

# Franklin Regional Retirement System

Performance Review  
March 2019

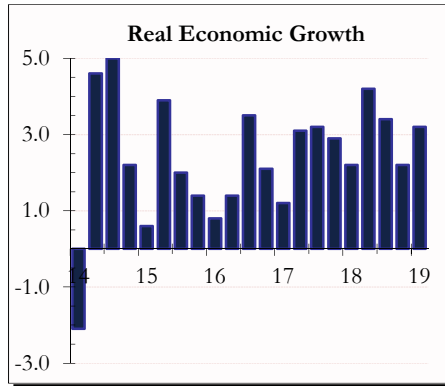


**DAHAB ASSOCIATES**  
New York   Massachusetts   Pennsylvania   Florida

## ECONOMIC ENVIRONMENT

### Slowing but still growing

The Q1 GDP number continues a pattern of solid growth, coming in at 3.2%. This number is stronger than many expected, and up from the 4<sup>th</sup> quarter's 2.2%. The economy keeps chugging along, with strong federal spending, exports and personal consumption, though tempered by diminishing state and local spending. The ongoing US trade war with China continued to loom, but a resolution seemed more likely. The 2018 full year GDP growth came in at 2.9%, a quite healthy number.



While new hires in February were only 33,000, March came in with a much higher-than-expected 196,000 jobs. This added to the spectacular January number of 312,000 jobs, for an average of 180,000 jobs per month in the 1<sup>st</sup> quarter. This was down from the average for all of 2018 of 223,000 per month. That said, at this stage of economic growth, the historically low unemployment (3.8%) was welcome. Average hourly earnings were 3.1% higher than a year earlier, which should lead to higher personal spending.

The housing market did its share as existing home sales had the largest month-over-month gain (+11.8%) in February since 2015. New home sales were also up 4.9% from January. The median price for an existing home rose to \$230,100 and \$315,300 for new homes.

Corporate manufacturing and service industries remained in growth mode. The March manufacturing Index rebounded to 55.3% from a two-year low of 54.2% in February (above 50% is expansion). Most manufacturing sectors grew, with only clothing and paper products disappointing. On the services side, the Non-Manufacturing Index was a solid 56.1% in March, but down from 59.7% in February.

The Consumer Confidence Index was down from February's 131.4 to 124.1 in March. Bad weather, stock market volatility, a partial Government shutdown in January and the weak February jobs

report all contributed to the lower sentiment. Consumers were modestly concerned about current conditions, yet continued to expect good outcomes in the near-term future.

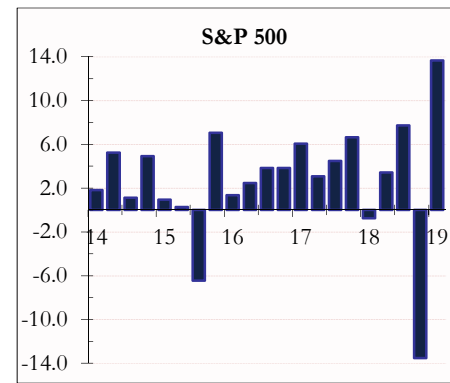
Commodity prices advanced during the quarter, driven by a 15.9% climb in energy prices. Unleaded gasoline prices alone rose 26.7%! Industrial metals rose 12.9% and the price of gold was steady. Agricultural prices fell 3.2%, with coffee and grain prices dropping the most. Those low prices provided additional pain to the mid-west, which experienced devastating flooding.

The Federal Reserve Board gave a strong boost to the stock market by finally turning dovish, after it had increased the federal funds rate quarter-after-quarter throughout 2018. This quarter, the Fed called a halt to the policy and doesn't expect to increase the current 2 1/4%-2 1/2% rate for the rest of this year. Further, the Fed will stop selling its massive inventory of bonds after September, helping to keep rates low. The rationale for the changes include currently low 2% inflation, and slowing growth in jobs, household spending, and GDP.

## DOMESTIC EQUITIES

### V-shaped Recovery

After 4<sup>th</sup> quarter 2018's dismal returns, the domestic equity market bounced right back in Q1. The Dow was up 11.8% vs. the previous quarter's -11.3%. The S&P 500 was up 13.6% vs. -13.5% in Q4. The NASDAQ was up 16.8% vs. -17.3%, and the Russell 2000 was up 14.6% vs. -20.2%. While the markets didn't get all the way back to their previous highs, they recovered enough to offset most equity losses for investors who didn't panic. Investors who rebalanced to their asset allocations or increased their equity allocations in light of "cheap equity" were rewarded. Even the quarter's lowest-performing domestic equity index, the Russell Microcap Value, climbed 10.4%.



Arguably, the chief cause of the Q4 drop and Q1 rise was panic and momentum. While there were many factors that can be used to explain such volatility, none really satisfies. It seems that investors, and perhaps more importantly algorithmic traders sold in response to selling, and then bought in response to buying. That said, progress in the US-China trade talks, and the Federal Reserve pause in rate hikes helped things along.

During the bounce-back, growth stocks and tech stocks saw the biggest gains. Among large companies, the Russell 1000 Growth Index added 16.1%, while large cap value names rose less or 11.9%. The Russell Mid-Cap Growth Index rocketed 19.6%, the highest performance among the major indices. The gap between growth and value suggested a “risk-on” mentality had returned. Overall, investors who stayed the course after the near disastrous Q4 were suitably rewarded!

Every S&P sector advanced. Riding highest was the IT sector, which soared almost 20%. Many IT companies earned 30% or better, such as AMD, which rose 38%! Real estate (REITs) was another sector winner, gaining 17.5%. The relatively positive economy provided a healthy background for high occupancy rates in commercial and apartment property, and lower interest rates also made REIT dividends look more attractive. All of the major REITs performed well, accordingly. Energy gained 16.4%, as oil prices kept climbing. Exxon, a major player, rose 20% and Hess rose an amazing 49%. The only sectors to rise below 10% were financials (+8.6%) and healthcare (+6.6%). Continuing low interest rates impacted lending profitability of financials. Wells Fargo, US Bancorp and PNC limped along with 6% gains. Health care dealt with the back and forth regarding Obamacare and individual company drug issues. Pfizer, AbbVie and CVS lost ground, while Celgene and Intuitive Surgical soared in price. Overall, the “rising tide” lifted all market sectors.

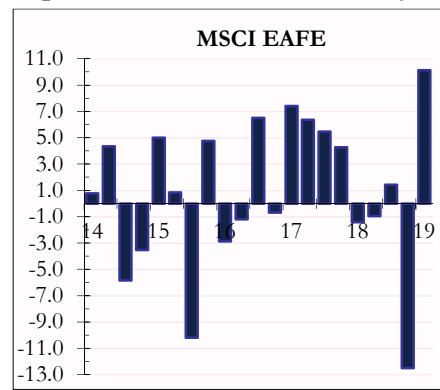
## INTERNATIONAL EQUITIES

### Some Encouragement

The same factors that helped the US markets (apparent progress on the US-China trade front, dovish steps by the Federal Reserve), and similar easing steps by the EU and China together helped shares in the developed and emerging markets. The MSCI EAFE Index earned

10.1%. While not as high as US stock indices, country-by-country and combined results were generally solid.

The Euro market gained 9.9% on the whole. The France market, hurt by Yellow Vest demonstrations, but helped by higher manufacturing exports, rose 10.8%. Germany, with its struggling auto and other



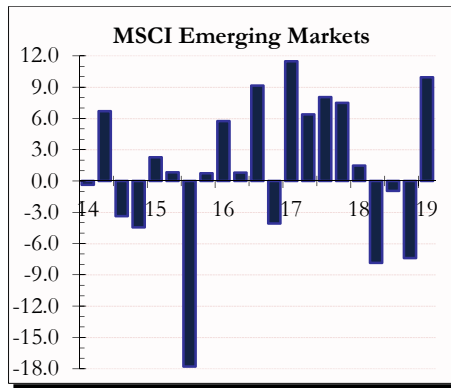
manufacturing exports, gained a lower 7.0%. The Italian economy still floundered, but endorsed China’s Belt and Road program, generating a 14.7% lift. Spain, despite political gridlock and sagging exports, added 7.1%. Possibly the biggest country surprise was the UK, which rose 11.9%. Hope for a Brexit solution and a surprisingly tight labor market

helped. The Irish market was another positive surprise, gaining 11.6%. Irish investors were expecting Brexit to leave an open border between the Ireland and its key trading partner, the UK. The expectation offset sluggish domestic demand.

Australian companies enjoyed healthy year-end profits and investors expected a pickup in raw materials sales to China, leading to a gain of 11.4%. Japan, close to being a recession economy, gained 6.9%. The saving grace was a sharp turnaround in its iconic electronics companies. Keyence gained 24%; Hitachi rose 23%; and Tokyo electron added 30%. Singapore experienced almost the reverse among its IT companies as output sagged and its economy rose only 6.2%. In Hong Kong, shares rose an astounding 15.6%. Israeli shares climbed 10.1%. Canada (not in the EAFE Index) bounced up 15.6%. Its market strength lay in a stronger currency against the US dollar, rising oil prices and a trade agreement with the US. Prime Minister Trudeau’s political fallout with some of his ministers didn’t hinder the market.

Emerging market (EM) return rebounded 10.0%, in sync with EAFE’s 9.9%. EM stocks benefited from progress in the US-China trade impasse and the easing actions by the US and European economic policy makers. Still, the Index has a long way to go before it returns to its glory days.

Brazil gained 8.2% for the quarter. While its economy is in flux, newly elected President Jair Bolsonaro's ambitious plans have given Brazilians and outside investors some confidence. Rising oil prices



were another lift for the Brazilian economy. Russia, with all its political problems, reaped the benefits from rising oil prices and higher household spending in general. Russian shares were up 12.2%. India's market was reasonably strong, based largely on higher exports and Prime Minister Modi's adroit handling of the Kashmir terrorist attack. Lastly, China

rocketed up 17.7%. IT and internet firms drove the advance. Alibaba rose 33% and Tencent gained 15%. The steady addition of China A shares into the index was another plus. Of course, expectations for a mutually satisfying resolution to the trade dispute with the US lurked in the background. Mexican shares rose a relatively low 5.6%, while the country continued dealing with an argument over immigration with the US. Yet, investors have confidence in Mexican President Obrador.

## BOND MARKET

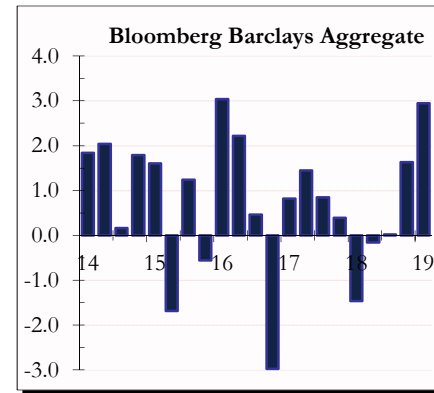
### Price Gains All Around

The bond market, spurred on by Fed moves to keep interest rates low, experienced significant price gains. Accordingly, the 10-year Treasury bond fell 29 basis points and the 30-year dropped 26 basis points in March. Those drops translated into 3.1% and 5.0% first quarter returns, respectively. Low to negative sovereign bond rates in Europe and Japan were other influences that led global investors to buy US Treasuries – the best developed market rates available in the healthiest economy.

The “risk on” rally benefited investment grade corporate issues even more. The US Credit Index shot up 4.9%. Within that index, industrial company bonds rose 5.5%, beating out utilities' and financials' 4.6% returns. Not to be outdone, the US High Yield Index

earned 7.3%; BB, B and CCC credits all returned approximately 7.2%. The least-liquid and lowest rated credits (CC - D) returned a whopping 17.5% - as high as or higher than many stock indices! Residential mortgage bonds didn't fare as well (+2.2%), due in part to rising prepayments and homeowner refinancing. Commercial mortgages gained 3.2%, while shorter maturity asset-backed paper was up 1.5%.

The US dollar continued to gain ground vs. the Euro, Japanese and Swiss currencies. This strength reduced performance of these markets in US dollar terms. However, the British Pound, Canadian



and Australian dollars rose against the US dollar. Because of key US dollar strength and economic weakness in Europe and Japan, the JPMorgan developed markets Non-US Global Bond Index advanced a relatively low 1.6%. Yet the JPM Emerging Markets bond Index rallied 7.0%; investors were hoping for an end to the US-China trade war and for a turnaround in China's economy; China is the major buyer of raw materials from other EM countries. All-in-all, global bond investors were happy with results.

## CASH EQUIVALENTS

### Inching Ahead

The 90-day T-Bill returned 0.6% for the first quarter and 2.2% for the trailing year. Six-month and one-year Treasuries had slightly higher results. At least, money market investments offset the currently low inflation rate. Yet given the results from stock and bonds for the quarter, money markets were definitely not the asset class of choice. But only one quarter ago (Q4 2018), in a risk off market, cash was THE place to be.

### Economic Statistics

	Current Quarter	Previous Quarter
<b>GDP</b>	<b>3.2%</b>	<b>2.2%</b>
<b>Unemployment</b>	<b>3.8%</b>	<b>3.9%</b>
<b>CPI All Items Year/Year</b>	<b>1.9%</b>	<b>1.9%</b>
<b>Fed Funds Rate</b>	<b>2.50%</b>	<b>2.50%</b>
<b>Industrial Capacity</b>	<b>78.8%</b>	<b>79.5%</b>
<b>US Dollars per Euro</b>	<b>1.12</b>	<b>1.15</b>

### Major Index Returns

Index	Quarter	12 Months
<b>Russell 3000</b>	<b>14.0%</b>	<b>8.8%</b>
<b>S&amp;P 500</b>	<b>13.6%</b>	<b>9.5%</b>
<b>Russell Midcap</b>	<b>16.5%</b>	<b>6.5%</b>
<b>Russell 2000</b>	<b>14.6%</b>	<b>2.0%</b>
<b>MSCI EAFE</b>	<b>10.1%</b>	<b>-3.2%</b>
<b>MSCI Emg Markets</b>	<b>10.0%</b>	<b>-7.1%</b>
<b>NCREIF ODCE</b>	<b>1.4%</b>	<b>7.5%</b>
<b>U.S. Aggregate</b>	<b>2.9%</b>	<b>4.5%</b>
<b>90 Day T-bills</b>	<b>0.6%</b>	<b>2.2%</b>

### Domestic Equity Return Distributions

	Quarter			Trailing Year			
	VAL	COR	GRO	VAL	COR	GRO	
<b>LC</b>	<b>11.9</b>	<b>14.0</b>	<b>16.1</b>	<b>LC</b>	<b>5.7</b>	<b>9.3</b>	<b>12.7</b>
<b>MC</b>	<b>14.4</b>	<b>16.5</b>	<b>19.6</b>	<b>MC</b>	<b>2.9</b>	<b>6.5</b>	<b>11.5</b>
<b>SC</b>	<b>11.9</b>	<b>14.6</b>	<b>17.1</b>	<b>SC</b>	<b>0.1</b>	<b>2.0</b>	<b>3.8</b>

### Market Summary

- The BEA “advance” estimate placed GDP at 3.2%.
- Unemployment remains low at 3.8%.
- Inflation during last 12 months was 1.9%.
- The US dollar continued to strengthen against the euro.
- After taking the brunt of the downturn in Q4, growth stocks rebounded with greater velocity than their value counterparts in Q1, and continue to lead over a trailing 12 month time frame.

## **INVESTMENT RETURN**

On March 31st, 2019, the Franklin Regional Retirement System was valued at \$147,795,874, representing an increase of \$8,912,334 from the December quarter's ending value of \$138,883,540. Last quarter, the Fund posted withdrawals totaling \$2,244,906, which offset the portfolio's net investment return of \$11,157,240. Income receipts totaling \$855,780 plus net realized and unrealized capital gains of \$10,301,460 combined to produce the portfolio's net investment return.

## **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 first quarter, the Composite portfolio returned 8.1%, which was 0.9% below the Franklin Regional Policy Index's return of 9.0% and ranked in the 61st percentile of the Public Fund universe. Over the trailing year, the portfolio returned 4.8%, which was 1.1% below the benchmark's 5.9% return, ranking in the 33rd percentile. Since March 2009, the portfolio returned 11.2% annualized and ranked in the 8th percentile. The Franklin Regional Policy Index returned an annualized 11.2% over the same period.

### **PRIT Core**

The PRIT core segment gained 6.4% in the first quarter, 0.4% below the Custom Core Index's return of 6.8% and ranked in the 90th percentile of the Public Fund universe. Over the trailing twelve months, this segment returned 3.9%; that return was 0.2% less than the benchmark's 4.1% performance, ranking in the 59th percentile.

Since March 2009, this component returned 10.8% per annum and ranked in the 18th percentile. The Custom Core Index returned an annualized 9.9% over the same time frame.

### **Domestic Equity**

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

During the first quarter, the domestic equity component returned 13.7%, which was 0.6% less than the Franklin Regional Equity Index's return of 14.3% and ranked in the 53rd percentile of the Domestic Equity universe. Over the trailing year, the domestic equity portfolio returned 6.1%, which was 1.4% greater than the benchmark's 4.7% return, and ranked in the 49th percentile. Since March 2009, this component returned 16.6% per annum and ranked in the 40th percentile. The Franklin Regional Equity Index returned an annualized 15.9% over the same time frame.

### **International Equity**

For the first quarter, the international equity segment returned 11.0%, which was 0.6% greater than the MSCI All Country World Ex US Index's return of 10.4% and ranked in the 45th percentile of the International Equity universe. Over the trailing twelve-month period, this segment's return was -4.1%, which was 0.4% below the benchmark's -3.7% return, ranking in the 35th percentile.

## **Real Estate**

For the first quarter, the real estate component gained 4.9%, which was 3.5% greater than the NCREIF NFI-ODCE Index's return of 1.4%. Over the trailing twelve-month period, this segment returned 9.5%, which was 2.0% greater than the benchmark's 7.5% return. Since March 2009, this component returned 8.5% per annum, while the NCREIF NFI-ODCE Index returned an annualized 8.7% over the same period.

## **Fixed Income**

During the first quarter, the fixed income component returned 4.2%, which was 1.3% above the Bloomberg Barclays Aggregate Index's return of 2.9% and ranked in the 4th percentile of the Core Fixed Income universe. Over the trailing twelve months, this segment returned 4.2%, which was 0.3% below the benchmark's 4.5% return, ranking in the 94th percentile. Since March 2009, this component returned 5.1% annualized and ranked in the 30th percentile. For comparison, the Bloomberg Barclays Aggregate Index returned an annualized 3.8% over the same time frame.

## **ASSET ALLOCATION**

At the end of the first quarter, PRIT core comprised 42.5% of the total portfolio (\$62.8 million), while domestic equities totaled 28.2% (\$41.7 million). The account's international equity segment was valued at \$4.2 million, representing 2.9% of the portfolio, while the emerging markets equity component's \$3.1 million totaled 2.1%. The real estate segment totaled 10.7% of the portfolio's value and the fixed income component made up 12.1% (\$17.9 million). The remaining 1.5% was comprised of cash & equivalents (\$2.2 million).



Franklin Regional Retirement System  
Total Fund Asset Allocation Analysis  
As of March 31, 2019

Total Fund Assets \$ 147,795,874

Allocation by Manager						
	PRIT Fund Actual Allocation	FRRS Allocation	Target Allocation	Target Dollars	Actual Dollars	+/- Dollars
PRIT Core Fund	100.00%	42.5%	45.0%	\$ 66,508,143	\$ 62,756,501	\$ (3,751,642)
Domestic Equity	18.6%	7.9%			\$ 11,678,985	
Int'l Equity	15.9%	6.7%			\$ 9,965,732	
E.M. Int'l Equity	6.2%	2.6%			\$ 3,872,076	
Core Fixed	12.9%	5.5%			\$ 8,095,589	
Value Added	8.3%	3.5%			\$ 5,189,963	
Real Estate	10.1%	4.3%			\$ 6,307,028	
Timber	4.0%	1.7%			\$ 2,516,536	
Alternatives-Private Equity	10.8%	4.6%			\$ 6,796,529	
Hedge Funds	13.3%	5.6%			\$ 8,334,063	
Separate Accounts		57.5%	55.0%			
Polen Capital		7.7%	6.0%	\$ 8,867,752	\$ 11,356,615	\$ 2,488,863
O'Shaughnessy		6.3%	6.0%	\$ 8,867,752	\$ 9,351,380	\$ 483,628
Seizert		4.7%	5.0%	\$ 7,389,794	\$ 6,942,839	\$ (446,955)
Aberdeen		5.3%	5.0%	\$ 7,389,794	\$ 7,760,717	\$ 370,923
Systematic		4.9%	5.0%	\$ 7,389,794	\$ 7,252,660	\$ (137,134)
PRIT International		2.9%	3.0%	\$ 4,433,876	\$ 4,248,132	\$ (185,744)
PRIT EM		2.1%	2.0%	\$ 2,955,917	\$ 3,113,520	\$ 157,603
PRIT RE		10.7%	10.0%	\$ 14,779,587	\$ 15,787,458	\$ 1,007,871
Loomis Sayles FI		7.9%	9.0%	\$ 13,301,629	\$ 11,657,191	\$ (1,644,438)
PRIT Value Added		4.2%	4.0%	\$ 5,911,835	\$ 6,270,389	\$ 358,554
Cash		0.9%	0.0%	\$ -	\$ 1,298,472	\$ 1,298,472

\*Includes Distressed Debt

Allocation by Asset Class						
	Actual Allocation (%)	Target Allocation (%)	+/- Percent	Actual Allocation (\$)	Target Allocation (\$)	+/- Dollars
Franklin Regional Total						
Domestic Equity	36.8%	35.0%	1.8%	\$ 54,343,196	\$ 51,728,556	\$ 2,614,640
Int'l Equity	12.2%	15.0%	-2.8%	\$ 21,199,460	\$ 22,169,381	\$ (969,921)
Fixed Income	16.9%	25.0%	-8.1%	\$ 31,213,131	\$ 36,948,969	\$ (5,735,837)
Real Estate	14.9%	14.0%	0.9%	\$ 22,094,486	\$ 20,691,422	\$ 1,403,064
Timber	1.7%	2.0%	-0.3%	\$ 2,516,536	\$ 2,955,917	\$ (439,382)
Alternatives-Private Equity	4.6%	5.0%	-0.4%	\$ 6,796,529	\$ 7,389,794	\$ (593,265)
Hedge Funds	5.6%	4.0%	1.6%	\$ 8,334,063	\$ 5,911,834.96	\$ 2,422,228
Cash	0.9%	0.0%	0.9%	\$ 1,298,472	\$ -	\$ 1,298,472
	100.0%	100.0%		\$ 147,795,874	\$ 147,795,874	



## EXECUTIVE SUMMARY

## PERFORMANCE SUMMARY

	Qtr / YTD	1 Year	3 Year	5 Year	10 Year
<b>Total Portfolio - Gross</b>	8.1	4.8	9.0	7.1	11.2
<i>PUBLIC FUND RANK</i>	(61)	(33)	(23)	(9)	(8)
<b>Total Portfolio - Net</b>	8.0	4.2	8.4	6.5	10.6
Policy Index	9.0	5.9	9.1	7.4	11.2
<b>PRIT Core - Gross</b>	6.4	3.9	9.3	7.2	10.8
<i>PUBLIC FUND RANK</i>	(90)	(59)	(14)	(6)	(18)
Custom Core Idx	6.8	4.1	8.3	6.2	9.9
<b>Domestic Equity - Gross</b>	13.7	6.1	12.3	8.2	16.6
<i>DOMESTIC EQUITY RANK</i>	(53)	(49)	(53)	(60)	(40)
Custom Eq Index	14.3	4.7	12.8	8.7	15.9
PRIT Equity	13.9	8.5	13.5	10.2	15.8
S&P 500	13.6	9.5	13.5	10.9	15.9
S&P 400	14.5	2.6	11.2	8.3	16.3
Russell 3000	14.0	8.8	13.5	10.4	16.0
Russell 1000	14.0	9.3	13.5	10.6	16.0
Russell 1000G	16.1	12.7	16.5	13.5	17.5
Russell 1000V	11.9	5.7	10.4	7.7	14.5
Russell Mid	16.5	6.5	11.8	8.8	16.9
Russell 2000	14.6	2.0	12.9	7.0	15.4
<b>International Equity - Gross</b>	11.0	-4.1	7.6	----	----
<i>INTERNATIONAL EQUITY RANK</i>	(45)	(35)	(65)	----	----
ACWI Ex US	10.4	-3.7	8.6	3.0	9.3
<b>Emerging Markets Equity - Gross</b>	11.2	----	----	----	----
<i>EMERGING MARKETS RANK</i>	(39)	----	----	----	----
MSCI Emg Mkts	10.0	-7.1	11.1	4.1	9.3
<b>Real Estate - Gross</b>	4.9	9.5	8.2	10.0	8.5
NCREIF ODCE	1.4	7.5	8.0	10.2	8.7
<b>Fixed Income - Gross</b>	4.2	4.2	2.4	3.1	5.1
<i>CORE FIXED INCOME RANK</i>	(4)	(94)	(58)	(49)	(30)
Aggregate Index	2.9	4.5	2.0	2.7	3.8
PRIT Fixed	3.8	4.5	2.1	4.6	5.5
Gov/Credit	3.3	4.5	2.1	2.8	3.9

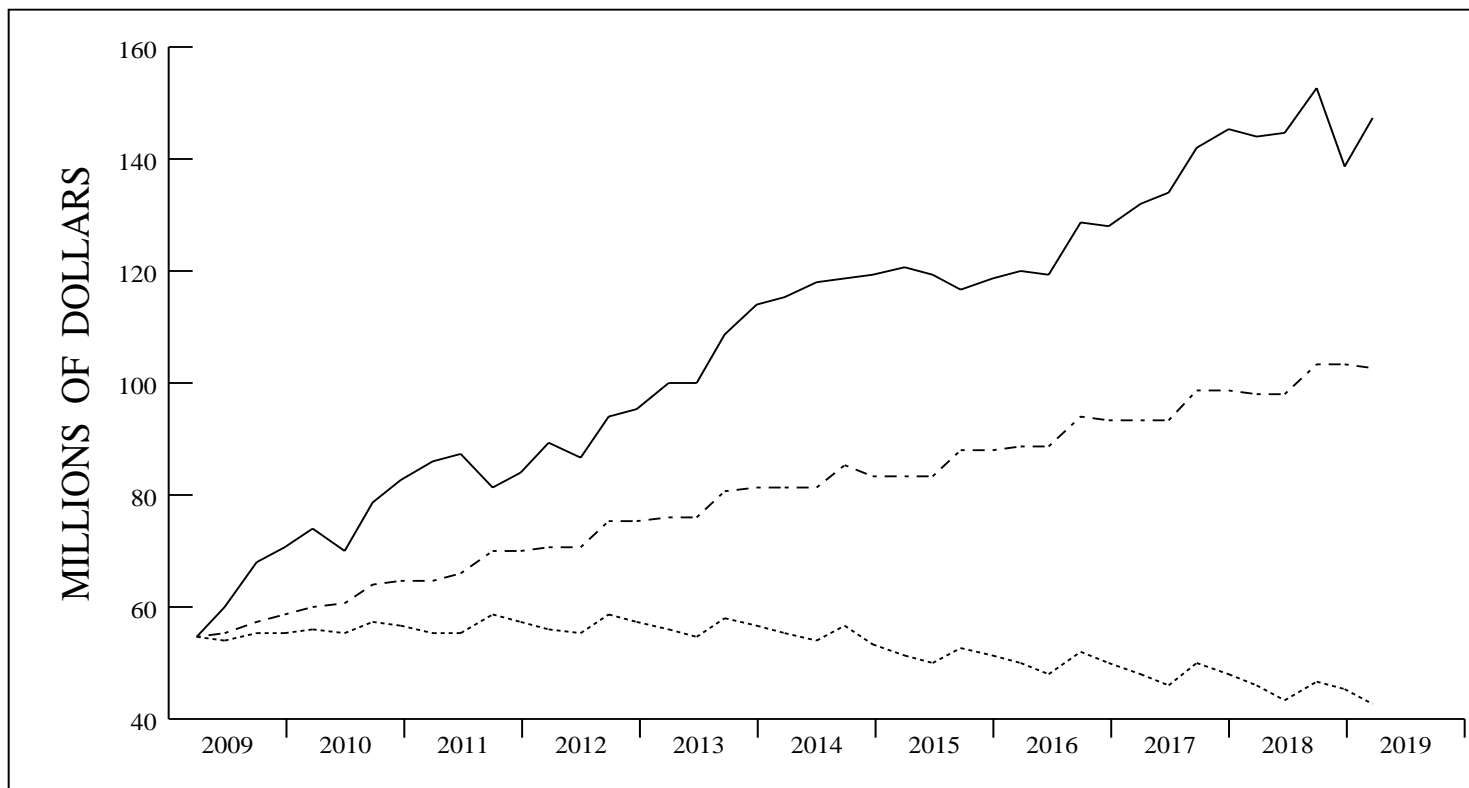
## ASSET ALLOCATION

PRIT Core	42.5%	\$ 62,756,501
Domestic Equity	28.2%	41,738,486
Int'l Equity	2.9%	4,248,132
Emerging Markets	2.1%	3,113,520
Real Estate	10.7%	15,787,458
Fixed Income	12.1%	17,927,580
Cash	1.5%	2,224,197
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 147,795,874</b>

## INVESTMENT RETURN

Market Value 12/2018	\$ 138,883,540
Contribs / Withdrawals	-2,244,906
Income	855,780
Capital Gains / Losses	10,301,460
Market Value 3/2019	\$ 147,795,874

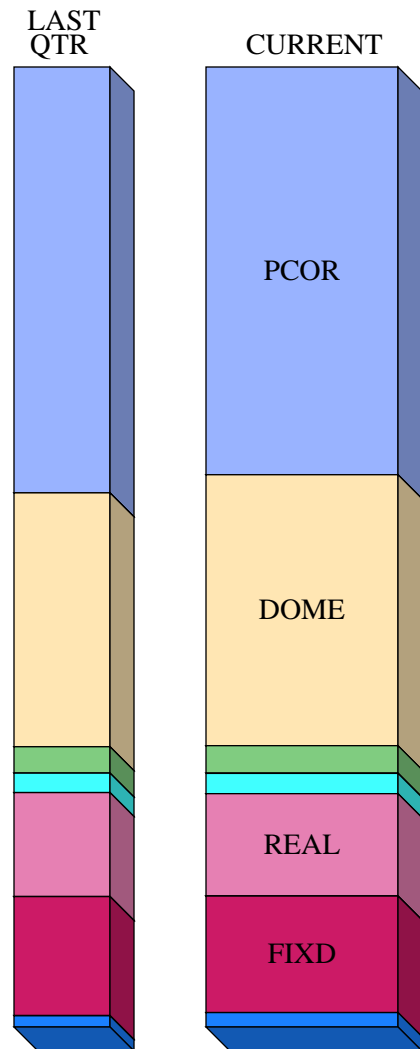
**INVESTMENT GROWTH**



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

VALUE ASSUMING  
 7.75% RETURN \$ 103,308,909

	LAST QUARTER	PERIOD 3/09 - 3/19
BEGINNING VALUE	\$ 138,883,540	\$ 55,280,684
NET CONTRIBUTIONS	- 2,244,906	- 12,170,322
<u>INVESTMENT RETURN</u>	<u>11,157,240</u>	<u>104,685,512</u>
ENDING VALUE	\$ 147,795,874	\$ 147,795,874
INCOME	855,780	24,589,377
<u>CAPITAL GAINS (LOSSES)</u>	<u>10,301,460</u>	<u>80,096,135</u>
INVESTMENT RETURN	11,157,240	104,685,512



	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>MIN</u>	<u>MAX</u>
PRIT CORE	\$ 62,756,501	42.5%	45.0%	35.0%	55.0%
DOMESTIC EQUITY	41,738,486	28.2%	27.0%	22.0%	32.0%
INTERNATIONAL EQUITY	4,248,132	2.9%	3.0%	1.5%	4.5%
EMERGING MARKETS EQUITY	3,113,520	2.1%	2.0%	1.0%	3.0%
REAL ESTATE	15,787,458	10.7%	10.0%	0.0%	12.5%
FIXED INCOME	17,927,580	12.1%	13.0%	8.0%	18.0%
CASH & EQUIVALENT	2,224,197	1.5%	0.0%	----	----
<b>TOTAL FUND</b>	<b>\$ 147,795,874</b>	<b>100.0%</b>			

## MANAGER PERFORMANCE SUMMARY - GROSS OF FEES

Portfolio	(Universe)	Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Total Portfolio	(Public Fund)	8.1 (61)	8.1 (61)	4.8 (33)	9.0 (23)	7.1 (9)	11.2 (8)
<i>Policy Index</i>		<i>9.0 ---</i>	<i>9.0 ---</i>	<i>5.9 ---</i>	<i>9.1 ---</i>	<i>7.4 ---</i>	<i>11.2 ---</i>
PRIT Core Fund	(Public Fund)	6.4 (90)	6.4 (90)	3.9 (59)	9.3 (14)	7.2 (6)	10.8 (18)
<i>Custom Core Idx</i>		<i>6.8 ---</i>	<i>6.8 ---</i>	<i>4.1 ---</i>	<i>8.3 ---</i>	<i>6.2 ---</i>	<i>9.9 ---</i>
Polen Capital	(LC Growth)	17.0 (33)	17.0 (33)	23.4 (3)	18.2 (25)	17.5 (4)	----
<i>Russell 1000G</i>		<i>16.1 ---</i>	<i>16.1 ---</i>	<i>12.7 ---</i>	<i>16.5 ---</i>	<i>13.5 ---</i>	<i>17.5 ---</i>
O'Shaughnessy	(LC Value)	11.9 (47)	11.9 (47)	0.1 (84)	11.6 (38)	7.4 (67)	----
<i>Russell 1000V</i>		<i>11.9 ---</i>	<i>11.9 ---</i>	<i>5.7 ---</i>	<i>10.4 ---</i>	<i>7.7 ---</i>	<i>14.5 ---</i>
Seizert Capital	(Mid Cap)	10.0 (99)	10.0 (99)	-2.1 (90)	9.5 (82)	4.4 (98)	----
<i>Russell Mid</i>		<i>16.5 ---</i>	<i>16.5 ---</i>	<i>6.5 ---</i>	<i>11.8 ---</i>	<i>8.8 ---</i>	<i>16.9 ---</i>
Aberdeen SC Core	(Small Cap)	14.9 (42)	14.9 (42)	6.1 (31)	----	----	----
Systematic	(Small Cap)	11.9 (83)	11.9 (83)	-0.9 (70)	7.7 (93)	----	----
<i>Russell 2000</i>		<i>14.6 ---</i>	<i>14.6 ---</i>	<i>2.0 ---</i>	<i>12.9 ---</i>	<i>7.0 ---</i>	<i>15.4 ---</i>
PRIT Int'l Eq.	(Intl Eq)	11.0 (45)	11.0 (45)	-4.1 (35)	7.6 (65)	----	----
<i>MSCI EAFE</i>		<i>10.1 ---</i>	<i>10.1 ---</i>	<i>-3.2 ---</i>	<i>7.8 ---</i>	<i>2.8 ---</i>	<i>9.5 ---</i>
PRIT EM	(Emerging Mkt)	11.2 (39)	11.2 (39)	----	----	----	----
<i>MSCI Emg Mkts</i>		<i>10.0 ---</i>	<i>10.0 ---</i>	<i>-7.1 ---</i>	<i>11.1 ---</i>	<i>4.1 ---</i>	<i>9.3 ---</i>
PRIT Core R.E.		4.9 ---	4.9 ---	9.5 ---	8.2 ---	10.0 ---	----
<i>NCREIF ODCE</i>		<i>1.4 ---</i>	<i>1.4 ---</i>	<i>7.5 ---</i>	<i>8.0 ---</i>	<i>10.2 ---</i>	<i>8.7 ---</i>
Loomis Core FI	(Core Fixed)	3.6 (13)	3.6 (13)	----	----	----	----
<i>Aggregate Index</i>		<i>2.9 ---</i>	<i>2.9 ---</i>	<i>4.5 ---</i>	<i>2.0 ---</i>	<i>2.7 ---</i>	<i>3.8 ---</i>
PRIT Value Added FI	(Hi Yield)	5.4 (75)	5.4 (75)	----	----	----	----
<i>Value Added Index</i>		<i>5.9 ---</i>	<i>5.9 ---</i>	<i>4.2 ---</i>	<i>6.5 ---</i>	<i>4.6 ---</i>	<i>-19.8 ---</i>

## MANAGER PERFORMANCE SUMMARY - NET OF FEES

Portfolio	Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Composite	8.0	8.0	4.2	8.4	6.5	10.6
<i>Policy Index</i>	<i>9.0</i>	<i>9.0</i>	<i>5.9</i>	<i>9.1</i>	<i>7.4</i>	<i>11.2</i>
PRIT Core Fund	6.3	6.3	3.3	8.7	6.7	10.2
<i>Custom Core Idx</i>	<i>6.8</i>	<i>6.8</i>	<i>4.1</i>	<i>8.3</i>	<i>6.2</i>	<i>9.9</i>
Polen Capital	16.8	16.8	22.6	17.5	16.7	----
<i>Russell 1000G</i>	<i>16.1</i>	<i>16.1</i>	<i>12.7</i>	<i>16.5</i>	<i>13.5</i>	<i>17.5</i>
O'Shaughnessy	11.7	11.7	-0.4	10.9	6.8	----
<i>Russell 1000V</i>	<i>11.9</i>	<i>11.9</i>	<i>5.7</i>	<i>10.4</i>	<i>7.7</i>	<i>14.5</i>
Seizert Capital	9.8	9.8	-2.8	8.7	3.7	----
<i>Russell Mid</i>	<i>16.5</i>	<i>16.5</i>	<i>6.5</i>	<i>11.8</i>	<i>8.8</i>	<i>16.9</i>
Aberdeen SC Core	14.8	14.8	5.6	----	----	----
Systematic	11.7	11.7	-1.7	6.8	----	----
<i>Russell 2000</i>	<i>14.6</i>	<i>14.6</i>	<i>2.0</i>	<i>12.9</i>	<i>7.0</i>	<i>15.4</i>
PRIT Int'l Eq.	10.9	10.9	-4.3	7.4	----	----
<i>MSCI EAFE</i>	<i>10.1</i>	<i>10.1</i>	<i>-3.2</i>	<i>7.8</i>	<i>2.8</i>	<i>9.5</i>
PRIT EM	11.0	11.0	----	----	----	----
<i>MSCI Emg Mkts</i>	<i>10.0</i>	<i>10.0</i>	<i>-7.1</i>	<i>11.1</i>	<i>4.1</i>	<i>9.3</i>
PRIT Core R.E.	4.8	4.8	9.0	7.7	9.5	----
<i>NCREIF ODCE</i>	<i>1.4</i>	<i>1.4</i>	<i>7.5</i>	<i>8.0</i>	<i>10.2</i>	<i>8.7</i>
Loomis Core FI	3.5	3.5	----	----	----	----
<i>Aggregate Index</i>	<i>2.9</i>	<i>2.9</i>	<i>4.5</i>	<i>2.0</i>	<i>2.7</i>	<i>3.8</i>
PRIT Value Added FI	5.1	5.1	----	----	----	----
<i>Value Added Index</i>	<i>5.9</i>	<i>5.9</i>	<i>4.2</i>	<i>6.5</i>	<i>4.6</i>	<i>-19.8</i>

## MANAGER VALUE ADDED

Portfolio	Benchmark	1 Quarter	1 Year	3 Years	5 Years
PRIT Core Fund	Custom Core Idx	-0.4	-0.2	1.0	1.0
Polen Capital	Russell 1000G	0.9	10.7	1.7	4.0
O'Shaughnessy	Russell 1000V	0.0	-5.6	1.2	-0.3
Seizert Capital	Russell Mid	-6.5	-8.6	-2.3	-4.4
Aberdeen SC Core	Russell 2000	0.3	4.1	N/A	N/A
Systematic	Russell 2000	-2.7	-2.9	-5.2	N/A
PRIT Int'l Eq.	MSCI EAFE	0.9	-0.9	-0.2	N/A
PRIT EM	MSCI Emg Mkts	1.2	N/A	N/A	N/A
PRIT Core R.E.	NCREIF ODCE	3.5	2.0	0.2	-0.2
Loomis Core FI	Aggregate Index	0.7	N/A	N/A	N/A
PRIT Value Added FI	Value Added Index	-0.5	N/A	N/A	N/A
<b>Total Portfolio</b>	<b>Policy Index</b>	<b>-0.9</b>	<b>-1.1</b>	<b>-0.1</b>	<b>-0.3</b>

**MANAGER RISK STATISTICS SUMMARY - THREE YEAR HISTORY**

<b>Manager</b>	<b>Benchmark</b>	<b>Alpha</b>	<b>Batting Average</b>	<b>Sharpe Ratio</b>	<b>Information Ratio</b>	<b>Up Capture</b>	<b>Down Capture</b>
Composite	Policy Index	0.32	.417	1.08	-0.08	97.3	93.1
PRIT Core Fund	Custom Core Idx	0.35	.750	1.32	0.96	113.6	117.9
Polen Capital	Russell 1000G	2.88	.667	1.27	0.37	100.7	78.5
O'Shaughnessy	Russell 1000V	-0.18	.667	0.80	0.25	116.3	121.6
Seizert Capital	Russell Mid	0.25	.417	0.68	-0.27	80.4	84.1
Systematic	Russell 2000	-4.93	.167	0.49	-1.57	77.2	107.6
PRIT Int'l Eq.	MSCI EAFE	-0.73	.750	0.58	-0.07	103.3	109.3
PRIT Core R.E.	NCREIF ODCE	24.94	.583	2.23	0.09	103.1	----



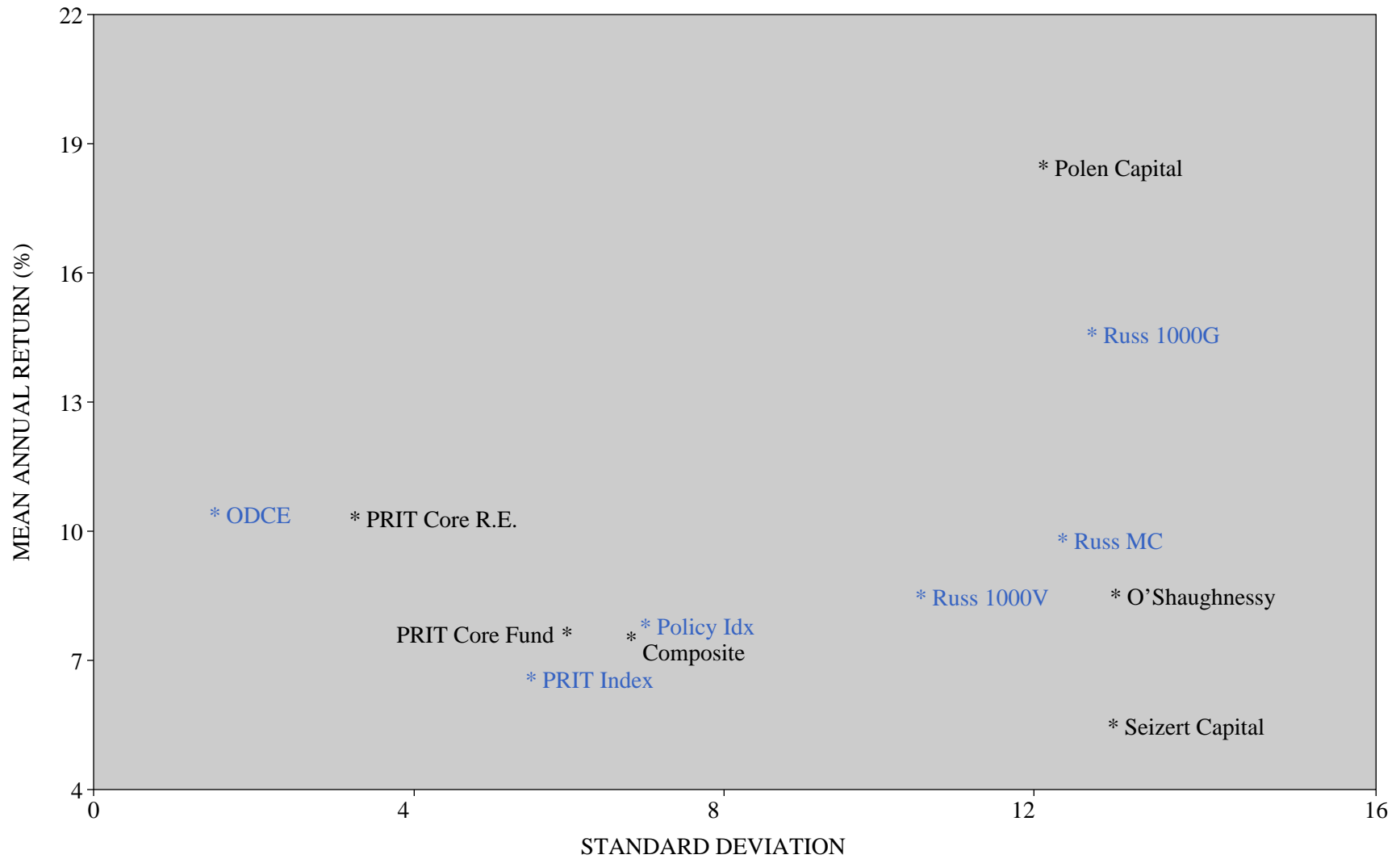
**MANAGER RISK STATISTICS SUMMARY - FIVE YEAR HISTORY**

<b>Manager</b>	<b>Benchmark</b>	<b>Alpha</b>	<b>Batting Average</b>	<b>Sharpe Ratio</b>	<b>Information Ratio</b>	<b>Up Capture</b>	<b>Down Capture</b>
Composite	Policy Index	0.02	.450	0.98	-0.25	97.2	100.2
PRIT Core Fund	Custom Core Idx	0.62	.750	1.13	0.95	115.2	109.8
Polen Capital	Russell 1000G	5.68	.650	1.48	0.80	108.9	57.2
O'Shaughnessy	Russell 1000V	-0.71	.550	0.59	0.00	98.4	101.8
Seizert Capital	Russell Mid	-3.15	.300	0.35	-0.61	72.7	107.6
PRIT Core R.E.	NCREIF ODCE	5.44	.550	2.92	-0.03	98.7	----

