FELRA and UFCW Pension Fund

Master Consulting Services Report

Period Ended
December 31, 2017

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Market Discussion Points 4Q | 2017

Financial Market Performance

Periods Ending December 31, 2017

Strategy	Sector	Index	QTR	YTD	2017	2016	2015	2014	2013	1-Yr	3-Yr	5-Yr	10-Yr	20-Yr
Stocks	**US Large Cap**	S&P 500	6.6	21.8	21.8	12.0	1.4	13.7	32.4	21.8	11.4	15.8	8.5	7.2
	US Small Cap	Russell 2000	3.3	14.7	14.7	21.3	-4.4	4.9	38.8	14.7	10.0	14.1	8.7	7.9
	All Country	MSCI All Country World (net)	5.7	24.0	24.0	7.9	-2.4	4.2	22.8	24.0	9.3	10.8	4.7	-
	Non-US Developed	MSCI EAFE (net)	4.2	25.0	25.0	1.0	-0.8	-4.9	22.8	25.0	7.8	7.9	1.9	5.3
	Emerging Markets	MSCI EM (net)	7.4	37.3	37.3	11.2	-14.9	-2.2	-2.6	37.3	9.1	4.4	1.7	-
	Int'l Small Cap	MSCI EAFE Small Cap (net)	6.1	33.0	33.0	2.2	9.6	-5.0	29.3	33.0	14.2	12.9	5.8	-
Bonds	**Treasury**	Bloomberg Barclays US Govt	0.1	2.3	2.3	1.1	0.9	4.9	-2.6	2.3	1.4	1.3	3.2	4.6
	Broad Market	Bloomberg Barclays Aggregate	0.4	3.5	3.5	2.7	0.6	6.0	-2.0	3.5	2.2	2.1	4.0	5.0
	High Yield	Bloomberg Barclays HY BaB 2% IC	0.4	6.9	6.9	14.1	-2.7	3.5	6.2	6.9	5.9	5.5	7.5	-
	Global Bonds	Citigroup WGBI	1.0	7.5	7.5	1.6	-3.6	-0.5	-4.0	7.5	1.7	0.1	2.7	4.5
Global Tactical Asset		65% MSCI World /35% Citi WGBI	3.9	17.0	17.0	5.6	-1.6	3.0	15.3	17.0	6.7	7.6	4.7	5.9
Real Estate	**Core**	NCREIF ODCE Equal Weighted	2.1	7.7	7.7	9.3	15.2	12.4	13.3	7.7	10.7	11.6	4.9	8.6
Hedge Funds	**Diversified FOFs**	HFRI HFOF Composite	2.0	7.7	7.7	0.5	-0.3	3.4	9.0	7.7	2.6	4.0	1.1	4.2
	Equity Long-Short	HFRI Equity Hedge	3.5	13.5	13.5	5.5	-1.0	1.8	14.3	13.5	5.8	6.6	3.2	7.5
Commodities	**Commodities**	Goldman Sachs Commodity	9.9	5.8	5.8	11.4	-32.9	-33.1	-1.2	5.8	-7.5	-12.2	-10.2	-0.9

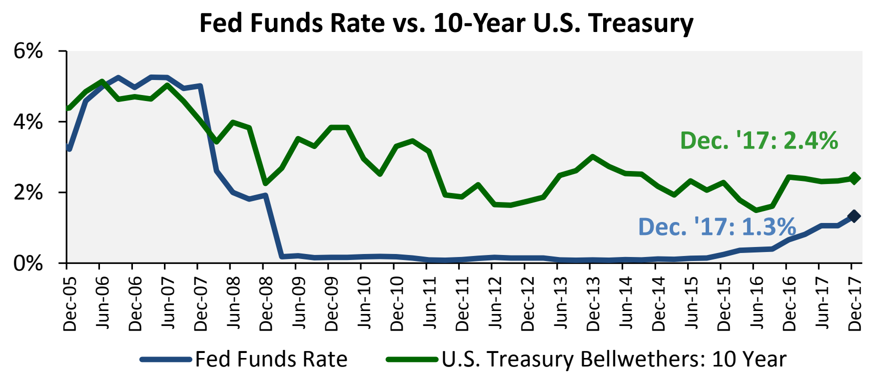
Asset Class Performance "Quilt"

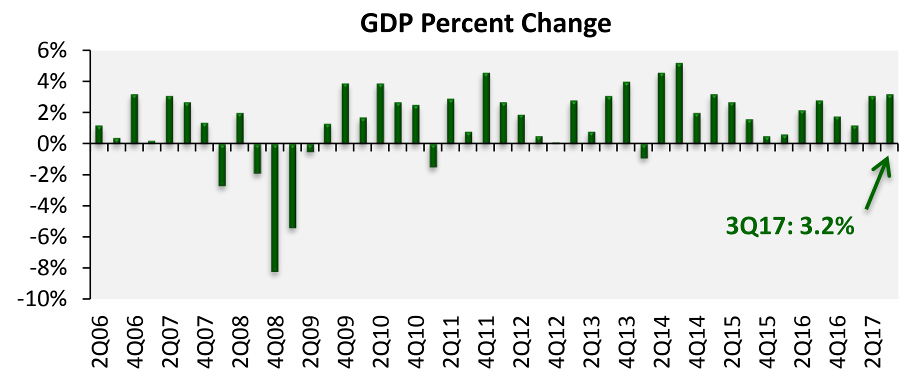
2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
RE 14.3%	Fx Inc 8.4%	Fx Inc 10.3%	EM Equity 55.8%	EM Equity 25.6%	EM Equity 34.0%	EM Equity 32.2%	EM Equity 39.4%	Fx Inc 5.2%	EM Equity 78.5%	Small Cap 26.9%	RE 16.0%	EM Equity 18.2%	Small Cap 38.8%	Large Cap 13.7%	RE 15.2%	Small Cap 21.3%	EM 37.3%
Fx Inc 11.6%	RE 5.6%	RE 5.5%	Small Cap 47.3%	Mid Cap 20.2%	RE 21.4%	Int'l 26.3%	RE 16.0%	RE -10.0%	HY 57.5%	Mid Cap 25.5%	Fx Inc 7.8%	Int'l 17.3%	Mid Cap 34.8%	Mid Cap 13.2%	Large Cap 1.4%	HY 17.5%	Int'l 25.0%
Mid Cap 8.3%	HY 4.5%	HFoF 1.0%	Mid Cap 40.1%	Int'l 20.2%	Int'l 13.5%	Small Cap 18.4%	Int'l 11.2%	SD HY -14.0%	Mid Cap 40.5%	EM Equity 18.9%	HY 4.4%	Mid Cap 17.3%	Large Cap 32.4%	RE 12.5%	SD HY 1.2%	Mid Cap 13.8%	Large Cap 21.8%
HFoF 4.1%	HFoF 2.8%	HY -1.9%	Int'l 38.6%	Small Cap 18.3%	Mid Cap 12.6%	RE 16.3%	HFoF 10.3%	HFoF -21.4%	SD HY 36.1%	RE 16.4%	SD HY 4.4%	Small Cap 16.3%	Int'l 22.8%	Fx Inc 6.0%	Fx Inc 0.6%	Large Cap 12.0%	Mid Cap 18.5%
Small Cap -3.0%	Small Cap 2.5%	EM Equity -6.2%	Large Cap 28.7%	GTAA 13.2%	HFoF 7.5%	Large Cap 15.8%	GTAA 9.9%	GTAA -25.4%	Int'l 31.8%	HY 15.2%	Large Cap 2.1%	Large Cap 16.1%	GTAA 15.3%	Small Cap 4.9%	HFoF -0.3%	EM 11.2%	GTAA 17.0%
HY -5.2%	EM Equity -2.6%	GTAA -7.2%	HY 28.1%	RE 13.0%	Large Cap 4.9%	Mid Cap 15.3%	Fx Inc 7.0%	HY -26.4%	Small Cap 27.2%	Large Cap 15.1%	GTAA -0.9%	HY 15.6%	RE 14.0%	HFoF 3.4%	Int'l -0.8%	RE 9.3%	Small Cap 14.7%
GTAA -8.1%	Mid Cap -5.6%	Int'l -15.9%	GTAA 26.7%	Large Cap 10.9%	Small Cap 4.6%	GTAA 15.1%	Mid Cap 5.6%	Small Cap -33.8%	Large Cap 26.5%	SD HY 11.7%	Mid Cap -1.6%	RE 10.9%	HFoF 9.0%	GTAA 3.0%	GTAA -1.6%	SD HY 8.5%	RE 7.7%
Large Cap -9.1%	GTAA -10.8%	Mid Cap -16.2%	HFoF 11.6%	HY 10.8%	GTAA 3.6%	HY 11.7%	Large Cap 5.5%	Large Cap -37.0%	GTAA 20.1%	GTAA 9.8%	Small Cap -4.2%	GTAA 10.9%	HY 7.4%	HY 2.5%	Mid Cap -2.4%	GTAA 5.6%	HFoF 7.7%
Int'l -14.2%	Large Cap -11.9%	Small Cap -20.5%	RE 9.3%	HFoF 6.9%	HY 2.7%	HFoF 10.4%	SD HY 3.9%	Mid Cap -41.5%	HFoF 11.5%	Int'l 7.8%	HFoF -5.7%	SD HY 10.2%	SD HY 5.6%	SD HY 1.9%	Small Cap -4.4%	Fx Inc 2.7%	HY 7.5%
EM Equity -30.8%	Int'l -21.5%	Large Cap -22.1%	Fx Inc 4.1%	Fx Inc 4.3%	Fx Inc 2.4%	SD HY 9.9%	HY 2.2%	Int'l -43.4%	Fx Inc 5.9%	Fx Inc 6.5%	Int'l -12.1%	HFoF 4.8%	Fx Inc -2.0%	EM Equity -2.2%	HY -4.6%	Int'l 1.0%	SD HY 3.6%
					SD HY 2.4%	Fx Inc 4.3%	Small Cap -1.6%	EM Equity -53.3%	RE -29.8%	HFoF 5.7%	EM Equity -18.4%	Fx Inc 4.2%	EM Equity -2.6%	Int'l -4.9%	EM Equity -14.9%	HFoF 0.5%	Fx Inc 3.5%

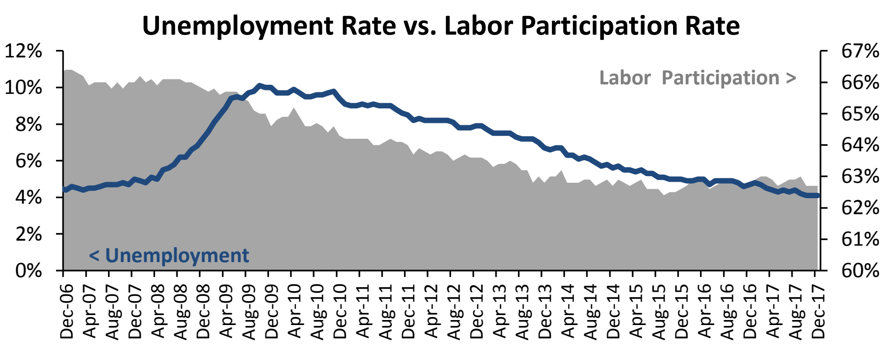
Source: NCREIF, Wilshire. Large Cap Equity: S&P 500 Index, Mid Cap Equity: Russell Midcap Index, Small Cap Equity: Russell 2000 Index, International Equity: MSCI EAFE Index, Emerging Markets: MSCI EM Index, Fixed Income: Barclays Aggregate Index, High Yield Fixed Income: Merrill Lynch High Yield Master II Index, Short Duration High Yield Fixed Income: ML High Yield Cash Pay 1-3 Yr BB Index, Real Estate: NCREIF ODCE Equal Weighted Index, Hedge Fund of Funds: HFRI FOF Index, Global Tactical Asset Allocation: 65%MSCI World Equity/35% Citi World Gov't Bond Index. Inception date for the ML High Yield Cash Pay 1-3 Yr BB Index was January 1, 2005. Past performance is not indicative of future returns.

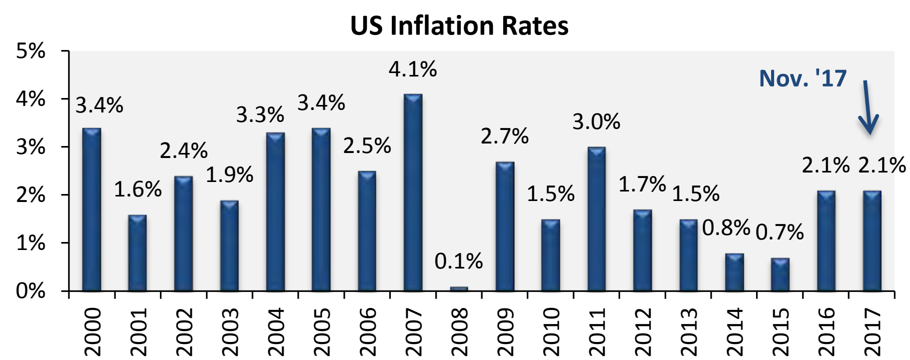
U.S. Economy

The US economy is now in its 102nd month of expansion, the second longest in history. The longest expansion was the 1990-2000 Tech Boom, which lasted 113 months. The difference is that the stock market was up 417% during the Tech Boom, while the current stock market rally has posted "only" a 295% cumulative return since March 2009. GDP growth is about 2.3% year over year, but the current run rate is slightly above 3%. Inflation appears to still be benign at about 2.2%. The unemployment rate fell to an exceptionally low 4.1%. The consumer segment is nearly 70% of the economy and looks to be healthy. Household debt as a percentage of income is near all-time lows at 10% and household net worth is at all-time highs. The housing affordability index is at 13% of income, compared to a long term average of 19%, driven by low interest rates. The national average 30-year conventional mortgage rate is still below 4%. The number of consumers with sub-prime FICO scores are also at historic lows. US manufacturing expanded at the highest rate in 13 years and corporate earnings growth is robust, hitting all-time highs in 2017. All of this positive news has allowed the Federal Reserve to feel confident enough in the strength of the economy to continue to raise the Fed Funds rate five times over the last two years, including a 0.25% increase in December 2017. Expectations are for the Federal Reserve to raise rates three or four more times in 2018.





