory.
- * CPI increased 1.47% year over year.
- * The US Dollar strengthened relative to the Euro.

INVESTMENT RETURN

On March 31st, 2013, the Franklin Regional Retirement System was valued at \$100,368,734, representing an increase of \$4,479,031 from the December quarter's ending value of \$95,889,703. Last quarter, the Fund posted withdrawals totaling \$1,163,074, which offset the portfolio's net investment return of \$5,642,105. Income receipts totaling \$459,257 plus net realized and unrealized capital gains of \$5,182,848 combined to produce the portfolio's net investment return.

For the cumulative period since December 2007, the fund has recorded net contributions totaling \$2.7 million, and recorded net investment gains of \$18.0 million. For the period since December 2007, if the total fund returned a compounded nominal rate of 8.0% it would have been valued at \$123.3 million or \$22.9 million more than the actual value as of March 31st, 2013.

RELATIVE PERFORMANCE

Total Fund

The Franklin Regional Policy Index is the weighted return of each asset classes' benchmark in proportion to its target allocation.

In the first quarter, the Composite portfolio gained 5.9%, which was 0.3% below the Franklin Regional Policy Index's return of 6.2% and ranked in the 28th percentile of the Public Fund universe. Over the trailing year, the portfolio returned 11.6%, which was 0.5% greater than the benchmark's 11.1% performance, and ranked in the 8th percentile. Since December 2007, the portfolio returned 3.6% on an annualized basis and ranked in the 71st percentile. For comparison, the Franklin Regional Policy Index returned an annualized 3.6% over the same period.

PRIT Core

The Custom Core Index is a target-weighted passive index of the asset classes used in the PRIT Core Fund. Among the indices used is the Cambridge Private Equity Index. A flat return for the quarter was assumed, due to the unavailability of performance.

In the first quarter, the PRIT core segment returned 4.6%, which was 0.2% greater than the Custom Core Index's return of 4.4%. Over the trailing twelve-month period, this segment returned 11.0%, which was 1.1% greater than the benchmark's 9.9% performance. Since December 2007, this component returned 2.3% on an annualized basis, while the Custom Core Index returned an annualized 3.1% over the same time frame.

Domestic Equity

The Custom Equity Index is the weighted return of the S&P 500, S&P 400, and Russell 2000 indices based on the System's equity manager target allocations.

For the first quarter, the domestic equity component returned 12.5%, which was 0.5% greater than the Franklin County Equity Index's return of 12.0% and ranked in the 33rd percentile of the All Cap universe. Over the trailing year, this segment returned 17.4%, which was 1.5% above the benchmark's 15.9% performance, and ranked in the 27th percentile. Since December 2007, this component returned 5.5% on an annualized basis and ranked in the 45th percentile. The Franklin County Equity Index returned an annualized 5.5% during the same period.

Real Estate

During the first quarter, the real estate segment gained 2.2%, which was 0.5% below the NCREIF NFI-ODCE Index's return of 2.7%. Over the trailing year, this component returned 11.7%, which was 1.0% above the benchmark's 10.7% return. Since December 2007, this component returned -1.6% per annum, while the NCREIF NFI-ODCE Index returned an annualized -0.5% over the same period.

Fixed Income

The fixed income assets gained 0.4% last quarter, 0.5% greater than the Barclays Aggregate Index's return of -0.1% and ranked in the 14th percentile of the Core Fixed Income universe. Over the trailing twelve months, this component returned 6.2%; that return was 2.4% above the benchmark's 3.8% return, and ranked in the 11th percentile. Since December 2007, this component returned 6.6% on an annualized basis and ranked in the 37th percentile. The Barclays Aggregate Index returned an annualized 5.6% over the same period.

Franklin Regional Retirement System
Total Fund Asset Allocation Analysis
As of March 31, 2013

Total Fund Assets \$ 100,368,734

Allocation by Manager						
	PRIT Fund Actual Allocation	FRRS Allocation	Target Allocation	Target Dollars	Actual Dollars	
PRIT Core Fund	100.0%	53.9%	55.0%	\$ 55,202,804	\$ 54,058,582	\$ (1,144,222)
Domestic Equity	19.7%	10.6%			\$ 10,665,758	
Int'l Equity	18.1%	9.7%			\$ 9,773,792	
E.M. Int'l Equity	7.2%	3.9%			\$ 3,913,841	
Core Fixed Income	12.1%	6.5%			\$ 6,546,494	
Value Added Fixed Income	8.5%	4.6%			\$ 4,600,385	
Real Estate	9.0%	4.8%			\$ 4,843,649	
Timber/Natural Resources	4.0%	2.1%			\$ 2,135,314	
Alternatives-Private Equity	12.1%	6.5%			\$ 6,541,088	
Hedge Funds	9.3%	5.0%			\$ 5,038,260	
<u>Separate Managers</u>		<u>46.1%</u>	<u>45.0%</u>			
Polen Capital		5.9%	6.0%	\$ 6,022,124	\$ 5,930,730	\$ (91,394)
O'Shaughnessy		6.3%	6.0%	\$ 6,022,124	\$ 6,355,359	\$ 333,235
Seizert		5.3%	5.0%	\$ 5,018,437	\$ 5,334,443	\$ 316,006
Daruma		10.7%	10.0%	\$ 10,036,873	\$ 10,787,291	\$ 750,418
PRIT RE		5.1%	5.0%	\$ 5,018,437	\$ 5,092,515	\$ 74,078
Prudential		0.0%	0.0%	\$ -	\$ 2,502	\$ 2,502
IR&M		12.0%	13.0%	\$ 13,047,935	\$ 12,070,121	\$ (977,814)
Cash		0.7%	0.0%	\$ -	\$ 737,191	\$ 737,191

Allocation by Asset Class						
	Actual Allocation (%)	Target Allocation (%)	+/- Percent	Actual Allocation (\$)	Target Allocation (\$)	+/- Dollars
Franklin County Total Fund						
Domestic Equity	38.9%	40.0%	-1.1%	\$ 39,073,581	\$ 40,147,494	\$ (1,073,912)
Int'l Equity	13.6%	15.0%	-1.4%	\$ 13,687,633	\$ 15,055,310	\$ (1,367,677)
Fixed Income	23.1%	25.0%	-1.9%	\$ 23,217,001	\$ 25,092,184	\$ (1,875,183)
Real Estate	9.9%	10.0%	-0.1%	\$ 9,938,666	\$ 10,036,873	\$ (98,207)
Timber	2.1%	2.5%	-0.4%	\$ 2,135,314	\$ 2,509,218	\$ (373,904)
Alternatives-Private Equity	6.5%	5.0%	1.5%	\$ 6,541,088	\$ 5,018,437	\$ 1,522,652
Hedge Funds	5.0%	2.5%	2.5%	\$ 5,038,260	\$ 2,509,218	\$ 2,529,041
Cash	<u>0.7%</u>	<u>0.0%</u>	0.7%	\$ 737,191	\$ -	\$ 737,191
	100.0%	100.0%		\$ 100,368,734	\$ 100,368,734	

EXECUTIVE SUMMARY

PERFORMANCE SUMMARY

	Quarter	YTD	-----Annualized-----		
			1 Year	3 Years	Since 12/2007
Total Gross/Fees	5.9	5.9	11.6	10.1	3.6
<i>PUBLIC FUND RANK</i>	(28)	(28)	(8)	(16)	(71)
Total Net/Fees	5.8	5.8	11.0	9.5	3.1
POLICY INDEX	6.2	6.2	11.1	10.3	3.6
PRIT Core	4.6	4.6	11.0	9.4	2.3
CUSTOM CORE IDX	4.4	4.4	9.9	9.3	3.1
Domestic Equity	12.5	12.5	17.4	13.0	5.5
<i>ALL CAP RANK</i>	(33)	(33)	(27)	(58)	(45)
CUSTOM EQ INDEX	12.0	12.0	15.9	13.7	5.5
PRIT EQUITY	11.2	11.2	15.3	13.1	1.5
S&P 500	10.6	10.6	14.0	12.7	3.5
S&P 400	13.5	13.5	17.8	15.1	7.4
RUSSELL 3000	11.1	11.1	14.6	13.0	4.0
RUSSELL 1000	11.0	11.0	14.4	12.9	3.9
RUSSELL 1000G	9.5	9.5	10.1	13.1	4.8
RUSSELL 1000V	12.3	12.3	18.8	12.7	2.8
RUSSELL MID	13.0	13.0	17.3	14.6	5.8
RUSSELL 2000	12.4	12.4	16.3	13.5	5.7
Real Estate	2.2	2.2	11.7	17.2	-1.6
NCREIF ODCE	2.7	2.7	10.7	15.1	-0.5
Fixed Income	0.4	0.4	6.2	6.4	6.6
<i>CORE FIXED INCOME RANK</i>	(14)	(14)	(11)	(35)	(37)
BARCLAYS AGG	-0.1	-0.1	3.8	5.5	5.6
PRIT FIXED	0.3	0.3	5.5	6.7	5.3
GOV/CREDIT	-0.2	-0.2	4.6	6.1	5.7
INT AGGREGATE	0.1	0.1	3.0	4.6	5.2
INT GOV/CREDIT	0.3	0.3	3.5	4.7	5.0

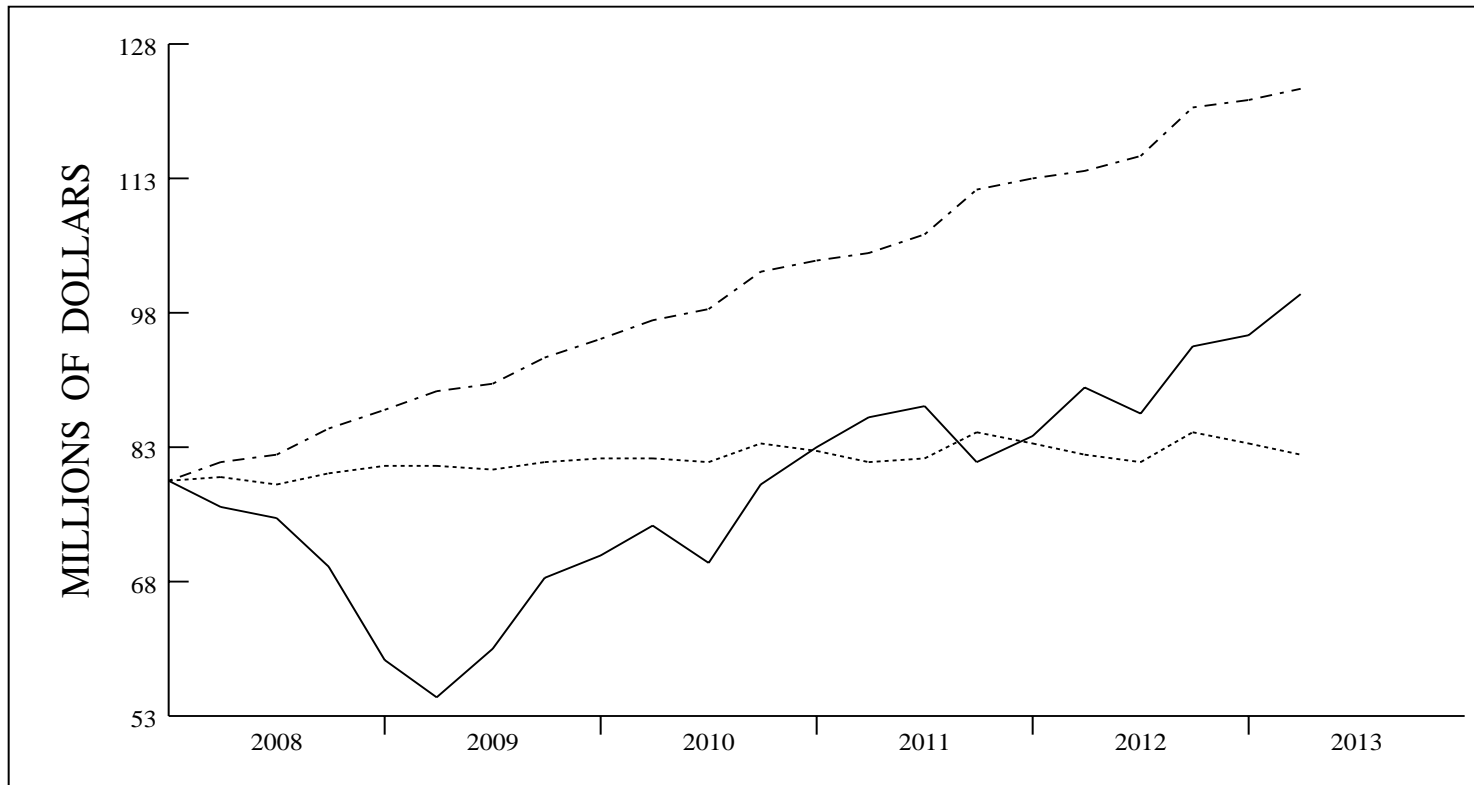
ASSET ALLOCATION

PRIT Core	53.9%	\$ 54,058,582
Domestic Equity	27.2%	27,294,217
Real Estate	5.1%	5,095,017
Fixed Income	12.0%	12,070,121
Cash	1.8%	1,850,795
Total Portfolio	100.0%	\$ 100,368,734

INVESTMENT RETURN

Market Value 12/2012	\$ 95,889,703
Contribs / Withdrawals	- 1,163,074
Income	459,257
Capital Gains / Losses	5,182,848
Market Value 3/2013	\$ 100,368,734

INVESTMENT GROWTH

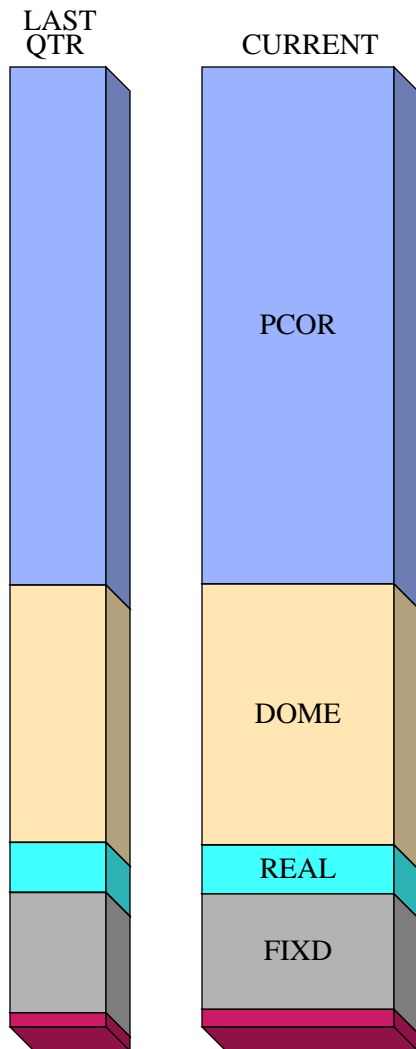


— ACTUAL RETURN
 - - - 8.0%
 0.0%

VALUE ASSUMING
 8.0% RETURN
 \$ 123,270,199

	LAST QUARTER	PERIOD 12/07 - 3/13
BEGINNING VALUE	\$ 95,889,703	\$ 79,660,882
NET CONTRIBUTIONS	- 1,163,074	2,729,380
<u>INVESTMENT RETURN</u>	<u>5,642,105</u>	<u>17,978,472</u>
ENDING VALUE	\$ 100,368,734	\$ 100,368,734
INCOME	459,257	9,201,394
<u>CAPITAL GAINS (LOSSES)</u>	<u>5,182,848</u>	<u>8,777,078</u>
INVESTMENT RETURN	5,642,105	17,978,472

ASSET ALLOCATION











	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>DIFFERENCE</u> + / -
PRIT CORE	\$ 54,058,582	53.9%	55.0%	-1.1%
DOMESTIC EQUITY	27,294,217	27.2%	27.0%	0.2%
REAL ESTATE	5,095,017	5.1%	5.0%	0.1%
FIXED INCOME	12,070,121	12.0%	13.0%	-1.0%
CASH & EQUIVALENT	1,850,795	1.8%	0.0%	1.8%
<u>TOTAL FUND</u>	<u>\$ 100,368,734</u>	<u>100.0%</u>		

MANAGER PERFORMANCE SUMMARY









Name	(Universe)	Quarter	YTD	1 Year	3 Years	5 Years
Total Portfolio	(Public Fund)	5.9 (28)	5.9 (28)	11.6 (8)	10.1 (16)	4.8 (76)
<i>Franklin Regional Policy Index</i>		6.2 ----	6.2 ----	11.1 ----	10.3 ----	4.9 ----
PRIT		4.6 ----	4.6 ----	11.0 ----	9.4 ----	3.3 ----
<i>Custom Core Index</i>		4.4 ----	4.4 ----	9.9 ----	9.3 ----	4.2 ----
Polen Capital Management	(LC Growth)	6.3 (93)	6.3 (93)	2.8 (94)	---- ----	---- ----
<i>Russell 1000 Growth</i>		9.5 ----	9.5 ----	10.1 ----	13.1 ----	7.3 ----
O'Shaughnessy	(LC Value)	12.0 (40)	12.0 (40)	15.1 (63)	---- ----	---- ----
<i>Russell 1000 Value</i>		12.3 ----	12.3 ----	18.8 ----	12.7 ----	4.8 ----
Seizert Capital Partners	(Mid Cap)	13.7 (19)	13.7 (19)	24.3 (2)	---- ----	---- ----
<i>Russell Mid Cap</i>		13.0 ----	13.0 ----	17.3 ----	14.6 ----	8.4 ----
Daruma	(Small Cap)	14.2 (23)	14.2 (23)	21.7 (15)	13.6 (70)	10.6 (34)
<i>Russell 2000</i>		12.4 ----	12.4 ----	16.3 ----	13.5 ----	8.2 ----
PRIT		2.2 ----	2.2 ----	11.7 ----	---- ----	---- ----
<i>NCREIF NFI-ODCE Index</i>		2.7 ----	2.7 ----	10.7 ----	15.1 ----	-0.8 ----
Income Research & Management	(Core Fixed)	0.4 (14)	0.4 (14)	6.2 (11)	6.4 (35)	6.6 (36)
<i>Barclays Aggregate Index</i>		-0.1 ----	-0.1 ----	3.8 ----	5.5 ----	5.5 ----

MANAGER VALUE ADDED

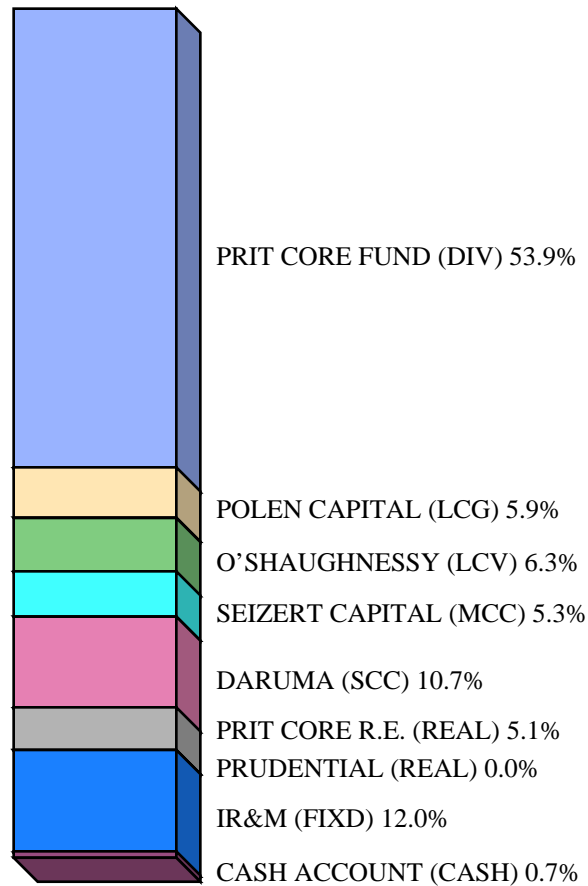
Most Recent Quarter

Manager	Benchmark	Value Added Vs. Benchmark
PRIT Core Fund	Custom Core Idx	0.2 
Polen Capital	Russell 1000G	-3.3 
O'Shaughnessy	Russell 1000V	-0.3 
Seizert Capital	Russell Mid	0.7 
Daruma	Russell 2000	1.8 
PRIT Core R.E.	NCREIF ODCE	-0.5 
IR&M	Barclays Agg	0.6 
Total Portfolio	Policy Index	-0.3 

Trailing Twelve Months

Manager	Benchmark	Value Added Vs. Benchmark
PRIT Core Fund	Custom Core Idx	1.1 
Polen Capital	Russell 1000G	-7.3 
O'Shaughnessy	Russell 1000V	-3.7 
Seizert Capital	Russell Mid	7.0 
Daruma	Russell 2000	5.4 
PRIT Core R.E.	NCREIF ODCE	0.9 
IR&M	Barclays Agg	2.4 
Total Portfolio	Policy Index	0.6 

MANAGER ALLOCATION SUMMARY

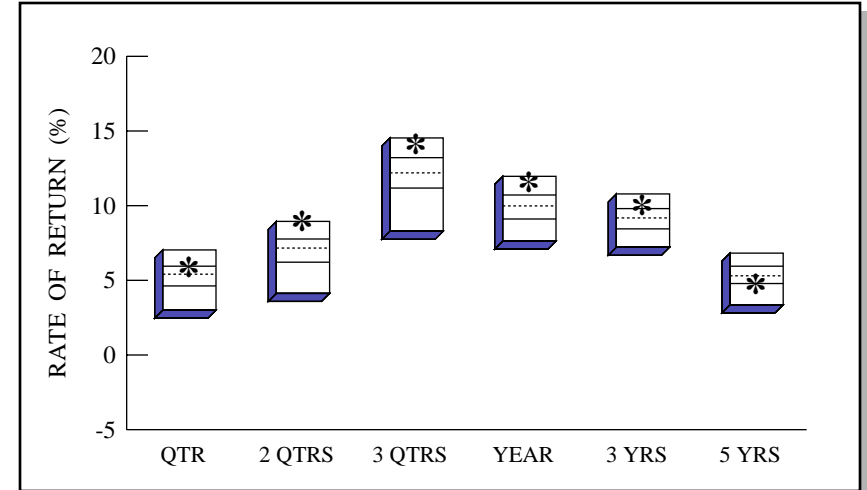
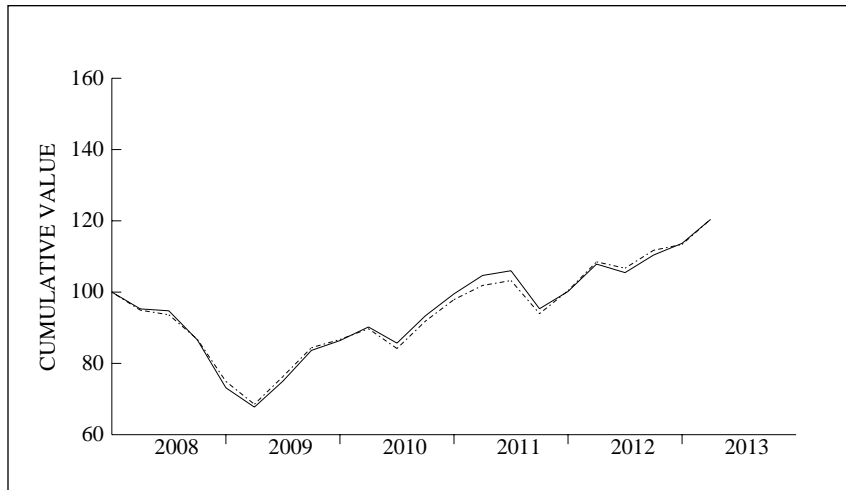


Name	Market Value	Percent	Target
PRIT Core Fund (DIV)	\$54,058,582	53.9	55.0
Polen Capital (LCG)	\$5,930,730	5.9	6.0
O'Shaughnessy (LCV)	\$6,355,359	6.3	6.0
Seizert Capital (MCC)	\$5,334,443	5.3	5.0
Daruma (SCC)	\$10,787,291	10.7	10.0
PRIT Core R.E. (REAL)	\$5,092,515	5.1	5.0
Prudential (REAL)	\$2,502	0.0	0.0
IR&M (FIXD)	\$12,070,121	12.0	13.0
Cash Account (CASH)	\$737,191	0.7	0.0
Total Fund	\$100,368,734	100.0	100.0

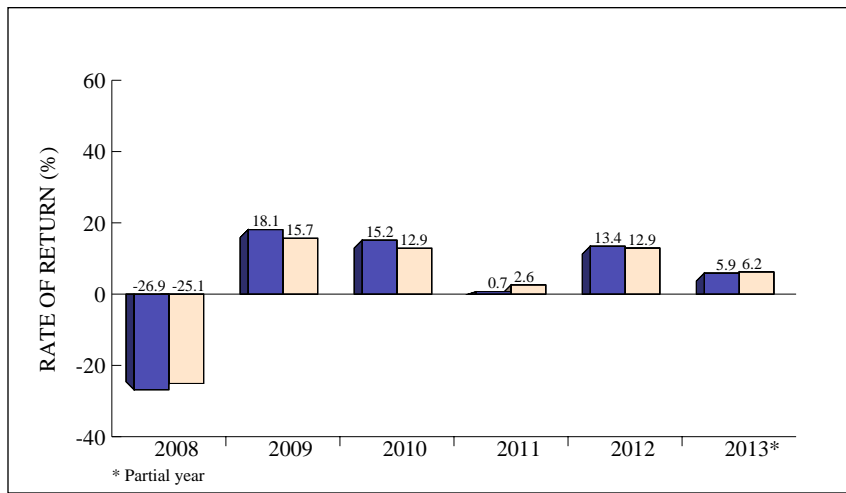
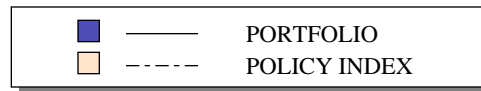
INVESTMENT RETURN SUMMARY - ONE QUARTER

Name	Quarter Total Return	Market Value December 31st, 2012	Net Cashflow	Net Investment Return	Market Value March 31st, 2013
PRIT Core Fund (DIV)	4.6	51,759,033	-71,080	2,370,629	54,058,582
Polen Capital (LCG)	6.3	5,580,804	0	349,926	5,930,730
O'Shaughnessy (LCV)	12.0	5,672,078	0	683,281	6,355,359
Seizert Capital (MCC)	13.7	5,291,479	-642,000	684,964	5,334,443
Daruma (SCC)	14.2	10,031,482	-634,000	1,389,809	10,787,291
PRIT Core R.E. (REAL)	2.2	4,987,174	-5,364	110,705	5,092,515
Prudential (REAL)	---	2,502	0	0	2,502
IR&M (FIXD)	0.4	12,017,656	0	52,465	12,070,121
Cash Account (CASH)	---	547,495	189,370	326	737,191
Total Fund	5.9	95,889,703	-1,163,074	5,642,105	100,368,734

TOTAL RETURN COMPARISONS



Public Fund Universe

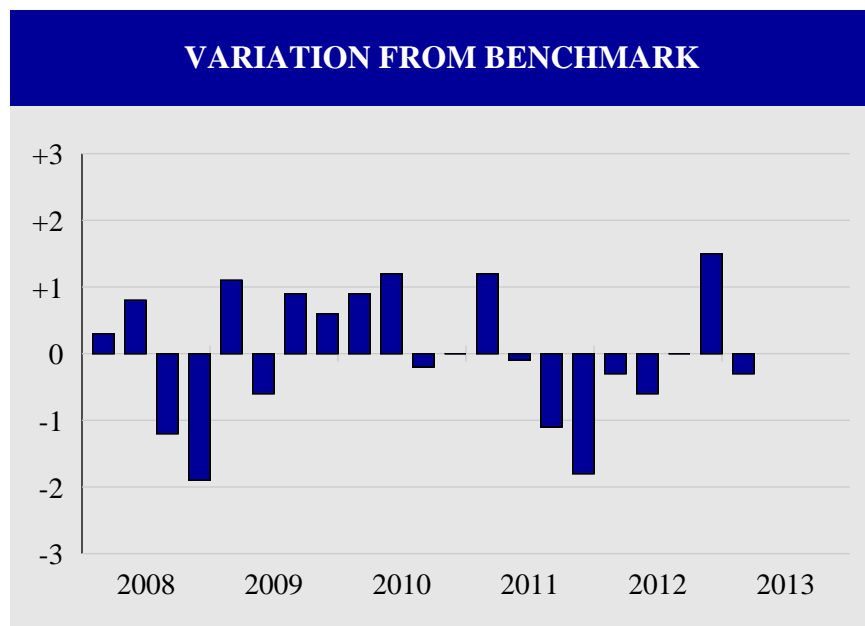


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	5.9	9.0	14.2	11.6	10.1	4.8
(RANK)	(28)	(5)	(8)	(8)	(16)	(76)
5TH %ILE	7.0	9.0	14.5	12.0	10.8	6.8
25TH %ILE	6.0	7.8	13.2	10.7	9.8	5.9
MEDIAN	5.4	7.2	12.2	10.0	9.2	5.3
75TH %ILE	4.6	6.2	11.2	9.1	8.5	4.8
95TH %ILE	3.0	4.1	8.3	7.6	7.2	3.4
Policy Idx	6.2	7.8	12.9	11.1	10.3	4.9

Public Fund Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

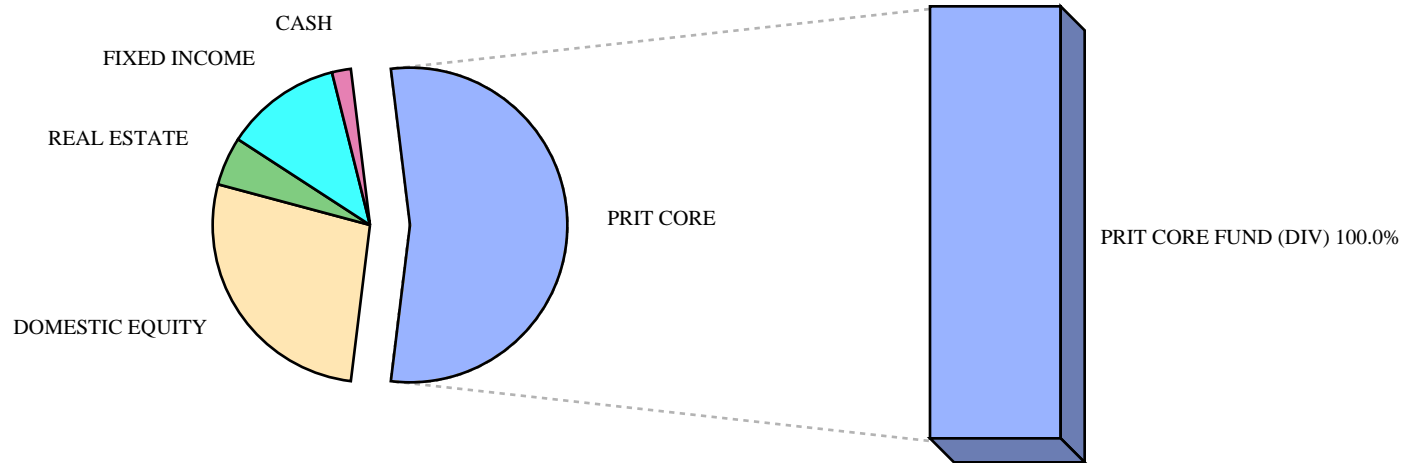
COMPARATIVE BENCHMARK: FRANKLIN REGIONAL POLICY INDEX



Total Quarters Observed	21
Quarters At or Above the Benchmark	11
Quarters Below the Benchmark	10
Batting Average	.524

