

Investment Performance Review
Period Ending June 30, 2017

Town of Palm Beach Retirement System

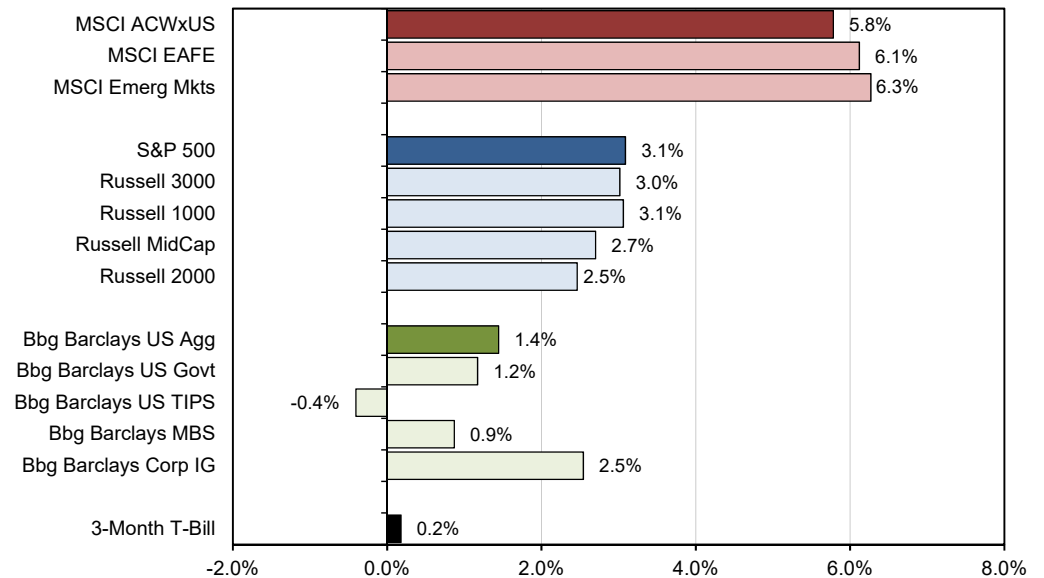


2nd Quarter 2017 Market Environment

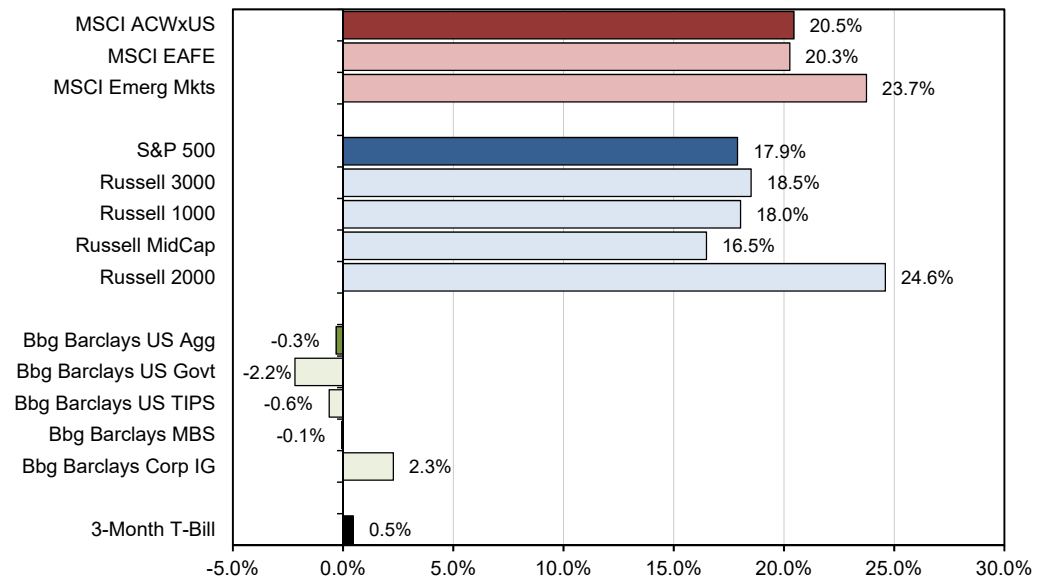


- Returns for the 2nd quarter of 2017 were positive for most major equity and fixed income indices. Broad domestic and international equity market performance was largely fueled by continued improvement in economic data worldwide. Domestic equities trailed international indices during the quarter. While U.S. economic fundamentals and corporate earnings growth were viewed positively, political concerns surrounding the pace of implementation of Trump administration expansive fiscal policy reforms and the fallout associated with the dismissal of FBI Director James Comey dampened investor enthusiasm. Despite these concerns, investor optimism remained high and many major domestic equity indices hit record levels during the quarter. Large cap stocks continued a year-to-date trend of outperformance relative to small cap equities with the S&P 500 Index returning 3.1% versus a 2.5% return for the Russell 2000 Index. However, small cap stock returns still show substantial outperformance relative to large cap indices over the one-year period due to their remarkable performance in the second half of 2016.
- International equity market benchmarks continued to outpace U.S. markets through the 2nd quarter of 2017 as both developed and emerging market international equities saw benefits from continued strength in global macroeconomic data, a weakening U.S. Dollar (USD) and ongoing accommodative global central bank policies. While the ongoing improvement in the global economy pushed international index returns higher, gains were tempered toward the end of the quarter as central banks began to signal an increased probability of a future reduction in stimulus. Emerging markets narrowly outperformed developed markets for the quarter. The MSCI Emerging Market Index returned 6.3% for the quarter and a solid 23.7% for the 1-year period. While weaker by comparison, the developed market MSCI EAFE Index also posted robust performance returning 6.1% for the quarter and 20.3% for the year.
- The yield curve flattened through the 2nd quarter of 2017 as interest rates in the U.S. declined through the majority of the second quarter before rising moderately in June. The rise in interest rates coincided with the Federal Open Market Committee's (FOMC) June meeting and their decision to further tighten monetary policy by raising short-term interest rates by 0.25%. The Fed also announced a plan to systematically shrink the size of its balance sheet, gradually reducing its securities holdings by tapering the amount they reinvest as securities mature. This can be viewed similarly to a tightening of monetary policy. Broad fixed income indices were generally positive through the quarter with the bellwether Bloomberg Barclays U.S. Aggregate Index returning 1.4% for the quarter. Benefitting from falling credit spreads, corporate credit was the only investment grade sector to post gains over the 1-year period returning 2.3% versus a -0.3% return for the Bloomberg Barclays U.S. Aggregate Index.

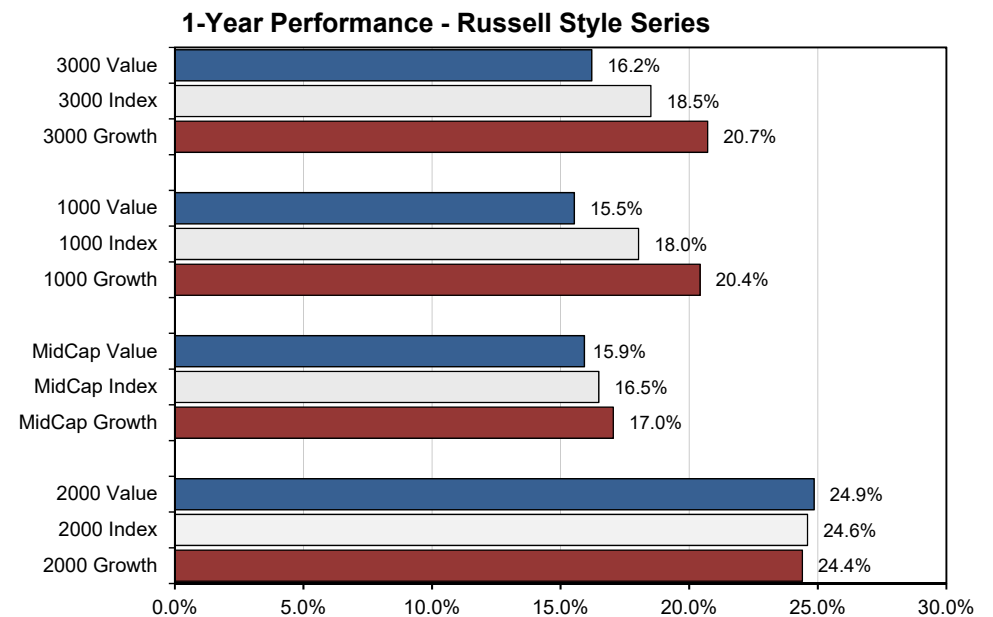
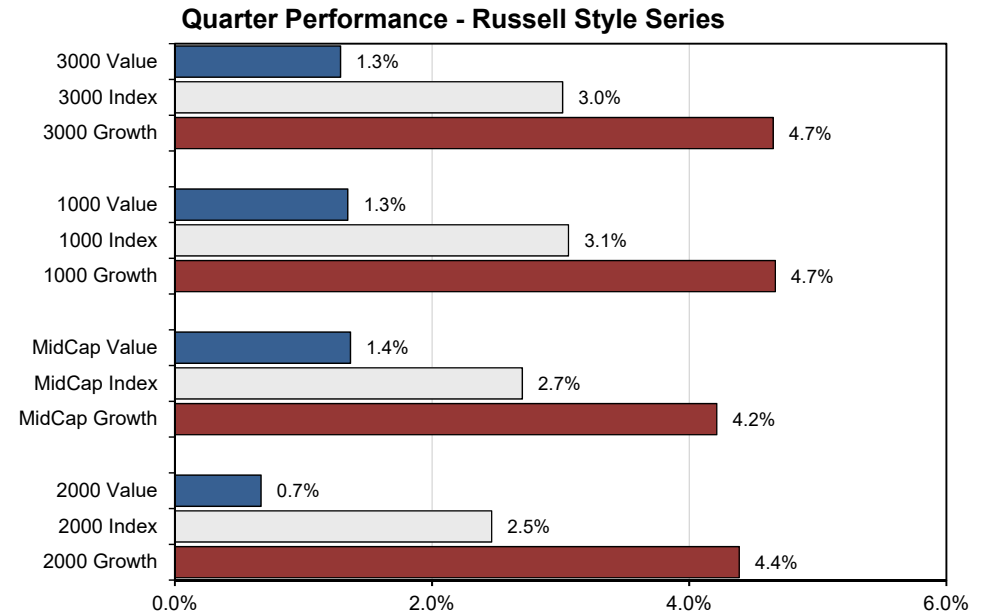
Quarter Performance



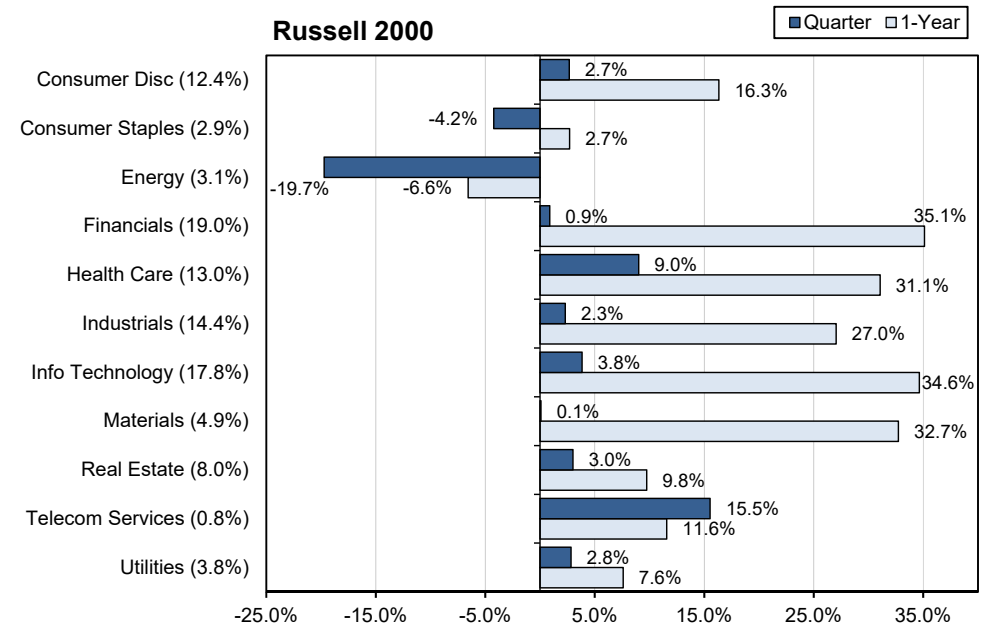
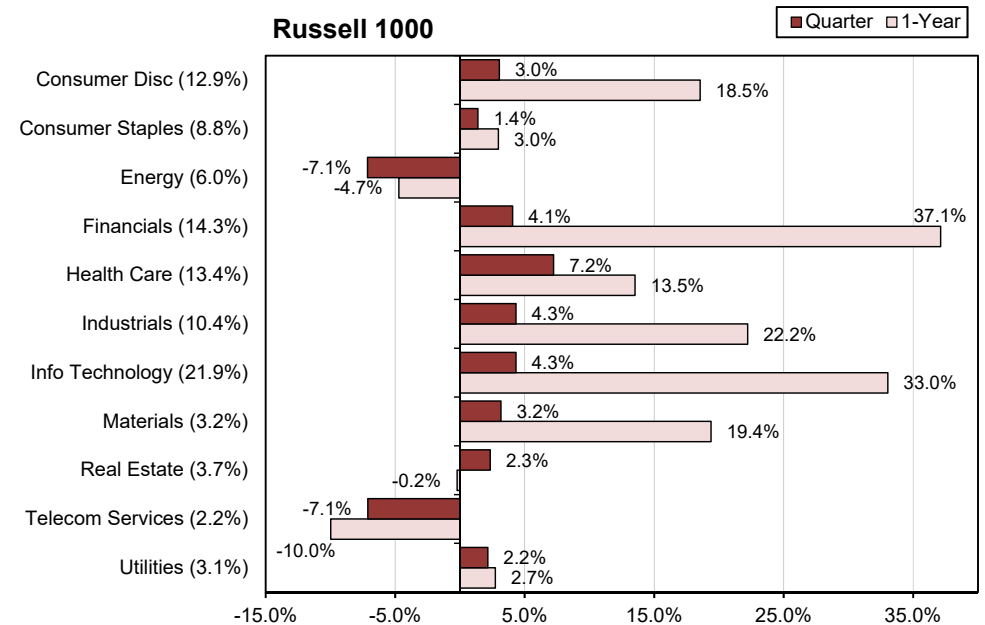
1-Year Performance



- U.S. equity index returns were positive across the style and capitalization spectrum for the 2nd quarter and the trailing 1-year period. Domestic equity index returns were driven by positive trends in economic data reported throughout the period including improvements in GDP, consumer and business sentiment, and employment. In addition, corporate earnings grew at a double digit pace for 1Q 2017 with most sectors showing improvement. U.S. equity returns were somewhat subdued by ongoing political concerns. Media attention surrounding the dismissal of FBI Director James Comey and the ongoing gridlock associated with the repeal and replacement of the Affordable Care Act has cast doubt on the current administration's ability to implement promised expansionary fiscal policy measures.
- Large cap stocks were the best performing capitalization segment for the quarter for both core and growth issues while mid cap equities posted a slight premium relative to other capitalizations within the value spectrum. While large cap stocks were the best performers, returns for the quarter fell in a narrow range for the period. Large-cap stocks represented by the Russell 1000 Index returned 3.1% for the quarter while the small cap Russell 2000 Index returned 2.5%. This return spread was partially due to the effects of rising interest rates and a falling USD. Conversely, over the 1-year period, small cap issues still maintain a considerable performance advantage, with the Russell 2000 returning 24.6% versus a return of 18.0% for the Russell 1000.
- Building on trends from the 1st quarter, index sector allocations were a substantial contributor to growth index outperformance during the 2nd quarter. Growth indices benefitted from significant underweights to the energy and telecommunications sectors, both of which lagged the broad index return. Growth benchmarks also benefitted from greater exposure to the information technology and health care sectors which posted strong sector returns. The Russell 2000 Value Index's return of 0.7% was the worst performing style index for the period. Over the 1-year period, growth indices outperformed value indices in the large and mid cap market capitalizations, but underperformed value equities within the small cap space.
- Domestic equity valuations appear stretched relative to historical levels based on Forward Price/Earnings ratios (P/E), with even the most reasonably valued indices trading above their historical P/E valuations. Index P/E valuations range from 112% to 134% of their respective 15-year P/E averages. The mid cap core and small cap value indices appear the most inexpensive and the large cap growth and small cap growth segments look the most overvalued.