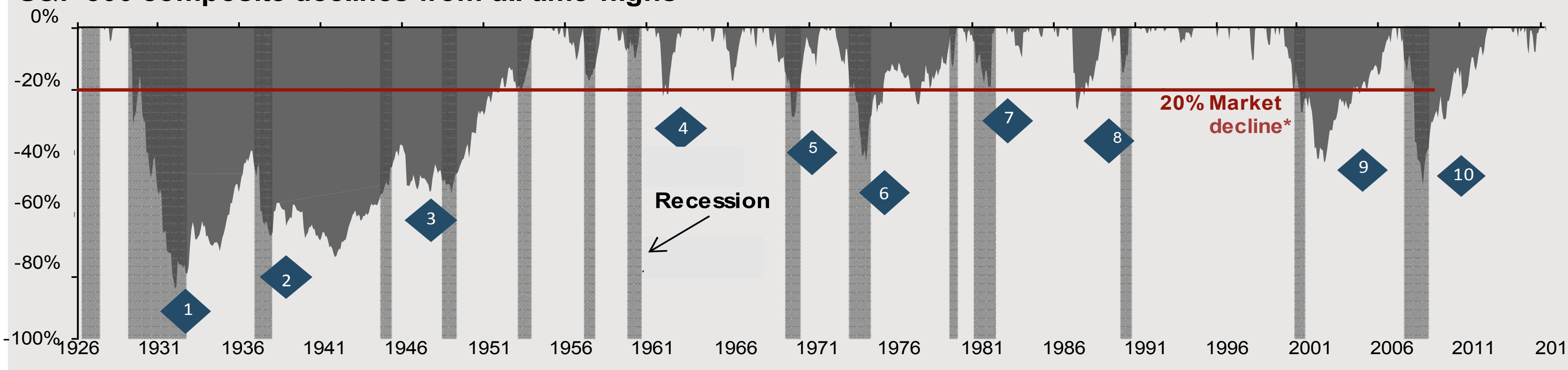




Source: Top Left - The Federal Reserve; Top Right - Bureau of Economics, U.S. Department of Commerce; Bottom Left and Right: Bureau of Labor Statistics

Current Bull Market: Historical Context

S&P 500 composite declines from all-time highs

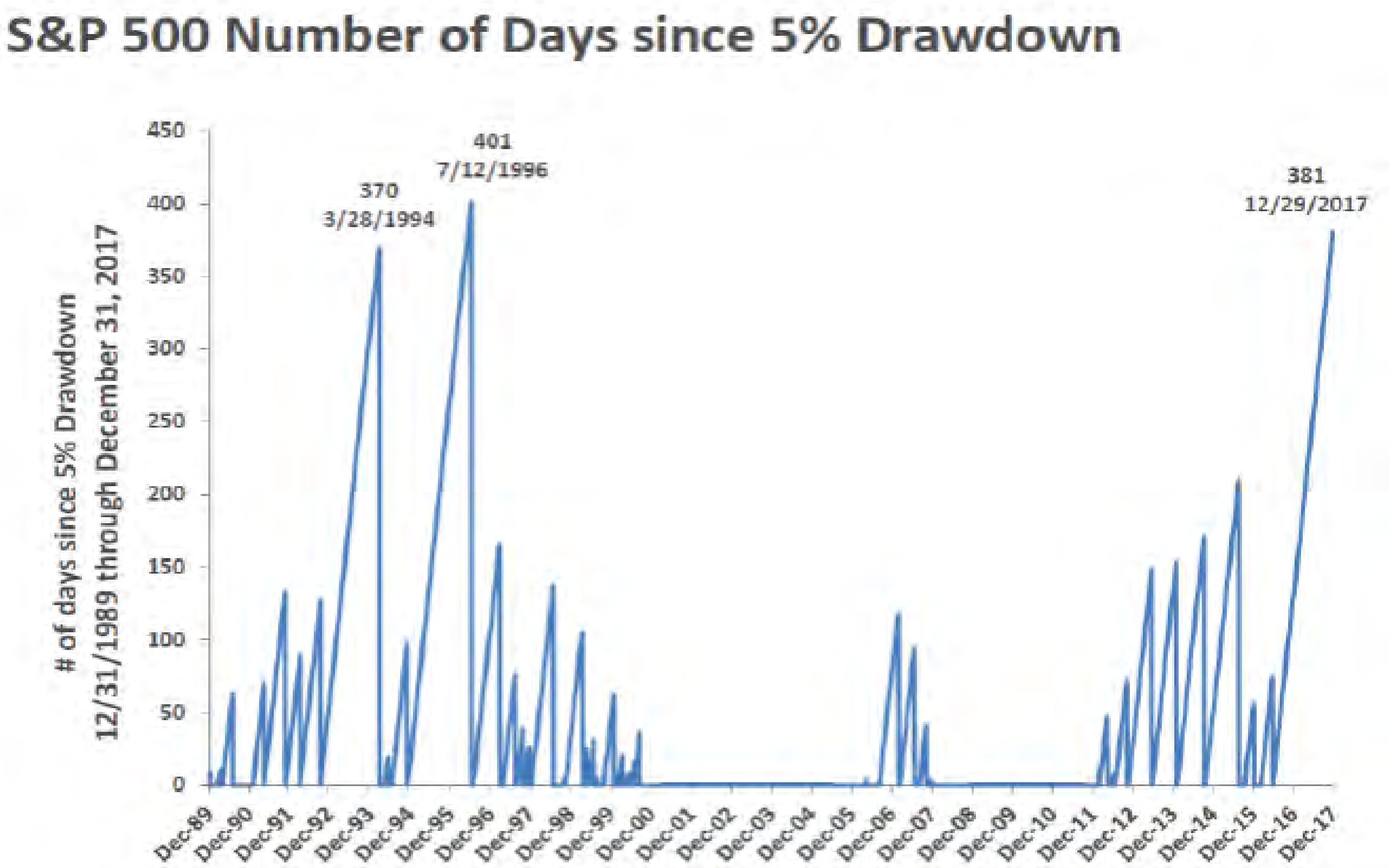


Characteristics of bull and bear markets

	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	295%	105
	Averages	-	**-45%**	**24**					-	**160%**	**54**

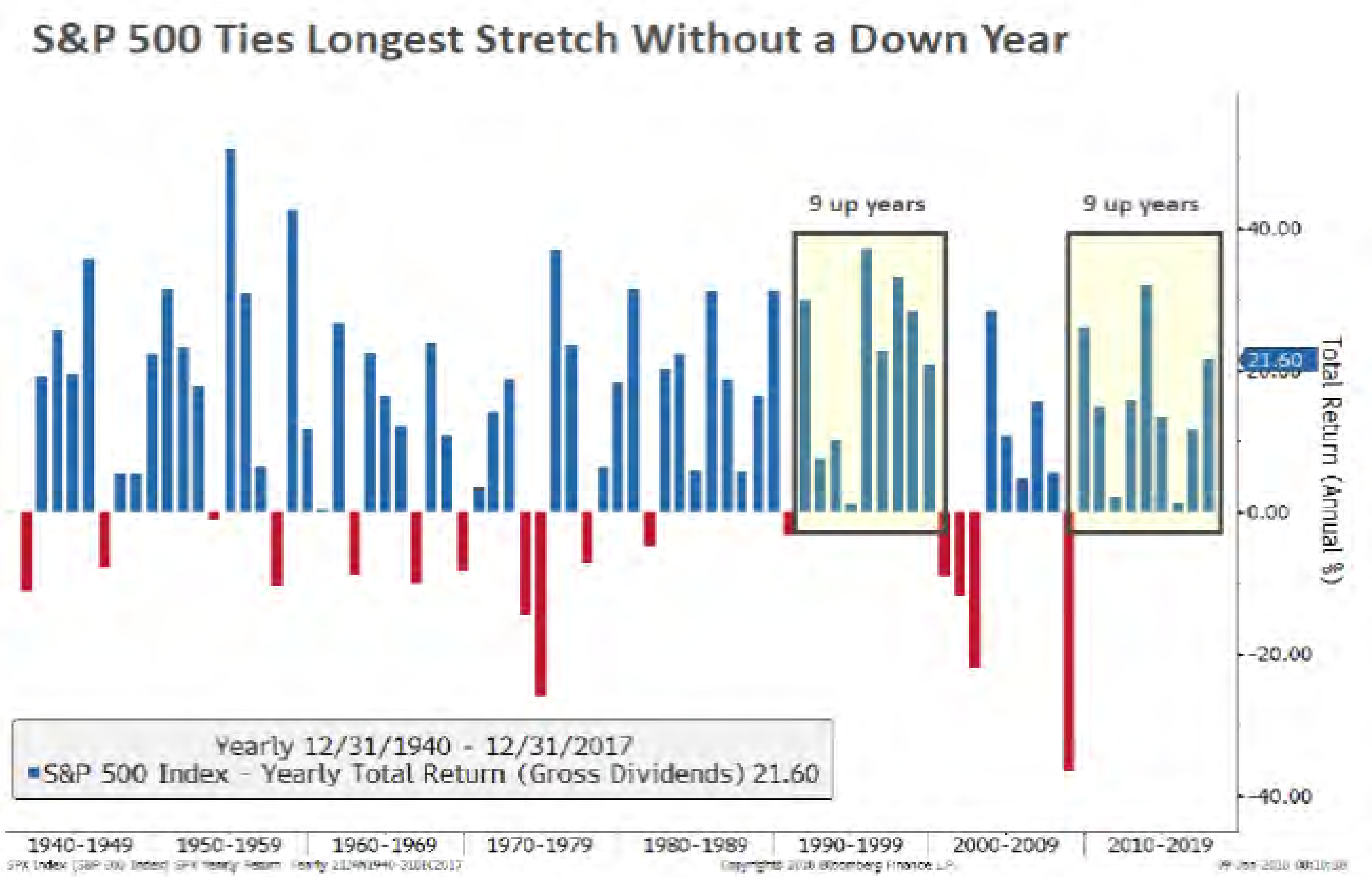
Source: FactSet, NBER, Robert Shiller, Standard & Poor's, J.P. Morgan Asset Management.
*A bear market is defined as a 20% or more decline from the previous market high. The bear return is the peak to trough return over the cycle. Periods of "Recession" are defined using NBER business cycle dates. "Commodity 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 December 31, 2017.

Historic Low Volatility



Source: Bloomberg, DoubleLine

Bull Market Run

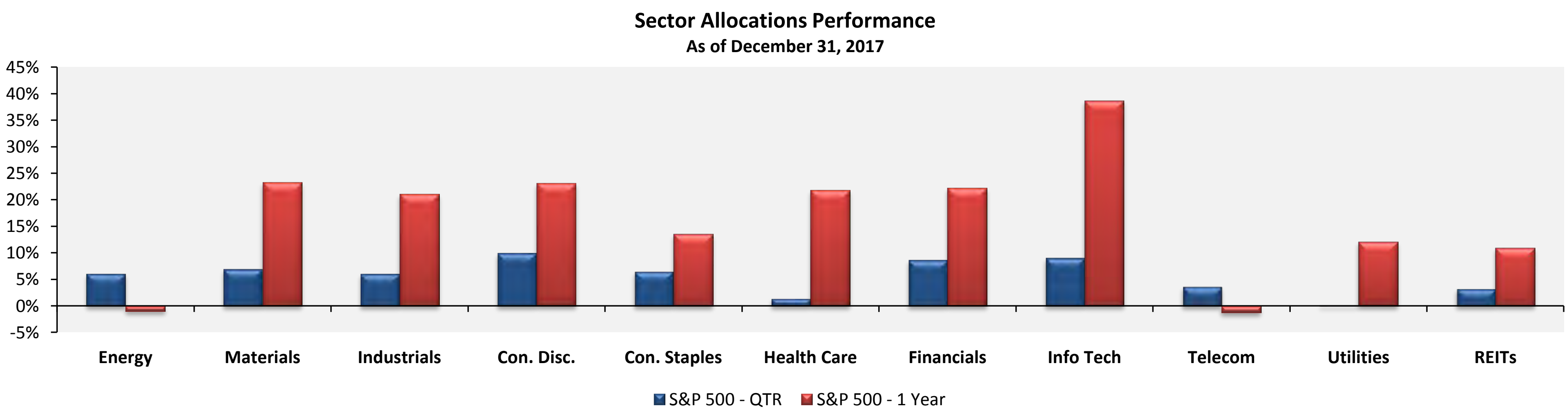


Source: Bloomberg, DoubleLine

U.S. Equity Market

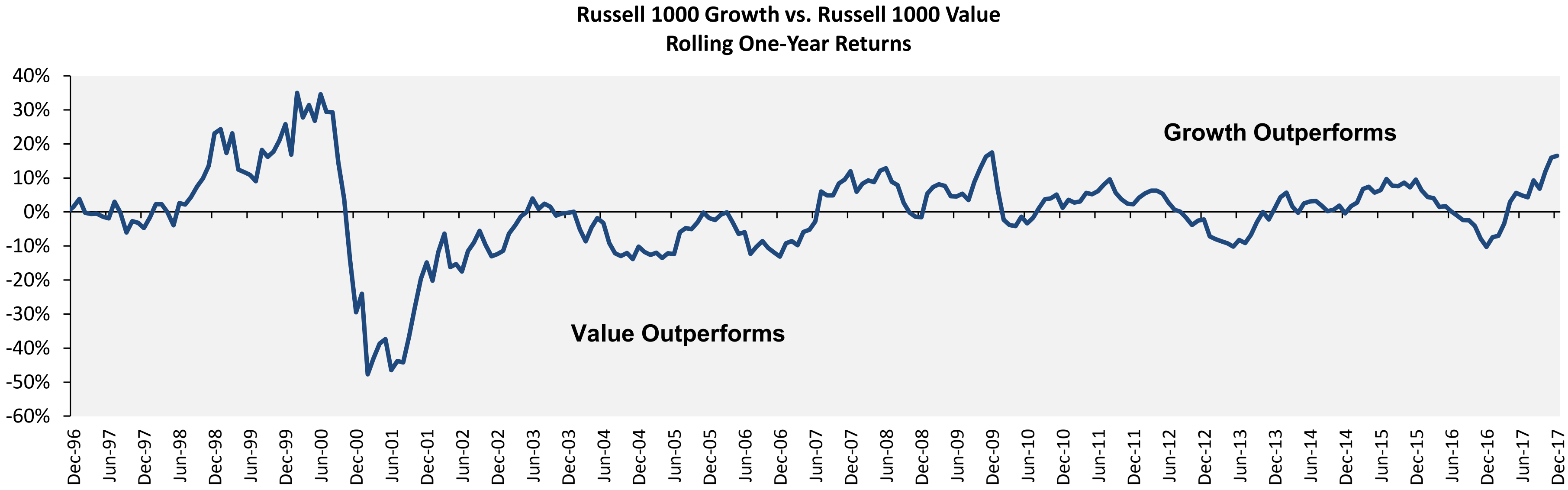
Let the good times roll! US equity markets continued their rise in 2017. The S&P 500 index rose 21.8% for the year and the Dow Jones Industrial Average posted a robust 28.1%. Growth investing dominated, with the Russell 1000 Growth index up 30.2% for the year, trouncing the Russell 1000 Value index which returned 13.6%. The same growth domination occurred in small cap stocks as well, as the Russell 2000 Growth index rose 22.2% for the year vs. the Russell 2000 Value's 7.8% increase. Large-cap technology stocks dominated the markets. Index exchange traded funds (ETFs) were also a big driver of the market returns. In 2017, money poured out of equity mutual funds and into ETFs at a furious pace. Four of the "Top 10 Most Active Stocks" were ETFs. Retail investors may have gotten the timing wrong on this; while active management had a rough year in 2016, it roared back to dominate the index funds in 2017. Are stocks overvalued? The price/earnings (P/E) ratio, the most common measure of stock valuation, for the S&P 500 was at 20 times earnings at year end vs. 19 times at the end of 2016. The long-term average is about 16 times earnings, which suggests stocks are somewhat overvalued; this is still much lower than the peak of the Tech Boom in 2000, when the P/E ratio for the S&P 500 was about 25 times earnings.

