FELRA and UFCW Benefit Funds
VEBA, Severance, Scholarship and Legal Funds

Master Consulting Services Report

Period Ended
June 30, 2018

TABLE OF CONTENTS

Tab A **Market Commentary**

Tab B **MCS Commentary, Recommendations, and Compliance Summary**

Tab C **Glossary of Investment Terminology**

Market Discussion Points 2Q | 2018

INVESTMENT PERFORMANCE SERVICES, LLC

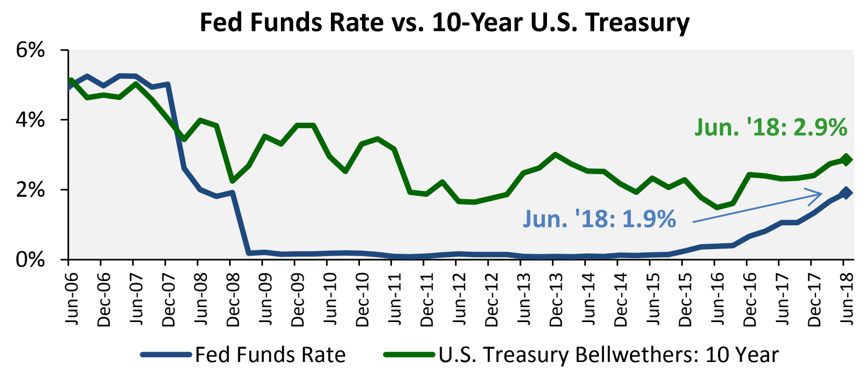
Financial Market Performance

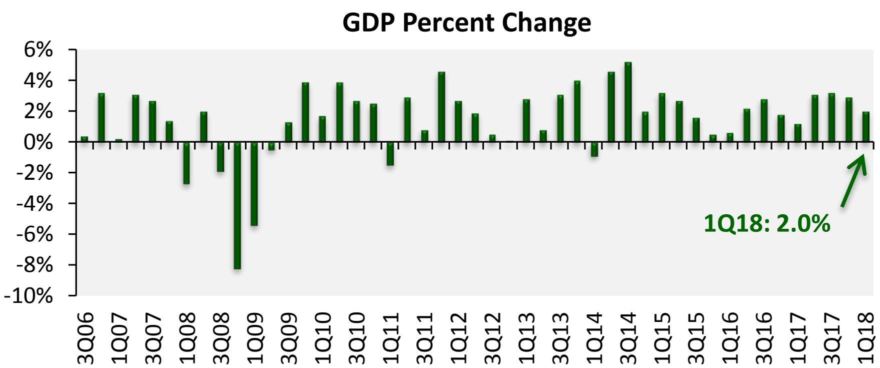
Periods Ending June 30, 2018

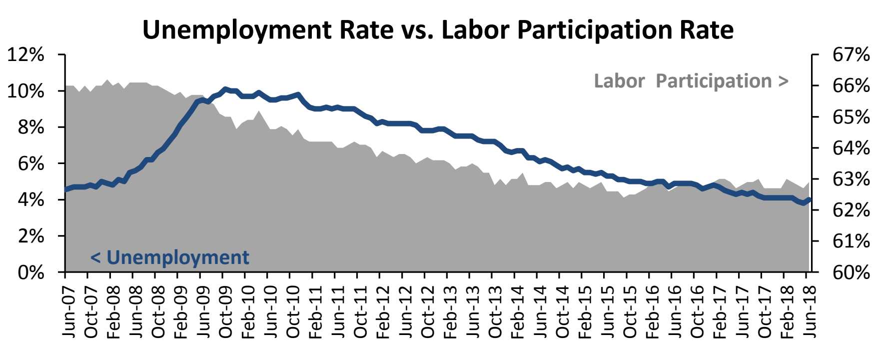
Strategy	Sector	Index	QTR	YTD	2017	2016	2015	2014	2013	1-Yr	3-Yr	5-Yr	10-Yr	20-Yr
Stocks	**US Large Cap**	S&P 500	3.4	2.7	21.8	12.0	1.4	13.7	32.4	14.4	11.9	13.4	10.2	6.5
	US Small Cap	Russell 2000	7.8	7.7	14.7	21.3	-4.4	4.9	38.8	17.6	11.0	12.5	10.6	8.0
	All Country	MSCI All Country World (net)	0.5	-0.4	24.0	7.9	-2.4	4.2	22.8	10.7	8.2	9.4	5.8	-
	Non-US Developed	MSCI EAFE (net)	-1.2	-2.8	25.0	1.0	-0.8	-4.9	22.8	6.8	4.9	6.4	2.8	4.3
	Emerging Markets	MSCI EM (net)	-8.0	-6.7	37.3	11.2	-14.9	-2.2	-2.6	8.2	5.6	5.0	2.3	-
	Int'l Small Cap	MSCI EAFE Small Cap (net)	-1.6	-1.3	33.0	2.2	9.6	-5.0	29.3	12.4	10.1	11.3	6.8	-
Bonds	**Treasury**	Bloomberg Barclays US Govt	0.1	-1.1	2.3	1.1	0.9	4.9	-2.6	-0.6	1.0	1.5	2.9	4.3
	Broad Market	Bloomberg Barclays Aggregate	-0.2	-1.6	3.5	2.7	0.6	6.0	-2.0	-0.4	1.7	2.3	3.7	4.7
	Intermediate	Bloomberg Barclays Gov/Credit Int.	0.0	-1.0	2.1	2.1	1.1	3.1	-0.9	-0.6	1.2	1.6	3.1	4.3
	High Yield	Bloomberg Barclays HY BaB 2% IC	0.6	-0.5	6.9	14.1	-2.7	3.5	6.2	1.8	4.8	5.2	7.5	-
	Short Duration HY	BofA ML HY Cash Pay BB 1-3 YR	0.8	0.6	3.6	8.5	1.2	1.9	5.6	1.7	3.8	4.1	6.2	-
	Global Bonds	Citigroup WGBI	-3.4	-0.9	7.5	1.6	-3.6	-0.5	-4.0	1.9	2.8	1.1	2.1	4.3
GTAA	**Unconstrained**	65% MSCI World /35% Citi WGBI	-0.1	0.0	17.0	5.6	-1.6	3.0	15.3	7.9	6.6	6.9	5.2	5.3
Real Estate	**Core**	NCREIF ODCE Equal Weighted	2.1	4.3	7.7	9.3	15.2	12.4	13.3	8.5	9.6	11.1	5.1	8.4
Hedge Fund of Funds	**Diversified FOFs**	HFRI HFOF Composite	0.8	1.0	7.8	0.5	-0.3	3.4	9.0	5.5	2.1	3.5	1.4	4.0
	Equity Long-Short	HFRI Equity Hedge	0.9	1.2	13.3	5.5	-1.0	1.8	14.3	8.2	4.9	5.8	3.7	7.1
Commodities	**Commodities**	Goldman Sachs Commodity	8.0	10.4	5.8	11.4	-32.9	-33.1	-1.2	30.0	-4.4	-9.4	-12.4	0.6

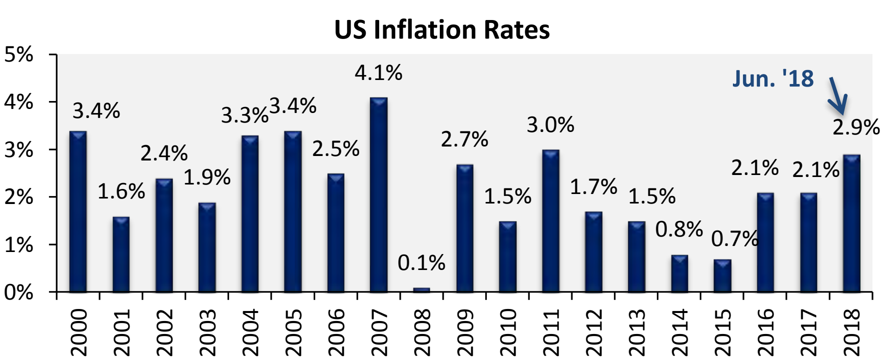
U.S. Economy

The U.S. economy continues to enjoy steady growth, with consumer confidence indicators hovering at historical highs. Employment and job creation remains strong despite the unemployment rate creeping up to 4.0% from 3.8%. Hourly wage growth rose to 2.7% over the last 12 months. Consumer spending lagged a bit in the 1st quarter of 2018, but rebounded in the 2nd quarter. Housing starts and permits continue to trend stronger, despite slightly higher mortgage rates. GDP for the 2nd quarter is estimated to be 2.9% and the Federal Reserve Banks are forecasting between 3.1% and 4.0% GDP growth for the second half of the year. CPI inflation is estimated to be 2.4% for the 2nd quarter. The business sector of the U.S. economy is also experiencing solid growth, with profits forecasted to be up an annualized 20% in the 2nd quarter of 2018 following a 23.2% annualized growth rate in the 1st quarter. Healthy corporate earnings growth has been bolstered, in great part, by the recent tax cuts. 2019 should see a reversion to a lower, but still healthy rate of growth. As of the end of March, 79% of company's earnings reports exceeded expectations. Sales revenues are estimated to be growing at 6.4% on an annualized basis. A modest detractor from GDP growth is the price of oil, as crude prices increased to about $70 per barrel at the end of the second quarter. A 10% increase in oil prices detracts about 0.2% from GDP growth. The growing worry about protective tariffs and a global trade war has not had any measurable impact on economic indicators yet, but investors are concerned.







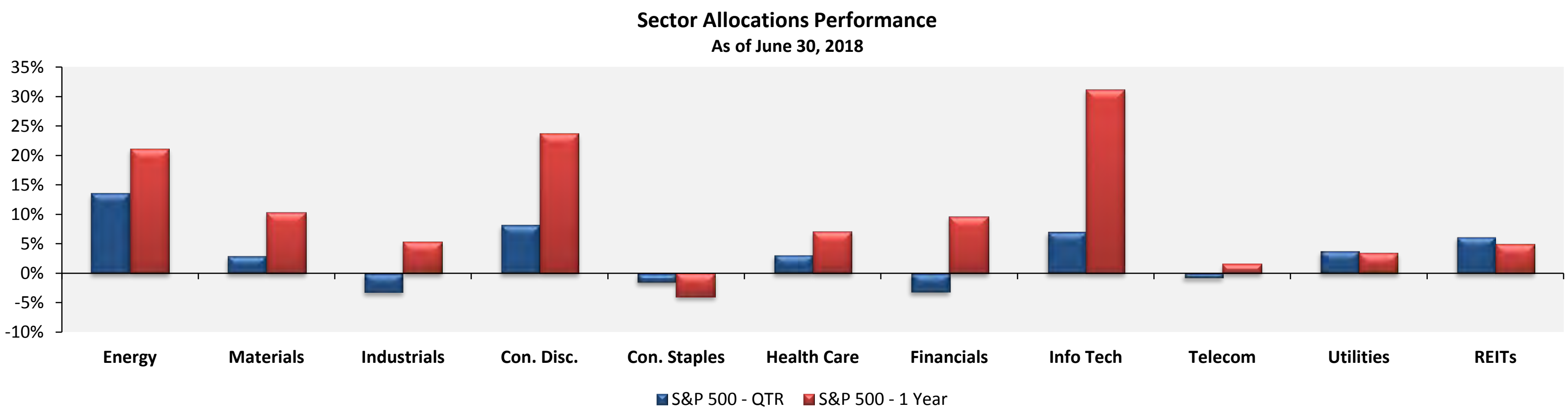


Source: Top Left - The Federal Reserve; Top Right - Bureau of Economics, U.S. Department of Commerce; Bottom Left and Right: Bureau of Labor Statistics

