

Franklin Regional Retirement System

Performance Review
September 2018



DAHAB ASSOCIATES
New York Massachusetts Pennsylvania Florida

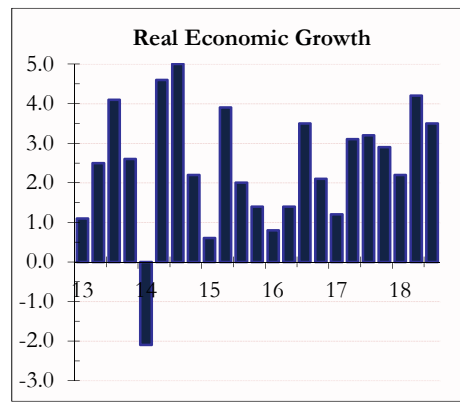
ECONOMIC ENVIRONMENT

Onward and Upward

How much better can it get? The economy generated surprisingly strong GDP growth: 4.2% for Q2 and 3.5% for Q3 (advance estimate). Part of the good news is based on both business and also consumer spending. Sustained job growth is also helping the consumer; the unemployment rate fell to a near record low of 3.7% in September. Repatriation of billions and billions of dollars of US company off-shore profits (now at low tax rates) has fueled the business side. Home sales growth continued, but at a lower rate because of higher prices, higher mortgage rates and limited supply.

That's not all. Corporate manufacturing and services continued to show healthy growth; almost all the component industry sectors were in growth territory. Consumer sentiment was just as positive with some of the best readings in the last decade. Still, business execs and consumers remained concerned about the Administration's increasing tariff levies. In September, the Federal Reserve Board once more raised the Fed funds rate 1/4%, to a range of 2.0%-2.25%. Chairman Powell sees the economy, jobs and inflation to have reached a level where higher rates are appropriate. Additional modest increases are likely in the next several months. A potential qualifier is that, in an unusual step, President Trump has loudly declared his own preference to keep rates low.

Commodity prices were down 2% for the quarter and down more than 5% excluding energy. While energy and livestock prices



of US company off-shore

advanced, virtually every other sector declined. Reasons for the decline were the dollar's strength, trade issues and concern regarding future China demand. Chances are that a burgeoning trade war would further depress commodity prices. While commodities and the housing market were facing a yellow light, all the other key economic signals were decidedly green. As a result, equity investors were decidedly "risk on."

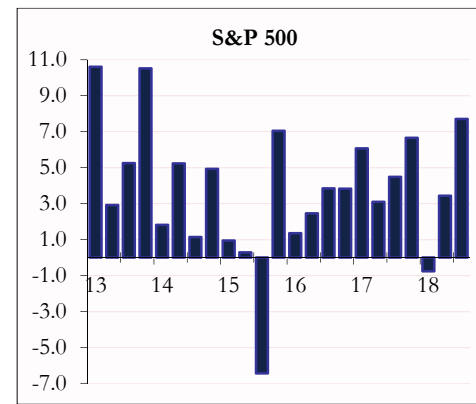
DOMESTIC EQUITIES

The Place to Be in Q3

Market volatility was relatively high, given the tariff uncertainty, the ongoing probe of Russian election interference, deteriorating relations with China and rapid increases in energy prices. In addition, Hurricane Florence and a Supreme Court nomination battle dominated the news during the end of the quarter. Yet all the major stock indices made striking gains as economic indicators and corporate profits were "full speed ahead."

Leading the pack was the Dow Jones Industrials, gaining a hefty 9.6% followed by the S&P 500 at 7.7%, and NASDAQ with 7.4%. In

every market capitalization category, growth stocks trounced their value counterparts. Among large-sized companies, the Russell 1000 Growth Index shot up 9.2% while the Russell 1000 Value side climbed a lesser 5.7%. The story was the same for small-caps; the Russell 2000 Growth Index rose 5.5% vs. only 1.6% for the Russell 2000 Value Index. Amazon (the first stock to reach \$1 Trillion in market



value), Apple (the second), Google, and Microsoft dominated the large-sized growth category. Facebook lost ground due to data breaches and slowing user growth.

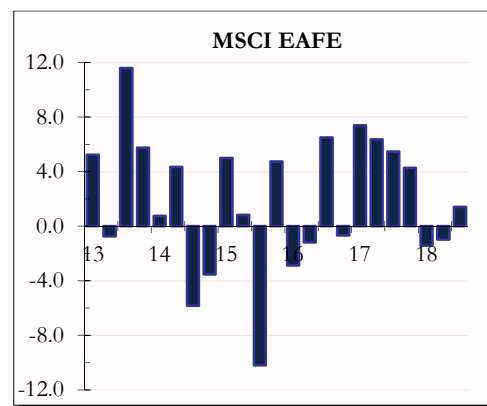
INTERNATIONAL EQUITIES

Developed Markets Weak

EM Weaker Still

European and Far Eastern economies were in positive territory for the quarter amid mostly solid corporate earnings and hints of inflation. European equities were dampened by US tariffs, and a lack of Brexit progress. Stocks in the Pacific region were impacted by a slowdown in the China economy. Investors, facing a somewhat questionable look ahead, were less than enthusiastic regarding the EAFE market.

The MSCI EAFE Index gained a modest 1.4% in Q3. The UK market retreated 1.7%, dominated by intransigent Brexit negotiations as



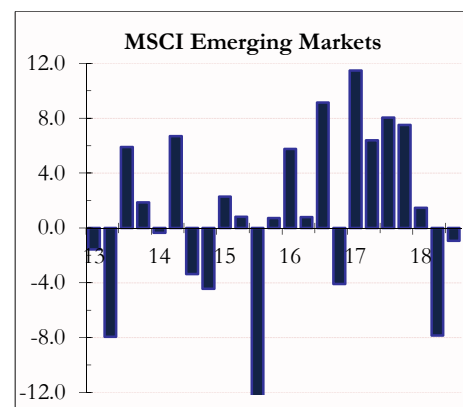
the issue of open borders with Ireland (-5.3%). The only major European countries to turn in positive numbers were France (+2.9%) and Norway (+6.8%). Emmanuel Macron's reform push provided a boost in French business sentiment. Norway's return was tied

directly to rising oil prices. Germany, the largest European market, lost 0.6%, Italy lost 4.3%, and Spain fell 2.3%.

In Australia, stocks fell 0.9% as political turbulence led to a Prime Minister change in August. The Japanese market made great strides, moving ahead 3.8%. Its market was favorably impacted by

a strong US economy since the US is Japan's major trading partner. Singapore stocks rose 2.2% due to an expanding manufacturing sector, increased government spending and higher wages. The Hong Kong Exchange dipped 1% due to an over-rich property market and falling Macau casino shares. Tech company sales growth drove the Israeli stock market (+5.2%). Canada was up 1%; the small gain reflected a full employment job market and hopes (later rewarded) that a new NAFTA Agreement would include Canada.

Emerging market (EM) returns, until recently the sweet spot for global investors, fell 1% for the quarter and 7.4% year-to-date. The



culprits are well-known: a growing tariff mentality, falling currencies, dampening China demand, growing populism and selective fiscal disasters — not a pretty picture.

Russia (+6.6%) surfaced as the best-performing BRIC country market on surging oil prices. The Brazilian market, in the midst of a national election, gained ground (+6.2%) from healthy oil and other commodity exports. India lost 2.3% as bank stocks were weak due to a spate of defaulted loans and costly oil imports. The big loser was China, which represents the largest part of the EM Index. Chinese stocks dropped 7.4% from a noticeable economic slowdown and the mounting tariff war with the US.

Turkey plummeted 20.5% as its economy nose-dived, its currency slumped and Prime Minister Erdogan moved ever closer to dictatorship. Korea gained 0.7%, as tech exports were healthy and North Korean military concerns had waned. Malaysia rose 3.8%

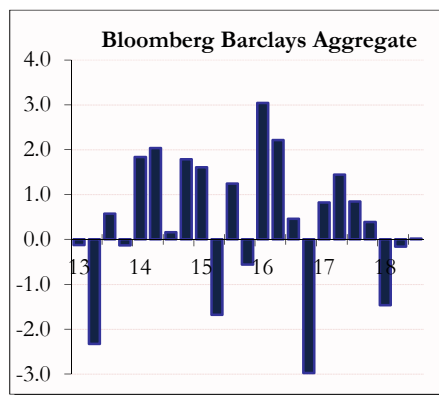
because of higher industrial productivity, strong exports and strong consumer spending. Taiwan moved up an unexpected 7.2% due to a boost in smart phone parts exports and a step up in government spending.

Mexico was the Latin American darling, with a 7% return. Investors were happy with the new NAFTA Agreement. In addition, oil sales climbed and public sentiment for newly elected President Obrador was high. By comparison, Argentina's market was in a deep slide (-9.1%) resulting from its treasury simply running out of money and having to borrow massively from the IMF.

BOND MARKET

Rising Rates Curbed Returns

In September, the Fed raised the Fed funds rate to a range of 2.0%-2.25%. The front-end of the Treasury yield curve rose accordingly, but rates rose along the rest of the yield curve as well. For example, the 10-year bond yield rose twenty basis points to 3.05% and the



30-year bond yield climbed 21 basis points to a near-term high of 3.20%. Aside from reacting to the latest Fed funds hike, investors dealt with a hint of US deficit-related inflation down the road and began to question the sustainability of 4% economic gains. Foreign buying of Treasuries wasn't enough to

hold down yields. The steep rise in interest rates curtailed performance in most bond sectors.

The Barclays Aggregate Index was flat for the quarter as falling prices totally offset the income from securities. The Treasury sector, representing almost 40% of the Index, did worse (-0.6%). On the other hand, investment grade US Credit returned +0.9% on the strength of corporate profits. Within this market, BBB issues gained a still higher 1.3%. Residential mortgage-backed debt was close to flat, while commercial mortgage paper and ABS (asset-backed securities) both earned 0.5%.

High yield bonds fared even better, garnering a 2.4% gain. Part of this advantage was that the high yield default rate was at a cyclical low. Major foreign bond markets fared poorly in US dollar terms, as the Euro, Japanese, UK and Australian exchange rates fell against the US dollar. Except for Canada and Switzerland, bond investors were better off staying "home." EM bond markets fared no better; the EM Global bond index retreated 1.8%.

CASH EQUIVALENTS

Another Fed Funds Hike - Beneficial for Savers

The 90-day T-bill earned 0.5% in Q3 and 1.3% so far this year. Risk-averse savers were at least earning enough to offset inflation and more than investment grade bond funds. Some banks were offering CDs for 1-year and longer maturities at more than 2% annualized return, suggesting that these same institutions could afford to accommodate such savers.

Economic Statistics

	Current Quarter	Previous Quarter
GDP	3.5%	4.2%
Unemployment	3.7%	4.0%
CPI All Items Year/Year	2.3%	2.9%
Fed Funds Rate	2.25%	2.0%
Industrial Capacity	78.1%	77.8%
US Dollars per Euro	1.16	1.17

Major Index Returns

Index	Quarter	12 Months
Russell 3000	7.1	17.6
S&P 500	7.7	17.9
Russell Midcap	5.0	14.0
Russell 2000	3.6	15.2
MSCI EAFE	1.4	3.2
MSCI Emg Markets	-0.9	-0.4
NCREIF ODCE	2.1	8.7
U.S. Aggregate	0.0	-1.2
90 Day T-bills	0.5	1.7

Domestic Equity Return Distributions

	Quarter			Trailing Year		
	VAL	COR	GRO	VAL	COR	GRO
LC	5.7	7.4	9.2	9.4	17.8	26.3
MC	3.3	5.0	7.4	8.8	14.0	21.1
SC	1.6	3.6	5.5	9.4	15.2	21.0

Market Summary

- The BEA's advance estimate of Q3 GDP is 3.5%.
- The unemployment rate dipped further to 3.7%.
- Inflation for all items was 2.3% over the last year.
- The US dollar continued to strengthen.
- The equity markets maintained a growth style bias across all capitalization sizes. Larger names outperformed mid- and small-sized stocks in Q3.

INVESTMENT RETURN

On September 30th, 2018, the Franklin Regional Retirement System was valued at \$153,097,783, representing an increase of \$8,177,566 from the June quarter's ending value of \$144,920,217. Last quarter, the Fund posted net contributions equaling \$3,458,955 plus a net investment gain equaling \$4,718,611. Total net investment return was the result of income receipts, which totaled \$840,025 and net realized and unrealized capital gains of \$3,878,586.

RELATIVE PERFORMANCE

Total Fund

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

For the third quarter, the Composite portfolio returned 3.2%, which was 0.7% below the Franklin Regional Policy Index's return of 3.9% and ranked in the 61st percentile of the Public Fund universe. Over the trailing year, the portfolio returned 9.5%, which was 0.1% above the benchmark's 9.4% return, ranking in the 31st percentile. Since September 2008, the portfolio returned 8.6% annualized and ranked in the 30th percentile. The Franklin Regional Policy Index returned an annualized 8.6% over the same period.

PRIT Core

The PRIT core portion of the portfolio returned 2.8% last quarter; that return was 0.8% greater than the Custom Core Index's return of 2.0% and ranked in the 76th percentile of the Public Fund universe. Over the trailing twelve-month period, this component returned 8.8%, 2.4% above the benchmark's 6.4% performance, ranking in the 47th percentile. Since September 2008, this component returned

8.0% on an annualized basis and ranked in the 59th percentile. The Custom Core Index returned an annualized 7.3% during the same period.

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.

During the third quarter, the domestic equity component returned 6.2%, which was 1.2% greater than the Franklin Regional Equity Index's return of 5.0% and ranked in the 46th percentile of the Domestic Equity universe. Over the trailing year, the domestic equity portfolio returned 17.0%, which was 1.0% greater than the benchmark's 16.0% return, and ranked in the 44th percentile. Since September 2008, this component returned 12.5% per annum and ranked in the 46th percentile. The Franklin Regional Equity Index returned an annualized 12.2% over the same time frame.

International Equity

For the third quarter, the international equity segment returned 0.7%, which was 0.7% less than the MSCI EAFE Index's return of 1.4% and ranked in the 39th percentile of the International Equity universe. Over the trailing twelve-month period, this segment's return was 3.6%, which was 0.4% above the benchmark's 3.2% return, ranking in the 32nd percentile.

Real Estate

During the third quarter, the real estate component returned 1.7%, which was 0.4% less than the NCREIF NFI-ODCE Index's return of 2.1%. Over the trailing year, this component returned 9.5%, which was 0.8% above the benchmark's 8.7% performance. Since September 2008, this component returned 4.6% per annum, while the NCREIF NFI-ODCE Index returned an annualized 5.6% over the same time frame.

Fixed Income

For the third quarter, the fixed income component gained 0.3%, which was 0.3% greater than the Bloomberg Barclays Aggregate Index's return of 0.0% and ranked in the 22nd percentile of the Core Fixed Income universe. Over the trailing twelve-month period, this segment returned -0.7%, which was 0.5% greater than the benchmark's -1.2% return, and ranked in the 42nd percentile. Since September 2008, this component returned 5.0% annualized and ranked in the 26th percentile. The Bloomberg Barclays Aggregate Index returned an annualized 3.8% over the same time frame.

ASSET ALLOCATION

On September 30th, 2018, PRIT core comprised 44.2% of the total portfolio (\$67.7 million), while domestic equities totaled 28.9% (\$44.2 million). The account's international equity segment was valued at \$7.5 million, representing 4.9% of the portfolio, while the real estate component's \$15.2 million totaled 10.0%. The portfolio's fixed income represented 11.3% and the remaining 0.8% was comprised of cash & equivalents (\$1.1 million).

Franklin Regional Retirement System
Total Fund Asset Allocation Analysis
As of September 30, 2018

Total Fund Assets \$ 153,097,783

Allocation by Manager						
	PRIT Fund Actual Allocation	FRRS Allocation	Target Allocation	Target Dollars	Actual Dollars	+/- Dollars
PRIT Core Fund	100.00%	44.2%	45.0%	\$ 68,894,002	\$ 67,726,377	\$ (1,167,625)
Domestic Equity	20.2%	8.9%			\$ 13,701,046	
Int'l Equity	16.4%	7.2%			\$ 11,093,581	
E.M. Int'l Equity	6.0%	2.6%			\$ 4,050,037	
Core Fixed	12.4%	5.5%			\$ 8,391,298	
Value Added	8.1%	3.6%			\$ 5,506,154	
Real Estate	9.1%	4.0%			\$ 6,163,100	
Timber	3.6%	1.6%			\$ 2,465,240	
Alternatives-Private Equity	10.8%	4.8%			\$ 7,300,903	
Hedge Funds	13.4%	5.9%			\$ 9,055,017	
Separate Accounts		55.8%	55.0%			
Polen Capital		7.2%	6.0%	\$ 9,185,867	\$ 11,090,342	\$ 1,904,475
O'Shaughnessy		6.6%	6.0%	\$ 9,185,867	\$ 10,078,230	\$ 892,363
Seizert		4.8%	5.0%	\$ 7,654,889	\$ 7,381,602	\$ (273,287)
Aberdeen		5.4%	5.0%	\$ 7,654,889	\$ 8,195,459	\$ 540,570
Systematic		5.3%	5.0%	\$ 7,654,889	\$ 8,130,683	\$ 475,794
PRIT International		4.9%	5.0%	\$ 7,654,889	\$ 7,508,505	\$ (146,384)
PRIT RE		10.0%	10.0%	\$ 15,309,778	\$ 15,243,989	\$ (65,789)
Loomis Sayles FI		11.3%	13.0%	\$ 19,902,712	\$ 17,263,974	\$ (2,638,738)
Cash		0.3%	0.0%	\$ -	\$ 478,622	\$ 478,622

*Includes Distressed Debt

Allocation by Asset Class						
	Actual Allocation (%)	Target Allocation (%)	+/- Percent	Actual Allocation (\$)	Target Allocation (\$)	+/- Dollars
Franklin Regional Total						
Domestic Equity	38.3%	35.0%	3.3%	\$ 58,577,362	\$ 53,584,224	\$ 4,993,138
Int'l Equity	14.8%	15.0%	-0.2%	\$ 22,652,123	\$ 22,964,667	\$ (312,545)
Fixed Income	20.4%	25.0%	-4.6%	\$ 31,161,427	\$ 38,274,446	\$ (7,113,019)
Real Estate	14.0%	14.0%	0.0%	\$ 21,407,089	\$ 21,433,690	\$ (26,600)
Timber	1.6%	2.0%	-0.4%	\$ 2,465,240	\$ 3,061,956	\$ (596,716)
Alternatives-Private Equity	4.8%	5.0%	-0.2%	\$ 7,300,903	\$ 7,654,889	\$ (353,986)
Hedge Funds	5.9%	4.0%	1.9%	\$ 9,055,017	\$ 6,123,911.32	\$ 2,931,105
Cash	0.3%	0.0%	0.3%	\$ 478,622	\$ -	\$ 478,622
	100.0%	100.0%		\$ 153,097,783	\$ 153,097,783	

EXECUTIVE SUMMARY

PERFORMANCE SUMMARY

	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Total Portfolio - Gross	3.2	5.6	9.5	11.0	9.0	8.6
<i>PUBLIC FUND RANK</i>	(61)	(27)	(31)	(24)	(14)	(30)
Total Portfolio - Net	3.0	5.2	9.0	10.4	8.4	8.0
Policy Index	3.9	5.2	9.4	10.9	9.0	8.6
PRIT Core - Gross	2.8	4.6	8.8	10.9	8.9	8.0
<i>PUBLIC FUND RANK</i>	(76)	(51)	(47)	(26)	(19)	(59)
Custom Core Idx	2.0	2.7	6.4	8.9	7.3	7.3
Domestic Equity - Gross	6.2	11.4	17.0	16.8	12.1	12.5
<i>DOMESTIC EQUITY RANK</i>	(46)	(37)	(44)	(43)	(56)	(46)
Custom Eq Index	5.0	10.4	16.0	16.9	12.3	12.2
PRIT Equity	7.1	11.3	18.3	17.2	13.4	11.3
S&P 500	7.7	10.6	17.9	17.3	13.9	12.0
S&P 400	3.9	7.5	14.2	15.7	11.9	12.5
Russell 3000	7.1	10.6	17.6	17.1	13.5	12.0
Russell 1000	7.4	10.5	17.8	17.1	13.7	12.1
Russell 1000G	9.2	17.1	26.3	20.6	16.6	14.3
Russell 1000V	5.7	3.9	9.4	13.5	10.7	9.8
Russell Mid	5.0	7.5	14.0	14.5	11.6	12.3
Russell 2000	3.6	11.5	15.2	17.1	11.1	11.1
International Equity - Gross	0.7	-0.8	3.6	10.4	---	---
<i>INTERNATIONAL EQUITY RANK</i>	(39)	(26)	(32)	(59)	---	---
MSCI EAFE	1.4	-1.0	3.2	9.8	4.9	5.9
Real Estate - Gross	1.7	6.7	9.5	9.1	10.5	4.6
NCREIF ODCE	2.1	6.5	8.7	8.8	10.7	5.6
Fixed Income - Gross	0.3	-1.2	-0.7	1.9	2.9	5.0
<i>CORE FIXED INCOME RANK</i>	(22)	(39)	(42)	(41)	(26)	(26)
Aggregate Index	0.0	-1.6	-1.2	1.3	2.2	3.8
PRIT Fixed	-1.0	-2.0	-0.4	2.2	3.9	4.8
Gov/Credit	0.1	-1.8	-1.4	1.4	2.2	4.0
Int Aggregate	0.1	-0.9	-0.9	0.9	1.7	3.3
Int Gov/Credit	0.2	-0.8	-1.0	0.9	1.5	3.2

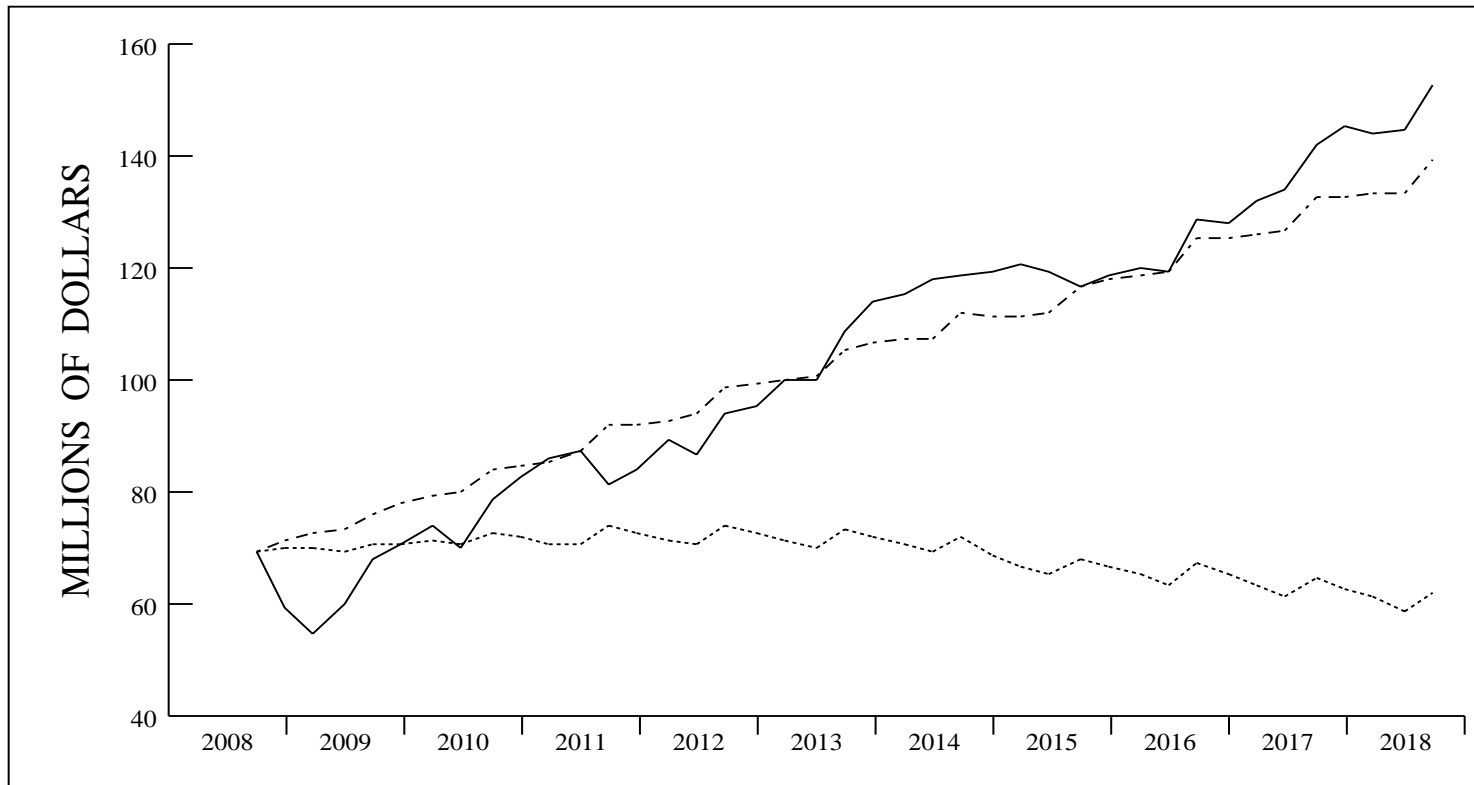
ASSET ALLOCATION

PRIT Core	44.2%	\$ 67,726,377
Domestic Equity	28.9%	44,206,490
Int'l Equity	4.9%	7,508,505
Real Estate	10.0%	15,243,989
Fixed Income	11.3%	17,263,974
Cash	0.8%	1,148,448
Total Portfolio	100.0%	\$ 153,097,783

INVESTMENT RETURN

Market Value 6/2018	\$ 144,920,217
Contribs / Withdrawals	3,458,955
Income	840,025
Capital Gains / Losses	3,878,586
Market Value 9/2018	\$ 153,097,783

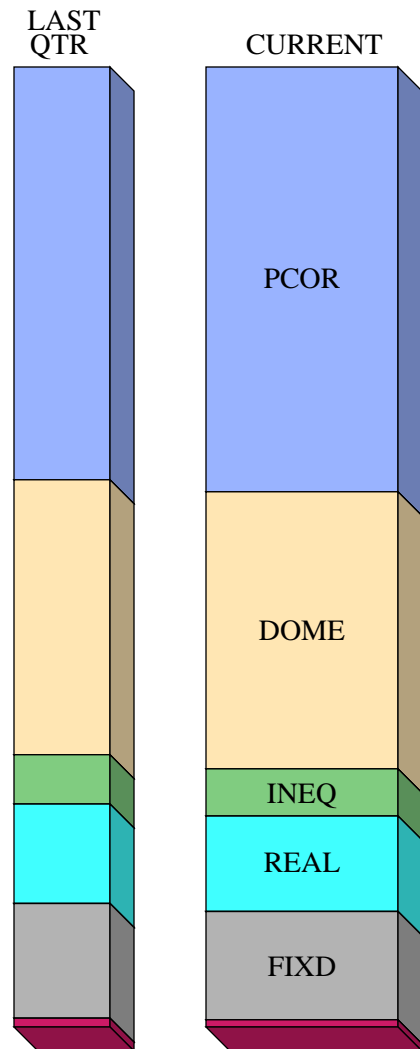
INVESTMENT GROWTH



— ACTUAL RETURN
 - - - 7.75%
 . . . 0.0%

VALUE ASSUMING
 7.75% RETURN \$ 139,978,643

	LAST QUARTER	PERIOD 9/08 - 9/18
BEGINNING VALUE	\$ 144,920,217	\$ 69,700,246
NET CONTRIBUTIONS	3,458,955	- 7,252,378
INVESTMENT RETURN	4,718,611	90,649,915
ENDING VALUE	\$ 153,097,783	\$ 153,097,783
INCOME	840,025	23,640,043
CAPITAL GAINS (LOSSES)	3,878,586	67,009,872
INVESTMENT RETURN	4,718,611	90,649,915








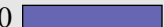


























	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>DIFFERENCE</u> + / -
■ PRIT CORE	\$ 67,726,377	44.2%	45.0%	-0.8%
■ DOMESTIC EQUITY	44,206,490	28.9%	27.0%	1.9%
■ INTERNATIONAL EQUITY	7,508,505	4.9%	5.0%	-0.1%
■ REAL ESTATE	15,243,989	10.0%	10.0%	0.0%
■ FIXED INCOME	17,263,974	11.3%	13.0%	-1.7%
■ CASH & EQUIVALENT	1,148,448	0.8%	0.0%	0.8%
<hr/>				
TOTAL FUND	\$ 153,097,783	100.0%		

MANAGER PERFORMANCE SUMMARY - GROSS OF FEES

Portfolio	(Universe)	Quarter	YTD	1 Year	3 Years	5 Years	Market Value	Pct
Composite	(Public Fund)	3.2 (61)	5.6 (27)	9.5 (31)	11.0 (24)	9.0 (14)	\$153,097,783	100.0
<i>Policy Index</i>		<i>3.9 ----</i>	<i>5.2 ----</i>	<i>9.4 ----</i>	<i>10.9 ----</i>	<i>9.0 ----</i>	<i>----</i>	<i>----</i>
PRIT Core Fund	(Public Fund)	2.8 (76)	4.6 (51)	8.8 (47)	10.9 (26)	8.9 (19)	\$67,726,377	44.2
<i>Custom Core Idx</i>		<i>2.0 ----</i>	<i>2.7 ----</i>	<i>6.4 ----</i>	<i>8.9 ----</i>	<i>7.3 ----</i>	<i>----</i>	<i>----</i>
Polen Capital	(LC Growth)	10.5 (8)	24.6 (6)	31.1 (13)	20.4 (27)	19.6 (5)	\$11,090,342	7.2
<i>Russell 1000G</i>		<i>9.2 ----</i>	<i>17.1 ----</i>	<i>26.3 ----</i>	<i>20.6 ----</i>	<i>16.6 ----</i>	<i>----</i>	<i>----</i>
O'Shaughnessy	(LC Value)	5.4 (55)	7.6 (24)	17.1 (11)	16.9 (12)	12.3 (32)	\$10,078,230	6.6
<i>Russell 1000V</i>		<i>5.7 ----</i>	<i>3.9 ----</i>	<i>9.4 ----</i>	<i>13.5 ----</i>	<i>10.7 ----</i>	<i>----</i>	<i>----</i>
Seizert Capital	(Mid Cap)	3.7 (75)	5.6 (71)	8.7 (86)	12.5 (86)	8.5 (96)	\$7,381,602	4.8
<i>Russell Mid</i>		<i>5.0 ----</i>	<i>7.5 ----</i>	<i>14.0 ----</i>	<i>14.5 ----</i>	<i>11.6 ----</i>	<i>----</i>	<i>----</i>
Aberdeen SC Core	(Small Cap)	6.6 (26)	7.2 (69)	11.3 (69)	----	----	\$8,195,459	5.4
Systematic	(Small Cap)	2.7 (66)	8.9 (59)	12.2 (63)	14.6 (75)	----	\$8,130,683	5.3
<i>Russell 2000</i>		<i>3.6 ----</i>	<i>11.5 ----</i>	<i>15.2 ----</i>	<i>17.1 ----</i>	<i>11.1 ----</i>	<i>----</i>	<i>----</i>
PRIT Int'l Eq.	(Intl Eq)	0.7 (39)	-0.8 (26)	3.6 (32)	10.4 (59)	----	\$7,508,505	4.9
<i>MSCI EAFE</i>		<i>1.4 ----</i>	<i>-1.0 ----</i>	<i>3.2 ----</i>	<i>9.8 ----</i>	<i>4.9 ----</i>	<i>----</i>	<i>----</i>
PRIT Core R.E.		1.7 ----	6.7 ----	9.5 ----	9.1 ----	10.5 ----	\$15,243,989	10.0
<i>NCREIF ODCE</i>		<i>2.1 ----</i>	<i>6.5 ----</i>	<i>8.7 ----</i>	<i>8.8 ----</i>	<i>10.7 ----</i>	<i>----</i>	<i>----</i>
Loomis Core FI	(Core Fixed)	----	----	----	----	----	\$17,263,974	11.3
<i>Aggregate Index</i>		<i>0.0 ----</i>	<i>-1.6 ----</i>	<i>-1.2 ----</i>	<i>1.3 ----</i>	<i>2.2 ----</i>	<i>----</i>	<i>----</i>

MANAGER VALUE ADDED

Portfolio	Benchmark	1 Quarter	1 Year	3 Years	5 Years
PRIT Core Fund	Custom Core Idx	0.8 	2.4 	2.0 	1.6 
Polen Capital	Russell 1000G	1.3 	4.8 	-0.2 	3.0 
O'Shaughnessy	Russell 1000V	-0.3 	7.7 	3.4 	1.6 
Seizert Capital	Russell Mid	-1.3 	-5.3 	-2.0 	-3.1 
Aberdeen SC Core	Russell 2000	3.0 	-3.9 	N/A	N/A
Systematic	Russell 2000	-0.9 	-3.0 	-2.5 	N/A
PRIT Int'l Eq.	MSCI EAFE	-0.7 	0.4 	0.6 	N/A
PRIT Core R.E.	NCREIF ODCE	-0.4 	0.8 	0.3 	-0.2 
Total Portfolio	Policy Index	-0.7 	0.1 	0.1 	0.0 

MANAGER RISK STATISTICS SUMMARY - THREE YEAR HISTORY

Manager	Benchmark	Alpha	Batting Average	Sharpe Ratio	Information Ratio	Up Capture	Down Capture
Composite	Policy Index	2.48	.500	3.95	0.11	99.1	----
PRIT Core Fund	Custom Core Idx	1.77	.917	3.27	3.28	121.7	61.8
Polen Capital	Russell 1000G	-2.97	.583	2.48	0.01	99.4	----
O'Shaughnessy	Russell 1000V	9.32	.667	2.54	0.57	116.4	10.3
Seizert Capital	Russell Mid	1.12	.333	1.42	-0.21	81.5	----
Systematic	Russell 2000	-0.17	.250	1.92	-0.49	78.0	----
PRIT Int'l Eq.	MSCI EAFE	0.63	.833	1.35	0.53	102.5	88.1
PRIT Core R.E.	NCREIF ODCE	0.85	.667	3.77	0.15	103.3	----