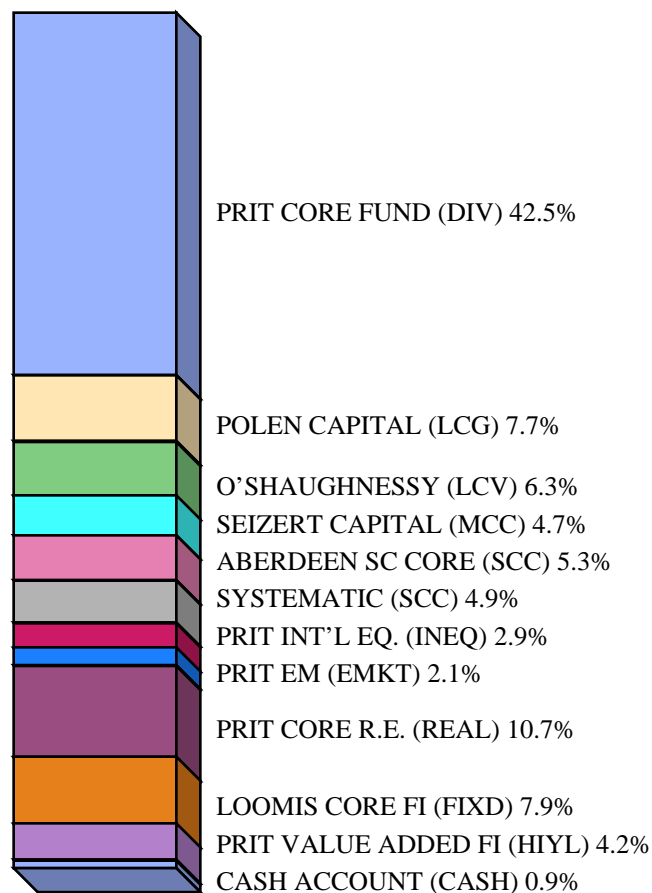
**MANAGER RISK STATISTICS SUMMARY - TEN YEAR HISTORY**

<b>Manager</b>	<b>Benchmark</b>	<b>Alpha</b>	<b>Batting Average</b>	<b>Sharpe Ratio</b>	<b>Information Ratio</b>	<b>Up Capture</b>	<b>Down Capture</b>
Composite	Policy Index	0.28	.500	1.29	0.04	100.9	101.6
PRIT Core Fund	Custom Core Idx	0.29	.800	1.32	0.94	110.1	110.7

**RISK-RETURN SUMMARY - 5 YEAR HISTORY**



**MANAGER ALLOCATION AND TARGET SUMMARY**



Name	Market Value	Percent	Target
PRIT Core Fund (DIV)	\$62,756,501	42.5	45.0
Polen Capital (LCG)	\$11,356,615	7.7	6.0
O'Shaughnessy (LCV)	\$9,351,380	6.3	6.0
Seizert Capital (MCC)	\$6,942,839	4.7	5.0
Aberdeen SC Core (SCC)	\$7,760,717	5.3	5.0
Systematic (SCC)	\$7,252,660	4.9	5.0
PRIT Int'l Eq. (INEQ)	\$4,248,132	2.9	3.0
PRIT EM (EMKT)	\$3,113,520	2.1	2.0
PRIT Core R.E. (REAL)	\$15,787,458	10.7	10.0
Loomis Core FI (FIXD)	\$11,657,191	7.9	9.0
PRIT Value Added FI (HIYL)	\$6,270,389	4.2	4.0
Cash Account (CASH)	\$1,298,472	0.9	0.0
<b>Total Portfolio</b>	<b>\$147,795,874</b>	<b>100.0</b>	<b>100.0</b>

**INVESTMENT RETURN SUMMARY - ONE QUARTER**

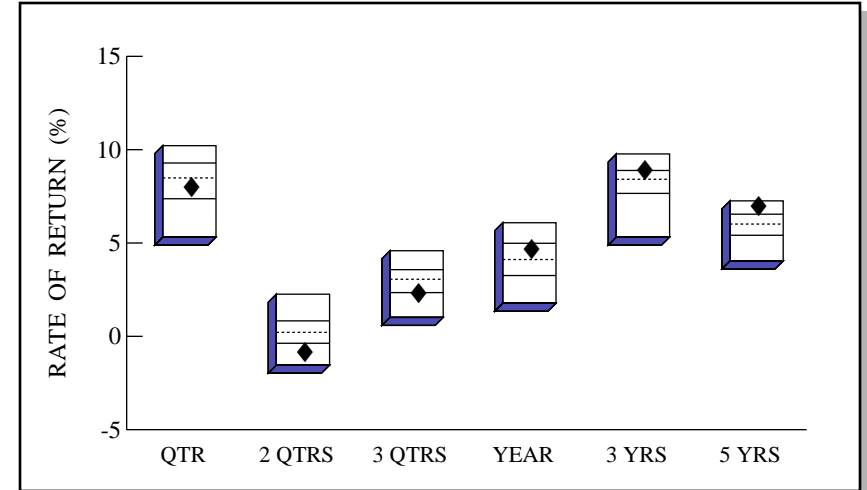
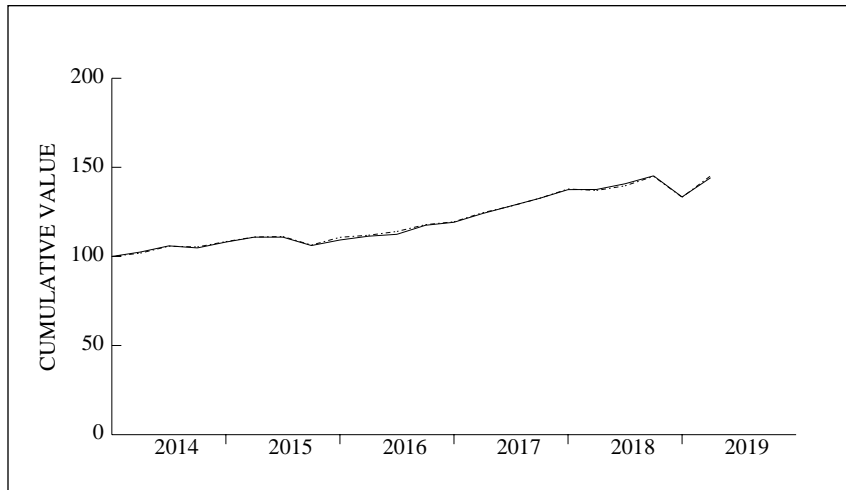
<b>Name</b>	<b>Quarter Total Return</b>	<b>Market Value December 31st, 2018</b>	<b>Net Cashflow</b>	<b>Net Investment Return</b>	<b>Market Value March 31st, 2019</b>
PRIT Core Fund (DIV)	6.4	61,594,028	-2,742,025	3,904,498	62,756,501
Polen Capital (LCG)	17.0	9,707,730	0	1,648,885	11,356,615
O'Shaughnessy (LCV)	11.9	8,358,732	-207	992,855	9,351,380
Seizert Capital (MCC)	10.0	6,311,405	0	631,434	6,942,839
Aberdeen SC Core (SCC)	14.9	6,754,525	0	1,006,192	7,760,717
Systematic (SCC)	11.9	6,481,737	88	770,835	7,252,660
PRIT Int'l Eq. (INEQ)	11.0	3,830,904	-2,411	419,639	4,248,132
PRIT EM (EMKT)	11.2	2,804,393	-4,439	313,566	3,113,520
PRIT Core R.E. (REAL)	4.9	15,062,715	-19,875	744,618	15,787,458
Loomis Core FI (FIXD)	3.6	11,256,753	0	400,438	11,657,191
PRIT Value Added FI (HIYL)	5.4	5,965,390	-17,644	322,643	6,270,389
Cash Account (CASH)	---	755,228	541,607	1,637	1,298,472
<b>Total Portfolio</b>	<b>8.1</b>	<b>138,883,540</b>	<b>-2,244,906</b>	<b>11,157,240</b>	<b>147,795,874</b>

**MANAGER FEE SUMMARY - ONE QUARTER**

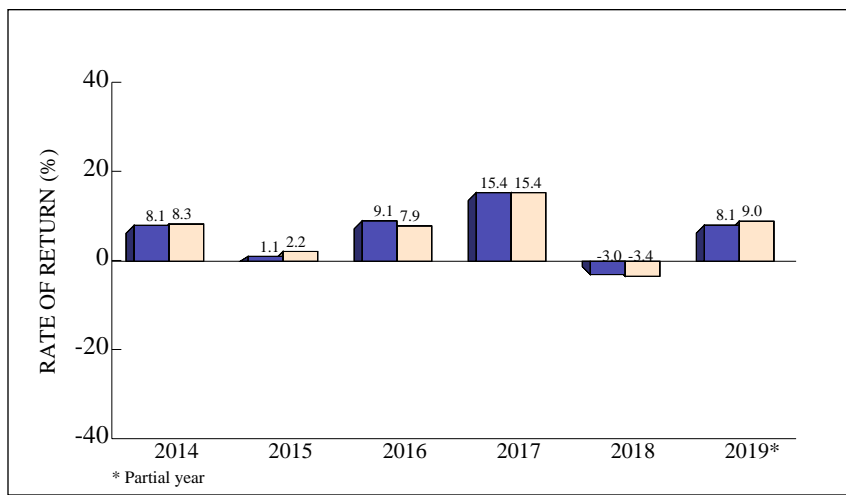
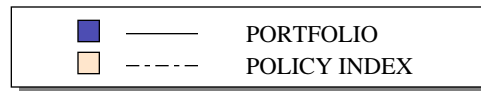
ALL FEES ARE ESTIMATED / ACCRUED

PORTFOLIO	MARKET VALUE	GROSS RETURN	FEE	FEE PCT	NET RETURN
PRIT Core Fund (DIV)	\$62,756,501	6.4	\$80,025	0.13	6.3
Polen Capital (LCG)	\$11,356,615	17.0	\$18,402	0.19	16.8
O'Shaughnessy (LCV)	\$9,351,380	11.9	\$12,814	0.15	11.7
Seizert Capital (MCC)	\$6,942,839	10.0	\$12,145	0.19	9.8
Aberdeen SC Core (SCC)	\$7,760,717	14.9	\$9,456	0.14	14.8
Systematic (SCC)	\$7,252,660	11.9	\$14,753	0.23	11.7
PRIT Int'l Eq. (INEQ)	\$4,248,132	11.0	\$2,411	0.06	10.9
PRIT EM (EMKT)	\$3,113,520	11.2	\$4,439	0.16	11.0
PRIT Core R.E. (REAL)	\$15,787,458	4.9	\$19,875	0.13	4.8
Loomis Core FI (FIXD)	\$11,657,191	3.6	\$6,464	0.06	3.5
PRIT Value Added FI (HIYL)	\$6,270,389	5.4	\$17,644	0.30	5.1
<b>Total Portfolio</b>	<b>\$147,795,874</b>	<b>8.1</b>	<b>\$198,428</b>	<b>0.14</b>	<b>8.0</b>

**TOTAL RETURN COMPARISONS**



Public Fund Universe



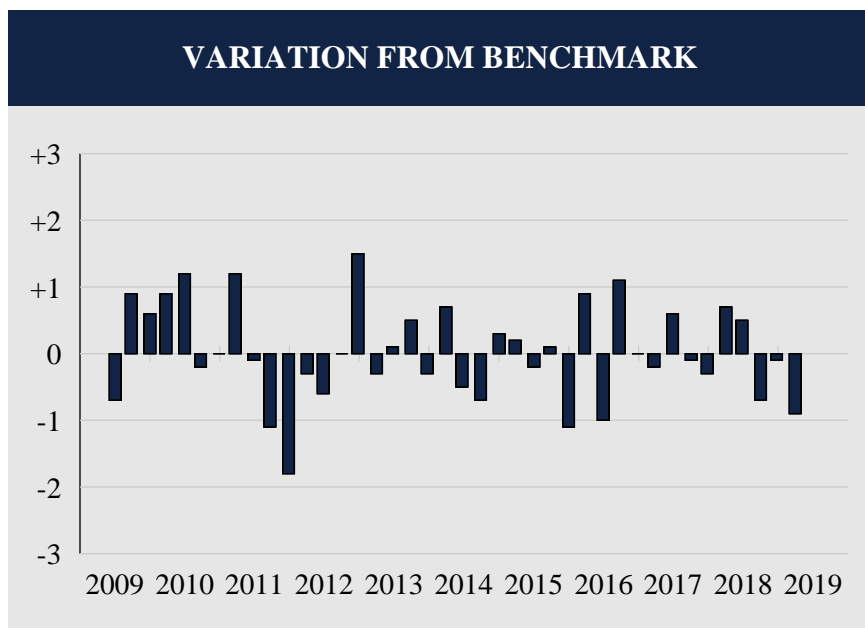
	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	8.1	-0.7	2.4	4.8	9.0	7.1
(RANK)	(61)	(84)	(74)	(33)	(23)	(9)
5TH %ILE	10.2	2.3	4.6	6.1	9.8	7.3
25TH %ILE	9.3	0.8	3.6	5.0	8.9	6.5
MEDIAN	8.5	0.2	3.1	4.1	8.4	6.0
75TH %ILE	7.4	-0.4	2.3	3.3	7.7	5.4
95TH %ILE	5.3	-1.6	1.0	1.8	5.3	4.0
<b>Policy Idx</b>	<b>9.0</b>	<b>0.1</b>	<b>4.0</b>	<b>5.9</b>	<b>9.1</b>	<b>7.4</b>

Public Fund Universe



**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

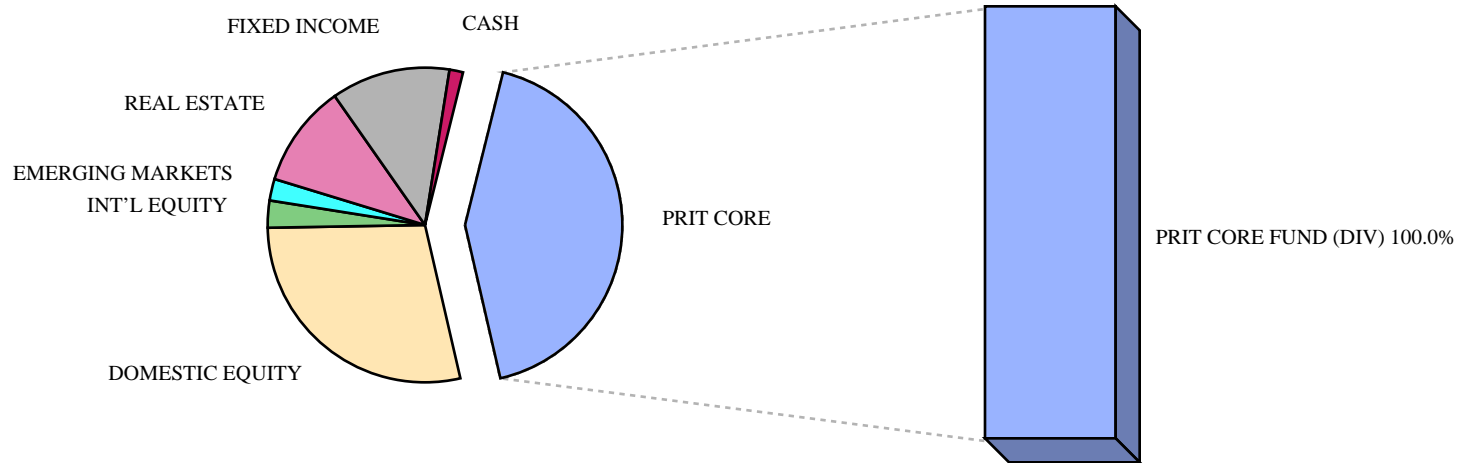
**COMPARATIVE BENCHMARK: FRANKLIN REGIONAL POLICY INDEX**



<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>20</b>
<b>Quarters Below the Benchmark</b>	<b>20</b>
<b>Batting Average</b>	<b>.500</b>

<b>RATES OF RETURN</b>			
<b>Date</b>	<b>Portfolio</b>	<b>Benchmark</b>	<b>Difference</b>
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
12/18	-8.2	-8.1	-0.1
3/19	8.1	9.0	-0.9

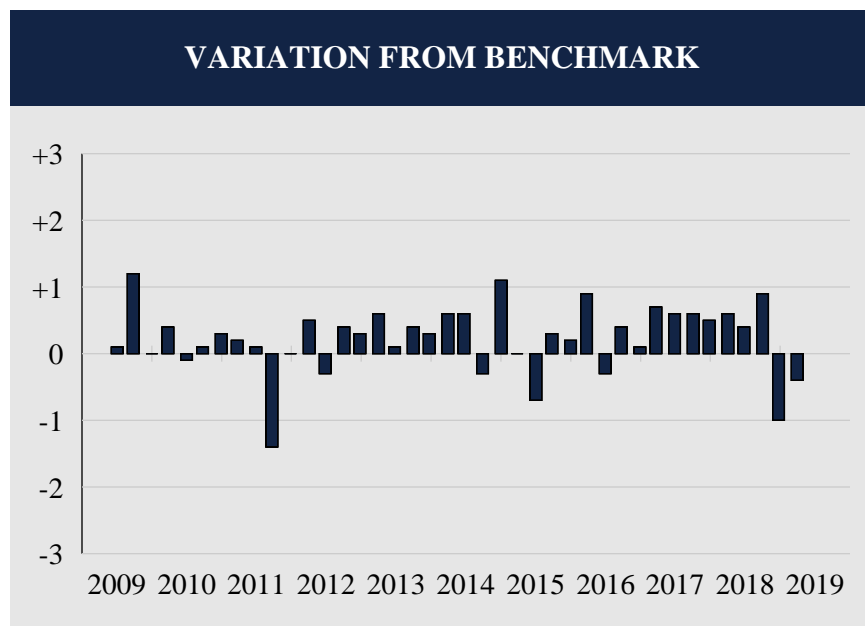
**PRIT CORE MANAGER SUMMARY**



TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
PRIT CORE FUND	(Public Fund)	6.4 (90)	6.4 (90)	3.9 (59)	9.3 (14)	7.2 (6)	\$62,756,501
<i>Custom Core Index</i>		6.8 ---	6.8 ---	4.1 ---	8.3 ---	6.2 ---	---

## PRIT CORE QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: CUSTOM CORE INDEX

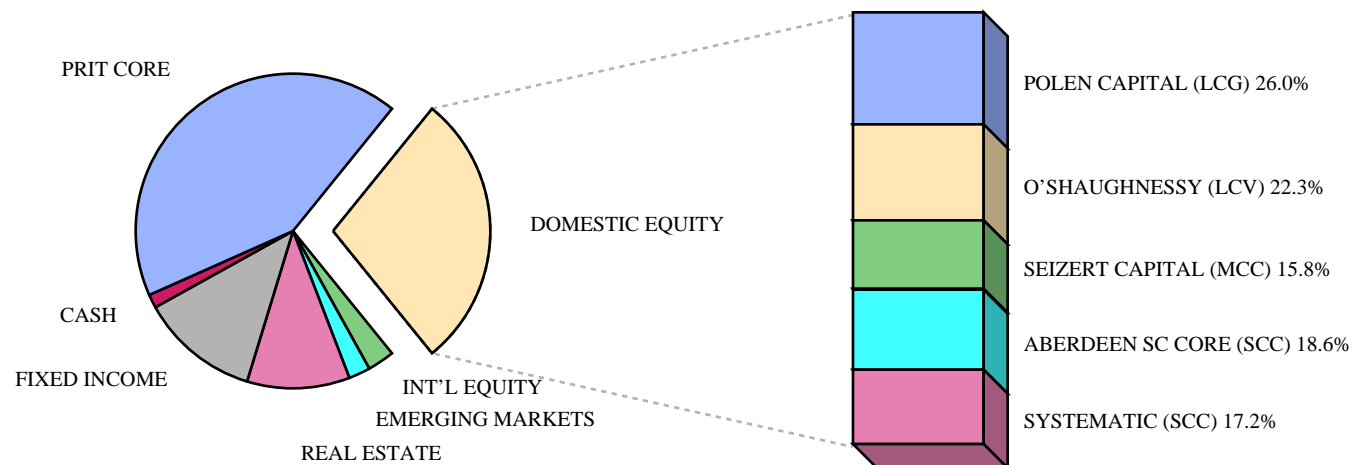


<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>32</b>
<b>Quarters Below the Benchmark</b>	<b>8</b>
<b>Batting Average</b>	<b>.800</b>

### RATES OF RETURN

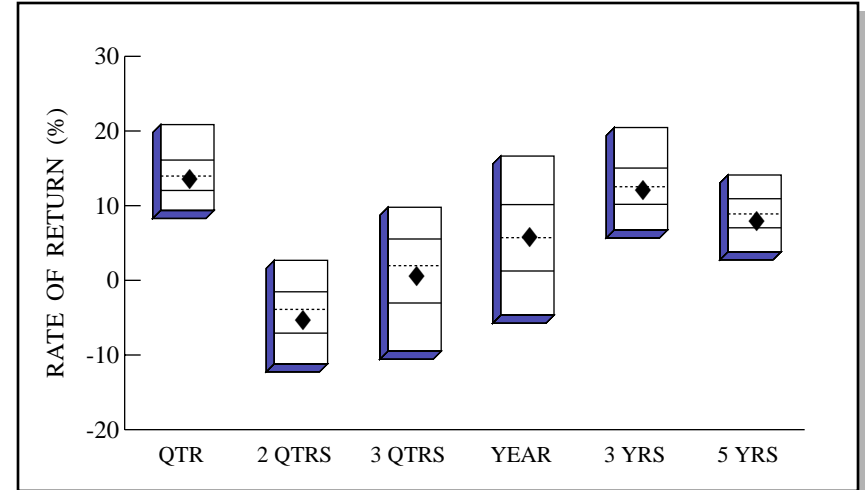
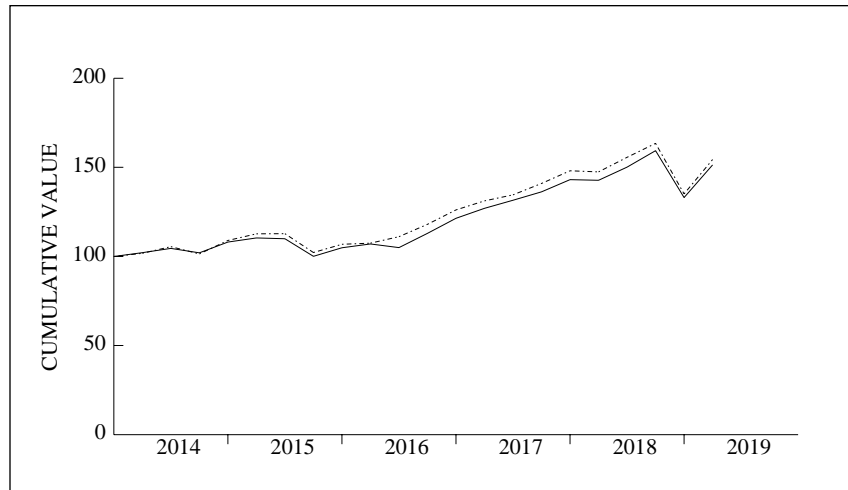
Date	Portfolio	Benchmark	Difference
6/09	11.7	11.6	0.1
9/09	11.5	10.3	1.2
12/09	2.9	2.9	0.0
3/10	3.5	3.1	0.4
6/10	-5.0	-4.9	-0.1
9/10	8.9	8.8	0.1
12/10	6.1	5.8	0.3
3/11	4.3	4.1	0.2
6/11	1.7	1.6	0.1
9/11	-9.0	-7.6	-1.4
12/11	3.7	3.7	0.0
3/12	7.3	6.8	0.5
6/12	-1.5	-1.2	-0.3
9/12	4.4	4.0	0.4
12/12	3.1	2.8	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	3.5	0.5
3/18	0.6	0.0	0.6
6/18	1.1	0.7	0.4
9/18	2.8	1.9	0.9
12/18	-6.1	-5.1	-1.0
3/19	6.4	6.8	-0.4

**DOMESTIC EQUITY MANAGER SUMMARY**

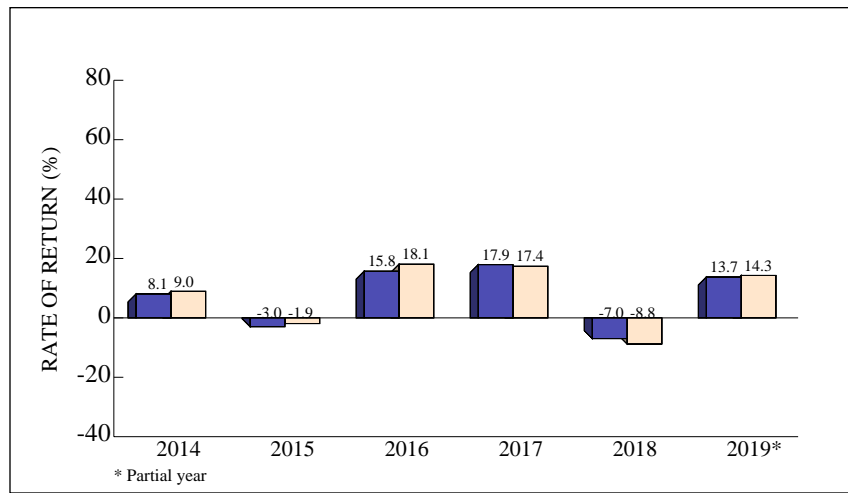


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
POLEN CAPITAL	(Large Cap Growth)	17.0 (33)	17.0 (33)	23.4 (3)	18.2 (25)	17.5 (4)	\$11,356,615
<i>Russell 1000 Growth</i>		<i>16.1 ----</i>	<i>16.1 ----</i>	<i>12.7 ----</i>	<i>16.5 ----</i>	<i>13.5 ----</i>	<i>----</i>
O'SHAUGHNESSY	(Large Cap Value)	11.9 (47)	11.9 (47)	0.1 (84)	11.6 (38)	7.4 (67)	\$9,351,380
<i>Russell 1000 Value</i>		<i>11.9 ----</i>	<i>11.9 ----</i>	<i>5.7 ----</i>	<i>10.4 ----</i>	<i>7.7 ----</i>	<i>----</i>
SEIZERT CAPITAL	(Mid Cap)	10.0 (99)	10.0 (99)	-2.1 (90)	9.5 (82)	4.4 (98)	\$6,942,839
<i>Russell Mid Cap</i>		<i>16.5 ----</i>	<i>16.5 ----</i>	<i>6.5 ----</i>	<i>11.8 ----</i>	<i>8.8 ----</i>	<i>----</i>
ABERDEEN SC CORE	(Small Cap)	14.9 (42)	14.9 (42)	6.1 (31)	----	----	\$7,760,717
SYSTEMATIC	(Small Cap)	11.9 (83)	11.9 (83)	-0.9 (70)	7.7 (93)	----	\$7,252,660
<i>Russell 2000</i>		<i>14.6 ----</i>	<i>14.6 ----</i>	<i>2.0 ----</i>	<i>12.9 ----</i>	<i>7.0 ----</i>	<i>----</i>

### DOMESTIC EQUITY RETURN COMPARISONS



Domestic Equity Universe

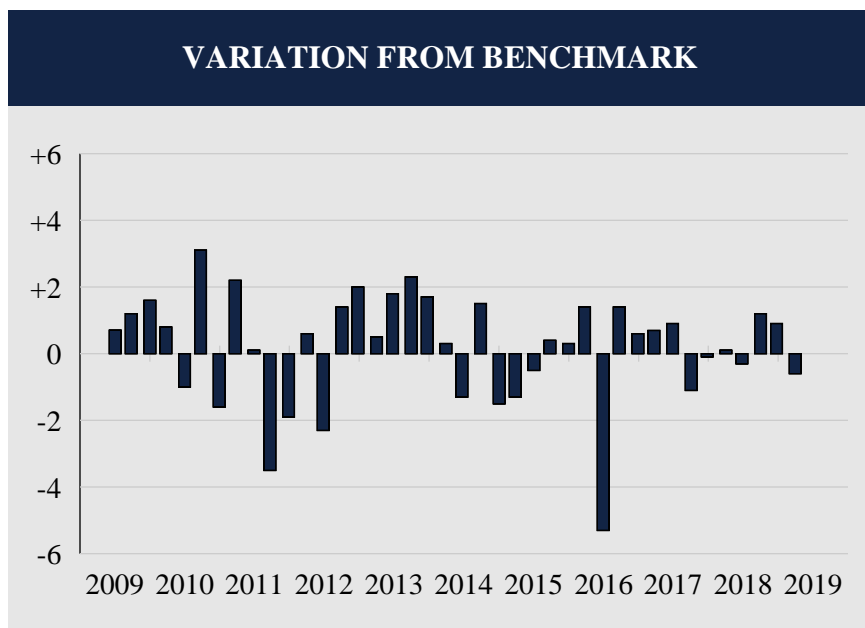


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	13.7	-5.0	0.8	6.1	12.3	8.2
(RANK)	(53)	(61)	(57)	(49)	(53)	(60)
5TH %ILE	20.8	2.7	9.8	16.6	20.5	14.1
25TH %ILE	16.1	-1.6	5.5	10.1	15.0	10.9
MEDIAN	14.0	-3.9	2.0	5.7	12.6	8.9
75TH %ILE	12.0	-7.1	-3.0	1.3	10.2	7.0
95TH %ILE	9.3	-11.2	-9.5	-4.7	6.8	3.8
<b>Equity Index</b>	<b>14.3</b>	<b>-5.6</b>	<b>-0.8</b>	<b>4.7</b>	<b>12.8</b>	<b>8.7</b>

Domestic Equity Universe

## DOMESTIC EQUITY QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: FRANKLIN REGIONAL EQUITY INDEX

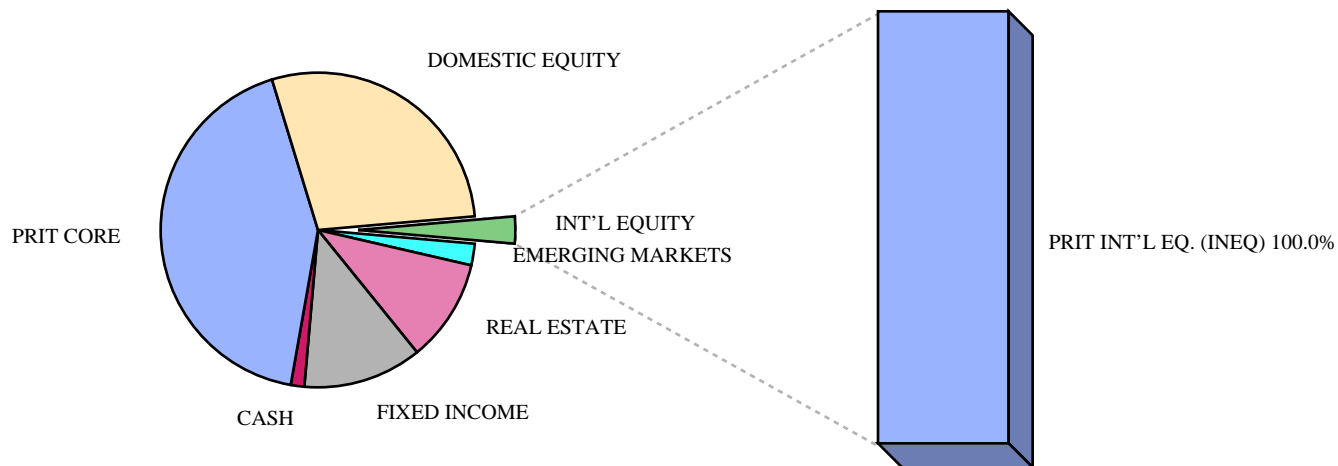


<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>26</b>
<b>Quarters Below the Benchmark</b>	<b>14</b>
<b>Batting Average</b>	<b>.650</b>

### RATES OF RETURN

Date	Portfolio	Benchmark	Difference
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
12/18	-16.5	-17.4	0.9
3/19	13.7	14.3	-0.6

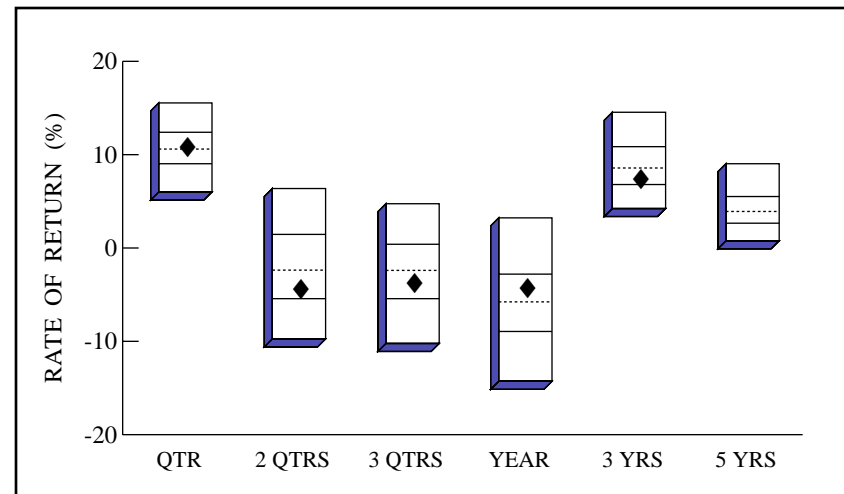
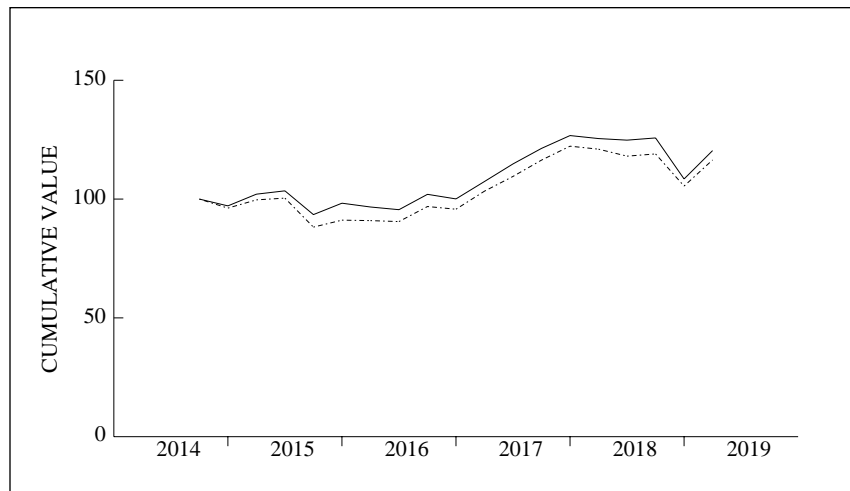
**INTERNATIONAL EQUITY MANAGER SUMMARY**



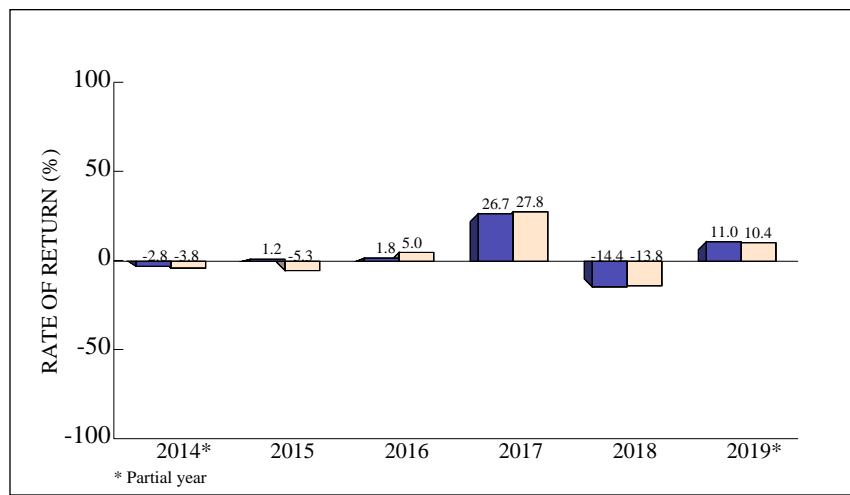
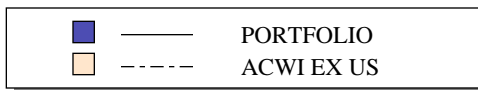
TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
PRIT INT'L EQ.	(International Equity)	11.0 (45)	11.0 (45)	-4.1 (35)	7.6 (65)	----	\$4,248,132
<i>MSCI EAFE</i>		<i>10.1</i> ----	<i>10.1</i> ----	<i>-3.2</i> ----	<i>7.8</i> ----	<i>2.8</i> ----	----



### INTERNATIONAL EQUITY RETURN COMPARISONS



International Equity Universe



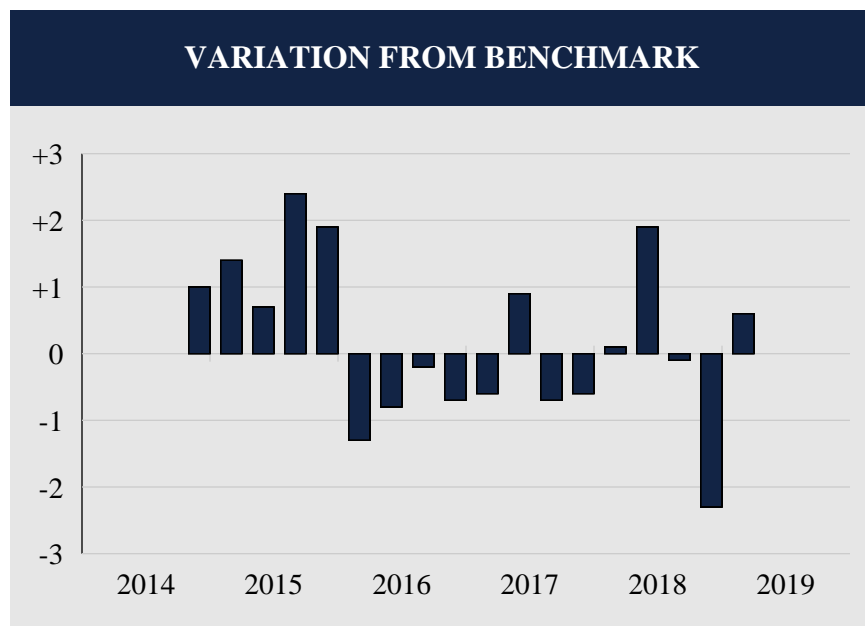
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	11.0	-4.2	-3.5	-4.1	7.6	---
(RANK)	(45)	(67)	(62)	(35)	(65)	---
5TH %ILE	15.5	6.4	4.7	3.2	14.5	9.0
25TH %ILE	12.4	1.5	0.4	-2.8	10.9	5.5
MEDIAN	10.6	-2.4	-2.4	-5.8	8.6	3.9
75TH %ILE	9.0	-5.4	-5.4	-8.9	6.8	2.7
95TH %ILE	6.0	-9.8	-10.2	-14.3	4.2	0.8
<b>ACWI Ex US</b>	<b>10.4</b>	<b>-2.2</b>	<b>-1.4</b>	<b>-3.7</b>	<b>8.6</b>	<b>3.0</b>

International Equity Universe

### INTERNATIONAL EQUITY QUARTERLY PERFORMANCE SUMMARY

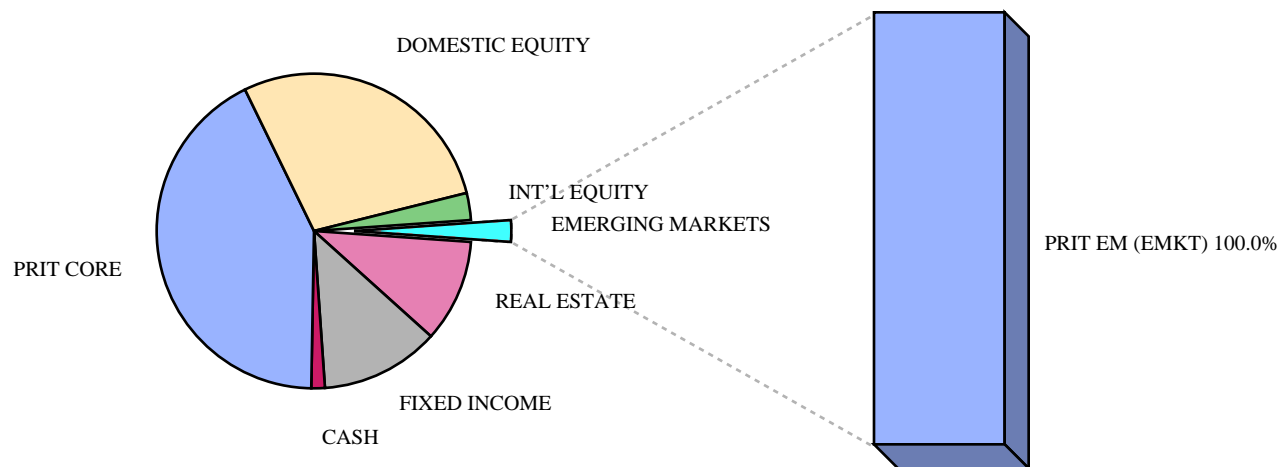
COMPARATIVE BENCHMARK: MSCI ALL COUNTRY WORLD EX US



<b>Total Quarters Observed</b>	<b>18</b>
<b>Quarters At or Above the Benchmark</b>	<b>9</b>
<b>Quarters Below the Benchmark</b>	<b>9</b>
<b>Batting Average</b>	<b>.500</b>

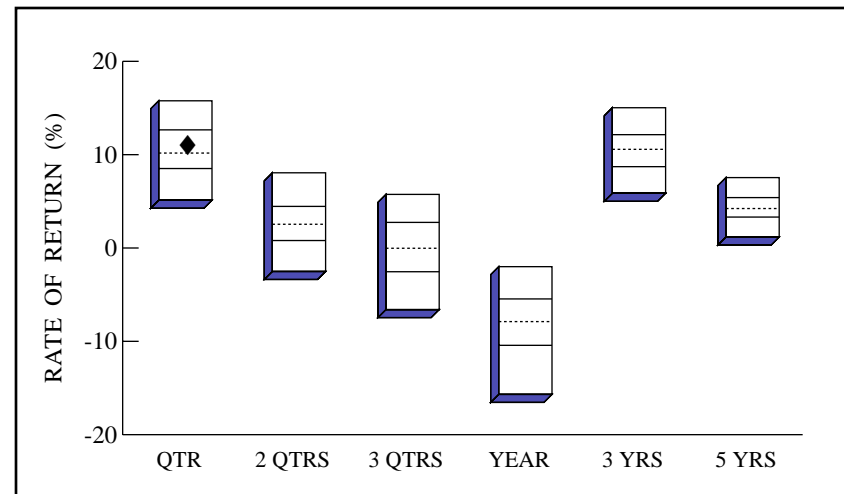
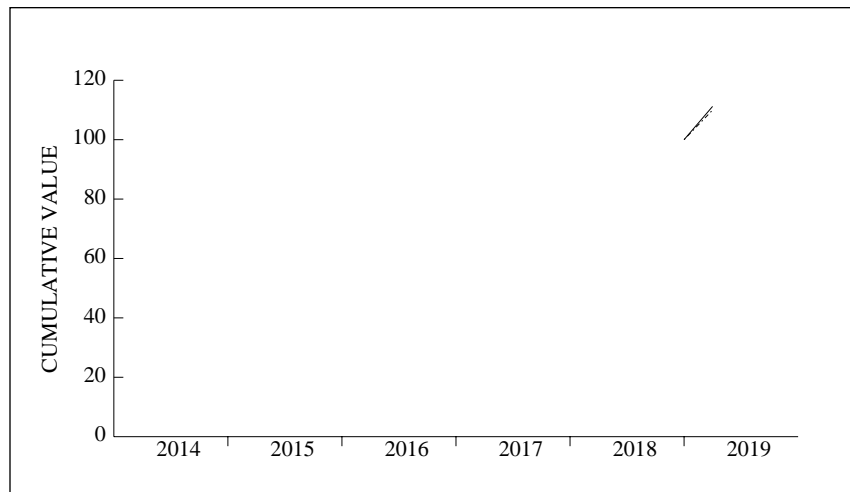
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/14	-2.8	-3.8	1.0
3/15	5.0	3.6	1.4
6/15	1.4	0.7	0.7
9/15	-9.7	-12.1	2.4
12/15	5.2	3.3	1.9
3/16	-1.6	-0.3	-1.3
6/16	-1.2	-0.4	-0.8
9/16	6.8	7.0	-0.2
12/16	-1.9	-1.2	-0.7
3/17	7.4	8.0	-0.6
6/17	6.9	6.0	0.9
9/17	5.6	6.3	-0.7
12/17	4.5	5.1	-0.6
3/18	-1.0	-1.1	0.1
6/18	-0.5	-2.4	1.9
9/18	0.7	0.8	-0.1
12/18	-13.7	-11.4	-2.3
3/19	11.0	10.4	0.6

**EMERGING MARKETS EQUITY MANAGER SUMMARY**

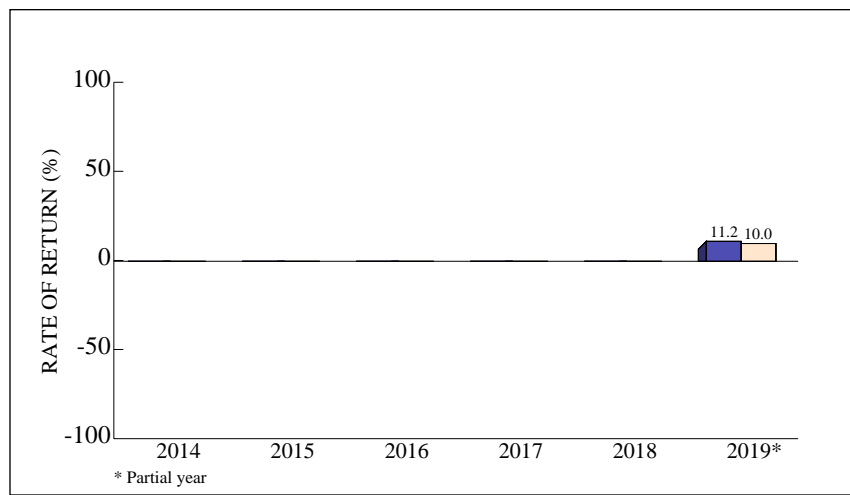
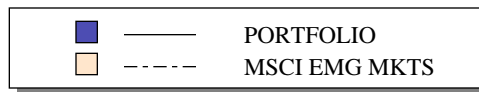


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
PRIT EM	(Emerging Markets)	11.2 (39)	11.2 (39)	----	----	----	\$3,113,520
<i>MSCI Emerging Markets</i>		<i>10.0</i> ----	<i>10.0</i> ----	<i>-7.1</i> ----	<i>11.1</i> ----	<i>4.1</i> ----	----