U.S. Equity Market

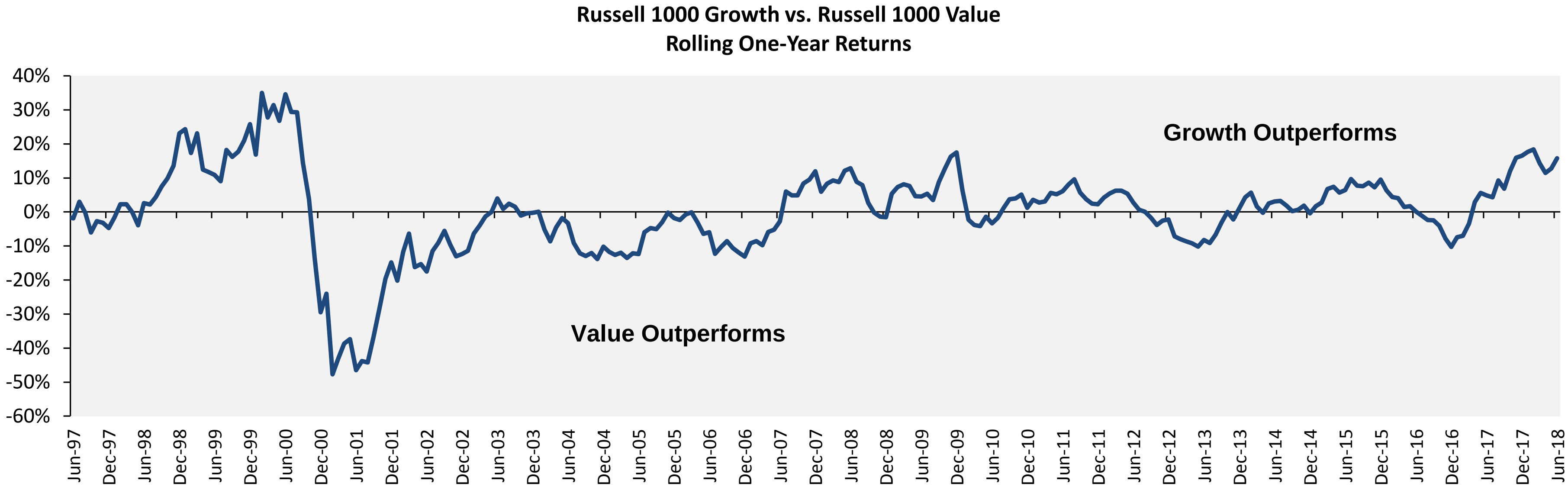
Stock market volatility, which spiked in the first quarter of the year, moderated significantly in the second quarter. Nonetheless, equity volatility has been significantly higher thus far in 2018 compared to the historically low levels reached in 2017. The S&P 500 had 36 trading days in the first half of this year with a 1% (up or down) move; there were only eight such days in all of 2017. Stock market valuations, as measured by the price/earnings ratio, do not appear to be overvalued. At the end of 2017, the P/E ratio of the S&P 500 Index was slightly rich at about 18x, compared to the long-term average P/E of 16x. The market volatility in the 1st quarter of 2018 lowered the S&P 500's P/E ratio to about 16.4x. During the 2nd quarter, with the combination of significant increases in corporate earnings (the "E" in the P/E ratio) and a 3.4% increase in prices, the P/E ratio hovered at about 17x as of June 30, 2018. This would suggest that the US stock market is not overvalued and continued earnings growth can drive stock prices higher with the need for market P/E multiple expansion. Strong consumer demand and increased corporate capital expenditures also support this thesis. The S&P 500 index was up 3.4% during the 2nd quarter and is up 2.7% for the first six months of 2018. The growth vs. value style of investing continues to matter as the Russell 1000 Growth Index was up 5.8% in Q2 and 7.3% year to date. In comparison, the Russell 1000 Value Index was up only 1.2% in Q2 and is down 1.7% year to date. Just as we saw in 2015, growth indices are being driven by a few stocks (notably the "FAANG" stocks – Facebook, Apple, Amazon, Netflix and Google, as well as Microsoft), which are responsible for much of the S&P 500's YTD return. Without the FAANGs, the rest of the stocks in the S&P 500 have actually detracted from the index's YTD return. Small cap stocks, which generally are less sensitive to exports and tariffs, rallied significantly, as the Russell 2000 rose 7.8% during Q2, bringing the index into positive territory YTD.

Sector	Index	2Q 18	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
Large Cap	S&P 500	3.4	2.7	21.8	12.0	1.4	13.7	32.4	14.4	11.9	13.4	10.2
	Russell 1000	3.6	2.9	21.7	12.1	0.9	13.3	33.1	14.5	11.6	13.4	10.2
	Russell 1000 Value	1.2	-1.7	13.7	17.3	-3.8	13.5	32.5	6.8	8.3	10.4	8.5
	Russell 1000 Growth	5.8	7.3	30.2	7.1	5.7	13.1	33.5	22.5	15.0	16.4	11.8
Mid Cap	Russell Mid-Cap	2.8	2.4	18.5	13.8	-2.4	13.2	34.8	12.3	9.6	12.2	10.2
	Russell Mid-Cap Value	2.4	-0.2	13.3	20.0	-4.8	14.7	33.5	7.6	8.8	11.3	10.1
	Russell Mid-Cap Growth	3.2	5.4	25.3	7.3	-0.2	11.9	35.8	18.5	10.7	13.4	10.5
Small Cap	Russell 2000	7.8	7.7	14.7	21.3	-4.4	4.9	38.8	17.6	11.0	12.5	10.6
	Russell 2000 Value	8.3	5.4	7.8	31.7	-7.5	4.2	34.5	13.1	11.2	11.2	9.9
	Russell 2000 Growth	7.2	9.7	22.2	11.3	-1.4	5.6	43.3	21.9	10.6	13.7	11.2
Total Market	Wilshire 5000	3.8	3.0	21.0	13.4	0.7	12.7	33.1	14.7	11.9	13.4	10.2
	Russell 3000	3.9	3.2	21.1	12.7	0.5	12.6	33.6	14.8	11.6	13.3	10.2



*S&P 500 (GICS Real Estate) Index performance began August 2016.

U.S. Equity Market



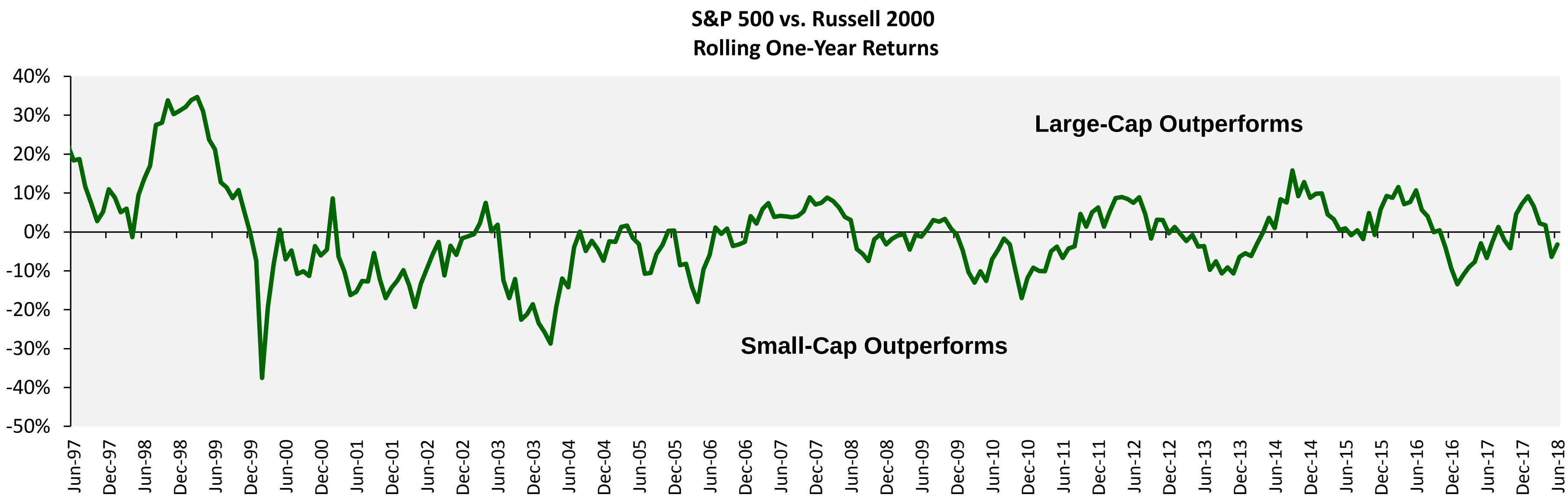
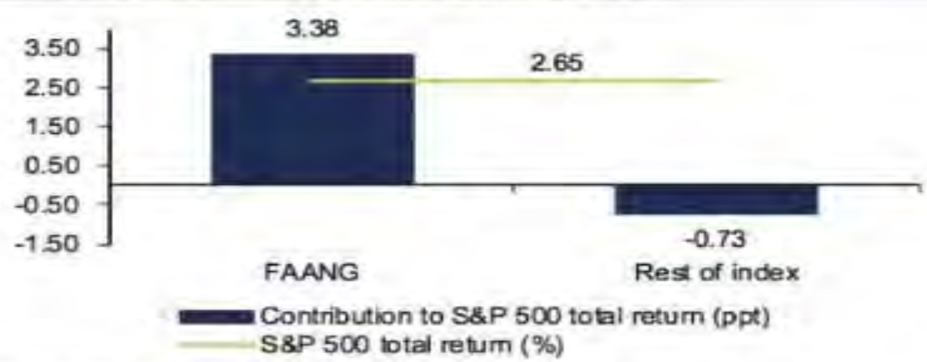


Exhibit 3: 10 stocks have contributed more than 100% of S&P 500's YTD return
as of June 28, 2018

Ticker	Company	Cons. 2019E sales growth	Total return	Mkt cap weight	% of SPX Return
AMZN	Amazon.com Inc.	23 %	45 %	2.1 %	**36 %**
MSFT	Microsoft Corp.	10	16	2.9	**18**
AAPL	Apple Inc.	4	10	3.8	**15**
NFLX	Netflix Inc.	24	106	0.4	**15**
FB	Facebook Inc.	27	11	1.9	**8**
GOOGL	Alphabet Inc.	18	7	2.8	**7**
MA	Mastercard Inc.	12	31	0.6	**7**
V	Visa Inc.	11	17	0.9	**6**
ADBE	Adobe Systems Inc.	19	37	0.4	**5**
NVDA	NVIDIA Corp.	14	25	0.5	**5**
Top 10 contributors		**16 %**	**20 %**	**16 %**	**122 %**
S&P 500		**5**	**3**	**100**	**100**

Source: FactSet, Goldman Sachs Global Investment Research

Chart 5: Excluding FAANG stocks, index returns would have been negative
FAANG stocks' contribution to the S&P 500 1H18 total return

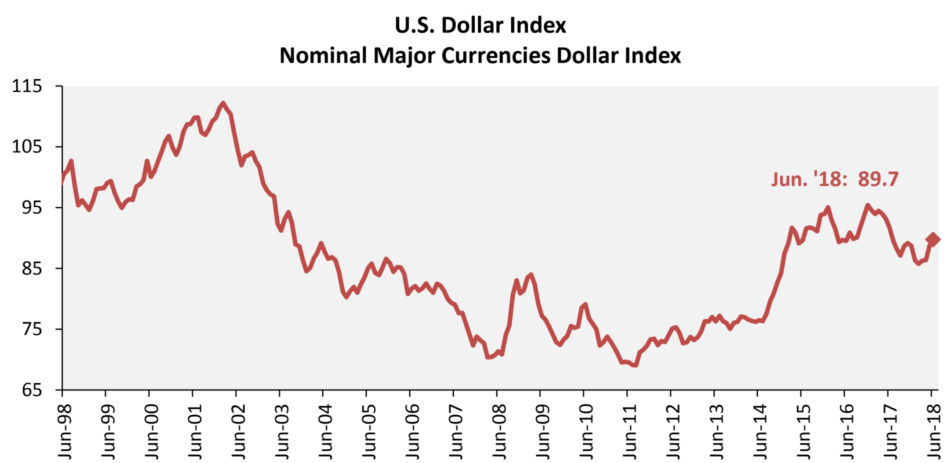


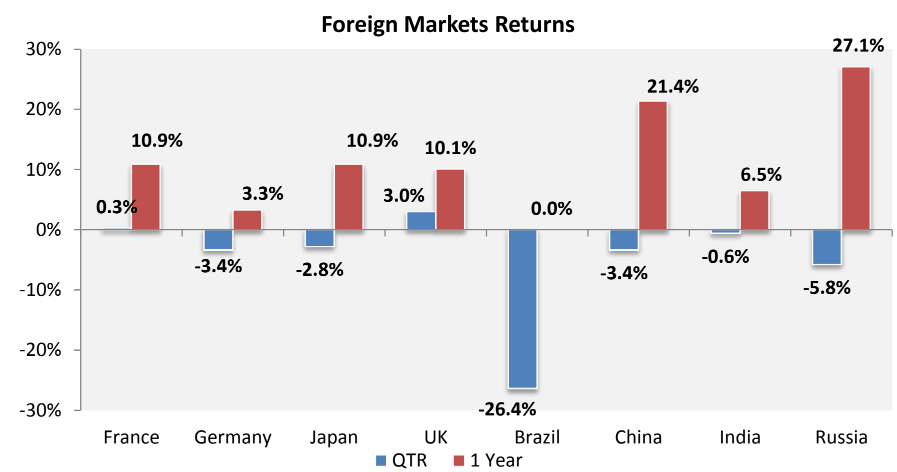
Note: FAANG = FB, AAPL, AMZN, NFLX, GOOG/GOOGL
Source: S&P, BofA Merrill Lynch US Equity & US Quant Strategy

International Equity Market

The U.S. imposition of tariffs on steel, aluminum and the fear of a global trade war dampened global investors' appetite for equities outside the U.S. in Q2. Europe also is contending with the uncertainty regarding multiple events, including the Italian banking crisis, the UK's "Brexit" strategy, immigration, and a slow economic recovery. The MSCI EAFE Index was down 1.2% in Q2 bringing its YTD return down to -2.75%. Many small cap companies outside the US conduct operations primarily in their own domestic markets and may be less export-sensitive, thereby making many of them less sensitive to trade issues. International small cap indices fared a bit better than their large-cap counterparts during the quarter, with the MSCI ex US Small Cap Index down 0.9% in Q2 and down 1.4% year to date. Emerging markets struggled with a strong US Dollar and sold off significantly during the quarter, with the MSCI Emerging Markets index declining 8%.

