



# Sacramento Regional Transit District Agenda

## COMBINED QUARTERLY MEETING OF THE RETIREMENT BOARDS FOR THE EMPLOYEES AND RETIREES OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT

9:00 A.M., WEDNESDAY, JUNE 12, 2019

REGIONAL TRANSIT AUDITORIUM

1400 29<sup>TH</sup> STREET, SACRAMENTO, CALIFORNIA

Website Address: [www.sacrt.com](http://www.sacrt.com)

(29th St. Light Rail Station/Bus 38, 67, 68)

**MEETING NOTE:** *This is a joint and concurrent meeting of the five independent Retirement Boards for the pension plans for the employees and retirees of the Sacramento Regional Transit District. This single, combined agenda designates which items will be subject to action by which board(s). Members of each board may be present for the other boards' discussions and actions, except during individual closed sessions.*

### **ROLL CALL**

ATU Retirement Board:	Directors: Li, Kennedy, Niz, McGee Lee Alternates: Jennings, Lucien
IBEW Retirement Board:	Directors: Li, Kennedy, Ohlson, Bibbs Alternates: Jennings, McCleskey
AEA Retirement Board:	Directors: Li, Kennedy, Devorak, Robison Alternates: Jennings, McGoldrick
AFSCME Retirement Board:	Directors: Li, Kennedy, Parks, Guimond Alternates: Jennings, Thompson
MCEG Retirement Board:	Directors: Li, Kennedy, Thorn, Norman Alternates: Jennings, Flores

### **PUBLIC ADDRESSES BOARD ON MATTERS ON CONSENT AND MATTERS NOT ON THE AGENDA**

At this time the public may address the Retirement Board(s) on subject matters pertaining to Retirement Board business listed on the Consent Calendar, any Closed Sessions or items not listed on the agenda. Remarks may be limited to 3 minutes subject to the discretion of the Common Chair. Members of the public wishing to address one or more of the Boards may submit a "Public Comment Speaker Card" to the Assistant Secretary. While the Retirement Boards encourage your comments, State law prevents the Boards from discussing items that are not set forth on this meeting agenda. The Boards and staff take your comments very seriously and, if appropriate, will follow up on them.

### **CONSENT CALENDAR**

		<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
1. Motion:	Approving the Minutes for the March 20, 2019 Quarterly Retirement Board Meeting (AEA). (Weekly)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Motion:	Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

		<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
3. Motion	Approving the Minutes for the March 20, 2019 Quarterly Retirement Board Meeting (AFSCME). (Weekly)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Motion:	Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Motion:	Approving the Minutes for the March 20, 2019 Quarterly Retirement Board Meeting (ATU). (Weekly)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Motion:	Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the ATU Pension Plan (ATU). (Adelman)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Motion:	Approving the Minutes for the March 20, 2019 Quarterly Retirement Board Meeting (IBEW). (Weekly)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Motion:	Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the IBEW Pension Plan (IBEW). (Adelman)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Motion:	Approving the Minutes for the March 20, 2019 Quarterly Retirement Board Meeting (MCEG). (Weekly)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10. Motion:	Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11. Motion:	Receive and File Update on Staff Roles and Responsibilities Related to Pension Administration (ALL). (Weekly)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
12. Resolution:	Amendment of the Investment Custodian Services Contract with State Street Bank and Trust Company to Extend the Term by Six Months and Increase the Limit to \$733,572 (ALL). (Adelman)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

### **NEW BUSINESS**

		<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
13. Information:	Investment Performance Review by AQR for the ATU, IBEW and Salaried Retirement Funds for the International Small Capitalization Equity Asset Class for the Quarter Ended March 31, 2019 (ALL). (Adelman)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
14. Motion	Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for Quarter Ended March 31, 2019 (ALL). (Adelman)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
15. Motion:	Receive and File the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans (ALL). (Adelman)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
16. Resolution:	Approving Disability Retirement Application for Charity Nation-Whaley (ATU). (Weekly)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Resolution:	Approving Disability Retirement Application for MaryAnn Butcher (ATU). (Weekly)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**REPORTS FROM COMMITTEES**  
**REPORTS, IDEAS AND COMMUNICATIONS**

	<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
18. Information: Conference Report-Out: CALAPRS Training (ATU Directors Niz, McGee Lee and AFSCME Director Guimond).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**RECESS TO CLOSED SESSION**

	<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
19. Closed Session Item (AEA): Conference with Legal Counsel – Anticipated Litigation Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): One Potential Case	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Closed Session Item (AFSCME): Conference with Legal Counsel – Anticipated Litigation Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): One Potential Case	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Closed Session Item (ATU): Conference with Legal Counsel – Anticipated Litigation Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): One Potential Case	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Closed Session Item (IBEW): Conference with Legal Counsel – Anticipated Litigation Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): One Potential Case	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**RECONVENE IN OPEN SESSION**  
**CLOSED SESSION REPORT**  
**ADJOURN**

**NOTICE TO THE PUBLIC**

It is the policy of the Boards of Directors of the Sacramento Regional Transit District Retirement Plans to encourage participation in the meetings of the Boards of Directors. At each open meeting, members of the public shall be provided with an opportunity to directly address the Board on items of interest to the public that are within the subject matter jurisdiction of the Boards.

This agenda may be amended up to 72 hours prior to the meeting being held. An agenda, in final form, is located by the front door of Regional Transit's building at 1400 – 29<sup>th</sup> Street and posted to SacRT's website at [www.sacrt.com](http://www.sacrt.com).

Any person(s) requiring accessible formats of the agenda or assisted listening devices/sign language interpreters should contact the Human Resources Pension and Retiree Services Administrator at 916-556-0296 or TDD 916/483-4327 at least 72 business hours in advance of the Board Meeting.

Copies of staff reports or other written documentation relating to each item of business referred to on the agenda are on file with the Human Resources Administrative Technician at 916-556-0298 and/or Clerk to the Board of Directors of the Sacramento Regional Transit District and are available for public inspection at 1400 29<sup>th</sup> Street, Sacramento, CA. Any person who has questions concerning any agenda item may call the Human Resources Administrative Technician of Sacramento Regional Transit District to make inquiry.

**Sacramento Regional Transit District  
MCEG Retirement Board Meeting  
Wednesday, March 20, 2019  
MEETING SUMMARY**

**ROLL CALL**

The Retirement Board was brought to order at 9:01 a.m. A quorum was present comprised as follows: Directors Kennedy, Thorn and Norman. Director Li and Alternates Jennings and Flores were absent.

This meeting was held as a common meeting of the five Sacramento Regional Transit District Retirement Boards.

**PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA**

None.

**CONSENT CALENDAR**

- 19. Motion: Approving the Minutes for the December 12, 2018 Quarterly Retirement Board Meeting (MCEG). (Weekly)
- 20. Motion: Receive and File Administrative Reports for the Quarter Ended December 31, 2018 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)
- 21. Motion: Receive and File the Fiscal Year 2018 State Controller's Report Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)
- 22. Motion: Receive and File the Independent Auditor's Report for the Twelve Month Period Ended June 30, 2018 (ALL). (Adelman)
- 23. Motion: Receive and File Update on Staff Roles and Responsibilities Related to Pension Administration (ALL). (Weekly)

Director Thorn moved to adopt MCEG Retirement Board Items 19-23. Director Norman seconded the motion. Items 19-23 were carried unanimously by roll call vote: Ayes: Directors Kennedy, Thorn and Norman. Noes: None.

**NEW BUSINESS**

- 24. Resolution: Election of a Chair and Vice Chair for all Common Retirement Board Meetings (ALL). (Weekly)

Pension & Retiree Services Administrator Valerie Weekly presented Item 24 for approval.

Director Thorn moved to approve a resolution appointing Director Kennedy as Common Chair and Director Li as Common Vice Chair. Director Norman seconded the motion. Item 24 was carried unanimously by roll call vote: Ayes: Directors Kennedy, Thorn and Norman. Noes: None.

25. Resolution: Election of Governing Board Officers of Sacramento Regional Transit District (District) Retirement Plans (ATU, AFSCME, MCEG). (Weekly)

Valerie Weekly presented Item 25 for approval.

Director Norman moved to approve a resolution appointing Director Thorn as Chair, Director Norman as Vice Chair and Director Li as Secretary. Director Thorn seconded the motion. Item 25 was carried unanimously by roll call vote: Directors Kennedy, Thorn and Norman. Noes: None.

26. Information: Investment Performance Review by BMO Pyrford for the ATU, IBEW and Salaried Funds for the International Large Capital Equity Asset Class for the Quarter Ended December 31, 2018 (ALL). (Adelman)

Sacramento Regional Transit District Treasury Controller Jamie Adelman introduced John Mirante from BMO Pyrford, who provided the performance results for the International Large Capital Equity Asset Class for the Quarter Ended December 31, 2018 and was available for questions.

27. Information: Investment Performance Review by Met West for the ATU, IBEW and Salaried Funds for the Domestic Fixed Income Asset Class for the Quarter Ended December 31, 2018 (ALL). (Adelman)

Jamie Adelman introduced Jamie Franco from Met West, who provided the performance results for the Domestic Fixed Income Asset Class for the Quarter Ended December 31, 2018 and was available for questions.

28. Motion Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended December 31, 2018 (ALL). (Adelman)

Jamie Adelman introduced Uvan Tseng with Callan LLC, who provided the Investment Performance Reports for Quarter Ended December 31, 2018 and was available for questions.

Director Thorn asked a question about the performance of AQR and the point at which it might make sense to look at changing the allocation being invested with AQR, especially given anticipated volatility in the market. Mr. Tseng advised that with excessive movement, it is difficult to track performance in the short term. Sacramento Regional Transit District CFO Brent Bernegger asked at what point it would be appropriate to put AQR on watch. Mr. Tseng responded that he would recommend putting an investment manager on watch after three years of underperformance or in case of significant changes to key staffing within the organization.

Ms. Adelman noted that investment managers can be put on watch at any time and for any length of time. Mr. Tseng noted that AQR will be presenting at the next Quarterly Retirement Board Meeting in June.

AEA Retirement Board Director Devorak cautioned that due to the time lag that occurs with changes to investment managers, performance can shift between when a search begins and when the change is implemented.

Director Thorn moved to adopt Item 28. Director Norman seconded the motion. Item 28 was carried unanimously by roll call vote: Ayes: Directors Kennedy, Thorn and Norman. Noes: None.

29. Information: Educational Session on Real Estate Investments Presented by Callan LLC (ALL). (Adelman)

Uvan Tseng introduced Jonathan Gould with Callan LLC, who provided an Educational Session on Real Estate Investments. This was the third and final in a series of three educational presentations made by Callan regarding different asset classes.

In response to Ms. Adelman's question about the range of investments within the "core" products of each type of real estate investment, Mr. Gould explained that typically with "core" products, funds are diversified and investors will have exposure to all of the property types. Mr. Gould also stated that it is typical for institutional real estate investors to have about 75% allocated to "core" products. Mr. Bernegger asked how performance is tracked. Mr. Gould and Mr. Tseng described some differences in how real estate and other types of investment performance can be presented and compared. Ms. Adelman advised that Callan LLC will return in June with a full asset liability study, which will include an opportunity for the Boards to revisit the pension funds' asset allocation.

32. Resolution: Accept the Actuarial Valuation and Approve the Actuarially Determined Contribution Rates for Fiscal Year 2020, for the Salaried Employees' Retirement Plan (AEA/AFSCME/MCEG). (Weekly)

Graham Schmidt, from Cheiron, provided an overview of the Actuarial Valuation Study for Fiscal Year 2020 for AEA/AFSCME/MCEG employees and was available for questions.

AEA Director Devorak asked about the timing of the Experience Study. It was discussed that the next Experience Study is expected in a year or two.

Ms. Adelman explained the fiscal impact of the setting of the Actuarially Determined Contribution Rate on Sacramento Regional Transit District and provided a chart depicting the changes from Fiscal Year 2019 to Fiscal Year 2020 for each Pension Plan. Ms. Adelman added that this year, the District will have an overall increase in Pension expenses of about \$833K, which is mostly a result of payroll growth. ATU Director Niz requested a copy of Ms. Adelman's chart. Ms. Adelman stated that she would provide the chart to all the members of the five Retirement Boards.

Director Norman moved to adopt Item 32. Director Thorn seconded the motion. Item 32 was carried unanimously by roll call vote: Ayes: Directors Kennedy, Thorn and Norman. Noes: None.

33. Resolution: Authorizing Execution of a Contract or Contract Renewal for Fiduciary Insurance for All Retirement Boards and Approving Delegation of Authority for Renewals (ALL). (Weekly)

Valerie Weekly presented Item 33 for approval and explained why the timing for receipt of quotes has led staff to recommend the proposed delegation of authority for future years.

AEA Director Robison asked if the Retirement Boards use the same broker as the District. Ms. Weekly responded in the affirmative.

Director Thorn moved to adopt Item 33. Director Norman seconded the motion. Item 33 was carried unanimously by roll call vote: Ayes: Directors Kennedy, Thorn and Norman. Noes: None.

**REPORTS FROM COMMITTEES**

None.

**REPORTS, IDEAS AND COMMUNICATIONS**

Jamie Adelman advised that the contract with State Street Bank and Trust, the current custodian for investments, is set to expire August 31, 2019. Staff is actively working with Callan LLC to revamp the Request For Proposal (RFP) for these services. Ms. Adelman will work with the Board Chairs to convene a committee responsible for RFP evaluations, with Callan’s assistance on the technical side. Ms. Adelman added that she expects to return to the Retirement Board in June to ask for an extension of the current custodial contract for while the contracting process is underway.

**The meeting was adjourned at 11:06 a.m.**

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Roger Thorn, Chair

ATTEST:

Henry Li, Secretary

By: \_\_\_\_\_  
Valerie Weekly, Assistant Secretary

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
10	06/12/19	Retirement	Action	04/12/19

Subject: Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

## ISSUE

Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

## RECOMMENDED ACTION

Motion: Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

## FISCAL IMPACT

None.

## DISCUSSION

Table 1 below shows the employer and employee contribution rates for all of the Sacramento Regional Transit District Retirement Plans, by Plan and tier, as of the date indicated.

**Table 1**

### **Employer Contribution Rates As of March 31, 2019**

	<b>ATU</b>	<b>IBEW</b>	<b>Salary</b>
	Contribution Rate	Contribution Rate	Contribution Rate
Classic	28.15%	25.03%	34.30%
Classic w/Contribution*	25.15%		
PEPRA**	21.65%	19.78%	29.05%

\*Includes members hired during calendar year 2015, employee rate 3%

\*\*PEPRA employee rates: ATU - 6.5%, IBEW and Salary 5.25%

## Unaudited Financial Statements

Attached hereto are unaudited financial statements for the quarter and the year-to-date ended March 31, 2019. The financial statements are presented on an accrual basis and consist of a Statement of Fiduciary Net Position (balance sheet) (Attachment 1), a Statement of Changes in Fiduciary Net Position (income statement) for the quarter ended March 31, 2019

Approved:

Presented:

Final 06/04/19

VP of Finance and Procurement/CFO

Director, Finance and Treasury

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# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
10	06/12/19	Retirement	Action	04/12/19

Subject: Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

(Attachment 2), and a year-to-date Statement of Changes in Fiduciary Net Position (Attachment 3).

The Statement of Fiduciary Net Position includes a summary of fund assets showing the amounts in the following categories: investments, prepaid assets, and other receivables. This statement also provides amounts due from/to the District and Total Fund Equity (net position).

The Statement of Changes in Fiduciary Net Position includes activities in the following categories: investment gains/losses, dividends, interest income, unrealized gains/losses, benefit contributions/payouts, and investment management and administrative expenses.

## Asset Rebalancing

Pursuant to Section IV, Asset Rebalancing Policy of the Statement of Investment Objectives and Policy Guidelines for the ATU, IBEW and Salaried Employees' Retirement Funds, the Retirement Boards have delegated authority to manage pension plan assets in accordance with the approved rebalancing policy to the District's Director, Finance and Treasury. The Director, Finance and Treasury is required to report asset rebalancing activity to the Boards at their quarterly meetings. Rebalancing can occur for one or more of the following reasons:

1. The Pension Plan ended the month with an accounts receivable or payable balance due to the District. A payable or receivable is the net amount of the monthly required contribution (required contribution is the percentage of covered payroll determined by the annual actuarial valuation) less the Plan's actual expenses.
2. The Pension Plan hires or removes a Fund Manager, in which case securities must be moved to a new fund manager.
3. The Pension Plan investment mix is under or over the minimum or maximum asset allocation as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 4 is the Salaried Plan's Schedule of Cash Activities for the three months ended March 31, 2019. The schedule of cash activities includes a summary of Plan activities showing the amounts in the following categories: District's pension contributions to the Plan, payments to retirees, and the Pension Plan's cash expenditures paid. This schedule also lists the rebalancing activity that occurred for the three months ended March 31, 2019. The Salaried Plan reimbursed \$59,788.11 to the District as the result of the net cash activity between the pension plan expenses and the required pension contributions. A line has been added to capture the appropriate Due To SacRT balance due to a transfer error by the custodian.

Attached hereto as Attachment 5 is the Salaried Plan's Asset Allocation as of March 31, 2019. This statement shows the Salaried Plan's asset allocation as compared to targeted allocation percentages as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 6 is a reconciliation between the Callan Performance Report and the ATU, IBEW and Salaried Pension Plans' unaudited financial statements. The reports

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
10	06/12/19	Retirement	Action	04/12/19

Subject: Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

differ in that the unaudited financial statements reflect both investment activities and the pension fund’s inflows and outflows. Callan’s report only reflects the investment activities. The “Net Difference” amounts shown are the results of Callan and State Street using different valuations for the same securities and/or litigation settlements received by the Plans.

Included also as Attachment 7 is a reconciliation between the Callan Performance Report and the Schedule of Cash Activities for payments made from/to the District. Callan’s report classifies gains from trades and litigation income as “net new investments.” Finance staff classifies gains from trades and litigation income in the Pension Plan’s unaudited Statement of Changes in Fiduciary Net Position as “Other Income,” which is combined in the category of “Interest, Dividend, & Other Inc”.

Attached hereto as Attachment 8 is a schedule reflecting Fund Managers’ quarterly investment returns and their investment fees. Additionally, the schedule reflects annual rates of return on investment net of investment fees for the one-year and three-year periods ended March 31, 2019 as compared to their benchmarks.

Attached hereto as Attachment 9 is a schedule reflecting employee transfers from one union/employee group to another, as well as any transfers of plan assets from the ATU Plan to the Salaried Plan, all retirements, and retiree deaths during the three months ended March 31, 2019.

**Sacto Regional Transit District Retirement Plan - Salaried  
Statement of Fiduciary Net Position**

ATTACHMENT #1

Accrual Basis

As of March 31, 2019

	<u>Mar 31, 19</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
Long-Term Investments	
100000 · Custodial Assets	95,605,648.36
Total Long-Term Investments	<u>95,605,648.36</u>
Total Checking/Savings	95,605,648.36
Accounts Receivable	
1110104 · Other Rec - Due from RT	73,374.53
Total Accounts Receivable	<u>73,374.53</u>
Other Current Assets	
1110120 · Prepays	1,074.88
Total Other Current Assets	<u>1,074.88</u>
Total Current Assets	<u>95,680,097.77</u>
<b>TOTAL ASSETS</b>	<b><u>95,680,097.77</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
3110102 · Administrative Expense Payable	16,482.62
3110112 · Other Payable-Custodian Error	341.96
3110122 · MetWest	23,424.16
3110124 · Boston Partners	19,421.67
3110125 · Callan	3,445.68
3110126 · State Street	22,433.07
3110128 · Atlanta Capital	16,433.74
3110129 · S&P Index - SSgA	1,954.44
3110130 · EAFE - SSgA	896.00
3110132 · Pyrford	15,006.69
Total Accounts Payable	<u>119,840.03</u>
Total Current Liabilities	<u>119,840.03</u>
Total Liabilities	119,840.03
<b>Equity</b>	
3340101 · Retained Earnings	93,130,088.73
Net Income	2,430,169.01
Total Equity	<u>95,560,257.74</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>95,680,097.77</u></b>

**Sacto Regional Transit District Retirement Plan - Salaried  
Statement of Changes in Fiduciary Net Position  
January through March 2019**

Accrual Basis

	<u>Jan - Mar 19</u>	<u>% of Income</u>
<b>Income</b>		
Interest, Dividend, & Other Inc	440,045.87	4.7%
Investment Income	6,668,060.58	70.7%
RT Required Contribution	2,273,493.91	24.1%
6630110 · Employee Contribution	55,159.43	0.6%
<b>Total Income</b>	<b>9,436,759.79</b>	<b>100.0%</b>
<b>Cost of Goods Sold</b>		
8531210 · AEA - Retirement Benefits Paid	843,266.69	8.9%
8531211 · AFSCME-Retirement Benefits Paid	521,011.29	5.5%
8531212 · MCEG - Retirement Benefits Paid	768,668.19	8.1%
8531213 · Employee Contribution Refunds	0.00	0.0%
8532004 · Invest Exp - MetropolitanWest	23,424.17	0.2%
8532013 · Invest Exp - Boston Partners	19,421.67	0.2%
8532020 · Invest Exp - Callan	10,331.18	0.1%
8532021 · Invest Exp - State Street	11,525.61	0.1%
8532024 · Invest Exp - Atlanta Capital	16,433.74	0.2%
8532025 · Invest Exp - S&P Index SSgA	1,954.44	0.0%
8532026 · Invest Exp - EAFE SSgA	896.00	0.0%
8532027 · Invest Exp - AQR	8,802.55	0.1%
8532028 · Invest Exp - Pyrford	15,006.69	0.2%
<b>Total COGS</b>	<b>2,240,742.22</b>	<b>23.7%</b>
<b>Gross Profit</b>	<b>7,196,017.57</b>	<b>76.3%</b>
<b>Expense</b>		
8533002 · Admin Exp - Actuary	7,946.43	0.1%
8533007 · Admin Exp - CALPRS Dues/Courses	4,100.00	0.0%
8533008 · Admin Exp - Accounting Software	1,949.99	0.0%
8533010 · Admin Exp - Travel	133.96	0.0%
8533014 · Admin Exp - Fiduciary Insurance	3,224.67	0.0%
8533020 · Admin Exp - Procurement Costs	0.00	0.0%
8533026 · Admin Exp - Legal Services	20,550.42	0.2%
8533028 · Admin Exp - Staff Training	31.67	0.0%
8533029 · Admin Exp - Administrator	25,212.91	0.3%
8533050 · Admin Exp - Misc Exp	0.00	0.0%
<b>Total Expense</b>	<b>63,150.05</b>	<b>0.7%</b>
<b>Net Income</b>	<b><u>7,132,867.52</u></b>	<b><u>75.6%</u></b>

**Sacto Regional Transit District Retirement Plan - Salaried  
Statement of Changes in Fiduciary Net Position  
July 2018 through March 2019**

Accrual Basis

	<u>Jul '18 - Mar 19</u>	<u>% of Income</u>
<b>Income</b>		
Interest, Dividend, & Other Inc	1,352,363.59	14.9%
Investment Income	1,345,167.15	14.8%
RT Required Contribution	6,273,776.09	68.9%
6630110 · Employee Contribution	130,849.47	1.4%
<b>Total Income</b>	<b>9,102,156.30</b>	<b>100.0%</b>
<b>Cost of Goods Sold</b>		
8531210 · AEA - Retirement Benefits Paid	2,511,284.00	27.6%
8531211 · AFSCME-Retirement Benefits Paid	1,430,331.84	15.7%
8531212 · MCEG - Retirement Benefits Paid	2,193,504.57	24.1%
8531213 · Employee Contribution Refunds	33,706.27	0.4%
8532004 · Invest Exp - MetropolitanWest	69,097.21	0.8%
8532013 · Invest Exp - Boston Partners	59,757.85	0.7%
8532020 · Invest Exp - Callan	31,583.27	0.3%
8532021 · Invest Exp - State Street	33,727.56	0.4%
8532023 · Invest Exp - JP Morgan	0.00	0.0%
8532024 · Invest Exp - Atlanta Capital	48,084.33	0.5%
8532025 · Invest Exp - S&P Index SSgA	5,838.21	0.1%
8532026 · Invest Exp - EAFE SSgA	2,683.04	0.0%
8532027 · Invest Exp - AQR	28,628.82	0.3%
8532028 · Invest Exp - Pyrford	44,537.57	0.5%
<b>Total COGS</b>	<b>6,492,764.54</b>	<b>71.3%</b>
<b>Gross Profit</b>	<b>2,609,391.76</b>	<b>28.7%</b>
<b>Expense</b>		
8533002 · Admin Exp - Actuary	25,604.53	0.3%
8533007 · Admin Exp - CALPRS Dues/Courses	4,266.66	0.0%
8533008 · Admin Exp - Accounting Software	1,949.99	0.0%
8533010 · Admin Exp - Travel	653.19	0.0%
8533014 · Admin Exp - Fiduciary Insurance	9,674.01	0.1%
8533020 · Admin Exp - Procurement Costs	0.00	0.0%
8533025 · Admin Exp - Information Service	250.00	0.0%
8533026 · Admin Exp - Legal Services	64,194.14	0.7%
8533028 · Admin Exp - Staff Training	115.01	0.0%
8533029 · Admin Exp - Administrator	69,181.88	0.8%
8533050 · Admin Exp - Misc Exp	0.00	0.0%
8533051 · Admin Exp - Audit	3,333.34	0.0%
<b>Total Expense</b>	<b>179,222.75</b>	<b>2.0%</b>
<b>Net Income</b>	<b>2,430,169.01</b>	<b>26.7%</b>

**Sacramento Regional Transit District  
Retirement Fund - Salaried  
Schedule of Cash Activities  
For the Three Months Period Ended March 31, 2019**

	January 2019	February 2019	March 2019	Quarter Totals
<b>Beginning Balance:</b>				
Due (from)/to District - December 31, 2018	(99,810.40)	(10,460.26)	56,545.37	(99,810.40)
<b>Monthly Activity:</b>				
<u>Deposits</u>				
District Pension Contributions @ 29.05 to 34.30%	764,880.08	711,872.47	796,741.36	2,273,493.91
Employee Pension Contributions	17,789.41	18,769.56	18,600.46	55,159.43
Total Deposits	782,669.49	730,642.03	815,341.82	2,328,653.34
<u>Expenses</u>				
Payout to Retirees:				
AEA	(283,307.61)	(279,979.54)	(279,979.54)	(843,266.69)
AFSCME	(174,958.57)	(173,950.90)	(172,101.82)	(521,011.29)
MCEG	(237,472.73)	(274,972.73)	(256,222.73)	(768,668.19)
Employee Contribution Refunds	1,234.98	(1,234.98)	-	-
Payout to Retirees Subtotal	(694,503.93)	(730,138.15)	(708,304.09)	(2,132,946.17)
Fund Investment Management Expenses:				
Boston Partners	(19,836.86)	-	-	(19,836.86)
SSgA S&P 500 Index	-	(1,858.41)	-	(1,858.41)
Atlanta Capital	-	(14,600.38)	-	(14,600.38)
Pyrford	-	(14,074.31)	-	(14,074.31)
SSgA EAFE MSCI	-	(847.40)	-	(847.40)
Metropolitan West	(22,907.77)	-	-	(22,907.77)
Callan	(7,082.64)	(3,439.52)	(3,445.98)	(13,968.14)
State Street	(3,695.69)	(3,702.74)	(3,789.77)	(11,188.20)
Fund Invest. Mgmt Exp. Subtotal	(53,522.96)	(38,522.76)	(7,235.75)	(99,281.47)
Administrative Expenses				
Actuarial Services	(4,411.84)	(6,362.58)	(2,365.67)	(13,140.09)
Legal Services	(10,183.47)	-	(13,700.27)	(23,883.74)
CALAPRS Training	-	(3,100.00)	(1,000.00)	(4,100.00)
Travel	-	-	(133.96)	(133.96)
Staff Training	-	(31.67)	-	(31.67)
Accounting Software	(1,949.99)	-	-	(1,949.99)
Pension Administration	(7,295.15)	(8,690.28)	(9,227.55)	(25,212.98)
Administrative Exp. Subtotal	(23,840.45)	(18,184.53)	(26,427.45)	(68,452.43)
Total Expenses	(771,867.34)	(786,845.44)	(741,967.29)	(2,300,680.07)
Monthly Net Owed from/(to) District	10,802.15	(56,203.41)	73,374.53	27,973.27
Due To ATU Plan- Custodian Error	114,539.21	-	-	114,539.21
Payment from/(to) the District	(14,386.92)	10,802.22	(56,203.41)	(59,788.11)
<b>Ending Balance:</b>				
Due (from)/to the District (=Beginning balance + monthly balance-payment to District)	(10,460.26)	56,545.37	(73,032.57)	(73,032.57)

RT Combined Pension Plans - ATU, IBEW and Salaried  
 Asset Allocation \*  
 As of March 31, 2019

Asset Class	Net Asset Market Value 3/31/2019	Actual Asset Allocation	Target Asset Allocation	% Variance	\$ Variance	Target Market Value
<b>FUND MANAGERS:</b>						
<b>Domestic Equity:</b>						
Large Cap Value - Boston Partners - Z8	\$ 44,908,834	15.54%	16.00%	-0.46%	\$ (1,335,388)	
Large Cap Growth - SSgA S&P 500 Index - XH	48,375,349	16.74%	16.00%	0.74%	2,131,127	
<b>Total Large Cap Domestic Equity</b>	<b>93,284,182</b>	<b>32.28%</b>	<b>32.00%</b>	<b>0.28%</b>	<b>795,738</b>	<b>\$ 92,488,444</b>
<b>Small Cap - Atlanta Capital - XB</b>	<b>24,842,179</b>	<b>8.60%</b>	<b>8.00%</b>	<b>0.60%</b>	<b>1,720,068</b>	<b>23,122,111</b>
<b>International Equity:</b>						
Large Cap Growth:						
Pyrford - ZD	26,490,383	9.17%	9.50%	-0.33%	(967,124)	
Large Cap Core:						
SSgA MSCI EAFE - XG	10,978,142	3.80%				
Value - Brandes - XE	0	0.00%				
<b>Total Core</b>	<b>10,978,142</b>	<b>3.80%</b>	<b>4.50%</b>	<b>-0.70%</b>	<b>(2,028,045)</b>	
Small Cap:						
AQR - ZB	12,986,738	4.49%	5.00%	-0.51%	(1,464,582)	
Emerging Markets						
DFA - ZA	16,317,042	5.65%	6.00%	-0.35%	(1,024,541)	
<b>Total International Equity</b>	<b>66,772,305</b>	<b>23.10%</b>	<b>25.00%</b>	<b>-1.90%</b>	<b>(5,484,292)</b>	<b>72,256,597</b>
<b>Fixed Income:</b>						
Met West - XD	104,127,722	36.03%	35.00%	1.03%	2,968,486	101,159,236
<b>Total Combined Net Asset</b>	<b>\$ 289,026,387</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.00%</b>	<b>\$ -</b>	<b>\$ 289,026,387</b>

Asset Allocation Policy Ranges*:	Minimum	Target	Maximum
<b>Domestic Equity</b>	<b>35%</b>	<b>40%</b>	<b>45%</b>
Large Cap (50/50 value/growth)	28%	32%	36%
Small Cap	5%	8%	11%
<b>International Equity</b>	<b>20%</b>	<b>25%</b>	<b>30%</b>
Large Cap Developed Markets	10%	14%	18%
Small Cap Developed Markets	3%	5%	7%
Emerging Markets	4%	6%	8%
<b>Domestic Fixed Income</b>	<b>30%</b>	<b>35%</b>	<b>40%</b>

\* Per the Statement of Investment Objectives and Policy Guidelines as of 6/20/2018.

**Reconciliation between Callan Report  
and  
Consolidated Pension Fund Balance Sheet  
As of March 31, 2019**

<b>Per Both Pension Fund Balance Sheets:</b>	
ATU Allocated Custodial Assets	134,990,198
IBEW Allocated Custodial Assets	58,430,541
Salaried Allocated Custodial Assets	<u>95,605,648</u>
<b>Total Consolidated Net Asset</b>	<u><u>289,026,387</u></u>
<b>Per Callan Report:</b>	
Total Investments	<u><u>289,020,016</u></u>
<b>Net Difference</b>	<u><u>6,371</u></u> *

\* The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and a timing difference on the AQR statement.

**Reconciliation between Callan Report  
and  
Consolidated Pension Fund Income Statement  
For the Quarter Ended March 31, 2019**

<b>Per Both Pension Fund Income Statements:</b>	
ATU - Interest, Dividends, and Other Income	641,657
ATU - Investment Income	8,983,262
IBEW - Interest, Dividends, and Other Income	274,761
IBEW - Investment Income	3,939,385
Salaried - Interest, Dividends, and Other Income	431,243
Salaried - Investment Income	<u>6,668,061</u>
<b>Total Investment Income</b>	<u><u>20,938,369</u></u>
<b>Per Callan Report:</b>	
Investment Returns	<u><u>20,927,922</u></u>
<b>Net Difference</b>	<u><u>10,447</u></u> **

\*\* The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and a timing difference on the AQR statement.



<b>Reconciliation between Callan Report and Consolidated Schedule of Cash Activities For the Quarter Ended March 31, 2019</b>				
	<u>January</u>	<u>February</u>	<u>March</u>	<u>Total</u>
<b>Payments from/(to) the District</b>				-
Boston Partners - ATU		4		4
Boston Partners - IBEW		2		2
Boston Partners - Salaried		2		2
S&P 500 Index - ATU				-
S&P 500 Index - IBEW				-
S&P 500 Index - Salaried				-
Brandes - ATU		(4)		(4)
Brandes - IBEW		(2)		(2)
Brandes - Salaried		(2)		(2)
Metropolitan West - ATU	(225,439)	(245,973)	(328,754)	(800,166)
Metropolitan West - IBEW	(45,793)	(38,765)	(77,415)	(161,974)
Metropolitan West - Salaried	(14,387)	10,802	(56,203)	(59,788)
<b>Total Payments from/(to) the District</b>	<u>(285,619)</u>	<u>(273,936)</u>	<u>(462,373)</u>	<u>(1,021,928)</u>
<b>Transfers In/(Out) of Investment Funds</b>				
Boston Partners	-	8	-	8
S&P 500 Index	-	-	-	-
Atlanta Capital	-	-	-	-
JP Morgan	-	-	-	-
Pyrford	-	-	-	-
EAFE	-	-	-	-
Brandes	-	(8)	-	(8)
AQR	-	-	-	-
DFA	-	-	-	-
Metropolitan West	(285,619)	(273,936)	(462,373)	(1,021,928)
<b>Total Transfers In/(Out) of Investment Funds</b>	<u>(285,619)</u>	<u>(273,936)</u>	<u>(462,373)</u>	<u>(1,021,928)</u>
<b>Variance between Payments and Transfers</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Per Callan Report:</b>				
Net New Investment/(Withdrawals)				(1,021,928)
<b>Net Difference</b>				<u>0</u>

<b>Consolidated Schedule of Cash Activities For the 12-Months March 31, 2019</b>					
	<u>2Q18</u>	<u>3Q18</u>	<u>4Q18</u>	<u>1Q19</u>	<u>Total</u>
<b>Payments from/(to) the District</b>					
Boston Partners - ATU/IBEW	-	-	-	-	-
Boston Partners - ATU	(2,810,287)	-	-	4	(2,810,283)
Boston Partners - IBEW	(987,443)	-	-	2	(987,441)
Boston Partners - Salaried	(1,461,943)	-	-	2	(1,461,941)
S&P 500 Index - ATU/IBEW	-	-	-	-	-
S&P 500 Index - ATU	(1,770,269)	-	(453,869)	-	(2,224,138)
S&P 500 Index - IBEW	(804,753)	-	(86,233)	-	(890,986)
S&P 500 Index - Salaried	(1,395,393)	-	(42,143)	-	(1,437,536)
Atlanta Capital - ATU/IBEW	-	-	-	-	-
Atlanta Capital - ATU	(1,844,745)	(572,143)	-	-	(2,416,888)
Atlanta Capital - IBEW	(788,042)	(121,006)	-	-	(909,048)
Atlanta Capital - Salaried	(1,435,641)	(79,419)	-	-	(1,515,060)
Pyrford - ATU	-	-	-	-	-
Pyrford - IBEW	-	-	-	-	-
Pyrford - Salaried	-	-	-	-	-
EAFE - ATU/IBEW	-	-	-	-	-
EAFE - ATU	-	-	-	-	-
EAFE - IBEW	-	-	-	-	-
EAFE - Salaried	-	-	-	-	-
Brandes - ATU	-	-	-	(4)	(4)
Brandes - IBEW	-	-	-	(2)	(2)
Brandes - Salaried	-	-	-	(2)	(2)
AQR - ATU	-	-	-	-	-
AQR - IBEW	-	-	-	-	-
AQR - Salaried	-	-	-	-	-
DFA - ATU/IBEW	-	-	-	-	-
DFA - ATU	-	-	-	-	-
DFA - IBEW	-	-	-	-	-
DFA - Salaried	-	-	-	-	-
Metropolitan West - ATU/IBEW	-	-	-	-	-
Metropolitan West - ATU	5,485,262	(327,866)	(299,003)	(800,166)	4,058,227
Metropolitan West - IBEW	2,418,623	(56,407)	(78,875)	(161,974)	2,121,368
Metropolitan West - Salaried	4,211,226	75,846	(106,423)	(59,788)	4,120,861
<b>Total Payments from/(to) the District</b>	<u>(1,183,405)</u>	<u>(1,080,995)</u>	<u>(1,066,545)</u>	<u>(1,021,928)</u>	<u>(4,352,872)</u>

**Sacramento Regional Transit District  
ATU, IBEW and Salaried Retirement Plans  
Schedule of Fund Investment Returns and Expenses  
03/31/19**

	1 Year		1 Year			3 Years		3 Years		
	Net of Fees Returns	Bench-Mark Returns	Favorable/ (Unfavor) Basis Pts	Net of Fees Returns	Bench-Mark Returns	Favorable/ (Unfavor) Basis Pts	Net of Fees Returns	Bench-Mark Returns	Favorable/ (Unfavor) Basis Pts	
<b>Boston Partners</b>										
Investment Returns	3,473,316	100.00%				17,074,557	100.00%			
Investment Expense	(241,282)	6.95%				(721,442)	4.23%			
Net Gain/(Loss)	3,232,034	93.05%	1.78%	5.67%	(389.00)	16,353,115	95.77%	11.17%	10.45%	72.00
<b>S&amp;P 500</b>										
Investment Returns	5,108,799	100.00%				17,981,502	100.00%			
Investment Expense	(23,425)	0.46%				(99,649)	0.55%			
Net Gain/(Loss)	5,085,374	99.54%	9.45%	9.50%	(5.00)	17,881,853	99.45%	13.48%	13.51%	(3.00)
<b>Atlanta Capital</b>										
Investment Returns	3,703,012	100.00%				10,798,729	100.00%			
Investment Expense	(195,071)	5.27%				(580,298)	5.37%			
Net Gain/(Loss)	3,507,941	94.73%	10.47%	2.05%	842.00	10,218,431	94.63%	13.60%	12.92%	68.00
<b>Pyrford</b>										
Investment Returns	373,799	100.00%				1,142,298	100.00%			
Investment Expense	(180,545)	48.30%				(334,486)	29.28%			
Net Gain/(Loss)	193,254	51.70%	-1.56%	-3.71%	215.00	807,812	70.72%	N/A	N/A	N/A
<b>EAFE</b>										
Investment Returns	37,152	100.00%				2,786,517	100.00%			
Investment Expense	(10,992)	29.59%				(34,296)	1.23%			
Net Gain/(Loss)	26,160	70.41%	-3.46%	-3.71%	25.00	2,752,221	98.77%	7.56%	7.27%	29.00
<b>Brandes</b>										
Investment Returns	(314)	100.00%				(2,226)	100.00%			
Investment Expense	-	0.00%				-	0.00%			
Net Gain/(Loss)	(314)	100.00%	N/A	N/A	N/A	(2,226)	100.00%	N/A	N/A	N/A
<b>AQR</b>										
Investment Returns	(767,989)	100.00%				2,794,787	100.00%			
Investment Expense	(131,304)	-17.10%				(345,009)	12.34%			
Net Gain/(Loss)	(899,293)	117.10%	-13.61%	-9.36%	(425.00)	2,449,778	87.66%	N/A	N/A	N/A
<b>DFA</b>										
Investment Returns	(1,974,974)	100.00%				3,644,081	100.00%			
Investment Expense	(108,133)	-5.48%				(277,025)	7.60%			
Net Gain/(Loss)	(2,083,107)	105.48%	-9.48%	-7.40%	(208.00)	3,367,056		9.58%	10.68%	(110.00)
<b>Metropolitan West</b>										
Investment Returns	123,278	100.00%				2,749,596	100.00%			
Investment Expense	(278,796)	226.15%				(772,759)	28.10%			
Net Gain/(Loss)	(155,518)	-126.15%	4.92%	4.48%	44.00	1,976,837	71.90%	2.46%	2.03%	43.00
<b>Total Fund</b>										
Investment Returns	10,076,079	100.00%				63,613,814	100.00%			
Investment Expense	(1,169,548)	11.61%				(3,263,836)	5.13%			
Net Gain/(Loss)	8,906,531	88.39%	2.72%	3.55%	(83.00)	60,349,978	94.87%	7.76%	8.24%	(48.00)

**Schedule of Transfers, Retirements and Deaths**  
**For the Time period: January 1, 2019 to March 31, 2019**

<b>Emp#</b>	<b>StartDate</b>	<b>JobTitle</b>	<b>EmpSubArea</b>
3308	1/8/2019	Bus Operator	ATU
3689	2/16/2019	Administrative Assistant II	AFSCME Admin Tech
3689	3/1/2019	Revenue Clerk	ATU
3980	3/1/2019	Customer Advocate I	AFSCME Admin Tech

**Retirements**

<b>Emp#</b>	<b>Previous Position</b>	<b>Pension Group</b>	<b>RetirementDate</b>
1578	Chief Operating Officer	MCEG	1/1/2019
842	Bus Operator	ATU	1/11/2019
352	Bus Operator	ATU	1/23/2019
704	Bus Operator	ATU	1/26/2019
650	Bus Operator	ATU	1/30/2019
655	Bus Operator	ATU	2/1/2019
1467	Accessible Svcs Eligibility Specialist	AFSCME Admin Tech	2/1/2019
2171	Transportation Supv	AFSCME Supervisor	2/1/2019
388	Bus Operator	ATU	2/21/2019
4325	Light Rail Asst Mechanic	IBEW	3/1/2019
2638	Transportation Supv	AFSCME Supervisor	3/1/2019
2161	Transportation Supv	AFSCME Supervisor	3/1/2019
451	Transportation Supv	AFSCME Supervisor	3/1/2019
2606	Bus Operator	ATU	3/2/2019
427	Light Rail Operator	ATU	3/17/2019
601	Light Rail Operator	ATU	3/17/2019
531	Light Rail Operator	ATU	3/29/2019

**Deaths**

<b>Emp#</b>	<b>Pension Group</b>	<b>Type</b>	<b>Date of Death</b>
3011	ATU	100% J&S	1/14/2019
2201	IBEW	50% J&S	1/29/2019
3534	IBEW	Life	2/6/2019
1173	ATU	Life	2/8/2019
2562	AFSCME Admin Tech	100% J&S	2/28/2019
344	ATU	50% J&S	3/15/2019
1247	IBEW	Life	3/15/2019

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	06/12/19	Retirement	Information	04/17/19

Subject: Receive and File Update on Roles and Responsibilities Related to Pension Administration (ALL). (Weekly)

## ISSUE

Presentation regarding the transition of roles and responsibilities of various District Staff members related to administration of the Pension Plans as well as updates on Staff costs and Legal Services (ALL). (Weekly)

## RECOMMENDED ACTION

None associated with this matter.

## FISCAL IMPACT

None associated with this matter.

## DISCUSSION

The attached documents are provided quarterly to keep the Retirement Boards informed about the various duties of RT staff and consultants (including the Retirement Boards' Legal Counsel) relative to administration and management of the pension plans and assets, and associated costs.

Attachment A – Pension Administration Staff Roles and Responsibilities

Attachment B – RT Staff Costs Attributable and Charged to RT Pension Plans

Attachment C – Summary of Legal Services Provided for the Quarter Ending March 31, 2019

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Approved:

Presented:

Final 06/04/19

Director, Finance and Treasury

Pension & Retiree Services Administrator

J:\Retirement Board\2019\IP's\Quarterly Meetings\June 12, 2019\HR Working IPs\IP-Update on Roles and Responsibilities.doc

## Pension Administration Staff Roles and Responsibilities

### Plan Administration

#### Customer Relations:

<b>Task</b>	<b>Primary Responsibility</b>	<b>Back Up Responsibility</b>
Retirement Meetings	Pension and Retirement Services Administrator (PRSA)	Pension Analyst
Research and address benefit discrepancies	PRSA	Pension Analyst
Disability Retirements	PRSA	Pension Analyst
Conduct Educational Sessions	PRSA	Pension Analyst
Respond to all Employee and Retiree inquiries	Pension Analyst	PRSA
Creation of Pension Estimates	Pension Analyst	PRSA
Processing Employee and Retiree Deaths	Pension Analyst	PRSA
Administration of Active and Term Vested (TV) Retirement Process, including: <ul style="list-style-type: none"> <li>• Notifications</li> <li>• Lost Participant Process (TV)</li> <li>• Collection of all required documents</li> <li>• Legal/Compliance Review</li> <li>• Approval by General Manager</li> </ul>	Pension Analyst	PRSA
Converting Employees to Retirees in SAP	Pension Analyst	Sr. HR Analyst - HRIS
Lost participant process for returned checks/stubs	Pension Analyst	PRSA
48-Month Salary Calculations	Pension Analyst	Payroll Supervisor and PRSA
Distribution of employee required contributions (per contract or PEPRA): <ul style="list-style-type: none"> <li>• Send notification</li> <li>• Collect documentation</li> <li>• Lost participant process</li> <li>• Apply interest</li> <li>• Process check</li> </ul>	Pension Analyst	PRSA
Conduct Lost Participant Searches	Pension Analyst	Pension Analyst
Administer Retiree Medical	Sr. HR Analyst	Sr. HR Analyst
Managing Stale Dated and Lost Check Replacement	Payroll Analyst and Accountant II	Payroll Supervisor
Copies of Retiree Pay Stubs and 1099R's	Payroll Analyst	Payroll Supervisor
Printing, Stuffing, and Mailing Pay Stubs	Payroll Analyst	Payroll Supervisor
Verification of Retiree Wages: gross pay, net wages, no pre-tax deductions, taxes	Administrative Technician (HR) and Payroll Analyst	Pension Analyst and/or Payroll Supervisor

**Plan Documents:**

<b>Task</b>	<b>Primary Responsibility</b>	<b>Back Up Responsibility</b>
Negotiation of Benefits, Provisions	Director, Labor Relations	To be determined
Incorporate Negotiated Benefits/Provisions into Plan Documents	Deputy Chief Counsel, RT	Chief Counsel, RT
Interpretation of Provisions	PRSA and Deputy Chief Counsel, RT	Chief Counsel, RT
Guidance to Staff regarding legal changes that affect Plans	PRSA and Deputy Chief Counsel, RT	Chief Counsel, RT

**Vendor Administration:**

<b>Task</b>	<b>Primary Responsibility</b>	<b>Back Up Responsibility</b>
Legal Services (Hanson Bridgett) Contract Procurement	PRSA and Treasury Controller	VP Finance/CFO
Actuarial Services (Cheiron) Contract Procurement	PRSA and Treasury Controller	VP Finance/CFO
Retirement Board Policy Development and Administration	PRSA and Treasury Controller Hanson Bridgett and Cheiron	VP Finance/CFO Hanson Bridgett and Cheiron

**Retirement Board Administration:**

<b>Task</b>	<b>Primary Responsibility</b>	<b>Back Up Responsibility</b>
Creation of Agenda/IPs	Staff Presenting Issue to Board	n/a
Creation and Distribution of Retirement Board Packages	PRSA	Treasury Controller
Management of Retirement Board Meetings	PRSA	Treasury Controller
Training of Staff/Board Members	PRSA and Treasury Controller	Staff/Vendor SME
New Retirement Board Member Training	PRSA and Treasury Controller	Staff/Vendor SME

**Semi-Annual/Annual/Bi-Annual Administration:**

<b>Task</b>	<b>Primary Responsibility</b>	<b>Back Up Responsibility</b>
Valuation Study	PRSA and Treasury Controller	VP Finance/CFO
Experience Study	PRSA and Treasury Controller	VP Finance/CFO
Fiduciary Liability Insurance	PRSA	Treasury Controller
Responses to Public Records Act Requests	PRSA	Treasury Controller
Statement of Investment Objectives and Policy Guidelines management	Treasury Controller	VP Finance/CFO

**Contract Administration:**

<b>Task</b>	<b>Primary Responsibility</b>	<b>Back Up Responsibility</b>
Adherence to contract provisions	PRSA and Treasury Controller	VP Finance/CFO
Payment of Invoices	Treasury Controller or PRSA	VP Finance/CFO
Contract Management, including RFP process	PRSA and Treasury Controller	VP Finance/CFO

**Asset Management:**

<b>Task</b>	<b>Primary Responsibility</b>	<b>Back Up Responsibility</b>
Asset Rebalancing	Treasury Controller	Treasury Controller
Account Reconciliations	Treasury Controller	Treasury Controller
Cash Transfers	Treasury Controller	Treasury Controller
Fund Accounting	Treasury Controller	Treasury Controller
Investment Management	Treasury Controller	Treasury Controller
Financial Statement Preparation	Treasury Controller	Treasury Controller
Annual Audit	Treasury Controller	Treasury Controller
State Controller's Office Reporting	Treasury Controller	Treasury Controller
U.S. Census Bureau Reporting	Treasury Controller	Treasury Controller
Work with Contractors (Investment advisors (Callan), Custodian (State Street), Fund Managers, Auditors, and Actuary (Cheiron))	Treasury Controller	Treasury Controller
Review Monthly Asset Rebalancing	Treasury Controller	Treasury Controller

**Pension Administration Costs**  
**For the Time Period: January 1, 2019 to March 31, 2019**

<b>Sum of Value TranCurr</b>			
<b>WBS Element</b>	<b>Source object name</b>	<b>Per</b>	<b>Total</b>
<b>SAXXXX.PENATU</b>	<b>Human Resources / Martinelli, Christin</b>	007	496.28
		009	1,281.45
		008	1,123.16
	<b>Human Resources / Montung-Fuller, Mari</b>	007	4,656.42
		009	3,076.57
		008	3,617.03
	<b>Human Resources / Weekly, Valerie</b>	007	1,016.09
		009	1,185.44
		008	1,058.42
<b>SAXXXX.PENATU Total</b>			<b>17,510.86</b>
<b>SAXXXX.PENIBEW</b>	<b>Human Resources / Martinelli, Christin</b>	007	235.08
		009	1,203.09
		008	783.60
	<b>Human Resources / Montung-Fuller, Mari</b>	007	1,039.40
		009	665.23
		008	748.37
	<b>Human Resources / Weekly, Valerie</b>	007	423.40
		009	719.78
		008	508.08
<b>SAXXXX.PENIBEW Total</b>			<b>6,326.03</b>
<b>SAXXXX.PENSALA</b>	<b>Finance And Treasury / Adelman, Jamie</b>	009	149.12
	<b>Human Resources / Martinelli, Christin</b>	007	339.56
		009	1,203.09
		008	940.32
	<b>Human Resources / Montung-Fuller, Mari</b>	007	1,579.89
		009	997.84
		008	1,039.40
	<b>Human Resources / Weekly, Valerie</b>	007	1,016.11
009		973.75	
008		973.76	
<b>SAXXXX.PENSALA Total</b>			<b>9,212.84</b>
<b>SAXXXX.PENSION</b>	<b>Finance And Treasury / Adelman, Jamie</b>	007	994.12
		009	2,211.91
		008	2,187.04
	<b>Finance And Treasury / Gardner, Leona</b>	007	1,778.18
		009	632.25
		008	414.91
	<b>Finance And Treasury / Mata, Jennifer</b>	007	1,767.17
		009	1,106.56
		008	1,177.91
	<b>Human Resources / Martinelli, Christin</b>	007	339.56
		009	1,205.18



<b>SAXXXX.PENSION</b>	<b>Human Resources / Martinelli, Christin</b>	008	835.84
	<b>Human Resources / Montung-Fuller, Mari</b>	007	4,490.12
		009	6,901.47
		008	6,194.68
	<b>Human Resources / Weekly, Valerie</b>	007	2,624.83
		009	4,191.22
		008	2,455.49
	<b>Board Support / Brooks, Cynthia</b>	007	78.33
		009	234.99
	<b>Finance And Treasury / Volk, Lynda</b>	007	1,006.26
		009	1,227.66
		008	3,944.52
	<hr/>		
	<b>SAXXXX.PENSION Total</b>		<b>48,000.20</b>
<b>Grand Total</b>		<b>81,049.93</b>	

**HANSON BRIDGETT LLP &  
SACRAMENTO REGIONAL TRANSIT DISTRICT RETIREMENT BOARDS**

**LEGAL SERVICES SUMMARY**

Set forth below is a broad summary report of significant legal matters addressed by Hanson Bridgett LLP for the Sacramento Regional Transit District Retirement Boards during the Quarter ended March 31, 2019.

1. Weekly client conference calls and internal conferences on pending matters, upcoming Board meetings and follow-up from prior Board meetings.
2. Preparation for and participation in Quarterly Board Meetings, including review and markup of agenda materials and related Board Chair conference calls.
3. Preparation for and participation in new Board Member training.
4. Preparation for and participation in Special ATU Retirement Board Meeting.
5. Assist with finalizing the investment consultant services contract.
6. Review and revise investment management documentation.
7. Review and respond to issues regarding custodian RFP.
8. Review and respond to issues regarding operations audit.
9. Review and analyze issues regarding "pop-up" benefit under IBEW Plan.
10. Advise staff on issues regarding calculation of normal cost for PEPRA members.
11. Provide counsel on issues including, but not limited to:
  - a. Pension Plan documents and updates;
  - b. Financial reporting;
  - c. Benefit eligibility and claims determinations;
  - d. Calculation of benefits under various scenarios;
  - e. Fiduciary duties.

Respectfully Submitted,

/s/ Shayna M. van Hoften

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
12	06/12/19	Retirement	Action	04/12/19

Subject: Amendment of the Investment Custodian Services Contract with State Street Bank and Trust Company to Extend the Term by Six Months and Increase the Limit to \$733,572

## ISSUE

Amendment to the Retirement Fund Custodian Services Contract with State Street Bank and Trust Company to Extend the Term of the Contract by Six Months and Increase the Limit to \$733,572 (ALL). (Adelman)

## RECOMMENDED ACTION

Adopt Resolution No. 19-06-\_\_\_\_\_, Delegating Authority to the Sacramento Regional Transit District's General Manager/CEO to Sign a First Amendment to the Retirement Fund Custodian Services Contract with State Street Bank and Trust Company to Extend the Term of the Contract by Six Months and Increase the Limit to \$733,572.

## FISCAL IMPACT

The proposed six-month extension will increase the consideration limit for this contract by an estimated \$71,100.

Original Contract Not-to-Exceed Amount:	\$662,472
Estimated cost of six-month Contract Extension*:	<u>71,100</u>
Amended Total Contract Not-to-Exceed Amount:	\$733,572

\*The estimated cost was calculated as follows:

1. Monthly rate of \$10,648 times 6 months (September 2019 through February 2020) equals \$63,888.
2. Add \$4,800 for 6 months of compliance monitoring
3. Add \$2,412 of miscellaneous costs.

Note: This amount is an estimate. The Pension Plans will pay State Street based on the actual fees incurred

## DISCUSSION

The Pension Plans require ongoing retirement fund custodian services, currently provided under a five-year 2014 contract with State Street Bank and Trust Company, due to expire August 31, 2019.

Earlier this month, Staff issued a Request for Proposal ("RFP") for custodian and compliance monitoring services for the Pension Plans, with responses due in June 2019. Before the RFP was released, Bo Abesamis, Executive Vice President, Mark Kinoshita, Senior Vice President, and Alvaro Vega, Assistant Vice President at Callan LLC ("Callan") provided technical support

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Approved:

Presented:

Final 06/04/19

VP of Finance and Procurement/CFO

Director, Finance and Treasury

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# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
12	06/12/19	Retirement	Action	04/12/19

Subject: Amendment of the Investment Custodian Services Contract with State Street Bank and Trust Company to Extend the Term by Six Months and Increase the Limit to \$733,572

and revised the custodial services technical requirements, scope of work, and contract document to help ensure that the RFP meets current industry standards and will result in high quality responses. The SacRT procurement department in conjunction with Hanson Bridgett completed the RFP document. Callan will provide a first review of the proposals submitted in response to the RFP, and will prepare a summary matrix of all responses to streamline the review and selection process. The review, expected to be performed in July 2019, will be performed by a committee made up of Pension staff and a member from each of the five bargaining groups, with support from Callan. Staff anticipates bringing a recommendation regarding a new contract to provide custodian and compliance monitoring services to the Boards at the Quarterly Retirement Board Meeting in September 2019.

If a new custodian is selected, transition of services will take 60 to 90 days.

Based on this timeline, the proposed six-month contract extension is necessary to provide enough time to complete the selection process, negotiate contract terms and, if necessary, transition services to a new custodian. Therefore, staff recommends that the Retirement Boards authorize the Sacramento Regional Transit District General Manager/CEO to sign a First Amendment to the Retirement Fund Custodian Services contract with State Street Bank and Trust Company to extend the term of the contract through February 29, 2020 and increase the contract limit to \$733,572.

It is possible that a new contract could be in effect before November 30, 2019, which would allow the First Amendment to the State Street Bank and Trust Company contract to be terminated at an earlier date.

RESOLUTION NO. 19-06-\_\_\_\_\_

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the ATU Local Union 256 on this date:

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**AUTHORIZING SACRAMENTO REGIONAL TRANSIT DISTRICT'S GENERAL MANAGER/CEO TO SIGN THE FIRST AMENDMENT TO THE RETIREMENT FUND CUSTODIAN SERVICES CONTRACT WITH STATE STREET BANK AND TRUST COMPANY TO EXTEND THE CONTRACT TERM SIX MONTHS AND INCREASE THE TOTAL CONSIDERATION LIMIT TO \$733,572**

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE ATU LOCAL UNION 256 AS FOLLOWS:

THAT, it is in the best interest of the Retirement Plan to extend the five-year term of the custodian services contract with State Street Bank and Trust Company, effective September 1, 2014, for six months (through February 29, 2020).

THAT, the Retirement Board hereby authorizes the General Manager/CEO of the Sacramento Regional Transit District to sign the First Amendment to the custodian services contract with State Street Bank and Trust Company, in a form approved by Legal Counsel, to extend the contract term by six months and to increase the contract's total consideration by up to \$71,100, for a new total contract amount not to exceed \$733,572.

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RALPH NIZ, Chair

A T T E S T:

Henry Li, Secretary

By: \_\_\_\_\_  
Valerie Weekly, Assistant Secretary

RESOLUTION NO. 19-06-\_\_\_\_\_

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the IBEW Local Union 1245 on this date:

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**AUTHORIZING SACRAMENTO REGIONAL TRANSIT DISTRICT'S GENERAL MANAGER/CEO TO SIGN THE FIRST AMENDMENT TO THE RETIREMENT FUND CUSTODIAN SERVICES CONTRACT WITH STATE STREET BANK AND TRUST COMPANY TO EXTEND THE CONTRACT TERM SIX MONTHS AND INCREASE THE TOTAL CONSIDERATION LIMIT TO \$733,572**

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE IBEW LOCAL UNION 1245 AS FOLLOWS:

THAT, it is in the best interest of the Retirement Plan to extend the five-year term of the custodian services contract with State Street Bank and Trust Company, effective September 1, 2014, for six months (through February 29, 2020).

THAT, the Retirement Board hereby authorizes the General Manager/CEO of the Sacramento Regional Transit District to sign the First Amendment to the custodian services contract with State Street Bank and Trust Company, in a form approved by Legal Counsel, to extend the contract term by six months and to increase the contract's total consideration by up to \$71,100, for a new total contract amount not to exceed \$733,572.

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ERIC OHLSON, Chair

A T T E S T:

Henry Li, Secretary

By: \_\_\_\_\_  
Valerie Weekly, Assistant Secretary

RESOLUTION NO. 19-06-\_\_\_\_\_

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the AEA on this date:

\_\_\_\_\_  
**AUTHORIZING SACRAMENTO REGIONAL TRANSIT DISTRICT'S GENERAL MANAGER/CEO TO SIGN THE FIRST AMENDMENT TO THE RETIREMENT FUND CUSTODIAN SERVICES CONTRACT WITH STATE STREET BANK AND TRUST COMPANY TO EXTEND THE CONTRACT TERM SIX MONTHS AND INCREASE THE TOTAL CONSIDERATION LIMIT TO \$733,572**

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE AEA AS FOLLOWS:

THAT, it is in the best interest of the Retirement Plan to extend the five-year term of the custodian services contract with State Street Bank and Trust Company, effective September 1, 2014, for six months (through February 29, 2020).

THAT, the Retirement Board hereby authorizes the General Manager/CEO of the Sacramento Regional Transit District to sign the First Amendment to the custodian services contract with State Street Bank and Trust Company, in a form approved by Legal Counsel, to extend the contract term by six months and to increase the contract's total consideration by up to \$71,100, for a new total contract amount not to exceed \$733,572.

\_\_\_\_\_  
RUSSEL DEVORAK, Chair

A T T E S T:

Henry Li, Secretary

By: \_\_\_\_\_  
Valerie Weekly, Assistant Secretary

RESOLUTION NO. 19-06-\_\_\_\_\_

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the AFSCME on this date:

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**AUTHORIZING SACRAMENTO REGIONAL TRANSIT DISTRICT'S GENERAL MANAGER/CEO TO SIGN THE FIRST AMENDMENT TO THE RETIREMENT FUND CUSTODIAN SERVICES CONTRACT WITH STATE STREET BANK AND TRUST COMPANY TO EXTEND THE CONTRACT TERM SIX MONTHS AND INCREASE THE TOTAL CONSIDERATION LIMIT TO \$733,572**

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE AFSCME AS FOLLOWS:

THAT, it is in the best interest of the Retirement Plan to extend the five-year term of the custodian services contract with State Street Bank and Trust Company, effective September 1, 2014, for six months (through February 29, 2020).

THAT, the Retirement Board hereby authorizes the General Manager/CEO of the Sacramento Regional Transit District to sign the First Amendment to the custodian services contract with State Street Bank and Trust Company, in a form approved by Legal Counsel, to extend the contract term by six months and to increase the contract's total consideration by up to \$71,100, for a new total contract amount not to exceed \$733,572.

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GARY PARKS, Chair

A T T E S T:

Henry Li, Secretary

By: \_\_\_\_\_  
Valerie Weekly, Assistant Secretary



RESOLUTION NO. 19-06-\_\_\_\_\_

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the MCEG on this date:

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**AUTHORIZING SACRAMENTO REGIONAL TRANSIT DISTRICT'S GENERAL MANAGER/CEO TO SIGN THE FIRST AMENDMENT TO THE RETIREMENT FUND CUSTODIAN SERVICES CONTRACT WITH STATE STREET BANK AND TRUST COMPANY TO EXTEND THE CONTRACT TERM SIX MONTHS AND INCREASE THE TOTAL CONSIDERATION LIMIT TO \$733,572**

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE MCEG AS FOLLOWS:

THAT, it is in the best interest of the Retirement Plan to extend the five-year term of the custodian services contract with State Street Bank and Trust Company, effective September 1, 2014, for six months (through February 29, 2020).

THAT, the Retirement Board hereby authorizes the General Manager/CEO of the Sacramento Regional Transit District to sign the First Amendment to the custodian services contract with State Street Bank and Trust Company, in a form approved by Legal Counsel, to extend the contract term by six months and to increase the contract's total consideration by up to \$71,100, for a new total contract amount not to exceed \$733,572.

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ROGER THORN, Chair

A T T E S T:

Henry Li, Secretary

By: \_\_\_\_\_  
Valerie Weekly, Assistant Secretary

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
13	06/12/19	Retirement	Information	04/12/19

Subject: Investment Performance Review by AQR for the ATU, IBEW and Salaried Retirement Funds for the International Small Capitalization Equity Asset Class for the Quarter Ended March 31, 2019 (ALL). (Adelman)

## ISSUE

Investment Performance Review by AQR for the ATU, IBEW and Salaried Funds for the International Small Capitalization Equity Asset Class for the Quarter Ended March 31, 2019 (ALL). (Adelman)

## RECOMMENDED ACTION

Information Only

## FISCAL IMPACT

None.

## DISCUSSION

Retirement funds are invested consistent with the Statement of Investment Objectives and Policy Guidelines (Policy) adopted by each Retirement Board (Board). Under the Policy, the Boards meet at least once every eighteen (18) months with each investment manager to review the performance of the manager's investment, the manager's adherence to the Policy, and any material changes to the manager's organization. The Policy also establishes the Retirement Funds' asset allocation policy and the asset classes in which the Plans funds are invested. The asset classes established by the Policy are (1) Domestic Large Capitalization Equity, (2) Domestic Small Capitalization Equity, (3) International Large Capitalization Equity, (4) International Small Capitalization Equity, (5) International Emerging Markets, and (6) Domestic Fixed-Income.

AQR is the Retirement Boards' International Small Capitalization Equity fund manager. AQR will be presenting performance results for the quarter ended March 31, 2019, shown in Attachment 1, and answering any questions.

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Approved:

Presented:

Final 06/04/19

VP of Finance and Procurement/CFO

Director, Finance and Treasury

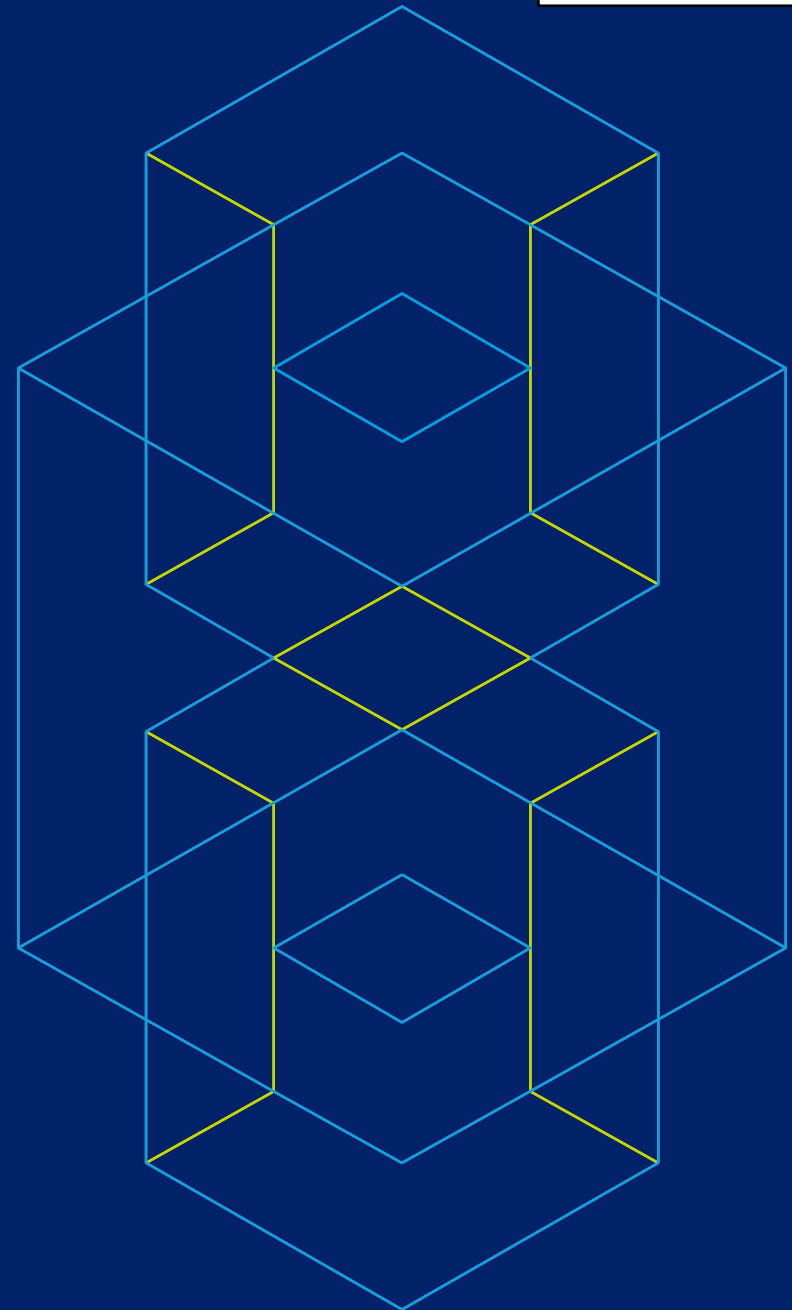
J:\Retirement Board\2019\IP's\Quarterly Meetings\June 12, 2019\FI FINAL IPs\06-12-19 Fund Manager Review - AQR.docx

# AQR International Small Cap April 2019 YTD Review

Prepared exclusively for Sacramento  
Regional Transit District

**Private and Confidential**  
FOR CLIENT REVIEW USE ONLY

June 12, 2019



# Disclosures

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You have requested certain performance information in connection with your due diligence review of the AQR International Small Cap Equity Fund, L.P. (the "Fund"). All information disclosed by AQR to you will be deemed Confidential Information and may be used only for informational, due diligence purposes. In consideration of AQR's making the Confidential Information available to you, you agree that you will not: (i) reproduce, summarize or otherwise use any Confidential Information for any purpose other than for Recipient's internal evaluation of establishing a relationship with AQR or investing in the Fund; or (ii) disclose the Confidential Information to any third party. You agree and acknowledge that the Confidential Information is and shall remain the property of AQR and AQR has not granted and will not grant you any license, copyright or similar right with respect to any of the Confidential Information.

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The views expressed reflect the current views as of the date hereof and neither the speaker nor AQR undertakes to advise you of any changes in the views expressed herein. It should not be assumed that the speaker or AQR will make investment recommendations in the future that are consistent with the views expressed herein, or use any or all of the techniques or methods of analysis described herein in managing client accounts. AQR and its affiliates may have positions (long or short) or engage in securities transactions that are not consistent with the information and views expressed in this presentation.

The information contained herein is only as current as of the date indicated, and may be superseded by subsequent market events or for other reasons. Charts and graphs provided herein are for illustrative purposes only. The information in this presentation has been developed internally and/or obtained from sources believed to be reliable; however, neither AQR nor the speaker guarantees the accuracy, adequacy or completeness of such information. Nothing contained herein constitutes investment, legal, tax or other advice nor is it to be relied on in making an investment or other decision.

There can be no assurance that an investment strategy will be successful. Historic market trends are not reliable indicators of actual future market behavior or future performance of any particular investment which may differ materially, and should not be relied upon as such. Target allocations contained herein are subject to change. There is no assurance that the target allocations will be achieved, and actual allocations may be significantly different than that shown here. This presentation should not be viewed as a current or past recommendation or a solicitation of an offer to buy or sell any securities or to adopt any investment strategy.

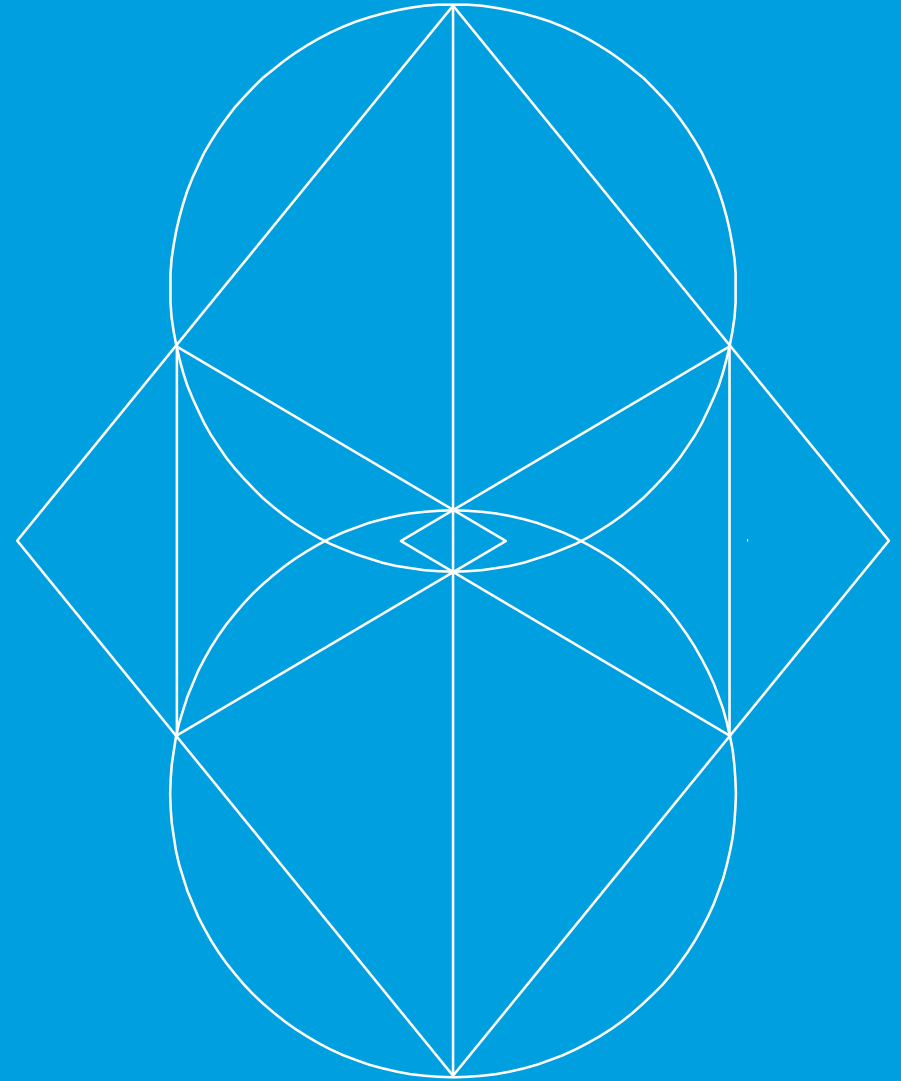
The information in this presentation may contain projections or other forward-looking statements regarding future events, targets, forecasts or expectations regarding the strategies described herein, and is only current as of the date indicated. There is no assurance that such events or targets will be achieved, and may be significantly different from that shown here. The information in this presentation, including statements concerning financial market trends, is based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons. Performance of all cited indices is calculated on a total return basis with dividends reinvested.

The investment strategy and themes discussed herein may be unsuitable for investors depending on their specific investment objectives and financial situation. Please note that changes in the rate of exchange of a currency may affect the value, price or income of an investment adversely.

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# Firm Overview



# Our Firm

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AQR is a global investment management firm built at the intersection of financial theory and practical application. We strive to deliver superior, long-term results for our clients by looking past market noise to identify and isolate what matters most, and by developing ideas that stand up to rigorous testing. Our focus on practical insights and analysis has made us leaders in alternative and traditional strategies since 1998.

## At a Glance

- AQR takes a systematic, research-driven approach to managing alternative and traditional strategies
- We apply quantitative tools to process fundamental information and manage risk
- Our clients include institutional investors, such as pension funds, defined contribution plans, insurance companies, endowments, foundations, family offices and sovereign wealth funds, as well as RIAs, private banks and financial advisors
- The firm has 42 principals and ~1,000 employees; nearly half of employees hold advanced degrees
- AQR is based in Greenwich, Connecticut, with offices in Bengaluru, Boston, Chicago, Hong Kong, London, Los Angeles, Sydney, and Tokyo
- Approximately \$203 billion in assets under management as of March 31, 2019\*

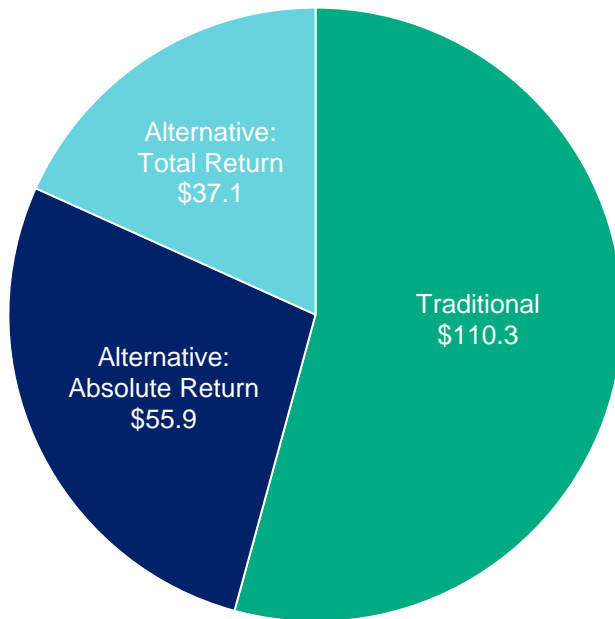


Source: AQR

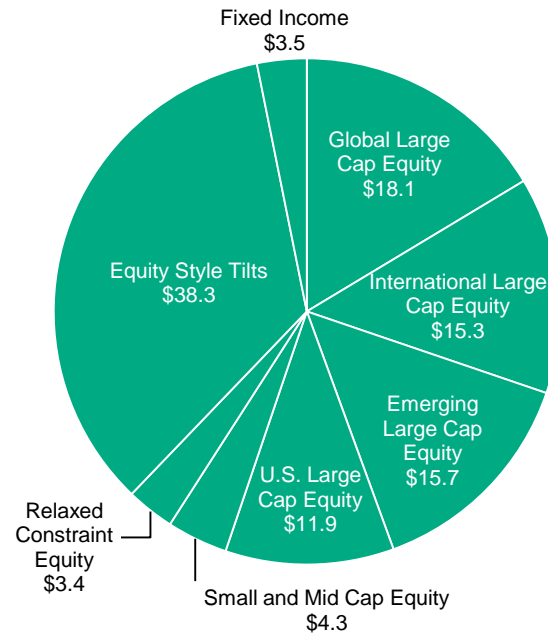
\*Approximate as of 3/31/2019, includes assets managed by AQR and its advisory affiliates.

# Assets Under Management

## Total Assets \$203 Billion\*



## Traditional Strategies \$110 Billion\*



\*Source: AQR

\*Approximate as of 3/31/2019, includes assets managed by AQR and its advisory affiliates.

# Who We Are

**Cliff Asness, Ph.D.\***  
Managing and Founding Principal

## Portfolio Management, Research and Trading

**John Liew, Ph.D.\***  
Founding Principal

### Portfolio Management and Research

**Michele Aghassi, Ph.D.**  
Principal

**Jordan Brooks, Ph.D.**  
Principal

**Andrea Frazzini, Ph.D.**  
Principal

**Jacques Friedman**  
Principal

**Brian Hurst**  
Principal

**John Huss**  
Principal

**Ronen Israel\***  
Principal

**Roni Israelov, Ph.D.**  
Principal

**Michael Katz, Ph.D.**  
Principal

**David Kupersmith**  
Principal

**Oktay Kurbanov**  
Principal

**Ari Levine**  
Principal

**Marcos López de Prado, Ph.D.**  
Principal

**Michael Mendelson\***  
Principal

**Tobias Moskowitz, Ph.D.**  
Principal

**Yao Hua Ooi**  
Principal

**Lasse Pedersen, Ph.D.**  
Principal

**Scott Richardson, Ph.D.**  
Principal

**Nathan Sosner, Ph.D.**  
Principal

**Mark Mitchell, Ph.D.**  
Principal (CNH)

**Todd Pulvino, Ph.D.**  
Principal (CNH)

**Rocky Bryant**  
Principal (CNH)

### Trading

**Isaac Chang**  
Managing Director

**Brian Hurst**  
Principal

### Portfolio Finance

**Scott Carter**  
Principal

## Risk Management

### Risk Management

**Lars Nielsen**  
Principal  
Chief Risk Officer

**Michael Patchen, CFA**  
Principal

## Business Development

**David Kabiller, CFA\***  
Founding Principal

### Client Solutions

**Gregor Andrade, Ph.D.**  
Principal

**Bill Cashel**  
Principal

**Jeff Dunn**  
Principal

**Jeremy Getson, CFA**  
Principal

### Portfolio Solutions

**Antti Ilmanen, Ph.D.**  
Principal

**Marco Hanig, Ph.D.**  
Principal

**Chris Palazzolo, CFA**  
Principal

**Ted Pyne, Ph.D.**  
Principal

### Marketing

**Suzanne Escousse**  
Principal  
Chief Marketing Officer

## Corporate Infrastructure

### Finance

**John Howard\***  
Principal,  
Chief Finance Officer /  
Co-Chief Operating Officer

**Bradley Asness**  
Principal  
Co-Chief Operating Officer

### Accounting, Operations and Client Administration

**Steve Mellas**  
Principal

### Systems Development and IT

**Neal Pawar**  
Principal  
Chief Technology Officer

**Stephen Mock**  
Principal

### Human Resources

**Jen Frost**  
Principal  
Chief Human Resources Officer

## Legal and Compliance

### Legal

**Billy Fenrich**  
Principal  
Chief Legal Officer

### Compliance

**H.J. Willcox**  
Principal  
Chief Compliance Officer



Source: AQR  
\*Member of Executive Committee  
Personnel as of 3/31/2019



# Industry-Leading Research

Committed to advancing financial knowledge around the world

## Academic Engagement

- Nearly half of employees hold advanced degrees and ~25% of Research has a Ph.D.
- 20 current and former professors work at AQR
- AQR Asset Management Institute at London Business School established to promote excellence in asset management
- AQR Insight Award: annual \$100,000 prize honoring unpublished papers that provide the most significant investment insights
- Online research library with more than 300 AQR papers, journal articles, books and periodicals, as well as our data sets

## Awards and Prizes

### 57 Research Awards

Notable awards include<sup>1</sup>:

- 9 Bernstein Fabozzi JPM Awards
- 9 Graham & Dodd Awards
- 6 Smith Breeden Awards<sup>2</sup>
- 4 DFA Prizes
- 4 Michael Brennan Awards<sup>2</sup>
- 1 Fischer Black Prize
- 1 Bernacer Prize
- 1 Markowitz JOIM Award

## Highly-Ranked Finance Research<sup>3</sup>

### Top Journal Article Citations

1. New York University (NYU)
2. **AQR Capital Management**
3. University of Chicago
4. University of Pennsylvania
5. Harvard University

### SSRN Downloads

1. New York University (NYU)
2. Harvard University
3. University of Chicago
4. **AQR Capital Management**
5. Stanford University

As of 3/31/2019. Source: AQR, SSRN and Google Scholar.

<sup>1</sup>Graham & Dodd Awards won in 2018, 2015, 2011, 2005, 2004, 2003, 2000, 1998, 1991; Bernstein Fabozzi Awards won in 2018, 2015, 2014, 2013, 2012, 2005, 2004, 2003; Smith Breeden Awards won in 2010, 2008, 2002, 2000, 1998; DFA Awards won in 2016, 2014, 2008, 2005; Michael Brennan Awards won in 2014, 2013, 2005 and 2004; Fischer Black Prize won in 2007; Bernacer Prize won in 2011; Markowitz Award won in 2015.

<sup>2</sup>Three Smith Breeden awards were second place mentions; two DFA awards were second place mentions; one Michael Brennan award was a second place mention.

<sup>3</sup>Social Science Research Network (SSRN) Finance Economic Network ranked by total new downloads of papers in the last 3 Years. SSRN List is as of March 1, 2019, Google Scholar list as of October 8, 2018.



# Global Stock Selection Team

## Portfolio Management and Research

**Jacques Friedman**  
Principal

**Andrea Frazzini, Ph.D.**  
Principal

**Michele Aghassi, Ph.D., CFA**  
Principal

**Ronen Israel**  
Principal

**Tobias Moskowitz, Ph.D.**  
Principal

**Scott Richardson, Ph.D.**  
Principal

**Nathan Sosner, Ph.D.**  
Principal

**Shaun Fitzgibbons**  
Managing Director

**Rodolfo Martell, Ph.D.**  
Managing Director

**Greg McIntire, CFA**  
Managing Director

**Lukasz Pomorski, Ph.D.**  
Managing Director

**Laura Serban, Ph.D.**  
Managing Director

**Greg Hall**  
Vice President

**David Kershner, CFA**  
Vice President

**Adrienne Ross, CFA**  
Vice President

## Portfolio Implementation

**Michael Katz, Ph.D.**  
Principal

**Oktay Kurbanov**  
Principal

**Alla Markova**  
Managing Director

## Trading

**Isaac Chang**  
Managing Director

**Brian Hurst**  
Principal

## Risk Management

**Lars Nielsen**  
Principal

**Mike Patchen**  
Principal

## Front Office Technology

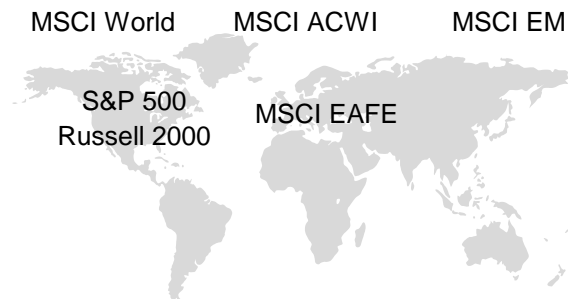
**Neal Pawar**  
Principal



# Investment Process

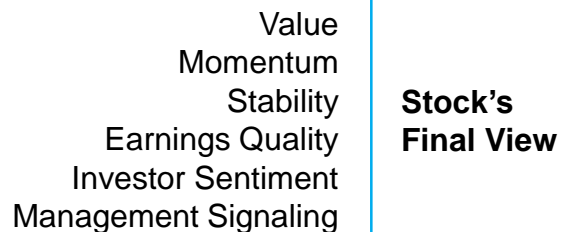
## Consistent process across AQR Enhanced Equity Strategies

### 1. Select Investment Universe

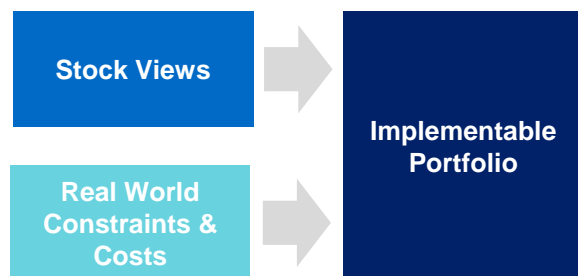


We use broad investment universes and generally do not stray from benchmark names.

### 2. Evaluate Attractiveness of Each Stock



### 3. Portfolio Construction

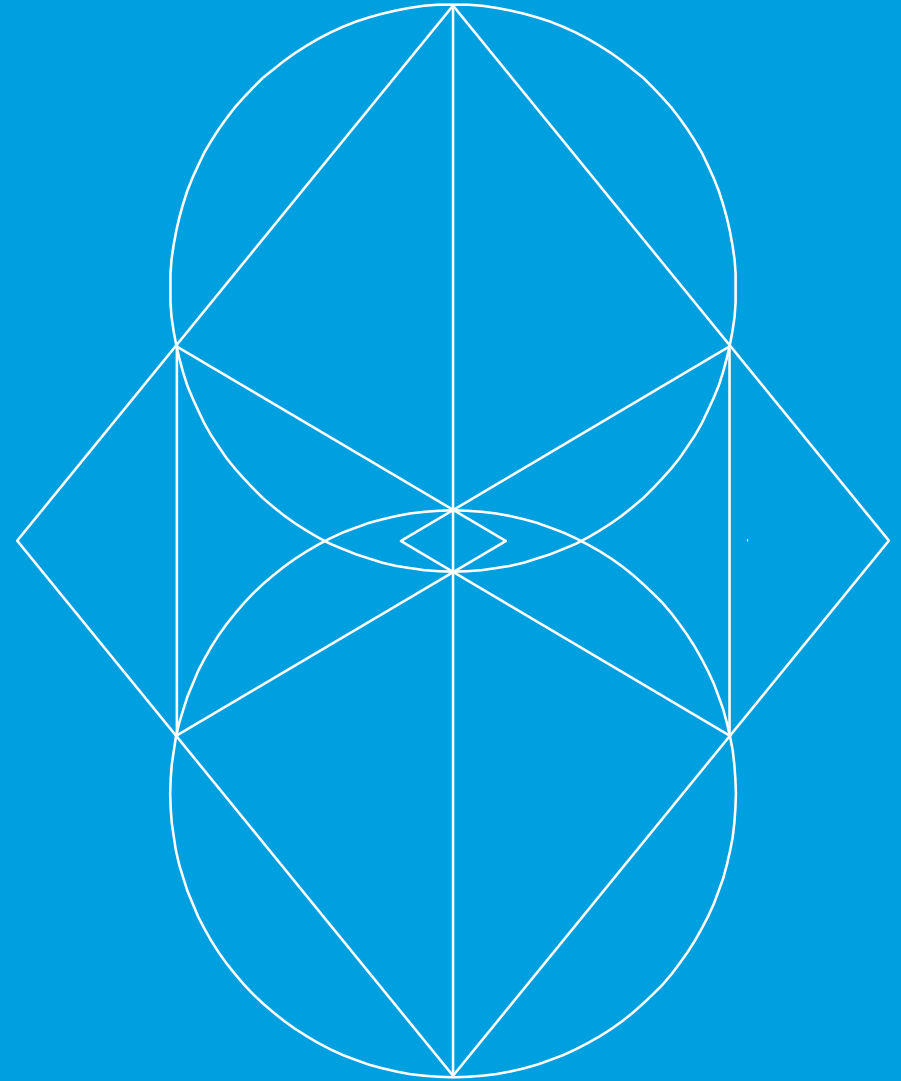


### 4. Trading



Source: AQR. Investment process is subject to change at any time without notice. Please read important disclosures in the Appendix. In equities and futures markets, AQR utilizes broker's infrastructure to access electronic trading venues. In FX markets, AQR connects directly to dealers and electronic trading venues.

# Performance Review



# Performance Review

## Since inception performance

### AQR International Small Cap Equity Fund, L.P.

August 1, 2007 – April 30, 2019

	Portfolio Return (Gross)	MSCI EAFE Small Cap	Gross Excess Return	Contribution to Gross Excess Return			
				Europe	UK	Japan	Australia & Asia ex- Japan
Q2 2018	-2.62%	-1.57%	-1.06%	-1.0%	0.0%	-0.1%	0.1%
Q3 2018	-2.01%	-0.88%	-1.14%	-0.1%	-0.1%	-0.2%	-0.8%
Q4 2018	-16.23%	-16.05%	-0.18%	-0.5%	0.8%	-0.2%	-0.3%
Q1 2019	9.13%	10.65%	-1.52%	-0.1%	-0.6%	-0.2%	-0.6%
April 2019	1.36%	3.02%	-1.66%	-0.8%	-0.8%	-0.2%	0.2%

#### Summary Sacramento Regional Transit District (since August 1, 2016)

Since Inception (Cuml)	16.07%	23.80%	-7.73%	-5.1%	-0.2%	-2.5%	0.1%
Since Inception (Annl)	5.57%	8.08%	-2.51%	-1.7%	-0.1%	-0.8%	0.0%

#### Summary (since August 1, 2007)

<b>Trailing 1 Year</b>	<b>-12.43%</b>	<b>-7.88%</b>	<b>-4.55%</b>	<b>-2.1%</b>	<b>-0.7%</b>	<b>-0.5%</b>	<b>-1.3%</b>
3 years (Annl)	5.82%	7.75%	-1.93%	-1.4%	0.1%	-0.7%	0.1%
5 years (Annl)	4.75%	5.27%	-0.52%	-0.4%	0.2%	-0.5%	0.1%
7 years (Annl)	8.65%	8.75%	-0.10%	-0.2%	0.5%	-0.5%	0.1%
10 years (Annl)	12.70%	11.49%	1.20%	0.6%	0.6%	-0.1%	0.1%
Since Inception (Cuml)	77.93%	49.68%	28.25%	10.6%	14.9%	1.1%	1.7%
Since Inception (Annl)	5.02%	3.49%	1.53%	0.6%	0.8%	0.1%	0.1%
Tracking Error			2.2%				
Information Ratio*			0.7				

Period	Initial Contribution (\$K)	Contributions (\$K)	Withdrawals (\$K)	Investment Earnings (\$K)	Ending Balance (\$K)
Since Inception	\$ 12,202	-	\$ 704	\$ 1,655	\$ 13,153

Source: AQR. Performance figures herein represent unaudited estimates of realized and unrealized gains and losses prepared by AQR. Gross performance does not reflect the deduction of investment advisory fees. Please see the Appendix for important risk and performance disclosures. Excess returns are calculated as portfolio returns minus the benchmark. Past performance is not a guarantee of future performance. Please refer to the monthly statements provided by your custodian or administrator for actual returns. Attributions are subject to change without notice.

\* Information Ratio is calculated as the Annualized Excess Return divided by Tracking Error.

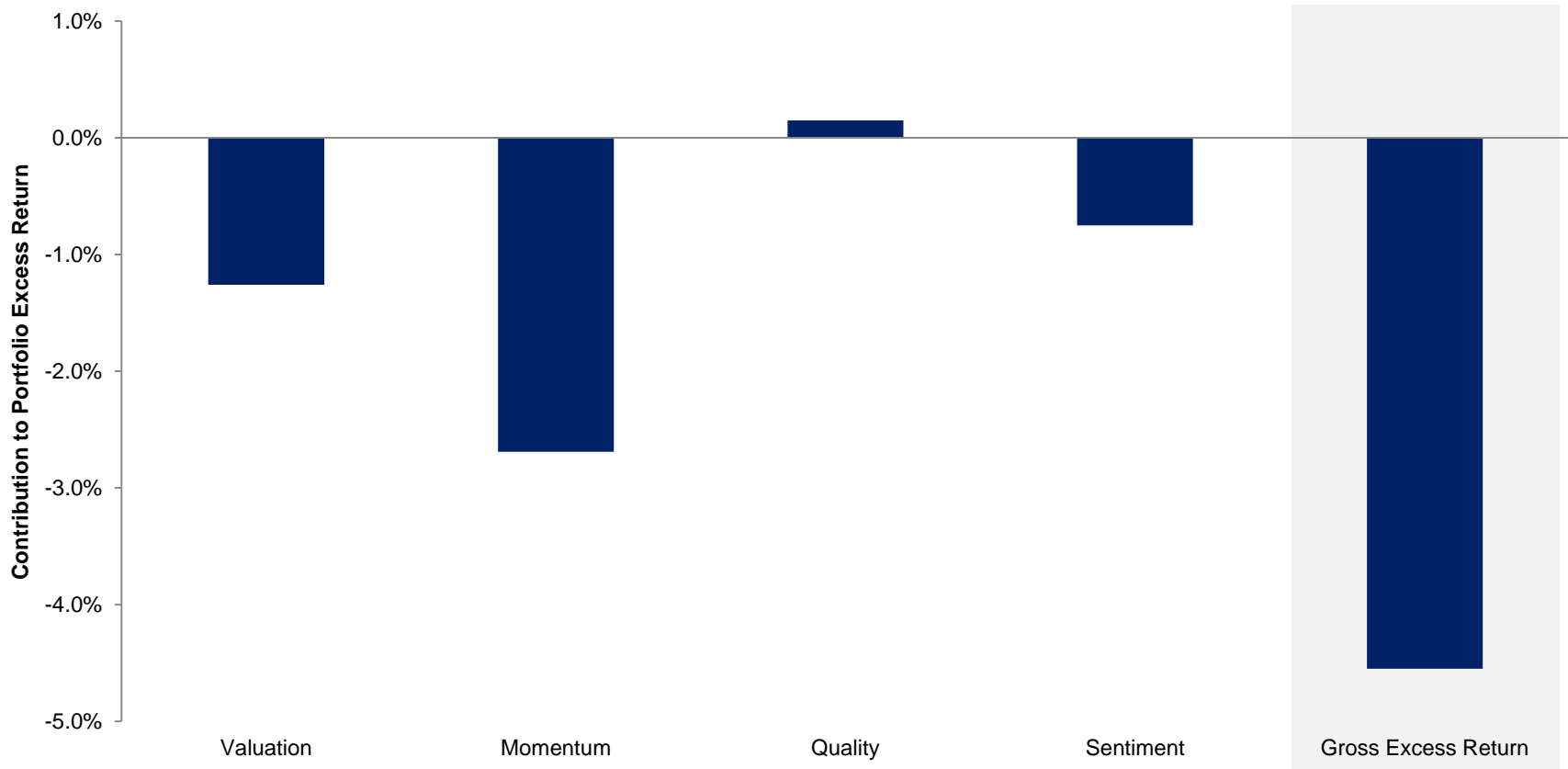


# Performance Review

## Trailing One Year Investment theme performance

### Stock Selection

May 1, 2018 – April 30, 2019



Source: AQR. Investment theme performance is expressed as contributions to excess return above the account's stated benchmark by theme. Past performance is not a guarantee of future performance. The above analysis is specific to the client's account. Gross performance does not reflect the deduction of investment advisory fees. Attribution is subject to change at any time without notice. Please see additional performance disclosures in the Appendix.

# Performance Review

## Trailing One Year Sector attribution

### Stock Selection

May 1, 2018 – April 30, 2019

	Average Sector Weight			Excess Return		
	Portfolio	Benchmark	Active	Sector Selection	Stock Selection	Total
Communication Services	1.7%	2.7%	-1.0%	-0.1%	-0.1%	-0.2%
Consumer Discretionary	14.6%	13.9%	0.7%	0.0%	-0.5%	-0.5%
Consumer Staples	6.2%	6.6%	-0.4%	0.0%	-0.9%	-0.8%
Energy	4.6%	2.8%	1.8%	-0.3%	0.4%	0.2%
Financials	8.5%	11.6%	-3.1%	0.2%	0.1%	0.3%
Health Care	10.6%	7.5%	3.1%	-0.1%	-0.5%	-0.6%
Industrials	17.5%	21.6%	-4.1%	0.1%	-1.4%	-1.3%
Information Technology	15.1%	10.4%	4.8%	0.4%	-1.1%	-0.8%
Materials	7.8%	8.7%	-0.9%	0.0%	-0.6%	-0.6%
Real Estate	11.6%	11.4%	0.1%	0.0%	0.1%	0.1%
Telecom Services	0.1%	0.6%	-0.5%	0.0%	0.0%	-0.1%
Utilities	1.6%	2.2%	-0.6%	-0.3%	0.0%	-0.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>-0.1%</b>	<b>-4.5%</b>	<b>-4.6%</b>



Source: AQR. Performance figures herein represent unaudited estimates of realized and unrealized gains and losses prepared by AQR. Gross performance does not reflect the deduction of investment advisory fees. Please see the Appendix for important risk and performance disclosures. Excess returns are calculated excess of designated benchmark: MSCI EAFE Small Cap Net Index USD End of Day. Please refer to the monthly statements provided by your custodian or administrator for actual returns. Attributions are subject to change without notice.

# Performance Review

## Portfolio characteristics: Equity exposure

### Portfolio Characteristics

Stock Selection Exposure  
April 30, 2019

	Portfolio	Benchmark
<b>Number of Stocks</b>	629	2,317
<b>Average Market Cap (\$M)</b>	2,234	2,742
<b>Median Market Cap (\$M)</b>	1,395	1,043
<b>P/E (trailing)</b>	12.8	15.9
<b>P/E (forward)</b>	13.0	15.2
<b>P/B</b>	1.6	1.5
<b>P/CF</b>	8.2	9.6
<b>ROE (5-yr)</b>	14.5	11.8
<b>Debt/EQ</b>	0.4	0.6
<b>Sales/EV</b>	0.9	0.7
<b>Earnings Growth (5 yr trailing)</b>	14.1	11.4
<b>12 Month Return of Holdings*</b>	-1.0%	-1.0%

### Sector Exposure

Stock Selection Exposure  
April 30, 2019

	Portfolio	Benchmark	Active Weight	Active Weight					
				Under	Over	Apr-19	Mar-19	Dec-18	Sep-18
Communication Services	2.0%	4.9%	-2.9%						
Consumer Discretionary	11.8%	12.9%	-1.0%						
Consumer Staples	4.6%	6.3%	-1.6%						
Energy	3.5%	2.7%	0.8%						
Financials	7.5%	11.4%	-3.9%						
Health Care	12.8%	7.6%	5.2%						
Industrials	20.3%	21.7%	-1.4%						
Information Technology	16.2%	10.2%	6.0%						
Materials	5.0%	8.2%	-3.2%						
Real Estate	12.2%	12.0%	0.2%						
Utilities	4.0%	2.2%	1.8%						
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>						

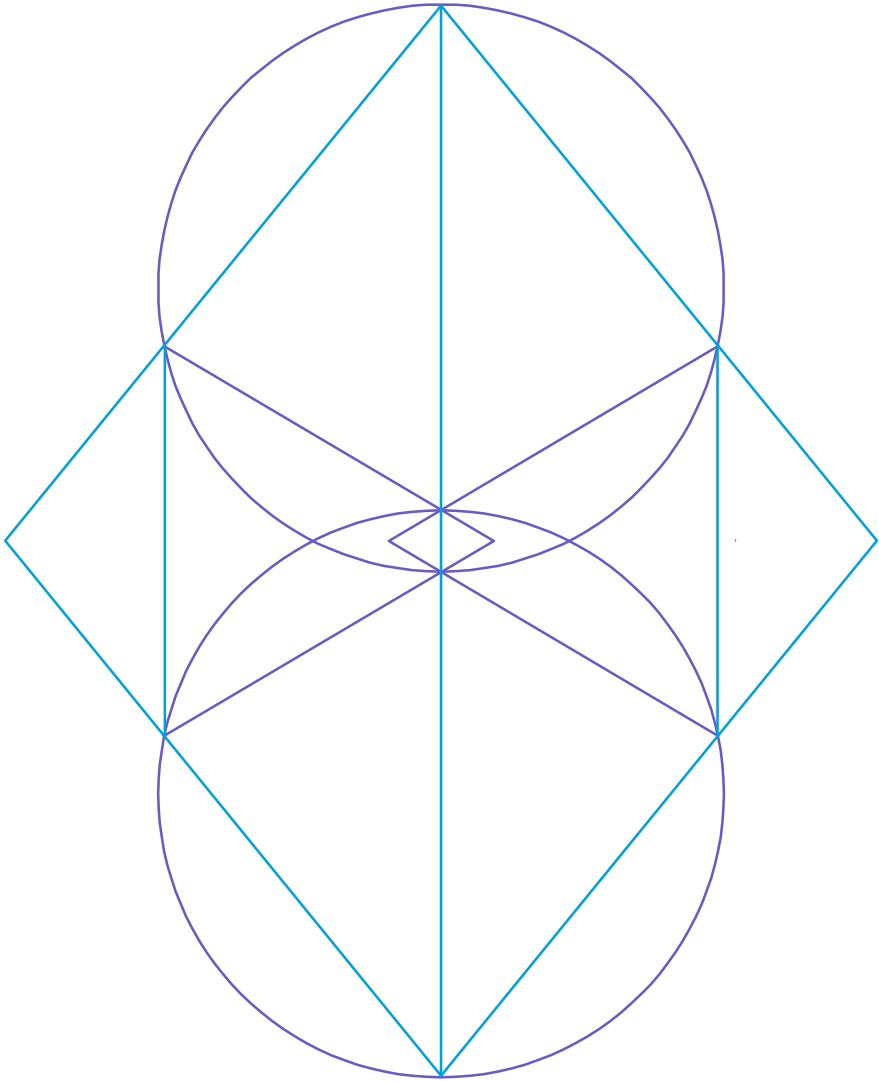
Sources: AQR, Compustat, Datastream, Bloomberg, Worldscope and IBES. Average P/E ratios of the stocks in the portfolios exclude individual stock price-to-earnings ratios that are negative and the top and bottom 1 percentile of the remaining. Average P/B ratios of the stocks in the portfolios exclude individual stock price-to-book ratios that are negative and the top and bottom 1 percentile of the remaining. Average Sales/EV ratios of the portfolios exclude individual stocks that have sales-to-enterprise values that are negative and the top and bottom 1 percentile of the remaining. Portfolio holdings are subject to change. Benchmark: MSCI EAFE Small Cap Net Index USD End of Day.

\* 12 Month Return of Holdings is representative of how stocks held in the account or benchmark would have performed over the previous 12 months in USD, gross of fees and weighted as of the date reported. This performance is not representative of the actual performance of the benchmark, account, or any other portfolio that AQR manages.



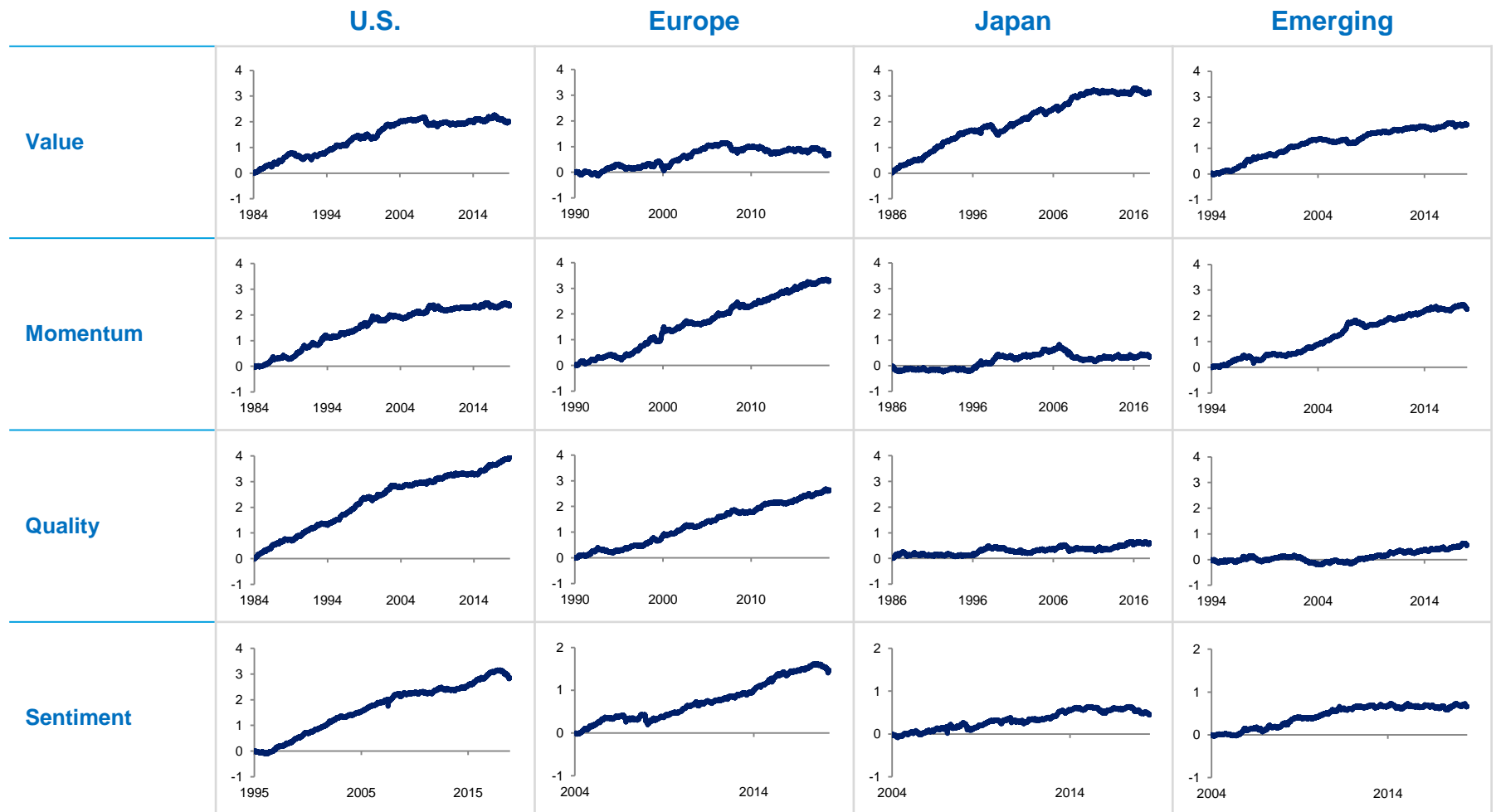


# Strategy Update



# Investment Themes\*

## Hypothetical long-term efficacy across regions



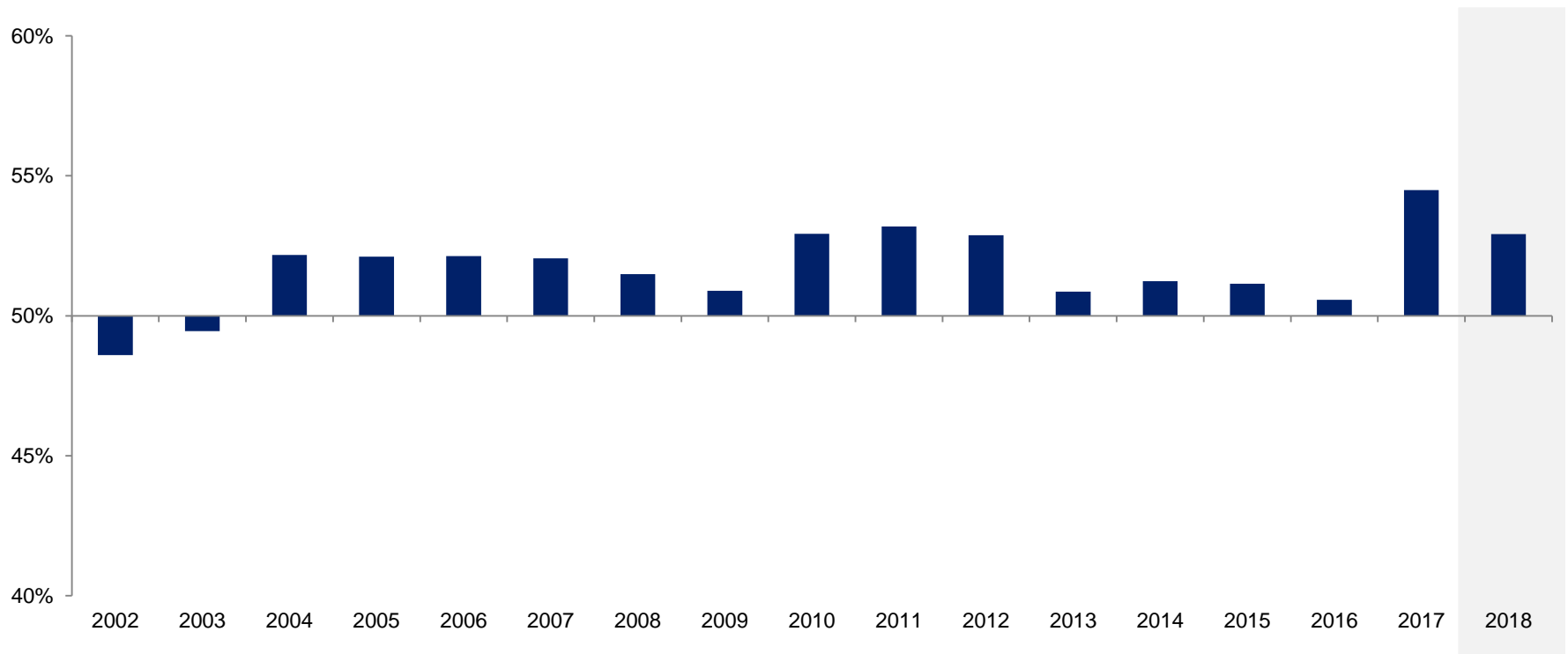
\* Source: AQR. AQR Value, Momentum, Quality, and Sentiment theme data is indicative of gross USD returns net of transactions-costs for a long-short, market neutral implementations of the factors at 7% volatility from 1/1/1984–12/31/2018 (where available for each theme). Y-axis for Europe, Japan, and Emerging Sentiment theme data is compressed due to shorter length of backtests (begin in 2004). Gross performance does not reflect the deduction of investment advisory fees. Hypothetical data has inherent limitations, some of which are disclosed in the Appendix. A full description of the backtest methodologies is included in the Appendix. Diversification does not eliminate the risk of experiencing investment losses.

# Fundamentals

## Model accuracy for predicting changes in fundamentals has not diminished

### Percent of Earnings Surprises Predicted Correctly: Hypothetical International Small Cap Value & Momentum

January 1, 2002 – December 31, 2018



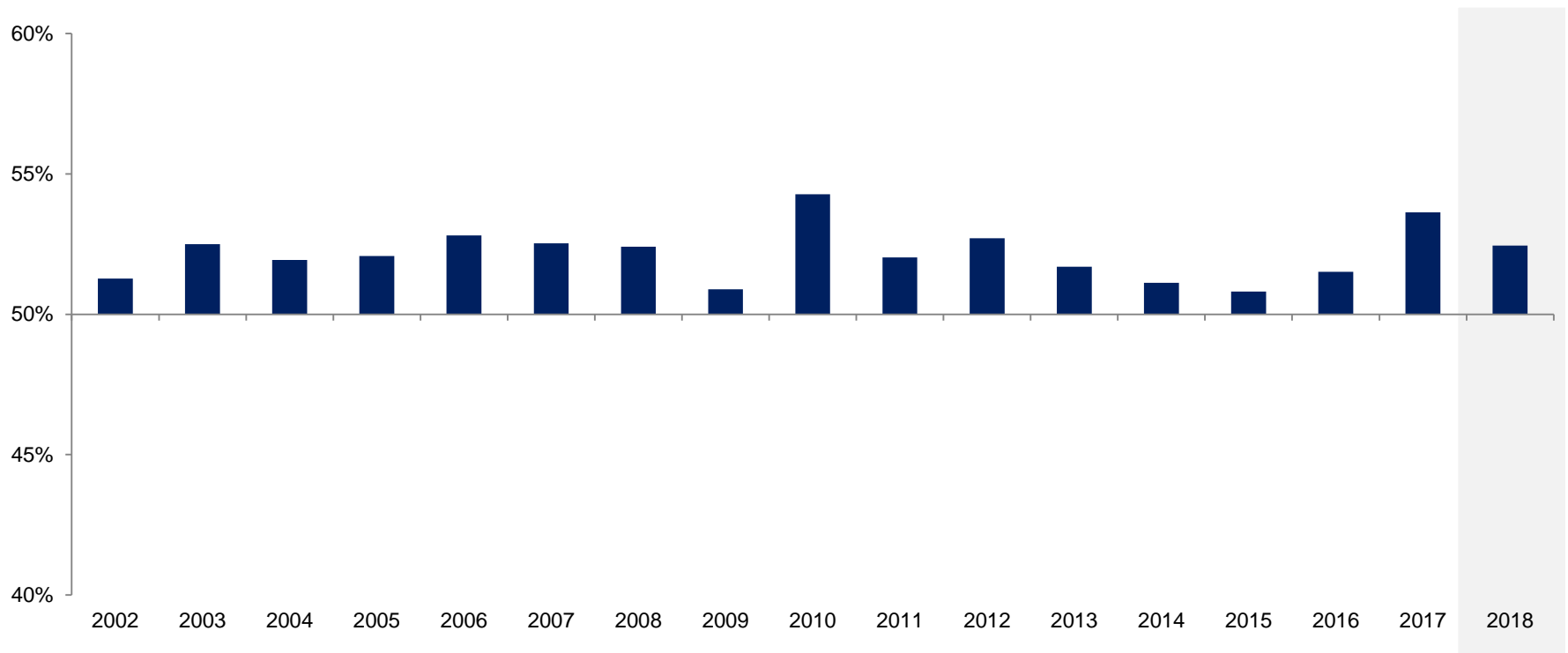
Source: AQR, Bloomberg. Data shows the alignment of AQR's Hypothetical Value and Momentum themes with subsequent earnings surprises of International Small Cap stocks (roughly equivalent to the MSCI World ex US Small Cap universe) using quarterly data. Positive/negative earnings surprises are defined relative to the median in the universe. Date range is January 1, 2002 – March 31, 2019. Returns are gross of fees and in USD. The date range is limited due to availability of earnings surprise data. For illustrative purposes only and not representative of an actual portfolio AQR currently manages. Hypothetical data has inherent limitations, some of which are disclosed in the Appendix.

# Fundamentals

## Model accuracy for predicting changes in fundamentals has not diminished

### Percent of Earnings Surprises Predicted Correctly: Hypothetical International Small Cap Model

January 1, 2002 – December 31, 2018



Source: AQR, Bloomberg. Data shows the alignment of AQR's Hypothetical model with subsequent earnings surprises of International Small Cap stocks (roughly equivalent to the MSCI World ex US Small Cap universe) using quarterly data.. Positive/negative earnings surprises are defined relative to the median in the universe. Date range is January 1, 2002 – March 31, 2019. Returns are gross of fees and in USD. The date range is limited due to availability of earnings surprise data. For illustrative purposes only and not representative of an actual portfolio AQR currently manages. Hypothetical data has inherent limitations, some of which are disclosed in the Appendix.

# Fundamentals

As value has sold off, spreads have moved significantly

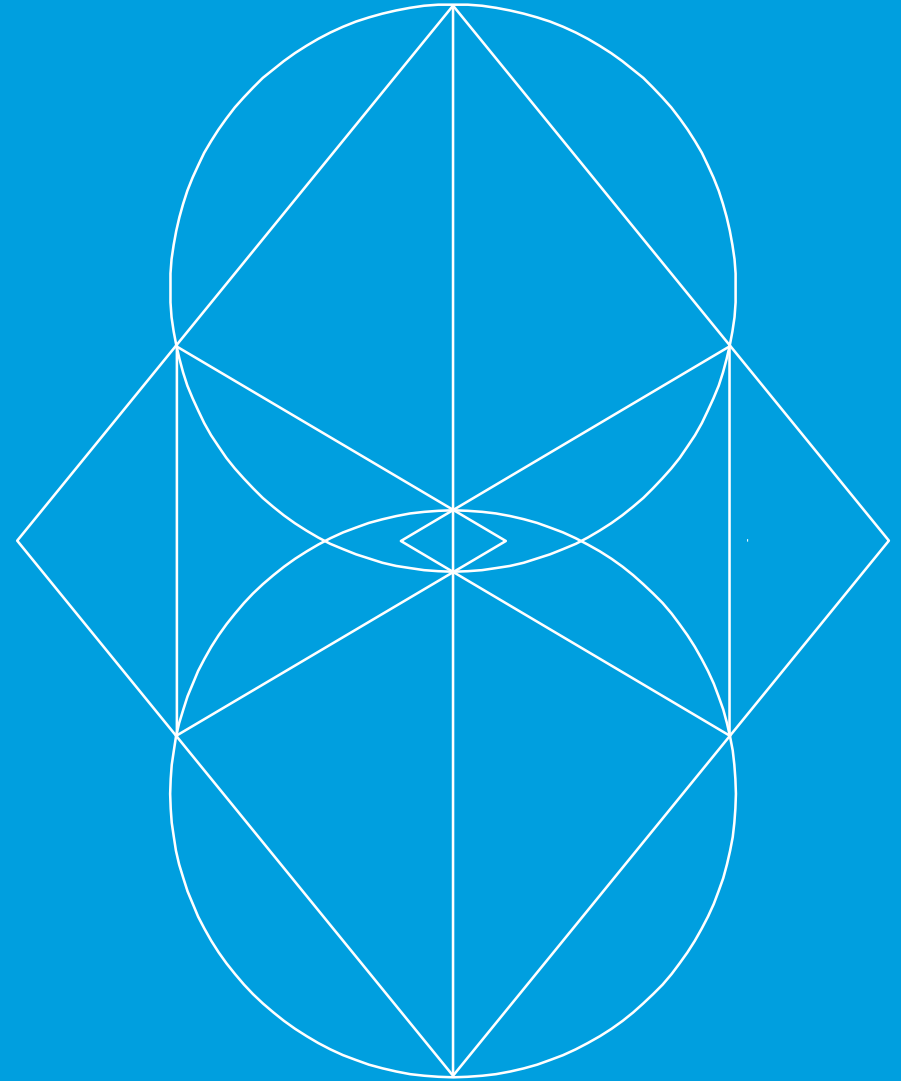
## International Small Cap Hypothetical Industry-Neutral Value Portfolio: Value Spread

June 1, 1994 – March 31, 2019



Source: AQR. Value composite includes four value measures: book-to-price, earnings-to-price, forecast earnings-to-price, and sales-to-enterprise value; spreads are measured based on ratios. To construct industry-neutrality, the value spreads are constructed by comparing the aforementioned value measures within each industry, which are then aggregated up to represent an entire portfolio. Hypothetical data has inherent limitations, some of which are disclosed in the Appendix. Please read the Appendix for important disclosures.

# Investment Philosophy and Process



# Evaluating Stocks

AQR's evaluation criteria are based on economic signals

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- We form a view on each stock through a model developed and improved over the last 20 years.
- Stocks are evaluated based on the below signals, relative to other stocks in the below peer groups, both regionally and globally.

## Signal Groups

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<b>Valuation:</b>	Attractive prices
<b>Momentum:</b>	Improving prices and fundamentals
<b>Stability:</b>	Stable and high quality financials
<b>Earnings Quality:</b>	Sound accounting practices
<b>Investor Sentiment:</b>	Support of high conviction investors
<b>Management Signaling:</b>	Shareholder-friendly management

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## Peer Groups

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**Within Industries**

**Across Industries**

**Economically-Linked Groups**

**Country-Industry Pairs**

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# Evaluating Stocks

## Example: local auto components stock (tires & rubber)

Below is a stylized example of our model's view on a single stock (ranks/percentiles), highlighting a small subset of our signals.

<b>Within Industry</b> (Example Stock vs. Auto Stock Peers)			
Signal	Example	Data Value	Percentile
<b>Valuation:</b>	Adjusted Price / Earnings	14.5x	31%
<b>Momentum:</b>	Adjusted 12 Month Return*	20.8%	77%
<b>Earnings Quality:</b>	Change in Accounts Receivable	0.9%	69%
<b>Stability:</b>	3-year Return on Equity	12.7%	55%
<b>Investor Sentiment</b>	Change in % of Shares Shorted	0.7%	54%
<b>Management Signaling:</b>	% Change in Shares Outstanding	-2.4%	91%

**Percentile Score:**  
**92%**  
Based on  
weighted-average  
signal scores

<b>Across Industry</b> (Auto Industry vs. Other Industries)			
Signal Example	Data Value	Percentile	
Industry Price Change Last 12 Months	-1.2%	24%	

<b>Economically-Linked Groups</b> (Example's Linked Peers vs. Other Stocks' Linked Peers)			
Signal Example	Data Value	Percentile	
Momentum of Customer Supplier Pairs	16.6%	88%	

<b>Country-Industry Pairs</b> (Local Auto Components Stocks vs. Other Countries')			
Signal Example	Data Value	Percentile	
3-year Return on Equity	17.5%	81%	

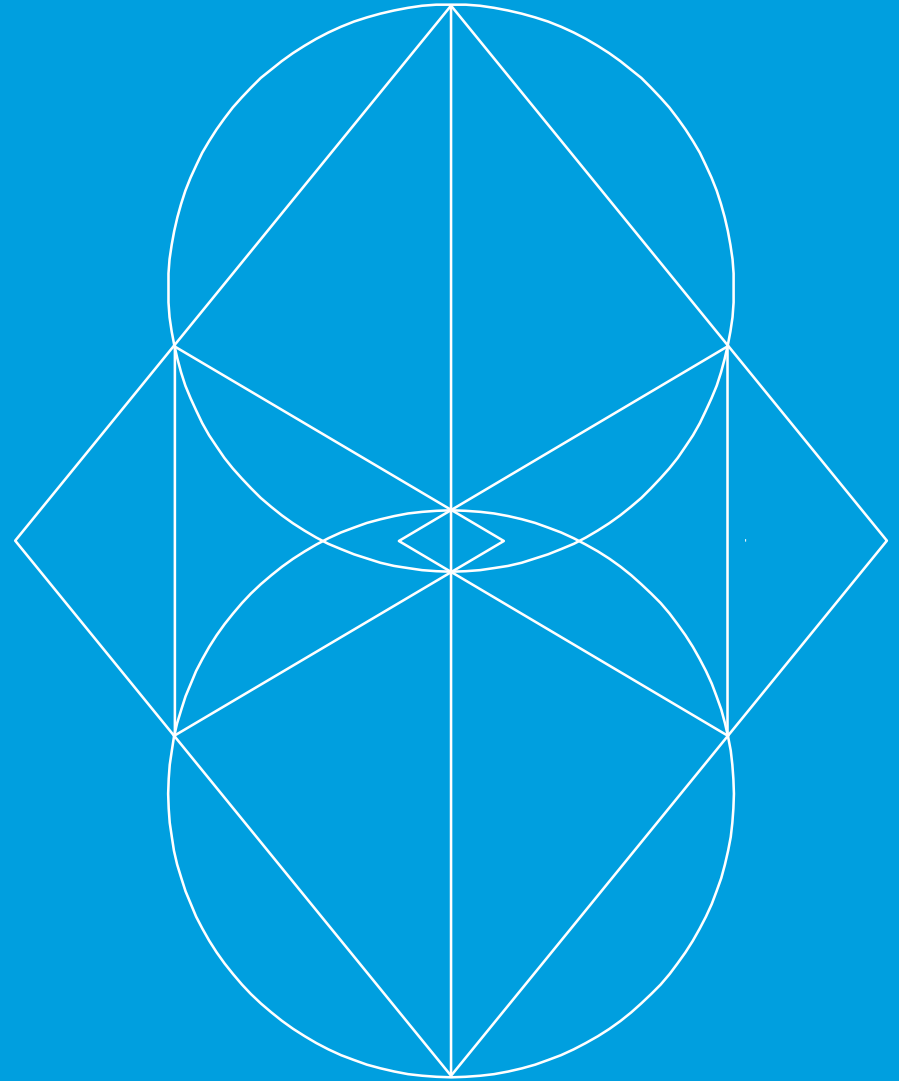


\*Does not include most recent month's return.

Source: AQR. Example is for illustrative purposes only. For Percentile score, the higher the score, the better. The elements of AQR's investment process presented herein do not indicate the possibility of profits or losses within a portfolio and are subject to change at any time. Holdings are subject to change. These representative security signals were randomly selected merely to illustrate our investment process. The securities presented herein are for illustrative purposes only and not a representation that they will or are likely to achieve profits or losses. Not to be construed as investment advice or a recommendation.



# Appendices



# Performance Disclosures

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There is no guarantee, express or implied, that long-term return and/or volatility targets will be achieved. Realized returns and/or volatility may come in higher or lower than expected.

Performance figures contained herein reflect the reinvestment of dividends and all other earnings and represent unaudited estimates of realized and unrealized gains and losses prepared by AQR. There is no guarantee as to the above information's accuracy or completeness. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE PERFORMANCE. Diversification does not eliminate the risk of experiencing investment losses.

There is a risk of substantial loss associated with trading commodities, futures, options and leverage. Before investing carefully consider your financial position and risk tolerance to determine if the proposed trading style is appropriate. Investors should realize that when engaging in leverage, trading futures, commodities and/or granting/writing options one could lose the full balance of their account. It is also possible to lose more than the initial deposit when engaging in leverage, trading futures and/or granting/writing options. All funds committed should be purely risk capital.

Broad-based securities indices are unmanaged and are not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index.

Gross performance results do not reflect the deduction of investment advisory fees, which would reduce an investor's actual return. For example, assume that \$1 million is invested in an account with the Firm, and this account achieves a 10% compounded annualized return, gross of fees, for five years. At the end of five years that account would grow to \$1,610,510 before the deduction of management fees. Assuming management fees of 1.00% per year are deducted monthly from the account, the value of the account at the end of five years would be \$1,532,886 and the annualized rate of return would be 8.92%. For a 10-year period, the ending dollar values before and after fees would be \$2,593,742 and \$2,349,739, respectively. AQR's asset based fees may range up to 2.85% of assets under management, and are generally billed monthly or quarterly at the commencement of the calendar month or quarter during which AQR will perform the services to which the fees relate. Where applicable, performance fees are generally equal to 20% of net realized and unrealized profits each year, after restoration of any losses carried forward from prior years. In addition, AQR funds incur expenses (including start-up, legal, accounting, audit, administrative and regulatory expenses) and may have redemption or withdrawal charges up to 2% based on gross redemption or withdrawal proceeds. Please refer to AQR's ADV Part 2A for more information on fees. Consultants supplied with gross results are to use this data in accordance with SEC, CFTC, NFA or the applicable jurisdiction's guidelines.



# Performance Disclosures

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There is a risk of substantial loss associated with trading commodities, futures, options and leverage. Before investing carefully consider your financial position and risk tolerance to determine if the proposed trading style is appropriate. Investors should realize that when engaging in leverage, trading futures, commodities and/or granting/writing options one could lose the full balance of their account. It is also possible to lose more than the initial deposit when engaging in leverage, trading futures and/or granting/writing options. All funds committed should be purely risk capital.

**The MSCI Emerging Markets Index** captures large and mid cap representation across 24 Emerging Markets (EM) countries\*. With 1,138 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The **Russell 1000 Index** is an index of approximately 1,000 of the largest companies in the U.S. equity market.

**The Russell 2000 index** is an index measuring the performance of approximately 2,000 small-cap companies in the Russell 3000 Index, which is made up of 3,000 of the biggest U.S. stocks. The Russell 2000 serves as a benchmark for small-cap stocks in the United States.

**The Russell 1000 Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The index is unmanaged, includes the reinvestment of dividends and cannot be purchased directly by investors.

**The Russell 1000 Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The index is unmanaged and cannot be purchased directly by investors.



# Performance Disclosures

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**Hypothetical AQR U.S. Valuation Theme Backtest Description** The AQR U.S. Valuation Theme Backtest utilizes the full set of underlying factors that compose the Valuation theme within AQR's Global Stock Selection strategy to evaluate stocks and create a long-short, market-neutral and industry-neutral equity portfolio based exclusively on these signals. The Valuation Theme is designed to capture the tendency for relatively cheap assets to outperform relatively expensive ones. Backtest returns are gross of advisory fees and transaction costs from January 1, 2001 – March 31, 2019. The backtest utilizes a monthly rebalancing schedule and targets 7% annual volatility. The investment universe includes a broad subset of liquid tradeable large and mid cap stocks within the U.S. The risk model used is the Barra U.S. Equity Risk Model (USE3L).

**Hypothetical AQR U.S. Momentum Theme Backtest Description** The AQR U.S. Momentum Theme Backtest utilizes the full set of underlying factors that compose the Momentum theme within AQR's Global Stock Selection strategy to evaluate stocks and create a long-short, market-neutral and industry-neutral equity portfolio based exclusively on these signals. The Momentum Theme is designed to capture the tendency for assets that have outperformed recently to continue to outperform. Backtest returns are gross of advisory fees and transaction costs from January 1, 2001 – March 31, 2019. The backtest utilizes a monthly rebalancing schedule and targets 7% annual volatility. The investment universe includes a broad subset of liquid tradeable large and small cap stocks within the U.S. The risk model used is the Barra U.S. Equity Risk Model (USE3L).

**Hypothetical AQR U.S. Fundamental and Price Momentum Signals Backtest Description:** The AQR U.S. Fundamental and Price Momentum Theme Backtest represent the full-set of fundamental and price momentum factors that within the Momentum theme of AQR's Global Stock Selection strategy to evaluate stocks and create a long-short, market-neutral and industry-neutral equity portfolio based exclusively on these signals. The Momentum Theme is designed to favor stocks with improving prices and fundamentals. Backtest returns are gross of advisory fees and transaction costs from January 1, 2018 – March 31, 2019. The backtest utilizes a monthly rebalancing schedule and targets 7% annual volatility. The investment universe includes a broad subset of liquid tradeable large and mid cap stocks within the U.S. The risk model used is the Barra U.S. Equity Risk Model (USE3L).

**Hypothetical AQR U.S. Industry Momentum Theme Backtest Description** The AQR U.S. Industry Momentum Theme Backtest utilizes the full set of underlying factors that compose the Industry Momentum theme within AQR's Global Stock Selection strategy to evaluate stocks and create a long-short, market-neutral and industry-neutral equity portfolio based exclusively on these signals. The Industry Momentum Theme is designed to capture the tendency for industries that have outperformed recently to continue to outperform. Backtest returns are gross of advisory fees and transaction costs from January 1, 2018 – March 31, 2019. The backtest utilizes a monthly rebalancing schedule and targets 7% annual volatility. The investment universe includes a broad subset of liquid tradeable large and small cap stocks within the U.S. The risk model used is the Barra U.S. Equity Risk Model (USE3L).

**Hypothetical AQR U.S. Cross Momentum Theme Backtest Description** The AQR U.S. Cross Momentum Theme Backtest utilizes the full set of underlying factors that compose the theme within AQR's Global Stock Selection strategy to evaluate stocks and create a long-short, market-neutral and industry-neutral equity portfolio based exclusively on these signals. The Cross Momentum Theme is designed to capture the tendency for a company's improvement to follow the improvement of related companies. Backtest returns are gross of advisory fees and transaction costs from January 1, 2018 – March 31, 2019. The backtest utilizes a monthly rebalancing schedule and targets 7% annual volatility. The investment universe includes a broad subset of liquid tradeable large and small cap stocks within the U.S. The risk model used is the Barra U.S. Equity Risk Model (USE3L).

**Hypothetical AQR U.S. Valuation & Momentum Themes Combination Backtest Description:**

The AQR U.S. Valuation and Momentum Combo Backtest is a simple 50/50 combination of the Valuation and Momentum themes within AQR's Global Stock Selection strategy to evaluate stocks and create a long-short, market-neutral and industry-neutral equity portfolio based exclusively on these signals within each of the identified regions. Backtest returns are gross of advisory fees and transaction costs from April 1, 2001 – March 31, 2019. The backtest utilizes a monthly rebalancing schedule and each sub-component targets 7% annual volatility. The investment universes include a broad





# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	06/12/19	Retirement	Action	04/12/19

Subject: Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended March 31, 2019 (ALL). (Adelman)

## ISSUE

Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended March 31, 2019 (ALL). (Adelman)

## RECOMMENDED ACTION

Motion: Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended March 31, 2019 (ALL). (Adelman)

## FISCAL IMPACT

None.

## DISCUSSION

Pension funds are invested consistent with the Statement of Investment Objectives and Policy Guidelines adopted by each Retirement Board. Attached are the two investment performance reports prepared by the Boards' pension investment consultants. The first report is the First Quarter 2019 Market Update (Attachment 1) and the second is the Investment Measurement Service Quarterly Review as of March 31, 2019 (Attachment 2). These reports provide a detailed analysis of the performance of each of the investment managers retained by the Retirement Boards to manage the Retirement Funds for the quarter ended March 31, 2019. The second report compares the performance of each investment manager with benchmark indices, other fund managers of similarly invested portfolios and other indices.

### Investment Compliance Monitoring

In accordance with the Statement of Investment Objectives and Policy Guidelines for the Sacramento Regional Transit District Retirement Plans (Investment Policy), State Street Bank performs daily investment compliance monitoring on the Plans' three (3) actively managed funds. As of March 31, 2019, there were no compliance warnings or alerts to be reported; therefore, the investments are in compliance with the Investment Policy. The final attached report includes the monitoring summary (Attachment 3).

