

Investment Performance Review  
Period Ending March 31, 2018

## Austin Police

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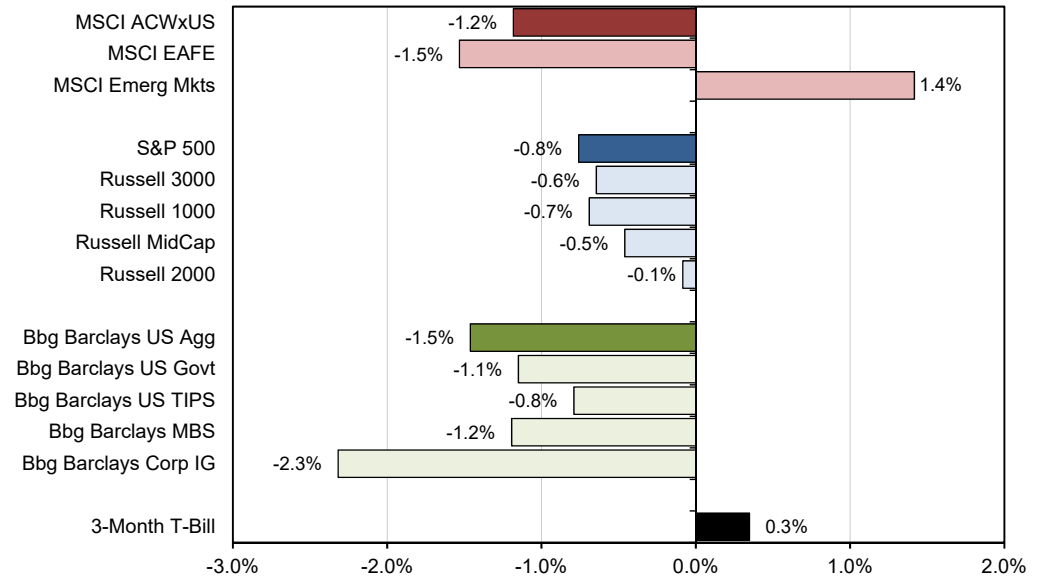


# 1st Quarter 2018 Market Environment

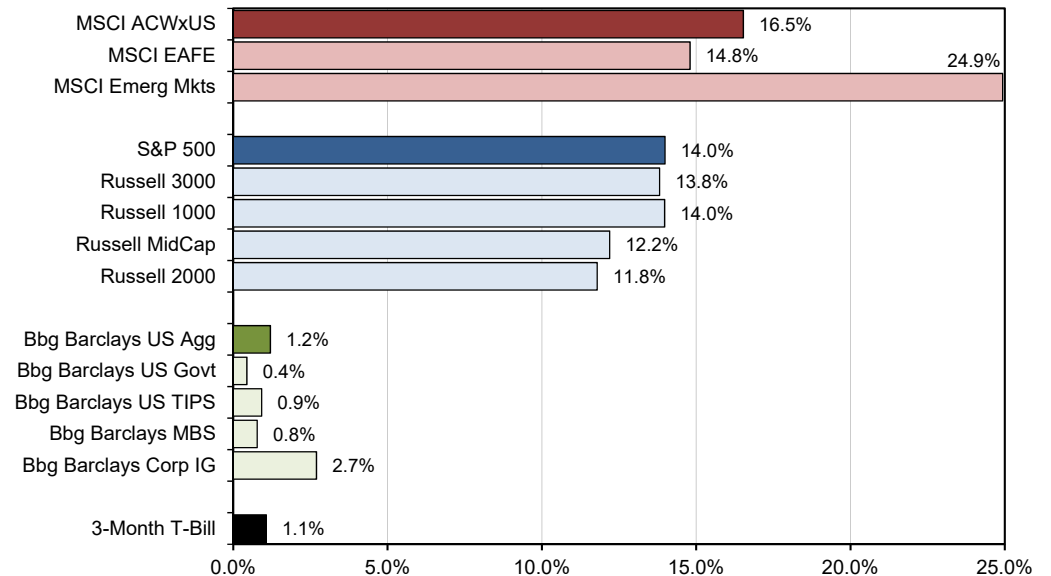


- Market returns were broadly negative across major equity and fixed income indices as we finished a highly volatile 1<sup>st</sup> quarter of 2018. Broad domestic and international equity markets pulled back modestly following a very strong 2017. Fixed income indices also posted negative results, producing returns in-line with those of equities during the quarter. However, when viewed over the past 1-year period, returns remain positive for major indices as improving macroeconomic data and robust corporate earnings worldwide outweighed the near-term market uncertainty. The US stock market represented by the Russell 3000 Index returned -0.6% and 13.8% for the quarter and 1-year period respectively. While the Russell 3000 outperformed the international MSCI ACWI ex US Index during the 1<sup>st</sup> quarter, international stocks have performed better over the last 12 months. While the US economy continues to show signs of expansion, investors focused on the future path of Federal Reserve (Fed) monetary policy and the emergence of new protectionist trade policies from the Trump administration during the quarter.
- International equity market benchmarks were mixed with developed markets posting modestly negative returns and emerging markets earning a slightly positive result. This is a continuation of the 2017 trend of emerging market outperformance relative to developed market equities. Emerging market stocks returned 1.4% and 24.9% over the quarter and 1-year period respectively. While the developed market MSCI EAFE Index lost ground through the 1<sup>st</sup> quarter, returning -1.5%, it still posted solid gains over the 1-year period returning 14.8%, narrowly outpacing major US indices. The strength in fundamentals abroad, ongoing US Dollar (USD) weakness and relatively accommodative global central bank policies continue to act as a tailwind to international markets relative to their US counterparts. Consequently, as the global recovery continues to take hold, international central banks have started to telegraph a greater likelihood of reduced stimulus in the future. Many international markets also saw their returns influenced, both positively and negatively, by ongoing political developments throughout the quarter.
- Interest rates on the US Treasury Yield Curve ended the 1<sup>st</sup> quarter of 2018 higher across all maturities. The movement in rates was considerable during the quarter as markets reacted to the greater likelihood of increasing inflation and a more restrictive than expected US monetary policy going forward. The Fed followed suit by increasing short-term interest rates by 25 basis points at their March meeting, the third increase in the last 12 months. The rising interest rate environment negatively impacted fixed income market returns for the quarter. The Bloomberg Barclays US Aggregate Index fell -1.5% for the quarter, but managed a positive 1.2% return for the 1-year period. Corporate credit reversed its 2017 trend of outperformance relative to other investment grade sectors returning -2.3% during the 1<sup>st</sup> quarter as credit spreads began to widen.

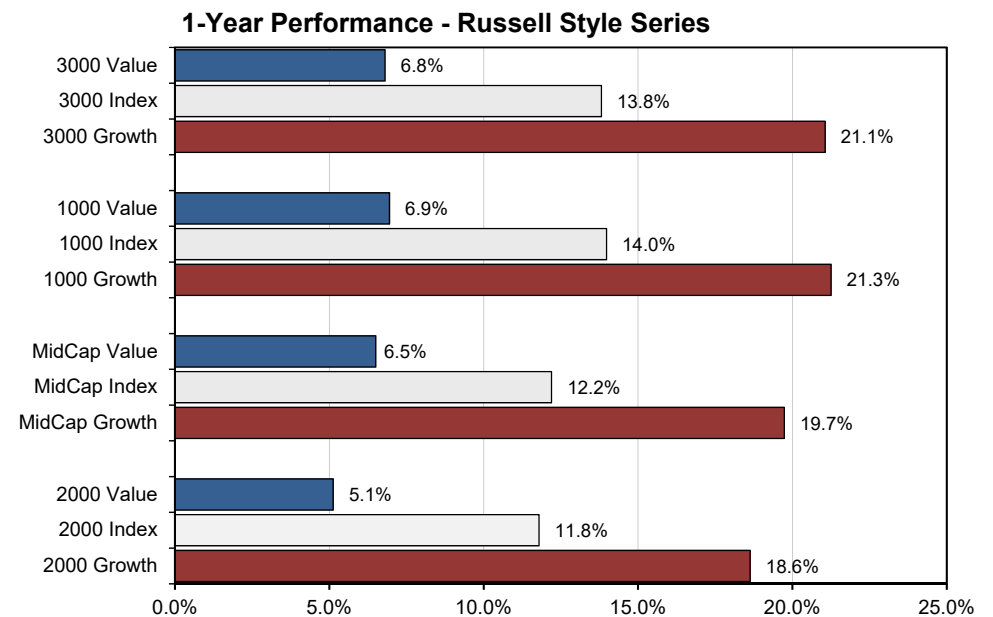
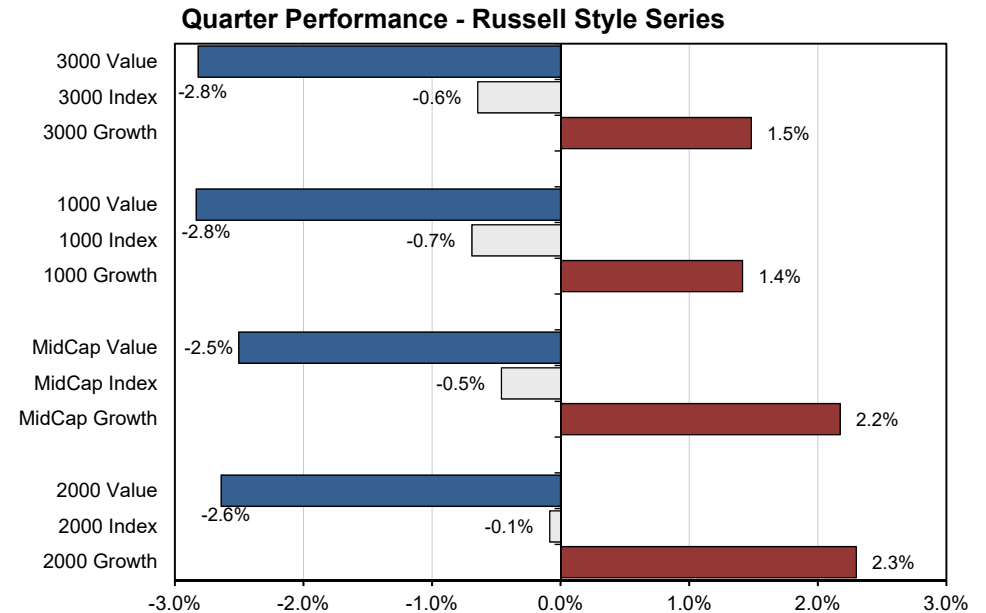
### Quarter Performance



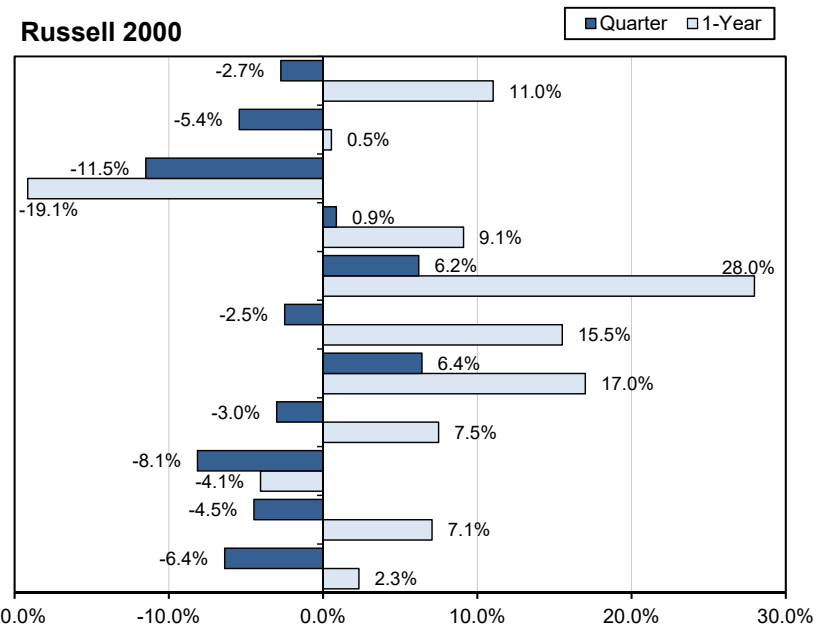
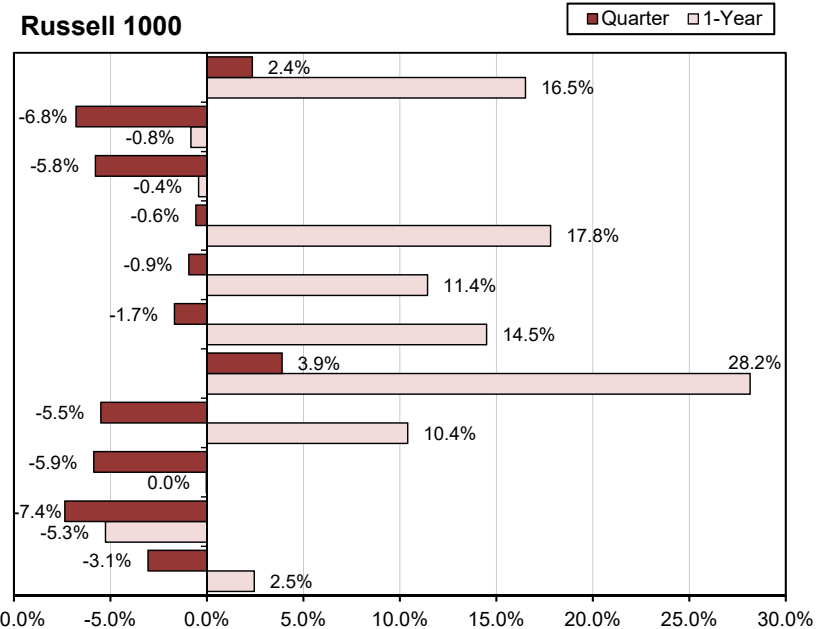
### 1-Year Performance



- US equity index returns were mixed across the style and capitalization spectrum to start 2018 with growth indices being the best performers. Markets were highly volatile throughout the quarter. Investors initially cheered the passage of the republican party tax reforms containing reductions to both individual and corporate income tax rates, increasing expectations for consumer spending and corporate earnings going forward. However, high US wage growth in January raised investor concerns that inflation could be picking up more quickly than the market expected, and would therefore require increased Fed action to prevent overheating of the economy. Market volatility rose and the S&P 500 Index had its first correction since 2015, falling over 10%. The market began a recovery from its February low as later economic releases made it appear that fears over inflation had likely been overstated. However, volatility returned in March when the Trump administration announced a series of protectionist tariff policies, with emphasis placed on China, increasing the potential for a global trade war. Despite the considerable market volatility, most US economic data was positive during the quarter and congress passed a new federal budget deal that will increase government spending by about \$300 billion over the next two years which can be used to stimulate the economy over the short-term.
- During the quarter, small cap stocks outperformed mid and large cap equities. The small cap Russell 2000 Index returned -0.1% during the period, while the large cap Russell 1000 Index returned -0.7%. The opposite was true over the 1-year period as large cap names were the best performers. The Russell 1000 returned 14.0% over the trailing year while the Russell 2000 posted a return of 11.8%. This large cap outperformance can be partially explained by their greater exposure to foreign markets relative to small cap companies. This can be especially beneficial during periods of USD weakness, such as that experienced over the last year. Large cap companies generate more revenue outside of the US which can expose them to faster growing markets, foreign tax benefits or strengthening foreign currencies.
- Growth indices outperformed value indices across the market cap spectrum for the fifth straight quarter and were all able to post a positive return for the 1<sup>st</sup> quarter of 2018. Performance for growth indices more than doubled value index performance for each respective cap segment for the year. Growth benchmarks benefitted from larger exposures to more cyclical names within the information technology, consumer discretionary, health care and industrials sectors. They also benefitted from underweights to more defensive “bond proxy” sectors such as REITs, utilities and telecom. Lower exposure to the energy sector also acted as tailwind to growth benchmarks.



- Sector performance was largely negative across large cap sectors for the 1<sup>st</sup> quarter of 2018. Only two of eleven sectors had positive returns for the quarter and only three of eleven economic sectors outpaced the Russell 1000 Index return. Cyclical sectors tended to do well through the quarter with the higher yielding bond proxy sectors lagging on a relative basis as interest rates rose sharply during the period. Technology stocks continued their 2017 gains over the quarter, gaining 3.9% and consumer discretionary stocks performed well on the back of a strong holiday season earning a 2.4% return. The largest detractors for the quarter were the more defensive telecom services, consumer staples and real estate sectors which returned -7.4%, -6.8% and -5.9% respectively. Over the trailing 1-year period, technology was the best performing sector by a relatively wide margin returning an impressive 28.2%. Consumer discretionary and financials also returned greater than 15%. Seven of eleven large cap economic sectors posted positive returns for the 1-year period with six posting double digit returns. Telecom services was the largest underperformer losing -5.3%. The three other sectors with negative returns for the trailing year (real estate, energy and consumer staples) fell by less than 1.0%.
- Small cap sector results were mixed relative to their large capitalization counterparts. Only three of eleven economic sectors outpaced the Russell 2000 Index return for the quarter and posted positive results for the period. Like the large cap index sector performance, higher dividend yielding sectors also tended to trail more economically sensitive sectors. Technology was the best performing sector returning 6.4%. However, there were several notable differences, particularly in consumer discretionary and energy where there was significant underperformance relative to their large cap counterparts. Small cap sectors trailed large cap sectors in those two categorizations by over 5.0% during the quarter. Similarly, the small cap health care sector had much stronger performance than the large cap health care sector posting a 6.2% gain for the quarter. Over the 1-year period, nine of eleven sectors have posted gains with four of eleven sectors having returns greater than 10%. Health care stocks were the best performers within the Russell 2000 for the year returning a solid 28.0%. Energy and real estate were the only Russell 2000 sectors to post a negative return, falling -19.1% and -4.1% respectively.
- Using S&P 500 sector valuations as a proxy for the market, forward P/E ratios for eight of the GICS sectors were higher than their long-term averages at quarter-end. Using these historical P/E measures, the utilities, materials and energy sectors appear the most extended. In contrast the telecommunications, technology and health care sectors were trading at a discount to their long-term average P/E ratios.