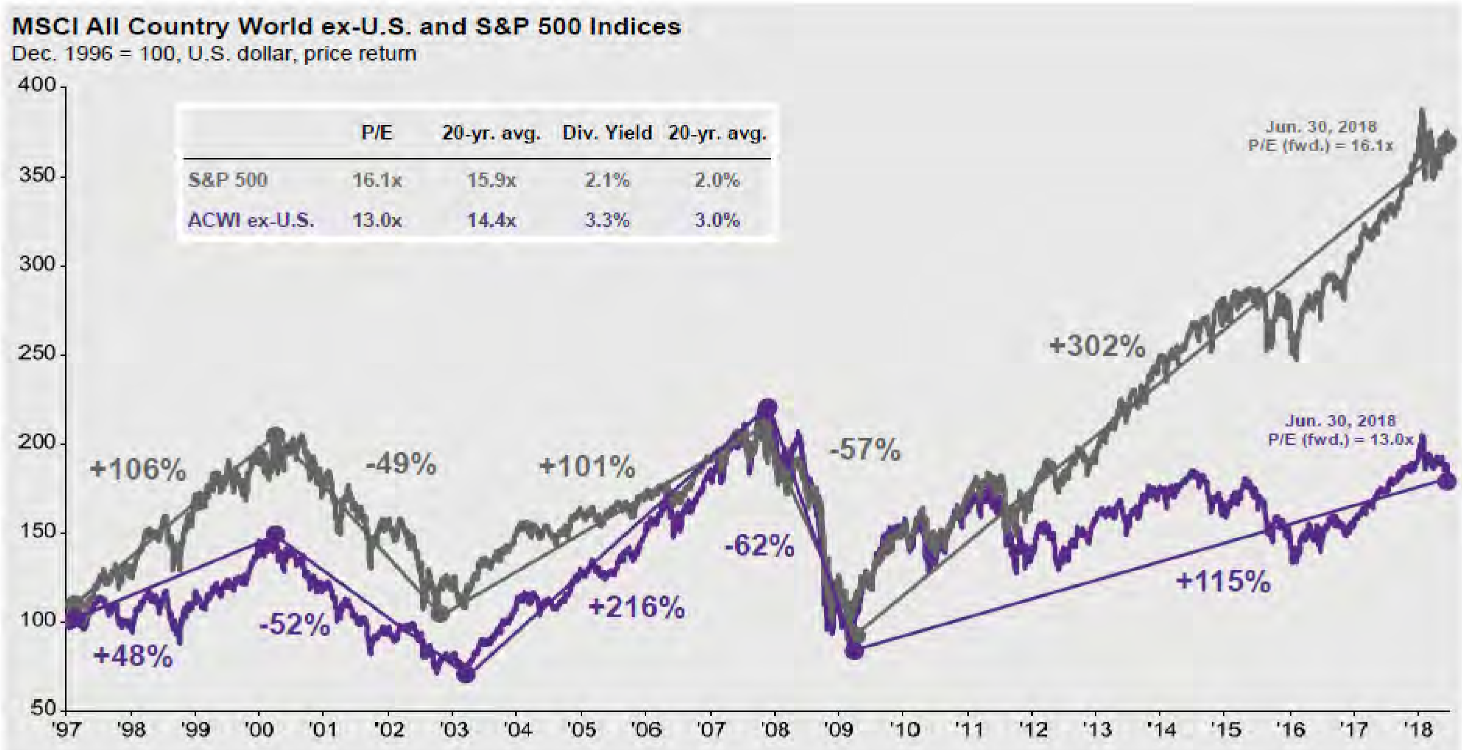
Sector	Index	2Q 18	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
Global	MSCI AC World Index (net)	0.5	-0.4	24.0	7.9	-2.4	4.2	22.8	10.7	8.2	9.4	5.8
	MSCI World Small Cap (net)	1.9	1.5	23.8	11.6	-1.0	1.8	28.7	13.8	9.3	10.8	8.5
	MSCI World ex US (net)	-0.9	-3.8	27.2	4.5	-5.7	-3.9	15.3	7.3	5.1	6.0	2.5
	MSCI World ex US Small Cap (net)	-2.6	-1.4	31.6	3.9	2.6	-4.0	19.7	10.6	7.9	9.0	5.8
Developed ex US	MSCI EAFE (net)	-1.2	-2.8	25.0	1.0	-0.8	-4.9	22.8	6.8	4.9	6.4	2.8
	MSCI EAFE Value (net)	-2.6	-4.6	21.4	5.0	-5.7	-5.4	23.0	4.3	3.3	5.4	2.2
	MSCI EAFE Growth (net)	0.1	-0.9	28.9	-3.0	4.1	-4.4	22.6	9.4	6.4	7.4	3.5
	MSCI EAFE Small Cap (net)	-1.6	-1.3	33.0	2.2	9.6	-5.0	29.3	12.4	10.1	11.3	6.8
Emerging Markets	MSCI Emerging Markets (net)	-8.0	-6.7	37.3	11.2	-14.9	-2.2	-2.6	8.2	5.6	5.0	2.3

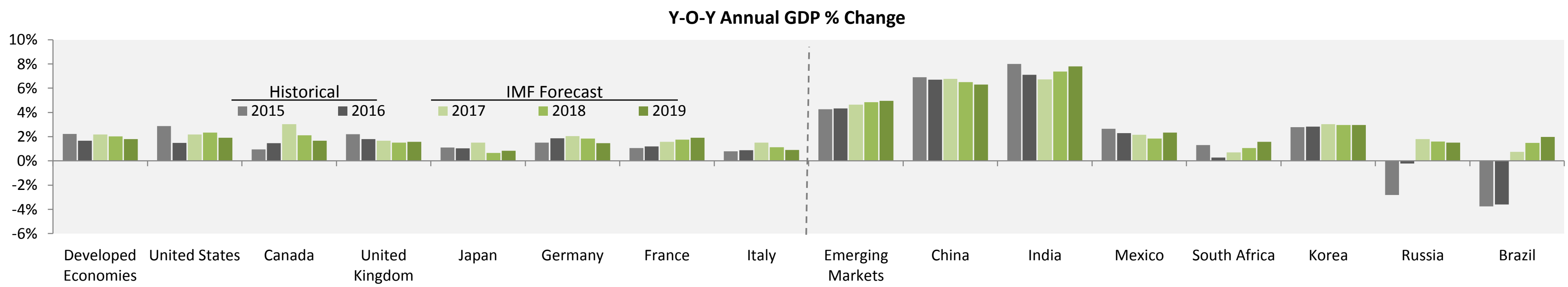




Left chart: The major currencies index is a weighted average of the foreign exchange values of the U.S. dollar against a subset of currencies in the broad index that circulate widely outside the country of issue. The weights are derived from those in the broad index. Source: The Federal Reserve. **Right chart:** Data as of June 30, 2018.

International Equity Market





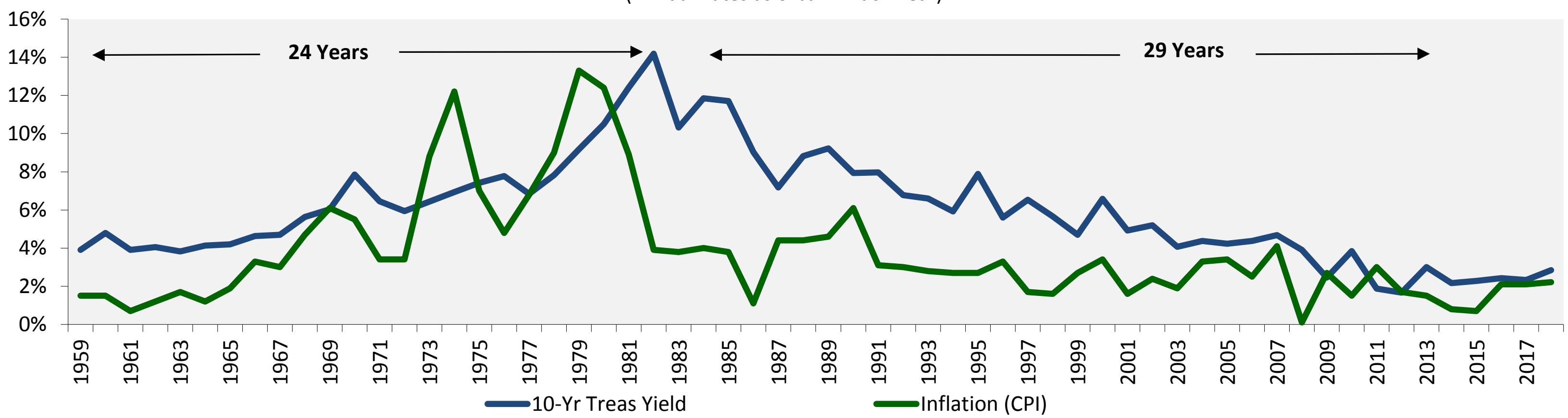
Top chart: Source - MSCI, Standard & Poor's, FactSet, J.P. Morgan Asset Management. **Bottom chart:** Annual percentages of constant price GDP are year-on-year changes; the base year is country-specific. Source: International Monetary Fund, World Economic Outlook Database, October 2017.

U.S. Bond Market

Rising rates both by actions of the Federal Reserve in short-term rates and by market forces in the longer part of the yield curve created a stiff headwind for bonds. The yield curve moved up broadly with two-year maturities moving up 0.64% year-to-date to 2.52%, five-year maturities up 0.52% to 2.73% and 10-year maturities up 0.44% to 2.85%. The 10-year briefly moved above 3.0% during the quarter. Longer duration benchmarks are all negative year-to-date, but short duration high yield fared better. The spread between US Treasuries and investment grade corporate bonds also widened by about 0.14% during the quarter to +1.23%. The Bloomberg Barclays U.S. Intermediate Gov't/Credit index was flat in the 2nd quarter at 0.01%, but is down 0.97% year-to-date. The US Aggregate Index was down 0.16% in the 2nd quarter and is down 1.62% year-to-date. U.S. High Yield Corporate bonds fared much better due to higher coupons and were up 1.03% in the 2nd quarter and are up 0.16% year-to-date.