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Approved:

Presented:

Final 06/04/19

VP of Finance and Procurement/CFO

Director, Finance and Treasury

J:\Retirement Board\2019\IPs\Quarterly Meetings\June 12, 2019\FI FINAL IPs\06-12-19 Investment Performance.docx

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	06/12/19	Retirement	Action	04/12/19

Subject: Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended March 31, 2019 (ALL). (Adelman)

The table below provides an overview of the quarter performance, quarter ending March 31, 2019 – gross of investment management fees:

<i>Investment Manager - Description - Benchmark</i>	Benchmark Index	ATU, IBEW & Salaried Fund	Investment Gains/ (Losses)	Pension Fund Contributions/ (Withdrawals)
Boston Partners (large cap value) Russell 1000 Value	11.93%	9.40%	\$3,857,732	\$8
S&P 500 Index (large cap value) S&P 500	13.65%	13.64%	\$5,807,407	-
Atlanta Capital (small cap) Russell 2000	14.58%	11.84%	\$2,629,792	-
Brandes (international equities) MSCI EAFE	-	-	\$(2,661)	\$(8)
Pyrford (international equities) MSCI EAFE	9.98%	8.26%	\$2,021,419	-
MSCI EAFE Index (international equities) MSCI EAFE	9.98%	<b>10.11%</b>	\$1,007,925	-
AQR (small cap international equities) MSCI EAFE SC	10.65%	9.11%	\$1,059,359	-
Dimensional Fund Advisors (emerging markets) MSCI EM	9.93%	8.75%	\$1,293,037	-
Metropolitan West (fixed income) Bloomberg Agg.	2.94%	<b>3.21%</b>	\$3,253,913	\$(1,021,928)
Totals	9.07%	7.80%	\$20,927,922	\$(1,021,928)

**Bold** – fund exceeding respective benchmark

The table below provides an overview of the year to date performance, as of March 31, 2019 – net of investment management fees:

<i>Investment Manager - Description - Benchmark</i>	Benchmark Index	ATU, IBEW & Salaried Fund	Investment Gains/(Loss)	Pension Fund Contributions/ (Withdrawals)
Boston Partners (large cap value) Russell 1000 Value	5.67%	1.78%	\$3,232,034	\$(5,259,665)
S&P 500 Index (large cap value) S&P 500	9.50%	9.45%	\$5,085,374	\$(4,552,659)
Atlanta Capital (small cap) Russell 2000	2.05%	<b>10.47%</b>	\$3,507,941	\$(4,840,996)
Brandes (international equities) MSCI EAFE	-	-	\$(314)	\$(8)
Pyrford (international equities) MSCI EAFE	(3.71)%	<b>(1.56)%</b>	\$193,254	-
MSCI EAFE Index (international equities) MSCI EAFE	(3.71)%	<b>(3.46)%</b>	\$26,160	-
AQR (small cap international equities) MSCI EAFE SC	(9.36)%	(13.61)%	\$(899,293)	-
Dimensional Fund Advisors (emerging markets) MSCI EM	(7.40)%	(9.48)%	\$(2,083,107)	-
Metropolitan West (fixed income) Bloomberg Agg.	4.48%	<b>4.92%</b>	\$(155,518)	\$10,300,456
Totals	3.55%	2.72%	\$8,906,531	\$(4,352,872)

**Bold** – fund exceeding respective benchmark

# Callan

June 12, 2019



## **Sacramento Regional Transit District**

First Quarter 2019  
Market Update

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**Anne Heaphy**

Fund Sponsor Consulting

**Uvan Tseng, CFA**

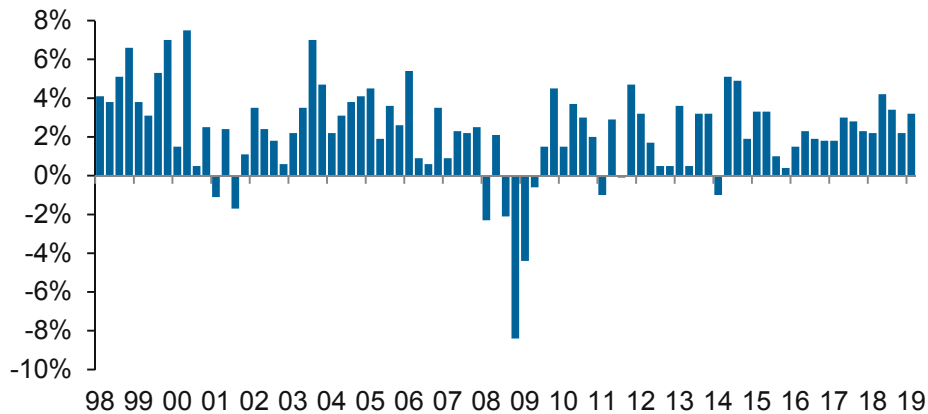
Fund Sponsor Consulting



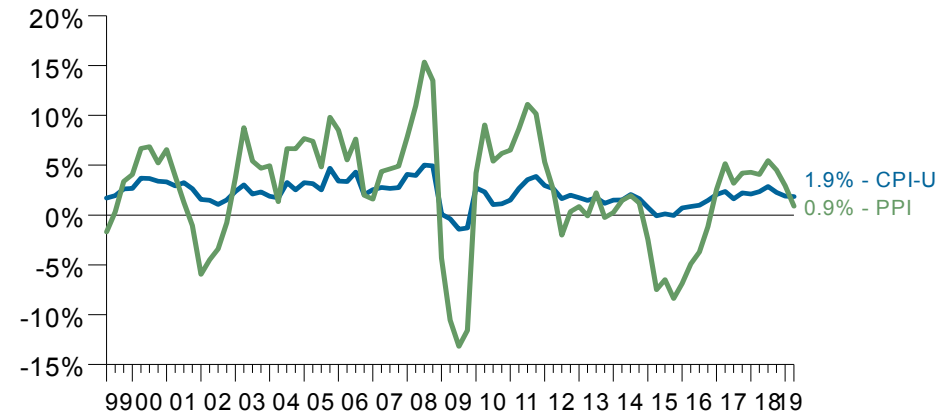
# Economic Commentary

First Quarter 2019

Quarterly Real GDP Growth\*



Inflation Year-Over-Year



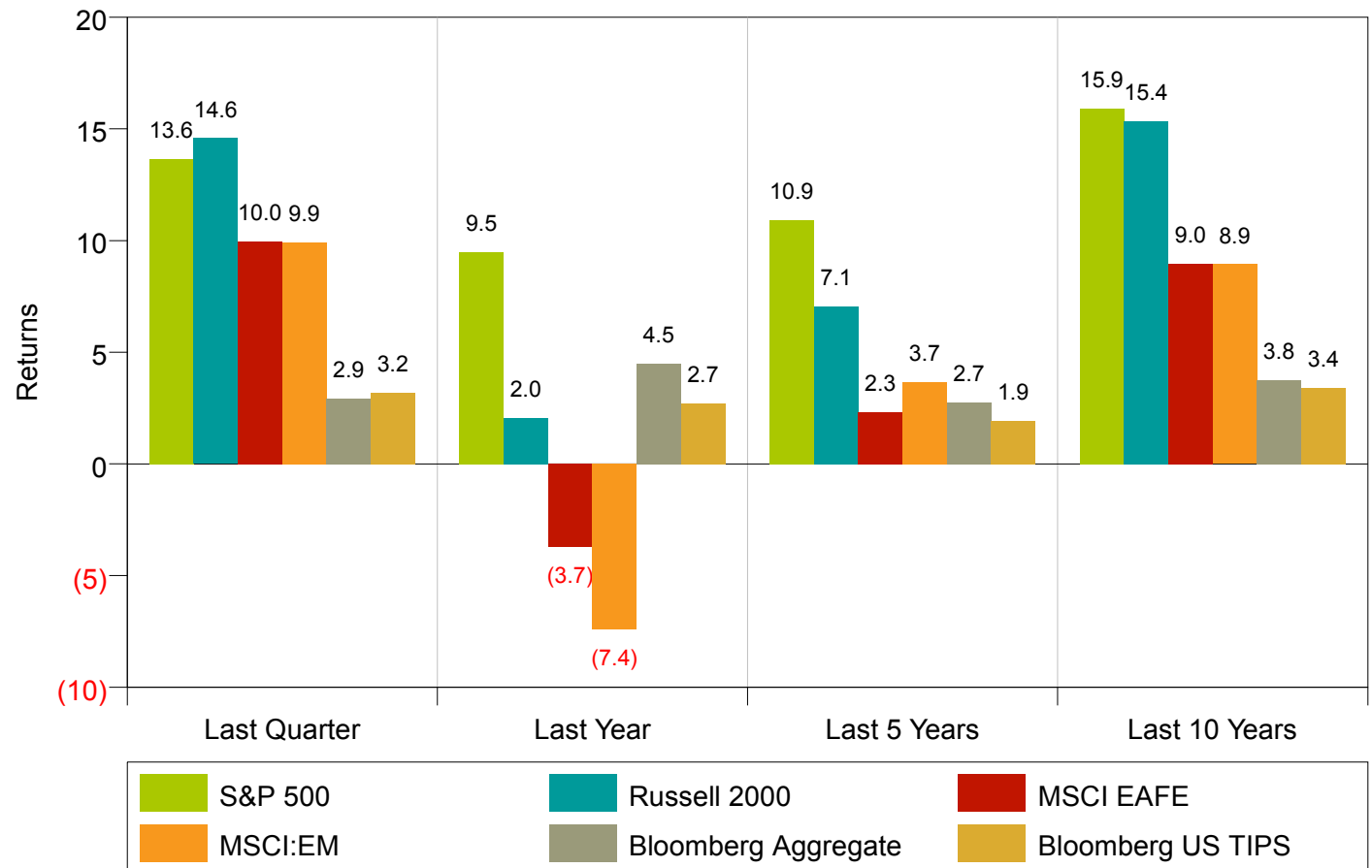
- The Fed is largely alone on a path to normalize interest rates, but has paused after 9 rate hikes
- U.S. economy remains strong, labor market very tight, reaching the limits of full employment
  - Q1 increase in GDP (3.2%) a sign of resilience after Q4 market swoon and government shutdown in January.
  - Consumer spending slowed in Q1, but it may be a blip, reflecting the impact of the shutdown.
  - Signal from Fed that further rate hikes are on hold have boosted consumer and business confidence.
- Oil prices may (or may not) radically alter inflation outlook

Source: Bureau of Economic Analysis, Bureau of Labor Statistics

# Asset Class Performance

Periods Ended March 31, 2019

Asset Class Performance  
for Periods Ended March 31, 2019



YTD as of 06/11/2019:

S&P 500:

Russell 2000:

MSCI EAFE:

MSCI Emerging Markets:

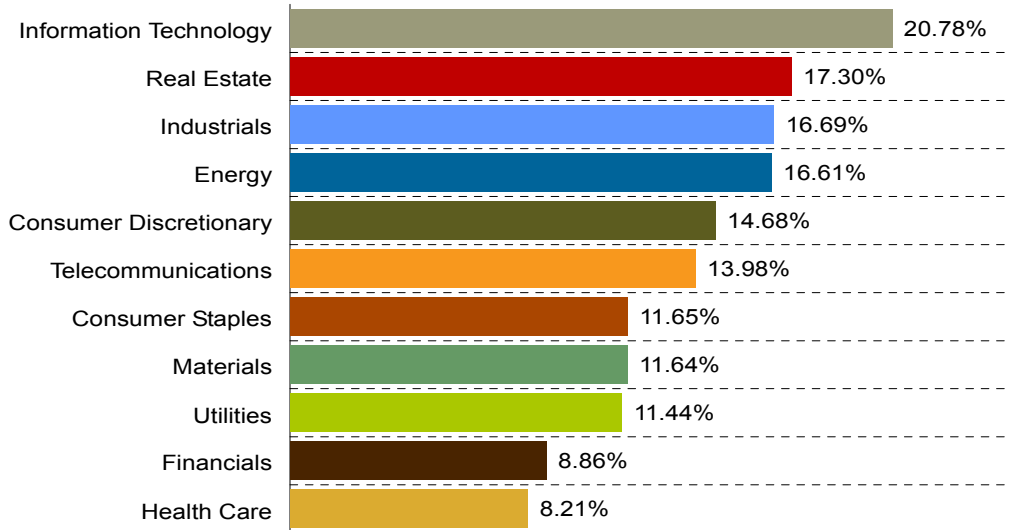
Bloomberg Aggregate:

Bloomberg TIPS:

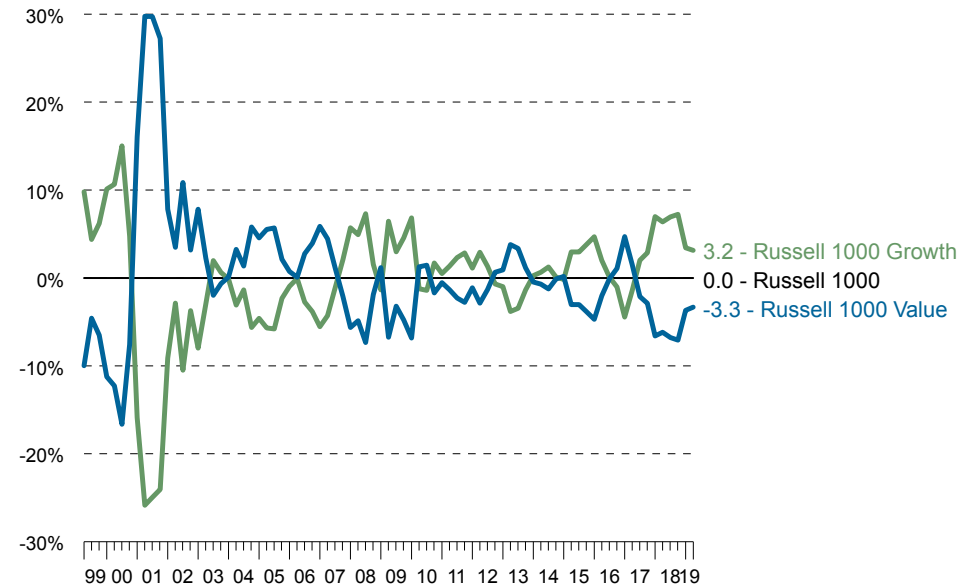
# U.S. Equity

First Quarter 2019

## Russell 3000 Sector Returns



## Rolling One-Year Relative Returns (versus Russell:1000 Index)



## First Quarter Index Returns

Russell 3000:	14.04
S&P 500:	13.65
Russell Mid Cap:	16.54
Russell 2000:	14.58

Source: Russell Investment Group

# U.S. Equity Style Returns

Periods Ended March 31, 2019

	1Q 2019			Annualized 1 Year Returns		
	Value	Core	Growth	Value	Core	Growth
Large	10.8%	13.1%	15.1%	7.1%	10.4%	13.2%
Mid	14.4%	16.5%	19.6%	2.9%	6.5%	11.5%
Small	11.9%	14.6%	17.1%	0.2%	2.1%	3.9%

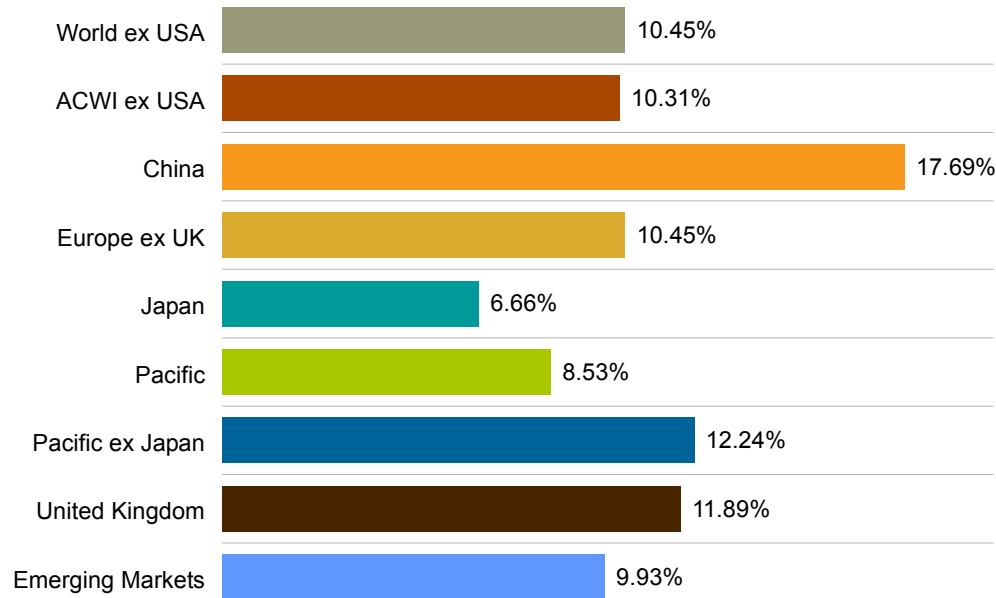
- Dovish Fed comments, solid corporate fundamentals and low employment propelled equity markets in first quarter.
- Risk-on market highlighted by low quality outperforming high quality by 440 basis points.
- Surprisingly, utilities and REITs produced solid returns as investors sought yield in face of flattening yield curve and end to rate hikes.
- Sharp change in Fed rhetoric influenced stronger growth performance.
- Investors favored companies with stronger earnings prospects to counter softer economic environment.
- Risk-on appetite fed small cap.

Large Cap Core is represented by the Russell Top 200 Index, Large Cap Value is represented by the Russell Top 200 Value Index and Large Cap Growth is represented by the Russell Top 200 Growth Index. Mid Cap Core is represented by the Russell Mid Cap Index, Mid Cap Value is represented by the Russell Mid Cap Value Index and Mid Cap Growth is represented by the Russell Mid Cap Growth Index. Small Cap Core is represented by the Russell 2000 Index, Small Cap Value is represented by the Russell 2000 Value Index and Small Cap Growth is represented by the Russell 2000 Growth Index.

# Non-US Equity

## First Quarter 2019

Non-U.S. Quarterly Performance (U.S. Dollar)  
as of March 31, 2019



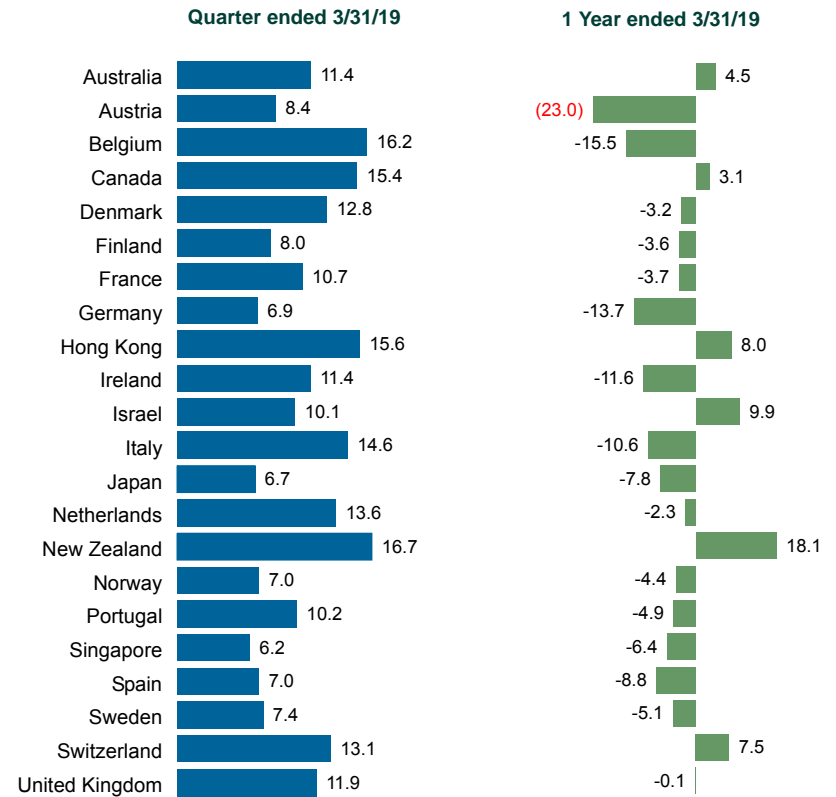
- Global Equity Rebound

- Investors resumed a risk-on outlook as central banks telegraphed more accommodative positioning.
- Market stabilized under delayed U.S./China trade talks and Brexit, although uncertain outcomes remain a future risk.
- Currency effect was mixed as US\$ rose against euro and yen given soft economic data; and fell against British pound as possibility of “no-deal” Brexit diminished
- Factor performance favored growth (historical and projected) as investors believed accommodative Fed will extend growth cycle.

- China Drove Emerging Markets

- EM surged on stimulus measures in China which spurred optimism and diminished growth worries.
- Improving outlook for Chinese consumption and rebound in Asian Tech also contributed.

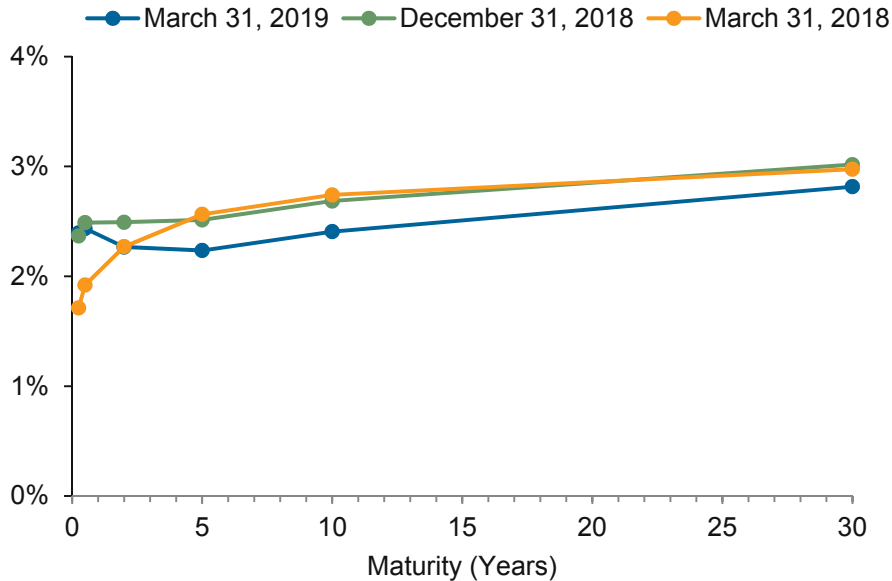
## Developed Country Returns



Source: MSCI, Callan

# Yield Curve Flattens While Global Rates Diverge

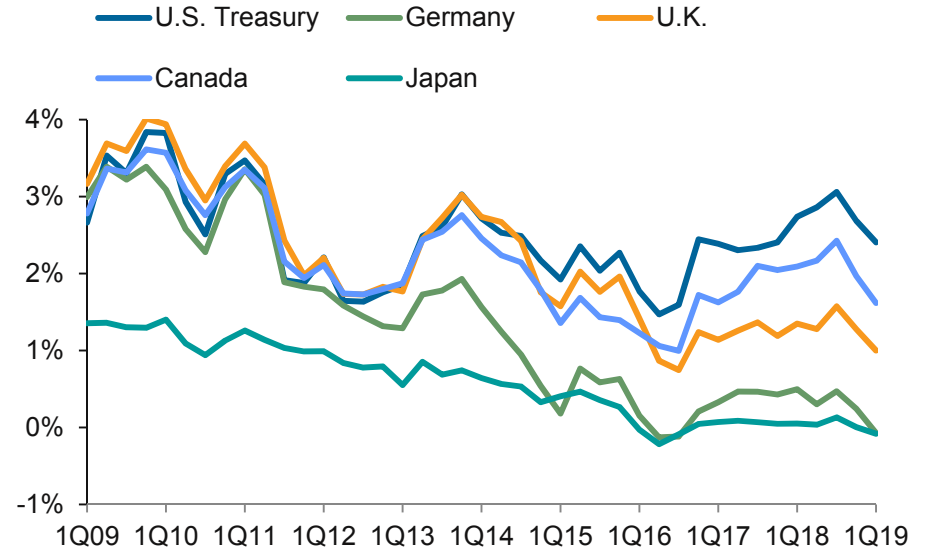
## U.S. Treasury Yield Curves



**Treasury yield curve has flattened as rates moved up on the short end**

- Yields have barely moved on the long end.
- Inverted yield curve has presaged most recessions in past 70 years.

## 10-Year Global Government Bond Yields



**U.S. yields have diverged as monetary policies have fallen out of sync**

- U.S. has paused, but tightening in Euro zone may be skipped entirely in this cycle.

Source: Callan

# Performance By Asset Class

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	1 Qtr. 2019
MSCI Emerging Markets	MSCI Emerging Markets	MSCI Emerging Markets	Bloomberg Barclays Agg	MSCI Emerging Markets	Russell 2000 Growth	Bloomberg Barclays Agg	MSCI Emerging Markets	Russell 2000 Growth	S&P 500 Growth	S&P 500 Growth	Russell 2000 Value	MSCI Emerging Markets	Bloomberg Barclays Agg	Russell 2000 Growth
34.00%	32.17%	39.38%	5.24%	78.51%	29.09%	7.84%	18.23%	43.30%	14.89%	5.52%	31.74%	37.28%	0.01%	17.14%
MSCI World ex USA	MSCI World ex USA	MSCI World ex USA	Bloomberg Barclays High Yield	Bloomberg Barclays High Yield	Russell 2000	Bloomberg Barclays High Yield	Russell 2000 Value	Russell 2000	S&P 500	S&P 500	Russell 2000	S&P 500 Growth	S&P 500 Growth	S&P 500 Growth
14.47%	25.71%	12.44%	-26.16%	58.21%	26.85%	4.98%	18.05%	38.82%	13.69%	1.38%	21.31%	27.44%	-0.01%	14.95%
S&P 500 Value	Russell 2000 Value	S&P 500 Growth	Russell 2000 Value	Russell 2000 Growth	Russell 2000 Value	S&P 500 Growth	S&P 500 Value	Russell 2000 Value	S&P 500 Value	Bloomberg Barclays Agg	S&P 500 Value	MSCI World ex USA	Bloomberg Barclays High Yield	Russell 2000
5.82%	23.48%	9.13%	-28.92%	34.47%	24.50%	4.65%	17.68%	34.52%	12.36%	0.55%	17.40%	24.21%	-2.08%	14.58%
S&P 500	S&P 500 Value	Russell 2000 Growth	Russell 2000	MSCI World ex USA	MSCI Emerging Markets	S&P 500	MSCI World ex USA	S&P 500 Growth	Bloomberg Barclays Agg	Russell 2000 Growth	Bloomberg Barclays High Yield	Russell 2000 Growth	S&P 500	S&P 500
4.91%	20.81%	7.05%	-33.79%	33.67%	18.88%	2.11%	16.41%	32.75%	5.97%	-1.38%	17.13%	22.17%	-4.38%	13.65%
Russell 2000 Value	Russell 2000	Bloomberg Barclays Agg	S&P 500 Growth	S&P 500 Growth	Bloomberg Barclays High Yield	S&P 500 Value	Russell 2000	S&P 500	Russell 2000 Growth	MSCI World ex USA	S&P 500	S&P 500	S&P 500 Value	S&P 500 Value
4.71%	18.37%	6.97%	-34.92%	31.57%	15.12%	-0.48%	16.35%	32.39%	5.60%	-3.04%	11.96%	21.83%	-8.95%	12.19%
Russell 2000	S&P 500	S&P 500	S&P 500	Russell 2000	S&P 500 Value	Russell 2000 Growth	S&P 500	S&P 500 Value	Russell 2000	S&P 500 Value	Russell 2000 Growth	S&P 500 Value	Russell 2000 Growth	Russell 2000 Value
4.55%	15.79%	5.49%	-37.00%	27.17%	15.10%	-2.91%	16.00%	31.99%	4.89%	-3.13%	11.32%	15.36%	-9.31%	11.93%
Russell 2000 Growth	Russell 2000 Growth	S&P 500 Value	Russell 2000 Growth	S&P 500	S&P 500	Russell 2000	Bloomberg Barclays High Yield	MSCI World ex USA	Russell 2000 Value	Russell 2000	MSCI Emerging Markets	Russell 2000	Russell 2000	MSCI World ex USA
4.15%	13.35%	1.99%	-38.54%	26.47%	15.06%	-4.18%	15.81%	21.02%	4.22%	-4.41%	11.19%	14.65%	-11.01%	10.45%
S&P 500 Growth	Bloomberg Barclays High Yield	Bloomberg Barclays High Yield	S&P 500 Value	S&P 500 Value	S&P 500 Growth	Russell 2000 Value	S&P 500 Growth	Bloomberg Barclays High Yield	Bloomberg Barclays High Yield	Bloomberg Barclays High Yield	S&P 500 Growth	Russell 2000 Value	Russell 2000 Value	MSCI Emerging Markets
4.00%	11.85%	1.87%	-39.22%	21.17%	15.05%	-5.50%	14.61%	7.44%	2.45%	-4.47%	6.89%	7.84%	-12.86%	9.93%
Bloomberg Barclays High Yield	S&P 500 Growth	Russell 2000	MSCI World ex USA	Russell 2000 Value	MSCI World ex USA	MSCI World ex USA	Russell 2000 Growth	Bloomberg Barclays Agg	MSCI Emerging Markets	Russell 2000 Value	MSCI World ex USA	Bloomberg Barclays High Yield	MSCI World ex USA	Bloomberg Barclays High Yield
2.74%	11.01%	-1.57%	-43.56%	20.58%	8.95%	-12.21%	14.59%	-2.02%	-2.19%	-7.47%	2.75%	7.50%	-14.09%	7.26%
Bloomberg Barclays Agg	Bloomberg Barclays Agg	Russell 2000 Value	MSCI Emerging Markets	Bloomberg Barclays Agg	Bloomberg Barclays Agg	MSCI Emerging Markets	Bloomberg Barclays Agg	MSCI Emerging Markets	MSCI World ex USA	MSCI Emerging Markets	Bloomberg Barclays Agg	Bloomberg Barclays Agg	MSCI Emerging Markets	Bloomberg Barclays Agg
2.43%	4.33%	-9.78%	-53.33%	5.93%	6.54%	-18.42%	4.21%	-2.60%	-4.32%	-14.92%	2.65%	3.54%	-14.57%	2.94%



**Sacramento Regional  
Transit District**

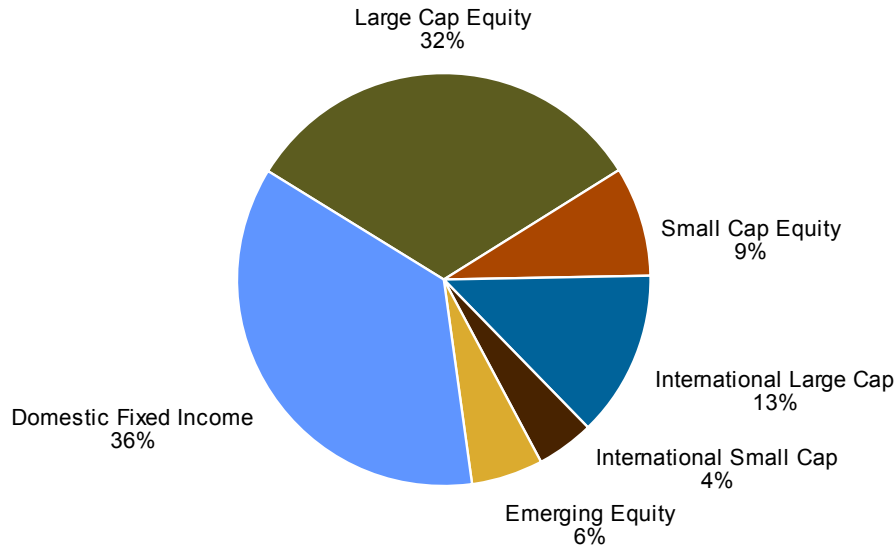
Total Fund Overview



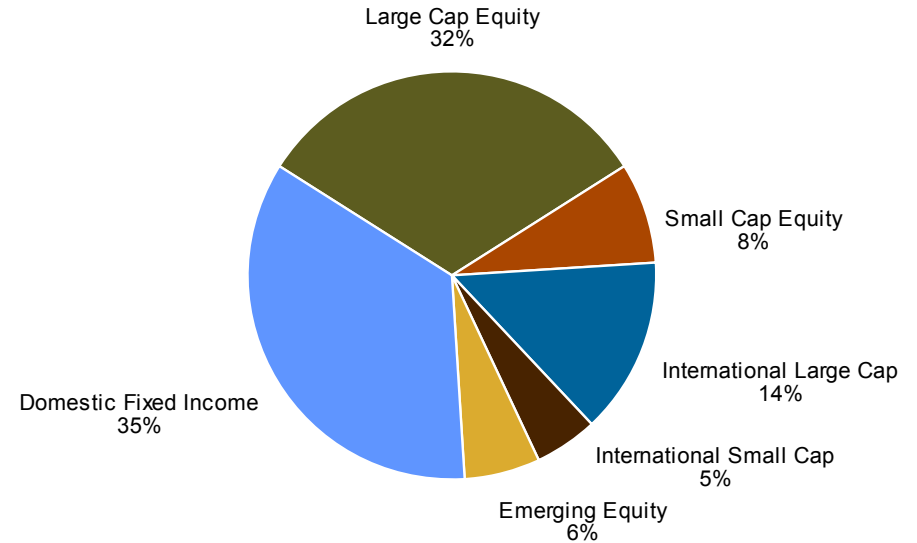
# RT Asset Allocation

As of March 31, 2019

**Actual Asset Allocation**



**Target Asset Allocation**



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap Equity	93,278	32.3%	32.0%	0.3%	791
Small Cap Equity	24,842	8.6%	8.0%	0.6%	1,721
International Large Cap	37,469	13.0%	14.0%	(1.0%)	(2,994)
International Small Cap	12,987	4.5%	5.0%	(0.5%)	(1,464)
Emerging Equity	16,317	5.6%	6.0%	(0.4%)	(1,024)
Domestic Fixed Income	104,128	36.0%	35.0%	1.0%	2,971
Total	289,020	100.0%	100.0%		

# Total Fund

## Performance Attribution

### Relative Attribution Effects for Quarter ended March 31, 2019

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	11.56%	13.65%	(0.66%)	(0.02%)	(0.67%)
Small Cap Equity	8%	8%	11.84%	14.58%	(0.23%)	0.00%	(0.22%)
International Large Cap	13%	14%	8.79%	9.98%	(0.15%)	(0.01%)	(0.16%)
International Small Cap	5%	5%	9.11%	10.65%	(0.07%)	(0.01%)	(0.08%)
Emerging Equity	6%	6%	8.75%	9.93%	(0.07%)	(0.01%)	(0.07%)
Domestic Fixed Income	37%	35%	3.21%	2.94%	0.10%	(0.16%)	(0.06%)
<b>Total</b>			<b>7.80%</b>	<b>9.07%</b>	<b>+(1.07%)</b>	<b>+(0.20%)</b>	<b>(1.27%)</b>

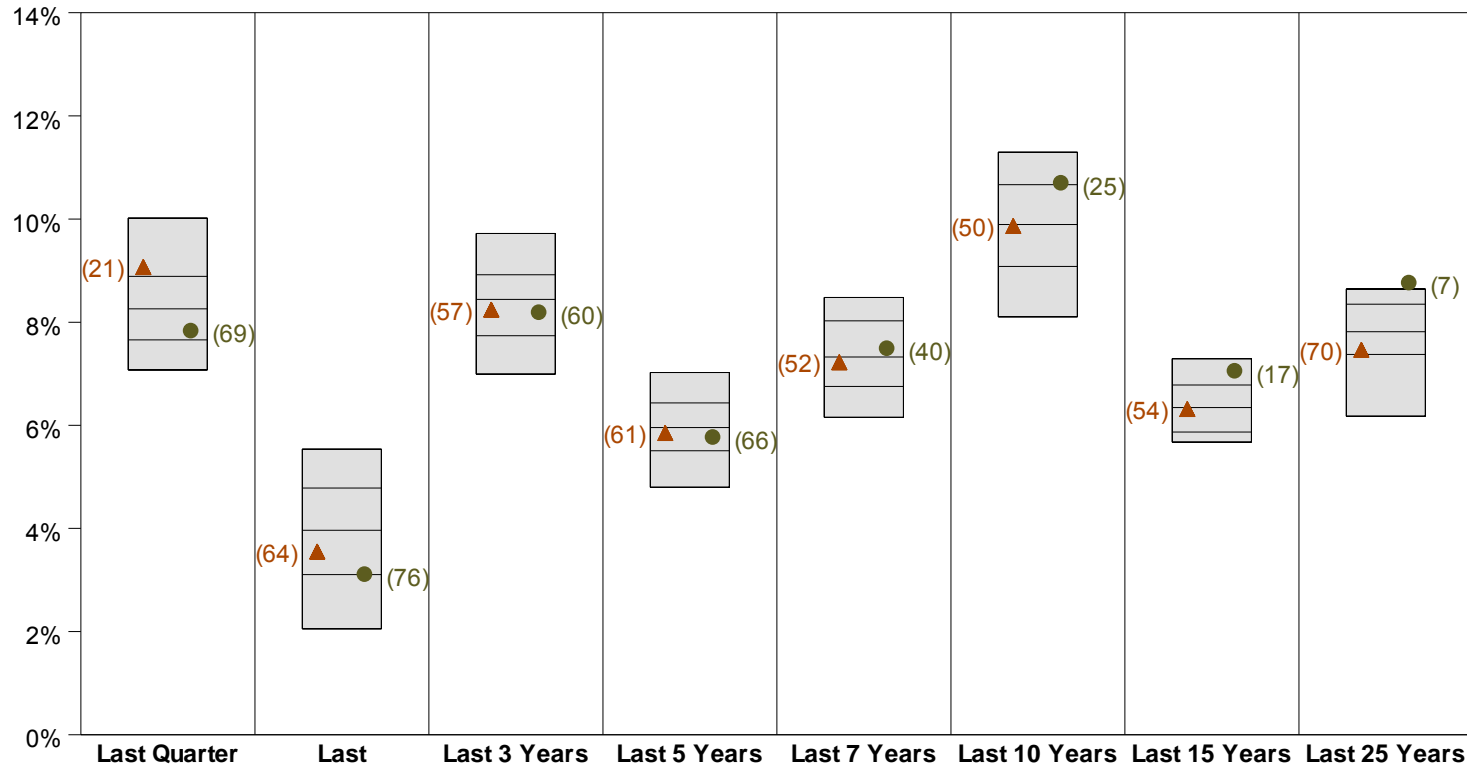
### One Year Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	5.72%	9.50%	(1.15%)	(0.08%)	(1.23%)
Small Cap Equity	9%	8%	11.36%	2.05%	0.77%	(0.07%)	0.70%
International Large Cap	13%	14%	(1.62%)	(3.71%)	0.29%	0.05%	0.34%
International Small Cap	5%	5%	(12.80%)	(9.36%)	(0.20%)	(0.00%)	(0.20%)
Emerging Equity	6%	6%	(8.99%)	(7.40%)	(0.11%)	(0.02%)	(0.13%)
Domestic Fixed Income	36%	35%	5.13%	4.48%	0.23%	(0.16%)	0.07%
<b>Total</b>			<b>3.08%</b>	<b>3.55%</b>	<b>+(0.19%)</b>	<b>+(0.28%)</b>	<b>(0.47%)</b>

# Total Fund

Performance as of March 31, 2019

## Performance vs Callan Public Fund Spons- Mid (100M-1B) (Gross)



	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 15 Years	Last 25 Years
10th Percentile	10.02	5.54	9.72	7.02	8.48	11.30	7.29	8.64
25th Percentile	8.89	4.78	8.92	6.44	8.03	10.67	6.78	8.35
Median	8.26	3.96	8.44	5.96	7.32	9.89	6.34	7.82
75th Percentile	7.66	3.11	7.74	5.51	6.75	9.08	5.87	7.37
90th Percentile	7.07	2.05	6.99	4.80	6.15	8.10	5.67	6.18
<b>Total Fund</b> ●	7.80	3.08	8.16	5.74	7.46	10.67	7.02	8.74
<b>Target</b> ▲	9.07	3.55	8.24	5.85	7.22	9.87	6.32	7.47

# Total Fund

## Manager Asset Allocation

	March 31, 2019 Market Value	Net New Inv.	Inv. Return	December 31, 2018 Market Value
<b>Consolidated Plan</b>				
<b>Domestic Equity</b>	<b>\$118,119,990</b>	<b>\$8</b>	<b>\$12,294,930</b>	<b>\$105,825,052</b>
<b>Large Cap</b>	<b>\$93,277,809</b>	<b>\$8</b>	<b>\$9,665,139</b>	<b>\$83,612,662</b>
Boston Partners	44,902,460	8	3,857,732	41,044,721
SSgA S&P 500	48,375,349	0	5,807,407	42,567,941
<b>Small Cap</b>	<b>\$24,842,181</b>	<b>\$0</b>	<b>\$2,629,792</b>	<b>\$22,212,390</b>
Atlanta Capital	24,842,181	0	2,629,792	22,212,390
<b>International Equity</b>	<b>\$66,772,304</b>	<b>\$(8)</b>	<b>\$5,379,079</b>	<b>\$61,393,234</b>
<b>International Large Cap</b>	<b>\$37,468,525</b>	<b>\$(8)</b>	<b>\$3,026,683</b>	<b>\$34,441,850</b>
Brandes	0	(8)	(2,661)	2,669
SSgA EAFE	10,978,142	0	1,007,925	9,970,217
Pyrford	26,490,383	0	2,021,419	24,468,964
<b>International Small Cap</b>	<b>\$12,986,737</b>	<b>\$0</b>	<b>\$1,059,359</b>	<b>\$11,927,378</b>
AQR	12,986,737	0	1,059,359	11,927,378
<b>Emerging Equity</b>	<b>\$16,317,042</b>	<b>\$0</b>	<b>\$1,293,037</b>	<b>\$15,024,005</b>
DFA Emerging Markets	16,317,042	0	1,293,037	15,024,005
<b>Fixed Income</b>	<b>\$104,127,722</b>	<b>\$(1,021,928)</b>	<b>\$3,253,913</b>	<b>\$101,895,736</b>
Metropolitan West	104,127,722	(1,021,928)	3,253,913	101,895,736
<b>Total Plan - Consolidated</b>	<b>\$289,020,016</b>	<b>\$(1,021,928)</b>	<b>\$20,927,922</b>	<b>\$269,114,022</b>

# Total Fund

## Manager Returns as of March 31, 2019

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
<b>Domestic Equity</b>	<b>11.62%</b>	<b>6.91%</b>	<b>12.99%</b>	<b>9.79%</b>	<b>12.64%</b>
Domestic Equity Benchmark**	13.86%	8.04%	13.46%	10.22%	12.49%
<b>Large Cap Equity</b>	<b>11.56%</b>	<b>5.72%</b>	<b>12.58%</b>	<b>9.35%</b>	<b>12.34%</b>
Boston Partners	9.40%	1.92%	11.57%	7.73%	11.73%
Russell 1000 Value Index	11.93%	5.67%	10.45%	7.72%	11.14%
SSgA S&P 500	13.64%	9.51%	13.53%	10.95%	-
S&P 500 Index	13.65%	9.50%	13.51%	10.91%	12.85%
<b>Small Cap Equity</b>	<b>11.84%</b>	<b>11.36%</b>	<b>14.50%</b>	<b>11.43%</b>	<b>13.81%</b>
Atlanta Capital	11.84%	11.36%	14.50%	11.43%	13.81%
Russell 2000 Index	14.58%	2.05%	12.92%	7.05%	10.74%
<b>International Equity</b>	<b>8.84%</b>	<b>(5.83%)</b>	<b>7.69%</b>	<b>2.58%</b>	<b>4.79%</b>
International Benchmark***	10.11%	(5.70%)	8.21%	2.75%	5.61%
<b>International Large Cap</b>	<b>8.79%</b>	<b>(1.62%)</b>	<b>7.54%</b>	<b>2.55%</b>	-
SSgA EAFE	10.11%	(3.37%)	7.66%	2.68%	-
Pyrford	8.26%	(0.87%)	-	-	-
MSCI EAFE Index	9.98%	(3.71%)	7.27%	2.33%	5.63%
<b>International Small Cap</b>	<b>9.11%</b>	<b>(12.80%)</b>	-	-	-
AQR	9.11%	(12.80%)	-	-	-
MSCI EAFE Small Cap Index	10.65%	(9.36%)	7.50%	4.47%	8.21%
<b>Emerging Markets Equity</b>	<b>8.75%</b>	<b>(8.99%)</b>	<b>10.20%</b>	<b>4.03%</b>	-
DFA Emerging Markets	8.75%	(8.99%)	10.20%	4.03%	-
MSCI Emerging Markets Index	9.93%	(7.40%)	10.68%	3.68%	2.69%
<b>Domestic Fixed Income</b>	<b>3.21%</b>	<b>5.13%</b>	<b>2.72%</b>	<b>3.10%</b>	<b>3.31%</b>
Met West	3.21%	5.13%	2.72%	3.10%	3.31%
Bloomberg Aggregate Index	2.94%	4.48%	2.03%	2.74%	2.48%
<b>Total Plan</b>	<b>7.80%</b>	<b>3.08%</b>	<b>8.16%</b>	<b>5.74%</b>	<b>7.46%</b>
Target*	9.07%	3.55%	8.24%	5.85%	7.22%

\* Current Quarter Target = 35.0% Bloomberg Aggregate Index, 32.0% S&P 500 Index, 14.0% MSCI EAFE Index, 8.0% Russell 2000 Index, 6.0% MSCI Emerging Markets Index, and 5.0% MSCI EAFE Small Cap Index.

\*\* Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

\*\*\* International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

# Total Fund

## Manager Calendar Year Returns

	12/2018- 3/2019	2018	2017	2016	2015
<b>Domestic Equity</b>	<b>11.62%</b>	<b>(4.64%)</b>	<b>19.78%</b>	<b>14.58%</b>	<b>0.06%</b>
Domestic Equity Benchmark**	13.86%	(5.69%)	20.41%	13.85%	0.26%
<b>Large Cap Equity</b>	<b>11.56%</b>	<b>(6.33%)</b>	<b>21.10%</b>	<b>13.38%</b>	<b>(1.17%)</b>
Boston Partners	9.40%	(8.27%)	20.32%	14.71%	(3.75%)
Russell 1000 Value Index	11.93%	(8.27%)	13.66%	17.34%	(3.83%)
SSgA S&P 500	13.64%	(4.39%)	21.86%	12.03%	1.46%
S&P 500 Index	13.65%	(4.38%)	21.83%	11.96%	1.38%
<b>Small Cap Equity</b>	<b>11.84%</b>	<b>1.78%</b>	<b>15.01%</b>	<b>19.17%</b>	<b>5.14%</b>
Atlanta Capital	11.84%	1.78%	15.01%	19.17%	5.14%
Russell 2000 Index	14.58%	(11.01%)	14.65%	21.31%	(4.41%)
<b>International Equity</b>	<b>8.84%</b>	<b>(13.93%)</b>	<b>28.25%</b>	<b>2.55%</b>	<b>(4.17%)</b>
International Benchmark***	10.11%	(14.76%)	29.51%	3.26%	(4.30%)
<b>International Large Cap</b>	<b>8.79%</b>	<b>(11.25%)</b>	<b>22.63%</b>	<b>1.35%</b>	<b>(1.17%)</b>
SSgA EAFE	10.11%	(13.49%)	25.47%	1.37%	(0.56%)
Pyrford	8.26%	(10.31%)	-	-	-
MSCI EAFE Index	9.98%	(13.79%)	25.03%	1.00%	(0.81%)
<b>International Small Cap</b>	<b>9.11%</b>	<b>(19.94%)</b>	<b>33.76%</b>	<b>-</b>	<b>-</b>
AQR	9.11%	(19.94%)	33.76%	-	-
MSCI EAFE Small Cap Index	10.65%	(17.89%)	33.01%	2.18%	9.59%
<b>Emerging Markets Equity</b>	<b>8.75%</b>	<b>(14.80%)</b>	<b>37.32%</b>	<b>12.99%</b>	<b>(14.33%)</b>
DFA Emerging Markets	8.75%	(14.80%)	37.32%	12.99%	(14.33%)
MSCI Emerging Markets Index	9.93%	(14.57%)	37.28%	11.19%	(14.92%)
<b>Domestic Fixed Income</b>	<b>3.21%</b>	<b>0.75%</b>	<b>3.89%</b>	<b>2.87%</b>	<b>0.51%</b>
Met West	3.21%	0.75%	3.89%	2.87%	0.51%
Bloomberg Aggregate Index	2.94%	0.01%	3.54%	2.65%	0.55%
<b>Total Plan</b>	<b>7.80%</b>	<b>(5.05%)</b>	<b>16.14%</b>	<b>7.65%</b>	<b>(0.97%)</b>
Target*	9.07%	(5.82%)	16.39%	7.40%	(0.71%)

\* Current Quarter Target = 35.0% Bloomberg Aggregate Index, 32.0% S&P 500 Index, 14.0% MSCI EAFE Index, 8.0% Russell 2000 Index, 6.0% MSCI Emerging Markets Index, and 5.0% MSCI EAFE Small Cap Index.

\*\* Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

\*\*\* International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.



March 31, 2019

A decorative graphic consisting of two vertical bars. The left bar is orange and the right bar is green. They are connected at the top and bottom by short horizontal lines, forming a bracket-like shape.

**Sacramento Regional Transit District  
Retirement Plans**

**Investment Measurement Service  
Quarterly Review**

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**U.S. EQUITY**

Equity markets dramatically snapped back in the first quarter, driven by the Fed’s unexpected dovish comments in January, solid corporate fundamentals, and low unemployment.

**Large Cap U.S. Equity** (S&P 500: +13.6%; Russell 1000: +14.0%)

- All sectors delivered double-digit gains with the exception of Financials (+8.6%) and Health Care (+6.6%).
- Consumers remain in good shape, with household debt service as a percentage of disposable income at the lowest level in decades.
- The risk-on market was highlighted by low quality (S&P ratings B or lower) outperforming high quality (B+ or higher) by 440 basis points.
- Surprisingly, Utilities and REITs produced double-digit returns; investors sought yield in the face of a flattening yield curve and the end to rate hikes in the first quarter.

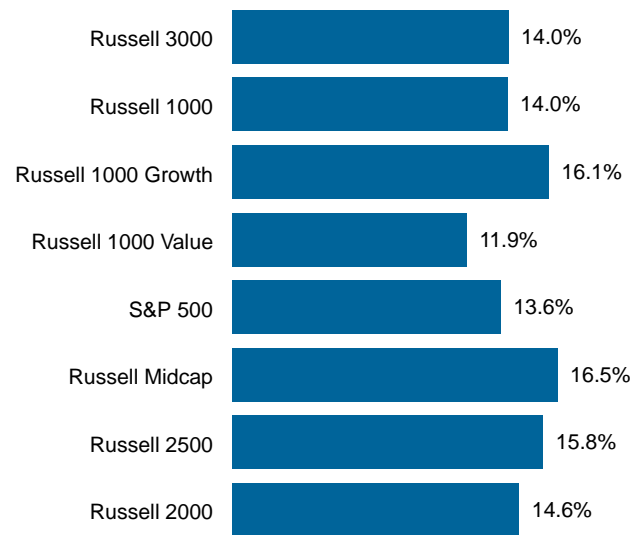
**Growth vs. Value** (Russell 1000 Growth: +16.1%; Russell 1000 Value: +11.9%)

- The sharp change in Fed rhetoric influenced the stronger performance of growth stocks over value stocks during the quarter. Investors favored companies with stronger earnings prospects to counter a softer economic environment.
- Technology produced strong results, while the outlook for Financials weakened as the yield curve flattened.

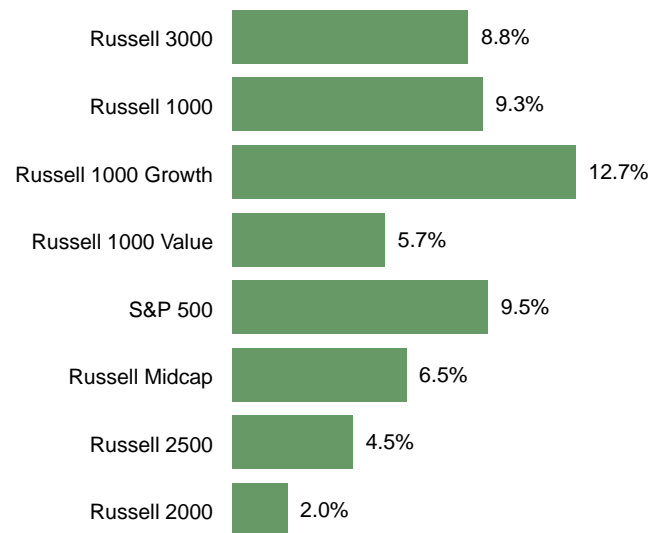
**Small Cap** (Russell 2000: +14.6%; Russell 2000 Growth: +17.1%; Russell 2000 Value: +11.9%)

- Within the Russell 2000 Growth Index, the three largest sectors (Health Care, Consumer Discretionary, and Technology) surged 19%, 17%, and 23%, respectively. Software and biotechnology both posted 25% gains in the quarter; combined they are more than 23% of the benchmark weight.
- Influenced by excessive fourth quarter tax-loss selling, the market experienced a strong “January effect”—where last year’s losers became January 2019’s winners.

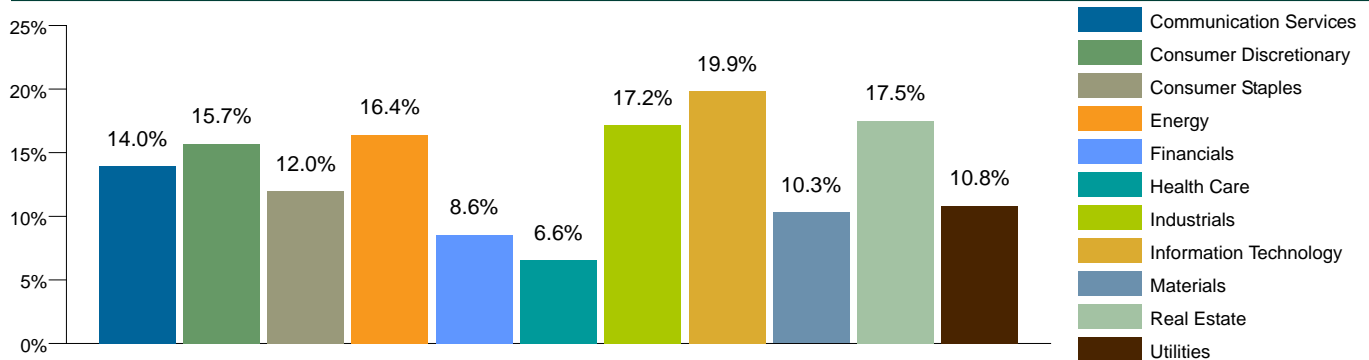
**U.S. Equity: Quarterly Returns**



**U.S. Equity: One-Year Returns**



**S&P Sector Returns, Quarter Ended March 31, 2019**



Source: Standard & Poor’s

**NON-U.S./GLOBAL EQUITY**

Global equity markets were positive in the first quarter following a sharp sell-off to end 2018. Investors resumed a risk-on outlook as central banks telegraphed more accommodative positioning. Delayed outcomes regarding U.S./China trade talks and Brexit negotiations allowed markets to stabilize, although uncertain outcomes remain a future risk.

**Global/Non-U.S. Developed** (MSCI EAFE: +10.0%; MSCI World ex USA: +10.4%; MSCI ACWI ex USA: +10.3%; MSCI Europe: +10.8%; MSCI Japan: +6.7%)

- Developed markets rallied as central banks around the world expressed more accommodative paths with interest rates and quantitative easing.
- Brexit negotiations continue and a “no-deal” Brexit remains a possibility, but with an extended deadline. The potential for investment paralysis drags on.
- European PMI continued to deteriorate, falling to 47.7 in March from 49.4.
- The currency effect was mixed as the U.S. dollar rose against the euro and yen, by 1.8% and 0.9%, but fell against the British pound by 2.3% as a delay in Brexit allowed for a temporary bounce.
- EAFE sector performance was mixed. Information Technology (+15.3%) and Materials (+13.2%) led economically sensitive sectors; Consumer Staples (+12.4%) led defensive sectors. Interest rate-sensitive Financials (+6.9%) and Utilities (+9.0%) trailed the broad index.
- Factor performance favored growth (historical and projected) while value factors were generally negative.

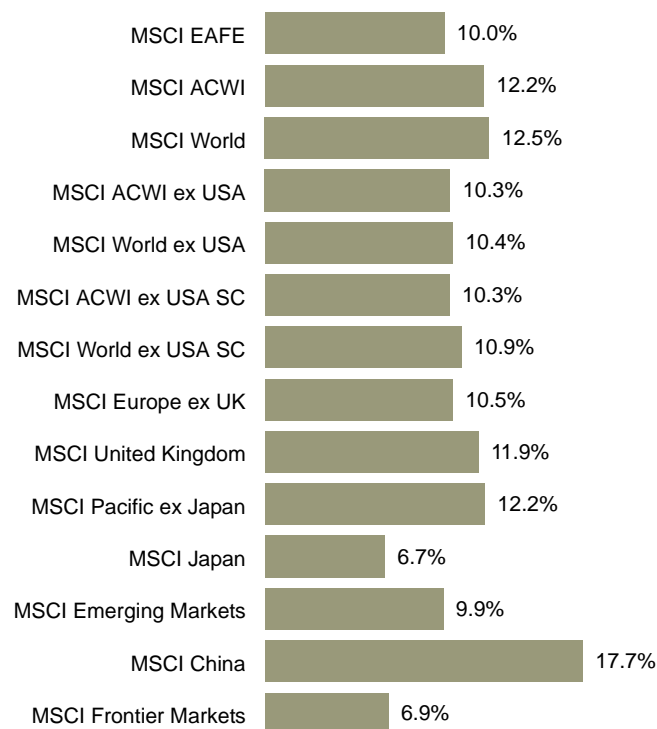
**Emerging Markets** (MSCI Emerging Markets Index: +9.9%)

- In a big reversal from the fourth quarter, China led emerging markets with MSCI China gaining 17.7% and MSCI China A up 30.9%.
- Trade talks continue but positive indications for a deal buoyed markets; uncertainty on the outcome remains.
- Asian Information Technology rebounded nicely with Chinese IT (+27.6%) leading the sector. An improving outlook on Chinese consumption positively influenced EM Consumer Discretionary (+20.8%), which was the top-performing sector.
- Growth led value with MSCI EM Growth gaining 12.0% and EM Value up 7.8%.

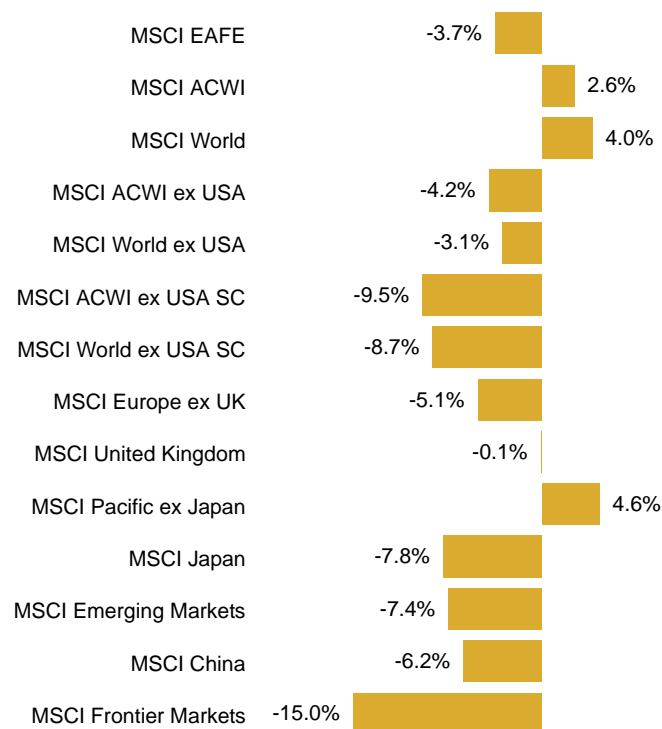
**Non-U.S. Small Cap** (MSCI World ex USA Small Cap: +10.9%; MSCI EM Small Cap: +7.8%; MSCI ACWI ex USA Small Cap: +10.3%)

- Within developed markets, small cap performed in line with large cap.
- EM Small Cap trailed EM as MSCI China Small Cap has less exposure to IT, which led the risk-on rally.

**Global Equity: Quarterly Returns**



**Global Equity: One-Year Returns**



Source: MSCI

**U.S. FIXED INCOME**

Risk markets sharply reversed from the fourth quarter sell-off supported by the Fed’s unexpected dovish comments, relatively solid U.S. economic growth data, and tempered concern over a slowing China. This quarter’s strong results recaptured most of the loss experienced in the prior quarter.

**U.S. Fixed Income** (Bloomberg Barclays US Aggregate: +2.9%)

- U.S. Treasuries rose 2.1% as the yield curve shifted lower across maturities as growth and inflation expectations declined.
- The shape of the yield curve did not materially change during the quarter. The yield differential between the 10-year and 2-year key rates remained positive and traded around a range of +12 to +20 bps. However, the front-end of the curve inverted, with the 5-year offering less yield than the 2-year.
- TIPS outperformed nominal Treasuries as the Fed’s balanced stance and unexpected wage pressures stoked higher inflation expectation.

**Investment-Grade Corporates** (Bloomberg Barclays Corporate: +5.1%)

- Credit spreads rallied on the back of a softer Fed stance, positive economic news, and better than expected corporate earnings.
- Net new corporate issuance during the first quarter of \$117 billion was roughly on par with a year ago.
- Surprisingly, Aaa-rated corporates (+5.0%) outperformed Aa- (+3.7%) and single A-rated issuers (+4.7%). BBB-rated issuers were the best performers (+5.7%).

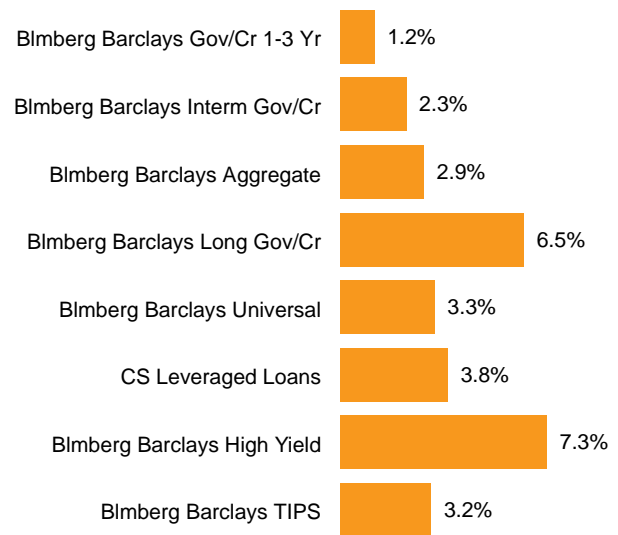
**High Yield** (Bloomberg Barclays Corporate High Yield: +7.3%)

- Given the risk-on environment, below-investment grade issuers were the best performers, aided by strong asset inflows.
- Ba/B sectors (+7.2%) marginally outpaced CCC by 6 bps; this was an unusual occurrence given that the dispersion between high-quality and low-quality is typically wide during these periods of absolute returns.

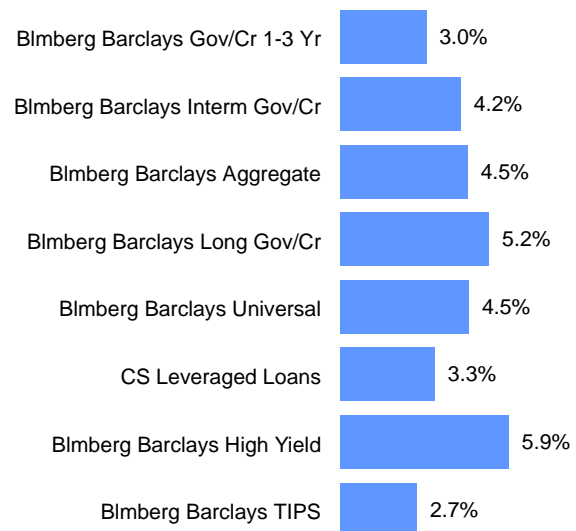
**Leveraged Loans** (Credit Suisse Leveraged Loans Index: +3.8%)

- Leveraged loans participated in the rally but lagged both longer duration investment grade and high yield corporates. The sector was negatively impacted by the Fed’s pause, retail outflows, and a slow-developing CLO pipeline.
- Bank loans have less sensitivity to interest rates but may have a similar spread duration profile to that of their high yield bond counterparts.

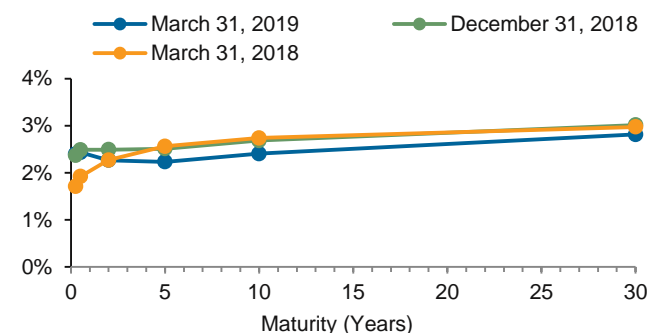
**U.S. Fixed Income: Quarterly Returns**



**U.S. Fixed Income: One-Year Returns**



**U.S. Treasury Yield Curves**



Sources: Bloomberg, Bloomberg Barclays, Credit Suisse

**NON-U.S. FIXED INCOME**

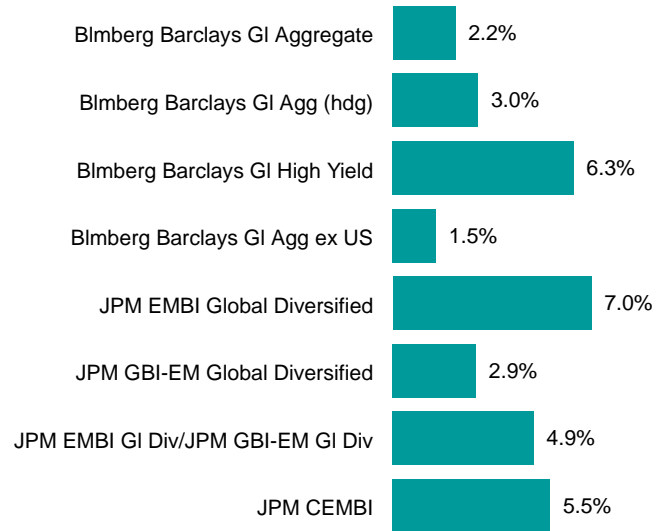
**Global Fixed Income** (Bloomberg Barclays Global Aggregate (unhedged): +2.2%)

- Developed market sovereign bonds rallied in tandem with Treasuries. The U.S. dollar appreciated modestly versus the euro and yen, but lost ground versus the British pound and Canadian dollar.

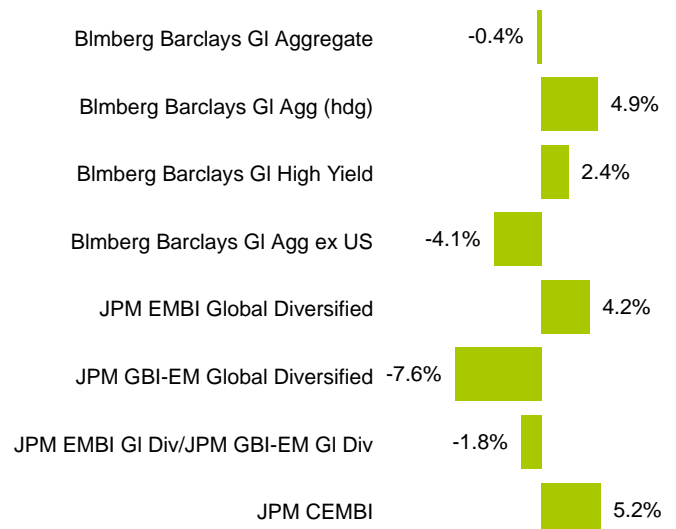
**U.S. dollar-denominated emerging market debt** (JPM EMBI Global Diversified: +7.0%), **Local currency-denominated EMD** (JPM GBI-EM Global Diversified: +2.9%)

- Country returns within the EMBI Global Diversified Index were all positive for the quarter.
- Turkey (-10.2%) and Argentina (-10.5%) were notable underperformers in the local currency index.
- Positive net inflows into the EM universe continued through quarter-end.

**Global Fixed Income: Quarterly Returns**

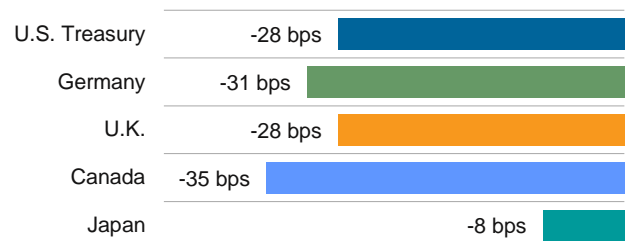


**Global Fixed Income: One-Year Returns**



**Change in 10-Year Global Government Bond Yields**

**4Q18 to 1Q19**

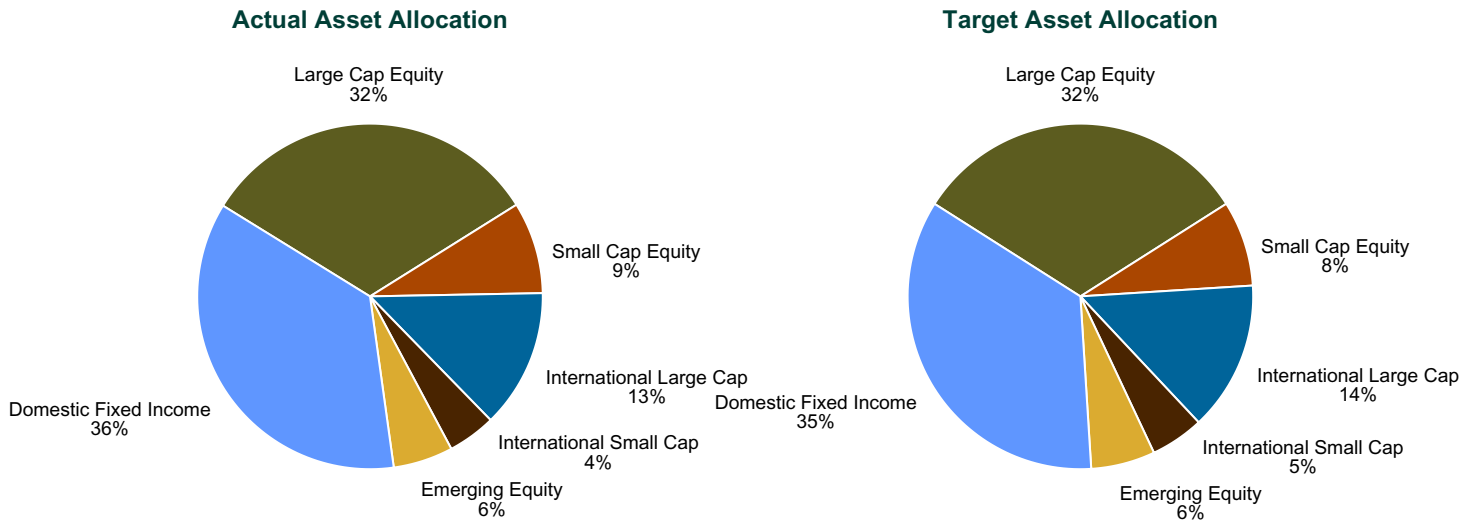


Sources: Bloomberg, Bloomberg Barclays, JP Morgan



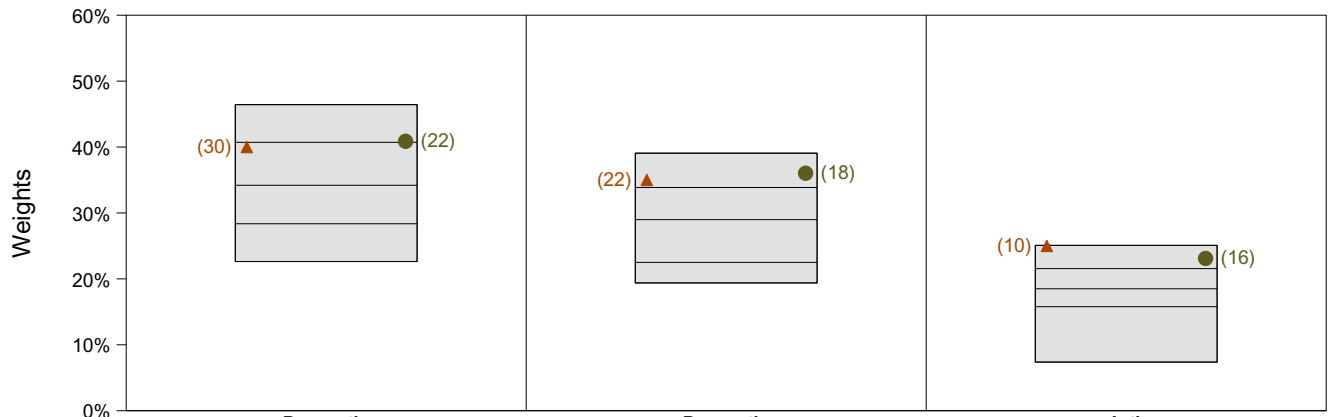
## Actual vs Target Asset Allocation As of March 31, 2019

The top left chart shows the Fund's asset allocation as of March 31, 2019. The top right chart shows the Fund's target asset allocation as outlined in the investment policy statement. The bottom chart ranks the fund's asset allocation and the target allocation versus the Callan Public Fund Spns- Mid (100M-1B).



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap Equity	93,278	32.3%	32.0%	0.3%	791
Small Cap Equity	24,842	8.6%	8.0%	0.6%	1,721
International Large Cap	37,469	13.0%	14.0%	(1.0%)	(2,994)
International Small Cap	12,987	4.5%	5.0%	(0.5%)	(1,464)
Emerging Equity	16,317	5.6%	6.0%	(0.4%)	(1,024)
Domestic Fixed Income	104,128	36.0%	35.0%	1.0%	2,971
<b>Total</b>	<b>289,020</b>	<b>100.0%</b>	<b>100.0%</b>		

### Asset Class Weights vs Callan Public Fund Spns- Mid (100M-1B)



	Domestic Broad Eq	Domestic Fixed Income	Intl Equity
10th Percentile	46.43	39.07	25.09
25th Percentile	40.72	33.86	21.56
Median	34.20	28.99	18.50
75th Percentile	28.36	22.50	15.78
90th Percentile	22.63	19.38	7.38
<b>Fund</b> ●	40.87	36.03	23.10
<b>Target</b> ▲	40.00	35.00	25.00
% Group Invested	96.43%	98.21%	89.29%

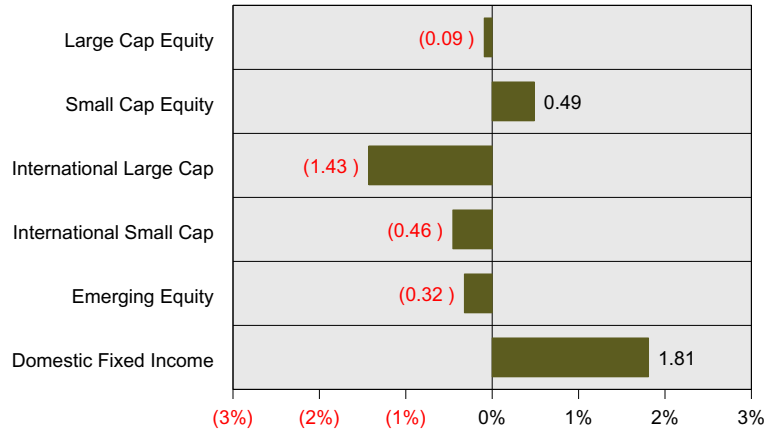
\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.



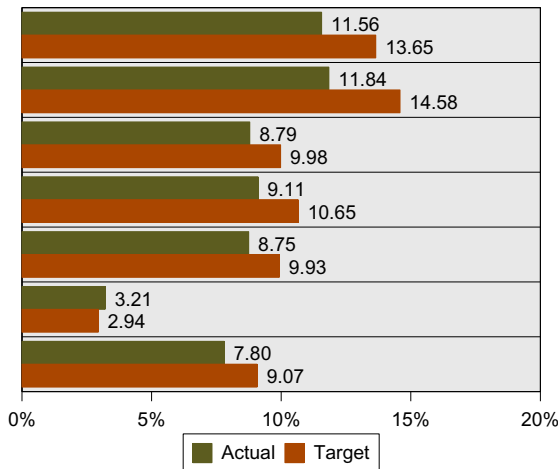
## Quarterly Total Fund Relative Attribution - March 31, 2019

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

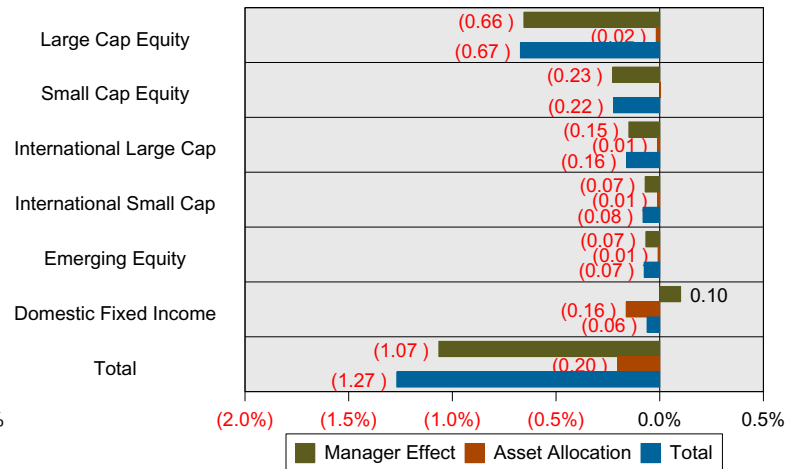
### Asset Class Under or Overweighting



### Actual vs Target Returns



### Relative Attribution by Asset Class



### Relative Attribution Effects for Quarter ended March 31, 2019

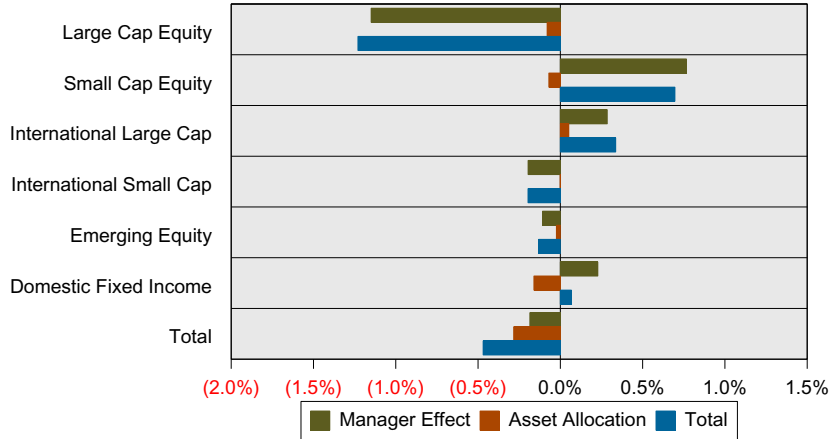
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	11.56%	13.65%	(0.66%)	(0.02%)	(0.67%)
Small Cap Equity	8%	8%	11.84%	14.58%	(0.23%)	0.00%	(0.22%)
International Large Cap	13%	14%	8.79%	9.98%	(0.15%)	(0.01%)	(0.16%)
International Small Cap	5%	5%	9.11%	10.65%	(0.07%)	(0.01%)	(0.08%)
Emerging Equity	6%	6%	8.75%	9.93%	(0.07%)	(0.01%)	(0.07%)
Domestic Fixed Income	37%	35%	3.21%	2.94%	0.10%	(0.16%)	(0.06%)
<b>Total</b>			<b>7.80%</b>	<b>9.07%</b>	<b>(1.07%)</b>	<b>(0.20%)</b>	<b>(1.27%)</b>

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

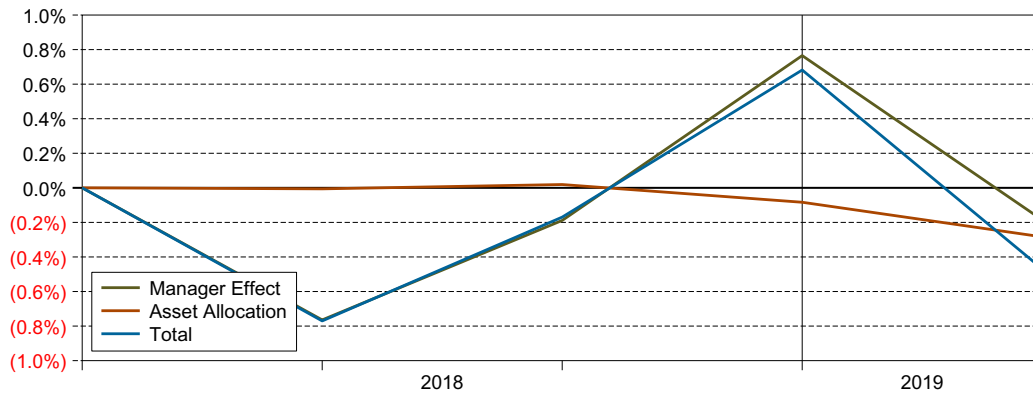
## Cumulative Total Fund Relative Attribution - March 31, 2019

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

### One Year Relative Attribution Effects



### Cumulative Relative Attribution Effects



### One Year Relative Attribution Effects

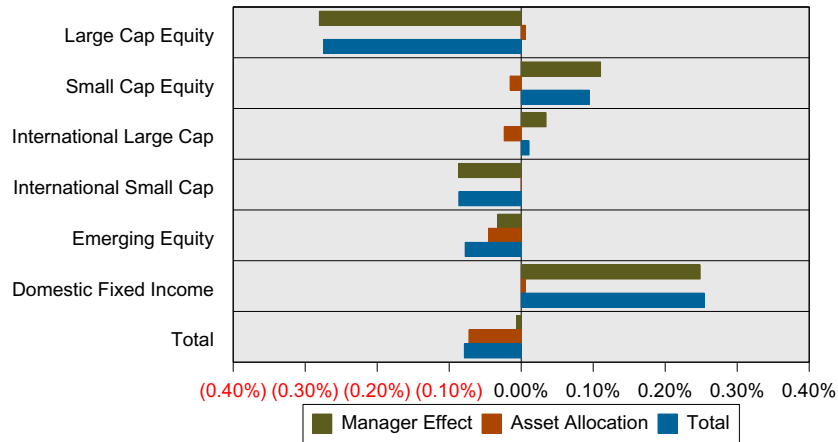
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	5.72%	9.50%	(1.15%)	(0.08%)	(1.23%)
Small Cap Equity	9%	8%	11.36%	2.05%	0.77%	(0.07%)	0.70%
International Large Cap	13%	14%	(1.62%)	(3.71%)	0.29%	0.05%	0.34%
International Small Cap	5%	5%	(12.80%)	(9.36%)	(0.20%)	(0.00%)	(0.20%)
Emerging Equity	6%	6%	(8.99%)	(7.40%)	(0.11%)	(0.02%)	(0.13%)
Domestic Fixed Income	36%	35%	5.13%	4.48%	0.23%	(0.16%)	0.07%
<b>Total</b>			<b>3.08%</b>	<b>3.55%</b>	<b>(0.19%)</b>	<b>(0.28%)</b>	<b>(0.47%)</b>

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

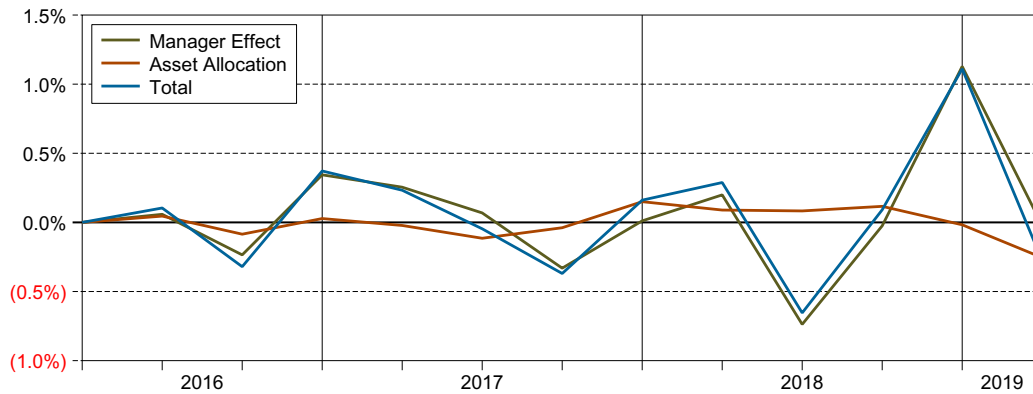
## Cumulative Total Fund Relative Attribution - March 31, 2019

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

### Three Year Annualized Relative Attribution Effects



### Cumulative Relative Attribution Effects



### Three Year Annualized Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	33%	32%	12.58%	13.51%	(0.28%)	0.01%	(0.27%)
Small Cap Equity	9%	8%	14.50%	12.92%	0.11%	(0.02%)	0.09%
International Large Cap	14%	15%	7.54%	7.27%	0.03%	(0.02%)	0.01%
International Small Cap	4%	4%	4.56%	6.33%	(0.09%)	0.00%	(0.09%)
Emerging Equity	6%	6%	10.20%	10.68%	(0.03%)	(0.05%)	(0.08%)
Domestic Fixed Income	34%	35%	2.72%	2.03%	0.25%	0.01%	0.25%
<b>Total</b>			<b>8.16%</b>	<b>8.24%</b>	<b>(0.01%)</b>	<b>(0.07%)</b>	<b>(0.08%)</b>

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

# Total Fund Period Ended March 31, 2019

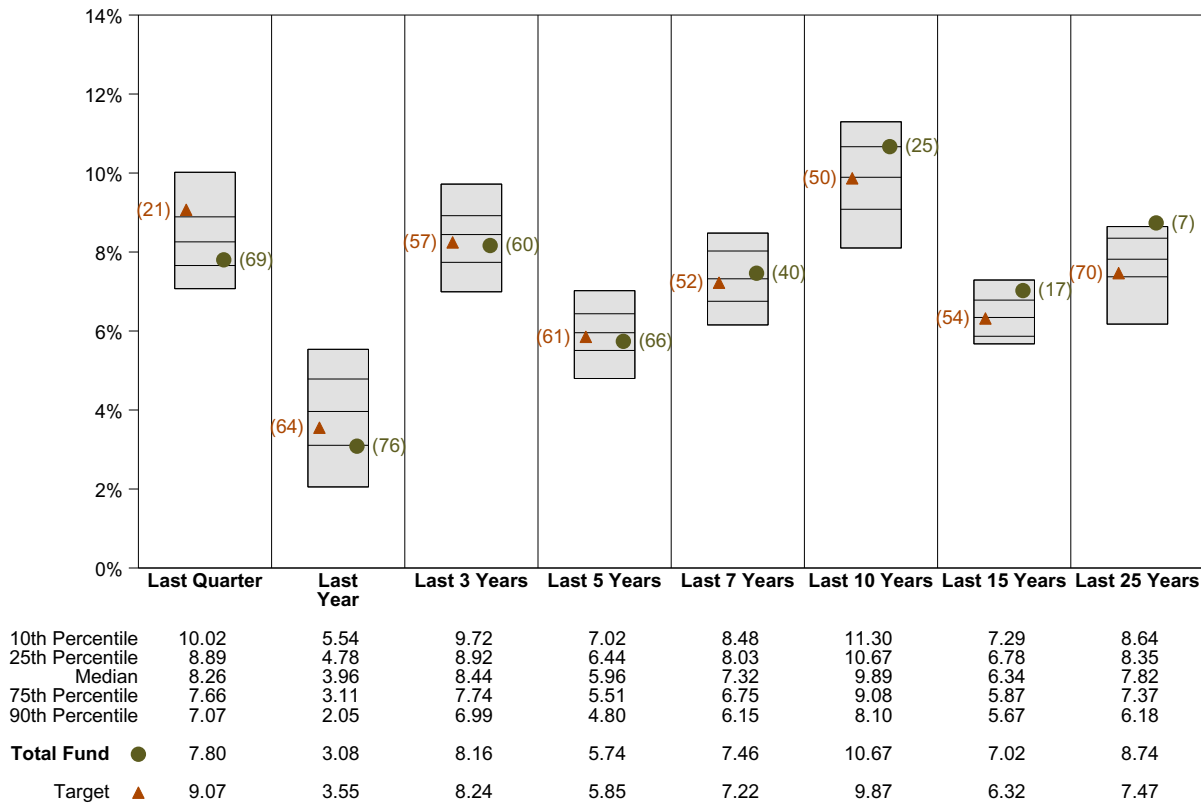
## Investment Philosophy

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

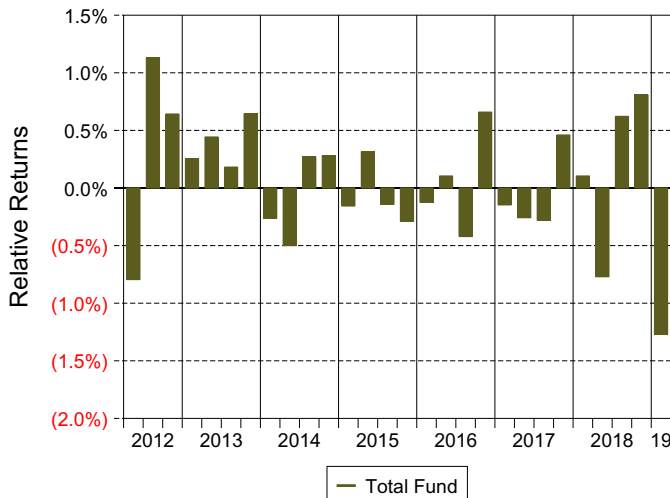
## Quarterly Summary and Highlights

- Total Fund's portfolio posted a 7.80% return for the quarter placing it in the 69 percentile of the Callan Public Fund Spons- Mid (100M-1B) group for the quarter and in the 76 percentile for the last year.
- Total Fund's portfolio underperformed the Target by 1.27% for the quarter and underperformed the Target for the year by 0.47%.

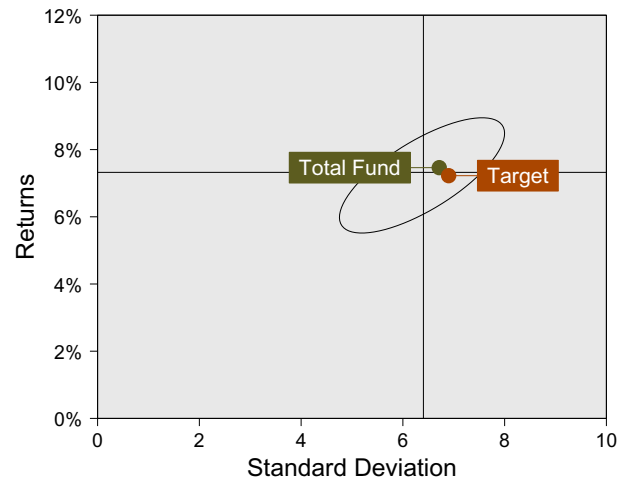
## Performance vs Callan Public Fund Spons- Mid (100M-1B) (Gross)



### Relative Return vs Target



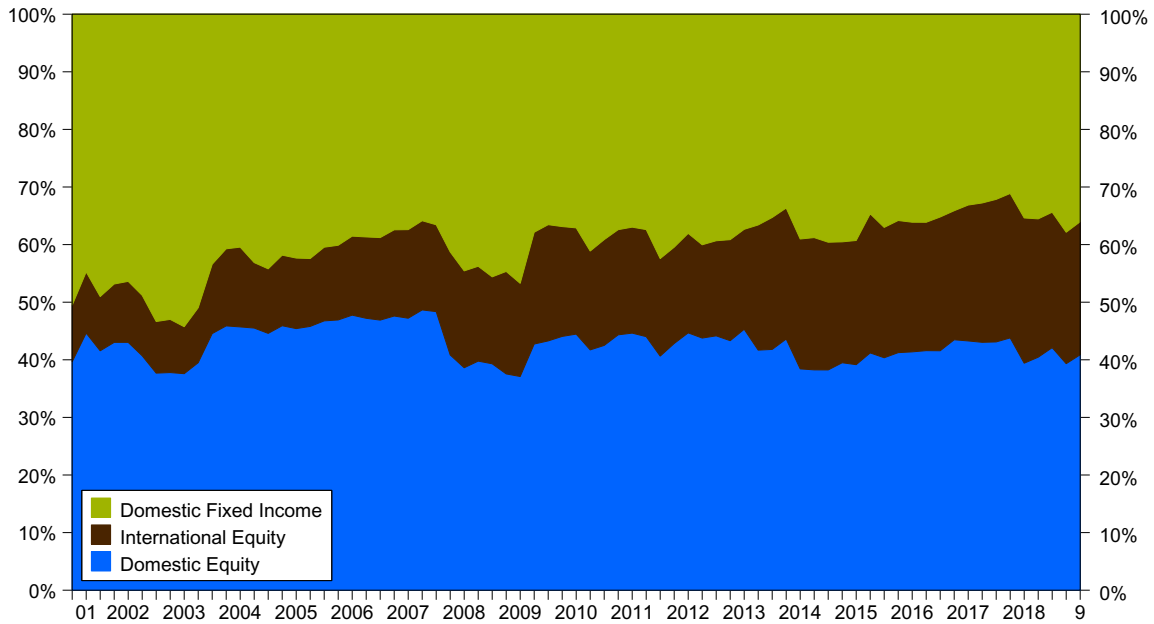
### Callan Public Fund Spons- Mid (100M-1B) (Gross) Annualized Seven Year Risk vs Return



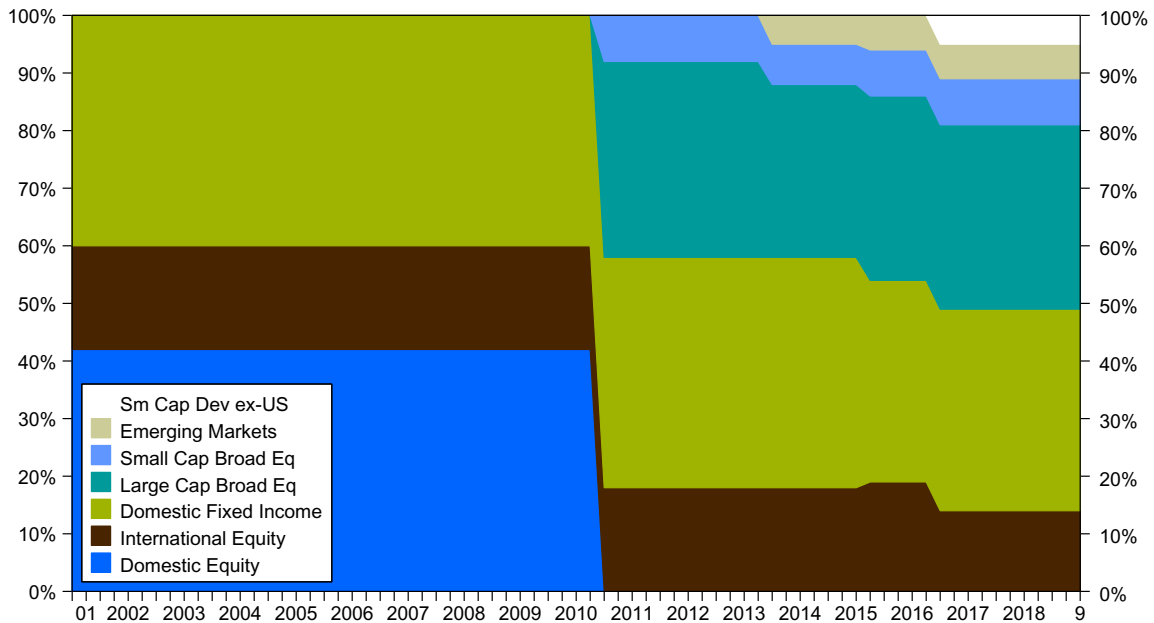
## Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, and the fund's historical target asset allocation.

### Actual Historical Asset Allocation



### Target Historical Asset Allocation



\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

## Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2019, with the distribution as of December 31, 2018. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

### Asset Distribution Across Investment Managers

	March 31, 2019 Market Value	Net New Inv.	Inv. Return	December 31, 2018 Market Value
<b>Consolidated Plan</b>				
<b>Domestic Equity</b>	<b>\$118,119,990</b>	<b>\$8</b>	<b>\$12,294,930</b>	<b>\$105,825,052</b>
<b>Large Cap</b>	<b>\$93,277,809</b>	<b>\$8</b>	<b>\$9,665,139</b>	<b>\$83,612,662</b>
Boston Partners	44,902,460	8	3,857,732	41,044,721
SSgA S&P 500	48,375,349	0	5,807,407	42,567,941
<b>Small Cap</b>	<b>\$24,842,181</b>	<b>\$0</b>	<b>\$2,629,792</b>	<b>\$22,212,390</b>
Atlanta Capital	24,842,181	0	2,629,792	22,212,390
<b>International Equity</b>	<b>\$66,772,304</b>	<b>\$(8)</b>	<b>\$5,379,079</b>	<b>\$61,393,234</b>
<b>International Large Cap</b>	<b>\$37,468,525</b>	<b>\$(8)</b>	<b>\$3,026,683</b>	<b>\$34,441,850</b>
Brandes	0	(8)	(2,661)	2,669
SSgA EAFE	10,978,142	0	1,007,925	9,970,217
Pyrford	26,490,383	0	2,021,419	24,468,964
<b>International Small Cap</b>	<b>\$12,986,737</b>	<b>\$0</b>	<b>\$1,059,359</b>	<b>\$11,927,378</b>
AQR	12,986,737	0	1,059,359	11,927,378
<b>Emerging Equity</b>	<b>\$16,317,042</b>	<b>\$0</b>	<b>\$1,293,037</b>	<b>\$15,024,005</b>
DFA Emerging Markets	16,317,042	0	1,293,037	15,024,005
<b>Fixed Income</b>	<b>\$104,127,722</b>	<b>\$(1,021,928)</b>	<b>\$3,253,913</b>	<b>\$101,895,736</b>
Metropolitan West	104,127,722	(1,021,928)	3,253,913	101,895,736
<b>Total Plan - Consolidated</b>	<b>\$289,020,016</b>	<b>\$(1,021,928)</b>	<b>\$20,927,922</b>	<b>\$269,114,022</b>

## Sacramento Regional Transit District Asset Growth

Ending March 31, 2019 (\$ Thousands)	Ending Market Value	=	Beginning Market Value	+	Net New Investment	+	Investment Return
<b>Total Plan</b>							
1/4 Year Ended 3/2019	289,020.0		269,114.0		(1,021.9)		20,927.9
1/4 Year Ended 12/2018	269,114.0		292,722.5		(1,066.5)		(22,541.9)
1/4 Year Ended 9/2018	292,722.5		284,083.7		(1,081.0)		9,719.8
1/4 Year Ended 6/2018	284,083.7		284,995.0		(1,267.6)		356.3
1/4 Year Ended 3/2018	284,995.0		288,314.8		(1,183.4)		(2,136.5)
1/4 Year Ended 12/2017	288,314.8		277,835.6		(1,419.7)		11,899.0
1/4 Year Ended 9/2017	277,835.6		270,017.7		(1,582.3)		9,400.2
1/4 Year Ended 6/2017	270,017.7		263,189.7		(1,149.1)		7,977.1
1/4 Year Ended 3/2017	263,189.7		253,159.1		(930.2)		10,960.7
1/4 Year Ended 12/2016	253,159.1		251,635.0		(1,139.0)		2,663.2
1/4 Year Ended 9/2016	251,635.0		244,029.2		(937.8)		8,543.5
1/4 Year Ended 6/2016	244,029.2		240,502.3		(684.5)		4,211.5
1/4 Year Ended 3/2016	240,502.3		238,289.7		(450.0)		2,662.6
1/4 Year Ended 12/2015	238,289.7		232,085.4		(816.4)		7,020.7
1/4 Year Ended 9/2015	232,085.4		246,970.5		(534.9)		(14,350.2)
1/4 Year Ended 6/2015	246,970.5		247,920.3		(766.8)		(183.0)
1/4 Year Ended 3/2015	247,920.3		243,017.9		(295.4)		5,197.8
1/4 Year Ended 12/2014	243,017.9		238,642.3		(1,001.3)		5,377.0
1/4 Year Ended 9/2014	238,642.3		241,859.7		(632.5)		(2,584.9)
1/4 Year Ended 6/2014	241,859.7		235,305.8		(752.1)		7,306.0

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended March 31, 2019

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
<b>Domestic Equity</b>	<b>11.62%</b>	<b>6.91%</b>	<b>12.99%</b>	<b>9.79%</b>	<b>12.64%</b>
Domestic Equity Benchmark**	13.86%	8.04%	13.46%	10.22%	12.49%
<b>Large Cap Equity</b>	<b>11.56%</b>	<b>5.72%</b>	<b>12.58%</b>	<b>9.35%</b>	<b>12.34%</b>
Boston Partners	9.40%	1.92%	11.57%	7.73%	11.73%
Russell 1000 Value Index	11.93%	5.67%	10.45%	7.72%	11.14%
SSgA S&P 500	13.64%	9.51%	13.53%	10.95%	-
S&P 500 Index	13.65%	9.50%	13.51%	10.91%	12.85%
<b>Small Cap Equity</b>	<b>11.84%</b>	<b>11.36%</b>	<b>14.50%</b>	<b>11.43%</b>	<b>13.81%</b>
Atlanta Capital	11.84%	11.36%	14.50%	11.43%	13.81%
Russell 2000 Index	14.58%	2.05%	12.92%	7.05%	10.74%
<b>International Equity</b>	<b>8.84%</b>	<b>(5.83%)</b>	<b>7.69%</b>	<b>2.58%</b>	<b>4.79%</b>
International Benchmark***	10.11%	(5.70%)	8.21%	2.75%	5.61%
<b>International Large Cap</b>	<b>8.79%</b>	<b>(1.62%)</b>	<b>7.54%</b>	<b>2.55%</b>	-
SSgA EAFE	10.11%	(3.37%)	7.66%	2.68%	-
Pyrford	8.26%	(0.87%)	-	-	-
MSCI EAFE Index	9.98%	(3.71%)	7.27%	2.33%	5.63%
<b>International Small Cap</b>	<b>9.11%</b>	<b>(12.80%)</b>	-	-	-
AQR	9.11%	(12.80%)	-	-	-
MSCI EAFE Small Cap Index	10.65%	(9.36%)	7.50%	4.47%	8.21%
<b>Emerging Markets Equity</b>	<b>8.75%</b>	<b>(8.99%)</b>	<b>10.20%</b>	<b>4.03%</b>	-
DFA Emerging Markets	8.75%	(8.99%)	10.20%	4.03%	-
MSCI Emerging Markets Index	9.93%	(7.40%)	10.68%	3.68%	2.69%
<b>Domestic Fixed Income</b>	<b>3.21%</b>	<b>5.13%</b>	<b>2.72%</b>	<b>3.10%</b>	<b>3.31%</b>
Met West	3.21%	5.13%	2.72%	3.10%	3.31%
Bloomberg Aggregate Index	2.94%	4.48%	2.03%	2.74%	2.48%
<b>Total Plan</b>	<b>7.80%</b>	<b>3.08%</b>	<b>8.16%</b>	<b>5.74%</b>	<b>7.46%</b>
Target*	9.07%	3.55%	8.24%	5.85%	7.22%

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

\*\* Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

\*\*\* International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.



## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended March 31, 2019

	Last 10 Years	Last 15 Years	Last 20 Years	Last 25 Years
<b>Domestic Equity</b>	<b>16.09%</b>	<b>9.27%</b>	<b>6.86%</b>	-
Domestic Equity Benchmark**	15.90%	8.59%	6.72%	9.93%
Russell 1000 Value Index	14.52%	7.63%	6.68%	9.60%
S&P 500 Index	15.92%	8.57%	6.04%	9.80%
Russell 2000 Index	15.36%	8.04%	8.44%	8.99%
<b>International Equity</b>	<b>8.33%</b>	<b>5.18%</b>	<b>6.82%</b>	-
MSCI EAFE Index	8.96%	5.11%	3.94%	4.89%
<b>Domestic Fixed Income</b>	<b>6.28%</b>	<b>5.22%</b>	<b>5.55%</b>	-
Met West	6.28%	5.22%	-	-
Bloomberg Aggregate Index	3.77%	3.89%	4.73%	5.33%
<b>Total Plan</b>	<b>10.67%</b>	<b>7.02%</b>	<b>6.11%</b>	<b>8.74%</b>
Target*	9.87%	6.32%	5.72%	7.47%

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

\*\* Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	12/2018- 3/2019	2018	2017	2016	2015
<b>Domestic Equity</b>	<b>11.62%</b>	<b>(4.64%)</b>	<b>19.78%</b>	<b>14.58%</b>	<b>0.06%</b>
Domestic Equity Benchmark**	13.86%	(5.69%)	20.41%	13.85%	0.26%
<b>Large Cap Equity</b>	<b>11.56%</b>	<b>(6.33%)</b>	<b>21.10%</b>	<b>13.38%</b>	<b>(1.17%)</b>
Boston Partners	9.40%	(8.27%)	20.32%	14.71%	(3.75%)
Russell 1000 Value Index	11.93%	(8.27%)	13.66%	17.34%	(3.83%)
SSgA S&P 500	13.64%	(4.39%)	21.86%	12.03%	1.46%
S&P 500 Index	13.65%	(4.38%)	21.83%	11.96%	1.38%
<b>Small Cap Equity</b>	<b>11.84%</b>	<b>1.78%</b>	<b>15.01%</b>	<b>19.17%</b>	<b>5.14%</b>
Atlanta Capital	11.84%	1.78%	15.01%	19.17%	5.14%
Russell 2000 Index	14.58%	(11.01%)	14.65%	21.31%	(4.41%)
<b>International Equity</b>	<b>8.84%</b>	<b>(13.93%)</b>	<b>28.25%</b>	<b>2.55%</b>	<b>(4.17%)</b>
International Benchmark***	10.11%	(14.76%)	29.51%	3.26%	(4.30%)
<b>International Large Cap</b>	<b>8.79%</b>	<b>(11.25%)</b>	<b>22.63%</b>	<b>1.35%</b>	<b>(1.17%)</b>
SSgA EAFE	10.11%	(13.49%)	25.47%	1.37%	(0.56%)
Pyrford	8.26%	(10.31%)	-	-	-
MSCI EAFE Index	9.98%	(13.79%)	25.03%	1.00%	(0.81%)
<b>International Small Cap</b>	<b>9.11%</b>	<b>(19.94%)</b>	<b>33.76%</b>	-	-
AQR	9.11%	(19.94%)	33.76%	-	-
MSCI EAFE Small Cap Index	10.65%	(17.89%)	33.01%	2.18%	9.59%
<b>Emerging Markets Equity</b>	<b>8.75%</b>	<b>(14.80%)</b>	<b>37.32%</b>	<b>12.99%</b>	<b>(14.33%)</b>
DFA Emerging Markets	8.75%	(14.80%)	37.32%	12.99%	(14.33%)
MSCI Emerging Markets Index	9.93%	(14.57%)	37.28%	11.19%	(14.92%)
<b>Domestic Fixed Income</b>	<b>3.21%</b>	<b>0.75%</b>	<b>3.89%</b>	<b>2.87%</b>	<b>0.51%</b>
Met West	3.21%	0.75%	3.89%	2.87%	0.51%
Bloomberg Aggregate Index	2.94%	0.01%	3.54%	2.65%	0.55%
<b>Total Plan</b>	<b>7.80%</b>	<b>(5.05%)</b>	<b>16.14%</b>	<b>7.65%</b>	<b>(0.97%)</b>
Target*	9.07%	(5.82%)	16.39%	7.40%	(0.71%)

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

Returns are for annualized calendar years.

\*\* Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

\*\*\* International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

## Investment Manager Returns

The table below details the rates of return for the Sponsor's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	2014	2013	2012	2011	2010
<b>Domestic Equity</b>	<b>10.85%</b>	<b>36.44%</b>	<b>19.19%</b>	<b>2.08%</b>	<b>15.93%</b>
Domestic Equity Benchmark**	12.07%	33.61%	16.09%	0.94%	17.33%
Boston Partners	11.87%	37.52%	21.95%	1.27%	13.61%
Russell 1000 Value Index	13.45%	32.53%	17.51%	0.39%	15.51%
S&P 500 Index	13.69%	32.39%	16.00%	2.11%	15.06%
Russell 2000 Index	4.89%	38.82%	16.35%	(4.18%)	26.85%
<b>International Equity</b>	<b>(3.72%)</b>	<b>16.66%</b>	<b>17.28%</b>	<b>(10.64%)</b>	<b>6.51%</b>
MSCI EAFE Index	(4.90%)	22.78%	17.32%	(12.14%)	7.75%
<b>Domestic Fixed Income</b>	<b>6.37%</b>	<b>(1.03%)</b>	<b>9.48%</b>	<b>6.10%</b>	<b>12.52%</b>
Met West	6.37%	(1.03%)	9.48%	6.10%	12.52%
Bloomberg Aggregate Index	5.97%	(2.02%)	4.21%	7.84%	6.54%
<b>Total Plan</b>	<b>5.61%</b>	<b>17.71%</b>	<b>14.80%</b>	<b>1.22%</b>	<b>12.70%</b>
Target*	5.82%	15.99%	11.68%	1.52%	11.85%

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

Returns are for annualized calendar years.

\*\* Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2019					
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
<b>Net of Fee Returns</b>					
Domestic Equity	11.53%	6.56%	12.58%	-	-
Domestic Equity Benchmark**	13.86%	8.04%	13.46%	10.22%	12.49%
Large Cap Equity	11.50%	5.51%	12.30%	-	-
Boston Partners	9.30%	1.78%	11.17%	7.26%	11.21%
Russell 1000 Value Index	11.93%	5.67%	10.45%	7.72%	11.14%
SSgA S&P 500	13.63%	9.45%	13.48%	10.89%	13.28%
S&P 500 Index	13.65%	9.50%	13.51%	10.91%	12.85%
Small Cap Equity	11.62%	10.47%	13.60%	-	-
Atlanta Capital	11.62%	10.47%	13.60%	10.55%	12.92%
Russell 2000 Index	14.58%	2.05%	12.92%	7.05%	10.74%
International Equity	8.69%	(6.40%)	7.07%	-	-
International Equity Benchmark***	10.11%	(5.70%)	8.21%	2.75%	5.61%
International Large Cap	8.65%	(2.13%)	7.00%	-	-
SSgA EAFE	10.08%	(3.46%)	7.56%	2.57%	6.92%
Pyrford	8.08%	(1.56%)	-	-	-
MSCI EAFE Index	9.98%	(3.71%)	7.27%	2.33%	5.63%
International Small Cap	8.88%	(13.61%)	-	-	-
AQR	8.88%	(13.61%)	-	-	-
MSCI EAFE Small Cap Index	10.65%	(9.36%)	7.50%	4.47%	8.21%
Emerging Markets Equity	8.61%	(9.48%)	9.58%	-	-
DFA Emerging Markets	8.61%	(9.48%)	9.58%	3.43%	-
MSCI Emerging Markets Index	9.93%	(7.40%)	10.68%	3.68%	2.69%
Domestic Fixed Income	3.21%	4.92%	2.46%	-	-
Met West	3.21%	4.92%	2.46%	2.83%	3.03%
Bloomberg Aggregate Index	2.94%	4.48%	2.03%	2.74%	2.48%
Total Plan	7.73%	2.72%	7.76%	5.37%	7.07%
Target*	9.07%	3.55%	8.24%	5.85%	7.22%

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

\*\* Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

\*\*\* International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.



# Domestic Equity Period Ended March 31, 2019

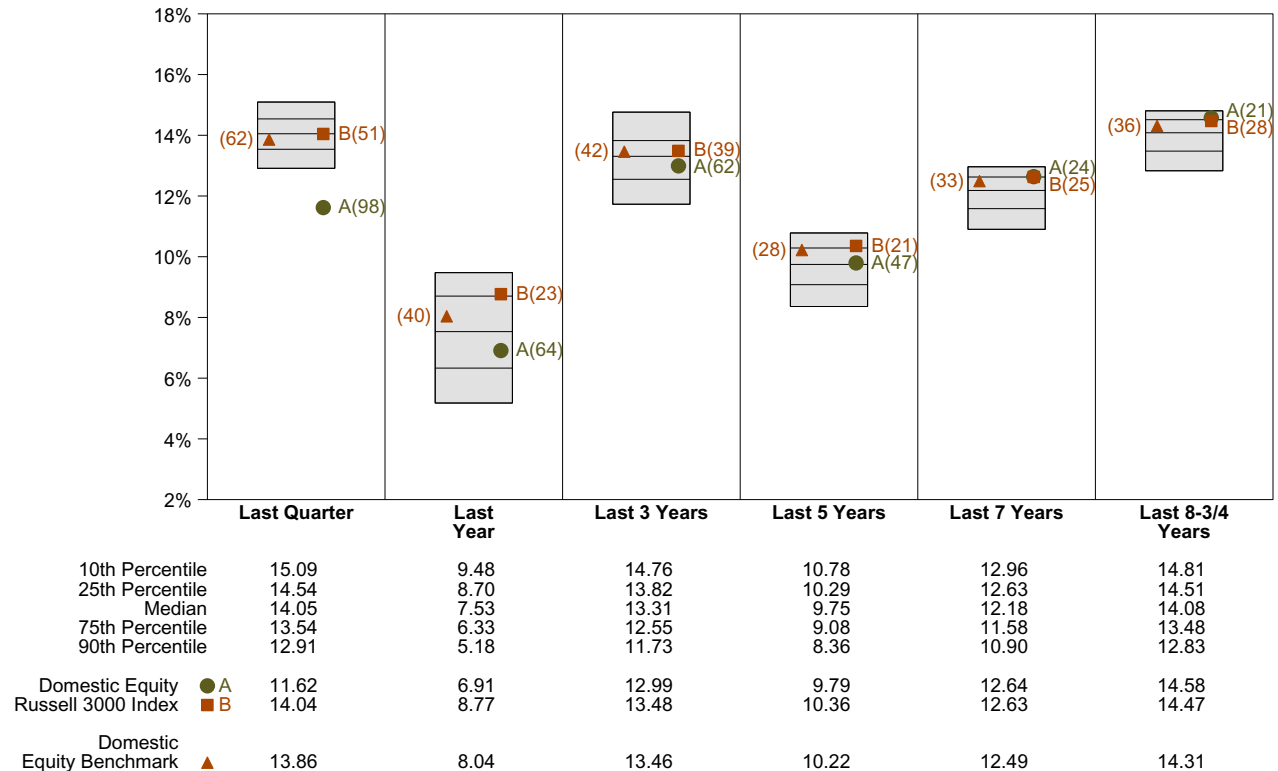
## Investment Philosophy

Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

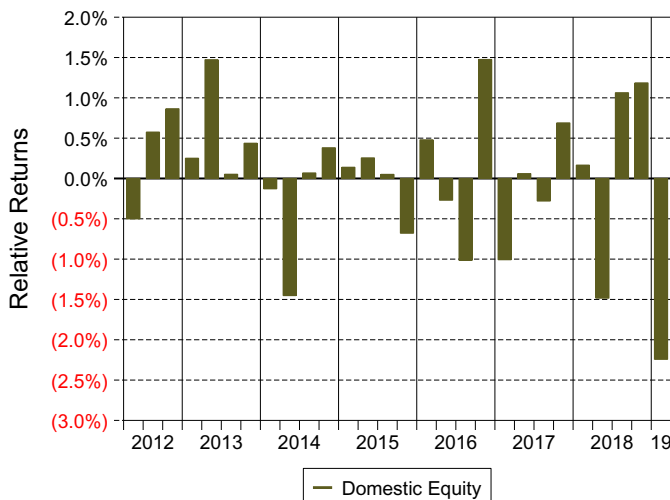
## Quarterly Summary and Highlights

- Domestic Equity's portfolio posted a 11.62% return for the quarter placing it in the 98 percentile of the Fund Sponsor - Domestic Equity group for the quarter and in the 64 percentile for the last year.
- Domestic Equity's portfolio underperformed the Domestic Equity Benchmark by 2.24% for the quarter and underperformed the Domestic Equity Benchmark for the year by 1.13%.

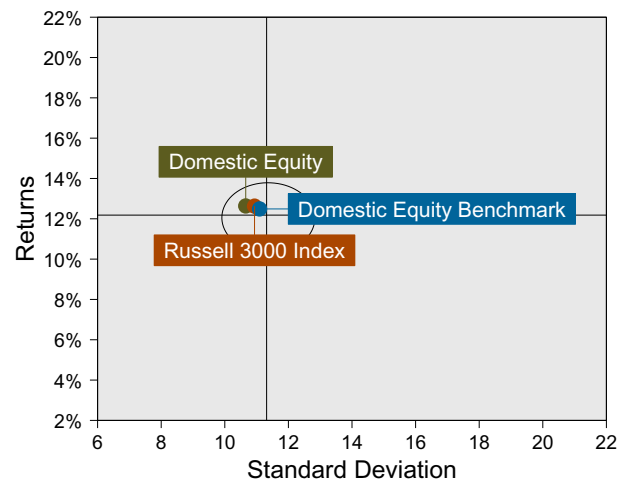
## Performance vs Fund Sponsor - Domestic Equity (Gross)



## Relative Returns vs Domestic Equity Benchmark



## Fund Sponsor - Domestic Equity (Gross) Annualized Seven Year Risk vs Return

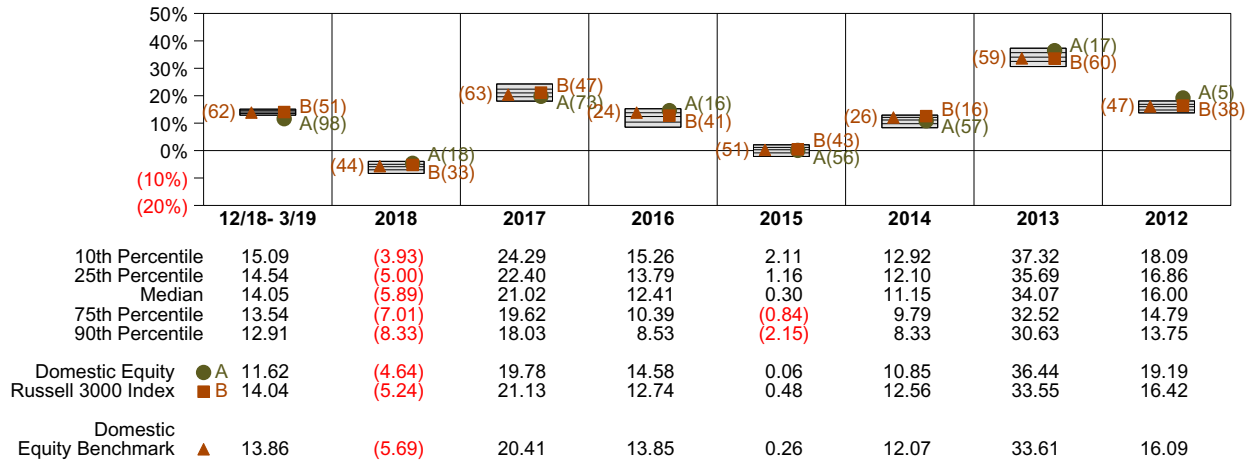


# Domestic Equity Return Analysis Summary

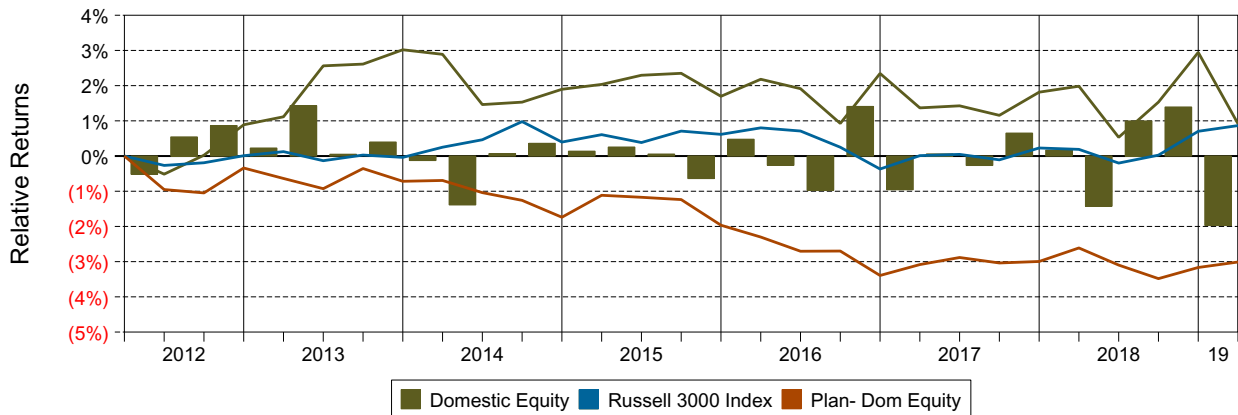
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

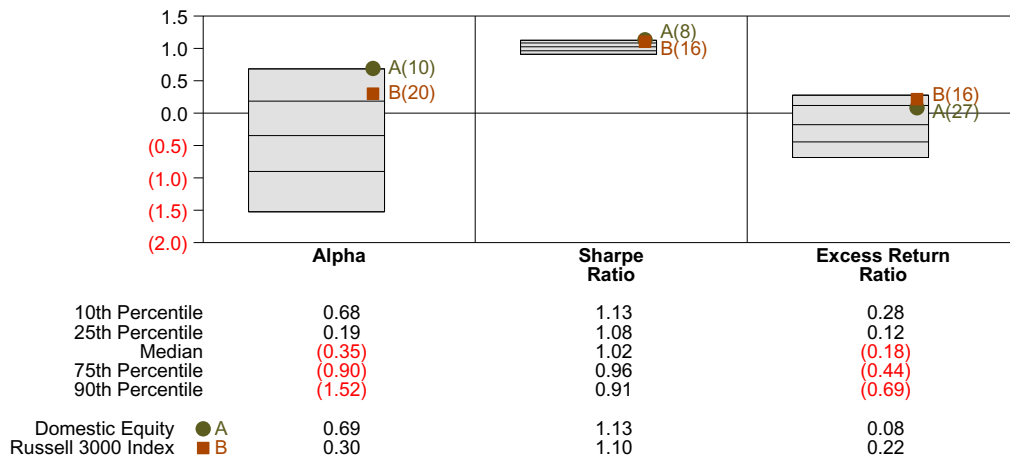
### Performance vs Fund Sponsor - Domestic Equity (Gross)



### Cumulative and Quarterly Relative Return vs Domestic Equity Benchmark



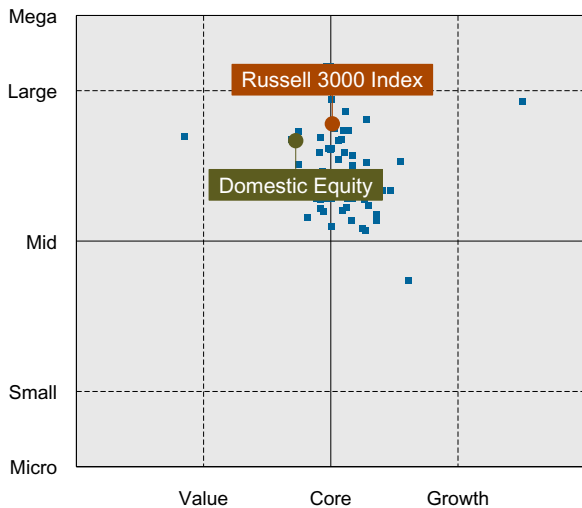
### Risk Adjusted Return Measures vs Domestic Equity Benchmark Rankings Against Fund Sponsor - Domestic Equity (Gross) Seven Years Ended March 31, 2019



# Current Holdings Based Style Analysis Domestic Equity As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

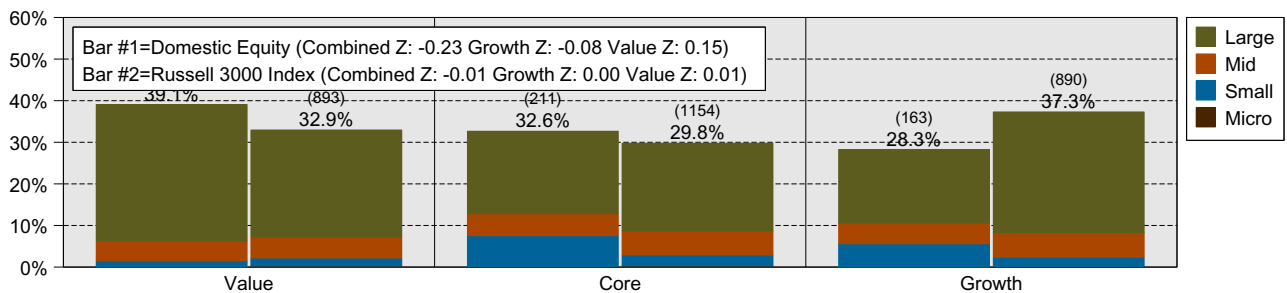
**Style Map vs Plan- Dom Equity Holdings as of March 31, 2019**



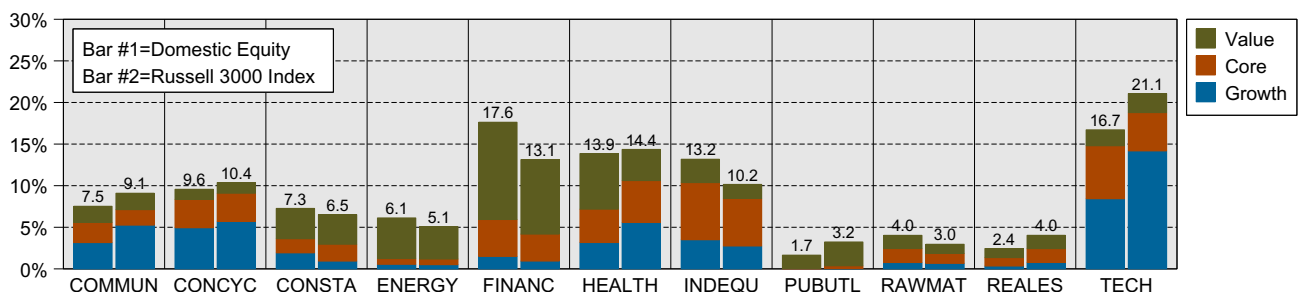
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Large	32.8% (106)	19.8% (98)	17.7% (83)	70.3% (287)
Mid	25.7% (105)	21.1% (97)	29.0% (91)	75.8% (293)
Small	4.8% (95)	5.3% (88)	5.0% (61)	15.1% (244)
Micro	5.1% (175)	5.8% (204)	5.9% (209)	16.7% (588)
Total	1.5% (7)	7.4% (23)	5.6% (19)	14.5% (49)
	1.9% (336)	2.6% (461)	2.2% (378)	6.7% (1175)
	0.0% (0)	0.2% (2)	0.0% (0)	0.2% (2)
	0.3% (277)	0.3% (392)	0.2% (212)	0.8% (881)
<b>Total</b>	<b>39.1% (208)</b>	<b>32.6% (211)</b>	<b>28.3% (163)</b>	<b>100.0% (582)</b>
	<b>32.9% (893)</b>	<b>29.8% (1154)</b>	<b>37.3% (890)</b>	<b>100.0% (2937)</b>

## Combined Z-Score Style Distribution Holdings as of March 31, 2019



## Sector Weights Distribution Holdings as of March 31, 2019





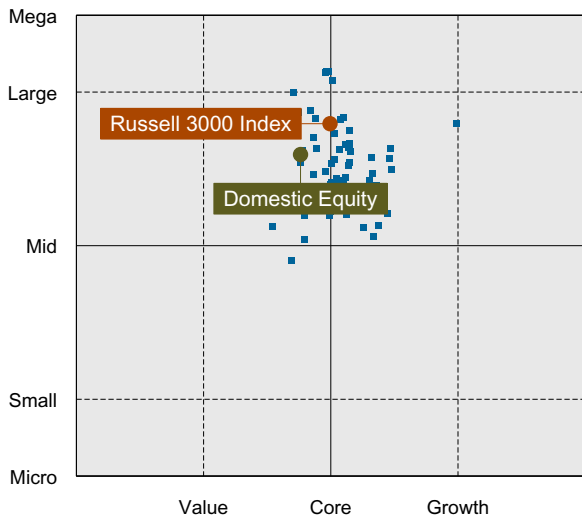
# Historical Holdings Based Style Analysis

## Domestic Equity

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

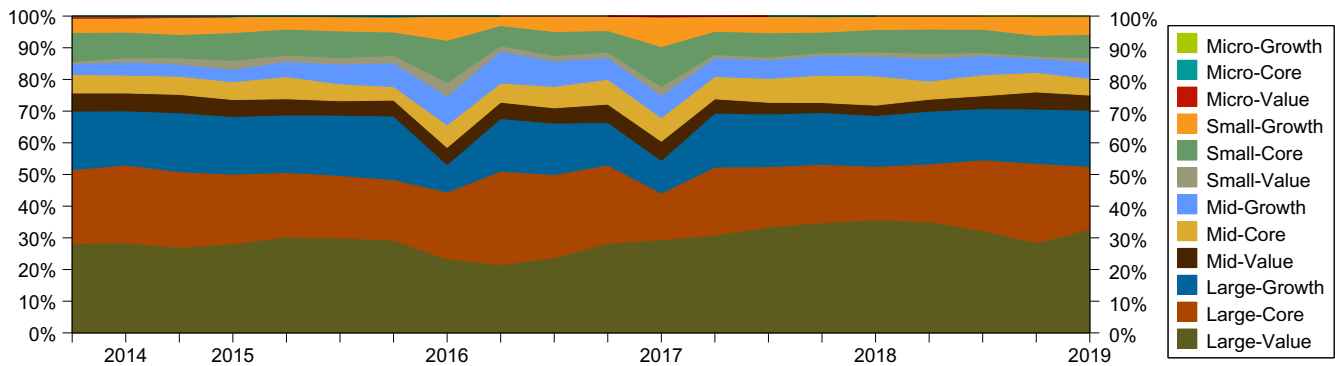
**Average Style Map vs Plan- Dom Equity Holdings for Five Years Ended March 31, 2019**



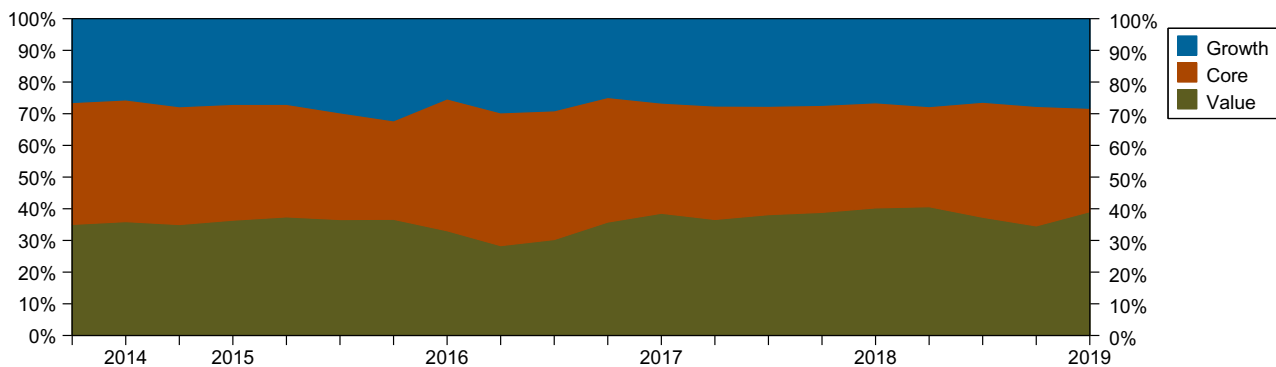
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	29.6% (93)	21.5% (90)	16.4% (86)	<b>67.5% (269)</b>
Large	26.3% (99)	22.6% (98)	25.2% (101)	<b>74.1% (298)</b>
Mid	4.9% (83)	6.5% (80)	6.1% (57)	<b>17.5% (220)</b>
	5.3% (177)	6.3% (217)	6.0% (205)	<b>17.5% (599)</b>
Small	1.7% (10)	8.1% (26)	5.0% (14)	<b>14.9% (50)</b>
	2.2% (336)	3.0% (487)	2.2% (378)	<b>7.4% (1201)</b>
Micro	0.1% (1)	0.1% (1)	0.0% (0)	<b>0.2% (2)</b>
	0.3% (282)	0.4% (376)	0.2% (214)	<b>1.0% (872)</b>
<b>Total</b>	<b>36.2% (187)</b>	<b>36.2% (197)</b>	<b>27.5% (157)</b>	<b>100.0% (541)</b>
	<b>34.1% (894)</b>	<b>32.3% (1178)</b>	<b>33.7% (898)</b>	<b>100.0% (2970)</b>
	Value	Core	Growth	<b>Total</b>

### Domestic Equity Historical Cap/Style Exposures



### Domestic Equity Historical Style Only Exposures

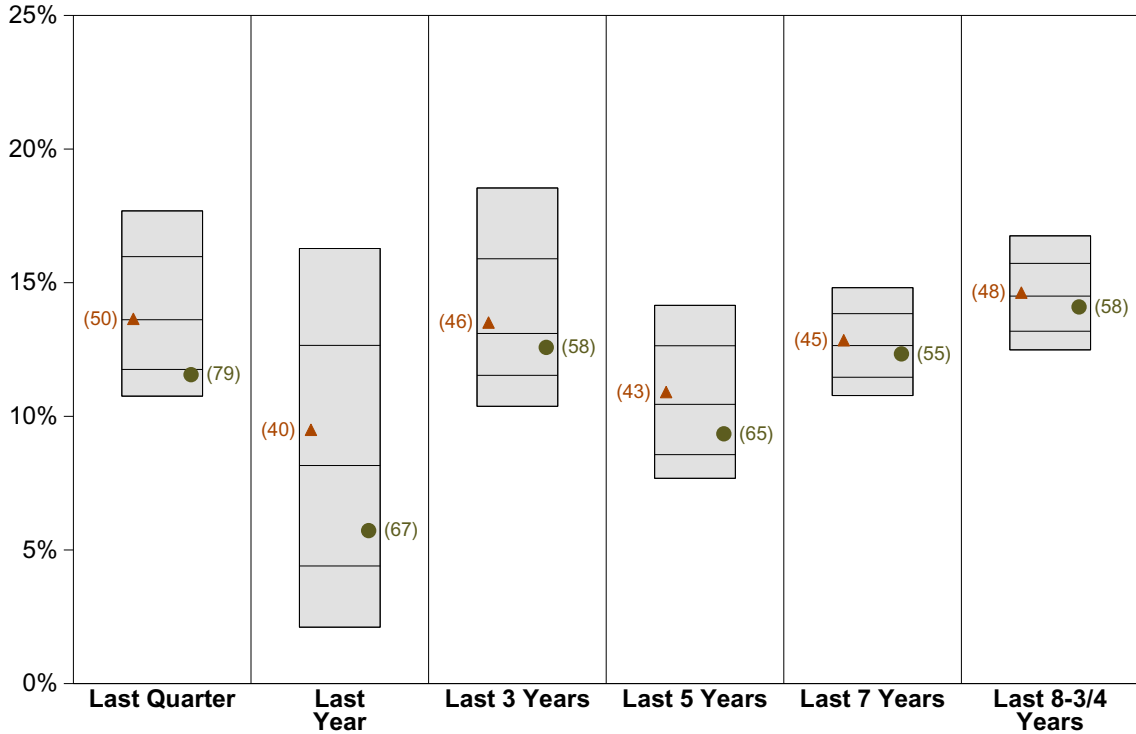


# Large Cap Period Ended March 31, 2019

## Quarterly Summary and Highlights

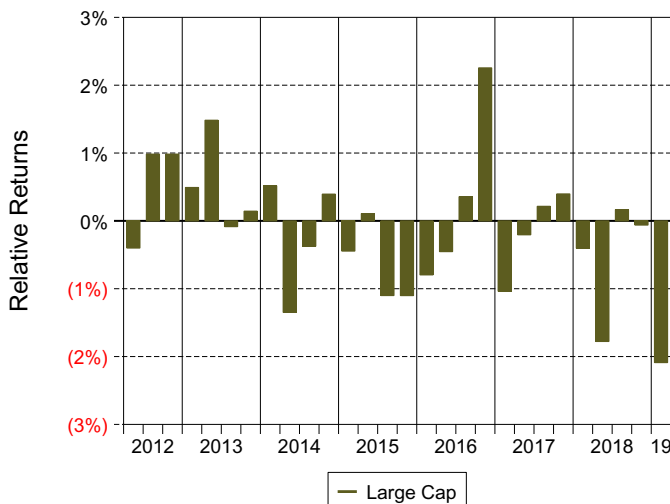
- Large Cap's portfolio posted a 11.56% return for the quarter placing it in the 79 percentile of the Callan Large Capitalization group for the quarter and in the 67 percentile for the last year.
- Large Cap's portfolio underperformed the S&P 500 Index by 2.09% for the quarter and underperformed the S&P 500 Index for the year by 3.77%.

## Performance vs Callan Large Capitalization (Gross)

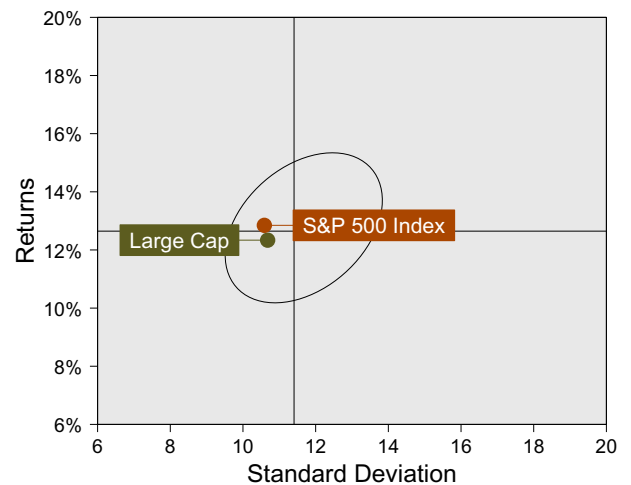


10th Percentile	17.69	16.28	18.54	14.15	14.81	16.75
25th Percentile	15.98	12.66	15.90	12.64	13.84	15.72
Median	13.61	8.16	13.10	10.45	12.65	14.50
75th Percentile	11.75	4.40	11.53	8.57	11.46	13.18
90th Percentile	10.75	2.11	10.37	7.68	10.78	12.49
<b>Large Cap</b> ●	11.56	5.72	12.58	9.35	12.34	14.09
<b>S&amp;P 500 Index</b> ▲	13.65	9.50	13.51	10.91	12.85	14.63

Relative Return vs S&P 500 Index



Callan Large Capitalization (Gross)  
Annualized Seven Year Risk vs Return

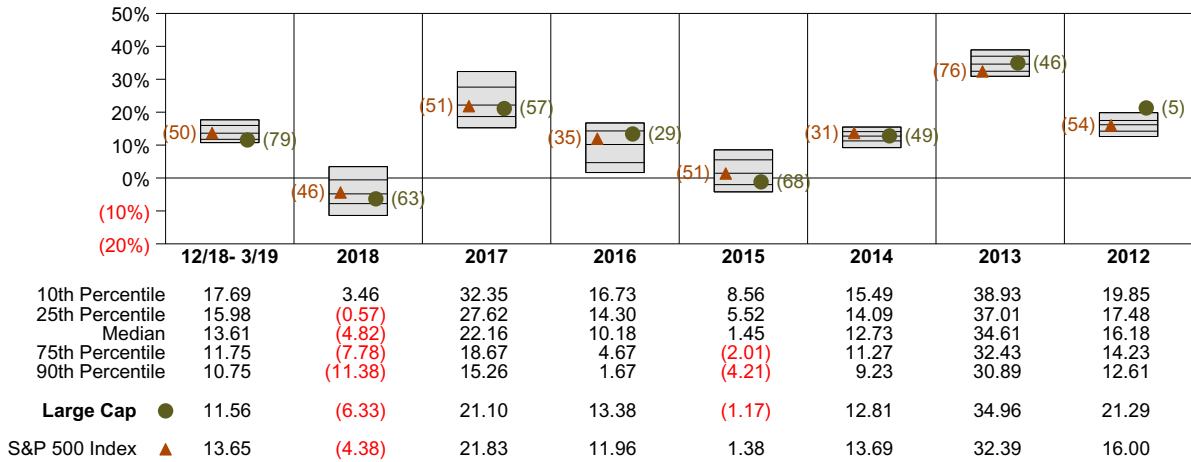


# Large Cap Return Analysis Summary

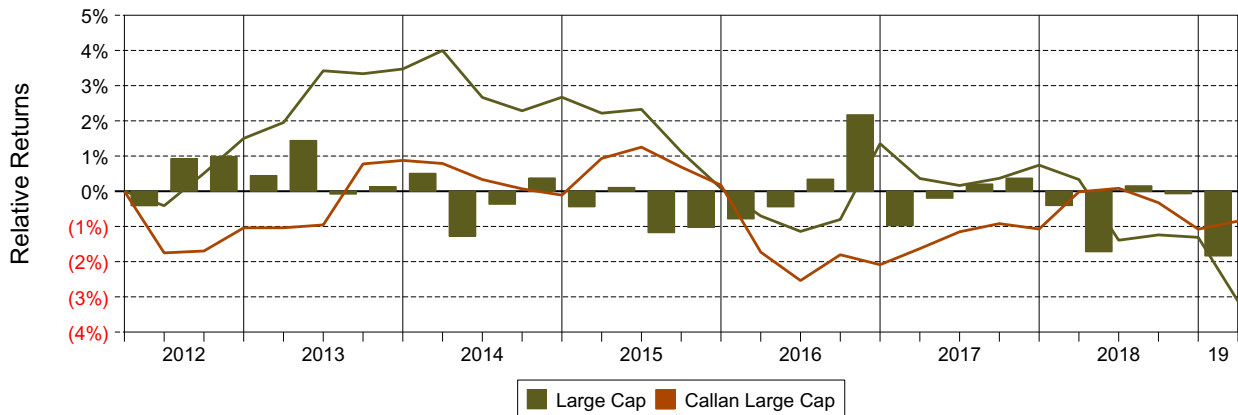
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

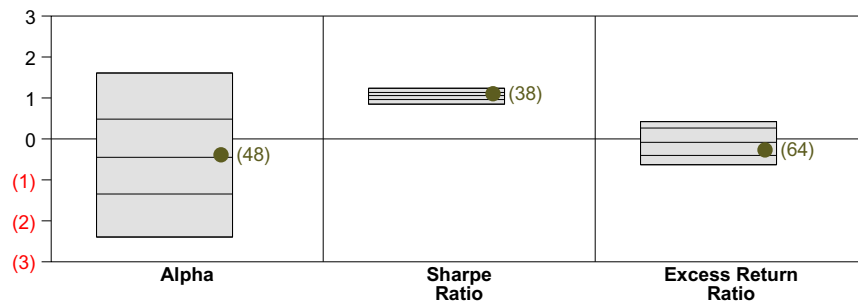
### Performance vs Callan Large Capitalization (Gross)



### Cumulative and Quarterly Relative Return vs S&P 500 Index



### Risk Adjusted Return Measures vs S&P 500 Index Rankings Against Callan Large Capitalization (Gross) Seven Years Ended March 31, 2019



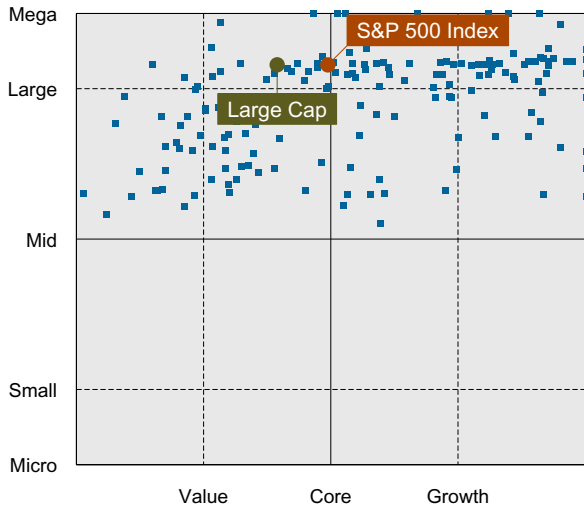
	Alpha	Sharpe Ratio	Excess Return Ratio
10th Percentile	1.61	1.24	0.42
25th Percentile	0.48	1.13	0.27
Median	(0.45)	1.06	(0.08)
75th Percentile	(1.35)	0.96	(0.40)
90th Percentile	(2.40)	0.85	(0.63)
<b>Large Cap</b> ●	(0.39)	1.10	(0.27)

## Current Holdings Based Style Analysis

### Large Cap As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

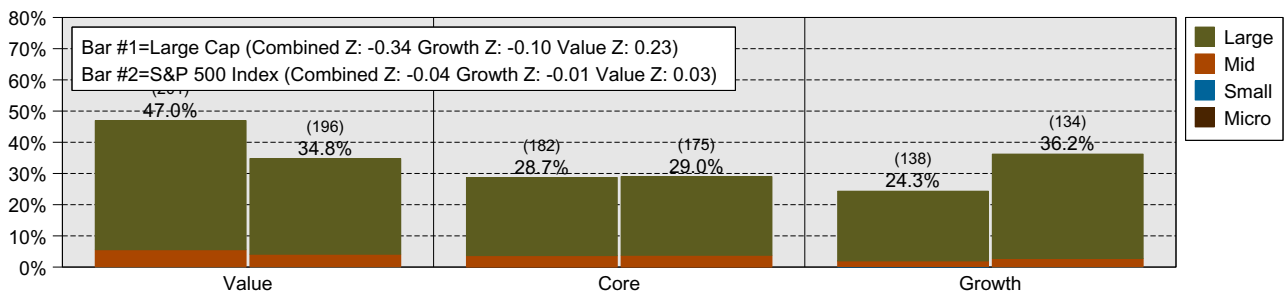
**Style Map vs Callan Large Cap Holdings as of March 31, 2019**



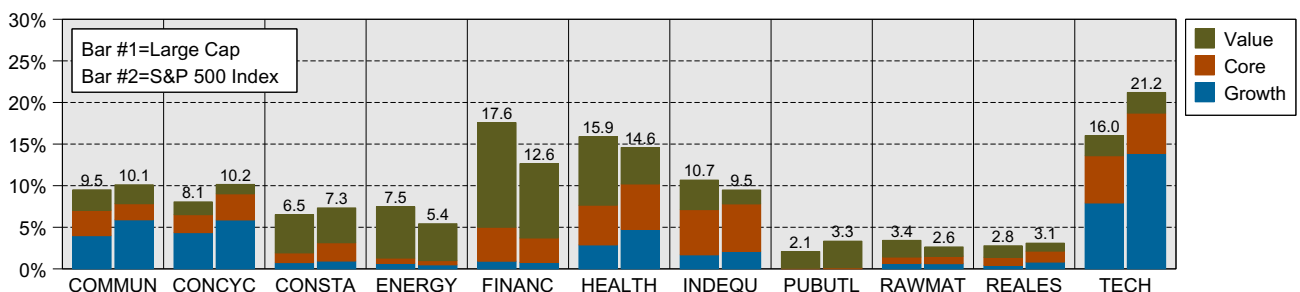
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Large	41.4% (106)	25.0% (98)	22.3% (83)	88.8% (287)
	30.7% (104)	25.2% (94)	33.5% (80)	89.4% (278)
Mid	5.6% (94)	3.7% (83)	1.8% (52)	11.0% (229)
	4.1% (91)	3.8% (81)	2.7% (52)	10.6% (224)
Small	0.0% (1)	0.0% (0)	0.2% (3)	0.2% (4)
	0.0% (1)	0.0% (0)	0.0% (2)	0.0% (3)
Micro	0.0% (0)	0.0% (1)	0.0% (0)	0.0% (1)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
<b>Total</b>	<b>47.0% (201)</b>	<b>28.7% (182)</b>	<b>24.3% (138)</b>	<b>100.0% (521)</b>
	<b>34.8% (196)</b>	<b>29.0% (175)</b>	<b>36.2% (134)</b>	<b>100.0% (505)</b>

### Combined Z-Score Style Distribution Holdings as of March 31, 2019



### Sector Weights Distribution Holdings as of March 31, 2019



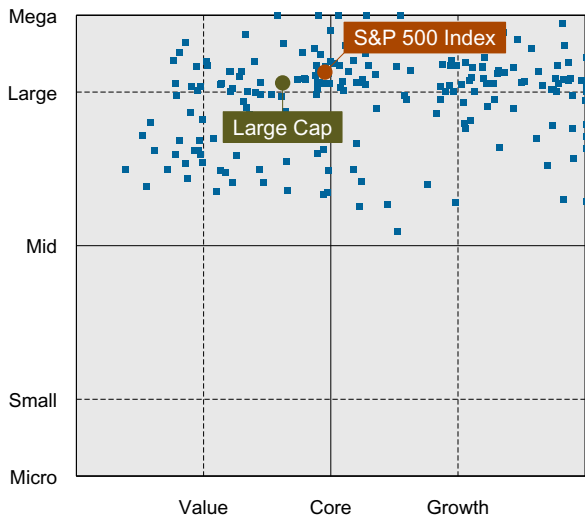
# Historical Holdings Based Style Analysis

## Large Cap

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

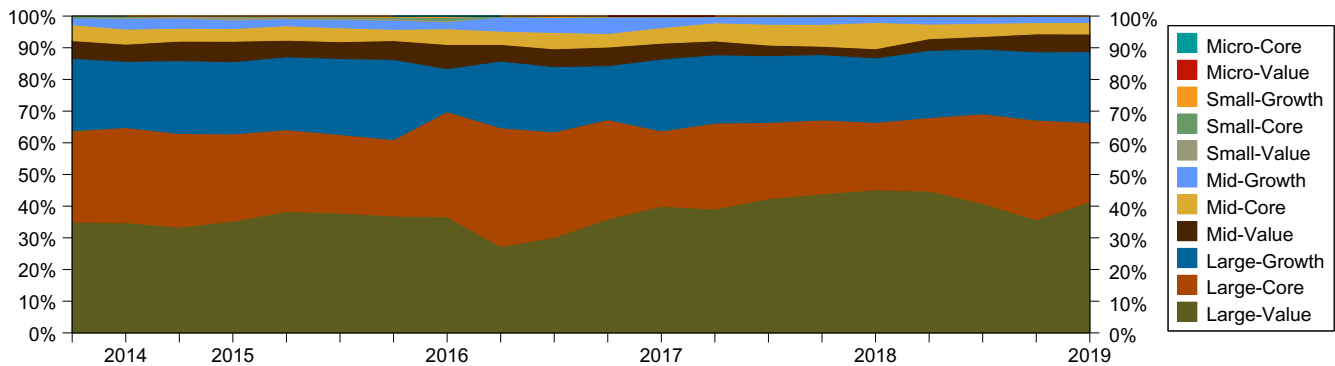
**Average Style Map vs Callan Large Cap Holdings for Five Years Ended March 31, 2019**



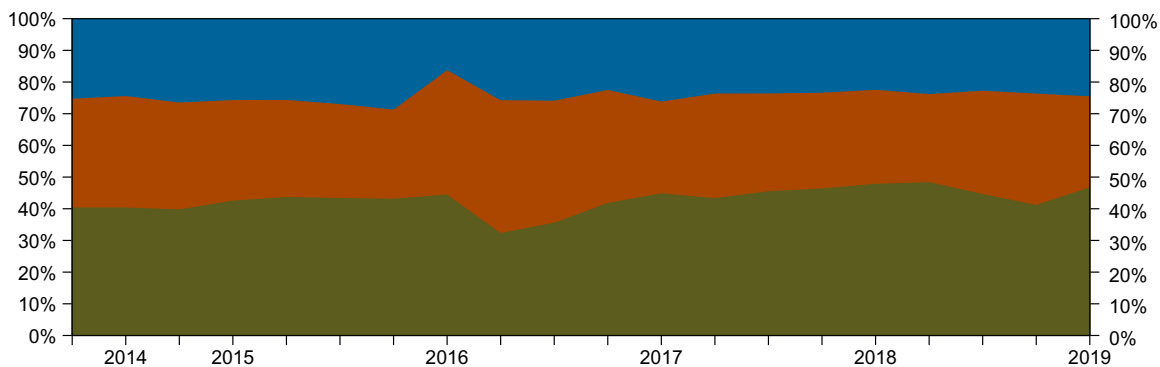
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	37.7% (97)	27.7% (94)	21.3% (90)	<b>86.7% (281)</b>
Large	31.9% (99)	27.4% (95)	29.9% (91)	<b>89.2% (285)</b>
Mid	5.1% (83)	4.9% (79)	2.8% (51)	<b>12.7% (213)</b>
	4.0% (84)	3.9% (78)	2.8% (51)	<b>10.7% (213)</b>
Small	0.2% (4)	0.2% (2)	0.1% (2)	<b>0.6% (8)</b>
	0.0% (3)	0.0% (1)	0.0% (1)	<b>0.1% (5)</b>
Micro	0.0% (0)	0.0% (0)	0.0% (0)	<b>0.0% (0)</b>
	0.0% (0)	0.0% (0)	0.0% (0)	<b>0.0% (0)</b>
<b>Total</b>	<b>43.0% (184)</b>	<b>32.8% (175)</b>	<b>24.2% (143)</b>	<b>100.0% (502)</b>
	<b>36.0% (186)</b>	<b>31.4% (174)</b>	<b>32.7% (143)</b>	<b>100.0% (503)</b>
	Value	Core	Growth	<b>Total</b>

**Large Cap Historical Cap/Style Exposures**



**Large Cap Historical Style Only Exposures**



# SSgA S&P 500

## Period Ended March 31, 2019

### Investment Philosophy

SSGA believes that their passive investment strategy can provide market-like returns with minimal transaction costs. Returns prior to 6/30/2012 are linked to a composite history.