**The Market Environment**  
**Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000**  
As of March 31, 2018

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	3.41%	-0.5%	18.6%	Information Technology
Microsoft Corp	2.74%	7.2%	41.5%	Information Technology
Amazon.com Inc	2.33%	23.8%	63.3%	Consumer Discretionary
Berkshire Hathaway Inc B	1.54%	0.6%	19.7%	Financials
JPMorgan Chase & Co	1.52%	3.4%	28.0%	Financials
Facebook Inc A	1.51%	-9.4%	12.5%	Information Technology
Johnson & Johnson	1.38%	-7.7%	5.5%	Health Care
Exxon Mobil Corp	1.27%	-9.9%	-5.5%	Energy
Alphabet Inc C	1.25%	-1.4%	24.4%	Information Technology
Alphabet Inc A	1.24%	-1.5%	22.3%	Information Technology

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
bluebird bio Inc	0.52%	-4.1%	87.8%	Health Care
MGIC Investment Corp	0.49%	-7.9%	28.3%	Financials
Sterling Bancorp	0.49%	-8.1%	-3.7%	Financials
Wintrust Financial Corp	0.49%	4.7%	25.5%	Financials
Umpqua Holdings Corp	0.48%	3.9%	25.1%	Financials
Idacorp Inc	0.45%	-2.7%	9.2%	Utilities
Hancock Holding Co	0.44%	4.9%	15.8%	Financials
LivaNova PLC	0.44%	10.7%	80.6%	Health Care
WGL Holdings Inc	0.44%	-2.0%	3.8%	Utilities
Radian Group Inc	0.42%	-7.6%	6.1%	Financials

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
XL Group Ltd	0.06%	57.8%	41.6%	Financials
Abiomed Inc	0.05%	55.3%	132.4%	Health Care
Netflix Inc	0.48%	53.9%	99.8%	Consumer Discretionary
Validus Holdings Ltd	0.02%	44.6%	23.1%	Financials
Herbalife Ltd	0.02%	43.9%	67.6%	Consumer Staples
Agios Pharmaceuticals Inc	0.02%	43.0%	40.0%	Health Care
Match Group Inc	0.01%	41.9%	172.1%	Information Technology
Square Inc A	0.05%	41.9%	184.7%	Information Technology
CSRA Inc	0.03%	38.6%	43.0%	Information Technology
DST Systems Inc	0.02%	34.8%	37.9%	Information Technology

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Atara Biotherapeutics Inc	0.13%	115.5%	89.8%	Health Care
Iovance Biotherapeutics Inc	0.12%	111.3%	126.8%	Health Care
Cambium Learning Group Inc	0.01%	97.2%	128.6%	Consumer Discretionary
G1 Therapeutics Inc	0.01%	86.7%	N/A	Health Care
Arsanis Inc	0.00%	79.4%	N/A	Health Care
Eastman Kodak Co	0.00%	72.6%	-53.5%	Information Technology
American Public Education Inc	0.07%	71.7%	87.8%	Consumer Discretionary
Infirera Corp	0.16%	71.6%	6.2%	Information Technology
Novavax Inc	0.04%	69.4%	64.1%	Health Care
WMIH Corp	0.03%	67.2%	-2.1%	Financials

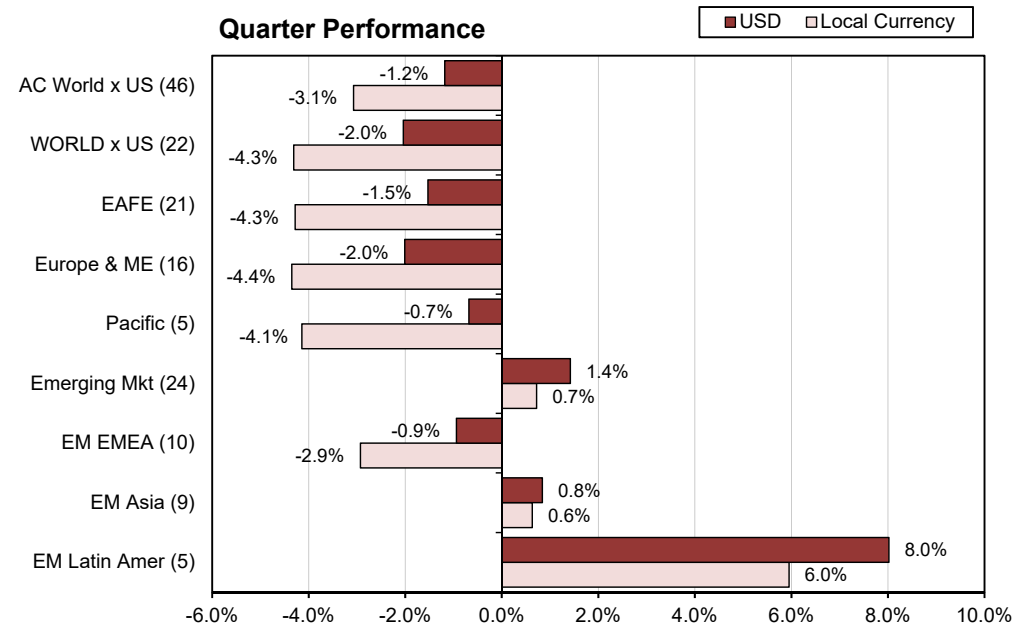
Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Colony NorthStar Inc A	0.01%	-49.8%	-52.7%	Real Estate
Weatherford International PLC	0.01%	-45.1%	-65.6%	Energy
Akorn Inc	0.01%	-41.9%	-22.3%	Health Care
Universal Display Corp	0.02%	-41.5%	17.4%	Information Technology
Macquarie Infrastructure Corp	0.01%	-40.3%	-49.7%	Industrials
Patterson Companies Inc	0.01%	-38.0%	-49.6%	Health Care
Mallinckrodt PLC	0.01%	-35.8%	-67.5%	Health Care
L Brands Inc	0.04%	-35.8%	-14.5%	Consumer Discretionary
OPKO Health Inc	0.00%	-35.3%	-60.4%	Health Care
Coherent Inc	0.02%	-33.6%	-8.9%	Information Technology

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Dermira Inc	0.01%	-71.3%	-76.6%	Health Care
Ascent Capital Group Inc A	0.00%	-68.0%	-74.0%	Consumer Discretionary
Roadrunner Transportation Systems Inc	0.01%	-67.1%	-63.0%	Industrials
Tintri Inc	0.00%	-66.5%	N/A	Information Technology
Westmoreland Coal Co	0.00%	-66.1%	-97.2%	Energy
Protagonist Therapeutics Inc	0.01%	-58.7%	-32.9%	Health Care
RAIT Financial Trust	0.00%	-56.9%	-94.5%	Real Estate
Ultra Petroleum Corp	0.08%	-54.0%	-67.4%	Energy
Melinta Therapeutics Inc	0.01%	-53.2%	-60.5%	Health Care
Tetraphase Pharmaceuticals Inc	0.02%	-51.3%	-66.6%	Health Care

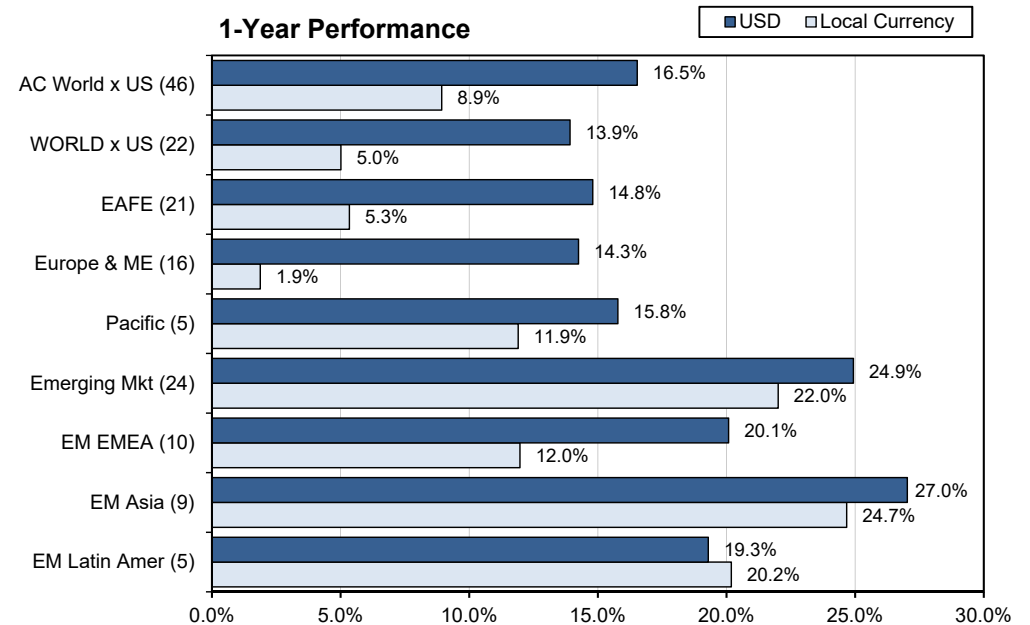


- Similar to domestic equities, broad international equity returns pulled back during the 1<sup>st</sup> quarter. Performance was largely driven by the same catalysts as the US equity markets, as global macroeconomic data remained generally positive. US investors in international markets had a currency effect tailwind as the USD continued its 2017 fall, weakening against most other currencies during the 1<sup>st</sup> quarter. The MSCI ACWI ex US Index lost -1.2% in USD terms and -3.1% in local currency terms. Emerging markets were a bright spot for the quarter with the MSCI Emerging Markets Index finishing with a slight gain. The returns over the 1-year period are substantially better with MSCI ACWI ex US returning 16.5% in USD terms and 8.9% in local currency terms.
- Results for developed market international indices were negative to start 2018 in both USD and local currency terms with the MSCI EAFE Index returning -1.5% and -4.3% respectively. Investors ignored broadly positive global economic data, focusing their attention on US monetary policy uncertainty and the outlook for global trade relations. There were several newsworthy political events during the quarter. In Europe, Italian elections resulted in a hung parliament with the populist Five Star Movement winning the largest number of seats. There is currently no clear path for a coalition government to be formed and it is possible elections may need to be re-held. In contrast, German Chancellor Merkel succeeded in forming a “grand coalition” government during March. In the UK, continued progress was made on “Brexit” as the UK and European Union were able to agree to initial terms on a transition period following the UK’s separation that should allow for an orderly withdrawal. In Japan, Prime Minister Abe was engulfed in a scandal regarding a discounted land sale to a school operator with ties to his wife and its subsequent coverup. The MSCI EAFE Index returned 14.8% and 5.3% for the last twelve months in USD and local currency terms respectively.
- The MSCI Emerging Market Index outperformed developed markets for the 1<sup>st</sup> quarter, posting a narrow gain of 1.4% and 0.7% in USD and local currency terms respectively. While emerging markets were also affected by the rise in global market volatility, strong GDP and corporate earnings growth combined with USD weakness helped them to finish the quarter ahead. China modestly outperformed despite late quarter trade tensions with the US. Brazil was the index’s strongest performer, returning 12.4% in USD terms, after former President Lula da Silva had a corruption and money laundering conviction upheld, likely preventing him from running for office again and opening the door for future economic reforms. Russian equities also performed well after Standard & Poor’s raised the countries credit rating to investment grade for the first time in over a decade citing prudent policy responses to sanctions and falling commodity prices. Indian stocks underperformed after fraud allegations emerged at a state-run bank. One year returns for the MSCI Emerging Market Index were 24.9% in USD terms and 22.0% in terms of local currency.

**Quarter Performance**



**1-Year Performance**



**The Market Environment**  
**US Dollar International Index Attribution & Country Detail**  
As of March 31, 2018

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	12.6%	0.7%	19.2%
Consumer Staples	11.1%	-3.0%	10.4%
Energy	5.3%	-2.0%	21.4%
Financials	21.1%	-2.2%	13.6%
Health Care	10.2%	-0.9%	7.0%
Industrials	14.6%	-1.5%	17.4%
Information Technology	6.6%	1.1%	26.2%
Materials	8.0%	-3.8%	19.8%
Real Estate	3.5%	-1.5%	13.1%
Telecommunication Services	3.8%	-3.9%	3.1%
Utilities	3.3%	1.3%	12.1%
<b>Total</b>	<b>100.0%</b>	<b>-1.5%</b>	<b>14.8%</b>

MSCI - ACWIXUS	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	11.4%	-1.0%	18.6%
Consumer Staples	9.5%	-2.8%	11.0%
Energy	6.7%	-1.8%	15.4%
Financials	23.1%	-1.1%	15.9%
Health Care	7.7%	-0.3%	9.1%
Industrials	11.8%	-1.6%	16.3%
Information Technology	11.8%	1.8%	34.3%
Materials	8.0%	-2.9%	18.4%
Real Estate	3.2%	-1.7%	16.5%
Telecommunication Services	3.9%	-4.1%	3.6%
Utilities	3.0%	1.2%	10.9%
<b>Total</b>	<b>100.0%</b>	<b>-1.2%</b>	<b>16.5%</b>

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	9.5%	-6.1%	16.5%
Consumer Staples	6.4%	-0.8%	15.8%
Energy	7.2%	7.5%	24.7%
Financials	24.0%	4.2%	25.6%
Health Care	2.8%	7.0%	34.6%
Industrials	5.2%	-0.8%	10.1%
Information Technology	27.8%	2.1%	40.1%
Materials	7.3%	0.7%	20.0%
Real Estate	2.8%	-2.1%	32.5%
Telecommunication Services	4.6%	-3.7%	4.5%
Utilities	2.4%	3.0%	9.2%
<b>Total</b>	<b>100.0%</b>	<b>1.4%</b>	<b>24.9%</b>

Country	MSCI-EAFE Weight	MSCI-ACWIXUS Weight	Quarter Return	1-Year Return
Japan	24.6%	16.8%	0.8%	19.6%
United Kingdom	17.3%	11.8%	-3.9%	11.9%
France	10.9%	7.5%	0.3%	20.4%
Germany	9.7%	6.6%	-3.6%	13.6%
Switzerland	7.8%	5.3%	-4.3%	8.2%
Australia	6.6%	4.5%	-6.2%	1.4%
Netherlands	3.7%	2.5%	1.0%	19.9%
Hong Kong	3.6%	2.5%	-1.4%	18.4%
Spain	3.2%	2.2%	-1.7%	8.8%
Sweden	2.7%	1.8%	-2.4%	7.6%
Italy	2.5%	1.7%	5.4%	27.5%
Denmark	1.8%	1.2%	-1.5%	25.1%
Singapore	1.4%	0.9%	2.8%	22.8%
Belgium	1.1%	0.8%	0.5%	13.3%
Finland	1.0%	0.7%	8.2%	23.5%
Norway	0.7%	0.5%	2.3%	29.3%
Ireland	0.5%	0.3%	-5.9%	7.2%
Israel	0.5%	0.3%	-5.3%	-8.4%
Austria	0.3%	0.2%	2.2%	48.5%
New Zealand	0.2%	0.1%	-5.1%	4.0%
Portugal	0.2%	0.1%	3.1%	17.9%
<b>Total EAFE Countries</b>	<b>100.0%</b>	<b>68.3%</b>	<b>-1.5%</b>	<b>14.8%</b>
Canada		6.2%	-7.4%	4.9%
<b>Total Developed Countries</b>		<b>74.5%</b>	<b>-2.0%</b>	<b>13.9%</b>
China		7.6%	1.8%	38.9%
Korea		3.9%	-0.5%	25.4%
Taiwan		3.0%	5.7%	20.6%
India		2.1%	-7.0%	10.2%
Brazil		1.9%	12.4%	26.4%
South Africa		1.7%	-4.2%	25.0%
Russia		0.9%	9.4%	20.6%
Mexico		0.7%	0.9%	0.9%
Malaysia		0.6%	8.5%	25.3%
Thailand		0.6%	9.0%	35.0%
Indonesia		0.5%	-7.2%	7.8%
Chile		0.3%	1.5%	24.5%
Poland		0.3%	-8.2%	20.7%
Philippines		0.3%	-11.6%	3.8%
Turkey		0.3%	-5.0%	18.6%
United Arab Emirates		0.2%	-1.0%	-0.4%
Qatar		0.1%	2.5%	-11.0%
Colombia		0.1%	4.9%	15.4%
Peru		0.1%	10.3%	44.7%
Greece		0.1%	-6.8%	24.3%
Hungary		0.1%	-1.0%	38.6%
Czech Republic		0.1%	6.4%	36.4%
Egypt		0.0%	10.9%	14.5%
Pakistan		0.0%	11.4%	-14.0%
<b>Total Emerging Countries</b>		<b>25.5%</b>	<b>1.4%</b>	<b>24.9%</b>
<b>Total ACWIXUS Countries</b>		<b>100.0%</b>	<b>-1.2%</b>	<b>16.5%</b>

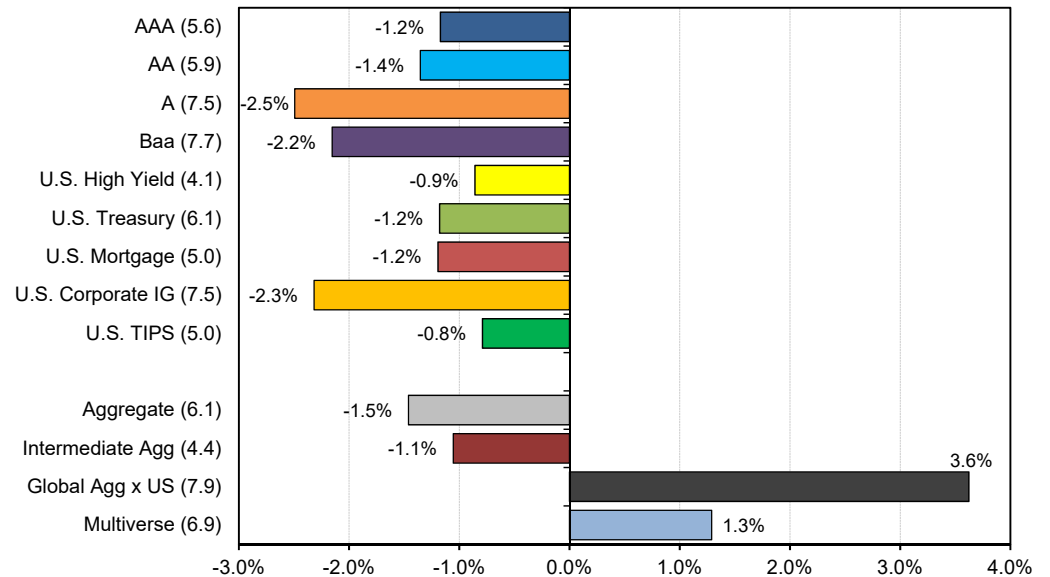
Source: MSCI Global Index Monitor (Returns are Net in USD)