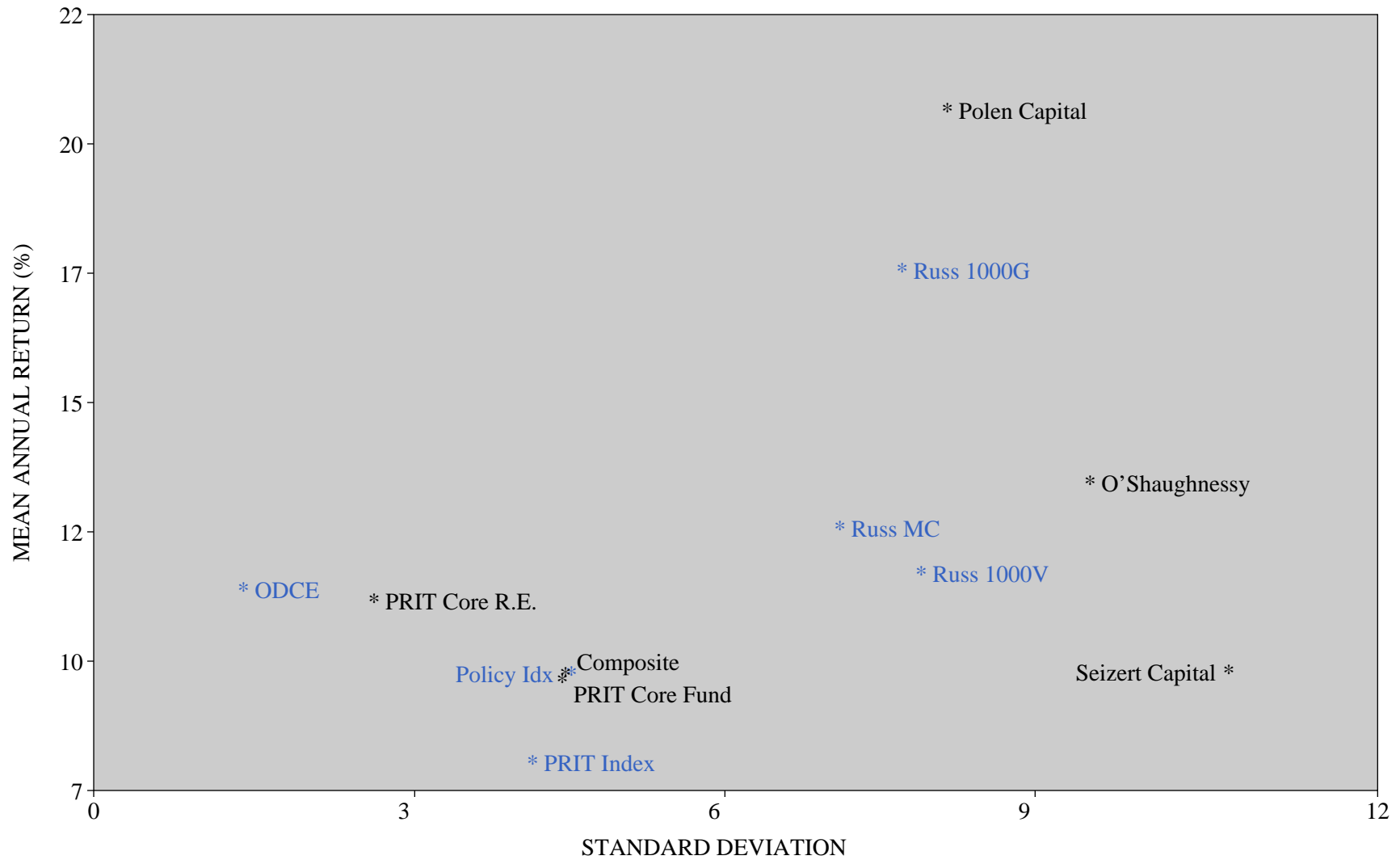
MANAGER RISK STATISTICS SUMMARY - FIVE YEAR HISTORY

Manager	Benchmark	Alpha	Batting Average	Sharpe Ratio	Information Ratio	Up Capture	Down Capture
Composite	Policy Index	0.42	.500	1.96	-0.02	99.8	99.6
PRIT Core Fund	Custom Core Idx	1.22	.850	1.94	1.82	118.8	98.5
Polen Capital	Russell 1000G	5.49	.600	2.45	0.65	108.8	----
O'Shaughnessy	Russell 1000V	2.24	.600	1.32	0.31	102.5	56.0
Seizert Capital	Russell Mid	-4.96	.300	0.81	-0.41	83.0	126.9
PRIT Core R.E.	NCREIF ODCE	4.85	.550	3.88	-0.08	97.8	----

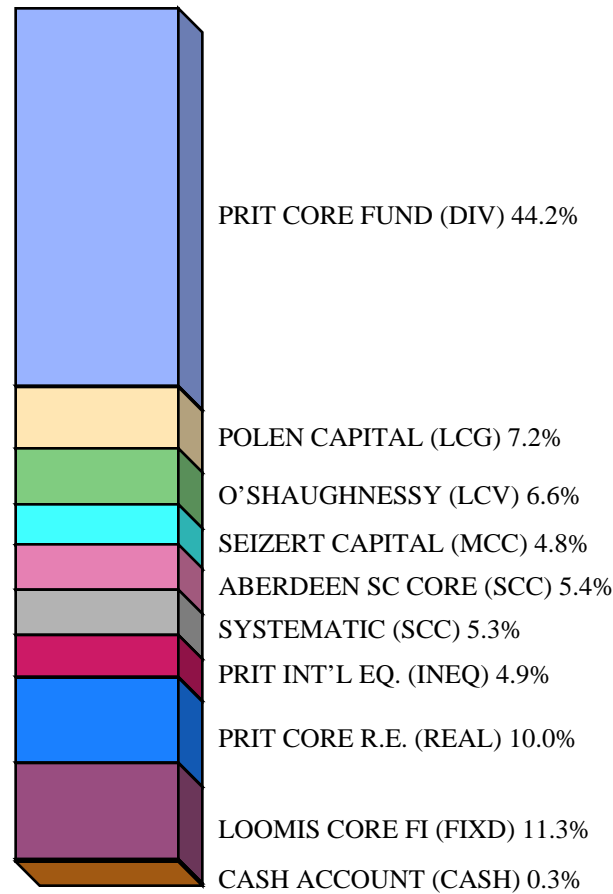
MANAGER RISK STATISTICS SUMMARY - TEN YEAR HISTORY

Manager	Benchmark	Alpha	Batting Average	Sharpe Ratio	Information Ratio	Up Capture	Down Capture
Composite	Policy Index	-0.18	.525	0.87	0.00	101.6	104.5
PRIT Core Fund	Custom Core Idx	-0.06	.800	0.81	0.53	111.1	112.0

RISK-RETURN SUMMARY - 5 YEAR HISTORY



MANAGER ALLOCATION AND TARGET SUMMARY



Name	Market Value	Percent	Target
PRIT Core Fund (DIV)	\$67,726,377	44.2	45.0
Polen Capital (LCG)	\$11,090,342	7.2	6.0
O'Shaughnessy (LCV)	\$10,078,230	6.6	6.0
Seizert Capital (MCC)	\$7,381,602	4.8	5.0
Aberdeen SC Core (SCC)	\$8,195,459	5.4	5.0
Systematic (SCC)	\$8,130,683	5.3	5.0
PRIT Int'l Eq. (INEQ)	\$7,508,505	4.9	5.0
PRIT Core R.E. (REAL)	\$15,243,989	10.0	10.0
Loomis Core FI (FIXD)	\$17,263,974	11.3	13.0
Cash Account (CASH)	\$478,622	0.3	0.0
Total Portfolio	\$153,097,783	100.0	100.0

INVESTMENT RETURN SUMMARY - ONE QUARTER

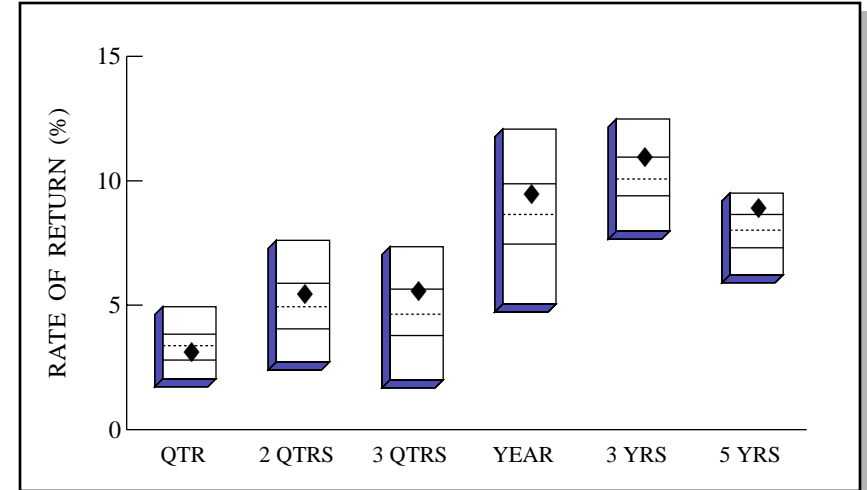
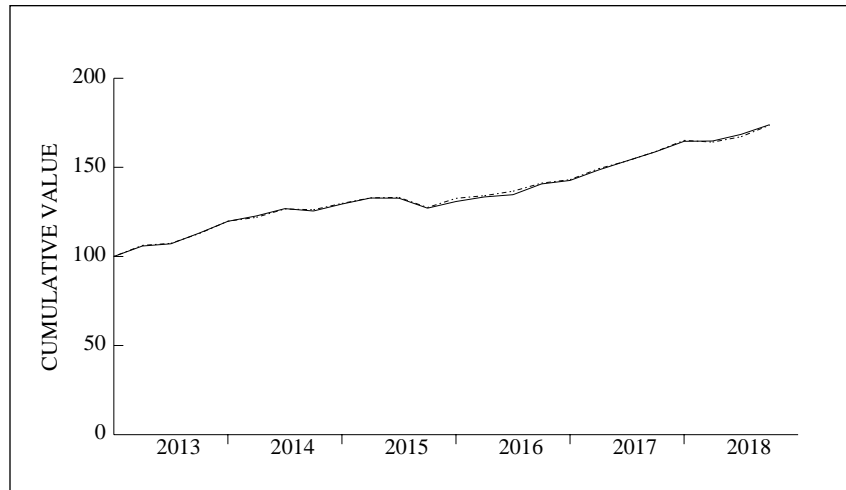
Name	Quarter Total Return	Market Value June 30th, 2018	Net Cashflow	Net Investment Return	Market Value September 30th, 2018
PRIT Core Fund (DIV)	2.8	62,312,031	3,612,980	1,801,366	67,726,377
Polen Capital (LCG)	10.5	10,035,644	0	1,054,698	11,090,342
O'Shaughnessy (LCV)	5.4	9,559,188	-24	519,066	10,078,230
Seizert Capital (MCC)	3.7	7,120,443	0	261,159	7,381,602
Aberdeen SC Core (SCC)	6.6	7,686,849	0	508,610	8,195,459
Systematic (SCC)	2.7	7,917,694	61	212,928	8,130,683
PRIT Int'l Eq. (INEQ)	0.7	7,458,535	-4,325	54,295	7,508,505
PRIT Core R.E. (REAL)	1.7	15,010,063	-19,003	252,929	15,243,989
IR&M (FIXD)	---	17,293,119	-17,310,614	17,495	0
Loomis Core FI (FIXD)	---	0	17,229,446	34,528	17,263,974
Cash Account (CASH)	---	526,651	-49,566	1,537	478,622
Total Portfolio	3.2	144,920,217	3,458,955	4,718,611	153,097,783

MANAGER FEE SUMMARY - ONE QUARTER

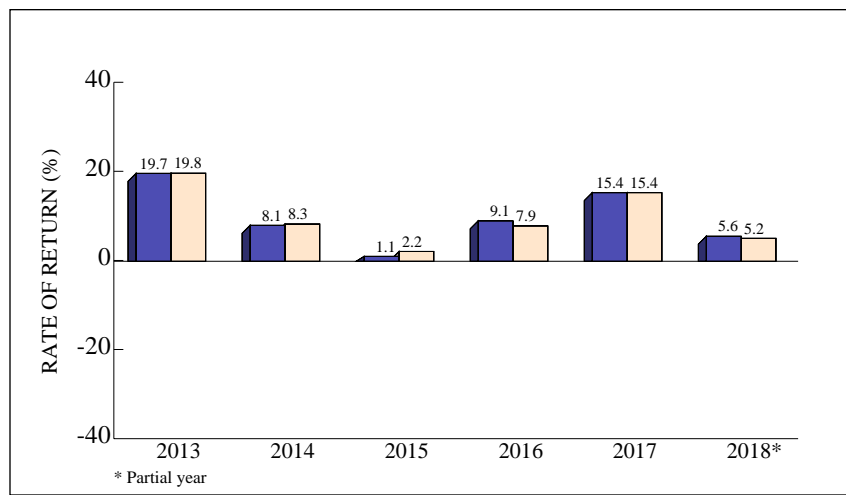
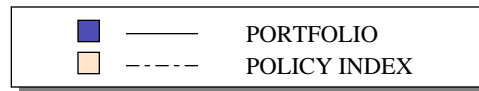
ALL FEES ARE ESTIMATED / ACCRUED

PORTFOLIO	MARKET VALUE	GROSS RETURN	FEE	FEE PCT	NET RETURN
PRIT Core Fund (DIV)	\$67,726,377	2.8	\$85,019	0.14	2.7
Polen Capital (LCG)	\$11,090,342	10.5	\$18,170	0.18	10.3
O'Shaughnessy (LCV)	\$10,078,230	5.4	\$13,829	0.14	5.3
Seizert Capital (MCC)	\$7,381,602	3.7	\$12,866	0.18	3.5
Aberdeen SC Core (SCC)	\$8,195,459	6.6	\$10,762	0.14	6.5
Systematic (SCC)	\$8,130,683	2.7	\$16,364	0.21	2.5
PRIT Int'l Eq. (INEQ)	\$7,508,505	0.7	\$4,325	0.06	0.7
PRIT Core R.E. (REAL)	\$15,243,989	1.7	\$19,003	0.13	1.6
Loomis Core FI (FIXD)	\$17,263,974	----	\$9,724	0.00	----
Total Portfolio	\$153,097,783	3.2	\$190,062	0.13	3.0

TOTAL RETURN COMPARISONS



Public Fund Universe

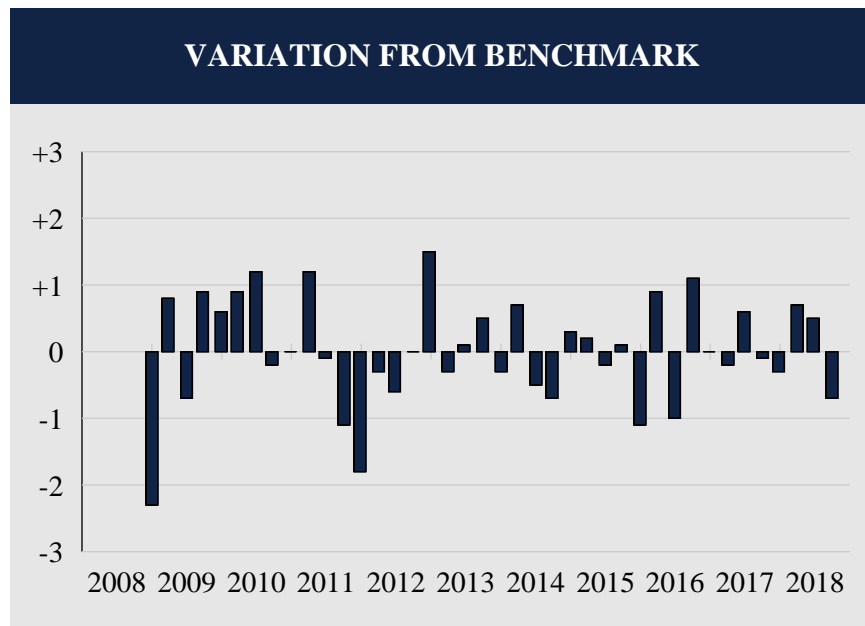


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	3.2	5.5	5.6	9.5	11.0	9.0
(RANK)	(61)	(34)	(27)	(31)	(24)	(14)
5TH %ILE	4.9	7.6	7.4	12.1	12.5	9.5
25TH %ILE	3.8	5.9	5.7	9.9	11.0	8.7
MEDIAN	3.4	4.9	4.6	8.7	10.1	8.0
75TH %ILE	2.8	4.1	3.8	7.5	9.4	7.3
95TH %ILE	2.1	2.7	2.0	5.1	8.0	6.2
Policy Idx	3.9	5.8	5.2	9.4	10.9	9.0

Public Fund Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: FRANKLIN REGIONAL POLICY INDEX

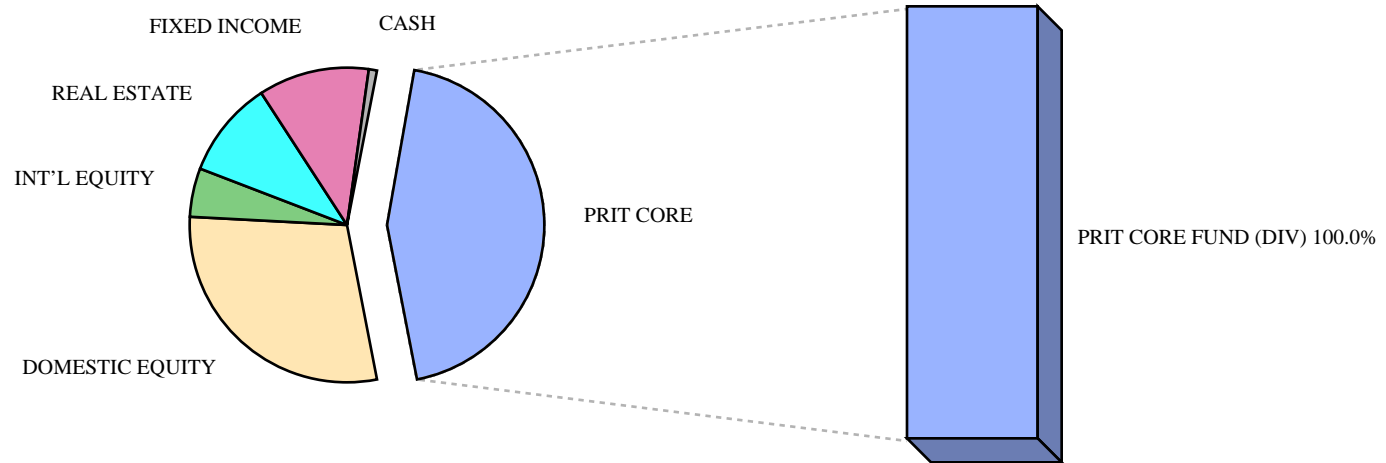


Total Quarters Observed	40
Quarters At or Above the Benchmark	21
Quarters Below the Benchmark	19
Batting Average	.525

RATES OF RETURN

Date	Portfolio	Benchmark	Difference
12/08	-15.5	-13.2	-2.3
3/09	-7.4	-8.2	0.8
6/09	10.7	11.4	-0.7
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
6/13	1.1	1.0	0.1
9/13	5.7	5.2	0.5
12/13	5.8	6.1	-0.3
3/14	2.5	1.8	0.7
6/14	3.3	3.8	-0.5
9/14	-1.1	-0.4	-0.7
12/14	3.1	2.8	0.3
3/15	2.6	2.4	0.2
6/15	0.0	0.2	-0.2
9/15	-4.2	-4.3	0.1
12/15	2.9	4.0	-1.1
3/16	2.0	1.1	0.9
6/16	0.9	1.9	-1.0
9/16	4.5	3.4	1.1
12/16	1.4	1.4	0.0
3/17	4.1	4.3	-0.2
6/17	3.5	2.9	0.6
9/17	3.3	3.4	-0.1
12/17	3.7	4.0	-0.3
3/18	0.1	-0.6	0.7
6/18	2.3	1.8	0.5
9/18	3.2	3.9	-0.7

PRIT CORE MANAGER SUMMARY



TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
PRIT CORE FUND	(Public Fund)	2.8 (76)	4.6 (51)	8.8 (47)	10.9 (26)	8.9 (19)	\$67,726,377
<i>Custom Core Index</i>		2.0 ---	2.7 ---	6.4 ---	8.9 ---	7.3 ---	---

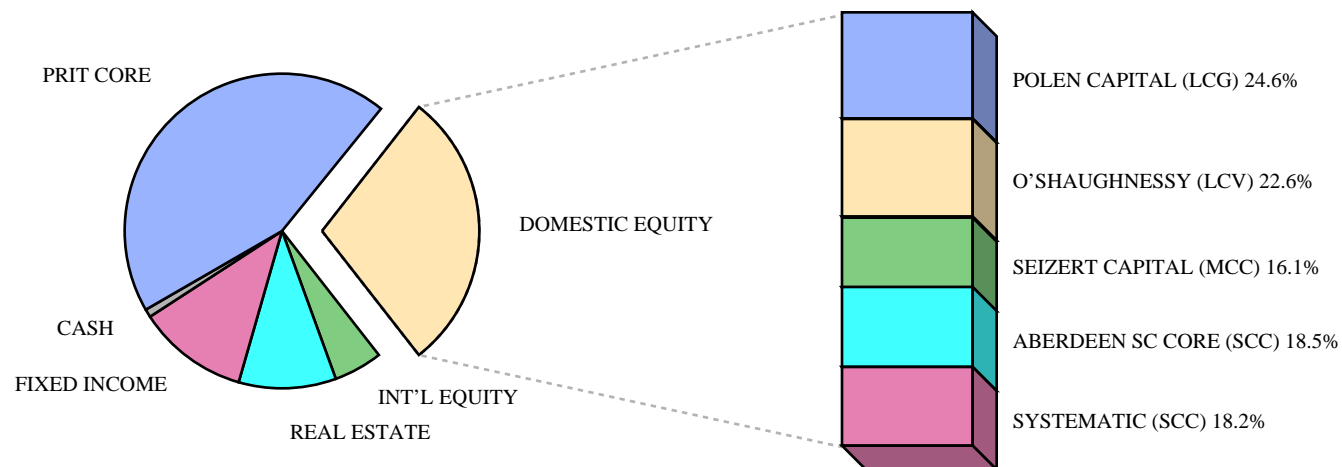
PRIT CORE QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: CUSTOM CORE INDEX****VARIATION FROM BENCHMARK**

Total Quarters Observed	40
Quarters At or Above the Benchmark	32
Quarters Below the Benchmark	8
Batting Average	.800

RATES OF RETURN

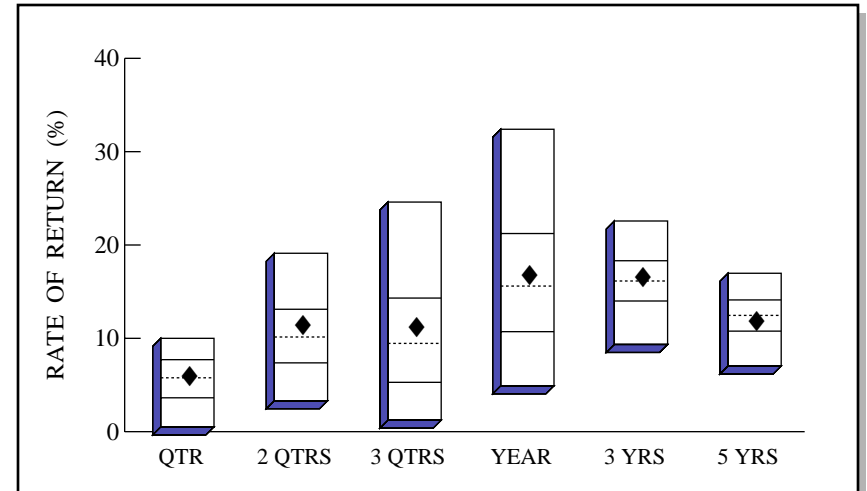
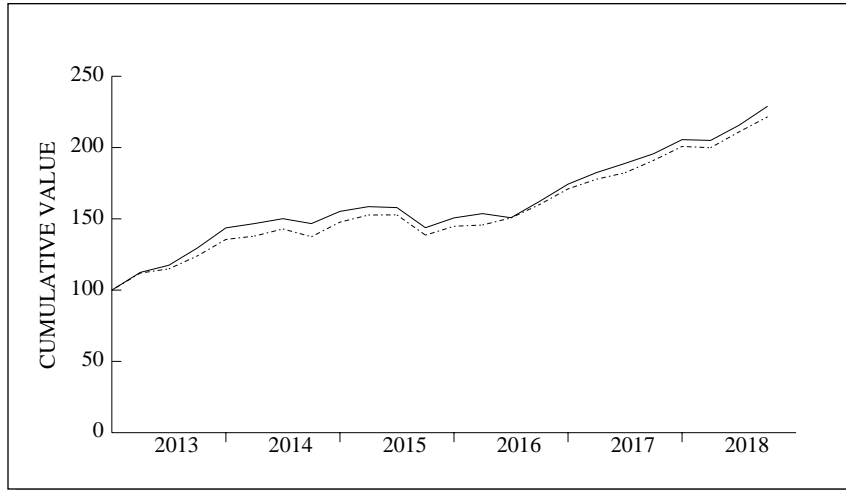
Date	Portfolio	Benchmark	Difference
12/08	-16.3	-13.1	-3.2
3/09	-8.1	-7.9	-0.2
6/09	11.7	11.6	0.1
9/09	11.5	10.3	1.2
12/09	2.9	2.9	0.0
3/10	3.5	3.1	0.4
6/10	-5.0	-4.9	-0.1
9/10	8.9	8.8	0.1
12/10	6.1	5.8	0.3
3/11	4.3	4.1	0.2
6/11	1.7	1.6	0.1
9/11	-9.0	-7.6	-1.4
12/11	3.7	3.7	0.0
3/12	7.3	6.8	0.5
6/12	-1.5	-1.2	-0.3
9/12	4.4	4.0	0.4
12/12	3.1	2.8	0.3
3/13	4.6	4.0	0.6
6/13	0.2	0.1	0.1
9/13	5.1	4.7	0.4
12/13	4.9	4.6	0.3
3/14	2.7	2.1	0.6
6/14	4.1	3.5	0.6
9/14	-0.8	-0.5	-0.3
12/14	2.1	1.0	1.1
3/15	2.7	2.7	0.0
6/15	0.0	0.7	-0.7
9/15	-3.9	-4.2	0.3
12/15	2.4	2.2	0.2
3/16	2.0	1.1	0.9
6/16	1.9	2.2	-0.3
9/16	4.3	3.9	0.4
12/16	-0.2	-0.3	0.1
3/17	4.9	4.2	0.7
6/17	3.9	3.3	0.6
9/17	4.0	3.4	0.6
12/17	4.0	3.6	0.4
3/18	0.6	0.0	0.6
6/18	1.1	0.7	0.4
9/18	2.8	2.0	0.8

DOMESTIC EQUITY MANAGER SUMMARY

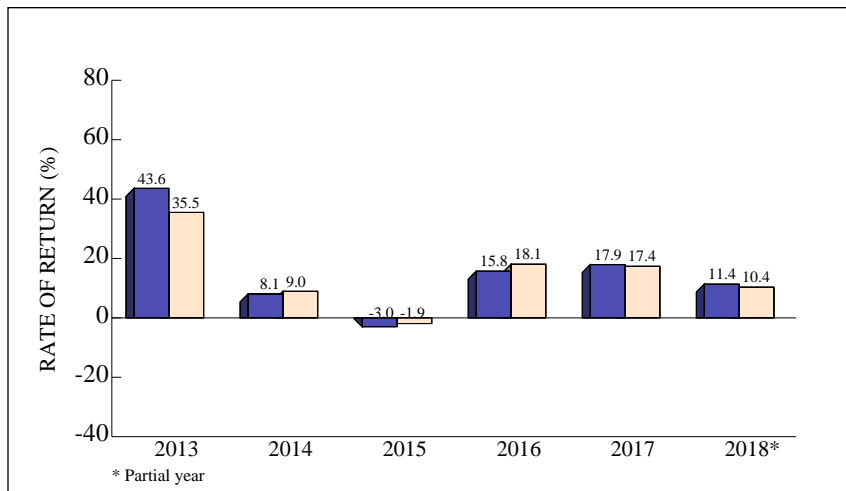


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
POLEN CAPITAL	(Large Cap Growth)	10.5 (8)	24.6 (6)	31.1 (13)	20.4 (27)	19.6 (5)	\$11,090,342
<i>Russell 1000 Growth</i>		<i>9.2 ----</i>	<i>17.1 ----</i>	<i>26.3 ----</i>	<i>20.6 ----</i>	<i>16.6 ----</i>	<i>----</i>
O'SHAUGHNESSY	(Large Cap Value)	5.4 (55)	7.6 (24)	17.1 (11)	16.9 (12)	12.3 (32)	\$10,078,230
<i>Russell 1000 Value</i>		<i>5.7 ----</i>	<i>3.9 ----</i>	<i>9.4 ----</i>	<i>13.5 ----</i>	<i>10.7 ----</i>	<i>----</i>
SEIZERT CAPITAL	(Mid Cap)	3.7 (75)	5.6 (71)	8.7 (86)	12.5 (86)	8.5 (96)	\$7,381,602
<i>Russell Mid Cap</i>		<i>5.0 ----</i>	<i>7.5 ----</i>	<i>14.0 ----</i>	<i>14.5 ----</i>	<i>11.6 ----</i>	<i>----</i>
ABERDEEN SC CORE	(Small Cap)	6.6 (26)	7.2 (69)	11.3 (69)	----	----	\$8,195,459
SYSTEMATIC	(Small Cap)	2.7 (66)	8.9 (59)	12.2 (63)	14.6 (75)	----	\$8,130,683
<i>Russell 2000</i>		<i>3.6 ----</i>	<i>11.5 ----</i>	<i>15.2 ----</i>	<i>17.1 ----</i>	<i>11.1 ----</i>	<i>----</i>

DOMESTIC EQUITY RETURN COMPARISONS



Domestic Equity Universe



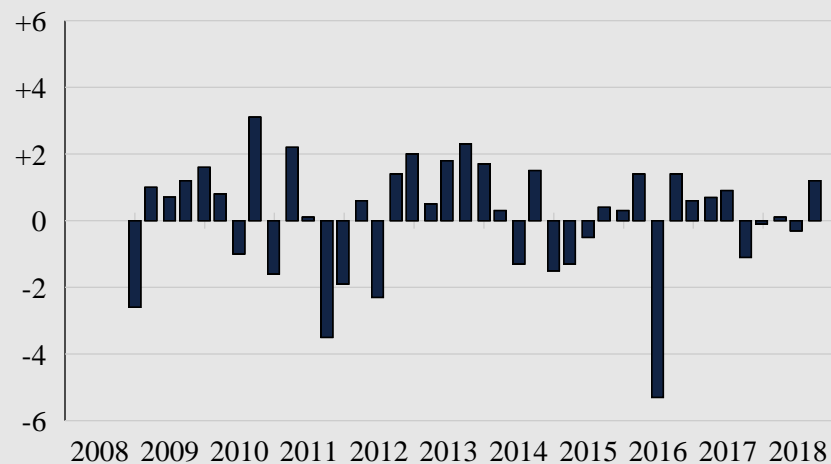
	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	6.2	11.7	11.4	17.0	16.8	12.1
(RANK)	(46)	(34)	(37)	(44)	(43)	(56)
5TH %ILE	10.0	19.1	24.6	32.4	22.6	17.0
25TH %ILE	7.7	13.1	14.3	21.2	18.3	14.1
MEDIAN	5.8	10.1	9.5	15.6	16.1	12.5
75TH %ILE	3.6	7.4	5.3	10.7	14.0	10.8
95TH %ILE	0.5	3.3	1.2	4.9	9.4	7.0
Equity Index	5.0	10.8	10.4	16.0	16.9	12.3

Domestic Equity Universe

DOMESTIC EQUITY QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: FRANKLIN REGIONAL EQUITY INDEX

VARIATION FROM BENCHMARK

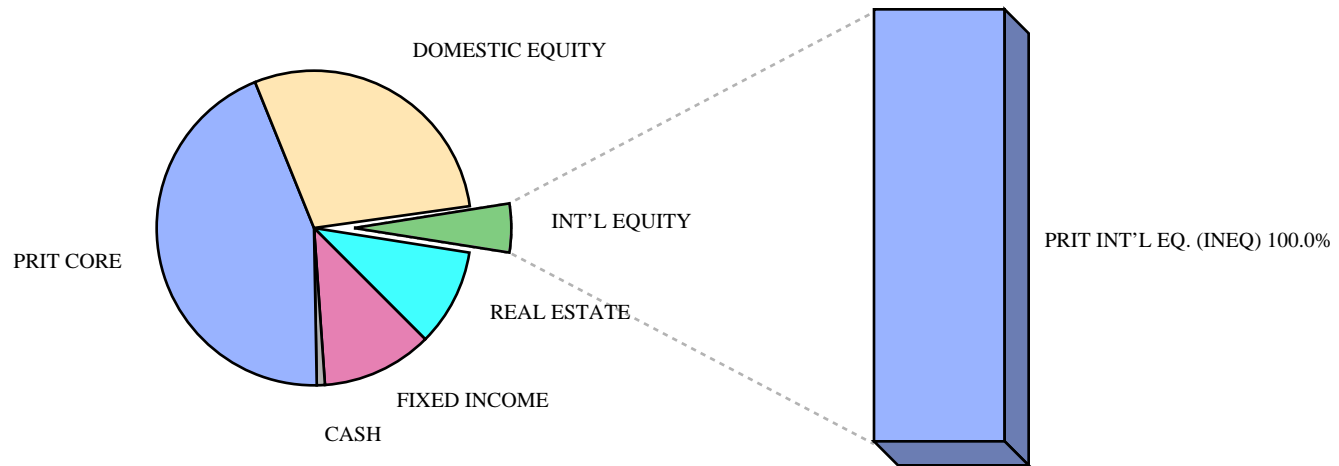


Total Quarters Observed	40
Quarters At or Above the Benchmark	26
Quarters Below the Benchmark	14
Batting Average	.650

RATES OF RETURN

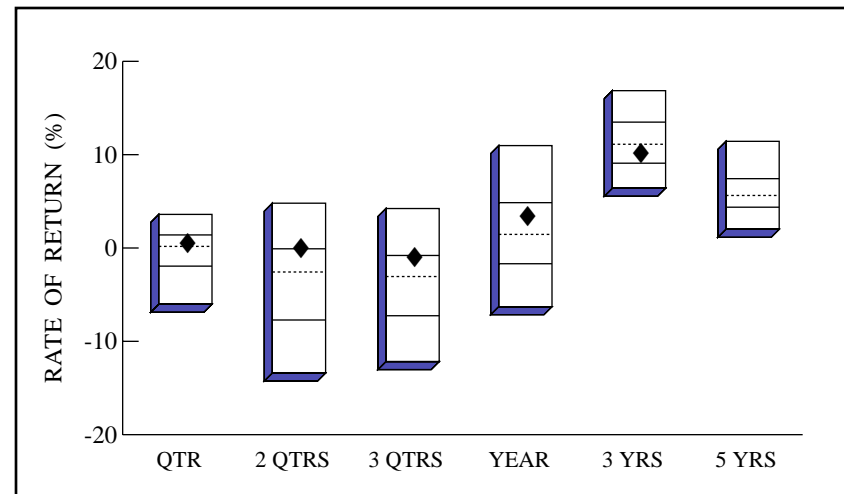
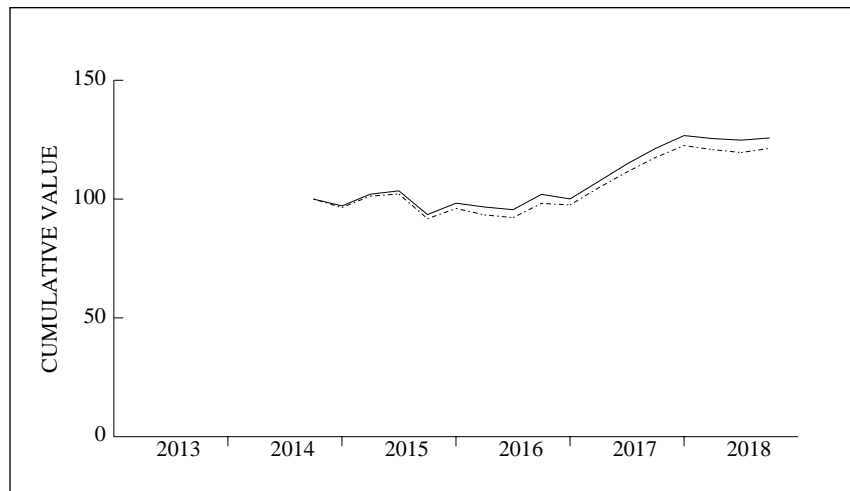
Date	Portfolio	Benchmark	Difference
12/08	-25.7	-23.1	-2.6
3/09	-10.4	-11.4	1.0
6/09	20.1	19.4	0.7
9/09	19.8	18.6	1.2
12/09	6.6	5.0	1.6
3/10	8.5	7.7	0.8
6/10	-11.2	-10.2	-1.0
9/10	14.8	11.7	3.1
12/10	12.2	13.8	-1.6
3/11	9.8	7.6	2.2
6/11	-0.7	-0.8	0.1
9/11	-22.3	-18.8	-3.5
12/11	11.8	13.7	-1.9
3/12	13.3	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
6/13	4.4	2.6	1.8
9/13	10.3	8.0	2.3
12/13	10.9	9.2	1.7
3/14	2.1	1.8	0.3
6/14	2.3	3.6	-1.3
9/14	-2.3	-3.8	1.5
12/14	5.9	7.4	-1.5
3/15	2.1	3.4	-1.3
6/15	-0.4	0.1	-0.5
9/15	-9.0	-9.4	0.4
12/15	4.8	4.5	0.3
3/16	2.0	0.6	1.4
6/16	-1.9	3.4	-5.3
9/16	7.6	6.2	1.4
12/16	7.5	6.9	0.6
3/17	4.7	4.0	0.7
6/17	3.5	2.6	0.9
9/17	3.6	4.7	-1.1
12/17	5.0	5.1	-0.1
3/18	-0.3	-0.4	0.1
6/18	5.2	5.5	-0.3
9/18	6.2	5.0	1.2