### EMERGING MARKETS EQUITY RETURN COMPARISONS



Emerging Markets Universe

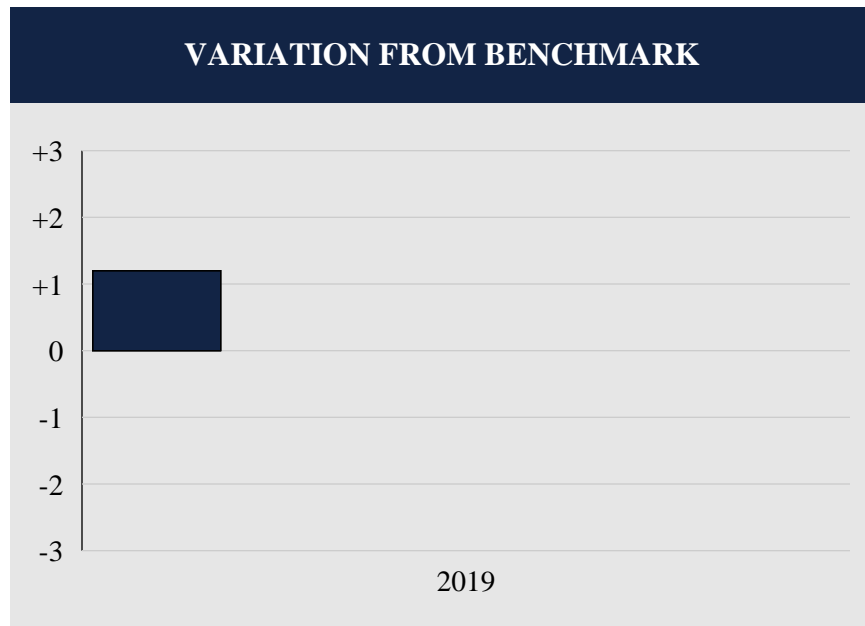


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	11.2	---	---	---	---	---
(RANK)	(39)	---	---	---	---	---
5TH %ILE	15.8	8.1	5.7	-2.0	15.0	7.5
25TH %ILE	12.7	4.5	2.7	-5.5	12.2	5.4
MEDIAN	10.2	2.6	0.0	-7.9	10.6	4.2
75TH %ILE	8.5	0.8	-2.5	-10.4	8.7	3.3
95TH %ILE	5.1	-2.5	-6.6	-15.7	5.9	1.2
<b>MSCI EM</b>	<b>10.0</b>	<b>1.8</b>	<b>0.9</b>	<b>-7.1</b>	<b>11.1</b>	<b>4.1</b>

Emerging Markets Universe

**EMERGING MARKETS EQUITY QUARTERLY PERFORMANCE SUMMARY**

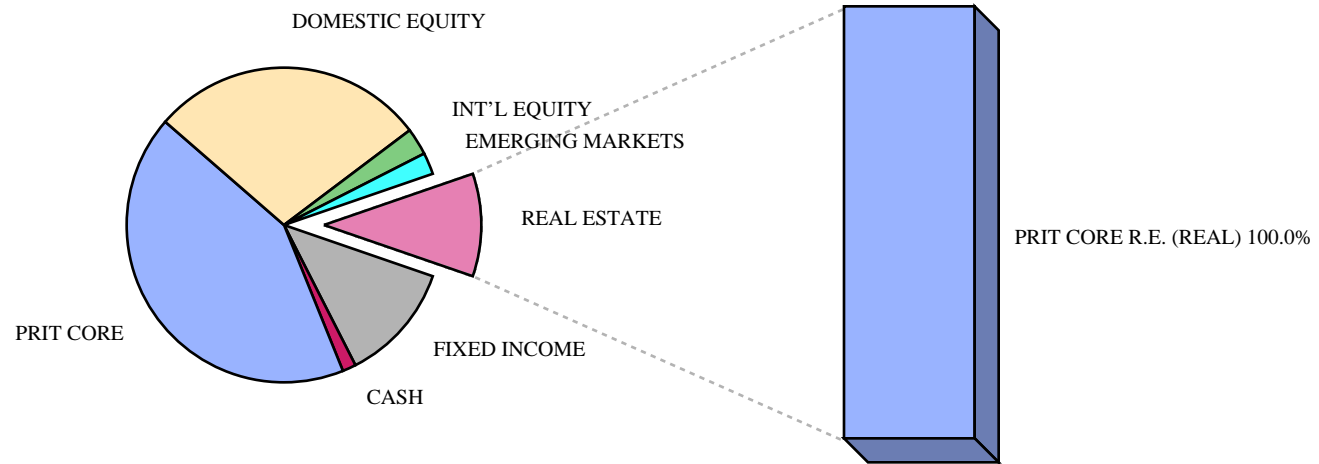
**COMPARATIVE BENCHMARK: MSCI EMERGING MARKETS**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/19	11.2	10.0	1.2

<b>Total Quarters Observed</b>	<b>1</b>
<b>Quarters At or Above the Benchmark</b>	<b>1</b>
<b>Quarters Below the Benchmark</b>	<b>0</b>
<b>Batting Average</b>	<b>1.000</b>

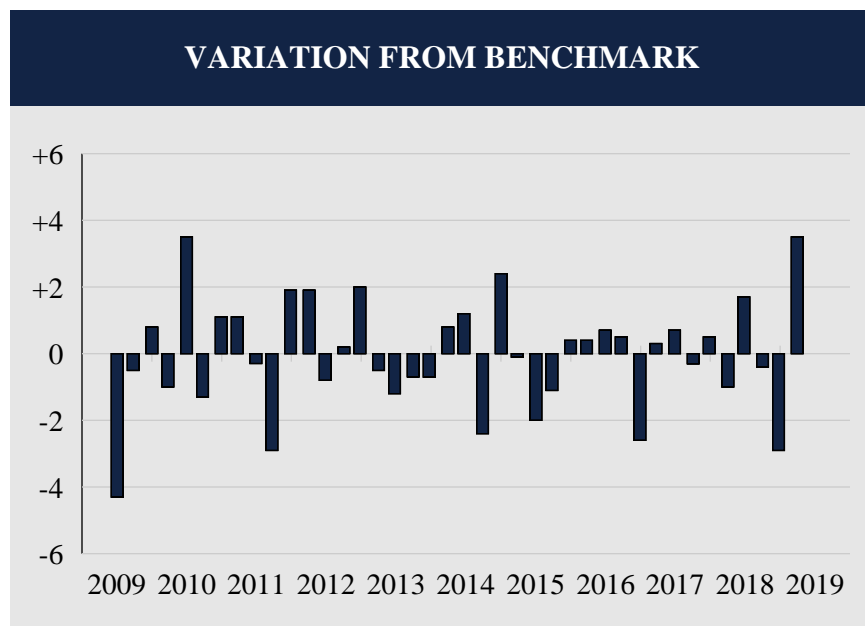
**REAL ESTATE MANAGER SUMMARY**



		TOTAL RETURNS AND RANKINGS					
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
PRIT CORE R.E.		4.9 ---	4.9 ---	9.5 ---	8.2 ---	10.0 ---	\$15,787,458
<i>NCREIF NFI-ODCE Index</i>		<i>1.4 ---</i>	<i>1.4 ---</i>	<i>7.5 ---</i>	<i>8.0 ---</i>	<i>10.2 ---</i>	---

## REAL ESTATE QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX



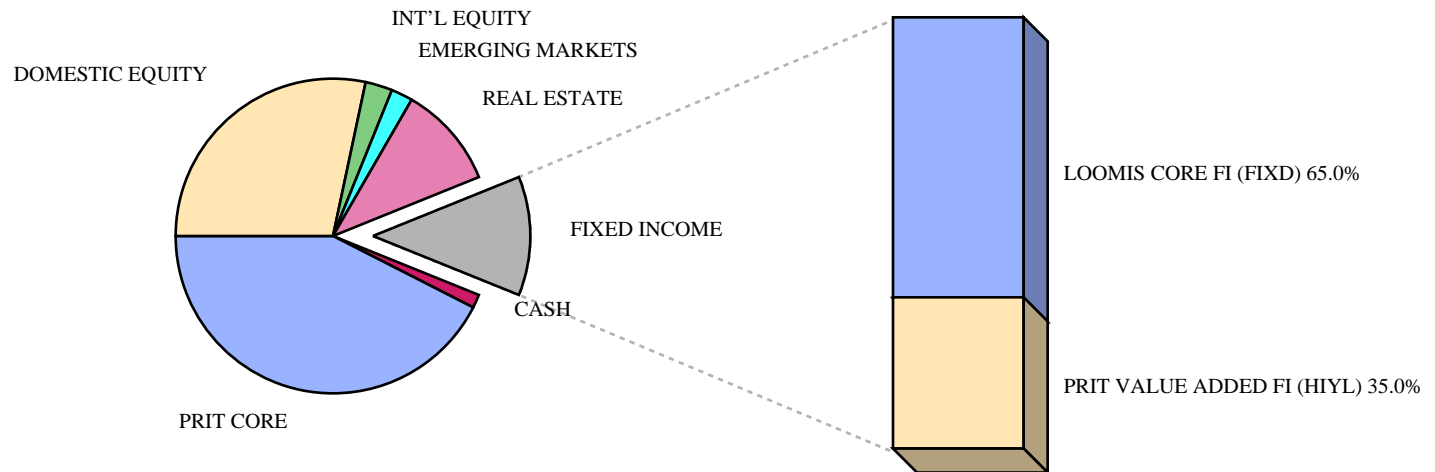
<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>20</b>
<b>Quarters Below the Benchmark</b>	<b>20</b>
<b>Batting Average</b>	<b>.500</b>

### RATES OF RETURN

Date	Portfolio	Benchmark	Difference
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
12/18	-1.1	1.8	-2.9
3/19	4.9	1.4	3.5

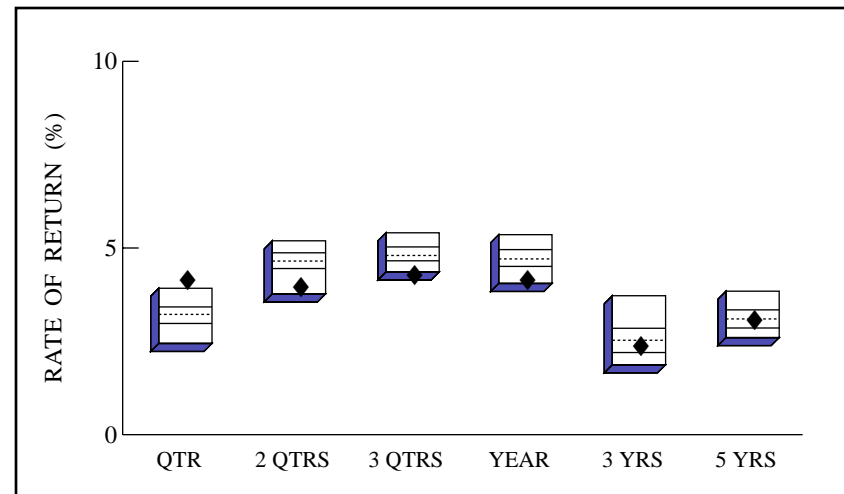
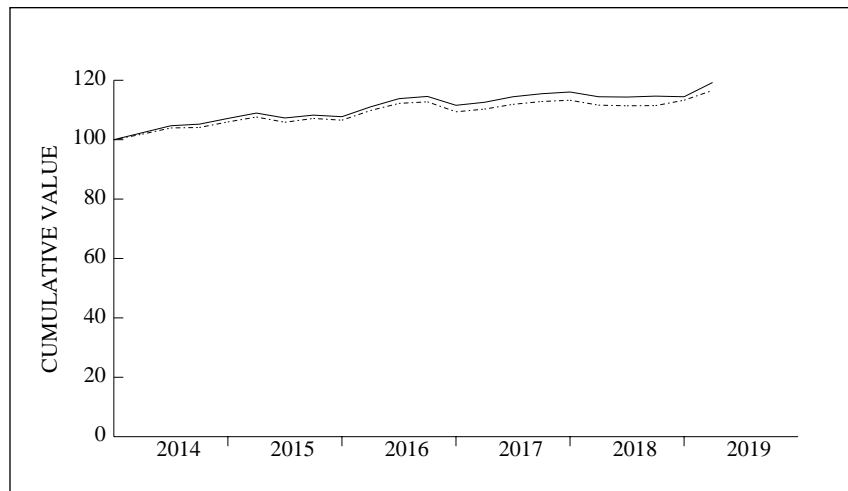


**FIXED INCOME MANAGER SUMMARY**

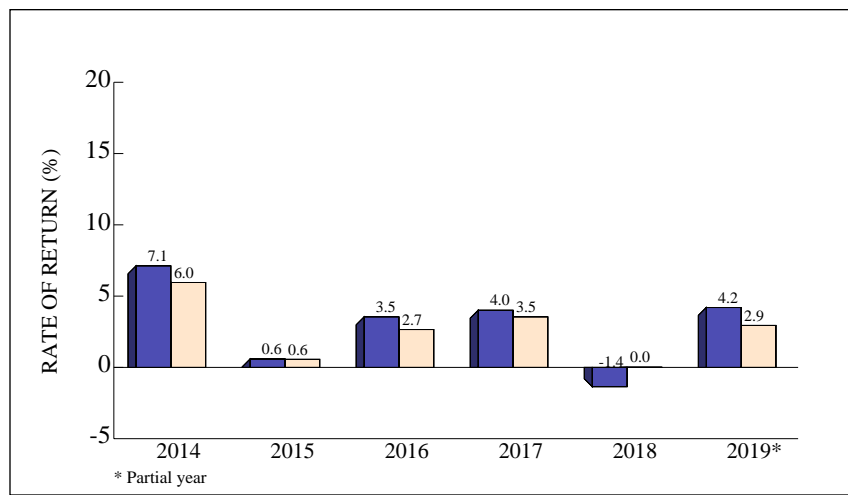


		TOTAL RETURNS AND RANKINGS					
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
LOOMIS CORE FI	(Core Fixed Income)	3.6 (13)	3.6 (13)	----	----	----	\$11,657,191
	<i>Bloomberg Barclays Aggregate Index</i>	2.9 ----	2.9 ----	4.5 ----	2.0 ----	2.7 ----	----
PRIT VALUE ADDED FI	(High Yield Fixed)	5.4 (75)	5.4 (75)	----	----	----	\$6,270,389
	<i>Blended Value Added Fixed Income Index</i>	5.9 ----	5.9 ----	4.2 ----	6.5 ----	4.6 ----	----

**FIXED INCOME RETURN COMPARISONS**



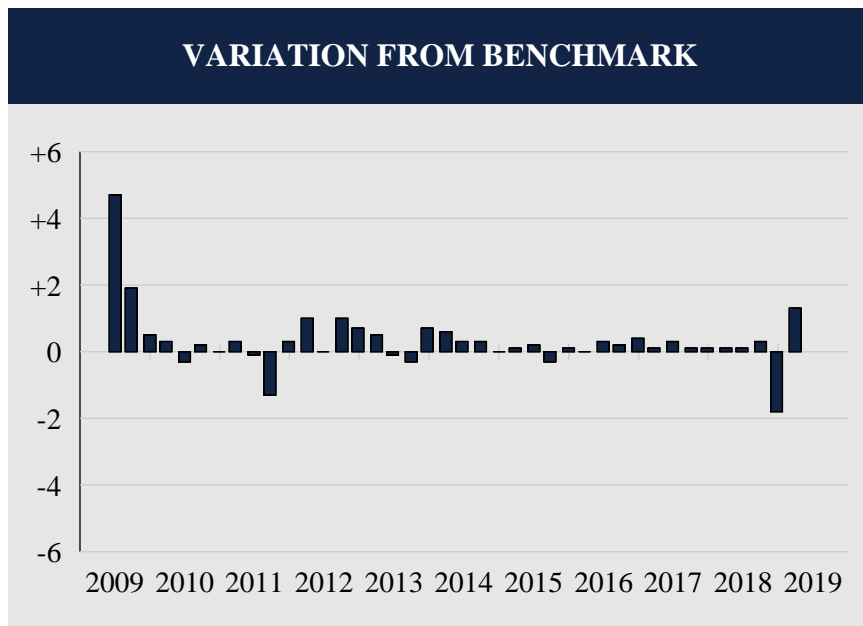
Core Fixed Income Universe



	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	4.2	4.0	4.3	4.2	2.4	3.1
(RANK)	( 4)	(94)	(96)	(94)	(58)	(49)
5TH %ILE	3.9	5.2	5.4	5.4	3.7	3.8
25TH %ILE	3.4	4.9	5.0	5.0	2.9	3.3
MEDIAN	3.2	4.7	4.8	4.7	2.5	3.1
75TH %ILE	3.0	4.5	4.7	4.5	2.2	2.9
95TH %ILE	2.4	3.8	4.4	4.1	1.9	2.6
<b>Agg</b>	<b>2.9</b>	<b>4.6</b>	<b>4.6</b>	<b>4.5</b>	<b>2.0</b>	<b>2.7</b>

Core Fixed Income Universe

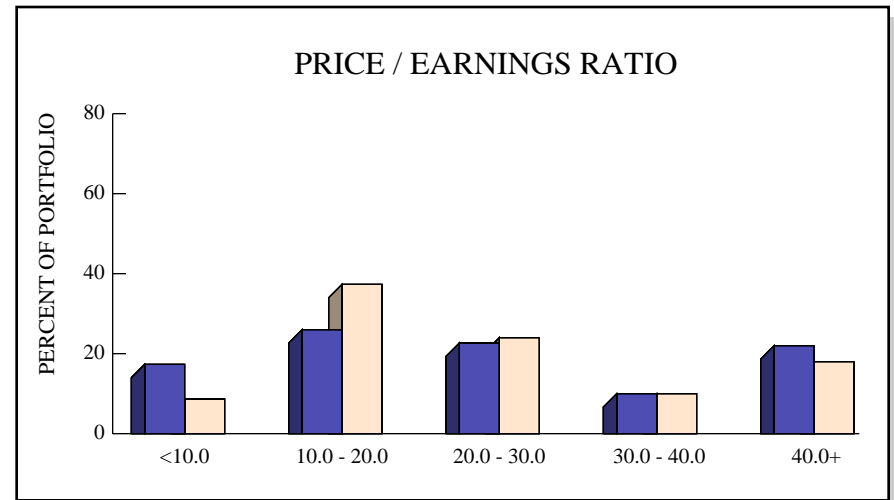
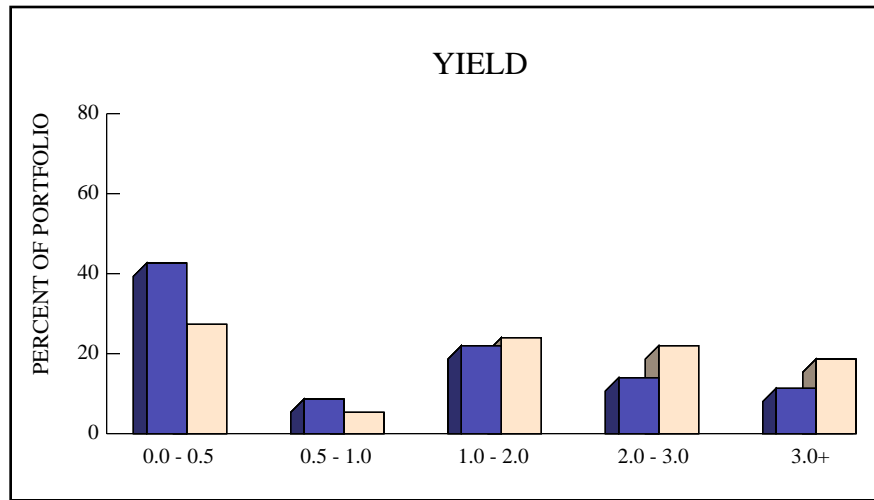
**FIXED INCOME QUARTERLY PERFORMANCE SUMMARY**  
**COMPARATIVE BENCHMARK: BLOOMBERG BARCLAYS AGGREGATE INDEX**



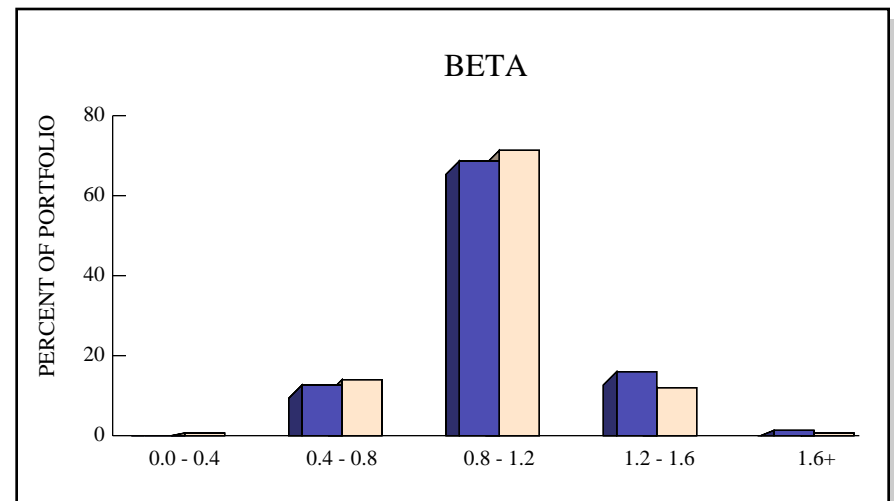
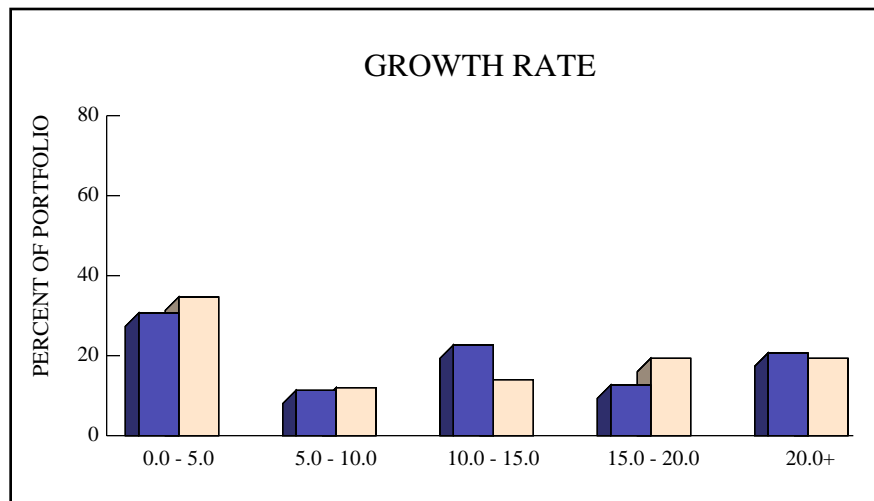
<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>33</b>
<b>Quarters Below the Benchmark</b>	<b>7</b>
<b>Batting Average</b>	<b>.825</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
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
12/18	-0.2	1.6	-1.8
3/19	4.2	2.9	1.3

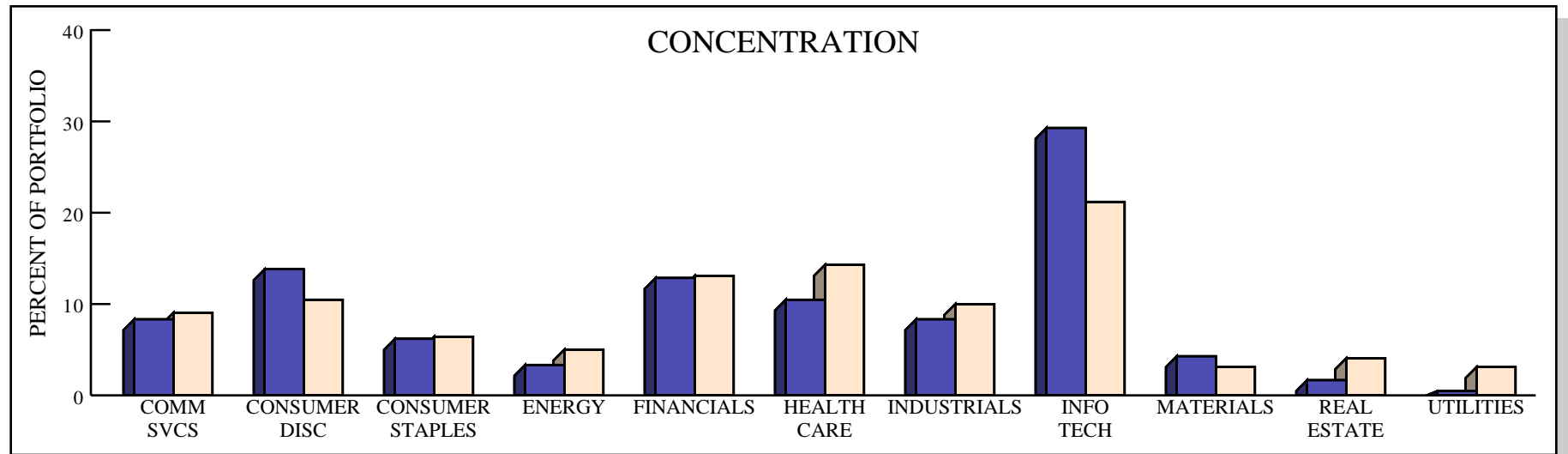
**STOCK CHARACTERISTICS**



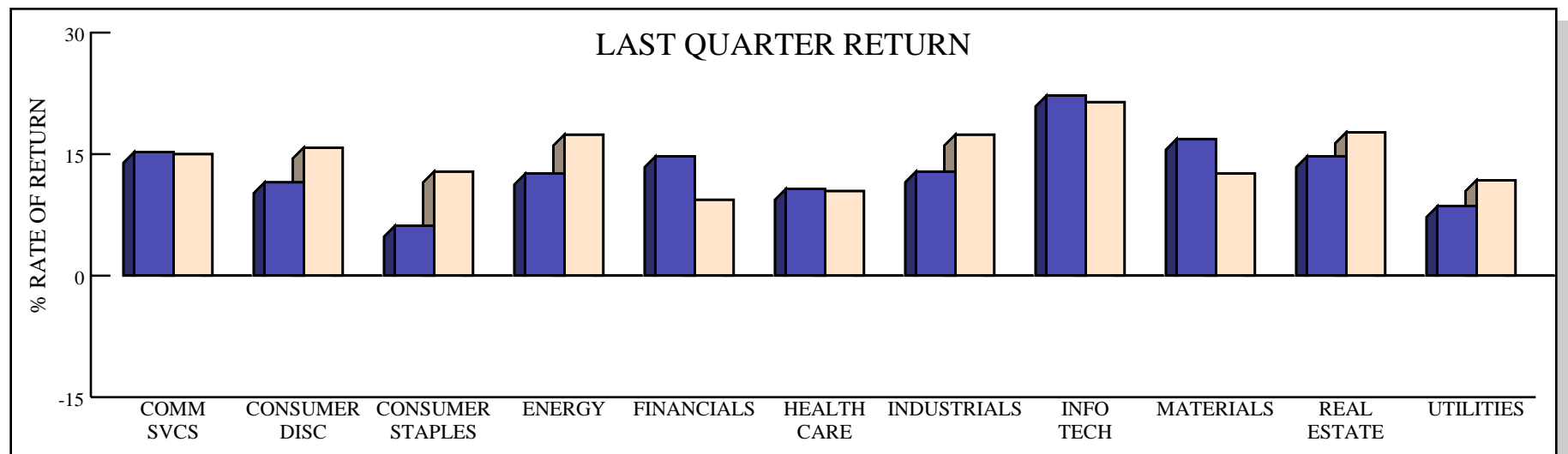
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	471	1.3%	11.9%	26.4	1.03
RUSSELL 3000	2,976	1.8%	11.3%	26.0	1.00



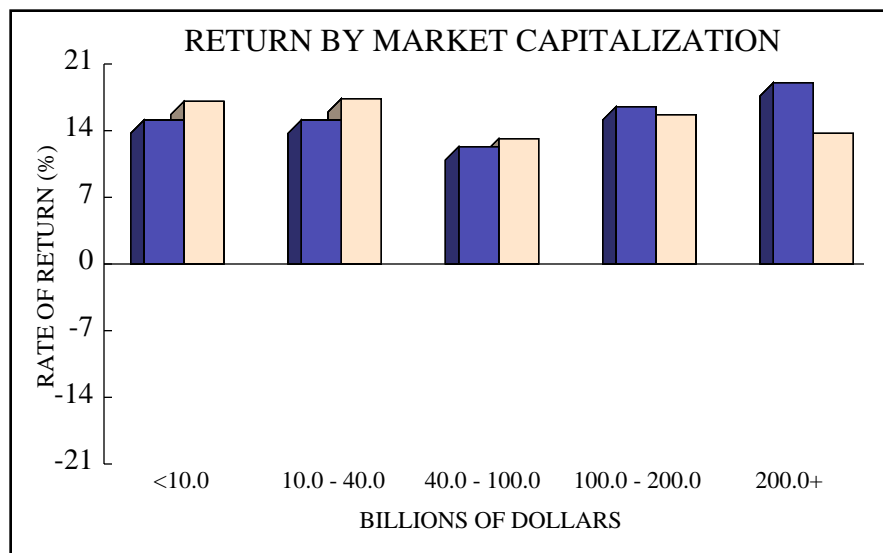
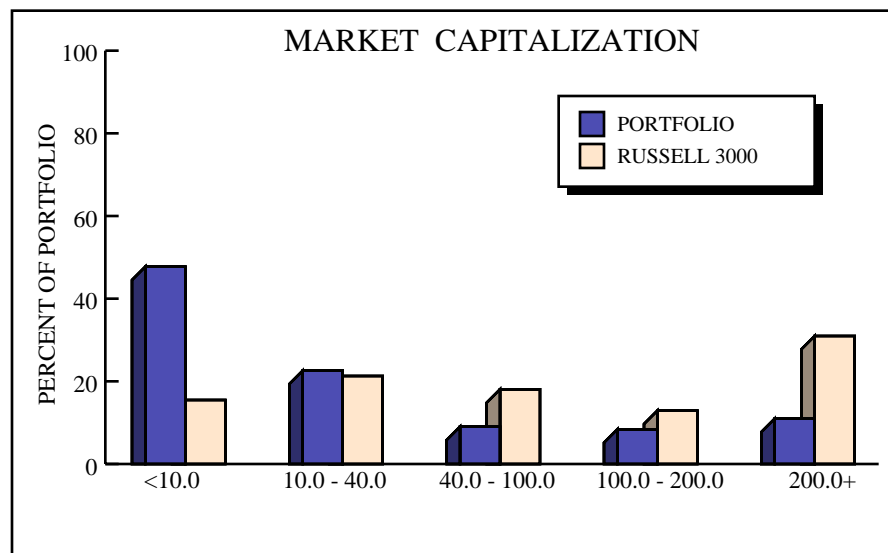
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 3000



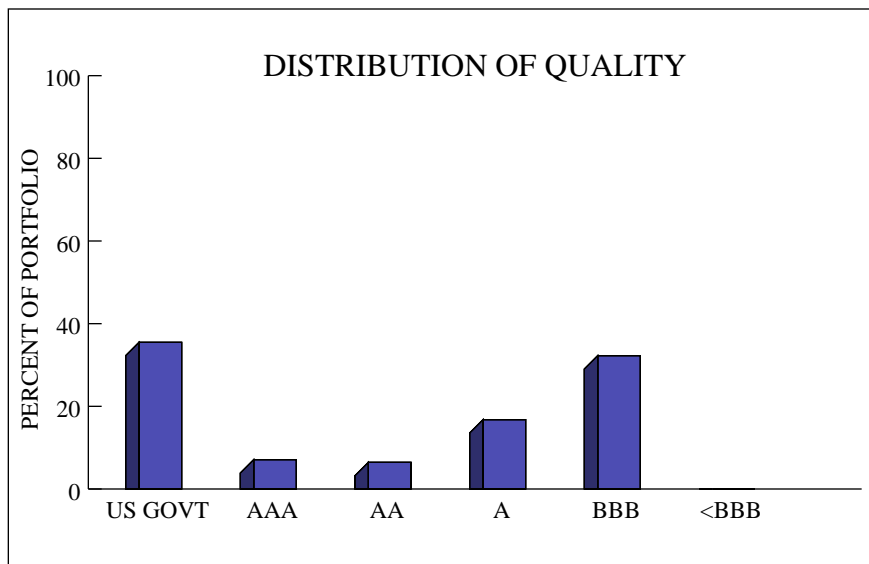
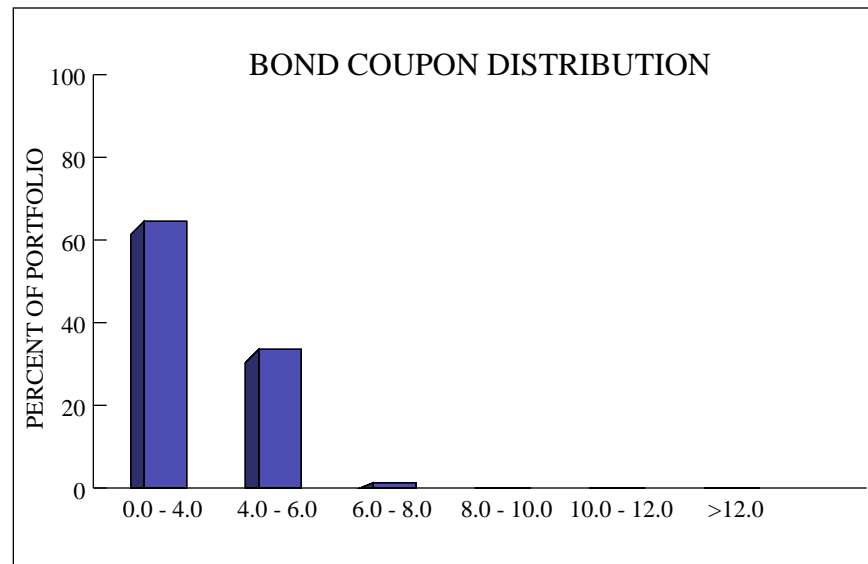
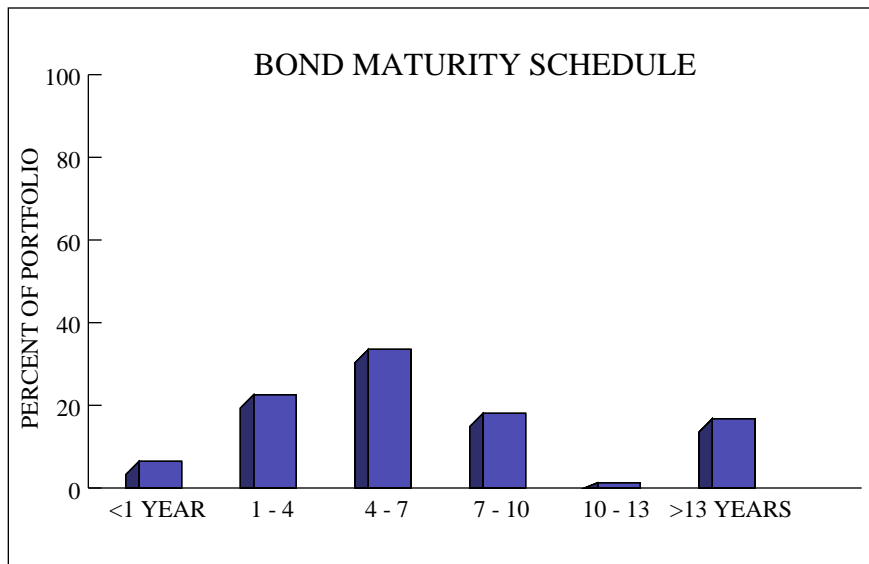
## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	FAIR ISAAC CORP	\$ 1,421,168	3.40%	45.3%	Information Technology	\$ 7.9 B
2	MICROSOFT CORP	994,352	2.38%	16.6%	Information Technology	904.9 B
3	VISA INC-CLASS A SHARES	796,881	1.91%	18.6%	Information Technology	273.4 B
4	QUAKER CHEMICAL CORP	773,073	1.85%	13.0%	Materials	2.7 B
5	FACEBOOK INC-CLASS A	740,604	1.77%	27.2%	Communication Services	397.6 B
6	ALPHABET INC-CL C	693,426	1.66%	13.3%	Communication Services	409.8 B
7	ADOBE INC	649,436	1.56%	17.8%	Information Technology	130.0 B
8	STARBUCKS CORP	645,271	1.55%	16.0%	Consumer Discretionary	92.4 B
9	LITTELFUSE INC	641,417	1.54%	6.7%	Information Technology	4.5 B
10	O'REILLY AUTOMOTIVE INC	573,131	1.37%	12.8%	Consumer Discretionary	30.4 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>AGGREGATE INDEX</b>
No. of Securities	587	10,374
Duration	6.05	5.82
YTM	3.21	2.93
Average Coupon	3.60	3.23
Avg Maturity / WAL	8.24	8.07
Average Quality	AA	USG-AAA

**PRIT MANAGER RETURNS AND ALLOCATIONS  
AS OF MARCH 31, 2019**

PORTFOLIO	QTD	ANNUALIZED			% Allocation
		1 YEAR	3 YEARS	5 YEARS	
<b>Domestic Equity</b>	<b>14.1</b>	<b>8.6</b>	<b>13.6</b>	<b>10.2</b>	<b>21.7</b>
SSgA S&P 500	13.5	9.7	13.7	10.9	13.5
Summit Creek	17.2	16.7	16.9	10.5	0.5
Frontier	14.4	-1.4	9.9	6.9	0.4
Huber	14.5	-3.9	10.5	0.7	0.4
RiverBridge	16.7	11.5	17.6	11.0	0.3
SSgA Russell 2500	15.8	4.7	12.6	7.9	2.4
Domestic Equity Hedged	8.3	8.2	---	---	3.4
<i>S&amp;P 500</i>	<i>13.6</i>	<i>9.5</i>	<i>13.5</i>	<i>10.9</i>	---
<i>Russell 3000</i>	<i>14.0</i>	<i>8.8</i>	<i>13.5</i>	<i>10.4</i>	---
<b>International Equity</b>	<b>11.0</b>	<b>-4.1</b>	<b>7.6</b>	<b>3.3</b>	<b>15.6</b>
SSgA World Ex-US Passive	10.5	-3.4	7.9	2.9	6.4
Marathon Asset Management	9.8	-3.7	6.7	3.5	3.7
Baillie Gifford	13.6	-4.4	8.2	4.2	2.7
Mondrian	10.4	0.2	7.3	3.5	1.3
FIS	10.0	-3.2	7.4	3.3	0.2
Timesquare	14.4	-14.9	---	---	0.4
Strategic Global Advisors	11.7	-10.1	---	---	0.1
Acadian Intl Small Cap	10.7	-10.2	---	---	0.4
LMCG Small Cap	9.7	-11.0	---	---	0.1
AQR Intl Small Cap	9.1	-13.3	---	---	0.2
<i>MSCI EAFE</i>	<i>10.1</i>	<i>-3.2</i>	<i>7.8</i>	<i>2.8</i>	---
<b>Emerging Markets Equity</b>	<b>11.2</b>	<b>-7.4</b>	<b>12.5</b>	<b>5.1</b>	<b>6.3</b>
AQR Emerging	10.5	-11.9	11.8	---	1.0
T Rowe Price EM	14.0	-5.4	---	---	0.7
Baillie Gifford EMM	14.7	-2.5	17.2	---	1.0
Driehaus Capital	11.9	-6.5	13.0	---	0.9
Harding Loevner	14.5	-8.3	11.5	---	0.6
Pzena	7.6	-3.4	13.3	---	1.2
Acadian	12.2	-10.7	12.3	6.3	0.3
Wasatch	11.2	-7.5	7.9	4.3	0.2
Acadian Frontier	4.2	-18.3	9.1	---	0.2
City of London	1.9	-17.7	8.3	---	0.2
<i>MSCI Emerging Markets</i>	<i>10.0</i>	<i>-7.1</i>	<i>11.1</i>	<i>4.1</i>	---



**PRIT MANAGER RETURNS AND ALLOCATIONS  
AS OF MARCH 31, 2019**

PORTFOLIO	QTD	ANNUALIZED			% Allocation
		1 YEAR	3 YEARS	5 YEARS	
<b>Core Fixed Income</b>	<b>3.8</b>	<b>4.5</b>	<b>2.1</b>	<b>4.6</b>	<b>12.8</b>
Blackrock Passive	3.0	4.5	1.9	2.7	1.7
PIMCO Core	2.9	4.6	2.9	3.1	1.6
Loomis Sayles Core	3.6	5.3	3.3	3.8	1.6
Community Capital Management	1.9	4.0	1.7	2.6	0.0
AFL - CIO Housing Investment	2.7	4.3	1.9	2.8	0.2
Access Capital - ETI	2.4	4.3	1.7	2.7	0.2
Progress Mgr of Mgrs	3.3	4.7	2.9	---	0.2
BlackRock STRIPS	6.2	6.8	1.9	8.1	2.1
Blackrock TIPS	3.3	2.7	1.7	2.0	3.0
Blackrock ILBs	4.1	3.9	4.6	4.5	2.1
<i>Barclays Aggregate</i>	2.9	4.5	2.0	2.7	---
<i>Barclays STRIPS 20+Yrs</i>	6.3	6.8	1.8	8.0	---
<i>Barclays US TIPS</i>	3.2	2.7	1.7	2.0	---
<i>Barclays ILB US Hedged</i>	3.9	4.0	4.4	4.5	---
<b>Value-Added Fixed Income</b>	<b>3.6</b>	<b>2.6</b>	<b>7.0</b>	<b>3.9</b>	<b>8.2</b>
Fidelity	7.0	5.9	7.8	4.6	0.5
Loomis Sayles High Yield	6.8	5.0	8.5	4.9	0.5
Shenkman	6.8	6.0	7.1	4.3	0.5
Eaton Vance	3.6	3.2	5.9	4.0	1.3
Voya	3.9	3.1	5.1	3.9	1.2
Ashmore	8.8	4.4	9.1	6.1	0.7
PIMCO EMD	6.8	3.8	7.0	5.1	0.5
Investec	3.5	-8.7	3.6	-0.7	0.3
Pictet	2.9	-8.4	2.2	-1.1	0.4
Stone Harbor	3.3	-10.9	2.5	-1.5	0.2
Distressed Debt	-1.9	4.4	10.5	6.6	1.7
<i>ML Master High Yield</i>	7.4	5.9	8.7	4.7	---
<i>JPM EMBI</i>	7.0	4.2	5.8	5.4	---

**PRIT MANAGER RETURNS AND ALLOCATIONS  
AS OF MARCH 31, 2019**

PORTFOLIO	QTD	ANNUALIZED			% Allocation
		1 YEAR	3 YEARS	5 YEARS	
<b>Private Equity</b>	<b>-1.7</b>	<b>15.5</b>	<b>18.4</b>	<b>17.2</b>	<b>11.0</b>
Total Special Equity	-1.7	13.3	19.1	17.5	8.0
Total Venture Capital	-2.0	24.4	18.3	18.3	2.7
<i>Cambridge Private Equity (Lagged)</i>	<i>-2.0</i>	<i>10.1</i>	<i>13.5</i>	<i>11.4</i>	
<b>Private Real Estate</b>	<b>1.9</b>	<b>8.4</b>	<b>8.8</b>	<b>10.7</b>	<b>7.3</b>
Invesco Core	2.5	9.3	9.2	10.9	2.7
Lasalle	1.9	5.0	7.2	9.3	2.6
AEW	2.0	9.0	8.4	11.0	2.3
PRIM - Core Real estate	-0.8	3.7	---	---	0.4
AEW Core Transition	3.3	9.8	6.0	---	0.1
Invesco Trans	0.8	---	---	---	0.4
Non-Core	4.1	12.7	12.1	14.7	0.4
Portfolio Debt	---	---	---	---	-1.6
<i>NCREIF ODCE</i>	<i>1.4</i>	<i>7.5</i>	<i>8.0</i>	<i>10.2</i>	<i>---</i>
<b>REITS</b>	<b>15.1</b>	<b>13.6</b>	<b>6.8</b>	<b>7.6</b>	<b>2.4</b>
Centersquare Global REIT	14.9	14.9	7.5	8.4	1.4
Presima	15.4	11.8	5.0	---	0.2
Brookfield	15.4	11.9	7.2	---	0.8
<i>NAREIT</i>	<i>17.2</i>	<i>20.5</i>	<i>7.8</i>	<i>10.0</i>	<i>---</i>
<i>FTSE EPRA NAREIT</i>	<i>15.0</i>	<i>12.4</i>	<i>7.5</i>	<i>7.5</i>	<i>---</i>

**PRIT MANAGER RETURNS AND ALLOCATIONS  
AS OF MARCH 31, 2019**

PORTFOLIO	QTD	ANNUALIZED			% Allocation
		1 YEAR	3 YEARS	5 YEARS	
<b>Timber</b>	<b>1.3</b>	<b>3.4</b>	<b>5.9</b>	<b>5.5</b>	<b>3.9</b>
Forest Investments	1.6	-3.2	1.7	3.3	1.8
The Campbell Group	1.1	9.4	9.9	7.8	2.1
<i>NCREIF Timber</i>	<i>0.1</i>	<i>2.4</i>	<i>3.3</i>	<i>4.6</i>	<i>---</i>
<b>Hedge Funds (Net)</b>	<b>3.1</b>	<b>1.5</b>	<b>5.6</b>	<b>3.1</b>	<b>8.2</b>
Direct Hedge Funds	3.0	1.5	6.1	3.7	7.0
PAAMCO	3.9	1.3	3.3	0.8	1.2
<i>HFRI FOF</i>	<i>4.6</i>	<i>0.1</i>	<i>3.9</i>	<i>2.2</i>	<i>---</i>
<b>Risk Premia</b>	<b>4.6</b>	<b>-3.7</b>	<b>-0.2</b>	<b>---</b>	<b>0.8</b>
<b>Real Assets</b>	<b>-3.3</b>	<b>-11.9</b>	<b>2.0</b>	<b>---</b>	<b>1.0</b>
<b>Overlay</b>	<b>5.2</b>	<b>-0.4</b>	<b>4.1</b>	<b>3.6</b>	<b>0.8</b>
Clifton	7.7	-2.1	5.5	4.5	0.3
Overlay Cash	---	---	---	---	0.5
<b>Portable Alpha Wind Down (Net)</b>	<b>-2.2</b>	<b>-6.5</b>	<b>2.0</b>	<b>-0.6</b>	<b>0.0</b>
Austin Capital	-0.3	-0.5	20.0	9.1	0.0
Crestline	-2.0	-7.3	19.4	8.6	0.0
Strategic	-3.1	-7.1	-6.4	-5.1	0.0
<i>HFRI FOF</i>	<i>4.6</i>	<i>0.1</i>	<i>3.9</i>	<i>2.2</i>	<i>---</i>
<b>Natural Resources - Private</b>	<b>-15.2</b>	<b>-23.3</b>	<b>0.7</b>	<b>---</b>	<b>0.2</b>

*All sleeve-level returns include cash allocations; the sum of the manager allocations may not add up to the total.*

*Source: PRIM Board*

## APPENDIX - MAJOR MARKET INDEX RETURNS

<b>Economic Data</b>	<b>Style</b>	<b>QTR</b>	<b>YTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Consumer Price Index	Economic Data	1.2	1.2	1.9	2.2	1.5
<b>Domestic Equity</b>	<b>Style</b>	<b>QTR</b>	<b>YTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Russell 3000	Broad Equity	14.0	14.0	8.8	13.5	10.4
S&P 500	Large Cap Core	13.6	13.6	9.5	13.5	10.9
Russell 1000	Large Cap	14.0	14.0	9.3	13.5	10.6
Russell 1000 Growth	Large Cap Growth	16.1	16.1	12.7	16.5	13.5
Russell 1000 Value	Large Cap Value	11.9	11.9	5.7	10.4	7.7
Russell Mid Cap	Midcap	16.5	16.5	6.5	11.8	8.8
Russell Mid Cap Growth	Midcap Growth	19.6	19.6	11.5	15.1	10.9
Russell Mid Cap Value	Midcap Value	14.4	14.4	2.9	9.5	7.2
Russell 2000	Small Cap	14.6	14.6	2.0	12.9	7.0
Russell 2000 Growth	Small Cap Growth	17.1	17.1	3.8	14.8	8.4
Russell 2000 Value	Small Cap Value	11.9	11.9	0.1	10.8	5.6
<b>International Equity</b>	<b>Style</b>	<b>QTR</b>	<b>YTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
MSCI All Country World Ex US	Foreign Equity	10.4	10.4	-3.7	8.6	3.0
MSCI EAFE	Developed Markets Equity	10.1	10.1	-3.2	7.8	2.8
MSCI EAFE Growth	Developed Markets Growth	12.2	12.2	-0.9	8.0	4.3
MSCI EAFE Value	Developed Markets Value	8.1	8.1	-5.6	7.5	1.2
MSCI Emerging Markets	Emerging Markets Equity	10.0	10.0	-7.1	11.1	4.1
<b>Domestic Fixed Income</b>	<b>Style</b>	<b>QTR</b>	<b>YTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Bloomberg Barclays Aggregate Index	Core Fixed Income	2.9	2.9	4.5	2.0	2.7
Bloomberg Barclays Capital Gov't Bond	Treasuries	2.1	2.1	4.2	1.1	2.1
Bloomberg Barclays Capital Credit Bond	Corporate Bonds	4.9	4.9	4.9	3.5	3.6
Intermediate Aggregate	Core Intermediate	2.3	2.3	4.3	1.7	2.3
ML/BoA 1-3 Year Treasury	Short Term Treasuries	1.0	1.0	2.7	1.0	1.0
Bloomberg Barclays Capital High Yield	High Yield Bonds	7.3	7.3	5.9	8.6	4.7
<b>Alternative Assets</b>	<b>Style</b>	<b>QTR</b>	<b>YTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Bloomberg Barclays Global Treasury Ex US	International Treasuries	1.4	1.4	-3.8	0.9	0.1
NCREIF NFI-ODCE Index	Real Estate	1.4	1.4	7.5	8.0	10.2
HFRI FOF Composite	Hedge Funds	4.6	4.6	0.2	3.9	2.2

**APPENDIX - DISCLOSURES**

- \* 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.
- \* 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 Blended Value Added Fixed Income Index consists of 25% ML US High Yield Master, 40% S&P LSTA Leverage Loan, and 35% JP Morgan Emerging Markets Bond Index.
- \* 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.