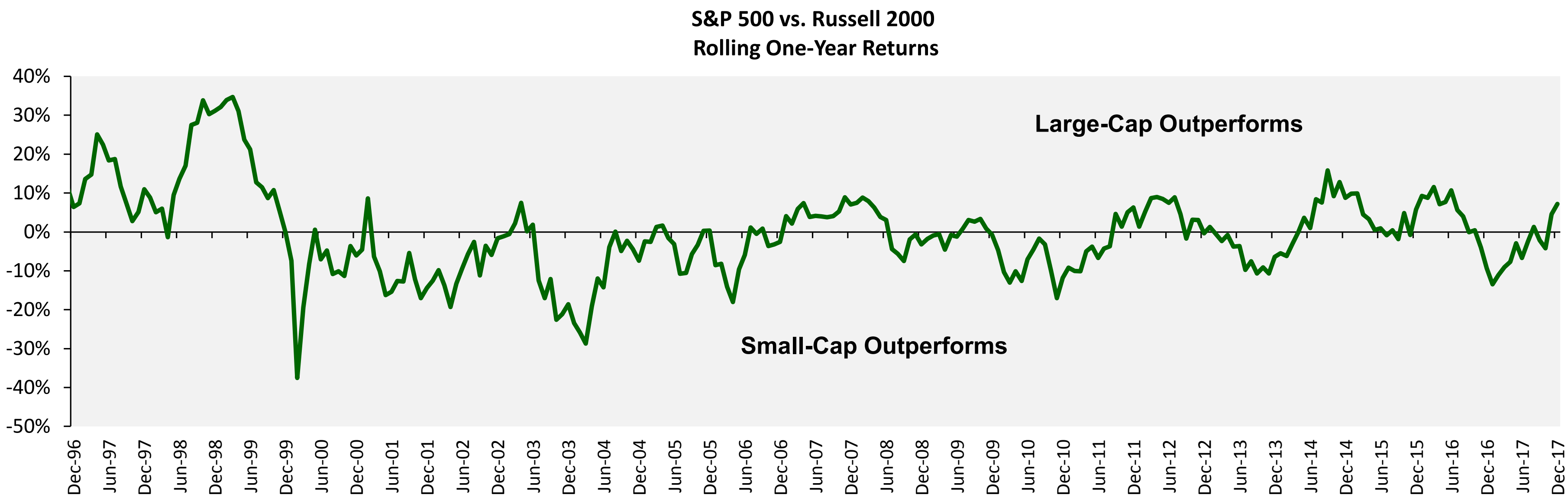
Sector	Index	4Q 17	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
Large Cap	S&P 500	6.6	21.8	21.8	12.0	1.4	13.7	32.4	21.8	11.4	15.8	8.5
	Russell 1000	6.6	21.7	21.7	12.1	0.9	13.3	33.1	21.7	11.2	15.7	8.6
	Russell 1000 Value	5.3	13.7	13.7	17.3	-3.8	13.5	32.5	13.7	8.7	14.0	7.1
	Russell 1000 Growth	7.9	30.2	30.2	7.1	5.7	13.1	33.5	30.2	13.8	17.3	10.0
Mid Cap	Russell Mid-Cap	6.1	18.5	18.5	13.8	-2.4	13.2	34.8	18.5	9.6	15.0	9.1
	Russell Mid-Cap Value	5.5	13.3	13.3	20.0	-4.8	14.7	33.5	13.3	9.0	14.7	9.1
	Russell Mid-Cap Growth	6.8	25.3	25.3	7.3	-0.2	11.9	35.8	25.3	10.3	15.3	9.1
Small Cap	Russell 2000	3.3	14.7	14.7	21.3	-4.4	4.9	38.8	14.7	10.0	14.1	8.7
	Russell 2000 Value	2.1	7.8	7.8	31.7	-7.5	4.2	34.5	7.8	9.6	13.0	8.2
	Russell 2000 Growth	4.6	22.2	22.2	11.3	-1.4	5.6	43.3	22.2	10.3	15.2	9.2
Total Market	Wilshire 5000	6.4	21.0	21.0	13.4	0.7	12.7	33.1	21.0	11.4	15.7	8.6
	Russell 3000	6.3	21.1	21.1	12.7	0.5	12.6	33.6	21.1	11.1	15.6	8.6



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

U.S. Equity Market

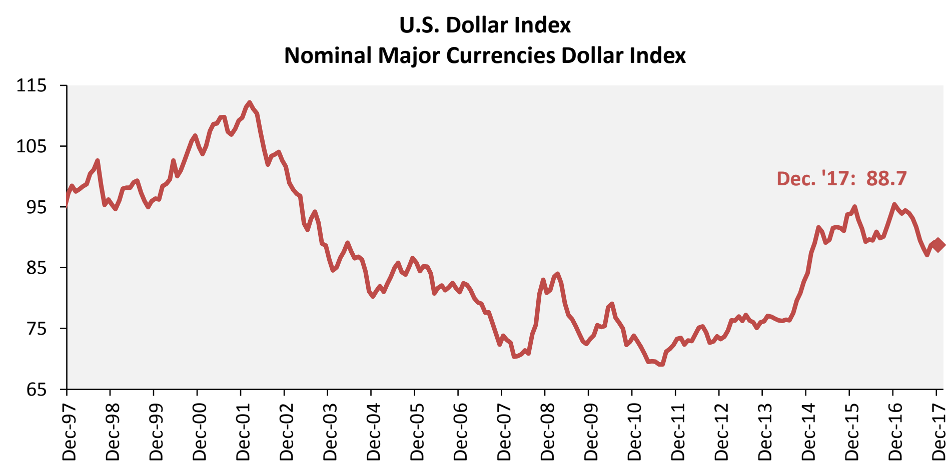


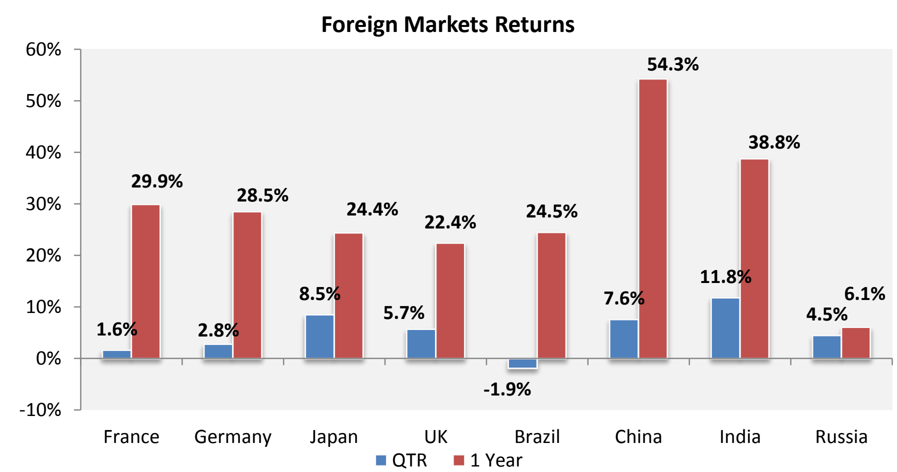


International Equity Market

Let the good times roll, globally! While non-US equity markets have lagged the US for the past several years, the rest of the world apparently noticed that the US Federal Reserve policies of low rates and bond buying helped to drive stock prices higher. In 2017, it worked for them too. Most developed and emerging economies around the globe have seen renewed growth, which has been reflected in surging stock markets. The MSCI EAFE Index, which is comprised of the largest 22 developed countries outside the US, was up 25% in 2017, besting the S&P 500's return of 21.8%. Global small cap stocks, as measured by the MSCI World ex US Small Cap index, were up 31.6%. The MCSI Emerging Markets index was up 37.3%. While there has been some modest expansion of P/E ratios, the real driver of the global markets has been earnings growth, which hit 19% last year. The MSCI All Country ex-US index P/E ratio is at 14.3 times, which is still a bit below the long term average of 14.5 times, so there may be room to grow valuations. EAFE GDP growth is projected to be 3% in 2018, the best since 2000. Eurozone unemployment rates are coming down and European banks are reporting positive loan demand by businesses for expansion.

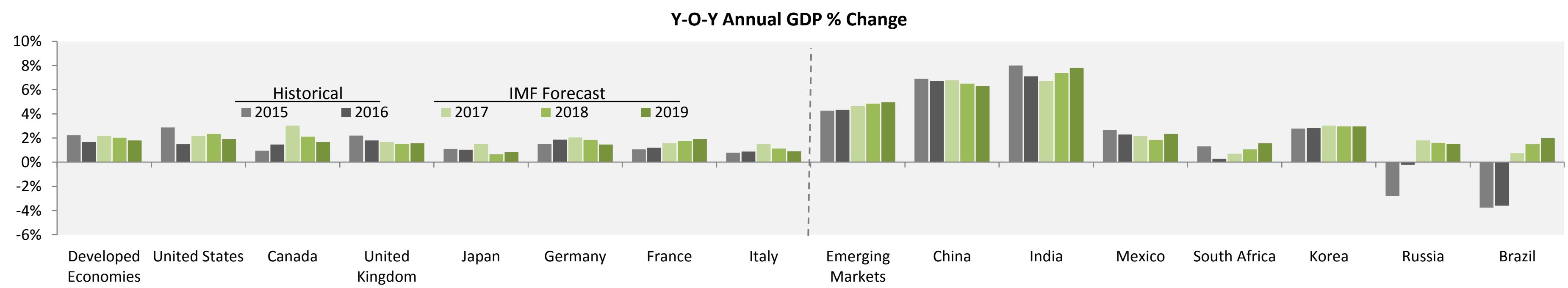
Sector	Index	4Q 17	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
Global	MSCI AC World Index (net)	5.7	24.0	24.0	7.9	-2.4	4.2	22.8	24.0	9.3	10.8	4.7
	MSCI World Small Cap (net)	5.7	23.8	23.8	11.6	-1.0	1.8	28.7	23.8	11.0	12.4	7.2
	MSCI World ex US (net)	5.0	27.2	27.2	4.5	-5.7	-3.9	15.3	27.2	7.8	6.8	1.8
	MSCI World ex US Small Cap (net)	6.6	31.6	31.6	3.9	2.6	-4.0	19.7	31.6	12.0	10.0	4.7
Developed ex US	MSCI EAFE (net)	4.2	25.0	25.0	1.0	-0.8	-4.9	22.8	25.0	7.8	7.9	1.9
	MSCI EAFE Value (net)	3.2	21.4	21.4	5.0	-5.7	-5.4	23.0	21.4	6.4	7.0	1.2
	MSCI EAFE Growth (net)	5.2	28.9	28.9	-3.0	4.1	-4.4	22.6	28.9	9.2	8.8	2.7
	MSCI EAFE Small Cap (net)	6.1	33.0	33.0	2.2	9.6	-5.0	29.3	33.0	14.2	12.9	5.8
Emerging Markets	MSCI Emerging Markets (net)	7.4	37.3	37.3	11.2	-14.9	-2.2	-2.6	37.3	9.1	4.4	1.7





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 December 31, 2017. **Source:** The Federal Reserve

International Equity Market



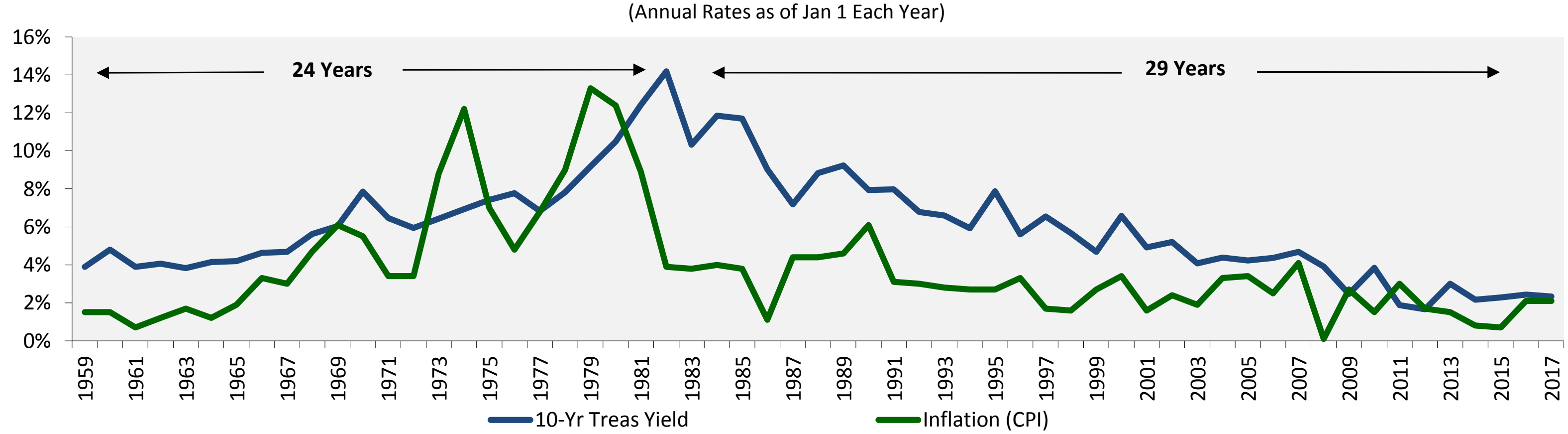
Top chart: Source - MSCI, Standard & Poor's, FactSet, J.P. Morgan Asset Management. **Bottom chart:** Annual percentages of constant price GDP are year-on-year changes; the base year is country-specific. Source: International Monetary Fund, World Economic Outlook Database, October 2017.