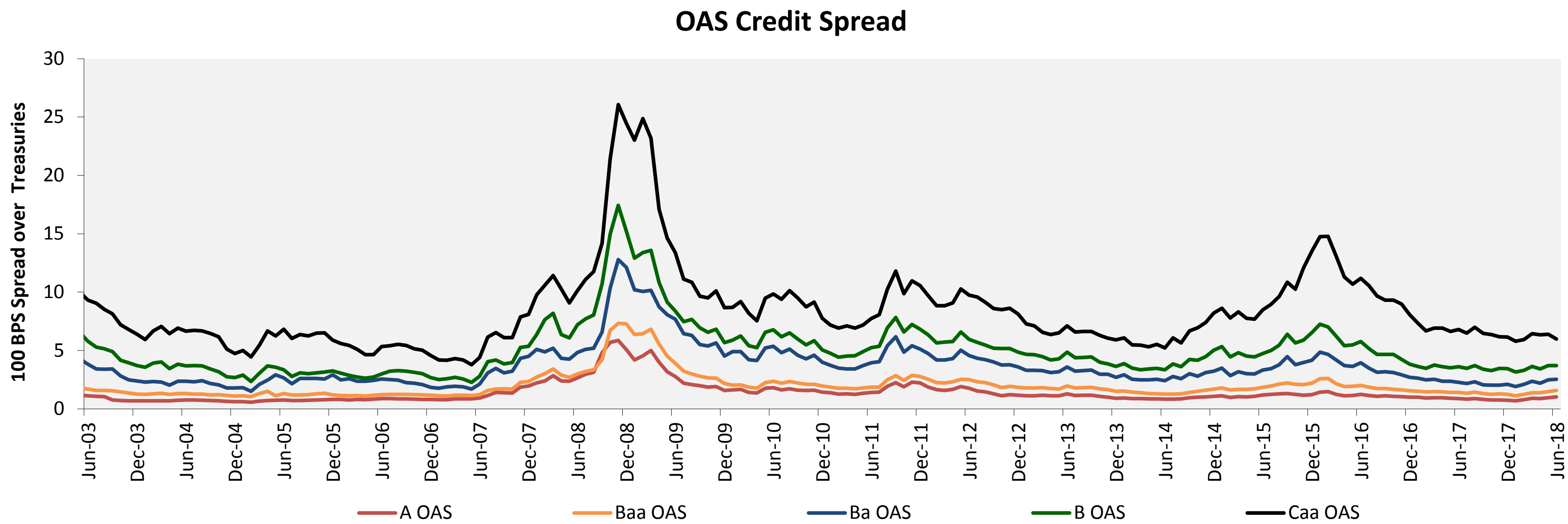
Index	Yield	Duration	2Q 18	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
Bloomberg Barclays Aggregate	3.29	6.3	-0.2	-1.6	3.5	2.7	0.6	6.0	-2.0	-0.4	1.7	2.3	3.7
Bloomberg Barclays Govt/Credit	3.24	6.5	-0.3	-1.9	4.0	3.1	0.2	6.0	-2.4	-0.6	1.8	2.3	3.8
Bloomberg Barclays Int Agg	3.16	4.7	0.1	-1.0	2.3	2.0	1.2	4.1	-1.0	-0.3	1.3	1.8	3.3
Bloomberg Barclays Int Govt/Credit	3.02	4.0	0.0	-1.0	2.1	2.1	1.1	3.1	-0.9	-0.6	1.2	1.6	3.1
Bloomberg Barclays HY Ba/B 2% IC	5.99	4.4	0.6	-0.5	6.9	14.1	-2.7	3.5	6.2	1.8	4.8	5.2	7.5
BofA ML HY Cash Pay BB 1-3 Yr.	4.35	1.7	0.8	0.6	3.6	8.5	1.2	1.9	5.6	1.7	3.8	4.1	6.2
Bloomberg Barclays Mortgage	3.41	6.0	0.2	-1.0	2.5	1.7	1.5	6.1	-1.4	0.2	1.5	2.3	3.5
Bloomberg Barclays Treasury	2.71	6.1	0.1	-1.1	2.3	1.0	0.8	5.1	-2.8	-0.7	1.0	1.5	3.0
Bloomberg Barclays US TIPS	2.95	7.8	0.8	0.0	3.0	4.7	-1.4	3.6	-8.6	2.1	1.9	1.7	3.0
BofA ML 91 day T-Bills	1.78	0.2	0.5	0.8	0.9	0.3	0.1	0.0	0.1	1.4	0.7	0.4	0.4

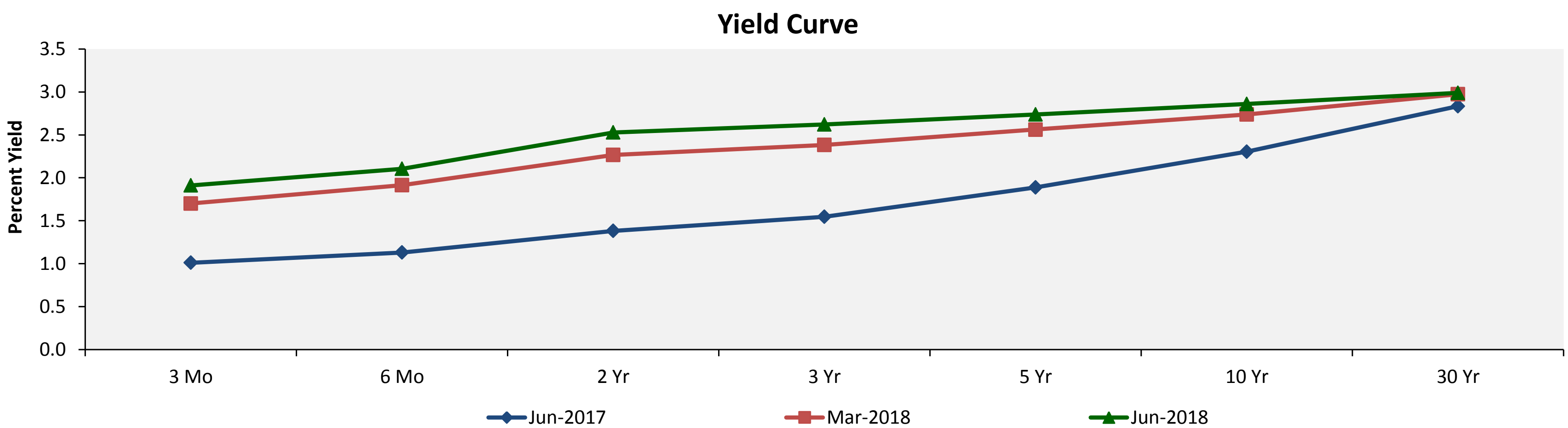
The Last Full Interest Rate Cycle 1958 - 2011
10-Yr Treasury Rate vs. Inflation (CPI)
(Annual Rates as of Jan 1 Each Year)



Source: Bloomberg Barclays

Bond Market





Source: Bloomberg Barclays

Interest Rate Sensitivity

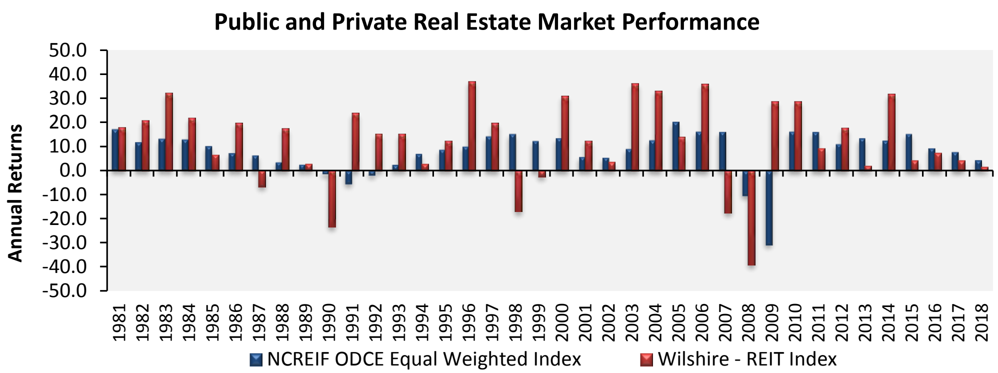
12 Month Holding Period - Annualized Returns as of 6/30/2018							
Yield Change	10 Year Treasury	Bloomberg Barclays Aggregate	Bloomberg Barclays Int Govt/Credit	ML Gov/Corp Master	ML 1-3 yr Gov/Corp	Defensive ML US HY BB/B ND	Short Duration ML US HY BB/B 1-3 yr
(bps)		US Aggregate	US Int Govt/Credit				
-150	15.62	12.77	9.01	12.92	5.58	12.44	7.48
-100	11.36	9.61	7.01	9.70	4.63	10.27	6.64
-50	7.11	6.45	5.02	6.49	3.69	8.11	5.81
-25	4.98	4.87	4.02	4.88	3.21	7.02	5.39
0	2.85	3.29	3.02	3.27	2.74	5.94	4.97
25	0.72	1.71	2.02	1.66	2.27	4.86	4.55
50	-1.41	0.13	1.03	0.06	1.80	3.78	4.14
100	-5.66	-3.03	-0.97	-3.16	0.85	1.61	3.30
150	-9.92	-6.19	-2.97	-6.38	-0.09	-0.56	2.47
200	-14.17	-9.35	-4.96	-9.59	-1.04	-2.72	1.63
250	-18.43	-12.51	-6.96	-12.81	-1.99	-4.89	0.80
300	-22.68	-15.67	-8.95	-16.02	-2.93	-7.05	-0.04
350	-26.94	-18.83	-10.95	-19.24	-3.88	-9.22	-0.88
400	-31.19	-21.99	-12.94	-22.45	-4.82	-11.38	-1.71
450	-35.45	-25.15	-14.94	-25.67	-5.77	-13.55	-2.55
500	-39.70	-28.31	-16.93	-28.88	-6.71	-15.71	-3.38
Duration	8.51	6.32	3.99	6.43	1.89	4.33	1.67

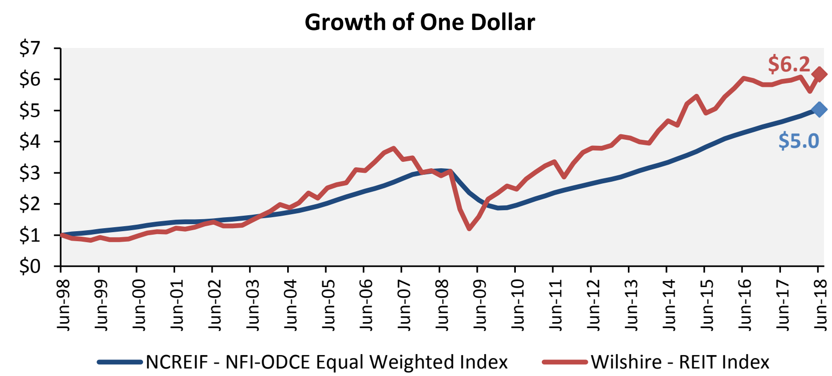
FOR ILLUSTRATIVE PURPOSES ONLY: For each index the current yield to worst as of 6/30/2018 was used as the base case annualized return. The annualized return sensitivity to a uniform increase or decrease in the yield curve was calculated by taking the index's Macaulay's (Modified) Duration to Worst as of 6/30/2018 multiplied by the percentage point change in the yield curve (basis point change divided by 100) and then appropriately adding or subtracting this implied percentage change in the value of the index (due to the shift in the yield curve) to the base case annualized return. This is a rough approximation of the annual return sensitivity to parallel shifts in the yield curve. **SOURCE:** PENN Capital Internal Research.

Real Estate Market

Real estate, as an asset class, recovered strongly since 2009 and achieved new highs in market value since before the crisis. Coupled with attractive income, total returns from income have been very strong, both absolutely and in comparison to other asset classes. However, one of the major components of return from this cycle, cap rate compression, has probably run its course. While cap rates could go modestly lower, real estate returns will now depend on income for the majority of total return. Income returns of approximately 5% and appreciation of 1-3%, indicate an expected total return of 6-8% for the longer term. The income return of 5% is relatively attractive when compared against other asset classes. Unless interest rates rise substantially, the income component of real estate will continue to be appealing to investors, especially foreign investors, and keep valuations at high levels. PREA forecast returns show moderation from that of recent years but are still desirable.

Sector	Index	2Q 18	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
US Private	NCREIF ODCE Equal Weighted	2.1	4.3	7.7	9.3	15.2	12.4	13.3	8.5	9.6	11.1	5.1
US Public	Wilshire REIT	9.7	1.5	4.2	7.2	4.2	31.8	1.9	3.9	7.8	8.4	7.8





	Total return (incl. income) 2018	Total return (incl. income) 2019	Total return (incl. income) 2020	Total return (incl. income) 2018 to 2022 (per year)
National, All Property Types (NPI)	6.2	5.0	4.4	5.2
Office	5.8	4.3	3.3	4.5
Retail	4.6	4.2	3.8	4.5
Industrial	9.5	6.6	5.4	6.6
Apartment	5.8	4.9	4.4	5.2

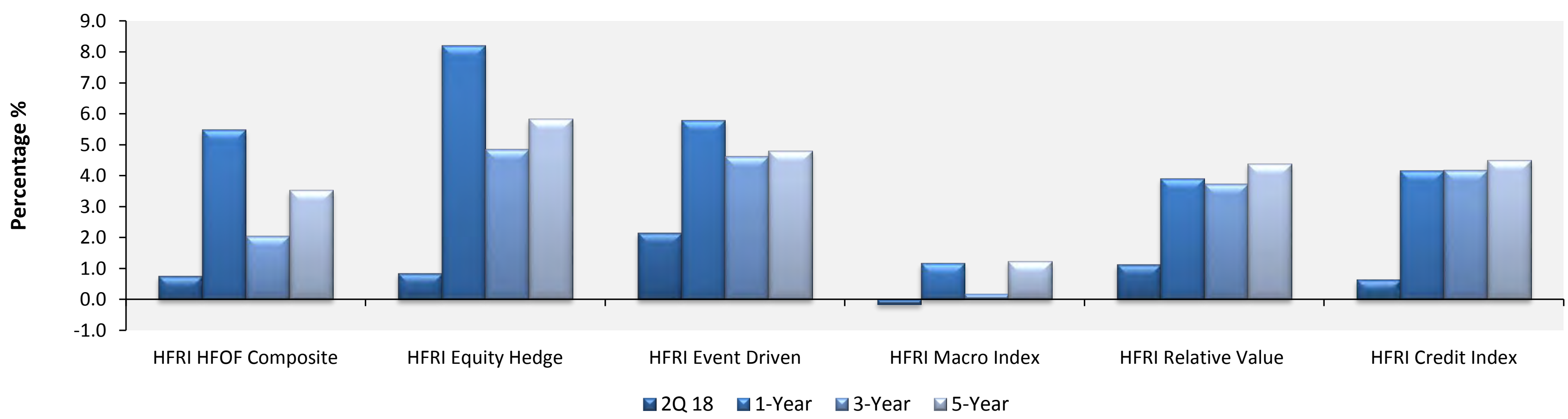
Bottom chart: Average of respondents' forecasts of the NCREIF Property Index (NPI) and sub-indices by property type. **Source:** Pension Real Estate Association Consensus Forecast Survey of the NCREIF Property Index Q2 2018.