- Sector performance within the Russell 1000 Index was largely positive for the 2nd quarter. Five of eleven economic sectors outpaced the Russell 1000 Index return, and nine of eleven sectors posted gains during the period. Energy trailed for the second consecutive quarter as crude prices continued to fall. While OPEC continues to take measures to limit production, accelerating output from shale producers in the U.S. fueled concerns of oversupply, putting downward pressure on prices. Telecommunication services was the only other large cap sector to post negative performance for the quarter, also returning -7.1%. Despite continued uncertainty surrounding potential reform, health care was the best performing sector in the large cap index, returning 7.2%. Technology and industrials also performed well as increasing business and consumer confidence and strong earnings pushed stock prices 4.3% higher in both sectors through the quarter. Over the trailing 1-year period, financials and technology were the best performing sectors in the Russell 1000, each returning greater than 30%. Eight of eleven large cap economic sectors posted positive returns for the 1-year period with six posting double digit returns.
- Small cap sector results generally lagged their large capitalization counterparts for the 2nd straight quarter. Six of eleven economic sectors outpaced the Russell 2000 Index return for the quarter, and nine of eleven sectors posted positive results for the period. Most of the sector trends observable in large cap index sector performance also impacted small cap sectors. However, small cap telecom services outperformed large cap telecom stocks by over 20%, returning 15.5%. Similar to large cap issues, energy was the biggest detractor, falling -19.7% for the quarter. Returns for health care were also solid through the quarter posting a 9.0% gain. Over the 1-year period, the materials, financials, health care and technology sectors each posted returns in excess of 30% and seven sectors had gains greater than 10%. Energy was the only Russell 2000 sector to post a negative return over last year, falling -6.6%.
- Using S&P 500 sector valuations as a proxy for the market, Forward P/E ratios for eight of the GICS sectors were higher than their long-term averages at quarter-end. Using these historical P/E measures, the energy, materials and utilities sectors appear the most extended. In contrast the technology, health care and telecommunications sectors were trading at a discount to their long-term average P/E ratios.



The Market Environment
Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000
As of June 30, 2017

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	3.24%	0.7%	53.5%	Information Technology
Microsoft Corp	2.23%	5.2%	38.0%	Information Technology
Amazon.com Inc	1.66%	9.2%	35.3%	Consumer Discretionary
Johnson & Johnson	1.54%	6.9%	12.0%	Health Care
Facebook Inc A	1.52%	6.3%	32.1%	Information Technology
Exxon Mobil Corp	1.48%	-0.6%	-10.7%	Energy
Berkshire Hathaway Inc B	1.40%	1.6%	17.0%	Financials
JPMorgan Chase & Co	1.39%	4.6%	51.0%	Financials
Alphabet Inc A	1.19%	9.7%	32.1%	Information Technology
Alphabet Inc C	1.18%	9.5%	31.3%	Information Technology

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Wayfair Inc Class A	0.01%	89.9%	97.1%	Consumer Discretionary
Alnylam Pharmaceuticals Inc	0.03%	55.6%	43.7%	Health Care
SunPower Corp	0.00%	53.1%	-39.7%	Information Technology
First Solar Inc	0.01%	47.2%	-17.7%	Information Technology
Zillow Group Inc C	0.02%	45.6%	35.1%	Information Technology
Yum China Holdings Inc	0.06%	45.0%	N/A	Consumer Discretionary
Zillow Group Inc A	0.01%	44.5%	33.3%	Information Technology
Whole Foods Market Inc	0.06%	43.0%	33.9%	Consumer Staples
IAC/InterActiveCorp	0.03%	40.0%	83.4%	Information Technology
Akorn Inc	0.01%	39.3%	17.7%	Health Care

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Frontier Communications Corp Class B	0.00%	-44.2%	-73.4%	Telecommunication Services
Enesco PLC Class A	0.00%	-42.3%	-46.6%	Energy
Weatherford International PLC	0.01%	-41.8%	-30.3%	Energy
Whiting Petroleum Corp	0.01%	-41.8%	-40.5%	Energy
Noble Corp PLC	0.00%	-41.5%	-55.9%	Energy
Nabors Industries Ltd	0.01%	-37.3%	-17.3%	Energy
Chicago Bridge & Iron Co NV	0.00%	-35.5%	-42.3%	Industrials
Diamond Offshore Drilling Inc	0.00%	-35.2%	-55.5%	Energy
Hertz Global Holdings Inc	0.00%	-34.4%	-73.8%	Industrials
United States Steel Corp	0.02%	-34.4%	32.4%	Materials

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Kite Pharma Inc	0.26%	32.1%	107.3%	Health Care
Gramercy Property Trust	0.23%	13.0%	11.8%	Real Estate
Catalent Inc	0.23%	23.9%	52.7%	Health Care
Medidata Solutions Inc	0.23%	35.6%	66.8%	Health Care
Parexel International Corp	0.23%	37.7%	38.2%	Health Care
Healthsouth Corp	0.22%	13.6%	27.5%	Health Care
Idacorp Inc	0.22%	3.6%	7.8%	Utilities
bluebird bio Inc	0.22%	15.6%	142.7%	Health Care
Fair Isaac Corp	0.22%	8.1%	23.4%	Information Technology
WGL Holdings Inc	0.22%	1.7%	21.1%	Utilities

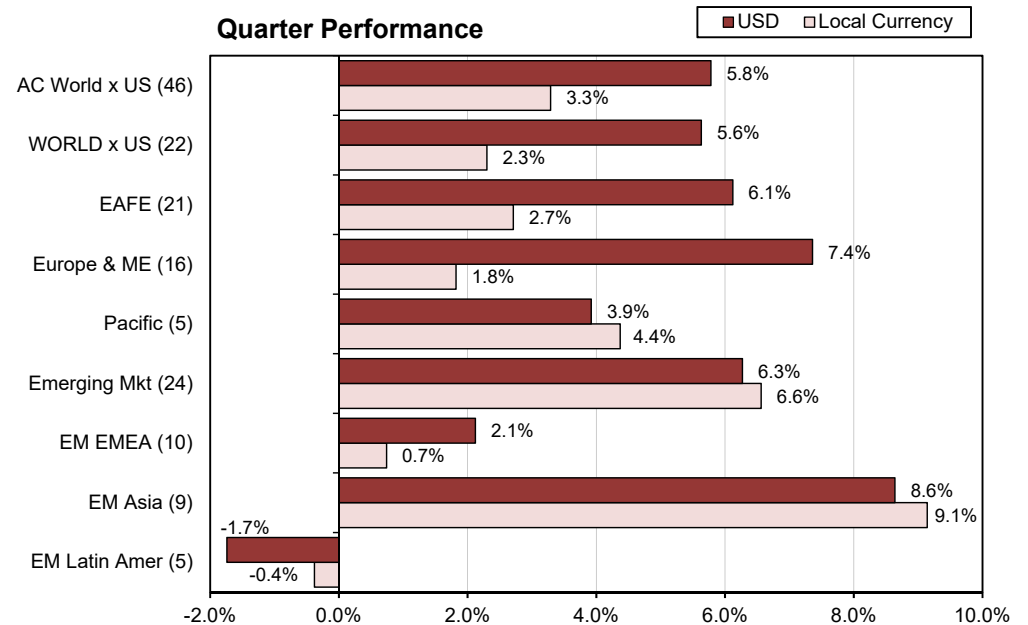
Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Straight Path Communications Inc	0.08%	399.4%	549.3%	Telecommunication Services
Altimmune Inc	0.00%	294.3%	146.8%	Health Care
Global Sources Ltd	0.01%	142.4%	118.1%	Information Technology
Puma Biotechnology Inc	0.13%	134.9%	193.4%	Health Care
Angie's List Inc	0.03%	124.4%	96.5%	Information Technology
Conn's Inc	0.02%	118.3%	154.0%	Consumer Discretionary
Weight Watchers International Inc	0.05%	114.6%	187.4%	Consumer Discretionary
NantKwest Inc	0.01%	113.8%	22.0%	Health Care
NovoCure Ltd	0.05%	113.6%	48.2%	Health Care
Vivint Solar Inc	0.01%	108.9%	90.6%	Industrials

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
First NBC Bank Holding Co	0.00%	-99.3%	-99.8%	Financials
Seadrill Ltd	0.00%	-76.8%	-88.6%	Energy
Avinger Inc	0.00%	-76.4%	-96.2%	Health Care
Bonanza Creek Energy Inc	0.03%	-75.5%	-85.9%	Energy
EXCO Resources Inc	0.00%	-71.5%	-86.4%	Energy
XBiotech Inc	0.00%	-71.5%	-77.5%	Health Care
Vince Holding Corp	0.00%	-69.6%	-91.4%	Consumer Discretionary
NewLink Genetics Corp	0.01%	-69.5%	-34.7%	Health Care
Cobalt International Energy Inc	0.00%	-69.1%	-87.7%	Energy
Terravia Holdings Inc	0.00%	-67.8%	-91.1%	Materials

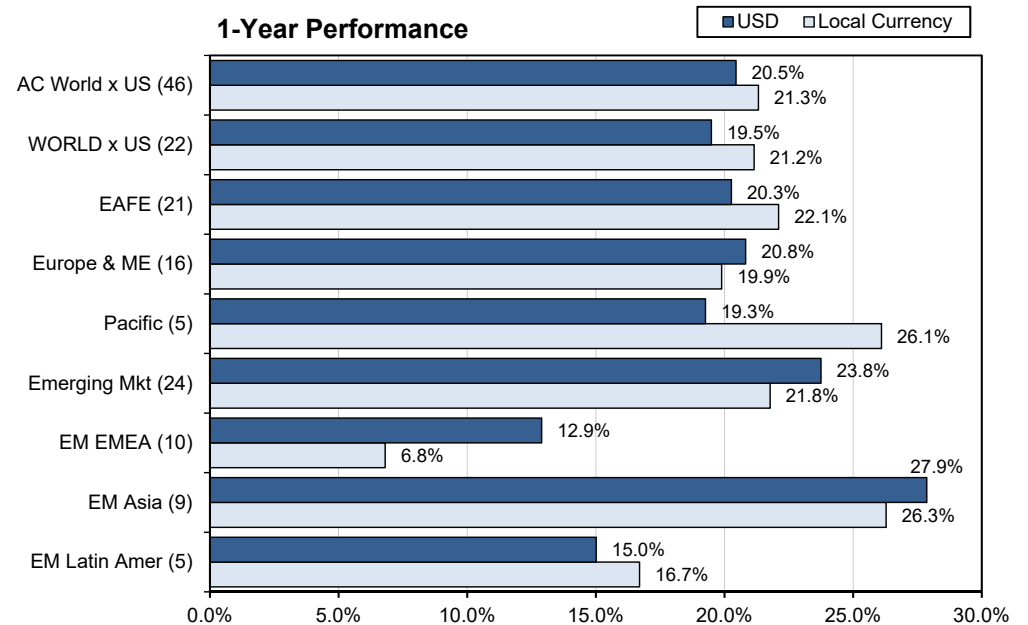


- International equity returns for the 2nd quarter were largely driven by ongoing improvement in the global economy, a weakening USD and political news in Europe and the U.K. Emerging markets were the greatest beneficiaries of these trends, outperforming developed economies for the second straight quarter. While USD strength remains on the high side of its 10-year range, the USD continued its year-to-date decline, providing further tailwinds to international index returns denominated in USD. However, the 1-year performance for broad international indices still show a modest negative currency impact due to USD strength.
- Broad developed market international index performance was positive for the 2nd quarter in both USD and local currency terms with the MSCI EAFE Index returning 6.1% and 2.7% respectively. Eurozone, U.K. and Japanese markets advanced on the back of positive macroeconomic data and strong corporate earnings. Similar to U.S. markets, ongoing political developments also had an effect on international markets with elections in France and the U.K. making headline news. In France, the presidential election of centrist candidate Emmanuel Macron calmed market fears of further break-up within the European Union. Macron's party also won parliamentary majority giving rise to optimism on the possibility of new economic reforms. In the U.K., Prime Minister Theresa May's decision to call special elections in an attempt to strengthen her party's parliamentary position prior to the start of Brexit negotiations had the opposite effect and resulted in a hung parliament, increasing the odds of a "hard Brexit" scenario. Markets gave back some gains towards the end of the quarter as central bank commentary indicated the increased possibility of tightened monetary policy in the future. When viewed over the last 12 months, developed market index performance is robust in both USD and local currency terms, with the MSCI EAFE returning 20.3% and 22.1% respectively.
- A supportive global economic environment and a weakening USD allowed emerging markets to build on their strong start to the year, outperforming developed markets, and returning 6.3% and 6.6% in USD and local currency terms respectively. Greece had a particularly good quarter, returning 33.8% in USD terms, after it was able to reach an agreement to obtain additional bailout funds needed to pay creditors. Russia, Qatar and Brazil were the worst performing countries in the index. Russia and Qatar both suffered from falling oil prices. Qatar was also subject to a blockade by several neighboring countries alleging that Qatar is responsible for supporting instability within the region. Brazilian equities fell as corruption allegations against its President, Michel Temer, increased political risk within the country, putting downward pressure on equity markets. One year returns on the MSCI Emerging Market Index are an impressive 23.8% in USD terms.