U.S. Bond Market

Since December 2015, the Federal Reserve raised the Federal Funds rate for the fifth time in December. The rate target is currently 1.25% to 1.50%. Expectations are the Fed will raise rates three or four times in 2018 to a target range of 2.25% to 2.50%. The yield curve remains relatively flat with the two-year Treasury Bill at about 1.89%, the 5-year at 2.2% and the 10 year at 2.4%. Foreign demand for US Treasuries, and a strong currency, has kept the middle part of the yield curve artificially low. Every time yields rise it spawns more buying; however, that may change. The European economy is rapidly recovering and the central banks are starting to raise rates. The US Dollar is also weakening relative to the Euro. Together foreign buyers have more reasons to invest at home rather than in the US. Less than 15% of Treasury purchases in October were from foreign buyers, down from 43% in June 2009. Foreign bond holders own nearly 50% of all of the outstanding Treasury bonds. The biggest buyer of US Treasuries, China, with $1.18 trillion in US Treasury holdings, has indicated that they may slow down or even stop buying US Treasuries. This could be a game changer; without the foreign buying that is keeping US rates low, we could experience rising rates and declining bond prices. The Bloomberg Barclays Aggregate Bond Index, which is the most commonly used benchmark for institutional investors, has also seen its duration (a measure of interest rate sensitivity) increase from about five years in 2013 to six years at the end of 2017. That means the Aggregate index now has 20% more risk for a 1% change in interest rates. The Bloomberg Barclays Intermediate Gov't/Credit Index returned 2.1% for the year and the Bloomberg Barclays Aggregate returned 3.5%. Higher quality high yield bonds, as measured by the Bloomberg Barclays High Yield Ba/B 2% Cap index, returned 6.9% for the year while the broader high yield market returned 7.5%. Default rates in the high yield space remain low at about 1.3%, while the yield spread above Treasuries is hovering around 4%.

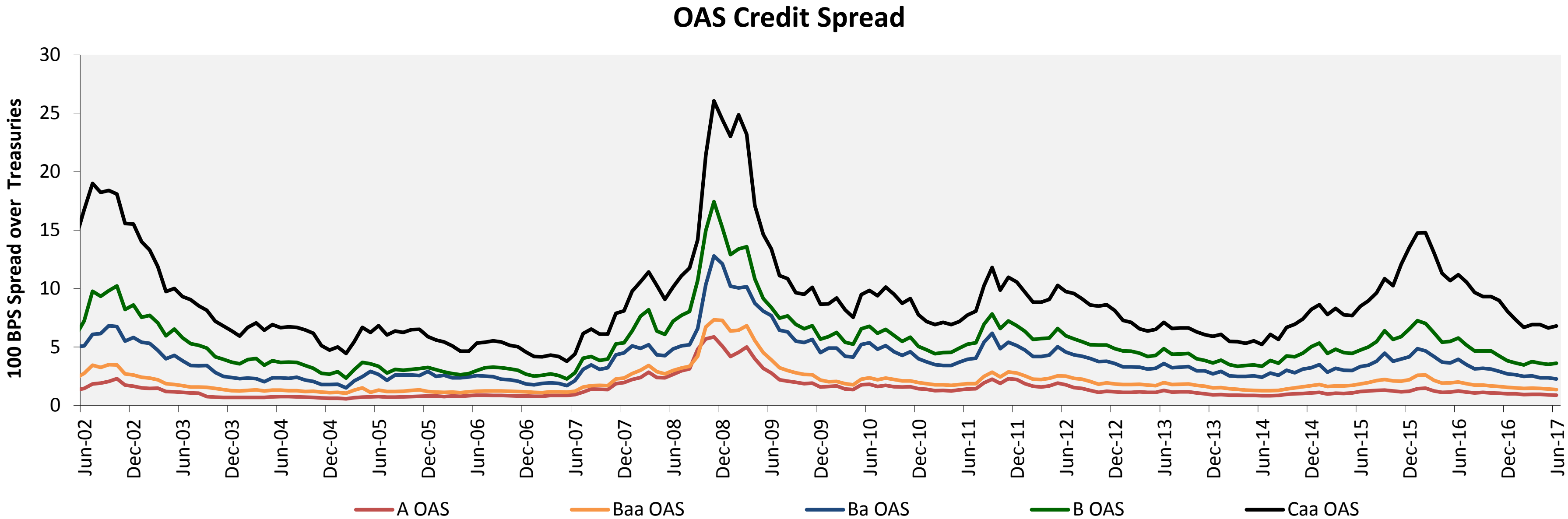
Index	Yield	Duration	4Q 17	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
Bloomberg Barclays Aggregate	2.70	6.1	0.4	3.5	3.5	2.7	0.6	6.0	-2.0	3.5	2.2	2.1	4.0
Bloomberg Barclays Govt/Credit	2.64	6.6	0.5	4.0	4.0	3.1	0.2	6.0	-2.4	4.0	2.4	2.1	4.1
Bloomberg Barclays Int Agg	2.54	4.4	-0.1	2.3	2.3	2.0	1.2	4.1	-1.0	2.3	1.8	1.7	3.5
Bloomberg Barclays Int Govt/Credit	2.38	4.0	-0.2	2.1	2.1	2.1	1.1	3.1	-0.9	2.1	1.8	1.5	3.3
Bloomberg Barclays HY Ba/B 2% IC	5.03	3.9	0.4	6.9	6.9	14.1	-2.7	3.5	6.2	6.9	5.9	5.5	7.5
BofA ML HY Cash Pay BB 1-3 Yr.	4.01	1.6	0.0	3.6	3.6	8.5	1.2	1.9	5.6	3.6	4.4	4.1	6.3
Bloomberg Barclays Mortgage	2.84	5.2	0.2	2.5	2.5	1.7	1.5	6.1	-1.4	2.5	1.9	2.0	3.8
Bloomberg Barclays Treasury	2.19	6.2	0.1	2.3	2.3	1.0	0.8	5.1	-2.8	2.3	1.4	1.3	3.3
Bloomberg Barclays US TIPS	2.34	7.7	1.3	3.0	3.0	4.7	-1.4	3.6	-8.6	3.0	2.1	0.1	3.5
BofA ML 91 day T-Bills	1.36	0.2	0.3	0.9	0.9	0.3	0.1	0.0	0.1	0.9	0.4	0.3	0.4

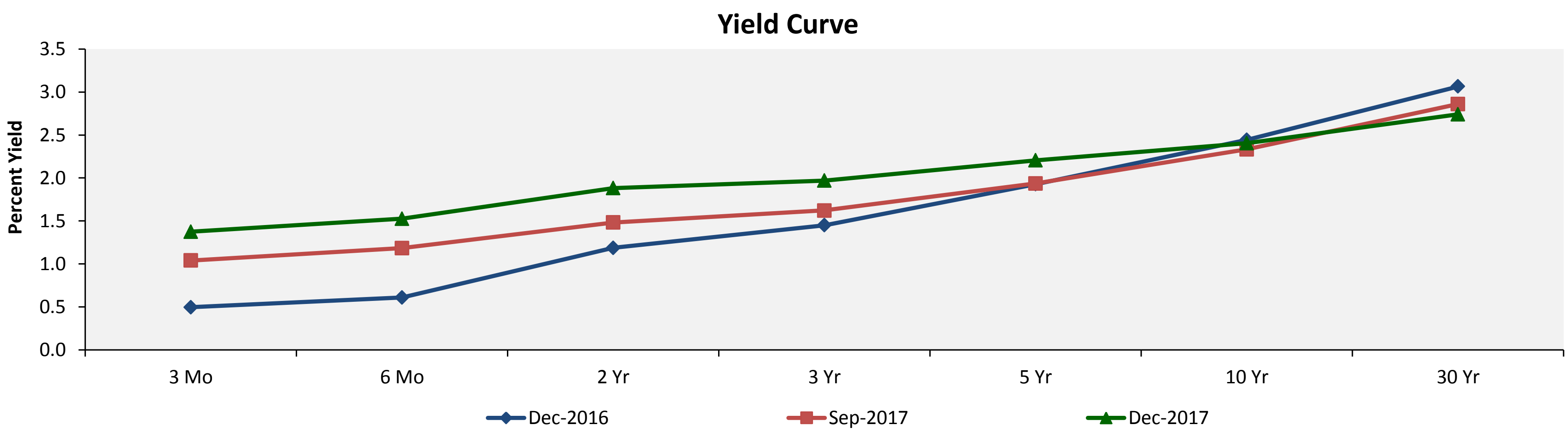
The Last Full Interest Rate Cycle 1958 - 2011
10-Yr Treasury Rate vs. Inflation (CPI)
(Annual Rates as of Jan 1 Each Year)



Source: Bloomberg Barclays

Bond Market





Source: Bloomberg Barclays

Interest Rate Sensitivity

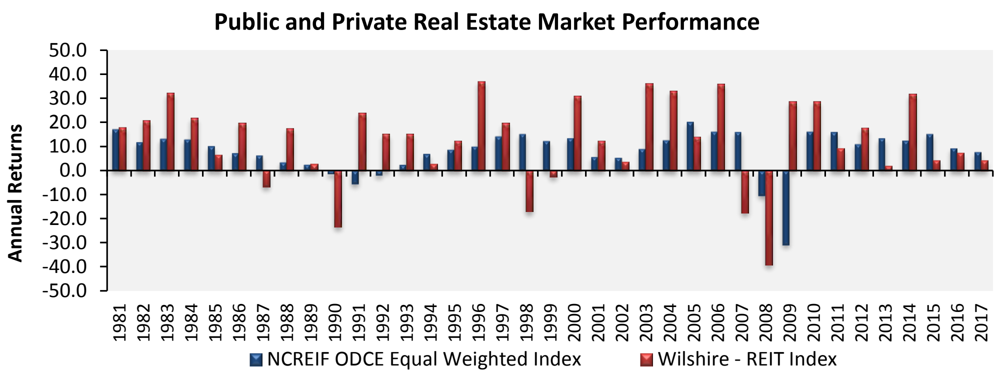
12 Month Holding Period - Annualized Returns as of 12/31/2017							
Yield Change	10 Year Treasury	Bloomberg Barclays Aggregate	Bloomberg Barclays Int Govt/Credit	ML Gov/Corp Master	ML 1-3 yr Gov/Corp	Defensive ML US HY BB/B ND	Short Duration ML US HY BB/B 1-3 yr
(bps)		US Aggregate	US Int Govt/Credit				
-150	15.57	12.06	8.35	12.51	4.86	10.93	6.44
-100	11.18	8.94	6.36	9.22	3.92	8.94	5.63
-50	6.80	5.83	4.37	5.94	2.99	6.95	4.82
-25	4.60	4.27	3.38	4.29	2.52	5.96	4.42
0	2.41	2.71	2.38	2.65	2.05	4.96	4.01
25	0.22	1.15	1.39	1.01	1.58	3.97	3.61
50	-1.98	-0.41	0.39	-0.64	1.12	2.97	3.20
100	-6.36	-3.52	-1.60	-3.92	0.18	0.98	2.39
150	-10.75	-6.64	-3.59	-7.21	-0.76	-1.01	1.58
200	-15.13	-9.75	-5.58	-10.49	-1.69	-3.00	0.77
250	-19.52	-12.87	-7.57	-13.78	-2.63	-4.99	-0.04
300	-23.90	-15.98	-9.56	-17.06	-3.56	-6.98	-0.85
350	-28.29	-19.10	-11.55	-20.35	-4.50	-8.97	-1.66
400	-32.67	-22.21	-13.54	-23.63	-5.43	-10.96	-2.47
450	-37.06	-25.33	-15.53	-26.92	-6.37	-12.95	-3.28
500	-41.44	-28.44	-17.52	-30.20	-7.30	-14.94	-4.09
Duration	8.77	6.23	3.98	6.57	1.87	3.98	1.62

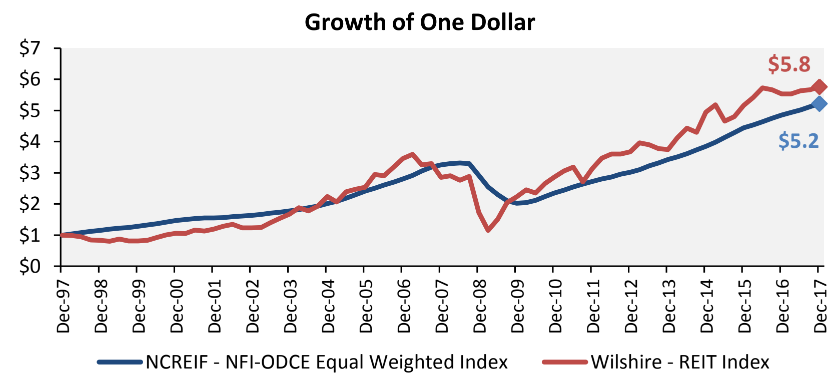
FOR ILLUSTRATIVE PURPOSES ONLY: For each index the current yield to worst as of 12/31/2017 was used as the base case annualized return. The annualized return sensitivity to a uniform increase or decrease in the yield curve was calculated by taking the index's Macaulay's (Modified) Duration to Worst as of 12/31/2017 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

Real estate as an asset class has recovered strongly since 2008 and achieved new highs in market value. Coupled with attractive income, total returns from income have been very strong, both absolutely and in comparison to other asset classes. However, one of the major components of return from this cycle - cap rate compression - has probably run its course. While cap rates could go modestly lower, real estate returns will now depend on income for the majority of total return. Income returns of approximately 5% and appreciation of 1-3%, indicate an expected total return of 6-8% for the longer term. The income return of 5% is relatively attractive when compared against other asset classes. Unless interest rates rise substantially, the income component of real estate will continue to be appealing to investors, especially foreign investors, and keep valuations at high levels. PREA forecast returns show moderation from that of recent years but are still desirable.

