VILLAGE·OF·WINNETKA

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## NOTICE OF A REGULAR MEETING OF THE WINNETKA POLICE PENSION FUND BOARD OF TRUSTEES

The Winnetka Police Pension Fund Board of Trustees will conduct a regular meeting on **Friday, February 1, 2019 at 8:30 am** at 410 Green Bay Rd, Winnetka, IL 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 – November 1, 2018
    b.) Semi-Annual Review of Closed Session Meeting Minutes
5. Investment Report – AndCo Consulting
    a.) Investment Performance Review
    b.) Fixed Income Presentation
    c.) Review/Update Investment Policy, if needed
6. Treasurer's Report
    a.) Presentation and Approval of Bills
7. Communications or Reports
    a.) 2018 IRS Mileage Rate
    b.) Statement of Economic Interest
    c.) Review/Approve – Death Audit Service Authorization
8. Trustee Training Updates
    a.) First Quarter Insights
9. Applications for Membership/Withdrawals from Fund
10. Applications for Retirement/Disability Benefits
11. Old Business
12. New Business
    a.) Approve Annual Cost of Living Adjustments (COLA's) for Pensioners
    b.) Review/Approve – Ottosen Britz Engagement Letter
    c.) IDOI Annual Statement
    d.) Review Trustee Term Expiration and Election Procedures
13. Attorney's Report – Ottosen Britz
    a.) Annual Timeline
    b.) Pension Findings Report
    c.) Client Information Update
14. Closed Session, if needed
15. Adjournment

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# MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
# WINNETKA POLICE PENSION FUND
# NOVEMBER 1, 2018

A regular meeting of the Board of Trustees of the Winnetka Police Pension Fund was held on Thursday, November 1, 2018 at 8:30 am at 410 Green Bay Rd, Winnetka, IL 60093 for the purpose of conducting regular business.

**CALL TO ORDER:** The meeting was called to order by Trustee O'Malley at 8:30 am.

**ROLL CALL:**

| | |
|---|---|
| PRESENT: | Trustees John O'Malley, Dylan Majcher, Paula Horn, and Malcolm Caskey |
| ABSENT: | Trustee Marc Hornstein |
| ALSO PRESENT: | Howard Pohl, AndCo Consulting; Tim Sloth, Village Director; Robina Amato, Lauterbach & Amen, LLP (L&A) |

**PUBLIC COMMENT:** There was no public comment.

**APPROVAL OF MINUTES:** *July 27, 2018 Regular Meeting Minutes:* The Board reviewed the July 27, 2018 regular meeting minutes. A motion was made by Trustee O'Malley and seconded by Trustee Caskey to approve the July 27, 2018 regular meeting minutes as written. Motion carried unanimously by voice vote.

**INVESTMENT REPORT – ANDCO CONSULTING:** *Investment Performance Review:* Mr. Pohl 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. Mr. Pohl presented the Investment Report for the period ending September 30, 2018. As of September 30, 2018, the market value of the portfolio is $31,216,144 and the return on investment is $790,311 for the quarter. Asset allocation of the portfolio is: 42.8% in domestic equities, 15.7% in international equities, 33.5% in domestic fixed income, 6.6% in real estate, and 1.5% in cash. 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 Mr. Pohl.

*Tim Sloth joined the meeting at 8:43 am.*

*Fixed Income Candidates Review:* The Board reviewed the Fixed Income Candidate Review presented by Mr. Pohl. The Board discussed hiring Garcia Hamilton as a fixed income manager replacing of Great Lakes Advisors. A motion was made by Trustee Horn and seconded by Trustee O'Malley to hire Garcia Hamilton as the new fixed income manager and to reallocate 100% of assets from Great Lakes Advisors to Garcia Hamilton. Motion carried by roll call vote.

| | |
|---|---|
| AYES: | Trustees O'Malley, Majcher , Horn and Caskey |
| NAYS: | None |
| ABSENT: | Trustee Hornstein |

*Review/Update Investment Policy, if needed:* A motion was made by Trustee O'Malley and seconded by Trustee Majcher to update the Investment Policy Statement to replace Great Lakes Advisors with Garcia Hamilton. Motion carried unanimously by voice vote.

**TREASURER'S REPORT:** *Accounts Payable Invoice Report:* The Board reviewed their Accounts Payable Invoice Report for the period ending September 30, 2018. A motion was made by Trustee

Majcher and seconded by Trustee O'Malley to accept the Accounts Payable Invoice Report as presented in the amount of $105,615.60. Motion carried by roll call vote.
AYES: Trustees O'Malley, Majcher, Horn and Caskey
NAYS: None
ABSENT: Trustee Hornstein

**COMMUNICATION AND REPORTS:** *Affidavits of Continued Eligibility:* The Board noted that all 2018 Affidavits of Continued Eligibility have been received by L&A and the originals were given to the Board for their recordkeeping

**TRUSTEE TRAINING UPDATE:** The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. The Board discussed submitting mileage and tolls to the Village for reimbursements. Trustees were also reminded to submit all training certificates to L&A for recordkeeping.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND:** *Resignation – Robert Siwak:* The Board noted that officer Robert Siwak has resigned effective August 22, 2018. The Board noted no request for a contribution refund has been made at this time.

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

**OLD BUSINESS:** There was no old business to discuss.

**NEW BUSINESS:** *2019 Board Meeting Dates:* The Board established the 2019 Board meeting dates as February 1, April 26, July 26 and October 25 at 8:30 am located at 410 Green Bay Rd, Winnetka, IL 60093.

*Lauterbach & Amen, LLP Engagement Letter Renewal:* The Board reviewed the Lauterbach & Amen three-year engagement letter. A motion was made by Trustee Majcher and seconded by Trustee Horn to engage L&A for three years in the annual amounts as follows: $8,400 for the year ended December 31, 2019; $8,640 for the year ended December 31, 2020; and $8,940 for the year ended December 31, 2021. Motion carried unanimously by voice vote.

**ATTORNEY'S REPORT:** *Legal Updates:* There were no legal updates at this time.

*Annual Independent Medical Examination – Robin Powell:* The Board tabled this matter for discussion at the next regular meeting.

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

**ADJOURNMENT:** A motion was made by Trustee Majcher and seconded by Trustee Horn to adjourn the meeting at 9:45 am. Motion carried unanimously by voice vote.

**The next regular meeting of the Winnetka Police Pension Fund will be held on Friday, February 1, 2019 at 8:30 am.**

*Respectfully submitted,*

John O'Malley, Board President Date

Dylan Majcher, Board Secretary Date

*Minutes prepared by Robina Amato, Pension Services Administrator, Lauterbach & Amen, LLP*

Investment Performance Review
Period Ending December 31, 2018

# Village of Winnetka
# Police Pension Fund

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

As we start 2019, we first want to say "Thank you" for giving AndCo the opportunity to serve you. On behalf of our entire organization, we are extremely grateful for our client partnerships and we will continue working hard to maintain your trust and confidence. Our mission statement reads – "To represent the sole interest of our clients by redefining independence". We're happy to report we remain steadfast in this core belief and continue to build an organization and service model that is singularly focused and independent. This helps ensure all recommendations are truly in the best interest of our valued clients. We believe this approach will drive value for our client partnerships long into the future.

AndCo also remains committed to delivering high quality, customized services. As we start 2019, we are 89 employees strong advising approximately $90 billion in client assets - both record highs for AndCo. In 2018 we hired 7 new team members including one consultant, two research professionals, one additional compliance officer, one technology administrator and two team members within our client solutions group. All hires were made to better service our clients.

2019 will represent another year of reinvestment in the organization to better serve our clients and make AndCo stronger. For example, we have already hired a new Senior Research Analyst bringing our dedicated research team to 15 professionals. As 2019 progresses, we are targeting additional hires in research, software development, content creation and our client solutions group. We will also be partnering with an external firm this year to conduct an in-depth client assessment to help ensure we are meeting the evolving needs of our clients and exceeding their service expectations. There will be more information regarding this survey from the firm and your consultant over the coming months.

Finally, we just completed our annual Firmwide retreat. This retreat was a great opportunity for our firm to spend time together with colleagues and get a clear understanding of where the company is going, and more importantly, why we're headed in that direction. Since the inception of AndCo, the idea has been to make the firm a multigenerational organization owned and managed by its employees. As a result, since 2015, along with the strategic elements of our annual retreat, we also started the process of announcing new partners of the firm to foster this succession plan and today we have 8 partners controlling 100% of the company.

The evolution of our firm would not be possible without great partners like you. Our name reminds us who we work for every day: "Our Client" &Co. You will always be first in our service approach. As we continue to discuss updates with our firm, please know every decision is made by asking "How does this benefit our clients?" If it doesn't benefit you, we don't do it, it's that simple. We know our clients are facing many challenges and we want to be there to help get you through all environments. We are honored and humbled you have chosen AndCo as your partner. We don't take that relationship for granted and will continue to work tirelessly to exceed your expectations.

On behalf of AndCo, thank you for your valued partnership and the opportunity to serve you.

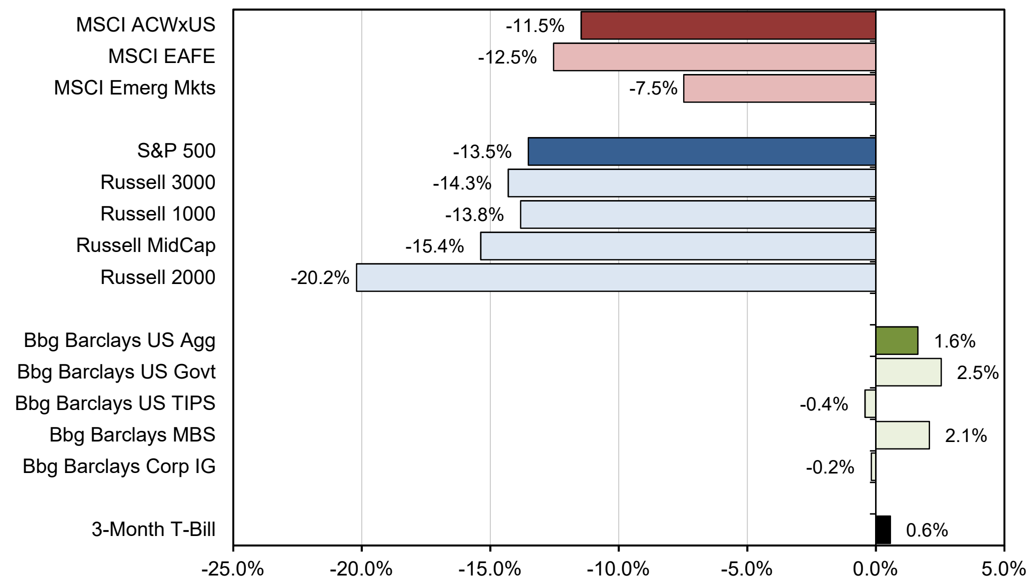
Mike Welker, CFA®
President/CEO

- Markets were volatile to end the 2018 calendar year. Both international and domestic equity markets had considerable losses during the 4th quarter while fixed income returns were muted, but outperformed relative to equities. Within equities, domestic stocks trailed international markets, reversing the 2018 trend of US market strength. Trade tensions between the US and China, midterm elections in US Congress, the effects of ongoing monetary policy tightening by the Federal Reserve (Fed), federal debt ceiling negotiations and the subsequent partial government shutdown outweighed generally positive corporate earnings and macroeconomic data reported during the quarter. The large cap S&P 500 Index returned -13.5% during the quarter while the small cap Russell 2000 Index fell by over 20% for the period. The drop in equity prices over the last three months was enough to take the returns for major US equity indices into negative territory for the 2018 calendar year. Returns over the 1-year period were -4.4% and -11.0% for the S&P 500 and Russell 2000 respectively.

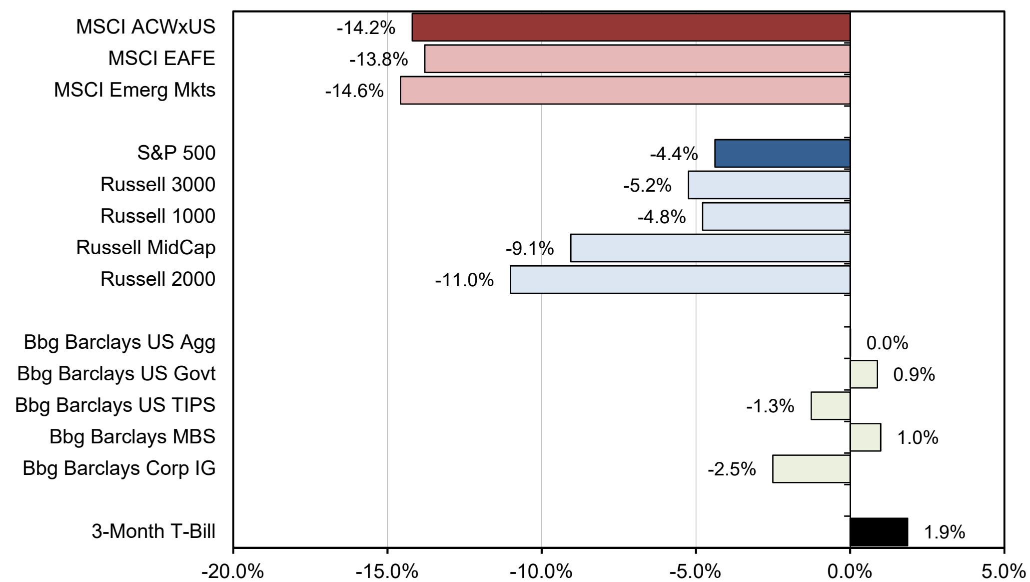
- Similar to US equities, international equity index returns finished the quarter in negative territory with the MSCI ACWI ex US Index returning -11.5%. International markets faced headwinds from softening global macroeconomic data, tightening global monetary policy, uncertainty around Brexit negotiations, turmoil surrounding global trade relations, falling commodity prices and continued US Dollar (USD) strength. The developed market MSCI EAFE Index fell -12.5% during the 4th quarter, ending the year down -13.8%. Emerging markets performed well by comparison, only losing -7.5% during the quarter. Despite the 4th quarter outperformance, returns for emerging market equities trailed developed markets over the 1-year period with the MSCI Emerging Markets Index returning -14.6% versus a -13.8% return for the MSCI EAFE Index.

- Fixed income securities outperformed equities through both the 4th quarter and calendar year 2018 with the broad market Bloomberg Barclays Aggregate Index returning 1.6% and 0.0% respectively. Interest rates on the US Treasury Yield Curve continued their 2018 flattening trend as short-term rates increased to near-term highs while long- term rates fell during the quarter. Some of the increase in short-term rates can be attributed to the late December Fed interest rate hike. This marked the fourth Fed interest rate increase of 2018. This movement in rates did lead to some short-term rates being higher than those of longer dated maturities. More conservative fixed income sectors such as Treasuries and mortgage backed securities outperformed during the quarter and for the year as investors moved toward the relative safety these securities provide while widening credit spreads acted as a headwind to corporate issues.

**Quarter Performance**




**1-Year Performance**

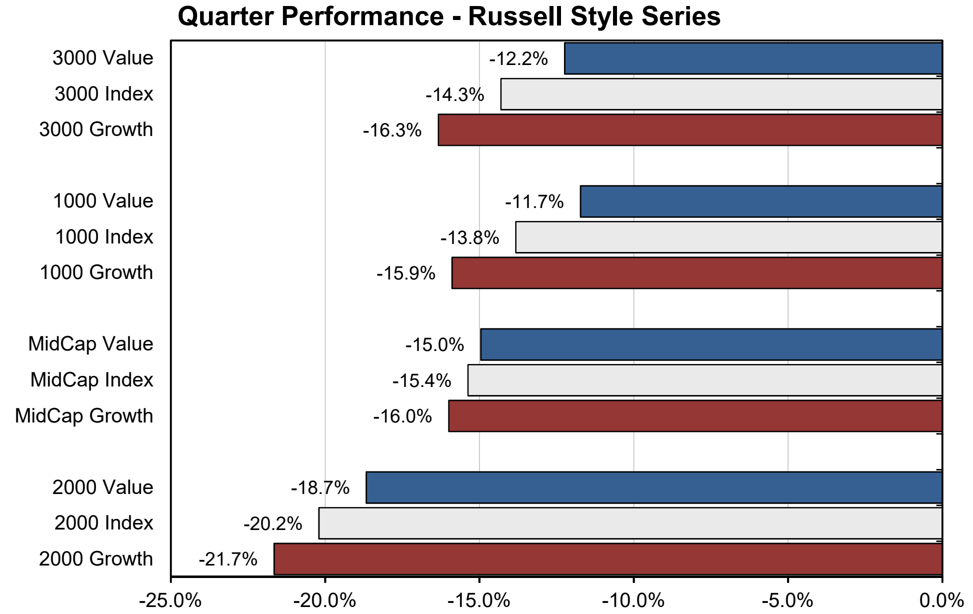


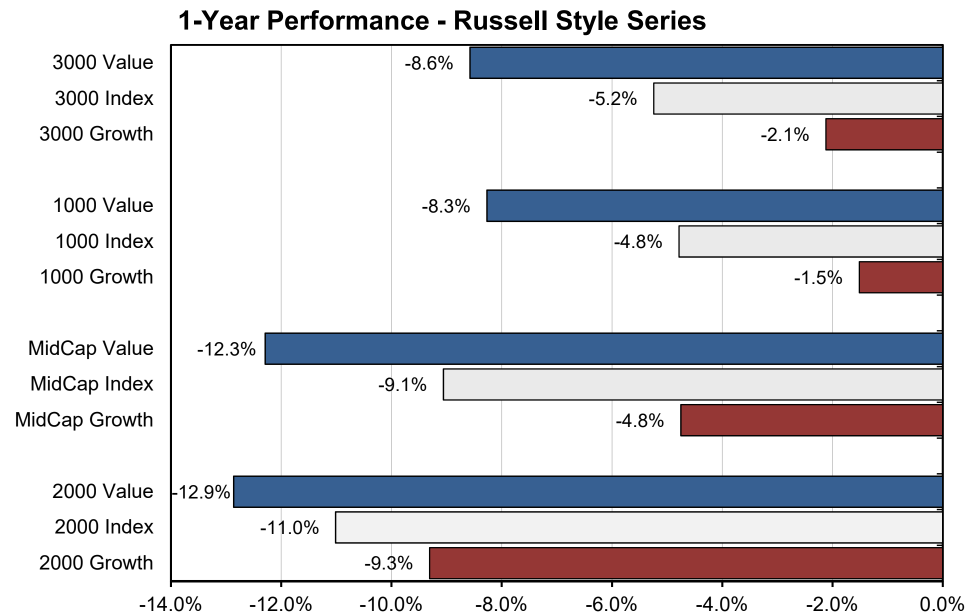

*Source: Investment Metrics*

- US equity index returns were strongly negative across the style and capitalization spectrum during the 4th quarter of 2018. Despite these negative results, there was positive data in GDP, unemployment, wage growth, retail sales, and corporate earnings during the period. These positive economic factors were offset by softening data in housing, consumer confidence and manufacturing, tightening monetary policy, negative guidance for future corporate earnings and signs of slowing global growth which all contributed to the heavy selling in equities. Investors also considered the effects of ongoing trade negotiations, especially between the US and China, and the results of the US congressional midterm elections which likely reduced the chances of any major policy changes or new fiscal stimulus measures. The effects of partisan politics was particularly evident at the end of the quarter as budget negotiations between Democrats and Republicans collapsed over disagreement around the inclusion of funds for a border wall with Mexico, leading to a partial government shutdown to end the year.

- During the quarter, large cap stocks outperformed mid and small cap equities across growth, value and core indices. The large cap Russell 1000 Index fell -13.8% during the 4th quarter versus a -20.2% drop for the Russell 2000 Index. Part of the reason for weakness in small cap names is the steady increase in interest rates that occurred over 2018 as small cap companies typically maintain a higher percentage of debt than their large cap peers. Small cap names are also typically more volatile than larger companies and they have historically underperformed during market downturns. Similar to the most recent quarter, large cap stocks outperformed relative to small caps through calendar year 2018. The Russell 1000 returned -4.8% for the 1-year periods compared to a -11.0% return for the Russell 2000.

- Value indices outperformed growth indices across the market cap spectrum during the 4th quarter, reversing a year-to-date trend of growth stock outperformance. The large cap Russell 1000 Value Index was the best performing style index for the period, returning -11.7% for the quarter, while the Russell 2000 Growth Index was the worst performer, returning -21.7%. Value benchmarks tend to outperform in down markets as they benefit from their relative safety and higher dividend yields. Despite the short-term underperformance, growth benchmarks continue to outperform over the 1-year period, however, many of the sector exposures that drove growth stock outperformance during the first three quarters of the year, such as technology and consumer discretionary, were relative detractors during the 4th quarter.



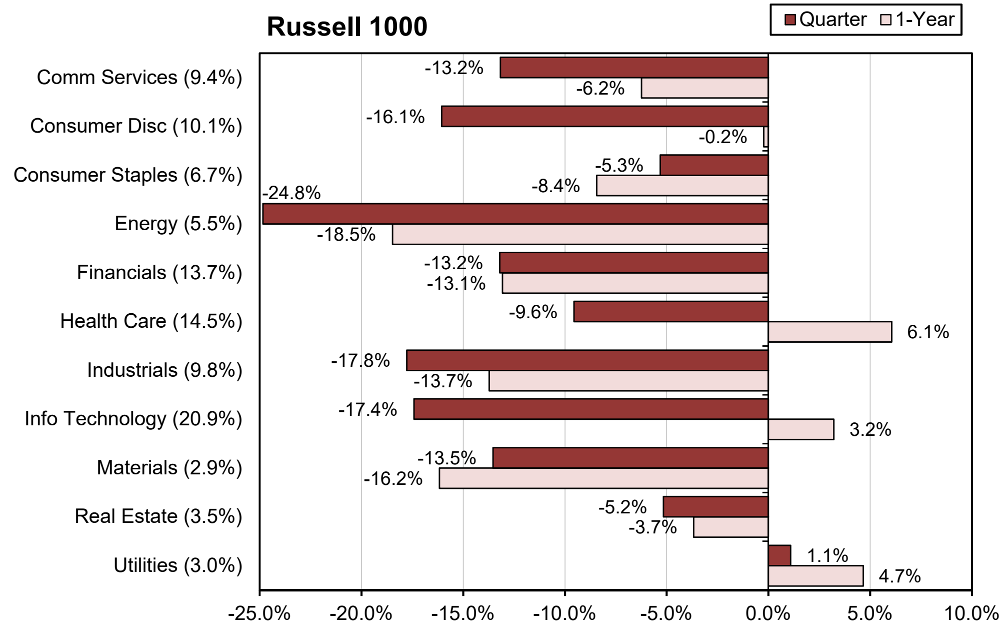

*Source: Investment Metrics*

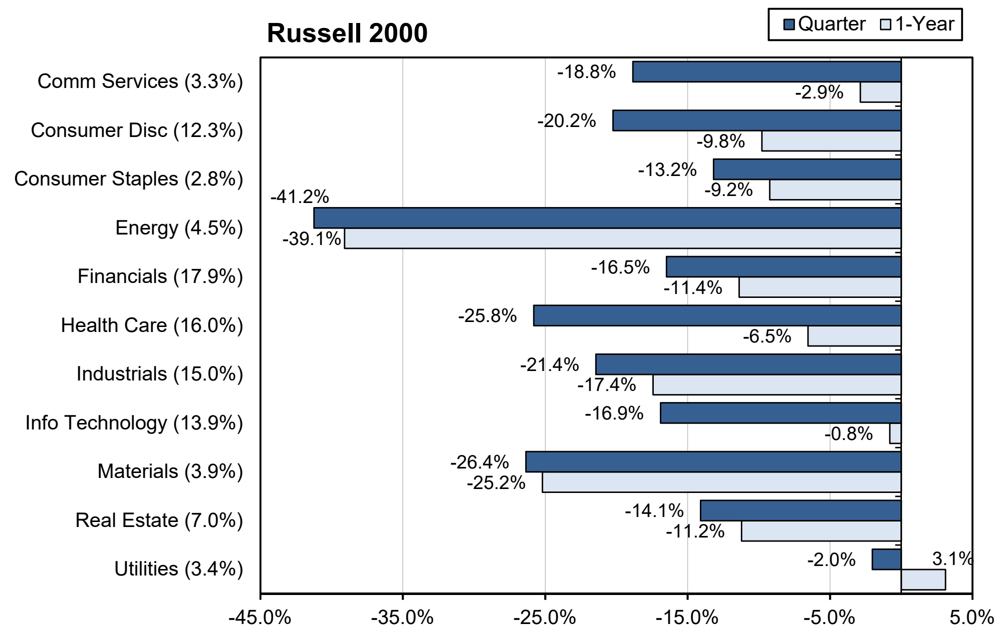
- Both S&P Dow Jones Indices and MSCI made changes to the Global Industry Classification Standard (GICS) sector configurations of their indices, creating a new GICS sector classification called Communication Services which replaced the Telecommunications sector on September 28, 2018. The Communication Services sector is comprised of companies in the Telecommunications sector, as well as certain companies formerly classified as Consumer Discretionary and Information Technology. As a result, the sector, went from a weighting of about 2% of the Russell 1000 Index to almost 10% post reclassification. Notable names now classified under Communication Services include Netflix, Alphabet, Facebook and Disney. This is just the second change to the GICS classifications since 1999.

- Sector performance was broadly negative across large cap sectors for the 4th quarter. All sectors within the Russell 1000 Index with the exception of the utilities sector posted negative returns for the period with seven sectors outpacing the return on the index. Cyclical sectors such as energy, industrials and technology were the worst performers through the quarter returning -24.8%, -17.8% and -17.4% respectively. Energy companies were hurt by a steep decline in oil prices during the quarter while technology and industrial companies fell on negative guidance for future earnings. More defensive, higher dividend paying sectors such as utilities, REITs and consumer staples were the strongest performing sectors with returns of 1.1%, -5.2% and -5.3% respectively. Only three sectors (health care, utilities, technology) posted positive results over the 1-year period with the remaining sectors losing ground during the calendar year.

- Quarterly results for small cap sectors were generally lower relative to their large capitalization counterparts. All eleven sectors had negative returns during the period with six of eleven economic sectors outpacing the Russell 2000 Index return for the quarter. Energy, materials and healthcare posted the worst returns for the period returning -41.2%, -26.4% and -25.8% respectively. Similar to large caps, defensive sectors performed well with utilities, consumer staples and real estate detracting the least returning -2.0%, -13.2% and -14.1% respectively. Over the trailing 1-year period, only utilities posted a gain returning 3.1%. Energy stocks were the worst performers in 2018, falling a considerable -41.2%.

- Using S&P 500 sector valuations as a proxy for the market, forward P/E ratios for three of the eleven GICS sectors were higher than their long-term averages at quarter-end. Using these historical P/E measures, the utilities, consumer discretionary and real estate sectors appear the most extended. In contrast the financials, technology and energy sectors were trading at a discount to their long-term average P/E ratios.




*Source: Morningstar Direct*
*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.*

**Top 10 Weighted Stocks**

| Russell 1000 | Weight | 1-Qtr Return | 1-Year Return | Sector |
|---|---|---|---|---|
| Microsoft Corp | 3.27% | -11.2% | 20.3% | Information Technology |
| Apple Inc | 3.24% | -29.9% | -5.4% | Information Technology |
| Amazon.com Inc | 2.59% | -25.0% | 28.4% | Consumer Discretionary |
| Berkshire Hathaway Inc B | 1.68% | -4.6% | 3.0% | Financials |
| Johnson & Johnson | 1.47% | -6.0% | -5.1% | Health Care |
| JPMorgan Chase & Co | 1.39% | -12.9% | -6.6% | Financials |
| Alphabet Inc Class C | 1.34% | -13.2% | -1.0% | Communication Services |
| Alphabet Inc A | 1.32% | -13.4% | -0.8% | Communication Services |
| Facebook Inc A | 1.32% | -20.3% | -25.7% | Communication Services |
| Exxon Mobil Corp | 1.23% | -19.0% | -15.1% | Energy |

**Top 10 Weighted Stocks**

| Russell 2000 | Weight | 1-Qtr Return | 1-Year Return | Sector |
|---|---|---|---|---|
| Integrated Device Technology Inc | 0.35% | 3.0% | 62.9% | Information Technology |
| Etsy Inc | 0.32% | -7.4% | 132.6% | Consumer Discretionary |
| Five Below Inc | 0.31% | -21.3% | 54.3% | Consumer Discretionary |
| Haemonetics Corp | 0.29% | -12.7% | 72.3% | Health Care |
| Ciena Corp | 0.27% | 8.5% | 62.0% | Information Technology |
| Planet Fitness Inc A | 0.26% | -0.8% | 54.8% | Consumer Discretionary |
| Idacorp Inc | 0.26% | -5.6% | 4.6% | Utilities |
| HubSpot Inc | 0.26% | -16.7% | 42.2% | Information Technology |
| LivaNova PLC | 0.25% | -26.2% | 14.5% | Health Care |
| Cree Inc | 0.24% | 13.0% | 15.2% | Information Technology |

**Top 10 Performing Stocks (by Quarter)**

| Russell 1000 | Weight | 1-Qtr Return | 1-Year Return | Sector |
|---|---|---|---|---|
| Tesaro Inc | 0.01% | 90.3% | -10.4% | Health Care |
| Red Hat Inc | 0.13% | 28.9% | 46.2% | Information Technology |
| Virtu Financial Inc A | 0.00% | 27.1% | 45.9% | Financials |
| Tesla Inc | 0.19% | 25.7% | 6.9% | Consumer Discretionary |
| SCANA Corp | 0.03% | 23.2% | 23.1% | Utilities |
| Tribune Media Co A | 0.02% | 18.9% | 9.7% | Communication Services |
| MarketAxess Holdings Inc | 0.03% | 18.6% | 5.6% | Financials |
| ARRIS International PLC | 0.02% | 17.6% | 19.0% | Information Technology |
| United States Cellular Corp | 0.00% | 16.1% | 38.1% | Communication Services |
| Newmont Mining Corp | 0.08% | 15.2% | -6.2% | Materials |

**Top 10 Performing Stocks (by Quarter)**

| Russell 2000 | Weight | 1-Qtr Return | 1-Year Return | Sector |
|---|---|---|---|---|
| Electro Scientific Industries Inc | 0.05% | 71.7% | 39.8% | Information Technology |
| Fluent Inc | 0.01% | 67.4% | 3.4% | Communication Services |
| Mitek Systems Inc | 0.02% | 53.3% | 20.8% | Information Technology |
| Arsanis Inc | 0.00% | 43.2% | -81.8% | Health Care |
| Inovalon Holdings Inc | 0.05% | 41.1% | -5.5% | Health Care |
| K12 Inc | 0.05% | 40.1% | 55.9% | Consumer Discretionary |
| Investment Technology Group Inc | 0.05% | 39.9% | 59.0% | Financials |
| Eidos Therapeutics Inc | 0.01% | 37.9% | N/A | Health Care |
| Belmond Ltd Class A | 0.13% | 37.2% | 104.3% | Consumer Discretionary |
| Pacific Biosciences of California Inc | 0.06% | 36.8% | 180.3% | Health Care |

**Bottom 10 Performing Stocks (by Quarter)**

| Russell 1000 | Weight | 1-Qtr Return | 1-Year Return | Sector |
|---|---|---|---|---|
| Weatherford International PLC | 0.00% | -79.4% | -86.6% | Energy |
| Nabors Industries Ltd | 0.00% | -66.8% | -69.3% | Energy |
| Extraction Oil & Gas Inc | 0.00% | -62.0% | -70.0% | Energy |
| Adient PLC | 0.01% | -61.4% | -80.4% | Consumer Discretionary |
| Whiting Petroleum Corp | 0.01% | -57.2% | -14.3% | Energy |
| Kosmos Energy Ltd | 0.00% | -56.5% | -40.6% | Energy |
| Chesapeake Energy Corp | 0.01% | -53.2% | -47.0% | Energy |
| Conduent Inc | 0.01% | -52.8% | -34.2% | Information Technology |
| NVIDIA Corp | 0.33% | -52.4% | -30.8% | Information Technology |
| SM Energy Co | 0.01% | -50.8% | -29.6% | Energy |

**Bottom 10 Performing Stocks (by Quarter)**

| Russell 2000 | Weight | 1-Qtr Return | 1-Year Return | Sector |
|---|---|---|---|---|
| Synergy Pharmaceuticals Inc | 0.00% | -93.3% | -94.9% | Health Care |
| Sanchez Energy Corp | 0.00% | -88.3% | -94.9% | Energy |
| Sienna Biopharmaceuticals Inc | 0.00% | -84.3% | -87.2% | Health Care |
| Cloud Peak Energy Inc | 0.00% | -84.1% | -91.8% | Energy |
| Selecta Biosciences Inc | 0.00% | -82.9% | -72.9% | Health Care |
| Clearside Biomedical Inc | 0.00% | -82.6% | -84.7% | Health Care |
| Key Energy Services Inc | 0.00% | -81.9% | -82.4% | Energy |
| AAC Holdings Inc | 0.00% | -81.7% | -84.4% | Health Care |
| PHI Inc Non-Voting Shares | 0.00% | -80.2% | -84.0% | Energy |
| Bristow Group Inc | 0.00% | -80.0% | -82.0% | Energy |

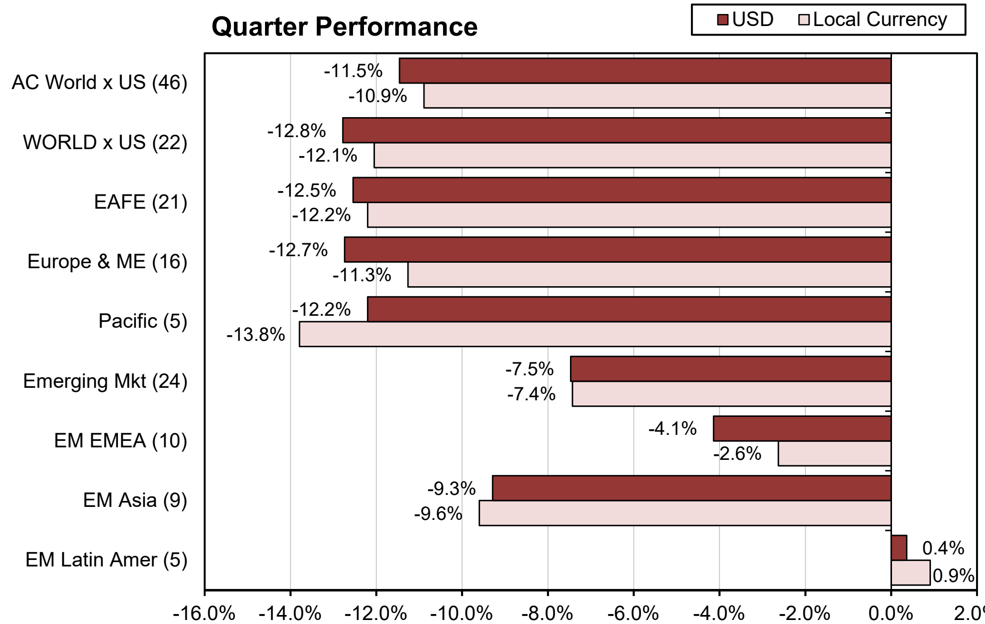
*Source: Morningstar Direct*

- Broad international equity returns were negative for the quarter in both local currency and USD terms. Geopolitical concerns, weakening economic data and the tightening of global monetary policy drove most of the negative performance. The USD also continued to strengthen against most currencies for the period which provided a headwind for USD based investors. The MSCI ACWI ex US Index fell -10.9% in local currency terms and -11.5% in USD terms during the 4th quarter. Returns for international indices were also broadly negative over the 1-year period in both local currency and USD terms with the MSCI ACWI ex US returning -10.7% and -14.2% respectively.

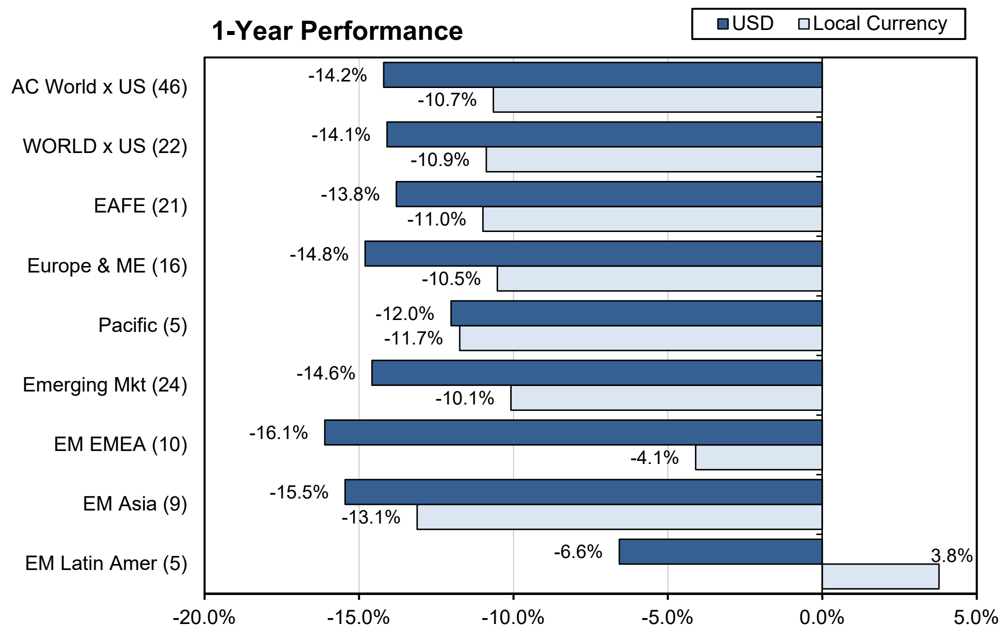
- Fourth quarter results for developed market international indices were negative in both local currency and USD terms with the MSCI EAFE Index returning -12.2% and -12.5% respectively. Returns were dampened for US investors as the USD continued to appreciate against most currencies, pushing returns lower. Global economic reporting during the quarter fueled concerns that global growth was beginning to slow. Japanese economic data faced headwinds from several natural disasters and data out of Europe was generally disappointing. Investors also weighed the effects of several significant political events in Europe including riots in France, ongoing budget negotiations between Italy and the EU and uncertainty around Brexit. Concerns over a "no deal" Brexit grew during the quarter as the draft withdrawal agreement presented by UK Prime Minister Theresa May was poorly received leading to a wave of cabinet resignations, a delay in the parliamentary vote and a "no confidence" vote which she ultimately won. The MSCI EAFE Index returned -11.0% and -13.8% for the last twelve months in local currency and USD terms respectively.

- Emerging markets outperformed relative to developed markets for the 4th quarter, but still declined in both local currency and USD terms with the MSCI Emerging Markets Index returning -7.4% and -7.5% respectively. Returns in emerging markets were hurt by the continued uncertainty surrounding trade relations between the US and China as both countries agreed to a 90-day hold on any new tariffs to allow for continued negotiations. Chinese economic data also appeared to be slowing during the quarter prompting the announcement of additional monetary and fiscal stimulus. The election of President Andres Manuel Lopez Obrador hurt returns in Mexico as investors feared the potential ramifications of his nationalist campaign promises. In contrast, Brazil was one of the few bright spots during the quarter as market participants looked favorably on the election of President Jair Bolsonaro in anticipation of market friendly economic reforms, including reforms associated with the countries bloated state pension system which has weighed heavily on the country's debt load. One year returns for the MSCI Emerging Market Index were -10.1% in local currency terms and -14.6% in USD terms.

**Quarter Performance**




**1-Year Performance**




*Source: MSCI Global Index Monitor (Returns are Net)*

| MSCI - EAFE | Sector Weight | Quarter Return | 1-Year Return |
|---|---|---|---|
| Communication Services | 5.6% | -7.7% | -12.1% |
| Consumer Discretionary | 11.2% | -14.2% | -16.1% |
| Consumer Staples | 11.6% | -8.4% | -10.8% |
| Energy | 5.9% | -17.5% | -7.2% |
| Financials | 19.5% | -13.7% | -20.1% |
| Health Care | 11.2% | -10.3% | -4.3% |
| Industrials | 14.3% | -14.6% | -15.7% |
| Information Technology | 6.0% | -16.7% | -15.6% |
| Materials | 7.4% | -15.2% | -17.5% |
| Real Estate | 3.7% | -5.4% | -9.9% |
| Utilities | 3.8% | -0.1% | 1.1% |
| **Total** | **100.0%** | **-12.5%** | **-13.8%** |

| MSCI - ACWIxUS | Sector Weight | Quarter Return | 1-Year Return |
|---|---|---|---|
| Communication Services | 7.6% | -5.5% | -11.9% |
| Consumer Discretionary | 10.6% | -14.1% | -20.2% |
| Consumer Staples | 9.9% | -7.4% | -11.2% |
| Energy | 7.3% | -16.3% | -8.1% |
| Financials | 22.2% | -10.7% | -16.8% |
| Health Care | 8.4% | -11.2% | -6.2% |
| Industrials | 11.7% | -13.7% | -15.1% |
| Information Technology | 8.0% | -14.6% | -17.6% |
| Materials | 7.7% | -13.4% | -15.9% |
| Real Estate | 3.4% | -3.8% | -11.6% |
| Utilities | 3.4% | 0.5% | -0.9% |
| **Total** | **100.0%** | **-11.5%** | **-14.2%** |

| MSCI - Emerging Mkt | Sector Weight | Quarter Return | 1-Year Return |
|---|---|---|---|
| Communication Services | 14.1% | -3.7% | -14.9% |
| Consumer Discretionary | 10.4% | -13.5% | -32.5% |
| Consumer Staples | 6.7% | -4.6% | -13.7% |
| Energy | 8.0% | -10.6% | 4.7% |
| Financials | 24.8% | -0.9% | -8.7% |
| Health Care | 2.8% | -16.2% | -20.9% |
| Industrials | 5.5% | -3.8% | -12.6% |
| Information Technology | 14.2% | -12.7% | -19.3% |
| Materials | 7.7% | -10.8% | -11.6% |
| Real Estate | 3.0% | 1.4% | -17.2% |
| Utilities | 2.7% | 3.6% | -3.8% |
| **Total** | **100.0%** | **-7.5%** | **-14.6%** |

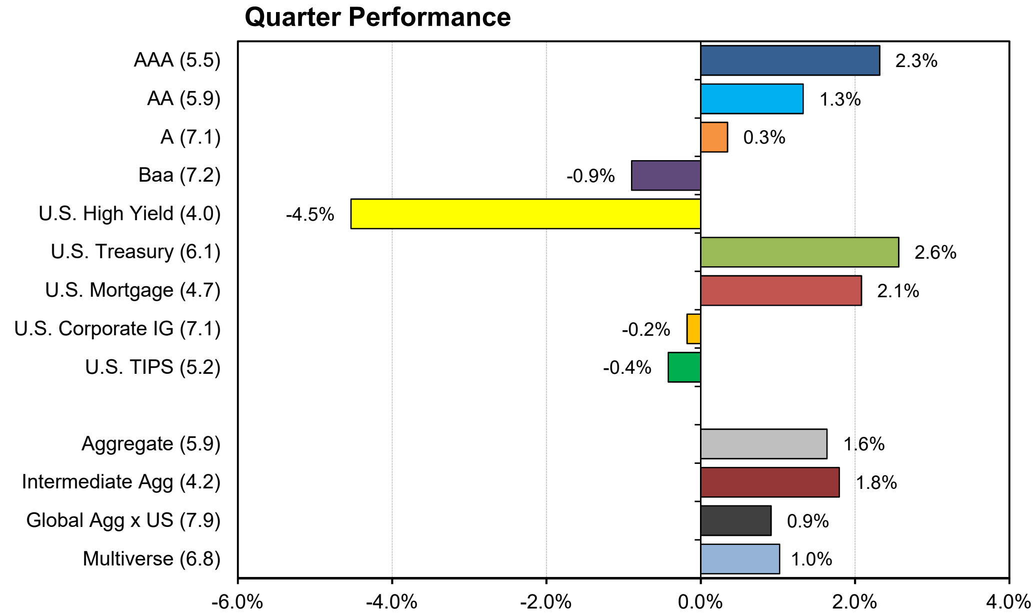
| Country | MSCI-EAFE Weight | MSCI-ACWIxUS Weight | Quarter Return | 1- Year Return |
|---|---|---|---|---|
| Japan | 24.6% | 16.6% | -14.2% | -12.9% |
| United Kingdom | 16.9% | 11.4% | -11.8% | -14.2% |
| France | 11.1% | 7.5% | -15.1% | -12.8% |
| Germany | 8.8% | 6.0% | -15.5% | -22.2% |
| Switzerland | 8.7% | 5.8% | -8.9% | -9.1% |
| Australia | 6.9% | 4.7% | -10.0% | -12.0% |
| Hong Kong | 3.9% | 2.6% | -4.5% | -7.8% |
| Netherlands | 3.4% | 2.3% | -11.0% | -13.1% |
| Spain | 3.1% | 2.1% | -8.7% | -16.2% |
| Sweden | 2.7% | 1.8% | -14.2% | -13.7% |
| Italy | 2.3% | 1.5% | -11.8% | -17.8% |
| Denmark | 1.8% | 1.2% | -9.8% | -15.4% |
| Singapore | 1.4% | 0.9% | -6.7% | -9.4% |
| Finland | 1.0% | 0.7% | -14.7% | -3.4% |
| Belgium | 1.0% | 0.6% | -18.5% | -26.9% |
| Norway | 0.7% | 0.5% | -18.1% | -8.6% |
| Ireland | 0.5% | 0.4% | -17.7% | -25.3% |
| Israel | 0.5% | 0.4% | -14.4% | -5.5% |
| Austria | 0.2% | 0.2% | -20.7% | -27.4% |
| New Zealand | 0.2% | 0.2% | -6.6% | -4.0% |
| Portugal | 0.2% | 0.1% | -14.3% | -11.1% |
| **Total EAFE Countries** | **100.0%** | **67.5%** | **-12.5%** | **-13.8%** |
| Canada | | 6.5% | -15.3% | -17.2% |
| **Total Developed Countries** | | **74.0%** | **-12.8%** | **-14.1%** |
| China | | 7.9% | -10.7% | -18.9% |
| Korea | | 3.6% | -13.1% | -20.9% |
| Taiwan | | 3.0% | -13.7% | -8.9% |
| India | | 2.4% | 2.5% | -7.3% |
| Brazil | | 2.0% | 13.4% | -0.5% |
| South Africa | | 1.6% | -3.8% | -24.8% |
| Russia | | 1.0% | -9.0% | -0.7% |
| Mexico | | 0.7% | -18.8% | -15.5% |
| Malaysia | | 0.6% | -5.8% | -6.0% |
| Thailand | | 0.6% | -10.2% | -5.5% |
| Indonesia | | 0.6% | 9.7% | -9.2% |
| Poland | | 0.3% | -3.0% | -12.9% |
| Philippines | | 0.3% | 5.3% | -16.5% |
| Qatar | | 0.3% | 8.4% | 29.8% |
| Chile | | 0.3% | -8.7% | -19.7% |
| United Arab Emirates | | 0.2% | -5.5% | -7.7% |
| Turkey | | 0.2% | 4.8% | -41.4% |
| Colombia | | 0.1% | -19.0% | -11.5% |
| Peru | | 0.1% | -2.9% | 1.6% |
| Hungary | | 0.1% | 5.9% | -6.1% |
| Greece | | 0.1% | -16.0% | -36.8% |
| Czech Republic | | 0.0% | -8.7% | -4.5% |
| Egypt | | 0.0% | -9.4% | -14.0% |
| Pakistan | | 0.0% | -22.4% | -34.8% |
| **Total Emerging Countries** | | **26.0%** | **-7.5%** | **-14.6%** |
| **Total ACWIxUS Countries** | | **100.0%** | **-11.5%** | **-14.2%** |

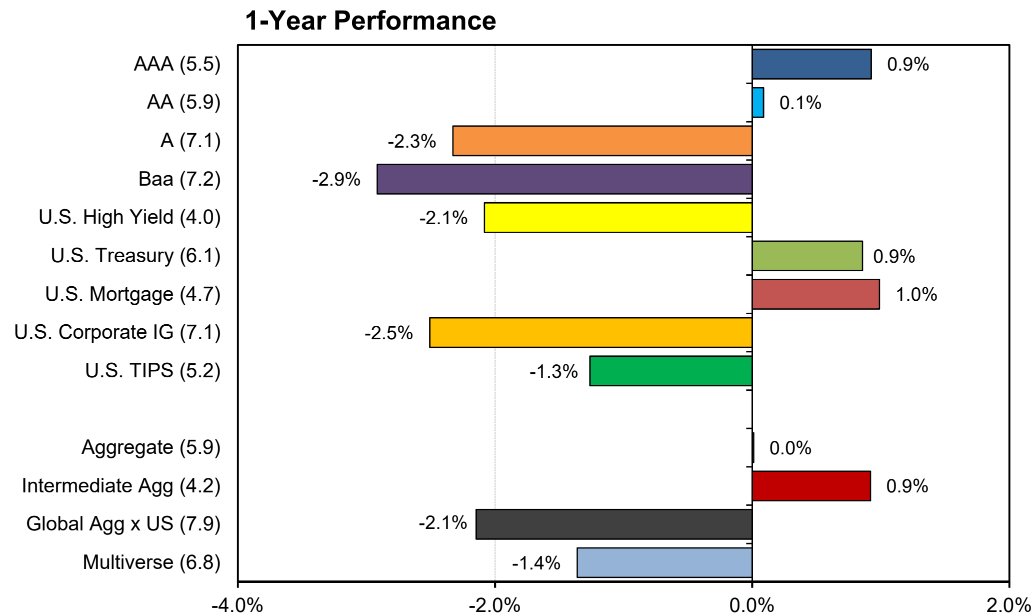
*Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)*
*As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.*

- Broad fixed income benchmarks had mixed results during the 4th quarter. Interest rates rose across short-term maturities, but fell on those on the middle and long end of the US Treasury Yield Curve. The Federal Open Market Committee (FOMC), decided to increase short-term interest rates by 25 basis points at their December meeting citing the strength of the US economy which caused an increase in short-term interest rates, but equity market volatility led market participants toward less volatile assets, pushing rates lower on maturities greater than 1-year. This was the fourth rate hike of 2018. The current Fed Funds Rate target range sits at 2.25%-2.50%. This caused continued flattening in the yield curve with some moderate inversion, which happens when short-term maturities have greater yields than long-term securities, in the middle of curve. The difference in yields between the 2-year and 10-year Treasury now sits at just 0.21%. Historically, an inverted yield curve has signaled a greater probability of a recession. The Fed is also continuing the reduction of the size of its balance sheet by slowing its pace of reinvestment as the securities it holds mature. However, the Fed did lower its guidance for future rate increases in 2019 following a reduction in expectations for GDP and inflation. The Fed is now projecting just two additional interest rate increases in 2019. The Bloomberg Barclays US Aggregate Index was positive during the quarter, posting a 1.6% return, but was flat, returning 0.0% over the 1-year period.

- Within investment grade credit, higher quality issues outperformed lower quality issues as investors preferred more conservative securities. On an absolute basis, without negating the duration differences in the sub-indices, AAA rated credit was the best performing investment grade credit quality segment returning 2.3% for the quarter, while Baa was the worst performing, falling -0.9%. High yield debt trailed investment grade credit as spreads widened the most for these issues, returning -4.5%. Returns are mixed for the investment grade quality segments when viewed over the 1-year period with higher quality issues outperforming lower quality securities. High yield performed well relative to lower quality investment grade debt due to the relatively strong returns experienced during the first three quarters of 2018.

- During the 4th quarter, the more defensive Treasury and mortgage backed sectors of the Bloomberg Barclays US Aggregate Index's three broad sectors were the best performers returning 2.6% and 2.1% respectively. Investment grade corporate credit underperformed, returning -0.2%, as credit spreads widened considerably during the period. This trend carried through to the 1-year period as both Treasuries and mortgage backed securities outperformed both investment grade and high yield corporate debt. Calendar year 2018 performance for the Treasury, mortgage backed and investment grade corporate issues was 0.9%, 1.0% and -2.5% respectively. US TIPS returned -0.4% and -1.3% for the 4th quarter and 1-year period.



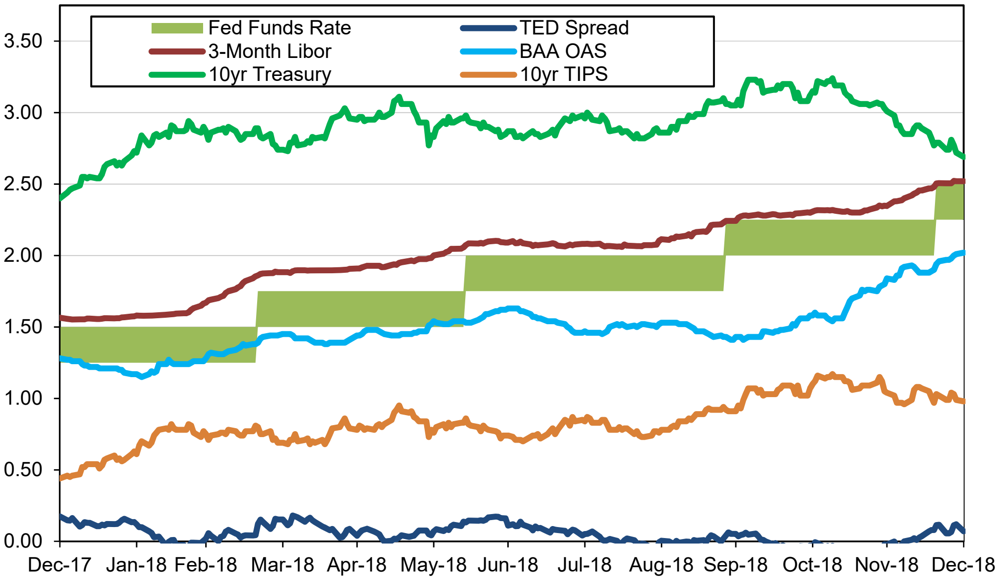

*Source: Bloomberg*

- Global fixed income indices continue to struggle relative to their domestic counterparts, underperforming during the 4th quarter. These indices have lower yields and the returns of these indices are also significantly influenced by fluctuations in their currency denomination relative to the USD. During the 4th quarter the USD strengthened against most other 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 0.9% and -2.1% for the quarter and 1-year period respectively. As the global economy continues to recover, several international central banks have started to move toward less accommodative postures. Notably, the ECB, began to slow its monthly bond purchase program in September, reducing new purchases to 15 billion euro per month from 30 billion euro per month and ended the program entirely at year end. However, they have indicated a continuation of reinvestment in maturing securities and would likely not raise interest rates from current levels until summer 2019. 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.

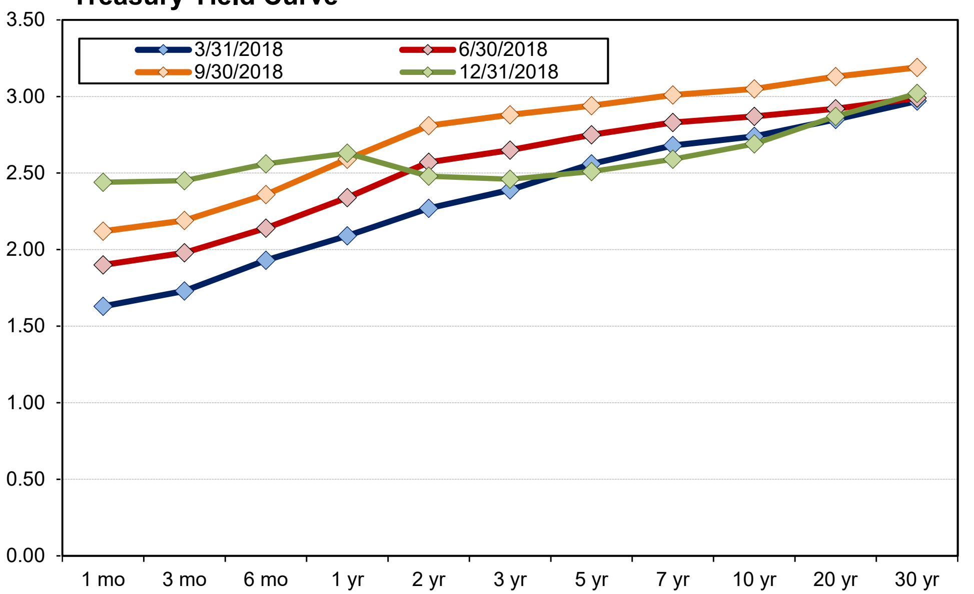
- Much of the index performance detailed in the bar graphs on the previous page is visible on a time series basis by reviewing the line graphs to the right. The '1-Year Trailing Market Rates' chart illustrates that the 10-year Treasury yield (green line) fell during the 4th quarter after rising steadily through most of the year as investors moved to safe haven assets during the period, ending the year at 2.69%. 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 as investors moved to higher quality assets. This increase is equivalent to an interest rate increase on corporate bonds, which produces an additional headwind for corporate bond index returns. These credit spreads have widened by about 59 basis points over the last 3-months. The green band across the graph illustrates the gradual increase in the Federal Funds Rate (four increases in the last twelve months) due to the continued tightening of US monetary policy.

- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four calendar quarters. As mentioned, the yield curve continues to flatten as yields on shorter-term maturities have risen more than interest rates on the long end of the curve. The upward momentum of interest rates as well as a general flattening of the yield curve are clearly visible over the last twelve months with some minor inversion visible in the middle of the yield curve.