Quarter Performance



1-Year Performance



The Market Environment
U.S. Dollar International Index Attribution & Country Detail
As of June 30, 2017

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	12.1%	4.7%	24.2%
Consumer Staples	11.5%	7.6%	7.3%
Energy	4.7%	-0.7%	6.1%
Financials	21.5%	7.2%	39.8%
Health Care	10.8%	7.2%	4.6%
Industrials	14.5%	7.0%	24.5%
Information Technology	6.1%	9.5%	35.8%
Materials	7.5%	3.3%	33.1%
Real Estate	3.6%	4.6%	7.7%
Telecommunication Services	4.3%	4.8%	2.2%
Utilities	3.4%	7.2%	7.1%
Total	100.0%	6.1%	20.3%

MSCI - ACWIXUS	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	11.3%	5.6%	23.7%
Consumer Staples	9.9%	7.1%	6.5%
Energy	6.3%	-2.9%	6.5%
Financials	23.3%	5.7%	33.6%
Health Care	8.1%	7.2%	4.3%
Industrials	12.0%	6.8%	23.8%
Information Technology	10.8%	12.9%	41.9%
Materials	7.6%	1.7%	27.2%
Real Estate	3.2%	5.8%	9.1%
Telecommunication Services	4.4%	4.0%	3.3%
Utilities	3.1%	5.2%	5.9%
Total	100.0%	5.8%	20.5%

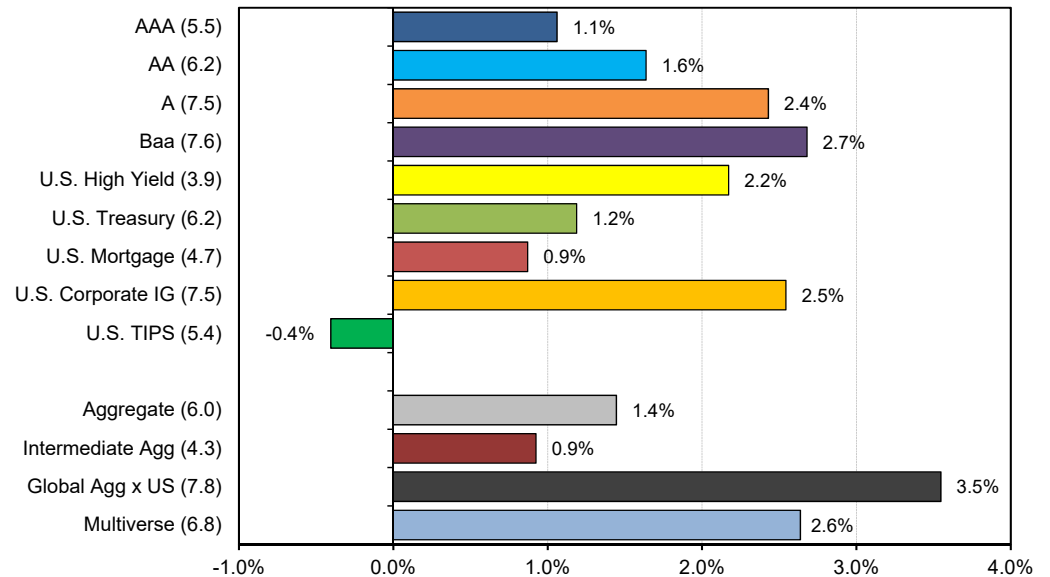
MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	10.6%	8.4%	21.4%
Consumer Staples	6.8%	5.1%	2.5%
Energy	6.6%	-4.9%	15.9%
Financials	23.6%	3.9%	26.6%
Health Care	2.4%	4.4%	1.9%
Industrials	5.7%	3.9%	16.1%
Information Technology	26.6%	15.5%	46.9%
Materials	7.1%	-0.5%	28.1%
Real Estate	2.7%	11.4%	18.6%
Telecommunication Services	5.4%	2.0%	5.1%
Utilities	2.6%	-1.8%	1.6%
Total	100.0%	6.3%	23.8%

Country	MSCI-EAFE Weight	MSCI-ACWIXUS Weight	Quarter Return	1-Year Return
Japan	23.5%	16.3%	5.2%	19.2%
United Kingdom	17.7%	12.3%	4.7%	13.4%
France	10.5%	7.3%	9.1%	28.1%
Germany	9.5%	6.6%	6.4%	28.7%
Switzerland	8.5%	5.9%	9.0%	16.5%
Australia	7.1%	4.9%	-1.9%	18.3%
Netherlands	3.5%	2.5%	7.8%	28.2%
Hong Kong	3.5%	2.4%	7.2%	23.8%
Spain	3.5%	2.4%	7.9%	38.4%
Sweden	2.9%	2.0%	8.6%	26.7%
Italy	2.3%	1.6%	9.0%	30.9%
Denmark	1.8%	1.3%	15.3%	4.7%
Singapore	1.3%	0.9%	5.3%	14.9%
Belgium	1.1%	0.8%	4.8%	2.1%
Finland	1.0%	0.7%	13.4%	25.0%
Israel	0.7%	0.5%	6.5%	-2.3%
Norway	0.6%	0.4%	4.1%	14.9%
Ireland	0.5%	0.3%	3.8%	15.8%
Austria	0.2%	0.2%	21.8%	65.0%
New Zealand	0.2%	0.1%	8.1%	10.4%
Portugal	0.2%	0.1%	3.1%	15.2%
Total EAFE Countries	100.0%	69.6%	6.1%	20.3%
Canada		6.6%	0.6%	11.7%
Total Developed Countries		76.2%	5.6%	19.5%
China		6.6%	10.6%	32.2%
Korea		3.7%	10.2%	34.9%
Taiwan		3.0%	8.8%	32.9%
India		2.1%	2.9%	17.5%
Brazil		1.6%	-6.7%	17.0%
South Africa		1.6%	3.5%	10.2%
Mexico		0.9%	7.2%	12.0%
Russia		0.8%	-10.0%	10.3%
Indonesia		0.6%	8.5%	17.2%
Malaysia		0.6%	5.1%	2.7%
Thailand		0.5%	2.4%	17.1%
Poland		0.3%	13.6%	42.6%
Philippines		0.3%	7.1%	-6.2%
Turkey		0.3%	19.3%	8.1%
Chile		0.3%	-2.1%	14.0%
United Arab Emirates		0.2%	1.3%	8.4%
Qatar		0.2%	-10.9%	-2.3%
Colombia		0.1%	2.5%	8.8%
Peru		0.1%	7.2%	17.2%
Greece		0.1%	33.8%	50.4%
Hungary		0.1%	19.4%	44.4%
Czech Republic		0.0%	8.1%	10.0%
Pakistan		0.0%	-2.3%	18.3%
Egypt		0.0%	3.2%	-2.1%
Total Emerging Countries		23.8%	6.3%	23.8%
Total ACWIXUS Countries		100.0%	5.8%	20.5%

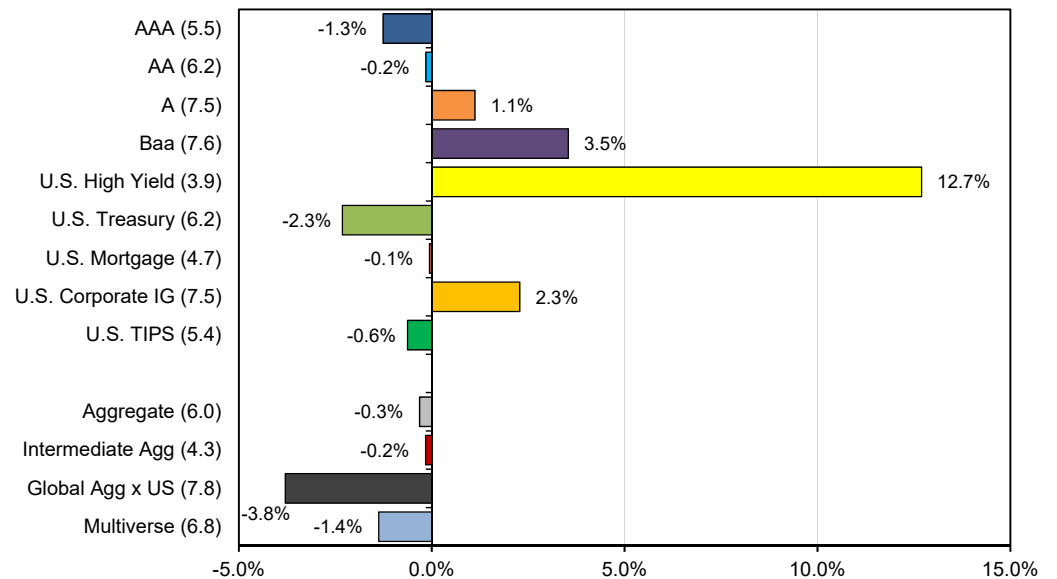


- Most broad fixed income benchmarks finished the 2nd quarter with modest gains. The Bloomberg Barclays U.S. Aggregate Index ended the quarter with a 1.4% increase. Interest rates fell through most of the period before rising near the end of the quarter. The Federal Open Market Committee (FOMC) voted to increase short-term interest rates by 25 basis points (bps) during their June meeting. This represented the third consecutive interest rate increase in the last 3 quarters. While inflation remains below target, the Fed viewed the economy as healthy enough to warrant continued tightening. This caused a flattening of the yield curve as short-term market yields rose through the quarter, but long term interest rates fell. The Fed also outlined plans to gradually reduce its balance sheet by slowing the rate of reinvestment of the Treasury and mortgage backed securities (MBS) it holds on its books as the securities mature. The amount reinvested each month will fall systematically, reducing the size of the Fed's balance sheet over time. Implementation of this plan could begin before the end of the year and would be viewed as further tightening of monetary policy. This news from the Fed put upward pressure on interest rates as the quarter came to a close. Most investment grade indices posting slightly negative returns over the last year. The Bloomberg Barclays U.S. Aggregate index returned -0.3% for the 1-year period.
- Lower quality bonds outperformed higher quality issues for both the quarter and 1-year period as contracting credit spreads from improvements in economic fundamentals acted as a tailwind to these issues. During the 2nd quarter credit spreads for high yield debt decreased by 19 bps versus only 9 bps for investment grade corporate issues. BAA issues more than doubled the return of AAA securities, returning 2.7% versus a more modest 1.1% for AAA debt. High yield debt has been the largest beneficiary of the strengthening economy, returning 2.2% for the quarter and 12.7% for the 1-year period.
- A review of sector performance shows investment grade credit outpacing other Treasuries, and MBS indices. As previously mentioned, corporate issues benefited from tightening credit spreads. MBS trailed Treasuries and investment grade corporates for the quarter as the Fed's plan to taper their ongoing reinvestment in agency MBS pushed spreads on MBS 5 bps higher while spreads tightened across all other fixed income sectors. TIPS posted the worst returns for the quarter, falling -0.4%, as lower inflation expectations drove prices lower. Led by a weakening USD, global bond indices posted solid results for the quarter. However, hawkish comments from several global central banks pared some gains at the end of the period. Fixed income returns over the 1-year period were broadly negative with only corporate issues posting gains. Despite a strong start to 2017, global bond returns trail domestic indices over the 1-year period with the Bloomberg Barclays Aggregate ex U.S. returning -3.8% for the period.