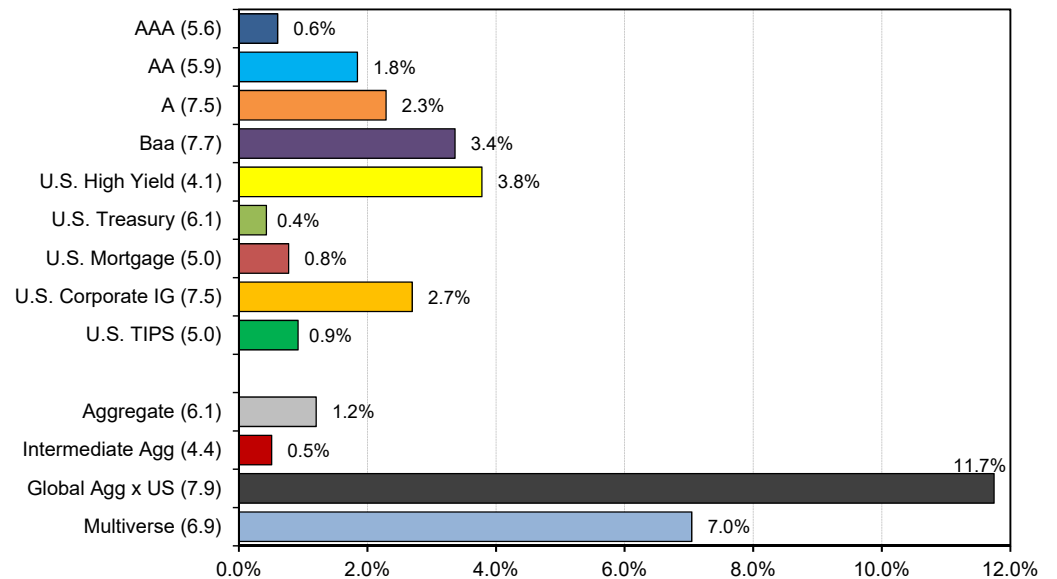


- Broad fixed income benchmarks were mostly negative during the 1<sup>st</sup> quarter, with international bonds being the exception. Early in the quarter, particularly strong January wage growth report caused investors to speculate that inflation was quickly increasing and that the Fed would need to tighten monetary policy to a greater degree than originally planned. This sent a shock through financial markets and caused interest rates to rise considerably. Economic releases later in the quarter showed that the fear of inflation was most likely overstated. Later in the quarter, the Federal Open Market Committee (FOMC), led by new Fed Chair Jerome Powell, decided to increase short-term interest rates by 25 basis points. The current Fed Funds Rate target sits at 1.50% - 1.75%. This rate increase was expected by the market and, importantly, the Fed did not change its plan for further rate increases for 2018. Concerns over new Treasury issuance needed to finance plans for increased fiscal spending also could have contributed to the rise in interest rates. The yield curve flattened through the quarter as short-term yields rose at a greater rate than longer-term yields. The Bloomberg Barclays US Aggregate Index fell -1.5% the quarter, but managed a positive 1.2% return for the trailing year.
- Within investment grade credit, higher quality corporate issues generally outperformed lower quality issues for the quarter as credit spreads widened and investors looked for safety amid increased financial market volatility. AAA rated credit was the best performing investment grade credit quality segment returning -1.2% for the quarter. Interestingly, high yield debt outperformed relative to investment grade credit, returning -0.9%, as spreads widened to a lesser degree for these issues and the index benefitted from a lower duration. Part of the reason for the increased spread widening for investment grade issues relative to high yield issues was selling pressure from companies repatriating foreign cash reserves in response to the new tax code. When viewed over the 1-year period, lower quality issues have advanced to a greater degree, partly due to the continued strength in the global economy. High yield debt returned 3.8% over the period whereas AAA rated issues returned 0.6%.
- US Treasury securities were the best performing investment grade sector through the quarter, narrowly outperforming US mortgage backed securities (MBS). This reversed the trend of corporate credit outperformance that was witnessed through 2017 as investors reacted to market volatility and moved into higher quality government issues. The Bloomberg Barclays US Corporate IG Index returned -2.3% for the quarter as widening credit spreads and a higher duration acted as headwinds to these issues. US Treasury and US MBS both posted a -1.2%. However, over the trailing year, Treasury securities were the worst performing investment grade sector returning 0.4%, while US investment grade corporate bonds were the best performing investment grade sector gaining 2.7%.

**Quarter Performance**

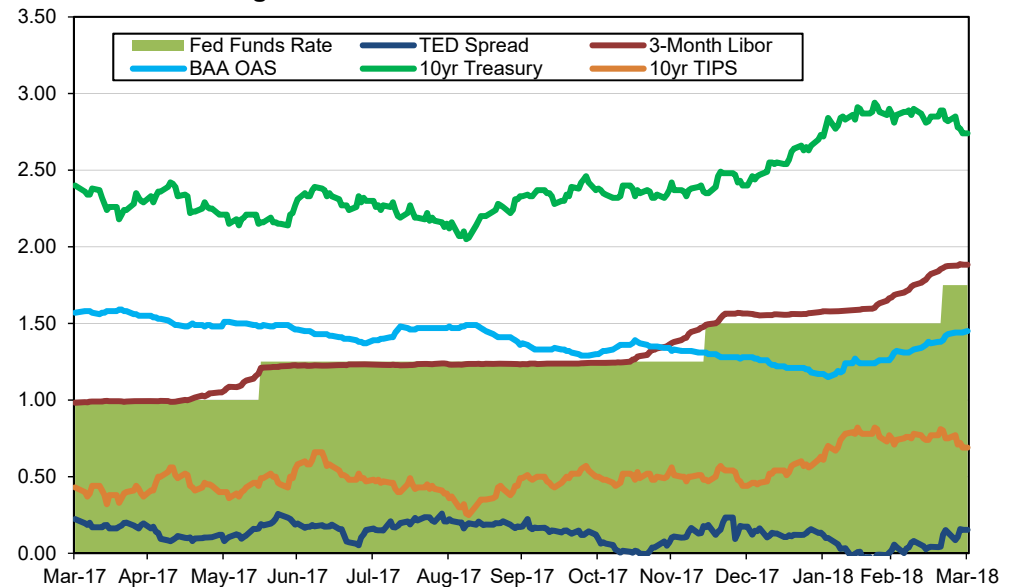


**1-Year Performance**

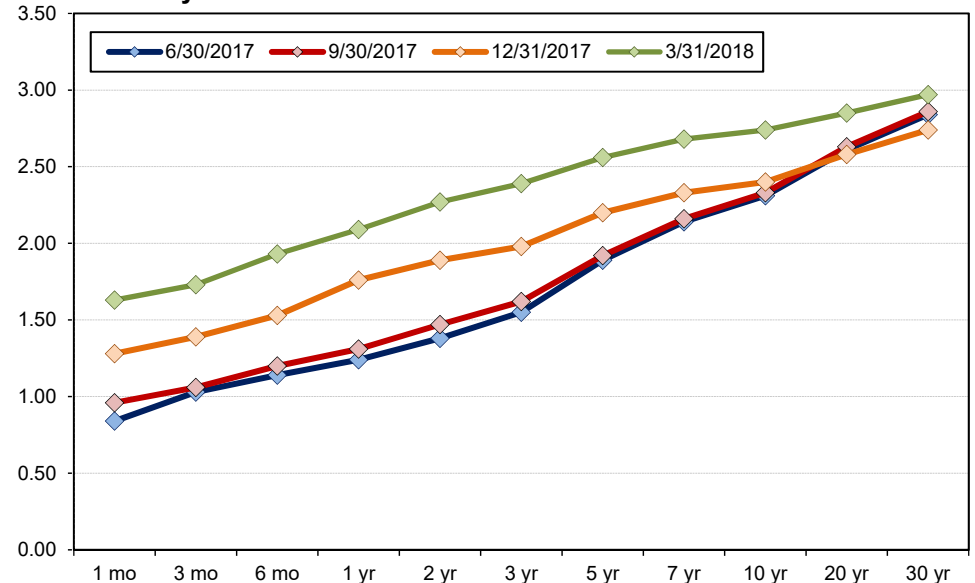


- In contrast to their domestic counterparts, global fixed income indices posted gains for the quarter. Global benchmarks are impacted by the same local yield and duration factors as domestic benchmarks. While these indices have relatively high durations, which would have acted as a headwind in the current quarter as interest rates increased, the returns of these indices are also significantly influenced by fluctuations in their currency denomination relative to the USD. This currency effect can add additional return to foreign issues as it did during calendar year 2017, or it can further exacerbate negative performance as it did in 2016. Global bonds outperformed domestic issues during the quarter and 1-year period partially due to a currency effect tailwind caused by a weakening USD. Returns on global bonds represented by the Bloomberg Barclays Global Aggregate ex US Index were 3.6% and 11.7% for the 1<sup>st</sup> quarter and trailing twelve months respectively. As the global economy continues to recover, several international central banks have started to move toward a less accommodative posture. Notably, the ECB, has extended its current quantitative easing program well into 2018, but has reduced the amount of monthly asset purchases from 60 billion euro per month to 30 billion euro per month. They also signaled that they would end the program entirely if the eurozone recovery continues to flourish. Similarly, the Bank of Japan (BoJ) inferred that they could end their quantitative easing program sometime in 2019 if target metrics were met. Lastly, the BoE voted to raise interest rates for the first time in a decade during the 4<sup>th</sup> quarter of 2017 and indicated rates may rise again more quickly than expected.
- Much of the index performance detailed in the bar graphs on the previous page is visible on a time series basis by reviewing the line graphs to the right. The '1-Year Trailing Market Rates' chart illustrates that the 10-year Treasury yield (green line) rose significantly during the 1<sup>st</sup> quarter, rising from 2.40%, to a peak of 2.94%, before falling to 2.74% to end the period. The blue line illustrates changes in the BAA OAS (Option Adjusted Spread). This measure quantifies the additional yield premium that investors require to purchase and hold non-Treasury issues. This line illustrates a steady decline in credit spreads throughout 2017. However, the trend begins to reverse in early February. This increase is equivalent to an interest rate increase on corporate bonds, which produces a headwind for corporate bond index returns. These credit spreads have widened by about 17 basis points over the last 3-months. The green shading at the bottom of the graph illustrates the gradual increase in the Federal Funds Rate due to a less accommodative US monetary policy.
- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four calendar quarters. As mentioned, the yield curve continues to flatten as yields on shorter-term maturities have risen more than interest rates on the long end of the curve. The significant upward shift in interest rates that occurred in the 1<sup>st</sup> quarter is clearly visible.

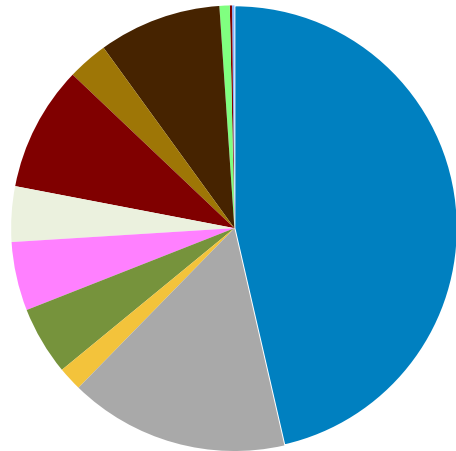
1-Year Trailing Market Rates



Treasury Yield Curve



**Asset Allocation by Segment**  
March 31, 2018 : \$770,972,321



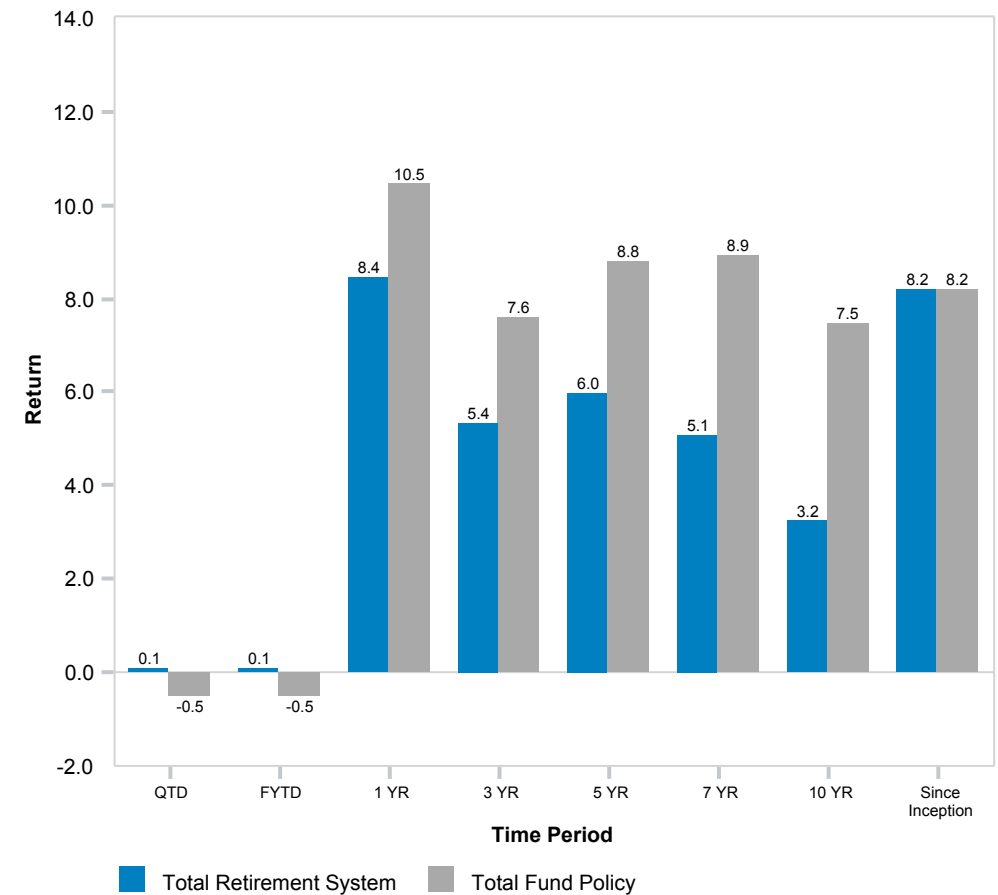
**Gain/Loss Summary**

	QTD	FYTD	1 YR
Total Retirement System			
Beginning Market Value	769,894,927	769,894,927	711,609,666
Net Contributions	439,294	439,294	-646,760
Return on Investment	1,050,277	1,050,277	62,131,045
Ending Market Value	770,972,321	770,972,321	770,972,321

**Allocation**

	Market Value	Allocation
Total Domestic Equity	357,822,561	46.4
Total International Equity	122,554,905	15.9
Total Other Equity	13,407,438	1.7
Total Core Fixed Income	38,370,000	5.0
Total Non Core Fixed Income	38,466,670	5.0
Total Other Fixed Income	30,892,703	4.0
Total Real Estate	70,007,002	9.1
Total Timber Funds	22,600,978	2.9
Total Multi Asset Funds	68,511,408	8.9
Cash Account	5,753,176	0.7
Cash Account PE	-	0.0
Retiree Death Benefit Account	1,246,711	0.2
APRS Building	1,338,769	0.2

**Comparative Performance**



Market values subject to availability from Northern Trust and individual managers.  
All performance data is Net of Fees. Please refer to the end of the report for Investment Pricing Summary and Additional Notes.