Sector	Index	4Q 17	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
US Private	NCREIF ODCE Equal Weighted	2.1	7.7	7.7	9.3	15.2	12.4	13.3	7.7	10.7	11.6	4.9
US Public	Wilshire REIT	1.7	4.2	4.2	7.2	4.2	31.8	1.9	4.2	5.2	9.4	7.3



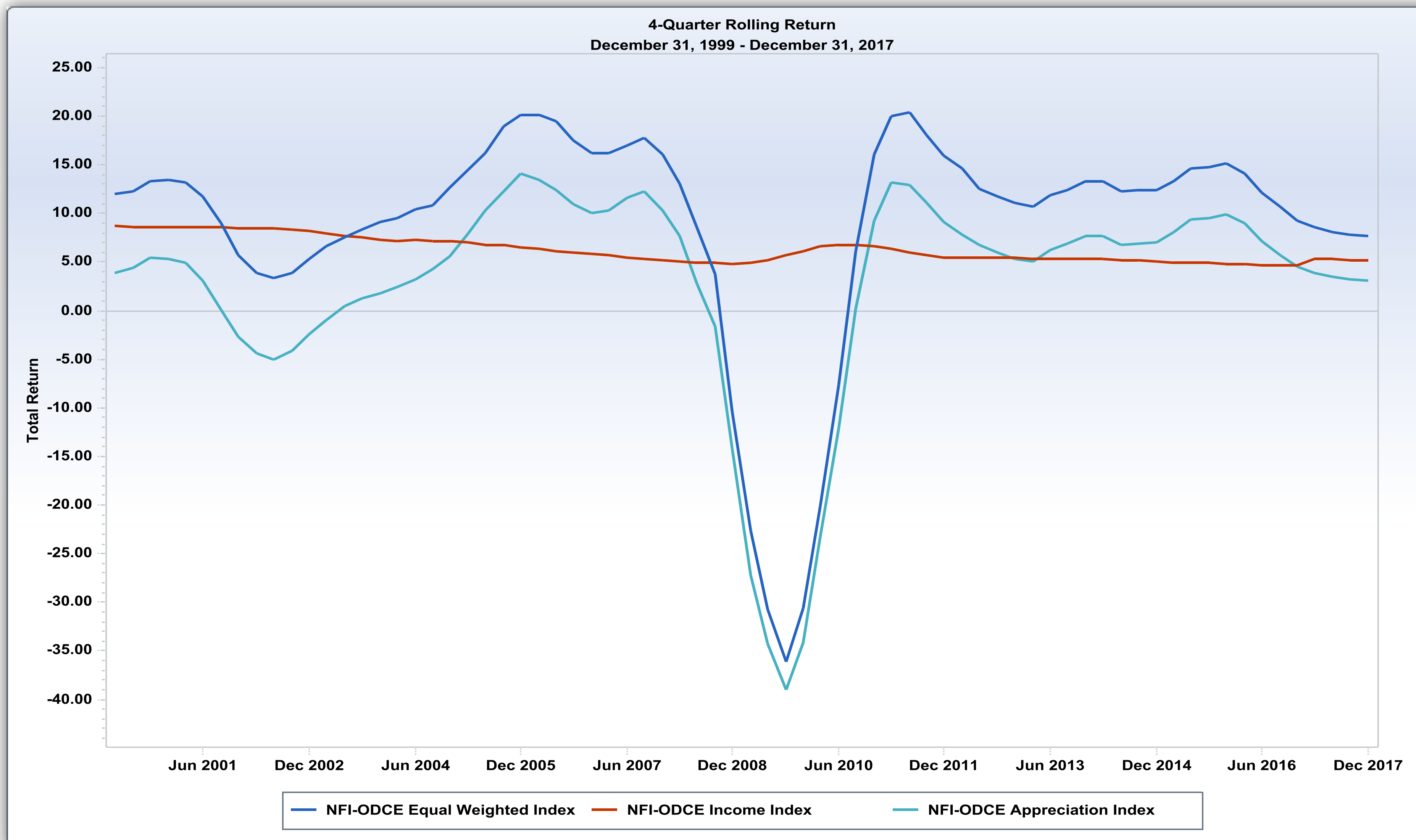


	Total return (incl. income) 2017	Total return (incl. income) 2018	Total return (incl. income) 2019	Total return (incl. income) 2017 to 2021 (per year)
National, All Property Types (NPI)	6.9	5.6	5.0	5.3
Office	5.9	5.2	4.4	4.6
Retail	5.9	4.8	4.7	4.9
Industrial	11.7	7.6	6.3	7.1
Apartment	6.0	5.3	5.0	5.4

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 Q4 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, 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 the 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 4.5% today.

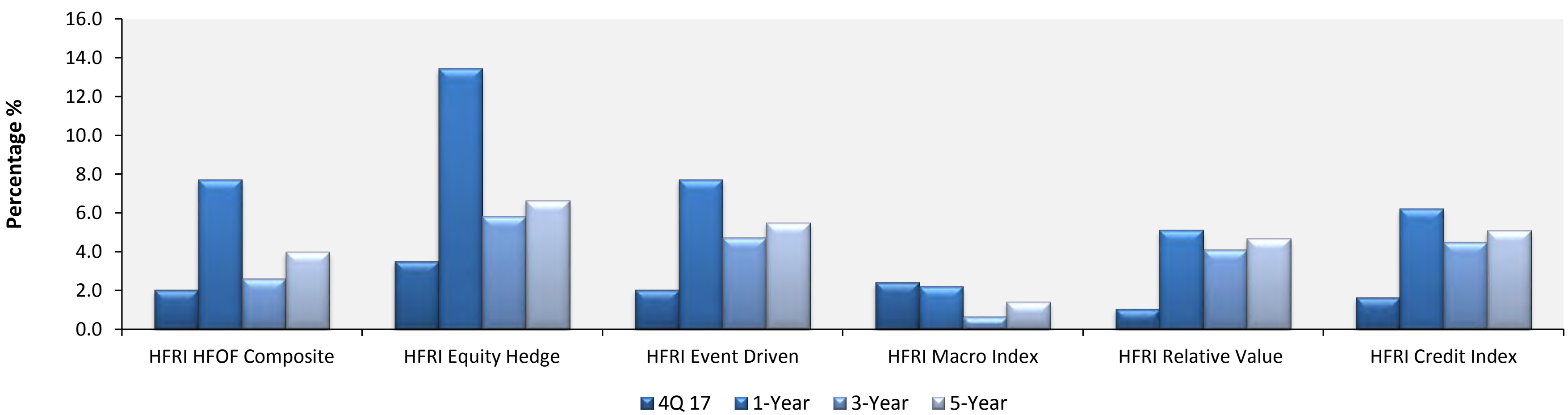


Hedge Fund of Funds Market

The HFRI Fund of Funds Composite Index was up 7.7% in 2017, its best return since 2013. Hedge fund sub-strategies were broadly positive for both Q4 and the calendar year, and outpaced the bond market return of 3.5% (Bloomberg Barclays Aggregate Index) in 2017. Bonds had four negative months during the year; the HFRI outperformed in all of those months, and was positive in two of them (March and September). Hedged equity continued its yearlong run during the fourth quarter as the best performing hedge fund strategy (+3.5% in Q4), and the HFRI Equity Hedge closed the year up 13.5%. Like the S&P 500, it did not have a negative month during the calendar year for the first time in its history. While the positive news described in the “US Economy” section of the market commentary may provide continued tailwinds for equity markets, many HFOF managers are favoring a less directional (more hedged) approach to equity given the current level of stock valuations, the potential for rising interest rates and higher market volatility. This positioning caused some managers to underperform in 2017 – less directional equity and “long volatility” – the expectation that volatility will increase off the historically low levels witnessed in 2017. Event driven and credit strategies performed relatively well in 2017, while global macro continued to lag most hedge fund strategies. The HFRI Macro index rose 2.4% in Q4 to finish the year in positive territory at just 2.2%. The low volatility and continued low inflationary environment have not provided much opportunity for macro strategies, however these strategies have generally seen increased inflows in anticipation of higher volatility and inflation creating trading opportunities for macro managers.

Strategy	Index	4Q 17	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
Fund of Funds	HFRI HFOF Composite	2.0	7.7	7.7	0.5	-0.3	3.4	9.0	7.7	2.6	4.0	1.1
Equity Long-Short	HFRI Equity Hedge	3.5	13.5	13.5	5.5	-1.0	1.8	14.3	13.5	5.8	6.6	3.2
Event Driven	HFRI Event Driven	2.0	7.7	7.7	10.6	-3.6	1.1	12.5	7.7	4.7	5.5	4.2
Global Macro	HFRI Macro Index	2.4	2.2	2.2	1.0	-1.3	5.6	-0.4	2.2	0.7	1.4	2.0
Relative Value	HFRI Relative Value	1.1	5.1	5.1	7.7	-0.3	4.0	7.1	5.1	4.1	4.7	4.8
Credit	HFRI Credit Index	1.6	6.2	6.2	8.6	-1.0	3.0	9.0	6.2	4.5	5.1	5.0

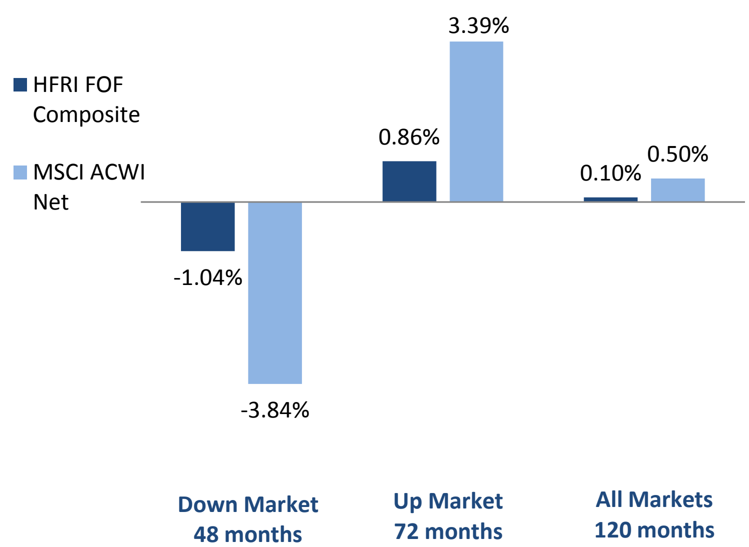
Hedge Fund Strategy Performance



Hedge Fund of Funds Market

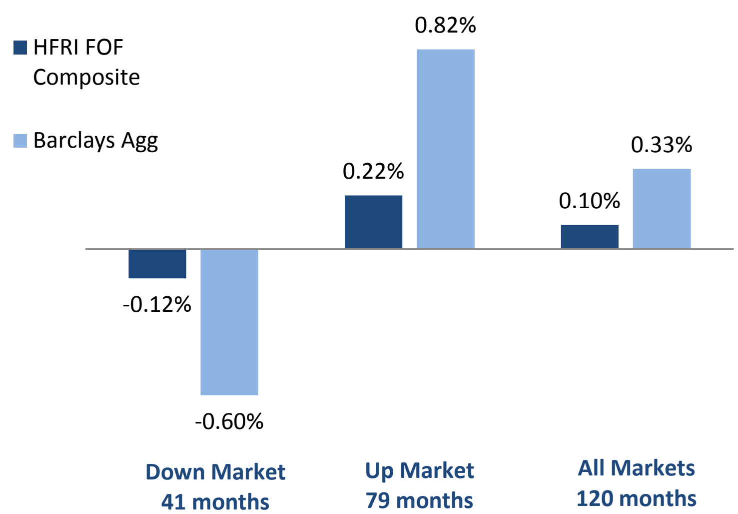
Up/Down Capture vs. Equity

Average Returns
January 2008 - December 2017



Up/Down Capture vs. Bonds

Average Returns
January 2008 - December 2017



FELRA And UFCW Pension Fund

Master Consulting Services Report

Period Ended

December 31, 2017

Total Plan Growth of Assets

Summary of Cash Flows	Fourth Quarter	One Year	Three Years	Five Years	Seven Years	Ten Years
Beginning Market Value	$314,796,838	$367,162,534	$531,306,478	$603,740,808	$681,079,700	$1,006,843,561
Net Cash Flow	-$25,843,977	-$105,046,504	-$310,447,650	-$495,882,109	-$647,103,294	-$886,275,065
Net Investment Change	$9,234,481	$36,071,312	$77,328,514	$190,328,644	$264,210,936	$177,618,846
Ending Market Value	$298,187,342	$298,187,342	$298,187,342	$298,187,342	$298,187,342	$298,187,342

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.

Total Plan Performance (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending December 31, 2017					
			2017 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund	**$298,187,342**	**100.0%**	**3.2%**	**12.0%**	**7.6%**	**8.7%**	**8.1%**	**5.1%**
Total Fund Domestic Equity	**$99,353,484**	**33.3%**	**6.7%**	**21.4%**	**11.6%**	**15.4%**	**12.6%**	**8.0%**
S&P 500			*6.6%*	*21.8%*	*11.4%*	*15.8%*	*13.8%*	*8.5%*
Russell 2000			*3.3%*	*14.6%*	*10.0%*	*14.1%*	*11.6%*	*8.7%*
Total Fund International Equity	**$15,460,372**	**5.2%**	**6.7%**	**31.7%**	**10.2%**	**9.4%**	**6.8%**	**3.6%**
MSCI EAFE			*4.2%*	*25.0%*	*7.8%*	*7.9%*	*6.0%*	*1.9%*
Total Investment Grade Fixed Income	**$44,450,997**	**14.9%**	**-0.1%**	**2.6%**	**2.1%**	**1.8%**	**3.3%**	**3.3%**
Custom Benchmark Fixed Income			*-0.2%*	*2.1%*	*1.8%*	*1.3%*	*2.6%*	*3.6%*
Total Short Duration High Yield Fixed Income	**$4,180,961**	**1.4%**	**0.1%**	**4.0%**	**3.8%**	**3.8%**	**5.6%**	**6.7%**
Custom Benchmark			*0.0%*	*3.6%*	*4.4%*	*3.9%*	*5.6%*	*6.5%*
Total Fund Global Bond	**$28,024,271**	**9.4%**	**-1.5%**	**2.5%**	**--**	**--**	**--**	**--**
Total Fund Real Estate	**$37,937,726**	**12.7%**	**1.8%**	**7.2%**	**10.2%**	**11.5%**	**12.2%**	**5.2%**
NCREIF ODCE Equal Weighted Index			*2.1%*	*7.8%*	*10.7%*	*11.6%*	*12.1%*	*4.9%*
Total Fund Hedge Fund of Funds	**$2,340,742**	**0.8%**	**0.0%**	**2.8%**	**0.0%**	**3.1%**	**2.6%**	**1.2%**
Total Fund GTAA	**$58,507,624**	**19.6%**	**3.7%**	**14.4%**	**8.2%**	**7.2%**	**6.8%**	**--**
65% MSCI World Index/35% CitigroupWGBI			*3.9%*	*17.0%*	*6.7%*	*7.6%*	*6.8%*	*4.5%*
Total Fund Cash	**$5,392,634**	**1.8%**	**0.2%**	**0.6%**	**0.3%**	**0.2%**	**0.2%**	**0.8%**
Total Fund Other	**$2,538,530**	**0.9%**						

	Fiscal Year Ends 12/31									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Fund	**12.0%**	**8.1%**	**3.0%**	**6.0%**	**14.9%**	**12.5%**	**0.6%**	**13.6%**	**12.5%**	**-25.0%**