Quarter Performance

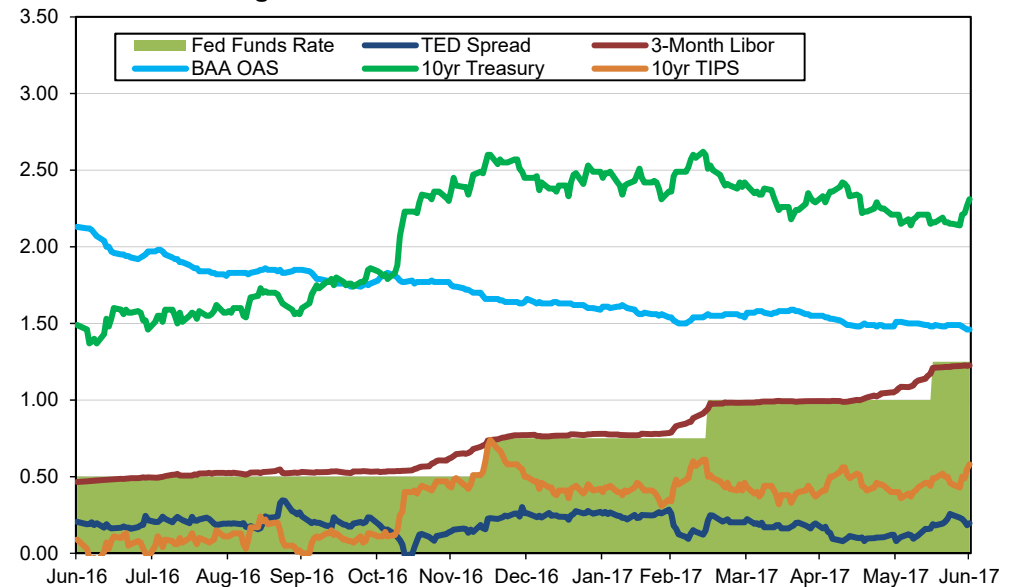


1-Year Performance

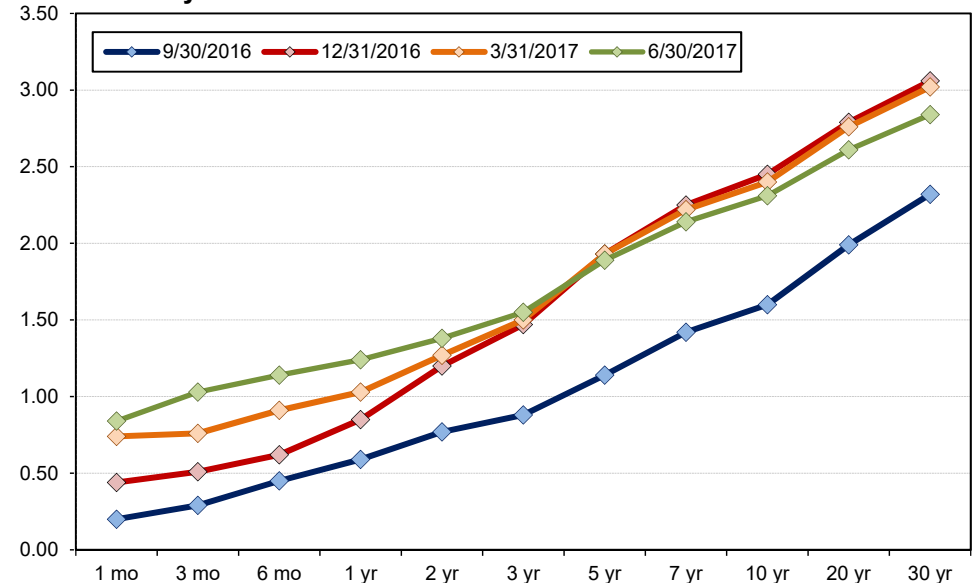


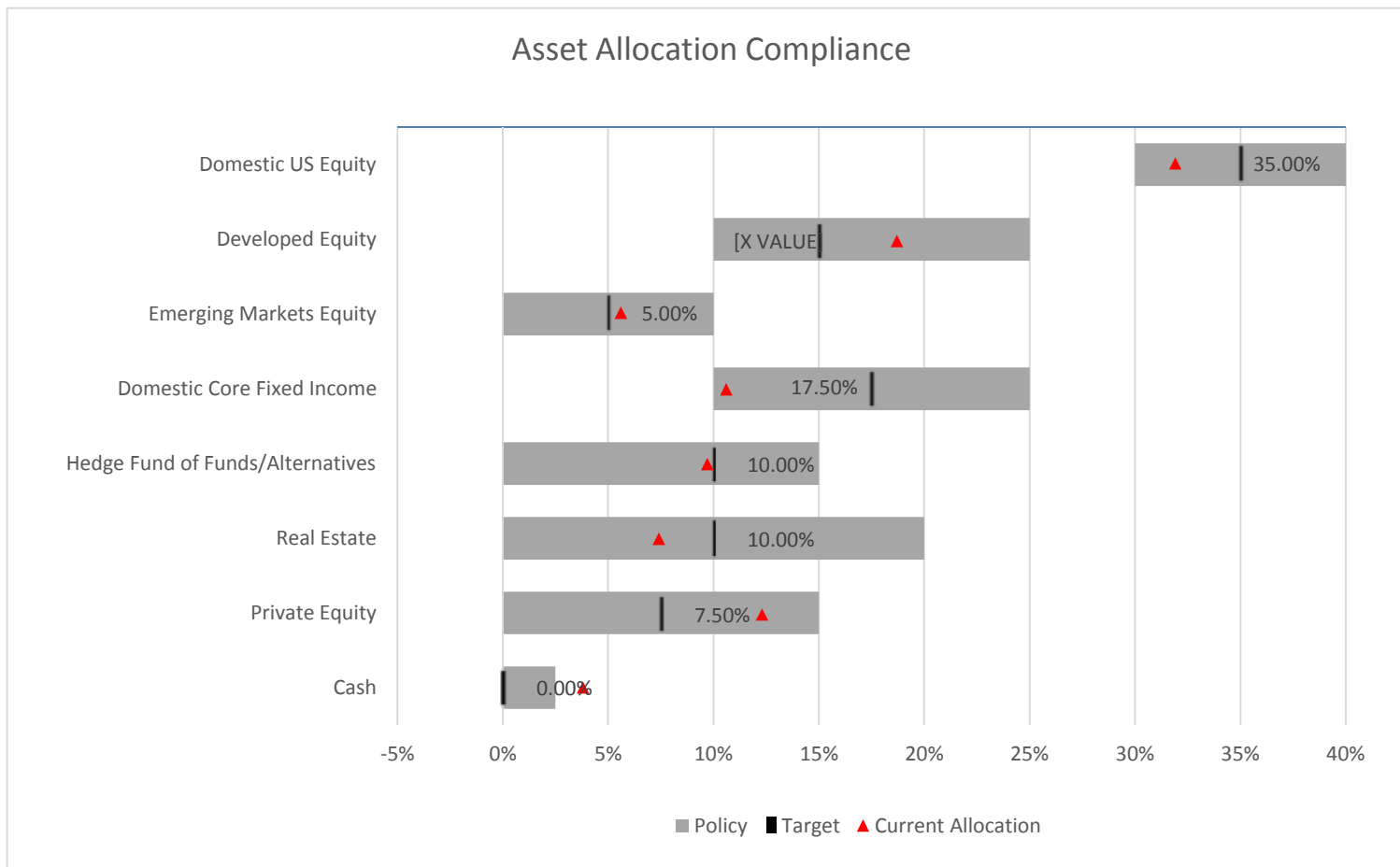
- Much of the index performance detailed in the bar graphs on the previous page is visible on a time series basis by reviewing the line graphs to the right. The '1-Year Trailing Market Rates' chart illustrates that the 10-year Treasury yield (green line) rose dramatically in the 4th quarter of 2016, held largely steady during the 1st quarter of 2017 and then gradually fell through most of 2nd quarter before spiking at the end of June. The yield on the 10-year Treasury has fallen to 2.31% from 2.45% at the start of the year. The blue line illustrates changes in the BAA OAS (Option Adjusted Spread). This measure quantifies the additional yield premium that investors require to purchase and hold non-Treasury issues. This line illustrates a steady decline in credit spreads throughout 2016 and into 2017. This decline is equivalent to an interest rate decrease on corporate bonds, which produces a tailwind for corporate bond index returns. These credit spreads have tightened by about 65 bps over the last 12-months. The green shading at the bottom of the graph illustrates the continued increase in the Federal Funds Rate due to a less accommodative Fed monetary policy.
- The lower graph provides a snapshot of the U.S. Treasury yield curve at each of the last four calendar quarters. Similar to the 1st quarter, the yield curve flattened further throughout the 2nd quarter as yields on shorter-term maturities rose, while interest rates on the long end of the curve (5-years and beyond) continued to decline. Interest rate movement during the period was relatively muted, the significant upward shift in interest rates since the end of 2016 is clearly visible. Yields on the 3-month Treasury Bill have jumped by almost 75 bps since September 30, 2016. Yields on the 30-year Treasury Bond have increased by more than 50 bps over the same period.
- Despite the rise in short-term interest rates, most fixed income indices finished the 2nd quarter in positive territory. In a rising rate environment, it is generally expected that longer-duration market indices will fall more than equivalent lower-duration benchmarks. However, the magnitude of interest rate shifts across the term structure and spread movements can lead to atypical short-term results. Finally, while global benchmarks are impacted by the same local yield and duration factors as domestic benchmarks, the returns of these indices are also significantly influenced by fluctuations in their currency denomination relative to the USD. This currency effect can either be an offsetting benefit to negative yield and duration factors in a rising rate environment as it has been year-to-date, or it can further exacerbate negative performance as it did in 2016.

1-Year Trailing Market Rates



Treasury Yield Curve

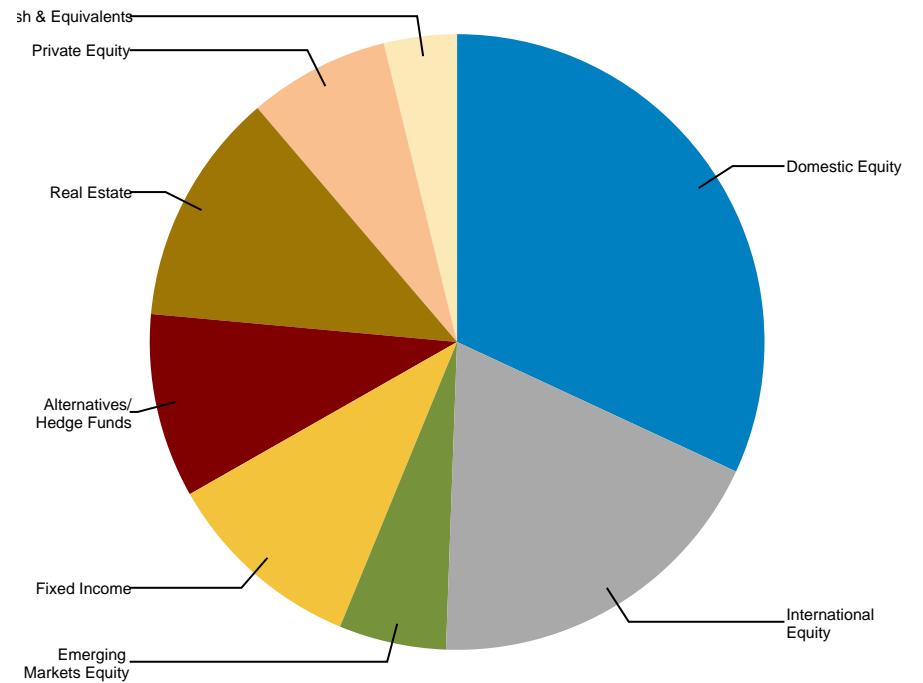
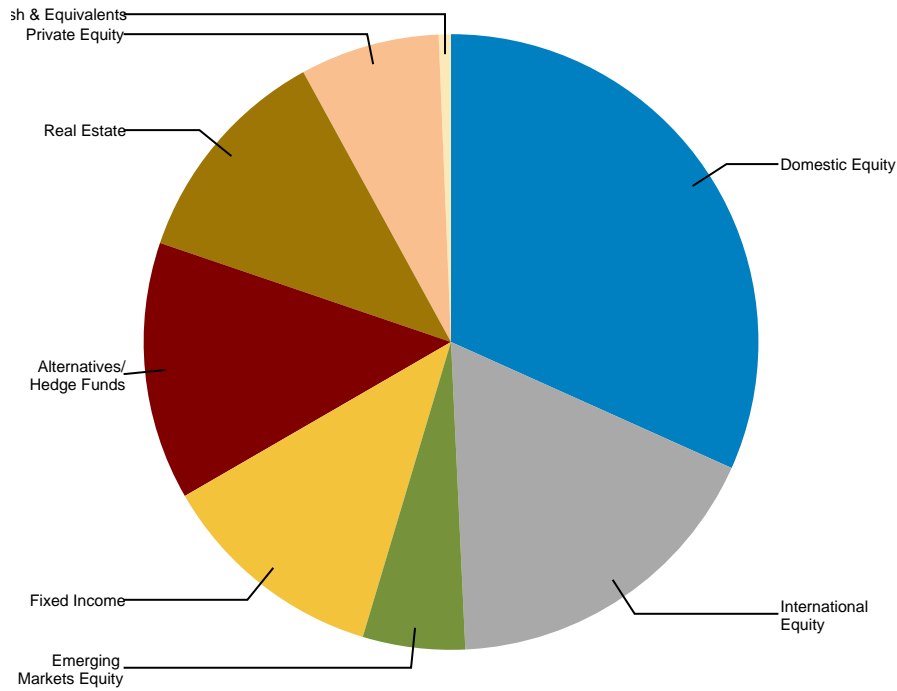




Asset Allocation	Minimum	Target	Maximum	Current Allocation
Domestic US Equity	30.0%	35.0%	40.0%	31.9%
Developed Equity	10.0%	15.0%	20.0%	18.7%
Emerging Markets Equity	0.0%	5.0%	10.0%	5.6%
Domestic Core Fixed Income	12.0%	17.5%	22.0%	10.6%
Hedge Fund of Funds/GTAA/Risk Parity	10.0%	10.0%	20.0%	9.7%
Real Estate	5.0%	10.0%	15.0%	7.4%
Private Equity	5.0%	7.5%	15.0%	12.3%
Cash	0.0%	0.0%	2.5%	3.8%

March 31, 2017 : \$202,785,426

June 30, 2017 : \$205,364,080



Allocation			Allocation		
	Market Value (\$)	Allocation (%)		Market Value (\$)	Allocation (%)
■ Domestic Equity	64,308,153	31.71	■ Domestic Equity	65,536,380	31.91
■ International Equity	35,584,598	17.55	■ International Equity	38,326,248	18.66
■ Emerging Markets Equity	10,897,722	5.37	■ Emerging Markets Equity	11,587,182	5.64
■ Fixed Income	24,385,867	12.03	■ Fixed Income	21,679,762	10.56
■ Alternatives/Hedge Funds	27,500,645	13.56	■ Alternatives/Hedge Funds	19,880,247	9.68
■ Real Estate	23,930,255	11.80	■ Real Estate	25,250,224	12.30
■ Private Equity	14,864,868	7.33	■ Private Equity	15,227,645	7.41
■ Cash & Equivalents	1,313,318	0.65	■ Cash & Equivalents	7,876,392	3.84



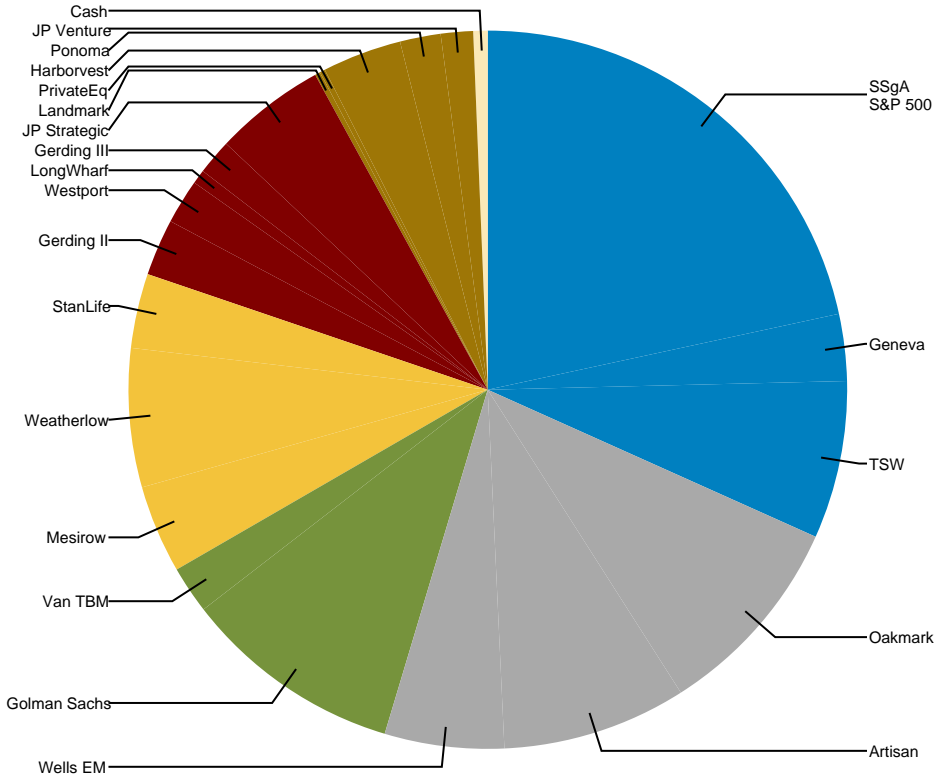
Asset Allocation by Manager
Total Fund

As of June 30, 2017

March 31, 2017 : \$202,785,426

Allocation

	Market Value (\$)	Allocation (%)
SSgA S&P 500 Flagship Fund	43,816,116	21.61
Geneva Mid Cap Growth	6,091,778	3.00
Thompson, Siegel & Walmsley SMID Value	14,400,259	7.10
Oakmark International Value	18,774,713	9.26
Artisan International Growth (ARTIX)	16,809,885	8.29
Wells Capital Emerging Markets	10,897,722	5.37
Goldman Sachs Asset Management	20,064,683	9.89
Vanguard Total Bond Market Index (VBTIX)	4,321,184	2.13
Mesirow Absolute Return Fund	8,027,811	3.96
Weatherlow Offshore Fund I Ltd.	12,666,173	6.25
Standard Life Global Absolute Return	6,806,661	3.36
Gerding Edlen Green Cities II	5,182,323	2.56
Westport Real Estate Fund IV	4,072,611	2.01
Long Wharf Real Estate Partners Fund V	1,292,016	0.64
Gerding Edlen Green Cities III	3,226,693	1.59
JP Morgan Strategic Property	10,156,612	5.01
Landmark Equity Partners XIV LP	493,629	0.24
Private Equity Investment Fund V	485,836	0.24
HarbourVest Partners IX	7,239,413	3.57
Pomona Capital VIII	3,707,780	1.83
JPMorgan Venture Capital Fund V	2,938,210	1.45
Cash Account	1,313,318	0.65