**APPENDIX - DISCLOSURES**

\* The Custom PRIT Core Policy Index is a policy-weighted passive index and was constructed as follows:

For all periods through December 2010:

26% Russell 3000	20% MSCI EAFE	5% MSCI Emerging Markets
15% Bloomberg Barclays Aggregate	5% CSFB High Yield	10% Cambridge Private Equity (lagged)
10% NCREIF NFI-ODCE	4% NCREIF Timber	5% HFRI Fund of Funds Composite

For all periods from January 2011 through July 2011:

24% Russell 3000	20% MSCI EAFE	5% MSCI Emerging Markets
13% Bloomberg Barclays Aggregate	6% CSFB High Yield	10% Cambridge Private Equity (lagged)
10% NCREIF NFI-ODCE	4% NCREIF Timber	8% HFRI Fund of Funds Composite

For all periods from August 2011 through January 2014:

19% Russell 3000	17% MSCI EAFE	7% MSCI Emerging Markets
14% Bloomberg Barclays Aggregate	6% CSFB High Yield	10% Cambridge Private Equity (lagged)
10% NCREIF NFI-ODCE	4% NCREIF Timber	10% HFRI Fund of Funds Composite
3% Bloomberg Barclays US TIPS		

For all periods from February 2014 through September 2015:

18% Russell 3000	16% MSCI EAFE	6% MSCI Emerging Markets
4% Bloomberg Barclays Aggregate	6% CSFB High Yield	10% Cambridge Private Equity (lagged)
10% NCREIF NFI-ODCE	4% NCREIF Timber	9% HFRI Fund of Funds Composite
3% Bloomberg Barclays US TIPS	10% Bloomberg Barclays 5-10 Year Treasury	4% MSCI ACWI Ex-US

For all periods from October 2015 through March 2016:

18% Russell 3000	16% MSCI EAFE	6% MSCI Emerging Markets
4% Bloomberg Barclays Aggregate	10% Cambridge Private Equity (lagged)	10% NCREIF NFI-ODCE
4% NCREIF Timber	9% HFRI Fund of Funds Composite	3% Bloomberg Barclays US TIPS
10% Bloomberg Barclays 5-10 Year Treasury	4% MSCI ACWI Ex-US	6% Bloomberg Barclays High Yield

For all periods since April 2016:

14% S&P 500	4% Russell 2000	7% MSCI ACWI Ex-US
7% MSCI EAFE	7% MSCI Emerging Markets	10% Cambridge Private Equity (lagged)
10% HFRI FOF Composite	2% FTSE REIT	8% NCREIF Property
4% NCREIF Timber	7% Bloomberg Barclays Aggregate	10% Bloomberg Barclays High Yield
10% Bloomberg Barclays 5-10 Year Treasury	3% US TIPS	7% Bloomberg Barclays US STRIPS 20+ Year

FRANKLIN REGIONAL RETIREMENT SYSTEM  
PRIT - CORE  
PERFORMANCE REVIEW  
MARCH 2019

## **INVESTMENT RETURN**

As of March 31st, 2019, the Franklin Regional Retirement System's PRIT Core account was valued at \$62,756,501, representing a \$1,162,473 increase over the December quarter's ending value of \$61,594,028. Over the last three months, the portfolio posted a net withdrawal of \$2,742,025, which offset the portfolio's net investment return of \$3,904,498. Income receipts totaling \$372,280 plus realized and unrealized capital gains of \$3,532,218 combined to produce last quarter's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Portfolio**

During the first quarter, the PRIT Core portfolio gained 6.4%, which was 0.4% less than the Custom Core Index's return of 6.8% and ranked in the 90th percentile of the Public Fund universe. Over the trailing year, this portfolio returned 3.9%, which was 0.2% less than the benchmark's 4.1% return, and ranked in the 59th percentile. Since March 2014, the account returned 7.2% annualized and ranked in the 6th percentile. The Custom Core Index returned an annualized 6.2% over the same period.

### **PRIT Core**

While the PRIT Core portfolio outpaced the benchmark in most areas, a slumping Private Equity sleeve weighed heavily on total performance. That sleeve, which comprised 11.0% of the Core portfolio, returned -1.7%, far lower than the benchmark's 3.5% gain. Both PE varieties – Special Equity and Venture Capital – struggled to perform, returning -1.7% and -2.0%, respectively. Domestic and International Equities fared better than their index counterparts, while Fixed Income, both Core and Value-added, mirrored the benchmark. Emerging Market Equity was particularly strong, returning 11.2%, or 150 basis points ahead of the index.

### **PRIT Domestic Equity**

The SSgA S&P 500 index fund (13.5% allocation) comprised nearly two-thirds of the Domestic Equity sleeve, and returned 13.5%, mirroring the benchmark on which it is based.

Small cap value managers were strong: Frontier and Huber gained 14.4% and 14.5%, respectively, big beats against the Russell 2000 Value index's 11.8% return. Smid Cap Growth manager Riverbridge fare worse, returning 16.7%, or 230 basis points under the benchmark. Hedged positions were an area of weakness, comprising 15.6% of the sleeve and underperforming the benchmark by 270 basis points.

### **PRIT International Equity**

The International Equity sleeve (15.6%) outpaced the benchmark in the first quarter, gaining 11.0% against the custom index's 10.2% return. The sleeve returned -4.1%, 7.6%, and 3.3% for the one, three, and five-year periods. For comparison, the index returned 4.1%, 7.5%, and 2.5% over the same ranges.

Strength in the core space was the main tailwind to sleeve outperformance. Baillie Gifford gained 13.6% for the quarter, or 370 basis points over the benchmark. Mondrian and FIS were beats as well. Small caps were also strong, as top small cap holding TimeSquare gained 14.4% for the quarter versus the index's 10.7% return.

### **PRIT Emerging Markets Equity**

Core managers were the main drivers of outperformance, collectively beating the benchmark by 170 basis points, while their 85.7% sleeve weight enlarged positive selection effects. T. Rowe Price, Baillie Gifford, and Harding Loevner led on the upside, returning 14.0%, 14.7%, and 14.5%, respectively. For comparison, the MSCI Emerging Markets index returned 10.1% for the quarter.



### **PRIT Private Equity**

The Private Equity sleeve was the culprit in the Core portfolio's underperformance for the quarter, falling 1.7% against the custom benchmark's 3.5% gain. Historically, this sleeve does better. For the one, three, and five year periods, private equity holdings returned 15.5%, 18.4%, and 17.2%, respectively. For comparison, the benchmark returned 15.2%, 16.0%, and 14.8%.

### **PRIT Hedge Funds**

The Hedge Funds sleeve underperformed for the quarter, returning 3.1%, or 30 basis points under the benchmark. Direct Hedge Funds, which represented 85.4% of the sleeve, returned 3.0%. For the one, three, and five year periods, the sleeve gained 1.5%, 5.6%, and 3.1%, respectively.

### **PRIT Real Estate**

The PRIT Real Estate sleeve represented 9.6% of the PRIT portfolio (including 1.6% in debt), and returned 4.9% for the quarter, outperforming the benchmark by 90 basis points. The Private Real Estate component – representing 82.3% of the sleeve – beat the NCREIF Property index (One quarter lag) by 50 basis points, thanks to strong leveraged gains from the core managers. AEW Core Transition and Invesco Core were leaders on the upside, returning 3.3% and 2.5%, respectively.

The sleeve's REIT component (2.4% combined allocation) was also strong, outperforming the FTSE EPRA NAREIT Developed Net Total Return index (15.1% vs. 14.8%). Presima and Brookfield were upside leaders, both returning 15.4%. Centersquare Global REIT, which takes up most of the REIT allocation, slightly outperformed.

### **PRIT Fixed Income**

In the first quarter, the PRIT Core Fixed Income sleeve posted a 3.8% gain, slightly beating the 3.7% return of the custom benchmark. Aggregate elements returned 3.1%, or 20 basis points higher than the Barclays Aggregate Index. Inflation-linked bonds were also a slight beat, with Blackrock ILBs returning 4.1% for the quarter. The BlackRock STRIPS account, which represented 16.4% of the Core Fixed Income allocation, closely mirrored the Barclays US Treasury STRIPS 20+ Year Index.

The Value-Added Fixed Income sleeve (8.2% portfolio allocation) matched the benchmark's 3.6% return in the first quarter. This was reflected in the sleeve's largest component, publicly traded bonds, which matched the benchmark's 5.2% return. Distressed Debt was a head: While the NYU Salomon Center Combined Defaulted Public Bond & Bank Loan index gained 3.8% in the first quarter, the portfolio's Distressed Debt position lost 1.9%.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>
<b>Total Portfolio - Gross</b>	6.4	3.9	9.3	7.2
<i>PUBLIC FUND RANK</i>	(90)	(59)	(14)	( 6)
<b>Total Portfolio - Net</b>	6.3	3.3	8.7	6.7
Custom Core Idx	6.8	4.1	8.3	6.2
<b>PRIT Core - Gross</b>	6.4	3.9	9.3	7.2
<i>PUBLIC FUND RANK</i>	(90)	(59)	(14)	( 6)
Custom Core Idx	6.8	4.1	8.3	6.2

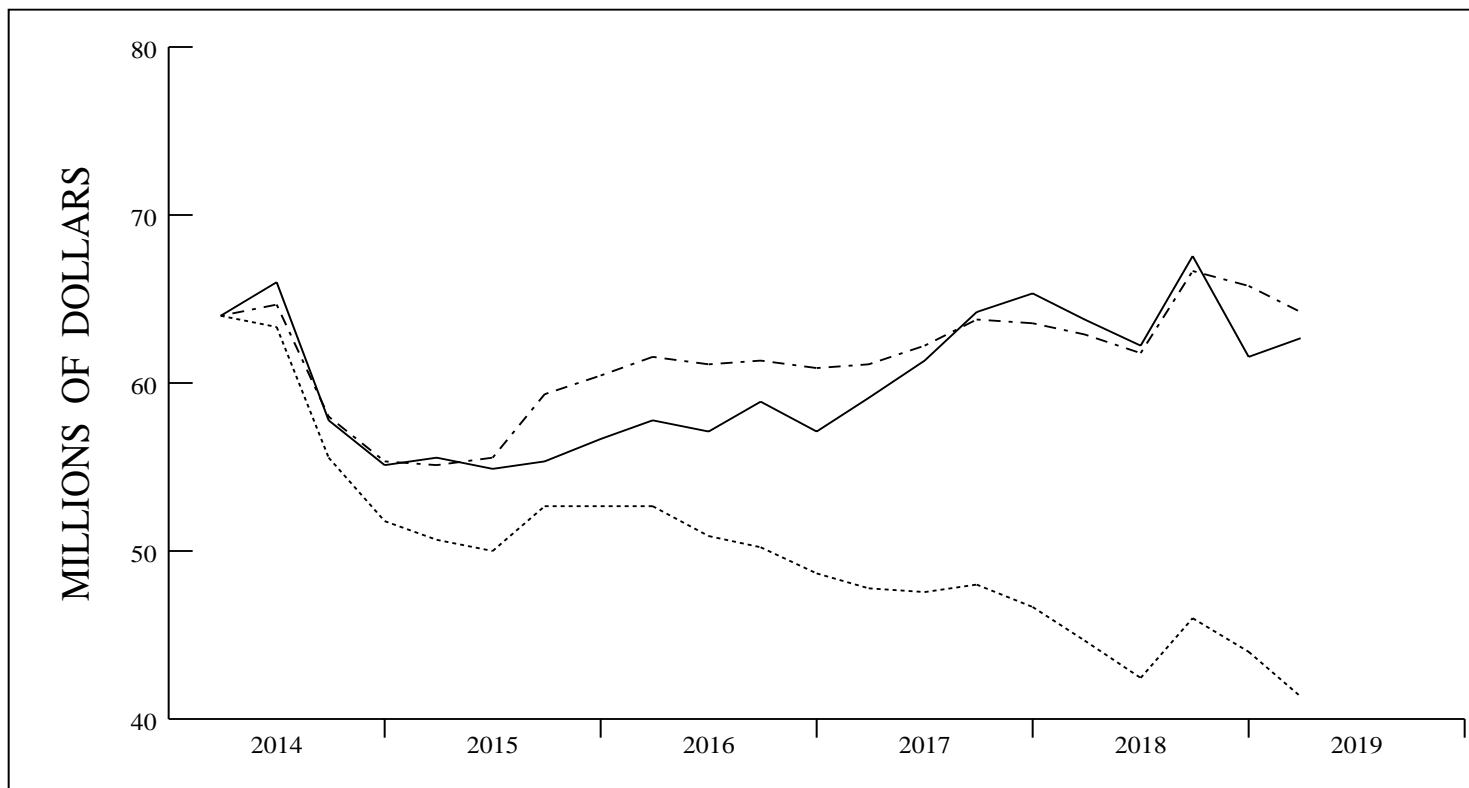
**ASSET ALLOCATION**

PRIT Core	100.0%	\$ 62,756,501
Total Portfolio	100.0%	\$ 62,756,501

**INVESTMENT RETURN**

Market Value 12/2018	\$ 61,594,028
Contribs / Withdrawals	-2,742,025
Income	372,280
Capital Gains / Losses	3,532,218
Market Value 3/2019	\$ 62,756,501

**INVESTMENT GROWTH**

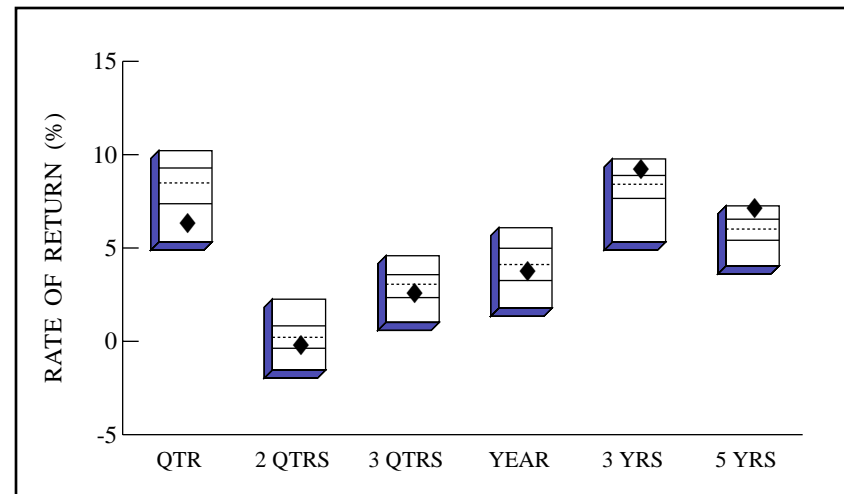
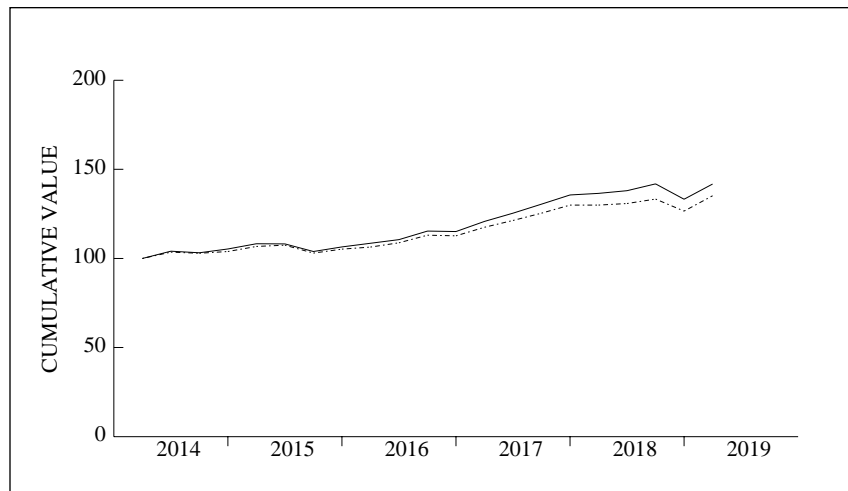


—	ACTUAL RETURN
- - -	7.75%
.....	0.0%

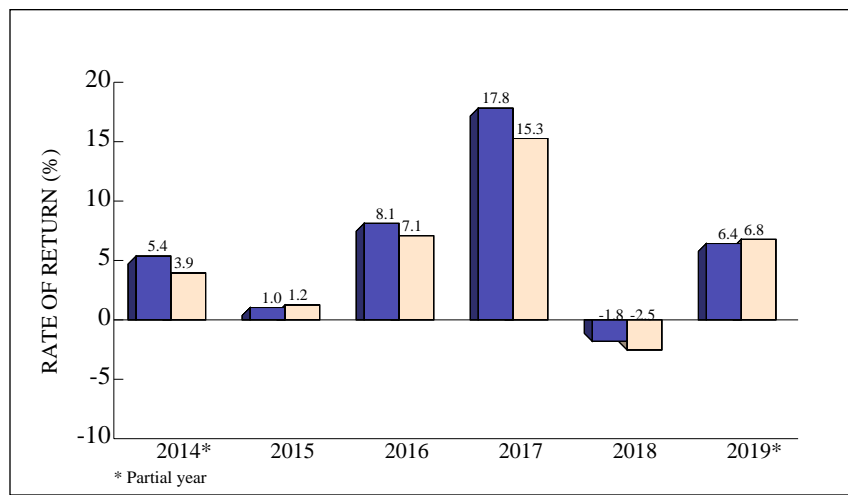
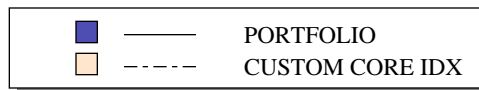
VALUE ASSUMING	
7.75% RETURN	\$ 64,389,432

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 61,594,028	\$ 64,039,377
NET CONTRIBUTIONS	- 2,742,025	- 22,635,884
<u>INVESTMENT RETURN</u>	<u>3,904,498</u>	<u>21,353,008</u>
ENDING VALUE	\$ 62,756,501	\$ 62,756,501
INCOME	372,280	8,254,817
<u>CAPITAL GAINS (LOSSES)</u>	<u>3,532,218</u>	<u>13,098,191</u>
INVESTMENT RETURN	3,904,498	21,353,008

**TOTAL RETURN COMPARISONS**

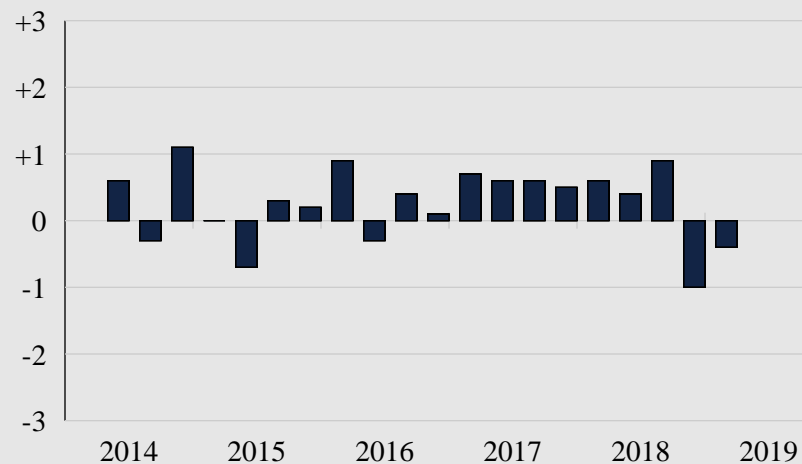


Public Fund Universe



	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	6.4	-0.1	2.7	3.9	9.3	7.2
(RANK)	(90)	(65)	(66)	(59)	(14)	(6)
5TH %ILE	10.2	2.3	4.6	6.1	9.8	7.3
25TH %ILE	9.3	0.8	3.6	5.0	8.9	6.5
MEDIAN	8.5	0.2	3.1	4.1	8.4	6.0
75TH %ILE	7.4	-0.4	2.3	3.3	7.7	5.4
95TH %ILE	5.3	-1.6	1.0	1.8	5.3	4.0
<b>PRIT Index</b>	<b>6.8</b>	<b>1.4</b>	<b>3.3</b>	<b>4.1</b>	<b>8.3</b>	<b>6.2</b>

Public Fund Universe

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

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>15</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.750</b>

**RATES OF RETURN**

Date	Portfolio	Benchmark	Difference
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	3.5	0.5
3/18	0.6	0.0	0.6
6/18	1.1	0.7	0.4
9/18	2.8	1.9	0.9
12/18	-6.1	-5.1	-1.0
3/19	6.4	6.8	-0.4

FRANKLIN REGIONAL RETIREMENT SYSTEM  
POLEN CAPITAL MANAGEMENT - FOCUS GROWTH  
PERFORMANCE REVIEW  
MARCH 2019

## **INVESTMENT RETURN**

On March 31st, 2019, the Franklin Regional Retirement System's Polen Capital Management Focus Growth portfolio was valued at \$11,356,615, representing an increase of \$1,648,885 from the December quarter's ending value of \$9,707,730. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$1,648,885 in net investment returns. Income receipts totaling \$19,438 plus net realized and unrealized capital gains of \$1,629,447 combined to produce the portfolio's net investment return figure.

## **RELATIVE PERFORMANCE**

For the first quarter, the Polen Capital Management Focus Growth portfolio returned 17.0%, which was 0.9% above the Russell 1000 Growth Index's return of 16.1% and ranked in the 33rd percentile of the Large Cap Growth universe. Over the trailing year, this portfolio returned 23.4%, which was 10.7% greater than the benchmark's 12.7% return, ranking in the 3rd percentile. Since March 2014, the account returned 17.5% on an annualized basis and ranked in the 4th percentile. The Russell 1000 Growth returned an annualized 13.5% over the same time frame.

## **ASSET ALLOCATION**

At the end of the first quarter, domestic equities comprised 95.7% of the total portfolio (\$10.9 million), while cash & equivalents comprised the remaining 4.3% (\$484,889).

## **ANALYSIS**

At the end of the quarter, the Polen Capital portfolio was concentrated in five of the eleven sectors in our industry analysis. With respect to the Russell 1000 Growth index, the portfolio was overweight in the Communication Services, Consumer Discretionary, and Information Technology sectors, while underweight in Consumer Staples and Health Care. The remaining sectors were unfunded.

The overweight Information Technology sector slightly underperformed the benchmark in what was the strongest industry performer of the quarter, and so net effects were positive. Communication Services and Health Care stocks outperformed. The Consumer Discretionary sector was a headwind, a space where the portfolio magnified underperformance with an outsized allocation.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>
<b>Total Portfolio - Gross</b>	17.0	23.4	18.2	17.5
<i>LARGE CAP GROWTH RANK</i>	(33)	(3)	(25)	(4)
<b>Total Portfolio - Net</b>	16.8	22.6	17.5	16.7
Russell 1000G	16.1	12.7	16.5	13.5
Russell 1000	14.0	9.3	13.5	10.6
S&P 500	13.6	9.5	13.5	10.9
<b>Domestic Equity - Gross</b>	17.8	24.6	19.0	18.2
<i>LARGE CAP GROWTH RANK</i>	(19)	(1)	(17)	(2)
Russell 1000G	16.1	12.7	16.5	13.5

**ASSET ALLOCATION**

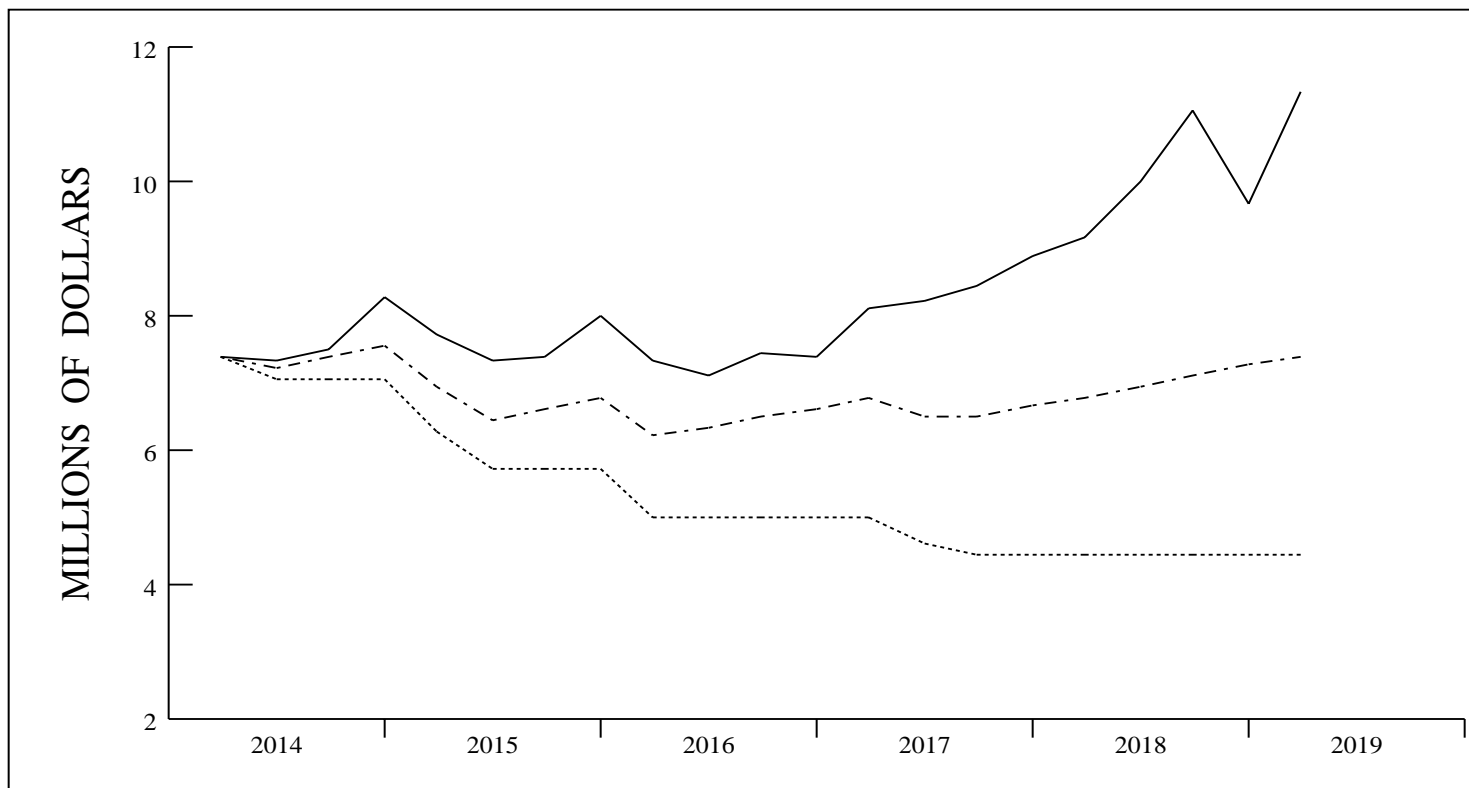
Domestic Equity	95.7%	\$ 10,871,726
Cash	4.3%	484,889
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 11,356,615</b>

**INVESTMENT RETURN**

Market Value 12/2018	\$ 9,707,730
Contribs / Withdrawals	0
Income	19,438
Capital Gains / Losses	1,629,447
Market Value 3/2019	\$ 11,356,615



**INVESTMENT GROWTH**

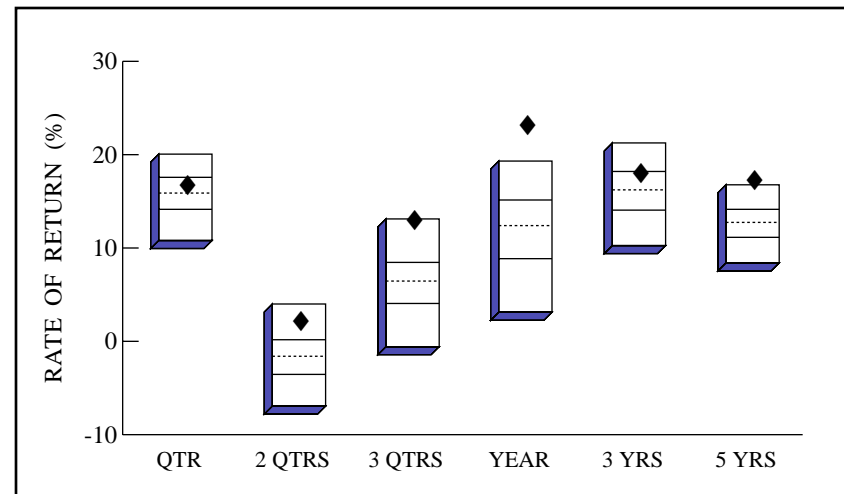
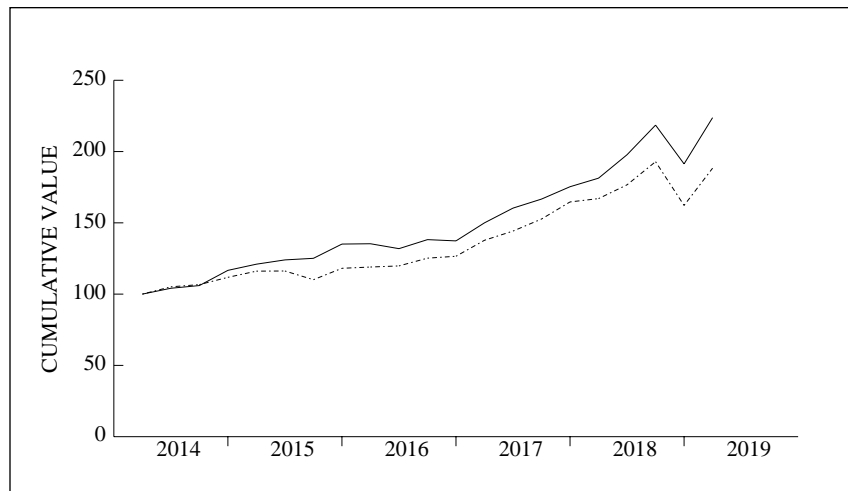


— ACTUAL RETURN  
 - - - 9.0%  
 ..... 0.0%

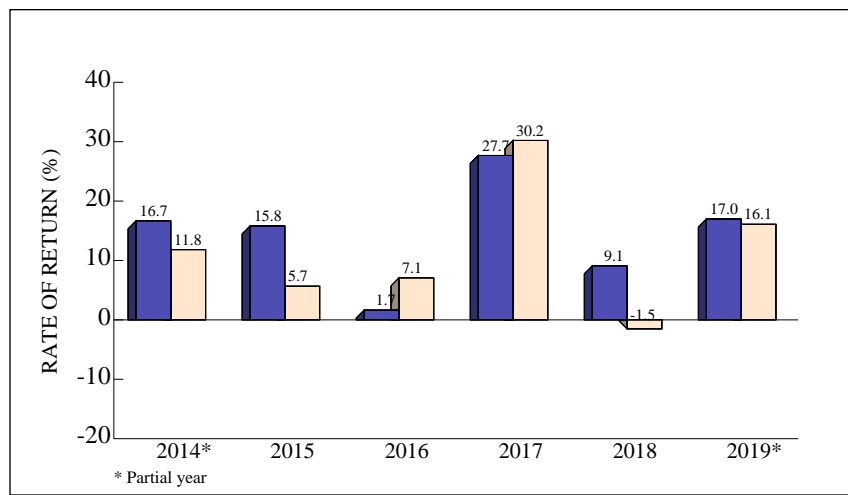
VALUE ASSUMING  
 9.0% RETURN    \$ 7,441,876

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 9,707,730	\$ 7,397,285
NET CONTRIBUTIONS	0	- 2,905,229
<u>INVESTMENT RETURN</u>	<u>1,648,885</u>	<u>6,864,559</u>
ENDING VALUE	\$ 11,356,615	\$ 11,356,615
INCOME	19,438	377,711
<u>CAPITAL GAINS (LOSSES)</u>	<u>1,629,447</u>	<u>6,486,848</u>
INVESTMENT RETURN	1,648,885	6,864,559

**TOTAL RETURN COMPARISONS**

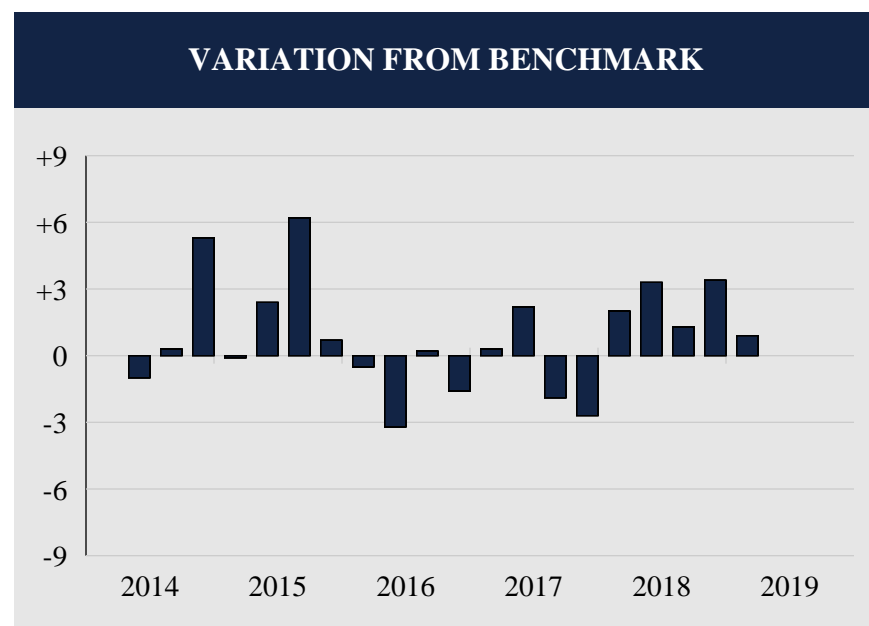


Large Cap Growth Universe



	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	17.0	2.4	13.2	23.4	18.2	17.5
(RANK)	(33)	(12)	(5)	(3)	(25)	(4)
5TH %ILE	20.1	4.0	13.1	19.3	21.3	16.8
25TH %ILE	17.6	0.2	8.5	15.2	18.2	14.1
MEDIAN	15.9	-1.6	6.5	12.4	16.2	12.7
75TH %ILE	14.1	-3.5	4.1	8.9	14.1	11.1
95TH %ILE	10.8	-7.0	-0.6	3.1	10.3	8.4
<b>Russ 1000G</b>	<b>16.1</b>	<b>-2.3</b>	<b>6.6</b>	<b>12.7</b>	<b>16.5</b>	<b>13.5</b>

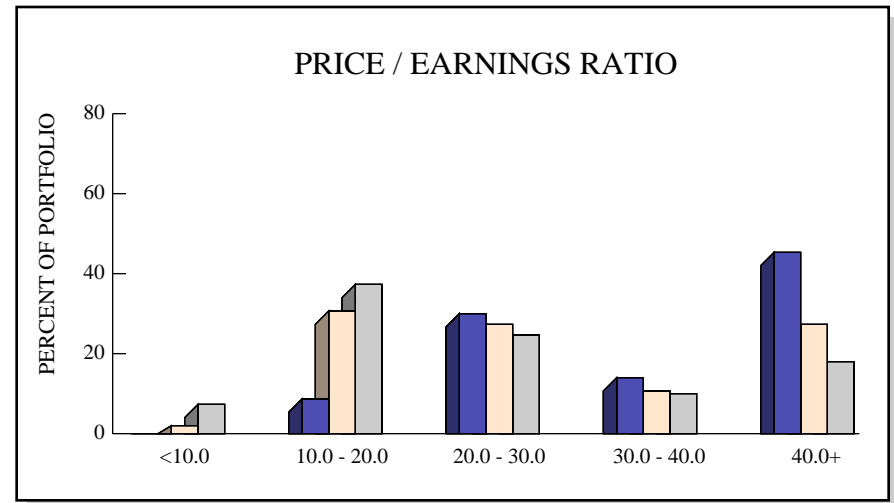
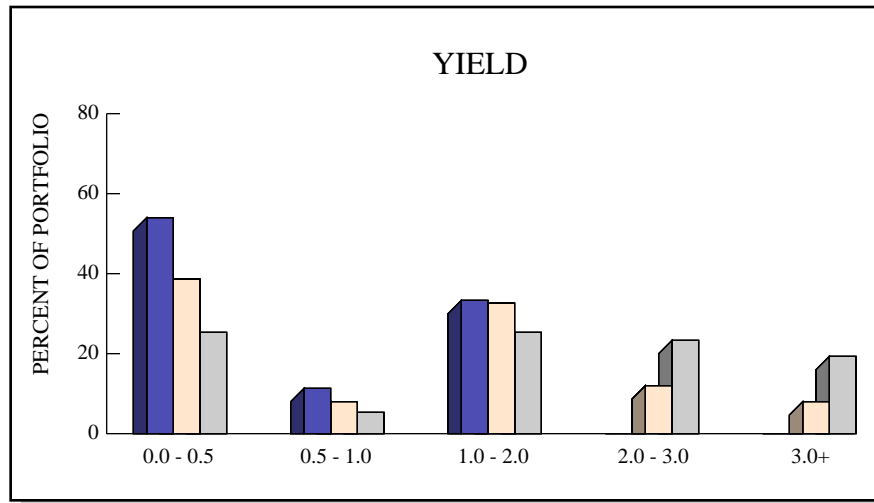
Large Cap Growth Universe

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

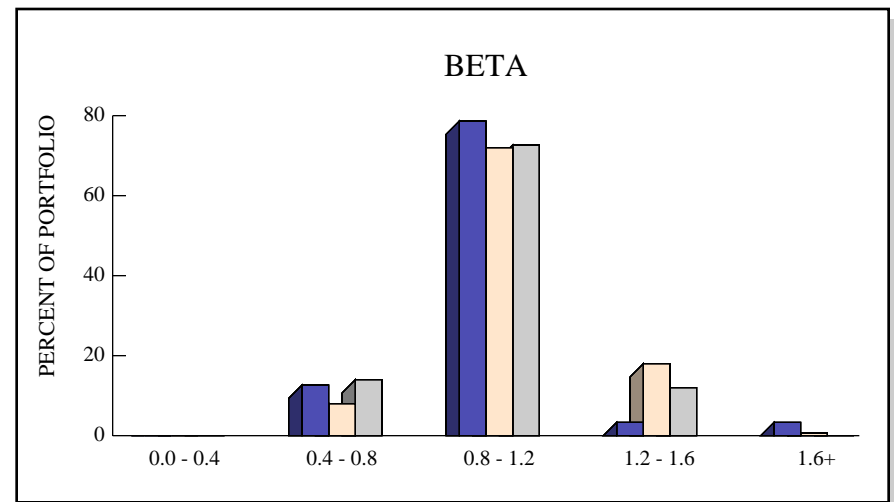
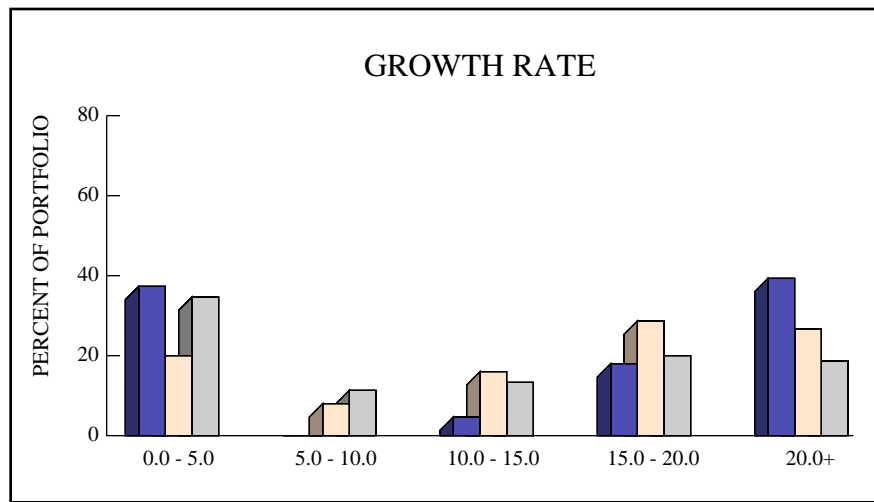
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>13</b>
<b>Quarters Below the Benchmark</b>	<b>7</b>
<b>Batting Average</b>	<b>.650</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
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
12/18	-12.5	-15.9	3.4
3/19	17.0	16.1	0.9

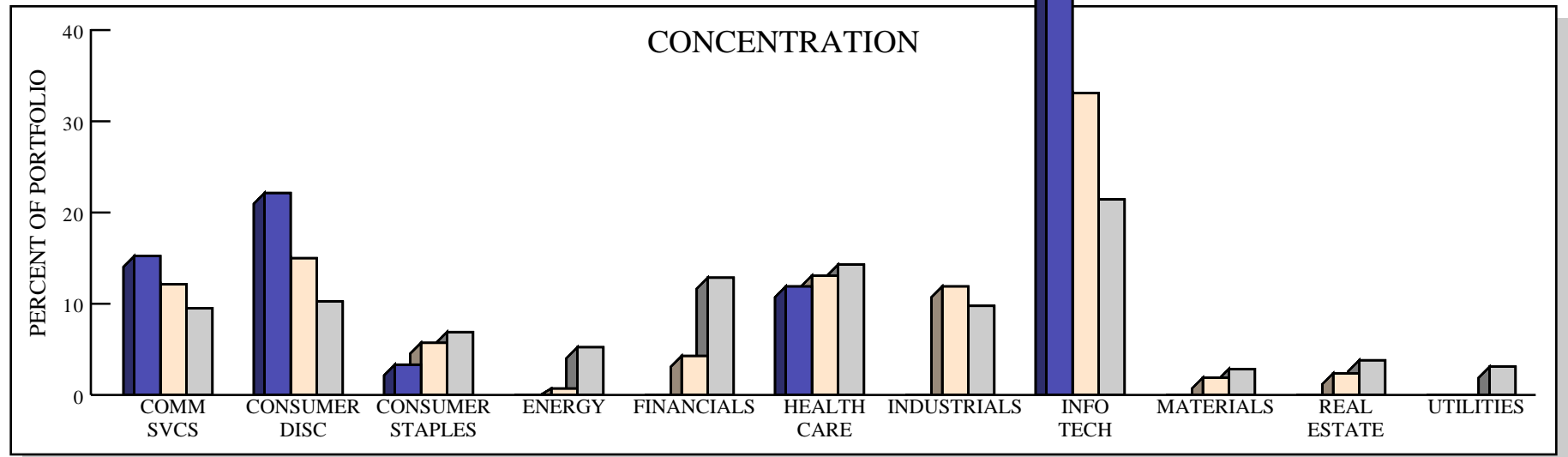
**STOCK CHARACTERISTICS**



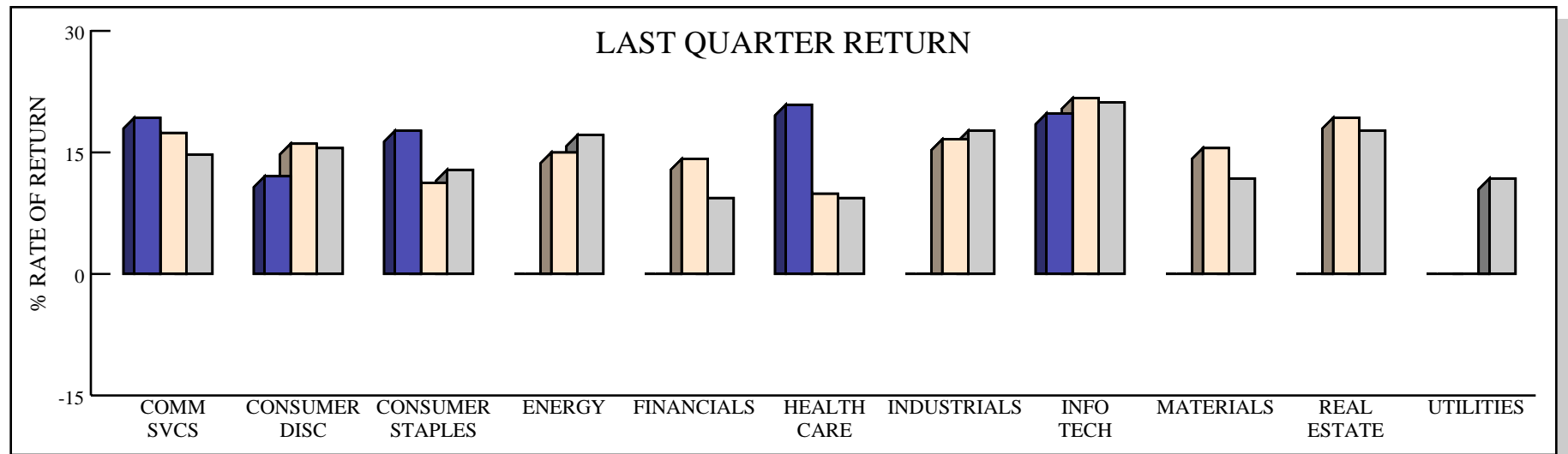
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
<span style="color: blue;">■</span> PORTFOLIO	21	0.6%	18.3%	38.9	1.03
<span style="color: orange;">■</span> RUSSELL 1000G	545	1.2%	17.5%	32.4	1.06
<span style="color: gray;">■</span> RUSSELL 1000	978	1.9%	11.3%	26.7	1.00



