



FELRA and UFCW Pension Fund

Master Consulting Services Report

**Period Ended
June 30, 2017**

TABLE OF CONTENTS

Tab A	Market Commentary
Tab B	MCS Commentary, Recommendations, and Compliance Summary
Tab C	Appendix
Tab D	Glossary of Investment Terminology

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Market Discussion Points

2Q | 2017



Financial Market Performance

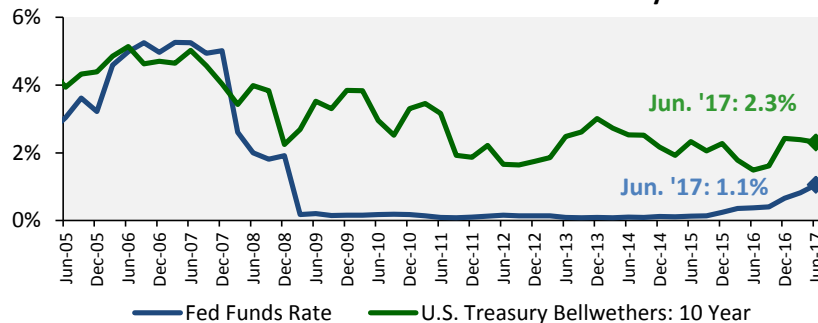
Periods Ending June 30, 2017

<u>Strategy</u>	<u>Sector</u>	<u>Index</u>	<u>QTR</u>	<u>YTD</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>1-Yr</u>	<u>3-Yr</u>	<u>5-Yr</u>	<u>10-Yr</u>	<u>20-Yr</u>
Stocks	US Large Cap	S&P 500	3.1	9.3	12.0	1.4	13.7	32.4	16.0	17.9	9.6	14.6	7.2	7.2
	US Small Cap	Russell 2000	2.5	5.0	21.3	-4.4	4.9	38.8	16.4	24.6	7.4	13.7	6.9	8.0
	All Country	MSCI All Country World (net)	4.3	11.5	7.9	-2.4	4.2	22.8	16.1	18.8	4.8	10.5	3.7	-
	Non-US Developed	MSCI EAFE (net)	6.1	13.8	1.0	-0.8	-4.9	22.8	17.3	20.3	1.2	8.7	1.0	4.3
	Emerging Markets	MSCI EM (net)	6.3	18.4	11.2	-14.9	-2.2	-2.6	18.2	23.7	1.1	4.0	1.9	-
	Int'l Small Cap	MSCI EAFE Small Cap (net)	8.1	16.7	2.2	9.6	-5.0	29.3	20.0	23.2	5.6	12.9	3.4	-
Bonds	Treasury	Bloomberg Barclays US Govt	1.2	1.9	1.1	0.9	4.9	-2.6	2.0	-2.2	2.0	1.3	3.9	4.9
	Broad Market	Bloomberg Barclays Aggregate	1.5	2.3	2.7	0.6	6.0	-2.0	4.2	-0.3	2.5	2.2	4.5	5.2
	High Yield	Bloomberg Barclays HY BaB 2% IC	2.2	4.5	14.1	-2.7	3.5	6.2	15.0	10.9	4.4	6.6	7.3	-
	Global Bonds	Citigroup WGBI	2.9	4.5	1.6	-3.6	-0.5	-4.0	1.7	-4.1	-1.0	-0.2	3.5	4.4
Global Tactical Asset		65% MSCI World /35% Citi WGBI	3.6	8.5	5.6	-1.6	3.1	15.1	10.9	9.9	3.2	7.3	4.1	5.4
Real Estate	Core	NCREIF ODCE Equal Weighted	1.8	3.6	9.3	15.2	12.4	13.3	11.0	8.2	11.6	11.8	5.1	8.8
Hedge Funds	Diversified FOFs	HFRI HFOF Composite	0.6	3.0	0.5	-0.3	3.4	9.0	4.8	6.3	1.5	3.8	0.9	4.2
	Equity Long-Short	HFRI Equity Hedge	2.1	6.1	5.5	-1.0	1.8	14.3	7.4	12.3	3.0	6.3	2.7	7.8
Commodities	Commodities	Goldman Sachs Commodity	-5.5	-10.2	11.4	-32.9	-33.1	-1.2	0.1	-9.0	-24.8	-13.7	-9.7	-2.0

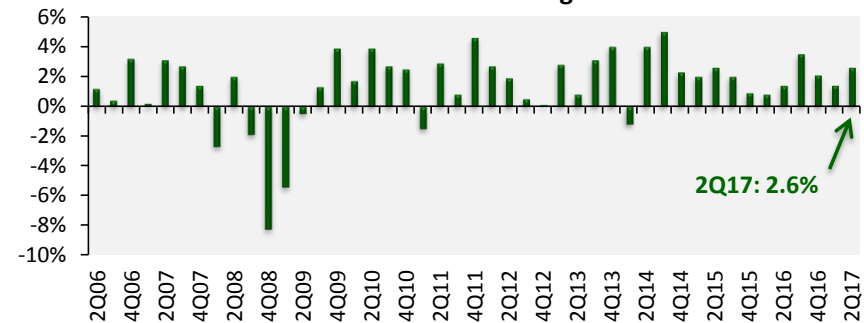
U.S. Economy

For the last several quarters we have commented on the continued improvement of virtually all of the consumer-related economic indicators. This is important because nearly 70% of Gross Domestic Product (GDP) growth is driven by consumers. At the end of last year, we noted that the business-related economic indicators have also improved dramatically. Business investment is the second largest contributor to GDP. Let's first consider the current state of the consumer: household debt service ratio is at about 10%, the lowest in 40 years; the Housing Affordability Index is at 14% of income, near the all-time low of 10% in 2012; household net worth is the highest ever and is 40% higher than in 2007; the number of consumers with sub-prime FICO scores is at an all-time low; unemployment is at 4.3% compared to a 50-year average of 6.2%, and wage growth is at 2.4%. Business-related economic indicators are starting to look just as favorable: S&P 500 earnings per share growth, after being held back by energy prices in last half of 2015 and the first half of 2016, turned positive in the second half of 2016 and that growth has carried forward into 2017. Positive earnings surprises are high, with 79% of companies reporting earnings higher than analysts' estimates. Earnings growth is estimated at 6.7% and is forecasted to be 8.7% overall for 2017. Firms intending to expand have jumped from 11% to 25% in the last year, with 30% indicating increased capital expenditures. The Institute for Supply Management survey of new orders for the services sector jumped from 58% to 63%. The next big positive just might be the surprising recovery in Europe and Asia, which could be reflected in increased sales and earnings for companies with significant overseas operations.

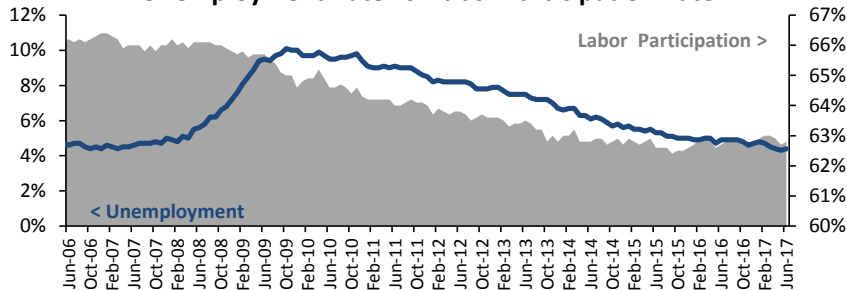
Fed Funds Rate vs. 10-Year U.S. Treasury



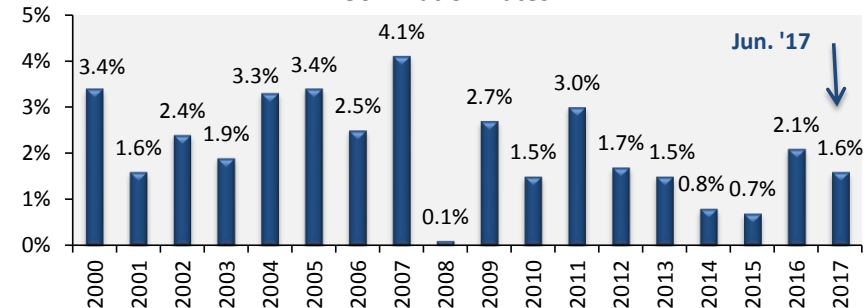
GDP Percent Change



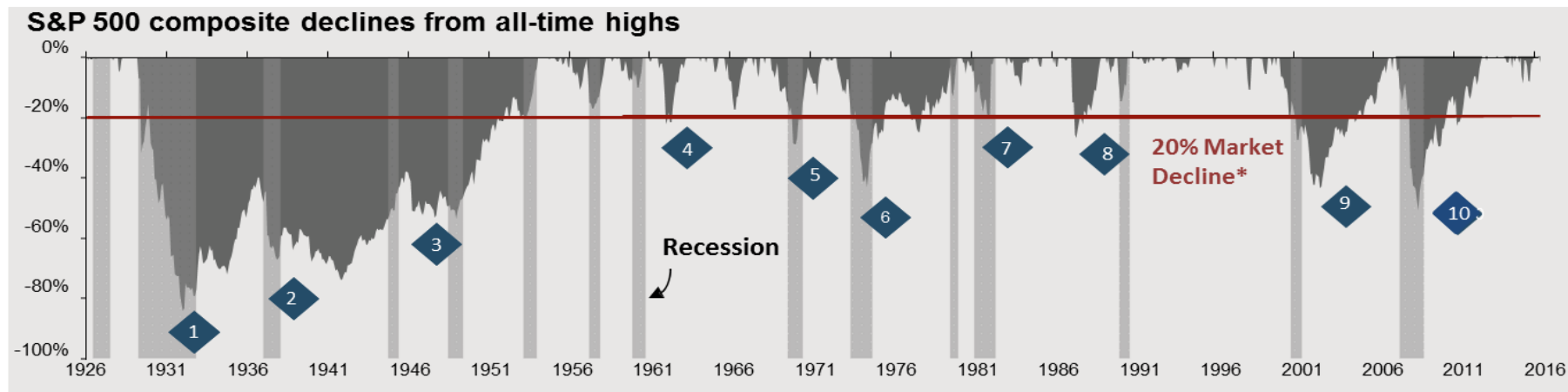
Unemployment Rate vs. Labor Participation Rate



US Inflation Rates



Current Bull Market: Historical Context



Characteristics of bull and bear markets

Market Corrections	Bear markets			Macro environment				Bull markets		
	Market peak	Bear return*	Duration (months)*	Recession	Commodity spike	Aggressive Fed	Extreme valuations	Bull begin date	Bull return	Duration (months)
1 Crash of 1929 - Excessive leverage, irrational exuberance	Sep 1929	-86%	32	◆			◆	Jul 1926	152%	37
2 1937 Fed Tightening - Premature policy tightening	Mar 1937	-60%	61	◆		◆		Mar 1935	129%	23
3 Post WWII Crash - Post-war demobilization, recession fears	May 1946	-30%	36	◆			◆	Apr 1942	158%	49
4 Flash Crash of 1962 - Flash crash, Cuban Missile Crisis	Dec 1961	-28%	6				◆	Oct 1960	39%	13
5 Tech Crash of 1970 - Economic overheating, civil unrest	Nov 1968	-36%	17	◆	◆	◆		Oct 1962	103%	73
6 Stagflation - OPEC oil embargo	Jan 1973	-48%	20	◆	◆			May 1970	74%	31
7 Volcker Tightening - Whip Inflation Now	Nov 1980	-27%	20	◆	◆	◆		Mar 1978	62%	32
8 1987 Crash - Program trading, overheating markets	Aug 1987	-34%	3				◆	Aug 1982	229%	60
9 Tech Bubble - Extreme valuations, .com boom/bust	Mar 2000	-49%	30	◆			◆	Oct 1990	417%	113
10 Global Financial Crisis - Leverage/housing, Lehman collapse	Oct 2007	-57%	17	◆	◆	◆		Oct 2002	101%	60
Current Cycle								Mar 2009	258%	99
Averages	-	-45%	24					-	156%	54

Source: FactSet, NBER, Robert Shiller, Standard & Poor's, J.P. Morgan Asset Management.

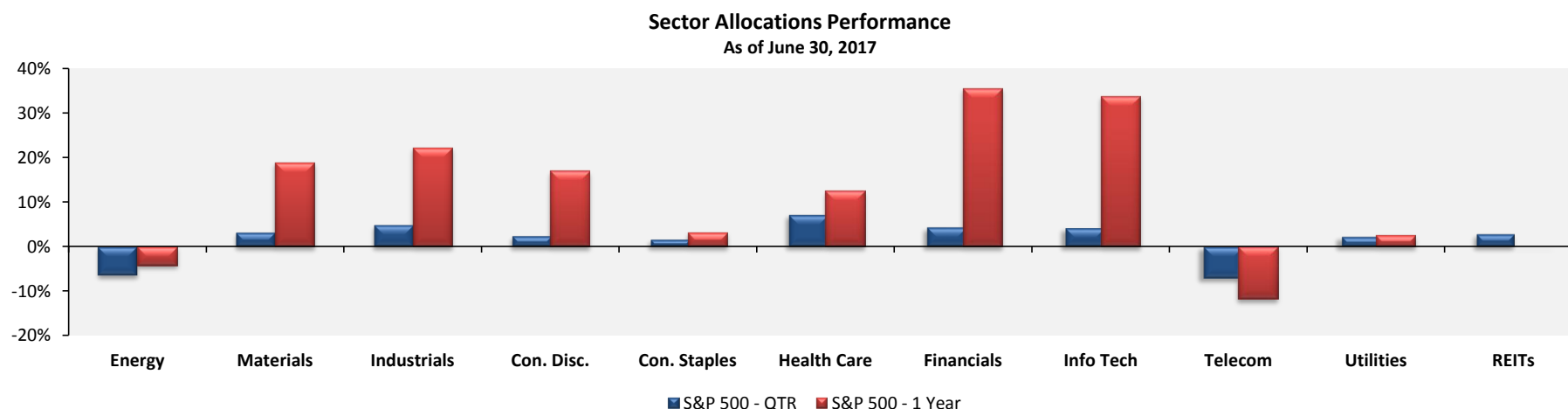
*A bear market is defined as a 20% or more decline from the previous market high. The bear return is the peak to trough return over the cycle. Periods of "Recession" are defined using NBER business cycle dates. "Commodity spikes" are defined as significant rapid upward moves in oil prices. Periods of "Extreme valuations" are those where S&P 500 last 12 months' P/E levels were approximately two standard deviations above long-run averages, or time periods where equity market valuations appeared expensive given the broader macroeconomic environment. "Aggressive Fed Tightening" is defined as Federal Reserve monetary tightening that was unexpected and/or significant in magnitude. Bear and Bull returns are price returns.

Guide to the Markets – U.S. Data are as of June 30, 2017.

U.S. Equity Market

The US Stock market continues to be very positive. The S&P 500 and the Russell 1000 Indices are both up 3.1% for the 2nd quarter and up 9.3% year to date. Over the past year both indices are up approximately 18%. There has been a reversal of the large vs. small size rotation and the growth vs. value styles. In 2016, small cap stocks outperformed large cap stocks by a wide margin with the Russell 2000 up 21% vs. Russell 1000 up 12%, but that trend reversed in the first six months of 2017, with the Russell 1000 up 9.3% vs. the Russell 2000 up 5.0%. In 2016, the Russell 1000 Value index was up 17.4% vs. the Russell 1000 Growth up only 7.1%. For the first six months of 2017, the Russell 1000 Value only earned 4.7% while the Russell 1000 Growth is up 14.0%. Stock market valuations, as measured by the 12 month forward-looking Price/Earnings ratio (P/E), is at about 17.5 times earnings. The 20-year average P/E is about 16.0 times earnings, so the stock market may be slightly overvalued. Most investors do not seem concerned as the VIX Index, which measures the implied volatility of the stock market (also commonly referred to as the "Fear Index") is at an exceptionally low level, having closed on July 24th at its lowest level since December 1993.

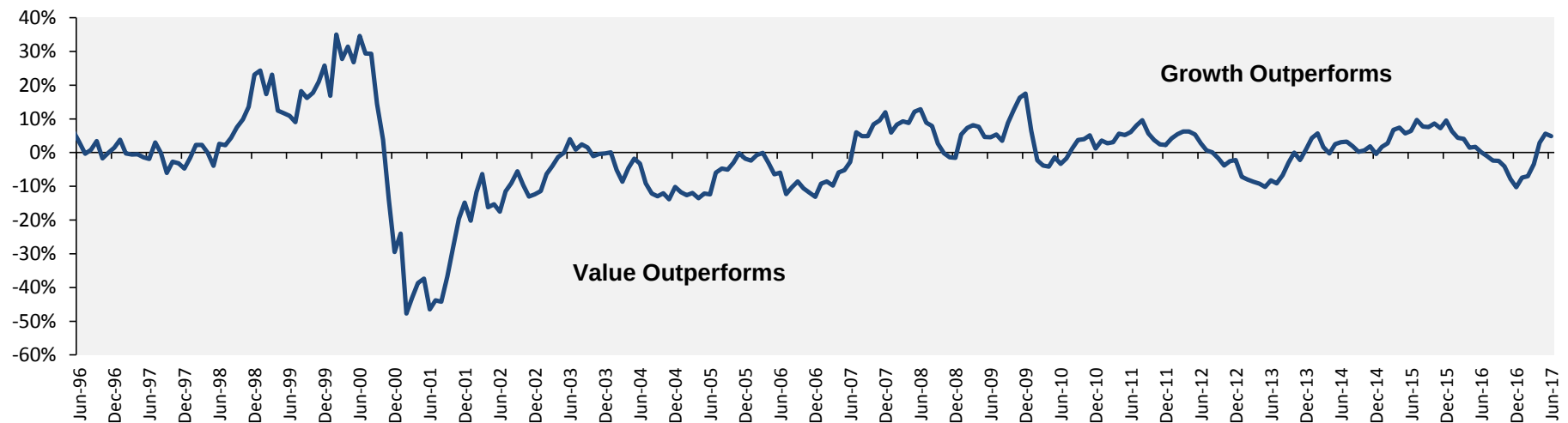
<u>Sector</u>	<u>Index</u>	<u>2Q 17</u>	<u>YTD</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>1-Year</u>	<u>3-Year</u>	<u>5-Year</u>	<u>10-Year</u>
Large Cap	S&P 500	3.1	9.3	12.0	1.4	13.7	32.4	16.0	17.9	9.6	14.6	7.2
	Russell 1000	3.1	9.3	12.1	0.9	13.3	33.1	16.4	18.0	9.3	14.7	7.3
	Russell 1000 Value	1.3	4.7	17.3	-3.8	13.5	32.5	17.5	15.5	7.4	13.9	5.6
	Russell 1000 Growth	4.7	14.0	7.1	5.7	13.1	33.5	15.3	20.4	11.1	15.3	8.9
Mid Cap	Russell Mid-Cap	2.7	8.0	13.8	-2.4	13.2	34.8	17.3	16.5	7.7	14.7	7.7
	Russell Mid-Cap Value	1.4	5.2	20.0	-4.8	14.7	33.5	18.5	15.9	7.5	15.1	7.2
	Russell Mid-Cap Growth	4.2	11.4	7.3	-0.2	11.9	35.8	15.8	17.1	7.8	14.2	7.9
Small Cap	Russell 2000	2.5	5.0	21.3	-4.4	4.9	38.8	16.4	24.6	7.4	13.7	6.9
	Russell 2000 Value	0.7	0.5	31.7	-7.5	4.2	34.5	18.1	24.9	7.0	13.4	5.9
	Russell 2000 Growth	4.4	10.0	11.3	-1.4	5.6	43.3	14.6	24.4	7.6	14.0	7.8
Total Market	Wilshire 5000	3.0	8.7	13.4	0.7	12.7	33.1	16.1	18.5	9.3	14.6	7.3
	Russell 3000	3.0	8.9	12.7	0.5	12.6	33.6	16.4	18.5	9.1	14.6	7.3



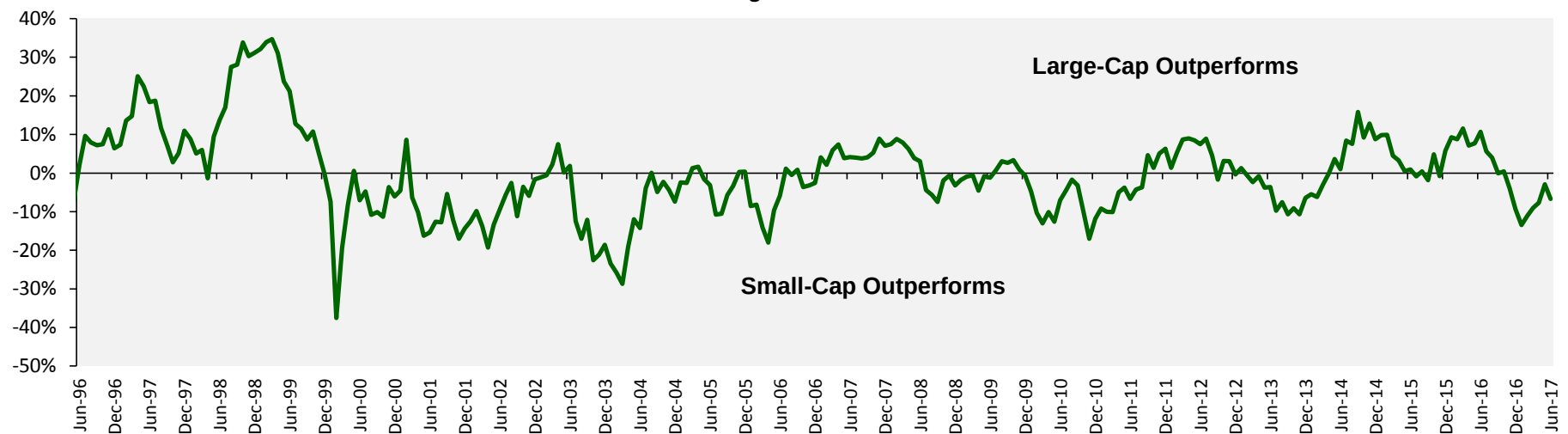
*S&P 500 (GICS Real Estate) Index performance began August 2016.