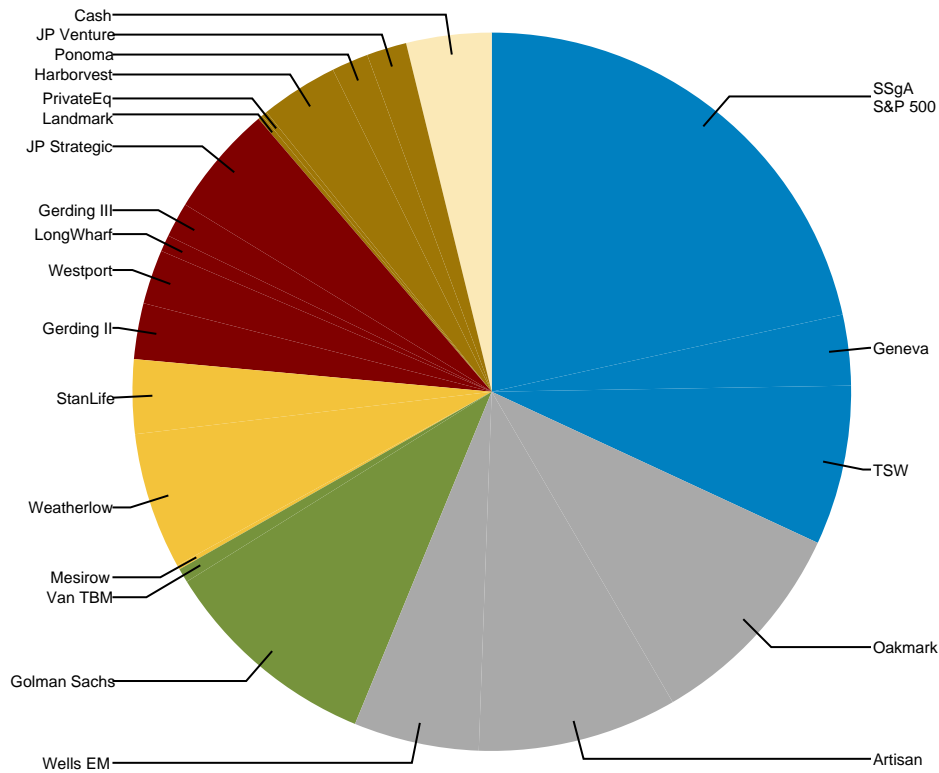


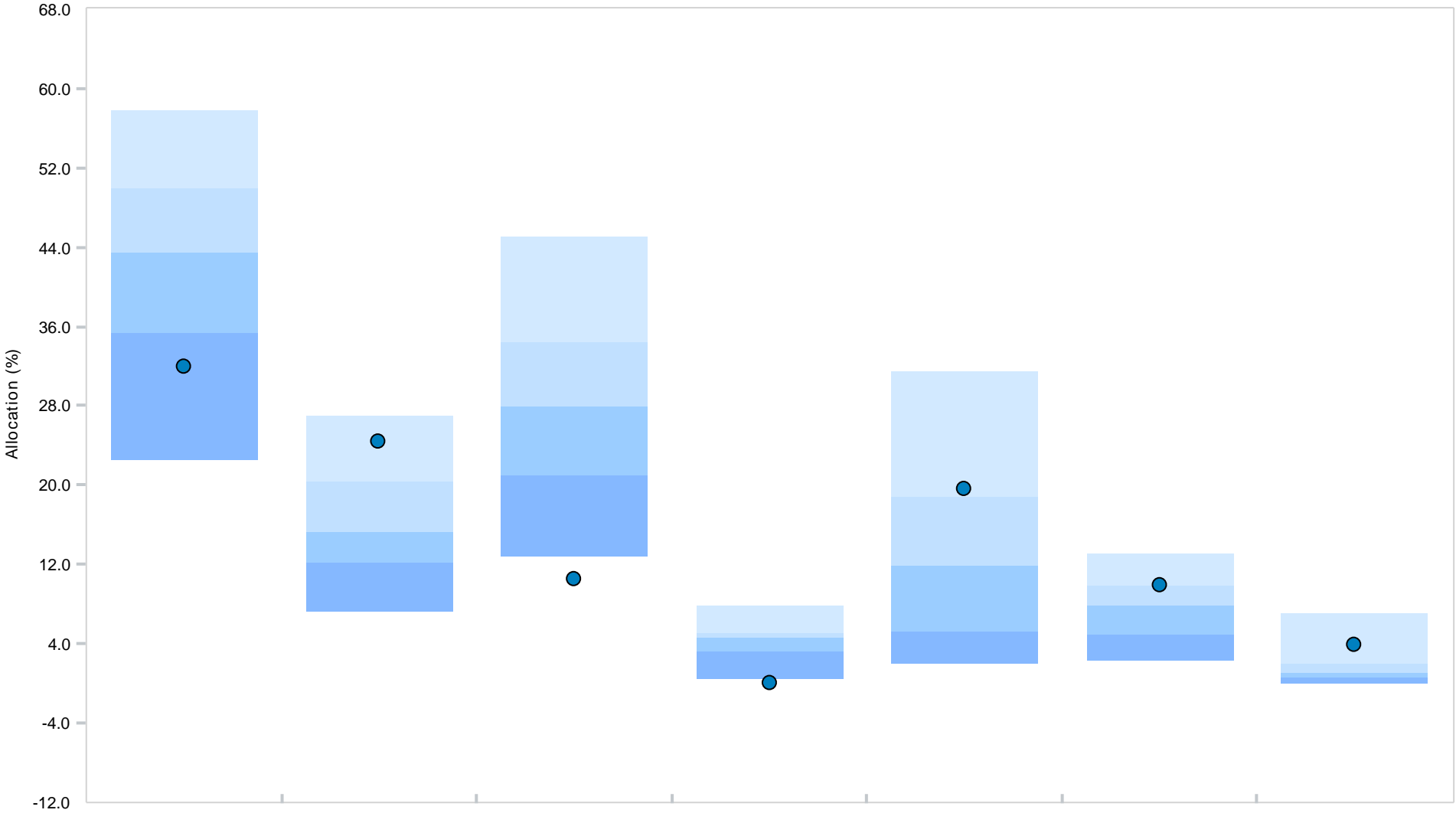
June 30, 2017 : \$205,364,080

Allocation

Market Value (\$)
Allocation (%)

SSgA S&P 500 Flagship Fund	44,253,063	21.55
Geneva Mid Cap Growth	6,524,196	3.18
Thompson, Siegel & Walmsley SMID Value	14,759,121	7.19
Oakmark International Value	19,899,453	9.69
Artisan International Growth (ARTIX)	18,426,795	8.97
Wells Capital Emerging Markets	11,587,182	5.64
Goldman Sachs Asset Management	20,370,802	9.92
Vanguard Total Bond Market Index (VBTIX)	1,308,961	0.64
Mesirow Absolute Return Fund	402,746	0.20
Weatherlow Offshore Fund I Ltd.	12,617,611	6.14
Standard Life Global Absolute Return	6,859,889	3.34
Gerding Edlen Green Cities II	5,161,000	2.51
Westport Real Estate Fund IV	5,022,611	2.45
Long Wharf Real Estate Partners Fund V	1,523,387	0.74
Gerding Edlen Green Cities III	3,226,693	1.57
JP Morgan Strategic Property	10,316,532	5.02
Landmark Equity Partners XIV LP	452,111	0.22
Private Equity Investment Fund V	494,511	0.24
HarbourVest Partners IX	7,181,099	3.50
Pomona Capital VIII	3,402,729	1.66
JPMorgan Venture Capital Fund V	3,697,195	1.80
Cash Account	7,876,392	3.84





	US Equity	Intl. Equity	US Fixed Income	Intl. Fixed Income	Alternative Inv.	Real Estate	Cash
● Total Fund	31.91 (82)	24.30 (11)	10.56 (97)	0.00	19.54 (23)	9.85 (26)	3.84 (14)
5th Percentile	57.77	27.04	45.06	7.89	31.51	13.12	7.14
1st Quartile	49.95	20.33	34.37	5.05	18.81	9.93	2.02
Median	43.43	15.26	27.98	4.61	11.91	7.86	1.13
3rd Quartile	35.28	12.20	20.94	3.30	5.21	5.00	0.59
95th Percentile	22.50	7.32	12.89	0.51	1.95	2.38	0.07



Asset Allocation & Performance [Net of Fees] - Trailing Returns										
	Allocation		Performance(%)							
	Market Value \$	%	QTD	FYTD	YTD	1 YR	2 YR	3 YR	Inception	Inception Date
Total Fund	205,364,080	100.0	3.01	7.14	7.25	11.15	3.95	2.69	6.47	10/01/2012
Total Fund Policy			3.15	8.48	8.06	12.31	6.64	5.35	7.83	
Total Domestic Equity	65,536,380	31.9	3.34	12.43	8.61	16.48	7.52	6.39	11.98	10/01/2012
S&P 500 Index			3.09	13.52	9.34	17.90	10.73	9.61	13.97	
Total International Equity	38,326,248	18.7	7.74	16.41	17.67	26.10	3.40	1.77	9.04	10/01/2012
MSCI EAFE (Net) Index			6.12	13.00	13.81	20.27	3.94	1.15	7.64	
Total Emerging Markets Equity	11,587,182	5.6	6.16	14.63	20.53	25.30	6.48	2.09	5.23	09/01/2013
MSCI Emerging Markets (Net) Index			6.27	13.50	18.43	23.75	4.32	1.07	4.61	
Total Fixed Income	21,679,762	10.6	1.55	-0.49	2.43	0.97	2.90	2.03	2.01	10/01/2012
Total Fixed Income Policy			1.16	0.87	2.58	2.73	3.63	2.55	2.53	
Total Alternatives/Hedge Fund	19,880,247	9.7	0.06	2.31	0.97	4.52	-1.26	-0.72	3.41	10/01/2012
90 Day T-Bills + 5%			1.43	4.11	2.78	5.46	5.30	5.21	5.16	
Total Private Equity	15,227,645	7.4								
Total Alternative Policy			3.85	16.63	10.97	22.61	15.71	14.73	N/A	
Total Real Estate	25,250,224	12.3								
NCREIF Property Index			1.75	5.11	3.32	6.97	8.79	10.17	10.43	
Total Liquid Capital	7,876,392	3.8	0.37	0.12	0.03	0.14	0.73	0.68	0.51	10/01/2012
90 Day U.S. Treasury Bill			0.20	0.37	0.30	0.44	0.29	0.20	0.15	

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



	Allocation		Performance(%)							
	Market Value \$	%	QTD	FYTD	YTD	1 YR	2 YR	3 YR	Inception	Inception Date
Domestic Equity										
SSgA S&P 500 Flagship Fund	44,253,063	21.5	3.09	13.54	9.33	17.94	10.70	9.61	13.96	10/01/2012
S&P 500 Index			3.09	13.52	9.34	17.90	10.73	9.61	13.97	
Geneva Mid Cap Growth	6,524,196	3.2	7.10	13.86	14.19	14.15	6.47	8.88	9.48	09/01/2005
Russell Midcap Growth Index			4.21	11.91	11.40	17.05	7.02	7.83	8.91	
Thompson, Siegel & Walmsley SMID Value	14,759,121	7.2	2.49	N/A	5.89	N/A	N/A	N/A	13.50	11/01/2016
Russell 2500 Value Index			0.32	11.48	1.95	18.36	8.91	6.21	14.91	
International Developed Equity										
Oakmark International Value	19,899,453	9.7	6.05	23.62	16.04	40.33	6.61	3.54	11.75	03/01/2003
MSCI EAFE IMI Value (Net)			5.13	15.64	11.68	25.15	3.60	0.08	8.40	
Artisan International Growth (ARTIX)	18,426,795	9.0	9.62	9.50	19.50	13.64	0.23	0.00	8.22	01/01/2003
MSCI EAFE Growth Index (Net)			7.52	10.24	16.68	15.70	4.95	2.81	7.66	
Emerging Market Equity										
Wells Capital Emerging Markets	11,587,182	5.6	6.16	11.98	20.24	22.07	7.58	2.62	3.35	10/01/2013
MSCI Emerging Markets (Net) Index			6.27	13.50	18.43	23.75	4.32	1.07	2.97	

	Allocation		Performance(%)							
	Market Value \$	%	QTD	FYTD	YTD	1 YR	2 YR	3 YR	Inception	Inception Date
Fixed Income										
Goldman Sachs Asset Management	20,370,802	9.9	1.53	0.09	2.71	1.57	3.44	2.53	2.44	10/01/2012
Bloomberg Barclays U.S. Aggregate Index			1.45	-0.77	2.27	-0.31	2.79	2.48	1.99	
Vanguard Total Bond Market Index (VBTIX)	1,308,961	0.6	1.48	-1.31	1.91	-0.91	2.57	N/A	1.97	06/01/2015
Bloomberg Barclays U.S. Aggregate Index			1.45	-0.77	2.27	-0.31	2.79	2.48	2.14	
Alternatives/Hedge Funds										
Weatherlow Offshore Fund I Ltd.	12,617,611	6.1	-0.38	2.09	1.16	6.08	-0.60	1.28	5.14	02/01/2012
HFRI FOF: Diversified Index			0.30	3.35	2.20	5.18	0.03	1.29	3.30	
Standard Life Global Absolute Return	6,859,889	3.3	0.78	3.18	1.36	3.61	-0.36	1.52	1.59	02/01/2014
Balanced Index			3.57	5.59	8.16	8.79	5.82	2.86	4.73	
JP Morgan Strategic Property										
JP Morgan Strategic Property	10,316,532	5.0	1.57	N/A	N/A	N/A	N/A	N/A	2.57	03/01/2017
NCREIF Fund Index-Open End Diversified Core (EW)			1.71	5.81	3.57	8.12	10.14	11.58	3.57	
Liquid Capital										
Cash Account	7,876,392	3.8	0.37	0.12	0.03	0.21	0.38	0.29	0.24	06/01/2013
90 Day U.S. Treasury Bill			0.20	0.37	0.30	0.44	0.29	0.20	0.16	

Asset Allocation & Performance [Net of Fees] - Fiscal Year Returns

	Allocation		Performance(%)								
	Market Value \$	%	FYTD	FY2016	FY2015	FY2014	FY2013	FY2012	FY2011	FY2010	FY2009
Total Fund	205,364,080	100.0	7.14	7.90	-4.23	7.09	13.60	N/A	N/A	N/A	N/A
Total Fund Policy			8.48	10.05	-1.13	8.86	11.36	N/A	N/A	N/A	N/A
Total Fund	205,364,080	100.0	7.14	7.90	-4.23	7.09	13.60	N/A	N/A	N/A	N/A
Total Fund Composite Policy Index ex Alts			7.23	10.05	-1.13	8.86	11.36	N/A	N/A	N/A	N/A
Total Domestic Equity	65,536,380	31.9	12.43	11.45	-1.62	14.14	21.65	N/A	N/A	N/A	N/A
S&P 500 Index			13.52	15.43	-0.61	19.73	19.34	30.20	1.14	10.16	-6.91
Total International Equity	38,326,248	18.7	16.41	5.93	-9.28	2.63	31.38	N/A	N/A	N/A	N/A
MSCI EAFE (Net) Index			13.00	6.52	-8.66	4.25	23.77	13.75	-9.36	3.27	3.23
Total Emerging Markets Equity	11,587,182	5.6	14.63	19.95	-19.90	2.96	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets (Net) Index			13.50	16.78	-19.28	4.30	0.98	16.94	-16.15	20.22	19.07
Total Fixed Income	21,679,762	10.6	-0.49	6.13	0.77	4.48	-1.15	N/A	N/A	N/A	N/A
Total Fixed Income Policy			0.87	7.44	0.40	4.18	-0.67	9.62	5.58	10.91	12.80
Total Alternatives/Hedge Fund	19,880,247	9.7	2.31	0.50	-3.93	7.28	10.64	N/A	N/A	N/A	N/A
Total Alternative Policy			16.63	21.20	4.35	25.72	13.63	N/A	N/A	N/A	N/A
Total Private Equity	15,227,645	7.4									
S&P 500 + 5%			17.75	21.20	4.35	25.72	25.31	36.71	6.20	15.67	-2.25
Total Real Estate	25,250,224	12.3									
NCREIF Property Index			5.11	9.22	13.48	11.26	11.00	11.00	16.10	5.84	-22.09
Total Liquid Capital	7,876,392	3.8									
90 Day U.S. Treasury Bill			0.37	0.18	0.03	0.04	0.08	0.05	0.13	0.12	0.38

Returns for periods greater than one year are annualized.
Returns are expressed as percentages. Mutual fund and ETF investments are reported net of fees.