INTERNATIONAL EQUITY MANAGER SUMMARY

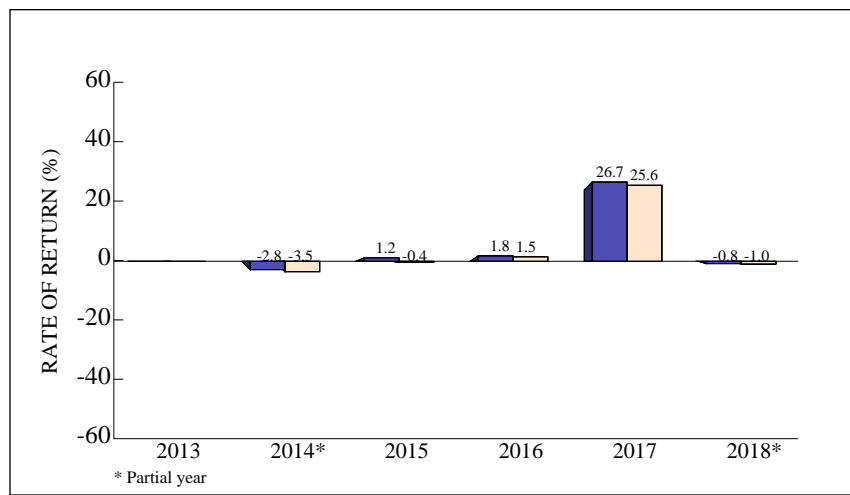


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
PRIT INT'L EQ.	(International Equity)	0.7 (39)	-0.8 (26)	3.6 (32)	10.4 (59)	---- ----	\$7,508,505
<i>MSCI EAFE</i>		<i>1.4 ----</i>	<i>-1.0 ----</i>	<i>3.2 ----</i>	<i>9.8 ----</i>	<i>4.9 ----</i>	----

INTERNATIONAL EQUITY RETURN COMPARISONS



International Equity Universe



* Partial year

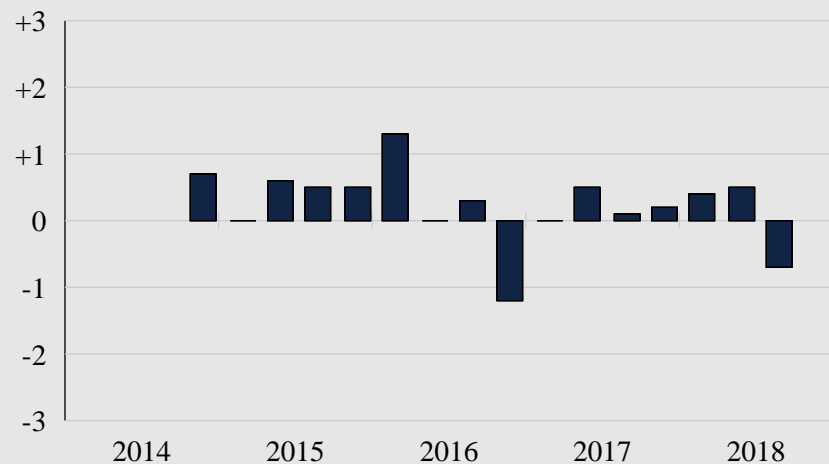
	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.7	0.2	-0.8	3.6	10.4	---
(RANK)	(39)	(23)	(26)	(32)	(59)	---
5TH %ILE	3.6	4.8	4.2	11.0	16.9	11.4
25TH %ILE	1.4	-0.1	-0.8	4.9	13.5	7.4
MEDIAN	0.2	-2.6	-3.1	1.5	11.1	5.6
75TH %ILE	-1.9	-7.7	-7.3	-1.7	9.1	4.4
95TH %ILE	-6.0	-13.4	-12.2	-6.3	6.4	2.0
MSCI EAFE	1.4	0.4	-1.0	3.2	9.8	4.9

International Equity Universe

INTERNATIONAL EQUITY QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: MSCI EAFE

VARIATION FROM BENCHMARK

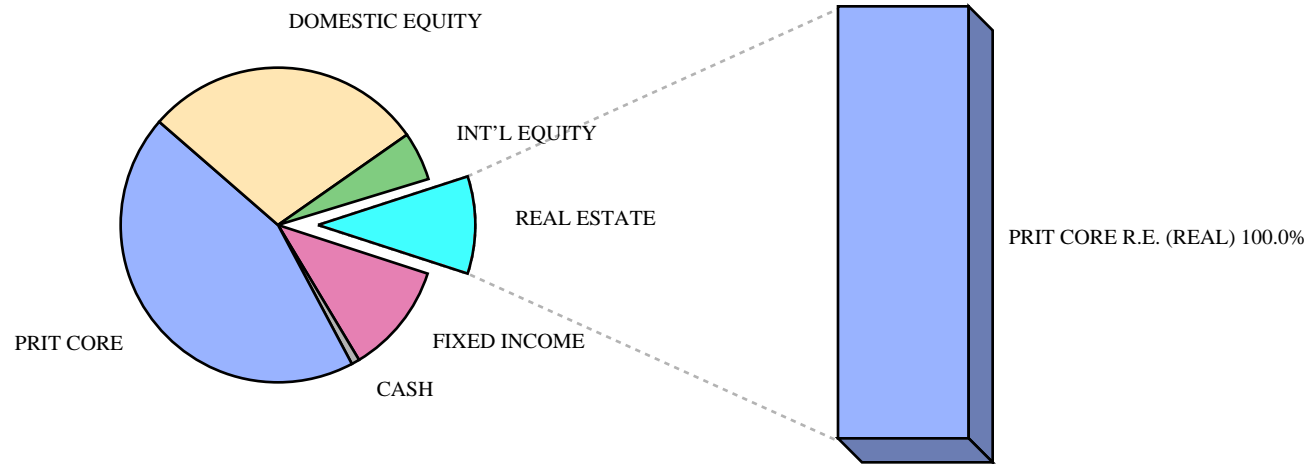


Total Quarters Observed	16
Quarters At or Above the Benchmark	14
Quarters Below the Benchmark	2
Batting Average	.875

RATES OF RETURN

Date	Portfolio	Benchmark	Difference
12/14	-2.8	-3.5	0.7
3/15	5.0	5.0	0.0
6/15	1.4	0.8	0.6
9/15	-9.7	-10.2	0.5
12/15	5.2	4.7	0.5
3/16	-1.6	-2.9	1.3
6/16	-1.2	-1.2	0.0
9/16	6.8	6.5	0.3
12/16	-1.9	-0.7	-1.2
3/17	7.4	7.4	0.0
6/17	6.9	6.4	0.5
9/17	5.6	5.5	0.1
12/17	4.5	4.3	0.2
3/18	-1.0	-1.4	0.4
6/18	-0.5	-1.0	0.5
9/18	0.7	1.4	-0.7

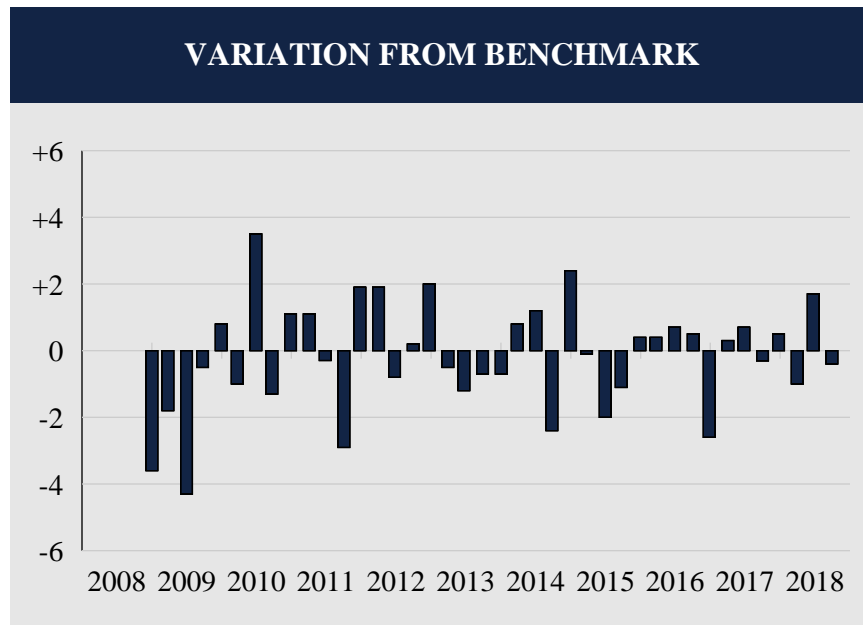
REAL ESTATE MANAGER SUMMARY



		TOTAL RETURNS AND RANKINGS					
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
PRIT CORE R.E.		1.7 ---	6.7 ---	9.5 ---	9.1 ---	10.5 ---	\$15,243,989
<i>NCREIF NFI-ODCE Index</i>		2.1 ---	6.5 ---	8.7 ---	8.8 ---	10.7 ---	---

REAL ESTATE QUARTERLY PERFORMANCE SUMMARY

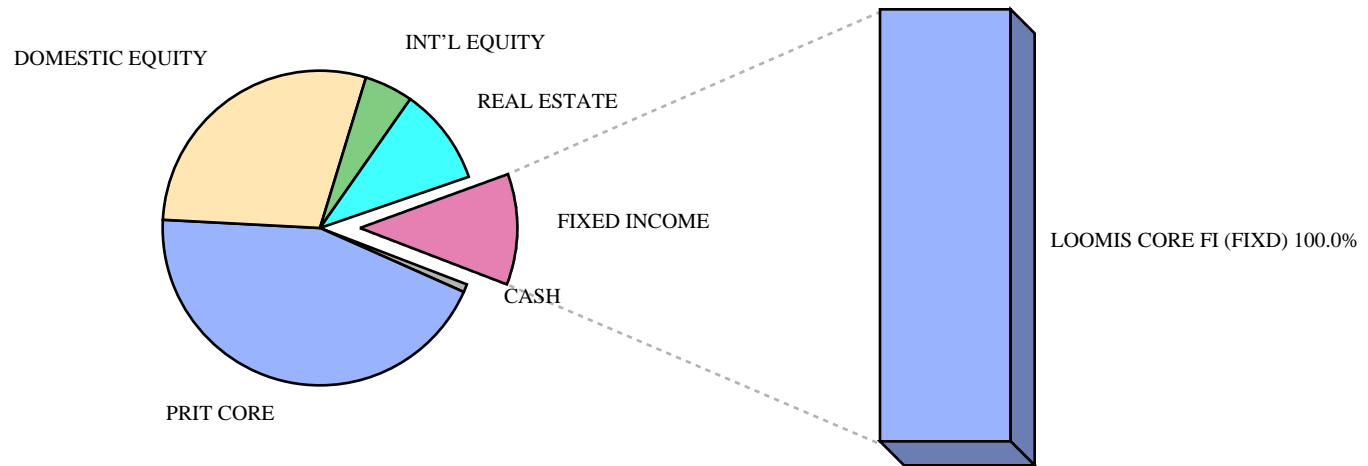
COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
6/13	2.7	3.9	-1.2
9/13	2.9	3.6	-0.7
12/13	2.5	3.2	-0.7
3/14	3.3	2.5	0.8
6/14	4.1	2.9	1.2
9/14	0.8	3.2	-2.4
12/14	5.7	3.3	2.4
3/15	3.3	3.4	-0.1
6/15	1.8	3.8	-2.0
9/15	2.6	3.7	-1.1
12/15	3.7	3.3	0.4
3/16	2.6	2.2	0.4
6/16	2.8	2.1	0.7
9/16	2.6	2.1	0.5
12/16	-0.5	2.1	-2.6
3/17	2.1	1.8	0.3
6/17	2.4	1.7	0.7
9/17	1.6	1.9	-0.3
12/17	2.6	2.1	0.5
3/18	1.2	2.2	-1.0
6/18	3.7	2.0	1.7
9/18	1.7	2.1	-0.4

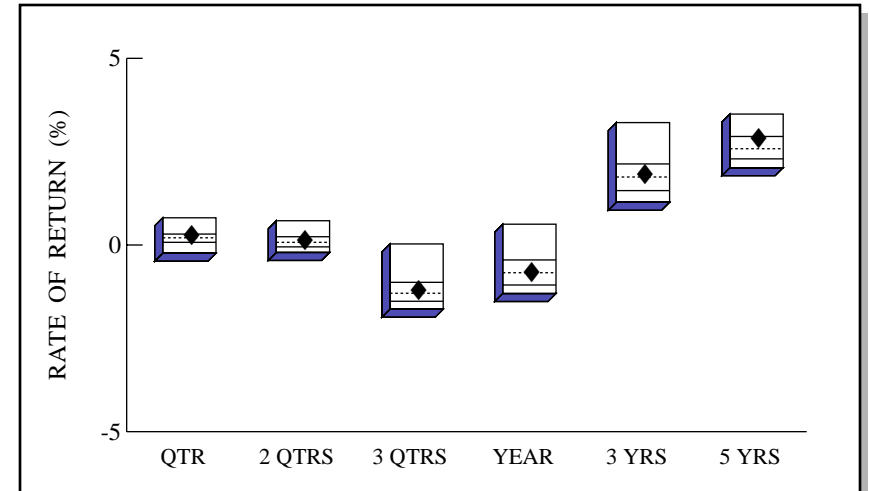
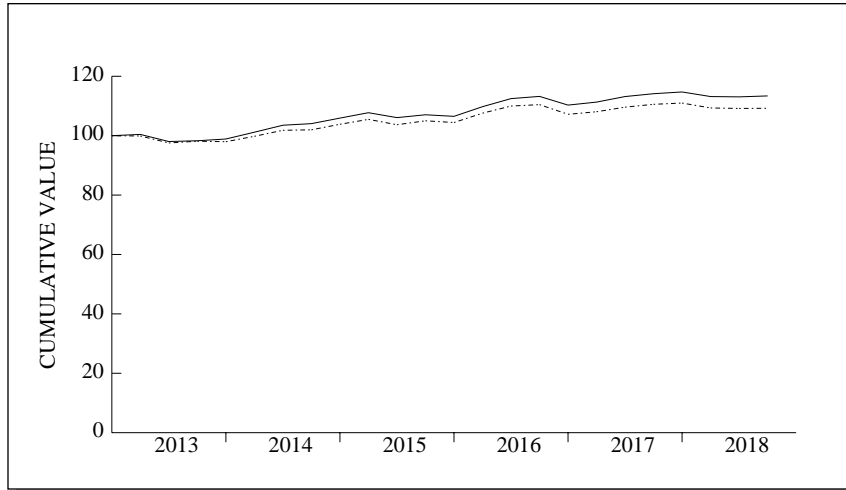
Total Quarters Observed	40
Quarters At or Above the Benchmark	19
Quarters Below the Benchmark	21
Batting Average	.475

FIXED INCOME MANAGER SUMMARY

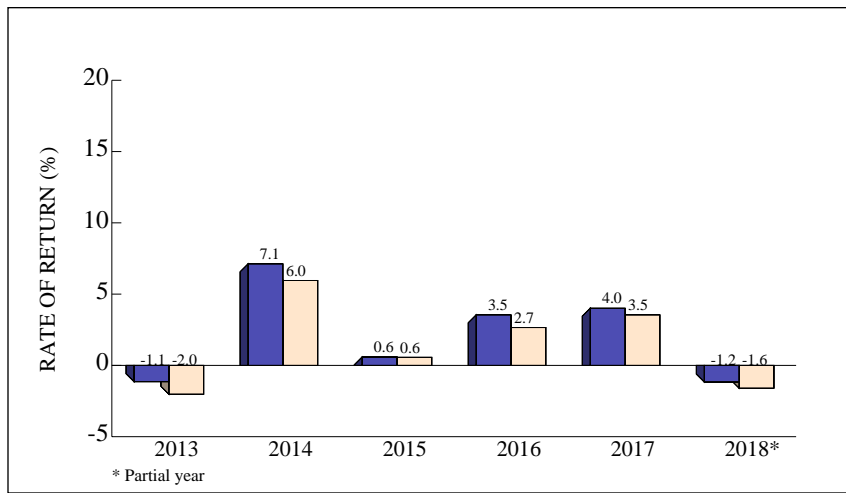
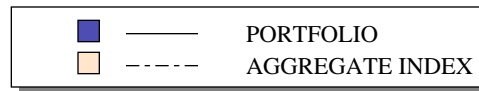


		TOTAL RETURNS AND RANKINGS						
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE	
LOOMIS CORE FI	(Core Fixed Income)	----	----	----	----	----	\$17,263,974	
	<i>Bloomberg Barclays Aggregate Index</i>	0.0	-1.6	-1.2	1.3	2.2	----	

FIXED INCOME RETURN COMPARISONS



Core Fixed Income Universe



* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.3	0.2	-1.2	-0.7	1.9	2.9
(RANK)	(22)	(30)	(39)	(42)	(41)	(26)
5TH %ILE	0.7	0.7	0.0	0.6	3.3	3.5
25TH %ILE	0.3	0.2	-1.0	-0.4	2.2	2.9
MEDIAN	0.2	0.1	-1.3	-0.7	1.8	2.6
75TH %ILE	0.1	-0.1	-1.5	-1.1	1.5	2.3
95TH %ILE	-0.2	-0.2	-1.7	-1.3	1.1	2.1
Agg	0.0	-0.1	-1.6	-1.2	1.3	2.2

Core Fixed Income Universe

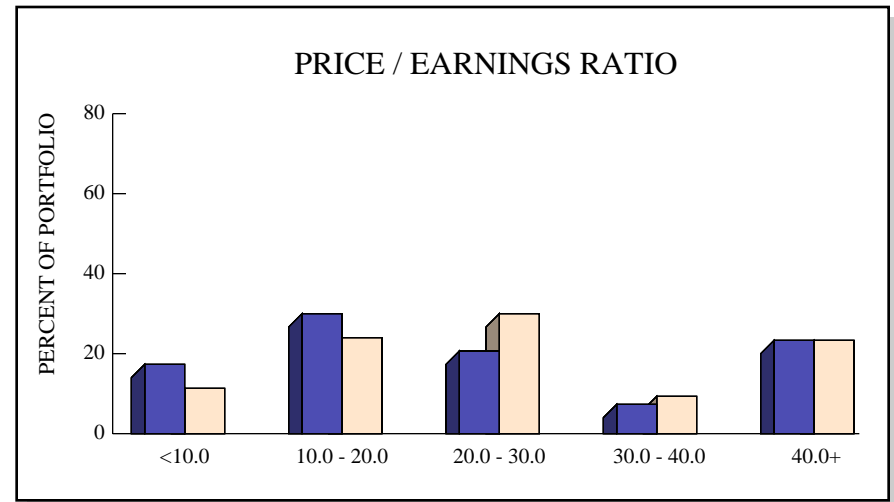
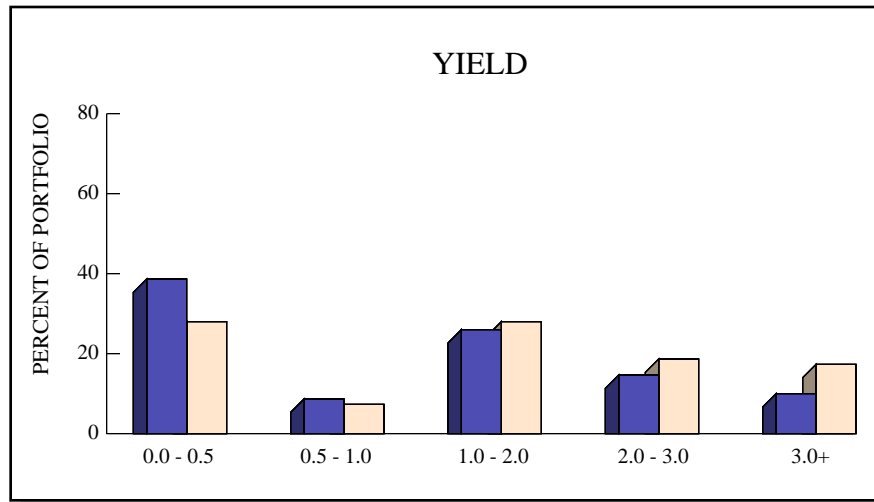
FIXED INCOME QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: BLOOMBERG BARCLAYS AGGREGATE INDEX****VARIATION FROM BENCHMARK**

Total Quarters Observed	40
Quarters At or Above the Benchmark	33
Quarters Below the Benchmark	7
Batting Average	.825

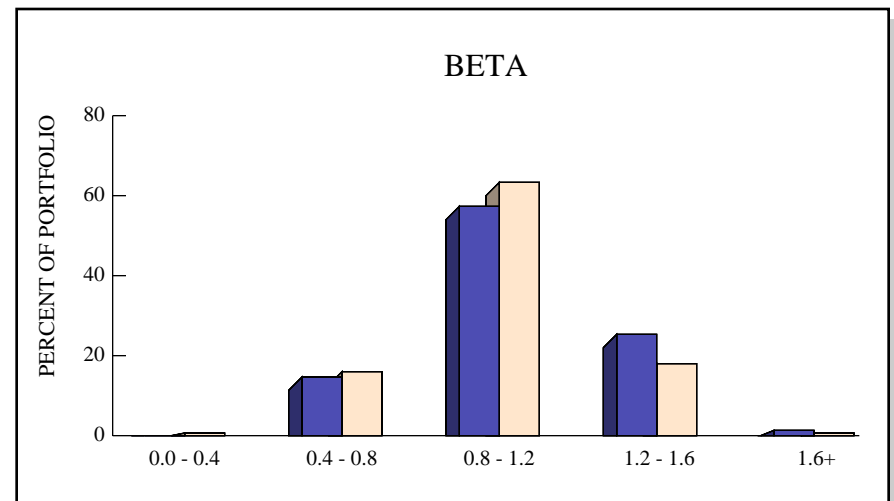
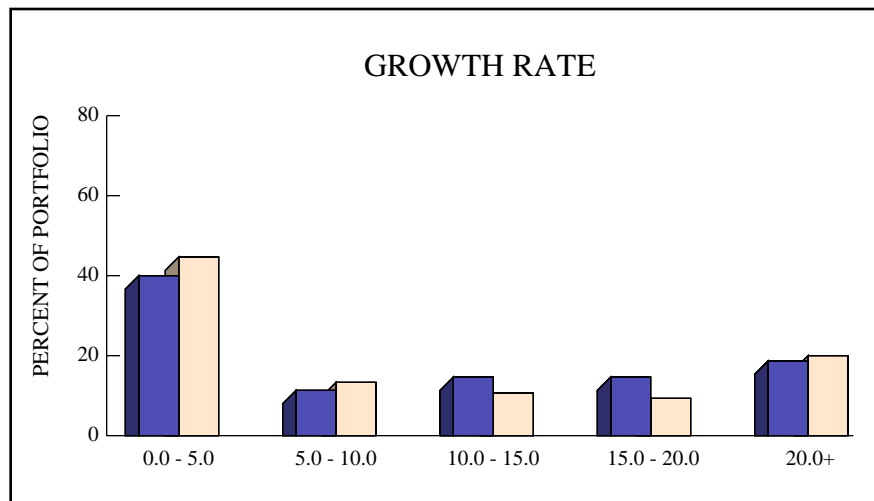
RATES OF RETURN

Date	Portfolio	Benchmark	Difference
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
6/13	-2.4	-2.3	-0.1
9/13	0.3	0.6	-0.3
12/13	0.6	-0.1	0.7
3/14	2.4	1.8	0.6
6/14	2.3	2.0	0.3
9/14	0.5	0.2	0.3
12/14	1.8	1.8	0.0
3/15	1.7	1.6	0.1
6/15	-1.5	-1.7	0.2
9/15	0.9	1.2	-0.3
12/15	-0.5	-0.6	0.1
3/16	3.0	3.0	0.0
6/16	2.5	2.2	0.3
9/16	0.7	0.5	0.2
12/16	-2.6	-3.0	0.4
3/17	0.9	0.8	0.1
6/17	1.7	1.4	0.3
9/17	0.9	0.8	0.1
12/17	0.5	0.4	0.1
3/18	-1.4	-1.5	0.1
6/18	-0.1	-0.2	0.1
9/18	0.3	0.0	0.3

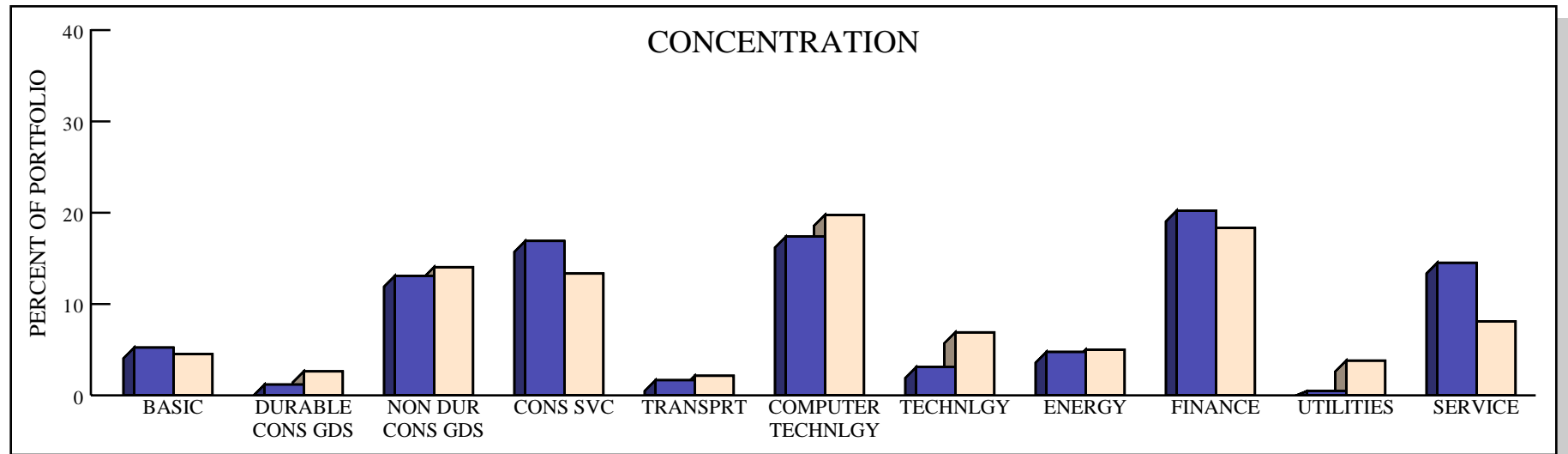
STOCK CHARACTERISTICS



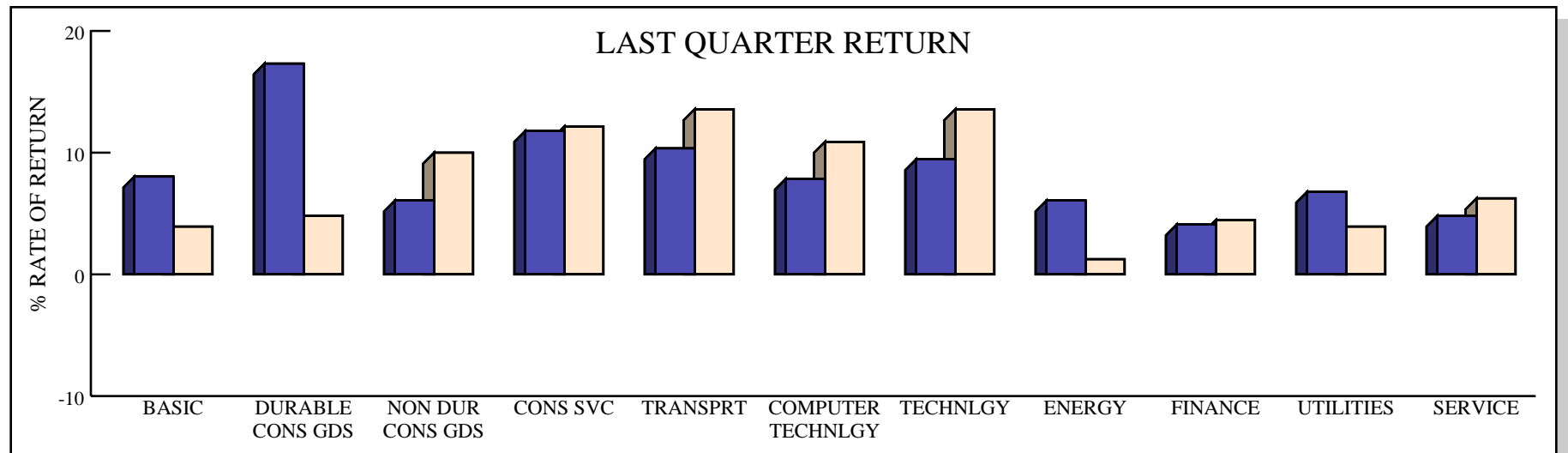
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	437	1.4%	10.0%	25.0	1.05
RUSSELL 3000	3,023	1.7%	8.9%	28.1	1.01



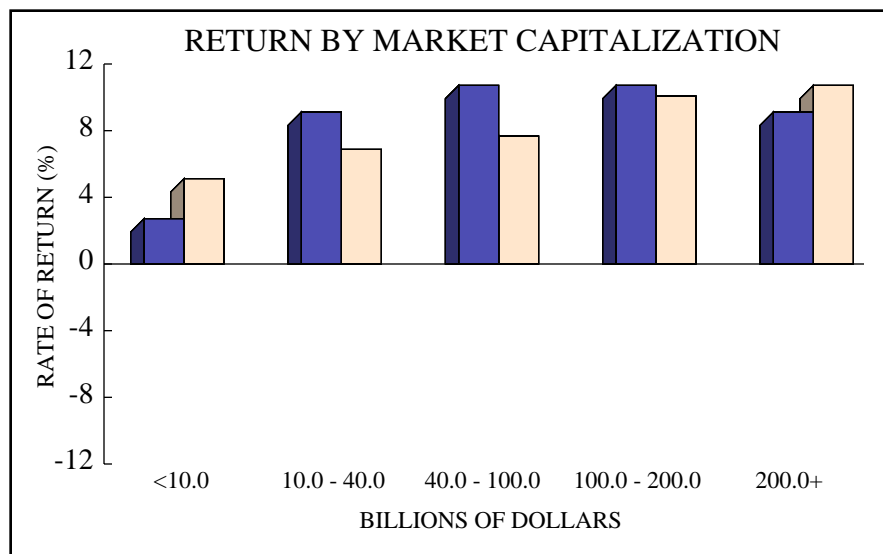
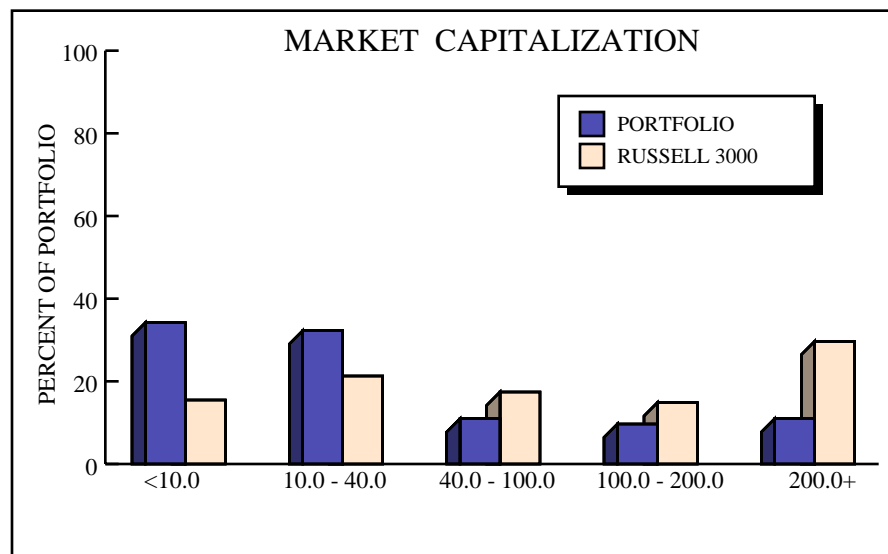
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO ■ RUSSELL 3000