### Quarterly Summary and Highlights

- SSgA S&P 500's portfolio posted a 13.64% return for the quarter placing it in the 43 percentile of the Callan Large Cap Core group for the quarter and in the 30 percentile for the last year.
- SSgA S&P 500's portfolio underperformed the S&P 500 Index by 0.01% for the quarter and outperformed the S&P 500 Index for the year by 0.01%.

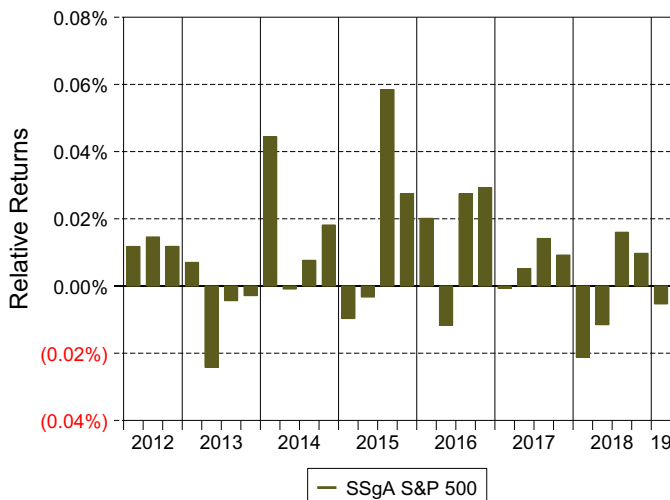
### Quarterly Asset Growth

Beginning Market Value	\$42,567,941
Net New Investment	\$0
Investment Gains/(Losses)	\$5,807,407
Ending Market Value	\$48,375,349

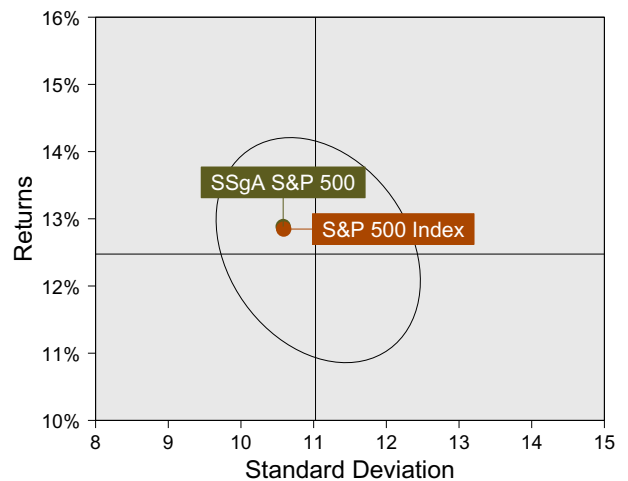
### Performance vs Callan Large Cap Core (Gross)



### Relative Return vs S&P 500 Index



### Callan Large Cap Core (Gross) Annualized Seven Year Risk vs Return

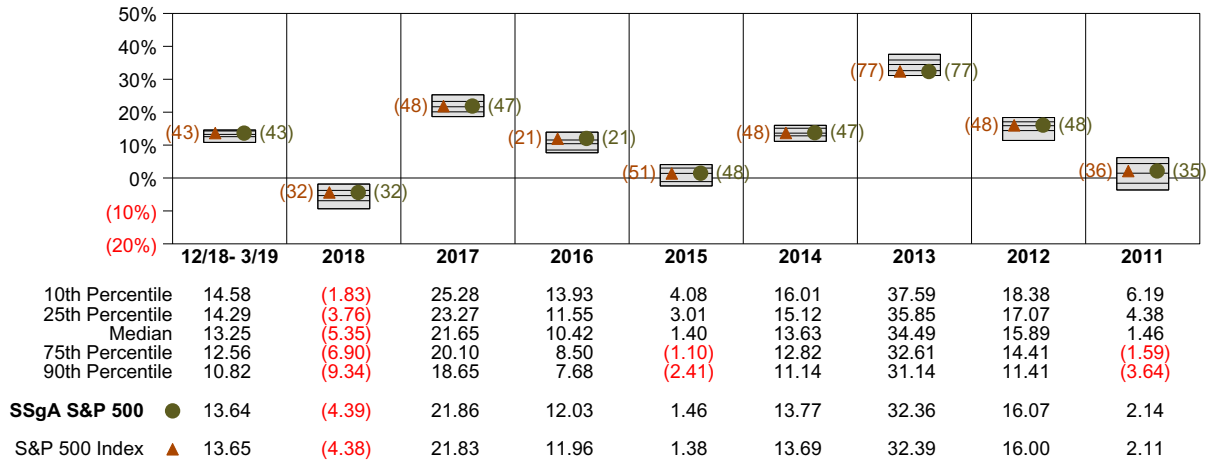


# SSgA S&P 500 Return Analysis Summary

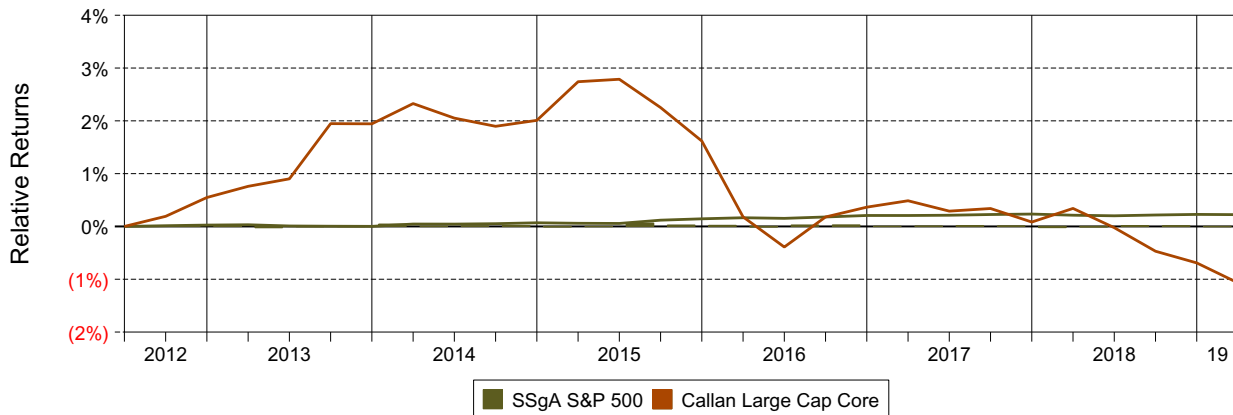
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

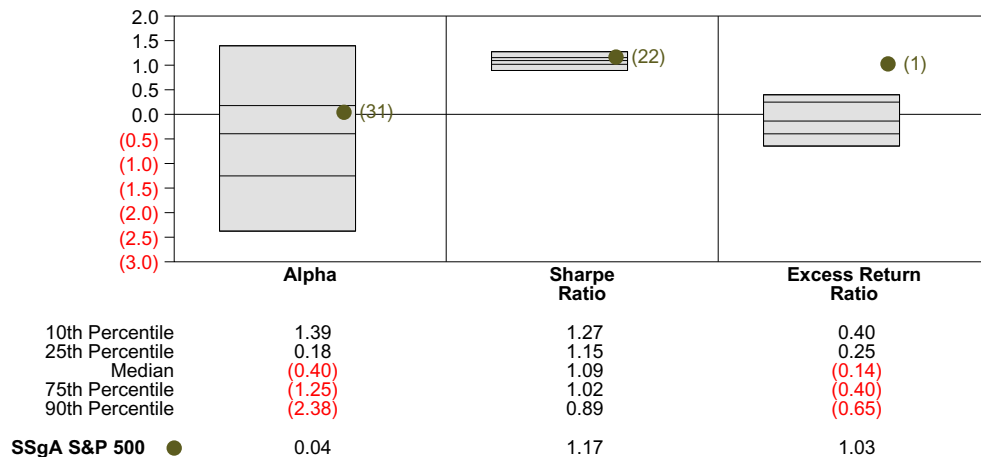
### Performance vs Callan Large Cap Core (Gross)



### Cumulative and Quarterly Relative Return vs S&P 500 Index



### Risk Adjusted Return Measures vs S&P 500 Index Rankings Against Callan Large Cap Core (Gross) Seven Years Ended March 31, 2019

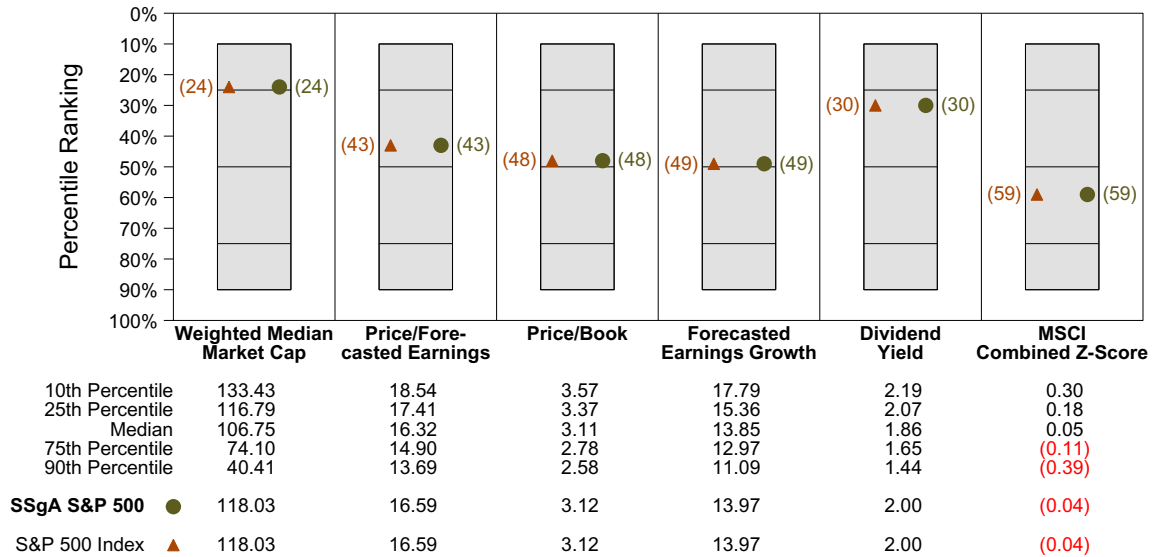


# SSgA S&P 500 Equity Characteristics Analysis Summary

## Portfolio Characteristics

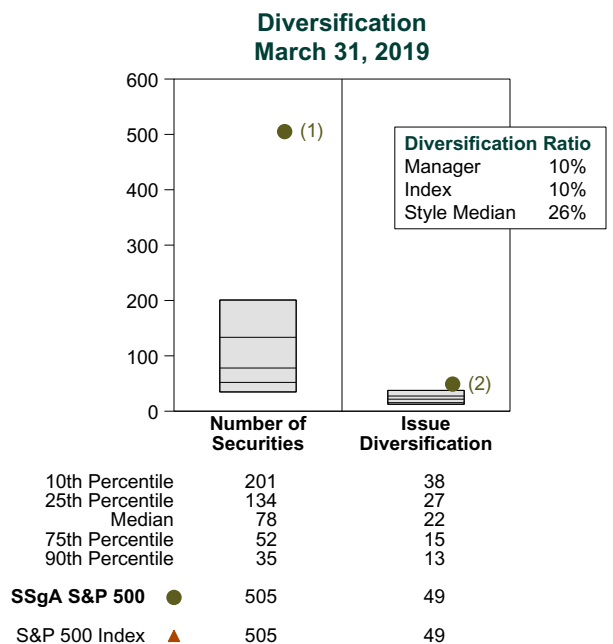
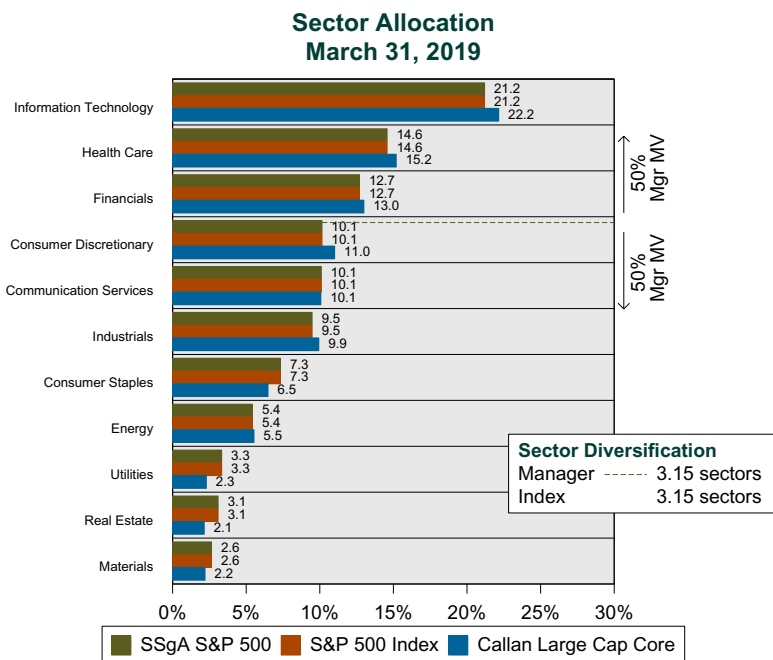
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Callan Large Cap Core as of March 31, 2019



## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.





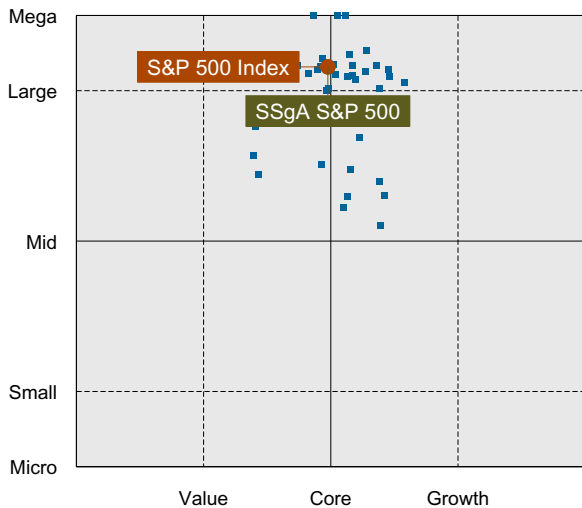
# Current Holdings Based Style Analysis

## SSgA S&P 500

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

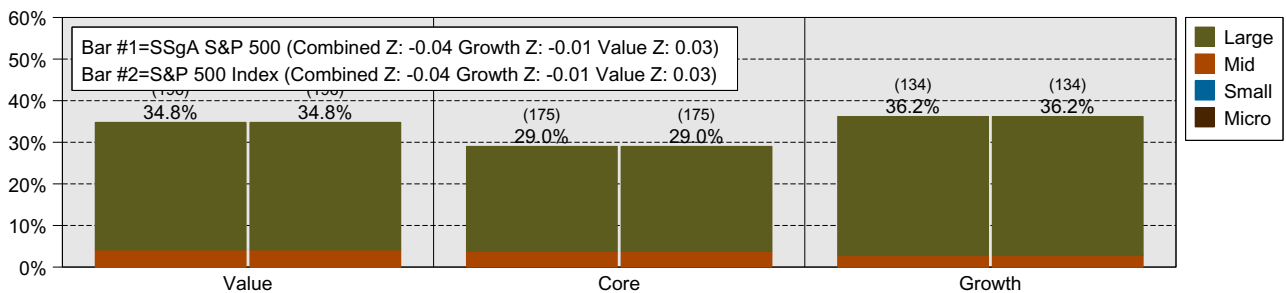
**Style Map vs Callan Large Cap Core Holdings as of March 31, 2019**



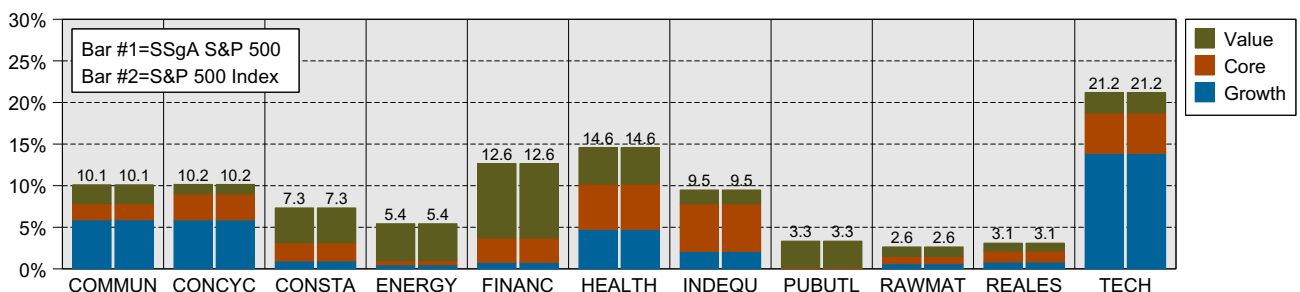
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Large	30.7% (104)	25.2% (94)	33.5% (80)	89.4% (278)
Mid	4.1% (91)	3.8% (81)	2.7% (52)	10.6% (224)
Small	0.0% (1)	0.0% (0)	0.0% (2)	0.0% (3)
Micro	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
<b>Total</b>	<b>34.8% (196)</b>	<b>29.0% (175)</b>	<b>36.2% (134)</b>	<b>100.0% (505)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**



# Boston Partners Period Ended March 31, 2019

## Investment Philosophy

Boston Partners attempts to implement a disciplined investment process designed to find undervalued securities issued by companies with sound fundamentals and positive business momentum. Boston Partners was funded 6/27/05. The first full quarter for this portfolio is 3rd quarter 2005.

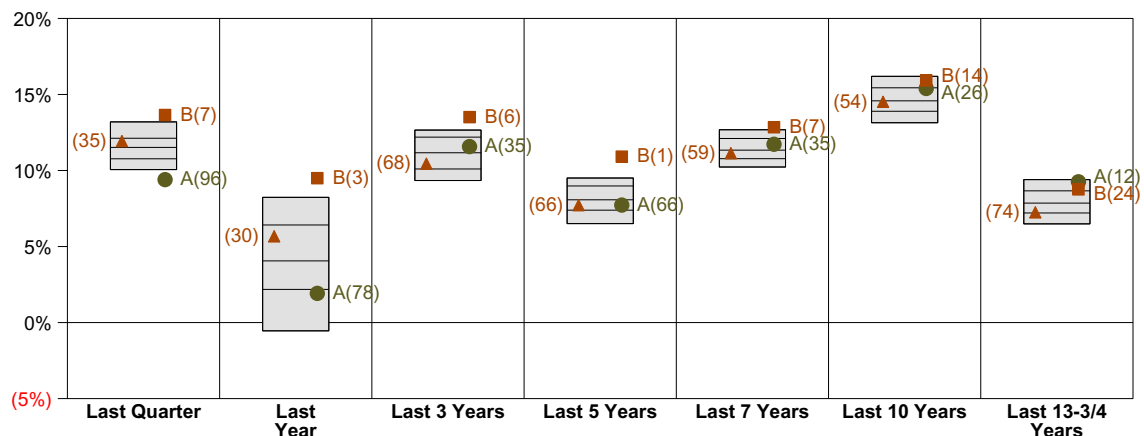
## Quarterly Summary and Highlights

- Boston Partners's portfolio posted a 9.40% return for the quarter placing it in the 96 percentile of the Callan Large Cap Value group for the quarter and in the 78 percentile for the last year.
- Boston Partners's portfolio underperformed the Russell 1000 Value Index by 2.54% for the quarter and underperformed the Russell 1000 Value Index for the year by 3.75%.

## Quarterly Asset Growth

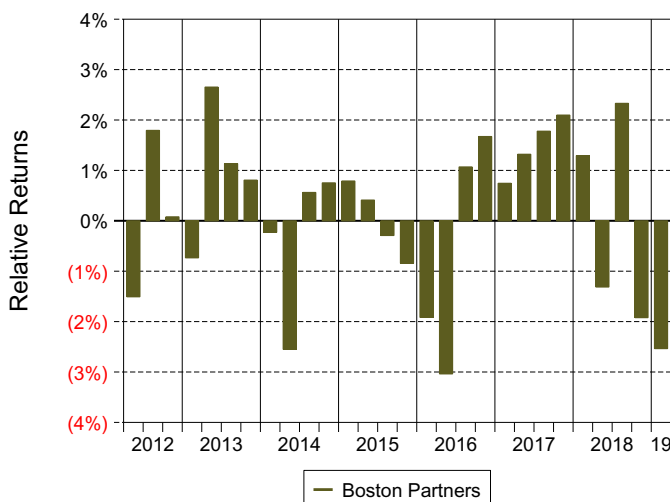
Beginning Market Value	\$41,044,721
Net New Investment	\$8
Investment Gains/(Losses)	\$3,857,732
Ending Market Value	\$44,902,460

## Performance vs Callan Large Cap Value (Gross)

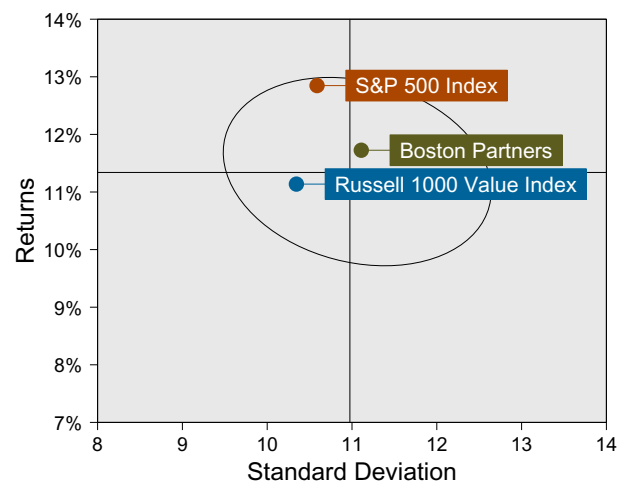


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 13-3/4 Years
10th Percentile	13.20	8.24	12.66	9.51	12.68	16.19	9.40
25th Percentile	12.12	6.42	12.19	8.98	12.11	15.44	8.66
Median	11.52	4.05	11.17	8.07	11.34	14.58	7.86
75th Percentile	10.77	2.18	10.10	7.39	10.78	13.89	7.21
90th Percentile	10.06	(0.54)	9.34	6.51	10.23	13.14	6.49
Boston Partners ● A	9.40	1.92	11.57	7.73	11.73	15.40	9.26
S&P 500 Index ■ B	13.65	9.50	13.51	10.91	12.85	15.92	8.76
Russell 1000 Value Index ▲	11.93	5.67	10.45	7.72	11.14	14.52	7.25

## Relative Return vs Russell 1000 Value Index



## Callan Large Cap Value (Gross) Annualized Seven Year Risk vs Return

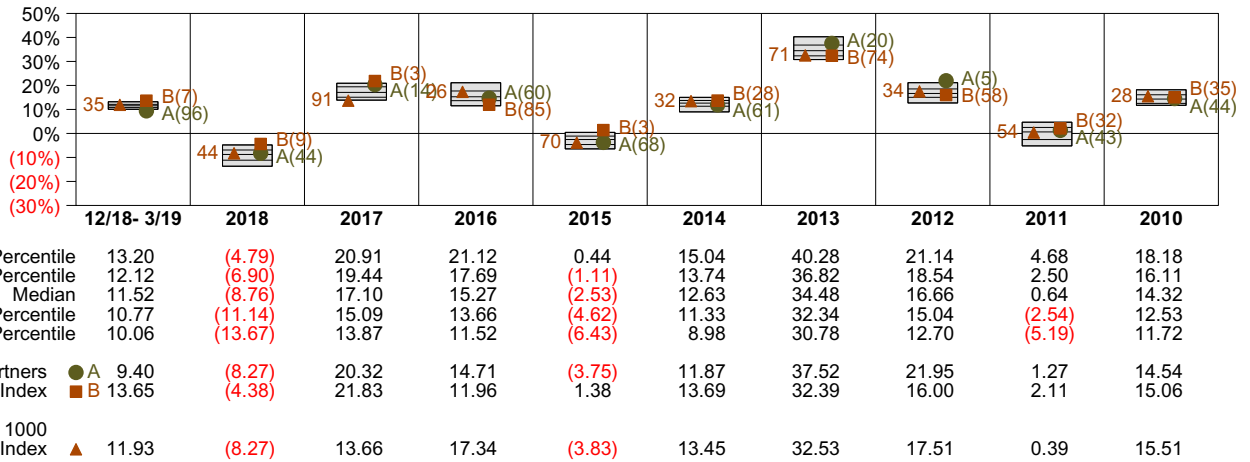


# Boston Partners Return Analysis Summary

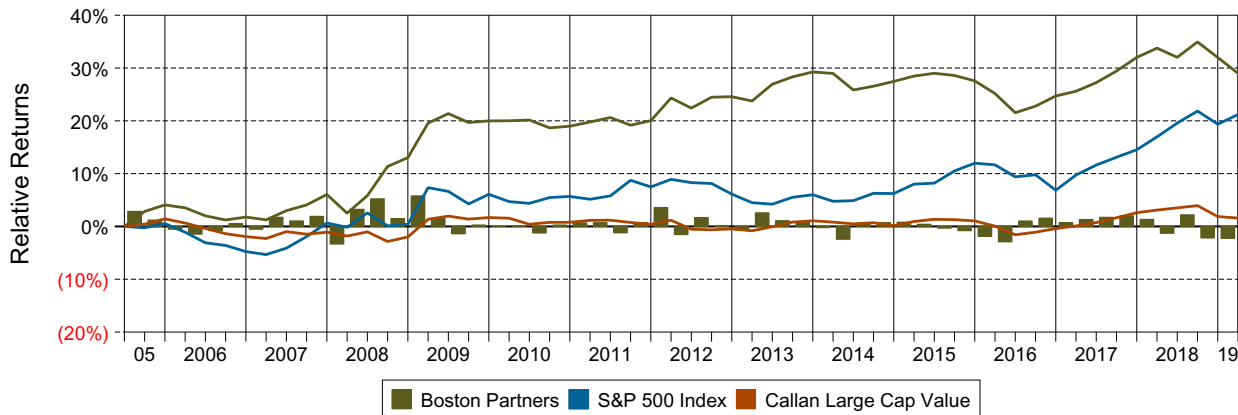
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

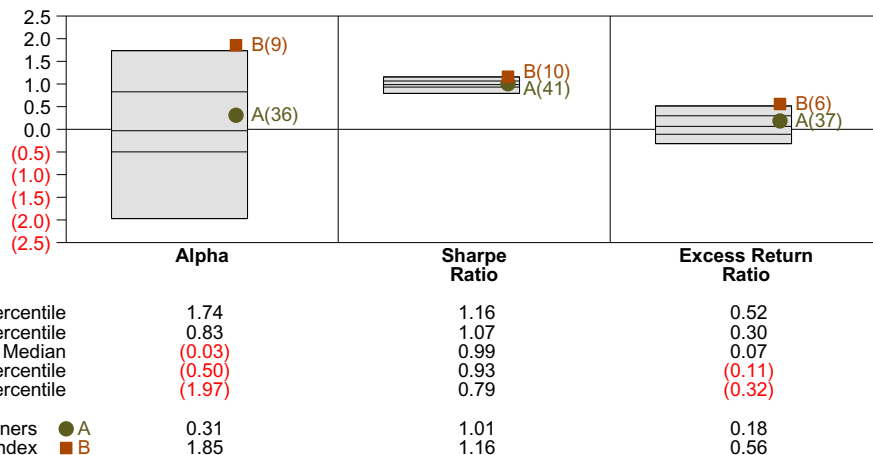
### Performance vs Callan Large Cap Value (Gross)



### Cumulative and Quarterly Relative Return vs Russell 1000 Value Index



### Risk Adjusted Return Measures vs Russell 1000 Value Index Rankings Against Callan Large Cap Value (Gross) Seven Years Ended March 31, 2019

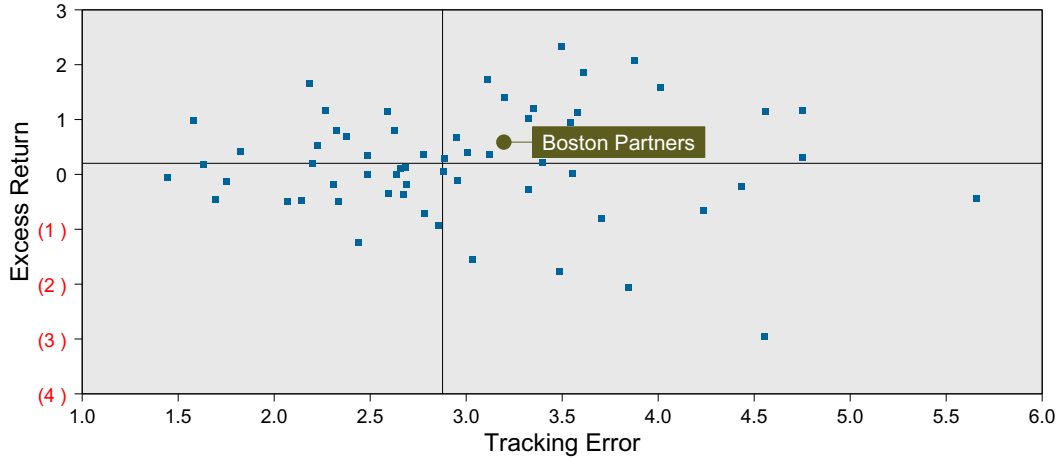


# Boston Partners Risk Analysis Summary

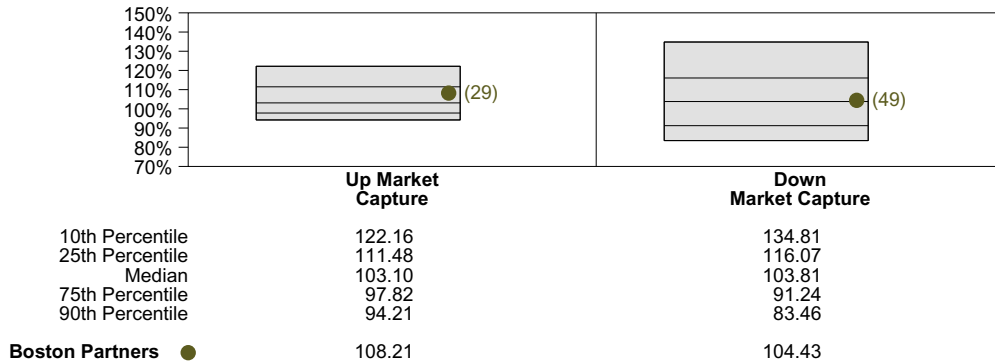
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

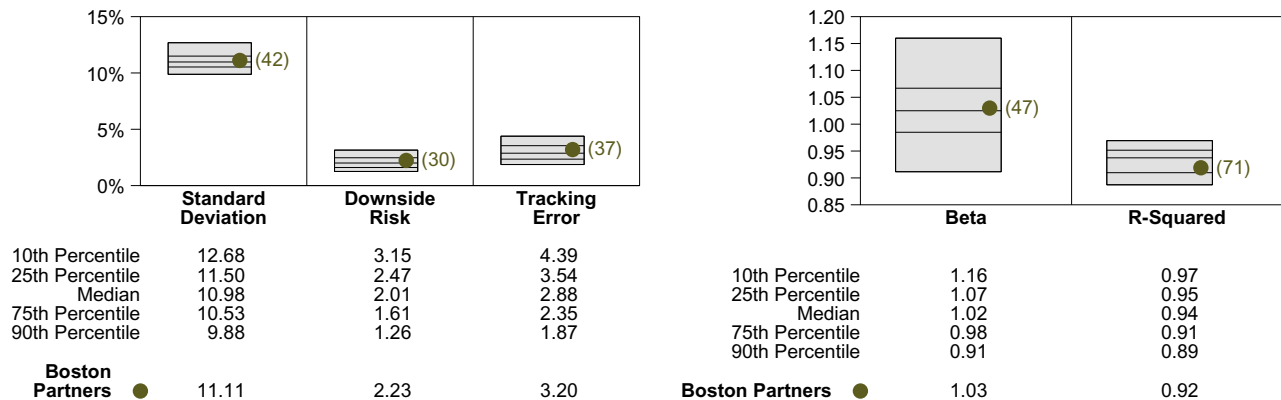
### Risk Analysis vs Callan Large Cap Value (Gross) Seven Years Ended March 31, 2019



### Market Capture vs Russell 1000 Value Index Rankings Against Callan Large Cap Value (Gross) Seven Years Ended March 31, 2019



### Risk Statistics Rankings vs Russell 1000 Value Index Rankings Against Callan Large Cap Value (Gross) Seven Years Ended March 31, 2019

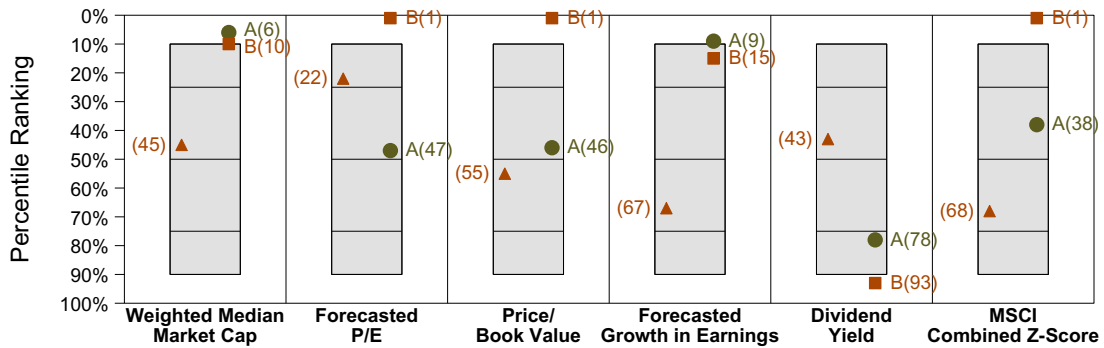


# Boston Partners Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Callan Large Cap Value as of March 31, 2019

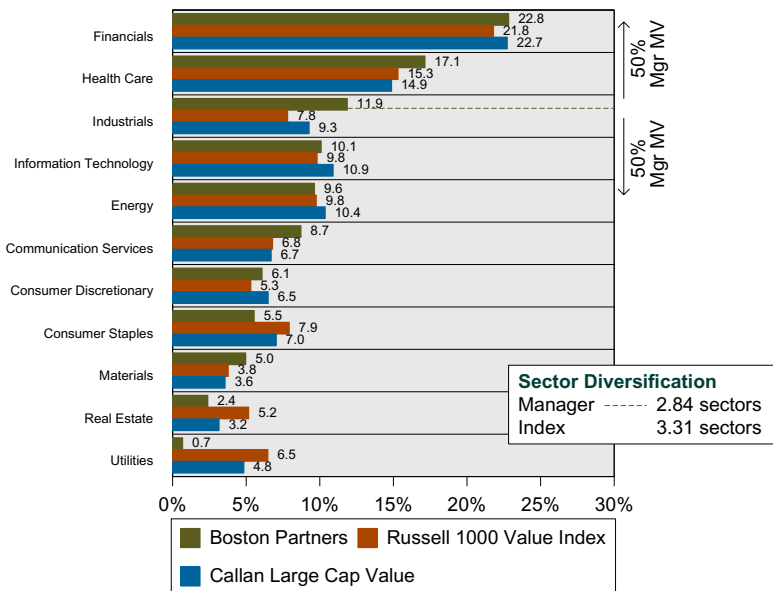


	Weighted Median Market Cap	Forecasted P/E	Price/Book Value	Forecasted Growth in Earnings	Dividend Yield	MSCI Combined Z-Score
10th Percentile	114.50	15.21	2.49	14.31	3.13	(0.37)
25th Percentile	81.20	14.11	2.26	13.29	2.83	(0.62)
Median	65.49	13.23	2.04	11.89	2.54	(0.75)
75th Percentile	44.41	12.45	1.90	10.75	2.28	(0.99)
90th Percentile	35.97	11.21	1.60	10.12	2.12	(1.19)
Boston Partners	● A 119.85	13.34	2.07	14.33	2.26	(0.66)
S&P 500 Index	■ B 118.03	16.59	3.12	13.97	2.00	(0.04)
Russell 1000 Value Index	▲ 67.40	14.15	2.00	11.21	2.64	(0.89)

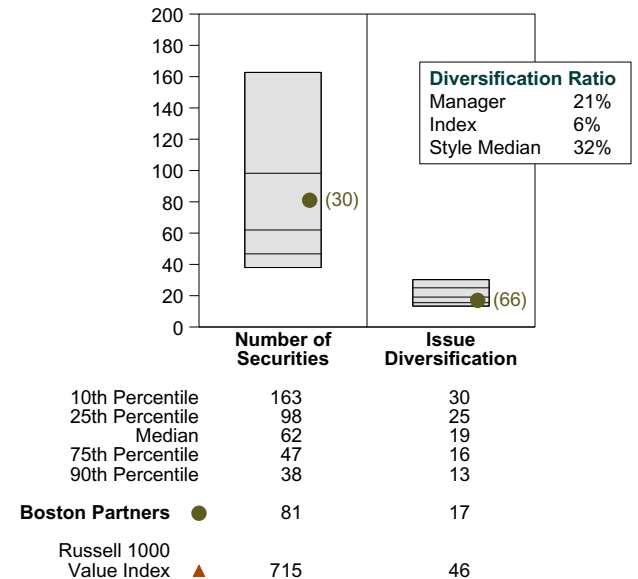
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

### Sector Allocation March 31, 2019



### Diversification March 31, 2019



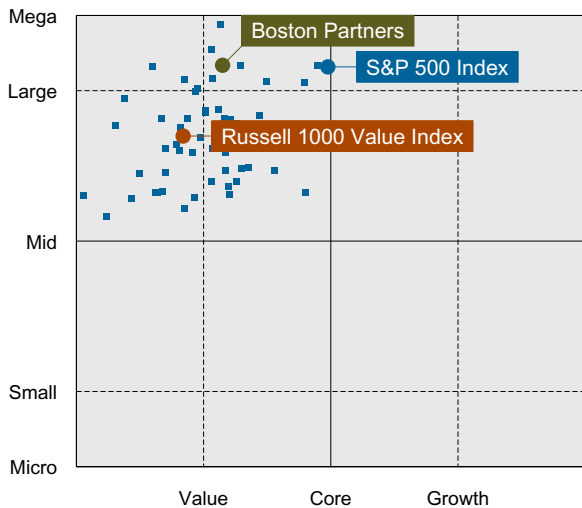
# Current Holdings Based Style Analysis

## Boston Partners

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

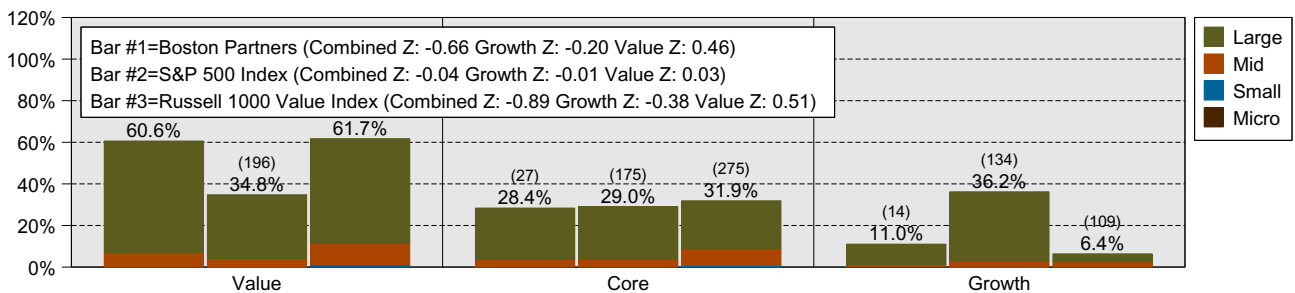
**Style Map vs Callan Large Cap Value Holdings as of March 31, 2019**



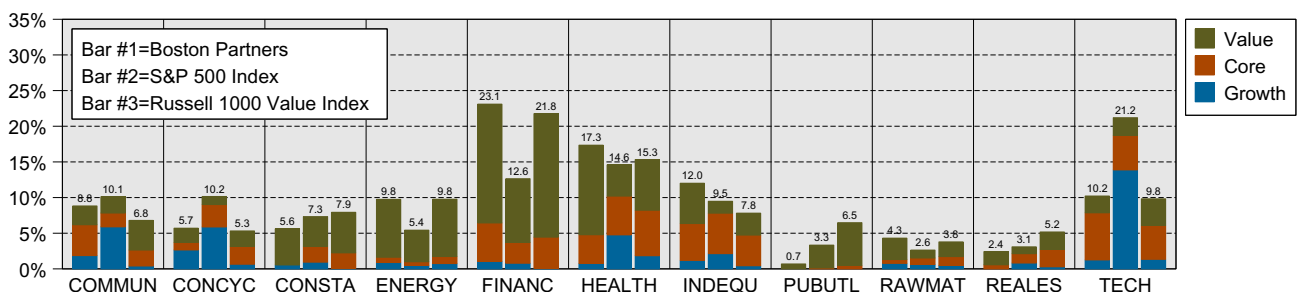
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Large	53.4% (35)	24.8% (18)	9.9% (12)	88.1% (65)
	30.7% (104)	25.2% (94)	33.5% (80)	89.4% (278)
	50.5% (103)	23.0% (71)	3.8% (22)	77.3% (196)
Mid	7.2% (9)	3.6% (8)	0.8% (1)	11.5% (18)
	4.1% (91)	3.8% (81)	2.7% (52)	10.6% (224)
	10.2% (165)	8.1% (153)	2.4% (73)	20.6% (391)
Small	0.0% (0)	0.0% (0)	0.3% (1)	0.3% (1)
	0.0% (1)	0.0% (0)	0.0% (2)	0.0% (3)
	1.1% (59)	0.8% (50)	0.2% (14)	2.1% (123)
Micro	0.0% (0)	0.0% (1)	0.0% (0)	0.0% (1)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (1)	0.0% (0)	0.0% (1)
<b>Total</b>	<b>60.6% (44)</b>	<b>28.4% (27)</b>	<b>11.0% (14)</b>	<b>100.0% (85)</b>
	<b>34.8% (196)</b>	<b>29.0% (175)</b>	<b>36.2% (134)</b>	<b>100.0% (505)</b>
	<b>61.7% (327)</b>	<b>31.9% (275)</b>	<b>6.4% (109)</b>	<b>100.0% (711)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**



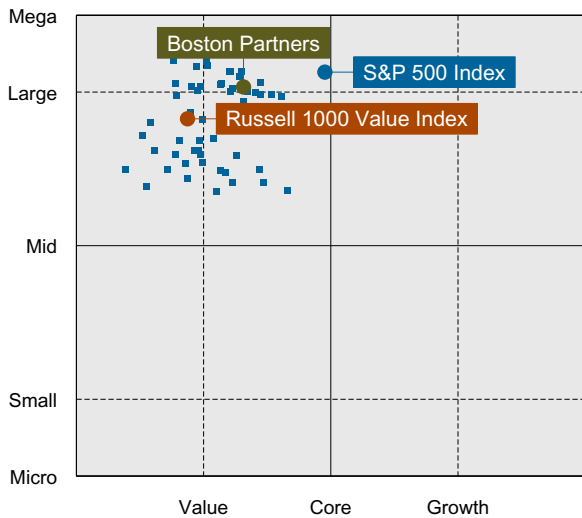
# Historical Holdings Based Style Analysis

## Boston Partners

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

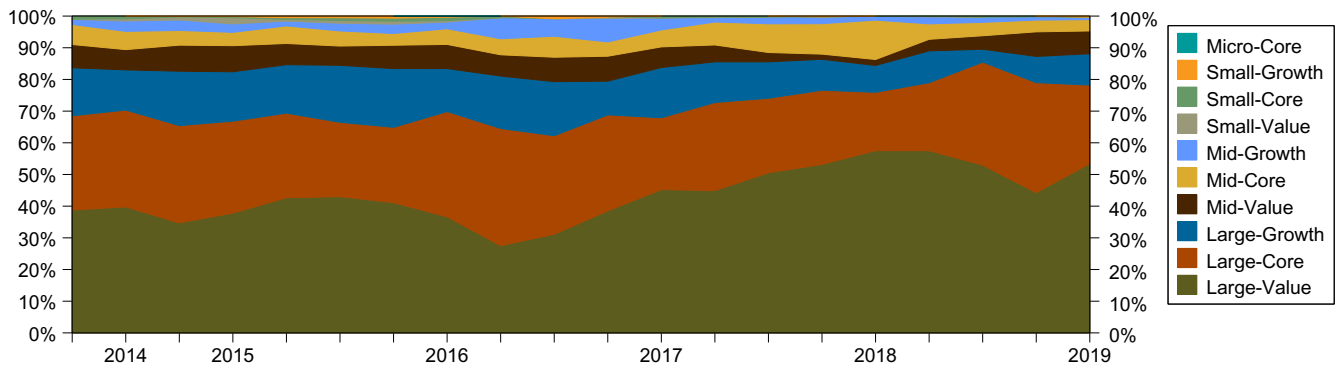
**Average Style Map vs Callan Large Cap Value Holdings for Five Years Ended March 31, 2019**



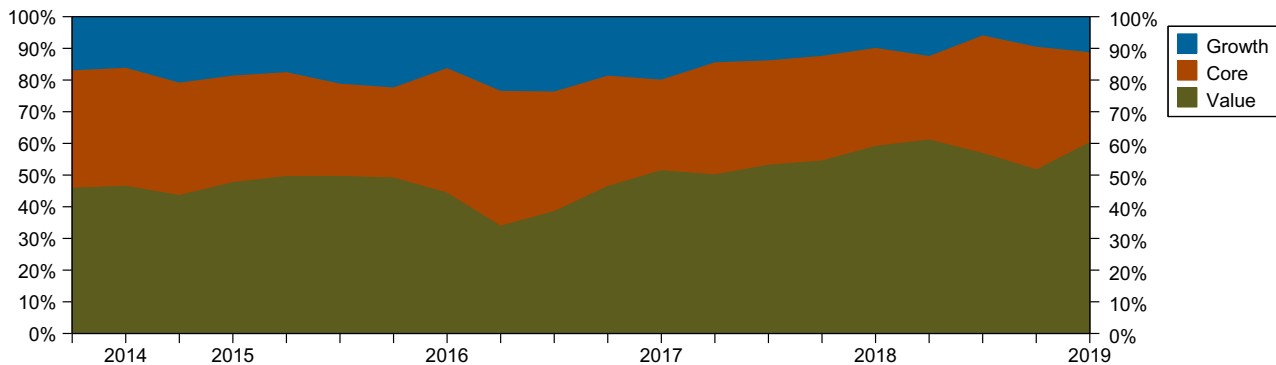
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	Value	Core	Growth	Total
Large	43.6% (28)	27.8% (21)	13.0% (13)	84.4% (62)
	31.9% (99)	27.4% (95)	29.9% (91)	89.2% (285)
Mid	51.0% (96)	23.0% (72)	4.1% (28)	78.1% (196)
	6.1% (9)	5.8% (9)	2.8% (4)	14.7% (22)
Small	4.0% (84)	3.9% (78)	2.8% (51)	10.7% (213)
	10.2% (164)	7.0% (151)	2.3% (63)	19.5% (378)
Micro	0.4% (1)	0.4% (1)	0.2% (1)	1.0% (3)
	0.0% (3)	0.0% (1)	0.0% (1)	0.1% (5)
Total	1.3% (60)	0.8% (45)	0.2% (16)	2.3% (121)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (1)	0.0% (0)	0.0% (1)
Total	50.0% (38)	34.0% (31)	16.0% (18)	100.0% (87)
	36.0% (186)	31.4% (174)	32.7% (143)	100.0% (503)
Total	62.5% (320)	30.9% (269)	6.6% (107)	100.0% (696)

**Boston Partners Historical Cap/Style Exposures**



**Boston Partners Historical Style Only Exposures**

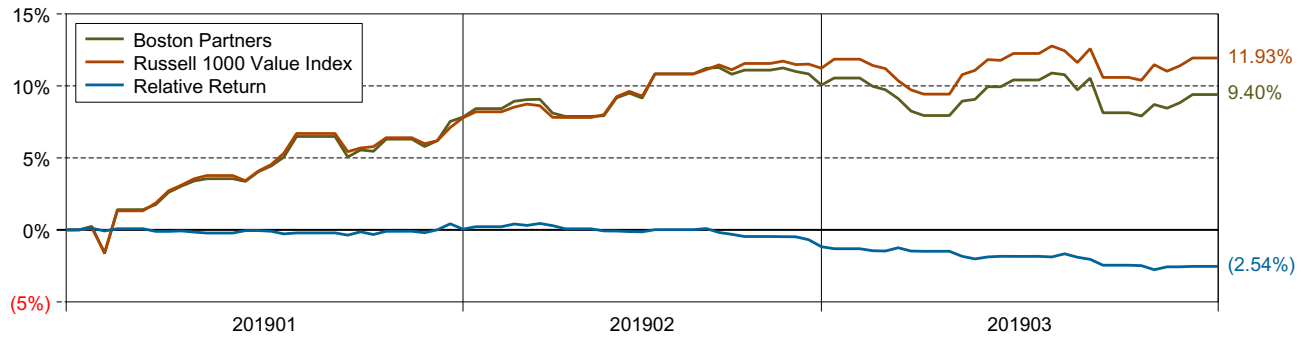


# Boston Partners vs Russell 1000 Value Index Domestic Equity Daily Performance Attribution One Quarter Ended March 31, 2019

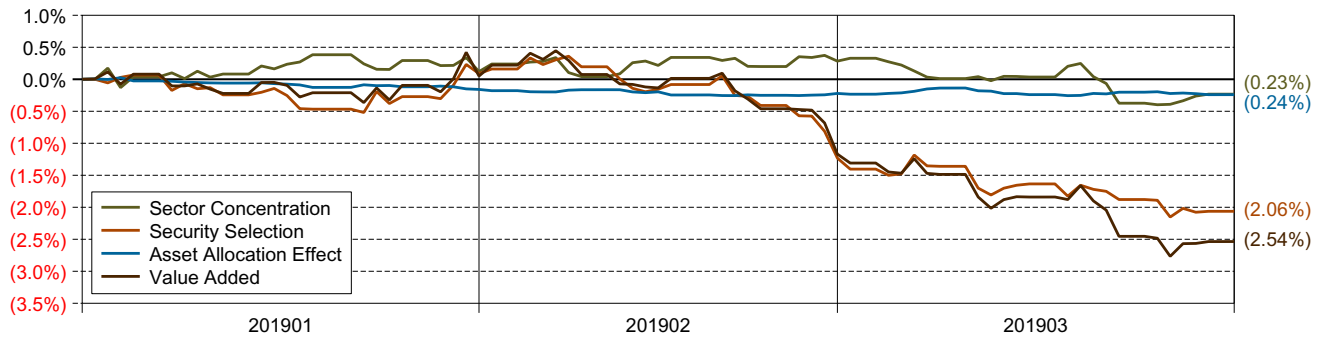
## Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

## Cumulative Manager and Benchmark Returns



## Cumulative Attribution Effects vs. Russell 1000 Value Index



## Attribution Effects by Sector vs. Russell 1000 Value Index One Quarter Ended March 31, 2019

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Communication Services	6.00%	7.11%	12.56%	9.54%	0.02%	0.05%	-
Consumer Discretionary	4.92%	5.30%	15.83%	13.21%	0.02%	0.14%	-
Consumer Staples	5.34%	7.80%	10.47%	12.45%	(0.03)%	(0.11)%	-
Energy	8.76%	9.50%	14.53%	16.60%	(0.05)%	(0.18)%	-
Financials	27.34%	22.66%	8.60%	8.02%	(0.23)%	0.18%	-
Health Care	18.19%	15.39%	0.15%	7.67%	(0.18)%	(1.39)%	-
Industrials	11.48%	7.63%	17.10%	18.67%	0.23%	(0.20)%	-
Information Technology	10.74%	9.43%	16.25%	18.38%	0.11%	(0.23)%	-
Materials	4.10%	3.83%	3.17%	9.20%	(0.03)%	(0.28)%	-
Real Estate	2.40%	5.02%	15.49%	16.47%	(0.12)%	(0.02)%	-
Utilities	0.75%	6.33%	10.16%	11.53%	0.02%	(0.01)%	-
Non Equity	2.58%	0.00%	-	-	-	-	(0.24)%
<b>Total</b>	-	-	<b>9.40%</b>	<b>11.93%</b>	<b>(0.23)%</b>	<b>(2.06)%</b>	<b>(0.24)%</b>

<b>Manager Return</b>	=	<b>Index Return</b>	+	<b>Sector Concentration</b>	+	<b>Security Selection</b>	+	<b>Asset Allocation</b>
<b>9.40%</b>		<b>11.93%</b>		<b>(0.23%)</b>		<b>(2.06%)</b>		<b>(0.24%)</b>

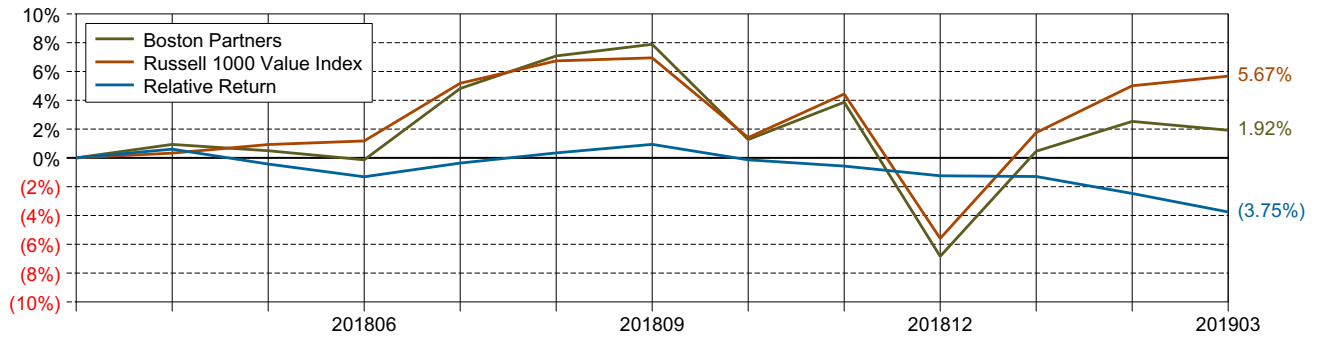


# Boston Partners vs Russell 1000 Value Index Domestic Equity Daily Performance Attribution One Year Ended March 31, 2019

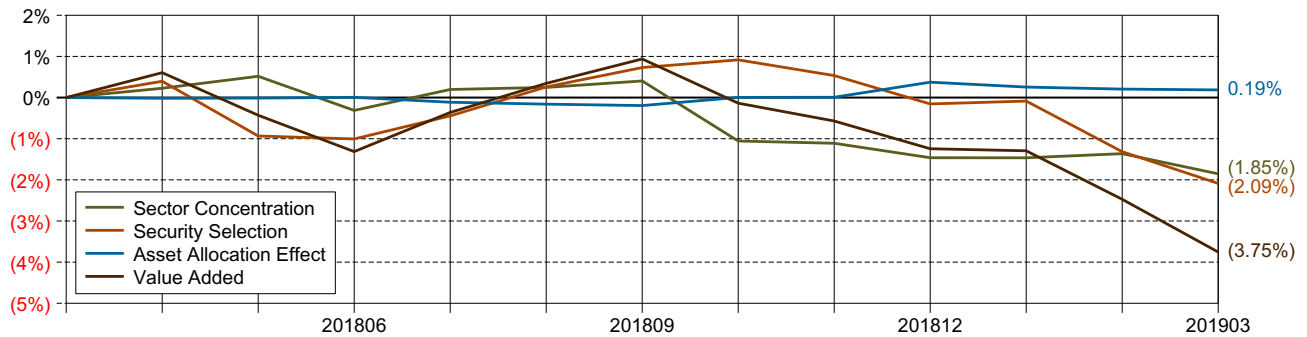
## Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

## Cumulative Manager and Benchmark Returns



## Cumulative Attribution Effects vs. Russell 1000 Value Index



## Attribution Effects by Sector vs. Russell 1000 Value Index One Year Ended March 31, 2019

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Communication Services	4.63%	5.40%	30.06%	6.92%	(0.07)%	0.54%	-
Consumer Discretionary	4.23%	6.16%	(4.66)%	3.65%	0.20%	(0.23)%	-
Consumer Staples	2.25%	7.56%	20.71%	8.44%	(0.22)%	0.20%	-
Energy	11.42%	10.50%	4.59%	2.19%	(0.18)%	0.27%	-
Financials	30.16%	23.97%	(5.22)%	(5.91)%	(0.73)%	0.31%	-
Health Care	18.24%	14.74%	7.87%	18.62%	0.43%	(1.73)%	-
Industrials	10.37%	7.86%	(1.99)%	0.51%	(0.12)%	(0.23)%	-
Information Technology	11.95%	9.54%	5.68%	10.75%	(0.01)%	(0.43)%	-
Materials	4.18%	3.54%	(16.97)%	(5.01)%	(0.04)%	(0.51)%	-
Real Estate	1.88%	4.80%	8.77%	19.29%	(0.39)%	(0.18)%	-
Utilities	0.68%	5.94%	0.73%	20.36%	(0.74)%	(0.10)%	-
Non Equity	2.56%	0.00%	-	-	-	-	0.19%
Total	-	-	1.92%	5.67%	(1.85)%	(2.09)%	0.19%

<b>Manager Return</b>	=	<b>Index Return</b>	+	<b>Sector Concentration</b>	+	<b>Security Selection</b>	+	<b>Asset Allocation</b>
1.92%		5.67%		(1.85%)		(2.09%)		0.19%

## Boston Partners vs Russell 1000 Value Index Domestic Equity Top 10 Contribution Holdings One Quarter Ended March 31, 2019

### Manager Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Cisco Sys Inc	Information Technology	3.86%	90	1.72%	25.53%	25.60%	0.91%	0.26%
Citigroup Inc	Financials	2.77%	90	1.17%	20.36%	20.36%	0.53%	0.12%
Comcast Corp A (New)	Communication Services	3.13%	90	1.33%	17.36%	17.42%	0.51%	0.09%
Chevron Corp New	Energy	3.44%	90	1.75%	14.55%	14.37%	0.45%	0.06%
Boeing Co	Industrials	2.26%	90	-	17.72%	-	0.42%	0.26%
Johnson & Johnson	Health Care	4.65%	90	2.35%	9.03%	9.04%	0.41%	(0.07)%
Procter & Gamble Co	Consumer Staples	2.80%	90	1.91%	14.09%	14.09%	0.38%	0.02%
Cigna Corp New	Health Care	2.21%	90	0.34%	(15.46)%	(15.30)%	(0.37)%	(0.52)%
United Technologies Corp	Industrials	1.87%	90	0.76%	21.73%	21.76%	0.36%	0.10%
Bank Amer Corp	Financials	3.21%	90	2.01%	12.50%	12.55%	0.36%	(0.02)%

### Index Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Index Perf	Contrib Excess Return
Exxon Mobil Corp	Energy	-	-	2.49%	-	19.81%	0.46%	(0.18)%
Cisco Sys Inc	Information Technology	3.86%	90	1.72%	25.53%	25.60%	0.40%	0.26%
Philip Morris Intl Inc	Consumer Staples	-	-	0.96%	-	34.11%	0.29%	(0.18)%
Procter & Gamble Co	Consumer Staples	2.80%	90	1.91%	14.09%	14.09%	0.26%	0.02%
Intel Corp	Information Technology	-	-	1.79%	-	15.15%	0.26%	(0.05)%
Bank Amer Corp	Financials	3.21%	90	2.01%	12.50%	12.55%	0.25%	(0.02)%
Chevron Corp New	Energy	3.44%	90	1.75%	14.55%	14.37%	0.24%	0.06%
Citigroup Inc	Financials	2.77%	90	1.17%	20.36%	20.36%	0.23%	0.12%
Comcast Corp A (New)	Communication Services	3.13%	90	1.33%	17.36%	17.42%	0.22%	0.09%
General Electric Co	Industrials	-	-	0.65%	-	37.43%	0.21%	(0.14)%

### Positions with Largest Positive Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Boeing Co	Industrials	2.26%	90	-	17.72%	-	0.42%	0.26%
Cisco Sys Inc	Information Technology	3.86%	90	1.72%	25.53%	25.60%	0.91%	0.26%
Noble Energy Inc	Energy	0.78%	90	0.08%	31.68%	32.53%	0.21%	0.14%
Citigroup Inc	Financials	2.77%	90	1.17%	20.36%	20.36%	0.53%	0.12%
Cme Group Inc	Financials	-	-	0.48%	-	(12.13)%	-	0.12%
Dxc Technology Co	Information Technology	1.45%	90	0.14%	21.31%	21.31%	0.26%	0.10%
United Technologies Corp	Industrials	1.87%	90	0.76%	21.73%	21.76%	0.36%	0.10%
Dover Corp	Industrials	0.75%	90	0.10%	32.20%	32.91%	0.19%	0.09%
Union Pacific Corp	Industrials	1.29%	90	0.07%	21.23%	21.59%	0.23%	0.09%
Discover Finl Svcs	Financials	1.14%	90	0.10%	21.32%	21.32%	0.23%	0.09%

### Positions with Largest Negative Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Cigna Corp New	Health Care	2.21%	90	0.34%	(15.46)%	(15.30)%	(0.37)%	(0.52)%
Cvs Health Corp	Health Care	1.87%	90	0.65%	(16.99)%	(17.06)%	(0.33)%	(0.37)%
Berkshire Hathaway Inc Del Cl B New	Financials	4.50%	90	2.78%	(1.61)%	(1.61)%	(0.07)%	(0.23)%
Hp Inc	Information Technology	1.44%	90	0.26%	(4.24)%	(4.24)%	(0.06)%	(0.20)%
Philip Morris Intl Inc	Consumer Staples	-	-	0.96%	-	34.11%	-	(0.18)%
Exxon Mobil Corp	Energy	-	-	2.49%	-	19.81%	-	(0.18)%
Verizon Communications Inc	Communication Services	1.40%	40	1.86%	(4.57)%	6.29%	(0.09)%	(0.15)%
General Electric Co	Industrials	-	-	0.65%	-	37.43%	-	(0.14)%
Pfizer	Health Care	2.55%	90	2.01%	(1.82)%	(1.88)%	(0.07)%	(0.09)%
Delta Air Lines Inc Del	Industrials	1.42%	90	0.19%	3.79%	4.24%	0.06%	(0.09)%

# Atlanta Capital Period Ended March 31, 2019

## Investment Philosophy

Atlanta believes that high quality companies produce consistently increasing earnings and dividends, thereby providing attractive returns with moderate risk over the long-term. Returns prior to 6/30/2010 are linked to a composite history.

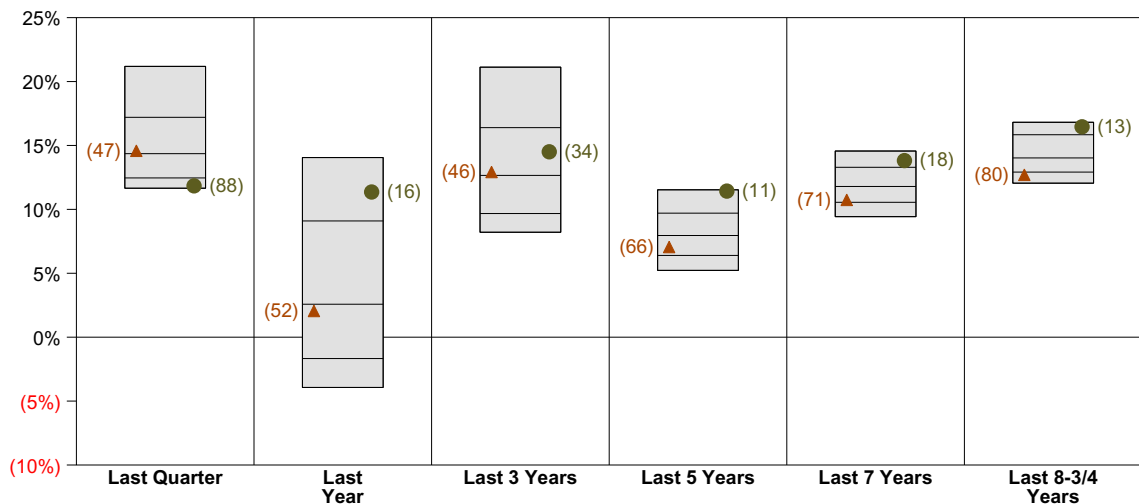
## Quarterly Summary and Highlights

- Atlanta Capital's portfolio posted a 11.84% return for the quarter placing it in the 88 percentile of the Callan Small Capitalization group for the quarter and in the 16 percentile for the last year.
- Atlanta Capital's portfolio underperformed the Russell 2000 Index by 2.74% for the quarter and outperformed the Russell 2000 Index for the year by 9.31%.

## Quarterly Asset Growth

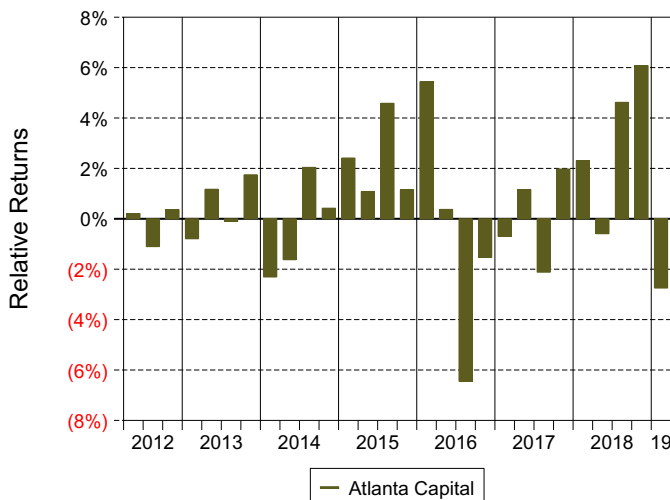
Beginning Market Value	\$22,212,390
Net New Investment	\$0
Investment Gains/(Losses)	\$2,629,792
Ending Market Value	\$24,842,181

## Performance vs Callan Small Capitalization (Gross)

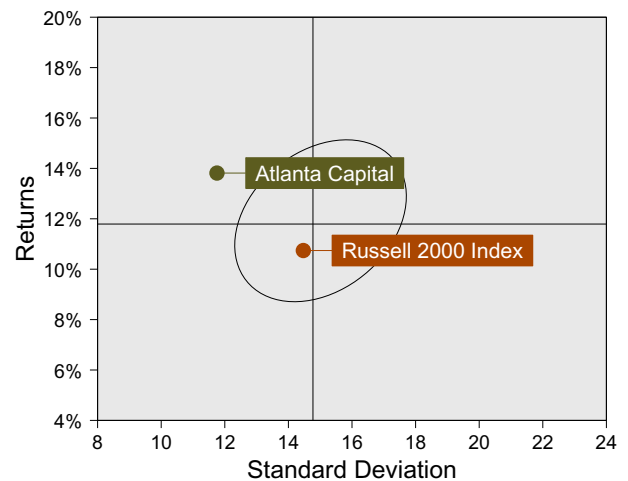


10th Percentile	21.19	14.05	21.13	11.53	14.56	16.81
25th Percentile	17.20	9.09	16.39	9.70	13.29	15.84
Median	14.36	2.58	12.66	7.96	11.79	14.02
75th Percentile	12.46	(1.67)	9.67	6.40	10.55	12.92
90th Percentile	11.65	(3.93)	8.21	5.23	9.43	12.05
<b>Atlanta Capital</b> ●	11.84	11.36	14.50	11.43	13.81	16.46
Russell 2000 Index ▲	14.58	2.05	12.92	7.05	10.74	12.70

## Relative Return vs Russell 2000 Index



## Callan Small Capitalization (Gross) Annualized Seven Year Risk vs Return

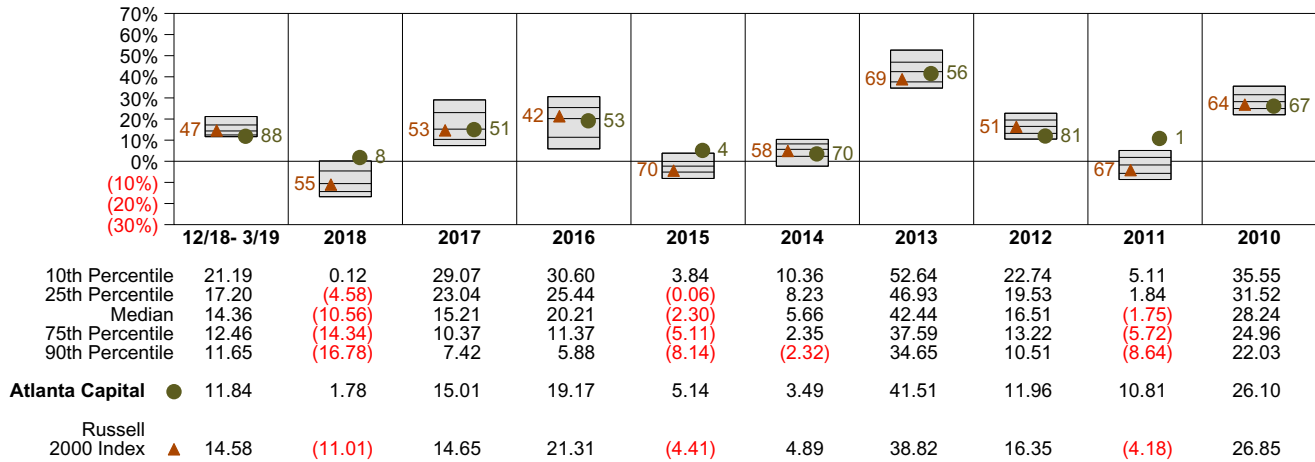


# Atlanta Capital Return Analysis Summary

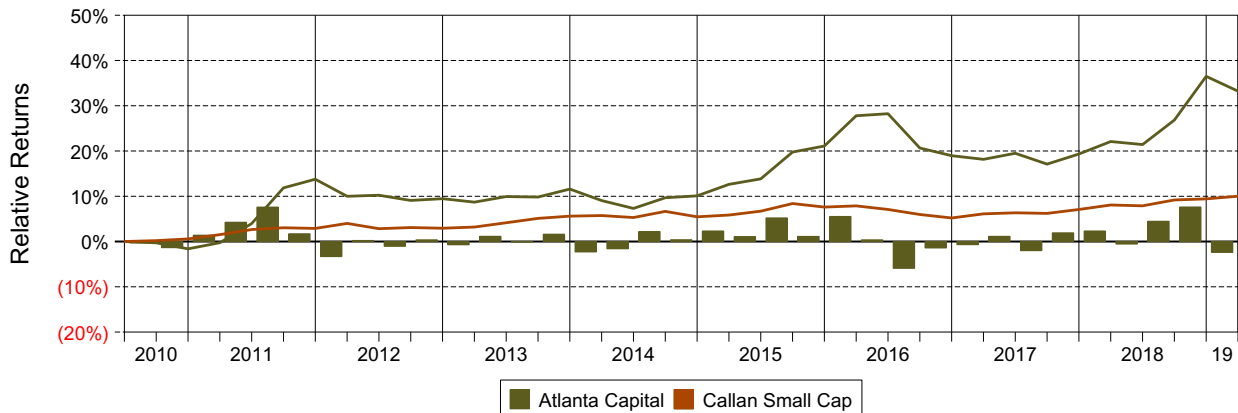
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

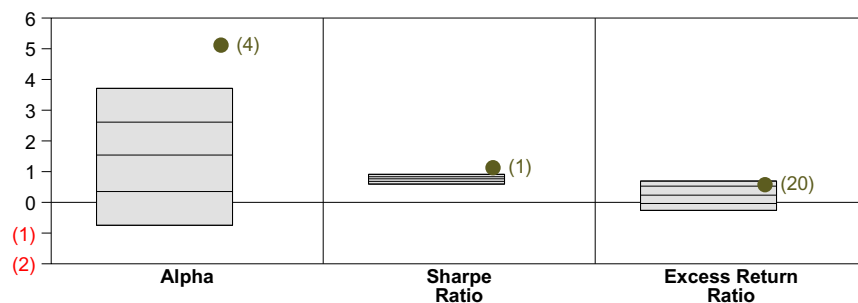
### Performance vs Callan Small Capitalization (Gross)



### Cumulative and Quarterly Relative Return vs Russell 2000 Index



### Risk Adjusted Return Measures vs Russell 2000 Index Rankings Against Callan Small Capitalization (Gross) Seven Years Ended March 31, 2019



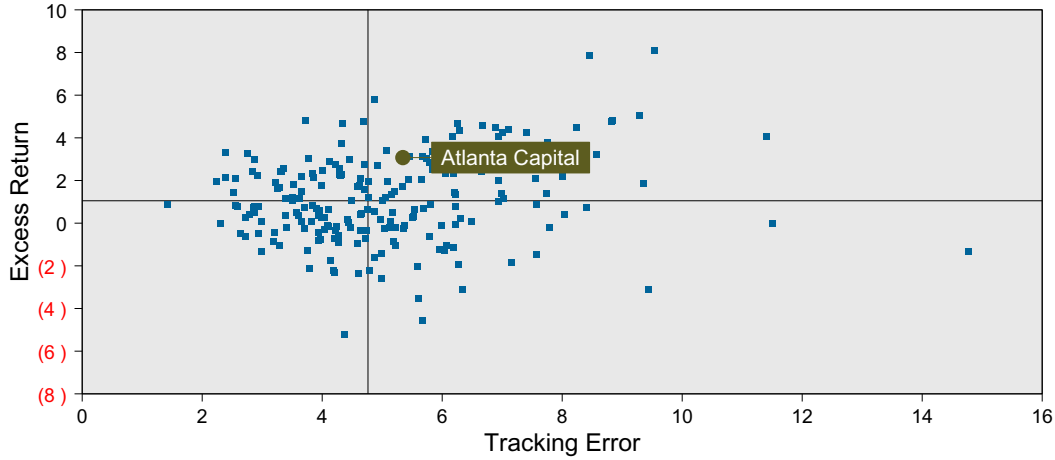
10th Percentile	3.71	0.91	0.69
25th Percentile	2.61	0.83	0.53
Median	1.54	0.77	0.23
75th Percentile	0.35	0.68	(0.04)
90th Percentile	(0.75)	0.59	(0.26)
<b>Atlanta Capital</b>	● 5.12	1.13	0.58

# Atlanta Capital Risk Analysis Summary

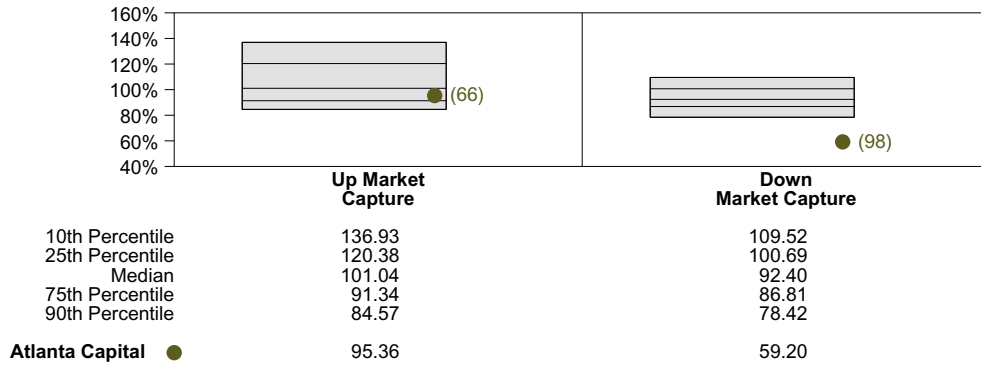
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

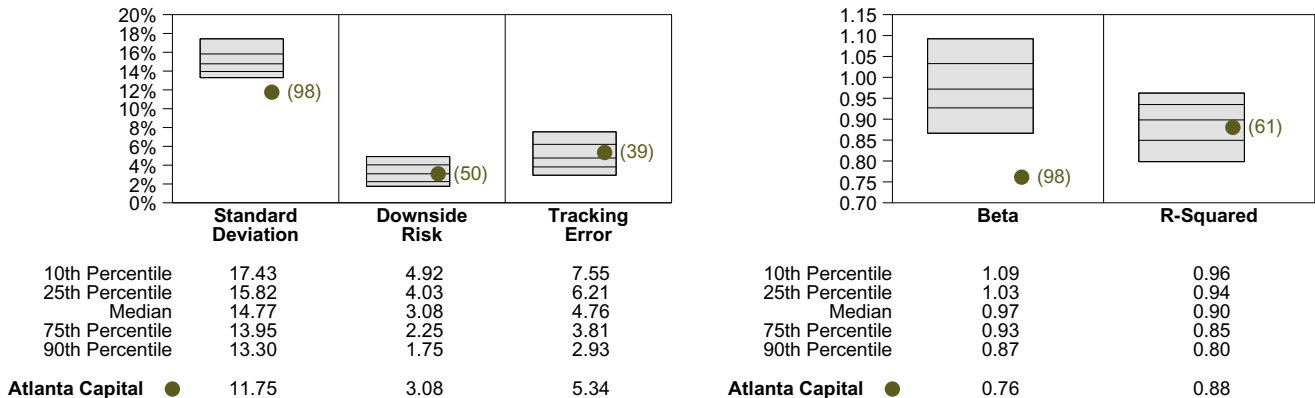
### Risk Analysis vs Callan Small Capitalization (Gross) Seven Years Ended March 31, 2019



### Market Capture vs Russell 2000 Index Rankings Against Callan Small Capitalization (Gross) Seven Years Ended March 31, 2019



### Risk Statistics Rankings vs Russell 2000 Index Rankings Against Callan Small Capitalization (Gross) Seven Years Ended March 31, 2019

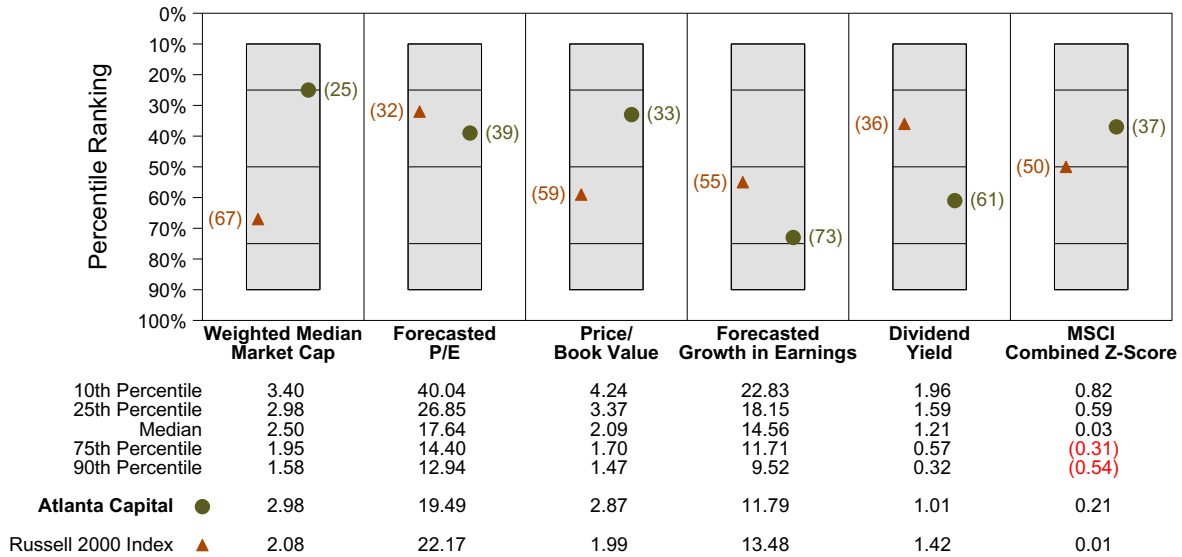


# Atlanta Capital Equity Characteristics Analysis Summary

## Portfolio Characteristics

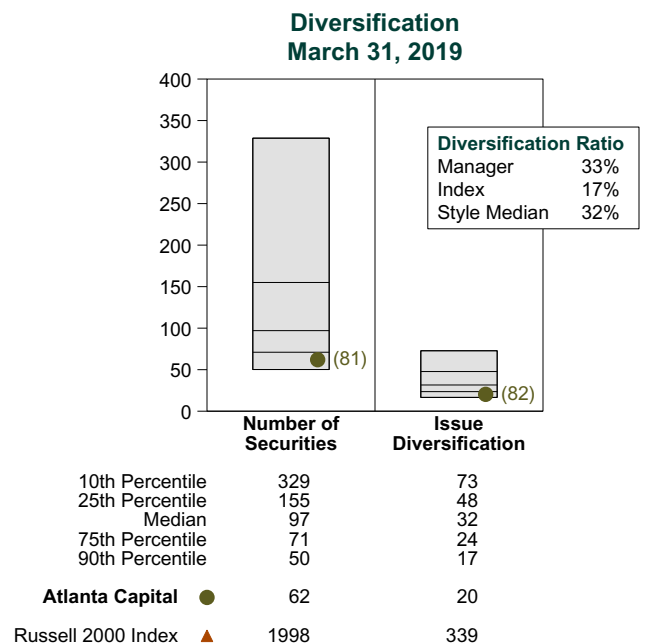
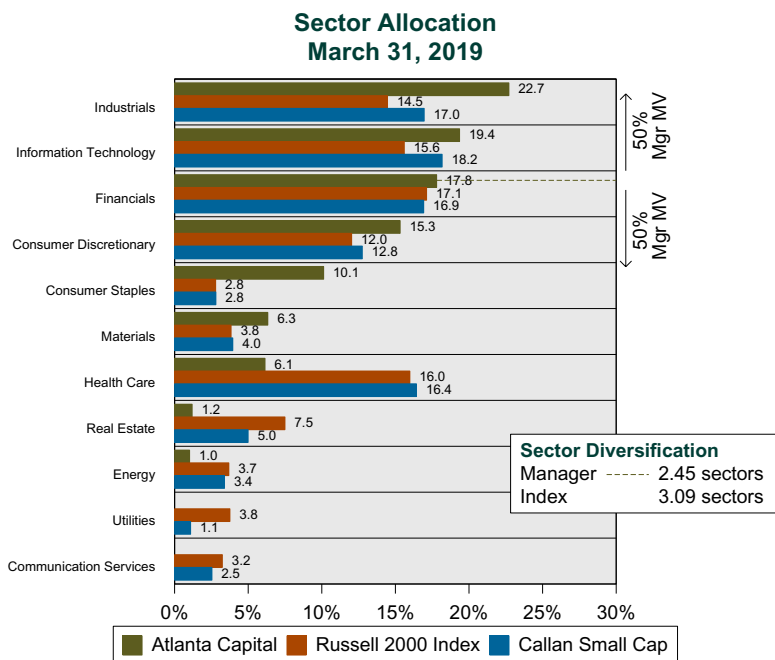
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Callan Small Capitalization as of March 31, 2019



## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



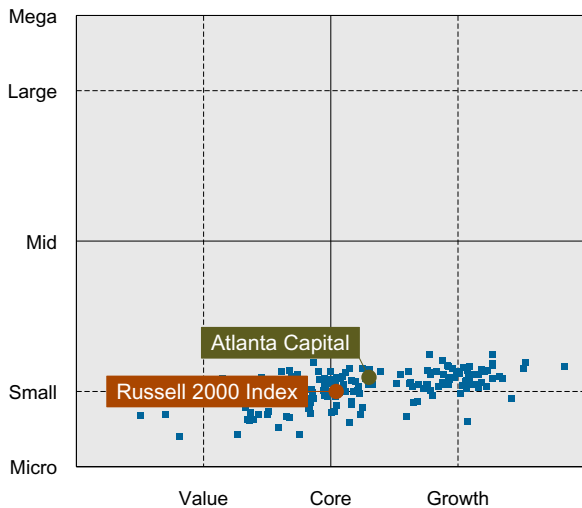
# Current Holdings Based Style Analysis

## Atlanta Capital

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

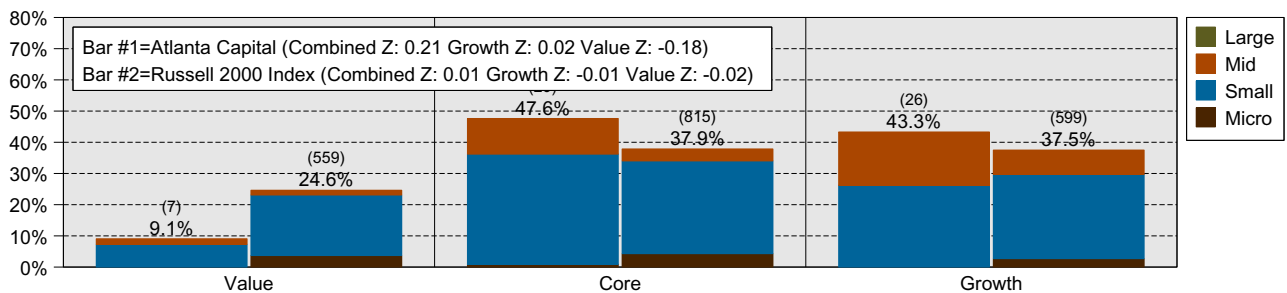
**Style Map vs Callan Small Cap Holdings as of March 31, 2019**



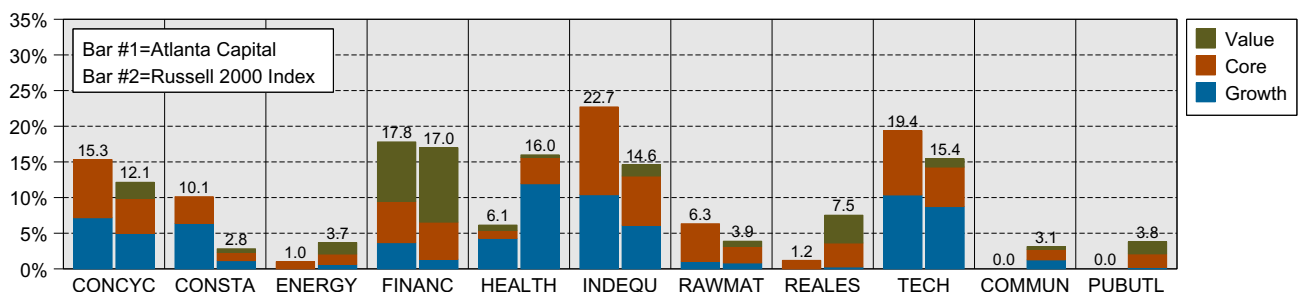
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Large	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Mid	1.8% (1)	11.4% (5)	17.1% (9)	30.3% (15)
Small	7.3% (6)	35.3% (23)	26.2% (17)	68.8% (46)
Micro	0.0% (0)	0.9% (1)	0.0% (0)	0.9% (1)
<b>Total</b>	<b>9.1% (7)</b>	<b>47.6% (29)</b>	<b>43.3% (26)</b>	<b>100.0% (62)</b>
	<b>24.6% (559)</b>	<b>37.9% (815)</b>	<b>37.5% (599)</b>	<b>100.0% (1973)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**



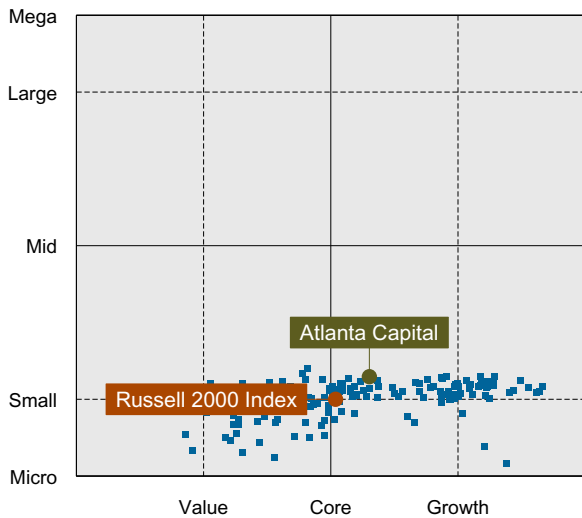
# Historical Holdings Based Style Analysis

## Atlanta Capital

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

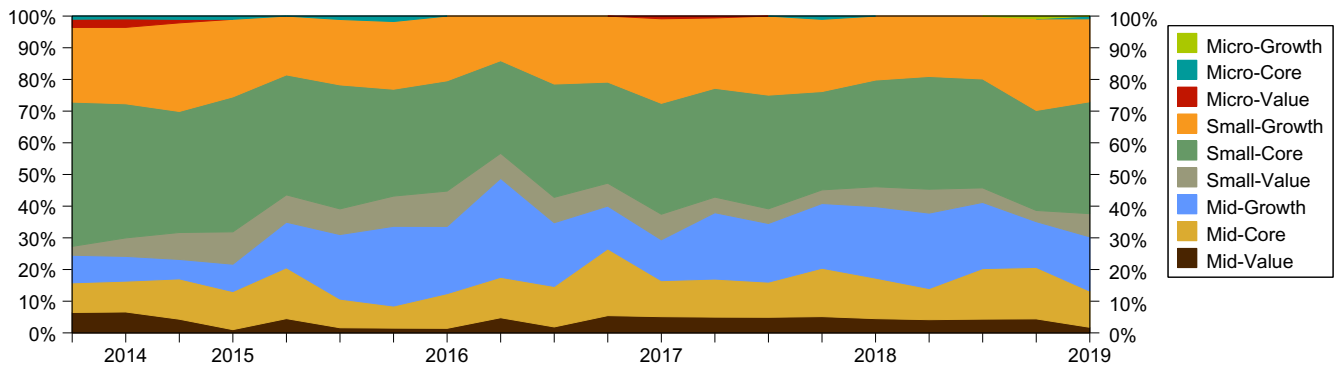
**Average Style Map vs Callan Small Cap Holdings for Five Years Ended March 31, 2019**



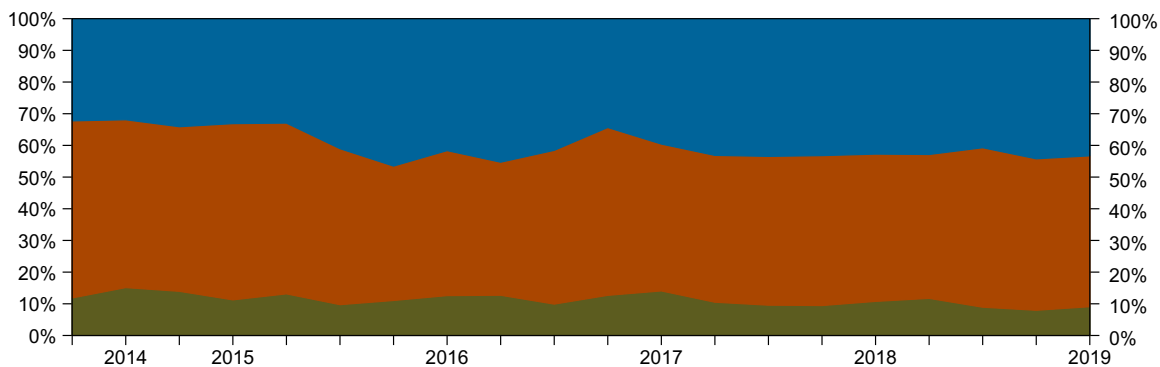
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	0.0% (0)	0.0% (0)	0.0% (0)	<b>0.0% (0)</b>
Large	0.0% (0)	0.0% (0)	0.0% (0)	<b>0.0% (0)</b>
Mid	3.9% (3)	12.5% (6)	17.4% (8)	<b>33.9% (17)</b>
Small	7.0% (6)	35.9% (24)	22.4% (13)	<b>65.3% (43)</b>
Micro	0.4% (0)	0.4% (0)	0.0% (0)	<b>0.9% (0)</b>
<b>Total</b>	<b>11.3% (9)</b>	<b>48.8% (30)</b>	<b>39.9% (21)</b>	<b>100.0% (60)</b>
	<b>26.0% (563)</b>	<b>40.1% (822)</b>	<b>33.9% (584)</b>	<b>100.0% (1969)</b>
	Value	Core	Growth	Total

**Atlanta Capital Historical Cap/Style Exposures**



**Atlanta Capital Historical Style Only Exposures**



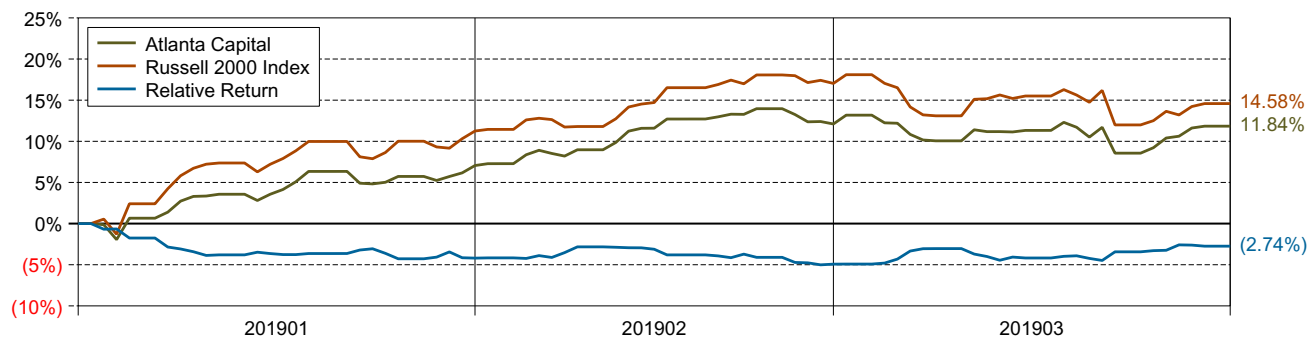


# Atlanta Capital vs Russell 2000 Index Domestic Equity Daily Performance Attribution One Quarter Ended March 31, 2019

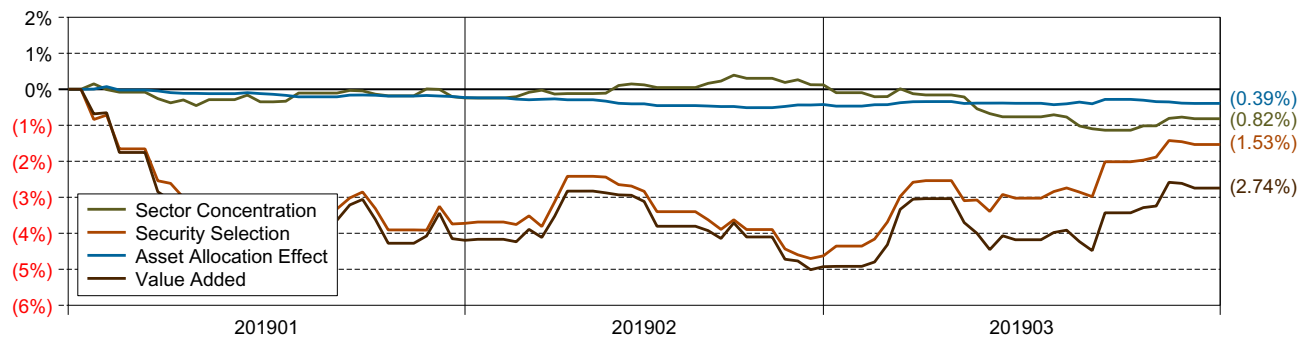
## Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

## Cumulative Manager and Benchmark Returns



## Cumulative Attribution Effects vs. Russell 2000 Index



## Attribution Effects by Sector vs. Russell 2000 Index One Quarter Ended March 31, 2019

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Communication Services	0.00%	3.24%	0.00%	15.14%	(0.02)%	0.00%	-
Consumer Discretionary	15.48%	12.16%	13.72%	13.15%	(0.05)%	0.04%	-
Consumer Staples	10.81%	2.81%	2.00%	7.46%	(0.59)%	(0.64)%	-
Energy	0.86%	3.56%	52.68%	19.88%	(0.14)%	0.24%	-
Financials	18.30%	17.99%	11.77%	8.59%	(0.03)%	0.58%	-
Health Care	5.75%	15.65%	6.21%	16.71%	(0.21)%	(0.60)%	-
Industrials	22.41%	14.84%	9.36%	12.22%	(0.18)%	(0.63)%	-
Information Technology	19.09%	14.94%	19.17%	22.60%	0.35%	(0.61)%	-
Materials	6.17%	3.84%	16.94%	16.96%	0.06%	(0.00)%	-
Real Estate	1.14%	7.30%	24.51%	17.62%	(0.18)%	0.07%	-
Utilities	0.00%	3.67%	0.00%	10.47%	0.16%	0.00%	-
Non Equity	3.43%	0.00%	-	-	-	-	(0.39)%
<b>Total</b>	-	-	<b>11.84%</b>	<b>14.58%</b>	<b>(0.82)%</b>	<b>(1.53)%</b>	<b>(0.39)%</b>

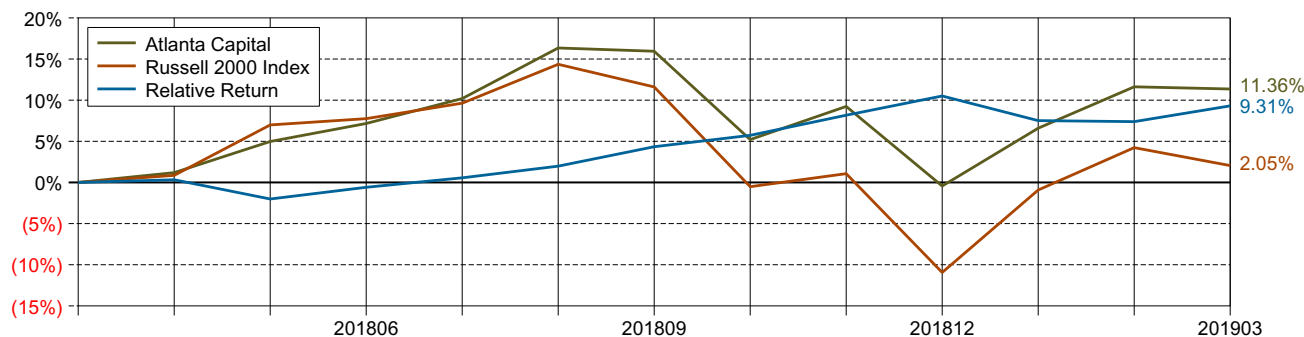
<b>Manager Return</b>	=	<b>Index Return</b>	+	<b>Sector Concentration</b>	+	<b>Security Selection</b>	+	<b>Asset Allocation</b>
<b>11.84%</b>		<b>14.58%</b>		<b>(0.82)%</b>		<b>(1.53)%</b>		<b>(0.39)%</b>

# Atlanta Capital vs Russell 2000 Index Domestic Equity Daily Performance Attribution One Year Ended March 31, 2019

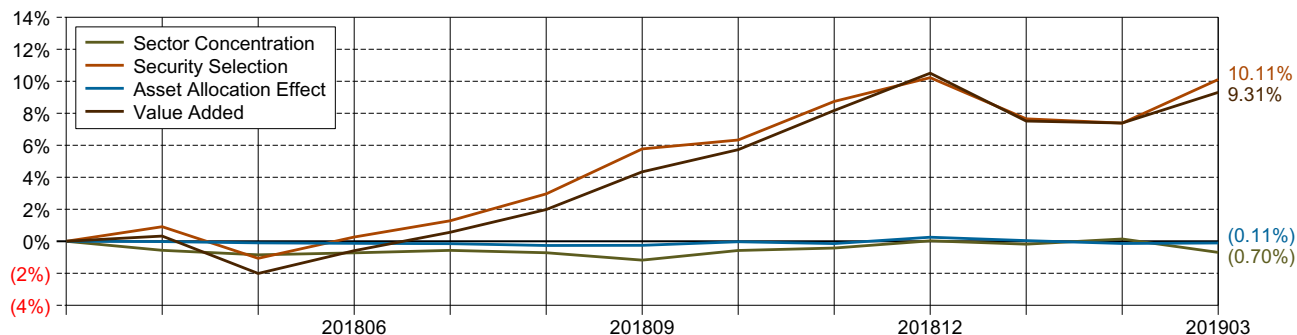
## Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

## Cumulative Manager and Benchmark Returns



## Cumulative Attribution Effects vs. Russell 2000 Index



## Attribution Effects by Sector vs. Russell 2000 Index One Year Ended March 31, 2019

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Communication Services	0.00%	2.15%	0.00%	24.16%	(0.35)%	0.00%	-
Consumer Discretionary	16.34%	12.38%	24.95%	2.16%	0.06%	3.55%	-
Consumer Staples	9.12%	2.68%	29.58%	2.55%	(0.01)%	2.35%	-
Energy	1.00%	4.25%	2.34%	(18.94)%	0.85%	0.22%	-
Financials	18.57%	17.95%	2.40%	(4.60)%	(0.03)%	1.35%	-
Health Care	6.08%	16.05%	2.33%	2.93%	(0.01)%	(0.07)%	-
Industrials	21.11%	14.95%	6.31%	(4.08)%	(0.38)%	2.38%	-
Information Technology	20.47%	15.19%	8.54%	15.98%	0.62%	(1.38)%	-
Materials	6.24%	4.10%	13.49%	(9.82)%	(0.25)%	1.54%	-
Real Estate	1.07%	6.95%	30.91%	13.64%	(0.61)%	0.16%	-
Utilities	0.00%	3.35%	0.00%	21.36%	(0.59)%	0.00%	-
Non Equity	2.66%	0.00%	-	-	-	-	(0.11)%
Total	-	-	11.36%	2.05%	(0.70)%	10.11%	(0.11)%

<b>Manager Return</b>	=	<b>Index Return</b>	+	<b>Sector Concentration</b>	+	<b>Security Selection</b>	+	<b>Asset Allocation</b>
11.36%		2.05%		(0.70)%		10.11%		(0.11)%

## Atlanta Capital vs Russell 2000 Index Domestic Equity Top 10 Contribution Holdings One Quarter Ended March 31, 2019

### Manager Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Manhattan Associates	Information Technology	3.31%	90	-	30.07%	-	0.90%	0.45%
Fair Isaac Corp	Information Technology	1.92%	90	-	45.28%	-	0.78%	0.48%
Blackbaud Inc	Information Technology	2.47%	90	0.17%	26.95%	26.95%	0.61%	0.25%
Columbia Sportswear Co	Consumer Discretionary	2.05%	90	-	24.36%	-	0.61%	0.13%
Dril-Quip Inc	Energy	0.83%	90	0.07%	52.68%	52.68%	0.36%	0.24%
Inter Parfums Inc	Consumer Staples	2.35%	90	0.06%	16.17%	16.13%	0.36%	0.01%
Integra Lifesciences Hldgs C	Health Care	1.66%	90	-	23.55%	-	0.36%	0.13%
Frontdoor Inc Com	Consumer Discretionary	1.32%	90	-	29.35%	-	0.35%	0.17%
Monro Inc	Consumer Discretionary	1.45%	90	0.12%	26.18%	26.18%	0.35%	0.13%
Envestnet Inc	Information Technology	1.16%	90	0.13%	32.93%	32.93%	0.35%	0.17%

### Index Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Index Perf	Contrib Excess Return
The Trade Desk Inc Com Cl A	Information Technology	-	-	0.26%	-	70.56%	0.14%	(0.11)%
Loxo Oncology Inc	Health Care	-	-	0.26%	-	66.69%	0.14%	(0.10)%
Etsy Inc	Consumer Discretionary	-	-	0.35%	-	41.31%	0.12%	(0.08)%
Spark Therapeutics Inc	Health Care	-	-	0.11%	-	190.96%	0.12%	(0.11)%
Array Biopharma Inc	Health Care	-	-	0.20%	-	71.09%	0.11%	(0.09)%
Zscaler Inc	Information Technology	-	-	0.14%	-	80.90%	0.10%	(0.08)%
Coupa Software Inc	Information Technology	-	-	0.23%	-	44.73%	0.08%	(0.06)%
Hubspot Inc	Information Technology	-	-	0.29%	-	32.20%	0.08%	(0.04)%
Roku Inc Com Cl A	Consumer Discretionary	-	-	0.10%	-	110.54%	0.08%	(0.07)%
Cree Inc	Information Technology	-	-	0.26%	-	33.77%	0.08%	(0.04)%

### Positions with Largest Positive Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Fair Isaac Corp	Information Technology	1.92%	90	-	45.28%	-	0.78%	0.48%
Manhattan Associates	Information Technology	3.31%	90	-	30.07%	-	0.90%	0.45%
Blackbaud Inc	Information Technology	2.47%	90	0.17%	26.95%	26.95%	0.61%	0.25%
Dril-Quip Inc	Energy	0.83%	90	0.07%	52.68%	52.68%	0.36%	0.24%
Frontdoor Inc Com	Consumer Discretionary	1.32%	90	-	29.35%	-	0.35%	0.17%
Envestnet Inc	Information Technology	1.16%	90	0.13%	32.93%	32.93%	0.35%	0.17%
Aaon Inc Com Par \$0.004	Industrials	1.07%	90	0.08%	31.72%	31.72%	0.31%	0.15%
Monro Inc	Consumer Discretionary	1.45%	90	0.12%	26.18%	26.18%	0.35%	0.13%
Integra Lifesciences Hldgs C	Health Care	1.66%	90	-	23.55%	-	0.36%	0.13%
Columbia Sportswear Co	Consumer Discretionary	2.05%	90	-	24.36%	-	0.61%	0.13%

### Positions with Largest Negative Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Central Garden & Pet Com	Consumer Staples	1.09%	90	0.02%	(25.93)%	(25.81)%	(0.30)%	(0.44)%
Caseys General Stores	Consumer Staples	3.08%	90	-	0.72%	-	0.03%	(0.43)%
Dorman Products Inc	Consumer Discretionary	2.35%	90	0.12%	(2.14)%	(2.14)%	(0.07)%	(0.42)%
Huron Consulting Group Inc	Industrials	1.41%	90	0.06%	(7.97)%	(7.97)%	(0.13)%	(0.33)%
National Instrs Corp	Information Technology	1.67%	90	-	(1.70)%	-	(0.03)%	(0.28)%
Lancaster Colony Corp	Consumer Staples	1.11%	90	0.16%	(11.03)%	(11.03)%	(0.14)%	(0.27)%
Emergent Biosolutions Inc	Health Care	1.07%	90	0.14%	(14.40)%	(14.78)%	(0.18)%	(0.27)%
Navigators Group Inc	Financials	1.94%	90	0.07%	0.65%	0.65%	0.01%	(0.27)%
Cass Information Sys Inc	Information Technology	1.01%	90	0.04%	(10.17)%	(10.17)%	(0.11)%	(0.25)%
Beacon Roofing Supply Inc	Industrials	2.24%	90	0.12%	1.39%	1.39%	0.06%	(0.24)%



# International Equity Period Ended March 31, 2019

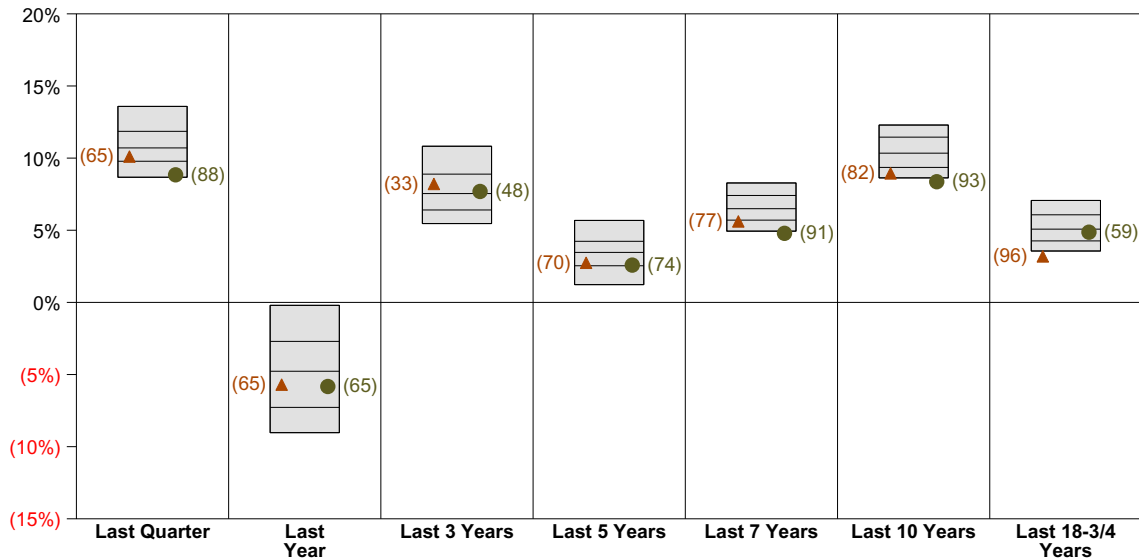
## Investment Philosophy

International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

## Quarterly Summary and Highlights

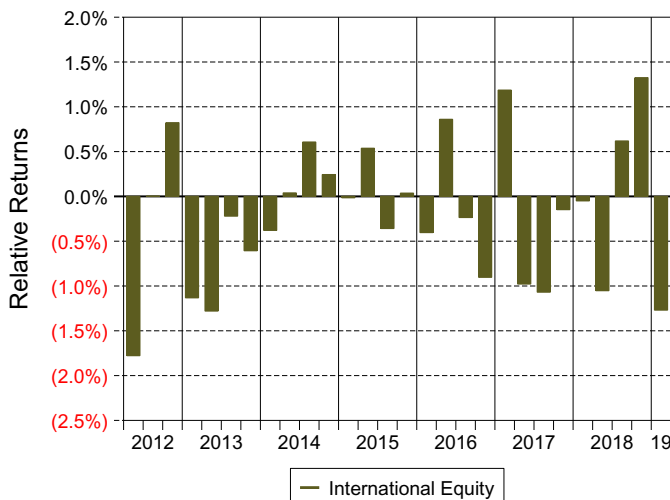
- International Equity's portfolio posted a 8.84% return for the quarter placing it in the 88 percentile of the Callan Non-US Equity group for the quarter and in the 65 percentile for the last year.
- International Equity's portfolio underperformed the International Benchmark by 1.27% for the quarter and underperformed the International Benchmark for the year by 0.13%.

## Performance vs Callan Non-US Equity (Gross)

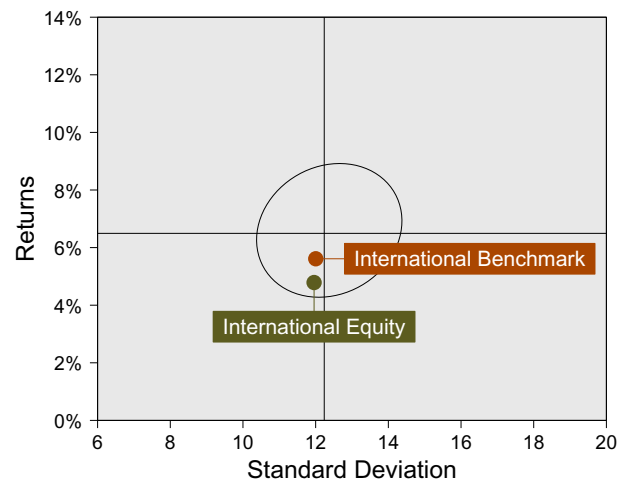


10th Percentile	13.59	(0.20)	10.82	5.68	8.28	12.29	7.07
25th Percentile	11.86	(2.70)	8.89	4.23	7.41	11.45	6.07
Median	10.71	(4.77)	7.54	3.46	6.49	10.34	5.08
75th Percentile	9.78	(7.28)	6.40	2.54	5.70	9.35	4.26
90th Percentile	8.67	(9.03)	5.46	1.23	4.94	8.63	3.56
<b>International Equity</b>	● 8.84	(5.83)	7.69	2.58	4.79	8.36	4.87
<b>International Benchmark</b>	▲ 10.11	(5.70)	8.21	2.75	5.61	8.94	3.19

Relative Return vs International Benchmark



Callan Non-US Equity (Gross)  
Annualized Seven Year Risk vs Return

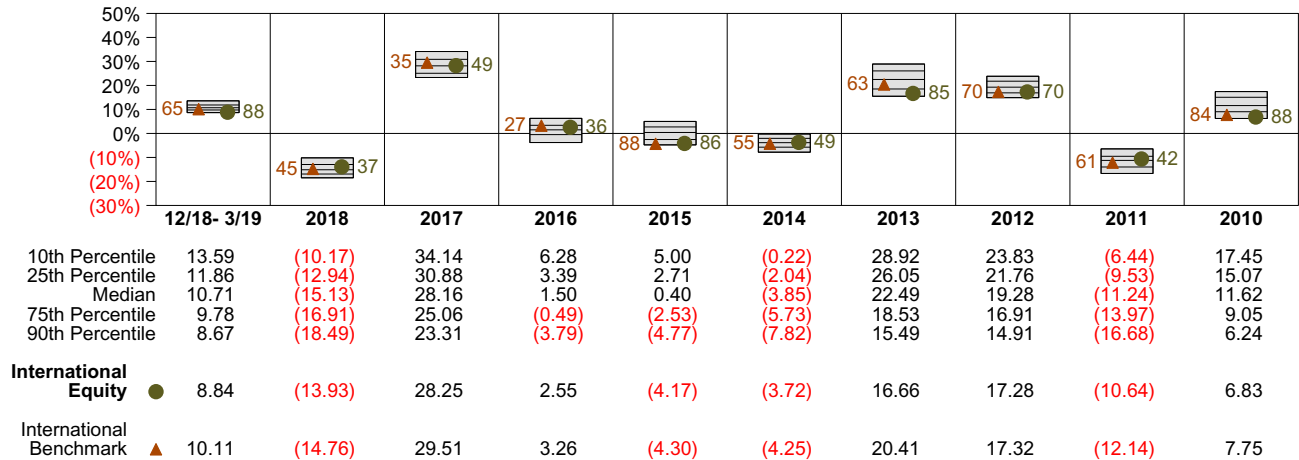


# International Equity Return Analysis Summary

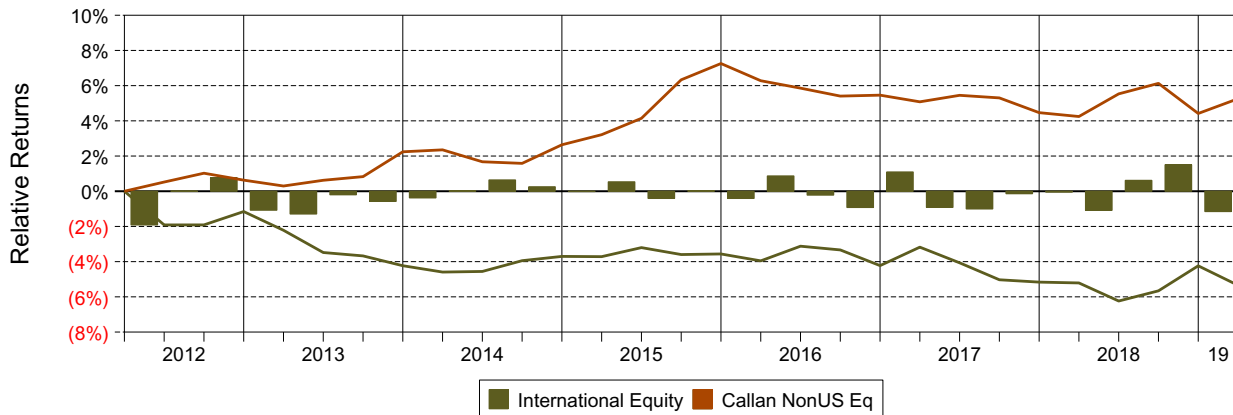
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

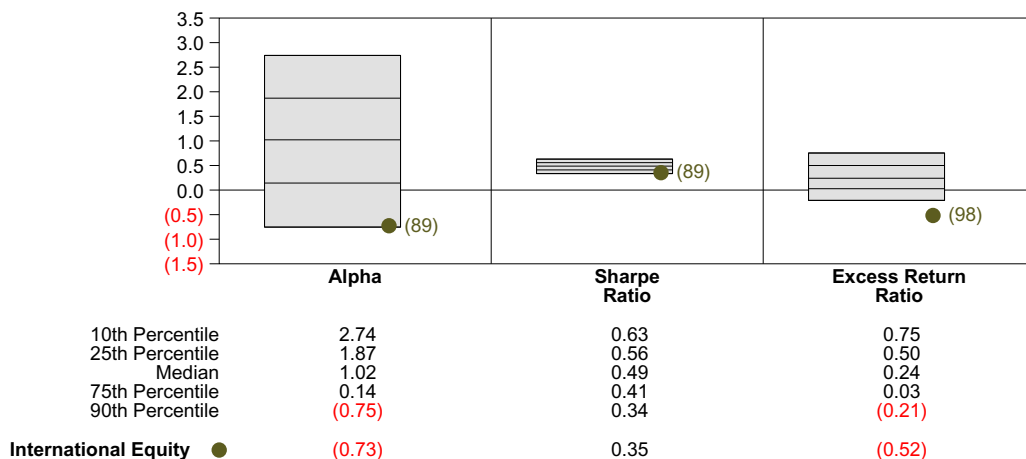
### Performance vs Callan Non-US Equity (Gross)



### Cumulative and Quarterly Relative Return vs International Benchmark



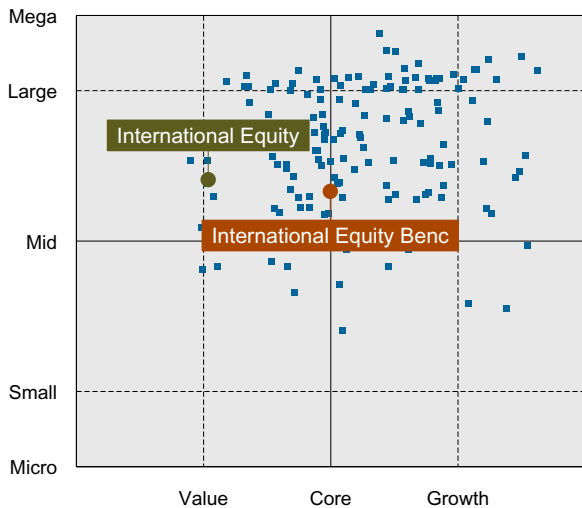
### Risk Adjusted Return Measures vs International Benchmark Rankings Against Callan Non-US Equity (Gross) Seven Years Ended March 31, 2019



# Current Holdings Based Style Analysis International Equity As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left chart illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

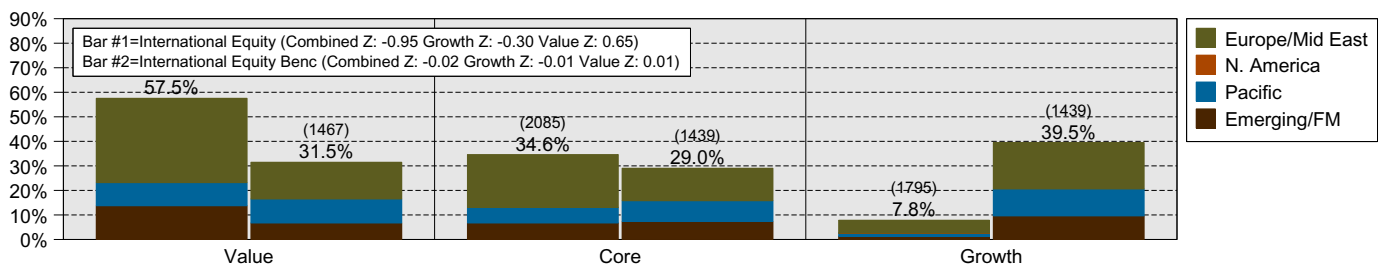
**Style Map vs Callan NonUS Eq Holdings as of March 31, 2019**



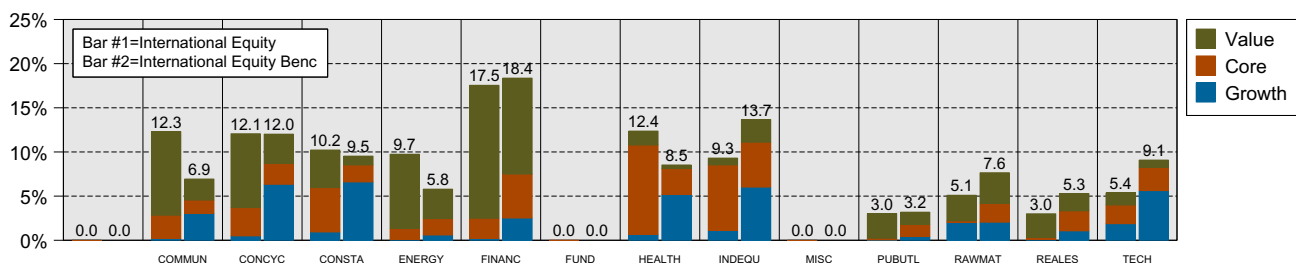
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Europe/ Mid East	34.4% (245)	21.6% (243)	5.2% (251)	61.2% (739)
N. America	15.0% (477)	13.2% (509)	18.9% (495)	47.1% (1481)
Pacific	0.0% (0)	0.0% (3)	0.0% (2)	0.0% (5)
Emerging/ FM	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	9.4% (305)	6.3% (288)	1.3% (277)	17.1% (870)
Emerging/ FM	9.8% (611)	8.5% (564)	11.0% (579)	29.2% (1754)
Emerging/ FM	13.8% (1760)	6.7% (1551)	1.3% (1265)	21.8% (4576)
Emerging/ FM	6.7% (379)	7.3% (366)	9.6% (365)	23.7% (1110)
<b>Total</b>	<b>57.5% (2310)</b>	<b>34.6% (2085)</b>	<b>7.8% (1795)</b>	<b>100.0% (6190)</b>
	<b>31.5% (1467)</b>	<b>29.0% (1439)</b>	<b>39.5% (1439)</b>	<b>100.0% (4345)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



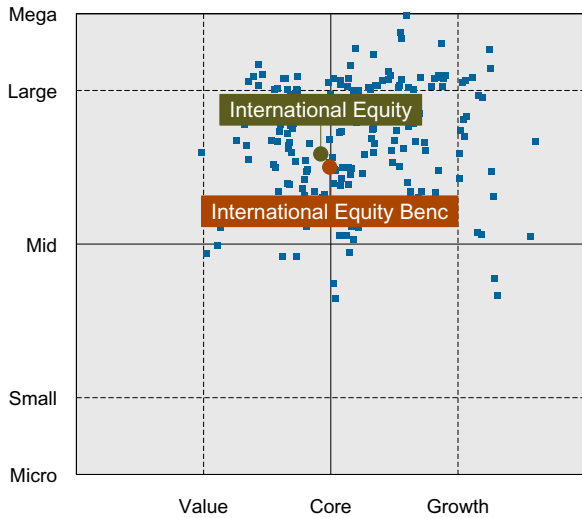
**Sector Weights Distribution Holdings as of March 31, 2019**



# Historical Holdings Based Style Analysis International Equity For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

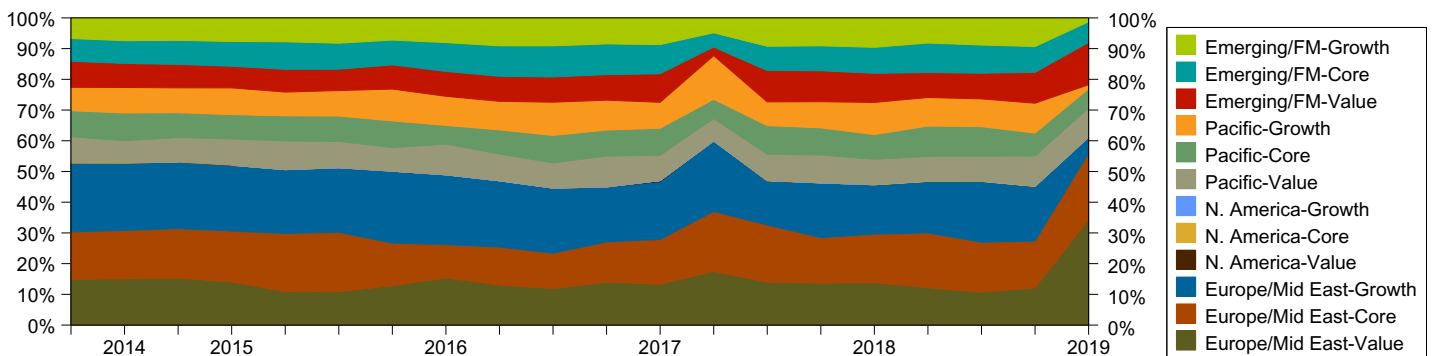
**Average Style Map vs Callan NonUS Eq Holdings for Five Years Ended March 31, 2019**



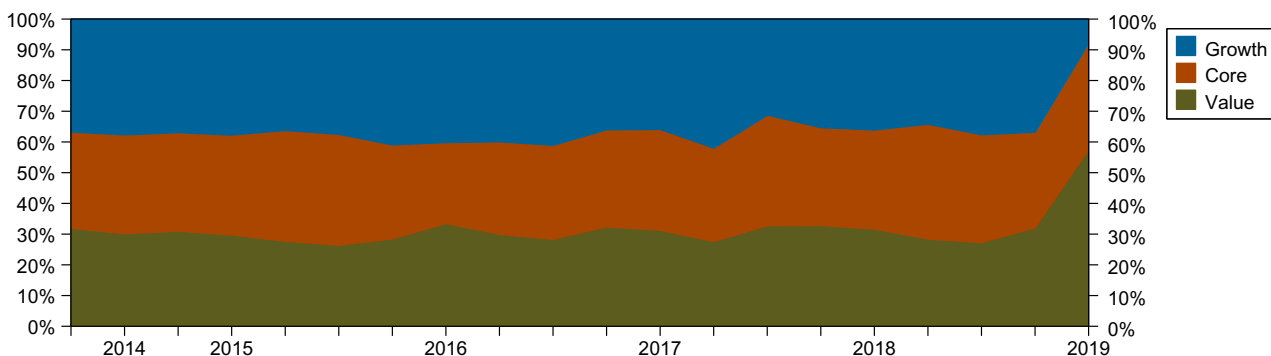
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	14.5% (186)	15.9% (204)	19.3% (242)	49.7% (632)
Europe/ Mid East	14.7% (298)	15.0% (347)	19.0% (372)	48.7% (1017)
N. America	0.0% (2)	0.0% (4)	0.0% (1)	0.0% (7)
	0.0% (1)	0.0% (0)	0.0% (0)	0.0% (1)
Pacific	8.6% (231)	8.2% (234)	8.9% (232)	25.7% (697)
	9.2% (387)	9.0% (380)	9.8% (384)	28.0% (1151)
Emerging/ FM	8.4% (1512)	8.4% (1484)	7.8% (964)	24.6% (3960)
	7.5% (313)	7.3% (279)	8.5% (292)	23.3% (884)
<b>Total</b>	<b>31.5% (1931)</b>	<b>32.6% (1926)</b>	<b>35.9% (1439)</b>	<b>100.0% (5296)</b>
	<b>31.5% (999)</b>	<b>31.3% (1006)</b>	<b>37.2% (1048)</b>	<b>100.0% (3053)</b>
	Value	Core	Growth	Total

**International Equity Historical Region/Style Exposures**



**International Equity Historical Style Only Exposures**





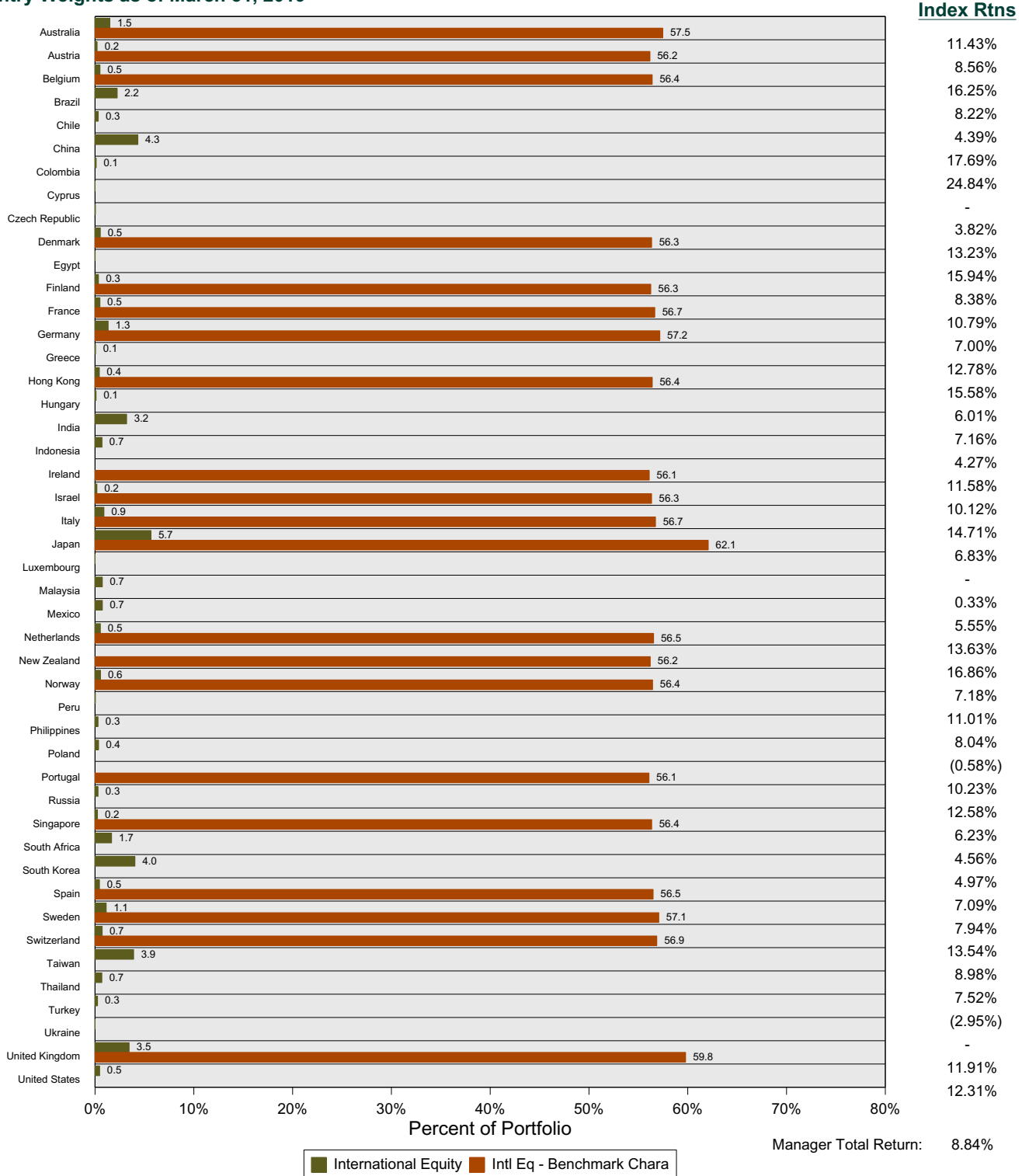
# Country Allocation

## International Equity VS Intl Eq - Benchmark Characteristics

### Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of March 31, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

### Country Weights as of March 31, 2019



# SSgA EAFE

## Period Ended March 31, 2019

### Investment Philosophy

SSGA's objective is to provide the most cost-effective implementation of passive investing with stringent risk control and tracking requirements through a replication method. Returns prior to 6/30/2012 are linked to a composite history.

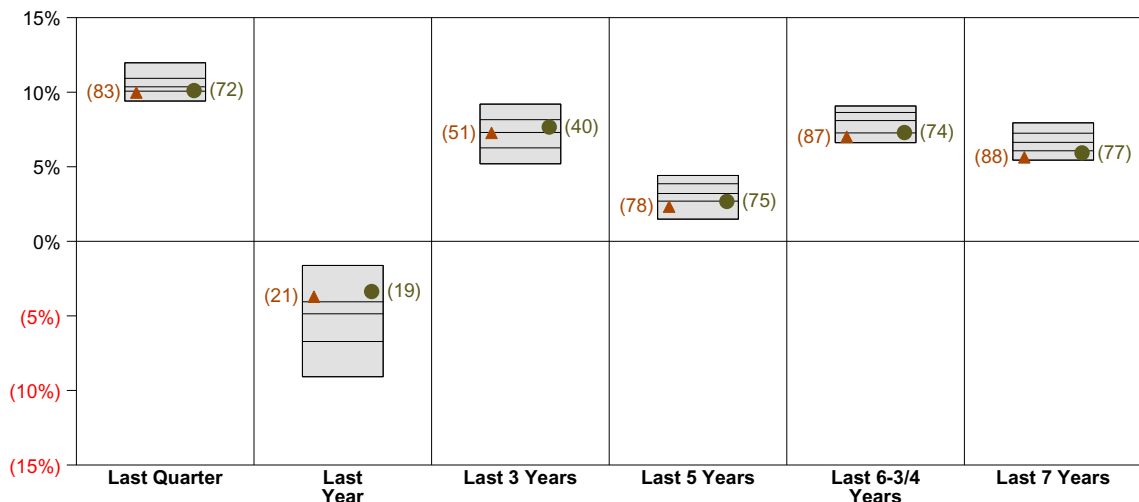
### Quarterly Summary and Highlights

- SSgA EAFE's portfolio posted a 10.11% return for the quarter placing it in the 72 percentile of the Callan Non-US Developed Core Equity group for the quarter and in the 19 percentile for the last year.
- SSgA EAFE's portfolio outperformed the MSCI EAFE Index by 0.13% for the quarter and outperformed the MSCI EAFE Index for the year by 0.35%.