U.S. Equity Market

**Russell 1000 Growth vs. Russell 1000 Value
Rolling One-Year Returns**



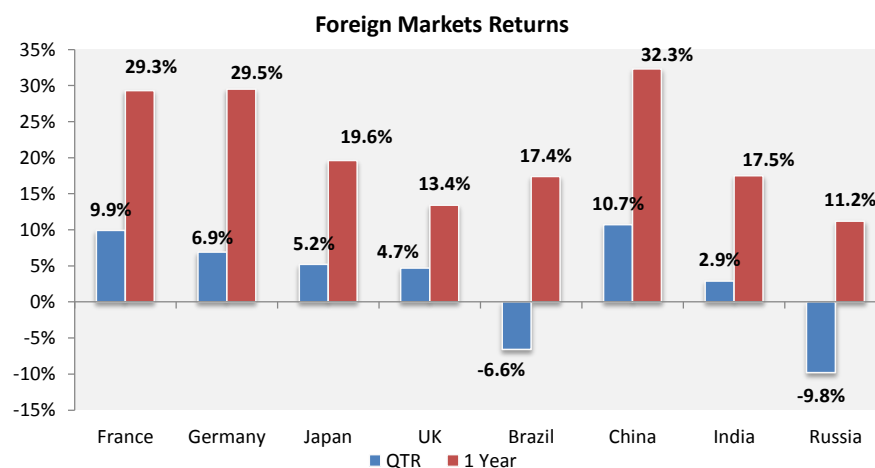
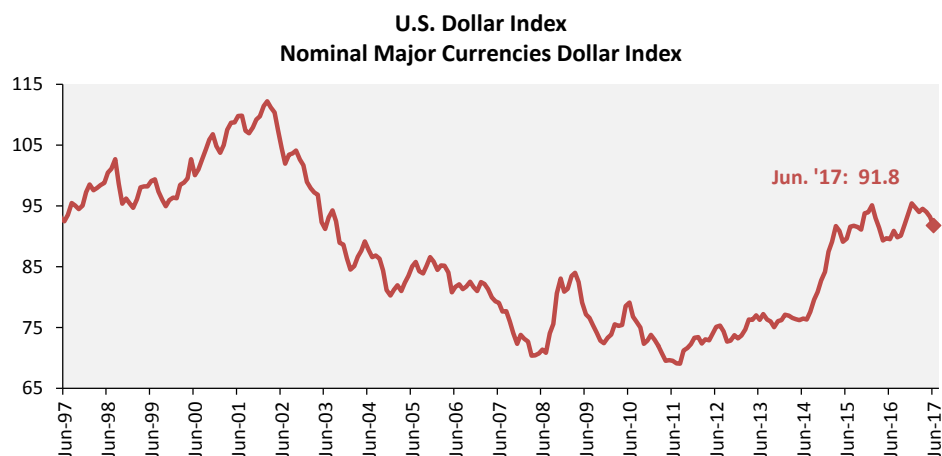
**S&P 500 vs. Russell 2000
Rolling One-Year Returns**



International Equity Market

Following the 2008 financial crisis, the countries outside of the United States experienced similar economic difficulties to the US. They also went through the same fiscal restructuring and increased regulatory oversight regime - Dodd-Frank in the US and the Basel Accords in Europe. Our Federal Reserve lowered interest rates and bought lots of distressed assets to create stimulus and the European regulators did the same but at a much slower pace. It worked in the US and our economy has clearly recovered. The same is true for Europe and most other developed countries, except that it has taken much longer for the stimulus to work and for their economies to show clear signs of recovery. The S&P 500 has climbed 258% since the low in March of 2009. Over the same period the MSCI All Country World Ex-US Stock Index has only increased by 106%. It appears that Europe, China, Japan and emerging markets have all turned the corner in terms of earnings growth and other economic indicators. The Eurozone's biggest economy, Germany, is leading the way with the Business Climate Index reaching its highest point since 1991. There is strong job growth and consumer confidence in Europe is at a 10-year high. 2017 annual earnings per share growth is expected to be almost double the U.S. rate. The Euro has risen 5% relative to the U.S. dollar. Greece and immigration resettlement costs are still a headwind, however. This economic recovery is being reflected in stock price increases. The MSCI EAFE (the large cap stocks of 22 developed countries) was up 13.8% in the first half of 2017 and is up 20.3% for the last twelve months. Small-cap stocks outside the US as represented by the MSCI World ex-US Small Cap Index are up 15.6% year to date and 20.3% for the last twelve months. Emerging market stocks were up 18.4% year to date and are up 23.7% over the last year.

Sector	Index	2Q 17	YTD	2016	2015	2014	2013	2012	1-Year	3-Year	5-Year	10-Year
Global	MSCI AC World Index (net)	4.3	11.5	7.9	-2.4	4.2	22.8	16.1	18.8	4.8	10.5	3.7
	MSCI World Small Cap (net)	4.1	10.4	11.6	-1.0	1.8	28.7	18.1	20.5	5.2	12.1	5.4
	MSCI World ex US (net)	5.8	14.1	4.5	-5.7	-3.9	15.3	16.8	20.5	0.8	7.2	1.1
	MSCI World ex US Small Cap (net)	6.2	15.6	3.9	2.6	-4.0	19.7	18.5	20.3	3.3	10.0	2.9
Developed ex US	MSCI EAFE (net)	6.1	13.8	1.0	-0.8	-4.9	22.8	17.3	20.3	1.2	8.7	1.0
	MSCI EAFE Value (net)	4.8	11.1	5.0	-5.7	-5.4	23.0	17.7	25.0	-0.6	8.1	-0.1
	MSCI EAFE Growth (net)	7.5	16.7	-3.0	4.1	-4.4	22.6	16.9	15.7	2.8	9.2	2.1
	MSCI EAFE Small Cap (net)	8.1	16.7	2.2	9.6	-5.0	29.3	20.0	23.2	5.6	12.9	3.4
Emerging Markets	MSCI Emerging Markets (net)	6.3	18.4	11.2	-14.9	-2.2	-2.6	18.2	23.7	1.1	4.0	1.9

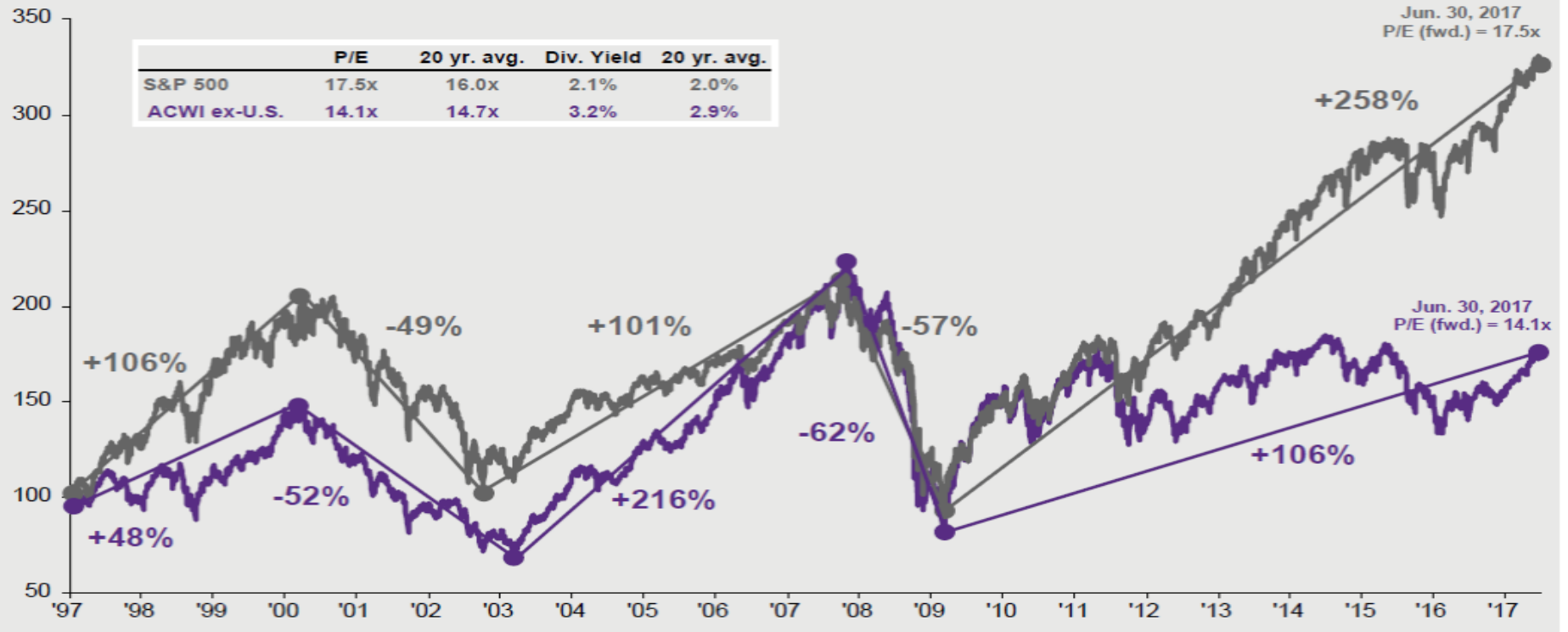


Left chart: The major currencies index is a weighted average of the foreign exchange values of the U.S. dollar against a subset of currencies in the broad index that circulate widely outside the country of issue. The weights are derived from those in the broad index. **Right chart:** Data as of June 30, 2017.

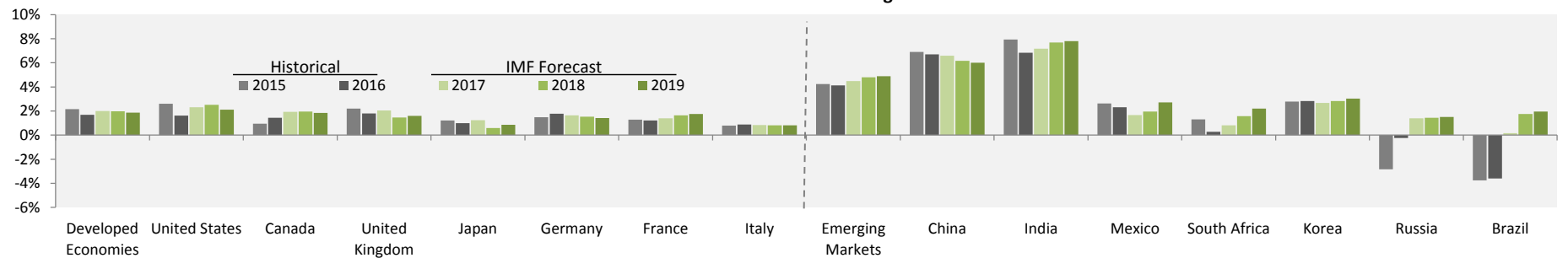
International Equity Market

MSCI All Country World ex-U.S. and S&P 500 Index

Dec. 1996 = 100, U.S. dollar, price return



Y-O-Y Annual GDP % Change



Top chart: Source - 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, April 2017.

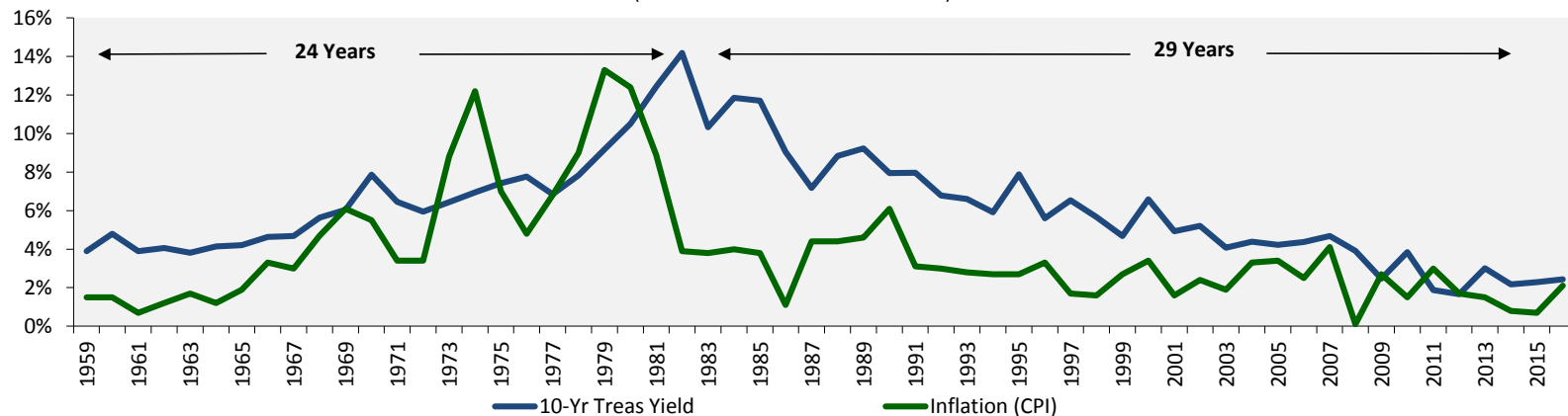
U.S. Bond Market

The Federal Reserve has been reasonably transparent and predictable thus far with each of their four 0.25% rate hikes. The Fed may influence short term rates, but market supply and demand forces determine longer-term rates. While the short end of the yield curve has moved up 0.41% year to date, the longer part of the curve has declined slightly creating a "flattening" of the yield curve. The 5-year Treasury rate declined by 0.05%, the 10-year Treasury declined by 0.14% and the 30-year Treasury rate has declined 0.23% in the first six months of 2017. Two key factors driving the flattening of the curve are investors' low expectations for inflation, and foreign buyers. A substantial number of foreign countries have negative or zero interest rates, thus U.S. Treasury rates look very attractive. With the Euro strengthening against the U.S dollar, they can invest without any currency hedging cost and benefit from the Euro's appreciation. Lower yields on the longer-term bonds also mean that the price of those bonds will appreciate, resulting in longer duration (higher interest rate sensitivity) bonds doing well so far this year. The Bloomberg Barclays Aggregate's duration has crept up from 4.5 years on average to its current 6.0 years. This longer duration has produced a 2.3% YTD return through June in 2017. Corporate bond yield spreads continue to narrow due to very low default rates and improving balance sheets due to recent increases in corporate earnings. The spread between Treasury yields and investment grade corporate bond yields have narrowed by 0.14% so far in 2017, while high yield corporate spreads have narrowed 0.45% year to date. With low inflation expectations, Treasury Inflation Protected Securities (TIPS) are yielding very low rates.

<u>Index</u>	<u>Yield</u>	<u>Duration</u>	<u>1Q 17</u>	<u>YTD</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>1-Year</u>	<u>3-Year</u>	<u>5-Year</u>	<u>10-Year</u>
Bloomberg Barclays Aggregate	2.55	6.0	1.5	2.3	2.7	0.6	6.0	-2.0	4.2	-0.3	2.5	2.2	4.5
Bloomberg Barclays Govt/Credit	2.43	6.6	1.7	2.7	3.1	0.2	6.0	-2.4	4.8	-0.4	2.6	2.3	4.6
Bloomberg Barclays Int Agg	2.35	4.3	0.9	1.6	2.0	1.2	4.1	-1.0	3.6	-0.2	2.0	1.9	4.0
Bloomberg Barclays Int Govt/Credit	2.08	4.1	0.9	1.7	2.1	1.1	3.1	-0.9	3.9	-0.2	1.9	1.8	3.9
Bloomberg Barclays HY Ba/B 2% IC	4.87	4.0	2.2	4.5	14.1	-2.7	3.5	6.2	15.0	10.9	4.4	6.6	7.3
BofA ML HY Cash Pay BB 1-3 Yr.	3.63	1.6	1.4	2.4	8.5	1.2	1.9	5.6	10.2	5.8	4.0	4.9	6.3
Bloomberg Barclays Mortgage	2.87	4.7	0.9	1.4	1.7	1.5	6.1	-1.4	2.6	-0.1	2.2	2.0	4.3
Bloomberg Barclays Treasury	1.90	6.2	1.2	1.9	1.0	0.8	5.1	-2.8	2.0	-2.3	2.0	1.3	4.1
Bloomberg Barclays US TIPS	2.23	5.4	-0.4	0.9	4.7	-1.4	3.6	-8.6	7.0	-0.6	0.6	0.3	4.3
BofA ML 91 day T-Bills	1.02	0.2	0.2	0.3	0.3	0.1	0.0	0.1	0.1	0.5	0.2	0.2	0.6

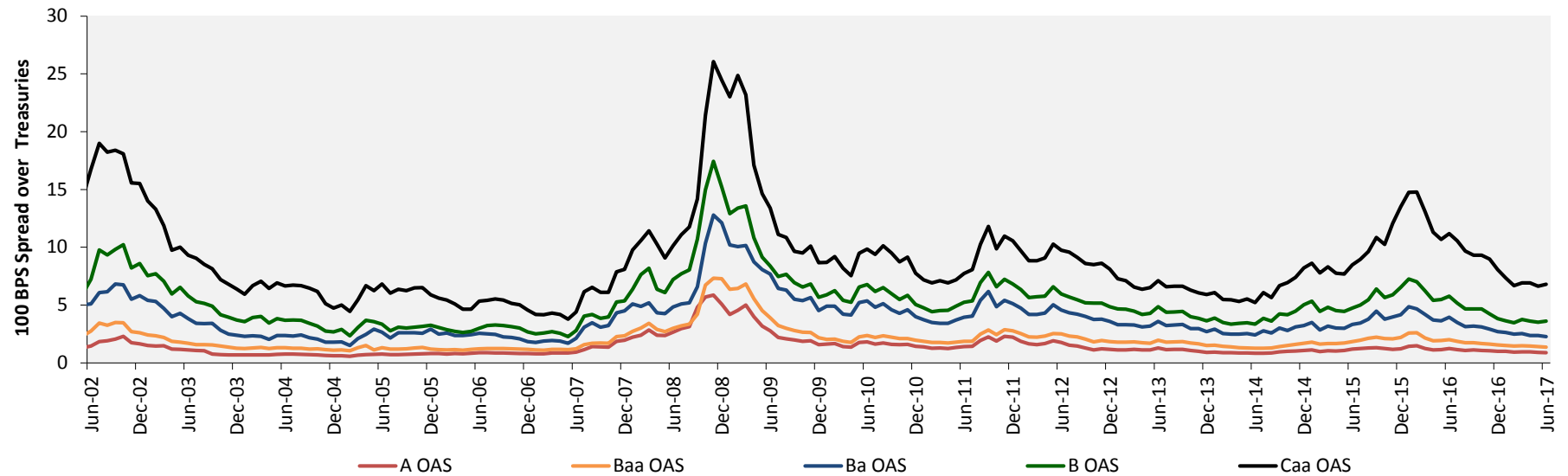
The Last Full Interest Rate Cycle 1958 - 2011
10-Yr Treasury Rate vs. Inflation (CPI)

(Annual Rates as of Jan 1 Each Year)