Hedge Fund of Funds Market

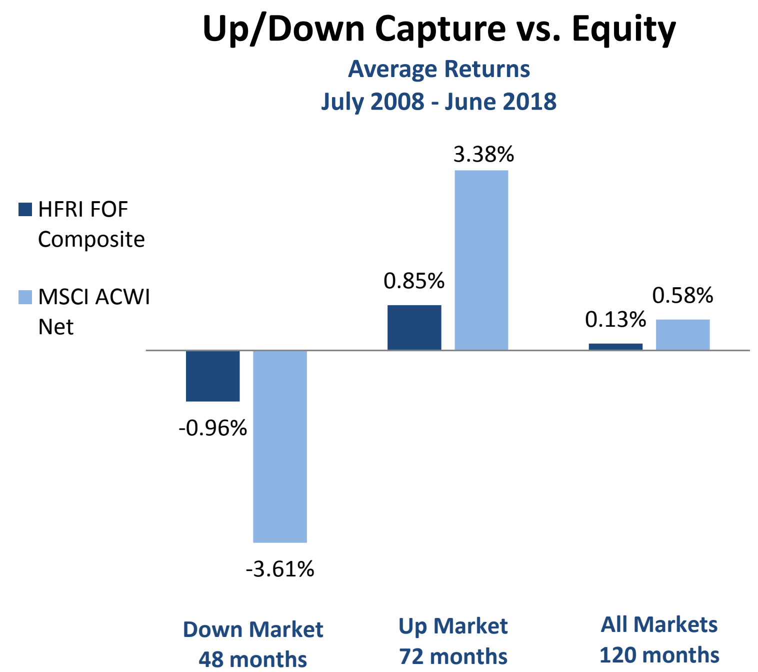
During the second quarter and first half of 2018, hedge fund strategies were broadly positive, though somewhat lackluster. The HFRI Fund of Funds Composite has risen 1% YTD through June, providing a diversification benefit to investment grade fixed income portfolios, which are broadly negative this year. Event driven strategies were the best performer in Q2 and the first half of 2018, driven by record-high global M&A activity. Gains were broad based among activist, merger arbitrage and distressed sub-strategies. Q2 saw a slowdown in market volatility following a spike in February, and US equity markets churned higher while their counterparts abroad were broadly negative. This led to mixed results for long/short equity strategies, which remain positive (+1.2%) YTD through June. Global macro is the lone negatively-performing strategy YTD shown in the table below. Macro strategies vary widely by manager, but generally the strategy has been hurt by macro uncertainties from the developing trade wars and broadly declining commodity prices (ex-energy) this year.

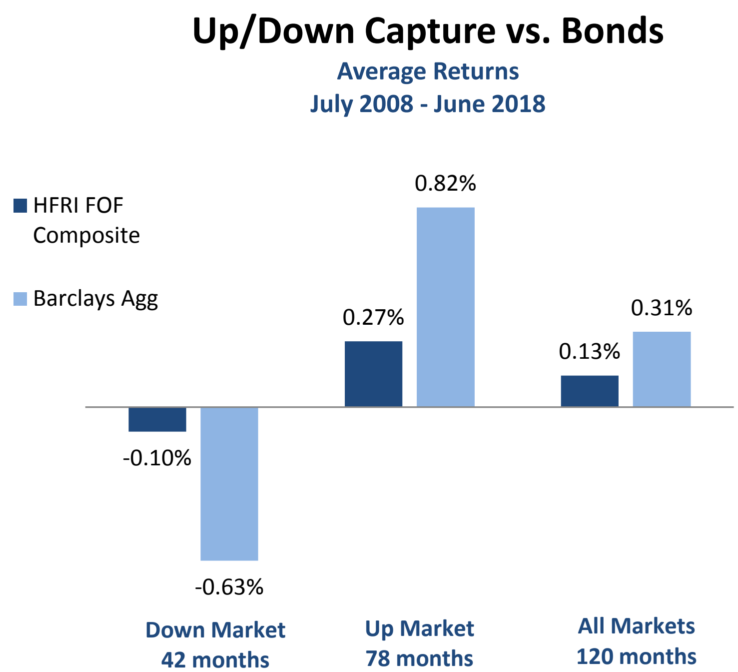
Strategy	Index	2Q 18	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
Fund of Funds	HFRI HFOF Composite	0.8	1.0	7.8	0.5	-0.3	3.4	9.0	5.5	2.1	3.5	1.4
Equity Long-Short	HFRI Equity Hedge	0.9	1.2	13.3	5.5	-1.0	1.8	14.3	8.2	4.9	5.8	3.7
Event Driven	HFRI Event Driven	2.2	2.3	7.6	10.6	-3.6	1.1	12.5	5.8	4.6	4.8	4.7
Global Macro	HFRI Macro Index	-0.2	-1.8	2.2	1.0	-1.3	5.6	-0.4	1.2	0.2	1.2	1.1
Relative Value	HFRI Relative Value	1.1	1.5	5.1	7.7	-0.3	4.0	7.1	3.9	3.7	4.4	5.1
Credit	HFRI Credit Index	0.6	1.5	6.0	8.6	-1.0	3.0	9.0	4.2	4.2	4.5	5.4

Hedge Fund Strategy Performance



Hedge Fund of Funds Market





FELRA and UFCW Benefit Funds

VEBA, Severance, Scholarship and Legal Funds

Master Consulting Services Report

Period Ending

June 30, 2018

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Summary of Cash Flows

	Second Quarter	Year-To-Date	One Year	Three Years	Inception 1/1/13
Beginning Market Value	$29,597,756	$25,000,797	$31,782,679	$67,981,152	$56,700,141
Net Cash Flow	-$7,574,314	-$2,941,520	-$10,707,036	-$51,836,327	-$47,562,773
Net Investment Change	$229,257	$193,423	$1,177,056	$6,107,874	$13,115,331
Ending Market Value	$22,252,699	$22,252,699	$22,252,699	$22,252,699	$22,252,699

- Total assets represent the combined value of the VEBA, Severance, Scholarship and Legal Funds.
- Fiscal year end is 12/31.

Asset Allocation
As of June 30, 2018

	Current	%
Domestic Equity	$3,170,370	14.2%
Investment Grade Fixed Income	$5,997,810	27.0%
Short Duration High Yield Fixed Income	$2,909,266	13.1%
Real Estate	$2,875,700	12.9%
Cash	$7,244,043	32.6%
HFOF/Cash	$55,510	0.2%
Total	**$22,252,699**	**100.0%**

Note: HFOF/Cash is comprised of Meridian MDEF and Segregated Funds per the Fund's PNC statement.

Performance Summary (Gross of Fees)

	Market Value	% of Portfolio	2018 Q2	YTD	1 Yr	3 Yrs	Inception	Inception Date
			Ending June 30, 2018					
Composite	**$22,252,699**	**100.0%**	**0.8%**	**0.8%**	**3.9%**	**4.2%**	**4.3%**	**Jan-13**
Total Fund Domestic Equity	**$3,170,370**	**14.2%**	**3.9%**	**3.3%**	**14.8%**	**11.6%**	**13.4%**	**Jan-13**
CRSP US Total Market TR USD			*3.9%*	*3.3%*	*14.8%*	*11.6%*	*14.7%*	*Jan-13*
S&P 500			*3.4%*	*2.6%*	*14.4%*	*11.9%*	*14.8%*	*Jan-13*
Total Fund Investment Grade Fixed Income	**$5,997,810**	**27.0%**	**0.1%**	**-0.8%**	**-0.1%**	**1.5%**	**1.9%**	**Jan-13**
Custom Benchmark			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.3%*	*Jan-13*
Total Short Duration High Yield Fixed Income	**$2,909,266**	**13.1%**	**0.5%**	**0.4%**	**2.4%**	**3.2%**	**3.2%**	**Sep-14**
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*3.8%*	*Sep-14*
Total Fund Real Estate	**$2,875,700**	**12.9%**	**2.0%**	**3.4%**	**8.1%**	**8.6%**	**10.0%**	**Jan-13**
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.3%*	*Jan-13*
Total Fund Cash	**$7,244,043**	**32.6%**	**0.3%**	**0.6%**	**1.4%**	**0.6%**	**0.3%**	**Jan-13**
Total Fund HFOF/Cash	**$55,510**	**0.2%**						

- February 1, 2015 represents the inception of the Policy and investment manager structure for each Fund.
- Investment performance represents the actual results of the combined assets of the VEBA, Severance, Scholarship and Legal Funds.

Summary of Cash Flows

	Second Quarter	Year-To-Date	One Year	Three Years
Beginning Market Value	$25,200,193	$23,318,479	$28,041,118	$61,295,249
Net Cash Flow	-$6,461,069	-$4,542,340	-$10,214,867	-$48,228,074
Net Investment Change	$217,243	$180,229	$1,130,116	$5,889,193
Ending Market Value	$18,956,368	$18,956,368	$18,956,368	$18,956,368

Ending June 30, 2018

	Market Value	% of Portfolio	2018 Q2	YTD	1 Yr	3 Yrs	Inception	Inception Date
Total VEBA Fund	**$18,956,368**	**100.0%**	**0.8%**	**0.7%**	**4.0%**	**4.4%**	**4.2%**	**Jan-13**
Domestic Equity	$3,159,316	16.7%	3.9%	3.3%	14.9%	11.6%	13.3%	Jan-13
CRSP US Total Market TR USD			*3.9%*	*3.3%*	*14.8%*	*11.6%*	*14.7%*	*Jan-13*
S&P 500			*3.4%*	*2.6%*	*14.4%*	*11.9%*	*14.8%*	*Jan-13*
Core Bond	$4,257,562	22.5%	0.1%	-0.7%	-0.1%	1.5%	1.8%	Jan-13
Custom Benchmark			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.3%*	*Jan-13*
Short Duration Hi Yield Bond	$2,185,610	11.5%	0.5%	0.5%	2.4%	3.3%	3.1%	Nov-14
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*3.8%*	*Nov-14*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.8%*	*0.7%*	*2.0%*	*4.0%*	*3.9%*	*Nov-14*
Real Estate	$2,790,496	14.7%	2.0%	3.4%	8.1%	8.6%	9.0%	Dec-14
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*10.4%*	*Dec-14*
VEBA Cash	$6,563,384	34.6%	0.2%	0.5%	1.2%	0.6%	0.3%	Jan-13
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*Jan-13*

Note: Allocations are based on data from the PNC custody statements.

Allocation vs. Policy

	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
U.S. Large Cap Equity	$3,159,316	16.7%	25.0%	5.0% - 50.0%	-8.3%	-$1,579,776
Investment Grade Fixed Income	$4,257,562	22.5%	40.0%	20.0% - 80.0%	-17.5%	-$3,324,985
Short Duration Hi Yield	$2,185,610	11.5%	20.0%	10.0% - 40.0%	-8.5%	-$1,605,663
Real Estate	$2,790,496	14.7%	10.0%	0.0% - 20.0%	4.7%	$894,859
Cash	$6,563,384	34.6%	5.0%	0.0% - 25.0%	29.6%	$5,615,565
Total	**$18,956,368**	**100.0%**	**100.0%**			

Note: Due to the timing and size of the contributions and withdrawals, the Fund's allocations may vary widely from the stated policy.

- Asset allocation reviews were provided for July 18, 2014; August 29, 2014 and April 10, 2015 Policy Committee meeting.
- In January and February 2017, $9.5M was transferred to cash from SDHY ($2.375M), domestic equity ($2.850M), and Core Bonds ($4.275M).
- In April, May and June 2017, $18M was transferred to cash from SDHY ($4.4M), domestic equity ($5.5M), and Core Bonds ($8.1M).
- In July, August and September 2017, $2.2M was transferred to cash from SDHY ($550,000), domestic equity ($660,000), and Core Bonds ($990,000).
- To rebalance closer to targets, a $2M redemption request was submitted to American Realty Advisors (real estate) effective September 30, 2017. Redemption occurred on October 1, 2017 and was transferred to cash.
- In November and December 2017, $700,000 was transferred to cash from SDHY ($50,000), domestic equity ($600,000), and Core Bonds ($50,000).
- In January and February 2018, $3M was transferred to cash from SDHY ($750,000), domestic equity ($900,000), and Core Bonds ($1.35M).
- In April 2018, $3.5M was transferred to cash from SDHY ($875,000), core bonds ($1.575M), and large cap equity ($1.05M).
- In June 2018, $2.0M was transferred to cash from SDHY ($460,000), core bonds ($900,000), and large cap equity ($640,000).