### Quarterly Asset Growth

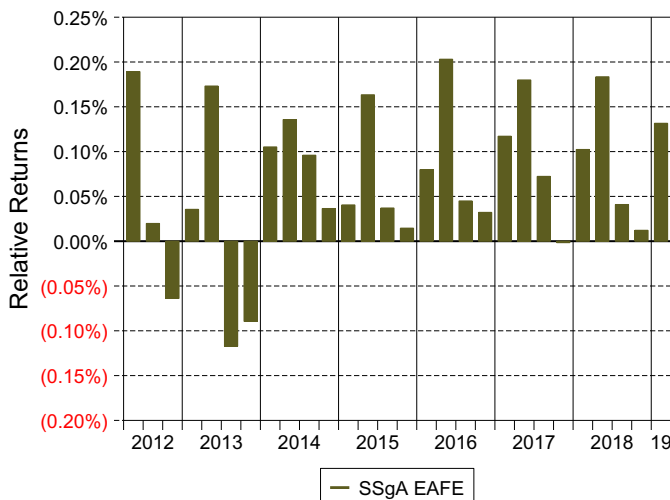
Beginning Market Value	\$9,970,217
Net New Investment	\$0
Investment Gains/(Losses)	\$1,007,925
Ending Market Value	\$10,978,142

### Performance vs Callan Non-US Developed Core Equity (Gross)

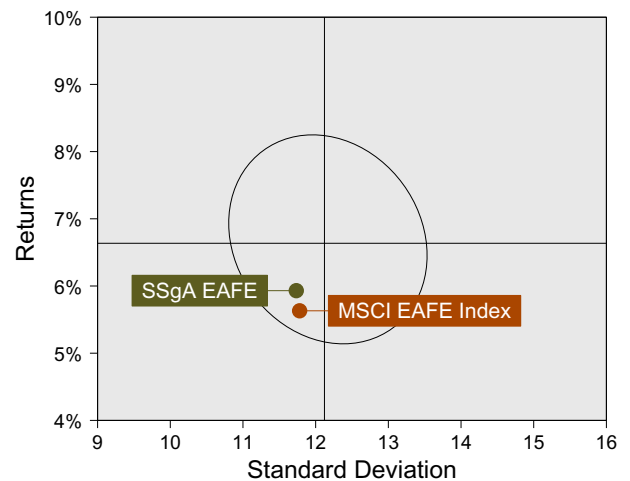


10th Percentile	11.97	(1.62)	9.20	4.42	9.07	7.95
25th Percentile	10.93	(4.06)	8.16	3.86	8.64	7.25
Median	10.36	(4.86)	7.30	3.21	8.10	6.64
75th Percentile	10.07	(6.72)	6.27	2.70	7.27	6.07
90th Percentile	9.41	(9.08)	5.20	1.49	6.62	5.44
<b>SSgA EAFE</b> ●	10.11	(3.37)	7.66	2.68	7.29	5.93
<b>MSCI EAFE Index</b> ▲	9.98	(3.71)	7.27	2.33	7.01	5.63

### Relative Return vs MSCI EAFE Index



### Callan Non-US Developed Core Equity (Gross) Annualized Seven Year Risk vs Return

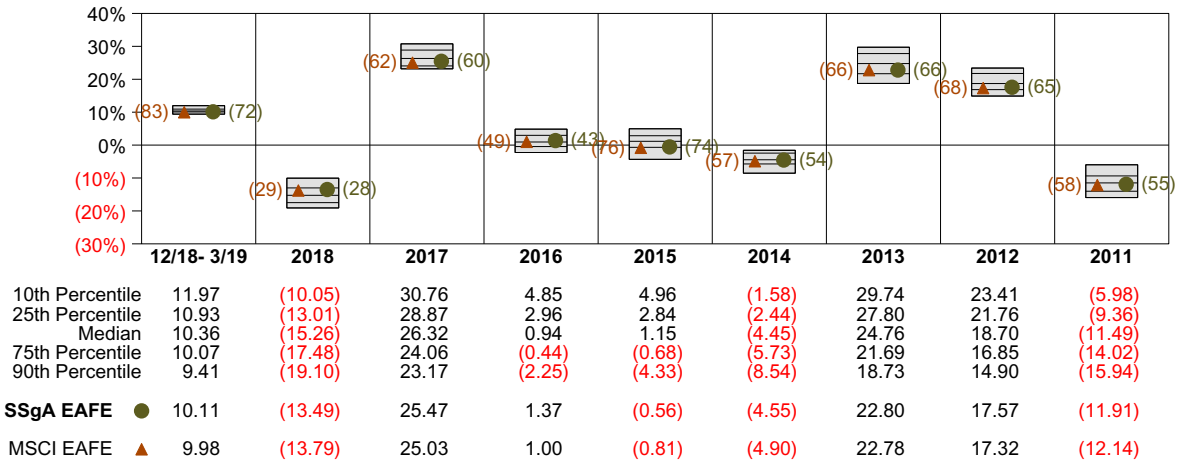


# SSgA EAFE Return Analysis Summary

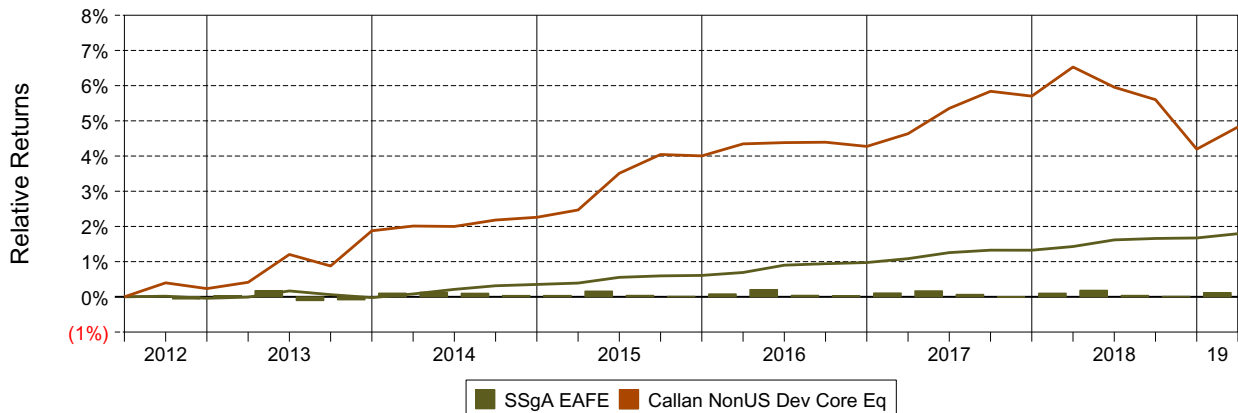
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

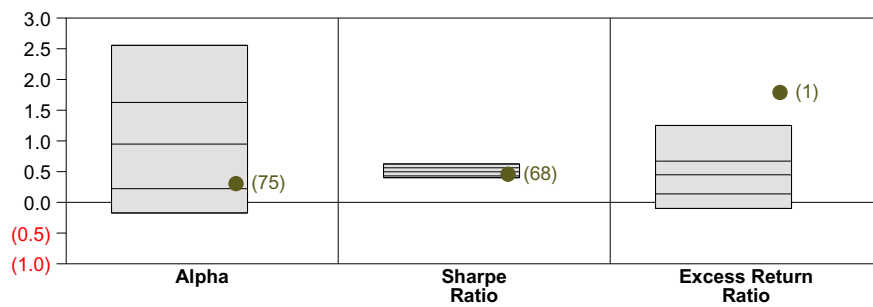
### Performance vs Callan Non-US Developed Core Equity (Gross)



### Cumulative and Quarterly Relative Return vs MSCI EAFE



### Risk Adjusted Return Measures vs MSCI EAFE Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended March 31, 2019



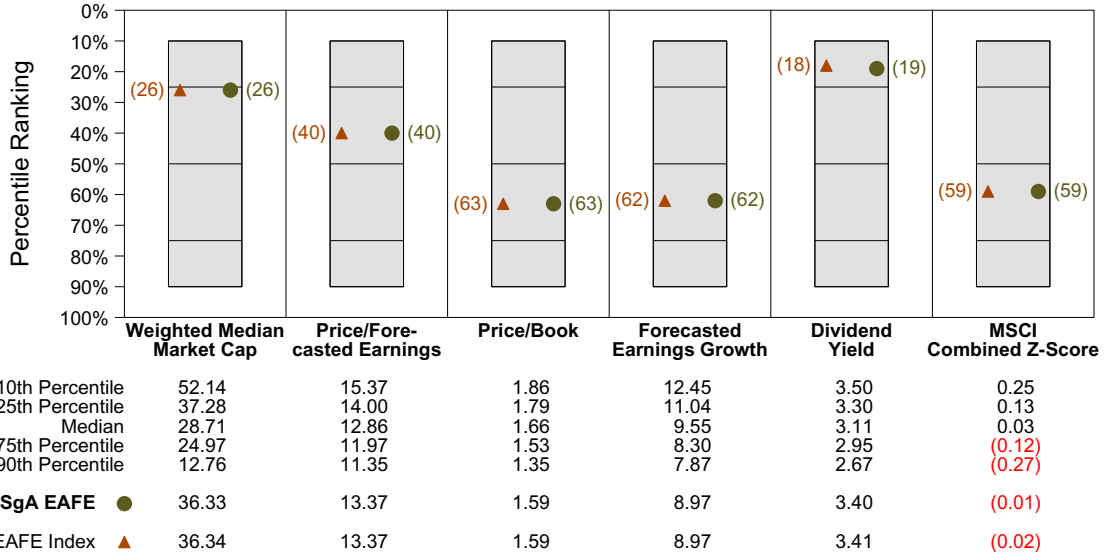
10th Percentile	2.56	0.62	1.25
25th Percentile	1.63	0.56	0.67
Median	0.95	0.50	0.45
75th Percentile	0.22	0.43	0.14
90th Percentile	(0.17)	0.40	(0.10)
<b>SSgA EAFE</b>	● 0.30	0.46	1.79

# SSgA EAFE Equity Characteristics Analysis Summary

## Portfolio Characteristics

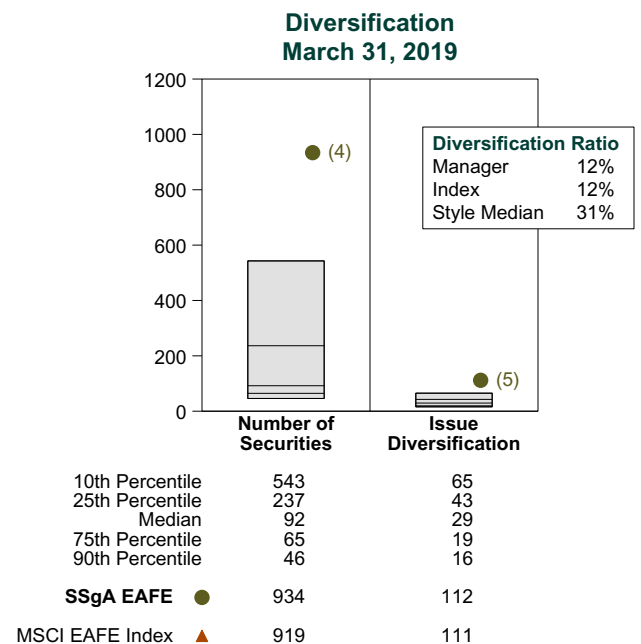
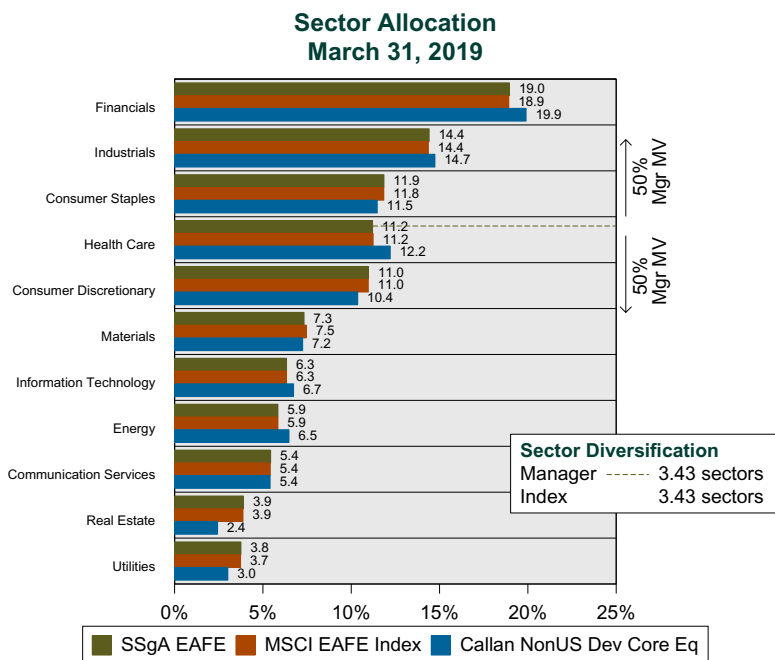
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Callan Non-US Developed Core Equity as of March 31, 2019



## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



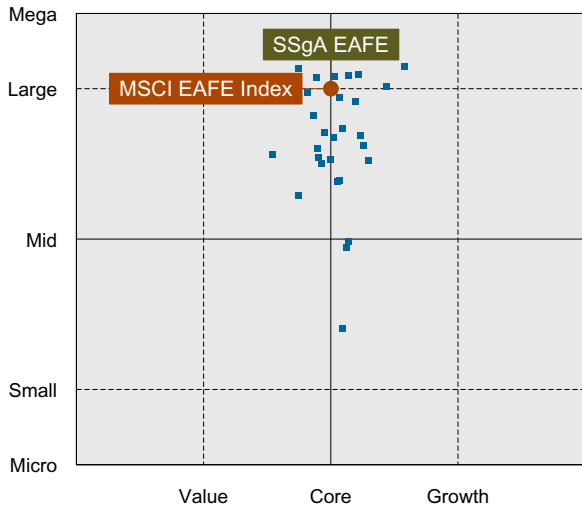
# Current Holdings Based Style Analysis

## SSgA EAFE

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left chart illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

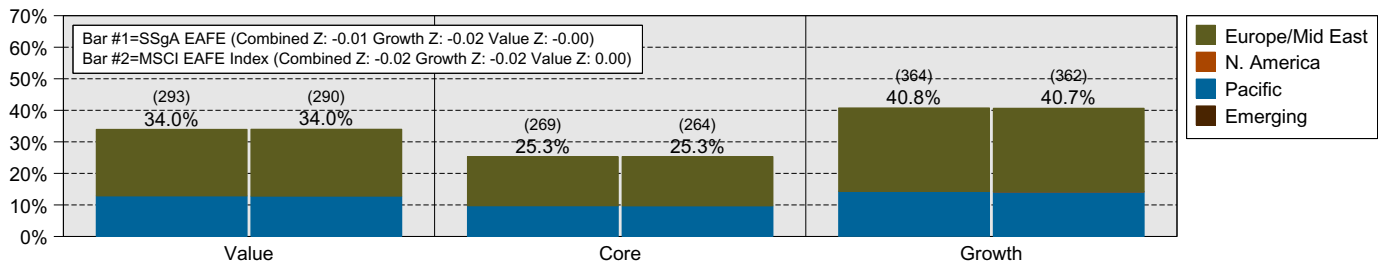
**Style Map vs Callan NonUS Dev Core Eq Holdings as of March 31, 2019**



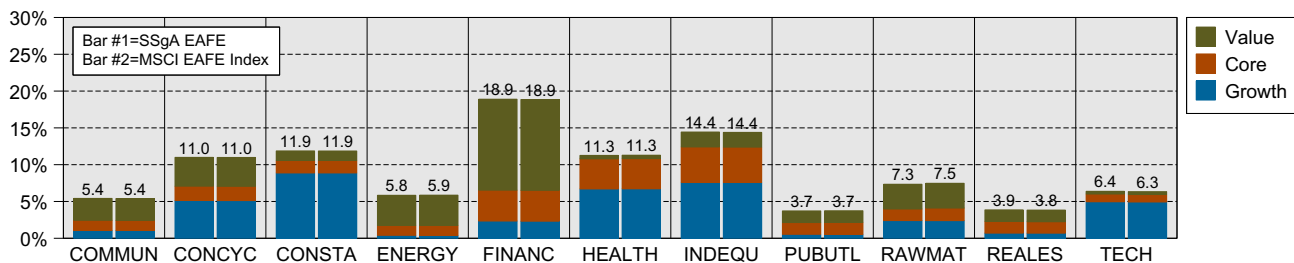
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Europe/ Mid East	21.1% (144) 21.2% (143)	15.6% (126) 15.7% (123)	26.5% (181) 26.5% (180)	63.1% (451) 63.3% (446)
N. America	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (1)	0.0% (0) 0.0% (1)
Pacific	12.9% (149) 12.8% (147)	9.7% (143) 9.7% (141)	14.3% (182) 14.2% (181)	36.9% (474) 36.6% (469)
Emerging	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (1) 0.0% (0)	0.0% (1) 0.0% (0)
<b>Total</b>	<b>34.0% (293)</b> <b>34.0% (290)</b>	<b>25.3% (269)</b> <b>25.3% (264)</b>	<b>40.8% (364)</b> <b>40.7% (362)</b>	<b>100.0% (926)</b> <b>100.0% (916)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**

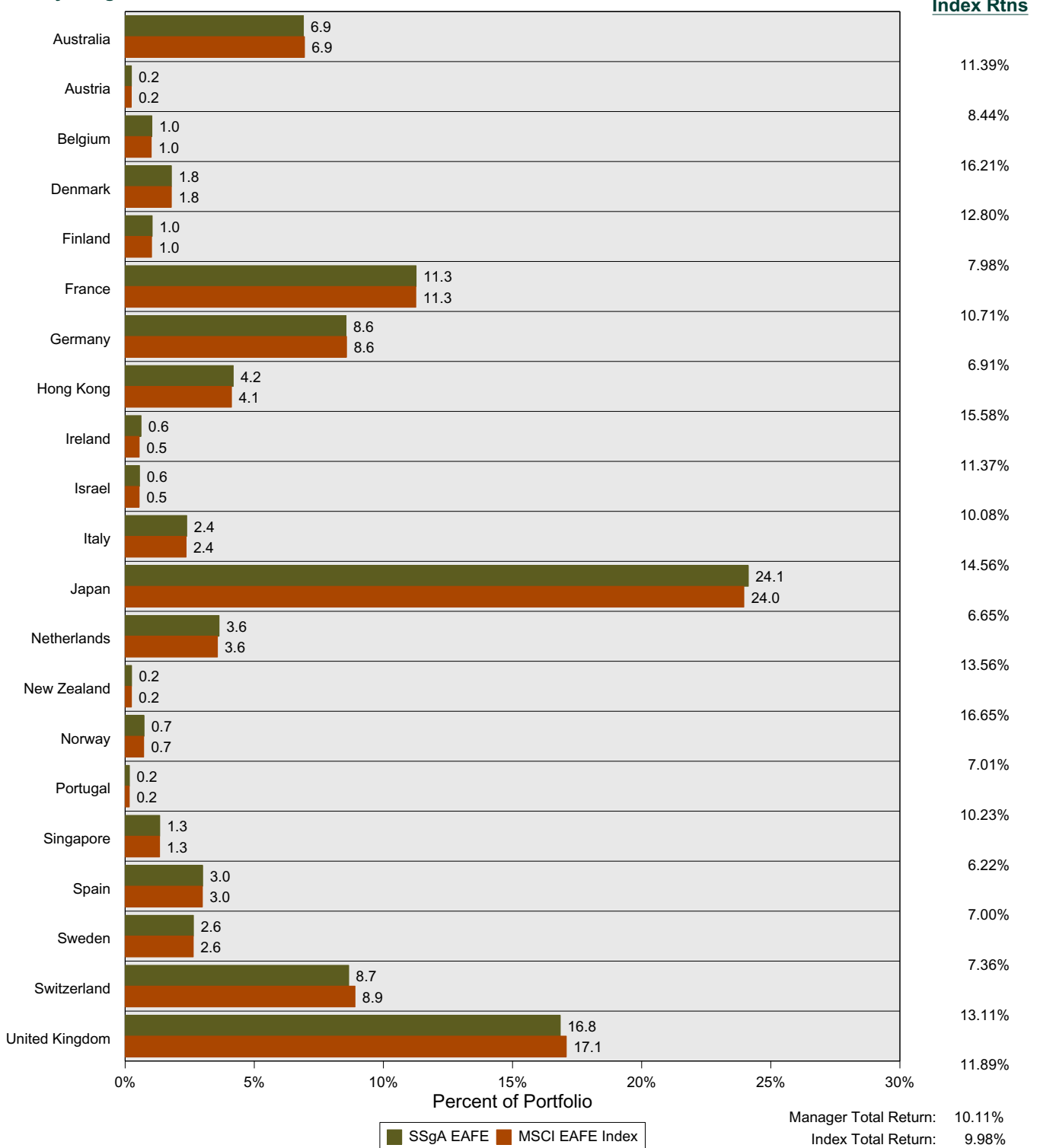


## Country Allocation SSgA EAFE VS MSCI EAFE Index

### Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of March 31, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

### Country Weights as of March 31, 2019



## SSgA EAFE Top 10 Portfolio Holdings Characteristics as of March 31, 2019

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Nestle S A Shs Nom New	Consumer Staples	\$232,111	2.1%	17.72%	291.88	21.61	2.58%	8.72%
Novartis	Health Care	\$165,815	1.5%	16.42%	245.31	17.32	2.98%	6.92%
Roche Hldgs Ag Basel Div Rts Ctf	Health Care	\$153,912	1.4%	15.14%	193.54	14.81	3.03%	4.59%
Hsbc Holdings (Gb)	Financials	\$130,156	1.2%	1.12%	163.20	11.23	6.05%	3.44%
Bp Plc Shs	Energy	\$116,754	1.1%	16.86%	148.07	12.86	5.58%	27.32%
Royal Dutch Shell A Shs	Energy	\$113,358	1.0%	8.75%	138.21	11.50	5.85%	16.80%
Toyota Motor Corp	Consumer Discretionary	\$108,543	1.0%	0.39%	191.24	7.94	3.39%	4.40%
Total Sa Act	Energy	\$108,189	1.0%	6.64%	146.89	9.96	5.13%	13.61%
Aia Group Ltd Com Par Usd 1	Financials	\$99,169	0.9%	19.91%	120.23	17.87	1.41%	25.04%
Royal Dutch Shell 'b' Shs	Energy	\$94,786	0.9%	7.71%	118.50	11.35	5.94%	14.35%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Abengoa Sa Eur0.01 Class B	Industrials	\$30	0.0%	137.50%	0.16	(1.17)	0.00%	-
Allied Mining & Proc.	Materials	\$6,288	0.1%	73.19%	15.55	9.22	4.36%	(8.71)%
Micro Focus International Pl Spon Ad	Information Technology	\$3,302	0.0%	53.38%	10.58	-	4.52%	(7.38)%
Zalando	Consumer Discretionary	\$3,528	0.0%	52.36%	9.82	98.54	0.00%	14.30%
Micro Focus International Pl Ord	Information Technology	\$5,476	0.0%	51.27%	10.68	11.77	4.46%	(2.10)%
Hitachi Chemical Co Ltd Shs	Materials	\$1,864	0.0%	48.12%	4.62	14.24	2.45%	7.24%
Shimadzu Corp Shs	Information Technology	\$5,198	0.0%	46.50%	8.56	26.35	0.81%	10.92%
Softbank Corp Ord	Communication Services	\$64,976	0.6%	46.09%	106.85	8.71	0.41%	(26.38)%
Adyen NV Common Stock Eur.01	Information Technology	\$6,640	0.1%	44.32%	23.18	101.02	0.00%	38.25%
Aker Bp Asa Shs	Energy	\$3,173	0.0%	44.00%	12.84	23.44	4.03%	11.40%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Bank Ireland Group Plc Ord Shs	Financials	\$4,754	0.0%	(94.12)%	6.43	8.10	3.01%	(0.71)%
Foreningssparbanken	Financials	\$10,352	0.1%	(29.65)%	16.03	7.21	10.81%	3.13%
Iliad Act	Communication Services	\$2,167	0.0%	(28.32)%	5.91	13.95	1.01%	9.35%
Bezeq The Israeli Telecom Cp Ord	Communication Services	\$1,232	0.0%	(28.04)%	1.94	7.40	4.51%	(16.15)%
Eisai Co	Health Care	\$11,468	0.1%	(26.64)%	16.65	27.75	2.41%	13.85%
Tui	Consumer Discretionary	\$952	0.0%	(25.66)%	5.73	6.96	8.29%	3.50%
Green Cross Coa Co.	Consumer Staples	\$1,312	0.0%	(24.58)%	3.56	18.65	1.12%	9.76%
Yamazaki Baking Co	Consumer Staples	\$1,612	0.0%	(22.79)%	3.57	22.86	1.11%	24.49%
Dainippon Sumitomo Pharma Co Ord	Health Care	\$3,184	0.0%	(22.06)%	9.84	25.44	0.66%	(1.87)%
Telefonica Deutschland Hldg Ag Npv	Communication Services	\$1,874	0.0%	(19.52)%	9.35	(261.92)	9.65%	-

# Pyrford

## Period Ended March 31, 2019

### Investment Philosophy

Pyrford's investment strategy is based on a value-driven, absolute return approach, with both top-down and bottom-up elements. At the country level they seek to invest in countries that offer an attractive market valuation relative to their long-term prospects. At the stock level they identify companies that offer excellent value relative to in-house forecasts of long-term (5 years) earnings growth. This approach is characterized by low absolute volatility and downside protection. Returns prior to 6/30/2017 are linked to a composite history.

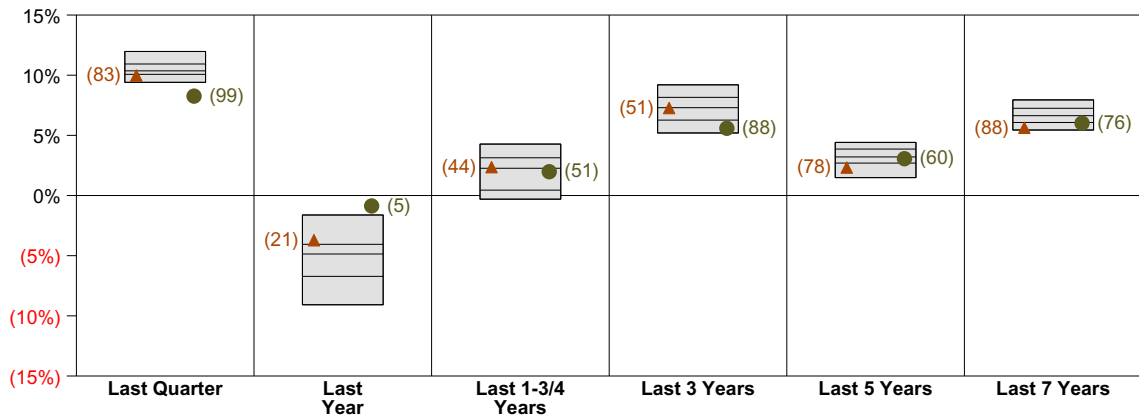
### Quarterly Summary and Highlights

- Pyrford's portfolio posted a 8.26% return for the quarter placing it in the 99 percentile of the Callan Non-US Developed Core Equity group for the quarter and in the 5 percentile for the last year.
- Pyrford's portfolio underperformed the MSCI EAFE Index by 1.72% for the quarter and outperformed the MSCI EAFE Index for the year by 2.85%.

### Quarterly Asset Growth

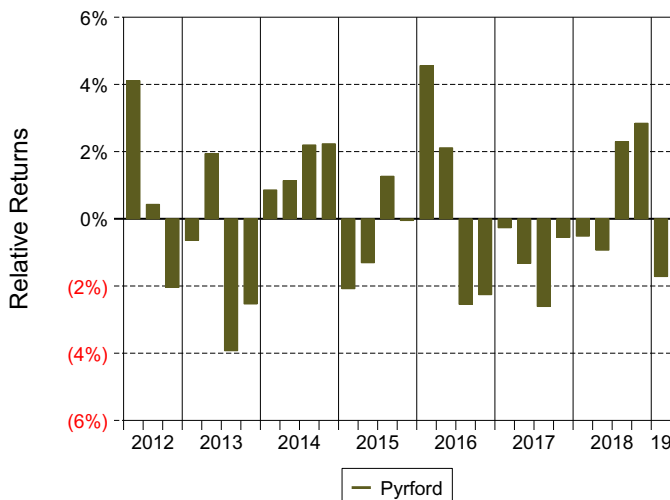
Beginning Market Value	\$24,468,964
Net New Investment	\$0
Investment Gains/(Losses)	\$2,021,419
Ending Market Value	\$26,490,383

### Performance vs Callan Non-US Developed Core Equity (Gross)

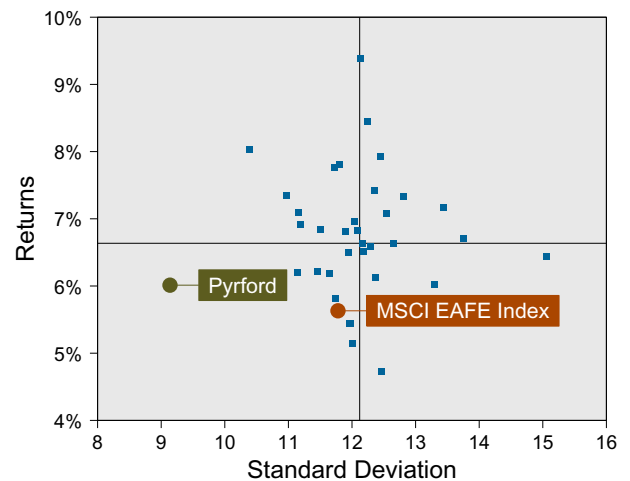


10th Percentile	11.97	(1.62)	4.27	9.20	4.42	7.95
25th Percentile	10.93	(4.06)	3.14	8.16	3.86	7.25
Median	10.36	(4.86)	2.26	7.30	3.21	6.64
75th Percentile	10.07	(6.72)	0.45	6.27	2.70	6.07
90th Percentile	9.41	(9.08)	(0.30)	5.20	1.49	5.44
<b>Pyrford</b> ●	8.26	(0.87)	1.98	5.59	3.06	6.01
MSCI EAFE Index ▲	9.98	(3.71)	2.36	7.27	2.33	5.63

### Relative Return vs MSCI EAFE Index



### Callan Non-US Developed Core Equity (Gross) Annualized Seven Year Risk vs Return



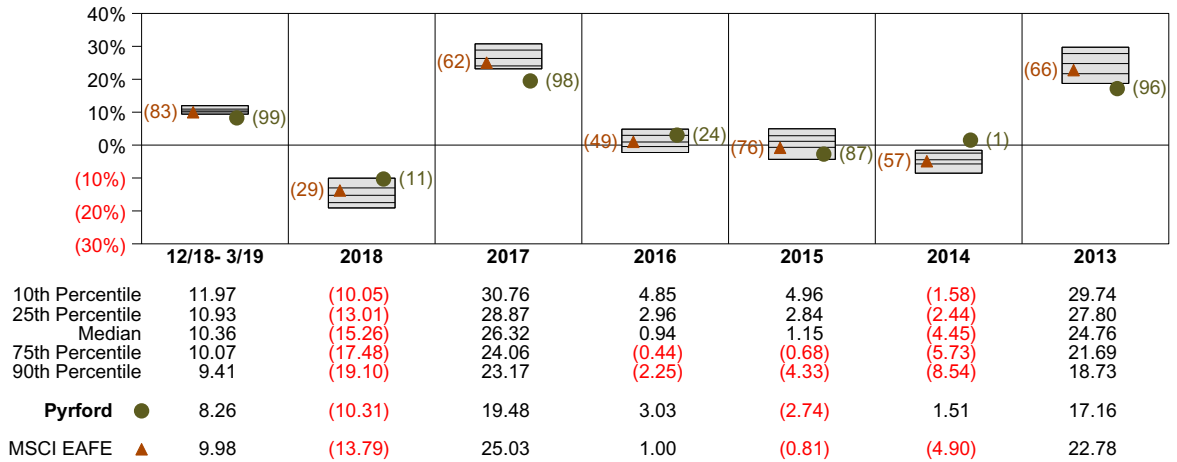


# Pyrford Return Analysis Summary

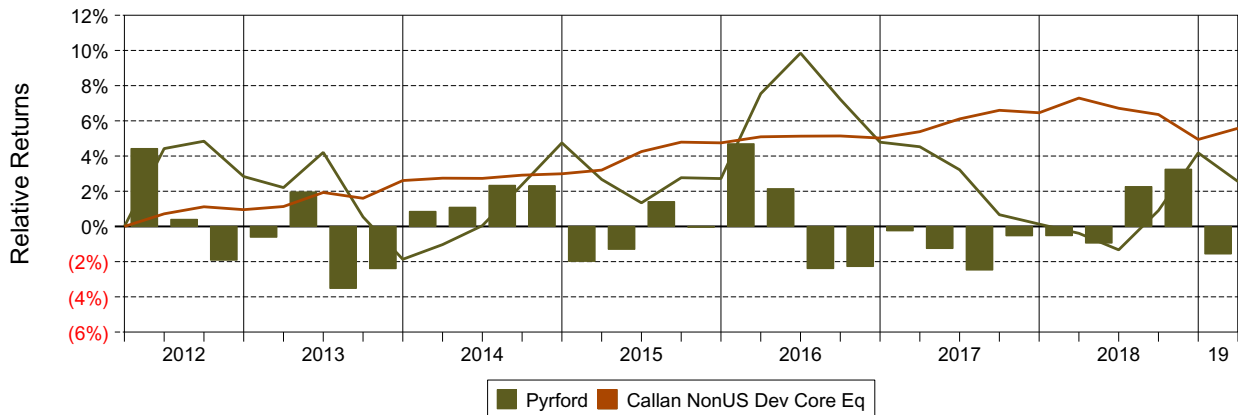
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

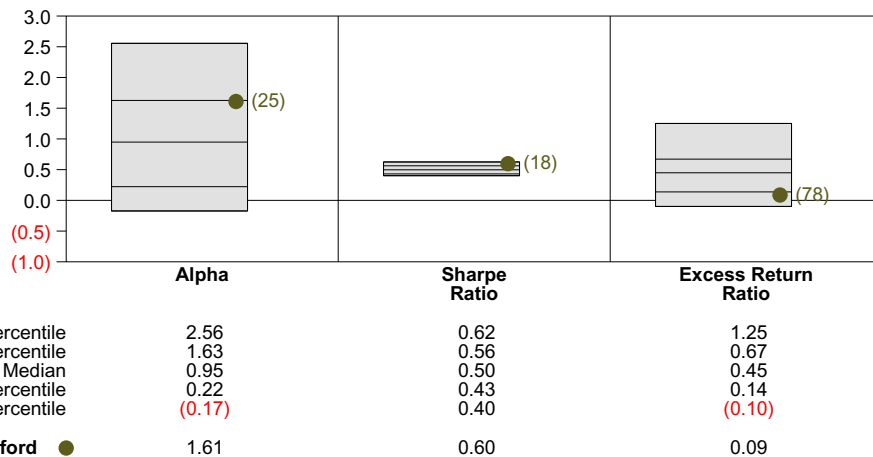
### Performance vs Callan Non-US Developed Core Equity (Gross)



### Cumulative and Quarterly Relative Return vs MSCI EAFE



### Risk Adjusted Return Measures vs MSCI EAFE Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended March 31, 2019

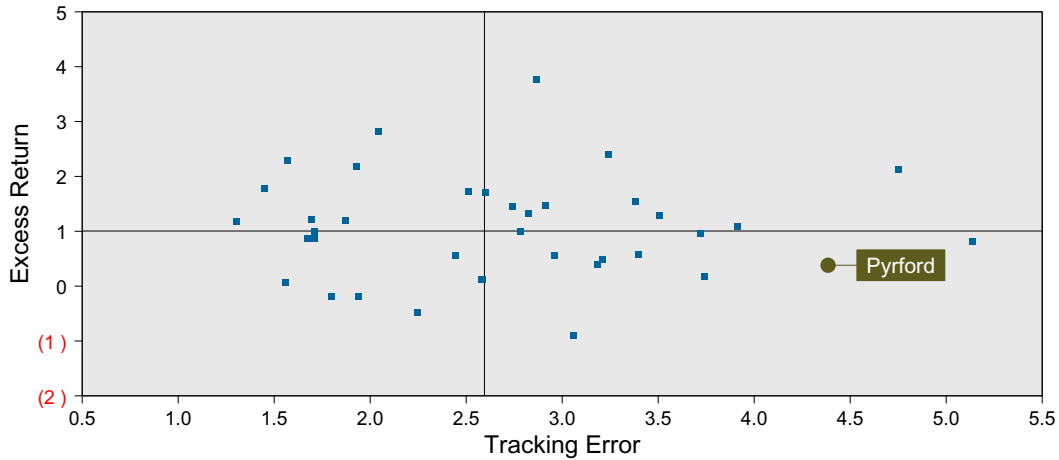


# Pyrford Risk Analysis Summary

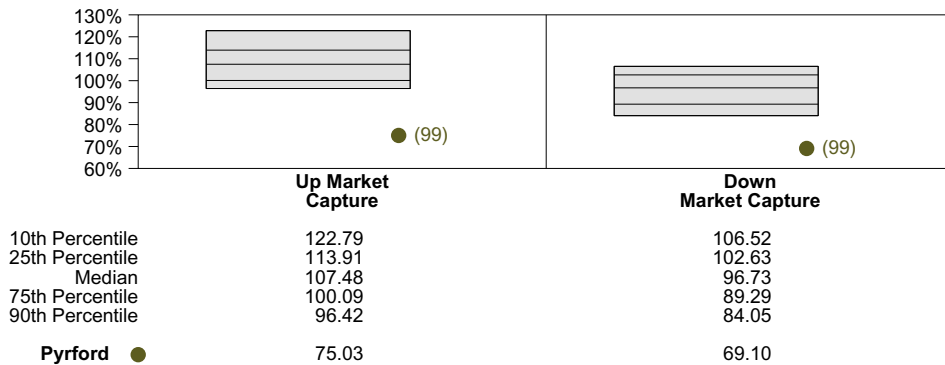
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

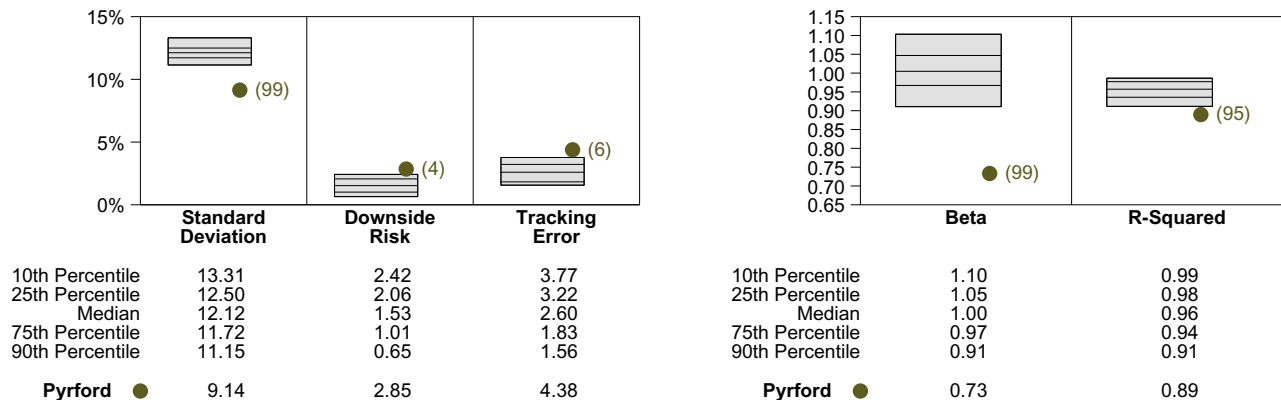
### Risk Analysis vs Callan Non-US Developed Core Equity (Gross) Seven Years Ended March 31, 2019



### Market Capture vs MSCI EAFE Index (USD Net Div) Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended March 31, 2019



### Risk Statistics Rankings vs MSCI EAFE Index (USD Net Div) Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended March 31, 2019

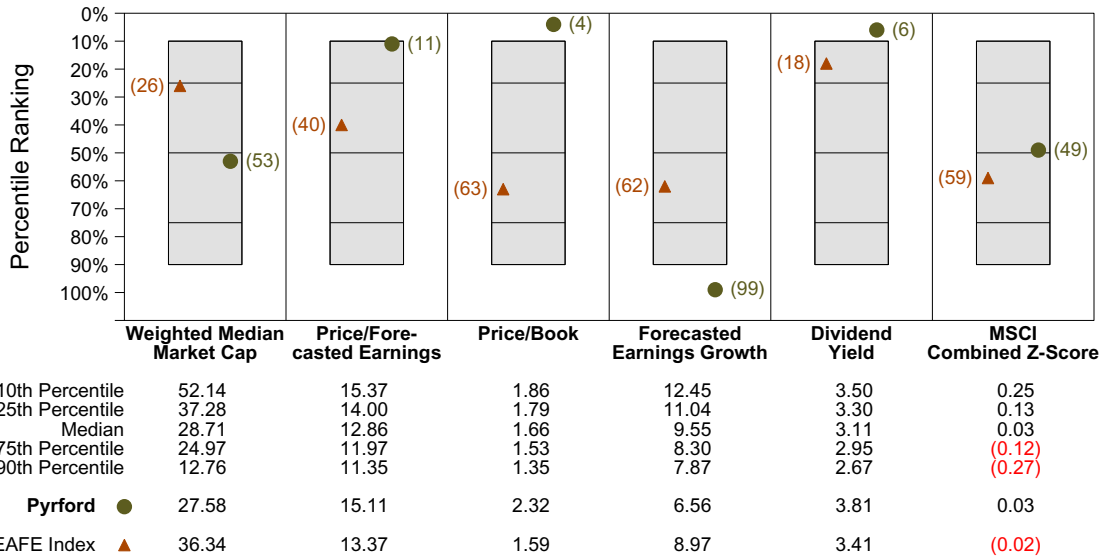


# Pyrford Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

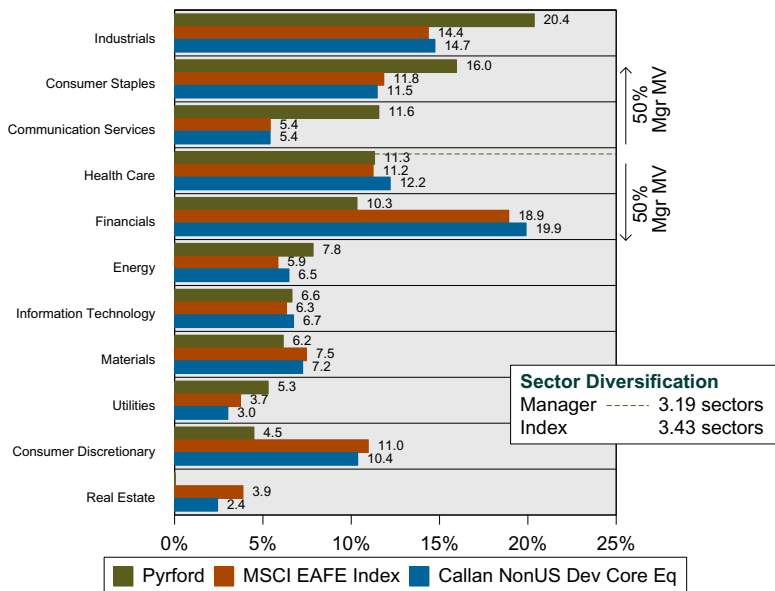
## Portfolio Characteristics Percentile Rankings Rankings Against Callan Non-US Developed Core Equity as of March 31, 2019



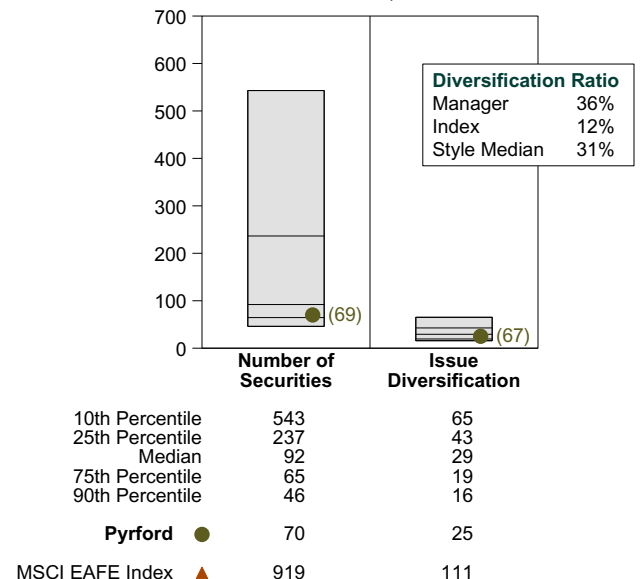
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

### Sector Allocation March 31, 2019



### Diversification March 31, 2019



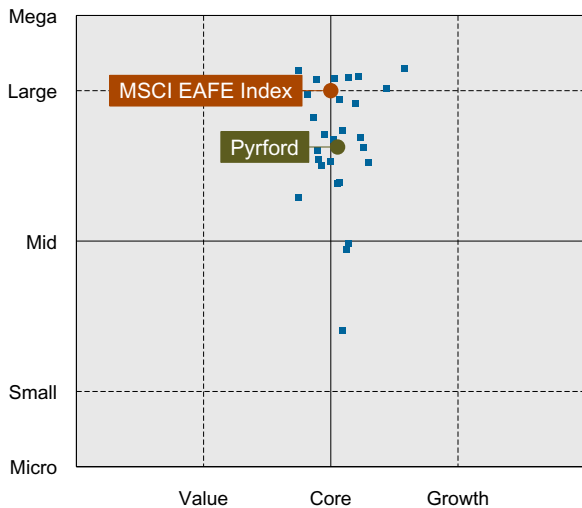
# Current Holdings Based Style Analysis

## Pyrford

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

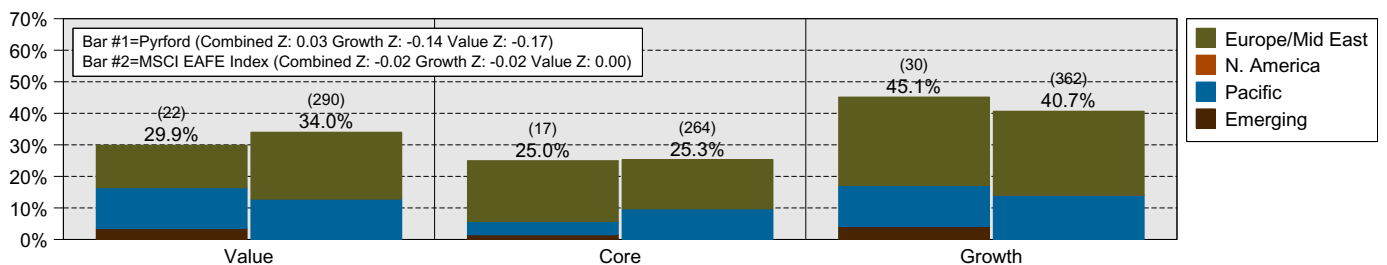
**Style Map vs Callan NonUS Dev Core Eq Holdings as of March 31, 2019**



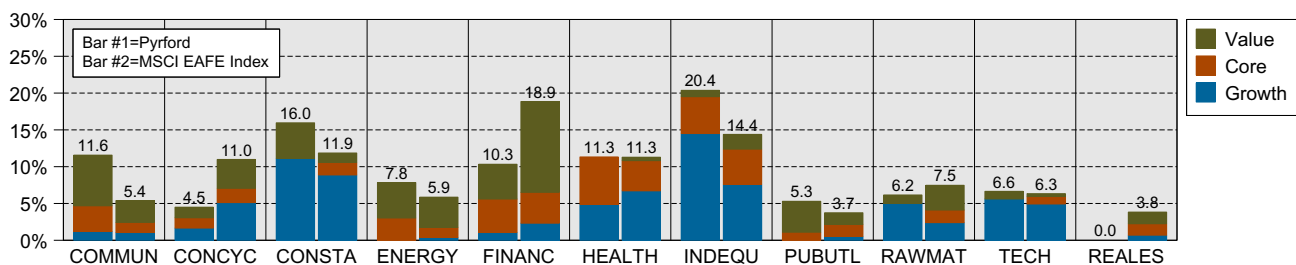
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Europe/ Mid East	13.5% (11)	19.3% (13)	28.0% (17)	60.8% (41)
N. America	21.2% (143)	15.7% (123)	26.5% (180)	63.3% (446)
Pacific	0.0% (0)	0.0% (0)	0.0% (1)	0.0% (1)
Emerging	12.9% (9)	4.2% (3)	13.0% (9)	30.1% (21)
<b>Total</b>	<b>29.9% (22)</b>	<b>25.0% (17)</b>	<b>45.1% (30)</b>	<b>100.0% (69)</b>
	<b>34.0% (290)</b>	<b>25.3% (264)</b>	<b>40.7% (362)</b>	<b>100.0% (916)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**



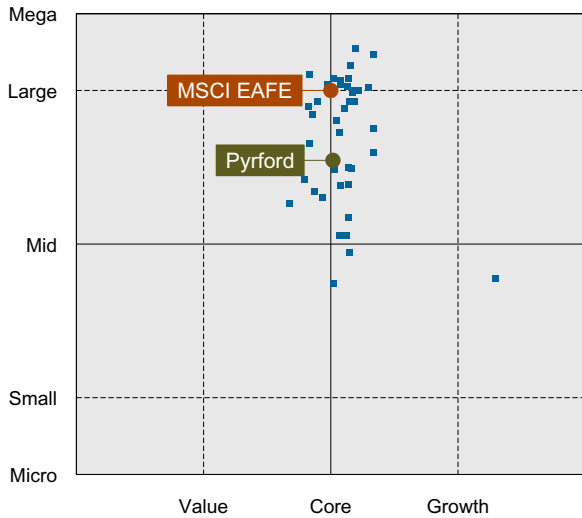
# Historical Holdings Based Style Analysis

## Pyrford

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

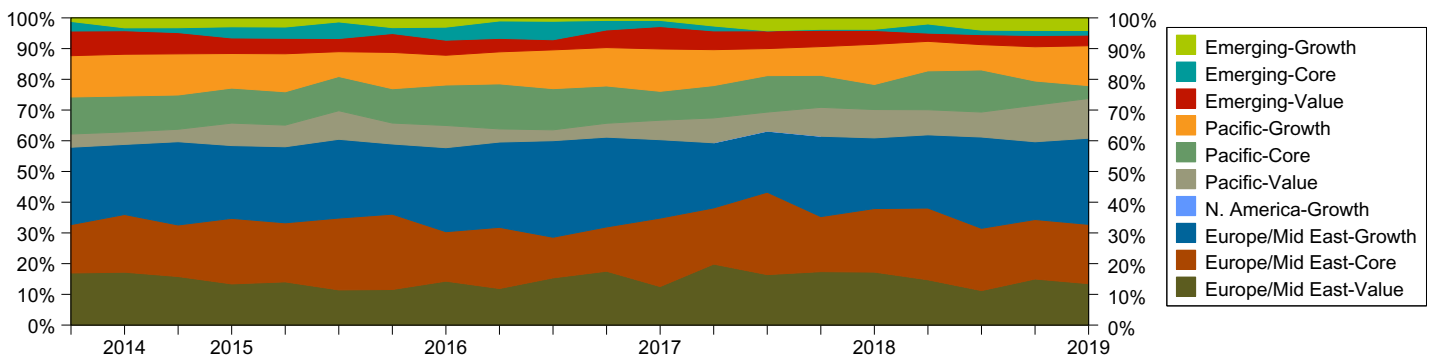
**Average Style Map vs Callan NonUS Dev Core Eq Holdings for Five Years Ended March 31, 2019**



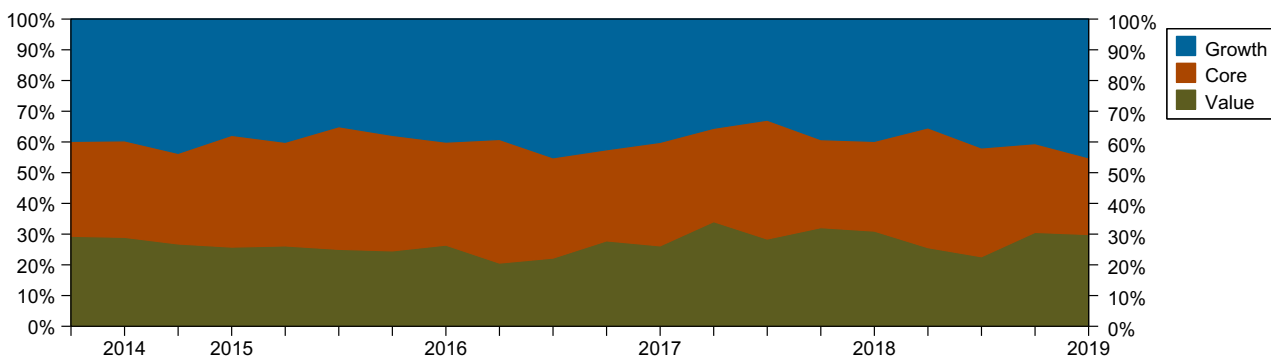
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	Value	Core	Growth	Total
Europe/Mid East	14.9% (11)	19.6% (12)	25.5% (18)	60.0% (41)
	19.7% (126)	19.0% (133)	25.3% (194)	64.0% (453)
N. America	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	7.1% (6)	11.1% (8)	11.4% (8)	29.6% (22)
	12.2% (141)	11.1% (148)	12.6% (177)	35.9% (466)
Emerging	5.2% (4)	2.6% (2)	2.7% (2)	10.4% (8)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
<b>Total</b>	<b>27.2% (21)</b>	<b>33.2% (22)</b>	<b>39.6% (28)</b>	<b>100.0% (71)</b>
	<b>31.9% (267)</b>	<b>30.2% (281)</b>	<b>38.0% (371)</b>	<b>100.0% (919)</b>

### Pyrford Historical Region/Style Exposures



### Pyrford Historical Style Only Exposures

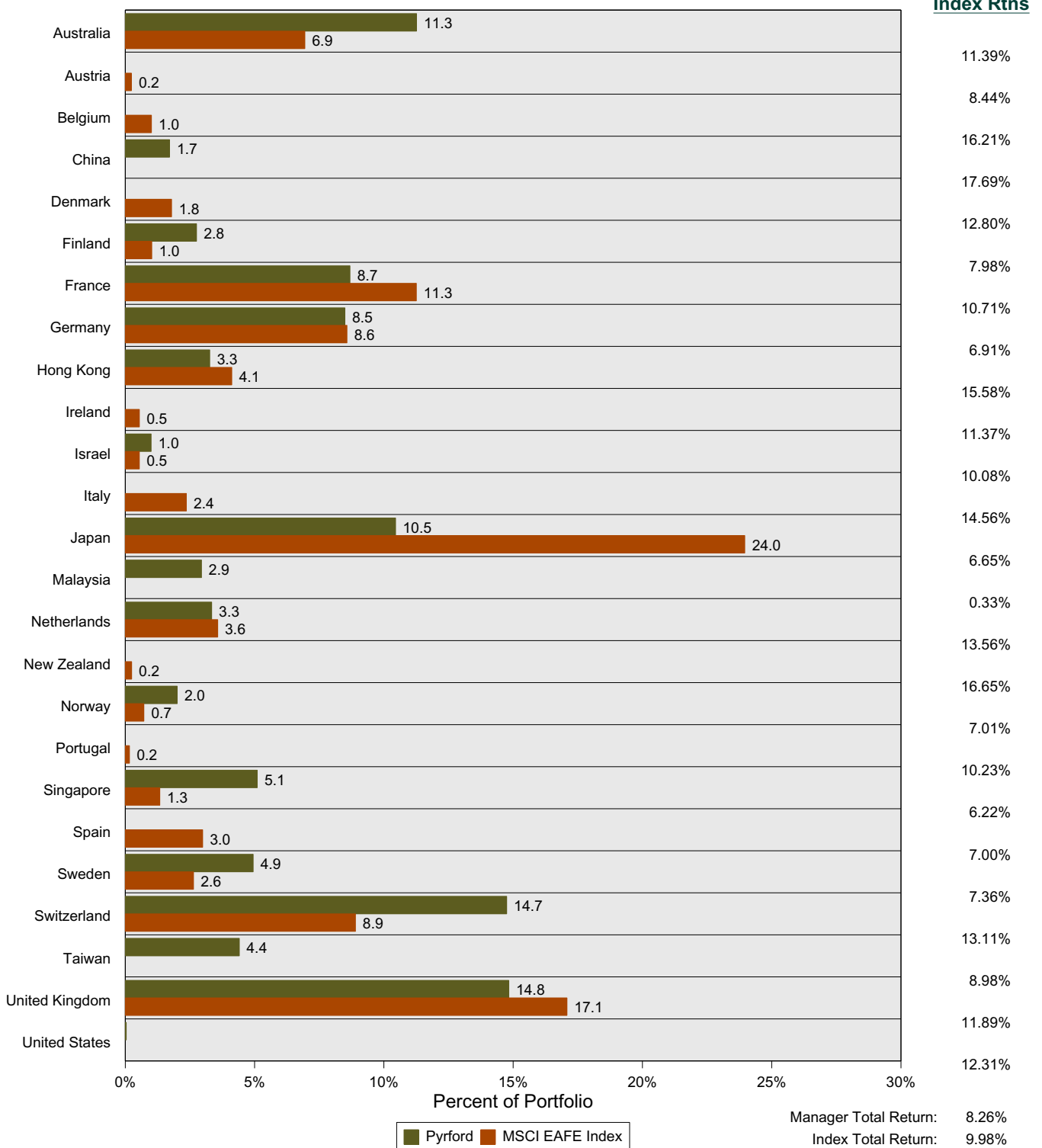


# Country Allocation Pyrford VS MSCI EAFE Index

## Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of March 31, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of March 31, 2019



## Pyrford Top 10 Portfolio Holdings Characteristics as of March 31, 2019

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Nestle S A Shs Nom New	Consumer Staples	\$1,001,140	3.8%	17.72%	291.88	21.61	2.58%	8.72%
Roche Hldgs Ag Basel Div Rts Ctf	Health Care	\$901,302	3.4%	15.14%	193.54	14.81	3.03%	4.59%
Novartis	Health Care	\$791,901	3.0%	16.42%	245.31	17.32	2.98%	6.92%
Japan Tobacco Inc Ord	Consumer Staples	\$658,333	2.5%	4.15%	49.60	12.57	5.46%	(5.55)%
Brambles Ltd Npv	Industrials	\$578,530	2.2%	17.66%	13.31	20.03	2.47%	7.25%
Woolworths Ltd	Consumer Staples	\$565,642	2.1%	5.90%	28.45	22.29	3.13%	6.65%
National Grid Ord	Utilities	\$552,510	2.1%	13.91%	37.81	14.67	5.47%	1.32%
Essity Ab	Consumer Staples	\$544,068	2.1%	17.75%	18.45	18.86	2.14%	7.78%
Telenor Asa Shs	Communication Services	\$531,807	2.0%	3.68%	29.51	16.95	4.86%	2.34%
Woodside Petroleum	Energy	\$481,191	1.8%	12.87%	23.02	14.52	5.77%	10.65%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
British American Tobacco	Consumer Staples	\$363,893	1.4%	32.80%	95.47	10.08	6.17%	6.34%
Rio Tinto Ltd Ord	Materials	\$290,735	1.1%	27.32%	25.82	12.55	4.08%	(8.93)%
Panalpina Welt Ag	Industrials	\$199,821	0.8%	25.28%	3.95	33.39	2.26%	34.90%
Qbe Insurance Group Ltd Shs	Financials	\$389,539	1.5%	24.45%	11.62	12.90	4.06%	14.28%
Merida Industry Co.	Consumer Discretionary	\$117,305	0.4%	24.30%	1.67	21.54	1.16%	(30.49)%
Vtech Holdings Ltd Shs New	Information Technology	\$274,199	1.0%	23.52%	2.57	13.14	7.81%	(3.56)%
Legal & General Group	Financials	\$425,121	1.6%	21.93%	21.38	8.69	5.96%	3.92%
Assa Abloy A B Ord B	Industrials	\$395,809	1.5%	21.30%	22.83	21.30	1.74%	11.40%
Advantech Co	Information Technology	\$274,911	1.0%	21.29%	5.80	23.81	2.58%	12.36%
Comfortdelgro Corporation Lt Shs	Industrials	\$385,662	1.5%	20.29%	4.11	17.25	4.09%	6.84%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Bezeq The Israeli Telecom Cp Ord	Communication Services	\$264,767	1.0%	(28.04)%	1.94	7.40	4.51%	(16.15)%
Nihon Kohden Corp Shs	Health Care	\$394,185	1.5%	(8.15)%	2.64	23.80	1.06%	(15.66)%
Kddi	Communication Services	\$443,677	1.7%	(8.08)%	54.56	9.24	3.98%	4.50%
Vodafone Group Plc New Shs New	Communication Services	\$300,312	1.1%	(6.49)%	49.55	14.92	9.51%	4.60%
Chunghwa Telecom Co Ltd Shs	Communication Services	\$393,519	1.5%	(3.32)%	27.56	24.32	4.38%	(1.25)%
Malayan Banking Bhd Maybank Shs	Financials	\$465,109	1.8%	(1.23)%	25.09	12.08	6.15%	8.69%
Power Assets Holdings Limite Shs	Utilities	\$305,251	1.2%	(0.35)%	14.80	14.95	5.14%	4.64%
Sumitomo Rubber Ind	Consumer Discretionary	\$380,181	1.4%	0.78%	3.16	9.43	4.14%	4.57%
Computershare Limited Cpu Shs	Information Technology	\$436,744	1.6%	0.84%	6.59	15.90	2.46%	9.57%
Fuchs Petrolub Pref.	Materials	\$409,087	1.5%	1.46%	2.89	18.59	2.56%	3.94%

# AQR

## Period Ended March 31, 2019

### Investment Philosophy

Returns prior to 9/30/2016 are linked to a composite history.

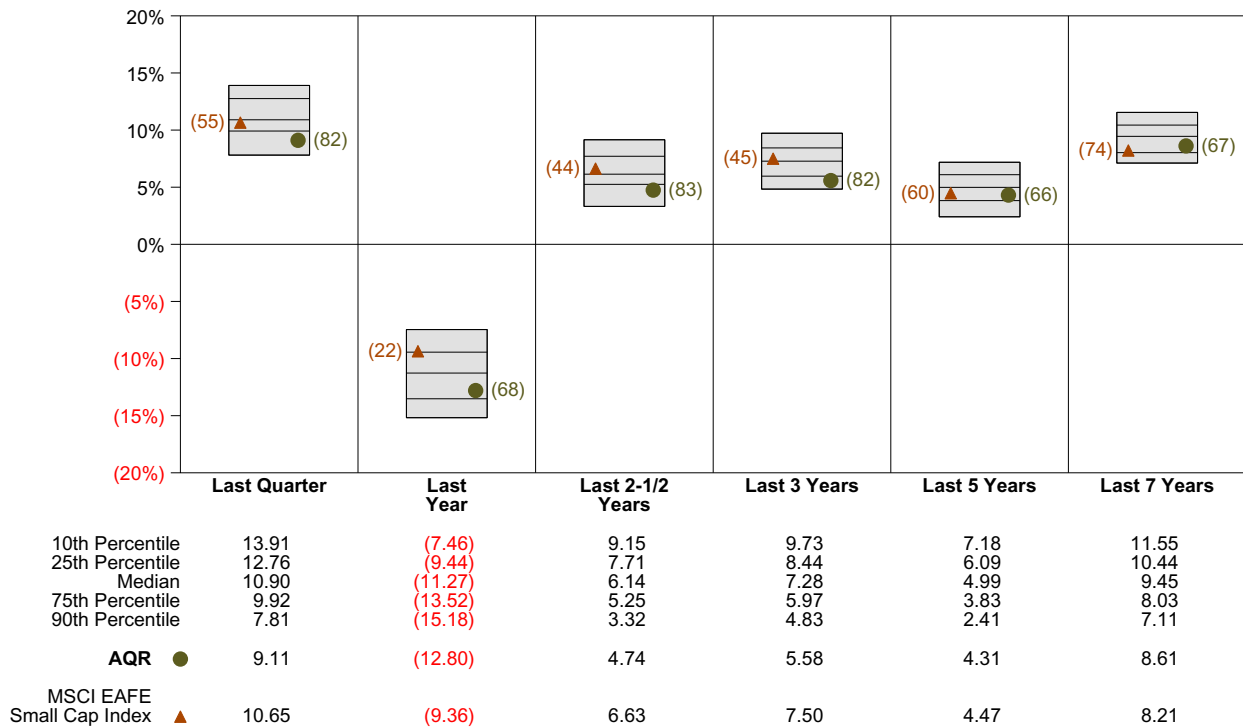
### Quarterly Summary and Highlights

- AQR's portfolio posted a 9.11% return for the quarter placing it in the 82 percentile of the Callan International Small Cap group for the quarter and in the 68 percentile for the last year.
- AQR's portfolio underperformed the MSCI EAFE Small Cap Index by 1.55% for the quarter and underperformed the MSCI EAFE Small Cap Index for the year by 3.44%.

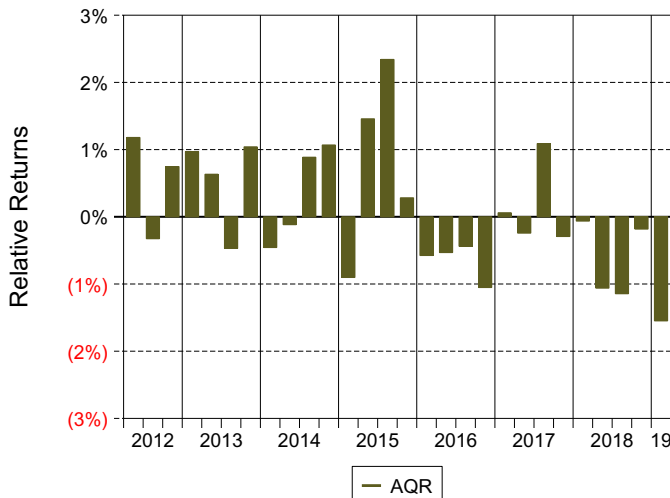
### Quarterly Asset Growth

Beginning Market Value	\$11,927,378
Net New Investment	\$0
Investment Gains/(Losses)	\$1,059,359
Ending Market Value	\$12,986,737

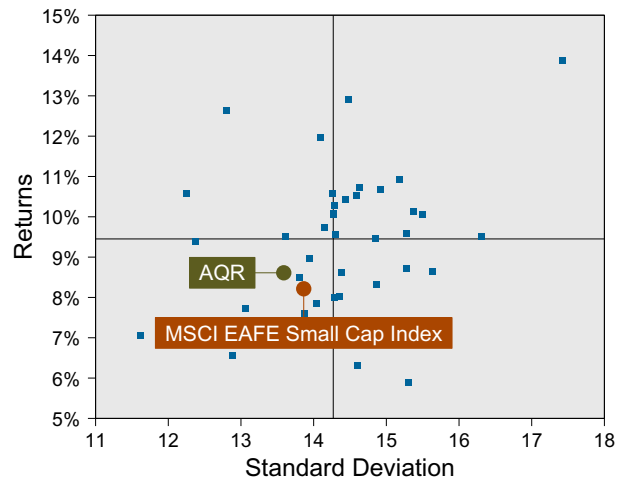
### Performance vs Callan International Small Cap (Gross)



### Relative Returns vs MSCI EAFE Small Cap Index



### Callan International Small Cap (Gross) Annualized Seven Year Risk vs Return



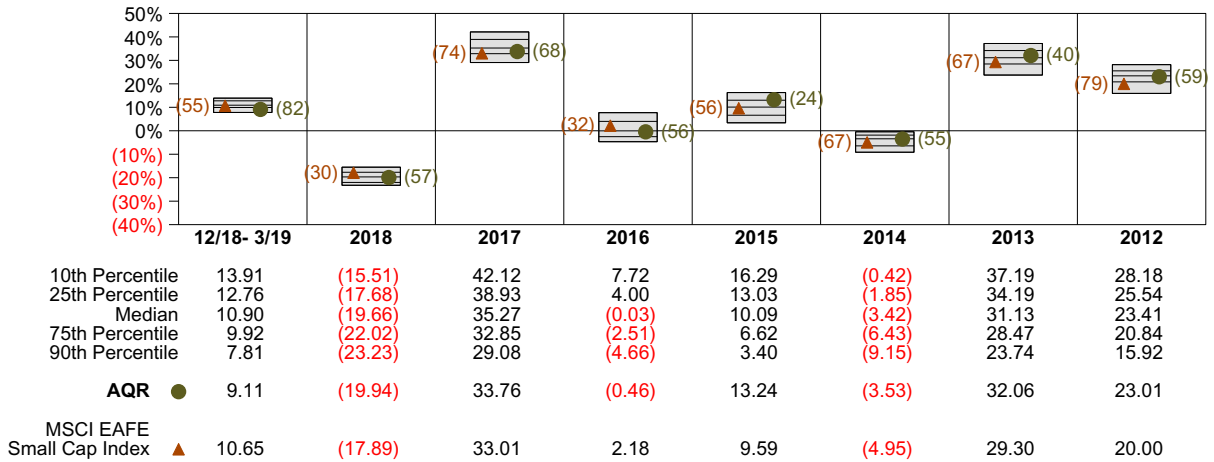


# AQR Return Analysis Summary

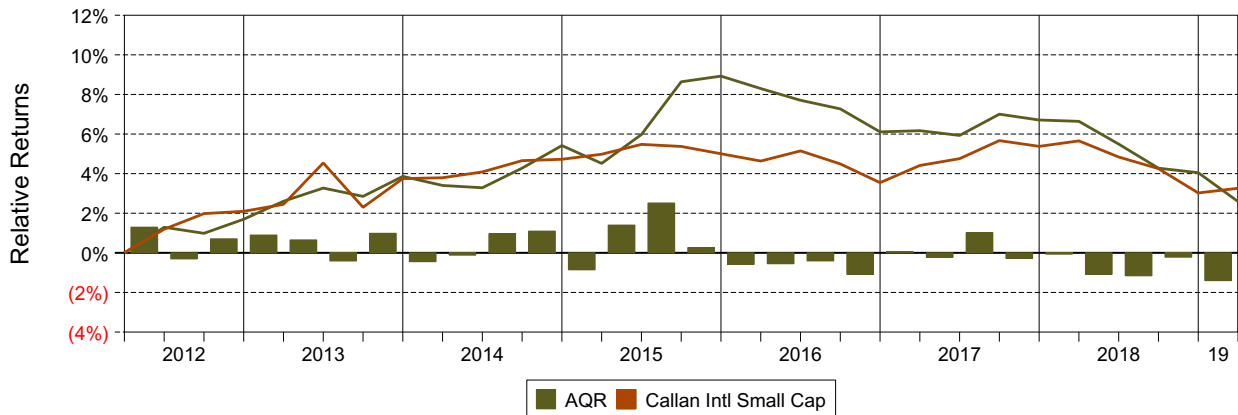
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

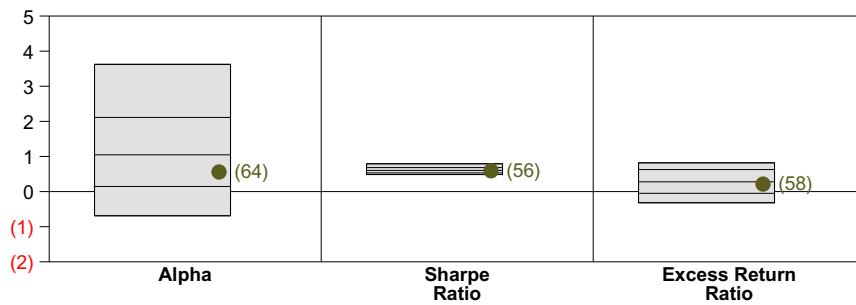
### Performance vs Callan International Small Cap (Gross)



### Cumulative and Quarterly Relative Return vs MSCI EAFE Small Cap Index



### Risk Adjusted Return Measures vs MSCI EAFE Small Cap Index Rankings Against Callan International Small Cap (Gross) Seven Years Ended March 31, 2019



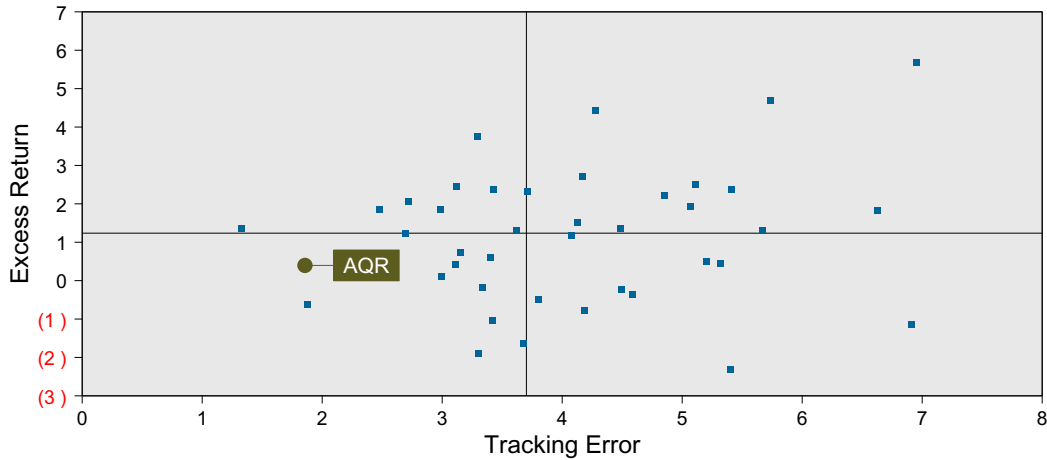
	Alpha	Sharpe Ratio	Excess Return Ratio
10th Percentile	3.62	0.79	0.82
25th Percentile	2.11	0.68	0.63
Median	1.05	0.60	0.28
75th Percentile	0.15	0.53	(0.05)
90th Percentile	(0.69)	0.49	(0.32)
<b>AQR</b> ●	0.56	0.59	0.21

# AQR Risk Analysis Summary

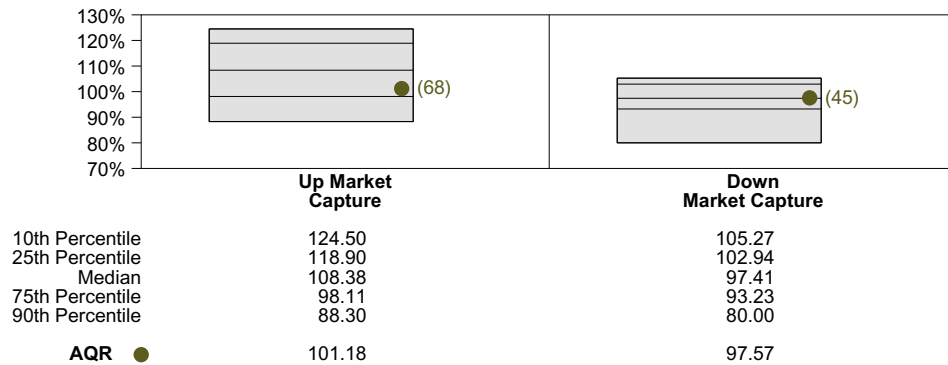
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

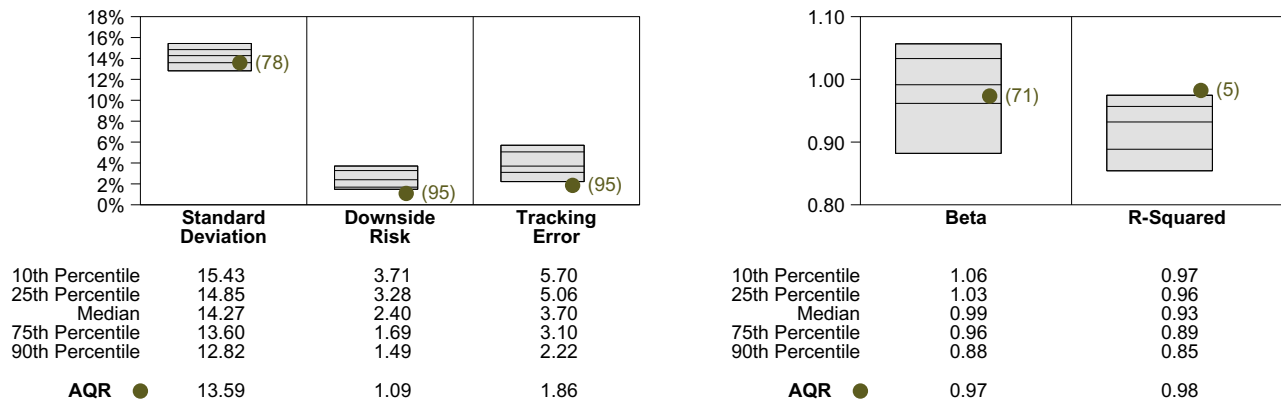
### Risk Analysis vs Callan International Small Cap (Gross) Seven Years Ended March 31, 2019



### Market Capture vs MSCI EAFE Small Cap Index Rankings Against Callan International Small Cap (Gross) Seven Years Ended March 31, 2019



### Risk Statistics Rankings vs MSCI EAFE Small Cap Index Rankings Against Callan International Small Cap (Gross) Seven Years Ended March 31, 2019

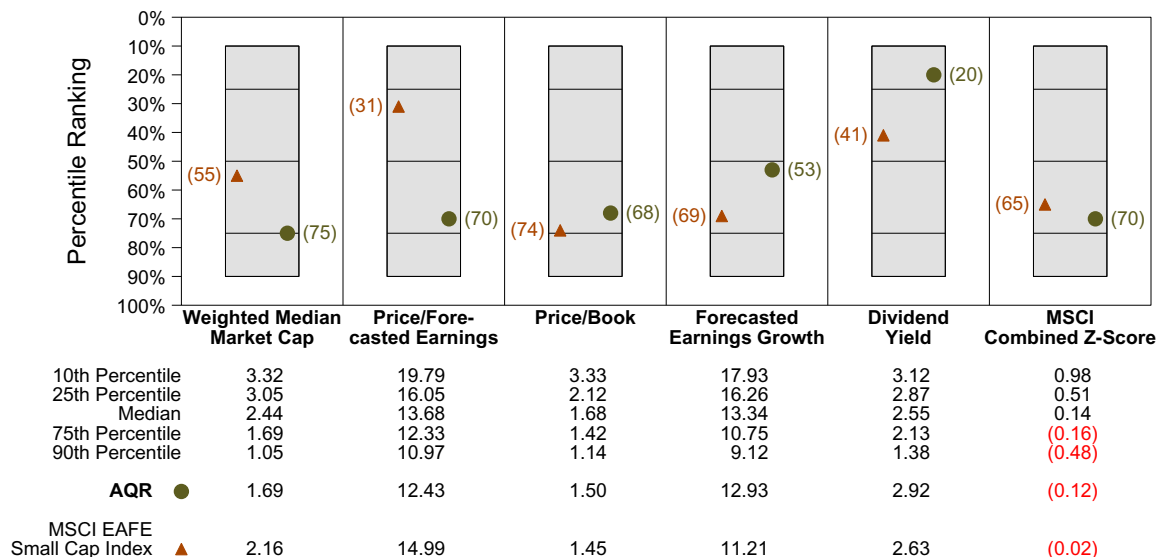


# AQR Equity Characteristics Analysis Summary

## Portfolio Characteristics

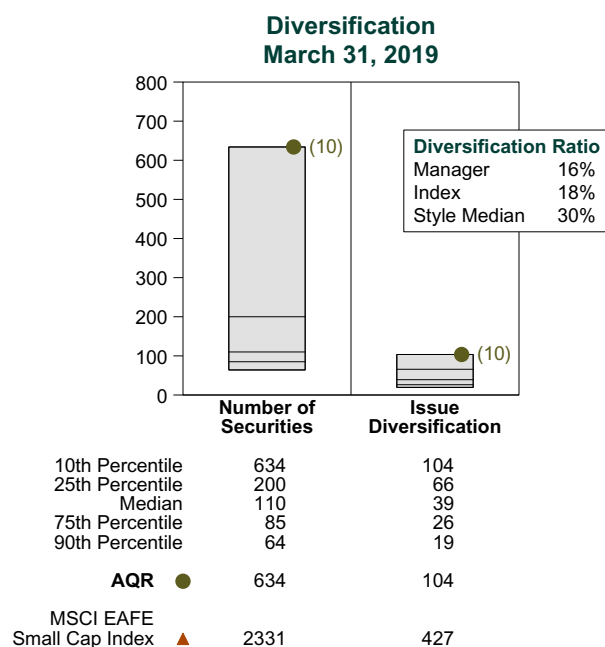
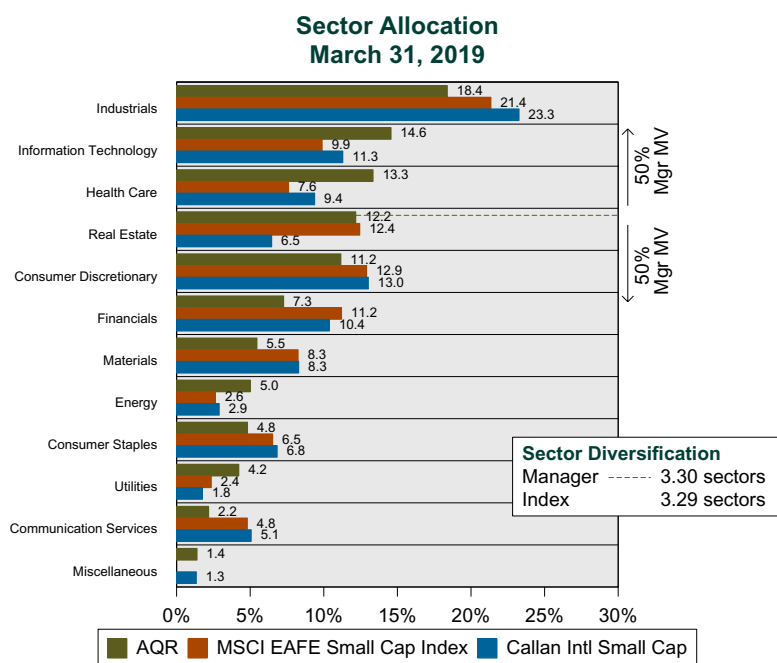
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Callan International Small Cap as of March 31, 2019



## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



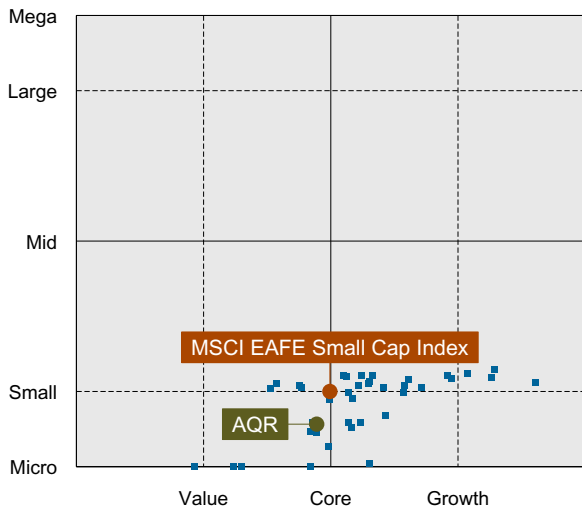
# Current Holdings Based Style Analysis

## AQR

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left chart illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

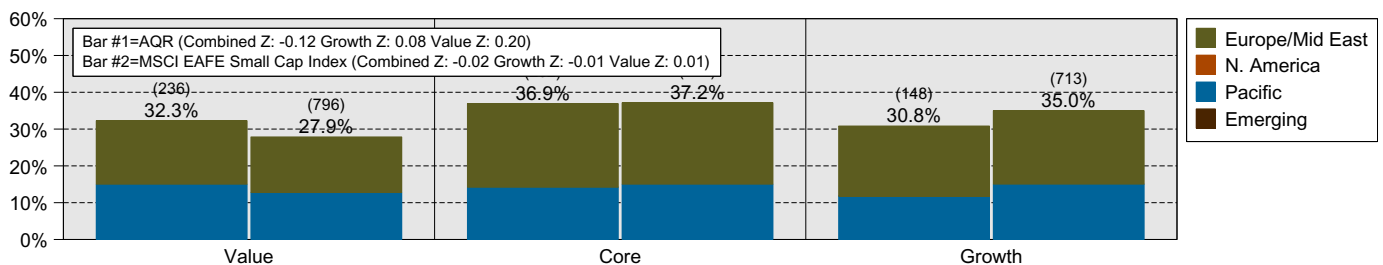
**Style Map vs Callan Intl Small Cap Holdings as of March 31, 2019**



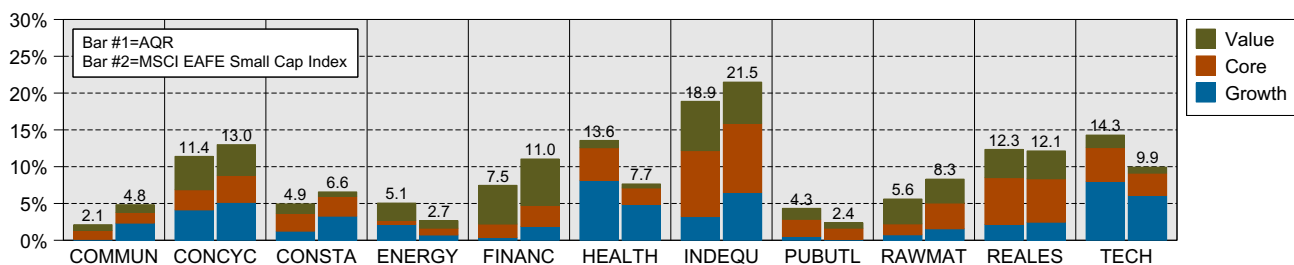
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Europe/ Mid East	17.2% (100)	22.7% (113)	19.0% (70)	59.0% (283)
N. America	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	15.0% (136)	14.2% (119)	11.8% (78)	41.0% (333)
Emerging	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
<b>Total</b>	<b>32.3% (236)</b>	<b>36.9% (232)</b>	<b>30.8% (148)</b>	<b>100.0% (616)</b>
	<b>27.9% (796)</b>	<b>37.2% (809)</b>	<b>35.0% (713)</b>	<b>100.0% (2318)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**



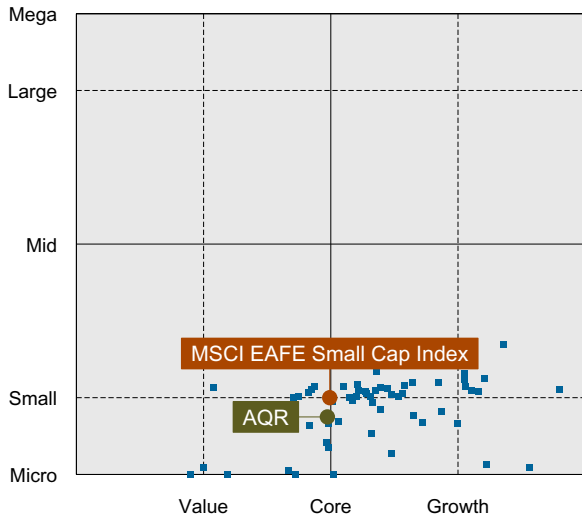
# Historical Holdings Based Style Analysis

## AQR

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

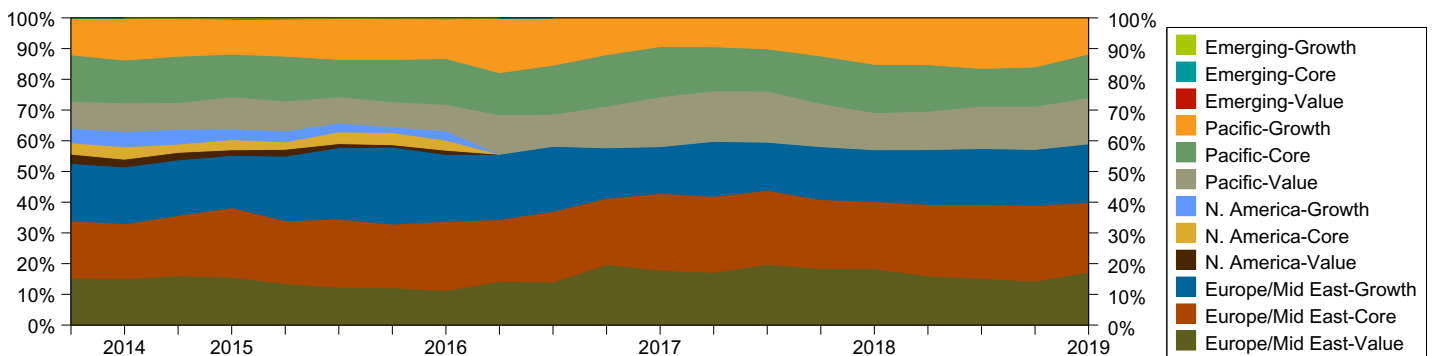
**Average Style Map vs Callan Intl Small Cap Holdings for Five Years Ended March 31, 2019**



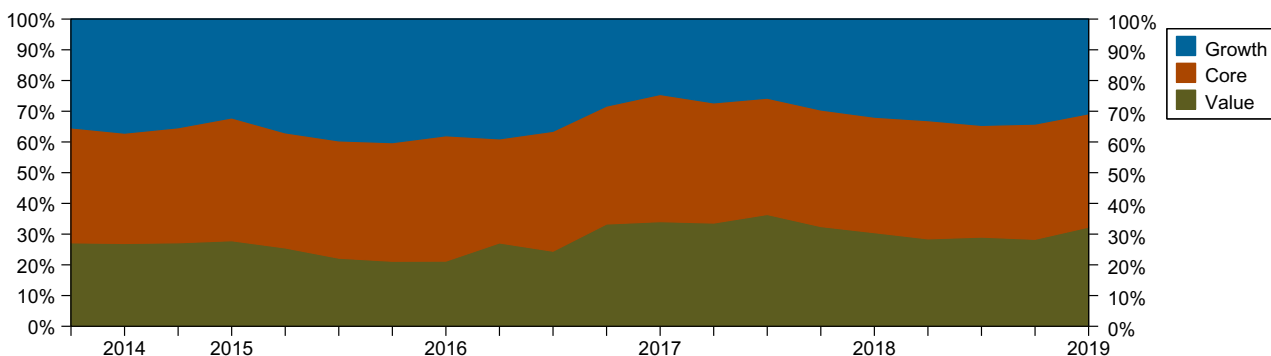
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	15.7% (103)	22.1% (118)	18.9% (86)	56.7% (307)
Europe/ Mid East	15.3% (312)	22.2% (373)	20.1% (313)	57.7% (998)
N. America	0.8% (8)	1.4% (10)	1.5% (9)	3.6% (27)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	12.0% (122)	14.5% (116)	13.1% (87)	39.6% (325)
	13.3% (433)	14.8% (426)	14.2% (370)	42.3% (1229)
Emerging	0.0% (0)	0.0% (0)	0.0% (0)	0.1% (0)
	0.0% (1)	0.0% (1)	0.0% (1)	0.1% (3)
<b>Total</b>	<b>28.5% (233)</b>	<b>38.0% (244)</b>	<b>33.5% (182)</b>	<b>100.0% (659)</b>
	<b>28.6% (746)</b>	<b>37.0% (800)</b>	<b>34.4% (684)</b>	<b>100.0% (2230)</b>
	Value	Core	Growth	Total

### AQR Historical Region/Style Exposures



### AQR Historical Style Only Exposures



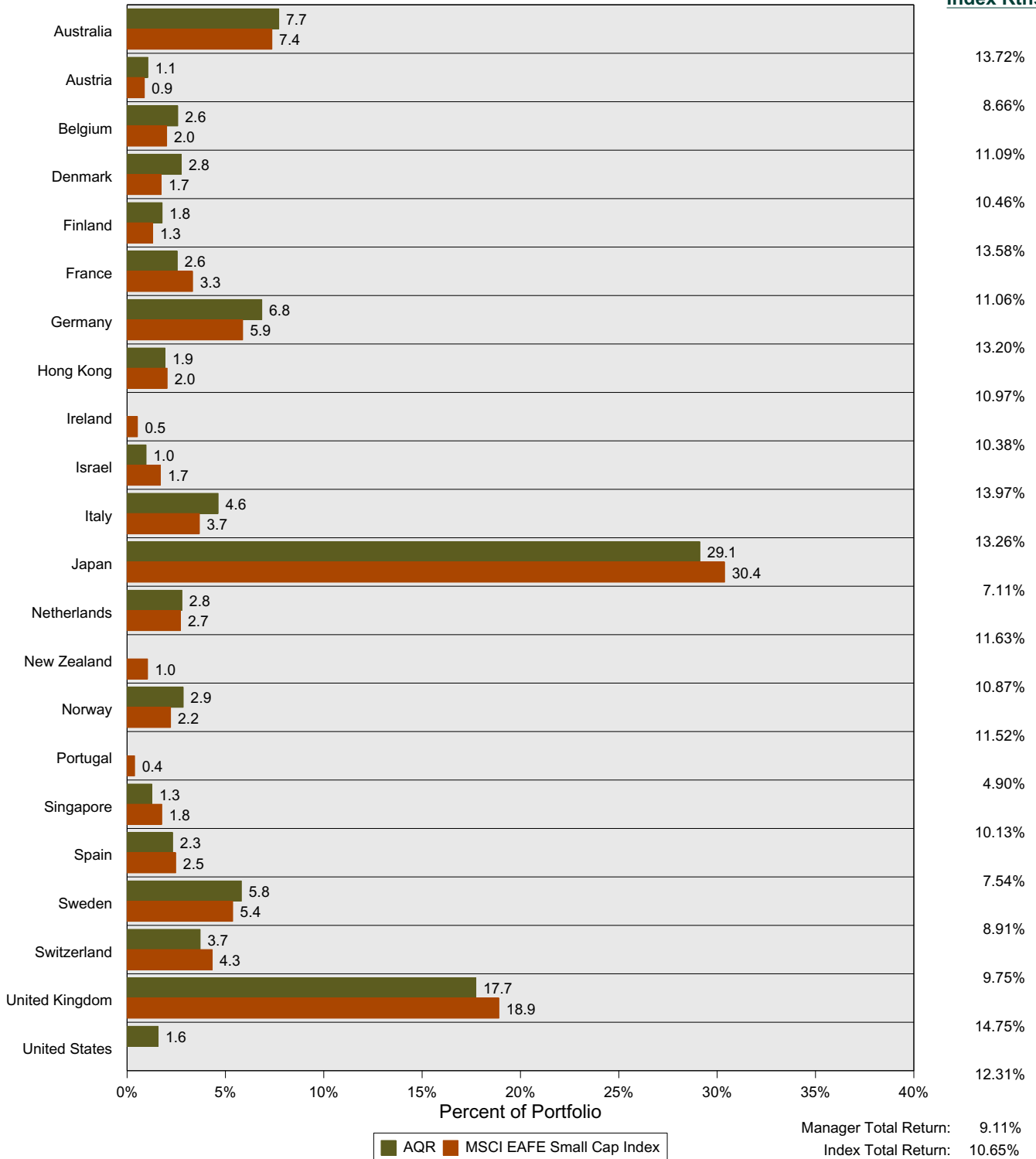
## Country Allocation AQR VS MSCI EAFE Small Cap Index

### Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of March 31, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

### Country Weights as of March 31, 2019

### Index Rtns



## AQR Top 10 Portfolio Holdings Characteristics as of March 31, 2019

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Swedish Orphan Biovitrum Ab Shs	Health Care	\$216,003	1.7%	8.03%	7.00	17.95	0.00%	14.44%
Dno Asa Shs A	Energy	\$202,098	1.6%	55.07%	2.41	8.60	2.09%	14.26%
Saras Raffinerie Sarde Spa Shs	Energy	\$156,425	1.2%	(4.09)%	1.76	7.57	4.85%	0.32%
Drax Group Ord Gbp0.1	Utilities	\$128,695	1.0%	7.90%	1.94	12.54	3.73%	185.40%
Cancom It Systeme Nm	Information Technology	\$116,087	0.9%	36.42%	1.57	23.51	1.25%	22.20%
Ferrexpo Plc London Shs	Materials	\$115,672	0.9%	30.14%	1.90	5.37	2.05%	(12.32)%
Electrocomponent Plc Ord	Information Technology	\$113,619	0.9%	13.46%	3.25	14.35	2.37%	14.48%
Sandfire Resources NI Shs	Materials	\$110,587	0.9%	5.36%	0.78	6.35	3.76%	12.40%
Unipol Gruppo Finanziario Sp Shs	Financials	\$109,730	0.8%	23.96%	3.58	6.89	4.05%	23.23%
Computacenter Plc Shs Par 0.075555	Information Technology	\$107,740	0.8%	12.48%	1.64	14.09	2.74%	4.37%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Appen	Information Technology	\$38,556	0.3%	74.73%	1.90	45.22	0.49%	74.71%
Afterpay Touch Group	Information Technology	\$5,080	0.0%	70.48%	3.54	183.73	0.00%	-
Petroleum Geo-Services	Energy	\$25,583	0.2%	69.65%	0.78	30.80	0.00%	(59.42)%
Ophir Energy	Energy	\$1,804	0.0%	63.05%	0.53	15.74	0.00%	-
Nemetschek Nm	Information Technology	\$76,949	0.6%	55.88%	6.53	60.32	0.54%	11.30%
Dno Asa Shs A	Energy	\$202,098	1.6%	55.07%	2.41	8.60	2.09%	14.26%
Beach Petroleum	Energy	\$9,868	0.1%	54.97%	3.33	10.30	0.97%	23.22%
Myer Holdings Ltd Npv	Consumer Discretionary	\$14,669	0.1%	50.75%	0.36	15.73	8.06%	(17.54)%
Altium Ltd Shs	Information Technology	\$10,352	0.1%	50.67%	3.00	48.85	0.93%	18.82%
Bravura Solutions	Information Technology	\$28,002	0.2%	50.66%	0.83	31.85	1.79%	-

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Attendo	Health Care	\$5,167	0.0%	(43.12)%	0.81	12.29	1.28%	4.55%
Plus500 (Di)	Financials	\$62,312	0.5%	(40.61)%	1.11	5.52	20.65%	40.95%
Bang & Olufsen Ord CI B	Consumer Discretionary	\$4,443	0.0%	(33.84)%	0.39	14.17	0.00%	5.10%
Just Retirement	Financials	\$44,627	0.3%	(31.76)%	0.75	3.92	0.00%	2.91%
St Barbara Ltd Shs New	Materials	\$54,101	0.4%	(26.97)%	1.26	11.13	5.09%	(14.82)%
Helphire Group	Industrials	\$11,248	0.1%	(25.50)%	0.48	8.66	9.79%	18.85%
Nippon Gas	Utilities	\$7,874	0.1%	(22.85)%	1.19	15.44	1.50%	75.05%
Partner Communications Co Lt Ord	Communication Services	\$5,283	0.0%	(21.68)%	0.63	26.90	0.00%	(10.05)%
Swissquote Group Holding Ag Ord	Financials	\$30,095	0.2%	(20.59)%	0.56	10.47	2.75%	19.40%
Gam Holding	Financials	\$31,569	0.2%	(20.16)%	0.50	16.02	0.00%	(15.60)%

# DFA Emerging Markets Period Ended March 31, 2019

## Investment Philosophy

Returns prior to 6/30/2013 are linked to a composite history.

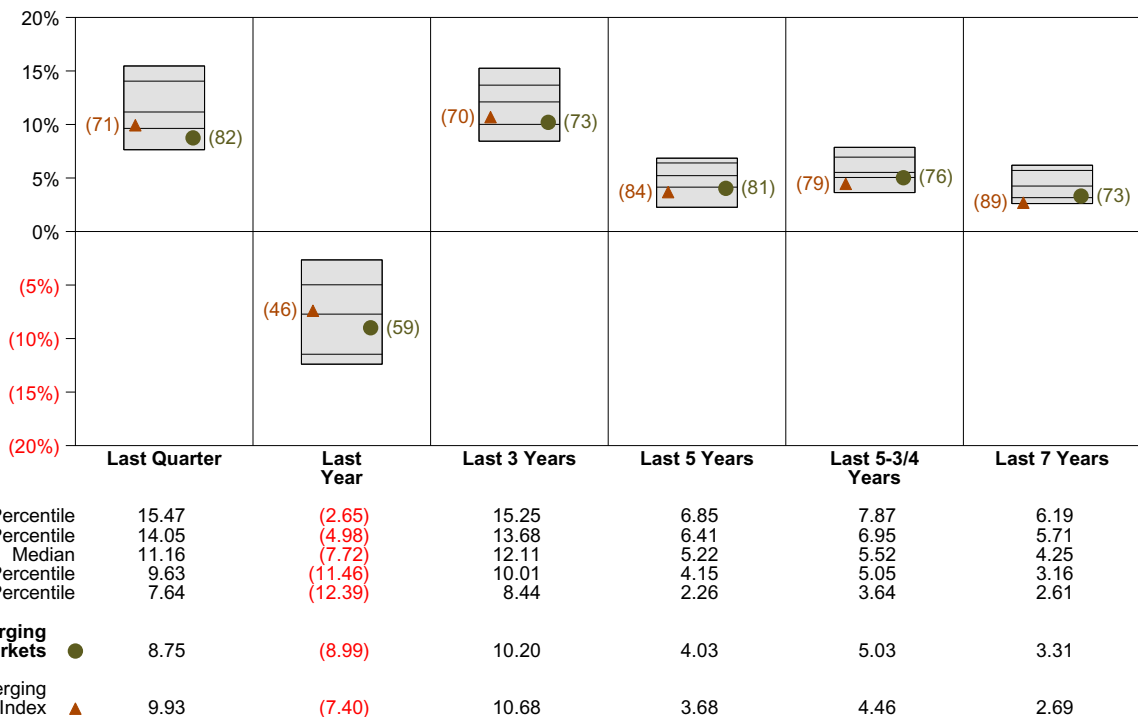
## Quarterly Summary and Highlights

- DFA Emerging Markets's portfolio posted a 8.75% return for the quarter placing it in the 82 percentile of the Callan Emerging Markets Equity Mut Funds group for the quarter and in the 59 percentile for the last year.
- DFA Emerging Markets's portfolio underperformed the MSCI Emerging Markets Index by 1.18% for the quarter and underperformed the MSCI Emerging Markets Index for the year by 1.59%.

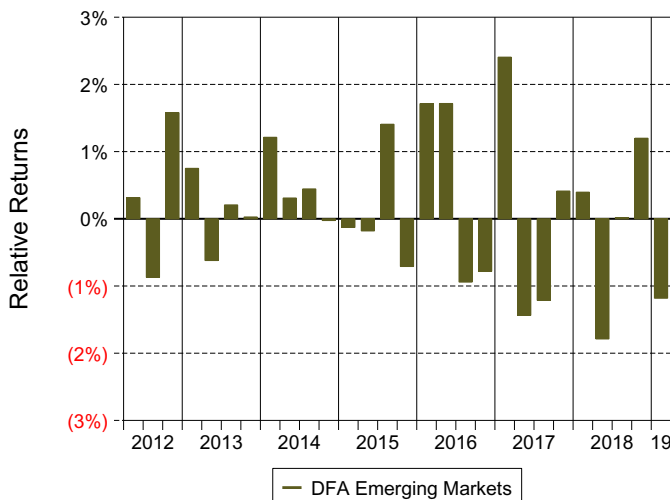
## Quarterly Asset Growth

Beginning Market Value	\$15,024,005
Net New Investment	\$0
Investment Gains/(Losses)	\$1,293,037
Ending Market Value	\$16,317,042

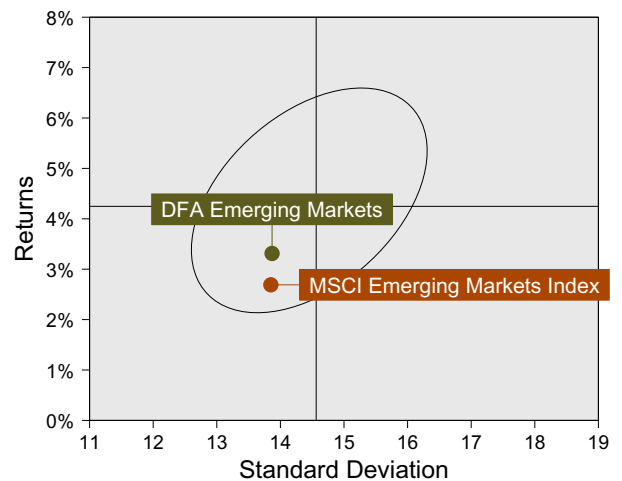
## Performance vs Callan Emerging Markets Equity Mut Funds (Gross)



## Relative Returns vs MSCI Emerging Markets Index



## Callan Emerging Markets Equity Mut Funds (Gross) Annualized Seven Year Risk vs Return



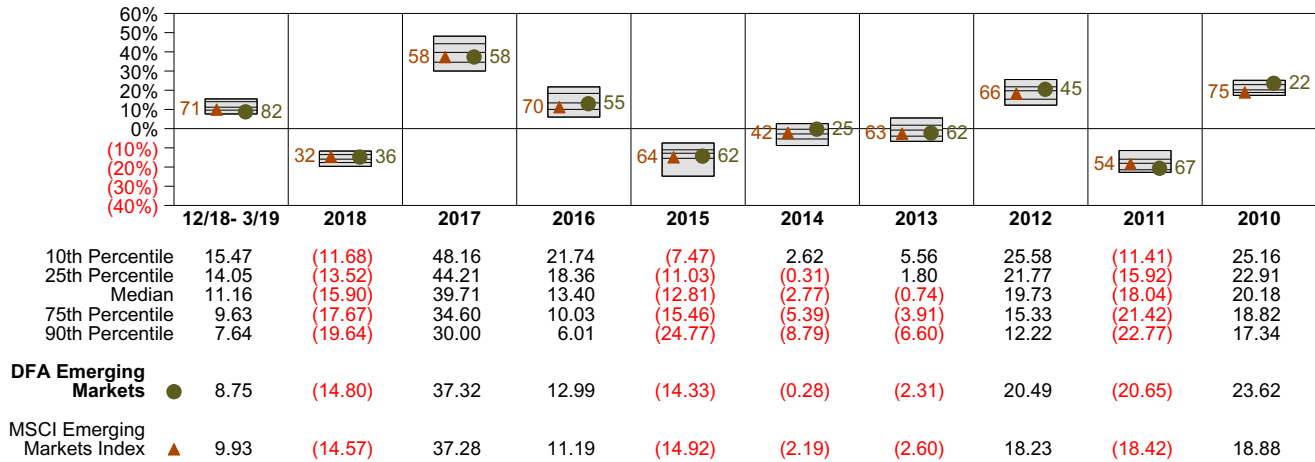


# DFA Emerging Markets Return Analysis Summary

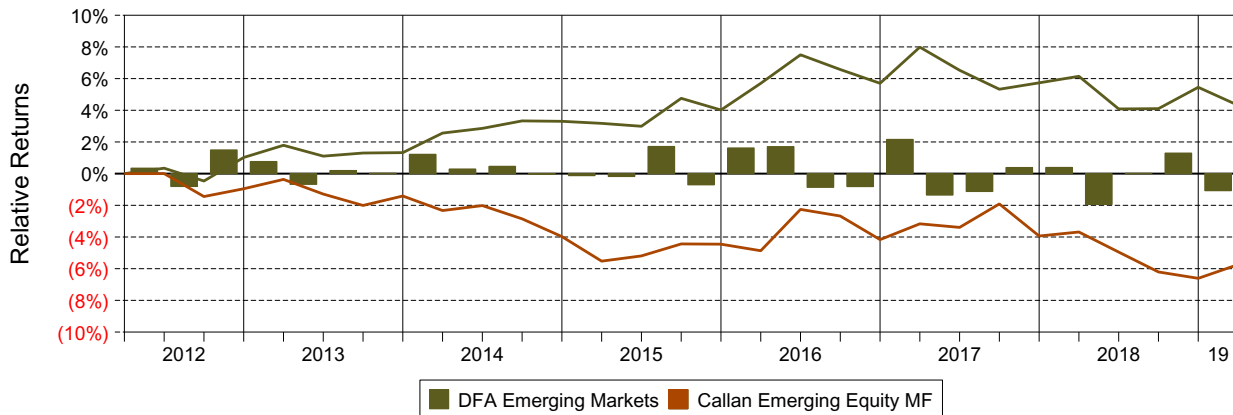
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

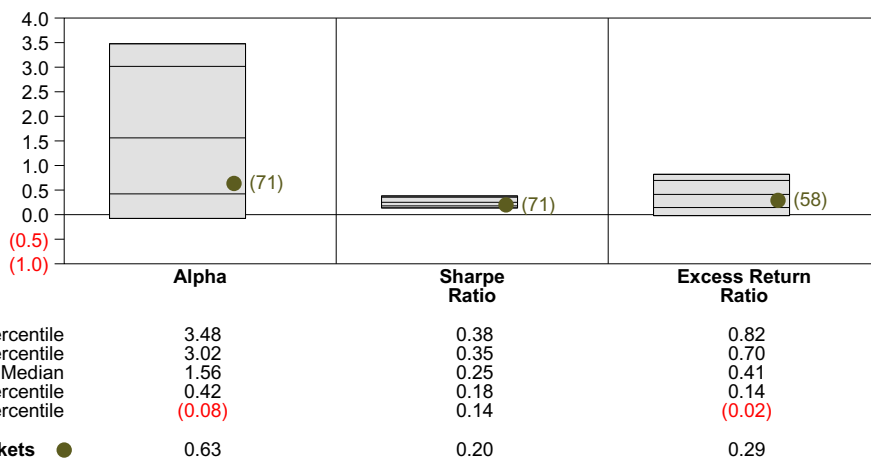
### Performance vs Callan Emerging Markets Equity Mut Funds (Gross)



### Cumulative and Quarterly Relative Return vs MSCI Emerging Markets Index



### Risk Adjusted Return Measures vs MSCI Emerging Markets Index Rankings Against Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended March 31, 2019

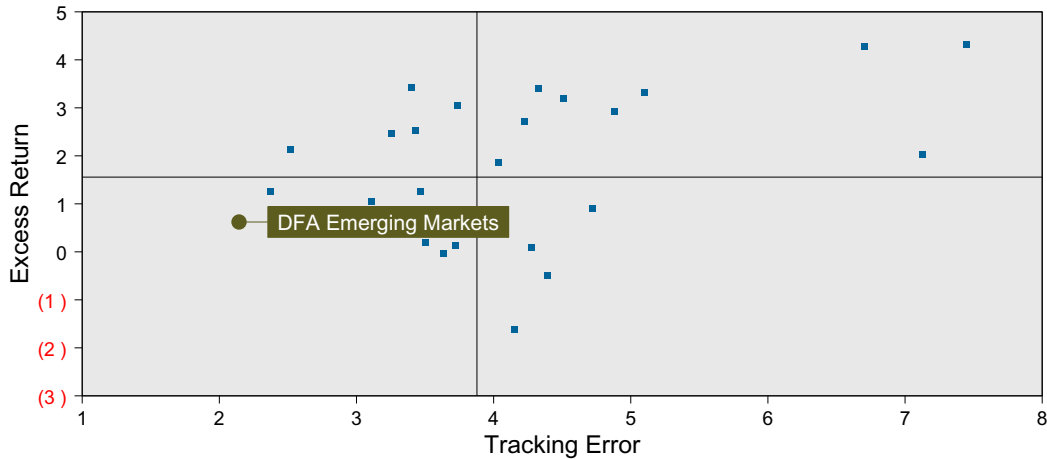


# DFA Emerging Markets Risk Analysis Summary

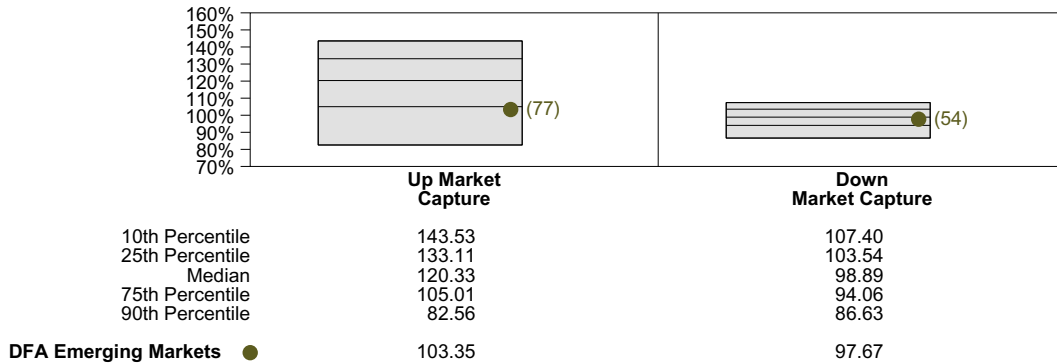
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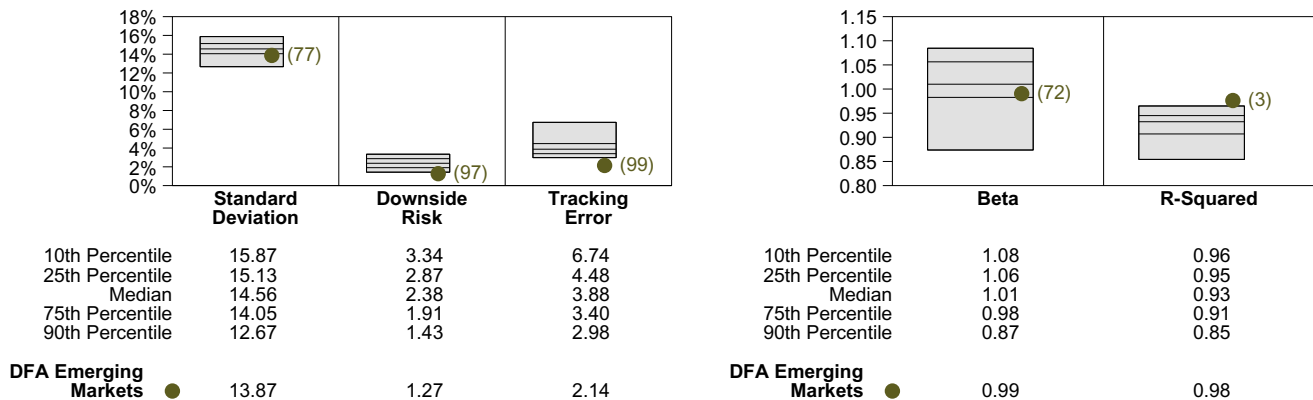
### Risk Analysis vs Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended March 31, 2019



### Market Capture vs MSCI Emerging Markets Index Rankings Against Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended March 31, 2019



### Risk Statistics Rankings vs MSCI Emerging Markets Index Rankings Against Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended March 31, 2019

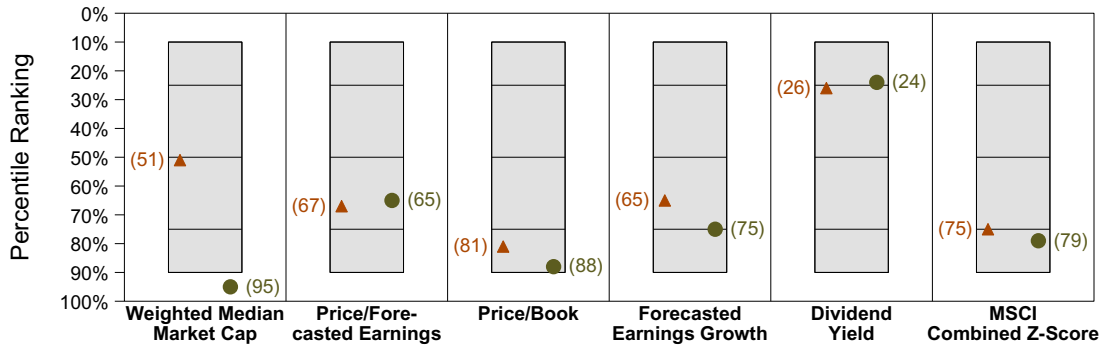


# DFA Emerging Markets Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Callan Emerging Markets Equity Mut Funds as of March 31, 2019

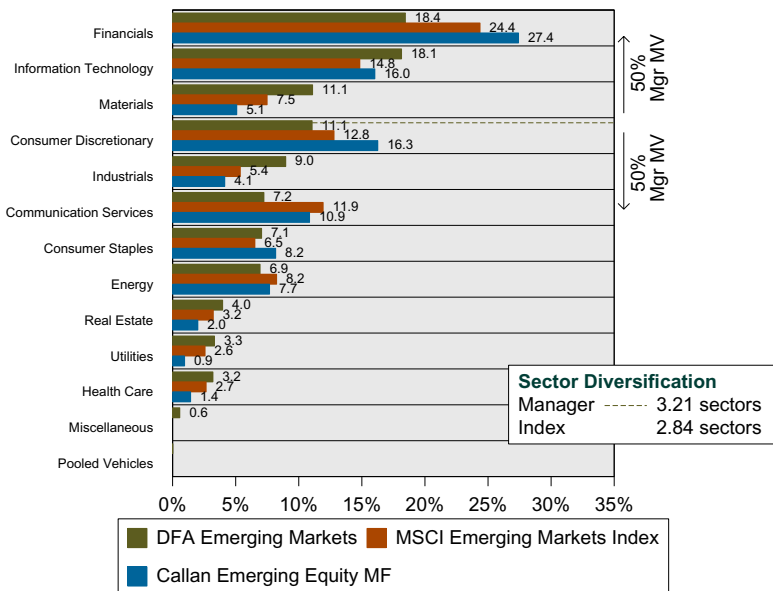


	Weighted Median Market Cap	Price/Forecasted Earnings	Price/Book	Forecasted Earnings Growth	Dividend Yield	MSCI Combined Z-Score
10th Percentile	46.72	18.25	3.63	18.44	3.66	0.72
25th Percentile	40.34	16.03	2.64	16.66	2.66	0.66
Median	21.17	13.18	1.95	15.17	2.28	0.25
75th Percentile	17.00	11.44	1.69	14.21	1.98	(0.03)
90th Percentile	12.63	10.66	1.37	10.89	1.76	(0.42)
<b>DFA Emerging Markets</b>	6.57	12.33	1.44	14.20	2.74	(0.17)
MSCI Emerging Markets Index	20.79	11.96	1.61	14.92	2.62	(0.03)

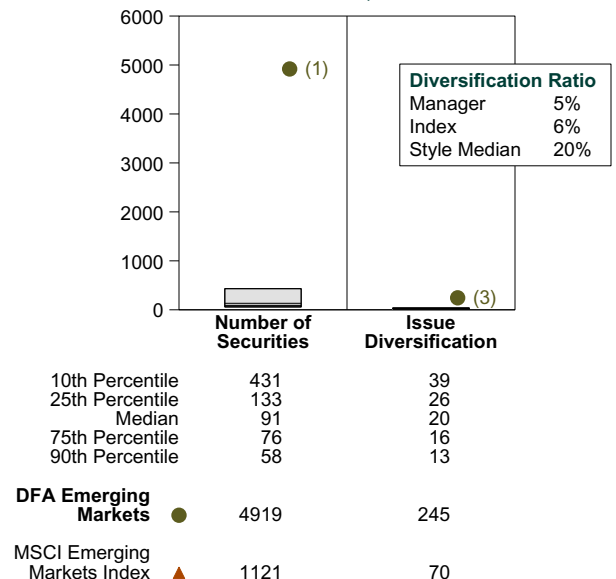
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

### Sector Allocation March 31, 2019



### Diversification March 31, 2019



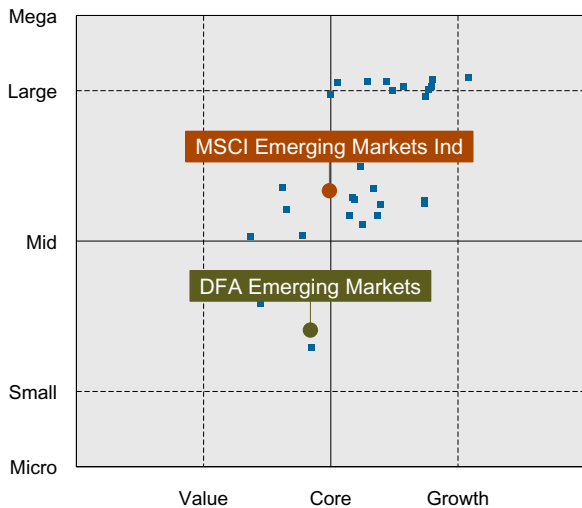
# Current Holdings Based Style Analysis

## DFA Emerging Markets

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

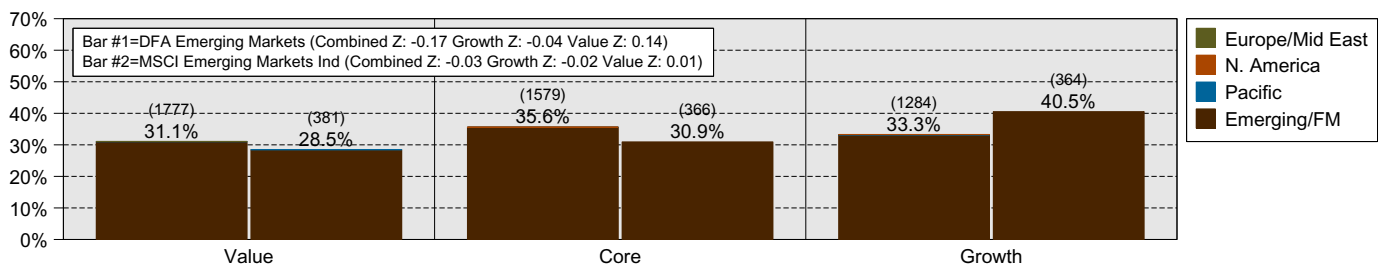
**Style Map vs Callan Emerging Equity MF Holdings as of March 31, 2019**



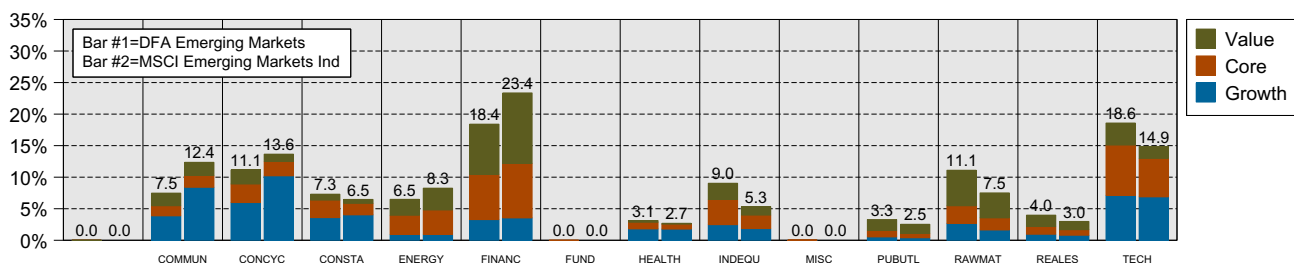
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Europe/ Mid East	0.0% (1) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (1) 0.0% (0)
N. America	0.0% (0) 0.0% (0)	0.0% (3) 0.0% (0)	0.0% (2) 0.0% (0)	0.1% (5) 0.0% (0)
Pacific	0.1% (19) 0.1% (2)	0.0% (26) 0.0% (0)	0.1% (18) 0.0% (0)	0.3% (63) 0.1% (2)
Emerging/ FM	31.0% (1757) 28.4% (379)	35.6% (1550) 30.9% (366)	33.1% (1264) 40.5% (364)	99.7% (4571) 99.9% (1109)
<b>Total</b>	<b>31.1% (1777)</b> <b>28.5% (381)</b>	<b>35.6% (1579)</b> <b>30.9% (366)</b>	<b>33.3% (1284)</b> <b>40.5% (364)</b>	<b>100.0% (4640)</b> <b>100.0% (1111)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**



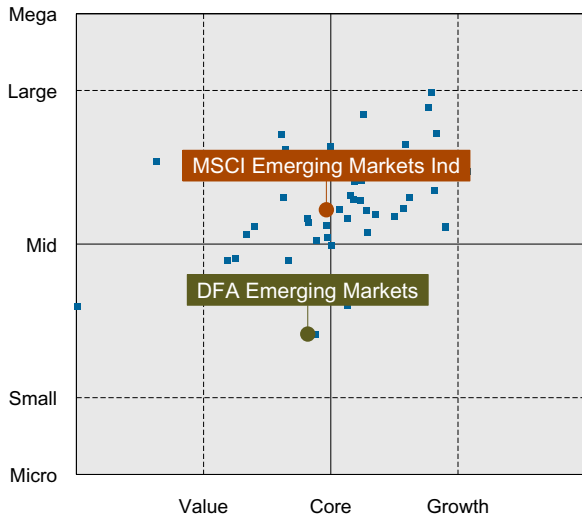
# Historical Holdings Based Style Analysis

## DFA Emerging Markets

### For Five Years Ended March 31, 2019

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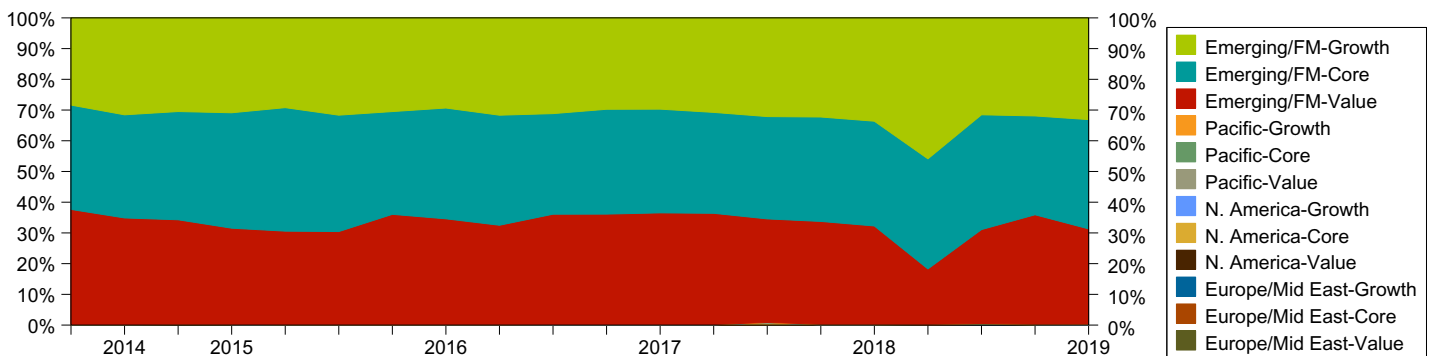
**Average Style Map vs Callan Emerging Equity MF Holdings for Five Years Ended March 31, 2019**



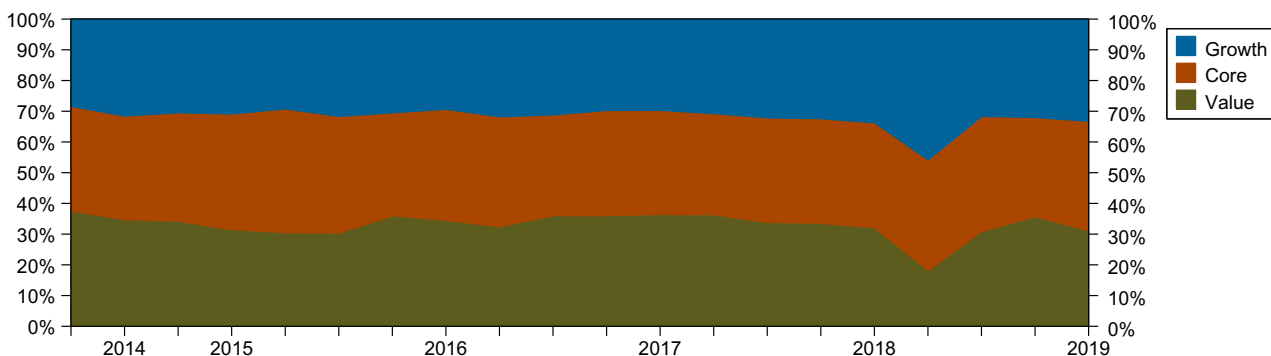
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	0.0% (0)	0.0% (1)	0.0% (0)	0.1% (1)
Europe/ Mid East	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
N. America	0.0% (1)	0.0% (3)	0.0% (1)	0.1% (5)
Pacific	0.0% (14)	0.0% (20)	0.0% (9)	0.1% (43)
Emerging/ FM	33.0% (1420)	35.0% (1406)	31.8% (906)	99.7% (3732)
	32.1% (313)	31.6% (278)	36.3% (291)	100.0% (882)
<b>Total</b>	<b>33.0% (1435)</b>	<b>35.1% (1430)</b>	<b>31.8% (916)</b>	<b>100.0% (3781)</b>
	<b>32.1% (313)</b>	<b>31.6% (278)</b>	<b>36.3% (291)</b>	<b>100.0% (882)</b>
	Value	Core	Growth	Total

**DFA Emerging Markets Historical Region/Style Exposures**



**DFA Emerging Markets Historical Style Only Exposures**

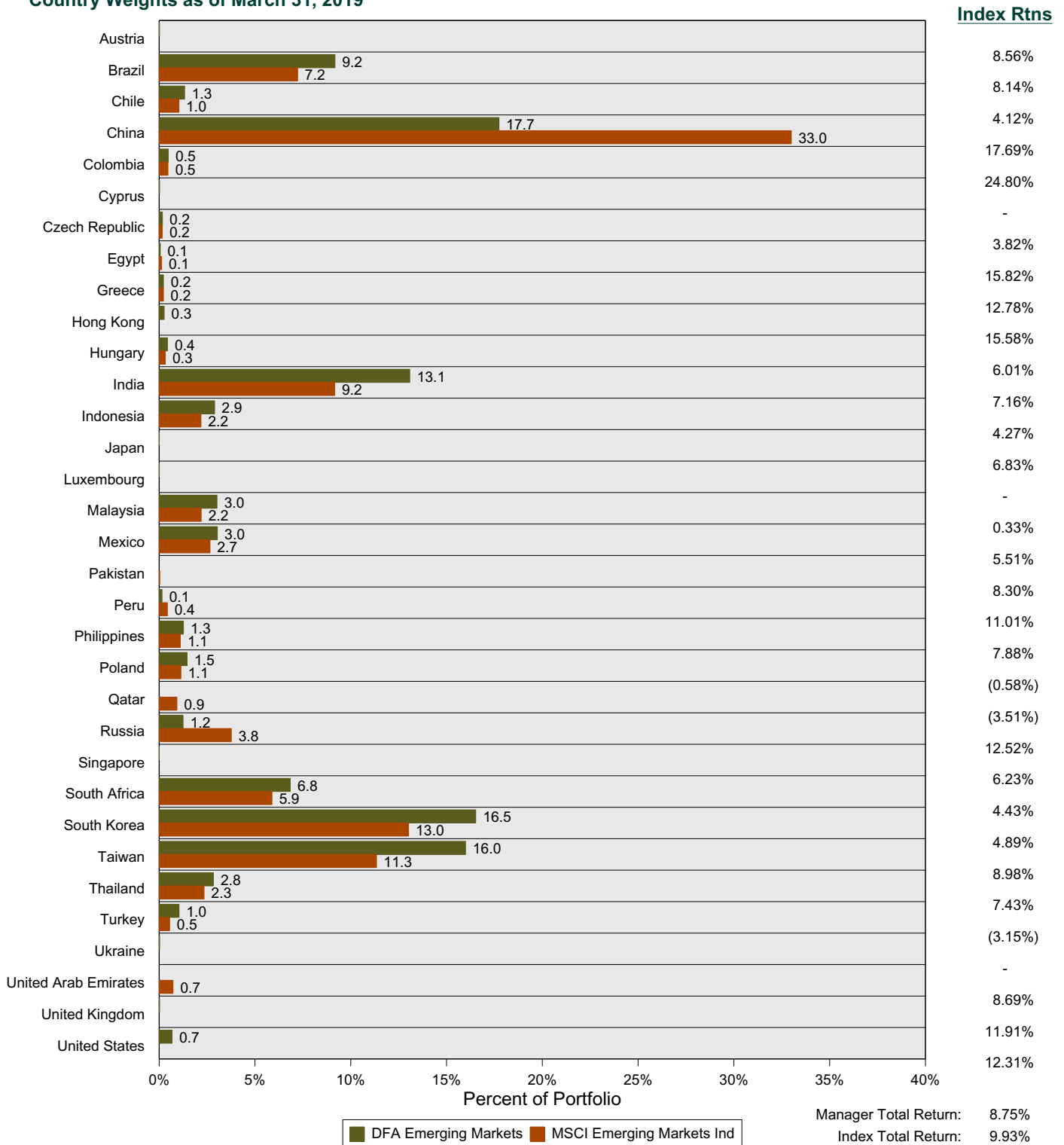


## Country Allocation DFA Emerging Markets VS MSCI Emerging Markets Index

### Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of March 31, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

### Country Weights as of March 31, 2019



## DFA Emerging Markets Top 10 Portfolio Holdings Characteristics as of March 31, 2019

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Samsung Electronics Co Ltd Ord	Information Technology	\$615,232	3.8%	14.47%	234.83	10.55	3.17%	(2.70)%
Tencent Holdings Limited Shs Par Hkd	Communication Services	\$289,721	1.8%	14.67%	437.82	29.73	0.28%	22.04%
Taiwan Semiconductor Mfg Co Ltd Spon	Information Technology	\$256,699	1.6%	10.97%	206.55	17.99	3.26%	7.10%
Taiwan Semicond Manufac Co L Shs	Information Technology	\$190,579	1.2%	8.57%	206.55	17.99	3.26%	7.10%
Alibaba Group Hldg Ltd Sponsored Ads	Consumer Discretionary	\$160,204	1.0%	33.11%	472.94	27.07	0.00%	24.20%
Vale Sa Shs	Materials	\$145,478	0.9%	(0.55)%	69.16	7.27	4.28%	0.60%
Sk Hynix Inc Shs	Information Technology	\$129,597	0.8%	50.00%	47.59	8.30	2.02%	4.31%
Ping An Insurance H	Financials	\$115,464	0.7%	22.66%	83.39	10.24	2.28%	17.36%
Reliance Industries Ltd Shs Demateri	Energy	\$114,582	0.7%	22.53%	124.74	16.83	0.44%	13.10%
China Construction Bank Shs H	Financials	\$112,740	0.7%	3.92%	206.12	5.19	5.31%	3.69%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
China Yurun Food Grp Ltd Shs	Consumer Staples	\$1,206	0.0%	190.30%	0.43	(0.71)	0.00%	-
Naim Cendera Hldg. Bhd.	Real Estate	\$309	0.0%	163.75%	0.15	3.42	0.00%	-
Dayang Enter.Hdg.	Energy	\$757	0.0%	160.55%	0.33	13.08	2.52%	14.90%
Jettech	Information Technology	\$742	0.0%	142.11%	0.17	68.32	0.77%	87.38%
The Korea Express Co Ltd Shs	Industrials	\$4,424	0.0%	129.27%	3.33	30.86	0.00%	67.98%
Digital Daesung	Information Technology	\$57	0.0%	120.00%	0.20	13.94	1.99%	(35.13)%
Vestel Elektronik	Consumer Discretionary	\$1,564	0.0%	118.70%	0.77	10.41	0.00%	49.00%
China Pwr New Energy Dev	Utilities	\$954	0.0%	117.16%	0.78	27.38	1.24%	9.99%
Essel Propack	Materials	\$1,224	0.0%	114.33%	0.53	15.14	1.03%	4.00%
Clean & Science	Materials	\$618	0.0%	113.64%	0.16	16.19	0.55%	(61.24)%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Fossal S A A Sponsored Adr	Miscellaneous	\$0	0.0%	(99.91)%	0.00	-	0.00%	-
Reliance Communication Ventu Shs Dem	Communication Services	\$474	0.0%	(71.43)%	0.16	(0.05)	0.00%	(33.64)%
Jiayuan Intl.Gp.	Real Estate	\$507	0.0%	(70.84)%	1.35	4.85	5.06%	-
Pricerite Group	Real Estate	\$29	0.0%	(66.67)%	0.14	-	0.00%	-
Enterprise Outsourcing	Information Technology	\$503	0.0%	(66.34)%	0.13	4.65	0.00%	21.50%
Kic	Industrials	\$16	0.0%	(63.64)%	0.26	(10.53)	0.00%	-
Tongaat Hulett Ltd Shs	Consumer Staples	\$1,040	0.0%	(61.45)%	0.20	2.88	7.42%	(9.36)%
Innovis Hdg. Ltd.	Materials	\$28	0.0%	(60.83)%	0.09	-	0.00%	-
Reliance Power	Utilities	\$706	0.0%	(60.00)%	0.46	3.14	0.00%	(5.62)%
Kai Shi China Holdings Co.	Industrials	\$23	0.0%	(59.64)%	0.14	9.20	0.00%	-





# Metropolitan West Period Ended March 31, 2019

## Investment Philosophy

Metropolitan West Asset Management (MWAM) attempts to add value by limiting duration, managing the yield curve, rotating among bond market sectors and using proprietary quantitative valuation techniques.

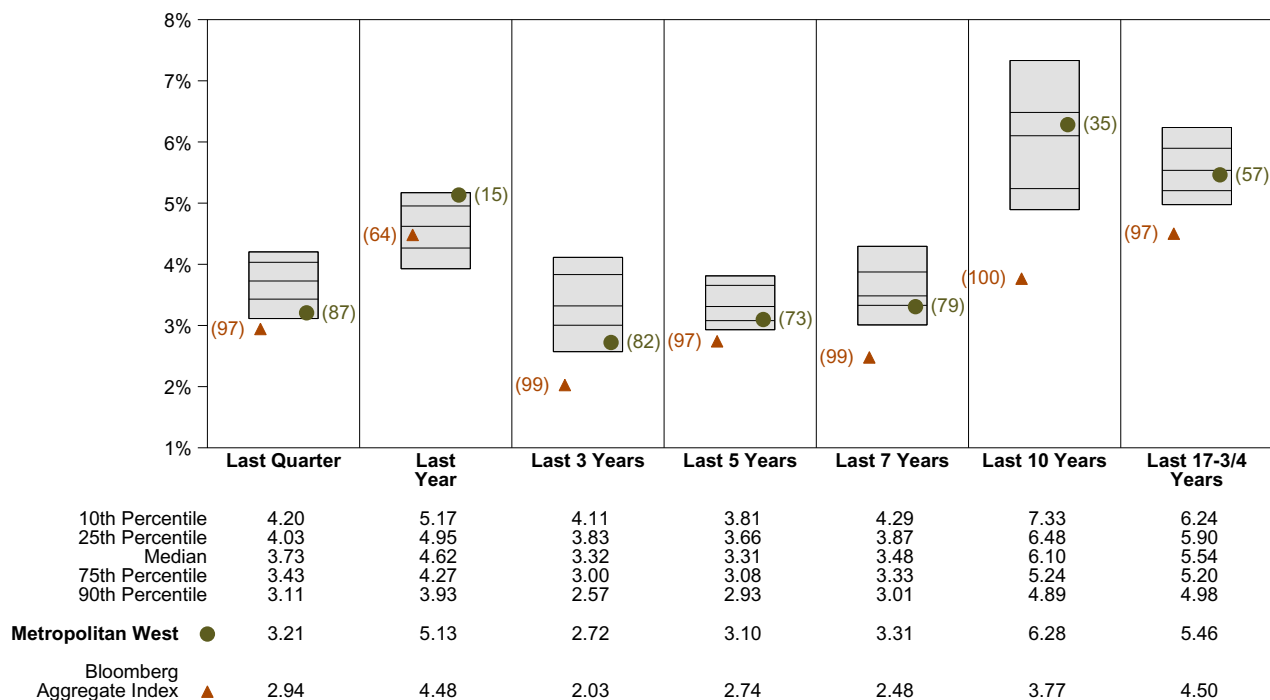
## Quarterly Summary and Highlights

- Metropolitan West's portfolio posted a 3.21% return for the quarter placing it in the 87 percentile of the Callan Core Plus Fixed Income group for the quarter and in the 15 percentile for the last year.
- Metropolitan West's portfolio outperformed the Bloomberg Aggregate Index by 0.26% for the quarter and outperformed the Bloomberg Aggregate Index for the year by 0.65%.