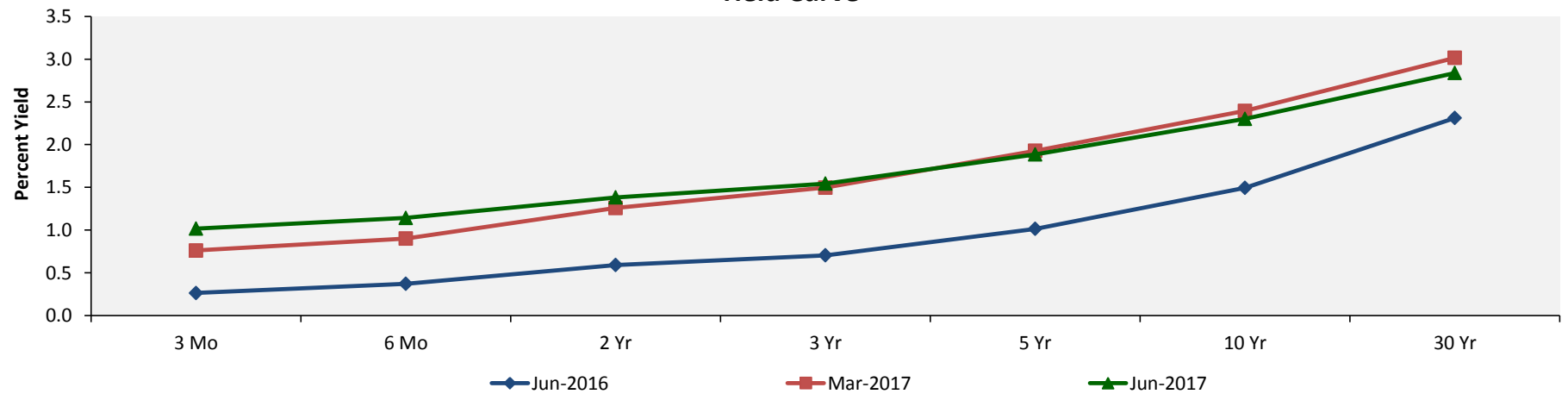


Bond Market

OAS Credit Spread



Yield Curve



Interest Rate Sensitivity

12 Month Holding Period - Annualized Returns as of 6/30/2017

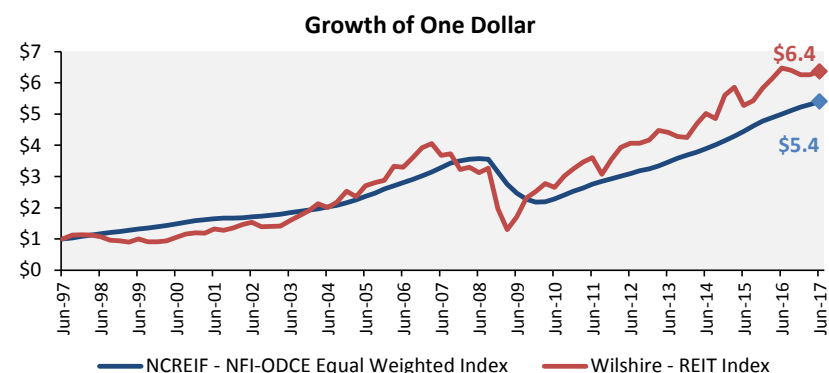
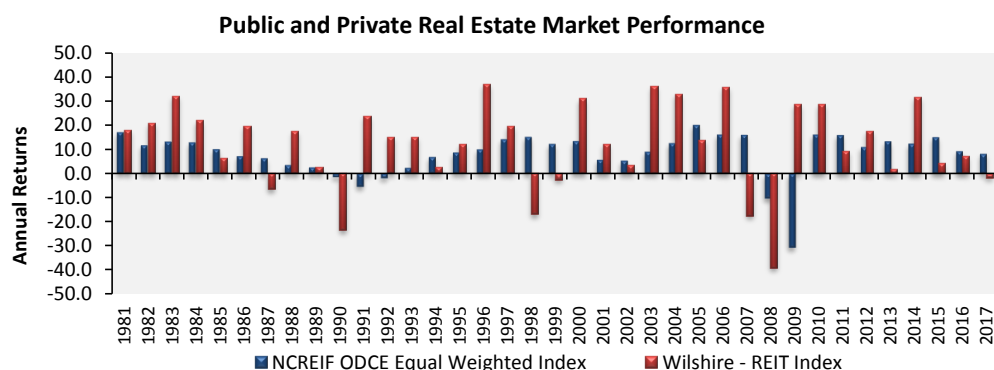
Yield Change	10 Year Treasury	Bloomberg Barclays Aggregate	Bloomberg Barclays Int Govt/Credit	ML Gov/Corp Master	ML 1-3 yr Gov/Corp	Defensive ML US HY BB/B ND	Short Duration ML US HY BB/B 1-3 yr
(bps)		US Aggregate	US Int Govt/Credit				
-150	15.41	11.81	8.19	11.98	4.33	10.46	6.09
-100	11.04	8.72	6.15	8.79	3.41	8.57	5.27
-50	6.67	5.64	4.12	5.61	2.50	6.69	4.45
-25	4.49	4.09	3.10	4.01	2.04	5.74	4.04
0	2.30	2.55	2.08	2.42	1.58	4.80	3.63
25	0.12	1.01	1.06	0.83	1.12	3.86	3.22
50	-2.07	-0.54	0.04	-0.77	0.67	2.92	2.81
100	-6.44	-3.62	-1.99	-3.95	-0.25	1.03	1.99
150	-10.81	-6.71	-4.03	-7.14	-1.17	-0.86	1.17
200	-15.18	-9.79	-6.06	-10.32	-2.08	-2.74	0.35
250	-19.55	-12.88	-8.10	-13.51	-3.00	-4.63	-0.47
300	-23.92	-15.96	-10.13	-16.69	-3.91	-6.51	-1.29
350	-28.29	-19.05	-12.17	-19.88	-4.83	-8.40	-2.11
400	-32.66	-22.13	-14.20	-23.06	-5.74	-10.28	-2.93
450	-37.03	-25.22	-16.24	-26.25	-6.66	-12.17	-3.75
500	-41.40	-28.30	-18.27	-29.43	-7.57	-14.05	-4.57
Duration	8.74	6.17	4.07	6.37	1.83	3.77	1.64

FOR ILLUSTRATIVE PURPOSES ONLY: For each index the current yield to worst as of 6/30/2017 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 6/30/2017 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

The last several years have featured a one-time reduction in the risk-free rate, spread compression, and recovering fundamentals. Yield compression is unlikely to recur as the risk free rate is unlikely to fall further and spreads have also contracted. Only 10% of the US real estate market is showing any yield compression. As a result, more modest returns that depend heavily on income will be the norm as real estate markets normalize. Due to the high pricing of gateway markets, secondary markets are appealing to investors. Real estate pricing is resilient during tightening cycles and the outlook for rent growth is favorable. Supply growth is low in comparison to past cycles.

Sector	Index	2Q 17	YTD	2016	2015	2014	2013	2012	1-Year	3-Year	5-Year	10-Year
US Private	NCREIF ODCE Equal Weighted	1.8	3.6	9.3	15.2	12.4	13.3	11.0	8.2	11.6	11.8	5.1
US Public	Wilshire REIT	1.8	1.8	7.2	4.2	31.8	1.9	17.6	-1.7	8.3	9.3	5.6

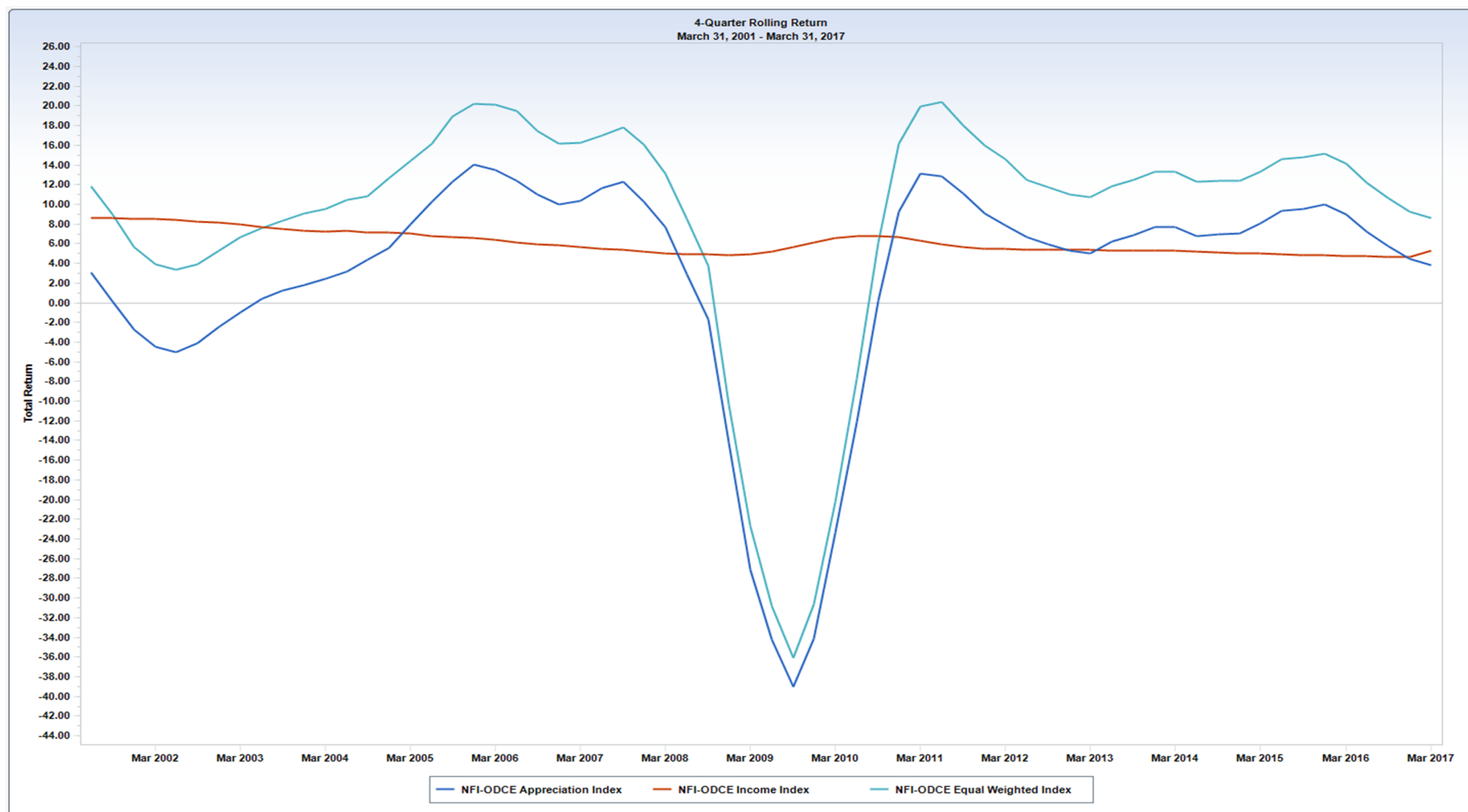


	Total return (incl. income) 2017	Total return (incl. income) 2018	Total return (incl. income) 2019	Total return (incl. income) 2017 to 2021 (per year)
National, All Property Types (NPI)	6.3	5.4	5.1	5.6
Office	5.8	5.3	4.7	5.0
Retail	5.8	5.1	5.1	5.4
Industrial	8.9	6.5	5.8	6.6
Apartment	5.7	5.0	5.0	5.4

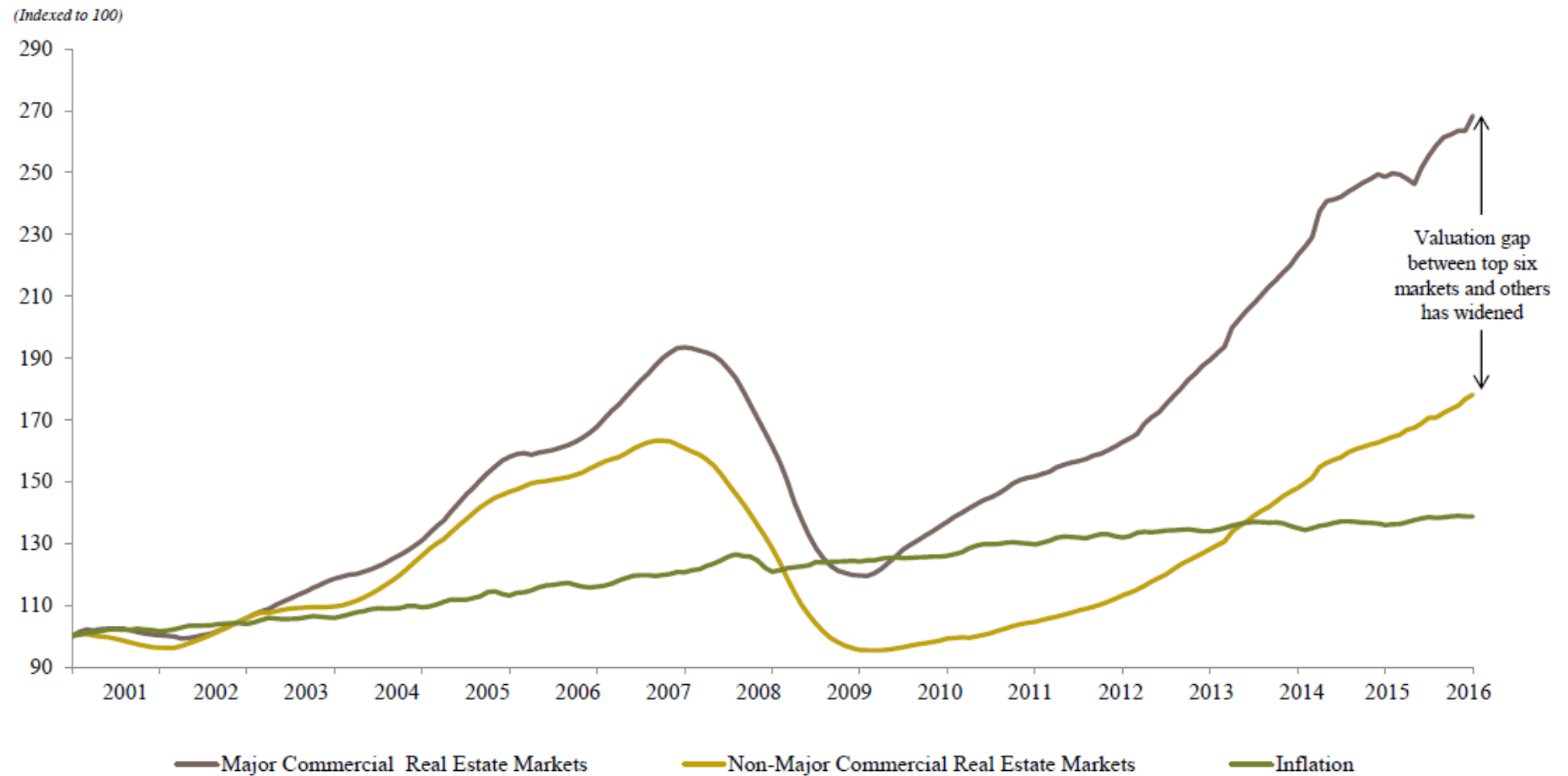
Bottom chart: Average of respondents' forecasts of the NCREIF Property Index (NPI) and sub-indices by property type. **Source:** Pension Real Estate Association Consensus Forecast Survey of the NCREIF Property Index Q2 2017.

Real Estate Market

The chart below shows the trend of recent quarters indicating the expected slowdown from the torrid pace of recent years. Most sectors of the institutional real estate market are viewed as fully priced but especially in the gateway markets of New York, San Francisco and Boston. The income stream of real estate has adjusted to the low interest rate environment although spreads against 10-Year Treasury are near historical norms. However, the income rate of return has declined from the 8% level when IPS first focused on real estate as an asset class in the late 1990s to 4½% today.



Real Estate Market



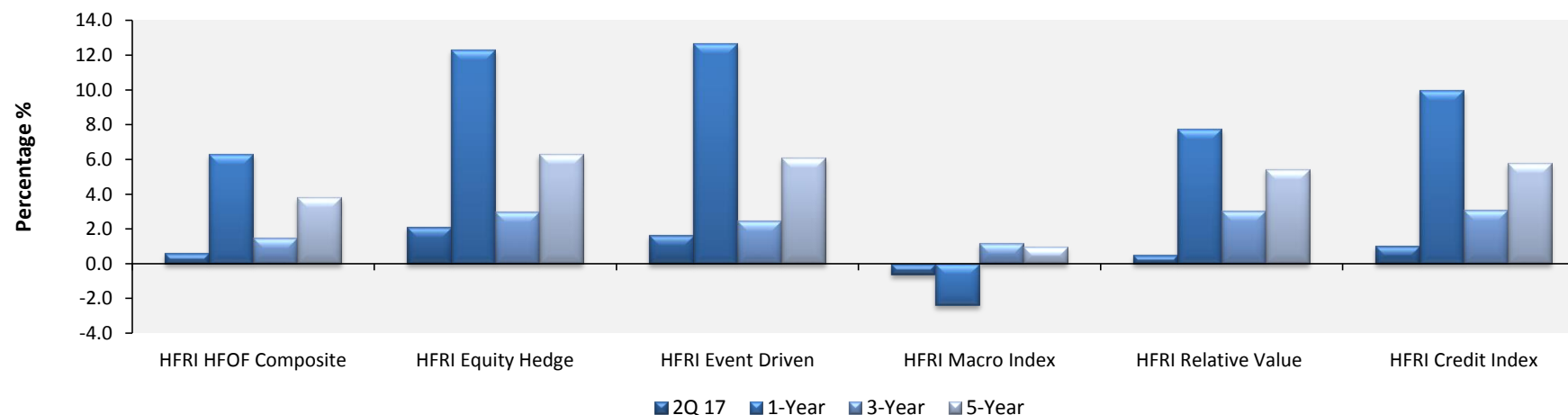
Source: Oaktree

Hedge Fund of Funds Market

Hedge funds provided modestly positive returns during the second quarter, and the HFRI Fund of Funds Composite is up 3% YTD through June. Continued slow economic growth expectations have generally kept interest rate increases in check, and equity volatility remains historically low. On July 24th, the VIX (a measure of stock market volatility) closed at its lowest level since December 1993. While this continues to not be the most ideal environment for hedge funds, managers continue to find pockets of opportunity in markets and Fund of Funds should continue to provide good diversification benefits to investors. Most asset classes were broadly positive globally during the quarter, with non-US equities leading the way for the second straight quarter; unsurprisingly, equity hedge was again the best-performing hedge fund strategy in Q2. Investment grade bonds have generally been negative during the past twelve-month period, while the HFRI FOF Composite is up over 6% over the same period, with equity hedge, event driven and credit yielding low-double digit returns. The HFRI Credit Index is up 3.4% YTD, outperforming investment grade fixed income while trailing high yield bonds. Hedge Fund Research (HFR) reports that investors increased hedge fund allocations during Q2 for the first time in six quarters, with much of the flows into strategies with minimal equity beta, non-directional strategies and diversified credit. Despite falling commodity prices this year and the relative underperformance of systematic strategies, global macro strategies saw significant increases in allocation, as investors aim to become more defensive and protect against potential equity market declines.

