

NOTICE OF A REGULAR MEETING OF THE WINNETKA FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES

The Winnetka Firefighters' Pension Fund Board of Trustees will conduct a regular meeting on **Wednesday, May 8, 2019 at 3:00 p.m.** in the Winnetka Fire Department located at 428 Green Bay Rd. Winnetka, Illinois, 60093 for the purposes set forth in the following agenda:

AGENDA

1. Call to Order
2. Roll Call
3. Public Comment
4. Approval of Meeting Minutes
 - a.) Regular Meeting – February 13, 2019
5. Treasurer's Report
 - a.) Presentation and Approval of Bills
 - b.) Illinois Department of Insurance Compliance Fee
6. Investment Report – AndCo Consulting
 - a.) Investment Performance Review
 - b.) Review/Update Investment Policy, if needed
7. Communications or Reports
 - a.) Statements of Economic Interest
 - b.) Affidavits of Continued Eligibility
8. Trustee Training Updates
 - a.) Approval of Trustee Training Registration Fees and Reimbursable Expenses
9. Applications for Membership/Withdrawals from Fund
 - a.) Application for Membership – Tyler Gunn
10. Applications for Retirement/Disability Benefits
11. Old Business
 - a.) IDOI Annual Statement
12. New Business
 - a.) Certify Board Election Results – Active Member Position
 - b.) Board Officer Elections – President & Secretary
 - i. FOIA Officer & OMA Designee
 - c.) Status of Actuarial Valuation
 - d.) Status Update – Lee Doyle
13. Attorney's Report – Ottosen Britz
 - a.) Legal Updates
14. Closed Session, if needed
15. Adjournment

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
WINNETKA FIREFIGHTERS' PENSION FUND
FEBRUARY 13, 2019**

A regular meeting of the Board of Trustees of the Winnetka Firefighters' Pension Fund was held on Wednesday, February 13, 2019 at 3:00 p.m. at 428 Green Bay Rd, Winnetka, IL 60093 for the purpose of conducting regular business.

CALL TO ORDER: The meeting was called to order by Trustee Ripka at 3:01 p.m.

ROLL CALL:

PRESENT: Trustees Mark Fuller, John Ripka, Andrew MacArthur, John Sobel and Steve Pearson

ABSENT: None

ALSO PRESENT: Mary Nye, AndCo Consulting; Tim Sloth, Village Treasurer; Jim Wargo, Ottsen Britz; Isabel Copeland, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MINUTES: *November 14, 2018 Regular Meeting Minutes:* The Board reviewed the minutes from the November 14, 2018 regular meeting. A motion was made by Trustee Pearson and seconded by Trustee Fuller to approve the November 14, 2018 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes for review at this time.

TREASURER'S REPORT: *Presentation and Approval of Bills:* The Board reviewed the Accounts Payable Invoice Report for the period ending December 31, 2018. Mr. Sloth reviewed the payments and answered all questions. A motion was made by Trustee MacArthur and seconded by Trustee Sobel to accept the Accounts Payable Invoice Report as presented in the amount of \$142,513.56. Motion carried unanimously by voice vote.

Confirmation of Tax Levy Amount for Fund: Mr. Sloth informed the Board the Village filed a tax levy ordinance per the Board's recommended contribution in the amount of \$1,819,236.

Preparations for DOI annual statement, actuarial valuation and audit: The Board noted that completion of the IDOI Annual Statement is currently in process. Updates will be provided to the Board as they become available.

INVESTMENT REPORT – ANDCO CONSULTING: *Investment Performance Review:* Ms. Nye presented the Investment Performance Review and discussed the long-term market value of the fund, along with the risk-reward analysis and current and projected market conditions. Ms. Nye presented the Investment Performance Review for the period ended December 31, 2018. As of December 31, 2018, the market value of the portfolio is \$28,454,246 and the return on investments is (\$1,370,038) for the quarter. The portfolio composition is 46.2% in domestic equities, 11.1% in international equities, 36.6% in domestic fixed income, 5.4% real estate, and 0.8% in cash and equivalent. Current asset allocations within the equity and fixed income funds were reviewed, as well as individual fund performance, and investment fees. All questions were answered by AndCo Consulting.

Fixed Income Presentation: This was discussed at the November 14, 2018 Board meeting. No action is required.

Review/Update Investment Policy, if needed: Ms. Nye presented the amended Investment Policy to include the addition of Garcia Hamilton Fixed Income to replace Great Lakes Advisors Fixed Income. A motion was made by Trustee Ripka and seconded by Trustee Fuller to accept the amended Investment Policy. Motion carried unanimously by voice vote.

COMMUNICATION AND REPORTS: *Affidavits of Continued Eligibility:* L&A informed the Board that second request Affidavits of Continued Eligibility were mailed to the outstanding pensioners after the January 9, 2018 due date. To date, one affidavit remains outstanding. The Board authorized L&A to send a third request affidavit via certified mail to the outstanding pensioner. Updates will be provided to the Board as they become available.

Statements of Economic Interest: The Board noted that the List of Filers was due to the County by the Village by February 1, 2019. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2019.

2019 IRS Mileage Rate: The Board noted that the IRS standard business mileage rate used for reimbursement increased to \$0.58 per mile effective January 1, 2019.

TRUSTEE TRAINING UPDATE: *First Quarter Insights:* Attorney Wargo distributed copies of the Ottosen Britz Pension Practice Quarterly Insights memo and highlighted items pertaining to the re-entry into active service, re-employment and double dipping.

Status of Trustee Training Hours: The Board reviewed the Trustee Training Summary. Trustees were reminded to submit all training certificates to L&A for recordkeeping.

Upcoming Training Opportunities: The Board discussed upcoming training opportunities. The Board discussed membership to the IPPFA. A motion was made by Trustee MacArthur and seconded by Trustee Ripka to authorize L&A to execute all necessary documentation for the Board to become members of the IPPFA. Motion carried unanimously by voice vote.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS APPLICATIONS: There were no applications for retirement or disability benefits.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: There were no applications for membership or withdrawals from the Fund.

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: *Approve Annual Cost of Living Adjustments (COLAs) for Pensioners:* The 2019 Cost of Living Adjustments were calculated as required by statute and forwarded to the Finance Department. A motion was made by Trustee MacArthur and seconded by Trustee Fuller to accept the 2019 Cost of Living Adjustments as required by statute. Motion carried unanimously by voice vote.

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee Ripka is expiring in April 2019. Trustee Ripka wishes to remain on the

Board if nominated. L&A will conduct an election on behalf of the Pension Fund for one of the two active member Trustee positions.

Review/Approve – Fiduciary Liability Insurance Renewal: The Board reviewed the fiduciary liability insurance renewal provided by Chubb Insurance. A motion was made by Trustee Fuller and seconded by Trustee Sobel to approve payment of the fiduciary liability insurance renewal effective January 1, 2019 through January 1, 2020 in the amount of \$7,475. Motion carried unanimously by voice vote.

Reciprocity Update – Johnny Sengmany: The Board noted that the application from Johnny Sengmany to the Winnetka Firefighters' Pension Fund to combine service under reciprocity has been received. A motion was made by Trustee MacArthur and seconded by Trustee Pearson to accept his application for reciprocity. Motion carried unanimously by voice vote.

Review/Approve – Attorney Engagement Letter for 2019: The Board reviewed the agreement for legal services provided by Ottosen Britz. A motion was made by Trustee Ripka and seconded by Trustee MacArthur to approve the one-year agreement with Ottosen Britz at the cost of \$225 per hour for attorneys; \$150 per hour for administrative staff and paralegals; and \$160 per hour for law clerks. Motion carried unanimously by voice vote.

ATTORNEY'S REPORT – OTTOSEN BRITZ: *Annual Timeline:* Attorney Wargo discussed the Annual Timeline and Pension Pointers prepared by Ottosen Britz.

Pension Findings Report: Attorney Wargo presented the Pension Funding Report prepared by Ottosen Britz outlining recommended and statutory minimum actuarially determined contribution numbers from the past three years.

Client Information Update: The Board reviewed the Client Information Update sheet provided by the Attorney. No action is required.

Pension Board Rules Project: The Board discussed the pension Board Rules Project. Further updates will be provided at the next regular meeting.

CLOSED SESSION, IF NEEDED: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Pearson and seconded by Trustee Sobel to adjourn the meeting at 4:15 p.m. Motion carried unanimously by voice vote.

The next regular meeting of the Winnetka Firefighters' Pension Fund will be held on **Wednesday, May 8, 2019 at 3:00 p.m.**

Respectfully submitted,

Andy MacArthur, Secretary

Date

Minutes prepared by Isabel Copeland, Pension Services Administrator, Lauterbach & Amen, LLP

Investment Performance Review
Period Ending March 31, 2019

Village of Winnetka Firefighters' Pension Fund

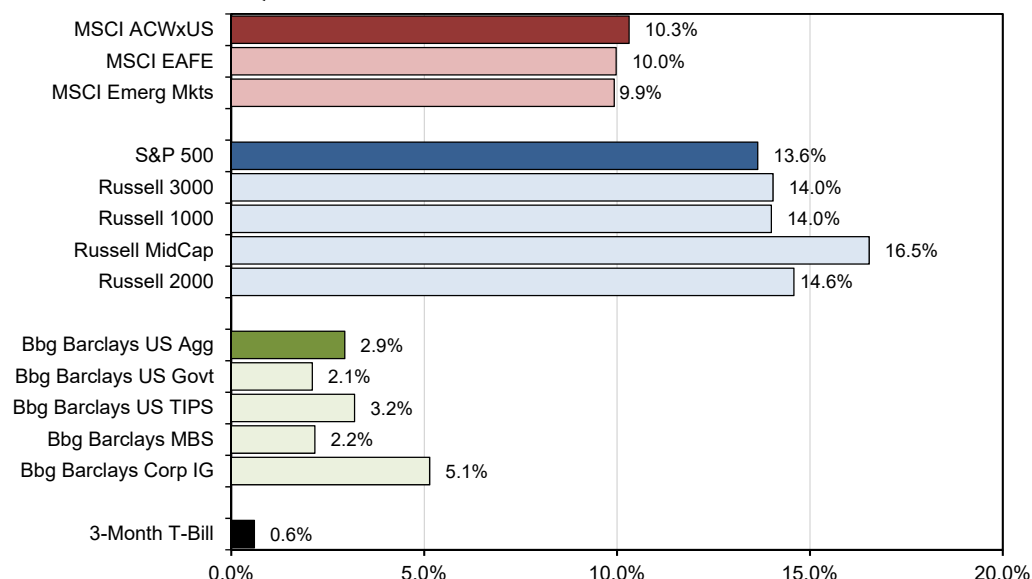


1st Quarter 2019 Market Environment

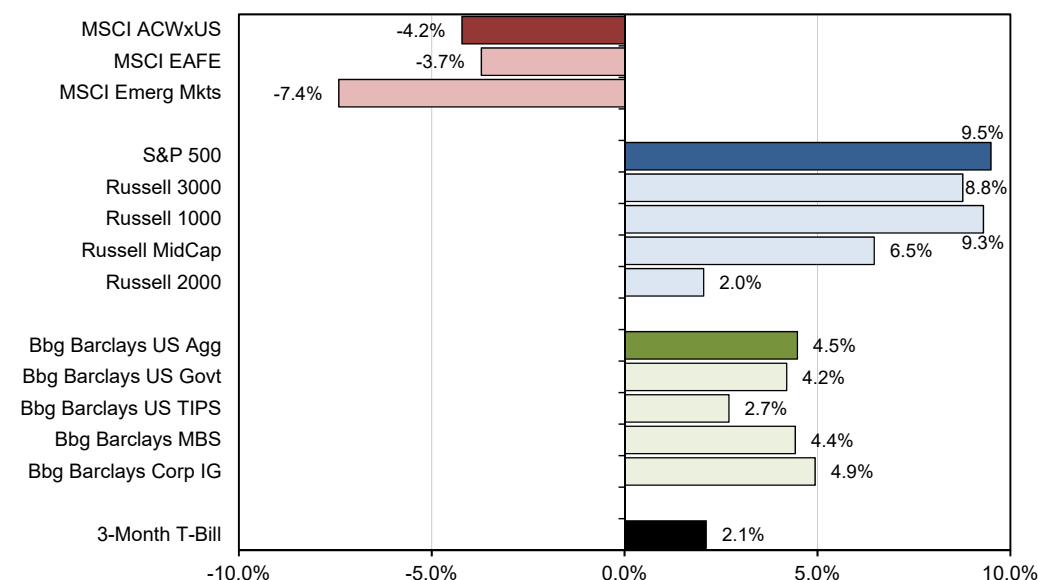


- After a difficult end to 2018, markets rebounded strongly during the 1st quarter of 2019 with higher risk assets posting the greatest returns. Broad international and domestic equity markets had double-digit gains during the period as investors overlooked signs of weakening global growth in favor of increased accommodation in global monetary policy and progress in global trade negotiations. While muted relative to equities, fixed income returns were also positive during the quarter. Within equities, domestic stocks outperformed international markets. US markets pushed higher as the US Federal Reserve (Fed) shifted their stance on monetary policy toward a more accommodative posture, the US and China moved closer to a resolution of their ongoing trade dispute and the partial government shutdown that began in December came to an end. The large cap S&P 500 Index returned 13.6% during the quarter while the small cap Russell 2000 Index gained 14.6% for the period. US equity returns over the 1-year period are positive with the S&P 500 appreciating 9.5% while the Russell 2000 posted a more modest gain of 2.0%.
- Similar to US markets, international equity investors were encouraged by a general easing in central bank monetary policy, including new stimulus measures in Europe and China, as well as the de-escalation of trade tensions with the US. Despite the continued softening in global macroeconomic data and the lack of certainty around Brexit, international equity index returns finished the quarter in positive territory with the MSCI ACWI ex US Index returning 10.3%. The developed market MSCI EAFE Index and the MSCI Emerging Markets Index had similar performance during the 1st quarter returning 10.0% and 9.9% respectively. Despite the strong quarter, returns over the 1-year period remain negative with developed markets falling -3.7%, outperforming emerging markets which fell -7.4%.
- Fixed income securities underperformed equities to start 2019 with the broad market Bloomberg Barclays Aggregate Index returning 2.9%. Interest rates fell for all maturities across the US Treasury Yield Curve as Fed guidance signaled a pause in monetary policy tightening through 2019. Interest rates in the middle of the curve saw the greatest declines causing the curve to invert with shorter-term maturities paying higher interest rates than those in the middle of the curve. This has historically preceded a recession by 6-24 months. Investment grade corporate issues were the best performing securities this quarter, outperforming Treasury and securitized issues. The Bloomberg Barclays Corporate IG Index returned 5.1% for the period, as corporate credit had tailwinds due to its greater interest rate sensitivity, higher yields and tightening credit spreads. Corporate issues also outperformed the other major fixed income sectors over the 1-year period, returning 4.9% versus a 4.5% return for the Bloomberg Barclays Aggregate Index.

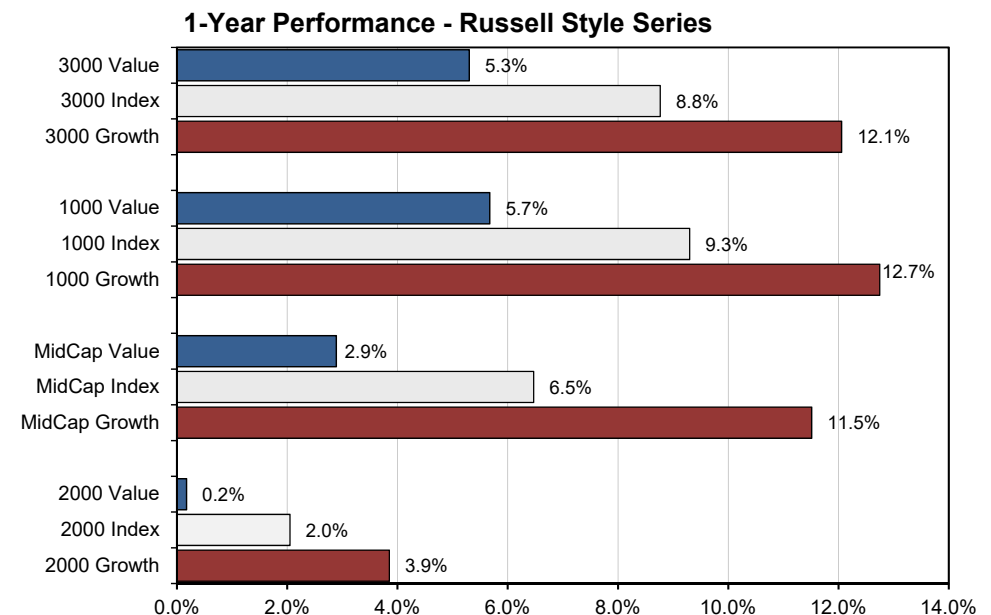
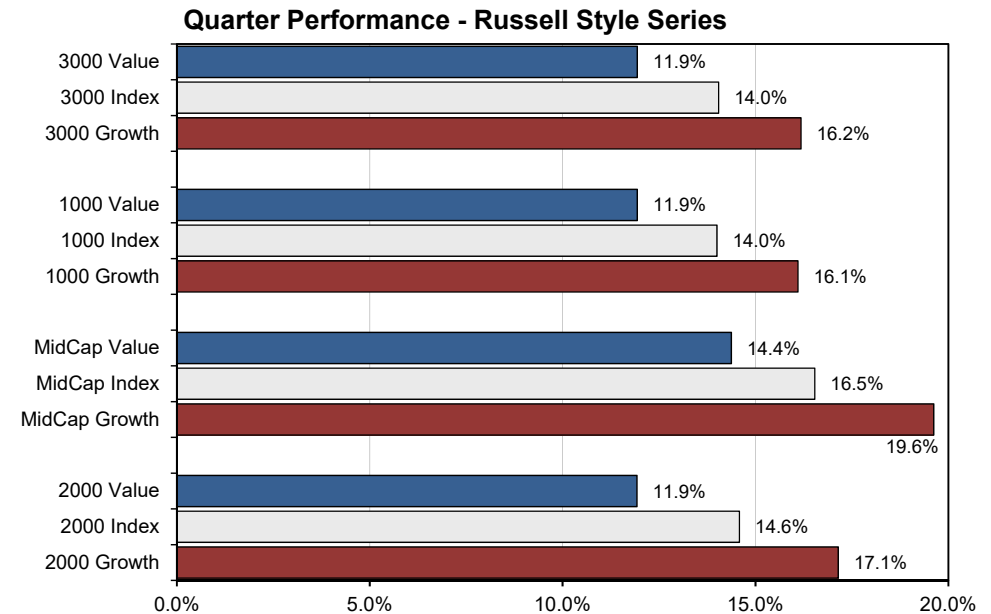
Quarter Performance



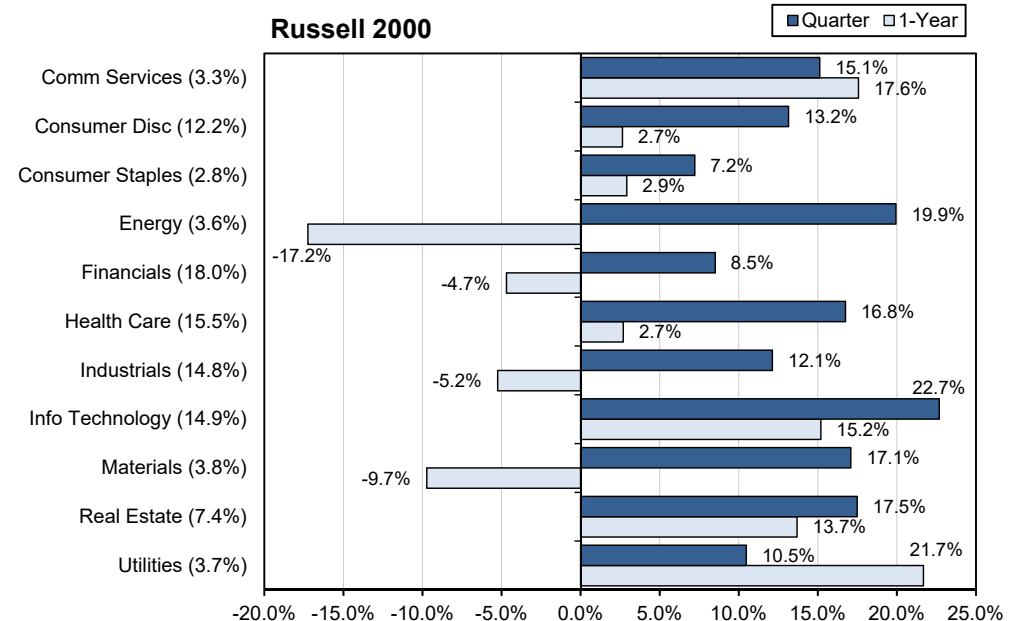
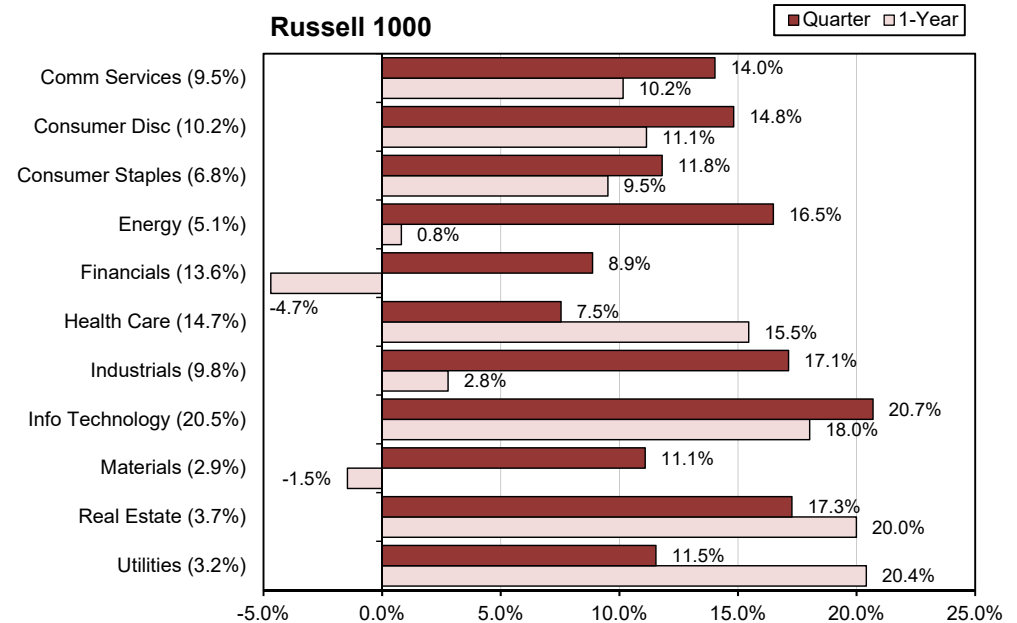
1-Year Performance



- US equity index returns were strongly positive across the style and capitalization spectrum to start the year with all indices posting double digit returns. Macroeconomic data released during the quarter was mixed with disappointing data released late in the quarter for GDP and employment being particularly notable. Even though earnings reported during the period were viewed favorably, many companies provided negative forward earnings guidance due to slowing global growth, trade concerns and the fading effects of US tax reform. However, investor concerns over the economy were overshadowed by positive developments in trade negotiations with China and an accommodative shift in Fed monetary policy. With regards to trade, President Trump delayed the implementation of new Chinese tariffs scheduled for March 1st citing substantial progress in ongoing discussions. Stocks also rallied on Fed guidance to put further monetary policy tightening on hold as they lowered projections for growth and inflation. Lastly, we saw the end of the partial government shutdown that began in December due to a partisan disagreement over funds for the construction of a border wall with Mexico. While the spending bill that passed did not budget for the wall, President Trump declared a national state of emergency later in the quarter in order to secure the needed funding.
- During the quarter, mid cap stocks were the best performers while small cap stocks outperformed large cap equities across growth, value and core indices. The Russell MidCap Index gained 16.5% during the period versus a 14.6% return for the small cap Russell 2000 Index and a 14.0% gain on the large cap Russell 1000 Index. Part of the reason for strength in small cap names is the projected hold on interest rate increases that occurred over 2018 as small and mid-cap companies typically maintain higher percentages of debt than their large cap peers. Small and mid-cap companies are usually more domestically focused which will serve as a tailwind in periods where the US economy is on stronger footing than international markets. It is also not unusual for smaller market cap stocks to outperform in risk-on market environments. When viewed over the most recent 1-year period, large cap stocks outperformed relative to small cap stocks. The Russell 1000 returned 9.3% for the year while the Russell 2000 gained only 2.0%.
- Growth indices outperformed value indices across the market cap spectrum during the 1st quarter. Growth stocks have outperformed value in all but one quarter over the last two years. The Russell MidCap Growth Index was the best performing style index for the period, returning 19.6% for the quarter. The large cap and small cap value indices had the lowest relative returns, both gaining 11.9%. The trend of growth outperformance is also visible over the 1-year period as growth indices have benefitted from larger exposures to technology which has been a large driver of index performance over the last year, as well as a meaningful underweight to financials which has been a relative detractor.



- Sector performance was broadly positive across large cap sectors for the 1st quarter. There were strong gains for all sectors within the Russell 1000 Index during for the period with five sectors outpacing the return of the index. While the rally was broad with nine of eleven sectors posting double digit returns, cyclical sectors such as technology, industrials and energy were some of the best performers through the quarter returning 20.7%, 17.1% and 16.5% respectively. Technology stocks rose on strong earnings and attractive valuations following their 4th quarter 2018 sell off. Energy companies benefitted from a large rebound in oil prices which increased by over 30% during the quarter following an OPEC led supply cut and US sanctions against Iran and Venezuela. Industrial stocks, among others, gained on hopes that trade tensions between the US and China would continue to abate. REITs also had a particularly strong quarter, returning 17.3% as the prospect of lower interest rates acted as a tailwind. Financials and health care stocks were the worst performers during the period returning 8.9% and 7.5% respectively. Health care stocks faced uncertainty around the potential for future regulation following congressional hearings on drug pricing while the prospect of lower earnings due to a muted interest rate environment weighed on financial stocks. Returns over the 1-year period were positive with nine out of eleven sectors posting gains, six of which were over 10%. Utilities, REITs and information technology were the best performers returning 20.4%, 20.0% and 18.0% respectively. Financials and materials posted negative results at -4.7% and -1.5% while energy was only slightly positive at 0.8%.
- Quarterly results for small cap sectors were mixed relative to their large capitalization counterparts with six of eleven sectors outperforming their corresponding large cap equivalents. Like large caps, all eleven sectors produced gains during the period with six of eleven economic sectors outpacing the Russell 2000 Index return for the quarter and nine returning over 10.0%. Similar to large caps, cyclical sectors performed well with technology, energy and materials returning 22.7%, 19.9% and 17.1% respectively. Real estate also did well returning 17.5%. The largest detractors over the period were consumer staples, financials and utilities which still produced gains of 7.2%, 8.5% and 10.5%. Over the trailing 1-year period, returns varied significantly with four sectors posting double digit gains and four losing value. Despite a very strong quarter, energy stocks were the worst performers over the 1-year period, falling a considerable -17.2%, while the defensive utilities sector produced the greatest gains, appreciating 21.7%.



The Market Environment
Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000
As of March 31, 2019

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	3.42%	20.9%	14.9%	Information Technology
Microsoft Corp	3.39%	16.6%	30.8%	Information Technology
Amazon.com Inc	2.78%	18.6%	23.0%	Consumer Discretionary
Facebook Inc A	1.50%	27.2%	4.3%	Communication Services
Berkshire Hathaway Inc B	1.48%	-1.6%	0.7%	Financials
Johnson & Johnson	1.42%	9.0%	12.1%	Health Care
Alphabet Inc C	1.36%	13.3%	13.7%	Communication Services
Alphabet Inc A	1.33%	12.6%	13.5%	Communication Services
Exxon Mobil Corp	1.30%	19.8%	12.9%	Energy
JPMorgan Chase & Co	1.27%	4.6%	-5.6%	Financials

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Versum Materials Inc	0.02%	81.9%	34.7%	Information Technology
Coty Inc Class A	0.02%	77.3%	-34.3%	Consumer Staples
Nabors Industries Ltd	0.00%	72.5%	-48.7%	Energy
Sage Therapeutics Inc	0.03%	66.0%	-1.3%	Health Care
Wayfair Inc Class A	0.03%	64.8%	119.8%	Consumer Discretionary
Chipotle Mexican Grill Inc Class A	0.07%	64.5%	119.8%	Consumer Discretionary
Universal Display Corp	0.02%	63.5%	51.7%	Information Technology
Xerox Corp	0.02%	63.1%	15.7%	Information Technology
Floor & Decor Holdings Inc	0.01%	59.2%	-20.9%	Consumer Discretionary
bluebird bio Inc	0.03%	58.6%	-7.9%	Health Care

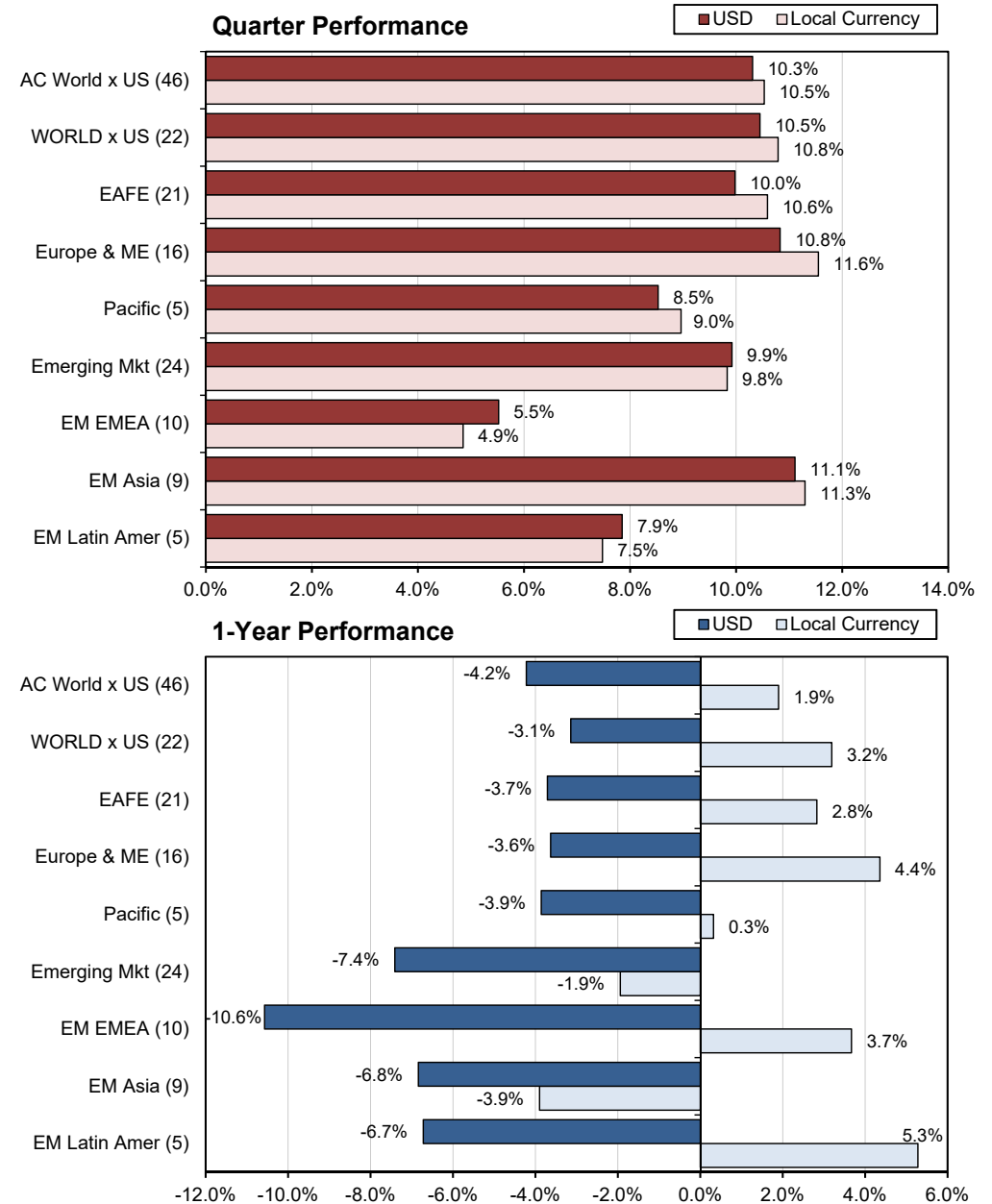
Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Uniti Group Inc	0.01%	-27.8%	-23.8%	Real Estate
PG&E Corp	0.03%	-25.1%	-59.5%	Utilities
The Kraft Heinz Co	0.07%	-23.2%	-45.1%	Consumer Staples
Realogy Holdings Corp	0.01%	-21.8%	-57.3%	Real Estate
Nu Skin Enterprises Inc Class A	0.01%	-21.5%	-33.7%	Consumer Staples
Biogen Inc	0.18%	-21.4%	-13.7%	Health Care
Centennial Resource Development A	0.01%	-20.2%	-52.1%	Energy
CenturyLink Inc	0.04%	-19.3%	-19.0%	Communication Services
Qurate Retail Inc Class A	0.03%	-18.1%	-36.5%	Consumer Discretionary
Macy's Inc	0.03%	-18.0%	-15.2%	Consumer Discretionary