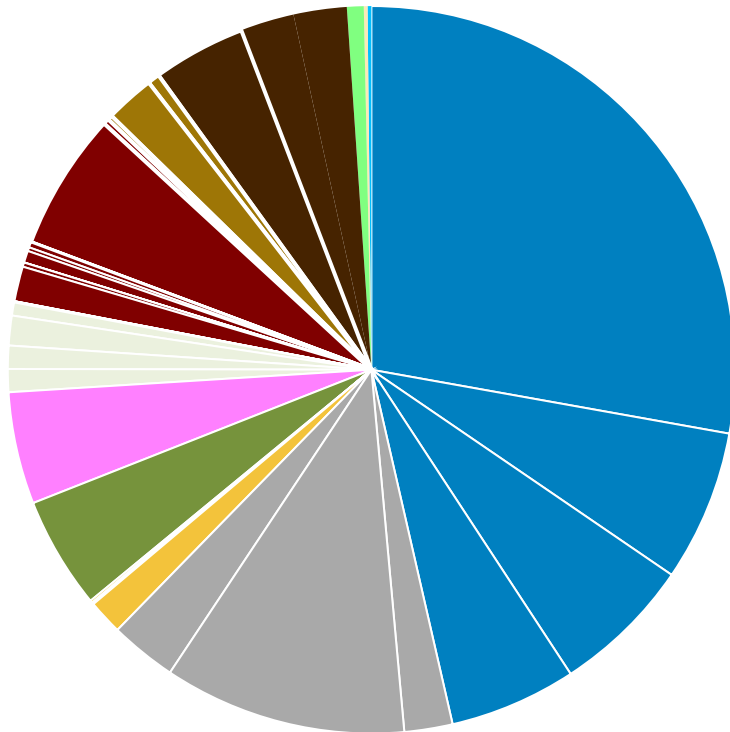


**Asset Allocation by Manager**  
**Total Fund**  
**As of March 31, 2018**

March 31, 2018 : \$770,972,321

**Allocation**

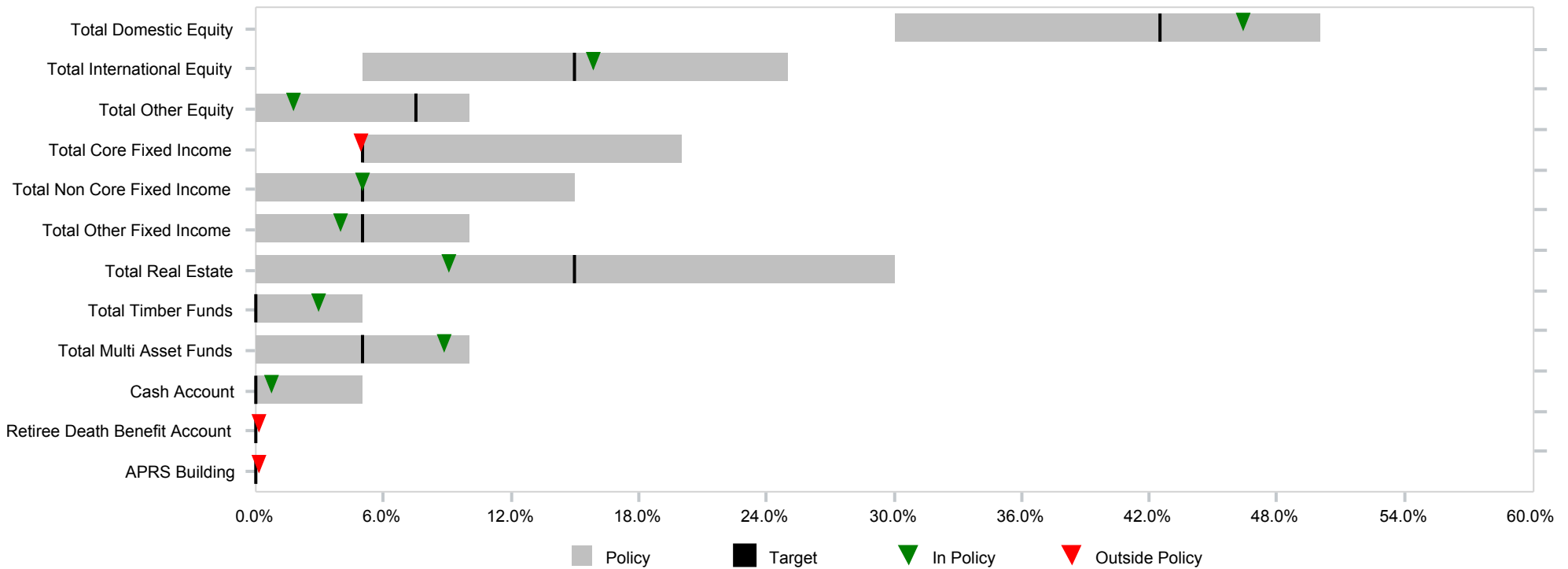
	Market Value	Allocation
■ NT Collective Russell 3000 Index	214,401,669	27.8
■ Baird Mid Cap Growth	51,855,275	6.7
■ Seizert Mid Cap Value	48,076,554	6.2
■ Kennedy Small Cap Value	43,489,062	5.6
■ Driehaus International Small Cap Growth	16,536,990	2.1
■ Thompson Siegel & Walmsley	83,189,209	10.8
■ LMCG Emerging Markets Fund	22,828,707	3.0
■ Huff Energy Fund	11,940,332	1.5
■ Sail Venture Fund I	1	0.0
■ Sail Venture Fund II	1	0.0
■ Sail Pre-Exit Acceleration Fund	1	0.0
■ Excelsior Investors, Ltd.	623,103	0.1
■ Franklin Park Private Equity	844,000	0.1
■ Orleans Capital	38,370,000	5.0
■ Templeton Global Multisector Plus	38,466,670	5.0
■ LBC Credit Partners III	7,876,372	1.0
■ LBC Credit Partners IV	7,945,389	1.0
■ Providence Debt Fund III	10,160,018	1.3
■ Capital Point Partners	4,501,369	0.6
■ Franchise Equity Capital Partners II	383,876	0.0
■ Franchise Equity Capital Partners III	25,679	0.0
■ Rockspring Capital Land Funds (I - VI)	12,003,414	1.6
■ ARES Advisors (V & VI)	1,436,867	0.2
■ INVESCO Real Estate Funds (I & II)	28,554	0.0
■ Edison Investments	4,082,347	0.5
■ JPM India Property Fund	1,294,532	0.2
■ Vision Capital Partners	1,818,400	0.2
■ FWAR Investments	11,855	0.0
■ Morgan Stanley	47,335,999	6.1
■ AEW Partners Fund VIII	1,995,034	0.3
■ BTG Pactual 1	1,642,490	0.2
■ Capitol Timberland Investments	16,847,830	2.2
■ Domain Environmental Investments II	4,110,658	0.5
■ Double Eagle Capital Ace Fund, Ltd.	31,913,466	4.1
■ BlackRock Multi Asset Fund	18,407,489	2.4
■ Westwood Income Opportunity Fund	18,190,454	2.4
■ Cash Account	5,753,176	0.7
■ Cash Account PE	-	0.0
■ Retiree Death Benefit Account	1,246,711	0.2
■ APRS Building	1,338,769	0.2



Market values subject to availability from Northern Trust and individual managers.  
Please refer to the end of the report for Investment Pricing Summary and Additional Notes.



Executive Summary



Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Target Allocation (%)
Total Retirement System	770,972,321	100.0	N/A	N/A	100.0
Total Domestic Equity	357,822,561	46.4	30.0	50.0	42.5
Total International Equity	122,554,905	15.9	5.0	25.0	15.0
Total Other Equity	13,407,438	1.7	0.0	10.0	7.5
Total Core Fixed Income	38,370,000	5.0	5.0	20.0	5.0
Total Non Core Fixed Income	38,466,670	5.0	0.0	15.0	5.0
Total Other Fixed Income	30,892,703	4.0	0.0	10.0	5.0
Total Real Estate	70,007,002	9.1	0.0	30.0	15.0
Total Timber Funds	22,600,978	2.9	0.0	5.0	0.0
Total Multi Asset Funds	68,511,408	8.9	0.0	10.0	5.0
Cash Account	5,753,176	0.7	0.0	5.0	0.0
Retiree Death Benefit Account	1,246,711	0.2	0.0	0.0	0.0
APRS Building	1,338,769	0.2	0.0	0.0	0.0



**Financial Reconciliation**  
**Total Fund**  
**1 Quarter Ending March 31, 2018**

<b>Financial Reconciliation Quarter to Date</b>										
	<b>Market Value 01/01/2018</b>	<b>Net Transfers</b>	<b>Contributions</b>	<b>Distributions</b>	<b>Management Fees</b>	<b>Other Expenses</b>	<b>Income</b>	<b>Apprec./ Deprec.</b>	<b>Return On Investment</b>	<b>Market Value 03/31/2018</b>
<b>Total Retirement System</b>	<b>769,894,927</b>	<b>-</b>	<b>16,287,439</b>	<b>-15,848,145</b>	<b>-377,176</b>	<b>-35,000</b>	<b>2,001,191</b>	<b>-950,914</b>	<b>1,050,277</b>	<b>770,972,321</b>
<b>Total Equity</b>	<b>487,658,319</b>	<b>6,123,200</b>	<b>-</b>	<b>-</b>	<b>-268,662</b>	<b>-</b>	<b>412,410</b>	<b>-140,364</b>	<b>272,046</b>	<b>493,784,904</b>
<b>Total Domestic Equity</b>	<b>352,647,228</b>	<b>5,245,775</b>	<b>-</b>	<b>-</b>	<b>-235,237</b>	<b>-</b>	<b>412,410</b>	<b>-247,616</b>	<b>164,794</b>	<b>357,822,561</b>
NT Collective Russell 3000 Index	210,766,922	5,010,538	-	-	-	-	-	-1,375,791	-1,375,791	214,401,669
Baird Mid Cap Growth	49,625,774	86,800	-	-	-86,800	-	80,425	2,149,077	2,229,502	51,855,275
Seizert Mid Cap Value	47,389,979	40,826	-	-	-40,826	-	154,654	531,921	686,575	48,076,554
Kennedy Small Cap Value	44,864,553	107,611	-	-	-107,611	-	177,331	-1,552,822	-1,375,491	43,489,062
<b>Total International Equity</b>	<b>122,447,653</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>107,252</b>	<b>107,252</b>	<b>122,554,905</b>
Driehaus International Small Cap Growth	15,908,472	-	-	-	-	-	-	628,517	628,517	16,536,990
Thompson Siegel & Walmsley	84,157,697	-	-	-	-	-	-	-968,489	-968,489	83,189,209
LMCG Emerging Markets Fund	22,381,484	-	-	-	-	-	-	447,223	447,223	22,828,707
<b>Total Other Equity</b>	<b>12,563,438</b>	<b>877,425</b>	<b>-</b>	<b>-</b>	<b>-33,425</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,407,438</b>
Huff Energy Fund	11,940,332	-	-	-	-	-	-	-	-	11,940,332
Sail Venture Fund I	1	-	-	-	-	-	-	-	-	1
Sail Venture Fund II	1	-	-	-	-	-	-	-	-	1
Sail Pre-Exit Acceleration Fund	1	-	-	-	-	-	-	-	-	1
Excelsior Investors, Ltd.	623,103	-	-	-	-	-	-	-	-	623,103
Franklin Park Private Equity	-	877,425	-	-	-33,425	-	-	-	-	844,000
<b>Total Fixed Income</b>	<b>146,253,245</b>	<b>-38,794,149</b>	<b>-</b>	<b>-</b>	<b>-64,271</b>	<b>-</b>	<b>847,260</b>	<b>-512,713</b>	<b>334,548</b>	<b>107,729,373</b>
Orleans Capital	77,291,906	-37,971,018	-	-	-28,982	-	389,327	-1,311,233	-921,906	38,370,000
Templeton Global Mulisector Plus Trust	37,668,150	45,065	-	-	-45,065	-	-	798,521	798,521	38,466,670
<b>Total Other Fixed Income</b>	<b>31,293,189</b>	<b>-868,195</b>	<b>-</b>	<b>-</b>	<b>9,776</b>	<b>-</b>	<b>457,933</b>	<b>-</b>	<b>457,933</b>	<b>30,892,703</b>
Capital Point Partners	4,501,369	-	-	-	-	-	-	-	-	4,501,369
Franchise Equity Capital Partners II	383,876	-	-	-	-	-	-	-	-	383,876
Franchise Equity Capital Partners III	50,429	-24,750	-	-	-	-	-	-	-	25,679
LBC Credit Partners III	8,135,414	-367,331	-	-	9,776	-	98,514	-	98,514	7,876,372
LBC Credit Partners IV	8,062,084	-242,946	-	-	-	-	126,251	-	126,251	7,945,389
Providence Debt Fund III	10,160,018	-233,168	-	-	-	-	233,168	-	233,168	10,160,018

Please refer to the end of the report for additional notes.



	Market Value 01/01/2018	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Return On Investment	Market Value 03/31/2018
<b>Total Real Estate &amp; Timber</b>	<b>91,921,760</b>	<b>-602,323</b>	-	-	<b>-44,243</b>	-	<b>494,689</b>	<b>838,097</b>	<b>1,332,786</b>	<b>92,607,980</b>
<b>Total Real Estate</b>	<b>69,571,925</b>	<b>-525,687</b>	-	-	<b>-879</b>	-	<b>494,689</b>	<b>466,954</b>	<b>961,643</b>	<b>70,007,002</b>
<b>Rockspring Capital Land Funds (I - VI)</b>	<b>12,924,594</b>	<b>-880,161</b>	-	-	-	-	-	<b>-41,019</b>	<b>-41,019</b>	<b>12,003,414</b>
Rockspring Capital Land Fund I	504,054	-	-	-	-	-	-	-4,629	-4,629	499,425
Rockspring Capital Land Fund II	4,752,538	-300,602	-	-	-	-	-	-11,329	-11,329	4,440,608
Rockspring Capital Land Fund III	2,658,720	-550,851	-	-	-	-	-	-4,394	-4,394	2,103,475
Rockspring Capital Land Fund IV	139,998	-28,708	-	-	-	-	-	-3,385	-3,385	107,905
Rockspring Capital Land Fund V	3,343,242	-	-	-	-	-	-	-11,456	-11,456	3,331,786
Rockspring Capital Land Fund VI	1,526,042	-	-	-	-	-	-	-5,827	-5,827	1,520,215
<b>ARES Advisors (V &amp; VI)</b>	<b>1,437,746</b>	-	-	-	<b>-879</b>	-	-	-	-	<b>1,436,867</b>
ARES Value Enhancement Fund V	578,974	-	-	-	-	-	-	-	-	578,974
ARES Value Enhancement Fund VI	858,772	-	-	-	-879	-	-	-	-	857,893
<b>INVESCO Real Estate Funds (I &amp; II)</b>	<b>28,601</b>	-	-	-	-	-	-	<b>-47</b>	<b>-47</b>	<b>28,554</b>
INVESCO Real Estate Fund II	28,601	-	-	-	-	-	-	-47	-47	28,554
Edison Investments	4,044,680	-28,852	-	-	-	-	28,852	37,667	66,519	4,082,347
JPM India Property Fund	1,294,532	-	-	-	-	-	-	-	-	1,294,532
Vision Capital Partners	1,818,400	-	-	-	-	-	-	-	-	1,818,400
FWAR Investments	11,855	-	-	-	-	-	-	-	-	11,855
Morgan Stanley	46,408,049	-	-	-	-	-	457,597	470,353	927,950	47,335,999
AEW Partners Fund VIII	1,603,468	383,326	-	-	-	-	8,240	-	8,240	1,995,034
<b>Total Timber Funds</b>	<b>22,349,835</b>	<b>-76,636</b>	-	-	<b>-43,364</b>	-	-	<b>371,143</b>	<b>371,143</b>	<b>22,600,978</b>
<b>BTG Pactual (1, 2 &amp; 3)</b>	<b>1,642,490</b>	<b>3,540</b>	-	-	<b>-3,540</b>	-	-	-	-	<b>1,642,490</b>
BTG Pactual 1	1,642,490	3,398	-	-	-3,398	-	-	-	-	1,642,490
BTG Pactual 2	-	142	-	-	-142	-	-	-	-	-
Capitol Timberland Investments	16,476,687	39,824	-	-	-39,824	-	-	371,143	371,143	16,847,830
Domain Environmental Investments II	4,230,658	-120,000	-	-	-	-	-	-	-	4,110,658

**Financial Reconciliation**  
**Total Fund**  
**1 Quarter Ending March 31, 2018**

	<b>Market Value 01/01/2018</b>	<b>Net Transfers</b>	<b>Contributions</b>	<b>Distributions</b>	<b>Management Fees</b>	<b>Other Expenses</b>	<b>Income</b>	<b>Apprec./ Deprec.</b>	<b>Return On Investment</b>	<b>Market Value 03/31/2018</b>
<b>Total Multi Asset Funds</b>	<b>31,444,001</b>	<b>38,000,000</b>	-	-	-	-	<b>199,645</b>	<b>-1,132,237</b>	<b>-932,593</b>	<b>68,511,408</b>
Double Eagle Capital Ace Fund, Ltd.	31,444,001	-	-	-	-	-	-	469,465	469,465	31,913,466
BlackRock Multi Asset Fund	-	19,000,000	-	-	-	-	103,997	-696,509	-592,511	18,407,489
Westwood Income Opportunity Fund	-	19,000,000	-	-	-	-	95,647	-905,193	-809,546	18,190,454
<b>Cash Account</b>	<b>10,051,278</b>	<b>-4,726,729</b>	<b>16,222,161</b>	<b>-15,798,145</b>	-	<b>-35,000</b>	<b>43,309</b>	<b>-3,697</b>	<b>39,612</b>	<b>5,753,176</b>
<b>Cash Account PE</b>	-	-	-	-	-	-	-	-	-	-
<b>Retiree Death Benefit Account</b>	<b>1,227,556</b>	-	<b>65,278</b>	<b>-50,000</b>	-	-	<b>3,878</b>	-	<b>3,878</b>	<b>1,246,711</b>
<b>APRS Building</b>	<b>1,338,769</b>	-	-	-	-	-	-	-	-	<b>1,338,769</b>

Please refer to the end of the report for additional notes.





## Financial Reconciliation Year to Date

	Market Value 01/01/2018	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Return On Investment	Market Value 03/31/2018
<b>Total Retirement System</b>	<b>769,894,927</b>	-	<b>16,287,439</b>	<b>-15,848,145</b>	<b>-377,176</b>	<b>-35,000</b>	<b>2,001,191</b>	<b>-950,914</b>	<b>1,050,277</b>	<b>770,972,321</b>
<b>Total Equity</b>	<b>487,658,319</b>	<b>6,123,200</b>	-	-	<b>-268,662</b>	-	<b>412,410</b>	<b>-140,364</b>	<b>272,046</b>	<b>493,784,904</b>
<b>Total Domestic Equity</b>	<b>352,647,228</b>	<b>5,245,775</b>	-	-	<b>-235,237</b>	-	<b>412,410</b>	<b>-247,616</b>	<b>164,794</b>	<b>357,822,561</b>
NT Collective Russell 3000 Index	210,766,922	5,010,538	-	-	-	-	-	-1,375,791	-1,375,791	214,401,669
Baird Mid Cap Growth	49,625,774	86,800	-	-	-86,800	-	80,425	2,149,077	2,229,502	51,855,275
Seizert Mid Cap Value	47,389,979	40,826	-	-	-40,826	-	154,654	531,921	686,575	48,076,554
Kennedy Small Cap Value	44,864,553	107,611	-	-	-107,611	-	177,331	-1,552,822	-1,375,491	43,489,062
<b>Total International Equity</b>	<b>122,447,653</b>	-	-	-	-	-	-	<b>107,252</b>	<b>107,252</b>	<b>122,554,905</b>
Driehaus International Small Cap Growth	15,908,472	-	-	-	-	-	-	628,517	628,517	16,536,990
Thompson Siegel & Walmsley	84,157,697	-	-	-	-	-	-	-968,489	-968,489	83,189,209
LMCG Emerging Markets Fund	22,381,484	-	-	-	-	-	-	447,223	447,223	22,828,707
<b>Total Other Equity</b>	<b>12,563,438</b>	<b>877,425</b>	-	-	<b>-33,425</b>	-	-	-	-	<b>13,407,438</b>
Huff Energy Fund	11,940,332	-	-	-	-	-	-	-	-	11,940,332
Sail Venture Fund I	1	-	-	-	-	-	-	-	-	1
Sail Venture Fund II	1	-	-	-	-	-	-	-	-	1
Sail Pre-Exit Acceleration Fund	1	-	-	-	-	-	-	-	-	1
Excelsior Investors, Ltd.	623,103	-	-	-	-	-	-	-	-	623,103
Franklin Park Private Equity	-	877,425	-	-	-33,425	-	-	-	-	844,000
<b>Total Fixed Income</b>	<b>146,253,245</b>	<b>-38,794,149</b>	-	-	<b>-64,271</b>	-	<b>847,260</b>	<b>-512,713</b>	<b>334,548</b>	<b>107,729,373</b>
Orleans Capital	77,291,906	-37,971,018	-	-	-28,982	-	389,327	-1,311,233	-921,906	38,370,000
Templeton Global Multisector Plus	37,668,150	45,065	-	-	-45,065	-	-	798,521	798,521	38,466,670
<b>Total Other Fixed Income</b>	<b>31,293,189</b>	<b>-868,195</b>	-	-	<b>9,776</b>	-	<b>457,933</b>	-	<b>457,933</b>	<b>30,892,703</b>
Capital Point Partners	4,501,369	-	-	-	-	-	-	-	-	4,501,369
Franchise Equity Capital Partners II	383,876	-	-	-	-	-	-	-	-	383,876
Franchise Equity Capital Partners III	50,429	-24,750	-	-	-	-	-	-	-	25,679
LBC Credit Partners III	8,135,414	-367,331	-	-	9,776	-	98,514	-	98,514	7,876,372
LBC Credit Partners IV	8,062,084	-242,946	-	-	-	-	126,251	-	126,251	7,945,389
Providence Debt Fund III	10,160,018	-233,168	-	-	-	-	233,168	-	233,168	10,160,018

Please refer to the end of the report for additional notes.