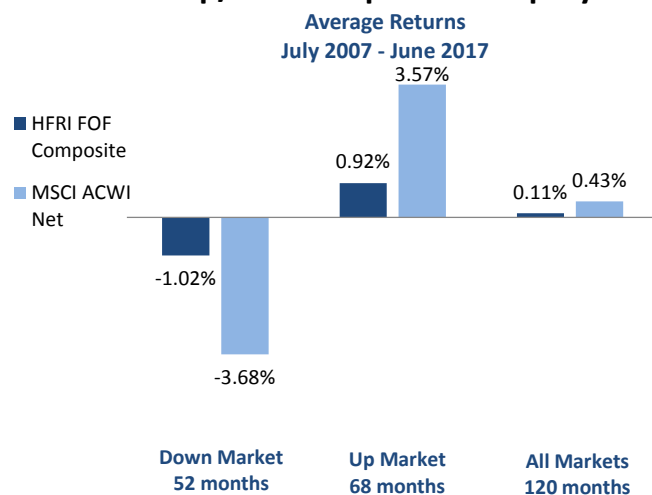
<u>Strategy</u>	<u>Index</u>	<u>2Q 17</u>	<u>YTD</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>1-Year</u>	<u>3-Year</u>	<u>5-Year</u>	<u>10-Year</u>
Fund of Funds	HFRI HFOF Composite	0.6	3.0	0.5	-0.3	3.4	9.0	4.8	6.3	1.5	3.8	0.9
Equity Long-Short	HFRI Equity Hedge	2.1	6.1	5.5	-1.0	1.8	14.3	7.4	12.3	3.0	6.3	2.7
Event Driven	HFRI Event Driven	1.7	4.1	10.6	-3.6	1.1	12.5	8.9	12.7	2.5	6.1	3.6
Global Macro	HFRI Macro Index	-0.6	-0.7	1.0	-1.3	5.6	-0.4	-0.1	-2.4	1.2	1.0	2.2
Relative Value	HFRI Relative Value	0.5	2.7	7.7	-0.3	4.0	7.1	10.6	7.7	3.1	5.4	4.8
Credit	HFRI Credit Index	1.0	3.4	8.6	-1.0	3.0	9.0	10.6	10.0	3.1	5.8	N/A

Hedge Fund Strategy Performance

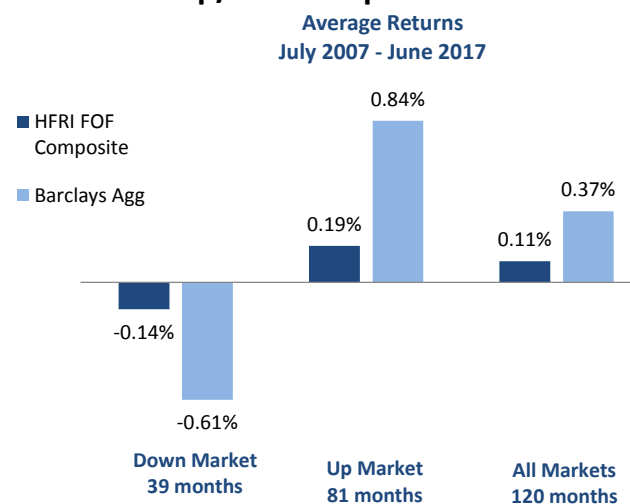


Hedge Fund of Funds Market

Up/Down Capture vs. Equity

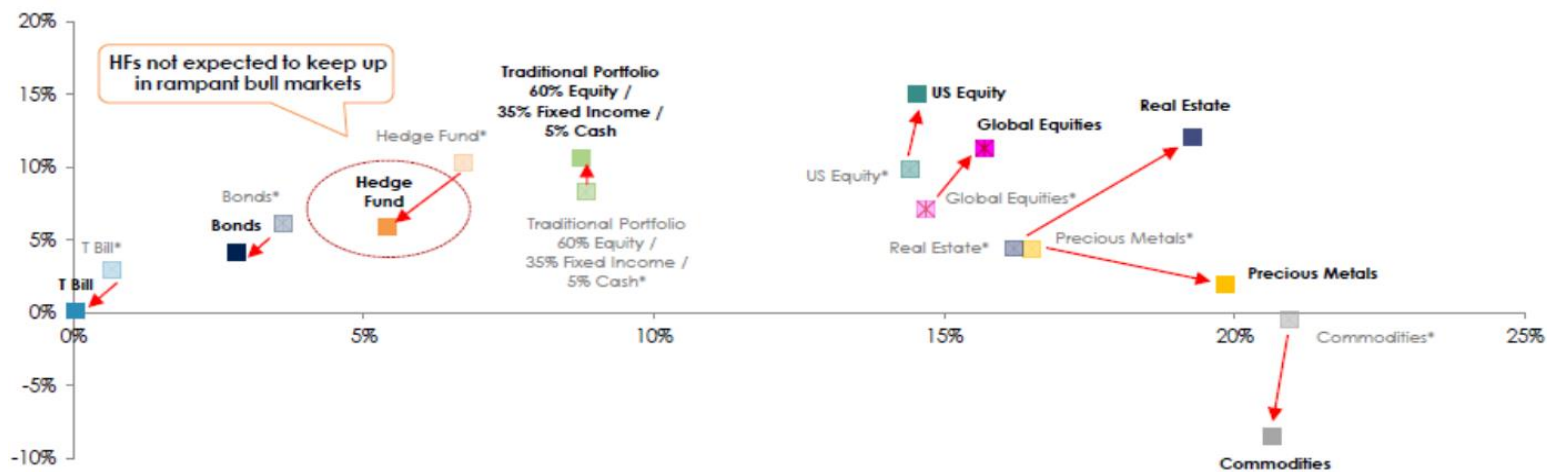


Up/Down Capture vs. Bonds



Comparison of Long-Term vs. Post Financial Crisis Asset Class Performance

*Represents asset class performance from Jan 1991 - Dec 2015 vs. Jan 2009 - Dec 2015



Source: Corbin Capital Partners



FELRA And UFCW Pension Fund

Master Consulting Services Report

Period Ended

June 30, 2017

FELRA and UFCW Pension Fund
Master Consulting Services Report as of June 30, 2017

Total Plan Growth of Assets

Summary of Cash Flows

	Second Quarter	Year-To-Date	One Year	Three Years	Five Years	Seven Years	Ten Years
Beginning Market Value	\$353,530,441	\$367,162,534	\$399,938,603	\$580,617,800	\$601,666,895	\$630,938,322	\$1,045,543,657
Net Cash Flow	-\$26,489,842	-\$53,005,464	-\$105,994,484	-\$306,997,077	-\$483,080,332	-\$632,614,553	-\$882,145,018
Net Investment Change	\$5,533,760	\$18,417,290	\$38,630,241	\$58,953,637	\$213,987,796	\$334,250,590	\$169,175,721
Ending Market Value	\$332,574,360	\$332,574,360	\$332,574,360	\$332,574,360	\$332,574,360	\$332,574,360	\$332,574,360

The present assumed actuarial rate effective January 1, 2016 as determined by the plan actuary is 7.0%.

The Fund's fiscal year end is 12/31.

FELRA and UFCW Pension Fund

Master Consulting Services Report as of June 30, 2017

Total Plan Performance (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending June 30, 2017						
			2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund	\$332,574,360	100.0%	1.8%	5.6%	11.6%	5.6%	9.0%	9.3%	4.6%
Total Fund Domestic Equity	\$88,667,427	26.7%	2.8%	8.3%	18.6%	8.6%	14.3%	14.6%	6.5%
S&P 500			3.1%	9.3%	17.9%	9.6%	14.6%	15.4%	7.2%
Russell 2000			2.5%	5.0%	24.6%	7.4%	13.7%	14.4%	6.9%
Total Fund International Equity	\$13,489,714	4.1%	7.1%	14.9%	22.1%	2.8%	9.4%	7.8%	2.2%
MSCI EAFE			6.1%	13.8%	20.3%	1.1%	8.7%	7.9%	1.0%
Total Investment Grade Fixed Income	\$5,371,426	1.6%	1.1%	1.9%	0.1%	2.2%	2.3%	3.5%	3.6%
Custom Benchmark Fixed Income			0.9%	1.7%	-0.2%	1.9%	1.5%	2.7%	4.1%
Total Short Duration High Yield Fixed Income	\$4,114,337	1.2%	1.1%	2.3%	5.9%	3.0%	4.8%	6.5%	6.7%
Custom Benchmark			1.4%	2.4%	5.8%	4.0%	5.2%	6.8%	6.4%
Total Fund Global Bond	\$28,144,341	8.5%	-1.3%	2.9%	8.2%	--	--	--	--
Total Fund Real Estate	\$80,658,593	24.3%	1.6%	3.5%	7.9%	10.8%	12.1%	13.2%	5.5%
NCREIF ODCE Equal Weighted Index			1.8%	3.7%	8.2%	11.6%	11.8%	13.1%	5.1%
Total Fund Hedge Fund of Funds	\$55,787,437	16.8%	1.1%	2.1%	5.7%	-0.1%	4.0%	3.3%	1.3%
HFRI Fund of Funds Composite Index			0.7%	3.1%	6.4%	1.5%	3.9%	3.0%	0.9%
Total Fund GTAA	\$55,099,066	16.6%	1.6%	7.3%	12.8%	4.6%	7.3%	7.6%	--
65% MSCI World Index/35% CitigroupWGBI			3.6%	8.5%	9.9%	3.2%	7.3%	8.1%	4.1%
Total Fund Cash	\$1,242,019	0.4%	0.1%	0.3%	0.4%	0.2%	0.2%	0.1%	--

	Fiscal Year Ends 12/31										
	Fiscal YTD	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Fund	5.6%	8.1%	3.0%	6.0%	14.9%	12.5%	0.6%	13.6%	12.5%	-25.0%	8.3%

FELRA and UFCW Pension Fund
Master Consulting Services Report as of June 30, 2017

Allocation vs. Targets and Policy						
	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
Domestic Equity	\$88,667,427	26.7%	30.0%	20.0% - 40.0%	-3.3%	-\$11,104,881
International Equity	\$8,574,986	2.6%	0.0%	0.0% - 0.0%	2.6%	\$8,574,986
Emerging Markets Equity	\$4,914,728	1.5%	0.0%	0.0% - 0.0%	1.5%	\$4,914,728
Investment Grade Bonds	\$5,371,426	1.6%	20.0%	10.0% - 40.0%	-18.4%	-\$61,143,446
Opportunistic Fixed Income	\$28,144,341	8.5%	10.0%	0.0% - 20.0%	-1.5%	-\$5,113,095
Short Duration High Yield Bonds	\$4,114,337	1.2%	5.0%	0.0% - 10.0%	-3.8%	-\$12,514,381
Real Estate	\$80,658,593	24.3%	15.0%	0.0% - 30.0%	9.3%	\$30,772,439
Hedge Fund of Funds	\$55,787,437	16.8%	0.0%	0.0% - 0.0%	16.8%	\$55,787,437
Global Tactical Asset Allocation	\$55,099,066	16.6%	15.0%	0.0% - 30.0%	1.6%	\$5,212,912
Cash Equivalents / Other	\$1,242,019	0.4%	5.0%	0.0% - 20.0%	-4.6%	-\$15,386,699
Total	\$332,574,360	100.0%	100.0%			

Note: The Board of Trustees voted to suspend rebalancing to the asset allocation targets.

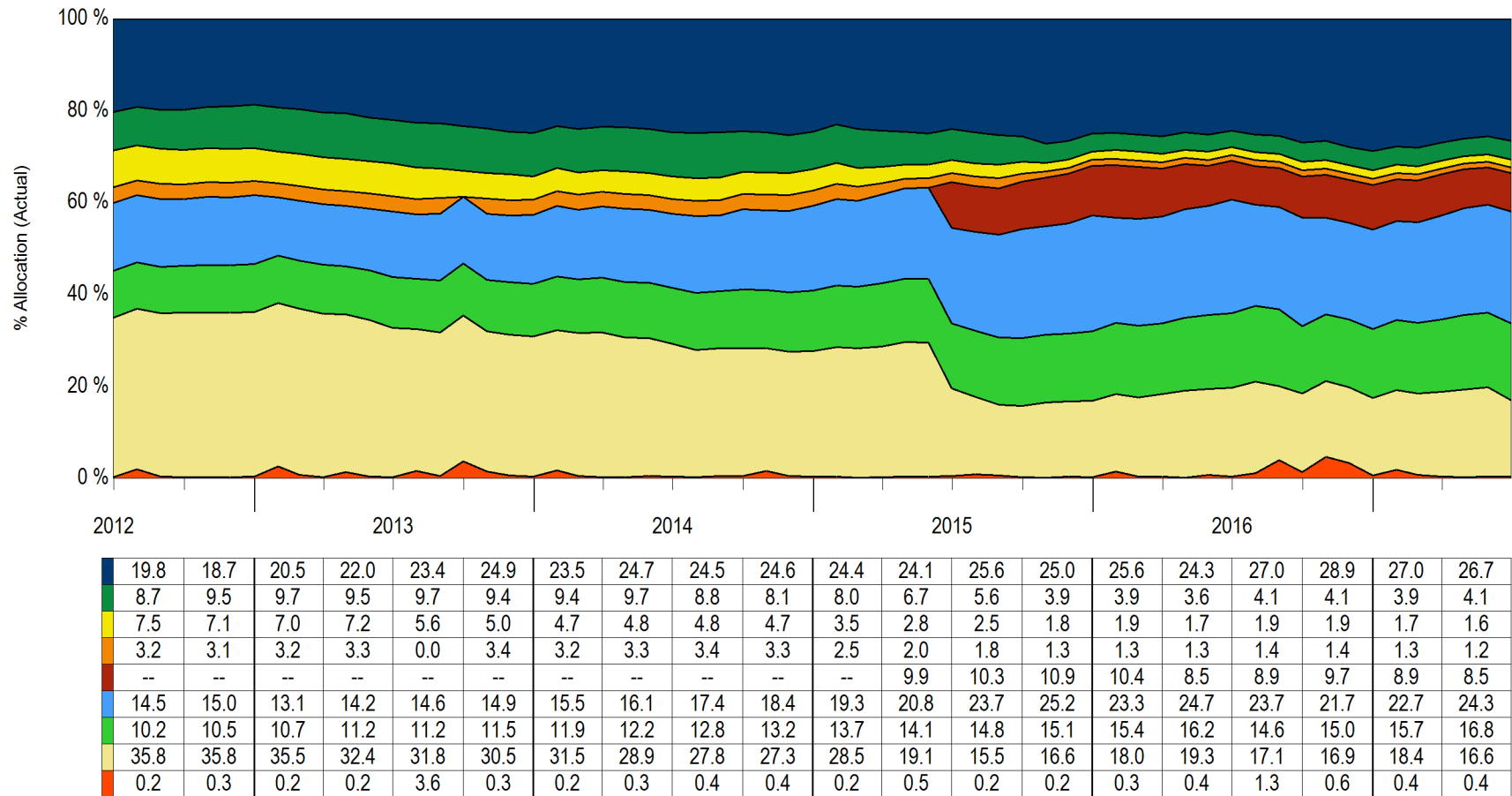
Asset Allocation

- At the June 10, 2013 meeting, an asset allocation and glide path review was presented and discussed. The Policy Committee approved new asset allocation targets of 30% US equity, 5% non US equity, 5% emerging market equity, 5% investment grade bonds, 10% global bonds, 4.5% short duration high yield bonds, 15% real estate, 10% HFOF, 10% GTAA, 5% risk parity, and 0.5% cash. A summary information (handout) for details on the transition process was distributed.
- At the April 28, 2014 meeting, a GTAA manager search was reviewed and manager presentations were heard. The Trustees elected to retain First Eagle for 2/3 of the GTAA assets (approximately \$58M). Wellington (existing GTAA manager) will retain 1/3 of the GTAA assets (approximately \$30M). On September 30, 2014, First Eagle was funded with \$30M from Wellington. On September 30, 2014, \$28M was transferred to First Eagle from the termination of Windhaven.
- At the April 28, 2014 meeting, an asset allocation and glide path review was presented and discussed. The Policy Committee approved new asset allocation targets of 30% US equity, 5% non US equity, 5% emerging market equity, 5% investment grade bonds, 10% global bonds, 4.5% short duration high yield bonds, 15% real estate, 10% HFOF, 15% GTAA, and 0.5% cash.
- At the May 7, 2014 teleconference meeting, a global fixed income manager search was reviewed and manager presentations were heard. The Trustees elected to retain Franklin Templeton for the 10% allocation to global fixed income. Funding will be from reallocation of assets related to GTAA manager changes and the elimination of risk parity. On June 12, 2015, Franklin Templeton was funded with \$50M from termination of AQR and Putnam (GTAA managers).
- An asset allocation review and glide path presentation were provided for the April 10, 2015 Policy Committee meeting.
- In July and August 2015, \$20M was transferred from GTAA managers (First Eagle and Wellington) to PNC STIF account (\$14M) for cash needs and to equity (Vanguard Total Stock Fund) (\$6M) for rebalancing.
- A redemption request for \$15M was submitted to JP Morgan (real estate) effective December 31, 2015. Quarterly income will be distributed effective December 31, 2015.
- A draft of an asset allocation review and glide path presentation was included in the materials distributed at the April 27, 2016 meeting.
- A redemption request has been submitted to real estate manager JP Morgan (\$20M) effective June 30, 2016. The following was received and used for cash needs: July 2016 - \$10.9M, October 2016 - \$10.7M.
- On August 3, 2016, a draft asset allocation review and glide path update was emailed to the Fund Administrator and Co-Counsel. The asset allocation/Glide Path with supplemental information was included in the materials with 3Q 2016 MCS report. The Trustees agreed with partial redemption requests which have since been submitted to HFoF managers EnTrust (\$5M) and Mesirow (\$6M) effective September 30, 2016. Proceeds were received in October and November 2016. The other recommendations were not approved at that time.
- At the January 26, 2017 meeting, an updated draft of the asset allocation/Glide Path was distributed and reviewed. IPS recommended: 1) Eliminate the HFoF investments with EnTrust and Mesirow as soon as possible; 2) Submit a redemption schedule to JPM real estate to fully liquidate by 12/31/18. Rebalance to the 15% target ASAP, to 10% at 12/31/17, and fully redeem by 12/31/18. Recommendations were not approved at that time. Additional cash flow analysis and asset allocation information was sent to the Administrator and co-counsel. Trustees elected to eliminate the asset allocation targets and ranges to reflect the ongoing liquidation of the Fund's assets. The effective date is January 1, 2017.
- On March 5, 2017, IPS sent a follow-up memo to the Board of Trustees regarding cash flow analysis and what order the Fund's portfolios should be liquidated so there is sufficient cash to pay benefits and administrative expenses.
- An asset allocation and glide path review was presented at the May 31, 2017 meeting. The Trustees voted to rebalance to the January, 2017 recommended targets shown on page 3 of the report. To rebalance to those targets, terminate Gryphon and Vanguard EM. Proceeds will be used for cash flow needs. On approximately a quarterly basis, discuss additional potential changes to the AA.
- An asset allocation and glide path review was presented at the July 13, 2017 meeting.

Recommendation: None. Rebalancing of assets is in process.

FELRA and UFCW Pension Fund
Master Consulting Services Report as of June 30, 2017

Asset Allocation History
5 Years Ending June 30, 2017



■ Total Fund Domestic Equity
 ■ Total Investment Grade Fixed Income
 ■ Total Short Duration High Yield Fixed Income
 ■ Total Fund Global Bond
 ■ Total Fund Hedge Fund of Funds
 ■ Total Fund GTAA
 ■ Total Fund Cash
■ Total Fund International Equity
■ Total Fund Real Estate

FELRA and UFCW Pension Fund

Master Consulting Services Report as of June 30, 2017

Performance Summary (Gross of Fees) - Annualized

			Ending June 30, 2017							Inception	
	Market Value	% of Portfolio	2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Fund	\$332,574,360	100.0%	1.8%	5.6%	11.6%	5.6%	9.0%	9.3%	4.6%	6.4%	Jan-97
Total Fund Domestic Equity	\$88,667,427	26.7%	2.8%	8.3%	18.6%	8.6%	14.3%	14.6%	6.5%	7.3%	Jul-97
S&P 500			3.1%	9.3%	17.9%	9.6%	14.6%	15.4%	7.2%	7.2%	Jul-97
Russell 2000			2.5%	5.0%	24.6%	7.4%	13.7%	14.4%	6.9%	8.0%	Jul-97
Wedge Capital Management	\$27,402,095	8.2%	2.5%	6.7%	18.8%	8.3%	14.8%	15.5%	6.4%	8.6%	Jan-05
Russell 1000 Value			1.3%	4.7%	15.5%	7.4%	13.9%	14.3%	5.6%	7.2%	Jan-05
Vanguard Total Stock Mkt Idx Fund	\$61,265,332	18.4%	3.0%	9.0%	18.6%	9.2%	--	--	--	9.8%	May-14
CRSP US Total Market TR USD			3.0%	9.0%	18.5%	9.1%	--	--	--	9.7%	May-14
Total Fund International Equity	\$13,489,714	4.1%	7.1%	14.9%	22.1%	2.8%	9.4%	7.8%	2.2%	5.1%	Apr-97
MSCI EAFE			6.1%	13.8%	20.3%	1.1%	8.7%	7.9%	1.0%	4.9%	Apr-97
Gryphon International Investment	\$8,574,986	2.6%	9.2%	14.8%	23.8%	3.8%	9.8%	8.5%	3.8%	6.6%	Jan-05
MSCI EAFE			6.1%	13.8%	20.3%	1.1%	8.7%	7.9%	1.0%	4.6%	Jan-05
MSCI EAFE Growth			7.5%	16.7%	15.7%	2.8%	9.2%	8.6%	2.1%	5.3%	Jan-05
Vanguard Emerging Mkts Stock Lx Inst	\$4,914,728	1.5%	3.5%	15.0%	19.3%	1.2%	--	--	--	2.2%	May-14
FTSE Emerging Markets			4.1%	14.8%	20.6%	1.4%	--	--	--	2.4%	May-14
Total Investment Grade Fixed Income	\$5,371,426	1.6%	1.1%	1.9%	0.1%	2.2%	2.3%	3.5%	3.6%	3.6%	Jun-07
Custom Benchmark Fixed Income			0.9%	1.7%	-0.2%	1.9%	1.5%	2.7%	4.1%	4.1%	Jun-07
Segall Bryant & Hamill	\$5,371,426	1.6%	1.1%	1.9%	0.1%	2.2%	1.9%	3.0%	--	4.2%	Jan-09
Custom Benchmark Segall			0.9%	1.7%	-0.2%	1.9%	1.5%	2.7%	--	3.5%	Jan-09