**1-Year Trailing Market Rates**




**Treasury Yield Curve**




*Source: US Department of Treasury, FRED (Federal Reserve of St. Louis)*

**1 Quarter**

| | Market Value 10/01/2018 | Net Flows | Return On Investment | Market Value 12/31/2018 |
|---|---|---|---|---|
| **Police Total Fund** | **31,216,144** | **-565,792** | **-2,571,217** | **28,079,135** |
| **Total Domestic Equity** | **13,355,516** | **-250,036** | **-2,098,745** | **11,006,734** |
| Seizert Capital | 4,702,774 | 99,964 | -801,860 | 4,000,878 |
| ClearBridge (LSITX) | 5,134,564 | -350,000 | -661,340 | 4,123,224 |
| T. Rowe Price (TRMCX) | 1,303,342 | - | -189,179 | 1,114,163 |
| PGIM QMA SCV (TASVX) | 2,214,837 | - | -446,367 | 1,768,469 |
| **Total International Equity** | **4,899,492** | **-** | **-617,025** | **4,282,467** |
| AF EuroPacific Growth (RERGX) | 4,899,492 | - | -617,025 | 4,282,467 |
| Harbor International (HAINX) | - | - | - | - |
| **Total Domestic Fixed Income** | **10,451,654** | **-7,616** | **119,472** | **10,563,509** |
| C.S. McKee | 5,152,414 | -3,866 | 77,914 | 5,226,462 |
| Garcia Hamilton | - | 3,385,889 | 972 | 3,386,862 |
| Great Lakes Advisors | 5,299,240 | -3,389,639 | 40,585 | 1,950,186 |
| **Total Real Estate** | **2,051,635** | **-** | **24,797** | **2,076,432** |
| Principal Real Estate | 2,051,635 | - | 24,797 | 2,076,432 |
| Cash | 457,847 | -308,140 | 285 | 149,992 |

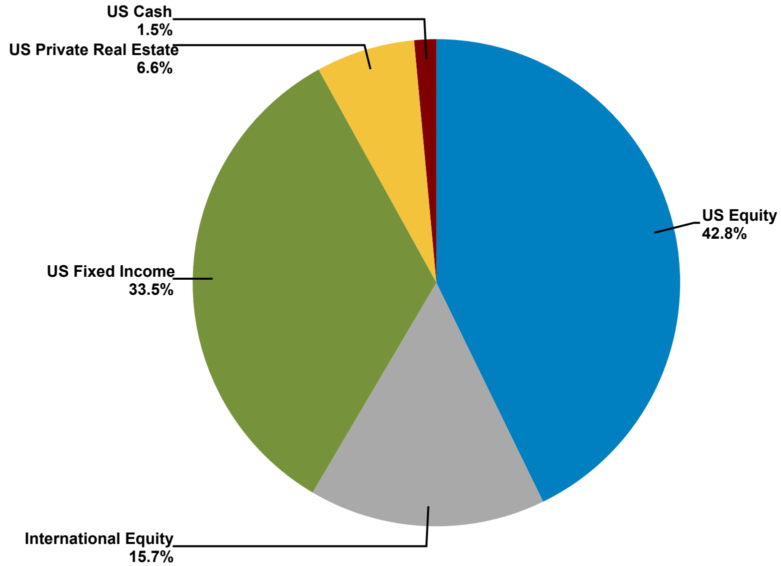
| Fiscal Year To Date | Market Value 01/01/2018 | Net Flows | Return On Investment | Market Value 12/31/2018 |
|---|---|---|---|---|
| **Police Total Fund** | **30,131,610** | **-421,790** | **-1,630,685** | **28,079,135** |
| **Total Domestic Equity** | **13,323,840** | **-1,351,164** | **-965,941** | **11,006,734** |
| Seizert Capital | 4,898,108 | -419,399 | -477,831 | 4,000,878 |
| ClearBridge (LSITX) | 5,000,125 | -931,765 | 54,864 | 4,123,224 |
| T. Rowe Price (TRMCX) | 1,246,354 | - | -132,191 | 1,114,163 |
| PGIM QMA SCV (TASVX) | 2,179,253 | - | -410,783 | 1,768,469 |
| **Total International Equity** | **4,153,084** | **1,000,000** | **-870,617** | **4,282,467** |
| AF EuroPacific Growth (RERGX) | - | 5,134,016 | -851,549 | 4,282,467 |
| Harbor International (HAINX) | 4,153,084 | -4,134,016 | -19,068 | - |
| **Total Domestic Fixed Income** | **10,541,238** | **-29,438** | **51,709** | **10,563,509** |
| C.S. McKee | 5,190,932 | -14,438 | 49,969 | 5,226,462 |
| Garcia Hamilton | - | 3,385,889 | 972 | 3,386,862 |
| Great Lakes Advisors | 5,350,307 | -3,400,889 | 768 | 1,950,186 |
| **Total Real Estate** | **1,923,672** | **-** | **152,760** | **2,076,432** |
| Principal Real Estate | 1,923,672 | - | 152,760 | 2,076,432 |
| Cash | 189,775 | -41,187 | 1,404 | 149,992 |

| 1 Year | Market Value 01/01/2018 | Net Flows | Return On Investment | Market Value 12/31/2018 |
|---|---|---|---|---|
| **Police Total Fund** | **30,131,610** | **-421,790** | **-1,630,685** | **28,079,135** |
| **Total Domestic Equity** | **13,323,840** | **-1,351,164** | **-965,941** | **11,006,734** |
| Seizert Capital | 4,898,108 | -419,399 | -477,831 | 4,000,878 |
| ClearBridge (LSITX) | 5,000,125 | -931,765 | 54,864 | 4,123,224 |
| T. Rowe Price (TRMCX) | 1,246,354 | - | -132,191 | 1,114,163 |
| PGIM QMA SCV (TASVX) | 2,179,253 | - | -410,783 | 1,768,469 |
| **Total International Equity** | **4,153,084** | **1,000,000** | **-870,617** | **4,282,467** |
| AF EuroPacific Growth (RERGX) | - | 5,134,016 | -851,549 | 4,282,467 |
| Harbor International (HAINX) | 4,153,084 | -4,134,016 | -19,068 | - |
| **Total Domestic Fixed Income** | **10,541,238** | **-29,438** | **51,709** | **10,563,509** |
| C.S. McKee | 5,190,932 | -14,438 | 49,969 | 5,226,462 |
| Garcia Hamilton | - | 3,385,889 | 972 | 3,386,862 |
| Great Lakes Advisors | 5,350,307 | -3,400,889 | 768 | 1,950,186 |
| **Total Real Estate** | **1,923,672** | **-** | **152,760** | **2,076,432** |
| Principal Real Estate | 1,923,672 | - | 152,760 | 2,076,432 |
| Cash | 189,775 | -41,187 | 1,404 | 149,992 |

**Asset Allocation Attributes**

| | Domestic Equity | | International Equity | | Domestic Fixed Income | | Real Estate | | Cash Equivalent | | Total Fund | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | ($) | % | ($) | % | ($) | % | ($) | % | ($) | % | ($) | % |
| **Police Total Fund** | **10,834,751** | **38.6** | **4,282,467** | **15.3** | **5,509,681** | **19.6** | **2,076,432** | **7.4** | **5,375,803** | **19.1** | **28,079,135** | **100.0** |
| **Total Domestic Equity** | **10,834,751** | **98.4** | **-** | **-** | **-** | **-** | **-** | **-** | **171,984** | **1.6** | **11,006,734** | **39.2** |
| Seizert Capital | 3,828,894 | 95.7 | - | - | - | - | - | - | 171,984 | 4.3 | 4,000,878 | 14.2 |
| ClearBridge (LSITX) | 4,123,224 | 100.0 | - | - | - | - | - | - | - | - | 4,123,224 | 14.7 |
| T. Rowe Price (TRMCX) | 1,114,163 | 100.0 | - | - | - | - | - | - | - | - | 1,114,163 | 4.0 |
| PGIM QMA SCV (TASVX) | 1,768,469 | 100.0 | - | - | - | - | - | - | - | - | 1,768,469 | 6.3 |
| **Total International Equity** | **-** | **-** | **4,282,467** | **100.0** | **-** | **-** | **-** | **-** | **-** | **-** | **4,282,467** | **15.3** |
| AF EuroPacific Growth (RERGX) | - | - | 4,282,467 | 100.0 | - | - | - | - | - | - | 4,282,467 | 15.3 |
| **Total Domestic Fixed Income** | **-** | **-** | **-** | **-** | **5,509,681** | **52.2** | **-** | **-** | **5,053,828** | **47.8** | **10,563,509** | **37.6** |
| C.S. McKee | - | - | - | - | 5,180,190 | 99.1 | - | - | 46,272 | 0.9 | 5,226,462 | 18.6 |
| Garcia Hamilton | - | - | - | - | 329,097 | 9.7 | - | - | 3,057,765 | 90.3 | 3,386,862 | 12.1 |
| Great Lakes Advisors | - | - | - | - | 394 | 0.0 | - | - | 1,949,792 | 100.0 | 1,950,186 | 6.9 |
| **Total Real Estate** | **-** | **-** | **-** | **-** | **-** | **-** | **2,076,432** | **100.0** | **-** | **-** | **2,076,432** | **7.4** |
| Principal Real Estate | - | - | - | - | - | - | 2,076,432 | 100.0 | - | - | 2,076,432 | 7.4 |
| Cash | - | - | - | - | - | - | - | - | 149,992 | 100.0 | 149,992 | 0.5 |

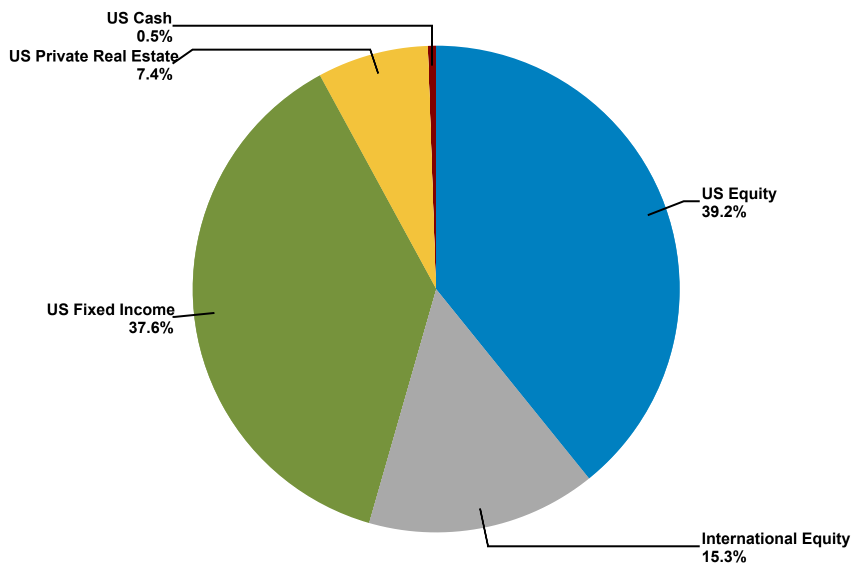
**September 30, 2018 : $31,216,144**




**Allocation**

| | Market Value | Allocation |
|---|---|---|
| US Equity | 13,355,516 | 42.8 |
| International Equity | 4,899,492 | 15.7 |
| US Fixed Income | 10,451,654 | 33.5 |
| US Private Real Estate | 2,051,635 | 6.6 |
| US Cash | 457,847 | 1.5 |

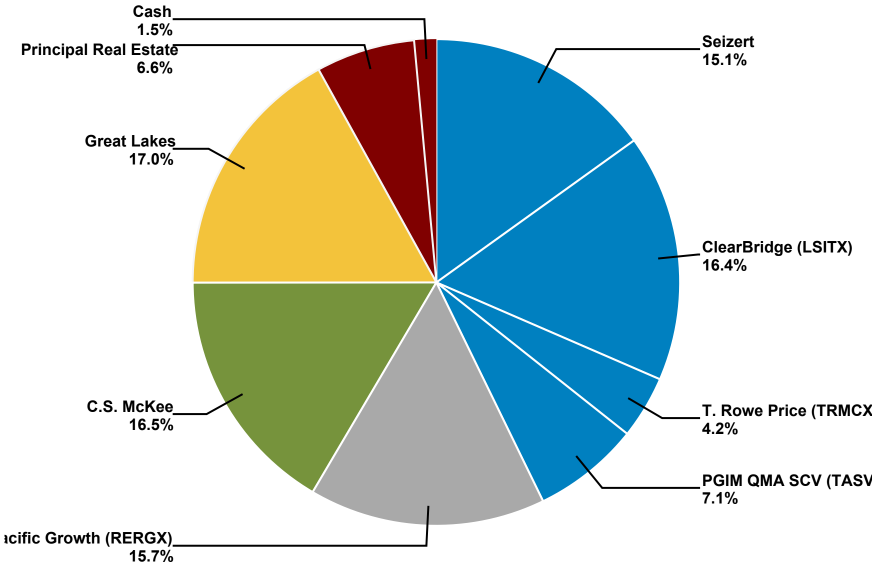
**December 31, 2018 : $28,079,135**




**Allocation**

| | Market Value | Allocation |
|---|---|---|
| US Equity | 11,006,734 | 39.2 |
| International Equity | 4,282,467 | 15.3 |
| US Fixed Income | 10,563,509 | 37.6 |
| US Private Real Estate | 2,076,432 | 7.4 |
| US Cash | 149,992 | 0.5 |

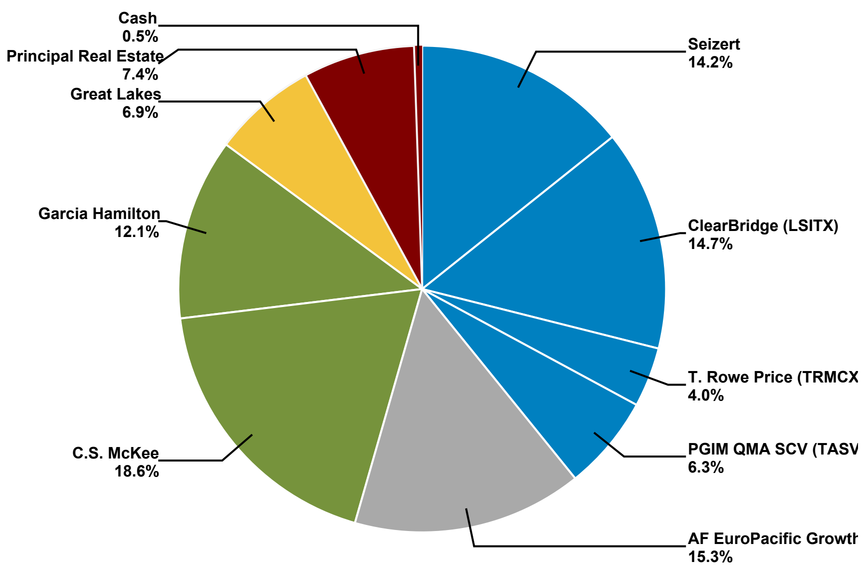
### September 30, 2018 : $31,216,144




### Allocation

| | Market Value | Allocation |
|---|---|---|
| Seizert | 4,702,774 | 15.1 |
| ClearBridge (LSITX) | 5,134,564 | 16.4 |
| T. Rowe Price (TRMCX) | 1,303,342 | 4.2 |
| PGIM QMA SCV (TASVX) | 2,214,837 | 7.1 |
| AF EuroPacific Growth (RERGX) | 4,899,492 | 15.7 |
| C.S. McKee | 5,152,414 | 16.5 |
| Garcia Hamilton | - | 0.0 |
| Great Lakes | 5,299,240 | 17.0 |
| Principal Real Estate | 2,051,635 | 6.6 |
| Cash | 457,847 | 1.5 |

### December 31, 2018 : $28,079,135



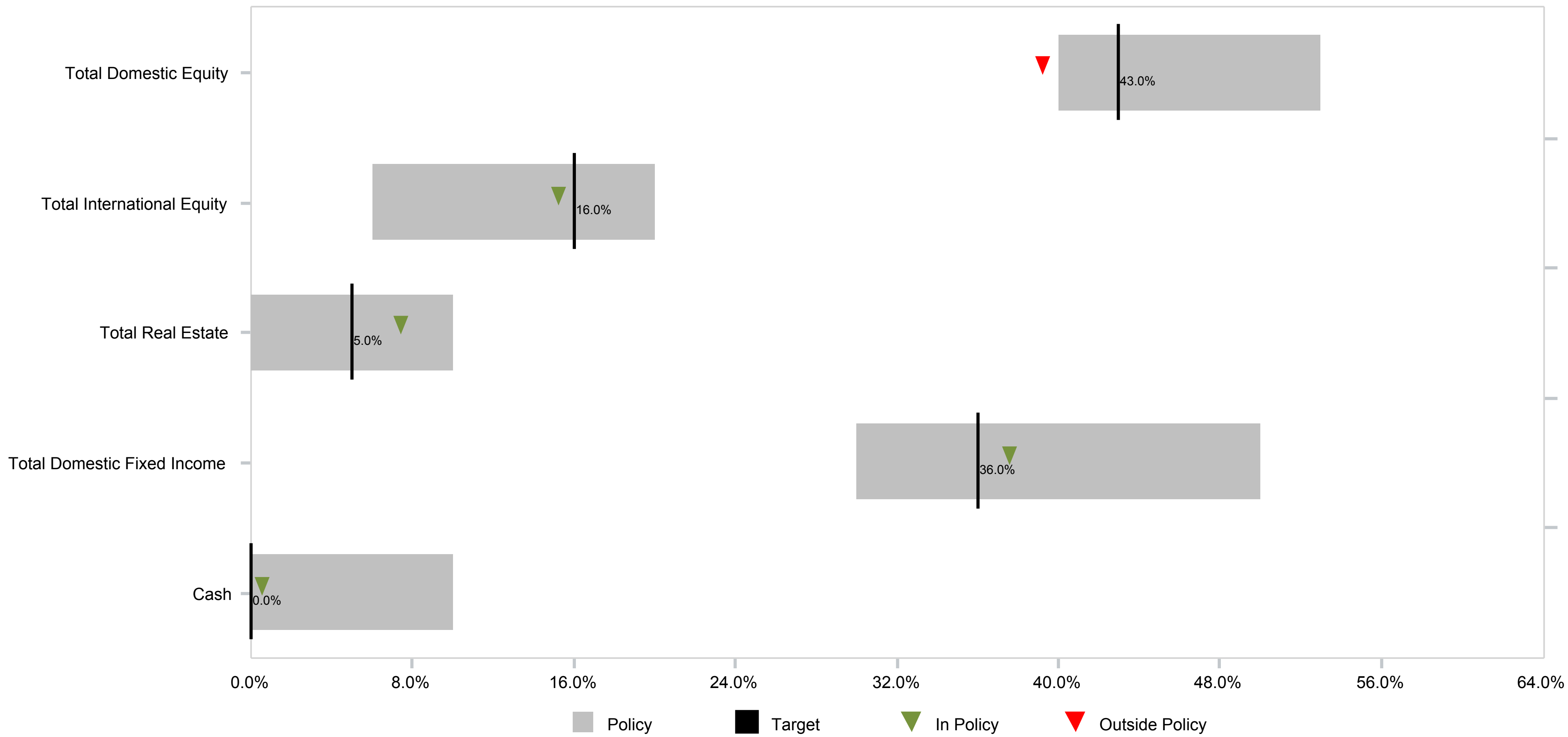

### Allocation

| | Market Value | Allocation |
|---|---|---|
| Seizert | 4,000,878 | 14.2 |
| ClearBridge (LSITX) | 4,123,224 | 14.7 |
| T. Rowe Price (TRMCX) | 1,114,163 | 4.0 |
| PGIM QMA SCV (TASVX) | 1,768,469 | 6.3 |
| AF EuroPacific Growth (RERGX) | 4,282,467 | 15.3 |
| C.S. McKee | 5,226,462 | 18.6 |
| Garcia Hamilton | 3,386,862 | 12.1 |
| Great Lakes | 1,950,186 | 6.9 |
| Principal Real Estate | 2,076,432 | 7.4 |
| Cash | 149,992 | 0.5 |

## Asset Allocation Compliance

| | Asset Allocation $ | Current Allocation (%) | Minimum Allocation (%) | Target Allocation (%) | Maximum Allocation (%) | Target Rebal. ($) | Differences (%) |
|---|---|---|---|---|---|---|---|
| Police Total Fund | 28,079,135 | 100.0 | | 100.0 | | - | 0.0 |
| Total Domestic Equity | 11,006,734 | 39.2 | 40.0 | 43.0 | 53.0 | 1,067,294 | -3.8 |
| Total International Equity | 4,282,467 | 15.3 | 6.0 | 16.0 | 20.0 | 210,195 | -0.7 |
| Total Real Estate | 2,076,432 | 7.4 | 0.0 | 5.0 | 10.0 | -672,475 | 2.4 |
| Total Domestic Fixed Income | 10,563,509 | 37.6 | 30.0 | 36.0 | 50.0 | -455,021 | 1.6 |
| Cash | 149,992 | 0.5 | 0.0 | 0.0 | 10.0 | -149,992 | 0.5 |

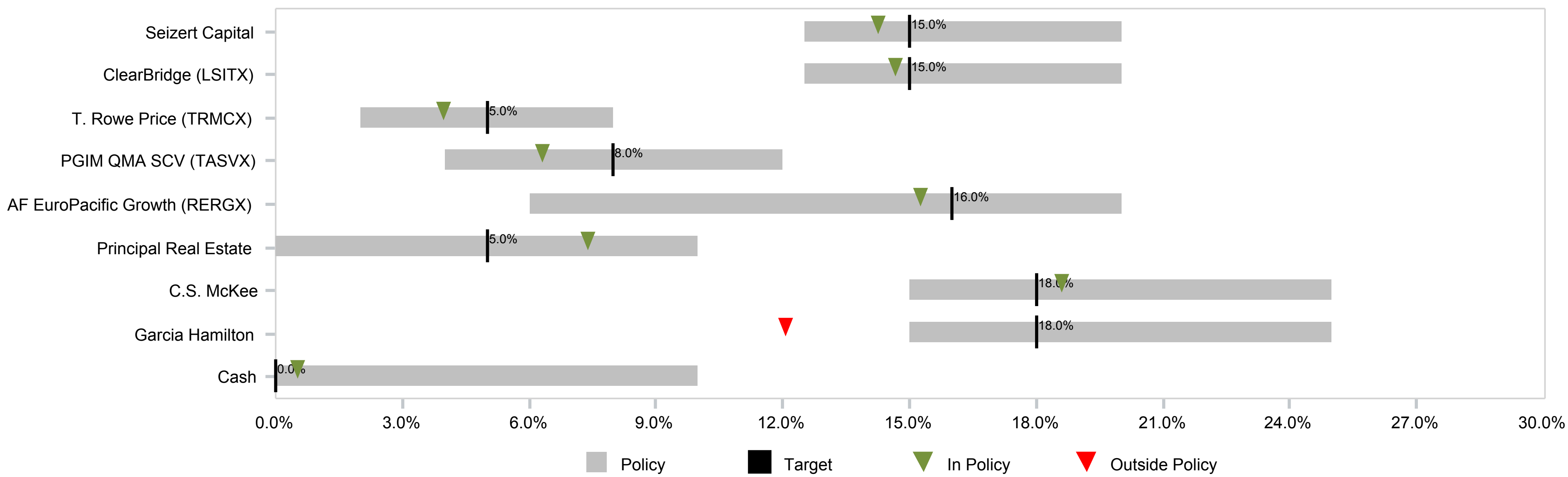
## Allocation Summary



## Asset Allocation Compliance

| | Asset Allocation $ | Current Allocation (%) | Minimum Allocation (%) | Target Allocation (%) | Maximum Allocation (%) | Target Rebal. ($) | Differences (%) |
|---|---|---|---|---|---|---|---|
| Police Total Fund | 28,079,135 | 100.0 | | 100.0 | | - | 0.0 |
| Total Equity | 15,289,201 | 54.5 | | 59.0 | | 1,277,488 | -4.5 |
| Total Domestic Equity | 11,006,734 | 39.2 | | 43.0 | | 1,067,294 | -3.8 |
| Seizert Capital | 4,000,878 | 14.2 | 12.5 | 15.0 | 20.0 | 210,992 | -0.8 |
| ClearBridge (LSITX) | 4,123,224 | 14.7 | 12.5 | 15.0 | 20.0 | 88,646 | -0.3 |
| T. Rowe Price (TRMCX) | 1,114,163 | 4.0 | 2.0 | 5.0 | 8.0 | 289,794 | -1.0 |
| PGIM QMA SCV (TASVX) | 1,768,469 | 6.3 | 4.0 | 8.0 | 12.0 | 477,861 | -1.7 |
| Total International Equity | 4,282,467 | 15.3 | | 16.0 | | 210,195 | -0.7 |
| AF EuroPacific Growth (RERGX) | 4,282,467 | 15.3 | 6.0 | 16.0 | 20.0 | 210,195 | -0.7 |
| Total Real Estate | 2,076,432 | 7.4 | | 5.0 | | -672,475 | 2.4 |
| Principal Real Estate | 2,076,432 | 7.4 | 0.0 | 5.0 | 10.0 | -672,475 | 2.4 |
| Total Fixed Income | 10,563,509 | 37.6 | | 36.0 | | -455,021 | 1.6 |
| Total Domestic Fixed Income | 10,563,509 | 37.6 | | 36.0 | | -455,021 | 1.6 |
| C.S. McKee | 5,226,462 | 18.6 | 15.0 | 18.0 | 25.0 | -172,218 | 0.6 |
| Garcia Hamilton | 3,386,862 | 12.1 | 15.0 | 18.0 | 25.0 | 1,667,383 | -5.9 |
| Great Lakes Advisors | 1,950,186 | 6.9 | | | | - | |
| Cash | 149,992 | 0.5 | 0.0 | 0.0 | 10.0 | -149,992 | 0.5 |

## Allocation Summary



**Comparative Performance**

| | QTR | | FYTD | | 1 YR | | 3 YR | | 5 YR | | 7 YR | | 10 YR | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Police Total Fund** | **-8.32** | **(56)** | **-5.48** | **(78)** | **-5.48** | **(78)** | **4.84** | **(68)** | **4.39** | **(49)** | **6.82** | **(59)** | **7.60** | **(70)** |
| Police - Total Fund Policy | -7.50 | (43) | -4.47 | (58) | -4.47 | (58) | 5.59 | (41) | 4.80 | (32) | 7.13 | (48) | 7.39 | (73) |
| All Master Trust - Total Fund Median | -7.98 | | -4.03 | | -4.03 | | 5.38 | | 4.36 | | 7.08 | | 8.22 | |
| **Police Total Fund** | **-8.32** | **(43)** | **-5.48** | **(75)** | **-5.48** | **(75)** | **4.84** | **(88)** | **4.39** | **(62)** | **6.82** | **(74)** | **7.60** | **(85)** |
| Police - Total Fund Policy | -7.50 | (21) | -4.47 | (48) | -4.47 | (48) | 5.59 | (49) | 4.80 | (40) | 7.13 | (57) | 7.39 | (89) |
| Master Trust >=45% and <65% Equity Median | -8.47 | | -4.55 | | -4.55 | | 5.57 | | 4.62 | | 7.34 | | 8.36 | |
| **Total Domestic Equity** | **-15.88** | **(54)** | **-8.19** | **(55)** | **-8.19** | **(55)** | **8.15** | **(37)** | **7.12** | **(32)** | **12.06** | **(31)** | **13.45** | **(31)** |
| Russell 3000 Index | -14.30 | (40) | -5.24 | (36) | -5.24 | (36) | 8.97 | (26) | 7.91 | (22) | 12.46 | (25) | 13.18 | (36) |
| IM U.S. Equity (SA+CF+MF) Median | -15.47 | | -7.43 | | -7.43 | | 7.11 | | 5.70 | | 10.85 | | 12.39 | |
| Seizert | -16.84 | (90) | -10.57 | (69) | -10.57 | (69) | 7.83 | (39) | 6.70 | (36) | 12.20 | (27) | 12.69 | (32) |
| Russell 1000 Value Index | -11.72 | (29) | -8.27 | (49) | -8.27 | (49) | 6.95 | (55) | 5.95 | (61) | 11.02 | (61) | 11.18 | (75) |
| IM U.S. Large Cap Value Equity (SA+CF) Median | -13.56 | | -8.40 | | -8.40 | | 7.23 | | 6.24 | | 11.41 | | 11.93 | |
| ClearBridge (LSITX) | -13.35 | (14) | 0.06 | (40) | 0.06 | (40) | N/A | | N/A | | N/A | | N/A | |
| Russell 1000 Growth Index | -15.89 | (53) | -1.51 | (59) | -1.51 | (59) | 11.15 | (17) | 10.40 | (15) | 14.14 | (23) | 15.29 | (19) |
| IM U.S. Large Cap Growth Equity (MF) Median | -15.78 | | -0.85 | | -0.85 | | 9.62 | | 9.11 | | 13.24 | | 14.08 | |
| T. Rowe Price (TRMCX) | -14.51 | (17) | -10.61 | (10) | -10.61 | (10) | 7.46 | (9) | 5.80 | (3) | 11.34 | (3) | 13.45 | (14) |
| Russell Midcap Value Index | -14.95 | (28) | -12.29 | (28) | -12.29 | (28) | 6.06 | (20) | 5.44 | (7) | 10.89 | (9) | 13.03 | (21) |
| IM U.S. Mid Cap Value Equity (MF) Median | -16.88 | | -13.80 | | -13.80 | | 4.16 | | 3.49 | | 9.50 | | 12.28 | |
| PGIM QMA SCV (TASVX) | -20.15 | (51) | -18.85 | (73) | -18.85 | (73) | 4.94 | (62) | N/A | | N/A | | N/A | |
| Russell 2000 Value Index | -18.67 | (35) | -12.86 | (31) | -12.86 | (31) | 7.37 | (30) | 3.61 | (15) | 9.57 | (19) | 10.40 | (50) |
| IM U.S. Small Cap Value Equity (MF) Median | -20.15 | | -15.68 | | -15.68 | | 5.53 | | 1.79 | | 8.42 | | 10.32 | |
| **Total International Equity** | **-12.59** | **(36)** | **-17.23** | **(73)** | **-17.23** | **(73)** | **0.66** | **(76)** | **-1.78** | **(87)** | **3.95** | **(79)** | **6.08** | **(48)** |
| MSCI AC World ex USA Index (Net) | -11.46 | (19) | -14.20 | (38) | -14.20 | (38) | 4.48 | (16) | 0.68 | (26) | 4.85 | (57) | 6.57 | (38) |
| IM International Large Cap Equity (MF) Median | -13.39 | | -15.29 | | -15.29 | | 2.14 | | -0.25 | | 5.04 | | 5.98 | |
| AF EuroPacific Growth (RERGX) | -12.59 | (43) | N/A | | N/A | | N/A | | N/A | | N/A | | N/A | |
| MSCI AC World ex USA Index (Net) | -11.46 | (28) | -14.20 | (43) | -14.20 | (43) | 4.48 | (23) | 0.68 | (41) | 4.85 | (66) | 6.57 | (49) |
| IM International Large Cap Growth Equity (MF) Median | -12.68 | | -15.06 | | -15.06 | | 2.84 | | 0.10 | | 5.36 | | 6.54 | |

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

| | QTR | | FYTD | | 1 YR | | 3 YR | | 5 YR | | 7 YR | | 10 YR | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total Domestic Fixed Income** | **1.14** | **(35)** | **0.49** | **(50)** | **0.49** | **(50)** | **1.69** | **(84)** | **2.12** | **(74)** | **1.98** | **(77)** | **2.90** | **(81)** |
| Police - Total Domestic Fixed Policy | 1.80 | (10) | 0.92 | (41) | 0.92 | (41) | 1.72 | (82) | 2.09 | (74) | 1.85 | (80) | 2.59 | (85) |
| IM U.S. Fixed Income (SA+CF) Median | 0.69 | | 0.49 | | 0.49 | | 2.62 | | 2.84 | | 2.94 | | 4.53 | |
| C.S. McKee | 1.51 | (37) | 0.97 | (51) | 0.97 | (51) | 1.90 | (63) | 2.25 | (41) | 1.99 | (68) | N/A | |
| Bloomberg Barclays US Interm Agg Index | 1.80 | (11) | 0.92 | (53) | 0.92 | (53) | 1.72 | (81) | 2.09 | (63) | 1.85 | (81) | 3.13 | (78) |
| IM U.S. Intermediate Duration (SA+CF) Median | 1.39 | | 0.97 | | 0.97 | | 1.99 | | 2.17 | | 2.17 | | 3.52 | |
| Garcia Hamilton | N/A | | N/A | | N/A | | N/A | | N/A | | N/A | | N/A | |
| Bloomberg Barclays Intermed Aggregate Index | 1.80 | (11) | 0.92 | (53) | 0.92 | (53) | 1.72 | (81) | 2.09 | (63) | 1.85 | (81) | 3.13 | (78) |
| IM U.S. Intermediate Duration (SA+CF) Median | 1.39 | | 0.97 | | 0.97 | | 1.99 | | 2.17 | | 2.17 | | 3.52 | |
| Great Lakes | 0.81 | (87) | 0.06 | (96) | 0.06 | (96) | 1.50 | (97) | 1.99 | (77) | 1.97 | (70) | N/A | |
| Bloomberg Barclays US Interm Agg Index | 1.80 | (11) | 0.92 | (53) | 0.92 | (53) | 1.72 | (81) | 2.09 | (63) | 1.85 | (81) | 3.13 | (78) |
| IM U.S. Intermediate Duration (SA+CF) Median | 1.39 | | 0.97 | | 0.97 | | 1.99 | | 2.17 | | 2.17 | | 3.52 | |
| **Real Estate** | | | | | | | | | | | | | | |
| Principal Real Estate | 1.21 | (93) | 7.94 | (84) | 7.94 | (84) | 8.23 | (68) | N/A | | N/A | | N/A | |
| NCREIF Fund Index-ODCE (EW) (Net) | 1.40 | (89) | 7.32 | (92) | 7.32 | (92) | 7.53 | (90) | 9.60 | (89) | 10.04 | (90) | 5.92 | (100) |
| IM U.S. Open End Private Real Estate (SA+CF) Median | 1.80 | | 8.71 | | 8.71 | | 8.79 | | 11.10 | | 11.85 | | 7.38 | |
| Cash | 0.22 | | 0.56 | | 0.56 | | 0.55 | | 0.35 | | 0.27 | | 0.23 | |
| 90 Day U.S. Treasury Bill | 0.56 | | 1.87 | | 1.87 | | 0.99 | | 0.61 | | 0.45 | | 0.35 | |

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

**Comparative Performance**

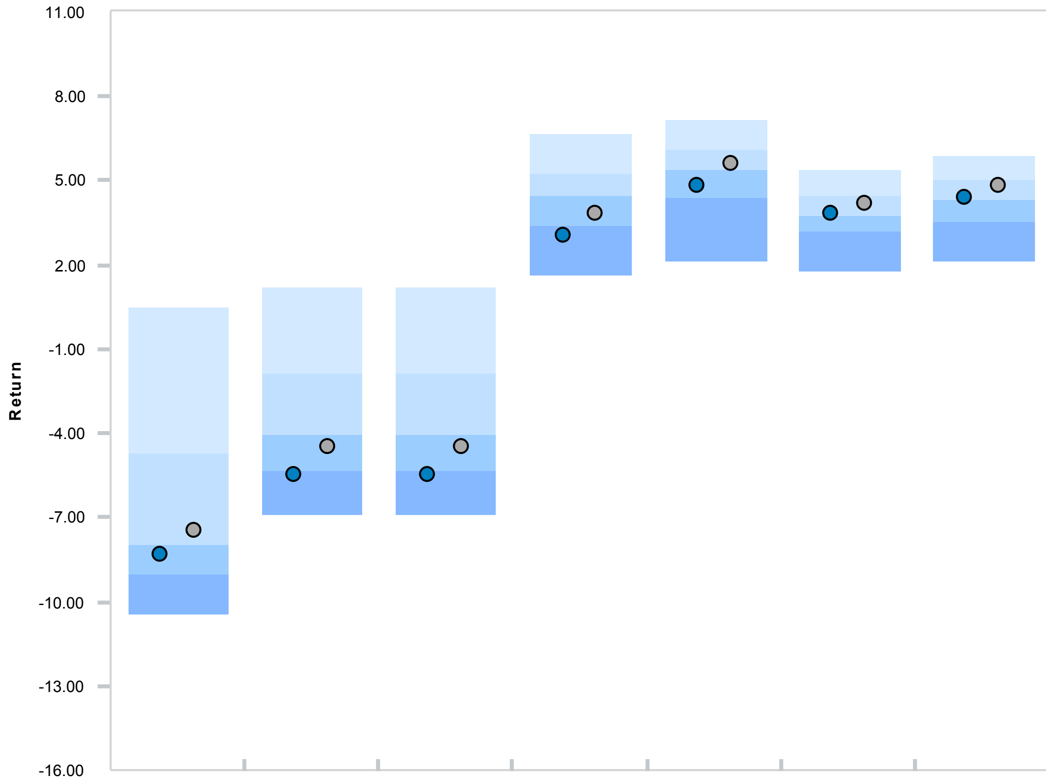
| | Dec-2018 | Dec-2017 | Dec-2016 | Dec-2015 | Dec-2014 | Dec-2013 | Dec-2012 | Dec-2011 | Dec-2010 | Dec-2009 | Dec-2008 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Police Total Fund** | **-5.48 (78)** | **12.39 (78)** | **8.46 (24)** | **0.93 (19)** | **6.61 (44)** | **15.85 (46)** | **10.47 (76)** | **2.81 (24)** | **10.03 (81)** | **15.84 (73)** | **-9.16 (10)** |
| Police - Total Fund Policy | -4.47 (58) | 12.77 (75) | 9.27 (13) | 0.08 (38) | 7.31 (33) | 16.42 (41) | 10.04 (80) | 2.59 (26) | 10.57 (77) | 11.09 (89) | -12.62 (12) |
| All Master Trust - Total Fund Median | -4.03 | 14.96 | 7.19 | -0.48 | 6.27 | 15.29 | 12.21 | 0.61 | 12.46 | 19.63 | -23.97 |
| **Police Total Fund** | **-5.48 (75)** | **12.39 (94)** | **8.46 (24)** | **0.93 (20)** | **6.61 (42)** | **15.85 (50)** | **10.47 (92)** | **2.81 (12)** | **10.03 (96)** | **15.84 (86)** | **-9.16 (1)** |
| Police - Total Fund Policy | -4.47 (48) | 12.77 (91) | 9.27 (13) | 0.08 (39) | 7.31 (28) | 16.42 (43) | 10.04 (95) | 2.59 (14) | 10.57 (93) | 11.09 (99) | -12.62 (1) |
| Master Trust >=45% and <65% Equity Median | -4.55 | 15.35 | 7.41 | -0.38 | 6.19 | 15.78 | 12.78 | -0.10 | 12.76 | 20.09 | -25.31 |
| **Total Domestic Equity** | **-8.19 (55)** | **18.45 (49)** | **16.31 (30)** | **0.91 (33)** | **10.52 (41)** | **34.19 (49)** | **17.21 (29)** | **0.27 (36)** | **16.12 (58)** | **36.78 (31)** | **-32.87 (20)** |
| Russell 3000 Index | -5.24 (36) | 21.13 (37) | 12.74 (45) | 0.48 (36) | 12.56 (25) | 33.55 (53) | 16.42 (37) | 1.03 (31) | 16.93 (55) | 28.34 (59) | -37.31 (46) |
| IM U.S. Equity (SA+CF+MF) Median | -7.43 | 18.18 | 11.71 | -1.45 | 9.18 | 33.88 | 15.25 | -1.67 | 17.89 | 30.46 | -37.92 |
| Seizert | -10.57 (69) | 17.78 (44) | 19.04 (17) | -2.90 (59) | 13.61 (33) | 35.25 (43) | 19.64 (15) | -1.57 (68) | 15.68 (39) | 29.60 (30) | N/A |
| Russell 1000 Value Index | -8.27 (49) | 13.66 (88) | 17.34 (25) | -3.83 (69) | 13.45 (35) | 32.53 (62) | 17.51 (29) | 0.39 (52) | 15.51 (41) | 19.69 (80) | -36.85 (64) |
| IM U.S. Large Cap Value Equity (SA+CF) Median | -8.40 | 17.21 | 14.42 | -2.25 | 12.22 | 34.27 | 15.64 | 0.60 | 14.63 | 25.26 | -35.35 |
| ClearBridge (LSITX) | 0.06 (40) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Russell 1000 Growth Index | -1.51 (59) | 30.21 (41) | 7.08 (8) | 5.67 (54) | 13.05 (22) | 33.48 (55) | 15.26 (46) | 2.64 (10) | 16.71 (34) | 37.21 (42) | -38.44 (39) |
| IM U.S. Large Cap Growth Equity (MF) Median | -0.85 | 29.46 | 2.11 | 6.00 | 10.46 | 33.94 | 14.76 | -1.77 | 15.19 | 35.22 | -39.77 |
| T. Rowe Price (TRMCX) | -10.61 (10) | 11.64 (62) | 24.33 (11) | -3.40 (28) | 10.62 (47) | 32.61 (80) | 20.61 (5) | -4.05 (58) | 17.41 (91) | 47.90 (9) | -34.08 (13) |
| Russell Midcap Value Index | -12.29 (28) | 13.34 (47) | 20.00 (34) | -4.78 (52) | 14.75 (11) | 33.46 (74) | 18.51 (23) | -1.38 (34) | 24.75 (30) | 34.21 (61) | -38.44 (51) |
| IM U.S. Mid Cap Value Equity (MF) Median | -13.80 | 12.67 | 17.39 | -4.58 | 10.30 | 35.97 | 16.57 | -3.16 | 21.69 | 36.99 | -38.36 |
| PGIM QMA SCV (TASVX) | -18.85 (73) | 6.31 (67) | 33.94 (12) | -7.05 (40) | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Russell 2000 Value Index | -12.86 (31) | 7.84 (57) | 31.74 (29) | -7.47 (47) | 4.22 (32) | 34.52 (54) | 18.05 (28) | -5.50 (57) | 24.50 (55) | 20.58 (82) | -28.92 (26) |
| IM U.S. Small Cap Value Equity (MF) Median | -15.68 | 8.44 | 29.90 | -7.59 | 2.69 | 35.16 | 15.36 | -4.00 | 24.82 | 28.83 | -31.91 |

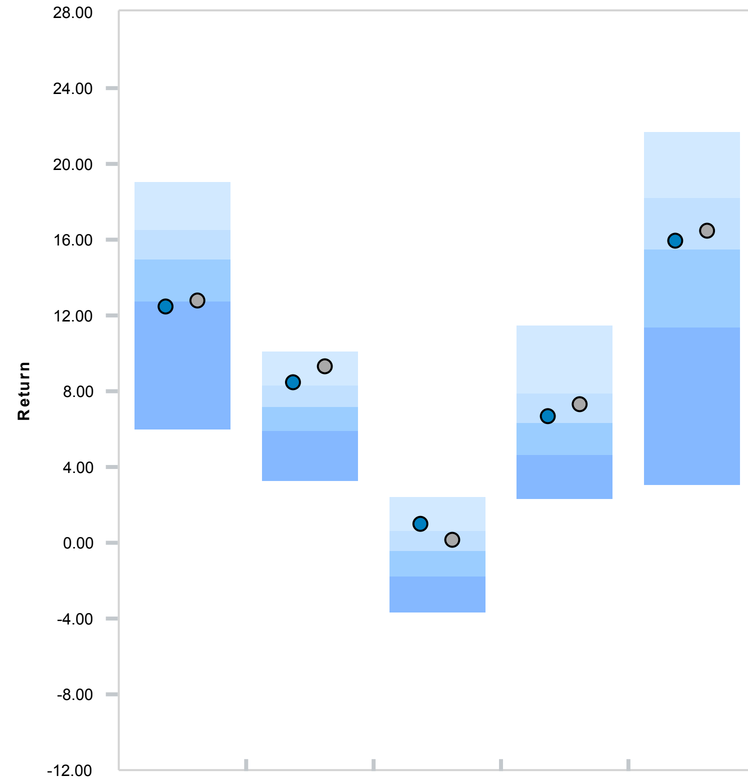
Returns for periods greater than one year are annualized.
Returns are expressed as percentages.

| | Dec-2018 | Dec-2017 | Dec-2016 | Dec-2015 | Dec-2014 | Dec-2013 | Dec-2012 | Dec-2011 | Dec-2010 | Dec-2009 | Dec-2008 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total International Equity** | **-17.23 (73)** | **22.90 (79)** | **0.26 (53)** | **-3.83 (83)** | **-6.81 (75)** | **17.74 (67)** | **21.84 (12)** | **-8.93 (16)** | **11.54 (30)** | **35.49 (26)** | **-44.42 (64)** |
| MSCI AC World ex USA Index (Net) | -14.20 (38) | 27.19 (44) | 4.50 (12) | -5.66 (89) | -3.87 (29) | 15.29 (77) | 16.83 (67) | -13.71 (59) | 11.15 (32) | 41.45 (9) | -45.53 (71) |
| IM International Large Cap Equity (MF) Median | -15.29 | 26.20 | 0.39 | -1.14 | -5.45 | 20.04 | 18.83 | -13.26 | 8.26 | 30.42 | -42.77 |
| AF EuroPacific Growth (RERGX) | N/A | 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) | -14.20 (43) | 27.19 (62) | 4.50 (12) | -5.66 (93) | -3.87 (35) | 15.29 (73) | 16.83 (72) | -13.71 (62) | 11.15 (50) | 41.45 (7) | -45.53 (77) |
| IM International Large Cap Growth Equity (MF) Median | -15.06 | 29.36 | -0.12 | -0.36 | -4.76 | 18.71 | 19.13 | -13.06 | 11.09 | 32.43 | -42.27 |
| **Total Domestic Fixed Income** | **0.49 (50)** | **2.25 (81)** | **2.35 (69)** | **1.67 (18)** | **3.85 (56)** | **-0.88 (64)** | **4.21 (75)** | **6.53 (49)** | **5.37 (76)** | **3.35 (90)** | **9.64 (5)** |
| Police - Total Domestic Fixed Policy | 0.92 (41) | 2.27 (81) | 1.97 (76) | 1.21 (31) | 4.12 (53) | -1.02 (67) | 3.56 (81) | 5.81 (59) | 5.45 (76) | 1.78 (94) | 10.36 (4) |
| IM U.S. Fixed Income (SA+CF) Median | 0.49 | 4.16 | 3.69 | 0.73 | 4.43 | -0.19 | 6.87 | 6.40 | 7.61 | 10.67 | 1.30 |
| C.S. McKee | 0.97 (51) | 2.21 (81) | 2.52 (40) | 1.94 (8) | 3.65 (48) | -0.87 (70) | 3.59 (87) | N/A | N/A | N/A | N/A |
| Bloomberg Barclays US Interm Agg Index | 0.92 (53) | 2.27 (76) | 1.97 (78) | 1.21 (63) | 4.12 (30) | -1.02 (80) | 3.56 (87) | 5.97 (45) | 6.15 (64) | 6.46 (66) | 4.86 (49) |
| IM U.S. Intermediate Duration (SA+CF) Median | 0.97 | 2.54 | 2.39 | 1.30 | 3.56 | -0.53 | 4.98 | 5.88 | 6.41 | 7.87 | 4.68 |
| 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 | 0.92 (53) | 2.27 (76) | 1.97 (78) | 1.21 (63) | 4.12 (30) | -1.02 (80) | 3.56 (87) | 5.97 (45) | 6.15 (64) | 6.46 (66) | 4.86 (49) |
| IM U.S. Intermediate Duration (SA+CF) Median | 0.97 | 2.54 | 2.39 | 1.30 | 3.56 | -0.53 | 4.98 | 5.88 | 6.41 | 7.87 | 4.68 |
| Great Lakes | 0.06 (96) | 2.29 (73) | 2.18 (67) | 1.40 (40) | 4.05 (33) | -0.89 (73) | 4.79 (54) | N/A | N/A | N/A | N/A |
| Bloomberg Barclays US Interm Agg Index | 0.92 (53) | 2.27 (76) | 1.97 (78) | 1.21 (63) | 4.12 (30) | -1.02 (80) | 3.56 (87) | 5.97 (45) | 6.15 (64) | 6.46 (66) | 4.86 (49) |
| IM U.S. Intermediate Duration (SA+CF) Median | 0.97 | 2.54 | 2.39 | 1.30 | 3.56 | -0.53 | 4.98 | 5.88 | 6.41 | 7.87 | 4.68 |
| **Real Estate** | | | | | | | | | | | |
| Principal Real Estate | 7.94 (84) | 7.91 (56) | 8.84 (77) | 13.42 (75) | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| NCREIF Fund Index-ODCE (EW) (Net) | 7.32 (92) | 6.92 (82) | 8.36 (84) | 14.18 (72) | 11.42 (90) | 12.36 (71) | 9.93 (87) | 14.99 (68) | 15.12 (59) | -31.30 (56) | -11.09 (48) |
| IM U.S. Open End Private Real Estate (SA+CF) Median | 8.71 | 8.08 | 9.63 | 15.23 | 13.59 | 14.47 | 12.45 | 15.86 | 15.81 | -30.39 | -12.23 |
| Cash | 0.56 | 1.04 | 0.05 | 0.04 | 0.06 | 0.05 | 0.10 | 0.09 | 0.12 | 0.21 | 1.96 |
| 90 Day U.S. Treasury Bill | 1.87 | 0.86 | 0.25 | 0.03 | 0.04 | 0.05 | 0.08 | 0.08 | 0.13 | 0.17 | 2.10 |

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

## Peer Group Analysis - All Master Trust - Total Fund



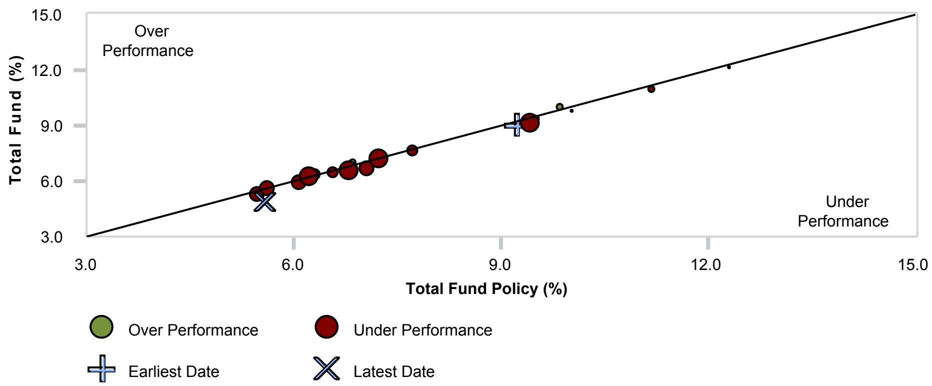

| | QTR | | FYTD | | 1 YR | | 2 YR | | 3 YR | | 4 YR | | 5 YR | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Fund | -8.32 | (56) | -5.48 | (78) | -5.48 | (78) | 3.07 | (82) | 4.84 | (68) | 3.85 | (48) | 4.39 | (49) |
| Total Policy | -7.50 | (43) | -4.47 | (58) | -4.47 | (58) | 3.79 | (66) | 5.59 | (41) | 4.18 | (36) | 4.80 | (32) |
| Median | -7.98 | | -4.03 | | -4.03 | | 4.47 | | 5.38 | | 3.76 | | 4.36 | |

| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Fund | 12.39 | (78) | 8.46 | (24) | 0.93 | (19) | 6.61 | (45) | 15.85 | (47) |
| Total Policy | 12.77 | (75) | 9.27 | (13) | 0.08 | (39) | 7.31 | (34) | 16.42 | (42) |
| Median | 14.96 | | 7.19 | | -0.46 | | 6.30 | | 15.44 | |

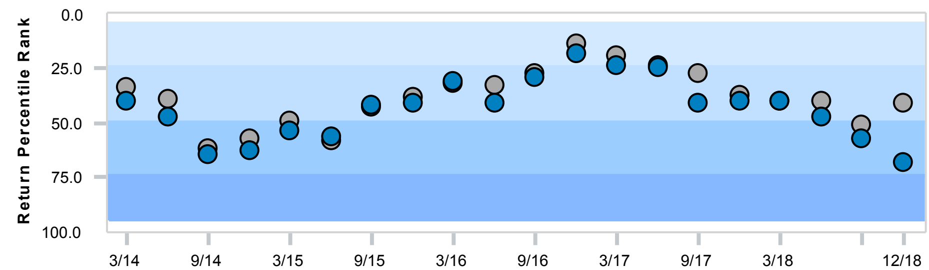
## Comparative Performance

| | 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 | | 1 Qtr Ending Jun-2017 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Fund | 2.62 | (47) | 0.99 | (47) | -0.52 | (55) | 2.98 | (76) | 2.77 | (75) | 2.49 | (71) |
| Total Fund Policy | 2.77 | (41) | 1.53 | (25) | -1.02 | (80) | 3.37 | (61) | 3.12 | (61) | 2.22 | (79) |
| All Master Trust - Total Fund Median | 2.53 | | 0.89 | | -0.46 | | 3.58 | | 3.30 | | 2.90 | |

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

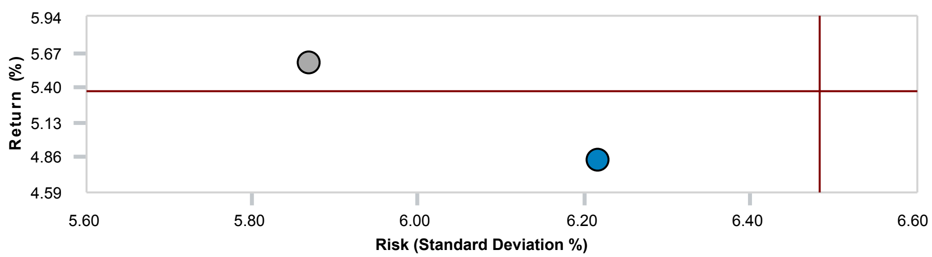



## 3 Yr Rolling Percentile Ranking - 5 Years



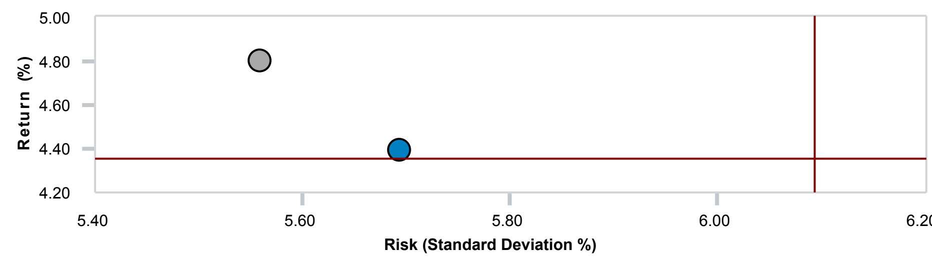

| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|---|---|---|---|---|
| Total Fund | 20 | 3 (15%) | 11 (55%) | 6 (30%) | 0 (0%) |
| Total Policy | 20 | 3 (15%) | 13 (65%) | 4 (20%) | 0 (0%) |

## Peer Group Scattergram - 3 Years




| | Return | Standard Deviation |
|---|---|---|
| Total Fund | 4.84 | 6.22 |
| Total Policy | 5.59 | 5.87 |
| Median | 5.38 | 6.49 |

## Peer Group Scattergram - 5 Years




| | Return | Standard Deviation |
|---|---|---|
| Total Fund | 4.39 | 5.69 |
| Total Policy | 4.80 | 5.56 |
| Median | 4.36 | 6.09 |

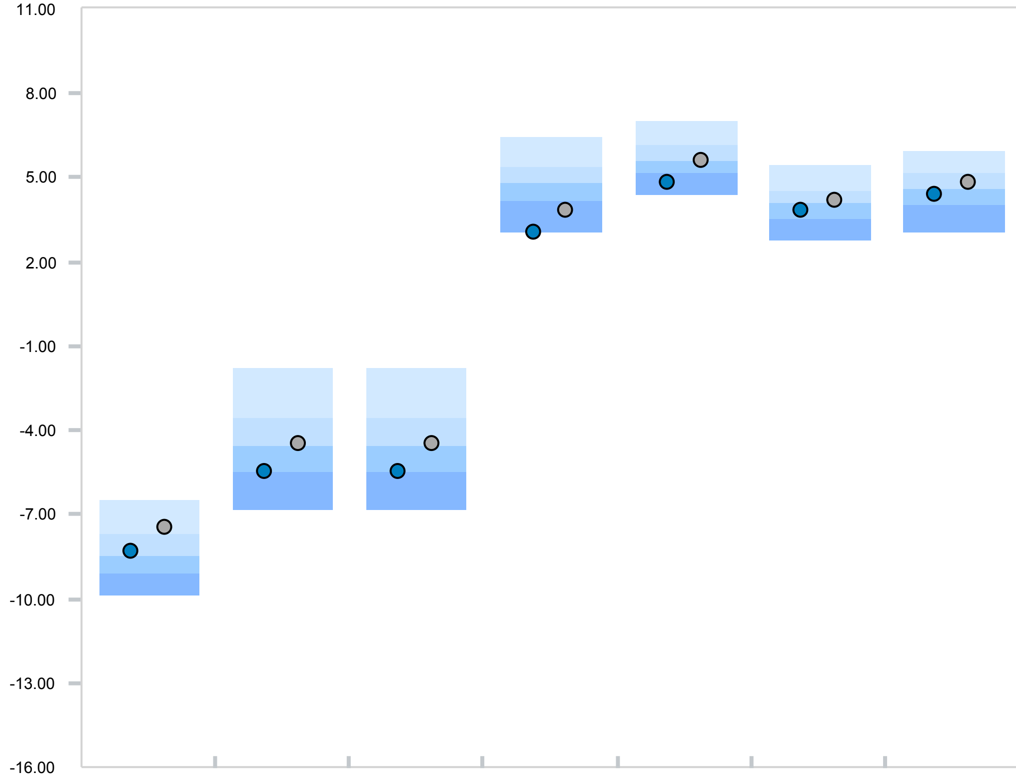
## Historical Statistics - 3 Years

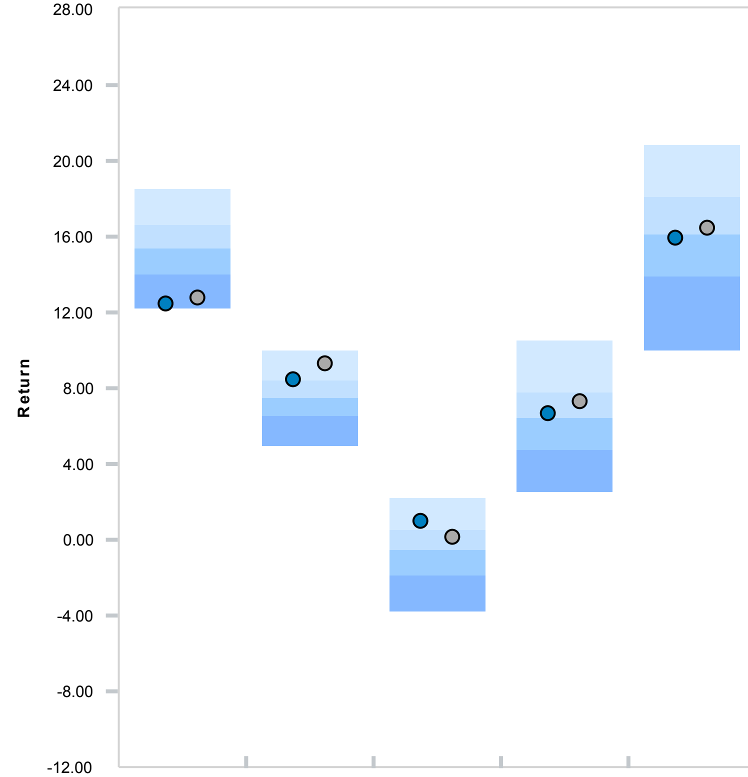
| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Total Fund | 0.86 | 93.01 | 103.74 | -0.98 | -0.82 | 0.62 | 1.05 | 4.81 |
| Total Fund Policy | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.77 | 1.00 | 4.37 |

## Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Total Fund | 1.00 | 93.26 | 95.23 | -0.42 | -0.38 | 0.67 | 1.01 | 4.24 |
| Total Fund Policy | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.75 | 1.00 | 3.95 |

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



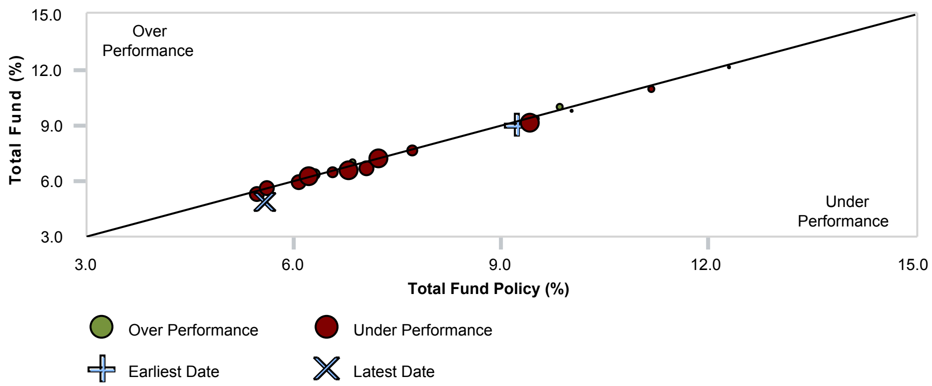

| | QTR | | FYTD | | 1 YR | | 2 YR | | 3 YR | | 4 YR | | 5 YR | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Fund | -8.32 | (43) | -5.48 | (75) | -5.48 | (75) | 3.07 | (95) | 4.84 | (88) | 3.85 | (62) | 4.39 | (62) |
| Total Policy | -7.50 | (21) | -4.47 | (48) | -4.47 | (48) | 3.79 | (84) | 5.59 | (49) | 4.18 | (45) | 4.80 | (40) |
| Median | -8.47 | | -4.55 | | -4.55 | | 4.80 | | 5.57 | | 4.11 | | 4.62 | |

| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Fund | 12.39 | (94) | 8.46 | (25) | 0.93 | (19) | 6.61 | (46) | 15.85 | (54) |
| Total Policy | 12.77 | (91) | 9.27 | (13) | 0.08 | (36) | 7.31 | (33) | 16.42 | (47) |
| Median | 15.35 | | 7.44 | | -0.58 | | 6.41 | | 16.11 | |

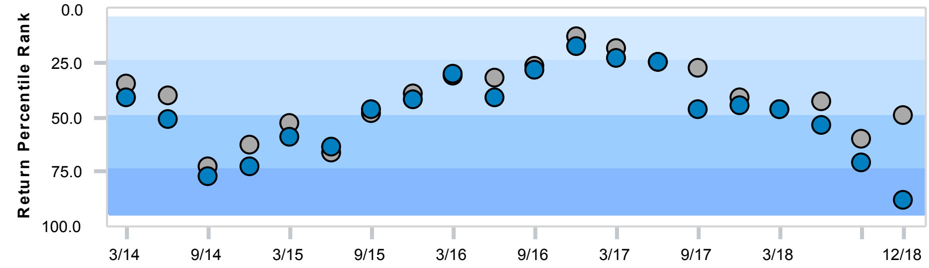
## Comparative Performance

| | 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 | | 1 Qtr Ending Jun-2017 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Fund | 2.62 | (58) | 0.99 | (52) | -0.52 | (62) | 2.98 | (93) | 2.77 | (93) | 2.49 | (82) |
| Total Fund Policy | 2.77 | (49) | 1.53 | (28) | -1.02 | (86) | 3.37 | (74) | 3.12 | (78) | 2.22 | (91) |
| Master Trust >=45% and <65% Equity Median | 2.74 | | 1.04 | | -0.38 | | 3.68 | | 3.45 | | 2.95 | |

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

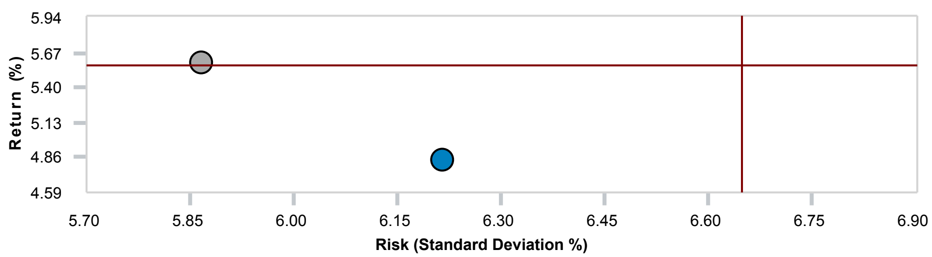



## 3 Yr Rolling Percentile Ranking - 5 Years



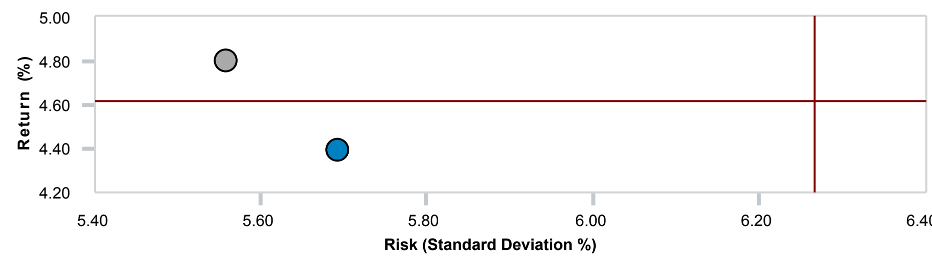

| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|---|---|---|---|---|
| Total Fund | 20 | 3 (15%) | 9 (45%) | 6 (30%) | 2 (10%) |
| Total Policy | 20 | 3 (15%) | 12 (60%) | 5 (25%) | 0 (0%) |

## Peer Group Scattergram - 3 Years




| | Return | Standard Deviation |
|---|---|---|
| Total Fund | 4.84 | 6.22 |
| Total Policy | 5.59 | 5.87 |
| Median | 5.57 | 6.65 |

## Peer Group Scattergram - 5 Years




| | Return | Standard Deviation |
|---|---|---|
| Total Fund | 4.39 | 5.69 |
| Total Policy | 4.80 | 5.56 |
| Median | 4.62 | 6.27 |

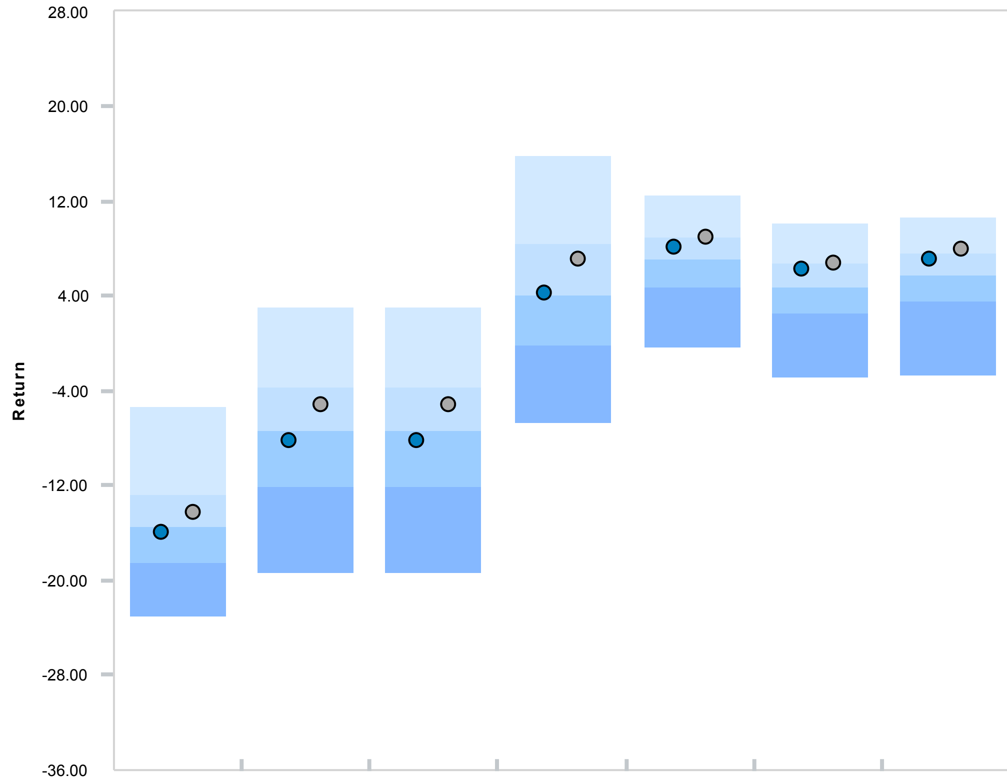
## Historical Statistics - 3 Years

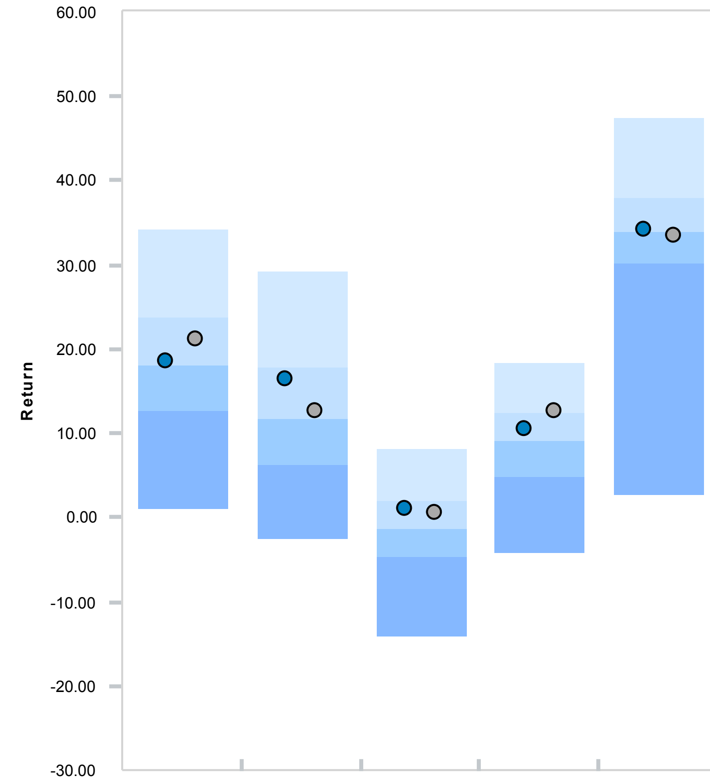
| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Total Fund | 0.86 | 93.01 | 103.74 | -0.98 | -0.82 | 0.62 | 1.05 | 4.81 |
| Total Fund Policy | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.77 | 1.00 | 4.37 |

## Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Total Fund | 1.00 | 93.26 | 95.23 | -0.42 | -0.38 | 0.67 | 1.01 | 4.24 |
| Total Fund Policy | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.75 | 1.00 | 3.95 |

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



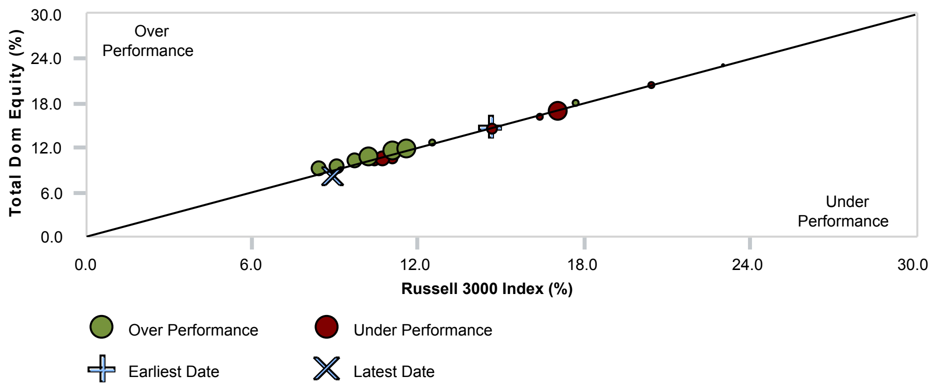

| | QTR | | FYTD | | 1 YR | | 2 YR | | 3 YR | | 4 YR | | 5 YR | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Dom Equity | -15.88 | (54) | -8.19 | (55) | -8.19 | (55) | 4.28 | (49) | 8.15 | (37) | 6.29 | (31) | 7.12 | (32) |
| Russell 3000 | -14.30 | (40) | -5.24 | (36) | -5.24 | (36) | 7.14 | (34) | 8.97 | (26) | 6.78 | (25) | 7.91 | (22) |
| Median | -15.47 | | -7.43 | | -7.43 | | 4.03 | | 7.11 | | 4.72 | | 5.70 | |

| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Dom Equity | 18.45 | (49) | 16.31 | (30) | 0.91 | (33) | 10.52 | (41) | 34.19 | (49) |
| Russell 3000 | 21.13 | (37) | 12.74 | (45) | 0.48 | (36) | 12.56 | (25) | 33.55 | (53) |
| Median | 18.18 | | 11.71 | | -1.45 | | 9.18 | | 33.88 | |

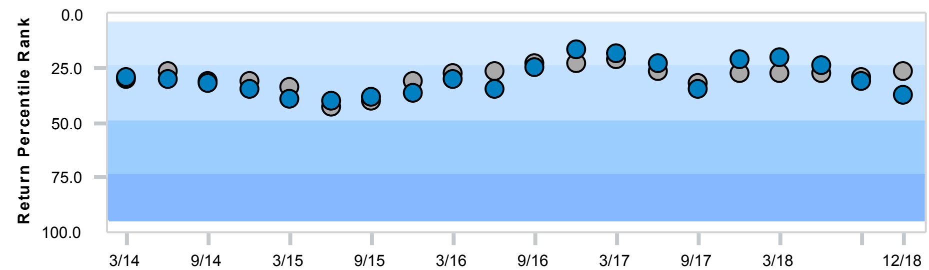
## Comparative Performance

| | 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 | | 1 Qtr Ending Jun-2017 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Dom Equity | 6.04 | (43) | 3.07 | (58) | -0.14 | (39) | 5.67 | (47) | 4.30 | (52) | 2.59 | (51) |
| Russell 3000 Index | 7.12 | (30) | 3.89 | (46) | -0.64 | (47) | 6.34 | (34) | 4.57 | (45) | 3.02 | (42) |
| IM U.S. Equity (SA+CF+MF) Median | 5.44 | | 3.57 | | -0.78 | | 5.50 | | 4.37 | | 2.61 | |

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

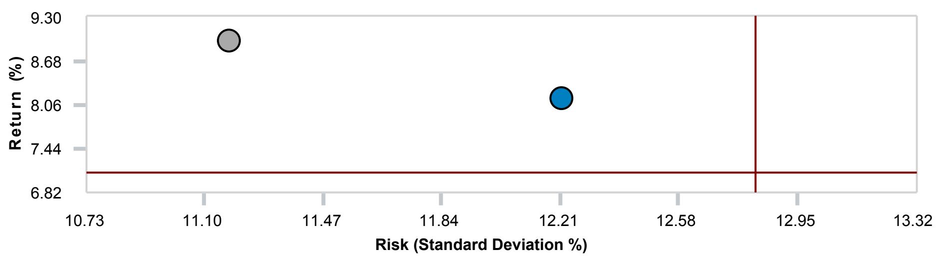



## 3 Yr Rolling Percentile Ranking - 5 Years



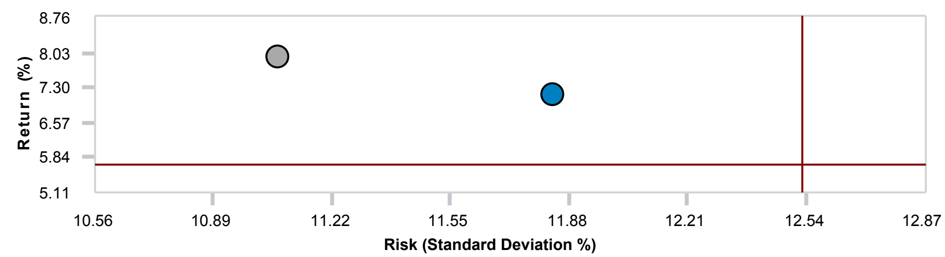

| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|---|---|---|---|---|
| Total Dom Equity | 20 | 7 (35%) | 13 (65%) | 0 (0%) | 0 (0%) |
| Russell 3000 | 20 | 3 (15%) | 17 (85%) | 0 (0%) | 0 (0%) |

## Peer Group Scattergram - 3 Years




| | Return | Standard Deviation |
|---|---|---|
| Total Dom Equity | 8.15 | 12.22 |
| Russell 3000 | 8.97 | 11.18 |
| Median | 7.11 | 12.82 |

## Peer Group Scattergram - 5 Years




| | Return | Standard Deviation |
|---|---|---|
| Total Dom Equity | 7.12 | 11.84 |
| Russell 3000 | 7.91 | 11.07 |
| Median | 5.70 | 12.53 |

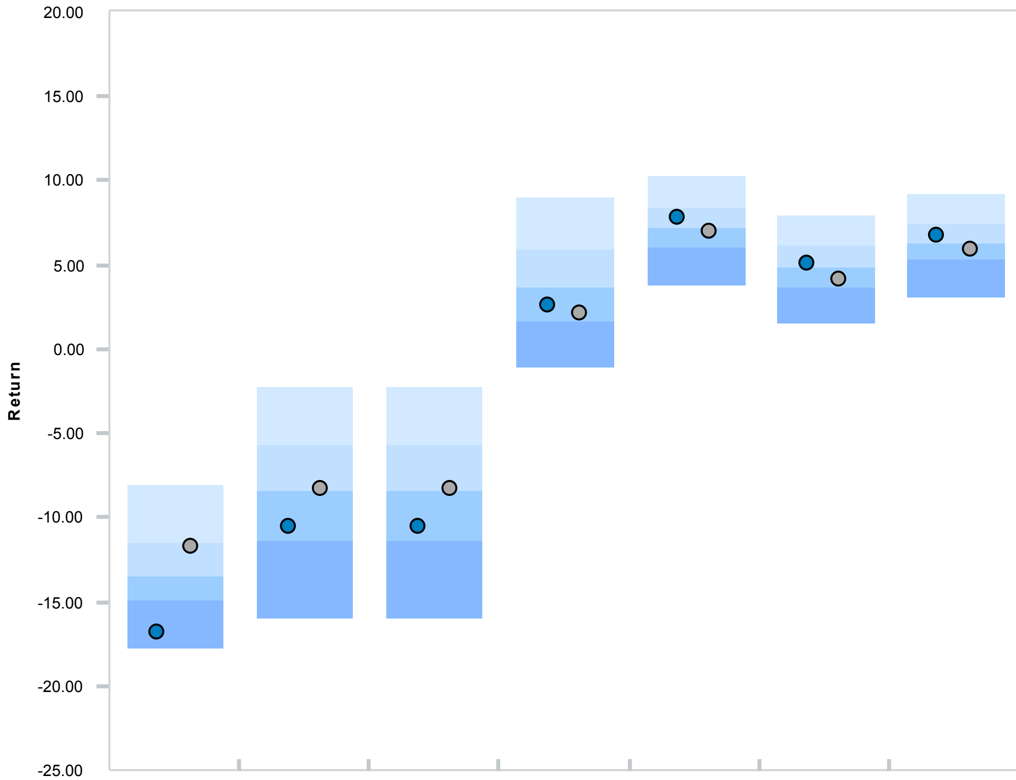
## Historical Statistics - 3 Years

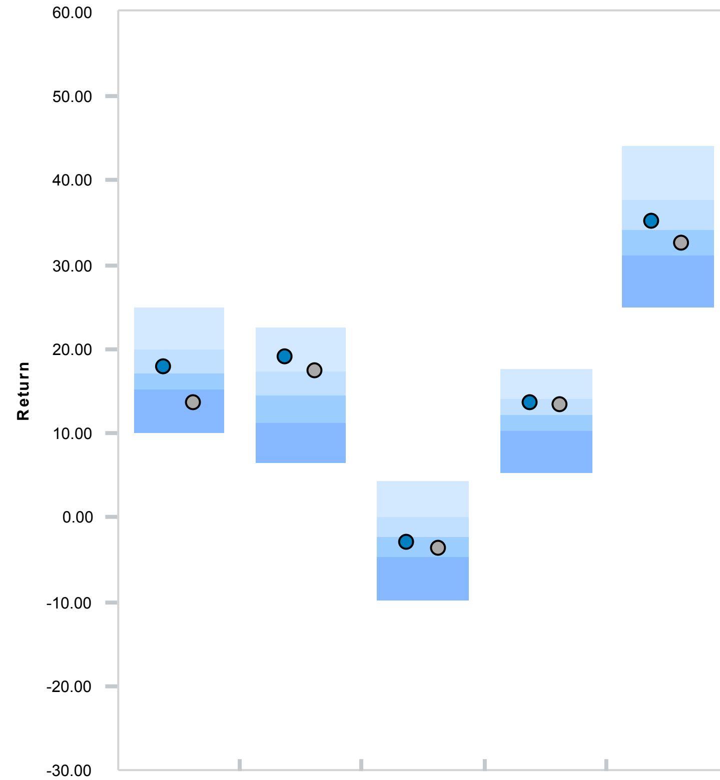
| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Total Dom Equity | 2.53 | 99.52 | 105.46 | -1.30 | -0.25 | 0.62 | 1.07 | 8.67 |
| Russell 3000 Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.74 | 1.00 | 8.06 |

## Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Total Dom Equity | 2.20 | 98.93 | 104.17 | -1.07 | -0.30 | 0.59 | 1.05 | 7.80 |
| Russell 3000 Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.69 | 1.00 | 7.40 |

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



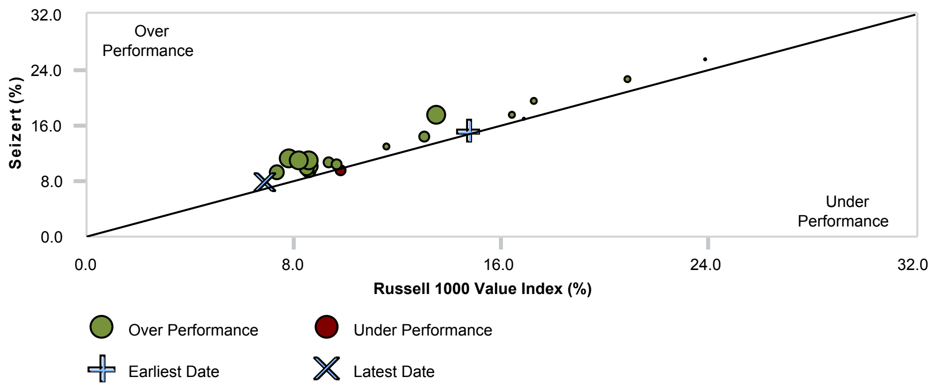

| | QTR | | FYTD | | 1 YR | | 2 YR | | 3 YR | | 4 YR | | 5 YR | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Seizert | -16.84 | (90) | -10.57 | (69) | -10.57 | (69) | 2.63 | (63) | 7.83 | (39) | 5.04 | (44) | 6.70 | (36) |
| R 1000 V Index | -11.72 | (29) | -8.27 | (49) | -8.27 | (49) | 2.11 | (70) | 6.95 | (55) | 4.15 | (65) | 5.95 | (61) |
| Median | -13.56 | | -8.40 | | -8.40 | | 3.61 | | 7.23 | | 4.81 | | 6.24 | |

| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| Seizert | 17.78 | (44) | 19.04 | (17) | -2.90 | (59) | 13.61 | (33) | 35.25 | (43) |
| R 1000 V Index | 13.66 | (88) | 17.34 | (25) | -3.83 | (69) | 13.45 | (35) | 32.53 | (62) |
| Median | 17.21 | | 14.42 | | -2.25 | | 12.22 | | 34.27 | |

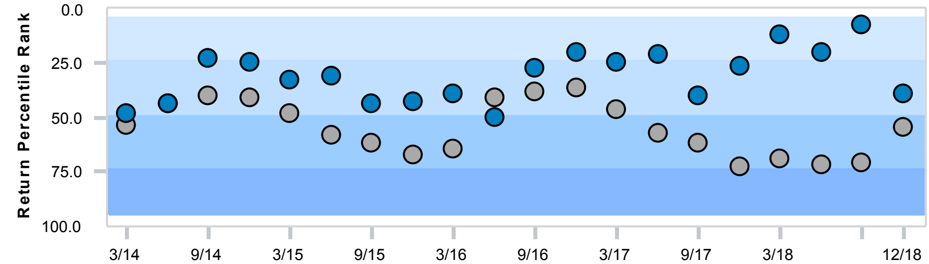
## Comparative Performance

| | 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 | | 1 Qtr Ending Jun-2017 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Seizert | 8.95 | (4) | -0.73 | (97) | -0.58 | (15) | 6.18 | (53) | 4.16 | (48) | 2.14 | (49) |
| Russell 1000 Value Index | 5.70 | (50) | 1.18 | (66) | -2.83 | (75) | 5.33 | (76) | 3.11 | (80) | 1.34 | (72) |
| IM U.S. Large Cap Value Equity (SA+CF) Median | 5.70 | | 1.73 | | -1.96 | | 6.31 | | 4.09 | | 2.06 | |

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

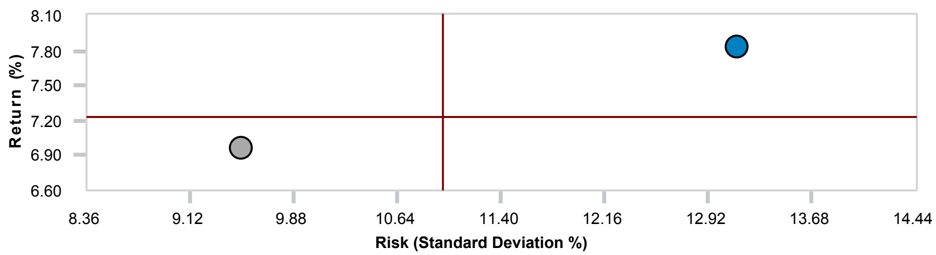



## 3 Yr Rolling Percentile Ranking - 5 Years



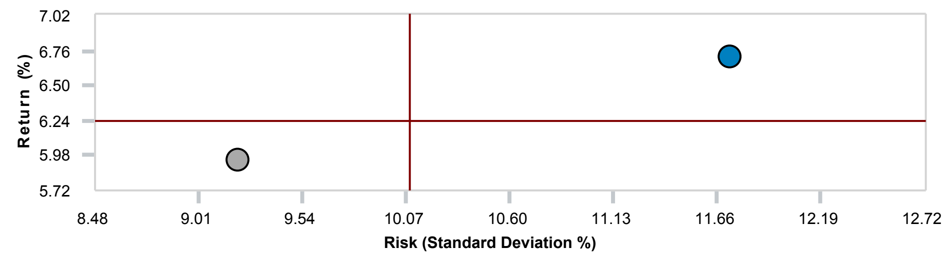

| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|---|---|---|---|---|
| Seizert | 20 | 8 (40%) | 12 (60%) | 0 (0%) | 0 (0%) |
| R 1000 V Index | 20 | 0 (0%) | 8 (40%) | 12 (60%) | 0 (0%) |

## Peer Group Scattergram - 3 Years




| | Return | Standard Deviation |
|---|---|---|
| Seizert | 7.83 | 13.14 |
| R 1000 V Index | 6.95 | 9.50 |
| Median | 7.23 | 10.98 |

## Peer Group Scattergram - 5 Years




| | Return | Standard Deviation |
|---|---|---|
| Seizert | 6.70 | 11.74 |
| R 1000 V Index | 5.95 | 9.21 |
| Median | 6.24 | 10.09 |

## Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Seizert | 4.77 | 109.81 | 106.29 | 0.19 | 0.23 | 0.57 | 1.12 | 8.80 |
| Russell 1000 Value Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.58 | 1.00 | 7.67 |

## Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Seizert | 4.14 | 107.21 | 103.17 | 0.26 | 0.22 | 0.53 | 1.10 | 8.19 |
| Russell 1000 Value Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.53 | 1.00 | 7.31 |

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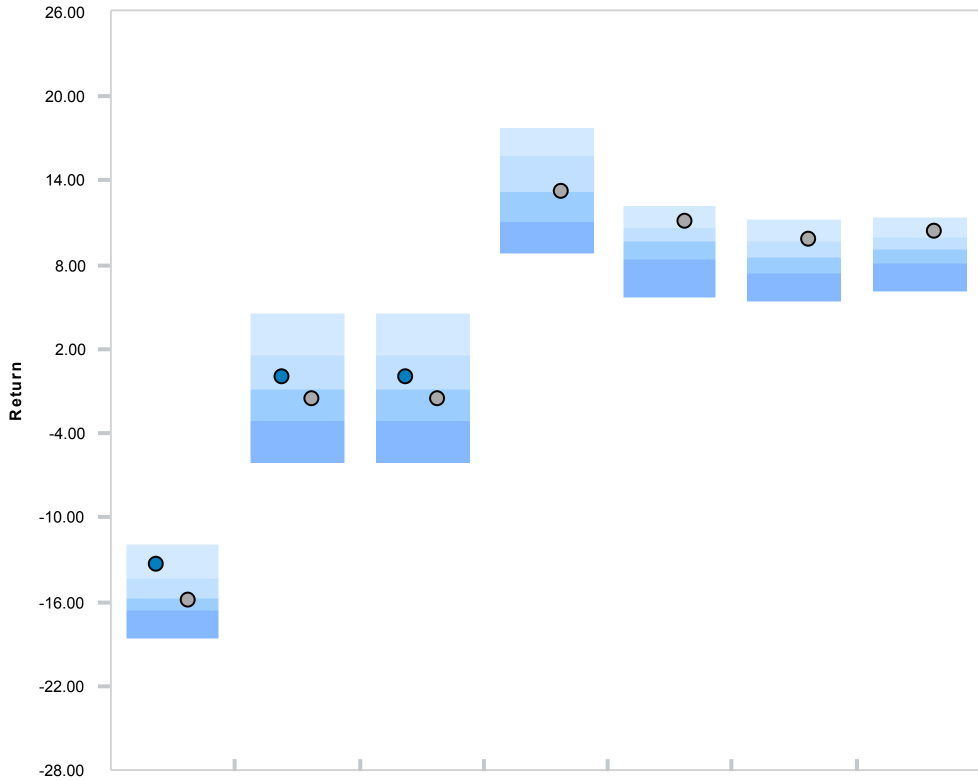
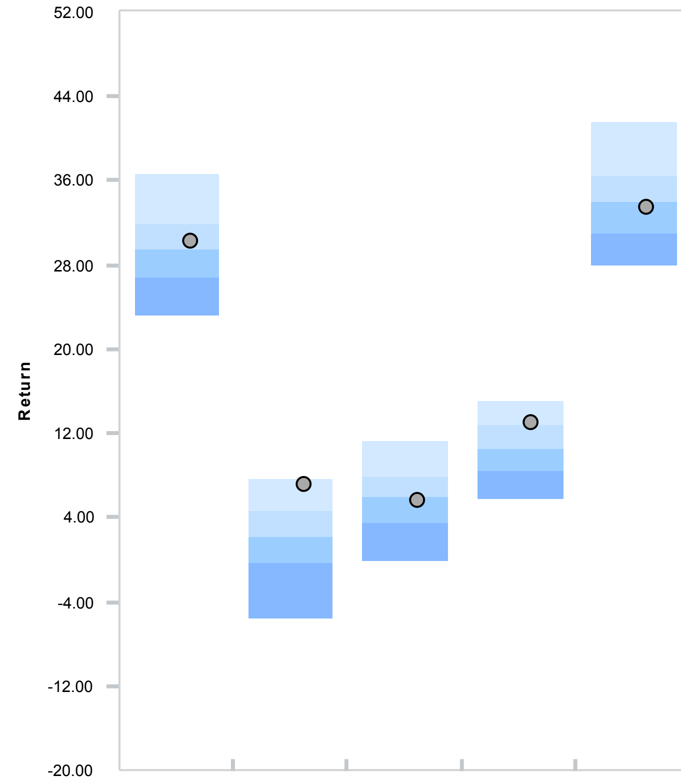
## Peer Group Analysis - IM U.S. Large Cap Growth Equity (MF)



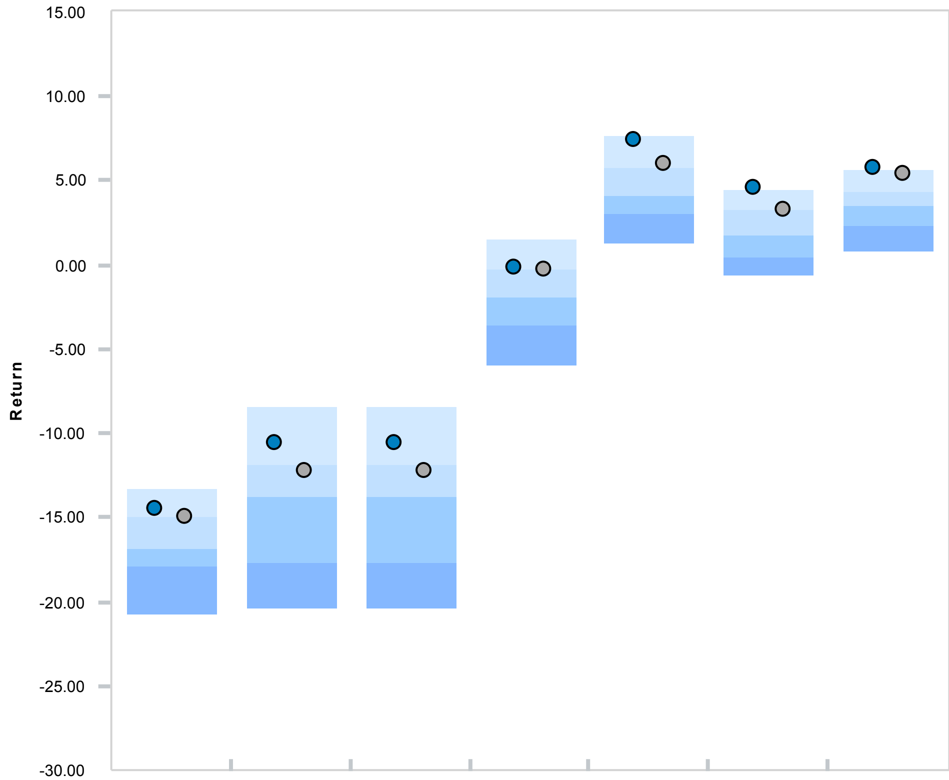

| | QTR | | FYTD | | 1 YR | | 2 YR | | 3 YR | | 4 YR | | 5 YR | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ● ClearBridge (LSITX) | -13.35 | (14) | 0.06 | (40) | 0.06 | (40) | N/A | | N/A | | N/A | | N/A | |
| ● R1000 Growth Idx | -15.89 | (53) | -1.51 | (59) | -1.51 | (59) | 13.24 | (50) | 11.15 | (17) | 9.75 | (24) | 10.40 | (15) |
| Median | -15.78 | | -0.85 | | -0.85 | | 13.19 | | 9.62 | | 8.58 | | 9.11 | |

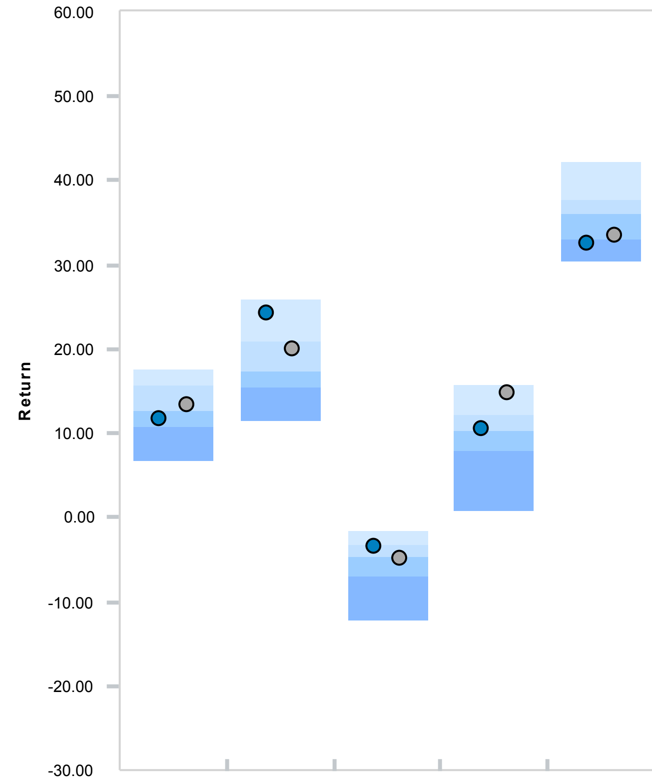
| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| ● ClearBridge (LSITX) | N/A | | N/A | | N/A | | N/A | | N/A | |
| ● R1000 Growth Idx | 30.21 | (41) | 7.08 | (8) | 5.67 | (54) | 13.05 | (22) | 33.48 | (55) |
| Median | 29.46 | | 2.11 | | 6.00 | | 10.46 | | 33.94 | |

## Comparative Performance

| | 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 | | 1 Qtr Ending Jun-2017 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ClearBridge (LSITX) | 7.78 | (50) | 5.31 | (66) | 1.73 | (73) | N/A | | N/A | | N/A | |
| Russell 1000 Growth Index | 9.17 | (11) | 5.76 | (51) | 1.42 | (79) | 7.86 | (6) | 5.90 | (35) | 4.67 | (70) |
| IM U.S. Large Cap Growth Equity (MF) Median | 7.78 | | 5.80 | | 2.84 | | 5.49 | | 5.49 | | 5.37 | |

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



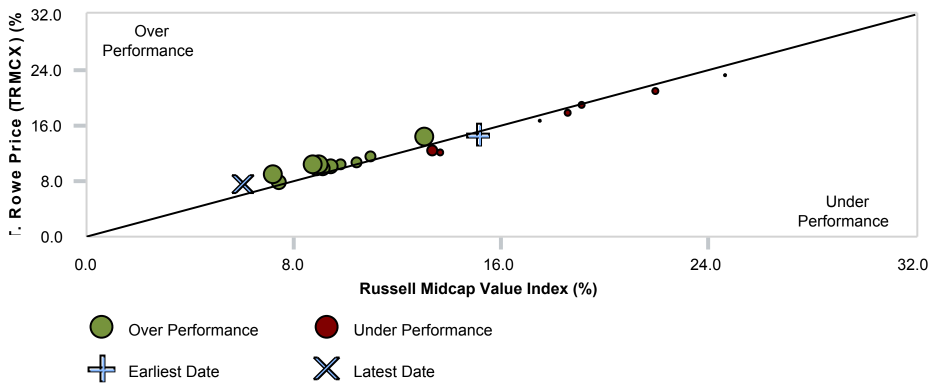

| | QTR | | FYTD | | 1 YR | | 2 YR | | 3 YR | | 4 YR | | 5 YR | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| T. Rowe Price (TRMCX) | -14.51 | (17) | -10.61 | (10) | -10.61 | (10) | -0.10 | (23) | 7.46 | (9) | 4.63 | (3) | 5.80 | (3) |
| R Midcap Value | -14.95 | (28) | -12.29 | (28) | -12.29 | (28) | -0.29 | (26) | 6.06 | (20) | 3.24 | (26) | 5.44 | (7) |
| Median | -16.88 | | -13.80 | | -13.80 | | -1.92 | | 4.16 | | 1.77 | | 3.49 | |

| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| T. Rowe Price (TRMCX) | 11.64 | (62) | 24.33 | (11) | -3.40 | (28) | 10.62 | (47) | 32.61 | (80) |
| R Midcap Value | 13.34 | (47) | 20.00 | (34) | -4.78 | (52) | 14.75 | (11) | 33.46 | (74) |
| Median | 12.67 | | 17.39 | | -4.58 | | 10.30 | | 35.97 | |

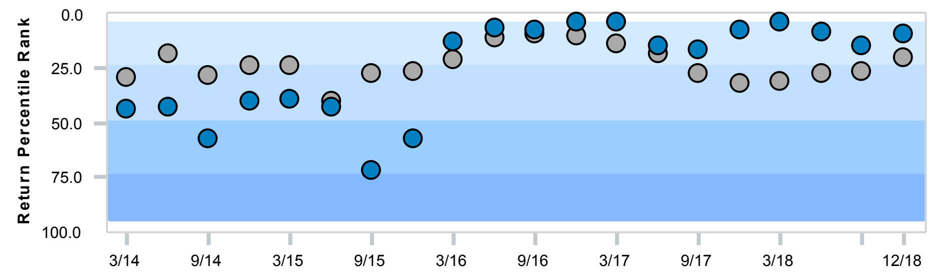
## Comparative Performance

| | 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 | | 1 Qtr Ending Jun-2017 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| T. Rowe Price (TRMCX) | 1.24 | (82) | 3.97 | (13) | -0.66 | (10) | 5.16 | (49) | 2.97 | (40) | -0.13 | (79) |
| Russell Midcap Value Index | 3.30 | (27) | 2.41 | (36) | -2.50 | (69) | 5.50 | (42) | 2.14 | (65) | 1.37 | (52) |
| IM U.S. Mid Cap Value Equity (MF) Median | 2.87 | | 1.97 | | -1.98 | | 5.11 | | 2.68 | | 1.37 | |

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

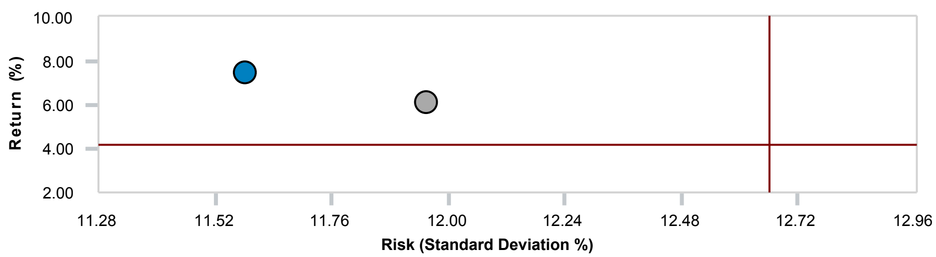



## 3 Yr Rolling Percentile Ranking - 5 Years



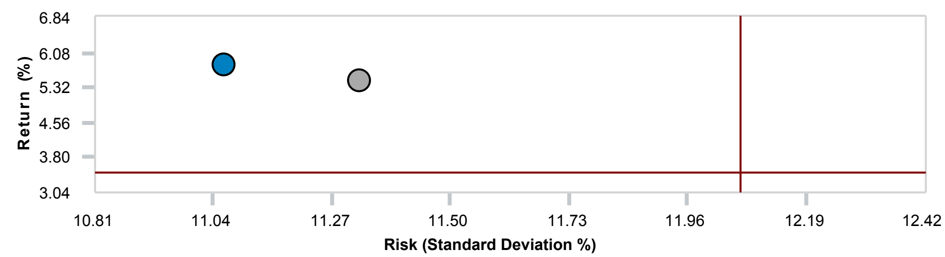

| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|---|---|---|---|---|
| T. Rowe Price (TRMCX) | 20 | 12 (60%) | 5 (25%) | 3 (15%) | 0 (0%) |
| R Midcap Value | 20 | 10 (50%) | 10 (50%) | 0 (0%) | 0 (0%) |

## Peer Group Scattergram - 3 Years




| | Return | Standard Deviation |
|---|---|---|
| T. Rowe Price (TRMCX) | 7.46 | 11.58 |
| R Midcap Value | 6.06 | 11.96 |
| Median | 4.16 | 12.66 |

## Peer Group Scattergram - 5 Years




| | Return | Standard Deviation |
|---|---|---|
| T. Rowe Price (TRMCX) | 5.80 | 11.06 |
| R Midcap Value | 5.44 | 11.32 |
| Median | 3.49 | 12.06 |

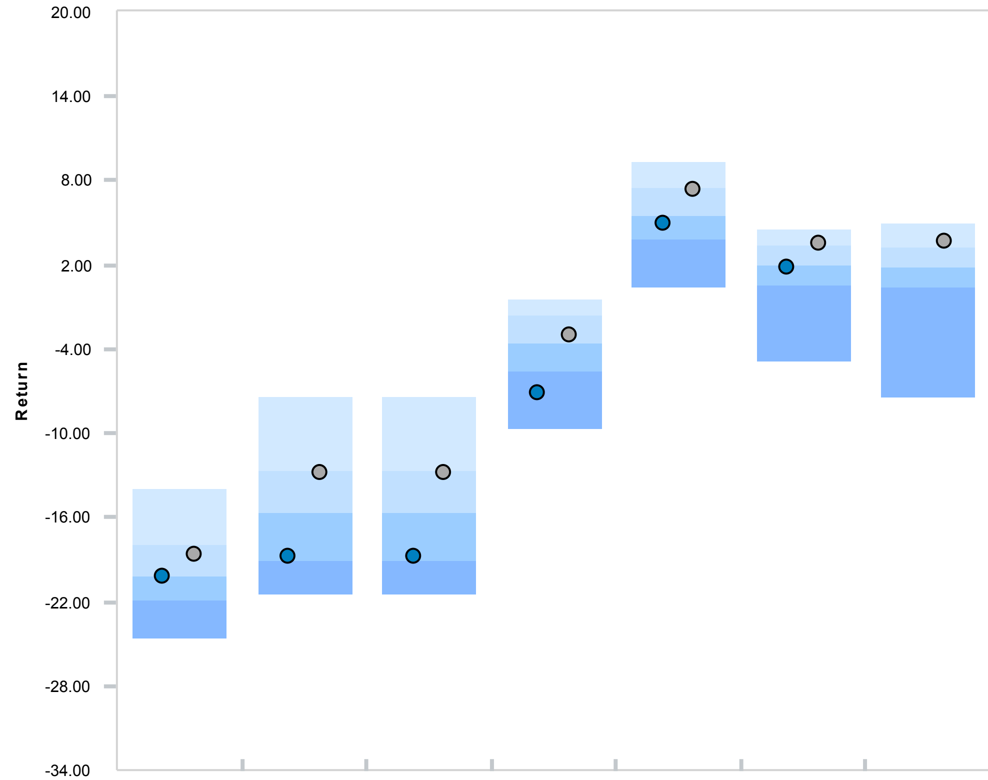
## Historical Statistics - 3 Years

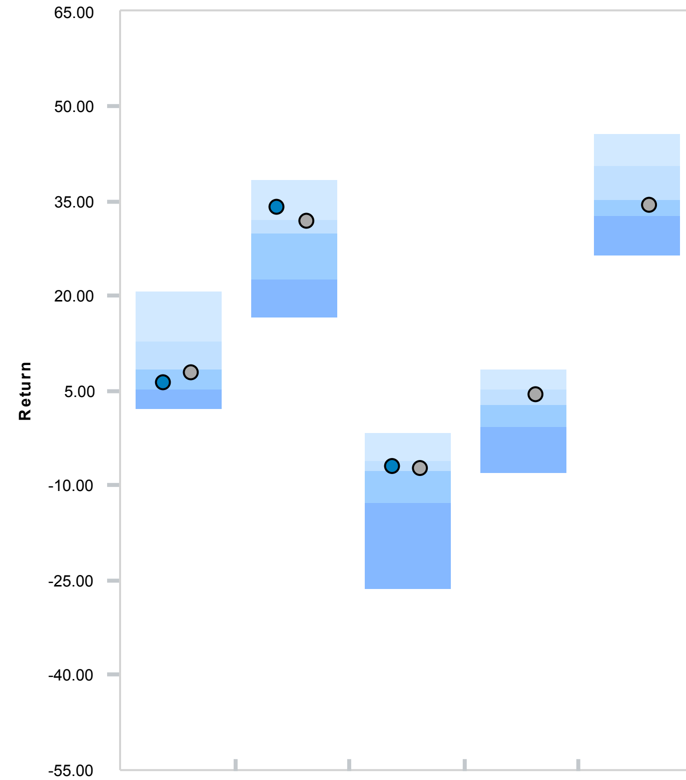
| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| T. Rowe Price (TRMCX) | 2.78 | 97.18 | 84.54 | 1.66 | 0.46 | 0.59 | 0.94 | 7.78 |
| Russell Midcap Value Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.47 | 1.00 | 8.71 |

## Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| T. Rowe Price (TRMCX) | 2.75 | 96.51 | 92.19 | 0.62 | 0.11 | 0.51 | 0.95 | 7.28 |
| Russell Midcap Value Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.47 | 1.00 | 7.83 |

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



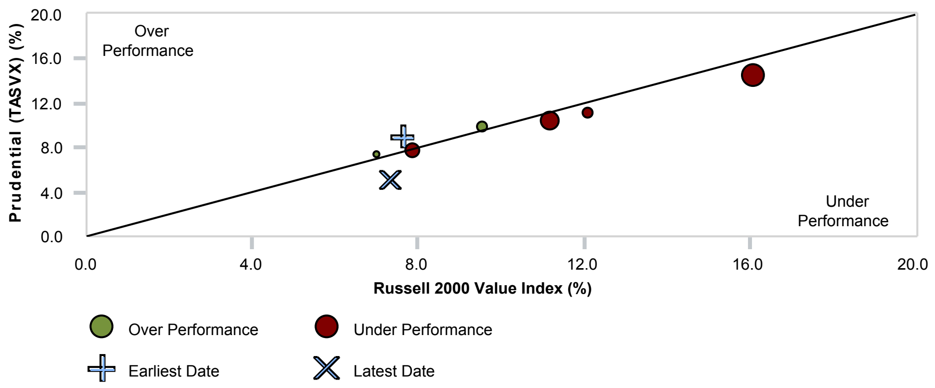

| | QTR | | FYTD | | 1 YR | | 2 YR | | 3 YR | | 4 YR | | 5 YR | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Prudential (TASVX) | -20.15 | (51) | -18.85 | (73) | -18.85 | (73) | -7.12 | (88) | 4.94 | (62) | 1.80 | (58) | N/A | |
| R 2000 Value Index | -18.67 | (35) | -12.86 | (31) | -12.86 | (31) | -3.06 | (39) | 7.37 | (30) | 3.45 | (24) | 3.61 | (15) |
| Median | -20.15 | | -15.68 | | -15.68 | | -3.62 | | 5.53 | | 1.99 | | 1.79 | |

| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| Prudential (TASVX) | 6.31 | (67) | 33.94 | (12) | -7.05 | (40) | N/A | | N/A | |
| R 2000 Value Index | 7.84 | (57) | 31.74 | (29) | -7.47 | (47) | 4.22 | (32) | 34.52 | (54) |
| Median | 8.44 | | 29.90 | | -7.59 | | 2.69 | | 35.16 | |

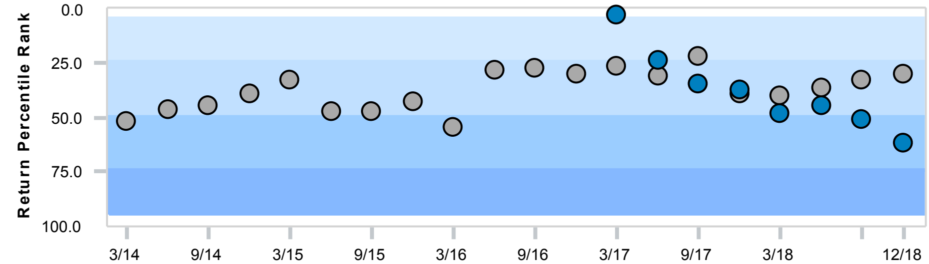
## Comparative Performance

| | 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 | | 1 Qtr Ending Jun-2017 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Prudential (TASVX) | -0.53 | (71) | 5.52 | (77) | -3.17 | (62) | 3.49 | (48) | 4.52 | (72) | -0.89 | (76) |
| Russell 2000 Value Index | 1.60 | (33) | 8.30 | (33) | -2.64 | (47) | 2.05 | (81) | 5.11 | (57) | 0.67 | (55) |
| IM U.S. Small Cap Value Equity (MF) Median | 0.87 | | 7.91 | | -2.75 | | 3.42 | | 5.31 | | 0.84 | |

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

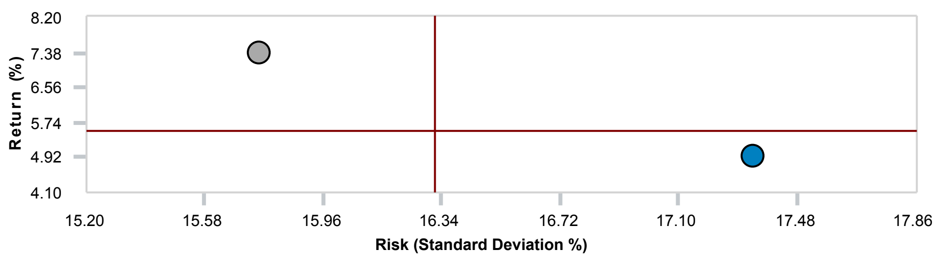



## 3 Yr Rolling Percentile Ranking - 5 Years



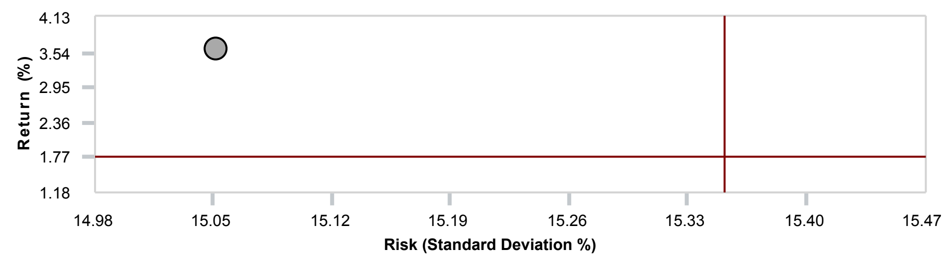

| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|---|---|---|---|---|
| Prudential (TASVX) | 8 | 2 (25%) | 4 (50%) | 2 (25%) | 0 (0%) |
| R 2000 Value Index | 20 | 1 (5%) | 17 (85%) | 2 (10%) | 0 (0%) |

## Peer Group Scattergram - 3 Years




| | Return | Standard Deviation |
|---|---|---|
| Prudential (TASVX) | 4.94 | 17.34 |
| R 2000 Value Index | 7.37 | 15.76 |
| Median | 5.53 | 16.32 |

## Peer Group Scattergram - 5 Years




| | Return | Standard Deviation |
|---|---|---|
| Prudential (TASVX) | N/A | N/A |
| R 2000 Value Index | 3.61 | 15.05 |
| Median | 1.79 | 15.35 |

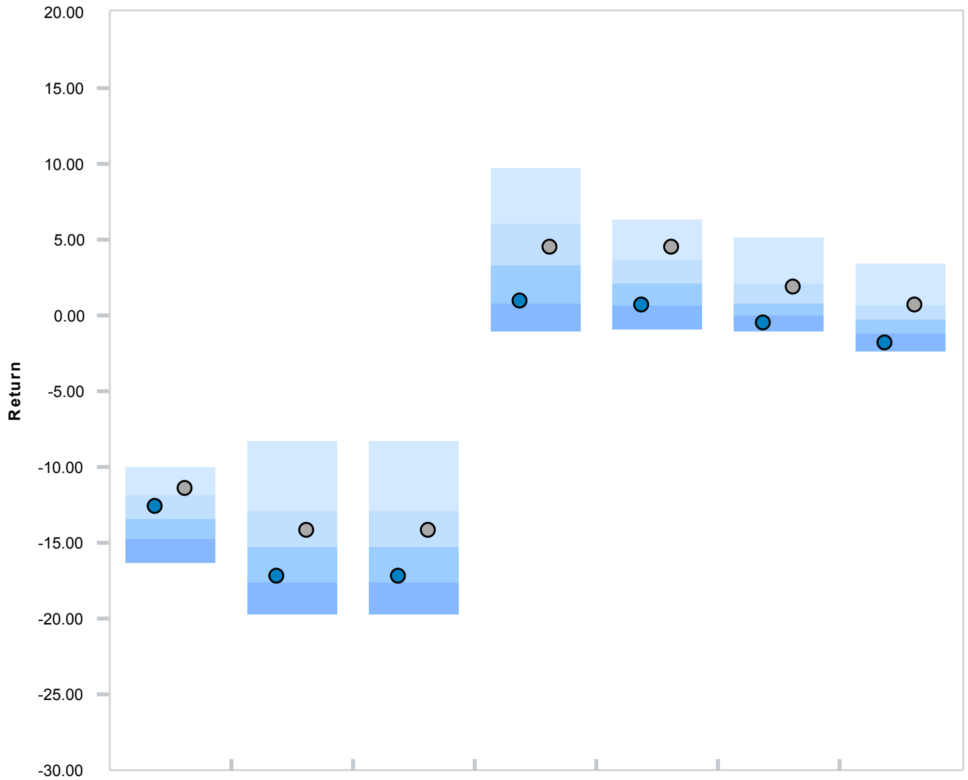
## Historical Statistics - 3 Years

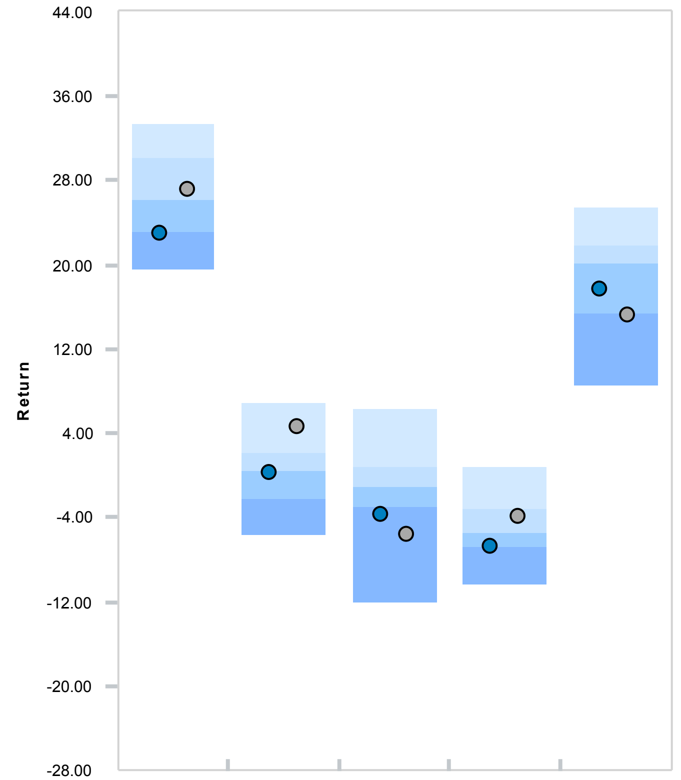
| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Prudential (TASVX) | 3.18 | 100.60 | 114.07 | -2.72 | -0.64 | 0.31 | 1.09 | 11.82 |
| Russell 2000 Value Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.47 | 1.00 | 10.51 |

## Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Prudential (TASVX) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Russell 2000 Value Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.27 | 1.00 | 10.28 |

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





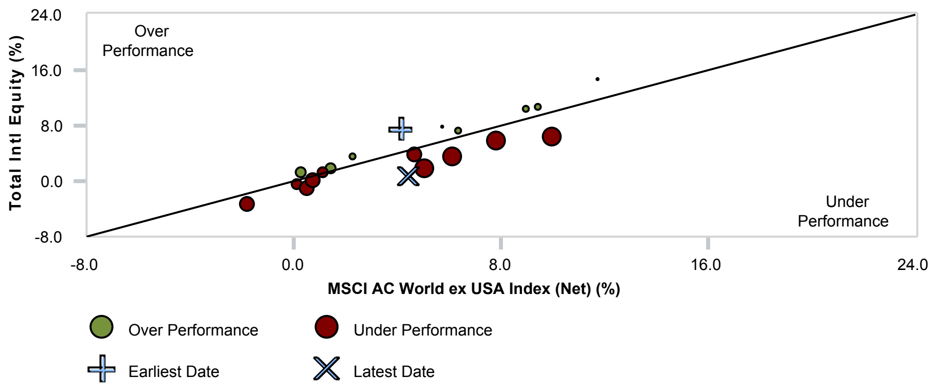
| | QTR | | FYTD | | 1 YR | | 2 YR | | 3 YR | | 4 YR | | 5 YR | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ● Total Intl Equity | -12.59 | (36) | -17.23 | (73) | -17.23 | (73) | 0.86 | (75) | 0.66 | (76) | -0.48 | (84) | -1.78 | (87) |
| ● MSCI ACWIxUS Index | -11.46 | (19) | -14.20 | (38) | -14.20 | (38) | 4.47 | (38) | 4.48 | (16) | 1.84 | (28) | 0.68 | (26) |
| Median | -13.39 | | -15.29 | | -15.29 | | 3.27 | | 2.14 | | 0.83 | | -0.25 | |

| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| ● Total Intl Equity | 22.90 | (79) | 0.26 | (53) | -3.83 | (83) | -6.81 | (75) | 17.74 | (67) |
| ● MSCI ACWIxUS Index | 27.19 | (44) | 4.50 | (12) | -5.66 | (89) | -3.87 | (29) | 15.29 | (77) |
| Median | 26.20 | | 0.39 | | -1.14 | | -5.45 | | 20.04 | |

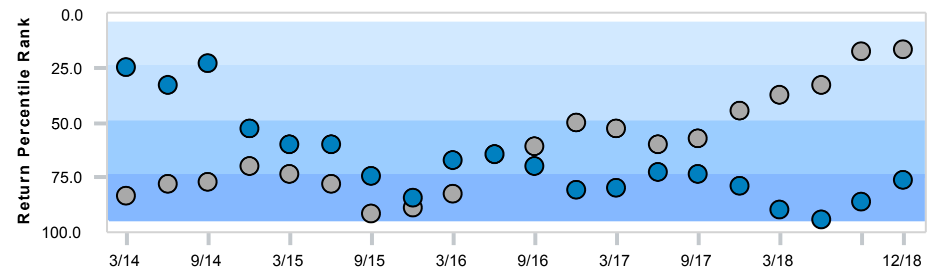
## Comparative Performance

| | 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 | | 1 Qtr Ending Jun-2017 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Intl Equity | -0.84 | (85) | -2.97 | (71) | -1.58 | (70) | 2.18 | (94) | 3.61 | (90) | 6.78 | (48) |
| MSCI AC World ex USA Index (Net) | 0.71 | (41) | -2.61 | (61) | -1.18 | (54) | 5.00 | (13) | 6.16 | (35) | 5.78 | (76) |
| IM International Large Cap Equity (MF) Median | 0.41 | | -2.19 | | -1.09 | | 4.07 | | 5.26 | | 6.71 | |

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

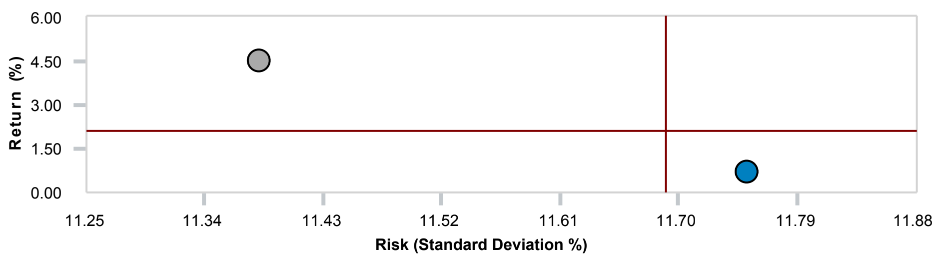



## 3 Yr Rolling Percentile Ranking - 5 Years



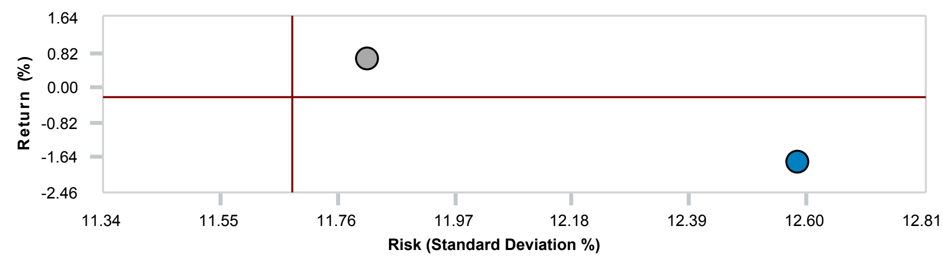

| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|---|---|---|---|---|
| Total Intl Equity | 20 | 2 (10%) | 1 (5%) | 9 (45%) | 8 (40%) |
| MSCI ACWIxUS Index | 20 | 2 (10%) | 4 (20%) | 7 (35%) | 7 (35%) |

## Peer Group Scattergram - 3 Years




| | Return | Standard Deviation |
|---|---|---|
| Total Intl Equity | 0.66 | 11.75 |
| MSCI ACWIxUS Index | 4.48 | 11.38 |
| Median | 2.14 | 11.69 |

## Peer Group Scattergram - 5 Years




| | Return | Standard Deviation |
|---|---|---|
| Total Intl Equity | -1.78 | 12.58 |
| MSCI ACWIxUS Index | 0.68 | 11.82 |
| Median | -0.25 | 11.68 |

## Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Total Intl Equity | 3.54 | 84.35 | 105.88 | -3.55 | -1.04 | 0.03 | 0.98 | 8.68 |
| MSCI AC World ex USA Index (Net) | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.35 | 1.00 | 7.86 |

## Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Total Intl Equity | 3.52 | 92.91 | 107.51 | -2.38 | -0.67 | -0.13 | 1.02 | 9.16 |
| MSCI AC World ex USA Index (Net) | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.06 | 1.00 | 8.31 |

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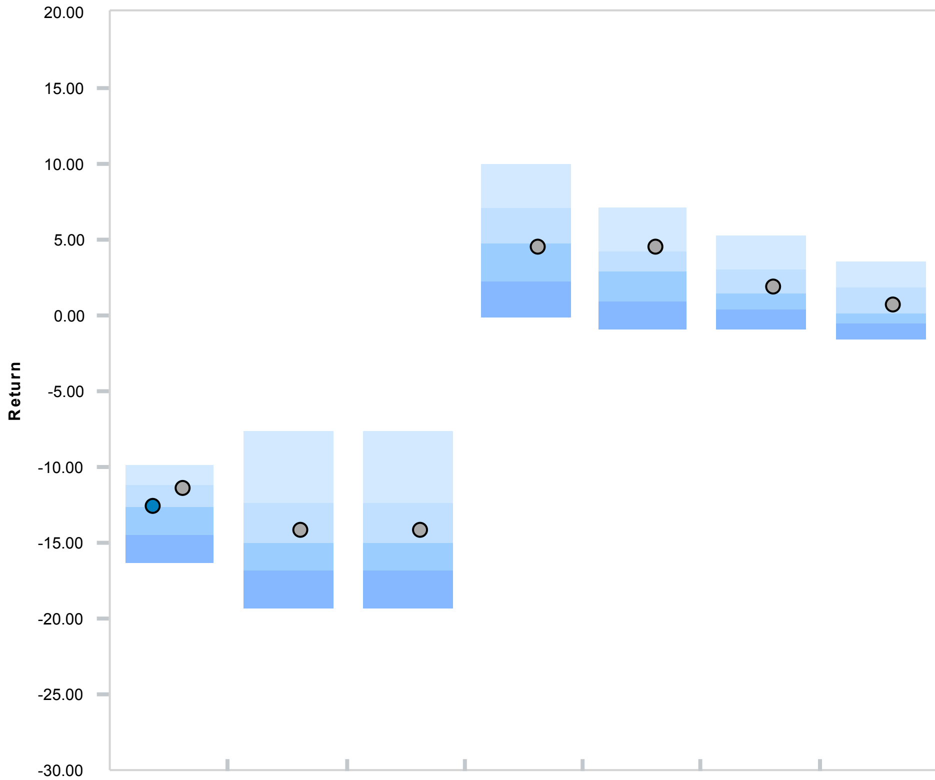
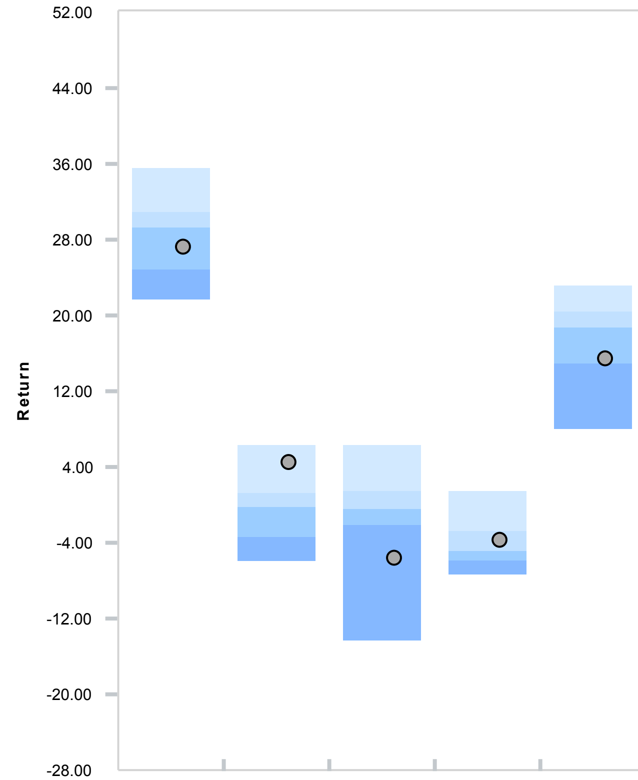
## Peer Group Analysis - IM International Large Cap Growth Equity (MF)



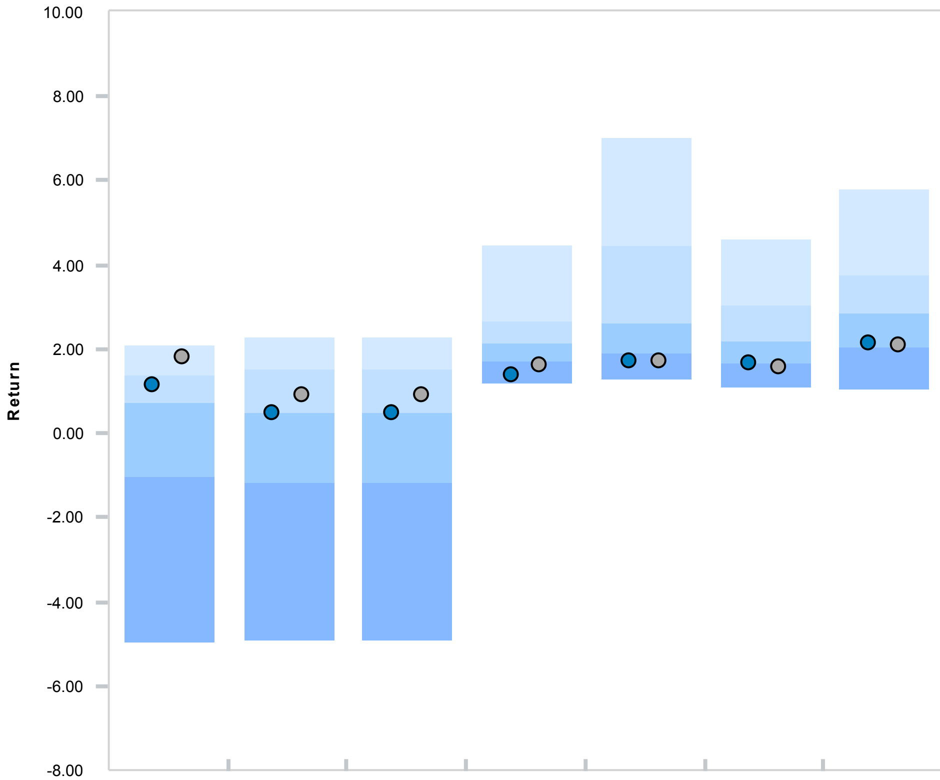

| | QTR | | FYTD | | 1 YR | | 2 YR | | 3 YR | | 4 YR | | 5 YR | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EuroPacific Gr (RERGX) | -12.59 | (43) | N/A | | N/A | | N/A | | N/A | | N/A | | N/A | |
| MSCI ACWI ex US Idx | -11.46 | (28) | -14.20 | (43) | -14.20 | (43) | 4.47 | (55) | 4.48 | (23) | 1.84 | (43) | 0.68 | (41) |
| Median | -12.68 | | -15.06 | | -15.06 | | 4.77 | | 2.84 | | 1.42 | | 0.10 | |

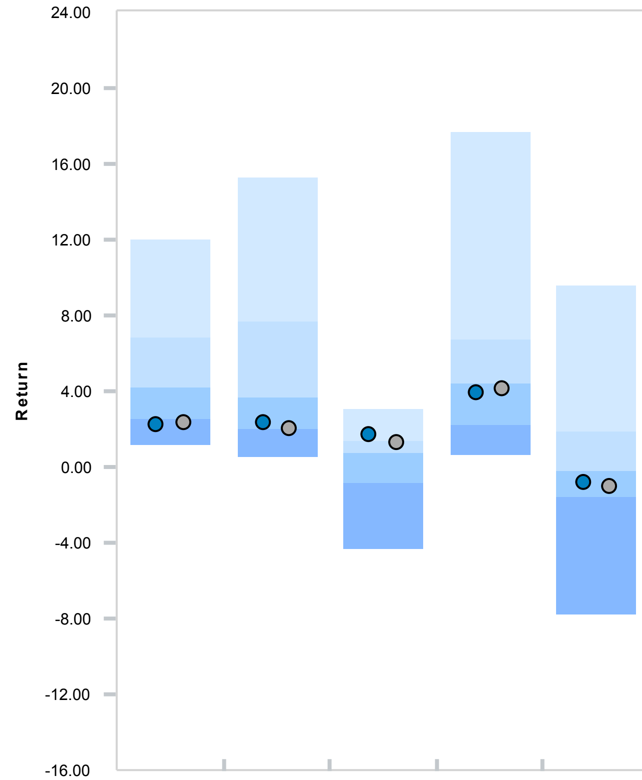
| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| EuroPacific Gr (RERGX) | N/A | | N/A | | N/A | | N/A | | N/A | |
| MSCI ACWI ex US Idx | 27.19 | (62) | 4.50 | (12) | -5.66 | (93) | -3.87 | (35) | 15.29 | (73) |
| Median | 29.36 | | -0.12 | | -0.36 | | -4.76 | | 18.71 | |

## Comparative Performance

| | 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 | | 1 Qtr Ending Jun-2017 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EuroPacific Gr (RERGX) | -0.84 | (79) | -2.82 | (59) | N/A | | N/A | | N/A | | N/A | |
| MSCI AC World ex USA Index (Net) | 0.71 | (40) | -2.61 | (56) | -1.18 | (63) | 5.00 | (12) | 6.16 | (39) | 5.78 | (95) |
| IM International Large Cap Growth Equity (MF) Median | 0.24 | | -2.30 | | -0.68 | | 4.10 | | 5.24 | | 7.22 | |

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



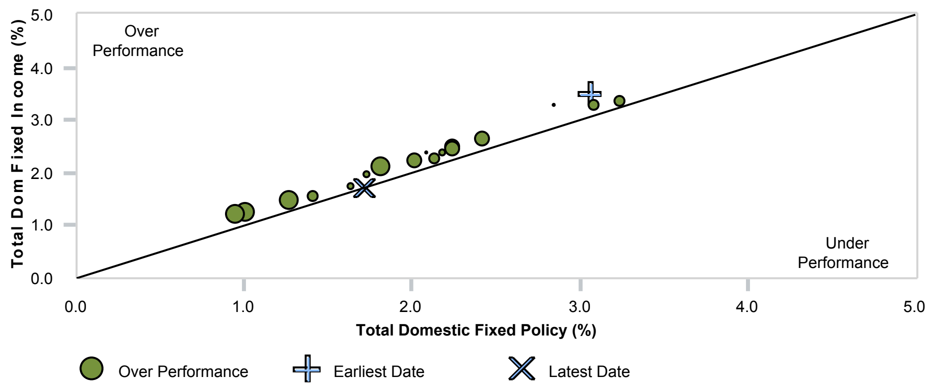

| | QTR | | FYTD | | 1 YR | | 2 YR | | 3 YR | | 4 YR | | 5 YR | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Dom Fixed Income | 1.14 | (35) | 0.49 | (50) | 0.49 | (50) | 1.37 | (92) | 1.69 | (84) | 1.69 | (75) | 2.12 | (74) |
| Total Dom Fixed Policy | 1.80 | (10) | 0.92 | (41) | 0.92 | (41) | 1.59 | (84) | 1.72 | (82) | 1.59 | (80) | 2.09 | (74) |
| Median | 0.69 | | 0.49 | | 0.49 | | 2.15 | | 2.62 | | 2.18 | | 2.84 | |

| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Dom Fixed Income | 2.25 | (81) | 2.35 | (69) | 1.67 | (18) | 3.85 | (56) | -0.88 | (64) |
| Total Dom Fixed Policy | 2.27 | (81) | 1.97 | (76) | 1.21 | (31) | 4.12 | (53) | -1.02 | (67) |
| Median | 4.16 | | 3.69 | | 0.73 | | 4.43 | | -0.19 | |

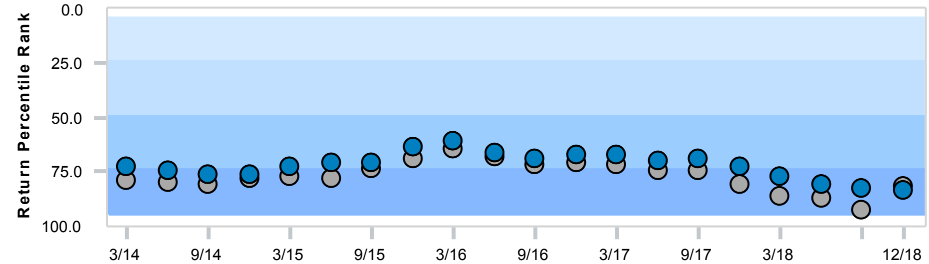
## Comparative Performance

| | 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 | | 1 Qtr Ending Jun-2017 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Dom Fixed Income | 0.20 | (71) | 0.16 | (57) | -0.99 | (59) | -0.04 | (88) | 0.68 | (75) | 0.92 | (73) |
| Total Domestic Fixed Policy | 0.11 | (77) | 0.09 | (62) | -1.05 | (62) | -0.07 | (89) | 0.72 | (72) | 0.92 | (72) |
| IM U.S. Fixed Income (SA+CF) Median | 0.47 | | 0.27 | | -0.85 | | 0.52 | | 0.99 | | 1.47 | |

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

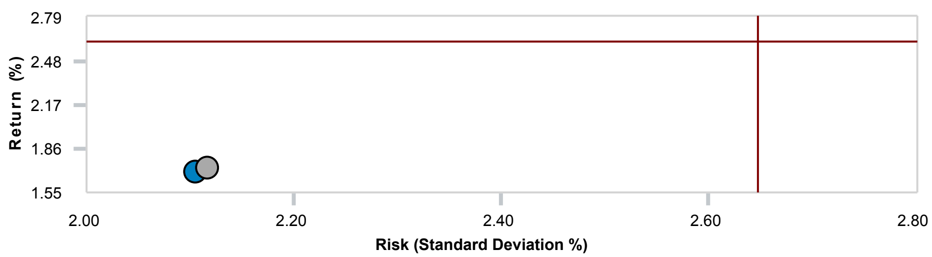



## 3 Yr Rolling Percentile Ranking - 5 Years



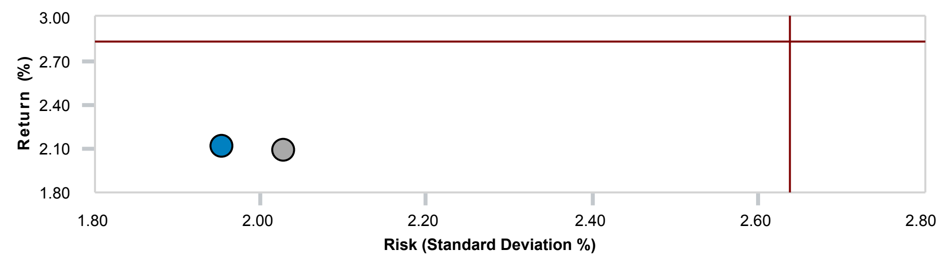

| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|---|---|---|---|---|
| Total Dom Fixed Income | 20 | 0 (0%) | 0 (0%) | 14 (70%) | 6 (30%) |
| Total Dom Fixed Policy | 20 | 0 (0%) | 0 (0%) | 9 (45%) | 11 (55%) |

## Peer Group Scattergram - 3 Years




| | Return | Standard Deviation |
|---|---|---|
| Total Dom Fixed Income | 1.69 | 2.11 |
| Total Dom Fixed Policy | 1.72 | 2.12 |
| Median | 2.62 | 2.65 |

## Peer Group Scattergram - 5 Years




| | Return | Standard Deviation |
|---|---|---|
| Total Dom Fixed Income | 2.12 | 1.95 |
| Total Dom Fixed Policy | 2.09 | 2.03 |
| Median | 2.84 | 2.64 |

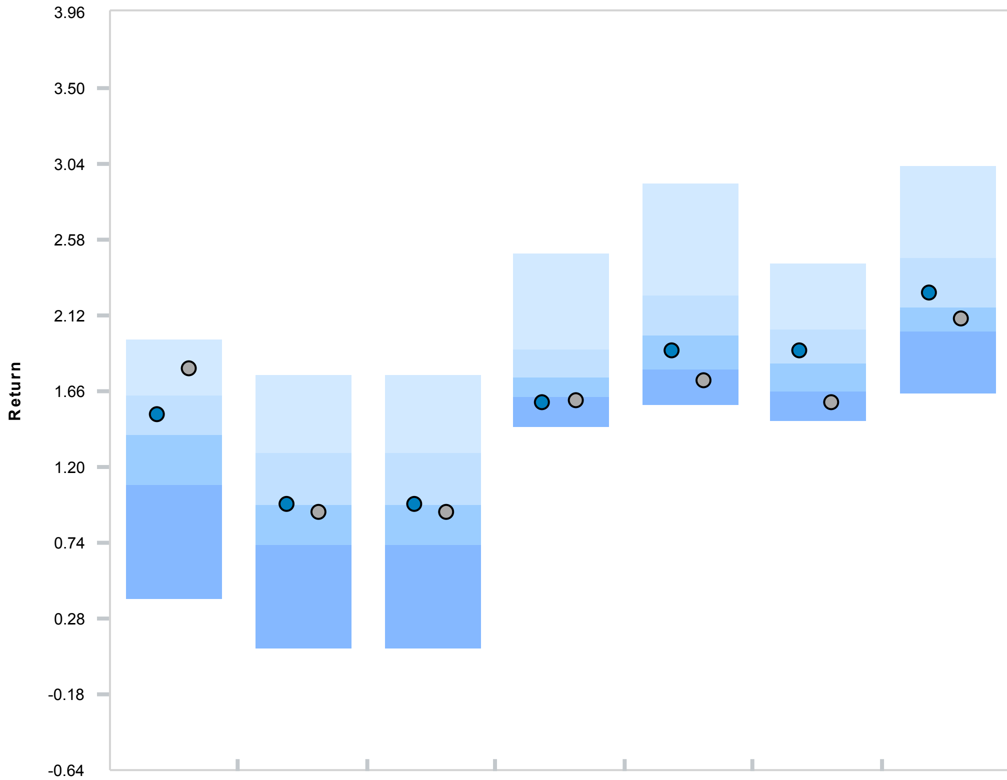
## Historical Statistics - 3 Years

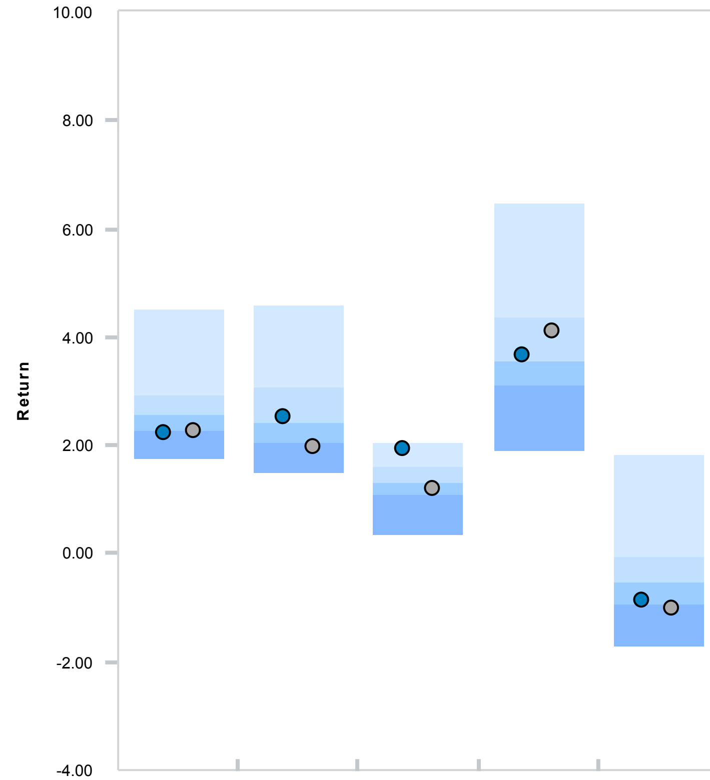
| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| Total Dom Fixed Income | 1.36 | 78.09 | 60.42 | 0.34 | -0.02 | 0.34 | 0.79 | 1.28 |
| Total Domestic Fixed Policy | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.35 | 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 | 1.07 | 84.96 | 66.06 | 0.39 | 0.02 | 0.76 | 0.83 | 1.07 |
| Total Domestic Fixed Policy | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.73 | 1.00 | 1.13 |

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



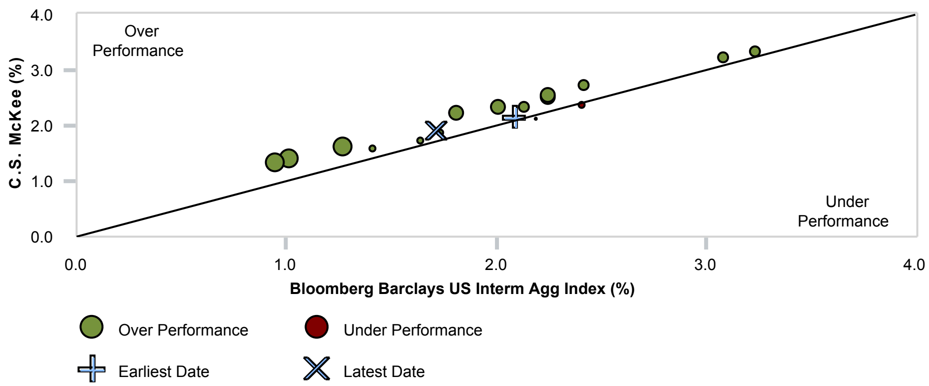

| | QTR | FYTD | 1 YR | 2 YR | 3 YR | 4 YR | 5 YR |
|---|---|---|---|---|---|---|---|
| ● C.S. McKee | 1.51 (37) | 0.97 (51) | 0.97 (51) | 1.59 (82) | 1.90 (63) | 1.91 (40) | 2.25 (41) |
| ● BB Int Agg Index | 1.80 (11) | 0.92 (53) | 0.92 (53) | 1.59 (81) | 1.72 (81) | 1.59 (84) | 2.09 (63) |
| Median | 1.39 | 0.97 | 0.97 | 1.75 | 1.99 | 1.83 | 2.17 |

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| ● C.S. McKee | 2.21 (81) | 2.52 (40) | 1.94 (8) | 3.65 (48) | -0.87 (70) |
| ● BB Int Agg Index | 2.27 (76) | 1.97 (78) | 1.21 (63) | 4.12 (30) | -1.02 (80) |
| Median | 2.54 | 2.39 | 1.30 | 3.56 | -0.53 |

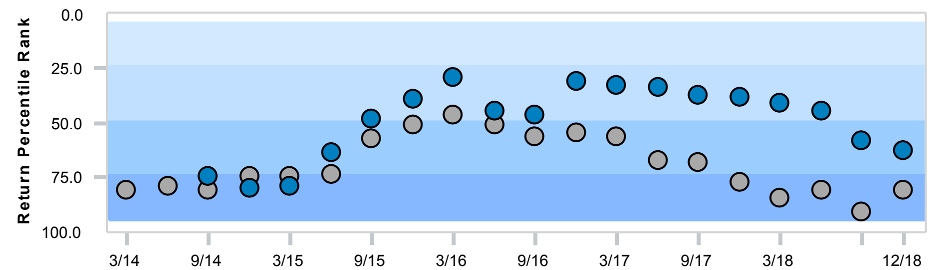
## Comparative Performance

| | 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 | 1 Qtr Ending Jun-2017 |
|---|---|---|---|---|---|---|
| C.S. McKee | 0.20 (87) | 0.22 (25) | -0.95 (64) | 0.00 (56) | 0.69 (60) | 0.85 (85) |
| Bloomberg Barclays US Interm Agg Index | 0.11 (95) | 0.09 (61) | -1.05 (83) | -0.07 (77) | 0.72 (49) | 0.92 (73) |
| IM U.S. Intermediate Duration (SA+CF) Median | 0.37 | 0.12 | -0.90 | 0.01 | 0.72 | 1.01 |

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

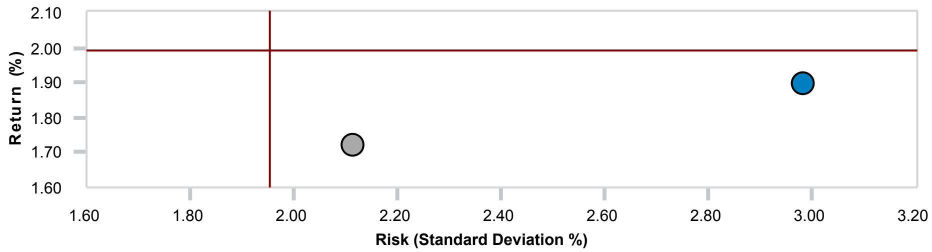



## 3 Yr Rolling Percentile Ranking - 5 Years



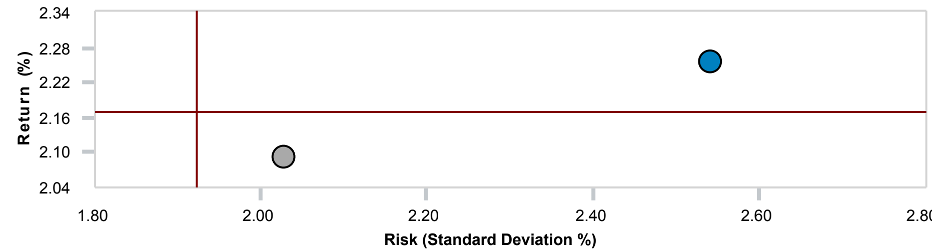

| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|---|---|---|---|---|
| C.S. McKee | 18 | 0 (0%) | 12 (67%) | 4 (22%) | 2 (11%) |
| BB Int Agg Index | 20 | 0 (0%) | 1 (5%) | 11 (55%) | 8 (40%) |

## Peer Group Scattergram - 3 Years




| | Return | Standard Deviation |
|---|---|---|
| C.S. McKee | 1.90 | 2.98 |
| BB Int Agg Index | 1.72 | 2.12 |
| Median | 1.99 | 1.95 |

## Peer Group Scattergram - 5 Years




| | Return | Standard Deviation |
|---|---|---|
| C.S. McKee | 2.25 | 2.54 |
| BB Int Agg Index | 2.09 | 2.03 |
| Median | 2.17 | 1.92 |

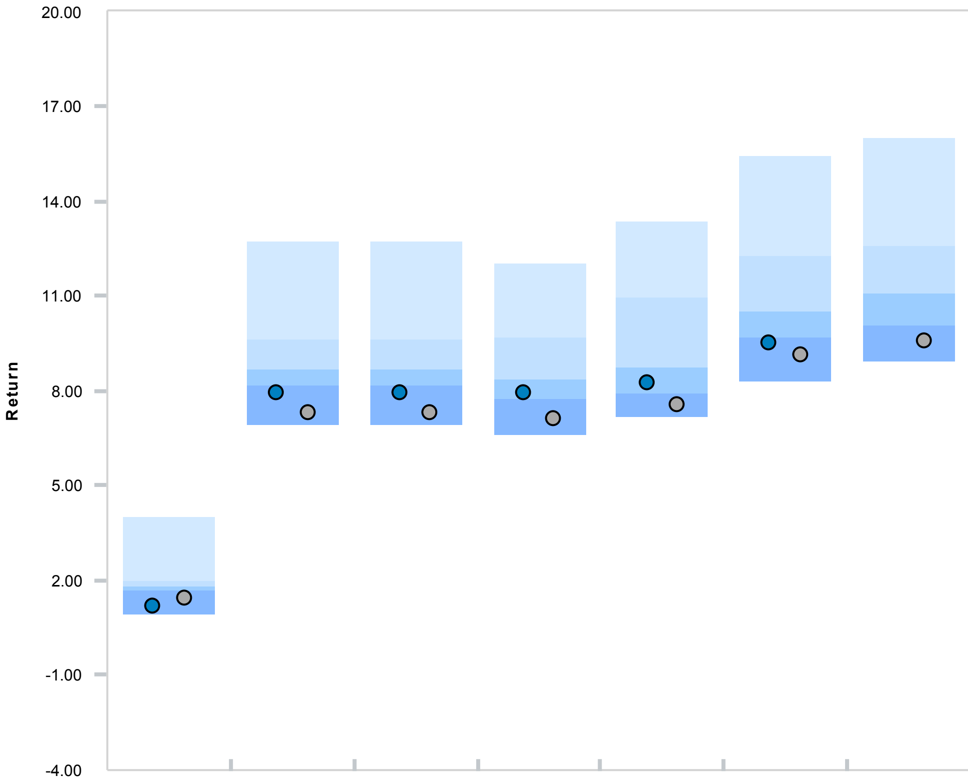
## Historical Statistics - 3 Years

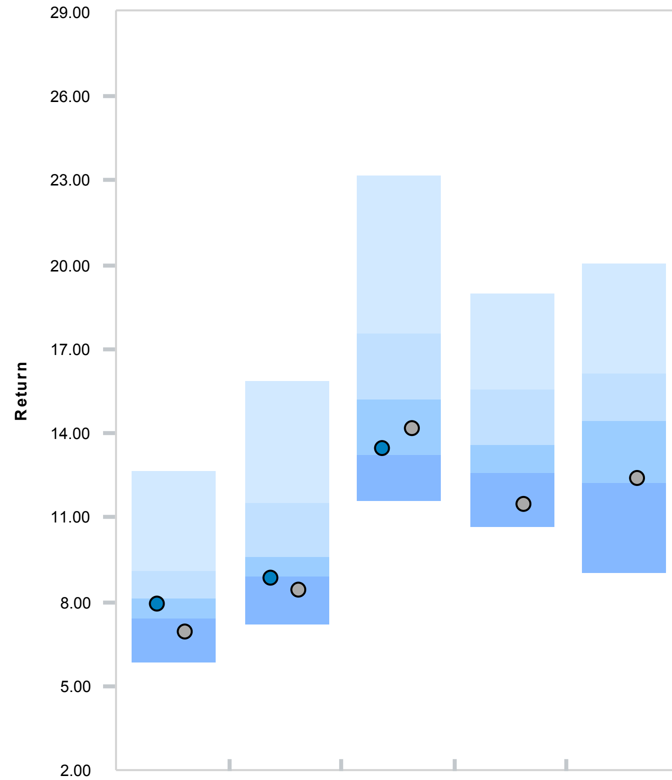
| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|---|---|---|---|---|---|---|---|
| C.S. McKee | 2.68 | 63.80 | 22.65 | 0.73 | 0.07 | 0.31 | 0.69 | 1.82 |
| Bloomberg Barclays US Interm Agg Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.35 | 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 | 2.09 | 76.25 | 38.80 | 0.69 | 0.08 | 0.65 | 0.75 | 1.46 |
| Bloomberg Barclays US Interm Agg Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.73 | 1.00 | 1.13 |

## 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 | 1.21 (93) | 7.94 (84) | 7.94 (84) | 7.93 (66) | 8.23 (68) | 9.50 (82) | N/A |
| ● NCREIF-ODCE | 1.40 (89) | 7.32 (92) | 7.32 (92) | 7.12 (90) | 7.53 (90) | 9.16 (85) | 9.60 (89) |
| Median | 1.80 | 8.71 | 8.71 | 8.39 | 8.79 | 10.55 | 11.10 |

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| ● Principal Real Estate | 7.91 (56) | 8.84 (77) | 13.42 (75) | N/A | N/A |
| ● NCREIF-ODCE | 6.92 (82) | 8.36 (84) | 14.18 (72) | 11.42 (90) | 12.36 (71) |
| Median | 8.08 | 9.63 | 15.23 | 13.59 | 14.47 |

## Comparative Performance

| | 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 | 1 Qtr Ending Jun-2017 |
|---|---|---|---|---|---|---|
| Principal Real Estate | 2.46 (31) | 2.19 (53) | 1.87 (80) | 1.79 (81) | 2.04 (40) | 2.04 (32) |
| NCREIF Fund Index-ODCE (EW) (Net) | 1.88 (69) | 1.89 (78) | 1.96 (71) | 1.94 (73) | 1.68 (59) | 1.51 (86) |
| IM U.S. Open End Private Real Estate (SA+CF) Median | 2.10 | 2.22 | 2.21 | 2.25 | 1.75 | 1.89 |

### Portfolio Characteristics (Benchmark: Russell 1000 Value Index)

| | Portfolio | Benchmark |
|---|---|---|
| Wtd. Avg. Mkt. Cap ($) | 146,070,545,137 | 119,165,529,278 |
| Median Mkt. Cap ($) | 62,566,220,530 | 8,313,076,200 |
| Price/Earnings ratio | 13.3 | 13.7 |
| Price/Book ratio | 2.3 | 2.1 |
| 5 Yr. EPS Growth Rate (%) | 8.1 | 8.6 |
| Current Yield (%) | 2.2 | 2.9 |
| Beta (5 Years, Monthly) | 1.10 | 1.00 |
| Number of Stocks | 35 | 725 |

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

| | Portfolio Wt | Benchmark Wt | Active Wt | Qtr Rtrn |
|---|---|---|---|---|
| Berkshire Hathaway Inc | 4.3 | 2.9 | 1.4 | -4.6 |
| CVS Health Corp | 3.5 | 0.7 | 2.8 | -16.2 |
| Amgen Inc | 3.4 | 0.1 | 3.3 | -5.4 |
| Ingersoll-Rand PLC | 3.4 | 0.1 | 3.3 | -10.4 |
| Verizon Communications Inc | 3.2 | 2.0 | 1.2 | 6.5 |
| Bank of America Corp | 3.2 | 1.9 | 1.3 | -15.9 |
| Intel Corp | 3.2 | 1.8 | 1.4 | -0.1 |
| JPMorgan Chase & Co | 3.1 | 2.7 | 0.4 | -12.9 |
| QUALCOMM Inc. | 3.0 | 0.6 | 2.4 | -20.1 |
| Biogen Inc | 3.0 | 0.0 | 3.0 | -14.8 |

### Ten Best Performers (Benchmark: Russell 1000 Value Index)

| | Portfolio Wt | Benchmark Wt | Active Wt | Quarterly Rtrn |
|---|---|---|---|---|
| Verizon Communications Inc | 3.2 | 2.0 | 1.2 | 6.5 |
| Intel Corp | 3.2 | 1.8 | 1.4 | -0.1 |
| Walmart Inc | 3.0 | 1.1 | 1.9 | -0.3 |
| Anthem Inc | 2.2 | 0.6 | 1.6 | -3.9 |
| Berkshire Hathaway Inc | 4.3 | 2.9 | 1.4 | -4.6 |
| Amgen Inc | 3.4 | 0.1 | 3.3 | -5.4 |
| Johnson & Johnson | 2.7 | 2.4 | 0.3 | -6.0 |
| Cummins Inc. | 2.7 | 0.1 | 2.6 | -7.8 |
| Cisco Systems Inc | 2.5 | 1.7 | 0.8 | -10.3 |
| Ingersoll-Rand PLC | 3.4 | 0.1 | 3.3 | -10.4 |

### Ten Worst Performers (Benchmark: Russell 1000 Value Index)

| | Portfolio Wt | Benchmark Wt | Active Wt | Quarterly Rtrn |
|---|---|---|---|---|
| Western Digital Corp | 1.9 | 0.1 | 1.8 | -36.0 |
| Apple Inc | 2.9 | 0.0 | 2.9 | -29.9 |
| Celgene Corp | 2.5 | 0.0 | 2.5 | -28.4 |
| Acuity Brands Inc. | 2.9 | 0.0 | 2.9 | -26.8 |
| Goldman Sachs Group Inc | 2.9 | 0.5 | 2.4 | -25.2 |
| General Dynamics Corp | 2.6 | 0.2 | 2.4 | -22.9 |
| Discovery Inc | 2.8 | 0.1 | 2.7 | -22.0 |
| QUALCOMM Inc. | 3.0 | 0.6 | 2.4 | -20.1 |
| Capital One Financial Corp. | 2.8 | 0.3 | 2.5 | -20.0 |
| Exxon Mobil Corp | 2.3 | 2.4 | -0.1 | -19.0 |

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

| | Allocation | | Performance | | Attribution | | |
|---|---|---|---|---|---|---|---|
| | Portfolio | Benchmark | Portfolio | Benchmark | Stock | Sector | Total |
| Communication Services | 14.2 | 6.8 | -12.97 | -5.66 | -1.04 | 0.44 | -0.59 |
| Consumer Discretionary | 0.0 | 5.3 | 0.00 | -12.80 | 0.00 | 0.06 | 0.06 |
| Consumer Staples | 2.5 | 7.2 | -0.27 | -4.00 | 0.10 | -0.35 | -0.26 |
| Energy | 2.4 | 10.8 | -18.98 | -23.96 | 0.12 | 1.03 | 1.15 |
| Financials | 21.4 | 22.8 | -15.54 | -13.46 | -0.45 | 0.03 | -0.42 |
| Health Care | 23.3 | 15.2 | -11.90 | -6.96 | -1.15 | 0.38 | -0.77 |
| Industrials | 13.0 | 8.1 | -17.68 | -19.19 | 0.20 | -0.37 | -0.17 |
| Information Technology | 19.3 | 9.8 | -19.21 | -12.37 | -1.32 | -0.07 | -1.39 |
| Materials | 0.0 | 3.9 | 0.00 | -14.16 | 0.00 | 0.10 | 0.10 |
| Real Estate | 0.0 | 4.6 | 0.00 | -6.53 | 0.00 | -0.24 | -0.24 |
| Utilities | 0.0 | 5.6 | 0.00 | 1.08 | 0.00 | -0.71 | -0.71 |
| Cash | 3.9 | 0.0 | 0.00 | 0.00 | 0.00 | 0.45 | 0.45 |
| **Total** | **100.0** | **100.0** | **-14.41** | **-11.61** | **-3.54** | **0.75** | **-2.80** |

### Portfolio Comparison

| | Seizert Capital |
|---|---|
| **Market Capitalization (%)** | |
| Greater than 25000M | 63.6 |
| 16000M To 25000M | 10.7 |
| 12000M To 16000M | 8.4 |
| 8000M To 12000M | 1.9 |
| 5000M To 8000M | 5.4 |
| 3000M To 5000M | 5.8 |
| Cash | 4.2 |

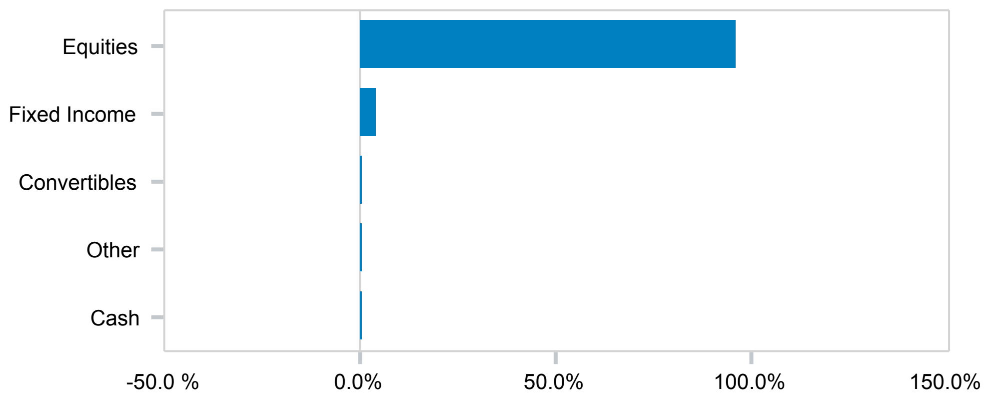
## Fund Information

| | | | |
|---|---|---|---|
| Fund Name : | Legg Mason Partners Equity Trust: ClearBridge Large Cap Growth Fund; Class IS Shares | Portfolio Assets : | $10,423 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 : | $1,830 Million | Style Benchmark : | Russell 1000 Growth Index |
| Portfolio Turnover : | 24% | | |

## 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 09/30/2018



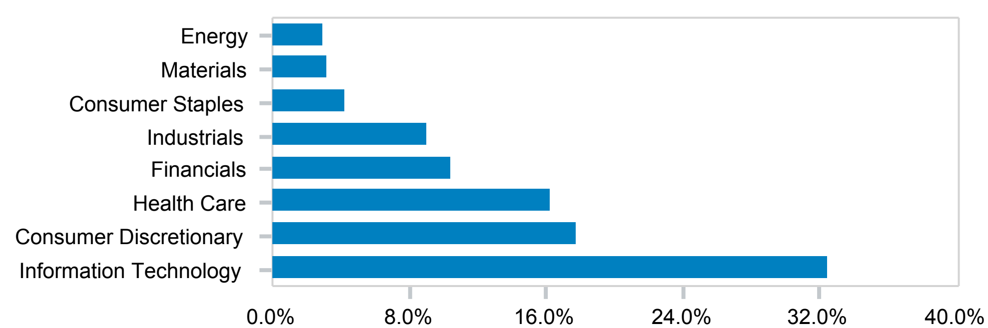

## Top Ten Securities As of 09/30/2018

| | |
|---|---|
| Amazon.com Inc ORD | 6.7 % |
| Microsoft Corp ORD | 4.3 % |
| JPMorgan 100% US Treasury Secs | 4.2 % |
| Visa Inc ORD | 3.7 % |
| Facebook Inc ORD | 3.2 % |
| Alphabet Inc ORD | 3.2 % |
| Adobe Inc ORD | 3.1 % |
| UnitedHealth Group Inc ORD | 2.9 % |
| Apple Inc ORD | 2.8 % |
| Home Depot Inc ORD | 2.4 % |

## Fund Characteristics As of 09/30/2018

| | |
|---|---|
| Total Securities | 49 |
| Avg. Market Cap | $264,281 Million |
| P/E | 34.3 |
| P/B | 10.1 |
| Div. Yield | 1.8% |
| Annual EPS | 21.8 |
| 5Yr EPS | 14.4 |
| 3Yr EPS Growth | 16.9 |

## Sector/Quality Allocation As of 09/30/2018



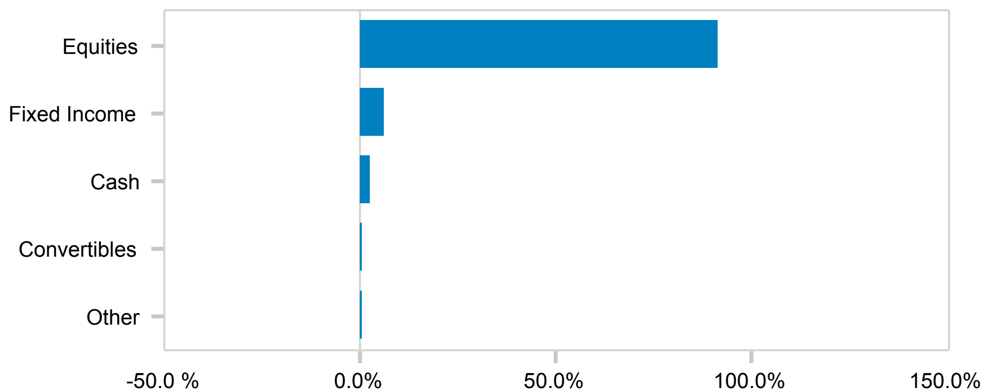
## Fund Information

| | | | |
|---|---|---|---|
| Fund Name : | T Rowe Price Mid-Cap Value Fund, Inc | Portfolio Assets : | $11,604 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 : | $8,681 Million | Style Benchmark : | Russell Midcap Value Index |
| Portfolio Turnover : | 32% | | |

## 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 09/30/2018



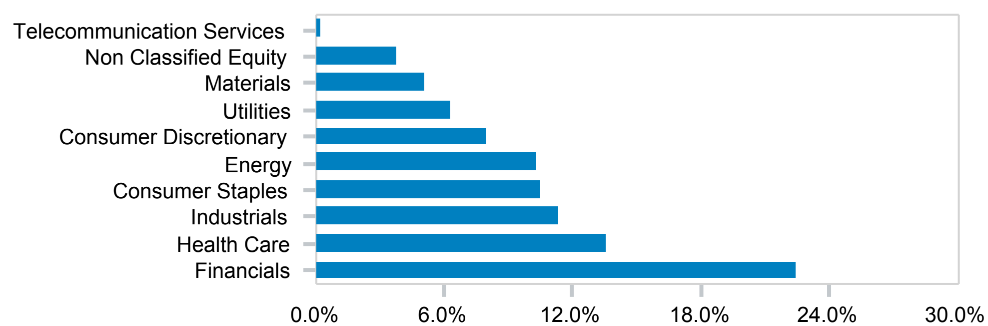

## Top Ten Securities As of 09/30/2018

| | |
|---|---|
| T Rowe Price Government Money Fund | 8.9 % |
| Textron Inc ORD | 3.3 % |
| FirstEnergy Corp ORD | 2.7 % |
| Hess Corp ORD | 2.6 % |
| EQT Corp ORD | 2.4 % |
| Bunge Ltd ORD | 2.4 % |
| Baxter International Inc ORD | 2.0 % |
| Kroger Co ORD | 1.8 % |
| Perrigo Company PLC ORD | 1.8 % |
| Loews Corp ORD | 1.6 % |

## Fund Characteristics As of 09/30/2018

| | |
|---|---|
| Total Securities | 102 |
| Avg. Market Cap | $14,538 Million |
| P/E | 29.7 |
| P/B | 3.1 |
| Div. Yield | 2.0% |
| Annual EPS | 15.9 |
| 5Yr EPS | 0.6 |
| 3Yr EPS Growth | 0.4 |

## Sector/Quality Allocation As of 09/30/2018



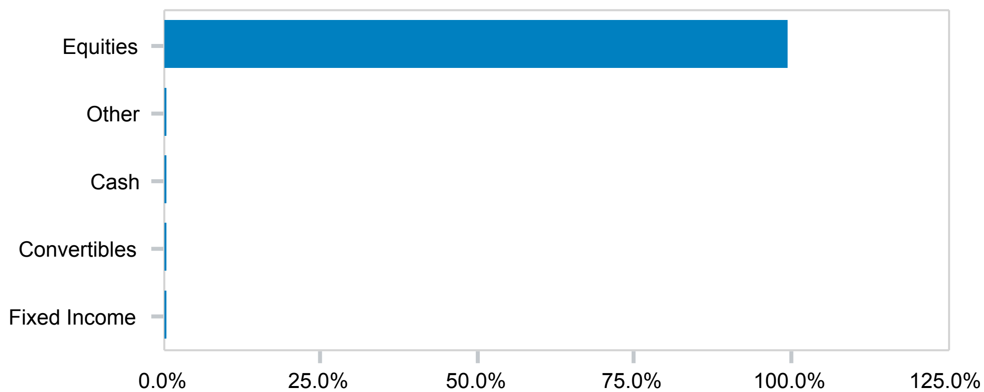
## Fund Information

| | | | |
|---|---|---|---|
| Fund Name : | Target Portfolio Trust: PGIM QMA Small-Cap Value Fund; Class Z Shares | Portfolio Assets : | $1,194 Million |
| Fund Family : | Prudential Investments LLC | Portfolio Manager : | Stern/Courtney |
| Ticker : | TASVX | PM Tenure : | 2015--2015 |
| Inception Date : | 01/05/1993 | Fund Style : | IM U.S. Small Cap Value Equity (MF) |
| Fund Assets : | $606 Million | Style Benchmark : | Russell 2000 Value Index |
| Portfolio Turnover : | 70% | | |

## Fund Investment Policy

The Fund seeks above average capital appreciation. The Fund will typically invest at least 80% of its assets in stocks of small companies that are undervalued and have an above-average potential to increase in price, given the company's sales, earnings, book value, cash flow and recent performance.