## Financial Reconciliation

## Total Fund

Year To Date Ending March 31, 2018

	Market Value 01/01/2018	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Return On Investment	Market Value 03/31/2018
<b>Total Real Estate &amp; Timber</b>	<b>91,921,760</b>	<b>-602,323</b>	-	-	<b>-44,243</b>	-	<b>494,689</b>	<b>838,097</b>	<b>1,332,786</b>	<b>92,607,980</b>
<b>Total Real Estate</b>	<b>69,571,925</b>	<b>-525,687</b>	-	-	<b>-879</b>	-	<b>494,689</b>	<b>466,954</b>	<b>961,643</b>	<b>70,007,002</b>
<b>Rockspring Capital Land Funds (I - VI)</b>	<b>12,924,594</b>	<b>-880,161</b>	-	-	-	-	-	<b>-41,019</b>	<b>-41,019</b>	<b>12,003,414</b>
Rockspring Capital Land Fund I	504,054	-	-	-	-	-	-	-4,629	-4,629	499,425
Rockspring Capital Land Fund II	4,752,538	-300,602	-	-	-	-	-	-11,329	-11,329	4,440,608
Rockspring Capital Land Fund III	2,658,720	-550,851	-	-	-	-	-	-4,394	-4,394	2,103,475
Rockspring Capital Land Fund IV	139,998	-28,708	-	-	-	-	-	-3,385	-3,385	107,905
Rockspring Capital Land Fund V	3,343,242	-	-	-	-	-	-	-11,456	-11,456	3,331,786
Rockspring Capital Land Fund VI	1,526,042	-	-	-	-	-	-	-5,827	-5,827	1,520,215
<b>ARES Advisors (V &amp; VI)</b>	<b>1,437,746</b>	-	-	-	<b>-879</b>	-	-	-	-	<b>1,436,867</b>
ARES Value Enhancement Fund V	578,974	-	-	-	-	-	-	-	-	578,974
ARES Value Enhancement Fund VI	858,772	-	-	-	-879	-	-	-	-	857,893
<b>INVESCO Real Estate Funds (I &amp; II)</b>	<b>28,601</b>	-	-	-	-	-	-	<b>-47</b>	<b>-47</b>	<b>28,554</b>
INVESCO Real Estate Fund II	28,601	-	-	-	-	-	-	-47	-47	28,554
Edison Investments	4,044,680	-28,852	-	-	-	-	28,852	37,667	66,519	4,082,347
JPM India Property Fund	1,294,532	-	-	-	-	-	-	-	-	1,294,532
Vision Capital Partners	1,818,400	-	-	-	-	-	-	-	-	1,818,400
FWAR Investments	11,855	-	-	-	-	-	-	-	-	11,855
Morgan Stanley	46,408,049	-	-	-	-	-	457,597	470,353	927,950	47,335,999
AEW Partners Fund VIII	1,603,468	383,326	-	-	-	-	8,240	-	8,240	1,995,034
<b>Total Timber Funds</b>	<b>22,349,835</b>	<b>-76,636</b>	-	-	<b>-43,364</b>	-	-	<b>371,143</b>	<b>371,143</b>	<b>22,600,978</b>
<b>BTG Pactual (1, 2 &amp; 3)</b>	<b>1,642,490</b>	<b>3,540</b>	-	-	<b>-3,540</b>	-	-	-	-	<b>1,642,490</b>
BTG Pactual 1	1,642,490	3,398	-	-	-3,398	-	-	-	-	1,642,490
BTG Pactual 2	-	142	-	-	-142	-	-	-	-	-
Capitol Timberland Investments	16,476,687	39,824	-	-	-39,824	-	-	371,143	371,143	16,847,830
Domain Environmental Investments II	4,230,658	-120,000	-	-	-	-	-	-	-	4,110,658

Please refer to the end of the report for additional notes.



Financial Reconciliation

Total Fund

Year To Date Ending March 31, 2018

	Market Value 01/01/2018	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Return On Investment	Market Value 03/31/2018
<b>Total Multi Asset Funds</b>	<b>31,444,001</b>	<b>38,000,000</b>	-	-	-	-	<b>199,645</b>	<b>-1,132,237</b>	<b>-932,593</b>	<b>68,511,408</b>
Double Eagle Capital Ace Fund, Ltd.	31,444,001	-	-	-	-	-	-	469,465	469,465	31,913,466
BlackRock Multi Asset Fund	-	19,000,000	-	-	-	-	103,997	-696,509	-592,511	18,407,489
Westwood Income Opportunity Fund	-	19,000,000	-	-	-	-	95,647	-905,193	-809,546	18,190,454
<b>Cash Account</b>	<b>10,051,278</b>	<b>-4,726,729</b>	<b>16,222,161</b>	<b>-15,798,145</b>	-	<b>-35,000</b>	<b>43,309</b>	<b>-3,697</b>	<b>39,612</b>	<b>5,753,176</b>
Cash Account PE	-	-	-	-	-	-	-	-	-	-
Retiree Death Benefit Account	1,227,556	-	65,278	-50,000	-	-	3,878	-	3,878	1,246,711
APRS Building	1,338,769	-	-	-	-	-	-	-	-	1,338,769

Please refer to the end of the report for additional notes.



## Comparative Performance Trailing Returns

	Performance (%)								
	QTR	YTD	1 YR	3 YR	5 YR	7 YR	10 YR	Inception	Inception Date
<b>Total Retirement System (Net)</b>	<b>0.08</b>	<b>0.08</b>	<b>8.44</b>	<b>5.36</b>	<b>5.99</b>	<b>5.10</b>	<b>3.25</b>	<b>8.21</b>	<b>10/01/1992</b>
<b>Total Retirement System (Gross)</b>	<b>0.13</b>	<b>0.13</b>	<b>8.72</b>	<b>5.58</b>	<b>6.29</b>	<b>5.45</b>	<b>3.73</b>	<b>8.53</b>	<b>10/01/1992</b>
Total Fund Policy	-0.50	-0.50	10.45	7.59	8.80	8.93	7.46	8.20	
Variance	0.63	0.63	-1.73	-2.01	-2.51	-3.48	-3.73	0.33	
<b>Total Equity</b>	<b>0.01</b>	<b>0.01</b>	<b>12.46</b>	<b>7.69</b>	<b>9.89</b>	<b>7.45</b>	<b>5.61</b>	<b>8.90</b>	<b>01/01/1994</b>
Total Equity Policy	-0.96	-0.96	13.99	8.75	10.88	10.02	7.49	8.41	
Variance	0.97	0.97	-1.53	-1.06	-0.99	-2.57	-1.88	0.49	
<b>Domestic Equity</b>	<b>-0.02 (38)</b>	<b>-0.02 (38)</b>	<b>11.53(53)</b>	<b>8.73 (46)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>11.19 (56)</b>	<b>05/01/2013</b>
Russell 3000 Index	-0.64	-0.64	13.81	10.22	13.03	12.39	9.62	12.89	
Variance	0.62	0.62	-2.28	-1.49	N/A	N/A	N/A	-1.70	
IM U.S. Equity (SA+CF+MF) Median	-0.79	-0.79	11.87	8.36	11.52	10.91	9.20	11.54	
NT Collective Russell 3000 Index	-0.65 (63)	-0.65 (63)	13.83(60)	10.25 (41)	N/A	N/A	N/A	10.62 (41)	01/01/2014
Russell 3000 Index	-0.64	-0.64	13.81	10.22	13.03	12.39	9.62	10.60	
Variance	-0.01	-0.01	0.02	0.03	N/A	N/A	N/A	0.02	
IM U.S. All Cap Core Equity (SA+CF) Median	-0.18	-0.18	14.21	9.82	12.78	12.40	10.08	10.17	
Baird Mid Cap Growth	4.32 (30)	4.32 (30)	21.83(36)	9.03 (56)	N/A	N/A	N/A	8.89 (74)	07/01/2014
Russell Midcap Growth Index	2.17	2.17	19.74	9.17	13.31	11.92	10.61	10.22	
Variance	2.15	2.15	2.09	-0.14	N/A	N/A	N/A	-1.33	
IM U.S. Mid Cap Growth Equity (SA+CF) Median	2.98	2.98	19.94	9.27	13.19	11.86	11.05	10.33	
Seizert Mid Cap Value	1.37 (35)	1.37 (35)	2.40(99)	5.89 (92)	N/A	N/A	N/A	5.29 (95)	07/01/2014
Russell Midcap Index	-0.46	-0.46	12.20	8.01	12.09	11.51	10.21	8.64	
Variance	1.83	1.83	-9.80	-2.12	N/A	N/A	N/A	-3.35	
IM U.S. Mid Cap Equity (SA+CF) Median	-0.26	-0.26	12.73	8.81	12.54	11.84	11.01	9.21	
Kennedy Small Cap Value	-3.30 (79)	-3.30 (79)	5.74(74)	N/A	N/A	N/A	N/A	18.37 (69)	03/01/2016
Russell 2000 Value Index	-2.64	-2.64	5.13	7.87	9.96	9.42	8.61	20.42	
Variance	-0.66	-0.66	0.61	N/A	N/A	N/A	N/A	-2.05	
IM U.S. Small Cap Value Equity (SA+CF) Median	-1.78	-1.78	8.37	8.71	11.68	11.11	10.74	19.84	

Returns for periods greater than one year are annualized. Returns are expressed as percentages. All performance data is Net of Fees. Please refer to the end of the report for additional notes.



Comparative Performance

Total Fund

As of March 31, 2018

	Performance (%)								Inception Date
	QTR	YTD	1 YR	3 YR	5 YR	7 YR	10 YR	Inception	
<b>International Equity</b>	<b>0.09 (48)</b>	<b>0.09 (48)</b>	<b>18.15(53)</b>	<b>6.65 (58)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>8.14 (24)</b>	<b>05/01/2013</b>
MSCI AC World ex USA	-1.08	-1.08	17.05	6.68	6.37	4.73	3.17	5.68	
Variance	1.17	1.17	1.10	-0.03	N/A	N/A	N/A	2.46	
IM International Equity (SA+CF+MF) Median	-0.07	-0.07	18.56	7.29	6.76	5.36	3.73	6.13	
Driehaus International Small Cap Growth	3.95 (8)	3.95 (8)	35.31(4)	13.46 (14)	11.69 (22)	N/A	N/A	14.02 (16)	09/01/2012
MSCI AC World ex USA Small Growth	0.89	0.89	23.93	11.32	9.30	6.72	5.55	11.01	
Variance	3.06	3.06	11.38	2.14	2.39	N/A	N/A	3.01	
IM International SMID Cap Growth Equity (MF) Median	1.06	1.06	24.36	10.49	9.86	8.38	6.16	12.08	
Thompson Siegel & Walmsley	-1.15 (57)	-1.15 (57)	13.39(85)	5.65 (78)	N/A	N/A	N/A	5.33 (75)	10/01/2014
MSCI EAFE Index	-1.41	-1.41	15.32	6.05	6.98	5.80	3.23	5.55	
Variance	0.26	0.26	-1.93	-0.40	N/A	N/A	N/A	-0.22	
IM International Large Cap Core Equity (SA+CF) Median	-0.92	-0.92	16.74	6.60	7.77	6.59	4.09	6.25	
LMCG Emerging Markets Fund	2.00 (45)	2.00 (45)	24.50(51)	6.40 (91)	N/A	N/A	N/A	5.34 (83)	04/01/2014
MSCI Emerging Markets Index	1.47	1.47	25.37	9.21	5.37	2.83	3.36	7.04	
Variance	0.53	0.53	-0.87	-2.81	N/A	N/A	N/A	-1.70	
IM Emerging Markets Equity (SA+CF) Median	1.81	1.81	24.56	9.86	6.05	4.48	4.41	7.65	
<b>Total Other Equity</b>	<b>0.00</b>	<b>0.00</b>	<b>-10.09</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-14.34</b>	<b>01/01/2017</b>
Huff Energy Fund	0.00	0.00	-0.06	3.01	-9.76	-4.30	N/A	0.67	07/01/2010
Russell 3000 Energy SP	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Variance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Excelsior Investors, Ltd.	0.00	0.00	14.74	-4.95	-11.04	-8.47	N/A	-4.20	12/01/2008
Franklin Park Private Equity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00	02/01/2018
Cambridge Associates Private Equity Index (Proxy)	0.00	0.00	13.20	10.98	12.58	12.41	N/A	0.00	
Variance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00	
Sail Venture Fund I	0.00	0.00	-100.00	-99.00	-95.04	-89.13	N/A	-86.22	06/01/2010
Sail Venture Fund II	0.00	0.00	-100.00	-98.56	-95.33	-89.23	N/A	-86.18	07/01/2010
Sail Pre-Exit Acceleration Fund	0.00	0.00	-100.00	-98.56	-95.46	N/A	N/A	-94.73	01/01/2013

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**Comparative Performance**  
**Total Fund**  
As of March 31, 2018

	Performance (%)								
	QTR	YTD	1 YR	3 YR	5 YR	7 YR	10 YR	Inception	Inception Date
<b>Total Fixed Income</b>	<b>0.27</b>	<b>0.27</b>	<b>2.35</b>	<b>1.84</b>	<b>0.76</b>	<b>1.96</b>	<b>3.36</b>	<b>6.91</b>	<b>12/01/1993</b>
Total Fixed Income Policy	-0.08	-0.08	4.10	2.31	1.77	2.57	3.23	5.07	
Variance	0.35	0.35	-1.75	-0.47	-1.01	-0.61	0.13	1.84	
Orleans Capital	-1.34 (42)	-1.34 (42)	1.91(30)	1.67 (43)	N/A	N/A	N/A	2.79 (63)	01/01/2014
Blmbg. Barc. U.S. Aggregate Index	-1.46	-1.46	1.20	1.20	1.82	2.92	3.63	2.61	
Variance	0.12	0.12	0.71	0.47	N/A	N/A	N/A	0.18	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	-1.37	-1.37	1.65	1.56	2.15	3.36	4.29	2.95	
Templeton Global Multisector Plus Trust	2.00 (16)	2.00 (16)	0.52(100)	2.81 (37)	N/A	N/A	N/A	2.50 (30)	03/01/2014
Blmbg. Barc. Global Multiverse	1.30	1.30	7.05	3.41	1.69	2.19	2.79	1.53	
Variance	0.70	0.70	-6.53	-0.60	N/A	N/A	N/A	0.97	
IM Global Fixed Income (MF) Median	0.74	0.74	5.57	2.40	1.69	2.39	3.31	1.77	
<b>Total Other Fixed Income</b>	<b>1.49</b>	<b>1.49</b>	<b>4.91</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>0.67</b>	<b>01/01/2017</b>
Capital Point Partners	0.00	0.00	-5.93	-12.05	-9.97	-4.19	N/A	-2.03	07/01/2010
Franchise Equity Capital Partners II	0.00	0.00	54.90	-22.10	-10.68	-7.62	-3.14	-3.14	04/01/2008
Franchise Equity Capital Partners III	0.00	0.00	-4.36	0.38	0.69	4.52	N/A	12.67	12/01/2009
LBC Credit Partners III	1.24	1.24	2.85	8.68	N/A	N/A	N/A	10.50	03/01/2014
Credit Suisse Leveraged Loan Index	1.58	1.58	4.64	4.32	4.19	4.54	5.37	3.99	
Variance	-0.34	-0.34	-1.79	4.36	N/A	N/A	N/A	6.51	
LBC Credit Partners IV	1.59	1.59	13.89	N/A	N/A	N/A	N/A	12.51	09/01/2016
Credit Suisse Leveraged Loan Index	1.58	1.58	4.64	4.32	4.19	4.54	5.37	5.73	
Variance	0.01	0.01	9.25	N/A	N/A	N/A	N/A	6.78	
Providence Debt Fund III	2.33	2.33	6.61	7.87	N/A	N/A	N/A	10.21	04/01/2014
Credit Suisse Leveraged Loan Index	1.58	1.58	4.64	4.32	4.19	4.54	5.37	3.98	
Variance	0.75	0.75	1.97	3.55	N/A	N/A	N/A	6.23	

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**Comparative Performance**  
**Total Fund**  
As of March 31, 2018

	Performance (%)								Inception Date
	QTR	YTD	1 YR	3 YR	5 YR	7 YR	10 YR	Inception	
<b>Alternative Investments</b>									
<b>Multi Asset Funds</b>	<b>-0.29</b>	<b>-0.29</b>	<b>1.25</b>	<b>-1.31</b>	<b>0.16</b>	<b>0.99</b>	<b>N/A</b>	<b>5.83</b>	<b>12/01/2008</b>
HFRI Fund of Funds Composite Index	0.29	0.29	5.57	1.87	3.38	2.58	1.55	3.67	
Variance	-0.58	-0.58	-4.32	-3.18	-3.22	-1.59	N/A	2.16	
Double Eagle Capital Ace Fund, Ltd.	1.49	1.49	3.05	-0.70	2.26	2.41	N/A	3.60	09/01/2010
HFRI Fund of Funds Composite Index	0.29	0.29	5.57	1.87	3.38	2.58	1.55	3.29	
Variance	1.20	1.20	-2.52	-2.57	-1.12	-0.17	N/A	0.31	
BlackRock Multi Asset Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-2.77	02/01/2018
BlackRock Multi Hybrid	-1.30	-1.30	N/A	N/A	N/A	N/A	N/A	-3.29	
Variance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.52	
Westwood Income Opportunity Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-4.56	02/01/2018
WW Income Fund Index	-2.17	-2.17	3.32	3.18	5.25	6.40	5.78	-4.34	
Variance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-0.22	
<b>Other Assets</b>									
Cash Account	0.31	0.31	0.96	0.45	0.28	0.30	0.54	4.61	06/01/1988
Cash Account PE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	03/01/2014
Retiree Death Benefit Account	0.31	0.31	0.97	0.46	0.28	0.40	0.46	1.35	12/01/2004
<b>Other Alternative Assets</b>									
Total Real Estate	1.38	1.38	3.09	2.83	9.60	8.75	0.63	3.84	08/01/2005
NCREIF Property Index	1.70	1.70	7.12	8.72	10.00	10.55	6.09	8.20	
Variance	-0.32	-0.32	-4.03	-5.89	-0.40	-1.80	-5.46	-4.36	
Total Timber Funds	1.46	1.46	1.80	-2.81	-0.50	-0.18	-0.87	1.87	08/01/2005
NCREIF Timberland Index	0.92	0.92	3.79	3.44	6.10	5.79	4.06	7.00	
Variance	0.54	0.54	-1.99	-6.25	-6.60	-5.97	-4.93	-5.13	

Returns for periods greater than one year are annualized. Returns are expressed as percentages. All performance data is Net of Fees. Please refer to the end of the report for additional notes.