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	-4.7	-5.0	0.3
6/08	-0.6	-1.4	0.8
9/08	-8.6	-7.4	-1.2
12/08	-15.5	-13.6	-1.9
3/09	-7.4	-8.5	1.1
6/09	10.7	11.3	-0.6
9/09	11.5	10.6	0.9
12/09	3.3	2.7	0.6
3/10	4.4	3.5	0.9
6/10	-5.0	-6.2	1.2
9/10	9.0	9.2	-0.2
12/10	6.6	6.6	0.0
3/11	5.2	4.0	1.2
6/11	1.3	1.4	-0.1
9/11	-10.1	-9.0	-1.1
12/11	5.1	6.9	-1.8
3/12	7.7	8.0	-0.3
6/12	-2.2	-1.6	-0.6
9/12	4.7	4.7	0.0
12/12	3.0	1.5	1.5
3/13	5.9	6.2	-0.3

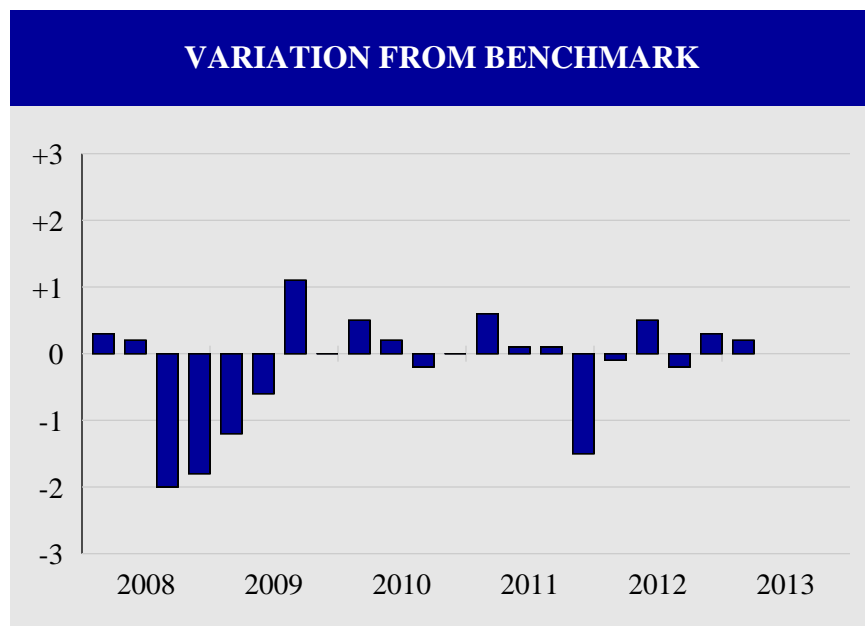
PRIT CORE MANAGER SUMMARY



MANAGER	(UNIVERSE)	TOTAL RETURNS AND RANKINGS					MARKET VALUE
		QTR	YTD	1 YEAR	3 YEARS	5 YEARS	
PRIT CORE FUND		4.6 ---	4.6 ---	11.0 ---	9.4 ---	3.3 ---	\$54,058,582
<i>Custom Core Index</i>		<i>4.4 ---</i>	<i>4.4 ---</i>	<i>9.9 ---</i>	<i>9.3 ---</i>	<i>4.2 ---</i>	---

PRIT CORE QUARTERLY PERFORMANCE SUMMARY

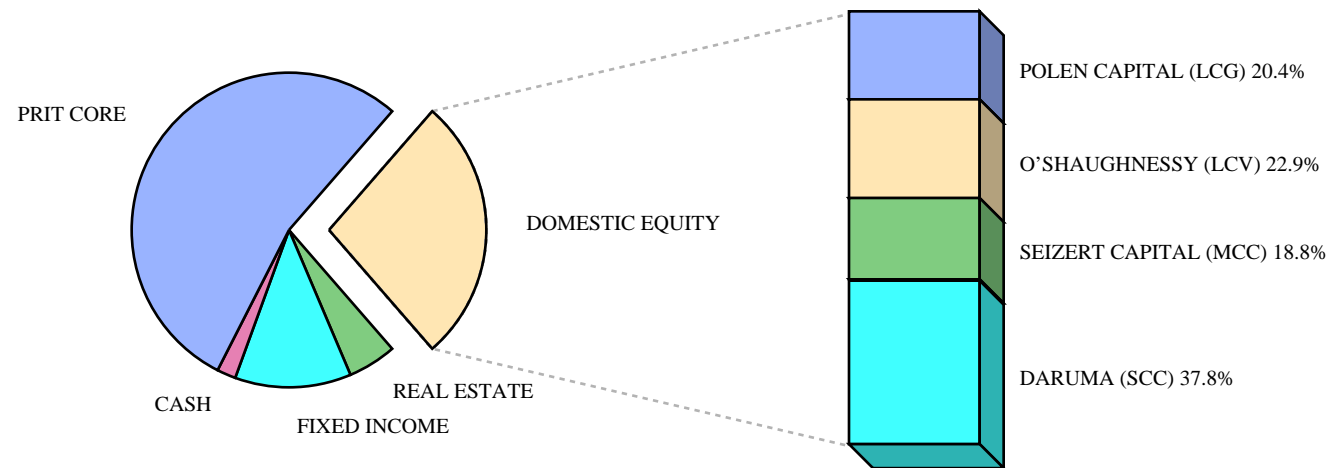
COMPARATIVE BENCHMARK: CUSTOM CORE INDEX



Total Quarters Observed	21
Quarters At or Above the Benchmark	13
Quarters Below the Benchmark	8
Batting Average	.619

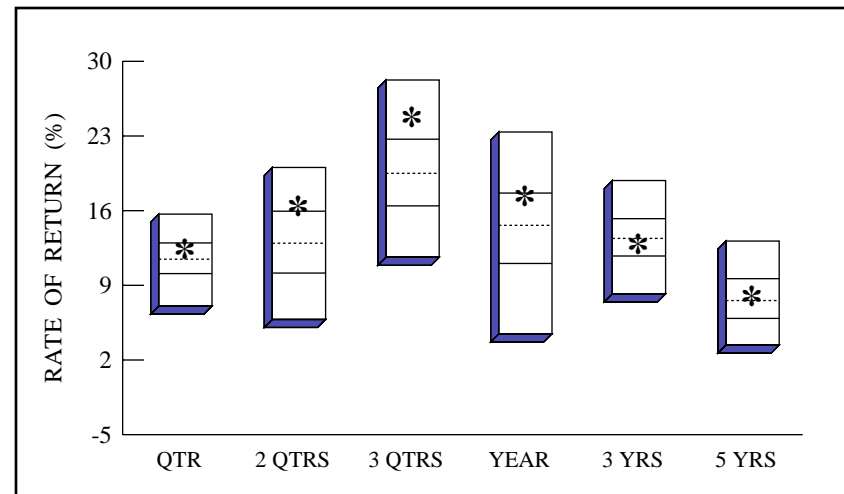
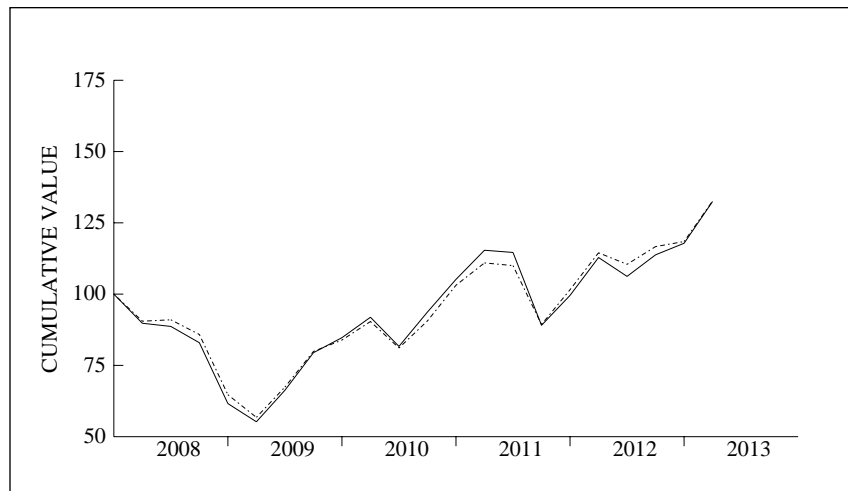
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	-4.4	-4.7	0.3
6/08	-0.5	-0.7	0.2
9/08	-11.4	-9.4	-2.0
12/08	-16.3	-14.5	-1.8
3/09	-8.1	-6.9	-1.2
6/09	11.7	12.3	-0.6
9/09	11.5	10.4	1.1
12/09	2.9	2.9	0.0
3/10	3.5	3.0	0.5
6/10	-5.0	-5.2	0.2
9/10	8.9	9.1	-0.2
12/10	6.1	6.1	0.0
3/11	4.3	3.7	0.6
6/11	1.7	1.6	0.1
9/11	-9.0	-9.1	0.1
12/11	3.7	5.2	-1.5
3/12	7.3	7.4	-0.1
6/12	-1.5	-2.0	0.5
9/12	4.4	4.6	-0.2
12/12	3.1	2.8	0.3
3/13	4.6	4.4	0.2

DOMESTIC EQUITY MANAGER SUMMARY

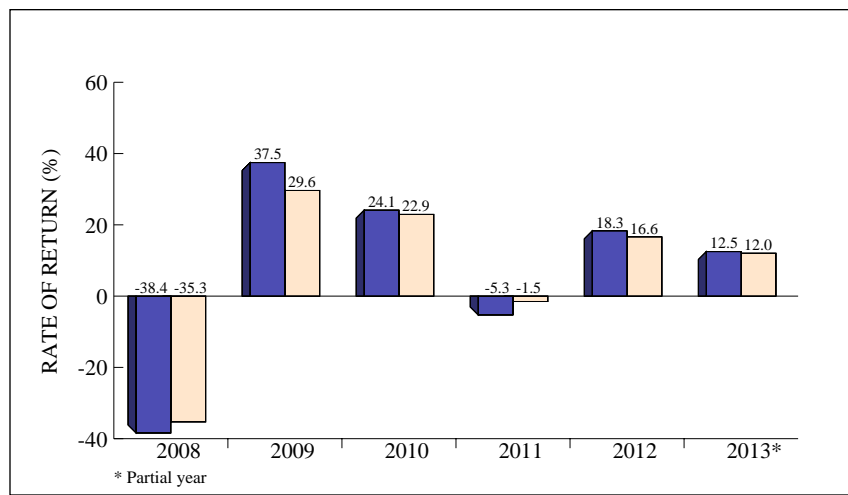
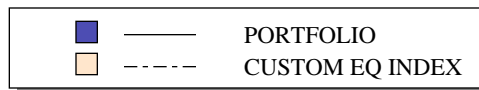


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
POLEN CAPITAL	(Large Cap Growth)	6.3 (93)	6.3 (93)	2.8 (94)	----	----	\$5,930,730
<i>Russell 1000 Growth</i>		<i>9.5</i> ----	<i>9.5</i> ----	<i>10.1</i> ----	<i>13.1</i> ----	<i>7.3</i> ----	----
O'SHAUGHNESSY	(Large Cap Value)	12.0 (40)	12.0 (40)	15.1 (63)	----	----	\$6,355,359
<i>Russell 1000 Value</i>		<i>12.3</i> ----	<i>12.3</i> ----	<i>18.8</i> ----	<i>12.7</i> ----	<i>4.8</i> ----	----
SEIZERT CAPITAL	(Mid Cap)	13.7 (19)	13.7 (19)	24.3 (2)	----	----	\$5,334,443
<i>Russell Mid Cap</i>		<i>13.0</i> ----	<i>13.0</i> ----	<i>17.3</i> ----	<i>14.6</i> ----	<i>8.4</i> ----	----
DARUMA	(Small Cap)	14.2 (23)	14.2 (23)	21.7 (15)	13.6 (70)	10.6 (34)	\$10,787,291
<i>Russell 2000</i>		<i>12.4</i> ----	<i>12.4</i> ----	<i>16.3</i> ----	<i>13.5</i> ----	<i>8.2</i> ----	----

DOMESTIC EQUITY RETURN COMPARISONS

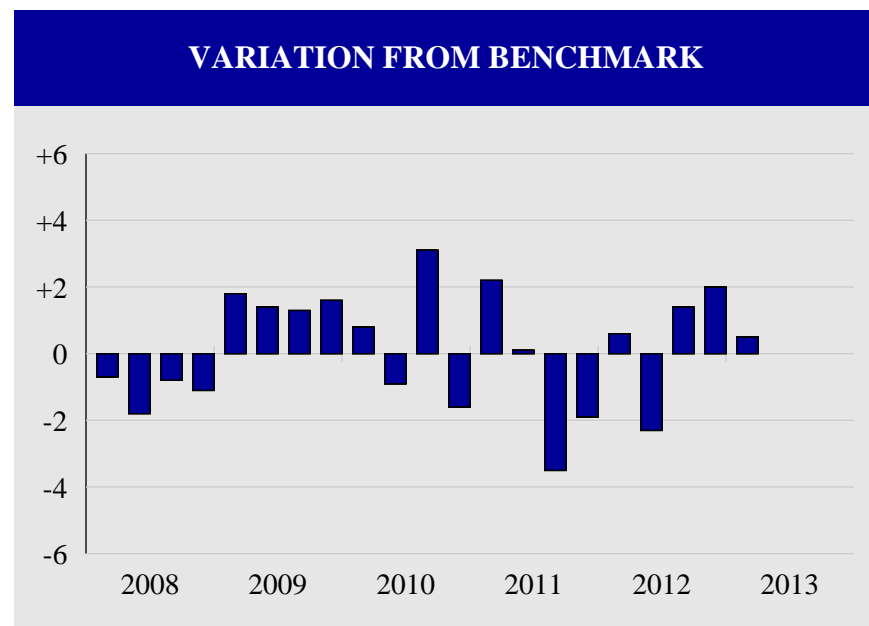


All Cap Universe



	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	12.5	16.5	24.8	17.4	13.0	8.1
(RANK)	(33)	(22)	(15)	(27)	(58)	(43)
5TH %ILE	15.7	20.1	28.3	23.4	18.8	13.2
25TH %ILE	13.0	16.0	22.7	17.7	15.2	9.6
MEDIAN	11.5	12.9	19.5	14.6	13.4	7.6
75TH %ILE	10.1	10.1	16.5	11.0	11.8	5.9
95TH %ILE	7.1	5.8	11.6	4.4	8.2	3.4
Equity Index	12.0	13.7	20.2	15.9	13.7	8.0

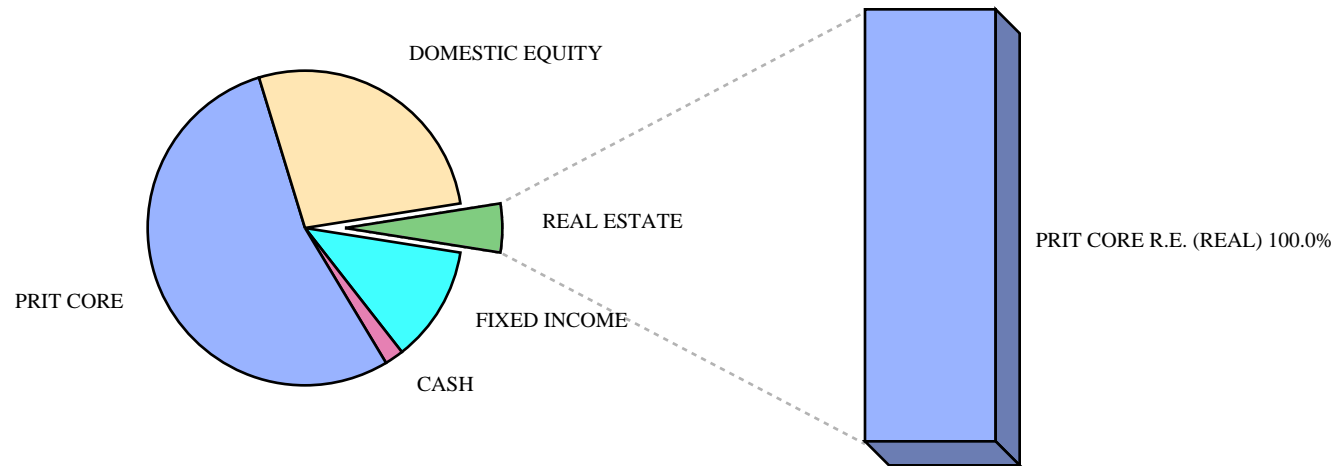
All Cap Universe

DOMESTIC EQUITY QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: FRANKLIN COUNTY EQUITY INDEX**

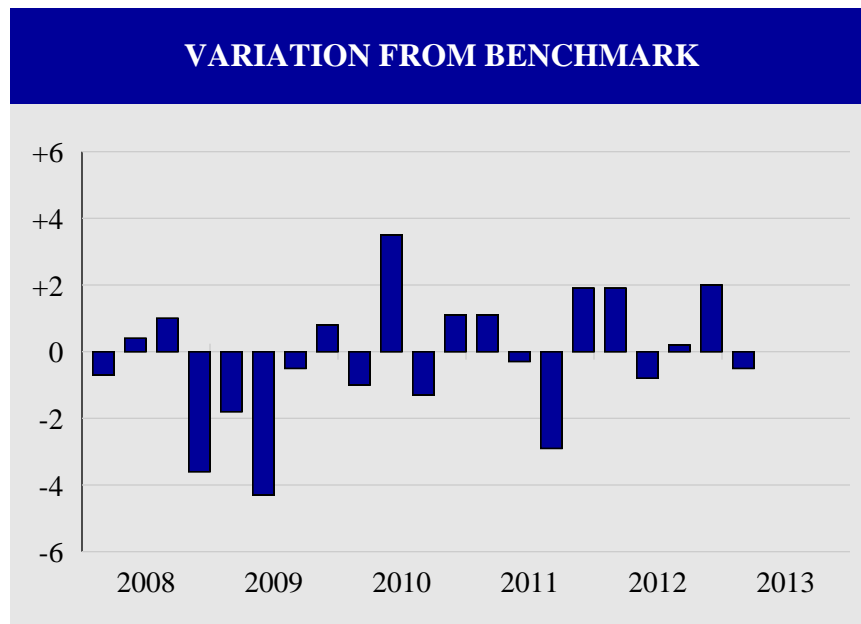
Total Quarters Observed	21
Quarters At or Above the Benchmark	12
Quarters Below the Benchmark	9
Batting Average	.571

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	-10.2	-9.5	-0.7
6/08	-1.2	0.6	-1.8
9/08	-6.5	-5.7	-0.8
12/08	-25.7	-24.6	-1.1
3/09	-10.4	-12.2	1.8
6/09	20.1	18.7	1.4
9/09	19.8	18.5	1.3
12/09	6.6	5.0	1.6
3/10	8.5	7.7	0.8
6/10	-11.2	-10.3	-0.9
9/10	14.8	11.7	3.1
12/10	12.2	13.8	-1.6
3/11	9.8	7.6	2.2
6/11	-0.7	-0.8	0.1
9/11	-22.3	-18.8	-3.5
12/11	11.8	13.7	-1.9
3/12	13.3	12.7	0.6
6/12	-5.9	-3.6	-2.3
9/12	7.1	5.7	1.4
12/12	3.5	1.5	2.0
3/13	12.5	12.0	0.5

REAL ESTATE MANAGER SUMMARY



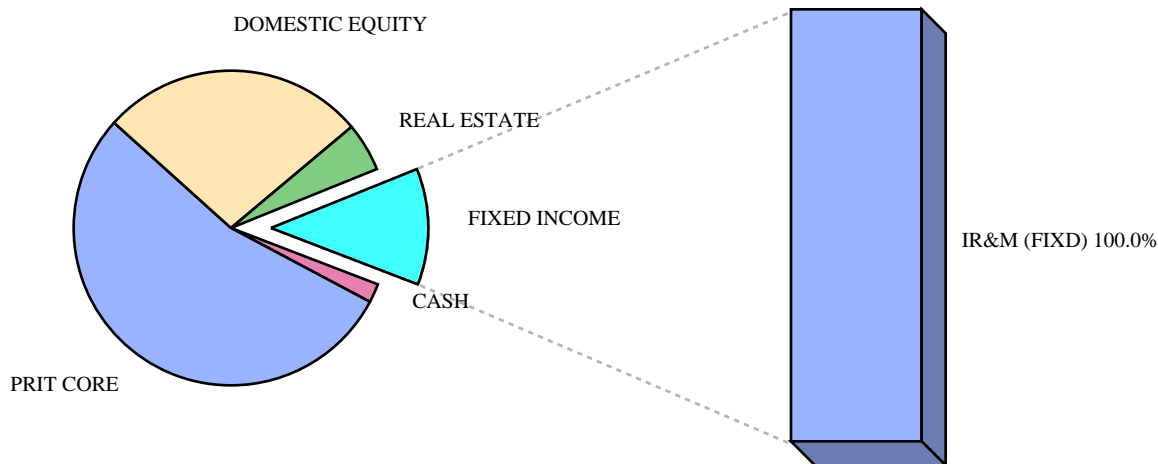
		TOTAL RETURNS AND RANKINGS					
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
PRIT CORE R.E.		2.2 ---	2.2 ---	11.7 ---	---- ---	---- ---	\$5,092,515
<i>NCREIF NFI-ODCE Index</i>		<i>2.7 ---</i>	<i>2.7 ---</i>	<i>10.7 ---</i>	<i>15.1 ---</i>	<i>-0.8 ---</i>	---

REAL ESTATE QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX**

Total Quarters Observed	21
Quarters At or Above the Benchmark	10
Quarters Below the Benchmark	11
Batting Average	.476

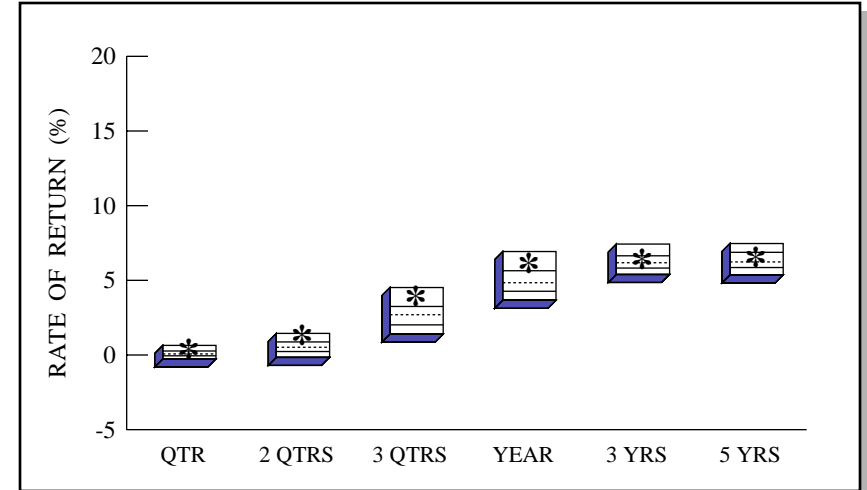
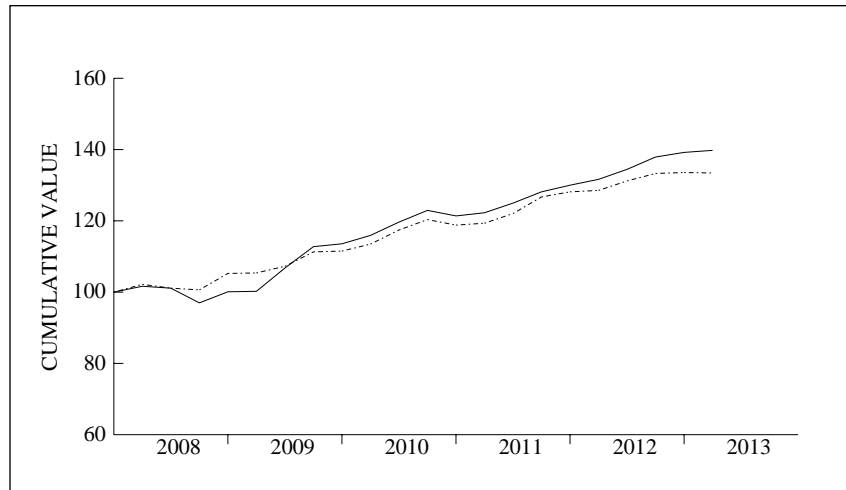
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	0.7	1.4	-0.7
6/08	0.7	0.3	0.4
9/08	0.4	-0.6	1.0
12/08	-14.5	-10.9	-3.6
3/09	-15.5	-13.7	-1.8
6/09	-13.3	-9.0	-4.3
9/09	-7.8	-7.3	-0.5
12/09	-2.7	-3.5	0.8
3/10	-0.2	0.8	-1.0
6/10	7.9	4.4	3.5
9/10	4.1	5.4	-1.3
12/10	6.1	5.0	1.1
3/11	5.1	4.0	1.1
6/11	4.3	4.6	-0.3
9/11	0.6	3.5	-2.9
12/11	4.9	3.0	1.9
3/12	4.7	2.8	1.9
6/12	1.7	2.5	-0.8
9/12	3.0	2.8	0.2
12/12	4.3	2.3	2.0
3/13	2.2	2.7	-0.5

FIXED INCOME MANAGER SUMMARY

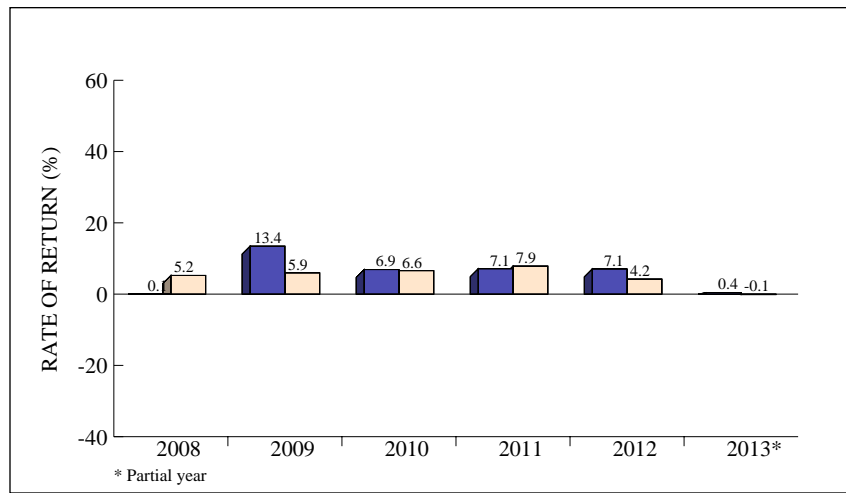


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
IR&M	(Core Fixed Income)	0.4 (14)	0.4 (14)	6.2 (11)	6.4 (35)	6.6 (36)	\$12,070,121
<i>Barclays Aggregate Index</i>		-0.1 ----	-0.1 ----	3.8 ----	5.5 ----	5.5 ----	----

FIXED INCOME RETURN COMPARISONS

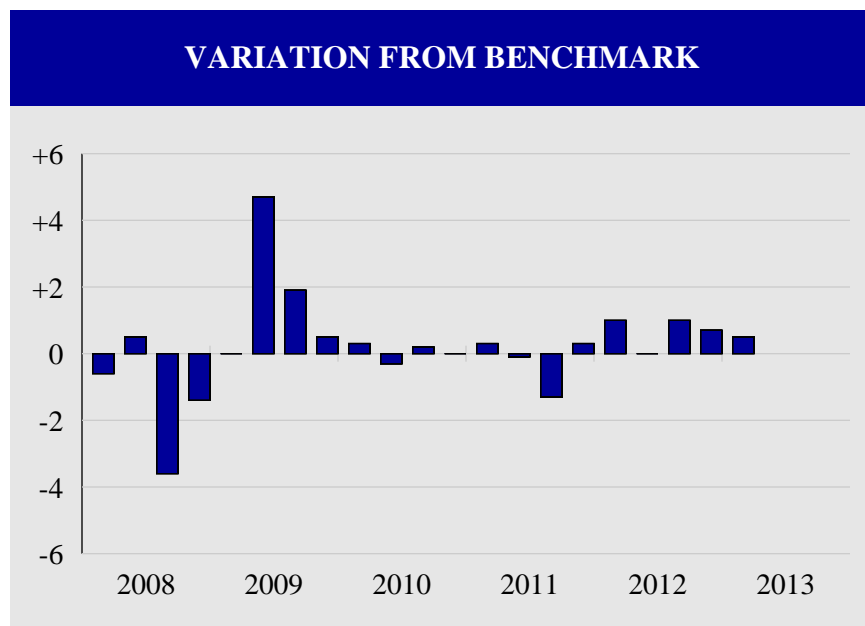


Core Fixed Income Universe



	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.4	1.4	4.0	6.2	6.4	6.6
(RANK)	(14)	(8)	(11)	(11)	(35)	(36)
5TH %ILE	0.7	1.4	4.5	6.9	7.4	7.5
25TH %ILE	0.3	0.9	3.3	5.6	6.7	6.9
MEDIAN	0.1	0.5	2.7	4.8	6.2	6.2
75TH %ILE	-0.1	0.2	2.0	4.3	5.8	5.9
95TH %ILE	-0.3	-0.2	1.4	3.7	5.4	5.4
Agg Index	-0.1	0.1	1.7	3.8	5.5	5.5

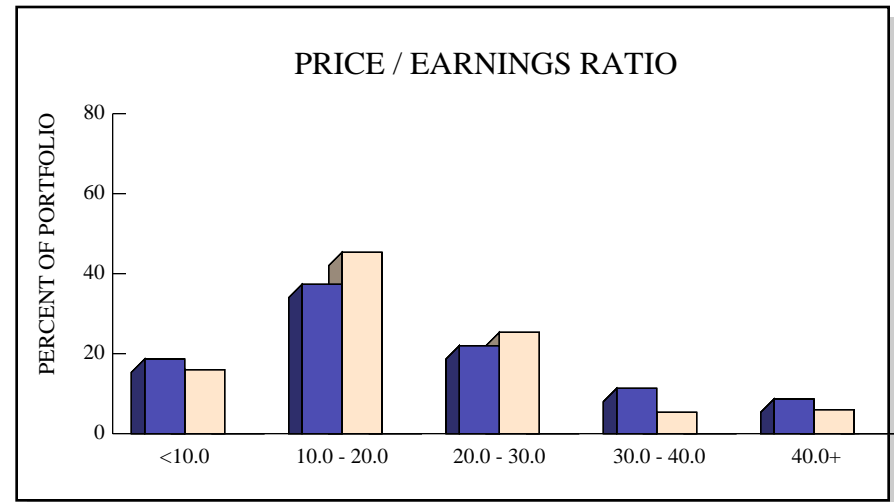
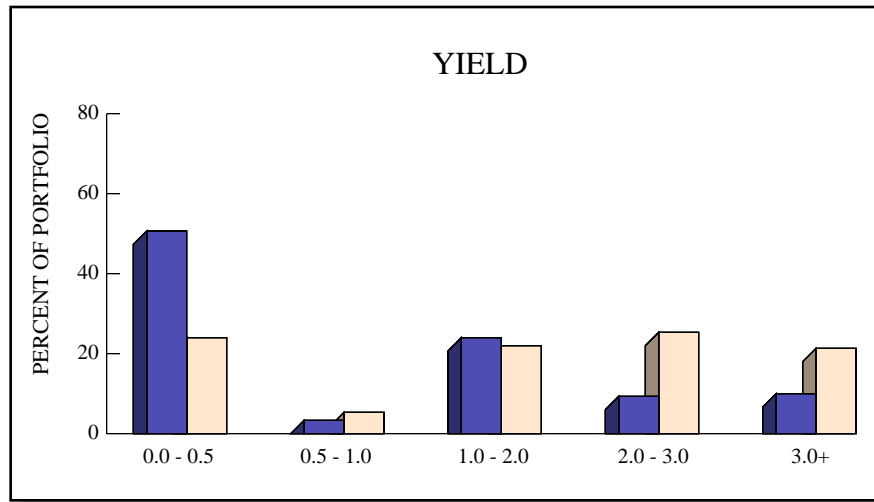
Core Fixed Income Universe