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Etsy Inc	0.40%	41.3%	139.6%	Consumer Discretionary
Five Below Inc	0.33%	21.4%	69.4%	Consumer Discretionary
The Trade Desk Inc A	0.32%	70.6%	298.9%	Information Technology
Integrated Device Technology Inc	0.31%	1.2%	60.3%	Information Technology
HubSpot Inc	0.30%	32.2%	53.5%	Information Technology
Planet Fitness Inc A	0.30%	28.2%	81.9%	Consumer Discretionary
Cree Inc	0.29%	33.8%	41.9%	Information Technology
Ciena Corp	0.26%	10.1%	44.2%	Information Technology
Primerica Inc	0.26%	25.4%	27.7%	Financials
Array BioPharma Inc	0.25%	71.1%	49.4%	Health Care

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Immune Design Corp	0.01%	350.0%	77.3%	Health Care
Diebold Nixdorf Inc	0.04%	344.6%	-28.1%	Information Technology
Constellation Pharmaceuticals Inc	0.01%	237.9%	N/A	Health Care
Flotek Industries Inc	0.01%	197.2%	-46.9%	Materials
Spark Therapeutics Inc	0.18%	191.0%	71.0%	Health Care
Magenta Therapeutics Inc	0.01%	188.9%	N/A	Health Care
ION Geophysical Corp	0.01%	178.8%	-46.7%	Energy
Catalyst Pharmaceuticals Inc	0.02%	165.6%	113.4%	Health Care
VirnetX Holding Corp	0.02%	163.8%	60.3%	Information Technology
Rockwell Medical Inc	0.01%	151.8%	9.2%	Health Care

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Zomedica Pharmaceuticals Corp	0.00%	-77.0%	-84.2%	Health Care
Aptinyx Inc	0.00%	-75.5%	N/A	Health Care
Alta Mesa Resources Inc Class A	0.00%	-73.5%	-96.7%	Energy
Novavax Inc	0.01%	-70.1%	-73.8%	Health Care
Maxar Technologies Inc	0.01%	-66.3%	-91.0%	Industrials
Solid Biosciences Inc	0.01%	-65.7%	22.7%	Health Care
Achaogen Inc	0.00%	-62.9%	-96.5%	Health Care
EP Energy Corp A	0.00%	-62.9%	-80.6%	Energy
Proteostasis Therapeutics Inc	0.00%	-61.1%	-73.5%	Health Care
Approach Resources Inc	0.00%	-59.4%	-86.4%	Energy

- Broad international equity returns were positive for the quarter in both local currency and USD terms. The MSCI ACWI ex US Index gained 10.5% in local currency terms and 10.3% in USD terms during the 1st quarter. Similar to US markets, international equity investors were encouraged by central bank responses to slowing global growth as they shifted towards more accommodative policies and the improvement in dialogue around global trade. Returns in local currency typically outperformed USD returns in the developed markets, as the USD continued to strengthen against most major developed currencies. While the currency effect was detrimental in developed markets, it acted as a slight tailwind in emerging markets. The USD strength is particularly noticeable over the 1-year period where local currency returns on the MSCI ACWI ex US Index were 1.9%, but after accounting for foreign exchange, translated to a loss of -4.2% for a USD investor.
- Fourth quarter results for developed market international indices were positive in both local currency and USD terms with the MSCI EAFE Index returning 10.6% and 10.0% respectively. Ongoing weakness in global economic reporting pushed major central banks to move toward less restrictive postures around monetary policy. In Europe, the European Central Bank (ECB) announced plans for additional stimulus while putting any future interest rate increases on hold until 2020. The Bank of England (BoE) left policy unchanged as uncertainties around Brexit coincided with a slowing economy. Prime Minister Theresa May held two votes on her withdrawal plan, both of which failed, forcing her to request an extension to the March 29th withdrawal deadline. Data from Japan drew concerns that the country's economy is contracting as corporate earnings, exports, manufacturing, retail sales and inflation all hinted at an economic slowdown. The MSCI EAFE Index returned 2.8% and -3.7% for the last twelve months in local currency and USD terms respectively.
- Emerging markets slightly underperformed relative to developed markets for the 1st quarter, but still appreciated in both local currency and USD terms with the MSCI Emerging Markets Index returning 9.8% and 9.9% respectively. A major tailwind for equity markets was the improvement in trade relations between the US and China. As Chinese economic data appeared to be slowing, the Chinese government also announced continued stimulus in the form of tax cuts, infrastructure investment and lowered the reserve requirement for banks in order to encourage lending. We also saw commodity prices rise over the quarter which is generally beneficial to emerging market countries with rising oil prices helping Russian and Colombian equity returns. In Brazil, President Jair Bolsonaro officially took office. Bolsonaro announced his plan to reform the country's debt laden pension system and promised market friendly economic reforms. One year returns for the MSCI Emerging Market Index were -1.9% in local currency terms and -7.4% in USD terms.



The Market Environment
US Dollar International Index Attribution & Country Detail
As of March 31, 2019

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.4%	4.3%	-4.5%
Consumer Discretionary	11.0%	7.5%	-10.4%
Consumer Staples	11.8%	12.4%	3.3%
Energy	5.9%	10.4%	4.6%
Financials	18.9%	6.9%	-12.7%
Health Care	11.3%	11.2%	7.4%
Industrials	14.4%	10.6%	-5.4%
Information Technology	6.3%	15.3%	-3.8%
Materials	7.5%	13.2%	-3.0%
Real Estate	3.9%	14.0%	4.2%
Utilities	3.7%	9.0%	8.7%
Total	100.0%	10.0%	-3.7%

MSCI - ACWIxUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	7.1%	6.9%	-1.8%
Consumer Discretionary	11.1%	11.2%	-10.3%
Consumer Staples	9.9%	11.2%	1.6%
Energy	7.4%	12.4%	5.2%
Financials	21.6%	7.7%	-9.4%
Health Care	8.4%	11.0%	4.4%
Industrials	11.7%	10.2%	-4.9%
Information Technology	8.4%	14.7%	-7.3%
Materials	7.6%	11.3%	-3.6%
Real Estate	3.5%	14.4%	2.8%
Utilities	3.3%	8.2%	6.1%
Total	100.0%	10.3%	-4.2%

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	12.3%	9.5%	-3.3%
Consumer Discretionary	13.4%	20.8%	-13.2%
Consumer Staples	6.4%	5.3%	-8.4%
Energy	8.1%	12.2%	9.4%
Financials	24.2%	7.2%	-6.0%
Health Care	2.6%	3.6%	-23.4%
Industrials	5.4%	4.8%	-7.6%
Information Technology	14.6%	12.8%	-10.8%
Materials	7.4%	6.9%	-6.2%
Real Estate	3.2%	15.6%	-2.1%
Utilities	2.5%	4.2%	-2.7%
Total	100.0%	9.9%	-7.4%

Country	MSCI-EAFE Weight	MSCI-ACWIxUS Weight	Quarter Return	1- Year Return
Japan	24.0%	16.1%	6.7%	-7.8%
United Kingdom	17.1%	11.5%	11.9%	-0.1%
France	11.3%	7.6%	10.7%	-3.7%
Switzerland	8.9%	6.0%	13.1%	7.5%
Germany	8.6%	5.8%	6.9%	-13.7%
Australia	6.9%	4.7%	11.4%	4.5%
Hong Kong	4.1%	2.8%	15.6%	8.0%
Netherlands	3.6%	2.4%	13.6%	-2.3%
Spain	3.0%	2.0%	7.0%	-8.8%
Sweden	2.6%	1.8%	7.4%	-5.1%
Italy	2.4%	1.6%	14.6%	-10.6%
Denmark	1.8%	1.2%	12.8%	-3.2%
Singapore	1.3%	0.9%	6.2%	-6.4%
Finland	1.0%	0.7%	8.0%	-3.6%
Belgium	1.0%	0.7%	16.2%	-15.5%
Norway	0.7%	0.5%	7.0%	-4.4%
Ireland	0.5%	0.4%	11.4%	-11.6%
Israel	0.5%	0.4%	10.1%	9.9%
Austria	0.2%	0.2%	8.4%	-23.0%
New Zealand	0.2%	0.2%	16.7%	18.1%
Portugal	0.2%	0.1%	10.2%	-4.9%
Total EAFE Countries	100.0%	67.1%	10.0%	-3.7%
Canada		6.8%	15.4%	3.1%
Total Developed Countries		73.9%	10.5%	-3.1%
China		8.6%	17.7%	-6.2%
Korea		3.4%	4.9%	-16.7%
Taiwan		3.0%	9.0%	-6.1%
India		2.4%	7.2%	6.8%
Brazil		1.9%	8.1%	-4.2%
South Africa		1.5%	4.4%	-18.0%
Russia		1.0%	12.2%	2.2%
Mexico		0.7%	5.5%	-11.7%
Thailand		0.6%	7.4%	-6.9%
Indonesia		0.6%	4.3%	2.0%
Malaysia		0.6%	0.3%	-13.1%
Poland		0.3%	-0.6%	-5.7%
Philippines		0.3%	7.9%	1.8%
Chile		0.3%	4.1%	-17.5%
Qatar		0.2%	-3.5%	22.2%
United Arab Emirates		0.2%	8.7%	1.3%
Turkey		0.1%	-3.2%	-40.3%
Colombia		0.1%	24.8%	5.3%
Peru		0.1%	11.0%	2.2%
Hungary		0.1%	6.0%	0.5%
Greece		0.1%	12.8%	-23.6%
Czech Republic		0.0%	3.8%	-6.8%
Egypt		0.0%	15.8%	-10.2%
Pakistan		0.0%	8.3%	-36.6%
Total Emerging Countries		26.1%	9.9%	-7.4%
Total ACWIxUS Countries		100.0%	10.3%	-4.2%

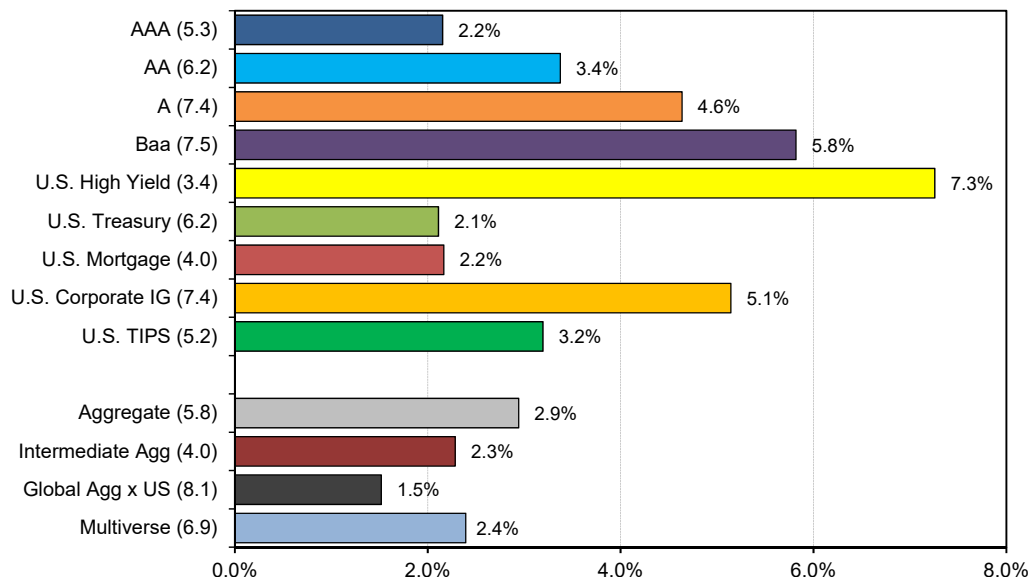
Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)

As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.

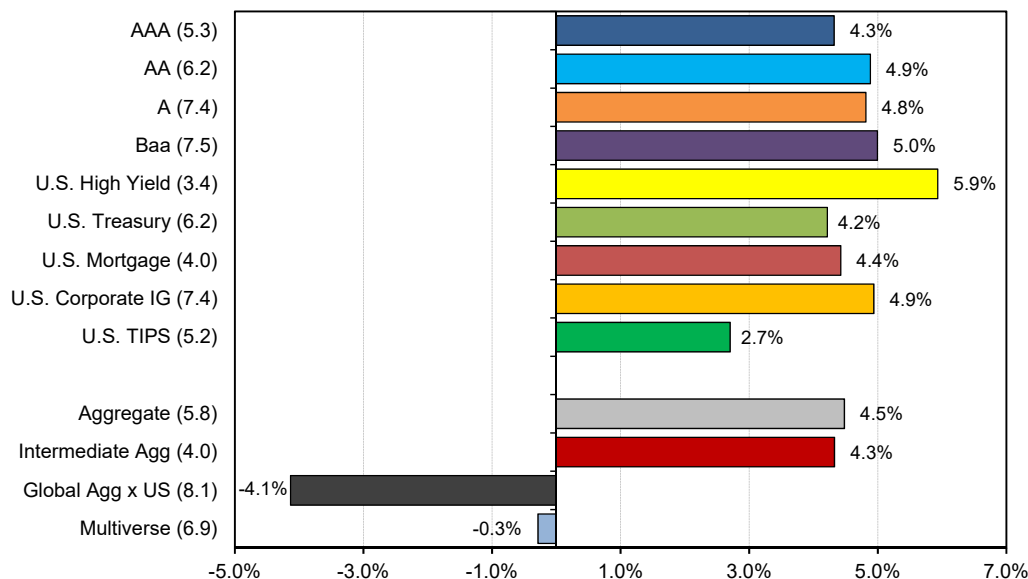


- Broad fixed income benchmarks were positive to start 2019. Following the late 2018 market volatility, the Federal Open Market Committee (FOMC) issued dovish guidance after their January meeting stating that they would be patient in determining future interest rate adjustments. The FOMC also commented on the ongoing balance sheet reduction program, stating that they would be open to changes to the program if market conditions warranted them. Later in March, Fed Chair Jerome Powell communicated that the FOMC is no longer projecting any further interest rate increases through 2019. He also stated that they would begin tapering the roll off from the balance sheet reduction program in May with a plan to halt the program entirely in September. The stoppage of the balance sheet reduction program represents an easing of monetary policy. Interest rates fell across all maturities on the US Treasury Yield Curve with the greatest declines occurring in the mid- and long-term issues. This caused continued inversion in the yield curve with short-term maturities paying higher interest rates than issues in the mid- to long-end of the curve. The difference in yields between the 2-year and 10-year Treasury now sits at just 0.14% with the 30-day T-Bill yielding more than the 10-year bond by 0.02%. Historically, an inverted yield curve has been a leading indicator of a recession in the next 6-24 months. The bellwether Bloomberg Barclays US Aggregate Index posted positive returns for both the 1st quarter and the 1-year period, returning 2.9% and 4.5% respectively.
- Within investment grade credit, lower quality issues outperformed higher quality issues as investors gravitated toward higher risk securities during the quarter. Lower quality issues also benefitted from their higher durations. On an absolute basis, without negating the duration differences in the sub-indices, Baa rated credit was the best performing investment grade credit quality segment returning 5.8% for the quarter, while AAA was the worst performing, returning 2.2%. Despite their relatively low durations, high yield securities posted very strong returns for the quarter, gaining 7.3%, as spreads tightened by 135 basis points on these issues. When viewed over the 1-year period, returns for the various quality segments generally show lower quality securities outperforming higher quality issues by a small margin.
- During the 1st quarter, investment grade corporates outperformed the more defensive Treasury and mortgage backed sectors of the Bloomberg Barclays US Aggregate Index's three broad sectors. Investment grade corporate credit returned 5.1%, as the drop in interest rates benefitted these securities to a greater degree and credit spreads tightened considerably since the end of 2018. This quarter's performance carried through to the 1-year period as corporate credit outperformed both Treasuries and mortgage backed securities. Corporate issues returned 4.9% versus a 4.4% return for mortgages and 4.2% gain on Treasury securities.

Quarter Performance

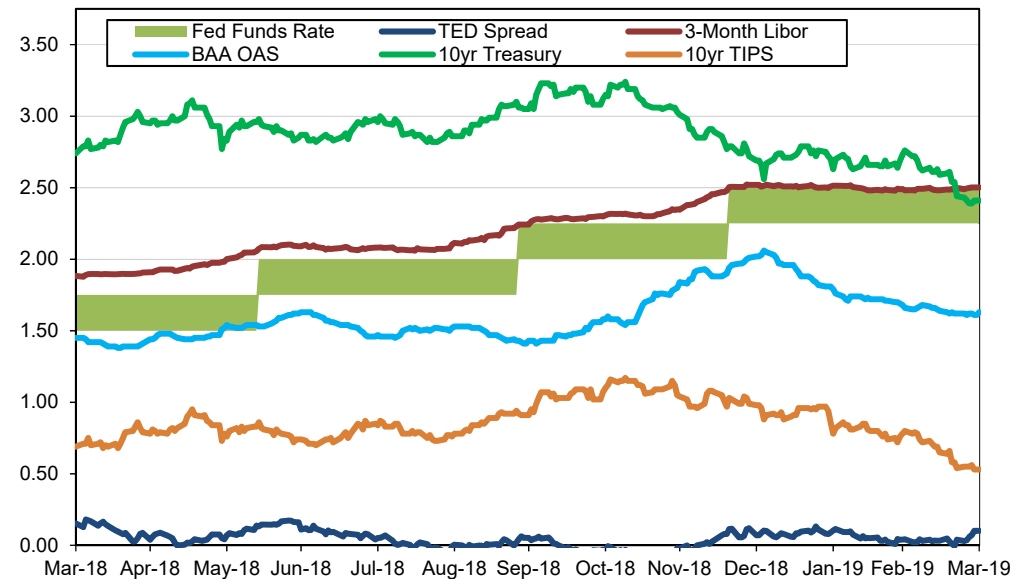


1-Year Performance

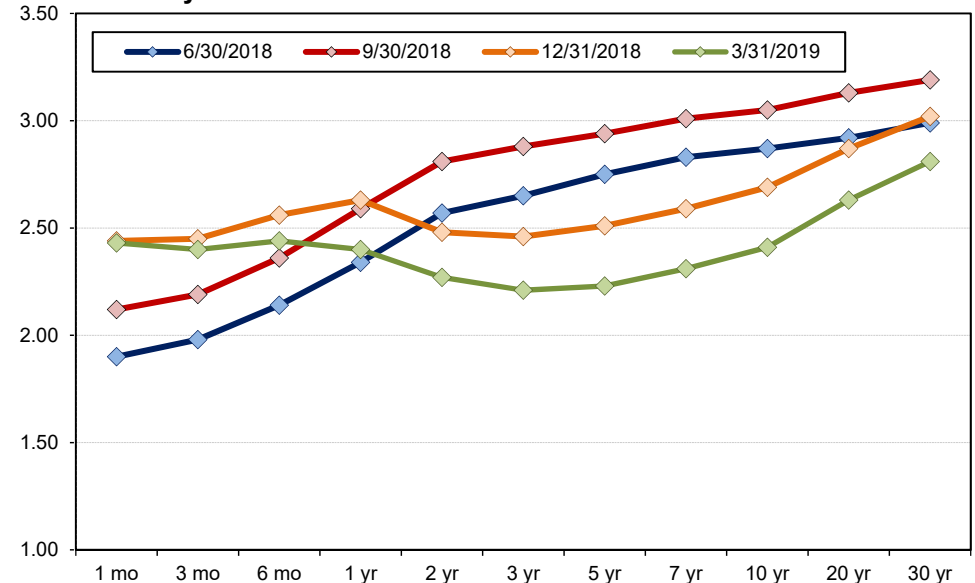


- Global fixed income indices continue to struggle relative to their domestic counterparts, underperforming during the 1st quarter. These indices have lower, or in some cases (Germany, Japan), negative yields and the returns of these indices are also significantly influenced by fluctuations in their currency denomination relative to the USD. The USD has appreciated against most other developed currencies, negatively impacting the returns on global bond indices. The return on global bonds, as represented by the Bloomberg Barclays Global Aggregate ex US Index, was 1.5% and -4.1% for the quarter and 1-year period respectively. As global growth has shown signs of stalling, several international central banks have started to step back from more restrictive postures. Notably, the ECB announced a program to extend loans to European banks in an effort to increase lending and pledged to keep interest rates steady through the end of 2019. China also announced new stimulus to help spur its economy. The Bank of England and the Bank of Japan made no major policy changes during the quarter as they continue to review macroeconomic data within their respective countries.
- Much of the index performance detailed in the bar graphs on the previous page is visible on a time series basis by reviewing the line graphs to the right. The '1-Year Trailing Market Rates' chart illustrates that the 10-year Treasury yield (green line) fell from recent high's greater than 3.0%, to yields below 2.5% to end the first quarter. The blue line illustrates changes in the BAA OAS (Option Adjusted Spread). This measure quantifies the additional yield premium that investors require to purchase and hold non-Treasury issues. This line illustrates a relatively tight range in credit spreads throughout most of 2018, but highlights an abrupt increase during the 4th quarter of 2018 as investors moved to higher quality assets during the quarter's risk-off environment. Subsequently, spreads dropped steadily over the 1st quarter of 2019. This spread tightening is equivalent to an interest rate decrease on corporate bonds, which produces an additional tailwind for corporate bond index returns. These credit spreads have tightened by about 34 basis points over the last three months. The green band across the graph illustrates the gradual increase in the Federal Funds Rate due to the tightening of US monetary policy during 2018. As mentioned, the Fed's current guidance is for zero rate increases in 2019.
- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four calendar quarters. The downward shift of interest rates as well as a general flattening of the yield curve are clearly visible over the last quarter. As mentioned, the yield curve continues to invert as yields on shorter-term maturities fell less than interest rates in the middle- to long-end of the curve.

1-Year Trailing Market Rates



Treasury Yield Curve



Financial Reconciliation
Total Fund
1 Quarter Ending March 31, 2019

1 Quarter				
	Market Value 01/01/2019	Net Flows	Return On Investment	Market Value 03/31/2019
Fire Total Fund	26,884,925	368,050	2,135,188	29,388,164
Total Domestic Equity	12,422,360	-360,893	1,506,092	13,567,559
Seizert	4,285,981	-5,893	428,237	4,708,324
ClearBridge (LSITX)	4,521,295	-355,000	686,715	4,853,010
T. Rowe Price (TRMCX)	3,615,084	-	391,140	4,006,225
Total International Equity	2,977,020	-	393,054	3,370,074
AF EuroPacific Growth (RERGX)	2,977,020	-	393,054	3,370,074
Total Domestic Fixed Income	9,833,769	-4,734	211,991	10,041,026
C.S. McKee	4,966,416	-4,735	124,526	5,086,207
Garcia Hamilton	3,569,617	1,298,226	86,976	4,954,819
Great Lakes	1,297,736	-1,298,224	488	-
Total Real Estate	1,447,254	-	23,420	1,470,674
Principal Real Estate	1,447,254	-	23,420	1,470,674
Total Cash				
Cash	204,522	733,677	632	938,831

Fiscal Year To Date				
	Market Value 01/01/2019	Net Flows	Return On Investment	Market Value 03/31/2019
Fire Total Fund	26,884,925	368,050	2,135,188	29,388,164
Total Domestic Equity	12,422,360	-360,893	1,506,092	13,567,559
Seizert	4,285,981	-5,893	428,237	4,708,324
ClearBridge (LSITX)	4,521,295	-355,000	686,715	4,853,010
T. Rowe Price (TRMCX)	3,615,084	-	391,140	4,006,225
Total International Equity	2,977,020	-	393,054	3,370,074
AF EuroPacific Growth (RERGX)	2,977,020	-	393,054	3,370,074
Total Domestic Fixed Income	9,833,769	-4,734	211,991	10,041,026
C.S. McKee	4,966,416	-4,735	124,526	5,086,207
Garcia Hamilton	3,569,617	1,298,226	86,976	4,954,819
Great Lakes	1,297,736	-1,298,224	488	-
Total Real Estate	1,447,254	-	23,420	1,470,674
Principal Real Estate	1,447,254	-	23,420	1,470,674
Total Cash				
Cash	204,522	733,677	632	938,831

Financial Reconciliation
Total Fund
1 Year Ending March 31, 2019

1 Year				
	Market Value 04/01/2018	Net Flows	Return On Investment	Market Value 03/31/2019
Fire Total Fund	28,725,296	-196,526	859,394	29,388,164
Total Domestic Equity	13,457,366	-448,953	559,146	13,567,559
Seizert	4,670,108	88,364	-50,147	4,708,324
ClearBridge (LSITX)	4,769,864	-537,317	620,463	4,853,010
T. Rowe Price (TRMCX)	4,017,394	-	-11,170	4,006,225
Total International Equity	3,534,667	-	-164,593	3,370,074
AF EuroPacific Growth (RERGX)	3,534,667	-	-164,593	3,370,074
Total Domestic Fixed Income	9,712,719	-29,730	358,037	10,041,026
C.S. McKee	4,882,044	-14,732	218,895	5,086,207
Garcia Hamilton	-	4,870,275	84,545	4,954,819
Great Lakes	4,830,676	-4,885,273	54,598	-
Total Real Estate	1,365,799	-	104,875	1,470,674
Principal Real Estate	1,365,799	-	104,875	1,470,674
Total Cash				
Cash	654,744	282,157	1,929	938,831

Asset Allocation Attributes

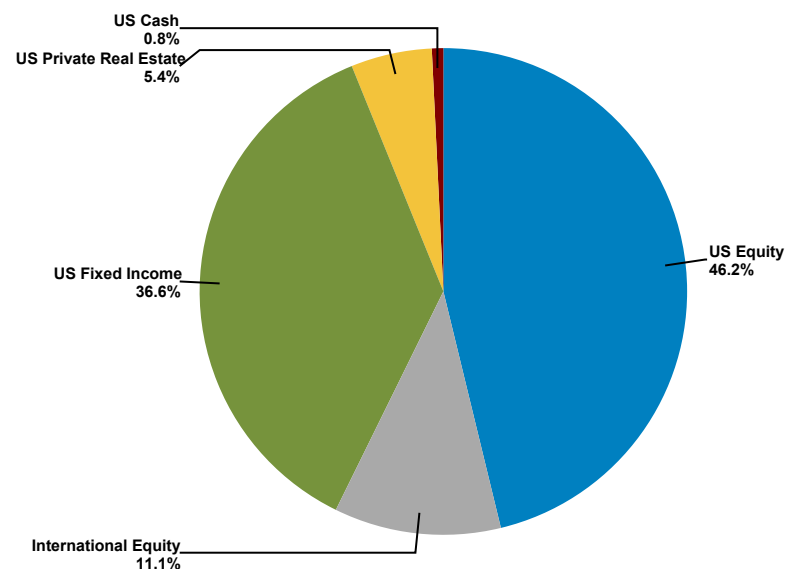
	Domestic Equity		International Equity		Domestic Fixed Income		Real Estate		Cash Equivalent		Total Fund	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%
Fire Total Fund	13,406,881	45.6	3,370,074	11.5	9,855,914	33.5	1,470,674	5.0	1,284,621	4.4	29,388,164	100.0
Total Domestic Equity	13,406,881	98.8	-	-	-	-	-	-	160,678	1.2	13,567,559	46.2
Seizert	4,547,646	96.6	-	-	-	-	-	-	160,678	3.4	4,708,324	16.0
ClearBridge (LSITX)	4,853,010	100.0	-	-	-	-	-	-	-	-	4,853,010	16.5
T. Rowe Price (TRMCX)	4,006,225	100.0	-	-	-	-	-	-	-	-	4,006,225	13.6
Total International Equity	-	-	3,370,074	100.0	-	-	-	-	-	-	3,370,074	11.5
AF EuroPacific Growth (RERGX)	-	-	3,370,074	100.0	-	-	-	-	-	-	3,370,074	11.5
Total Domestic Fixed Income	-	-	-	-	9,855,914	98.2	-	-	185,113	1.8	10,041,026	34.2
C.S. McKee	-	-	-	-	5,022,168	98.7	-	-	64,039	1.3	5,086,207	17.3
Garcia Hamilton	-	-	-	-	4,833,746	97.6	-	-	121,073	2.4	4,954,819	16.9
Great Lakes	-	-	-	-	-	-	-	-	-	-	-	0.0
Total Real Estate	-	-	-	-	-	-	1,470,674	100.0	-	-	1,470,674	5.0
Principal Real Estate	-	-	-	-	-	-	1,470,674	100.0	-	-	1,470,674	5.0
Total Cash												
Cash	-	-	-	-	-	-	-	-	938,831	100.0	938,831	3.2

Asset Allocation By Asset Class

Fire Total Fund

As of March 31, 2019

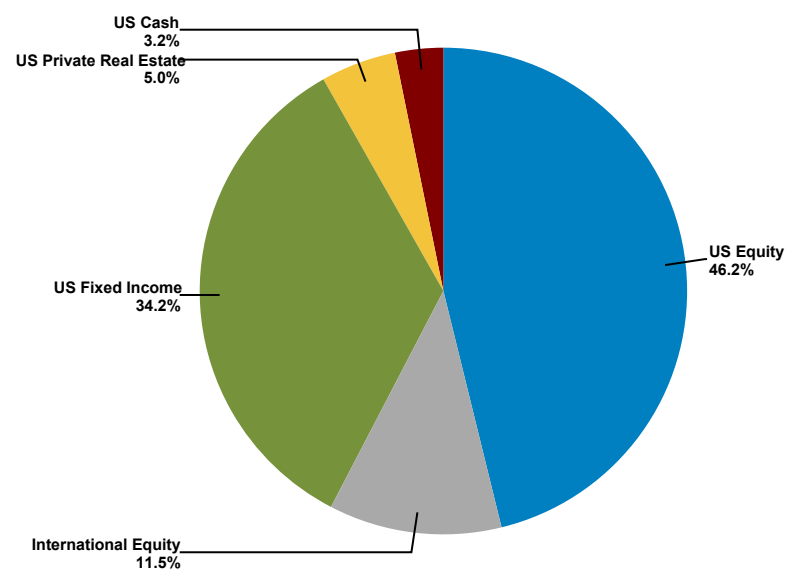
December 31, 2018 : \$26,884,925



Allocation

	Market Value	Allocation
US Equity	12,422,360	46.2
International Equity	2,977,020	11.1
US Fixed Income	9,833,769	36.6
US Private Real Estate	1,447,254	5.4
US Cash	204,522	0.8

March 31, 2019 : \$29,388,164

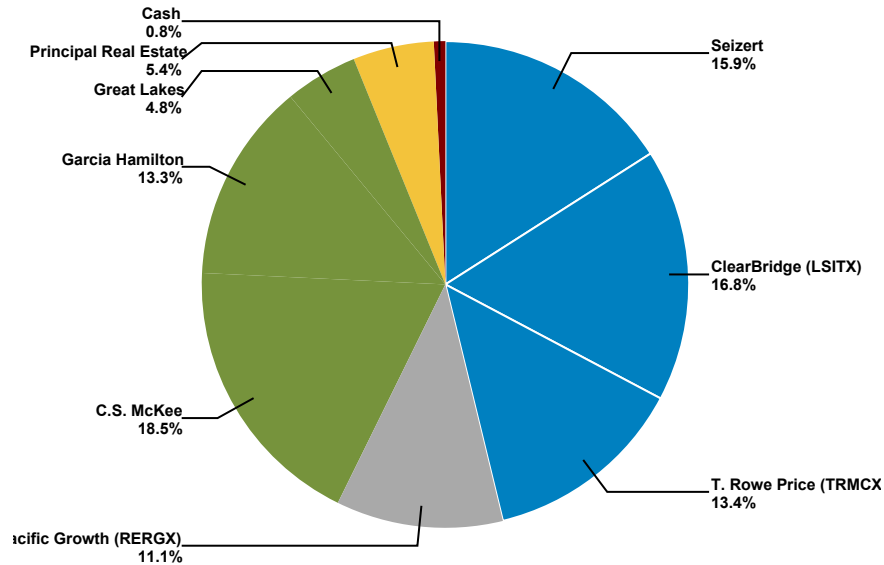


Allocation

	Market Value	Allocation
US Equity	13,567,559	46.2
International Equity	3,370,074	11.5
US Fixed Income	10,041,026	34.2
US Private Real Estate	1,470,674	5.0
US Cash	938,831	3.2