	Allocation		Performance(%)								
	Market Value \$	%	FYTD	FY2016	FY2015	FY2014	FY2013	FY2012	FY2011	FY2010	FY2009
Domestic Equity											
SSgA S&P 500 Flagship Fund	44,253,063	21.5	13.54	15.47	-0.65	19.68	19.32	N/A	N/A	N/A	N/A
S&P 500 Index			13.52	15.43	-0.61	19.73	19.34	30.20	1.14	10.16	-6.91
Geneva Mid Cap Growth	6,524,196	3.2	13.86	4.70	9.26	5.03	21.94	26.37	5.61	21.46	-4.27
Russell Midcap Growth Index			11.91	11.24	1.45	14.43	27.54	26.69	0.80	18.27	-0.40
Thompson, Siegel & Walmsley SMID Value	14,759,121	7.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 2500 Value Index			11.48	17.68	-2.44	9.88	27.58	32.15	-4.70	14.74	-8.33
International Developed Equity											
Oakmark International Value	19,899,453	9.7	23.62	6.24	-9.22	-0.71	42.23	15.55	-9.72	12.48	17.75
MSCI EAFE IMI Value (Net)			15.64	4.56	-11.36	5.44	25.40	12.29	-9.73	-0.97	8.82
Artisan International Growth (ARTIX)	18,426,795	9.0	9.50	5.64	-9.34	5.98	23.11	30.05	-9.95	3.27	5.01
MSCI EAFE Growth Index (Net)			10.24	9.47	-4.65	2.85	23.27	14.81	-8.79	8.41	-0.78
Emerging Market Equity											
Wells Capital Emerging Markets	11,587,182	5.6	11.98	24.68	-19.98	1.30	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets (Net) Index			13.50	16.78	-19.28	4.30	0.98	16.94	-16.15	20.22	19.07

	Allocation		Performance(%)								
	Market Value \$	%	FYTD	FY2016	FY2015	FY2014	FY2013	FY2012	FY2011	FY2010	FY2009
Fixed Income											
Goldman Sachs Asset Management	20,370,802	9.9	0.09	5.55	1.78	4.66	-0.37	N/A	N/A	N/A	N/A
Bloomberg Barclays U.S. Aggregate Index			-0.77	5.19	2.94	3.96	-1.68	5.16	5.26	8.16	10.56
Vanguard Total Bond Market Index (VBTIX)	1,308,961	0.6	-1.31	5.36	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays U.S. Aggregate Index			-0.77	5.19	2.94	3.96	-1.68	5.16	5.26	8.16	10.56
Alternatives/Hedge Funds											
Weatherlow Offshore Fund I Ltd.	12,617,611	6.1	2.09	1.29	1.31	7.55	11.76	N/A	N/A	N/A	N/A
HFRI FOF: Diversified Index			3.35	-0.25	0.44	6.41	6.34	2.79	-1.04	3.44	-1.01
Standard Life Global Absolute Return	6,859,889	3.3	3.18	-2.61	1.57	N/A	N/A	N/A	N/A	N/A	N/A
Balanced Index			5.59	10.96	-4.42	7.21	9.73	14.25	-0.60	6.47	4.82
JP Morgan Strategic Property											
NCREIF Fund Index-Open End Diversified Core (EW)	10,316,532	5.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
			5.81	10.62	14.71	12.39	12.47	11.77	18.03	6.14	-36.09
Liquid Capital											
Cash Account	7,876,392	3.8									
90 Day U.S. Treasury Bill			0.37	0.18	0.03	0.04	0.08	0.05	0.13	0.12	0.38

Asset Allocation & Performance [Gross of Fees] - Trailing Returns

	Allocation		Performance(%)								
	Market Value \$	%	QTD	FYTD	YTD	1 YR	2 YR	3 YR	5 YR	Inception	Inception Date
Total Fund	205,364,080	100.0	3.13	7.41	7.44	11.50	4.29	3.01	N/A	6.76	10/01/2012
Total Fund Policy			3.15	8.48	8.06	12.31	6.64	5.35	N/A	7.83	
Total Fund	205,364,080	100.0	3.13	7.41	7.44	11.50	4.29	3.01	N/A	6.76	10/01/2012
Total Fund Composite Policy Index ex Alts			2.73	7.23	6.81	11.01	6.03	4.94	N/A	7.57	
Total Domestic Equity	65,536,380	31.9	3.34	12.47	8.63	16.64	7.81	6.70	N/A	12.24	10/01/2012
S&P 500 Index			3.09	13.52	9.34	17.90	10.73	9.61	14.63	13.97	
Total International Equity	38,326,248	18.7	8.31	17.33	18.47	27.24	4.09	2.38	N/A	9.55	10/01/2012
MSCI EAFE (Net) Index			6.12	13.00	13.81	20.27	3.94	1.15	8.69	7.64	
Total Emerging Markets Equity	11,587,182	5.6	6.33	15.18	20.90	26.11	7.20	2.78	N/A	5.92	09/01/2013
MSCI Emerging Markets (Net) Index			6.27	13.50	18.43	23.75	4.32	1.07	3.96	4.61	
Total Fixed Income	21,679,762	10.6	1.55	-0.49	2.43	0.97	2.96	2.14	N/A	2.11	10/01/2012
Total Fixed Income Policy			1.16	0.87	2.58	2.73	3.63	2.55	2.90	2.53	
Total Alternatives/Hedge Fund	19,880,247	9.7	0.13	2.55	1.12	4.79	-1.07	-0.55	N/A	3.54	10/01/2012
90 Day T-Bills + 5%			1.43	4.11	2.78	5.46	5.30	5.21	5.15	5.16	
Total Private Equity	15,227,645	7.4									
Total Alternative Policy			3.85	16.63	10.97	22.61	15.71	14.73	N/A	N/A	
Total Real Estate	25,250,224	12.3									
NCREIF Property Index			1.75	5.11	3.32	6.97	8.79	10.17	10.49	10.43	
Total Liquid Capital	7,876,392	3.8	0.37	0.92	0.83	0.94	1.18	0.99	N/A	0.70	10/01/2012
90 Day U.S. Treasury Bill			0.20	0.37	0.30	0.44	0.29	0.20	0.15	0.15	

Returns for periods greater than one year are annualized.
Returns are expressed as percentages. Mutual fund and ETF investments are reported net of fees.



	Allocation		Performance(%)									
	Market Value \$	%	QTD	FYTD	YTD	1 YR	2 YR	3 YR	5 YR	Inception	Inception Date	
Domestic Equity												
SSgA S&P 500 Flagship Fund	44,253,063	21.5	3.09 (42)	13.54 (46)	9.33 (42)	17.94 (45)	10.73 (25)	9.65 (36)	14.66 (45)	13.72 (45)	10/01/2009	
S&P 500 Index			3.09 (42)	13.52 (47)	9.34 (42)	17.90 (45)	10.73 (25)	9.61 (38)	14.63 (46)	13.67 (46)		
IM U.S. Large Cap Core Equity (SA+CF) Median			2.92	13.32	8.98	17.53	9.58	9.22	14.54	13.59		
Geneva Mid Cap Growth	6,524,196	3.2	7.10 (13)	14.04 (42)	14.19 (37)	14.49 (89)	6.96 (39)	9.43 (24)	12.13 (88)	9.92 (43)	09/01/2005	
Russell Midcap Growth Index			4.21 (58)	11.91 (78)	11.40 (67)	17.05 (73)	7.02 (38)	7.83 (50)	14.19 (39)	8.91 (74)		
IM U.S. Mid Cap Growth Equity (SA+CF) Median			4.54	13.29	12.60	19.15	6.35	7.80	13.81	9.76		
Thompson, Siegel & Walmsley SMID Value	14,759,121	7.2	2.49 (26)	N/A	5.95 (38)	N/A	N/A	N/A	N/A	13.56 (82)	11/01/2016	
Russell 2500 Value Index			0.32 (69)	11.48 (71)	1.95 (84)	18.36 (62)	8.91 (41)	6.21 (58)	13.69 (69)	14.91 (59)		
IM U.S. SMID Cap Value Equity (SA+CF) Median			1.43	13.76	5.00	20.60	8.06	6.84	14.58	16.82		
International Developed Equity												
Oakmark International Value	19,899,453	9.7	7.13 (33)	25.51 (1)	17.54 (11)	42.80 (1)	8.03 (14)	4.77 (15)	13.59 (8)	12.06 (14)	03/01/2003	
MSCI EAFE IMI Value (Net)			5.13 (72)	15.64 (28)	11.68 (85)	25.15 (27)	3.60 (71)	0.08 (88)	8.77 (67)	8.40 (96)		
IM International Large Cap Value Equity (SA+CF) Median			6.24	14.17	14.21	22.48	5.09	2.10	9.60	9.74		
Artisan International Growth (ARTIX)	18,426,795	9.0	9.62 (6)	9.50 (84)	19.50 (12)	13.64 (90)	0.23 (95)	0.00 (85)	8.03 (49)	8.22 (66)	01/01/2003	
MSCI EAFE Growth Index (Net)			7.52 (41)	10.24 (74)	16.68 (33)	15.70 (72)	4.95 (24)	2.81 (45)	9.19 (16)	7.66 (81)		
IM International Large Cap Growth Equity (MF) Median			7.26	11.44	16.26	17.77	3.78	2.59	7.97	8.48		
Emerging Market Equity												
Wells Capital Emerging Markets	11,587,182	5.6	6.33 (53)	12.51 (65)	20.62 (37)	22.84 (56)	8.26 (23)	3.27 (32)	N/A	4.01 (58)	10/01/2013	
MSCI Emerging Markets (Net) Index			6.27 (54)	13.50 (51)	18.43 (61)	23.75 (50)	4.32 (74)	1.07 (72)	3.96 (83)	2.97 (76)		
IM Emerging Markets Equity (SA+CF) Median			6.47	13.51	19.31	23.74	5.94	2.26	5.82	4.33		



	Allocation		Performance(%)									Inception Date
	Market Value \$	%	QTD	FYTD	YTD	1 YR	2 YR	3 YR	5 YR	Inception		
Fixed Income												
Goldman Sachs Asset Management	20,370,802	9.9	1.53 (74)	0.09 (73)	2.71 (71)	1.57 (65)	3.58 (58)	2.71 (76)	3.08 (73)	5.01 (81)	03/01/2006	
Bloomberg Barclays U.S. Aggregate Index			1.45 (82)	-0.77 (100)	2.27 (96)	-0.31 (100)	2.79 (93)	2.48 (87)	2.21 (98)	4.39 (96)		
IM U.S. Broad Market Core+ Fixed Income (SA+CF) Median			1.71	0.87	3.00	2.39	3.71	3.02	3.44	5.47		
Vanguard Total Bond Market Index (VBTIX)	1,308,961	0.6	1.48 (45)	-1.31 (93)	1.91 (86)	-0.91 (91)	2.57 (60)	N/A	N/A	1.97 (56)	06/01/2015	
Bloomberg Barclays U.S. Aggregate Index			1.45 (52)	-0.77 (69)	2.27 (62)	-0.31 (73)	2.79 (44)	2.48 (27)	2.21 (54)	2.14 (43)		
IM U.S. Broad Market Core Fixed Income (MF) Median			1.45	-0.36	2.41	0.32	2.70	2.19	2.27	2.05		
Alternatives/Hedge Funds												
Weatherlow Offshore Fund I Ltd.	12,617,611	6.1	-0.38	2.09	1.16	6.08	-0.60	1.28	5.38	5.14	02/01/2012	
HFRI FOF: Diversified Index			0.30	3.35	2.20	5.18	0.03	1.29	3.67	3.30		
Standard Life Global Absolute Return	6,859,889	3.3	1.03	3.96	1.87	4.38	0.02	1.77	N/A	1.81	02/01/2014	
Balanced Index			3.57	5.59	8.16	8.79	5.82	2.86	6.75	4.73		
JP Morgan Strategic Property	10,316,532	5.0	1.57 (84)	N/A	N/A	N/A	N/A	N/A	N/A	2.57 (N/A)	03/01/2017	
NCREIF Fund Index-Open End Diversified Core (EW)			1.71 (71)	5.81 (57)	3.57 (59)	8.12 (59)	10.14 (64)	11.58 (53)	11.77 (69)	3.57 (N/A)		
IM U.S. Open End Private Real Estate (SA+CF) Median			1.91	6.06	3.77	8.31	10.41	11.81	12.39	N/A		
Liquid Capital												
Cash Account	7,876,392	3.8	0.37	0.92	0.83	1.01	0.78	0.55	N/A	0.44	06/01/2013	
90 Day U.S. Treasury Bill			0.20	0.37	0.30	0.44	0.29	0.20	0.15	0.16		

Returns for periods greater than one year are annualized.

Returns are expressed as percentages. Mutual fund and ETF investments are reported net of fees.



Asset Allocation & Performance [Gross of Fees] - Fiscal Year Returns											
	Allocation		Performance(%)								
	Market Value \$	%	FYTD	FY2016	FY2015	FY2014	FY2013	FY2012	FY2011	FY2010	FY2009
Total Fund	205,364,080	100.0	7.41	8.27	-3.96	7.39	13.73	N/A	N/A	N/A	N/A
Total Fund Policy			8.48	10.05	-1.13	8.86	11.36	N/A	N/A	N/A	N/A
Total Fund	205,364,080	100.0	7.41	8.27	-3.96	7.39	13.73	N/A	N/A	N/A	N/A
Total Fund Composite Policy Index ex Alts			7.23	10.05	-1.13	8.86	11.36	N/A	N/A	N/A	N/A
Total Domestic Equity	65,536,380	31.9	12.47	11.90	-1.27	14.41	21.74	N/A	N/A	N/A	N/A
S&P 500 Index			13.52	15.43	-0.61	19.73	19.34	30.20	1.14	10.16	-6.91
Total International Equity	38,326,248	18.7	17.33	6.40	-8.88	3.09	31.49	N/A	N/A	N/A	N/A
MSCI EAFE (Net) Index			13.00	6.52	-8.66	4.25	23.77	13.75	-9.36	3.27	3.23
Total Emerging Markets Equity	11,587,182	5.6	15.18	20.77	-19.33	3.62	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets (Net) Index			13.50	16.78	-19.28	4.30	0.98	16.94	-16.15	20.22	19.07
Total Fixed Income	21,679,762	10.6	-0.49	6.22	0.96	4.67	-1.11	N/A	N/A	N/A	N/A
Total Fixed Income Policy			0.87	7.44	0.40	4.18	-0.67	9.62	5.58	10.91	12.80
Total Alternatives/Hedge Fund	19,880,247	9.7	2.55	0.61	-3.80	7.43	10.67	N/A	N/A	N/A	N/A
Total Alternative Policy			16.63	21.20	4.35	25.72	13.63	N/A	N/A	N/A	N/A
Total Private Equity	15,227,645	7.4									
S&P 500 + 5%			17.75	21.20	4.35	25.72	25.31	36.71	6.20	15.67	-2.25
Total Real Estate	25,250,224	12.3									
NCREIF Property Index			5.11	9.22	13.48	11.26	11.00	11.00	16.10	5.84	-22.09
Total Liquid Capital	7,876,392	3.8	0.92	1.10	1.05	0.15	0.13	N/A	N/A	N/A	N/A
90 Day U.S. Treasury Bill			0.37	0.18	0.03	0.04	0.08	0.05	0.13	0.12	0.38

Returns for periods greater than one year are annualized.
Returns are expressed as percentages. Mutual fund and ETF investments are reported net of fees.