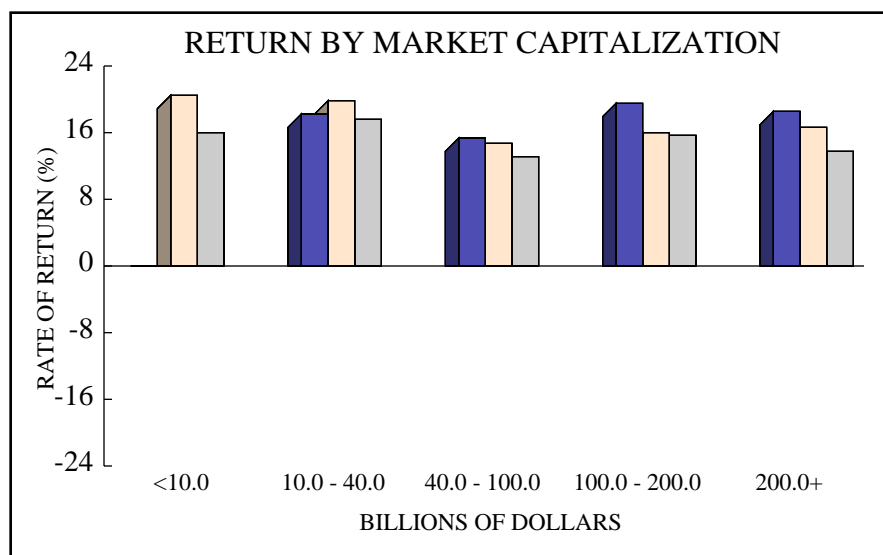
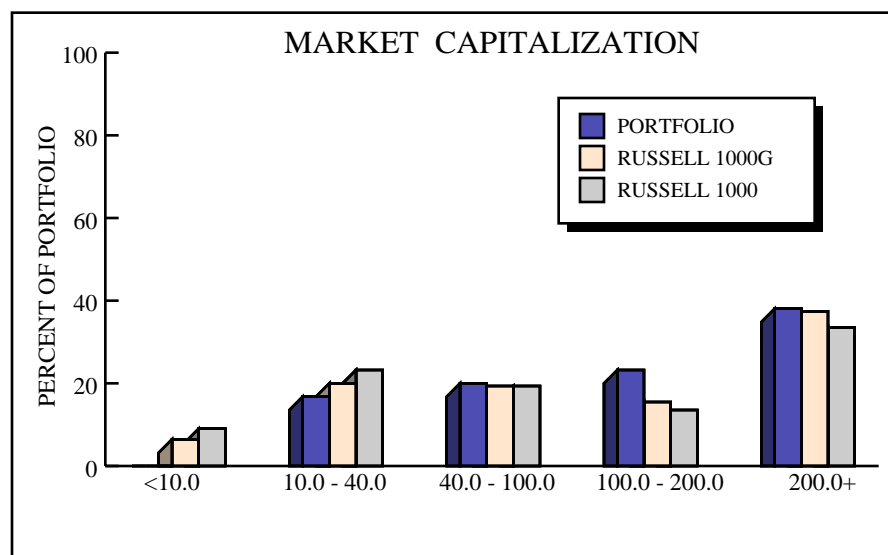
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO     
 ■ RUSSELL 1000G     
 ■ RUSSELL 1000



## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	MICROSOFT CORP	\$ 994,352	9.15%	16.6%	Information Technology	\$ 904.9 B
2	VISA INC-CLASS A SHARES	796,881	7.33%	18.6%	Information Technology	273.4 B
3	FACEBOOK INC-CLASS A	740,604	6.81%	27.2%	Communication Services	397.6 B
4	ALPHABET INC-CL C	693,426	6.38%	13.3%	Communication Services	409.8 B
5	ADOBE INC	649,436	5.97%	17.8%	Information Technology	130.0 B
6	O'REILLY AUTOMOTIVE INC	573,131	5.27%	12.8%	Consumer Discretionary	30.4 B
7	NIKE INC -CL B	567,828	5.22%	13.9%	Consumer Discretionary	106.0 B
8	STARBUCKS CORP	563,720	5.19%	16.0%	Consumer Discretionary	92.4 B
9	ZOETIS INC	556,101	5.12%	17.9%	Health Care	48.2 B
10	AUTOMATIC DATA PROCESSING	545,352	5.02%	22.5%	Information Technology	69.6 B

FRANKLIN REGIONAL RETIREMENT SYSTEM  
O'SHAUGHNESSY ASSET MANAGEMENT - MARKET LEADERS VALUE  
PERFORMANCE REVIEW  
MARCH 2019

## **INVESTMENT RETURN**

On March 31st, 2019, the Franklin Regional Retirement System's O'Shaughnessy Asset Management Market Leaders Value portfolio was valued at \$9,351,380, representing an increase of \$992,648 from the December quarter's ending value of \$8,358,732. Last quarter, the Fund posted withdrawals totaling \$207, which partially offset the portfolio's net investment return of \$992,855. Income receipts totaling \$56,196 plus net realized and unrealized capital gains of \$936,659 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the first quarter, the O'Shaughnessy Asset Management Market Leaders Value portfolio returned 11.9%, which was equal to the Russell 1000 Value Index's return of 11.9% and ranked in the 47th percentile of the Large Cap Value universe. Over the trailing year, the portfolio returned 0.1%, which was 5.6% below the benchmark's 5.7% return, ranking in the 84th percentile. Since March 2014, the portfolio returned 7.4% annualized and ranked in the 67th percentile. The Russell 1000 Value returned an annualized 7.7% over the same period.

## **ASSET ALLOCATION**

At the end of the first quarter, domestic equities comprised 99.5% of the total portfolio (\$9.3 million), while cash & equivalents totaled 0.5% (\$49,584).

## **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 Consumer Discretionary, Energy, Finance, Industrial, and Information Technology sectors, while underweight in Communication Services and Health Care. The Real Estate and Utilities sectors were unfunded.

The portfolio edged out the benchmark thanks to surplus gains in the heavily overweight Consumer Discretionary and Financials sectors, but headwinds in Industrials and Information Technology precluded greater outperformance.



**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>
<b>Total Portfolio - Gross</b>	11.9	0.1	11.6	7.4
<i>LARGE CAP VALUE RANK</i>	(47)	(84)	(38)	(67)
<b>Total Portfolio - Net</b>	11.7	-0.4	10.9	6.8
Russell 1000V	11.9	5.7	10.4	7.7
Russell 1000	14.0	9.3	13.5	10.6
S&P 500	13.6	9.5	13.5	10.9
<b>Domestic Equity - Gross</b>	12.0	0.1	11.6	7.5
<i>LARGE CAP VALUE RANK</i>	(46)	(85)	(36)	(65)
Russell 1000V	11.9	5.7	10.4	7.7

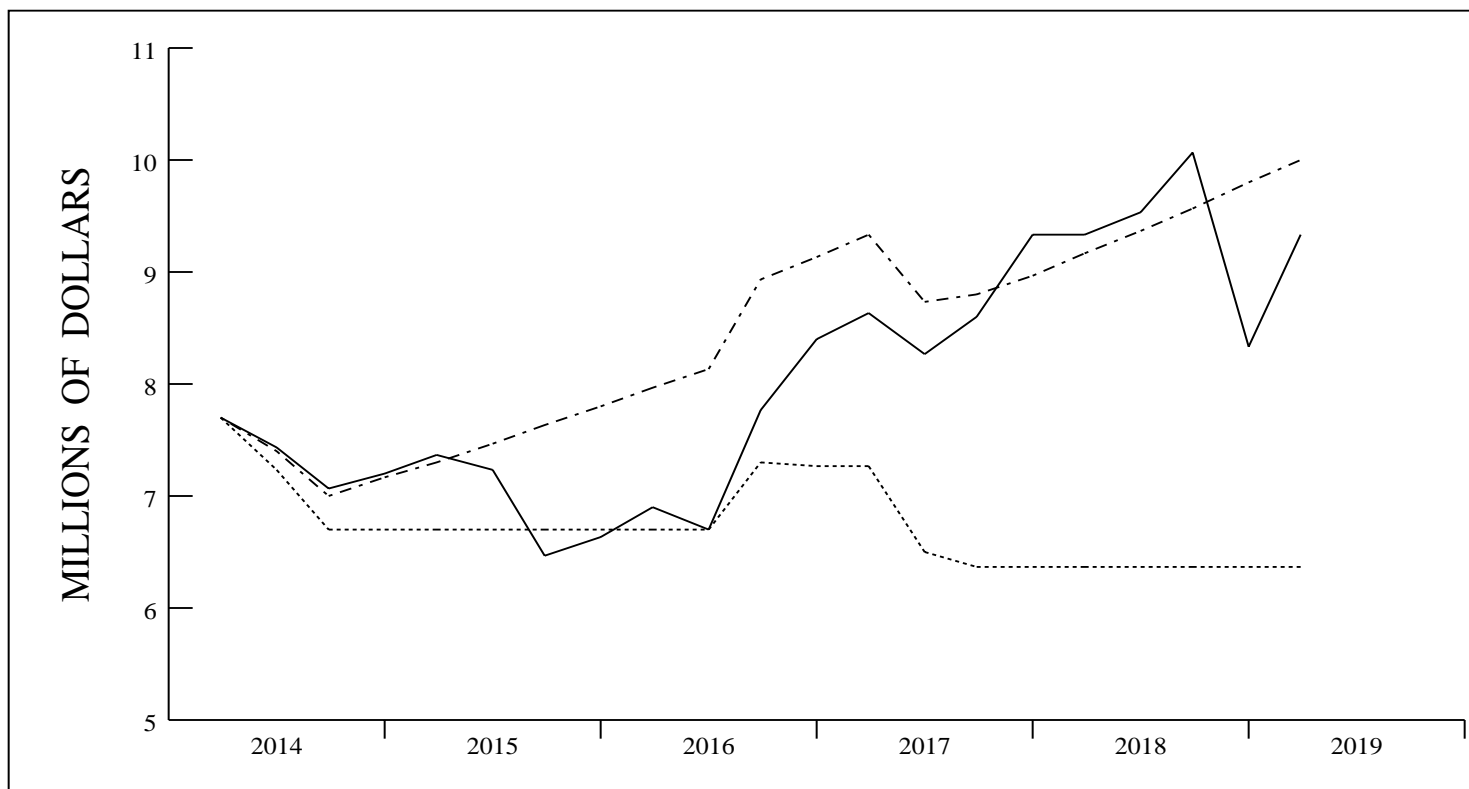
**ASSET ALLOCATION**

Domestic Equity	99.5%	\$ 9,301,796
Cash	0.5%	49,584
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 9,351,380</b>

**INVESTMENT RETURN**

Market Value 12/2018	\$ 8,358,732
Contribs / Withdrawals	-207
Income	56,196
Capital Gains / Losses	936,659
Market Value 3/2019	\$ 9,351,380

**INVESTMENT GROWTH**

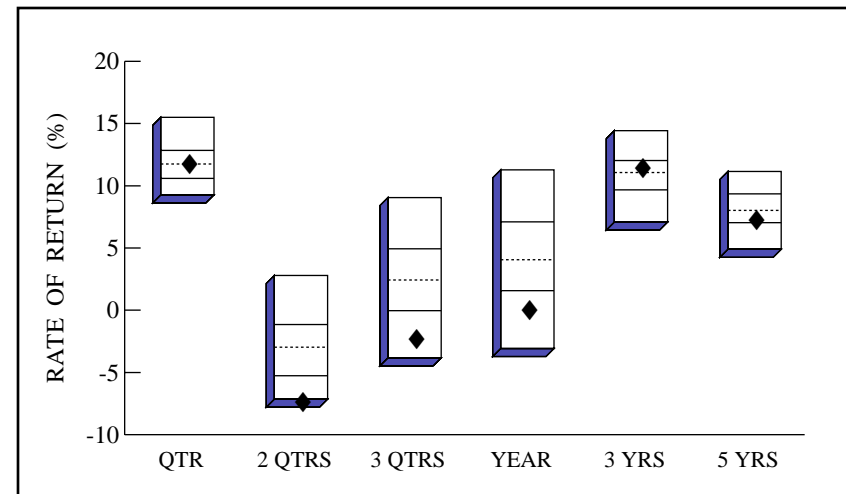
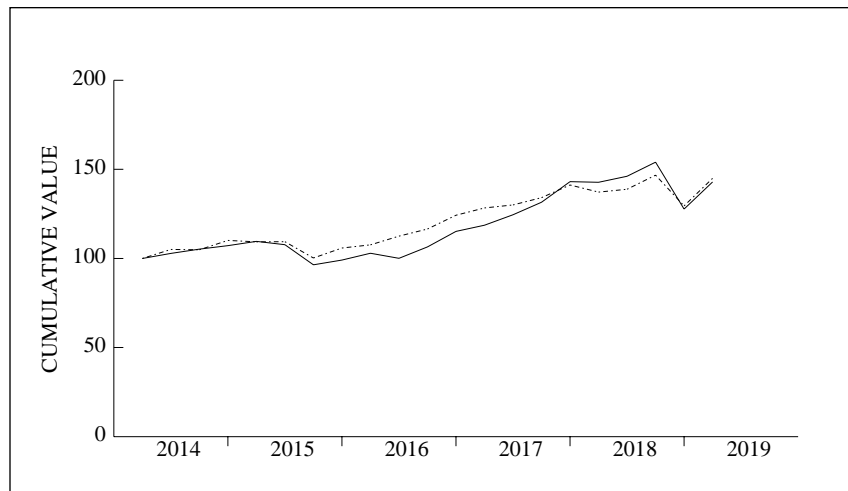


— ACTUAL RETURN  
 - - - 9.0%  
 . . . 0.0%

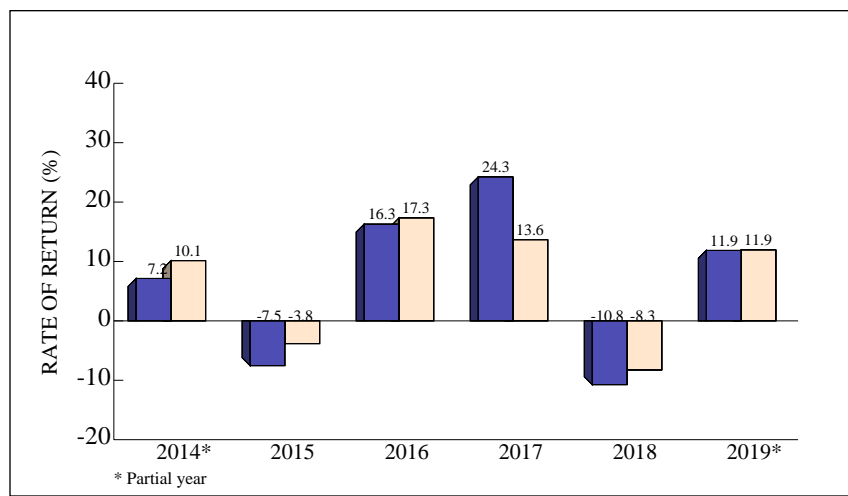
VALUE ASSUMING  
 9.0% RETURN \$ 10,018,359

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 8,358,732	\$ 7,705,984
NET CONTRIBUTIONS	-207	-1,335,854
INVESTMENT RETURN	992,855	2,981,250
ENDING VALUE	\$ 9,351,380	\$ 9,351,380
INCOME	56,196	981,407
CAPITAL GAINS (LOSSES)	936,659	1,999,843
INVESTMENT RETURN	992,855	2,981,250

**TOTAL RETURN COMPARISONS**

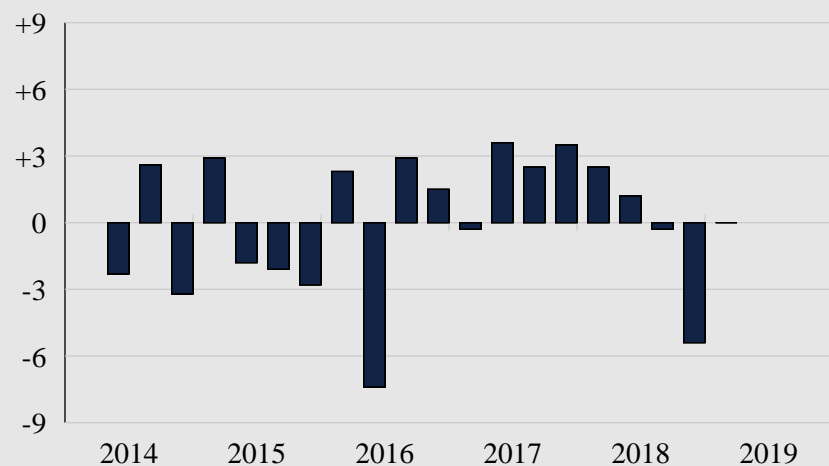


Large Cap Value Universe



	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	11.9	-7.2	-2.2	0.1	11.6	7.4
(RANK)	(47)	(96)	(88)	(84)	(38)	(67)
5TH %ILE	15.5	2.8	9.0	11.3	14.4	11.1
25TH %ILE	12.9	-1.2	4.9	7.1	12.0	9.3
MEDIAN	11.8	-3.0	2.4	4.1	11.1	8.0
75TH %ILE	10.6	-5.3	0.0	1.6	9.7	7.0
95TH %ILE	9.3	-7.2	-3.8	-3.1	7.1	4.9
<b>Russ 1000V</b>	<b>11.9</b>	<b>-1.2</b>	<b>4.4</b>	<b>5.7</b>	<b>10.4</b>	<b>7.7</b>

Large Cap Value Universe

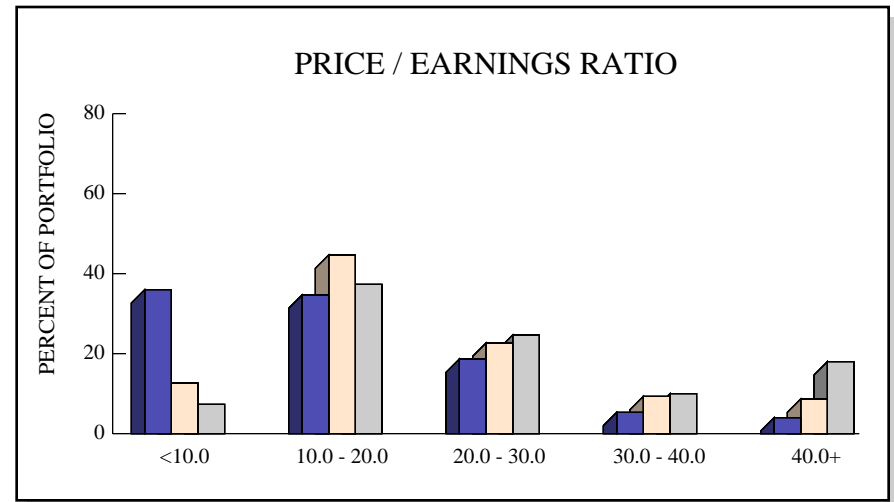
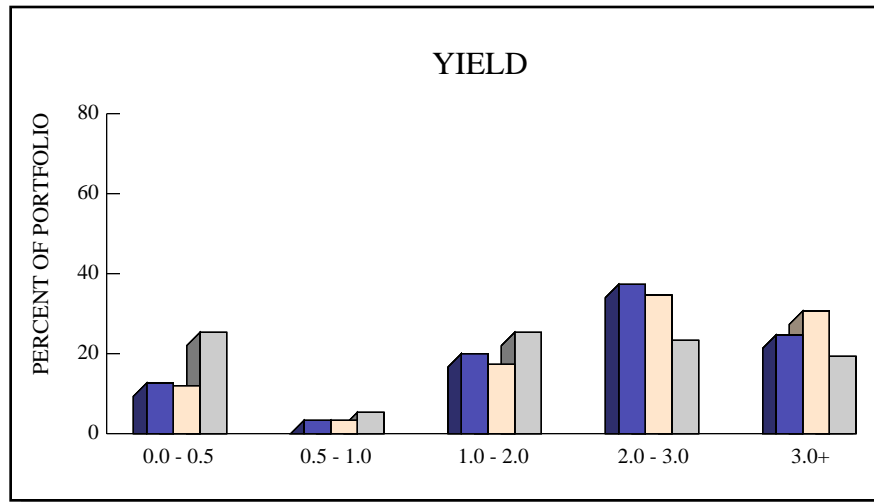
**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY****COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE****VARIATION FROM BENCHMARK**

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

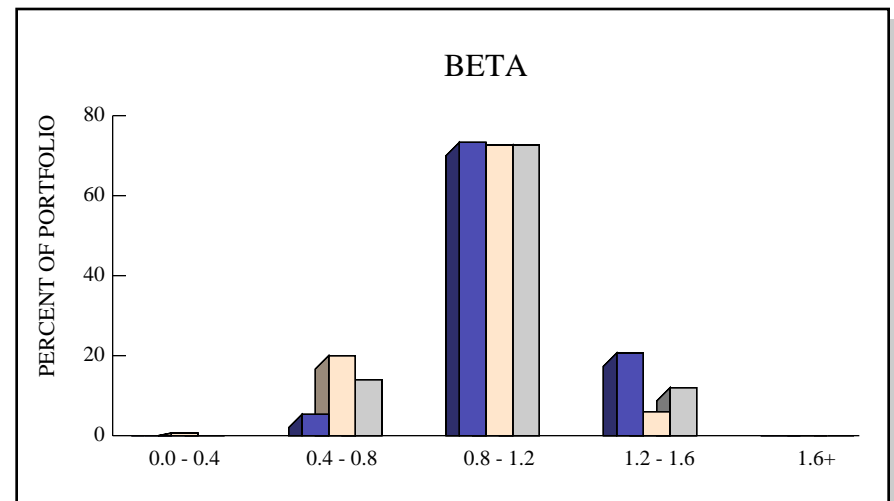
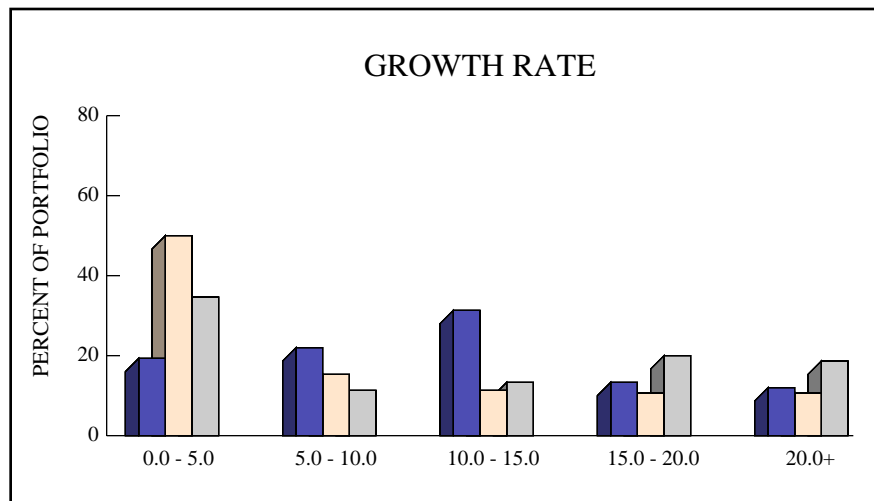
**RATES OF RETURN**

Date	Portfolio	Benchmark	Difference
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
12/18	-17.1	-11.7	-5.4
3/19	11.9	11.9	0.0

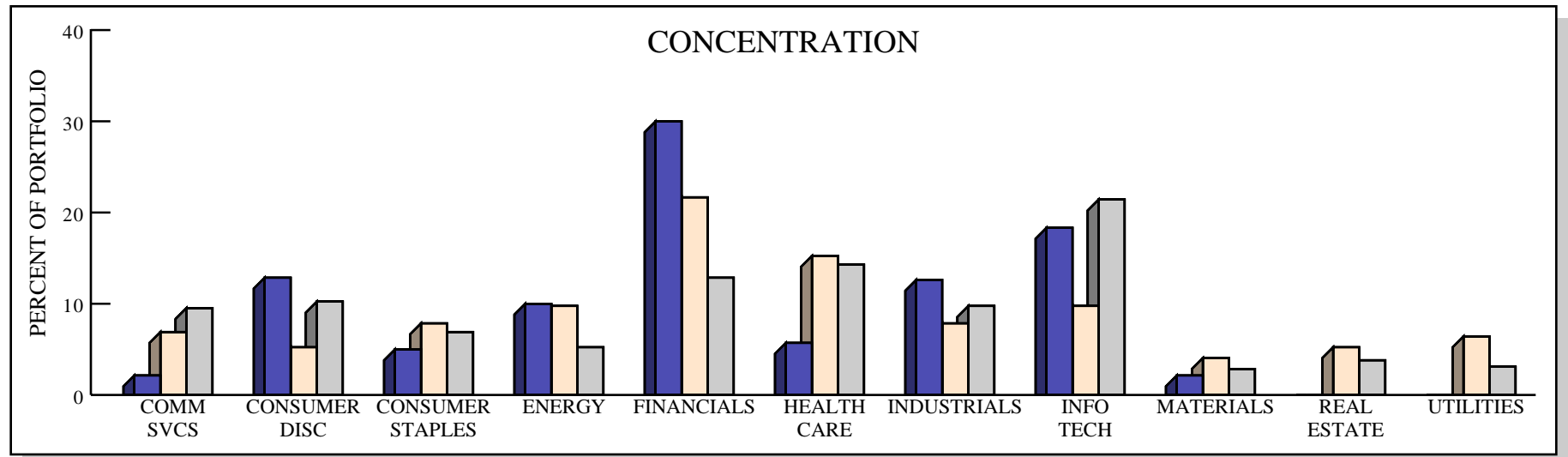
**STOCK CHARACTERISTICS**



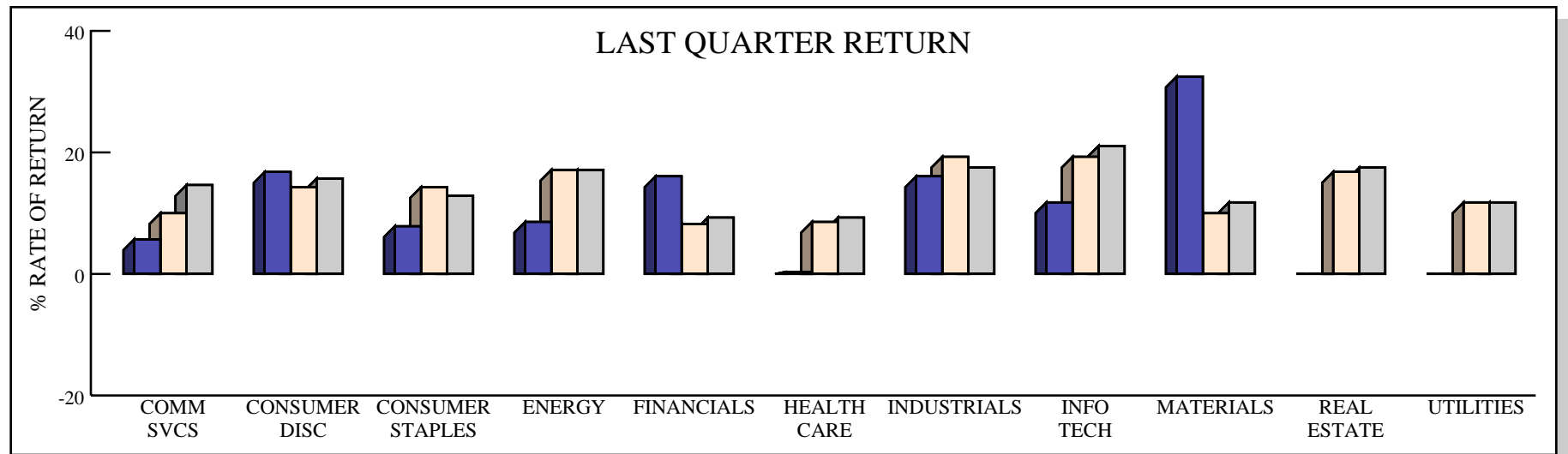
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	63	2.3%	10.8%	16.2	1.05
RUSSELL 1000V	722	2.6%	4.9%	20.8	0.94
RUSSELL 1000	978	1.9%	11.3%	26.7	1.00



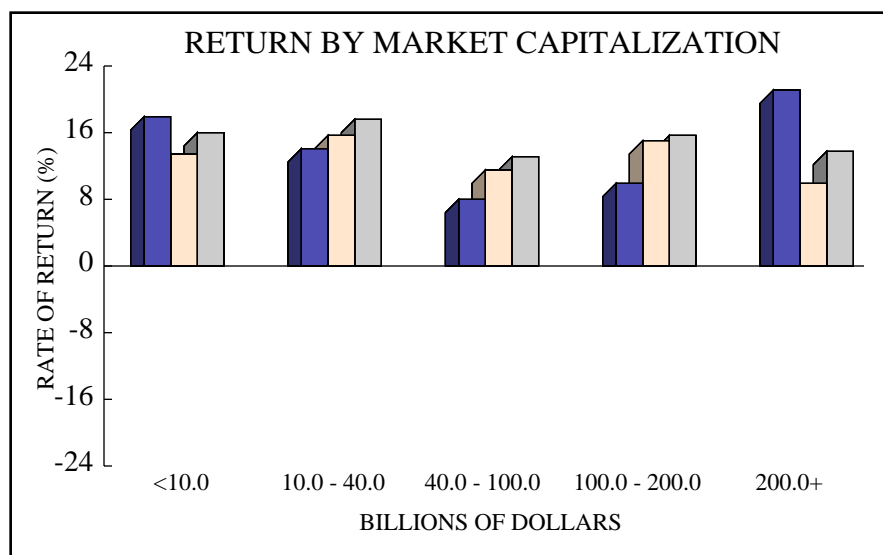
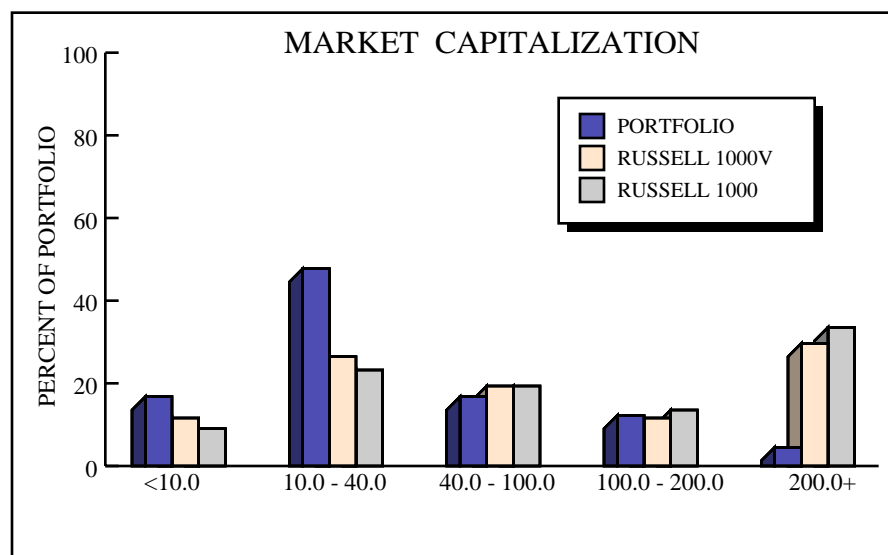
**STOCK INDUSTRY ANALYSIS**



■ 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	\$ 412,610	4.44%	23.6%	Financials	\$ 17.3 B
2	YUM! BRANDS INC	374,387	4.02%	9.1%	Consumer Discretionary	30.6 B
3	METLIFE INC	369,422	3.97%	4.6%	Financials	40.8 B
4	CITIGROUP INC	362,058	3.89%	20.4%	Financials	145.6 B
5	AMGEN INC	351,463	3.78%	-1.7%	Health Care	118.2 B
6	CITRIX SYSTEMS INC	327,682	3.52%	-2.4%	Information Technology	13.1 B
7	CISCO SYSTEMS INC	322,968	3.47%	25.6%	Information Technology	237.7 B
8	FIFTH THIRD BANCORP	322,185	3.46%	8.1%	Financials	19.4 B
9	VOYA FINANCIAL INC	294,664	3.17%	24.5%	Financials	7.3 B
10	MARATHON PETROLEUM CORP	254,961	2.74%	2.3%	Energy	40.3 B

FRANKLIN REGIONAL RETIREMENT SYSTEM  
SEIZERT CAPITAL PARTNERS - MID CAP  
PERFORMANCE REVIEW  
MARCH 2019



## **INVESTMENT RETURN**

On March 31st, 2019, the Franklin Regional Retirement System's Seizert Capital Partners Mid Cap portfolio was valued at \$6,942,839, representing an increase of \$631,434 from the December quarter's ending value of \$6,311,405. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$631,434 in net investment returns. Income receipts totaling \$26,789 plus net realized and unrealized capital gains of \$604,645 combined to produce the portfolio's net investment return figure.

## **RELATIVE PERFORMANCE**

For the first quarter, the Seizert Capital Partners Mid Cap portfolio returned 10.0%, which was 6.5% below the Russell Mid Cap's return of 16.5% and ranked in the 99th percentile of the Mid Cap universe. Over the trailing year, this portfolio returned -2.1%, which was 8.6% less than the benchmark's 6.5% return, ranking in the 90th percentile. Since March 2014, the account returned 4.4% on an annualized basis and ranked in the 98th percentile. The Russell Mid Cap returned an annualized 8.8% over the same time frame.

## **ASSET ALLOCATION**

At the end of the first quarter, domestic equities comprised 95.3% of the total portfolio (\$6.6 million), while cash & equivalents comprised the remaining 4.7% (\$327,876).

## **STOCK ANALYSIS**

By quarter's end, the Seizert portfolio was invested in eight of eleven industry sectors. Compared to the Russell Mid Cap index, the portfolio was overweight in the Communication Services and Financials sectors, while underweight in Consumer Discretionary, Information Technology, and Real Estate. Energy, Materials, and Utilities were unfunded.

Performance surpluses from the Communication Services and Financials sectors were the only source of the upside in the first quarter. The portfolio was otherwise plagued by steep negative selection effects. Consumer Discretionary returned a fraction of the gain posted by the benchmark, while Health Care, Industrials, and Information Technology were also extremely weak.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>
<b>Total Portfolio - Gross</b>	10.0	-2.1	9.5	4.4
<i>MID CAP RANK</i>	(99)	(90)	(82)	(98)
<b>Total Portfolio - Net</b>	9.8	-2.8	8.7	3.7
Russell Mid	16.5	6.5	11.8	8.8
S&P 400	14.5	2.6	11.2	8.3
Russell Mid	16.5	6.5	11.8	8.8
<b>Domestic Equity - Gross</b>	10.5	-2.3	9.8	4.6
<i>MID CAP RANK</i>	(99)	(92)	(75)	(97)
Russell Mid	16.5	6.5	11.8	8.8

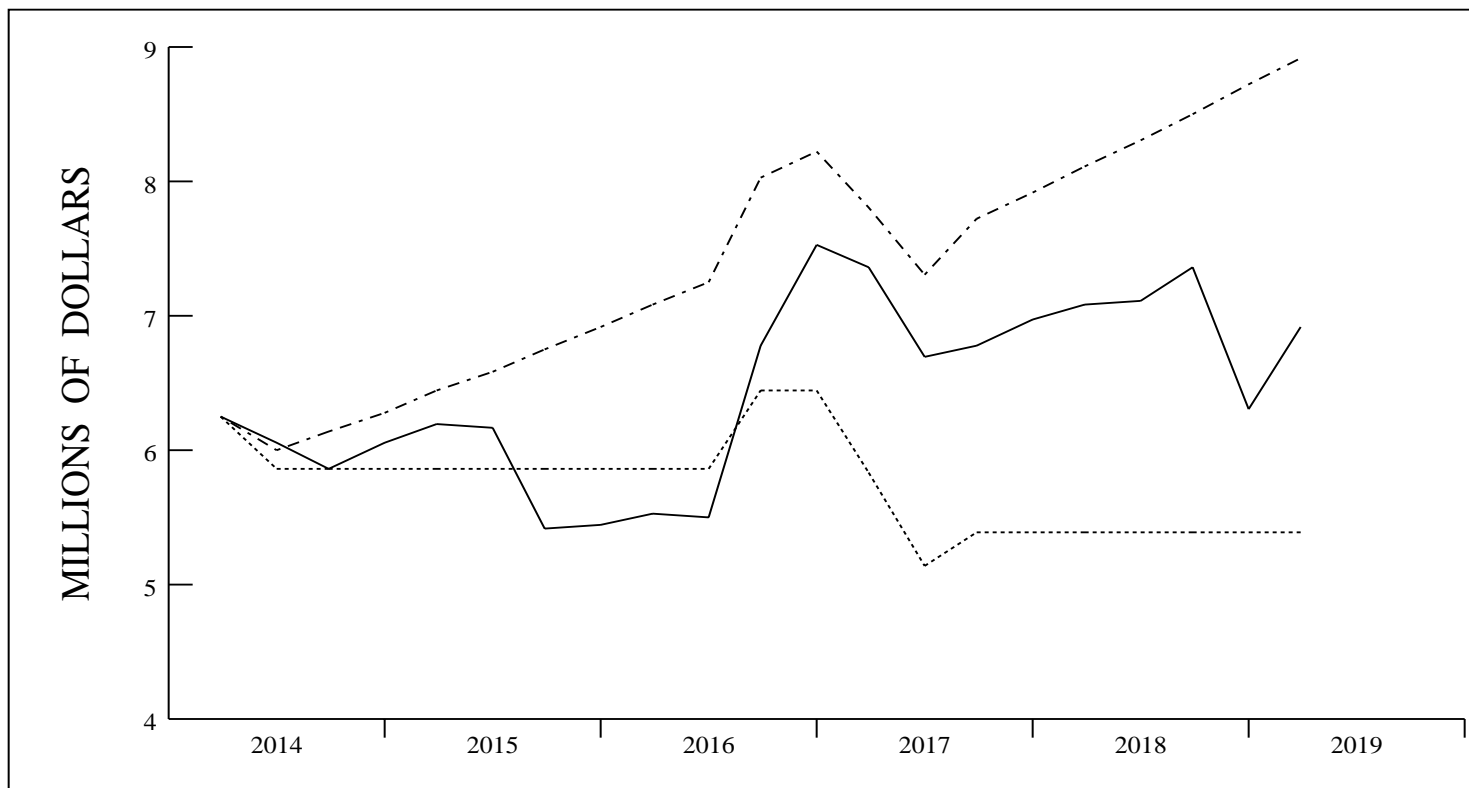
**ASSET ALLOCATION**

Domestic Equity	95.3%	\$ 6,614,963
Cash	4.7%	327,876
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 6,942,839</b>

**INVESTMENT RETURN**

Market Value 12/2018	\$ 6,311,405
Contribs / Withdrawals	0
Income	26,789
Capital Gains / Losses	604,645
Market Value 3/2019	\$ 6,942,839

**INVESTMENT GROWTH**

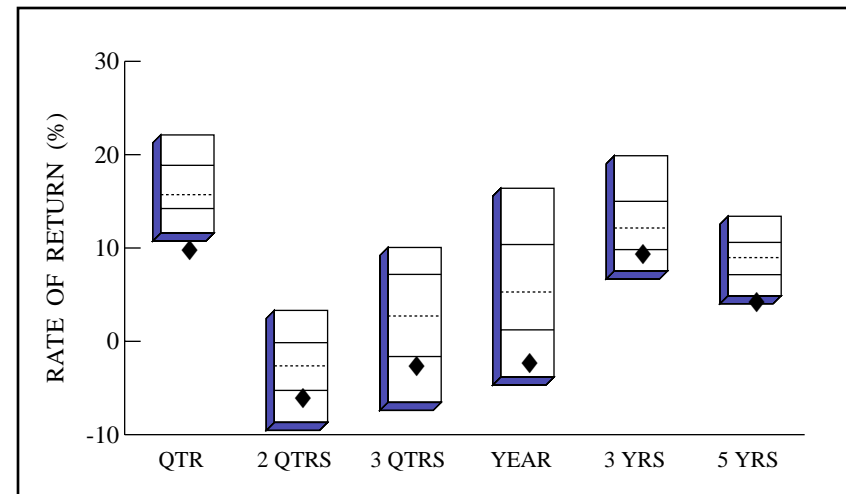
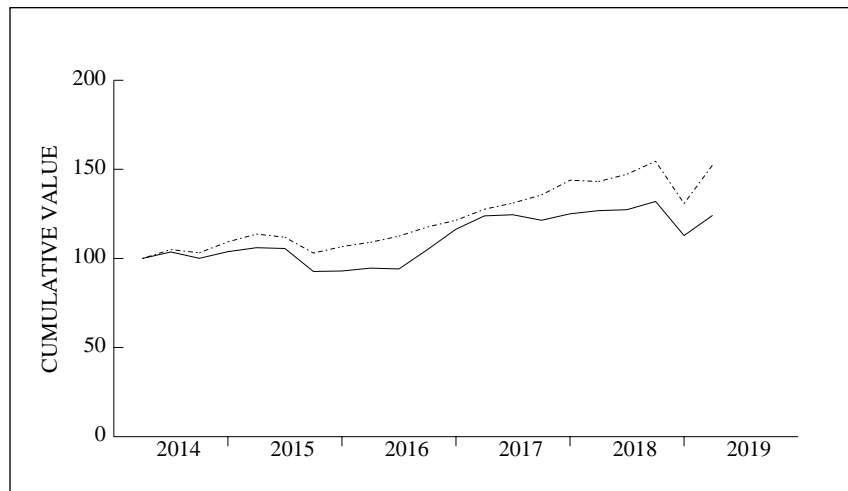


— ACTUAL RETURN  
 - - - 10.0%  
 . . . 0.0%

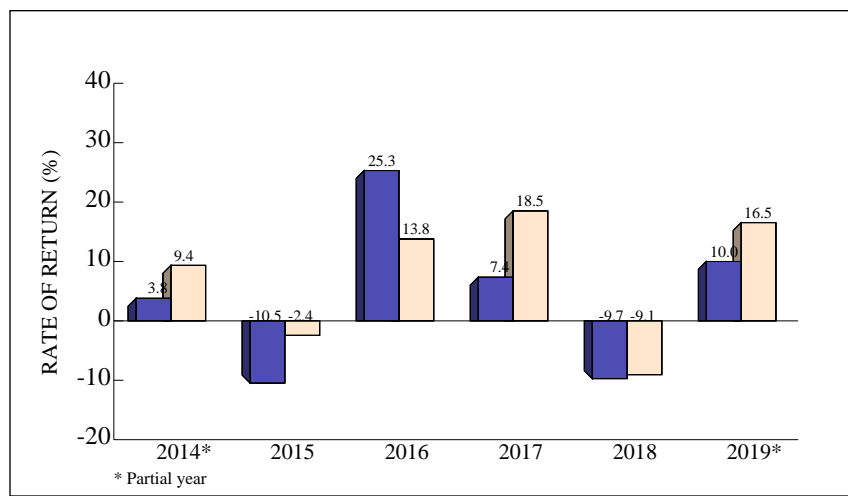
VALUE ASSUMING  
 10.0% RETURN \$ 8,936,118

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 6,311,405	\$ 6,273,155
NET CONTRIBUTIONS	0	-867,346
INVESTMENT RETURN	631,434	1,537,030
ENDING VALUE	\$ 6,942,839	\$ 6,942,839
INCOME	26,789	681,383
CAPITAL GAINS (LOSSES)	604,645	855,647
INVESTMENT RETURN	631,434	1,537,030