Asset Allocation By Manager
Fire Total Fund
As of March 31, 2019

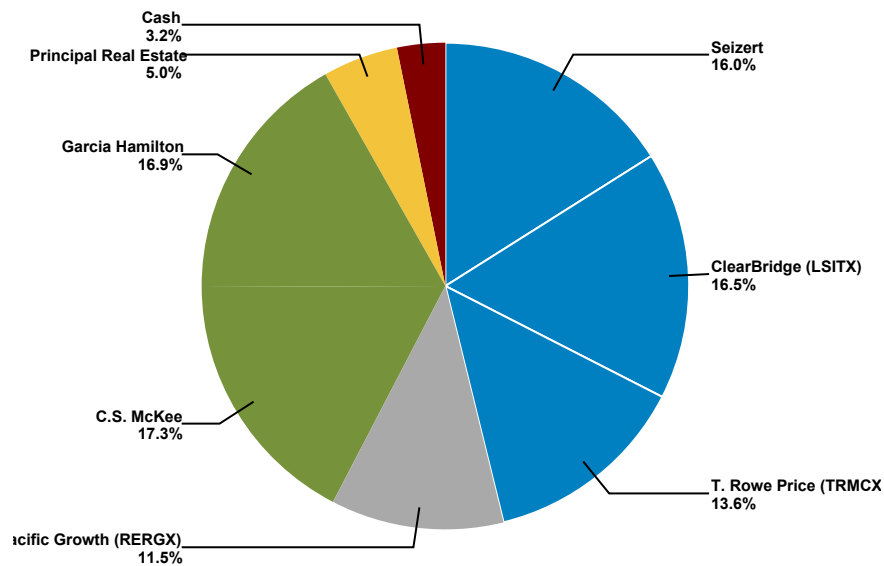
December 31, 2018 : \$26,884,925



Allocation

	Market Value	Allocation
Seizert	4,285,981	15.9
ClearBridge (LSITX)	4,521,295	16.8
T. Rowe Price (TRMCX)	3,615,084	13.4
AF EuroPacific Growth (RERGX)	2,977,020	11.1
C.S. McKee	4,966,416	18.5
Garcia Hamilton	3,569,617	13.3
Great Lakes	1,297,736	4.8
Principal Real Estate	1,447,254	5.4
Cash	204,522	0.8

March 31, 2019 : \$29,388,164



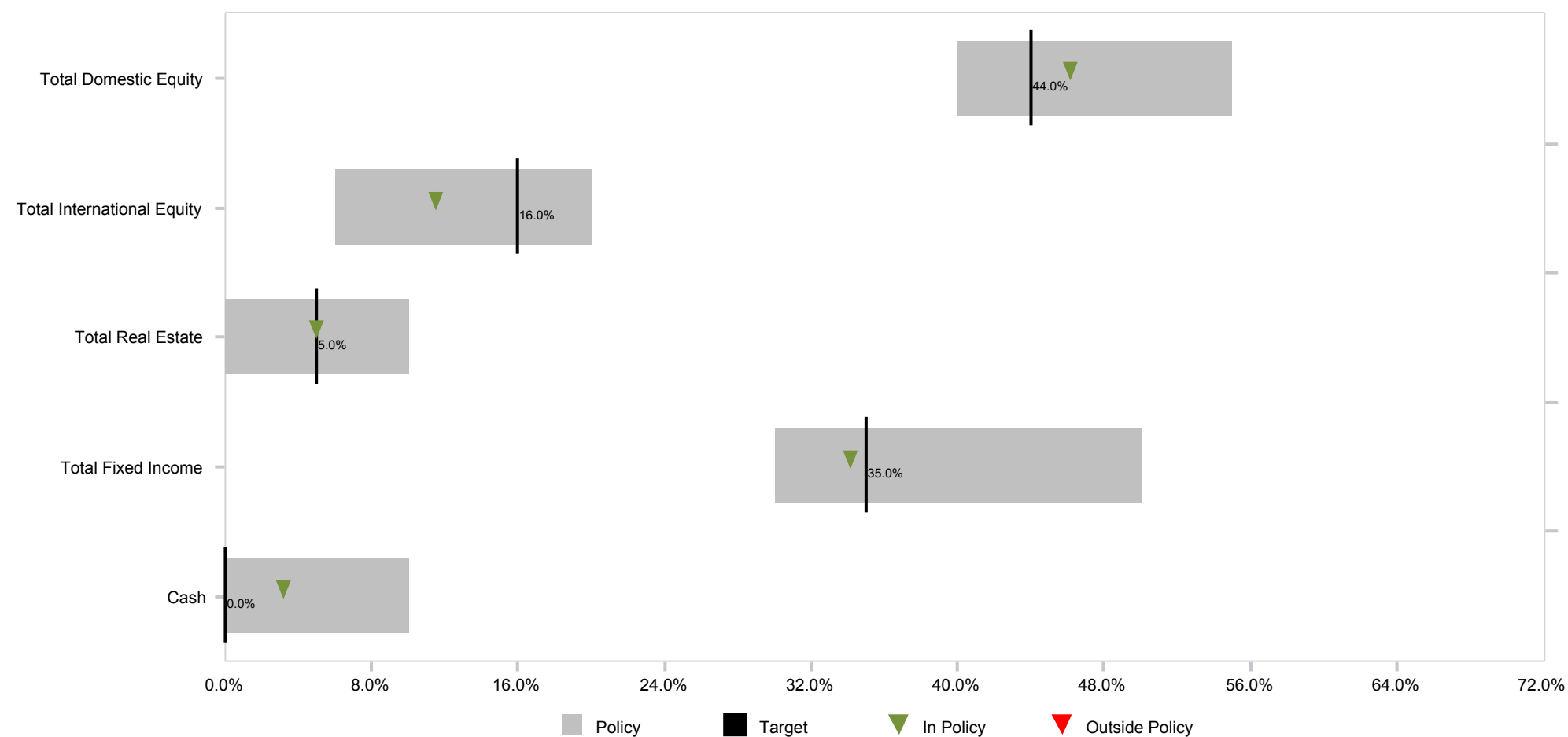
Allocation

	Market Value	Allocation
Seizert	4,708,324	16.0
ClearBridge (LSITX)	4,853,010	16.5
T. Rowe Price (TRMCX)	4,006,225	13.6
AF EuroPacific Growth (RERGX)	3,370,074	11.5
C.S. McKee	5,086,207	17.3
Garcia Hamilton	4,954,819	16.9
Great Lakes	-	0.0
Principal Real Estate	1,470,674	5.0
Cash	938,831	3.2

Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Target Allocation (%)	Maximum Allocation (%)	Target Rebal. (\$)	Differences (%)
Fire Total Fund	29,388,164	100.0		100.0		-	0.0
Total Domestic Equity	13,567,559	46.2	40.0	44.0	55.0	-636,767	2.2
Total International Equity	3,370,074	11.5	6.0	16.0	20.0	1,332,032	-4.5
Total Real Estate	1,470,674	5.0	0.0	5.0	10.0	-1,266	0.0
Total Fixed Income	10,041,026	34.2	30.0	35.0	50.0	244,831	-0.8
Cash	938,831	3.2	0.0	0.0	10.0	-938,831	3.2

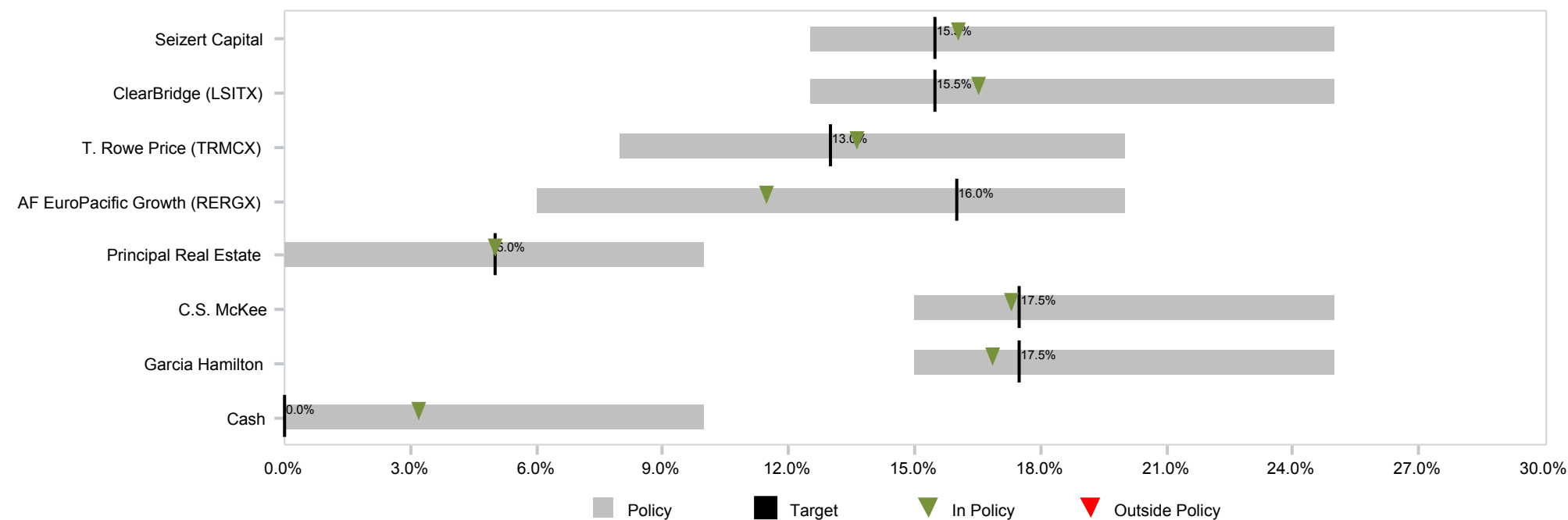
Allocation Summary



Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Target Allocation (%)	Maximum Allocation (%)	Target Rebal. (\$)	Differences (%)
Fire Total Fund	29,388,164	100.0		100.0		-	0.0
Total Equity	16,937,633	57.6		60.0		695,265	-2.4
Total Domestic Equity	13,567,559	46.2		44.0		-636,767	2.2
Seizert Capital	4,708,324	16.0	12.5	15.5	25.0	-153,159	0.5
ClearBridge (LSITX)	4,853,010	16.5	12.5	15.5	25.0	-297,845	1.0
T. Rowe Price (TRMCX)	4,006,225	13.6	8.0	13.0	20.0	-185,763	0.6
Total International Equity	3,370,074	11.5		16.0		1,332,032	-4.5
AF EuroPacific Growth (RERGX)	3,370,074	11.5	6.0	16.0	20.0	1,332,032	-4.5
Total Real Estate	1,470,674	5.0		5.0		-1,266	0.0
Principal Real Estate	1,470,674	5.0	0.0	5.0	10.0	-1,266	0.0
Total Fixed Income	10,041,026	34.2		35.0		244,831	-0.8
Total Domestic Fixed Income	10,041,026	34.2		35.0		244,831	-0.8
C.S. McKee	5,086,207	17.3	15.0	17.5	25.0	56,722	-0.2
Garcia Hamilton	4,954,819	16.9	15.0	17.5	25.0	188,109	-0.6
Cash	938,831	3.2	0.0	0.0	10.0	-938,831	3.2

Allocation Summary



Comparative Performance

Total Fund

As of March 31, 2019

Comparative Performance														
	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR	
Fire Total Fund	7.94	(56)	7.94	(56)	3.03	(76)	7.28	(57)	5.83	(40)	7.28	(37)	8.58	(64)
Fire - Total Fund Policy	8.74	(41)	8.74	(41)	4.87	(44)	7.83	(45)	6.13	(30)	7.49	(31)	8.99	(60)
All Master Trust - Total Fund Median	8.27		8.27		4.56		7.52		5.37		6.75		9.32	
Fire Total Fund	7.94	(89)	7.94	(89)	3.03	(74)	7.28	(85)	5.83	(58)	7.28	(50)	8.58	(89)
Fire - Total Fund Policy	8.74	(62)	8.74	(62)	4.87	(42)	7.83	(65)	6.13	(43)	7.49	(41)	8.99	(86)
Master Trust >=45% and <65% Equity Median	8.99		8.99		4.56		8.37		5.99		7.28		9.83	
Total Domestic Equity	12.26	(68)	12.26	(68)	4.30	(56)	12.12	(43)	9.48	(32)	12.11	(32)	15.97	(35)
Russell 3000 Index	14.04	(46)	14.04	(46)	8.77	(32)	13.49	(30)	10.36	(24)	12.63	(24)	16.00	(34)
IM U.S. Equity (SA+CF+MF) Median	13.68		13.68		5.35		11.32		7.99		10.98		15.13	
Seizert	10.00	(88)	10.00	(88)	-1.05	(91)	11.42	(40)	8.08	(47)	11.86	(38)	15.20	(35)
Russell 1000 Value Index	11.93	(45)	11.93	(45)	5.67	(36)	10.45	(63)	7.72	(57)	11.14	(58)	14.52	(57)
IM U.S. Large Cap Value Equity (SA+CF) Median	11.73		11.73		4.24		11.04		7.90		11.41		14.72	
ClearBridge (LSITX)	15.76	(68)	15.76	(68)	13.84	(26)	N/A		N/A		N/A		N/A	
Russell 1000 Growth Index	16.10	(55)	16.10	(55)	12.75	(41)	16.53	(42)	13.50	(24)	14.34	(19)	17.52	(17)
IM U.S. Large Cap Growth Equity (MF) Median	16.26		16.26		12.03		16.08		12.46		13.28		16.16	
T. Rowe Price (TRMCX)	10.82	(97)	10.82	(97)	-0.28	(33)	8.92	(28)	7.21	(7)	11.21	(9)	15.50	(27)
Russell Midcap Value Index	14.37	(26)	14.37	(26)	2.89	(16)	9.50	(19)	7.22	(6)	11.30	(9)	16.39	(6)
IM U.S. Mid Cap Value Equity (MF) Median	13.37		13.37		-1.14		7.96		5.05		9.38		14.77	
Total International Equity	13.20	(19)	13.20	(19)	-4.66	(43)	4.80	(83)	0.52	(79)	3.79	(78)	9.05	(39)
MSCI AC World ex USA Index (Net)	10.31	(68)	10.31	(68)	-4.22	(37)	8.09	(30)	2.57	(37)	4.72	(56)	8.85	(42)
IM International Large Cap Equity (MF) Median	11.37		11.37		-5.13		6.74		1.93		4.88		8.46	
AF EuroPacific Growth (RERGX)	13.20	(27)	13.20	(27)	-4.66	(52)	N/A		N/A		N/A		N/A	
MSCI AC World ex USA Index (Net)	10.31	(94)	10.31	(94)	-4.22	(46)	8.09	(42)	2.57	(59)	4.72	(70)	8.85	(55)
IM International Large Cap Growth Equity (MF) Median	12.38		12.38		-4.57		7.33		2.93		5.33		9.10	

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



Comparative Performance

Total Fund

As of March 31, 2019

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR	
Total Domestic Fixed Income	2.16	(76)	2.16	(76)	3.70	(74)	1.59	(89)	2.33	(74)	2.19	(75)	3.02	(80)
Total Domestic Fixed Policy	2.28	(73)	2.28	(73)	4.33	(61)	1.71	(85)	2.31	(75)	2.08	(79)	2.76	(84)
IM U.S. Fixed Income (SA+CF) Median	3.15		3.15		4.54		2.72		3.07		3.17		4.70	
C.S. McKee	2.51	(43)	2.51	(43)	4.49	(36)	1.87	(70)	2.53	(39)	2.27	(62)	N/A	
Bloomberg Barclays US Interm Agg Index	2.28	(73)	2.28	(73)	4.33	(59)	1.71	(88)	2.31	(69)	2.08	(81)	3.27	(82)
IM U.S. Intermediate Duration (SA+CF) Median	2.45		2.45		4.42		2.03		2.46		2.40		3.66	
Garcia Hamilton	1.83	(94)	1.83	(94)	N/A		N/A		N/A		N/A		N/A	
Bloomberg Barclays Intermed Aggregate Index	2.28	(73)	2.28	(73)	4.33	(59)	1.71	(88)	2.31	(69)	2.08	(81)	3.27	(82)
IM U.S. Intermediate Duration (SA+CF) Median	2.45		2.45		4.42		2.03		2.46		2.40		3.66	
Real Estate														
Principal Real Estate	1.62	(71)	1.62	(71)	7.68	(75)	N/A		N/A		N/A		N/A	
NCREIF Fund Index-ODCE (EW) (Net)	1.47	(75)	1.47	(75)	6.79	(92)	7.26	(N/A)	9.42	(N/A)	9.87	(N/A)	7.52	(N/A)
IM U.S. Open End Private Real Estate (SA+CF) Median	1.89		1.89		8.23		N/A		N/A		N/A		N/A	
Cash	0.11		0.11		0.47		0.29		0.19		0.16		0.15	
90 Day U.S. Treasury Bill	0.60		0.60		2.12		1.17		0.73		0.54		0.41	

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



Comparative Performance
Total Fund
1 Year Ending

Comparative Performance

	Mar-2019	Mar-2018	Mar-2017	Mar-2016	Mar-2015	Mar-2014	Mar-2013	Mar-2012	Mar-2011	Mar-2010	Mar-2009
Fire Total Fund	3.03 (76)	8.16 (67)	10.80 (46)	0.02 (23)	7.49 (34)	12.63 (33)	9.38 (54)	5.92 (26)	10.17 (77)	19.39 (84)	-9.61 (12)
Fire - Total Fund Policy	4.87 (44)	7.98 (69)	10.71 (48)	-0.43 (30)	7.86 (29)	12.69 (33)	9.25 (57)	6.55 (19)	10.25 (76)	21.47 (82)	-16.00 (18)
All Master Trust - Total Fund Median	4.56	9.38	10.57	-1.55	6.41	11.10	9.56	4.31	12.47	30.95	-24.43
Fire Total Fund	3.03 (74)	8.16 (86)	10.80 (60)	0.02 (12)	7.49 (32)	12.63 (40)	9.38 (65)	5.92 (21)	10.17 (94)	19.39 (100)	-9.61 (1)
Fire - Total Fund Policy	4.87 (42)	7.98 (89)	10.71 (63)	-0.43 (18)	7.86 (25)	12.69 (39)	9.25 (69)	6.55 (14)	10.25 (93)	21.47 (99)	-16.00 (1)
Master Trust >=45% and <65% Equity Median	4.56	9.92	11.22	-2.06	6.53	11.97	9.89	4.08	12.94	31.88	-25.73
Total Domestic Equity	4.30 (56)	13.34 (42)	19.22 (38)	0.59 (21)	10.95 (43)	23.53 (42)	14.53 (40)	6.50 (35)	18.31 (51)	56.86 (38)	-33.60 (24)
Russell 3000 Index	8.77 (32)	13.81 (39)	18.07 (46)	-0.34 (27)	12.37 (32)	22.61 (51)	14.56 (40)	7.18 (30)	17.41 (55)	52.44 (51)	-38.20 (56)
IM U.S. Equity (SA+CF+MF) Median	5.35	11.93	17.37	-3.59	9.98	22.61	13.39	4.01	18.51	52.50	-37.61
Seizert	-1.05 (91)	12.32 (31)	24.46 (11)	-2.23 (50)	9.04 (63)	26.78 (21)	17.19 (35)	3.00 (74)	18.26 (19)	54.30 (36)	N/A
Russell 1000 Value Index	5.67 (36)	6.95 (89)	19.22 (40)	-1.54 (42)	9.33 (57)	21.57 (66)	18.77 (21)	4.79 (58)	15.15 (51)	53.56 (39)	-42.42 (84)
IM U.S. Large Cap Value Equity (SA+CF) Median	4.24	10.59	18.24	-2.25	9.99	23.16	16.00	5.53	15.16	50.86	-37.72
ClearBridge (LSITX)	13.84 (26)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 1000 Growth Index	12.75 (41)	21.25 (55)	15.76 (33)	2.52 (10)	16.09 (33)	23.22 (49)	10.09 (21)	11.02 (25)	18.26 (31)	49.75 (33)	-34.28 (48)
IM U.S. Large Cap Growth Equity (MF) Median	12.03	21.61	14.75	-0.89	14.45	23.13	7.47	8.04	16.38	47.00	-34.61
T. Rowe Price (TRMCX)	-0.28 (33)	7.43 (40)	20.60 (22)	-0.06 (5)	9.70 (46)	22.49 (60)	21.27 (17)	1.10 (42)	17.02 (92)	69.65 (30)	-34.78 (13)
Russell Midcap Value Index	2.89 (16)	6.50 (58)	19.82 (33)	-3.39 (25)	11.70 (27)	22.95 (54)	21.49 (17)	2.28 (30)	22.26 (39)	72.41 (26)	-42.51 (84)
IM U.S. Mid Cap Value Equity (MF) Median	-1.14	6.88	18.68	-6.02	9.54	23.35	18.39	0.77	21.24	65.36	-39.34
Total International Equity	-4.66 (43)	11.32 (93)	8.44 (72)	-8.61 (55)	-2.42 (70)	16.29 (37)	8.71 (50)	-1.55 (18)	15.73 (9)	60.87 (11)	-47.19 (65)
MSCI AC World ex USA Index (Net)	-4.22 (37)	16.53 (42)	13.13 (27)	-9.19 (62)	-1.01 (58)	12.31 (75)	8.36 (56)	-7.17 (65)	13.15 (24)	60.93 (11)	-46.46 (58)
IM International Large Cap Equity (MF) Median	-5.13	15.88	10.60	-8.32	-0.38	15.34	8.65	-5.88	10.83	51.56	-45.37
AF EuroPacific Growth (RERGX)	-4.66 (52)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI AC World ex USA Index (Net)	-4.22 (46)	16.53 (55)	13.13 (17)	-9.19 (78)	-1.01 (74)	12.31 (66)	8.36 (60)	-7.17 (74)	13.15 (34)	60.93 (8)	-46.46 (66)
IM International Large Cap Growth Equity (MF) Median	-4.57	17.09	9.57	-6.45	0.82	13.51	8.80	-4.66	11.81	50.89	-44.14

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



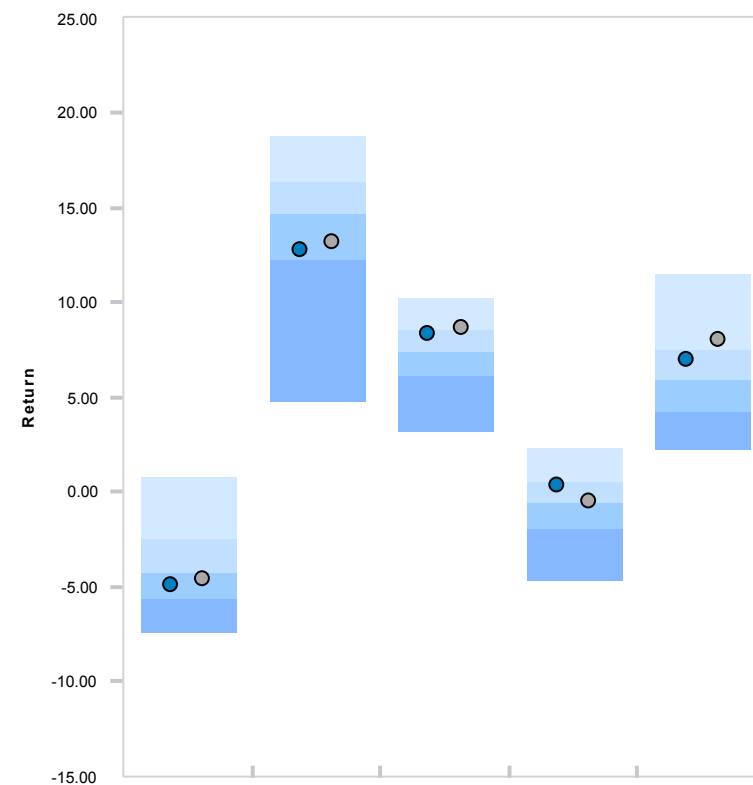
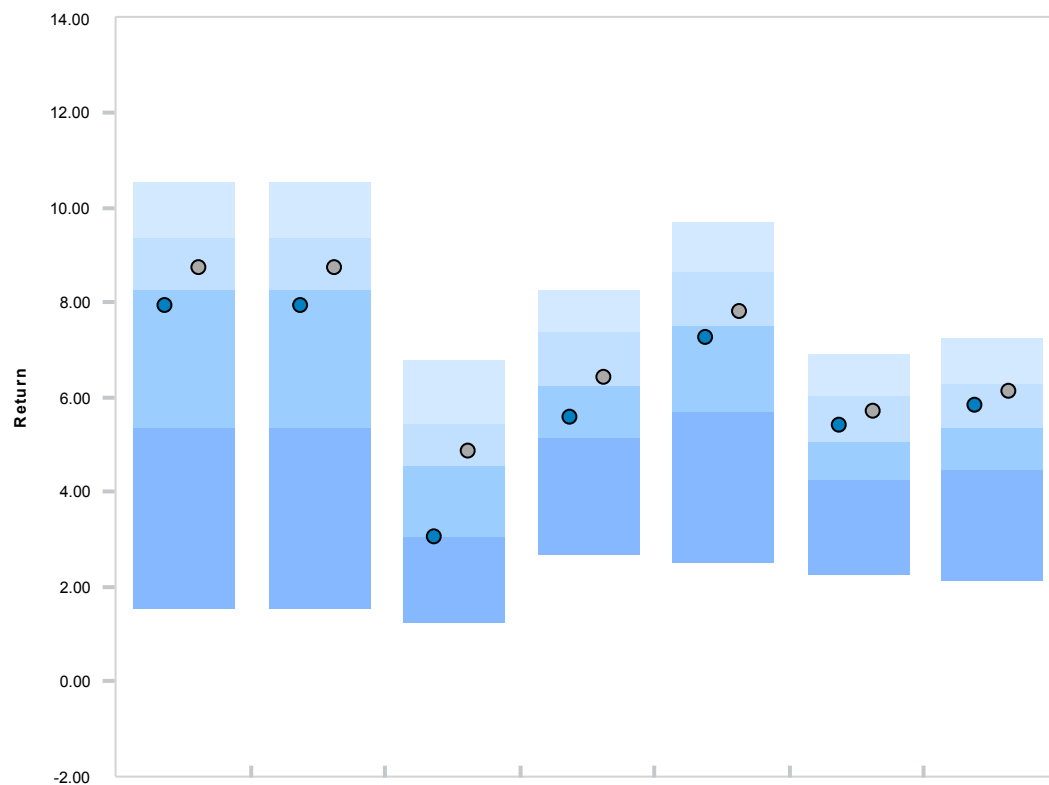
Comparative Performance
Total Fund
1 Year Ending

	Mar-2019	Mar-2018	Mar-2017	Mar-2016	Mar-2015	Mar-2014	Mar-2013	Mar-2012	Mar-2011	Mar-2010	Mar-2009
Total Domestic Fixed Income	3.70 (74)	0.57 (92)	0.55 (83)	2.66 (13)	4.22 (51)	0.03 (81)	3.69 (75)	7.09 (51)	4.30 (77)	3.56 (90)	7.63 (3)
Total Domestic Fixed Policy	4.33 (61)	0.51 (94)	0.35 (89)	2.20 (26)	4.24 (51)	0.01 (82)	3.04 (82)	6.24 (63)	4.33 (77)	2.51 (94)	7.54 (4)
IM U.S. Fixed Income (SA+CF) Median	4.54	2.05	1.98	1.41	4.24	0.97	5.72	7.10	6.35	12.41	0.75
C.S. McKee	4.49 (36)	0.63 (73)	0.53 (74)	3.03 (4)	4.04 (40)	0.06 (72)	3.19 (82)	N/A	N/A	N/A	N/A
Bloomberg Barclays US Interm Agg Index	4.33 (59)	0.51 (87)	0.35 (85)	2.20 (46)	4.24 (32)	0.01 (74)	3.04 (85)	6.16 (61)	4.76 (68)	7.40 (73)	3.39 (43)
IM U.S. Intermediate Duration (SA+CF) Median	4.42	0.83	0.91	2.12	3.88	0.39	4.01	6.41	5.08	8.97	2.81
Garcia Hamilton	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays Intermed Aggregate Index	4.33 (59)	0.51 (87)	0.35 (85)	2.20 (46)	4.24 (32)	0.01 (74)	3.04 (85)	6.16 (61)	4.76 (68)	7.40 (73)	3.39 (43)
IM U.S. Intermediate Duration (SA+CF) Median	4.42	0.83	0.91	2.12	3.88	0.39	4.01	6.41	5.08	8.97	2.81
Real Estate											
Principal Real Estate	7.68 (75)	7.96 (70)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NCREIF Fund Index-ODCE (EW) (Net)	6.79 (92)	7.28 (78)	7.72 (73)	13.12 (65)	12.37 (88)	12.32 (79)	9.70 (85)	13.61 (61)	18.91 (72)	-20.90 (54)	-23.31 (43)
IM U.S. Open End Private Real Estate (SA+CF) Median	8.23	8.42	9.03	14.19	14.60	13.84	12.10	14.42	20.75	-20.19	-24.76
Cash	0.47	0.32	0.08	0.04	0.05	0.07	0.08	0.07	0.12	0.16	1.19
90 Day U.S. Treasury Bill	2.12	1.11	0.30	0.08	0.03	0.05	0.08	0.05	0.17	0.14	1.20

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



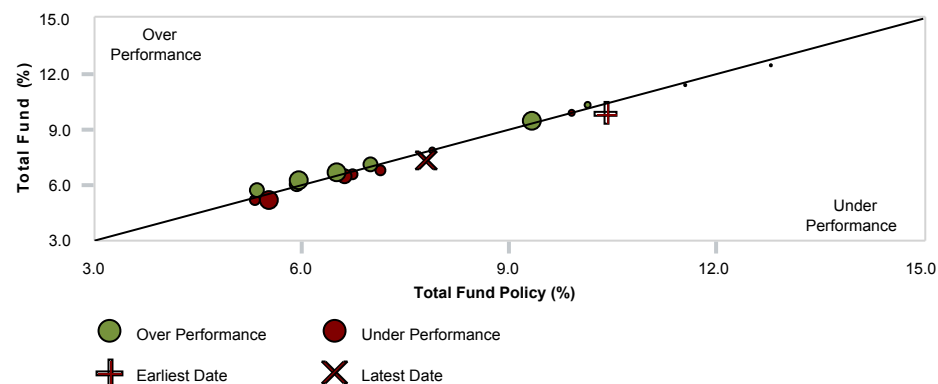
Peer Group Analysis - All Master Trust - Total Fund



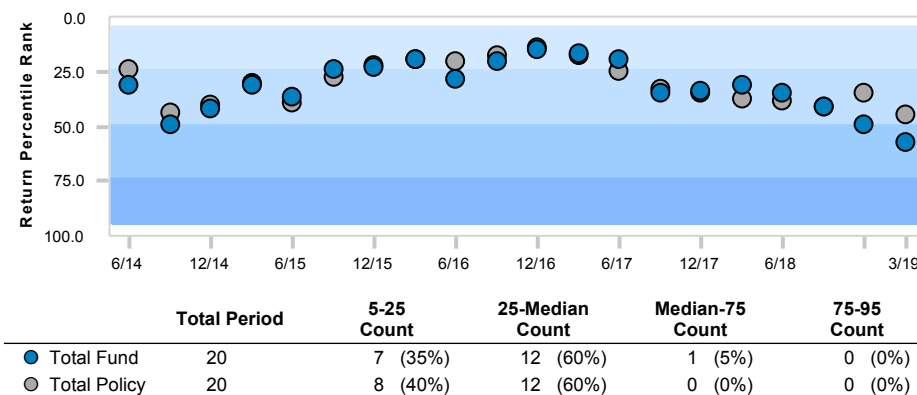
Comparative Performance

	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017
Total Fund	-8.42 (76)	3.06 (22)	1.14 (31)	-0.33 (38)	3.21 (62)	2.69 (74)
Total Fund Policy	-7.36 (58)	2.98 (24)	1.09 (33)	-1.01 (75)	3.69 (38)	2.87 (68)
All Master Trust - Total Fund Median	-6.92	2.29	0.68	-0.57	3.46	3.23