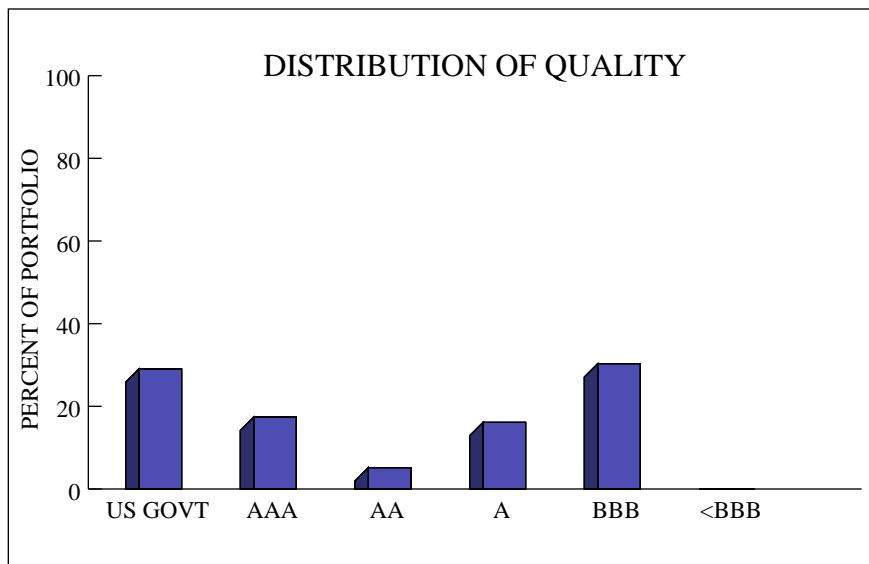
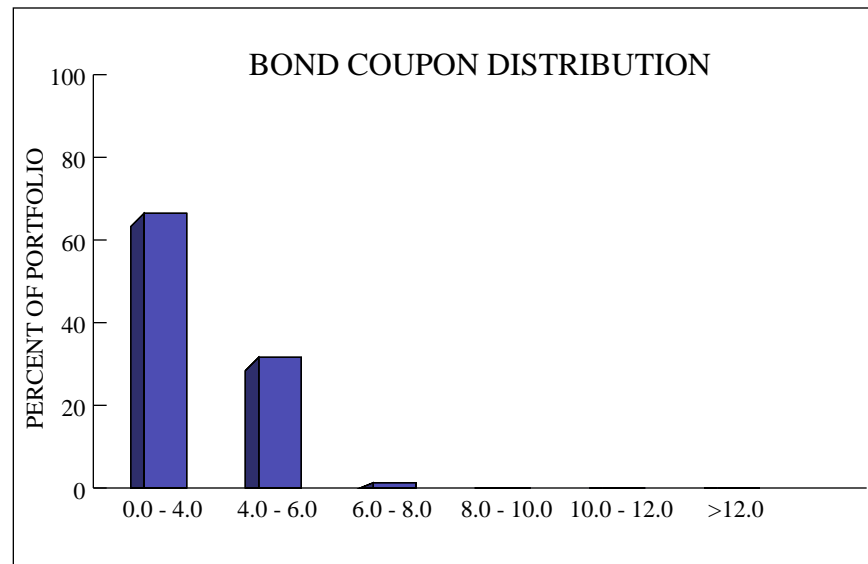
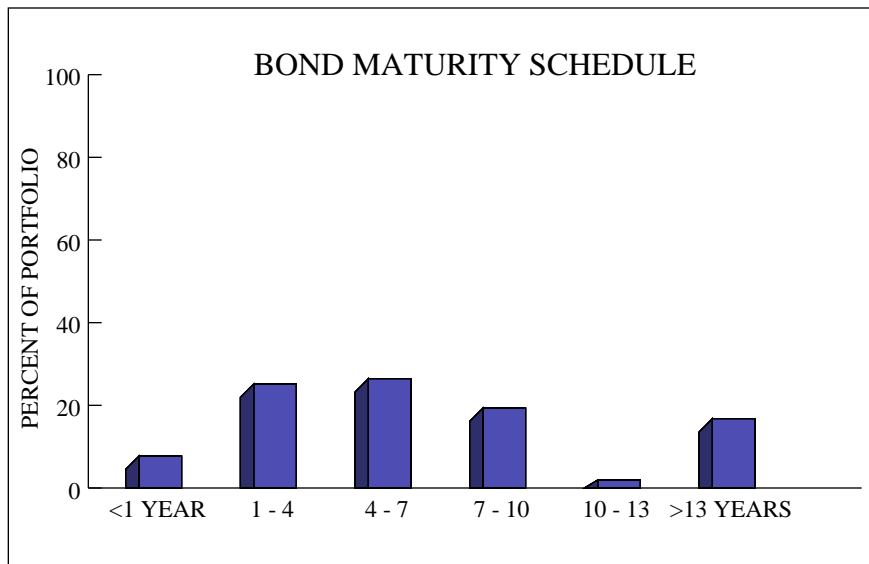
TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	MICROSOFT CORP	\$ 964,253	2.18%	16.4%	Computer Tech	\$ 877.0 B
2	VISA INC-CLASS A SHARES	765,759	1.73%	13.5%	Finance	266.7 B
3	ALPHABET INC-CL C	705,341	1.60%	7.0%	Computer Tech	417.6 B
4	NIKE INC -CL B	670,389	1.52%	6.6%	NonDur Cons Goods	108.5 B
5	ADOBE SYSTEMS INC	657,868	1.49%	10.7%	Computer Tech	131.8 B
6	AUTOMATIC DATA PROCESSING	654,316	1.48%	12.8%	Service	65.9 B
7	STARBUCKS CORP	653,887	1.48%	17.2%	Consumer Service	76.7 B
8	O'REILLY AUTOMOTIVE INC	585,582	1.32%	27.0%	Consumer Service	28.0 B
9	GARTNER INC	528,281	1.20%	19.3%	Consumer Service	14.4 B
10	ACCENTURE PLC-CL A	522,514	1.18%	4.0%	Consumer Service	109.1 B

BOND CHARACTERISTICS



	PORTFOLIO	AGGREGATE INDEX
No. of Securities	521	10,133
Duration	5.97	6.03
YTM	3.89	3.46
Average Coupon	3.61	3.16
Avg Maturity / WAL	8.33	8.42
Average Quality	AA	USG-AAA

APPENDIX - MAJOR MARKET INDEX RETURNS

Economic Data	Style	QTR	YTD	1 Year	3 years	5 Years
Consumer Price Index	Economic Data	0.2	2.4	2.3	2.0	1.5
Domestic Equity	Style	QTR	YTD	1 Year	3 years	5 Years
Russell 3000	Broad Equity	7.1	10.6	17.6	17.1	13.5
S&P 500	Large Cap Core	7.7	10.6	17.9	17.3	13.9
Russell 1000	Large Cap	7.4	10.5	17.8	17.1	13.7
Russell 1000 Growth	Large Cap Growth	9.2	17.1	26.3	20.6	16.6
Russell 1000 Value	Large Cap Value	5.7	3.9	9.4	13.5	10.7
Russell Mid Cap	Midcap	5.0	7.5	14.0	14.5	11.6
Russell Mid Cap Growth	Midcap Growth	7.6	13.4	21.1	16.6	13.0
Russell Mid Cap Value	Midcap Value	3.3	3.1	8.8	13.1	10.7
Russell 2000	Small Cap	3.6	11.5	15.2	17.1	11.1
Russell 2000 Growth	Small Cap Growth	5.5	15.7	21.0	18.0	12.1
Russell 2000 Value	Small Cap Value	1.6	7.2	9.4	16.1	9.9
International Equity	Style	QTR	YTD	1 Year	3 years	5 Years
MSCI All Country World Ex US	Foreign Equity	0.8	-2.7	2.3	10.5	4.6
MSCI EAFE	Developed Markets Equity	1.4	-1.0	3.2	9.8	4.9
MSCI EAFE Growth	Developed Markets Growth	1.6	0.9	6.3	10.7	6.0
MSCI EAFE Value	Developed Markets Value	1.3	-2.9	0.2	8.8	3.7
MSCI Emerging Markets	Emerging Markets Equity	-0.9	-7.4	-0.4	12.8	4.0
Domestic Fixed Income	Style	QTR	YTD	1 Year	3 years	5 Years
Bloomberg Barclays Aggregate Index	Core Fixed Income	0.0	-1.6	-1.2	1.3	2.2
Bloomberg Barclays Capital Gov't Bond	Treasuries	-0.6	-1.6	-1.6	0.3	1.3
Bloomberg Barclays Capital Credit Bond	Corporate Bonds	0.9	-2.1	-1.1	3.0	3.4
Intermediate Aggregate	Core Intermediate	0.1	-0.9	-0.9	0.9	1.7
ML/BoA 1-3 Year Treasury	Short Term Treasuries	0.2	0.3	0.0	0.4	0.6
Bloomberg Barclays Capital High Yield	High Yield Bonds	2.4	2.6	3.0	8.1	5.5
Alternative Assets	Style	QTR	YTD	1 Year	3 years	5 Years
Bloomberg Barclays Global Treasury Ex US	International Treasuries	-2.2	-2.8	-1.3	2.3	-0.2
NCREIF NFI-ODCE Index	Real Estate	2.1	6.5	8.7	8.8	10.7
HFRI FOF Composite	Hedge Funds	0.3	1.0	3.1	3.3	3.2

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 from January 2011 through July 2011:
- | | | |
|--------------------------|--------------------|-----------------------------------|
| 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 |
- For all periods from August 2011 through January 2014:
- | | | |
|--------------------------|--------------------|------------------------------------|
| 19.0% Russell 3000 | 17.0% MSCI EAFE | 7.0% MSCI Emerging Markets |
| 14.0% Barclays Aggregate | 6.0% CSFB Hi Yield | 10.0% Cambridge Private Equity |
| 10.0% NCREIF NFI-ODCE | 4.0% NCREIF Timber | 10.0% HFRI Fund of Funds Composite |
| 3.0% Barclays US TIPS | | |
- For all periods from February 2014 through September 2015:
- | | | |
|-------------------------|-------------------------------|-----------------------------------|
| 18.0% Russell 3000 | 16.0% MSCI EAFE | 6.0% MSCI Emerging Markets |
| 4.0% Barclays Aggregate | 6.0% CSFB Hi Yield | 10.0% Cambridge Private Equity |
| 10.0% NCREIF NFI-ODCE | 4.0% NCREIF Timber | 9.0% HFRI Fund of Funds Composite |
| 3.0% Barclays US TIPS | 10.0% Barclays 5-10 Year Bond | 4.0% MSCI All Country Ex-US |
- For all periods since October 2015:
- | | | |
|-------------------------------|-----------------------------------|----------------------------|
| 18.0% Russell 3000 | 16.0% MSCI EAFE | 6.0% MSCI Emerging Markets |
| 6.0% Barclays Aggregate | 12.0% Cambridge Private Equity | 10.0% NCREIF NFI-ODCE |
| 4.0% NCREIF Timber | 9.0% HFRI Fund of Funds Composite | 5.0% Barclays US TIPS |
| 10.0% Barclays 5-10 Year Bond | 4.0% MSCI All Country Ex-US | |

APPENDIX - DISCLOSURES

- * In July, 2014, the separately managed Daruma portfolio was divested and the proceeds were invested in the commingled Daruma Ginkgo Fund.
- * 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.
- * Dahab Associates uses the modified duration measure to present average duration.
- * All values are in US dollars.

FRANKLIN REGIONAL RETIREMENT SYSTEM
POLEN CAPITAL MANAGEMENT - FOCUS GROWTH
PERFORMANCE REVIEW
SEPTEMBER 2018

INVESTMENT RETURN

On September 30th, 2018, the Franklin Regional Retirement System's Polen Capital Management Focus Growth portfolio was valued at \$11,090,342, representing an increase of \$1,054,698 from the June quarter's ending value of \$10,035,644. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$1,054,698 in net investment returns. Income receipts totaling \$18,002 plus net realized and unrealized capital gains of \$1,036,696 combined to produce the portfolio's net investment return figure.

RELATIVE PERFORMANCE

For the third quarter, the Polen Capital Management Focus Growth portfolio returned 10.5%, which was 1.3% above the Russell 1000 Growth Index's return of 9.2% and ranked in the 8th percentile of the Large Cap Growth universe. Over the trailing year, this portfolio returned 31.1%, which was 4.8% greater than the benchmark's 26.3% return, ranking in the 13th percentile. Since September 2013, the account returned 19.6% on an annualized basis and ranked in the 5th percentile. The Russell 1000 Growth returned an annualized 16.6% over the same time frame.

ASSET ALLOCATION

At the end of the third quarter, domestic equities comprised 97.9% of the total portfolio (\$10.9 million), while cash & equivalents comprised the remaining 2.1% (\$237,591).

ANALYSIS

At the end of the quarter, the Polen Capital portfolio was concentrated in six of the eleven sectors in our industry analysis. With respect to the Russell 1000 Growth index, the portfolio was overweight in the Nondurable Consumer Goods, Consumer Service, Computer Technology, and Finance sectors. Technology was underweight, while Basic, Durable Consumer Goods, Transportation, Energy, and Utilities were left unfunded.

Selections effects were positive in four of the six invested sectors, leading to a 130 basis point performance surplus for the portfolio at the end of the quarter. The overweight Consumer Service and Finance sectors were particular areas of strength. Technology and Service also outperformed. The portfolio slightly underperformed in the overweight Computer Technology sector.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Year	5 Year
Total Portfolio - Gross	10.5	24.6	31.1	20.4	19.6
<i>LARGE CAP GROWTH RANK</i>	(8)	(6)	(13)	(27)	(5)
Total Portfolio - Net	10.3	24.0	30.3	19.6	18.9
Russell 1000G	9.2	17.1	26.3	20.6	16.6
Russell 1000	7.4	10.5	17.8	17.1	13.7
S&P 500	7.7	10.6	17.9	17.3	13.9
Domestic Equity - Gross	10.9	25.7	32.5	21.2	20.5
<i>LARGE CAP GROWTH RANK</i>	(6)	(3)	(9)	(16)	(3)
Russell 1000G	9.2	17.1	26.3	20.6	16.6

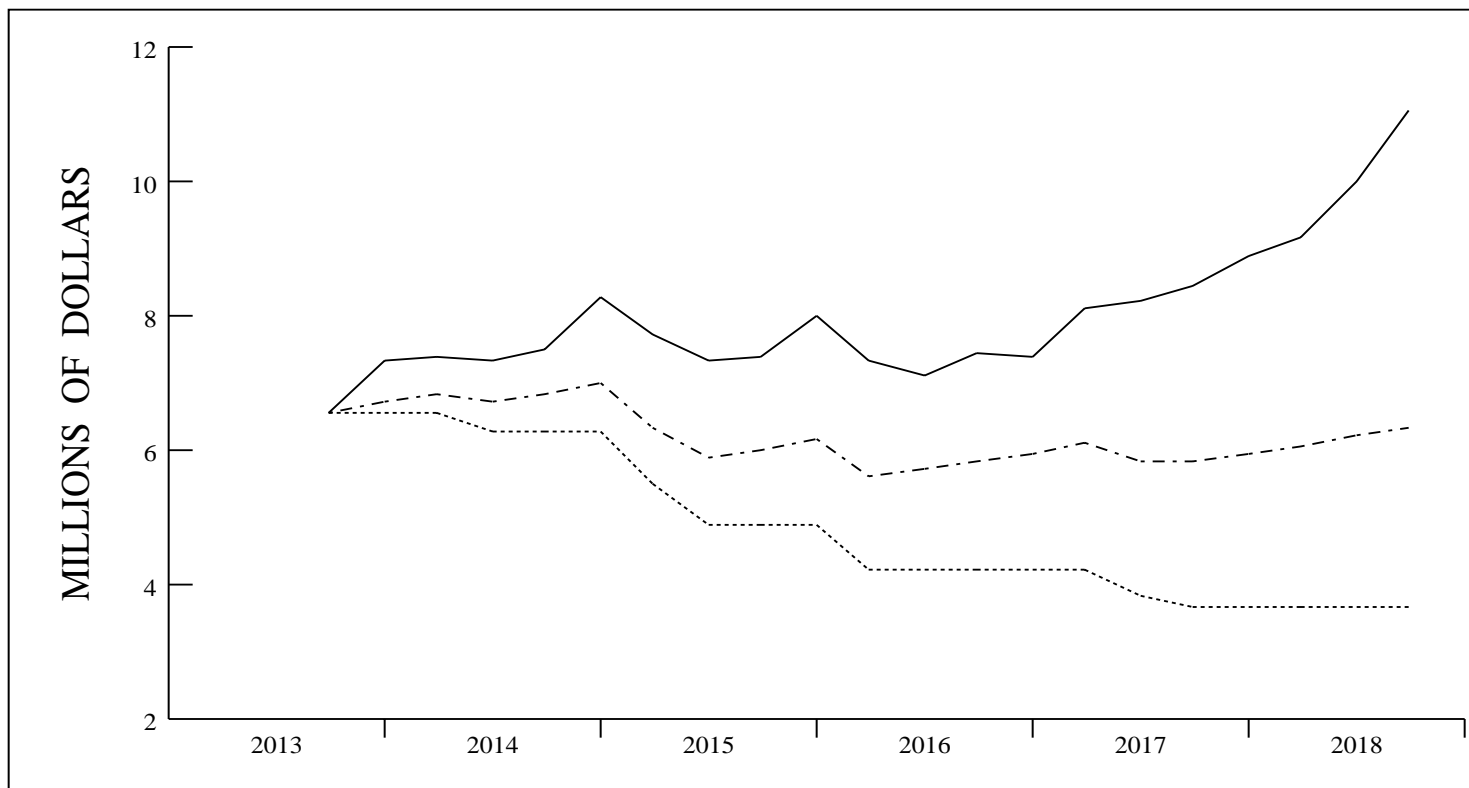
ASSET ALLOCATION

Domestic Equity	97.9%	\$ 10,852,751
Cash	2.1%	237,591
Total Portfolio	100.0%	\$ 11,090,342

INVESTMENT RETURN

Market Value 6/2018	\$ 10,035,644
Contribs / Withdrawals	0
Income	18,002
Capital Gains / Losses	1,036,696
Market Value 9/2018	\$ 11,090,342

INVESTMENT GROWTH

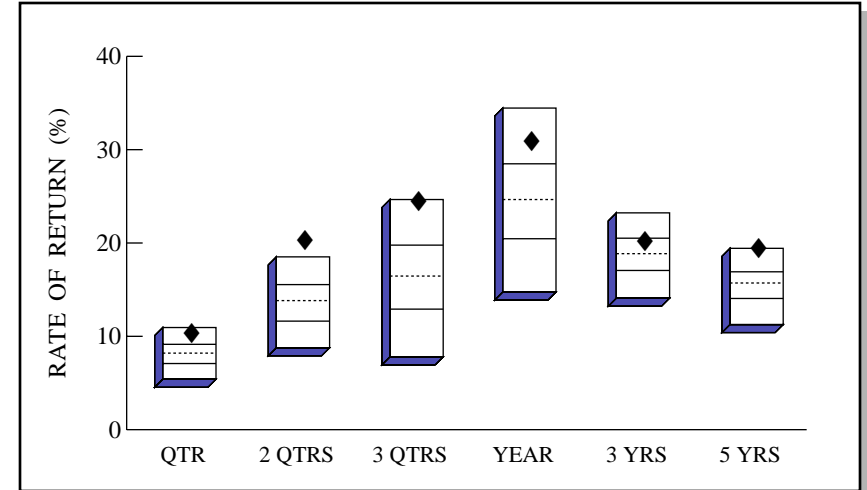
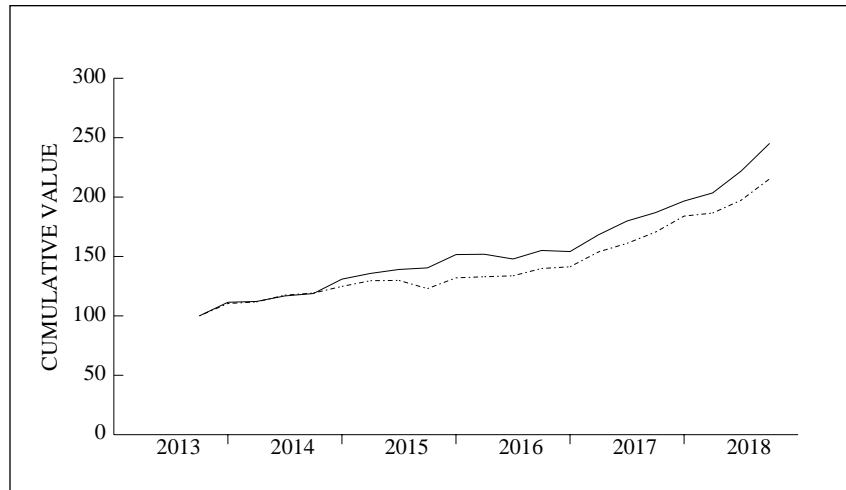


— ACTUAL RETURN
 - - - 9.0%
 0.0%

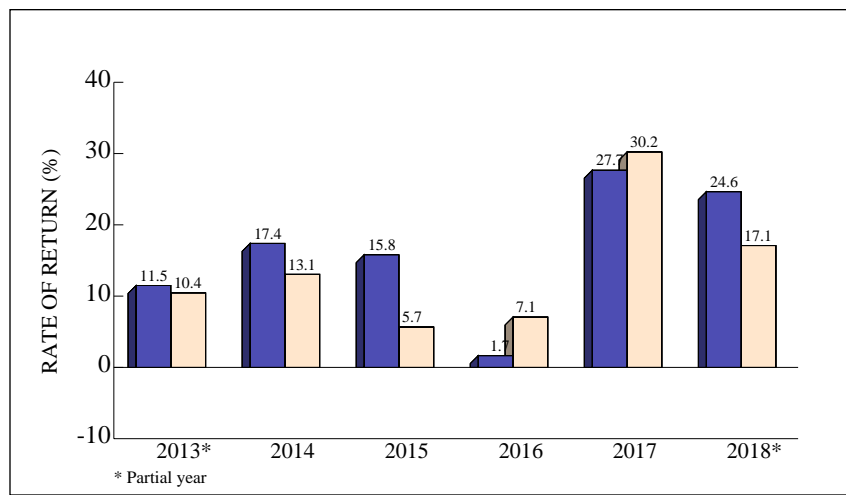
VALUE ASSUMING
 9.0% RETURN \$ 6,372,045

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 10,035,644	\$ 6,593,956
NET CONTRIBUTIONS	0	- 2,905,193
<u>INVESTMENT RETURN</u>	<u>1,054,698</u>	<u>7,401,579</u>
ENDING VALUE	\$ 11,090,342	\$ 11,090,342
INCOME	18,002	376,148
<u>CAPITAL GAINS (LOSSES)</u>	<u>1,036,696</u>	<u>7,025,431</u>
INVESTMENT RETURN	1,054,698	7,401,579

TOTAL RETURN COMPARISONS

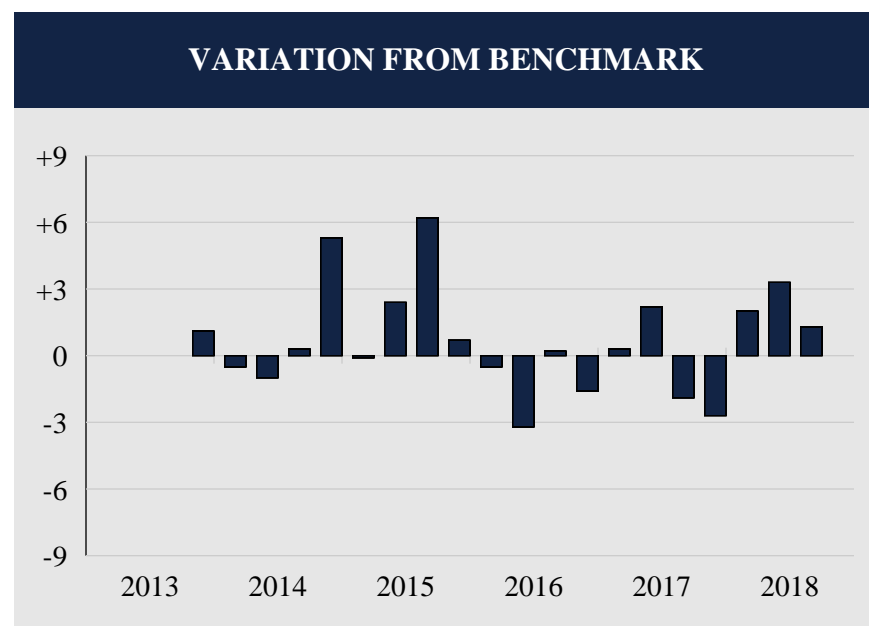


Large Cap Growth Universe



	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	10.5	20.5	24.6	31.1	20.4	19.6
(RANK)	(8)	(3)	(6)	(13)	(27)	(5)
5TH %ILE	10.9	18.5	24.7	34.5	23.2	19.4
25TH %ILE	9.1	15.5	19.8	28.5	20.5	16.9
MEDIAN	8.2	13.8	16.5	24.7	18.9	15.7
75TH %ILE	7.1	11.6	12.9	20.5	17.1	14.1
95TH %ILE	5.4	8.8	7.8	14.7	14.1	11.3
Russ 1000G	9.2	15.5	17.1	26.3	20.6	16.6

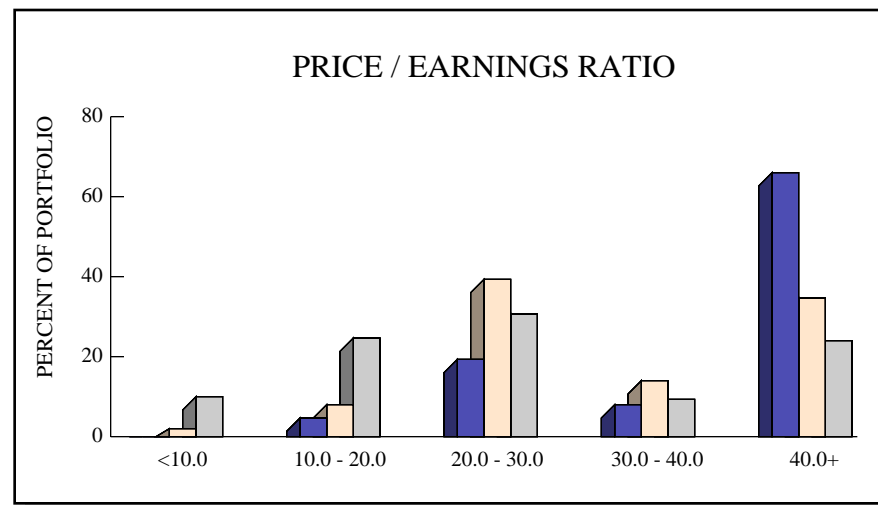
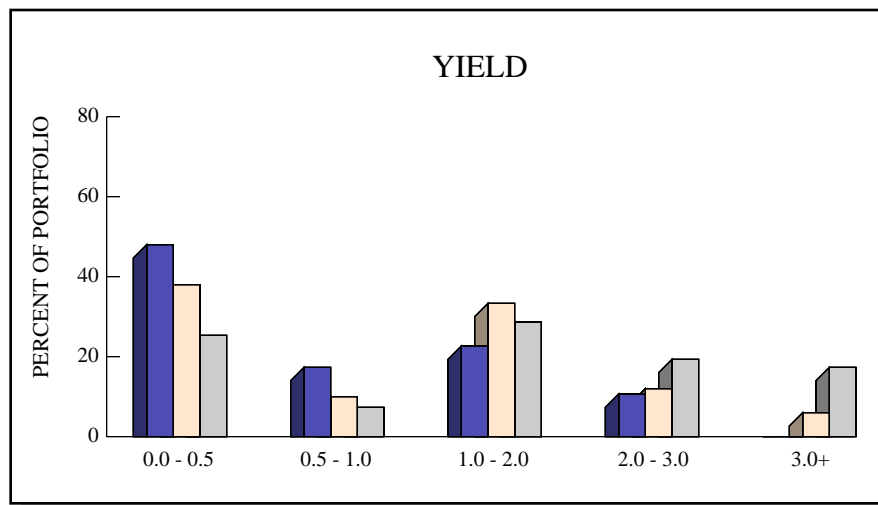
Large Cap Growth Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: RUSSELL 1000 GROWTH**

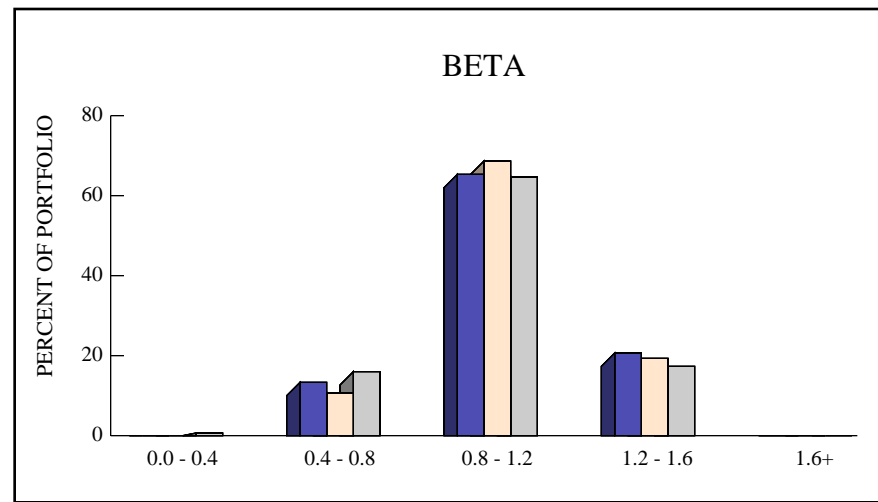
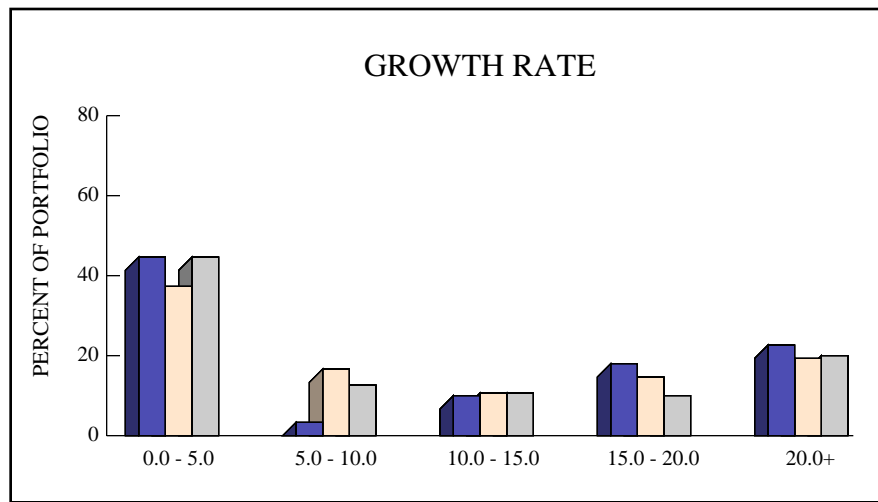
Total Quarters Observed	20
Quarters At or Above the Benchmark	12
Quarters Below the Benchmark	8
Batting Average	.600

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/13	11.5	10.4	1.1
3/14	0.6	1.1	-0.5
6/14	4.1	5.1	-1.0
9/14	1.8	1.5	0.3
12/14	10.1	4.8	5.3
3/15	3.7	3.8	-0.1
6/15	2.5	0.1	2.4
9/15	0.9	-5.3	6.2
12/15	8.0	7.3	0.7
3/16	0.2	0.7	-0.5
6/16	-2.6	0.6	-3.2
9/16	4.8	4.6	0.2
12/16	-0.6	1.0	-1.6
3/17	9.2	8.9	0.3
6/17	6.9	4.7	2.2
9/17	4.0	5.9	-1.9
12/17	5.2	7.9	-2.7
3/18	3.4	1.4	2.0
6/18	9.1	5.8	3.3
9/18	10.5	9.2	1.3

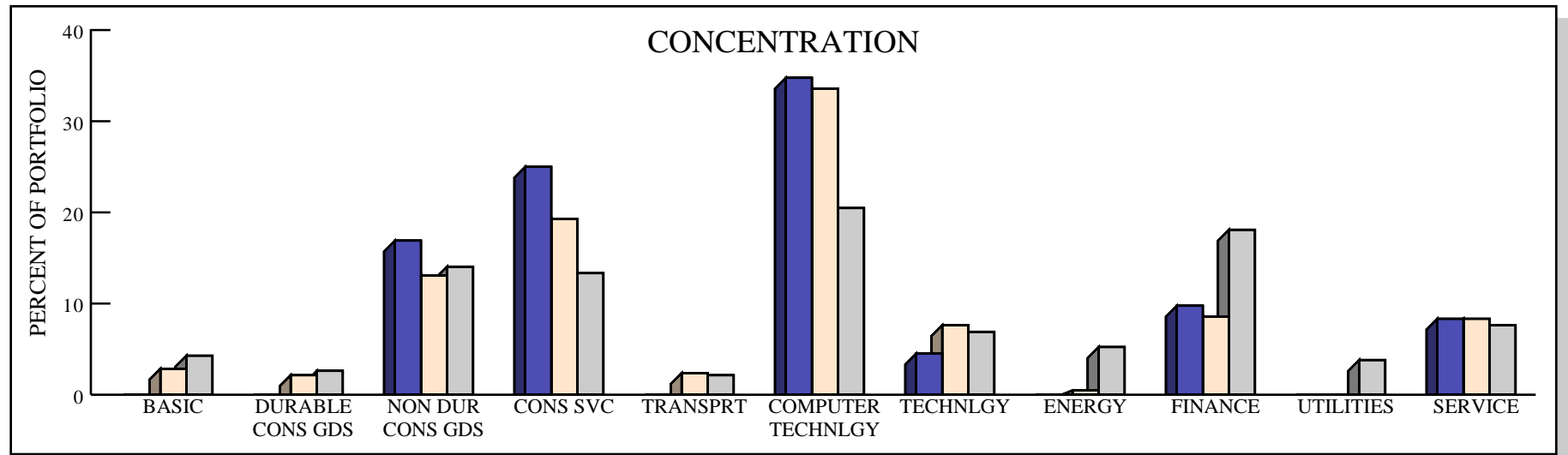
STOCK CHARACTERISTICS



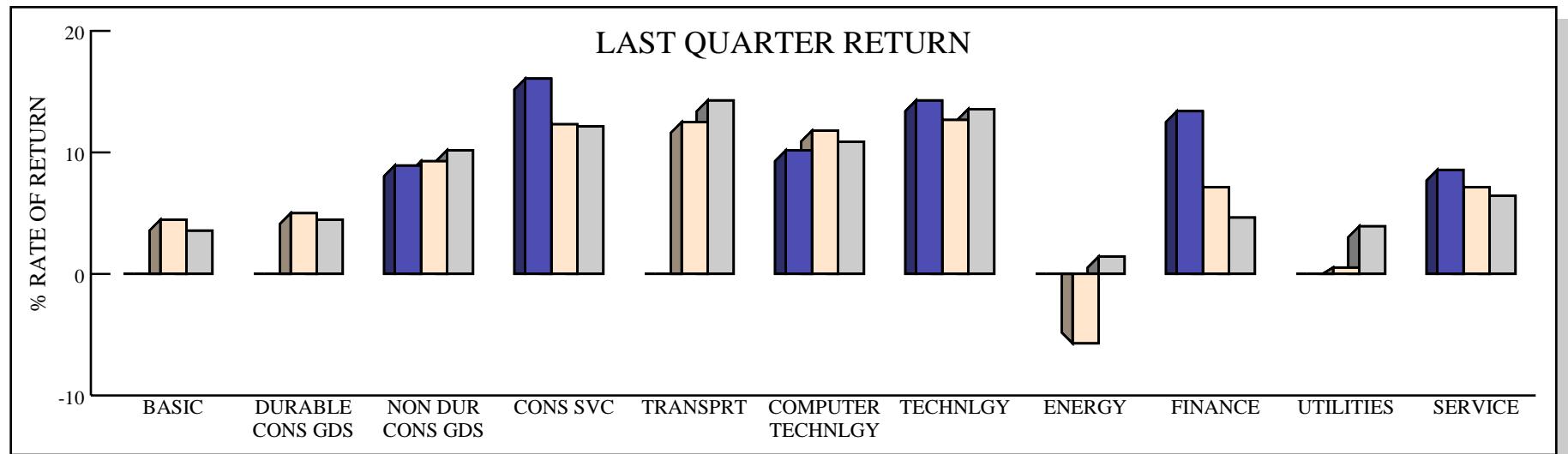
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	21	0.7%	10.8%	47.0	1.04
RUSSELL 1000G	542	1.1%	10.8%	36.4	1.04
RUSSELL 1000	984	1.7%	8.9%	28.8	1.00



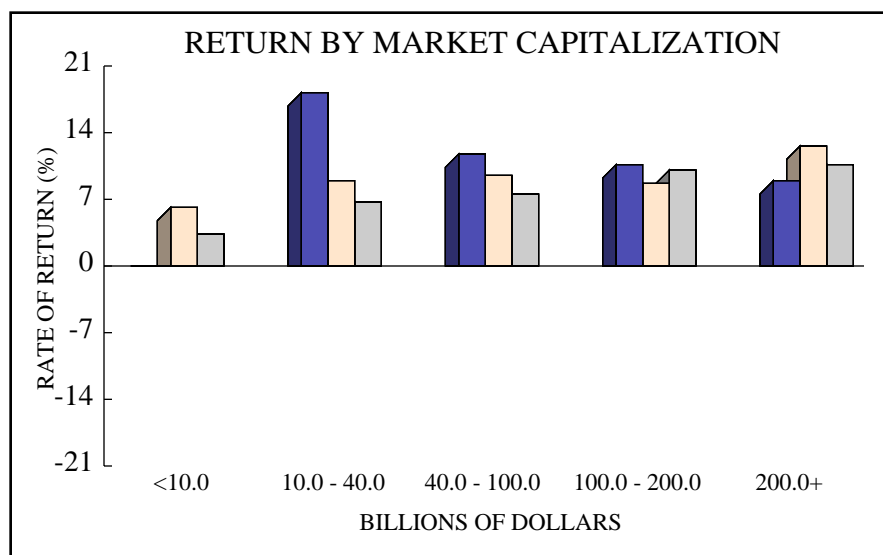
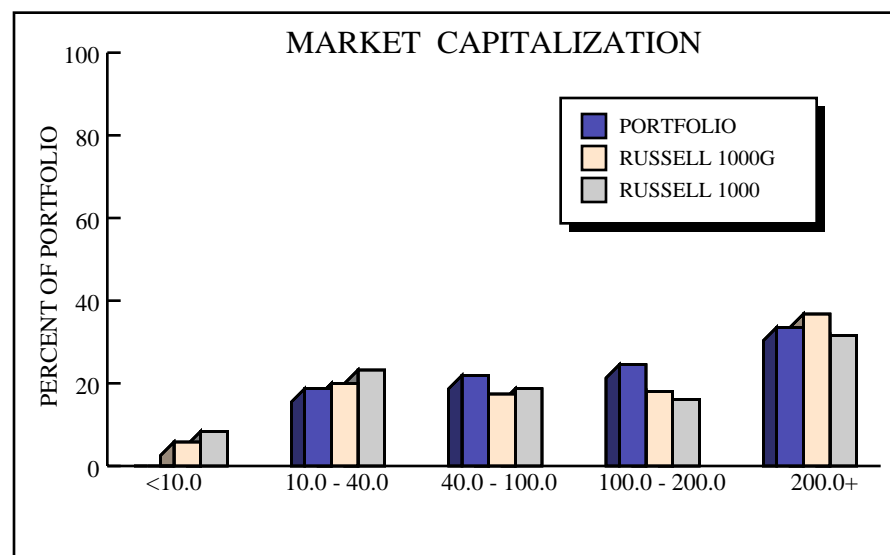
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO
 ■ RUSSELL 1000G
 ■ RUSSELL 1000



TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	MICROSOFT CORP	\$ 964,253	8.88%	16.4%	Computer Tech	\$ 877.0 B
2	VISA INC-CLASS A SHARES	765,759	7.06%	13.5%	Finance	266.7 B
3	ALPHABET INC-CL C	705,341	6.50%	7.0%	Computer Tech	417.6 B
4	NIKE INC -CL B	670,389	6.18%	6.6%	NonDur Cons Goods	108.5 B
5	ADOBE SYSTEMS INC	657,868	6.06%	10.7%	Computer Tech	131.8 B
6	AUTOMATIC DATA PROCESSING	654,316	6.03%	12.8%	Service	65.9 B
7	STARBUCKS CORP	636,381	5.86%	17.2%	Consumer Service	76.7 B
8	O'REILLY AUTOMOTIVE INC	585,582	5.40%	27.0%	Consumer Service	28.0 B
9	GARTNER INC	528,281	4.87%	19.3%	Consumer Service	14.4 B
10	ACCENTURE PLC-CL A	522,514	4.81%	4.0%	Consumer Service	109.1 B

FRANKLIN REGIONAL RETIREMENT SYSTEM
O'SHAUGHNESSY ASSET MANAGEMENT - MARKET LEADERS VALUE
PERFORMANCE REVIEW
SEPTEMBER 2018

INVESTMENT RETURN

On September 30th, 2018, the Franklin Regional Retirement System's O'Shaughnessy Asset Management Market Leaders Value portfolio was valued at \$10,078,230, representing an increase of \$519,042 from the June quarter's ending value of \$9,559,188. Last quarter, the Fund posted withdrawals totaling \$24, which partially offset the portfolio's net investment return of \$519,066. Income receipts totaling \$54,930 plus net realized and unrealized capital gains of \$464,136 combined to produce the portfolio's net investment return.