FIXED INCOME QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: BARCLAYS AGGREGATE INDEX**

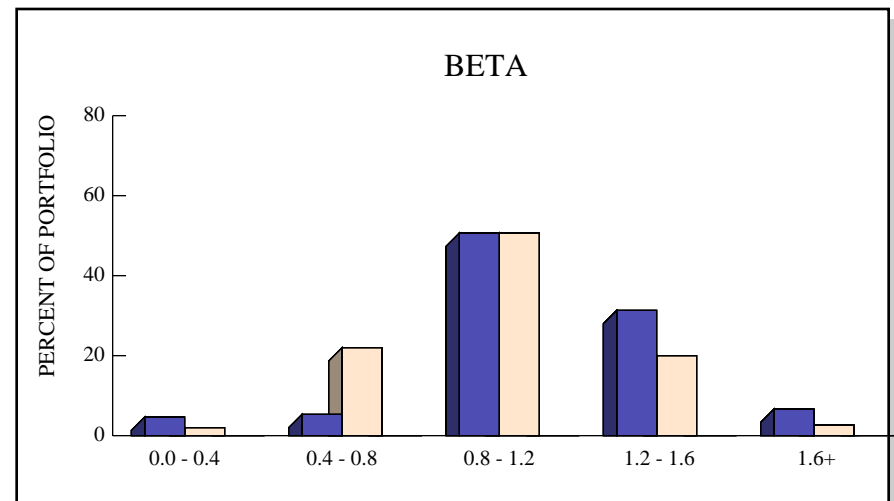
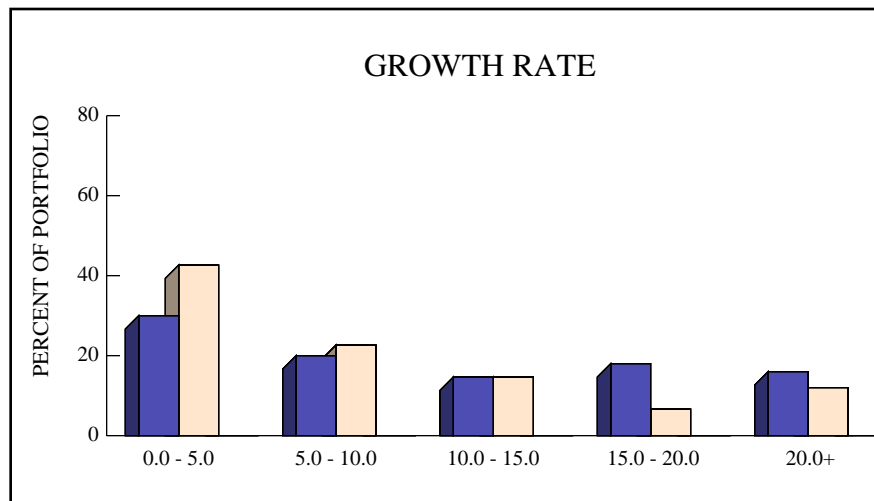
Total Quarters Observed	21
Quarters At or Above the Benchmark	15
Quarters Below the Benchmark	6
Batting Average	.714

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	1.6	2.2	-0.6
6/08	-0.5	-1.0	0.5
9/08	-4.1	-0.5	-3.6
12/08	3.2	4.6	-1.4
3/09	0.1	0.1	0.0
6/09	6.5	1.8	4.7
9/09	5.6	3.7	1.9
12/09	0.7	0.2	0.5
3/10	2.1	1.8	0.3
6/10	3.2	3.5	-0.3
9/10	2.7	2.5	0.2
12/10	-1.3	-1.3	0.0
3/11	0.7	0.4	0.3
6/11	2.2	2.3	-0.1
9/11	2.5	3.8	-1.3
12/11	1.4	1.1	0.3
3/12	1.3	0.3	1.0
6/12	2.1	2.1	0.0
9/12	2.6	1.6	1.0
12/12	0.9	0.2	0.7
3/13	0.4	-0.1	0.5

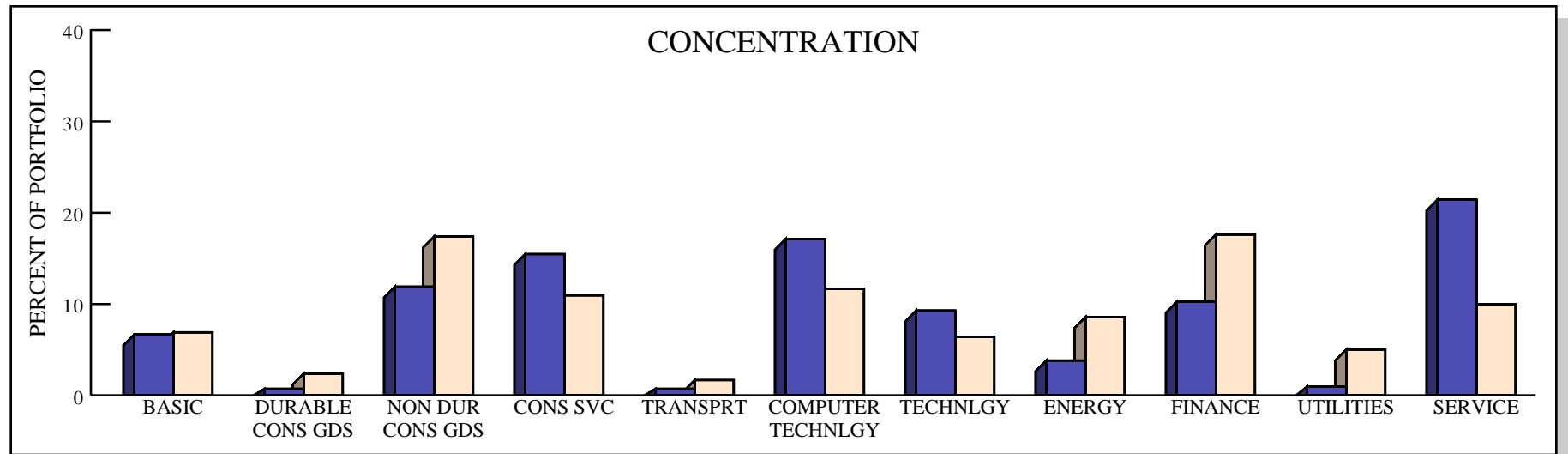
STOCK CHARACTERISTICS



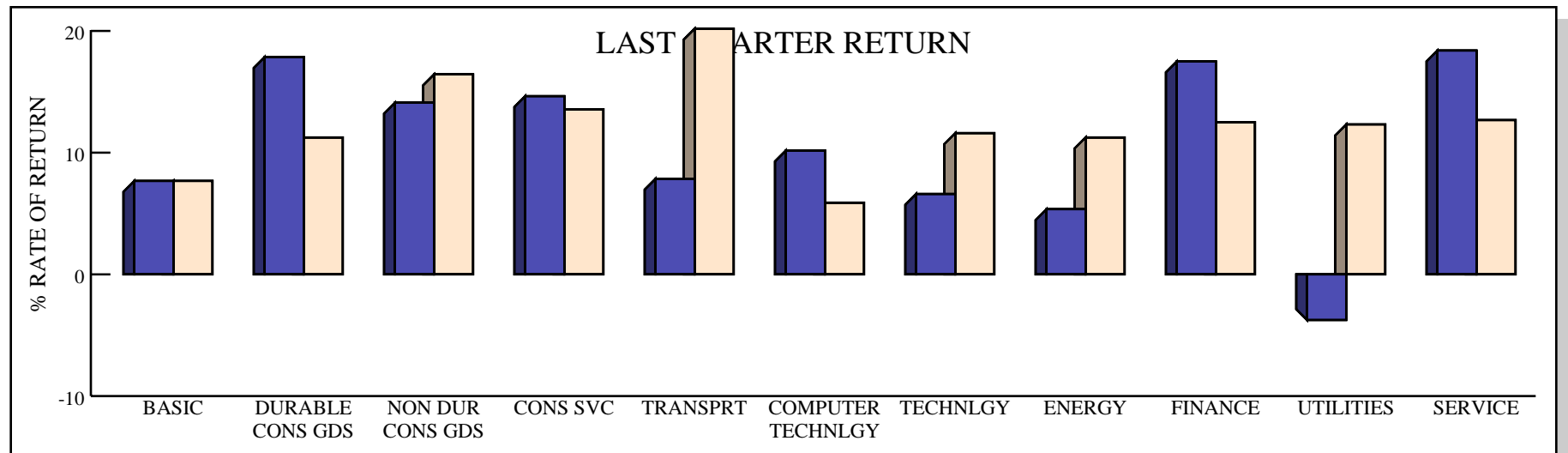
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.3%	9.3%	20.2	1.11
RUSSELL 3000	2.0%	7.4%	19.4	1.00



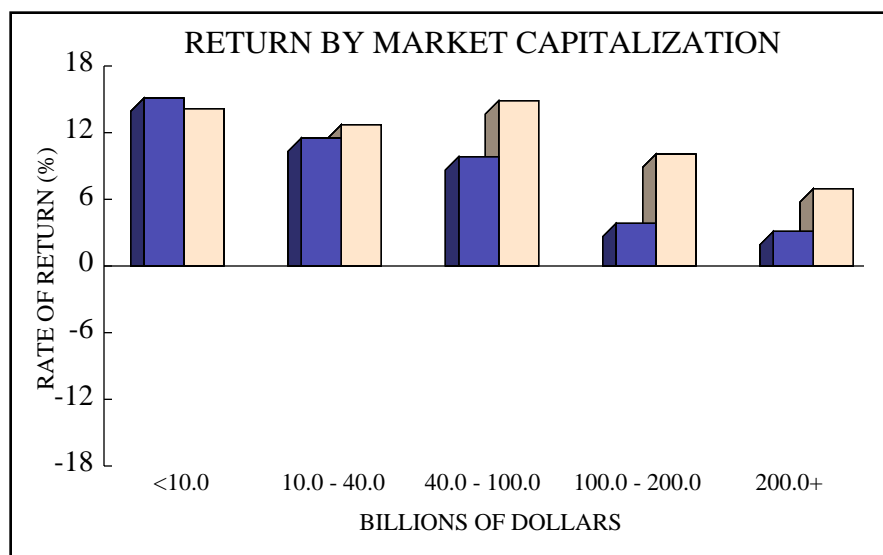
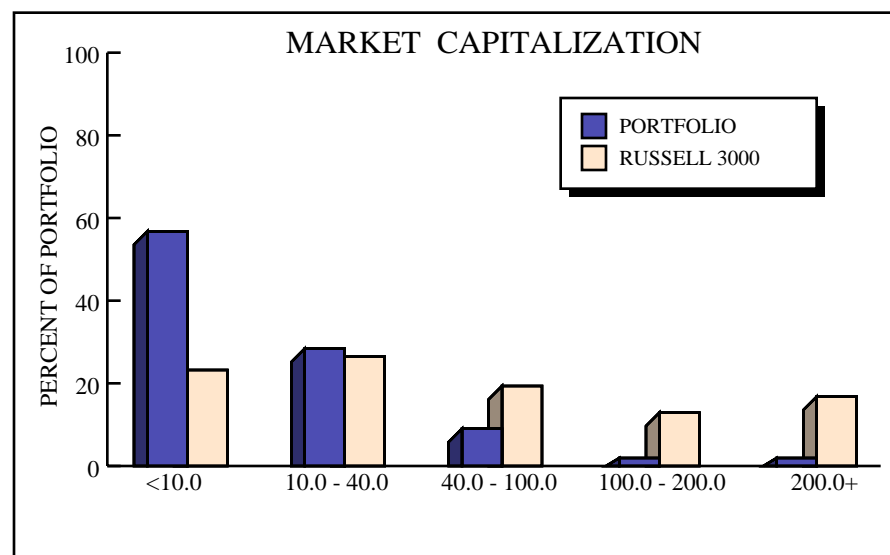
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO ■ RUSSELL 3000



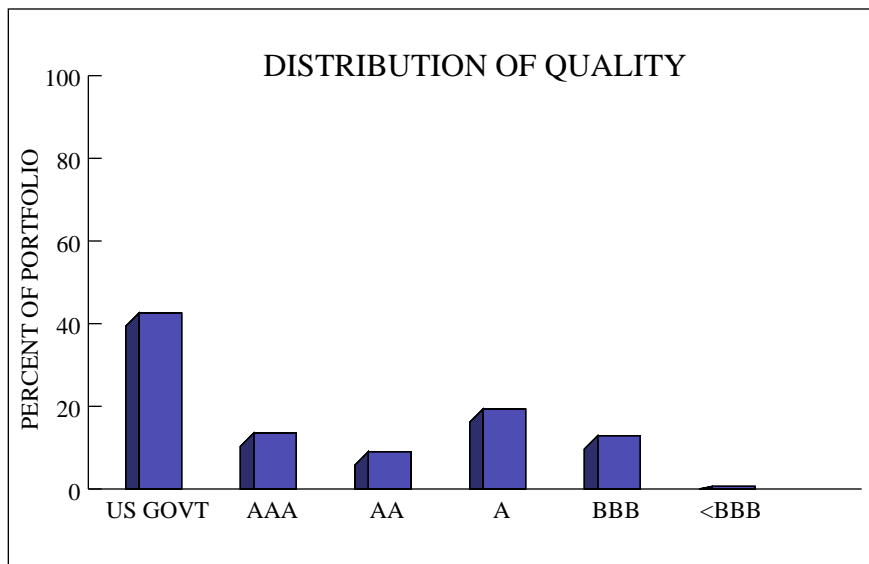
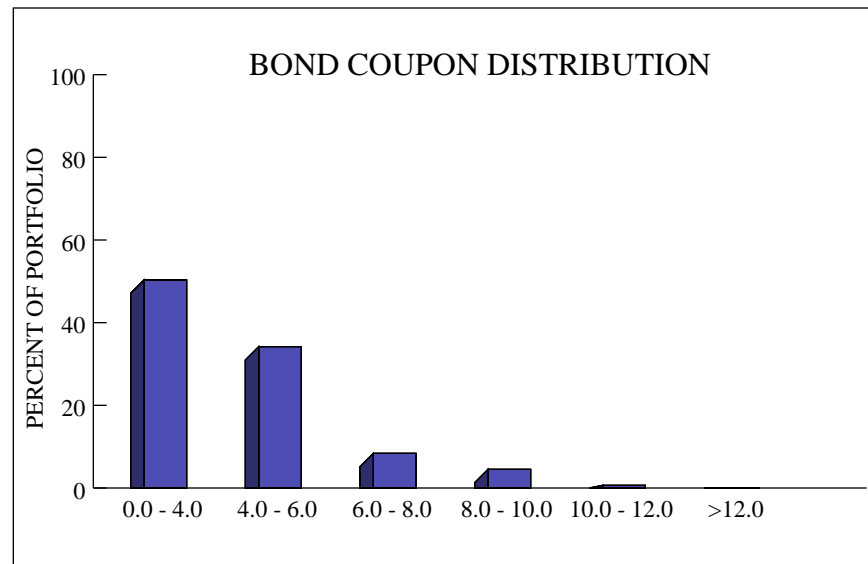
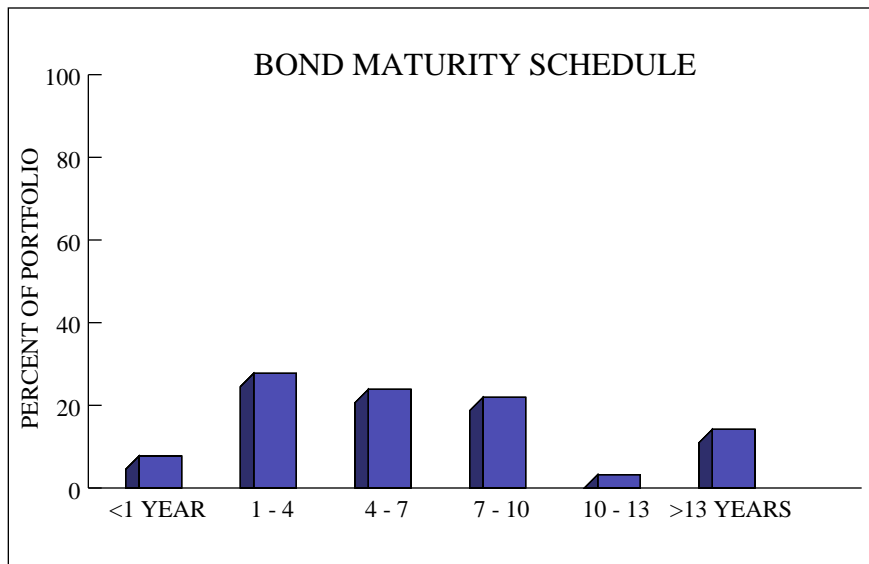
TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	LUMBER LIQUIDATORS HOLDINGS	\$ 454,675	1.67%	32.9%	Consumer Service	\$ 1.9 B
2	COSTAR GROUP INC	446,378	1.64%	22.5%	Service	3.1 B
3	L-3 COMMUNICATIONS HOLDINGS	445,303	1.63%	6.2%	Technology	7.3 B
4	GOOGLE INC-CL A	428,776	1.57%	11.9%	Computer Tech	212.4 B
5	ALLERGAN INC	426,650	1.56%	21.7%	NonDur Cons Goods	33.2 B
6	COGNIZANT TECH SOLUTIONS-A	412,315	1.51%	3.5%	Computer Tech	23.1 B
7	NIKE INC -CL B	409,824	1.50%	14.7%	NonDur Cons Goods	42.6 B
8	QUALCOMM INC	399,022	1.46%	8.3%	Technology	115.0 B
9	ACXIOM CORP	395,332	1.45%	16.8%	Service	1.5 B
10	T ROWE PRICE GROUP INC	389,324	1.43%	15.7%	Finance	19.4 B

BOND CHARACTERISTICS



	PORTFOLIO	BARCLAYS AGG
No. of Securities	164	8,286
Duration	6.55	5.26
YTM	2.62	1.86
Average Coupon	3.92	3.47
Avg Maturity / WAL	9.68	7.20
Average Quality	AAA-AA	USG-AAA

PRIT MANAGER RETURNS AND ALLOCATIONS
AS OF MARCH 31, 2013

PORTFOLIO	QTR	ANNUALIZED			% Allocation
		1 YEAR	3 YEARS	5 YEARS	
Domestic Equity	11.2	15.3	13.1	4.5	20.3
Intech	10.7	14.9	13.2	6.2	1.6
Pimco Domestic	11.2	17.3	14.7	7.2	1.5
SSgA S&P 500	10.6	14.1	---	---	12.7
SSgA Russell 2500	12.9	17.9	---	---	4.4
<i>Russell 3000</i>	<i>11.1</i>	<i>14.6</i>	<i>13.0</i>	<i>6.3</i>	---
<i>S&P 500</i>	<i>10.6</i>	<i>14.0</i>	<i>12.7</i>	<i>5.8</i>	---
<i>Russell 2500</i>	<i>12.9</i>	<i>17.7</i>	<i>14.6</i>	<i>9.0</i>	---
International Equity	6.3	12.4	6.8	0.5	17.9
SSgA World Ex-US	5.2	11.2	5.5	0.0	8.6
Marathon Asset Management	7.7	13.9	8.5	3.2	4.6
Baillie Gifford	7.9	15.1	8.5	2.9	3.3
Mondrian	4.6	8.1	4.4	---	1.3
<i>MSCI EAFE</i>	<i>5.2</i>	<i>11.8</i>	<i>5.5</i>	<i>-0.4</i>	---
<i>ACWI EX US</i>	<i>3.3</i>	<i>8.9</i>	<i>4.9</i>	<i>0.1</i>	---
Emerging Markets Equity	-0.6	3.8	4.1	0.8	6.9
SSgA Emerging Markets	-1.3	3.2	---	---	3.4
Ashmore - EMM	-0.9	1.1	2.5	1.1	0.9
GMO	-1.6	1.7	3.8	0.1	1.0
T. Rowe Price EM	-0.8	6.1	4.9	0.2	1.1
Acadian	13.4	---	---	---	0.1
Wasatch	6.6	---	---	---	0.3
<i>MSCI Emerging Markets</i>	<i>-1.6</i>	<i>2.3</i>	<i>3.6</i>	<i>1.4</i>	---

PRIT MANAGER RETURNS AND ALLOCATIONS
AS OF MARCH 31, 2013

PORTFOLIO	QTR	ANNUALIZED			% Allocation
		1 YEAR	3 YEARS	5 YEARS	
Core Fixed Income	0.3	5.5	6.7	4.8	12.9
Blackrock Passive	-0.2	3.8	5.6	5.5	5.0
PIMCO Core	0.6	7.5	6.5	6.7	2.3
Loomis Sayles Core	0.1	5.8	7.0	6.8	2.2
Blackrock TIPS	-0.4	5.6	8.6	5.8	1.0
Blackrock ILBs	1.5	6.9	7.7	-4.0	2.0
Access Capital - ETI	0.4	3.4	4.7	5.5	0.2
Community Capital Management	0.5	3.9	4.9	5.1	0.0
AFL - CIO Housing Investment	-0.1	4.1	5.5	5.7	0.2
<i>Barclays Aggregate</i>	<i>-0.1</i>	<i>3.8</i>	<i>5.5</i>	<i>5.5</i>	<i>---</i>
<i>Barclays US TIPS</i>	<i>-0.4</i>	<i>5.6</i>	<i>8.5</i>	<i>5.9</i>	<i>---</i>
<i>Barclays Aggregate A or Better</i>	<i>-0.1</i>	<i>3.3</i>	<i>5.1</i>	<i>5.1</i>	<i>---</i>
Value-Added Fixed Income	1.6	11.2	10.7	9.7	8.3
Fidelity	3.7	13.1	12.3	11.8	0.5
Loomis Sayles High Yield	3.7	15.3	12.9	13.5	0.5
Shenkman	1.8	9.4	9.7	9.6	0.5
Eaton Vance	2.0	6.9	6.2	---	0.5
ING	2.7	9.2	7.1	---	0.5
Ashmore	-1.5	10.0	11.7	8.7	0.9
PIMCO EMD	-1.9	10.8	10.7	9.7	0.6
Investec	-0.3	---	---	---	0.5
Pictet	-0.1	---	---	---	0.8
Stone Harbor	-0.1	---	---	---	0.5
<i>CSFB High Yield</i>	<i>2.9</i>	<i>12.4</i>	<i>10.9</i>	<i>10.8</i>	<i>---</i>
<i>ML Master High Yield</i>	<i>2.9</i>	<i>13.1</i>	<i>10.9</i>	<i>11.3</i>	<i>---</i>
<i>JPM EMBI</i>	<i>-2.3</i>	<i>10.1</i>	<i>9.9</i>	<i>9.4</i>	<i>---</i>

PRIT MANAGER RETURNS AND ALLOCATIONS
AS OF MARCH 31, 2013

PORTFOLIO	QTR	ANNUALIZED			% Allocation
		1 YEAR	3 YEARS	5 YEARS	
Private Equity	3.9	14.5	15.9	7.0	11.4
Total Special Equity	4.0	16.1	16.2	6.8	8.9
Total Venture Capital	4.2	10.4	16.5	8.7	2.2
<i>Cambridge Private Equity*</i>	<i>N/A</i>	<i>7.1</i>	<i>13.1</i>	<i>6.3</i>	<i>---</i>
Real Estate	1.5	9.6	13.4	2.2	5.3
Investco Core	3.1	11.3	15.4	3.9	1.0
Lasalle	3.1	13.1	15.2	3.3	2.0
AEW	2.0	10.1	---	---	0.8
JP Morgan	-0.2	5.1	16.1	2.1	1.1
TA Associates	1.7	9.1	11.7	1.9	1.8
Non-Core	0.6	26.4	---	---	0.4
Canyon Johnson II	-0.1	-4.3	-4.0	-8.1	0.0
Intercontinental IV	-3.3	-2.8	2.7	-10.0	0.0
New Boston Urban I	2.4	6.8	5.8	-6.5	0.0
<i>NCREIF</i>	<i>2.6</i>	<i>10.5</i>	<i>13.3</i>	<i>2.3</i>	<i>---</i>
<i>NCREIF ODCE</i>	<i>2.7</i>	<i>10.7</i>	<i>15.1</i>	<i>-0.8</i>	<i>---</i>
REITS	4.7	18.4	14.3	3.9	2.5
Investco Global REIT	5.8	---	---	---	0.4
Urdang Global REIT	5.5	---	---	---	1.2
EII Global REIT	3.0	---	---	---	0.9
<i>NAREIT</i>	<i>8.1</i>	<i>17.1</i>	<i>17.7</i>	<i>7.1</i>	<i>---</i>
<i>FTSE EPRA NAREIT</i>	<i>5.9</i>	<i>21.1</i>	<i>13.6</i>	<i>3.2</i>	<i>---</i>

* The Cambridge US Private Equity Index is reported quarterly and lagged. A 0% return has been assumed for the quarter.

PRIT MANAGER RETURNS AND ALLOCATIONS
AS OF MARCH 31, 2013

PORTFOLIO	QTR	ANNUALIZED			% Allocation
		1 YEAR	3 YEARS	5 YEARS	
Timber	0.7	8.0	4.3	2.0	2.6
Forest	0.6	9.3	4.6	2.2	2.0
The Campbell Group	1.0	4.2	---	---	0.6
<i>NCREIF Timber</i>	<i>1.5</i>	<i>9.0</i>	<i>3.6</i>	<i>2.1</i>	---
Natural Resources - Public	6.1	1.4	3.7	---	0.7
Jennison	5.2	-3.1	2.6	---	0.4
T. Rowe Price NR	7.1	5.6	4.5	---	0.3
<i>Lipper NR Global Fund Index</i>	<i>3.8</i>	<i>-0.4</i>	<i>0.8</i>	---	---
Natural Resources - Private*	7.0	4.3	15.3	---	0.6
Hedge Funds (Net)	4.6	9.2	4.7	2.0	9.3
Arden HFOF Liquidation	3.5	---	---	---	0.9
Ivy Liquidation	-2.0	-3.4	-3.3	---	0.0
PAAMCO	5.1	9.7	4.1	1.6	1.5
Direct Hedge Funds	4.6	8.8	---	---	6.9
<i>HFRI FOF</i>	<i>3.4</i>	<i>4.8</i>	<i>1.5</i>	<i>-0.1</i>	---
Portable Alpha Wind Down (Net)	-2.5	-0.2	-0.9	-9.6	0.1
Austin Capital	-3.4	-3.4	-8.4	---	0.0
Crestline	0.5	5.0	4.0	1.3	0.1
Strategic	-5.3	-4.5	-3.7	-3.6	0.1
<i>HFRI FOF</i>	<i>3.4</i>	<i>4.8</i>	<i>1.5</i>	<i>-0.1</i>	---

*Includes Private Natural Resources Cash

Source: PRIM Board

APPENDIX - MAJOR MARKET INDEX RETURNS

Domestic Equity	Style	QTR	YTD	1 Year	3 years	5 Years
Russell 3000	Broad Equity	11.1	11.1	14.6	13.0	6.3
S&P 500	Large Cap Core	10.6	10.6	14.0	12.7	5.8
Russell 1000	Large Cap Core	11.0	11.0	14.4	12.9	6.2
Russell 1000 Growth	Large Cap Growth	9.5	9.5	10.1	13.1	7.3
Russell 1000 Value	Large Cap Value	12.3	12.3	18.8	12.7	4.8
Russell Mid Cap	Midcap	13.0	13.0	17.3	14.6	8.4
Russell Mid Cap Growth	Midcap Growth	11.5	11.5	12.8	14.2	8.0
Russell Mid Cap Value	Midcap Value	14.2	14.2	21.5	15.0	8.5
Russell 2000	Small Cap	12.4	12.4	16.3	13.5	8.2
Russell 2000 Growth	Small Cap Growth	13.2	13.2	14.5	14.7	9.0
Russell 2000 Value	Small Cap Value	11.6	11.6	18.1	12.1	7.3
International Equity	Style	QTR	YTD	1 Year	3 years	5 Years
MSCI EAFE	Developed Markets Equity	5.2	5.2	11.8	5.5	-0.4
MSCI EAFE Growth	Developed Markets Growth	6.8	6.8	11.8	6.8	0.2
MSCI EAFE Value	Developed Markets Value	3.6	3.6	11.7	4.1	-1.1
MSCI All Country World Ex US	Foreign Equity	3.3	3.3	8.9	4.9	0.1
MSCI Emerging Markets	Emerging Markets Equity	-1.6	-1.6	2.3	3.6	1.4
Domestic Fixed Income	Style	QTR	YTD	1 Year	3 years	5 Years
Barclays Aggregate Index	Core Fixed Income	-0.1	-0.1	3.8	5.5	5.5
Barclays Gov/Credit	Gov/Credit	-0.2	-0.2	4.6	6.1	5.5
Barclays Capital Gov't Bond	Treasuries	-0.2	-0.2	3.0	5.0	4.4
Barclays Capital Credit Bond	Corporate Bonds	-0.1	-0.1	7.5	8.0	8.0
Intermediate Aggregate	Core Intermediate	0.1	0.1	3.0	4.6	4.9
Intermediate Gov/Credit	Gov / Credit Intermediate	0.3	0.3	3.5	4.7	4.6
ML/BoA 1-3 Year Treasury	Short Term Treasuries	0.1	0.1	0.1	1.1	1.6
CSFB High Yield	High Yield Bonds	2.9	2.9	12.4	10.9	10.8
Alternative Assets	Style	QTR	YTD	1 Year	3 years	5 Years
Barclays Global Ex-US	International Treasuries	-3.9	-3.9	-2.8	0.6	0.7
NCREIF NFI-ODCE Index	Real Estate	2.7	2.7	10.7	15.1	-0.8
HFRI FOF Composite	Hedge Funds	3.4	3.4	4.8	1.5	-0.1
DJCS Tremont Hedge Fund Index	Hedge Funds	2.1	2.1	2.7	1.9	1.2

APPENDIX - DISCLOSURES

- * The Policy index is a policy-weighted passive index and was constructed as follows:
40% Russell 3000 Index / 25% Barclays Aggregate Index / 15% EAFE Index / 10% NCREIF NFI-ODCE/ 2.5% NCREIF Timber / 7.5% S&P 500
- * The Custom Equity index was constructed as follows:
44.5% Russell 2000 index / 33.3% S&P 500 index / 22.2% S&P 400 index
- * The Custom PRIT Core Policy Index is a policy-weighted passive index and was constructed as follows:
For all periods through December 2010:

26.0% Russell 3000	20.0% MSCI EAFE	5.0% MSCI Emerging Markets
15.0% Barclays Aggregate	5.0% CSFB Hi Yield	10.0% Cambridge Private Equity
10.0% NCREIF NFI-ODCE	4.0% NCREIF Timber	5.0% HFRI Fund of Funds Composite

 For all periods Since December 2010:

24.0% Russell 3000	20.0% MSCI EAFE	5.0% MSCI Emerging Markets
13.0% Barclays Aggregate	6.0% CSFB Hi Yield	10.0% Cambridge Private Equity
10.0% NCREIF NFI-ODCE	4.0% NCREIF Timber	8.0% HFRI Fund of Funds Composite
- * Performance for the Cambridge Private Equity Index is unavailable for the current quarter, a flat return of 0% is assumed.
- * Dahab Associates utilizes data provided by a custodian and other vendors it believes are reliable. However, it cannot assume responsibility for errors and omissions therefrom.
- * All returns were calculated on a time-weighted basis, and are gross of fees unless otherwise noted.
- * All returns for periods greater than one year are annualized.
- * All values are in US dollars.