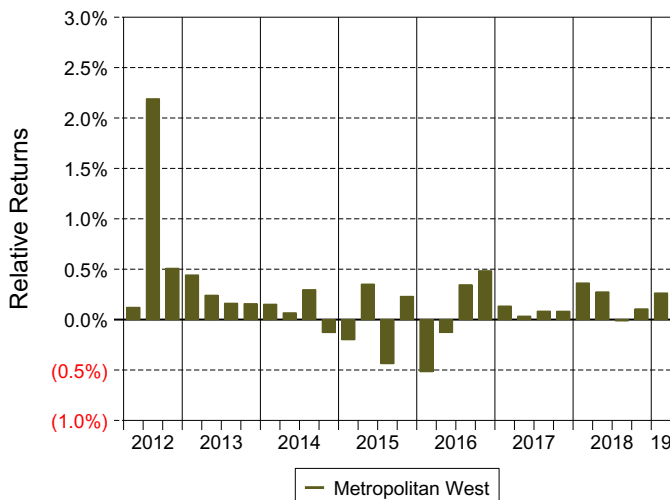
## Quarterly Asset Growth

Beginning Market Value	\$101,895,736
Net New Investment	\$-1,021,928
Investment Gains/(Losses)	\$3,253,913
Ending Market Value	\$104,127,722

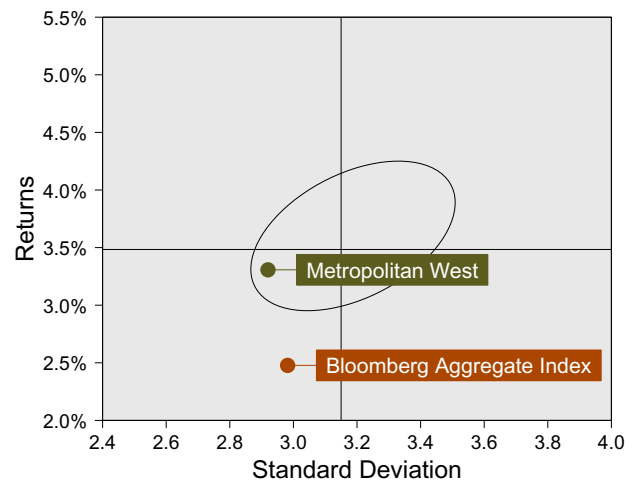
## Performance vs Callan Core Plus Fixed Income (Gross)



## Relative Returns vs Bloomberg Aggregate Index



## Callan Core Plus Fixed Income (Gross) Annualized Seven Year Risk vs Return

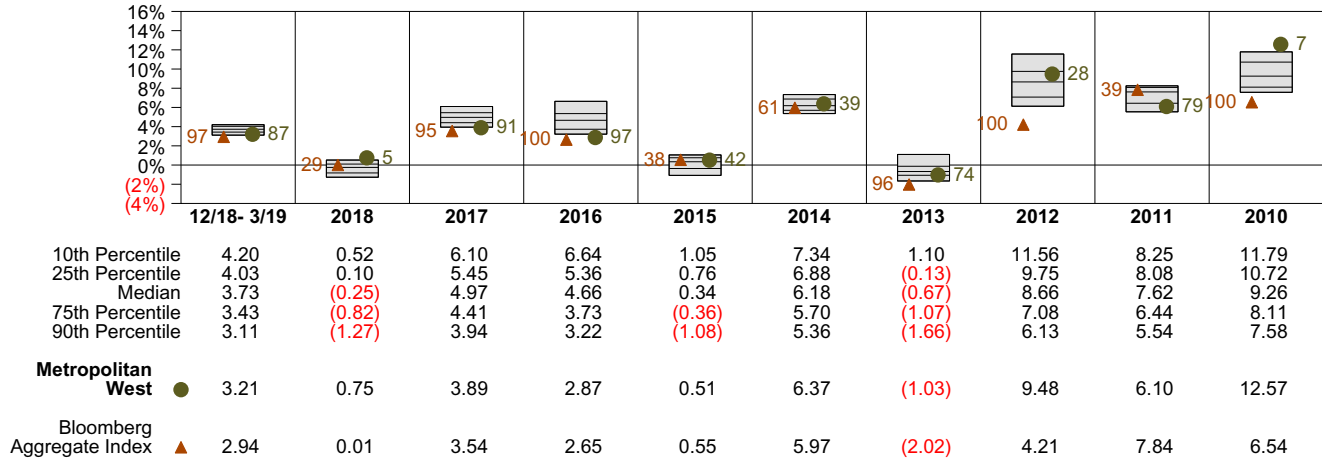


# Metropolitan West Return Analysis Summary

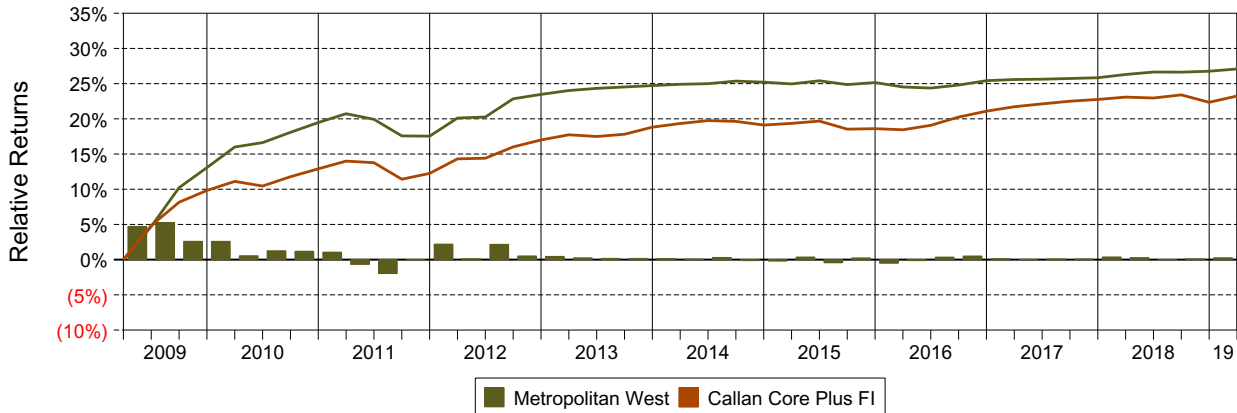
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

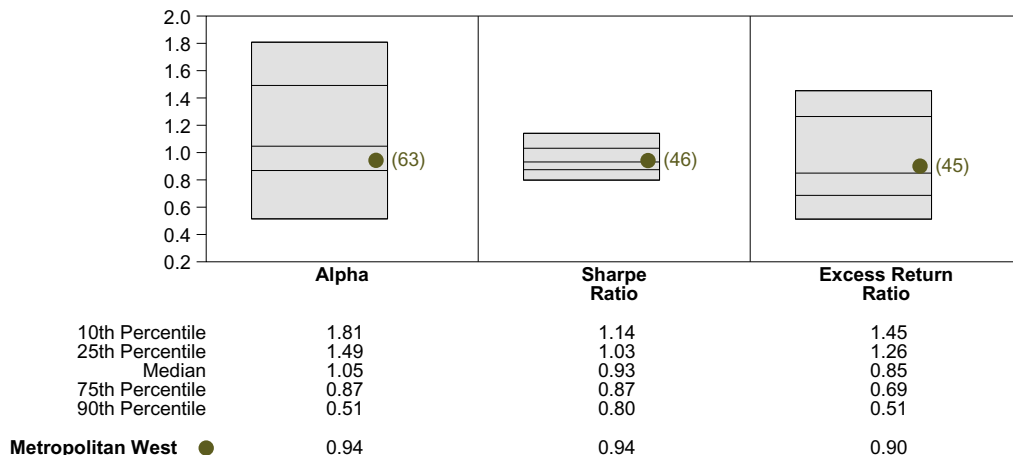
### Performance vs Callan Core Plus Fixed Income (Gross)



### Cumulative and Quarterly Relative Return vs Bloomberg Aggregate Index



### Risk Adjusted Return Measures vs Bloomberg Aggregate Index Rankings Against Callan Core Plus Fixed Income (Gross) Seven Years Ended March 31, 2019

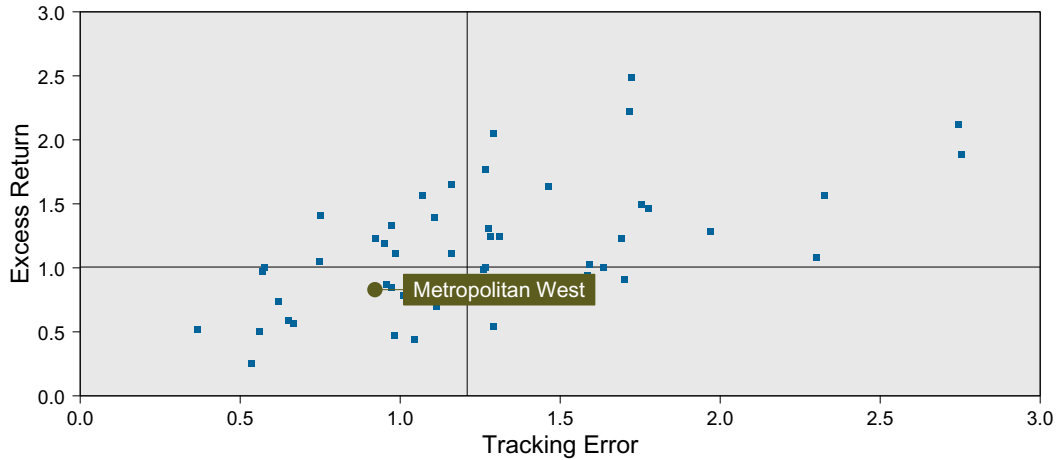


# Metropolitan West Risk Analysis Summary

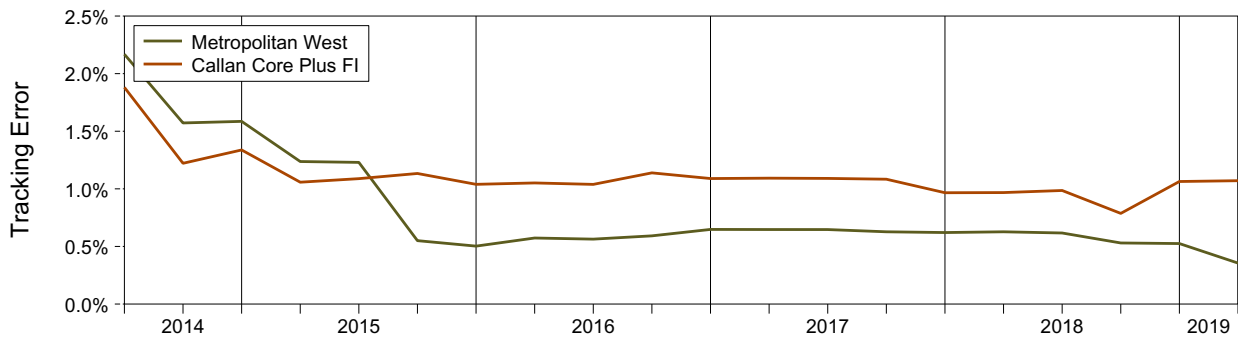
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

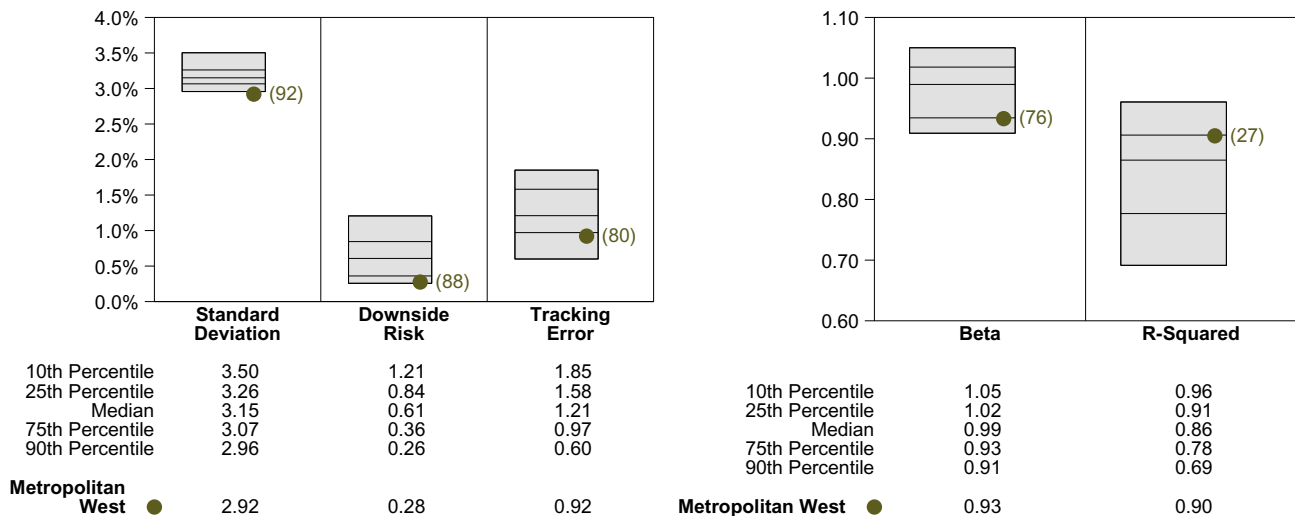
### Risk Analysis vs Callan Core Plus Fixed Income (Gross) Seven Years Ended March 31, 2019



### Rolling 12 Quarter Tracking Error vs Bloomberg Aggregate Index



### Risk Statistics Rankings vs Bloomberg Aggregate Index Rankings Against Callan Core Plus Fixed Income (Gross) Seven Years Ended March 31, 2019

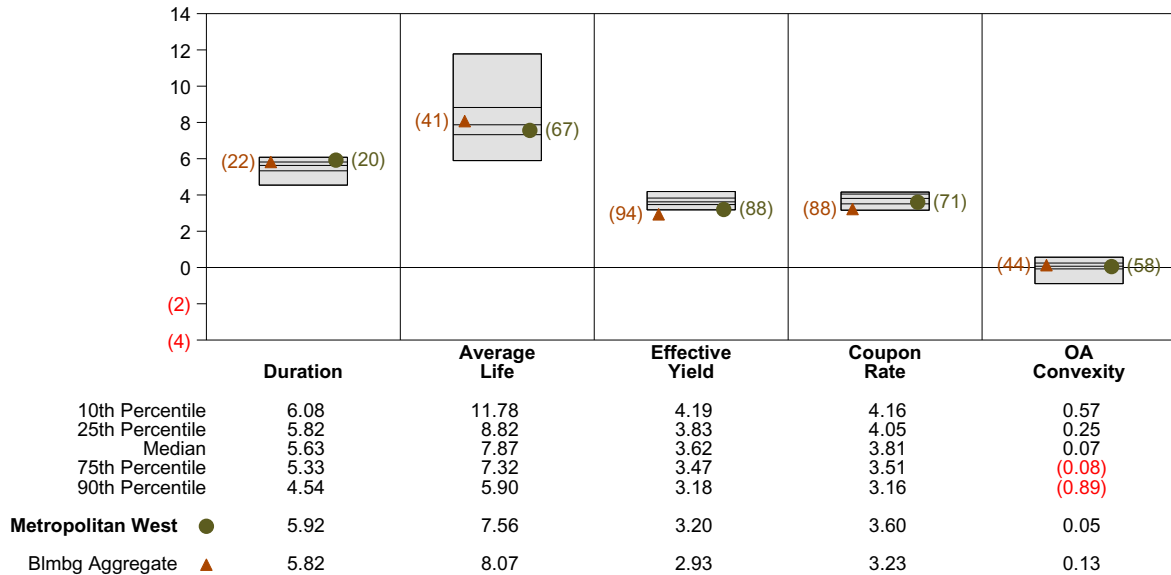


# Metropolitan West Bond Characteristics Analysis Summary

## Portfolio Characteristics

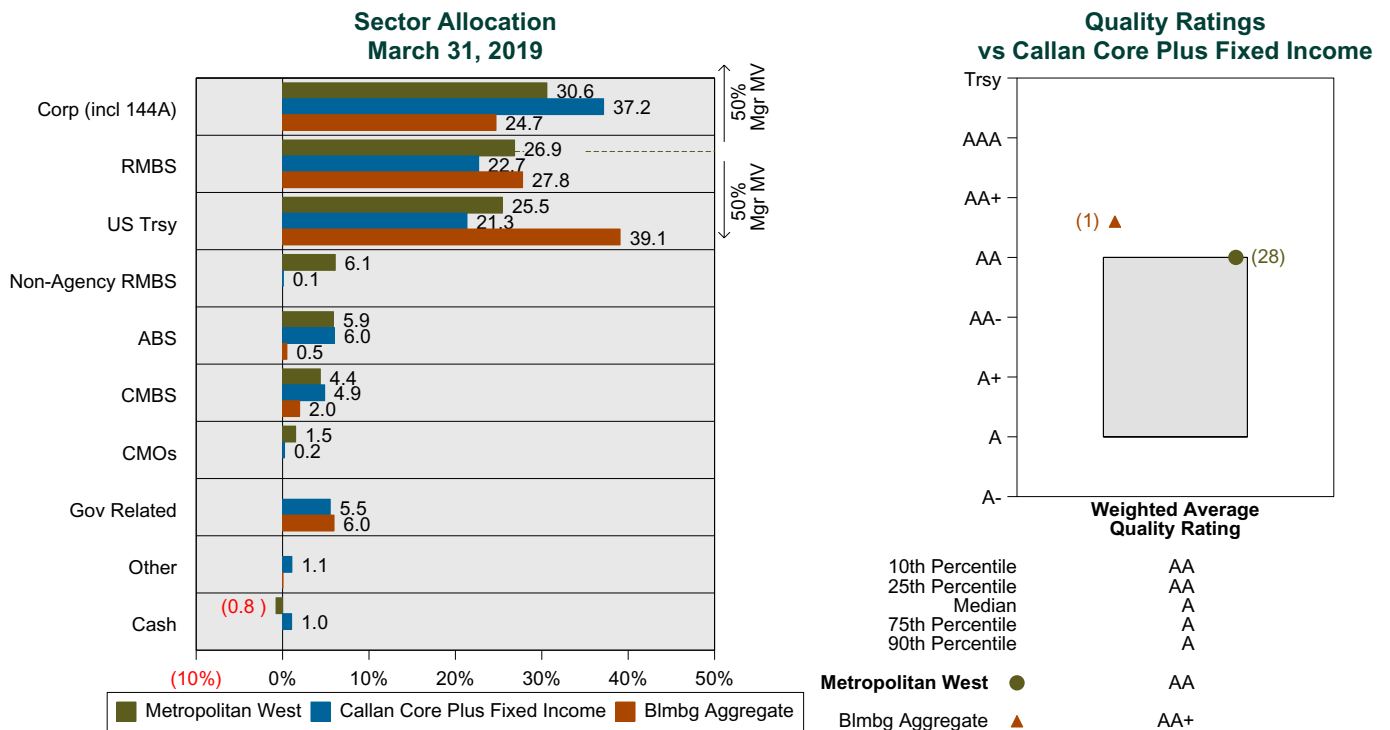
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Fixed Income Portfolio Characteristics Rankings Against Callan Core Plus Fixed Income as of March 31, 2019



## Sector Allocation and Quality Ratings

The first graph compares the manager's sector allocation with the average allocation across all the members of the manager's style. The second graph compares the manager's weighted average quality rating with the range of quality ratings for the style.

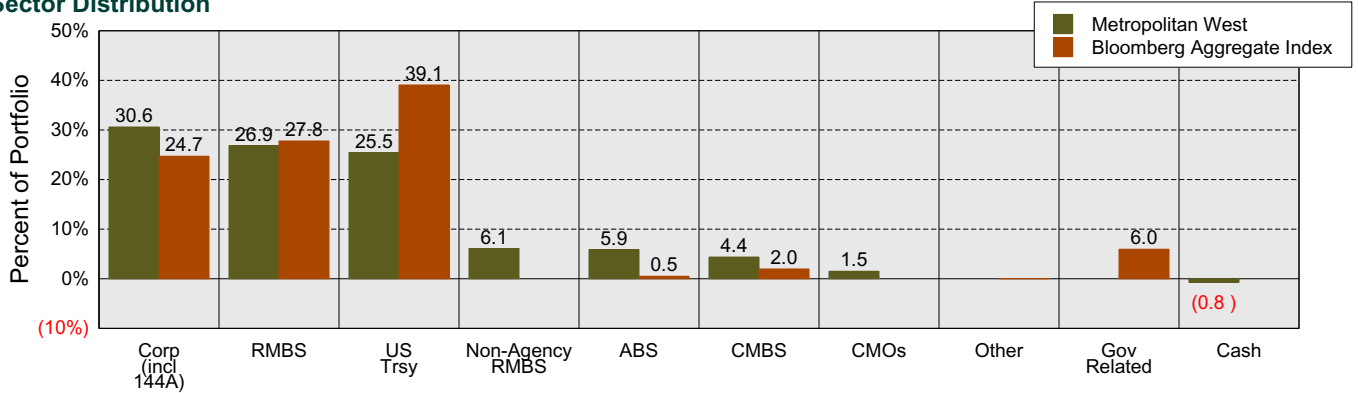


# Metropolitan West Portfolio Characteristics Summary As of March 31, 2019

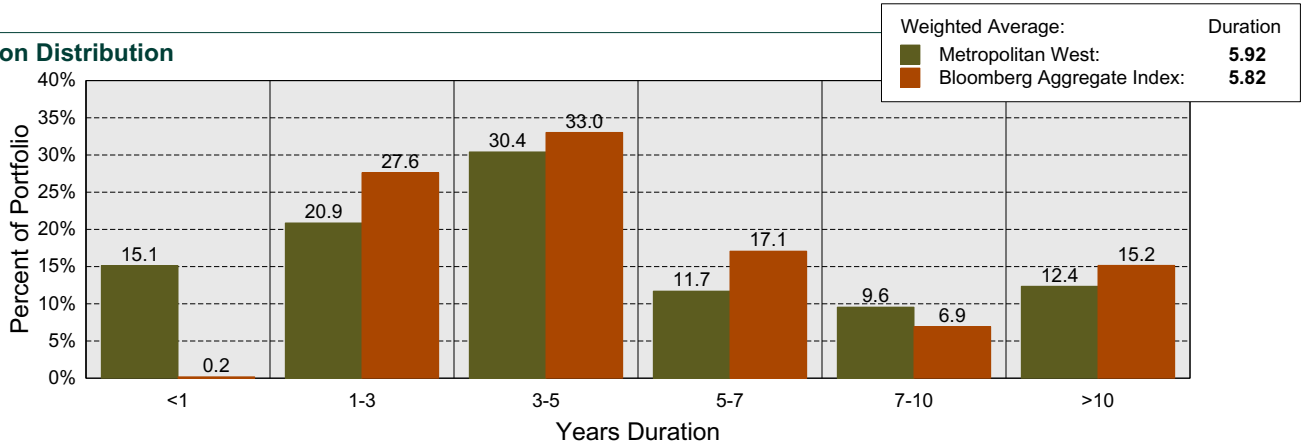
## Portfolio Structure Comparison

The charts below compare the structure of the portfolio to that of the index from the three perspectives that have the greatest influence on return. The first chart compares the two portfolios across sectors. The second chart compares the duration distribution. The last chart compares the distribution across quality ratings.

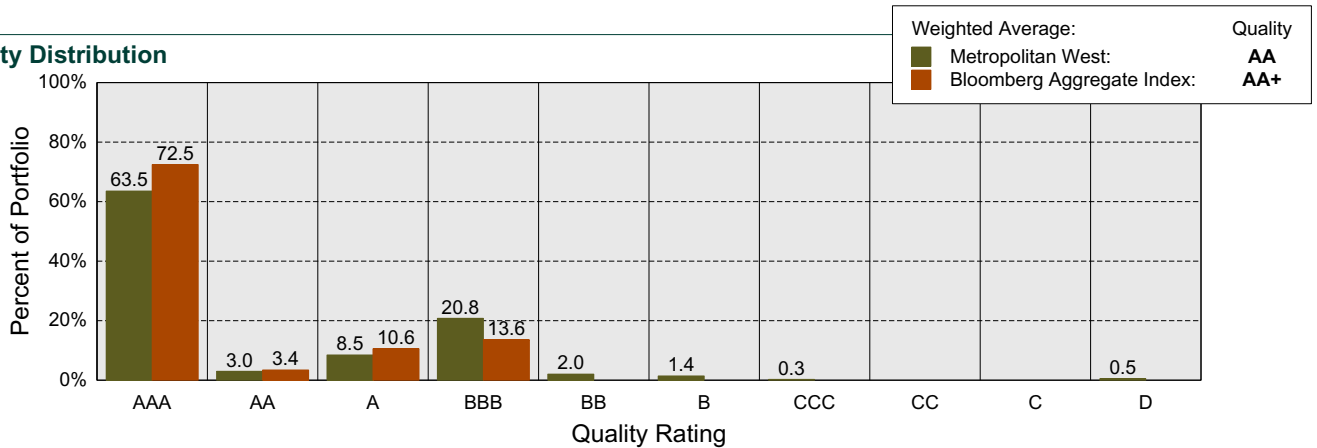
### Sector Distribution



### Duration Distribution



### Quality Distribution





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## Risk/Reward Statistics

The risk statistics used in this report examine performance characteristics of a manager or a portfolio relative to a benchmark (market indicator) which assumes to represent overall movements in the asset class being considered. The main unit of analysis is the excess return, which is the portfolio return minus the return on a risk free asset (3 month T-Bill).

**Alpha** measures a portfolio's return in excess of the market return adjusted for risk. It is a measure of the manager's contribution to performance with reference to security selection. A positive alpha indicates that a portfolio was positively rewarded for the residual risk which was taken for that level of market exposure.

**Beta** measures the sensitivity of rates of portfolio returns to movements in the market index. A portfolio's beta measures the expected change in return per 1% change in the return on the market. If a beta of a portfolio is 1.5, a 1 percent increase in the return on the market will result, on average, in a 1.5 percent increase in the return on the portfolio. The converse would also be true.

**Downside Risk** stems from the desire to differentiate between "good risk" (upside volatility) and "bad risk" (downside volatility). Whereas standard deviation punishes both upside and downside volatility, downside risk measures only the standard deviation of returns below the target. Returns above the target are assigned a deviation of zero. Both the frequency and magnitude of underperformance affect the amount of downside risk.

**Excess Return Ratio** is a measure of risk adjusted relative return. This ratio captures the amount of active management performance (value added relative to an index) per unit of active management risk (tracking error against the index.) It is calculated by dividing the manager's annualized cumulative excess return relative to the index by the standard deviation of the individual quarterly excess returns. The Excess Return Ratio can be interpreted as the manager's active risk/reward tradeoff for diverging from the index when the index is mandated to be the "riskless" market position.

**Information Ratio** measures the manager's market risk-adjusted excess return per unit of residual risk relative to a benchmark. It is computed by dividing alpha by the residual risk over a given time period. Assuming all other factors being equal, managers with lower residual risk achieve higher values in the information ratio. Managers with higher information ratios will add value relative to the benchmark more reliably and consistently.

**R-Squared** indicates the extent to which the variability of the portfolio returns are explained by market action. It can also be thought of as measuring the diversification relative to the appropriate benchmark. An r-squared value of .75 indicates that 75% of the fluctuation in a portfolio return is explained by market action. An r-squared of 1.0 indicates that a portfolio's returns are entirely related to the market and it is not influenced by other factors. An r-squared of zero indicates that no relationship exists between the portfolio's return and the market.

**Relative Standard Deviation** is a simple measure of a manager's risk (volatility) relative to a benchmark. It is calculated by dividing the manager's standard deviation of returns by the benchmark's standard deviation of returns. A relative standard deviation of 1.20, for example, means the manager has exhibited 20% more risk than the benchmark over that time period. A ratio of .80 would imply 20% less risk. This ratio is especially useful when analyzing the risk of investment grade fixed-income products where actual historical durations are not available. By using this relative risk measure over rolling time periods one can illustrate the "implied" historical duration patterns of the portfolio versus the benchmark.

**Residual Portfolio Risk** is the unsystematic risk of a fund, the portion of the total risk unique to the fund (manager) itself and not related to the overall market. This reflects the "bets" which the manager places in that particular asset market. These bets may reflect emphasis in particular sectors, maturities (for bonds), or other issue specific factors which the manager considers a good investment opportunity. Diversification of the portfolio will reduce or eliminate the residual risk of that portfolio.

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## Risk/Reward Statistics

**Rising Declining Periods** refer to the sub-asset class cycles vis-a-vis the broader asset class. This is determined by evaluating the cumulative relative sub-asset class index performance to that of the broader asset class index. For example, to determine the Growth Style cycle, the S&P 500 Growth Index (sub-asset class) performance is compared to that of the S&P 500 Index (broader asset class).

**Sharpe Ratio** is a commonly used measure of risk-adjusted return. It is calculated by subtracting the "risk-free" return (usually 3 Month Treasury Bill) from the portfolio return and dividing the resulting "excess return" by the portfolio's risk level (standard deviation). The result is a measure of return gained per unit of risk taken.

**Sortino Ratio** is a downside risk-adjusted measure of value-added. It measures excess return over a benchmark divided by downside risk. The natural appeal is that it identifies value-added per unit of truly bad risk. The danger of interpretation, however, lies in these two areas: (1) the statistical significance of the denominator, and (2) its reliance on the persistence of skewness in return distributions.

**Standard Deviation** is a statistical measure of portfolio risk. It reflects the average deviation of the observations from their sample mean. Standard deviation is used as an estimate of risk since it measures how wide the range of returns typically is. The wider the typical range of returns, the higher the standard deviation of returns, and the higher the portfolio risk. If returns are normally distributed (ie. has a bell shaped curve distribution) then approximately 2/3 of the returns would occur within plus or minus one standard deviation from the sample mean.

**Total Portfolio Risk** is a measure of the volatility of the quarterly excess returns of an asset. Total risk is composed of two measures of risk: market (non-diversifiable or systematic) risk and residual (diversifiable or unsystematic) risk. The purpose of portfolio diversification is to reduce the residual risk of the portfolio.

**Tracking Error** is a statistical measure of a portfolio's risk relative to an index. It reflects the standard deviation of a portfolio's individual quarterly or monthly returns from the index's returns. Typically, the lower the Tracking Error, the more "index-like" the portfolio.

**Treynor Ratio** represents the portfolio's average excess return over a specified period divided by the beta relative to its benchmark over that same period. This measure reflects the reward over the risk-free rate relative to the systematic risk assumed.

Note: Alpha, Total Risk, and Residual Risk are annualized.



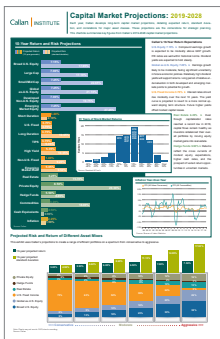


## Research and Educational Programs

The Callan Institute provides research to update clients on the latest industry trends and carefully structured educational programs to enhance the knowledge of industry professionals. Visit [www.callan.com/library](http://www.callan.com/library) to see all of our publications, and [www.callan.com/blog](http://www.callan.com/blog) to view our blog “Perspectives.” For more information contact Corry Walsh at 312.346.3536 / [institute@callan.com](mailto:institute@callan.com).

### New Research from Callan’s Experts

**[Callan’s 2019-2028 Capital Market Projections](#)** | Callan develops long-term capital market projections at the start of each year, detailing our expectations for return, volatility, and correlation for broad



asset classes. For 2019-2028, we made gradual, evolutionary changes to our expectations from our projections last year. We increased our fixed income assumptions to reflect higher starting yields compared to one year ago, including a higher return for cash, but we held constant our equity return premium over cash. As a result, we have narrowed the equity risk premium over bonds.

**[Two Questions to Help DC Plans Save on Litigation Costs](#)** |

Executives can monitor whether in-house fiduciaries for their defined contribution plans are on track or need assistance by asking these questions: 1) Are plan administration costs too high? 2) Are participants getting the best “bang for their buck” from investment fees?

**[The Good, the Bad, and the Ugly: Which Will Your DC Plan Be in 2019?](#)** |

In this paper, we outline best practices for defined contribution (DC) plan sponsors that aspire to be the Good gunslinger, and flag traps that could ensnare them in Bad or even Ugly territory.

**[2019 DC Trends Survey](#)** | Callan’s 12th Annual DC Trends Survey highlights plan sponsors’ key themes from 2018 and expectations for 2019.



**[2019 National Workshop Summary: DC Plans](#)** | This workshop by Callan’s Ben Taylor, Jana Steele, and Gordon Weightman, “The New Face of DC Plans,” provided what plan sponsors and investment managers need to know to stay current on new developments and how they might benefit plans.

**[2019 National Workshop Summary: Private Equity](#)** | In their workshop, “Private Equity: Primary Investment Opportunities and Considerations,” Callan’s Pete Keliuotis, Jay Nayak, and Weston Lewis demonstrated how a thoughtful approach to program design, strategy allocation, and capital commitment pacing can lead to long-term success in private equity investing.

**[2019 National Workshop Summary: Strategic Allocations](#)** | In this workshop, Callan’s Ann O’Bradovich, Ho Hwang, and Gary Chang discussed the trend over the past several decades in which U.S. institutional investors have shifted their public equity portfolios to increase allocations to non-U.S. stocks.

**[The Callan Periodic Table Collection: Year-End 2018](#)** | The Periodic Table Collection offers versions focused on equity, fixed income, fund sponsors, and alternatives. Other tables compare the performance of key indices to zero and to inflation.

### Quarterly Periodicals

**[Private Equity Trends](#)** | A newsletter on private equity activity, covering both the fundraising cycle and performance over time.

**[Market Pulse Flipbook](#)** | A market reference guide covering trends in the U.S. economy, developments for fund sponsors, and the latest data for U.S. and non-U.S. equities and fixed income, alternatives, and defined contribution plans.

**[Active vs. Passive Charts](#)** | This series of charts compares active managers alongside relevant benchmarks over the long term.

**[Capital Market Review](#)** | Provides analysis and a broad overview of the economy and public and private market activity each quarter across a wide range of asset classes.

## Events

Miss out on a Callan conference or workshop? Event summaries and speakers' presentations are available on our website: [www.callan.com/library/](http://www.callan.com/library/)

Please mark your calendar and look forward to upcoming invitations.

### June Regional Workshops:

June 4, 2019 – Atlanta

June 5, 2019 – San Francisco

### October Regional Workshops:

October 22, 2019 – Denver

October 24, 2019 – Chicago

Invitations have been sent for June and registration is available on our website at [www.callan.com/events-reg-workshop-june/](http://www.callan.com/events-reg-workshop-june/)

Please also keep your eye out for upcoming Webinars in 2019! We will be sending invitations for these and also will have registration links on our website at [www.callan.com/events](http://www.callan.com/events).

For more information about events, please contact Barb Gerraty: 415.274.3093 / [gerraty@callan.com](mailto:gerraty@callan.com)

## The Center for Investment Training Educational Sessions

The Center for Investment Training, better known as the “Callan College,” provides a foundation of knowledge for industry professionals who are involved in the investment decision-making process. It was founded in 1994 to provide clients and non-clients alike with basic- to intermediate-level instruction. Our next sessions are:

### Introduction to Investments

San Francisco, July 16-17, 2019

Chicago, October 22-23, 2019

This program familiarizes fund sponsor trustees, staff, and asset management advisers with basic investment theory, terminology, and practices. It lasts one-and-a-half days and is designed for individuals who have less than two years of experience with asset-management oversight and/or support responsibilities. Tuition for the Introductory “Callan College” session is \$2,350 per person. Tuition includes instruction, all materials, breakfast and lunch on each day, and dinner on the first evening with the instructors.

### “Callan College” on Alternative Investing

Chicago, October 2019—Date TBD

Learn more at [www.callan.com/events/callan-college-intro](http://www.callan.com/events/callan-college-intro) or contact Kathleen Cunnie: 415.274.3029 / [cunnie@callan.com](mailto:cunnie@callan.com)

## Education: By the Numbers

**525** Attendees (on average) of the Institute's annual National Conference

**50+** Unique pieces of research the Institute generates each year

**3,700** Total attendees of the “Callan College” since 1994

**1980** Year the Callan Institute was founded



“Research is the foundation of all we do at Callan, and sharing our best thinking with the investment community is our way of helping to foster dialogue to raise the bar across the industry.”

Greg Allen, CEO and Chief Research Officer



## List of Callan's Investment Manager Clients

Confidential – For Callan Client Use Only

Callan takes its fiduciary and disclosure responsibilities to clients very seriously. We recognize that there are numerous potential conflicts of interest encountered in the investment consulting industry and that it is our responsibility to manage those conflicts effectively and in the best interest of our clients. At Callan, we employ a robust process to identify, manage, monitor and disclose potential conflicts on an on-going basis.

The list below is an important component of our conflicts management and disclosure process. It identifies those investment managers that pay Callan fees for educational, consulting, software, database or reporting products and services. We update the list quarterly because we believe that our fund sponsor clients should know the investment managers that do business with Callan, particularly those investment manager clients that the fund sponsor clients may be using or considering using. Please note that if an investment manager receives a product or service on a complimentary basis (e.g. attending and educational event), they are not included in the list below. Callan is committed to ensuring that we do not consider an investment manager's business relationship with Callan, or lack thereof, in performing evaluations for or making suggestions or recommendations to its other clients. Please refer to Callan's ADV Part 2A for a more detailed description of the services and products that Callan makes available to investment manager clients through our Institutional Consulting Group, Independent Adviser Group and Fund Sponsor Consulting Group. Due to the complex corporate and organizational ownership structures of many investment management firms, parent and affiliate firm relationships are not indicated on our list.

Fund sponsor clients may request a copy of the most currently available list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by particular fund manager clients. Per company policy, information requests regarding fees are handled exclusively by Callan's Compliance Department.

Manager Name
Aberdeen Standard Investments
Acadian Asset Management LLC
AEGON USA Investment Management
Alcentra
AllianceBernstein
Allianz Global Investors
Allianz Life Insurance Company of North America
AlphaSimplex Group, LLC
American Century Investments
Amundi Pioneer Asset Management
AQR Capital Management
Ares Management LLC
Ariel Investments, LLC
Atlanta Capital Management Co., LLC
Aviva Investors Americas
AXA Investment Managers
Baillie Gifford International, LLC
Baird Advisors
Baron Capital Management, Inc.
Barrow, Hanley, Mewhinney & Strauss, LLC
BlackRock
BMO Global Asset Management
BNP Paribas Asset Management
BNY Mellon Asset Management
Boston Partners
Brandes Investment Partners, L.P.
Brandywine Global Investment Management, LLC
BrightSphere Investment Group
Brown Brothers Harriman & Company
Cambiar Investors, LLC
Capital Group
Carillon Tower Advisers
CastleArk Management, LLC
Causeway Capital Management

Manager Name
Chartwell Investment Partners
ClearBridge Investments, LLC
Cohen & Steers Capital Management, Inc.
Columbia Threadneedle Investments
Columbus Circle Investors
Cooke & Bieler, L.P.
Credit Suisse Asset Management
CS McKee, L.P.
DePrince, Race & Zollo, Inc.
Diamond Hill Capital Management, Inc.
Dimensional Fund Advisors LP
Doubleline
Duff & Phelps Investment Management Co.
DWS
EARNEST Partners, LLC
Eaton Vance Management
Epoch Investment Partners, Inc.
Fayez Sarofim & Company
Federated Investors
Fidelity Institutional Asset Management
Fiera Capital Corporation
Financial Engines
First Hawaiian Bank Wealth Management Division
First State Investments
Fisher Investments
Franklin Templeton
Fred Alger Management, Inc.
GAM (USA) Inc.
Glenmeade Investment Management, LP
GlobeFlex Capital, L.P.
Goldman Sachs Asset Management
Green Square Capital LLC
Guggenheim Investments
GW&K Investment Management

Manager Name
Harbor Capital Group Trust
Hartford Investment Management Co.
Heitman LLC
Hotchkis & Wiley Capital Management, LLC
HSBC Global Asset Management
Impax Asset Management Limited
Income Research + Management, Inc.
Insight Investment Management Limited
Intech Investment Management, LLC
Intercontinental Real Estate Corporation
Invesco
Investec Asset Management
Ivy Investments
J.P. Morgan
Janus
Jennison Associates LLC
Jobs Peak Advisors
KeyCorp
Lazard Asset Management
Legal & General Investment Management America
LGT Capital Partners Ltd.
Lincoln National Corporation
Longview Partners
Loomis, Sayles & Company, L.P.
Lord Abbett & Company
Los Angeles Capital Management
LSV Asset Management
MacKay Shields LLC
Macquarie Investment Management (MIM)
Manulife Asset Management
Marathon Asset Management, L.P.
McKinley Capital Management, LLC
MFS Investment Management
MidFirst Bank
Mondrian Investment Partners Limited
Montag & Caldwell, LLC
Morgan Stanley Investment Management
Mountain Lake Investment Management LLC
Mountain Pacific Advisors, LLC
MUFG Union Bank, N.A.
Natixis Investment Managers
Neuberger Berman
Newton Investment Management
Nikko Asset Management Co., Ltd.
Northern Trust Asset Management
Nuveen
OFI Global Asset Management
Osterweis Capital Management, LLC
P/E Investments

Manager Name
Pacific Investment Management Company
Pathway Capital Management
Peregrine Capital Management, Inc.
Perkins Investment Management
PFM Asset Management LLC
PGIM Fixed Income
PineBridge Investments
PNC Capital Advisors, LLC
Principal Global Investors
Putnam Investments, LLC
QMA LLC
RBC Global Asset Management
Record Currency Management Ltd.
Regions Financial Corporation
Robeco Institutional Asset Management, US Inc.
Rockefeller Capital Management
Rothschild & Co. Asset Management US
Russell Investments
Schroder Investment Management North America Inc.
Silvercrest Asset Management Group
Smith Graham & Co. Investment Advisors, L.P.
Smith Group Asset Management
South Texas Money Management, Ltd.
State Street Global Advisors
Stone Harbor Investment Partners, L.P.
Sun Life Investment Management
T. Rowe Price Associates, Inc.
The Boston Company Asset Management
The TCW Group, Inc.
Thompson, Siegel & Walmsley LLC
Thornburg Investment Management, Inc.
Tri-Star Trust Bank
UBS Asset Management
VanEck
Velanne Asset Management Ltd.
Versus Capital Group
Victory Capital Management Inc.
Virtus Investment Partners, Inc.
Vontobel Asset Management, Inc.
Voya
WCM Investment Management
WEDGE Capital Management
Wellington Management Company, LLP
Wells Fargo Asset Management
Western Asset Management Company LLC
Westfield Capital Management Company, LP
William Blair & Company LLC



## Account Compliance Summary

Alerts:	0
Warnings:	0
Passes:	14

A5XB SACRT - ATLANTA CAPITAL MGMT

Production Date: 03/29/2019

Securities + Cash	24,827,014.02	Base Currency	USD	Net Assets	24,842,177
Rule Name		Limit Type	Limit Value	Result	Result Status
<b><u>144A and Private Placem</u></b>					
1	Private Placements are prohibited. (143653)	Maximum	0.00%	0.00 %	Pass
<b><u>Asset Measures</u></b>					
2	AssetMeasure: AssetMeasure_Funds_PREFERRED_Denominator (34662)			24,827,014.02 Value	Pass
<b><u>Asset Type</u></b>					
3	International equity securities which trade on U.S.-based exchanges, including American Depository Receipts (ADRs), shall not exceed 5% of the portfolio at cost (143658)	Maximum	5.00%	0.00 %	Pass
4	Investments in commodities are prohibited (143655)	Maximum	0.00%	0.00 %	Pass
5	Margin Securities are prohibited. (143651)	Maximum	0.00%	0.00 %	Pass
6	Ownership of shares/debt issued limit 5% ex null (143652)	Maximum	5.00%	0.07 %	Pass
7	The Fund may not enter into short sales. (143654)	Maximum	0.00%	0.00 %	Pass
8	The Fund may not hold any Options. (143657)	Maximum	0.00%	0.00 %	Pass
9	The Fund may not hold more than 5% of the shares outstanding of any domestic equity security (143659)	Maximum	5.00%	0.07 %	Pass
<b><u>Cash</u></b>					
10	No more than 10% of the Fund in cash and cash equivalents. (143656)	Maximum	10.00%	2.98 %	Pass
<b><u>Exchange</u></b>					
11	Flag any non-US exchange traded futures (143670)	Maximum	0.00%	0.00 %	Pass
<b><u>Industry</u></b>					
12	Industry Sector GICS - Max 25% at cost (143660)	Maximum	25.00%	8.72 %	Pass
13	The Fund shall not invested in any security issued by a company in the Tobacco Sub-Industry as defined by GICS (143650)	Maximum	0.00%	0.00 %	Pass
<b><u>Issuer</u></b>					
14	Investments in a single domestic equity issuer shall not exceed 5% at cost (143661)	Maximum	5.00%	2.69 %	Pass

**A5XD SACRT - METWEST**
**Production Date: 03/29/2019**

Securities + Cash	108,665,704.16	Base Currency	USD	Net Assets	104,148,771
Rule Name		Limit Type	Limit Value	Result	Result Status
<b><u>144A and Private Placem</u></b>					
1	The Fund is not permitted to hold any Private Placements excluding 144a (143666)	Maximum	0.00%	0.00 %	Pass
<b><u>Asset Measures</u></b>					
2	AssetMeasure: AssetMeasure_Funds_Preferred_Denominator (34662)			108,665,704.16 Value	Pass
<b><u>Asset Type</u></b>					
3	A5XD: Flag all prohibited security types (143665)	Maximum	0.00%	0.00 %	Pass
4	Asset-Backed Commercial Paper - Minimum Quality of A2/P2 (157603)	Maximum	0	0 Num Bkts	Pass
<b><u>Credit Quality</u></b>					
5	Minimum Quality must be at lest 80% Baa or above (157604)	Minimum	80.00%	92.18 %	Pass
6	No Commercial Paper rated < A2/P2 at time of purchase (143662)	Maximum	0.00%	0.00 %	Pass
7	The Weighted Average Credit Rating of the Fund must be A or better (143663)	Minimum	20	22.36 Rank	Pass
<b><u>Industry</u></b>					
8	The Fund shall not invested in any security issued by a company in the Tobacco Sub-Industry as defined by GICS (143650)	Maximum	0.00%	0.00 %	Pass



A5Z8 SACRT BOSTON PARTNERS

Production Date: 03/29/2019

Securities + Cash	44,829,704.90	Base Currency	USD	Net Assets	44,908,893
Rule Name		Limit Type	Limit Value	Result	Result Status
<b><u>144A and Private Placem</u></b>					
1	Private Placements are prohibited. (143653)	Maximum	0.00%	0.00 %	Pass
<b><u>Asset Measures</u></b>					
2	AssetMeasure: AssetMeasure_Funds_Preferred_Denominator (34662)			44,829,704.90 Value	Pass
<b><u>Asset Type</u></b>					
3	International equity securities which trade on U.S.-based exchanges, including American Depository Receipts (ADRs), shall not exceed 5% of the portfolio at cost (143658)	Maximum	5.00%	1.04 %	Pass
4	Investments in commodities are prohibited (143655)	Maximum	0.00%	0.00 %	Pass
5	Margin Securities are prohibited. (143651)	Maximum	0.00%	0.00 %	Pass
6	Ownership of shares/debt issued limit 5% ex null (143652)	Maximum	5.00%	0.01 %	Pass
7	The Fund may not enter into short sales. (143654)	Maximum	0.00%	0.00 %	Pass
8	The Fund may not hold any Options. (143657)	Maximum	0.00%	0.00 %	Pass
9	The Fund may not hold more than 5% of the shares outstanding of any domestic equity security (143659)	Maximum	5.00%	0.01 %	Pass
<b><u>Cash</u></b>					
10	No more than 10% of the Fund in cash and cash equivalents. (143656)	Maximum	10.00%	2.49 %	Pass
<b><u>Exchange</u></b>					
11	Flag any non-US exchange traded futures (143670)	Maximum	0.00%	0.00 %	Pass
<b><u>Industry</u></b>					
12	Industry Sector GICS - Max 25% at cost (143660)	Maximum	25.00%	8.54 %	Pass
13	The Fund shall not invested in any security issued by a company in the Tobacco Sub-Industry as defined by GICS (143650)	Maximum	0.00%	0.00 %	Pass
<b><u>Issuer</u></b>					
14	Investments in a single domestic equity issuer shall not exceed 5% at cost (143661)	Maximum	5.00%	3.43 %	Pass

Alerts:	
Warnings:	
Passes:	

**A5Z8 SACRT BOSTON PARTNERS**
**Production Date: 03/29/2019**

Securities + Cash	44,829,704.90	Base Currency	USD	Net Assets	44,908,893
Rule Name	Limit Type	Limit Value	Result	Result Status	

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March 31, 2019



**Sacramento Regional Transit District  
Retirement Plans**

**Investment Measurement Service  
Quarterly Review**

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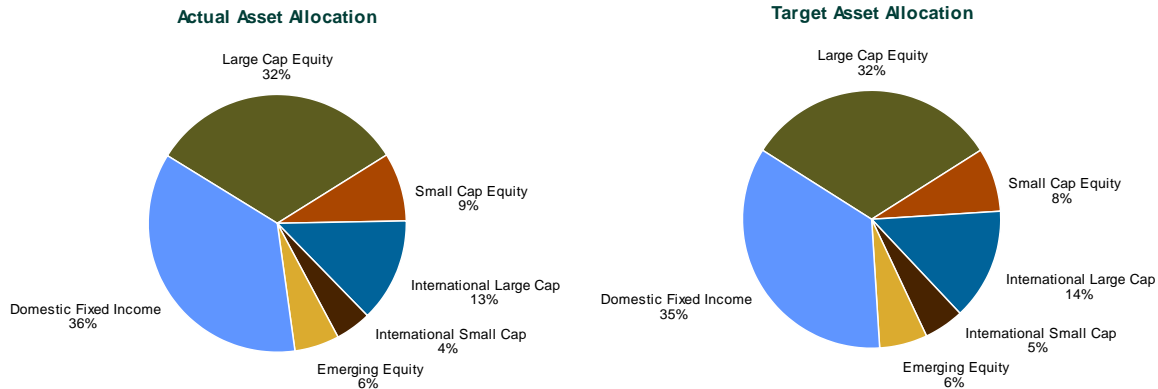
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**Sacramento Regional Transit District**  
Executive Summary for Period Ending March 31, 2019

**Asset Allocation**



**Performance**

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
<b>Total Plan</b>	<b>7.80%</b>	<b>3.08%</b>	<b>8.16%</b>	<b>5.74%</b>	<b>7.46%</b>
Target*	9.07%	3.55%	8.24%	5.85%	7.22%

**Recent Developments**

N/A

**Organizational Issues**

N/A

**Manager Performance**

Manager	Peer Group Ranking		
	Last Year	Last 3 Years	Last 7 Years
Boston Partners	78	35	35
Atlanta Capital	16	34	18
Pyrford	5	[88]	[76]
AQR	68	[82]	[67]
DFA	59	73	[73]
MetWest	15	82	79

*Brackets indicate performance linked with manager's composite*

**Watch List**

N/A

**Items Outstanding**

N/A

\*Current quarter target = 35% Bloomberg Barclays Aggregate Index, 32% S&P 500 Index, 8% Russell 2000 Index, 14% MSCI EAFE Index, 5% MSCI EAFE Small Cap Index, and 6% MSCI Emerging Markets Index.



**U.S. EQUITY**

Equity markets dramatically snapped back in the first quarter, driven by the Fed’s unexpected dovish comments in January, solid corporate fundamentals, and low unemployment.

**Large Cap U.S. Equity** (S&P 500: +13.6%; Russell 1000: +14.0%)

- All sectors delivered double-digit gains with the exception of Financials (+8.6%) and Health Care (+6.6%).
- Consumers remain in good shape, with household debt service as a percentage of disposable income at the lowest level in decades.
- The risk-on market was highlighted by low quality (S&P ratings B or lower) outperforming high quality (B+ or higher) by 440 basis points.
- Surprisingly, Utilities and REITs produced double-digit returns; investors sought yield in the face of a flattening yield curve and the end to rate hikes in the first quarter.

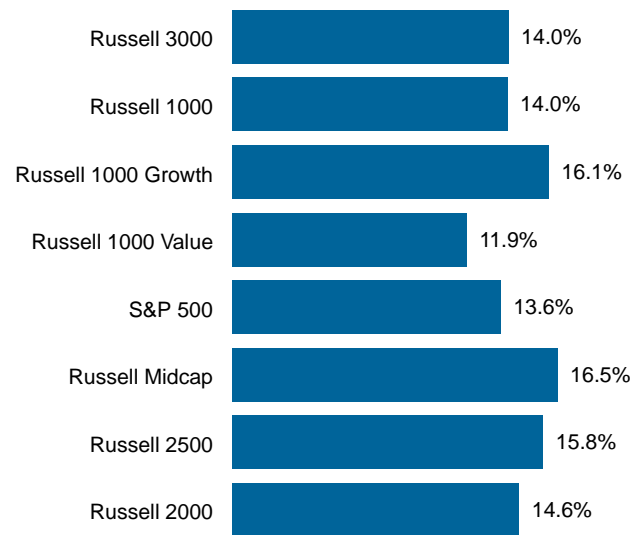
**Growth vs. Value** (Russell 1000 Growth: +16.1%; Russell 1000 Value: +11.9%)

- The sharp change in Fed rhetoric influenced the stronger performance of growth stocks over value stocks during the quarter. Investors favored companies with stronger earnings prospects to counter a softer economic environment.
- Technology produced strong results, while the outlook for Financials weakened as the yield curve flattened.

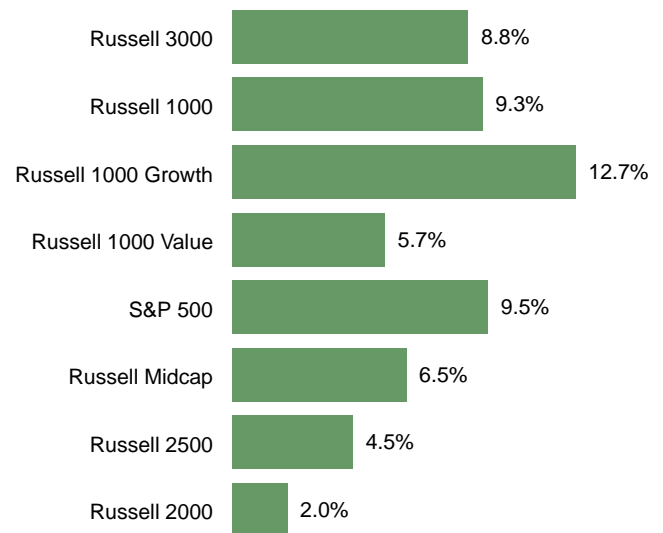
**Small Cap** (Russell 2000: +14.6%; Russell 2000 Growth: +17.1%; Russell 2000 Value: +11.9%)

- Within the Russell 2000 Growth Index, the three largest sectors (Health Care, Consumer Discretionary, and Technology) surged 19%, 17%, and 23%, respectively. Software and biotechnology both posted 25% gains in the quarter; combined they are more than 23% of the benchmark weight.
- Influenced by excessive fourth quarter tax-loss selling, the market experienced a strong “January effect”—where last year’s losers became January 2019’s winners.

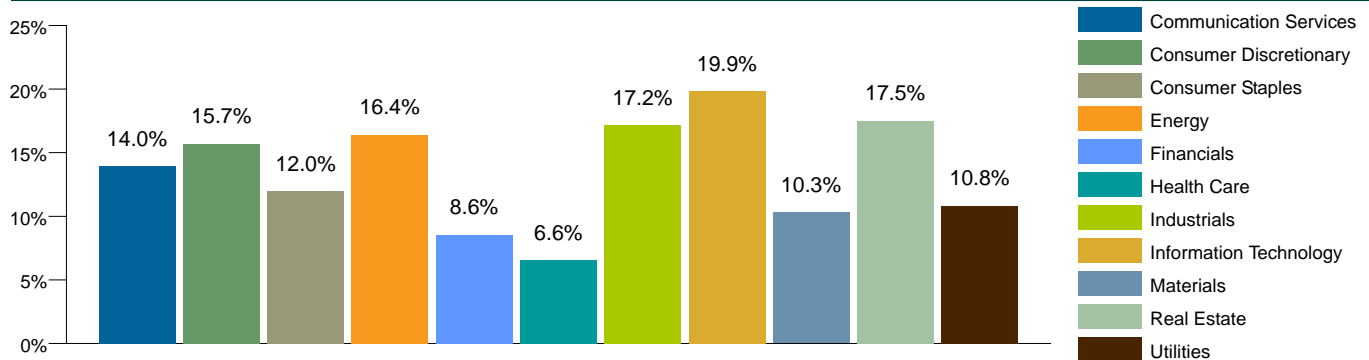
**U.S. Equity: Quarterly Returns**



**U.S. Equity: One-Year Returns**



**S&P Sector Returns, Quarter Ended March 31, 2019**



Source: Standard & Poor’s



**NON-U.S./GLOBAL EQUITY**

Global equity markets were positive in the first quarter following a sharp sell-off to end 2018. Investors resumed a risk-on outlook as central banks telegraphed more accommodative positioning. Delayed outcomes regarding U.S./China trade talks and Brexit negotiations allowed markets to stabilize, although uncertain outcomes remain a future risk.

**Global/Non-U.S. Developed** (MSCI EAFE: +10.0%; MSCI World ex USA: +10.4%; MSCI ACWI ex USA: +10.3%; MSCI Europe: +10.8%; MSCI Japan: +6.7%)

- Developed markets rallied as central banks around the world expressed more accommodative paths with interest rates and quantitative easing.
- Brexit negotiations continue and a “no-deal” Brexit remains a possibility, but with an extended deadline. The potential for investment paralysis drags on.
- European PMI continued to deteriorate, falling to 47.7 in March from 49.4.
- The currency effect was mixed as the U.S. dollar rose against the euro and yen, by 1.8% and 0.9%, but fell against the British pound by 2.3% as a delay in Brexit allowed for a temporary bounce.
- EAFE sector performance was mixed. Information Technology (+15.3%) and Materials (+13.2%) led economically sensitive sectors; Consumer Staples (+12.4%) led defensive sectors. Interest rate-sensitive Financials (+6.9%) and Utilities (+9.0%) trailed the broad index.
- Factor performance favored growth (historical and projected) while value factors were generally negative.

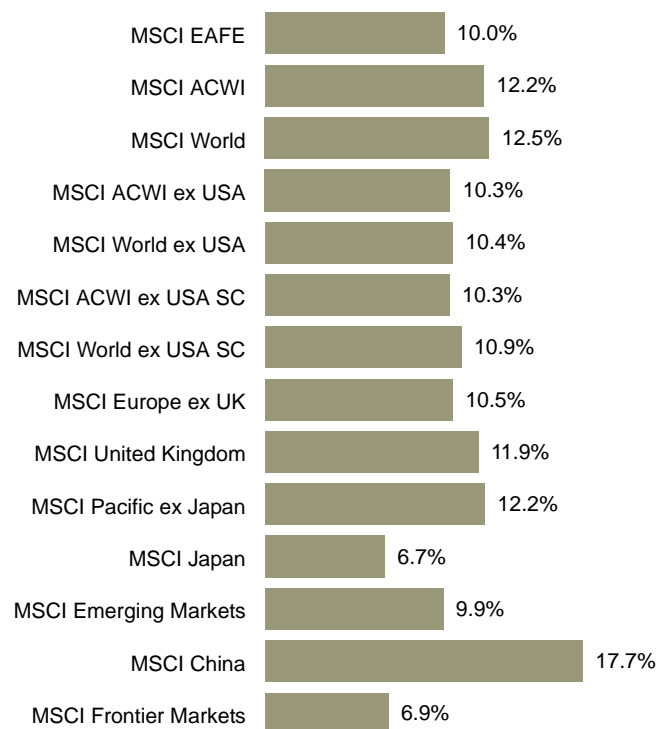
**Emerging Markets** (MSCI Emerging Markets Index: +9.9%)

- In a big reversal from the fourth quarter, China led emerging markets with MSCI China gaining 17.7% and MSCI China A up 30.9%.
- Trade talks continue but positive indications for a deal buoyed markets; uncertainty on the outcome remains.
- Asian Information Technology rebounded nicely with Chinese IT (+27.6%) leading the sector. An improving outlook on Chinese consumption positively influenced EM Consumer Discretionary (+20.8%), which was the top-performing sector.
- Growth led value with MSCI EM Growth gaining 12.0% and EM Value up 7.8%.

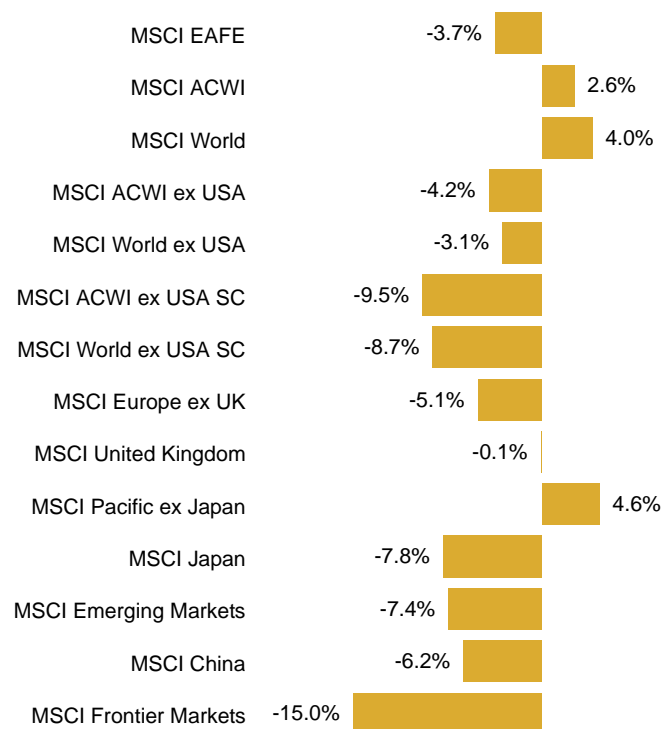
**Non-U.S. Small Cap** (MSCI World ex USA Small Cap: +10.9%; MSCI EM Small Cap: +7.8%; MSCI ACWI ex USA Small Cap: +10.3%)

- Within developed markets, small cap performed in line with large cap.
- EM Small Cap trailed EM as MSCI China Small Cap has less exposure to IT, which led the risk-on rally.

**Global Equity: Quarterly Returns**



**Global Equity: One-Year Returns**



Source: MSCI

**U.S. FIXED INCOME**

Risk markets sharply reversed from the fourth quarter sell-off supported by the Fed’s unexpected dovish comments, relatively solid U.S. economic growth data, and tempered concern over a slowing China. This quarter’s strong results recaptured most of the loss experienced in the prior quarter.

**U.S. Fixed Income** (Bloomberg Barclays US Aggregate: +2.9%)

- U.S. Treasuries rose 2.1% as the yield curve shifted lower across maturities as growth and inflation expectations declined.
- The shape of the yield curve did not materially change during the quarter. The yield differential between the 10-year and 2-year key rates remained positive and traded around a range of +12 to +20 bps. However, the front-end of the curve inverted, with the 5-year offering less yield than the 2-year.
- TIPS outperformed nominal Treasuries as the Fed’s balanced stance and unexpected wage pressures stoked higher inflation expectation.

**Investment-Grade Corporates** (Bloomberg Barclays Corporate: +5.1%)

- Credit spreads rallied on the back of a softer Fed stance, positive economic news, and better than expected corporate earnings.
- Net new corporate issuance during the first quarter of \$117 billion was roughly on par with a year ago.
- Surprisingly, Aaa-rated corporates (+5.0%) outperformed Aa- (+3.7%) and single A-rated issuers (+4.7%). BBB-rated issuers were the best performers (+5.7%).

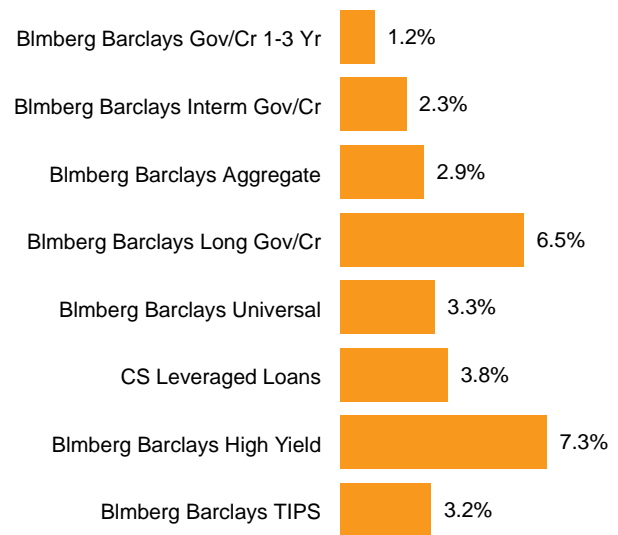
**High Yield** (Bloomberg Barclays Corporate High Yield: +7.3%)

- Given the risk-on environment, below-investment grade issuers were the best performers, aided by strong asset inflows.
- Ba/B sectors (+7.2%) marginally outpaced CCC by 6 bps; this was an unusual occurrence given that the dispersion between high-quality and low-quality is typically wide during these periods of absolute returns.

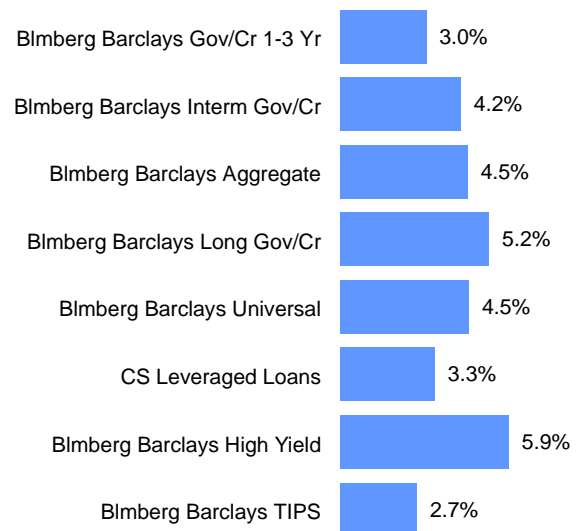
**Leveraged Loans** (Credit Suisse Leveraged Loans Index: +3.8%)

- Leveraged loans participated in the rally but lagged both longer duration investment grade and high yield corporates. The sector was negatively impacted by the Fed’s pause, retail outflows, and a slow-developing CLO pipeline.
- Bank loans have less sensitivity to interest rates but may have a similar spread duration profile to that of their high yield bond counterparts.

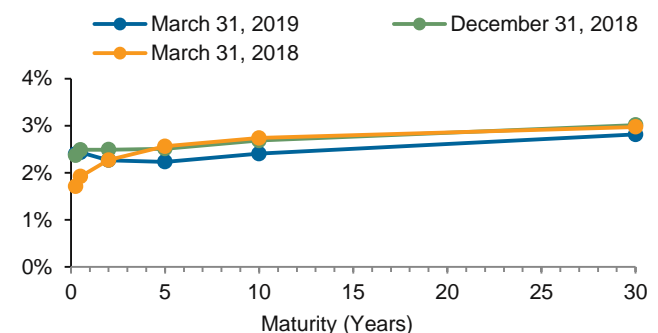
**U.S. Fixed Income: Quarterly Returns**



**U.S. Fixed Income: One-Year Returns**



**U.S. Treasury Yield Curves**



Sources: Bloomberg, Bloomberg Barclays, Credit Suisse

**NON-U.S. FIXED INCOME**

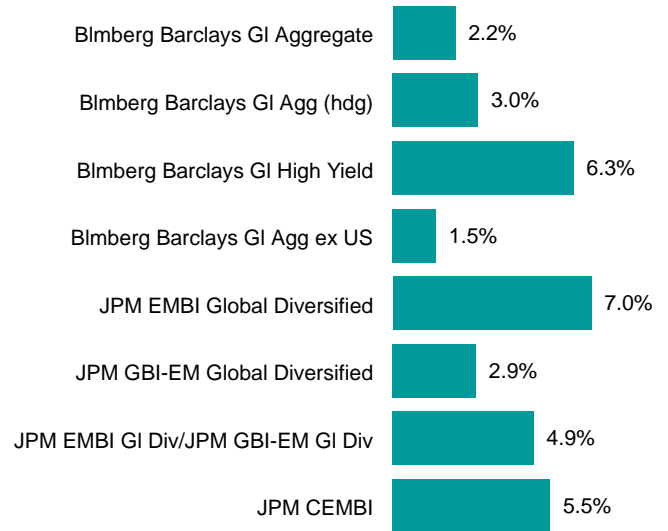
**Global Fixed Income** (Bloomberg Barclays Global Aggregate (unhedged): +2.2%)

- Developed market sovereign bonds rallied in tandem with Treasuries. The U.S. dollar appreciated modestly versus the euro and yen, but lost ground versus the British pound and Canadian dollar.

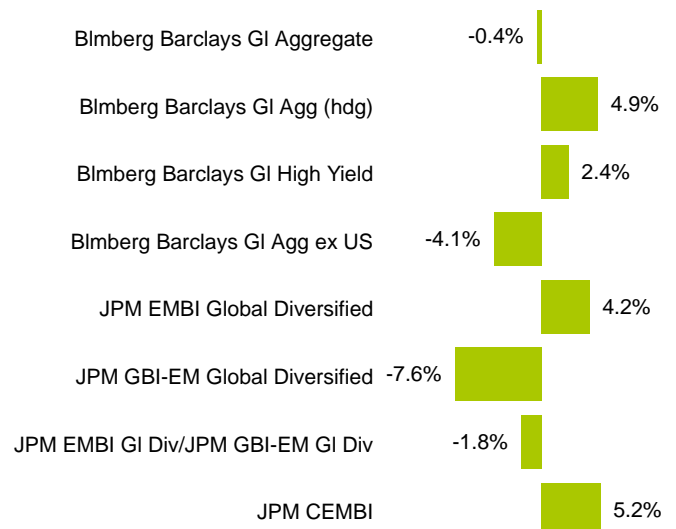
**U.S. dollar-denominated emerging market debt** (JPM EMBI Global Diversified: +7.0%), **Local currency-denominated EMD** (JPM GBI-EM Global Diversified: +2.9%)

- Country returns within the EMBI Global Diversified Index were all positive for the quarter.
- Turkey (-10.2%) and Argentina (-10.5%) were notable underperformers in the local currency index.
- Positive net inflows into the EM universe continued through quarter-end.

**Global Fixed Income: Quarterly Returns**

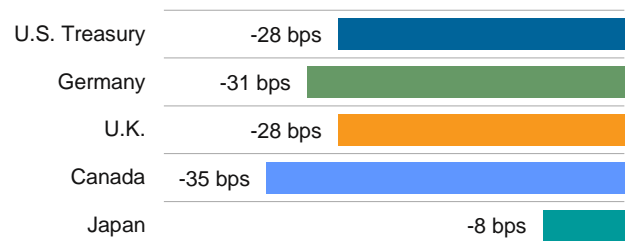


**Global Fixed Income: One-Year Returns**



**Change in 10-Year Global Government Bond Yields**

**4Q18 to 1Q19**

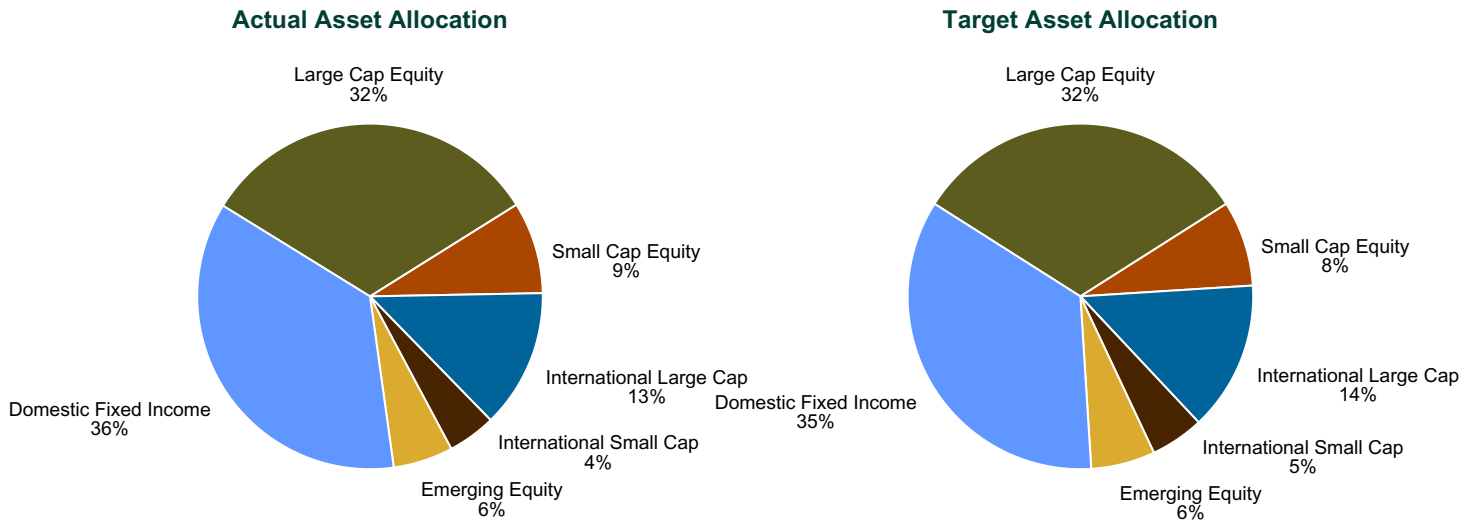


Sources: Bloomberg, Bloomberg Barclays, JP Morgan



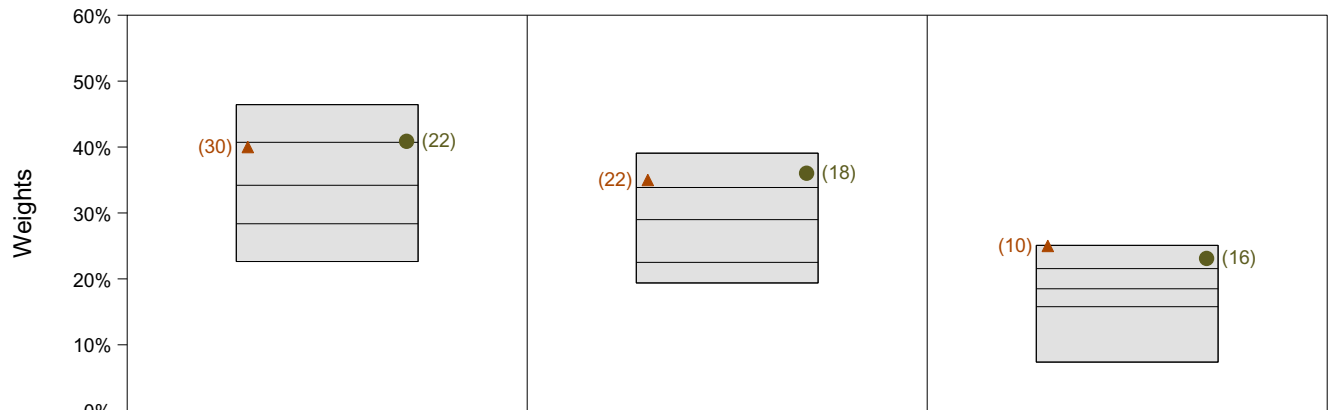
## Actual vs Target Asset Allocation As of March 31, 2019

The top left chart shows the Fund's asset allocation as of March 31, 2019. The top right chart shows the Fund's target asset allocation as outlined in the investment policy statement. The bottom chart ranks the fund's asset allocation and the target allocation versus the Callan Public Fund Spons- Mid (100M-1B).



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap Equity	93,278	32.3%	32.0%	0.3%	791
Small Cap Equity	24,842	8.6%	8.0%	0.6%	1,721
International Large Cap	37,469	13.0%	14.0%	(1.0%)	(2,994)
International Small Cap	12,987	4.5%	5.0%	(0.5%)	(1,464)
Emerging Equity	16,317	5.6%	6.0%	(0.4%)	(1,024)
Domestic Fixed Income	104,128	36.0%	35.0%	1.0%	2,971
<b>Total</b>	<b>289,020</b>	<b>100.0%</b>	<b>100.0%</b>		

### Asset Class Weights vs Callan Public Fund Spons- Mid (100M-1B)



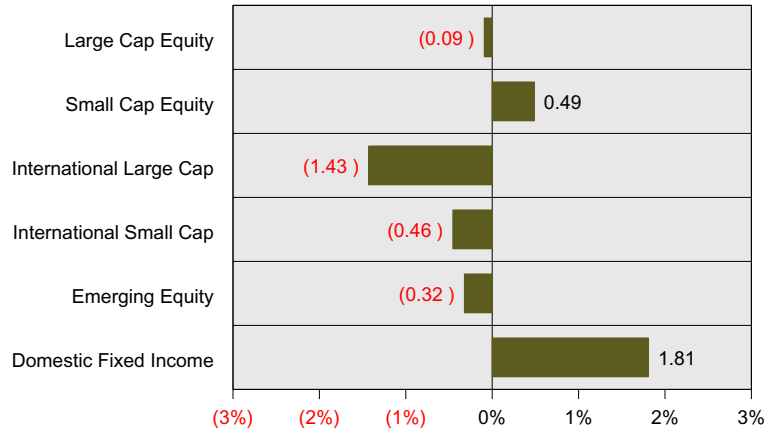
	Domestic Broad Eq	Domestic Fixed Income	Intl Equity
10th Percentile	46.43	39.07	25.09
25th Percentile	40.72	33.86	21.56
Median	34.20	28.99	18.50
75th Percentile	28.36	22.50	15.78
90th Percentile	22.63	19.38	7.38
<b>Fund</b> ●	40.87	36.03	23.10
<b>Target</b> ▲	40.00	35.00	25.00
% Group Invested	96.43%	98.21%	89.29%

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

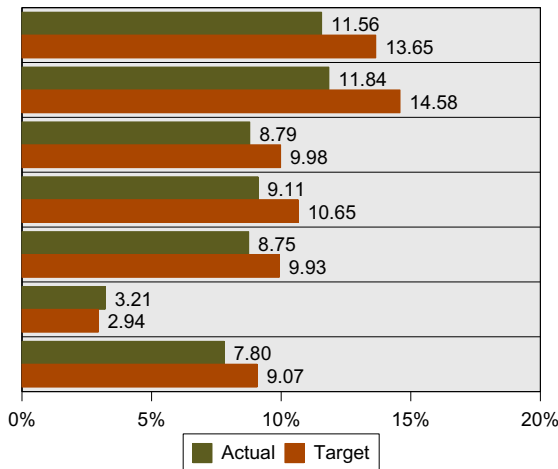
## Quarterly Total Fund Relative Attribution - March 31, 2019

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

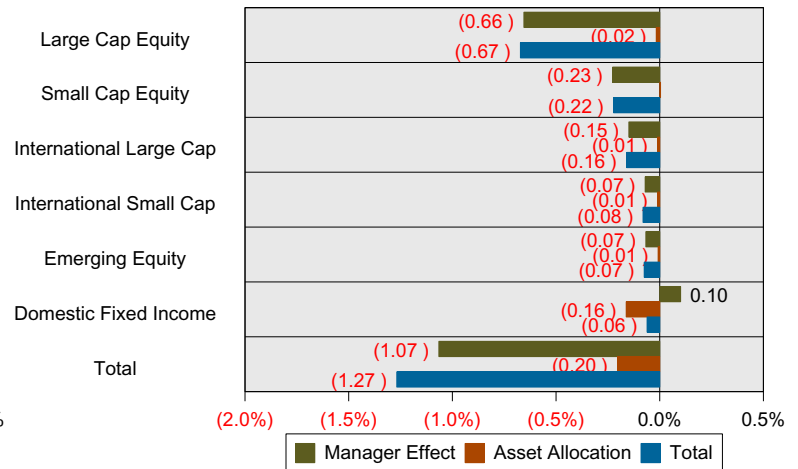
### Asset Class Under or Overweighting



### Actual vs Target Returns



### Relative Attribution by Asset Class



### Relative Attribution Effects for Quarter ended March 31, 2019

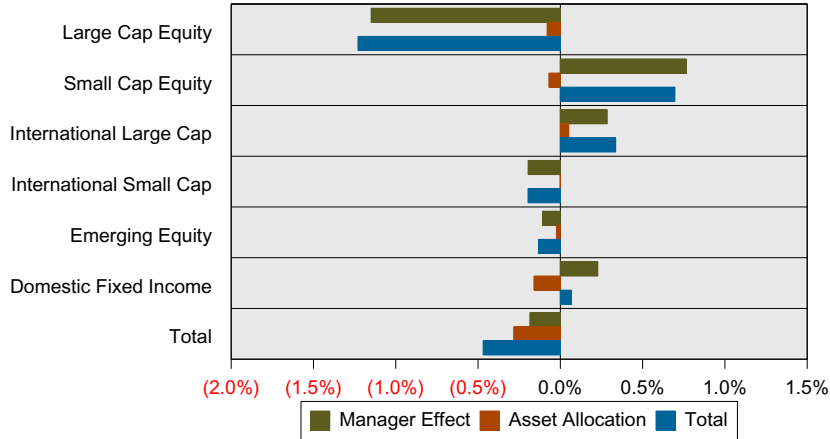
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	11.56%	13.65%	(0.66%)	(0.02%)	(0.67%)
Small Cap Equity	8%	8%	11.84%	14.58%	(0.23%)	0.00%	(0.22%)
International Large Cap	13%	14%	8.79%	9.98%	(0.15%)	(0.01%)	(0.16%)
International Small Cap	5%	5%	9.11%	10.65%	(0.07%)	(0.01%)	(0.08%)
Emerging Equity	6%	6%	8.75%	9.93%	(0.07%)	(0.01%)	(0.07%)
Domestic Fixed Income	37%	35%	3.21%	2.94%	0.10%	(0.16%)	(0.06%)
<b>Total</b>			<b>7.80%</b>	<b>9.07%</b>	<b>(1.07%)</b>	<b>(0.20%)</b>	<b>(1.27%)</b>

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

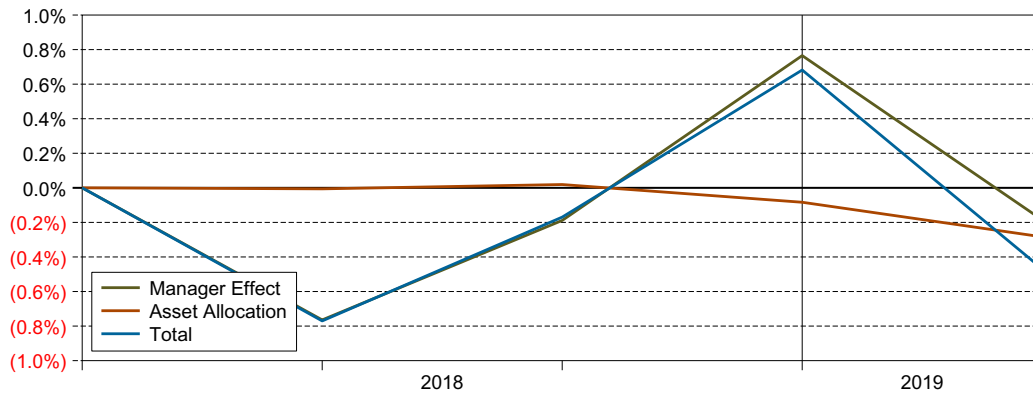
## Cumulative Total Fund Relative Attribution - March 31, 2019

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

### One Year Relative Attribution Effects



### Cumulative Relative Attribution Effects



### One Year Relative Attribution Effects

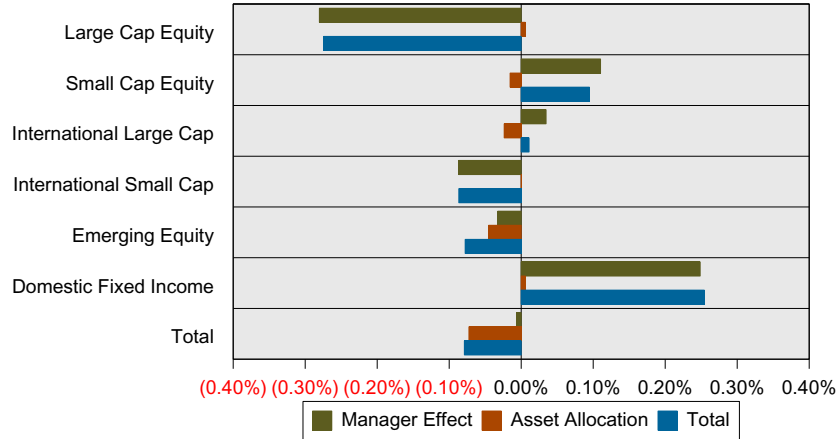
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	5.72%	9.50%	(1.15%)	(0.08%)	(1.23%)
Small Cap Equity	9%	8%	11.36%	2.05%	0.77%	(0.07%)	0.70%
International Large Cap	13%	14%	(1.62%)	(3.71%)	0.29%	0.05%	0.34%
International Small Cap	5%	5%	(12.80%)	(9.36%)	(0.20%)	(0.00%)	(0.20%)
Emerging Equity	6%	6%	(8.99%)	(7.40%)	(0.11%)	(0.02%)	(0.13%)
Domestic Fixed Income	36%	35%	5.13%	4.48%	0.23%	(0.16%)	0.07%
<b>Total</b>			<b>3.08%</b>	<b>3.55%</b>	<b>(0.19%)</b>	<b>(0.28%)</b>	<b>(0.47%)</b>

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

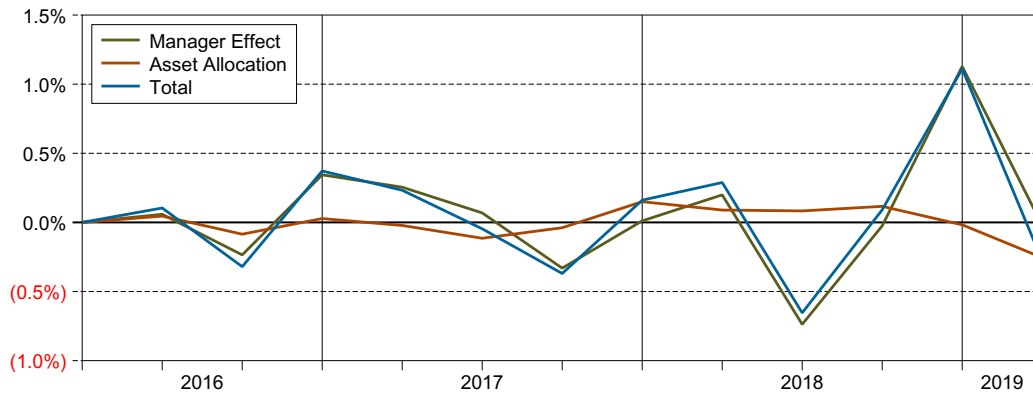
## Cumulative Total Fund Relative Attribution - March 31, 2019

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

### Three Year Annualized Relative Attribution Effects



### Cumulative Relative Attribution Effects



### Three Year Annualized Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	33%	32%	12.58%	13.51%	(0.28%)	0.01%	(0.27%)
Small Cap Equity	9%	8%	14.50%	12.92%	0.11%	(0.02%)	0.09%
International Large Cap	14%	15%	7.54%	7.27%	0.03%	(0.02%)	0.01%
International Small Cap	4%	4%	4.56%	6.33%	(0.09%)	0.00%	(0.09%)
Emerging Equity	6%	6%	10.20%	10.68%	(0.03%)	(0.05%)	(0.08%)
Domestic Fixed Income	34%	35%	2.72%	2.03%	0.25%	0.01%	0.25%
<b>Total</b>			<b>8.16%</b>	<b>8.24%</b>	<b>(0.01%)</b>	<b>(0.07%)</b>	<b>(0.08%)</b>

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.



# Total Fund Period Ended March 31, 2019

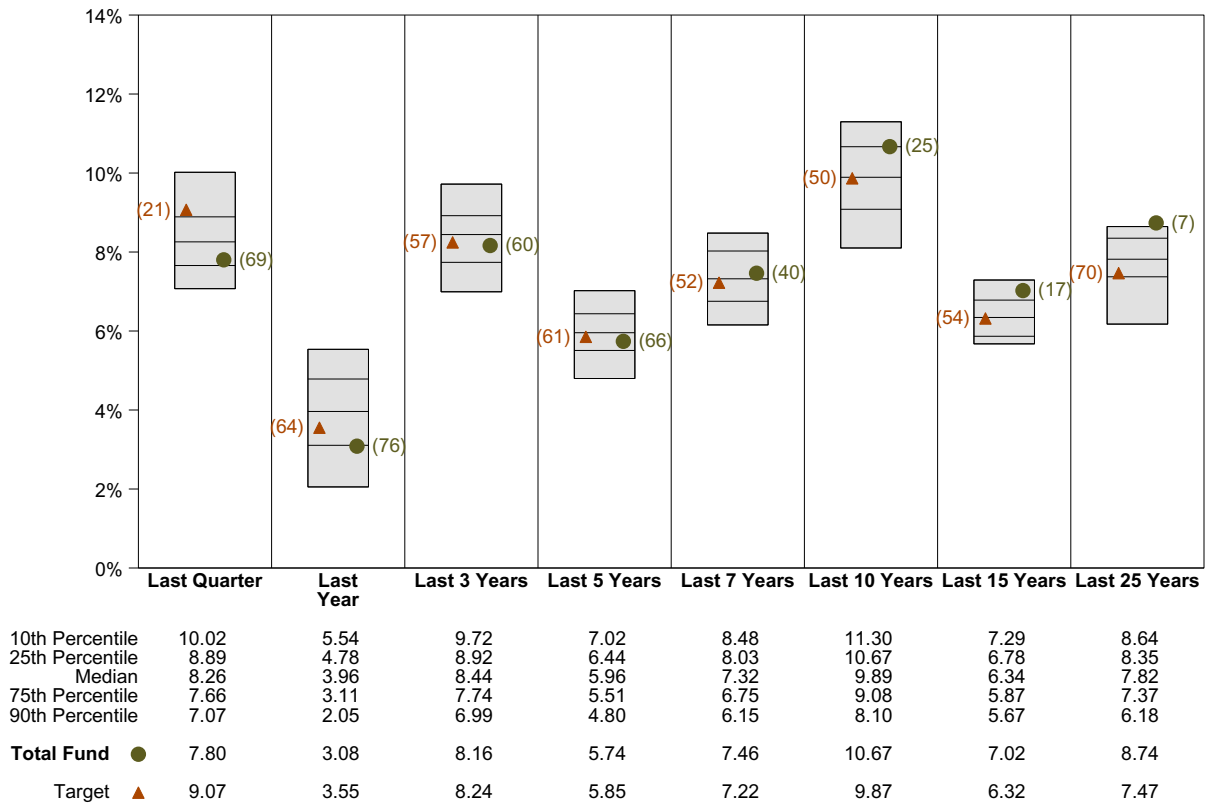
## Investment Philosophy

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

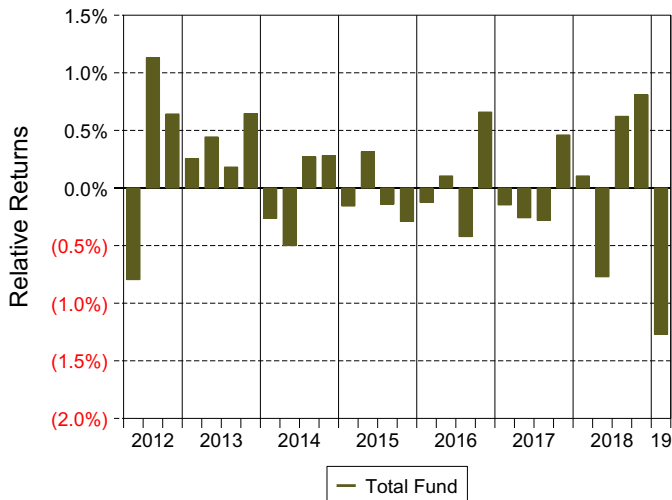
## Quarterly Summary and Highlights

- Total Fund's portfolio posted a 7.80% return for the quarter placing it in the 69 percentile of the Callan Public Fund Spons- Mid (100M-1B) group for the quarter and in the 76 percentile for the last year.
- Total Fund's portfolio underperformed the Target by 1.27% for the quarter and underperformed the Target for the year by 0.47%.

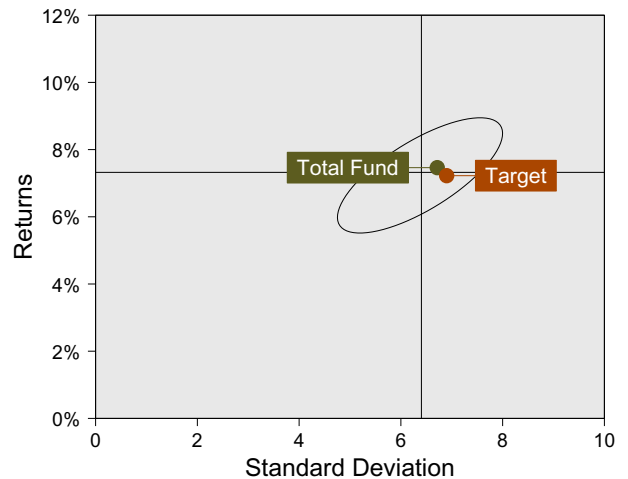
## Performance vs Callan Public Fund Spons- Mid (100M-1B) (Gross)



### Relative Return vs Target



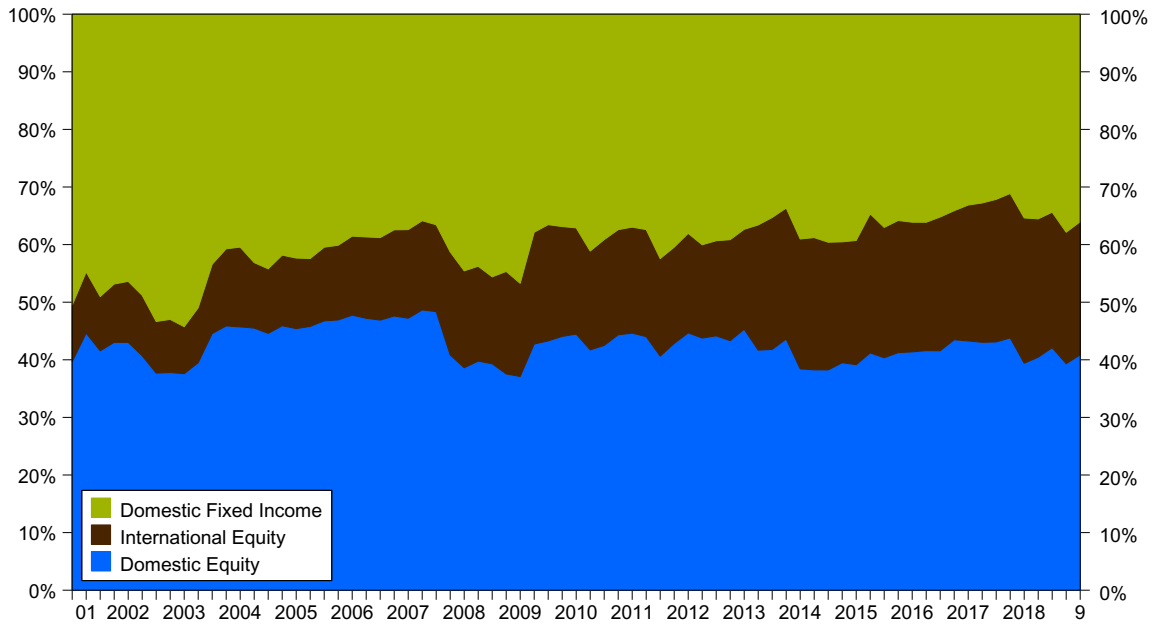
### Callan Public Fund Spons- Mid (100M-1B) (Gross) Annualized Seven Year Risk vs Return



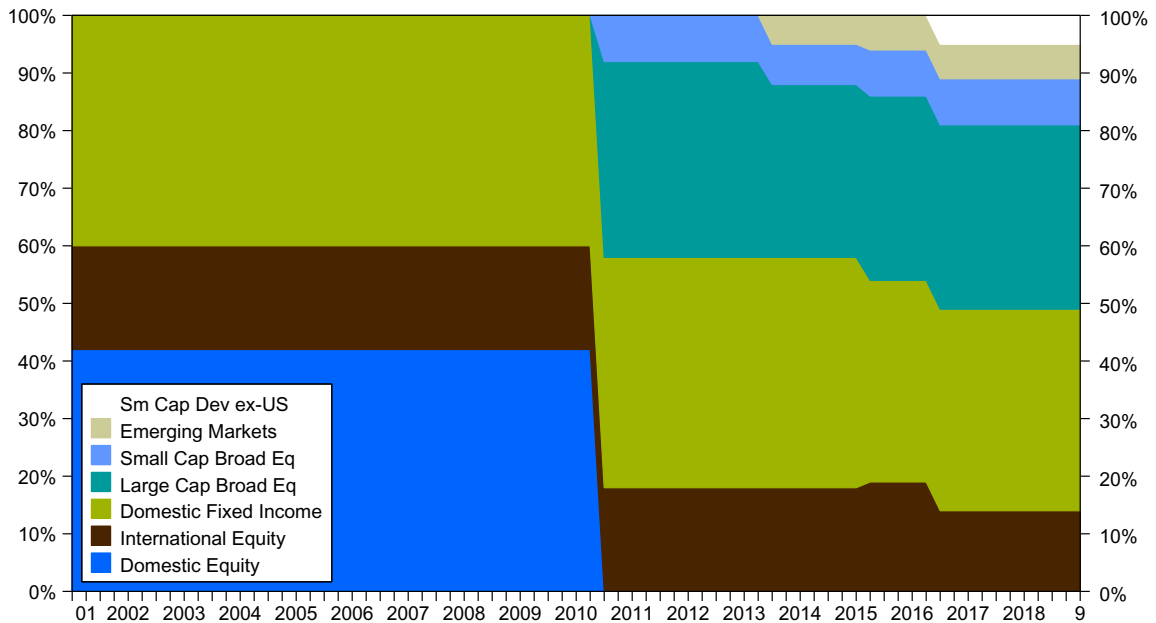
## Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, and the fund's historical target asset allocation.

### Actual Historical Asset Allocation



### Target Historical Asset Allocation



\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

## Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2019, with the distribution as of December 31, 2018. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

### Asset Distribution Across Investment Managers

	March 31, 2019 Market Value	Net New Inv.	Inv. Return	December 31, 2018 Market Value
<b>Consolidated Plan</b>				
<b>Domestic Equity</b>	<b>\$118,119,990</b>	<b>\$8</b>	<b>\$12,294,930</b>	<b>\$105,825,052</b>
<b>Large Cap</b>	<b>\$93,277,809</b>	<b>\$8</b>	<b>\$9,665,139</b>	<b>\$83,612,662</b>
Boston Partners	44,902,460	8	3,857,732	41,044,721
SSgA S&P 500	48,375,349	0	5,807,407	42,567,941
<b>Small Cap</b>	<b>\$24,842,181</b>	<b>\$0</b>	<b>\$2,629,792</b>	<b>\$22,212,390</b>
Atlanta Capital	24,842,181	0	2,629,792	22,212,390
<b>International Equity</b>	<b>\$66,772,304</b>	<b>\$(8)</b>	<b>\$5,379,079</b>	<b>\$61,393,234</b>
<b>International Large Cap</b>	<b>\$37,468,525</b>	<b>\$(8)</b>	<b>\$3,026,683</b>	<b>\$34,441,850</b>
Brandes	0	(8)	(2,661)	2,669
SSgA EAFE	10,978,142	0	1,007,925	9,970,217
Pyrford	26,490,383	0	2,021,419	24,468,964
<b>International Small Cap</b>	<b>\$12,986,737</b>	<b>\$0</b>	<b>\$1,059,359</b>	<b>\$11,927,378</b>
AQR	12,986,737	0	1,059,359	11,927,378
<b>Emerging Equity</b>	<b>\$16,317,042</b>	<b>\$0</b>	<b>\$1,293,037</b>	<b>\$15,024,005</b>
DFA Emerging Markets	16,317,042	0	1,293,037	15,024,005
<b>Fixed Income</b>	<b>\$104,127,722</b>	<b>\$(1,021,928)</b>	<b>\$3,253,913</b>	<b>\$101,895,736</b>
Metropolitan West	104,127,722	(1,021,928)	3,253,913	101,895,736
<b>Total Plan - Consolidated</b>	<b>\$289,020,016</b>	<b>\$(1,021,928)</b>	<b>\$20,927,922</b>	<b>\$269,114,022</b>

## Sacramento Regional Transit District Asset Growth

Ending March 31, 2019 (\$ Thousands)	Ending Market Value	=	Beginning Market Value	+	Net New Investment	+	Investment Return
<b>Total Plan</b>							
1/4 Year Ended 3/2019	289,020.0		269,114.0		(1,021.9)		20,927.9
1/4 Year Ended 12/2018	269,114.0		292,722.5		(1,066.5)		(22,541.9)
1/4 Year Ended 9/2018	292,722.5		284,083.7		(1,081.0)		9,719.8
1/4 Year Ended 6/2018	284,083.7		284,995.0		(1,267.6)		356.3
1/4 Year Ended 3/2018	284,995.0		288,314.8		(1,183.4)		(2,136.5)
1/4 Year Ended 12/2017	288,314.8		277,835.6		(1,419.7)		11,899.0
1/4 Year Ended 9/2017	277,835.6		270,017.7		(1,582.3)		9,400.2
1/4 Year Ended 6/2017	270,017.7		263,189.7		(1,149.1)		7,977.1
1/4 Year Ended 3/2017	263,189.7		253,159.1		(930.2)		10,960.7
1/4 Year Ended 12/2016	253,159.1		251,635.0		(1,139.0)		2,663.2
1/4 Year Ended 9/2016	251,635.0		244,029.2		(937.8)		8,543.5
1/4 Year Ended 6/2016	244,029.2		240,502.3		(684.5)		4,211.5
1/4 Year Ended 3/2016	240,502.3		238,289.7		(450.0)		2,662.6
1/4 Year Ended 12/2015	238,289.7		232,085.4		(816.4)		7,020.7
1/4 Year Ended 9/2015	232,085.4		246,970.5		(534.9)		(14,350.2)
1/4 Year Ended 6/2015	246,970.5		247,920.3		(766.8)		(183.0)
1/4 Year Ended 3/2015	247,920.3		243,017.9		(295.4)		5,197.8
1/4 Year Ended 12/2014	243,017.9		238,642.3		(1,001.3)		5,377.0
1/4 Year Ended 9/2014	238,642.3		241,859.7		(632.5)		(2,584.9)
1/4 Year Ended 6/2014	241,859.7		235,305.8		(752.1)		7,306.0

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended March 31, 2019

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
<b>Domestic Equity</b>	<b>11.62%</b>	<b>6.91%</b>	<b>12.99%</b>	<b>9.79%</b>	<b>12.64%</b>
Domestic Equity Benchmark**	13.86%	8.04%	13.46%	10.22%	12.49%
<b>Large Cap Equity</b>	<b>11.56%</b>	<b>5.72%</b>	<b>12.58%</b>	<b>9.35%</b>	<b>12.34%</b>
Boston Partners	9.40%	1.92%	11.57%	7.73%	11.73%
Russell 1000 Value Index	11.93%	5.67%	10.45%	7.72%	11.14%
SSgA S&P 500	13.64%	9.51%	13.53%	10.95%	-
S&P 500 Index	13.65%	9.50%	13.51%	10.91%	12.85%
<b>Small Cap Equity</b>	<b>11.84%</b>	<b>11.36%</b>	<b>14.50%</b>	<b>11.43%</b>	<b>13.81%</b>
Atlanta Capital	11.84%	11.36%	14.50%	11.43%	13.81%
Russell 2000 Index	14.58%	2.05%	12.92%	7.05%	10.74%
<b>International Equity</b>	<b>8.84%</b>	<b>(5.83%)</b>	<b>7.69%</b>	<b>2.58%</b>	<b>4.79%</b>
International Benchmark***	10.11%	(5.70%)	8.21%	2.75%	5.61%
<b>International Large Cap</b>	<b>8.79%</b>	<b>(1.62%)</b>	<b>7.54%</b>	<b>2.55%</b>	-
SSgA EAFE	10.11%	(3.37%)	7.66%	2.68%	-
Pyrford	8.26%	(0.87%)	-	-	-
MSCI EAFE Index	9.98%	(3.71%)	7.27%	2.33%	5.63%
<b>International Small Cap</b>	<b>9.11%</b>	<b>(12.80%)</b>	-	-	-
AQR	9.11%	(12.80%)	-	-	-
MSCI EAFE Small Cap Index	10.65%	(9.36%)	7.50%	4.47%	8.21%
<b>Emerging Markets Equity</b>	<b>8.75%</b>	<b>(8.99%)</b>	<b>10.20%</b>	<b>4.03%</b>	-
DFA Emerging Markets	8.75%	(8.99%)	10.20%	4.03%	-
MSCI Emerging Markets Index	9.93%	(7.40%)	10.68%	3.68%	2.69%
<b>Domestic Fixed Income</b>	<b>3.21%</b>	<b>5.13%</b>	<b>2.72%</b>	<b>3.10%</b>	<b>3.31%</b>
Met West	3.21%	5.13%	2.72%	3.10%	3.31%
Bloomberg Aggregate Index	2.94%	4.48%	2.03%	2.74%	2.48%
<b>Total Plan</b>	<b>7.80%</b>	<b>3.08%</b>	<b>8.16%</b>	<b>5.74%</b>	<b>7.46%</b>
Target*	9.07%	3.55%	8.24%	5.85%	7.22%

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

\*\* Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

\*\*\* International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended March 31, 2019

	Last 10 Years	Last 15 Years	Last 20 Years	Last 25 Years
<b>Domestic Equity</b>	<b>16.09%</b>	<b>9.27%</b>	<b>6.86%</b>	-
Domestic Equity Benchmark**	15.90%	8.59%	6.72%	9.93%
Russell 1000 Value Index	14.52%	7.63%	6.68%	9.60%
S&P 500 Index	15.92%	8.57%	6.04%	9.80%
Russell 2000 Index	15.36%	8.04%	8.44%	8.99%
<b>International Equity</b>	<b>8.33%</b>	<b>5.18%</b>	<b>6.82%</b>	-
MSCI EAFE Index	8.96%	5.11%	3.94%	4.89%
<b>Domestic Fixed Income</b>	<b>6.28%</b>	<b>5.22%</b>	<b>5.55%</b>	-
Met West	6.28%	5.22%	-	-
Bloomberg Aggregate Index	3.77%	3.89%	4.73%	5.33%
<b>Total Plan</b>	<b>10.67%</b>	<b>7.02%</b>	<b>6.11%</b>	<b>8.74%</b>
Target*	9.87%	6.32%	5.72%	7.47%

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

\*\* Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	12/2018- 3/2019	2018	2017	2016	2015
<b>Domestic Equity</b>	<b>11.62%</b>	<b>(4.64%)</b>	<b>19.78%</b>	<b>14.58%</b>	<b>0.06%</b>
Domestic Equity Benchmark**	13.86%	(5.69%)	20.41%	13.85%	0.26%
<b>Large Cap Equity</b>	<b>11.56%</b>	<b>(6.33%)</b>	<b>21.10%</b>	<b>13.38%</b>	<b>(1.17%)</b>
Boston Partners	9.40%	(8.27%)	20.32%	14.71%	(3.75%)
Russell 1000 Value Index	11.93%	(8.27%)	13.66%	17.34%	(3.83%)
SSgA S&P 500	13.64%	(4.39%)	21.86%	12.03%	1.46%
S&P 500 Index	13.65%	(4.38%)	21.83%	11.96%	1.38%
<b>Small Cap Equity</b>	<b>11.84%</b>	<b>1.78%</b>	<b>15.01%</b>	<b>19.17%</b>	<b>5.14%</b>
Atlanta Capital	11.84%	1.78%	15.01%	19.17%	5.14%
Russell 2000 Index	14.58%	(11.01%)	14.65%	21.31%	(4.41%)
<b>International Equity</b>	<b>8.84%</b>	<b>(13.93%)</b>	<b>28.25%</b>	<b>2.55%</b>	<b>(4.17%)</b>
International Benchmark***	10.11%	(14.76%)	29.51%	3.26%	(4.30%)
<b>International Large Cap</b>	<b>8.79%</b>	<b>(11.25%)</b>	<b>22.63%</b>	<b>1.35%</b>	<b>(1.17%)</b>
SSgA EAFE	10.11%	(13.49%)	25.47%	1.37%	(0.56%)
Pyrford	8.26%	(10.31%)	-	-	-
MSCI EAFE Index	9.98%	(13.79%)	25.03%	1.00%	(0.81%)
<b>International Small Cap</b>	<b>9.11%</b>	<b>(19.94%)</b>	<b>33.76%</b>	-	-
AQR	9.11%	(19.94%)	33.76%	-	-
MSCI EAFE Small Cap Index	10.65%	(17.89%)	33.01%	2.18%	9.59%
<b>Emerging Markets Equity</b>	<b>8.75%</b>	<b>(14.80%)</b>	<b>37.32%</b>	<b>12.99%</b>	<b>(14.33%)</b>
DFA Emerging Markets	8.75%	(14.80%)	37.32%	12.99%	(14.33%)
MSCI Emerging Markets Index	9.93%	(14.57%)	37.28%	11.19%	(14.92%)
<b>Domestic Fixed Income</b>	<b>3.21%</b>	<b>0.75%</b>	<b>3.89%</b>	<b>2.87%</b>	<b>0.51%</b>
Met West	3.21%	0.75%	3.89%	2.87%	0.51%
Bloomberg Aggregate Index	2.94%	0.01%	3.54%	2.65%	0.55%
<b>Total Plan</b>	<b>7.80%</b>	<b>(5.05%)</b>	<b>16.14%</b>	<b>7.65%</b>	<b>(0.97%)</b>
Target*	9.07%	(5.82%)	16.39%	7.40%	(0.71%)

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

Returns are for annualized calendar years.

\*\* Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

\*\*\* International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

## Investment Manager Returns

The table below details the rates of return for the Sponsor's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	2014	2013	2012	2011	2010
<b>Domestic Equity</b>	<b>10.85%</b>	<b>36.44%</b>	<b>19.19%</b>	<b>2.08%</b>	<b>15.93%</b>
Domestic Equity Benchmark**	12.07%	33.61%	16.09%	0.94%	17.33%
Boston Partners	11.87%	37.52%	21.95%	1.27%	13.61%
Russell 1000 Value Index	13.45%	32.53%	17.51%	0.39%	15.51%
S&P 500 Index	13.69%	32.39%	16.00%	2.11%	15.06%
Russell 2000 Index	4.89%	38.82%	16.35%	(4.18%)	26.85%
<b>International Equity</b>	<b>(3.72%)</b>	<b>16.66%</b>	<b>17.28%</b>	<b>(10.64%)</b>	<b>6.51%</b>
MSCI EAFE Index	(4.90%)	22.78%	17.32%	(12.14%)	7.75%
<b>Domestic Fixed Income</b>	<b>6.37%</b>	<b>(1.03%)</b>	<b>9.48%</b>	<b>6.10%</b>	<b>12.52%</b>
Met West	6.37%	(1.03%)	9.48%	6.10%	12.52%
Bloomberg Aggregate Index	5.97%	(2.02%)	4.21%	7.84%	6.54%
<b>Total Plan</b>	<b>5.61%</b>	<b>17.71%</b>	<b>14.80%</b>	<b>1.22%</b>	<b>12.70%</b>
Target*	5.82%	15.99%	11.68%	1.52%	11.85%

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

Returns are for annualized calendar years.

\*\* Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.



## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2019					
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
<b>Net of Fee Returns</b>					
Domestic Equity	11.53%	6.56%	12.58%	-	-
Domestic Equity Benchmark**	13.86%	8.04%	13.46%	10.22%	12.49%
Large Cap Equity	11.50%	5.51%	12.30%	-	-
Boston Partners	9.30%	1.78%	11.17%	7.26%	11.21%
Russell 1000 Value Index	11.93%	5.67%	10.45%	7.72%	11.14%
SSgA S&P 500	13.63%	9.45%	13.48%	10.89%	13.28%
S&P 500 Index	13.65%	9.50%	13.51%	10.91%	12.85%
Small Cap Equity	11.62%	10.47%	13.60%	-	-
Atlanta Capital	11.62%	10.47%	13.60%	10.55%	12.92%
Russell 2000 Index	14.58%	2.05%	12.92%	7.05%	10.74%
International Equity	8.69%	(6.40%)	7.07%	-	-
International Equity Benchmark***	10.11%	(5.70%)	8.21%	2.75%	5.61%
International Large Cap	8.65%	(2.13%)	7.00%	-	-
SSgA EAFE	10.08%	(3.46%)	7.56%	2.57%	6.92%
Pyrford	8.08%	(1.56%)	-	-	-
MSCI EAFE Index	9.98%	(3.71%)	7.27%	2.33%	5.63%
International Small Cap	8.88%	(13.61%)	-	-	-
AQR	8.88%	(13.61%)	-	-	-
MSCI EAFE Small Cap Index	10.65%	(9.36%)	7.50%	4.47%	8.21%
Emerging Markets Equity	8.61%	(9.48%)	9.58%	-	-
DFA Emerging Markets	8.61%	(9.48%)	9.58%	3.43%	-
MSCI Emerging Markets Index	9.93%	(7.40%)	10.68%	3.68%	2.69%
Domestic Fixed Income	3.21%	4.92%	2.46%	-	-
Met West	3.21%	4.92%	2.46%	2.83%	3.03%
Bloomberg Aggregate Index	2.94%	4.48%	2.03%	2.74%	2.48%
Total Plan	7.73%	2.72%	7.76%	5.37%	7.07%
Target*	9.07%	3.55%	8.24%	5.85%	7.22%

\* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

\*\* Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

\*\*\* International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.



# Domestic Equity Period Ended March 31, 2019

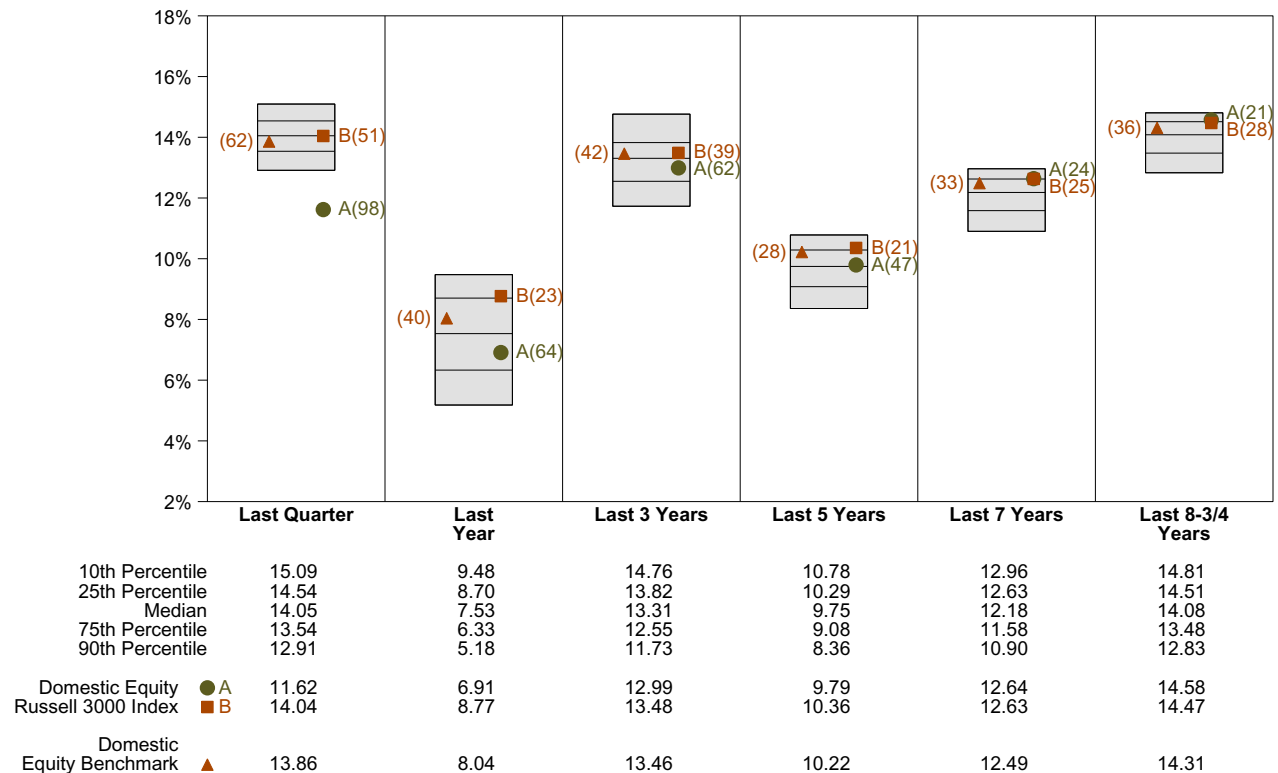
## Investment Philosophy

Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

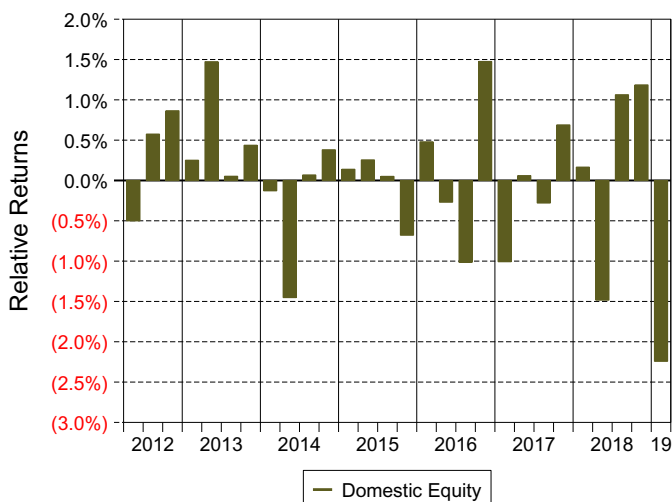
## Quarterly Summary and Highlights

- Domestic Equity's portfolio posted a 11.62% return for the quarter placing it in the 98 percentile of the Fund Sponsor - Domestic Equity group for the quarter and in the 64 percentile for the last year.
- Domestic Equity's portfolio underperformed the Domestic Equity Benchmark by 2.24% for the quarter and underperformed the Domestic Equity Benchmark for the year by 1.13%.

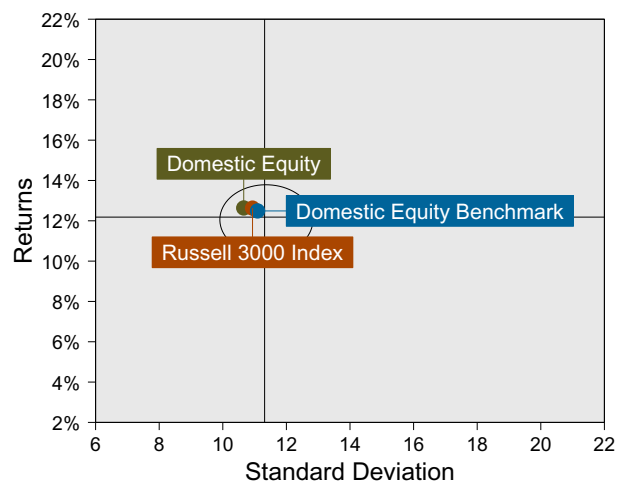
## Performance vs Fund Sponsor - Domestic Equity (Gross)



## Relative Returns vs Domestic Equity Benchmark



## Fund Sponsor - Domestic Equity (Gross) Annualized Seven Year Risk vs Return

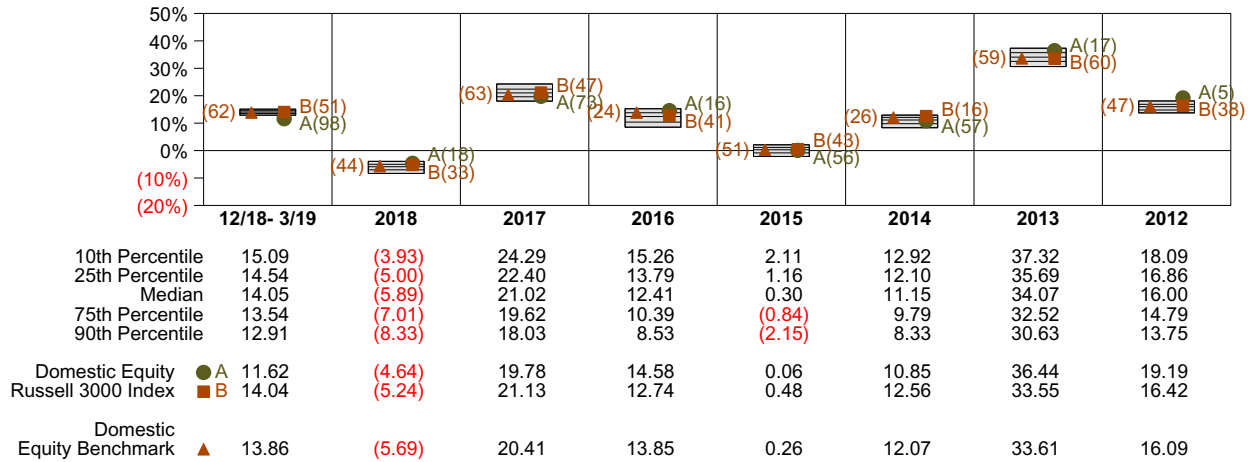


# Domestic Equity Return Analysis Summary

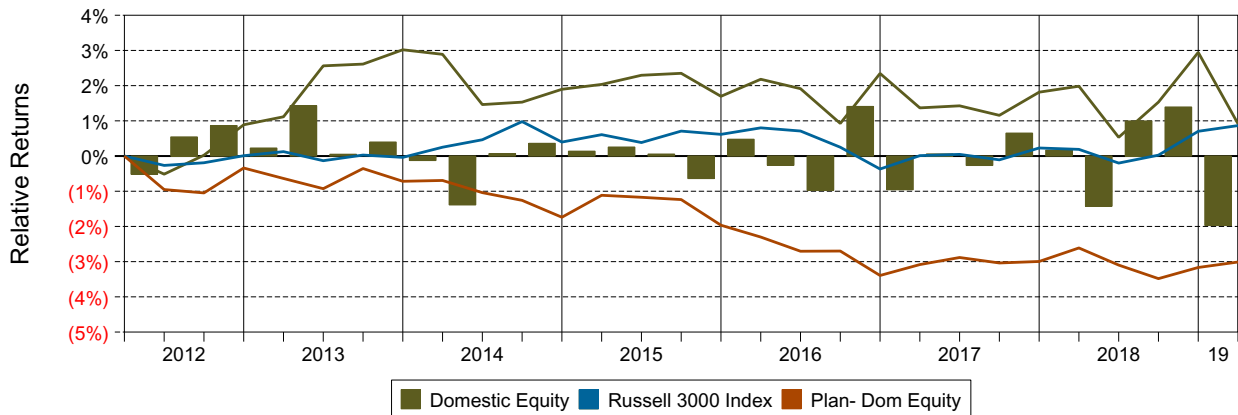
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

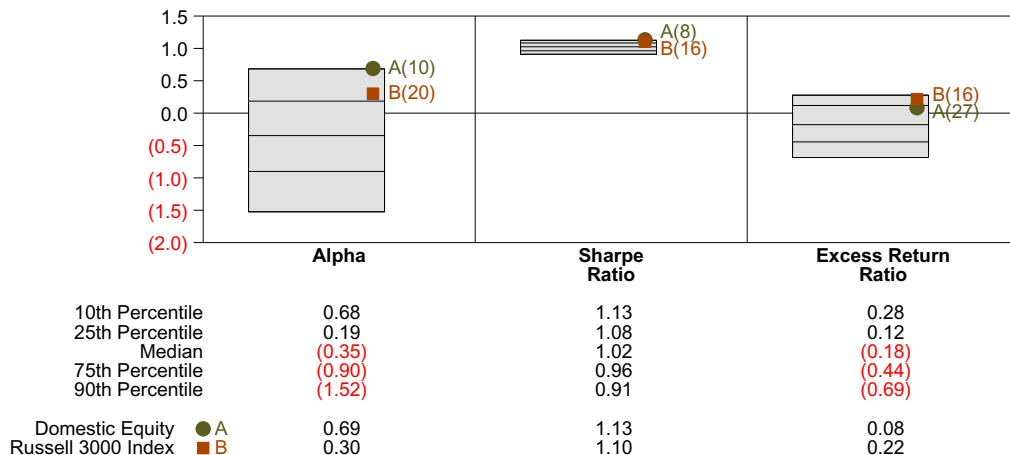
### Performance vs Fund Sponsor - Domestic Equity (Gross)



### Cumulative and Quarterly Relative Return vs Domestic Equity Benchmark



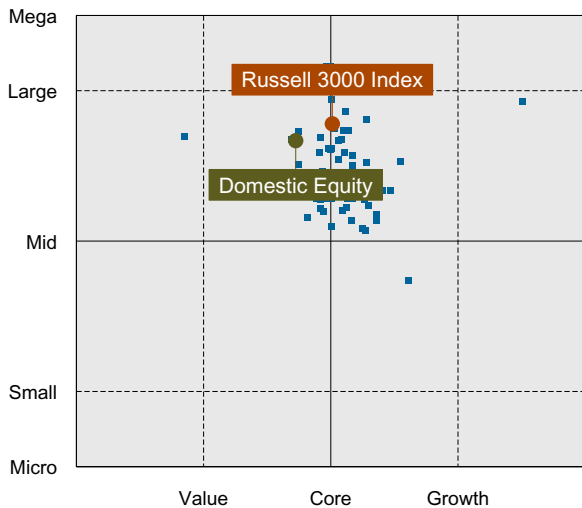
### Risk Adjusted Return Measures vs Domestic Equity Benchmark Rankings Against Fund Sponsor - Domestic Equity (Gross) Seven Years Ended March 31, 2019



# Current Holdings Based Style Analysis Domestic Equity As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

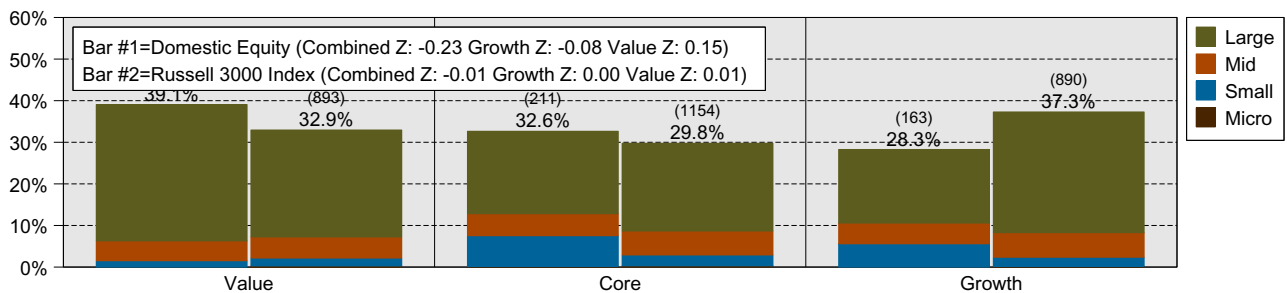
**Style Map vs Plan- Dom Equity Holdings as of March 31, 2019**



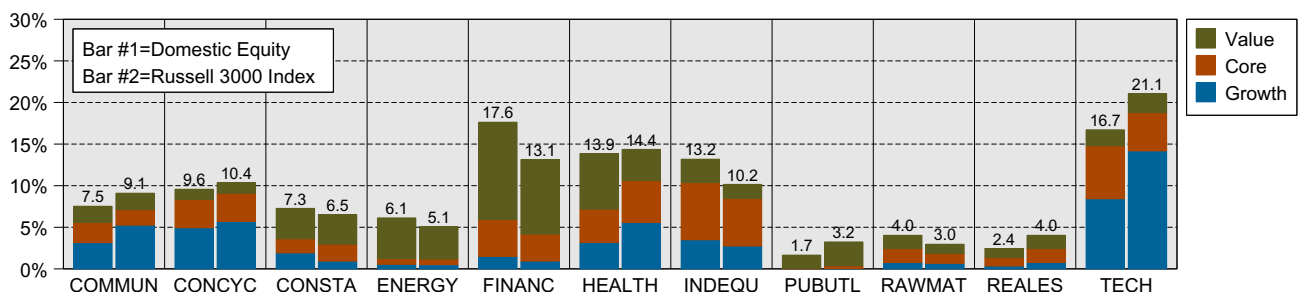
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Large	32.8% (106)	19.8% (98)	17.7% (83)	70.3% (287)
Mid	25.7% (105)	21.1% (97)	29.0% (91)	75.8% (293)
Small	4.8% (95)	5.3% (88)	5.0% (61)	15.1% (244)
Micro	5.1% (175)	5.8% (204)	5.9% (209)	16.7% (588)
Total	1.5% (7)	7.4% (23)	5.6% (19)	14.5% (49)
	1.9% (336)	2.6% (461)	2.2% (378)	6.7% (1175)
	0.0% (0)	0.2% (2)	0.0% (0)	0.2% (2)
	0.3% (277)	0.3% (392)	0.2% (212)	0.8% (881)
<b>Total</b>	<b>39.1% (208)</b>	<b>32.6% (211)</b>	<b>28.3% (163)</b>	<b>100.0% (582)</b>
	<b>32.9% (893)</b>	<b>29.8% (1154)</b>	<b>37.3% (890)</b>	<b>100.0% (2937)</b>

## Combined Z-Score Style Distribution Holdings as of March 31, 2019



## Sector Weights Distribution Holdings as of March 31, 2019



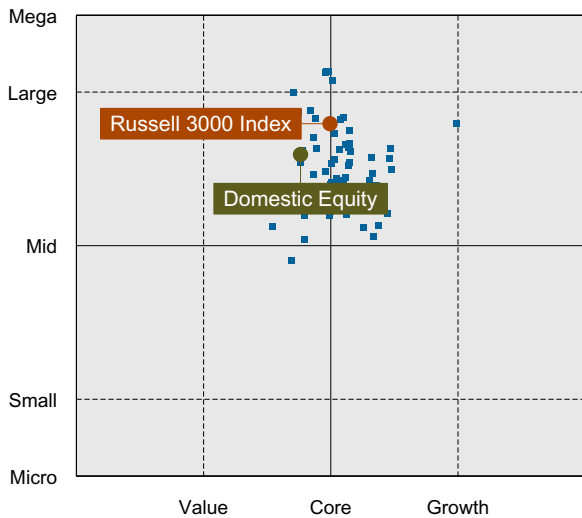
# Historical Holdings Based Style Analysis

## Domestic Equity

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

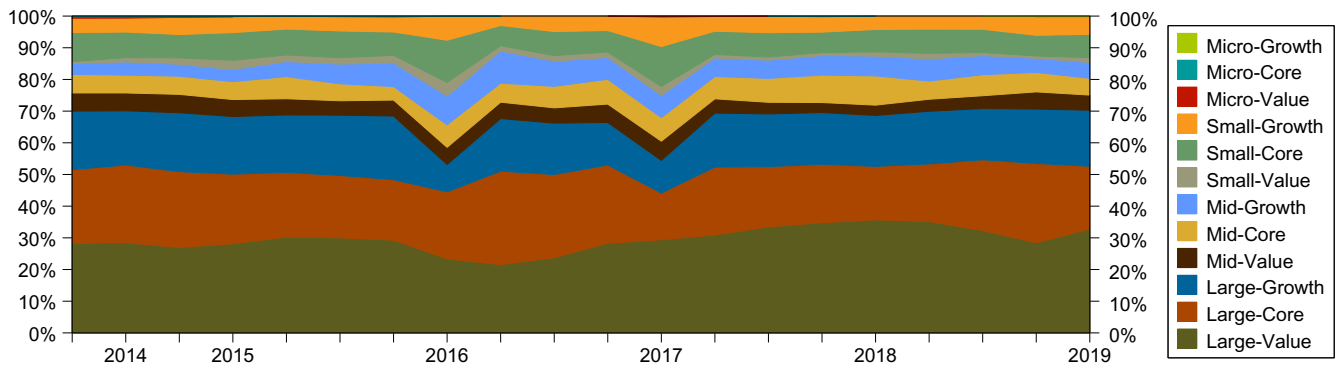
**Average Style Map vs Plan- Dom Equity Holdings for Five Years Ended March 31, 2019**



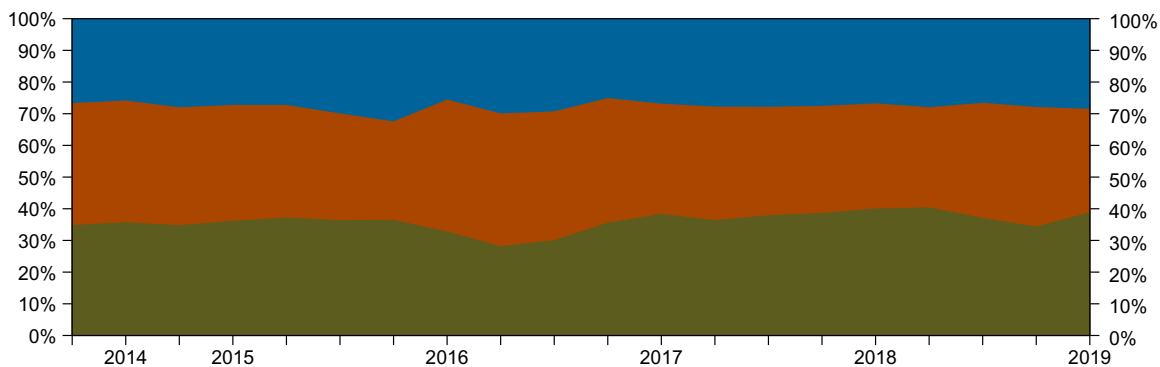
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	29.6% (93)	21.5% (90)	16.4% (86)	<b>67.5% (269)</b>
Large	26.3% (99)	22.6% (98)	25.2% (101)	<b>74.1% (298)</b>
Mid	4.9% (83)	6.5% (80)	6.1% (57)	<b>17.5% (220)</b>
	5.3% (177)	6.3% (217)	6.0% (205)	<b>17.5% (599)</b>
Small	1.7% (10)	8.1% (26)	5.0% (14)	<b>14.9% (50)</b>
	2.2% (336)	3.0% (487)	2.2% (378)	<b>7.4% (1201)</b>
Micro	0.1% (1)	0.1% (1)	0.0% (0)	<b>0.2% (2)</b>
	0.3% (282)	0.4% (376)	0.2% (214)	<b>1.0% (872)</b>
<b>Total</b>	<b>36.2% (187)</b>	<b>36.2% (197)</b>	<b>27.5% (157)</b>	<b>100.0% (541)</b>
	<b>34.1% (894)</b>	<b>32.3% (1178)</b>	<b>33.7% (898)</b>	<b>100.0% (2970)</b>
	Value	Core	Growth	<b>Total</b>

### Domestic Equity Historical Cap/Style Exposures



### Domestic Equity Historical Style Only Exposures

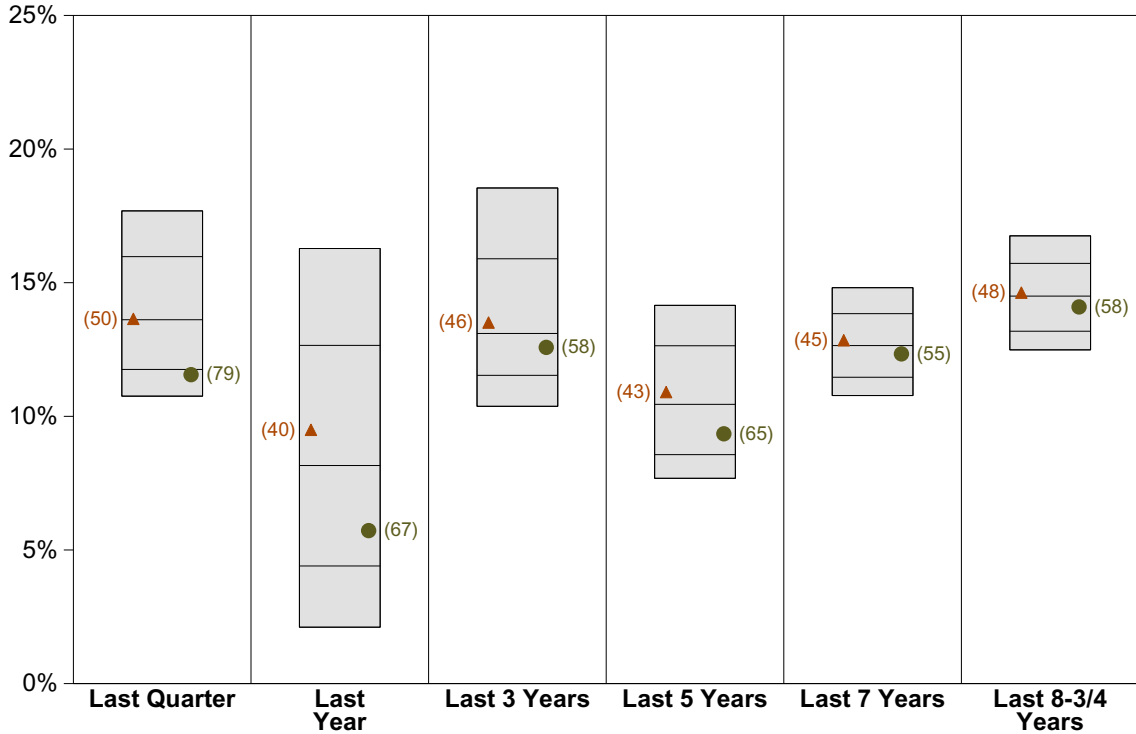


# Large Cap Period Ended March 31, 2019

## Quarterly Summary and Highlights

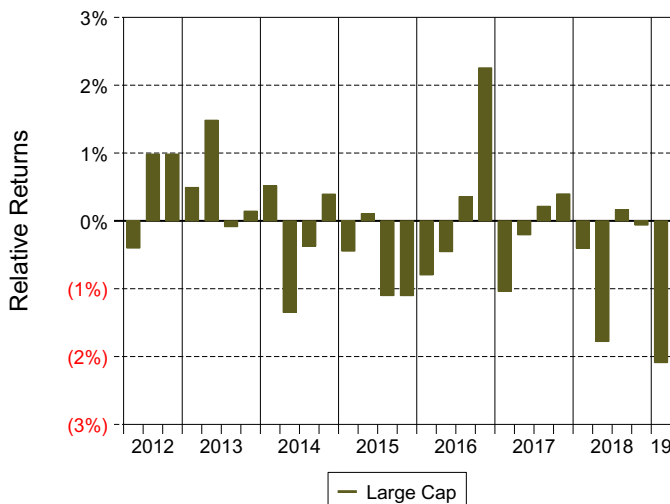
- Large Cap's portfolio posted a 11.56% return for the quarter placing it in the 79 percentile of the Callan Large Capitalization group for the quarter and in the 67 percentile for the last year.
- Large Cap's portfolio underperformed the S&P 500 Index by 2.09% for the quarter and underperformed the S&P 500 Index for the year by 3.77%.