**TOTAL RETURN COMPARISONS**



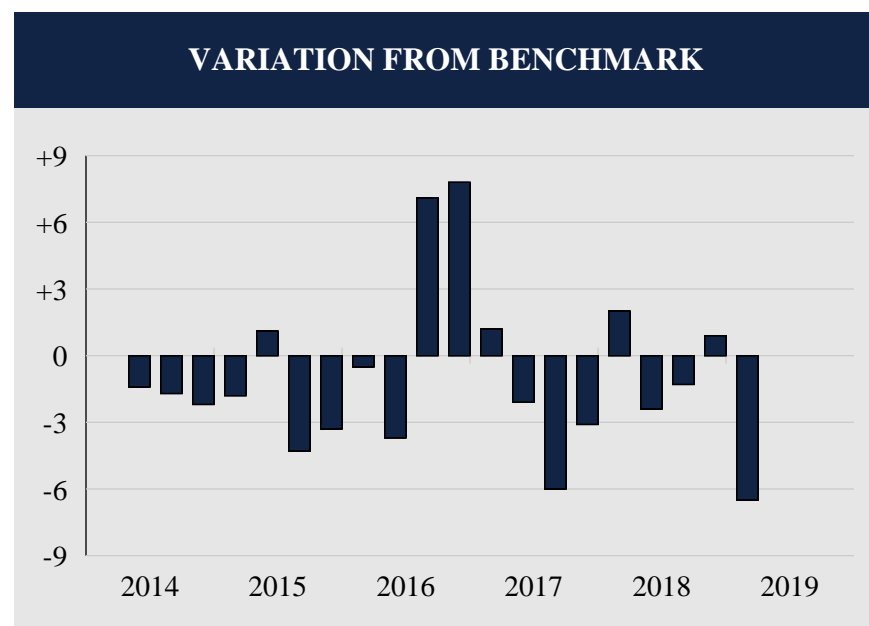
Mid Cap Universe



\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	10.0	-6.0	-2.5	-2.1	9.5	4.4
(RANK)	(99)	(81)	(80)	(90)	(82)	(98)
5TH %ILE	22.1	3.3	10.1	16.4	19.9	13.4
25TH %ILE	18.9	-0.2	7.2	10.4	15.0	10.6
MEDIAN	15.7	-2.6	2.7	5.3	12.1	9.0
75TH %ILE	14.2	-5.3	-1.6	1.2	9.8	7.1
95TH %ILE	11.6	-8.7	-6.5	-3.8	7.6	4.9
<b>Russ MC</b>	<b>16.5</b>	<b>-1.4</b>	<b>3.5</b>	<b>6.5</b>	<b>11.8</b>	<b>8.8</b>

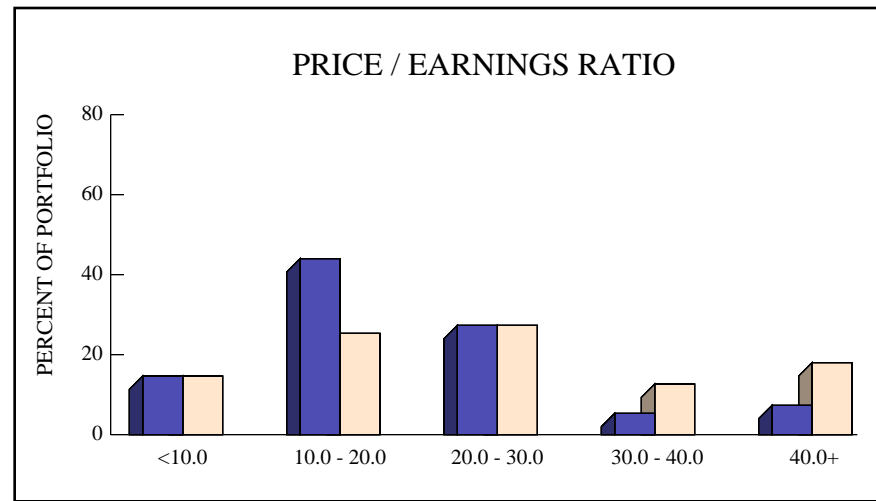
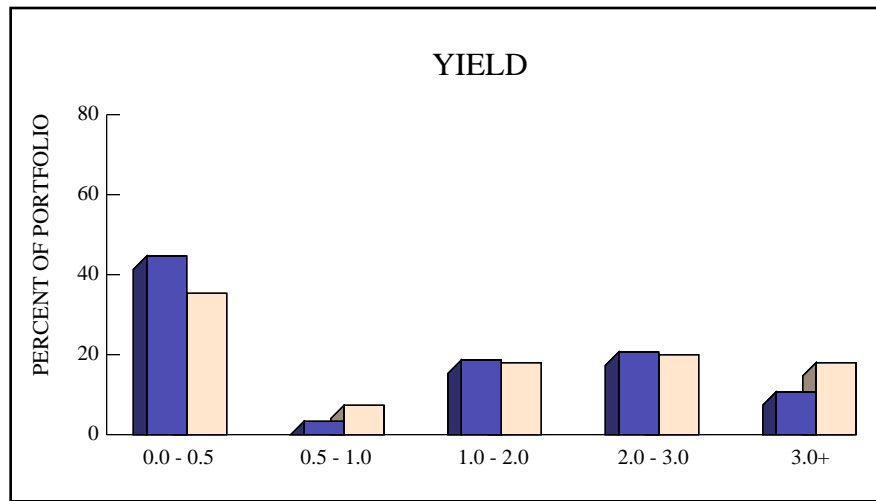
Mid Cap Universe

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

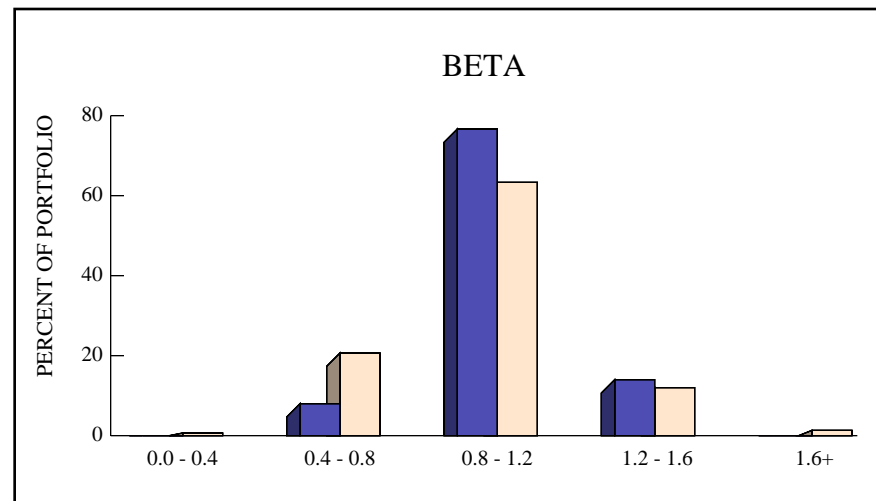
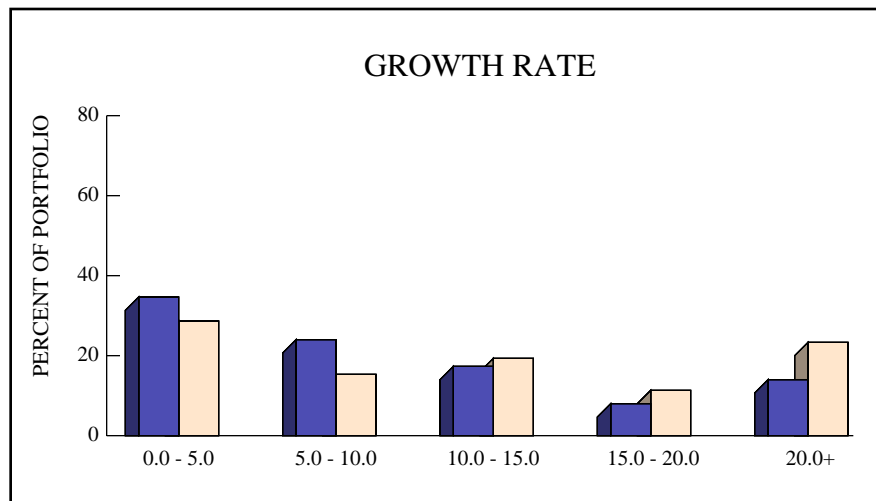
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>6</b>
<b>Quarters Below the Benchmark</b>	<b>14</b>
<b>Batting Average</b>	<b>.300</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
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
12/18	-14.5	-15.4	0.9
3/19	10.0	16.5	-6.5

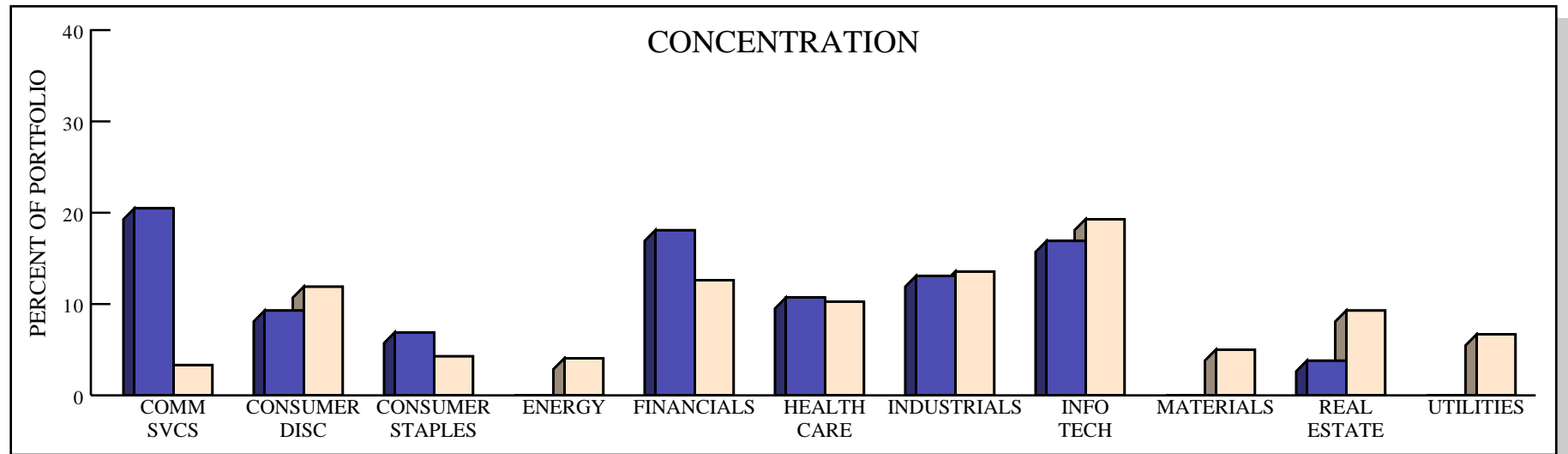
**STOCK CHARACTERISTICS**



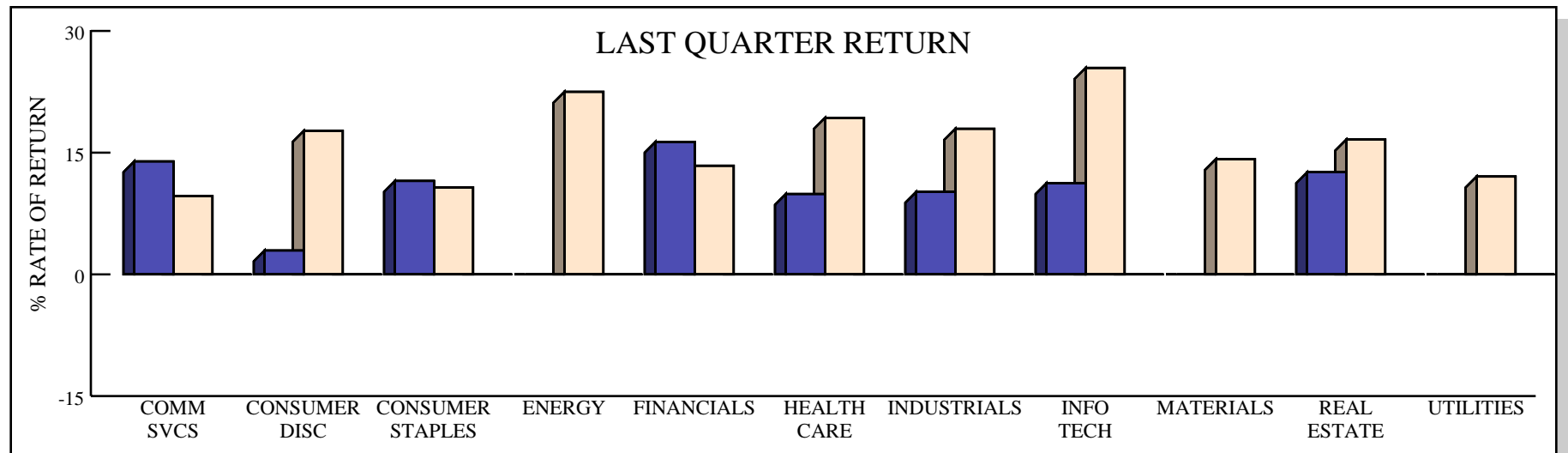
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	26	1.3%	5.5%	21.2	0.99
RUSSELL MID	784	1.7%	11.9%	25.5	0.96



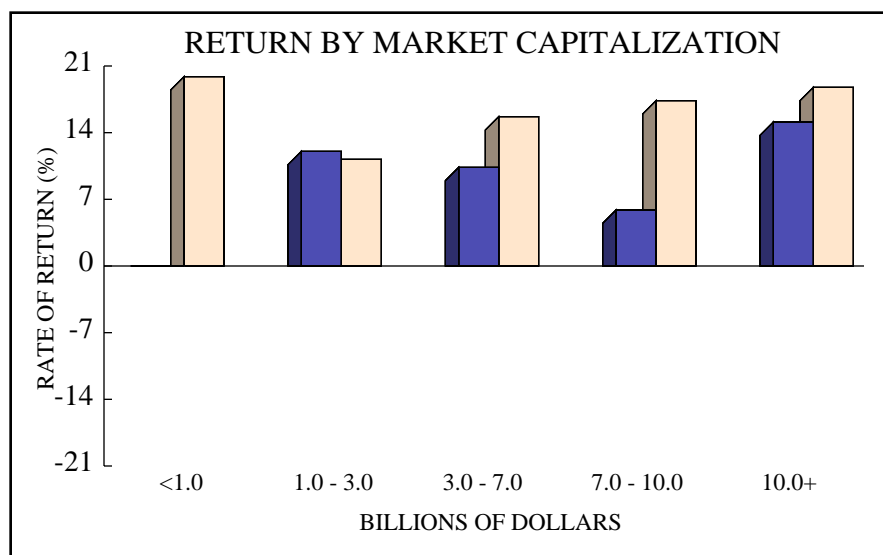
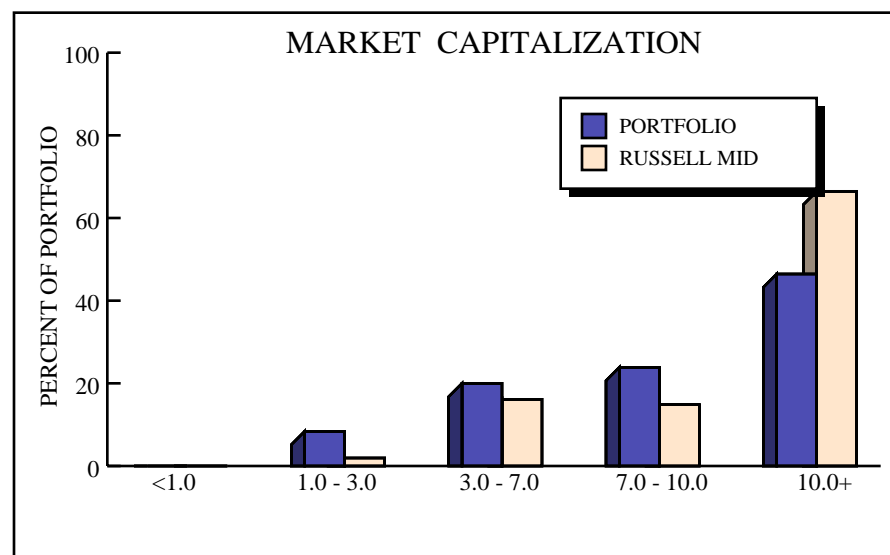
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL MID



## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	LIBERTY BROADBAND-C	\$ 392,097	5.93%	27.4%	Communication Services	\$ 14.0 B
2	LIBERTY MEDIA COR-SIRIUSXM C	391,807	5.92%	3.4%	Communication Services	8.1 B
3	ASSURED GUARANTY LTD	376,411	5.69%	16.5%	Financials	4.6 B
4	CHECK POINT SOFTWARE TECH	309,142	4.67%	23.2%	Information Technology	19.8 B
5	CHURCH & DWIGHT CO INC	308,283	4.66%	8.7%	Consumer Staples	17.5 B
6	DISCOVERY INC-C	302,651	4.58%	10.1%	Communication Services	9.2 B
7	DISCOVER FINANCIAL SERVICES	293,250	4.43%	21.3%	Financials	23.2 B
8	PACWEST BANCORP	278,991	4.22%	14.7%	Financials	4.5 B
9	LIBERTY MEDIA CORP-LIBERTY-C	269,184	4.07%	14.2%	Communication Services	7.1 B
10	UNIVERSAL HEALTH SERVICES-B	262,724	3.97%	14.9%	Health Care	11.2 B



FRANKLIN REGIONAL RETIREMENT SYSTEM  
ABERDEEN STANDARD INVESTMENTS - SMALL CAP CORE  
PERFORMANCE REVIEW  
MARCH 2019

## **INVESTMENT RETURN**

On March 31st, 2019, the Franklin Regional Retirement System's Aberdeen Standard Investments Small Cap Core portfolio was valued at \$7,760,717, representing an increase of \$1,006,192 from the December quarter's ending value of \$6,754,525. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$1,006,192 in net investment returns. Income receipts totaling \$20,793 plus net realized and unrealized capital gains of \$985,399 combined to produce the portfolio's net investment return figure.

## **RELATIVE PERFORMANCE**

For the first quarter, the Aberdeen Standard Investments Small Cap Core portfolio returned 14.9%, which was 0.3% above the Russell 2000 Index's return of 14.6% and ranked in the 42nd percentile of the Small Cap universe. Over the trailing year, this portfolio returned 6.1%, which was 4.1% greater than the benchmark's 2.0% return, ranking in the 31st percentile. Since June 2017, the account returned 6.5% on an annualized basis and ranked in the 50th percentile. The Russell 2000 returned an annualized 6.3% over the same time frame.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>Since 06/17</b>
<b>Total Portfolio - Gross</b>	14.9	6.1	----	----	6.5
<i>SMALL CAP RANK</i>	(42)	(31)	----	----	(50)
<b>Total Portfolio - Net</b>	14.8	5.6	----	----	5.9
Russell 2000	14.6	2.0	12.9	7.0	6.3
<b>Domestic Equity - Gross</b>	14.9	6.1	----	----	6.5
<i>SMALL CAP RANK</i>	(42)	(31)	----	----	(50)
Russell 2000	14.6	2.0	12.9	7.0	6.3

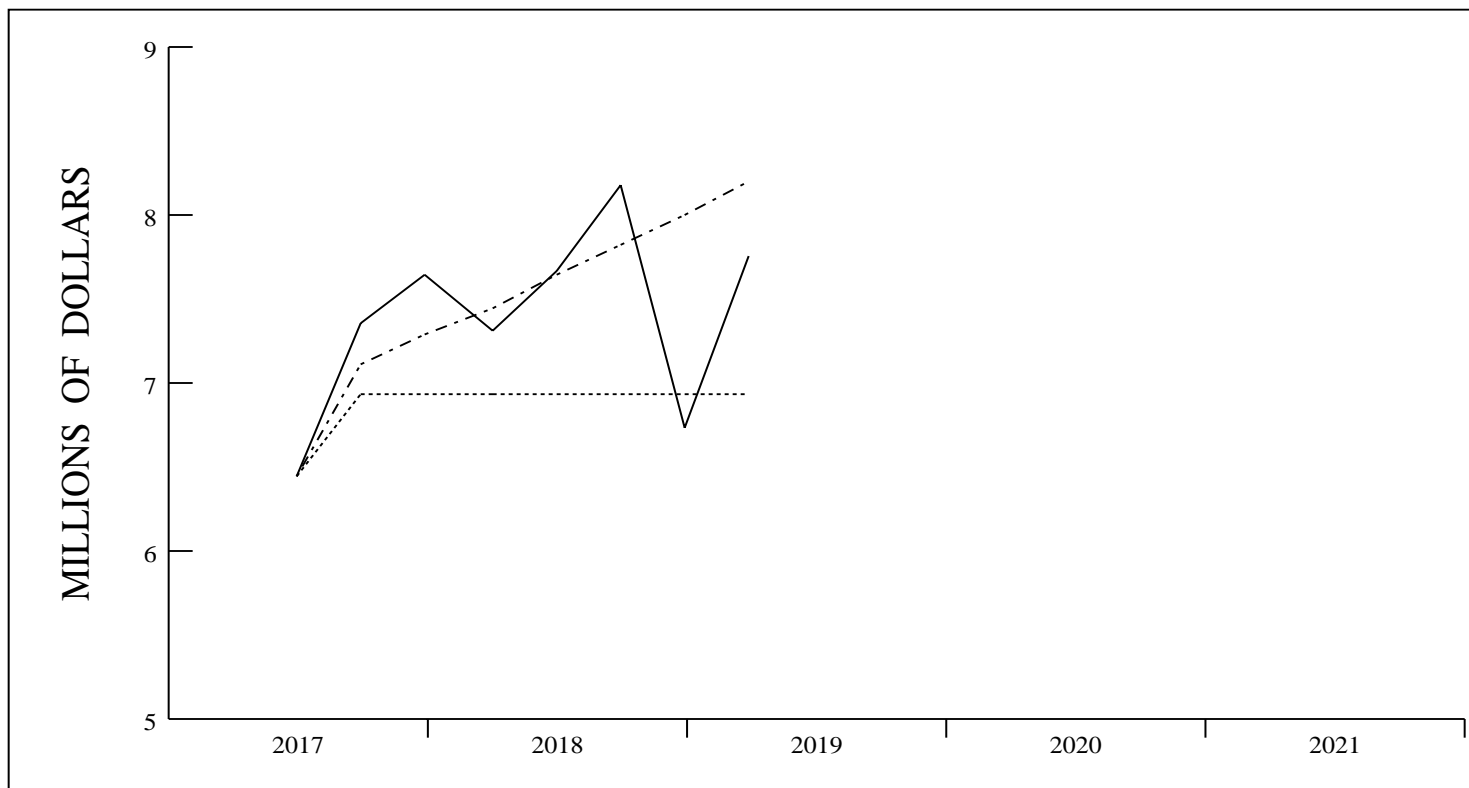
**ASSET ALLOCATION**

Domestic Equity	100.0%	\$ 7,760,717
Total Portfolio	100.0%	\$ 7,760,717

**INVESTMENT RETURN**

Market Value 12/2018	\$ 6,754,525
Contribs / Withdrawals	0
Income	20,793
Capital Gains / Losses	985,399
Market Value 3/2019	\$ 7,760,717

**INVESTMENT GROWTH**

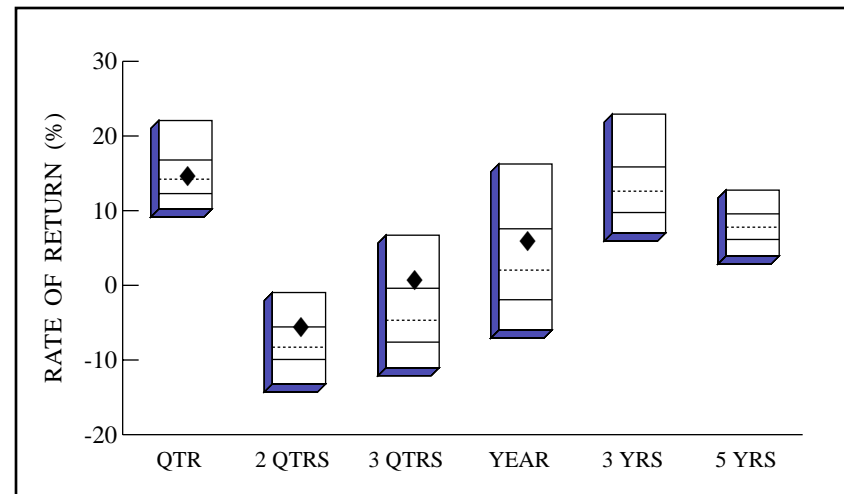
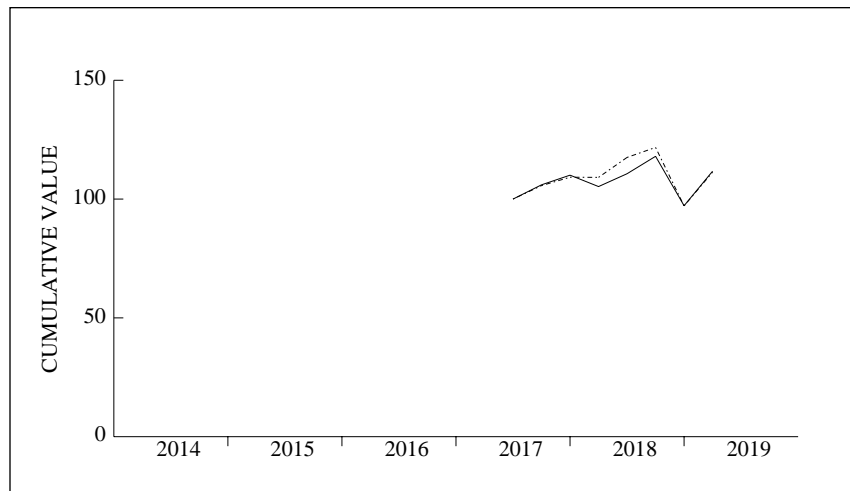


——— ACTUAL RETURN  
 - - - - - 10.0%  
 . . . . . 0.0%

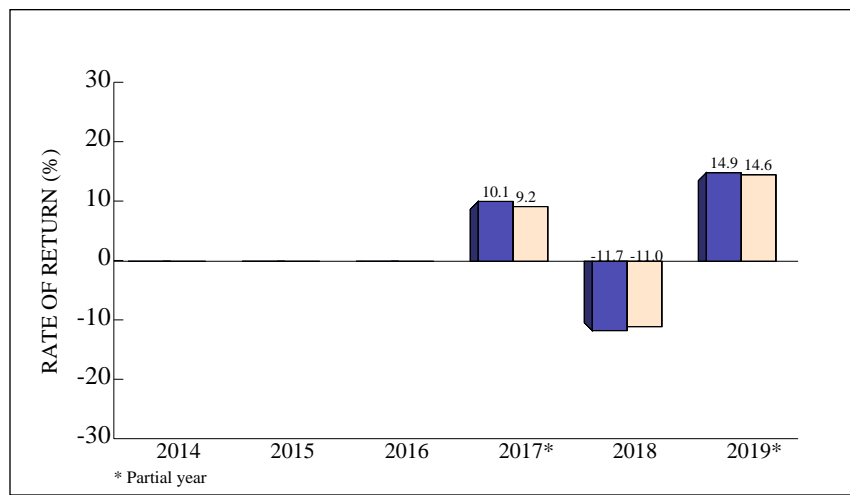
VALUE ASSUMING  
 10.0% RETURN \$ 8,211,417

	LAST QUARTER	PERIOD 6/17 - 3/19
BEGINNING VALUE	\$ 6,754,525	\$ 6,451,915
NET CONTRIBUTIONS	0	500,000
<u>INVESTMENT RETURN</u>	<u>1,006,192</u>	<u>808,802</u>
ENDING VALUE	\$ 7,760,717	\$ 7,760,717
INCOME	20,793	147,278
<u>CAPITAL GAINS (LOSSES)</u>	<u>985,399</u>	<u>661,524</u>
INVESTMENT RETURN	1,006,192	808,802

**TOTAL RETURN COMPARISONS**



Small Cap Universe

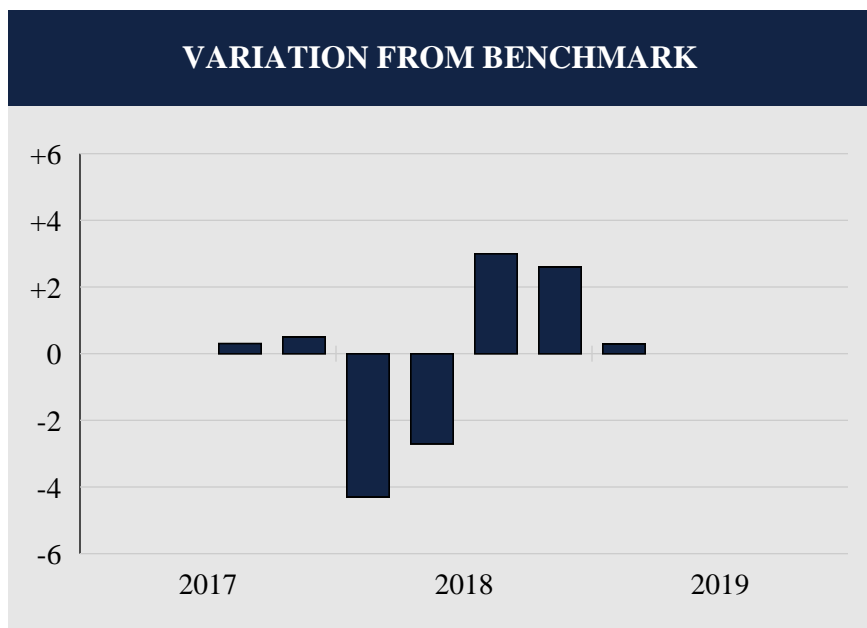


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	14.9	-5.3	1.0	6.1	----	----
(RANK)	(42)	(23)	(21)	(31)	----	----
5TH %ILE	22.1	-1.0	6.7	16.3	22.9	12.8
25TH %ILE	16.8	-5.6	-0.4	7.6	15.9	9.6
MEDIAN	14.2	-8.3	-4.7	2.0	12.6	7.8
75TH %ILE	12.3	-9.9	-7.6	-1.9	9.7	6.1
95TH %ILE	10.2	-13.2	-11.0	-6.0	7.0	3.9
<b>Russ 2000</b>	<b>14.6</b>	<b>-8.6</b>	<b>-5.3</b>	<b>2.0</b>	<b>12.9</b>	<b>7.0</b>

Small Cap Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

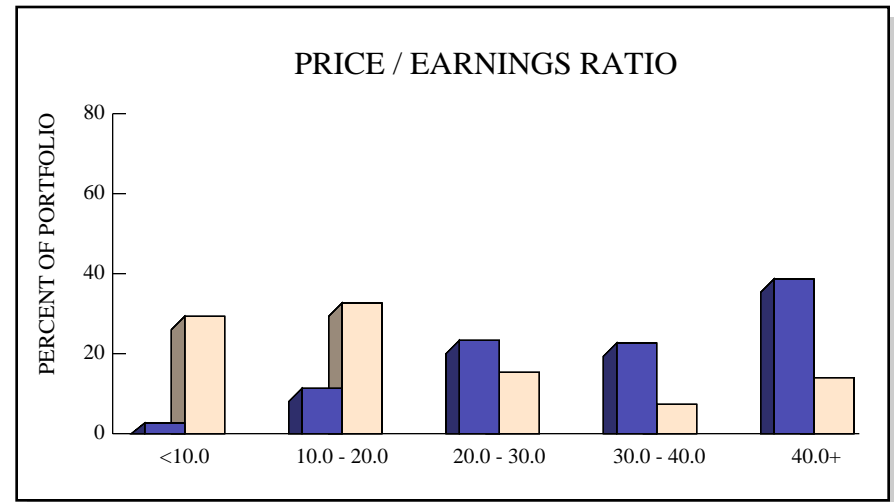
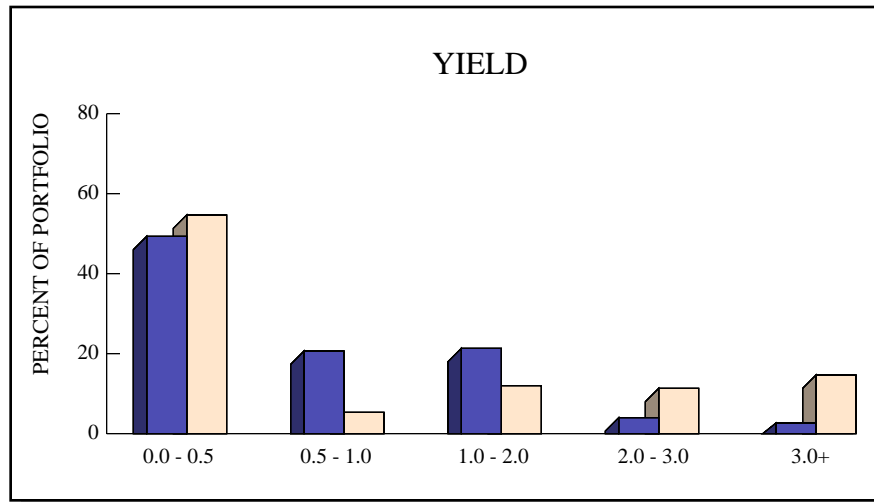
**COMPARATIVE BENCHMARK: RUSSELL 2000**



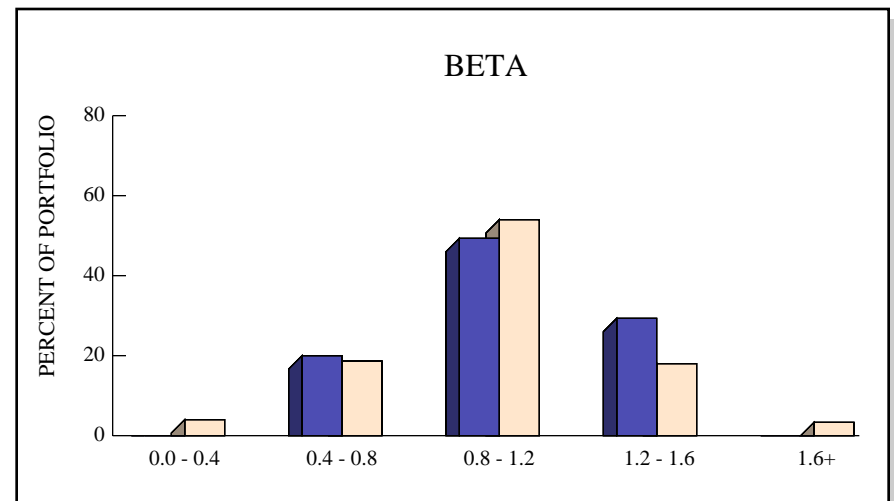
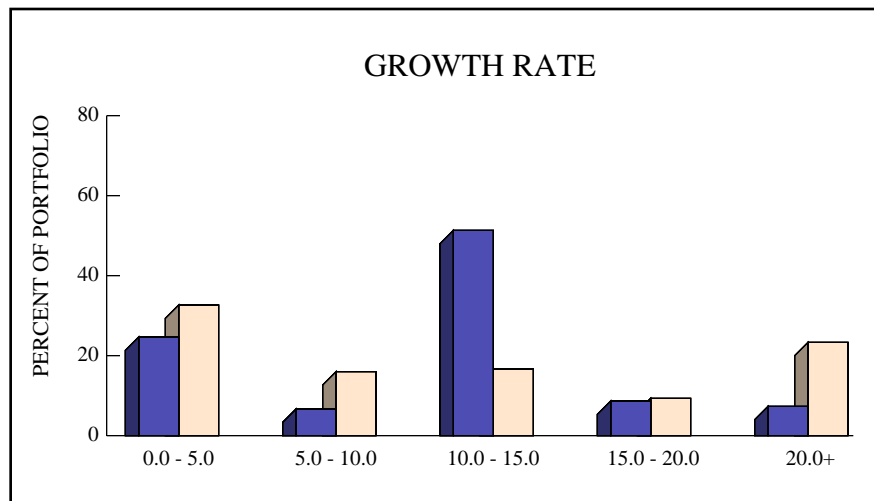
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/17	6.0	5.7	0.3
12/17	3.8	3.3	0.5
3/18	-4.4	-0.1	-4.3
6/18	5.1	7.8	-2.7
9/18	6.6	3.6	3.0
12/18	-17.6	-20.2	2.6
3/19	14.9	14.6	0.3

<b>Total Quarters Observed</b>	<b>7</b>
<b>Quarters At or Above the Benchmark</b>	<b>5</b>
<b>Quarters Below the Benchmark</b>	<b>2</b>
<b>Batting Average</b>	<b>.714</b>

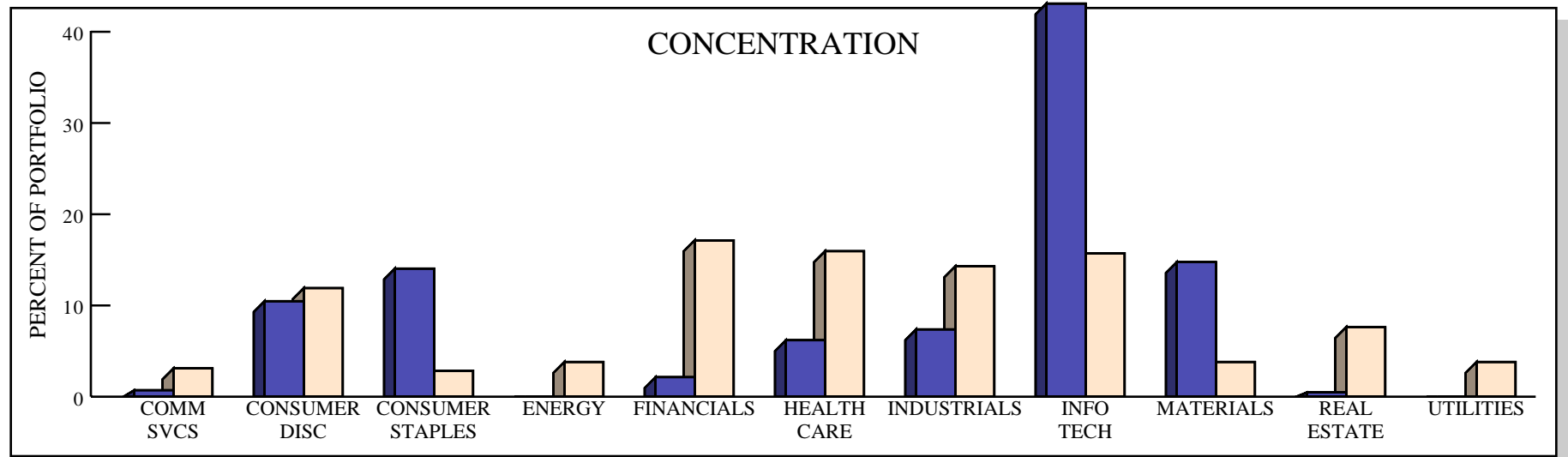
**STOCK CHARACTERISTICS**



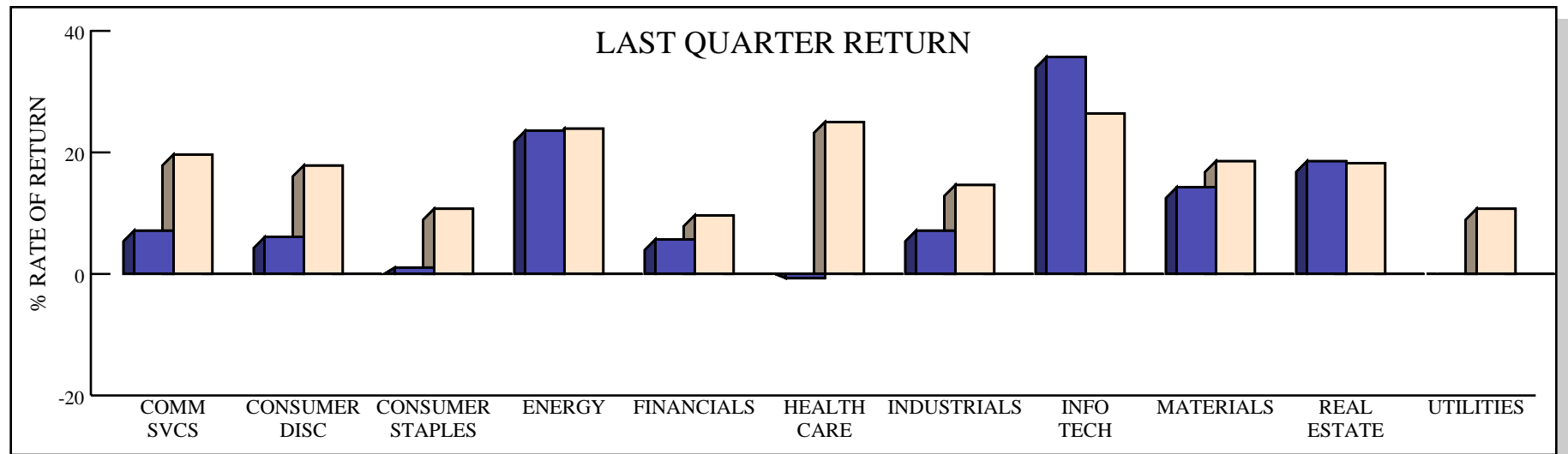
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	52	0.7%	9.7%	38.5	1.06
RUSSELL 2000	1,998	1.4%	11.7%	17.4	0.98



**STOCK INDUSTRY ANALYSIS**

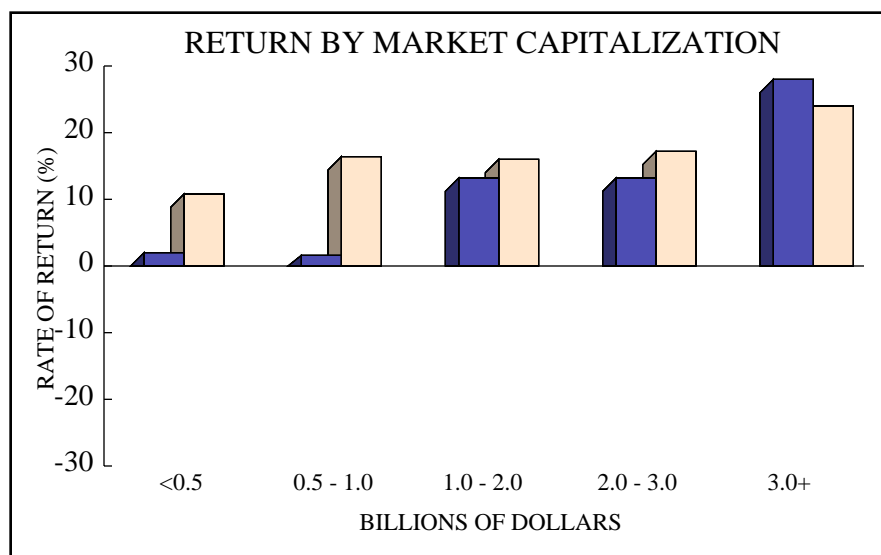
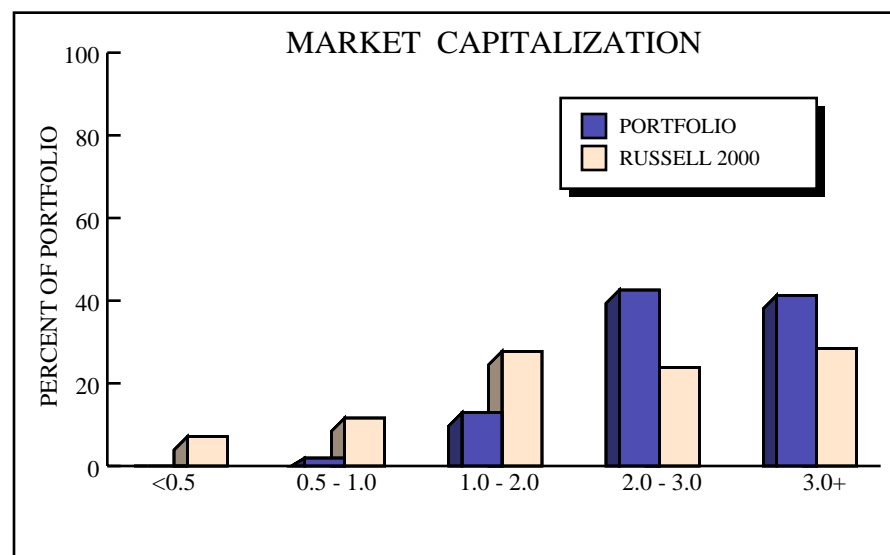


■ PORTFOLIO      ■ RUSSELL 2000





## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	FAIR ISAAC CORP	\$ 1,421,168	18.31%	45.3%	Information Technology	\$ 7.9 B
2	QUAKER CHEMICAL CORP	773,073	9.96%	13.0%	Materials	2.7 B
3	LITTELFUSE INC	641,417	8.26%	6.7%	Information Technology	4.5 B
4	WD-40 CO	553,052	7.13%	-7.2%	Consumer Staples	2.3 B
5	ROGERS CORP	486,173	6.26%	60.4%	Information Technology	2.9 B
6	J & J SNACK FOODS CORP	485,892	6.26%	10.2%	Consumer Staples	3.0 B
7	RBC BEARINGS INC	311,439	4.01%	-3.0%	Industrials	3.2 B
8	HELEN OF TROY LTD	259,055	3.34%	-11.6%	Consumer Discretionary	3.0 B
9	CABOT MICROELECTRONICS CORP	241,386	3.11%	17.9%	Information Technology	3.2 B
10	U.S. PHYSICAL THERAPY INC	212,476	2.74%	2.9%	Health Care	1.3 B

FRANKLIN REGIONAL RETIREMENT SYSTEM  
SYSTEMATIC FINANCIAL MANAGEMENT - SMALL CAP VALUE  
PERFORMANCE REVIEW  
MARCH 2019

## **INVESTMENT RETURN**

On March 31st, 2019, the Franklin Regional Retirement System's Systematic Financial Management Small Cap Value portfolio was valued at \$7,252,660, representing an increase of \$770,923 from the December quarter's ending value of \$6,481,737. Last quarter, the Fund posted net contributions equaling \$88 plus a net investment gain equaling \$770,835. Total net investment return was the result of income receipts, which totaled \$39,021 and net realized and unrealized capital gains of \$731,814.

## **RELATIVE PERFORMANCE**

For the first quarter, the Systematic Financial Management Small Cap Value portfolio returned 11.9%, which was 2.7% below the Russell 2000 Index's return of 14.6% and ranked in the 83rd percentile of the Small Cap universe. Over the trailing year, the portfolio returned -0.9%, which was 2.9% below the benchmark's 2.0% return, ranking in the 70th percentile. Since June 2014, the portfolio returned 3.6% annualized and ranked in the 95th percentile. The Russell 2000 returned an annualized 7.0% over the same period.

## **ASSET ALLOCATION**

At the end of the first quarter, domestic equities comprised 99.1% of the total portfolio (\$7.2 million), while cash & equivalents totaled 0.9% (\$63,376).

## **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 Energy, Health Care, and Materials sectors, while underweight in Information Technology and Utilities.