Recommendations: The Fund's cash allocation is high due to the timing of contributions and withdrawals and is expected to rebalance within the permitted Policy Range.

Summary of Cash Flows

	Second Quarter	Year-To-Date	One Year	Three Years
Beginning Market Value	$3,742,122	$991,478	$3,149,805	$5,859,749
Net Cash Flow	-$1,102,999	$1,645,311	-$538,049	-$3,380,486
Net Investment Change	$8,953	$11,287	$36,320	$168,813
Ending Market Value	$2,648,076	$2,648,076	$2,648,076	$2,648,076

	Ending June 30, 2018							
	Market Value	% of Portfolio	2018 Q2	YTD	1 Yr	3 Yrs	Inception	Inception Date
Total Severance Fund	**$2,648,076**	**100.0%**	**0.3%**	**0.4%**	**1.3%**	**1.8%**	**3.8%**	**Jan-13**
Core Bond	$1,465,601	55.3%	0.1%	-0.8%	-0.2%	1.5%	1.8%	Jan-13
Custom Benchmark			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.3%*	*Jan-13*
Short Duration High Yield	$681,637	25.7%	0.5%	0.5%	2.4%	3.2%	3.2%	Sep-14
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*3.8%*	*Sep-14*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.8%*	*0.7%*	*2.0%*	*4.0%*	*4.0%*	*Sep-14*
HFOF/Cash	$55,510	2.1%						
Severance Cash	$445,328	16.8%	0.5%	0.7%	1.1%	0.5%	0.3%	Jan-13
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*Jan-13*

Note: Allocations are based on data from the PNC custody statements.

Allocation vs. Policy

	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
Investment Grade Fixed Income	$1,465,601	55.3%	65.0%	10.0% - 80.0%	-9.7%	-$255,648
Short Duration High Yield	$681,637	25.7%	30.0%	15.0% - 60.0%	-4.3%	-$112,786
HFOF/Cash	$55,510	2.1%	--	--	2.1%	$55,510
Cash	$445,328	16.8%	5.0%	0.0% - 40.0%	11.8%	$312,924
Total	**$2,648,076**	**100.0%**	**100.0%**			

Note: HFOF/Cash is comprised of Meridian MDEF and Segregated Funds per the Fund's PNC Statement.

- Due to the timing and size of the contributions and withdrawals, the Fund's allocations may vary widely from the stated policy.

Asset Allocation - UFCW and FELRA Severance

- In January 2017, $1.2M was transferred to cash from SDHY ($406,000), HFoF/Cash ($39,000), and core bonds ($755,000).
- In February 2017, $2.0M was transferred from cash to SDHY ($800,000) and core bonds ($1.2M).
- In June 2017, $416,734 was transferred to cash from SDHY ($140,000), HFoF/Cash ($16,734), and core bonds ($260,000).
- In July, August, and September 2017, $500,000 was transferred to cash from SDHY ($195,000) and core bonds ($305,000).
- In October, November, and December 2017, $1.2M was transferred to cash from SDHY ($475,000) and Core Bonds ($725,000).
- In January 2018, $500,00 was transferred to cash from SDHY ($175,000) and core bonds ($325,000).
- In February 2018, $2.09M was transferred from cash to SDHY ($660,000) and core bonds ($1.43M).
- In April 2018, $38,865 was transferred to cash from HFoF/Cash.

Recommendations: None.

Summary of Cash Flows

	Second Quarter	Year-To-Date	One Year	Three Years
Beginning Market Value	$218,450	$232,593	$268,210	$381,022
Net Cash Flow	-$16,509	-$31,189	-$73,504	-$212,955
Net Investment Change	$2,272	$2,808	$9,506	$36,146
Ending Market Value	$204,212	$204,212	$204,212	$204,212

Ending June 30, 2018

	Market Value	% of Portfolio	2018 Q2	YTD	1 Yr	3 Yrs	Inception	Inception Date
Total Scholarship Fund	**$204,212**	**100.0%**	**1.1%**	**1.4%**	**4.1%**	**4.2%**	**6.5%**	**Jan-13**
Domestic Equity	$11,054	5.4%	3.9%	3.3%	14.9%	11.6%	13.3%	Jan-13
CRSP US Total Market TR USD			*3.9%*	*3.3%*	*14.8%*	*11.6%*	*14.7%*	*Jan-13*
S&P 500			*3.4%*	*2.6%*	*14.4%*	*11.9%*	*14.8%*	*Jan-13*
Core Bond	$48,270	23.6%	0.1%	-0.8%	-0.1%	1.5%	1.9%	Jan-13
Custom Benchmark			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.3%*	*Jan-13*
Short Duration Hi Yield Fund	$42,019	20.6%	0.5%	0.5%	2.4%	3.3%	3.1%	Nov-14
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*3.8%*	*Nov-14*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.8%*	*0.7%*	*2.0%*	*4.0%*	*3.9%*	*Nov-14*
Real Estate	$85,204	41.7%	2.0%	3.4%	8.1%	8.6%	9.8%	Jan-13
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.3%*	*Jan-13*
Scholarship Cash	$17,665	8.7%	0.3%	0.5%	0.9%	0.4%	0.2%	Jan-13
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*Jan-13*

Note: Allocations are based on data from the PNC custody statements.

Allocation vs. Policy

	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
U.S. Large Cap Equity	$11,054	5.4%	10.0%	2.5% - 20.0%	-4.6%	-$9,367
Investment Grade Fixed Income	$48,270	23.6%	40.0%	20.0% - 80.0%	-16.4%	-$33,415
Short Duration Hi Yield Fund	$42,019	20.6%	30.0%	5.0% - 60.0%	-9.4%	-$19,245
Real Estate	$85,204	41.7%	20.0%	0.0% - 40.0%	21.7%	$44,362
Cash	$17,665	8.7%	--	--	8.7%	$17,665
Total	**$204,212**	**100.0%**	**100.0%**			

- Due to the timing and size of the contributions and withdrawals, the Fund's allocations may vary widely from the stated policy.

Asset Allocation - UFCW and FELRA Scholarship

- In January 2017, $25,000 was transferred to cash from core bonds ($15,000) and SDHY ($10,000).
- In June 2017, $25,000 was transferred to cash from core bonds ($12,500) and SDHY ($12,500).
- In September 2017, $10,000 was transferred to cash from core bonds ($5,000) and SDHY ($5,000).
- In November and December 2017, $20,000 was transferred to cash from SDHY ($10,000) and core bonds ($10,000).
- In May 2018, $25,000 was transferred to cash from SDHY ($10,500), core bonds ($12,000), and large cap equity ($2,500).

Recommendations: None. As of July 31, 2018, the Fund's allocation is within Policy Range.

Summary of Cash Flows

	Second Quarter	Year-To-Date	One Year	Three Years
Beginning Market Value	$436,991	$458,242	$323,542	$445,129
Net Cash Flow	$6,263	-$13,302	$119,383	-$15,120
Net Investment Change	$791	-$896	$1,119	$14,035
Ending Market Value	$444,044	$444,044	$444,044	$444,044

Ending June 30, 2018

	Market Value	% of Portfolio	2018 Q2	YTD	1 Yr	3 Yrs	Inception	Inception Date
Total Legal Fund	**$444,044**	**100.0%**	**0.2%**	**0.2%**	**0.8%**	**1.1%**	**0.8%**	**Jan-13**
Core Bond	$226,378	51.0%	0.1%	-0.8%	-0.2%	1.5%	1.9%	Jan-13
Custom Benchmark			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.3%*	*Jan-13*
Legal Cash	$217,667	49.0%	0.2%	0.4%	0.7%	0.3%	0.2%	Jan-13
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*Jan-13*

Note: Allocations are based on data from the PNC custody statements.

Allocation vs. Policy

	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
Investment Grade Fixed Income	$226,378	51.0%	100.0%	30.0% - 100.0%	-49.0%	-$217,667
Cash	$217,667	49.0%	--	--	49.0%	$217,667
Total	**$444,044**	**100.0%**	**100.0%**			

Note:Due to the timing and size of the contributions and withdrawals, the Fund's allocations may vary widely from the stated policy.

Asset Allocation - UFCW and FELRA Legal Benefits Fund

Recommendations: None.

Performance Summary (Gross of Fees)

			Ending June 30, 2018					
	Market Value	% of Portfolio	2018 Q2	YTD	1 Yr	3 Yrs	Inception	Inception Date
Composite	**$22,252,699**	**100.0%**	**0.8%**	**0.8%**	**3.9%**	**4.2%**	**4.3%**	**Jan-13**
Total Fund Domestic Equity	**$3,170,370**	**14.2%**	**3.9%**	**3.3%**	**14.8%**	**11.6%**	**13.4%**	**Jan-13**
CRSP US Total Market TR USD			*3.9%*	*3.3%*	*14.8%*	*11.6%*	*14.7%*	*Jan-13*
S&P 500			*3.4%*	*2.6%*	*14.4%*	*11.9%*	*14.8%*	*Jan-13*
Vanguard U.S. Stock Market Index Fund	$3,170,370	14.2%	3.9%	3.3%	14.8%	11.6%	10.7%	Nov-14
CRSP US Total Market TR USD			*3.9%*	*3.3%*	*14.8%*	*11.6%*	*10.7%*	*Nov-14*
Total Fund Investment Grade Fixed Income	**$5,997,810**	**27.0%**	**0.1%**	**-0.8%**	**-0.1%**	**1.5%**	**1.9%**	**Jan-13**
Custom Benchmark			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.3%*	*Jan-13*
Segall, Bryant and Hamill	$5,997,810	27.0%	0.1%	-0.8%	-0.1%	1.5%	1.9%	Jan-13
Custom Benchmark			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.3%*	*Jan-13*
Total Short Duration High Yield Fixed Income	**$2,909,266**	**13.1%**	**0.5%**	**0.4%**	**2.4%**	**3.2%**	**3.2%**	**Sep-14**
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*3.8%*	*Sep-14*
Chartwell Investment Partners Short Duration High Yield	$2,909,266	13.1%	0.5%	0.4%	2.4%	3.2%	3.2%	Sep-14
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*3.8%*	*Sep-14*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.8%*	*0.7%*	*2.0%*	*4.0%*	*4.0%*	*Sep-14*
Total Fund Real Estate	**$2,875,700**	**12.9%**	**2.0%**	**3.4%**	**8.1%**	**8.6%**	**10.0%**	**Jan-13**
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.3%*	*Jan-13*
American Realty Advisors	$2,875,700	12.9%	2.0%	3.4%	8.1%	8.6%	10.0%	Jan-13
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.3%*	*Jan-13*

Performance Summary (Gross of Fees)

	Market Value	% of Portfolio	Ending June 30, 2018 2018 Q2	YTD	1 Yr	3 Yrs	Inception	Inception Date
Total Fund Cash	**$7,244,043**	**32.6%**	**0.3%**	**0.6%**	**1.4%**	**0.6%**	**0.3%**	**Jan-13**
VEBA Cash	$6,563,384	29.5%	0.2%	0.5%	1.2%	0.6%	0.3%	Jan-13
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*Jan-13*
Severance Cash	$445,328	2.0%	0.5%	0.7%	1.1%	0.5%	0.3%	Jan-13
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*Jan-13*
Scholarship Cash	$17,665	0.1%	0.3%	0.5%	0.9%	0.4%	0.2%	Jan-13
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*Jan-13*
Legal Cash	$217,667	1.0%	0.2%	0.4%	0.7%	0.3%	0.2%	Jan-13
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*Jan-13*
Total Fund HFOF/Cash	**$55,510**	**0.2%**						
Meridian MDF Special Investments	$55,510	0.2%						