RELATIVE PERFORMANCE

Total Fund

For the third quarter, the O'Shaughnessy Asset Management Market Leaders Value portfolio returned 5.4%, which was 0.3% below the Russell 1000 Value Index's return of 5.7% and ranked in the 55th percentile of the Large Cap Value universe. Over the trailing year, the portfolio returned 17.1%, which was 7.7% above the benchmark's 9.4% return, ranking in the 11th percentile. Since September 2013, the portfolio returned 12.3% annualized and ranked in the 32nd percentile. The Russell 1000 Value returned an annualized 10.7% over the same period.

ASSET ALLOCATION

At the end of the third quarter, domestic equities comprised 99.1% of the total portfolio (\$10.0 million), while cash & equivalents totaled 0.9% (\$95,743).

STOCK ANALYSIS

By quarter's end, the O'Shaughnessy portfolio was invested in nine of the eleven industry sectors utilized in our data analysis. With respect to the Russell 1000 Value index, the portfolio was overweight in the Basic, Consumer Service, Transportation, Energy, and Service sectors, while underweight in Nondurable Consumer Goods and Technology sectors. The Durable Consumer Goods and Utilities sectors were unfunded.

The portfolio underperformed the benchmark in five of the nine invested sectors in the third quarter, and mirrored it in two, leading to a 30 basis point performance deficit. The heavily weighted Finance sector roughly matched the index return. Overweight positions in the Basic and Energy sectors buoyed overall performance, as the portfolio delivered strong stock selection in those spaces.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Year	5 Year
Total Portfolio - Gross	5.4	7.6	17.1	16.9	12.3
<i>LARGE CAP VALUE RANK</i>	(55)	(24)	(11)	(12)	(32)
Total Portfolio - Net	5.3	7.2	16.5	16.3	11.7
Russell 1000V	5.7	3.9	9.4	13.5	10.7
Russell 1000	7.4	10.5	17.8	17.1	13.7
S&P 500	7.7	10.6	17.9	17.3	13.9
Domestic Equity - Gross	5.5	7.6	17.2	17.1	12.5
<i>LARGE CAP VALUE RANK</i>	(54)	(23)	(10)	(11)	(28)
Russell 1000V	5.7	3.9	9.4	13.5	10.7

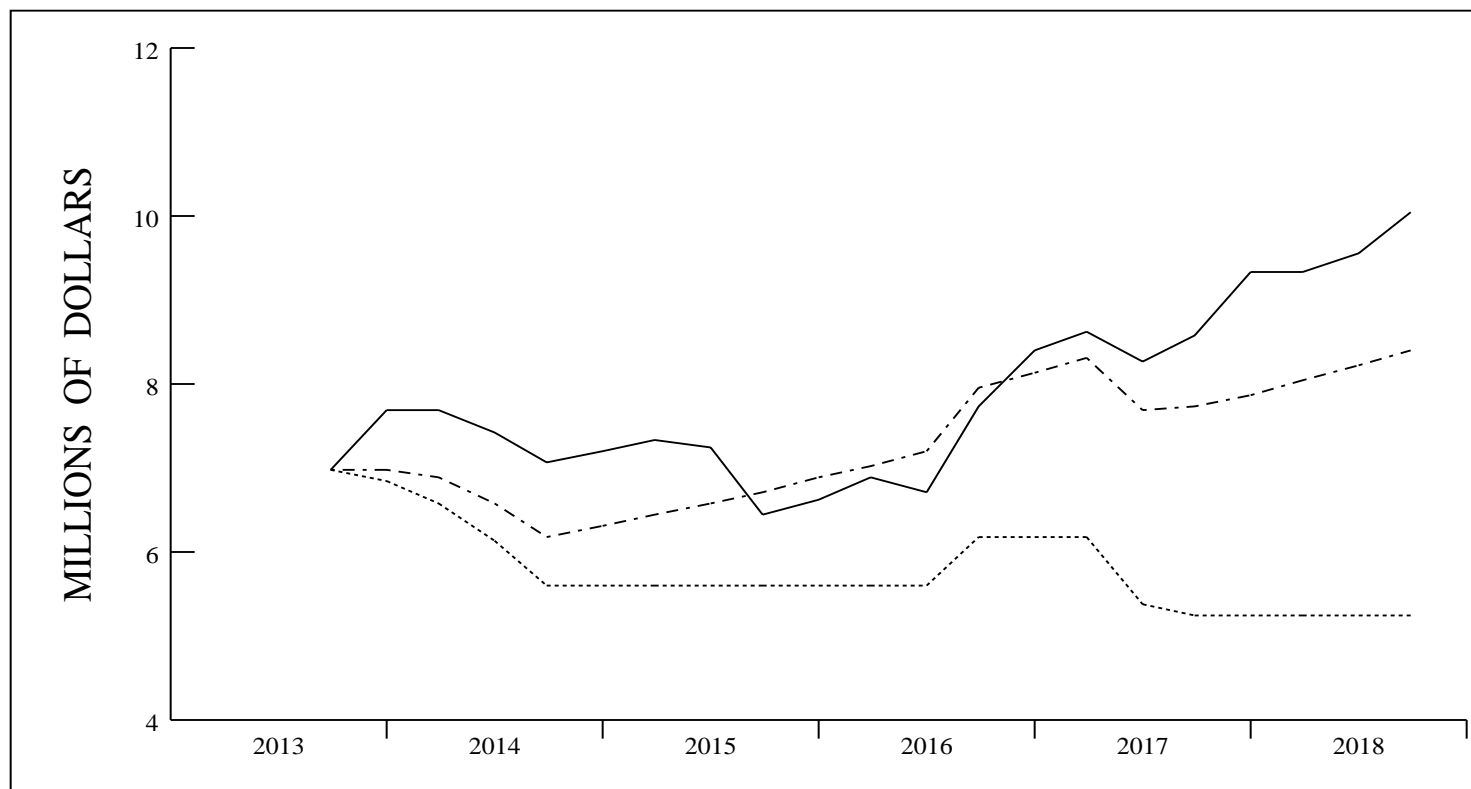
ASSET ALLOCATION

Domestic Equity	99.1%	\$ 9,982,487
Cash	0.9%	95,743
Total Portfolio	100.0%	\$ 10,078,230

INVESTMENT RETURN

Market Value 6/2018	\$ 9,559,188
Contribs / Withdrawals	- 24
Income	54,930
Capital Gains / Losses	464,136
Market Value 9/2018	\$ 10,078,230

INVESTMENT GROWTH

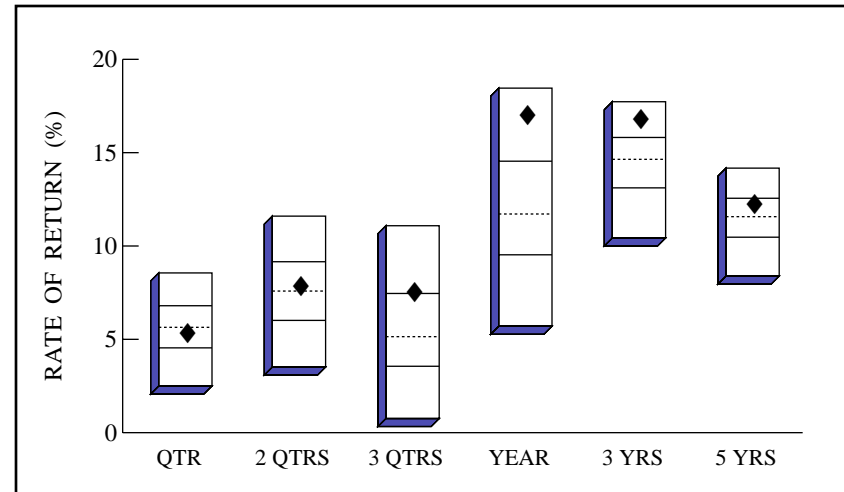
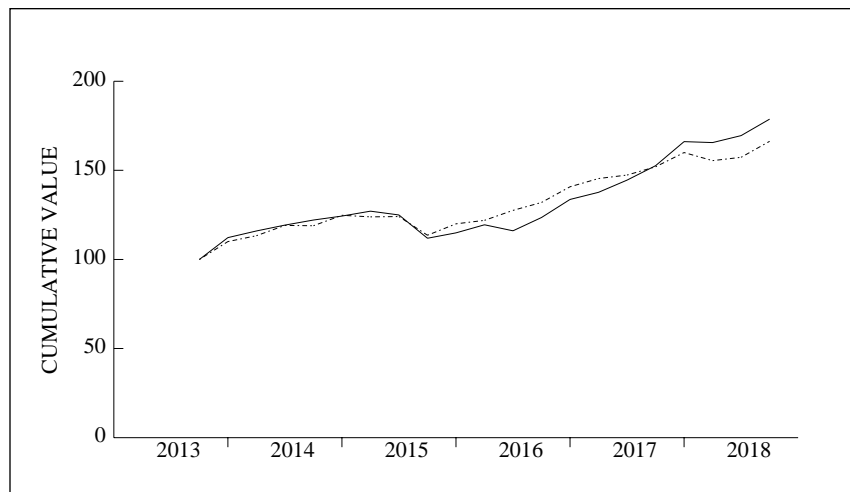


—	ACTUAL RETURN
- - -	9.0%
.....	0.0%

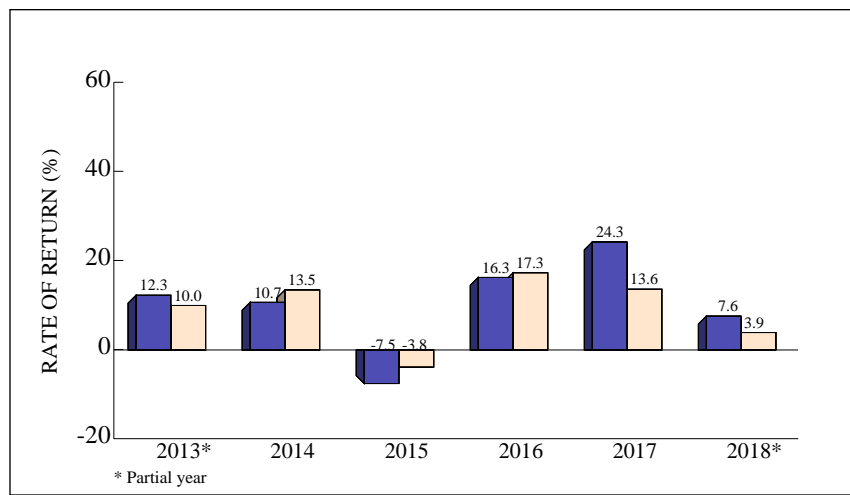
VALUE ASSUMING	
9.0% RETURN	\$ 8,430,911

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 9,559,188	\$ 7,014,819
NET CONTRIBUTIONS	- 24	- 1,733,038
<u>INVESTMENT RETURN</u>	<u>519,066</u>	<u>4,796,449</u>
ENDING VALUE	\$ 10,078,230	\$ 10,078,230
INCOME	54,930	950,622
<u>CAPITAL GAINS (LOSSES)</u>	<u>464,136</u>	<u>3,845,827</u>
INVESTMENT RETURN	519,066	4,796,449

TOTAL RETURN COMPARISONS



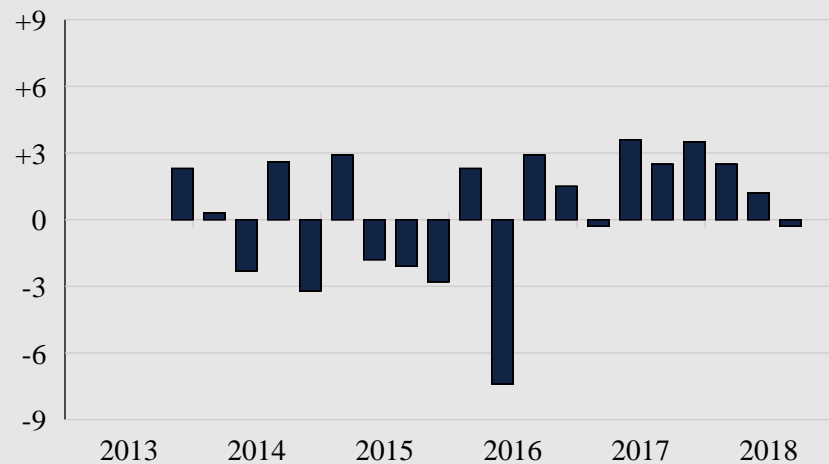
Large Cap Value Universe



	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	5.4	7.9	7.6	17.1	16.9	12.3
(RANK)	(55)	(45)	(24)	(11)	(12)	(32)
5TH %ILE	8.6	11.6	11.1	18.5	17.7	14.2
25TH %ILE	6.8	9.2	7.5	14.5	15.8	12.6
MEDIAN	5.6	7.6	5.1	11.7	14.6	11.6
75TH %ILE	4.5	6.0	3.6	9.5	13.1	10.5
95TH %ILE	2.5	3.5	0.8	5.7	10.4	8.4
Russ 1000V	5.7	6.9	3.9	9.4	13.5	10.7

-----ANNUALIZED-----

Large Cap Value Universe

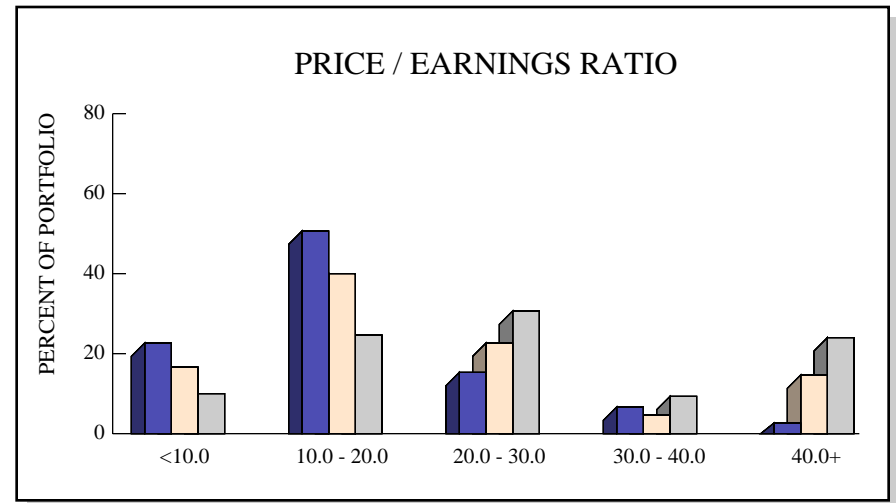
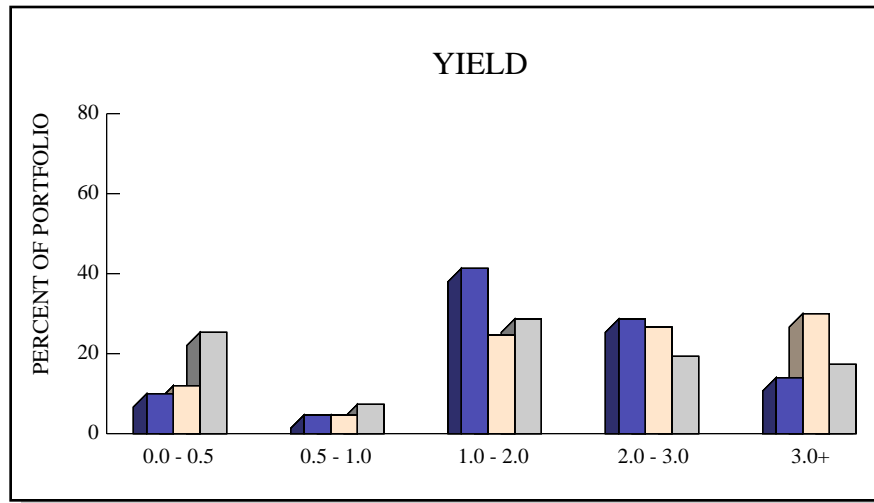
TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE****VARIATION FROM BENCHMARK**

Total Quarters Observed	20
Quarters At or Above the Benchmark	12
Quarters Below the Benchmark	8
Batting Average	.600

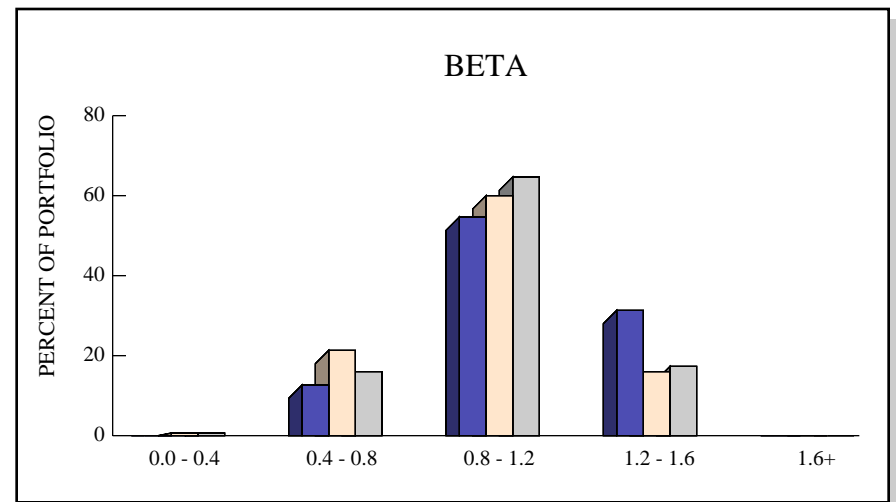
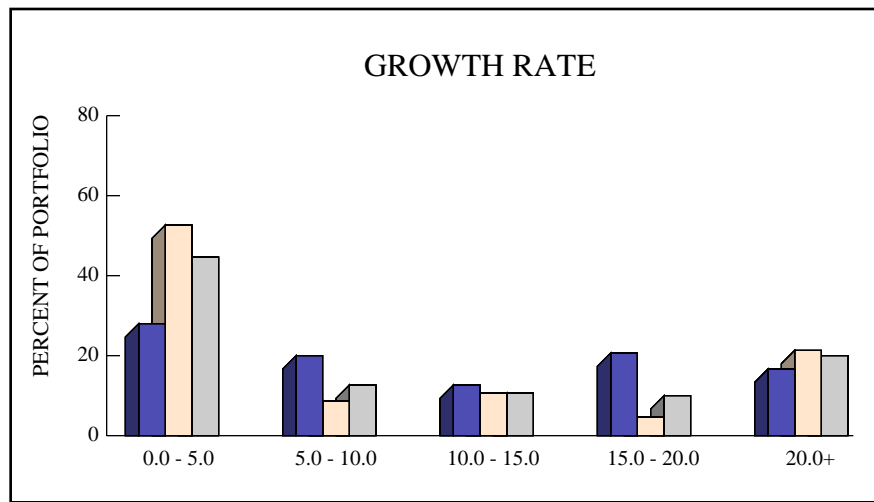
RATES OF RETURN

Date	Portfolio	Benchmark	Difference
12/13	12.3	10.0	2.3
3/14	3.3	3.0	0.3
6/14	2.8	5.1	-2.3
9/14	2.4	-0.2	2.6
12/14	1.8	5.0	-3.2
3/15	2.2	-0.7	2.9
6/15	-1.7	0.1	-1.8
9/15	-10.5	-8.4	-2.1
12/15	2.8	5.6	-2.8
3/16	3.9	1.6	2.3
6/16	-2.8	4.6	-7.4
9/16	6.4	3.5	2.9
12/16	8.2	6.7	1.5
3/17	3.0	3.3	-0.3
6/17	4.9	1.3	3.6
9/17	5.6	3.1	2.5
12/17	8.8	5.3	3.5
3/18	-0.3	-2.8	2.5
6/18	2.4	1.2	1.2
9/18	5.4	5.7	-0.3

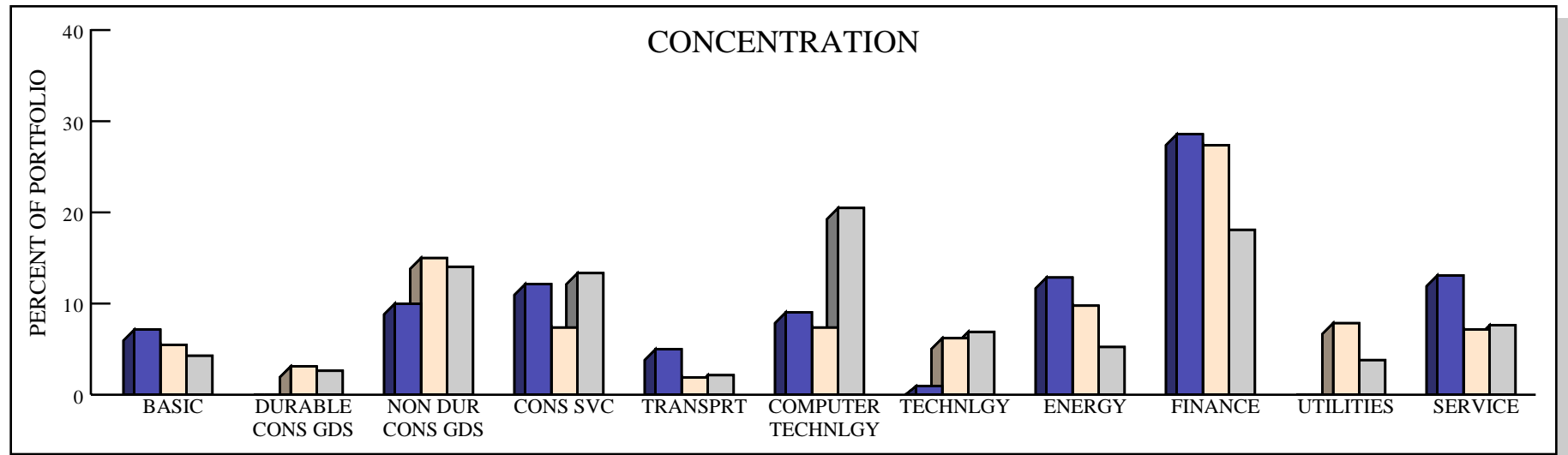
STOCK CHARACTERISTICS



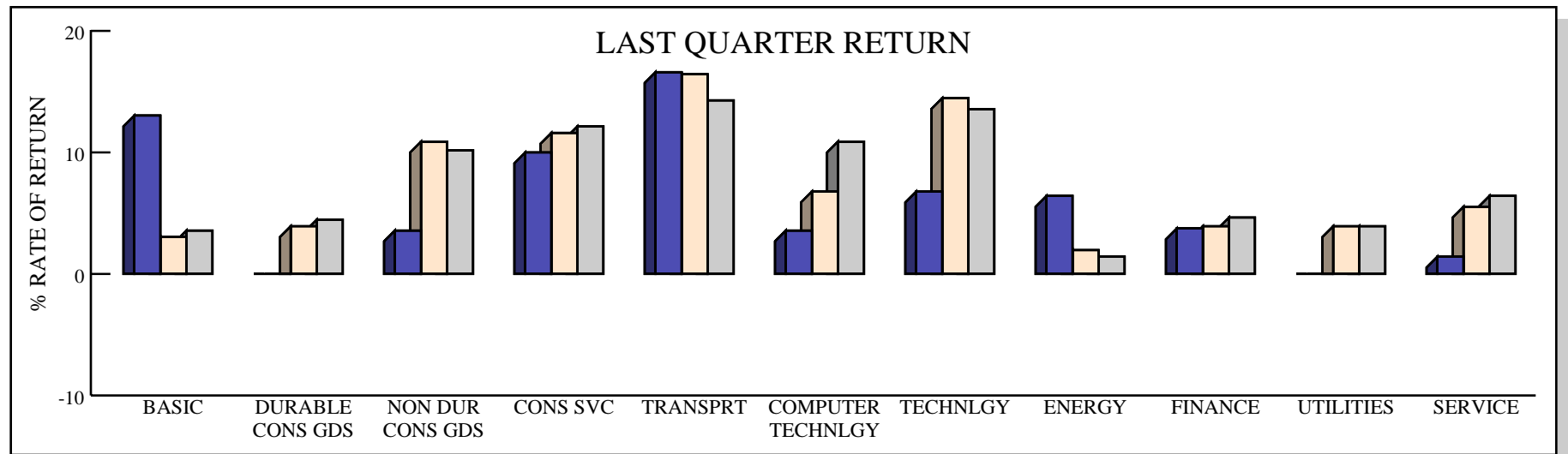
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	61	2.0%	10.7%	14.6	1.07
RUSSELL 1000V	727	2.4%	7.1%	21.6	0.97
RUSSELL 1000	984	1.7%	8.9%	28.8	1.00



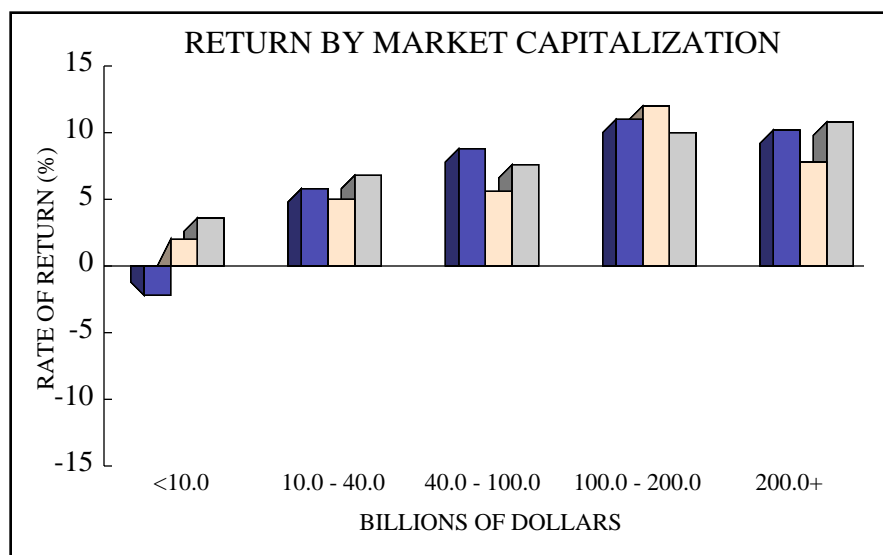
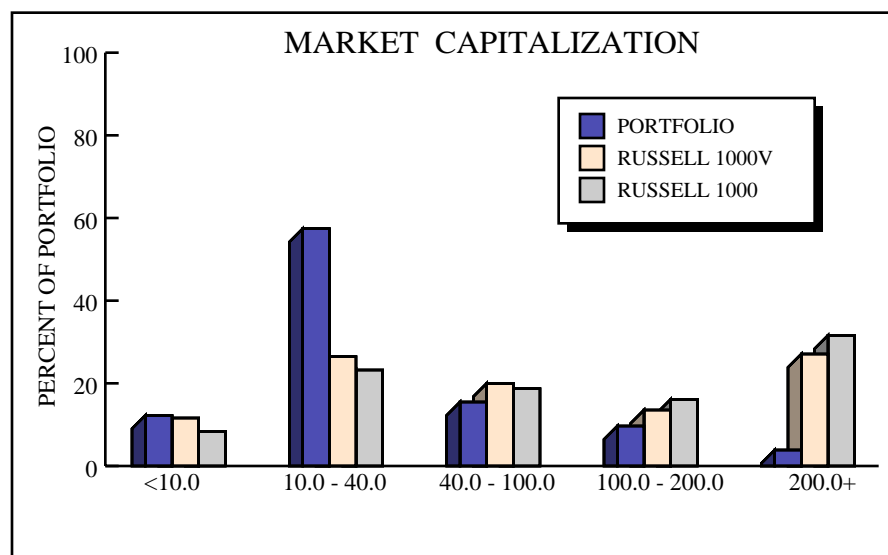
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO
 ■ RUSSELL 1000V
 ■ RUSSELL 1000



TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	AMERIPRISE FINANCIAL INC	\$ 456,122	4.57%	6.2%	Finance	\$ 20.9 B
2	MARATHON PETROLEUM CORP	428,159	4.29%	14.7%	Energy	36.1 B
3	CITIGROUP INC	417,455	4.18%	7.9%	Finance	180.5 B
4	FIFTH THIRD BANCORP	356,678	3.57%	-2.1%	Finance	18.6 B
5	METLIFE INC	350,680	3.51%	8.2%	Finance	46.5 B
6	VALERO ENERGY CORP	310,879	3.11%	3.4%	Energy	48.6 B
7	CITRIX SYSTEMS INC	302,800	3.03%	6.0%	Computer Tech	15.1 B
8	REGIONS FINANCIAL CORP	297,123	2.98%	3.9%	Finance	20.2 B
9	CONAGRA BRANDS INC	295,981	2.96%	-4.4%	NonDur Cons Goods	13.3 B
10	VOYA FINANCIAL INC	292,954	2.93%	5.7%	Finance	8.0 B

FRANKLIN REGIONAL RETIREMENT SYSTEM
SEIZERT CAPITAL PARTNERS - MID CAP
PERFORMANCE REVIEW
SEPTEMBER 2018

INVESTMENT RETURN

On September 30th, 2018, the Franklin Regional Retirement System's Seizert Capital Partners Mid Cap portfolio was valued at \$7,381,602, representing an increase of \$261,159 from the June quarter's ending value of \$7,120,443. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$261,159 in net investment returns. Income receipts totaling \$25,717 plus net realized and unrealized capital gains of \$235,442 combined to produce the portfolio's net investment return figure.

RELATIVE PERFORMANCE

For the third quarter, the Seizert Capital Partners Mid Cap portfolio returned 3.7%, which was 1.3% below the Russell Mid Cap's return of 5.0% and ranked in the 75th percentile of the Mid Cap universe. Over the trailing year, this portfolio returned 8.7%, which was 5.3% less than the benchmark's 14.0% return, ranking in the 86th percentile. Since September 2013, the account returned 8.5% on an annualized basis and ranked in the 96th percentile. The Russell Mid Cap returned an annualized 11.6% over the same time frame.

ASSET ALLOCATION

At the end of the third quarter, domestic equities comprised 96.7% of the total portfolio (\$7.1 million), while cash & equivalents comprised the remaining 3.3% (\$246,612).

STOCK ANALYSIS

By quarter's end, the Seizert portfolio was invested in seven of eleven industry sectors. Compared to the Russell Mid Cap index, the portfolio was overweight in the Nondurable Consumer Goods, Computer Technology, and Service sectors, while underweight in Basic. The Transportation, Technology, Energy, and Utilities sectors were unfunded.