	Allocation		Performance(%)									
	Market Value \$	%	FYTD	FY2016	FY2015	FY2014	FY2013	FY2012	FY2011	FY2010	FY2009	
Domestic Equity												
SSgA S&P 500 Flagship Fund	44,253,063	21.5	13.54 (46)	15.50 (20)	-0.60 (63)	19.75 (44)	19.38 (64)	30.26 (43)	1.18 (50)	10.26 (38)	N/A	
S&P 500 Index			13.52 (47)	15.43 (22)	-0.61 (63)	19.73 (45)	19.34 (65)	30.20 (45)	1.14 (51)	10.16 (40)	-6.91 (64)	
IM U.S. Large Cap Core Equity (SA+CF) Median			13.32	13.05	0.03	19.25	20.61	29.70	1.16	9.50	-5.78	
Geneva Mid Cap Growth	6,524,196	3.2	14.04 (42)	5.35 (76)	9.90 (7)	5.66 (93)	22.50 (89)	27.32 (38)	6.20 (18)	22.16 (16)	-3.85 (70)	
Russell Midcap Growth Index			11.91 (78)	11.24 (27)	1.45 (69)	14.43 (27)	27.54 (48)	26.69 (42)	0.80 (53)	18.27 (51)	-0.40 (44)	
IM U.S. Mid Cap Growth Equity (SA+CF) Median			13.29	8.22	2.98	11.43	27.31	26.18	1.20	18.31	-1.59	
Thompson, Siegel & Walmsley SMID Value	14,759,121	7.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Russell 2500 Value Index			11.48 (71)	17.68 (19)	-2.44 (67)	9.88 (60)	27.58 (73)	32.15 (32)	-4.70 (66)	14.74 (60)	-8.33 (88)	
IM U.S. SMID Cap Value Equity (SA+CF) Median			13.76	13.60	-0.27	11.11	29.97	29.72	-2.67	15.80	-1.99	
International Developed Equity												
Oakmark International Value	19,899,453	9.7	25.51 (1)	7.21 (60)	-8.39 (43)	-0.06 (97)	42.23 (2)	15.55 (47)	-9.72 (66)	12.48 (10)	17.75 (5)	
MSCI EAFE IMI Value (Net)			15.64 (28)	4.56 (84)	-11.36 (75)	5.44 (51)	25.40 (34)	12.29 (75)	-9.73 (66)	-0.97 (96)	8.82 (34)	
IM International Large Cap Value Equity (SA+CF) Median			14.17	8.35	-9.36	5.59	22.94	15.39	-8.65	5.00	6.22	
Artisan International Growth (ARTIX)	18,426,795	9.0	9.50 (84)	5.64 (63)	-9.34 (88)	5.98 (24)	23.11 (1)	30.05 (1)	-9.95 (38)	3.27 (83)	5.01 (23)	
MSCI EAFE Growth Index (Net)			10.24 (74)	9.47 (18)	-4.65 (34)	2.85 (74)	23.27 (1)	14.81 (77)	-8.79 (21)	8.41 (44)	-0.78 (63)	
IM International Large Cap Growth Equity (MF) Median			11.44	7.30	-5.53	4.58	17.92	17.44	-10.90	7.37	1.53	
Emerging Market Equity												
Wells Capital Emerging Markets	11,587,182	5.6	12.51 (65)	25.47 (6)	-19.48 (75)	1.94 (91)	N/A	N/A	N/A	N/A	N/A	
MSCI Emerging Markets (Net) Index			13.50 (51)	16.78 (56)	-19.28 (71)	4.30 (70)	0.98 (78)	16.94 (61)	-16.15 (60)	20.22 (62)	19.07 (52)	
IM Emerging Markets Equity (SA+CF) Median			13.51	17.41	-17.33	6.48	4.51	18.10	-15.07	22.20	19.52	

Returns for periods greater than one year are annualized.

Returns are expressed as percentages. Mutual fund and ETF investments are reported net of fees.



	Allocation		Performance(%)								
	Market Value \$	%	FYTD	FY2016	FY2015	FY2014	FY2013	FY2012	FY2011	FY2010	FY2009
Fixed Income											
Goldman Sachs Asset Management	20,370,802	9.9	0.09 (73)	5.73 (79)	2.07 (50)	4.90 (74)	-0.15 (52)	8.02 (68)	5.21 (43)	11.13 (54)	14.63 (40)
Bloomberg Barclays U.S. Aggregate Index			-0.77 (100)	5.19 (92)	2.94 (20)	3.96 (94)	-1.68 (95)	5.16 (98)	5.26 (41)	8.16 (99)	10.56 (88)
IM U.S. Broad Market Core+ Fixed Income (SA+CF) Median			0.87	6.45	2.06	5.51	-0.12	9.04	5.00	11.33	13.80
Vanguard Total Bond Market Index (VBTIX)	1,308,961	0.6	-1.31 (93)	5.36 (41)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays U.S. Aggregate Index			-0.77 (69)	5.19 (52)	2.94 (7)	3.96 (59)	-1.68 (52)	5.16 (81)	5.26 (14)	8.16 (76)	10.56 (59)
IM U.S. Broad Market Core Fixed Income (MF) Median			-0.36	5.21	1.85	4.18	-1.64	6.78	4.31	9.34	11.36
Alternatives/Hedge Funds											
Weatherlow Offshore Fund I Ltd.	12,617,611	6.1	2.09	1.29	1.31	7.55	11.76	N/A	N/A	N/A	N/A
HFRI FOF: Diversified Index			3.35	-0.25	0.44	6.41	6.34	2.79	-1.04	3.44	-1.01
Standard Life Global Absolute Return	6,859,889	3.3	3.96	-2.61	1.57	N/A	N/A	N/A	N/A	N/A	N/A
Balanced Index			5.59	10.96	-4.42	7.21	9.73	14.25	-0.60	6.47	4.82
JP Morgan Strategic Property											
JP Morgan Strategic Property	10,316,532	5.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NCREIF Fund Index-Open End Diversified Core (EW)			5.81 (57)	10.62 (68)	14.71 (64)	12.39 (70)	12.47 (69)	11.77 (66)	18.03 (41)	6.14 (52)	-36.09 (54)
IM U.S. Open End Private Real Estate (SA+CF) Median			6.06	11.14	15.54	12.90	13.22	12.90	16.62	6.39	-34.80
Liquid Capital											
Cash Account	7,876,392	3.8	0.92	0.32	0.42	0.13	N/A	N/A	N/A	N/A	N/A
90 Day U.S. Treasury Bill			0.37	0.18	0.03	0.04	0.08	0.05	0.13	0.12	0.38

Financial Reconciliation
Total Fund
Quarter To Date Ending June 30, 2017

Financial Reconciliation Quarter to Date

	Market Value 04/01/2017	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Market Value 06/30/2017
Total Domestic Equity	64,308,153	-900,000	-	-	-	-	62,885	2,065,342	65,536,380
SSgA S&P 500 Flagship Fund	43,816,116	-900,000	-	-	-	-	-	1,336,946	44,253,063
Geneva Mid Cap Growth	6,091,778	-	-	-	-	-	10,651	421,768	6,524,196
Thompson, Siegel & Walmsley SMID Value	14,400,259	-	-	-	-	-	52,234	306,628	14,759,121
Total International Equity	35,584,598	-	-	-	-200,445	-11,521	-	2,953,617	38,326,248
Artisan International Growth (ARTIX)	16,809,885	-	-	-	-	-	-	1,616,911	18,426,795
Oakmark International Value	18,774,713	-	-	-	-200,445	-11,521	-	1,336,706	19,899,453
Total Emerging Markets Equity	10,897,722	-	18,007	-	-18,007	-	-	689,460	11,587,182
Wells Capital Emerging Markets	10,897,722	-	18,007	-	-18,007	-	-	689,460	11,587,182
Total Fixed Income	24,385,867	-3,069,566	-	-	-	-	20,544	342,917	21,679,762
Goldman Sachs Asset Management	20,064,683	-	-	-	-	-	-	306,119	20,370,802
Vanguard Total Bond Market Index (VBTIX)	4,321,184	-3,069,566	-	-	-	-	20,544	36,798	1,308,961
Total Alternatives/Hedge Fund	27,500,645	-7,637,852	-	-	-17,108	-	-	34,561	19,880,247
Mesirow Absolute Return Fund	8,027,811	-7,637,852	-	-	-	-	-	12,787	402,746
Weatherlow Offshore Fund I Ltd.	12,666,173	-	-	-	-	-	-	-48,562	12,617,611
Standard Life Global Absolute Return	6,806,661	-	-	-	-17,108	-	-	70,336	6,859,889
Total Real Estate	23,930,255	1,169,737	-	-	-	-	-	150,232	25,250,224
Gerding Edlen Green Cities II	5,182,323	-21,323	-	-	-	-	-	-	5,161,000
Westport Real Estate Fund IV	4,072,611	950,000	-	-	-	-	-	-	5,022,611
Long Wharf Real Estate Partners Fund V	1,292,016	241,060	-	-	-	-	-	-9,689	1,523,387
Gerding Edlen Green Cities III	3,226,693	-	-	-	-	-	-	-	3,226,693
JP Morgan Strategic Property	10,156,612	-	-	-	-	-	-	159,921	10,316,532
Total Private Equity	14,864,868	377,727	-	-	-	-	-	-14,950	15,227,645
Landmark Equity Partners XIV LP	493,629	-41,518	-	-	-	-	-	-	452,111
Private Equity Investment Fund V	485,836	-	-	-	-	-	-	8,675	494,511
HarbourVest Partners IX	7,239,413	-58,314	-	-	-	-	-	-	7,181,099
Pomona Capital VIII	3,707,780	-305,051	-	-	-	-	-	-	3,402,729
JPMorgan Venture Capital Fund V	2,938,210	782,610	-	-	-	-	-	-23,625	3,697,195
Total Liquid Capital	1,313,318	10,059,953	-	-3,500,000	-	-819	3,939	-	7,876,392
Cash Account	1,313,318	10,059,953	-	-3,500,000	-	-819	3,939	-	7,876,392
Total Fund	202,785,426	-	18,007	-3,500,000	-235,560	-12,340	87,368	6,221,179	205,364,080
Receipts & Disbursements (From Town)	-	-	145,418	-2,717,977	-	-59,612	-	2,632,171	-
Total Fund including Town Flows	202,785,426	-	163,426	-6,217,977	-235,560	-71,952	87,368	8,853,350	205,364,080

Receipts & Disbursements (From Town) data provided by the Town of Palm Beach, as of 10/01/2015.