## Asset Allocation As of 11/30/2018



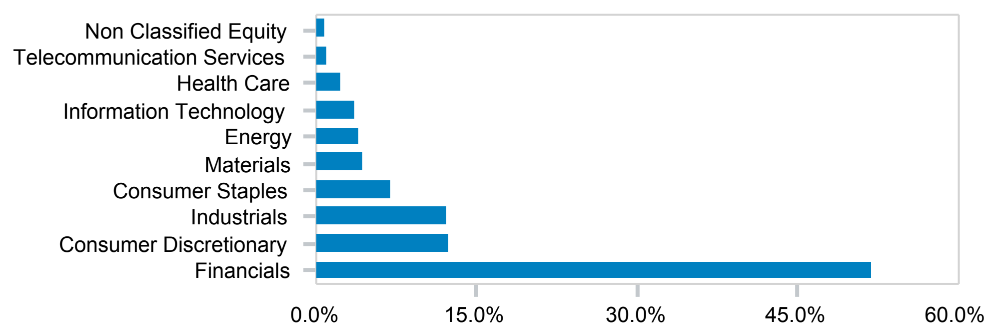

## Top Ten Securities As of 11/30/2018

| | |
|---|---|
| Tech Data Corp ORD | 1.3 % |
| MGIC Investment Corp ORD | 1.2 % |
| Radian Group Inc ORD | 1.2 % |
| American Equity Investment Life | 1.1 % |
| SkyWest Inc ORD | 1.1 % |
| IBERIABANK Corp ORD | 1.0 % |
| Iridium Communications Inc ORD | 1.0 % |
| Triton International Ltd ORD | 1.0 % |
| GATX Corp ORD | 0.9 % |
| RLJ Lodging Trust ORD | 0.9 % |

## Fund Characteristics As of 11/30/2018

| | |
|---|---|
| Total Securities | 348 |
| Avg. Market Cap | $1,989 Million |
| P/E | 15.6 |
| P/B | 1.2 |
| Div. Yield | 4.3% |
| Annual EPS | 16.3 |
| 5Yr EPS | 3.8 |
| 3Yr EPS Growth | 5.5 |

## Sector/Quality Allocation As of 11/30/2018



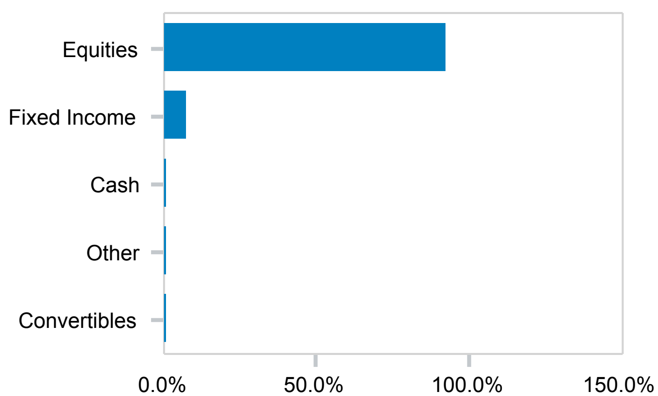
## Fund Information

| | | | |
|---|---|---|---|
| Fund Name : | EuroPacific Growth Fund; Class R6 Shares | Portfolio Assets : | $138,715 Million |
| Fund Family : | American Funds | Portfolio Manager : | Team Managed |
| Ticker : | RERGX | PM Tenure : | |
| Inception Date : | 05/01/2009 | Fund Style : | IM International Large Cap Growth Equity (MF) |
| Fund Assets : | $59,719 Million | Style Benchmark : | MSCI EAFE Growth |
| Portfolio Turnover : | 29% | | |

## 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 09/30/2018




## Top Ten Securities As of 09/30/2018

| | |
|---|---|
| AIA Group Ltd ORD | 2.7 % |
| Airbus SE ORD | 2.5 % |
| Nintendo Co Ltd ORD | 2.3 % |
| Samsung Electronics Co Ltd ORD | 2.3 % |
| Reliance Industries Ltd ORD | 2.3 % |
| HDFC Bank Ltd ORD | 2.0 % |
| Alibaba Group Holding Ltd DR | 1.8 % |
| Sony Corp ORD | 1.7 % |
| ASML Holding NV ORD | 1.6 % |
| Taiwan Semiconductor Manufacturing | 1.6 % |

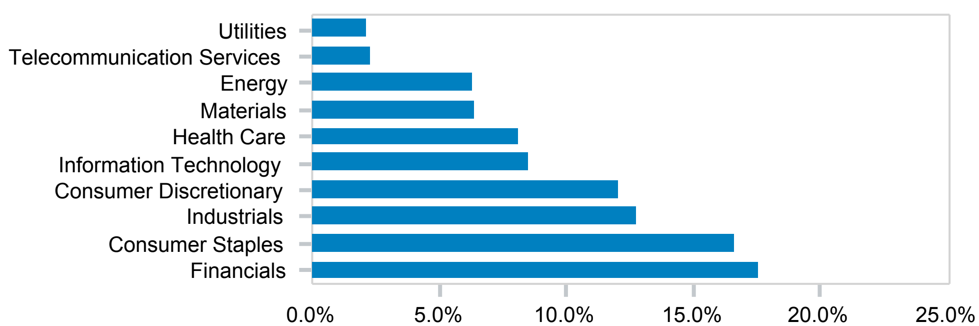
## Top 5 Countries As of 09/30/2018

| | |
|---|---|
| Japan | 14.8 % |
| United Kingdom | 8.5 % |
| India | 7.7 % |
| China | 7.0 % |
| United States | 6.4 % |

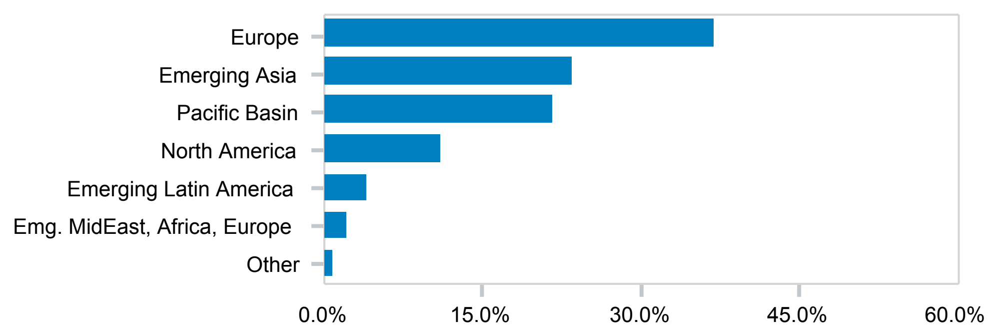
## Fund Characteristics As of 09/30/2018

| | |
|---|---|
| Total Securities | 393 |
| Avg. Market Cap | $80,063 Million |
| P/E | 25.2 |
| P/B | 4.6 |
| Div. Yield | 1.9% |
| Annual EPS | 35.9 |
| 5Yr EPS | 18.4 |
| 3Yr EPS Growth | 19.5 |

## Sector/Quality Allocation As of 09/30/2018



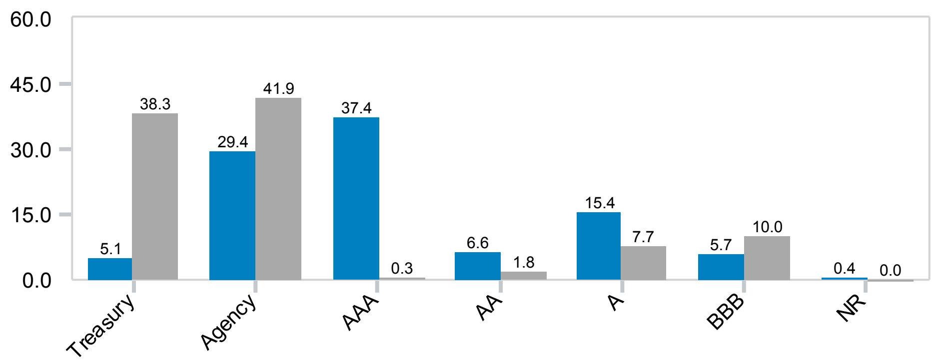

## Regional Allocation As of 09/30/2018



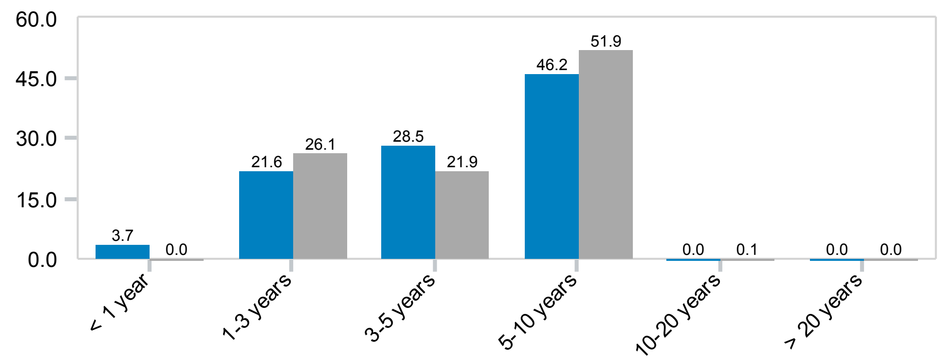
## Portfolio Characteristics

| | Portfolio | Benchmark |
|---|---|---|
| Avg. Maturity | 4.86 | 5.27 |
| Avg. Quality | AA1 | AA1/AA2 |
| Coupon Rate (%) | 3.18 | 2.99 |
| Current Yield | 3.20 | 3.00 |
| Effective Duration | 4.13 | 4.13 |

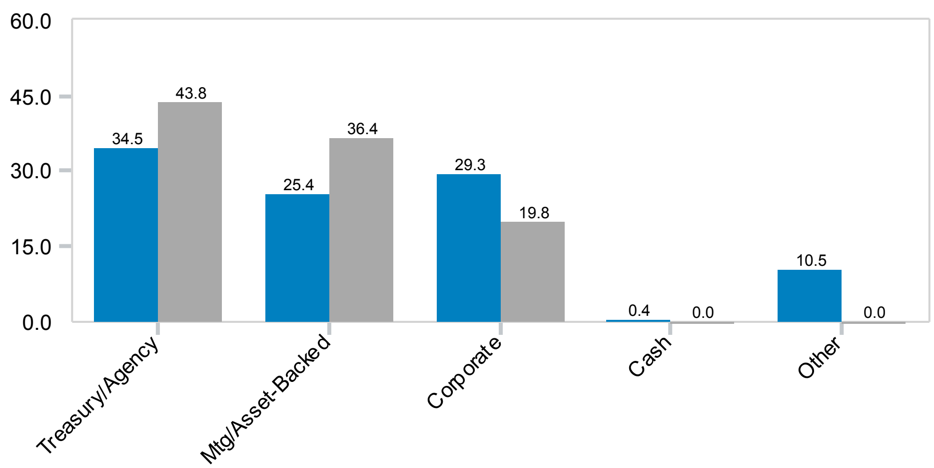
## Credit Quality Distribution (%)



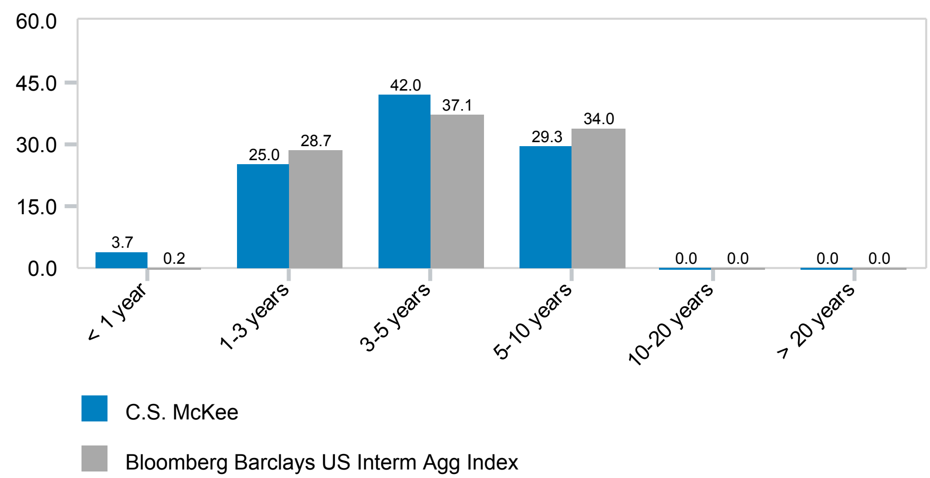

## Maturity Distribution (%)




## Sector Distribution (%)




## Duration Distribution (%)



**Comparative Performance**

| | QTR | FYTD | 1 YR | 3 YR | 5 YR | 7 YR | 10 YR | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|
| **Police Total Fund** | **-8.36** | **-5.63** | **-5.63** | **4.57** | **4.09** | **6.45** | **7.20** | **5.59** | **06/01/1998** |
| Police - Total Fund Policy | -7.50 | -4.47 | -4.47 | 5.59 | 4.80 | 7.13 | 7.39 | 5.72 | |
| **Total Domestic Equity** | **-15.92** | **-8.33** | **-8.33** | **7.79** | **6.71** | **11.53** | **12.81** | **7.24** | **12/01/2006** |
| Russell 3000 Index | -14.30 | -5.24 | -5.24 | 8.97 | 7.91 | 12.46 | 13.18 | 7.14 | |
| Seizert | -16.96 | -10.94 | -10.94 | 7.29 | 6.15 | 11.61 | 12.10 | 12.38 | 12/01/2008 |
| Russell 1000 Value Index | -11.72 | -8.27 | -8.27 | 6.95 | 5.95 | 11.02 | 11.18 | 11.23 | |
| ClearBridge (LSITX) | -13.35 | 0.06 | 0.06 | N/A | N/A | N/A | N/A | 4.36 | 11/01/2017 |
| Russell 1000 Growth Index | -15.89 | -1.51 | -1.51 | 11.15 | 10.40 | 14.14 | 15.29 | 1.94 | |
| T. Rowe Price (TRMCX) | -14.51 | -10.61 | -10.61 | 7.46 | 5.80 | 11.08 | 12.98 | 10.24 | 11/01/2002 |
| Russell Midcap Value Index | -14.95 | -12.29 | -12.29 | 6.06 | 5.44 | 10.89 | 13.03 | 10.41 | |
| PGIM QMA SCV (TASVX) | -20.15 | -18.85 | -18.85 | 4.94 | N/A | N/A | N/A | 2.62 | 03/01/2014 |
| Russell 2000 Value Index | -18.67 | -12.86 | -12.86 | 7.37 | 3.61 | 9.57 | 10.40 | 3.62 | |
| **Total International Equity** | **-12.59** | **-17.23** | **-17.23** | **0.66** | **-1.69** | **3.78** | **5.67** | **3.77** | **05/01/2004** |
| MSCI AC World ex USA (Net) Index | -11.46 | -14.20 | -14.20 | 4.48 | 0.68 | 4.85 | 6.57 | 5.24 | |
| AF EuroPacific Growth (RERGX) | -12.59 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 03/01/2018 |
| MSCI AC World ex USA (Net) | -11.46 | -14.20 | -14.20 | 4.48 | 0.68 | 4.85 | 6.57 | -14.70 | |
| **Total Domestic Fixed Income** | **1.07** | **0.20** | **0.20** | **1.39** | **1.81** | **1.68** | **2.63** | **3.94** | **07/01/2001** |
| Police - Total Domestic Fixed Policy | 1.80 | 0.92 | 0.92 | 1.72 | 2.09 | 1.85 | 2.59 | 4.11 | |
| C.S. McKee | 1.44 | 0.66 | 0.66 | 1.59 | 1.95 | 1.69 | N/A | 1.64 | 09/01/2011 |
| Bloomberg Barclays US Interm Agg Index | 1.80 | 0.92 | 0.92 | 1.72 | 2.09 | 1.85 | 3.13 | 1.89 | |
| Garcia Hamilton | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 12/01/2018 |
| Bloomberg Barclays Intermed Aggregate Index | 1.80 | 0.92 | 0.92 | 1.72 | 2.09 | 1.85 | 3.13 | 1.50 | |
| Great Lakes | 0.73 | -0.23 | -0.23 | 1.20 | 1.68 | 1.66 | N/A | 1.85 | 09/01/2011 |
| Bloomberg Barclays US Interm Agg Index | 1.80 | 0.92 | 0.92 | 1.72 | 2.09 | 1.85 | 3.13 | 1.89 | |
| **Real Estate** | | | | | | | | | |
| Principal Real Estate | 1.21 | 7.94 | 7.94 | 8.23 | N/A | N/A | N/A | 9.50 | 01/01/2015 |
| NCREIF Fund Index-ODCE (EW) (Net) Index | 1.40 | 7.32 | 7.32 | 7.53 | 9.60 | 10.04 | 5.92 | 9.16 | |

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

| | QTR | FYTD | 1 YR | 3 YR | 5 YR | 7 YR | 10 YR | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|
| Cash | 0.22 | 0.56 | 0.56 | 0.55 | 0.35 | 0.27 | 0.23 | 1.67 | 01/01/1999 |
| 90 Day U.S. Treasury Bill | 0.56 | 1.87 | 1.87 | 0.99 | 0.61 | 0.45 | 0.35 | 1.86 | |

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

| | Market Value ($) | Estimated Annual Fee (%) | Estimated Annual Fee ($) |
|---|---|---|---|
| Police Total Fund | 28,079,135 | 0.53 | 148,498 |
| Seizert Capital | 4,000,878 | 0.55 | 22,005 |
| ClearBridge (LSITX) | 4,123,224 | 0.77 | 31,749 |
| T. Rowe Price (TRMCX) | 1,114,163 | 0.80 | 8,913 |
| PGIM QMA SCV (TASVX) | 1,768,469 | 0.71 | 12,556 |
| AF EuroPacific Growth (RERGX) | 4,282,467 | 0.50 | 21,412 |
| C.S. McKee | 5,226,462 | 0.30 | 15,679 |
| Garcia Hamilton | 3,386,862 | 0.25 | 8,467 |
| Great Lakes Advisors | 1,950,186 | 0.25 | 4,875 |
| Principal Real Estate | 2,076,432 | 1.10 | 22,841 |

**Historical Hybrid Composition**

| Allocation Mandate | Weight (%) |
|---|---|
| **Jan-1979** | |
| Russell 3000 Index | 39.00 |
| MSCI EAFE (Net) Index | 5.00 |
| Blmbg. Barc. U.S. Government | 55.00 |
| 90 Day U.S. Treasury Bill | 1.00 |
| **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 |
| **Jan-2014** | |
| Russell 1000 Value Index | 17.50 |
| Russell 1000 Growth Index | 17.50 |
| Russell Midcap Value Index | 5.00 |
| Russell 2000 Value Index | 8.00 |
| MSCI AC World ex USA (Net) | 11.00 |
| Bloomberg Barclays Intermed Aggregate Index | 36.00 |
| NCREIF Fund Index-ODCE (EW) (Net) | 5.00 |
| **Mar-2018** | |
| Russell 1000 Value Index | 15.00 |
| Russell 1000 Growth Index | 15.00 |
| Russell Midcap Value Index | 5.00 |
| Russell 2000 Value Index | 8.00 |
| MSCI AC World ex USA (Net) | 16.00 |
| Bloomberg Barclays Intermed Aggregate Index | 36.00 |
| NCREIF Fund Index-ODCE (EW) (Net) | 5.00 |

| | |
|---|---|
| **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. |

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

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# Winnetka Police Pension Fund

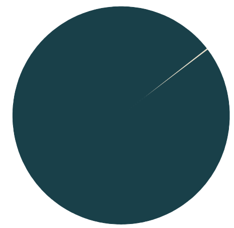
## *Account Statement - at 12/31/2018*

*99026*

## Portfolio Summary

| | QTD 9/30/18 - 12/31/18 | YTD 12/31/17 - 12/31/18 |
|---|---|---|
| Beginning market value | $5,155,043 | $5,186,268 |
| Net additions and disbursements | -1,805 | -14,438 |
| Investment income | 33,875 | 133,196 |
| Portfolio appreciation / depreciation | 42,916 | -74,998 |
| ***Ending market value*** | ***$5,230,027*** | ***$5,230,027*** |

## Allocation



*Actual*

| | Actual | Target | Diff |
|---|---|---|---|
| Fixed Income | ***99.7%*** | *100.0%* | *(-0.3%)* |
| Cash | ***0.3%*** | *0.0%* | *+0.3%* |

## Performance

*(10/1/2011)**

| | QTD | YTD | 3 yr | 5 yr | 7 yr |
|---|---|---|---|---|---|
| **Fixed Income** | **1.50%** | **1.13%** | **1.90%** | **2.27%** | **2.02%** |
| BC Intermediate Aggregate | *1.80%* | *0.92%* | *1.72%* | *2.09%* | *1.85%* |

*Periods greater than 1 year are annualized*

** Performance Start Date*

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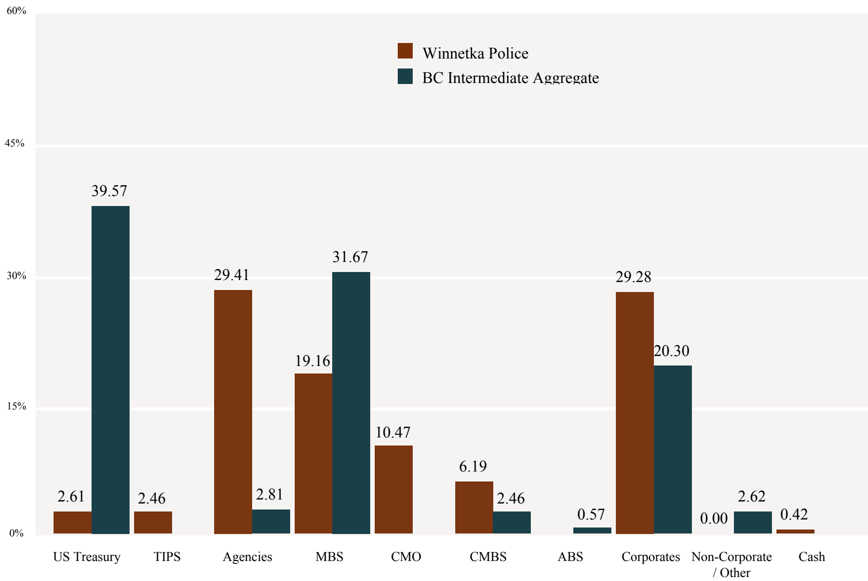
# Winnetka Police Pension Fund

## *Fixed Income Portfolio Characteristics - at 12/31/2018*

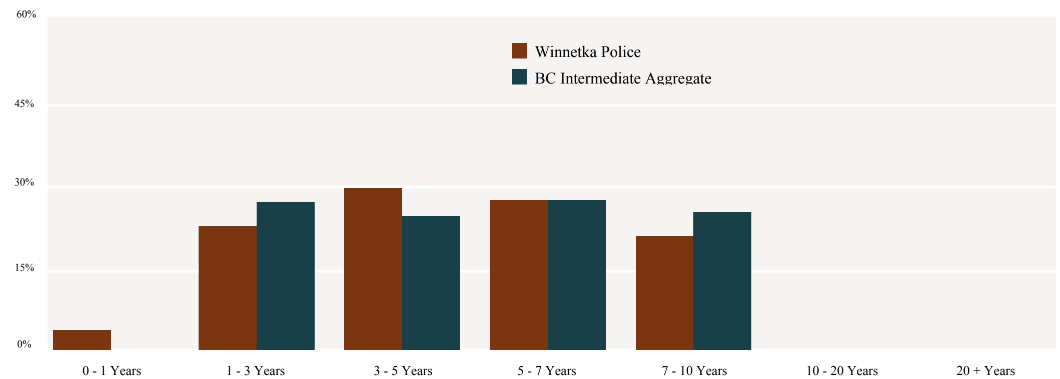
| Benchmark Comparisons | *Winnetka Police* | *BC Intermediate Aggregate* | *Variance* |
|---|---|---|---|
| Effective Duration | **4.13 yrs.** | 4.18 yrs. | *-0.05 yrs.* |
| Average Convexity | **-0.33** | -0.10 | *-0.23 yrs.* |
| Average Maturity | **4.86 yrs.** | 4.97 yrs. | *-0.12* |
| Yield to Maturity | **3.37 %** | 3.12 % | *0.25 %* |
| Average Coupon | **3.18 %** | 2.97 % | *0.20 %* |
| Average Quality | **Aa1** | Aa2 | *N/A* |

| Top 10 Largest Holdings | *Coupon* | *Maturity* | *Sector* | *% of Portfolio* |
|---|---|---|---|---|
| UNITED STATES TREAS | 0.750 | 07/15/2028 | US Treasuries | 2.47 |
| FNMA REMIC TRUST | 2.532 | 09/25/2024 | Commercial MBS | 2.25 |
| JPMORGAN CHASE BK | 3.550 | 12/24/2023 | US Agencies | 2.00 |
| HSBC BANK USA NA | 3.125 | 12/09/2020 | US Agencies | 1.96 |
| FNMA PASSTHRU CA0241 | 4.000 | 08/01/2047 | Mortgage Backed | 1.92 |
| FHLMC PC GOL G61464 | 4.000 | 10/01/2046 | Mortgage Backed | 1.89 |
| CAPITAL ONE BK USA N | 1.700 | 09/28/2021 | US Agencies | 1.76 |
| FEDERAL FARM CR BKS | 3.640 | 04/16/2026 | US Agencies | 1.60 |
| MORGAN STANLEY PVT B | 3.550 | 11/24/2023 | US Agencies | 1.59 |
| FNMA PASSTHRU MA3071 | 4.000 | 07/01/2037 | Mortgage Backed | 1.54 |

### Sector Allocation




### Term Structure



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# Intermediate Aggregate Fixed Income, *Gross of Fees*

## *Performance Attribution – at December 31, 2018*

| | 4th Qtr. 2018 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **CS McKee Intermediate Aggregate** | **1.40** | **1.07** | **2.37** | **2.39** | **1.89** | **3.87** | **-0.60** | **3.87** | **6.59** | **5.89** | **7.83** | **7.15** | **7.72** | **5.55** | **3.24** | **4.47** | **4.25** | **9.33** | **8.81** | **10.77** | **1.36** |
| *Barclays Intermediate Aggregate Index* | 1.80 | 0.92 | 2.27 | 1.97 | 1.21 | 4.12 | -1.02 | 3.56 | 5.97 | 6.15 | 6.46 | 4.86 | 7.02 | 4.58 | 2.01 | 3.74 | 3.81 | 9.49 | 8.68 | 10.62 | 0.99 |
| **Value-Added Return** | **-0.40** | **0.15** | **0.10** | **0.420** | **0.680** | **-0.25** | **0.42** | **0.31** | **0.62** | **-0.26** | **1.37** | **2.29** | **0.70** | **0.97** | **1.23** | **0.73** | **0.44** | **-0.16** | **0.13** | **0.15** | **0.37** |
| ***Relative Performance Breakdown*** | | | | | | | | | | | | | | | | | | | | | |
| **Duration Decision** | **-0.0115** | **0.0390** | **-0.1300** | **0.260** | **-0.090** | **-0.490** | **0.165** | **-0.350** | **-0.545** | **-0.080** | **-0.220** | **0.030** | **-0.050** | **0.250** | **0.160** | **-0.070** | **0.020** | **-0.440** | | | |
| **Yield Curve Decision** | **-0.0060** | **-0.0250** | **0.0240** | **-0.020** | **-0.040** | **0.100** | **0.055** | **0.150** | **0.225** | **-0.170** | **0.010** | **0.100** | **-0.060** | **0.000** | **0.160** | **0.130** | **-0.030** | **-0.200** | | | |
| **Sector Allocation Decision** | **-0.1355** | **-0.0450** | **0.2775** | **0.395** | **0.085** | **0.070** | **0.130** | **1.000** | **0.120** | **0.200** | **1.950** | **0.420** | **0.770** | **-0.105** | **0.160** | **-0.410** | **-0.200** | **0.090** | | | |
| *US Agency Debt* | -0.0220 | -0.0115 | 0.0375 | 0.015 | 0.040 | 0.050 | 0.010 | 0.095 | 0.065 | 0.150 | 0.220 | -0.275 | -0.210 | 0.375 | 0.120 | 0.250 | 0.010 | 0.050 | | | |
| *US Agency MBS/CMO* | 0.0485 | 0.0580 | -0.0520 | -0.005 | 0.005 | -0.075 | -0.085 | -0.100 | 0.135 | -0.540 | -1.160 | 0.920 | 0.510 | -0.350 | 0.050 | -0.610 | -0.090 | 0.020 | | | |
| *Credit* | -0.0845 | -0.0670 | 0.1710 | 0.2800 | 0.0350 | 0.0050 | 0.1550 | 0.2700 | -0.0700 | 0.1200 | 1.4200 | 0.0900 | 0.1900 | -0.0800 | 0.0000 | -0.0500 | -0.1200 | 0.0200 | | | |
| *ABS* | -0.0100 | 0.0060 | 0.0425 | 0.035 | 0.010 | 0.020 | 0.005 | 0.025 | 0.005 | 0.050 | 0.070 | 0.100 | 0.060 | -0.010 | 0.000 | 0.000 | 0.000 | 0.000 | | | |
| *CMBS* | -0.0675 | -0.0305 | 0.0785 | 0.070 | -0.005 | 0.070 | 0.045 | 0.710 | -0.015 | 0.420 | 1.400 | -0.415 | 0.220 | -0.040 | -0.010 | 0.000 | 0.000 | 0.000 | | | |
| **Security Selection Decision** | **-0.2470** | **0.1810** | **-0.0715** | **-0.215** | **0.725** | **0.070** | **0.070** | **-0.490** | **0.820** | **-0.210** | **-0.370** | **1.740** | **0.040** | **0.825** | **0.750** | **1.080** | **0.650** | **0.390** | | | |
| *US Treasury (US TIPS)* | -0.0550 | 0.0135 | 0.0125 | 0.080 | 0.010 | -0.045 | -0.030 | 0.090 | 0.305 | -0.140 | 1.500 | -0.500 | 0.050 | 0.020 | 0.060 | 0.020 | 0.100 | 0.080 | | | |
| *US Agency Debt* | -0.1630 | 0.0640 | -0.0450 | 0.070 | 0.350 | 0.095 | 0.235 | 0.330 | 0.435 | 0.430 | -0.180 | 0.460 | -0.320 | 0.730 | 0.680 | 0.970 | 0.420 | 0.400 | | | |
| *US Agency MBS/CMO* | -0.0035 | 0.0185 | 0.0005 | -0.035 | -0.005 | -0.110 | 0.145 | -0.005 | -0.160 | 0.040 | 0.000 | -0.280 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | | | |
| *Credit* | -0.0150 | 0.0465 | -0.0465 | -0.3350 | 0.3150 | 0.1400 | -0.2700 | -0.4300 | 0.4050 | 0.2700 | -0.3500 | 1.0650 | 0.3400 | 0.0000 | 0.0350 | 0.1900 | 0.3500 | 0.3400 | | | |
| *ABS* | -0.0140 | 0.0340 | 0.0275 | 0.010 | 0.005 | -0.005 | 0.000 | -0.045 | -0.025 | 0.000 | -0.190 | -0.170 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | | | |
| *CMBS* | 0.0035 | 0.0045 | -0.0205 | -0.005 | 0.050 | -0.005 | -0.010 | -0.430 | -0.140 | -0.810 | -1.150 | 1.165 | -0.030 | 0.075 | -0.025 | -0.100 | -0.220 | -0.430 | | | |

*The above information is supplemental and complements the composite disclosure presentation at the end of this document, which includes net-of-fee returns for all periods presented. For additional information, contact C. S. McKee at 412-566-1234.*

# *Intermediate Aggregate Fixed Income as of December 31, 2018*

## Portfolio Level

### Duration/Yield Curve

- Duration constraints of 80%-120% of benchmark levels (but are typically within 95%-105%).
- Long/short the curve by +/-15%

### Volatility Exposure

- Negative convexity limit of benchmark -0.75 years.

### Quality/Liquidity

- Average quality of Aa3/AA- or better. Liquidity equal or better than the benchmark, as measured by weighted average bid/ask spread.

## Sector Level

Benchmark-relative weighting limitations (versus Bloomberg Barclays Intermediate Aggregate):

| | McKee | *12/31/18* Index |
|---|---|---|
| Credit | 10%-45% | 22.6% |
| Agency | 5%-70% | 2.8% |
| Agency MBS | 5%-65% | 33.4% |
| Nominal Treasury | 5%-60% | 38.3% |
| TIPS | 0%-35% | 0.0% |
| CMBS/ABS | 0%-15% | 2.9% |

Structured agency product allocation limited to 25% of portfolio.

## Security Level

**Quality**:
Investment Grade by a nationally recognized rating agency (“AA” or better for structured product)

**Liquidity**:

- Corporate – Absolute issue size minimum of $100 million, though holdings are typically $500 million or more. No private placements (excluding 144A) allowed.
- Mortgage – Tranche size minimum of $25 million, holdings limitation of 10% of a tranche.
- Agency – $10 million minimum deal size, though typical holdings are $100 million and above.

**Diversification**:
Maximum holding per non-government issuer:

| | |
|---|---|
| AAA-rated | 5% |
| AA-rated | 4% |
| A-rated | 3% |
| BBB-rated | 2% |

Typical credit holdings are 0.35% to 0.75% of the portfolio.

70% of the portfolio trades with less than 3/8 point bid/ask spread.

Over 90% of corporate holdings are top 100 issuers.

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# Strategy Overview

## *Intermediate Aggregate Fixed Income, Fourth Quarter, 2018*

Risk markets did an abrupt about-face in the 4th quarter, as fear of missing out turned to fear of not getting out. The S&P 500 dropped 13.5%, marking the worst quarterly return for the index since 2008. All spread sectors underperformed Treasuries, led by credit.

The tipping point was Fed Chairman Powell's October 2nd commentary regarding the outlook for the economy, inflation and future rate hikes. Hawkish by comparison to market expectations, the fear of higher rates was soon joined by diminishing economic growth forecasts due to heightened trade and Brexit fears. Market volatility and risk-shedding accelerated in December, exacerbated by reduced liquidity.

Investment grade corporate yield spreads widened 37 basis points on average in Q4, a relatively positive development when compared to a move of 210 basis points in junk bond yield spreads. For the year, intermediate investment grade credit lagged Treasuries by 149 basis points, with all of the underperformance coming in the final quarter. Our modest overweight to the sector cost the intermediate portfolios 7 basis points for the year, offset by 4.5 basis points in trading, duration, and quality factors.

Agency performance, especially in callable securities, was hit hard by the rapid drop in Treasury rates and the associated spike in volatility. Yield spreads widened between 20 and 32 basis points during the quarter, to levels not seen since early 2015. Despite the outlook for higher volatility in 2019 versus the levels witnessed for most of last year, we find these securities, as well as brokered certificates of deposit, to be very attractive.

The securitized sector, thanks largely to its short average maturity and high quality, saw smaller degrees of underperformance in the most recent quarter. Index-eligible commercial mortgages lagged by 95 basis points, while agency mortgage passthroughs underperformed by 45 basis points. Finally, asset backed securities were 10 basis points behind, finishing the year with 18 basis points of outperformance.

We begin 2019 with an expectation for flat absolute returns for most domestic investment grade benchmarks. Supported by somewhat lower volatility in interest rates and sector spreads, bond performance will face some pressure from the expected one to two additional Funds' rate increases and the continued reduction of the Fed's balance sheet. New issue supply in credit and mortgages should fall modestly below 2018's totals, though net Treasury issuance is expected to increase. Our focus in the spread sectors remains on short and intermediate maturities, which offer the most attractive risk-adjusted return potential.

## *Portfolio Positions*

***Duration:*** *Moving to a slightly bearish position following the 4th quarter rally in Treasury prices.*

***Spread Sectors:*** *Maintaining our aggressive allocation to the agency sector, swapping a portion of the callables for brokered CDs with yield spreads at 5+ year highs.*

***The FOMC continued to tighten** monetary policy in December, taking the Funds Rate to 2.50%. The latest Summary of Economic Projections show that the Fed expects to hike twice more in 2019, while also lowering GDP growth estimates to 2.3% from 2.5%. We expect the Fed to achieve their two hikes, but only after a pause in the first quarter to assess the current risk-off environment.*

***The unemployment rate ticked up to 3.9%** in December from a post financial crisis low of 3.7%. Payrolls expanded by a robust 312K to finish 2018 and the Labor Force Participation Rate increased to 63.1%. The Fed will closely watch the 3.2% year-over-year increase in Average Hourly Earnings for follow through into broader price indices.*

***A temporary truce between the US and China** was established in early December, delaying the imposition of tariffs until March. The countries are scheduled to meet early in the new year and markets are hopeful that an agreement can be reached before tariffs impose a significant drag on growth.*

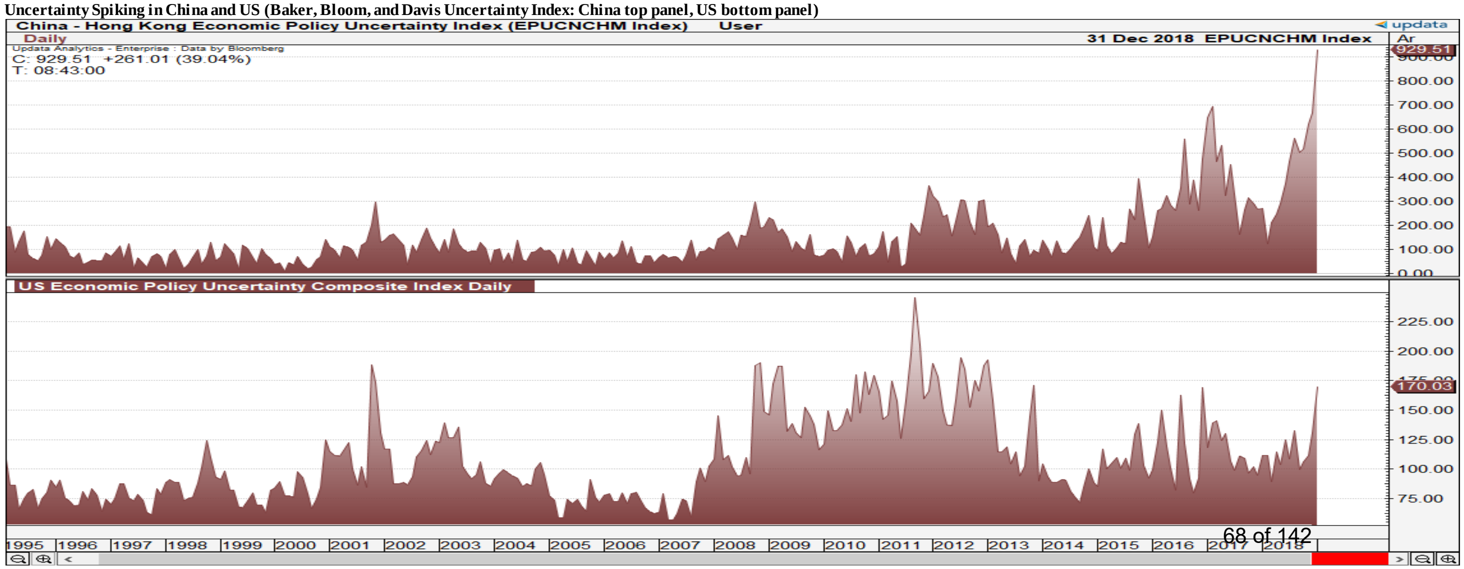
***British PM Theresa May and the EU** reached a withdrawal agreement setting the stage for the UK's exit from the union. PM May, however, delayed the vote on the agreement in the House of Commons fearing a lack of support for the plan. The March 29th date for the UK's exit from the EU looms large as the probability of a 'hard' Brexit or a second referendum have increased.*

# Financial Markets Expecting the Worst

Peaking in early October at 3.25%, ten-year US Treasury yields collapsed by over 50 basis points to finish 2018 at 2.68%. The S&P 500 closed the year nearly 15% below its high, posting the first down year for the index since 2008 at -4.39%. Rising uncertainty-driven by a storm of political and economic risks-led to a surge in market volatility and calls for the Fed to halt interest rate increases in 2019. Is the current market outlook too gloomy or is the Fed correct to say that investors are "well ahead of the data" regarding future risks to the economy? While the investment horizon is growing cloudy and spikes in volatility will be more frequent over the next 12-24 months, we don't agree that a recession is imminent and that the Fed should start reversing course from their policy normalization plans.

In the lead up to the December FOMC meeting, financial market volatility returned to levels last seen in February 2018. The trade war between the US and China looked to drag on, and fears of slower growth in 2019 started to weigh on forward-looking equity markets. Investors, once near certain the Fed would hike at the start of the fourth quarter, were now wary of additional tightening, and expected the Fed to respond with a dovish outlook. Hopes for a dovish tone at the December meeting were quickly dismissed as Jerome Powell and the FOMC increased rates by 25 basis points and forecasted two additional hikes in 2019. This while lowering their GDP growth outlook to 2.3% from 2.5%. The Fed's failure to quell the market's anxieties regarding the pace of tightening quickly resulted in further volatility and declines in equity markets in the final weeks of December. Post FOMC meeting, the market assigned a 36% chance that the Fed would be forced to cut rates sometime in 2019.

**Uncertainty Spiking in China and US (Baker, Bloom, and Davis Uncertainty Index: China top panel, US bottom panel)**



## Economic Perspective – Fourth Quarter, 2018

***The US Government shut down** in late December as funding for roughly 25% of discretionary spending expired. Economists expect the shutdown to have minimal negative effects on 2019 GDP, unlike prior government closures.*

***The ISM Manufacturing Index declined** to the lowest levels since 2016 as the strong dollar slowed exports and trade uncertainty weighed on companies investment decisions. The decline added to market fears of slowing growth and led to significant falls in equity markets and bond yields.*

The ongoing trade war between the US and China added to the market's fear of impending doom for 2019. President Trump's tweets espousing the effectiveness of tariffs and then, shortly thereafter, hopes of progress on a trade deal, swung risk markets up and down almost daily. As currently enacted, tariffs on Chinese and US goods would have a small negative effect on US growth next year and provide a minimal push higher in inflation; an escalation of a 25% tariff on $200BN of Chinese goods would slow the global economy more significantly in the upcoming year, if imposed. The temporary truce agreed upon in early December halts the imposition of the $200BN in tariffs on Chinese goods until the beginning of March while high level talks are held in early 2019 between both countries. Expectations are low, however, for a quick end to the escalating trade war. Any progress towards resolving the dispute should prove positive for risk assets and the economy. We expect both countries to find a face-saving resolution in 2019 as the impact of further tariffs becomes more evident.

Is the market's outlook too pessimistic, or is the Fed overly reliant on backward-looking rosy economic data? There are certainly enough events in the upcoming months – Brexit, trade negotiations, incoming economic data – to warrant high levels of volatility and uncertainty, but we believe that investors are currently too bearish. The economic momentum from 2018 is likely to carry over at least partially into 2019 and overall financial conditions, while recently tighter, still remain relatively loose. Politicians are also more likely to find a resolution (at least temporarily) to the current threats to the global economy than to permit their economies to suffer. This is not to say that recession risks aren't growing; tight labor markets, peaking consumer confidence, and a flatter yield curve – all historical indicators of recessions - portend trouble on the horizon, just not in 2019. Flexibility from the Fed will be required to navigate the economy through these disruptions. For now, the Fed should stick to their tightening path and not cave to market demands of looser policy.

## *Investment Summary - at 12/31/2018*

*99026*

| *Asset Class* | *Total Cost* | *Weight at Cost* | *Market Value* | *Accrued Income* | *Total Value* | *Weight at Market* |
|---|---|---|---|---|---|---|
| ***Fixed Income*** | $5,246,966.22 | 99.68% | $5,183,691.53 | $29,667.32 | **$5,213,358.85** | **99.68%** |
| ***Cash*** | $16,668.58 | 0.32% | $16,668.58 | $0.00 | **$16,668.58** | **0.32%** |
| ***Total Portfolio*** | $5,263,634.80 | 100.00% | $5,200,360.11 | $29,667.32 | **$5,230,027.43** | **100.00%** |

## Position Detail - at 12/31/2018

99026

| Description | Issue | Rating | Shares | Unit Cost | Total Cost | Weight at Cost | Market Price | Market Value | Accrued Income | Total Value | Weight at Market |
|---|---|---|---|---|---|---|---|---|---|---|---|

### Fixed Income

| Description | Issue | Rating | Shares | Unit Cost | Total Cost | Weight at Cost | Market Price | Market Value | Accrued Income | Total Value | Weight at Market |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **CMO** | | | | | | | | | | | |
| FNMA REMIC TRUST | 4.000 FEB 25 40 | AGY | 25,469.67 | 1.01 | 25,827.84 | 0.49% | 101.61 | 25,878.46 | 87.73 | 25,966.19 | 0.50% |
| FNMA REMIC TRUST | 2.500 APR 25 40 | AGY | 12,320.37 | 1.02 | 12,528.28 | 0.24% | 99.35 | 12,239.67 | 26.52 | 12,266.19 | 0.23% |
| FNMA REMIC TRUST | 2.500 OCT 25 40 | AGY | 49,006.27 | 1.00 | 49,144.10 | 0.93% | 98.78 | 48,407.41 | 105.50 | 48,512.91 | 0.93% |
| FNMA REMIC TRUST | 4.500 FEB 25 38 | AGY | 18,443.59 | 1.06 | 19,596.31 | 0.37% | 103.71 | 19,127.85 | 71.47 | 19,199.32 | 0.37% |
| FNMA REMIC TRUST | 4.250 NOV 25 41 | AGY | 6,670.65 | 1.06 | 7,040.66 | 0.13% | 104.46 | 6,968.09 | 24.41 | 6,992.51 | 0.13% |
| FNMA REMIC TRUST | 2.000 NOV 25 30 | AGY | 39,844.57 | 1.00 | 39,869.47 | 0.76% | 98.64 | 39,301.89 | 68.62 | 39,370.51 | 0.75% |
| FNMA REMIC TRUST | 4.000 MAY 25 38 | AGY | 9,611.26 | 1.05 | 10,136.88 | 0.19% | 100.51 | 9,660.09 | 33.11 | 9,693.19 | 0.19% |
| FNMA REMIC TRUST | 2.000 OCT 25 40 | AGY | 61,071.22 | 0.98 | 59,761.53 | 1.14% | 97.34 | 59,446.11 | 105.18 | 59,551.29 | 1.14% |
| FNMA REMIC TRUST | 2.000 DEC 25 41 | AGY | 17,176.04 | 0.97 | 16,585.61 | 0.32% | 94.85 | 16,291.47 | 29.58 | 16,321.05 | 0.31% |
| FNMA REMIC TRUST | 1.500 APR 25 43 | AGY | 57,972.13 | 0.97 | 55,990.21 | 1.06% | 95.67 | 55,463.10 | 74.88 | 55,537.98 | 1.06% |
| FHLMC REIMC SERIES | 3.000 JUL 15 40 | AGY | 21,297.80 | 1.04 | 22,099.80 | 0.42% | 100.28 | 21,356.79 | 55.02 | 21,411.81 | 0.41% |
| FHLMC REMIC SERIES | 2.250 SEP 15 20 | AGY | 15.72 | 1.02 | 16.01 | 0.00% | 99.67 | 15.67 | 0.03 | 15.70 | 0.00% |
| FHLMC SERIES 3825 | 4.000 MAR 15 39 | AGY | 494.60 | 1.03 | 508.67 | 0.01% | 100.02 | 494.72 | 1.70 | 496.42 | 0.01% |
| FHLMC REMIC SERIES | 3.500 JAN 15 41 | AGY | 16,961.23 | 1.05 | 17,732.44 | 0.34% | 101.35 | 17,190.38 | 51.12 | 17,241.50 | 0.33% |
| FHLMC REMIC SERIES | 2.500 JAN 15 41 | AGY | 20,407.87 | 1.00 | 20,455.70 | 0.39% | 97.91 | 19,980.73 | 43.93 | 20,024.67 | 0.38% |
| FHLMC REMIC SERIES | 3.000 JUN 15 38 | AGY | 6,972.38 | 1.04 | 7,234.93 | 0.14% | 99.94 | 6,968.06 | 18.01 | 6,986.07 | 0.13% |
| FHLMC REMIC SERIES | 2.750 APR 15 41 | AGY | 19,255.88 | 1.02 | 19,616.93 | 0.37% | 98.29 | 18,926.60 | 45.60 | 18,972.20 | 0.36% |
| FNMA REMIC TRUST | 5.000 AUG 25 35 | AGY | 34,286.25 | 1.10 | 37,702.82 | 0.72% | 108.91 | 37,340.47 | 147.62 | 37,488.09 | 0.72% |
| FHLMC REMIC SERIES | 5.000 NOV 15 23 | AGY | 2,093.97 | 1.10 | 2,295.51 | 0.04% | 102.09 | 2,137.63 | 9.02 | 2,146.65 | 0.04% |
| FNMA REMIC TRUST | 4.000 MAR 25 19 | AGY | 38.75 | 1.05 | 40.72 | 0.00% | 99.79 | 38.67 | 0.13 | 38.80 | 0.00% |
| FNMA REMIC TRUST | 4.000 NOV 25 40 | AGY | 16,212.45 | 1.06 | 17,129.47 | 0.33% | 102.95 | 16,690.56 | 55.84 | 16,746.40 | 0.32% |
| FNMA REMIC TRUST | 4.000 JUL 25 26 | AGY | 16,146.30 | 1.05 | 16,915.77 | 0.32% | 102.42 | 16,536.39 | 55.62 | 16,592.01 | 0.32% |
| FNMA REMIC TRUST | 4.500 NOV 25 39 | AGY | 5,653.84 | 1.06 | 6,000.14 | 0.11% | 101.96 | 5,764.66 | 21.91 | 5,786.56 | 0.11% |

## *Position Detail - at 12/31/2018*



| Description | Issue | Rating | Shares | Unit Cost | Total Cost | Weight at Cost | Market Price | Market Value | Accrued Income | Total Value | Weight at Market |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ***CMO*** | | | | | | | | | | | |
| FNMA REMIC TRUST | 3.000 JAN 25 40 | AGY | 2,984.81 | 1.04 | 3,111.66 | 0.06% | 99.65 | 2,974.30 | 7.71 | 2,982.01 | 0.06% |
| GNMA REMIC TRUST | 3.500 JAN 20 38 | AGY | 1,095.36 | 1.04 | 1,143.92 | 0.02% | 100.06 | 1,095.96 | 3.30 | 1,099.26 | 0.02% |
| GNMA REMIC TRUST | 3.500 AUG 20 39 | AGY | 5,426.58 | 1.05 | 5,704.69 | 0.11% | 101.21 | 5,492.30 | 16.36 | 5,508.65 | 0.11% |
| GNMA REMIC TRUST | 3.000 OCT 20 39 | AGY | 6,742.31 | 1.04 | 7,012.00 | 0.13% | 100.27 | 6,760.31 | 17.42 | 6,777.73 | 0.13% |
| GNMA REMIC TRUST | 3.500 DEC 20 39 | AGY | 5,478.62 | 1.06 | 5,798.78 | 0.11% | 100.82 | 5,523.54 | 16.51 | 5,540.06 | 0.11% |
| GNMA REMIC TRUST | 3.000 MAY 20 40 | AGY | 6,624.69 | 1.03 | 6,850.34 | 0.13% | 99.58 | 6,597.00 | 17.11 | 6,614.11 | 0.13% |
| GNMA REMIC TRUST | 2.000 MAY 20 40 | AGY | 2,648.07 | 1.01 | 2,677.86 | 0.05% | 97.74 | 2,588.20 | 4.56 | 2,592.76 | 0.05% |
| GNMA REMIC TRUST | 2.750 JAN 20 38 | AGY | 9,246.16 | 1.02 | 9,415.19 | 0.18% | 100.01 | 9,246.99 | 21.90 | 9,268.89 | 0.18% |
| GNMA REMIC TRUST | 2.000 OCT 20 38 | AGY | 8,023.63 | 1.01 | 8,102.61 | 0.15% | 98.53 | 7,906.00 | 13.82 | 7,919.82 | 0.15% |
| GNMA REMIC TRUST | 2.500 DEC 20 42 | AGY | 5,255.83 | 1.04 | 5,460.31 | 0.10% | 97.51 | 5,124.70 | 11.31 | 5,136.01 | 0.10% |
| GNMA REMIC TRUST | 2.500 JUL 20 28 | AGY | 10,689.55 | 1.01 | 10,826.51 | 0.21% | 98.45 | 10,524.18 | 23.01 | 10,547.19 | 0.20% |
| GNMA REMIC TRUST | 3.000 APR 16 43 | AGY | 16,090.61 | 1.04 | 16,741.36 | 0.32% | 99.29 | 15,976.53 | 41.57 | 16,018.10 | 0.31% |
| GNMA REMIC TRUST | 3.500 APR 16 43 | AGY | 10,727.08 | 1.05 | 11,246.67 | 0.21% | 101.23 | 10,858.70 | 32.33 | 10,891.03 | 0.21% |
| ***Commercial MBS*** | | | | | | | | | | | |
| FNMA REMIC TRUST | 2.532 SEP 25 24 | AGY | 120,000.00 | 0.99 | 119,362.50 | 2.27% | 97.57 | 117,078.00 | 261.64 | 117,339.64 | 2.24% |
| FHLMC REMIC SERIES | 4.333 OCT 25 20 | AGY | 64,000.00 | 1.05 | 67,488.36 | 1.28% | 102.26 | 65,447.04 | 238.80 | 65,685.84 | 1.26% |
| FHLMC REMIC SERIES | 4.185 DEC 25 20 | AGY | 25,000.00 | 1.02 | 25,512.70 | 0.48% | 102.25 | 25,561.50 | 90.09 | 25,651.59 | 0.49% |
| FHLMC REMIC SERIES | 2.862 JAN 25 46 | AGY | 76,380.02 | 1.01 | 76,868.43 | 1.46% | 99.98 | 76,367.04 | 188.21 | 76,555.25 | 1.46% |
| GNMA REMIC TRUST | 3.150 DEC 16 19 | AGY | 6,649.68 | 1.03 | 6,855.40 | 0.13% | 99.76 | 6,633.72 | 18.04 | 6,651.76 | 0.13% |
| GNMA REMIC TRUST | 2.250 SEP 16 44 | AGY | 33,481.90 | 0.99 | 33,220.32 | 0.63% | 95.89 | 32,105.46 | 64.87 | 32,170.33 | 0.62% |
| ***Corporates*** | | | | | | | | | | | |
| AT&T INC | 3.400 MAY 15 25 | BBB | 4,000.00 | 0.95 | 3,819.36 | 0.07% | 94.17 | 3,766.60 | 17.76 | 3,784.36 | 0.07% |
| ABBVIE INC | 4.250 NOV 14 28 | A- | 20,000.00 | 0.99 | 19,829.00 | 0.38% | 97.08 | 19,416.00 | 245.56 | 19,661.56 | 0.38% |
| AMERICAN EXPRESS CR | 2.600 SEP 14 20 | A- | 9,000.00 | 1.03 | 9,248.40 | 0.18% | 98.98 | 8,907.93 | 70.20 | 8,978.13 | 0.17% |

## Position Detail - at 12/31/2018

99026

| Description | Issue | Rating | Shares | Unit Cost | Total Cost | Weight at Cost | Market Price | Market Value | Accrued Income | Total Value | Weight at Market |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *Corporates* | | | | | | | | | | | |
| ANHEUSER BUSCH INBEV | 3.650 FEB 01 26 | A- | 25,000.00 | 0.98 | 24,522.21 | 0.47% | 94.26 | 23,565.75 | 382.74 | 23,948.49 | 0.46% |
| APPLE INC | 2.750 JAN 13 25 | AA+ | 36,000.00 | 0.96 | 34,478.59 | 0.66% | 96.43 | 34,713.36 | 464.75 | 35,178.11 | 0.67% |
| BANK AMER CORP | 3.864 JUL 23 24 | A- | 25,000.00 | 1.00 | 25,000.00 | 0.47% | 99.76 | 24,940.50 | 426.65 | 25,367.15 | 0.49% |
| BANK OF MONTREAL | 1.900 AUG 27 21 | A+ | 27,000.00 | 0.96 | 25,986.42 | 0.49% | 96.58 | 26,077.68 | 178.13 | 26,255.81 | 0.50% |
| BANK NEW YORK MTN BK | 3.000 FEB 24 25 | A | 9,000.00 | 1.00 | 8,971.29 | 0.17% | 96.56 | 8,690.22 | 96.00 | 8,786.22 | 0.17% |
| BANK NEW YORK MTN BK | 2.450 NOV 27 20 | A | 7,000.00 | 0.98 | 6,886.39 | 0.13% | 98.84 | 6,918.59 | 16.67 | 6,935.26 | 0.13% |
| BANK NEW YORK MELLON | 2.950 JAN 29 23 | A | 32,000.00 | 0.99 | 31,785.88 | 0.60% | 98.43 | 31,496.32 | 401.20 | 31,897.52 | 0.61% |
| BANK OF NOVA SCOTIA | 2.450 MAR 22 21 | A+ | 15,000.00 | 0.98 | 14,726.25 | 0.28% | 98.29 | 14,742.90 | 101.06 | 14,843.96 | 0.28% |
| BANK OF NOVA SCOTIA | 1.650 JUN 14 19 | A+ | 22,000.00 | 1.00 | 21,998.68 | 0.42% | 99.43 | 21,875.26 | 17.14 | 21,892.40 | 0.42% |
| BP CAP MKTS AMER INC | 3.790 FEB 06 24 | A- | 14,000.00 | 1.00 | 14,009.24 | 0.27% | 101.08 | 14,151.06 | 82.54 | 14,233.60 | 0.27% |
| BP CAP MKTS AMER INC | 2.750 MAY 10 23 | A- | 21,000.00 | 1.02 | 21,454.02 | 0.41% | 97.10 | 20,391.21 | 83.42 | 20,474.63 | 0.39% |
| CSX CORP | 3.800 MAR 01 28 | BBB+ | 6,000.00 | 0.97 | 5,793.18 | 0.11% | 98.11 | 5,886.66 | 76.63 | 5,963.29 | 0.11% |
| CVS HEALTH CORP | 4.100 MAR 25 25 | BBB | 23,000.00 | 0.99 | 22,789.62 | 0.43% | 99.00 | 22,770.46 | 254.09 | 23,024.55 | 0.44% |
| CAPITAL ONE FINL COR | 2.500 MAY 12 20 | BBB | 18,000.00 | 1.00 | 17,970.46 | 0.34% | 98.71 | 17,767.08 | 62.50 | 17,829.58 | 0.34% |
| CATERPILLAR FINL SVC | 1.700 AUG 09 21 | A | 18,000.00 | 0.98 | 17,583.90 | 0.33% | 96.22 | 17,319.60 | 120.70 | 17,440.30 | 0.33% |
| CHEVRON CORP NEW | 2.355 DEC 05 22 | AA | 63,000.00 | 0.99 | 62,300.81 | 1.18% | 96.84 | 61,008.57 | 111.27 | 61,119.84 | 1.17% |
| CISCO SYS INC | 2.200 FEB 28 21 | AA- | 15,000.00 | 1.00 | 14,971.20 | 0.28% | 98.68 | 14,801.25 | 113.67 | 14,914.92 | 0.29% |
| CITIGROUP INC | 3.142 JAN 24 23 | BBB+ | 22,000.00 | 1.00 | 21,952.78 | 0.42% | 98.23 | 21,609.50 | 303.38 | 21,912.88 | 0.42% |
| COMCAST CORP NEW | 3.600 MAR 01 24 | A- | 44,000.00 | 1.03 | 45,463.00 | 0.86% | 100.24 | 44,105.60 | 532.40 | 44,638.00 | 0.85% |
| COMCAST CORP NEW | 3.950 OCT 15 25 | A- | 9,000.00 | 1.00 | 8,988.93 | 0.17% | 101.18 | 9,106.56 | 85.91 | 9,192.47 | 0.18% |
| COMERICA INC | 3.700 JUL 31 23 | BBB+ | 10,000.00 | 1.00 | 9,999.10 | 0.19% | 99.94 | 9,994.40 | 155.19 | 10,149.59 | 0.19% |
| DEERE JOHN CAP CORP | 2.800 MAR 06 23 | A | 15,000.00 | 0.97 | 14,555.10 | 0.28% | 97.77 | 14,665.80 | 135.33 | 14,801.13 | 0.28% |
| DISNEY WALT CO MTNS | 3.150 SEP 17 25 | A+ | 20,000.00 | 0.98 | 19,511.80 | 0.37% | 97.58 | 19,516.60 | 183.75 | 19,700.35 | 0.38% |
| DOWDUPONT INC | 4.493 NOV 15 25 | A- | 10,000.00 | 1.00 | 10,000.00 | 0.19% | 102.96 | 10,295.80 | 42.43 | 10,338.23 | 0.20% |
| DU PONT E I DE NEMOU | 2.200 MAY 01 20 | A- | 7,000.00 | 1.00 | 6,992.30 | 0.13% | 99.30 | 6,950.86 | 26.09 | 6,976.95 | 0.13% |