FELRA and UFCW Pension Fund

Master Consulting Services Report as of June 30, 2017

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending June 30, 2017							Inception	
			2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Short Duration High Yield Fixed Income	\$4,114,337	1.2%	1.1%	2.3%	5.9%	3.0%	4.8%	6.5%	6.7%	6.4%	Jun-07
Custom Benchmark			1.4%	2.4%	5.8%	4.0%	5.2%	6.8%	6.4%	6.1%	Jun-07
Chartwell Short Duration High Yield	\$4,114,337	1.2%	1.1%	2.3%	5.9%	3.0%	--	--	--	3.7%	Oct-13
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			1.4%	2.4%	5.8%	4.0%	--	--	--	4.2%	Oct-13
BBgBarc 1-3 Yr BB U.S. Constrained Index			1.2%	2.6%	5.6%	4.0%	--	--	--	4.1%	Oct-13
Total Fund Global Bond	\$28,144,341	8.5%	-1.3%	2.9%	8.2%	--	--	--	--	2.8%	Jun-15
Franklin Templeton Global Bond Plus Trust	\$28,144,341	8.5%	-1.3%	2.9%	8.2%	--	--	--	--	2.8%	Jun-15
Total Fund Real Estate	\$80,658,593	24.3%	1.6%	3.5%	7.9%	10.8%	12.1%	13.2%	5.5%	8.4%	Oct-03
NCREIF ODCE Equal Weighted Index			1.8%	3.7%	8.2%	11.6%	11.8%	13.1%	5.1%	8.0%	Oct-03
JP Morgan Real Estate Strategic Property - Core Investments	\$80,658,593	24.3%	1.6%	3.5%	7.9%	10.8%	12.1%	13.1%	6.0%	9.0%	Oct-03
NCREIF ODCE Equal Weighted Index			1.8%	3.7%	8.2%	11.6%	11.8%	13.1%	5.1%	8.0%	Oct-03
Total Fund Hedge Fund of Funds	\$55,787,437	16.8%	1.1%	2.1%	5.7%	-0.1%	4.0%	3.3%	1.3%	3.0%	Apr-04
HFRI Fund of Funds Composite Index			0.7%	3.1%	6.4%	1.5%	3.9%	3.0%	0.9%	2.8%	Apr-04
Entrust Capital Diversified Fund QP Ltd	\$27,072,580	8.1%	1.4%	2.5%	5.5%	-1.7%	3.6%	--	--	2.4%	Jan-11
HFRI Fund of Funds Composite Index			0.7%	3.1%	6.4%	1.5%	3.9%	--	--	2.2%	Jan-11
T-Bills + 5%			1.4%	2.8%	5.6%	5.2%	5.2%	--	--	5.1%	Jan-11
Mesirow Institutional Multi-Strategy Fund, L.P.	\$28,053,036	8.4%	0.7%	1.7%	5.7%	0.8%	4.3%	--	--	3.0%	Apr-11
HFRI Fund of Funds Composite Index			0.7%	3.1%	6.4%	1.5%	3.9%	--	--	2.1%	Apr-11
T-Bills + 5%			1.4%	2.8%	5.6%	5.2%	5.2%	--	--	5.1%	Apr-11
LumX Asset Management	\$175,840	0.1%									
MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11	\$485,980	0.1%									

FELRA and UFCW Pension Fund

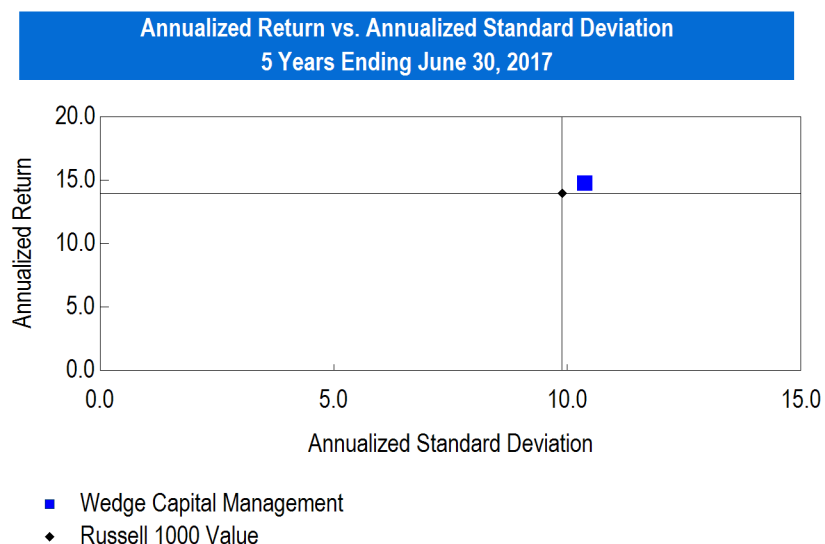
Master Consulting Services Report as of June 30, 2017

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending June 30, 2017							Inception	
			2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Fund GTAA	\$55,099,066	16.6%	1.6%	7.3%	12.8%	4.6%	7.3%	7.6%	--	6.5%	Apr-10
65% MSCI World Index/35% CitigroupWGBI			3.6%	8.5%	9.9%	3.2%	7.3%	8.1%	--	6.5%	Apr-10
First Eagle Global Value	\$55,099,066	16.6%	1.6%	7.3%	12.2%	--	--	--	--	5.7%	Sep-14
65% MSCI World Index/35% CitigroupWGBI			3.6%	8.5%	9.9%	--	--	--	--	3.3%	Sep-14
Total Fund Cash	\$1,242,019	0.4%	0.1%	0.3%	0.4%	0.2%	0.2%	0.1%	--	--	Jul-06
PNC Stif	\$1,242,019	0.4%	0.1%	0.3%	0.4%	0.2%	0.1%	0.2%	1.4%	1.7%	Jul-06
91 Day T-Bills			0.2%	0.4%	0.5%	0.2%	0.2%	0.1%	0.4%	0.9%	Jul-06

Account Information	
Account Name	Wedge Capital Management
Account Structure	Separate Account
Investment Style	Active
Inception Date	1/01/05
Account Type	US Stock Large Cap Value
Benchmark	Russell 1000 Value
Universe	eA US Large Cap Value Equity Gross

Wedge Capital Management Ending June 30, 2017		
	Last Three Months	Inception 1/1/05
Beginning Market Value	\$29,623,736	\$72,145,281
Net Cash Flow	-\$2,895,000	-\$92,325,565
Net Investment Change	\$673,359	\$47,582,379
Ending Market Value	\$27,402,095	\$27,402,095



3 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Wedge Capital Management	8.3%	11.2%	100.6%	93.5%
Russell 1000 Value	7.4%	10.5%	100.0%	100.0%

5 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Wedge Capital Management	14.8%	10.4%	100.5%	93.1%
Russell 1000 Value	13.9%	9.9%	100.0%	100.0%

Calendar Years											Inception	
	2017 Q2 Rank	YTD Rank	1 Yr Rank	3 Yrs Rank	5 Yrs Rank	2016 Rank	2015 Rank	2014 Rank	2013 Rank	2012 Rank	Return	Since
Wedge Capital Management	2.5% 34	6.7% 39	18.8% 35	8.3% 34	14.8% 31	14.1% 59	0.2% 18	12.5% 45	35.6% 36	15.0% 57	8.6%	Jan-05
Russell 1000 Value	1.3% 71	4.7% 73	15.5% 68	7.4% 54	13.9% 50	17.3% 26	-3.8% 64	13.5% 33	32.5% 60	17.5% 30	7.2%	Jan-05

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - Wedge Capital Management

Correspondence/Transfer Summary

- On the following dates funds were transferred to the PNC STIF account: 06/30/10 (\$1.0M), 01/28/11 (\$5.0M), 3/31/11 (\$5.0M), 4/4/11 (\$500,000), 4/29/11 (\$2.0M), 6/29/11 (\$1.25M), 7/28/11 (\$2.5M), 9/30/11 (\$575,000), 12/29/11 (\$1M), 1/30/12 (\$1.25M), 3/29/12 (\$750,000), 4/27/12 (\$750,000), 6/28/12 (\$1.25M), 7/30/12 (\$1M), 9/28/12 (\$500,000), 10/30/12 (\$1.3M), 12/28/12 (\$1.36M), 01/30/14 (\$1,840,000), 02/27/14 (\$850,000), 03/24/14 (\$1,600,000), 8/28/14 (\$2,000,000), 10/31/14 (\$900,000), 12/30/14 (\$2,300,000), 01/29/15 (\$2,300,000), 06/29/15 (\$2,300,000), 11/30/15 (\$1,130,000), 3/30/15 (\$1,500,000), 4/29/16 (\$2,000,000), 6/30/16 (\$1,930,000), 1/30/17 (\$1,980,000), 2/28/17 (\$990,000), 3/31/17 (\$1,900,000), 4/30/17 (\$2,060,000), and 5/31/17 (\$835,000).

Manager Summary

- IPS conducted due diligence meetings with Wedge Capital on November 24, 2015 and October 26, 2016.
- IPS conducted an on-site due diligence meeting with Wedge Capital on August 11, 2017.

Recommendation: None.

Compliance Summary

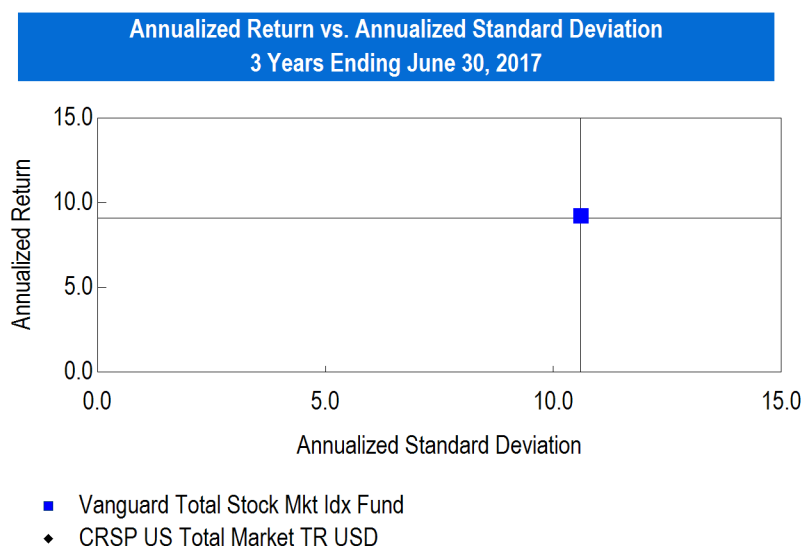
Exceptions: None.

Action to be taken: None.

Items of Interest: Personnel Addition - Manager stated that Ben Singer-Scott was added as an Equity Analyst to the large cap team. **Proxy Voting** - Manager stated Wedge does not vote the proxies for this account.

Account Information	
Account Name	Vanguard Total Stock Mkt Idx Fund
Account Structure	Mutual Fund
Investment Style	Passive
Inception Date	5/31/14
Account Type	Equity
Benchmark	CRSP US Total Market TR USD
Universe	

Vanguard Total Stock Mkt Idx Fund		
Ending June 30, 2017		
	Last Three Months	Inception 5/31/14
Beginning Market Value	\$65,923,861	\$0
Net Cash Flow	-\$6,475,000	\$44,736,210
Net Investment Change	\$1,816,471	\$16,529,122
Ending Market Value	\$61,265,332	\$61,265,332



3 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Vanguard Total Stock Mkt Idx Fund	9.2%	10.6%	100.7%	99.9%
CRSP US Total Market TR USD	9.1%	10.6%	100.0%	100.0%

						Calendar Years					Inception	
	2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Vanguard Total Stock Mkt Idx Fund	3.0%	9.0%	18.6%	9.2%	--	12.9%	0.6%	--	--	--	9.8%	May-14
CRSP US Total Market TR USD	3.0%	9.0%	18.5%	9.1%	14.6%	12.7%	0.4%	12.6%	33.6%	16.2%	9.7%	May-14

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - Vanguard Total Stock Mkt Index Fund

Correspondence/Transfer Summary

- On May 16, 2014, manager was funded with \$25.6M from termination of NWQ Investment Management.
- On the following date, funds were transferred to the PNC STIF account for benefit payments: 9/29/14 (\$1,500,000), 12/30/14 (\$1,500,000), 01/15/15 (\$1,500,000), 6/29/15 (\$3,000,000), 3/24/16 (\$3,200,000), 4/27/16 (\$4,500,000), 6/30/16 (\$4,300,000), 1/31/17 (\$4,340,000), 2/24/17 (\$2,200,000), 3/31/17 (\$4,400,000), 4/17/17 (\$4,600,000), and 5/15/17 (\$1,875,000).
- On February 26, 2015, \$24.4M was received from the termination of Foundry Partners.
- On August 7, 2015, \$6M was received from the PNC Stif account.
- On December 31, 2015, \$27.2M was received from the termination of INTECH and Westwood.

Manager Summary

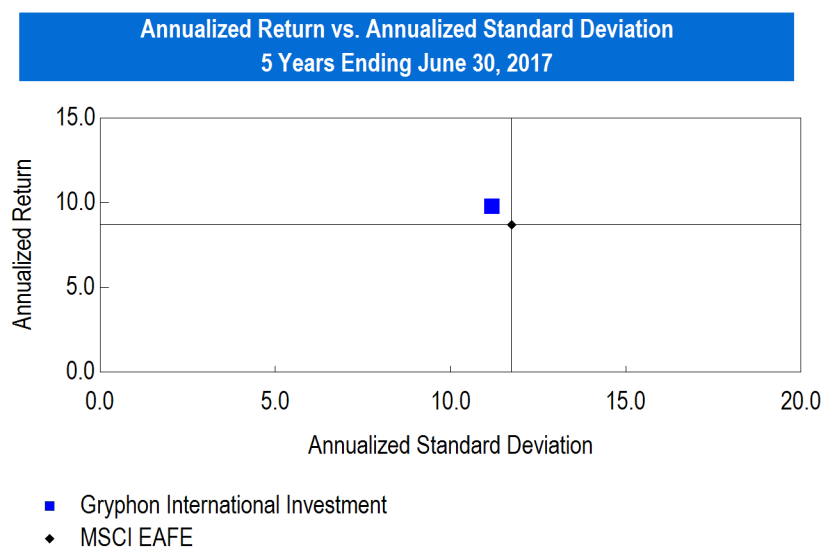
Recommendation: None.

Compliance Summary

This is an index investment in a mutual fund; the manager will not sign the quarterly compliance questionnaires.

Account Information	
Account Name	Gryphon International Investment
Account Structure	Separate Account
Investment Style	Active
Inception Date	1/01/05
Account Type	International
Benchmark	MSCI EAFE
Universe	eA EAFE Equity Unhedged Gross

Gryphon International Investment		
Ending June 30, 2017		
	Last Three Months	Inception 1/1/05
Beginning Market Value	\$8,658,699	\$37,146,939
Net Cash Flow	-\$845,000	-\$55,629,528
Net Investment Change	\$761,287	\$27,057,575
Ending Market Value	\$8,574,986	\$8,574,986



3 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Gryphon International Investment	3.8%	12.5%	99.7%	87.2%
MSCI EAFE	1.1%	12.4%	100.0%	100.0%

5 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Gryphon International Investment	9.8%	11.2%	88.8%	84.8%
MSCI EAFE	8.7%	11.7%	100.0%	100.0%

											Calendar Years										Inception	
	2017 Q2	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	2012	Rank	Return	Since
Gryphon International Investment	9.2%	12	14.8%	56	23.8%	29	3.8%	39	9.8%	59	0.8%	58	4.4%	30	-6.5%	83	23.0%	64	19.6%	59	6.6%	Jan-05
MSCI EAFE	6.1%	74	13.8%	75	20.3%	60	1.1%	87	8.7%	82	1.0%	54	-0.8%	76	-4.9%	71	22.8%	66	17.3%	81	4.6%	Jan-05
MSCI EAFE Growth	7.5%	35	16.7%	28	15.7%	87	2.8%	57	9.2%	72	-3.0%	89	4.1%	32	-4.4%	58	22.5%	67	16.9%	85	5.3%	Jan-05

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - Gryphon International Investment

Correspondence/Transfer Summary

- Received \$36.4 million on 12-7-04.
- In January 2008, The Boston Company was terminated and \$10.2 million was transferred to Gryphon.
- On April 1, 2010, \$10M was transferred from Gryphon to Windhaven (GTAA manager).
- Funds were transferred to the PNC STIF account on the following dates: 1/28/11 (\$4.3M), 3/31/11 (\$2.6M), 4/29/11 (\$5.0M), 9/29/14 (\$5,500,000), 11/19/14 (\$4,000,000), 3/31/15 (\$3,500,000), 4/10/15 (\$500,000), 4/30/15 (\$3,675,000), 5/28/15 (\$2,000,000), 9/30/15 (\$2,000,000), 10/30/15 (\$5,800,000), 3/30/16 (\$450,000), 4/29/16 (\$615,000), 6/30/16 (\$600,000), 1/31/17 (\$575,000), 2/28/17 (\$290,000), 3/31/17 (\$560,000), 4/27/17 (\$590,000), and 5/22/17 (\$255,000).

Manager Summary

Recommendation: Due to the ongoing cash needs, terminate in September and use proceeds for October 1 benefit payments. Status: In Process.

Compliance Summary

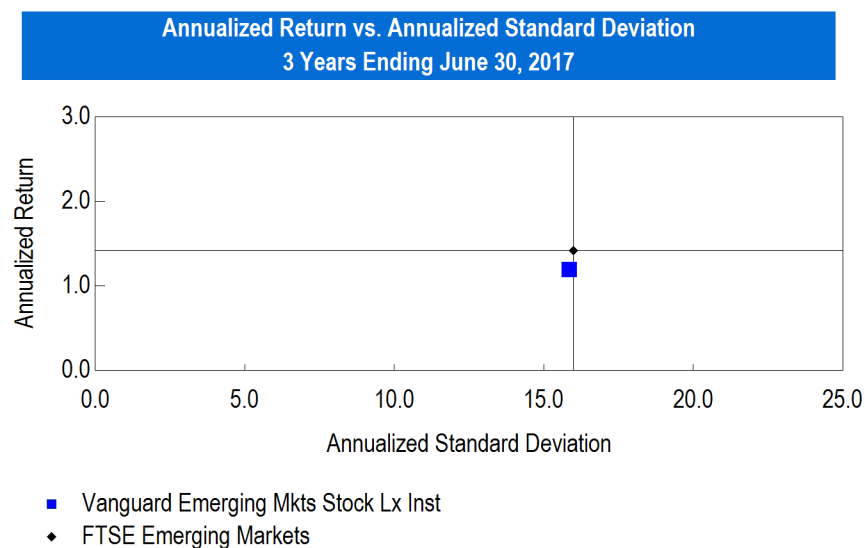
Exceptions : None.

Action to be taken: None.

Items of Interest: Compliance -The manager stated they were temporarily out of compliance with cash requirements due to client instructed withdrawal. As of June 30, 2017 the manager was in compliance. With respect to the portfolio under management, the manager acknowledges sole fiduciary responsibility under ERISA for adherence with the Fund's investment policy provided a current investment policy statement for the Fund has been provided, and excepting matters which can only be addressed with knowledge of the full Fund portfolio, and proxy voting matters which have been delegated to Marco Consulting Group. **Proxy Voting** - The manager noted Gryphon International has not been appointed to vote proxies for the Fund.

Account Information	
Account Name	Vanguard Emerging Mkts Stock Lx Inst
Account Structure	Mutual Fund
Investment Style	Passive
Inception Date	5/31/14
Account Type	International
Benchmark	FTSE Emerging Markets
Universe	

Vanguard Emerging Mkts Stock Lx Inst		
Ending June 30, 2017		
	Last Three Months	Inception 5/31/14
Beginning Market Value	\$5,241,290	\$0
Net Cash Flow	-\$500,000	\$5,066,298
Net Investment Change	\$173,439	-\$151,569
Ending Market Value	\$4,914,728	\$4,914,728



3 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Vanguard Emerging Mkts Stock Lx Inst	1.2%	15.8%	96.1%	98.6%
FTSE Emerging Markets	1.4%	16.0%	100.0%	100.0%

						Calendar Years					Inception	
	2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Vanguard Emerging Mkts Stock Lx Inst	3.5%	15.0%	19.3%	1.2%	--	11.9%	-14.4%	--	--	--	2.2%	May-14
FTSE Emerging Markets	4.1%	14.8%	20.6%	1.4%	4.3%	13.5%	-15.2%	1.6%	-3.5%	17.9%	2.4%	May-14

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - Vanguard Emerging Mkts Stock Lx Intst.