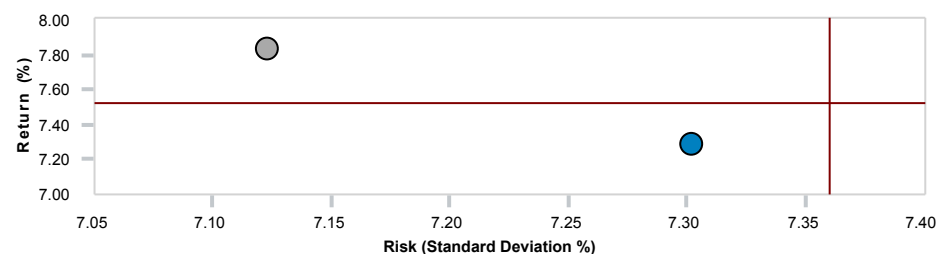
3 Yr Rolling Under/Over Performance - 5 Years



3 Yr Rolling Percentile Ranking - 5 Years

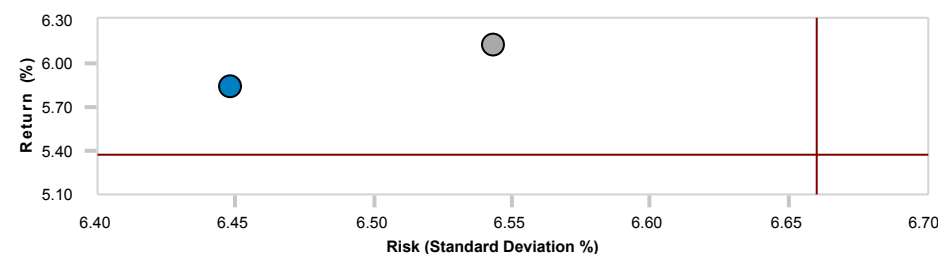


Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Fund	7.28	7.30
Total Policy	7.83	7.12
Median	7.52	7.36

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Fund	5.83	6.45
Total Policy	6.13	6.54
Median	5.37	6.66

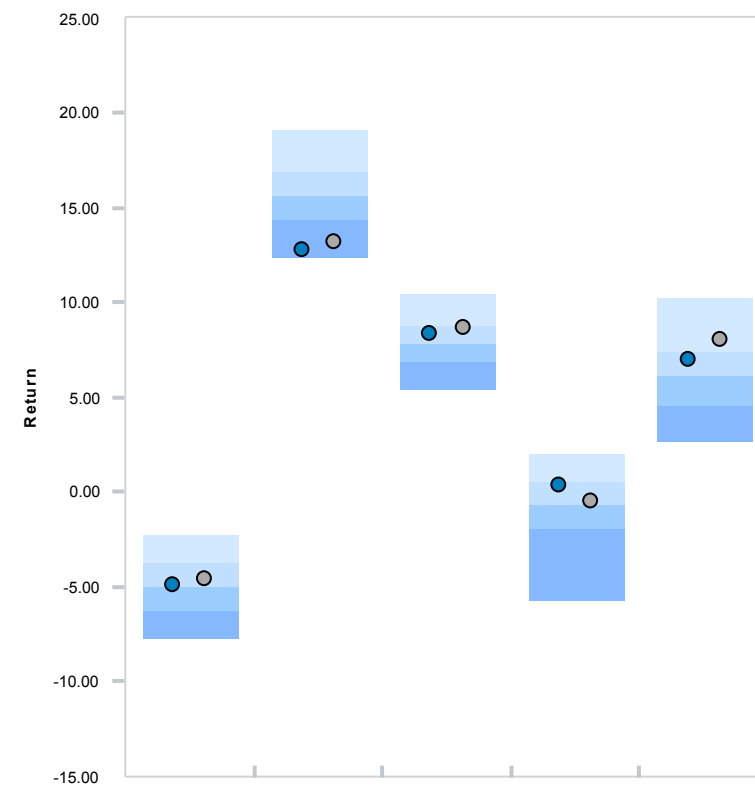
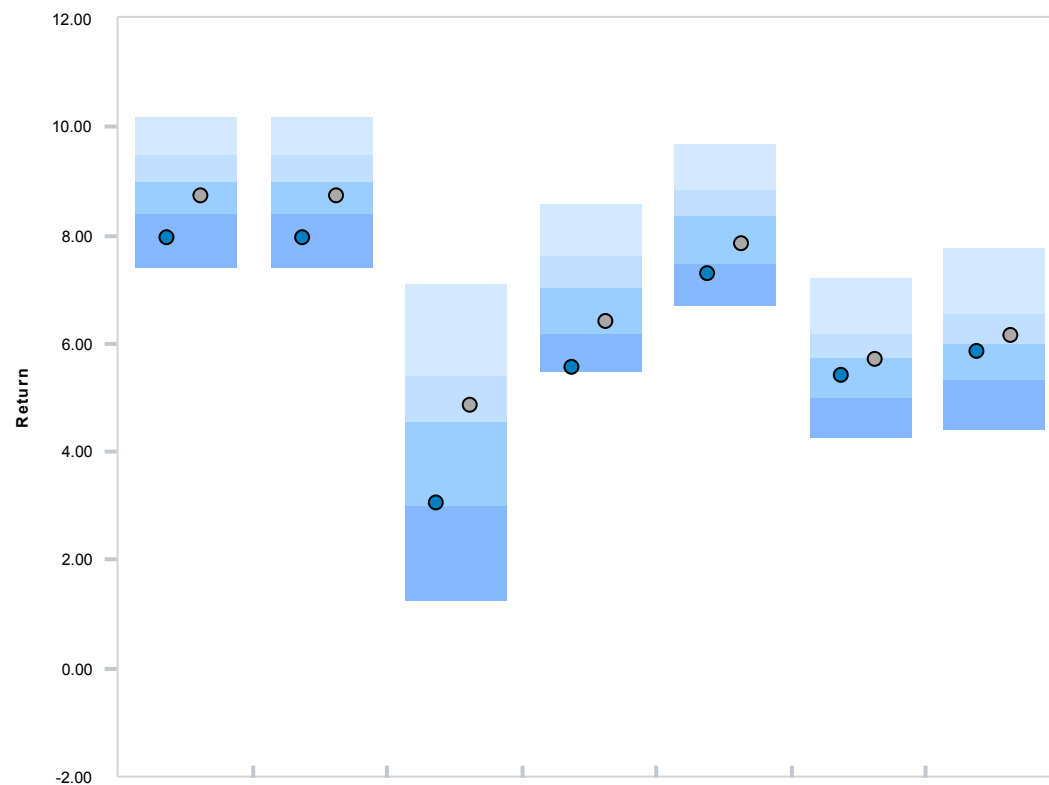
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.02	96.54	104.65	-0.62	-0.49	0.84	1.02	4.87
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.93	1.00	4.29

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.12	93.69	90.14	-0.11	-0.26	0.80	0.97	4.28
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.84	1.00	3.99

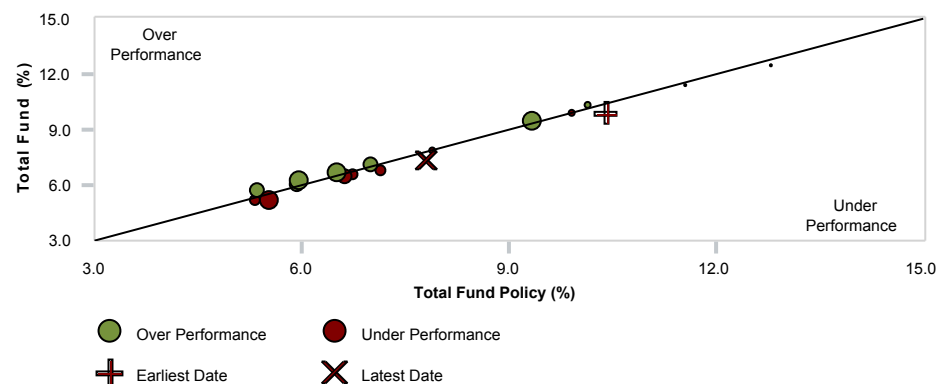
Peer Group Analysis - Master Trust >=45% and <65% Equity



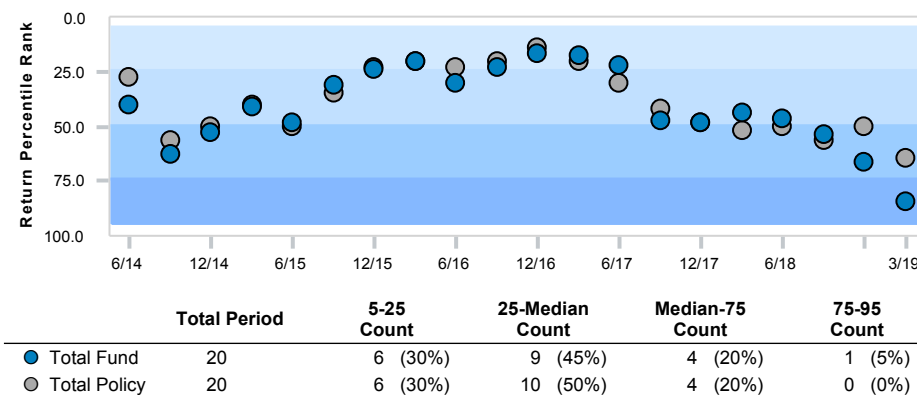
Comparative Performance

	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017
Total Fund	-8.42 (60)	3.06 (28)	1.14 (36)	-0.33 (40)	3.21 (78)	2.69 (95)
Total Fund Policy	-7.36 (25)	2.98 (31)	1.09 (38)	-1.01 (79)	3.69 (47)	2.87 (91)
Master Trust >=45% and <65% Equity Median	-8.11	2.57	0.81	-0.51	3.64	3.43

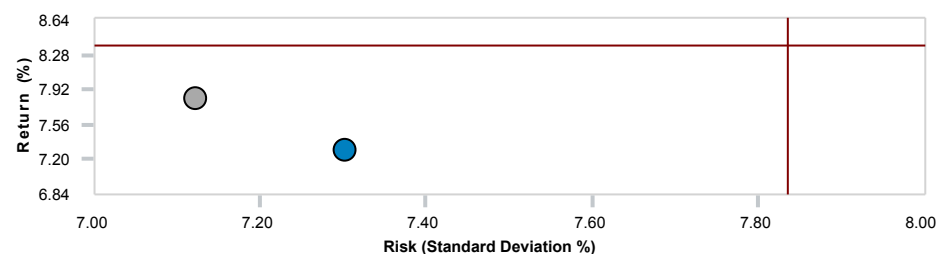
3 Yr Rolling Under/Over Performance - 5 Years



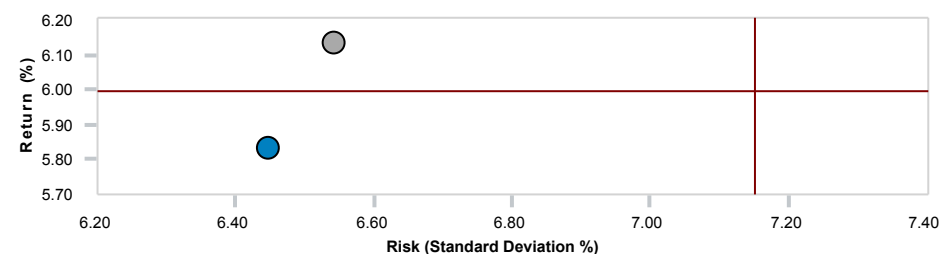
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



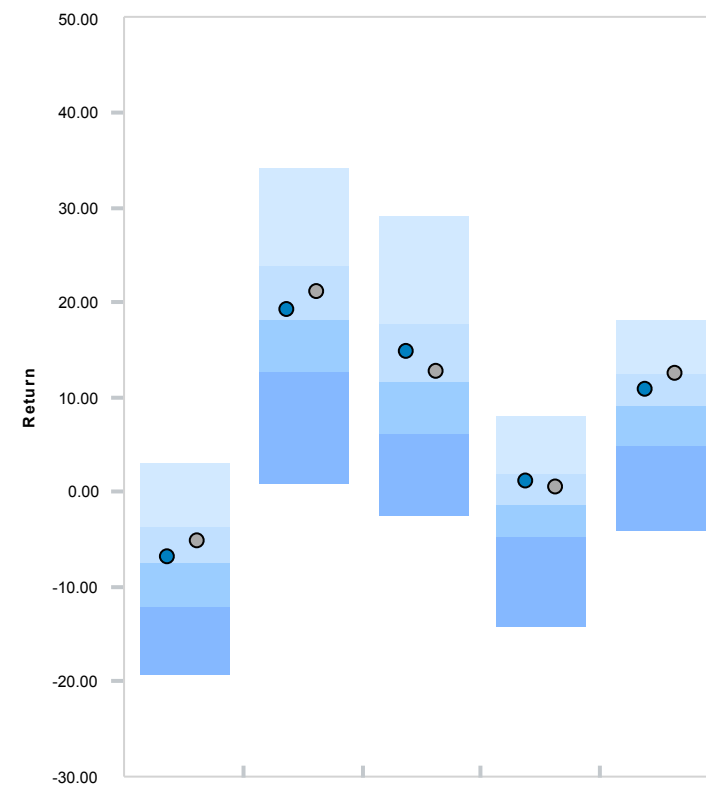
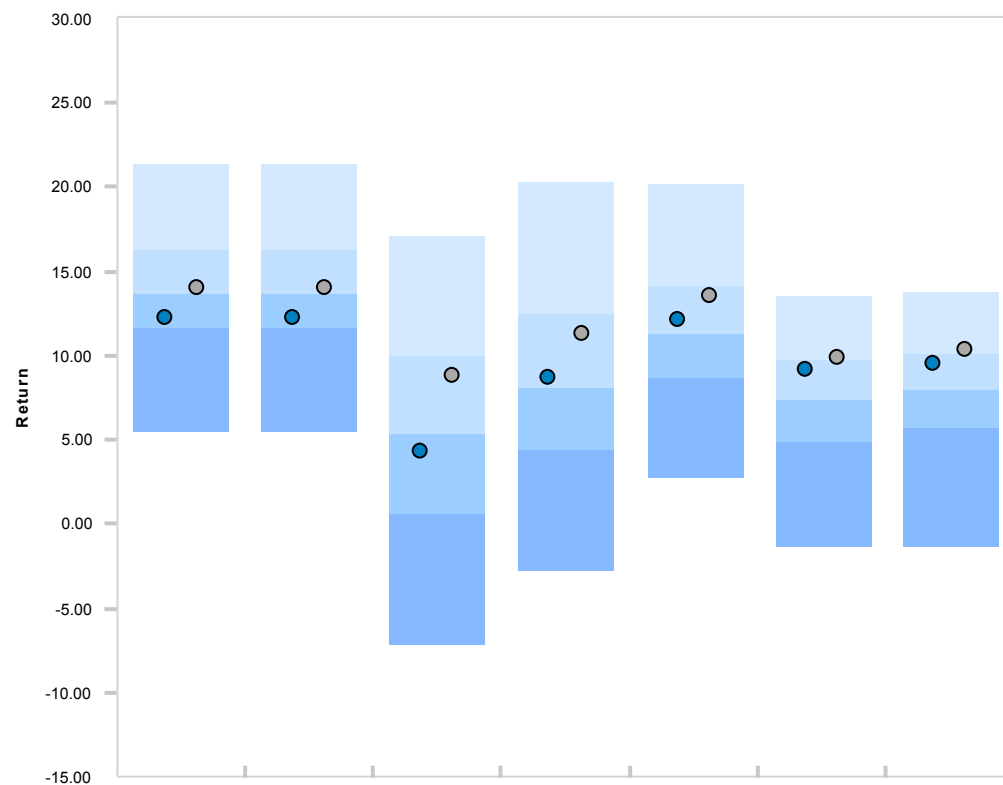
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.02	96.54	104.65	-0.62	-0.49	0.84	1.02	4.87
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.93	1.00	4.29

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.12	93.69	90.14	-0.11	-0.26	0.80	0.97	4.28
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.84	1.00	3.99

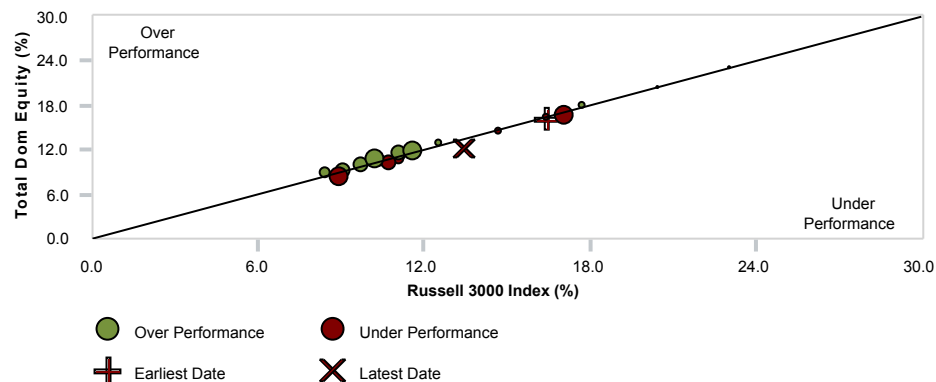
Peer Group Analysis - IM U.S. Equity (SA+CF+MF)



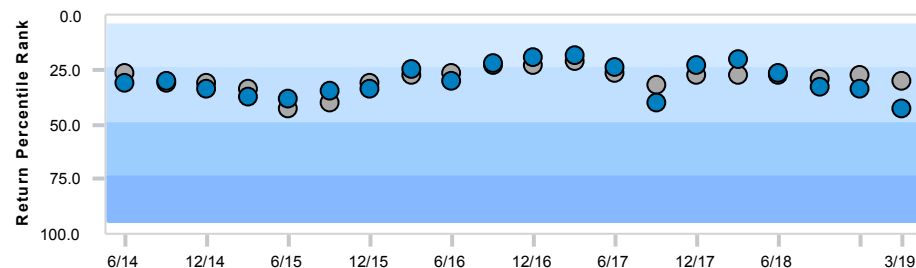
Comparative Performance

	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017
Total Dom Equity	-14.91 (46)	6.20 (41)	2.82 (61)	0.20 (36)	5.97 (42)	4.02 (59)
Russell 3000 Index	-14.30 (40)	7.12 (30)	3.89 (46)	-0.64 (47)	6.34 (34)	4.57 (45)
IM U.S. Equity (SA+CF+MF) Median	-15.48	5.44	3.57	-0.78	5.50	4.37

3 Yr Rolling Under/Over Performance - 5 Years

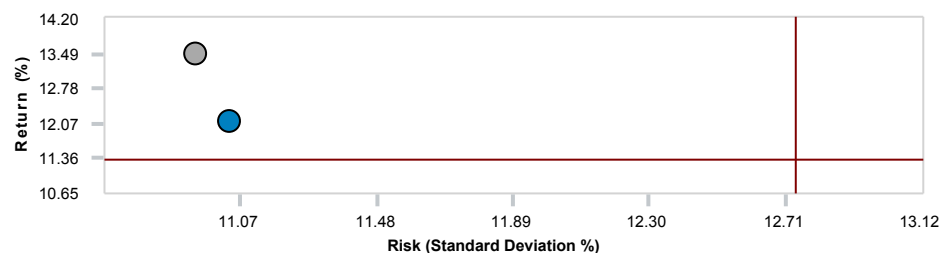


3 Yr Rolling Percentile Ranking - 5 Years



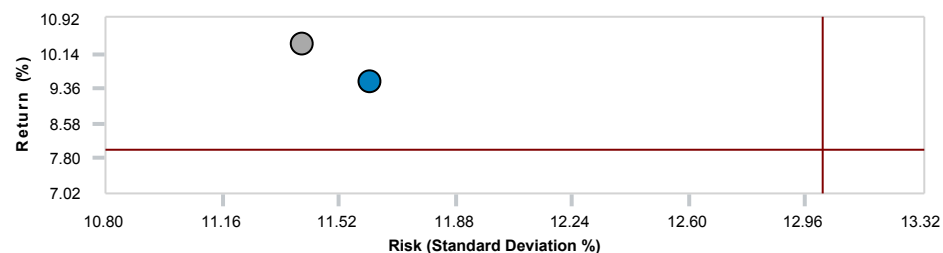
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Dom Equity	20	7 (35%)	13 (65%)	0 (0%)	0 (0%)
Russell 3000	20	3 (15%)	17 (85%)	0 (0%)	0 (0%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Dom Equity	12.12	11.04
Russell 3000	13.49	10.94
Median	11.32	12.74

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Dom Equity	9.48	11.62
Russell 3000	10.36	11.41
Median	7.99	13.01

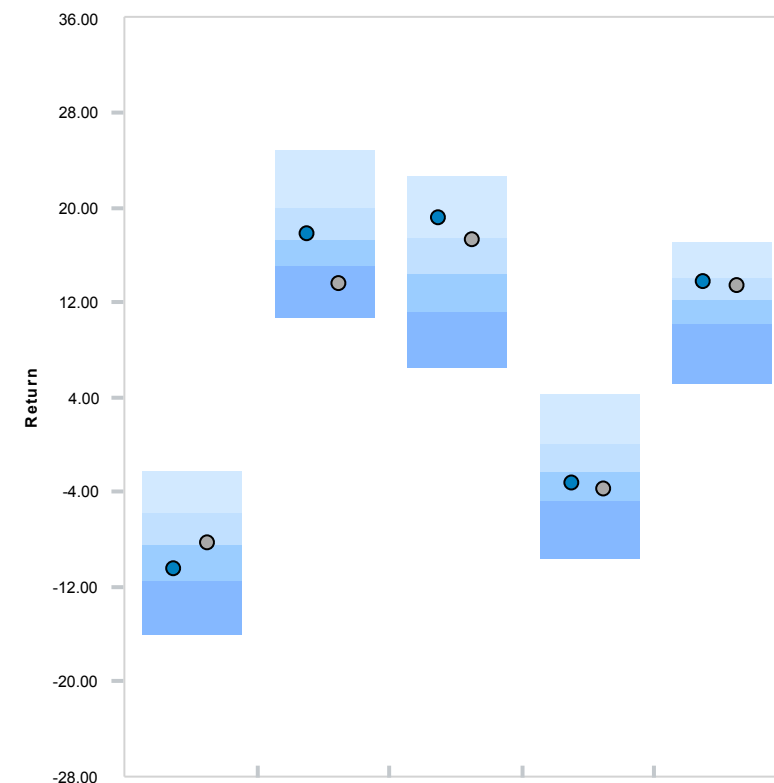
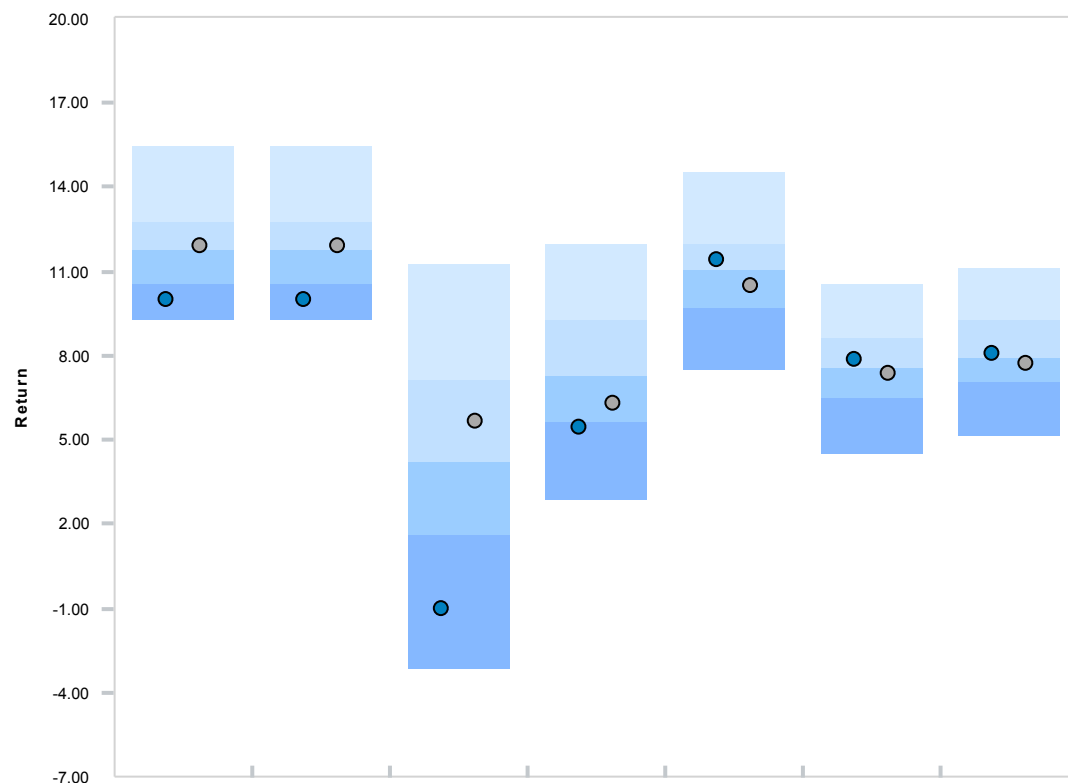
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Equity	2.25	93.95	98.95	-1.05	-0.54	0.99	0.99	7.36
Russell 3000 Index	0.00	100.00	100.00	0.00	N/A	1.11	1.00	7.37

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Equity	2.08	95.94	99.39	-0.80	-0.37	0.78	1.00	7.25
Russell 3000 Index	0.00	100.00	100.00	0.00	N/A	0.86	1.00	7.27

Peer Group Analysis - IM U.S. Large Cap Value Equity (SA+CF)



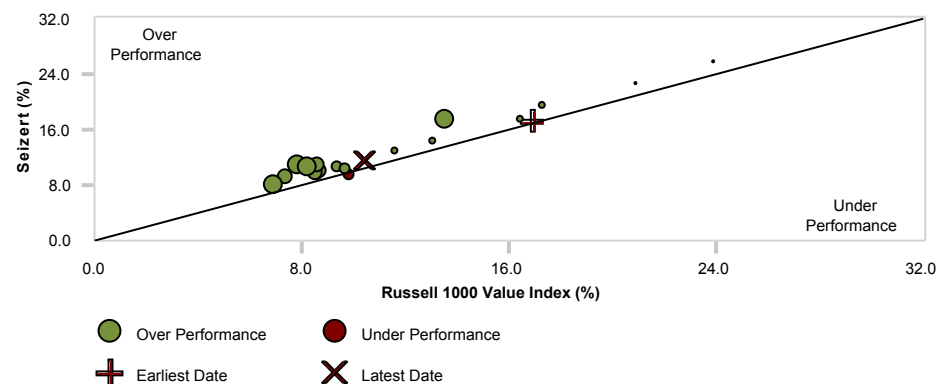
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Seizert	10.00 (88)	10.00 (88)	-1.05 (91)	5.42 (79)	11.42 (40)	7.84 (44)	8.08 (47)
● R 1000 V	11.93 (45)	11.93 (45)	5.67 (36)	6.31 (65)	10.45 (63)	7.32 (55)	7.72 (57)
Median	11.73	11.73	4.24	7.26	11.04	7.53	7.90

	2018	2017	2016	2015	2014
● Seizert	-10.57 (69)	17.79 (44)	19.21 (16)	-3.16 (63)	13.78 (30)
● R 1000 V	-8.27 (48)	13.66 (88)	17.34 (26)	-3.83 (69)	13.45 (35)
Median	-8.44	17.22	14.52	-2.25	12.19

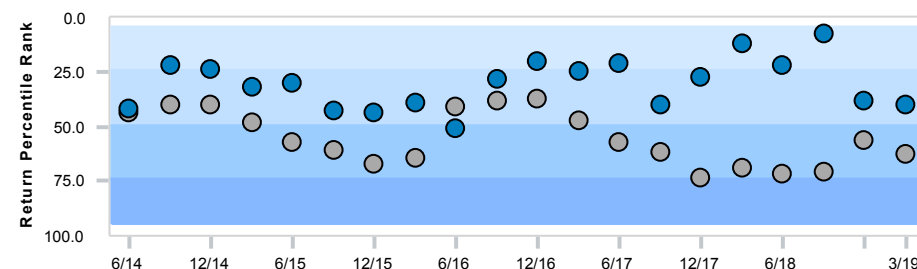
Comparative Performance

	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017
Seizert	-16.83 (90)	8.95 (4)	-0.72 (97)	-0.58 (14)	6.18 (53)	4.16 (49)
Russell 1000 Value Index	-11.72 (29)	5.70 (50)	1.18 (66)	-2.83 (74)	5.33 (76)	3.11 (80)
IM U.S. Large Cap Value Equity (SA+CF) Median	-13.55	5.70	1.73	-1.98	6.32	4.09

3 Yr Rolling Under/Over Performance - 5 Years

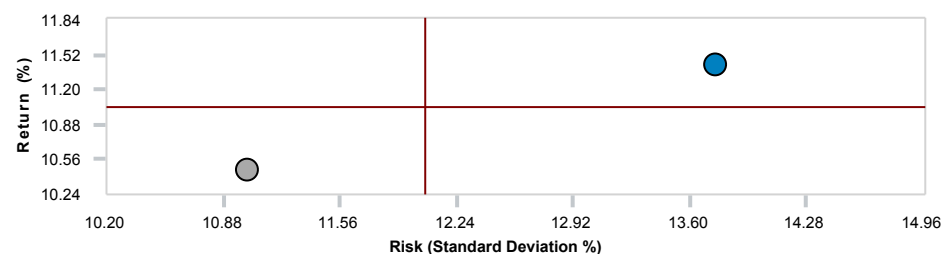


3 Yr Rolling Percentile Ranking - 5 Years



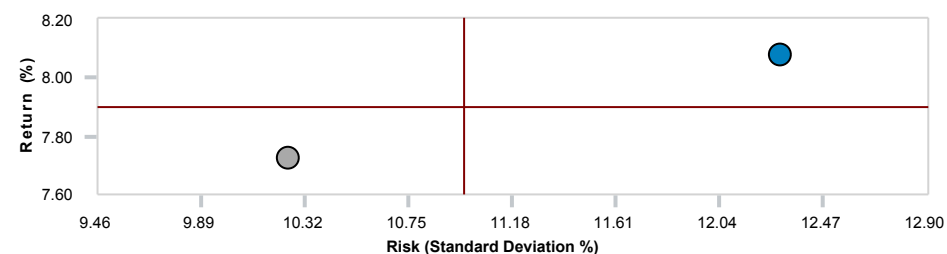
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Seizert	20	8 (40%)	11 (55%)	1 (5%)	0 (0%)
R 1000 V	20	0 (0%)	8 (40%)	12 (60%)	0 (0%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Seizert	11.42	13.75
R 1000 V	10.45	11.02
Median	11.04	12.06

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Seizert	8.08	12.30
R 1000 V	7.72	10.25
Median	7.90	10.98