## Position Detail - at 12/31/2018

99026

| Description | Issue | Rating | Shares | Unit Cost | Total Cost | Weight at Cost | Market Price | Market Value | Accrued Income | Total Value | Weight at Market |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *Corporates* | | | | | | | | | | | |
| EXPRESS SCRIPTS HLDG | 2.600 NOV 30 20 | A- | 14,000.00 | 1.00 | 13,996.78 | 0.27% | 98.44 | 13,781.04 | 31.34 | 13,812.38 | 0.26% |
| EXXON MOBIL CORP | 2.222 MAR 01 21 | AA+ | 22,000.00 | 1.02 | 22,370.70 | 0.43% | 98.56 | 21,683.20 | 164.30 | 21,847.50 | 0.42% |
| FORD MTR CO DEL | 4.346 DEC 08 26 | BBB | 46,000.00 | 1.03 | 47,250.91 | 0.90% | 89.25 | 41,052.70 | 133.28 | 41,185.98 | 0.79% |
| GENERAL ELECTRIC CO | 2.700 OCT 09 22 | BBB+ | 10,000.00 | 1.00 | 9,989.90 | 0.19% | 92.79 | 9,279.30 | 62.25 | 9,341.55 | 0.18% |
| GENERAL MTRS FINL CO | 3.700 MAY 09 23 | BBB | 11,000.00 | 0.97 | 10,652.97 | 0.20% | 95.14 | 10,465.73 | 59.92 | 10,525.65 | 0.20% |
| GENERAL MTRS FINL CO | 3.200 JUL 06 21 | BBB | 35,000.00 | 1.00 | 35,168.67 | 0.67% | 97.68 | 34,188.35 | 547.56 | 34,735.91 | 0.66% |
| GENERAL MTRS FINL CO | 3.250 JAN 05 23 | BBB | 16,000.00 | 1.00 | 15,988.96 | 0.30% | 94.17 | 15,067.52 | 255.67 | 15,323.19 | 0.29% |
| GLAXOSMITHKLINE CAP | 3.625 MAY 15 25 | A+ | 11,000.00 | 0.99 | 10,926.08 | 0.21% | 100.64 | 11,070.18 | 52.06 | 11,122.24 | 0.21% |
| GOLDMAN SACHS GROUP | 3.272 SEP 29 25 | BBB+ | 42,000.00 | 1.00 | 41,923.38 | 0.80% | 93.74 | 39,369.54 | 355.01 | 39,724.55 | 0.76% |
| HOME DEPOT INC | 2.625 JUN 01 22 | A | 25,000.00 | 1.01 | 25,248.85 | 0.48% | 98.95 | 24,737.75 | 56.51 | 24,794.26 | 0.47% |
| JPMORGAN CHASE & CO | 3.250 SEP 23 22 | A- | 58,000.00 | 1.02 | 59,273.10 | 1.13% | 99.21 | 57,539.48 | 518.38 | 58,057.86 | 1.11% |
| JPMORGAN CHASE & CO | 2.750 JUN 23 20 | A- | 16,000.00 | 1.01 | 16,173.24 | 0.31% | 99.43 | 15,908.32 | 11.00 | 15,919.32 | 0.30% |
| JP MORGAN CHASE BANK | 4.023 DEC 05 24 | A- | 24,000.00 | 1.00 | 24,000.00 | 0.46% | 100.80 | 24,191.04 | 72.41 | 24,263.45 | 0.46% |
| KRAFT HEINZ FOODS CO | 4.000 JUN 15 23 | BBB | 19,000.00 | 1.00 | 18,976.82 | 0.36% | 99.74 | 18,950.22 | 35.89 | 18,986.11 | 0.36% |
| KROGER CO | 3.300 JAN 15 21 | BBB | 14,000.00 | 1.03 | 14,393.12 | 0.27% | 99.57 | 13,939.66 | 214.32 | 14,153.98 | 0.27% |
| LOCKHEED MARTIN CORP | 3.550 JAN 15 26 | BBB+ | 11,000.00 | 0.98 | 10,797.68 | 0.21% | 99.23 | 10,915.19 | 181.15 | 11,096.34 | 0.21% |
| MERCK & CO INC | 2.750 FEB 10 25 | AA | 18,000.00 | 1.00 | 18,000.00 | 0.34% | 96.74 | 17,413.02 | 195.25 | 17,608.27 | 0.34% |
| MICROSOFT CORP | 2.875 FEB 06 24 | AAA | 22,000.00 | 1.02 | 22,349.67 | 0.42% | 99.06 | 21,792.54 | 256.51 | 22,049.05 | 0.42% |
| MID-AMERICA APTS LP | 3.600 JUN 01 27 | BBB+ | 5,000.00 | 1.00 | 4,979.00 | 0.09% | 96.50 | 4,825.10 | 15.50 | 4,840.60 | 0.09% |
| MORGAN STANLEY | 2.500 APR 21 21 | BBB+ | 34,000.00 | 1.00 | 34,010.46 | 0.65% | 97.88 | 33,279.20 | 167.64 | 33,446.84 | 0.64% |
| NATIONAL RURAL UTILS | 2.300 NOV 15 19 | A | 19,000.00 | 1.00 | 18,983.72 | 0.36% | 99.43 | 18,891.32 | 57.05 | 18,948.37 | 0.36% |
| OCCIDENTAL PETE CORP | 2.700 FEB 15 23 | A | 5,000.00 | 0.96 | 4,794.70 | 0.09% | 96.92 | 4,846.15 | 51.38 | 4,897.53 | 0.09% |
| ORACLE CORP | 2.400 SEP 15 23 | AA- | 34,000.00 | 0.98 | 33,487.00 | 0.64% | 95.96 | 32,627.42 | 242.53 | 32,869.95 | 0.63% |
| PNC FUNDING CORP | 3.300 MAR 08 22 | A- | 27,000.00 | 1.02 | 27,433.88 | 0.52% | 99.78 | 26,940.33 | 282.15 | 27,222.48 | 0.52% |
| PACIFICORP | 3.850 JUN 15 21 | A+ | 5,000.00 | 1.06 | 5,285.85 | 0.10% | 101.55 | 5,077.55 | 9.09 | 5,086.64 | 0.10% |

## *Position Detail - at 12/31/2018*

99026

| Description | Issue | Rating | Shares | Unit Cost | Total Cost | Weight at Cost | Market Price | Market Value | Accrued Income | Total Value | Weight at Market |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *Corporates* | | | | | | | | | | | |
| PACIFICORP | 2.950 FEB 01 22 | A+ | 33,000.00 | 1.05 | 34,571.76 | 0.66% | 98.94 | 32,650.53 | 408.33 | 33,058.86 | 0.63% |
| PHILIP MORRIS INTL I | 2.375 AUG 17 22 | A | 19,000.00 | 1.00 | 18,912.03 | 0.36% | 96.10 | 18,259.76 | 169.22 | 18,428.98 | 0.35% |
| PRICELINE GRP INC | 2.750 MAR 15 23 | A- | 9,000.00 | 1.00 | 8,986.86 | 0.17% | 95.98 | 8,638.47 | 73.56 | 8,712.03 | 0.17% |
| ROYAL BANK OF CANADA | 1.875 FEB 05 21 | Aaa | 39,000.00 | 1.00 | 38,994.54 | 0.74% | 98.96 | 38,593.62 | 296.56 | 38,890.18 | 0.74% |
| ROYAL BK OF CDA BD C | 3.700 OCT 05 23 C | A | 28,000.00 | 1.00 | 27,941.76 | 0.53% | 100.40 | 28,112.28 | 247.49 | 28,359.77 | 0.54% |
| STATOIL ASA | 2.450 JAN 17 23 | AA- | 11,000.00 | 0.98 | 10,783.52 | 0.20% | 97.16 | 10,687.82 | 122.77 | 10,810.59 | 0.21% |
| TIME WARNER INC | 3.600 JUL 15 25 | BBB | 24,000.00 | 0.99 | 23,826.76 | 0.45% | 94.87 | 22,768.80 | 400.80 | 23,169.60 | 0.44% |
| TOTAL CAP CDA LTD | 2.750 JUL 15 23 | A+ | 19,000.00 | 0.96 | 18,301.75 | 0.35% | 97.80 | 18,581.62 | 242.38 | 18,824.00 | 0.36% |
| TOYOTA MOTOR CREDIT | 2.125 JUL 18 19 | AA- | 29,000.00 | 1.00 | 28,920.83 | 0.55% | 99.46 | 28,843.98 | 280.74 | 29,124.72 | 0.56% |
| TOYOTA MOTOR CREDIT | 1.900 APR 08 21 | AA- | 26,000.00 | 0.99 | 25,833.78 | 0.49% | 98.04 | 25,489.10 | 115.27 | 25,604.37 | 0.49% |
| 21ST CENTY FOX AMER | 4.500 FEB 15 21 | BBB+ | 21,000.00 | 1.08 | 22,683.78 | 0.43% | 102.67 | 21,560.49 | 359.63 | 21,920.12 | 0.42% |
| UNION PAC CORP | 3.950 SEP 10 28 | A- | 22,000.00 | 0.99 | 21,876.92 | 0.42% | 99.86 | 21,970.08 | 492.43 | 22,462.51 | 0.43% |
| U S BANCORP MTNS BK | 3.000 MAR 15 22 | A+ | 20,000.00 | 1.02 | 20,460.37 | 0.39% | 99.37 | 19,874.60 | 178.33 | 20,052.93 | 0.38% |
| U S BANCORP MTNS BK | 2.375 JUL 22 26 | A+ | 19,000.00 | 0.90 | 17,154.15 | 0.33% | 91.20 | 17,328.00 | 200.56 | 17,528.56 | 0.34% |
| UNITED TECHNOLOGIES | 4.125 NOV 16 28 | BBB+ | 7,000.00 | 1.00 | 6,985.79 | 0.13% | 99.07 | 6,934.90 | 36.90 | 6,971.80 | 0.13% |
| VERIZON COMMUNICATIO | 5.150 SEP 15 23 | BBB+ | 13,000.00 | 1.07 | 13,884.00 | 0.26% | 106.44 | 13,836.68 | 198.99 | 14,035.67 | 0.27% |
| VIRGINIA ELEC & PWR | 3.150 JAN 15 26 | BBB+ | 35,000.00 | 0.97 | 33,971.00 | 0.65% | 97.01 | 33,952.10 | 511.44 | 34,463.54 | 0.66% |
| WALMART INC | 3.400 JUN 26 23 | AA | 25,000.00 | 1.01 | 25,139.31 | 0.48% | 101.03 | 25,257.75 | 14.17 | 25,271.92 | 0.48% |
| WELLS FARGO CO NEW | 2.100 JUL 26 21 | A- | 15,000.00 | 0.99 | 14,782.50 | 0.28% | 96.88 | 14,531.70 | 136.50 | 14,668.20 | 0.28% |
| WELLS FARGO CO MTN B | 2.150 JAN 30 20 | A- | 39,000.00 | 1.00 | 38,943.36 | 0.74% | 98.91 | 38,576.07 | 351.70 | 38,927.77 | 0.74% |
| WESTPAC BKG CORP | 2.750 JAN 11 23 | AA- | 10,000.00 | 1.00 | 9,989.90 | 0.19% | 97.04 | 9,703.90 | 130.63 | 9,834.53 | 0.19% |
| *Mortgage Backed Securities* | | | | | | | | | | | |
| FHLMC PC GOL G16330 | 3.500 AUG 01 32 | AGY | 43,618.29 | 1.04 | 45,267.61 | 0.86% | 101.48 | 44,263.40 | 131.46 | 44,394.87 | 0.85% |
| FHLMC PC GOL G08737 | 3.000 DEC 01 46 | AGY | 52,872.59 | 1.00 | 52,703.64 | 1.00% | 97.58 | 51,594.13 | 136.59 | 51,730.72 | 0.99% |
| FHLMC PC GOL C91244 | 4.500 APR 01 29 | AGY | 5,696.80 | 1.05 | 5,965.62 | 0.11% | 103.50 | 5,896.42 | 22.08 | 5,918.49 | 0.11% |

## Position Detail - at 12/31/2018

99026

| Description | Issue | Rating | Shares | Unit Cost | Total Cost | Weight at Cost | Market Price | Market Value | Accrued Income | Total Value | Weight at Market |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *Mortgage Backed Securities* | | | | | | | | | | | |
| FHLMC PC GOL C91255 | 4.000 JUN 01 29 | AGY | 17,406.94 | 1.06 | 18,538.39 | 0.35% | 101.95 | 17,746.90 | 59.96 | 17,806.85 | 0.34% |
| FHLMC PC GOL C91881 | 3.500 JUL 01 36 | AGY | 18,979.34 | 1.04 | 19,768.17 | 0.38% | 101.27 | 19,219.62 | 57.20 | 19,276.82 | 0.37% |
| FHLMC PC GOL Q08810 | 3.500 JUN 01 42 | AGY | 10,825.35 | 1.06 | 11,517.16 | 0.22% | 100.74 | 10,905.67 | 32.63 | 10,938.30 | 0.21% |
| FHLMC PC GOL G31065 | 3.500 AUG 01 36 | AGY | 24,333.93 | 1.01 | 24,588.68 | 0.47% | 101.52 | 24,702.83 | 73.34 | 24,776.17 | 0.47% |
| FHLMC PC GOL V82781 | 3.000 DEC 01 46 | AGY | 47,205.28 | 0.99 | 46,725.85 | 0.89% | 97.58 | 46,063.86 | 121.95 | 46,185.80 | 0.88% |
| FHLMC PC GOL G61464 | 4.000 OCT 01 46 | AGY | 96,257.03 | 1.02 | 98,242.33 | 1.87% | 102.19 | 98,362.17 | 331.55 | 98,693.72 | 1.89% |
| FNMA PASSTHRU AH0897 | 4.500 DEC 01 40 | AGY | 9,576.28 | 1.09 | 10,462.09 | 0.20% | 104.75 | 10,030.67 | 37.11 | 10,067.78 | 0.19% |
| FNMA PASSTHRU AH2680 | 3.500 JAN 01 41 | AGY | 14,735.59 | 1.03 | 15,136.21 | 0.29% | 100.78 | 14,850.53 | 44.41 | 14,894.94 | 0.28% |
| FNMA PASSTHRU AH2683 | 4.000 JAN 01 41 | AGY | 21,803.29 | 1.07 | 23,370.40 | 0.44% | 102.83 | 22,419.23 | 75.10 | 22,494.33 | 0.43% |
| FNMA PASSTHRU AI3507 | 4.500 JUN 01 41 | AGY | 7,545.04 | 1.06 | 8,024.86 | 0.15% | 104.73 | 7,901.92 | 29.24 | 7,931.16 | 0.15% |
| FNMA PASSTHRU AJ4410 | 4.000 OCT 01 41 | AGY | 6,223.72 | 1.05 | 6,552.41 | 0.12% | 102.83 | 6,399.54 | 21.44 | 6,420.98 | 0.12% |
| FNMA PASSTHRU AL0160 | 4.500 MAY 01 41 | AGY | 4,834.24 | 1.06 | 5,121.27 | 0.10% | 104.74 | 5,063.58 | 18.73 | 5,082.31 | 0.10% |
| FNMA PASSTHRU AL5521 | 4.500 JAN 01 40 | AGY | 14,055.11 | 1.09 | 15,258.58 | 0.29% | 104.17 | 14,640.51 | 54.46 | 14,694.97 | 0.28% |
| FNMA PASSTHRU AO8044 | 3.500 JUL 01 42 | AGY | 11,499.23 | 1.07 | 12,332.92 | 0.23% | 100.78 | 11,588.92 | 34.66 | 11,623.58 | 0.22% |
| FNMA PASSTHRU AS7348 | 3.500 JUN 01 46 | AGY | 46,091.07 | 1.03 | 47,438.35 | 0.90% | 100.28 | 46,217.82 | 138.91 | 46,356.73 | 0.89% |
| FNMA PASSTHRU AS7388 | 3.500 JUN 01 46 | AGY | 35,396.77 | 1.03 | 36,325.94 | 0.69% | 100.29 | 35,497.65 | 106.68 | 35,604.33 | 0.68% |
| FNMA PASSTHRU BC6009 | 3.500 MAY 01 46 | AGY | 71,838.42 | 1.03 | 73,997.38 | 1.41% | 100.31 | 72,058.25 | 216.51 | 72,274.76 | 1.38% |
| FNMA PASSTHRU BM3570 | 4.500 MAR 01 46 | AGY | 44,275.33 | 1.06 | 46,848.83 | 0.89% | 104.68 | 46,349.19 | 171.57 | 46,520.75 | 0.89% |
| FNMA PASSTHRU BM3655 | 4.000 JUN 01 45 | AGY | 22,252.79 | 1.02 | 22,666.55 | 0.43% | 102.88 | 22,892.56 | 76.65 | 22,969.21 | 0.44% |
| FNMA PASSTHRU BM3749 | 4.000 FEB 01 45 | AGY | 22,310.67 | 1.02 | 22,837.06 | 0.43% | 102.81 | 22,938.27 | 76.85 | 23,015.12 | 0.44% |
| FNMA PASSTHRU CA0241 | 4.000 AUG 01 47 | AGY | 97,808.35 | 1.04 | 102,011.05 | 1.94% | 101.96 | 99,727.35 | 336.90 | 100,064.25 | 1.91% |
| FNMA PASSTHRU MA1922 | 4.000 JUN 01 34 | AGY | 24,476.67 | 1.06 | 25,964.39 | 0.49% | 103.75 | 25,393.32 | 84.31 | 25,477.63 | 0.49% |
| FNMA PASSTHRU MA1982 | 3.500 AUG 01 34 | AGY | 10,044.17 | 1.06 | 10,610.72 | 0.20% | 101.86 | 10,230.99 | 30.27 | 10,261.26 | 0.20% |
| FNMA PASSTHRU MA3071 | 4.000 JUL 01 37 | AGY | 77,412.96 | 1.03 | 80,061.93 | 1.52% | 103.13 | 79,835.99 | 266.64 | 80,102.63 | 1.53% |
| FNMA PASSTHRU MA3894 | 4.000 SEP 01 31 | AGY | 31,743.22 | 1.08 | 34,259.15 | 0.65% | 102.69 | 32,598.38 | 109.34 | 32,707.72 | 0.63% |

## *Position Detail - at 12/31/2018*

99026

| Description | Issue | Rating | Shares | Unit Cost | Total Cost | Weight at Cost | Market Price | Market Value | Accrued Income | Total Value | Weight at Market |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ***Mortgage Backed Securities*** | | | | | | | | | | | |
| GNMA PASSTHRU MA5332 | 5.000 JUL 20 48 | AGY | 61,712.10 | 1.05 | 64,845.92 | 1.23% | 104.17 | 64,283.64 | 265.70 | 64,549.35 | 1.23% |
| GNMA PASSTHRU AU4920 | 3.020 SEP 15 41 | AA+ | 33,842.59 | 0.96 | 32,359.04 | 0.61% | 90.25 | 30,542.94 | 88.01 | 30,630.95 | 0.59% |
| ***US Agencies*** | | | | | | | | | | | |
| AMEX FSBK FDIC CD | 2.250 MAY 24 21 | AGY | 71,000.00 | 1.00 | 70,662.75 | 1.34% | 98.02 | 69,594.20 | 166.32 | 69,760.52 | 1.33% |
| AM CENTRN NK FDIC CD | 2.300 APR 05 21 | AGY | 39,000.00 | 1.00 | 38,814.75 | 0.74% | 98.24 | 38,314.38 | 216.26 | 38,530.64 | 0.74% |
| CAPITAL ONE BK USA N | 1.700 SEP 28 21 | AGY | 95,000.00 | 0.99 | 94,406.25 | 1.79% | 96.28 | 91,465.05 | 420.34 | 91,885.39 | 1.76% |
| CITIBANK NATIONAL AS | 3.550 DEC 21 23 | AAA | 26,000.00 | 1.00 | 25,902.50 | 0.49% | 100.85 | 26,219.70 | 27.82 | 26,247.52 | 0.50% |
| DISCOVER BK | 3.000 JUN 07 21 | AGY | 51,000.00 | 1.00 | 50,834.25 | 0.97% | 99.74 | 50,865.87 | 108.99 | 50,974.86 | 0.97% |
| FEDERAL HOME LOAN BA | 3.650 MAY 21 25 | AA+ | 15,000.00 | 1.00 | 14,985.00 | 0.28% | 100.01 | 15,000.75 | 62.35 | 15,063.10 | 0.29% |
| FEDERAL HOME LOAN BA | 3.870 JUN 12 28 | AA+ | 40,000.00 | 1.00 | 40,000.00 | 0.76% | 100.12 | 40,049.60 | 86.00 | 40,135.60 | 0.77% |
| FEDERAL HOME LOAN BA | 3.850 JUN 21 27 | AA+ | 45,000.00 | 1.00 | 45,000.00 | 0.85% | 100.17 | 45,075.60 | 52.94 | 45,128.54 | 0.86% |
| FEDERAL HOME LOAN BA | 3.730 JUL 24 26 | AA+ | 50,000.00 | 1.00 | 50,000.00 | 0.95% | 100.08 | 50,039.00 | 818.53 | 50,857.53 | 0.97% |
| FEDERAL FARM CR BKS | 3.730 DEC 26 25 | AGY | 26,000.00 | 1.00 | 26,000.00 | 0.49% | 100.02 | 26,005.98 | 16.16 | 26,022.14 | 0.50% |
| FEDERAL FARM CR BKS | 3.600 FEB 28 28 | AA+ | 26,000.00 | 1.00 | 26,013.00 | 0.49% | 100.03 | 26,006.76 | 322.40 | 26,329.16 | 0.50% |
| FEDERAL FARM CR BKS | 3.450 SEP 05 25 | AA+ | 51,000.00 | 1.00 | 50,974.50 | 0.97% | 100.00 | 51,000.00 | 571.84 | 51,571.84 | 0.99% |
| FEDERAL FARM CR BKS | 3.550 SEP 08 26 | AA+ | 26,000.00 | 1.00 | 25,987.00 | 0.49% | 100.00 | 26,000.26 | 292.28 | 26,292.54 | 0.50% |
| FEDERAL FARM CR BKS | 3.420 SEP 13 24 | AA+ | 27,000.00 | 1.00 | 26,966.25 | 0.51% | 100.00 | 27,000.27 | 279.59 | 27,279.86 | 0.52% |
| FEDERAL FARM CR BKS | 3.240 SEP 29 23 | AA+ | 50,000.00 | 1.00 | 49,987.50 | 0.95% | 100.00 | 50,000.50 | 418.50 | 50,419.00 | 0.96% |
| FEDERAL FARM CR BKS | 3.480 JAN 13 25 | AA+ | 21,000.00 | 1.00 | 21,000.00 | 0.40% | 100.01 | 21,001.26 | 343.07 | 21,344.33 | 0.41% |
| FEDERAL FARM CR BKS | 3.740 APR 12 27 | AA+ | 51,000.00 | 1.00 | 50,987.25 | 0.97% | 100.00 | 51,000.51 | 423.87 | 51,424.38 | 0.98% |
| FEDERAL FARM CR BKS | 3.640 APR 16 26 | AA+ | 83,000.00 | 1.00 | 83,000.00 | 1.58% | 100.00 | 83,001.66 | 637.81 | 83,639.47 | 1.60% |
| FEDERAL FARM CR BKS | 3.730 FEB 09 26 | AA+ | 28,000.00 | 1.00 | 27,994.40 | 0.53% | 100.00 | 28,000.28 | 414.86 | 28,415.14 | 0.54% |
| FEDERAL FARM CR BKS | 3.920 JUL 03 28 | AA+ | 52,000.00 | 1.00 | 51,974.00 | 0.99% | 100.03 | 52,016.12 | 1,013.54 | 53,029.66 | 1.01% |
| FEDERAL FARM CR BKS | 3.670 JUL 03 25 | AA+ | 22,000.00 | 1.00 | 21,994.50 | 0.42% | 100.01 | 22,001.32 | 401.46 | 22,402.78 | 0.43% |
| FEDERAL HOME LN MTG | 3.000 MAR 29 23 SU | AA+ | 22,000.00 | 1.00 | 22,000.00 | 0.42% | 99.96 | 21,990.76 | 170.50 | 22,161.26 | 0.42% |

## *Position Detail - at 12/31/2018*

*99026*

| Description | Issue | Rating | Shares | Unit Cost | Total Cost | Weight at Cost | Market Price | Market Value | Accrued Income | Total Value | Weight at Market |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ***US Agencies*** | | | | | | | | | | | |
| FEDERAL HOME LN MTG | 2.750 APR 27 23 SU | AA+ | 36,000.00 | 1.00 | 36,000.00 | 0.68% | 99.84 | 35,940.60 | 178.75 | 36,119.35 | 0.69% |
| FEDERAL HOME LN MTG | 3.375 AUG 16 23 | AA+ | 50,000.00 | 1.00 | 50,050.00 | 0.95% | 100.03 | 50,012.50 | 637.50 | 50,650.00 | 0.97% |
| GOLDMAN SACHS BK USA | 3.600 NOV 28 23 | AGY | 77,000.00 | 1.00 | 76,711.25 | 1.46% | 101.06 | 77,816.20 | 258.21 | 78,074.41 | 1.49% |
| HSBC BANK USA NA | 3.125 DEC 09 20 | AGY | 102,000.00 | 1.00 | 101,938.80 | 1.94% | 100.15 | 102,156.06 | 200.86 | 102,356.92 | 1.96% |
| JPMORGAN CHASE BK | 3.550 DEC 24 23 | AGY | 104,000.00 | 1.00 | 103,610.00 | 1.97% | 100.00 | 104,000.00 | 80.92 | 104,080.92 | 1.99% |
| MORGAN STANLEY PVT B | 3.550 NOV 24 23 | AGY | 82,000.00 | 0.99 | 81,474.75 | 1.55% | 100.83 | 82,683.88 | 311.04 | 82,994.92 | 1.59% |
| STATE BK INDIA NEW Y | 3.600 JAN 04 24 | AGY | 52,000.00 | 0.99 | 51,636.00 | 0.98% | 99.98 | 51,991.16 | 0.00 | 51,991.16 | 0.99% |
| UBS BK USA SALT LAKE | 3.500 OCT 27 23 | AGY | 36,000.00 | 1.00 | 35,847.00 | 0.68% | 100.63 | 36,228.24 | 6.90 | 36,235.14 | 0.69% |
| WELLS FARGO BANK NAT | 3.500 NOV 09 23 | AGY | 77,000.00 | 1.00 | 76,711.25 | 1.46% | 100.61 | 77,472.01 | 169.82 | 77,641.83 | 1.48% |
| ***US Treasuries*** | | | | | | | | | | | |
| UNITED STATES TREAS | 2.750 FEB 15 28 | TSY | 53,000.00 | 0.98 | 52,112.85 | 0.99% | 100.52 | 53,273.48 | 550.52 | 53,824.00 | 1.03% |
| UNITED STATES TREAS | 2.875 MAY 15 28 | TSY | 69,000.00 | 0.98 | 67,782.11 | 1.29% | 101.54 | 70,059.15 | 257.56 | 70,316.71 | 1.34% |
| UNITED STATES TREAS | 3.125 NOV 15 28 | TSY | 7,000.00 | 1.02 | 7,116.88 | 0.14% | 103.73 | 7,260.89 | 28.40 | 7,289.29 | 0.14% |
| UNITED STATES TREAS | 2.875 NOV 30 23 | TSY | 5,000.00 | 1.01 | 5,026.56 | 0.10% | 101.74 | 5,087.10 | 12.64 | 5,099.74 | 0.10% |
| UNITED STATES TREAS | 0.750 JUL 15 28 | TSY | 130,960.70 | 0.97 | 127,044.94 | 2.41% | 97.98 | 128,321.02 | 453.74 | 128,774.76 | 2.46% |
| ***Total Fixed Income*** | | | | | $5,246,966.22 | 99.68% | | $5,183,691.53 | $29,667.32 | **$5,213,358.85** | **99.68%** |
| CASH | CASH | | 16,668.58 | 1.00 | 16,668.58 | 0.32% | 1.00 | $16,668.58 | $0.00 | $16,668.58 | 0.32% |
| ***Total Portfolio*** | | | | | $5,263,634.80 | 100.00% | | $5,200,360.11 | $29,667.32 | **$5,230,027.43** | **100.00%** |

## Transaction Detail - 10/1/2018 through 12/31/2018

99026

## Sales

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Proceeds | Gain/Loss |
|---|---|---|---|---|---|---|---|
| **Sales** | | | | | | | |
| UNITED STATES TREAS | 2.750 AUG 31 25 | 9128284Z0 | 10/01/2018 | 16,000 | 98.21 | 15,754.49 | -17.77 |
| AMERICAN EXPRESS CO | 3.400 FEB 27 23 | 025816BS7 | 10/02/2018 | 7,000 | 98.61 | 6,927.23 | -90.86 |
| TORONTO DOMINION BAN | 1.950 JAN 22 19 | 89114QBE7 | 10/03/2018 | 6,000 | 99.81 | 6,012.24 | -16.38 |
| UNITED STATES TREAS | 2.250 NOV 15 27 | 9128283F5 | 10/03/2018 | 58,000 | 93.28 | 54,607.97 | -1,488.59 |
| UNITED STATES TREAS | 2.750 AUG 31 25 | 9128284Z0 | 10/03/2018 | 10,000 | 98.17 | 9,843.39 | -21.09 |
| UNITED STATES TREAS | 2.750 JUL 31 23 | 912828Y61 | 10/03/2018 | 6,000 | 99.02 | 5,970.07 | -41.74 |
| UNITED STATES TREAS | 2.875 AUG 15 28 | 9128284V9 | 10/23/2018 | 12,000 | 97.89 | 11,812.96 | -87.34 |
| UNITED STATES TREAS | 1.875 JAN 31 22 | 912828V72 | 10/26/2018 | 93,000 | 96.90 | 90,542.01 | 167.11 |
| UNITED STATES TREAS | 2.875 AUG 15 28 | 9128284V9 | 10/31/2018 | 5,000 | 97.70 | 4,916.02 | -31.25 |
| UNITED STATES TREAS | 2.875 MAY 15 28 | 9128284N7 | 11/01/2018 | 2,000 | 97.88 | 1,984.69 | -37.03 |
| UNITED STATES TREAS | 2.875 MAY 15 28 | 9128284N7 | 11/01/2018 | 2,000 | 97.87 | 1,984.53 | -37.19 |
| GENERAL MTRS FINL CO | 3.250 JAN 05 23 | 37045XCF1 | 11/02/2018 | 5,000 | 95.76 | 4,842.42 | -208.75 |
| GENERAL MTRS FINL CO | 3.250 JAN 05 23 | 37045XCF1 | 11/02/2018 | 6,000 | 95.72 | 5,808.68 | -252.72 |
| UNITED STATES TREAS | 2.875 MAY 15 28 | 9128284N7 | 11/02/2018 | 38,000 | 97.42 | 37,536.87 | -910.47 |
| CAPITAL ONE NATL ASS | 2.250 MAY 24 21 | 14042RFV8 | 11/07/2018 | 31,000 | 97.31 | 30,487.50 | -688.20 |
| UNITED STATES TREAS | 2.875 AUG 15 28 | 9128284V9 | 11/07/2018 | 6,000 | 97.16 | 5,872.50 | -65.16 |
| CSX CORP | 4.250 MAR 15 29 | 126408HM8 | 11/08/2018 | 6,000 | 99.49 | 5,969.52 | -8.94 |
| UNITED STATES TREAS | 2.875 AUG 15 28 | 9128284V9 | 11/13/2018 | 10,000 | 97.74 | 9,845.71 | -52.73 |
| UNITED STATES TREAS | 2.875 AUG 15 28 | 9128284V9 | 11/14/2018 | 7,000 | 97.87 | 6,901.56 | -27.34 |
| UNITED STATES TREAS | 2.750 FEB 15 28 | 9128283W8 | 11/15/2018 | 37,000 | 97.12 | 36,200.24 | -775.70 |
| UNITED STATES TREAS | 3.125 NOV 15 28 | 9128285M8 | 11/15/2018 | 6,000 | 100.30 | 6,019.88 | 50.62 |
| FEDERAL HOME LN MTG | 3.250 JUN 14 23 | 3134GSNL5 | 11/20/2018 | 40,000 | 99.43 | 40,339.34 | -227.60 |

## Transaction Detail - 10/1/2018 through 12/31/2018

99026

## Sales

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Proceeds | Gain/Loss |
|---|---|---|---|---|---|---|---|
| ***Sales*** | | | | | | | |
| UNITED STATES TREAS | 3.125 NOV 15 28 | 9128285M8 | 11/20/2018 | 3,000 | 100.70 | 3,023.16 | 37.50 |
| GOLDMAN SACHS BK USA | 2.250 SEP 30 20 | 38148JP88 | 11/21/2018 | 51,000 | 98.11 | 50,218.44 | -645.15 |
| UNITED STATES TREAS | 2.875 MAY 15 28 | 9128284N7 | 11/21/2018 | 16,000 | 98.30 | 15,737.67 | -263.67 |
| UNITED STATES TREAS | 2.875 AUG 15 28 | 9128284V9 | 11/21/2018 | 43,000 | 98.36 | 42,642.23 | 10.23 |
| UNITED STATES TREAS | 2.875 AUG 15 28 | 9128284V9 | 11/21/2018 | 56,000 | 98.22 | 55,440.00 | 135.20 |
| UNITED STATES TREAS | 3.125 NOV 15 28 | 9128285M8 | 11/21/2018 | 37,000 | 100.36 | 37,159.97 | 307.15 |
| GENERAL ELECTRIC CO | 2.700 OCT 09 22 | 369604BD4 | 11/26/2018 | 6,000 | 89.91 | 5,416.65 | -599.82 |
| UNITED STATES TREAS | 2.875 MAY 15 28 | 9128284N7 | 11/27/2018 | 10,000 | 98.51 | 9,862.29 | -69.14 |
| UNITED STATES TREAS | 2.750 FEB 15 28 | 9128283W8 | 11/28/2018 | 8,000 | 97.54 | 7,867.10 | -76.99 |
| UNITED STATES TREAS | 1.875 OCT 31 22 | 912828M49 | 11/28/2018 | 6,000 | 96.32 | 5,788.54 | 5.62 |
| HOME DEPOT INC | 3.900 DEC 06 28 | 437076BW1 | 12/03/2018 | 9,000 | 100.57 | 9,051.12 | 112.95 |
| UNITED STATES TREAS | 3.125 NOV 15 28 | 9128285M8 | 12/04/2018 | 6,000 | 101.48 | 6,099.94 | 25.31 |
| SHELL INTERNATIONAL | 3.250 MAY 11 25 | 822582BD3 | 12/06/2018 | 5,000 | 96.97 | 4,861.54 | 16.25 |
| U S BANCORP MTNS BK | 3.950 NOV 17 25 | 91159HHU7 | 12/10/2018 | 19,000 | 101.38 | 19,316.21 | 279.30 |
| FEDERAL HOME LN MTG | 3.250 JUN 14 23 | 3134GSNL5 | 12/11/2018 | 89,000 | 99.81 | 90,261.08 | -169.10 |
| FEDERAL HOME LN MTG | 3.320 JUN 14 23 | 3134GSPD1 | 12/11/2018 | 23,000 | 99.90 | 23,354.55 | -32.20 |
| SHELL INTERNATIONAL | 3.250 MAY 11 25 | 822582BD3 | 12/11/2018 | 6,000 | 97.47 | 5,865.35 | 49.38 |
| FEDERAL HOME LN MTG | 2.750 APR 27 23 SU | 3134GSJS5 | 12/13/2018 | 17,000 | 99.45 | 16,967.54 | -93.50 |
| GENERAL ELECTRIC CO | 2.700 OCT 09 22 | 369604BD4 | 12/13/2018 | 8,000 | 92.07 | 7,406.56 | -712.64 |
| DISNEY WALT CO MTNS | 1.850 JUL 30 26 | 25468PDM5 | 12/19/2018 | 20,000 | 88.75 | 17,895.11 | -542.80 |
| | | ***Total Sales*** | | | | **834,414.87** | **-7,095.24** |

# Transaction Detail - 10/1/2018 through 12/31/2018

99026

## Sales

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Proceeds | Gain/Loss |
|---|---|---|---|---|---|---|---|
| **Principal Payments** | | | | | | | |
| FHLMC PC GOL G16330 | 3.500 AUG 01 32 | 3128MFHF8 | 10/01/2018 | 769 | 100.00 | 769.00 | -29.08 |
| FHLMC PC GOL G08737 | 3.000 DEC 01 46 | 3128MJZB9 | 10/01/2018 | 395 | 100.00 | 395.07 | 1.26 |
| FHLMC PC GOL C91244 | 4.500 APR 01 29 | 3128P7LZ4 | 10/01/2018 | 49 | 100.00 | 48.50 | -2.29 |
| FHLMC PC GOL C91255 | 4.000 JUN 01 29 | 3128P7MC4 | 10/01/2018 | 220 | 100.00 | 220.19 | -14.31 |
| FHLMC PC GOL C91881 | 3.500 JUL 01 36 | 3128P8CS8 | 10/01/2018 | 109 | 100.00 | 108.55 | -4.51 |
| FHLMC PC GOL Q08810 | 3.500 JUN 01 42 | 3132GUDP6 | 10/01/2018 | 24 | 100.00 | 24.17 | -1.54 |
| FHLMC PC GOL G31065 | 3.500 AUG 01 36 | 3132J4MP1 | 10/01/2018 | 363 | 100.00 | 362.75 | -3.80 |
| FHLMC PC GOL V82781 | 3.000 DEC 01 46 | 3132L8CS4 | 10/01/2018 | 434 | 100.00 | 433.83 | 4.41 |
| FHLMC PC GOL G61464 | 4.000 OCT 01 46 | 31335BTV8 | 10/01/2018 | 1,160 | 100.00 | 1,160.35 | -23.93 |
| FNMA REMIC TRUST | 4.000 FEB 25 40 | 3136A0P27 | 10/01/2018 | 563 | 100.00 | 562.67 | -7.91 |
| FNMA REMIC TRUST | 2.500 APR 25 40 | 3136A1C52 | 10/01/2018 | 441 | 100.00 | 440.91 | -7.44 |
| FNMA REMIC TRUST | 2.500 OCT 25 40 | 3136A23E1 | 10/01/2018 | 715 | 100.00 | 715.37 | -2.01 |
| FNMA REMIC TRUST | 4.500 FEB 25 38 | 3136A3ED9 | 10/01/2018 | 449 | 100.00 | 448.82 | -28.05 |
| FNMA REMIC TRUST | 4.250 NOV 25 41 | 3136A4Q44 | 10/01/2018 | 168 | 100.00 | 167.96 | -9.32 |
| FNMA REMIC TRUST | 2.000 NOV 25 30 | 3136A4ZW2 | 10/01/2018 | 759 | 100.00 | 759.27 | -0.47 |
| FNMA REMIC TRUST | 4.000 MAY 25 38 | 3136A6EU4 | 10/01/2018 | 370 | 100.00 | 369.79 | -20.22 |
| FNMA REMIC TRUST | 2.000 OCT 25 40 | 3136A8V64 | 10/01/2018 | 1,182 | 100.00 | 1,182.43 | 25.36 |
| FNMA REMIC TRUST | 2.000 DEC 25 41 | 3136A9GM4 | 10/01/2018 | 253 | 100.00 | 253.38 | 8.71 |
| FNMA REMIC TRUST | 1.500 APR 25 43 | 3136AFUQ5 | 10/01/2018 | 910 | 100.00 | 909.69 | 31.10 |
| FHLMC REIMC SERIES | 3.000 JUL 15 40 | 3137A1K51 | 10/01/2018 | 332 | 100.00 | 331.56 | -12.49 |
| FHLMC REMIC SERIES | 2.250 SEP 15 20 | 3137A6M58 | 10/01/2018 | 4 | 100.00 | 4.26 | -0.08 |
| FHLMC SERIES 3825 | 4.000 MAR 15 39 | 3137A7Z78 | 10/01/2018 | 970 | 100.00 | 970.12 | -27.59 |

## Transaction Detail - 10/1/2018 through 12/31/2018

99026

# Sales

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Proceeds | Gain/Loss |
|---|---|---|---|---|---|---|---|
| **Principal Payments** | | | | | | | |
| FHLMC REMIC SERIES | 3.500 JAN 15 41 | 3137ABXN6 | 10/01/2018 | 242 | 100.00 | 242.37 | -11.02 |
| FHLMC REMIC SERIES | 2.500 JAN 15 41 | 3137AFGL0 | 10/01/2018 | 251 | 100.00 | 251.49 | -0.59 |
| FHLMC REMIC SERIES | 2.323 OCT 25 18 | 3137AL6V6 | 10/01/2018 | 13,304 | 100.00 | 13,304.01 | -337.42 |
| FHLMC REMIC SERIES | 3.000 JUN 15 38 | 3137AMN86 | 10/01/2018 | 173 | 100.00 | 172.81 | -6.51 |
| FHLMC REMIC SERIES | 2.750 APR 15 41 | 3137ANQF5 | 10/01/2018 | 70 | 100.00 | 70.01 | -1.31 |
| FHLMC REMIC SERIES | 2.862 JAN 25 46 | 3137FARK6 | 10/01/2018 | 2,786 | 100.00 | 2,785.94 | -17.81 |
| FNMA PASSTHRU AH0897 | 4.500 DEC 01 40 | 3138A17K1 | 10/01/2018 | 208 | 100.00 | 207.62 | -19.20 |
| FNMA PASSTHRU AH2680 | 3.500 JAN 01 41 | 3138A36S1 | 10/01/2018 | 281 | 100.00 | 281.19 | -7.64 |
| FNMA PASSTHRU AH2683 | 4.000 JAN 01 41 | 3138A36V4 | 10/01/2018 | 234 | 100.00 | 234.22 | -16.83 |
| FNMA PASSTHRU AI3507 | 4.500 JUN 01 41 | 3138AG3R7 | 10/01/2018 | 166 | 100.00 | 166.18 | -10.57 |
| FNMA PASSTHRU AJ4410 | 4.000 OCT 01 41 | 3138AV3U7 | 10/01/2018 | 24 | 100.00 | 24.27 | -1.28 |
| FNMA PASSTHRU AL0160 | 4.500 MAY 01 41 | 3138EGFA7 | 10/01/2018 | 55 | 100.00 | 54.82 | -3.25 |
| FNMA PASSTHRU AL5521 | 4.500 JAN 01 40 | 3138END30 | 10/01/2018 | 312 | 100.00 | 312.01 | -26.72 |
| FNMA PASSTHRU AO8044 | 3.500 JUL 01 42 | 3138LY5E3 | 10/01/2018 | 159 | 100.00 | 158.94 | -11.52 |
| FNMA PASSTHRU AS7348 | 3.500 JUN 01 46 | 3138WHEW8 | 10/01/2018 | 376 | 100.00 | 376.31 | -11.00 |
| FNMA PASSTHRU AS7388 | 3.500 JUN 01 46 | 3138WHF64 | 10/01/2018 | 463 | 100.00 | 463.31 | -12.16 |
| FNMA REMIC TRUST | 5.000 AUG 25 35 | 31394EP69 | 10/01/2018 | 706 | 100.00 | 705.72 | -70.32 |
| FHLMC REMIC SERIES | 5.000 NOV 15 23 | 31394LN57 | 10/01/2018 | 85 | 100.00 | 84.73 | -8.16 |
| FNMA REMIC TRUST | 4.000 MAR 25 19 | 31396YXY3 | 10/01/2018 | 233 | 100.00 | 232.86 | -11.81 |
| FNMA REMIC TRUST | 4.000 NOV 25 40 | 31397SZ23 | 10/01/2018 | 291 | 100.00 | 291.16 | -16.47 |
| FNMA REMIC TRUST | 4.000 JUL 25 26 | 31397UXA2 | 10/01/2018 | 347 | 100.00 | 347.33 | -16.55 |
| FNMA REMIC TRUST | 4.500 NOV 25 39 | 31398R6U4 | 10/01/2018 | 152 | 100.00 | 152.01 | -9.31 |

## Transaction Detail - 10/1/2018 through 12/31/2018

99026

# Sales

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Proceeds | Gain/Loss |
|---|---|---|---|---|---|---|---|
| **Principal Payments** | | | | | | | |
| FNMA REMIC TRUST | 3.000 JAN 25 40 | 31398SP80 | 10/01/2018 | 44 | 100.00 | 43.91 | -1.87 |
| FNMA PASSTHRU BC6009 | 3.500 MAY 01 46 | 3140F1VB5 | 10/01/2018 | 2,787 | 100.00 | 2,787.26 | -83.77 |
| FNMA PASSTHRU BM3570 | 4.500 MAR 01 46 | 3140J76G5 | 10/01/2018 | 555 | 100.00 | 554.76 | -32.25 |
| FNMA PASSTHRU BM3655 | 4.000 JUN 01 45 | 3140J8BZ5 | 10/01/2018 | 392 | 100.00 | 392.18 | -7.29 |
| FNMA PASSTHRU BM3749 | 4.000 FEB 01 45 | 3140J8EX7 | 10/01/2018 | 134 | 100.00 | 133.97 | -3.16 |
| FNMA PASSTHRU CA0241 | 4.000 AUG 01 47 | 3140Q7HT7 | 10/01/2018 | 1,077 | 100.00 | 1,077.12 | -46.28 |
| FNMA PASSTHRU MA1922 | 4.000 JUN 01 34 | 31418BD45 | 10/01/2018 | 251 | 100.00 | 251.34 | -15.28 |
| FNMA PASSTHRU MA1982 | 3.500 AUG 01 34 | 31418BFY7 | 10/01/2018 | 137 | 100.00 | 136.51 | -7.70 |
| FNMA PASSTHRU MA3071 | 4.000 JUL 01 37 | 31418CMV3 | 10/01/2018 | 884 | 100.00 | 883.52 | -30.23 |
| FNMA PASSTHRU MA3894 | 4.000 SEP 01 31 | 31418DKG6 | 10/01/2018 | 463 | 100.00 | 462.57 | -36.66 |
| GNMA PASSTHRU MA5332 | 5.000 JUL 20 48 | 36179T4R3 | 10/01/2018 | 200 | 100.00 | 199.65 | -10.14 |
| GNMA PASSTHRU AU4920 | 3.020 SEP 15 41 | 36194SPD4 | 10/01/2018 | 43 | 100.00 | 43.47 | -0.80 |
| GNMA REMIC TRUST | 3.500 JAN 20 38 | 38374YWD1 | 10/01/2018 | 99 | 100.00 | 98.87 | -4.38 |
| GNMA REMIC TRUST | 3.500 AUG 20 39 | 38377DGG5 | 10/01/2018 | 149 | 100.00 | 148.59 | -7.62 |
| GNMA REMIC TRUST | 3.000 OCT 20 39 | 38377JZ48 | 10/01/2018 | 155 | 100.00 | 154.63 | -6.19 |
| GNMA REMIC TRUST | 3.500 DEC 20 39 | 38377LLQ9 | 10/01/2018 | 118 | 100.00 | 117.75 | -6.88 |
| GNMA REMIC TRUST | 3.000 MAY 20 40 | 38377QU62 | 10/01/2018 | 438 | 100.00 | 437.90 | -14.92 |
| GNMA REMIC TRUST | 2.000 MAY 20 40 | 38377YTL4 | 10/01/2018 | 71 | 100.00 | 71.43 | -0.80 |
| GNMA REMIC TRUST | 3.150 DEC 16 19 | 38378BTF6 | 10/01/2018 | 450 | 100.00 | 449.68 | -13.91 |
| GNMA REMIC TRUST | 2.750 JAN 20 38 | 38378CQF7 | 10/01/2018 | 649 | 100.00 | 649.27 | -11.87 |
| GNMA REMIC TRUST | 2.000 OCT 20 38 | 38378EXV0 | 10/01/2018 | 366 | 100.00 | 366.35 | -3.61 |
| GNMA REMIC TRUST | 2.500 DEC 20 42 | 38378FYN4 | 10/01/2018 | 74 | 100.00 | 73.71 | -2.87 |

## Transaction Detail - 10/1/2018 through 12/31/2018



# Sales

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Proceeds | Gain/Loss |
|---|---|---|---|---|---|---|---|
| **Principal Payments** | | | | | | | |
| GNMA REMIC TRUST | 2.500 JUL 20 28 | 38378WUC5 | 10/01/2018 | 238 | 100.00 | 238.01 | -3.05 |
| GNMA REMIC TRUST | 3.000 APR 16 43 | 38378YA66 | 10/01/2018 | 348 | 100.00 | 348.20 | -14.08 |
| GNMA REMIC TRUST | 3.500 APR 16 43 | 38378YYK9 | 10/01/2018 | 232 | 100.00 | 232.13 | -11.24 |
| GNMA REMIC TRUST | 2.250 SEP 16 44 | 38379U6D3 | 10/01/2018 | 71 | 100.00 | 70.92 | 0.55 |
| FHLMC PC GOL G16330 | 3.500 AUG 01 32 | 3128MFHF8 | 11/01/2018 | 880 | 100.00 | 879.85 | -33.27 |
| FHLMC PC GOL G08737 | 3.000 DEC 01 46 | 3128MJZB9 | 11/01/2018 | 410 | 100.00 | 409.51 | 1.31 |
| FHLMC PC GOL C91244 | 4.500 APR 01 29 | 3128P7LZ4 | 11/01/2018 | 105 | 100.00 | 105.30 | -4.97 |
| FHLMC PC GOL C91255 | 4.000 JUN 01 29 | 3128P7MC4 | 11/01/2018 | 307 | 100.00 | 307.25 | -19.97 |
| FHLMC PC GOL C91881 | 3.500 JUL 01 36 | 3128P8CS8 | 11/01/2018 | 179 | 100.00 | 179.37 | -7.46 |
| FHLMC PC GOL Q08810 | 3.500 JUN 01 42 | 3132GUDP6 | 11/01/2018 | 25 | 100.00 | 24.73 | -1.58 |
| FHLMC PC GOL G31065 | 3.500 AUG 01 36 | 3132J4MP1 | 11/01/2018 | 423 | 100.00 | 423.13 | -4.43 |
| FHLMC PC GOL V82781 | 3.000 DEC 01 46 | 3132L8CS4 | 11/01/2018 | 485 | 100.00 | 484.54 | 4.92 |
| FHLMC PC GOL G61464 | 4.000 OCT 01 46 | 31335BTV8 | 11/01/2018 | 534 | 100.00 | 534.45 | -11.02 |
| FNMA REMIC TRUST | 4.000 FEB 25 40 | 3136A0P27 | 11/01/2018 | 496 | 100.00 | 495.98 | -6.97 |
| FNMA REMIC TRUST | 2.500 APR 25 40 | 3136A1C52 | 11/01/2018 | 944 | 100.00 | 944.38 | -15.94 |
| FNMA REMIC TRUST | 2.500 OCT 25 40 | 3136A23E1 | 11/01/2018 | 2,109 | 100.00 | 2,109.28 | -5.93 |
| FNMA REMIC TRUST | 4.500 FEB 25 38 | 3136A3ED9 | 11/01/2018 | 472 | 100.00 | 471.79 | -29.49 |
| FNMA REMIC TRUST | 4.250 NOV 25 41 | 3136A4Q44 | 11/01/2018 | 124 | 100.00 | 124.18 | -6.89 |
| FNMA REMIC TRUST | 2.000 NOV 25 30 | 3136A4ZW2 | 11/01/2018 | 744 | 100.00 | 743.69 | -0.46 |
| FNMA REMIC TRUST | 4.000 MAY 25 38 | 3136A6EU4 | 11/01/2018 | 361 | 100.00 | 361.03 | -19.74 |
| FNMA REMIC TRUST | 2.000 OCT 25 40 | 3136A8V64 | 11/01/2018 | 1,174 | 100.00 | 1,174.02 | 25.18 |
| FNMA REMIC TRUST | 2.000 DEC 25 41 | 3136A9GM4 | 11/01/2018 | 99 | 100.00 | 99.30 | 3.41 |

# Transaction Detail - 10/1/2018 through 12/31/2018

99026

## Sales

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Proceeds | Gain/Loss |
|---|---|---|---|---|---|---|---|
| **Principal Payments** | | | | | | | |
| FNMA REMIC TRUST | 1.500 APR 25 43 | 3136AFUQ5 | 11/01/2018 | 1,038 | 100.00 | 1,038.17 | 35.49 |
| FHLMC REIMC SERIES | 3.000 JUL 15 40 | 3137A1K51 | 11/01/2018 | 353 | 100.00 | 352.68 | -13.28 |
| FHLMC REMIC SERIES | 2.250 SEP 15 20 | 3137A6M58 | 11/01/2018 | 4 | 100.00 | 4.29 | -0.08 |
| FHLMC SERIES 3825 | 4.000 MAR 15 39 | 3137A7Z78 | 11/01/2018 | 355 | 100.00 | 355.27 | -10.10 |
| FHLMC REMIC SERIES | 3.500 JAN 15 41 | 3137ABXN6 | 11/01/2018 | 304 | 100.00 | 303.79 | -13.81 |
| FHLMC REMIC SERIES | 2.500 JAN 15 41 | 3137AFGL0 | 11/01/2018 | 260 | 100.00 | 259.95 | -0.61 |
| FHLMC REMIC SERIES | 3.000 JUN 15 38 | 3137AMN86 | 11/01/2018 | 126 | 100.00 | 126.12 | -4.75 |
| FHLMC REMIC SERIES | 2.750 APR 15 41 | 3137ANQF5 | 11/01/2018 | 679 | 100.00 | 678.60 | -12.72 |
| FHLMC REMIC SERIES | 2.862 JAN 25 46 | 3137FARK6 | 11/01/2018 | 3,852 | 100.00 | 3,852.30 | -24.63 |
| FNMA PASSTHRU AH0897 | 4.500 DEC 01 40 | 3138A17K1 | 11/01/2018 | 161 | 100.00 | 161.14 | -14.91 |
| FNMA PASSTHRU AH2680 | 3.500 JAN 01 41 | 3138A36S1 | 11/01/2018 | 217 | 100.00 | 216.91 | -5.90 |
| FNMA PASSTHRU AH2683 | 4.000 JAN 01 41 | 3138A36V4 | 11/01/2018 | 319 | 100.00 | 319.15 | -22.94 |
| FNMA PASSTHRU AI3507 | 4.500 JUN 01 41 | 3138AG3R7 | 11/01/2018 | 67 | 100.00 | 67.30 | -4.28 |
| FNMA PASSTHRU AJ4410 | 4.000 OCT 01 41 | 3138AV3U7 | 11/01/2018 | 28 | 100.00 | 27.63 | -1.46 |
| FNMA PASSTHRU AL0160 | 4.500 MAY 01 41 | 3138EGFA7 | 11/01/2018 | 64 | 100.00 | 64.45 | -3.83 |
| FNMA PASSTHRU AL5521 | 4.500 JAN 01 40 | 3138END30 | 11/01/2018 | 372 | 100.00 | 371.92 | -31.85 |
| FNMA PASSTHRU AO8044 | 3.500 JUL 01 42 | 3138LY5E3 | 11/01/2018 | 142 | 100.00 | 141.63 | -10.27 |
| FNMA PASSTHRU AS7348 | 3.500 JUN 01 46 | 3138WHEW8 | 11/01/2018 | 514 | 100.00 | 513.52 | -15.01 |
| FNMA PASSTHRU AS7388 | 3.500 JUN 01 46 | 3138WHF64 | 11/01/2018 | 552 | 100.00 | 551.56 | -14.48 |
| FNMA REMIC TRUST | 5.000 AUG 25 35 | 31394EP69 | 11/01/2018 | 677 | 100.00 | 677.36 | -67.50 |
| FHLMC REMIC SERIES | 5.000 NOV 15 23 | 31394LN57 | 11/01/2018 | 88 | 100.00 | 88.49 | -8.52 |
| FNMA REMIC TRUST | 4.000 MAR 25 19 | 31396YXY3 | 11/01/2018 | 162 | 100.00 | 161.98 | -8.22 |

## Transaction Detail - 10/1/2018 through 12/31/2018



# Sales

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Proceeds | Gain/Loss |
|---|---|---|---|---|---|---|---|
| **Principal Payments** | | | | | | | |
| FNMA REMIC TRUST | 4.000 NOV 25 40 | 31397SZ23 | 11/01/2018 | 314 | 100.00 | 314.04 | -17.76 |
| FNMA REMIC TRUST | 4.000 JUL 25 26 | 31397UXA2 | 11/01/2018 | 268 | 100.00 | 267.72 | -12.76 |
| FNMA REMIC TRUST | 4.500 NOV 25 39 | 31398R6U4 | 11/01/2018 | 160 | 100.00 | 160.26 | -9.82 |
| FNMA REMIC TRUST | 3.000 JAN 25 40 | 31398SP80 | 11/01/2018 | 22 | 100.00 | 21.87 | -0.93 |
| FNMA PASSTHRU BC6009 | 3.500 MAY 01 46 | 3140F1VB5 | 11/01/2018 | 1,506 | 100.00 | 1,506.42 | -45.27 |
| FNMA PASSTHRU BM3570 | 4.500 MAR 01 46 | 3140J76G5 | 11/01/2018 | 748 | 100.00 | 748.08 | -43.48 |
| FNMA PASSTHRU BM3655 | 4.000 JUN 01 45 | 3140J8BZ5 | 11/01/2018 | 177 | 100.00 | 177.10 | -3.29 |
| FNMA PASSTHRU BM3749 | 4.000 FEB 01 45 | 3140J8EX7 | 11/01/2018 | 318 | 100.00 | 317.73 | -7.50 |
| FNMA PASSTHRU CA0241 | 4.000 AUG 01 47 | 3140Q7HT7 | 11/01/2018 | 733 | 100.00 | 732.85 | -31.49 |
| FNMA PASSTHRU MA1922 | 4.000 JUN 01 34 | 31418BD45 | 11/01/2018 | 293 | 100.00 | 292.78 | -17.80 |
| FNMA PASSTHRU MA1982 | 3.500 AUG 01 34 | 31418BFY7 | 11/01/2018 | 159 | 100.00 | 158.62 | -8.95 |
| FNMA PASSTHRU MA3071 | 4.000 JUL 01 37 | 31418CMV3 | 11/01/2018 | 791 | 100.00 | 791.19 | -27.07 |
| FNMA PASSTHRU MA3894 | 4.000 SEP 01 31 | 31418DKG6 | 11/01/2018 | 380 | 100.00 | 380.28 | -30.14 |
| GNMA PASSTHRU MA5332 | 5.000 JUL 20 48 | 36179T4R3 | 11/01/2018 | 289 | 100.00 | 289.08 | -14.68 |
| GNMA PASSTHRU AU4920 | 3.020 SEP 15 41 | 36194SPD4 | 11/01/2018 | 83 | 100.00 | 82.59 | 3.62 |
| GNMA REMIC TRUST | 3.500 JAN 20 38 | 38374YWD1 | 11/01/2018 | 92 | 100.00 | 91.98 | -4.08 |
| GNMA REMIC TRUST | 3.500 AUG 20 39 | 38377DGG5 | 11/01/2018 | 164 | 100.00 | 164.12 | -8.41 |
| GNMA REMIC TRUST | 3.000 OCT 20 39 | 38377JZ48 | 11/01/2018 | 178 | 100.00 | 178.48 | -7.14 |
| GNMA REMIC TRUST | 3.500 DEC 20 39 | 38377LLQ9 | 11/01/2018 | 133 | 100.00 | 133.22 | -7.79 |
| GNMA REMIC TRUST | 3.000 MAY 20 40 | 38377QU62 | 11/01/2018 | 429 | 100.00 | 429.42 | -14.63 |
| GNMA REMIC TRUST | 2.000 MAY 20 40 | 38377YTL4 | 11/01/2018 | 74 | 100.00 | 73.75 | -0.83 |
| GNMA REMIC TRUST | 3.150 DEC 16 19 | 38378BTF6 | 11/01/2018 | 451 | 100.00 | 450.87 | -13.95 |