Correspondence/Transfer Summary

- On May 8, 2014, manager received \$14.8M from the liquidation of Vanguard EAFE ETF.
- Funds were transferred to the PNC STIF account on the following dates: 4/30/15 (\$2,100,000), 6/29/15 (\$800,000), 9/30/15 (\$1,900,000), 10/30/15 (\$2,000,000), 3/24/16 (\$250,000), 4/27/16 (\$375,000), 6/30/16 (\$320,000), 1/31/17 (\$330,000), 2/24/17 (\$165,000), 3/23/17 (\$340,00), 4/17/17 (\$350,00), and 5/15/17 (\$150,000).

Manager Summary

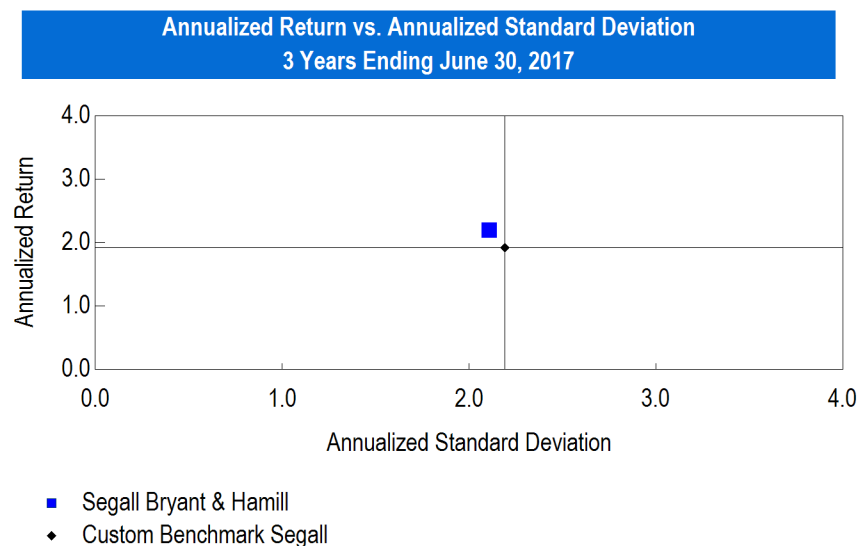
Recommendation: Due to the ongoing cash needs, terminate in September and use proceeds for October 1 benefit payments. Status: In Process.

Compliance Summary

This is an index investment in a mutual fund; the manager will not sign the quarterly compliance questionnaires.

Account Information	
Account Name	Segall Bryant & Hamill
Account Structure	Separate Account
Investment Style	Active
Inception Date	1/01/09
Account Type	US Fixed Income Core
Benchmark	Custom Benchmark Segall
Universe	eA US Core Fixed Inc Gross

Segall Bryant & Hamill Ending June 30, 2017		
	Last Three Months	Inception 1/1/09
Beginning Market Value	\$5,874,895	\$41,048,647
Net Cash Flow	-\$565,000	-\$44,316,663
Net Investment Change	\$61,531	\$8,639,442
Ending Market Value	\$5,371,426	\$5,371,426



3 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Segall Bryant & Hamill	2.2%	2.1%	99.5%	85.1%
Custom Benchmark Segall	1.9%	2.2%	100.0%	100.0%

5 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Segall Bryant & Hamill	1.9%	2.3%	102.1%	89.0%
Custom Benchmark Segall	1.5%	2.3%	100.0%	100.0%

											Calendar Years								Inception			
	2017 Q2	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	2012	Rank	Return	Since
Segall Bryant & Hamill	1.1%	96	1.9%	96	0.1%	61	2.2%	96	1.9%	98	2.4%	85	1.3%	24	3.7%	90	-1.8%	71	4.7%	80	4.2%	Jan-09
Custom Benchmark Segall	0.9%	97	1.7%	97	-0.2%	79	1.9%	99	1.5%	99	2.1%	93	1.1%	40	3.1%	95	-2.0%	83	4.2%	90	3.5%	Jan-09

Note: Returns are gross of fees.

Custom Benchmark: Barclays Aggregate from Jan/09 to Aug/13 and Barclays Intermediate Govt/Credit from Sept/13 to present.

FELRA & UFCW Pension Fund - Segall Bryant & Hamill

Correspondence/Transfer Summary

- Manager was funded on November 5, 2008 with assets from terminated manager (Logan Circle).
- At the June 10, 2013 meeting, the Trustees approved changing the manager's benchmark to the Barclays Intermediate Government/Credit Index to shorten the duration of the fixed income portfolio and potentially reduce interest rate risk. Benchmark change is effective September 1, 2013.
- Manager offered a fee schedule with breakpoints of 20 bps for first \$50M, 18 bps next \$50 - \$100M, and 15 bps over \$100M. Fee for illiquid account is 10 bps. The new fee schedule has been adopted.
- In September 2013, SBH received \$21.2M from the termination of IR&M to consolidate investment grade fixed income portfolios. \$2.4M was also received from the IR&M transition account.
- On the following dates, funds were transferred to the PNC STIF account for benefit payments: 01/30/14 (\$1,220,000), 02/27/14 (\$450,000), 03/24/14 (\$1,100,000), 9/29/14 (\$1,500,000), 10/31/14 (\$600,000), 12/30/14 (\$1,400,000), 01/29/15 (\$1,400,000), 2/26/15 (\$1,800,000), 3/31/15 (\$3,600,000), 4/30/15 (\$2,625,000), 5/28/15 (\$700,000), 6/29/15 (\$850,000), 9/30/15 (\$2,600,000), 10/30/15 (\$2,800,000), 11/30/15 (\$275,000), 12/31/15 (\$545,000), 3/30/16 (\$350,000), 4/29/16 (\$500,000), 6/30/16 (\$440,000), 1/30/17 (\$405,000), 2/28/17 (\$200,000), 3/30/17 (\$400,000), 4/30/17 (\$400,000), and 5/20/17 (\$165,000).

Manager Summary

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

Recommendation: None.

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FELRA & UFCW Pension Fund - Segall Bryant & Hamill (cont.)

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 6/30/2017 are currently below investment grade with a total market value of \$11,977.25 (0.22% of the portfolio) and two bonds are in default with a total market value of \$832.55 (0.02% of the portfolio).

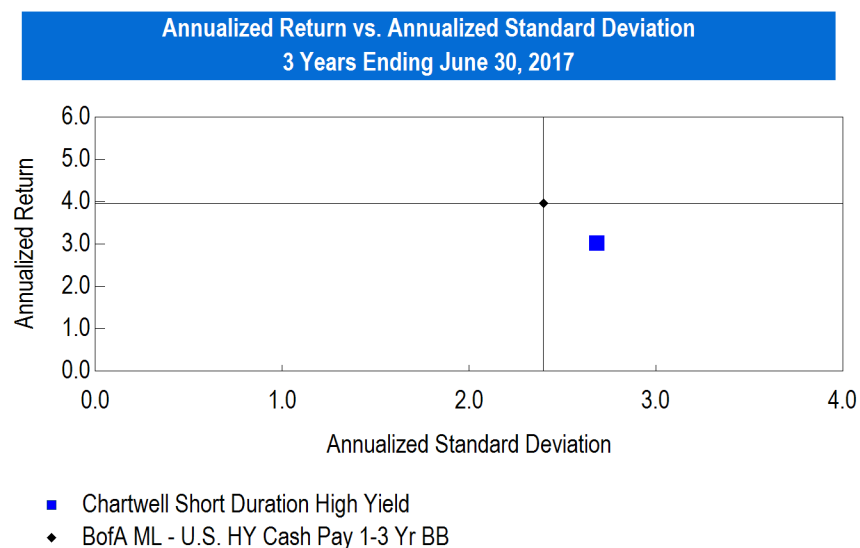
Manager Response Summary: The manager provided a table with the inherited bonds that are currently below investment grade and in default in an email dated May 15, 2017. The manager noted one bond is currently being monitored for sale, but the manager has not received an adequate bid. The one Lehman Brothers bond in default is in liquidation and recovery is uncertain. Twin Reefs Pass-Securities are under strategic reorganization and the status of the securities is uncertain. The manager noted they received DPS 144 A Washington Mutual stock out of escrow and have sold the shares. The manager also noted they may receive additional shares.

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

Items of Interest: Form ADV Changes - The manager stated there have been no significant changes to the ADV.

Account Information	
Account Name	Chartwell Short Duration High Yield
Account Structure	Separate Account
Investment Style	Active
Inception Date	10/01/13
Account Type	US Fixed Income High Yield
Benchmark	BofA ML - U.S. HY Cash Pay 1-3 Yr BB
Universe	

Chartwell Short Duration High Yield		
Ending June 30, 2017		
	Last Three Months	Inception 10/1/13
Beginning Market Value	\$4,497,619	\$0
Net Cash Flow	-\$430,000	\$2,708,728
Net Investment Change	\$46,717	\$1,405,609
Ending Market Value	\$4,114,337	\$4,114,337



3 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Chartwell Short Duration High Yield	3.0%	2.7%	91.5%	124.4%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	4.0%	2.4%	100.0%	100.0%

						Calendar Years					Inception	
	2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Chartwell Short Duration High Yield	1.1%	2.3%	5.9%	3.0%	--	8.1%	-0.3%	1.5%	--	--	3.7%	Oct-13
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	1.4%	2.4%	5.8%	4.0%	4.9%	8.5%	1.2%	1.9%	5.5%	10.2%	4.2%	Oct-13
BBgBarc 1-3 Yr BB U.S. Constrained Index	1.2%	2.6%	5.6%	4.0%	4.3%	8.8%	1.1%	1.5%	4.3%	8.0%	4.1%	Oct-13

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - Chartwell Short Duration High Yield

Correspondence/Transfer Summary

- On October 1, 2013, Chartwell received \$19.5M from termination of Lazard Asset Management (high yield fixed income).
- On the following dates, funds were transferred to the PNC STIF account for benefit payments: 01/30/14 (\$820,000), 03/24/14 (\$700,000), 12/30/14 (\$1,000,000), 01/29/15 (\$1,000,000), 3/31/15 (\$3,600,000), 4/30/15 (\$2,100,000), 6/29/15 (\$650,000), 9/30/15 (\$1,900,000), 10/30/15 (\$2,000,000), 11/30/15 (\$200,000), 12/31/15 (\$395,000), 3/30/16 (\$250,000), 4/29/16 (\$310,000), 6/30/16 (\$300,000), 1/28/17 (\$155,000), 1/31/17 (\$310,000), 3/31/17 (\$300,000), 4/27/17 (\$300,000), and 5/17/17 (\$130,000).

Manager Summary

- IPS conducted due diligence meetings with Chartwell on November 20, 2015 and March 22, 2017.

Recommendation: None.

Compliance Summary

Exceptions: None.

Action to be taken: None.

Items of Interest: Personnel Addition - During 2nd Quarter 2017 Mario Davila joined Chartwell as Mid South Regional Director.

Account Information	
Account Name	Franklin Templeton Global Bond Plus Trust
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	6/30/15
Account Type	Fixed
Benchmark	
Universe	

Franklin Templeton Global Bond Plus Trust		
Ending June 30, 2017		
	Last Three Months	Inception 6/30/15
Beginning Market Value	\$31,631,072	\$0
Net Cash Flow	-\$3,090,000	\$26,940,000
Net Investment Change	-\$396,731	\$1,204,341
Ending Market Value	\$28,144,341	\$28,144,341

	2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	Calendar Years					Inception	
						2016	2015	2014	2013	2012	Return	Since
Franklin Templeton Global Bond Plus Trust	-1.3%	2.9%	8.2%	--	--	6.5%	--	--	--	--	2.8%	Jun-15

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - Franklin Templeton Global Bond Plus Trust

Correspondence/Transfer Summary

- On June 12, 2015, manager was funded with \$50M from termination of AQR and Putnam (GTAA managers).
- Funds were transferred to the PNC STIF account on the following dates: 3/30/16 (\$5,000,000), 4/28/16 (\$2,700,000), 5/1/16 (\$5,000,000), 6/30/16 (\$2,110,000), 1/31/17 (\$2,060,000), 2/28/17 (\$1,000,000), 3/31/17 (\$2,100,000), 4/30/17 (\$2,200,000), and 5/30/17 (\$890,000).

Manager Summary

- IPS conducted an on-site due diligence meeting with Franklin Templeton on April 1, 2015.

Recommendation: None.

Compliance Summary

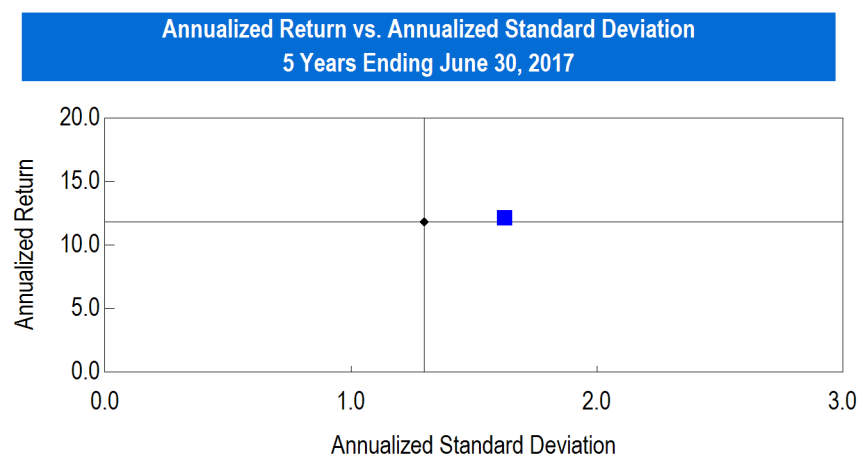
Commingled Fund: Due to the commingled fund structure, IPS does not monitor the holdings within the commingled fund for compliance with the client's investment policy statement. The commingled fund is governed by its own investment policy.

Manager verified that the portfolio and individual holdings are in compliance with the firm's commingled investment vehicle guidelines. With respect to the portfolio(s) under management, Fiduciary Trust International of the South acknowledges sole fiduciary responsibility under ERISA for adherence with the investment policies of Franklin Templeton Global Bond Plus Trust.

Items of Interest: Organizational Changes - In a letter dated April 12, 2017, manager stated the following changes will go into effect on May 1, 2017: Ed Perks will be named CIO/Multi-Asset Solutions; Stephen Dover will be appointed Head of Equities; Mat Gulley will take on the role of Head of Alternative Strategies; Christopher Molumphy, CIO/Fixed Income, will add oversight of fixed income teams of Franklin Local Asset Management. Manager noted the Templeton Global Macro team under CIO Michael Hasenstab will remain unchanged and continue to report into CEO, Greg Johnson; Kelsey Biggers head of Performance Analysis and Investment Risk (PAIR), will report to CEO Greg Johnson. **Form ADV Changes** - The manager stated that the following amendments were implemented to the Form ADV of the Fund's sub-advisor, Franklin Advisers, Inc., during the past quarter ending June 30, 2017, Schedule A: (1) Changed title of Edward B. Jamieson from President & Chief Investment Officer to President effective 04/05/2017 per resolutions. (2) Changed title of Michael P. McCarthy from Executive Vice President to Executive Vice President and Chief Investment Officer effective 04/05/2017 per resolutions. (3) Changed title of Stephen H. Dover from Senior Vice President to Executive Vice President effective 05/01/2017 per resolutions. (4) Changed title / status of Franklin Resources, Inc. from "PARENT CORPORATION OF REGISTRANT: 100%" to "SHAREHOLDER". **Legal** - Manager stated with respect to investment-management-related private litigation, during quarter ended March 31, 2017, Franklin Advisers, Inc. (FAV) was named as a defendant in such litigation, which remains pending. To the best of FAV's knowledge, in that same time period, none of its advisory affiliate employees was named as a defendant in any private litigation pertaining to FAV's investment management activities. For a summary of material, investment-management-related private litigation in which FAV and/or certain of its advisory affiliates were named as defendants at any point in the past five years ended March 31, 2017, please see Appendix 2: Franklin Advisers, Inc. Litigation History. In addition, FAV and its advisory affiliates are from time to time named in litigation in the ordinary course of business, including currently. To the extent any such litigation is currently pending, as of the date of this response, none is reasonably expected to have a material adverse effect on FAV's financial condition or ability to provide investment management services. With respect to investment-related regulatory matters, as of June 30, 2017, FAV is responding to a formal investigation by the U.S. Securities and Exchange Commission (SEC) relating to U.S. investment limits in connection with certain investments made by a Canadian affiliate on behalf of certain Canadian funds. During the past quarter ended June 30, 2017, neither FAV nor, to the best of its knowledge, any of its advisory affiliate employees was the subject of any investment-related proceedings brought by any U.S. federal or state regulatory agency, foreign financial regulatory authority or self-regulatory organization concerning FAV's investment management activities. For a summary of investment-related proceedings, findings or orders brought or issued by any such regulatory authority against FAV and/or certain of its advisory affiliates in the past 10 years ended March 31, 2017, as well as certain other regulatory matters, please see Appendix 3: Franklin Advisers, Inc. Regulatory History. In addition, from time to time FAV and its advisory affiliates receive subpoenas and inquiries, including requests for documents or other information from governmental authorities or regulatory bodies and also may be the subject of governmental or regulatory examinations or investigations. Investment-related proceedings, findings or orders resulting from such subpoenas, inquiries, examinations or investigations, if any, will be reported, to the extent required and permitted by law, on FAV's Form ADV filed with the SEC. Furthermore, in regards to Fiduciary Trust International of the South, manager stated that during quarter ended March 31, 2017, FTIOS has not been named as a defendant in any litigation related to its investment activities pertaining to the collective investment trusts for which FTIOS serves as trustee (FTIOS CITs). Further, during quarter ended June 30, 2017, FTIOS has not been named as a respondent in any regulatory enforcement action relating to or, to the best of its knowledge, as the subject of a regulatory order of investigation related to, its investment activities pertaining to the FTIOS CITs. **Derivatives** - Manager answered no in response to the statement that they are required to provide information identifying all derivatives held during the year together with certification that these derivatives were prudent investments for the Fund. Manager stated they would disclose the derivatives held during the respective reporting period, but they would not deliver all derivative transactions over the course of the year. Manager noted they would certify that these derivatives were prudent investments for the Trust.

Account Information	
Account Name	JP Morgan Real Estate Strategic Property - Core Investments
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	10/01/03
Account Type	Real Estate
Benchmark	NCREIF ODCE Equal Weighted Index
Universe	

JP Morgan Real Estate Strategic Property -Core Investments		
Ending June 30, 2017		
	Last Three Months	Inception 10/1/03
Beginning Market Value	\$80,202,517	\$0
Net Cash Flow	-\$595,937	-\$8,175,838
Net Investment Change	\$1,052,013	\$88,834,431
Ending Market Value	\$80,658,593	\$80,658,593



- JP Morgan Real Estate Strategic Property - Core Investments
- ◆ NCREIF ODCE Equal Weighted Index

3 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
JP Morgan Real Estate Strategic Property - Core Investments	10.8%	1.6%	91.7%	--
NCREIF ODCE Equal Weighted Index	11.6%	1.5%	100.0%	--

5 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
JP Morgan Real Estate Strategic Property - Core Investments	12.1%	1.6%	103.3%	--
NCREIF ODCE Equal Weighted Index	11.8%	1.3%	100.0%	--

						Calendar Years					Inception	
	2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
JP Morgan Real Estate Strategic Property - Core Investments	1.6%	3.5%	7.9%	10.8%	12.1%	8.4%	15.2%	11.1%	15.9%	12.1%	9.0%	Oct-03
NCREIF ODCE Equal Weighted Index	1.8%	3.7%	8.2%	11.6%	11.8%	9.3%	15.2%	12.4%	13.3%	11.0%	8.0%	Oct-03

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - JP Morgan Real Estate Strategic Property - Core Investments

Correspondence/Transfer Summary

- A redemption request for \$15M was submitted effective December 31, 2015. Income is distributed effective December 31, 2015.
- Funds were transferred to the PNC STIF account on the following dates: 1/19/16 (\$16.0M), 1/4/17 (\$638,635), and 4/30/17 (\$595,936).
- A redemption request for \$20M was submitted effective June 30, 2016. Proceeds were received in July 2016 (\$10.9M) and October 2016 (\$10.7M).
- A redemption request for \$20M was submitted effective June 30, 2017. Proceeds were received on July 6, 2017 (\$20.6M) and transferred to the cash account. \$23M redemption (September 30, 2017) and \$10M redemption (December 31, 2017) have been submitted.

Manager Summary

- IPS conducted a due diligence meeting with JP Morgan on October 2, 2014.
- JPM announced a change to the fee structure of JPMCB Strategic Property Fund that lowers the effective investment management fee for investors that maintain a Fund net asset value (NAV) over \$100 million. Effective January 1, 2016, the Fund's fee for these investors will be 100 bps per annum on the first \$40M, 90 bps on the next \$25M, and 85 bps on the balance of the NAV.