## Comparative Performance Fiscal Year Returns

	Performance (%)									
	YTD	2017	2016	2015	2014	2013	2012	2011	2010	
<b>Total Retirement System (Net)</b>	<b>0.08</b>	<b>11.89</b>	<b>7.67</b>	<b>-1.05</b>	<b>5.61</b>	<b>10.66</b>	<b>8.79</b>	<b>-3.16</b>	<b>10.99</b>	
<b>Total Retirement System (Gross)</b>	<b>0.13</b>	<b>12.17</b>	<b>7.87</b>	<b>-0.83</b>	<b>5.94</b>	<b>11.16</b>	<b>9.31</b>	<b>-2.68</b>	<b>12.25</b>	
Total Fund Policy	-0.50	15.77	8.04	2.43	8.08	17.56	11.31	4.69	12.13	
Variance	0.63	-3.60	-0.17	-3.26	-2.14	-6.40	-2.00	-7.37	0.12	
<b>Total Equity</b>	<b>0.01</b>	<b>18.49</b>	<b>11.41</b>	<b>-2.87</b>	<b>5.30</b>	<b>29.57</b>	<b>10.82</b>	<b>-8.56</b>	<b>16.73</b>	
Total Equity Policy	-0.96	22.07	9.61	-0.51	6.91	29.57	16.70	-3.34	14.51	
Variance	0.97	-3.58	1.80	-2.36	-1.61	0.00	-5.88	-5.22	2.22	
<b>Domestic Equity</b>	<b>-0.02 (38)</b>	<b>17.39 (54)</b>	<b>15.76 (31)</b>	<b>-3.09 (62)</b>	<b>8.03 (58)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	
Russell 3000 Index	-0.64	21.13	12.74	0.48	12.56	33.55	16.42	1.03	16.93	
Variance	0.62	-3.74	3.02	-3.57	-4.53	N/A	N/A	N/A	N/A	
IM U.S. Equity (SA+CF+MF) Median	-0.79	18.12	11.56	-1.68	9.18	33.88	15.25	-1.68	17.87	
NT Collective Russell 3000 Index	-0.65 (63)	21.15 (44)	12.79 (49)	0.49 (48)	12.55 (31)	N/A	N/A	N/A	N/A	
Russell 3000 Index	-0.64	21.13	12.74	0.48	12.56	33.55	16.42	1.03	16.93	
Variance	-0.01	0.02	0.05	0.01	-0.01	N/A	N/A	N/A	N/A	
IM U.S. All Cap Core Equity (SA+CF) Median	-0.18	20.51	12.47	0.35	10.77	35.91	16.07	0.29	16.98	
Baird Mid Cap Growth	4.32 (30)	26.98 (31)	5.35 (53)	-3.03 (81)	N/A	N/A	N/A	N/A	N/A	
Russell Midcap Growth Index	2.17	25.27	7.33	-0.20	11.90	35.74	15.81	-1.65	26.38	
Variance	2.15	1.71	-1.98	-2.83	N/A	N/A	N/A	N/A	N/A	
IM U.S. Mid Cap Growth Equity (SA+CF) Median	2.98	25.47	5.51	0.79	8.63	36.40	15.13	-0.95	26.75	
Seizert Mid Cap Value	1.37 (35)	7.38 (99)	24.86 (5)	-10.83 (98)	N/A	N/A	N/A	N/A	N/A	
Russell Midcap Index	-0.46	18.52	13.80	-2.44	13.22	34.76	17.28	-1.55	25.47	
Variance	1.83	-11.14	11.06	-8.39	N/A	N/A	N/A	N/A	N/A	
IM U.S. Mid Cap Equity (SA+CF) Median	-0.26	19.95	12.54	-1.19	9.78	36.37	16.56	-1.04	25.00	
Kennedy Small Cap Value	-3.30 (79)	12.51 (43)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Russell 2000 Value Index	-2.64	7.84	31.74	-7.47	4.22	34.52	18.05	-5.50	24.50	
Variance	-0.66	4.67	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
IM U.S. Small Cap Value Equity (SA+CF) Median	-1.78	11.60	26.10	-4.27	5.66	38.07	17.52	-3.23	27.44	

Returns for periods greater than one year are annualized. Returns are expressed as percentages. All performance data is Net of Fees. Please refer to the end of the report for additional notes.





Comparative Performance

Total Fund

As of March 31, 2018

	Performance (%)								
	YTD	2017	2016	2015	2014	2013	2012	2011	2010
<b>International Equity</b>	<b>0.09 (48)</b>	<b>27.37 (61)</b>	<b>0.67 (63)</b>	<b>-2.40 (50)</b>	<b>-0.27 (23)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
MSCI AC World ex USA	-1.08	27.77	5.01	-5.25	-3.44	15.78	17.39	-13.33	11.60
Variance	1.17	-0.40	-4.34	2.85	3.17	N/A	N/A	N/A	N/A
IM International Equity (SA+CF+MF) Median	-0.07	29.25	2.23	-2.44	-3.99	18.07	18.89	-14.30	13.67
Driehaus International Small Cap Growth	3.95 (8)	41.19 (7)	-6.24 (86)	12.59 (11)	-4.32 (43)	29.24 (33)	N/A	N/A	N/A
MSCI AC World ex USA Small Growth	0.89	33.99	-0.04	6.74	-3.35	18.80	17.17	-17.67	27.55
Variance	3.06	7.20	-6.20	5.85	-0.97	10.44	N/A	N/A	N/A
IM International SMID Cap Growth Equity (MF) Median	1.06	34.59	-1.87	6.70	-4.75	26.57	21.86	-15.23	22.17
Thompson Siegel & Walmsley	-1.15 (57)	22.70 (92)	0.47 (63)	1.38 (36)	N/A	N/A	N/A	N/A	N/A
MSCI EAFE Index	-1.41	25.62	1.51	-0.39	-4.48	23.29	17.90	-11.73	8.21
Variance	0.26	-2.92	-1.04	1.77	N/A	N/A	N/A	N/A	N/A
IM International Large Cap Core Equity (SA+CF) Median	-0.92	26.34	1.19	0.29	-3.78	23.11	19.44	-12.26	11.18
LMCG Emerging Markets Fund	2.00 (45)	35.93 (57)	7.14 (72)	-18.73 (95)	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets Index	1.47	37.75	11.60	-14.60	-1.82	-2.27	18.64	-18.17	19.20
Variance	0.53	-1.82	-4.46	-4.13	N/A	N/A	N/A	N/A	N/A
IM Emerging Markets Equity (SA+CF) Median	1.81	37.02	10.08	-12.66	-0.14	0.95	20.53	-18.17	21.83
<b>Total Other Equity</b>	<b>0.00</b>	<b>-17.60</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Huff Energy Fund	0.00	-10.08	44.55	-20.83	-18.64	-29.83	43.24	-5.31	N/A
Russell 3000 Energy SP	N/A	N/A	N/A	N/A	-10.01	25.86	3.87	3.42	21.85
Variance	N/A	N/A	N/A	N/A	-8.63	-55.69	39.37	-8.73	N/A
Excelsior Investors, Ltd.	0.00	26.42	13.49	-40.49	-13.16	-23.59	-2.73	2.92	15.69
Franklin Park Private Equity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cambridge Associates Private Equity Index (Proxy)	0.00	17.61	13.00	5.59	11.18	21.26	13.43	11.16	N/A
Variance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sail Venture Fund I	0.00	-100.00	0.00	0.00	-51.72	-37.04	-32.91	-13.87	N/A
Sail Venture Fund II	0.00	-100.00	0.00	0.00	-90.44	-22.84	-24.33	10.90	N/A
Sail Pre-Exit Acceleration Fund	0.00	-100.00	0.00	0.00	-93.68	3.26	N/A	N/A	N/A

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Comparative Performance

Total Fund

As of March 31, 2018

	Performance (%)								
	YTD	2017	2016	2015	2014	2013	2012	2011	2010
<b>Total Fixed Income</b>	<b>0.27</b>	<b>2.86</b>	<b>4.36</b>	<b>-0.97</b>	<b>1.69</b>	<b>-3.42</b>	<b>13.45</b>	<b>-1.20</b>	<b>15.23</b>
Total Fixed Income Policy	-0.08	5.60	2.77	-1.37	3.20	-2.10	4.54	6.72	6.24
Variance	0.35	-2.74	1.59	0.40	-1.51	-1.32	8.91	-7.92	8.99
Orleans Capital	-1.34 (42)	3.87 (61)	3.79 (27)	0.57 (72)	5.08 (94)	N/A	N/A	N/A	N/A
Blmbg. Barc. U.S. Aggregate Index	-1.46	3.54	2.65	0.55	5.97	-2.02	4.21	7.84	6.54
Variance	0.12	0.33	1.14	0.02	-0.89	N/A	N/A	N/A	N/A
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	-1.37	4.05	3.10	0.82	6.16	-1.56	5.90	7.83	7.24
Templeton Global Multisector Plus Trust	2.00 (16)	3.84 (83)	7.33 (7)	-4.27 (61)	N/A	N/A	N/A	N/A	N/A
Blmbg. Barc. Global Multiverse	1.30	7.69	2.84	-3.29	0.48	-2.19	4.84	5.55	5.84
Variance	0.70	-3.85	4.49	-0.98	N/A	N/A	N/A	N/A	N/A
IM Global Fixed Income (MF) Median	0.74	6.82	3.27	-3.88	1.91	-2.52	7.33	4.01	5.97
<b>Total Other Fixed Income</b>	<b>1.49</b>	<b>-0.65</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Capital Point Partners	0.00	-31.96	0.00	1.14	-7.09	-6.18	15.06	7.40	N/A
Franchise Equity Capital Partners II	0.00	74.16	-70.03	-13.41	21.33	21.10	-16.06	-7.72	7.86
Franchise Equity Capital Partners III	0.00	-1.08	7.95	9.06	-19.72	22.20	3.61	18.41	2.08
LBC Credit Partners III	1.24	2.05	11.13	16.17	N/A	N/A	N/A	N/A	N/A
Credit Suisse Leveraged Loan Index	1.58	4.25	9.87	-0.41	2.18	6.16	9.43	1.82	9.98
Variance	-0.34	-2.20	1.26	16.58	N/A	N/A	N/A	N/A	N/A
LBC Credit Partners IV	1.59	15.20	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Credit Suisse Leveraged Loan Index	1.58	4.25	9.87	-0.41	2.18	6.16	9.43	1.82	9.98
Variance	0.01	10.95	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Providence Debt Fund III	2.33	7.95	13.97	2.91	N/A	N/A	N/A	N/A	N/A
Credit Suisse Leveraged Loan Index	1.58	4.25	9.87	-0.41	2.18	6.16	9.43	1.82	9.98
Variance	0.75	3.70	4.10	3.32	N/A	N/A	N/A	N/A	N/A

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**Comparative Performance**  
**Total Fund**  
As of March 31, 2018

	Performance (%)								
	YTD	2017	2016	2015	2014	2013	2012	2011	2010
<b>Alternative Investments</b>									
<b>Multi Asset Funds</b>	<b>-0.29</b>	<b>0.81</b>	<b>0.37</b>	<b>-1.70</b>	<b>-6.00</b>	<b>12.18</b>	<b>9.71</b>	<b>-4.32</b>	<b>13.31</b>
HFRI Fund of Funds Composite Index	0.29	7.77	0.51	-0.27	3.37	8.96	4.79	-5.72	5.70
Variance	-0.58	-6.96	-0.14	-1.43	-9.37	3.22	4.92	1.40	7.61
Double Eagle Capital Ace Fund, Ltd.	1.49	0.81	-1.53	0.78	0.17	16.13	8.92	-6.81	N/A
HFRI Fund of Funds Composite Index	0.29	7.77	0.51	-0.27	3.37	8.96	4.79	-5.72	5.70
Variance	1.20	-6.96	-2.04	1.05	-3.20	7.17	4.13	-1.09	N/A
BlackRock Multi Asset Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BlackRock Multi Hybrid	-1.30	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Variance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Westwood Income Opportunity Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
WW Income Fund Index	-2.17	8.12	5.36	0.54	13.51	6.16	9.96	7.30	13.10
Variance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Other Assets</b>									
Cash Account	0.31	0.76	0.27	0.01	0.06	0.02	0.59	-0.21	0.36
Cash Account PE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Retiree Death Benefit Account	0.31	0.77	0.27	0.02	0.01	0.01	0.15	1.24	0.06
<b>Other Alternative Assets</b>									
Total Real Estate	1.38	2.90	0.76	5.40	31.16	10.25	7.49	6.25	2.00
NCREIF Property Index	1.70	6.96	7.97	13.33	11.82	10.98	10.54	14.26	13.11
Variance	-0.32	-4.06	-7.21	-7.93	19.34	-0.73	-3.05	-8.01	-11.11
Total Timber Funds	1.46	-3.94	-6.92	1.93	10.81	-4.18	0.02	-1.33	3.80
NCREIF Timberland Index	0.92	3.63	2.59	4.97	10.48	9.69	7.75	1.57	-0.15
Variance	0.54	-7.57	-9.51	-3.04	0.33	-13.87	-7.73	-2.90	3.95

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**Comparative Performance - IRR**  
**Other Alternative Investments**  
As of March 31, 2018

<b>Comparative Performance - IRR</b>								
	<b>Market Value (\$)</b>	<b>QTR</b>	<b>YTD</b>	<b>1 YR</b>	<b>3 YR</b>	<b>5 YR</b>	<b>Inception IRR</b>	<b>Inception Date</b>
<b>Total Real Estate Investments</b>	<b>70,007,002</b>	<b>1.38</b>	<b>1.38</b>	<b>3.03</b>	<b>2.97</b>	<b>11.90</b>	<b>6.92</b>	<b>07/31/2005</b>
Edison Investments	4,082,347	1.65	1.65	5.24	11.24	18.22	11.99	09/30/1996
ARES Advisors (V & VI)	1,436,867	-0.06	-0.06	18.25	10.98	16.12	3.82	05/31/2002
Rockspring Capital Land Funds (I - VI)	12,003,414	-0.32	-0.32	-4.20	-5.25	3.53	1.47	11/30/2003
INVESCO Real Estate Funds (I & II)	28,554	-0.16	-0.16	-6.18	5.99	13.15	4.32	03/31/2005
JPM India Property Fund	1,294,532	0.00	0.00	-13.13	-5.68	-5.94	-2.68	05/24/2007
Vision Capital Partners	1,818,400	0.00	0.00	-11.02	-3.82	-9.51	-8.54	01/31/2008
FWAR Investments	11,855	0.00	0.00	-88.05	-22.96	-6.91	-25.83	07/18/2012
Morgan Stanley	47,335,999	2.00	2.00	8.83	N/A	N/A	8.88	12/31/2015
AEW Partners Fund VIII	1,995,034	0.53	0.53	N/A	N/A	N/A	-16.68	06/26/2017
<b>Total Timber Funds</b>	<b>22,600,978</b>	<b>1.47</b>	<b>1.47</b>	<b>1.80</b>	<b>-2.71</b>	<b>0.19</b>	<b>0.00</b>	<b>07/31/2005</b>
BTG Pactual 1	1,642,490	-0.22	-0.22	6.38	-5.15	-5.51	3.93	11/30/1996
Capitol Timberland Investments	16,847,830	2.01	2.01	2.10	-0.24	2.92	3.73	09/30/2004
Domain Environmental Investments II	4,110,658	0.00	0.00	-1.00	-3.22	-1.18	-0.52	04/30/2008
<b>Total Other Equity</b>	<b>13,407,438</b>	<b>-0.26</b>	<b>-0.26</b>	<b>-10.27</b>	<b>N/A</b>	<b>N/A</b>	<b>0.00</b>	<b>01/01/2017</b>
Huff Energy Fund	11,940,332	0.00	0.00	-0.06	3.00	-9.99	3.00	12/31/2006
Excelsior Investors, Ltd.	623,103	0.00	0.00	14.80	-5.45	N/A	-11.51	12/31/2014
Franklin Park Private Equity	844,000	-10.20	-10.20	N/A	N/A	N/A	-10.20	01/31/2018
Sail Venture Fund I	1	0.00	0.00	-100.00	-98.94	-94.88	-65.45	12/31/2008
Sail Venture Fund II	1	0.00	0.00	-100.00	-98.54	-95.33	-92.14	02/28/2009
Sail Pre-Exit Acceleration Fund	1	0.00	0.00	-100.00	-98.53	-95.42	-95.05	01/31/2013
<b>Total Other Fixed Income</b>	<b>30,892,703</b>	<b>1.51</b>	<b>1.51</b>	<b>3.88</b>	<b>N/A</b>	<b>N/A</b>	<b>0.00</b>	<b>01/03/2017</b>
Capital Point Partners	4,501,369	0.00	0.00	-5.93	-14.67	-11.86	0.83	03/31/2007
Franchise Equity Capital Partners II	383,876	0.00	0.00	54.90	-14.58	2.63	0.66	04/28/2008
Franchise Equity Capital Partners III	25,679	0.00	0.00	7.74	0.76	2.32	7.19	12/21/2009
LBC Credit Partners III	7,876,372	1.36	1.36	3.36	9.04	N/A	10.15	03/07/2014
LBC Credit Partners IV	7,945,389	1.59	1.59	12.40	N/A	N/A	12.48	09/19/2016
Providence Debt Fund III	10,160,018	2.31	2.31	6.61	8.60	N/A	9.50	04/21/2014