## Performance vs Callan Large Capitalization (Gross)

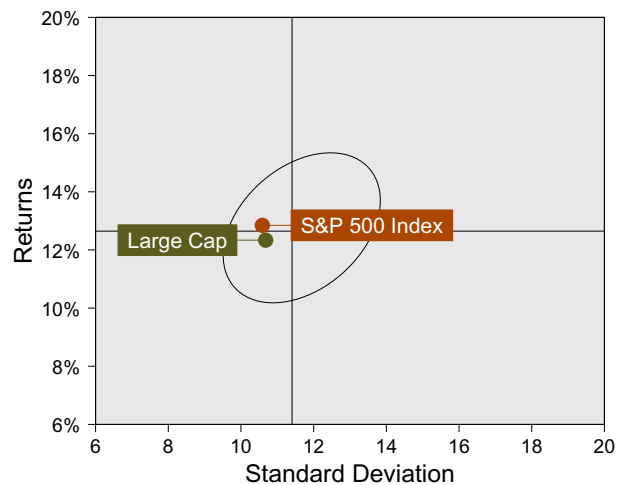


10th Percentile	17.69	16.28	18.54	14.15	14.81	16.75
25th Percentile	15.98	12.66	15.90	12.64	13.84	15.72
Median	13.61	8.16	13.10	10.45	12.65	14.50
75th Percentile	11.75	4.40	11.53	8.57	11.46	13.18
90th Percentile	10.75	2.11	10.37	7.68	10.78	12.49
<b>Large Cap</b> ●	11.56	5.72	12.58	9.35	12.34	14.09
<b>S&amp;P 500 Index</b> ▲	13.65	9.50	13.51	10.91	12.85	14.63

Relative Return vs S&P 500 Index



Callan Large Capitalization (Gross)  
Annualized Seven Year Risk vs Return

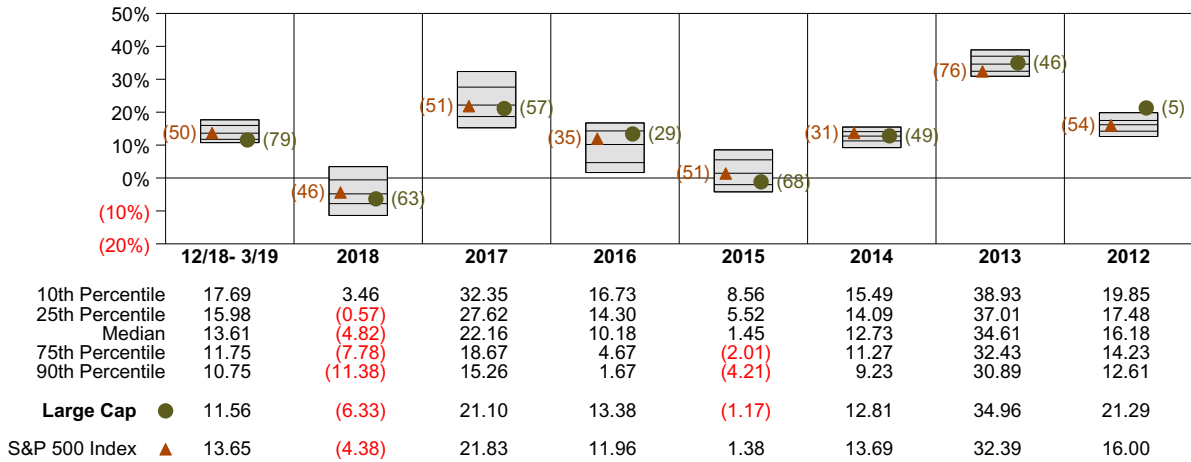


# Large Cap Return Analysis Summary

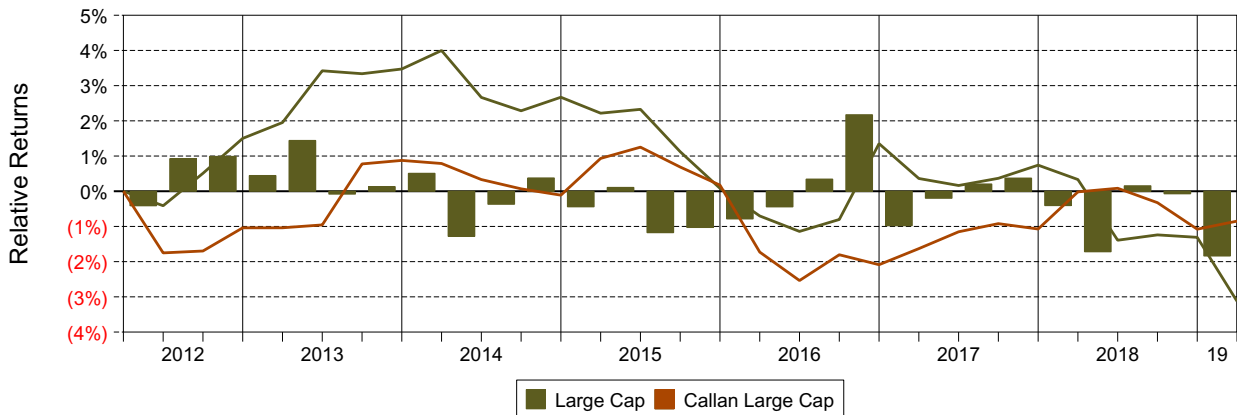
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

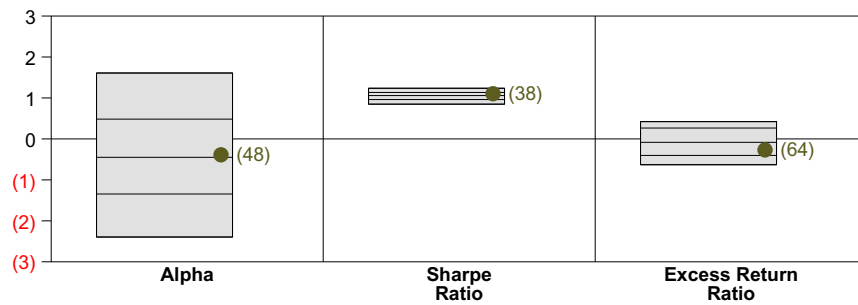
### Performance vs Callan Large Capitalization (Gross)



### Cumulative and Quarterly Relative Return vs S&P 500 Index



### Risk Adjusted Return Measures vs S&P 500 Index Rankings Against Callan Large Capitalization (Gross) Seven Years Ended March 31, 2019



	Alpha	Sharpe Ratio	Excess Return Ratio
10th Percentile	1.61	1.24	0.42
25th Percentile	0.48	1.13	0.27
Median	(0.45)	1.06	(0.08)
75th Percentile	(1.35)	0.96	(0.40)
90th Percentile	(2.40)	0.85	(0.63)
<b>Large Cap</b> ●	(0.39)	1.10	(0.27)

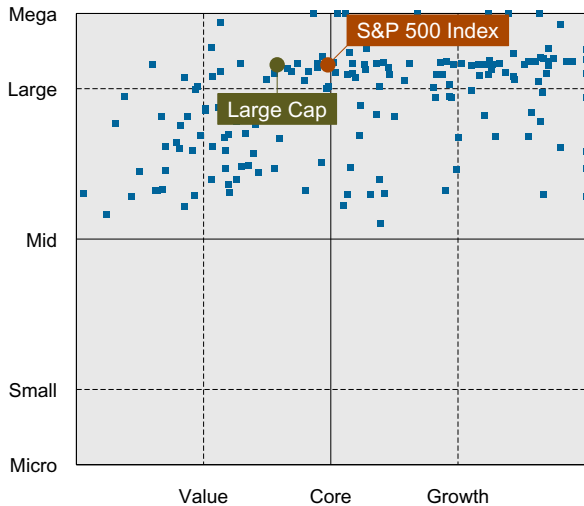


## Current Holdings Based Style Analysis

### Large Cap As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

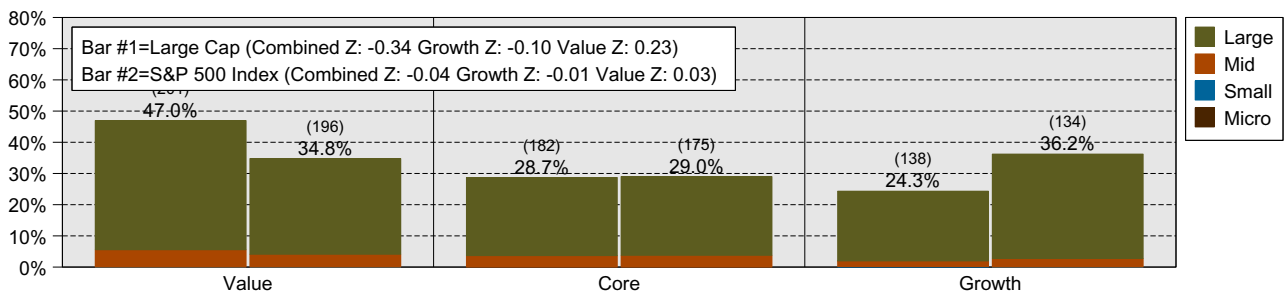
**Style Map vs Callan Large Cap Holdings as of March 31, 2019**



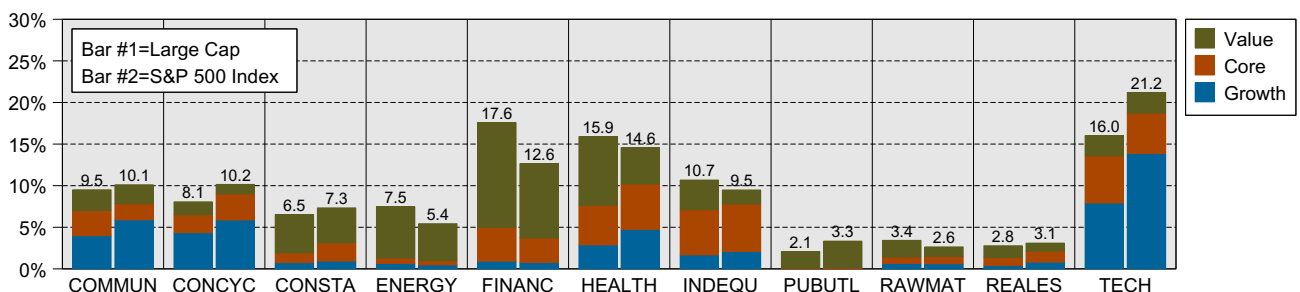
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Large	41.4% (106)	25.0% (98)	22.3% (83)	88.8% (287)
	30.7% (104)	25.2% (94)	33.5% (80)	89.4% (278)
Mid	5.6% (94)	3.7% (83)	1.8% (52)	11.0% (229)
	4.1% (91)	3.8% (81)	2.7% (52)	10.6% (224)
Small	0.0% (1)	0.0% (0)	0.2% (3)	0.2% (4)
	0.0% (1)	0.0% (0)	0.0% (2)	0.0% (3)
Micro	0.0% (0)	0.0% (1)	0.0% (0)	0.0% (1)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
<b>Total</b>	<b>47.0% (201)</b>	<b>28.7% (182)</b>	<b>24.3% (138)</b>	<b>100.0% (521)</b>
	<b>34.8% (196)</b>	<b>29.0% (175)</b>	<b>36.2% (134)</b>	<b>100.0% (505)</b>

### Combined Z-Score Style Distribution Holdings as of March 31, 2019



### Sector Weights Distribution Holdings as of March 31, 2019



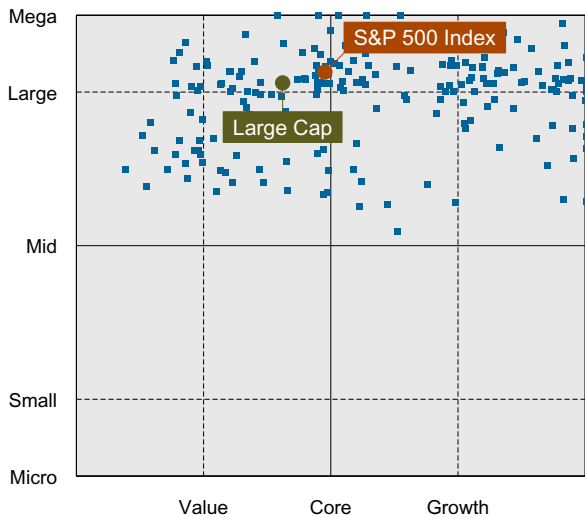
# Historical Holdings Based Style Analysis

## Large Cap

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

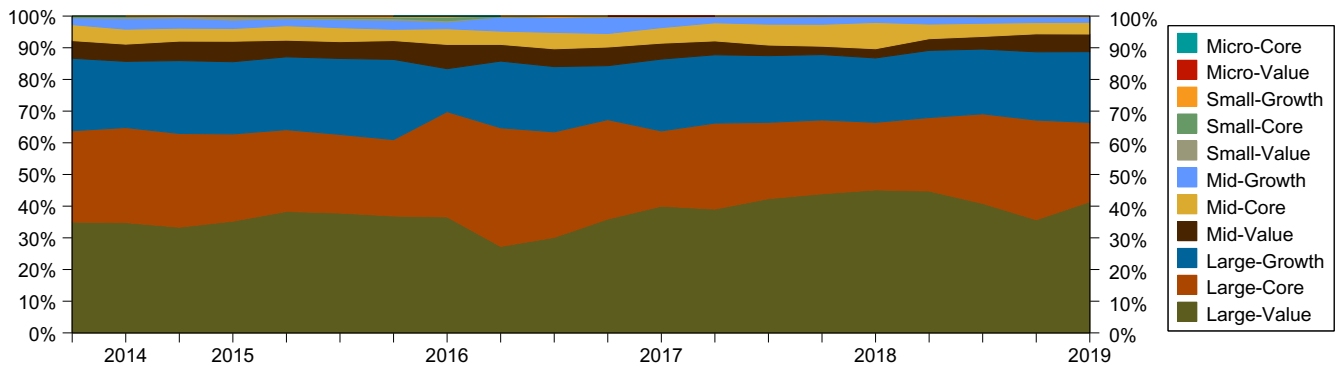
**Average Style Map vs Callan Large Cap Holdings for Five Years Ended March 31, 2019**



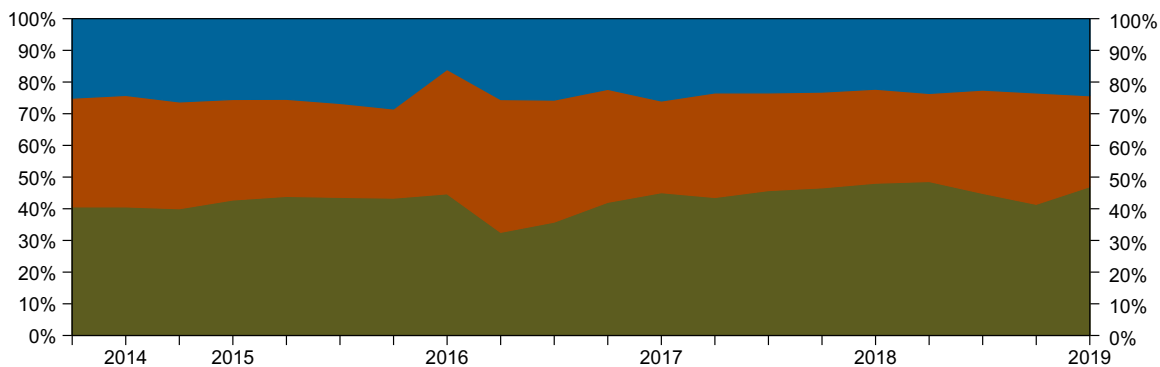
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	37.7% (97)	27.7% (94)	21.3% (90)	<b>86.7% (281)</b>
Large	31.9% (99)	27.4% (95)	29.9% (91)	<b>89.2% (285)</b>
Mid	5.1% (83)	4.9% (79)	2.8% (51)	<b>12.7% (213)</b>
	4.0% (84)	3.9% (78)	2.8% (51)	<b>10.7% (213)</b>
Small	0.2% (4)	0.2% (2)	0.1% (2)	<b>0.6% (8)</b>
	0.0% (3)	0.0% (1)	0.0% (1)	<b>0.1% (5)</b>
Micro	0.0% (0)	0.0% (0)	0.0% (0)	<b>0.0% (0)</b>
	0.0% (0)	0.0% (0)	0.0% (0)	<b>0.0% (0)</b>
<b>Total</b>	<b>43.0% (184)</b>	<b>32.8% (175)</b>	<b>24.2% (143)</b>	<b>100.0% (502)</b>
	<b>36.0% (186)</b>	<b>31.4% (174)</b>	<b>32.7% (143)</b>	<b>100.0% (503)</b>
	Value	Core	Growth	<b>Total</b>

**Large Cap Historical Cap/Style Exposures**



**Large Cap Historical Style Only Exposures**



# SSgA S&P 500

## Period Ended March 31, 2019

### Investment Philosophy

SSGA believes that their passive investment strategy can provide market-like returns with minimal transaction costs. Returns prior to 6/30/2012 are linked to a composite history.

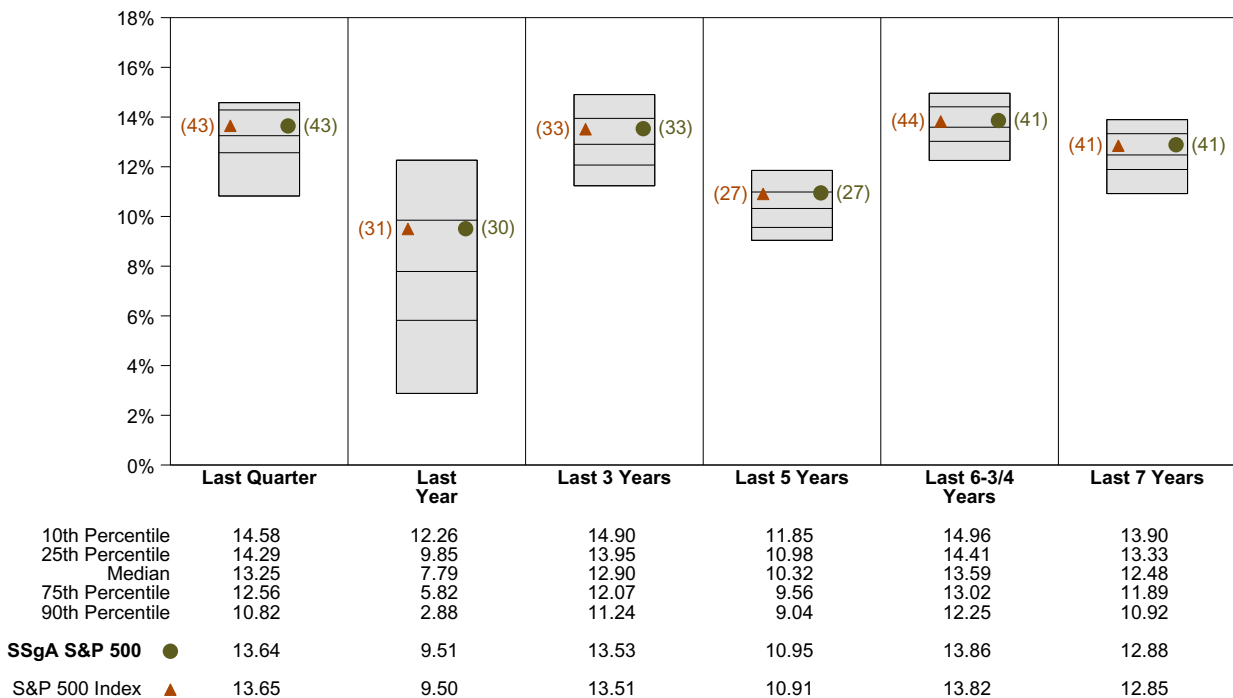
### Quarterly Summary and Highlights

- SSgA S&P 500's portfolio posted a 13.64% return for the quarter placing it in the 43 percentile of the Callan Large Cap Core group for the quarter and in the 30 percentile for the last year.
- SSgA S&P 500's portfolio underperformed the S&P 500 Index by 0.01% for the quarter and outperformed the S&P 500 Index for the year by 0.01%.

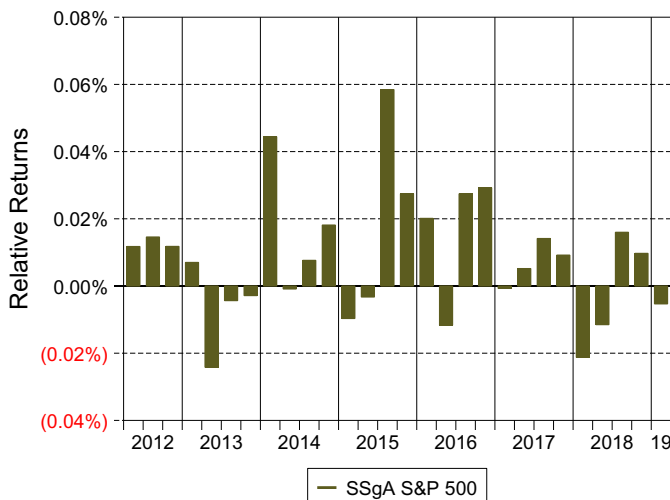
### Quarterly Asset Growth

Beginning Market Value	\$42,567,941
Net New Investment	\$0
Investment Gains/(Losses)	\$5,807,407
Ending Market Value	\$48,375,349

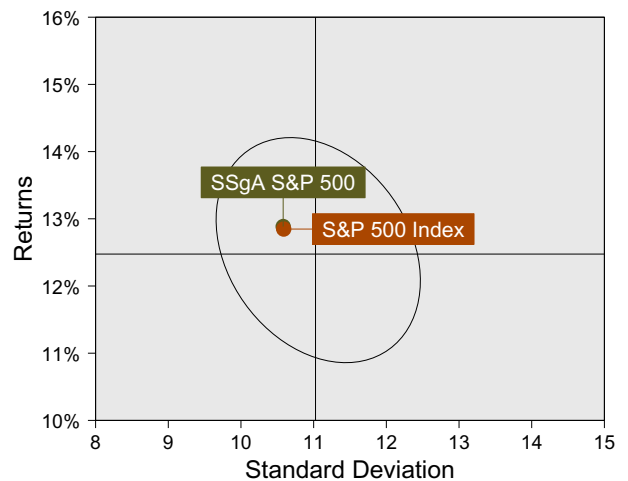
### Performance vs Callan Large Cap Core (Gross)



### Relative Return vs S&P 500 Index



### Callan Large Cap Core (Gross) Annualized Seven Year Risk vs Return

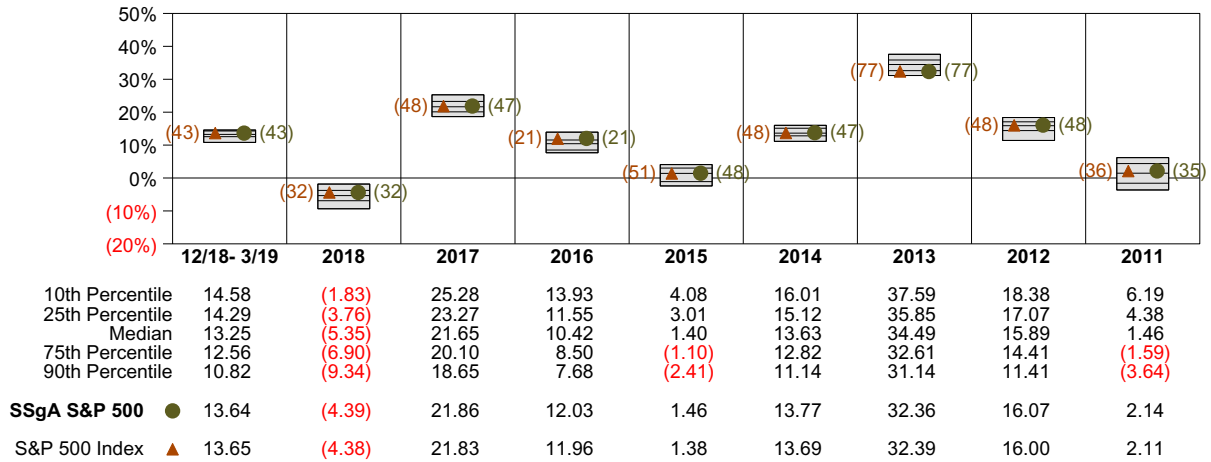


# SSgA S&P 500 Return Analysis Summary

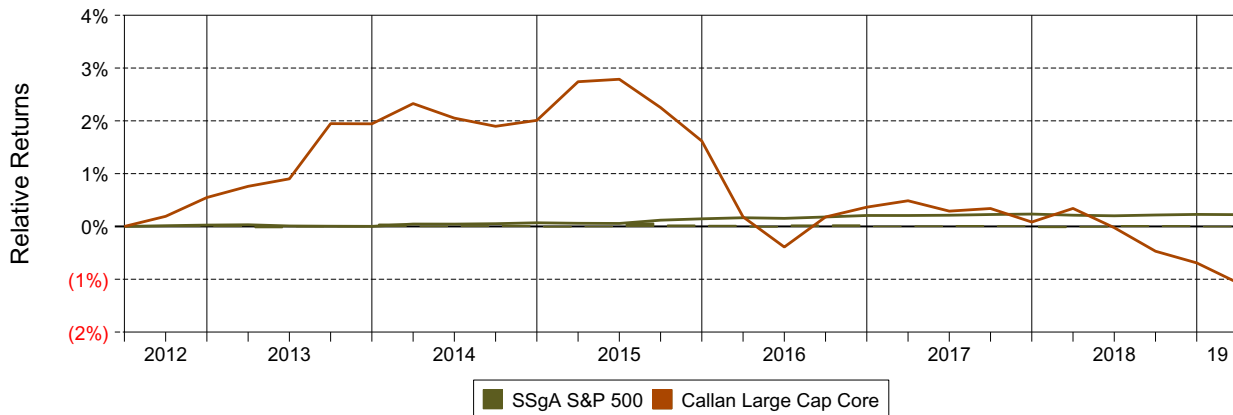
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

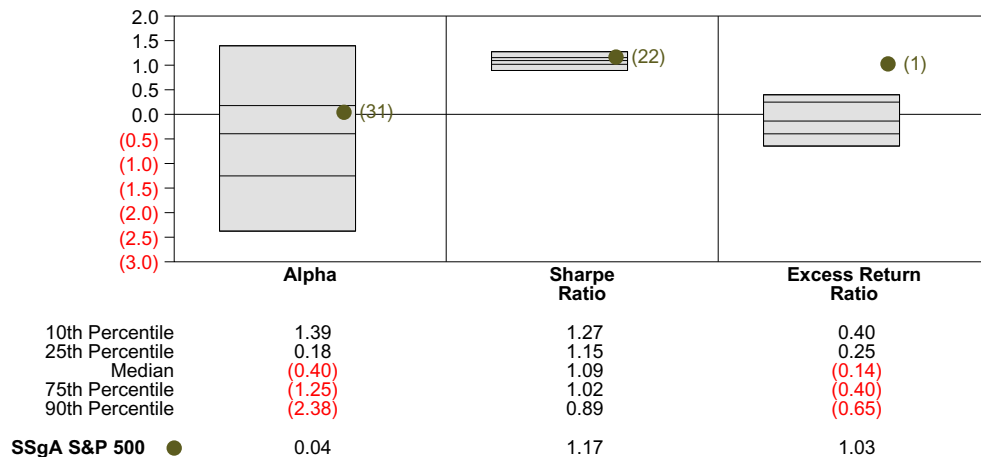
### Performance vs Callan Large Cap Core (Gross)



### Cumulative and Quarterly Relative Return vs S&P 500 Index



### Risk Adjusted Return Measures vs S&P 500 Index Rankings Against Callan Large Cap Core (Gross) Seven Years Ended March 31, 2019

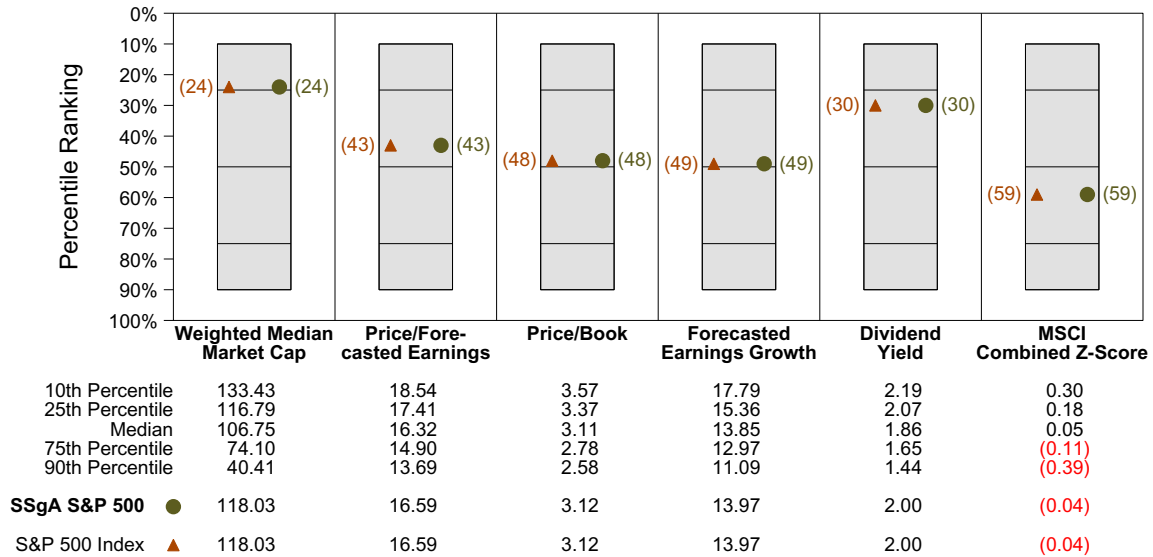


# SSgA S&P 500 Equity Characteristics Analysis Summary

## Portfolio Characteristics

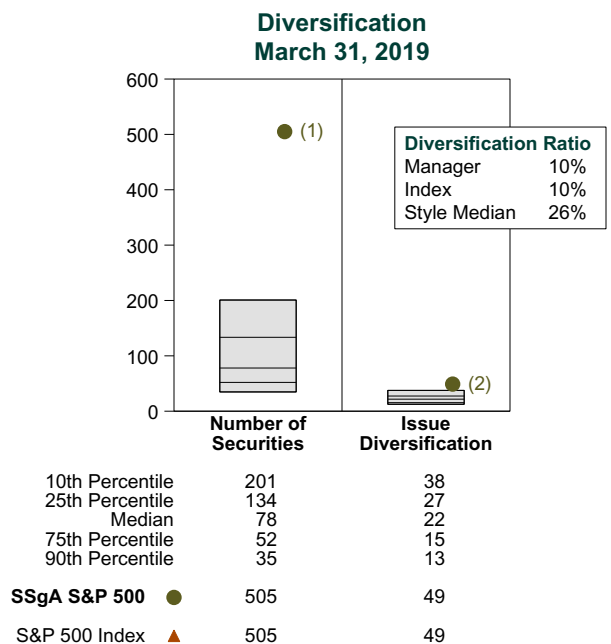
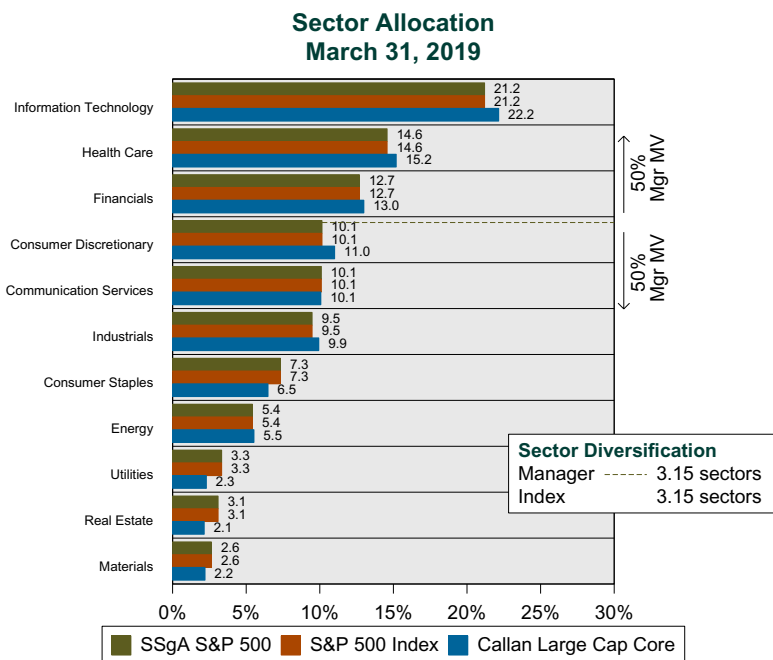
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Callan Large Cap Core as of March 31, 2019



## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



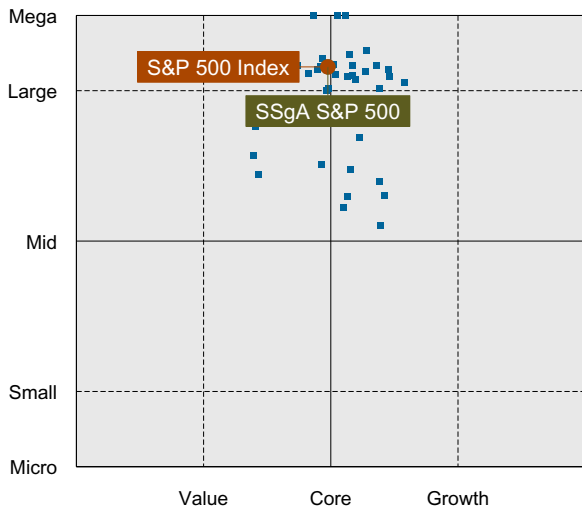
# Current Holdings Based Style Analysis

## SSgA S&P 500

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

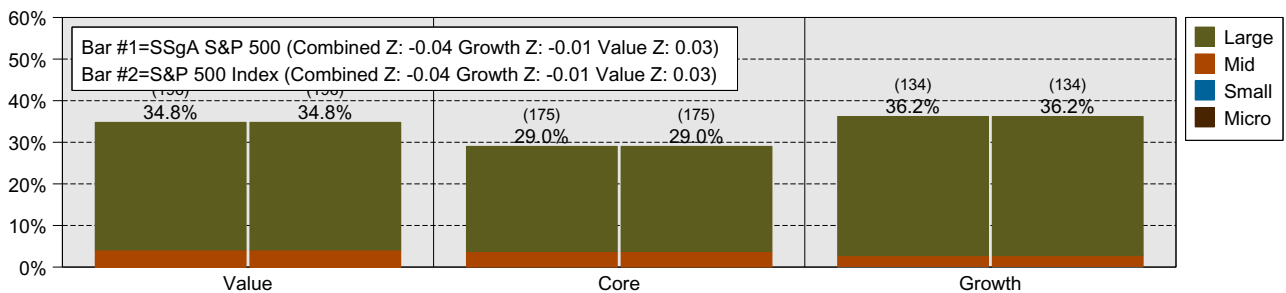
**Style Map vs Callan Large Cap Core Holdings as of March 31, 2019**



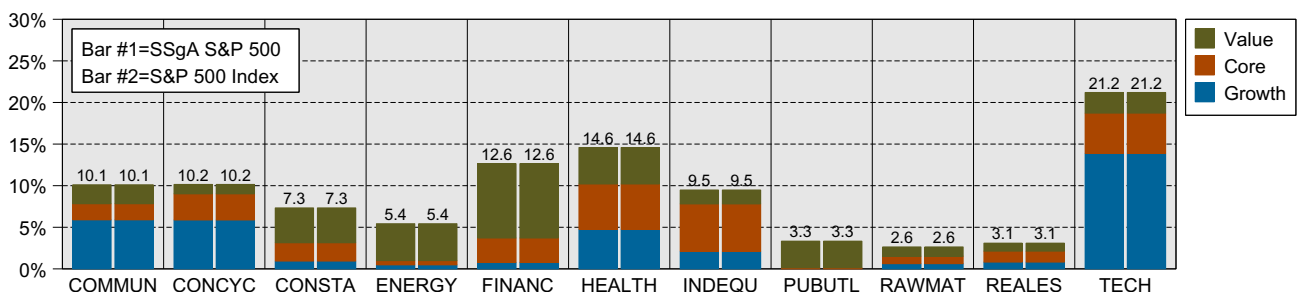
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Large	30.7% (104)	25.2% (94)	33.5% (80)	89.4% (278)
Mid	4.1% (91)	3.8% (81)	2.7% (52)	10.6% (224)
Small	0.0% (1)	0.0% (0)	0.0% (2)	0.0% (3)
Micro	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
<b>Total</b>	<b>34.8% (196)</b>	<b>29.0% (175)</b>	<b>36.2% (134)</b>	<b>100.0% (505)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**



# Boston Partners Period Ended March 31, 2019

## Investment Philosophy

Boston Partners attempts to implement a disciplined investment process designed to find undervalued securities issued by companies with sound fundamentals and positive business momentum. Boston Partners was funded 6/27/05. The first full quarter for this portfolio is 3rd quarter 2005.

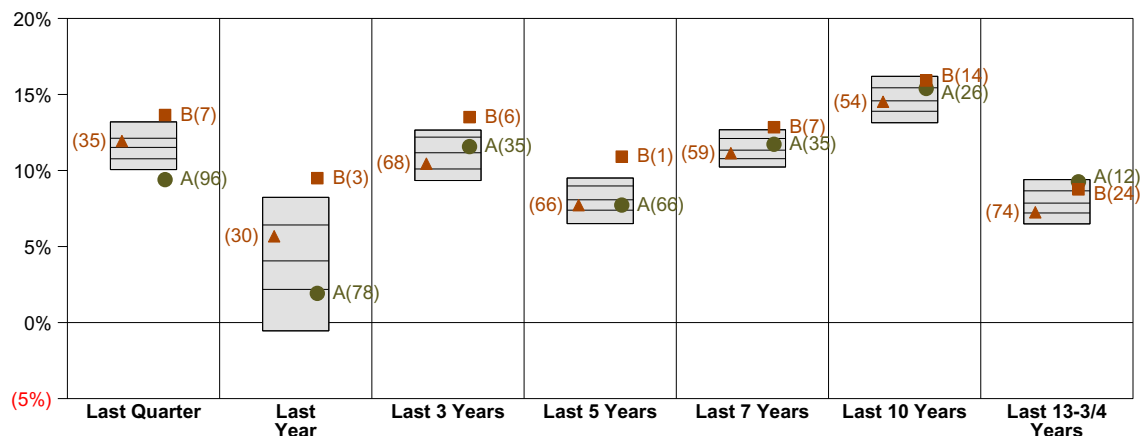
## Quarterly Summary and Highlights

- Boston Partners's portfolio posted a 9.40% return for the quarter placing it in the 96 percentile of the Callan Large Cap Value group for the quarter and in the 78 percentile for the last year.
- Boston Partners's portfolio underperformed the Russell 1000 Value Index by 2.54% for the quarter and underperformed the Russell 1000 Value Index for the year by 3.75%.

## Quarterly Asset Growth

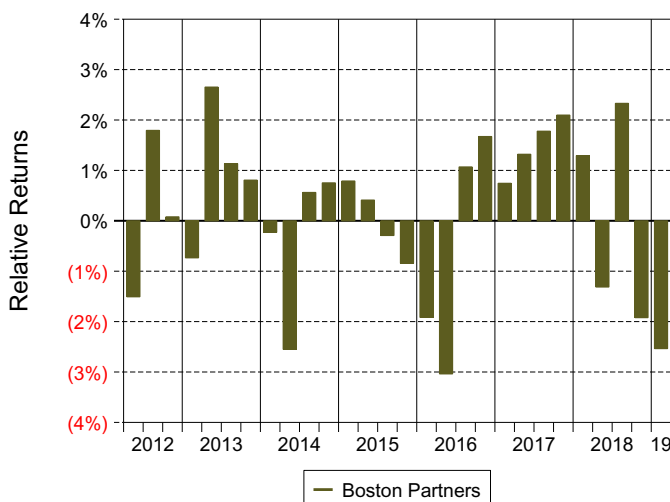
Beginning Market Value	\$41,044,721
Net New Investment	\$8
Investment Gains/(Losses)	\$3,857,732
Ending Market Value	\$44,902,460

## Performance vs Callan Large Cap Value (Gross)

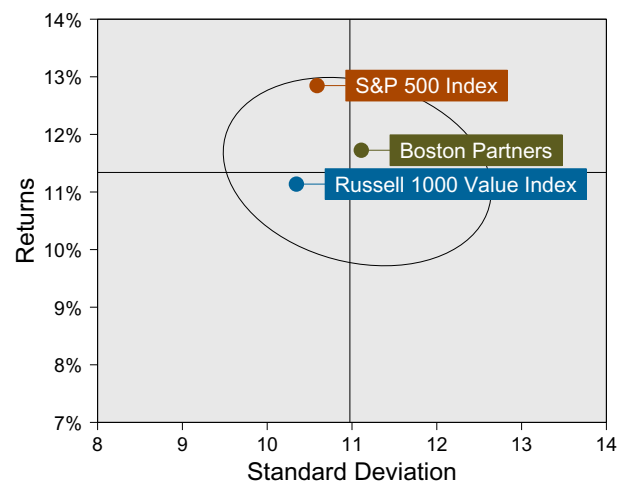


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 13-3/4 Years
10th Percentile	13.20	8.24	12.66	9.51	12.68	16.19	9.40
25th Percentile	12.12	6.42	12.19	8.98	12.11	15.44	8.66
Median	11.52	4.05	11.17	8.07	11.34	14.58	7.86
75th Percentile	10.77	2.18	10.10	7.39	10.78	13.89	7.21
90th Percentile	10.06	(0.54)	9.34	6.51	10.23	13.14	6.49
Boston Partners ● A	9.40	1.92	11.57	7.73	11.73	15.40	9.26
S&P 500 Index ■ B	13.65	9.50	13.51	10.91	12.85	15.92	8.76
Russell 1000 Value Index ▲	11.93	5.67	10.45	7.72	11.14	14.52	7.25

## Relative Return vs Russell 1000 Value Index



## Callan Large Cap Value (Gross) Annualized Seven Year Risk vs Return

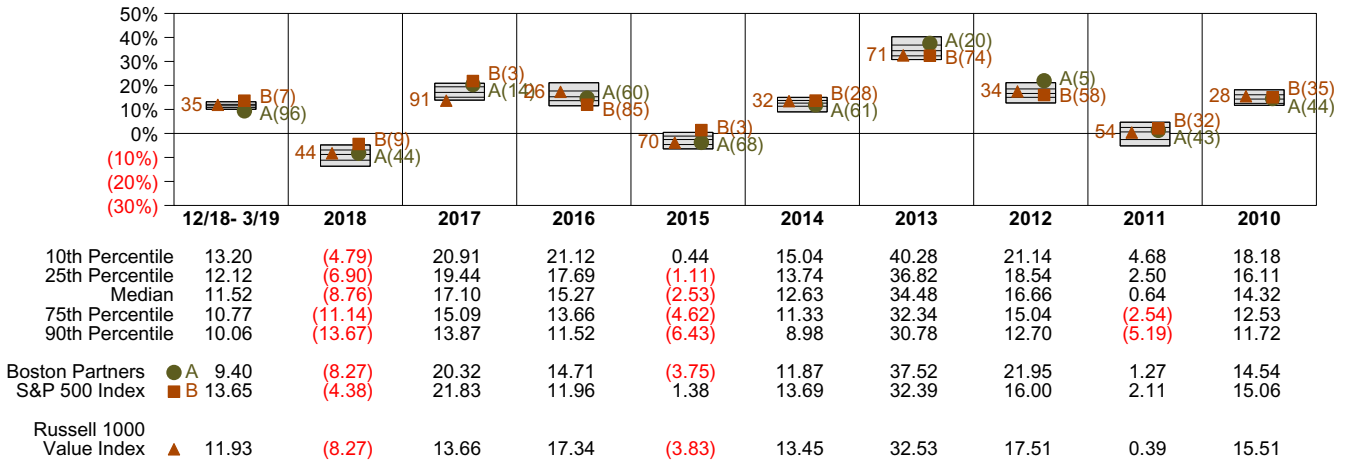


# Boston Partners Return Analysis Summary

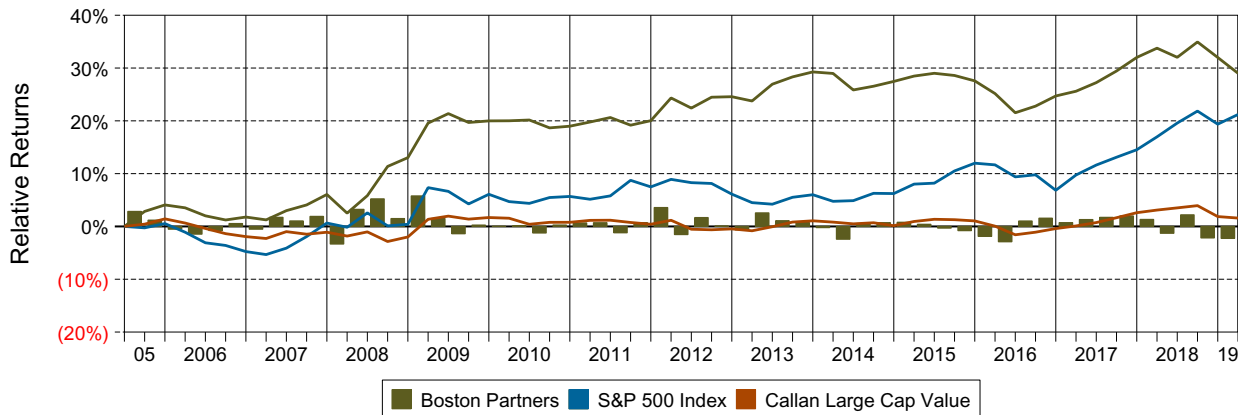
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

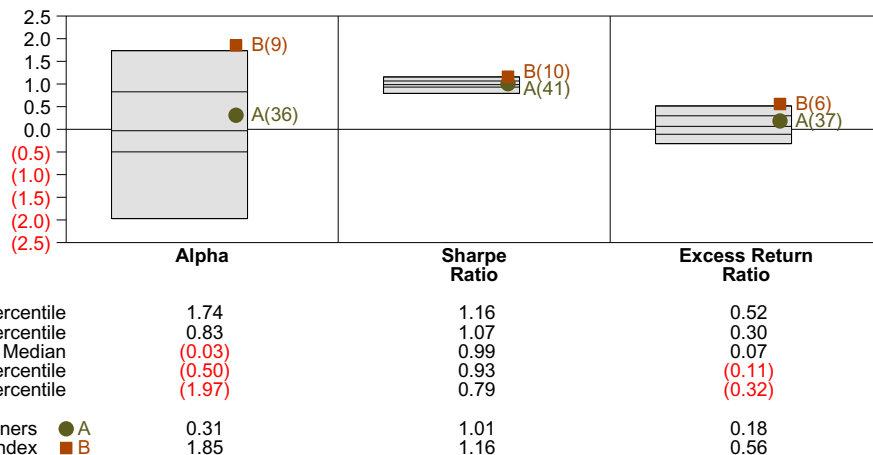
### Performance vs Callan Large Cap Value (Gross)



### Cumulative and Quarterly Relative Return vs Russell 1000 Value Index



### Risk Adjusted Return Measures vs Russell 1000 Value Index Rankings Against Callan Large Cap Value (Gross) Seven Years Ended March 31, 2019



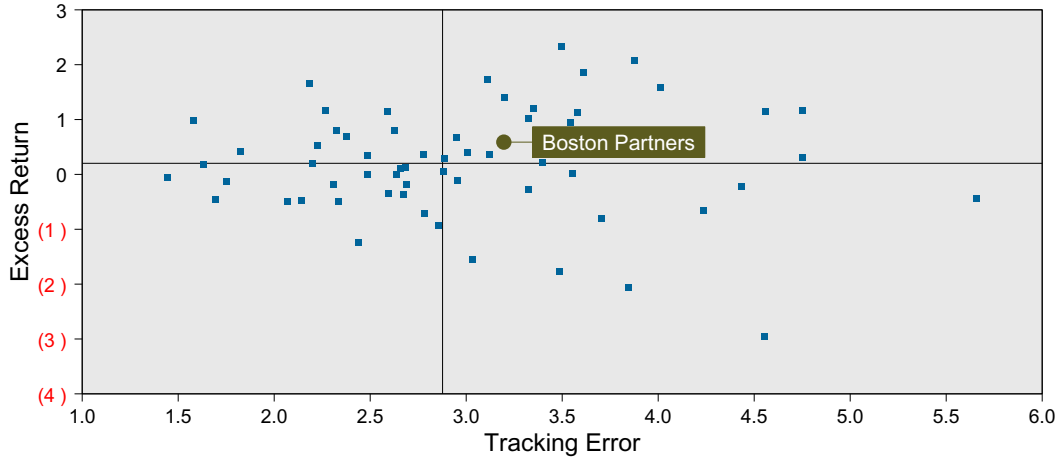


# Boston Partners Risk Analysis Summary

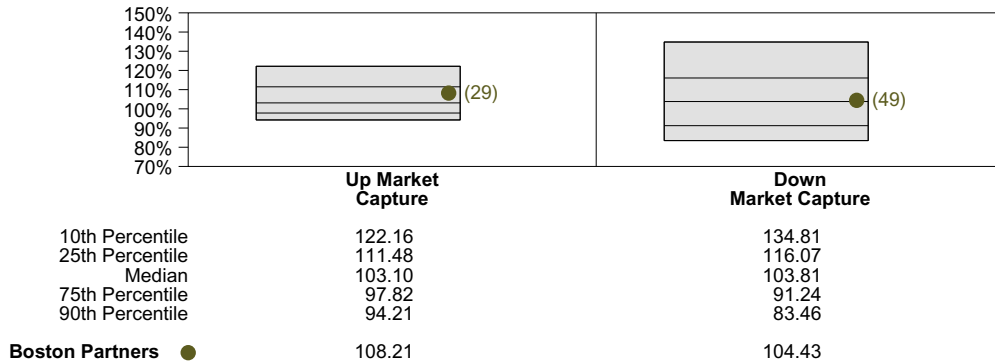
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

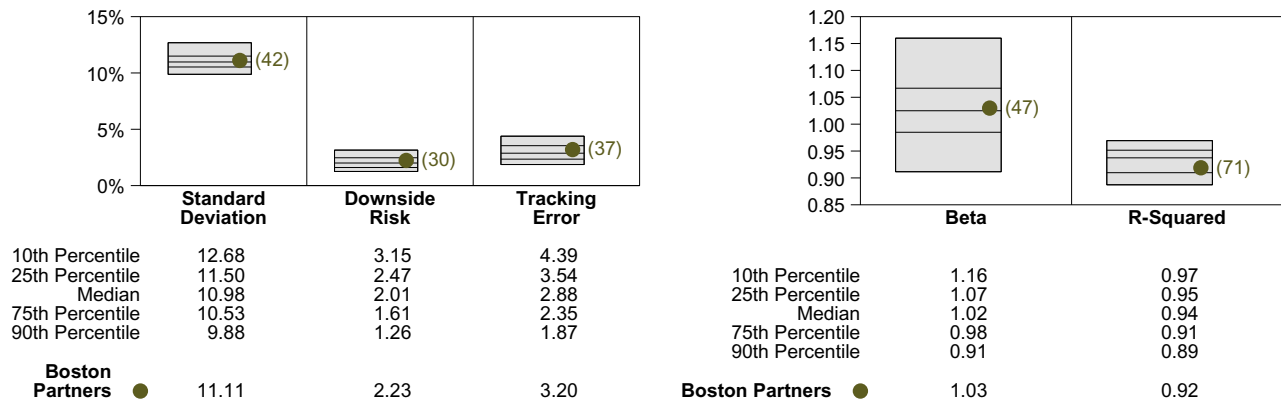
### Risk Analysis vs Callan Large Cap Value (Gross) Seven Years Ended March 31, 2019



### Market Capture vs Russell 1000 Value Index Rankings Against Callan Large Cap Value (Gross) Seven Years Ended March 31, 2019



### Risk Statistics Rankings vs Russell 1000 Value Index Rankings Against Callan Large Cap Value (Gross) Seven Years Ended March 31, 2019

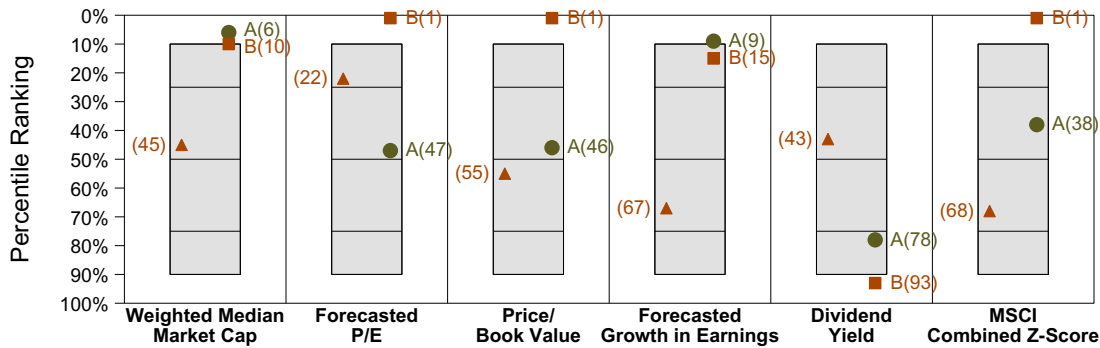


# Boston Partners Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

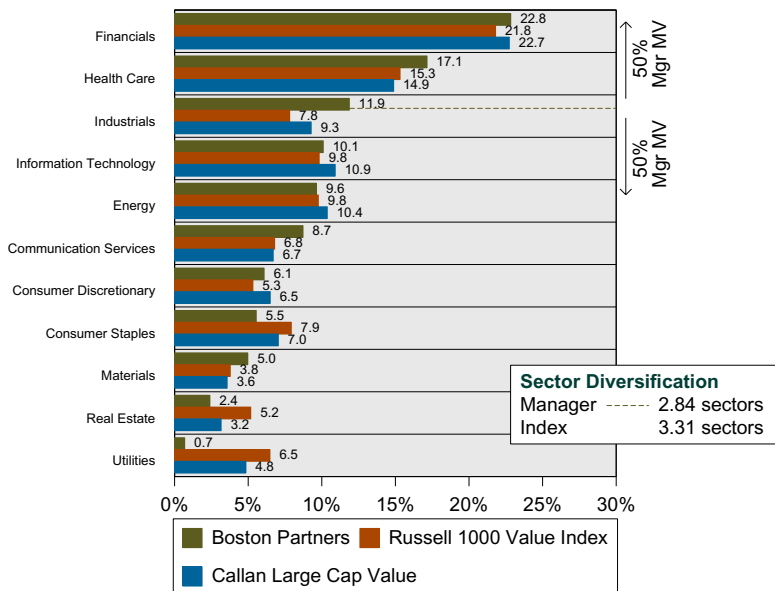
## Portfolio Characteristics Percentile Rankings Rankings Against Callan Large Cap Value as of March 31, 2019



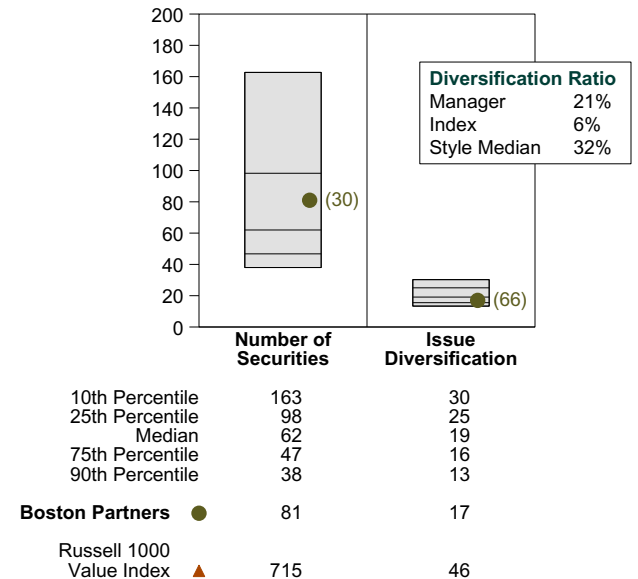
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

### Sector Allocation March 31, 2019



### Diversification March 31, 2019



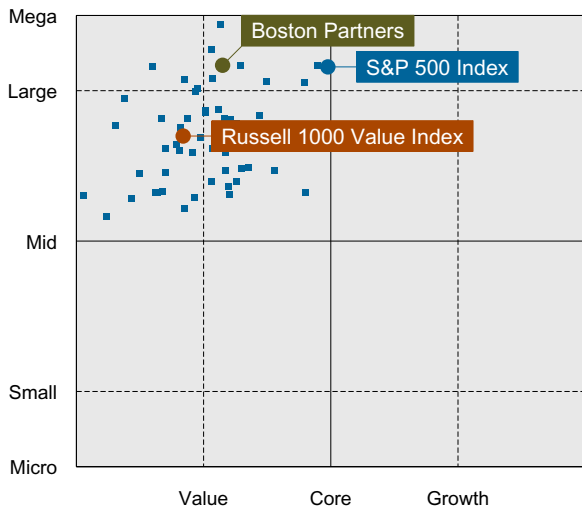
# Current Holdings Based Style Analysis

## Boston Partners

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

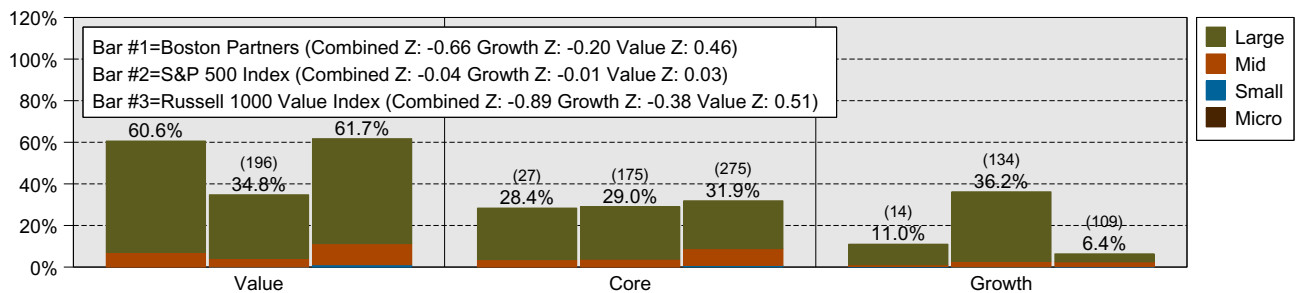
**Style Map vs Callan Large Cap Value Holdings as of March 31, 2019**



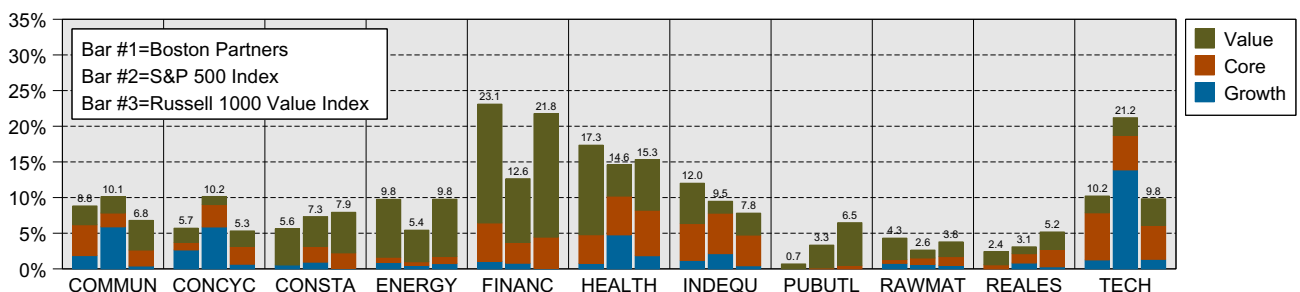
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Large	53.4% (35)	24.8% (18)	9.9% (12)	88.1% (65)
	30.7% (104)	25.2% (94)	33.5% (80)	89.4% (278)
	50.5% (103)	23.0% (71)	3.8% (22)	77.3% (196)
Mid	7.2% (9)	3.6% (8)	0.8% (1)	11.5% (18)
	4.1% (91)	3.8% (81)	2.7% (52)	10.6% (224)
	10.2% (165)	8.1% (153)	2.4% (73)	20.6% (391)
Small	0.0% (0)	0.0% (0)	0.3% (1)	0.3% (1)
	0.0% (1)	0.0% (0)	0.0% (2)	0.0% (3)
	1.1% (59)	0.8% (50)	0.2% (14)	2.1% (123)
Micro	0.0% (0)	0.0% (1)	0.0% (0)	0.0% (1)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (1)	0.0% (0)	0.0% (1)
<b>Total</b>	<b>60.6% (44)</b>	<b>28.4% (27)</b>	<b>11.0% (14)</b>	<b>100.0% (85)</b>
	<b>34.8% (196)</b>	<b>29.0% (175)</b>	<b>36.2% (134)</b>	<b>100.0% (505)</b>
	<b>61.7% (327)</b>	<b>31.9% (275)</b>	<b>6.4% (109)</b>	<b>100.0% (711)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**



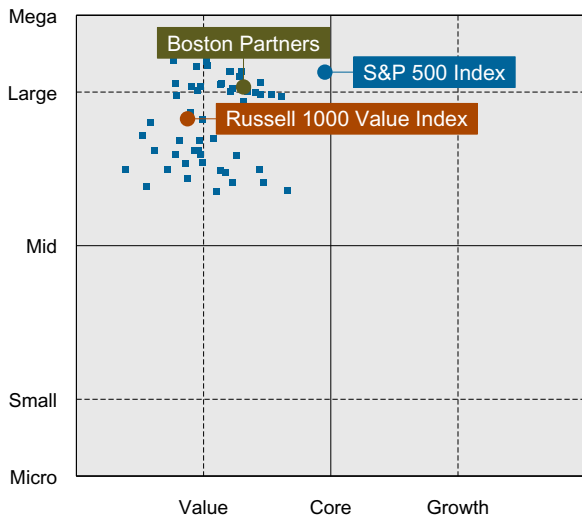
# Historical Holdings Based Style Analysis

## Boston Partners

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

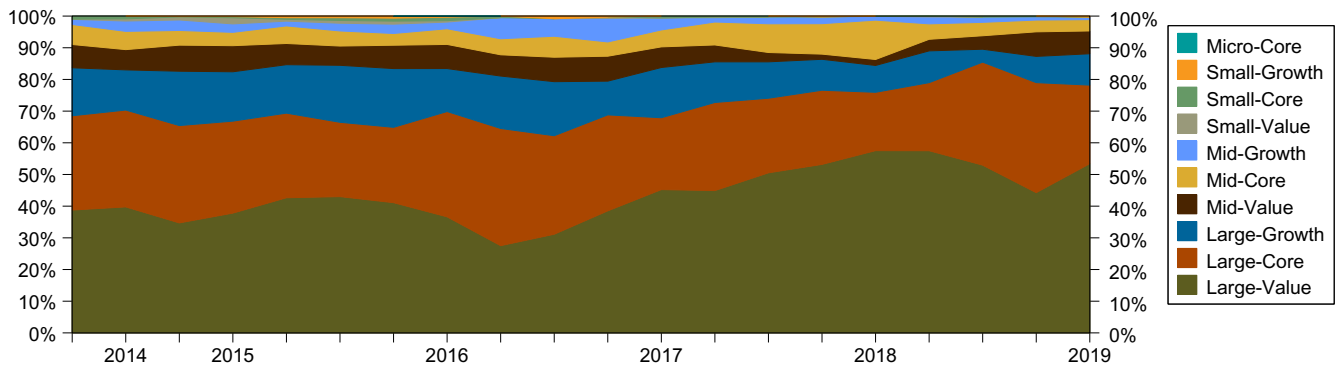
**Average Style Map vs Callan Large Cap Value Holdings for Five Years Ended March 31, 2019**



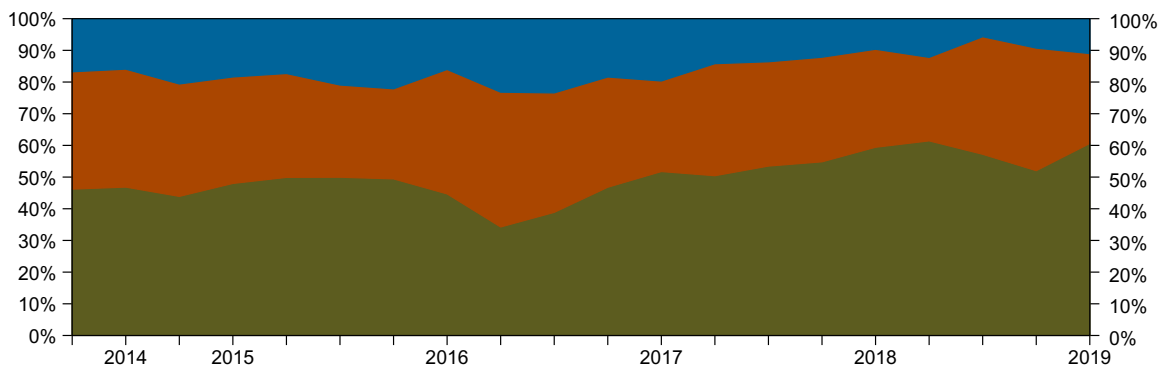
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	Value	Core	Growth	Total
Large	43.6% (28)	27.8% (21)	13.0% (13)	84.4% (62)
	31.9% (99)	27.4% (95)	29.9% (91)	89.2% (285)
Mid	51.0% (96)	23.0% (72)	4.1% (28)	78.1% (196)
	6.1% (9)	5.8% (9)	2.8% (4)	14.7% (22)
Small	4.0% (84)	3.9% (78)	2.8% (51)	10.7% (213)
	10.2% (164)	7.0% (151)	2.3% (63)	19.5% (378)
Micro	0.4% (1)	0.4% (1)	0.2% (1)	1.0% (3)
	0.0% (3)	0.0% (1)	0.0% (1)	0.1% (5)
Total	1.3% (60)	0.8% (45)	0.2% (16)	2.3% (121)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (1)	0.0% (0)	0.0% (1)
Total	50.0% (38)	34.0% (31)	16.0% (18)	100.0% (87)
	36.0% (186)	31.4% (174)	32.7% (143)	100.0% (503)
Total	62.5% (320)	30.9% (269)	6.6% (107)	100.0% (696)

**Boston Partners Historical Cap/Style Exposures**



**Boston Partners Historical Style Only Exposures**

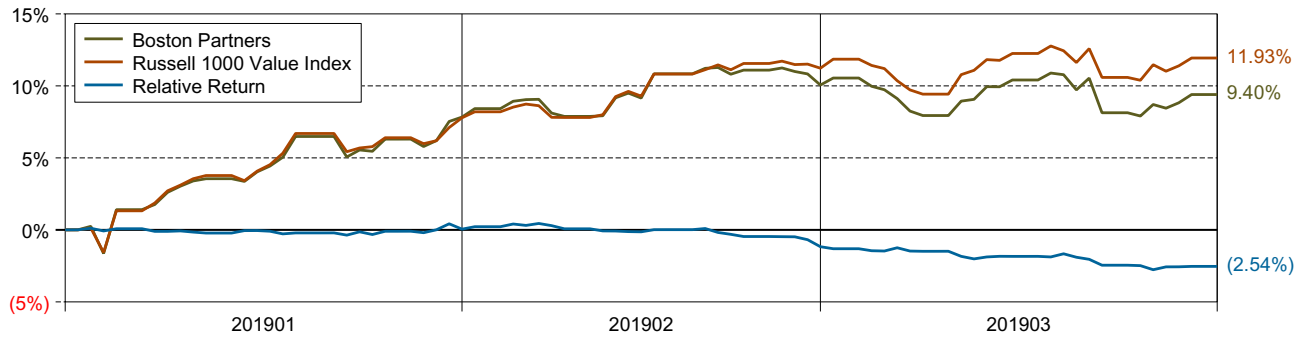


# Boston Partners vs Russell 1000 Value Index Domestic Equity Daily Performance Attribution One Quarter Ended March 31, 2019

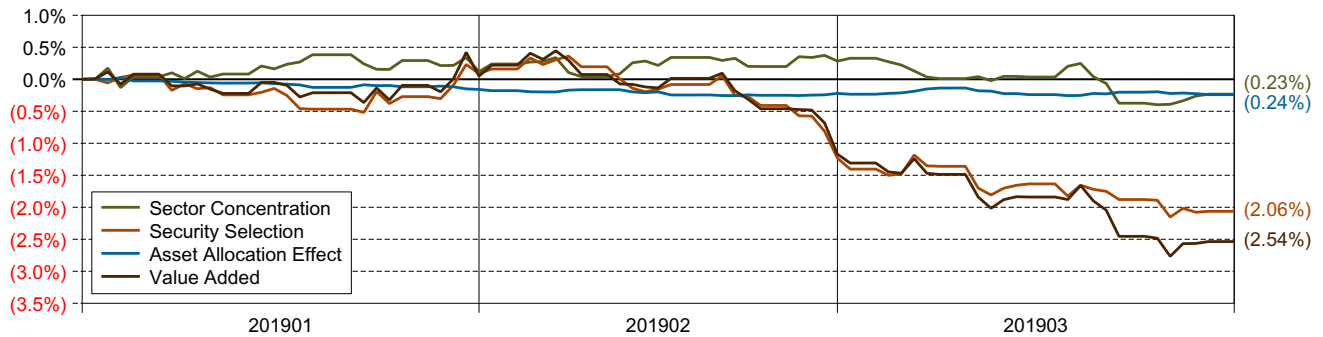
## Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

## Cumulative Manager and Benchmark Returns



## Cumulative Attribution Effects vs. Russell 1000 Value Index



## Attribution Effects by Sector vs. Russell 1000 Value Index One Quarter Ended March 31, 2019

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Communication Services	6.00%	7.11%	12.56%	9.54%	0.02%	0.05%	-
Consumer Discretionary	4.92%	5.30%	15.83%	13.21%	0.02%	0.14%	-
Consumer Staples	5.34%	7.80%	10.47%	12.45%	(0.03)%	(0.11)%	-
Energy	8.76%	9.50%	14.53%	16.60%	(0.05)%	(0.18)%	-
Financials	27.34%	22.66%	8.60%	8.02%	(0.23)%	0.18%	-
Health Care	18.19%	15.39%	0.15%	7.67%	(0.18)%	(1.39)%	-
Industrials	11.48%	7.63%	17.10%	18.67%	0.23%	(0.20)%	-
Information Technology	10.74%	9.43%	16.25%	18.38%	0.11%	(0.23)%	-
Materials	4.10%	3.83%	3.17%	9.20%	(0.03)%	(0.28)%	-
Real Estate	2.40%	5.02%	15.49%	16.47%	(0.12)%	(0.02)%	-
Utilities	0.75%	6.33%	10.16%	11.53%	0.02%	(0.01)%	-
Non Equity	2.58%	0.00%	-	-	-	-	(0.24)%
<b>Total</b>	-	-	<b>9.40%</b>	<b>11.93%</b>	<b>(0.23)%</b>	<b>(2.06)%</b>	<b>(0.24)%</b>

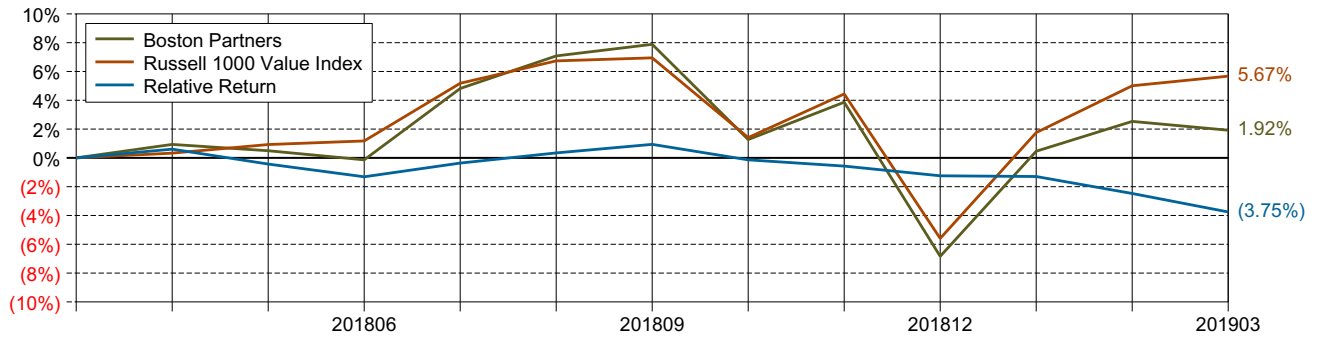
<b>Manager Return</b>	=	<b>Index Return</b>	+	<b>Sector Concentration</b>	+	<b>Security Selection</b>	+	<b>Asset Allocation</b>
<b>9.40%</b>		<b>11.93%</b>		<b>(0.23%)</b>		<b>(2.06%)</b>		<b>(0.24%)</b>

# Boston Partners vs Russell 1000 Value Index Domestic Equity Daily Performance Attribution One Year Ended March 31, 2019

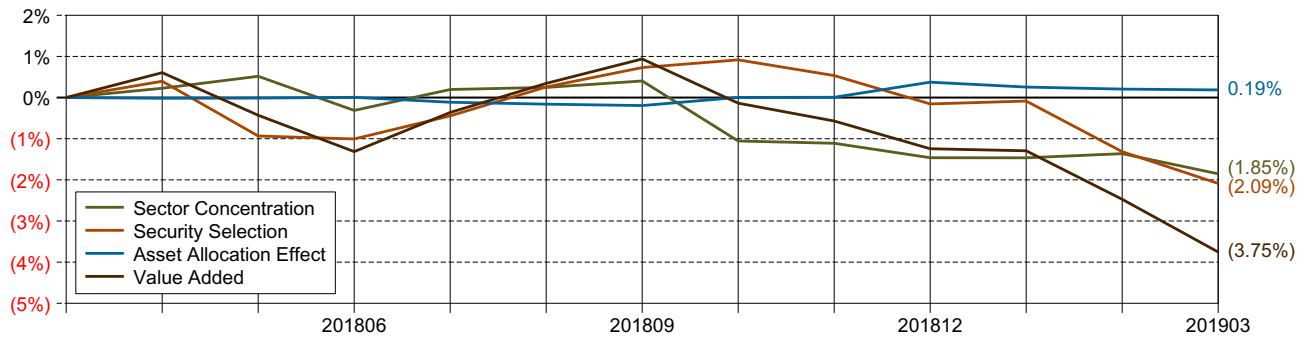
## Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

## Cumulative Manager and Benchmark Returns



## Cumulative Attribution Effects vs. Russell 1000 Value Index



## Attribution Effects by Sector vs. Russell 1000 Value Index One Year Ended March 31, 2019

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Communication Services	4.63%	5.40%	30.06%	6.92%	(0.07)%	0.54%	-
Consumer Discretionary	4.23%	6.16%	(4.66)%	3.65%	0.20%	(0.23)%	-
Consumer Staples	2.25%	7.56%	20.71%	8.44%	(0.22)%	0.20%	-
Energy	11.42%	10.50%	4.59%	2.19%	(0.18)%	0.27%	-
Financials	30.16%	23.97%	(5.22)%	(5.91)%	(0.73)%	0.31%	-
Health Care	18.24%	14.74%	7.87%	18.62%	0.43%	(1.73)%	-
Industrials	10.37%	7.86%	(1.99)%	0.51%	(0.12)%	(0.23)%	-
Information Technology	11.95%	9.54%	5.68%	10.75%	(0.01)%	(0.43)%	-
Materials	4.18%	3.54%	(16.97)%	(5.01)%	(0.04)%	(0.51)%	-
Real Estate	1.88%	4.80%	8.77%	19.29%	(0.39)%	(0.18)%	-
Utilities	0.68%	5.94%	0.73%	20.36%	(0.74)%	(0.10)%	-
Non Equity	2.56%	0.00%	-	-	-	-	0.19%
Total	-	-	1.92%	5.67%	(1.85)%	(2.09)%	0.19%

<b>Manager Return</b>	=	<b>Index Return</b>	+	<b>Sector Concentration</b>	+	<b>Security Selection</b>	+	<b>Asset Allocation</b>
1.92%		5.67%		(1.85%)		(2.09%)		0.19%

## Boston Partners vs Russell 1000 Value Index Domestic Equity Top 10 Contribution Holdings One Quarter Ended March 31, 2019

### Manager Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Cisco Sys Inc	Information Technology	3.86%	90	1.72%	25.53%	25.60%	0.91%	0.26%
Citigroup Inc	Financials	2.77%	90	1.17%	20.36%	20.36%	0.53%	0.12%
Comcast Corp A (New)	Communication Services	3.13%	90	1.33%	17.36%	17.42%	0.51%	0.09%
Chevron Corp New	Energy	3.44%	90	1.75%	14.55%	14.37%	0.45%	0.06%
Boeing Co	Industrials	2.26%	90	-	17.72%	-	0.42%	0.26%
Johnson & Johnson	Health Care	4.65%	90	2.35%	9.03%	9.04%	0.41%	(0.07)%
Procter & Gamble Co	Consumer Staples	2.80%	90	1.91%	14.09%	14.09%	0.38%	0.02%
Cigna Corp New	Health Care	2.21%	90	0.34%	(15.46)%	(15.30)%	(0.37)%	(0.52)%
United Technologies Corp	Industrials	1.87%	90	0.76%	21.73%	21.76%	0.36%	0.10%
Bank Amer Corp	Financials	3.21%	90	2.01%	12.50%	12.55%	0.36%	(0.02)%

### Index Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Index Perf	Contrib Excess Return
Exxon Mobil Corp	Energy	-	-	2.49%	-	19.81%	0.46%	(0.18)%
Cisco Sys Inc	Information Technology	3.86%	90	1.72%	25.53%	25.60%	0.40%	0.26%
Philip Morris Intl Inc	Consumer Staples	-	-	0.96%	-	34.11%	0.29%	(0.18)%
Procter & Gamble Co	Consumer Staples	2.80%	90	1.91%	14.09%	14.09%	0.26%	0.02%
Intel Corp	Information Technology	-	-	1.79%	-	15.15%	0.26%	(0.05)%
Bank Amer Corp	Financials	3.21%	90	2.01%	12.50%	12.55%	0.25%	(0.02)%
Chevron Corp New	Energy	3.44%	90	1.75%	14.55%	14.37%	0.24%	0.06%
Citigroup Inc	Financials	2.77%	90	1.17%	20.36%	20.36%	0.23%	0.12%
Comcast Corp A (New)	Communication Services	3.13%	90	1.33%	17.36%	17.42%	0.22%	0.09%
General Electric Co	Industrials	-	-	0.65%	-	37.43%	0.21%	(0.14)%

### Positions with Largest Positive Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Boeing Co	Industrials	2.26%	90	-	17.72%	-	0.42%	0.26%
Cisco Sys Inc	Information Technology	3.86%	90	1.72%	25.53%	25.60%	0.91%	0.26%
Noble Energy Inc	Energy	0.78%	90	0.08%	31.68%	32.53%	0.21%	0.14%
Citigroup Inc	Financials	2.77%	90	1.17%	20.36%	20.36%	0.53%	0.12%
Cme Group Inc	Financials	-	-	0.48%	-	(12.13)%	-	0.12%
Dxc Technology Co	Information Technology	1.45%	90	0.14%	21.31%	21.31%	0.26%	0.10%
United Technologies Corp	Industrials	1.87%	90	0.76%	21.73%	21.76%	0.36%	0.10%
Dover Corp	Industrials	0.75%	90	0.10%	32.20%	32.91%	0.19%	0.09%
Union Pacific Corp	Industrials	1.29%	90	0.07%	21.23%	21.59%	0.23%	0.09%
Discover Finl Svcs	Financials	1.14%	90	0.10%	21.32%	21.32%	0.23%	0.09%

### Positions with Largest Negative Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Cigna Corp New	Health Care	2.21%	90	0.34%	(15.46)%	(15.30)%	(0.37)%	(0.52)%
Cvs Health Corp	Health Care	1.87%	90	0.65%	(16.99)%	(17.06)%	(0.33)%	(0.37)%
Berkshire Hathaway Inc Del Cl B New	Financials	4.50%	90	2.78%	(1.61)%	(1.61)%	(0.07)%	(0.23)%
Hp Inc	Information Technology	1.44%	90	0.26%	(4.24)%	(4.24)%	(0.06)%	(0.20)%
Philip Morris Intl Inc	Consumer Staples	-	-	0.96%	-	34.11%	-	(0.18)%
Exxon Mobil Corp	Energy	-	-	2.49%	-	19.81%	-	(0.18)%
Verizon Communications Inc	Communication Services	1.40%	40	1.86%	(4.57)%	6.29%	(0.09)%	(0.15)%
General Electric Co	Industrials	-	-	0.65%	-	37.43%	-	(0.14)%
Pfizer	Health Care	2.55%	90	2.01%	(1.82)%	(1.88)%	(0.07)%	(0.09)%
Delta Air Lines Inc Del	Industrials	1.42%	90	0.19%	3.79%	4.24%	0.06%	(0.09)%

# Atlanta Capital Period Ended March 31, 2019

## Investment Philosophy

Atlanta believes that high quality companies produce consistently increasing earnings and dividends, thereby providing attractive returns with moderate risk over the long-term. Returns prior to 6/30/2010 are linked to a composite history.

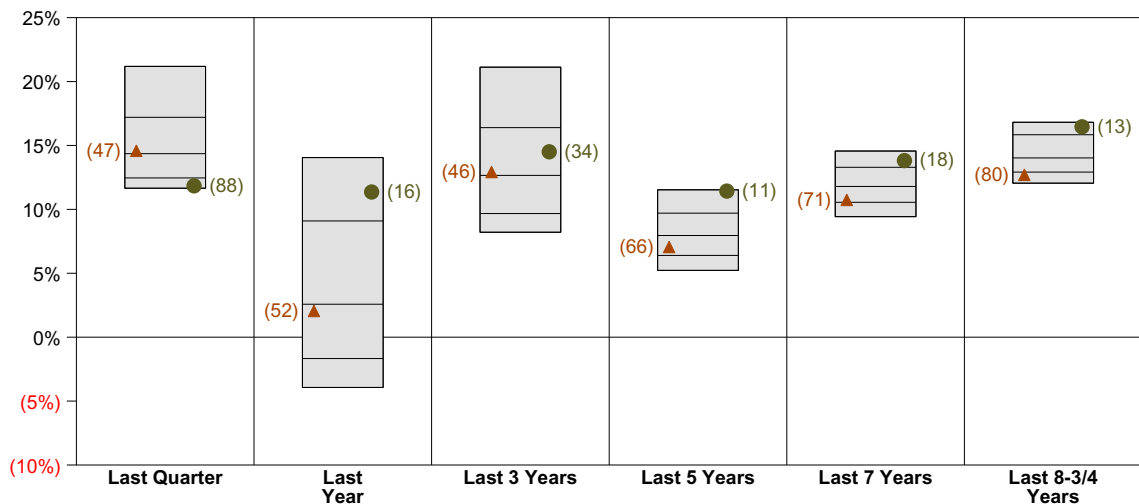
## Quarterly Summary and Highlights

- Atlanta Capital's portfolio posted a 11.84% return for the quarter placing it in the 88 percentile of the Callan Small Capitalization group for the quarter and in the 16 percentile for the last year.
- Atlanta Capital's portfolio underperformed the Russell 2000 Index by 2.74% for the quarter and outperformed the Russell 2000 Index for the year by 9.31%.

## Quarterly Asset Growth

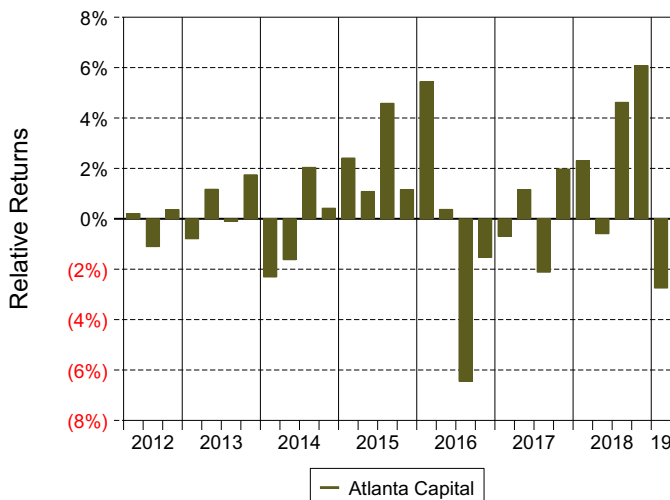
Beginning Market Value	\$22,212,390
Net New Investment	\$0
Investment Gains/(Losses)	\$2,629,792
Ending Market Value	\$24,842,181

## Performance vs Callan Small Capitalization (Gross)

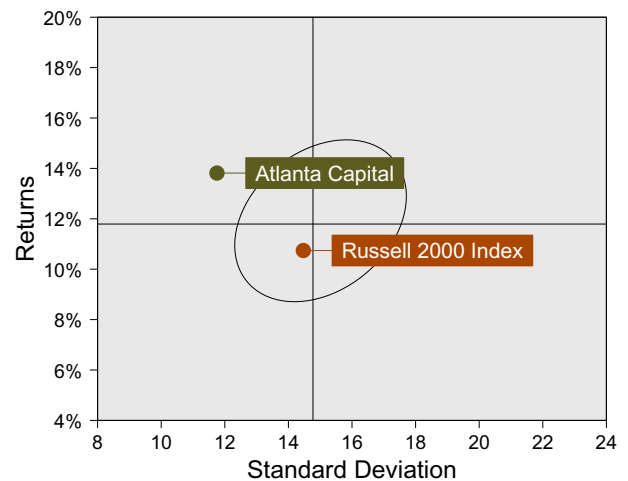


10th Percentile	21.19	14.05	21.13	11.53	14.56	16.81
25th Percentile	17.20	9.09	16.39	9.70	13.29	15.84
Median	14.36	2.58	12.66	7.96	11.79	14.02
75th Percentile	12.46	(1.67)	9.67	6.40	10.55	12.92
90th Percentile	11.65	(3.93)	8.21	5.23	9.43	12.05
<b>Atlanta Capital</b> ●	11.84	11.36	14.50	11.43	13.81	16.46
Russell 2000 Index ▲	14.58	2.05	12.92	7.05	10.74	12.70

## Relative Return vs Russell 2000 Index



## Callan Small Capitalization (Gross) Annualized Seven Year Risk vs Return



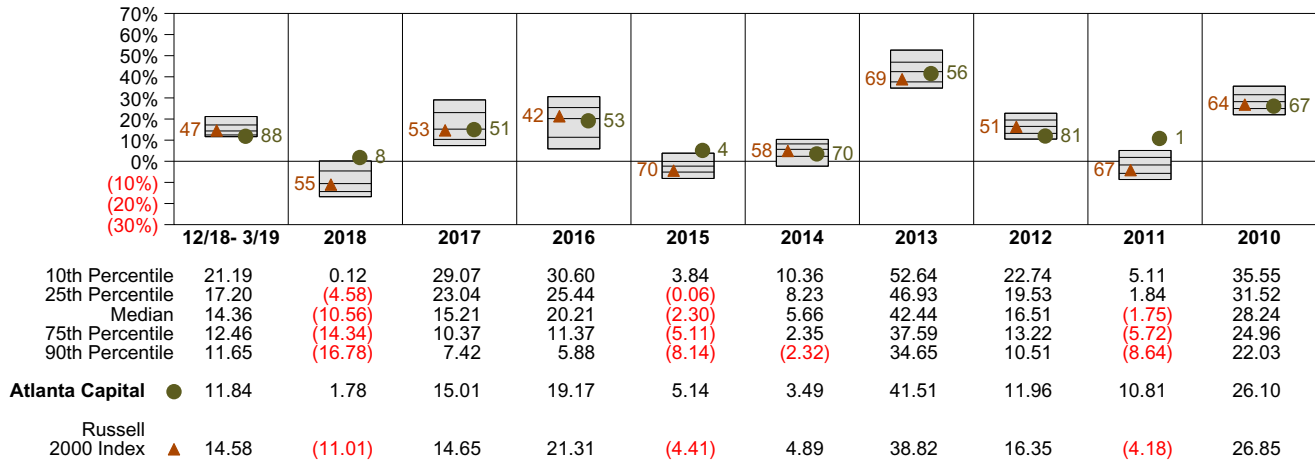


# Atlanta Capital Return Analysis Summary

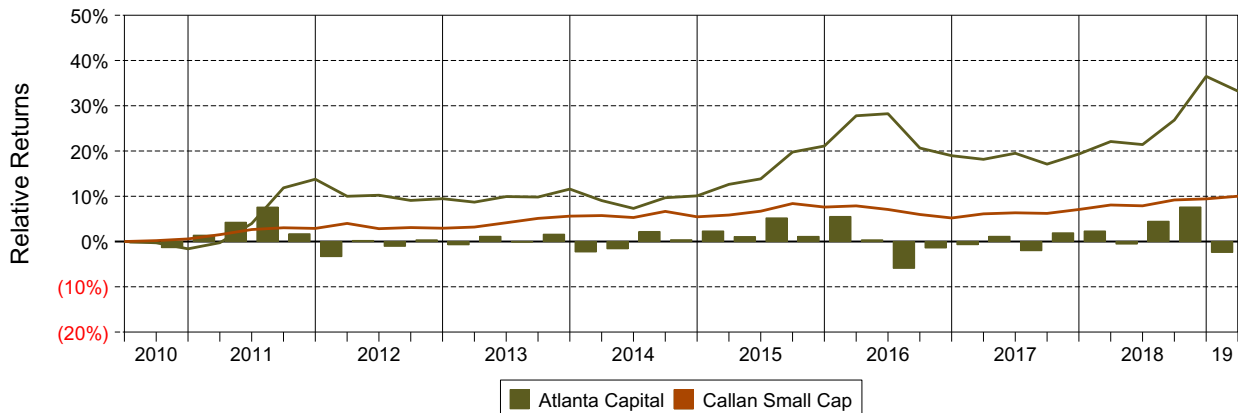
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

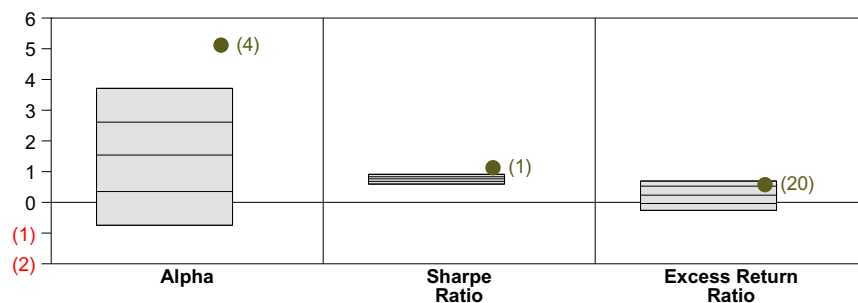
### Performance vs Callan Small Capitalization (Gross)



### Cumulative and Quarterly Relative Return vs Russell 2000 Index



### Risk Adjusted Return Measures vs Russell 2000 Index Rankings Against Callan Small Capitalization (Gross) Seven Years Ended March 31, 2019



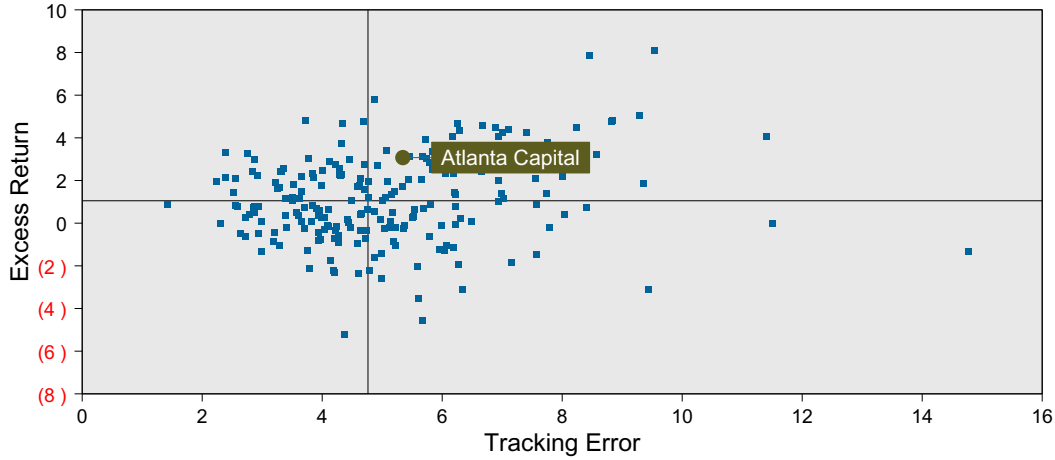
10th Percentile	3.71	0.91	0.69
25th Percentile	2.61	0.83	0.53
Median	1.54	0.77	0.23
75th Percentile	0.35	0.68	(0.04)
90th Percentile	(0.75)	0.59	(0.26)
<b>Atlanta Capital</b>	● 5.12	1.13	0.58

# Atlanta Capital Risk Analysis Summary

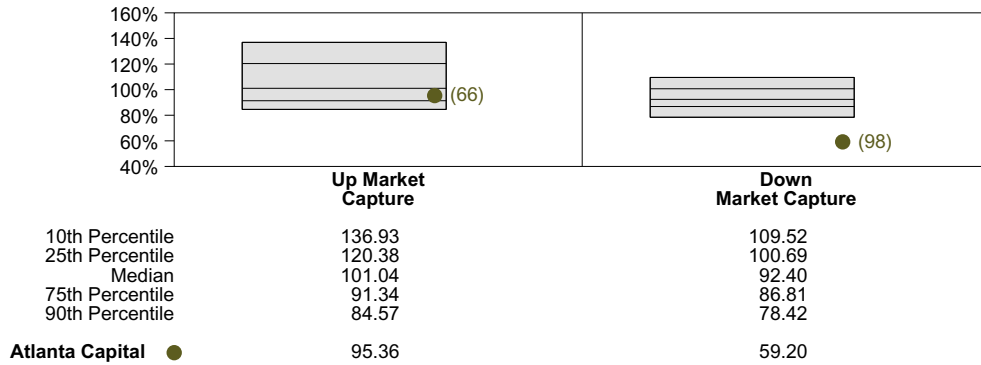
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

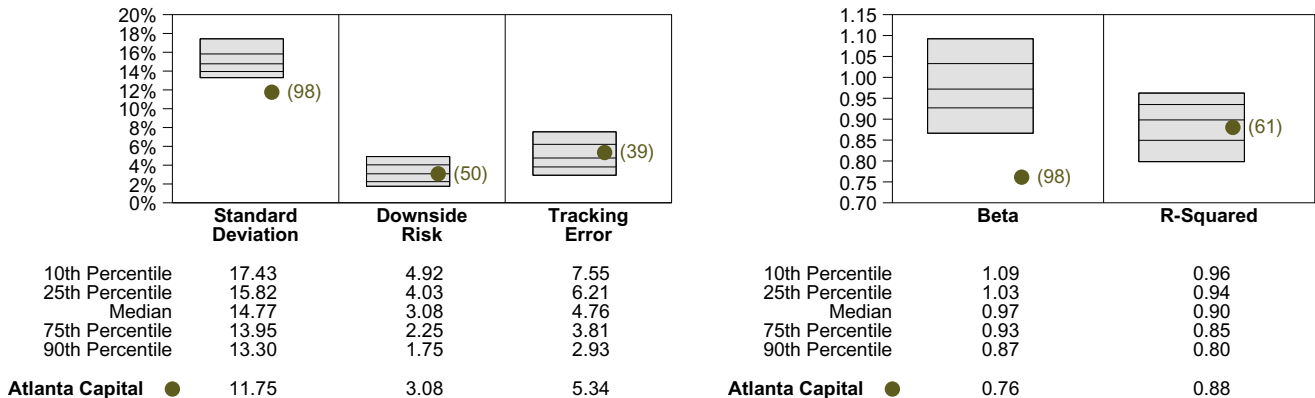
### Risk Analysis vs Callan Small Capitalization (Gross) Seven Years Ended March 31, 2019



### Market Capture vs Russell 2000 Index Rankings Against Callan Small Capitalization (Gross) Seven Years Ended March 31, 2019



### Risk Statistics Rankings vs Russell 2000 Index Rankings Against Callan Small Capitalization (Gross) Seven Years Ended March 31, 2019

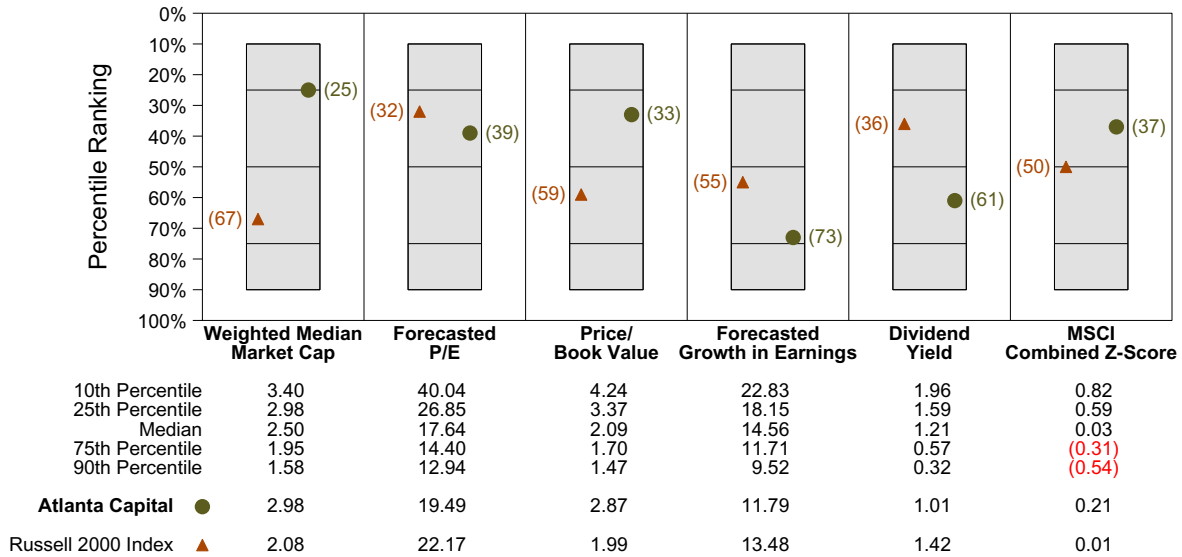


# Atlanta Capital Equity Characteristics Analysis Summary

## Portfolio Characteristics

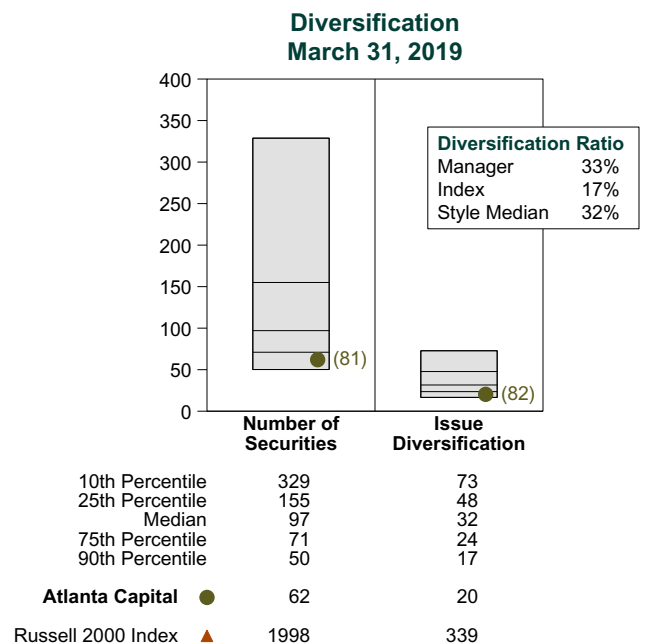
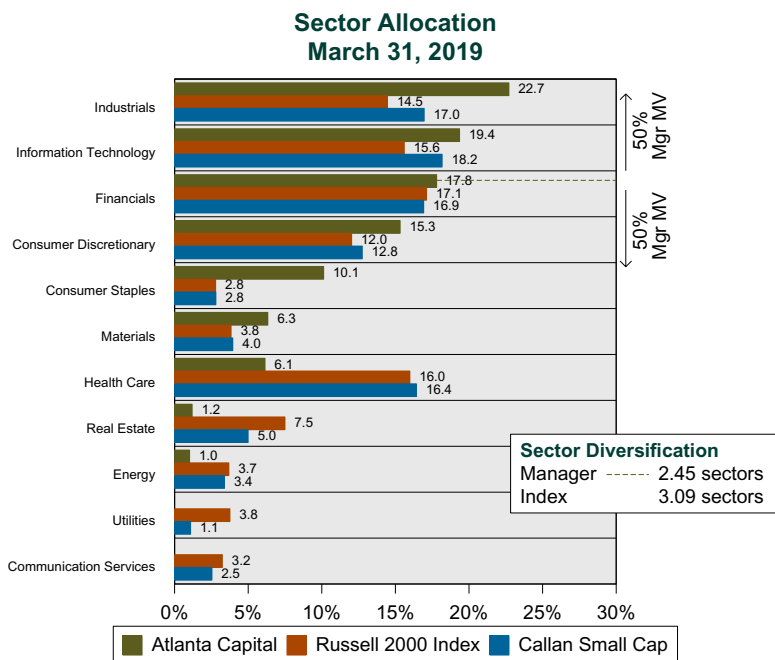
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Callan Small Capitalization as of March 31, 2019



## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



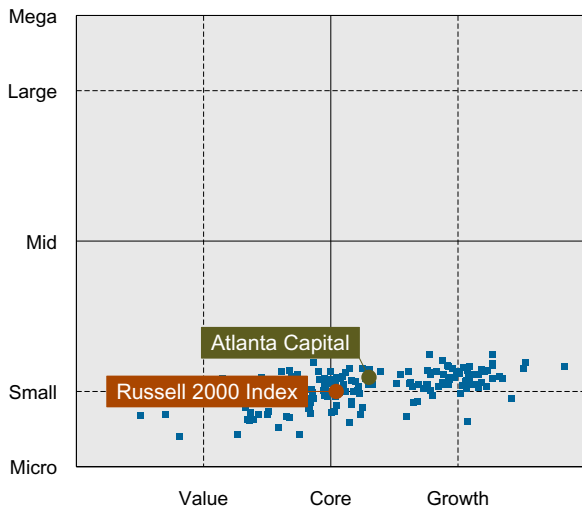
# Current Holdings Based Style Analysis

## Atlanta Capital

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

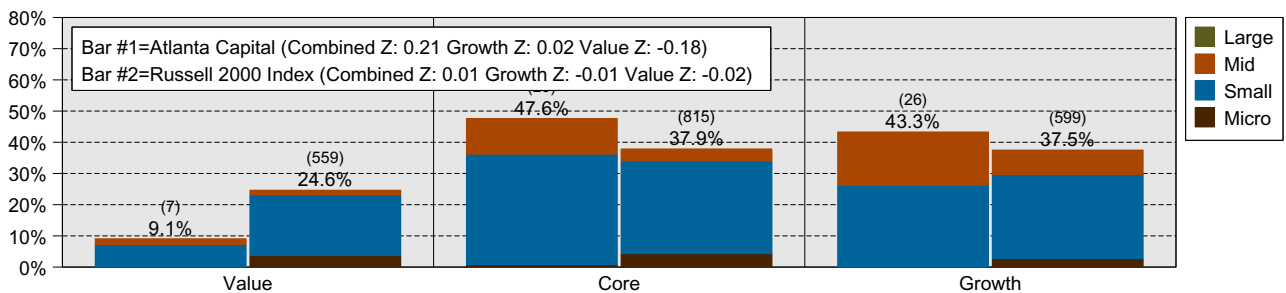
**Style Map vs Callan Small Cap Holdings as of March 31, 2019**



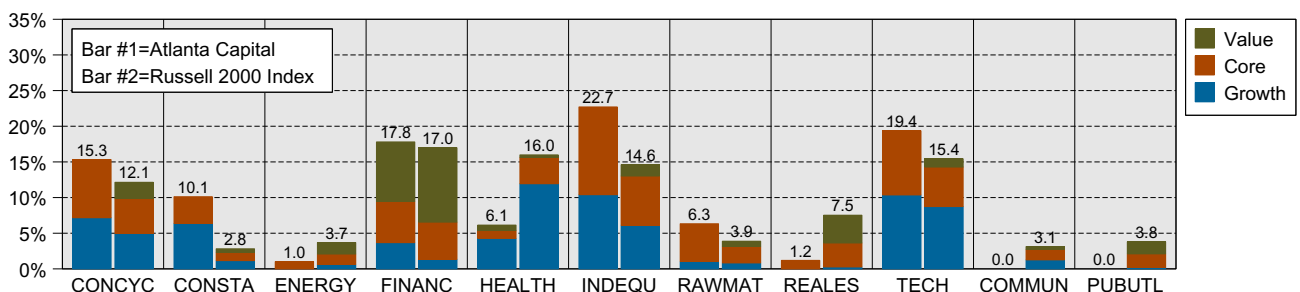
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Large	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Mid	1.8% (1)	11.4% (5)	17.1% (9)	30.3% (15)
Small	7.3% (6)	35.3% (23)	26.2% (17)	68.8% (46)
Micro	0.0% (0)	0.9% (1)	0.0% (0)	0.9% (1)
<b>Total</b>	<b>9.1% (7)</b>	<b>47.6% (29)</b>	<b>43.3% (26)</b>	<b>100.0% (62)</b>
	<b>24.6% (559)</b>	<b>37.9% (815)</b>	<b>37.5% (599)</b>	<b>100.0% (1973)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**



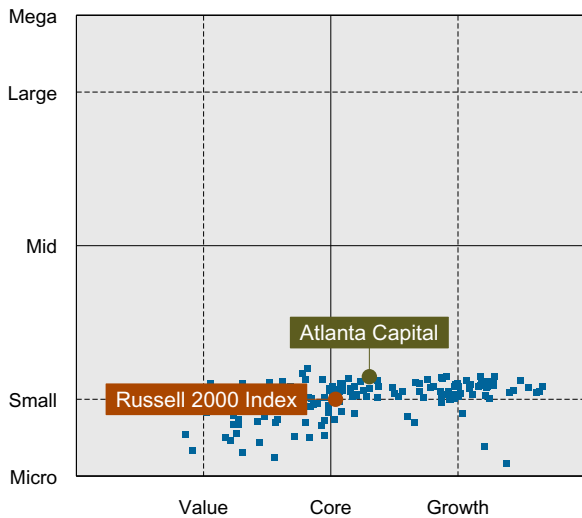
# Historical Holdings Based Style Analysis

## Atlanta Capital

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

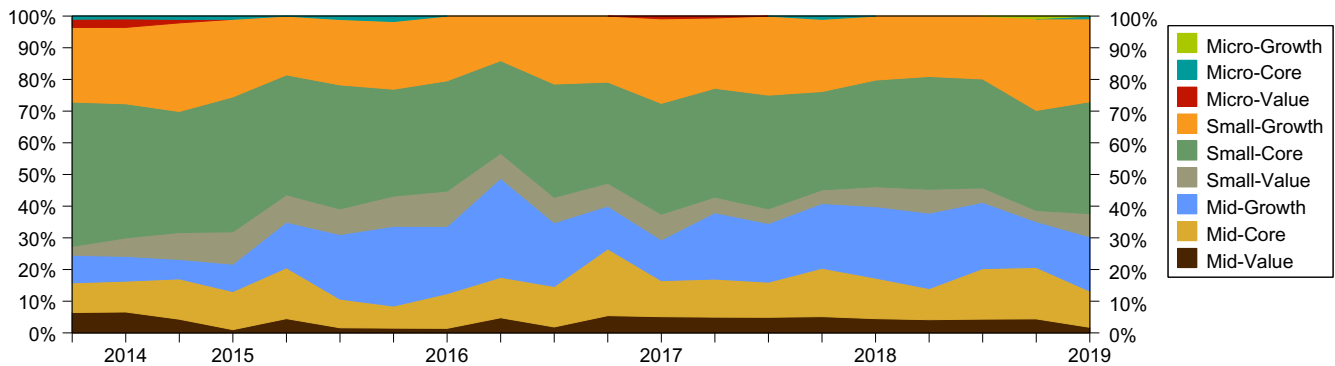
**Average Style Map vs Callan Small Cap Holdings for Five Years Ended March 31, 2019**



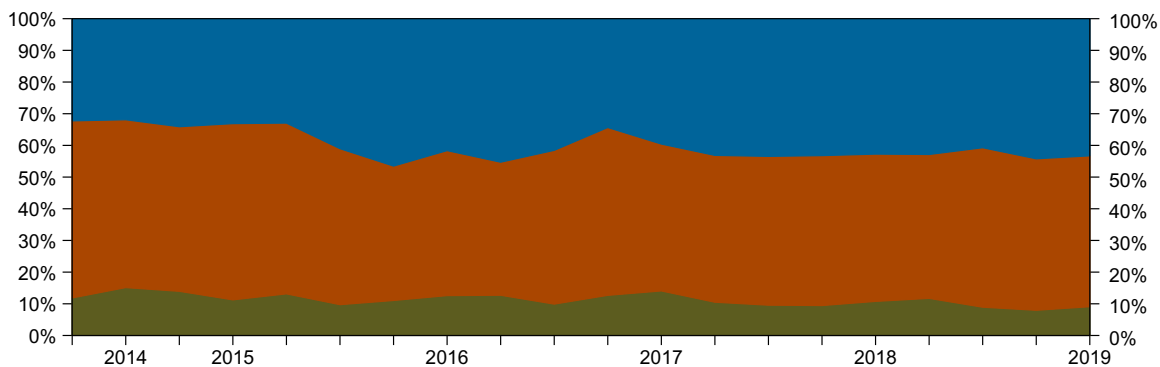
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	0.0% (0)	0.0% (0)	0.0% (0)	<b>0.0% (0)</b>
Large	0.0% (0)	0.0% (0)	0.0% (0)	<b>0.0% (0)</b>
Mid	3.9% (3)	12.5% (6)	17.4% (8)	<b>33.9% (17)</b>
Small	7.0% (6)	35.9% (24)	22.4% (13)	<b>65.3% (43)</b>
Micro	0.4% (0)	0.4% (0)	0.0% (0)	<b>0.9% (0)</b>
<b>Total</b>	<b>11.3% (9)</b>	<b>48.8% (30)</b>	<b>39.9% (21)</b>	<b>100.0% (60)</b>
	<b>26.0% (563)</b>	<b>40.1% (822)</b>	<b>33.9% (584)</b>	<b>100.0% (1969)</b>
	Value	Core	Growth	<b>Total</b>

**Atlanta Capital Historical Cap/Style Exposures**



**Atlanta Capital Historical Style Only Exposures**

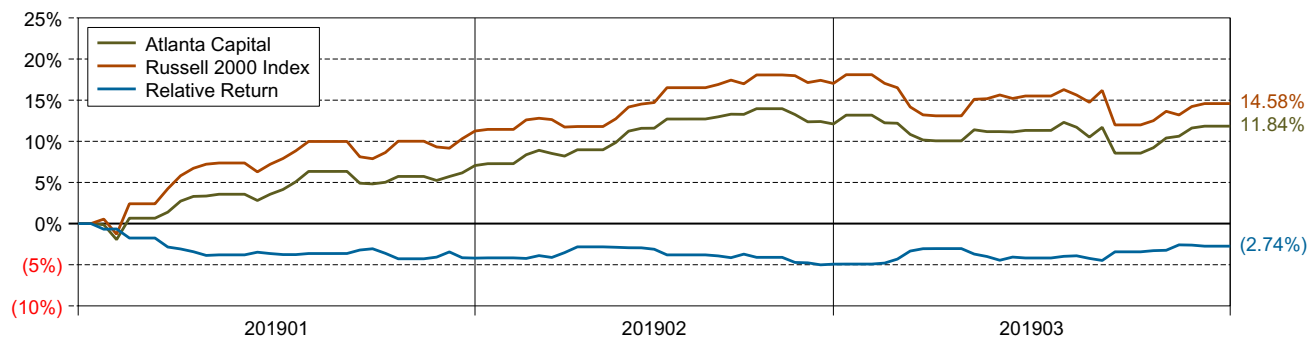


# Atlanta Capital vs Russell 2000 Index Domestic Equity Daily Performance Attribution One Quarter Ended March 31, 2019

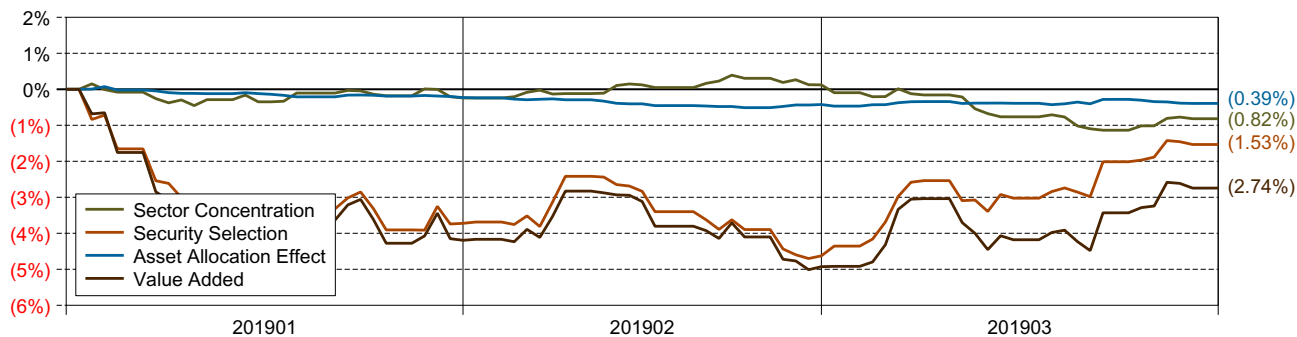
## Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

## Cumulative Manager and Benchmark Returns



## Cumulative Attribution Effects vs. Russell 2000 Index



## Attribution Effects by Sector vs. Russell 2000 Index One Quarter Ended March 31, 2019

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Communication Services	0.00%	3.24%	0.00%	15.14%	(0.02)%	0.00%	-
Consumer Discretionary	15.48%	12.16%	13.72%	13.15%	(0.05)%	0.04%	-
Consumer Staples	10.81%	2.81%	2.00%	7.46%	(0.59)%	(0.64)%	-
Energy	0.86%	3.56%	52.68%	19.88%	(0.14)%	0.24%	-
Financials	18.30%	17.99%	11.77%	8.59%	(0.03)%	0.58%	-
Health Care	5.75%	15.65%	6.21%	16.71%	(0.21)%	(0.60)%	-
Industrials	22.41%	14.84%	9.36%	12.22%	(0.18)%	(0.63)%	-
Information Technology	19.09%	14.94%	19.17%	22.60%	0.35%	(0.61)%	-
Materials	6.17%	3.84%	16.94%	16.96%	0.06%	(0.00)%	-
Real Estate	1.14%	7.30%	24.51%	17.62%	(0.18)%	0.07%	-
Utilities	0.00%	3.67%	0.00%	10.47%	0.16%	0.00%	-
Non Equity	3.43%	0.00%	-	-	-	-	(0.39)%
<b>Total</b>	-	-	<b>11.84%</b>	<b>14.58%</b>	<b>(0.82)%</b>	<b>(1.53)%</b>	<b>(0.39)%</b>

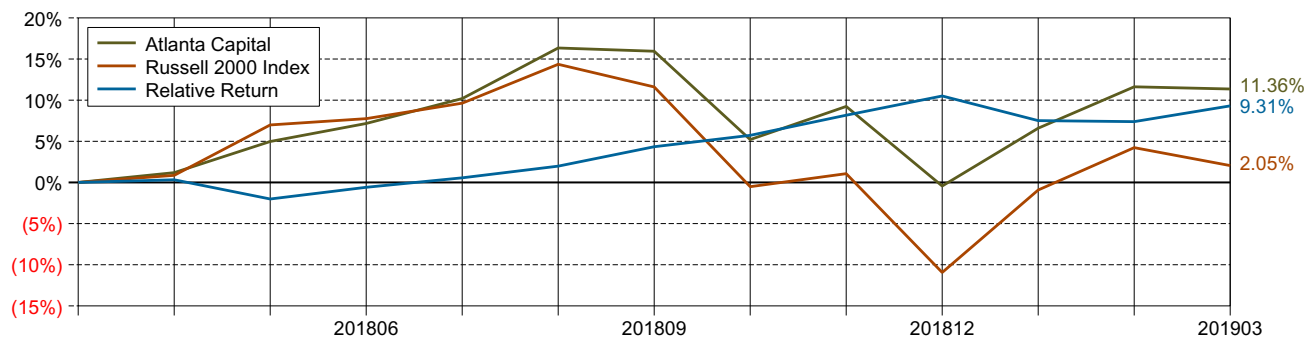
<b>Manager Return</b>	=	<b>Index Return</b>	+	<b>Sector Concentration</b>	+	<b>Security Selection</b>	+	<b>Asset Allocation</b>
<b>11.84%</b>		<b>14.58%</b>		<b>(0.82)%</b>		<b>(1.53)%</b>		<b>(0.39)%</b>

# Atlanta Capital vs Russell 2000 Index Domestic Equity Daily Performance Attribution One Year Ended March 31, 2019

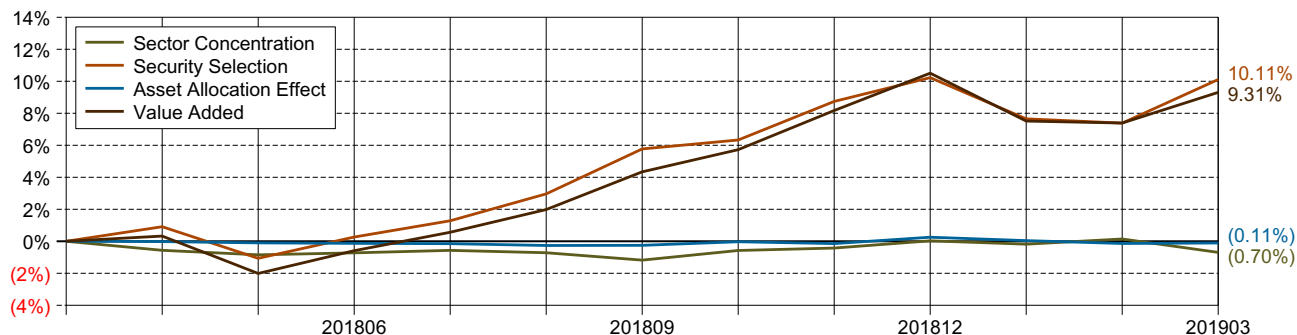
## Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

## Cumulative Manager and Benchmark Returns



## Cumulative Attribution Effects vs. Russell 2000 Index



## Attribution Effects by Sector vs. Russell 2000 Index One Year Ended March 31, 2019

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Communication Services	0.00%	2.15%	0.00%	24.16%	(0.35)%	0.00%	-
Consumer Discretionary	16.34%	12.38%	24.95%	2.16%	0.06%	3.55%	-
Consumer Staples	9.12%	2.68%	29.58%	2.55%	(0.01)%	2.35%	-
Energy	1.00%	4.25%	2.34%	(18.94)%	0.85%	0.22%	-
Financials	18.57%	17.95%	2.40%	(4.60)%	(0.03)%	1.35%	-
Health Care	6.08%	16.05%	2.33%	2.93%	(0.01)%	(0.07)%	-
Industrials	21.11%	14.95%	6.31%	(4.08)%	(0.38)%	2.38%	-
Information Technology	20.47%	15.19%	8.54%	15.98%	0.62%	(1.38)%	-
Materials	6.24%	4.10%	13.49%	(9.82)%	(0.25)%	1.54%	-
Real Estate	1.07%	6.95%	30.91%	13.64%	(0.61)%	0.16%	-
Utilities	0.00%	3.35%	0.00%	21.36%	(0.59)%	0.00%	-
Non Equity	2.66%	0.00%	-	-	-	-	(0.11)%
Total	-	-	11.36%	2.05%	(0.70)%	10.11%	(0.11)%

<b>Manager Return</b>	=	<b>Index Return</b>	+	<b>Sector Concentration</b>	+	<b>Security Selection</b>	+	<b>Asset Allocation</b>
11.36%		2.05%		(0.70)%		10.11%		(0.11)%

## Atlanta Capital vs Russell 2000 Index Domestic Equity Top 10 Contribution Holdings One Quarter Ended March 31, 2019

### Manager Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Manhattan Associates	Information Technology	3.31%	90	-	30.07%	-	0.90%	0.45%
Fair Isaac Corp	Information Technology	1.92%	90	-	45.28%	-	0.78%	0.48%
Blackbaud Inc	Information Technology	2.47%	90	0.17%	26.95%	26.95%	0.61%	0.25%
Columbia Sportswear Co	Consumer Discretionary	2.05%	90	-	24.36%	-	0.61%	0.13%
Dril-Quip Inc	Energy	0.83%	90	0.07%	52.68%	52.68%	0.36%	0.24%
Inter Parfums Inc	Consumer Staples	2.35%	90	0.06%	16.17%	16.13%	0.36%	0.01%
Integra Lifesciences Hldgs C	Health Care	1.66%	90	-	23.55%	-	0.36%	0.13%
Frontdoor Inc Com	Consumer Discretionary	1.32%	90	-	29.35%	-	0.35%	0.17%
Monro Inc	Consumer Discretionary	1.45%	90	0.12%	26.18%	26.18%	0.35%	0.13%
Envestnet Inc	Information Technology	1.16%	90	0.13%	32.93%	32.93%	0.35%	0.17%

### Index Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Index Perf	Contrib Excess Return
The Trade Desk Inc Com Cl A	Information Technology	-	-	0.26%	-	70.56%	0.14%	(0.11)%
Loxo Oncology Inc	Health Care	-	-	0.26%	-	66.69%	0.14%	(0.10)%
Etsy Inc	Consumer Discretionary	-	-	0.35%	-	41.31%	0.12%	(0.08)%
Spark Therapeutics Inc	Health Care	-	-	0.11%	-	190.96%	0.12%	(0.11)%
Array Biopharma Inc	Health Care	-	-	0.20%	-	71.09%	0.11%	(0.09)%
Zscaler Inc	Information Technology	-	-	0.14%	-	80.90%	0.10%	(0.08)%
Coupa Software Inc	Information Technology	-	-	0.23%	-	44.73%	0.08%	(0.06)%
Hubspot Inc	Information Technology	-	-	0.29%	-	32.20%	0.08%	(0.04)%
Roku Inc Com Cl A	Consumer Discretionary	-	-	0.10%	-	110.54%	0.08%	(0.07)%
Cree Inc	Information Technology	-	-	0.26%	-	33.77%	0.08%	(0.04)%

### Positions with Largest Positive Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Fair Isaac Corp	Information Technology	1.92%	90	-	45.28%	-	0.78%	0.48%
Manhattan Associates	Information Technology	3.31%	90	-	30.07%	-	0.90%	0.45%
Blackbaud Inc	Information Technology	2.47%	90	0.17%	26.95%	26.95%	0.61%	0.25%
Dril-Quip Inc	Energy	0.83%	90	0.07%	52.68%	52.68%	0.36%	0.24%
Frontdoor Inc Com	Consumer Discretionary	1.32%	90	-	29.35%	-	0.35%	0.17%
Envestnet Inc	Information Technology	1.16%	90	0.13%	32.93%	32.93%	0.35%	0.17%
Aaon Inc Com Par \$0.004	Industrials	1.07%	90	0.08%	31.72%	31.72%	0.31%	0.15%
Monro Inc	Consumer Discretionary	1.45%	90	0.12%	26.18%	26.18%	0.35%	0.13%
Integra Lifesciences Hldgs C	Health Care	1.66%	90	-	23.55%	-	0.36%	0.13%
Columbia Sportswear Co	Consumer Discretionary	2.05%	90	-	24.36%	-	0.61%	0.13%

### Positions with Largest Negative Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Central Garden & Pet Com	Consumer Staples	1.09%	90	0.02%	(25.93)%	(25.81)%	(0.30)%	(0.44)%
Caseys General Stores	Consumer Staples	3.08%	90	-	0.72%	-	0.03%	(0.43)%
Dorman Products Inc	Consumer Discretionary	2.35%	90	0.12%	(2.14)%	(2.14)%	(0.07)%	(0.42)%
Huron Consulting Group Inc	Industrials	1.41%	90	0.06%	(7.97)%	(7.97)%	(0.13)%	(0.33)%
National Instrs Corp	Information Technology	1.67%	90	-	(1.70)%	-	(0.03)%	(0.28)%
Lancaster Colony Corp	Consumer Staples	1.11%	90	0.16%	(11.03)%	(11.03)%	(0.14)%	(0.27)%
Emergent Biosolutions Inc	Health Care	1.07%	90	0.14%	(14.40)%	(14.78)%	(0.18)%	(0.27)%
Navigators Group Inc	Financials	1.94%	90	0.07%	0.65%	0.65%	0.01%	(0.27)%
Cass Information Sys Inc	Information Technology	1.01%	90	0.04%	(10.17)%	(10.17)%	(0.11)%	(0.25)%
Beacon Roofing Supply Inc	Industrials	2.24%	90	0.12%	1.39%	1.39%	0.06%	(0.24)%





# International Equity Period Ended March 31, 2019

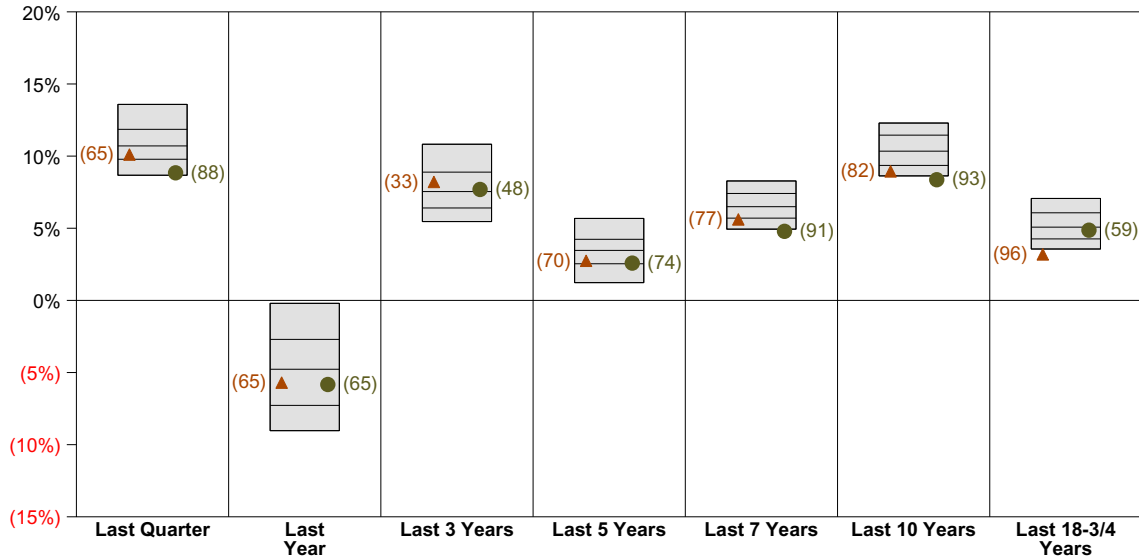
## Investment Philosophy

International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

## Quarterly Summary and Highlights

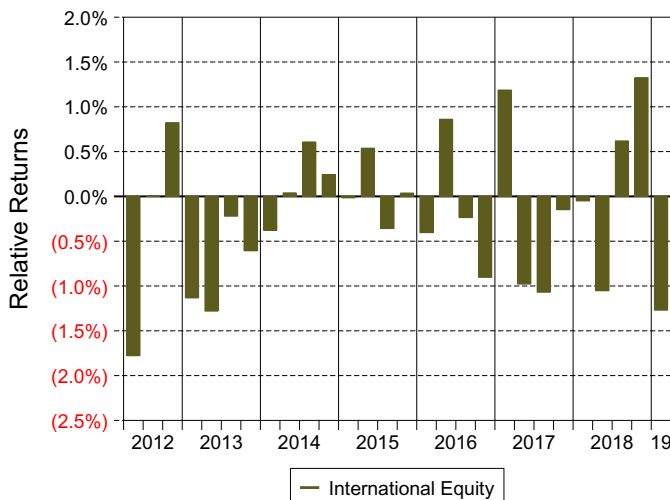
- International Equity's portfolio posted a 8.84% return for the quarter placing it in the 88 percentile of the Callan Non-US Equity group for the quarter and in the 65 percentile for the last year.
- International Equity's portfolio underperformed the International Benchmark by 1.27% for the quarter and underperformed the International Benchmark for the year by 0.13%.

## Performance vs Callan Non-US Equity (Gross)

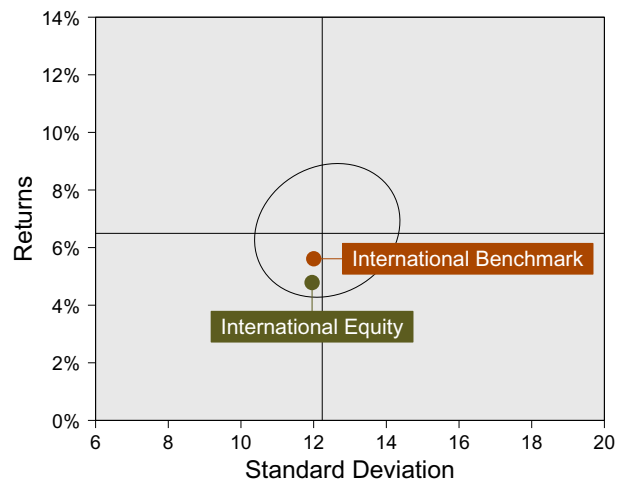


10th Percentile	13.59	(0.20)	10.82	5.68	8.28	12.29	7.07
25th Percentile	11.86	(2.70)	8.89	4.23	7.41	11.45	6.07
Median	10.71	(4.77)	7.54	3.46	6.49	10.34	5.08
75th Percentile	9.78	(7.28)	6.40	2.54	5.70	9.35	4.26
90th Percentile	8.67	(9.03)	5.46	1.23	4.94	8.63	3.56
<b>International Equity</b>	<b>8.84</b>	<b>(5.83)</b>	<b>7.69</b>	<b>2.58</b>	<b>4.79</b>	<b>8.36</b>	<b>4.87</b>
<b>International Benchmark</b>	<b>10.11</b>	<b>(5.70)</b>	<b>8.21</b>	<b>2.75</b>	<b>5.61</b>	<b>8.94</b>	<b>3.19</b>

Relative Return vs International Benchmark



Callan Non-US Equity (Gross)  
Annualized Seven Year Risk vs Return

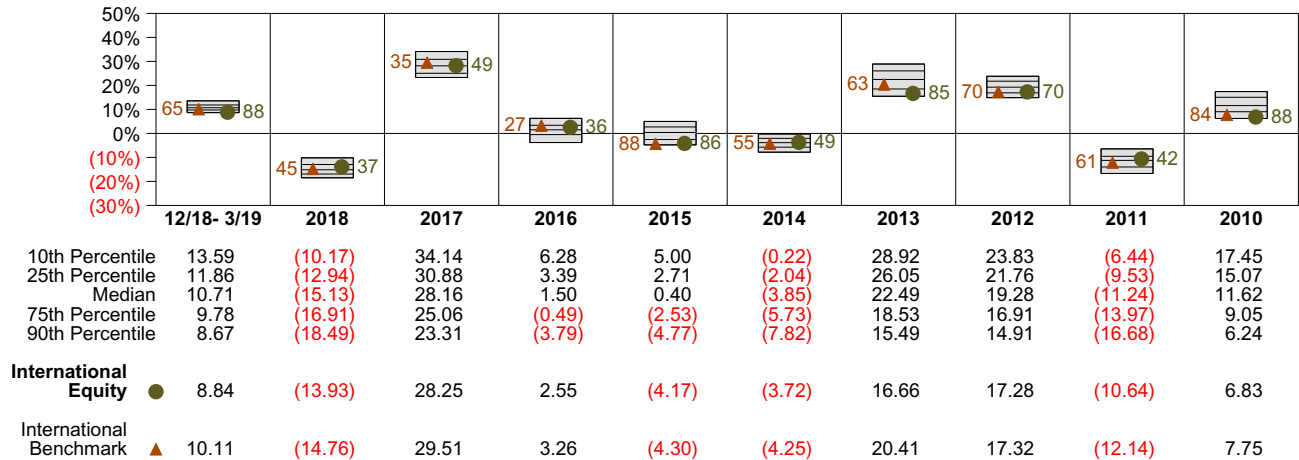


# International Equity Return Analysis Summary

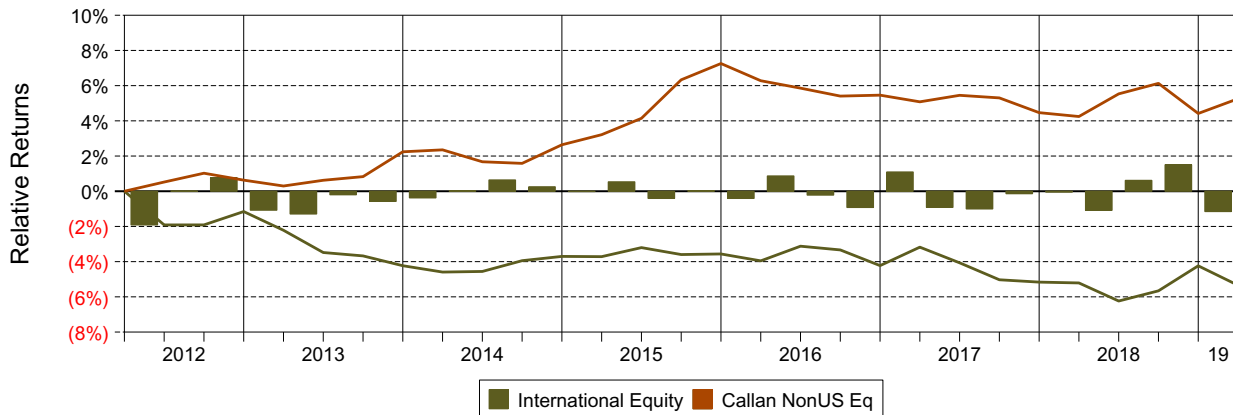
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

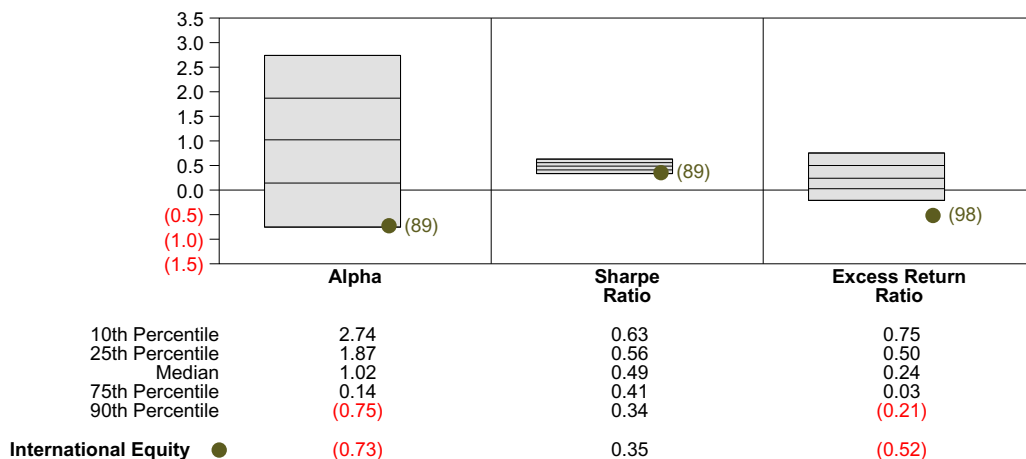
### Performance vs Callan Non-US Equity (Gross)



### Cumulative and Quarterly Relative Return vs International Benchmark



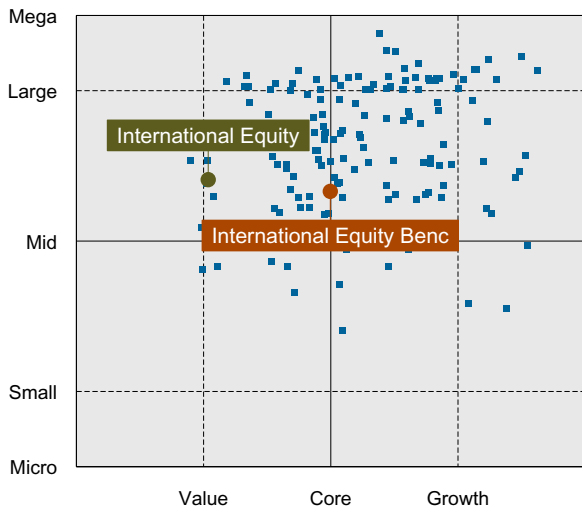
### Risk Adjusted Return Measures vs International Benchmark Rankings Against Callan Non-US Equity (Gross) Seven Years Ended March 31, 2019



# Current Holdings Based Style Analysis International Equity As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left chart illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

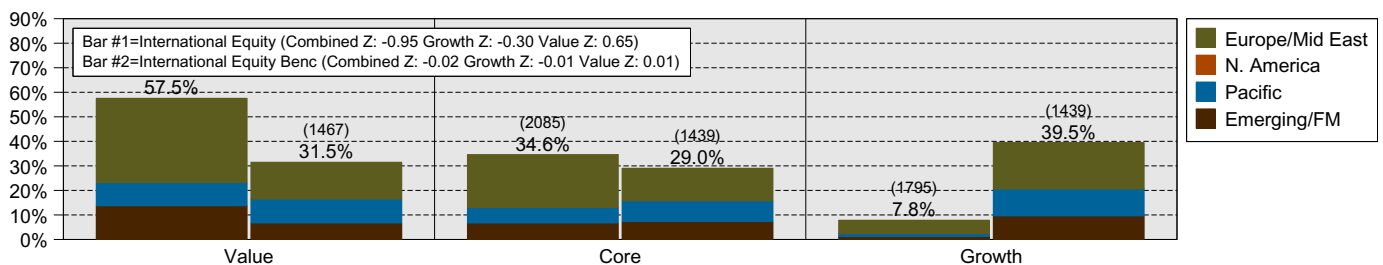
**Style Map vs Callan NonUS Eq Holdings as of March 31, 2019**



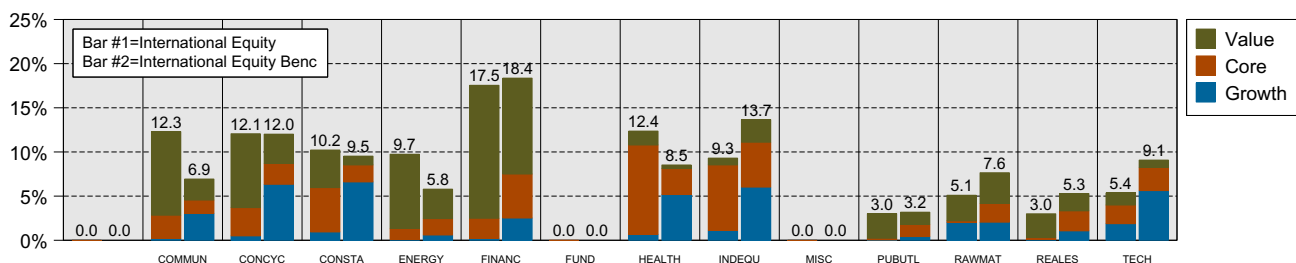
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Europe/ Mid East	34.4% (245)	21.6% (243)	5.2% (251)	61.2% (739)
N. America	15.0% (477)	13.2% (509)	18.9% (495)	47.1% (1481)
Pacific	0.0% (0)	0.0% (3)	0.0% (2)	0.0% (5)
Emerging/ FM	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	9.4% (305)	6.3% (288)	1.3% (277)	17.1% (870)
Emerging/ FM	9.8% (611)	8.5% (564)	11.0% (579)	29.2% (1754)
Emerging/ FM	13.8% (1760)	6.7% (1551)	1.3% (1265)	21.8% (4576)
Emerging/ FM	6.7% (379)	7.3% (366)	9.6% (365)	23.7% (1110)
<b>Total</b>	<b>57.5% (2310)</b>	<b>34.6% (2085)</b>	<b>7.8% (1795)</b>	<b>100.0% (6190)</b>
	<b>31.5% (1467)</b>	<b>29.0% (1439)</b>	<b>39.5% (1439)</b>	<b>100.0% (4345)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



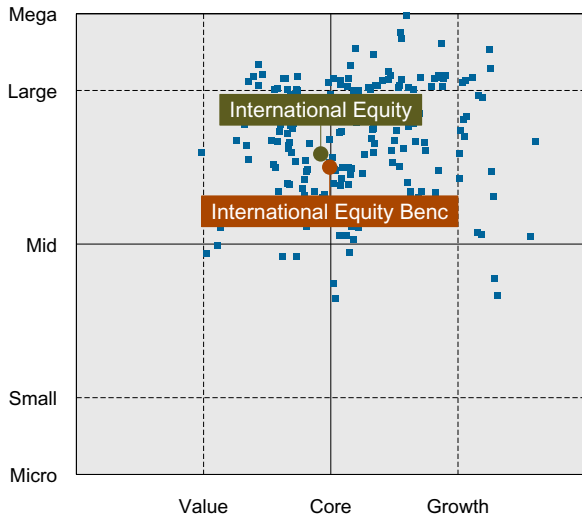
**Sector Weights Distribution Holdings as of March 31, 2019**



# Historical Holdings Based Style Analysis International Equity For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

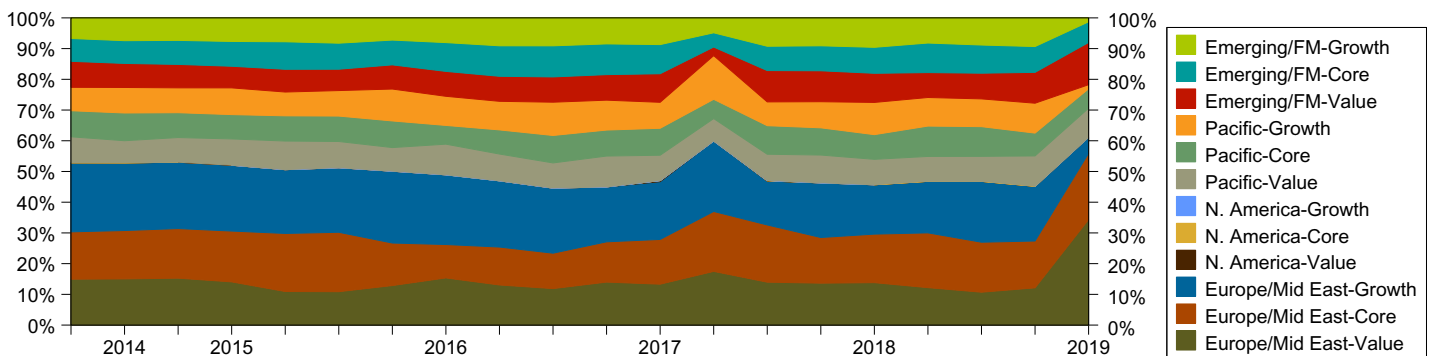
**Average Style Map vs Callan NonUS Eq Holdings for Five Years Ended March 31, 2019**



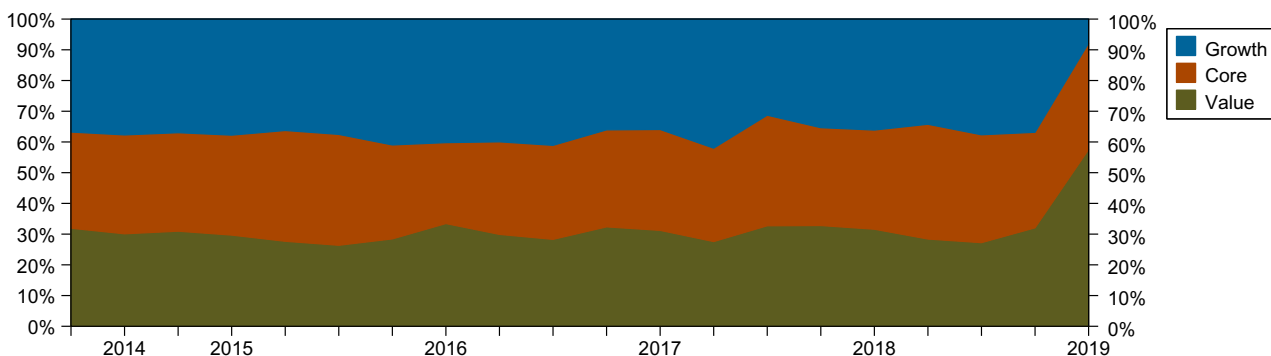
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	Value	Core	Growth	Total
Europe/ Mid East	14.5% (186)	15.9% (204)	19.3% (242)	49.7% (632)
	14.7% (298)	15.0% (347)	19.0% (372)	48.7% (1017)
N. America	0.0% (2)	0.0% (4)	0.0% (1)	0.0% (7)
	0.0% (1)	0.0% (0)	0.0% (0)	0.0% (1)
Pacific	8.6% (231)	8.2% (234)	8.9% (232)	25.7% (697)
	9.2% (387)	9.0% (380)	9.8% (384)	28.0% (1151)
Emerging/ FM	8.4% (1512)	8.4% (1484)	7.8% (964)	24.6% (3960)
	7.5% (313)	7.3% (279)	8.5% (292)	23.3% (884)
<b>Total</b>	<b>31.5% (1931)</b>	<b>32.6% (1926)</b>	<b>35.9% (1439)</b>	<b>100.0% (5296)</b>
	<b>31.5% (999)</b>	<b>31.3% (1006)</b>	<b>37.2% (1048)</b>	<b>100.0% (3053)</b>

**International Equity Historical Region/Style Exposures**



**International Equity Historical Style Only Exposures**



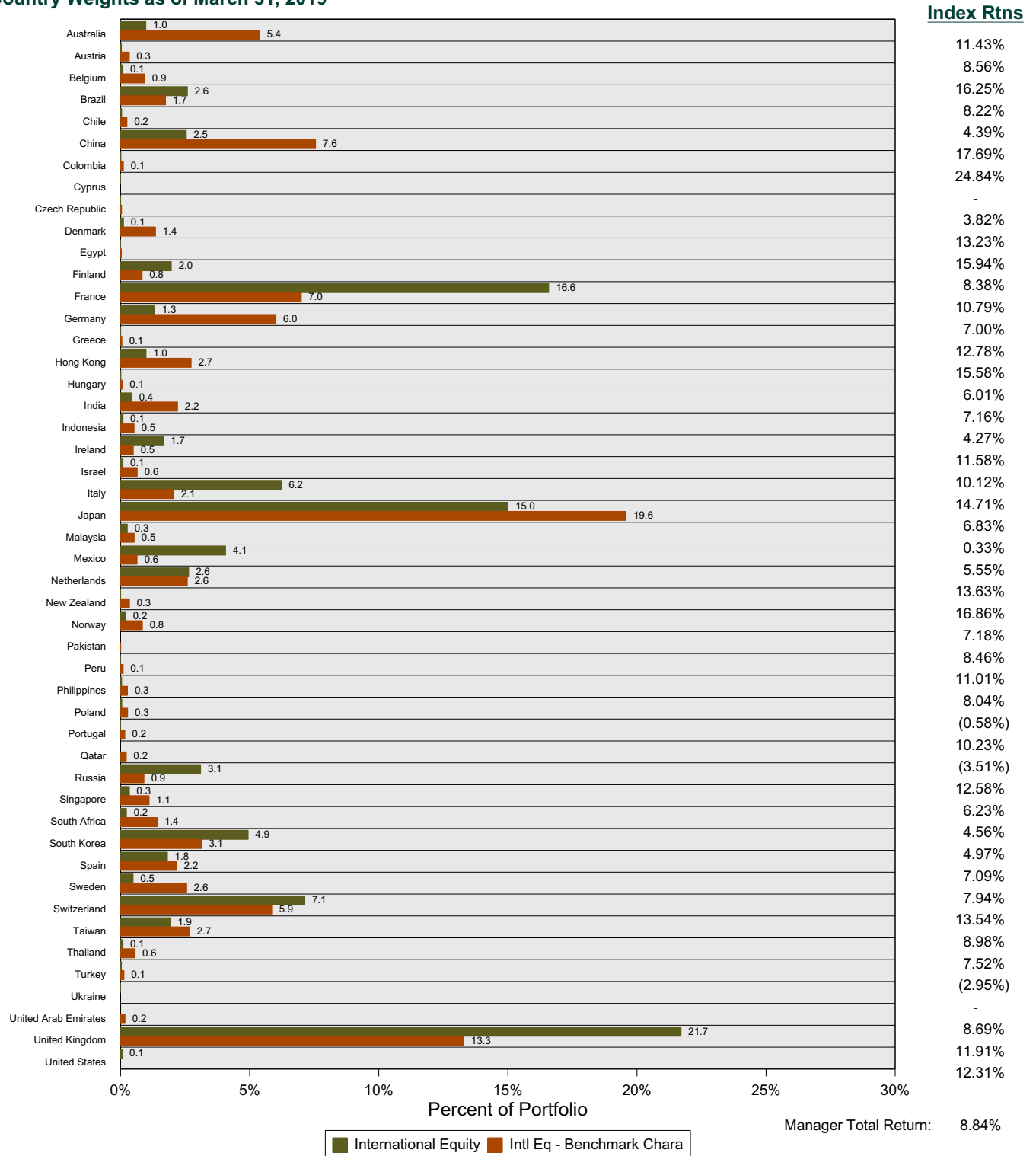
# Country Allocation

## International Equity VS Intl Eq - Benchmark Characteristics

### Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of March 31, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

### Country Weights as of March 31, 2019



# SSgA EAFE

## Period Ended March 31, 2019

### Investment Philosophy

SSGA's objective is to provide the most cost-effective implementation of passive investing with stringent risk control and tracking requirements through a replication method. Returns prior to 6/30/2012 are linked to a composite history.