Historical Statistics - 3 Years

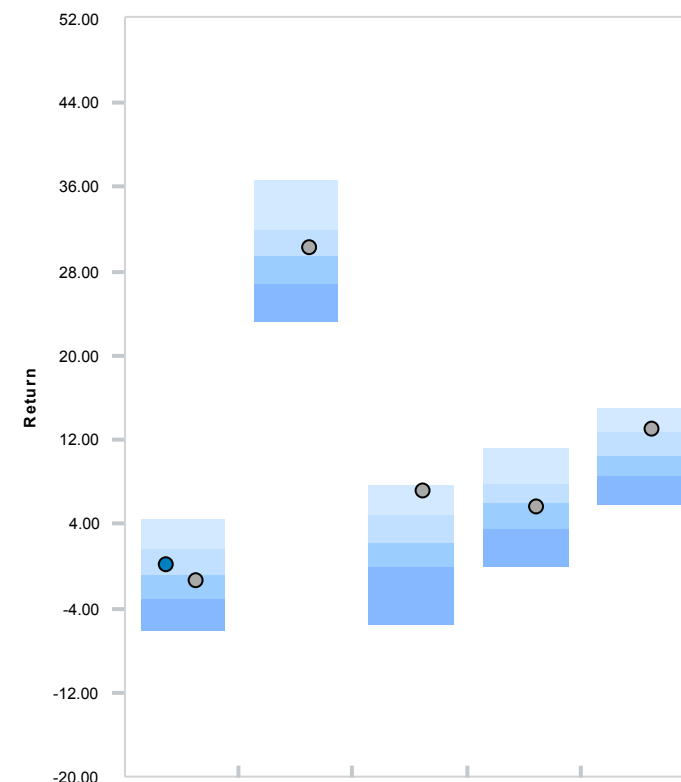
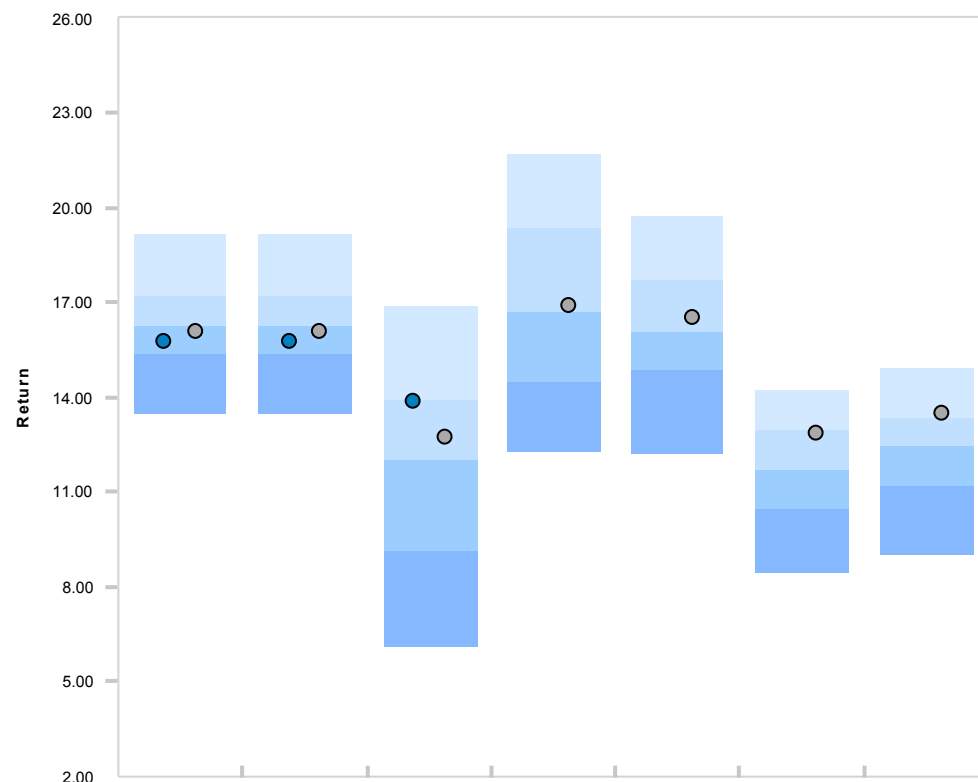
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Seizert	4.82	106.10	100.59	-0.01	0.23	0.83	1.11	7.96
Russell 1000 Value Index	0.00	100.00	100.00	0.00	N/A	0.89	1.00	7.07

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Seizert	4.23	105.08	103.78	-0.30	0.13	0.62	1.11	8.09
Russell 1000 Value Index	0.00	100.00	100.00	0.00	N/A	0.67	1.00	7.14

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Peer Group Analysis - IM U.S. Large Cap Growth Equity (MF)



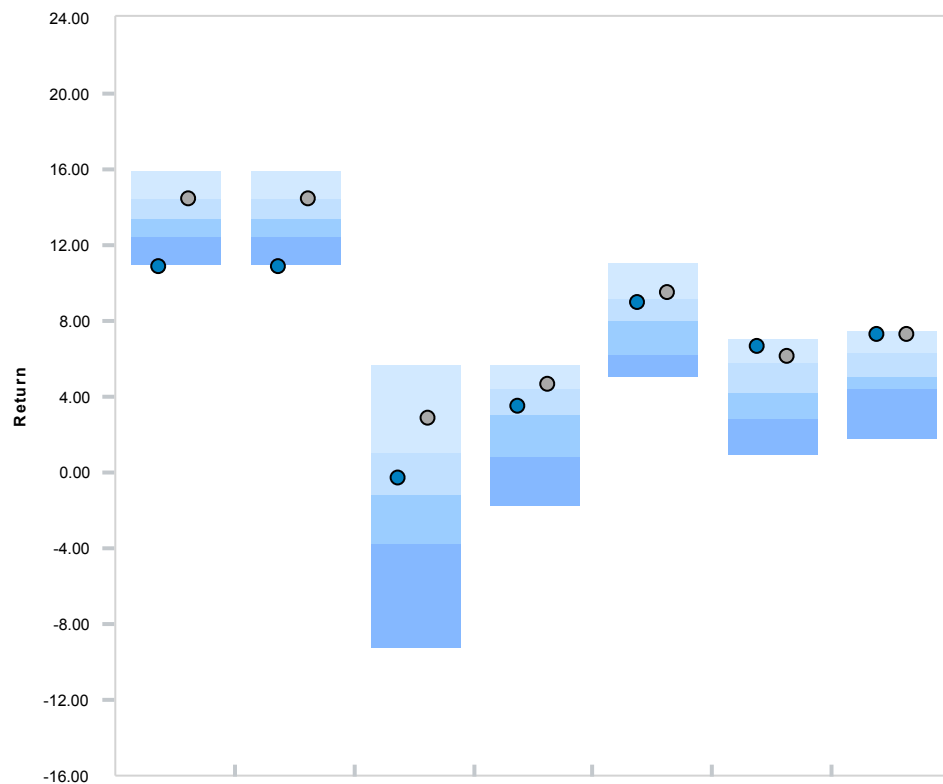
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● ClearBridge (LSITX)	15.76 (68)	15.76 (68)	13.84 (26)	N/A	N/A	N/A	N/A
● R1000 Growth Idx	16.10 (55)	16.10 (55)	12.75 (41)	16.92 (48)	16.53 (42)	12.86 (28)	13.50 (24)
Median	16.26	16.26	12.03	16.72	16.08	11.75	12.46

	2018	2017	2016	2015	2014
● ClearBridge (LSITX)	0.05 (40)	N/A	N/A	N/A	N/A
● R1000 Growth Idx	-1.51 (58)	30.21 (41)	7.08 (8)	5.67 (54)	13.05 (23)
Median	-0.85	29.47	2.17	6.01	10.46

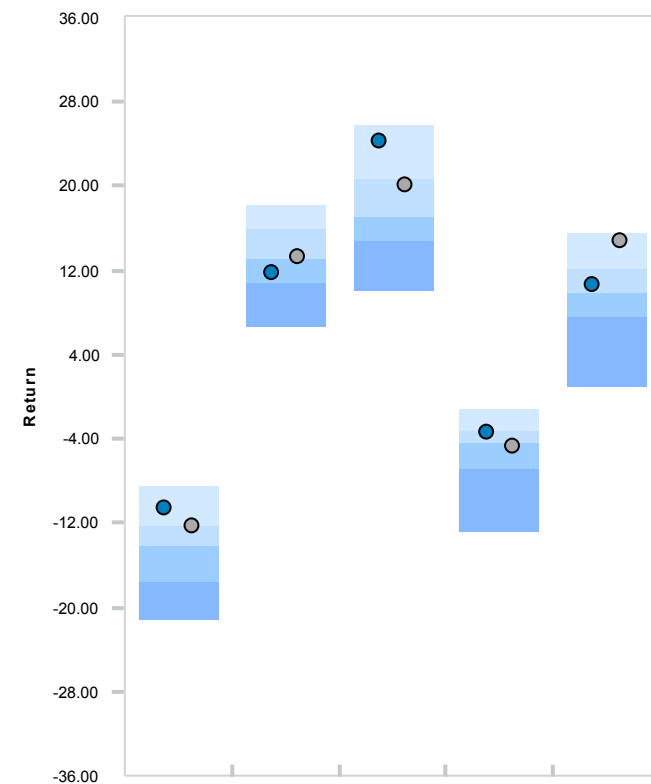
Comparative Performance

	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017
ClearBridge (LSITX)	-13.35 (14)	7.78 (51)	5.31 (66)	1.73 (73)	N/A	N/A
Russell 1000 Growth Index	-15.89 (53)	9.17 (11)	5.76 (51)	1.42 (78)	7.86 (10)	5.90 (35)
IM U.S. Large Cap Growth Equity (MF) Median	-15.76	7.78	5.77	2.82	6.66	5.52

Peer Group Analysis - IM U.S. Mid Cap Value Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● T. Rowe Price (TRMCX)	10.82 (97)	10.82 (97)	-0.28 (33)	3.51 (42)	8.92 (28)	6.60 (9)	7.21 (7)
● R Midcap Value	14.37 (26)	14.37 (26)	2.89 (16)	4.68 (17)	9.50 (19)	6.13 (18)	7.22 (6)
Median	13.37	13.37	-1.14	3.02	7.96	4.18	5.05

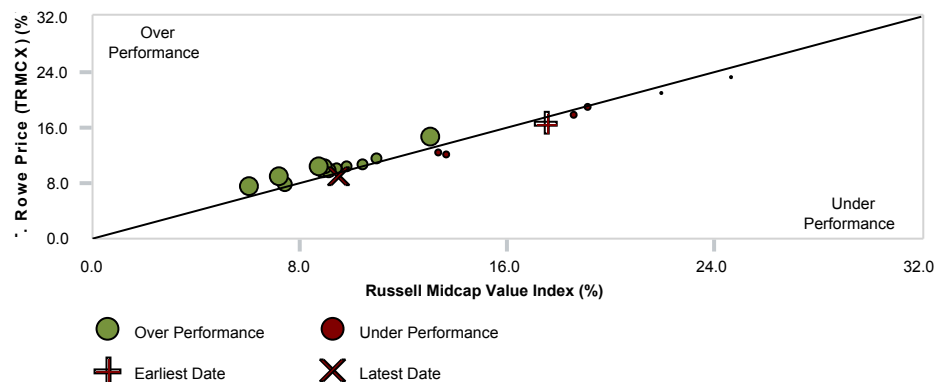


	2018	2017	2016	2015	2014
● T. Rowe Price (TRMCX)	10.61 (9)	11.67 (64)	24.33 (9)	-3.41 (31)	10.60 (43)
● R Midcap Value	12.29 (25)	13.34 (48)	20.00 (31)	-4.78 (54)	14.75 (10)
Median	14.14	13.10	17.12	-4.39	9.91

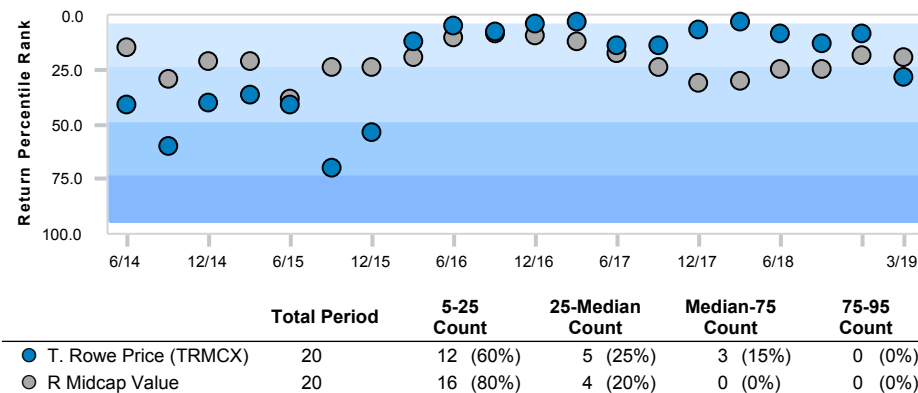
Comparative Performance

	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017
T. Rowe Price (TRMCX)	-14.51 (16)	1.24 (81)	3.97 (10)	-0.66 (10)	5.16 (45)	2.97 (45)
Russell Midcap Value Index	-14.95 (27)	3.30 (24)	2.41 (33)	-2.50 (69)	5.50 (40)	2.14 (68)
IM U.S. Mid Cap Value Equity (MF) Median	-17.20	2.81	1.97	-1.90	4.99	2.77

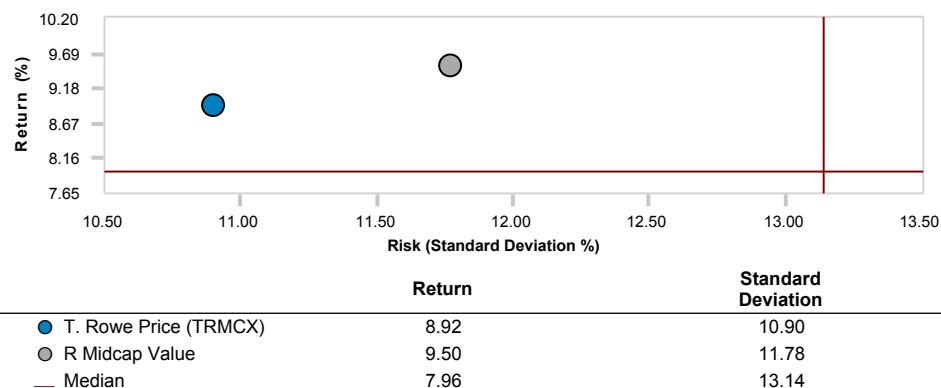
3 Yr Rolling Under/Over Performance - 5 Years



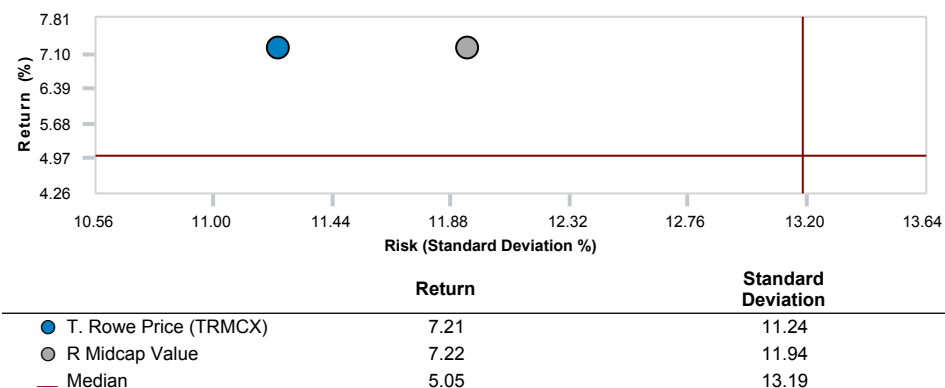
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



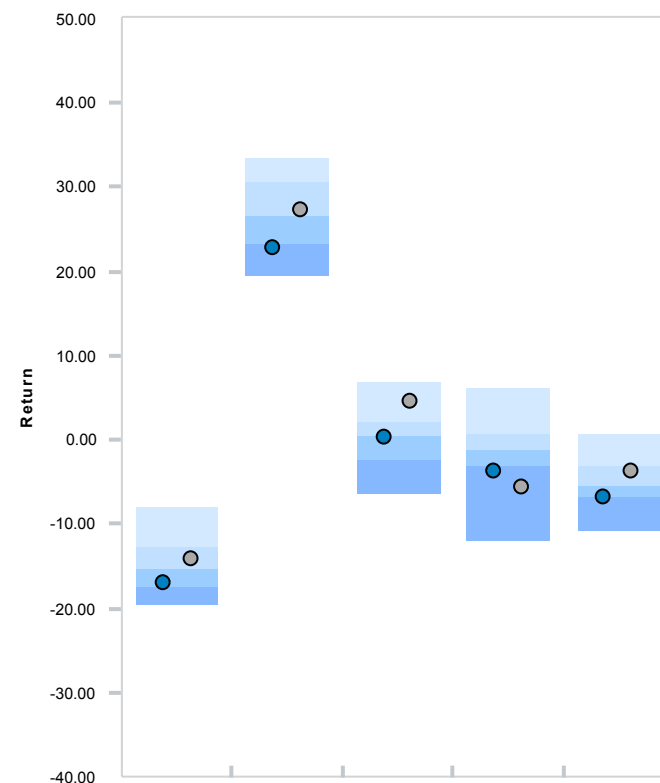
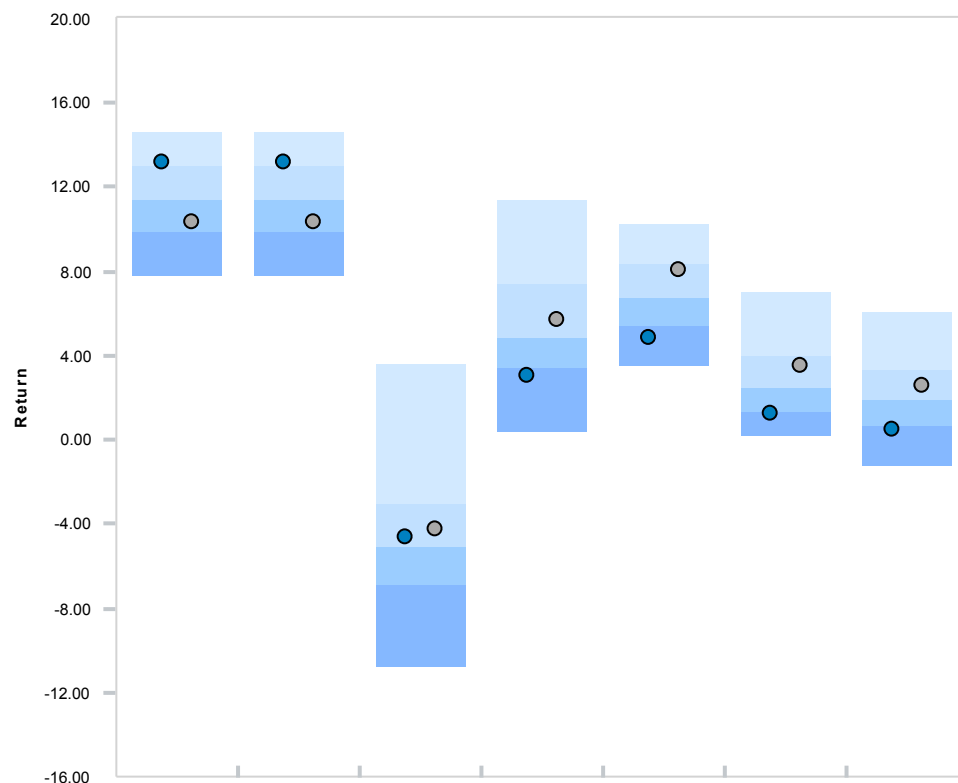
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
T. Rowe Price (TRMCX)	3.08	90.09	86.63	0.40	-0.21	0.73	0.89	7.41
Russell Midcap Value Index	0.00	100.00	100.00	0.00	N/A	0.73	1.00	8.10

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
T. Rowe Price (TRMCX)	2.97	93.55	89.99	0.59	-0.03	0.61	0.91	7.17
Russell Midcap Value Index	0.00	100.00	100.00	0.00	N/A	0.58	1.00	7.79

Peer Group Analysis - IM International Large Cap Equity (MF)



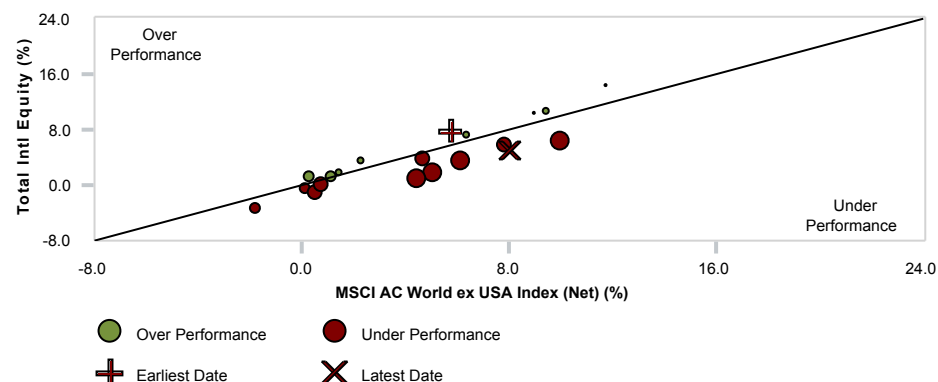
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Intl Equity	13.20 (19)	13.20 (19)	-4.66 (43)	3.02 (79)	4.80 (83)	1.27 (79)	0.52 (79)
● MSCI ACWIxUS Index	10.31 (68)	10.31 (68)	-4.22 (37)	5.65 (39)	8.09 (30)	3.48 (28)	2.57 (37)
Median	11.37	11.37	-5.13	4.81	6.74	2.51	1.93

	2018	2017	2016	2015	2014
● Total Intl Equity	-17.04 (73)	22.86 (81)	0.25 (53)	-3.80 (81)	-6.82 (74)
● MSCI ACWIxUS Index	-14.20 (38)	27.19 (47)	4.50 (12)	-5.66 (86)	-3.87 (29)
Median	-15.27	26.64	0.39	-1.19	-5.50

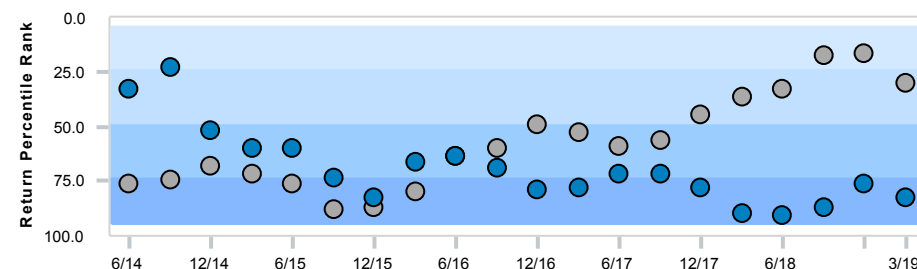
Comparative Performance

	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017
Total Intl Equity	-12.59 (36)	-0.84 (87)	-2.82 (64)	-1.50 (67)	2.18 (95)	3.61 (91)
MSCI AC World ex USA Index (Net)	-11.46 (19)	0.71 (41)	-2.61 (59)	-1.18 (55)	5.00 (14)	6.16 (34)
IM International Large Cap Equity (MF) Median	-13.42	0.39	-2.24	-1.05	4.07	5.30

3 Yr Rolling Under/Over Performance - 5 Years

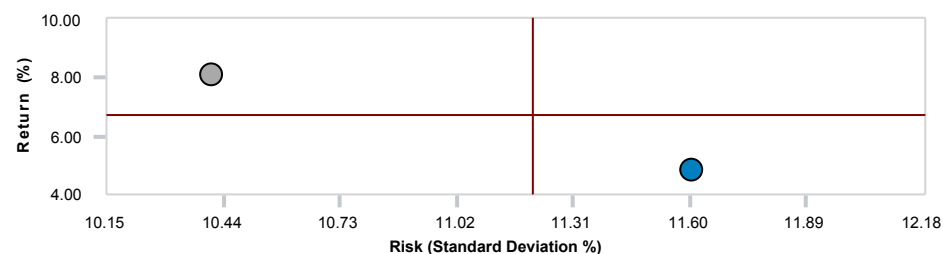


3 Yr Rolling Percentile Ranking - 5 Years



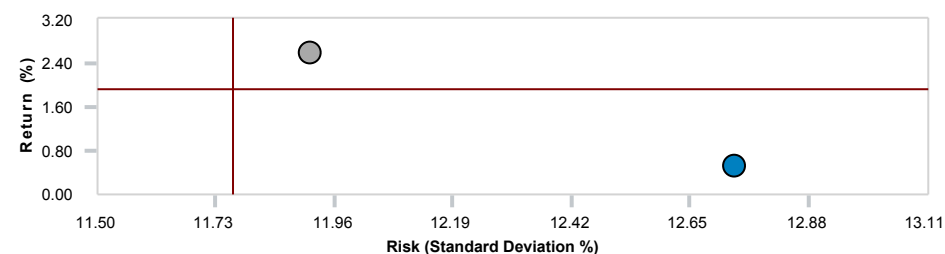
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Intl Equity	20	1 (5%)	1 (5%)	9 (45%)	9 (45%)
MSCI ACWIXUS Index	20	2 (10%)	5 (25%)	8 (40%)	5 (25%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Intl Equity	4.80	11.61
MSCI ACWIXUS Index	8.09	10.41
Median	6.74	11.21

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Intl Equity	0.52	12.74
MSCI ACWIXUS Index	2.57	11.91
Median	1.93	11.76

Historical Statistics - 3 Years

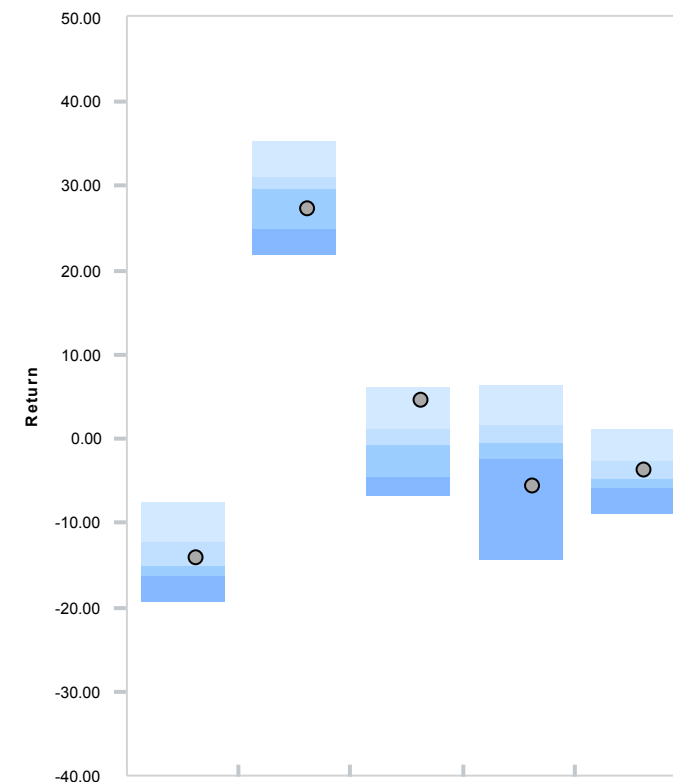
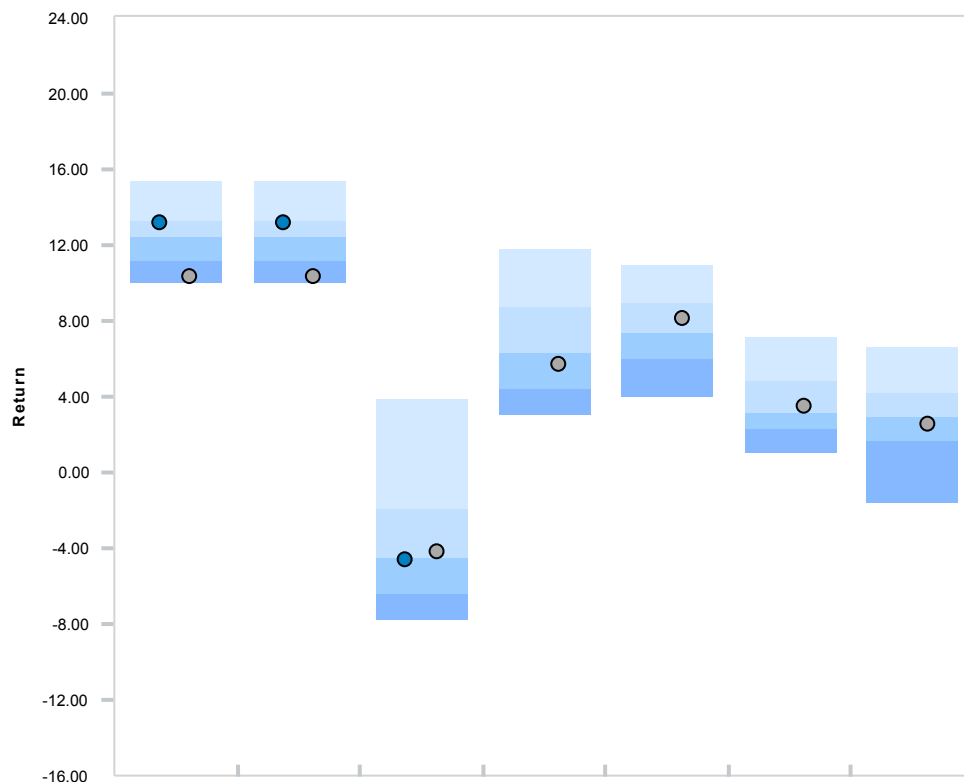
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Intl Equity	3.61	91.33	112.14	-3.43	-0.82	0.36	1.06	8.06
MSCI AC World ex USA Index (Net)	0.00	100.00	100.00	0.00	N/A	0.69	1.00	6.78

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Intl Equity	3.62	95.18	107.16	-1.98	-0.53	0.05	1.03	8.89
MSCI AC World ex USA Index (Net)	0.00	100.00	100.00	0.00	N/A	0.21	1.00	8.06

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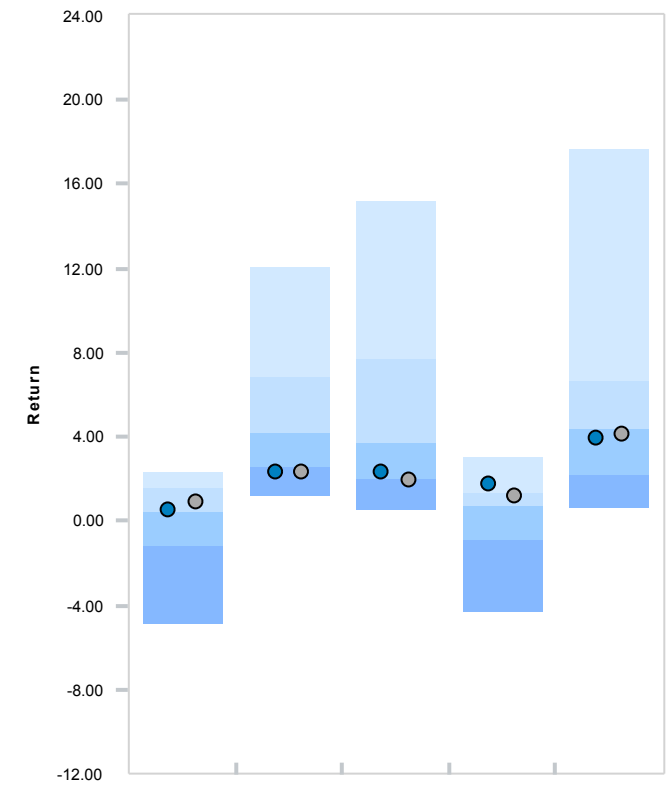
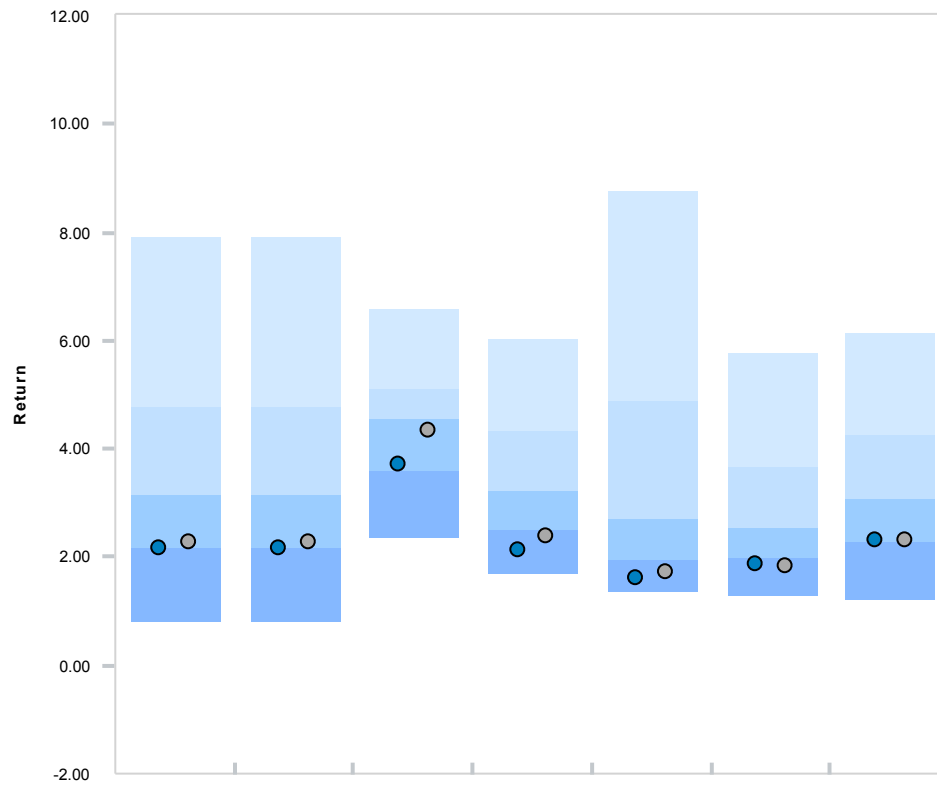
Peer Group Analysis - IM International Large Cap Growth Equity (MF)