Allocation vs. Policy

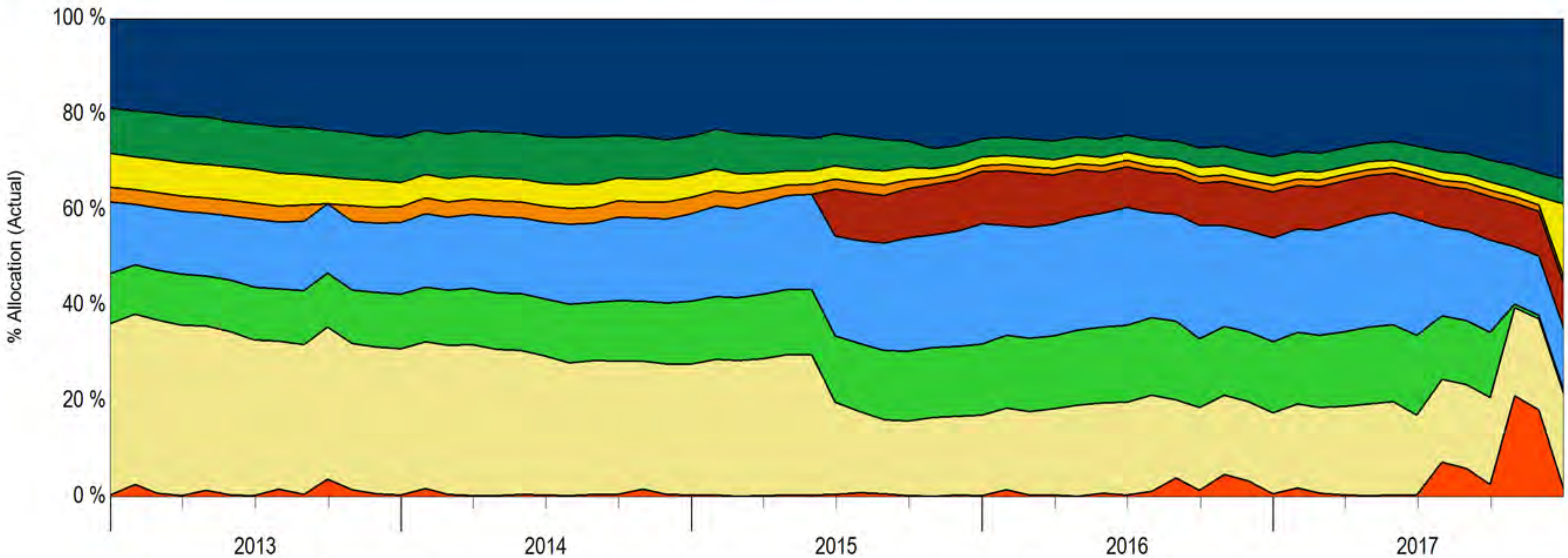
	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
Domestic Equity	$99,353,484	33.3%	30.0%	20.0% - 40.0%	3.3%	$9,897,281
International Equity	$9,831,579	3.3%	0.0%	0.0% - 0.0%	3.3%	$9,831,579
Emerging Markets Equity	$5,628,793	1.9%	0.0%	0.0% - 0.0%	1.9%	$5,628,793
Investment Grade Bonds	$44,450,997	14.9%	20.0%	10.0% - 40.0%	-5.1%	-$15,186,471
Opportunistic Fixed Income	$28,024,271	9.4%	10.0%	0.0% - 20.0%	-0.6%	-$1,794,463
Short Duration High Yield Bonds	$4,180,961	1.4%	5.0%	0.0% - 10.0%	-3.6%	-$10,728,407
Real Estate	$37,937,726	12.7%	15.0%	0.0% - 30.0%	-2.3%	-$6,790,375
Hedge Fund of Funds	$2,340,742	0.8%	0.0%	0.0% - 0.0%	0.8%	$2,340,742
Global Tactical Asset Allocation	$58,507,624	19.6%	15.0%	0.0% - 30.0%	4.6%	$13,779,522
Cash Equivalents / Other	$7,931,165	2.7%	5.0%	0.0% - 20.0%	-2.3%	-$6,978,203
Total	**$298,187,342**	**100.0%**	**100.0%**			

Asset Allocation

- Asset allocation and glide path reviews were presented on April 24, 2016; August 3, 2016; January 26, 2017; March 5, 2017; May 31, 2017 and July 13, 2017.
- 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% policy 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 policy 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.
- An asset allocation and glide path review was presented at the January 10, 2018 meeting. The Trustees voted to adopt the policy allocation labeled January 1, 2018 (effective 1/1/18). The only change compared to the current policy allocation is a further reduction to real estate (from 15% to 10%). In addition, the Trustees agreed to fully liquidate the real estate allocation effective December 31, 2018. The liquidation of the approximately $38m should be completed in four installments (3/31, 6/30, 9/30, 12/31). If cash from the real estate liquidation is received at a time to use to help offset cash needs, it should be used to do so, if not, it should be allocated to SBH intermediate fixed.

Recommendation: None. Rebalancing of assets is in process.

Asset Allocation History
5 Years Ending December 31, 2017



	20.5	22.0	23.4	24.9	23.6	24.8	24.6	24.7	24.4	24.1	25.6	25.1	25.6	24.4	27.1	28.9	27.1	26.7	29.6	33.6
	9.7	9.5	9.7	9.4	9.4	9.7	8.8	8.1	8.0	6.7	5.6	3.9	3.9	3.6	4.1	4.1	3.9	4.1	4.6	5.2
	7.0	7.2	5.6	5.0	4.7	4.8	4.8	4.7	3.5	2.8	2.5	1.8	1.9	1.8	1.9	1.9	1.7	1.6	1.7	15.0
	3.2	3.3	0.0	3.4	3.2	3.3	3.4	3.3	2.6	2.0	1.8	1.3	1.3	1.3	1.4	1.4	1.3	1.2	1.3	1.4
	--	--	--	--	--	--	--	--	--	9.9	10.3	10.9	10.4	8.5	8.9	9.7	9.0	8.5	9.1	9.5
	13.1	14.2	14.6	14.9	15.6	16.1	17.4	18.4	19.3	20.8	23.7	25.3	23.3	24.7	23.7	21.7	22.7	24.3	19.4	12.8
	10.7	11.2	11.2	11.5	11.7	12.0	12.7	13.1	13.5	14.0	14.7	14.9	15.3	16.1	14.5	14.9	15.6	16.7	13.7	0.8
	35.5	32.4	31.8	30.5	31.6	29.0	27.9	27.3	28.6	19.1	15.6	16.7	18.0	19.3	17.2	16.9	18.5	16.6	18.0	19.8
	0.2	0.2	3.6	0.3	0.2	0.3	0.4	0.4	0.2	0.5	0.2	0.2	0.3	0.4	1.3	0.6	0.4	0.4	2.6	1.8

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

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	2017 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception Return	Inception Since
			Ending December 31, 2017						Inception	
Total Fund	**$298,187,342**	**100.0%**	**3.2%**	**12.0%**	**7.6%**	**8.7%**	**8.1%**	**5.1%**	**6.6%**	**Jan-97**
Total Fund Domestic Equity	**$99,353,484**	**33.3%**	**6.7%**	**21.4%**	**11.6%**	**15.4%**	**12.6%**	**8.0%**	**7.8%**	**Jul-97**
S&P 500			*6.6%*	*21.8%*	*11.4%*	*15.8%*	*13.8%*	*8.5%*	*7.5%*	*Jul-97*
Russell 2000			*3.3%*	*14.6%*	*10.0%*	*14.1%*	*11.6%*	*8.7%*	*8.2%*	*Jul-97*
Wedge Capital Management	$31,245,083	10.5%	7.3%	21.7%	11.6%	16.2%	13.9%	8.4%	9.3%	Jan-05
Russell 1000 Value			*5.3%*	*13.7%*	*8.7%*	*14.0%*	*12.5%*	*7.1%*	*7.6%*	*Jan-05*
Vanguard Total Stock Mkt Idx Fund	$68,108,401	22.8%	6.4%	21.3%	11.2%	--	--	--	11.7%	May-14
CRSP US Total Market TR USD			*6.3%*	*21.2%*	*11.1%*	--	--	--	*11.5%*	*May-14*
Total Fund International Equity	**$15,460,372**	**5.2%**	**6.7%**	**31.7%**	**10.2%**	**9.4%**	**6.8%**	**3.6%**	**5.7%**	**Apr-97**
MSCI EAFE			*4.2%*	*25.0%*	*7.8%*	*7.9%*	*6.0%*	*1.9%*	*5.2%*	*Apr-97*
Gryphon International Investment	$9,831,579	3.3%	7.0%	31.6%	11.5%	9.8%	7.3%	4.9%	7.4%	Jan-05
MSCI EAFE			*4.2%*	*25.0%*	*7.8%*	*7.9%*	*6.0%*	*1.9%*	*5.2%*	*Jan-05*
MSCI EAFE Growth			*5.2%*	*28.9%*	*9.2%*	*8.8%*	*6.6%*	*2.7%*	*5.9%*	*Jan-05*
Vanguard Emerging Mkts Stock Lx Inst	$5,628,793	1.9%	6.3%	31.8%	8.1%	--	--	--	5.8%	May-14
FTSE Emerging Markets			*7.0%*	*32.5%*	*8.5%*	--	--	--	*6.3%*	*May-14*
Total Investment Grade Fixed Income	**$44,450,997**	**14.9%**	**-0.1%**	**2.6%**	**2.1%**	**1.8%**	**3.3%**	**3.3%**	**3.5%**	**Jun-07**
Custom Benchmark Fixed Income			*-0.2%*	*2.1%*	*1.8%*	*1.3%*	*2.6%*	*3.6%*	*3.9%*	*Jun-07*
Segall Bryant & Hamill	$44,450,997	14.9%	-0.1%	2.6%	2.1%	1.6%	3.0%	--	4.1%	Jan-09
Custom Benchmark Segall			*-0.2%*	*2.1%*	*1.8%*	*1.3%*	*2.6%*	--	*3.4%*	*Jan-09*

Performance Summary (Gross of Fees) - Annualized

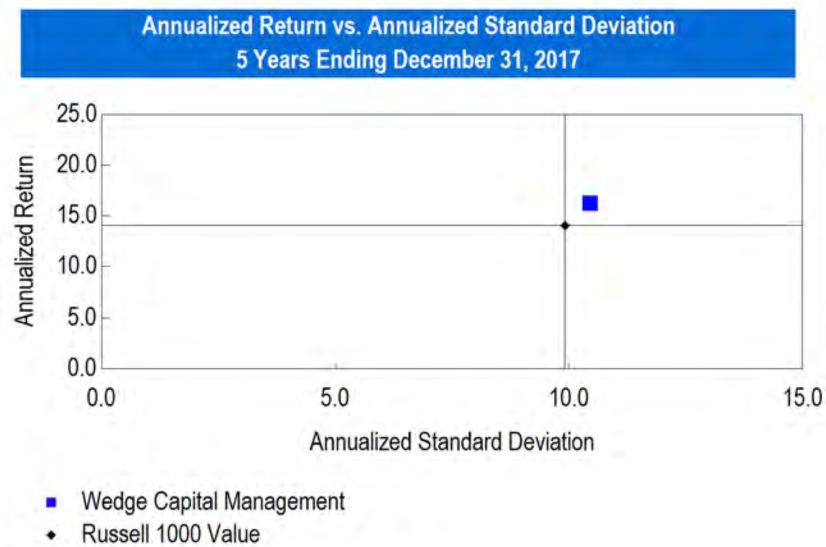
			Ending December 31, 2017						Inception	
	Market Value	% of Portfolio	2017 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Short Duration High Yield Fixed Income	**$4,180,961**	**1.4%**	**0.1%**	**4.0%**	**3.8%**	**3.8%**	**5.6%**	**6.7%**	**6.3%**	**Jun-07**
Custom Benchmark			*0.0%*	*3.6%*	*4.4%*	*3.9%*	*5.6%*	*6.5%*	*6.0%*	*Jun-07*
Chartwell Short Duration High Yield	$4,180,961	1.4%	0.1%	4.0%	3.8%	--	--	--	3.6%	Oct-13
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.0%*	*3.6%*	*4.4%*	--	--	--	*4.0%*	*Oct-13*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.2%*	*3.9%*	*4.5%*	--	--	--	*3.9%*	*Oct-13*
Total Fund Global Bond	**$28,024,271**	**9.4%**	**-1.5%**	**2.5%**	**--**	**--**	**--**	**--**	**2.1%**	**Jun-15**
Franklin Templeton Global Bond Plus Trust	$28,024,271	9.4%	-1.5%	2.5%	--	--	--	--	2.1%	Jun-15
Total Fund Real Estate	**$37,937,726**	**12.7%**	**1.8%**	**7.2%**	**10.2%**	**11.5%**	**12.2%**	**5.2%**	**8.4%**	**Oct-03**
NCREIF ODCE Equal Weighted Index			*2.1%*	*7.8%*	*10.7%*	*11.6%*	*12.1%*	*4.9%*	*8.0%*	*Oct-03*
JP Morgan Real Estate Strategic Property - Core Investments	$37,937,726	12.7%	1.8%	7.2%	10.2%	11.5%	12.2%	5.6%	9.0%	Oct-03
NCREIF ODCE Equal Weighted Index			*2.1%*	*7.8%*	*10.7%*	*11.6%*	*12.1%*	*4.9%*	*8.0%*	*Oct-03*
Total Fund Hedge Fund of Funds	**$2,340,742**	**0.8%**	**0.0%**	**2.8%**	**0.0%**	**3.1%**	**2.6%**	**1.2%**	**2.9%**	**Apr-04**
LumX Asset Management	$175,840	0.1%								
Entrust Capital Diversified Peru Class X	$2,164,902	0.7%								
Total Fund GTAA	**$58,507,624**	**19.6%**	**3.7%**	**14.4%**	**8.2%**	**7.2%**	**6.8%**	**--**	**6.9%**	**Apr-10**
65% MSCI World Index/35% CitigroupWGBI			*3.9%*	*17.0%*	*6.7%*	*7.6%*	*6.8%*	--	*7.1%*	*Apr-10*
First Eagle Global Value	$58,507,624	19.6%	3.7%	14.4%	8.5%	--	--	--	6.9%	Sep-14
65% MSCI World Index/35% CitigroupWGBI			*3.9%*	*17.0%*	*6.7%*	--	--	--	*5.1%*	*Sep-14*
Total Fund Cash	**$5,392,634**	**1.8%**	**0.2%**	**0.6%**	**0.3%**	**0.2%**	**0.2%**	**0.8%**	**--**	**Jul-06**
PNC Stif	$5,392,634	1.8%	0.2%	0.6%	0.3%	0.2%	0.2%	1.2%	1.6%	Jul-06
91 Day T-Bills			*0.3%*	*0.9%*	*0.4%*	*0.3%*	*0.2%*	*0.3%*	*0.9%*	*Jul-06*

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending December 31, 2017						Inception	
			2017 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Fund Other	**$2,538,530**	**0.9%**								
MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11	$387,896	0.1%								
Entrust Audit Holdback	$730,359	0.2%								
Mesirow Audit Holdback	$1,420,275	0.5%								

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	**eV US Large Cap Value Equity Gross**

Wedge Capital Management Ending December 31, 2017	Last Three Months	Inception 1/1/05
Beginning Market Value	$29,124,474	$72,145,281
Net Cash Flow	$0	-$92,325,565
Net Investment Change	$2,120,609	$51,425,367
Ending Market Value	$31,245,083	$31,245,083



3 Years Ending December 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Wedge Capital Management	11.6%	10.9%	108.2%	85.2%
Russell 1000 Value	8.7%	10.3%	100.0%	100.0%

5 Years Ending December 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Wedge Capital Management	16.2%	10.5%	108.9%	92.1%
Russell 1000 Value	14.0%	9.9%	100.0%	100.0%

									Calendar Years										Inception	
	2017 Q4	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2017	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	Return	Since
Wedge Capital Management	7.3%	27	21.7%	12	11.6%	13	16.2%	18	21.7%	12	14.1%	59	0.2%	18	12.5%	45	35.6%	36	9.3%	Jan-05
Russell 1000 Value	*5.3%*	*75*	*13.7%*	*87*	*8.7%*	*74*	*14.0%*	*65*	*13.7%*	*87*	*17.3%*	*26*	*-3.8%*	*64*	*13.5%*	*33*	*32.5%*	*60*	*7.6%*	*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 ($1,000,000), 01/28/11 ($5,000,000), 3/31/11 ($5,000,000), 4/4/11 ($500,000), 4/29/11 ($2,000,000), 6/29/11 ($1,250,000) 7/28/11 ($2,500,000) 9/30/11 ($575,000), 12/29/11 ($1,000,000), 1/30/12 ($1,250,000), 3/29/12 ($750,000), 4/27/12 ($750,000), 6/28/12 ($1,250,000), 7/30/12 ($1,000,000), 9/28/12 ($500,000), 10/30/12 ($1,300,000), 12/28/12 ($1,360,000), 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 October 26, 2016 and August 11, 2017 (on-site).