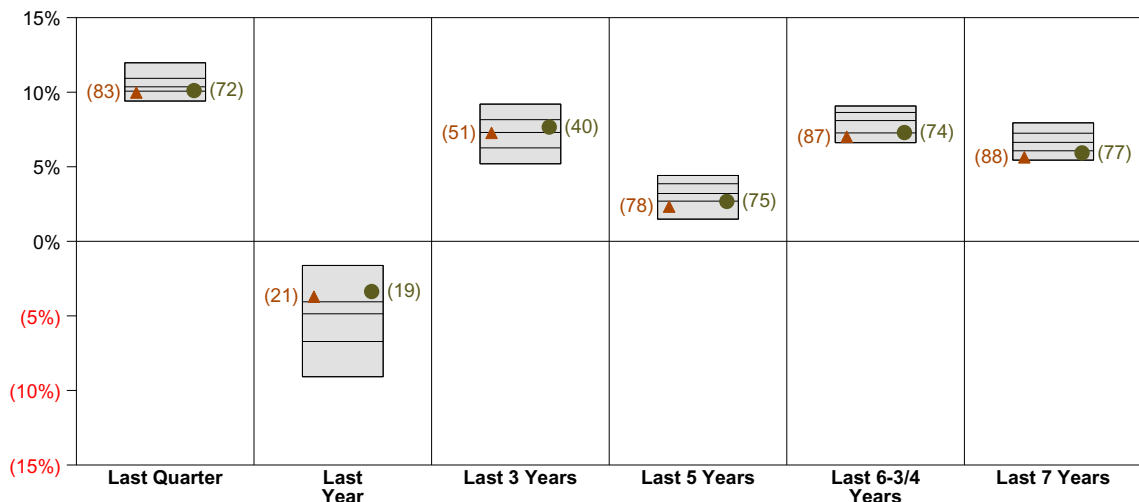
### Quarterly Summary and Highlights

- SSgA EAFE's portfolio posted a 10.11% return for the quarter placing it in the 72 percentile of the Callan Non-US Developed Core Equity group for the quarter and in the 19 percentile for the last year.
- SSgA EAFE's portfolio outperformed the MSCI EAFE Index by 0.13% for the quarter and outperformed the MSCI EAFE Index for the year by 0.35%.

### Quarterly Asset Growth

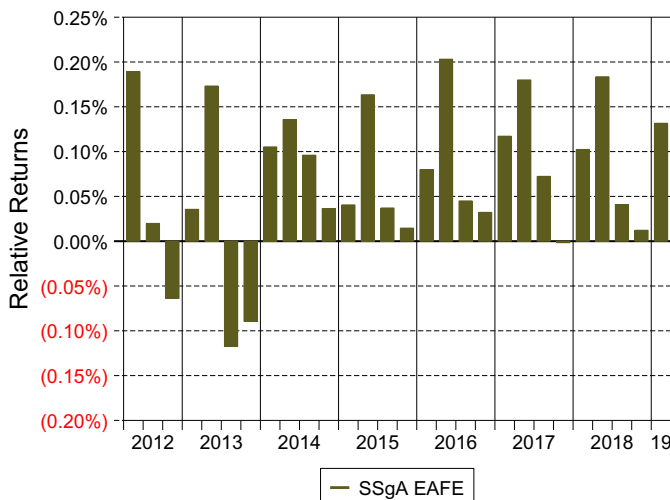
Beginning Market Value	\$9,970,217
Net New Investment	\$0
Investment Gains/(Losses)	\$1,007,925
Ending Market Value	\$10,978,142

### Performance vs Callan Non-US Developed Core Equity (Gross)

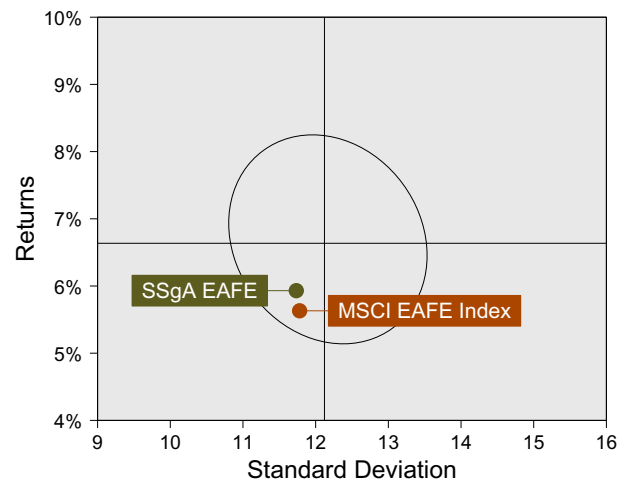


10th Percentile	11.97	(1.62)	9.20	4.42	9.07	7.95
25th Percentile	10.93	(4.06)	8.16	3.86	8.64	7.25
Median	10.36	(4.86)	7.30	3.21	8.10	6.64
75th Percentile	10.07	(6.72)	6.27	2.70	7.27	6.07
90th Percentile	9.41	(9.08)	5.20	1.49	6.62	5.44
<b>SSgA EAFE</b> ●	10.11	(3.37)	7.66	2.68	7.29	5.93
<b>MSCI EAFE Index</b> ▲	9.98	(3.71)	7.27	2.33	7.01	5.63

### Relative Return vs MSCI EAFE Index



### Callan Non-US Developed Core Equity (Gross) Annualized Seven Year Risk vs Return

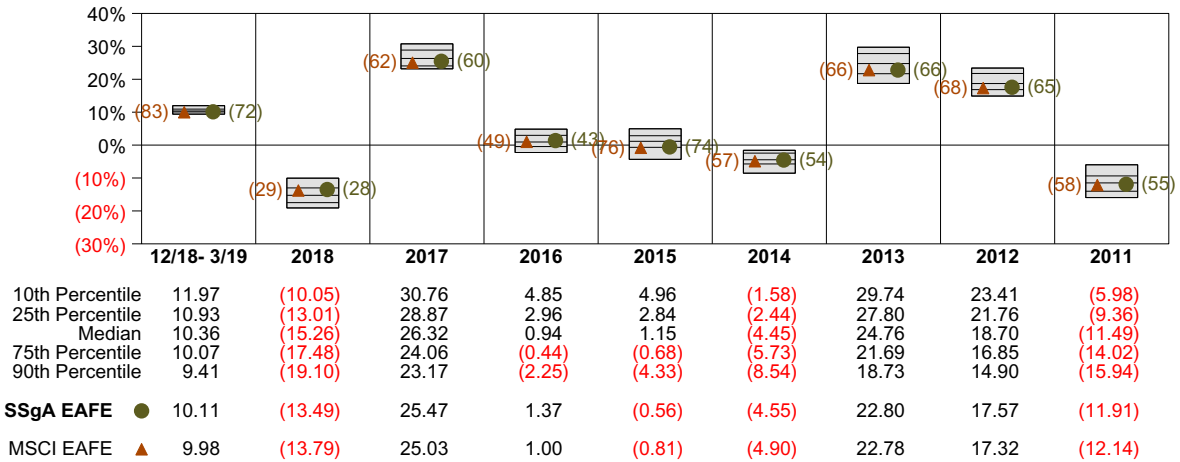


# SSgA EAFE Return Analysis Summary

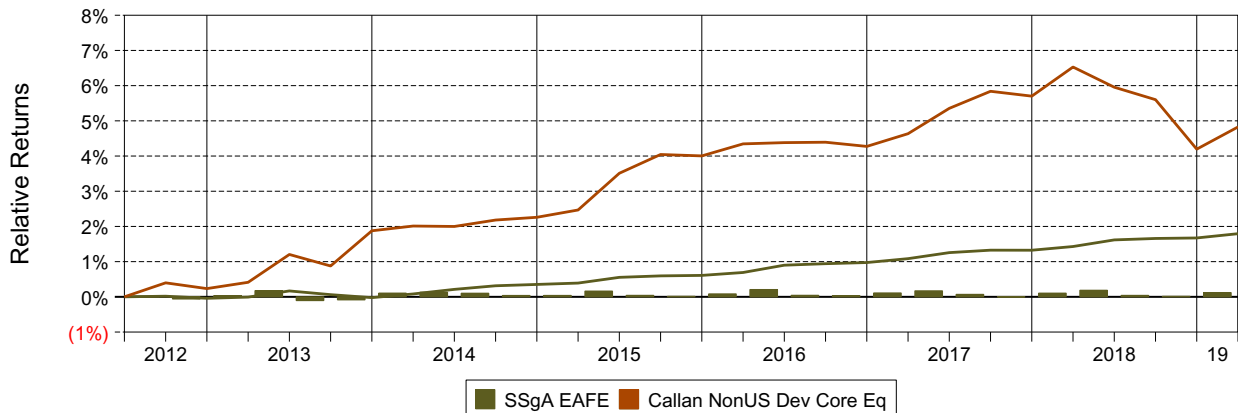
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

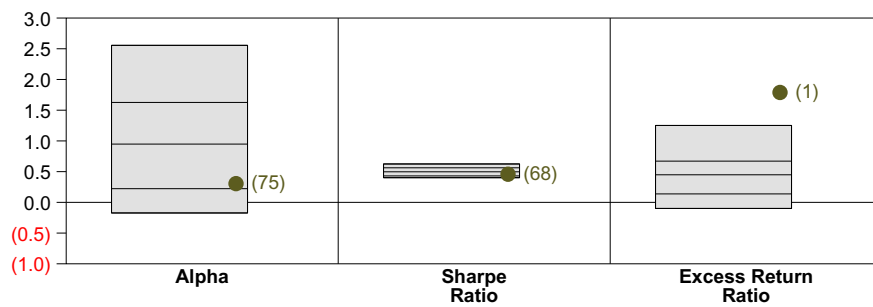
### Performance vs Callan Non-US Developed Core Equity (Gross)



### Cumulative and Quarterly Relative Return vs MSCI EAFE



### Risk Adjusted Return Measures vs MSCI EAFE Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended March 31, 2019



10th Percentile	2.56	0.62	1.25
25th Percentile	1.63	0.56	0.67
Median	0.95	0.50	0.45
75th Percentile	0.22	0.43	0.14
90th Percentile	(0.17)	0.40	(0.10)
<b>SSgA EAFE</b>	● 0.30	0.46	1.79

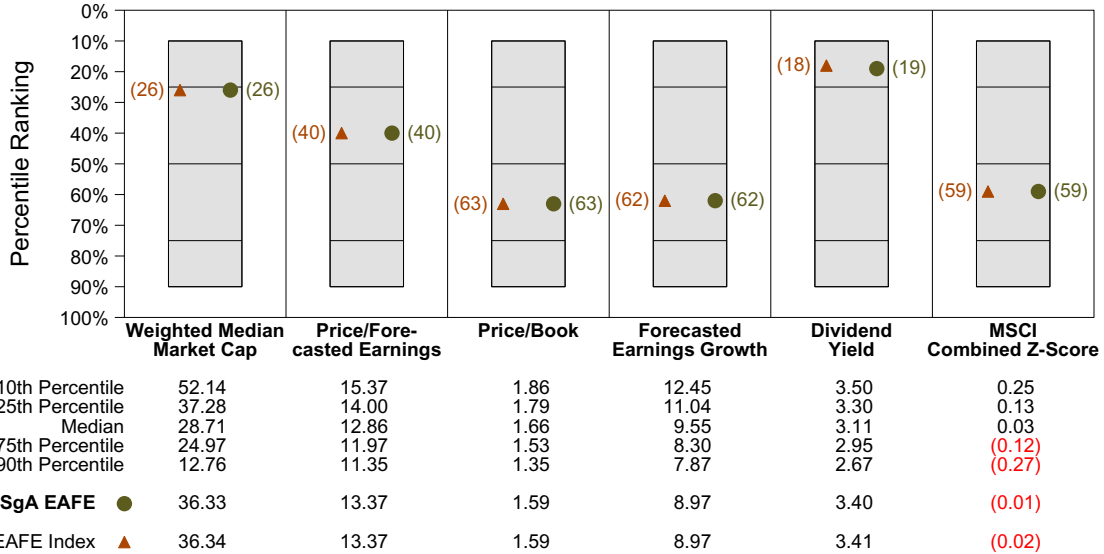


# SSgA EAFE Equity Characteristics Analysis Summary

## Portfolio Characteristics

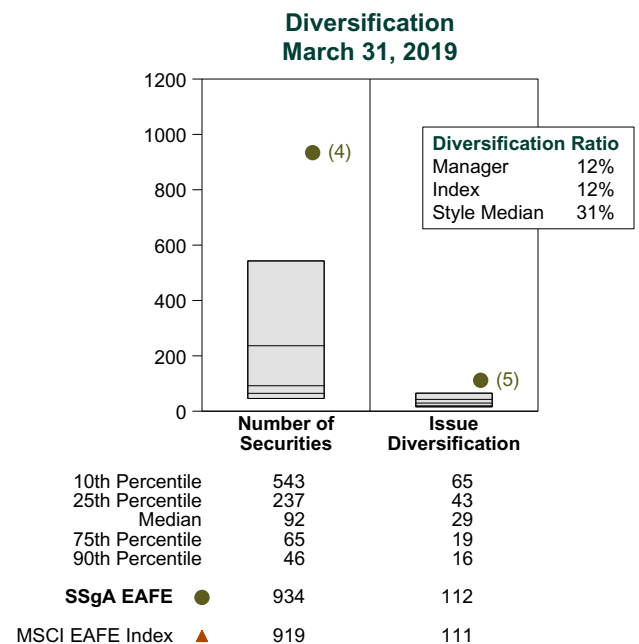
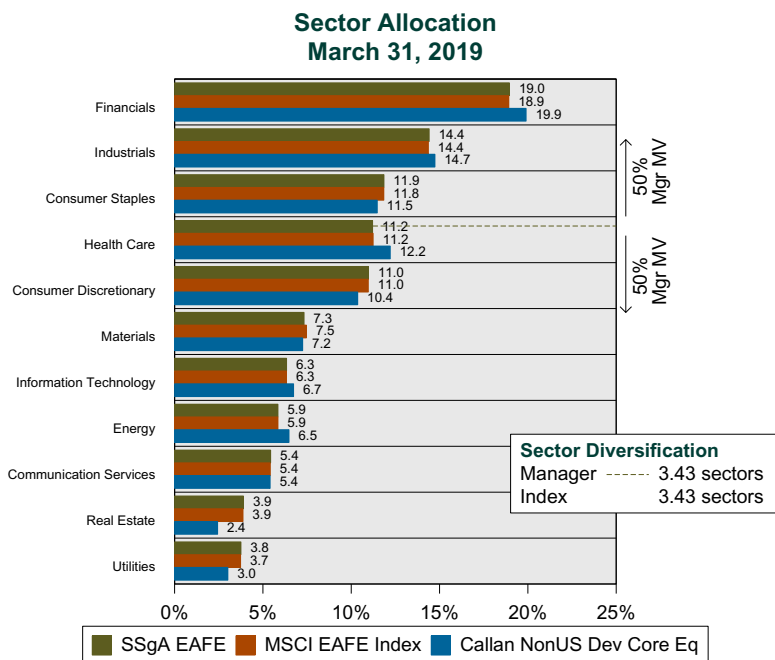
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Callan Non-US Developed Core Equity as of March 31, 2019



## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



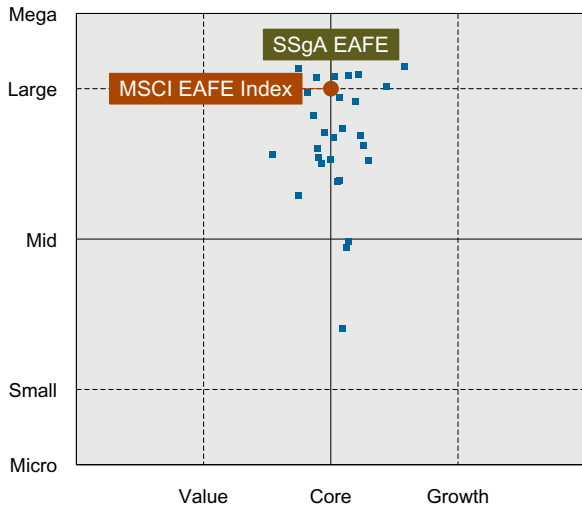
# Current Holdings Based Style Analysis

## SSgA EAFE

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left chart illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

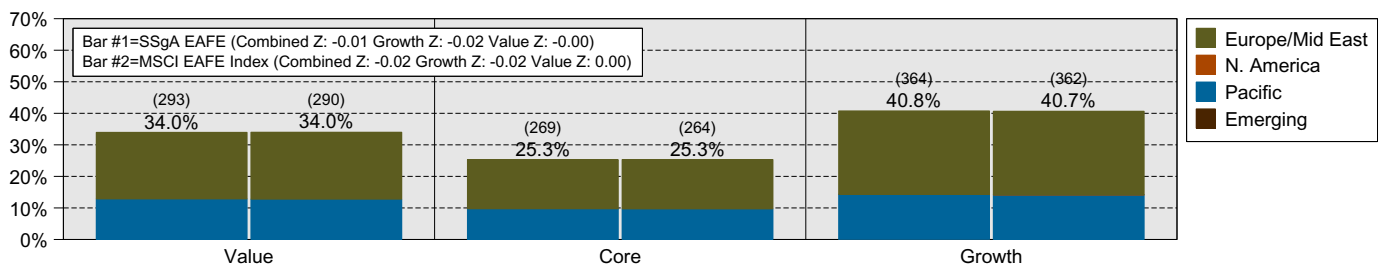
**Style Map vs Callan NonUS Dev Core Eq Holdings as of March 31, 2019**



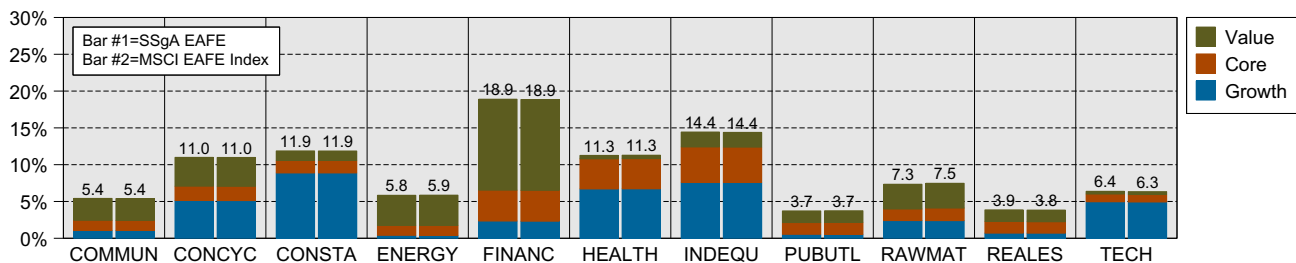
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Europe/ Mid East	21.1% (144)	15.6% (126)	26.5% (181)	63.1% (451)
N. America	21.2% (143)	15.7% (123)	26.5% (180)	63.3% (446)
Pacific	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Emerging	0.0% (0)	0.0% (0)	0.0% (1)	0.0% (1)
<b>Total</b>	<b>34.0% (293)</b>	<b>25.3% (269)</b>	<b>40.8% (364)</b>	<b>100.0% (926)</b>
	34.0% (290)	25.3% (264)	40.7% (362)	100.0% (916)

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**

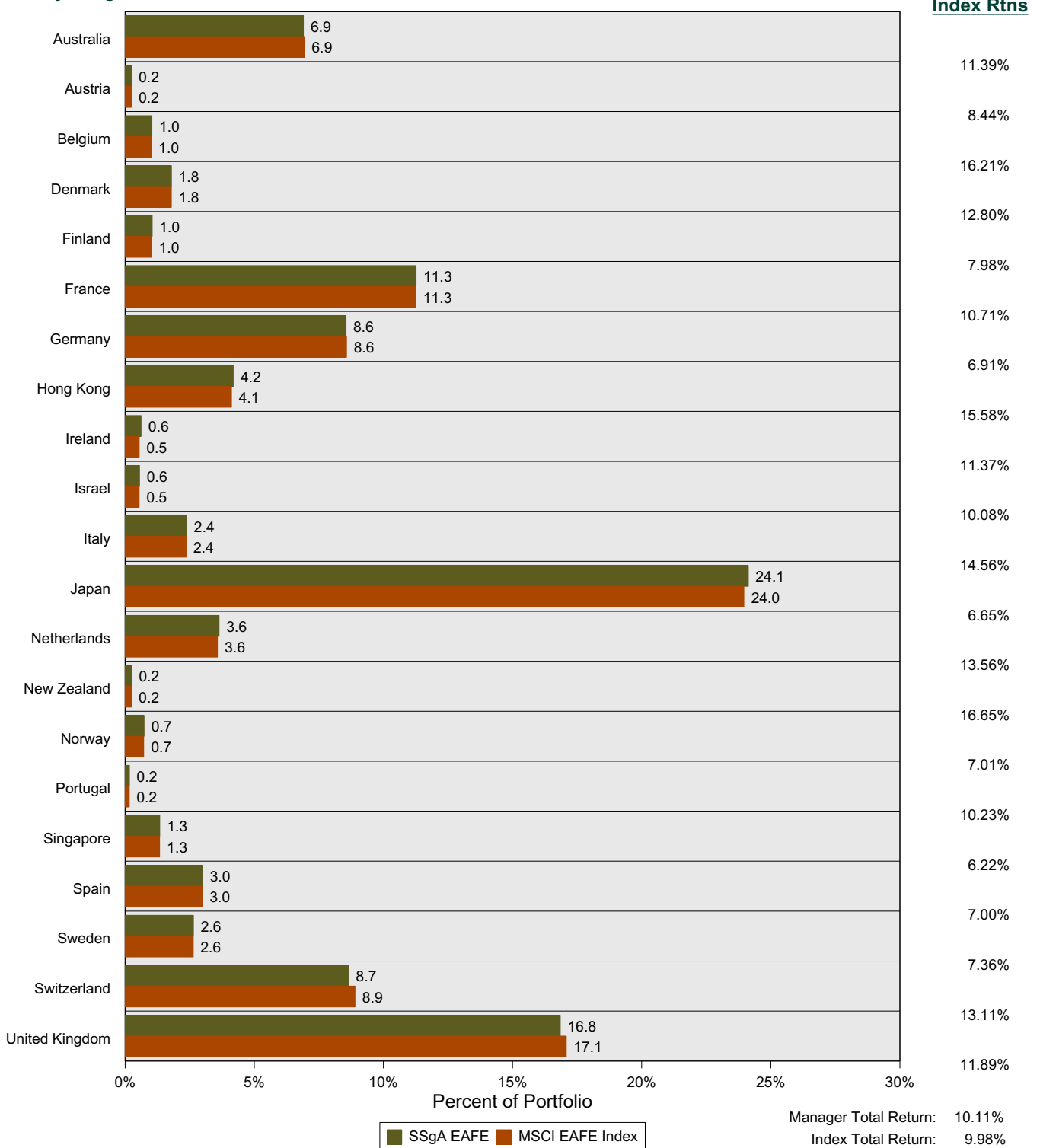


## Country Allocation SSgA EAFE VS MSCI EAFE Index

### Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of March 31, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

### Country Weights as of March 31, 2019



## SSgA EAFE Top 10 Portfolio Holdings Characteristics as of March 31, 2019

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Nestle S A Shs Nom New	Consumer Staples	\$232,111	2.1%	17.72%	291.88	21.61	2.58%	8.72%
Novartis	Health Care	\$165,815	1.5%	16.42%	245.31	17.32	2.98%	6.92%
Roche Hldgs Ag Basel Div Rts Ctf	Health Care	\$153,912	1.4%	15.14%	193.54	14.81	3.03%	4.59%
Hsbc Holdings (Gb)	Financials	\$130,156	1.2%	1.12%	163.20	11.23	6.05%	3.44%
Bp Plc Shs	Energy	\$116,754	1.1%	16.86%	148.07	12.86	5.58%	27.32%
Royal Dutch Shell A Shs	Energy	\$113,358	1.0%	8.75%	138.21	11.50	5.85%	16.80%
Toyota Motor Corp	Consumer Discretionary	\$108,543	1.0%	0.39%	191.24	7.94	3.39%	4.40%
Total Sa Act	Energy	\$108,189	1.0%	6.64%	146.89	9.96	5.13%	13.61%
Aia Group Ltd Com Par Usd 1	Financials	\$99,169	0.9%	19.91%	120.23	17.87	1.41%	25.04%
Royal Dutch Shell 'b' Shs	Energy	\$94,786	0.9%	7.71%	118.50	11.35	5.94%	14.35%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Abengoa Sa Eur0.01 Class B	Industrials	\$30	0.0%	137.50%	0.16	(1.17)	0.00%	-
Allied Mining & Proc.	Materials	\$6,288	0.1%	73.19%	15.55	9.22	4.36%	(8.71)%
Micro Focus International Pl Spon Ad	Information Technology	\$3,302	0.0%	53.38%	10.58	-	4.52%	(7.38)%
Zalando	Consumer Discretionary	\$3,528	0.0%	52.36%	9.82	98.54	0.00%	14.30%
Micro Focus International Pl Ord	Information Technology	\$5,476	0.0%	51.27%	10.68	11.77	4.46%	(2.10)%
Hitachi Chemical Co Ltd Shs	Materials	\$1,864	0.0%	48.12%	4.62	14.24	2.45%	7.24%
Shimadzu Corp Shs	Information Technology	\$5,198	0.0%	46.50%	8.56	26.35	0.81%	10.92%
Softbank Corp Ord	Communication Services	\$64,976	0.6%	46.09%	106.85	8.71	0.41%	(26.38)%
Adyen NV Common Stock Eur.01	Information Technology	\$6,640	0.1%	44.32%	23.18	101.02	0.00%	38.25%
Aker Bp Asa Shs	Energy	\$3,173	0.0%	44.00%	12.84	23.44	4.03%	11.40%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Bank Ireland Group Plc Ord Shs	Financials	\$4,754	0.0%	(94.12)%	6.43	8.10	3.01%	(0.71)%
Foreningssparbanken	Financials	\$10,352	0.1%	(29.65)%	16.03	7.21	10.81%	3.13%
Iliad Act	Communication Services	\$2,167	0.0%	(28.32)%	5.91	13.95	1.01%	9.35%
Bezeq The Israeli Telecom Cp Ord	Communication Services	\$1,232	0.0%	(28.04)%	1.94	7.40	4.51%	(16.15)%
Eisai Co	Health Care	\$11,468	0.1%	(26.64)%	16.65	27.75	2.41%	13.85%
Tui	Consumer Discretionary	\$952	0.0%	(25.66)%	5.73	6.96	8.29%	3.50%
Green Cross Coa Co.	Consumer Staples	\$1,312	0.0%	(24.58)%	3.56	18.65	1.12%	9.76%
Yamazaki Baking Co	Consumer Staples	\$1,612	0.0%	(22.79)%	3.57	22.86	1.11%	24.49%
Dainippon Sumitomo Pharma Co Ord	Health Care	\$3,184	0.0%	(22.06)%	9.84	25.44	0.66%	(1.87)%
Telefonica Deutschland Hldg Ag Npv	Communication Services	\$1,874	0.0%	(19.52)%	9.35	(261.92)	9.65%	-

# Pyrford

## Period Ended March 31, 2019

### Investment Philosophy

Pyrford's investment strategy is based on a value-driven, absolute return approach, with both top-down and bottom-up elements. At the country level they seek to invest in countries that offer an attractive market valuation relative to their long-term prospects. At the stock level they identify companies that offer excellent value relative to in-house forecasts of long-term (5 years) earnings growth. This approach is characterized by low absolute volatility and downside protection. Returns prior to 6/30/2017 are linked to a composite history.

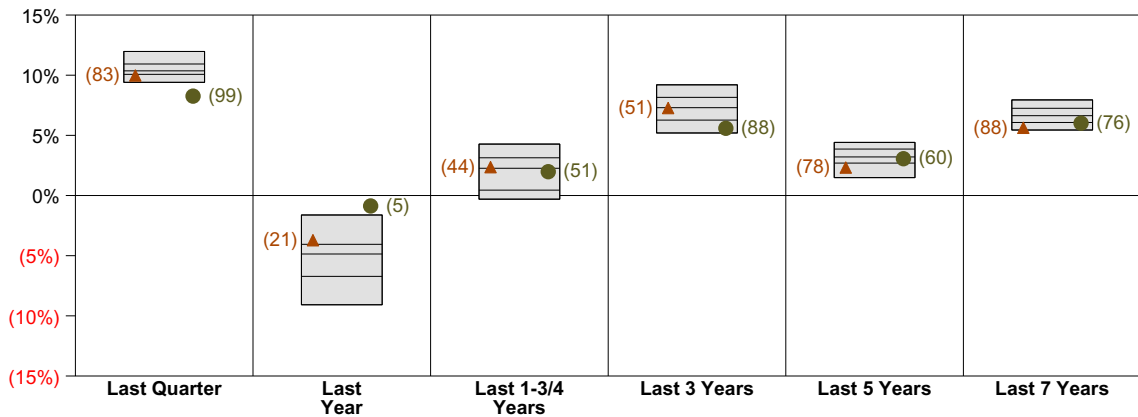
### Quarterly Summary and Highlights

- Pyrford's portfolio posted a 8.26% return for the quarter placing it in the 99 percentile of the Callan Non-US Developed Core Equity group for the quarter and in the 5 percentile for the last year.
- Pyrford's portfolio underperformed the MSCI EAFE Index by 1.72% for the quarter and outperformed the MSCI EAFE Index for the year by 2.85%.

### Quarterly Asset Growth

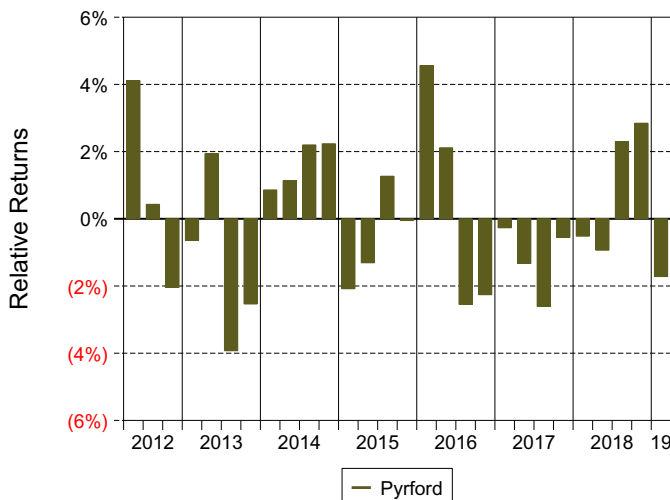
Beginning Market Value	\$24,468,964
Net New Investment	\$0
Investment Gains/(Losses)	\$2,021,419
Ending Market Value	\$26,490,383

### Performance vs Callan Non-US Developed Core Equity (Gross)

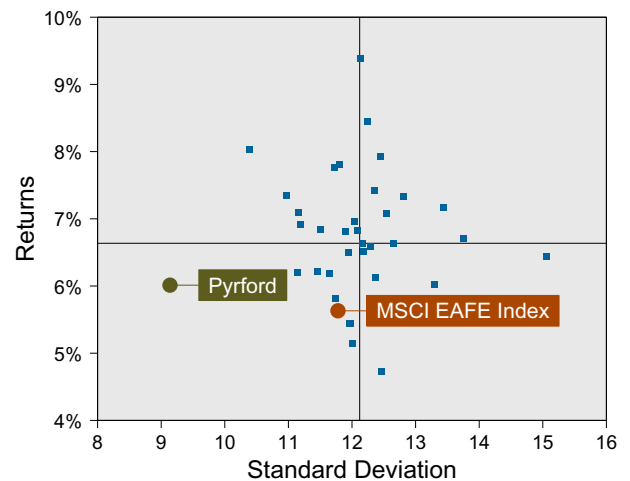


10th Percentile	11.97	(1.62)	4.27	9.20	4.42	7.95
25th Percentile	10.93	(4.06)	3.14	8.16	3.86	7.25
Median	10.36	(4.86)	2.26	7.30	3.21	6.64
75th Percentile	10.07	(6.72)	0.45	6.27	2.70	6.07
90th Percentile	9.41	(9.08)	(0.30)	5.20	1.49	5.44
<b>Pyrford</b> ●	8.26	(0.87)	1.98	5.59	3.06	6.01
MSCI EAFE Index ▲	9.98	(3.71)	2.36	7.27	2.33	5.63

### Relative Return vs MSCI EAFE Index



### Callan Non-US Developed Core Equity (Gross) Annualized Seven Year Risk vs Return

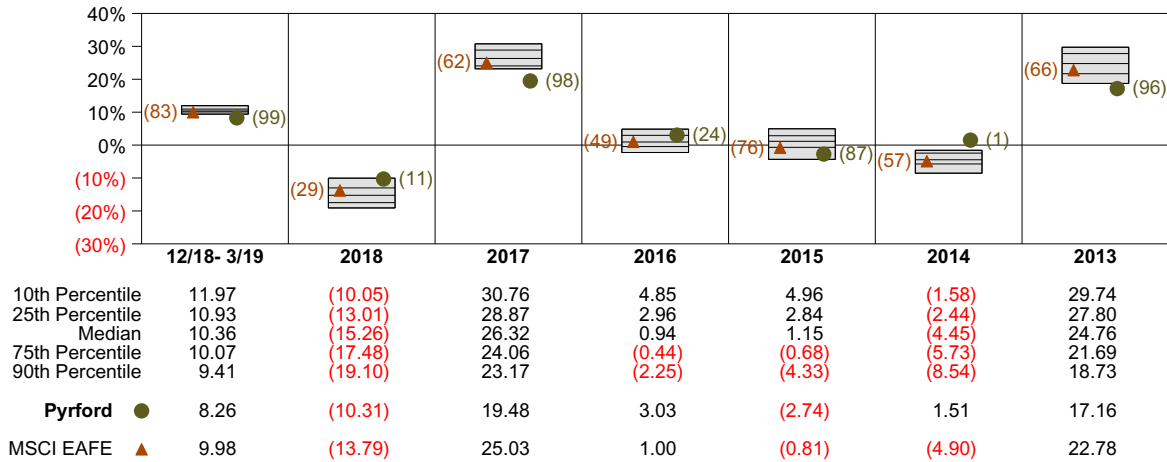


# Pyrford Return Analysis Summary

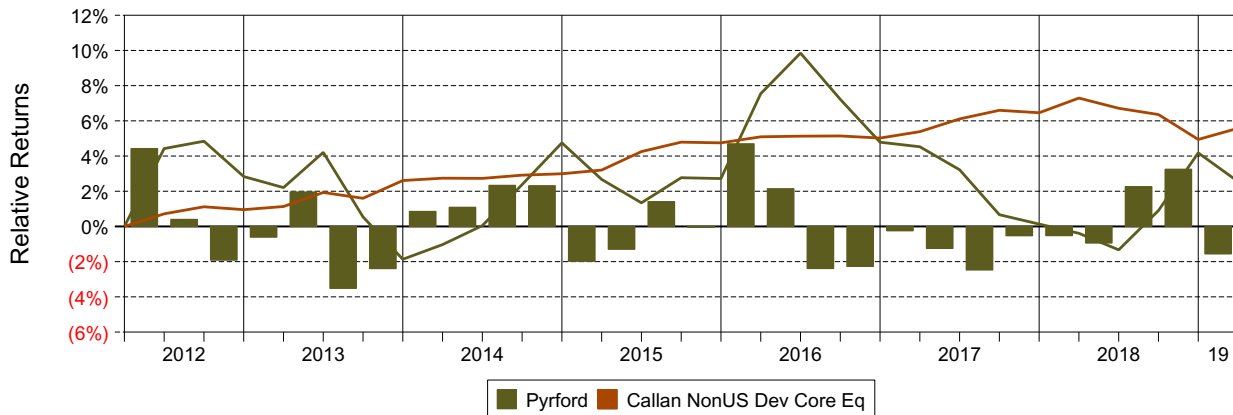
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

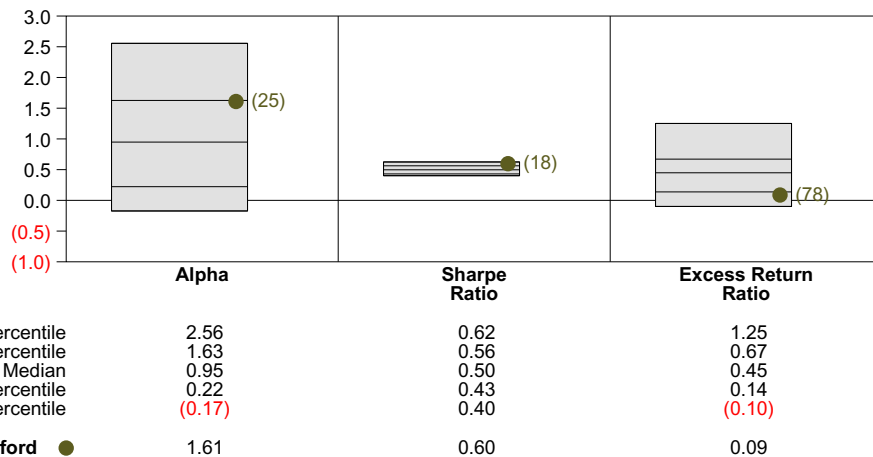
### Performance vs Callan Non-US Developed Core Equity (Gross)



### Cumulative and Quarterly Relative Return vs MSCI EAFE



### Risk Adjusted Return Measures vs MSCI EAFE Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended March 31, 2019

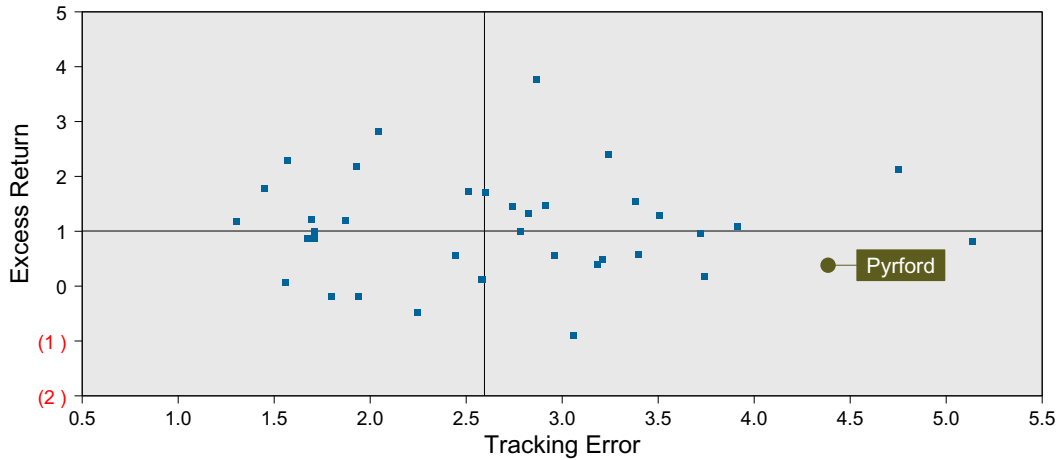


# Pyrford Risk Analysis Summary

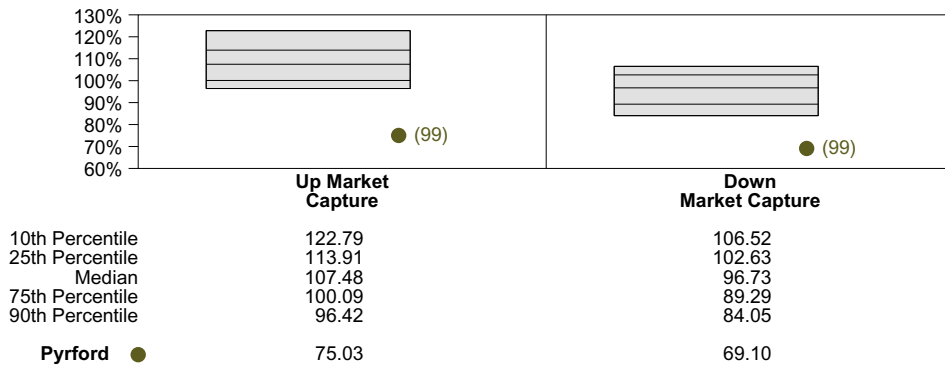
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

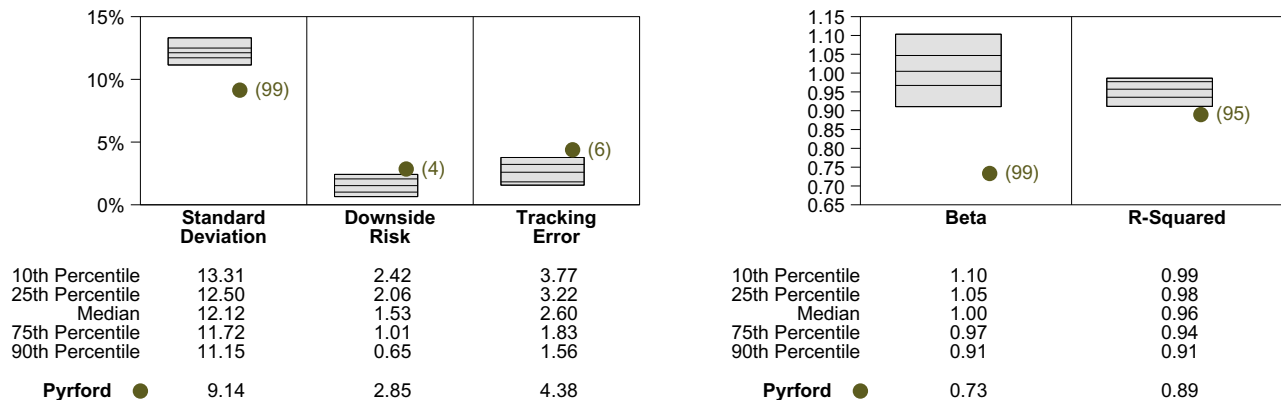
### Risk Analysis vs Callan Non-US Developed Core Equity (Gross) Seven Years Ended March 31, 2019



### Market Capture vs MSCI EAFE Index (USD Net Div) Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended March 31, 2019



### Risk Statistics Rankings vs MSCI EAFE Index (USD Net Div) Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended March 31, 2019

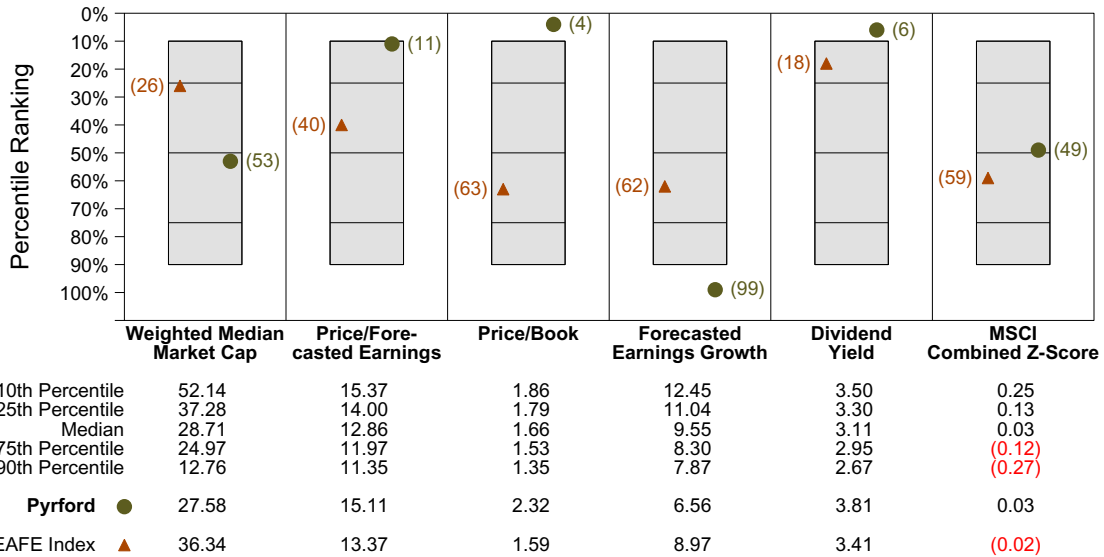


# Pyrford Equity Characteristics Analysis Summary

## Portfolio Characteristics

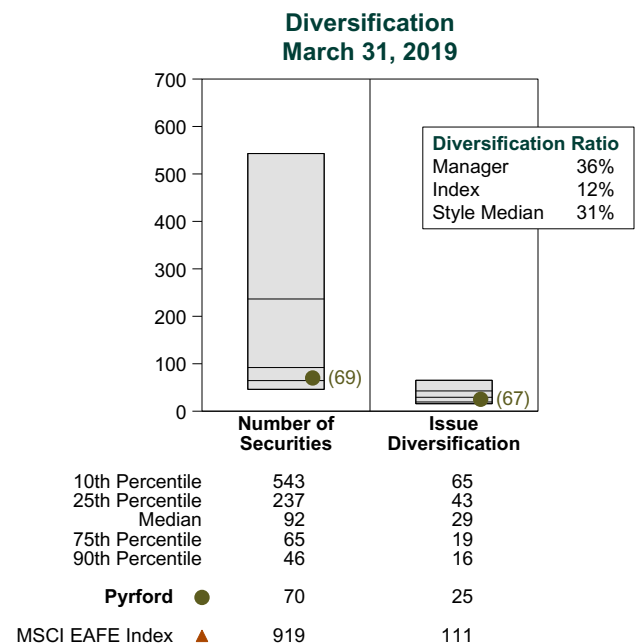
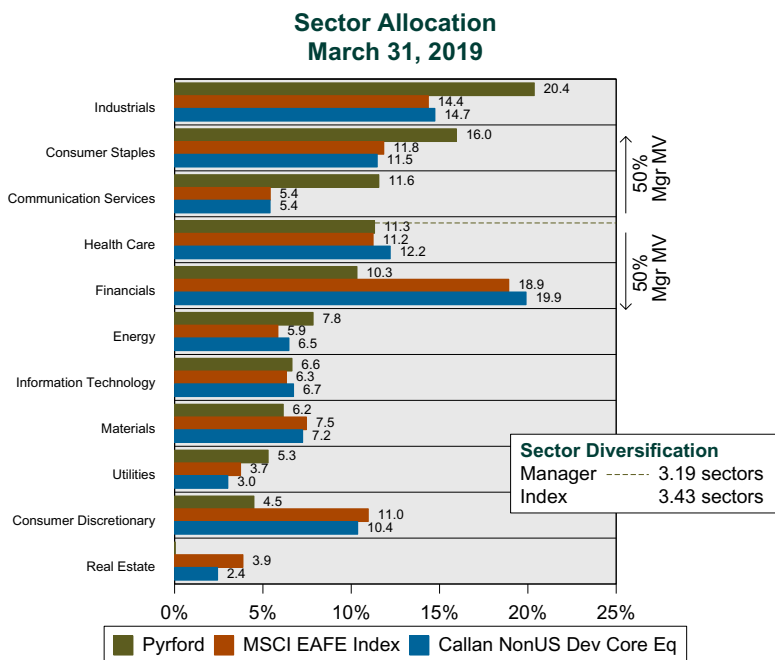
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Callan Non-US Developed Core Equity as of March 31, 2019



## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.





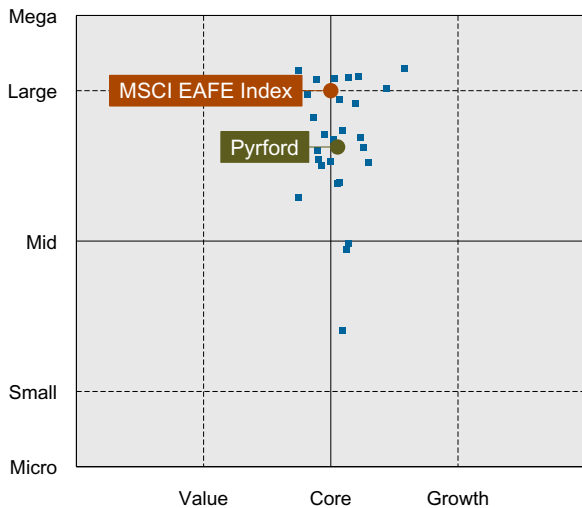
# Current Holdings Based Style Analysis

## Pyrford

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left chart illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

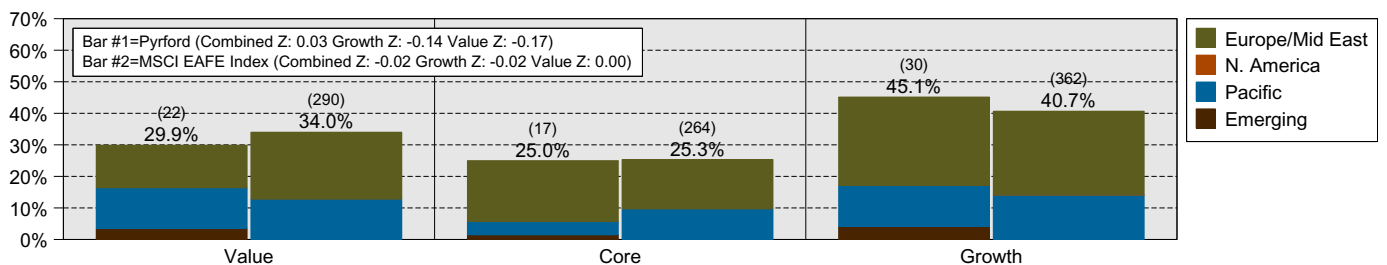
**Style Map vs Callan NonUS Dev Core Eq Holdings as of March 31, 2019**



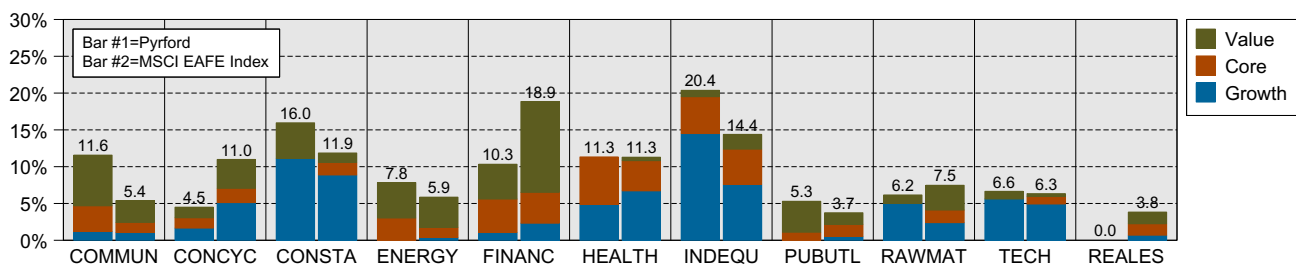
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Europe/ Mid East	13.5% (11) 21.2% (143)	19.3% (13) 15.7% (123)	28.0% (17) 26.5% (180)	60.8% (41) 63.3% (446)
N. America	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (1)	0.0% (0) 0.0% (1)
Pacific	12.9% (9) 12.8% (147)	4.2% (3) 9.7% (141)	13.0% (9) 14.2% (181)	30.1% (21) 36.6% (469)
Emerging	3.5% (2) 0.0% (0)	1.5% (1) 0.0% (0)	4.1% (4) 0.0% (0)	9.1% (7) 0.0% (0)
<b>Total</b>	<b>29.9% (22)</b> <b>34.0% (290)</b>	<b>25.0% (17)</b> <b>25.3% (264)</b>	<b>45.1% (30)</b> <b>40.7% (362)</b>	<b>100.0% (69)</b> <b>100.0% (916)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**



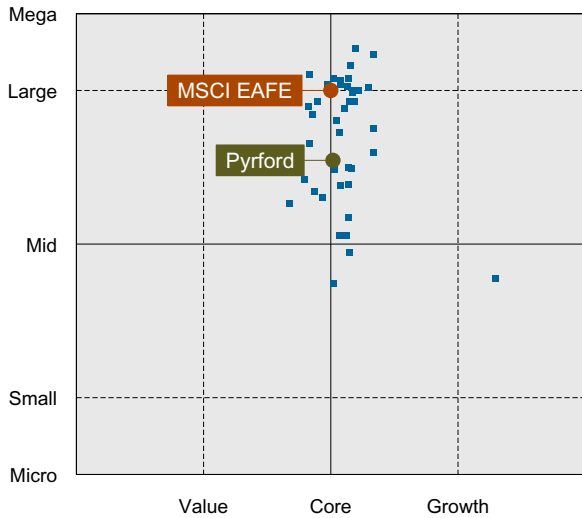
# Historical Holdings Based Style Analysis

## Pyrford

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

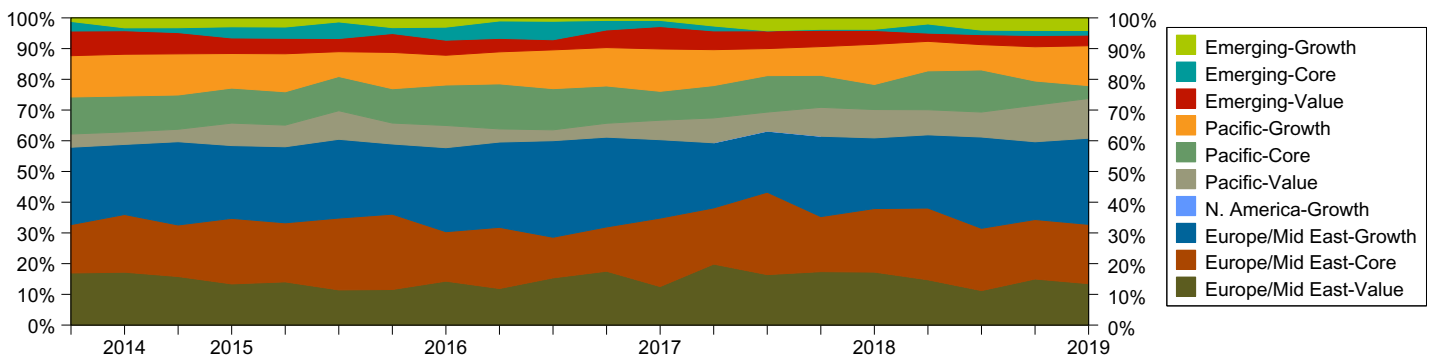
**Average Style Map vs Callan NonUS Dev Core Eq Holdings for Five Years Ended March 31, 2019**



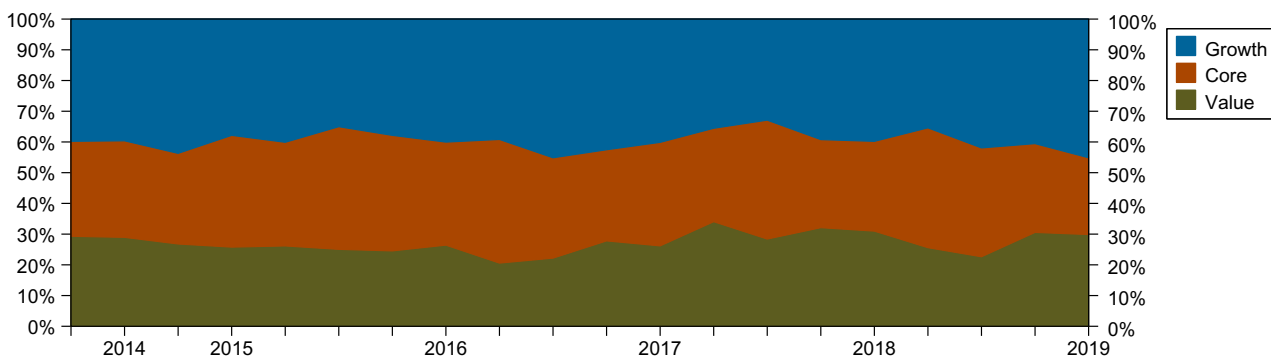
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	14.9% (11)	19.6% (12)	25.5% (18)	60.0% (41)
Europe/Mid East	19.7% (126)	19.0% (133)	25.3% (194)	64.0% (453)
N. America	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	7.1% (6)	11.1% (8)	11.4% (8)	29.6% (22)
Emerging	5.2% (4)	2.6% (2)	2.7% (2)	10.4% (8)
<b>Total</b>	<b>27.2% (21)</b>	<b>33.2% (22)</b>	<b>39.6% (28)</b>	<b>100.0% (71)</b>
	31.9% (267)	30.2% (281)	38.0% (371)	100.0% (919)
	Value	Core	Growth	Total

### Pyrford Historical Region/Style Exposures



### Pyrford Historical Style Only Exposures

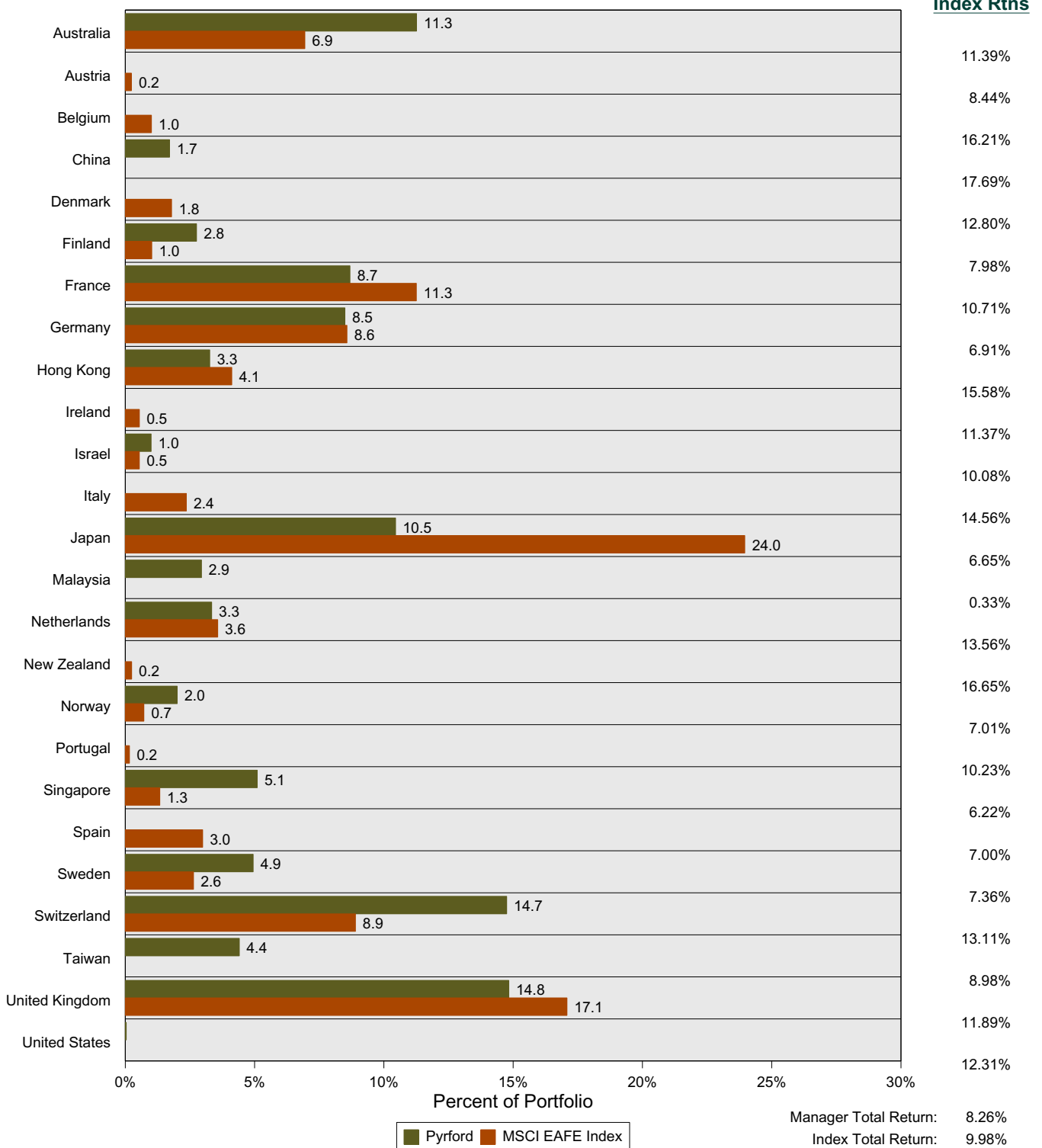


# Country Allocation Pyrford VS MSCI EAFE Index

## Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of March 31, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of March 31, 2019



## Pyrford Top 10 Portfolio Holdings Characteristics as of March 31, 2019

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Nestle S A Shs Nom New	Consumer Staples	\$1,001,140	3.8%	17.72%	291.88	21.61	2.58%	8.72%
Roche Hldgs Ag Basel Div Rts Ctf	Health Care	\$901,302	3.4%	15.14%	193.54	14.81	3.03%	4.59%
Novartis	Health Care	\$791,901	3.0%	16.42%	245.31	17.32	2.98%	6.92%
Japan Tobacco Inc Ord	Consumer Staples	\$658,333	2.5%	4.15%	49.60	12.57	5.46%	(5.55)%
Brambles Ltd Npv	Industrials	\$578,530	2.2%	17.66%	13.31	20.03	2.47%	7.25%
Woolworths Ltd	Consumer Staples	\$565,642	2.1%	5.90%	28.45	22.29	3.13%	6.65%
National Grid Ord	Utilities	\$552,510	2.1%	13.91%	37.81	14.67	5.47%	1.32%
Essity Ab	Consumer Staples	\$544,068	2.1%	17.75%	18.45	18.86	2.14%	7.78%
Telenor Asa Shs	Communication Services	\$531,807	2.0%	3.68%	29.51	16.95	4.86%	2.34%
Woodside Petroleum	Energy	\$481,191	1.8%	12.87%	23.02	14.52	5.77%	10.65%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
British American Tobacco	Consumer Staples	\$363,893	1.4%	32.80%	95.47	10.08	6.17%	6.34%
Rio Tinto Ltd Ord	Materials	\$290,735	1.1%	27.32%	25.82	12.55	4.08%	(8.93)%
Panalpina Welt Ag	Industrials	\$199,821	0.8%	25.28%	3.95	33.39	2.26%	34.90%
Qbe Insurance Group Ltd Shs	Financials	\$389,539	1.5%	24.45%	11.62	12.90	4.06%	14.28%
Merida Industry Co.	Consumer Discretionary	\$117,305	0.4%	24.30%	1.67	21.54	1.16%	(30.49)%
Vtech Holdings Ltd Shs New	Information Technology	\$274,199	1.0%	23.52%	2.57	13.14	7.81%	(3.56)%
Legal & General Group	Financials	\$425,121	1.6%	21.93%	21.38	8.69	5.96%	3.92%
Assa Abloy A B Ord B	Industrials	\$395,809	1.5%	21.30%	22.83	21.30	1.74%	11.40%
Advantech Co	Information Technology	\$274,911	1.0%	21.29%	5.80	23.81	2.58%	12.36%
Comfortdelgro Corporation Lt Shs	Industrials	\$385,662	1.5%	20.29%	4.11	17.25	4.09%	6.84%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Bezeq The Israeli Telecom Cp Ord	Communication Services	\$264,767	1.0%	(28.04)%	1.94	7.40	4.51%	(16.15)%
Nihon Kohden Corp Shs	Health Care	\$394,185	1.5%	(8.15)%	2.64	23.80	1.06%	(15.66)%
Kddi	Communication Services	\$443,677	1.7%	(8.08)%	54.56	9.24	3.98%	4.50%
Vodafone Group Plc New Shs New	Communication Services	\$300,312	1.1%	(6.49)%	49.55	14.92	9.51%	4.60%
Chunghwa Telecom Co Ltd Shs	Communication Services	\$393,519	1.5%	(3.32)%	27.56	24.32	4.38%	(1.25)%
Malayan Banking Bhd Maybank Shs	Financials	\$465,109	1.8%	(1.23)%	25.09	12.08	6.15%	8.69%
Power Assets Holdings Limite Shs	Utilities	\$305,251	1.2%	(0.35)%	14.80	14.95	5.14%	4.64%
Sumitomo Rubber Ind	Consumer Discretionary	\$380,181	1.4%	0.78%	3.16	9.43	4.14%	4.57%
Computershare Limited Cpu Shs	Information Technology	\$436,744	1.6%	0.84%	6.59	15.90	2.46%	9.57%
Fuchs Petrolub Pref.	Materials	\$409,087	1.5%	1.46%	2.89	18.59	2.56%	3.94%

# AQR

## Period Ended March 31, 2019

### Investment Philosophy

Returns prior to 9/30/2016 are linked to a composite history.

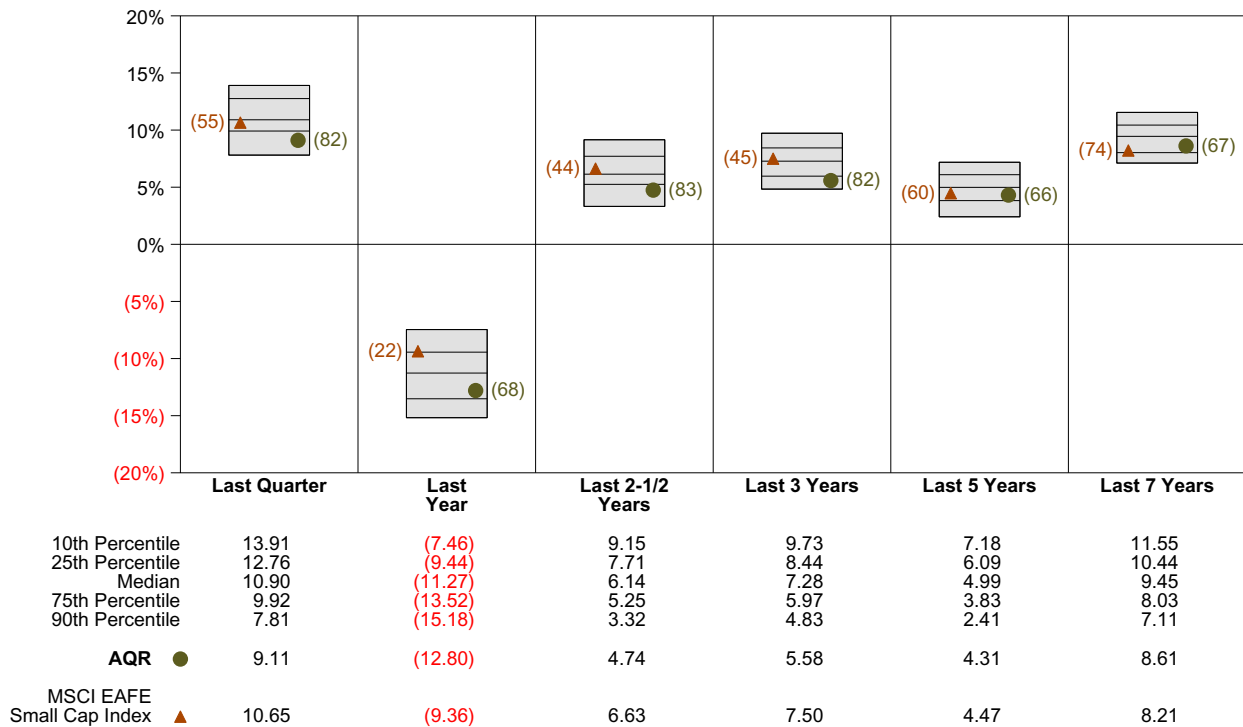
### Quarterly Summary and Highlights

- AQR's portfolio posted a 9.11% return for the quarter placing it in the 82 percentile of the Callan International Small Cap group for the quarter and in the 68 percentile for the last year.
- AQR's portfolio underperformed the MSCI EAFE Small Cap Index by 1.55% for the quarter and underperformed the MSCI EAFE Small Cap Index for the year by 3.44%.

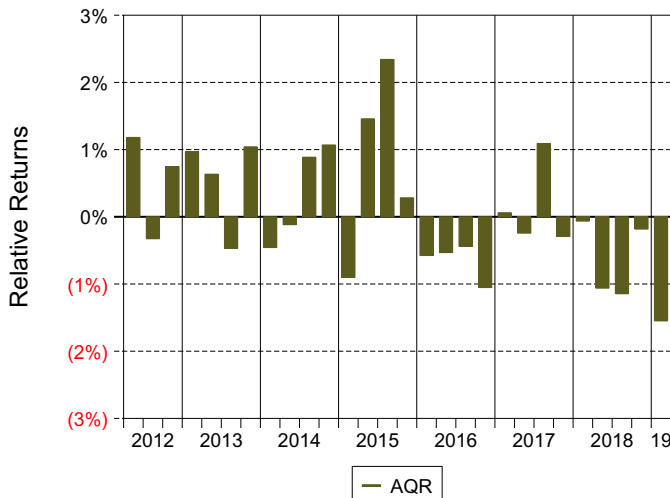
### Quarterly Asset Growth

Beginning Market Value	\$11,927,378
Net New Investment	\$0
Investment Gains/(Losses)	\$1,059,359
Ending Market Value	\$12,986,737

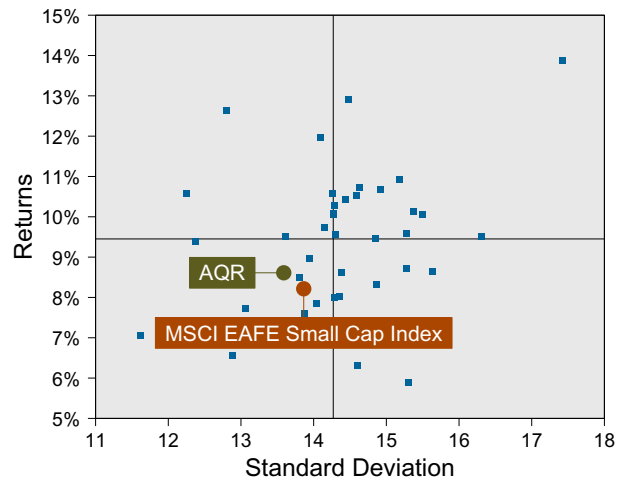
### Performance vs Callan International Small Cap (Gross)



### Relative Returns vs MSCI EAFE Small Cap Index



### Callan International Small Cap (Gross) Annualized Seven Year Risk vs Return

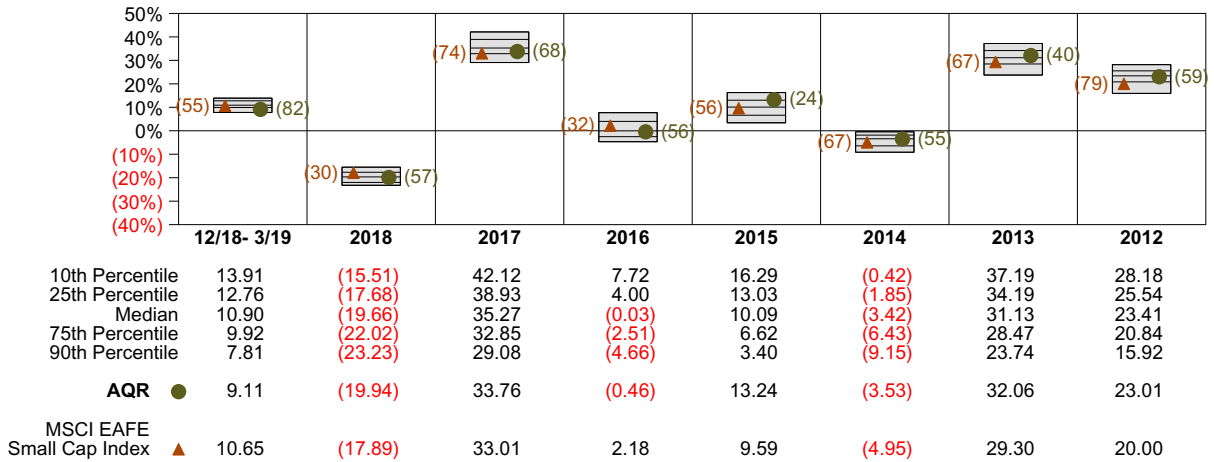


# AQR Return Analysis Summary

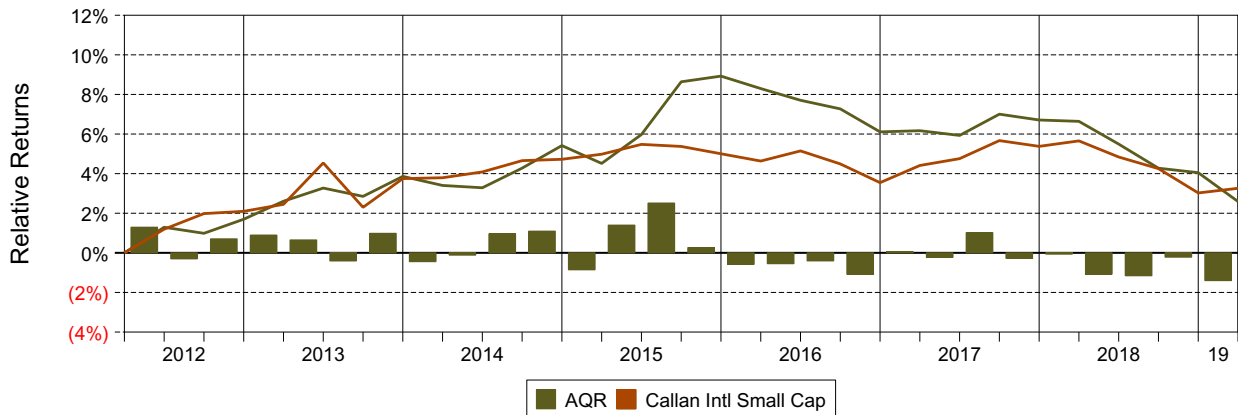
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

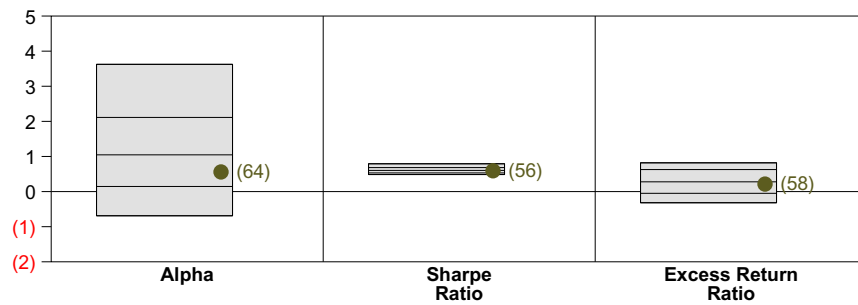
### Performance vs Callan International Small Cap (Gross)



### Cumulative and Quarterly Relative Return vs MSCI EAFE Small Cap Index



### Risk Adjusted Return Measures vs MSCI EAFE Small Cap Index Rankings Against Callan International Small Cap (Gross) Seven Years Ended March 31, 2019



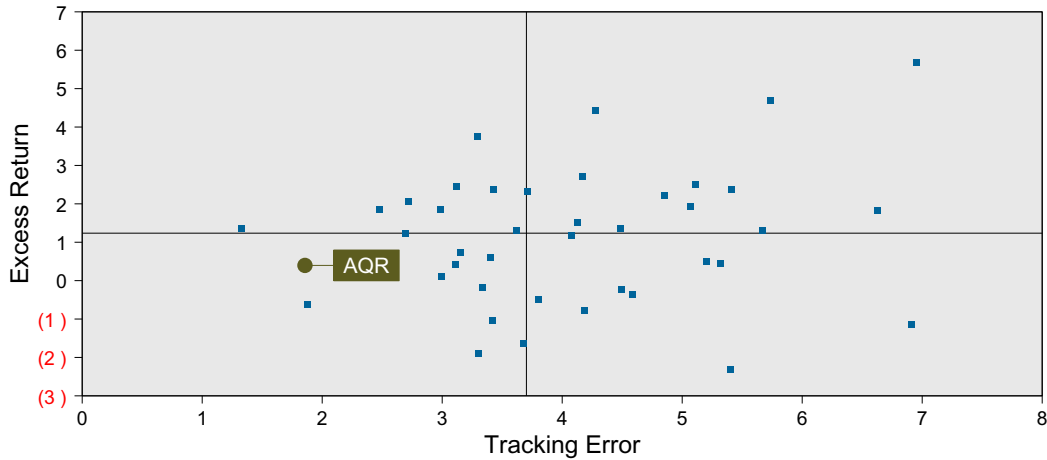
10th Percentile	3.62	0.79	0.82
25th Percentile	2.11	0.68	0.63
Median	1.05	0.60	0.28
75th Percentile	0.15	0.53	(0.05)
90th Percentile	(0.69)	0.49	(0.32)
<b>AQR</b> ●	0.56	0.59	0.21

# AQR Risk Analysis Summary

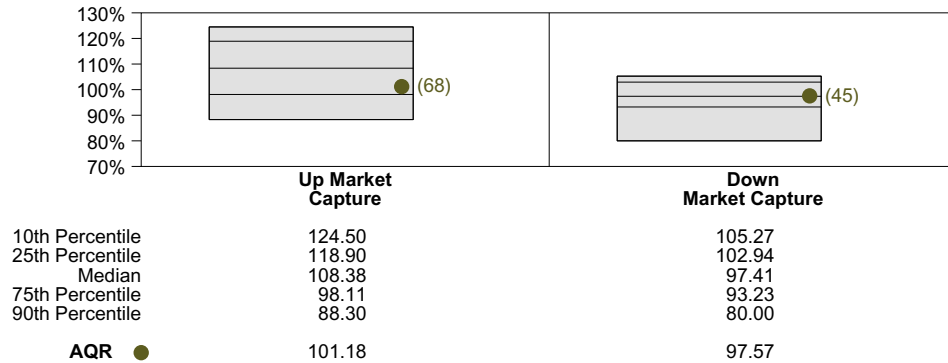
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

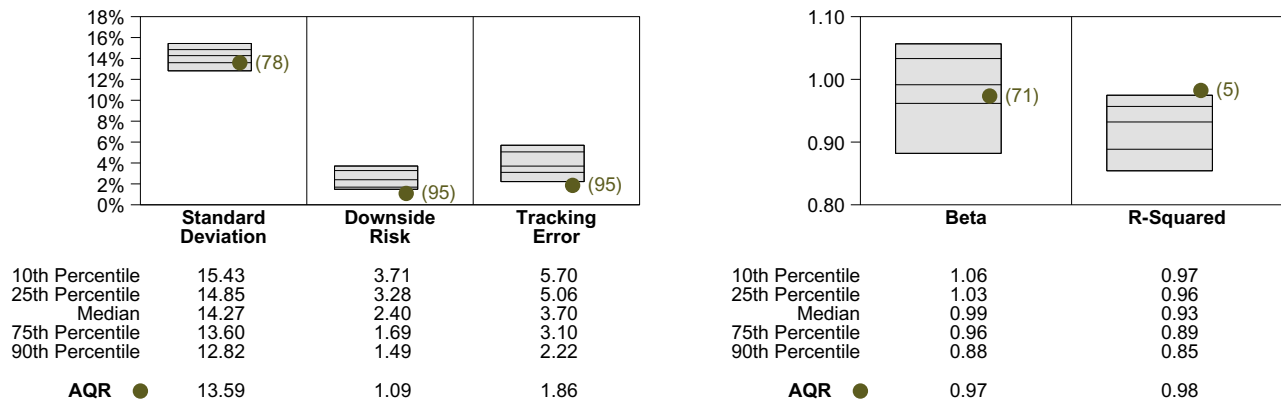
### Risk Analysis vs Callan International Small Cap (Gross) Seven Years Ended March 31, 2019



### Market Capture vs MSCI EAFE Small Cap Index Rankings Against Callan International Small Cap (Gross) Seven Years Ended March 31, 2019



### Risk Statistics Rankings vs MSCI EAFE Small Cap Index Rankings Against Callan International Small Cap (Gross) Seven Years Ended March 31, 2019

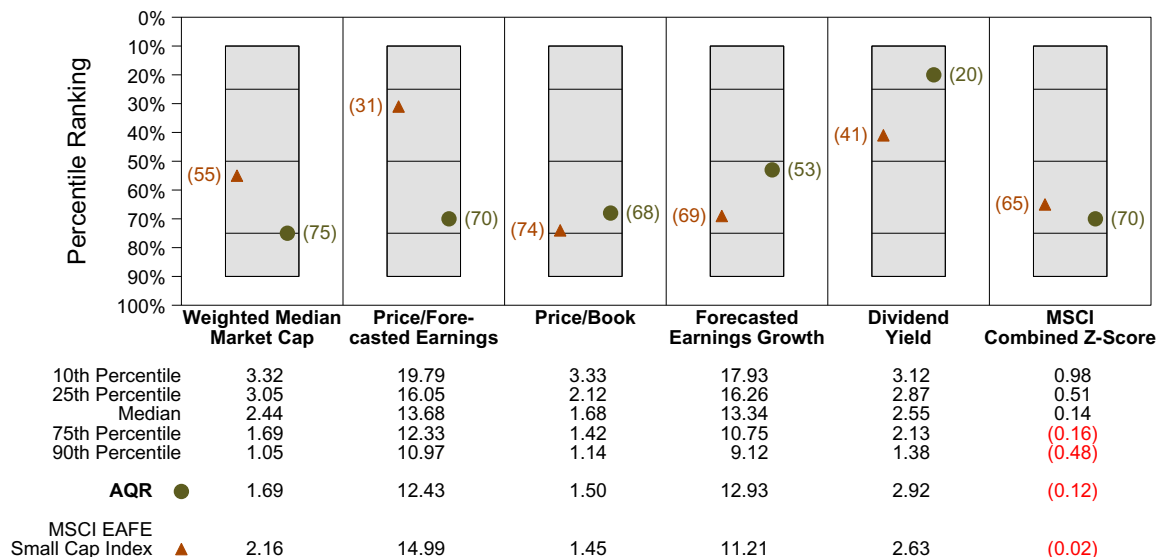


# AQR Equity Characteristics Analysis Summary

## Portfolio Characteristics

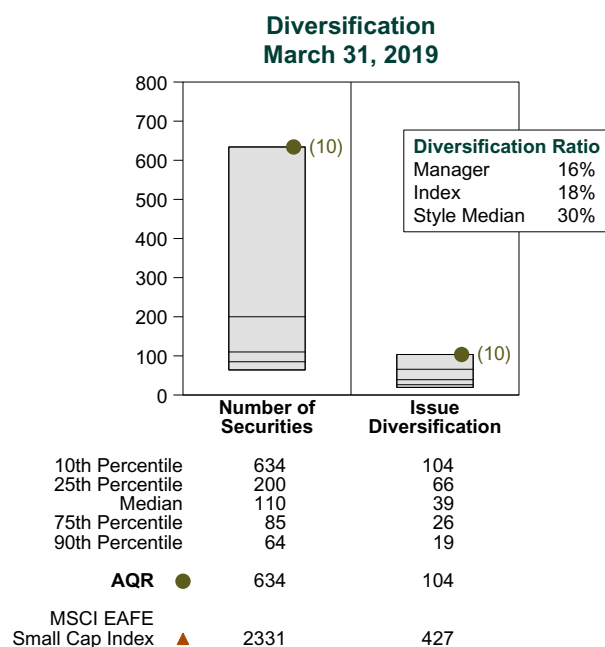
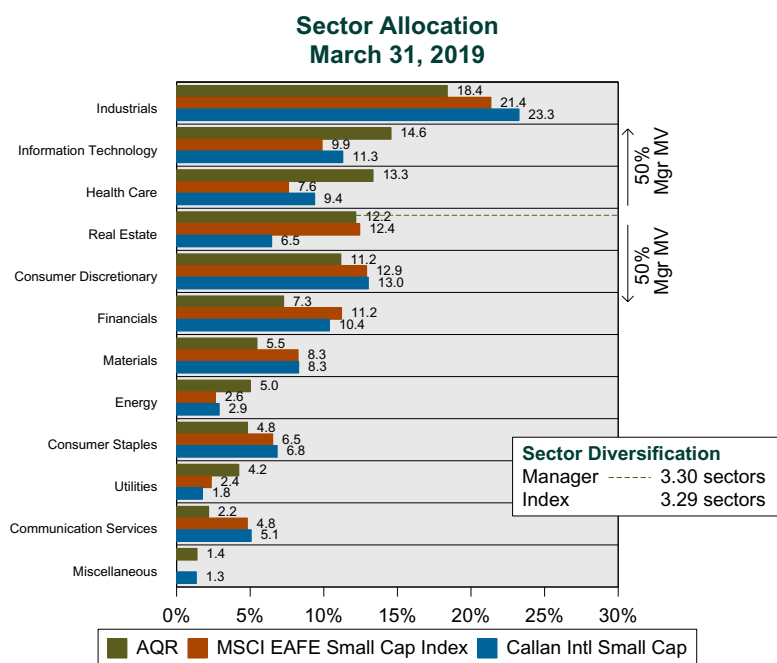
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Callan International Small Cap as of March 31, 2019



## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.





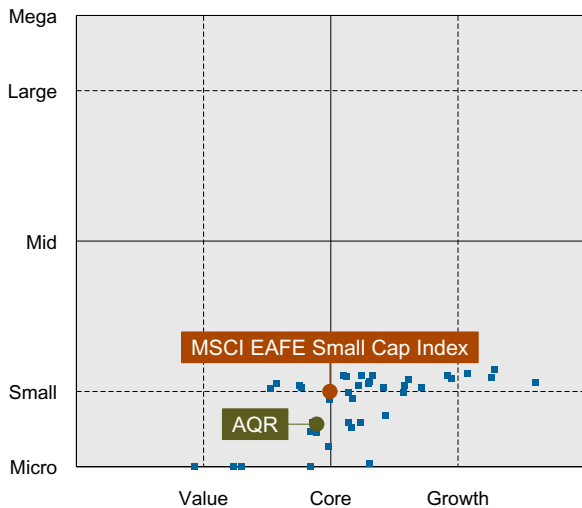
# Current Holdings Based Style Analysis

## AQR

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

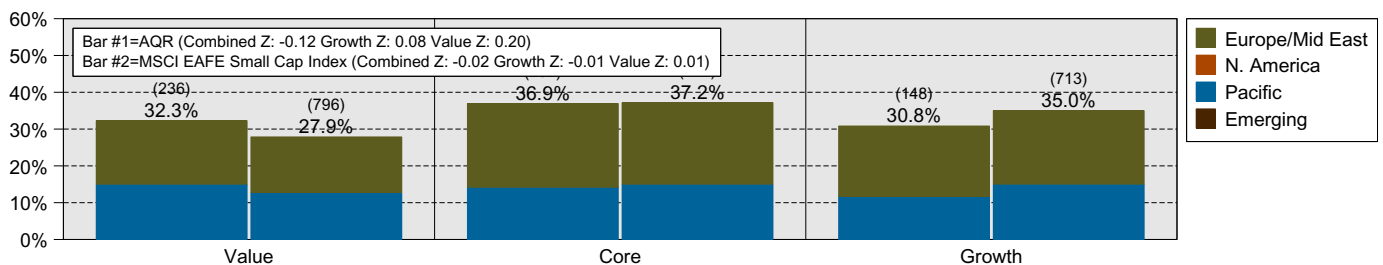
**Style Map vs Callan Intl Small Cap Holdings as of March 31, 2019**



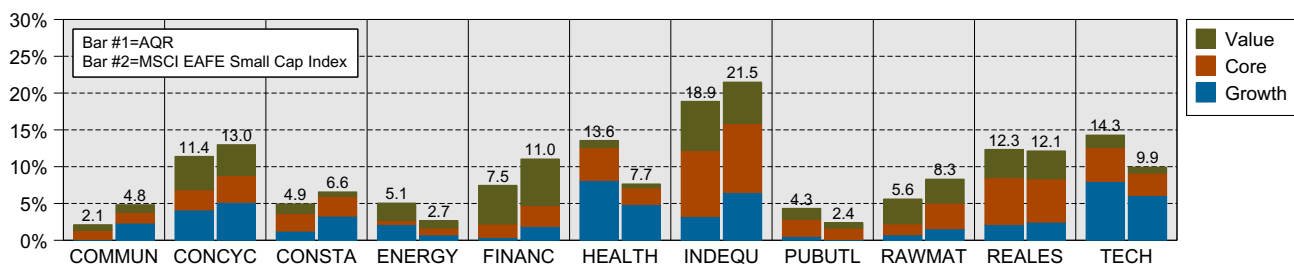
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Europe/ Mid East	17.2% (100)	22.7% (113)	19.0% (70)	59.0% (283)
N. America	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	15.0% (136)	14.2% (119)	11.8% (78)	41.0% (333)
Emerging	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
<b>Total</b>	<b>32.3% (236)</b>	<b>36.9% (232)</b>	<b>30.8% (148)</b>	<b>100.0% (616)</b>
	<b>27.9% (796)</b>	<b>37.2% (809)</b>	<b>35.0% (713)</b>	<b>100.0% (2318)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**



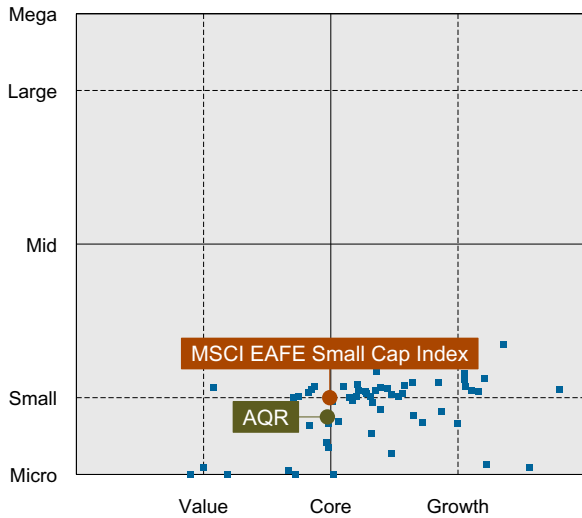
# Historical Holdings Based Style Analysis

## AQR

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

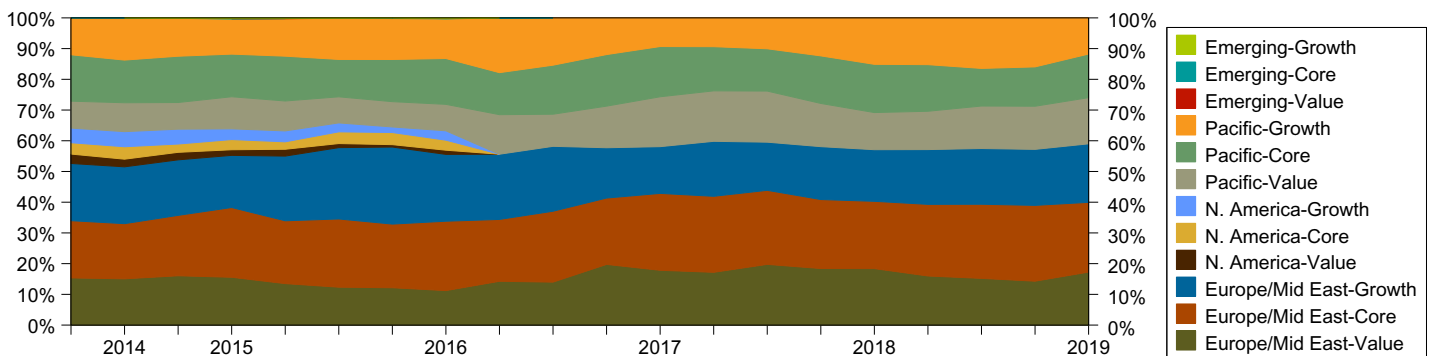
**Average Style Map vs Callan Intl Small Cap Holdings for Five Years Ended March 31, 2019**



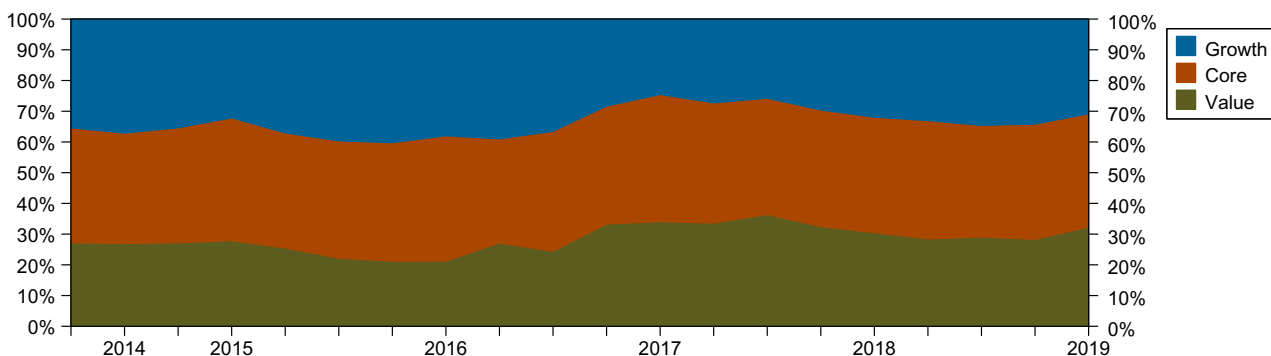
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	15.7% (103)	22.1% (118)	18.9% (86)	56.7% (307)
Europe/ Mid East	15.3% (312)	22.2% (373)	20.1% (313)	57.7% (998)
N. America	0.8% (8)	1.4% (10)	1.5% (9)	3.6% (27)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	12.0% (122)	14.5% (116)	13.1% (87)	39.6% (325)
	13.3% (433)	14.8% (426)	14.2% (370)	42.3% (1229)
Emerging	0.0% (0)	0.0% (0)	0.0% (0)	0.1% (0)
	0.0% (1)	0.0% (1)	0.0% (1)	0.1% (3)
<b>Total</b>	<b>28.5% (233)</b>	<b>38.0% (244)</b>	<b>33.5% (182)</b>	<b>100.0% (659)</b>
	<b>28.6% (746)</b>	<b>37.0% (800)</b>	<b>34.4% (684)</b>	<b>100.0% (2230)</b>
	Value	Core	Growth	Total

### AQR Historical Region/Style Exposures



### AQR Historical Style Only Exposures



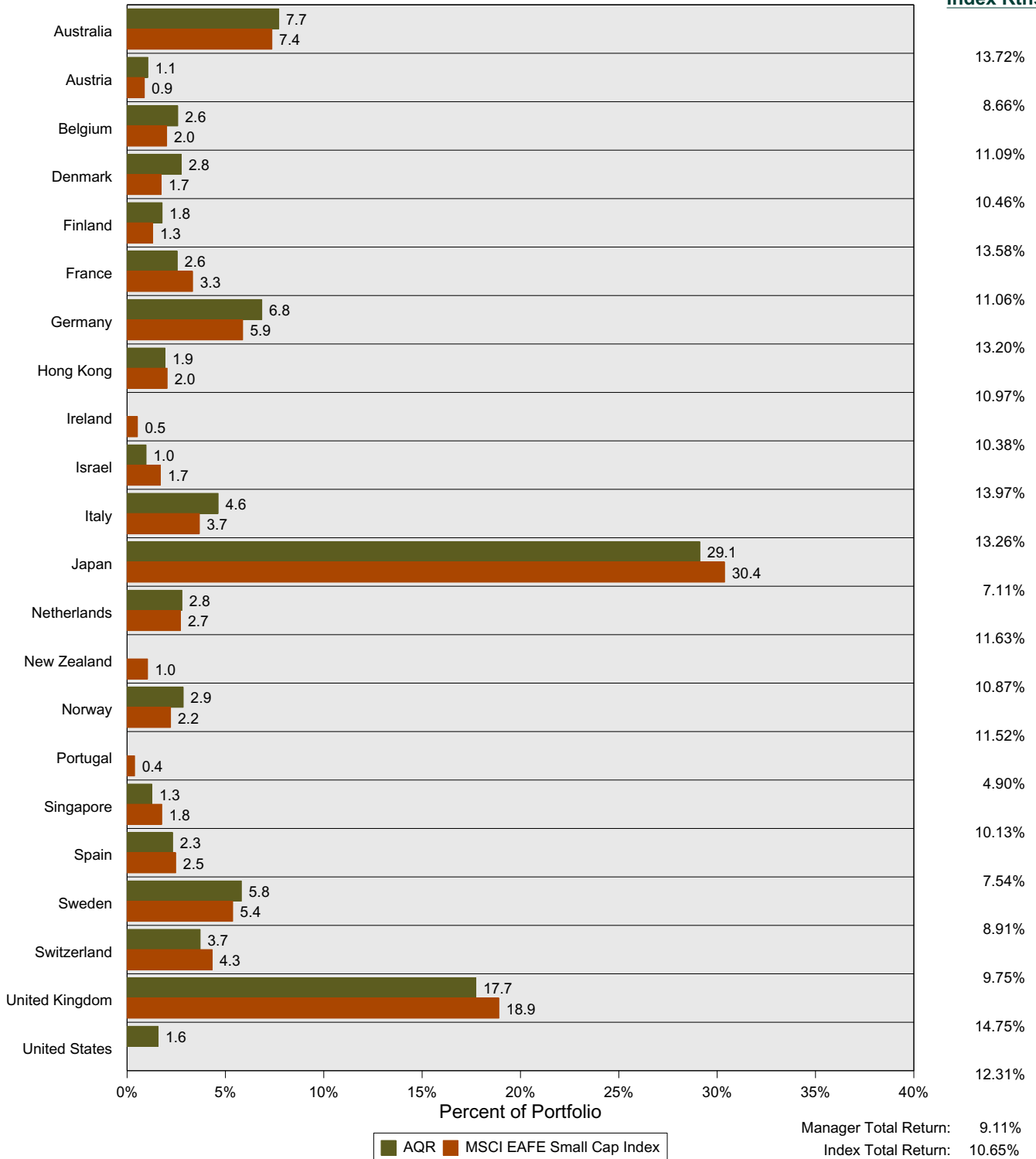
## Country Allocation AQR VS MSCI EAFE Small Cap Index

### Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of March 31, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

### Country Weights as of March 31, 2019

### Index Rtns



## AQR Top 10 Portfolio Holdings Characteristics as of March 31, 2019

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Swedish Orphan Biovitrum Ab Shs	Health Care	\$216,003	1.7%	8.03%	7.00	17.95	0.00%	14.44%
Dno Asa Shs A	Energy	\$202,098	1.6%	55.07%	2.41	8.60	2.09%	14.26%
Saras Raffinerie Sarde Spa Shs	Energy	\$156,425	1.2%	(4.09)%	1.76	7.57	4.85%	0.32%
Drax Group Ord Gbp0.1	Utilities	\$128,695	1.0%	7.90%	1.94	12.54	3.73%	185.40%
Cancom It Systeme Nm	Information Technology	\$116,087	0.9%	36.42%	1.57	23.51	1.25%	22.20%
Ferrexpo Plc London Shs	Materials	\$115,672	0.9%	30.14%	1.90	5.37	2.05%	(12.32)%
Electrocomponent Plc Ord	Information Technology	\$113,619	0.9%	13.46%	3.25	14.35	2.37%	14.48%
Sandfire Resources NI Shs	Materials	\$110,587	0.9%	5.36%	0.78	6.35	3.76%	12.40%
Unipol Gruppo Finanziario Sp Shs	Financials	\$109,730	0.8%	23.96%	3.58	6.89	4.05%	23.23%
Computacenter Plc Shs Par 0.075555	Information Technology	\$107,740	0.8%	12.48%	1.64	14.09	2.74%	4.37%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Appen	Information Technology	\$38,556	0.3%	74.73%	1.90	45.22	0.49%	74.71%
Afterpay Touch Group	Information Technology	\$5,080	0.0%	70.48%	3.54	183.73	0.00%	-
Petroleum Geo-Services	Energy	\$25,583	0.2%	69.65%	0.78	30.80	0.00%	(59.42)%
Ophir Energy	Energy	\$1,804	0.0%	63.05%	0.53	15.74	0.00%	-
Nemetschek Nm	Information Technology	\$76,949	0.6%	55.88%	6.53	60.32	0.54%	11.30%
Dno Asa Shs A	Energy	\$202,098	1.6%	55.07%	2.41	8.60	2.09%	14.26%
Beach Petroleum	Energy	\$9,868	0.1%	54.97%	3.33	10.30	0.97%	23.22%
Myer Holdings Ltd Npv	Consumer Discretionary	\$14,669	0.1%	50.75%	0.36	15.73	8.06%	(17.54)%
Altium Ltd Shs	Information Technology	\$10,352	0.1%	50.67%	3.00	48.85	0.93%	18.82%
Bravura Solutions	Information Technology	\$28,002	0.2%	50.66%	0.83	31.85	1.79%	-

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Attendo	Health Care	\$5,167	0.0%	(43.12)%	0.81	12.29	1.28%	4.55%
Plus500 (Di)	Financials	\$62,312	0.5%	(40.61)%	1.11	5.52	20.65%	40.95%
Bang & Olufsen Ord CI B	Consumer Discretionary	\$4,443	0.0%	(33.84)%	0.39	14.17	0.00%	5.10%
Just Retirement	Financials	\$44,627	0.3%	(31.76)%	0.75	3.92	0.00%	2.91%
St Barbara Ltd Shs New	Materials	\$54,101	0.4%	(26.97)%	1.26	11.13	5.09%	(14.82)%
Helphire Group	Industrials	\$11,248	0.1%	(25.50)%	0.48	8.66	9.79%	18.85%
Nippon Gas	Utilities	\$7,874	0.1%	(22.85)%	1.19	15.44	1.50%	75.05%
Partner Communications Co Lt Ord	Communication Services	\$5,283	0.0%	(21.68)%	0.63	26.90	0.00%	(10.05)%
Swissquote Group Holding Ag Ord	Financials	\$30,095	0.2%	(20.59)%	0.56	10.47	2.75%	19.40%
Gam Holding	Financials	\$31,569	0.2%	(20.16)%	0.50	16.02	0.00%	(15.60)%

# DFA Emerging Markets Period Ended March 31, 2019

## Investment Philosophy

Returns prior to 6/30/2013 are linked to a composite history.

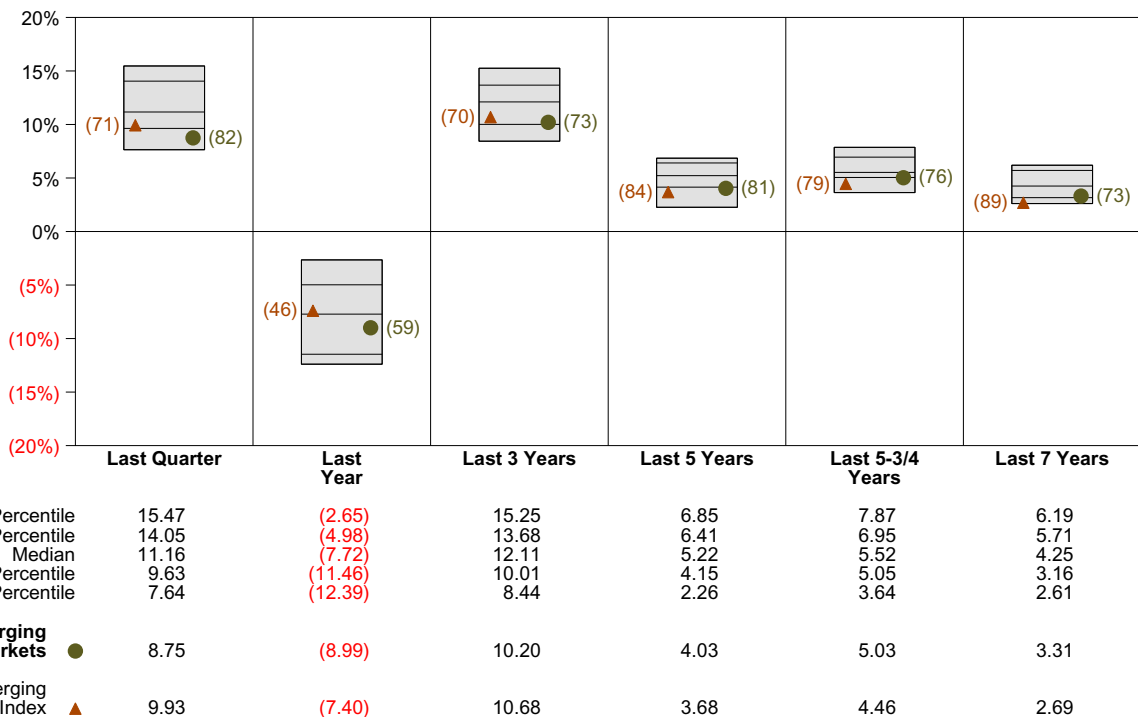
## Quarterly Summary and Highlights

- DFA Emerging Markets's portfolio posted a 8.75% return for the quarter placing it in the 82 percentile of the Callan Emerging Markets Equity Mut Funds group for the quarter and in the 59 percentile for the last year.
- DFA Emerging Markets's portfolio underperformed the MSCI Emerging Markets Index by 1.18% for the quarter and underperformed the MSCI Emerging Markets Index for the year by 1.59%.

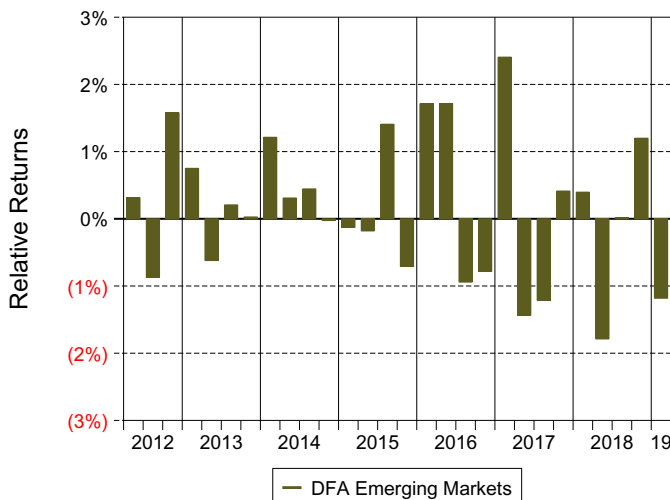
## Quarterly Asset Growth

Beginning Market Value	\$15,024,005
Net New Investment	\$0
Investment Gains/(Losses)	\$1,293,037
Ending Market Value	\$16,317,042

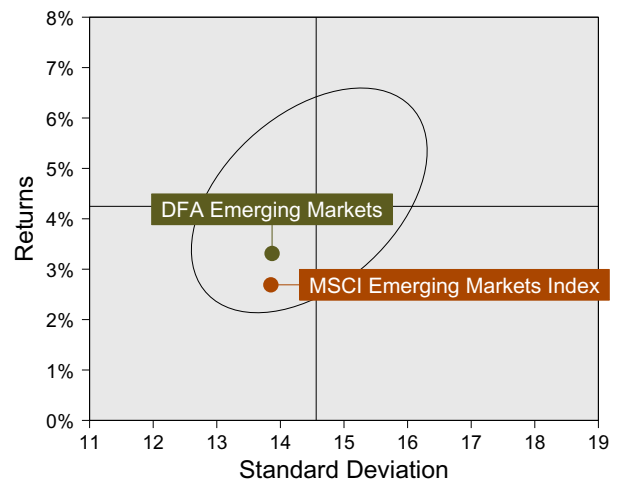
## Performance vs Callan Emerging Markets Equity Mut Funds (Gross)



## Relative Returns vs MSCI Emerging Markets Index



## Callan Emerging Markets Equity Mut Funds (Gross) Annualized Seven Year Risk vs Return

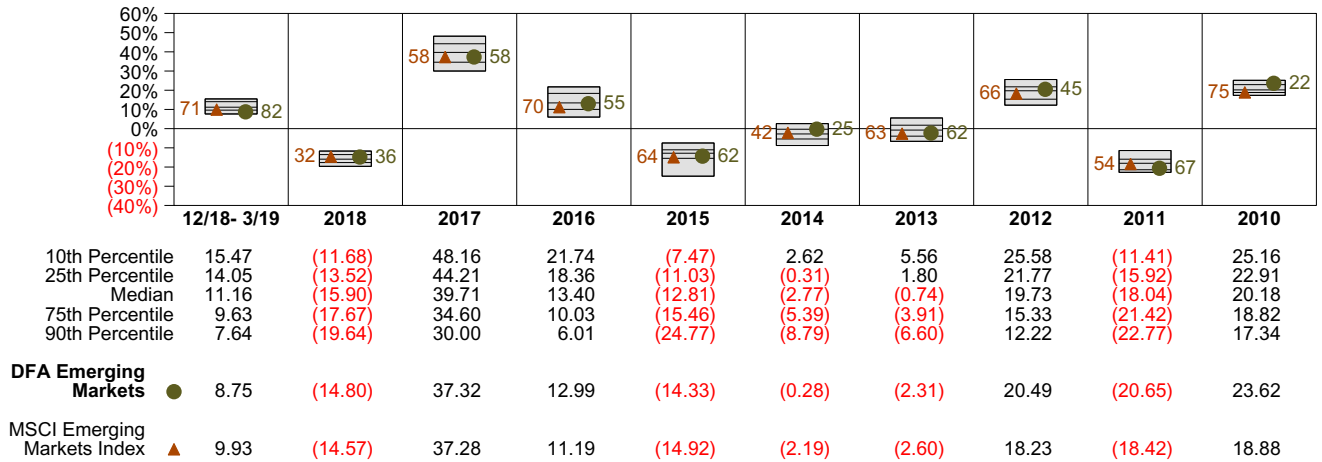


# DFA Emerging Markets Return Analysis Summary

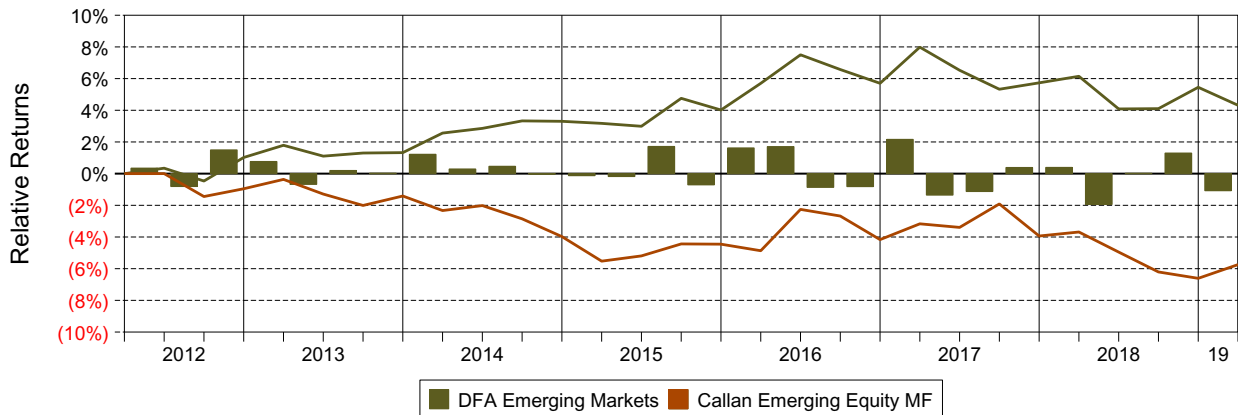
## Return Analysis

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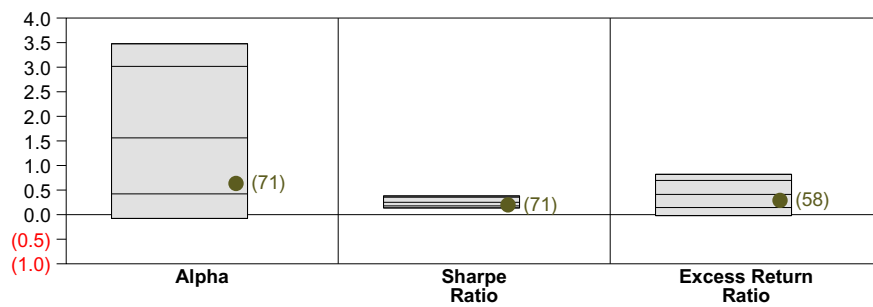
### Performance vs Callan Emerging Markets Equity Mut Funds (Gross)



### Cumulative and Quarterly Relative Return vs MSCI Emerging Markets Index



### Risk Adjusted Return Measures vs MSCI Emerging Markets Index Rankings Against Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended March 31, 2019



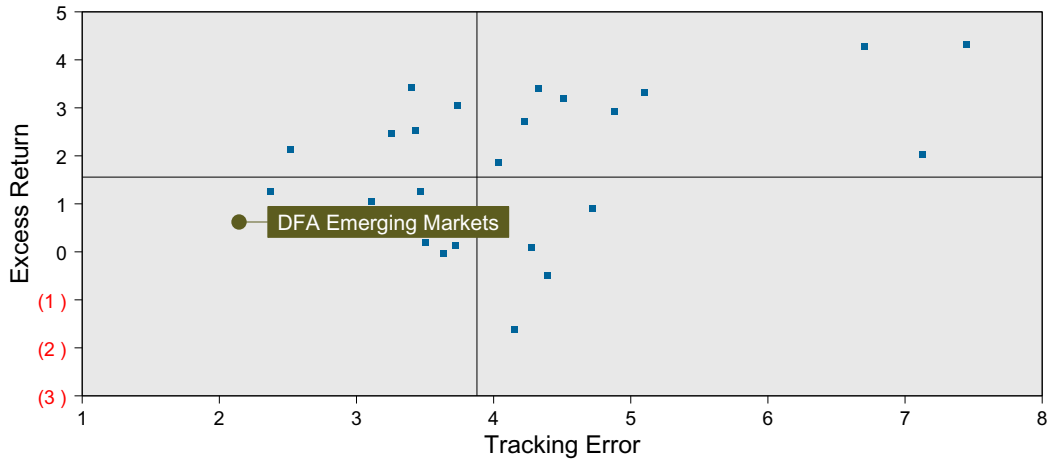
	Alpha	Sharpe Ratio	Excess Return Ratio
10th Percentile	3.48	0.38	0.82
25th Percentile	3.02	0.35	0.70
Median	1.56	0.25	0.41
75th Percentile	0.42	0.18	0.14
90th Percentile	(0.08)	0.14	(0.02)
<b>DFA Emerging Markets</b>	● 0.63	0.20	0.29

# DFA Emerging Markets Risk Analysis Summary

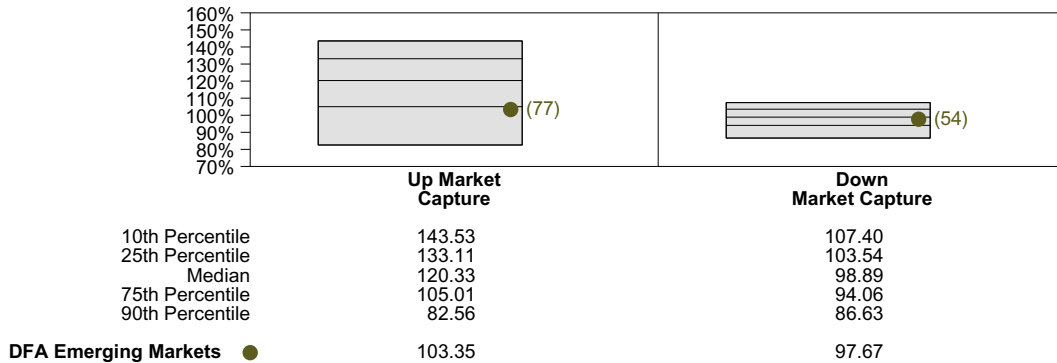
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

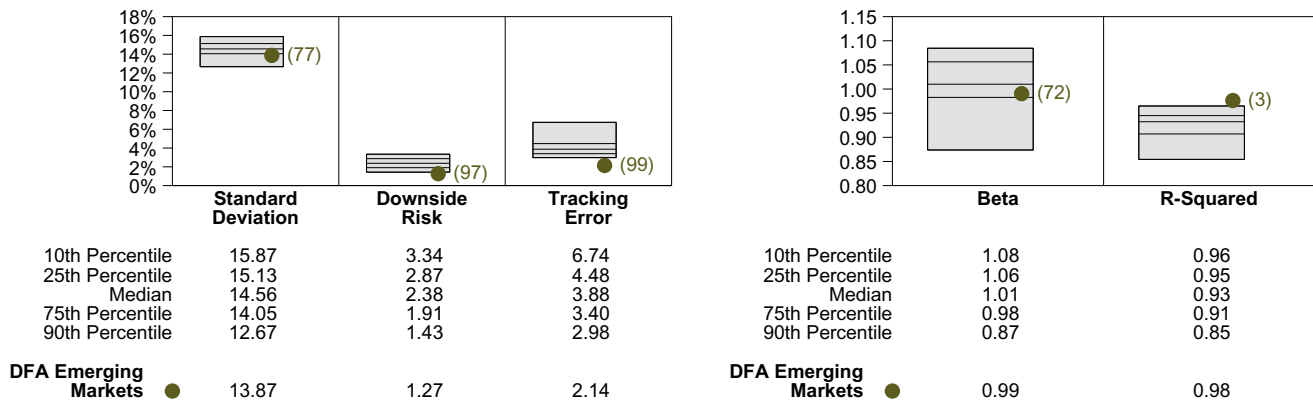
### Risk Analysis vs Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended March 31, 2019



### Market Capture vs MSCI Emerging Markets Index Rankings Against Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended March 31, 2019



### Risk Statistics Rankings vs MSCI Emerging Markets Index Rankings Against Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended March 31, 2019

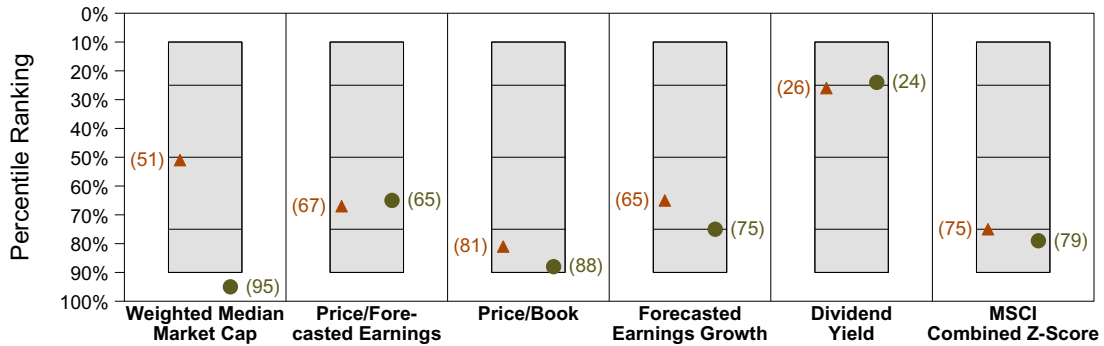


# DFA Emerging Markets Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Callan Emerging Markets Equity Mut Funds as of March 31, 2019

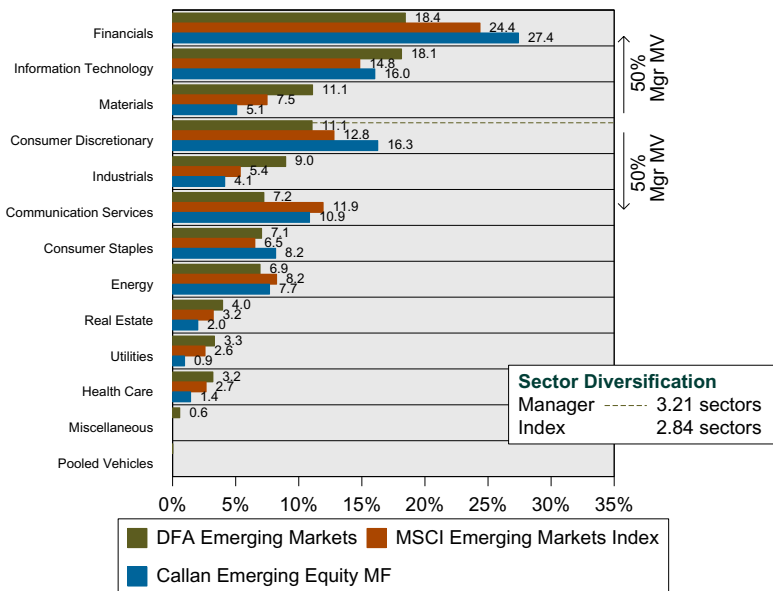


	Weighted Median Market Cap	Price/Forecasted Earnings	Price/Book	Forecasted Earnings Growth	Dividend Yield	MSCI Combined Z-Score
10th Percentile	46.72	18.25	3.63	18.44	3.66	0.72
25th Percentile	40.34	16.03	2.64	16.66	2.66	0.66
Median	21.17	13.18	1.95	15.17	2.28	0.25
75th Percentile	17.00	11.44	1.69	14.21	1.98	(0.03)
90th Percentile	12.63	10.66	1.37	10.89	1.76	(0.42)
<b>DFA Emerging Markets</b>	6.57	12.33	1.44	14.20	2.74	(0.17)
MSCI Emerging Markets Index	20.79	11.96	1.61	14.92	2.62	(0.03)

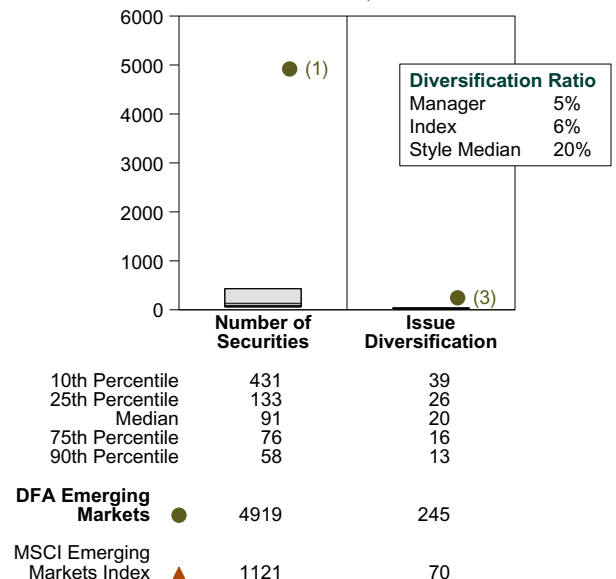
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

### Sector Allocation March 31, 2019



### Diversification March 31, 2019





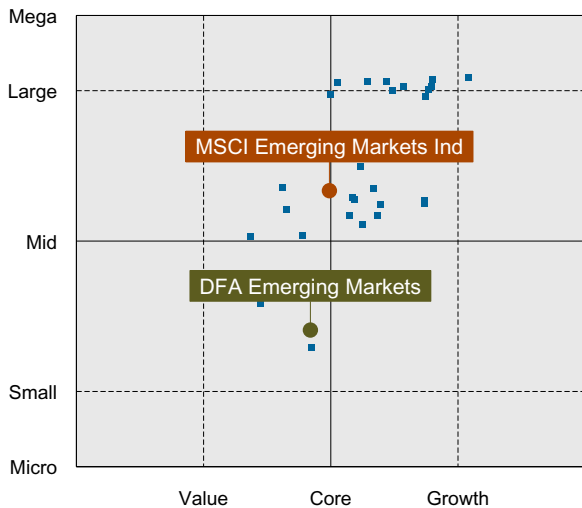
# Current Holdings Based Style Analysis

## DFA Emerging Markets

### As of March 31, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

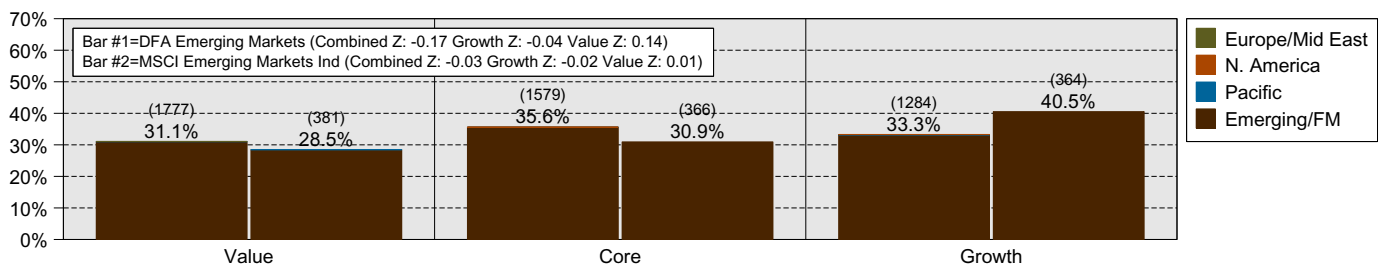
**Style Map vs Callan Emerging Equity MF Holdings as of March 31, 2019**



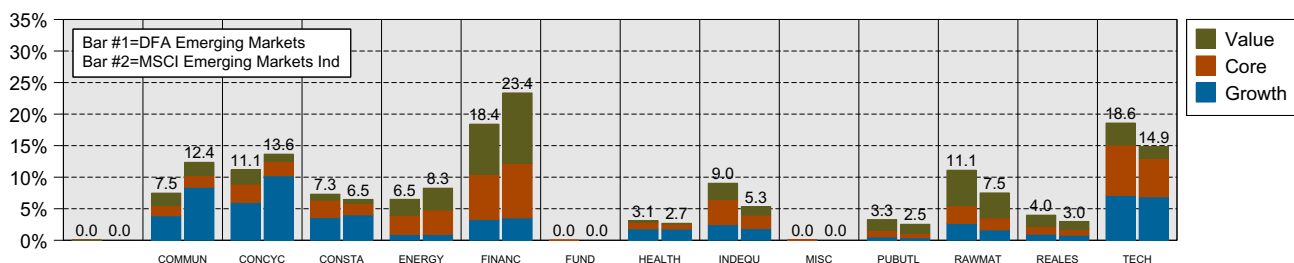
**Style Exposure Matrix Holdings as of March 31, 2019**

	Value	Core	Growth	Total
Europe/ Mid East	0.0% (1) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (1) 0.0% (0)
N. America	0.0% (0) 0.0% (0)	0.0% (3) 0.0% (0)	0.0% (2) 0.0% (0)	0.1% (5) 0.0% (0)
Pacific	0.1% (19) 0.1% (2)	0.0% (26) 0.0% (0)	0.1% (18) 0.0% (0)	0.3% (63) 0.1% (2)
Emerging/ FM	31.0% (1757) 28.4% (379)	35.6% (1550) 30.9% (366)	33.1% (1264) 40.5% (364)	99.7% (4571) 99.9% (1109)
<b>Total</b>	<b>31.1% (1777)</b> <b>28.5% (381)</b>	<b>35.6% (1579)</b> <b>30.9% (366)</b>	<b>33.3% (1284)</b> <b>40.5% (364)</b>	<b>100.0% (4640)</b> <b>100.0% (1111)</b>

**Combined Z-Score Style Distribution Holdings as of March 31, 2019**



**Sector Weights Distribution Holdings as of March 31, 2019**



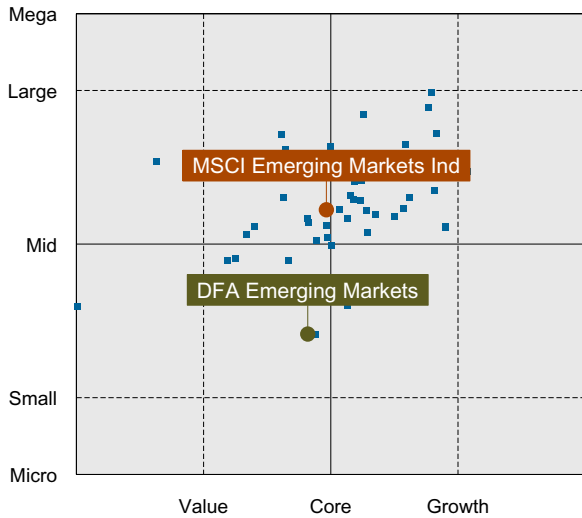
# Historical Holdings Based Style Analysis

## DFA Emerging Markets

### For Five Years Ended March 31, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

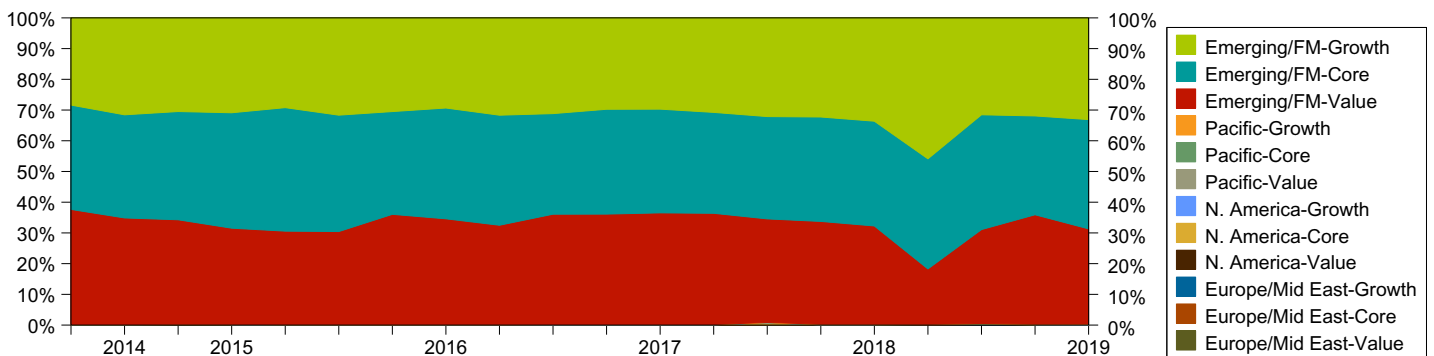
**Average Style Map vs Callan Emerging Equity MF Holdings for Five Years Ended March 31, 2019**



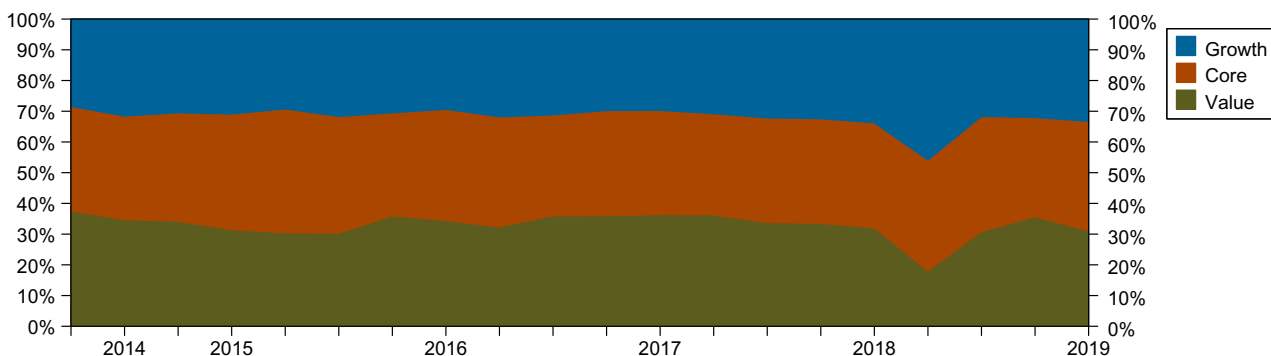
**Average Style Exposure Matrix Holdings for Five Years Ended March 31, 2019**

	0.0% (0)	0.0% (1)	0.0% (0)	0.1% (1)
Europe/ Mid East	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
N. America	0.0% (1)	0.0% (3)	0.0% (1)	0.1% (5)
Pacific	0.0% (14)	0.0% (20)	0.0% (9)	0.1% (43)
Emerging/ FM	33.0% (1420)	35.0% (1406)	31.8% (906)	99.7% (3732)
	32.1% (313)	31.6% (278)	36.3% (291)	100.0% (882)
<b>Total</b>	<b>33.0% (1435)</b>	<b>35.1% (1430)</b>	<b>31.8% (916)</b>	<b>100.0% (3781)</b>
	<b>32.1% (313)</b>	<b>31.6% (278)</b>	<b>36.3% (291)</b>	<b>100.0% (882)</b>
	Value	Core	Growth	Total

**DFA Emerging Markets Historical Region/Style Exposures**



**DFA Emerging Markets Historical Style Only Exposures**

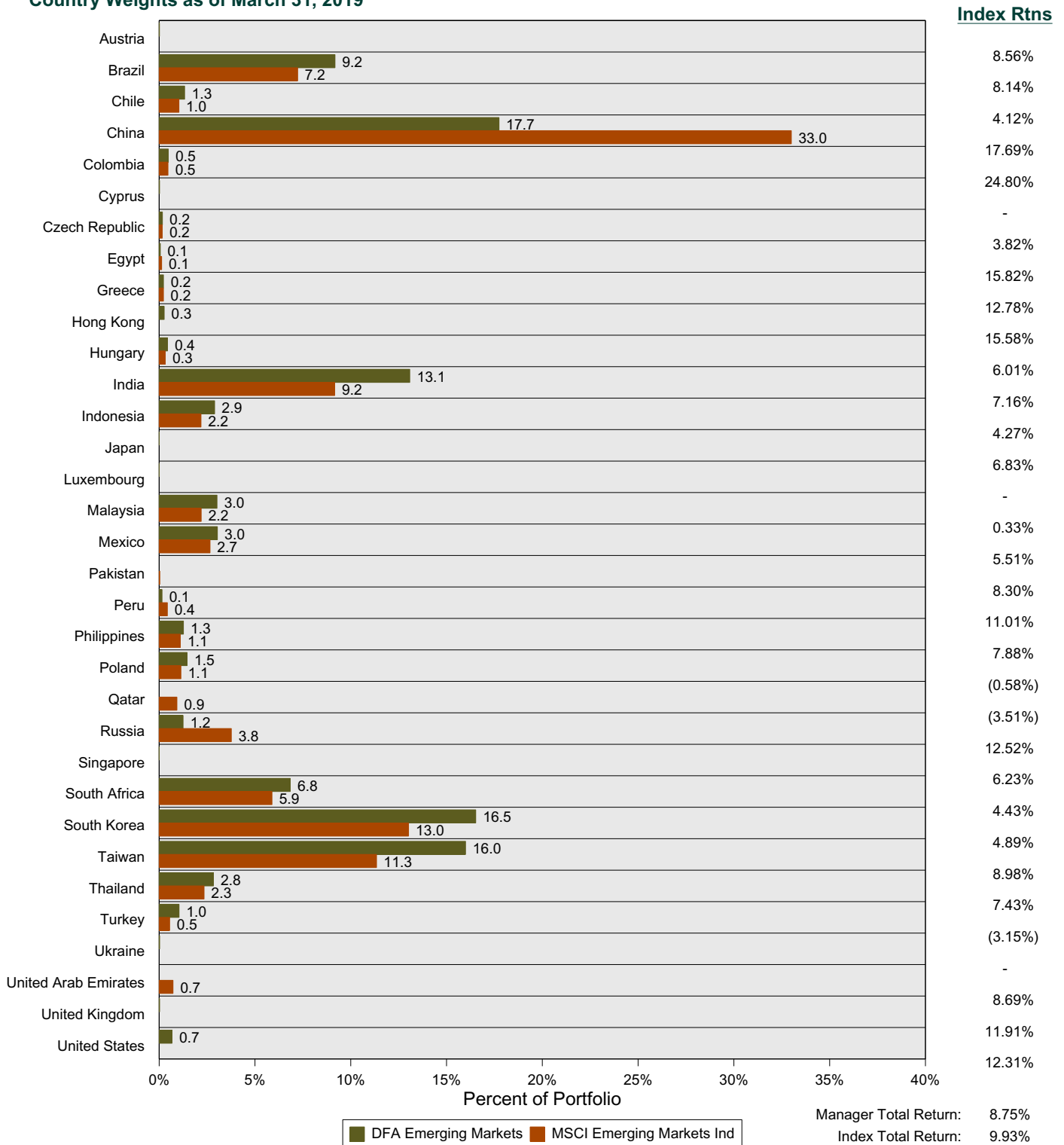


## Country Allocation DFA Emerging Markets VS MSCI Emerging Markets Index

### Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of March 31, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

### Country Weights as of March 31, 2019



## DFA Emerging Markets Top 10 Portfolio Holdings Characteristics as of March 31, 2019

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Samsung Electronics Co Ltd Ord	Information Technology	\$615,232	3.8%	14.47%	234.83	10.55	3.17%	(2.70)%
Tencent Holdings Limited Shs Par Hkd	Communication Services	\$289,721	1.8%	14.67%	437.82	29.73	0.28%	22.04%
Taiwan Semiconductor Mfg Co Ltd Spon	Information Technology	\$256,699	1.6%	10.97%	206.55	17.99	3.26%	7.10%
Taiwan Semicond Manufac Co L Shs	Information Technology	\$190,579	1.2%	8.57%	206.55	17.99	3.26%	7.10%
Alibaba Group Hldg Ltd Sponsored Ads	Consumer Discretionary	\$160,204	1.0%	33.11%	472.94	27.07	0.00%	24.20%
Vale Sa Shs	Materials	\$145,478	0.9%	(0.55)%	69.16	7.27	4.28%	0.60%
Sk Hynix Inc Shs	Information Technology	\$129,597	0.8%	50.00%	47.59	8.30	2.02%	4.31%
Ping An Insurance H	Financials	\$115,464	0.7%	22.66%	83.39	10.24	2.28%	17.36%
Reliance Industries Ltd Shs Demateri	Energy	\$114,582	0.7%	22.53%	124.74	16.83	0.44%	13.10%
China Construction Bank Shs H	Financials	\$112,740	0.7%	3.92%	206.12	5.19	5.31%	3.69%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
China Yurun Food Grp Ltd Shs	Consumer Staples	\$1,206	0.0%	190.30%	0.43	(0.71)	0.00%	-
Naim Cendera Hldg. Bhd.	Real Estate	\$309	0.0%	163.75%	0.15	3.42	0.00%	-
Dayang Enter.Hdg.	Energy	\$757	0.0%	160.55%	0.33	13.08	2.52%	14.90%
Jettech	Information Technology	\$742	0.0%	142.11%	0.17	68.32	0.77%	87.38%
The Korea Express Co Ltd Shs	Industrials	\$4,424	0.0%	129.27%	3.33	30.86	0.00%	67.98%
Digital Daesung	Information Technology	\$57	0.0%	120.00%	0.20	13.94	1.99%	(35.13)%
Vestel Elektronik	Consumer Discretionary	\$1,564	0.0%	118.70%	0.77	10.41	0.00%	49.00%
China Pwr New Energy Dev	Utilities	\$954	0.0%	117.16%	0.78	27.38	1.24%	9.99%
Essel Propack	Materials	\$1,224	0.0%	114.33%	0.53	15.14	1.03%	4.00%
Clean & Science	Materials	\$618	0.0%	113.64%	0.16	16.19	0.55%	(61.24)%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Fossal S A A Sponsored Adr	Miscellaneous	\$0	0.0%	(99.91)%	0.00	-	0.00%	-
Reliance Communication Ventu Shs Dem	Communication Services	\$474	0.0%	(71.43)%	0.16	(0.05)	0.00%	(33.64)%
Jiayuan Intl.Gp.	Real Estate	\$507	0.0%	(70.84)%	1.35	4.85	5.06%	-
Pricerite Group	Real Estate	\$29	0.0%	(66.67)%	0.14	-	0.00%	-
Enterprise Outsourcing	Information Technology	\$503	0.0%	(66.34)%	0.13	4.65	0.00%	21.50%
Kic	Industrials	\$16	0.0%	(63.64)%	0.26	(10.53)	0.00%	-
Tongaat Hulett Ltd Shs	Consumer Staples	\$1,040	0.0%	(61.45)%	0.20	2.88	7.42%	(9.36)%
Innovis Hdg. Ltd.	Materials	\$28	0.0%	(60.83)%	0.09	-	0.00%	-
Reliance Power	Utilities	\$706	0.0%	(60.00)%	0.46	3.14	0.00%	(5.62)%
Kai Shi China Holdings Co.	Industrials	\$23	0.0%	(59.64)%	0.14	9.20	0.00%	-



# Metropolitan West Period Ended March 31, 2019

## Investment Philosophy

Metropolitan West Asset Management (MWAM) attempts to add value by limiting duration, managing the yield curve, rotating among bond market sectors and using proprietary quantitative valuation techniques.