Comparative Performance

	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017
EuroPacific (RERGX)	-12.59 (44)	-0.84 (82)	-2.82 (58)	N/A	N/A	N/A
MSCI AC World ex USA Index (Net)	-11.46 (27)	0.71 (40)	-2.61 (54)	-1.18 (65)	5.00 (12)	6.16 (37)
IM International Large Cap Growth Equity (MF) Median	-12.68	0.24	-2.51	-0.68	4.10	5.29

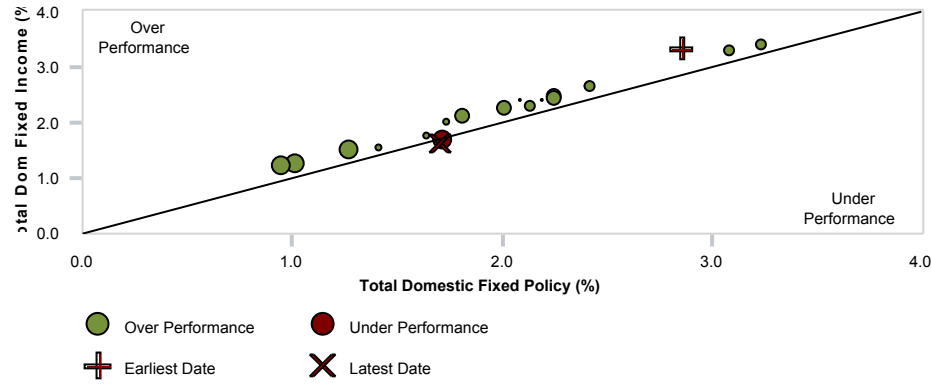
Peer Group Analysis - IM U.S. Fixed Income (SA+CF)



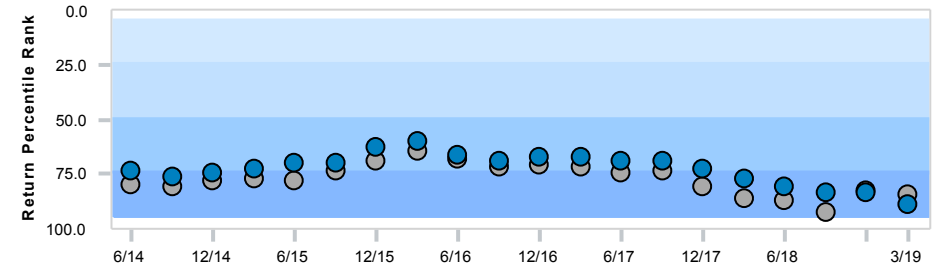
Comparative Performance

	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017
Total Dom Fixed Income	1.14 (35)	0.21 (70)	0.16 (57)	-1.00 (59)	-0.04 (87)	0.68 (75)
Total Domestic Fixed Policy	1.80 (10)	0.11 (77)	0.09 (62)	-1.05 (62)	-0.07 (89)	0.72 (72)
IM U.S. Fixed Income (SA+CF) Median	0.70	0.47	0.27	-0.85	0.52	0.99

3 Yr Rolling Under/Over Performance - 5 Years

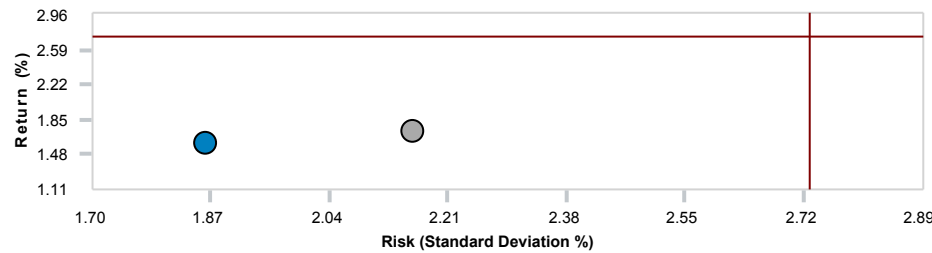


3 Yr Rolling Percentile Ranking - 5 Years



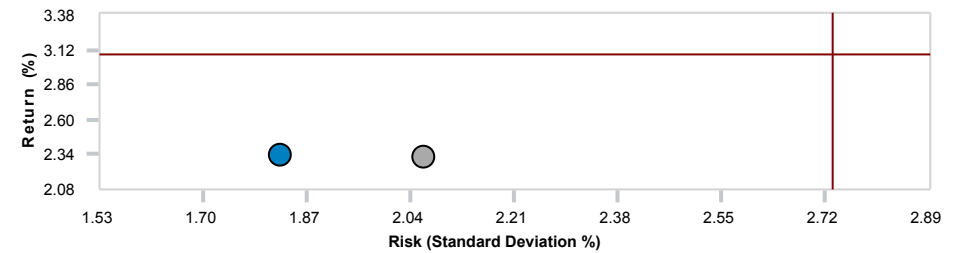
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Dom Fixed Income	20	0 (0%)	0 (0%)	14 (70%)	6 (30%)
Total Dom Fixed Policy	20	0 (0%)	0 (0%)	9 (45%)	11 (55%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Dom Fixed Income	1.59	1.86
Total Dom Fixed Policy	1.71	2.16
Median	2.73	2.73

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Dom Fixed Income	2.33	1.83
Total Dom Fixed Policy	2.31	2.06
Median	3.08	2.73

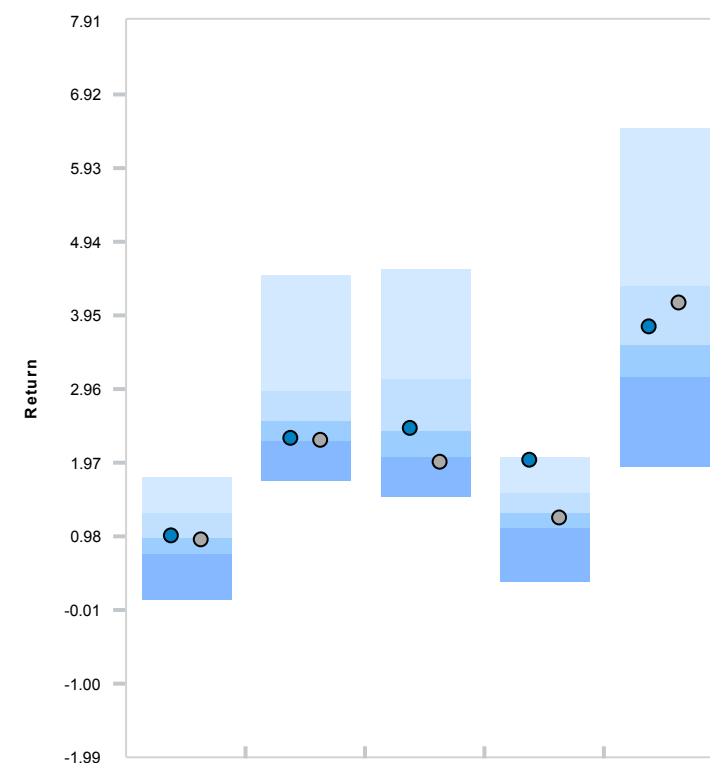
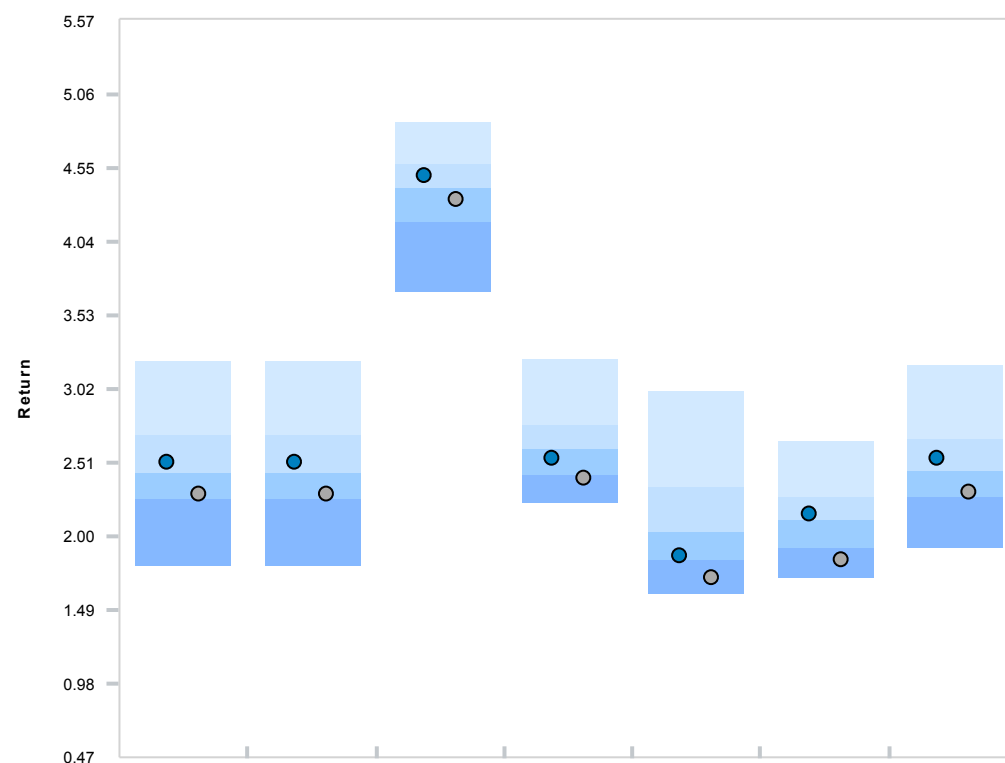
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Fixed Income	0.46	90.04	87.53	0.14	-0.26	0.24	0.85	1.18
Total Domestic Fixed Policy	0.00	100.00	100.00	0.00	N/A	0.26	1.00	1.32

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Fixed Income	0.40	93.01	82.92	0.31	0.03	0.88	0.87	0.99
Total Domestic Fixed Policy	0.00	100.00	100.00	0.00	N/A	0.77	1.00	1.12

Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)



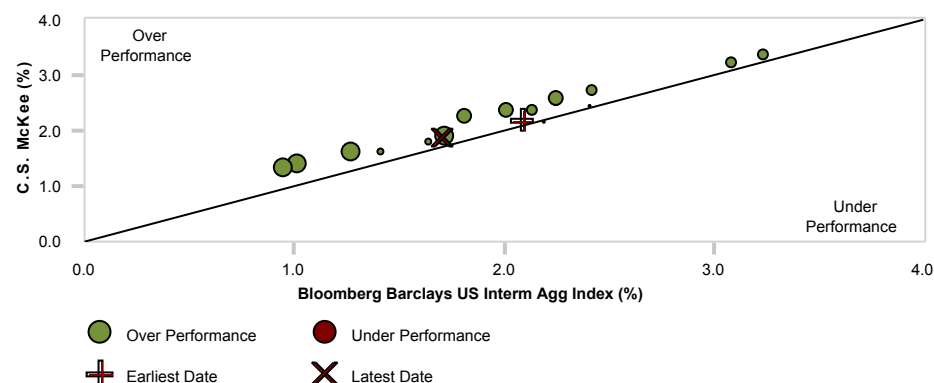
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● C.S. McKee	2.51 (43)	2.51 (43)	4.49 (36)	2.54 (60)	1.87 (70)	2.16 (43)	2.53 (39)
● Blmbg Intermed Agg	2.28 (73)	2.28 (73)	4.33 (59)	2.40 (79)	1.71 (88)	1.83 (84)	2.31 (69)
Median	2.45	2.45	4.42	2.61	2.03	2.11	2.46

	2018	2017	2016	2015	2014
● C.S. McKee	0.97 (49)	2.30 (71)	2.43 (48)	1.98 (7)	3.79 (43)
● Blmbg Intermed Agg	0.92 (52)	2.27 (76)	1.97 (78)	1.21 (63)	4.12 (30)
Median	0.95	2.54	2.39	1.30	3.56

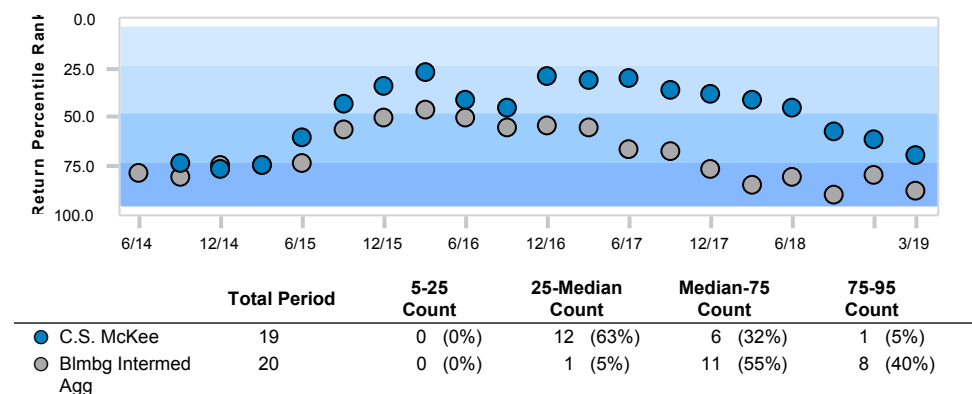
Comparative Performance

	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017
C.S. McKee	1.50 (37)	0.20 (86)	0.23 (23)	-0.95 (63)	0.01 (51)	0.69 (59)
Bloomberg Barclays US Intermed Agg Index	1.80 (11)	0.11 (95)	0.09 (61)	-1.05 (83)	-0.07 (77)	0.72 (49)
IM U.S. Intermediate Duration (SA+CF) Median	1.39	0.37	0.12	-0.90	0.01	0.72

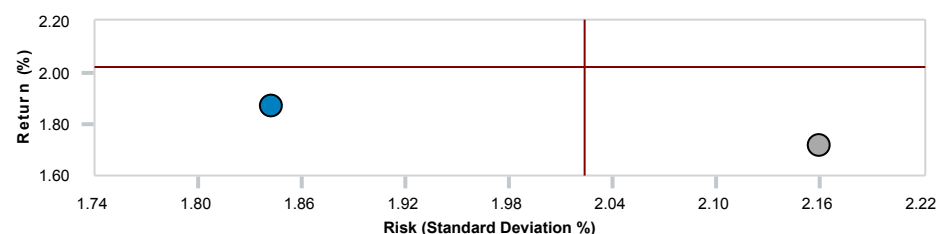
3 Yr Rolling Under/Over Performance - 5 Years



3 Yr Rolling Percentile Ranking - 5 Years

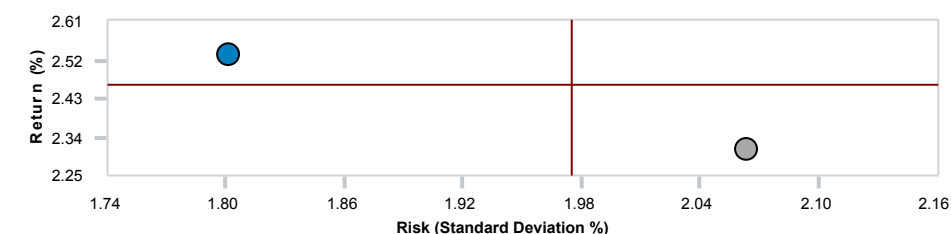


Peer Group Scattergram - 3 Years



	Return	Standard Deviation
C.S. McKee	1.87	1.84
Blmbg Interm Agg	1.71	2.16
Median	2.03	2.02

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
C.S. McKee	2.53	1.80
Blmbg Interm Agg	2.31	2.06
Median	2.46	1.98

Historical Statistics - 3 Years

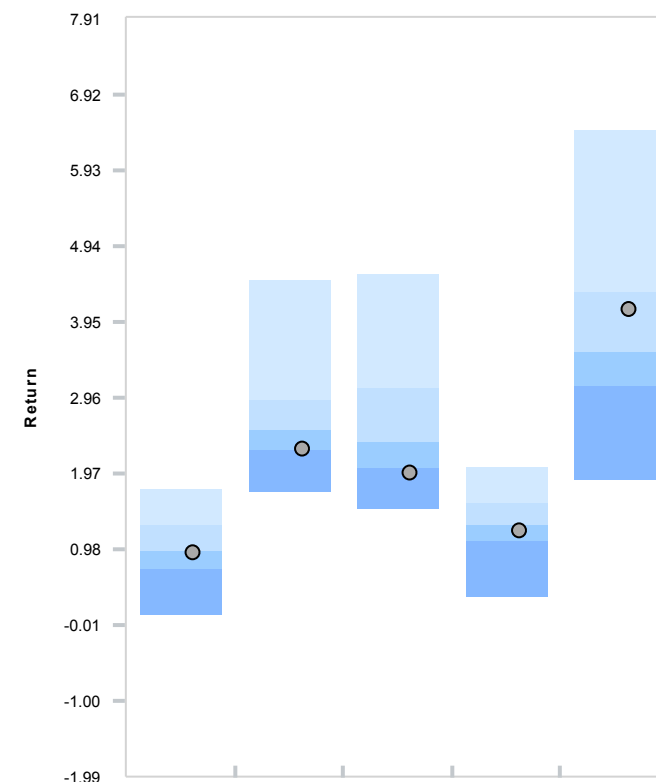
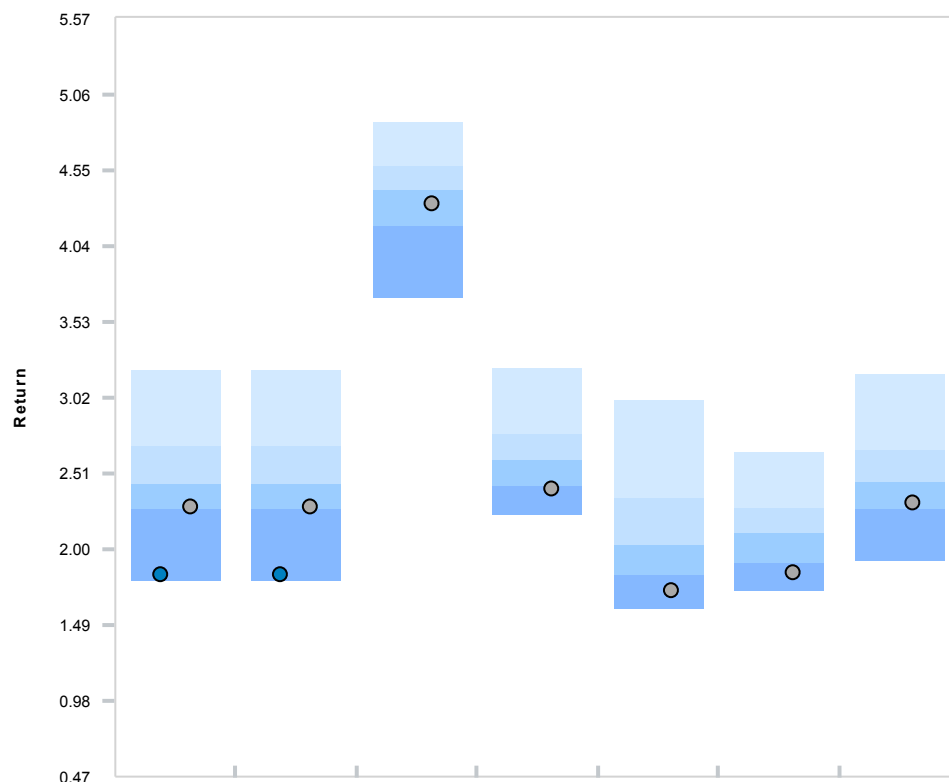
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
C.S. McKee	0.42	92.01	77.76	0.41	0.35	0.39	0.85	1.07
Bloomberg Barclays US Interm Agg Index	0.00	100.00	100.00	0.00	N/A	0.26	1.00	1.32

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
C.S. McKee	0.40	94.17	74.07	0.53	0.52	1.00	0.86	0.90
Bloomberg Barclays US Interm Agg Index	0.00	100.00	100.00	0.00	N/A	0.77	1.00	1.12

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Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)



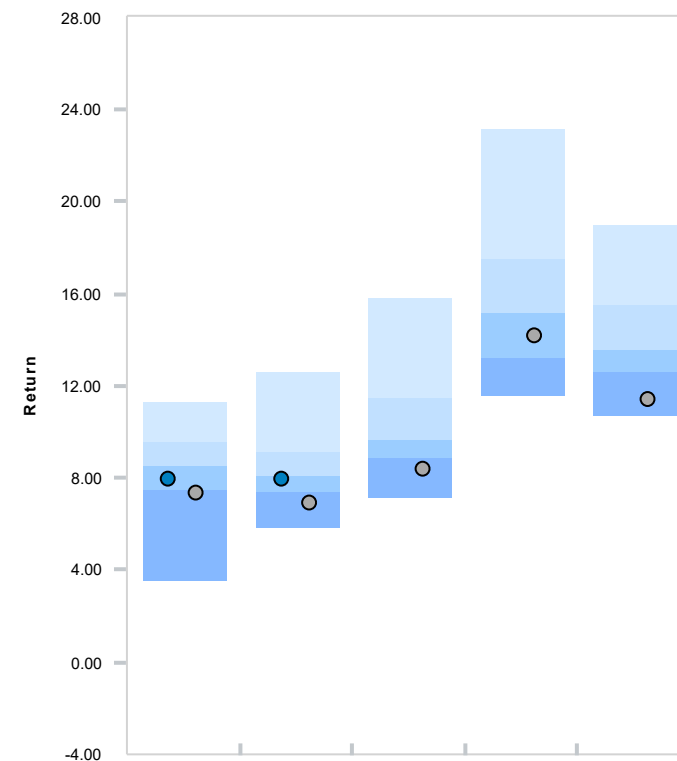
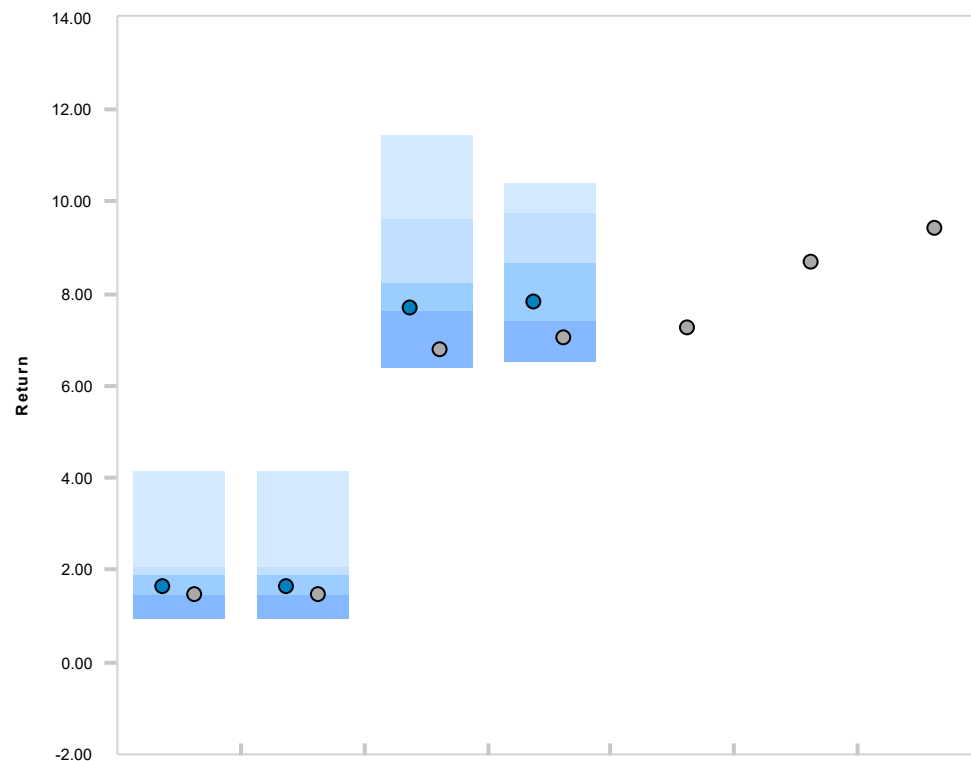
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Garcia Hamilton	1.83 (94)	1.83 (94)	N/A	N/A	N/A	N/A	N/A
● BB Intermed Agg Index	2.28 (73)	2.28 (73)	4.33 (59)	2.40 (79)	1.71 (88)	1.83 (84)	2.31 (69)
Median	2.45	2.45	4.42	2.61	2.03	2.11	2.46

	2018	2017	2016	2015	2014
● Garcia Hamilton	N/A	N/A	N/A	N/A	N/A
● BB Intermed Agg Index	0.92 (52)	2.27 (76)	1.97 (78)	1.21 (63)	4.12 (30)
Median	0.95	2.54	2.39	1.30	3.56

Comparative Performance

	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017
Garcia Hamilton	N/A	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays Intermed Aggregate Index	1.80 (11)	0.11 (95)	0.09 (61)	-1.05 (83)	-0.07 (77)	0.72 (49)
IM U.S. Intermediate Duration (SA+CF) Median	1.39	0.37	0.12	-0.90	0.01	0.72

Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
Principal Real Estate	1.62 (71)	1.62 (71)	7.68 (75)	7.82 (71)	N/A	N/A	N/A
NCREIF-ODCE (EW) (Net)	1.47 (75)	1.47 (75)	6.79 (92)	7.03 (81)	7.26 (N/A)	8.70 (N/A)	9.42 (N/A)
Median	1.89	1.89	8.23	8.70	N/A	N/A	N/A

	2018	2017	2016	2015	2014
Principal Real Estate	7.94 (66)	7.91 (56)	N/A	N/A	N/A
NCREIF-ODCE (EW) (Net)	7.30 (78)	6.92 (82)	8.36 (84)	14.18 (72)	11.42 (90)
Median	8.55	8.08	9.63	15.23	13.59

Comparative Performance

	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017	1 Qtr Ending Sep-2017
Principal Real Estate	1.21 (80)	2.46 (31)	2.19 (53)	1.87 (80)	1.79 (81)	2.04 (40)
NCREIF Fund Index-ODCE (EW) (Net)	1.39 (77)	1.88 (69)	1.89 (78)	1.96 (71)	1.94 (73)	1.68 (59)
IM U.S. Open End Private Real Estate (SA+CF) Median	1.76	2.10	2.22	2.21	2.25	1.75

Portfolio Characteristics (Benchmark: Russell 1000 Value Index)

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$)	159,635,542,115	126,580,444,413
Median Mkt. Cap (\$)	56,379,169,230	9,111,400,470
Price/Earnings ratio	15.5	17.2
Price/Book ratio	2.3	2.2
5 Yr. EPS Growth Rate (%)	10.0	6.1
Current Yield (%)	2.0	2.6
Beta (5 Years, Monthly)	1.11	1.00
Number of Stocks	35	722

Ten Best Performers (Benchmark: Russell 1000 Value Index)

	Portfolio Wt	Benchmark Wt	Active Wt	Quarterly Rtrn
Celgene Corp	2.3	0.0	2.3	47.2
eBay Inc.	2.8	0.2	2.6	32.8
Western Digital Corp	2.7	0.1	2.6	31.4
Liberty Broadband Corp	3.3	0.0	3.3	27.6
Cisco Systems Inc	2.6	1.9	0.7	25.6
Apple Inc	3.2	0.0	3.2	20.9
Exxon Mobil Corp	2.5	2.6	-0.1	19.8
Cummins Inc.	2.9	0.1	2.8	19.0
Ingersoll-Rand PLC	3.6	0.1	3.5	18.9
Hewlett Packard Enterprise Co	2.5	0.2	2.3	17.7

Top Ten Equity Holdings (Benchmark: Russell 1000 Value Index)

	Portfolio Wt	Benchmark Wt	Active Wt	Qtr Rtrn
Berkshire Hathaway Inc	3.9	2.6	1.3	-1.6
Ingersoll-Rand PLC	3.6	0.1	3.5	18.9
Goldman Sachs Group Inc	3.3	0.5	2.8	15.4
Johnson & Johnson	3.3	2.4	0.9	9.0
Liberty Broadband Corp	3.3	0.0	3.3	27.6
Walmart Inc	3.3	1.1	2.2	5.3
Capital One Financial Corp.	3.2	0.3	2.9	8.6
Apple Inc	3.2	0.0	3.2	20.9
Bank of America Corp	3.2	1.9	1.3	12.5
Robert Half Intl	3.2	0.0	3.2	14.4

Ten Worst Performers (Benchmark: Russell 1000 Value Index)

	Portfolio Wt	Benchmark Wt	Active Wt	Quarterly Rtrn
Biogen Inc	2.4	0.0	2.4	-21.4
CVS Health Corp	2.6	0.5	2.1	-17.1
Amgen Inc	3.0	0.1	2.9	-1.7
Berkshire Hathaway Inc	3.9	2.6	1.3	-1.6
Liberty Media SiriusXM	2.6	0.0	2.6	3.4
Acuity Brands Inc.	3.0	0.0	3.0	4.5
JPMorgan Chase & Co	2.9	2.6	0.3	4.6
Gilead Sciences Inc	2.6	0.2	2.4	4.9
Walmart Inc	3.3	1.1	2.2	5.3
Verizon Communications Inc	3.1	1.9	1.2	6.3

Buy and Hold Sector Attribution (Benchmark: Russell 1000 Value Index)

	Allocation		Performance		Stock	Attribution		Portfolio Comparison	
	Portfolio	Benchmark	Portfolio	Benchmark		Sector	Total	Market Capitalization (%)	Seizert Capital
Communication Services	14.5	7.3	12.23	10.23	0.29	-0.13	0.16	Greater than 25000M	63.8
Consumer Discretionary	0.0	5.2	0.00	13.22	0.00	-0.06	-0.06	16000M To 25000M	12.9
Consumer Staples	3.0	7.8	5.27	12.47	-0.21	-0.02	-0.24	12000M To 16000M	8.1
Energy	2.3	9.3	19.81	16.59	0.07	-0.32	-0.25	8000M To 12000M	2.9
Financials	21.7	22.5	8.57	8.01	0.12	0.03	0.15	5000M To 8000M	3.2
Health Care	22.3	15.7	2.69	7.64	-1.10	-0.28	-1.39	3000M To 5000M	5.9
Industrials	14.2	7.4	13.18	18.63	-0.77	0.46	-0.32	Cash	3.3
Information Technology	17.9	9.3	17.42	18.46	-0.19	0.55	0.37		
Materials	0.0	4.1	0.00	9.43	0.00	0.10	0.10		
Real Estate	0.0	4.9	0.00	16.51	0.00	-0.22	-0.22		
Utilities	0.0	6.5	0.00	11.34	0.00	0.04	0.04		
Cash	4.2	0.0	0.00	0.00	0.00	-0.51	-0.51		
Total	100.0	100.0	9.82	11.98	-1.79	-0.36	-2.16		

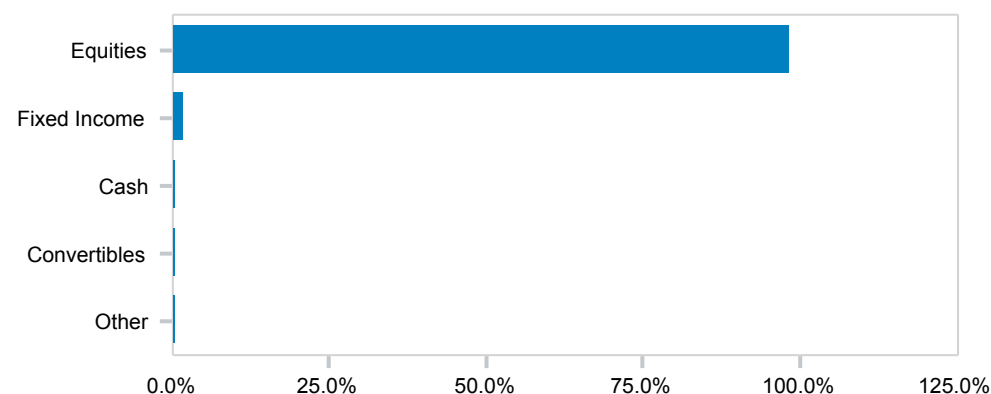
Fund Information

Fund Name :	Legg Mason Partners Equity Trust: ClearBridge Large Cap Growth Fund; Class IS Shares	Portfolio Assets :	\$13,068 Million
Fund Family :	Legg Mason	Portfolio Manager :	Bourbeau/Vitrano
Ticker :	LSITX	PM Tenure :	2013--2013
Inception Date :	03/15/2013	Fund Style :	IM U.S. Large Cap Growth Equity (MF)
Fund Assets :	\$2,310 Million	Style Benchmark :	Russell 1000 Growth Index
Portfolio Turnover :	20%		

Fund Investment Policy

The Fund seeks long-term capital growth by investing in equity securities of firms with large market capitalizations, including U.S. exchanged-traded and over-the-counter common stocks, convertible securities and warrants and rights related to equity securities. Selecting the best value among growth firms is stressed.