Recommendation: None.

Compliance Summary

Exceptions: None.

Action to be taken: None.

Items of Interest: None. **Proxy Voting -** Manager stated Wedge does not vote the proxies for this account.

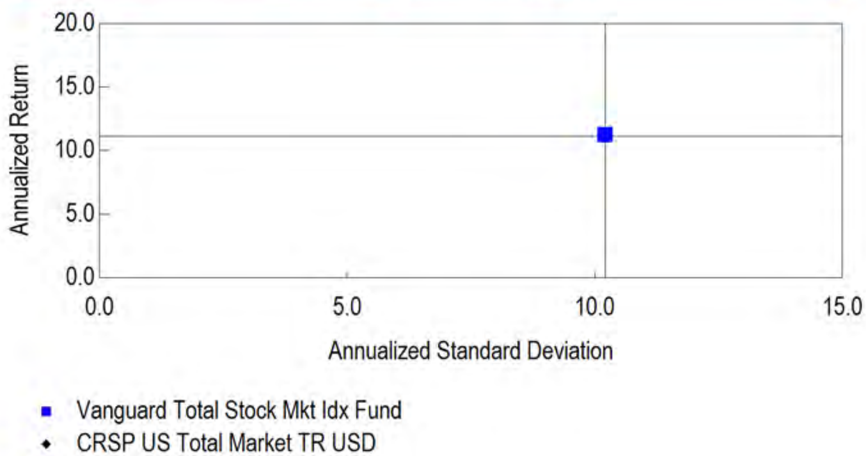
Account Information	
Account Name	Vanguard Total Stock Mkt Idx Fund
Account Structure	Mutual Fund
Investment Style	Passive
Inception Date	5/31/14
Account Type	Equity
Benchmark	CRSP US Total Market TR USD
Universe	

Vanguard Total Stock Mkt Idx Fund

Ending December 31, 2017

	Last Three Months	Inception 5/31/14
Beginning Market Value	$64,049,154	$0
Net Cash Flow	$0	$44,736,210
Net Investment Change	$4,059,247	$23,372,191
Ending Market Value	$68,108,401	$68,108,401

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2017



3 Years Ending December 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Vanguard Total Stock Mkt Idx Fund	11.2%	10.2%	100.7%	99.6%
CRSP US Total Market TR USD	11.1%	10.2%	100.0%	100.0%

	2017 Q4	1 Yr	3 Yrs	5 Yrs	Calendar Years 2017	2016	2015	2014	2013	Inception Return	Since
Vanguard Total Stock Mkt Idx Fund	6.4%	21.3%	11.2%	--	21.3%	12.9%	0.6%	--	--	11.7%	May-14
CRSP US Total Market TR USD	*6.3%*	*21.2%*	*11.1%*	*15.6%*	*21.2%*	*12.7%*	*0.4%*	*12.6%*	*33.6%*	*11.5%*	*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 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.

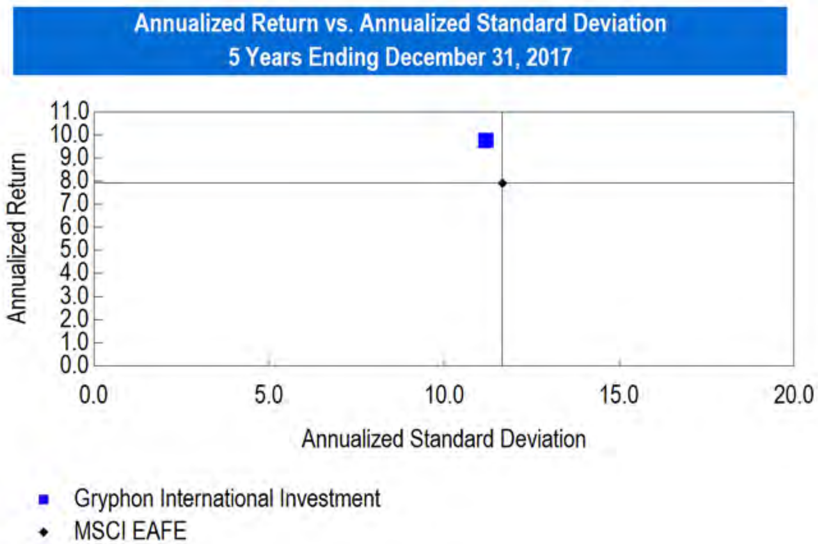
Account Information

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

Gryphon International Investment

Ending December 31, 2017

	Last Three Months	Inception 1/1/05
Beginning Market Value	$9,192,668	$37,146,939
Net Cash Flow	$0	-$55,629,528
Net Investment Change	$638,911	$28,314,168
Ending Market Value	$9,831,579	$9,831,579



3 Years Ending December 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Gryphon International Investment	11.5%	12.3%	106.3%	84.1%
MSCI EAFE	7.8%	12.0%	100.0%	100.0%

5 Years Ending December 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Gryphon International Investment	9.8%	11.2%	93.3%	84.3%
MSCI EAFE	7.9%	11.7%	100.0%	100.0%

	2017 Q4	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Calendar Years 2017	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	Inception Return	Since
Gryphon International Investment	7.0%	6	31.6%	28	11.5%	32	9.8%	45	31.6%	28	0.8%	58	4.4%	30	-6.5%	83	23.0%	64	7.4%	Jan-05
MSCI EAFE	*4.2%*	*57*	*25.0%*	*73*	*7.8%*	*84*	*7.9%*	*85*	*25.0%*	*73*	*1.0%*	*54*	*-0.8%*	*76*	*-4.9%*	*71*	*22.8%*	*66*	*5.2%*	*Jan-05*
MSCI EAFE Growth	*5.2%*	*29*	*28.9%*	*41*	*9.2%*	*58*	*8.8%*	*69*	*28.9%*	*41*	*-3.0%*	*89*	*4.1%*	*32*	*-4.4%*	*58*	*22.5%*	*67*	*5.9%*	*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, liquidate as needed to fund benefit payments. The manager will be terminated. Status: In process.

Compliance Summary

Exceptions : None.

Action to be taken: None.

Items of Interest: Proxy Voting - The manager noted Gryphon International has not been appointed to vote proxies for the Fund.

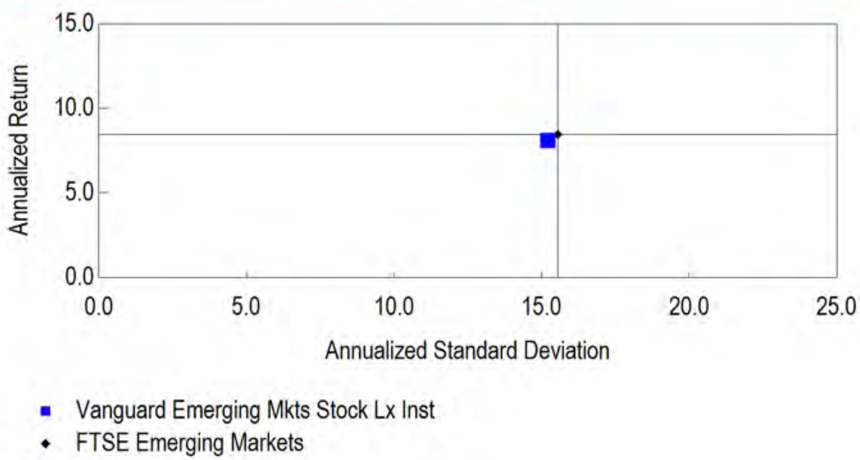
Account Information	
Account Name	**Vanguard Emerging Mkts Stock Lx Inst**
Account Structure	**Mutual Fund**
Investment Style	**Passive**
Inception Date	**5/31/14**
Account Type	**International**
Benchmark	**FTSE Emerging Markets**
Universe	

Vanguard Emerging Mkts Stock Lx Inst

Ending December 31, 2017

	Last Three Months	**Inception 5/31/14**
Beginning Market Value	$5,296,983	$0
Net Cash Flow	$0	$5,066,298
Net Investment Change	$331,811	$562,495
Ending Market Value	$5,628,793	$5,628,793

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2017



3 Years Ending December 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Vanguard Emerging Mkts Stock Lx Inst	8.1%	15.2%	94.2%	96.8%
FTSE Emerging Markets	8.5%	15.5%	100.0%	100.0%

					Calendar Years					Inception	
	2017 Q4	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Return	Since
Vanguard Emerging Mkts Stock Lx Inst	6.3%	31.8%	8.1%	--	31.8%	11.9%	-14.4%	--	--	5.8%	May-14
FTSE Emerging Markets	*7.0%*	*32.5%*	*8.5%*	*4.6%*	*32.5%*	*13.5%*	*-15.2%*	*1.6%*	*-3.5%*	*6.3%*	*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 ($340,000), 4/17/17 ($350,000), and 5/15/17 ($150,000).

Manager Summary

Recommendation: Due to the ongoing cash needs, liquidate as needed to fund benefit payments. The manager will be terminated. Status: In process.

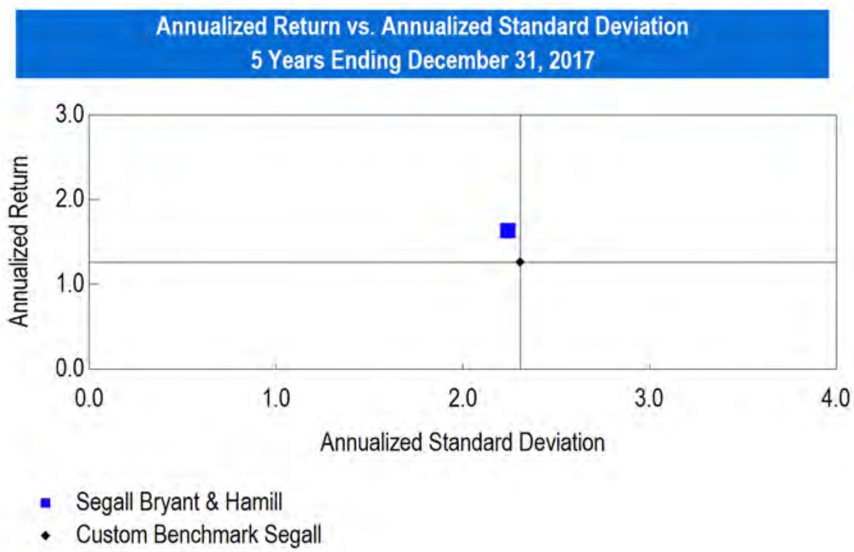
Compliance Summary

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	**eV US Core Fixed Inc Gross**

Segall Bryant & Hamill
Ending December 31, 2017

	Last Three Months	Inception 1/1/09
Beginning Market Value	$5,412,399	$41,048,647
Net Cash Flow	$39,000,000	-$5,316,663
Net Investment Change	$38,599	$8,719,013
Ending Market Value	$44,450,997	$44,450,997



3 Years Ending December 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Segall Bryant & Hamill	2.1%	2.1%	101.9%	85.7%
Custom Benchmark Segall	1.8%	2.1%	100.0%	100.0%

5 Years Ending December 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Segall Bryant & Hamill	1.6%	2.2%	101.3%	87.5%
Custom Benchmark Segall	1.3%	2.3%	100.0%	100.0%

									Calendar Years										Inception	
	2017 Q4	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2017	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	Return	Since
Segall Bryant & Hamill	-0.1%	99	2.6%	97	2.1%	95	1.6%	99	2.6%	97	2.4%	85	1.3%	24	3.7%	90	-1.8%	71	4.1%	Jan-09
Custom Benchmark Segall	*-0.2%*	*99*	*2.1%*	*99*	*1.8%*	*99*	*1.3%*	*99*	*2.1%*	*99*	*2.1%*	*93*	*1.1%*	*40*	*3.1%*	*95*	*-2.0%*	*83*	*3.4%*	*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).
- 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.
- In December 2017, SBH received $39.0M from reallocation of assets.
- 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 12/31/2017 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 February 16, 2018. 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.

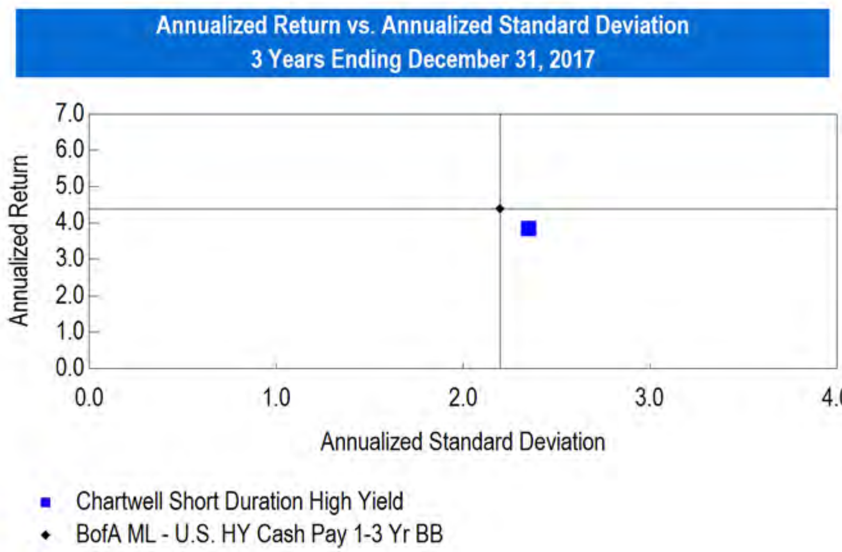
Action to be taken: Based on the follow-up information and comments provided by the manager, no action is required.