The Seizert portfolio suffered a mixture of negative selection and allocation effects in the third quarter. The overweight Nondurable Consumer Goods and Computer Technology sectors underperformed by wide margins. Excessive weight in the Service sector pegged the portfolio's performance to the return of that market sector, which was middling for the quarter. Leaving Technology stocks vacant was also a negative, as the index posted double-digit gains in that sector.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Year	5 Year
Total Portfolio - Gross	3.7	5.6	8.7	12.5	8.5
<i>MID CAP RANK</i>	(75)	(71)	(86)	(86)	(96)
Total Portfolio - Net	3.5	5.0	8.0	11.7	7.8
Russell Mid	5.0	7.5	14.0	14.5	11.6
S&P 400	3.9	7.5	14.2	15.7	11.9
Russell Mid	5.0	7.5	14.0	14.5	11.6
Domestic Equity - Gross	3.8	5.8	9.1	13.0	8.9
<i>MID CAP RANK</i>	(72)	(70)	(84)	(81)	(93)
Russell Mid	5.0	7.5	14.0	14.5	11.6

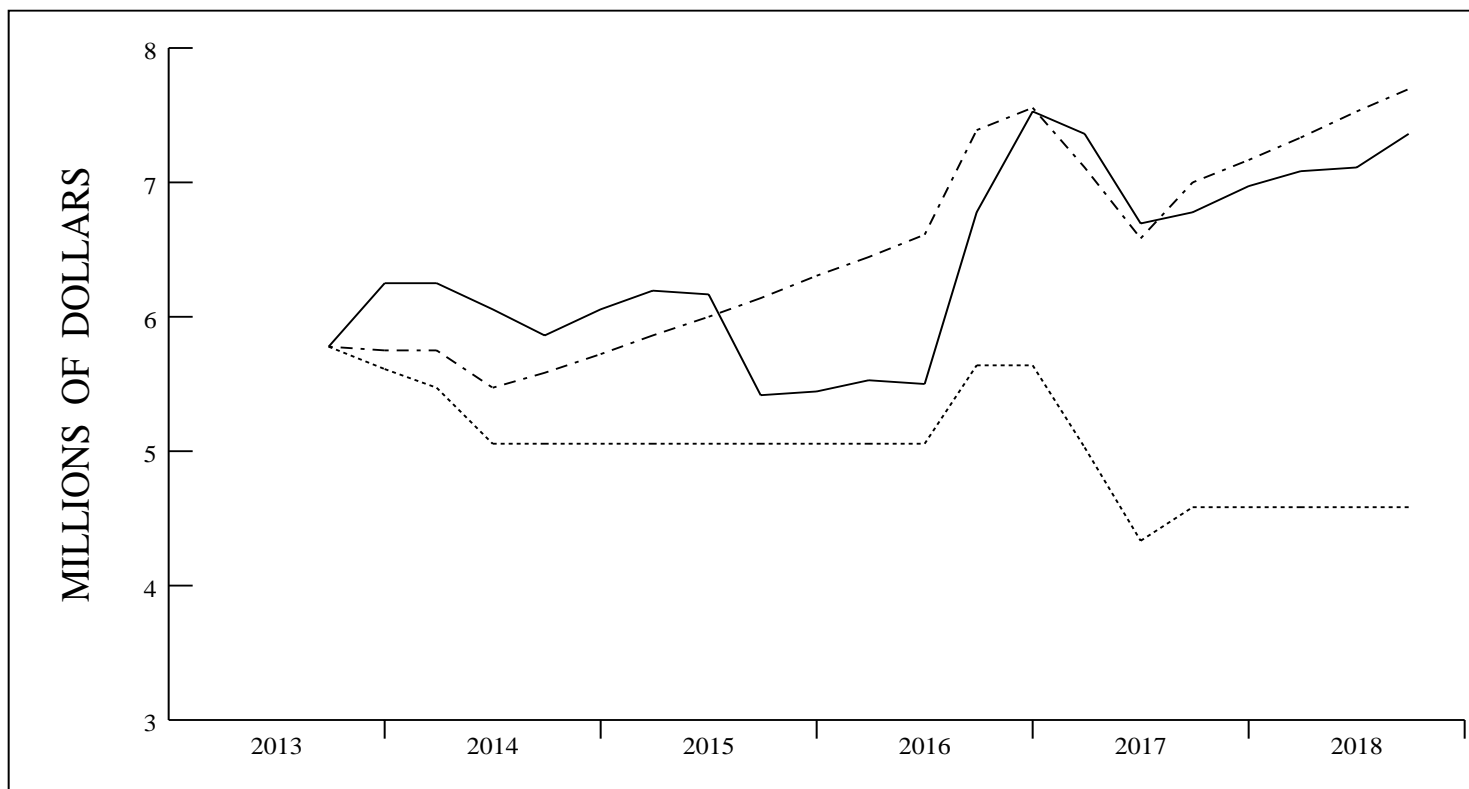
ASSET ALLOCATION

Domestic Equity	96.7%	\$ 7,134,990
Cash	3.3%	246,612
Total Portfolio	100.0%	\$ 7,381,602

INVESTMENT RETURN

Market Value 6/2018	\$ 7,120,443
Contribs / Withdrawals	0
Income	25,717
Capital Gains / Losses	235,442
Market Value 9/2018	\$ 7,381,602

INVESTMENT GROWTH

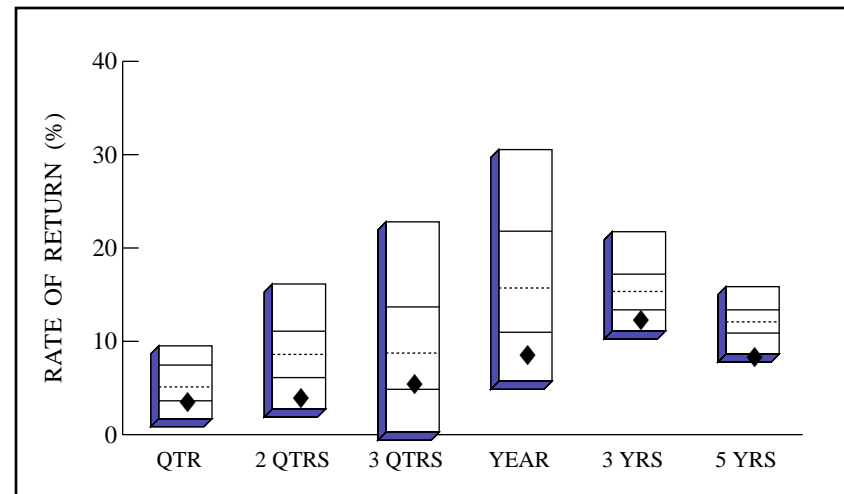
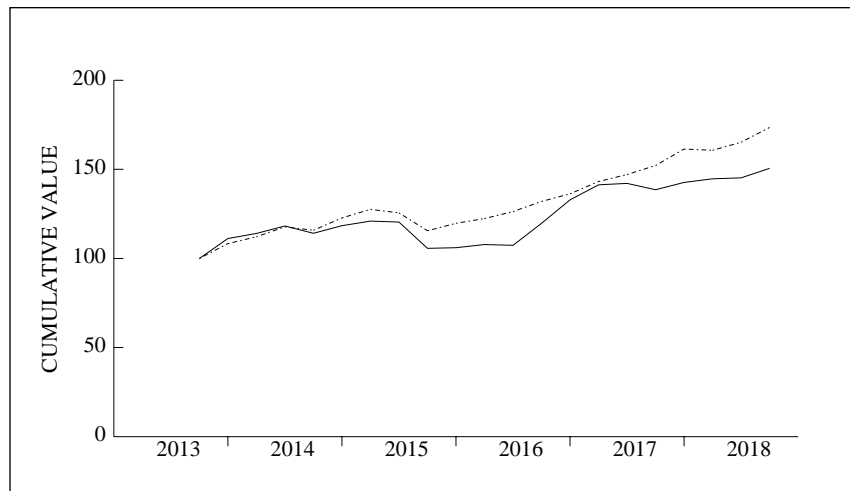


—	ACTUAL RETURN
- - -	10.0%
.....	0.0%

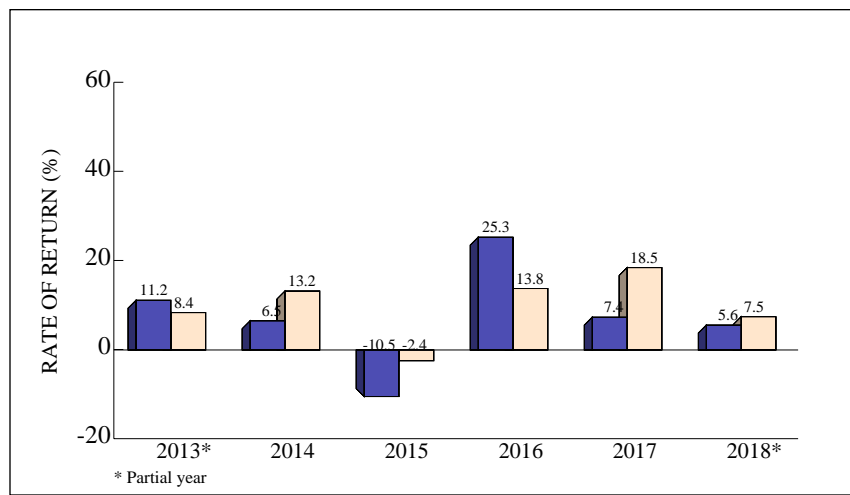
VALUE ASSUMING	
10.0% RETURN	\$ 7,719,554

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 7,120,443	\$ 5,802,114
NET CONTRIBUTIONS	0	- 1,193,198
INVESTMENT RETURN	261,159	2,772,686
ENDING VALUE	\$ 7,381,602	\$ 7,381,602
INCOME	25,717	670,511
CAPITAL GAINS (LOSSES)	235,442	2,102,175
INVESTMENT RETURN	261,159	2,772,686

TOTAL RETURN COMPARISONS



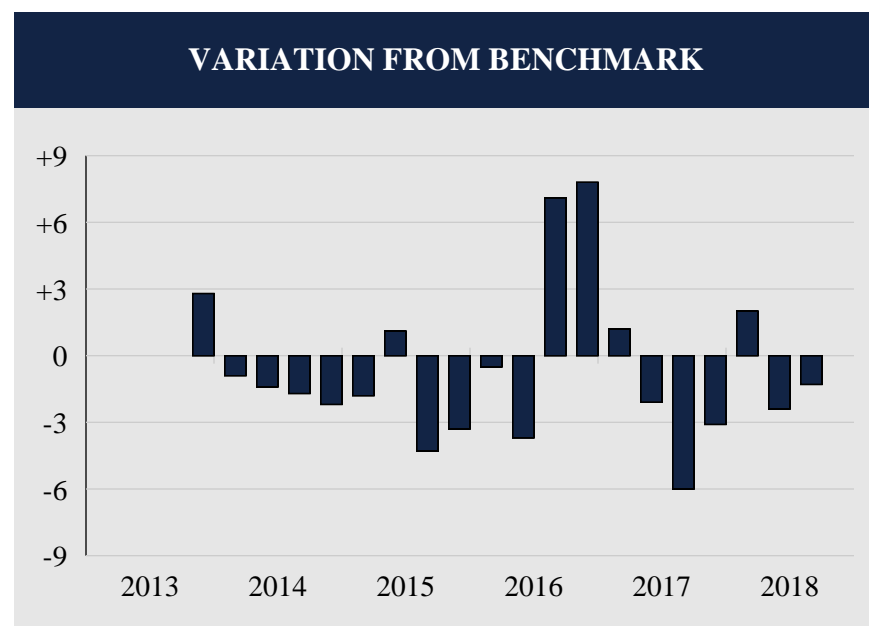
Mid Cap Universe



* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	3.7	4.1	5.6	8.7	12.5	8.5
(RANK)	(75)	(90)	(71)	(86)	(86)	(96)
5TH %ILE	9.5	16.1	22.8	30.5	21.8	15.9
25TH %ILE	7.5	11.1	13.7	21.8	17.2	13.4
MEDIAN	5.1	8.6	8.7	15.7	15.3	12.1
75TH %ILE	3.6	6.1	4.9	11.0	13.4	10.9
95TH %ILE	1.7	2.7	0.3	5.7	11.1	8.6
Russ MC	5.0	8.0	7.5	14.0	14.5	11.6

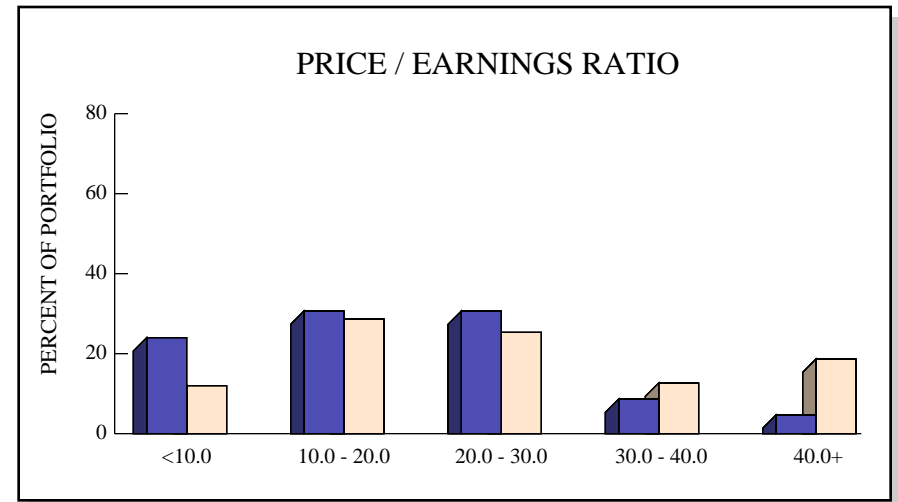
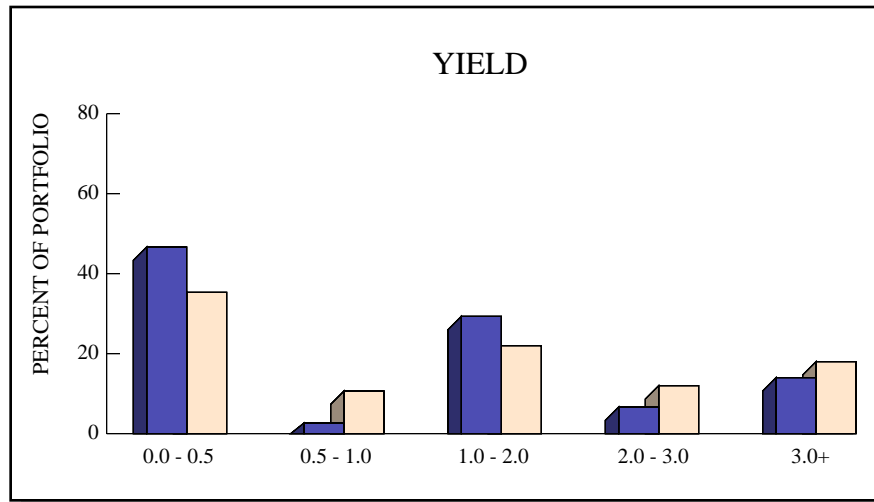
Mid Cap Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: RUSSELL MID CAP**

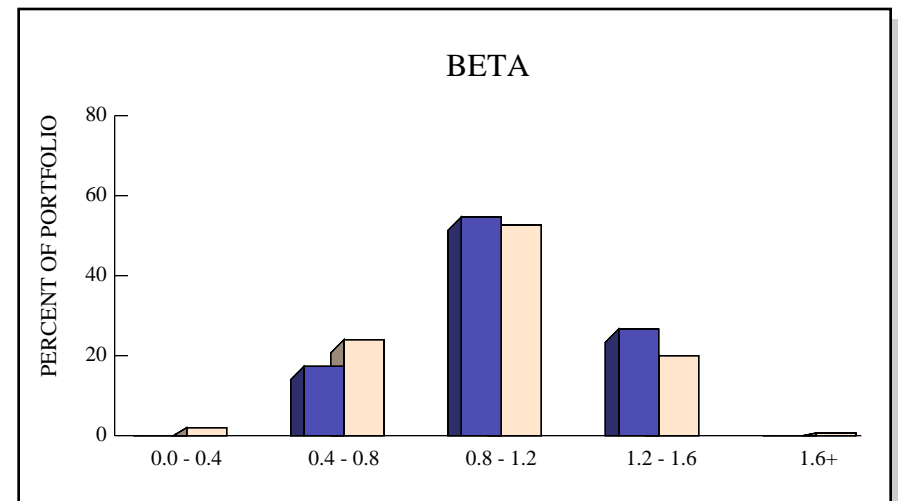
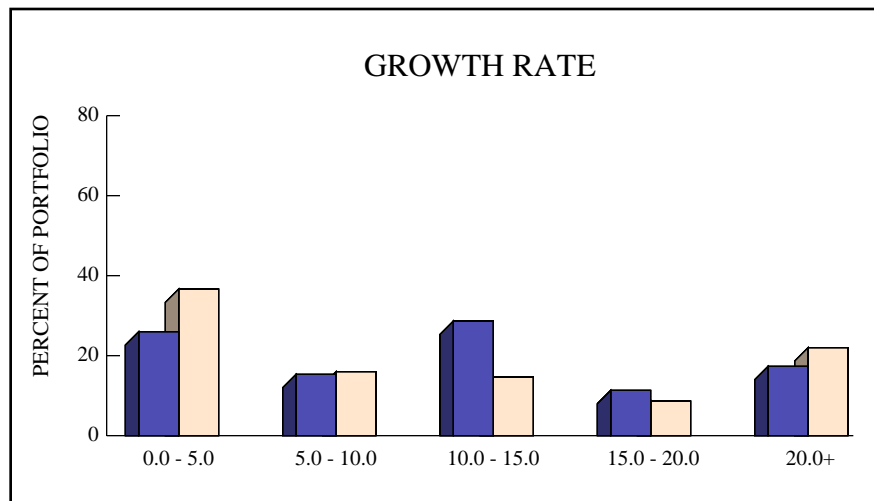
Total Quarters Observed	20
Quarters At or Above the Benchmark	6
Quarters Below the Benchmark	14
Batting Average	.300

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/13	11.2	8.4	2.8
3/14	2.6	3.5	-0.9
6/14	3.6	5.0	-1.4
9/14	-3.4	-1.7	-1.7
12/14	3.7	5.9	-2.2
3/15	2.2	4.0	-1.8
6/15	-0.4	-1.5	1.1
9/15	-12.3	-8.0	-4.3
12/15	0.3	3.6	-3.3
3/16	1.7	2.2	-0.5
6/16	-0.5	3.2	-3.7
9/16	11.6	4.5	7.1
12/16	11.0	3.2	7.8
3/17	6.3	5.1	1.2
6/17	0.6	2.7	-2.1
9/17	-2.5	3.5	-6.0
12/17	3.0	6.1	-3.1
3/18	1.5	-0.5	2.0
6/18	0.4	2.8	-2.4
9/18	3.7	5.0	-1.3

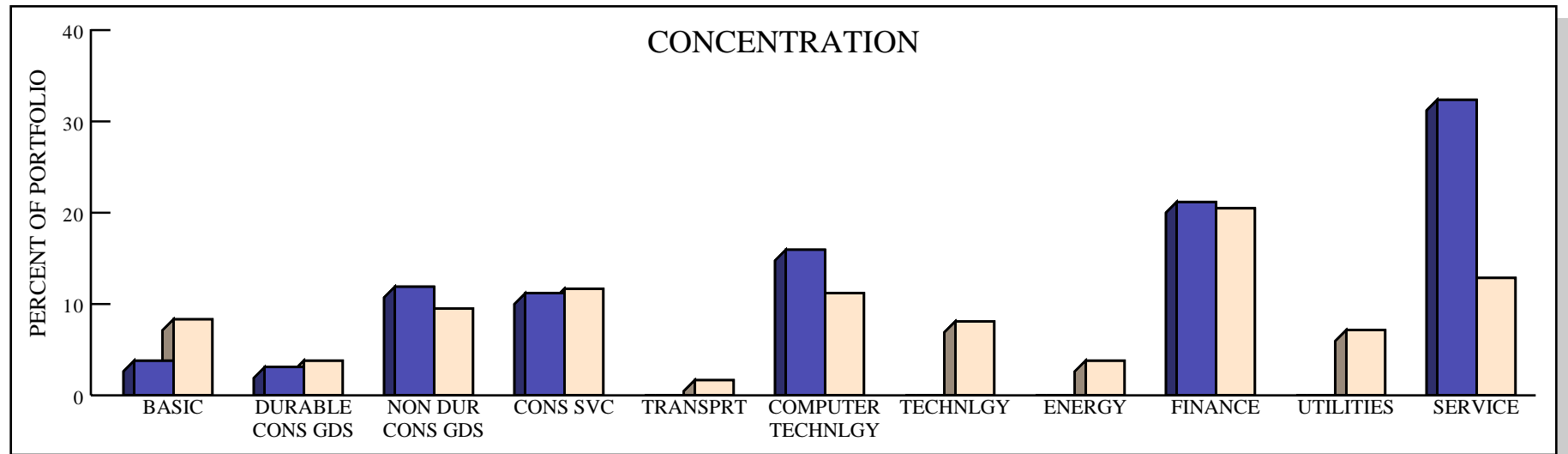
STOCK CHARACTERISTICS



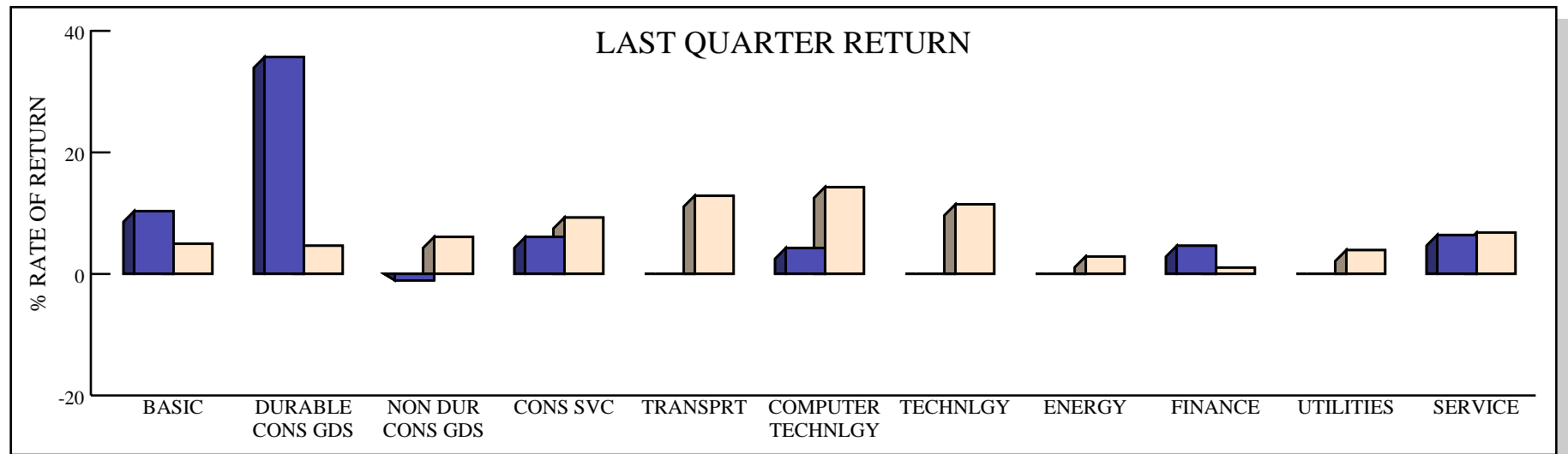
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	29	1.3%	12.1%	15.9	1.02
RUSSELL MID	790	1.6%	10.5%	26.1	0.97



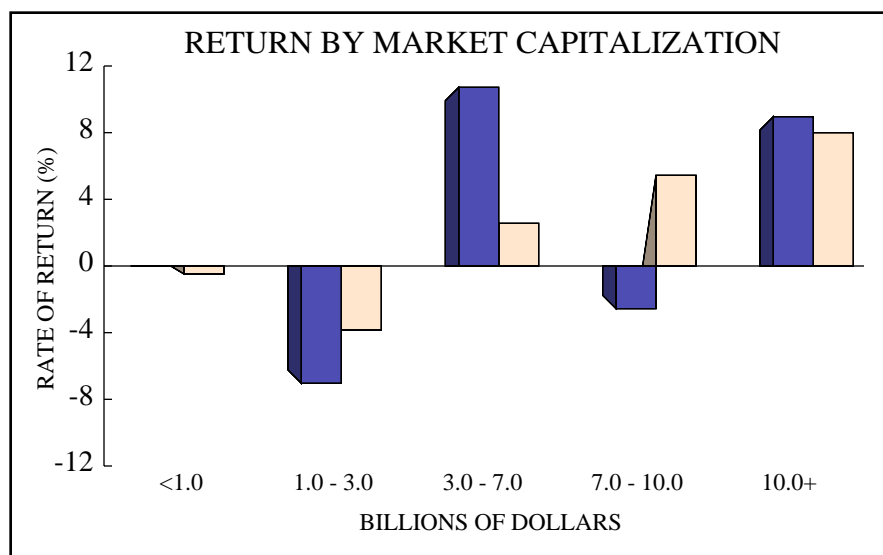
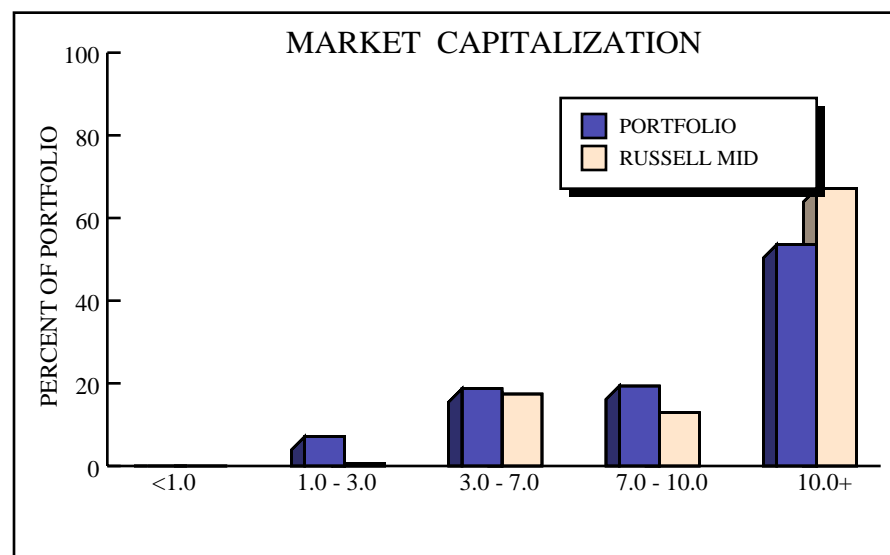
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO ■ RUSSELL MID



TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	LIBERTY MEDIA COR-SIRIUSXM C	\$ 445,189	6.24%	-4.2%	Service	\$ 9.5 B
2	DISCOVERY INC-C	443,138	6.21%	16.0%	Service	10.6 B
3	LIBERTY BROADBAND-C	360,298	5.05%	11.3%	Service	12.9 B
4	ASSURED GUARANTY LTD	357,773	5.01%	18.7%	Finance	4.6 B
5	CHURCH & DWIGHT CO INC	302,906	4.25%	12.1%	NonDur Cons Goods	14.6 B
6	HOWARD HUGHES CORP/THE	290,799	4.08%	-6.3%	Finance	5.3 B
7	AMERISOURCEBERGEN CORP	285,882	4.01%	8.6%	Service	20.0 B
8	LIBERTY MEDIA CORP-LIBERTY-C	285,619	4.00%	0.2%	Service	7.5 B
9	AMDOCS LTD	271,838	3.81%	0.1%	Computer Tech	9.3 B
10	CUMMINS INC	270,230	3.79%	10.7%	Basic	23.9 B

FRANKLIN REGIONAL RETIREMENT SYSTEM
ABERDEEN STANDARD INVESTMENTS - SMALL CAP CORE
PERFORMANCE REVIEW
SEPTEMBER 2018

INVESTMENT RETURN

On September 30th, 2018, the Franklin Regional Retirement System's Aberdeen Standard Investments Small Cap Core portfolio was valued at \$8,195,459, representing an increase of \$508,610 from the June quarter's ending value of \$7,686,849. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$508,610 in net investment returns. Income receipts totaling \$20,162 plus net realized and unrealized capital gains of \$488,448 combined to produce the portfolio's net investment return figure.

RELATIVE PERFORMANCE

For the third quarter, the Aberdeen Standard Investments Small Cap Core portfolio returned 6.6%, which was 3.0% above the Russell 2000 Index's return of 3.6% and ranked in the 26th percentile of the Small Cap universe. Over the trailing year, this portfolio returned 11.3%, which was 3.9% less than the benchmark's 15.2% return, ranking in the 69th percentile. Since June 2017, the account returned 14.1% on an annualized basis and ranked in the 65th percentile. The Russell 2000 returned an annualized 17.1% over the same time frame.

ASSET ALLOCATION

This portfolio was fully invested in the Aberdeen Small Cap Core portfolio.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Year	5 Year	Since 06/17
Total Portfolio - Gross	6.6	7.2	11.3	----	----	14.1
<i>SMALL CAP RANK</i>	(26)	(69)	(69)	----	----	(65)
Total Portfolio - Net	6.5	6.7	10.6	----	----	13.5
Russell 2000	3.6	11.5	15.2	17.1	11.1	17.1
Domestic Equity - Gross	6.6	7.2	11.3	----	----	14.1
<i>SMALL CAP RANK</i>	(26)	(69)	(69)	----	----	(65)
Russell 2000	3.6	11.5	15.2	17.1	11.1	17.1

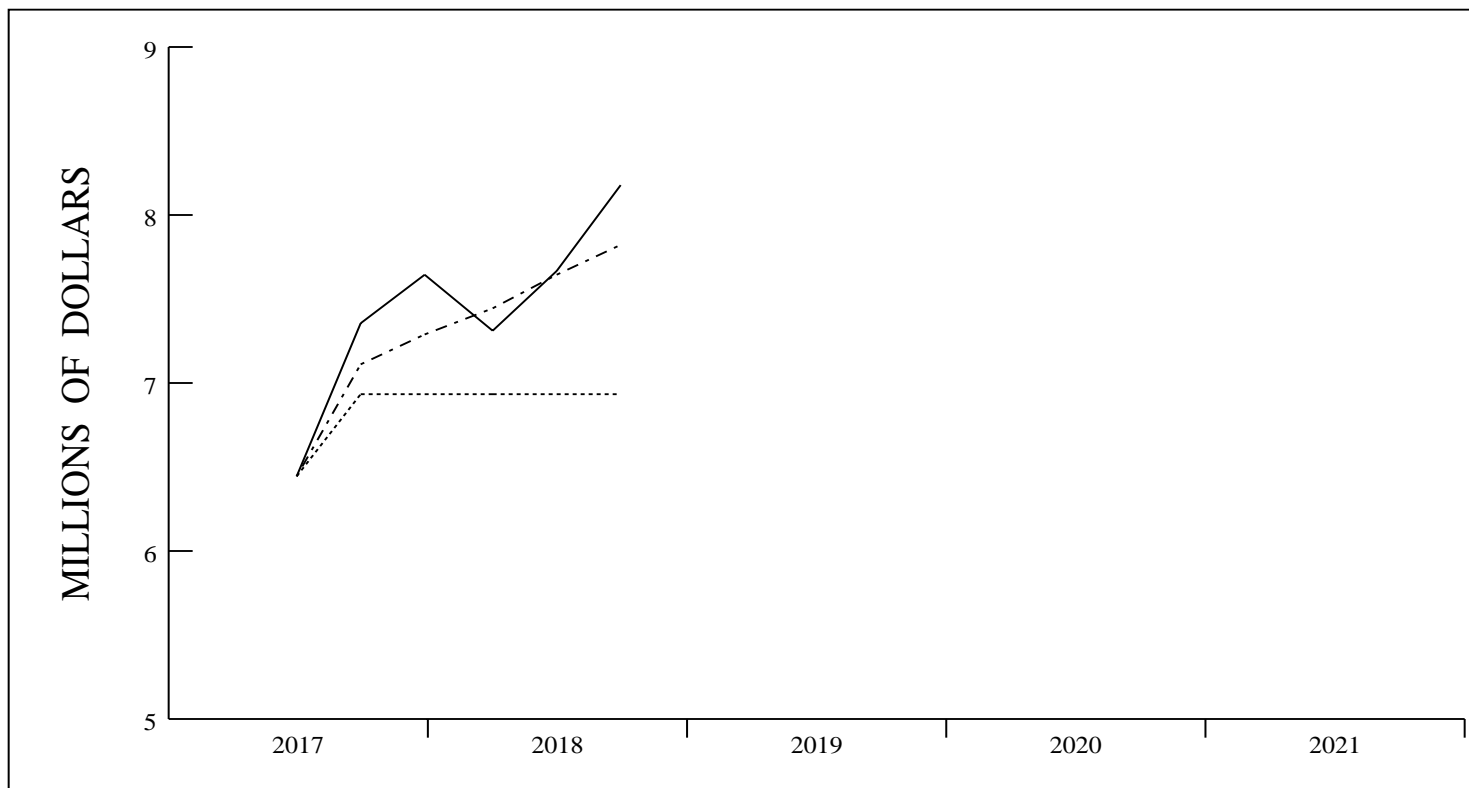
ASSET ALLOCATION

Domestic Equity	100.0%	\$ 8,195,459
Total Portfolio	100.0%	\$ 8,195,459

INVESTMENT RETURN

Market Value 6/2018	\$ 7,686,849
Contribs / Withdrawals	0
Income	20,162
Capital Gains / Losses	488,448
Market Value 9/2018	\$ 8,195,459

INVESTMENT GROWTH

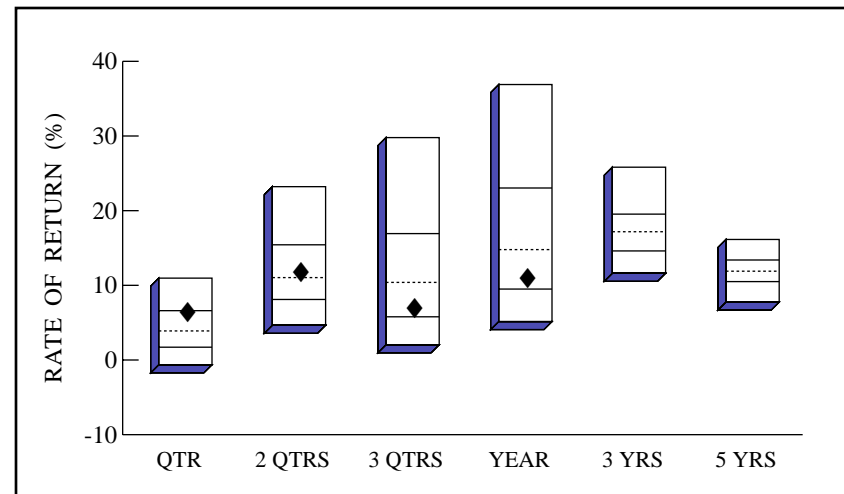
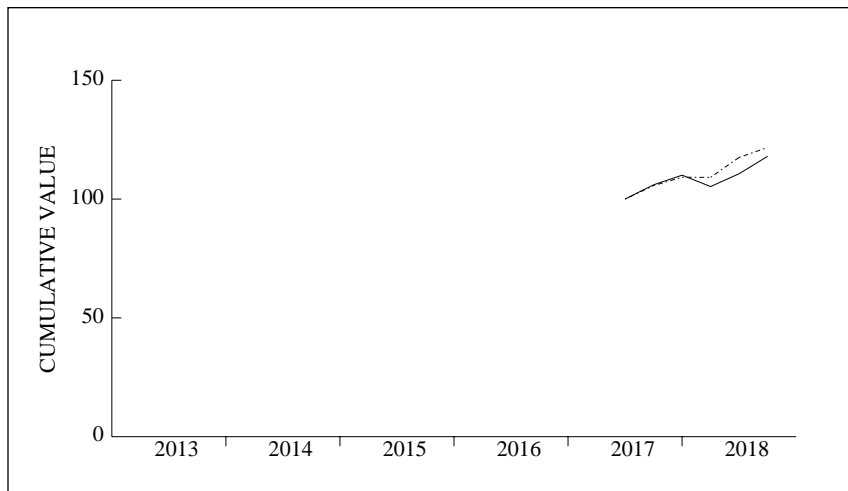