FRANKLIN REGIONAL RETIREMENT SYSTEM
PRIT - CORE FUND
PERFORMANCE REVIEW
MARCH 2013

INVESTMENT RETURN

On March 31st, 2013, the Franklin Regional Retirement System's PRIT portfolio was valued at \$54,058,582, representing an increase of \$2,299,549 from the December quarter's ending value of \$51,759,033. Last quarter, the Fund posted withdrawals totaling \$71,080, which partially offset the portfolio's net investment return of \$2,370,629. Income receipts totaling \$342,504 plus net realized and unrealized capital gains of \$2,028,125 combined to produce the portfolio's net investment return.

For the cumulative period since December 2007, the fund has recorded net withdrawals totaling \$225,988 and posted net investment gains of \$7.0 million. For the period since December 2007, if the total fund returned a compounded nominal rate of 8.0% it would have been valued at \$71.5 million or \$17.4 million more than the actual value as of March 31st, 2013.

RELATIVE PERFORMANCE

In the first quarter, the PRIT portfolio gained 4.6%, which was 0.2% greater than the Custom Core Index's return of 4.4%. Over the trailing twelve-month period, the portfolio returned 11.0%, which was 1.1% above the benchmark's 9.9% return. Since December 2007, the account returned 2.3% on an annualized basis, while the Custom Core Index returned an annualized 3.1% over the same time frame.

The PRIT Core fund's return last quarter was largely impacted by the Global Equity sleeve which represented nearly half of the fund and gained 7.3%. Strong returns from the Hedge Fund sleeve also helped to increase the fund's return and represented 10.0% of the fund. The Core Fixed Income and Value-Added Fixed Income sleeves were the most notable impediments to the fund this quarter, returning 0.3% and 1.6%, respectively—while representing 21.2% of the fund collectively.

PRIT DOMESTIC EQUITY

In the first quarter, the PRIT Domestic Equity Sleeve represented 20.3% of the PRIT portfolio and gained 11.2%, which was 0.1% greater than the Russell 3000 Index's return of 11.1%. The SSGA S&P 500 and Russell 2500 index funds were mostly responsible for the sleeve's positive return last quarter—their quarterly returns were 10.6% and 12.9%, respectively, and represented 17.1% of the PRIT portfolio.

Last quarter, the SSGA S&P 500 gained 10.6%, while over the trailing year SSGA gained 14.1%. For comparison the S&P 500 gained 10.6% for the quarter and gained 14.0% for the year. The SSGA Russell 2500 fund gained 12.9% for the quarter the same as the Russell 2500 Index. Similarly, SSGA beat the Russell 2500 by 0.2% over the trailing year and returned 17.9%.

PRIT INTERNATIONAL EQUITY

In the first quarter, the PRIT International Equity Sleeve represented 17.9% of the PRIT portfolio and gained 6.3%, which was 3.0% more than the MSCI All Country World EX US Index's return of 3.3%. Marathon Asset Management (7.7% return), Baillie Gifford (7.9% return), and Mondrian Investment (4.6% return) were responsible for last quarter's performance.

Over the trailing year, Marathon Asset Management gained 13.9%. For the 3-year and 5-year periods Marathon gained 8.5% and 3.2%, respectively. The Custom MSCI EAFE Standard Index gained 5.1% for the quarter and 11.5% for the year. Over the 3-year and 5-year periods it gained 4.9% and -0.9%.

PRIT FIXED INCOME

In the first quarter, the PRIT Fixed Income Sleeve fell slightly below its target allocation by 0.1%. The lack of allocation proved beneficial because of its low relative return compared with the other asset classes, such as Global Equity. Despite this, the fixed income sleeve performed well, gaining 0.3%, which was 0.4% greater than the Barclay's Aggregate Index return of -0.1%. BlackRock ILBs and the Pimco Core fund were attributable for the high return last quarter as they posted 1.5% and 0.6% returns respectively and represented approximately one-third of the fixed income sleeve collectively.

For the first quarter, the Pimco Core fund gained 0.6%. Over the trailing year it gained 7.5%, while attaining a 6.5% and 6.7% return for the 3-year and 5-year periods, respectively. For comparison the Barclays Aggregate gained -0.1% for the quarter and gained 3.8% for the year. Over the 3-year and 5-year periods the Barclays Aggregate had similar returns of 5.5%.

Last quarter, the BlackRock ILBs gained 1.5%. Over the trailing year it gained 6.9%, while gaining 7.7% and losing 4.0% for the 3-year and 5-year periods. Its benchmark, Barclays ILB US Hedged Index, returned 1.8% for the quarter and 6.2% for the year. For the 3-year and 5-year periods the BC ILB US Hedged Index returned 7.5% and -4.1%, respectively.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	-----Annualized-----	
				3 Years	Since 12/2007
Total Gross/Fees	4.6	4.6	11.0	9.4	2.3
Total Net/Fees	4.4	4.4	10.4	8.9	1.8
CUSTOM CORE IDX	4.4	4.4	9.9	9.3	3.1
PRIT Core	4.6	4.6	11.0	9.4	2.3
CUSTOM CORE IDX	4.4	4.4	9.9	9.3	3.1

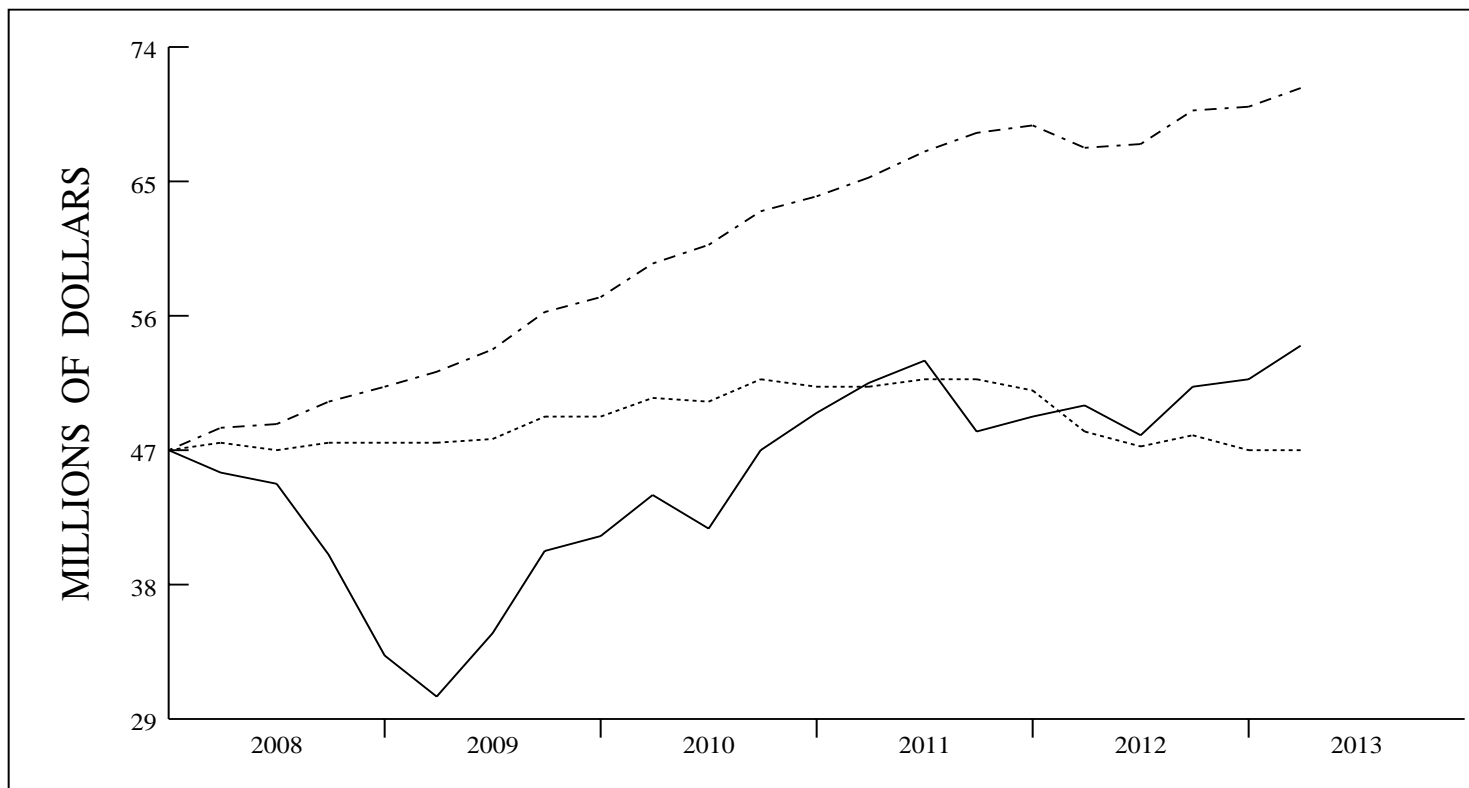
ASSET ALLOCATION

PRIT Core	100.0%	\$ 54,058,582
Total Portfolio	100.0%	\$ 54,058,582

INVESTMENT RETURN

Market Value 12/2012	\$ 51,759,033
Contribs / Withdrawals	- 71,080
Income	342,504
Capital Gains / Losses	2,028,125
Market Value 3/2013	\$ 54,058,582

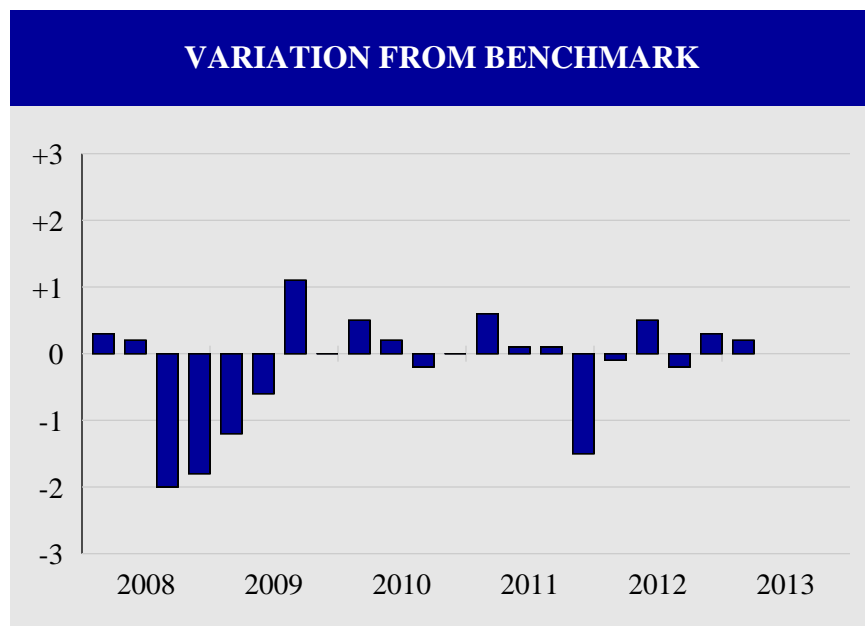
INVESTMENT GROWTH



— ACTUAL RETURN
 - - - 8.0%
 . . . 0.0%

VALUE ASSUMING
 8.0% RETURN
 \$ 71,498,737

	LAST QUARTER	PERIOD 12/07 - 3/13
BEGINNING VALUE	\$ 51,759,033	\$ 47,236,061
NET CONTRIBUTIONS	- 71,080	-225,988
<u>INVESTMENT RETURN</u>	<u>2,370,629</u>	<u>7,048,509</u>
ENDING VALUE	\$ 54,058,582	\$ 54,058,582
INCOME	342,504	7,273,267
CAPITAL GAINS (LOSSES)	<u>2,028,125</u>	<u>-224,758</u>
INVESTMENT RETURN	2,370,629	7,048,509

PRIT CORE QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: CUSTOM CORE INDEX**

Total Quarters Observed	21
Quarters At or Above the Benchmark	13
Quarters Below the Benchmark	8
Batting Average	.619

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	-4.4	-4.7	0.3
6/08	-0.5	-0.7	0.2
9/08	-11.4	-9.4	-2.0
12/08	-16.3	-14.5	-1.8
3/09	-8.1	-6.9	-1.2
6/09	11.7	12.3	-0.6
9/09	11.5	10.4	1.1
12/09	2.9	2.9	0.0
3/10	3.5	3.0	0.5
6/10	-5.0	-5.2	0.2
9/10	8.9	9.1	-0.2
12/10	6.1	6.1	0.0
3/11	4.3	3.7	0.6
6/11	1.7	1.6	0.1
9/11	-9.0	-9.1	0.1
12/11	3.7	5.2	-1.5
3/12	7.3	7.4	-0.1
6/12	-1.5	-2.0	0.5
9/12	4.4	4.6	-0.2
12/12	3.1	2.8	0.3
3/13	4.6	4.4	0.2

FRANKLIN REGIONAL RETIREMENT SYSTEM
POLEN CAPITAL MANAGEMENT - LARGE CAP GROWTH FUND
PERFORMANCE REVIEW
MARCH 2013

INVESTMENT RETURN

On March 31st, 2013, the Franklin Regional Retirement System's Polen Capital Management portfolio was valued at \$5,930,730, representing an increase of \$349,926 from the December quarter's ending value of \$5,580,804. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$349,926 in net investment returns. Income receipts totaling \$10,697 plus net realized and unrealized capital gains of \$339,229 combined to produce the portfolio's net investment return figure.

For the cumulative period since March 2012, the account has recorded net contributions totaling \$450,000, and has recorded net investment gains of \$207,576. Since March 2012, if the total account earned a compounded nominal rate of 8.0% it would have been worth \$6.2 million or \$236,457 more than the actual value as of March 31st, 2013.

RELATIVE PERFORMANCE

During the first quarter, the Polen Capital Management portfolio gained 6.3%, which was 3.2% below the Russell 1000 Growth Index's return of 9.5% and ranked in the 93rd percentile of the Large Cap Growth universe. Over the trailing year, the portfolio returned 2.8%, which was 7.3% below the benchmark's 10.1% performance, ranking in the 94th percentile.

ASSET ALLOCATION

At the end of the first quarter, domestic equities comprised 93.9% of the total portfolio (\$5.6 million), while cash & equivalents totaled 6.1% (\$360,241).

ANALYSIS

Although the Polen portfolio was still highly concentrated in the Computer Technology and Technology sectors, the commitment to Computer Technology was reduced last quarter. Conversely, Consumer Service and Finance saw their sector allocations rise. This was still a highly concentrated portfolio, with investments in only six industry sectors.

The portfolio's highly concentrated profile left it exposed to industry specific risk. The Russell 1000 Growth index's weakest sector was Computer Technology. With nearly 50% of the portfolio held in Computer Technology and Technology, Polen's performance was highly dependent on those two industries. Despite beating the benchmark in Computer Technology, these two heavily concentrated sectors recorded only single-digit returns. Overall, the portfolio fell 320 basis points short of its benchmark, last quarter.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Years*	Since 3/2012
Total Gross/Fees	6.3	6.3	2.8	----	2.8
<i>LARGE CAP GROWTH RANK</i>	(93)	(93)	(94)	----	(94)
Total Net/Fees	6.1	6.1	2.2	----	2.2
RUSSELL 1000G	9.5	9.5	10.1	13.1	10.1
Domestic Equity	6.7	6.7	3.0	----	3.0
<i>LARGE CAP GROWTH RANK</i>	(90)	(90)	(93)	----	(93)
RUSSELL 1000G	9.5	9.5	10.1	13.1	10.1

* Annualized Return

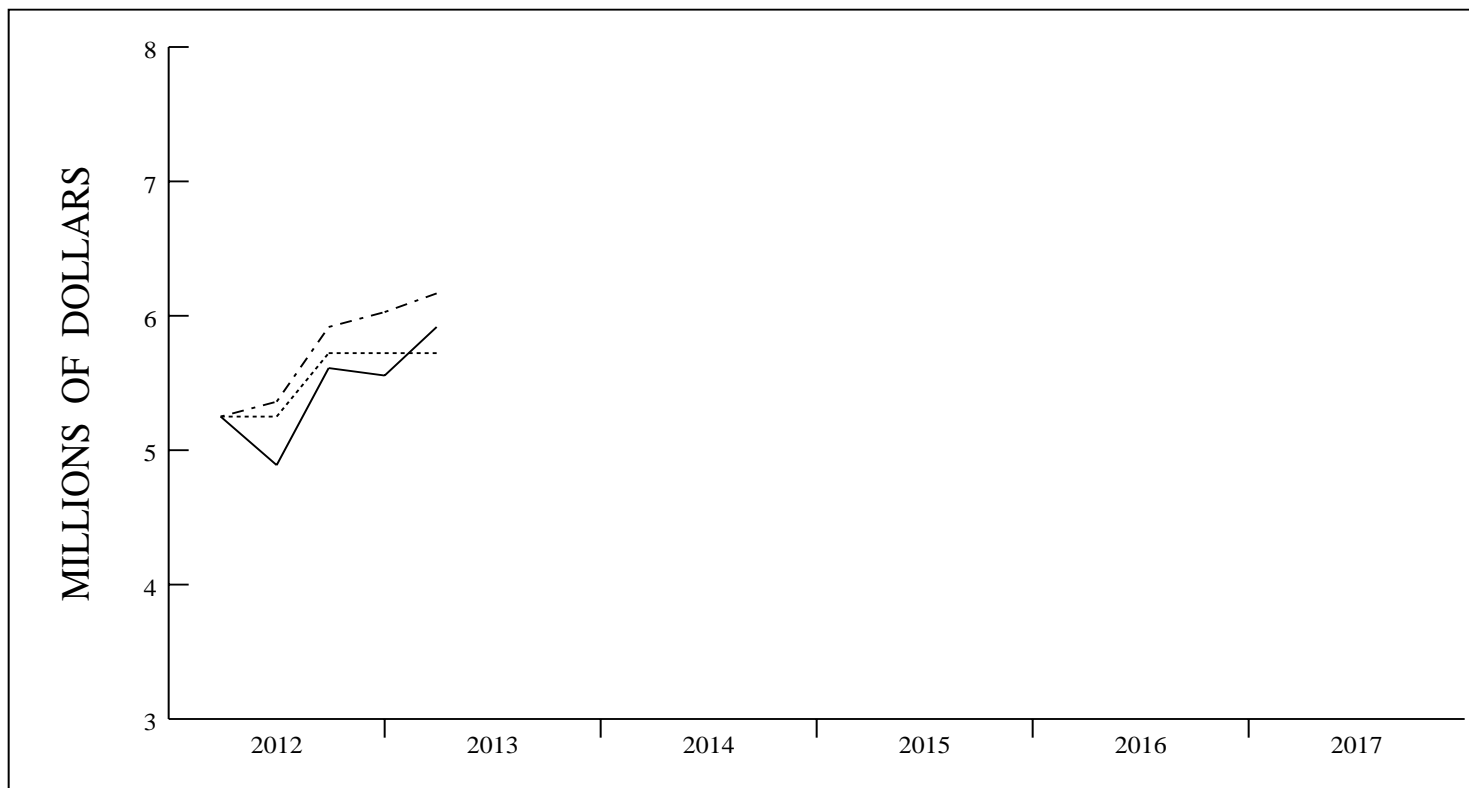
ASSET ALLOCATION

Domestic Equity	93.9%	\$ 5,570,488
Cash	6.1%	360,241
Total Portfolio	100.0%	\$ 5,930,730

INVESTMENT RETURN

Market Value 12/2012	\$ 5,580,804
Contribs / Withdrawals	0
Income	10,697
Capital Gains / Losses	339,229
Market Value 3/2013	\$ 5,930,730

INVESTMENT GROWTH

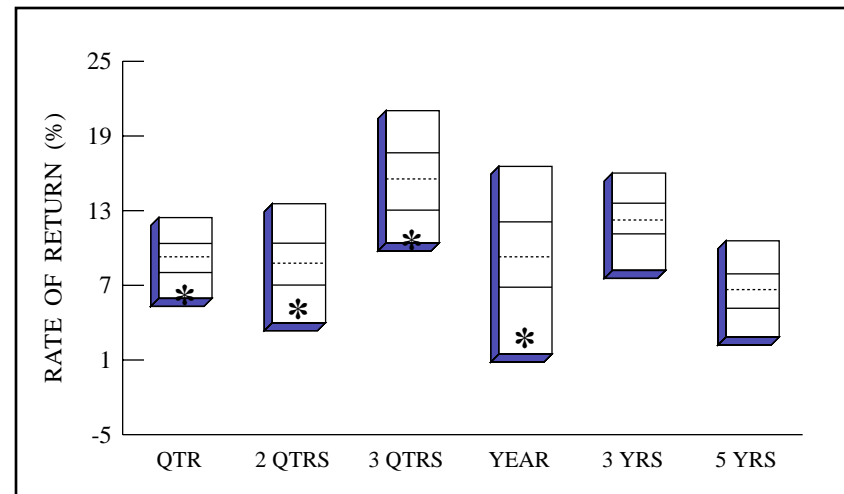
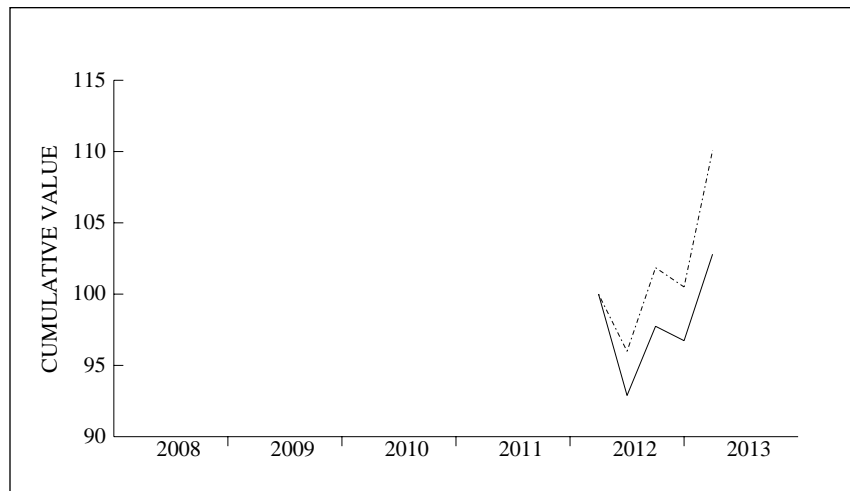


— ACTUAL RETURN
 - - - 8.0%
 . . . 0.0%

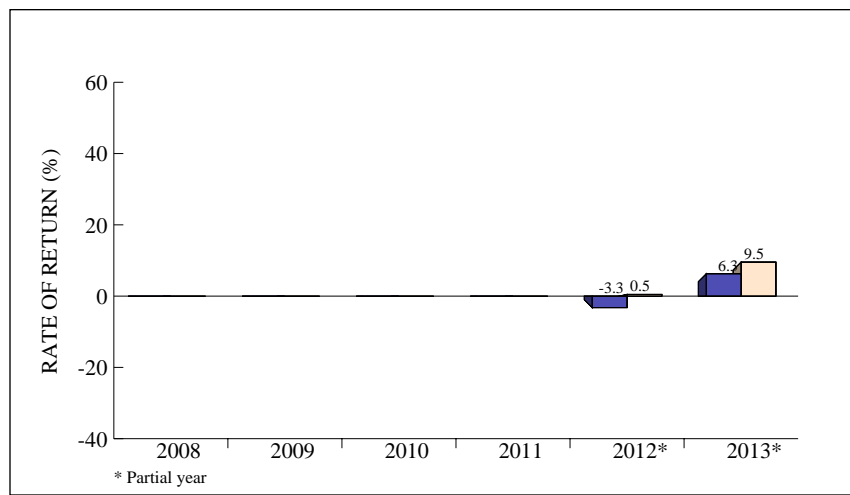
VALUE ASSUMING
 8.0% RETURN
 \$ 6,167,187

	LAST QUARTER	PERIOD 3/12 - 3/13
BEGINNING VALUE	\$ 5,580,804	\$ 5,273,154
NET CONTRIBUTIONS	0	450,000
<u>INVESTMENT RETURN</u>	<u>349,926</u>	<u>207,576</u>
ENDING VALUE	\$ 5,930,730	\$ 5,930,730
INCOME	10,697	67,684
CAPITAL GAINS (LOSSES)	<u>339,229</u>	<u>139,892</u>
INVESTMENT RETURN	349,926	207,576

TOTAL RETURN COMPARISONS



Large Cap Growth Universe

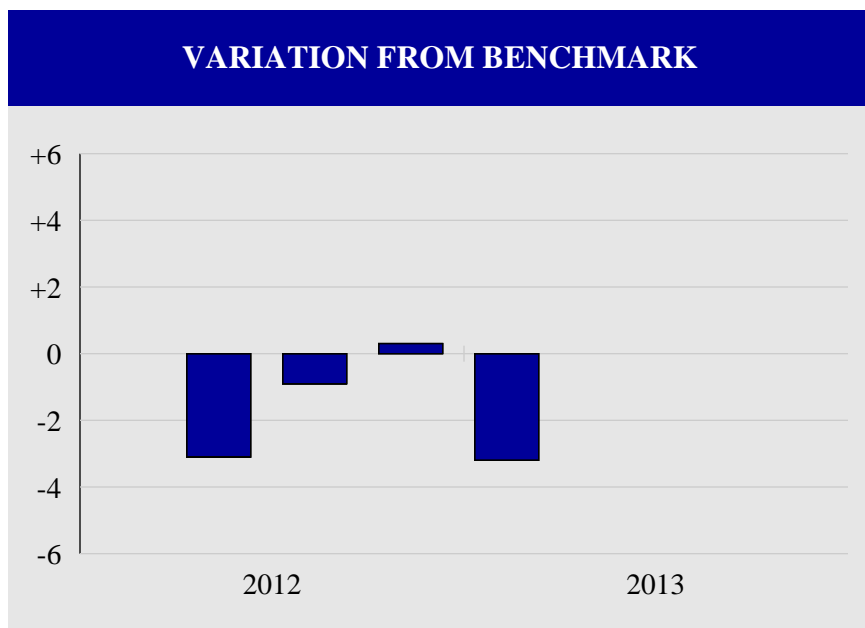


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	6.3	5.2	10.7	2.8	----	----
(RANK)	(93)	(92)	(95)	(94)	----	----
5TH %ILE	12.4	13.6	21.0	16.6	16.0	10.6
25TH %ILE	10.4	10.4	17.6	12.1	13.6	7.9
MEDIAN	9.3	8.8	15.6	9.3	12.3	6.7
75TH %ILE	8.0	7.0	13.1	6.8	11.1	5.2
95TH %ILE	6.0	4.0	10.4	1.5	8.2	2.8
Russ 1000G	9.5	8.1	14.7	10.1	13.1	7.3

Large Cap Growth Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

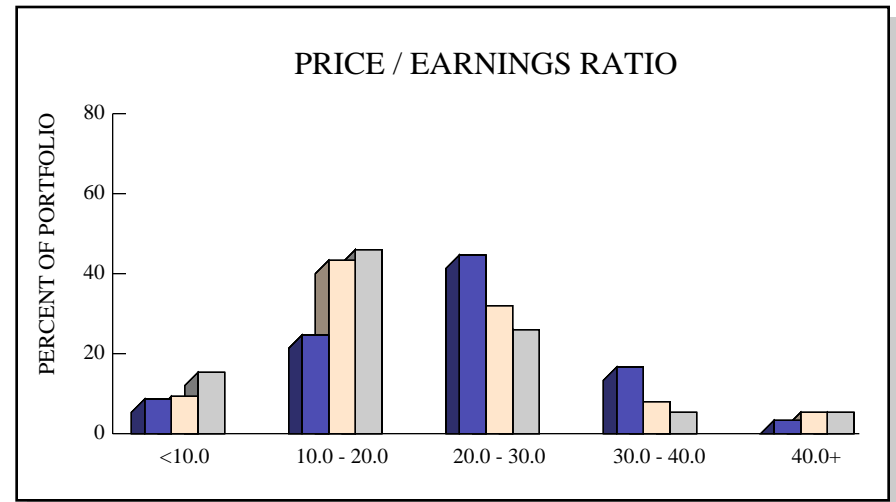
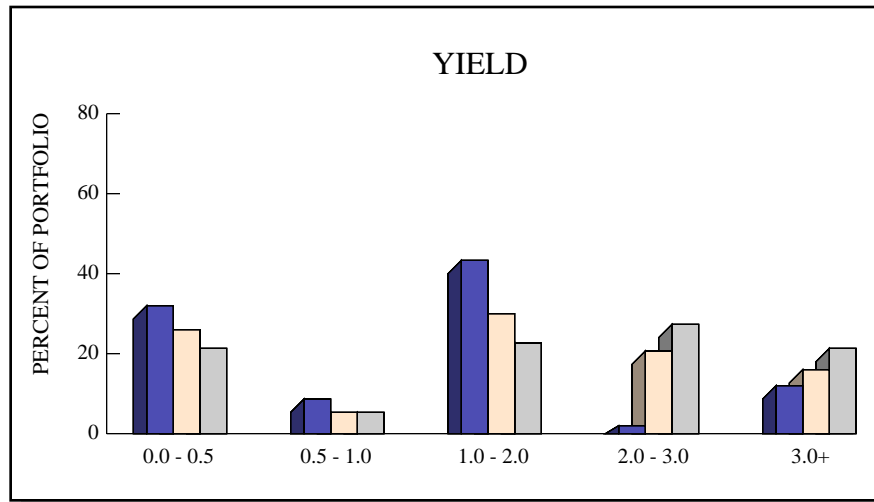
COMPARATIVE BENCHMARK: RUSSELL 1000 GROWTH



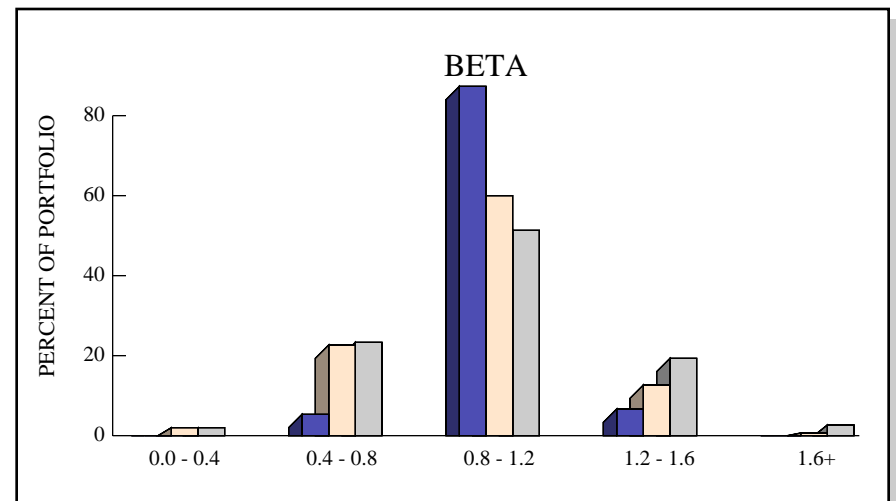
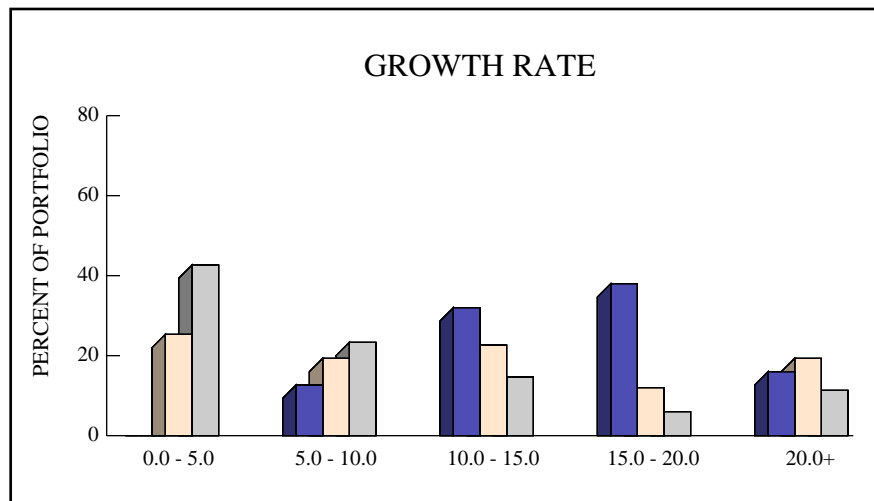
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/12	-7.1	-4.0	-3.1
9/12	5.2	6.1	-0.9
12/12	-1.0	-1.3	0.3
3/13	6.3	9.5	-3.2