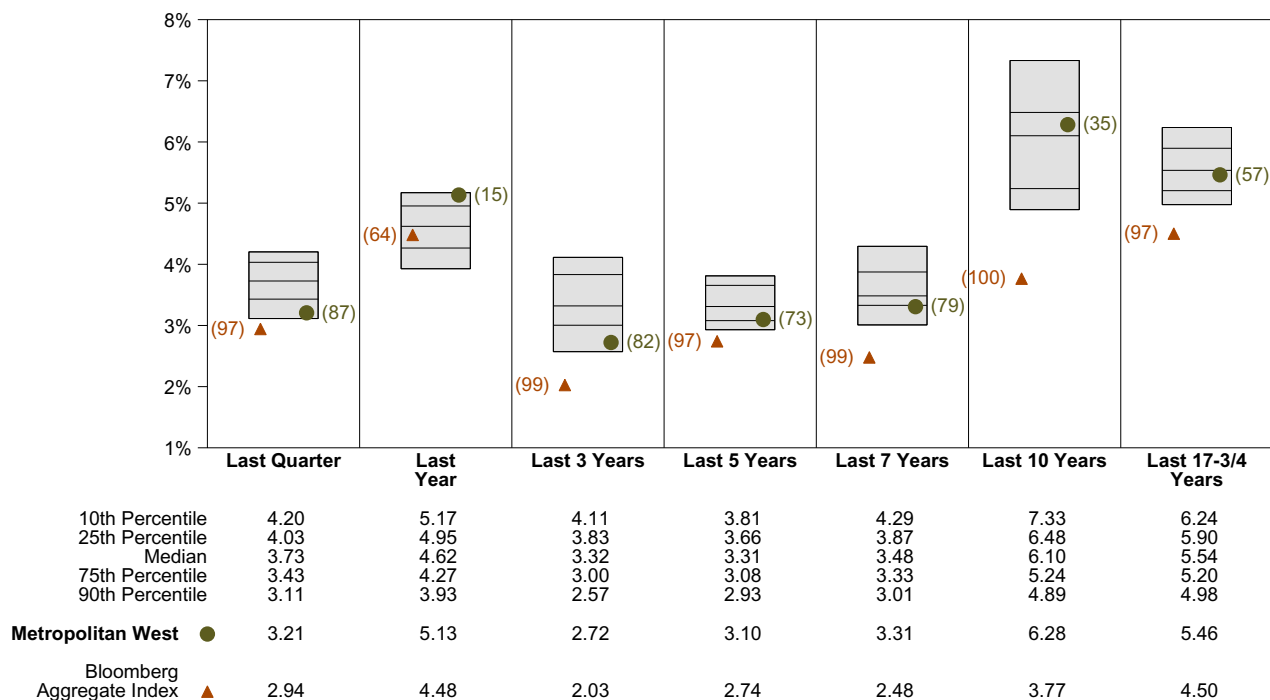
## Quarterly Summary and Highlights

- Metropolitan West's portfolio posted a 3.21% return for the quarter placing it in the 87 percentile of the Callan Core Plus Fixed Income group for the quarter and in the 15 percentile for the last year.
- Metropolitan West's portfolio outperformed the Bloomberg Aggregate Index by 0.26% for the quarter and outperformed the Bloomberg Aggregate Index for the year by 0.65%.

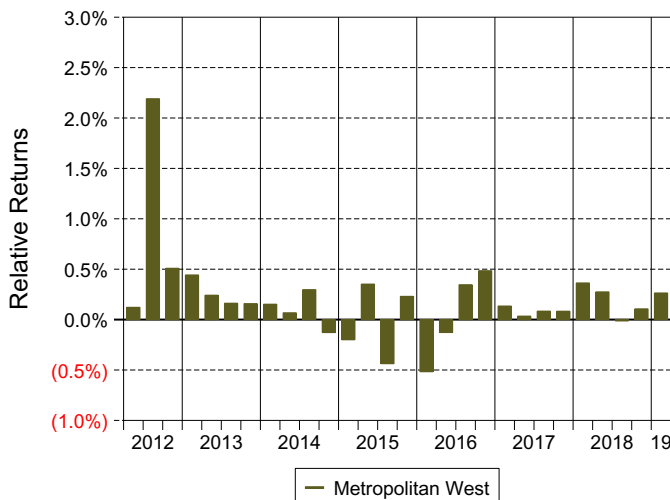
## Quarterly Asset Growth

Beginning Market Value	\$101,895,736
Net New Investment	\$-1,021,928
Investment Gains/(Losses)	\$3,253,913
Ending Market Value	\$104,127,722

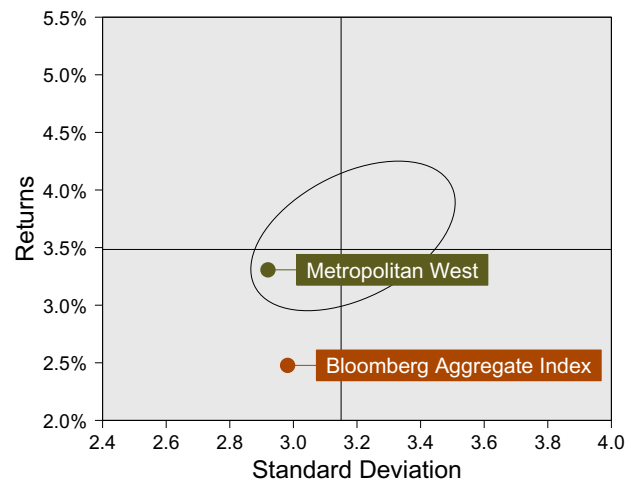
## Performance vs Callan Core Plus Fixed Income (Gross)



## Relative Returns vs Bloomberg Aggregate Index



## Callan Core Plus Fixed Income (Gross) Annualized Seven Year Risk vs Return

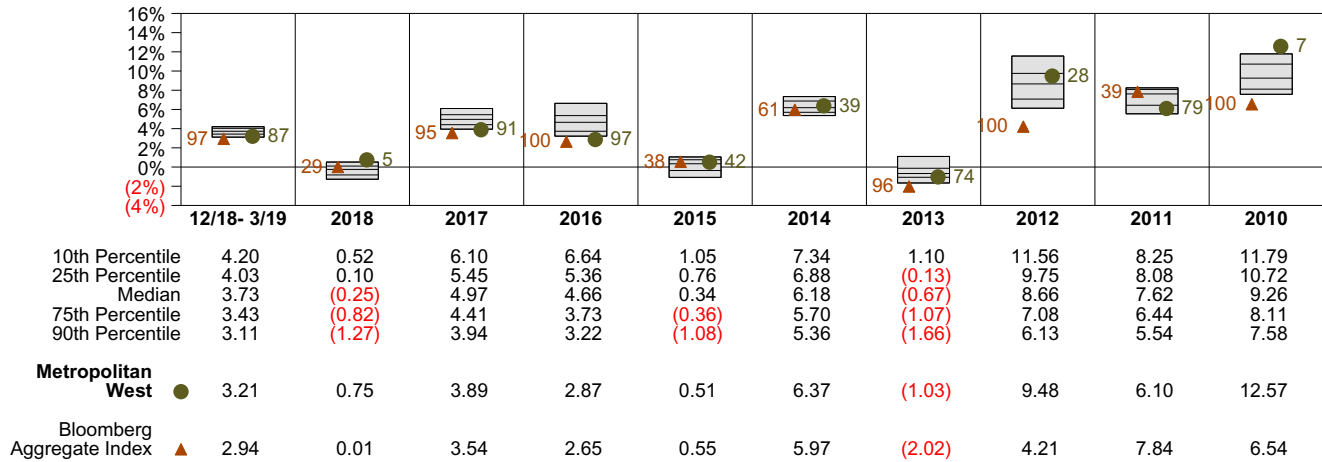


# Metropolitan West Return Analysis Summary

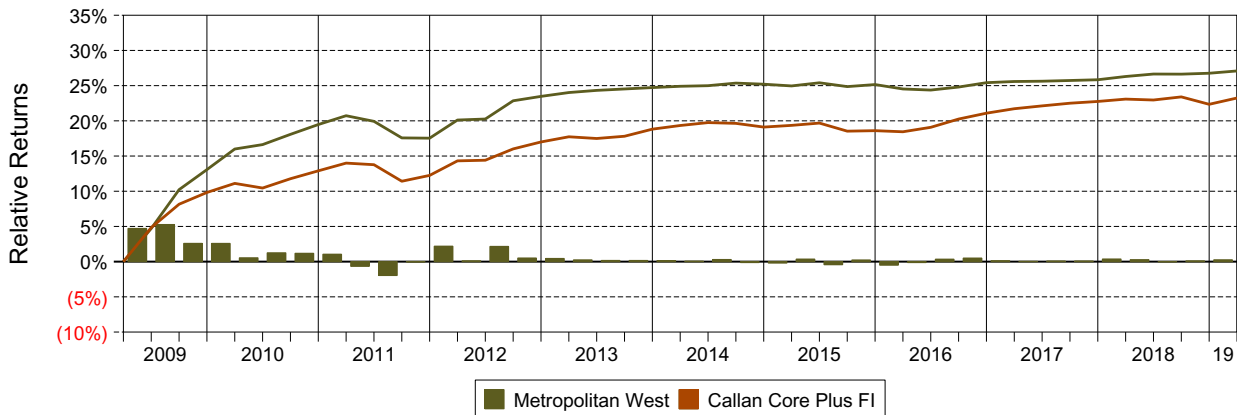
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

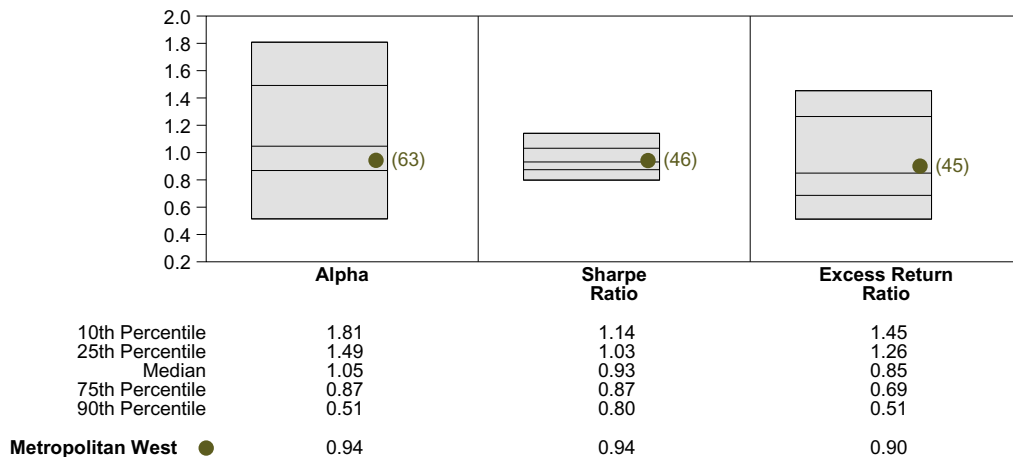
### Performance vs Callan Core Plus Fixed Income (Gross)



### Cumulative and Quarterly Relative Return vs Bloomberg Aggregate Index



### Risk Adjusted Return Measures vs Bloomberg Aggregate Index Rankings Against Callan Core Plus Fixed Income (Gross) Seven Years Ended March 31, 2019

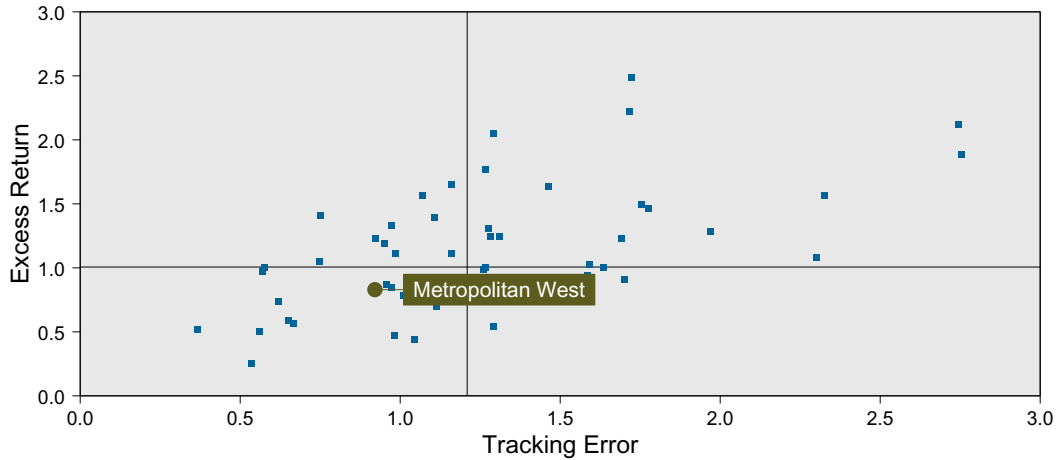


# Metropolitan West Risk Analysis Summary

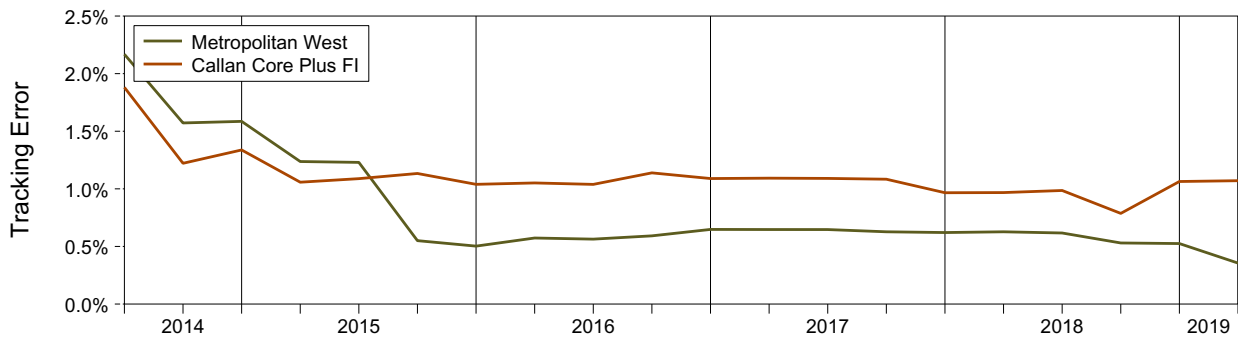
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

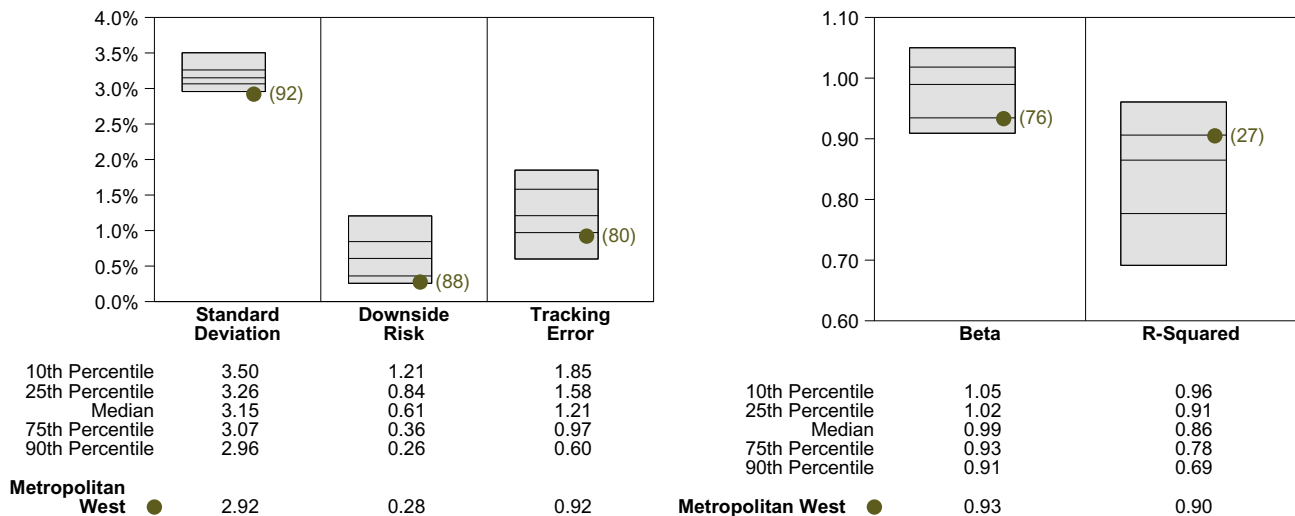
### Risk Analysis vs Callan Core Plus Fixed Income (Gross) Seven Years Ended March 31, 2019



### Rolling 12 Quarter Tracking Error vs Bloomberg Aggregate Index



### Risk Statistics Rankings vs Bloomberg Aggregate Index Rankings Against Callan Core Plus Fixed Income (Gross) Seven Years Ended March 31, 2019



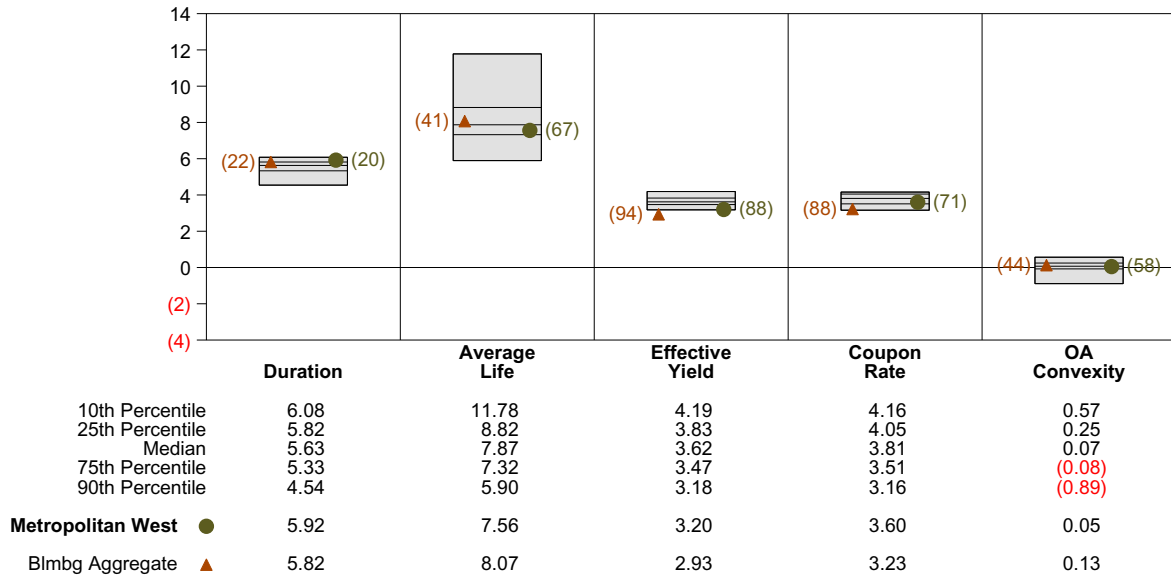


# Metropolitan West Bond Characteristics Analysis Summary

## Portfolio Characteristics

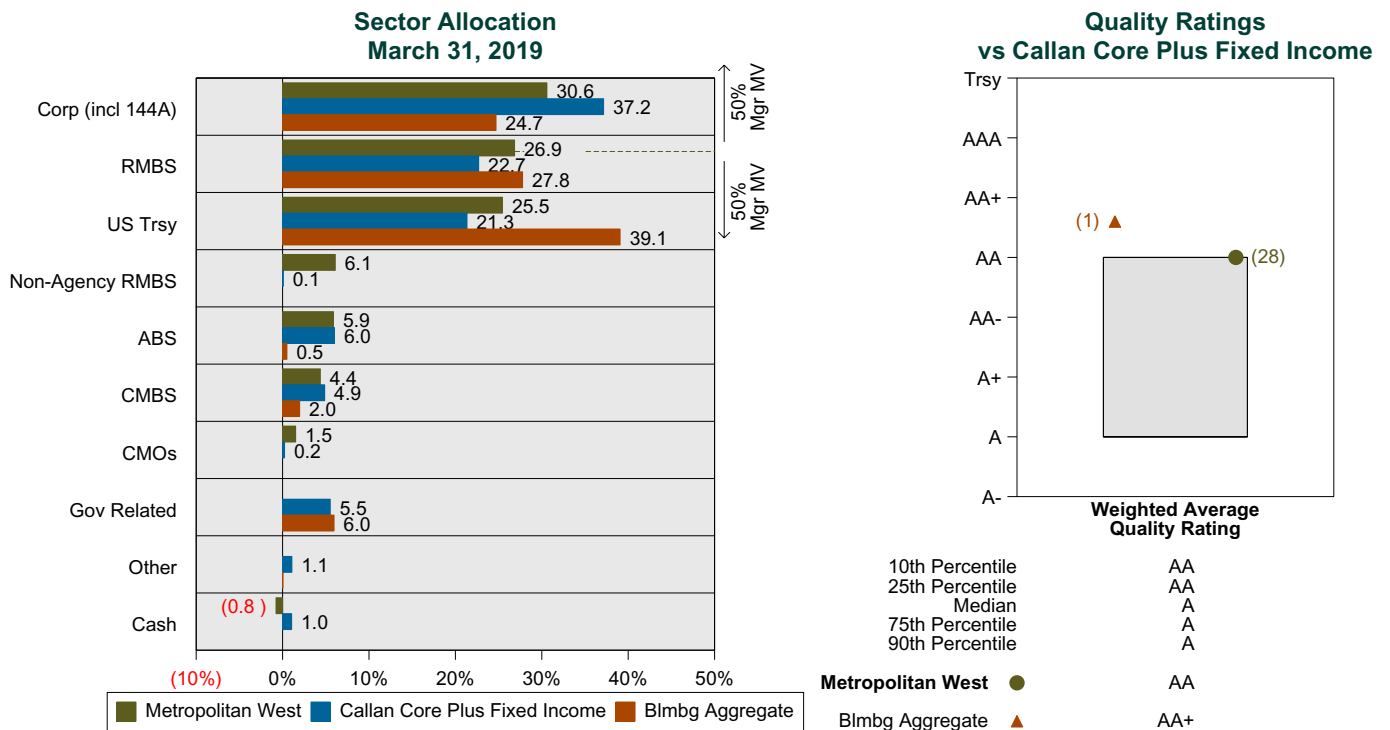
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Fixed Income Portfolio Characteristics Rankings Against Callan Core Plus Fixed Income as of March 31, 2019



## Sector Allocation and Quality Ratings

The first graph compares the manager's sector allocation with the average allocation across all the members of the manager's style. The second graph compares the manager's weighted average quality rating with the range of quality ratings for the style.

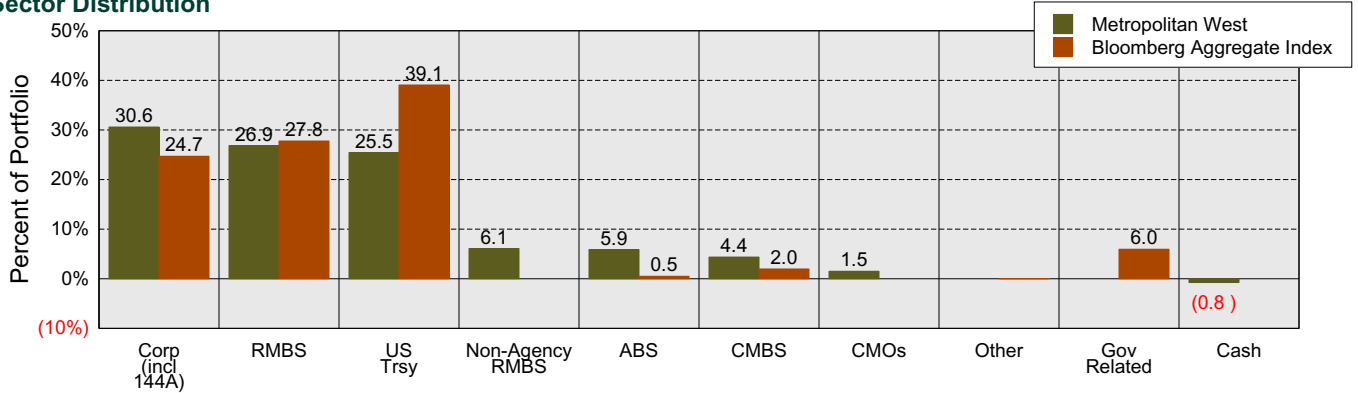


# Metropolitan West Portfolio Characteristics Summary As of March 31, 2019

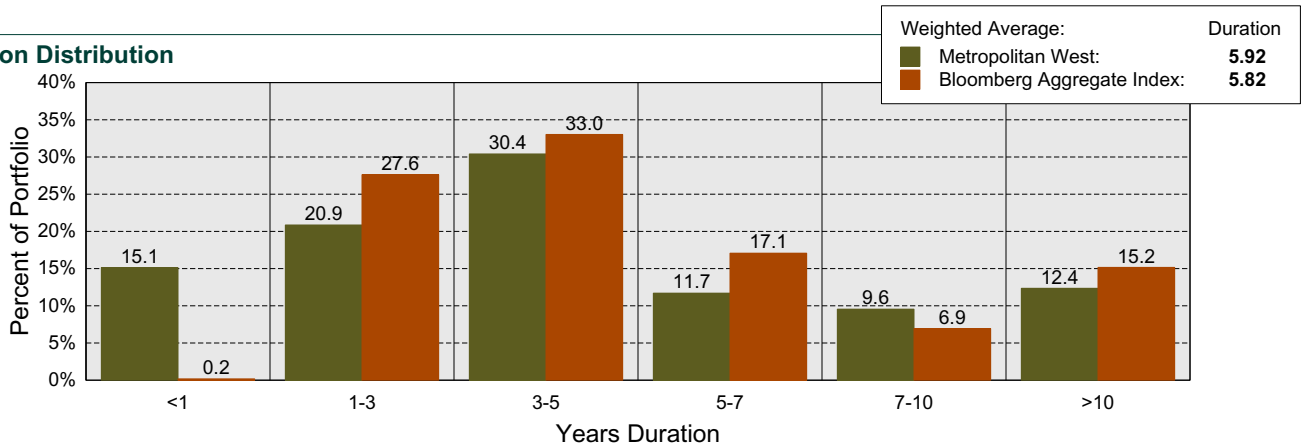
## Portfolio Structure Comparison

The charts below compare the structure of the portfolio to that of the index from the three perspectives that have the greatest influence on return. The first chart compares the two portfolios across sectors. The second chart compares the duration distribution. The last chart compares the distribution across quality ratings.

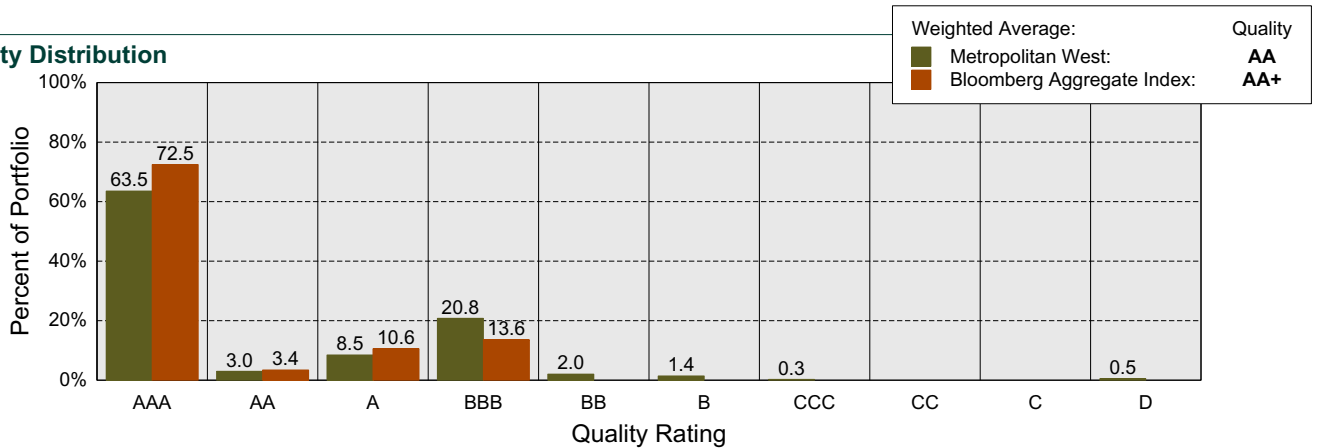
### Sector Distribution



### Duration Distribution



### Quality Distribution





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## Risk/Reward Statistics

The risk statistics used in this report examine performance characteristics of a manager or a portfolio relative to a benchmark (market indicator) which assumes to represent overall movements in the asset class being considered. The main unit of analysis is the excess return, which is the portfolio return minus the return on a risk free asset (3 month T-Bill).

**Alpha** measures a portfolio's return in excess of the market return adjusted for risk. It is a measure of the manager's contribution to performance with reference to security selection. A positive alpha indicates that a portfolio was positively rewarded for the residual risk which was taken for that level of market exposure.

**Beta** measures the sensitivity of rates of portfolio returns to movements in the market index. A portfolio's beta measures the expected change in return per 1% change in the return on the market. If a beta of a portfolio is 1.5, a 1 percent increase in the return on the market will result, on average, in a 1.5 percent increase in the return on the portfolio. The converse would also be true.

**Downside Risk** stems from the desire to differentiate between "good risk" (upside volatility) and "bad risk" (downside volatility). Whereas standard deviation punishes both upside and downside volatility, downside risk measures only the standard deviation of returns below the target. Returns above the target are assigned a deviation of zero. Both the frequency and magnitude of underperformance affect the amount of downside risk.

**Excess Return Ratio** is a measure of risk adjusted relative return. This ratio captures the amount of active management performance (value added relative to an index) per unit of active management risk (tracking error against the index.) It is calculated by dividing the manager's annualized cumulative excess return relative to the index by the standard deviation of the individual quarterly excess returns. The Excess Return Ratio can be interpreted as the manager's active risk/reward tradeoff for diverging from the index when the index is mandated to be the "riskless" market position.

**Information Ratio** measures the manager's market risk-adjusted excess return per unit of residual risk relative to a benchmark. It is computed by dividing alpha by the residual risk over a given time period. Assuming all other factors being equal, managers with lower residual risk achieve higher values in the information ratio. Managers with higher information ratios will add value relative to the benchmark more reliably and consistently.

**R-Squared** indicates the extent to which the variability of the portfolio returns are explained by market action. It can also be thought of as measuring the diversification relative to the appropriate benchmark. An r-squared value of .75 indicates that 75% of the fluctuation in a portfolio return is explained by market action. An r-squared of 1.0 indicates that a portfolio's returns are entirely related to the market and it is not influenced by other factors. An r-squared of zero indicates that no relationship exists between the portfolio's return and the market.

**Relative Standard Deviation** is a simple measure of a manager's risk (volatility) relative to a benchmark. It is calculated by dividing the manager's standard deviation of returns by the benchmark's standard deviation of returns. A relative standard deviation of 1.20, for example, means the manager has exhibited 20% more risk than the benchmark over that time period. A ratio of .80 would imply 20% less risk. This ratio is especially useful when analyzing the risk of investment grade fixed-income products where actual historical durations are not available. By using this relative risk measure over rolling time periods one can illustrate the "implied" historical duration patterns of the portfolio versus the benchmark.

**Residual Portfolio Risk** is the unsystematic risk of a fund, the portion of the total risk unique to the fund (manager) itself and not related to the overall market. This reflects the "bets" which the manager places in that particular asset market. These bets may reflect emphasis in particular sectors, maturities (for bonds), or other issue specific factors which the manager considers a good investment opportunity. Diversification of the portfolio will reduce or eliminate the residual risk of that portfolio.

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## Risk/Reward Statistics

**Rising Declining Periods** refer to the sub-asset class cycles vis-a-vis the broader asset class. This is determined by evaluating the cumulative relative sub-asset class index performance to that of the broader asset class index. For example, to determine the Growth Style cycle, the S&P 500 Growth Index (sub-asset class) performance is compared to that of the S&P 500 Index (broader asset class).

**Sharpe Ratio** is a commonly used measure of risk-adjusted return. It is calculated by subtracting the "risk-free" return (usually 3 Month Treasury Bill) from the portfolio return and dividing the resulting "excess return" by the portfolio's risk level (standard deviation). The result is a measure of return gained per unit of risk taken.

**Sortino Ratio** is a downside risk-adjusted measure of value-added. It measures excess return over a benchmark divided by downside risk. The natural appeal is that it identifies value-added per unit of truly bad risk. The danger of interpretation, however, lies in these two areas: (1) the statistical significance of the denominator, and (2) its reliance on the persistence of skewness in return distributions.

**Standard Deviation** is a statistical measure of portfolio risk. It reflects the average deviation of the observations from their sample mean. Standard deviation is used as an estimate of risk since it measures how wide the range of returns typically is. The wider the typical range of returns, the higher the standard deviation of returns, and the higher the portfolio risk. If returns are normally distributed (ie. has a bell shaped curve distribution) then approximately 2/3 of the returns would occur within plus or minus one standard deviation from the sample mean.

**Total Portfolio Risk** is a measure of the volatility of the quarterly excess returns of an asset. Total risk is composed of two measures of risk: market (non-diversifiable or systematic) risk and residual (diversifiable or unsystematic) risk. The purpose of portfolio diversification is to reduce the residual risk of the portfolio.

**Tracking Error** is a statistical measure of a portfolio's risk relative to an index. It reflects the standard deviation of a portfolio's individual quarterly or monthly returns from the index's returns. Typically, the lower the Tracking Error, the more "index-like" the portfolio.

**Treynor Ratio** represents the portfolio's average excess return over a specified period divided by the beta relative to its benchmark over that same period. This measure reflects the reward over the risk-free rate relative to the systematic risk assumed.

Note: Alpha, Total Risk, and Residual Risk are annualized.

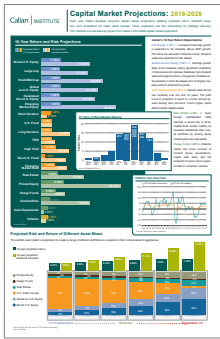


## Research and Educational Programs

The Callan Institute provides research to update clients on the latest industry trends and carefully structured educational programs to enhance the knowledge of industry professionals. Visit [www.callan.com/library](http://www.callan.com/library) to see all of our publications, and [www.callan.com/blog](http://www.callan.com/blog) to view our blog “Perspectives.” For more information contact Corry Walsh at 312.346.3536 / [institute@callan.com](mailto:institute@callan.com).

### New Research from Callan’s Experts

**[Callan’s 2019-2028 Capital Market Projections](#)** | Callan develops long-term capital market projections at the start of each year, detailing our expectations for return, volatility, and correlation for broad



asset classes. For 2019-2028, we made gradual, evolutionary changes to our expectations from our projections last year. We increased our fixed income assumptions to reflect higher starting yields compared to one year ago, including a higher return for cash, but we held constant our equity return premium over cash. As a result, we have narrowed the equity risk premium over bonds.

**[Two Questions to Help DC Plans Save on Litigation Costs](#)** |

Executives can monitor whether in-house fiduciaries for their defined contribution plans are on track or need assistance by asking these questions: 1) Are plan administration costs too high? 2) Are participants getting the best “bang for their buck” from investment fees?

**[The Good, the Bad, and the Ugly: Which Will Your DC Plan Be in 2019?](#)** |

In this paper, we outline best practices for defined contribution (DC) plan sponsors that aspire to be the Good gunslinger, and flag traps that could ensnare them in Bad or even Ugly territory.

**[2019 DC Trends Survey](#)** | Callan’s 12th Annual DC Trends Survey highlights plan sponsors’ key themes from 2018 and expectations for 2019.



**[2019 National Workshop Summary: DC Plans](#)** | This workshop by Callan’s Ben Taylor, Jana Steele, and Gordon Weightman, “The New Face of DC Plans,” provided what plan sponsors and investment managers need to know to stay current on new developments and how they might benefit plans.

**[2019 National Workshop Summary: Private Equity](#)** | In their workshop, “Private Equity: Primary Investment Opportunities and Considerations,” Callan’s Pete Keliuotis, Jay Nayak, and Weston Lewis demonstrated how a thoughtful approach to program design, strategy allocation, and capital commitment pacing can lead to long-term success in private equity investing.

**[2019 National Workshop Summary: Strategic Allocations](#)** | In this workshop, Callan’s Ann O’Bradovich, Ho Hwang, and Gary Chang discussed the trend over the past several decades in which U.S. institutional investors have shifted their public equity portfolios to increase allocations to non-U.S. stocks.

**[The Callan Periodic Table Collection: Year-End 2018](#)** | The Periodic Table Collection offers versions focused on equity, fixed income, fund sponsors, and alternatives. Other tables compare the performance of key indices to zero and to inflation.

### Quarterly Periodicals

**[Private Equity Trends](#)** | A newsletter on private equity activity, covering both the fundraising cycle and performance over time.

**[Market Pulse Flipbook](#)** | A market reference guide covering trends in the U.S. economy, developments for fund sponsors, and the latest data for U.S. and non-U.S. equities and fixed income, alternatives, and defined contribution plans.

**[Active vs. Passive Charts](#)** | This series of charts compares active managers alongside relevant benchmarks over the long term.

**[Capital Market Review](#)** | Provides analysis and a broad overview of the economy and public and private market activity each quarter across a wide range of asset classes.

## Events

Miss out on a Callan conference or workshop? Event summaries and speakers' presentations are available on our website: [www.callan.com/library/](http://www.callan.com/library/)

Please mark your calendar and look forward to upcoming invitations.

### June Regional Workshops:

June 4, 2019 – Atlanta

June 5, 2019 – San Francisco

### October Regional Workshops:

October 22, 2019 – Denver

October 24, 2019 – Chicago

Invitations have been sent for June and registration is available on our website at [www.callan.com/events-reg-workshop-june/](http://www.callan.com/events-reg-workshop-june/)

Please also keep your eye out for upcoming Webinars in 2019! We will be sending invitations for these and also will have registration links on our website at [www.callan.com/events](http://www.callan.com/events).

For more information about events, please contact Barb Gerraty: 415.274.3093 / [gerraty@callan.com](mailto:gerraty@callan.com)

## The Center for Investment Training Educational Sessions

The Center for Investment Training, better known as the “Callan College,” provides a foundation of knowledge for industry professionals who are involved in the investment decision-making process. It was founded in 1994 to provide clients and non-clients alike with basic- to intermediate-level instruction. Our next sessions are:

### Introduction to Investments

San Francisco, July 16-17, 2019

Chicago, October 22-23, 2019

This program familiarizes fund sponsor trustees, staff, and asset management advisers with basic investment theory, terminology, and practices. It lasts one-and-a-half days and is designed for individuals who have less than two years of experience with asset-management oversight and/or support responsibilities. Tuition for the Introductory “Callan College” session is \$2,350 per person. Tuition includes instruction, all materials, breakfast and lunch on each day, and dinner on the first evening with the instructors.

### “Callan College” on Alternative Investing

Chicago, October 2019—Date TBD

Learn more at [www.callan.com/events/callan-college-intro](http://www.callan.com/events/callan-college-intro) or contact Kathleen Cunnie: 415.274.3029 / [cunnie@callan.com](mailto:cunnie@callan.com)

## Education: By the Numbers

**525** Attendees (on average) of the Institute's annual National Conference

**50+** Unique pieces of research the Institute generates each year

**3,700** Total attendees of the “Callan College” since 1994

**1980** Year the Callan Institute was founded



“Research is the foundation of all we do at Callan, and sharing our best thinking with the investment community is our way of helping to foster dialogue to raise the bar across the industry.”

Greg Allen, CEO and Chief Research Officer





## List of Callan's Investment Manager Clients

Confidential – For Callan Client Use Only

Callan takes its fiduciary and disclosure responsibilities to clients very seriously. We recognize that there are numerous potential conflicts of interest encountered in the investment consulting industry and that it is our responsibility to manage those conflicts effectively and in the best interest of our clients. At Callan, we employ a robust process to identify, manage, monitor and disclose potential conflicts on an on-going basis.

The list below is an important component of our conflicts management and disclosure process. It identifies those investment managers that pay Callan fees for educational, consulting, software, database or reporting products and services. We update the list quarterly because we believe that our fund sponsor clients should know the investment managers that do business with Callan, particularly those investment manager clients that the fund sponsor clients may be using or considering using. Please note that if an investment manager receives a product or service on a complimentary basis (e.g. attending and educational event), they are not included in the list below. Callan is committed to ensuring that we do not consider an investment manager's business relationship with Callan, or lack thereof, in performing evaluations for or making suggestions or recommendations to its other clients. Please refer to Callan's ADV Part 2A for a more detailed description of the services and products that Callan makes available to investment manager clients through our Institutional Consulting Group, Independent Adviser Group and Fund Sponsor Consulting Group. Due to the complex corporate and organizational ownership structures of many investment management firms, parent and affiliate firm relationships are not indicated on our list.

Fund sponsor clients may request a copy of the most currently available list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by particular fund manager clients. Per company policy, information requests regarding fees are handled exclusively by Callan's Compliance Department.

Manager Name
Aberdeen Standard Investments
Acadian Asset Management LLC
AEGON USA Investment Management
Alcentra
AllianceBernstein
Allianz Global Investors
Allianz Life Insurance Company of North America
AlphaSimplex Group, LLC
American Century Investments
Amundi Pioneer Asset Management
AQR Capital Management
Ares Management LLC
Ariel Investments, LLC
Atlanta Capital Management Co., LLC
Aviva Investors Americas
AXA Investment Managers
Baillie Gifford International, LLC
Baird Advisors
Baron Capital Management, Inc.
Barrow, Hanley, Mewhinney & Strauss, LLC
BlackRock
BMO Global Asset Management
BNP Paribas Asset Management
BNY Mellon Asset Management
Boston Partners
Brandes Investment Partners, L.P.
Brandywine Global Investment Management, LLC
BrightSphere Investment Group
Brown Brothers Harriman & Company
Cambiar Investors, LLC
Capital Group
Carillon Tower Advisers
CastleArk Management, LLC
Causeway Capital Management

Manager Name
Chartwell Investment Partners
ClearBridge Investments, LLC
Cohen & Steers Capital Management, Inc.
Columbia Threadneedle Investments
Columbus Circle Investors
Cooke & Bieler, L.P.
Credit Suisse Asset Management
CS McKee, L.P.
DePrince, Race & Zollo, Inc.
Diamond Hill Capital Management, Inc.
Dimensional Fund Advisors LP
Doubleline
Duff & Phelps Investment Management Co.
DWS
EARNEST Partners, LLC
Eaton Vance Management
Epoch Investment Partners, Inc.
Fayez Sarofim & Company
Federated Investors
Fidelity Institutional Asset Management
Fiera Capital Corporation
Financial Engines
First Hawaiian Bank Wealth Management Division
First State Investments
Fisher Investments
Franklin Templeton
Fred Alger Management, Inc.
GAM (USA) Inc.
Glenmeade Investment Management, LP
GlobeFlex Capital, L.P.
Goldman Sachs Asset Management
Green Square Capital LLC
Guggenheim Investments
GW&K Investment Management

Manager Name
Harbor Capital Group Trust
Hartford Investment Management Co.
Heitman LLC
Hotchkis & Wiley Capital Management, LLC
HSBC Global Asset Management
Impax Asset Management Limited
Income Research + Management, Inc.
Insight Investment Management Limited
Intech Investment Management, LLC
Intercontinental Real Estate Corporation
Invesco
Investec Asset Management
Ivy Investments
J.P. Morgan
Janus
Jennison Associates LLC
Jobs Peak Advisors
KeyCorp
Lazard Asset Management
Legal & General Investment Management America
LGT Capital Partners Ltd.
Lincoln National Corporation
Longview Partners
Loomis, Sayles & Company, L.P.
Lord Abbett & Company
Los Angeles Capital Management
LSV Asset Management
MacKay Shields LLC
Macquarie Investment Management (MIM)
Manulife Asset Management
Marathon Asset Management, L.P.
McKinley Capital Management, LLC
MFS Investment Management
MidFirst Bank
Mondrian Investment Partners Limited
Montag & Caldwell, LLC
Morgan Stanley Investment Management
Mountain Lake Investment Management LLC
Mountain Pacific Advisors, LLC
MUFG Union Bank, N.A.
Natixis Investment Managers
Neuberger Berman
Newton Investment Management
Nikko Asset Management Co., Ltd.
Northern Trust Asset Management
Nuveen
OFI Global Asset Management
Osterweis Capital Management, LLC
P/E Investments

Manager Name
Pacific Investment Management Company
Pathway Capital Management
Peregrine Capital Management, Inc.
Perkins Investment Management
PFM Asset Management LLC
PGIM Fixed Income
PineBridge Investments
PNC Capital Advisors, LLC
Principal Global Investors
Putnam Investments, LLC
QMA LLC
RBC Global Asset Management
Record Currency Management Ltd.
Regions Financial Corporation
Robeco Institutional Asset Management, US Inc.
Rockefeller Capital Management
Rothschild & Co. Asset Management US
Russell Investments
Schroder Investment Management North America Inc.
Silvercrest Asset Management Group
Smith Graham & Co. Investment Advisors, L.P.
Smith Group Asset Management
South Texas Money Management, Ltd.
State Street Global Advisors
Stone Harbor Investment Partners, L.P.
Sun Life Investment Management
T. Rowe Price Associates, Inc.
The Boston Company Asset Management
The TCW Group, Inc.
Thompson, Siegel & Walmsley LLC
Thornburg Investment Management, Inc.
Tri-Star Trust Bank
UBS Asset Management
VanEck
Velanne Asset Management Ltd.
Versus Capital Group
Victory Capital Management Inc.
Virtus Investment Partners, Inc.
Vontobel Asset Management, Inc.
Voya
WCM Investment Management
WEDGE Capital Management
Wellington Management Company, LLP
Wells Fargo Asset Management
Western Asset Management Company LLC
Westfield Capital Management Company, LP
William Blair & Company LLC

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
15	06/12/19	Retirement	Action	04/16/19

Subject: Receive and File the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans (ALL). (Adelman)

## ISSUE

Receive and File the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans (ALL). (Adelman)

## RECOMMENDED ACTION

Motion: Receive and File the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans (ALL).

## FISCAL IMPACT

None.

## DISCUSSION

In 2014, Callan LLC ("Callan") performed an Asset/Liability Study for the ATU/IBEW and Salaried Employees Retirement Plans to provide an in-depth look at the then-current investment strategy used by the Pension Plans, as well as the liability associated with the Plans and their investments. (Since that time, the ATU and IBEW plan assets have been split into two separate funds.) In general, Asset/Liability Studies focus on the investment goals of the subject plan, such as to provide a reasonable return without over-exposure to risk, and on the overall allocation of investments in various asset classes, as opposed to individual investment managers or their relative performance.

Updated Asset/Liability Studies typically are required once every three to five years, unless there is a significant change in market conditions or a significant change to the asset allocation mix requiring more frequent in-depth analysis of this type. The Retirement Boards entered into a new five-year agreement for investment performance advisory and evaluation services with Callan in 2018, the scope of services for which includes performance of Asset/Liability studies as requested. Given that it has been five years since the last Asset/Liability study was completed, staff instructed Callan to complete an updated study.

At the June 20, 2018 Quarterly Retirement Board meeting, Callan presented the annual Asset Allocation Review, required under the Retirement Plans' Investment Policy. As part of that presentation, Callan discussed the potential for further diversification by investing in asset classes that are not currently part of the Retirement Plans' portfolio, including hedge funds, private equity, and real estate. To prepare for the Asset/Liability Study presentation and discussion this year, the Retirement Boards requested additional information about those asset classes in the form of educational presentations by Callan. Accordingly, Callan presented

Approved:

Presented:

Final 06/04/19

VP of Finance and Procurement/CFO

Director, Finance and Treasury

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# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
15	06/12/19	Retirement	Action	04/16/19

Subject: Receive and File the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans (ALL). (Adelman)

information and answered questions regarding (1) hedge funds and multi-asset class investments at the September 12, 2018 Quarterly Retirement Board Meeting, (2) private equity investments at the December 12, 2018 Quarterly Retirement Board Meeting, and (3) Real Estate Investments at the March 20, 2019 Quarterly Retirement Board Meeting.

Following those presentations, Callan was asked to include these diversification options in the new Asset/Liability study.

The Asset/Liability Study presents the risk and potential return for multiple asset class mixes, both under the current asset allocation target policy and taking into account new investments in real estate, private equity and/or hedge funds, and provides an excellent opportunity for the Boards to consider potential changes to the asset allocation.

Staff recommends that the Boards receive and file Asset/Liability Study completed by Callan (Attachment #1) and provide direction to Staff and Callan regarding the asset allocation target policy as described therein.

Callan



June 12, 2019

**Sacramento Regional  
Transit District**

Asset Liability Study

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**Gary Chang, CFA**  
Capital Markets Research

**Anne Heaphy**  
Fund Sponsor Consulting

**Jay Kloepfer**  
Capital Markets Research

**Uvan Tseng, CFA**  
Fund Sponsor Consulting

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## Goal of the Study

The goal of this asset-liability study is to establish a long-term strategic asset allocation target for Sacramento Regional Transit District pension fund (the “Plan”).

An appropriate asset allocation will depend on the Plan’s investment objectives.

- Minimize costs over the long run (long-term goal)
  - How much return generation (from beta and alpha) is necessary to lower costs and/or improve funded status?
- Minimize funded status volatility (short-term goal)
  - How much risk reduction is necessary to reduce funded status volatility?

Investment solution is an optimal balance between sustainable funded status volatility and minimization of costs over the long run.

Asset allocation will vary by the unique circumstances of the Plan.

- No “one-size-fits-all” solution exists

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## Executive Summary

Sacramento Regional Transit District (“SacRT”) needs a tilt toward growth assets to serve the goal of funding the plan and the current policy target contains such a tilt.

The current target is diversified across stocks and bonds and it would be reasonable to retain it as the policy target going forward.

- Liquidity needs are manageable and low
- Liability growth is moderate over the next 10 years
- After taking into account different inflation expectations, Callan models the liability growth rate as 6.90%, which is slightly less than the 7.25% actuarial discount rate.

SacRT can also consider further diversification, and Callan believes real estate in particular offers a potentially attractive source of return that would complement and diversify the existing portfolio.

- Of course, there are cost and implementation considerations to take into account

The liability and demographic profiles suggest SacRT has a sufficiently long time horizon in which to assume investment risk.



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# Agenda

Model portfolio with 2019-2028 capital market projections

Present Alternative Asset Mixes

Review asset-liability results

- Baseline scenarios
- Monte Carlo simulations

Explore risk tolerance

- Willingness and ability to take risk

Propose candidate asset allocation mixes

Illustrate a range of potential outcomes

*Objective*

Select an appropriate asset allocation

# Where Does Asset Allocation Fit In?

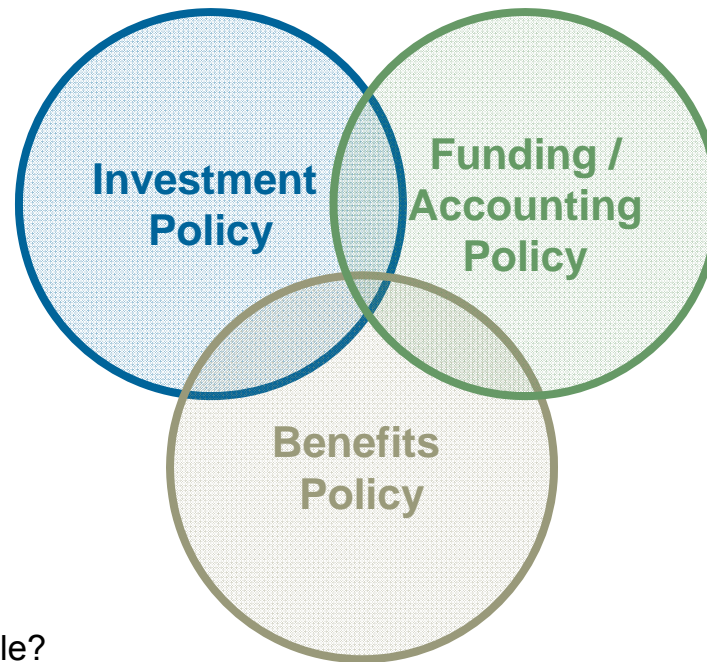
We evaluate the interaction of the three key policies that govern a pension plan with the goal of establishing the best investment policy

## Investment Policy

- How will the assets supporting the benefits be invested?
- What risk and return objectives?
- How to manage cash flows?

## Benefits Policy

- What type/kind of benefits?
- What level of benefit?
- When and to whom are they payable?



## Funding / Accounting Policy

- How will the benefits be paid for (funded)?
- What actuarial discount rate?
- How will deficits be paid for?
- How will costs be recognized?

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# Today's Focus is on Examining the Investment Policy

## Overview of Investment Goals

The investment policy, or asset allocation, is one of the three key components of a benefit plan (along with contribution and benefit policy).

Asset allocation is the process of determining the optimal allocation of a portfolio among broad asset classes based on several factors:

- Capital market expectations
- Cash flow considerations
- Recent experience
- Investment goals and objectives
- Risk tolerance
- Time horizon

A well engineered asset allocation considers:

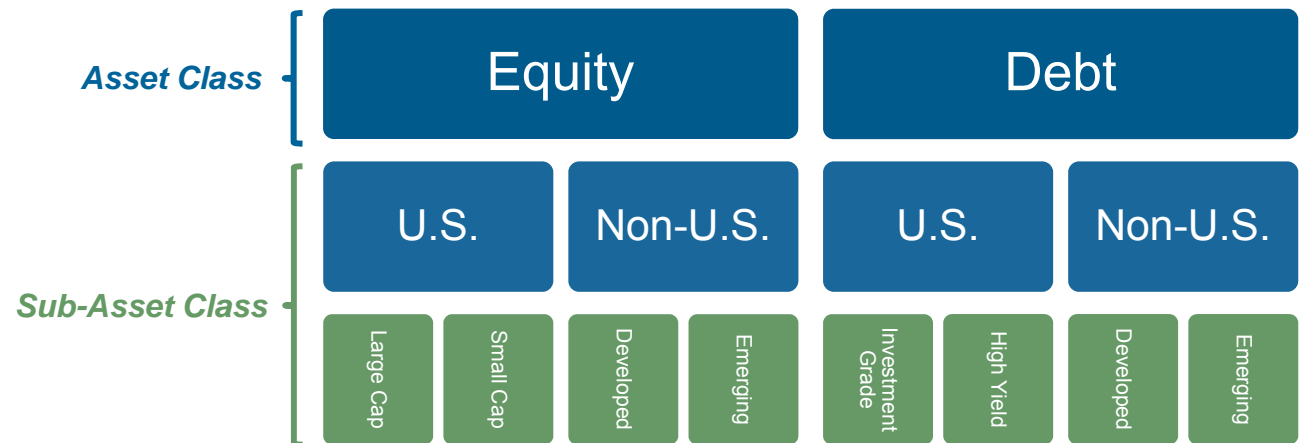
- All appropriate asset classes for inclusion
- Liquidity needs, asset class limitations, implementation challenges, administrative and legal burdens, size or capacity constraints
- Rebalancing discipline

# The Focus is on Broad Asset Classes

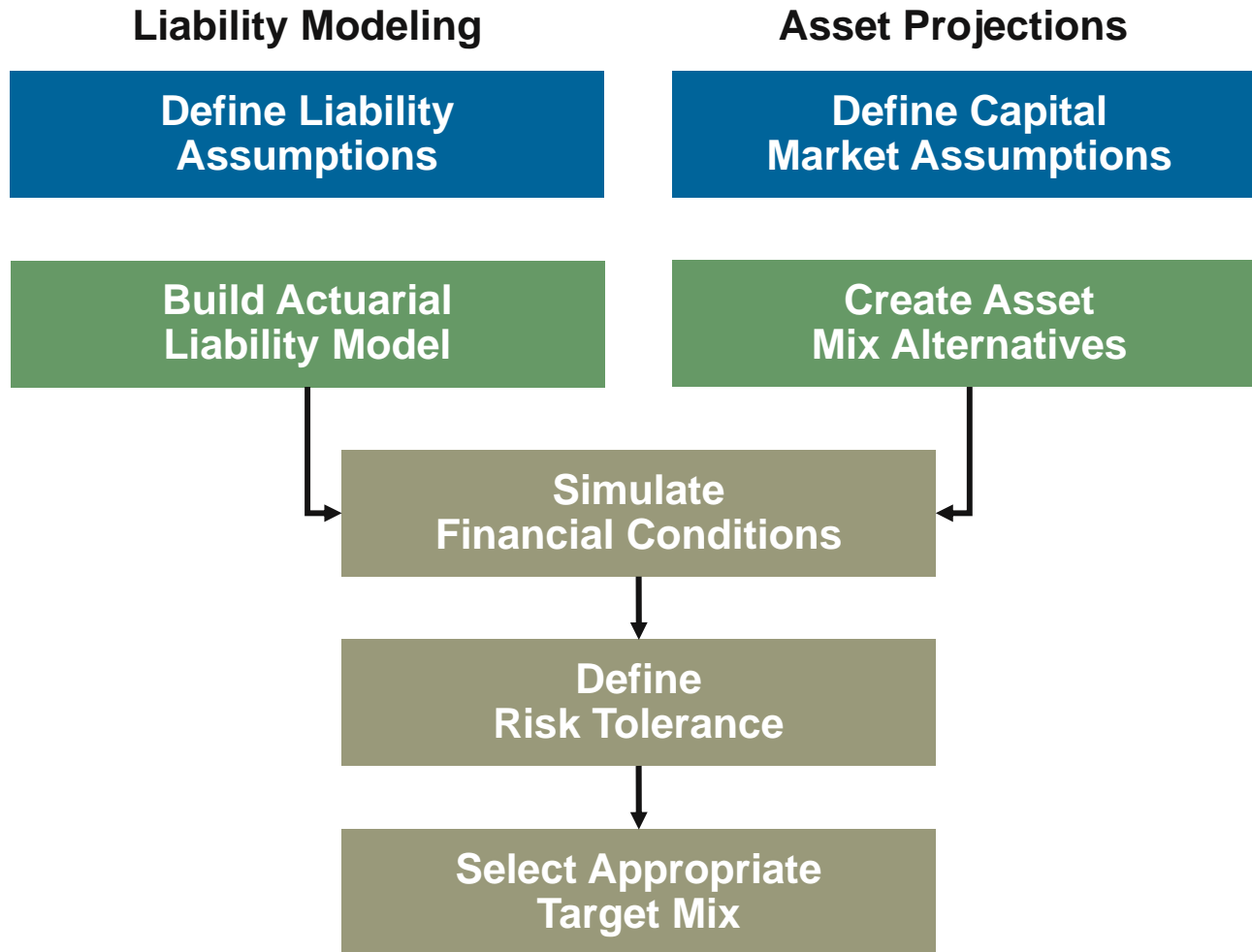
Breakdowns between investment styles within asset classes (growth vs. value, large cap vs. small cap) are best addressed in a manager structure analysis.

Primary asset classes and important sub-asset classes include:

- U.S. Stocks
- U.S. Bonds
- Non-U.S. Stocks
- Non-U.S. Bonds
- Real Estate
- Alternative Investments
  - Private equity
  - Absolute return
- Cash



# Overview of the Asset-Liability Process



Callan

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## **Asset Projections**

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## Callan Capital Market Process and Philosophy

Underlying beliefs guide the development of the projections:

- An initial bias toward long-run averages
- A conservative bias
- An awareness of risk premiums
- A presumption that markets ultimately clear and are rational

Reflect our belief that long-term equilibrium relationships between the capital markets and lasting trends in global economic growth are key drivers to setting capital market expectations.

Long-term compensated risk premiums represent “beta”—exposure to each broad market, whether traditional or “exotic,” with limited dependence on successful realization of alpha.

The projection process is built around several key building blocks:

- Advanced modeling at the individual asset class level (e.g., a detailed bond model, an equity model)
- A path for interest rates and inflation
- A cohesive economic outlook
- A framework that encompasses Callan beliefs about the long-term operation and efficiencies of the capital markets.

## 2019 - 2028 Return and Risk Assumptions

Asset Class	Index	Expected Return*	Standard Deviation
<b>Equities</b>			
Broad Domestic Equity	Russell 3000	7.15%	17.95%
Large Cap	S&P 500	7.00%	17.10%
Small/Mid Cap	Russell 2500	7.25%	22.65%
Global ex-US Equity	MSCI ACWI ex USA	7.25%	21.10%
International Equity	MSCI World ex USA	7.00%	19.75%
Emerging Markets Equity	MSCI Emerging Markets	7.25%	27.45%
<b>Fixed Income</b>			
Short Duration	Bloomberg Barclays 1-3 Yr G/C	3.40%	2.10%
Domestic Fixed	Bloomberg Barclays Aggregate	3.75%	3.75%
Long Duration	Bloomberg Barclays Long G/C	3.75%	10.65%
TIPS	Bloomberg Barclays TIPS	3.75%	5.05%
High Yield	Bloomberg Barclays High Yield	5.35%	10.35%
Non-US Fixed	Bloomberg Barclays Gbl Agg xUSD	1.40%	9.20%
Emerging Market Debt	EMBI Global Diversified	5.05%	9.50%
<b>Other</b>			
Real Estate	NCREIF ODCE	6.25%	15.70%
Private Equity	Cambridge Private Equity	8.50%	29.30%
Hedge Funds	Callan Hedge FoF Database	5.50%	8.85%
Commodities	Bloomberg Commodity	3.20%	18.00%
Cash Equivalents	90-Day T-Bill	2.50%	0.90%
<b>Inflation</b>	CPI-U	2.25%	1.50%

\* 10 year annualized return

Capital market expectations represent passive exposure (beta only) with the exception of Real Estate, Private Equity, and Hedge Funds.

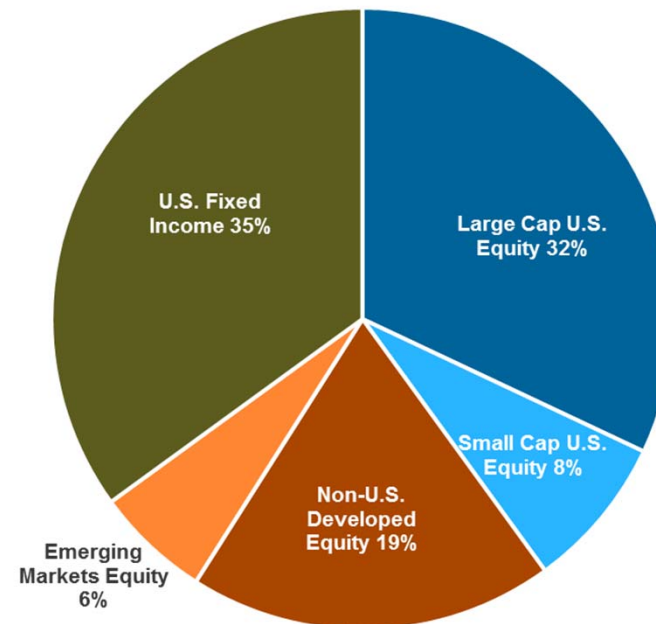
All return expectations are net of fees.

Asset classes to be modeled in the 2019 asset-liability study are highlighted in green.



## Policy Target Allocation

<i>Asset Class</i>	<i>Policy Target</i>
<b>Global Equity</b>	<b>65%</b>
Large Cap U.S. Equity	32%
Small Cap U.S. Equity	8%
LC Non-U.S. Developed Equity	14%
SC Non-U.S. Developed Equity	5%
Emerging Markets Equity	6%
<b>Fixed Income</b>	<b>35%</b>
U.S. Fixed Income	35%
<b>Expected Return</b>	<b>6.48%</b>
<b>Expected Standard Deviation</b>	<b>11.89%</b>



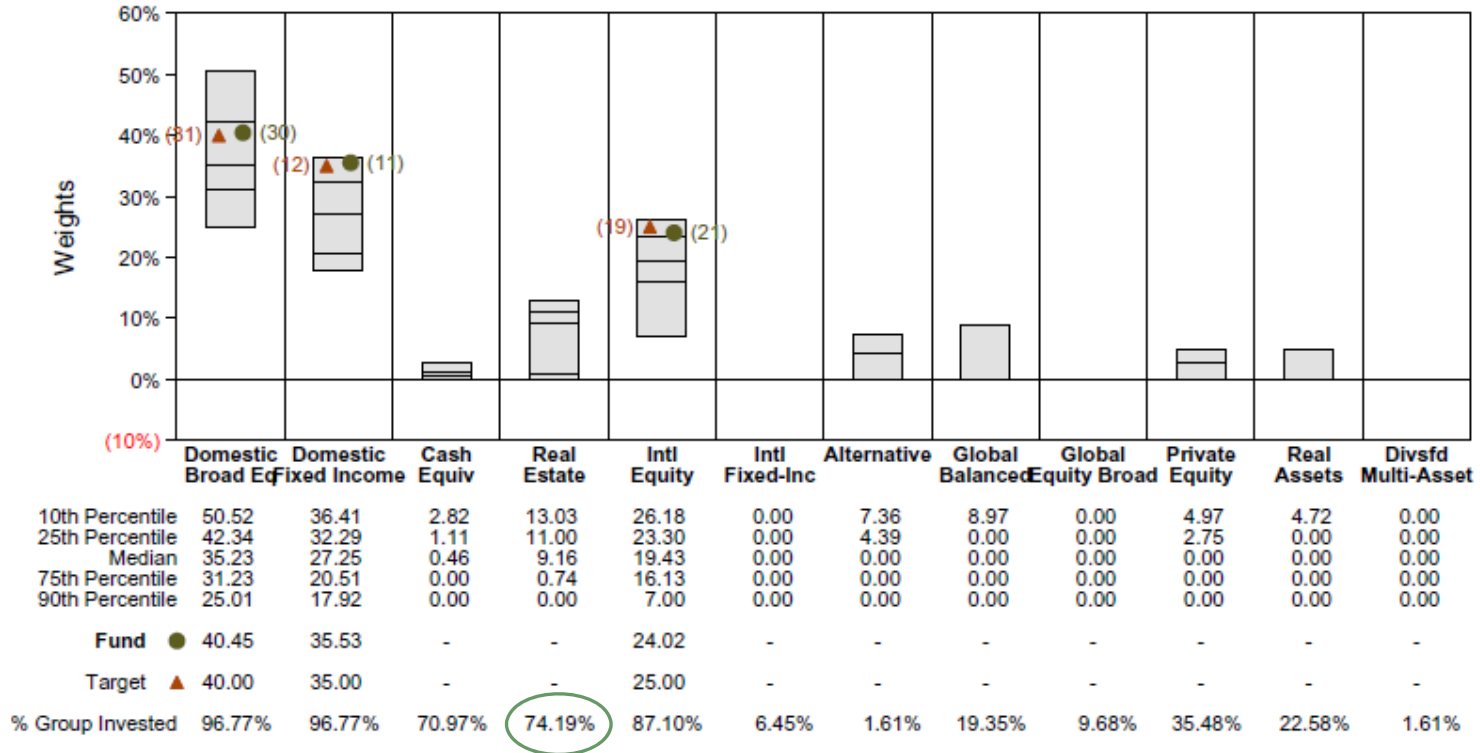
SacRT employs an actuarial discount rate of 7.25% which is based on a 3.0% inflation expectation while Callan uses a 2.25% inflation expectation.

Callan expects lower inflation to flow through the liabilities and result in a lower liability growth rate of 6.90% (vs. the actuarial discount rate of 7.25%).

Expected returns assume passive implementation; however, roughly 80% of SacRT's assets are actively managed.

# Peer Group Comparisons

Asset Class Weights vs Callan Public Fund Spons- Mid (100M-1B)



Relative to a peer group of other public funds, the target policy is relatively conservative with a high allocation to fixed income.

- Peer groups do not take into account differences in risk tolerances

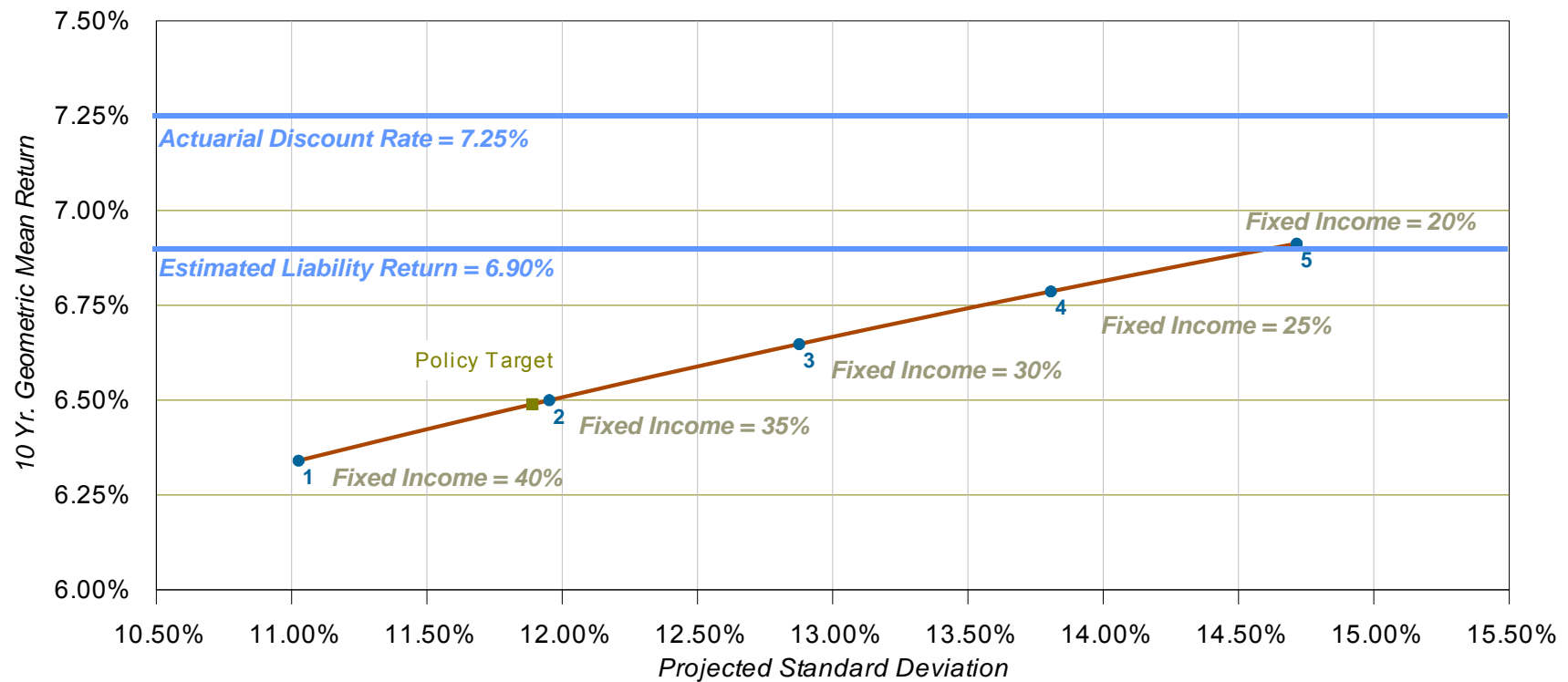
## Alternative Asset Mixes

<b>Asset Class</b>	<b>Policy Target</b>	<i>Mix 1</i>	<i>Mix 2</i>	<i>Mix 3</i>	<i>Mix 4</i>	<i>Mix 5</i>
<b>Global Equity</b>	<b>65%</b>	<b>60%</b>	<b>65%</b>	<b>70%</b>	<b>75%</b>	<b>80%</b>
Large Cap U.S. Equity	32%	29%	31%	33%	36%	38%
Small Cap U.S. Equity	8%	8%	8%	9%	10%	10%
LC Non-U.S. Developed Equity	14%	13%	14%	15%	16%	17%
SC Non-U.S. Developed Equity	5%	5%	5%	5%	6%	6%
Emerging Markets Equity	6%	6%	7%	7%	8%	9%
<b>Fixed Income</b>	<b>35%</b>	<b>40%</b>	<b>35%</b>	<b>30%</b>	<b>25%</b>	<b>20%</b>
U.S. Fixed Income	35%	40%	35%	30%	25%	20%
<b>Expected Return</b>	<b>6.48%</b>	<b>6.34%</b>	<b>6.50%</b>	<b>6.65%</b>	<b>6.79%</b>	<b>6.91%</b>
<b>Expected Standard Deviation</b>	<b>11.89%</b>	<b>11.06%</b>	<b>11.99%</b>	<b>12.92%</b>	<b>13.86%</b>	<b>14.77%</b>

The optimal mixes are constructed with decreasing allocations to fixed income (from 40% to 20%); Mix 1 is the most conservative while Mix 5 is the most aggressive.

As the fixed income allocation decreases the expected portfolio return increases, but so does the expected risk.

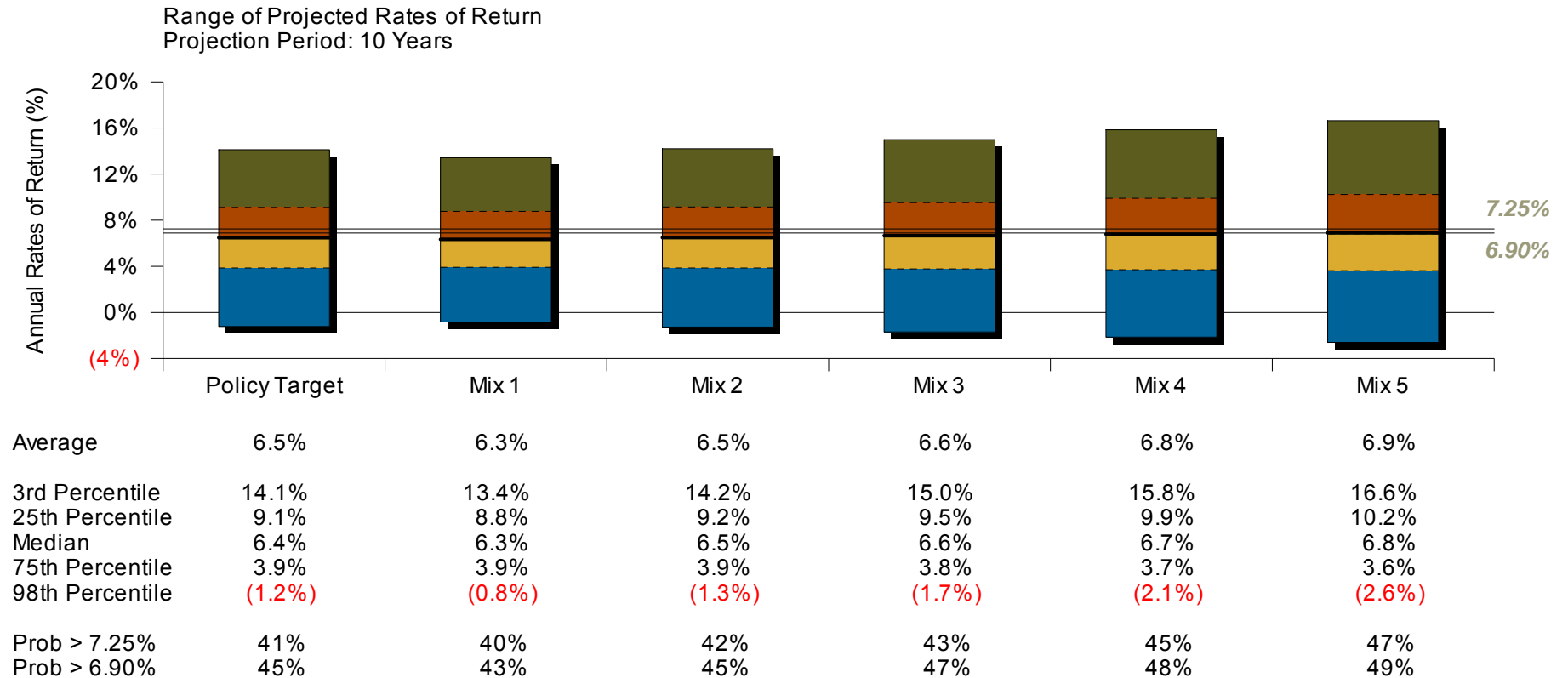
# The Efficient Frontier



The efficient frontier represents mixes which optimally trade off between expected return and expected risk; the numbered dots represent optimal mixes 1 – 5, detailed on the previous slide.

Mix 5 delivers a return close to the expected liability return.

# Probability of Achieving a 7.25% or 6.90% Return



The above chart illustrates the probability of achieving 7.25% and 6.90% return over the next 10 years.

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## New Asset Classes Considered

The following asset classes were also considered for inclusion in the portfolio

- Private Real Estate
- Hedge Funds/Multi-Asset Class strategies (MAC's)
- Private Equity

Two additional sets of optimal mixes were examined:

- Current Asset Classes with the addition of private real estate
- Current Asset Classes with the addition of private real estate, private equity, and hedge funds/MAC's

## Asset Mixes with Real Estate

Asset Class	Policy Target	Real Estate Mixes				
		Mix 1R	Mix 2R	Mix 3R	Mix 4R	Mix 5R
<b>Global Equity</b>	<b>65%</b>	<b>53%</b>	<b>58%</b>	<b>63%</b>	<b>68%</b>	<b>73%</b>
Large Cap U.S. Equity	32%	25%	28%	30%	32%	34%
Small Cap U.S. Equity	8%	6%	7%	8%	9%	9%
LC Non-U.S. Developed Equity	14%	12%	13%	14%	15%	16%
SC Non-U.S. Developed Equity	5%	4%	4%	5%	5%	6%
Emerging Markets Equity	6%	6%	6%	6%	7%	8%
<b>Fixed Income</b>	<b>35%</b>	<b>37%</b>	<b>32%</b>	<b>27%</b>	<b>22%</b>	<b>17%</b>
U.S. Fixed Income	35%	37%	32%	27%	22%	17%
<b>Alternative Assets</b>	<b>0%</b>	<b>10%</b>	<b>10%</b>	<b>10%</b>	<b>10%</b>	<b>10%</b>
Real Estate	0%	10%	10%	10%	10%	10%
<b>Expected Geometric Return</b>	<b>6.48%</b>	<b>6.34%</b>	<b>6.50%</b>	<b>6.65%</b>	<b>6.79%</b>	<b>6.91%</b>
<b>Expected Standard Deviation</b>	<b>11.89%</b>	<b>10.95%</b>	<b>11.87%</b>	<b>12.78%</b>	<b>13.71%</b>	<b>14.61%</b>

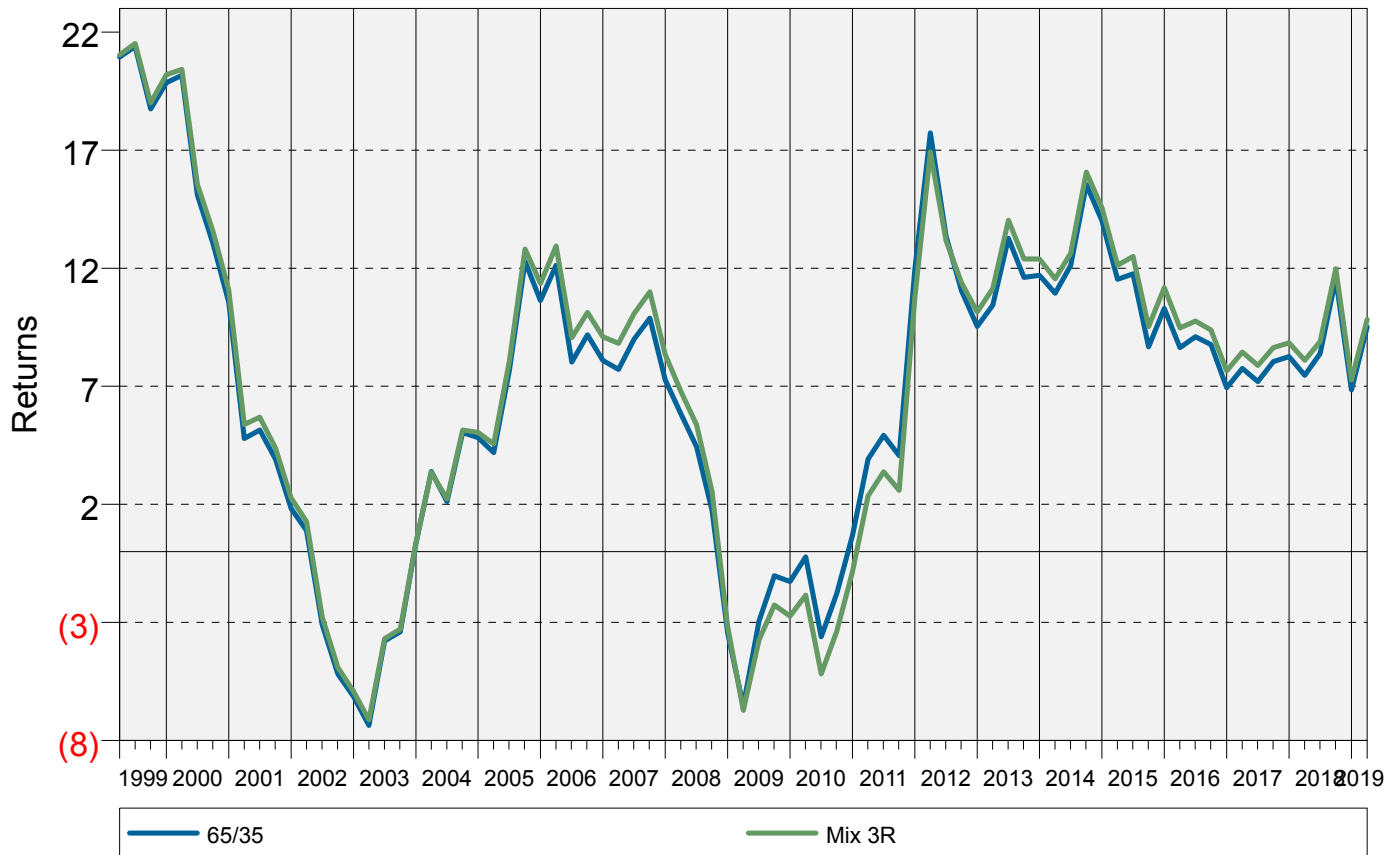
The real estate mixes are constructed keeping the returns the same from the simulated mixes.

Real Estate constrained to 10% maximum.

At each level of return, volatility decreases between 10-20 bps relative to the simulated mixes.

# Hypothetical Performance With Real Estate

Rolling 12 Quarter Returns  
for 20 Years Ended March 31, 2019



- Real estate provides diversification and a smoothing effect that is not easy to capture in the numbers.
- Mix 3R raises the expected return assumption to 6.65% from 6.48%.
- This graph provides a comparison of a 65/35 portfolio (the current target) vs Mix 3R (which is a 63/27/10 mix) over the last 20 years.
- The Mix 3R trails the 65/35 portfolio when the market experiences strong rebound rallies, such as from 2009 – 2011 but generally outperforms otherwise.
- The annualized returns of the 65/35 portfolio are 5.86% over the last 20 years, versus 6.09% for Mix 3R.
- Batting average for Mix 3R is 81%.



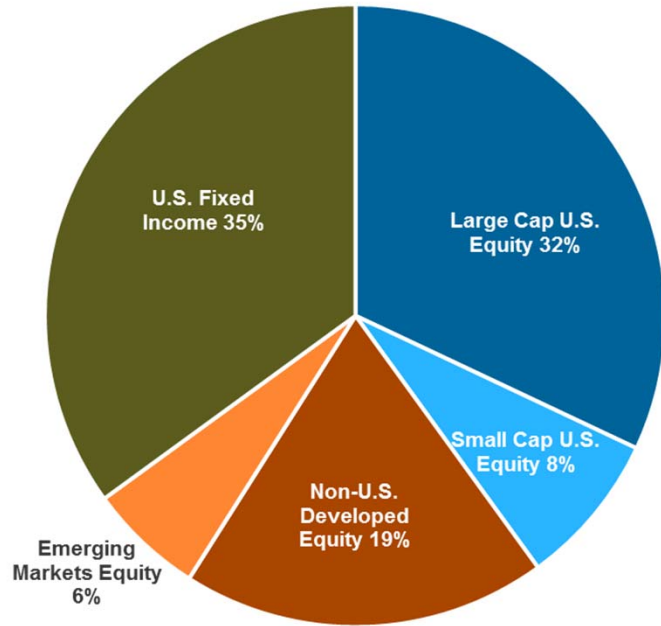
## Asset Mixes with Real Estate, Private Equity, and Hedge Funds

Asset Class	Policy Target	Alternatives Mixes				
		Mix 1A	Mix 2A	Mix 3A	Mix 4A	Mix 5A
<b>Global Equity</b>	<b>65%</b>	<b>42%</b>	<b>45%</b>	<b>49%</b>	<b>54%</b>	<b>58%</b>
Large Cap U.S. Equity	32%	21%	22%	25%	26%	29%
Small Cap U.S. Equity	8%	4%	5%	5%	6%	6%
LC Non-U.S. Developed Equity	14%	10%	10%	11%	13%	13%
SC Non-U.S. Developed Equity	5%	3%	4%	4%	4%	5%
Emerging Markets Equity	6%	4%	4%	4%	5%	5%
<b>Fixed Income</b>	<b>35%</b>	<b>40%</b>	<b>35%</b>	<b>30%</b>	<b>25%</b>	<b>20%</b>
U.S. Fixed Income	35%	40%	35%	30%	25%	20%
<b>Alternative Assets</b>	<b>0%</b>	<b>18%</b>	<b>20%</b>	<b>21%</b>	<b>21%</b>	<b>22%</b>
Real Estate	0%	8%	9%	10%	10%	10%
Hedge Funds/Multi-Asset Class	0%	5%	5%	5%	4%	5%
Private Equity	0%	5%	6%	6%	7%	7%
<b>Expected Geometric Return</b>	<b>6.48%</b>	<b>6.30%</b>	<b>6.46%</b>	<b>6.63%</b>	<b>6.79%</b>	<b>6.95%</b>
<b>Expected Standard Deviation</b>	<b>11.89%</b>	<b>10.34%</b>	<b>11.19%</b>	<b>12.15%</b>	<b>13.12%</b>	<b>14.17%</b>

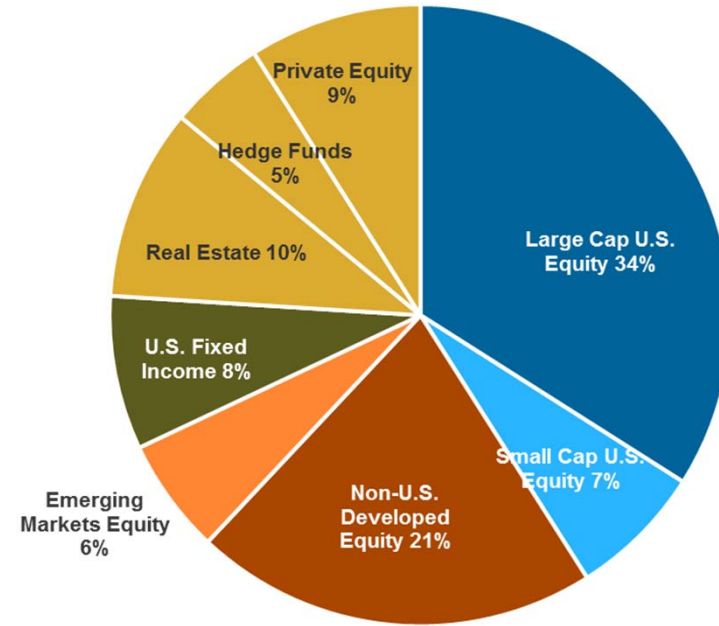
These mixes were constructed keeping the same increments of fixed income as mixes 1-5. Private Equity constrained to 12.5% of total public equity. Real Estate constrained to 10%.

Similar returns to the simulated mixes at a lower volatility.

# How to Achieve a 7.25% Expected Return



<i>Policy Target</i>	
<b>Global Equity</b>	<b>65%</b>
<b>Fixed Income</b>	<b>35%</b>
<b>Alternative Assets</b>	<b>0%</b>
<b>Expected Geometric Return</b>	<b>6.48%</b>
<b>Expected Standard Deviation</b>	<b>11.89%</b>



<i>Mix 7.25</i>	
<b>Global Equity</b>	<b>68%</b>
<b>Fixed Income</b>	<b>8%</b>
<b>Alternative Assets</b>	<b>24%</b>
<b>Expected Geometric Return</b>	<b>7.25%</b>
<b>Expected Standard Deviation</b>	<b>16.42%</b>

In order to achieve a 7.25% expected return, significantly more complexity and risk would be required.

Callan

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**Liability Modeling**

## Build Actuarial Liability Model

For purposes of asset-liability modeling, Callan built an actuarial liability model based on the Plan's specific liabilities which match Cheiron's actuarial accrued liability within +/-3%.

- Results are then scaled to match the actuarial report exactly.

Liability model is based on the 7/1/2018 actuarial valuation report.

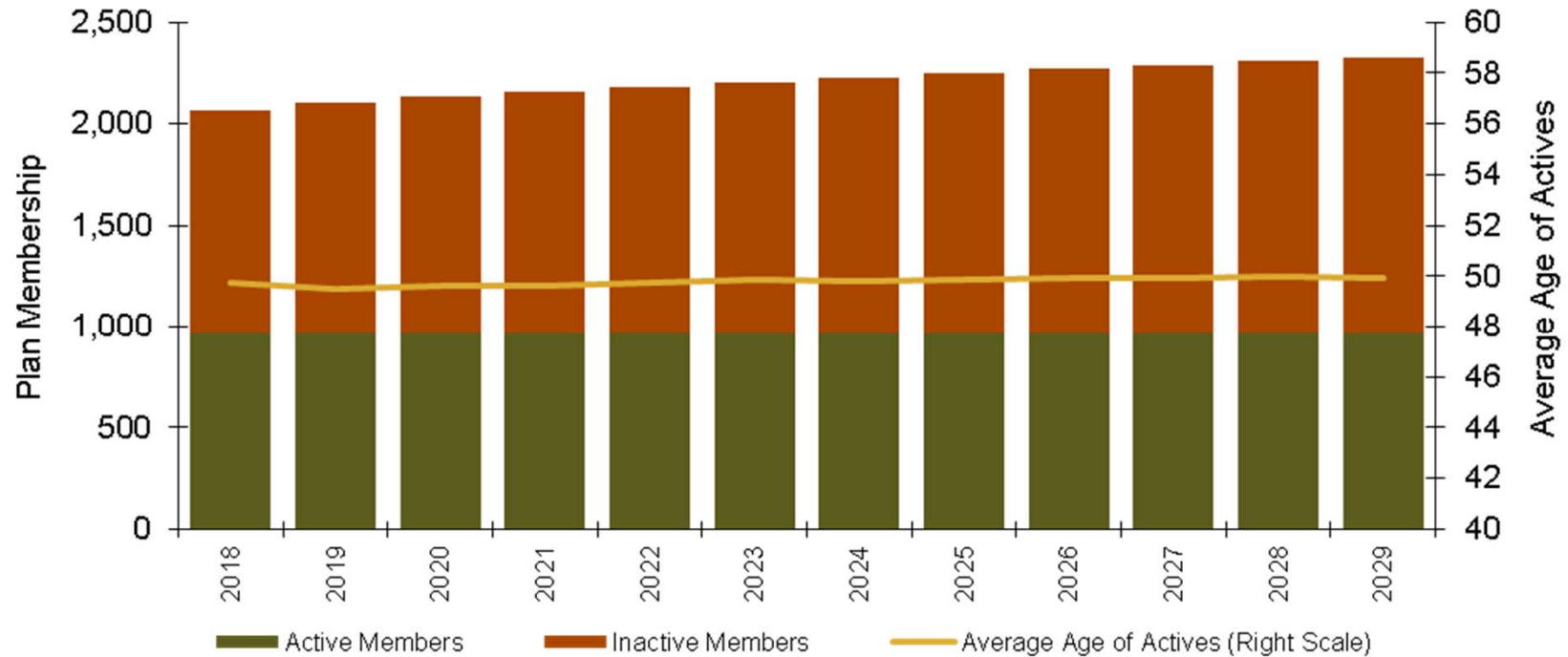
Other assumptions:

- Open to new entrants
- 0% workforce growth
- UAL amortized by 2032 (14 years)

July 1, 2018 Actuarial Valuation	All Plans
Actuarial Accrued Liability	\$398.9 mm
Market Value of Assets	\$283.5 mm
Actuarial Value of Assets	\$288.0 mm
Market Funded Status (MVA/AL)	71%
Actuarial Funded Status (AVA/AL)	72%
Employer Contribution (\$)	\$20.8mm
Employer Contribution (%)	29.7%

Key Assumptions	Actuarial Assumption	Callan 10-year Expectation
Investment Return	7.25%	6.50%
Price Inflation	3.0%	2.25%

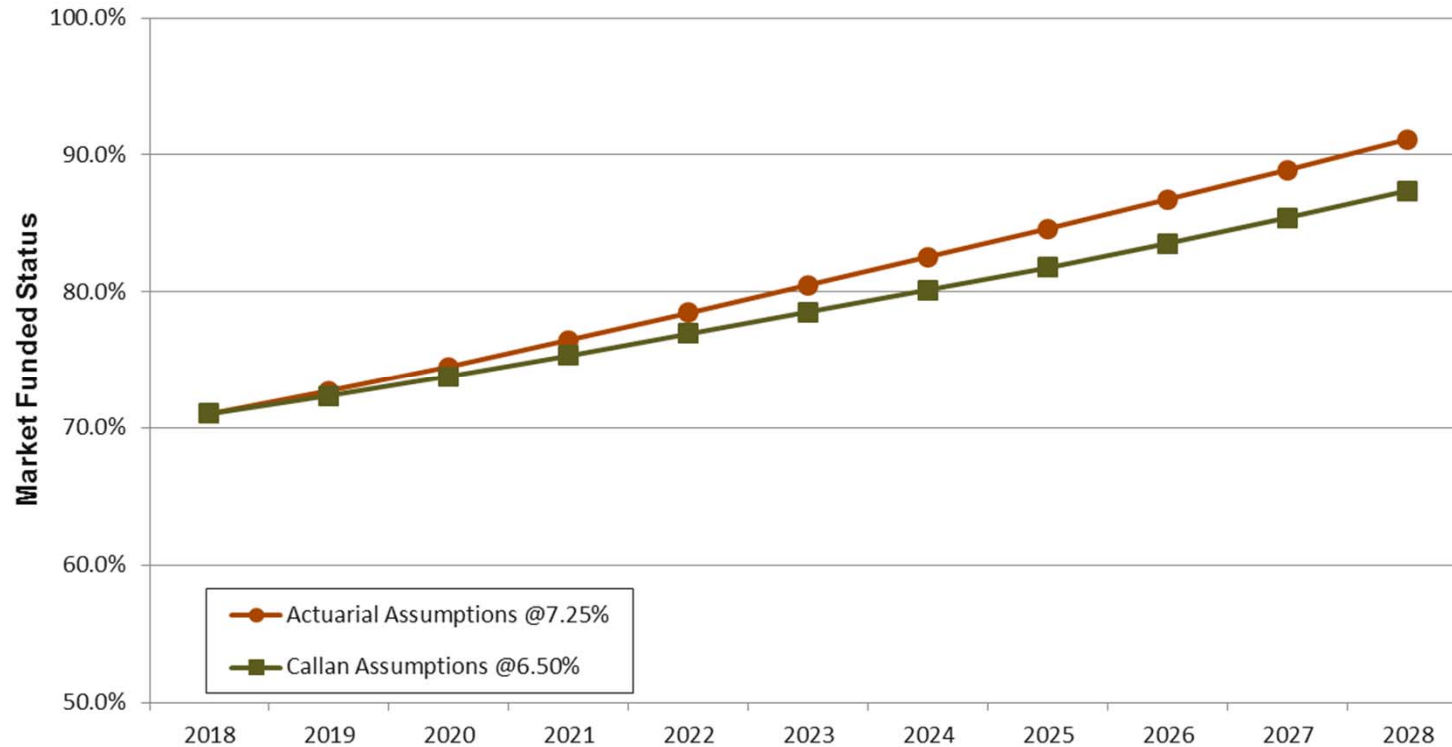
# Demographic Projection



Plan membership is gradually increasing.

- Total population increases from 2,000 to 2,300
- Active population is assumed to hold while inactive population is growing over time
- Average age of active members remains around 50

# Expected Funded Status Projections



A return gap (6.5% vs 7.25%) results in a lower funded status at the end of 10 years.

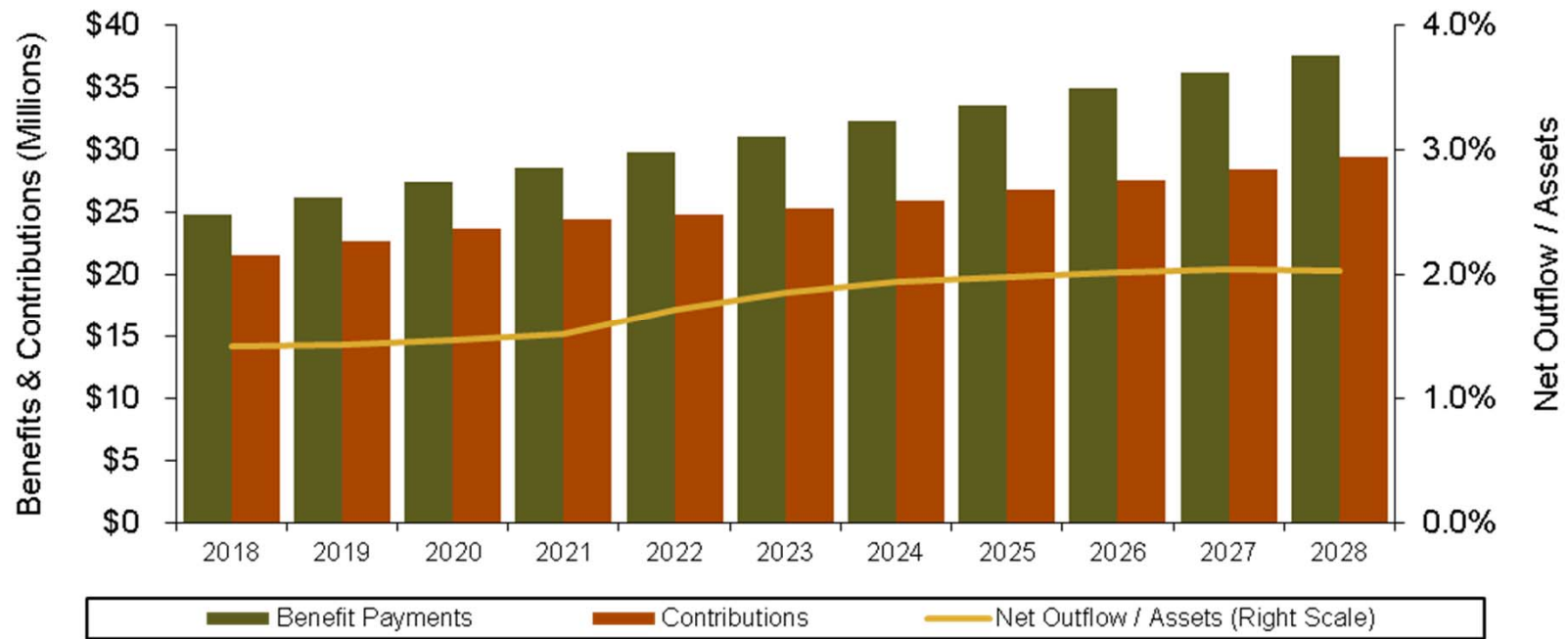
- The return gap is offset to some extent by projecting liabilities at lower price inflation

This study will introduce annual return volatility.

Funded status is projected to reach 87% at the end of 10 years.

# Liquidity Needs

Net Outflow (% of Market Assets)



*Net Outflow = Benefit Payments – Funding Contributions (Employer + Employee)*, taken as a percentage of the market value of assets at the beginning of the year.

Liquidity needs help define the appropriate time horizon for plan investments and shape the ability of the Plan to commit to illiquid asset classes – liquidity needs are projected to be manageable.

Under the current funding policy, liquidity needs are low.

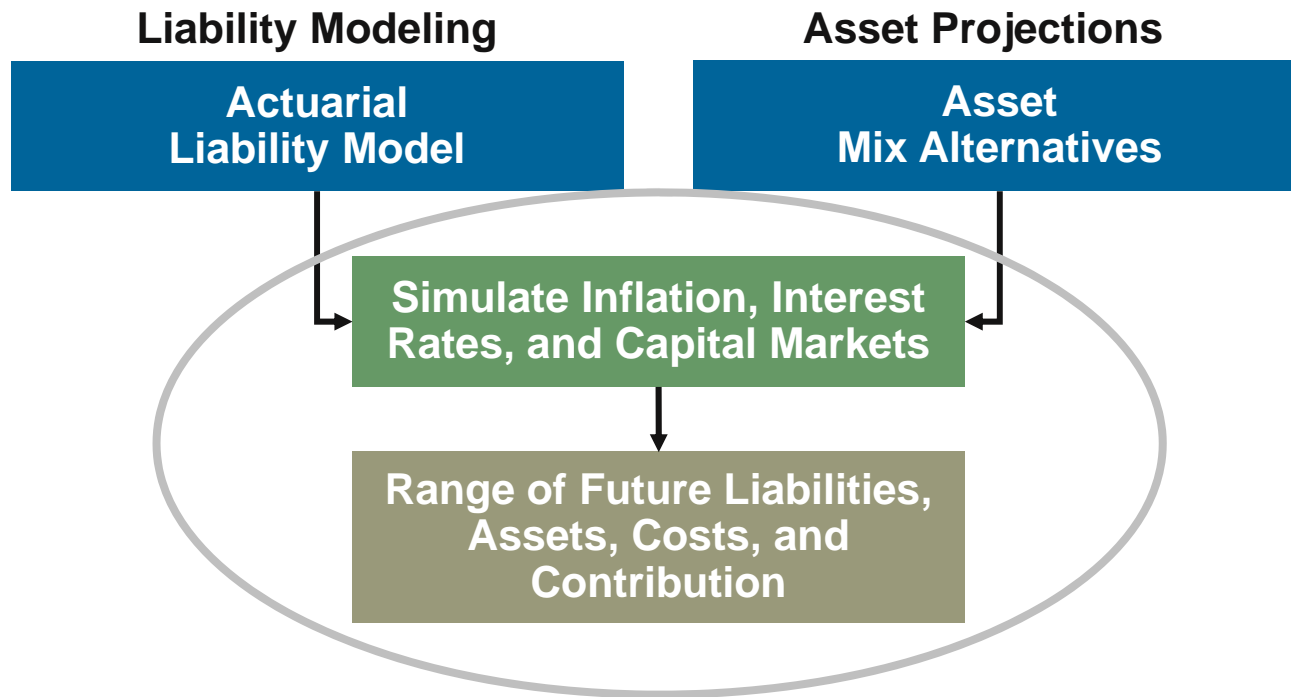
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## Stochastic Forecast



# Introduction to the Stochastic Forecast



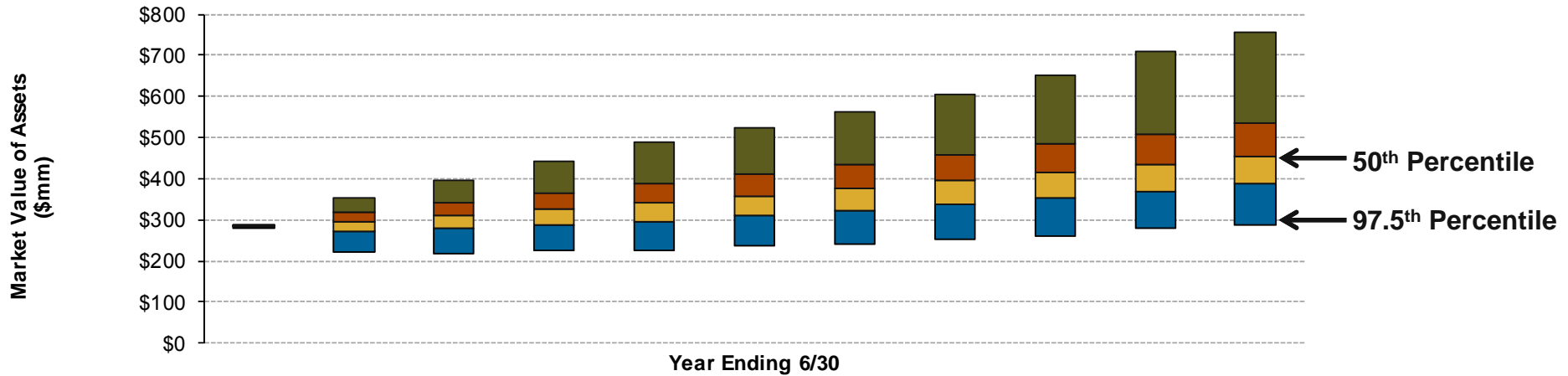
This section demonstrates a stochastic forecast: the modeling of uncertainty associated with the capital markets by generating 2,000 simulations per year, per asset mix, to capture possible future economic scenarios and their effect on the portfolio.

Simulate three key variables: 1) inflation rate, 2) interest rate, and 3) asset class returns

Focus is on a 10-year planning horizon (2019 - 2028)

# Market Value of Assets (MVA)

## Current Policy



Percentile	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2.5th	\$283	\$354	\$394	\$442	\$488	\$522	\$563	\$606	\$651	\$708	\$754
25th	283	317	341	365	390	413	433	457	485	508	537
50th	283	297	312	325	342	358	377	394	414	435	453
75th	283	273	281	288	297	310	324	338	352	369	387
97.5th	283	222	219	226	226	235	241	251	262	278	288
Range		132	175	216	262	287	322	356	389	430	466

The expected outcome is the 50<sup>th</sup> percentile.

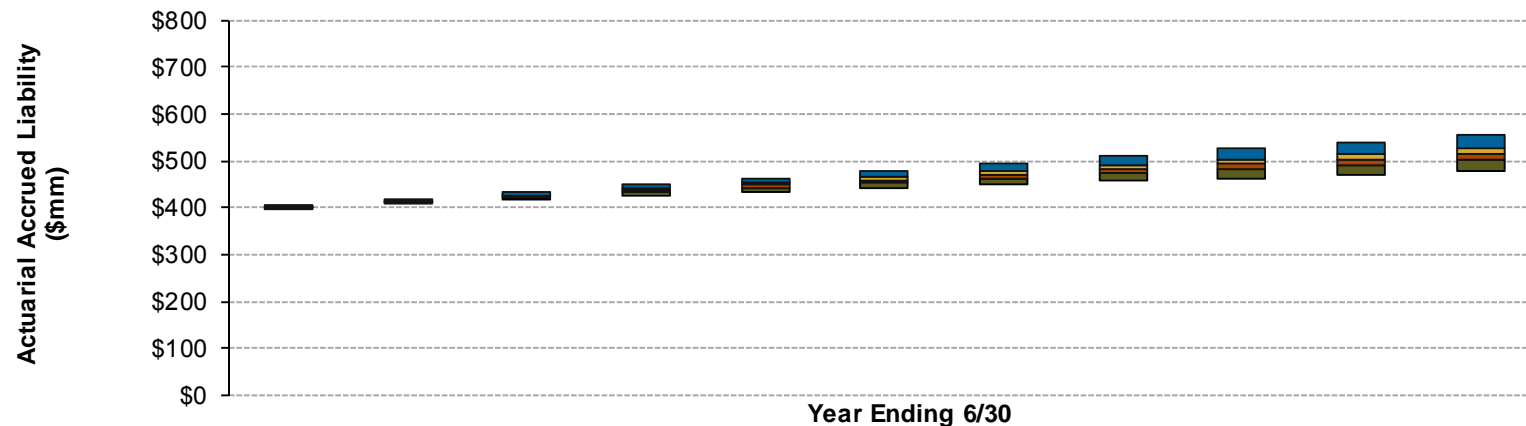
- There is a 50% chance that asset values will be above the value shown and a 50% chance that asset values will be below the value shown.

The worse-case scenario is the 97.5<sup>th</sup> percentile; a 1 in 40 chance of occurrence.

- For example, there is a 1-in-40 chance (2.5% probability) that the 6/30/2028 market value of assets will be \$288M or less.

# Range of Actuarial Liability

## Current Policy



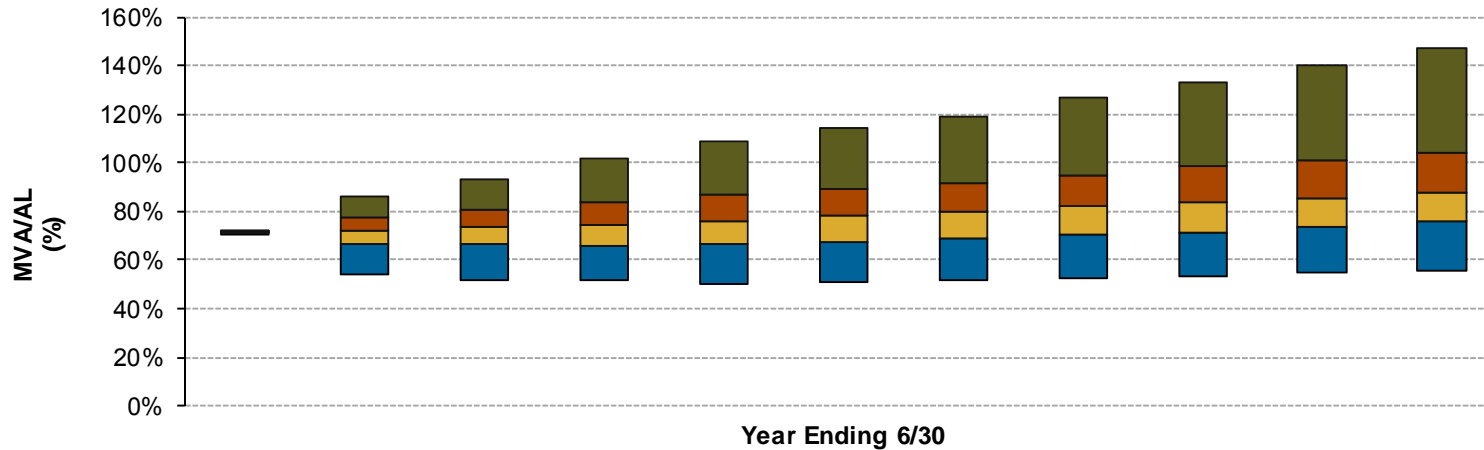
Percentile	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
97.5th	\$399	\$416	\$432	\$448	\$463	\$479	\$496	\$510	\$525	\$540	\$555
75th	399	413	426	440	453	466	478	491	504	516	528
50th	399	411	424	436	448	459	471	482	492	503	513
25th	399	410	421	432	442	453	463	472	482	491	500
2.5th	399	407	416	425	433	441	448	457	463	469	476
Range	0	8	16	23	30	38	47	54	62	71	79

Actuarial liabilities have much less capital market risk since they are not marked-to-market using current interest rates.

- Projection assumes constant actuarial discount rate of 7.25%
- Current variability reflects the uncertainty of inflation as it impacts participants' wages

# Range of Funded Ratio (MVA / AL)

## Current Policy



Percentile	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2.5th	71%	86%	93%	102%	109%	114%	119%	126%	133%	140%	147%
25th	71%	77%	80%	84%	87%	90%	92%	95%	98%	101%	104%
<b>50th</b>	<b>71%</b>	<b>72%</b>	<b>73%</b>	<b>75%</b>	<b>76%</b>	<b>78%</b>	<b>80%</b>	<b>82%</b>	<b>84%</b>	<b>86%</b>	<b>88%</b>
75th	71%	66%	67%	66%	66%	68%	69%	70%	71%	74%	76%
<b>97.5th</b>	<b>71%</b>	<b>54%</b>	<b>52%</b>	<b>52%</b>	<b>51%</b>	<b>51%</b>	<b>51%</b>	<b>52%</b>	<b>53%</b>	<b>55%</b>	<b>56%</b>

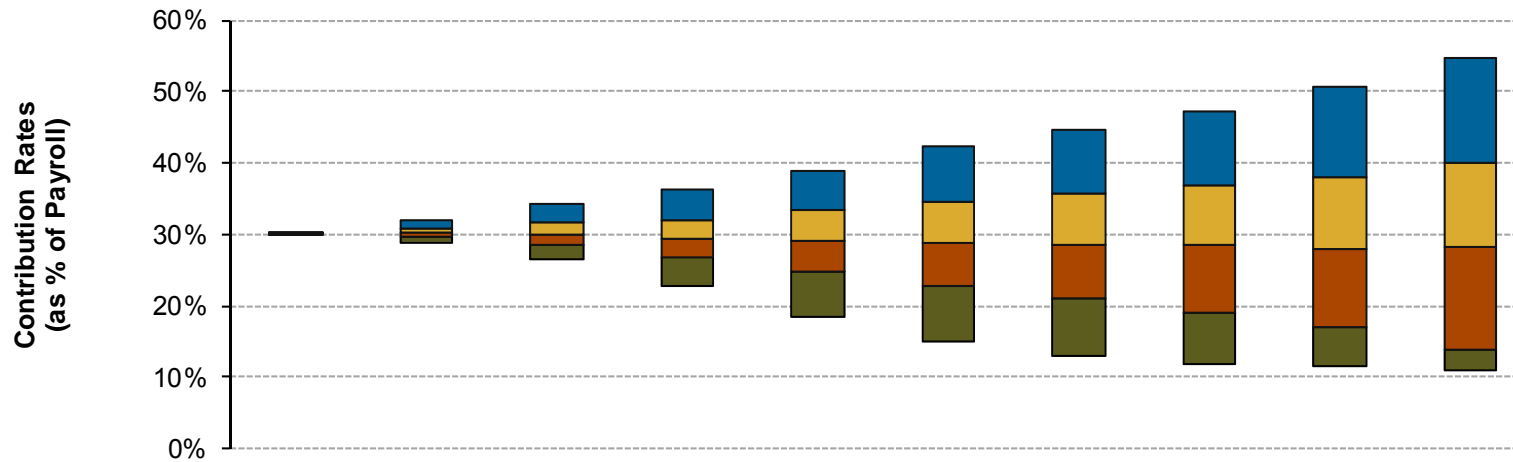
Funded Status = Market Value of Assets (MVA) / Actuarial Liability

Asset and liability experience is combined in determining funded status volatility.

Funded ratio volatility is largely driven by asset volatility which highlights the importance of the asset mix decision.

# Range of Contribution Rates

## Current Policy



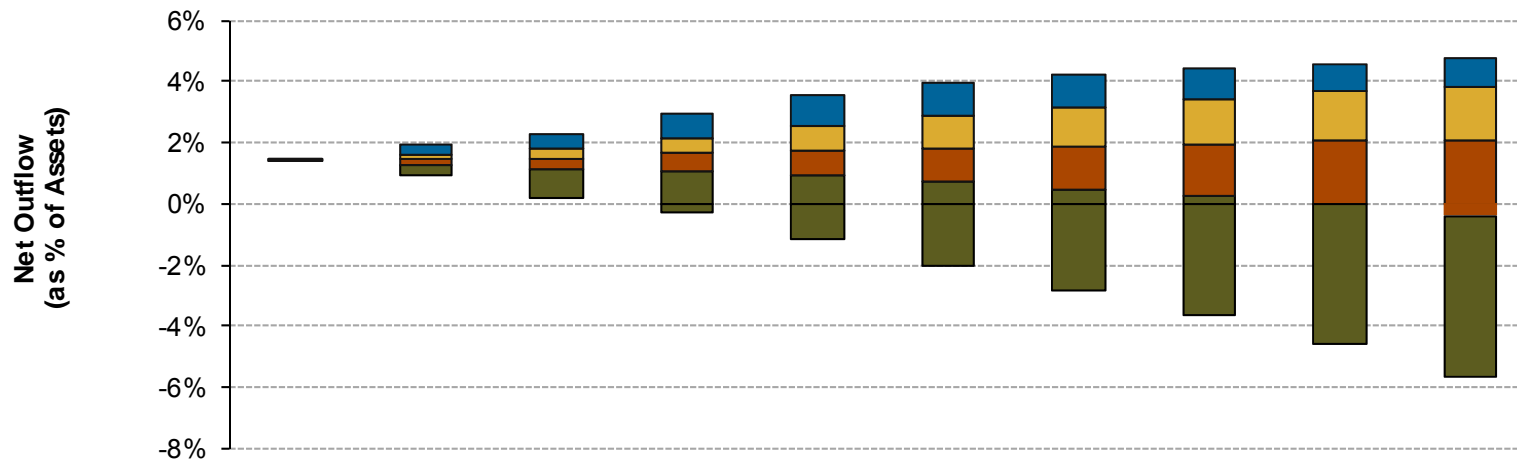
Percentile	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
97.5th	30%	32%	34%	36%	39%	42%	45%	47%	51%	55%
75th	30%	31%	32%	32%	33%	35%	36%	37%	38%	40%
50th	30%	30%	30%	29%	29%	29%	29%	28%	28%	28%
25th	30%	30%	28%	27%	25%	23%	21%	19%	17%	14%
2.5th	30%	29%	27%	23%	18%	15%	13%	12%	11%	11%

Contribution volatility is another measure of investment risk, with the potential for worse case contribution rates to increase over time.

This chart demonstrates the impact of not earning the actuarial rate of return.

# Range of Simulated Net Cash Flows (% Market Assets)

## Current Policy



Percentile	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
97.5th	1.4%	1.5%	2.3%	3.0%	3.6%	4.0%	4.2%	4.4%	4.6%	4.7%
75th	1.4%	1.5%	1.8%	2.2%	2.5%	2.9%	3.2%	3.4%	3.7%	3.8%
50th	1.4%	1.5%	1.5%	1.7%	1.8%	1.8%	1.9%	1.9%	2.0%	2.0%
25th	1.4%	1.5%	1.1%	1.1%	0.9%	0.7%	0.5%	0.3%	0.0%	-0.4%
2.5th	1.4%	1.5%	0.2%	-0.3%	-1.2%	-2.0%	-2.8%	-3.6%	-4.6%	-5.6%

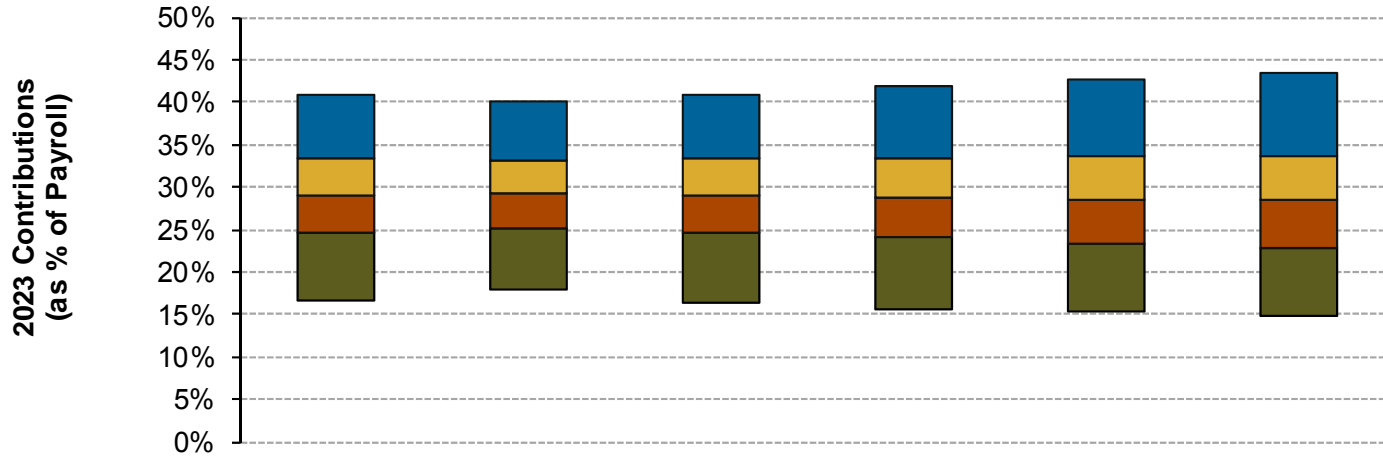
Volatility of liquidity needs are forecasted to be manageable, even in worse-case scenarios.

Current Target has no illiquid investments.

Net outflow above 7% may constrain illiquid investments below 20-40%, depending on funding policy, funded status and portfolio risk (potential for large drawdown).

# Range of Contribution Rates – 5<sup>th</sup> Year

All Mixes including Current Policy



Percentile	Target Mix	Mix 1	Mix 2	Mix 3	Mix 4	Mix 5
97.5th	41%	40%	41%	42%	43%	43%
75th	33%	33%	33%	33%	34%	34%
50th	29%	29%	29%	29%	29%	28%
25th	25%	25%	25%	24%	23%	23%
2.5th	17%	18%	16%	16%	15%	15%

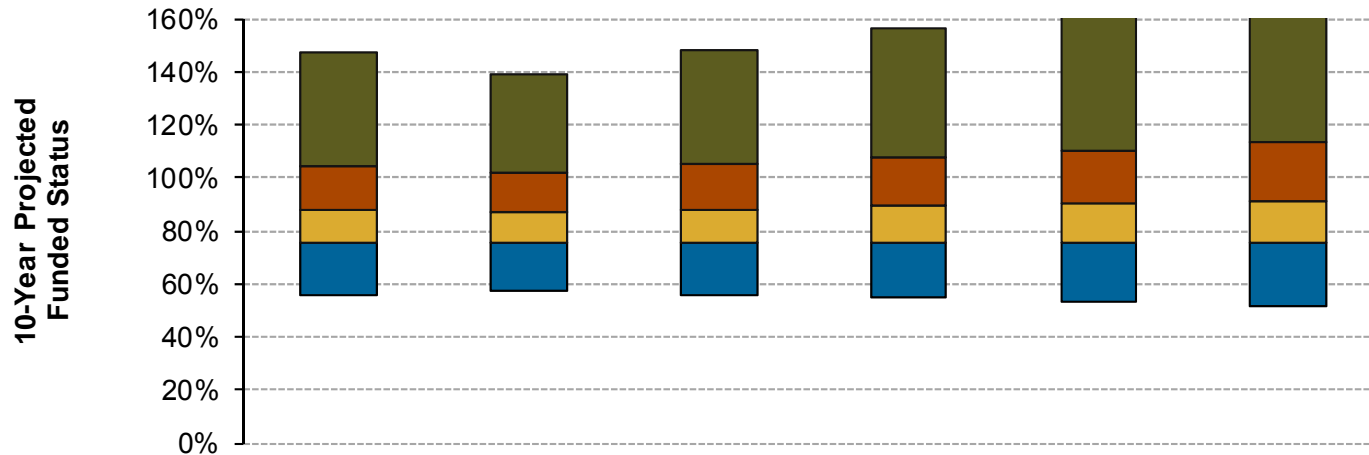
Investment volatility is reflected in employer contribution rates through the amortization payment.

Chart compares the contribution rates in the fifth year across the range of alternative asset mixes

- Differences across mixes are small

# Range of Simulated Funded Ratio (MVA / AL) – End of 10 Years

All Mixes including Current Policy



Percentile	Target Mix	Mix 1	Mix 2	Mix 3	Mix 4	Mix 5
2.5th	147%	139%	148%	156%	166%	178%
25th	104%	102%	105%	108%	110%	113%
50th	88%	87%	88%	89%	90%	91%
75th	76%	76%	76%	76%	76%	75%
97.5th	56%	57%	56%	54%	53%	51%

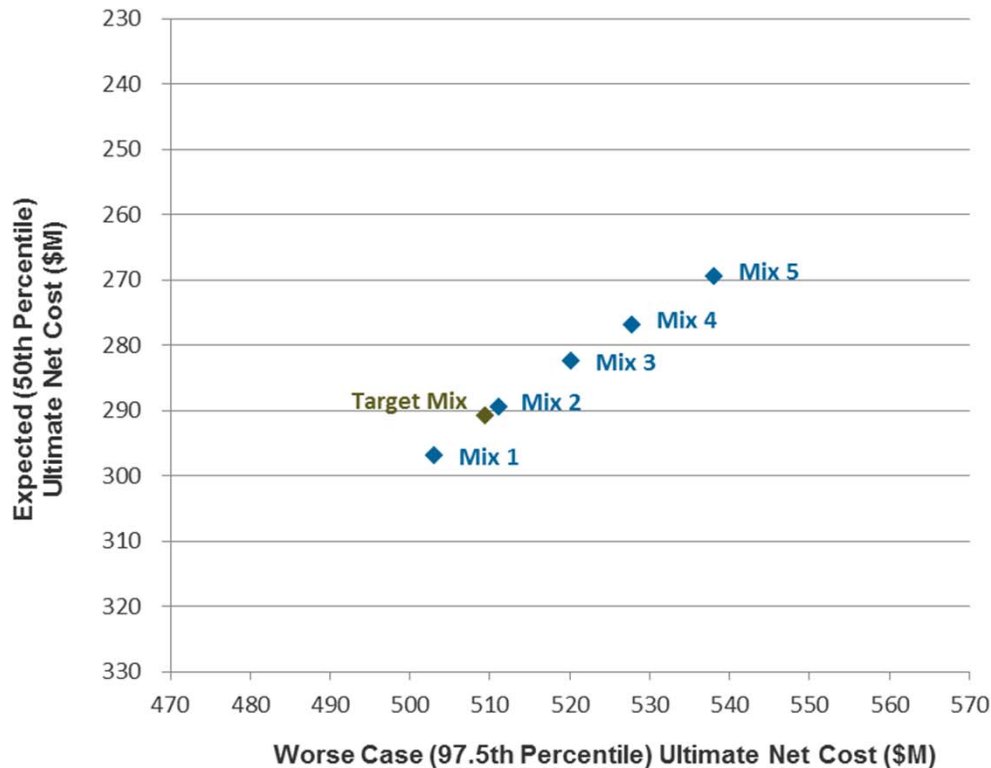
Chart compares funded ratio volatility across a range of alternative asset mixes; no change in the 7.25% discount rate is modeled.

A more aggressive asset mix is expected (50th percentile) to result in a higher funded status but in a worse case scenario (97.5th percentile) the funded status would be lower.

Differences between mixes are relatively small.



## Range of Ultimate Net Cost – End of 10 Years



Ultimate Net Cost is a decision variable that combines funded status and contribution risk

- Ultimate Net Cost = Cumulative Contributions + Unfunded Liability (MV) in year 10
- 97.5<sup>th</sup> percentile is used to describe Worse Case
- UNC can be plotted similar to an “efficient frontier”

The risk/reward trade-off for each alternative compared to the current target is broadly similar, resulting in a linear relationship.

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**Observations and Recommendations**

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## Summary of Results and Observations

The liability and demographic profiles suggest SacRT has a sufficiently long time horizon in which to assume investment risk.

Liquidity needs are manageable and low

- Net outflows are less than 5% over much of the next 10 years
- No illiquid asset classes in the current target

Liabilities are expected to grow at a moderate pace

- Plan is open and accruing benefits

After taking into account different inflation expectations, Callan models the liability return as 6.90%, which is slightly less than the 7.25% actuarial discount rate.

- A return objective of 6.90% is consistent with Callan's capital market assumptions with embedded price inflation of 2.25%
- Higher inflation than expected (2.25%) should result in higher nominal returns and higher liabilities over the long run

The risk/return stance of the current target appears to be sufficient to meet the very long-term goals and funding needs for the plan.

Alternative mixes explore modest changes to the current target and illustrate the impact of increasing risk in pursuit of return.

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## Conclusion

The current target is diversified across stocks and bonds, and it would be reasonable to retain it as the policy target going forward.

SacRT can also consider further diversification, and Callan believes real estate in particular offers a potentially attractive source of return that would complement and diversify the existing portfolio.

- Of course, there are cost and implementation considerations to take into account

Mix 3R (which includes 10% to real estate, funded from both stocks and bonds) is compelling for several reasons:

- Diversifier to equities and fixed income
- Lagged valuation process helps smooth out volatility
- Intermediate to long term inflation hedge
- Potential to add active management premium
- Many similarly sized public funds (~75%) have an allocation to real estate

Mix 3R increases the expected return to 6.65%, from the current target expected return of 6.48%. Including an active management premium assumption of 20-30 bps gets the Plan closer to the 6.90% liability growth rate (though still short of the 7.25% discount rate).

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**Appendix**

# Role of Asset Classes and Strategies

## Capital Accumulation

- U.S. Equity
- Non-U.S. Equity
- Private Equity
- Private Real Estate

## Diversification/Expand Opportunity Set

- TIPS
- Non-U.S. Equity
- Commodities
- Private Equity
- Private Real Estate
- Infrastructure
- Hedge Funds
- Timber

## Lower Volatility

- U.S. Fixed Income
- Hedge funds

## Alpha Generation

- Small/Mid Cap U.S. Equity
- Non-U.S. Equity
- Private Equity
- Private Real Estate
- Infrastructure
- Hedge Funds

## Deflation Hedge

- U.S. Fixed Income

## Inflation Hedge

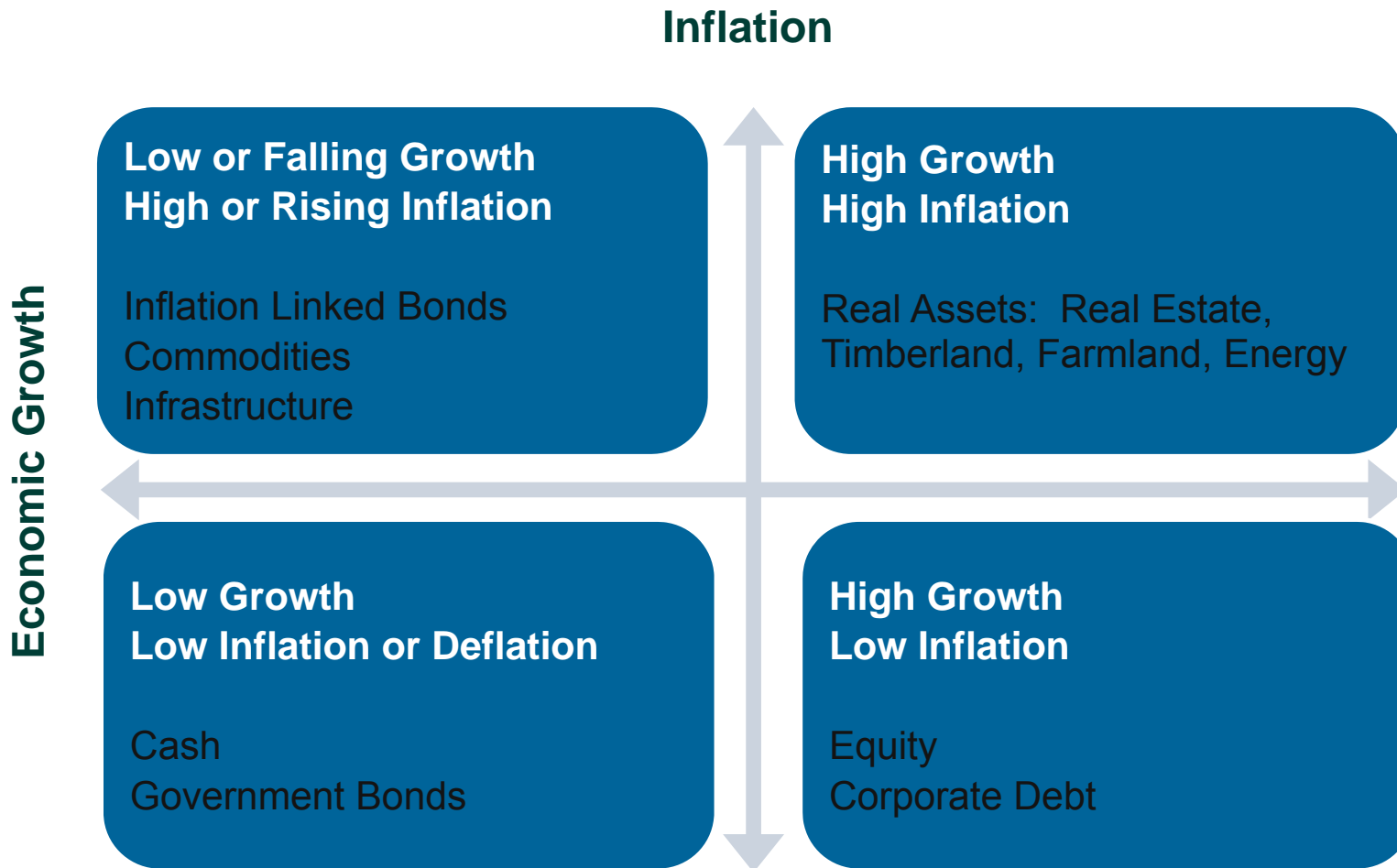
- TIPS
- Private Real Estate
- Infrastructure
- Commodities
- Timber

*Asset classes in color represent illiquid investments*

# Grouping Asset Classes by Economic Roles

## Evaluate Economic Growth and Inflation Scenarios

Investors seek economic diversification to a range of scenarios like inflation, deflation, stagflation and growth given the uncertainty.



## Economic Roles of Asset Classes

Asset classes can be bucketed based on their responses to macroeconomic scenarios

- This approach combines the transparency of asset classes with the granularity of risk factor-based approaches

### Capital Accumulation

- Grow assets through relatively high long-term returns
- Global public equity
- Private equity

### Absolute Return

- Earn returns between stocks and bonds while attempting to protect capital
- Absolute return hedge funds

### Flight to Quality

- Protect capital in times of market uncertainty
- U.S. fixed income
- Cash equivalents

### Inflation Linked

- Support the purchasing power of assets
- Real estate and real assets
- TIPS



# Callan's 2019 Capital Market Expectations

## Correlations

		Broad	Lg Cap	Sm/Mid	GlobxUS	Int'l Eq	Emerge	Sht Dur	Dom Fix	Long D	TIPS	Hi Yield	NUS Fix	EMD	Real Est	Pvt Eq	Hedge Fd	Comm	Cash Eq	Inflation	
1	Broad Domestic Equity	1.000																			
2	Large Cap	0.996	1.000																		
3	Small/Mid Cap	0.960	0.930	1.000																	
4	Global ex-US Equity	0.853	0.842	0.842	1.000																
5	International Equity	0.811	0.800	0.800	0.988	1.000															
6	Emerging Markets Equity	0.872	0.860	0.860	0.940	0.875	1.000														
7	Short Duration	-0.232	-0.220	-0.255	-0.248	-0.225	-0.275	1.000													
8	Domestic Fixed	-0.113	-0.100	-0.145	-0.136	-0.115	-0.170	0.875	1.000												
9	Long Duration	0.109	0.112	0.095	0.080	0.094	0.042	0.739	0.930	1.000											
10	TIPS	-0.049	-0.040	-0.075	-0.063	-0.050	-0.085	0.555	0.640	0.532	1.000										
11	High Yield	0.636	0.630	0.620	0.625	0.605	0.615	-0.130	0.020	0.189	0.055	1.000									
12	Non-US Fixed	0.008	0.010	0.000	0.068	0.050	0.100	0.480	0.530	0.539	0.400	0.120	1.000								
13	EMD	0.573	0.570	0.550	0.568	0.540	0.580	-0.040	0.100	0.202	0.180	0.600	0.010	1.000							
14	Real Estate	0.736	0.730	0.715	0.706	0.680	0.700	-0.125	-0.035	0.168	0.000	0.560	-0.051	0.470	1.000						
15	Private Equity	0.917	0.915	0.875	0.883	0.860	0.855	-0.300	-0.225	-0.005	-0.135	0.550	0.060	0.450	0.660	1.000					
16	Hedge Funds	0.760	0.755	0.735	0.738	0.715	0.725	-0.080	0.090	0.287	0.085	0.570	-0.050	0.540	0.640	0.620	1.000				
17	Commodities	0.152	0.150	0.150	0.161	0.155	0.160	-0.220	-0.100	-0.041	0.120	0.100	0.150	0.190	0.200	0.180	0.210	1.000			
18	Cash Equivalents	-0.043	-0.030	-0.080	-0.040	-0.010	-0.100	0.300	0.100	-0.040	0.120	-0.110	0.000	-0.070	-0.060	0.000	-0.070	0.070	1.000		
19	Inflation	-0.010	-0.020	0.020	0.010	0.000	0.030	-0.200	-0.280	-0.288	0.100	0.070	-0.100	0.000	0.100	0.060	0.200	0.400	0.000	1.000	

Relationships between asset classes are as important, or more important, than the levels of individual asset class assumptions.

These relationships will have a large impact on the generation of efficient asset mixes using mean-variance optimization.

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