— ACTUAL RETURN
 - - - 10.0%
 . . . 0.0%

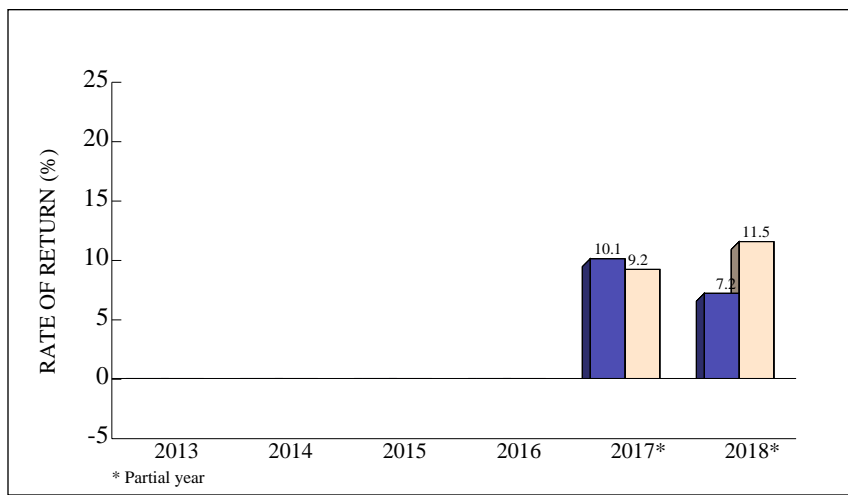
VALUE ASSUMING
 10.0% RETURN \$ 7,829,278

	LAST QUARTER	PERIOD 6/17 - 9/18
BEGINNING VALUE	\$ 7,686,849	\$ 6,451,915
NET CONTRIBUTIONS	0	500,000
<u>INVESTMENT RETURN</u>	<u>508,610</u>	<u>1,243,544</u>
ENDING VALUE	\$ 8,195,459	\$ 8,195,459
INCOME	20,162	98,662
<u>CAPITAL GAINS (LOSSES)</u>	<u>488,448</u>	<u>1,144,882</u>
INVESTMENT RETURN	508,610	1,243,544

TOTAL RETURN COMPARISONS



Small Cap Universe



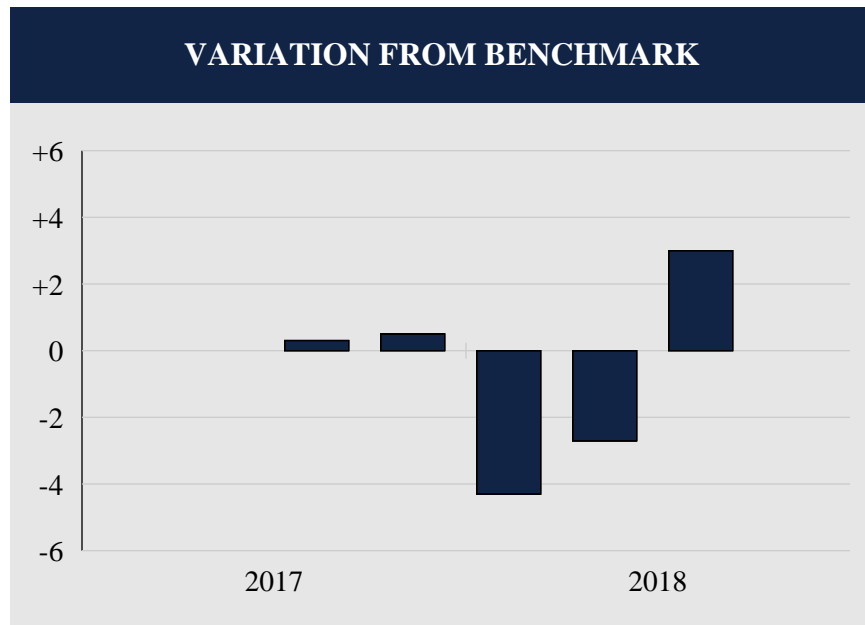
* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	6.6	12.1	7.2	11.3	----	----
(RANK)	(26)	(42)	(69)	(69)	----	----
5TH %ILE	11.0	23.2	29.8	36.9	25.8	16.1
25TH %ILE	6.6	15.4	16.9	23.1	19.5	13.4
MEDIAN	3.9	11.0	10.4	14.8	17.2	11.9
75TH %ILE	1.7	8.1	5.8	9.5	14.6	10.5
95TH %ILE	-0.6	4.6	2.0	5.1	11.6	7.8
Russ 2000	3.6	11.6	11.5	15.2	17.1	11.1

Small Cap Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: RUSSELL 2000



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/17	6.0	5.7	0.3
12/17	3.8	3.3	0.5
3/18	-4.4	-0.1	-4.3
6/18	5.1	7.8	-2.7
9/18	6.6	3.6	3.0

Total Quarters Observed	5
Quarters At or Above the Benchmark	3
Quarters Below the Benchmark	2
Batting Average	.600

FRANKLIN REGIONAL RETIREMENT SYSTEM
SYSTEMATIC FINANCIAL MANAGEMENT - MID CAP VALUE
PERFORMANCE REVIEW
SEPTEMBER 2018

INVESTMENT RETURN

On September 30th, 2018, the Franklin Regional Retirement System's Systematic Financial Management Mid Cap Value portfolio was valued at \$8,130,683, representing an increase of \$212,989 from the June quarter's ending value of \$7,917,694. Last quarter, the Fund posted net contributions equaling \$61 plus a net investment gain equaling \$212,928. Total net investment return was the result of income receipts, which totaled \$31,955 and net realized and unrealized capital gains of \$180,973.

RELATIVE PERFORMANCE

For the third quarter, the Systematic Financial Management Mid Cap Value portfolio returned 2.7%, which was 0.9% below the Russell 2000 Index's return of 3.6% and ranked in the 66th percentile of the Small Cap universe. Over the trailing year, the portfolio returned 12.2%, which was 3.0% below the benchmark's 15.2% return, ranking in the 63rd percentile. Since June 2014, the portfolio returned 6.8% annualized and ranked in the 93rd percentile. The Russell 2000 returned an annualized 10.1% over the same period.

ASSET ALLOCATION

At the end of the third quarter, domestic equities comprised 98.9% of the total portfolio (\$8.0 million), while cash & equivalents totaled 1.1% (\$89,880).

STOCK ANALYSIS

All eleven industry sectors were funded at the end of the quarter. With respect to the Russell 2000 index, the portfolio was overweight in the Basic, Consumer Service, and Energy sectors, while underweight in Computer Technology and Service.

Selection effects were broadly negative in the third quarter, as eight of the eleven sectors underperformed the benchmark. Basic, Consumer Service, and Finance were notable areas of weakness, where negative stock selection was compounded by heavy allocations. Computer Technology and Technology underperformed as well. Nondurable Consumer Goods and Energy were minor tailwinds.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Year	5 Year	Since 06/14
Total Portfolio - Gross	2.7	8.9	12.2	14.6	----	6.8
<i>SMALL CAP RANK</i>	(66)	(59)	(63)	(75)	----	(93)
Total Portfolio - Net	2.5	8.3	11.4	13.8	----	6.0
Russell 2000	3.6	11.5	15.2	17.1	11.1	10.1
Russell 2000G	5.5	15.7	21.0	18.0	12.1	11.7
Russell 2000V	1.6	7.2	9.4	16.1	9.9	8.4
Domestic Equity - Gross	2.7	9.0	12.3	14.8	----	6.9
<i>SMALL CAP RANK</i>	(66)	(59)	(63)	(74)	----	(93)
Russell 2000	3.6	11.5	15.2	17.1	11.1	10.1

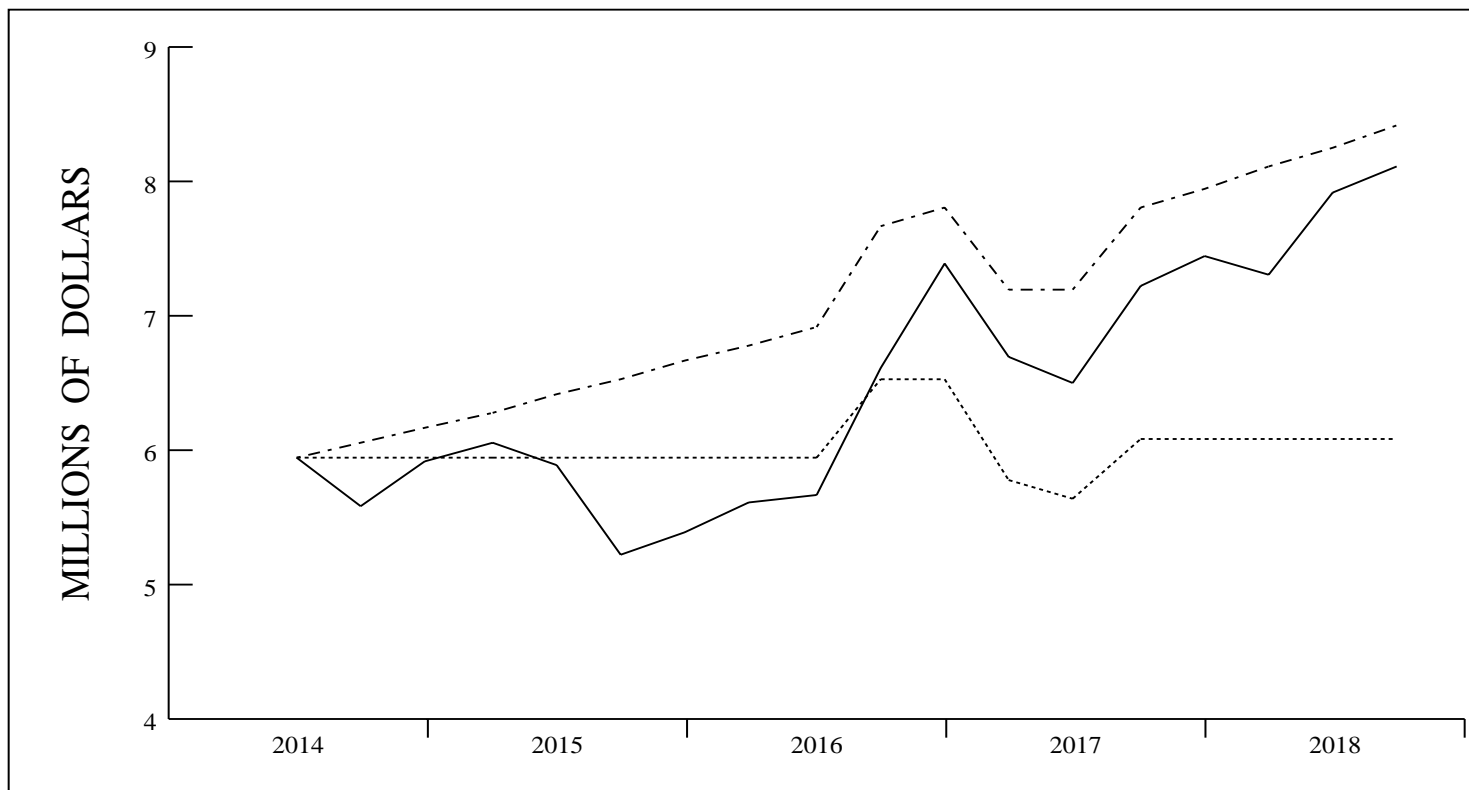
ASSET ALLOCATION

Domestic Equity	98.9%	\$ 8,040,803
Cash	1.1%	89,880
Total Portfolio	100.0%	\$ 8,130,683

INVESTMENT RETURN

Market Value 6/2018	\$ 7,917,694
Contribs / Withdrawals	61
Income	31,955
Capital Gains / Losses	180,973
Market Value 9/2018	\$ 8,130,683

INVESTMENT GROWTH

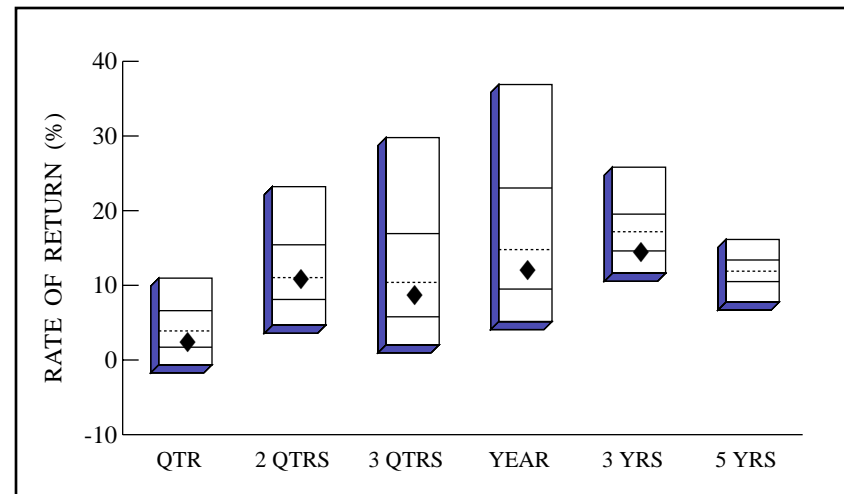
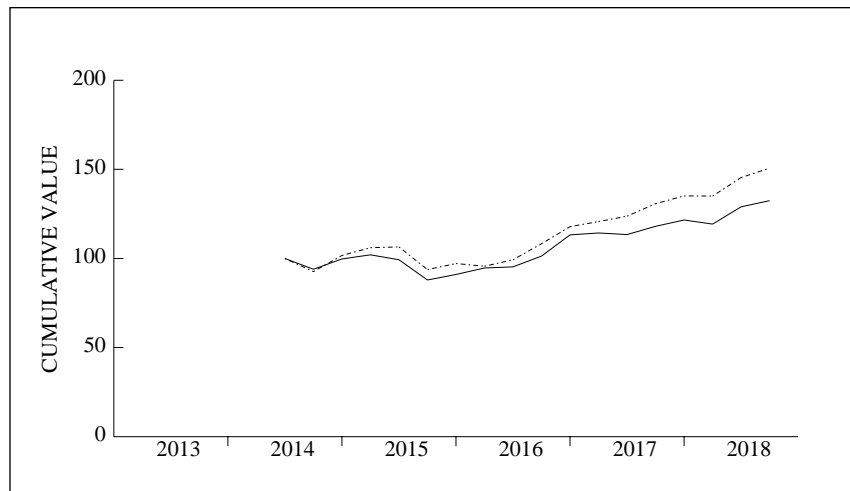


—	ACTUAL RETURN
- - - - -	8.0%
.....	0.0%

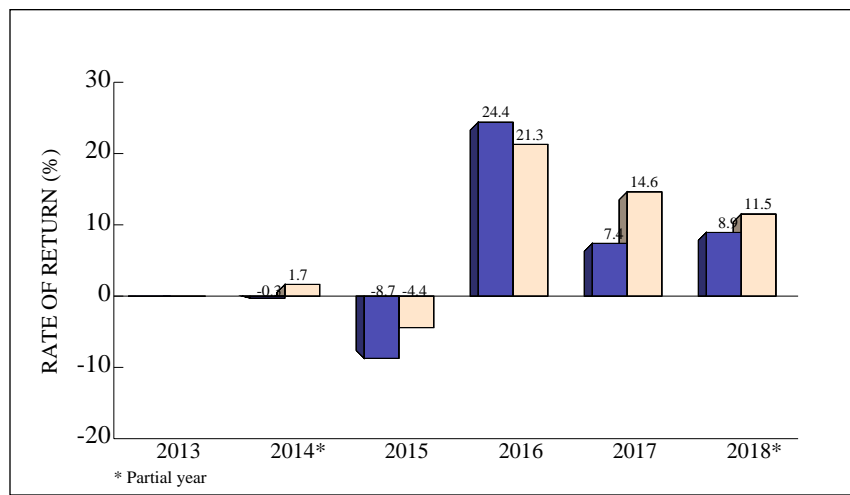
VALUE ASSUMING	
8.0% RETURN	\$ 8,437,987

	LAST QUARTER	PERIOD 6/14 - 9/18
BEGINNING VALUE	\$ 7,917,694	\$ 5,945,950
NET CONTRIBUTIONS	61	146,904
INVESTMENT RETURN	212,928	2,037,829
ENDING VALUE	\$ 8,130,683	\$ 8,130,683
INCOME	31,955	506,510
CAPITAL GAINS (LOSSES)	180,973	1,531,319
INVESTMENT RETURN	212,928	2,037,829

TOTAL RETURN COMPARISONS

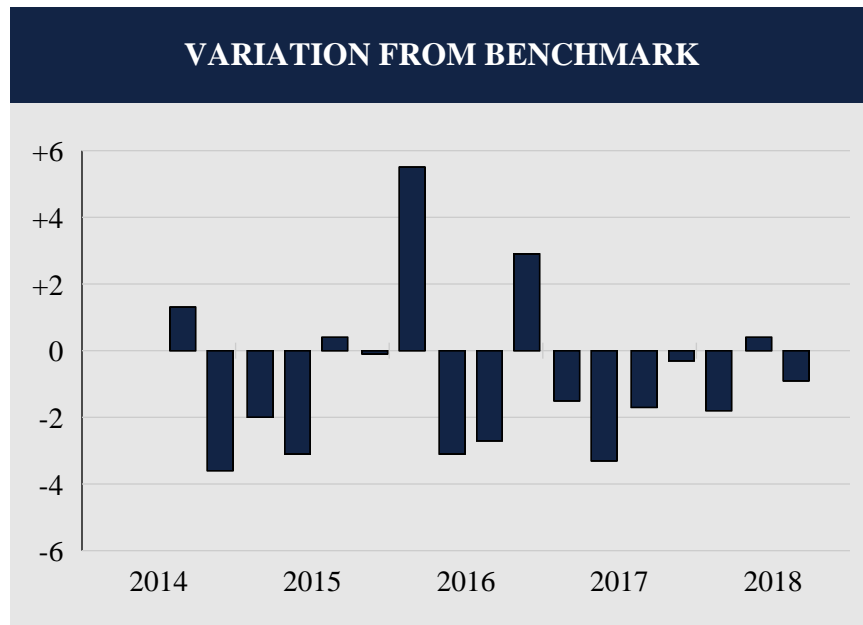


Small Cap Universe



	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	2.7	11.1	8.9	12.2	14.6	---
(RANK)	(66)	(50)	(59)	(63)	(75)	---
5TH %ILE	11.0	23.2	29.8	36.9	25.8	16.1
25TH %ILE	6.6	15.4	16.9	23.1	19.5	13.4
MEDIAN	3.9	11.0	10.4	14.8	17.2	11.9
75TH %ILE	1.7	8.1	5.8	9.5	14.6	10.5
95TH %ILE	-0.6	4.6	2.0	5.1	11.6	7.8
Russ 2000	3.6	11.6	11.5	15.2	17.1	11.1

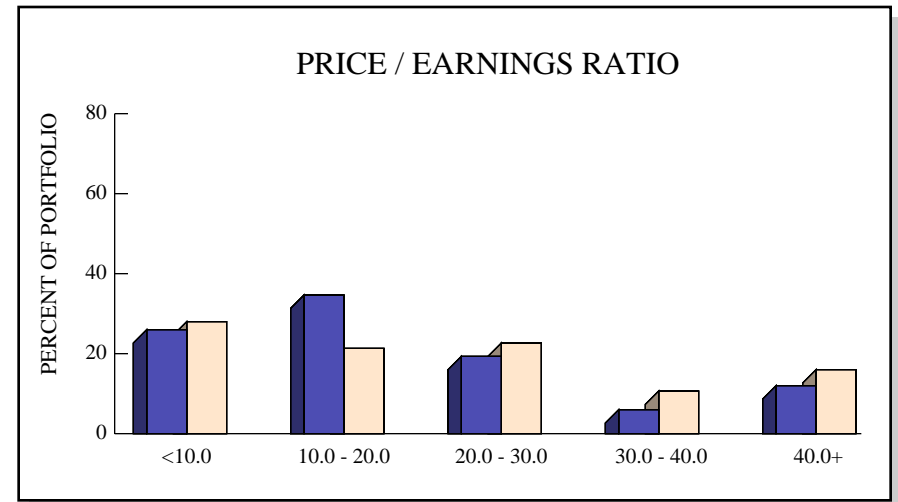
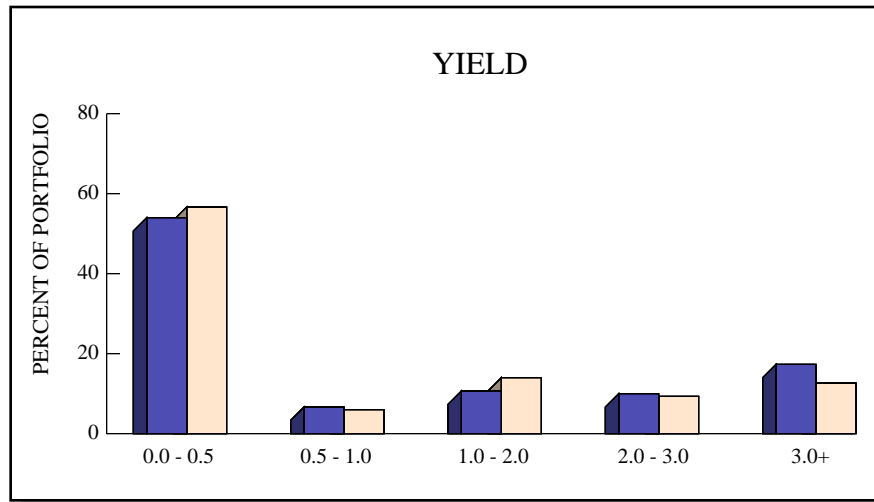
Small Cap Universe

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

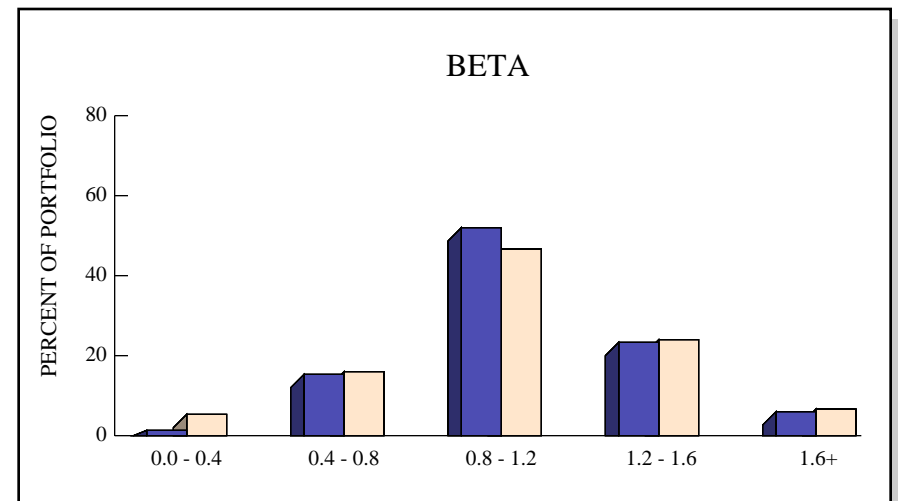
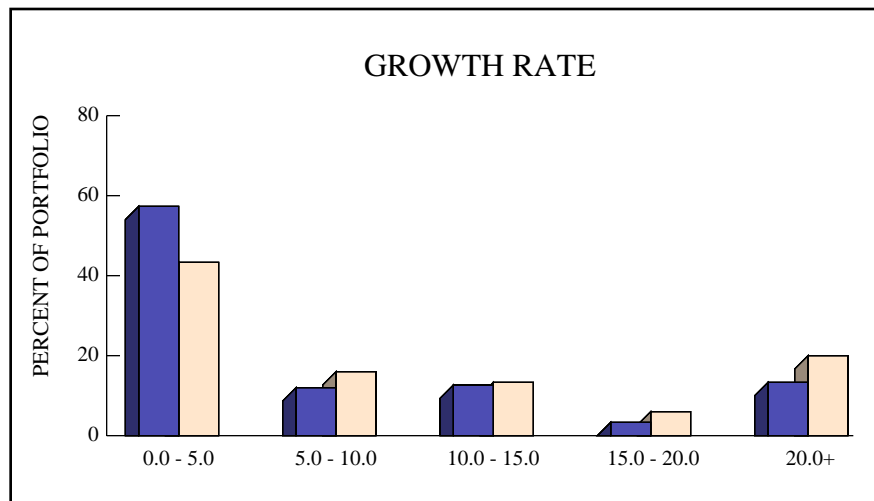
Total Quarters Observed	17
Quarters At or Above the Benchmark	5
Quarters Below the Benchmark	12
Batting Average	.294

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/14	-6.1	-7.4	1.3
12/14	6.1	9.7	-3.6
3/15	2.3	4.3	-2.0
6/15	-2.7	0.4	-3.1
9/15	-11.5	-11.9	0.4
12/15	3.5	3.6	-0.1
3/16	4.0	-1.5	5.5
6/16	0.7	3.8	-3.1
9/16	6.3	9.0	-2.7
12/16	11.7	8.8	2.9
3/17	1.0	2.5	-1.5
6/17	-0.8	2.5	-3.3
9/17	4.0	5.7	-1.7
12/17	3.0	3.3	-0.3
3/18	-1.9	-0.1	-1.8
6/18	8.2	7.8	0.4
9/18	2.7	3.6	-0.9

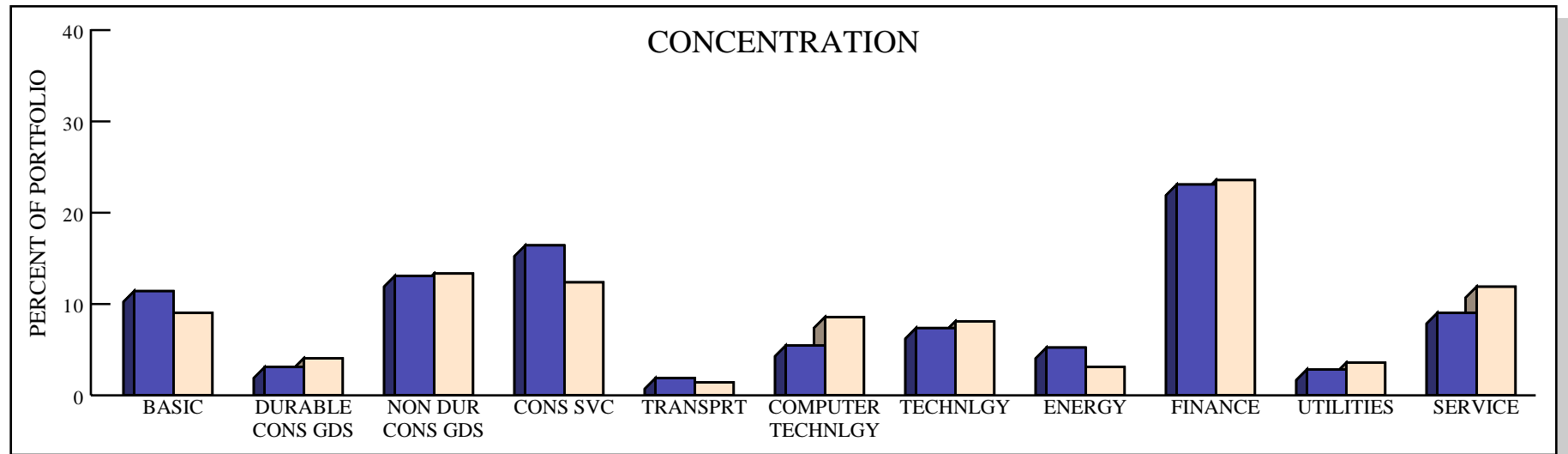
STOCK CHARACTERISTICS



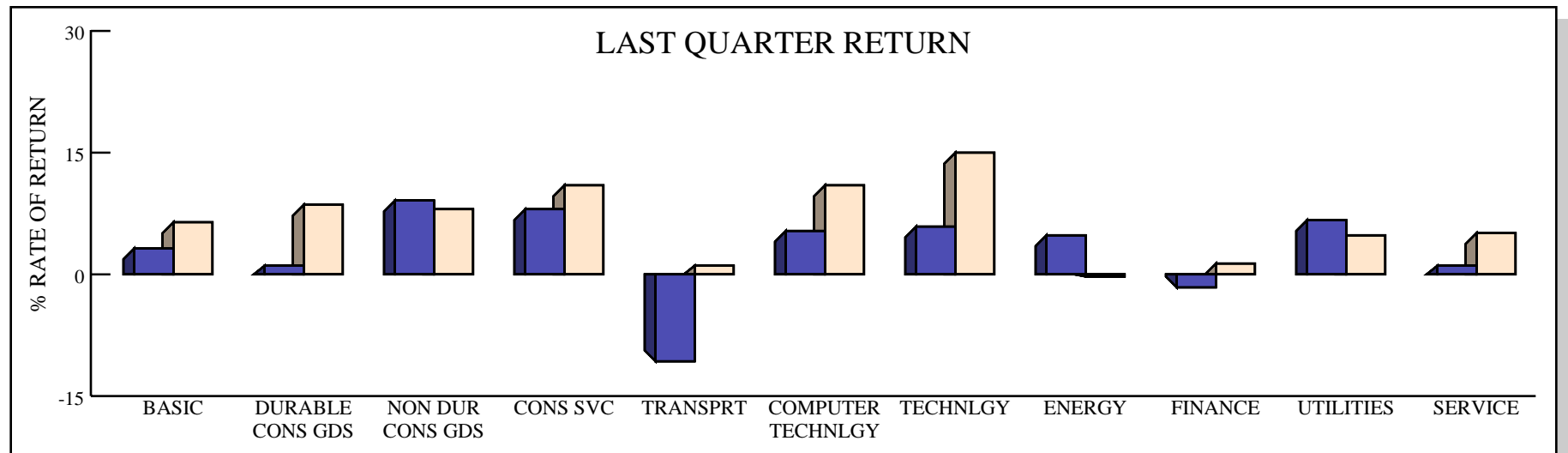
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	333	1.5%	5.4%	18.2	1.06
RUSSELL 2000	2,040	1.2%	9.0%	19.4	1.04



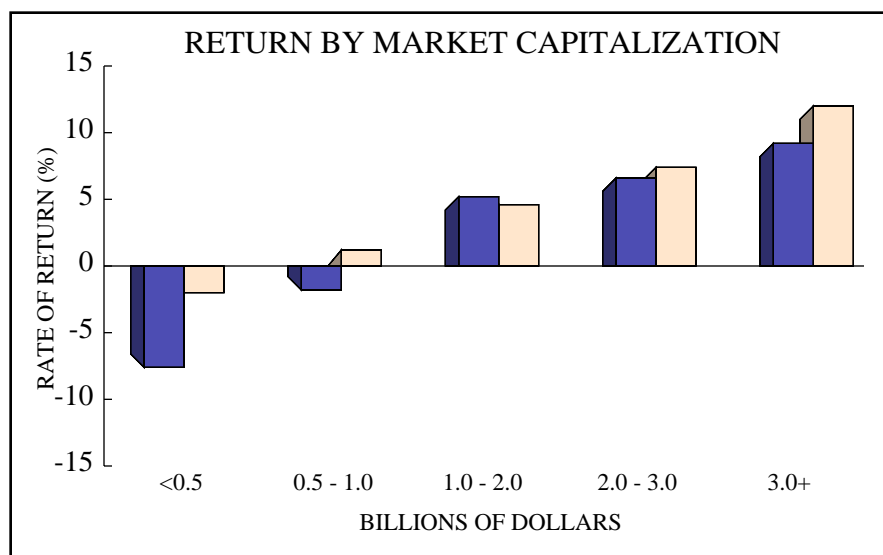
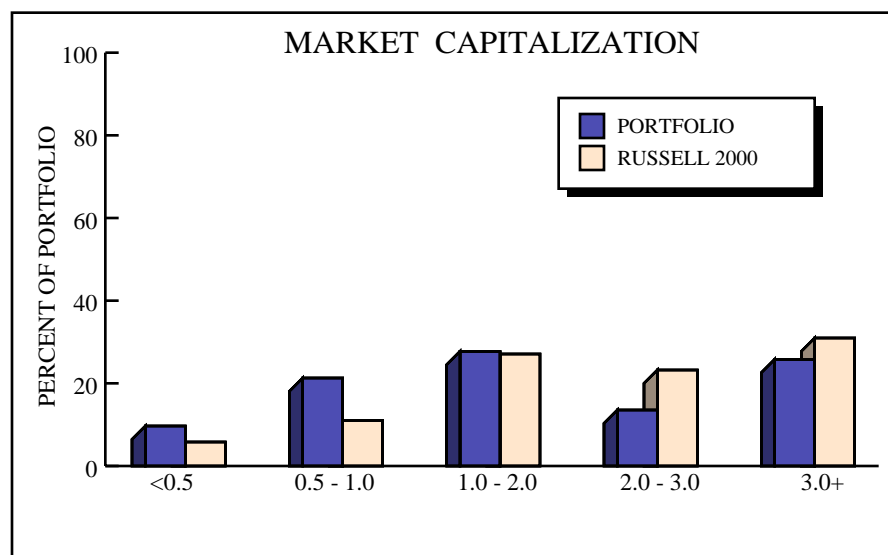
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO ■ RUSSELL 2000



TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	W&T OFFSHORE INC	\$ 38,560	.48%	34.8%	Energy	\$ 1.3 B
2	ROWAN COMPANIES PLC-A	35,024	.44%	16.1%	Energy	2.4 B
3	UNISYS CORP	33,048	.41%	58.1%	Computer Tech	1.0 B
4	STEELCASE INC-CL A	33,023	.41%	38.0%	Durable Cons Goods	1.6 B
5	WELLCARE HEALTH PLANS INC	30,447	.38%	30.2%	Consumer Service	16.0 B
6	MATRIX SERVICE CO	30,319	.38%	34.3%	Basic	0.7 B
7	PREMIER INC-CLASS A	29,986	.37%	25.8%	Consumer Service	2.4 B
8	VERSO CORP - A	29,798	.37%	54.7%	Basic	1.2 B
9	SM ENERGY CO	29,481	.37%	22.7%	Energy	3.5 B
10	CAMBREX CORP	29,412	.37%	30.8%	NonDur Cons Goods	2.3 B

FRANKLIN REGIONAL RETIREMENT SYSTEM
PRIT - INTERNATIONAL EQUITY
PERFORMANCE REVIEW
SEPTEMBER 2018

INVESTMENT RETURN

On September 30th, 2018, the Franklin Regional Retirement System's PRIT International Equity portfolio was valued at \$7,508,505, representing an increase of \$49,970 from the June quarter's ending value of \$7,458,535. Last quarter, the Fund posted withdrawals totaling \$4,325, which partially offset the portfolio's net investment return of \$54,295. Income receipts totaling \$46,451 plus net realized and unrealized capital gains of \$7,844 combined to produce the portfolio's net investment return.