Recommendation: 1) Monitor due to QPAM status. 2) Due to ongoing cash needs, reduce to 15% allocation as soon as possible, 10% by December 31, 2017 (Status: In process), and liquidate by December 31, 2018 (Status: In process).

Compliance Summary

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.

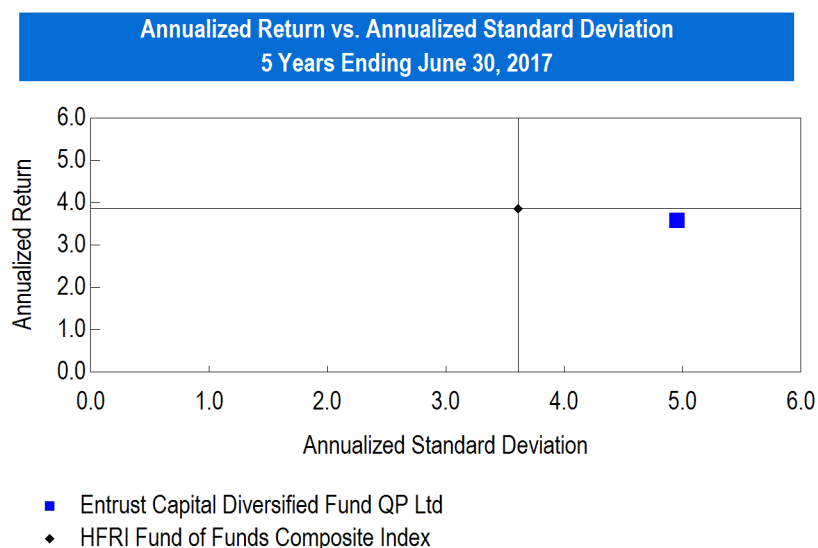
Manager verified the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, the manager acknowledges sole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

Items of Interest: Personnel Changes - Manager stated in June 2017, Ruchi Pathela was named Director of Valuations for Global Real Estate, Infrastructure and Transportation, succeeding Ellie Kerr, who retired in May 2017. Ruchi worked alongside Ellie and her team during her role as Director of the Altus Group since 2013. Ruchi brings more than 15 years of diversified experience in equity and debt real estate, including acquisitions, portfolio and asset management, loan underwriting and valuations. **Form ADV** - The manager stated there were no material changes to Form ADV during the second quarter of 2017. **Legal** - JPMorgan Chase & Co. and/or its subsidiaries (collectively, the "Firm") are defendants or putative defendants in numerous legal proceedings, including private civil litigations and regulatory/government investigations. The litigations range from individual actions involving a single plaintiff to class action lawsuits with potentially millions of class members. Investigations involve both formal and informal proceedings, by both governmental agencies and self-regulatory organizations. These legal proceedings are at varying stages of adjudication, arbitration or investigation, and involve each of the Firm's lines of business and geographies and a wide variety of claims (including common law tort and contract claims and statutory antitrust, securities and consumer protection claims), some of which present novel legal theories. Based on current knowledge, the Firm believes it has asserted meritorious defenses to the claims asserted against it in its currently outstanding legal proceedings, intends to defend itself vigorously in all such matters, and does not believe that any pending legal proceeding would have a material effect on the Firm's performance of the services contemplated by the questionnaire. For further discussion, please refer to JPMorgan Chase & Co.'s most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission. Manager stated on May 20, 2015, JPMorgan Chase & Co. entered a plea of guilty to a single violation of federal antitrust law and is currently awaiting sentencing by the court. In a press release issued on May 20, 2015, manager stated JPMorgan Chase & Co. announced settlements with the U.S. Department of Justice (DOJ) and the Federal Reserve (Fed) relating to the Firm's foreign exchange (FX) trading business. Under the DOJ resolution, JPMorgan Chase & Co. will plead guilty to a single antitrust violation and pay a fine of \$550 million. Under the resolution with the Fed, the Firm will pay a fine of \$342 million and has agreed to the entry of a Consent Order. Manager noted the Firm has previously reserved for these settlements. Judgment consistent with the terms of the plea agreement referenced in the press release was entered on January 10, 2017. A copy of the press release is included in the 2Q 2017 Compliance Report.

Account Information	
Account Name	Entrust Capital Diversified Fund QP Ltd
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	1/31/11
Account Type	Hedge Fund
Benchmark	HFRI Fund of Funds Composite Index
Universe	

Entrust Capital Diversified Fund QP Ltd		
Ending June 30, 2017		
	Last Three Months	Inception 1/31/11
Beginning Market Value	\$26,791,201	\$0
Net Cash Flow	\$0	\$25,000,000
Net Investment Change	\$281,379	\$2,072,580
Ending Market Value	\$27,072,580	\$27,072,580

Market value is an estimate.



3 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Entrust Capital Diversified Fund QP Ltd	-1.7%	4.5%	29.1%	124.4%
HFRI Fund of Funds Composite Index	1.5%	3.9%	100.0%	100.0%

5 Years Ending June 30, 2017				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Entrust Capital Diversified Fund QP Ltd	3.6%	5.0%	101.7%	124.4%
HFRI Fund of Funds Composite Index	3.9%	3.6%	100.0%	100.0%

						Calendar Years					Inception	
	2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Entrust Capital Diversified Fund QP Ltd	1.4%	2.5%	5.5%	-1.7%	3.6%	0.2%	-6.3%	3.2%	12.5%	8.7%	2.4%	Jan-11
HFRI Fund of Funds Composite Index	0.7%	3.1%	6.4%	1.5%	3.9%	0.5%	-0.3%	3.4%	9.0%	4.8%	2.2%	Jan-11
T-Bills + 5%	1.4%	2.8%	5.6%	5.2%	5.2%	5.3%	5.0%	5.0%	5.1%	5.1%	5.1%	Jan-11

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - Entrust Capital Diversified Fund QP Ltd

Correspondence/Transfer Summary

- Manager was funded on January 31, 2011 with \$30 million from terminated manager, Arden.
- A redemption request for \$5M was submitted effective September 30, 2016. Proceeds were received on October 31, 2016.
- A full redemption request was submitted. In July 2017, \$12.5M of the redemption request was received. The remaining proceeds are expected to be received in October 2017.

Manager Summary

- IPS conducted on-site due diligence meetings with EnTrustPermal on June 23, 2016, and February 21, 2017.
- IPS conducted a due diligence meeting with EnTrust Capital on January 21, 2016.
- On January 22, 2016, EnTrust announced the firm will be combining their business with that of The Permal Group, a global alternative asset manager that was established in 1973 and acquired by Legg Mason in 2005. The new company will be called EnTrustPermal. Gregg S. Hymowitz will serve as the Chairman and Chief Executive Officer of EnTrustPermal, as well as continue to be the Chair of the EnTrustPermal Global Investment Committee. The transaction closed on May 2, 2016.

Recommendation: 1) Monitor performance for improvement. 2) Due to ongoing cash needs, redeem as soon as possible (Status: In process). Termination is effective June 30, 2017. In July 2017, \$12.5M of the redemption request was received. The remaining proceeds are expected to be received in October 2017.

Compliance Summary

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.

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

Items of Interest: **Personnel Departures** - Investment team members Tim Schuler, Managing Director/Investment Research, and Kristin Hafstad, Vice President/Investment Research, departed during the quarter. **Personnel Additions** - Andrew Minicucci, Associate/Investment Research, joined the investment team from the firm's business development team. **Form ADV** - EnTrustPermal Partners Offshore LP filed its annual Form ADV amendment with the SEC. New versions were distributed to all investors and are included behind the compliance checklist.

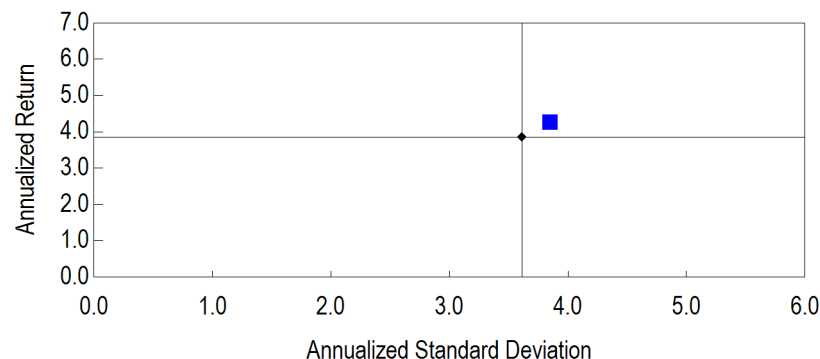
Account Information	
Account Name	Mesirow Institutional Multi-Strategy Fund, L.P.
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	4/01/11
Account Type	Hedge Fund
Benchmark	HFRI Fund of Funds Composite Index
Universe	

Mesirow Institutional Multi-Strategy Fund, L.P.

Ending June 30, 2017

	Last Three Months	Inception 4/1/11
Beginning Market Value	\$27,935,595	\$0
Net Cash Flow	\$0	\$24,000,000
Net Investment Change	\$117,441	\$4,053,036
Ending Market Value	\$28,053,036	\$28,053,036

Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2017



- Mesirow Institutional Multi-Strategy Fund, L.P.
- ◆ HFRI Fund of Funds Composite Index

3 Years Ending June 30, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Mesirow Institutional Multi-Strategy Fund, L.P.	0.8%	3.8%	83.4%	106.2%
HFRI Fund of Funds Composite Index	1.5%	3.9%	100.0%	100.0%

5 Years Ending June 30, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Mesirow Institutional Multi-Strategy Fund, L.P.	4.3%	3.8%	110.9%	106.2%
HFRI Fund of Funds Composite Index	3.9%	3.6%	100.0%	100.0%

						Calendar Years					Inception	
	2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Mesirow Institutional Multi-Strategy Fund, L.P.	0.7%	1.7%	5.7%	0.8%	4.3%	1.3%	-2.0%	5.0%	11.0%	7.6%	3.0%	Apr-11
HFRI Fund of Funds Composite Index	0.7%	3.1%	6.4%	1.5%	3.9%	0.5%	-0.3%	3.4%	9.0%	4.8%	2.1%	Apr-11
T-Bills + 5%	1.4%	2.8%	5.6%	5.2%	5.2%	5.3%	5.0%	5.0%	5.1%	5.1%	5.1%	Apr-11

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - Mesirow Institutional Multi-Strategy Fund

Correspondence/Transfer Summary

- Manager funded on April 1, 2011 with \$30.0 million from Arden (\$15.0M), EIM Management (\$13.0M), and PNC STIF (\$2.0M).
- A redemption request for \$6M was submitted effective September 30, 2016. Proceeds were received on November 10, 2016.

Manager Summary

- IPS conducted due diligence meetings with Mesirow on July 22, 2015 and August 13, 2015.
- IPS conducted an on-site due diligence meeting with Mesirow on August 22, 2017.

Recommendation: Due to ongoing cash needs, redeem as soon as possible (Status: In process). Termination is effective September 30, 2017 with proceeds to become available in mid November.

Compliance Summary

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.

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

Items of Interest: Personnel Changes - Mark Kulpins became the firm's sole Chief Investment Officer effective June 1, 2017. Steve Vogt has become Chief Market Strategist. Steve remains a full voting member of the investment committee, which is unchanged. In addition, Greg Fedorinchik, who is a long-standing member of the executive committee, was named President of MAS, also effective June 1, 2017. Greg will manage day-to-day operations which will allow Tom Macina, CEO, to focus a greater portion of his time on investment decision-making, working closely with Mark. **Personnel Departures** - Manager Research: Charles Carpenter, Senior Vice President and Bruce Rawlings, Applications Developer; Portfolio Management: Reena Jashnani-Slusarz, Senior Vice President and David Campione, Senior Associate; and Operational Due Diligence: Travis Alexander, Senior Vice President. Manager announced in August 2017 that Emma Rodriguez-Ayala, Senior Managing Director and General Counsel, will be leaving the firm effective September 1, 2017. Manager stated the day-to-day operations of the newly integrated Legal and Compliance team will continue to be managed by Jeff Levine, Senior Managing Director and General Counsel for Mesirow Financial. **Form ADV** - Manager stated The form ADV was recently updated (June 2017) in accordance with their annual update process. No material changes were made. **Legal** - Neither Mesirow nor any Mesirow employee at the present or during the past quarter has been named in litigation, a regulatory enforcement action, or investigation related to investment activities. **E&O Insurance** - Manager stated there have not been any changes during the second quarter of 2017.

Account Information		First Eagle Global Value		
Account Name	First Eagle Global Value	Ending June 30, 2017		
Account Structure	Commingled Fund	Last Three Months		Inception 9/1/14
Investment Style	Active			
Inception Date	9/01/14	Beginning Market Value	\$65,178,278	\$0
Account Type	Other	Net Cash Flow	-\$11,000,000	\$47,000,000
Benchmark	65% MSCI World Index/35% CitigroupWGBI	Net Investment Change	\$920,788	\$8,099,066
Universe		Ending Market Value	\$55,099,066	\$55,099,066

Note: GTAA Manager

						Calendar Years					Inception	
	2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
First Eagle Global Value	1.6%	7.3%	12.2%	--	--	11.4%	0.1%	--	--	--	5.7%	Sep-14
65% MSCI World Index/35% CitigroupWGBI	3.6%	8.5%	9.9%	3.2%	7.3%	5.6%	-1.6%	3.1%	15.1%	10.9%	3.3%	Sep-14

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - First Eagle Global Value

Correspondence/Transfer Summary

- Manager was funded on September 30, 2014 with \$58 million from termination of Windhaven (\$28M) and from Wellington proceeds (\$30M).
- On the following date, funds were transferred to the PNC STIF account for benefit payments: 7/03/15 (\$12,000,000), and 6/30/17 (\$11,000,000).
- A redemption request was submitted for \$7.0M. Proceeds were received on August 1, 2016.
- In October 2016, \$19.0M was received from the termination of Wellington to consolidate GTAA allocation with one manager.

Manager Summary

- IPS conducted due diligence meetings with First Eagle on December 21, 2016, April 13, 2017, and May 11, 2017.
- On January 12, 2016, First Eagle Investment Management, LLC contacted investors regarding a subpoena from the Employee Benefits Security Administration (EBSA), U.S. Department of Labor (DOL). According to the manager, the requests in the subpoena are broad in nature and the EBSA indicated, "this inquiry should not be construed as an indication that any violations of law have occurred or as a reflection upon any person involved in the matter."
- IPS reviewed the notice and has communicated with the manager. IPS will continue to monitor the situation and receive updates from the manager.
- On March 23, 2017, manager notified IPS the EBSA has completed their inquiry of First Eagle and there is no further action.

Recommendation: Due to the ongoing cash needs, reduce to 15% at year end. Redeem \$14.5M effective November 30, 2017. Status: In process.

Compliance Summary

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.

Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or prospectus 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 prospectus guidelines.

Items of Interest: Personnel Changes - Manager stated John Arnhold has retired from his position as non-executive chairman of First Eagle Investment Management, LLC effective June 30, 2017. John will continue to be a director of First Eagle Holdings, Inc. **Legal** - The manager stated as previously noted, a shareholder suit has been filed against FEIM alleging that the investment advisory fees charged breached its fiduciary duty to the First Eagle Global Fund and the First Eagle Overseas Fund. FEIM believes the case to be without merit; that the allegations are factually incorrect; and is contesting the suit strongly. FEIM and certain private funds it managed were listed among the 32,000+ former shareholder defendants in lawsuits related to the Tribune Company's LBO in 2007, and subsequent bankruptcy. They believe virtually all persons who were shareholders of the Tribune Company in 2007 and tendered or exchanged shares of Tribune stock were initially named as defendants.

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Account Information		LumX Asset Management		
Account Name	LumX Asset Management	Ending June 30, 2017		
Account Structure	Commingled Fund	Last Three Months		Inception 4/1/05
Investment Style	Active			
Inception Date	4/01/05	Beginning Market Value	\$175,840	\$25,494,521
Account Type	Hedge Fund	Net Cash Flow	\$0	-\$29,843,078
Benchmark	HFRI Fund of Funds Composite Index	Net Investment Change	\$0	\$4,524,397
Universe		Ending Market Value	\$175,840	\$175,840

Market value as of 12/31/16.

Correspondence/Transfer Summary - LumX Asset Management.

- Funded with \$25 million during the 1st quarter of 2005.
- On March 30, 2011, \$13 million was transferred to Transition Mesirow Cash account.
- Funds were transferred to Wellington on the following dates: 4/1/11 (\$2.4M), 5/2/11 (\$1.0M), 6/1/11 (\$1.7M), 7/1/11 (\$3M), and 9/1/11 (\$3.4M) .
- On the following dates funds were transferred to the PNC STIF account: 9/30/11 (\$661,449), 10/03/11 (\$6,610), 11/01/11 (\$811,880), 12/6/11 (\$109,347), 01/31/12 (\$212,680), 2/27/12 (\$630,592), 4/06/12 (\$214,089), 5/03/12 (\$311,273), 6/06/12 (\$10,684), 7/02/12 (\$129,527), 8/06/12 (\$10,432), 10/01/12 (\$33,902).
- Per the November 9, 2012 memo from Artis (underlying manager of EIM), the Fund received 455 shares of KiOR (CUSIP 4972171 09) and the shares were transferred to a Merrill Lynch brokerage account. Artis/EIM no longer manages the shares distributed and they are now the Fund's responsibility. Westwood will accept the shares of KiOR in-kind (existing 455 shares already in ML account) and any future distributions.
- On September 30, 2014, the merger between Gottex Fund Management Holdings Ltd. and EIM Group was completed.
- On June 2, 2017, Gottex Fund Management Holdings Ltd. changed the company name to LumX Asset Management.

Manager Summary

- On January 14, 2016, the manager requested the Fund sign a consent to assignment due to the merger of Gottex Fund Management and EIM in September 2014. The Investment Management Agreement (IMA) that governs the relationship with FELRA was executed in January 2005 with EIM Management. IPS recommended the Fund sign the consent to agreement, subject to review by counsel.

Recommendation: A full redemption was submitted. As the remainder of the proceeds become available, use for cash flow needs.

Compliance Summary

Due to the customized separate HFoF structure, IPS does not monitor the fund of funds portfolio or the underlying managers' portfolios for compliance with the customized investment policy or the individual managers' policies.

Items of Interest: Compliance - The relationship was terminated as of September 30, 2010. **Manager did not return 4Q2014, 1Q2015, 2Q2015, 3Q2015, 4Q2015, 3Q2016, 4Q2016, 1Q2017 and 2Q2017 compliance checklist.** In an email dated March 29, 2017 the manager stated there are no changes in any of the answers from their prior checklists. The manager stated the only positions that they currently manage for the mutual client are illiquid hedge fund positions. There have been no changes in their firm that would in any way impact their ongoing monitoring of the illiquid positions.

Account Information		MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11		
Account Name	MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11	Ending June 30, 2017		
Account Structure	Hedge Fund		Last Three Months	Inception 9/1/11
Investment Style	Active			
Inception Date	9/01/11	Beginning Market Value	\$555,297	\$0
Account Type	Hedge Fund	Net Cash Flow	-\$85,335	\$337,632
Benchmark		Net Investment Change	\$16,019	\$148,348
Universe		Ending Market Value	\$485,980	\$485,980

Market Value is as of 03/31/2017.

Correspondence/Transfer Summary - MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11	
•	On September 13, 2011, Meridian made an in-kind transfer of assets valued at \$2,261,541 they deemed illiquid from Diversified ERISA Fund to a segregated account - MDF Special Investment Fund.
•	On December 9, 2011, Meridian made a cash distribution of \$149,604 on December 9, 2011.
•	On March 19, 2012, Meridian made an in-kind transfer of assets from the Diversified ERISA Fund valued at \$497,158 they deemed illiquid to the segregated account, MDF Special Investments SPC, Ltd/MDEF June 2011.
•	On May 8, 2012, Meridian made a cash distribution of \$112,165.
•	The balance of \$715,128 held for the audit hold-back of Meridian Diversified ERISA Fund was paid out on July 26, 2012.
•	On November 14, 2012, Meridian made a cash distribution of \$200,100.
•	On November 20, 2012, Meridian made a cash distribution of \$168,134.
•	On May 6, 2013, Meridian made a cash distribution of \$600,338.
•	On August 2, 2013, Meridian made a cash distribution of \$46,051.
•	On November 8, 2013, Meridian made a cash distribution of \$259,357.
•	On May 6, 2014, Meridian made a cash distribution of \$239,338.
•	On August 4, 2014, Meridian made a cash distribution of \$95,972.
•	On November 10, 2014, Meridian made a cash distribution of \$113,768.
•	On May 7, 2015, Meridian made a cash distribution of \$83,258.
•	On August 14, 2015, Meridian made a cash distribution of \$16,105.
•	On November 5, 2015, Meridian made a cash distribution of \$131,453.
•	On February 26, 2016, Meridian made a cash distribution of \$16,101.
•	On May 2, 2016, Meridian made a cash distribution of \$50,370.
•	On August 15, 2016, Meridian made a cash distribution of \$94,766.
•	On May 8, 2017, Meridian made a cash distribution of \$85,335.
•	On August 17, 2017, Meridian made a cash distribution of \$36,779.