Total Quarters Observed	4
Quarters At or Above the Benchmark	1
Quarters Below the Benchmark	3
Batting Average	.250

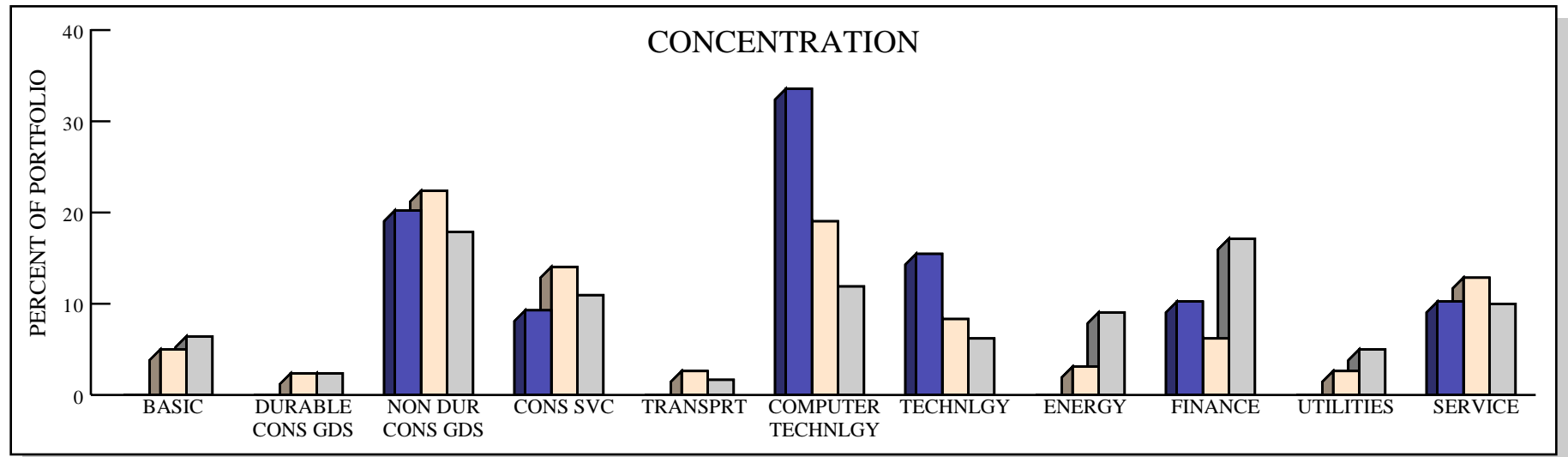
STOCK CHARACTERISTICS



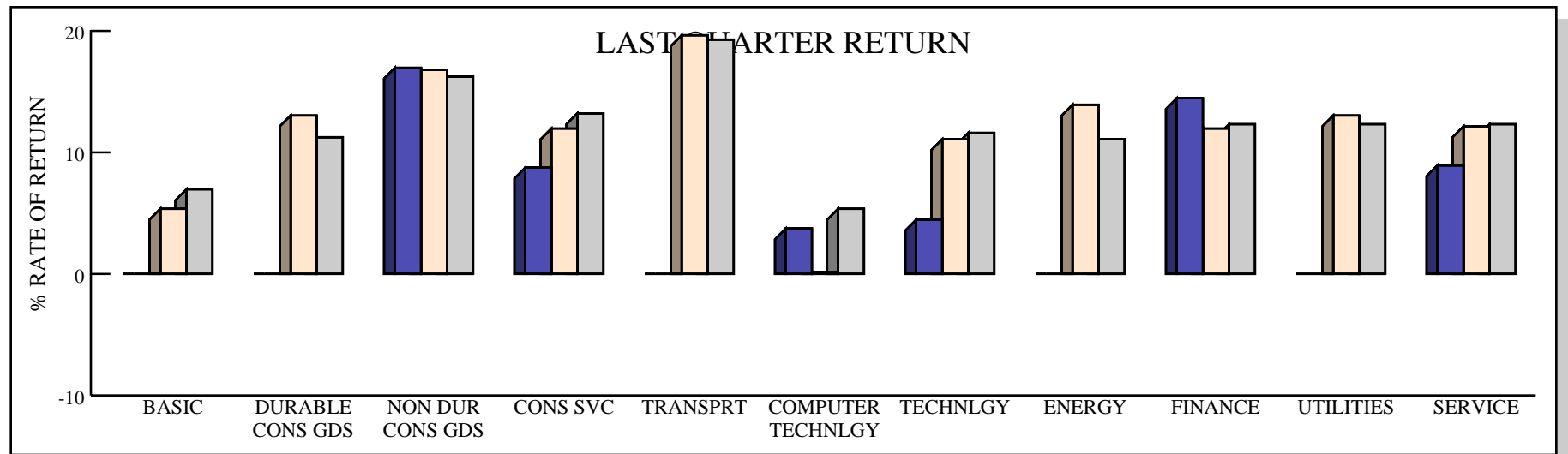
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.2%	17.3%	23.3	0.99
RUSSELL 1000G	1.7%	13.6%	21.6	0.95
RUSSELL 1000	2.0%	7.5%	19.5	0.99



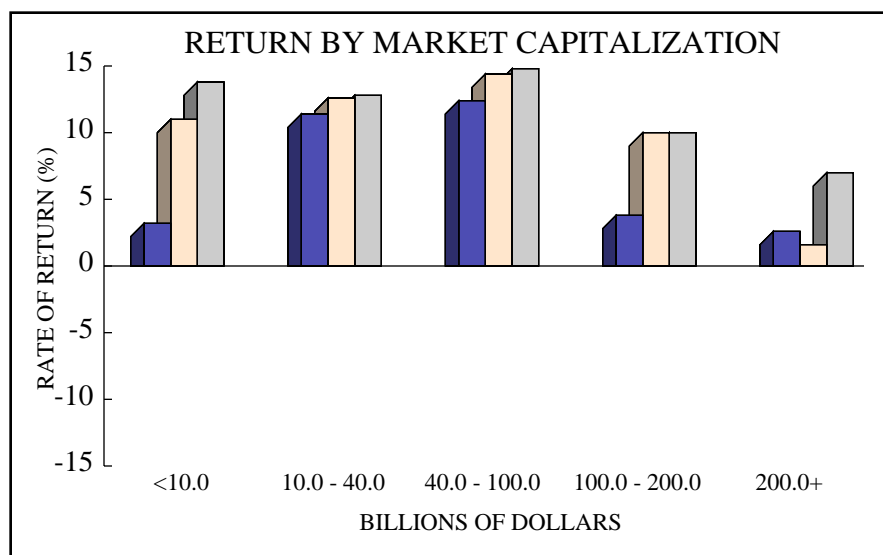
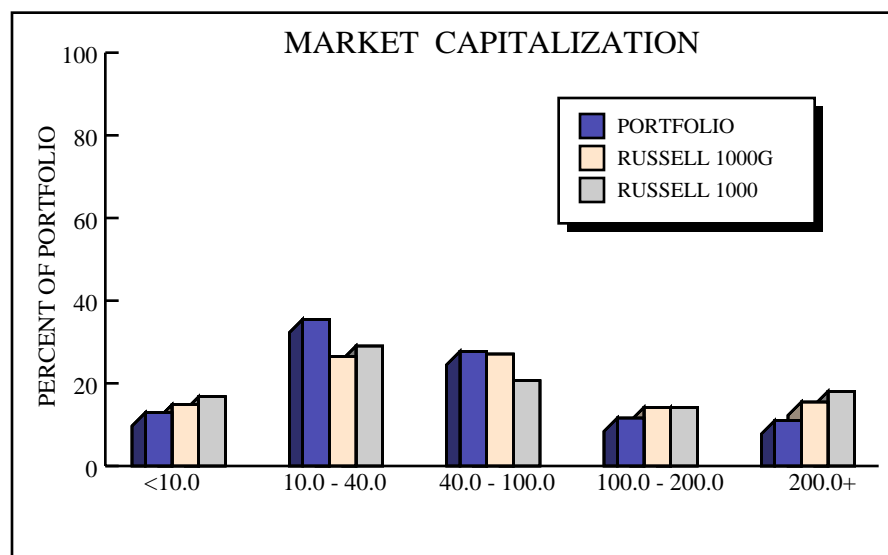
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO
 ■ RUSSELL 1000 GROWTH
 ■ RUSSELL 1000



TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	GOOGLE INC-CL A	\$ 428,776	7.70%	11.9%	Computer Tech	\$ 212.4 B
2	ALLERGAN INC	426,650	7.66%	21.7%	NonDur Cons Goods	33.2 B
3	COGNIZANT TECH SOLUTIONS-A	412,315	7.40%	3.5%	Computer Tech	23.1 B
4	NIKE INC -CL B	409,824	7.36%	14.7%	NonDur Cons Goods	42.6 B
5	QUALCOMM INC	399,022	7.16%	8.3%	Technology	115.0 B
6	T ROWE PRICE GROUP INC	389,324	6.99%	15.7%	Finance	19.4 B
7	STARBUCKS CORP	346,317	6.22%	6.6%	Consumer Service	42.7 B
8	INTUIT INC	316,105	5.67%	10.6%	Computer Tech	19.5 B
9	ACCENTURE PLC-CL A	312,085	5.60%	14.7%	Service	49.4 B
10	ABBOTT LABORATORIES	302,940	5.44%	13.9%	NonDur Cons Goods	55.5 B

FRANKLIN REGIONAL RETIREMENT SYSTEM
O'SHAUGHNESSY ASSET MANAGEMENT - MARKET LEADERS VALUE
PERFORMANCE REVIEW
MARCH 2013

INVESTMENT RETURN

On March 31st, 2013, the Franklin Regional Retirement System's O'Shaughnessy Asset Management portfolio was valued at \$6,355,359, representing an increase of \$683,281 from the December quarter's ending value of \$5,672,078. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$683,281 in net investment returns. Income receipts totaling \$36,905 plus net realized and unrealized capital gains of \$646,376 combined to produce the portfolio's net investment return figure.

For the cumulative period since March 2012, the account has recorded net contributions totaling \$399,483, and has recorded net investment gains of \$852,764. Since March 2012, if the total account had earned a compounded nominal rate of 8.0% it would have been worth \$5.9 million or \$424,823 less than the actual value as of March 31st, 2013.

RELATIVE PERFORMANCE

Total Fund

During the first quarter, the O'Shaughnessy Asset Management portfolio gained 12.0%, which was 0.3% below the Russell 1000 Value Index's return of 12.3% and ranked in the 40th percentile of the Large Cap Value universe. Over the trailing year, the portfolio returned 15.1%, which was 3.7% below the benchmark's 18.8% performance, ranking in the 63rd percentile.

ASSET ALLOCATION

At the end of the first quarter, domestic equities comprised 98.4% of the total portfolio (\$6.3 million), while cash & equivalents totaled 1.6% (\$104,474).

STOCK ANALYSIS

At the end of the quarter, the portfolio was diversified across all of the eleven industry sectors in our analysis. Relative to the Russell 1000 Value, the portfolio maintained notably higher concentrations in the Consumer Service, Computer Technology, Technology, and Service sectors. In contrast, the portfolio's Basic, Non-durable Consumer Goods, Energy, Finance and Utilities sectors were the most notably under-weighted.

The portfolio struggled with stock selection during the first quarter – it fell behind the benchmark in seven of the eleven utilized sectors. Steep losses were recorded in the Consumer Goods Durable and Utilities sectors. Luckily, both were only lightly represented. The strong returns from the four remaining sectors (Basic, Consumer Service, Transportation, and Finance) provided relief. It was enough to overcome the losses seen elsewhere in the portfolio, though not enough to beat the index.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Years*	Since 3/2012
Total Gross/Fees	12.0	12.0	15.1	----	15.1
<i>LARGE CAP VALUE RANK</i>	(40)	(40)	(63)	----	(63)
Total Net/Fees	11.9	11.9	14.5	----	14.5
RUSSELL 1000V	12.3	12.3	18.8	12.7	18.8
Domestic Equity	12.3	12.3	15.4	----	15.4
<i>LARGE CAP VALUE RANK</i>	(36)	(36)	(57)	----	(57)
RUSSELL 1000V	12.3	12.3	18.8	12.7	18.8

* Annualized Return

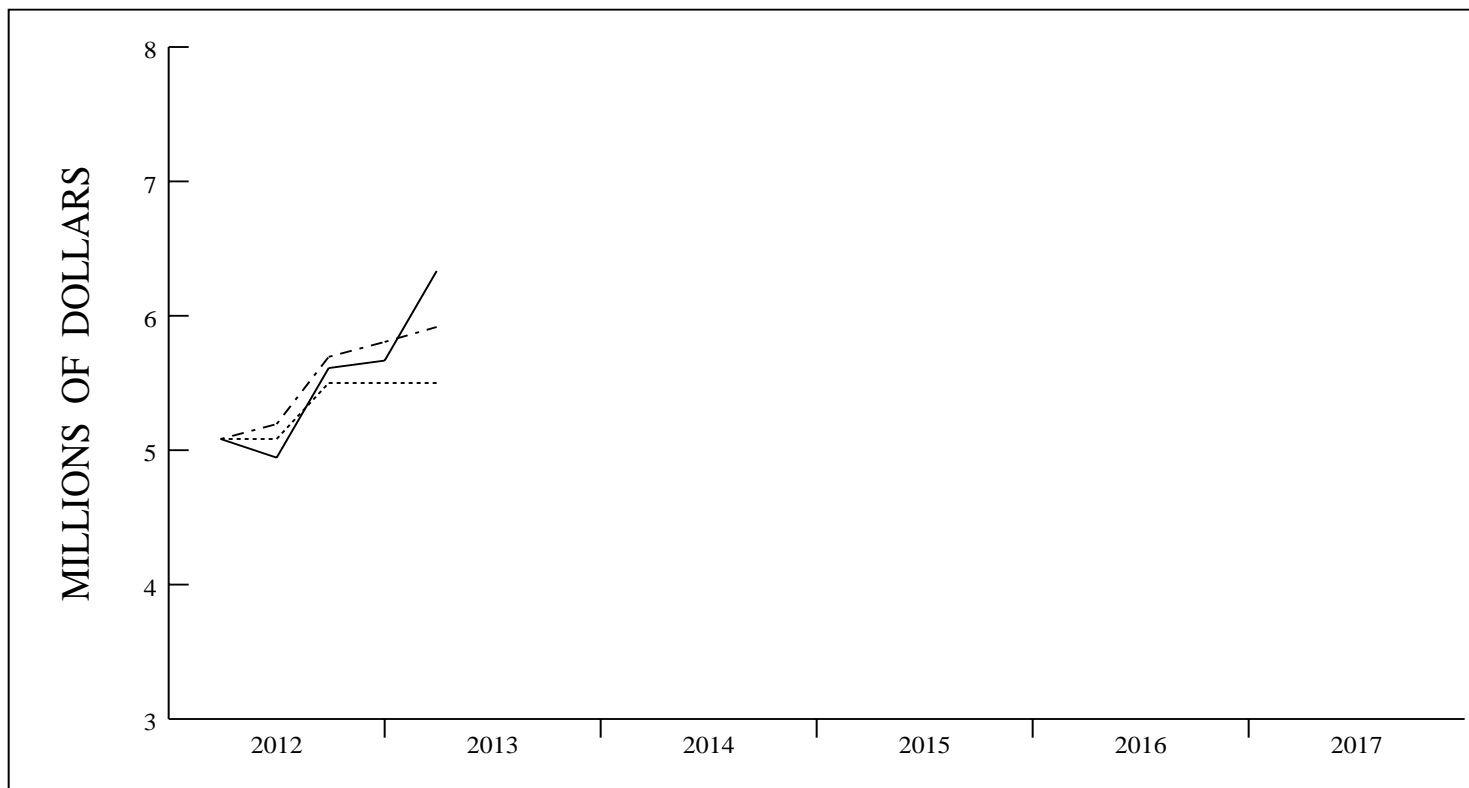
ASSET ALLOCATION

Domestic Equity	98.4%	\$ 6,250,885
Cash	1.6%	104,474
Total Portfolio	100.0%	\$ 6,355,359

INVESTMENT RETURN

Market Value 12/2012	\$ 5,672,078
Contribs / Withdrawals	0
Income	36,905
Capital Gains / Losses	646,376
Market Value 3/2013	\$ 6,355,359

INVESTMENT GROWTH

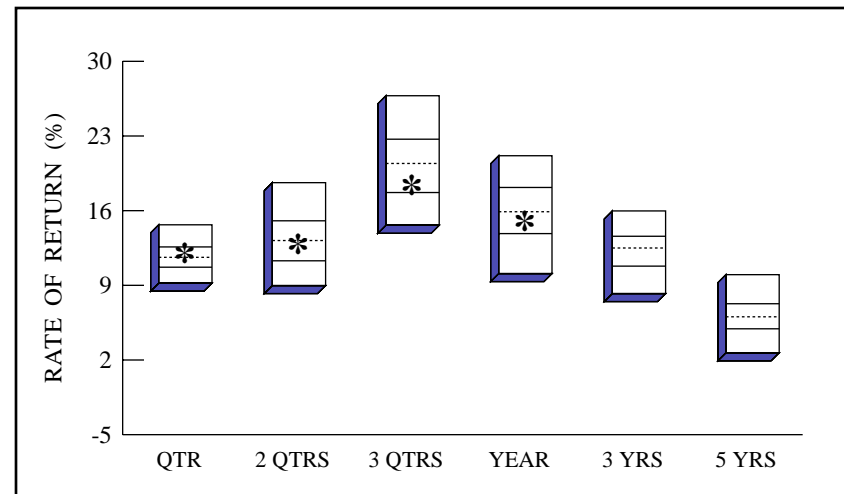
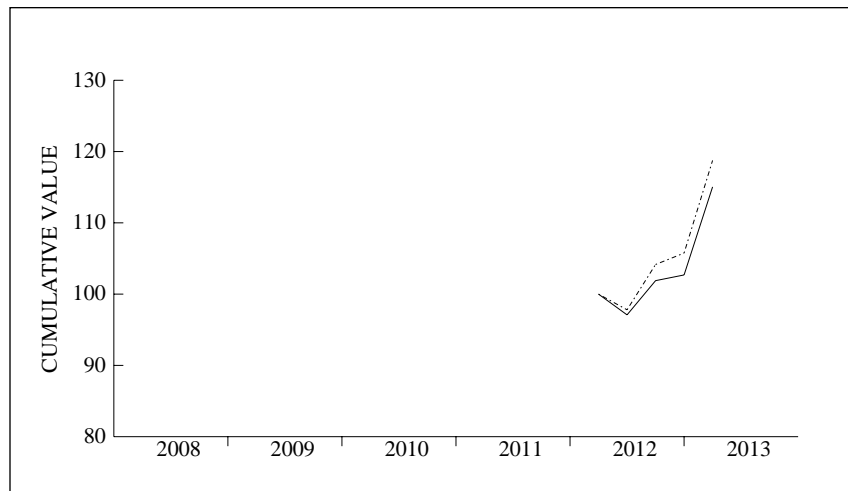


————	ACTUAL RETURN
- - - - -	8.0%
.....	0.0%

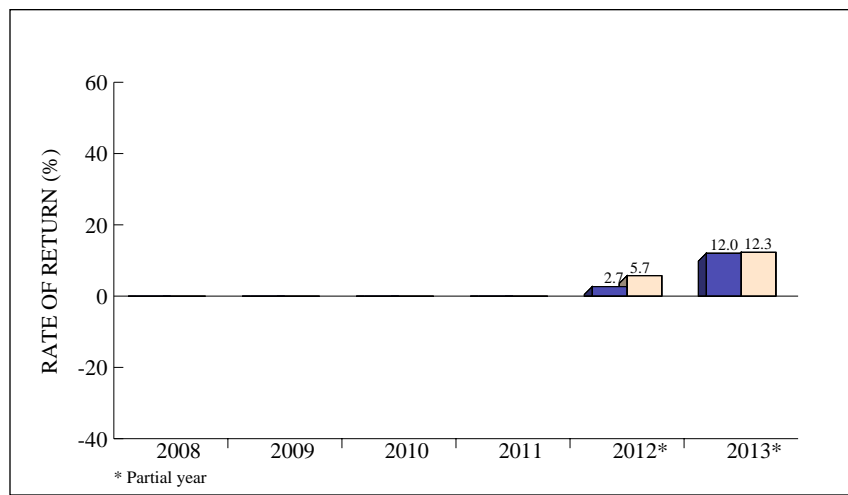
VALUE ASSUMING 8.0% RETURN
\$ 5,930,536

	LAST QUARTER	PERIOD 3/12 - 3/13
BEGINNING VALUE	\$ 5,672,078	\$ 5,103,112
NET CONTRIBUTIONS	0	399,483
INVESTMENT RETURN	683,281	852,764
ENDING VALUE	\$ 6,355,359	\$ 6,355,359
INCOME	36,905	196,791
CAPITAL GAINS (LOSSES)	646,376	655,973
INVESTMENT RETURN	683,281	852,764

TOTAL RETURN COMPARISONS



Large Cap Value Universe



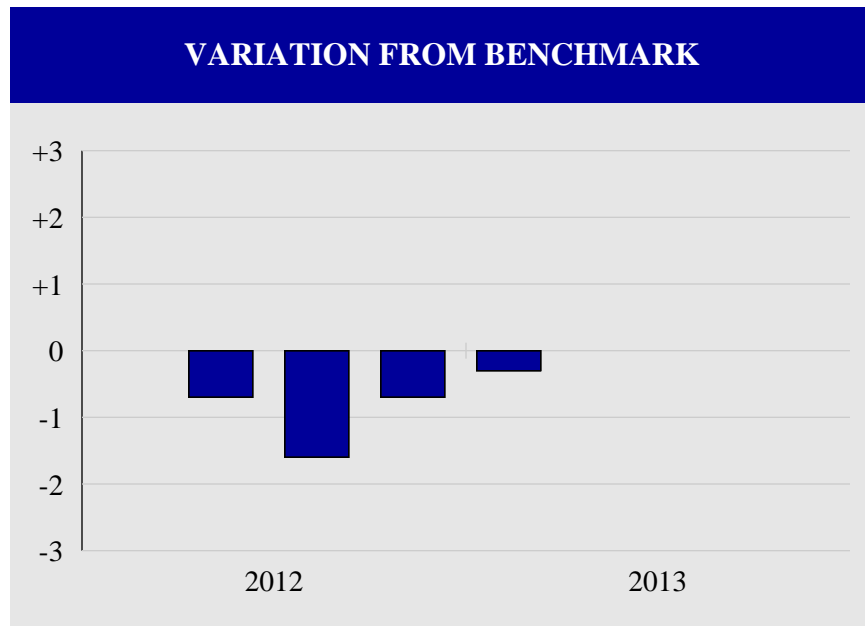
* Partial year

	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	12.0	12.9	18.5	15.1	----	----
(RANK)	(40)	(56)	(69)	(63)	----	----
5TH %ILE	14.7	18.6	26.8	21.1	16.0	10.0
25TH %ILE	12.6	15.0	22.7	18.2	13.6	7.3
MEDIAN	11.6	13.2	20.4	15.9	12.5	6.1
75TH %ILE	10.7	11.3	17.7	13.9	10.8	4.9
95TH %ILE	9.2	9.0	14.6	10.1	8.2	2.7
Russ 1000V	12.3	14.0	21.4	18.8	12.7	4.8

Large Cap Value Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

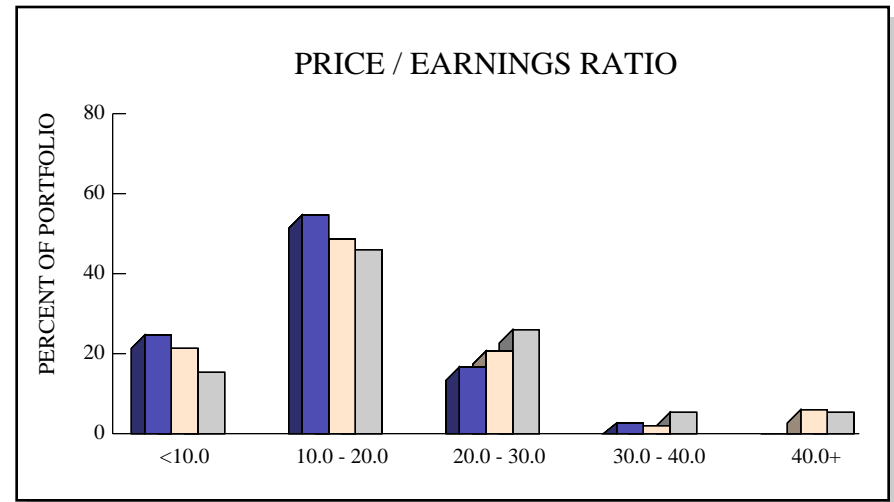
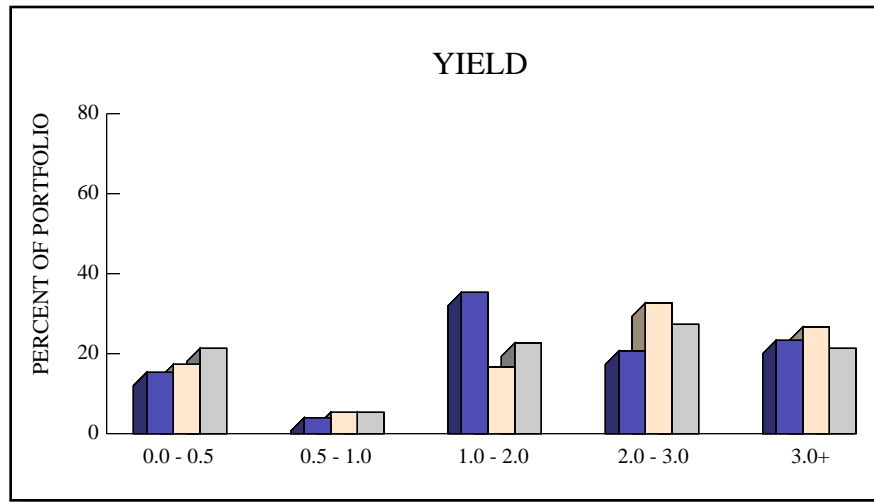
COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE



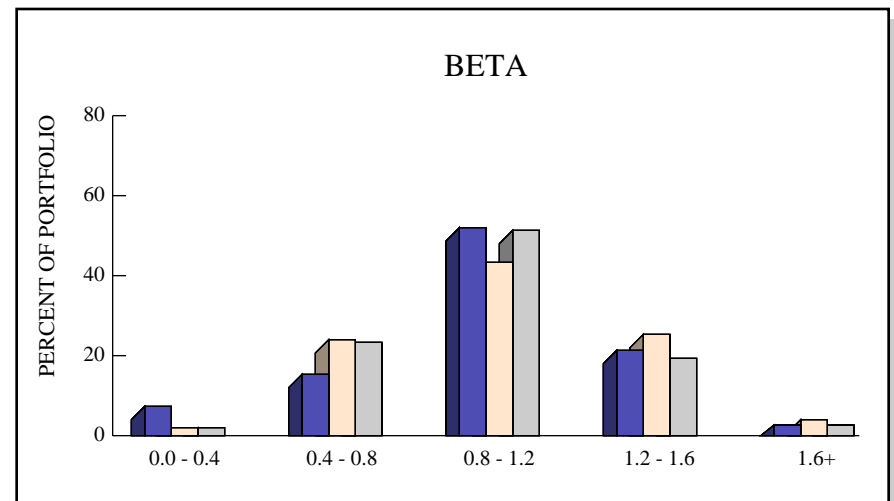
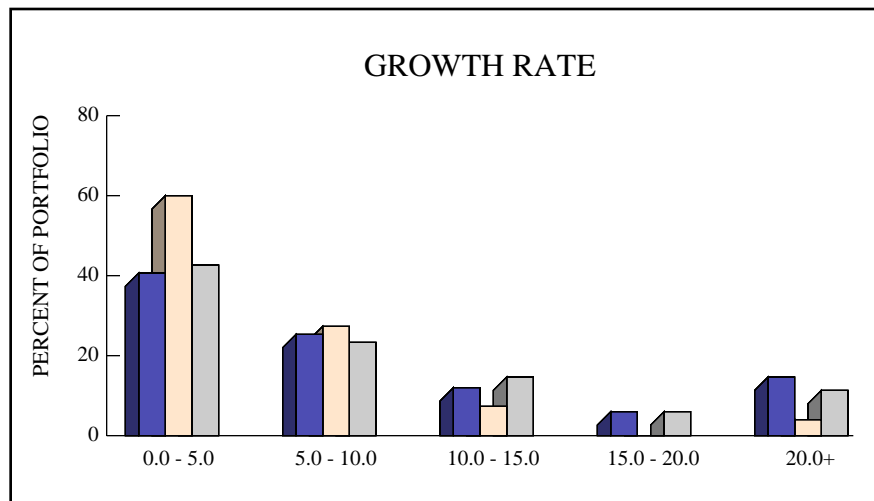
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/12	-2.9	-2.2	-0.7
9/12	4.9	6.5	-1.6
12/12	0.8	1.5	-0.7
3/13	12.0	12.3	-0.3

Total Quarters Observed	4
Quarters At or Above the Benchmark	0
Quarters Below the Benchmark	4
Batting Average	.000