Asset Allocation As of 12/31/2018



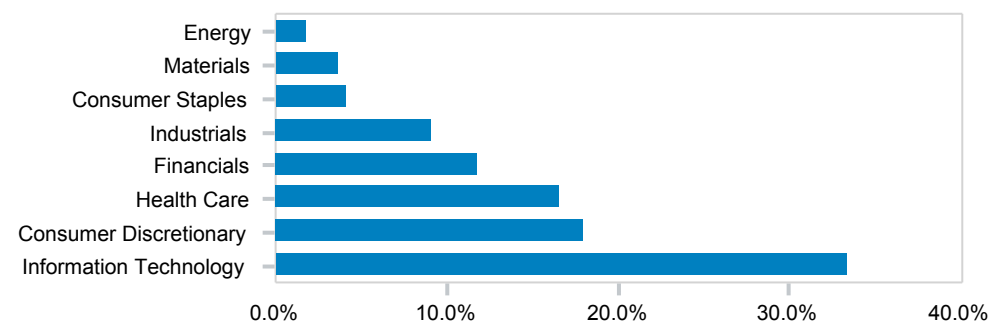
Fund Characteristics As of 12/31/2018

Total Securities	52
Avg. Market Cap	\$203,621 Million
P/E	29.3
P/B	8.7
Div. Yield	2.0%
Annual EPS	26.5
5Yr EPS	15.9
3Yr EPS Growth	16.8

Top Ten Securities As of 12/31/2018

Amazon.com Inc ORD	6.0 %
Microsoft Corp ORD	4.5 %
Visa Inc ORD	3.6 %
Facebook Inc ORD	3.5 %
Alphabet Inc ORD	3.2 %
UnitedHealth Group Inc ORD	3.2 %
Adobe Inc ORD	2.8 %
Apple Inc ORD	2.3 %
Zoetis Inc ORD	2.3 %
W W Grainger Inc ORD	2.2 %

Sector/Quality Allocation As of 12/31/2018



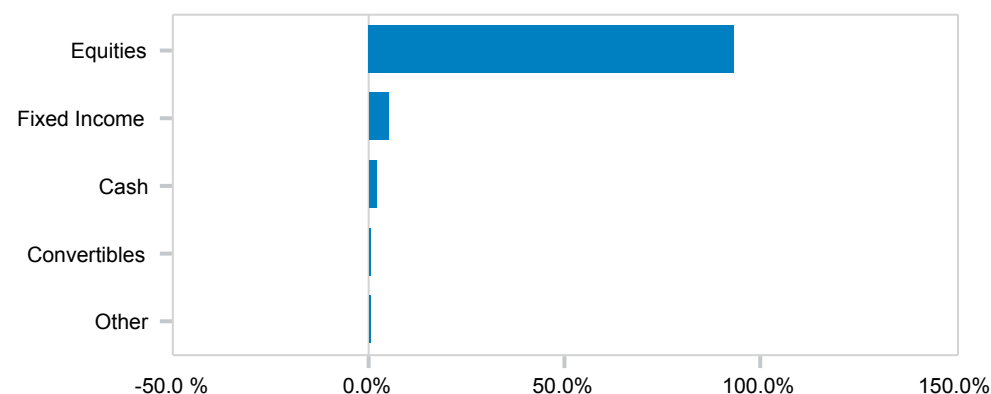
Fund Information

Fund Name :	T Rowe Price Mid-Cap Value Fund, Inc	Portfolio Assets :	\$12,988 Million
Fund Family :	T Rowe Price Associates Inc	Portfolio Manager :	David J. Wallack
Ticker :	TRMCX	PM Tenure :	2000
Inception Date :	06/28/1996	Fund Style :	IM U.S. Mid Cap Value Equity (MF)
Fund Assets :	\$9,530 Million	Style Benchmark :	Russell Midcap Value Index
Portfolio Turnover :	34%		

Fund Investment Policy

The Fund seeks long-term capital appreciation by using a value-oriented approach. The Fund invests in common stocks of medium sized companies believed to be undervalued in the marketplace.

Asset Allocation As of 12/31/2018



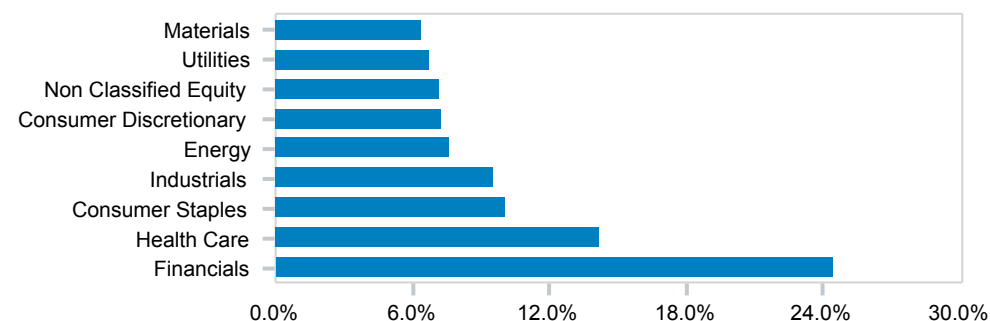
Fund Characteristics As of 12/31/2018

Total Securities	101
Avg. Market Cap	\$11,856 Million
P/E	22.1
P/B	2.7
Div. Yield	2.5%
Annual EPS	15.3
5Yr EPS	1.4
3Yr EPS Growth	-0.3

Top Ten Securities As of 12/31/2018

T Rowe Price Government Money Fund	6.9 %
FirstEnergy Corp ORD	3.0 %
EQT Corp ORD	2.4 %
Newmont Mining Corp ORD	2.4 %
Bunge Ltd ORD	2.3 %
Kroger Co ORD	2.1 %
Textron Inc ORD	2.1 %
Northern Trust Corp ORD	1.9 %
Loews Corp ORD	1.9 %
Baxter International Inc ORD	1.8 %

Sector/Quality Allocation As of 12/31/2018



Fund Information

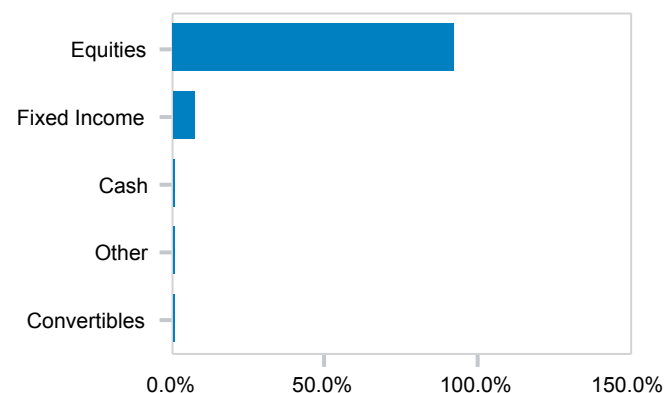
Fund Name : EuroPacific Growth Fund; Class R6 Shares
Fund Family : American Funds
Ticker : REGX
Inception Date : 05/01/2009
Fund Assets : \$68,421 Million
Portfolio Turnover : 29%

Portfolio Assets : \$156,750 Million
Portfolio Manager : Team Managed
PM Tenure :
Fund Style : IM International Large Cap Growth Equity (MF)
Style Benchmark : MSCI EAFE Growth

Fund Investment Policy

The Fund seeks to provide long-term growth of capital by investing in companies based outside the United States. The Fund invests in companies based chiefly in Europe and the Pacific Basin, ranging from small firms to large corporations.

Asset Allocation As of 12/31/2018



Top Ten Securities As of 12/31/2018

AIA Group Ltd ORD	2.7 %
HDFC Bank Ltd ORD	2.4 %
Reliance Industries Ltd ORD	2.3 %
Airbus SE ORD	2.1 %
Samsung Electronics Co Ltd ORD	1.9 %
Nintendo Co Ltd ORD	1.9 %
Alibaba Group Holding Ltd DR	1.7 %
Tencent Holdings Ltd ORD	1.6 %
Taiwan Semiconductor Manufacturing	1.5 %
ASML Holding NV ORD	1.4 %

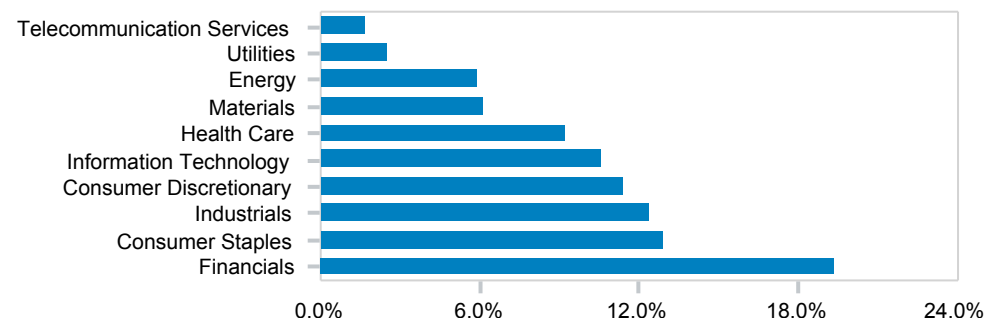
Top 5 Countries As of 12/31/2018

Japan	12.5 %
India	8.8 %
United Kingdom	8.4 %
China	7.5 %
Hong Kong	6.3 %

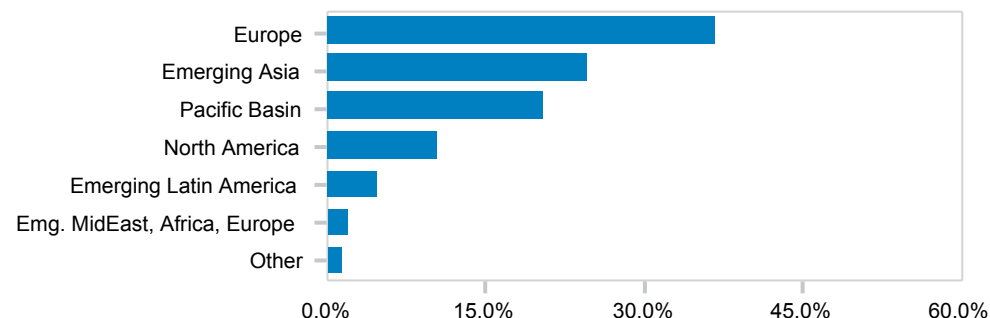
Fund Characteristics As of 12/31/2018

Total Securities	425
Avg. Market Cap	\$67,891 Million
P/E	22.2
P/B	4.3
Div. Yield	2.2%
Annual EPS	33.7
5Yr EPS	16.8
3Yr EPS Growth	18.9

Sector/Quality Allocation As of 12/31/2018



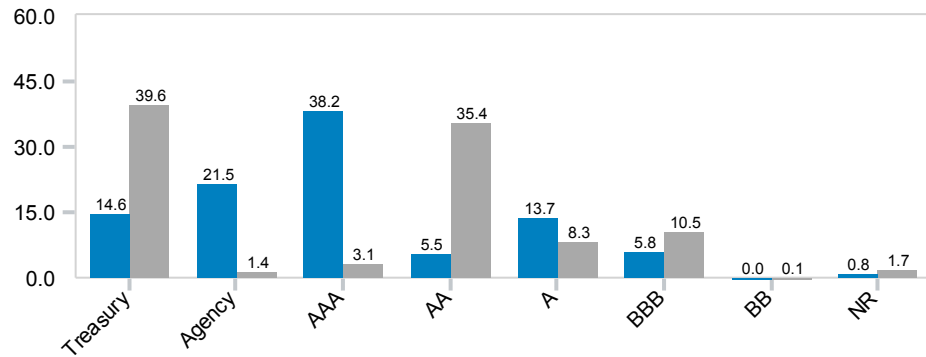
Regional Allocation As of 12/31/2018



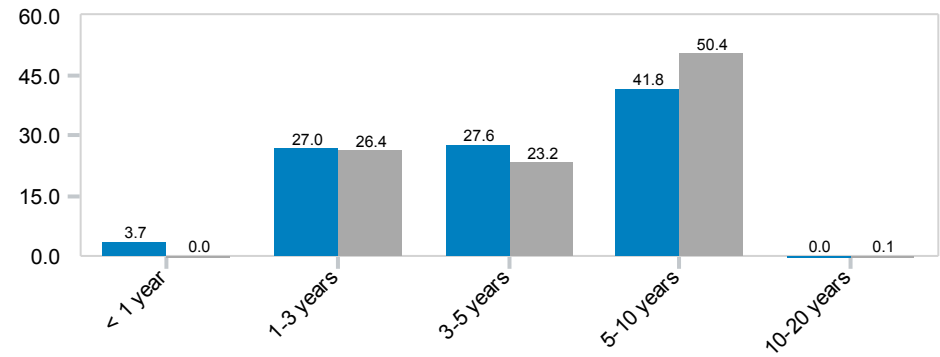
Portfolio Characteristics

	Portfolio	Benchmark
Avg. Maturity	4.70	4.94
Avg. Quality	Aa1	AA1
Coupon Rate (%)	3.22	3.04
Current Yield	3.17	2.99
Effective Duration	4.01	4.18

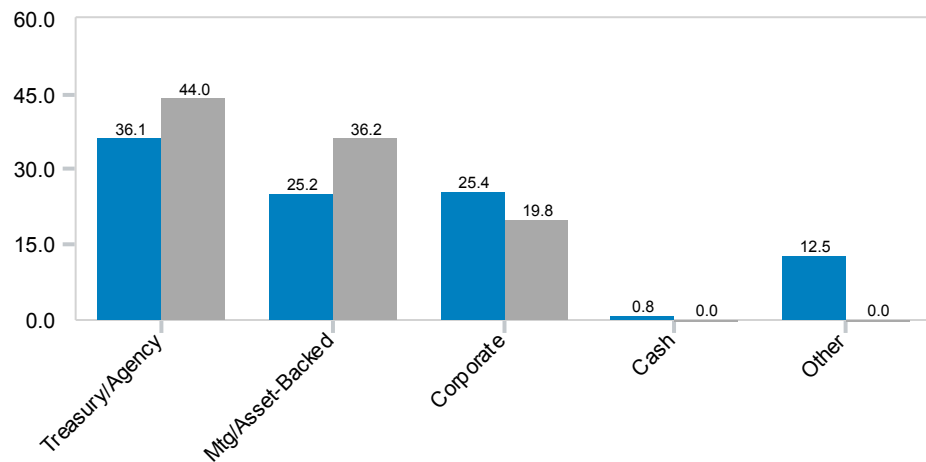
Credit Quality Distribution (%)



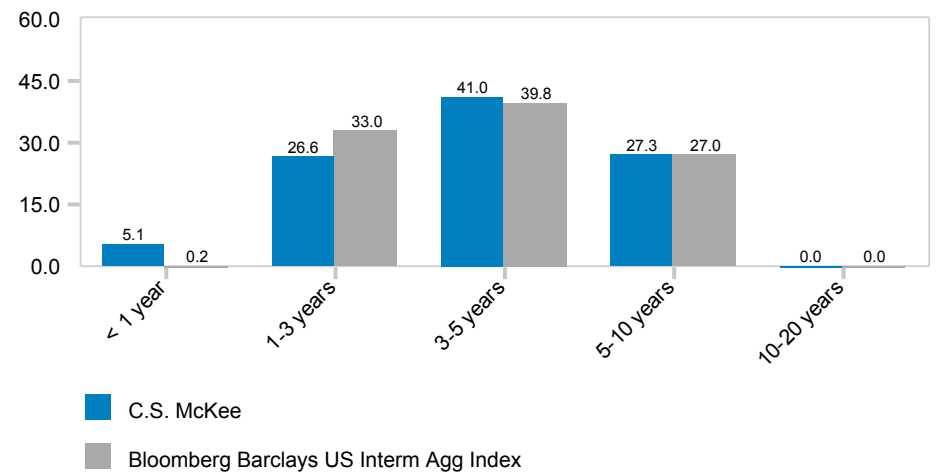
Maturity Distribution (%)



Sector Distribution (%)



Duration Distribution (%)



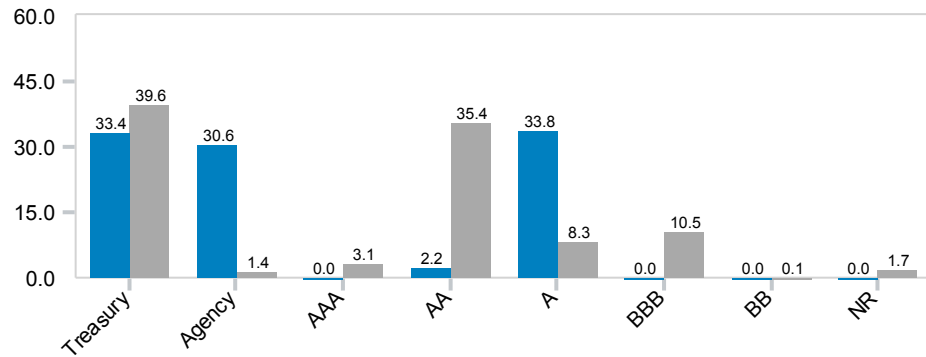
C.S. McKee

Bloomberg Barclays US Interm Agg Index

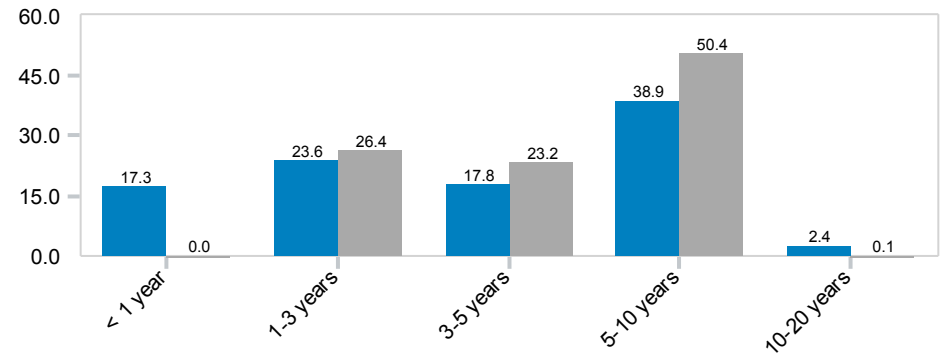
Portfolio Characteristics

	Portfolio	Benchmark
Avg. Maturity	4.60	4.94
Avg. Quality	AA	AA1
Coupon Rate (%)	2.80	3.04
Current Yield	2.75	2.99
Effective Duration	2.93	4.18

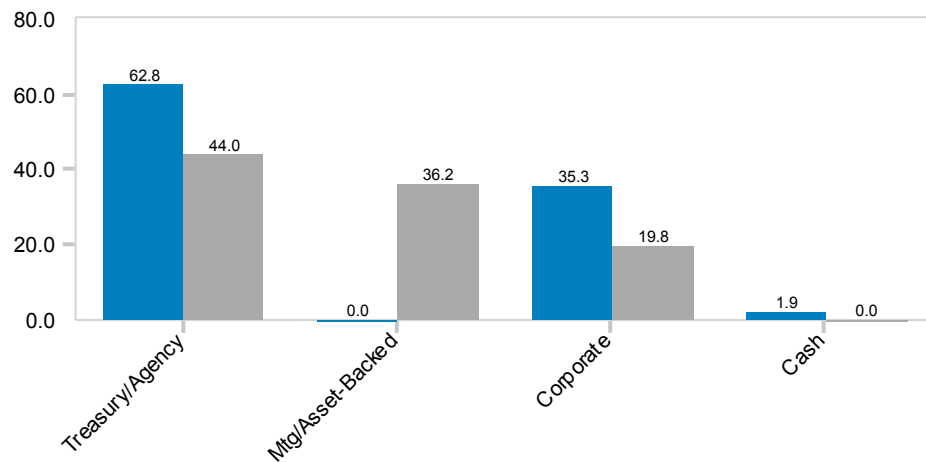
Credit Quality Distribution (%)



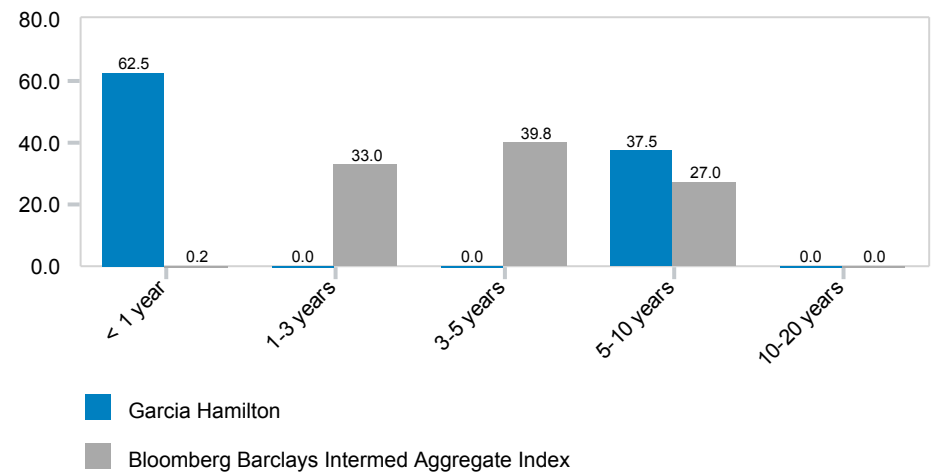
Maturity Distribution (%)



Sector Distribution (%)



Duration Distribution (%)



■ Garcia Hamilton
■ Bloomberg Barclays Intermed Aggregate Index

Comparative Performance

Total Fund Net

As of March 31, 2019

Comparative Performance							
	QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR
Fire Total Fund	7.90	7.90	2.83	7.01	5.52	6.90	8.20
Fire - Total Fund Policy	8.74	8.74	4.87	7.83	6.13	7.49	8.99
Total Domestic Equity	12.21	12.21	4.11	11.77	9.07	11.60	15.38
Russell 3000 Index	14.04	14.04	8.77	13.49	10.36	12.63	16.00
Seizert	9.85	9.85	-1.59	10.82	7.52	11.27	14.60
Russell 1000 Value Index	11.93	11.93	5.67	10.45	7.72	11.14	14.52
ClearBridge (LSITX)	15.76	15.76	13.84	N/A	N/A	N/A	N/A
Russell 1000 Growth Index	16.10	16.10	12.75	16.53	13.50	14.34	17.52
T. Rowe Price (TRMCX)	10.82	10.82	-0.28	8.92	7.21	10.99	15.04
Russell Midcap Value Index	14.37	14.37	2.89	9.50	7.22	11.30	16.39
Total International Equity	13.20	13.20	-4.66	4.80	0.52	3.59	8.61
MSCI AC World ex USA (Net)	10.31	10.31	-4.22	8.09	2.57	4.72	8.85
AF EuroPacific Growth (RERGX)	13.20	13.20	-4.66	N/A	N/A	N/A	N/A
MSCI AC World ex USA (Net)	10.31	10.31	-4.22	8.09	2.57	4.72	8.85
Total Domestic Fixed Income	2.12	2.12	3.38	1.29	2.02	1.87	2.74
Total Domestic Fixed Policy	2.28	2.28	4.33	1.71	2.31	2.08	2.76
C.S. McKee	2.43	2.43	4.18	1.56	2.22	1.96	N/A
Bloomberg Barclays US Interm Agg Index	2.28	2.28	4.33	1.71	2.31	2.08	3.27
Garcia Hamilton	1.83	1.83	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays Intermed Aggregate Index	2.28	2.28	4.33	1.71	2.31	2.08	3.27
Cash	0.11	0.11	0.47	0.29	0.19	0.16	0.15
90 Day U.S. Treasury Bill	0.60	0.60	2.12	1.17	0.73	0.54	0.41

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



**Village of Winnetka Fire
Total Fund
As of March 31, 2019**

	Market Value (\$)	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Fire Total Fund	29,388,164	0.53	155,987
Seizert Capital	4,708,324	0.55	25,896
ClearBridge (LSITX)	4,853,010	0.77	37,368
T. Rowe Price (TRMCX)	4,006,225	0.80	32,050
AF EuroPacific Growth (RERGX)	3,370,074	0.50	16,850
C.S. McKee	5,086,207	0.30	15,259
Garcia Hamilton	4,954,819	0.25	12,387
Principal Real Estate	1,470,674	1.10	16,177



Historical Hybrid Composition

Allocation Mandate	Weight (%)
Jan-1979	
Russell 3000 Index	40.00
MSCI EAFE (Net) Index	5.00
Blmbg. Barc. U.S. Government	55.00
Jul-2011	
Russell 3000 Index	45.00
MSCI EAFE (Net) Index	5.00
Bloomberg Barclays Intermed Aggregate Index	50.00
Oct-2012	
Russell 3000 Index	50.00
MSCI EAFE (Net) Index	5.00
Bloomberg Barclays Intermed Aggregate Index	45.00
Oct-2013	
Russell 1000 Value Index	18.50
Russell 1000 Growth Index	18.50
Russell Midcap Value Index	15.00
MSCI AC World ex USA (Net)	12.00
Bloomberg Barclays Intermed Aggregate Index	36.00
Sep-2016	
Russell 1000 Value Index	17.00
Russell 1000 Growth Index	17.00
Russell Midcap Value Index	15.00
MSCI AC World ex USA (Net)	11.00
NCREIF Fund Index-ODCE (EW) (Net)	5.00
Bloomberg Barclays Intermed Aggregate Index	35.00
Mar-2018	
Russell 1000 Value Index	15.50
Russell 1000 Growth Index	15.50
Russell Midcap Value Index	13.00
MSCI AC World ex USA (Net)	16.00
NCREIF Fund Index-ODCE (EW) (Net)	5.00
Bloomberg Barclays Intermed Aggregate Index	35.00

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

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

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

This performance report is based on data obtained by the client's custodian(s), investment fund administrator, or other sources believed to be reliable. While these sources are believed to be reliable, the data providers are responsible for the accuracy and completeness of their statements. Clients are encouraged to compare the records of their custodian(s) to ensure this report fairly and accurately reflects their various asset positions.

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

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AndCo Consulting | (844) 44-ANDCO | *AndCoConsulting.com*

2019 IPPFA Trustee Training Opportunities

REGIONAL SEMINARS

WHEN: Tuesday, June 18, 2019

WHERE: **Lewis & Clark Community College – Edwardsville**
600 Troy Road
Edwardsville, IL 62025
618-656-8800

TIME: 7:00 am – 4:00 pm

COST: IPPFA MEMBER: \$185.00/seminar
IPPFA NON-MEMBER: \$370.00/seminar

This regional seminar satisfies 8 hours of the required continuing pension trustee training

WHEN: Wednesday, November 13, 2019

WHERE: **John A. Logan College – Carterville, IL**
700 Logan College Drive
Carterville, IL 62918
618-985-2828

TIME: 7:00 am – 4:00 pm

COST: IPPFA MEMBER: \$185.00/seminar
IPPFA NON-MEMBER: \$370.00/seminar

This regional seminar satisfies 8 hours of the required continuing pension trustee training

4 DAY SEMINARS

ILLINOIS PENSION CONFERENCE

WHEN: Tuesday, April 30, 2019 – Friday, May 3, 2019

WHERE: **Embassy Suites by Hilton**
100 Conference Center Drive
East Peoria, IL 61611

ACCOMODATIONS: **Onsite – Embassy Suites by Hilton, East Peoria**
IPPFA Rate: \$152.00/night
Off Site – Holiday Inn & Suites, East Peoria

MIDAMERICAN PENSION CONFERENCE

WHEN: Tuesday, October 1, 2019 – Friday, October 4, 2019

WHERE: **Grand Geneva Resort**
7036 Grand Geneva Way
Lake Geneva, WI 53147

ACCOMODATIONS: Onsite – Grand Geneva Resort, Lake Geneva

IPPFA Rate: \$138.00/night

Off Site – Holiday Inn Club Vacations at Lake Geneva Resort

Group Name: IPPFA

Group Code: IPP

IPPFA ONLINE SEMINAR COURSES

WHEN: Ongoing
• Online 8 hr seminar (Recorded Spring, 2018)

WHERE: IPPFA Website:
www.ippfa.org/education/online-classes/

COST: IPPFA MEMBER: \$250.00/seminar
IPPFA NON-MEMBER: \$450.00/seminar

-each online seminar satisfies 8 hours of the required continuing pension trustee training

WHEN: Ongoing
• Online 8 hr seminar (Recorded Spring, 2016)

WHERE: IPPFA Website:
www.ippfa.org/education/online-classes/

COST: IPPFA MEMBER: \$250.00/seminar
IPPFA NON-MEMBER: \$450.00/seminar

-each online seminar satisfies 8 hours of the required continuing pension trustee training

2019 Illinois Pension Conference – April 30, 2019 – May 3, 2019



Embassy Suites by Hilton - 100 Conference Center Drive, East Peoria, Illinois, 61611, USA

For over 30 years the IPPFA has offered Public Pension Trustees the best and latest in trustee training. With the recent far reaching changes in pension law and with the difficult challenges yet to come, the IPPFA strives to prepare pension trustees for the future. Please join us for Training in Ethics, Investment Procedures, Fiduciary Responsibilities, Legal and Legislative Updates, and much, much more and all with nationally renowned speakers.

- The 2019 IPPFA Illinois Pension Conference will again be held at the [Embassy Suites by Hilton in East Peoria, Illinois](#).
- The dates for the 2019 IPPFA Illinois Pension Conference is April 30, 2019 thru May 3, 2019.
- 2019 Prospectus for Exhibitors
- 2019 Illinois Call for Presentations
- 2019 Illinois Conference Sponsorship Form

Accommodations: The IPPFA rate is \$152.00 per night, Embassy Suites by Hilton East Peoria, Illinois hotel guests get more with every stay, like free made-to-order breakfast, complimentary appetizers and beverages at the nightly Evening Reception and every room is a two-room suite with free parking.

Overflowing Accommodation: Holiday Inn & Suites East Peoria

Golf Details: IPPFA Illinois Pension Conference Golf Outing will be held at the Weaver Ridge Golf Club in Peoria, Illinois.



ILLINOIS PROFESSIONAL FIREFIGHTERS ASSOCIATION

188 Industrial Drive, Suite 134
Elmhurst, IL 60126-1608

V 630-833-2405

F 630-833-2412

ipfa@aol.com

www.ipfaonline.org



2019 SPRING PENSION SEMINAR

Friday - May 3rd - Black Shift

Exhibitors	Continental Breakfast	Breaks – Refreshments	Lunch	50 / 50 Raffle
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Illinois Pensions

Plans are being finalized to have an Illinois Senate Leader provide their views on pension systems throughout the State of Illinois.

Public Pension Oversight

The Acting Director of the Illinois Department of Insurance discusses ongoing changes in the Public Pension Division.

Kevin Fry, Acting Director, Illinois Department of Insurance

Current Court Decisions

Recent court decisions and other legal concerns impacting Article 3 and Article 4 Pension Boards throughout the state.