The portfolio underperformed in nine of the eleven invested sectors. Health Care was a major headwind, representing the largest sector weight and producing less than half the return of the benchmark. Communication Services, Consumer Staples, and Information were also very weak.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>Since 06/14</b>
<b>Total Portfolio - Gross</b>	11.9	-0.9	7.7	----	3.6
<i>SMALL CAP RANK</i>	(83)	(70)	(93)	----	(95)
<b>Total Portfolio - Net</b>	11.7	-1.7	6.8	----	2.8
Russell 2000	14.6	2.0	12.9	7.0	7.0
Russell 2000G	17.1	3.8	14.8	8.4	8.5
Russell 2000V	11.9	0.1	10.8	5.6	5.4
<b>Domestic Equity - Gross</b>	12.0	-1.0	7.8	----	3.6
<i>SMALL CAP RANK</i>	(81)	(71)	(93)	----	(95)
Russell 2000	14.6	2.0	12.9	7.0	7.0

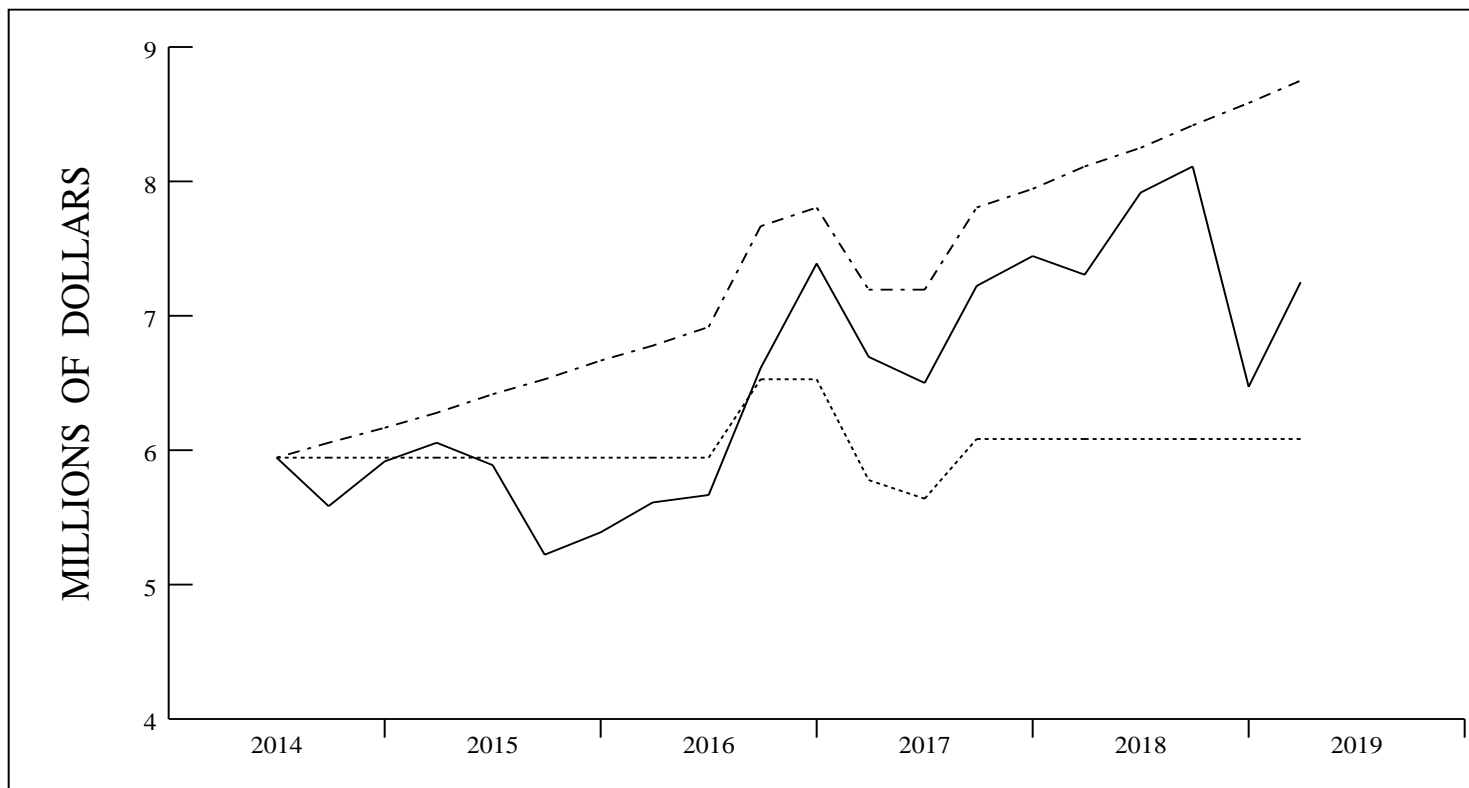
**ASSET ALLOCATION**

Domestic Equity	99.1%	\$ 7,189,284
Cash	0.9%	63,376
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 7,252,660</b>

**INVESTMENT RETURN**

Market Value 12/2018	\$ 6,481,737
Contribs / Withdrawals	88
Income	39,021
Capital Gains / Losses	731,814
Market Value 3/2019	\$ 7,252,660

**INVESTMENT GROWTH**

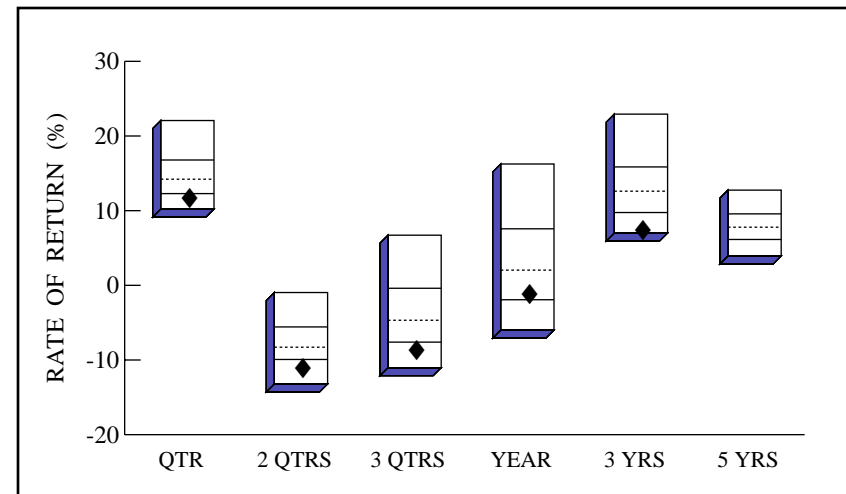
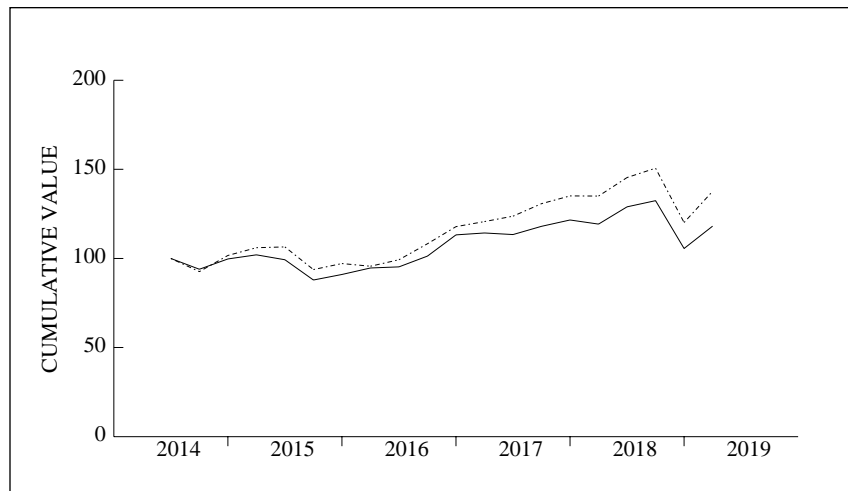


— ACTUAL RETURN  
 - - - 8.0%  
 . . . 0.0%

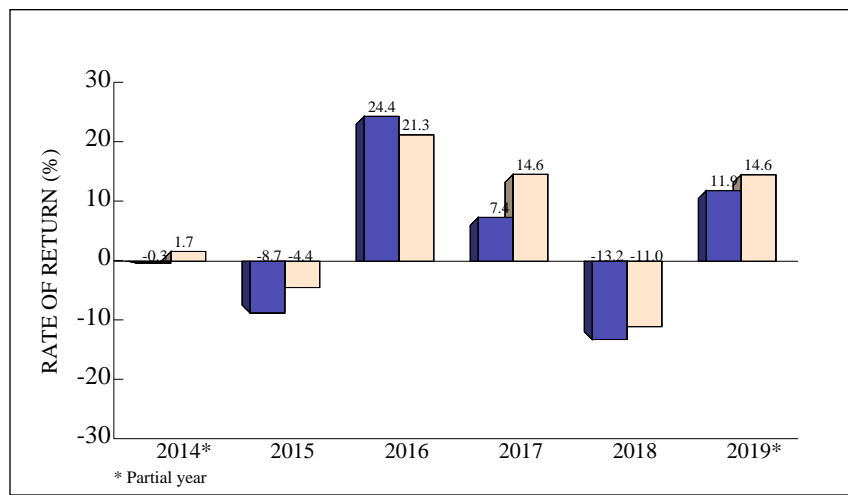
VALUE ASSUMING  
 8.0% RETURN \$ 8,769,102

	LAST QUARTER	PERIOD 6/14 - 3/19
BEGINNING VALUE	\$ 6,481,737	\$ 5,945,950
NET CONTRIBUTIONS	88	146,991
<u>INVESTMENT RETURN</u>	<u>770,835</u>	<u>1,159,719</u>
ENDING VALUE	\$ 7,252,660	\$ 7,252,660
INCOME	39,021	584,664
<u>CAPITAL GAINS (LOSSES)</u>	<u>731,814</u>	<u>575,055</u>
INVESTMENT RETURN	770,835	1,159,719

**TOTAL RETURN COMPARISONS**



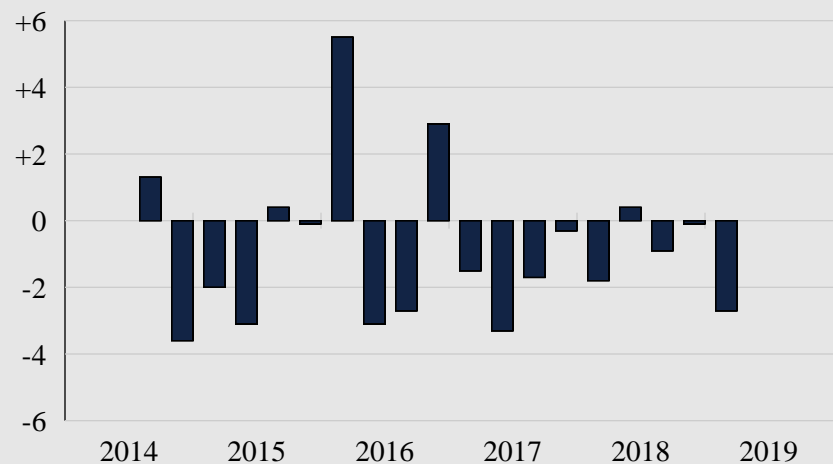
Small Cap Universe



\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	11.9	-10.8	-8.4	-0.9	7.7	---
(RANK)	(83)	(85)	(82)	(70)	(93)	---
5TH %ILE	22.1	-1.0	6.7	16.3	22.9	12.8
25TH %ILE	16.8	-5.6	-0.4	7.6	15.9	9.6
MEDIAN	14.2	-8.3	-4.7	2.0	12.6	7.8
75TH %ILE	12.3	-9.9	-7.6	-1.9	9.7	6.1
95TH %ILE	10.2	-13.2	-11.0	-6.0	7.0	3.9
<b>Russ 2000</b>	<b>14.6</b>	<b>-8.6</b>	<b>-5.3</b>	<b>2.0</b>	<b>12.9</b>	<b>7.0</b>

Small Cap Universe

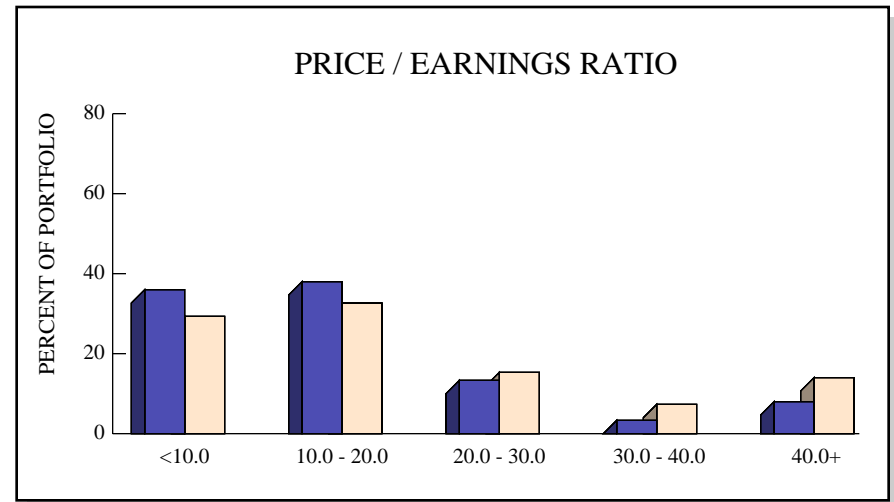
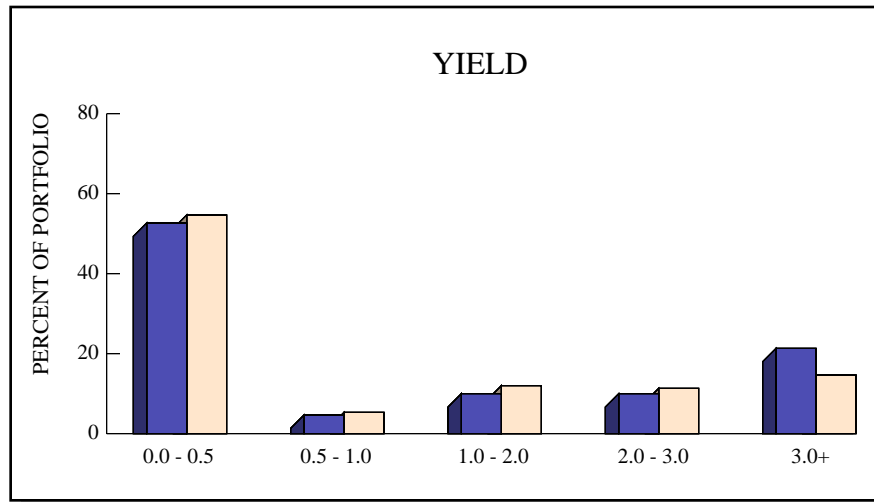
**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY****COMPARATIVE BENCHMARK: RUSSELL 2000****VARIATION FROM BENCHMARK**

<b>Total Quarters Observed</b>	<b>19</b>
<b>Quarters At or Above the Benchmark</b>	<b>5</b>
<b>Quarters Below the Benchmark</b>	<b>14</b>
<b>Batting Average</b>	<b>.263</b>

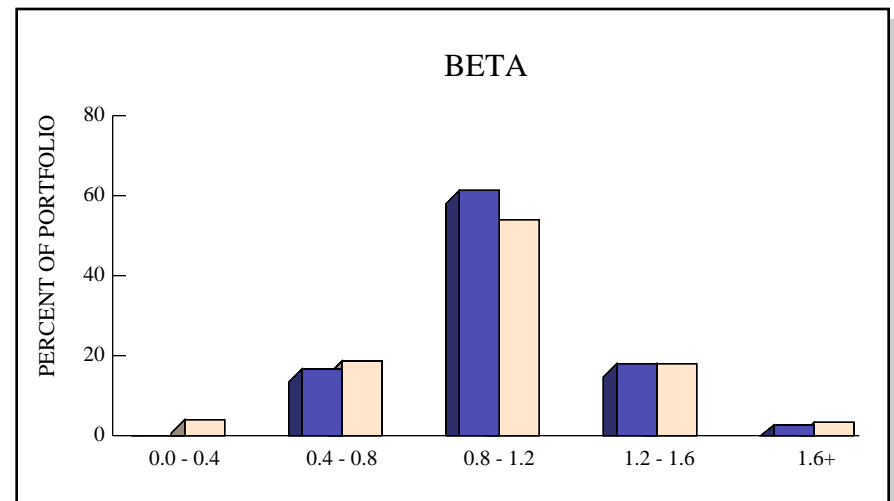
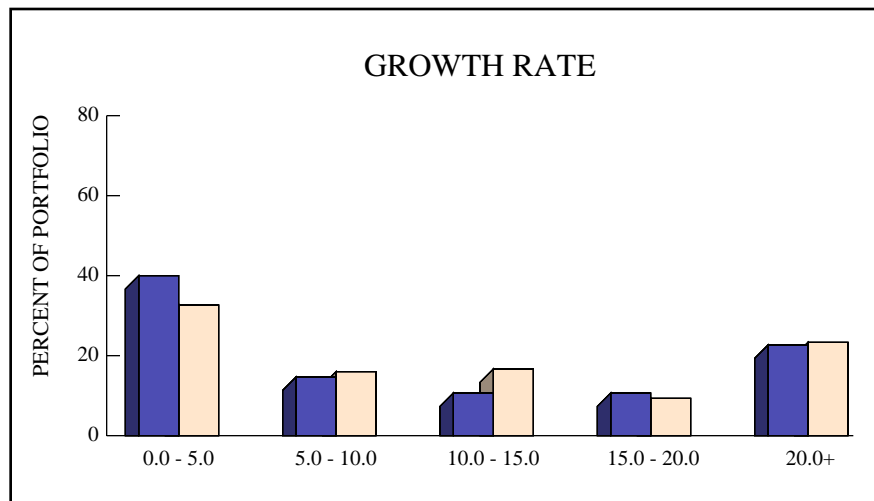
**RATES OF RETURN**

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
12/18	-20.3	-20.2	-0.1
3/19	11.9	14.6	-2.7

**STOCK CHARACTERISTICS**

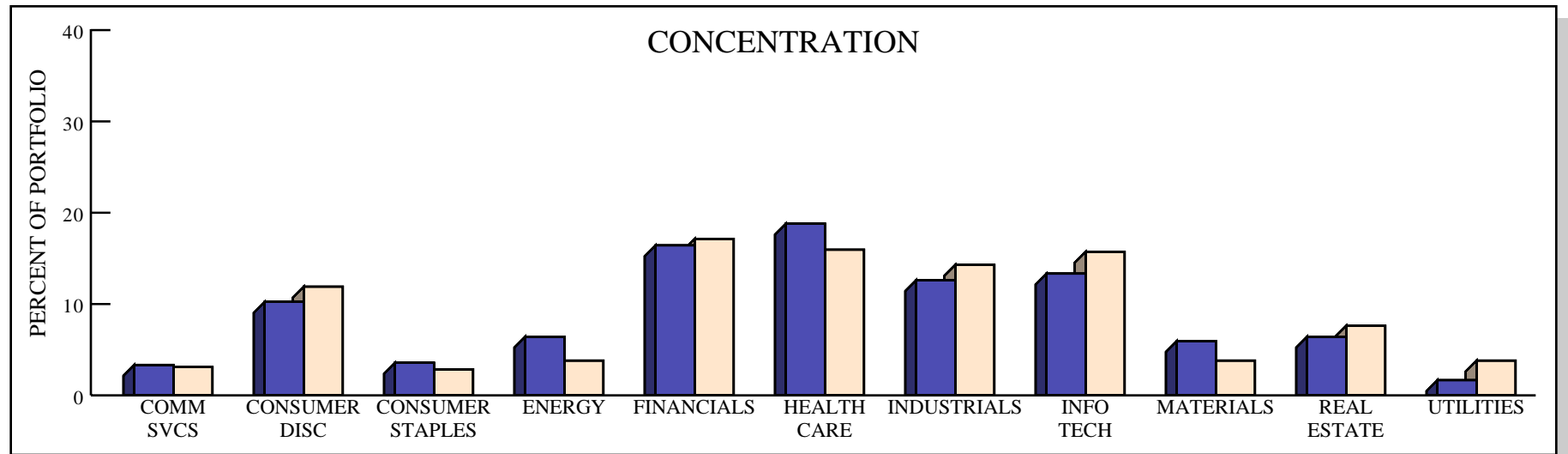


	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	323	1.8%	9.7%	14.1	1.01
RUSSELL 2000	1,998	1.4%	11.7%	17.4	0.98

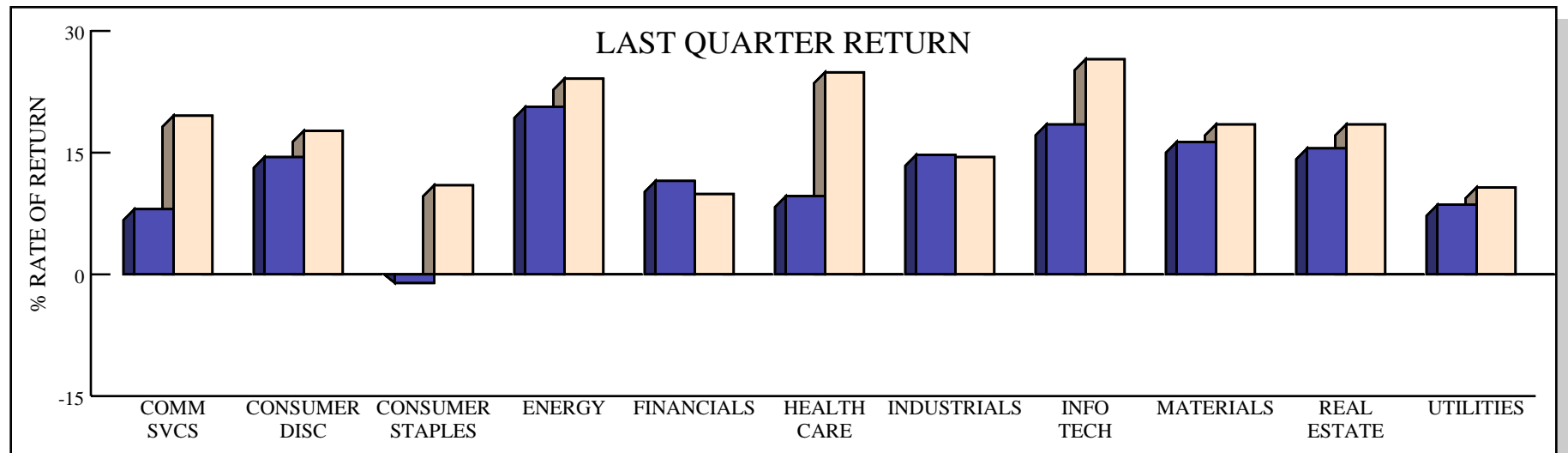




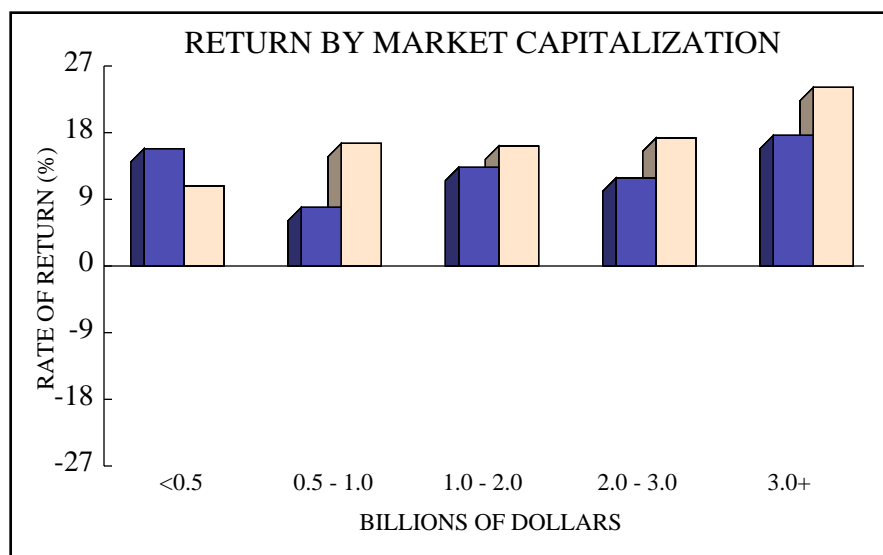
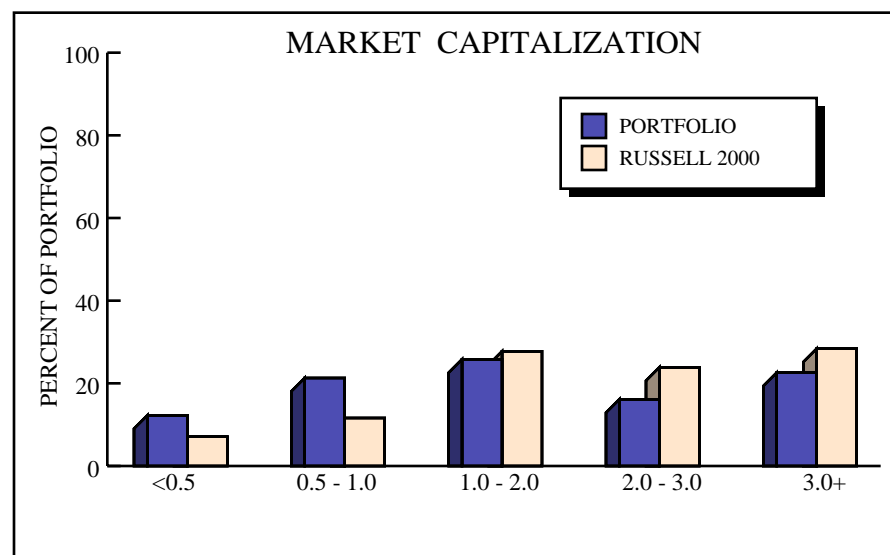
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 2000



## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	W&T OFFSHORE INC	\$ 30,981	.43%	67.5%	Energy	\$ 1.0 B
2	SINCLAIR BROADCAST GROUP -A	30,014	.42%	46.9%	Communication Services	2.5 B
3	MKS INSTRUMENTS INC	29,776	.41%	44.4%	Information Technology	5.0 B
4	CARDTRONICS PLC - A	29,531	.41%	36.9%	Information Technology	1.6 B
5	HORIZON PHARMA PLC	29,205	.41%	35.3%	Health Care	4.9 B
6	NABORS INDUSTRIES LTD	28,862	.40%	72.5%	Energy	1.2 B
7	K12 INC	28,157	.39%	37.7%	Consumer Discretionary	1.4 B
8	WORLD FUEL SERVICES CORP	28,023	.39%	35.2%	Energy	1.9 B
9	RALPH LAUREN CORP	27,881	.39%	26.0%	Consumer Discretionary	6.8 B
10	BRIXMOR PROPERTY GROUP INC	27,831	.39%	27.5%	Real Estate	5.5 B

FRANKLIN REGIONAL RETIREMENT SYSTEM  
PRIT - INTERNATIONAL EQUITY  
PERFORMANCE REVIEW  
MARCH 2019

## **INVESTMENT RETURN**

On March 31st, 2019, the Franklin Regional Retirement System's PRIT International Equity portfolio was valued at \$4,248,132, representing an increase of \$417,228 from the December quarter's ending value of \$3,830,904. Last quarter, the Fund posted withdrawals totaling \$2,411, which partially offset the portfolio's net investment return of \$419,639. Income receipts totaling \$34,655 plus net realized and unrealized capital gains of \$384,984 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

For the first quarter, the PRIT International Equity portfolio returned 11.0%, which was 0.9% above the MSCI EAFE Index's return of 10.1% and ranked in the 45th percentile of the International Equity universe. Over the trailing year, the portfolio returned -4.1%, which was 0.9% below the benchmark's -3.2% return, ranking in the 35th percentile. Since September 2014, the portfolio returned 4.2% annualized and ranked in the 53rd percentile. The MSCI EAFE Index returned an annualized 3.5% 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**

	Qtr / YTD	1 Year	3 Year	5 Year	Since 09/14
<b>Total Portfolio - Gross</b>	11.0	-4.1	7.6	----	4.2
<i>INTERNATIONAL EQUITY RANK</i>	(45)	(35)	(65)	----	(53)
<b>Total Portfolio - Net</b>	10.9	-4.3	7.4	----	4.0
MSCI EAFE	10.1	-3.2	7.8	2.8	3.5
ACWI Ex US	10.4	-3.7	8.6	3.0	3.4
MSCI Emg Mkts	10.0	-7.1	11.1	4.1	3.8
<b>International Equity - Gross</b>	11.0	-4.1	7.6	----	4.2
<i>INTERNATIONAL EQUITY RANK</i>	(45)	(35)	(65)	----	(53)
MSCI EAFE	10.1	-3.2	7.8	2.8	3.5

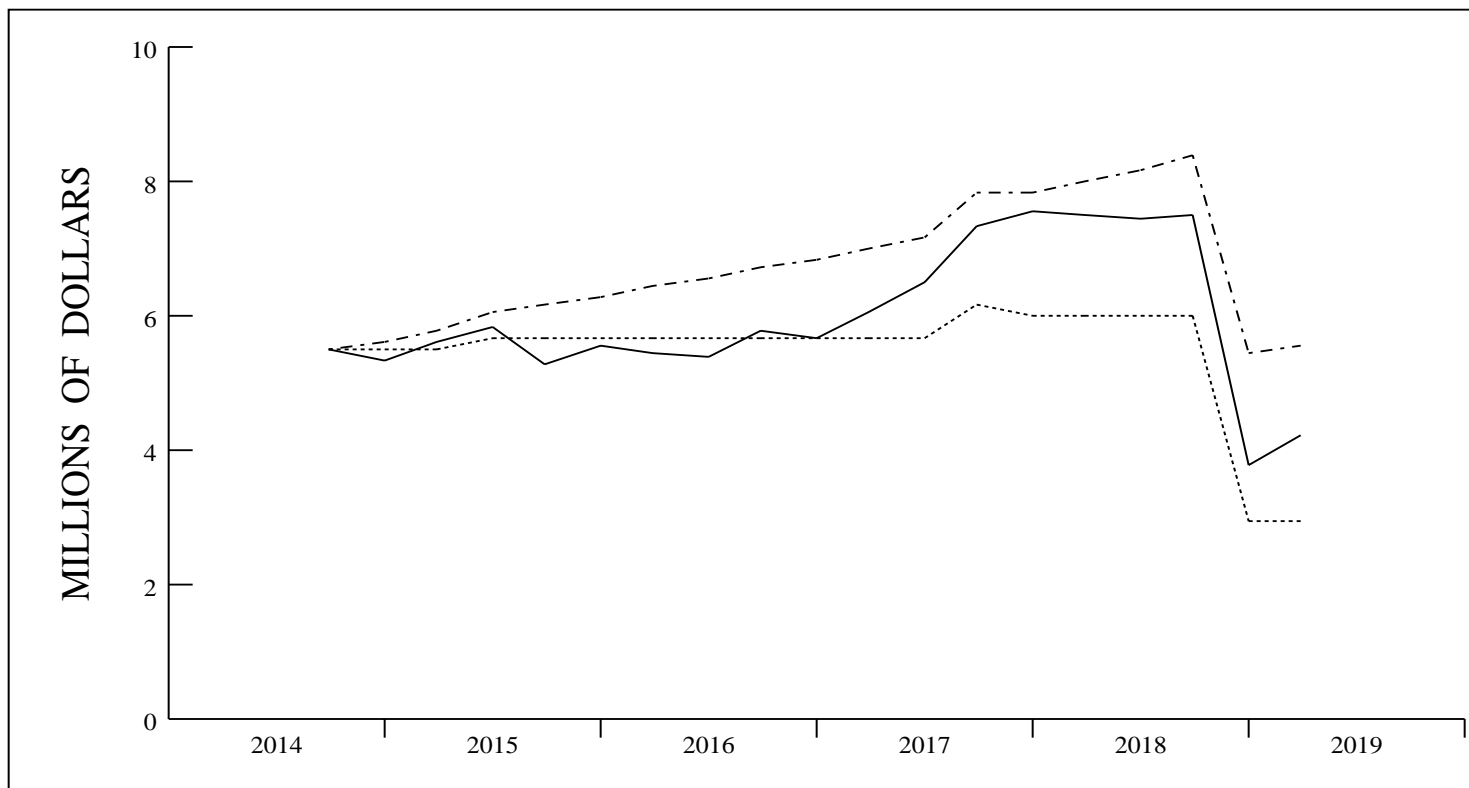
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 4,248,132
Total Portfolio	100.0%	\$ 4,248,132

**INVESTMENT RETURN**

Market Value 12/2018	\$ 3,830,904
Contribs / Withdrawals	- 2,411
Income	34,655
Capital Gains / Losses	384,984
Market Value 3/2019	\$ 4,248,132

**INVESTMENT GROWTH**

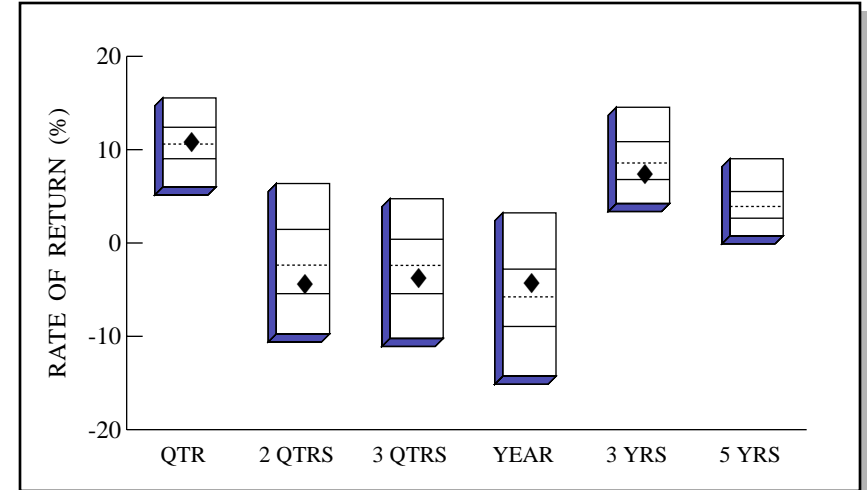
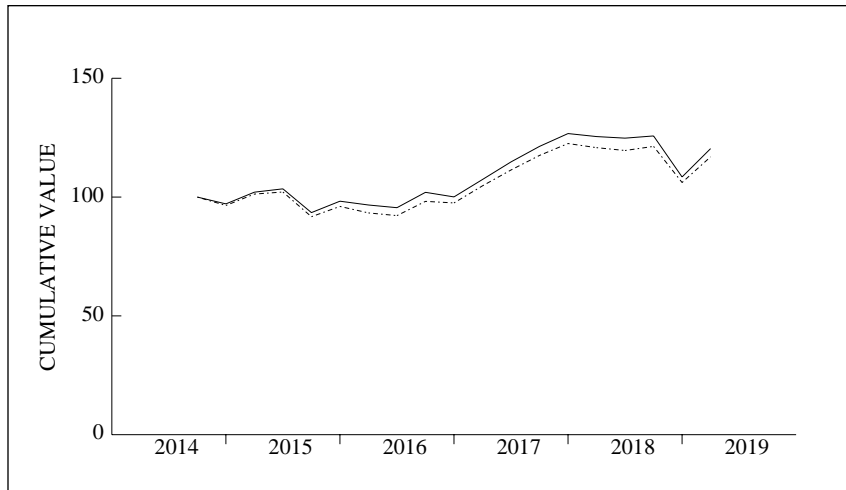


— ACTUAL RETURN  
 - - - 9.0%  
 ..... 0.0%

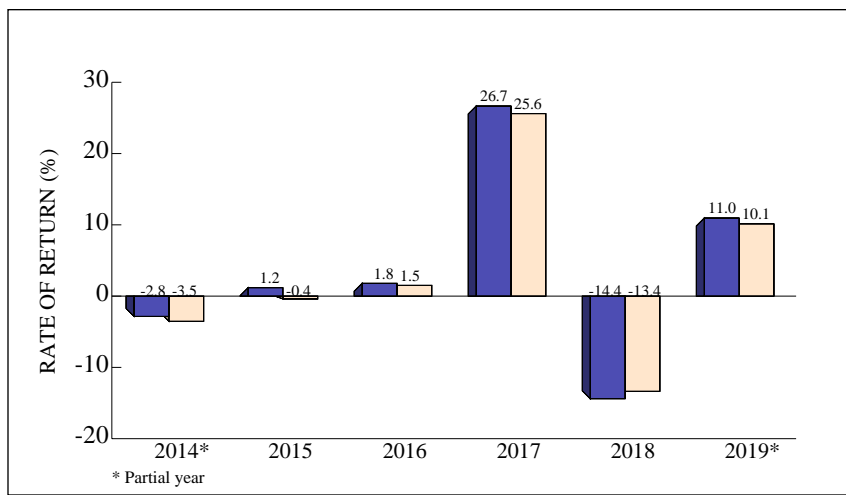
VALUE ASSUMING  
 9.0% RETURN    \$ 5,569,044

	LAST QUARTER	PERIOD 9/14 - 3/19
BEGINNING VALUE	\$ 3,830,904	\$ 5,542,830
NET CONTRIBUTIONS	- 2,411	- 2,585,019
<u>INVESTMENT RETURN</u>	<u>419,639</u>	<u>1,290,321</u>
ENDING VALUE	\$ 4,248,132	\$ 4,248,132
INCOME	34,655	762,430
<u>CAPITAL GAINS (LOSSES)</u>	<u>384,984</u>	<u>527,891</u>
INVESTMENT RETURN	419,639	1,290,321

**TOTAL RETURN COMPARISONS**

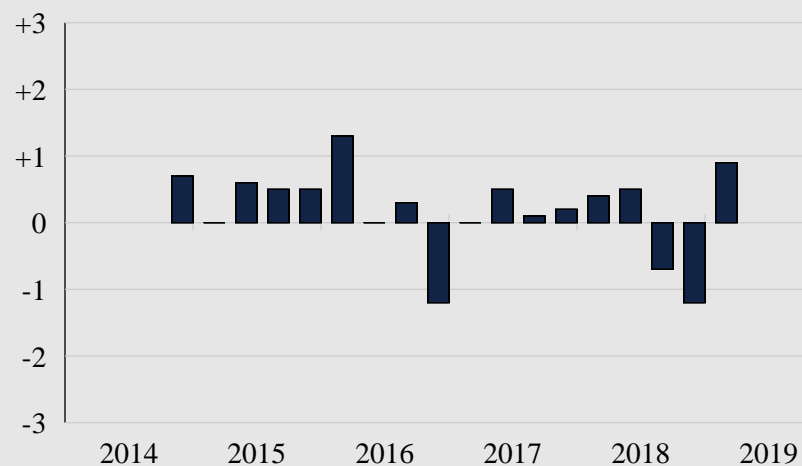


International Equity Universe



	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	11.0	-4.2	-3.5	-4.1	7.6	---
(RANK)	(45)	(67)	(62)	(35)	(65)	---
5TH %ILE	15.5	6.4	4.7	3.2	14.5	9.0
25TH %ILE	12.4	1.5	0.4	-2.8	10.9	5.5
MEDIAN	10.6	-2.4	-2.4	-5.8	8.6	3.9
75TH %ILE	9.0	-5.4	-5.4	-8.9	6.8	2.7
95TH %ILE	6.0	-9.8	-10.2	-14.3	4.2	0.8
<b>MSCI EAFE</b>	<b>10.1</b>	<b>-3.6</b>	<b>-2.3</b>	<b>-3.2</b>	<b>7.8</b>	<b>2.8</b>

International Equity Universe

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

<b>Total Quarters Observed</b>	<b>18</b>
<b>Quarters At or Above the Benchmark</b>	<b>15</b>
<b>Quarters Below the Benchmark</b>	<b>3</b>
<b>Batting Average</b>	<b>.833</b>

**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
12/18	-13.7	-12.5	-1.2
3/19	11.0	10.1	0.9



FRANKLIN REGIONAL RETIREMENT SYSTEM  
PRIT - EMERGING MARKETS  
PERFORMANCE REVIEW  
MARCH 2019

## **INVESTMENT RETURN**

On March 31st, 2019, the Franklin Regional Retirement System's PRIT Emerging Markets portfolio was valued at \$3,113,520, representing an increase of \$309,127 from the December quarter's ending value of \$2,804,393. Last quarter, the Fund posted withdrawals totaling \$4,439, which partially offset the portfolio's net investment return of \$313,566. Income receipts totaling \$11,145 plus net realized and unrealized capital gains of \$302,421 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

For the first quarter, the PRIT Emerging Markets portfolio returned 11.2%, which was 1.2% above the MSCI Emerging Market Index's return of 10.0% and ranked in the 39th percentile of the Emerging Markets universe.