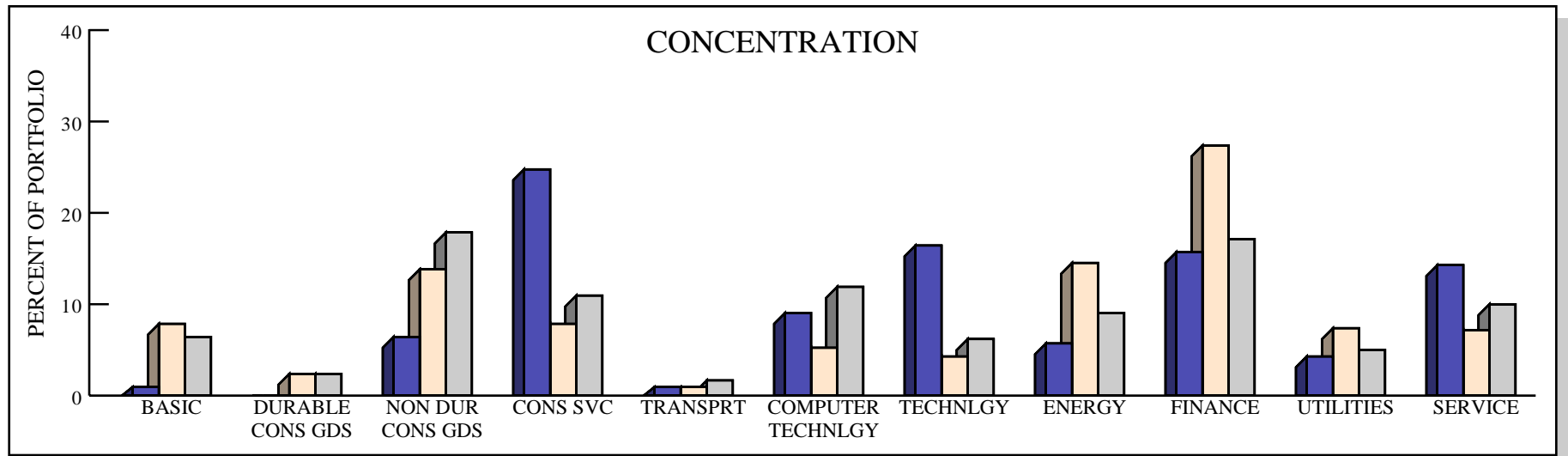
STOCK CHARACTERISTICS



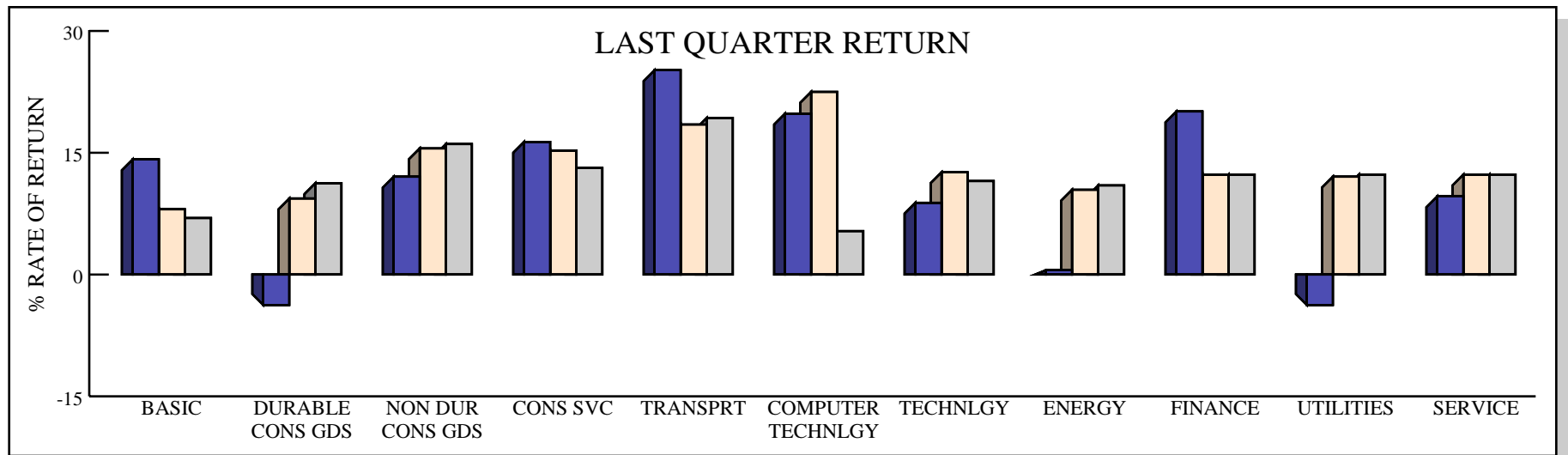
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	2.3%	7.4%	14.4	0.96
RUSSELL 1000V	2.3%	1.4%	17.5	1.03
RUSSELL 1000	2.0%	7.5%	19.5	0.99



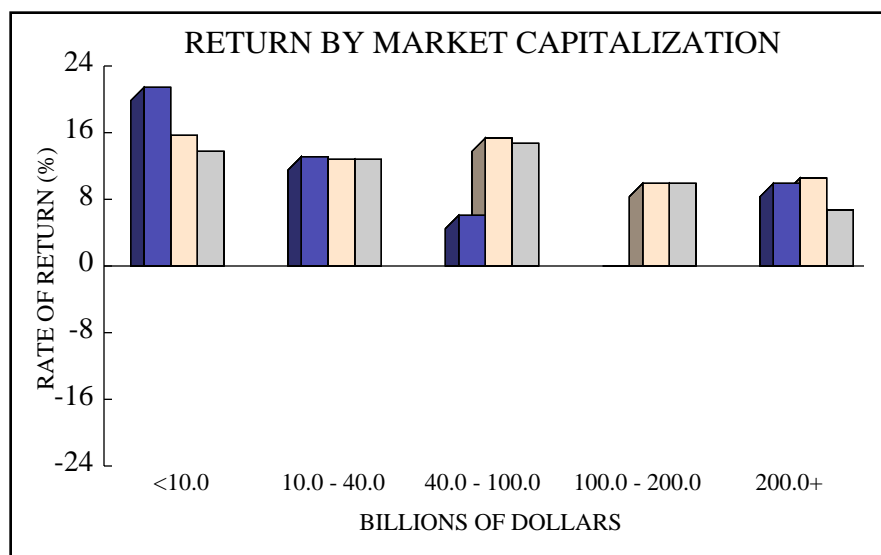
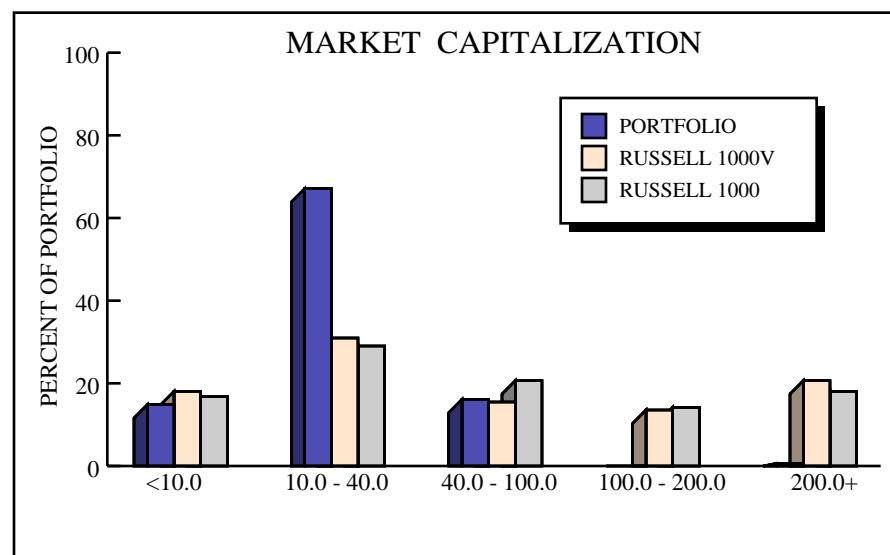
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO
 ■ RUSSELL 1000 VALUE
 ■ RUSSELL 1000



TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	AMERIPRISE FINANCIAL INC	\$ 283,111	4.53%	18.0%	Finance	\$ 15.0 B
2	TRAVELERS COS INC/THE	260,400	4.17%	17.8%	Finance	31.8 B
3	DIRECTV	258,878	4.14%	12.9%	Service	32.4 B
4	SEAGATE TECHNOLOGY	252,045	4.03%	21.0%	Computer Tech	13.1 B
5	CONOCOPHILLIPS	251,579	4.02%	4.7%	Energy	73.4 B
6	L-3 COMMUNICATIONS HOLDINGS	248,263	3.97%	6.2%	Technology	7.3 B
7	VIACOM INC-CLASS B	241,231	3.86%	17.2%	Service	27.3 B
8	MOTOROLA SOLUTIONS INC	235,182	3.76%	15.4%	Technology	17.4 B
9	WYNN RESORTS LTD	234,675	3.75%	13.2%	Consumer Service	12.6 B
10	KOHL'S CORP	205,002	3.28%	8.0%	Consumer Service	10.2 B

FRANKLIN REGIONAL RETIREMENT SYSTEM
SEIZERT CAPITAL PARTNERS
PERFORMANCE REVIEW
MARCH 2013

INVESTMENT RETURN

On March 31st, 2013, the Franklin Regional Retirement System's Seizert Capital Partners portfolio was valued at \$5,334,443, representing an increase of \$42,964 from the December quarter's ending value of \$5,291,479. Last quarter, the Fund posted withdrawals totaling \$642,000, which offset the portfolio's net investment return of \$684,964. Income receipts totaling \$14,435 plus net realized and unrealized capital gains of \$670,529 combined to produce the portfolio's net investment return.

For the cumulative period since June 2011, the fund has recorded net withdrawals totaling \$675,000 and posted net investment gains of \$1.1 million. For the period since June 2011, if the total fund had returned a compounded nominal rate of 8.0% it would have been valued at \$4.9 million or \$388,937 less than the actual value as of March 31st, 2013.

RELATIVE PERFORMANCE

In the first quarter, the Seizert Capital Partners portfolio gained 13.7%, which was 0.7% above the Russell Mid Cap's return of 13.0% and ranked in the 19th percentile of the Mid Cap universe. Over the trailing year, the portfolio returned 24.3%, which was 7.0% greater than the benchmark's 17.3% performance, and ranked in the 2nd percentile. Since June 2011, the portfolio returned 11.9% on an annualized basis and ranked in the 25th percentile. For comparison, the Russell Mid Cap returned an annualized 11.3% over the same period.

ASSET ALLOCATION

On March 31st, 2013, domestic equities comprised 96.4% of the total portfolio (\$5.1 million), while cash & equivalents totaled 3.6% (\$190,190).

STOCK ANALYSIS

At the end of the quarter, the Seizert portfolio was invested in nine of the eleven industry sectors in our analysis. Relative to the Russell Mid Cap, the portfolio placed more emphasis into the Computer Technology, Energy, Finance, and Service sectors. In contrast, the portfolio's weight in the Consumer Goods Nondurable and Consumer Service sectors was notably light, while the Durable Consumer Goods and Utilities sectors were vacant of holdings.

The Seizert portfolio benefitted from its overweight allocations to the Computer Technology and Finance sectors; these sectors outperformed their benchmark counterparts. In addition, the manager utilized strong stock selection from the Basic and Non-durable Consumer Goods sectors to produce last quarter's benchmark beating performance.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	-----Annualized-----	
				3 Years	Since 6/2011
Total Gross/Fees	13.7	13.7	24.3	----	11.9
<i>MID CAP RANK</i>	(19)	(19)	(2)	----	(25)
Total Net/Fees	13.5	13.5	23.5	----	11.2
RUSSELL MID	13.0	13.0	17.3	14.6	11.3
Domestic Equity	14.3	14.3	25.2	----	12.5
<i>MID CAP RANK</i>	(14)	(14)	(2)	----	(21)
RUSSELL MID	13.0	13.0	17.3	14.6	11.3

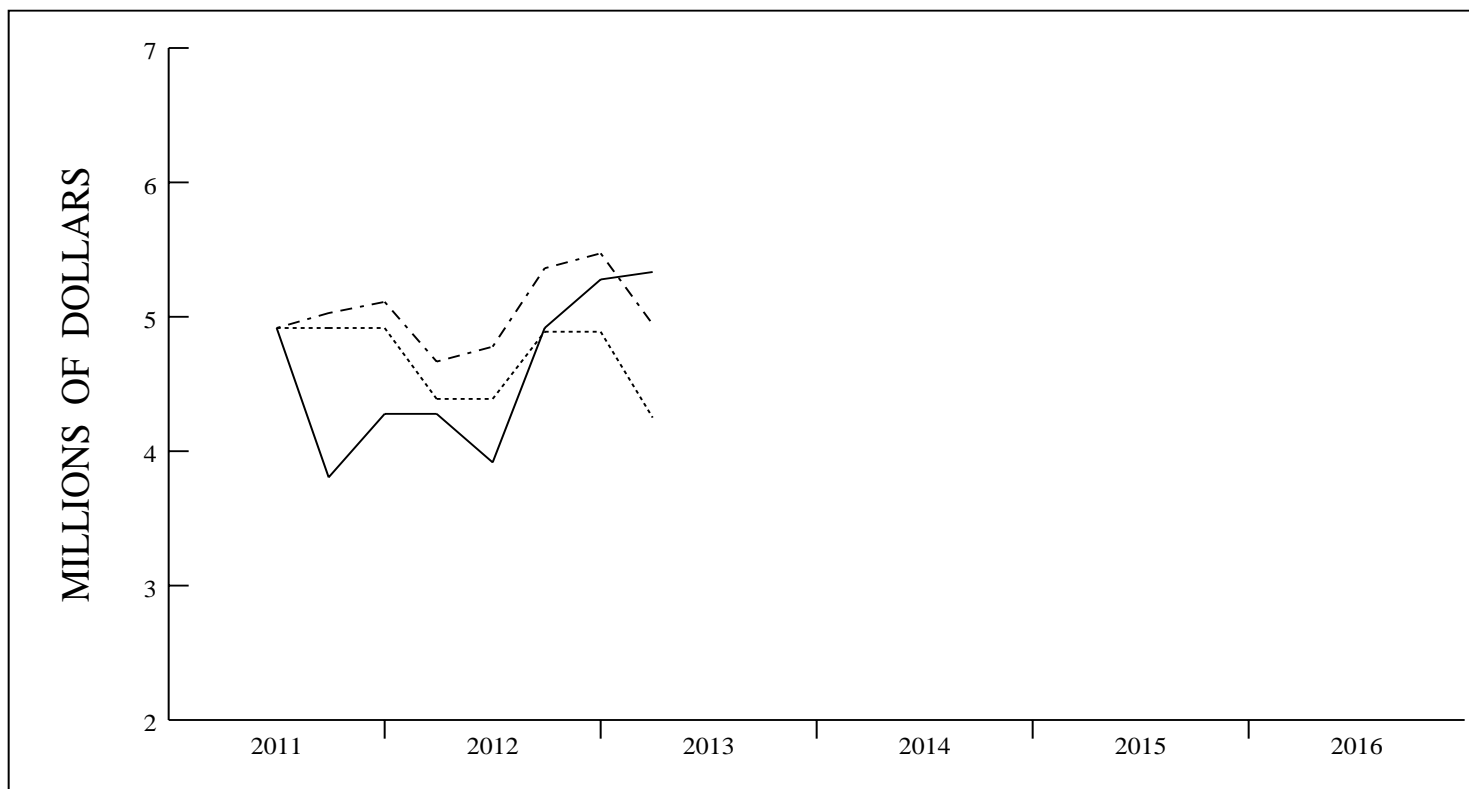
ASSET ALLOCATION

Domestic Equity	96.4%	\$ 5,144,253
Cash	3.6%	190,190
Total Portfolio	100.0%	\$ 5,334,443

INVESTMENT RETURN

Market Value 12/2012	\$ 5,291,479
Contribs / Withdrawals	-642,000
Income	14,435
Capital Gains / Losses	670,529
Market Value 3/2013	\$ 5,334,443

INVESTMENT GROWTH

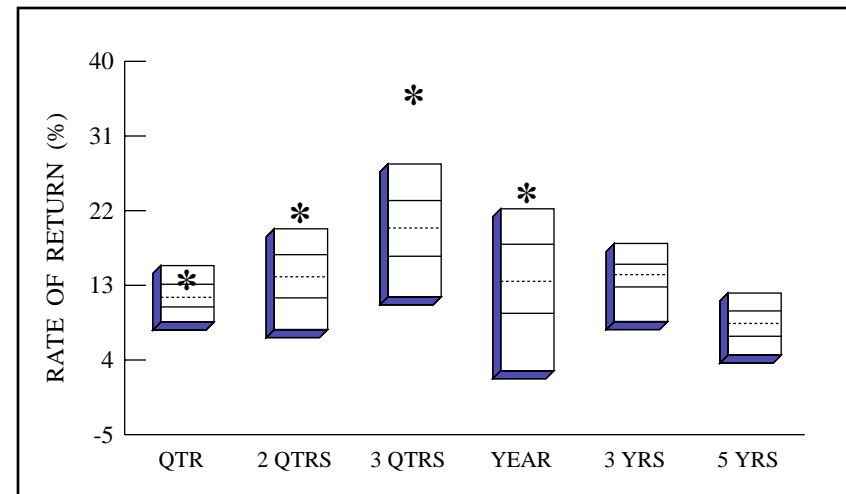
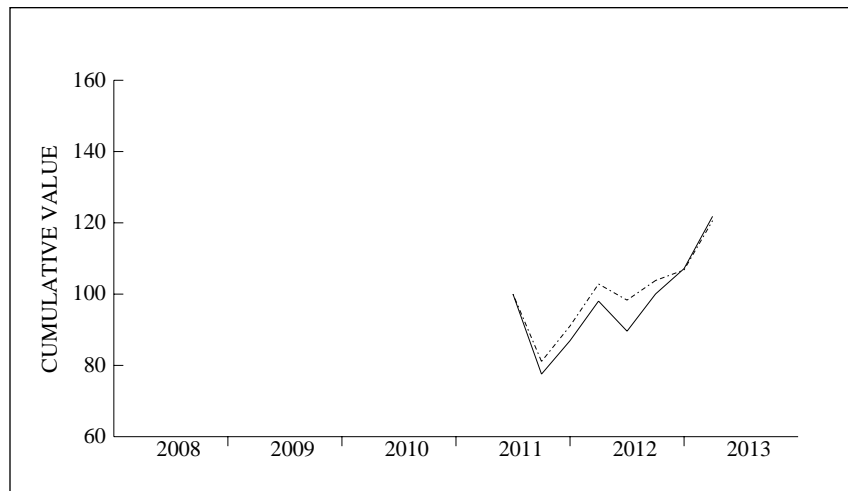


— ACTUAL RETURN
 - - - 8.0%
 . . . 0.0%

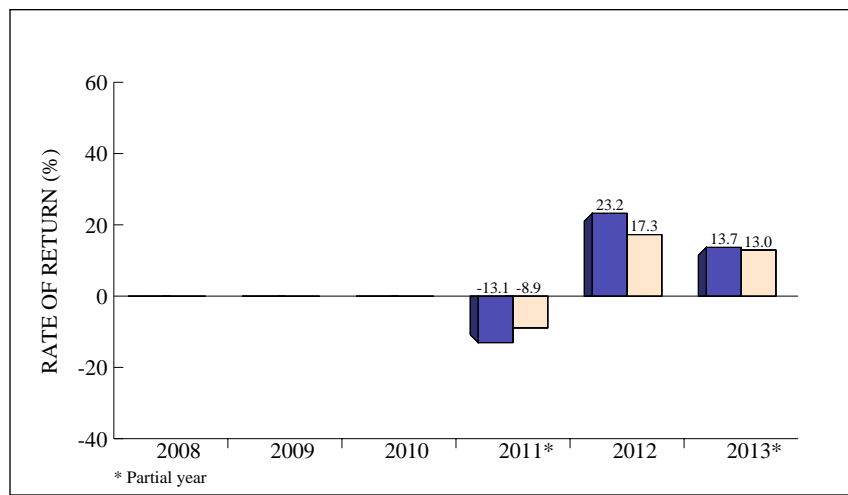
VALUE ASSUMING
 8.0% RETURN
 \$ 4,945,506

	LAST QUARTER	PERIOD 6/11 - 3/13
BEGINNING VALUE	\$ 5,291,479	\$ 4,935,067
NET CONTRIBUTIONS	-642,000	-675,000
<u>INVESTMENT RETURN</u>	<u>684,964</u>	<u>1,074,376</u>
ENDING VALUE	\$ 5,334,443	\$ 5,334,443
INCOME	14,435	121,835
CAPITAL GAINS (LOSSES)	<u>670,529</u>	<u>952,541</u>
INVESTMENT RETURN	684,964	1,074,376

TOTAL RETURN COMPARISONS



Mid Cap Universe

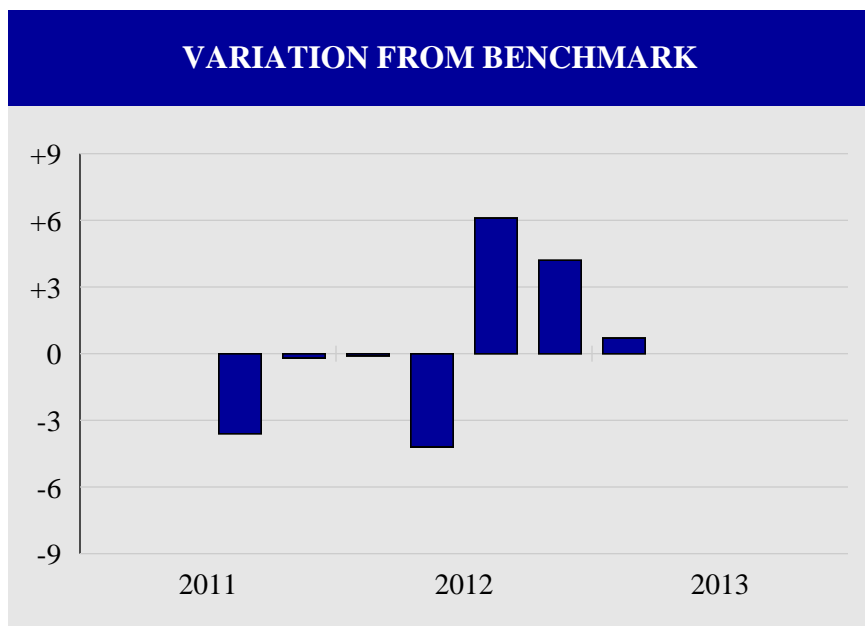


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	13.7	21.8	36.0	24.3	----	----
(RANK)	(19)	(1)	(1)	(2)	----	----
5TH %ILE	15.4	19.8	27.6	22.2	18.0	12.1
25TH %ILE	13.1	16.7	23.2	17.9	15.5	9.9
MEDIAN	11.6	14.0	19.9	13.5	14.3	8.4
75TH %ILE	10.4	11.5	16.5	9.6	12.8	6.9
95TH %ILE	8.6	7.7	11.6	2.7	8.6	4.6
Russ MC	13.0	16.2	22.7	17.3	14.6	8.4

Mid Cap Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

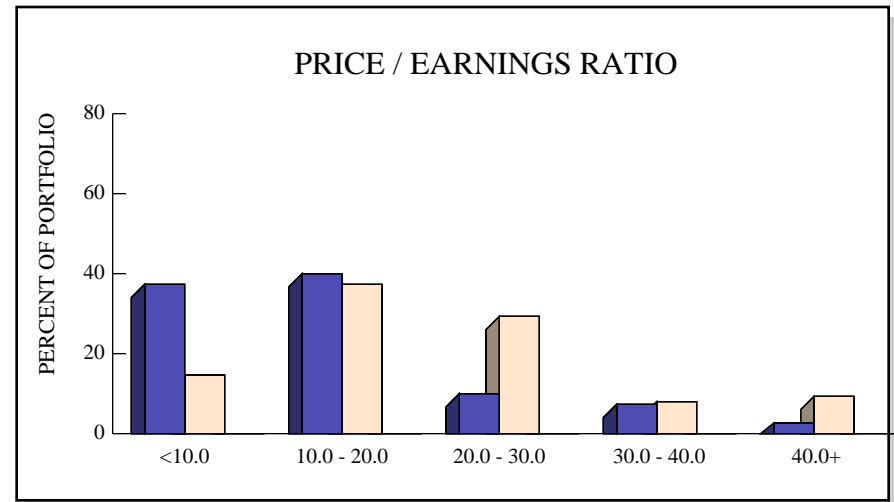
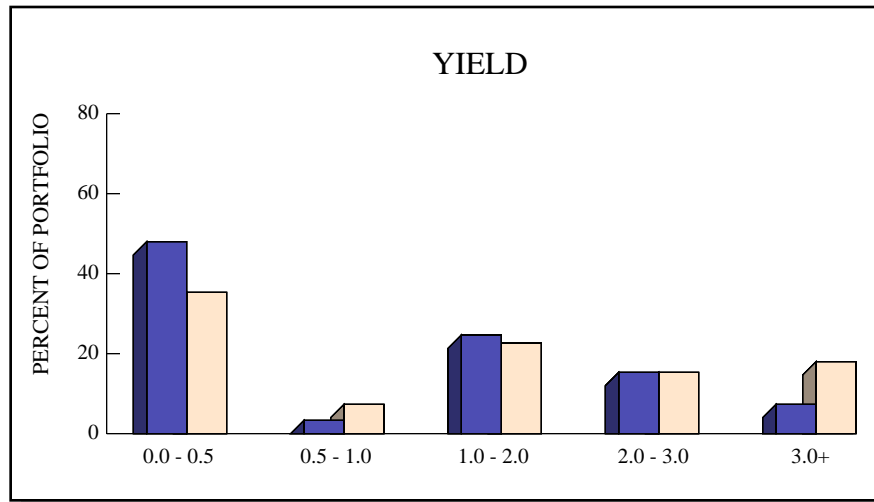
COMPARATIVE BENCHMARK: RUSSELL MID CAP



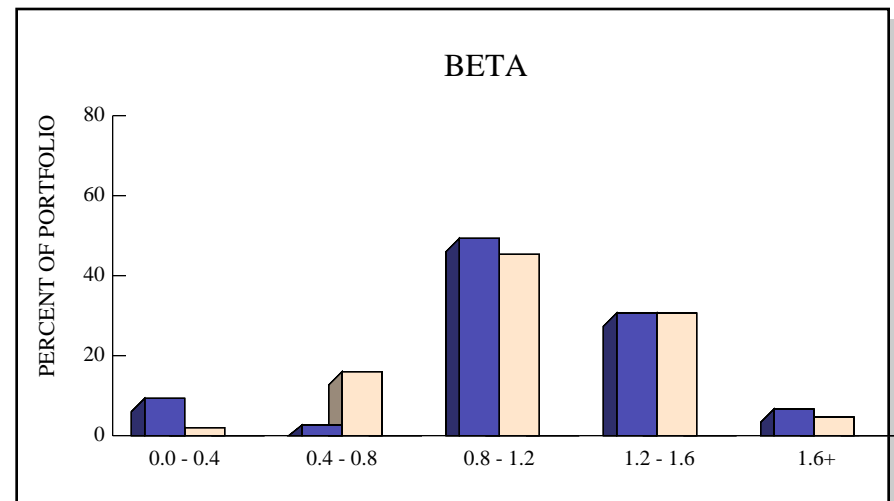
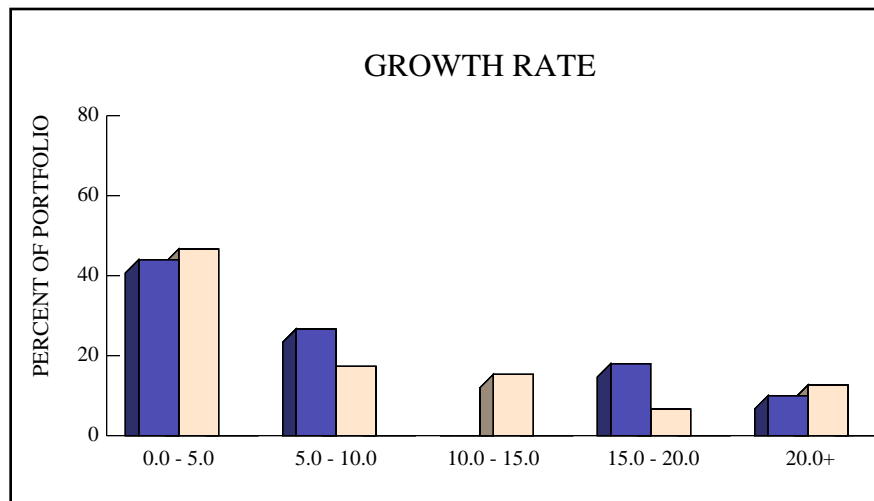
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/11	-22.5	-18.9	-3.6
12/11	12.1	12.3	-0.2
3/12	12.8	12.9	-0.1
6/12	-8.6	-4.4	-4.2
9/12	11.7	5.6	6.1
12/12	7.1	2.9	4.2
3/13	13.7	13.0	0.7

Total Quarters Observed	7
Quarters At or Above the Benchmark	3
Quarters Below the Benchmark	4
Batting Average	.429

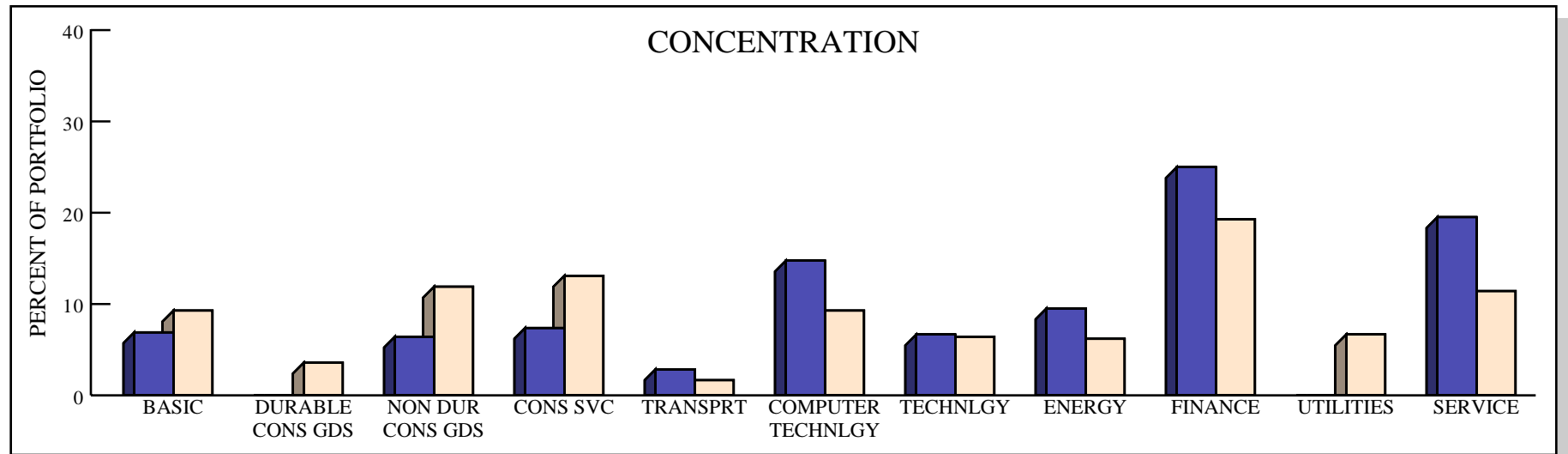
STOCK CHARACTERISTICS



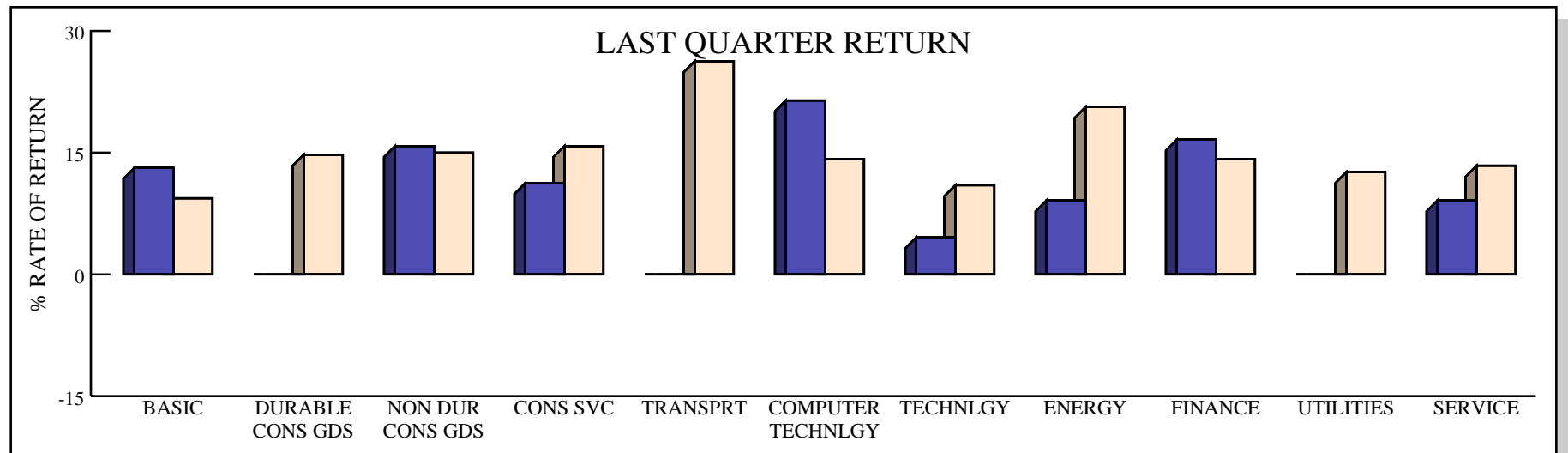
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.2%	6.0%	12.0	1.06
RUSSELL MID	1.7%	6.0%	20.8	1.07