Brian LaBardi, partner at Reimer & Dobrowolny, PC

Who Wants to be a Pension Expert III

Tax levy requirements, I.R.S. forms for retired or disabled annuitants, surviving spouses, and dependents. Pensionable salary and the new statute for police chiefs and non-chiefs hired after 1/1/2019.

Allison Barrett & Allie Rysell, Lauterbach & Amen, LLP

Pension Bills in the 101st General Assembly

The IPFA Legislative Representative will discuss language contained in the 30 Senate and 60 House bills (as of March) shown as assigned to the pension committees in both chambers of the legislature.

Mark Mifflin, Giffin, Winning, Cohen & Bodewes, P.C.

Windfall Profits Provision, Public Pension Offset, & The WEP On Line Calculator

Registering for a on-line Social Security Account? Applying for retirement benefits? Estimating the reduction in social security retirement benefits using the Windfall Profits Provision on-line calculator.

Greg Knoll, IPFA Executive Director

Pre-Hearing Procedures

If your Board's agenda includes a hearing of any type, how do your Board's rules & regulations, the Open Meetings Act, Article 3 and 4 all interact during the process? Actions beforehand may minimize issues during the hearing process.

Jerry Marzullo, partner, Puchalski, Goodloe, Marzullo, LLP

QILDROs

A panel discussion of Qualified Illinois Domestic Relations Orders. Fund participant, ex-spouse, & Pension Board's concerns and rights. How is the retirement benefit divided and administered by the Board at the time of retirement?

Brian LaBardi & Mark McQueary of Reimer & Dobrowolny, PC

John McCauley, Attorney at Law

Allison Barrett, Lauterbach & Amen, LLP

IPFA Members: \$145.00

Non-Members: \$185.00

Walk-Ins: \$195.00

(Over for more information)

YOUR PENSION PROTECTORS

IPFA 2019 SPRING PENSION SEMINAR

Friday, May 3rd

Empress Banquets

200 East Lake Street

Addison, IL

630-279-5900

Registration: 07:00

Seminar Begins: 08:00

Ends: 16:00



Empress Banquets is on the north side of Lake Street:

North of North Avenue
South of I-290, Eisenhower Expressway
East of Addison Road
West of Route 83, Kingery Highway

For those traveling, consider staying at:

Hampton Inn & Suites
1685 West Lake Street
Addison, IL
1-630-495-9511

IPFA maintains a database that compiles the funding and rate of return history of all Article 4 funds since 1964 and Article 3 funds since 2010. These reports now include the IDOI calculated tax levy for each fund. A copy of your fund's history will be part of your seminar packet when you attend the IPFA 2019 Spring Pension Seminar.

Continuing Trustee education: Are your 16 hours of annual training completed?



2019 IPFA SPRING PENSION SEMINAR
Friday May 3, 2019 Black Shift
Empress Banquets 200 East Lake Street Addison, IL 60101 630-279-5900



SEMINAR REGISTRATION FORM

Municipality,
District, or
Firm:

(please print or type)

Address: _____

City: _____, IL Zip: _____ Phone: _____

SEMINAR FEES: IPFA Members: \$ 145.00 Non - Members: \$ 185.00 Walk-In Registration: \$ 195.00

Avoid the walk-in surcharge – register on or before Monday, April 29, 2019

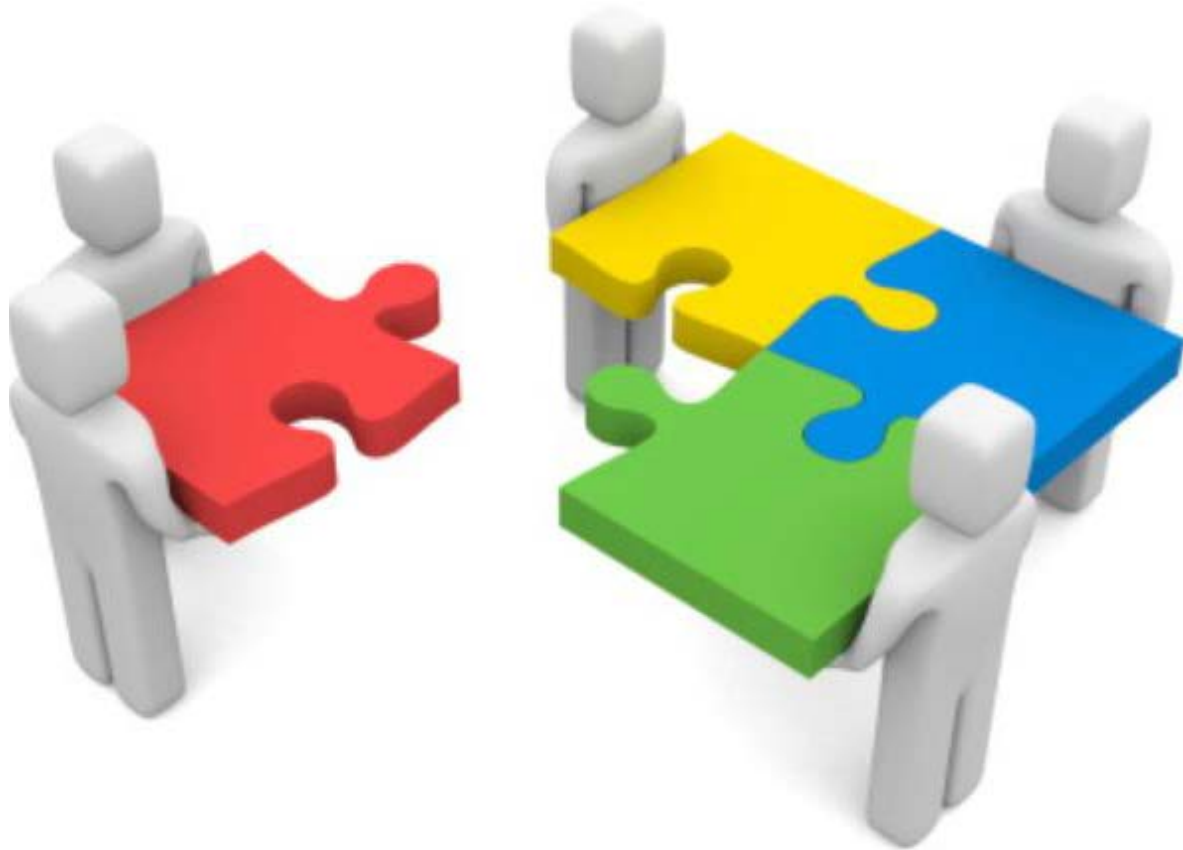
First Name:	Last Name:	e-mail Address:	Member	Non-Member
_____	_____	_____	\$ _____.	\$ _____.
_____	_____	_____	\$ _____.	\$ _____.
_____	_____	_____	\$ _____.	\$ _____.
_____	_____	_____	\$ _____.	\$ _____.
_____	_____	_____	\$ _____.	\$ _____.

TOTAL CHECK ENCLOSED \$ _____.

Payment must accompany this Registration Form and be received in our office **on or before** Monday, April 29th to qualify for lower rates. Reservations received after the above date will be charged walk-in registration fee. Requests for refunds also must be received on or before Monday, April 29th for full fee refunds. **No refunds** of seminar fees after this date. Please mail the completed form to IPFA, 188 Industrial Drive, Suite 134, Elmhurst, IL 60126-1608, fax it to 630-833-2412, or scan & e-mail to ipfa@aol.com. Any questions, call 630-833-2405. For Tax Reporting Purposes our Federal I.D. Number is: 36-2650496.

The Illinois Pension Statute requires continuing education for all pension board members. This seminar provides up to 8 hours of credits.

For IPFA Office Use: Date: _____ Check #: _____ Amount: _____ Payer: _____



PROS AND CONS OF ILLINOIS PENSION FUND CONSOLIDATION

NORTHERN ILLINOIS ALLIANCE OF FIRE
PROTECTION DISTRICTS ANNUAL
CONFERENCE – JANUARY 2019

A PANEL PRESENTATION

Carolyn Welch Clifford, Moderator

Partner, Ottosen Britz Kelly Cooper Gilbert &
DiNolfo, Ltd., Naperville, Illinois

Eric Madiar, Panelist

Attorney, Madiar Government Relations LLC,
Springfield, Illinois

Pat Devaney, Panelist

President, Associated Fire Fighters of Illinois,
Springfield, Illinois

OVERVIEW



History of Illinois firefighter and police pension funds



Status of Article 3 and 4 pension funds today



Consolidation proposals



Pros and Cons of consolidation



HISTORY OF ILLINOIS FIREFIGHTER AND POLICE PENSION FUNDS

PAT DEVANEY – PRESIDENT, ASSOCIATED FIRE FIREFIGHTERS OF
ILLINOIS



STATUS OF ARTICLE 3 AND 4 PENSION FUNDS TODAY

PAT DEVANEY – PRESIDENT, ASSOCIATED FIRE FIREFIGHTERS OF
ILLINOIS

01

Chicago's Policemen's
Annuity and Benefit
Fund -- Article 5 of
the Illinois Pension
Code

02

Chicago's Firemen's
Annuity and Benefit
Fund -- Article 6 of
the Illinois Pension
Code

03

All other municipal
police and firefighter
pension funds (656
funds) are considered
"Downstate"

04

Police Pension Fund --
Article 3 (358 funds)

05

Firefighters' Pension
Fund -- Article 4 (298
funds)

CURRENT HEADCOUNT OF ILLINOIS FIREFIGHTER AND POLICE PENSION FUNDS

VARIETY OF MEMBERSHIP, ASSET SIZES AND FUNDING

Funding status
ranges widely,
from 20% or
less, to 1000%
or more.

Some funds
have only one
member (often,
a fire chief) and
less than \$1
million in assets

Large funds in
Illinois have
over 300
members and
nearly \$200
million in assets



CONSOLIDATION PROPOSALS

ERIC MADIAR – ATTORNEY,
MADIAR GOVERNMENT
RELATIONS LLC

ILLINOIS MUNICIPAL LEAGUE PUBLIC SAFETY PENSION PROPOSALS



From IML's website:

IML's top priority is working with the Illinois General Assembly to pass legislation to consolidate the more than 650 downstate public safety pension funds for the purpose of creating efficiencies, improving processes and reducing administrative and investment costs.

Six substantively different proposals have been developed thus far.

ILLINOIS MUNICIPAL LEAGUE PUBLIC SAFETY PENSION PROPOSALS

-
- Consolidation into IMRF, with IMRF Formula for New Hires
 - Consolidation into IMRF, with Retained Police and Firefighter Formulas
 - Consolidation with IMRF, for Investment Funds Only
 - Consolidation Creating a Single Downstate Police Pension Fund
 - Consolidation Creating a Single Downstate Firefighter Pension Fund
 - Consolidation with IMRF, for Investment Funds Only, by City Council Action, Maintaining Local Pension Boards

ILLINOIS MUNICIPAL LEAGUE PUBLIC SAFETY PENSION PROPOSALS

A **seventh proposal** would maintain all current characteristics of each local pension fund (i.e., no consolidation), extend the amortization period from 2040 to 2050 and reduce the required funded ratio target from 90% to 80%, and direct a comprehensive study to examine the costs and benefits of full consolidation.



ILLINOIS MUNICIPAL LEAGUE PUBLIC SAFETY PENSION PROPOSALS

On September 20, 2018, the IML Board of Directors met for their fall meeting. The primary topic was which pension consolidation and reform proposal IML would pursue during the 101st General Assembly. After a lengthy discussion, the Board passed a motion directing IML staff to engage in a **comprehensive education and advocacy campaign** to pass the maximum amount of reform and consolidation possible during the General Assembly's upcoming spring legislative session.



SENATE PRESIDENT JOHN CULLERTON'S PROPOSAL

- Senate President Cullerton unveiled his proposal as Senate Bill 371 in May 2018
- Permits local Article 3 and 4 boards, by majority vote, to **voluntarily** transfer their investment authority to a new separate Downstate Police or Fire Pension Investment Fund
- Two incentives to **voluntarily** transfer investment authority: (1) Employer pension contributions **exempt** from PTELL tax caps; and (2) New Funds can invest assets under the **prudent investor rule**
- **Voluntary** transfer occurs when a local Article 3 or 4 board adopts a resolution transferring its investment authority, which is irrevocable
- Local boards transferring investment authority **retain** their power to award pension benefits and make disability determinations
- No change for local boards that do **not** transferring investment authority

SENATE PRESIDENT JOHN CULLERTON'S PROPOSAL

- **Equal** Employer and Employee/Retiree representation on the governing board of each new Downstate Investment Fund, plus a Chairperson to break tie votes
- Initial board members appointed for three year terms; future members elected in same manner as trustees elected under Article 3 or 4, but only from participating boards
- Each Investment Fund would hire an executive director and other staff, contract with investment professionals when needed, and invest based on the prudent investor rule
- The adoption of a transfer resolution triggers an orderly asset transfer process from the local board to the new Investment Fund with each local board having its own account with the Fund like IMRF
- Each Investment Fund would report at least annually to local boards, and distribute funds to them to pay pension benefits



PROS AND CONS OF CONSOLIDATION

A SUMMARY OF ARGUMENTS
MADE FOR AND AGAINST
CONSOLIDATION EFFORTS

ILLINOIS MUNICIPAL LEAGUE AND ILLINOIS PUBLIC PENSION FUND ASSOCIATION'S POSITIONS



- **Illinois Municipal League (IML)** states its proposals are intended to achieve greater efficiencies, reduce duplicative administrative costs and result in savings to municipalities and taxpayers that can then be reinvested in the funds to increase the level of funding they enjoy and to further stabilize the funds for the long term future.
- **Illinois Public Pension Fund Association (IPPFA)** points to consolidation as risky, noting that it may not generate the expected cost savings, and may harm local economies.

01

IPPFA recently released a new study focusing on police and firefighter pension funds in Illinois, performed by Anderson Economic Group LLC of Chicago..

02

Study examined what would happen if the Illinois General Assembly eased the investment restrictions on local pension funds with less than \$10 million in assets.

03

Study concluded gains for the approximately 228 smallest funds in Illinois would average as much as 5 to 6.8% per year, if the restrictions were eased, and would increase average annual pension fund returns statewide by at least \$418 million over 20 years.

NEW IPPFA STUDY ON CONSOLIDATION

NEW IPPFA STUDY ON CONSOLIDATION



The study also concluded that any move to consolidate all 641 downstate Illinois police and firefighter pension funds into one massive state pension system is expensive and fraught with risk.



The study stated the consolidation would require all assets from each local fund be liquidated and then re-invested in the larger fund.



According to the study, this move would generate a one-time cost of up to \$155 million in commissions, taxes and other fees, which would increase funds' unfunded liability by that amount as well.



Copy of study is available at www.ippfa.org.

CONTACT INFORMATION

-
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cclifford@ottosenbritz.com
 - Eric Madiar, Attorney
Madiar Government Relations LLC
emadiar@madiar.com
 - Pat Devaney, President
Associated Fire Fighters of Illinois
president@affi-iaff.org

Ottosen Britz Pension Practice

Quarterly Insights for Pension Trustees (Second Quarter 2019)

Internal Controls and Preventing the Worst-Case Scenario

Introduction

Imagine for a moment that you or someone affiliated with your pension fund receives an e-mail or telephone call, seeking a wire transfer of \$100,000 to cover bills or a new investment to a bank account in another state. Are you or another fund fiduciary going to verify the authenticity of the request before giving approval? Or are you going to assume that someone else in the chain of internal control must have already verified the transfer is appropriate?

Why Financial Internal Control is Essential

A solid system of financial internal control is critical to all public pension funds. Every fiduciary of an Article 3 or 4 pension fund – from the five individual trustees to the treasurer/finance director and the investment consultants and managers – should be well-aware of the controls in place to ensure financial transactions are being conducted in a secure manner. Even where a fiduciary is not personally involved in the transfer of assets, every fiduciary is responsible for the safekeeping of those assets. Failure to ensure that co-fiduciaries are properly safeguarding and transferring assets could lead to liability for all fiduciaries.

The Five Components of a System of Financial Internal Control

A sound financial internal control system to insure the safekeeping and transfer of assets of a pension fund should include five basic components:

- **Controlled environment:** Does your pension fund create a culture of internal controls and systems management that supports efficient operations and safe handling of assets, appropriate decision-making, and the ability to document what should happen or what has happened?
- **Risk assessment:** Has the pension board assessed the key financial transactions that take place in your fund, such as cash transfers between banking institutions and custodians; one-time wire transfers; repeat wire transfers; and receipt and deposit of checks written to the pension fund? What systems are needed to maximize security and minimize risk in these transactions?
- **Control activities:** Have you written down the internal control systems that you will use?
- **Information and communication:** Are the appropriate individuals affiliated with the pension fund engaged in the process of establishing, using, and maintaining the internal control system? Do all fiduciaries understand the protocols in place to effectuate financial transactions safely? Are the appropriate individuals regularly communicating?
- **Monitoring:** How do you know your systems are working? Do you review them regularly so that you can react dynamically and make modifications? What is the board's disaster response plan if a breach of your fund's assets occurs?

Discussion Points for Pension Boards

Pension boards should conduct a discussion with all fiduciaries as to the technological controls, the bank security protocols, and the basic steps in place to prevent or detect misallocation of assets. Once the protocols are understood, the pension board should set forth its financial internal control system in writing, and make sure it is regularly reviewed and revised, as needed.

The Takeaways: The Practical Points for Trustees as Fiduciaries

While much trust is given when delegating to the pension fund's professional fiduciaries, trustees must continue to exercise their fiduciary responsibility to ensure the fund's assets are handled safely. In these instances, trustees should regularly ask questions, insist upon details, and be skeptical of protocols that seem lacking in thoroughness, even if it means redundancy or multiple checks and balances.



SETTING ACTUARIAL ASSUMPTIONS: UNDERSTANDING THE PROFESSIONAL AND FIDUCIARY RESPONSIBILITIES

PRESENTED AT THE NORTHERN ILLINOIS ALLIANCE OF FIRE PROTECTION DISTRICTS ANNUAL CONFERENCE – JANUARY 2019

PRESENTERS

PART ONE:

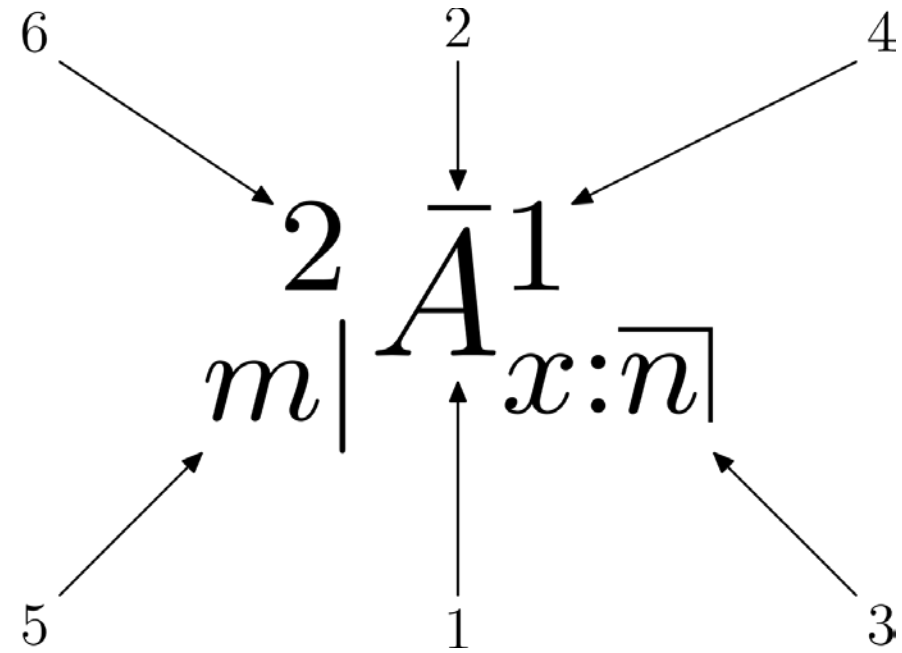
Professional Considerations for the Actuary

Todd Schroeder, Director of Actuarial Services
Lauterbach & Amen, LLP
Naperville, Illinois

PART TWO:

Trustees' Role and Responsibilities

Carolyn Welch Clifford, Partner
Ottosen Britz Kelly Cooper Gilbert & DiNolfo, Ltd.
Naperville, Illinois



PART ONE: PROFESSIONAL CONSIDERATIONS FOR THE ACTUARY

TODD SCHROEDER – LAUTERBACH & AMEN, LLP

EXPECTATIONS FROM THE ACTUARIAL COMMUNITY IN DEVELOPING ACTUARIAL VALUATION



What the actuarial community is saying now about assumption trends



What are your limits and parameters as the professional actuary



Where can the actuary defer to the client and the complications of multiple stakeholders



ASOP 51 – New section on risk management; addressing negative cash flow

01

Actuarial Standards of Practice (ASOP) No. 27 “Selection of Economic Assumptions for Measuring Pension Obligations”

02

Risk Management – Better Disclosure of the Risks Associated with Pension Funding under ASOP 51

GENERAL AREAS OF ACTUARIAL PRACTICE

INVESTMENT RETURNS IN THE PENSION FUNDING PROCESS

Cash Flow In =
Cash Flow Out



Investment
Returns are Used
to Pay Benefits

Data	Fixed Income Yields Forecasts (Inflation, GDP, Total Returns for Asset Classes) Historical Returns
Components	Risk Free Rate + Excess Returns
Measurement Considerations	Investment Policy Volatility Active vs Passive Management Expenses

ACTUARIES ASSESS
THE
REASONABLENESS
OF ASSUMPTIONS

01

Capital Market
Results

Long-Term
Short-Term

02

Benefit Payment
Timing –
Combination of
Short-Term and
Long-Term View

03

Liquidity Risk

ACTUARIAL COMMUNITY TODAY - ISSUES

CAPITAL MARKET ISSUES



BENEFIT PAYMENT TIMING AND LIQUIDITY ISSUES

Benefit Payment Timing

- Not Uncommon to See Mature Funds with 30% - 40% of the Value of Benefits to be Paid in the Next 10 Years

Liquidity Issues

- Dollars Held in Cash for Expenses
- Benefit Payments Increasing
- Liquidity Ratio

RISK MANAGEMENT ISSUES ASOP 51

-
- Effective November 1, 2018
 - Applies to Funding Reports
 - Actuary Must Identify Risks
(Investment Risk is one Example)
 - Assessment –
 - Potential Impacts on Future Financial Condition
 - Specific Circumstances of the Plan
 - Recommendations – Future Assessment

ENVIRONMENT IN ILLINOIS

IDOI 2017: Reduced Expected Returns (Top Rate for Large Plans is 6.50%)

IMRF: Effective 1/1/2019 Reduced from 7.5% to 7.25%

SURS: 6/30/2018 Reduced from 7.25% to 6.75%

Chicago Teachers: 6/30/2018 Reduced from 7.25% to 7.00%

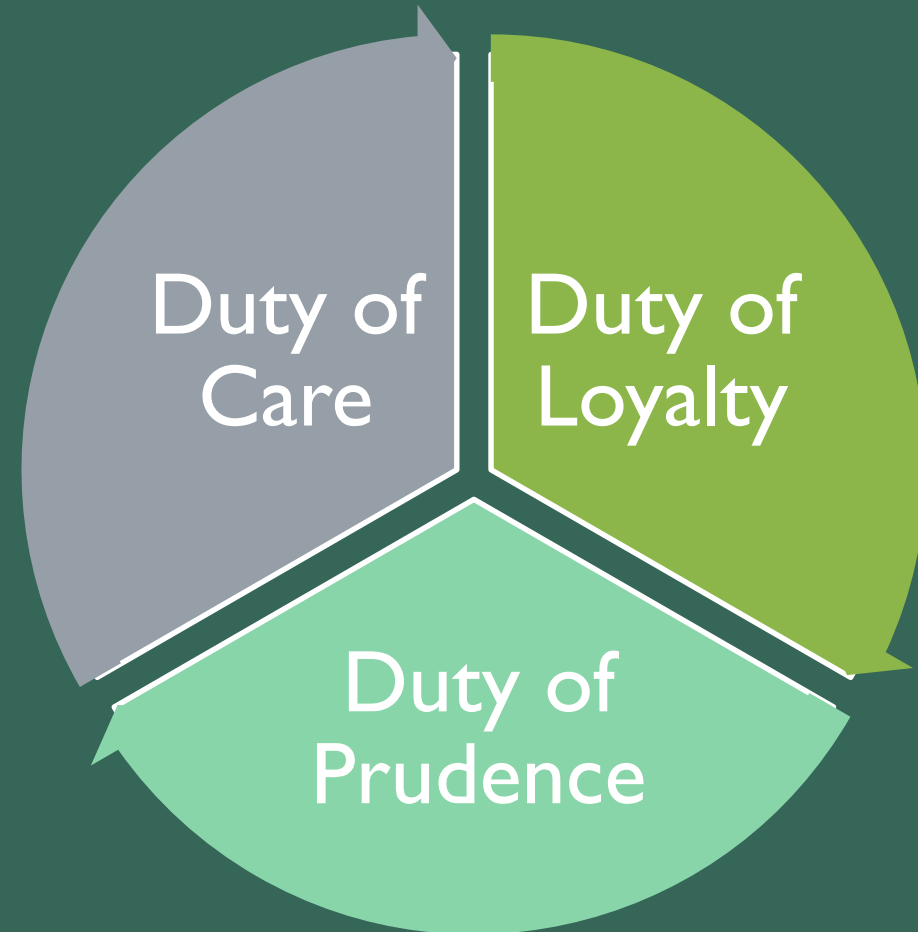
6/30/2016 – Four State Funded Systems Reduced 25-50 bps (6.75% or 7.00%). Includes TRS, SERS, JRS, GARS



PART TWO: TRUSTEES' ROLE AND RESPONSIBILITIES

CAROLYN WELCH CLIFFORD – OTTOSEN BRITZ KELLY COOPER GILBERT & DINOLFO, LTD.

FIDUCIARY DUTIES
OF PENSION
TRUSTEES ARE
IMPLICATED WHEN
OVERSEEING THE
ANNUAL
ACTUARIAL
VALUATION
PROCESS



DUTY OF PRUDENCE – CONSULTING WITH AN EXPERT

01

The duty of prudence requires – to the extent necessary or appropriate – to consult with experts.

02

If a fiduciary fails to follow the advice of its professional consultants, it must demonstrate an informed, reasonable, and prudent rationale for failing to do so.

03

Reliance on an expert's opinion is reasonable when the expert has appropriate qualifications, has accurate and full information, and reliance upon the expert's opinion is reasonable under the circumstances.

04

Prudent fiduciaries should question methods and assumptions that do not make sense. Fiduciaries should not act as “rubber stamps.”

DUTY OF PRUDENCE – DELEGATION

-
- A trustee has a duty to personally perform the responsibilities except where a prudent person might delegate those responsibilities to others.
 - In deciding whether to delegate – and to whom and in what manner – the trustee is under a duty to exercise fiduciary discretion and to act as a prudent person would act in similar circumstances.
 - Is it prudent to delegate the responsibility for the actuarial valuation of the fund to municipal or fire protection district authorities?

01

A trustee has the duty to administer the trust solely in the interest of the beneficiaries.

02

A trustee is strictly prohibited from engaging in self-dealing or otherwise involve or create a conflict.

03

Duty of loyalty can be particularly complex for trustees who wear other “hats” within the municipality or fire protection district. Trustees may not administer the fund as an “agent” for another party.

DUTY OF LOYALTY – INSURING THE INTEREST OF THE FUND

Fiduciaries are under an obligation to administer the fund with care.

Pension trustees often ask, “Are we setting our investment return to match the return expected from the asset mix, or are we setting our asset allocation to chase an investment return assumption?”

As fiduciaries with a responsibility to be prudent experts in administering the fund, trustees must exercise a duty of care in making and monitoring investments.

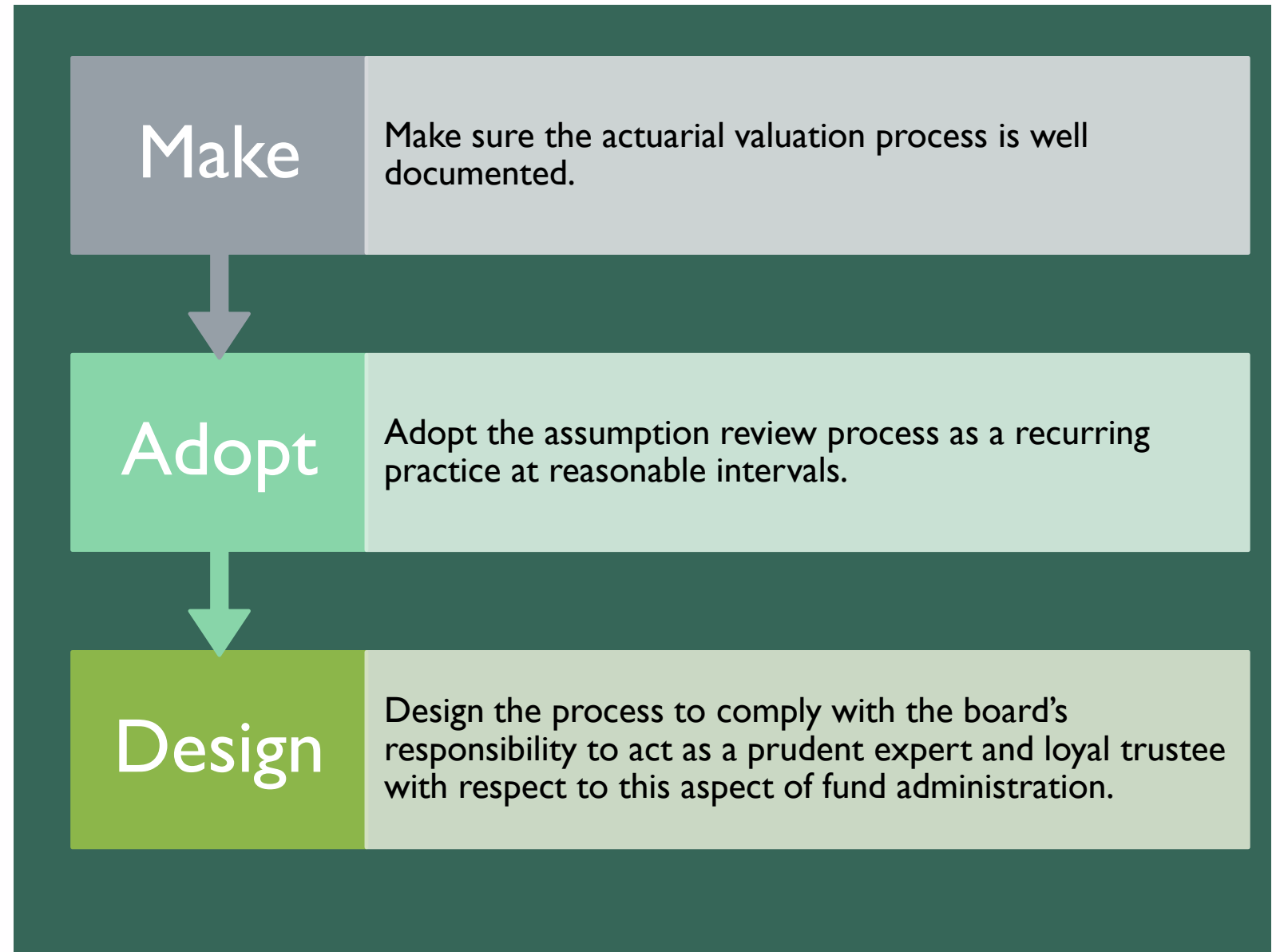
This, in turn, should drive the investment return assumption used in the actuarial valuation.

DUTY OF CARE – INVESTMENT RESPONSIBILITY AND RETURN ASSUMPTIONS

Seek	Seek the advice of professionals – investment professionals, actuary, and legal counsel.
Use	Use data generated by your fund’s investment professional and actuary.
Consult	Consult applicable studies and data where appropriate; compare data from other public sector pension funds.
Consider	Consider the pension board’s risk tolerance.
Remember	Remember the specific legal limitations set by applicable state law.

THE TAKEAWAYS: EXERCISING FIDUCIARY DUTY IN SETTING ACTUARIAL ASSUMPTIONS

THE TAKEAWAYS:
ENSURING THE
PROCESS ALIGNS
WITH FIDUCIARY
RESPONSIBILITY



CONTACT INFORMATION

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