Manager Summary

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.

Compliance Summary

Commingled Fund: Due to the commingled fund structures, 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.

Items of Interest: In an email dated June 27, 2017 manager stated as previously explained, IPS investors no longer own shares of Meridian Diversified ERISA Fund. They have all fully redeemed from that fund and as a result they own shares of MDF Special Investments, which are side pocket liquidating funds that are in wind down mode. As the managers are able to liquidate their holdings, cash distributions will be made to the shareholders until the entire position is realized in full. Manager noted that due to this they do not complete checklists.

Commission Recapture Provider

- Cowen Execution Services, LLC.
- On April 3, 2017, Cowen Group announced the signing of a definitive agreement to acquire ConvergeX Group. The transaction is expected to close by the end of the second quarter of 2017, following customary closing conditions and regulatory approvals. IPS contacted John Seyler at ConvergeX to discuss the transaction. Per ConvergeX, there will be no impact to existing ConvergeX clients and a consent to assignment is not required. The transaction closed on June 1, 2017. Following the acquisition, the name changed to Cowen Execution Services, LLC.

Custody Bank

- The current custodian is PNC Bank.

Investment Policy Statement

- Investment policy statement was adopted in August 2014.

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.

Proxy Voting

- Pursuant to its Agreement with the Fund, responsibility for the exercise of ownership rights including the right to vote proxies is delegated to Marco Consulting Group, which is expected to vote all proxies in accordance with applicable law and the fiduciary responsibility provisions of ERISA. To enable the Trustees to monitor proxy voting, the Investment Managers shall submit to Marco any proxies for the Fund, on a monthly basis.



FELRA And UFCW Pension Fund

Appendix

FELRA and UFCW Pension Fund - Cash Flow Analysis

Quarter Ending	Beginning Market Value	Net Contributions / Withdrawals	Appreciation / Depreciation	Ending Market Value
Mar-06	\$994,129,241	(\$26,357,143)	\$45,962,362	\$1,013,734,460
Jun-06	\$1,013,734,460	(\$25,324,483)	(\$2,232,645)	\$986,177,332
Sep-06	\$986,177,332	(\$22,875,369)	\$25,905,305	\$989,207,268
Dec-06	\$989,207,268	(\$21,803,868)	\$52,866,132	\$1,020,269,531
Mar-07	\$1,020,269,531	(\$22,305,382)	\$24,516,708	\$1,022,480,857
Jun-07	\$1,022,480,857	(\$23,258,483)	\$46,321,283	\$1,045,543,657
Sep-07	\$1,045,543,657	(\$22,459,914)	\$11,331,636	\$1,034,415,379
Dec-07	\$1,034,415,379	(\$25,451,080)	(\$2,120,738)	\$1,006,843,561
Mar-08	\$1,006,843,561	(\$22,535,849)	(\$56,423,714)	\$927,883,998
Jun-08	\$927,883,998	(\$22,279,057)	\$3,761,688	\$909,366,629
Sep-08	\$909,366,629	(\$20,509,818)	(\$80,014,998)	\$808,841,813
Dec-08	\$808,841,813	(\$20,711,188)	(\$113,094,795)	\$675,035,830
Mar-09	\$675,035,830	(\$20,585,950)	(\$39,228,598)	\$615,221,281
Jun-09	\$615,221,281	(\$20,646,824)	\$46,554,642	\$641,129,099
Sep-09	\$641,129,099	(\$15,477,240)	\$51,866,729	\$677,518,587
Dec-09	\$677,518,587	(\$20,301,671)	\$16,291,888	\$673,508,804
Mar-10	\$673,508,804	(\$23,964,727)	\$24,806,670	\$674,350,747
Jun-10	\$674,350,747	(\$14,607,147)	(\$28,805,278)	\$630,938,322
Sep-10	\$630,938,322	(\$18,531,935)	\$48,030,080	\$660,436,468
Dec-10	\$660,436,468	(\$19,020,364)	\$39,663,596	\$681,079,700
Mar-11	\$681,079,700	(\$19,226,978)	\$23,472,595	\$685,325,318
Jun-11	\$685,325,317	(\$19,226,221)	\$7,939,126	\$674,038,223
Sep-11	\$674,038,223	(\$17,543,142)	(\$54,950,333)	\$601,544,748
Dec-11	\$601,544,748	(\$17,996,347)	\$26,652,623	\$610,201,024
Mar-12	\$610,201,024	(\$18,424,045)	\$41,651,407	\$633,428,386
Jun-12	\$633,428,386	(\$19,565,191)	(\$12,196,300)	\$601,666,895
Sep-12	\$601,666,895	(\$19,502,528)	\$27,990,815	\$610,155,182
Dec-12	\$610,155,182	(\$19,736,735)	\$13,322,360	\$603,740,808
Mar-13	\$603,740,808	(\$21,331,110)	\$25,836,469	\$608,246,166
Jun-13	\$608,246,166	(\$22,971,241)	(\$3,558,977)	\$581,715,949
Sep-13	\$581,715,949	(\$22,792,009)	\$29,121,566	\$588,045,505
Dec-13	\$588,045,505	(\$23,020,041)	\$29,768,336	\$594,793,801
Mar-14	\$594,793,801	(\$22,948,172)	\$11,617,817	\$583,463,445
Jun-14	\$583,463,445	(\$23,781,419)	\$20,935,774	\$580,617,800
Sep-14	\$580,617,800	(\$23,973,486)	(\$7,324,690)	\$549,319,624
Dec-14	\$549,319,624	(\$24,616,981)	\$6,603,834	\$531,306,478
Mar-15	\$531,306,478	(\$23,458,617)	\$17,197,180	\$525,045,041
Jun-15	\$525,045,041	(\$24,143,915)	\$5,472,944	\$506,374,069
Sep-15	\$506,374,069	(\$24,112,722)	(\$22,853,704)	\$459,407,643
Dec-15	\$459,407,643	(\$27,542,185)	\$12,993,637	\$444,859,095
Mar-16	\$444,859,095	(\$26,773,145)	\$1,631,135	\$419,717,085
Jun-16	\$419,717,085	(\$26,381,540)	\$6,603,058	\$399,938,603
Sep-16	\$399,938,603	(\$36,893,297)	\$12,191,625	\$375,236,931
Dec-16	\$375,236,931	(\$16,095,723)	\$8,021,326	\$367,162,534
Mar-17	\$367,162,534	(\$26,515,622)	\$12,883,529	\$353,530,441
17-Jun	\$353,530,441	(\$26,489,842)	\$5,533,760	\$332,574,360
		(\$1,024,069,746)	\$362,514,862	

FELRA and UFCW Pension Fund
Master Consulting Services Report as of June 30, 2017

Performance Summary (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending June 30, 2017							Inception	
			2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Fund	\$332,574,360	100.0%	1.6%	5.2%	10.8%	4.9%	8.2%	8.5%	4.0%	6.0%	Jan-97
Total Fund Domestic Equity	\$88,667,427	26.7%	2.8%	8.2%	18.4%	8.2%	13.8%	14.0%	6.1%	7.2%	Jul-97
S&P 500			3.1%	9.3%	17.9%	9.6%	14.6%	15.4%	7.2%	7.2%	Jul-97
Russell 2000			2.5%	5.0%	24.6%	7.4%	13.7%	14.4%	6.9%	8.0%	Jul-97
Wedge Capital Management	\$27,402,095	8.2%	2.4%	6.5%	18.3%	7.8%	14.2%	15.0%	6.0%	8.1%	Jan-05
Russell 1000 Value			1.3%	4.7%	15.5%	7.4%	13.9%	14.3%	5.6%	7.2%	Jan-05
Vanguard Total Stock Mkt Idx Fund	\$61,265,332	18.4%	3.0%	8.9%	18.4%	9.1%	--	--	--	9.7%	May-14
CRSP US Total Market TR USD			3.0%	9.0%	18.5%	9.1%	--	--	--	9.7%	May-14
Total Fund International Equity	\$13,489,714	4.1%	6.9%	14.6%	21.5%	2.3%	8.9%	7.3%	1.8%	4.9%	Apr-97
MSCI EAFE			6.1%	13.8%	20.3%	1.1%	8.7%	7.9%	1.0%	4.9%	Apr-97
Gryphon International Investment	\$8,574,986	2.6%	9.0%	14.4%	22.9%	3.1%	9.0%	7.8%	3.2%	5.9%	Jan-05
MSCI EAFE			6.1%	13.8%	20.3%	1.1%	8.7%	7.9%	1.0%	4.6%	Jan-05
MSCI EAFE Growth			7.5%	16.7%	15.7%	2.8%	9.2%	8.6%	2.1%	5.3%	Jan-05
Vanguard Emerging Mkts Stock Lx Inst	\$4,914,728	1.5%	3.5%	15.0%	19.2%	1.1%	--	--	--	2.0%	May-14
FTSE Emerging Markets			4.1%	14.8%	20.6%	1.4%	--	--	--	2.4%	May-14
Total Investment Grade Fixed Income	\$5,371,426	1.6%	1.0%	1.8%	-0.1%	2.0%	2.1%	3.3%	3.5%	3.4%	Jun-07
Custom Benchmark Fixed Income			0.9%	1.7%	-0.2%	1.9%	1.5%	2.7%	4.1%	4.1%	Jun-07
Segall Bryant & Hamill	\$5,371,426	1.6%	1.0%	1.8%	-0.1%	2.0%	1.7%	2.8%	--	4.0%	Jan-09
Custom Benchmark Segall			0.9%	1.7%	-0.2%	1.9%	1.5%	2.7%	--	3.5%	Jan-09

FELRA and UFCW Pension Fund

Master Consulting Services Report as of June 30, 2017

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	Market Value	% of Portfolio	Ending June 30, 2017							Inception	
			2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Short Duration High Yield Fixed Income	\$4,114,337	1.2%	0.9%	2.1%	5.4%	2.6%	4.3%	6.0%	6.3%	6.0%	Jun-07
<i>Custom Benchmark</i>			1.4%	2.4%	5.8%	4.0%	5.2%	6.8%	6.4%	6.1%	Jun-07
Chartwell Short Duration High Yield	\$4,114,337	1.2%	0.9%	2.1%	5.4%	2.6%	--	--	--	3.2%	Oct-13
<i>BofA ML - U.S. HY Cash Pay 1-3 Yr BB</i>			1.4%	2.4%	5.8%	4.0%	--	--	--	4.2%	Oct-13
<i>BBqBarc 1-3 Yr BB U.S. Constrained Index</i>			1.2%	2.6%	5.6%	4.0%	--	--	--	4.1%	Oct-13
Total Fund Global Bond	\$28,144,341	8.5%	-1.4%	2.6%	7.6%	--	--	--	--	2.2%	Jun-15
Franklin Templeton Global Bond Plus Trust	\$28,144,341	8.5%	-1.4%	2.6%	7.6%	--	--	--	--	2.2%	Jun-15
Total Fund Real Estate	\$80,658,593	24.3%	1.3%	3.0%	6.9%	9.7%	11.0%	12.1%	4.8%	7.8%	Oct-03
<i>NCREIF ODCE Equal Weighted Index</i>			1.8%	3.7%	8.2%	11.6%	11.8%	13.1%	5.1%	8.0%	Oct-03
JP Morgan Real Estate Strategic Property - Core Investments	\$80,658,593	24.3%	1.3%	3.0%	6.9%	9.7%	11.1%	12.0%	4.9%	8.0%	Oct-03
<i>NCREIF ODCE Equal Weighted Index</i>			1.8%	3.7%	8.2%	11.6%	11.8%	13.1%	5.1%	8.0%	Oct-03
Total Fund Hedge Fund of Funds	\$55,787,437	16.8%	0.7%	1.5%	4.4%	-1.3%	2.8%	2.2%	0.5%	2.4%	Apr-04
<i>HFRI Fund of Funds Composite Index</i>			0.7%	3.1%	6.4%	1.5%	3.9%	3.0%	0.9%	2.8%	Apr-04
Entrust Capital Diversified Fund QP Ltd	\$27,072,580	8.1%	1.1%	1.8%	4.1%	-3.0%	2.2%	--	--	1.1%	Jan-11
<i>HFRI Fund of Funds Composite Index</i>			0.7%	3.1%	6.4%	1.5%	3.9%	--	--	2.2%	Jan-11
<i>T-Bills + 5%</i>			1.4%	2.8%	5.6%	5.2%	5.2%	--	--	5.1%	Jan-11
Mesirow Institutional Multi-Strategy Fund, L.P.	\$28,053,036	8.4%	0.4%	1.2%	4.5%	-0.4%	3.1%	--	--	1.8%	Apr-11
<i>HFRI Fund of Funds Composite Index</i>			0.7%	3.1%	6.4%	1.5%	3.9%	--	--	2.1%	Apr-11
<i>T-Bills + 5%</i>			1.4%	2.8%	5.6%	5.2%	5.2%	--	--	5.1%	Apr-11
LumX Asset Management	\$175,840	0.1%									
MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11	\$485,980	0.1%									

FELRA and UFCW Pension Fund

Master Consulting Services Report as of June 30, 2017

Performance Summary (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending June 30, 2017							Inception	
			2017 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Fund GTAA	\$55,099,066	16.6%	1.4%	6.8%	11.9%	3.8%	6.5%	6.8%	--	5.7%	Apr-10
65% MSCI World Index/35% CitigroupWGBI			3.6%	8.5%	9.9%	3.2%	7.3%	8.1%	--	6.5%	Apr-10
First Eagle Global Value	\$55,099,066	16.6%	1.4%	6.8%	11.3%	--	--	--	--	4.8%	Sep-14
65% MSCI World Index/35% CitigroupWGBI			3.6%	8.5%	9.9%	--	--	--	--	3.3%	Sep-14
Total Fund Cash	\$1,242,019	0.4%	0.1%	0.3%	0.4%	0.2%	0.2%	0.1%	--	--	Jul-06
PNC Stif	\$1,242,019	0.4%	0.1%	0.3%	0.4%	0.2%	0.1%	0.2%	1.4%	1.7%	Jul-06
91 Day T-Bills			0.2%	0.4%	0.5%	0.2%	0.2%	0.1%	0.4%	0.9%	Jul-06

FELRA and UFCW Pension Fund
Master Consulting Services Report as of June 30, 2017

Benchmark History

As of June 30, 2017

Total Fund

6/1/2015	Present	S&P 500 30% / MSCI EAFE 5% / BBgBarc US Int TR 5% / NCREIF ODCE Equal Weighted Index 15% / 65% MSCI World Index/35% CitigroupWGBI 15% / HFRI Fund of Funds Composite Index 10% / 91 Day T-Bills 0.5% / FTSE Emerging Markets 5% / BofA ML - U.S. HY Cash Pay 1-3 Yr BB 4.5% / JP Morgan Global Government Bond Index 10%
10/1/2014	5/31/2015	S&P 500 30% / MSCI EAFE 5% / BBgBarc US Int TR 5% / NCREIF ODCE Equal Weighted Index 15% / 65% MSCI World Index/35% CitigroupWGBI 15% / HFRI Fund of Funds Composite Index 10% / 91 Day T-Bills 0.5% / FTSE Emerging Markets 5% / BofA ML - U.S. HY Cash Pay 1-3 Yr BB 14.5%
9/1/2013	9/30/2014	S&P 500 18% / MSCI EAFE 9% / Russell 2500 5% / HFRI Fund of Funds Composite Index 9% / 60%MSCI World Index/40%Citigroup WGBI 35% / BBgBarc US Govt/Credit Int TR 10% / BofA Merrill Lynch US High Yield BB-B Rated 4% / NCREIF ODCE Equal Weighted Index 10%
1/1/2011	8/31/2013	S&P 500 18% / BBgBarc US Aggregate TR 10% / MSCI EAFE 9% / Russell 2500 5% / HFRI Fund of Funds Composite Index 9% / BofA Merrill Lynch US High Yield BB-B Rated 4% / 60%MSCI World Index/40%Citigroup WGBI 35% / NCREIF ODCE Equal Weighted Index 10%
1/1/2010	12/31/2010	S&P 500 25% / BBgBarc US Aggregate TR 13% / MSCI EAFE 14% / Russell 2500 8% / HFRI Fund of Funds Composite Index 19% / BofA Merrill Lynch US High Yield BB-B Rated 6% / NCREIF ODCE Equal Weighted Index 15%
4/1/2007	12/31/2009	S&P 500 25% / ZzMerrill Lynch BB/B High Yield 6% / ZZGlobal Alpha Index 5% / BBgBarc US Aggregate TR 13% / MSCI EAFE 14% / Russell 2500 8% / HFRI Fund of Funds Composite Index 14% / NCREIF ODCE Equal Weighted Index 15%
1/1/2005	3/31/2007	S&P 500 25% / Russell 2000 10% / MSCI EAFE 15% / BBgBarc US High Yield TR 6% / BBgBarc US Aggregate TR 18% / HFRI Fund of Funds Composite Index 14% / NCREIF ODCE Equal Weighted Index 12%
1/1/1997	12/31/2004	S&P 500 40% / ZzMerrill Lynch BB/B High Yield 5% / Russell 2000 10% / Citi WGBI 5% / BBgBarc US Aggregate TR 30% / MSCI EAFE 10%

Benchmark History
As of June 30, 2017

Total Investment Grade Fixed Income

9/1/2013	Present	BBgBarc US Govt/Credit Int TR 100%
6/1/2007	8/31/2013	BBgBarc US Aggregate TR 100%

Benchmark History
As of June 30, 2017

Total Short Duration High Yield Fixed Income

9/1/2013	Present	BofA ML - U.S. HY Cash Pay 1-3 Yr BB 100%
6/1/2007	8/31/2013	BofA Merrill Lynch US High Yield Cash Pay BB-B Rated 100%

Footnotes

- Montag & Caldwell was terminated on 8/1/2006 and funds were transferred to Capital Management Associates.
- Fountain was terminated and assets moved to Lazard High Yield on 7/2/07.
- Ark was terminated and assets moved to Westwood on 8/1/07.
- Net of fee returns are net of investment manager fees and are estimated. NOF calculations began 3rd Quarter 2004 and cannot be calculated for prior time periods.
- Gottex Fund Management Holdings Ltd. values, flows, and returns are provided by Gottex and cannot be independently verified.
- Segall Bryant & Hamill hired with initial funding from Logan Circle Partners on 11/14/08 in the amount of \$39,669,926.
- On 12/16/16 Tremont Recovery amount of \$215,947 was transferred to the cash account. The Tremont Recovery payment is reflected as a gain in the Hedge Fund of Funds group.
- The following composite returns prior to 1st quarter 2010 do not include cash in the calculation of returns.
 - Total Fund Domestic Equity
 - Total Fund International Equity
 - Total Domestic Fixed Investment Grade
 - Total Fixed High Yield
 - Total Fund Real Estate
 - Total Fund Hedge Fund of Fund
 - Total Fund GTAA/Risk Parity
- Separately managed account returns are calculated by IPS using custodian data.
- Hedge Fund of Funds returns are based on the manager provided estimated value.
- 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.

Index Disclosure

- Barclays 1-3 Yr BB U.S. Constrained Index - listed for illustrative purposes only.
- 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.

ERISA Pension Investment Conference

April 25 – 28, 2017

- 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.

Amalgamated Bank of Chicago
American Realty Advisors
ASB Capital Management
Atlanta Capital Management
Baird Advisors / Baird Inv. Mgmt.
BlackRock Financial Mgmt.
Boyd Watterson
Brown Advisory
Chartwell Investment Partners
Christenson Investment Partners
Columbia Partners
Corbin Capital Partners
Corry Capital Advisors
Eaton Vance Management
EnTrustPermal
First Eagle Investment Mgmt.
Foundry Partners
Fred Alger Management

GAMCO Asset Management
Great Lakes Advisors
Grosvenor Capital Management
Hamilton Lane Advisors
Intercontinental Real Estate Corp.
Invesco
Janus Capital
Johnston Asset Management
JP Morgan Asset Management
Kearney Capital Management
Lazard Asset Management
Loomis, Sayles & Company
Lord Abbett
MacKay Shields
McMorgan & Company
MEPT/Bentall Kennedy
National Investment Services
Neuberger Berman

Nuveen Asset Management
Patriot Financial Partners
PENN Capital Management
Post Advisory Group
Principal Global Investors
Rothschild Asset Management
Ryan Labs Asset Management
Segall Bryant & Hamill
Sierra Investment Partners
The Bank of New York Mellon
The Boston Company
Ullico Investment Company
Victory Capital Management
Washington Capital Management
WEDGE Capital Management
Wellington Management Company
Westfield Capital Management

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