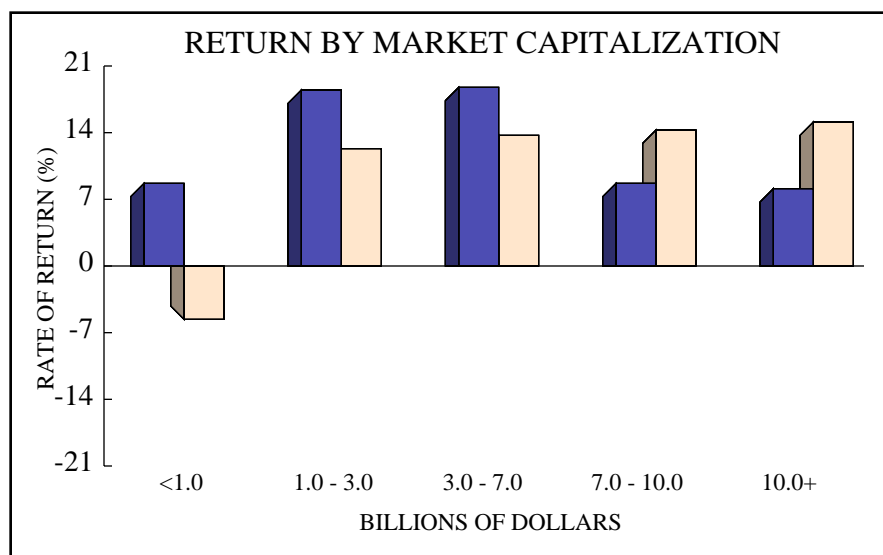
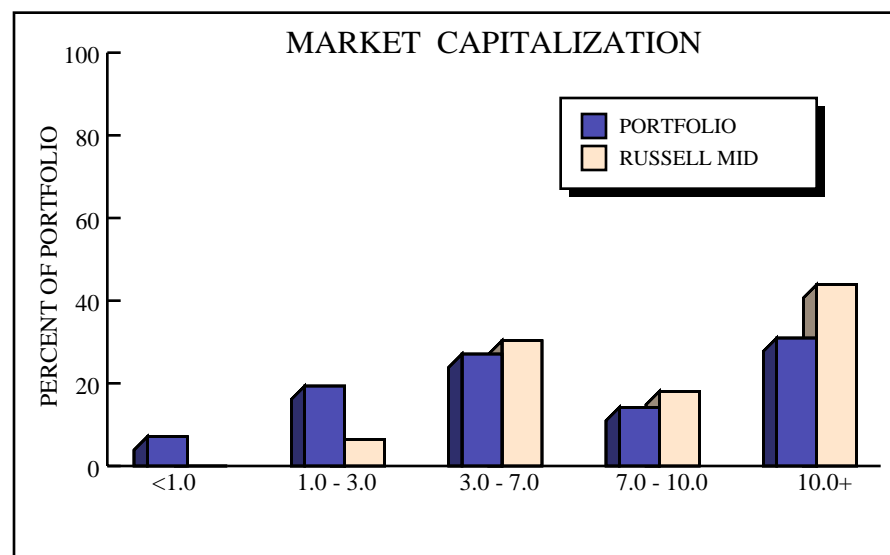
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO ■ RUSSELL MID CAP



TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	LIBERTY MEDIA CORP	\$ 328,192	6.38%	0.0%	Service	\$ 12.4 B
2	MARVELL TECHNOLOGY GROUP LTD	231,120	4.49%	46.0%	Computer Tech	5.7 B
3	TESSERA TECHNOLOGIES INC	217,500	4.23%	14.9%	Computer Tech	1.0 B
4	WESTERN UNION CO	217,253	4.22%	11.2%	Service	8.6 B
5	REGIONS FINANCIAL CORP	210,852	4.10%	15.2%	Finance	11.6 B
6	VISTEON CORP	205,989	4.00%	7.2%	Basic	3.0 B
7	ENDO HEALTH SOLUTIONS INC	204,246	3.97%	17.1%	NonDur Cons Goods	3.4 B
8	MURPHY OIL CORP	201,514	3.92%	8.5%	Energy	12.2 B
9	LOEWS CORP	201,400	3.92%	8.3%	Finance	17.3 B
10	L-3 COMMUNICATIONS HOLDINGS	197,040	3.83%	6.2%	Technology	7.3 B

FRANKLIN REGIONAL RETIREMENT SYSTEM
DARUMA
PERFORMANCE REVIEW
MARCH 2013

INVESTMENT RETURN

On March 31st, 2013, the Franklin Regional Retirement System's Daruma portfolio was valued at \$10,787,291, representing an increase of \$755,809 from the December quarter's ending value of \$10,031,482. Last quarter, the Fund posted withdrawals totaling \$634,000, which offset the portfolio's net investment return of \$1,389,809. Income receipts totaling \$4,079 plus net realized and unrealized capital gains of \$1,385,730 combined to produce the portfolio's net investment return.

For the cumulative period since December 2007, the fund has recorded net withdrawals totaling \$995,000 and posted net investment gains of \$4.0 million. For the period since December 2007, if the total fund had returned a compounded nominal rate of 8.0% it would have been valued at \$10.6 million or \$199,342 less than the actual value as of March 31st, 2013.

RELATIVE PERFORMANCE

Total Fund

In the first quarter, the Daruma portfolio gained 14.2%, which was 1.8% above the Russell 2000 Index's return of 12.4% and ranked in the 23rd percentile of the Small Cap universe. Over the trailing year, the portfolio returned 21.7%, which was 5.4% greater than the benchmark's 16.3% performance, and ranked in the 15th percentile. Since December 2007, the portfolio returned 7.9% on an annualized basis and ranked in the 33rd percentile. For comparison, the Russell 2000 returned an annualized 5.7% over the same period.

ASSET ALLOCATION

On March 31st, 2013, domestic equities comprised 95.7% of the total portfolio (\$10.3 million), while cash & equivalents totaled 4.3% (\$458,699).

HOLDINGS ANALYSIS

At the end of the first quarter, the Daruma portfolio was invested in eight of the eleven industry sectors in our analysis. Relative to the Russell 2000, the portfolio placed greater emphasis into the Basic, Non Durable Consumer Goods, Consumer Service, Computer Technology, and Service sectors. In contrast, the portfolio's weightings in the Durable Consumer Goods, Technology and Energy sectors were the most notably light, while the Transportation, Utilities and Finance sectors were vacant of holdings.

Positive allocation effects were the main cause for the Daruma portfolio's slight lead over the Russell 2000 for the quarter. Significant allocation deviation from the benchmark in the Service sector amplified the surplus achieved throughout this sector.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	-----Annualized-----	
				3 Years	Since 12/2007
Total Gross/Fees	14.2	14.2	21.7	13.6	7.9
<i>SMALL CAP RANK</i>	(23)	(23)	(15)	(70)	(33)
Total Net/Fees	14.0	14.0	20.6	12.5	6.8
RUSSELL 2000	12.4	12.4	16.3	13.5	5.7
Domestic Equity	14.8	14.8	22.7	14.2	8.0
<i>SMALL CAP RANK</i>	(16)	(16)	(11)	(60)	(33)
RUSSELL 2000	12.4	12.4	16.3	13.5	5.7
RUSSELL 2000G	13.2	13.2	14.5	14.7	5.8
RUSSELL 2000V	11.6	11.6	18.1	12.1	5.6

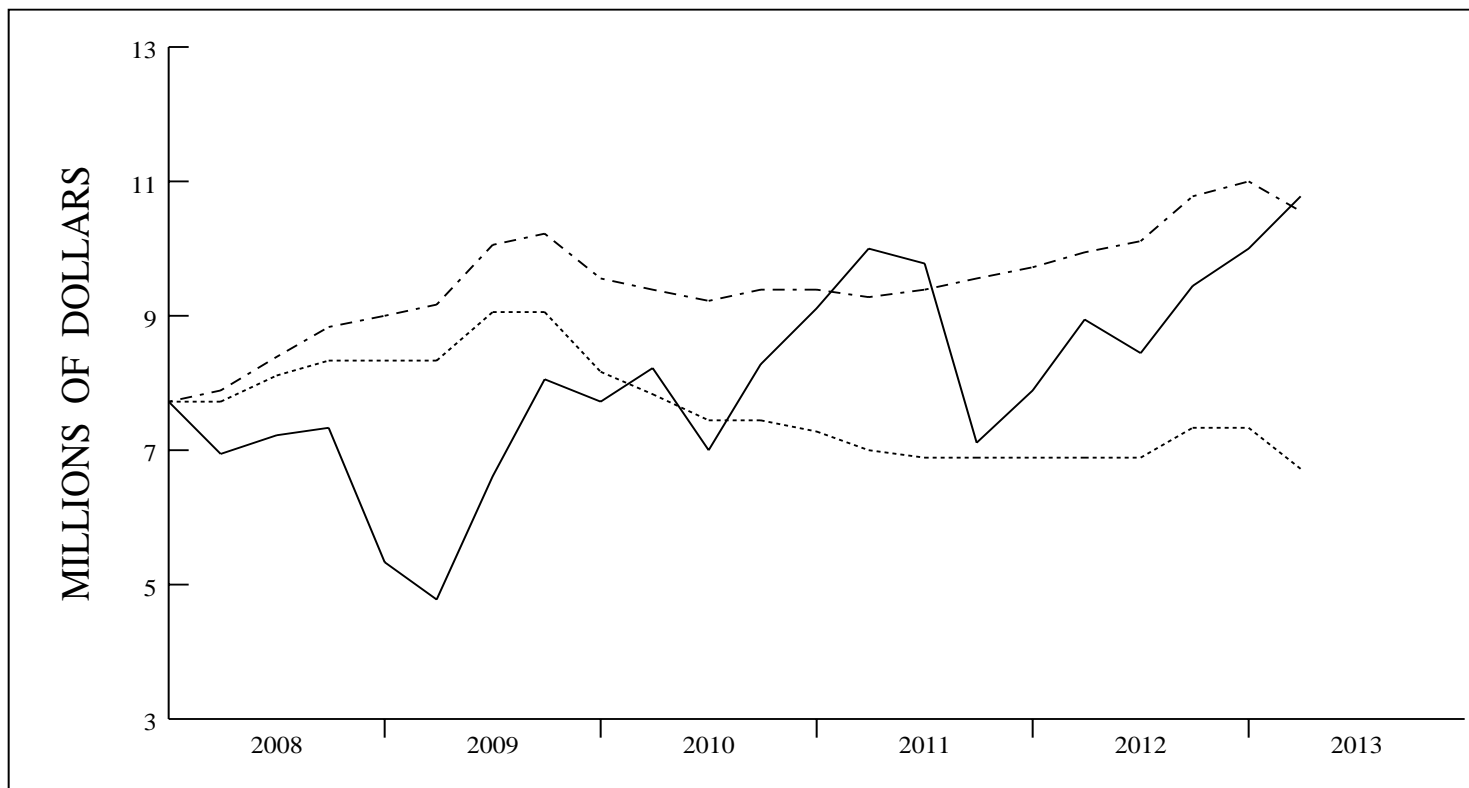
ASSET ALLOCATION

Domestic Equity	95.7%	\$ 10,328,591
Cash	4.3%	458,699
Total Portfolio	100.0%	\$ 10,787,291

INVESTMENT RETURN

Market Value 12/2012	\$ 10,031,482
Contribs / Withdrawals	-634,000
Income	4,079
Capital Gains / Losses	1,385,730
Market Value 3/2013	\$ 10,787,291

INVESTMENT GROWTH

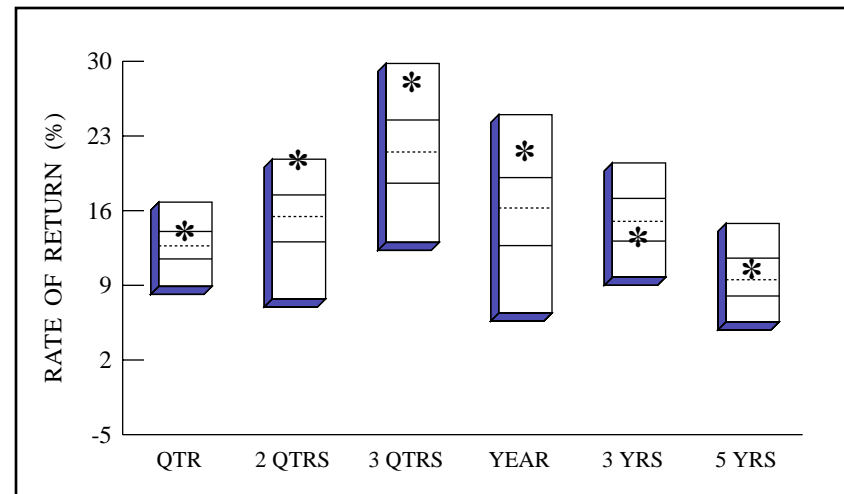
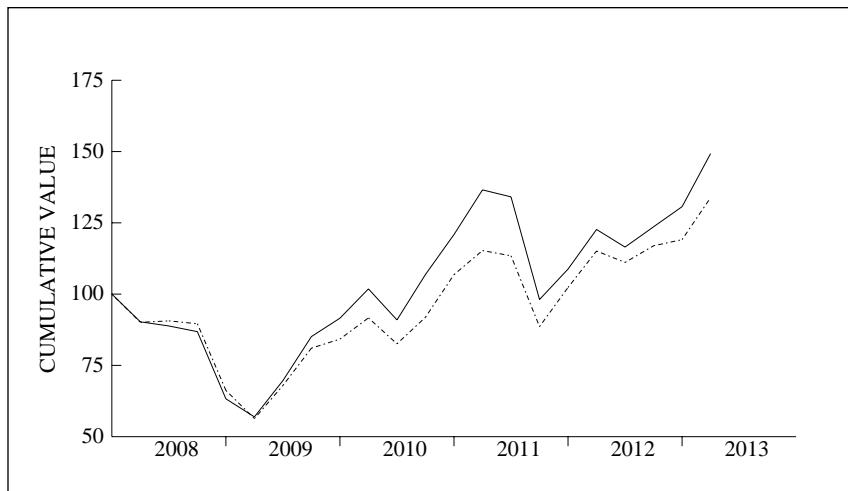


— ACTUAL RETURN
 - - - 8.0%
 0.0%

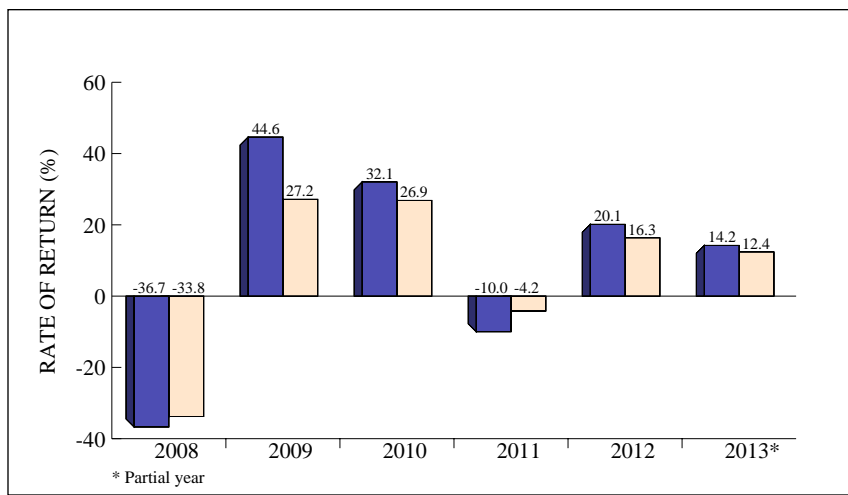
VALUE ASSUMING
 8.0% RETURN
 \$ 10,587,949

	LAST QUARTER	PERIOD 12/07 - 3/13
BEGINNING VALUE	\$ 10,031,482	\$ 7,743,803
NET CONTRIBUTIONS	-634,000	-995,000
<u>INVESTMENT RETURN</u>	<u>1,389,809</u>	<u>4,038,488</u>
ENDING VALUE	\$ 10,787,291	\$ 10,787,291
INCOME	4,079	227,834
<u>CAPITAL GAINS (LOSSES)</u>	<u>1,385,730</u>	<u>3,810,654</u>
INVESTMENT RETURN	1,389,809	4,038,488

TOTAL RETURN COMPARISONS

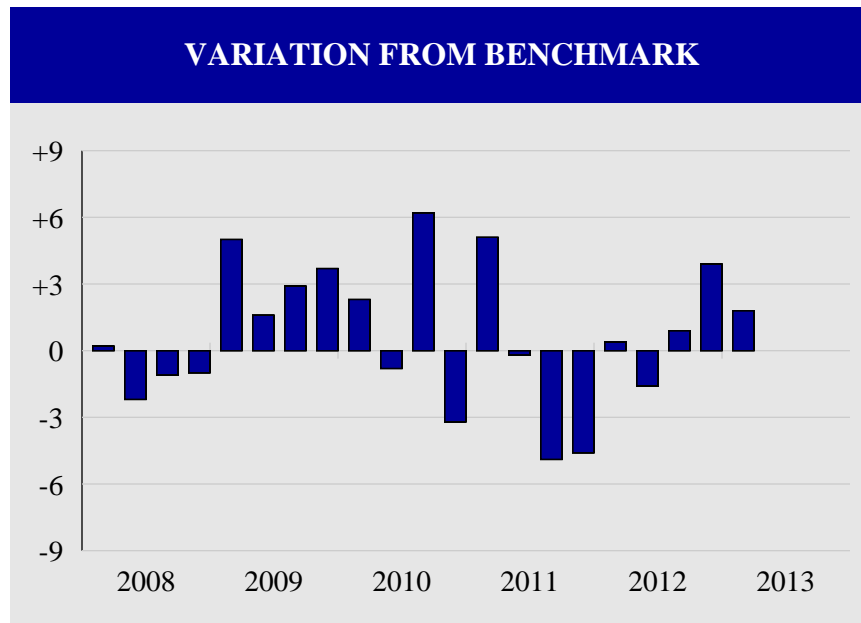


Small Cap Universe



	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	14.2	20.8	28.1	21.7	13.6	10.6
(RANK)	(23)	(6)	(9)	(15)	(70)	(34)
5TH %ILE	16.8	20.8	29.8	25.0	20.5	14.8
25TH %ILE	14.0	17.5	24.5	19.1	17.2	11.6
MEDIAN	12.7	15.4	21.5	16.3	15.0	9.5
75TH %ILE	11.5	13.1	18.6	12.7	13.2	8.0
95TH %ILE	8.9	7.7	13.0	6.4	9.8	5.6
Russ 2000	12.4	14.5	20.5	16.3	13.5	8.2

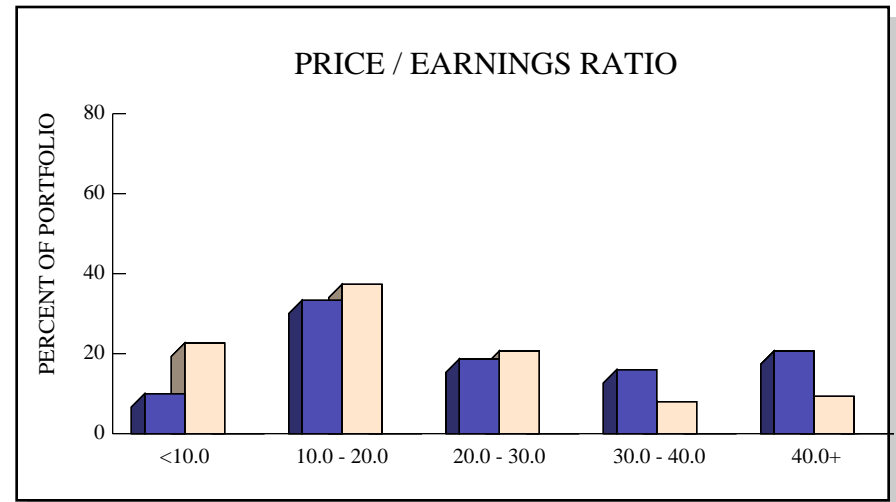
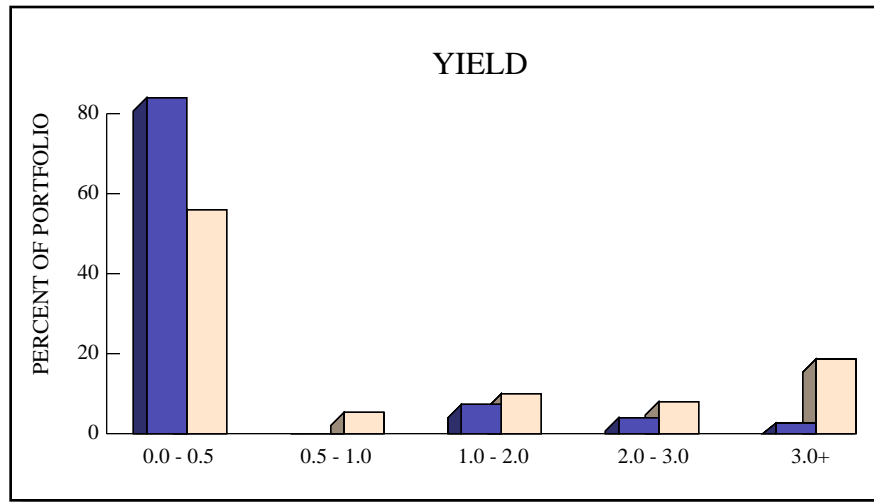
Small Cap Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: RUSSELL 2000**

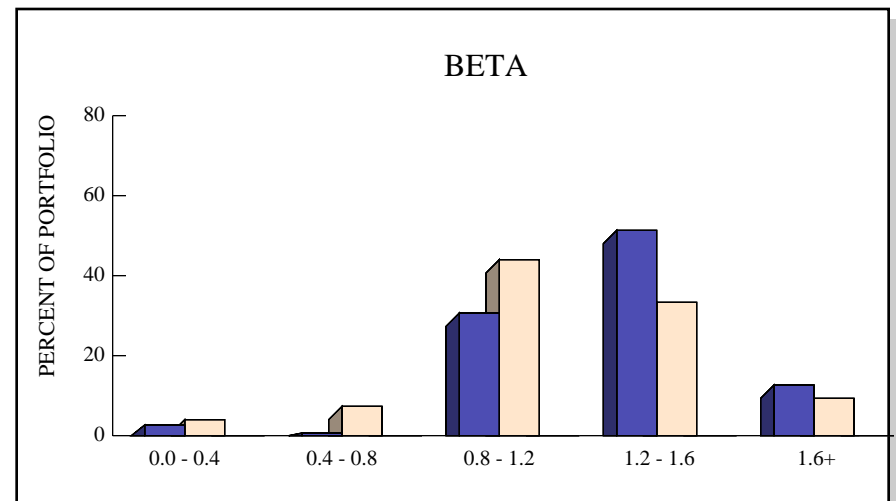
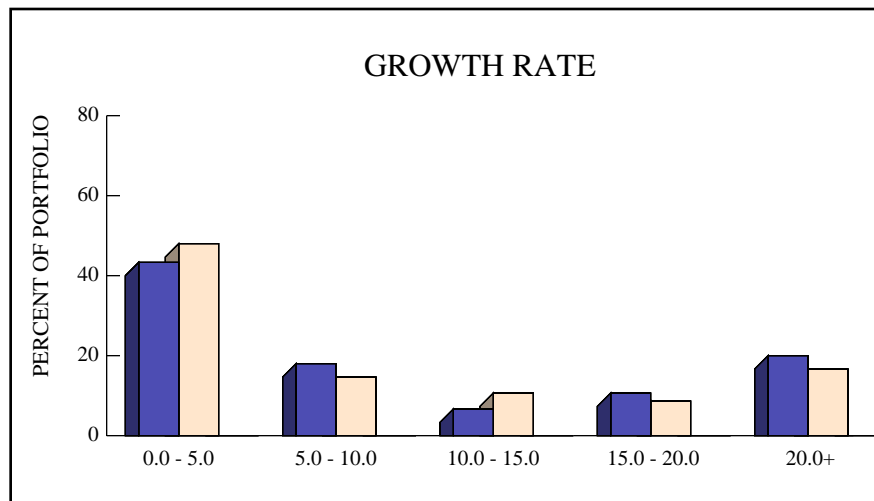
Total Quarters Observed	21
Quarters At or Above the Benchmark	12
Quarters Below the Benchmark	9
Batting Average	.571

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	-9.7	-9.9	0.2
6/08	-1.6	0.6	-2.2
9/08	-2.2	-1.1	-1.1
12/08	-27.1	-26.1	-1.0
3/09	-10.0	-15.0	5.0
6/09	22.3	20.7	1.6
9/09	22.2	19.3	2.9
12/09	7.6	3.9	3.7
3/10	11.2	8.9	2.3
6/10	-10.7	-9.9	-0.8
9/10	17.5	11.3	6.2
12/10	13.1	16.3	-3.2
3/11	13.0	7.9	5.1
6/11	-1.8	-1.6	-0.2
9/11	-26.8	-21.9	-4.9
12/11	10.9	15.5	-4.6
3/12	12.8	12.4	0.4
6/12	-5.1	-3.5	-1.6
9/12	6.1	5.2	0.9
12/12	5.7	1.8	3.9
3/13	14.2	12.4	1.8

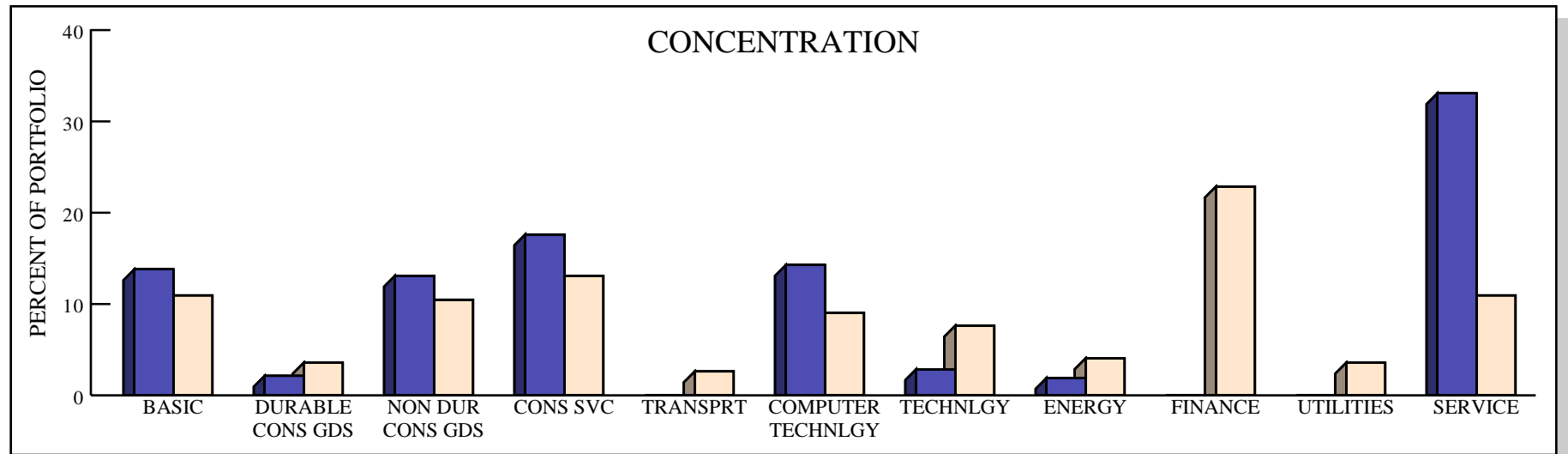
STOCK CHARACTERISTICS



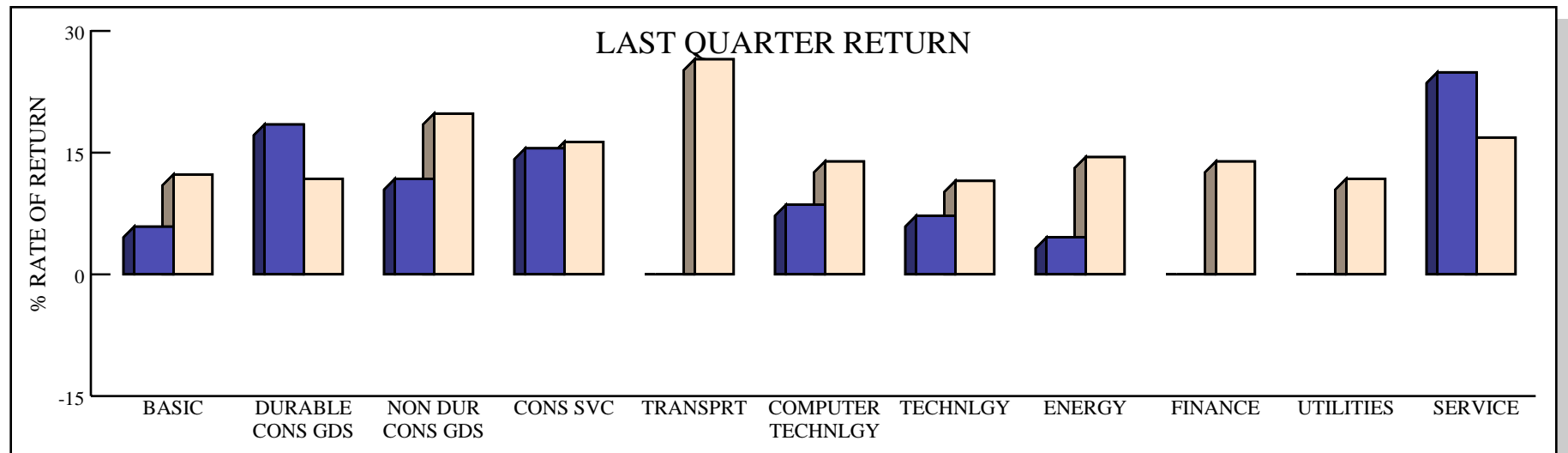
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	0.7%	4.6%	26.7	1.28
RUSSELL 2000	1.5%	5.9%	18.1	1.14



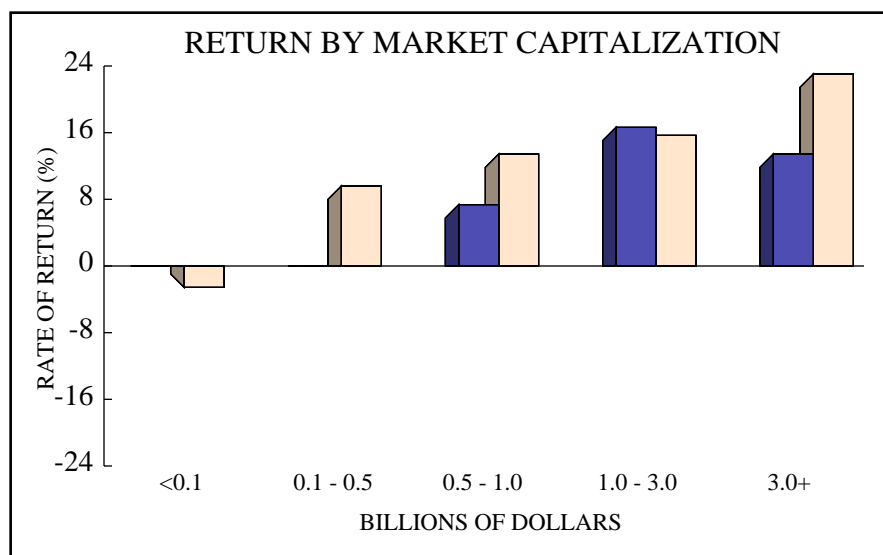
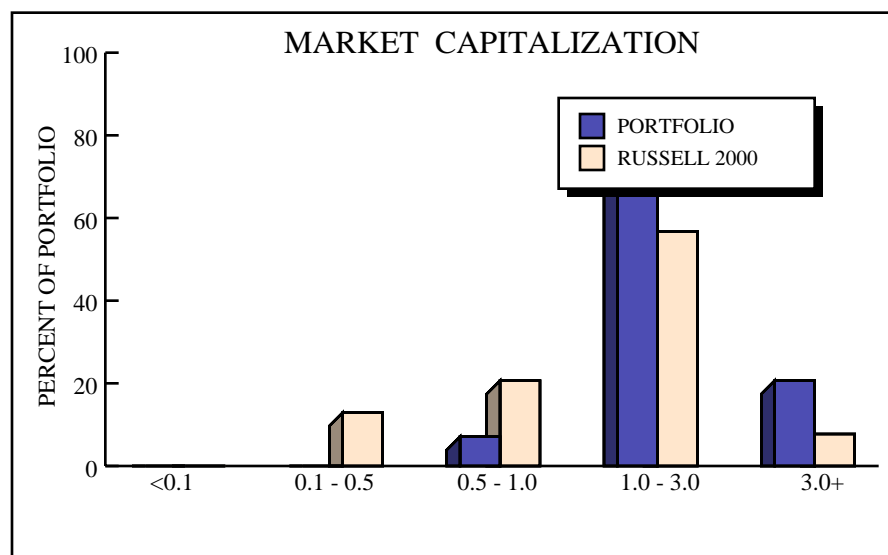
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO ■ RUSSELL 2000



TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	LUMBER LIQUIDATORS HOLDINGS	\$ 454,675	4.40%	32.9%	Consumer Service	\$ 1.9 B
2	COSTAR GROUP INC	446,378	4.32%	22.5%	Service	3.1 B
3	ACXIOM CORP	395,332	3.83%	16.8%	Service	1.5 B
4	WELLCARE HEALTH PLANS INC	385,318	3.73%	19.0%	Consumer Service	2.5 B
5	BRUNSWICK CORP	375,291	3.63%	17.7%	Basic	3.1 B
6	MAXIMUS INC	371,301	3.59%	26.6%	Service	2.7 B
7	SHUTTERFLY INC	368,687	3.57%	47.9%	Service	1.6 B
8	INTERFACE INC	359,894	3.48%	19.6%	NonDur Cons Goods	1.3 B
9	PANDORA MEDIA INC	354,651	3.43%	54.3%	Service	2.4 B
10	WEX INC	348,854	3.38%	4.2%	Service	3.0 B

FRANKLIN REGIONAL RETIREMENT SYSTEM
PRIT - CORE REAL ESTATE ACCOUNT
PERFORMANCE REVIEW
MARCH 2013

INVESTMENT RETURN

On March 31st, 2013, the Franklin Regional Retirement System's PRIT portfolio was valued at \$5,092,515, representing an increase of \$105,341 from the December quarter's ending value of \$4,987,174. Last quarter, the Fund posted withdrawals totaling \$5,364, which partially offset the portfolio's net investment return of \$110,705. Income receipts totaling \$50,312 plus net realized and unrealized capital gains of \$60,393 combined to produce the portfolio's net investment return.