Financial Reconciliation
Total Fund
October 1, 2016 To June 30, 2017

Financial Reconciliation Fiscal Year to Date

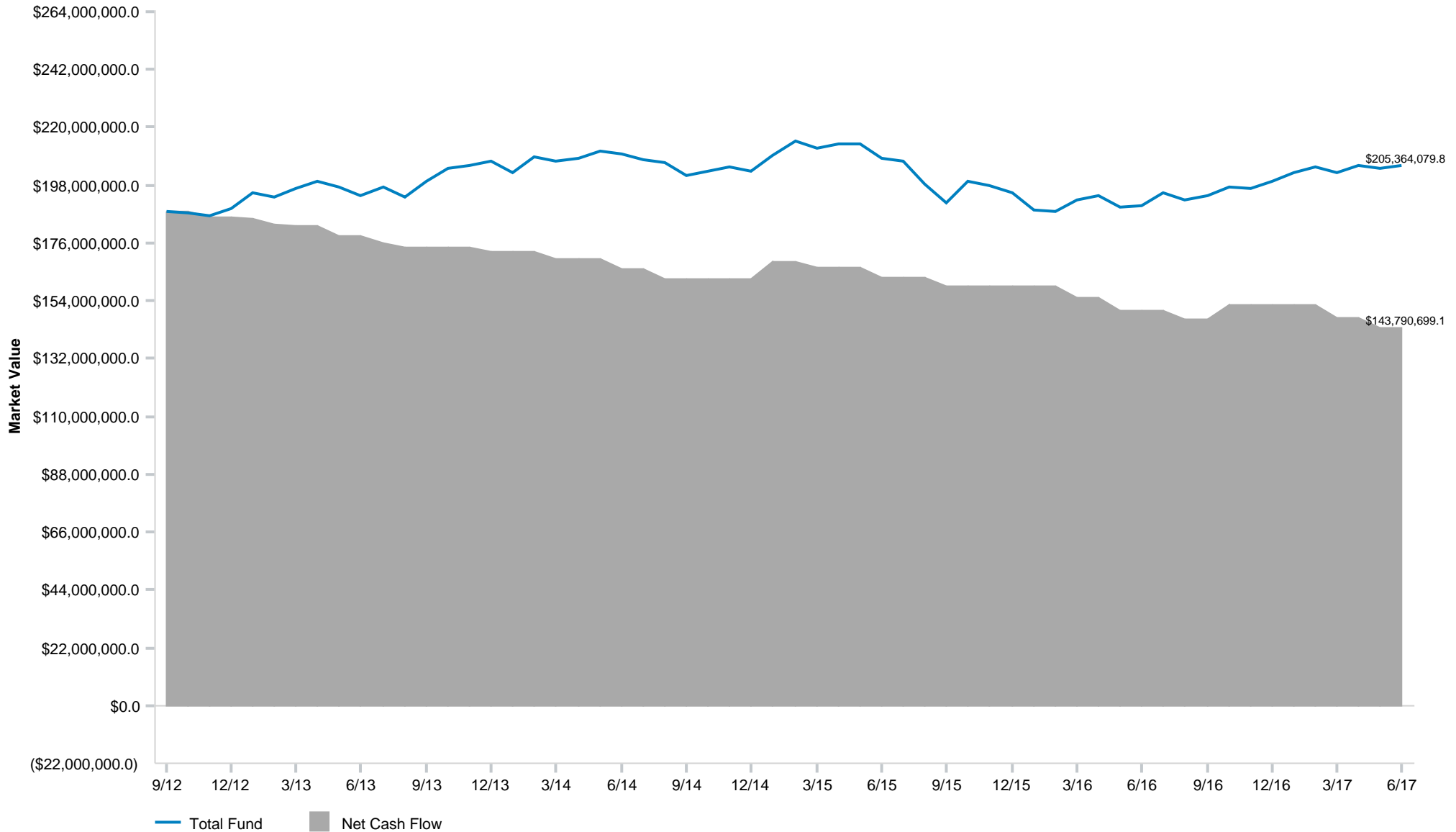
	Market Value 10/01/2016	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Market Value 06/30/2017
Total Domestic Equity	37,184,352	22,265,628	8,686	-	-16,182	-	222,368	5,871,527	65,536,380
SSgA S&P 500 Flagship Fund	18,150,864	22,265,628	-	-	-	-	-	3,836,570	44,253,063
Geneva Mid Cap Growth	5,721,111	-	8,686	-	-8,686	-	29,254	773,831	6,524,196
TSW Mid Cap Value	6,420,844	-6,295,817	-	-	-	-	1,615	-126,642	-
TSW Small Cap Value	6,891,533	-6,708,117	-	-	-	-	-5,805	-177,611	-
Thompson, Siegel & Walmsley SMID Value	-	13,003,935	-	-	-7,496	-	197,304	1,565,378	14,759,121
Total International Equity	32,939,574	-	-	-	-289,427	-16,958	670,898	5,022,161	38,326,248
Artisan International Growth (ARTIX)	16,827,990	-	-	-	-	-	228,110	1,370,695	18,426,795
Oakmark International Value	16,111,584	-	-	-	-289,427	-16,958	442,788	3,651,466	19,899,453
Total Emerging Markets Equity	20,507,423	-10,033,370	50,142	-	-68,956	-	-	1,131,942	11,587,182
Acadian Emerging Markets Equity II Fund LLC	10,208,728	-10,033,370	-	-	-18,814	-	-	-156,545	-
Wells Capital Emerging Markets	10,298,695	-	50,142	-	-50,142	-	-	1,288,487	11,587,182
Total Fixed Income	40,185,497	-18,069,566	-	-	-	-	240,731	-676,900	21,679,762
Goldman Sachs Asset Management	20,352,249	-	-	-	-	-	-	18,553	20,370,802
Vanguard Total Bond Market Index (VBTIX)	19,833,247	-18,069,566	-	-	-	-	240,731	-695,452	1,308,961
Total Alternatives/Hedge Fund	24,726,358	-5,527,306	-	-	-65,477	-	35,538	711,133	19,880,247
Wellington Diversified Inflation Hedges CTF	3,298,993	-3,389,454	-	-	-14,798	-	12,077	93,183	-
Mesirow Absolute Return Fund	7,967,522	-7,637,852	-	-	-	-	-	73,076	402,746
Weatherlow Offshore Fund I Ltd.	6,811,435	5,500,000	-	-	-	-	-	306,176	12,617,611
Standard Life Global Absolute Return	6,648,407	-	-	-	-50,678	-	23,461	238,699	6,859,889
Total Real Estate	12,681,548	11,655,757	-	-	-37,125	13,984	-	936,059	25,250,224
Gerding Edlen Green Cities II	5,141,310	-21,323	-	-	-	-	-	41,013	5,161,000
Westport Real Estate Fund IV	3,830,041	950,000	-	-	-	-	-	242,571	5,022,611
Long Wharf Real Estate Partners Fund V	1,454,414	75,270	-	-	-	13,984	-	-20,281	1,523,387
Gerding Edlen Green Cities III	2,255,783	651,810	-	-	-37,125	-	-	356,225	3,226,693
JP Morgan Strategic Property	-	10,000,000	-	-	-	-	-	316,532	10,316,532
Total REIT Composite	10,021,180	-9,597,767	-	-	-	-	196,421	-619,834	-
Vanguard REIT Index (VGSNX)	10,021,180	-9,597,767	-	-	-	-	196,421	-619,834	-
Total Private Equity	14,602,324	-200,714	12,841	-	-12,841	-	-	826,035	15,227,645
Landmark Equity Partners XIV LP	534,751	-84,949	-	-	-	-	-	2,309	452,111
Private Equity Investment Fund V	555,797	-74,012	-	-	-	-	-	12,726	494,511
HarbourVest Partners IX	7,068,635	-432,703	-	-	-	-	-	545,167	7,181,099
Pomona Capital VIII	4,190,534	-1,017,748	-	-	-	-	-	229,943	3,402,729
JPMorgan Venture Capital Fund V	2,252,607	1,408,698	12,841	-	-12,841	-	-	35,890	3,697,195
Total Liquid Capital	1,091,295	9,507,336	5,787,085	-8,500,000	-18,847	-819	10,341	-	7,876,392
Cash Account	1,091,295	9,507,336	5,787,085	-8,500,000	-18,847	-819	10,341	-	7,876,392
Total Fund	193,939,551	-	5,858,754	-8,500,000	-508,854	-3,793	1,376,298	13,202,124	205,364,080
Receipts & Disbursements (From Town)	-	-	5,167,897	-10,848,217	-	-270,504	-	5,950,824	-
Total Fund including Town Flows	193,939,551	-	11,026,651	-19,348,217	-508,854	-274,297	1,376,298	19,152,949	205,364,080

Receipts & Disbursements (From Town) data provided by the Town of Palm Beach, as of 10/01/2015.



Schedule of Investable Assets
Total Fund
 Since Inception Ending June 30, 2017

Schedule of Investable Assets



Periods Ending	Beginning Market Value \$	Net Cash Flow \$	Gain/Loss \$	Ending Market Value \$
Inception	188,232,786	-44,442,087	61,573,381	205,364,080



Private Equity Summary of Partnership
Private Investments
As of June 30, 2017

Private Equity Summary of Partnership										
Partnerships	Valuation Date	Vintage Year	Investment Strategy	Capital Commitment \$	Drawn Down \$	Market Value \$	Distributed \$	IRR (%)	TVPI Multiple	Remaining Commitment
Private Equity										
Landmark Equity Partners XIV LP	06/30/2017	2008	Secondaries	1,250,000	1,175,813	452,111	1,076,695	10.5	1.3	74,187
Private Equity Investment Fund V	06/30/2017	2009	Secondaries	1,250,000	1,253,016	494,511	601,766	-3.9	0.9	-
HarbourVest Partners IX	06/30/2017	2010	Hybrid	10,000,000	7,133,815	7,181,099	2,504,280	15.2	1.4	2,921,250
Pomona Capital VIII	06/30/2017	2012	Secondaries	10,000,000	6,336,651	3,402,729	4,920,844	21.4	1.3	5,310,808
JPMorgan Venture Capital Fund V	06/30/2017	2014	Venture Capital	5,000,000	5,145,617	3,697,195	1,667,022	5.4	1.0	1,568,023
Real Estate										
Gerding Edlen Green Cities II	06/30/2017	2012	Real Estate	5,000,000	4,903,486	5,161,000	1,876,201	14.1	1.4	330,000
Gerding Edlen Green Cities III	06/30/2017	2015	Value-Add Real Estate	5,000,000	2,947,551	3,226,693	41,734	10.9	1.1	2,078,936
Westport Real Estate Fund IV	06/30/2017	2014	Real Estate	5,000,000	6,309,000	5,022,611	1,976,920	8.2	1.1	622,500
Long Wharf Real Estate Partners Fund V	06/30/2017	2015	Value-Add Real Estate	5,000,000	1,580,688	1,523,387	57,123	0.0	1.0	3,390,837
Total				47,500,000	36,785,638	30,161,337	14,722,586	-	-	16,296,542



Private Investments Reporting Status
Total Private Investments
as of 06/30/2017

Manager	Call as of	MV as of	Most Recent Statement Date
Private Equity			
HarbourVest Partners	6/30/2017	3/31/2017	3/31/2017
JpMorgan Venture Cap V	6/30/2017	3/31/2017	3/31/2017
Landmark XIV	6/30/2017	03/31/2017 (Estimate)	12/31/2016 (Estimated)
Pomona Cap VIII	6/30/2017	3/31/2017	3/31/2017
Private Equity Fund V	6/30/2017	3/31/2017	3/31/2017 (Estimated)
Real Estate			
Gerding Edlen Green Cities II	6/30/2017	3/31/2017	3/31/2017
Gerding Edlen Green Cities III	6/30/2017	03/31/217	3/31/2017
Long Whart Real Estate Fund V	6/30/2017	6/30/2017	6/30/2017
Westport RE Fund IV	6/30/2017	3/31/2017	3/31/2017



Comparative Performance - IRR
Private Investments
As of June 30, 2017

Comparative Performance - IRR						
	QTD	1 YR	3 YR	5 YR	Inception	Inception Date
Private Equity						
Landmark Equity Partners XIV LP	0.00	-2.78	0.10	7.04	10.50	11/12/2009
Private Equity Investment Fund V	1.79	-0.21	-21.03	-9.15	-3.91	01/21/2010
HarbourVest Partners IX	0.00	11.19	13.05	N/A	15.20	07/29/2013
Pomona Capital VIII	0.00	13.03	10.11	N/A	21.44	03/25/2014
JPMorgan Venture Capital Fund V	-0.73	2.63	N/A	N/A	5.43	07/31/2015
Real Estate						
Gerding Edlen Green Cities II	0.00	1.82	14.37	N/A	14.12	08/28/2013
Gerding Edlen Green Cities III	0.00	13.10	N/A	N/A	10.87	03/03/2016
Westport Real Estate Fund IV	0.00	8.49	9.32	N/A	8.20	03/24/2014
Long Wharf Real Estate Partners Fund V	-0.73	3.30	N/A	N/A	-0.01	11/20/2015



Town of Palm Beach Retirement System
Comparative Performance
As of June 30, 2017

Comparative Performance	QTD	YTD	1 YR	3 YR	5 YR
Firefighters Retirement Composite (Gross)*	3.13	7.44	11.50	3.01	7.33
Police Retirement Composite (Gross)*	3.13	7.44	11.50	3.01	7.32
General Employees Retirement Composite (Gross)*	3.13	7.44	11.50	3.01	7.42
Town of Palm Beach Retirement System Combined (Gross)**	3.13	7.44	11.50	3.01	7.36
Estimated Quarterly Return over 5 Years as of 06/30/2017 (Gross): 1.84%					
Firefighters Retirement Composite (Net)*	3.01	7.25	11.15	2.69	7.05
Police Retirement Composite (Net)*	3.01	7.25	11.15	2.69	7.03
General Employees Retirement Composite (Net)*	3.01	7.25	11.15	2.69	7.14
Town of Palm Beach Retirement System Combined (Net)**	3.01	7.25	11.15	2.69	7.07
Estimated Quarterly Return over 5 Years as of 06/30/2017 (Net): 1.77%					

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

Performance shown is not GIPS compliant and is an estimation. Historical data and calculations prior to March 31, 2016 provided by former consultant.

*October 2009-September 2012 represents each Plan's unique performance. October 2012-present represents performance for the combined Plan.

**Prior to October 2012, performance is a theoretical weighted average of the each Plan's composite given a static weighting between the Plans. October 2012-present represents performance for the combined Plan.



Town of Palm Beach Retirement System
 Fee Analysis
 As of June 30, 2017

	Market Value (\$)	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Total Domestic Equity			
SSgA S&P 500 Flagship Fund	44,253,063	0.03	13,276
Geneva Mid Cap Growth	6,524,196	0.60	39,145
Thompson, Siegel & Walmsley SMID Value	14,759,121	0.45	66,416
Total International Equity			
Artisan International Growth (ARTIX)	18,426,795	1.19	219,279
Oakmark International Value	19,899,453	0.90	179,095
Total Emerging Markets			
Wells Capital Emerging Markets	11,587,182	0.63	72,999
Total Fixed Income			
Goldman Sachs Asset Management	20,370,802	0.29	59,075
Vanguard Total Bond Market Index (VBTIX)	1,308,961	0.04	524
Total Alternatives/Hedge Funds			
Weatherlow Offshore Fund I Ltd.	12,617,611	1.00	126,176
Standard Life Global Absolute Return	6,859,889	1.00	68,599
Total Real Estate			
Gerding Edlen Green Cities II	5,161,000	1.50	77,415
Westport Real Estate Fund IV	5,022,611	1.50	75,339
Long Wharf Real Estate Partners Fund V	1,523,387	1.50	22,851
Gerding Edlen Green Cities III	3,226,693	1.50	48,400
JP Morgan Strategic Property	10,316,532	1.00	103,165
Total Private Equity			
Landmark Equity Partners XIV LP	452,111	1.00	4,521
Private Equity Investment Fund V	494,511	1.75	8,654
HarbourVest Partners IX	7,181,099	1.00	71,811
Pomona Capital VIII	3,402,729	1.00	34,027
JPMorgan Venture Capital Fund V	3,697,195	0.55	20,335
Total Fund	205,364,080	0.64	1,315,130



Total Fund Policy	
Allocation Mandate	Weight (%)
Oct-2012	
Russell 3000 Index	30.00
MSCI EAFE (Net) Index	13.00
Bloomberg Barclays U.S. Aggregate Index	24.00
CPI + 5%	9.00
90 Day T-Bill + 3.75%	22.00
S&P 500 + 5%	2.00
Jul-2013	
S&P 500 Index	7.50
MSCI EAFE (Net) Index	15.00
Bloomberg Barclays U.S. Aggregate Index	17.50
Bloomberg Commodity Index Total Return	2.50
90 Day T-Bills + 5%	15.00
S&P 500 + 5%	10.00
Russell Midcap Value Index	3.75
Russell Midcap Growth Index	3.75
MSCI Emerging Markets (Net) Index	10.00
Bloomberg Barclays U.S. TIPS Index	2.50
Bloomberg Barclays U.S. Corporate High Yield	2.50
NCREIF Property Index	10.00
Jan-2017	
Russell 3000 Index	35.00
MSCI AC World ex USA	20.00
Bloomberg Barclays U.S. Aggregate Index	12.50
Bimbg. Barc. Global Multiverse	5.00
NCREIF Fund Index-Open End Diversified Core (EW)	10.00
S&P 500 + 3%	7.50
Total Hedge Fund/Balanced Policy	10.00



Benchmark History
Investment Policy Benchmarks

As of June 30, 2017

Total Fixed Income Policy		HedgeFund/Balanced Blend Policy	
Allocation Mandate	Weight (%)	Allocation Mandate	Weight (%)
Mar-1997		Jan-1990	
Bloomberg Barclays U.S. Aggregate Index	50.00	HFRI FOF: Diversified Index	70.00
Bloomberg Barclays U.S. Corporate High Yield	25.00	Balanced Index	30.00
Bloomberg Barclays U.S. TIPS Index	25.00		
Balanced Index		Total Alternative Policy	
Allocation Mandate	Weight (%)	Allocation Mandate	Weight (%)
Jan-1985		Oct-2012	
MSCI World (net)	60.00	CPI + 5%	82.00
Citigroup World Government Bond Index	40.00	S&P 500 + 5%	18.00
		Jul-2013	
		S&P 500 + 5%	100.00
		Jan-2017	
		S&P 500 + 3%	100.00



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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