## *Transaction Detail - 10/1/2018 through 12/31/2018*

99026

# *Sales*

| *Description* | *Issue* | *CUSIP* | *Trade Date* | *Shares* | *Average Price* | *Total Proceeds* | *Gain/Loss* |
|---|---|---|---|---|---|---|---|
| ***Principal Payments*** | | | | | | | |
| GNMA REMIC TRUST | 2.750 JAN 20 38 | 38378CQF7 | 11/01/2018 | 715 | 100.00 | 714.53 | -13.06 |
| GNMA REMIC TRUST | 2.000 OCT 20 38 | 38378EXV0 | 11/01/2018 | 339 | 100.00 | 338.90 | -3.34 |
| GNMA REMIC TRUST | 2.500 DEC 20 42 | 38378FYN4 | 11/01/2018 | 86 | 100.00 | 86.13 | -3.35 |
| GNMA REMIC TRUST | 2.500 JUL 20 28 | 38378WUC5 | 11/01/2018 | 221 | 100.00 | 220.60 | -2.83 |
| GNMA REMIC TRUST | 3.000 APR 16 43 | 38378YA66 | 11/01/2018 | 446 | 100.00 | 445.91 | -18.03 |
| GNMA REMIC TRUST | 3.500 APR 16 43 | 38378YYK9 | 11/01/2018 | 297 | 100.00 | 297.27 | -14.40 |
| GNMA REMIC TRUST | 2.250 SEP 16 44 | 38379U6D3 | 11/01/2018 | 71 | 100.00 | 71.13 | 0.56 |
| FHLMC PC GOL G16330 | 3.500 AUG 01 32 | 3128MFHF8 | 12/01/2018 | 603 | 100.00 | 602.65 | -22.79 |
| FHLMC PC GOL G08737 | 3.000 DEC 01 46 | 3128MJZB9 | 12/01/2018 | 376 | 100.00 | 376.45 | 1.20 |
| FHLMC PC GOL C91244 | 4.500 APR 01 29 | 3128P7LZ4 | 12/01/2018 | 118 | 100.00 | 117.98 | -5.57 |
| FHLMC PC GOL C91255 | 4.000 JUN 01 29 | 3128P7MC4 | 12/01/2018 | 269 | 100.00 | 269.17 | -17.50 |
| FHLMC PC GOL C91881 | 3.500 JUL 01 36 | 3128P8CS8 | 12/01/2018 | 118 | 100.00 | 118.10 | -4.91 |
| FHLMC PC GOL Q08810 | 3.500 JUN 01 42 | 3132GUDP6 | 12/01/2018 | 31 | 100.00 | 31.21 | -1.99 |
| FHLMC PC GOL G31065 | 3.500 AUG 01 36 | 3132J4MP1 | 12/01/2018 | 240 | 100.00 | 239.79 | -2.51 |
| FHLMC PC GOL V82781 | 3.000 DEC 01 46 | 3132L8CS4 | 12/01/2018 | 359 | 100.00 | 358.53 | 3.64 |
| FHLMC PC GOL G61464 | 4.000 OCT 01 46 | 31335BTV8 | 12/01/2018 | 635 | 100.00 | 635.49 | -13.11 |
| FNMA REMIC TRUST | 4.000 FEB 25 40 | 3136A0P27 | 12/01/2018 | 406 | 100.00 | 405.50 | -5.70 |
| FNMA REMIC TRUST | 2.500 APR 25 40 | 3136A1C52 | 12/01/2018 | 924 | 100.00 | 923.65 | -15.59 |
| FNMA REMIC TRUST | 2.500 OCT 25 40 | 3136A23E1 | 12/01/2018 | 1,144 | 100.00 | 1,144.36 | -3.22 |
| FNMA REMIC TRUST | 4.500 FEB 25 38 | 3136A3ED9 | 12/01/2018 | 391 | 100.00 | 391.20 | -24.45 |
| FNMA REMIC TRUST | 4.250 NOV 25 41 | 3136A4Q44 | 12/01/2018 | 79 | 100.00 | 78.75 | -4.37 |
| FNMA REMIC TRUST | 2.000 NOV 25 30 | 3136A4ZW2 | 12/01/2018 | 699 | 100.00 | 698.65 | -0.44 |

# Transaction Detail - 10/1/2018 through 12/31/2018



## Sales

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Proceeds | Gain/Loss |
|---|---|---|---|---|---|---|---|
| **Principal Payments** | | | | | | | |
| FNMA REMIC TRUST | 4.000 MAY 25 38 | 3136A6EU4 | 12/01/2018 | 305 | 100.00 | 304.52 | -16.65 |
| FNMA REMIC TRUST | 2.000 OCT 25 40 | 3136A8V64 | 12/01/2018 | 771 | 100.00 | 770.92 | 16.53 |
| FNMA REMIC TRUST | 2.000 DEC 25 41 | 3136A9GM4 | 12/01/2018 | 205 | 100.00 | 205.01 | 7.05 |
| FNMA REMIC TRUST | 1.500 APR 25 43 | 3136AFUQ5 | 12/01/2018 | 1,117 | 100.00 | 1,116.92 | 38.18 |
| FHLMC REIMC SERIES | 3.000 JUL 15 40 | 3137A1K51 | 12/01/2018 | 300 | 100.00 | 299.69 | -11.29 |
| FHLMC REMIC SERIES | 2.250 SEP 15 20 | 3137A6M58 | 12/01/2018 | 4 | 100.00 | 4.30 | -0.08 |
| FHLMC SERIES 3825 | 4.000 MAR 15 39 | 3137A7Z78 | 12/01/2018 | 57 | 100.00 | 56.51 | -1.61 |
| FHLMC REMIC SERIES | 3.500 JAN 15 41 | 3137ABXN6 | 12/01/2018 | 232 | 100.00 | 232.46 | -10.57 |
| FHLMC REMIC SERIES | 2.500 JAN 15 41 | 3137AFGL0 | 12/01/2018 | 291 | 100.00 | 291.12 | -0.68 |
| FHLMC REMIC SERIES | 3.000 JUN 15 38 | 3137AMN86 | 12/01/2018 | 174 | 100.00 | 173.94 | -6.55 |
| FHLMC REMIC SERIES | 2.750 APR 15 41 | 3137ANQF5 | 12/01/2018 | 71 | 100.00 | 70.70 | -1.33 |
| FHLMC REMIC SERIES | 2.862 JAN 25 46 | 3137FARK6 | 12/01/2018 | 2,133 | 100.00 | 2,132.93 | -13.64 |
| FNMA PASSTHRU AH0897 | 4.500 DEC 01 40 | 3138A17K1 | 12/01/2018 | 49 | 100.00 | 48.77 | -4.51 |
| FNMA PASSTHRU AH2680 | 3.500 JAN 01 41 | 3138A36S1 | 12/01/2018 | 98 | 100.00 | 98.49 | -2.68 |
| FNMA PASSTHRU AH2683 | 4.000 JAN 01 41 | 3138A36V4 | 12/01/2018 | 130 | 100.00 | 129.86 | -9.33 |
| FNMA PASSTHRU AI3507 | 4.500 JUN 01 41 | 3138AG3R7 | 12/01/2018 | 158 | 100.00 | 157.51 | -10.02 |
| FNMA PASSTHRU AJ4410 | 4.000 OCT 01 41 | 3138AV3U7 | 12/01/2018 | 29 | 100.00 | 29.27 | -1.55 |
| FNMA PASSTHRU AL0160 | 4.500 MAY 01 41 | 3138EGFA7 | 12/01/2018 | 60 | 100.00 | 59.59 | -3.54 |
| FNMA PASSTHRU AL5521 | 4.500 JAN 01 40 | 3138END30 | 12/01/2018 | 260 | 100.00 | 260.44 | -22.30 |
| FNMA PASSTHRU AO8044 | 3.500 JUL 01 42 | 3138LY5E3 | 12/01/2018 | 114 | 100.00 | 114.20 | -8.28 |
| FNMA PASSTHRU AS7348 | 3.500 JUN 01 46 | 3138WHEW8 | 12/01/2018 | 336 | 100.00 | 335.51 | -9.81 |
| FNMA PASSTHRU AS7388 | 3.500 JUN 01 46 | 3138WHF64 | 12/01/2018 | 248 | 100.00 | 247.61 | -6.50 |

## *Transaction Detail - 10/1/2018 through 12/31/2018*



## *Sales*

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Proceeds | Gain/Loss |
|---|---|---|---|---|---|---|---|
| ***Principal Payments*** | | | | | | | |
| FNMA REMIC TRUST | 5.000 AUG 25 35 | 31394EP69 | 12/01/2018 | 306 | 100.00 | 305.89 | -30.48 |
| FHLMC REMIC SERIES | 5.000 NOV 15 23 | 31394LN57 | 12/01/2018 | 65 | 100.00 | 65.26 | -6.28 |
| FNMA REMIC TRUST | 4.000 MAR 25 19 | 31396YXY3 | 12/01/2018 | 79 | 100.00 | 78.69 | -3.99 |
| FNMA REMIC TRUST | 4.000 NOV 25 40 | 31397SZ23 | 12/01/2018 | 288 | 100.00 | 288.24 | -16.30 |
| FNMA REMIC TRUST | 4.000 JUL 25 26 | 31397UXA2 | 12/01/2018 | 306 | 100.00 | 306.00 | -14.58 |
| FNMA REMIC TRUST | 4.500 NOV 25 39 | 31398R6U4 | 12/01/2018 | 199 | 100.00 | 199.00 | -12.19 |
| FNMA REMIC TRUST | 3.000 JAN 25 40 | 31398SP80 | 12/01/2018 | 54 | 100.00 | 54.19 | -2.30 |
| FNMA PASSTHRU BC6009 | 3.500 MAY 01 46 | 3140F1VB5 | 12/01/2018 | 994 | 100.00 | 994.11 | -29.88 |
| FNMA PASSTHRU BM3570 | 4.500 MAR 01 46 | 3140J76G5 | 12/01/2018 | 323 | 100.00 | 322.97 | -18.77 |
| FNMA PASSTHRU BM3655 | 4.000 JUN 01 45 | 3140J8BZ5 | 12/01/2018 | 147 | 100.00 | 146.65 | -2.73 |
| FNMA PASSTHRU BM3749 | 4.000 FEB 01 45 | 3140J8EX7 | 12/01/2018 | 563 | 100.00 | 563.03 | -13.28 |
| FNMA PASSTHRU CA0241 | 4.000 AUG 01 47 | 3140Q7HT7 | 12/01/2018 | 300 | 100.00 | 300.25 | -12.90 |
| FNMA PASSTHRU MA1922 | 4.000 JUN 01 34 | 31418BD45 | 12/01/2018 | 378 | 100.00 | 377.89 | -22.97 |
| FNMA PASSTHRU MA1982 | 3.500 AUG 01 34 | 31418BFY7 | 12/01/2018 | 170 | 100.00 | 170.38 | -9.61 |
| FNMA PASSTHRU MA3071 | 4.000 JUL 01 37 | 31418CMV3 | 12/01/2018 | 910 | 100.00 | 910.03 | -31.14 |
| FNMA PASSTHRU MA3894 | 4.000 SEP 01 31 | 31418DKG6 | 12/01/2018 | 298 | 100.00 | 298.15 | -23.63 |
| GNMA PASSTHRU MA5332 | 5.000 JUL 20 48 | 36179T4R3 | 12/01/2018 | 292 | 100.00 | 291.53 | -14.80 |
| GNMA PASSTHRU AU4920 | 3.020 SEP 15 41 | 36194SPD4 | 12/01/2018 | 83 | 100.00 | 82.81 | 3.63 |
| GNMA REMIC TRUST | 3.500 JAN 20 38 | 38374YWD1 | 12/01/2018 | 127 | 100.00 | 127.44 | -5.65 |
| GNMA REMIC TRUST | 3.500 AUG 20 39 | 38377DGG5 | 12/01/2018 | 136 | 100.00 | 135.75 | -6.96 |
| GNMA REMIC TRUST | 3.000 OCT 20 39 | 38377JZ48 | 12/01/2018 | 141 | 100.00 | 141.14 | -5.65 |
| GNMA REMIC TRUST | 3.500 DEC 20 39 | 38377LLQ9 | 12/01/2018 | 108 | 100.00 | 108.04 | -6.31 |

## Transaction Detail - 10/1/2018 through 12/31/2018



# Sales

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Proceeds | Gain/Loss |
|---|---|---|---|---|---|---|---|
| **Principal Payments** | | | | | | | |
| GNMA REMIC TRUST | 3.000 MAY 20 40 | 38377QU62 | 12/01/2018 | 423 | 100.00 | 422.56 | -14.39 |
| GNMA REMIC TRUST | 2.000 MAY 20 40 | 38377YTL4 | 12/01/2018 | 63 | 100.00 | 62.79 | -0.71 |
| GNMA REMIC TRUST | 3.150 DEC 16 19 | 38378BTF6 | 12/01/2018 | 452 | 100.00 | 452.07 | -13.99 |
| GNMA REMIC TRUST | 2.750 JAN 20 38 | 38378CQF7 | 12/01/2018 | 590 | 100.00 | 589.70 | -10.78 |
| GNMA REMIC TRUST | 2.000 OCT 20 38 | 38378EXV0 | 12/01/2018 | 274 | 100.00 | 274.06 | -2.70 |
| GNMA REMIC TRUST | 2.500 DEC 20 42 | 38378FYN4 | 12/01/2018 | 84 | 100.00 | 84.10 | -3.27 |
| GNMA REMIC TRUST | 2.500 JUL 20 28 | 38378WUC5 | 12/01/2018 | 245 | 100.00 | 244.84 | -3.14 |
| GNMA REMIC TRUST | 3.000 APR 16 43 | 38378YA66 | 12/01/2018 | 298 | 100.00 | 297.68 | -12.04 |
| GNMA REMIC TRUST | 3.500 APR 16 43 | 38378YYK9 | 12/01/2018 | 198 | 100.00 | 198.45 | -9.61 |
| GNMA REMIC TRUST | 2.250 SEP 16 44 | 38379U6D3 | 12/01/2018 | 71 | 100.00 | 71.34 | 0.56 |
| | | ***Total Principal Payments*** | | | | **94,621.34** | **-2,446.82** |
| | | ***Total Sales and Principal Payments*** | | | | **929,036.21** | **-9,542.06** |

## Transaction Detail - 10/1/2018 through 12/31/2018

99026

# Purchases

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Cost |
|---|---|---|---|---|---|---|
| **Purchases** | | | | | | |
| ROYAL BK OF CDA BD C | 3.700 OCT 05 23 C | 78013XW20 | 10/01/2018 | 28,000 | 99.79 | -27,941.76 |
| COMCAST CORP NEW | 3.950 OCT 15 25 | 20030NCS8 | 10/02/2018 | 9,000 | 99.88 | -8,988.93 |
| UNITED STATES TREAS | 2.875 AUG 15 28 | 9128284V9 | 10/02/2018 | 66,000 | 98.38 | -65,187.90 |
| UNITED STATES TREAS | 2.875 AUG 15 28 | 9128284V9 | 10/04/2018 | 19,000 | 97.20 | -18,548.75 |
| FHLMC REMIC SERIES | 4.333 OCT 25 20 | 3137A6B27 | 10/09/2018 | 25,000 | 101.96 | -25,523.33 |
| UNITED STATES TREAS | 2.875 MAY 15 28 | 9128284N7 | 10/12/2018 | 38,000 | 97.80 | -37,620.00 |
| GNMA PASSTHRU AU4920 | 3.020 SEP 15 41 | 36194SPD4 | 10/18/2018 | 16,059 | 88.66 | -14,261.85 |
| UNITED STATES TREAS | 0.750 JUL 15 28 | 912828Y38 | 10/23/2018 | 12,052 | 97.32 | -11,754.06 |
| UBS BK USA SALT LAKE | 3.500 OCT 27 23 | 90348JFF2 | 10/26/2018 | 36,000 | 99.58 | -35,847.00 |
| WELLS FARGO BANK NAT | 3.500 NOV 09 23 | 949763UY0 | 10/26/2018 | 77,000 | 99.63 | -76,711.25 |
| UNION PAC CORP | 3.950 SEP 10 28 | 907818EY0 | 10/31/2018 | 5,000 | 98.39 | -4,998.25 |
| BP CAP MKTS AMER INC | 3.790 FEB 06 24 | 10373QAD2 | 11/01/2018 | 7,000 | 100.00 | -7,000.00 |
| BP CAP MKTS AMER INC | 3.790 FEB 06 24 | 10373QAD2 | 11/01/2018 | 7,000 | 100.13 | -7,009.24 |
| GENERAL MTRS FINL CO | 3.700 MAY 09 23 | 37045XBK1 | 11/02/2018 | 5,000 | 96.87 | -4,934.31 |
| GENERAL MTRS FINL CO | 3.700 MAY 09 23 | 37045XBK1 | 11/02/2018 | 6,000 | 96.83 | -5,918.77 |
| CSX CORP | 4.250 MAR 15 29 | 126408HM8 | 11/07/2018 | 6,000 | 99.64 | -5,978.46 |
| CSX CORP | 3.800 MAR 01 28 | 126408HJ5 | 11/08/2018 | 6,000 | 96.55 | -5,838.78 |
| UNITED STATES TREAS | 3.125 NOV 15 28 | 9128285M8 | 11/09/2018 | 42,000 | 99.45 | -41,770.31 |
| U S BANCORP MTNS BK | 3.950 NOV 17 25 | 91159HHU7 | 11/13/2018 | 19,000 | 99.91 | -18,982.71 |
| DOWDUPONT INC | 4.493 NOV 15 25 | 26078JAC4 | 11/14/2018 | 10,000 | 100.00 | -10,000.00 |
| MORGAN STANLEY PVT B | 3.550 NOV 24 23 | 61760ASL4 | 11/14/2018 | 31,000 | 99.38 | -30,806.25 |

## Transaction Detail - 10/1/2018 through 12/31/2018



## Purchases

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Cost |
|---|---|---|---|---|---|---|
| **Purchases** | | | | | | |
| MORGAN STANLEY PVT B | 3.550 NOV 24 23 | 61760ASL4 | 11/15/2018 | 51,000 | 99.35 | -50,668.50 |
| SHELL INTERNATIONAL | 3.250 MAY 11 25 | 822582BD3 | 11/15/2018 | 11,000 | 96.64 | -10,638.79 |
| UNITED STATES TREAS | 3.125 NOV 15 28 | 9128285M8 | 11/15/2018 | 1,000 | 100.31 | -1,003.47 |
| UNITED STATES TREAS | 3.125 NOV 15 28 | 9128285M8 | 11/15/2018 | 1,000 | 100.07 | -1,001.08 |
| UNITED STATES TREAS | 3.125 NOV 15 28 | 9128285M8 | 11/15/2018 | 1,000 | 100.12 | -1,001.55 |
| UNITED STATES TREAS | 3.125 NOV 15 28 | 9128285M8 | 11/16/2018 | 1,000 | 100.27 | -1,003.10 |
| GOLDMAN SACHS BK USA | 3.600 NOV 28 23 | 38148P2K2 | 11/20/2018 | 26,000 | 99.63 | -25,902.50 |
| LOCKHEED MARTIN CORP | 3.550 JAN 15 26 | 539830BH1 | 11/20/2018 | 4,000 | 97.88 | -3,965.49 |
| GOLDMAN SACHS BK USA | 3.600 NOV 28 23 | 38148P2K2 | 11/21/2018 | 51,000 | 99.63 | -50,808.75 |
| UNITED STATES TREAS | 0.750 JUL 15 28 | 912828Y38 | 11/21/2018 | 40,219 | 96.88 | -39,071.80 |
| UNITED STATES TREAS | 0.750 JUL 15 28 | 912828Y38 | 11/21/2018 | 53,290 | 96.82 | -51,743.07 |
| UNITED STATES TREAS | 1.875 OCT 31 22 | 912828M49 | 11/26/2018 | 6,000 | 96.23 | -5,782.30 |
| DEERE JOHN CAP CORP | 2.800 MAR 06 23 | 24422ETG4 | 11/27/2018 | 15,000 | 97.03 | -14,651.93 |
| HOME DEPOT INC | 3.900 DEC 06 28 | 437076BW1 | 11/27/2018 | 9,000 | 99.31 | -8,938.17 |
| JP MORGAN CHASE BANK | 4.023 DEC 05 24 | 46647PAY2 | 11/28/2018 | 24,000 | 100.00 | -24,000.00 |
| UNITED STATES TREAS | 0.750 JUL 15 28 | 912828Y38 | 11/30/2018 | 25,146 | 97.47 | -24,583.24 |
| UNITED STATES TREAS | 3.125 NOV 15 28 | 9128285M8 | 12/03/2018 | 9,000 | 101.06 | -9,111.94 |
| LOCKHEED MARTIN CORP | 3.550 JAN 15 26 | 539830BH1 | 12/04/2018 | 7,000 | 98.32 | -6,980.01 |
| CITIBANK NATIONAL AS | 3.550 DEC 21 23 | 17312QX87 | 12/06/2018 | 26,000 | 99.63 | -25,902.50 |
| OCCIDENTAL PETE CORP | 2.700 FEB 15 23 | 674599CE3 | 12/06/2018 | 5,000 | 95.89 | -4,837.83 |
| U S BANCORP MTNS BK | 2.375 JUL 22 26 | 91159HHN3 | 12/10/2018 | 19,000 | 90.29 | -17,329.63 |

## Transaction Detail - 10/1/2018 through 12/31/2018



# Purchases

| Description | Issue | CUSIP | Trade Date | Shares | Average Price | Total Cost |
|---|---|---|---|---|---|---|
| ***Purchases*** | | | | | | |
| JPMORGAN CHASE BK | 3.550 DEC 24 23 | 48128F4H2 | 12/11/2018 | 104,000 | 99.63 | -103,610.00 |
| UNITED STATES TREAS | 3.125 NOV 15 28 | 9128285M8 | 12/11/2018 | 4,000 | 102.13 | -4,094.67 |
| STATE BK INDIA NEW Y | 3.600 JAN 04 24 | 856285NL1 | 12/13/2018 | 52,000 | 99.30 | -51,636.00 |
| UNITED STATES TREAS | 2.875 NOV 30 23 | 9128285P1 | 12/13/2018 | 5,000 | 100.53 | -5,033.27 |
| DISNEY WALT CO MTNS | 3.150 SEP 17 25 | 25468PDF0 | 12/19/2018 | 20,000 | 97.56 | -19,676.30 |
| FEDERAL FARM CR BKS | 3.730 DEC 26 25 | 3133EJ3W7 | 12/21/2018 | 26,000 | 100.00 | -26,000.00 |
| APPLE INC | 2.750 JAN 13 25 | 037833DF4 | 12/27/2018 | 13,000 | 95.85 | -12,627.59 |
| ORACLE CORP | 2.400 SEP 15 23 | 68389XBL8 | 12/27/2018 | 10,000 | 95.67 | -9,638.06 |
| | | ***Total Purchases*** | | | | **-$1,076,863.45** |
| | | ***Total Purchases and Principal Payups*** | | | | **-$1,076,863.45** |

## *Transaction Detail - 10/1/2018 through 12/31/2018*



# *Income*

| *Description* | *Issue* | *CUSIP* | *Pay Date* | *Proceeds* |
|---|---|---|---|---|
| FHLMC PC GOL G16330 | 3.500 AUG 01 32 | 3128MFHF8 | 10/01/2018 | 133.79 |
| FHLMC PC GOL G08737 | 3.000 DEC 01 46 | 3128MJZB9 | 10/01/2018 | 135.13 |
| FHLMC PC GOL C91244 | 4.500 APR 01 29 | 3128P7LZ4 | 10/01/2018 | 22.38 |
| FHLMC PC GOL C91255 | 4.000 JUN 01 29 | 3128P7MC4 | 10/01/2018 | 60.68 |
| FHLMC PC GOL C91881 | 3.500 JUL 01 36 | 3128P8CS8 | 10/01/2018 | 56.54 |
| FHLMC PC GOL Q08810 | 3.500 JUN 01 42 | 3132GUDP6 | 10/01/2018 | 31.81 |
| FHLMC PC GOL G31065 | 3.500 AUG 01 36 | 3132J4MP1 | 10/01/2018 | 73.97 |
| FHLMC PC GOL V82781 | 3.000 DEC 01 46 | 3132L8CS4 | 10/01/2018 | 121.21 |
| FHLMC PC GOL G61464 | 4.000 OCT 01 46 | 31335BTV8 | 10/01/2018 | 328.62 |
| FNMA REMIC TRUST | 4.000 FEB 25 40 | 3136A0P27 | 10/01/2018 | 89.78 |
| FNMA REMIC TRUST | 2.500 APR 25 40 | 3136A1C52 | 10/01/2018 | 30.48 |
| FNMA REMIC TRUST | 2.500 OCT 25 40 | 3136A23E1 | 10/01/2018 | 110.37 |
| FNMA REMIC TRUST | 4.500 FEB 25 38 | 3136A3ED9 | 10/01/2018 | 74.08 |
| FNMA REMIC TRUST | 4.250 NOV 25 41 | 3136A4Q44 | 10/01/2018 | 24.94 |
| FNMA REMIC TRUST | 2.000 NOV 25 30 | 3136A4ZW2 | 10/01/2018 | 70.08 |
| FNMA REMIC TRUST | 4.000 MAY 25 38 | 3136A6EU4 | 10/01/2018 | 35.49 |
| FNMA REMIC TRUST | 2.000 OCT 25 40 | 3136A8V64 | 10/01/2018 | 107.00 |
| FNMA REMIC TRUST | 2.000 DEC 25 41 | 3136A9GM4 | 10/01/2018 | 29.56 |
| FNMA REMIC TRUST | 1.500 APR 25 43 | 3136AFUQ5 | 10/01/2018 | 76.30 |
| FNMA REMIC TRUST | 2.532 SEP 25 24 | 3136AMKZ1 | 10/01/2018 | 253.20 |
| FHLMC REIMC SERIES | 3.000 JUL 15 40 | 3137A1K51 | 10/01/2018 | 55.70 |
| FHLMC REMIC SERIES | 4.333 OCT 25 20 | 3137A6B27 | 10/01/2018 | 140.82 |
| FHLMC REMIC SERIES | 2.250 SEP 15 20 | 3137A6M58 | 10/01/2018 | 0.05 |
| FHLMC SERIES 3825 | 4.000 MAR 15 39 | 3137A7Z78 | 10/01/2018 | 6.26 |
| FHLMC REMIC SERIES | 4.185 DEC 25 20 | 3137A8PP7 | 10/01/2018 | 87.18 |
| FHLMC REMIC SERIES | 3.500 JAN 15 41 | 3137ABXN6 | 10/01/2018 | 51.74 |

## Income

| Description | Issue | CUSIP | Pay Date | Proceeds |
|---|---|---|---|---|
| FHLMC REMIC SERIES | 2.500 JAN 15 41 | 3137AFGL0 | 10/01/2018 | 44.19 |
| FHLMC REMIC SERIES | 2.323 OCT 25 18 | 3137AL6V6 | 10/01/2018 | 25.75 |
| FHLMC REMIC SERIES | 3.000 JUN 15 38 | 3137AMN86 | 10/01/2018 | 18.61 |
| FHLMC REMIC SERIES | 2.750 APR 15 41 | 3137ANQF5 | 10/01/2018 | 46.01 |
| FHLMC REMIC SERIES | 2.862 JAN 25 46 | 3137FARK6 | 10/01/2018 | 197.24 |
| FNMA PASSTHRU AH0897 | 4.500 DEC 01 40 | 3138A17K1 | 10/01/2018 | 37.48 |
| FNMA PASSTHRU AH2680 | 3.500 JAN 01 41 | 3138A36S1 | 10/01/2018 | 44.72 |
| FNMA PASSTHRU AH2683 | 4.000 JAN 01 41 | 3138A36V4 | 10/01/2018 | 74.96 |
| FNMA PASSTHRU AI3507 | 4.500 JUN 01 41 | 3138AG3R7 | 10/01/2018 | 29.76 |
| FNMA PASSTHRU AJ4410 | 4.000 OCT 01 41 | 3138AV3U7 | 10/01/2018 | 21.02 |
| FNMA PASSTHRU AL0160 | 4.500 MAY 01 41 | 3138EGFA7 | 10/01/2018 | 18.80 |
| FNMA PASSTHRU AL5521 | 4.500 JAN 01 40 | 3138END30 | 10/01/2018 | 56.25 |
| FNMA PASSTHRU AO8044 | 3.500 JUL 01 42 | 3138LY5E3 | 10/01/2018 | 34.75 |
| FNMA PASSTHRU AS7348 | 3.500 JUN 01 46 | 3138WHEW8 | 10/01/2018 | 138.01 |
| FNMA PASSTHRU AS7388 | 3.500 JUN 01 46 | 3138WHF64 | 10/01/2018 | 106.92 |
| FNMA REMIC TRUST | 5.000 AUG 25 35 | 31394EP69 | 10/01/2018 | 149.90 |
| FHLMC REMIC SERIES | 5.000 NOV 15 23 | 31394LN57 | 10/01/2018 | 9.72 |
| FNMA REMIC TRUST | 4.000 MAR 25 19 | 31396YXY3 | 10/01/2018 | 1.71 |
| FNMA REMIC TRUST | 4.000 NOV 25 40 | 31397SZ23 | 10/01/2018 | 57.02 |
| FNMA REMIC TRUST | 4.000 JUL 25 26 | 31397UXA2 | 10/01/2018 | 56.89 |
| FNMA REMIC TRUST | 4.500 NOV 25 39 | 31398R6U4 | 10/01/2018 | 23.12 |
| FNMA REMIC TRUST | 3.000 JAN 25 40 | 31398SP80 | 10/01/2018 | 7.76 |
| FNMA PASSTHRU BC6009 | 3.500 MAY 01 46 | 3140F1VB5 | 10/01/2018 | 224.95 |
| FNMA PASSTHRU BM3570 | 4.500 MAR 01 46 | 3140J76G5 | 10/01/2018 | 172.13 |
| FNMA PASSTHRU BM3655 | 4.000 JUN 01 45 | 3140J8BZ5 | 10/01/2018 | 76.56 |
| FNMA PASSTHRU BM3749 | 4.000 FEB 01 45 | 3140J8EX7 | 10/01/2018 | 77.75 |

## Transaction Detail - 10/1/2018 through 12/31/2018



# Income

| Description | Issue | CUSIP | Pay Date | Proceeds |
|---|---|---|---|---|
| FNMA PASSTHRU CA0241 | 4.000 AUG 01 47 | 3140Q7HT7 | 10/01/2018 | 333.06 |
| FNMA PASSTHRU MA1922 | 4.000 JUN 01 34 | 31418BD45 | 10/01/2018 | 84.66 |
| FNMA PASSTHRU MA1982 | 3.500 AUG 01 34 | 31418BFY7 | 10/01/2018 | 30.65 |
| FNMA PASSTHRU MA3071 | 4.000 JUL 01 37 | 31418CMV3 | 10/01/2018 | 266.66 |
| FNMA PASSTHRU MA3894 | 4.000 SEP 01 31 | 31418DKG6 | 10/01/2018 | 109.61 |
| GNMA PASSTHRU MA5332 | 5.000 JUL 20 48 | 36179T4R3 | 10/01/2018 | 260.38 |
| GNMA PASSTHRU AU4920 | 3.020 SEP 15 41 | 36194SPD4 | 10/01/2018 | 45.28 |
| GNMA REMIC TRUST | 3.500 JAN 20 38 | 38374YWD1 | 10/01/2018 | 4.12 |
| GNMA REMIC TRUST | 3.500 AUG 20 39 | 38377DGG5 | 10/01/2018 | 17.14 |
| GNMA REMIC TRUST | 3.000 OCT 20 39 | 38377JZ48 | 10/01/2018 | 18.04 |
| GNMA REMIC TRUST | 3.500 DEC 20 39 | 38377LLQ9 | 10/01/2018 | 17.03 |
| GNMA REMIC TRUST | 3.000 MAY 20 40 | 38377QU62 | 10/01/2018 | 19.79 |
| GNMA REMIC TRUST | 2.000 MAY 20 40 | 38377YTL4 | 10/01/2018 | 4.76 |
| GNMA REMIC TRUST | 3.150 DEC 16 19 | 38378BTF6 | 10/01/2018 | 21.01 |
| GNMA REMIC TRUST | 2.750 JAN 20 38 | 38378CQF7 | 10/01/2018 | 25.67 |
| GNMA REMIC TRUST | 2.000 OCT 20 38 | 38378EXV0 | 10/01/2018 | 15.00 |
| GNMA REMIC TRUST | 2.500 DEC 20 42 | 38378FYN4 | 10/01/2018 | 11.46 |
| GNMA REMIC TRUST | 2.500 JUL 20 28 | 38378WUC5 | 10/01/2018 | 23.74 |
| GNMA REMIC TRUST | 3.000 APR 16 43 | 38378YA66 | 10/01/2018 | 42.96 |
| GNMA REMIC TRUST | 3.500 APR 16 43 | 38378YYK9 | 10/01/2018 | 33.41 |
| GNMA REMIC TRUST | 2.250 SEP 16 44 | 38379U6D3 | 10/01/2018 | 63.18 |
| AM CENTRN NK FDIC CD | 2.300 APR 05 21 | 02587DN20 | 10/05/2018 | 448.50 |
| TOYOTA MOTOR CREDIT | 1.900 APR 08 21 | 89236TCZ6 | 10/08/2018 | 247.00 |
| CASH | CASH | CASH | 10/08/2018 | 124.02 |
| GENERAL ELECTRIC CO | 2.700 OCT 09 22 | 369604BD4 | 10/09/2018 | 324.00 |
| FEDERAL FARM CR BKS | 3.740 APR 12 27 | 3133EJLC1 | 10/12/2018 | 953.70 |

## *Transaction Detail - 10/1/2018 through 12/31/2018*

99026

# *Income*

| *Description* | *Issue* | *CUSIP* | *Pay Date* | *Proceeds* |
|---|---|---|---|---|
| FEDERAL FARM CR BKS | 3.640 APR 16 26 | 3133EJLH0 | 10/16/2018 | 1,510.60 |
| MORGAN STANLEY | 2.500 APR 21 21 | 61746BEA0 | 10/21/2018 | 425.00 |
| FEDERAL HOME LN MTG | 2.750 APR 27 23 SU | 3134GSJS5 | 10/27/2018 | 728.75 |
| DU PONT E I DE NEMOU | 2.200 MAY 01 20 | 263534CL1 | 11/01/2018 | 77.00 |
| FHLMC PC GOL G16330 | 3.500 AUG 01 32 | 3128MFHF8 | 11/01/2018 | 131.54 |
| FHLMC PC GOL G08737 | 3.000 DEC 01 46 | 3128MJZB9 | 11/01/2018 | 134.15 |
| FHLMC PC GOL C91244 | 4.500 APR 01 29 | 3128P7LZ4 | 11/01/2018 | 22.20 |
| FHLMC PC GOL C91255 | 4.000 JUN 01 29 | 3128P7MC4 | 11/01/2018 | 59.94 |
| FHLMC PC GOL C91881 | 3.500 JUL 01 36 | 3128P8CS8 | 11/01/2018 | 56.22 |
| FHLMC PC GOL Q08810 | 3.500 JUN 01 42 | 3132GUDP6 | 11/01/2018 | 31.74 |
| FHLMC PC GOL G31065 | 3.500 AUG 01 36 | 3132J4MP1 | 11/01/2018 | 72.91 |
| FHLMC PC GOL V82781 | 3.000 DEC 01 46 | 3132L8CS4 | 11/01/2018 | 120.12 |
| FHLMC PC GOL G61464 | 4.000 OCT 01 46 | 31335BTV8 | 11/01/2018 | 324.76 |
| FNMA REMIC TRUST | 4.000 FEB 25 40 | 3136A0P27 | 11/01/2018 | 87.90 |
| FNMA REMIC TRUST | 2.500 APR 25 40 | 3136A1C52 | 11/01/2018 | 29.56 |
| FNMA REMIC TRUST | 2.500 OCT 25 40 | 3136A23E1 | 11/01/2018 | 108.87 |
| FNMA REMIC TRUST | 4.500 FEB 25 38 | 3136A3ED9 | 11/01/2018 | 72.40 |
| FNMA REMIC TRUST | 4.250 NOV 25 41 | 3136A4Q44 | 11/01/2018 | 24.34 |
| FNMA REMIC TRUST | 2.000 NOV 25 30 | 3136A4ZW2 | 11/01/2018 | 68.81 |
| FNMA REMIC TRUST | 4.000 MAY 25 38 | 3136A6EU4 | 11/01/2018 | 34.26 |
| FNMA REMIC TRUST | 2.000 OCT 25 40 | 3136A8V64 | 11/01/2018 | 105.03 |
| FNMA REMIC TRUST | 2.000 DEC 25 41 | 3136A9GM4 | 11/01/2018 | 29.13 |
| FNMA REMIC TRUST | 1.500 APR 25 43 | 3136AFUQ5 | 11/01/2018 | 75.16 |
| FNMA REMIC TRUST | 2.532 SEP 25 24 | 3136AMKZ1 | 11/01/2018 | 253.20 |
| FHLMC REIMC SERIES | 3.000 JUL 15 40 | 3137A1K51 | 11/01/2018 | 54.88 |
| FHLMC REMIC SERIES | 4.333 OCT 25 20 | 3137A6B27 | 11/01/2018 | 231.09 |

## *Transaction Detail - 10/1/2018 through 12/31/2018*

99026

# *Income*

| Description | Issue | CUSIP | Pay Date | Proceeds |
|---|---|---|---|---|
| FHLMC REMIC SERIES | 2.250 SEP 15 20 | 3137A6M58 | 11/01/2018 | 0.05 |
| FHLMC SERIES 3825 | 4.000 MAR 15 39 | 3137A7Z78 | 11/01/2018 | 3.02 |
| FHLMC REMIC SERIES | 4.185 DEC 25 20 | 3137A8PP7 | 11/01/2018 | 87.21 |
| FHLMC REMIC SERIES | 3.500 JAN 15 41 | 3137ABXN6 | 11/01/2018 | 51.03 |
| FHLMC REMIC SERIES | 2.500 JAN 15 41 | 3137AFGL0 | 11/01/2018 | 43.66 |
| FHLMC REMIC SERIES | 3.000 JUN 15 38 | 3137AMN86 | 11/01/2018 | 18.18 |
| FHLMC REMIC SERIES | 2.750 APR 15 41 | 3137ANQF5 | 11/01/2018 | 45.85 |
| FHLMC REMIC SERIES | 2.862 JAN 25 46 | 3137FARK6 | 11/01/2018 | 203.85 |
| FNMA PASSTHRU AH0897 | 4.500 DEC 01 40 | 3138A17K1 | 11/01/2018 | 36.70 |
| FNMA PASSTHRU AH2680 | 3.500 JAN 01 41 | 3138A36S1 | 11/01/2018 | 43.90 |
| FNMA PASSTHRU AH2683 | 4.000 JAN 01 41 | 3138A36V4 | 11/01/2018 | 74.17 |
| FNMA PASSTHRU AI3507 | 4.500 JUN 01 41 | 3138AG3R7 | 11/01/2018 | 29.14 |
| FNMA PASSTHRU AJ4410 | 4.000 OCT 01 41 | 3138AV3U7 | 11/01/2018 | 20.94 |
| FNMA PASSTHRU AL0160 | 4.500 MAY 01 41 | 3138EGFA7 | 11/01/2018 | 18.59 |
| FNMA PASSTHRU AL5521 | 4.500 JAN 01 40 | 3138END30 | 11/01/2018 | 55.08 |
| FNMA PASSTHRU AO8044 | 3.500 JUL 01 42 | 3138LY5E3 | 11/01/2018 | 34.29 |
| FNMA PASSTHRU AS7348 | 3.500 JUN 01 46 | 3138WHEW8 | 11/01/2018 | 136.91 |
| FNMA PASSTHRU AS7388 | 3.500 JUN 01 46 | 3138WHF64 | 11/01/2018 | 105.57 |
| FNMA REMIC TRUST | 5.000 AUG 25 35 | 31394EP69 | 11/01/2018 | 146.96 |
| FHLMC REMIC SERIES | 5.000 NOV 15 23 | 31394LN57 | 11/01/2018 | 9.37 |
| FNMA REMIC TRUST | 4.000 MAR 25 19 | 31396YXY3 | 11/01/2018 | 0.93 |
| FNMA REMIC TRUST | 4.000 NOV 25 40 | 31397SZ23 | 11/01/2018 | 56.05 |
| FNMA REMIC TRUST | 4.000 JUL 25 26 | 31397UXA2 | 11/01/2018 | 55.73 |
| FNMA REMIC TRUST | 4.500 NOV 25 39 | 31398R6U4 | 11/01/2018 | 22.55 |
| FNMA REMIC TRUST | 3.000 JAN 25 40 | 31398SP80 | 11/01/2018 | 7.65 |
| FNMA PASSTHRU BC6009 | 3.500 MAY 01 46 | 3140F1VB5 | 11/01/2018 | 216.82 |

## Transaction Detail - 10/1/2018 through 12/31/2018



# Income

| Description | Issue | CUSIP | Pay Date | Proceeds |
|---|---|---|---|---|
| FNMA PASSTHRU BM3570 | 4.500 MAR 01 46 | 3140J76G5 | 11/01/2018 | 170.05 |
| FNMA PASSTHRU BM3655 | 4.000 JUN 01 45 | 3140J8BZ5 | 11/01/2018 | 75.26 |
| FNMA PASSTHRU BM3749 | 4.000 FEB 01 45 | 3140J8EX7 | 11/01/2018 | 77.30 |
| FNMA PASSTHRU CA0241 | 4.000 AUG 01 47 | 3140Q7HT7 | 11/01/2018 | 329.47 |
| FNMA PASSTHRU MA1922 | 4.000 JUN 01 34 | 31418BD45 | 11/01/2018 | 83.82 |
| FNMA PASSTHRU MA1982 | 3.500 AUG 01 34 | 31418BFY7 | 11/01/2018 | 30.26 |
| FNMA PASSTHRU MA3071 | 4.000 JUL 01 37 | 31418CMV3 | 11/01/2018 | 263.71 |
| FNMA PASSTHRU MA3894 | 4.000 SEP 01 31 | 31418DKG6 | 11/01/2018 | 108.07 |
| GNMA PASSTHRU MA5332 | 5.000 JUL 20 48 | 36179T4R3 | 11/01/2018 | 259.55 |
| GNMA PASSTHRU AU4920 | 3.020 SEP 15 41 | 36194SPD4 | 11/01/2018 | 85.59 |
| GNMA REMIC TRUST | 3.500 JAN 20 38 | 38374YWD1 | 11/01/2018 | 3.83 |
| GNMA REMIC TRUST | 3.500 AUG 20 39 | 38377DGG5 | 11/01/2018 | 16.70 |
| GNMA REMIC TRUST | 3.000 OCT 20 39 | 38377JZ48 | 11/01/2018 | 17.65 |
| GNMA REMIC TRUST | 3.500 DEC 20 39 | 38377LLQ9 | 11/01/2018 | 16.68 |
| GNMA REMIC TRUST | 3.000 MAY 20 40 | 38377QU62 | 11/01/2018 | 18.69 |
| GNMA REMIC TRUST | 2.000 MAY 20 40 | 38377YTL4 | 11/01/2018 | 4.64 |
| GNMA REMIC TRUST | 3.150 DEC 16 19 | 38378BTF6 | 11/01/2018 | 19.83 |
| GNMA REMIC TRUST | 2.750 JAN 20 38 | 38378CQF7 | 11/01/2018 | 24.18 |
| GNMA REMIC TRUST | 2.000 OCT 20 38 | 38378EXV0 | 11/01/2018 | 14.39 |
| GNMA REMIC TRUST | 2.500 DEC 20 42 | 38378FYN4 | 11/01/2018 | 11.30 |
| GNMA REMIC TRUST | 2.500 JUL 20 28 | 38378WUC5 | 11/01/2018 | 23.24 |
| GNMA REMIC TRUST | 3.000 APR 16 43 | 38378YA66 | 11/01/2018 | 42.09 |
| GNMA REMIC TRUST | 3.500 APR 16 43 | 38378YYK9 | 11/01/2018 | 32.73 |
| GNMA REMIC TRUST | 2.250 SEP 16 44 | 38379U6D3 | 11/01/2018 | 63.05 |
| NATIONAL RURAL UTILS | 10.375 NOV 01 18 | 637432LR4 | 11/01/2018 | 570.63 |
| CASH | CASH | CASH | 11/08/2018 | 220.67 |

## Transaction Detail - 10/1/2018 through 12/31/2018



# Income

| Description | Issue | CUSIP | Pay Date | Proceeds |
|---|---|---|---|---|
| GENERAL MTRS FINL CO | 3.700 MAY 09 23 | 37045XBK1 | 11/09/2018 | 203.50 |
| BP CAP MKTS P L C | 2.750 MAY 10 23 | 05565QCD8 | 11/10/2018 | 288.75 |
| CAPITAL ONE FINL COR | 2.500 MAY 12 20 | 14040HBP9 | 11/12/2018 | 225.00 |
| AT&T INC | 3.400 MAY 15 25 | 00206RCN0 | 11/15/2018 | 68.00 |
| GLAXOSMITHKLINE CAP | 3.625 MAY 15 25 | 377372AM9 | 11/15/2018 | 199.38 |
| NATIONAL RURAL UTILS | 2.300 NOV 15 19 | 637432NB7 | 11/15/2018 | 218.50 |
| UNITED STATES TREAS | 2.875 MAY 15 28 | 9128284N7 | 11/15/2018 | 1,365.63 |
| UNITED TECHNOLOGIES | 4.125 NOV 16 28 | 913017CY3 | 11/16/2018 | 72.19 |
| FEDERAL HOME LOAN BA | 3.650 MAY 21 25 | 3130AEC99 | 11/21/2018 | 273.75 |
| AMEX FSBK FDIC CD | 2.250 MAY 24 21 | 02587CFF2 | 11/24/2018 | 798.75 |
| BANK NEW YORK MTN BK | 2.450 NOV 27 20 | 06406HDF3 | 11/27/2018 | 85.75 |
| EXPRESS SCRIPTS HLDG | 2.600 NOV 30 20 | 30219GAR9 | 11/30/2018 | 182.00 |
| UBS BK USA SALT LAKE | 3.500 OCT 27 23 | 90348JFF2 | 11/30/2018 | 107.01 |
| FHLMC PC GOL G16330 | 3.500 AUG 01 32 | 3128MFHF8 | 12/01/2018 | 128.98 |
| FHLMC PC GOL G08737 | 3.000 DEC 01 46 | 3128MJZB9 | 12/01/2018 | 133.12 |
| FHLMC PC GOL C91244 | 4.500 APR 01 29 | 3128P7LZ4 | 12/01/2018 | 21.81 |
| FHLMC PC GOL C91255 | 4.000 JUN 01 29 | 3128P7MC4 | 12/01/2018 | 58.92 |
| FHLMC PC GOL C91881 | 3.500 JUL 01 36 | 3128P8CS8 | 12/01/2018 | 55.70 |
| FHLMC PC GOL Q08810 | 3.500 JUN 01 42 | 3132GUDP6 | 12/01/2018 | 31.66 |
| FHLMC PC GOL G31065 | 3.500 AUG 01 36 | 3132J4MP1 | 12/01/2018 | 71.67 |
| FHLMC PC GOL V82781 | 3.000 DEC 01 46 | 3132L8CS4 | 12/01/2018 | 118.91 |
| FHLMC PC GOL G61464 | 4.000 OCT 01 46 | 31335BTV8 | 12/01/2018 | 322.98 |
| FNMA REMIC TRUST | 4.000 FEB 25 40 | 3136A0P27 | 12/01/2018 | 86.25 |
| FNMA REMIC TRUST | 2.500 APR 25 40 | 3136A1C52 | 12/01/2018 | 27.59 |
| FNMA REMIC TRUST | 2.500 OCT 25 40 | 3136A23E1 | 12/01/2018 | 104.48 |
| FNMA REMIC TRUST | 4.500 FEB 25 38 | 3136A3ED9 | 12/01/2018 | 70.63 |

## Transaction Detail - 10/1/2018 through 12/31/2018



## Income

| Description | Issue | CUSIP | Pay Date | Proceeds |
|---|---|---|---|---|
| FNMA REMIC TRUST | 4.250 NOV 25 41 | 3136A4Q44 | 12/01/2018 | 23.90 |
| FNMA REMIC TRUST | 2.000 NOV 25 30 | 3136A4ZW2 | 12/01/2018 | 67.57 |
| FNMA REMIC TRUST | 4.000 MAY 25 38 | 3136A6EU4 | 12/01/2018 | 33.05 |
| FNMA REMIC TRUST | 2.000 OCT 25 40 | 3136A8V64 | 12/01/2018 | 103.07 |
| FNMA REMIC TRUST | 2.000 DEC 25 41 | 3136A9GM4 | 12/01/2018 | 28.97 |
| FNMA REMIC TRUST | 1.500 APR 25 43 | 3136AFUQ5 | 12/01/2018 | 73.86 |
| FNMA REMIC TRUST | 2.532 SEP 25 24 | 3136AMKZ1 | 12/01/2018 | 253.20 |
| FHLMC REIMC SERIES | 3.000 JUL 15 40 | 3137A1K51 | 12/01/2018 | 53.99 |
| FHLMC REMIC SERIES | 4.333 OCT 25 20 | 3137A6B27 | 12/01/2018 | 231.09 |
| FHLMC REMIC SERIES | 2.250 SEP 15 20 | 3137A6M58 | 12/01/2018 | 0.04 |
| FHLMC SERIES 3825 | 4.000 MAR 15 39 | 3137A7Z78 | 12/01/2018 | 1.84 |
| FHLMC REMIC SERIES | 4.185 DEC 25 20 | 3137A8PP7 | 12/01/2018 | 87.18 |
| FHLMC REMIC SERIES | 3.500 JAN 15 41 | 3137ABXN6 | 12/01/2018 | 50.15 |
| FHLMC REMIC SERIES | 2.500 JAN 15 41 | 3137AFGL0 | 12/01/2018 | 43.12 |
| FHLMC REMIC SERIES | 3.000 JUN 15 38 | 3137AMN86 | 12/01/2018 | 17.87 |
| FHLMC REMIC SERIES | 2.750 APR 15 41 | 3137ANQF5 | 12/01/2018 | 44.29 |
| FHLMC REMIC SERIES | 2.862 JAN 25 46 | 3137FARK6 | 12/01/2018 | 197.53 |
| FNMA PASSTHRU AH0897 | 4.500 DEC 01 40 | 3138A17K1 | 12/01/2018 | 36.09 |
| FNMA PASSTHRU AH2680 | 3.500 JAN 01 41 | 3138A36S1 | 12/01/2018 | 43.27 |
| FNMA PASSTHRU AH2683 | 4.000 JAN 01 41 | 3138A36V4 | 12/01/2018 | 73.11 |
| FNMA PASSTHRU AI3507 | 4.500 JUN 01 41 | 3138AG3R7 | 12/01/2018 | 28.88 |
| FNMA PASSTHRU AJ4410 | 4.000 OCT 01 41 | 3138AV3U7 | 12/01/2018 | 20.84 |
| FNMA PASSTHRU AL0160 | 4.500 MAY 01 41 | 3138EGFA7 | 12/01/2018 | 18.35 |
| FNMA PASSTHRU AL5521 | 4.500 JAN 01 40 | 3138END30 | 12/01/2018 | 53.68 |
| FNMA PASSTHRU AO8044 | 3.500 JUL 01 42 | 3138LY5E3 | 12/01/2018 | 33.87 |
| FNMA PASSTHRU AS7348 | 3.500 JUN 01 46 | 3138WHEW8 | 12/01/2018 | 135.41 |

## Income

| Description | Issue | CUSIP | Pay Date | Proceeds |
|---|---|---|---|---|
| FNMA PASSTHRU AS7388 | 3.500 JUN 01 46 | 3138WHF64 | 12/01/2018 | 103.96 |
| FNMA REMIC TRUST | 5.000 AUG 25 35 | 31394EP69 | 12/01/2018 | 144.13 |
| FHLMC REMIC SERIES | 5.000 NOV 15 23 | 31394LN57 | 12/01/2018 | 9.00 |
| FNMA REMIC TRUST | 4.000 MAR 25 19 | 31396YXY3 | 12/01/2018 | 0.39 |
| FNMA REMIC TRUST | 4.000 NOV 25 40 | 31397SZ23 | 12/01/2018 | 55.00 |
| FNMA REMIC TRUST | 4.000 JUL 25 26 | 31397UXA2 | 12/01/2018 | 54.84 |
| FNMA REMIC TRUST | 4.500 NOV 25 39 | 31398R6U4 | 12/01/2018 | 21.95 |
| FNMA REMIC TRUST | 3.000 JAN 25 40 | 31398SP80 | 12/01/2018 | 7.60 |
| FNMA PASSTHRU BC6009 | 3.500 MAY 01 46 | 3140F1VB5 | 12/01/2018 | 212.43 |
| FNMA PASSTHRU BM3570 | 4.500 MAR 01 46 | 3140J76G5 | 12/01/2018 | 167.24 |
| FNMA PASSTHRU BM3655 | 4.000 JUN 01 45 | 3140J8BZ5 | 12/01/2018 | 74.66 |
| FNMA PASSTHRU BM3749 | 4.000 FEB 01 45 | 3140J8EX7 | 12/01/2018 | 76.25 |
| FNMA PASSTHRU CA0241 | 4.000 AUG 01 47 | 3140Q7HT7 | 12/01/2018 | 327.03 |
| FNMA PASSTHRU MA1922 | 4.000 JUN 01 34 | 31418BD45 | 12/01/2018 | 82.85 |
| FNMA PASSTHRU MA1982 | 3.500 AUG 01 34 | 31418BFY7 | 12/01/2018 | 29.79 |
| FNMA PASSTHRU MA3071 | 4.000 JUL 01 37 | 31418CMV3 | 12/01/2018 | 261.08 |
| FNMA PASSTHRU MA3894 | 4.000 SEP 01 31 | 31418DKG6 | 12/01/2018 | 106.80 |
| GNMA PASSTHRU MA5332 | 5.000 JUL 20 48 | 36179T4R3 | 12/01/2018 | 258.35 |
| GNMA PASSTHRU AU4920 | 3.020 SEP 15 41 | 36194SPD4 | 12/01/2018 | 85.38 |
| GNMA REMIC TRUST | 3.500 JAN 20 38 | 38374YWD1 | 12/01/2018 | 3.57 |
| GNMA REMIC TRUST | 3.500 AUG 20 39 | 38377DGG5 | 12/01/2018 | 16.22 |
| GNMA REMIC TRUST | 3.000 OCT 20 39 | 38377JZ48 | 12/01/2018 | 17.21 |
| GNMA REMIC TRUST | 3.500 DEC 20 39 | 38377LLQ9 | 12/01/2018 | 16.29 |
| GNMA REMIC TRUST | 3.000 MAY 20 40 | 38377QU62 | 12/01/2018 | 17.62 |
| GNMA REMIC TRUST | 2.000 MAY 20 40 | 38377YTL4 | 12/01/2018 | 4.52 |
| GNMA REMIC TRUST | 3.150 DEC 16 19 | 38378BTF6 | 12/01/2018 | 18.64 |

# Income

| Description | Issue | CUSIP | Pay Date | Proceeds |
|---|---|---|---|---|
| GNMA REMIC TRUST | 2.750 JAN 20 38 | 38378CQF7 | 12/01/2018 | 22.54 |
| GNMA REMIC TRUST | 2.000 OCT 20 38 | 38378EXV0 | 12/01/2018 | 13.83 |
| GNMA REMIC TRUST | 2.500 DEC 20 42 | 38378FYN4 | 12/01/2018 | 11.12 |
| GNMA REMIC TRUST | 2.500 JUL 20 28 | 38378WUC5 | 12/01/2018 | 22.78 |
| GNMA REMIC TRUST | 3.000 APR 16 43 | 38378YA66 | 12/01/2018 | 40.97 |
| GNMA REMIC TRUST | 3.500 APR 16 43 | 38378YYK9 | 12/01/2018 | 31.87 |
| GNMA REMIC TRUST | 2.250 SEP 16 44 | 38379U6D3 | 12/01/2018 | 62.91 |
| HOME DEPOT INC | 2.625 JUN 01 22 | 437076BG6 | 12/01/2018 | 328.13 |
| MID-AMERICA APTS LP | 3.600 JUN 01 27 | 59523UAN7 | 12/01/2018 | 90.00 |
| CASH | CASH | CASH | 12/02/2018 | 133.04 |
| CHEVRON CORP NEW | 2.355 DEC 05 22 | 166764AB6 | 12/05/2018 | 741.83 |
| DISCOVER BK | 3.000 JUN 07 21 | 254673QB5 | 12/06/2018 | 765.00 |
| FORD MTR CO DEL | 4.346 DEC 08 26 | 345370CR9 | 12/08/2018 | 999.58 |
| HSBC BANK USA NA | 3.125 DEC 09 20 | 40434AE62 | 12/09/2018 | 1,593.75 |
| WELLS FARGO BANK NAT | 3.500 NOV 09 23 | 949763UY0 | 12/09/2018 | 221.50 |
| FEDERAL HOME LOAN BA | 3.870 JUN 12 28 | 3130AEE89 | 12/12/2018 | 774.00 |
| BP CAP MKTS P L C | 2.750 MAY 10 23 | 05565QCD8 | 12/14/2018 | 21.00 |
| BANK OF NOVA SCOTIA | 1.650 JUN 14 19 | 064159HT6 | 12/14/2018 | 181.50 |
| KRAFT HEINZ FOODS CO | 4.000 JUN 15 23 | 50077LAS5 | 12/15/2018 | 380.00 |
| PACIFICORP | 3.850 JUN 15 21 | 695114CM8 | 12/15/2018 | 96.25 |
| FEDERAL HOME LOAN BA | 3.850 JUN 21 27 | 3130AEH52 | 12/21/2018 | 866.25 |
| JPMORGAN CHASE & CO | 2.750 JUN 23 20 | 46625HLW8 | 12/23/2018 | 220.00 |
| WALMART INC | 3.400 JUN 26 23 | 931142EK5 | 12/26/2018 | 422.64 |
| UBS BK USA SALT LAKE | 3.500 OCT 27 23 | 90348JFF2 | 12/30/2018 | 105.00 |
| | | ***Total Income*** | | **$33,874.53** |

## Transaction Detail - 10/1/2018 through 12/31/2018

99026

# Other

| Description | Issue | CUSIP | Transaction Type | Trade Date | Shares | Average Price | Proceeds/ Distributions | Gain/Loss |
|---|---|---|---|---|---|---|---|---|
| CASH | CASH | CASH | Cash Withdrawal | 10/12/2018 | 3,866 | 1.00 | -3,866.28 | 0.00 |
| CASH | CASH | CASH | Cash Deposit | 10/12/2018 | 2,061 | 1.00 | 2,060.88 | 0.00 |
| NATIONAL RURAL UTILS | 10.375 NOV 01 18 | 637432LR4 | Maturity | 11/01/2018 | 11,000 | 100.00 | 11,000.00 | -5,014.24 |
| DU PONT E I DE NEMOU | 5.750 MAR 15 19 | 263534BW8 | Maturity | 11/29/2018 | 5,000 | 100.81 | 5,099.70 | -286.70 |
| BP CAP MKTS P L C | 2.750 MAY 10 23 | 05565QCD8 | Share Exchange | 12/14/2018 | 21,000 | 102.16 | 21,454.02 | 0.00 |
| BP CAP MKTS AMER INC | 2.750 MAY 10 23 | 10373QAL4 | Share Exchange | 12/14/2018 | 21,000 | 102.16 | -21,454.02 | 0.00 |
| | | ***Total Other*** | | | | | **14,294.30** | **-5,300.94** |

# Investment Policy Statement
# Village of Winnetka
# Police Pension Fund

Approved ~~February 2018~~January 2019

## TABLE OF CONTENTS

## I. Introduction

The Village of Winnetka Police Pension Fund is a defined benefit, single employer pension plan. Although a single employer pension plan, the defined benefits, as well as the employee and employer contribution levels are mandated by Illinois State Statutes and may be amended only by the Illinois State Legislature. The Plan provides retirement, death, and disability benefits for its participants.