## **ASSET ALLOCATION**

This portfolio was fully invested in the PRIT Emerging Markets portfolio at the end of the quarter.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Qtr / YTD	1 Year	3 Year	5 Year	Since 12/18
<b>Total Portfolio - Gross</b>	11.2	----	----	----	11.2
<i>EMERGING MARKETS RANK</i>	(39)	----	----	----	(39)
<b>Total Portfolio - Net</b>	11.0	----	----	----	11.0
MSCI Emg Mkts	10.0	-7.1	11.1	4.1	10.0
<b>Emerging Markets Equity - Gross</b>	11.2	----	----	----	11.2
<i>EMERGING MARKETS RANK</i>	(39)	----	----	----	(39)
MSCI Emg Mkts	10.0	-7.1	11.1	4.1	10.0

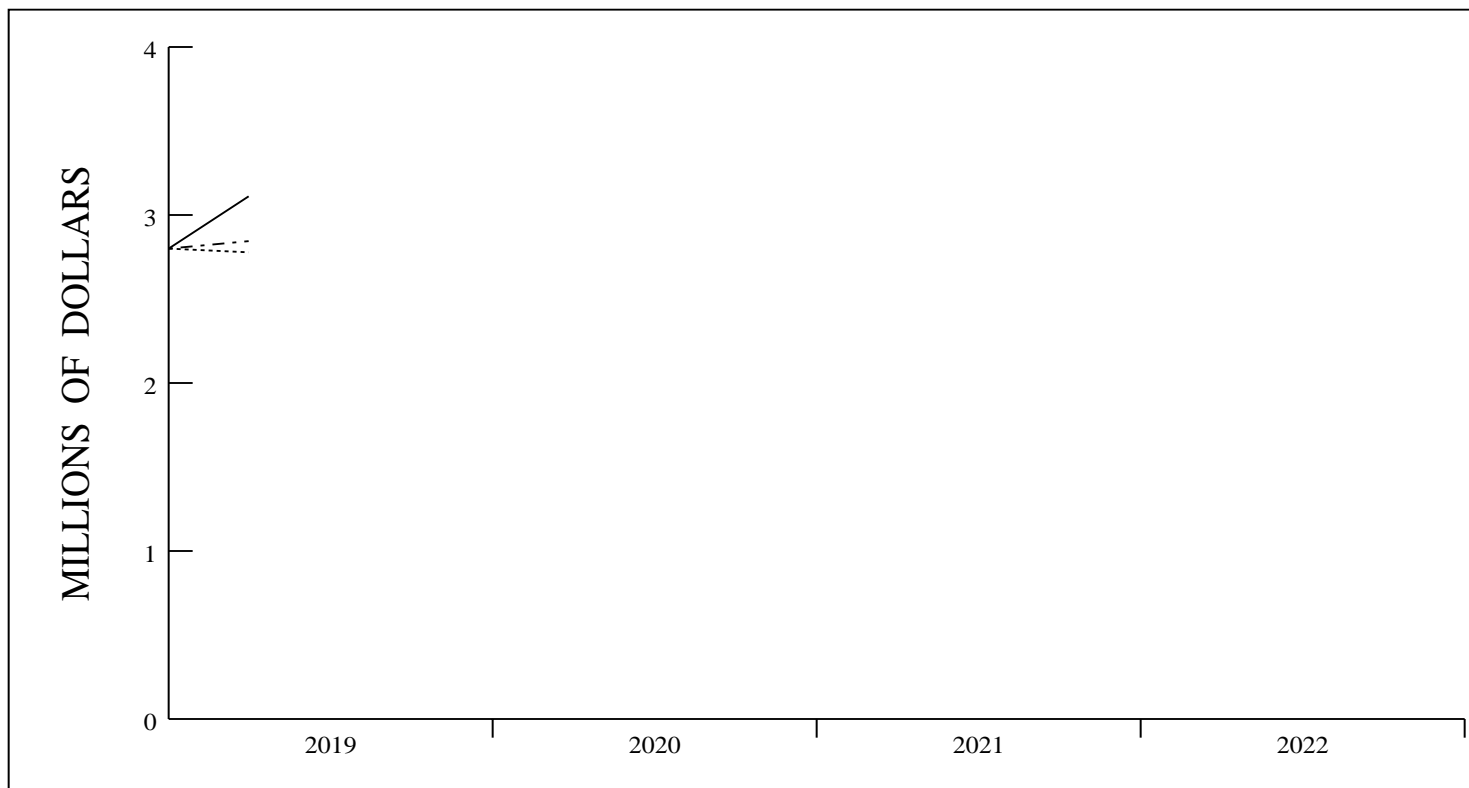
**ASSET ALLOCATION**

Emerging Markets	100.0%	\$ 3,113,520
Total Portfolio	100.0%	\$ 3,113,520

**INVESTMENT RETURN**

Market Value 12/2018	\$ 2,804,393
Contribs / Withdrawals	- 4,439
Income	11,145
Capital Gains / Losses	302,421
Market Value 3/2019	\$ 3,113,520

**INVESTMENT GROWTH**

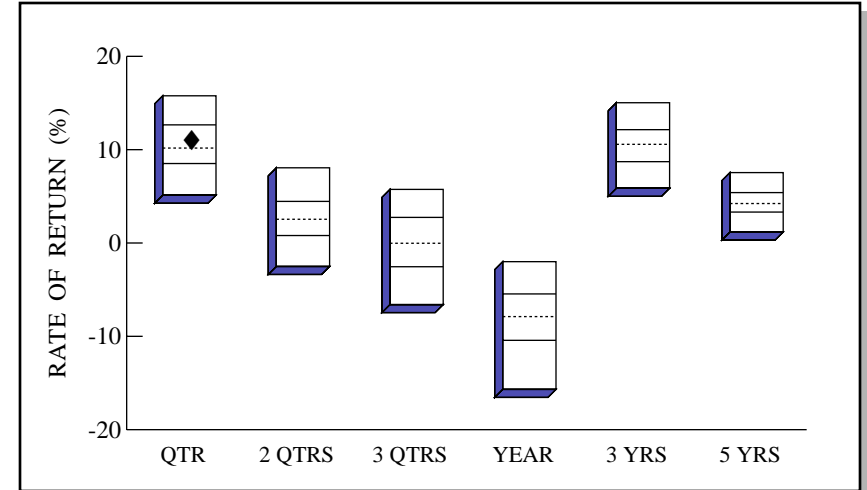
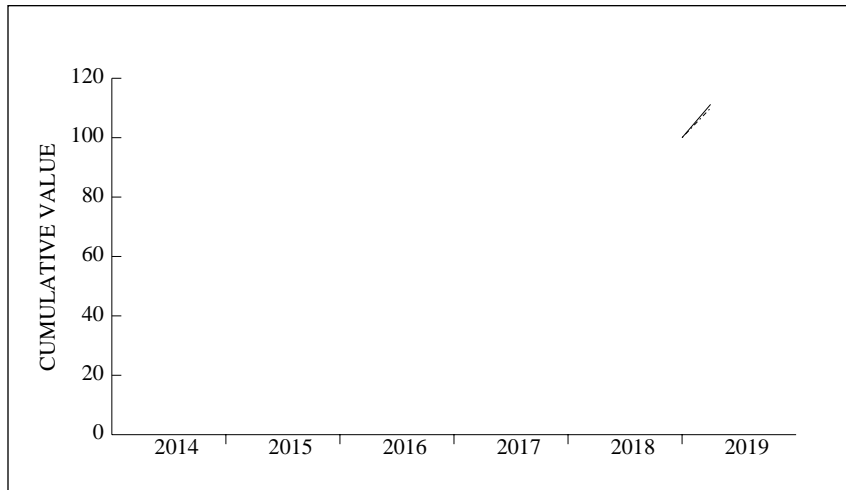


— ACTUAL RETURN  
 - - - 7.75%  
 . . . 0.0%

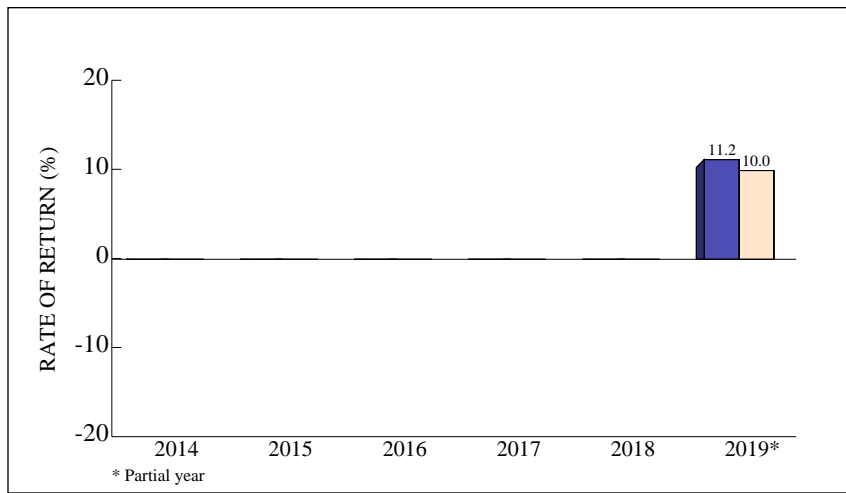
VALUE ASSUMING  
 7.75% RETURN \$ 2,852,736

	LAST QUARTER	LAST QUARTER
BEGINNING VALUE	\$ 2,804,393	\$ 2,804,393
NET CONTRIBUTIONS	- 4,439	- 4,439
<u>INVESTMENT RETURN</u>	<u>313,566</u>	<u>313,566</u>
ENDING VALUE	\$ 3,113,520	\$ 3,113,520
INCOME	11,145	11,145
<u>CAPITAL GAINS (LOSSES)</u>	<u>302,421</u>	<u>302,421</u>
INVESTMENT RETURN	313,566	313,566

**TOTAL RETURN COMPARISONS**



Emerging Markets Universe



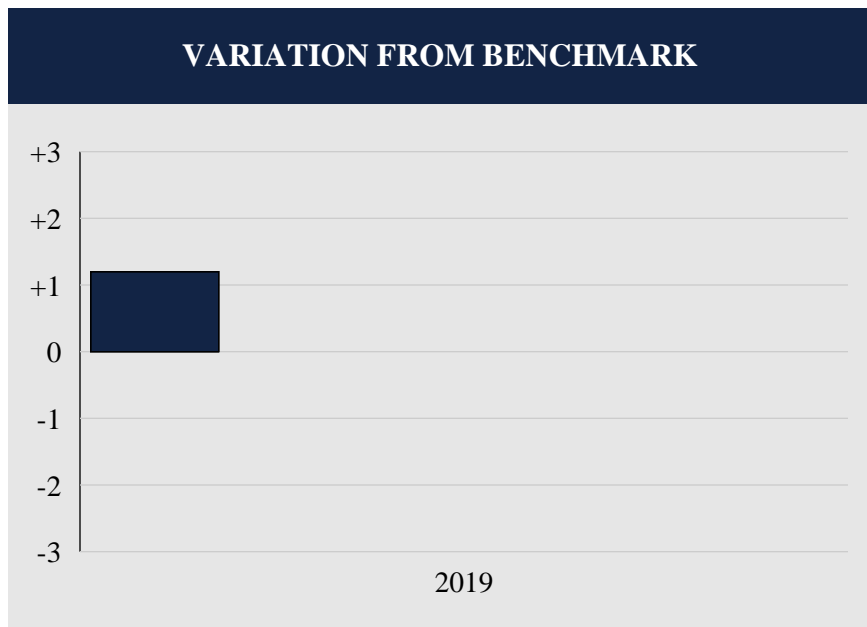
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	11.2	---	---	---	---	---
(RANK)	(39)	---	---	---	---	---
5TH %ILE	15.8	8.1	5.7	-2.0	15.0	7.5
25TH %ILE	12.7	4.5	2.7	-5.5	12.2	5.4
MEDIAN	10.2	2.6	0.0	-7.9	10.6	4.2
75TH %ILE	8.5	0.8	-2.5	-10.4	8.7	3.3
95TH %ILE	5.1	-2.5	-6.6	-15.7	5.9	1.2
<b>MSCI EM</b>	<b>10.0</b>	<b>1.8</b>	<b>0.9</b>	<b>-7.1</b>	<b>11.1</b>	<b>4.1</b>

Emerging Markets Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: MSCI EMERGING MARKETS**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/19	11.2	10.0	1.2

<b>Total Quarters Observed</b>	<b>1</b>
<b>Quarters At or Above the Benchmark</b>	<b>1</b>
<b>Quarters Below the Benchmark</b>	<b>0</b>
<b>Batting Average</b>	<b>1.000</b>

FRANKLIN REGIONAL RETIREMENT SYSTEM  
PRIT - CORE REAL ESTATE ACCOUNT  
PERFORMANCE REVIEW  
MARCH 2019

## **INVESTMENT RETURN**

On March 31st, 2019, the Franklin Regional Retirement System's PRIT Core Real Estate Account portfolio was valued at \$15,787,458, representing an increase of \$724,743 from the December quarter's ending value of \$15,062,715. Last quarter, the Fund posted withdrawals totaling \$19,875, which partially offset the portfolio's net investment return of \$744,618. Income receipts totaling \$169,933 plus net realized and unrealized capital gains of \$574,685 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

For the first quarter, the PRIT Core Real Estate Account account gained 4.9%, which was 3.5% greater than the NCREIF NFI-ODCE Index's return of 1.4%. Over the trailing twelve-month period, the account returned 9.5%, which was 2.0% above the benchmark's 7.5% performance. Since March 2014, the portfolio returned 10.0% per annum, while the NCREIF NFI-ODCE Index returned an annualized 10.2% 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**

	<b>Qtr / YTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>
<b>Total Portfolio - Gross</b>	4.9	9.5	8.2	10.0
<b>Total Portfolio - Net</b>	4.8	9.0	7.7	9.5
NCREIF ODCE	1.4	7.5	8.0	10.2
<b>Real Estate - Gross</b>	4.9	9.5	8.2	10.0
NCREIF ODCE	1.4	7.5	8.0	10.2

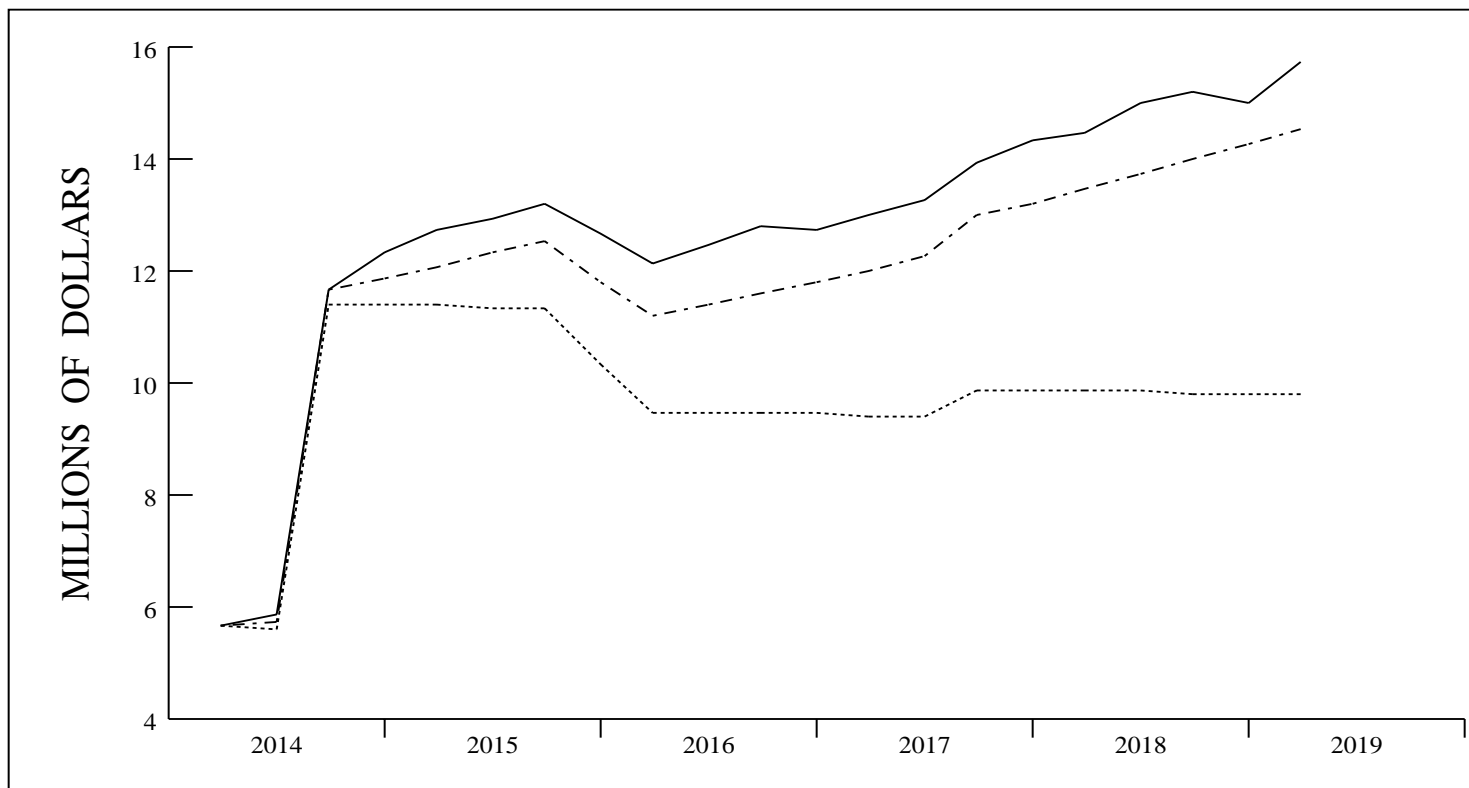
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 15,787,458
Total Portfolio	100.0%	\$ 15,787,458

**INVESTMENT RETURN**

Market Value 12/2018	\$ 15,062,715
Contribs / Withdrawals	- 19,875
Income	169,933
Capital Gains / Losses	574,685
Market Value 3/2019	\$ 15,787,458

**INVESTMENT GROWTH**



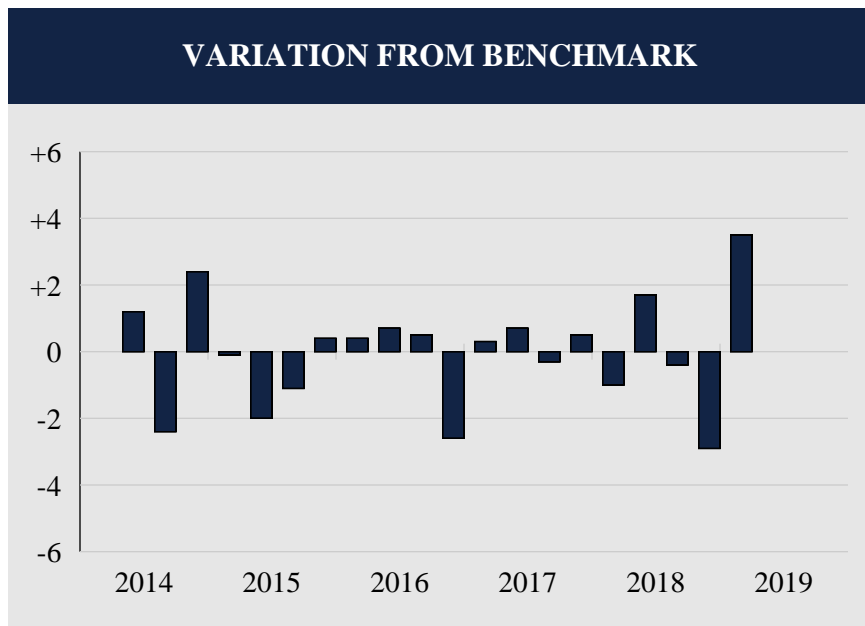
— ACTUAL RETURN  
 - - - 8.25%  
 . . . 0.0%

VALUE ASSUMING  
 8.25% RETURN \$ 14,546,905

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 15,062,715	\$ 5,672,759
NET CONTRIBUTIONS	- 19,875	4,141,368
<u>INVESTMENT RETURN</u>	<u>744,618</u>	<u>5,973,331</u>
ENDING VALUE	\$ 15,787,458	\$ 15,787,458
INCOME	169,933	3,032,458
<u>CAPITAL GAINS (LOSSES)</u>	<u>574,685</u>	<u>2,940,873</u>
INVESTMENT RETURN	744,618	5,973,331

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
12/18	-1.1	1.8	-2.9
3/19	4.9	1.4	3.5

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

FRANKLIN REGIONAL RETIREMENT SYSTEM  
LOOMIS, SAYLES & COMPANY - NHIT CORE FIXED INCOME  
PERFORMANCE REVIEW  
MARCH 2019

## **INVESTMENT RETURN**

On March 31st, 2019, the Franklin Regional Retirement System's Loomis, Sayles & Company NHIT Core Fixed Income portfolio was valued at \$11,657,191, representing an increase of \$400,438 from the December quarter's ending value of \$11,256,753. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$400,438 in net investment returns. Since there were no income receipts for the first quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$400,438.

## **RELATIVE PERFORMANCE**

During the first quarter, the Loomis, Sayles & Company NHIT Core Fixed Income portfolio gained 3.6%, which was 0.7% greater than the Bloomberg Barclays Aggregate Index's return of 2.9% and ranked in the 13th percentile of the Core Fixed Income universe.

## **BOND ANALYSIS**

At the end of the quarter, approximately 35% of the total bond portfolio was comprised of USG quality securities. The remainder of the portfolio consisted of corporate securities, rated AAA through less than BBB, giving the portfolio an overall average quality rating of AA. The average maturity of the portfolio was 8.24 years, longer than the Bloomberg Barclays Aggregate Index's 8.07-year maturity. The average coupon was 3.60%.

## **ASSET ALLOCATION**

This portfolio was fully invested in the Loomis Sayles & Company NHIT Core Fixed Income portfolio at the end of the quarter.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Qtr / YTD	1 Year	3 Year	5 Year	Since 09/18
<b>Total Portfolio - Gross</b>	3.6	----	----	----	4.8
<i>CORE FIXED INCOME RANK</i>	(13)	----	----	----	(32)
<b>Total Portfolio - Net</b>	3.5	----	----	----	4.7
Aggregate Index	2.9	4.5	2.0	2.7	4.6
<b>Fixed Income - Gross</b>	3.6	----	----	----	4.8
<i>CORE FIXED INCOME RANK</i>	(13)	----	----	----	(32)
Aggregate Index	2.9	4.5	2.0	2.7	4.6

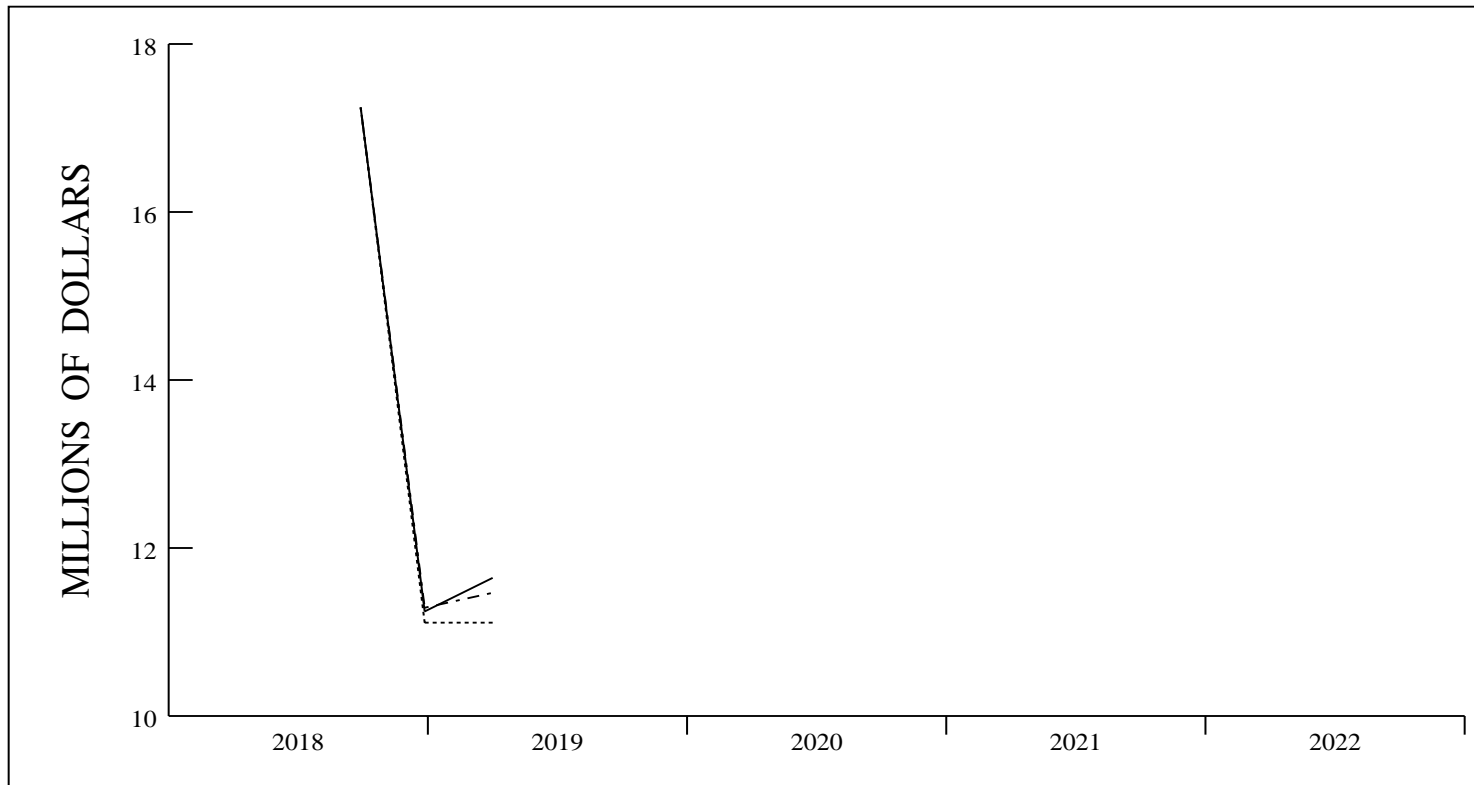
**ASSET ALLOCATION**

Fixed Income	100.0%	\$ 11,657,191
Total Portfolio	100.0%	\$ 11,657,191

**INVESTMENT RETURN**

Market Value 12/2018	\$ 11,256,753
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	400,438
Market Value 3/2019	\$ 11,657,191

**INVESTMENT GROWTH**

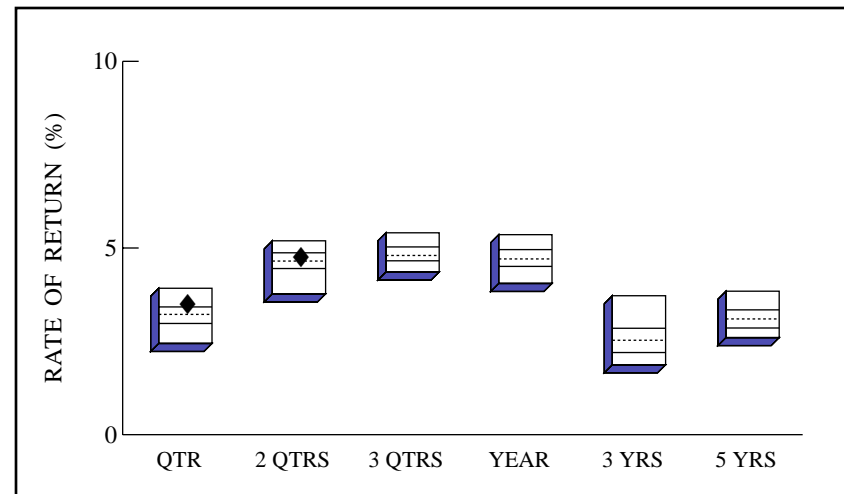
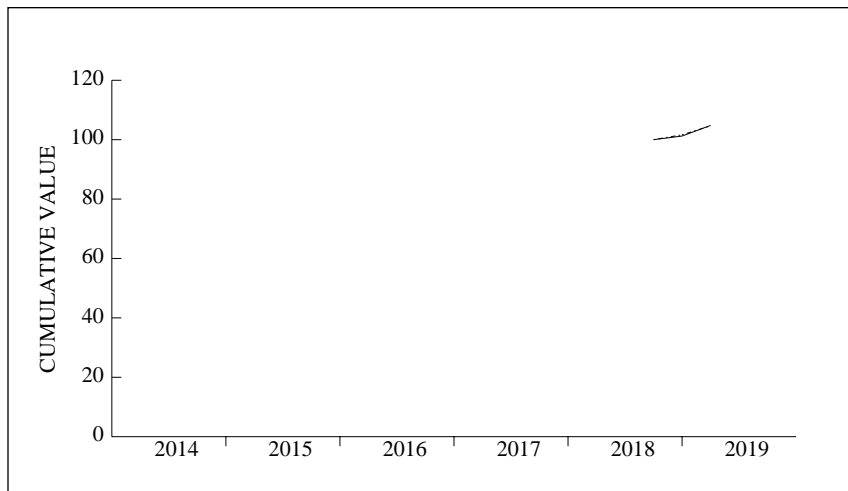


———	ACTUAL RETURN
- - - - -	6.0%
.....	0.0%

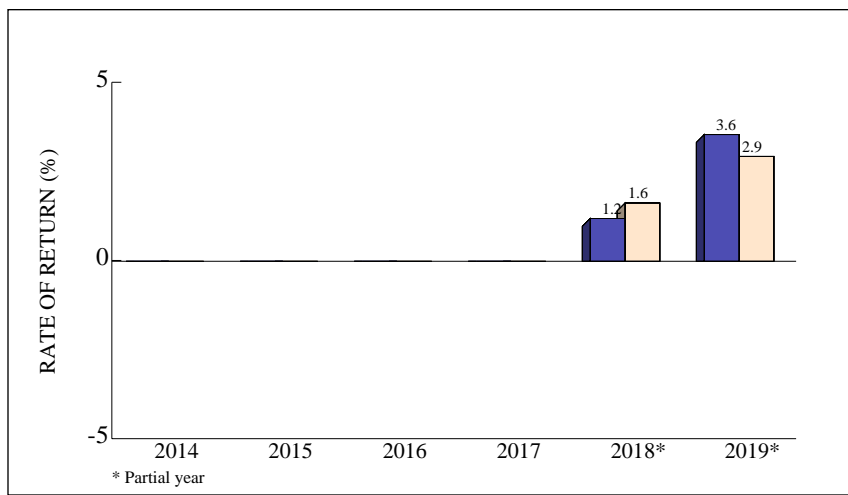
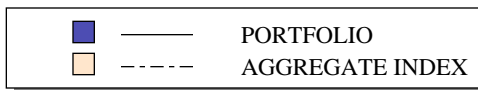
VALUE ASSUMING	
6.0% RETURN	\$ 11,480,038

	LAST QUARTER	PERIOD 9/18 - 3/19
BEGINNING VALUE	\$ 11,256,753	\$ 17,263,974
NET CONTRIBUTIONS	0	- 6,128,418
INVESTMENT RETURN	400,438	521,635
ENDING VALUE	\$ 11,657,191	\$ 11,657,191
INCOME	0	0
CAPITAL GAINS (LOSSES)	400,438	521,635
INVESTMENT RETURN	400,438	521,635

**TOTAL RETURN COMPARISONS**



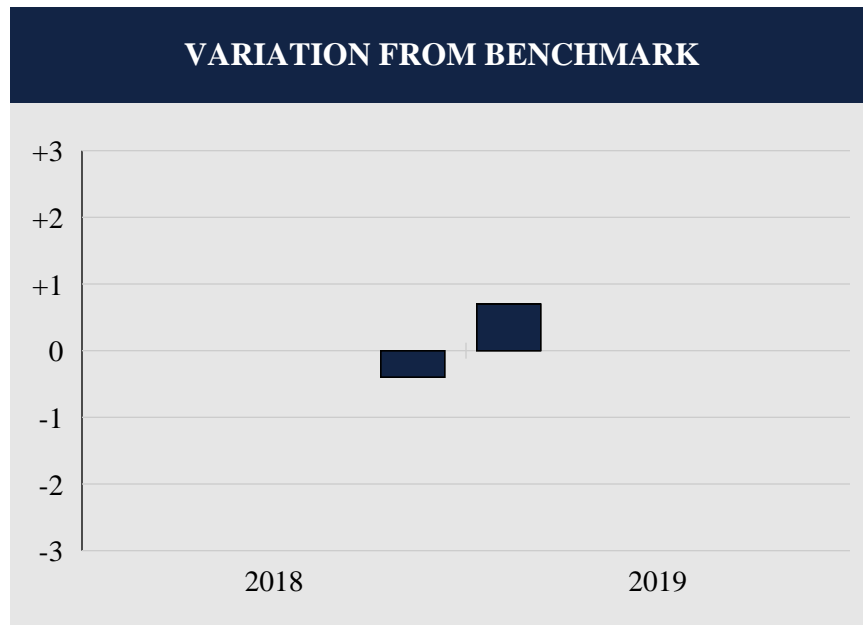
Core Fixed Income Universe



	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	3.6	4.8	---	---	---	---
(RANK)	(13)	(32)	---	---	---	---
5TH %ILE	3.9	5.2	5.4	5.4	3.7	3.8
25TH %ILE	3.4	4.9	5.0	5.0	2.9	3.3
MEDIAN	3.2	4.7	4.8	4.7	2.5	3.1
75TH %ILE	3.0	4.5	4.7	4.5	2.2	2.9
95TH %ILE	2.4	3.8	4.4	4.1	1.9	2.6
<b>Agg</b>	<b>2.9</b>	<b>4.6</b>	<b>4.6</b>	<b>4.5</b>	<b>2.0</b>	<b>2.7</b>

Core Fixed Income Universe

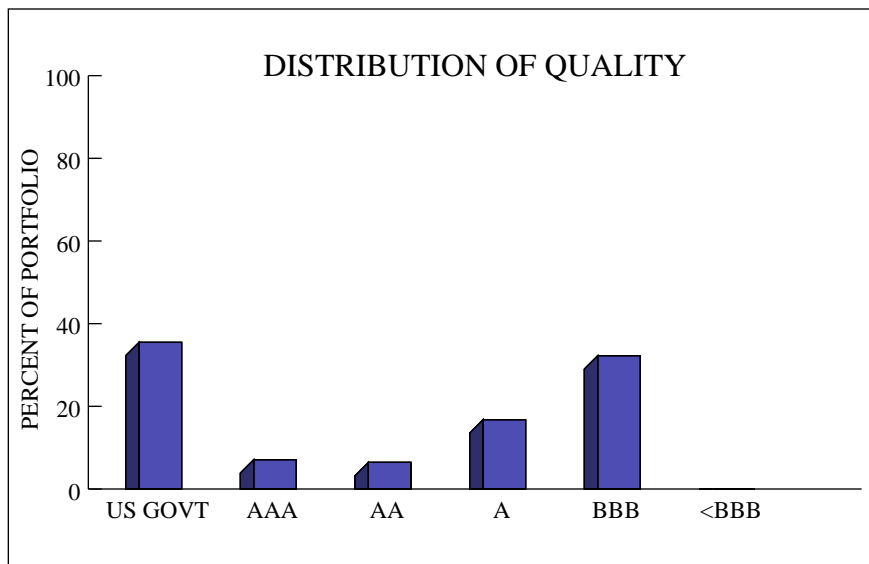
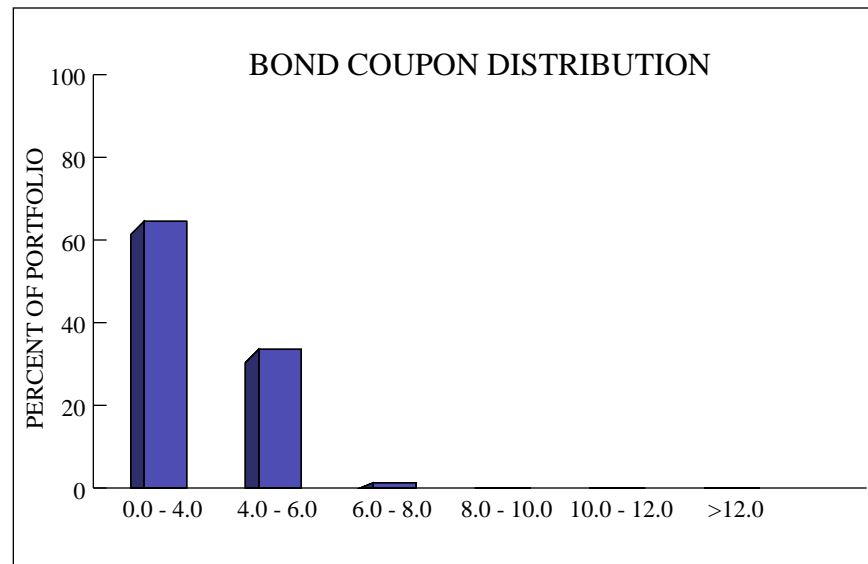
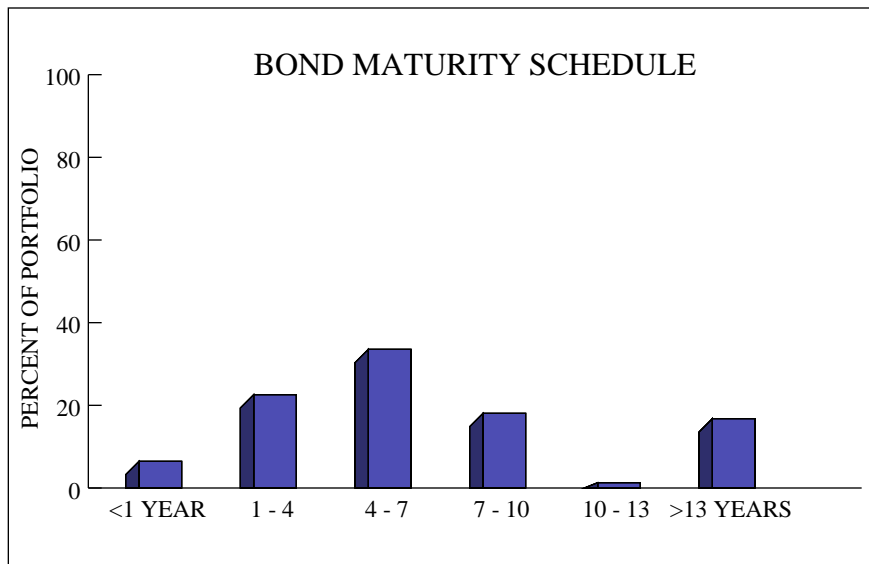


**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY****COMPARATIVE BENCHMARK: BLOOMBERG BARCLAYS AGGREGATE INDEX**

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
12/18	1.2	1.6	-0.4
3/19	3.6	2.9	0.7

<b>Total Quarters Observed</b>	<b>2</b>
<b>Quarters At or Above the Benchmark</b>	<b>1</b>
<b>Quarters Below the Benchmark</b>	<b>1</b>
<b>Batting Average</b>	<b>.500</b>

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>AGGREGATE INDEX</b>
No. of Securities	587	10,374
Duration	6.05	5.82
YTM	3.21	2.93
Average Coupon	3.60	3.23
Avg Maturity / WAL	8.24	8.07
Average Quality	AA	USG-AAA

FRANKLIN REGIONAL RETIREMENT SYSTEM  
PRIT - VALUE ADDED FIXED INCOME  
PERFORMANCE REVIEW  
MARCH 2019

## **INVESTMENT RETURN**

On March 31st, 2019, the Franklin Regional Retirement System's PRIT Value Added Fixed Income portfolio was valued at \$6,270,389, representing an increase of \$304,999 from the December quarter's ending value of \$5,965,390. Last quarter, the Fund posted withdrawals totaling \$17,644, which partially offset the portfolio's net investment return of \$322,643. Income receipts totaling \$103,893 plus net realized and unrealized capital gains of \$218,750 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

*The PRIT Value Added Fixed Income Index is a blended index comprised as follows: 25% ML US High Yield Master Index, 40% S&P LSTA Leveraged Loan Index, and 35% JPM Emerging Debt Index.*

For the first quarter, the PRIT Value Added Fixed Income portfolio returned 5.4%, which was 0.5% below the Blended Value Added Fixed Income Index's return of 5.9% and ranked in the 75th percentile of the High Yield Fixed Income universe.

## **ASSET ALLOCATION**

The portfolio was fully invested in the PRIT Value Added Fixed Income portfolio at the end of the quarter.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Qtr / YTD	1 Year	3 Year	5 Year	Since 12/18
<b>Total Portfolio - Gross</b>	5.4	----	----	----	5.4
<i>HIGH YIELD FIXED RANK</i>	(75)	----	----	----	(75)
<b>Total Portfolio - Net</b>	5.1	----	----	----	5.1
Value Added Index	5.9	4.2	6.5	4.6	5.9
<b>Fixed Income - Gross</b>	5.4	----	----	----	5.4
<i>HIGH YIELD FIXED RANK</i>	(75)	----	----	----	(75)
Value Added Index	5.9	4.2	6.5	4.6	5.9

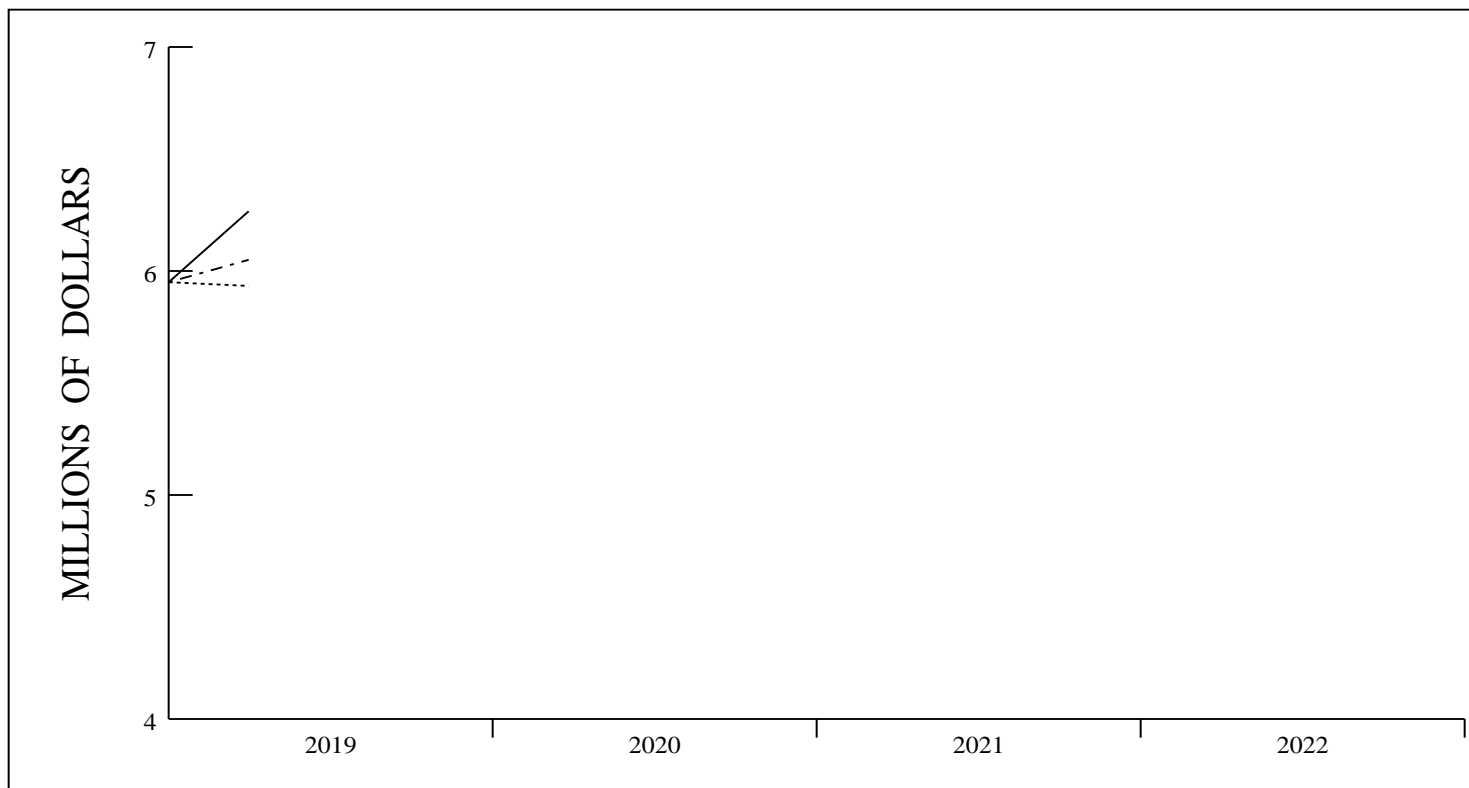
**ASSET ALLOCATION**

Fixed Income	100.0%	\$ 6,270,389
Total Portfolio	100.0%	\$ 6,270,389

**INVESTMENT RETURN**

Market Value 12/2018	\$ 5,965,390
Contribs / Withdrawals	- 17,644
Income	103,893
Capital Gains / Losses	218,750
Market Value 3/2019	\$ 6,270,389

**INVESTMENT GROWTH**

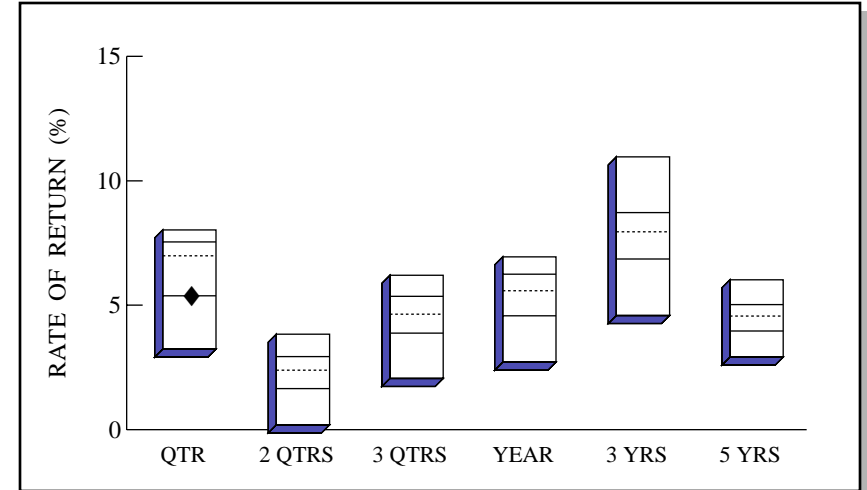
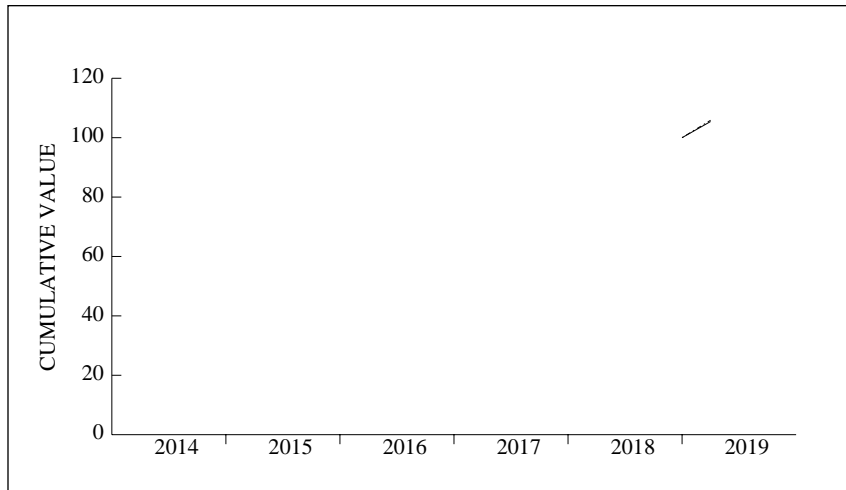


————	ACTUAL RETURN
-----	7.75%
.....	0.0%

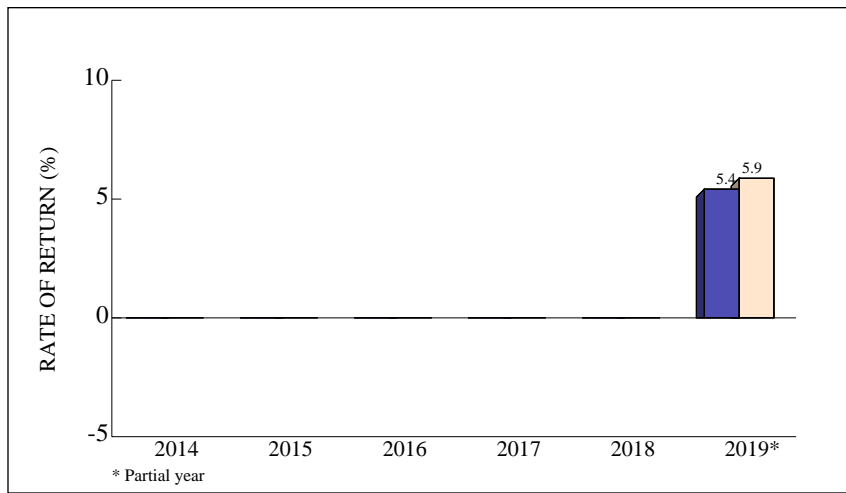
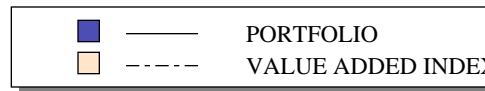
VALUE ASSUMING	
7.75% RETURN	\$ 6,059,911

	LAST QUARTER	LAST QUARTER
BEGINNING VALUE	\$ 5,965,390	\$ 5,965,390
NET CONTRIBUTIONS	- 17,644	- 17,644
<u>INVESTMENT RETURN</u>	<u>322,643</u>	<u>322,643</u>
ENDING VALUE	\$ 6,270,389	\$ 6,270,389
INCOME	103,893	103,893
<u>CAPITAL GAINS (LOSSES)</u>	<u>218,750</u>	<u>218,750</u>
INVESTMENT RETURN	322,643	322,643

**TOTAL RETURN COMPARISONS**



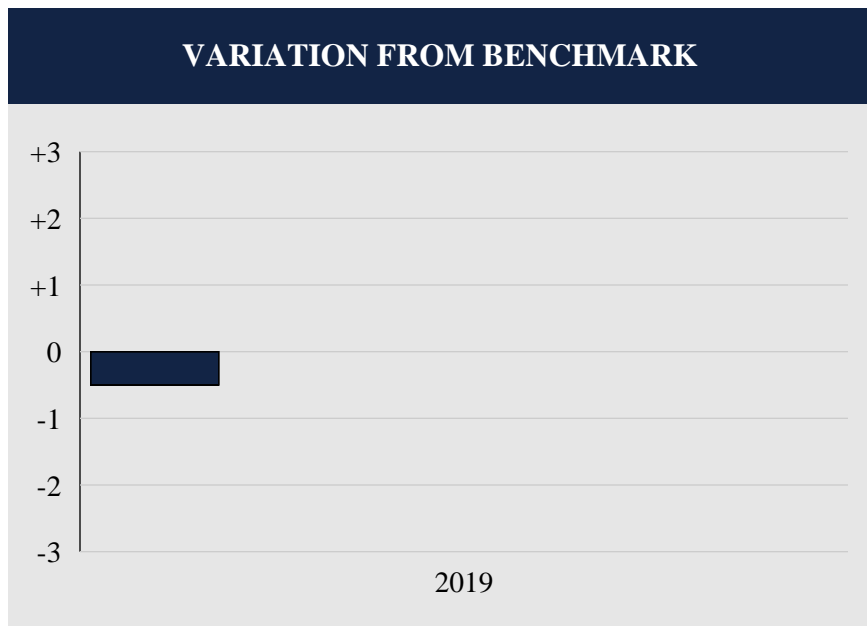
High Yield Fixed Universe



	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	5.4	---	---	---	---	---
(RANK)	(75)	---	---	---	---	---
5TH %ILE	8.0	3.8	6.2	6.9	11.0	6.0
25TH %ILE	7.5	2.9	5.4	6.3	8.7	5.0
MEDIAN	7.0	2.4	4.6	5.6	8.0	4.6
75TH %ILE	5.4	1.7	3.9	4.6	6.9	4.0
95TH %ILE	3.2	0.2	2.1	2.7	4.6	2.9
<b>Value Added</b>	<b>5.9</b>	<b>2.7</b>	<b>4.9</b>	<b>4.2</b>	<b>6.5</b>	<b>4.6</b>

High Yield Fixed Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**  
**COMPARATIVE BENCHMARK: BLENDED VALUE ADDED FIXED INCOME INDEX**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/19	5.4	5.9	-0.5

<b>Total Quarters Observed</b>	<b>1</b>
<b>Quarters At or Above the Benchmark</b>	<b>0</b>
<b>Quarters Below the Benchmark</b>	<b>1</b>
<b>Batting Average</b>	<b>.000</b>