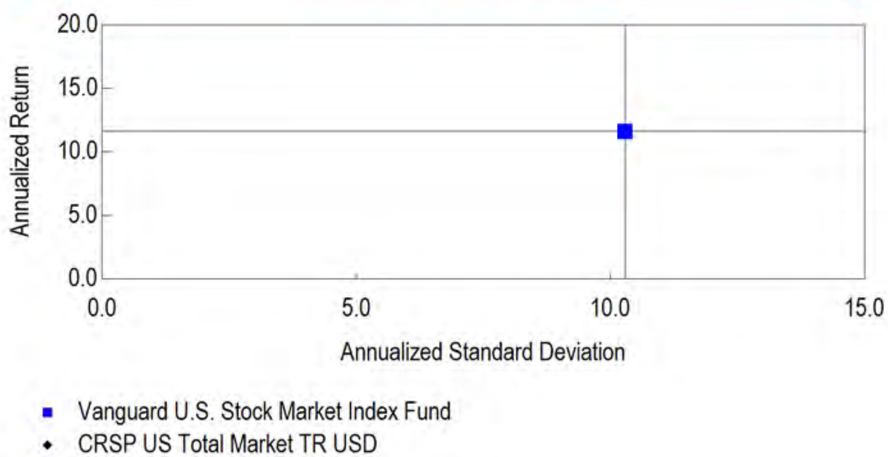
Account Information	
Account Name	**Vanguard U.S. Stock Market Index Fund**
Account Structure	**Mutual Fund**
Investment Style	**Passive**
Inception Date	**11/01/14**
Account Type	**Equity**
Benchmark	**CRSP US Total Market TR USD**
Universe	

Vanguard U.S. Stock Market Index Fund

June 30, 2018

	Second Quarter	**Inception 11/1/14**
Beginning Market Value	$4,742,333	--
Net Cash Flow	-$1,692,500	-$503,430
Net Investment Change	$120,537	$3,673,800
Ending Market Value	$3,170,370	$3,170,370

Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2018



3 Years Ending June 30, 2018	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Vanguard U.S. Stock Market Index Fund	11.6%	10.3%	100.0%	100.0%
CRSP US Total Market TR USD	11.6%	10.3%	100.0%	100.0%

	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	Calendar Years 2017	2016	2015	2014	2013	Inception	Inception Date
Vanguard U.S. Stock Market Index Fund	3.9%	3.3%	14.8%	11.6%	--	21.2%	12.7%	0.4%	--	--	10.7%	Nov-14
CRSP US Total Market TR USD	*3.9%*	*3.3%*	*14.8%*	*11.6%*	*--*	*21.2%*	*12.7%*	*0.4%*	*--*	*--*	*10.7%*	*Nov-14*

Note: Returns are gross of fees.

FELRA & UFCW Benefit Funds - Vanguard U.S. Stock Market Index Fund

Manager Summary

Recommendation: None.

Compliance Summary

Mutual Fund not monitored for compliance by Investment Performance Services.

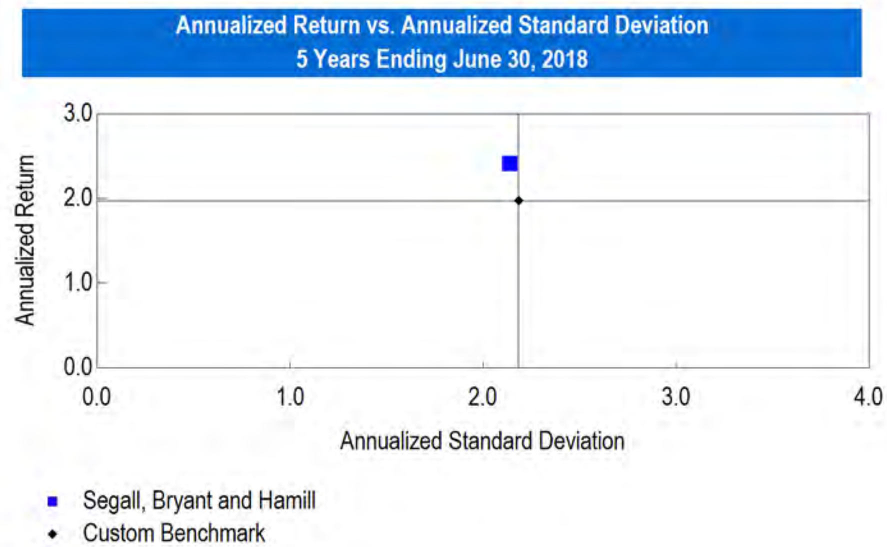
Account Information

Account Name	**Segall, Bryant and Hamill**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**1/01/13**
Account Type	**US Fixed Income**
Benchmark	**Custom Benchmark**
Universe	

Segall, Bryant and Hamill

June 30, 2018

	Second Quarter	Inception 1/1/13
Beginning Market Value	$8,478,860	$11,361,650
Net Cash Flow	-$2,487,000	-$7,013,101
Net Investment Change	$5,950	$1,649,260
Ending Market Value	$5,997,810	$5,997,810



3 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Segall, Bryant and Hamill	1.5%	1.9%	102.1%	88.3%
Custom Benchmark	1.2%	2.0%	100.0%	100.0%

5 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Segall, Bryant and Hamill	2.4%	2.1%	102.8%	84.4%
Custom Benchmark	2.0%	2.2%	100.0%	100.0%

						Calendar Years						
	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Inception	Inception Date
Segall, Bryant and Hamill	0.1%	-0.8%	-0.1%	1.5%	2.4%	2.4%	2.2%	1.3%	5.9%	-0.5%	1.9%	Jan-13
Custom Benchmark	*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*2.0%*	*2.1%*	*2.1%*	*1.1%*	*5.2%*	*-2.0%*	*1.3%*	*Jan-13*

Note: Returns are gross of fees.

FELRA & UFCW Benefit Funds - Segall Bryant and Hamill

Manager Summary

- IPS conducted due diligence meetings with Segall Bryant and Hamill on January 19, 2016 and June 7, 2017.
- IPS conducted on-site due diligence meetings with Segall Bryant and Hamill on June 20, 2017 and August 28, 2018.

Recommendation: None.

Compliance Summary

Exception #1: Investment Objectives and Guidelines states: Fixed income securities must be rated at least BBB-Baa3/BBB- or higher by Fitch, Moody's or Standard & Poor's. If a security is rated by all three agencies, two of the agencies must rate the security BBB- or Baa3 or above at the time of purchase. If only two of the rating agencies rate a security, the lower rating applies. If only one of the rating agencies rates a security, that rating will apply. If a security's rating falls below BBB-/Baa3/BBB-, the fixed income manager will immediately notify the trustees in writing of the event and describe its plan for dealing with the security. Should the manager decide to continue to hold the downgraded issue, the manager will report to the Trustees no less than quarterly in writing as to the status of the security and keep the Trustees fully informed of the improvement/deterioration of the valuation as well as to any change in their recommendation.

Four inherited bonds held as of 6/30/2018 are currently below investment grade with a total market value of $4,815 (0.08% of the portfolio) and two bonds is in default with a total market value of $771 (0.01% of the portfolio).

Manager Response Summary: The manager provided a table with the inherited bonds that are currently below investment grade and in default in an email dated August 30, 2018. The manager stated Countrywide Home Loans, First Horizon Alternative MT, and GMAC Mortgage CORP Loan are currently being monitored for sale and have not received an adequate bid. Twin Reefs Pass-Through securities are in strategic reorganization and the status of securities is uncertain. The manager noted they have received DPS 144 A Washington Mutual stock from Washington Mutual Series 2006-AR8 class 1A5 5.942% due 08/25/2046 out of escrow and have sold the shares. The manager noted they may receive additional shares. The manager noted that eight bonds have paid down and are no longer in the manager's portfolio. SBH has contacted the custodian who stated the bonds have fully paid down, however DTC has not received notice of a final pay down. This is typical when the underlying company intends to make future cash distributions. Fractional units are left as current face to keep the accounts from "falling off" as holder of the bonds. See Compliance Report for the table with responses from manager regarding sale details.

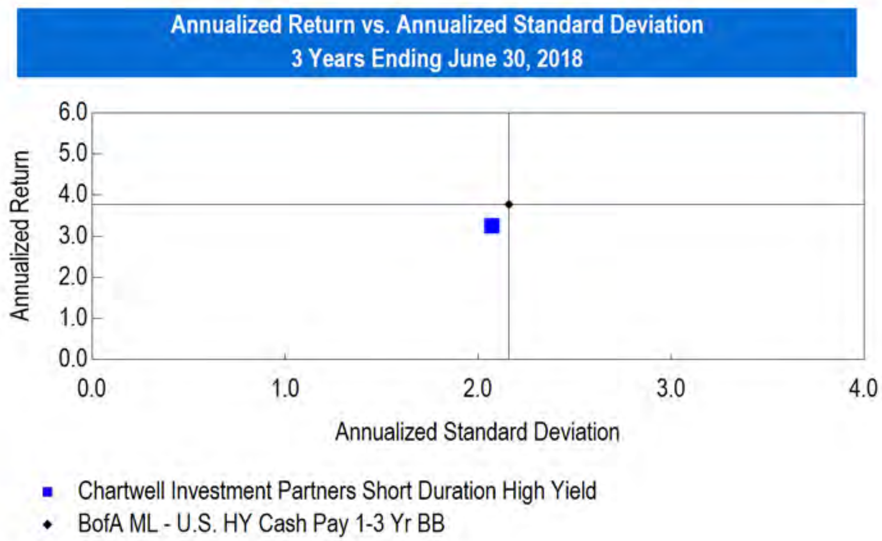
Action to be taken: Based on the follow-up information and comments provided by the manager, no action is required.

Account Information	
Account Name	**Chartwell Investment Partners Short Duration High Yield**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**9/30/14**
Account Type	**US Fixed Income High Yield**
Benchmark	**BofA ML - U.S. HY Cash Pay 1-3 Yr BB**
Universe	**eV US Short Duration Fixed Inc Gross**

Chartwell Investment Partners Short Duration High Yield

June 30, 2018

	Last Three Months	Inception 9/30/14
Beginning Market Value	$4,238,228	--
Net Cash Flow	-$1,345,500	$1,854,977
Net Investment Change	$16,538	$1,054,289
Ending Market Value	$2,909,266	$2,909,266



3 Years Ending June 30, 2018	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Chartwell Investment Partners Short Duration High Yield	3.2%	2.1%	88.5%	97.7%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	3.8%	2.2%	100.0%	100.0%

	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2017 (Calendar Years)	2016	2015	2014	2013	Inception	Inception Date
Chartwell Investment Partners Short Duration High Yield	0.5%	0.4%	2.4%	3.2%	--	4.2%	7.2%	-0.3%	--	--	3.2%	Sep-14
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	*0.8%*	*0.6%*	*1.7%*	*3.8%*	--	*3.6%*	*8.5%*	*1.2%*	--	--	*3.8%*	*Sep-14*
BBgBarc 1-3 Yr BB U.S. Constrained Index	*0.8%*	*0.7%*	*2.0%*	*4.0%*	--	*3.9%*	*8.8%*	*1.1%*	--	--	*4.0%*	*Sep-14*

Note: Returns are gross of fees.

FELRA & UFCW Benefit Funds - Chartwell Investment Partners Short Duration High Yield

Manager Summary

- IPS conducted a due diligence meeting with Chartwell on March 22, 2017.
- On January 25, 2018, Chartwell announced their planned acquisition of the public equity and fixed income businesses of Columbia Partners, an investment management firm based in Chevy Chase, MD. While a consent to assignment was required on the part of Columbia Partners' clients, no action is required on the part of Chartwell clients. The transaction closed on April 9, 2018.

Recommendation: None.

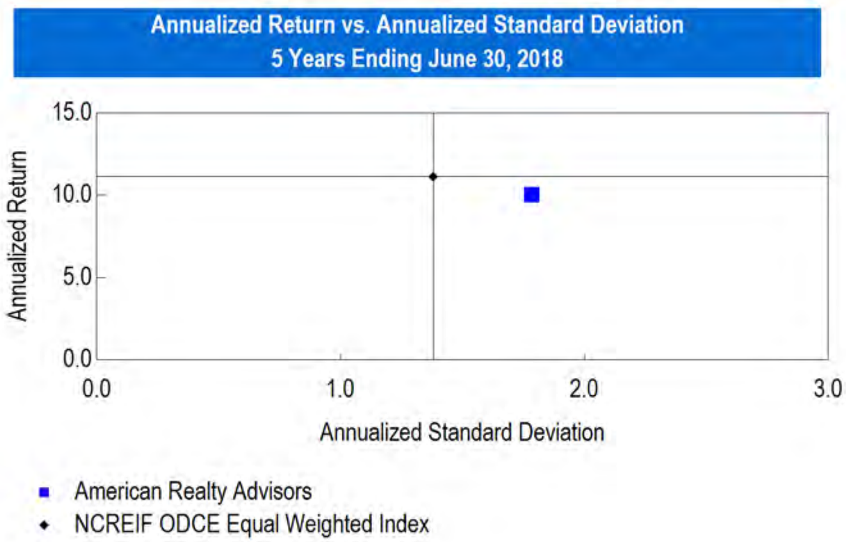
Compliance Summary

Exceptions: None.

Action to be taken: None.

Items of Interest: Personnel Changes – The manager stated during the second quarter of 2018, Mark Tindall, Mark Long, and Steven Binder joined Chartwell as a result of the acquisition of Columbia Partners. Mark Tindall is the Portfolio Manager for the Large Cap Growth strategy. Mark long is the Senior Portfolio Analyst for the Large Cap Growth strategy. Steven Binder is the Director of Taft Hartley Services.