## II. Statement of Purpose

**Mission statement** The fundamental goal of the Village of Winnetka Police Pension Fund is to provide pension benefits to plan participants. As such, the Board of Trustees will invest plan assets solely in the interests of plan participants and beneficiaries, for the exclusive purpose of providing pension benefits to plan participants and beneficiaries.

**Investment philosophy** The Board of Trustees believes that plan assets should be managed in a fashion that reflects the plan's unique liabilities and funding resources, incorporating accepted investment theory and reliable, empirical evidence. Specifically, the Board has adopted the following principles:

- That asset allocation is the key determinant of return and, therefore, commitments to asset allocation targets will be maintained through a disciplined rebalancing program.
- That diversification, both by and within asset classes, is a primary risk control element.
- That the investment program is ultimately for the purpose of meeting the pension plan's obligations for benefit payments.
- That the investment program must be cognizant of the total pension plan's cash flow obligations.

**Goals and objectives** For total plan assets, the goals and objectives are as follows:

- The foremost purpose of the Fund is to provide for the payment of pension benefits to current eligible beneficiaries and future beneficiaries over an infinite period of time.
- Over the long-term, the assets of the plan should be preserved thus the preservation of capital is a primary objective.
- To preserve and/or improve the actuarial soundness of the plan in order to meet benefit obligations.
- To prudently manage the inherent investment risks that are related to the achievement of investment goals.
- Overall level of risk (volatility) in the total plan is comparable to the risk associated with the target benchmarks specified below. Risk may be measured by the annualized standard deviation of returns.
- A long-term (one to two market cycles) rate of return, net of fees, of at least the actuarial earnings rate.
- A long-term (one to two market cycles) rate of return, net of fees, in excess of its policy benchmark and/or appropriate peer groups. The policy benchmark is a hypothetical portfolio of index funds weighted by asset allocation targets.

| Policy Benchmark | | |
|---|---|---|
| **Asset Class** | **Index** | **Target Weight** |
| US Equity – large cap value | Russell 1000 Value | 15% |
| US Equity – large cap growth | Russell 1000 Growth | 15% |
| US Equity – mid cap value | Russell Mid Cap Value | 5% |
| US Equity – small cap value | Russell Small Cap Value | 8% |
| Non-US Equity | MSCI AC World ex USA | 16% |
| Real Estate Equity | NCREIF ODCE | 5% |
| US Fixed Income | Bloomberg Barclays Intermediate Aggregate | 36% |
| | | 100% |

## III. Roles and Responsibilities

**Board of Trustees** Within the parameters established under Illinois Statutes, the Board has the responsibility of establishing and maintaining broad policies and objectives for all aspects of the Fund's operation. In keeping with their obligation to serve as governing fiduciaries, changes to any of the following will require the Board's involvement and approval.

- The investment policy statement and appendices;
- The strategic asset allocation;
- Performance benchmarks for the strategic asset allocation; and
- All other issues of the investment policy statement not specifically enumerated here.

**Investment Consultant**

1. Assists the Board of Trustees in developing investment policy guidelines, including asset class choices, asset allocation targets, and risk diversification.

2. Conducts investment manager searches when requested by the Board of Trustees.

3. Provides the Board of Trustees with objective information on a broad spectrum of investment decisions and assists in evaluating the merits of each particular investment product or investment manager, as to their track records, management styles, and quality.

4. Monitors the performance of the aggregate plan and the investment managers and provides regular quarterly reports to the Board of Trustees, which aids them in determining the progress toward the investment objectives.

5. Serves as a fiduciary to the Pension Fund.

6. Monitors investment managers to ensure compliance with the Illinois Pension Code.

**Investment Managers**

- Duties – Investment managers will select, buy, and sell specific securities pursuant Illinois Statutes or prospectus, and the investment policy and guidelines contained in contractual agreements, which may be amended from time to time. Discretion is delegated to the investment managers to carry out investment actions as directed by the Fund.
- Standard of care – The standard of prudence applied to investment managers shall be the prudent expert standard and shall be applied in the context of managing an overall portfolio.
- Acknowledgement of fiduciary obligations – Separately managed investment managers will acknowledge in writing that they are a fiduciary of the pension plan.

- Disclosure of fees – Separately managed investment managers must fully disclose on a quarterly basis any direct or indirect fees, commissions, and any other compensation that was received by them, including reimbursement for expenses paid by or on behalf of the investment manager in connection with its services to the Fund.
- Communication – Separately managed investment managers will provide the Board with reporting on, at least a quarterly basis, the market value of all holdings as well as the gross of fees and net of fees rates of return. Net of fees rates of return are to be calculated after the payment of investment fees, and any other compensation. Investment managers must also promptly communicate any major changes in policy, in the investment organization or investment team.
- Conflicts of interest – Investment managers are prohibited from knowingly causing or advising the Fund to engage in any investment transaction in which they have any direct interest in the income, gains or profits of the broker or other entity through which the investment transaction is made or has a business relationship with the broker or other entity that would result in a pecuniary benefit to the investment manager as a result of the transaction.

**Other external providers** The Fund shall retain custodians, actuaries, accounting professionals, investment consultants, depository/financial institutions, and attorneys to implement its investment program.

- The custodian(s) will hold cash and securities. The custodian will be responsible for providing a records maintenance system, fund accounting on a trade date basis, and other services as defined in the contract.
- A depository/financial institution(s) may be utilized to accept and hold cash prior to allocating it to the investment managers, and to invest such cash in liquid, interest-bearing instruments.
- The Fund will retain an actuary to prepare actuarial valuations and periodically analyze the actuarial assumptions and experience of the plan.
- The Fund will retain accounting professionals and ensure an independent audit of the financials is performed and review internal controls.
- The Fund may retain an investment consultant to independently prepare performance reports on the total plan and each investment manager, as well as conduct investment manager and custodial searches, prepare investment policy/asset allocation analysis, and assist in associated investment related issues.
- Standard of care – The standard of prudence applied to other external providers shall be the prudent expert standard.
- Acknowledgement of fiduciary obligations – The external providers will acknowledge in writing that they are fiduciaries of the pension plan.

## IV. Asset Allocation

The purpose of Section IV is to manage risk associated with investment in an asset class (i.e., systematic risk). Risk associated with an investment in an individual security (non-systematic risk) is addressed in Section V.

**Role and importance of asset allocation** The asset allocation decision is generally regarded as the most important decision to be made in the investment management process. The purpose of a strategic asset allocation is to provide an optimal mix of investments that has the potential to produce the desired returns with the least amount of fluctuation in the overall value of the investment portfolio. By spreading funds among several styles or investment types, there is an increased probability that if one investment type is decreasing in value, another is increasing in value.

**Asset allocation range** To further the long-term goals and objectives of the Fund set forth in Section II, the following asset allocation guidelines are established.

| Asset Allocation Range | | | |
|---|---|---|---|
| **Asset Class** | **Minimum* %** | **Target %** | **Maximum* %** |
| **Total Equity** | **45** | **64** | **65** |
| Total US Equity | 40 | 43 | 53 |
| US Equity – large cap | 25 | 30 | 40 |
| US Equity – mid cap | 2 | 5 | 8 |
| US Equity – small cap | 4 | 8 | 12 |
| Total Non-US Equity | 6 | 16 | 20 |
| Non-US Equity | 6 | 16 | 20 |
| Total Real Estate Equity | 0 | 5 | 10 |
| Real Estate Equity | 0 | 5 | 10 |
| **Total Fixed Income and Cash** | **35** | **36** | **45** |
| US Fixed Income | 30 | 36 | 50 |
| Cash and Cash equivalents | 0 | 0 | 10 |

*Minimum and Maximum may not add up to 100%.

**Rebalancing policy** The primary purpose of rebalancing is to ensure that the Fund adheres to its strategic asset allocation, which is the Fund's explicit statement of its investment approach.

The Fund will carry out rebalancing in a cost-effective manner. If feasible, cash flow, as well as indexed and mutual fund investment strategies, will be used to maintain target allocations. Securities may be liquidated from the over-funded investment managers until the desired allocations are met.

The Board and investment consultant will review the portfolio at least twice a year to determine if rebalancing is required.

## V. Investment Guidelines

The purpose of Section V is to limit the risk associated with an investment in an individual security (e.g., non-systematic risk). The selection of investments will be guided by the prudent person and prudent expert standards.

**Prohibited investments** As a unit of local government in the State of Illinois, the Village of Winnetka Police Pension Fund is regulated by 40 ILCS 5/1-113.1 through 5/1-113.10.

**Permissible investments** For separately managed investment managers, permissible investments include those investments permitted by Illinois Statutes and this policy. As a unit of local government in the State of Illinois, the Village of Winnetka Police Pension Fund is regulated by 40 ILCS 5/1-113.1 through 5/1-113.10.

## VI. Reporting / Performance Monitoring

The purpose of monitoring and reporting on investment performance is for the Board to be able to (a) ensure compliance with plan's policy and applicable law, (b) manage the risk of the portfolio, and (c) assess the performance of the total plan and investment managers retained by the Fund.

**Quarterly reporting by investment manager** On a quarterly basis, the Finance Director shall receive the following information:

- An outline of current strategy and investments;
- Investment managers' performance relative to the assigned benchmark index; and
- Separately managed investment managers' performance reported gross of fee and net of fee.

**Quarterly reporting by the investment consultant** On a quarterly basis the Board of Trustees shall receive the following information:

- Portfolio performance relative to the assigned benchmark/index and peer group; and
- Portfolio composition relative to the asset allocation policy.

Reports should contain the following:

- A review of performance relative to assigned benchmarks and peer groups for the most recent quarter end, for one-, three-, and five-year periods ending with the most recent quarter. Performance relative to assigned benchmarks will be reported for the total portfolio, for each asset class, and for each investment manager.
- Both gross of fee and net of fee performance calculations shall be presented for separately managed investment managers.

**Communications** Listed below are the reports required and the appropriate individuals who will receive copies of these reports:

| | |
|---|---|
| A. Custodial Monthly Statements | Village Finance Director and Investment Consultant |
| B. Consultant Quarterly Performance Reports | All Trustees and Village Finance Director |
| C. Investment Manager Quarterly Reports | Village Finance Director and Investment Consultant |
| D. Determination of Benefits | Village Finance Director and all Trustees |

The Board, at minimum, expects to meet with the investment consultant quarterly.

It is the Board's responsibility to relate to the investment consultant and investment managers any changes that might affect the investment of the Fund's assets.

## Appendix A
## Ethics and Conflicts of Interest

Trustees and staff involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. Trustees and staff shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Trustees and staff shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Fund.

In addition, the Board of Trustees or staff managing the investment manager contract should comply with the following ethical considerations:

- Adherence to all jurisdiction's and pension board's ethics laws, rules, and regulations related to procurement and involvement with contractors, including those related to political contributions; and
- Disclosure to Board of Trustees of any inherent or potential conflicts of interest in dealing with specific investment advisers prior to taking any official action.

## Appendix B

## Village of Winnetka
## Internal Control Procedures
## Promulgated by the Finance Director as of ~~February~~ January 201~~8~~9

**Authorized Persons:**

Persons authorized to purchase investments and release collateral:

Finance Director
Assistant Finance Director
Village Manager

**Investment Transactions and Security Measures:**

All investment transactions shall be processed, as delivery versus payment or DVP, to ensure that the Village ownership of securities purchased or sold is always clear. All Village investments shall be:

1) Held by a third party financial institution and evidenced by a safekeeping agreement in a form acceptable to the Village and the Village's independent auditors.

2) Purchased, sold, and held such that the lowest possible level of risk, as defined by the Governmental Accounting Standards Board (GASB), can be maintained for the investment.

The Village shall utilize security codes mutually agreed to by the Village and financial institutions to process investment transactions, collateral transactions, and wire transfers. At a minimum, these procedures shall include at least one of the following: passwords, taped phone conversations, call back on non-repetitive wire transfers, limiting authorized account numbers, and designation of repetitive transaction types.

**Internal Controls:**

The internal controls as stated in the policy will be performed monthly.

The Village Accountant or Assistant Finance Director shall prepare and initial monthly bank reconciliations within 60 days of the cut off statement date. The Finance Director shall approve of the monthly reconciliations by initialing and dating them.

The Village's investment consultant, who serves as a fiduciary of the Fund, shall prepare quarterly performance reports of the investment portfolio. The December investment performance reports shall be retained by the Pension Fund for a period of at least 5 years.

**List of Authorized Investment Advisors, Investment Money Managers, and Financial Institutions**

**As of ~~February 2018~~January 2019**

1) Harris Bank
2) Any Federal Reserve Bank
3) Wells Fargo Bank
4) Wintrust Financial Corporation
5) AndCo Consulting
6) J.P. Morgan Chase
7) Seizert Capital Partners, LLC
8) ClearBridge Investments
9) T. Rowe Price Associates
10) Prudential Investment Management Services
11) American Funds
12) CS McKee Investment Managers
13) ~~Great Lakes Advisors~~Garcia Hamilton & Associates
14) Principal Real Estate Investors

Approved this _____day of ___________________, 201~~8~~9 by the
Village of Winnetka Police Pension Board of Trustees

**President** _________________________ **Vice President** _________________________

**Secretary** _________________________ **Assistant Secretary** _________________________

**Trustee** _________________________ **Trustee** _________________________

IRS

# IRS issues standard mileage rates for 2019

IR-2018-251, December 14, 2018

WASHINGTON — The Internal Revenue Service today issued the 2019 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning on Jan. 1, 2019, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 58 cents per mile driven for business use, up 3.5 cents from the rate for 2018,
- 20 cents per mile driven for medical or moving purposes, up 2 cents from the rate for 2018, and
- 14 cents per mile driven in service of charitable organizations.

The business mileage rate increased 3.5 cents for business travel driven and 2 cents for medical and certain moving expense from the rates for 2018. The charitable rate is set by statute and remains unchanged.

It is important to note that under the Tax Cuts and Jobs Act, taxpayers cannot claim a miscellaneous itemized deduction for unreimbursed employee travel expenses. Taxpayers also cannot claim a deduction for moving expenses, except members of the Armed Forces on active duty moving under orders to a permanent change of station. For more details see Notice-2019-02.

The standard mileage rate for business use is based on an annual study of the fixed and variable costs of operating an automobile. The rate for medical and moving purposes is based on the variable costs.

Taxpayers always have the option of calculating the actual costs of using their vehicle rather than using the standard mileage rates.

A taxpayer may not use the business standard mileage rate for a vehicle after using any depreciation method under the Modified Accelerated Cost Recovery System (MACRS) or after claiming a Section 179 deduction for that vehicle. In addition, the business standard mileage rate cannot be used for more than four vehicles used simultaneously. These and other limitations are described in section 4.05 of Rev. Proc. 2010-51.

Notice 2019-02, posted today on IRS.gov, contains the standard mileage rates, the amount a taxpayer must use in calculating reductions to basis for depreciation taken under the business standard mileage rate, and the maximum standard automobile cost that a taxpayer may use in computing the allowance under a fixed and variable rate plan.

*Page Last Reviewed or Updated: 14-Dec-2018*

Lauterbach & Amen, LLP
CERTIFIED PUBLIC ACCOUNTANTS
668 N. RIVER ROAD • NAPERVILLE, ILLINOIS 60563
PHONE 630.393.1483 • FAX 630.393.2516
www.lauterbachamen.com

# DEATH AUDIT SERVICE AUTHORIZATION

Pension Fund Name: ________________________________________

Lauterbach & Amen, LLP ("L&A") is pleased to announce our new complimentary service which is designed to help prevent the payment of benefits to a deceased member. Through a partnership with IPPFA, L&A has engaged the technology company LifeStatus360 ("LS360") which specializes in analyzing participant databases against deaths reported to various government bodies and regular obituary announcements. LS360 will provide daily death notifications to L&A which will enable a timely termination of benefits in the event that the Fund was not already made aware of the death. L&A and the IPPFA are confident in the safety of your data within LS360's system as it maintains the highest level of certifications for database security, in addition to its Class A rated security building.

In order to administer this service:

- L&A will upload the Pension Fund's beneficiary information using LS360's secure web-based SaaS platform. This data will include names, birth dates, social security numbers and any other information requested by LS360 for the singular purpose of utilizing their Death Audit Services.
  - For the pension funds for whom L&A does not maintain pensioner records, this information will need to be provided to L&A by the Pension Board (for example, if L&A does not file the IDOI Annual Statement or provide Benefit Services or provide Actuarial Services).
  - All data submitted to L&A, including regular updates, must be in Excel format.
  - All external data provided to L&A will be deleted immediately upon completion of the upload of the information to LS360.

- If L&A is notified of the death of one of your pensioners, L&A will communicate this information to the designated Pension Fund representative as soon as possible.

- This service will be in effect until the Board of Trustees provides L&A written direction to terminate the inclusion of the Pension Fund's records in the Death Audit Services, or until L&A terminates its engagement with LS360.

________ The Board of Trustees would like to participate in this complimentary service.

________ The Board of Trustees does not wish to use this complimentary service. (Please provide a Board member's initials as a reference of who provided this response.)

By signing below, the Board of Trustees understands how L&A will use its information and agrees to the services as described above. **L&A requires three (3) signatures in order to initiate services.**

Trustee Signature: ______________________________ Title: ___________________ Date: _____________

Trustee Signature: ______________________________ Title: ___________________ Date: _____________

Trustee Signature: ______________________________ Title: ___________________ Date: _____________

*** Designated Pension Fund representative authorized to communicate with L&A regarding this service***

Name: ______________________________ Title: _____________ Email: ____________________________

# 2019 IPPFA Trustee Training Opportunities

## REGIONAL SEMINARS

**WHEN:** Wednesday, February 27, 2019

**WHERE:** **NIU Outreach Campus – Hoffman Estates**
555 Trillium Blvd, Room 104
Hoffman Estates, IL 60192
630-784-0406

**TIME:** *8:00 am – 4:00 pm

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

**Registration and Continental Breakfast begins at 7:00 a.m.*

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**WHEN:** Wednesday, March 27, 2019

**WHERE:** **Jumer's Hotel & Casino**
777 Jumer Drive
Rock Island, IL 61201
309-756-4600

**TIME:** *8:00 am – 4:00 pm

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

**Registration and Continental Breakfast begins at 7:00 a.m.*

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## 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**

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**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

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## 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

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**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.

# 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

*(please print or type)*

Municipality, District, or Firm: ______________________________ 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, October 29, 2018*

| 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:* ______________________________

# Ottosen Britz Pension Practice
# Quarterly Insights for Police Pension Trustees (First Quarter 2019)

***Re-entry into Active Service, Re-employment and "Double Dipping"***

## *Introduction*

Lately, pension "double dipping" has become a hot button issue. In response to public outcry on pension "double dipping," the General Assembly enacted Public Act 100-281 on August 24, 2017. The Act provides that, if a police officer first becomes a member of an Article 3 pension fund after January 1, 2019, and subsequently re-enters active service with any municipality that also has a pension fund, the police officer will *not* ultimately receive two defined benefit pensions. Rather, the police officer will only be allowed to contribute to an alternative defined contribution plan sponsored by the second municipality.

## *Background*

"Double dipping" has traditionally been defined to occur when a police officer begins drawing a retirement benefit from an Article 3 pension fund and subsequently takes employment as a "civilian" employee with the same municipality, drawing both retirement benefits and receiving salary from the same employer. More recently, however, the term has also been applied to police officers who begin drawing an Article 3 retirement benefit and subsequently take employment as a police officer (typically, as chief officers) in a second, separate municipality. Previously, police chiefs were eligible to join their local police pension fund or the SLEP program of Illinois Municipal Retirement Fund ("IMRF"). This created a "loophole" where police officers could retire and receive pension benefits from an Article 3 pension fund while subsequently being rehired as a police chief or chief administrator, where he or she would earn credit toward an IMRF pension. This practice drew the ire of the public, the press[1] and legislators.

## *Public Act 100-281*

The result was P.A. 100-281, which was passed with overwhelming majorities in both the Illinois House and Senate. As originally introduced in the legislature, the bill would have required that pension payments be suspended whenever an officer re-entered active service with the same municipality from which he or she retired. However, the final formulation of the Act was reached after a compromise with the Illinois Association of Chiefs of Police. Now, a police officer who retires from an Article 3 fund but then re-enters active service can continue to receive retirement benefits but may only continue to participate in a defined contribution plan (such as a Section 457 plan) instead of earning service credits towards an additional IMRF or Article 3 pension. All Article 3 municipalities are required to establish a defined contribution plan to accommodate such situations. However, it is important to note that the reentry provision *only applies to police officers who first become a member of an Article 3 fund after January 1, 2019.* Finally, the Act eliminates the ability of police chiefs to elect to participate in IMRF or the Sheriff's Law Enforcement Program ("SLEP") as an alternative to participation in an Article 3 pension fund. However, in interpreting this new law, IMRF has taken the position that a police chief who already has IMRF creditable service will still be allowed to enroll in IMRF SLEP post-January 1, 2019.

## *Implications*

In the wake of Public Act 100-281, police pension funds must prospectively ensure their members are acting in accordance with its re-entry restrictions. If a new employee is already receiving an Article 3 pension and re-enters active service, pension funds must be aware that Public Act 100-281 might act to bar the employee from earning creditable service with the fund. As with any new law, however, these re-entry restrictions will continue to evolve as they are judicially interpreted. Therefore, we encourage you to coordinate with your attorney if you suspect Public Act 100-281's provisions may apply. Although firefighters remain unaffected for now, given the heated rhetoric concerning pension double dipping or re-employment, it is likely that the next legislative session will feature bills aimed at curbing these practices for firefighters, as well. State Representative Grant Wehrli has committed to introducing a bill extending Public Act 100-281's prohibitions on double dipping to firefighters' pension funds.[2]

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[1] *See, e.g.,* Rauner Signs 'Double-Dipping' Pension Bill, Chicago Tribune, *available at https://www.chicagotribune.com/suburbs/naperville-sun/news/ct-nvs-rauner-bill-signing-naperville-st-0825-20170824-story.html*

[2] *See, e.g.,* How Suburban Fire Chiefs Collect Both Pensions and Paychecks, Daily Herald, *available at https://www.dailyherald.com/news/20181212/how-suburban-fire-chiefs-collect-both-pensions-and-paychecks?fbclid=IwAR0xVlqMTK8bHydVk9SEcxCcwOG9qbhpCAhJ9k3BWGH580NaofKtMNPjQ50*

# OTTOSEN BRITZ KELLY COOPER GILBERT & DiNOLFO, LTD.

1804 North Naper Boulevard, Suite 350, Naperville, Illinois 60563
Phone 630.682.0085 Fax 630.682.0788 www.ottosenbritz.com

Carolyn Welch Clifford
Attorney at Law

Direct Line 630.614.7619
cclifford@ottosenbritz.com


**Via Email**

January 22, 2019

Winnetka Police Pension Fund
410 Green Bay Road
Winnetka, IL 60093

**Re: Engagement Letters and New Year Items**

Happy New Year and thank you for your continued faith in Ottosen Britz Kelly Cooper Gilbert & DiNolfo, Ltd. to provide legal services to your board. We are grateful for your business and value the relationship we continue to build with you.

Enclosed are several items for the new year:

- **Engagement Letter for 2019** – The firm's hourly rates will remain the same as they have been for the past two years, and if you have a retainer with the firm, the new proposed monthly rate is attached to the letter. Note that boards will have an option this year to pre-pay the retainer for the calendar year or continue to pay it monthly. Please add the engagement letter to your board agenda at your first meeting of the year.

- **Annual Timeline of Requirements for Pension Funds** -- Please use this timeline as a reference for the new year, as well as to help you build agendas and plan the business of the pension fund this year.

- **Client Information Sheet** -- This includes the contact information for the board members and its service providers. Please proofread it carefully and let us know if there are any additions or changes that should be made.

If you have any questions regarding the enclosed material, please feel free to contact us. We look forward to our continued relationship in 2019.

Very truly yours,

**OTTOSEN BRITZ KELLY COOPER GILBERT & DINOLFO, LTD.**

Carolyn Welch Clifford

Carolyn Welch Clifford

Enclosures

# OTTOSEN BRITZ KELLY COOPER GILBERT & DiNOLFO, LTD.

1804 North Naper Boulevard, Suite 350, Naperville, Illinois 60563
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February 1, 2019

Board of Trustees
Winnetka Police Pension Fund
410 Green Bay Road
Winnetka, IL 60093

**RE: Engagement Letter for Legal Services**

The Law Firm of OTTOSEN BRITZ KELLY COOPER GILBERT & DINOLFO, LTD. is pleased to confirm our understanding of the terms and objectives of our engagement, and the nature and the limitations of the legal services the Firm's attorneys will provide, for the BOARD OF TRUSTEES OF THE WINNETKA POLICE PENSION FUND.

**CLIENT:** The client for purposes of this Agreement will be the BOARD OF TRUSTEES OF THE WINNETKA POLICE PENSION FUND ("the Client.")

**SCOPE:** The Client does hereby retain the law firm of Ottosen Britz Kelly Cooper Gilbert & DiNolfo, Ltd. (the "Firm"), comprised of attorneys licensed to practice law in the State of Illinois, to serve as the legal counsel for the Client. While serving as legal counsel, the Firm shall represent the Client in all legal matters and shall be responsible to attend to various miscellaneous legal needs of the Client, including, but not limited to, communications with the Client and its staff, attending meetings, preparing or reviewing documents, conducting legal research, handling hearings, and representing the Client in matters before administrative agencies and courts of law. The Client may agree to expand or limit the scope of the Firm's representation of the Client in other legal matters from time to time; however, any expansion or limitation must be confirmed in writing by the Client to the Firm.

**DUTIES OF THE PARTIES:** The Firm agrees to provide legal services within the standard of care of attorneys practicing law within the State of Illinois. The Client agrees to be truthful with the Firm, to cooperate, to keep the Firm informed of developments affecting the representation of the Client, to abide by the terms of this Agreement, to pay the Firm's bills on time, and to keep the Firm advised of any change to its address and other contact information.

**TERM:** This Agreement shall be in effect until DECEMBER 31, 2019. Either the Client, or the Firm may terminate the Firm's engagement at any time for any reason with ten (10) days notice to the other; however, the Firm's right to terminate may be limited by the applicable provisions of the Illinois Rules of Professional Responsibility. In the event the Firm terminates this Agreement, the Firm will take such steps as may be reasonably practicable to protect the Client's interests. If a court or administrative agency requires permission for withdrawal, the Firm will promptly apply for that permission, and the Client will engage successor counsel to represent the Client.




Elburn 630.365.6441 ■ Mokena 708.478.4600 ■ Woodstock 815.338.8011

**PERSONNEL:** **Carolyn Welch Clifford** will be the principal attorney responsible for handling the legal services for the Client. The Firm shall have reasonable discretion to delegate portions of the legal work and responsibilities to other attorneys and/or staff employed by the Firm. In addition, if in the opinion of the Firm, it is necessary for the timely or proper handling of a matter, the Firm may on behalf of the Client, with the Client's consent, retain court reporters, expert witnesses or advisors.

**FEES:** The legal fees associated with the work under this Agreement will be based on the time spent on matters, including reasonable travel time. The Firm's hourly billing rates for attorneys providing the legal services provided hereunder shall be **$225 per hour**. The Firm's hourly billing rates for non-attorneys providing legal services hereunder shall be **$150 per hour** for administrative staff and paralegals and **$160 per hour** for law clerks. The Firm may adjust these billing rates from time to time, typically on a biannual basis. The Firm will notify the Client of any such required adjustment, and Client will be responsible for paying the rates in effect following any such notice.

The minimum billing increment of time to be billed by the attorney performing services shall be one-tenth of any hour. Communications by telephone or by e-mail shall be billed at no less than three-tenths of an hour; written correspondence shall be billed at no less than five-tenths of an hour. Any fees for specific legal services that are to be provided to the Client under a flat fee or retainer arrangement shall be attached to this Agreement in **Appendix A**.

**COSTS AND EXPENSES:** In the course of providing legal services for the Client, the Firm may incur costs and expenses. The Client agrees to pay for all costs, disbursements and expenses in addition to the hourly fees set forth in this Agreement. Such costs and expenses may include, but are limited to, fees fixed by law or assessed by third parties, such as public agencies (including fees imposed by the courts or administrative agencies for such items as recording or certifying documents, and filing fees); process servers; couriers, messengers, overnight delivery, and other delivery fees; witnesses and expert witnesses; IME physicians and related medical testing; court reporters; postage; document fees; and photocopying and other reproduction costs. These expenses may also include, but are not limited to, charges for electronic legal research, transcripts, and investigations. The Firm shall bill the Client for such costs as they are accrued, or forward the invoices for such services to the Client for direct payment to a third party.

**BILLING:** The Firm shall submit billings on a monthly basis. All billings shall be due and payable in accordance with the Local Government Prompt Payment Act (50 ILCS 505/1 *et seq.*).

**CONFLICTS:** Whenever the Firm shall report to the Client that it has a conflict of interest with respect to any matter, the Client shall either appoint a special counsel to represent the Client at its expense in connection with such matter, or waive the conflict and direct the Firm to represent the Client notwithstanding the conflict. Any waiver of a conflict, or possibility of conflict, or appearance of conflict shall be made by and with the approval of the Board. However, it shall not constitute a breach of this Agreement for the Firm to decline to represent the Client on any matter which the Firm has a conflict of interest which cannot be waived under the applicable standards of legal ethics, the Code of Professional Responsibility adopted by the Illinois Supreme

Court, or rules of any court in which the matter may be pending, and which the Firm cannot eliminate or avoid at such time.

**INFORMATION PROTECTION:** The Firm acknowledges that, pursuant to Section 45(b) of the Illinois Personal Information Protection Act (815 ILCS 530/45(b)), it is obligated to implement and maintain reasonable security measures to protect personal information from unauthorized access, acquisition, destruction, use, modification, or disclosure.

**ACKNOWLEDGEMENT:** This Agreement sets out the entire agreement and understanding between the Client and the Firm with respect to the representation and supersedes and cancels any prior communications, understandings and agreements, both written and verbal, between the parties with respect to this Agreement.

Please indicate your acceptance of the above understanding and terms of this Agreement by signing below. The Firm appreciates the opportunity to provide legal services to the WINNETKA POLICE PENSION FUND and looks forward to working with you.

Very truly yours,

OTTOSEN BRITZ KELLY COOPER GILBERT & DiNOLFO, LTD.

________________________________________
One of its Shareholders

**TERMS OF ENGAGEMENT LETTER APPROVED**: This Legal Services Engagement Letter correctly sets forth the understanding of the BOARD OF TRUSTEES OF THE WINNETKA POLICE PENSION FUND.

Date: ____________________________

By: ____________________________

Print: ____________________________

Title: ____________________________

SIKICH

OTTOSEN·BRITZ

Fiscal Year Ending December 31

# TIMELINE OF REQUIREMENTS FOR:
## ARTICLE 3 POLICE PENSION FUNDS AND ARTICLE 4 FIREFIGHTER PENSION FUNDS

### FILING REQUIRED WITH THE ILLINOIS DEPARTMENT OF INSURANCE (DOI)

| ITEM | STATUTORY REFERENCE | RESPONSIBLE PERSON(S) | DUE DATE | COMPLETED |
|---|---|---|---|---|
| DOI Annual Statement (including signature sheet) | 40 ILCS 5/1A-109 | Treasurer and/or outside accountant | Due within six (6) months after close of the fiscal year-end of the Fund | |
| Independent Certified Public Accountant (CPA) Audit Report of fund or municipality | 40 ILCS 5/1A-104 | | Due within six (6) months after close of the fiscal year-end of the Fund | |
| Actuarial statements by outside actuary | 40 ILCS 5/1A-111 | | Due within nine (9) months after close of the fiscal year-end of the Fund | |
| Investment policy | 40 ILCS 5/1-113.6 | | Due within thirty (30) days after initial adoption or amendment | |
| Investment advisor/consultant agreements | 40 ILCS 5/1-113.5(c) | | Due within thirty (30) days of appointment of advisor/consultant | |
| Security administrator | | | Prior to permission to access DOI online data collection system | |
| Servicer certification from Illinois finance entities | 40 ILCS 5/1-110.10 | | Due by February 28th | |
| Signed copy of labor contracts showing salary by rank and class, including wage scales if applicable and referenced in labor contracts | 50 Ill. Admin. Code 4402<br>40 ILCS 5/3-125.1<br>40 ILCS 5/4-118.1 | | Annually | |
| Fiscal year appropriation ordinance, plans or agreements establishing salary for Schedule P active members and new retirees during fiscal year | 50 Ill. Admin. Code 4402<br>40 ILCS 5/3-125.1<br>40 ILCS 5/4-118.1 | | Annually | |

### EVERY QUARTER/MEETING

| ITEM | STATUTORY REFERENCE | RESPONSIBLE PERSON(S) | COMPLETED |
|---|---|---|---|
| Post agenda for meeting (notice and agenda if special or rescheduled meeting) 48 hours in advance | 5 ILCS 120/2.02(a) | | |
| Review and approve minutes from prior meeting (within 30 days after that meeting or at second subsequent regularly scheduled meeting, whichever is later) | 5 ILCS 120/2.06 | | |
| Receive treasurer's report | 30 ILCS 235/2.5(a)(10) | Treasurer and/or outside accountant | |
| Review investment performance and take action on investments | 30 ILCS 235/2.5(a) (9) and (10) | Investment advisor and/or investment consultant | |
| Review and approve payment of bills (disbursement warrant) | 40 ILCS 5/3-134 and 3-138<br>40 ILCS 5/4-127, 4-131, and 4-132 | Treasurer and/or outside accountant | |

## FIRST QUARTER (JANUARY-FEBRUARY-MARCH)

| ITEM | STATUTORY | RESPONSIBLE PERSON(S) | DUE DATE | COMPLETED |
|---|---|---|---|---|
| Give public notice of the schedule of regular meetings, stating regular dates, times and places of such meetings | 5 ILCS 120/2.02(a) | Secretary | Beginning of calendar or fiscal year | |
| Review and update investment policy | 40 ILCS 5/1-113.6<br>30 ILCS 235/2.5(a)(9) | | To be filed with DOI, if amended, within 30 days | |
| Prepare election procedures and seek reappointments | 40 ILCS 5/3-128<br>40 ILCS 5/4-121 | | Third Monday in April | |
| Receive and submit annual servicer certifications from Illinois finance entities to DOI | 40 ILCS 5/1-110.10 | | No later than February 28th | |
| Confirm tax levy amount for Fund from municipal tax ordinance from December | 40 ILCS 5/3-125<br>40 ILCS 5/4-118 | Treasurer | | |
| Certify annual training requirements met by individual trustees and submit to DOI | 40 ILCS 5/1-109.3<br>40 ILCS 5/1-113.18 | | | |
| Complete the 1099-Misc forms due to vendors, and send copies of the 1099-Misc forms and 1096 form to IRS | | Treasurer and/or outside accountants | To vendors and the IRS by January 31st | |
| Complete the 1099-R forms due to payees, and send copies of 1099-R forms, 1096 form and 945 form to the IRS | | Treasurer and/or outside accountants | To payees and the IRS by January 31st | |
| Complete the fiscal year-end audit work papers and send information to the auditor | 40 ILCS 5/1A-109 | Treasurer and/or outside accountants | | |
| Complete fiscal year-end audit work papers and send information to the auditor | 40 ILCS 5/3-143<br>40 ILCS 5/4-134 | Treasurer and/or outside accountants | | |
| Review professional services contracts, engagement letters and retainers with auditor, actuary, accountants and attorneys (as needed) | | | | |
| Submit list of required filers for Statements of Economic Interest to county clerk | 5 ILCS 420/4A-106 | Chief Administrative Officer | By February 1st | |
| Funding policy development/review | | Board members in conjunction with Village, City or Fire District officials | End of 1st quarter | |
| Approve annual pension increases to begin in January | 40 ILCS 5/3-111.1<br>40 ILCS 5/4-109.1 | Treasurer and/or outside accountants | | |

## SECOND QUARTER (APRIL-MAY-JUNE)

| ITEM | STATUTORY | RESPONSIBLE PERSON(S) | DUE DATE | COMPLETED |
|---|---|---|---|---|
| Conduct and canvass trustee elections | 40 ILCS 5/3-128<br>40 ILCS 5/4-121 | | Third Monday in April | |
| Reorganize the board and elect officers (fire) | 40 ILCS 5/4-121 | | | |
| Conduct six-month review of closed meeting minutes | 5 ILCS 120/2.06(d) | Secretary | | |

## SECOND QUARTER, CONT'D

| ITEM | STATUTORY | RESPONSIBLE PERSON(S) | DUE DATE | COMPLETED |
|---|---|---|---|---|
| Review professional services contracts, engagement letters and retainers with investment professionals (as needed). Obtain Form ADV (Part 1) from investment advisors/consultants and complete checklist. | 40 ILCS 5/1-113.5 | | | |
| Review and update membership files | 40 ILCS 5/3-132<br>40 ILCS 5/4-107(b) and 4-123 | | | |
| Confirm actual prior year employer contributions | 40 ILCS 5/3-143<br>40 ILCS 5/4-134 | Treasurer | | |
| Approve and remit payment of the DOI Compliance Fee invoice (usually received in May) | 40 ILCS 5/1A-112 | Treasurer and/or outside accountants | Due June 30th | |
| Submit the fiscal year-end Annual Statement and signature sheet to DOI | 440 ILCS 5/1A-109 | | Due six (6) months after end of fiscal year (June 30th) | |
| Submit independent CPA Audit Report of fund or municipality to DOI | 40 ILCS 5/1A-104 | | Due six (6) months after end of fiscal year (June 30th) | |
| Submit annual Statement of Economic Interests form to the county | 5 ILCS 420/4A-106<br>5 ILCS 420/4A-101(o) | Individual trustees | Due May 1st | |
| Ensure new OMA and FOIA officers complete initial training and FOIA officer completes annual training | 5 ILCS 120/1.05(a)<br>5 ILCS 140/3.5(b) | OMA and FOIA officers | Within thirty (30) days of designation for OMA and FOIA; annually for FOIA by July 1st | |
| Open Meetings Act Trustee Training | 5 ILCS 120/1.05(b) | Elected and appointed trustees | Within 90 days of election or appointment; Training completion certificates to be filed with Fund | |
| Review portions of Audit applicable to the fund | | | Due six (6) months after end of fiscal year (June 30th) | |
| Securities Custody Affidavit | 50 Ill. Admin. Code 4425.40 | | Due April 30th – a "Dealer" must provide fund with notarized affidavit.<br>New "Dealer" must provide a notarized affidavit on or before taking possession or control of securities. | |

## THIRD QUARTER (JULY-AUGUST-SEPTEMBER)

| ITEM | STATUTORY | RESPONSIBLE PERSON(S) | DUE DATE | COMPLETED |
|---|---|---|---|---|
| Reorganize new Board and elect officers (police) | 40 ILCS 5/3-130 | | July meeting | |
| Send out affidavits of eligibility to beneficiaries (if any) | 40 ILCS 5/3-115<br>40 ILCS 5/4-112 | | | |
| Conduct annual medical evaluations of disabled members under age 50 (if any) | 40 ILCS 5/3-115<br>40 ILCS 5/4-112 | | | |
| Review actuarial report and make tax levy recommendation to municipality | 40 ILCS 5/3-143<br>40 ILCS 5/4-134 | | | |
| Submit tax levy report (municipal compliance report) to municipality | 40 ILCS 5/3-143<br>40 ILCS 5/4-134 | | Before meeting at which municipal board adopts its tax levy ordinance | |
| File copy of outside actuarial report with DOI | 40 ILCS 5/1A-111 | | Within nine (9) months of end of fiscal year (September 30th) | |

## THIRD QUARTER, CONT'D

| ITEM | STATUTORY | RESPONSIBLE PERSON(S) | DUE DATE | COMPLETED |
|---|---|---|---|---|
| Begin coordinating implementation of GASB Statement No. 67 and No. 68 with accountant, auditor, actuary and investment managers | | Treasurer | | |

## FOURTH QUARTER (OCTOBER-NOVEMBER-DECEMBER)

| ITEM | STATUTORY | RESPONSIBLE PERSON(S) | DUE DATE | COMPLETED |
|---|---|---|---|---|
| Establish regular meeting schedule for next calendar year | 5 ILCS 120/2.02(a) | | | |
| Review and update Board rules and forms | 40 ILCS 5/3-140<br>40 ILCS 5/4-126 | | | |
| Review and update contractual agreements with custodians and investment advisors/consultants (as needed) | 40 ILCS 5/1-113.5 | | No less than every five (5) years for investment consultants | |
| Begin gathering information to complete the fiscal year-end DOI Annual Statement | 40 ILCS 5/1A-109 | | Due within six (6) months after close of fiscal year-end of Fund | |
| Conduct six-month review of closed meeting minutes | 5 ILCS 120/2.06(d) | | | |
| Make sure implementation of GASB Statement No. 67 and No. 68 is on track | | Treasurer | | |
| Request investment consultant disclosures on minority/female/disabled individuals investment services and compensation/economic opportunities | 40 ILCS 5/1-113.22<br>40 ILCS 5/1-113.23 | | By January 1st of every year | |


## OTTOSEN BRITZ KELLY COOPER GILBERT & DiNOLFO, LTD.

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# OTTOSEN·BRITZ

KELLY COOPER GILBERT & DINOLFO, LTD.

Pension Funding Report | Fiscal Year End: December 31

# Winnetka Police Pension Fund

| Fiscal Year | 2016 | 2017 | 2018 |
|---|---|---|---|
| Employer Contribution | $1,307,493.00 | $1,423,835.00 | TBD |
| Fund's Actuary's Recommended Contribution | $1,308,146.00 | $1,446,665.00 | $1,488,956.00 |
| Fund's Actuary's Statutory Minimum | $1,013,894.00 | $1,037,109.00 | $1,148,177.00 |
| DOI Statutory Minimum | $798,890.00 | $808,211.00 | $784,487.00 |

| Employer Contribution vs. | 2016 | 2017 | 2018 |
|---|---|---|---|
| Fund's Actuary's Recommended Contribution | ($653.00) | ($22,830.00) | #VALUE! |
| Fund's Actuary's Statutory Minimum | $293,599.00 | $386,726.00 | #VALUE! |
| DOI Statutory Minimum | $508,603.00 | $615,624.00 | #VALUE! |

| DOI Statutory Minimum vs. | 2016 | 2017 | 2018 |
|---|---|---|---|
| Fund's Actuary's Recommended Contribution | ($509,256.00) | ($638,454.00) | ($704,469.00) |
| Fund's Actuary's Statutory Minimum | ($215,004.00) | ($228,898.00) | ($363,690.00) |

| Fund's Actuary's Recommended Contribution vs. | 2016 | 2017 | 2018 |
|---|---|---|---|
| DOI Statutory Minimum vs. | $509,256.00 | $638,454.00 | $704,469.00 |
| Fund's Actuary's Statutory Minimum | $294,252.00 | $409,556.00 | $340,779.00 |

1/15/2019

VILLAGE OF WINNETKA, ILLINOIS

**Police Pension Fund**

**Required Supplementary Information**
**Schedule of Employer Contributions**
**December 31, 2017**

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Excess/ (Deficiency) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|---|---|---|---|---|---|
| 2014 | $ 1,089,023 | $ 1,095,000 | $ 5,977 | $ 2,440,019 | 44.88% |
| 2015 | 1,110,899 | 1,154,177 | 43,278 | 2,546,092 | 45.33% |
| 2016 | 1,308,146 | 1,307,493 | (653) | 2,607,617 | 50.14% |
| 2017 | 1,446,665 | 1,423,835 | (22,830) | 2,568,172 | 55.44% |

Notes to the Required Supplementary Information:

| | |
|---|---|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level % Pay (Closed) |
| Remaining Amortization Period | 17 Years |
| Asset Valuation Method | Market Value |
| Inflation | 2.50% |
| Salary Increases | Service Based |
| Investment Rate of Return | 6.25% |
| Retirement Age | 50-70 |
| Mortality | RP 2014 Combined Healthy Mortality |

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

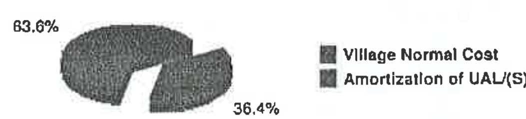
DRAFT

## TAX LEVY REQUIREMENT

The Public Act 096-1495 Tax Levy Requirement is determined as the annual contribution necessary to fund the normal cost, plus the amount to amortize the excess (if any) of ninety percent (90%) of the accrued liability over the actuarial value of assets as a level percentage of payroll over a thirty (30) year period which commenced in 2011, plus an adjustment for interest. The 100% amortization amount is equal to the amount to amortize the unfunded accrued liability as a level percentage of payroll over a forty (40) year period which commenced in 1993.

| | For Year Ending December 31 | | | |
|---|---|---|---|---|
| | | 2015 | | 2014 |
| Village Normal Cost as of Beginning of Year | $ | 448,632 | $ | 416,962 |
| Amortization of Unfunded Accrued Liability/(Surplus) | | 782,564 | | 628,590 |
| Interest for One Year | | 76,950 | | 65,347 |
| Tax Levy Requirement as of End of Year | $ | 1,308,146 | $ | 1,110,899 |
| Public Act 096-1495 Tax Levy Requirement | | | | |
| 1) Normal Cost (PUC) | | 567,450 | | 513,357 |
| 2) Accrued Liability (PUC) | | 37,516,556 | | 33,613,703 |
| 3) Amortization Payment | | 386,803 | | 287,124 |
| 4) Interest for One Year | | 59,641 | | 50,030 |
| 5) PA 096-1495 Tax Levy Requirement (1 + 3 + 4) | $ | 1,013,894 | | 850,511 |

**TAX LEVY REQUIREMENT**
**For Fiscal Year Ending December 31, 2015**



## WINNETKA POLICE PENSION FUND
## Actuarial Valuation Report

### Assets

Actuarial Value of Assets

Current Year Gain/(Loss):

| | |
|---|---|
| Market value of assets as of December 31, 2013 | $24,445,682 |
| Benefit payments during fiscal year 2014 | (1,809,323) |
| Total contributions during fiscal year 2014 | 1,344,185 |
| Expected return during fiscal year 2014 | 1,634,385 |
| Expected market value of assets as of December 31, 2014 | $25,614,929 |
| Actual market value of assets as of December 31, 2014 | $25,512,191 |
| Investment gain/(loss) during the fiscal year | ($102,738) |

Development of Actuarial Value of Assets (market value less unrecognized amounts):

| | |
|---|---|
| Market value of assets as of December 31, 2014 | $25,512,191 |
| Unrecognized gain/(loss) from fiscal 2014 | (82,191) |
| Unrecognized gain/(loss) from fiscal 2013 | 805,428 |
| Unrecognized gain/(loss) from fiscal 2012 | (49,609) |
| Unrecognized gain/(loss) from fiscal 2011 | 0 |
| Actuarial value of assets as of December 31, 2014 | $24,838,562 |

### Actuarially Determined Employer Contributions

| | |
|---|---|
| Actuarially determined amount to provide the employer normal cost based on the annual payroll of active participants as of January 1, 2015. | $444,338 |
| Amount necessary to amortize the unfunded accrued liability as determined by the State of Illinois Department of Insurance over the remaining 26 years as prescribed by Section 3-125 of the Illinois Pension Code. | $304,036 |
| Interest to the end of the fiscal year. | $50,515 |
| Total suggested amount of employer contributions to arrive at the annual requirements of the fund as prescribed by Section 3-125 of the Illinois Pension Code. * | $798,890 |

*The above figure is the suggested amount which should be obtained by the fund from the municipality exclusive of any other items of income, such as interest on investments, contributions from participants, etc. These items have already been taken into consideration in arriving at this amount.

**VILLAGE OF WINNETKA, ILLINOIS**
**POLICE PENSION FUND**

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report**
**For the Fiscal Year Ending December 31, 2015**

The Pension Board certifies to the Board of Trustees of the Village of Winnetka, Illinois on the condition of the Pension Fund at the end of its most recently completed fiscal year the following information:

1) The total cash and investments, including accrued interest, of the fund and their current market value of those assets:

| | Current Fiscal Year | Preceding Fiscal Year |
|---|---|---|
| Total Cash and Investments (including accrued interest) | $26,506,551 | $25,721,396 |
| Total Net Position | $25,257,502 | $25,512,191 |

2) The estimated receipts during the next succeeding fiscal year from deductions from the salaries of police officers and from other sources:

| | |
|---|---|
| Estimated Receipts - Employee Contributions | $261,400 |
| Estimated Receipts - All Other Sources | |
| Investment Earnings | $1,656,700 |
| Municipal Contributions | $1,446,664 |

3) The estimated amount required during the next succeeding fiscal year to (a) pay all pensions and other obligations provided in Article 3 of the Illinois Pension Code, and (b) to meet the annual requirements of the fund as provided in Sections 3-125 and 3-127:

| | |
|---|---|
| (a) Pay all Pensions and Other Obligations | $2,276,100 |
| (b) Annual Requirement of the Fund as Determined by: | |
| Illinois Department of Insurance | $808,211 |
| Private Actuary - Lauterbach & Amen, LLP | |
| Recommended Municipal Contribution | $1,446,664 |
| Statutory Municipal Contribution | $1,037,109 |

# WINNETKA POLICE PENSION FUND
## Actuarial Valuation Report

### Assets

Actuarial Value of Assets

Current Year Gain/(Loss):

| | |
|---|---|
| Market value of assets as of December 31, 2014 | $25,512,191 |
| Benefit payments during fiscal year 2015 | (1,779,229) |
| Total contributions during fiscal year 2015 | 1,411,737 |
| Expected return during fiscal year 2015 | 1,709,670 |
| Expected market value of assets as of December 31, 2015 | $26,854,368 |
| Actual market value of assets as of December 31, 2015 | $25,257,502 |
| Investment gain/(loss) during the fiscal year | ($1,596,866) |

Development of Actuarial Value of Assets (market value less unrecognized amounts):

| | |
|---|---|
| Market value of assets as of December 31, 2015 | $25,257,502 |
| Unrecognized gain/(loss) from fiscal 2015 | (1,277,493) |
| Unrecognized gain/(loss) from fiscal 2014 | (61,643) |
| Unrecognized gain/(loss) from fiscal 2013 | 536,952 |
| Unrecognized gain/(loss) from fiscal 2012 | (24,804) |
| Actuarial value of assets as of December 31, 2015 | $26,084,490 |

### Actuarially Determined Employer Contributions

| | |
|---|---|
| Actuarially determined amount to provide the employer normal cost based on the annual payroll of active participants as of January 1, 2016. | $461,918 |
| Amount necessary to amortize the unfunded accrued liability as determined by the State of Illinois Department of Insurance over the remaining 25 years as prescribed by Section 3-125 of the Illinois Pension Code. | $295,189 |
| Interest to the end of the fiscal year. | $51,105 |
| Total suggested amount of employer contributions to arrive at the annual requirements of the fund as prescribed by Section 3-125 of the Illinois Pension Code. * | $808,211 |

*The above figure is the suggested amount which should be obtained by the fund from the municipality exclusive of any other items of income, such as interest on investments, contributions from participants, etc. These items have already been taken into consideration in arriving at this amount.

# WINNETKA POLICE PENSION FUND
## Actuarial Valuation Report

### Assets

Actuarial Value of Assets

Current Year Gain/(Loss):

| | |
|---|---|
| Market value of assets as of December 31, 2015 | $25,257,502 |
| Benefit payments during fiscal year 2016 | (1,863,861) |
| Total contributions during fiscal year 2016 | 1,595,572 |
| Expected return during fiscal year 2016 | 1,695,827 |
| Expected market value of assets as of December 31, 2016 | $26,685,039 |
| Actual market value of assets as of December 31, 2016 | $27,118,359 |
| Investment gain/(loss) during the fiscal year | $433,319 |

Development of Actuarial Value of Assets (market value less unrecognized amounts):

| | |
|---|---|
| Market value of assets as of December 31, 2016 | $27,118,359 |
| Unrecognized gain/(loss) from fiscal 2016 | 346,655 |
| Unrecognized gain/(loss) from fiscal 2015 | (958,120) |
| Unrecognized gain/(loss) from fiscal 2014 | (41,095) |
| Unrecognized gain/(loss) from fiscal 2013 | 268,476 |
| Actuarial value of assets as of December 31, 2016 | $27,502,442 |

### Actuarially Determined Employer Contributions

| | |
|---|---|
| Actuarially determined amount to provide the employer normal cost based on the annual payroll of active participants as of January 1, 2017. | $452,012 |
| Amount necessary to amortize the unfunded accrued liability as determined by the State of Illinois Department of Insurance over the remaining 24 years as prescribed by Section 3-125 of the Illinois Pension Code. | $282,871 |
| Interest to the end of the fiscal year. | $49,605 |
| Total suggested amount of employer contributions to arrive at the annual requirements of the fund as prescribed by Section 3-125 of the Illinois Pension Code. * | $784,487 |

*The above figure is the suggested amount which should be obtained by the fund from the municipality exclusive of any other items of income, such as interest on investments, contributions from participants, etc. These items have already been taken into consideration in arriving at this amount.

**VILLAGE OF WINNETKA, ILLINOIS**
**POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report**
**For the Fiscal Year Ending December 31, 2016**

The Pension Board certifies to the Board of Trustees of the Village of Winnetka, Illinois on the condition of the Pension Fund at the end of its most recently completed fiscal year the following information:

1) The total cash and investments, including accrued interest, of the fund at market value and the total net position of the Pension Fund:

| | Current Fiscal Year | Preceding Fiscal Year |
|---|---|---|
| Total Cash and Investments (including accrued interest) | $28,154,610 | $26,506,551 |
| Total Net Position | $27,118,358 | $25,257,502 |

2) The estimated receipts during the next succeeding fiscal year from deductions from the salaries of police officers and from other sources:

| | |
|---|---|
| Estimated Receipts - Employee Contributions | $298,200 |
| Estimated Receipts - All Other Sources | |
| Investment Earnings | $1,759,700 |
| Municipal Contributions | $1,488,956 |

3) The estimated amount required during the next succeeding fiscal year to (a) pay all pensions and other obligations provided in Article 3 of the Illinois Pension Code, and (b) to meet the annual requirements of the fund as provided in Sections 3-125 and 3-127:

| | |
|---|---|
| (a) Pay all Pensions and Other Obligations | $2,391,400 |
| (b) Annual Requirement of the Fund as Determined by: | |
| Illinois Department of Insurance | $784,487 |
| Private Actuary - Foster & Foster: | |
| Recommended Municipal Contribution | $1,488,956 |
| Statutory Municipal Contribution | $1,148,177 |

**Winnetka Police Pension Fund**
**410 Green Bay Road, Winnetka, Illinois 60093**
**Cook County**

| **GENERAL INFORMATION** | |
|---|---|
| **Home Rule - Village** | December 31 Fiscal Year |
| **Regular Meetings for 2019** | February 1, April 26, July 26, October 25 – 8:30 a.m. |
| **Backup Attorney** | Jim Wargo |
| **Meeting Location** | Public Safety Building, 410 Green Bay Road, Winnetka, IL |
| **Phone / Fax** | (847) 501-6034 / (847) 501-6042 |
| **Administrative Assistant** | Isabel Copeland, Lauterbach & Amen |
| **DOI Security Administrator** | Tim Sloth |
| **FOIA/OMA Officer** | Keri Kaup |
| **Engagement Letter** | No retainer but engagement letter expires December 31, 2018 |

| **BOARD MEMBERS** | | | | |
|---|---|---|---|---|
| **President** | John O'Malley | Appointed (2019) | j.omalley08@comcast.net<br>jomalley@eastgateca.com | (312) 357-9972 (work)<br>(312) 533-8376 (cell) |
| **Trustee** | Malcolm Caskey | Retired (2018) | Mcaskey329@sbcglobal.net | |
| **Vice President** | Paula Horn | Appointed (2019) | phorn@zieglercap.org | |
| **Secretary** | Dylan Majcher<br>*Primary Contact | Appointed (2018) | dmajcher@winnetka.org | (847) 716-3408 |
| **Assistant Secretary** | Chief Marc Hornstein | Active (2018) | mhornstein@winnetka.org | (847) 716-3401 (work) |

| **PROFESSIONAL ADVISORS** | | |
|---|---|---|
| **Investment Consultant** | Mary Nye | |
| **Finance Director** | Tim Sloth | (847) 501-6000 (work) |
| **Actuary** | Foster & Foster | (847) 325-5582 (work) |
| **Auditor** | Lauterbach & Amen | (630) 393-1483 (work) |

Flash Drive #5
Last Information Update 12/18