RELATIVE PERFORMANCE

For the third quarter, the PRIT International Equity portfolio returned 0.7%, which was 0.7% below the MSCI EAFE Index's return of 1.4% and ranked in the 39th percentile of the International Equity universe. Over the trailing year, the portfolio returned 3.6%, which was 0.4% above the benchmark's 3.2% return, ranking in the 32nd percentile. Since September 2014, the portfolio returned 5.9% annualized and ranked in the 43rd percentile. The MSCI EAFE Index returned an annualized 4.9% over the same period.

ASSET ALLOCATION

This portfolio was fully invested in the PRIT International Equity portfolio at the end of the quarter.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Year	5 Year	Since 09/14
Total Portfolio - Gross	0.7	-0.8	3.6	10.4	----	5.9
<i>INTERNATIONAL EQUITY RANK</i>	(39)	(26)	(32)	(59)	----	(43)
Total Portfolio - Net	0.7	-1.0	3.4	10.2	----	5.7
MSCI EAFE	1.4	-1.0	3.2	9.8	4.9	4.9
ACWI Ex US	0.8	-2.7	2.3	10.5	4.6	4.4
MSCI Emg Mkts	-0.9	-7.4	-0.4	12.8	4.0	3.8
International Equity - Gross	0.7	-0.8	3.6	10.4	----	5.9
<i>INTERNATIONAL EQUITY RANK</i>	(39)	(26)	(32)	(59)	----	(43)
MSCI EAFE	1.4	-1.0	3.2	9.8	4.9	4.9

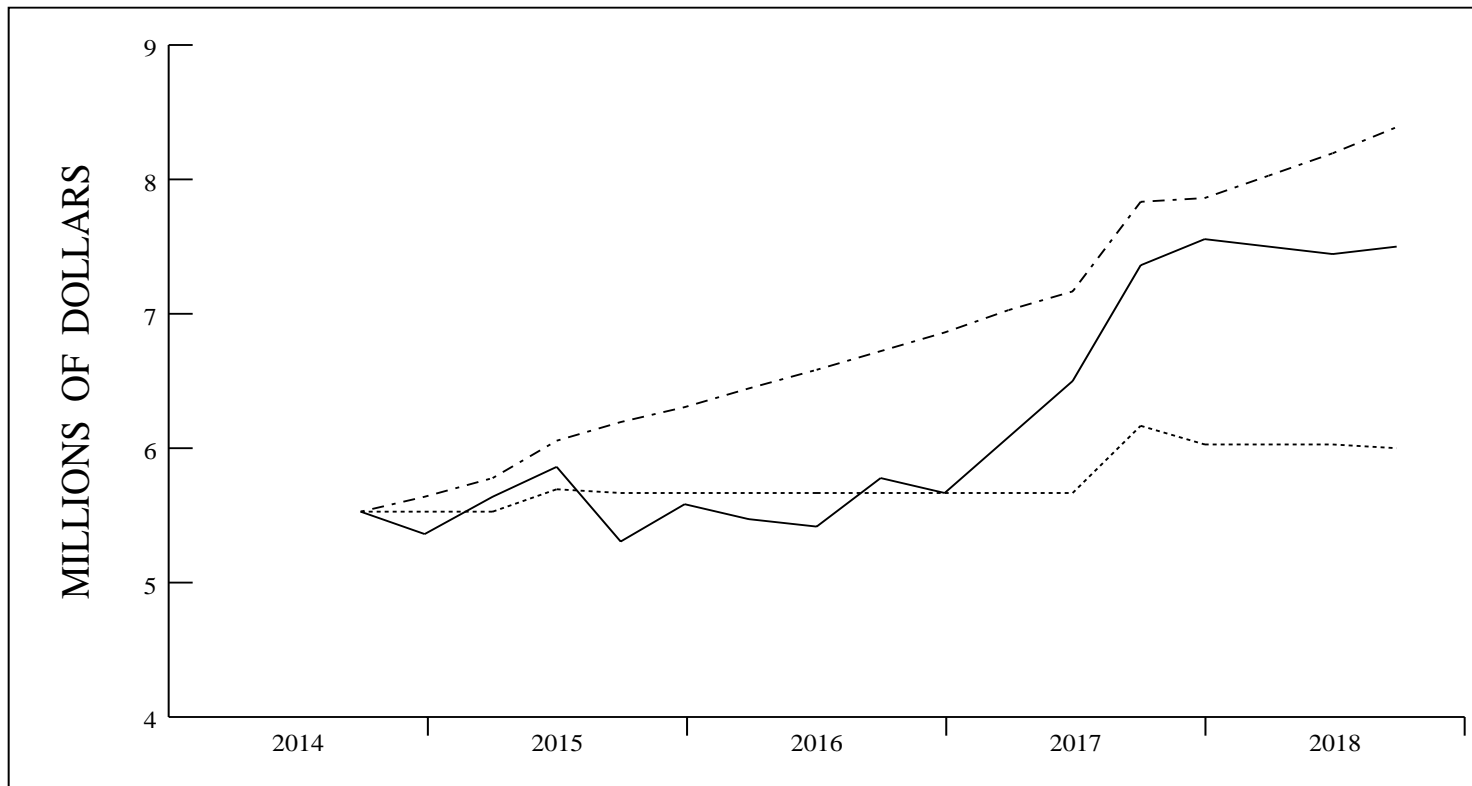
ASSET ALLOCATION

Int'l Equity	100.0%	\$ 7,508,505
Total Portfolio	100.0%	\$ 7,508,505

INVESTMENT RETURN

Market Value 6/2018	\$ 7,458,535
Contribs / Withdrawals	-4,325
Income	46,451
Capital Gains / Losses	7,844
Market Value 9/2018	\$ 7,508,505

INVESTMENT GROWTH

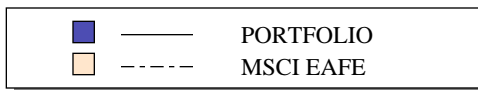
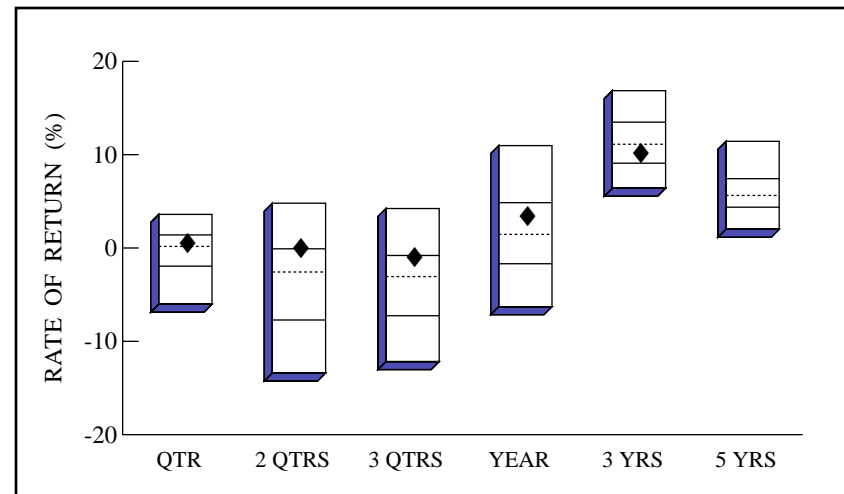
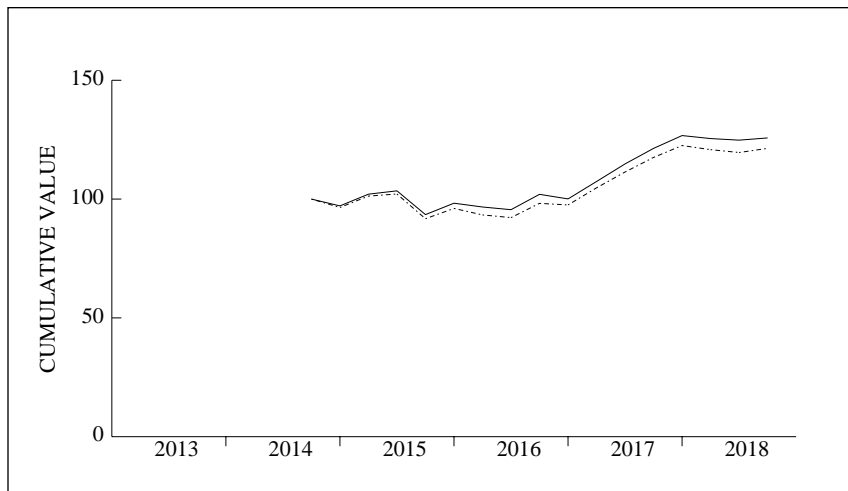


—	ACTUAL RETURN
- - -	9.0%
.....	0.0%

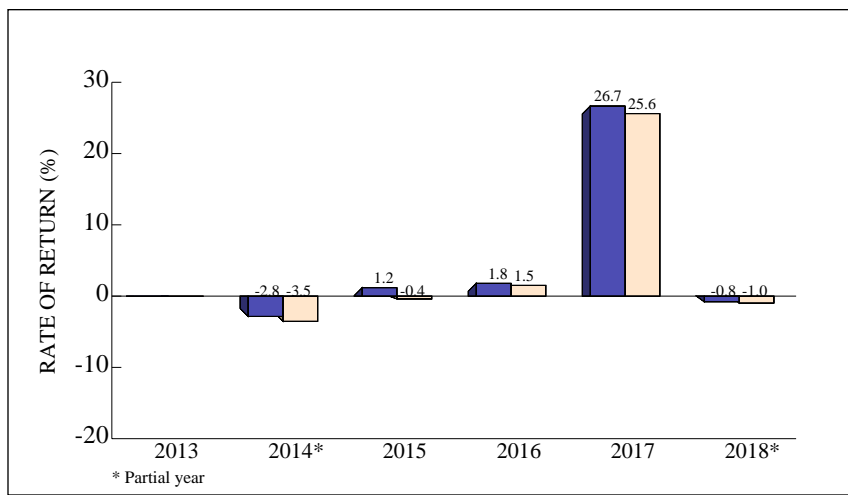
VALUE ASSUMING	
9.0% RETURN	\$ 8,392,084

	LAST QUARTER	PERIOD 9/14 - 9/18
BEGINNING VALUE	\$ 7,458,535	\$ 5,542,830
NET CONTRIBUTIONS	- 4,325	483,954
INVESTMENT RETURN	54,295	1,481,721
ENDING VALUE	\$ 7,508,505	\$ 7,508,505
INCOME	46,451	711,856
CAPITAL GAINS (LOSSES)	7,844	769,865
INVESTMENT RETURN	54,295	1,481,721

TOTAL RETURN COMPARISONS

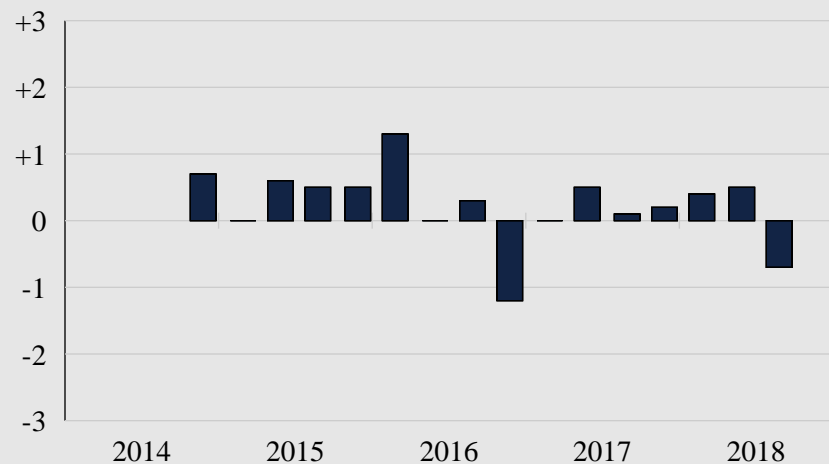


International Equity Universe



	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.7	0.2	-0.8	3.6	10.4	---
(RANK)	(39)	(23)	(26)	(32)	(59)	---
5TH %ILE	3.6	4.8	4.2	11.0	16.9	11.4
25TH %ILE	1.4	-0.1	-0.8	4.9	13.5	7.4
MEDIAN	0.2	-2.6	-3.1	1.5	11.1	5.6
75TH %ILE	-1.9	-7.7	-7.3	-1.7	9.1	4.4
95TH %ILE	-6.0	-13.4	-12.2	-6.3	6.4	2.0
MSCI EAFE	1.4	0.4	-1.0	3.2	9.8	4.9

International Equity Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: MSCI EAFE****VARIATION FROM BENCHMARK**

Total Quarters Observed	16
Quarters At or Above the Benchmark	14
Quarters Below the Benchmark	2
Batting Average	.875

RATES OF RETURN

Date	Portfolio	Benchmark	Difference
12/14	-2.8	-3.5	0.7
3/15	5.0	5.0	0.0
6/15	1.4	0.8	0.6
9/15	-9.7	-10.2	0.5
12/15	5.2	4.7	0.5
3/16	-1.6	-2.9	1.3
6/16	-1.2	-1.2	0.0
9/16	6.8	6.5	0.3
12/16	-1.9	-0.7	-1.2
3/17	7.4	7.4	0.0
6/17	6.9	6.4	0.5
9/17	5.6	5.5	0.1
12/17	4.5	4.3	0.2
3/18	-1.0	-1.4	0.4
6/18	-0.5	-1.0	0.5
9/18	0.7	1.4	-0.7

FRANKLIN REGIONAL RETIREMENT SYSTEM
PRIT - CORE REAL ESTATE ACCOUNT
PERFORMANCE REVIEW
SEPTEMBER 2018

INVESTMENT RETURN

On September 30th, 2018, the Franklin Regional Retirement System's PRIT Core Real Estate Account portfolio was valued at \$15,243,989, representing an increase of \$233,926 from the June quarter's ending value of \$15,010,063. Last quarter, the Fund posted withdrawals totaling \$19,003, which partially offset the portfolio's net investment return of \$252,929. Income receipts totaling \$187,553 plus net realized and unrealized capital gains of \$65,376 combined to produce the portfolio's net investment return.

RELATIVE PERFORMANCE

For the third quarter, the PRIT Core Real Estate Account account gained 1.7%, which was 0.4% less than the NCREIF NFI-ODCE Index's return of 2.1%. Over the trailing twelve-month period, the account returned 9.5%, which was 0.8% above the benchmark's 8.7% performance. Since September 2013, the portfolio returned 10.5% per annum, while the NCREIF NFI-ODCE Index returned an annualized 10.7% over the same period.

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	3 Year	5 Year
Total Portfolio - Gross	1.7	6.7	9.5	9.1	10.5
Total Portfolio - Net	1.6	6.3	9.0	8.6	9.9
NCREIF ODCE	2.1	6.5	8.7	8.8	10.7
Real Estate - Gross	1.7	6.7	9.5	9.1	10.5
NCREIF ODCE	2.1	6.5	8.7	8.8	10.7

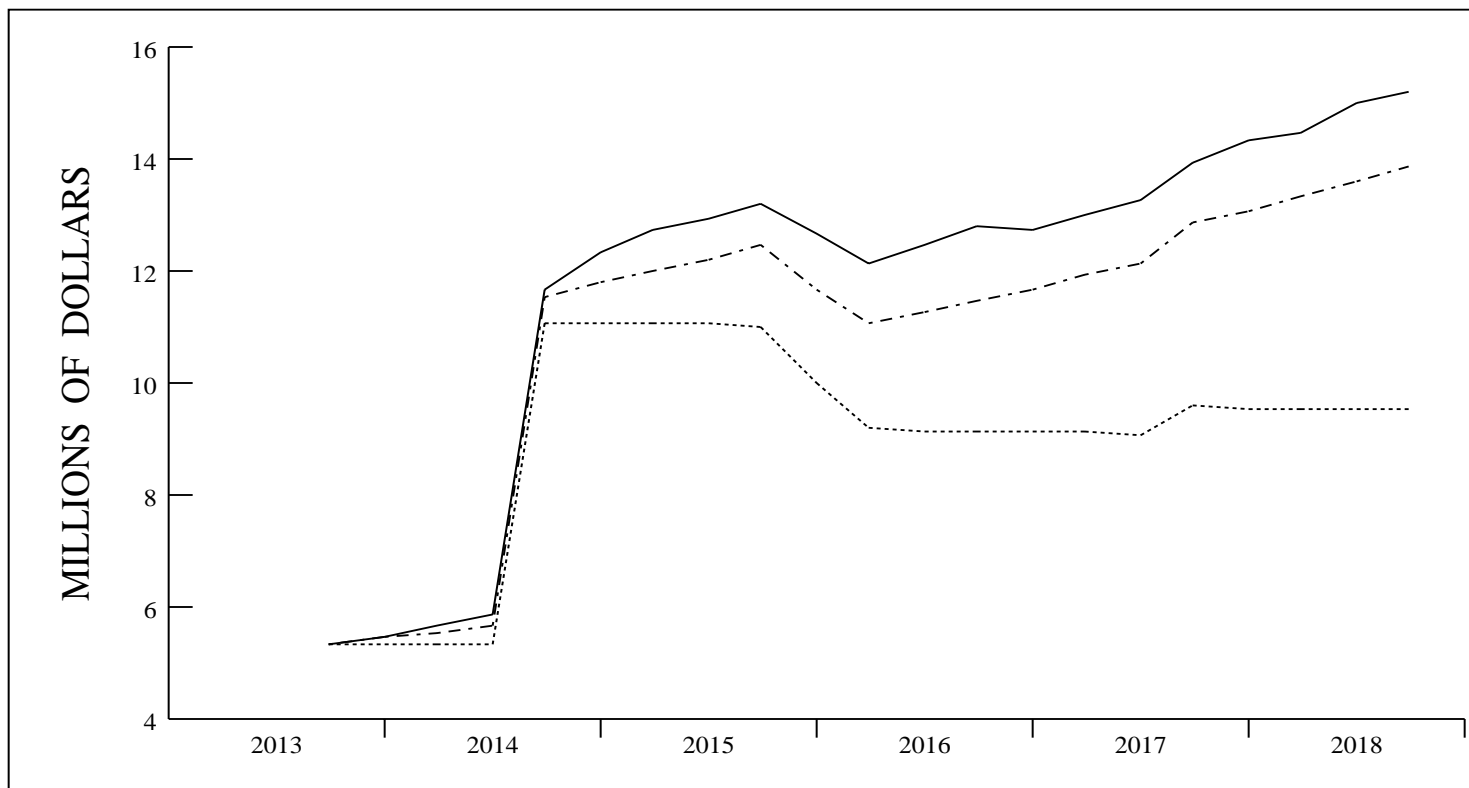
ASSET ALLOCATION

Real Estate	100.0%	\$ 15,243,989
Total Portfolio	100.0%	\$ 15,243,989

INVESTMENT RETURN

Market Value 6/2018	\$ 15,010,063
Contribs / Withdrawals	- 19,003
Income	187,553
Capital Gains / Losses	65,376
Market Value 9/2018	\$ 15,243,989

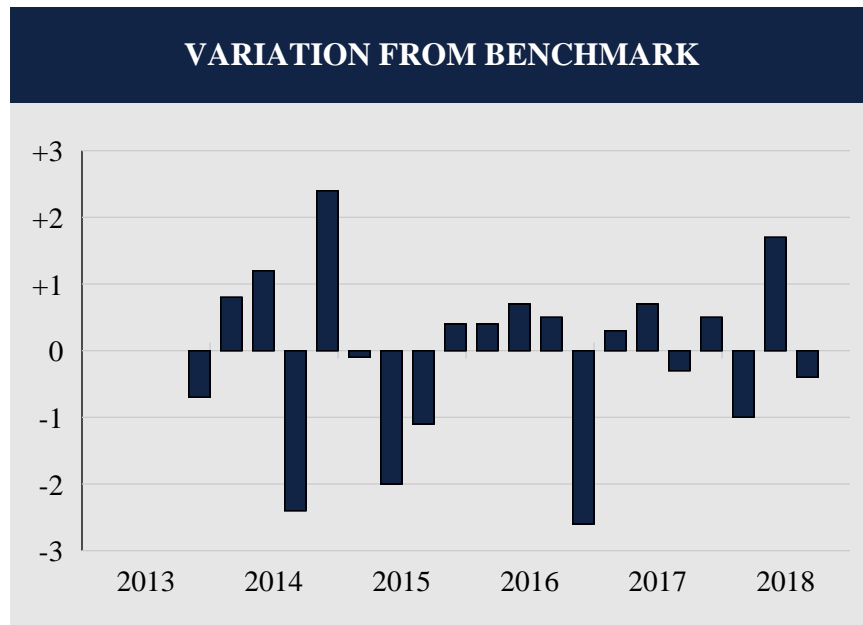
INVESTMENT GROWTH



— ACTUAL RETURN
 - - - 8.25%
 . . . 0.0%

VALUE ASSUMING
 8.25% RETURN \$ 13,878,017

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 15,010,063	\$ 5,371,586
NET CONTRIBUTIONS	- 19,003	4,165,517
INVESTMENT RETURN	252,929	5,706,886
ENDING VALUE	\$ 15,243,989	\$ 15,243,989
INCOME	187,553	2,846,270
CAPITAL GAINS (LOSSES)	65,376	2,860,616
INVESTMENT RETURN	252,929	5,706,886

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX**

Total Quarters Observed	20
Quarters At or Above the Benchmark	11
Quarters Below the Benchmark	9
Batting Average	.550

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/13	2.5	3.2	-0.7
3/14	3.3	2.5	0.8
6/14	4.1	2.9	1.2
9/14	0.8	3.2	-2.4
12/14	5.7	3.3	2.4
3/15	3.3	3.4	-0.1
6/15	1.8	3.8	-2.0
9/15	2.6	3.7	-1.1
12/15	3.7	3.3	0.4
3/16	2.6	2.2	0.4
6/16	2.8	2.1	0.7
9/16	2.6	2.1	0.5
12/16	-0.5	2.1	-2.6
3/17	2.1	1.8	0.3
6/17	2.4	1.7	0.7
9/17	1.6	1.9	-0.3
12/17	2.6	2.1	0.5
3/18	1.2	2.2	-1.0
6/18	3.7	2.0	1.7
9/18	1.7	2.1	-0.4

FRANKLIN REGIONAL RETIREMENT SYSTEM
PRIT - CORE
PERFORMANCE REVIEW
SEPTEMBER 2018

INVESTMENT RETURN

On September 30th, 2018, the Franklin Regional Retirement System's PRIT Core portfolio was valued at \$67,726,377, representing an increase of \$5,414,346 from the June quarter's ending value of \$62,312,031. Last quarter, the Fund posted net contributions equaling \$3,612,980 plus a net investment gain equaling \$1,801,366. Total net investment return was the result of income receipts, which totaled \$453,719 and net realized and unrealized capital gains of \$1,347,647.

RELATIVE PERFORMANCE

For the third quarter, the PRIT Core portfolio returned 2.8%, which was 0.8% above the Custom Core Index's return of 2.0% and ranked in the 76th percentile of the Public Fund universe. Over the trailing year, the portfolio returned 8.8%, which was 2.4% above the benchmark's 6.4% return, ranking in the 47th percentile. Since September 2013, the portfolio returned 8.9% annualized and ranked in the 19th percentile. The Custom Core Index returned an annualized 7.3% over the same period.

ASSET ALLOCATION

This portfolio was fully invested in the PRIT Core portfolio.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Year	5 Year
Total Portfolio - Gross	2.8	4.6	8.8	10.9	8.9
<i>PUBLIC FUND RANK</i>	(76)	(51)	(47)	(26)	(19)
Total Portfolio - Net	2.7	4.2	8.2	10.4	8.3
Custom Core Idx	2.0	2.7	6.4	8.9	7.3
PRIT Core - Gross	2.8	4.6	8.8	10.9	8.9
<i>PUBLIC FUND RANK</i>	(76)	(51)	(47)	(26)	(19)
Custom Core Idx	2.0	2.7	6.4	8.9	7.3

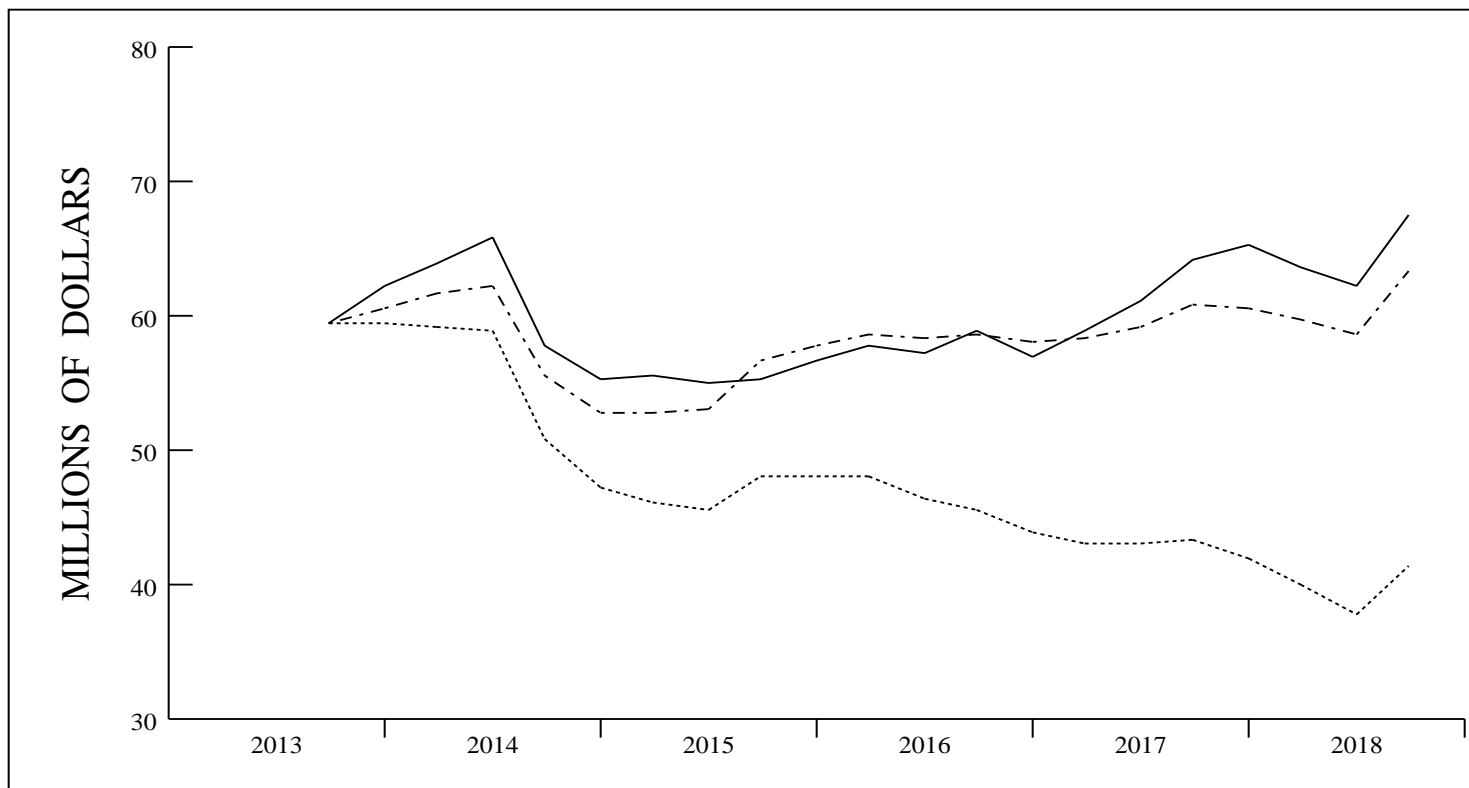
ASSET ALLOCATION

PRIT Core	100.0%	\$ 67,726,377
Total Portfolio	100.0%	\$ 67,726,377

INVESTMENT RETURN

Market Value 6/2018	\$ 62,312,031
Contribs / Withdrawals	3,612,980
Income	453,719
Capital Gains / Losses	1,347,647
Market Value 9/2018	\$ 67,726,377

INVESTMENT GROWTH

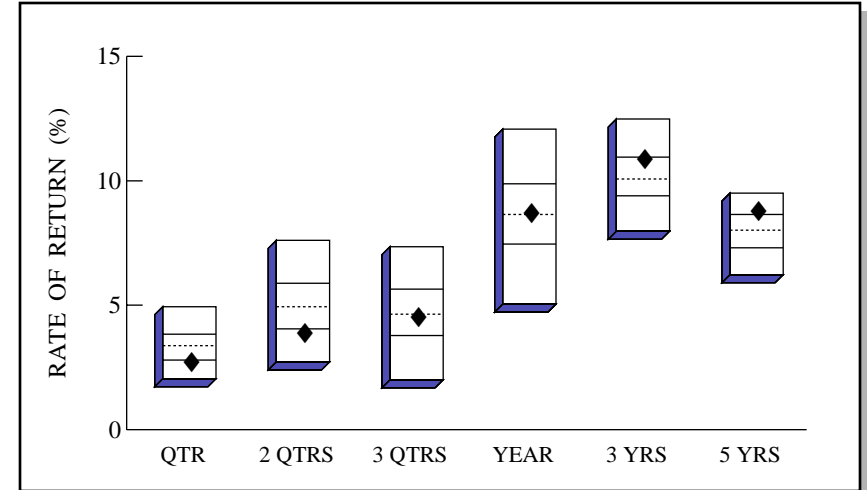
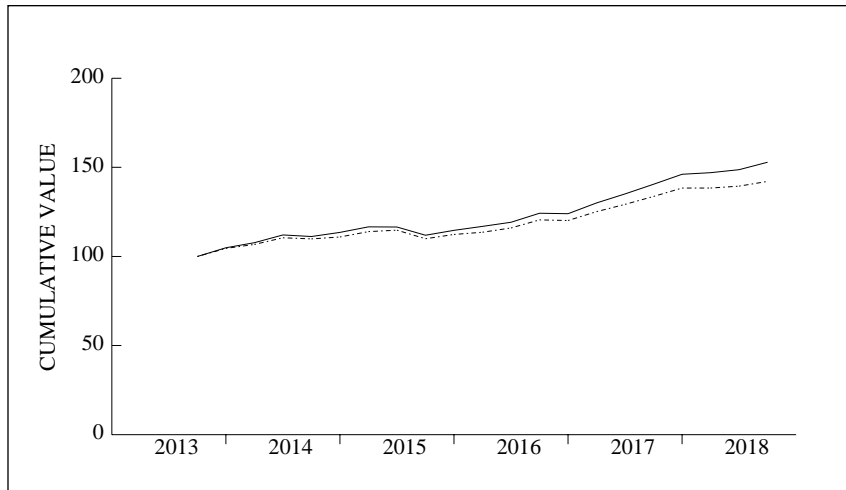


—	ACTUAL RETURN
- - -	7.75%
.....	0.0%

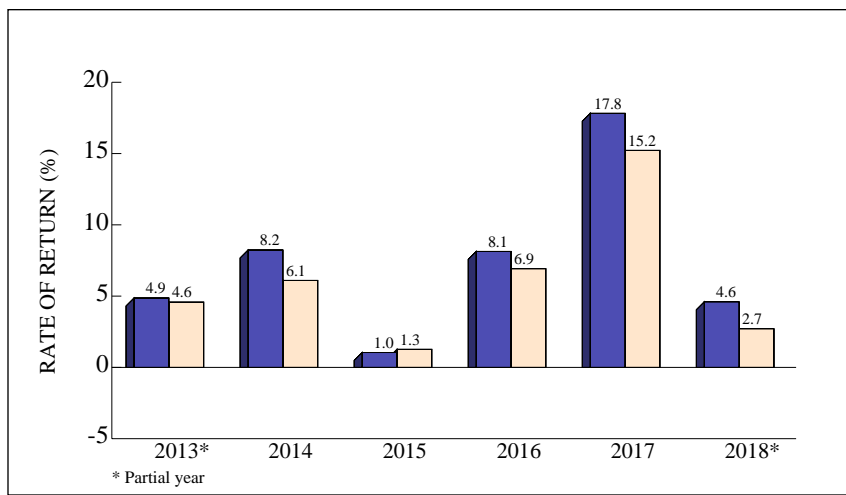
VALUE ASSUMING	
7.75% RETURN	\$ 63,468,124

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 62,312,031	\$ 59,618,533
NET CONTRIBUTIONS	3,612,980	- 18,014,291
INVESTMENT RETURN	1,801,366	26,122,135
ENDING VALUE	\$ 67,726,377	\$ 67,726,377
INCOME	453,719	8,371,409
CAPITAL GAINS (LOSSES)	1,347,647	17,750,726
INVESTMENT RETURN	1,801,366	26,122,135

TOTAL RETURN COMPARISONS

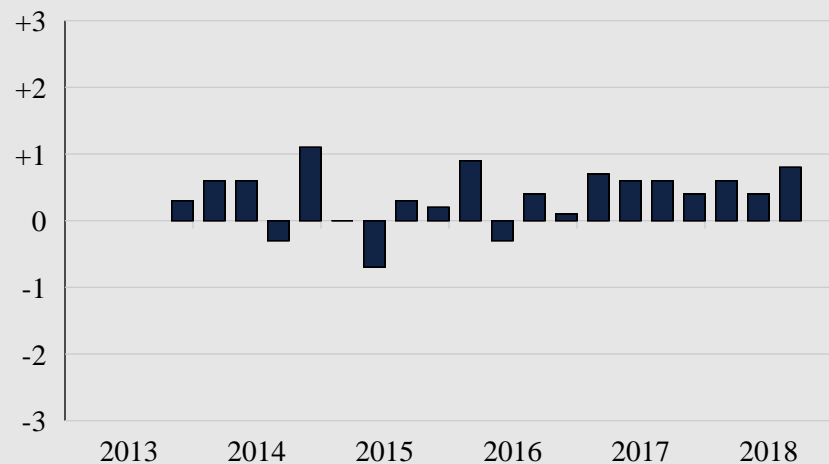


Public Fund Universe



	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	2.8	4.0	4.6	8.8	10.9	8.9
(RANK)	(76)	(79)	(51)	(47)	(26)	(19)
5TH %ILE	4.9	7.6	7.4	12.1	12.5	9.5
25TH %ILE	3.8	5.9	5.7	9.9	11.0	8.7
MEDIAN	3.4	4.9	4.6	8.7	10.1	8.0
75TH %ILE	2.8	4.1	3.8	7.5	9.4	7.3
95TH %ILE	2.1	2.7	2.0	5.1	8.0	6.2
PRIT Index	2.0	2.7	2.7	6.4	8.9	7.3

Public Fund Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: CUSTOM CORE INDEX****VARIATION FROM BENCHMARK**

Total Quarters Observed	20
Quarters At or Above the Benchmark	17
Quarters Below the Benchmark	3
Batting Average	.850

RATES OF RETURN

Date	Portfolio	Benchmark	Difference
12/13	4.9	4.6	0.3
3/14	2.7	2.1	0.6
6/14	4.1	3.5	0.6
9/14	-0.8	-0.5	-0.3
12/14	2.1	1.0	1.1
3/15	2.7	2.7	0.0
6/15	0.0	0.7	-0.7
9/15	-3.9	-4.2	0.3
12/15	2.4	2.2	0.2
3/16	2.0	1.1	0.9
6/16	1.9	2.2	-0.3
9/16	4.3	3.9	0.4
12/16	-0.2	-0.3	0.1
3/17	4.9	4.2	0.7
6/17	3.9	3.3	0.6
9/17	4.0	3.4	0.6
12/17	4.0	3.6	0.4
3/18	0.6	0.0	0.6
6/18	1.1	0.7	0.4
9/18	2.8	2.0	0.8