Account Information	
Account Name	American Realty Advisors
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	1/01/13
Account Type	Real Estate
Benchmark	NCREIF ODCE Equal Weighted Index
Universe	



American Realty Advisors
June 30, 2018

	Second Quarter	Inception 1/1/13
Beginning Market Value	$2,820,654	$2,993,032
Net Cash Flow	$0	-$2,000,000
Net Investment Change	$55,046	$1,882,668
Ending Market Value	$2,875,700	$2,875,700

3 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
American Realty Advisors	8.6%	1.6%	88.3%	--
NCREIF ODCE Equal Weighted Index	9.6%	1.2%	100.0%	--

5 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
American Realty Advisors	10.0%	1.8%	88.2%	--
NCREIF ODCE Equal Weighted Index	11.1%	1.4%	100.0%	--

						Calendar Years						
	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Inception	Inception Date
American Realty Advisors	2.0%	3.4%	8.1%	8.6%	10.0%	7.6%	7.8%	12.7%	11.6%	12.0%	10.0%	Jan-13
NCREIF ODCE Equal Weighted Index	*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.1%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.3%*	*Jan-13*

Note: Returns are gross of fees.

Note: Information on PNC statements lag one quarter.

FELRA & UFCW Benefit Funds - American Realty Advisors

- Quarterly income is being reinvested.

Manager Summary

- IPS conducted due diligence meetings with American Realty Advisors on July 27, 2016, June 21, 2017 (on-site) and June 4, 2018.

Recommendation: None.

Compliance Summary

Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle investment guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or offering document guidelines.

Items of Interest: Investment Policy Statement – The manager stated they do not see a need for a change in the Fund's current investment policy statement. However, minor edits were made to update the Core Fund's investment policy statement for 2018. **Derivative Securities –** The manager stated question 5 is not applicable as no derivative securities were held in the portfolio during Second Quarter 2018.

Account Information	
Account Name	Meridian MDF Special Investments
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	1/01/13
Account Type	Hedge Fund
Benchmark	
Universe	

Meridian MDF Special Investments
June 30, 2018

	Second Quarter	Inception 1/1/13
Beginning Market Value	$94,358	$397,651
Net Cash Flow	-$38,865	-$813,863
Net Investment Change	$16	$471,722
Ending Market Value	$55,510	$55,510

FELRA & UFCW Benefit Funds - Meridian MDF Special Investments

Manager Summary

- On February 20, 2018, the manager communicated that effective January 1, 2018, in connection with the manager's efforts to streamline operations, Meridian Capital Partners Inc. became the segregated portfolios' new investment manager, replacing Meridian Diversified Fund Management, LLC. The firm made a decision to manage one entity going forward instead of two separate entities as a matter of efficiency. The manager stated there is no change to the underlying investor. The operations of MDF Special Investments SPC, Ltd. will remain the same under Meridian Capital Partners ,Inc. Meridian Capital Partners, Inc. and Meridian Diversified Fund Management, LLC are wholly owned by the same employees in the same percentages and are registered as an investment adviser with the U.S. Securities and Exchange Commission under the same Form ADV.

Recommendation: A full redemption request for Meridian Diversified ERISA Fund was submitted. Liquidity of the MDF Special Investments is at the discretion of the manager. (Status : In process)

Compliance Summary

Commingled Fund not monitored for compliance by Investment Performance Services.

Investment Policy Statement

- The current investment policy statement was adopted June 4, 2015.

Custody Bank

- The current custodian is PNC Bank.

Commingled Funds

- Commingled Fund: Due to the commingled fund structure, IPS does not monitor the holdings within the commingled fund for compliance with the client's investment policy statement. The commingled fund is governed by its own investment policy.

FELRA and UFCW Benefit Funds
VEBA, Severance, Scholarship and Legal Funds

Appendix

Performance Summary (Net of Fees)

	Market Value	% of Portfolio	Ending June 30, 2018					
			2018 Q2	YTD	1 Yr	3 Yrs	Inception	Inception Date
Composite	**$22,252,699**	**100.0%**	**0.7%**	**0.8%**	**3.8%**	**4.1%**	**4.1%**	**Jan-13**
Total Fund Domestic Equity	**$3,170,370**	**14.2%**	**3.9%**	**3.3%**	**14.8%**	**11.6%**	**13.1%**	**Jan-13**
CRSP US Total Market TR USD			*3.9%*	*3.3%*	*14.8%*	*11.6%*	*14.7%*	*Jan-13*
S&P 500			*3.4%*	*2.6%*	*14.4%*	*11.9%*	*14.8%*	*Jan-13*
Vanguard U.S. Stock Market Index Fund	$3,170,370	14.2%	3.9%	3.3%	14.8%	11.6%	10.7%	Nov-14
CRSP US Total Market TR USD			*3.9%*	*3.3%*	*14.8%*	*11.6%*	*10.7%*	*Nov-14*
Total Fund Investment Grade Fixed Income	**$5,997,810**	**27.0%**	**0.0%**	**-0.9%**	**-0.3%**	**1.3%**	**1.7%**	**Jan-13**
Custom Benchmark			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.3%*	*Jan-13*
Segall, Bryant and Hamill	$5,997,810	27.0%	0.0%	-0.9%	-0.3%	1.3%	1.7%	Jan-13
Custom Benchmark			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.3%*	*Jan-13*
Total Short Duration High Yield Fixed Income	**$2,909,266**	**13.1%**	**0.4%**	**0.2%**	**1.9%**	**2.8%**	**2.7%**	**Sep-14**
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*3.8%*	*Sep-14*
Chartwell Investment Partners Short Duration High Yield	$2,909,266	13.1%	0.4%	0.2%	1.9%	2.8%	2.7%	Sep-14
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*3.8%*	*Sep-14*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.8%*	*0.7%*	*2.0%*	*4.0%*	*4.0%*	*Sep-14*
Total Fund Real Estate	**$2,875,700**	**12.9%**	**2.0%**	**3.4%**	**8.1%**	**8.6%**	**9.8%**	**Jan-13**
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.3%*	*Jan-13*
American Realty Advisors	$2,875,700	12.9%	2.0%	3.4%	8.1%	8.6%	9.8%	Jan-13
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.3%*	*Jan-13*

Performance Summary (Net of Fees)

	Market Value	% of Portfolio	Ending June 30, 2018					
			2018 Q2	YTD	1 Yr	3 Yrs	Inception	Inception Date
Total Fund Cash	**$7,244,043**	**32.6%**	**0.3%**	**0.6%**	**1.4%**	**0.6%**	**0.3%**	**Jan-13**
VEBA Cash	$6,563,384	29.5%	0.2%	0.5%	1.2%	0.6%	0.3%	Jan-13
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*Jan-13*
Severance Cash	$445,328	2.0%	0.5%	0.7%	1.1%	0.5%	0.3%	Jan-13
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*Jan-13*
Scholarship Cash	$17,665	0.1%	0.3%	0.5%	0.9%	0.4%	0.2%	Jan-13
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*Jan-13*
Legal Cash	$217,667	1.0%	0.2%	0.4%	0.7%	0.3%	0.2%	Jan-13
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*Jan-13*
Total Fund HFOF/Cash	**$55,510**	**0.2%**						
Meridian MDF Special Investments	$55,510	0.2%						

Benchmark History
As of June 30, 2018

Segall, Bryant and Hamill		
9/1/2014	Present	BBgBarc US Govt/Credit Int TR 100%
1/1/2013	8/31/2014	BBgBarc US Aggregate TR 100%

Footnotes

- Values, flows and returns for all commingled funds, mutual funds, and partnerships are provided by the firm managing the assets and cannot be verified by IPS.
- The Net of Fees returns in this report are estimated. Fees do not include: the investment consulting fee paid to IPS, investment manager incentive fees, custodian fees, or other administrative costs

Index Disclosures

- NCREIF ODCE Equal Weighted Index -During 2nd Quarter 2014 IPS changed the NCREIF ODCE Index to the NCREIF ODCE Equal Weighted Index. The NCREIF ODCE Equal Weighted Index is a better benchmark for comparison in client reports and more representative of the investment opportunities in the real estate class. The cap weighted index is biased and returns are influenced by several large contributors.
- Barclays 1-3 Yr BB U.S. Constrained Index is used for illustrative purposes only.

ERISA Pension Investment Conference

April 24 – 27, 2018

- The following investment managers and providers attended and helped to defray the cost of IPS' annual ERISA Pension Investment Conference ("EPIC"). EPIC is an educational conference addressing various issues related to employee benefit plans. IPS does not give preferential treatment to investment managers or any other provider who may pay to attend EPIC.

Aberdeen Asset Management
Amalgamated Bank of Chicago
American Realty Advisors
ASB Capital Management
Atlanta Capital Management
BlackRock
Boyd Watterson
Brown Advisory
Chartwell Investment Partners
Christenson Investment Partners
Corbin Capital Partners
Corry Capital Advisors
Earnest Partners
Eaton Vance Management
EnTrustPermal
First Eagle Investment Mgmt.
Foundry Partners
Fred Alger Management
GAMCO Asset Management
GCM Grosvenor

Glouston Capital Partners
GoldenTree Asset Management
Great Lakes Advisors
Hach Rose Schirripa & Cheverie
Hamilton Lane Advisors
Hardman Johnston Global Advisors
HPS Investment Partners
Intercontinental Real Estate Corp.
Invesco Advisers, Inc.
Janus Henderson Investors
JP Morgan Asset Management
Kearney Capital LLC
Lord Abbett & Co.
LSV Asset Management
MacKay Shields
McMorgan & Company
MEPT/Bentall Kennedy
National Investment Services
Neuberger Berman
Patriot Financial Partners

PENN Capital Management
PNC Capital Advisors
Post Advisory Group
Principal Global Investors
Quantitative Management Associates
Rothschild Asset Management
Ryan Labs Asset Management
Schroders Investment Management
Segall Bryant & Hamill
Sierra Investment Partners
Smith Graham & Co.
The Boston Company
BNY Mellon Asset Management
Ullico Investment Company
Vista Underwriting Partners
Victory Capital Management
Washington Capital Management
WEDGE Capital Management
Wellington Management Company
Westfield Capital Management
William Blair & Company

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Glossary of Investment Terminology

Total Return	The annual return on an investment including appreciation, depreciation and income (interest, dividends, net operating income).
Alpha	The excess return (positive or negative) generated by active portfolio management and security selection, relative to a benchmark.
Beta	A historical measure of an investment's volatility relative to the market. The beta of the market is 1.0 (as represented by a benchmark such as the S&P 500 Index). A beta of greater than 1.0 indicates an investment with greater volatility than the benchmark. A beta of less than 1.0 indicates less volatility than the benchmark.
Standard Deviation	Standard deviation is a statistical measurement of the dispersion of a set of data from its mean. The more spread apart the data are, the greater the standard deviation.
Risk	For an investment portfolio, risk is typically defined as the volatility of the returns, as measured by calculating the standard deviation. The risk does not necessarily indicate the risk of loss, but does indicate the risk of inconsistent returns.
Capture Ratio	Calculates how well a manager performs in a rising or falling market as a percentage of a benchmark. In a rising market, a percentage of 100 or better is preferred, and indicates the manager exceeded the benchmark (upside capture ratio). In a falling market, a percentage of less than 100 is preferred, indicating that the manager lost less than the benchmark (downside capture ratio).
Correlation	A statistical measure of how two asset classes perform in relation to each other. Asset classes with a correlation of 1.0 have perfect positive correlation (exactly the same). Assets with perfect negative correlation of -1.0 will perform equally but in opposite directions.
Efficient Frontier	A series of portfolios with the maximum expected return for any level of risk, which is calculated based on assumptions of risk, return and correlation. These portfolios are shown graphically on a risk and return chart, and represent the most efficient tradeoff between risk and return.
Market Cap	The dollar value of a corporation, which is calculated by multiplying the share price and the number of outstanding shares.
Large Cap	Stocks which typically have a market capitalization of $10 billion or higher.
Mid Cap	Stocks which typically have a market capitalization of $2 to $10 billion.
Small Cap	Stocks which typically have a market capitalization of $2 billion or less.
Geometric Calculation	Geometric Calculations are used when determining an annualized investment return and tends to dampen the effect of very high or very low values. The result is a number that is smaller than (or equal to) the arithmetic average of the values.
Compound Annual Returns	Compound annual returns show the annual investment return, assuming the investment grew at a constant rate, and reflects the impact of the time in the calculation of an investment return.
Return/Risk Ratio	The return/risk ratio is the expected return of an investment divided by the expected standard deviation (risk). When comparing return/risk ratios a higher value is presumed to be better than a lower value