For the cumulative period since September 2010, the fund has recorded net contributions totaling \$2.8 million, and recorded net investment gains of \$1.1 million. For the period since September 2010, if the total fund had returned a compounded nominal rate of 8.0% it would have been valued at \$4.7 million or \$421,552 less than the actual value as of March 31st, 2013.

RELATIVE PERFORMANCE

In the first quarter, the PRIT portfolio gained 2.2%, which was 0.5% less than the NCREIF NFI-ODCE Index's return of 2.7%. Over the trailing twelve-month period, the portfolio returned 11.7%, which was 1.0% above the benchmark's 10.7% return. Since September 2010, the account returned 13.3% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 14.0% over the same time frame.

ASSET ALLOCATION

This portfolio was fully invested in the PRIT Core Real Estate Fund at the end of the quarter.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	-----Annualized-----	
				3 Years	Since 9/2010
Total Gross/Fees	2.2	2.2	11.7	----	13.3
Total Net/Fees	2.1	2.1	11.2	----	12.7
NCREIF ODCE	2.7	2.7	10.7	15.1	14.0
Real Estate	2.2	2.2	11.7	----	13.3
NCREIF ODCE	2.7	2.7	10.7	15.1	14.0

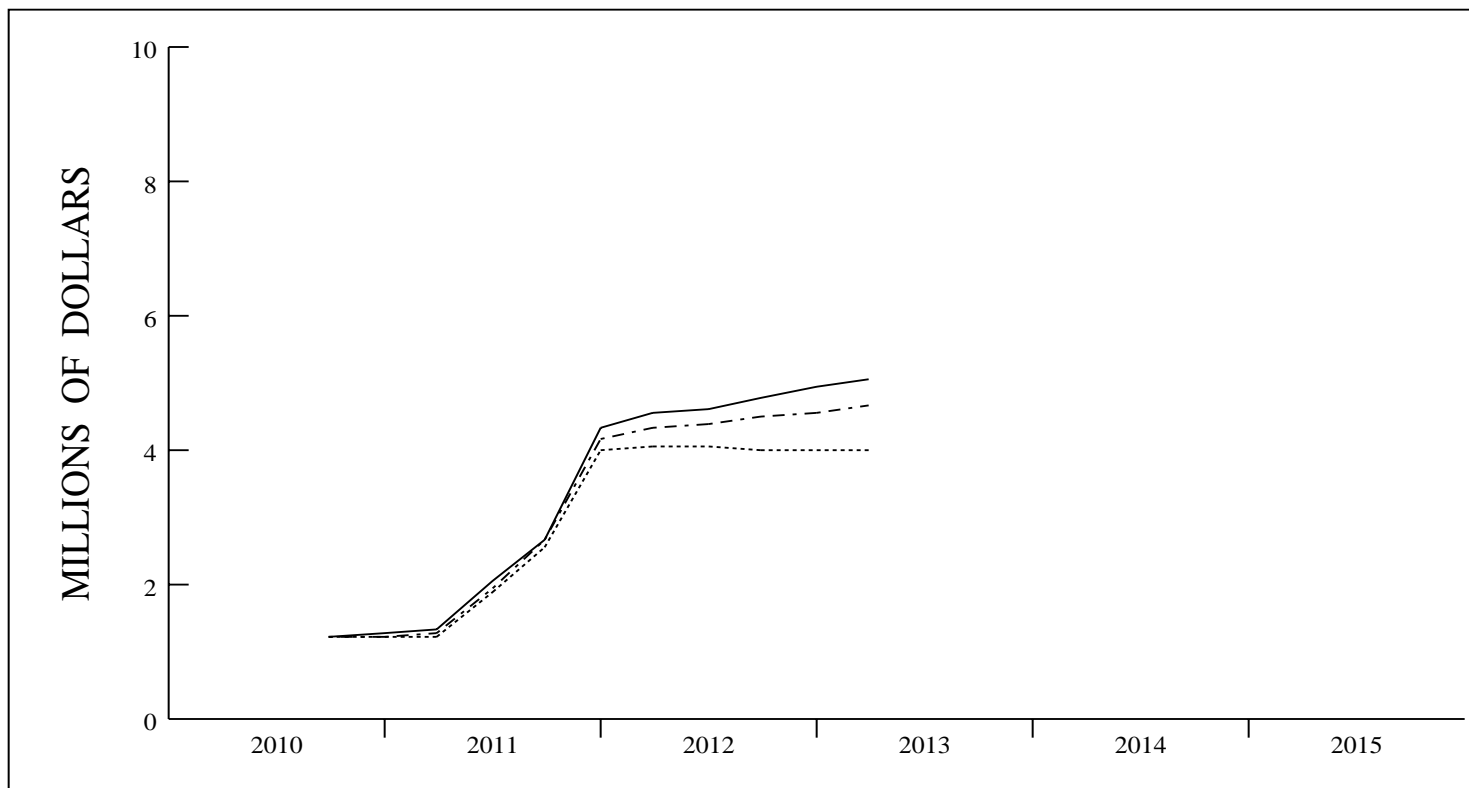
ASSET ALLOCATION

Real Estate	100.0%	\$ 5,092,515
Total Portfolio	100.0%	\$ 5,092,515

INVESTMENT RETURN

Market Value 12/2012	\$ 4,987,174
Contribs / Withdrawals	- 5,364
Income	50,312
Capital Gains / Losses	60,393
Market Value 3/2013	\$ 5,092,515

INVESTMENT GROWTH



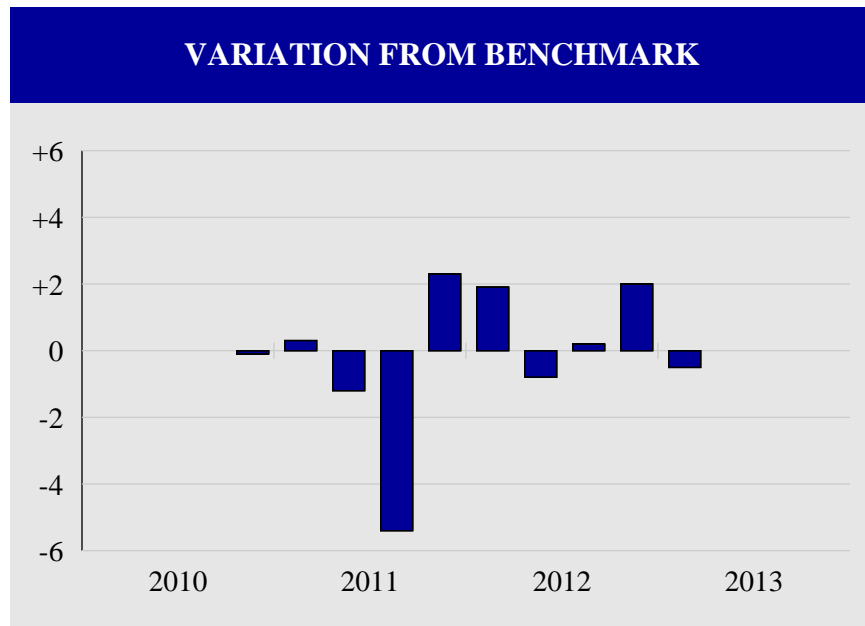
————	ACTUAL RETURN
- - - - -	8.0%
.....	0.0%

VALUE ASSUMING 8.0% RETURN
\$ 4,670,963

	LAST QUARTER	PERIOD 9/10 - 3/13
BEGINNING VALUE	\$ 4,987,174	\$ 1,247,572
NET CONTRIBUTIONS	- 5,364	2,792,846
INVESTMENT RETURN	110,705	1,052,097
ENDING VALUE	\$ 5,092,515	\$ 5,092,515
INCOME	50,312	436,781
CAPITAL GAINS (LOSSES)	60,393	615,316
INVESTMENT RETURN	110,705	1,052,097

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/10	4.9	5.0	-0.1
3/11	4.3	4.0	0.3
6/11	3.4	4.6	-1.2
9/11	-1.9	3.5	-5.4
12/11	5.3	3.0	2.3
3/12	4.7	2.8	1.9
6/12	1.7	2.5	-0.8
9/12	3.0	2.8	0.2
12/12	4.3	2.3	2.0
3/13	2.2	2.7	-0.5

Total Quarters Observed	10
Quarters At or Above the Benchmark	5
Quarters Below the Benchmark	5
Batting Average	.500

FRANKLIN REGIONAL RETIREMENT SYSTEM
INCOME RESEARCH & MANAGEMENT - CORE BOND FUND
PERFORMANCE REVIEW
MARCH 2013

INVESTMENT RETURN

On March 31st, 2013, the Franklin Regional Retirement System's Income Research & Management portfolio was valued at \$12,070,121, representing an increase of \$52,465 from the December quarter's ending value of \$12,017,656. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$52,465 in net investment returns. Since there were no income receipts for the first quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$52,465.

For the cumulative period since December 2007, the portfolio has posted net withdrawals totaling \$837,000 and recorded net investment gains totaling \$3.1 million. For the period since December 2007, if the fund had returned a compounded nominal rate of 8.0% it would have been valued at \$13.1 million or \$1.0 million more than the actual value as of March 31st, 2013.

RELATIVE PERFORMANCE

For the first quarter, the Income Research & Management portfolio returned 0.4%, which was 0.5% greater than the Barclays Aggregate Index's return of -0.1% and ranked in the 14th percentile of the Core Fixed Income universe. Over the trailing year, this portfolio returned 6.2%, which was 2.4% above the benchmark's 3.8% return, ranking in the 11th percentile. Since December 2007, the account returned 6.6% on an annualized basis and ranked in the 37th percentile. For comparison, the Barclays Aggregate Index returned an annualized 5.6% over the same time frame.

ASSET ALLOCATION

The portfolio was fully invested in the IR&M Core Bond Fund at the end of the quarter.

ANALYSIS

At the end of the quarter, USG rated securities comprised approximately 40% of the bond portfolio, while corporate securities, rated AAA through less than BBB, made up the remainder, giving the bond portfolio an overall average quality rating of AAA-AA. The average maturity of the portfolio was 9.7 years, longer than the Barclays Aggregate Index's 7.2-year maturity. The average coupon was 3.9%.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	-----Annualized-----	
				3 Years	Since 12/2007
Total Gross/Fees	0.4	0.4	6.2	6.4	6.6
<i>CORE FIXED INCOME RANK</i>	(14)	(14)	(11)	(35)	(37)
Total Net/Fees	0.3	0.3	5.8	6.1	6.2
BARCLAYS AGG	-0.1	-0.1	3.8	5.5	5.6
Fixed Income	0.4	0.4	6.2	6.4	6.6
<i>CORE FIXED INCOME RANK</i>	(14)	(14)	(11)	(35)	(37)
BARCLAYS AGG	-0.1	-0.1	3.8	5.5	5.6
GOV/CREDIT	-0.2	-0.2	4.6	6.1	5.7

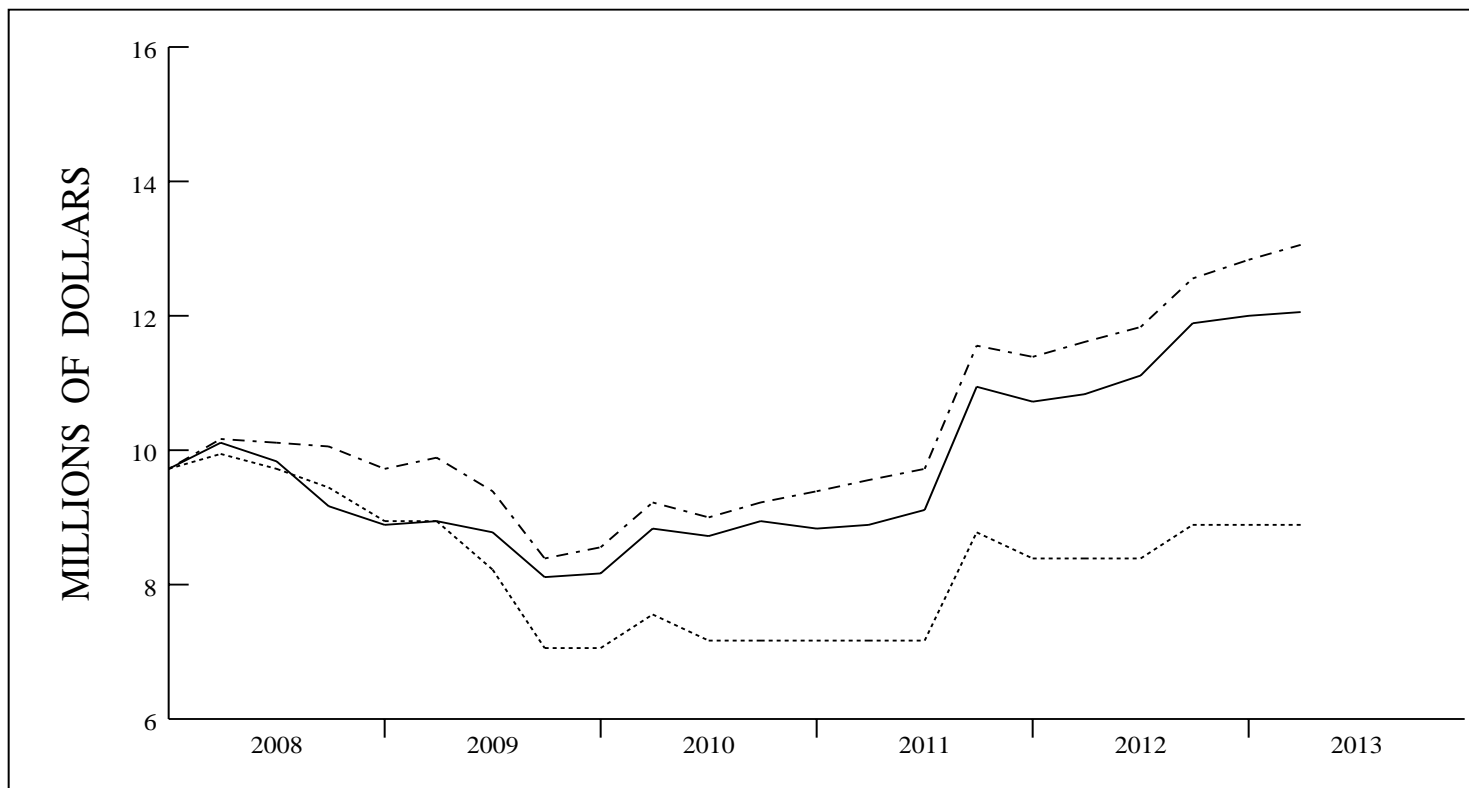
ASSET ALLOCATION

Fixed Income	100.0%	\$ 12,070,121
Total Portfolio	100.0%	\$ 12,070,121

INVESTMENT RETURN

Market Value 12/2012	\$ 12,017,656
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	52,465
Market Value 3/2013	\$ 12,070,121

INVESTMENT GROWTH

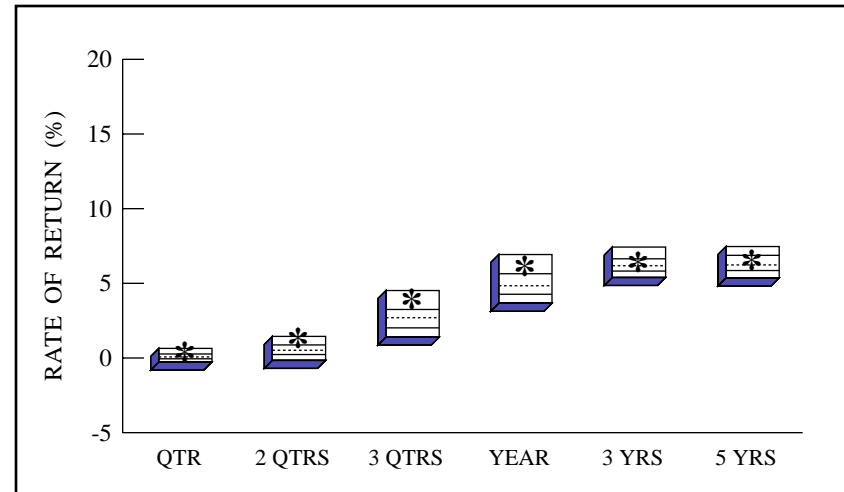
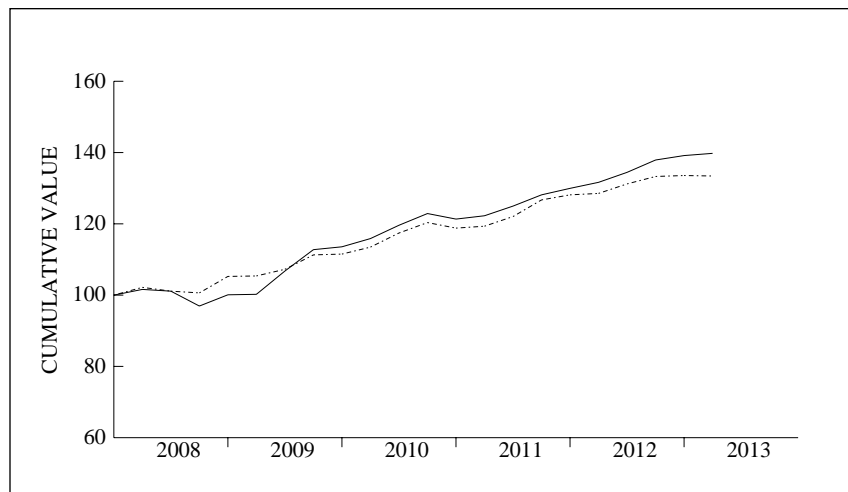


— ACTUAL RETURN
 - - - 8.0%
 0.0%

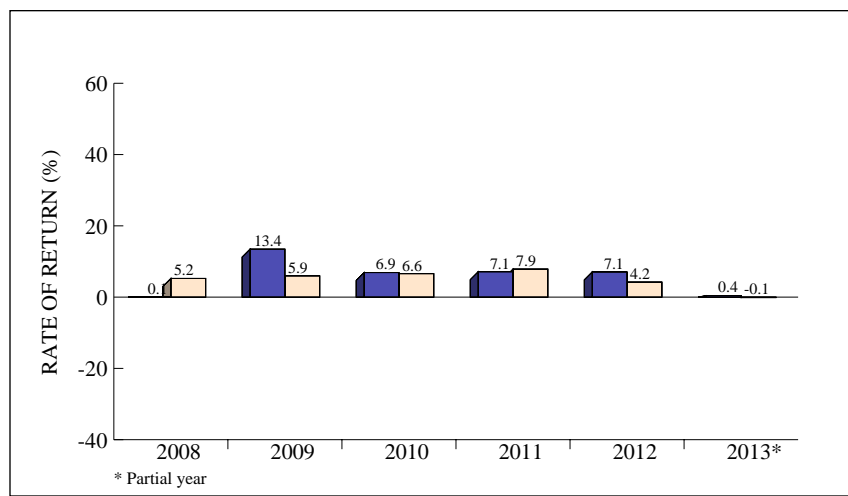
VALUE ASSUMING
 8.0% RETURN
 \$ 13,087,470

	LAST QUARTER	PERIOD 12/07 - 3/13
BEGINNING VALUE	\$ 12,017,656	\$ 9,763,999
NET CONTRIBUTIONS	0	-837,000
<u>INVESTMENT RETURN</u>	<u>52,465</u>	<u>3,143,122</u>
ENDING VALUE	\$ 12,070,121	\$ 12,070,121
INCOME	0	5
<u>CAPITAL GAINS (LOSSES)</u>	<u>52,465</u>	<u>3,143,117</u>
INVESTMENT RETURN	52,465	3,143,122

TOTAL RETURN COMPARISONS

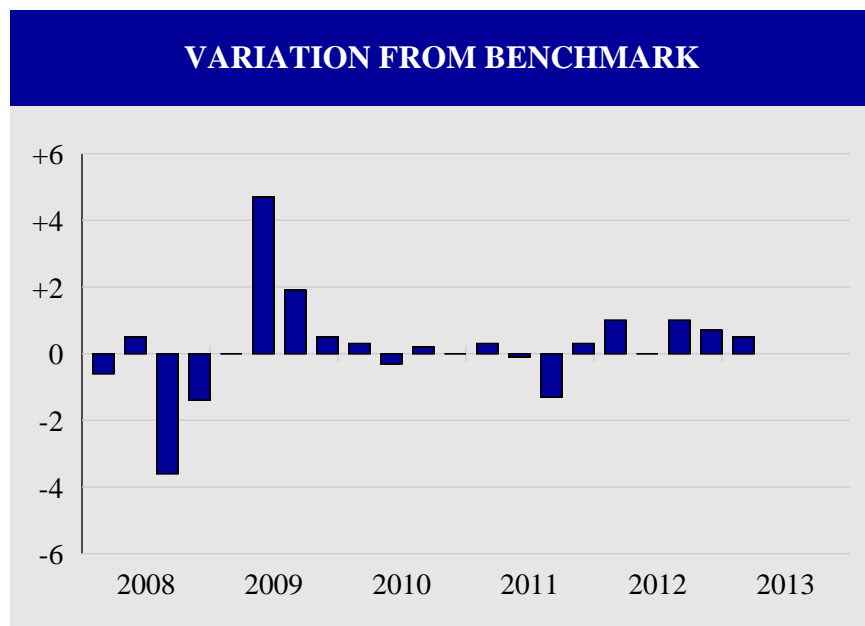


Core Fixed Income Universe



	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	0.4	1.4	4.0	6.2	6.4	6.6
(RANK)	(14)	(8)	(11)	(11)	(35)	(36)
5TH %ILE	0.7	1.4	4.5	6.9	7.4	7.5
25TH %ILE	0.3	0.9	3.3	5.6	6.7	6.9
MEDIAN	0.1	0.5	2.7	4.8	6.2	6.2
75TH %ILE	-0.1	0.2	2.0	4.3	5.8	5.9
95TH %ILE	-0.3	-0.2	1.4	3.7	5.4	5.4
Agg Index	-0.1	0.1	1.7	3.8	5.5	5.5

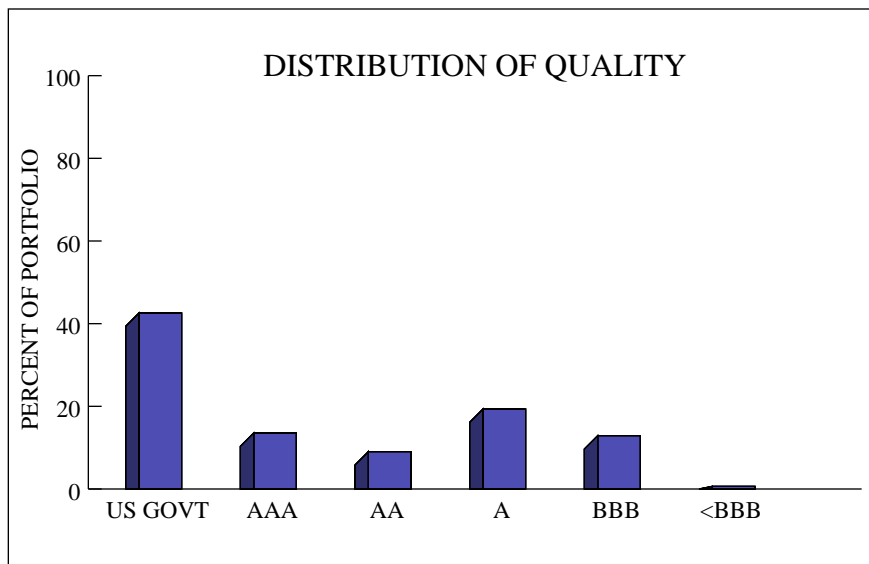
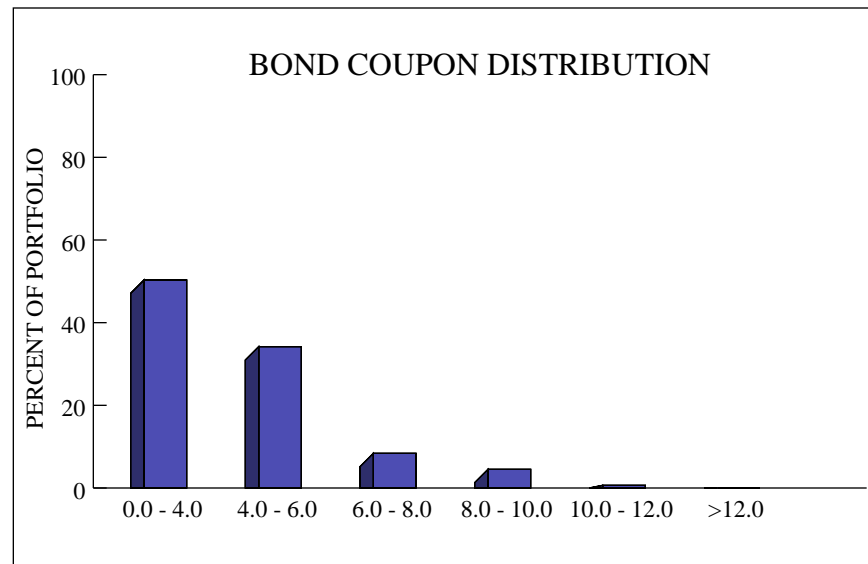
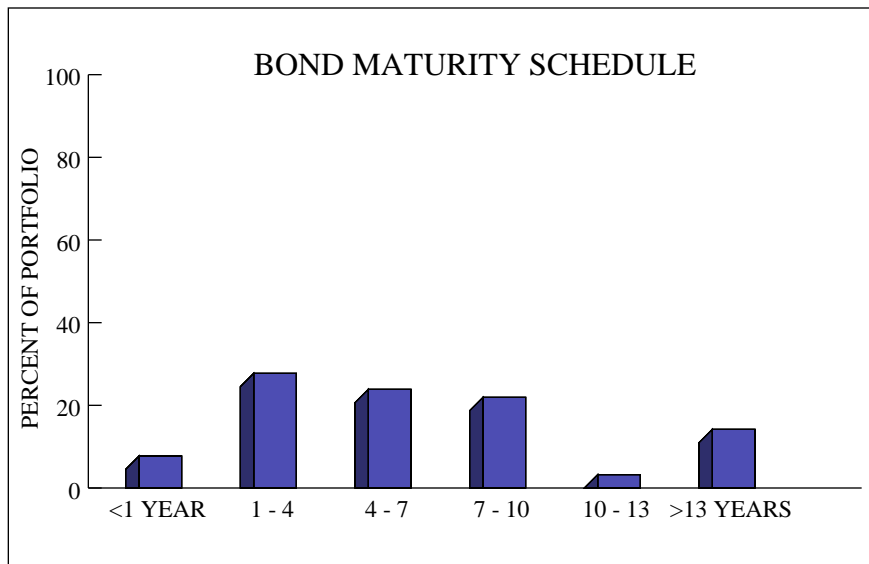
Core Fixed Income Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: BARCLAYS AGGREGATE INDEX**

Total Quarters Observed	21
Quarters At or Above the Benchmark	15
Quarters Below the Benchmark	6
Batting Average	.714

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	1.6	2.2	-0.6
6/08	-0.5	-1.0	0.5
9/08	-4.1	-0.5	-3.6
12/08	3.2	4.6	-1.4
3/09	0.1	0.1	0.0
6/09	6.5	1.8	4.7
9/09	5.6	3.7	1.9
12/09	0.7	0.2	0.5
3/10	2.1	1.8	0.3
6/10	3.2	3.5	-0.3
9/10	2.7	2.5	0.2
12/10	-1.3	-1.3	0.0
3/11	0.7	0.4	0.3
6/11	2.2	2.3	-0.1
9/11	2.5	3.8	-1.3
12/11	1.4	1.1	0.3
3/12	1.3	0.3	1.0
6/12	2.1	2.1	0.0
9/12	2.6	1.6	1.0
12/12	0.9	0.2	0.7
3/13	0.4	-0.1	0.5

BOND CHARACTERISTICS



	PORTFOLIO	BARCLAYS AGG
No. of Securities	164	8,286
Duration	6.55	5.26
YTM	2.62	1.86
Average Coupon	3.92	3.47
Avg Maturity / WAL	9.68	7.20
Average Quality	AAA-AA	USG-AAA