**Summary of Partnerships  
Other Alternative Investments**

As of March 31, 2018

**Private Equity Summary of Partnership**

Partnerships	Drawn Down \$	Market Value \$	Distributed \$	IRR (%)	TVPI Multiple
<b>Total Real Estate Investments</b>					
Edison Investments	8,146,177	4,082,347	17,320,168	12.0	2.6
ARES Value Enhancement Fund V	5,000,000	578,974	5,374,009	5.9	1.2
ARES Value Enhancement Fund VI	5,000,000	857,893	5,548,502	3.0	1.3
Rockspring Capital Land Fund I	3,618,330	499,425	4,738,306	10.3	1.4
Rockspring Capital Land Fund II	7,870,282	4,440,608	6,677,514	3.6	1.4
Rockspring Capital Land Fund III	5,125,000	2,103,475	4,853,495	3.5	1.4
Rockspring Capital Land Fund IV	7,615,498	107,905	9,395,290	3.1	1.2
Rockspring Capital Land Fund V	5,093,604	3,331,786	2,360,948	1.1	1.1
Rockspring Capital Land Fund VI	3,500,000	1,520,215	1,729,201	-0.8	0.9
INVESCO Real Estate Fund II	7,027,609	28,554	9,105,937	6.8	1.3
JPM India Property Fund	4,354,162	1,294,532	2,339,421	-2.7	0.8
Vision Capital Partners	5,415,936	1,818,400	570,711	-8.5	0.4
FWAR Investments	4,467,760	11,855	1,183,552	-25.8	0.3
Morgan Stanley	40,000,000	47,335,999	-	8.9	1.2
AEW Partners Fund VIII	3,183,161	1,995,034	917,833	-16.7	0.9
<b>Total Timber Investments</b>					
BTG Pactual 1	8,787,581	1,642,490	13,862,803	3.5	1.8
Capitol Timberland Investments	14,187,646	16,847,830	3,318,605	3.7	1.4
Domain Environmental Investments II	7,500,000	4,110,658	3,156,648	-0.5	1.0



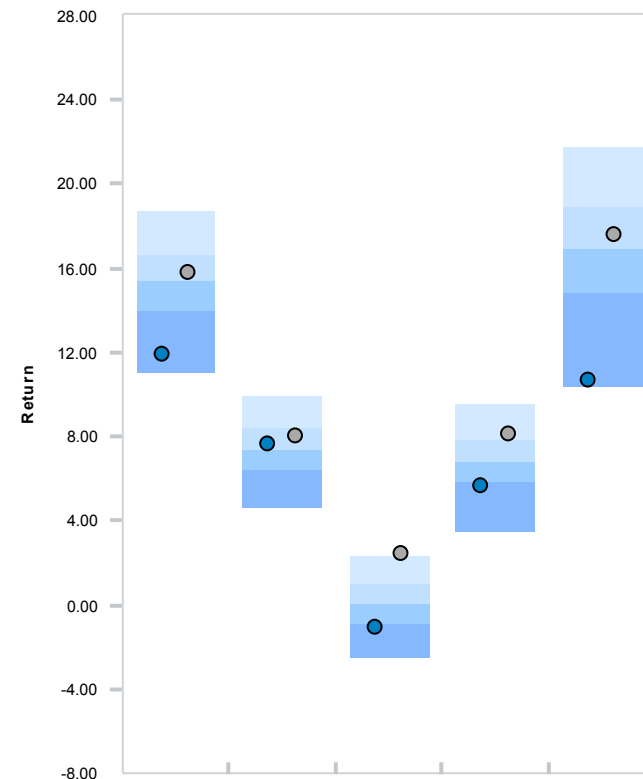
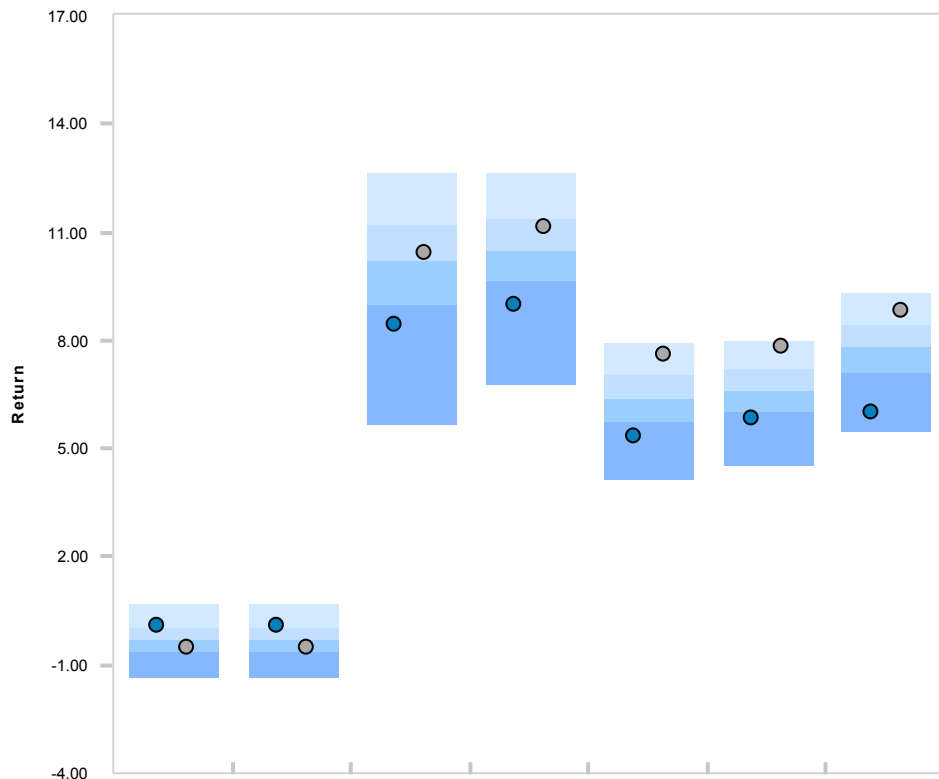
**Summary of Partnerships  
Other Alternative Investments**

As of March 31, 2018

Partnerships	Drawn Down \$	Market Value \$	Distributed \$	IRR (%)	TVPI Multiple
<b>Total Other Equity</b>					
Huff Energy Fund	11,095,509	11,940,332	1,786,358	3.0	1.2
Excelsior Investors, Ltd.	1,018,466	623,103	67,043	-11.5	0.7
Franklin Park Private Equity	877,425	844,000	-	-10.2	1.0
Sail Venture Fund I	5,000,000	1	343,503	-65.4	0.1
Sail Venture Fund II	5,366,749	1	688,247	-92.1	0.1
Sail Pre-Exit Acceleration Fund	4,947,894	1	-	-95.1	0.0
<b>Total Other Fixed Income</b>					
Capital Point Partners	12,058,210	4,501,369	8,004,090	0.8	1.0
Franchise Equity Capital Partners II	14,663,847	383,876	14,626,762	0.7	1.0
Franchise Equity Capital Partners III	4,943,551	25,679	6,251,544	7.2	1.3
LBC Credit Partners III	18,837,140	7,876,372	14,880,806	10.2	1.2
LBC Credit Partners IV	8,000,000	7,945,389	855,338	12.5	1.1
Providence Debt Fund III	10,017,001	10,160,018	2,367,019	9.5	1.3



Plan Sponsor Peer Group Analysis - All Public Plans-Total Fund



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Retirement System	0.08 (21)	0.08 (21)	8.44 (83)	8.98 (85)	5.36 (86)	5.85 (81)	5.99 (93)
● Total Fund Policy	-0.50 (64)	-0.50 (64)	10.45 (43)	11.14 (32)	7.59 (9)	7.84 (7)	8.80 (15)
Median	-0.32	-0.32	10.20	10.49	6.36	6.63	7.84

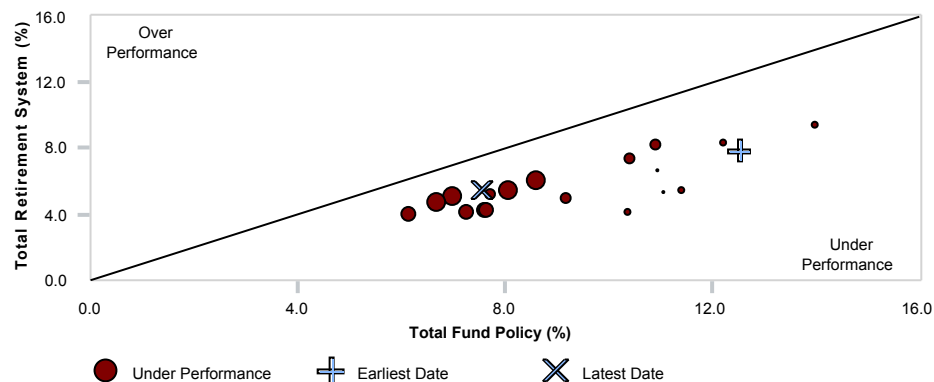
	2017	2016	2015	2014	2013
● Total Retirement System	11.89 (93)	7.67 (42)	-1.05 (79)	5.61 (78)	10.66 (95)
● Total Fund Policy	15.77 (43)	8.04 (34)	2.43 (5)	8.08 (21)	17.56 (43)
Median	15.43	7.32	0.07	6.78	16.93

Comparative Performance

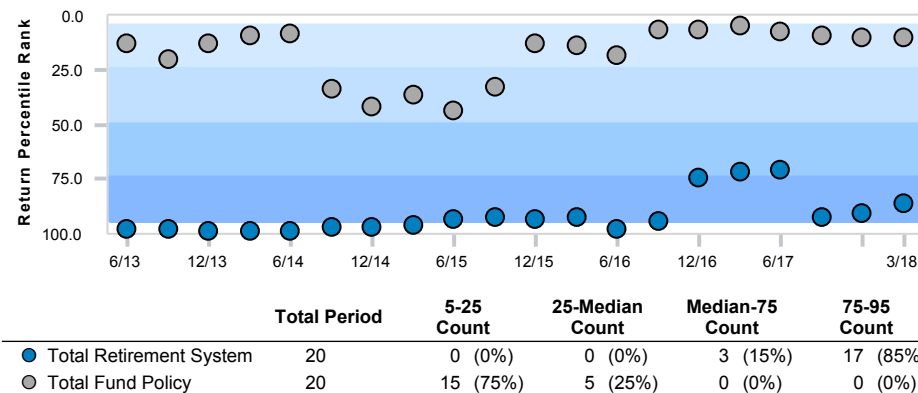
	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017	1 Qtr Ending Jun-2017	1 Qtr Ending Mar-2017	1 Qtr Ending Dec-2016	1 Qtr Ending Sep-2016
Total Retirement System	3.13 (87)	2.86 (89)	2.13 (92)	3.27 (93)	1.53 (21)	3.46 (47)
Total Fund Policy	4.16 (20)	3.58 (39)	2.89 (57)	4.29 (58)	1.77 (14)	3.53 (43)
All Public Plans-Total Fund Median	3.75	3.45	2.98	4.41	0.85	3.37



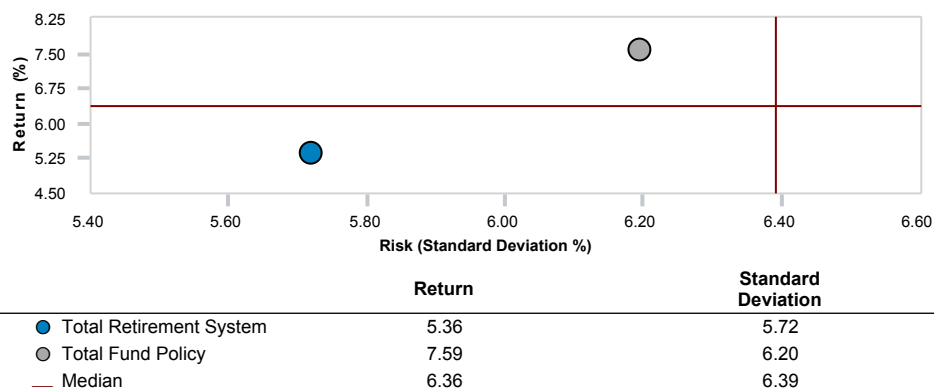
### 3 Yr Rolling Under/Over Performance - 5 Years



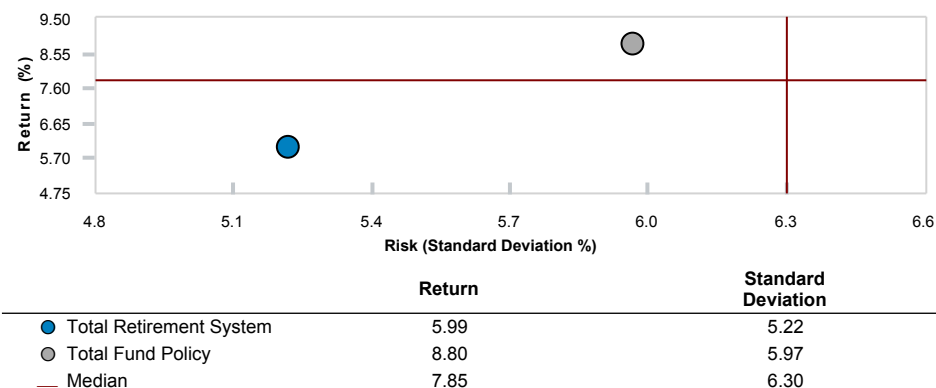
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Retirement System	1.62	82.85	99.21	-1.31	-1.32	0.86	0.89	3.36
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.14	1.00	3.65

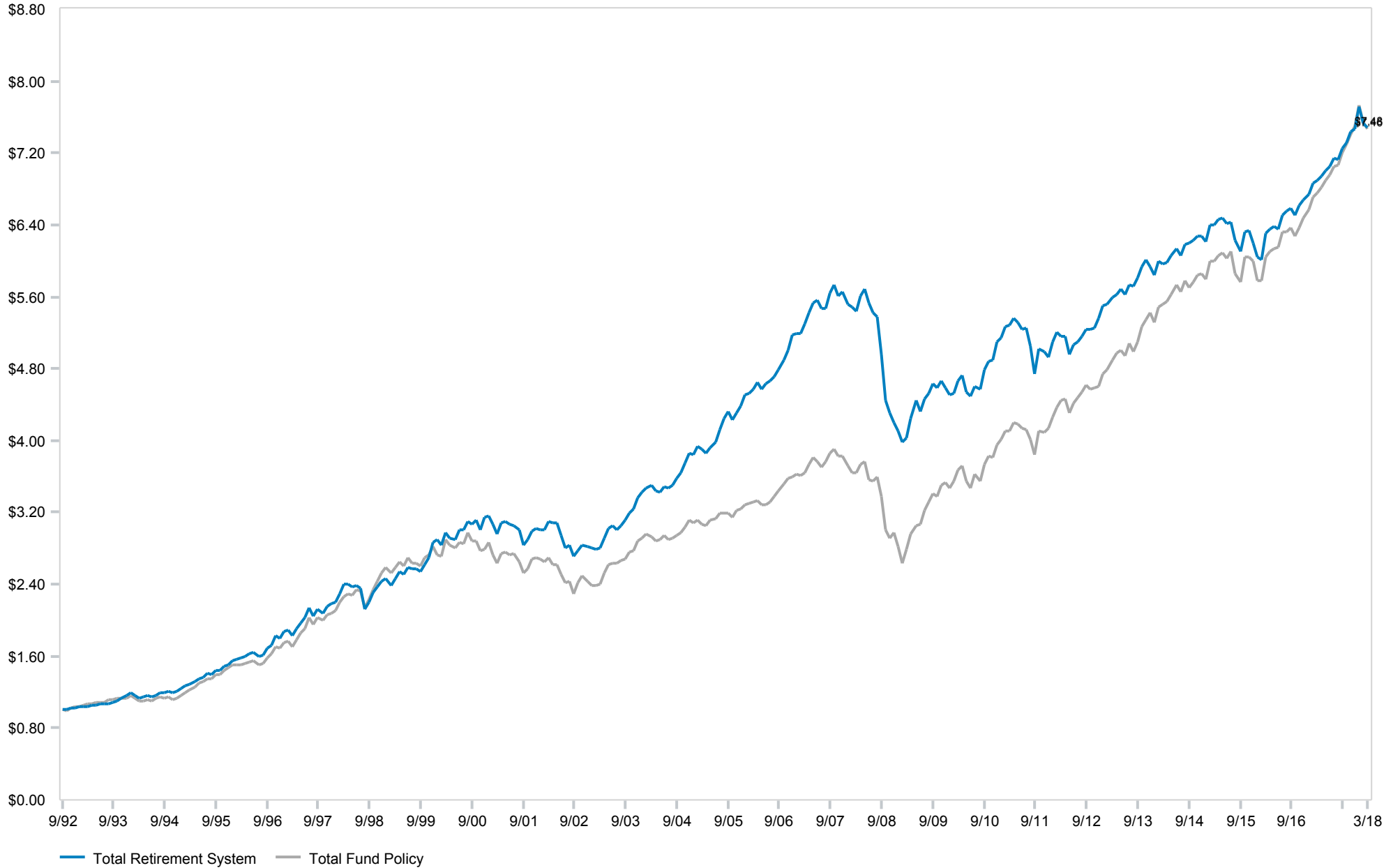
### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Retirement System	2.15	74.51	84.25	-1.09	-1.24	1.08	0.82	2.89
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.40	1.00	3.26





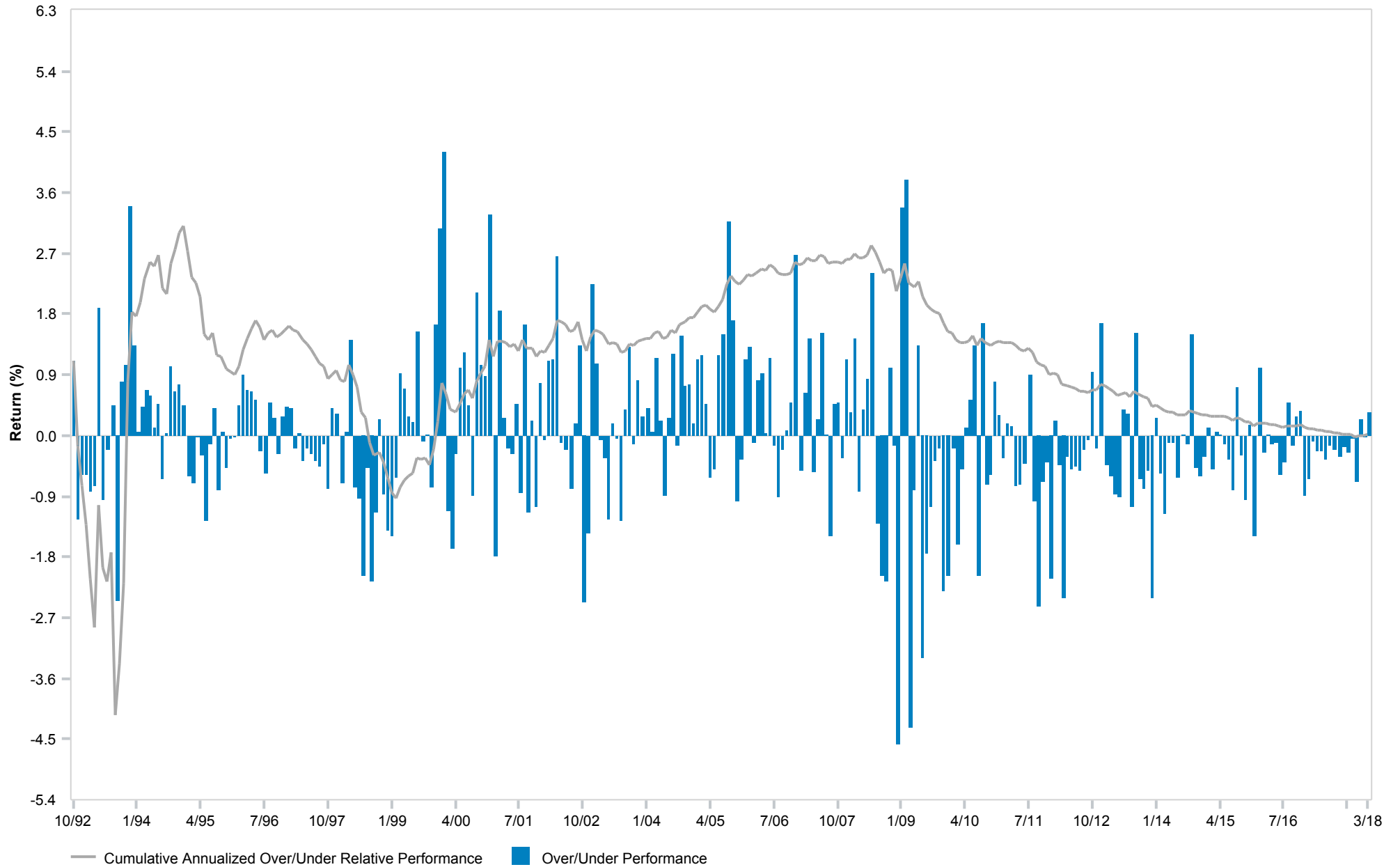
**Growth of \$1**



Calculation based on monthly periodicity.



Relative Performance



Calculation based on monthly periodicity.



**Austin Police Retirement System**  
**Investment Pricing Summary**  
as of 03/31/2017

Plan	Most Recent Statement Date	Statement Frequency	Statement Source
<b>Total Retirement System</b>			
<b>Total Equity</b>			
<b>Total Domestic Equity</b>			
NT Collective Russell 3000 Fund	3/31/2018	Monthly	Custodian
Baird Mid Cap Growth	3/31/2018	Monthly	Custodian
Seizert Mid Cap Value	3/31/2018	Monthly	Custodian
Kennedy Small Cap Value	3/31/2018	Monthly	Custodian
<b>Total International Equity</b>			
Thompson Siegel & Walmsley	3/31/2018	Monthly	Custodian
Driehaus International Small Cap Growth	3/31/2018	Monthly	Custodian
LMCG Emerging Markets	3/31/2018	Monthly	Custodian
<b>Total Other Equity</b>			
Huff Energy Fund	12/31/2017	Quarterly	Manager
Sail Venture Fund I	12/31/2014	Quarterly	Manager
Sail Venture Fund II	12/31/2014	Quarterly	Manager
Sail Pre-Exit Acceleration Fund	12/31/2014	Quarterly	Manager
Excelsior Investors, Ltd.	12/31/2017	Monthly	Manager
Franklin Park	1/31/2018 inception	Quarterly	Manager
<b>Total Fixed Income</b>			
<b>Total Fixed Income Funds</b>			
Orleans Capital	3/31/2018	Monthly	Custodian
Templeton Global Multisector Plus	3/31/2018	Monthly	Custodian

**Austin Police Retirement System**  
**Investment Pricing Summary**  
as of 03/31/2017

Plan	Most Recent Statement Date	Statement Frequency	Statement Source
<b>Total Other Fixed Income Funds</b>			
Capital Point Partners	12/31/2017	Quarterly	Manager
Franchise Equity Capital Partners II	12/31/2017	Quarterly	Manager
Franchise Equity Capital Partners III	12/31/2017	Quarterly	Manager
LBC Credit Partners III	12/31/2017	Quarterly	Manager
LBC Credit Partners IV	12/31/2017	Quarterly	Manager
Providence Debt Fund III	12/31/2017	Quarterly	Manager
<b>Total Alternatives</b>			
<b>Total Real Estate (Composite)(6091100)</b>			
<b>Rockspring Capital Land Funds (I - VI)</b>	<b>3/31/2018</b>	<b>Quarterly</b>	<b>Manager</b>
Rockspring Capital Land Fund I	3/31/2018	Quarterly	Manager
Rockspring Capital Land Fund II	3/31/2018	Quarterly	Manager
Rockspring Capital Land Fund III	3/31/2018	Quarterly	Manager
Rockspring Capital Land Fund IV	3/31/2018	Quarterly	Manager
Rockspring Capital Land Fund V	3/31/2018	Quarterly	Manager
Rockspring Capital Land Fund VI	3/31/2018	Quarterly	Manager
<b>Ares Advisors (V &amp; VI)</b>	<b>12/31/2017</b>	<b>Quarterly</b>	<b>Manager</b>
Ares Value Enhancement Fund V	12/31/2017	Quarterly	Manager
Ares Value Enhancement Fund VI	12/31/2017	Quarterly	Manager
INVESCO Real Estate Fund II	3/31/2018	Quarterly	Manager
Edison Investments	3/31/2018	Quarterly	Manager
JPM India Property Fund	12/31/2017	Quarterly	Manager

**Austin Police Retirement System**  
**Investment Pricing Summary**  
as of 03/31/2017

Plan	Most Recent Statement Date	Statement Frequency	Statement Source
Vision Capital Partners	12/31/2017	Quarterly	Manager
FWAR Investments	12/31/2017	Quarterly	Manager
Morgan Stanley	3/31/2018	Quarterly	Manager
AEW Parters VIII	12/31/2017	Quarterly	Manager
<b>Total Timber Funds</b>			
BTG Pactual 1	12/31/2017	Quarterly	Manager
Capitol Timberland Investments	3/31/2018	Quarterly	Manager
Domain Environmental	12/31/2017	Quarterly	Manager
<b>Total Multi Asset Funds</b>			
Double Eagle Capital Ace Fund, Ltd.	3/31/2018	Monthly	Manager
BlackRock Multi Asset	3/31/2018	Monthly	Manager
Westwood Income Opportunity	3/31/2018	Monthly	Manager
Cash Account	12/31/2017	Monthly	Custodian
PE Cash Account	12/31/2017	Monthly	Custodian
Retiree Death Benefit Account	12/31/2017	Monthly	Custodian
APRS Building			

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
<b>Total Domestic Equity</b>	<b>0.28</b>	<b>357,822,561</b>	<b>1,007,171</b>	
NT Collective Russell 3000 Index	0.02	214,401,669	42,880	0.02 % of Assets
Baird Mid Cap Growth	0.70	51,855,275	361,132	0.70 % of First \$50 M 0.60 % Thereafter
Seizert Mid Cap Val (Perf Fee 150-300 .60% +300 .90%)	0.35	48,076,554	168,268	0.35 % of Assets
Kennedy Small Cap Value	1.00	43,489,062	434,891	1.00 % of Assets
<b>Total International Equity</b>	<b>0.81</b>	<b>122,554,905</b>	<b>996,381</b>	
Thompson Siegel & Walmsley	0.65	83,189,209	540,730	0.65 % of Assets
Driehaus International Small Cap Growth	1.72	16,536,990	284,436	1.72 % of Assets
LMCG Emerging Markets Fund	0.75	22,828,707	171,215	0.75 % of Assets
<b>Total Other Equity</b>	<b>1.21</b>	<b>13,407,438</b>	<b>162,110</b>	
Huff Energy Fund	1.26	11,940,332	150,000	
Sail Venture Fund I	0.00	1	-	
Sail Venture Fund II	0.00	1	-	
Sail Pre-Exit Acceleration Fund	0.00	1	-	
Excelsior Investors, Ltd.	1.60	623,103	10,000	
Franklin Park Private Equity	0.25	844,000	2,110	0.25 % of Assets
<b>Total Fixed Income</b>	<b>0.56</b>	<b>107,729,373</b>	<b>603,613</b>	
Orleans Capital	0.15	38,370,000	57,555	0.15 % of Assets
Templeton Global Mulisector Plus Trust	0.62	38,466,670	238,493	0.62 % of First \$50 M 0.51 % of Next \$50 M 0.45 % Thereafter
<b>Total Other Fixed Income</b>	<b>1.00</b>	<b>30,892,703</b>	<b>307,565</b>	
Capital Point Partners	0.00	4,501,369	2	
Franchise Equity Capital Partners II	2.00	383,876	7,678	
Franchise Equity Capital Partners III	2.00	25,679	514	
LBC Credit Partners III	1.25	7,876,372	98,455	
LBC Credit Partners IV	1.25	7,945,389	99,317	
Providence Debt Fund III	1.00	10,160,018	101,600	
<b>Total Real Estate</b>	<b>0.97</b>	<b>70,007,002</b>	<b>680,360</b>	
Rockspring Capital Land Fund I	1.25	499,425	6,243	1.25 % of Assets
Rockspring Capital Land Fund II	1.25	4,440,608	55,508	1.25 % of Assets
Rockspring Capital Land Fund III	1.25	2,103,475	26,293	1.25 % of Assets
Rockspring Capital Land Fund IV	1.25	107,905	1,349	1.25 % of Assets
Rockspring Capital Land Fund V	1.25	3,331,786	41,647	1.25 % of Assets
Rockspring Capital Land Fund VI	1.25	1,520,215	19,003	1.25 % of Assets



**Austin Police  
Fee Analysis  
As of March 31, 2018**

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
ARES Value Enhancement Fund V	0.85	578,974	4,921	0.85 % of Assets
ARES Value Enhancement Fund VI	0.85	857,893	7,292	0.85 % of Assets
INVESCO Real Estate Fund II	1.50	28,554	428	1.50 % of Assets
Edison Investments	1.00	4,082,347	40,823	1.00 % of Assets
JPM India Property Fund	2.00	1,294,532	25,891	2.00 % of Assets
Vision Capital Partners	0.00	1,818,400	-	0.00 % of Assets
FWAR Investments	0.00	11,855	-	0.00 % of Assets
Morgan Stanley	0.90	47,335,999	426,024	0.90 % of Assets
AEW Partners Fund VIII	1.25	1,995,034	24,938	1.25 % of Assets
<b>Total Timber Funds</b>	<b>1.05</b>	<b>22,600,978</b>	<b>236,286</b>	
BTG Pactual 1	1.00	1,642,490	16,425	1.00 % of Assets
Capitol Timberland Investments	1.00	16,847,830	168,478	1.00 % of Assets
Domain Environmental Investments II	1.25	4,110,658	51,383	1.25 % of Assets
<b>Total Multi Asset Funds</b>	<b>0.84</b>	<b>68,511,408</b>	<b>576,857</b>	
Double Eagle Capital Ace Fund, Ltd. (1% Mgt Fee & 10% of profit after a 7% retn)	1.00	31,913,466	319,135	1.00 % of Assets
BlackRock Multi Asset Fund	0.57	18,407,489	104,923	0.57 % of Assets
Westwood Income Opportunity Fund	0.84	18,190,454	152,800	0.84 % of Assets
Cash Account	0.00	5,753,176	-	0.00 % of Assets
Cash Account PE		-	-	0.00 % of Assets
Retiree Death Benefit Account	0.00	1,246,711	-	0.00 % of Assets
APRS Building	0.00	1,338,769	-	0.00 % of Assets
<b>Total Retirement System</b>	<b>0.55</b>	<b>770,972,321</b>	<b>4,262,779</b>	



**Austin Police Retirement System  
Historical Hybrid Compositions  
As of March 31, 2018**

<b>Total Fund Policy</b>		<b>Total Equity Policy</b>		<b>Total Fixed Income Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>	<b>Allocation Mandate</b>	<b>Weight (%)</b>	<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1976</b>		<b>Jan-1979</b>		<b>Dec-1993</b>	
S&P 500 Index	60.00	Russell 3000 Index	67.00	Blmbg. Barc. U.S. Aggregate Index	100.00
Blmbg. Barc. U.S. Aggregate Index	40.00	MSCI World ex U.S.	33.00		
<b>Jan-2014</b>		<b>Jan-2017</b>		<b>Jan-1999</b>	
Russell 3000 Index	30.00	Russell 3000 Index	75.00	Blmbg. Barc. U.S. Aggregate Index	50.00
MSCI World ex U.S.	15.00	MSCI World ex U.S.	25.00	Blmbg. Barc. Global Multiverse	50.00
Blmbg. Barc. U.S. Aggregate Index	5.00				
Blmbg. Barc. Global Multiverse	5.00				
NCREIF Property Index	15.00				
NCREIF Timberland Index (Monthly)	5.00				
Russell 3000 + 300 bps	12.50				
HFRI Fund of Funds Composite Index	10.00				
Citigroup 3 Month T-Bill Index	2.50				
<b>Jan-2017</b>		<b>Total Private Equity Policy</b>		<b>Wellington Energy Hybrid</b>	
Russell 3000 Index	45.00	<b>Allocation Mandate</b>		<b>Allocation Mandate</b>	
MSCI World ex U.S.	15.00	<b>Weight (%)</b>		<b>Weight (%)</b>	
Blmbg. Barc. U.S. Aggregate Index	5.00	<b>May-2013</b>		<b>Jan-1999</b>	
Blmbg. Barc. Global Multiverse	5.00	Russell 3000 Index	100.00	Russell 3000 Energy SP	100.00
NCREIF Property Index	15.00	<b>Jan-2017</b>		<b>Oct-2015</b>	
NCREIF Timberland Index (Monthly)	2.50	Credit Suisse Leveraged Loan Index	67.00	S&P 500 Energy	100.00
HFRI Fund of Funds Composite Index	5.00	Cambridge Associates Private Equity Index (Proxy)	33.00		
Credit Suisse Leveraged Loan Index	5.00				
Cambridge Associates Private Equity Index (Proxy)	2.50				
<b>Jan-2018</b>		<b>Total Hedge Fund Policy</b>		<b>Total Timber Policy</b>	
Russell 3000 Index	42.50	<b>Allocation Mandate</b>		<b>Allocation Mandate</b>	
MSCI World ex U.S.	15.00	<b>Weight (%)</b>		<b>Weight (%)</b>	
Blmbg. Barc. U.S. Aggregate Index	10.00	<b>Jan-1990</b>		<b>Apr-1987</b>	
Blmbg. Barc. Global Multiverse	5.00	HFRI Fund of Funds Composite Index	100.00	NCREIF Timberland Index	100.00
NCREIF Property Index	15.00				
HFRI Fund of Funds Composite Index	5.00				
Credit Suisse Leveraged Loan Index	5.00				
Cambridge Associates Private Equity Index (Proxy)	2.50				
<b>Total Real Estate Policy</b>		<b>Total Real Estate Policy</b>		<b>Total Real Estate Policy</b>	
<b>Allocation Mandate</b>		<b>Allocation Mandate</b>		<b>Allocation Mandate</b>	
<b>Weight (%)</b>		<b>Weight (%)</b>		<b>Weight (%)</b>	
<b>Jan-1978</b>		<b>Jan-1978</b>		<b>Jan-1978</b>	
NCREIF Property Index		NCREIF Property Index		NCREIF Property Index	
100.00		100.00		100.00	





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- All market value and performance information through April 30, 2013 is provided by the previous consultant, CSG.
  - All historical return data is presented Net of Fees.
  - Best efforts have been made to acquire the most accurate data but due to reporting lag times Private Fixed Income, Real Estate, Timber, Private Equity and Hedge Fund information may not be current. Market values for these investments are subject to revision in future reports as more current information becomes available.
  - NCREIF Property Index is updated quarterly. One month return information is shown as 0.00%.
  - Effective May 1, 2013 the Sail Xtreme APRS Fund, LP and Xtreme Power, Inc. investments have been reclassified as Private Fixed Income under the Alternative Investments category. Prior to that they were listed as Fixed Income by the prior consultant.
  - Returns for all Real Estate, Timber and Private Equity managers are Internal Rates of Return. All other managers are Time Weighted Rates of Return.
  - Actuarial Assumption is currently 8.0%
  - Prior to 1/1/2009 Capital Point and Clinton Magnolia performance is included in the Total Fixed Income performance.
  - The information contained in this report is obtained from third party sources and is not warranted to be accurate, complete or timely. All returns and market values are preliminary and subject to revision in future reports upon final reconciliation.
  - Pricing may differ between the custodian and manager for reasons beyond the control of AndCo Consulting. Every effort will be made to use the most accurate and timely information available when the report is generated.
  - \* Xtreme Power declared bankruptcy in January 2014. After discussions with the Fund's Accountant, Auditor and Legal Counsel the investments in this company have been marked down to \$0.00 as of December 31st.  
If any proceeds are recovered in the bankruptcy process they will be credited to the Fund at that time.
  - As of 12/31/14 the Excelsior Investors, LTD position was reclassified to from the Hedge Fund composite to the Private Equity composite.
  - Capital Point Partners market value sourced from the March 2015 Capital Point Partners Quarterly Portfolio Review.

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<b>Active Return</b>	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
<b>Alpha</b>	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
<b>Beta</b>	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
<b>Consistency</b>	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
<b>Distributed to Paid In (DPI)</b>	- The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.
<b>Down Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
<b>Downside Risk</b>	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
<b>Excess Return</b>	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
<b>Excess Risk</b>	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
<b>Information Ratio</b>	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
<b>Public Market Equivalent (PME)</b>	- Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.
<b>R-Squared</b>	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
<b>Return</b>	- Compounded rate of return for the period.
<b>Sharpe Ratio</b>	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
<b>Standard Deviation</b>	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
<b>Total Value to Paid In (TVPI)</b>	- The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life
<b>Tracking Error</b>	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
<b>Treynor Ratio</b>	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
<b>Up Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.



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AndCo compiled this report for the sole use of the client for which it was prepared. AndCo is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. AndCo uses the results from this evaluation to make observations and recommendations to the client.

AndCo uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. AndCo analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides AndCo with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides AndCo with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause AndCo to believe that the information presented is significantly misstated.

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The strategies listed may not be suitable for all investors. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. Past performance is not an indication of future performance. Any information contained in this report is for informational purposes only and should not be construed to be an offer to buy or sell any securities, investment consulting, or investment management services.

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