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 December 31, 2017

	Last Three Months	Inception 10/1/13
Beginning Market Value	$4,177,363	$0
Net Cash Flow	$0	$2,708,728
Net Investment Change	$3,597	$1,472,232
Ending Market Value	$4,180,961	$4,180,961



3 Years Ending December 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Chartwell Short Duration High Yield	3.8%	2.3%	92.8%	111.7%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	4.4%	2.2%	100.0%	100.0%

					Calendar Years					Inception	
	2017 Q4	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Return	Since
Chartwell Short Duration High Yield	0.1%	4.0%	3.8%	--	4.0%	8.1%	-0.3%	1.5%	--	3.6%	Oct-13
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	*0.0%*	*3.6%*	*4.4%*	*4.1%*	*3.6%*	*8.5%*	*1.2%*	*1.9%*	*5.5%*	*4.0%*	*Oct-13*
BBgBarc 1-3 Yr BB U.S. Constrained Index	*0.2%*	*3.9%*	*4.5%*	*3.9%*	*3.9%*	*8.8%*	*1.1%*	*1.5%*	*4.3%*	*3.9%*	*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 a due diligence meeting with Chartwell on March 22, 2017.
- On January 25, 2018, Chartwell announced their planned acquisition of the public equity and fixed income businesses of Columbia Partners, an investment management firm based in Chevy Chase, MD. The deal is expected to close by the end of the first quarter, 2018. While a consent to assignment will be required on the part of Columbia Partners' clients, no action is required on the part of Chartwell clients.

Recommendation: None.

Compliance Summary

Exceptions: None.

Action to be taken: None.

Items of Interest: Personnel Changes - The manager stated that during the fourth quarter 2017, Lee Grout, Senior Portfolio Manager for the Berwyn Fund, left to pursue another career opportunity. **Ownership Change -** In an email dated January 25, 2018 the manager stated that Chartwell Investment Partners has entered into an agreement to acquire the long-only, investment management business of Columbia Partners.

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 December 31, 2017	Last Three Months	Inception 6/30/15
Beginning Market Value	$28,456,522	$0
Net Cash Flow	$0	$26,940,000
Net Investment Change	-$432,251	$1,084,271
Ending Market Value	$28,024,271	$28,024,271

					Calendar Years					Inception	
	2017 Q4	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Return	Since
Franklin Templeton Global Bond Plus Trust	-1.5%	2.5%	--	--	2.5%	6.5%	--	--	--	2.1%	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

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.

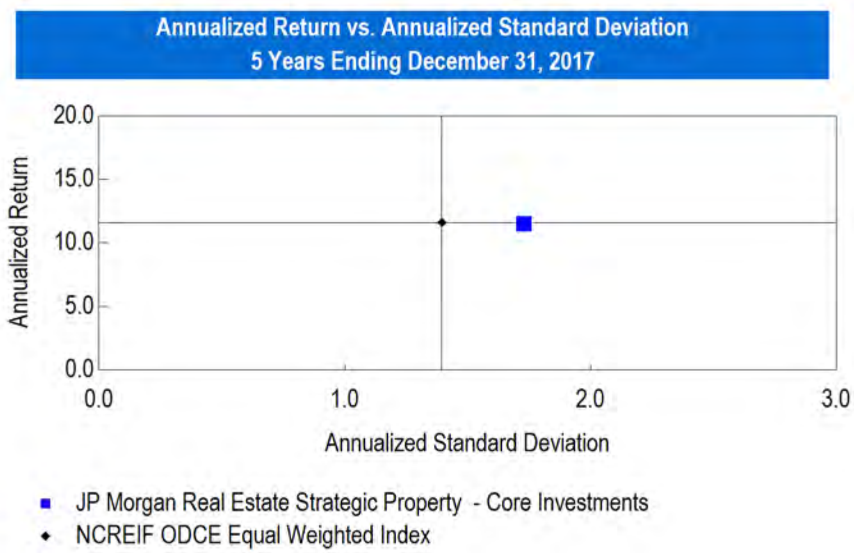
Items of Interest: Form ADV Changes – The manager states the material change to their Form ADV was Item 17: Voting Client Securities to add additional disclosure regarding proxy voting policies and procedures for certain exchange traded funds. **Legal -** Franklin Advisers, Inc. (FAV) Yes, with respect to investment-related regulatory matters, as of December 31, 2017, Franklin Advisors, Inc. (FAV) has been 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. As of that same time period, neither FAV nor, to the best of its knowledge, any of its current advisory affiliate employees were named as respondents in any investment-related proceedings brought by any U.S. federal or state regulatory agency, foreign financial regulatory authority or self-regulatory organization. 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 December 31, 2017, as well as certain other regulatory matters, please see Appendix 1: 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 (including the investigation described above), if any, will be reported, to the extent required and permitted by law, on FAV's Form ADV filed with the SEC. With respect to investment-management-related private litigation, as of the quarter ended September 30, 2017, FAV has been named as a defendant in such litigation, which remains pending. To the best of FAV's knowledge, as of that same time period, none of its current 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 September 30, 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. (Italicized terms are as defined on the SEC's Form ADV.) Fiduciary Trust International of the South (FTIOS) No, During the quarter ended September 30, 2017, Fiduciary Trust International of the South (FTIOS) was not 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 December 31, 2017, FTIOS was not 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 December 31, 2017

	Last Three Months	Inception 10/1/03
Beginning Market Value	$60,890,044	$0
Net Cash Flow	-$23,426,723	-$52,206,331
Net Investment Change	$474,405	$90,144,057
Ending Market Value	$37,937,726	$37,937,726



3 Years Ending December 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
JP Morgan Real Estate Strategic Property - Core Investments	10.2%	1.7%	95.0%	--
NCREIF ODCE Equal Weighted Index	10.7%	1.6%	100.0%	--

5 Years Ending December 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
JP Morgan Real Estate Strategic Property - Core Investments	11.5%	1.7%	99.4%	--
NCREIF ODCE Equal Weighted Index	11.6%	1.4%	100.0%	--

					Calendar Years					Inception	
	2017 Q4	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Return	Since
JP Morgan Real Estate Strategic Property - Core Investments	1.8%	7.2%	10.2%	11.5%	7.2%	8.4%	15.2%	11.1%	15.9%	9.0%	Oct-03
NCREIF ODCE Equal Weighted Index	*2.1%*	*7.8%*	*10.7%*	*11.6%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*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.
- A redemption request for $23M was submitted effective September 30, 2017. Proceeds were received on October 4, 2017 ($23.4M) and transferred to the cash account. $10M redemption (December 31, 2017) has been submitted.
- A redemption request for $10M was submitted effective December 31, 2017. Proceeds were received on January 5, 2018 ($10.25M) and transferred to the cash account.
- In an email dated December 29, 2017, JPM stated that the Department of Labor (DOL) published a five-year final exemption that will permit the firm to continue to rely on the Qualified Professional Asset Manager (QPAM) exemption in connection with the management of ERISA assets and certain other retirement accounts.

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) Due to ongoing cash needs, reduce to 15% allocation as soon as possible, 10% by December 31, 2017 (Status: Completed). Liquidate in four quarterly installments, and liquidate entirely 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.

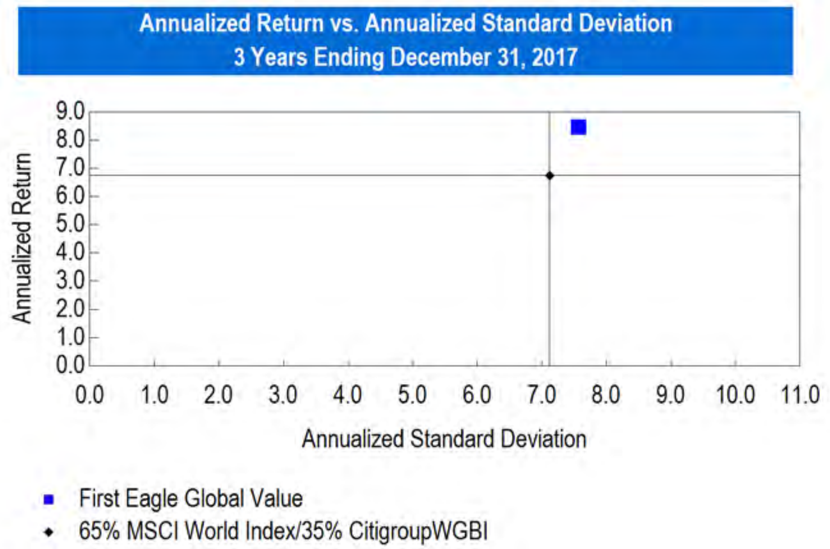
Items of Interest: Personnel Changes: In November 2017, Rob O'Rahilly rejoined J.P. Morgan in Asset Management (AM) Solutions and will be based in London and report to Mary Erdoes, CEO of JPMAM. Rob will work in partnership with Mike O'Brien as Co-Head of AM Solutions. Rob succeeds Jed Laskowitz, who was named CEO of Intelligent Digital Solutions for J.P. Morgan Asset & Wealth Management. **Form ADV -** The manager stated there were no material changes during the fourth 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 reference is also made to a press release issued on May 20, 2015 concerning settlements related to foreign exchange activities. The press release 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. Judgment consistent with the terms of the plea agreement referenced in the press release was entered on January 10, 2017. Manager noted the Firm has previously reserved for these settlements. A copy of the press release is included in the 4Q 2017 Compliance Report.

Account Information	
Account Name	**First Eagle Global Value**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**9/01/14**
Account Type	**Other**
Benchmark	**65% MSCI World Index/35% CitigroupWGBI**
Universe	

First Eagle Global Value
Ending December 31, 2017

	Last Three Months	**Inception 9/1/14**
Beginning Market Value	$56,560,918	$0
Net Cash Flow	$0	$47,000,000
Net Investment Change	$1,946,706	$11,507,624
Ending Market Value	$58,507,624	$58,507,624

Note: GTAA Manager



3 Years Ending December 31, 2017	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
First Eagle Global Value	8.5%	7.6%	102.9%	82.3%
65% MSCI World Index/35% CitigroupWGBI	6.7%	7.1%	100.0%	100.0%

					Calendar Years					Inception	
	2017 Q4	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Return	Since
First Eagle Global Value	3.7%	14.4%	8.5%	--	14.4%	11.4%	0.1%	--	--	6.9%	Sep-14
65% MSCI World Index/35% CitigroupWGBI	*3.9%*	*17.0%*	*6.7%*	*7.6%*	*17.0%*	*5.6%*	*-1.6%*	*3.1%*	*15.1%*	*5.1%*	*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 ($12M), and 6/30/17 ($11M).
- 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: None. A $14.5M redemption was submitted for December 31, 2017, rebalancing the GTAA exposure to approximately 15%.

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: Legal - The manager stated First Eagle 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. In October 2017, a settlement was reached on all Tribune related matters and the case was voluntarily dismissed with prejudice. They now consider this matter closed. **Acquisition -** In an email dated October 17, 2017, the manager stated that they entered into a definitive agreement to acquire NewStar Financial, Inc.

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Account Information	
Account Name	LumX Asset Management
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	4/01/05
Account Type	Hedge Fund
Benchmark	HFRI Fund of Funds Composite Index
Universe	

LumX Asset Management
Ending December 31, 2017

	Last Three Months	Inception 4/1/05
Beginning Market Value	$175,840	$25,494,521
Net Cash Flow	$0	-$29,843,078
Net Investment Change	$0	$4,524,397
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.
- 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. **Decision : Approved**

Manager Summary

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, 2Q2017, 3Q2017, and 4Q2017 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	
Account Name	MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11
Account Structure	Hedge Fund
Investment Style	Active
Inception Date	9/01/11
Account Type	Other
Benchmark	
Universe	

MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11

Ending December 31, 2017

	Last Three Months	Inception 9/1/11
Beginning Market Value	$451,132	$0
Net Cash Flow	-$73,197	$227,657
Net Investment Change	$9,961	$160,239
Ending Market Value	$387,896	$387,896

Market Value is as of 09/30/2017.

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.
- Total distributions received from the manager to date total $2,310,422.

FELRA & UFCW Pension Fund - MDF Special Investment SPC, Ltd. - MDEF June 2011 / Pool 12/11

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 January 26, 2018 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. 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.
- As a result of this transaction, CovergEx's Plan Sponsor Division, renamed Cowen Execution Services, LLC, will be moved into Cowen and Company, LLC. You may have received correspondence from Cowen regarding "assignment" of your current agreement with Cowen Execution Services to Cowen and Company . IPS has been in contact with Cowen and recommends that you agree to the assignment. The notice sent by Cowen is structured as a negative consent; therefore, agreeing to the assignment requires no action.
- Given the continued reduction of trading costs, IPS is evaluating the benefits of ongoing participation in a commission recapture program. When our analysis is complete, we will contact you with a recommendation regarding ongoing feasibility of the program.

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
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
Jun-17	$353,530,441	($26,489,842)	$5,533,760	$332,574,360
Sep-17	$332,574,360	($26,197,063)	$8,419,541	$314,796,838
Dec-17	$314,796,838	($25,843,977)	$9,234,481	$298,187,342
		($1,024,429,160)	$336,439,167	

Performance Summary (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending December 31, 2017						Inception	
			2017 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Fund	**$298,187,342**	**100.0%**	**3.0%**	**11.2%**	**6.9%**	**8.0%**	**7.3%**	**4.5%**	**6.1%**	**Jan-97**
Total Fund Domestic Equity	**$99,353,484**	**33.3%**	**6.6%**	**21.1%**	**11.3%**	**15.0%**	**12.2%**	**7.6%**	**7.6%**	**Jul-97**
S&P 500			*6.6%*	*21.8%*	*11.4%*	*15.8%*	*13.8%*	*8.5%*	*7.5%*	*Jul-97*
Russell 2000			*3.3%*	*14.6%*	*10.0%*	*14.1%*	*11.6%*	*8.7%*	*8.2%*	*Jul-97*
Wedge Capital Management	$31,245,083	10.5%	7.2%	21.1%	11.1%	15.7%	13.4%	7.9%	8.8%	Jan-05
Russell 1000 Value			*5.3%*	*13.7%*	*8.7%*	*14.0%*	*12.5%*	*7.1%*	*7.6%*	*Jan-05*
Vanguard Total Stock Mkt Idx Fund	$68,108,401	22.8%	6.3%	21.1%	11.1%	--	--	--	11.5%	May-14
CRSP US Total Market TR USD			*6.3%*	*21.2%*	*11.1%*	*--*	*--*	*--*	*11.5%*	*May-14*
Total Fund International Equity	**$15,460,372**	**5.2%**	**6.6%**	**31.0%**	**9.7%**	**8.8%**	**6.2%**	**3.2%**	**5.5%**	**Apr-97**
MSCI EAFE			*4.2%*	*25.0%*	*7.8%*	*7.9%*	*6.0%*	*1.9%*	*5.2%*	*Apr-97*
Gryphon International Investment	$9,831,579	3.3%	6.7%	30.6%	10.7%	9.0%	6.6%	4.3%	6.8%	Jan-05
MSCI EAFE			*4.2%*	*25.0%*	*7.8%*	*7.9%*	*6.0%*	*1.9%*	*5.2%*	*Jan-05*
MSCI EAFE Growth			*5.2%*	*28.9%*	*9.2%*	*8.8%*	*6.6%*	*2.7%*	*5.9%*	*Jan-05*
Vanguard Emerging Mkts Stock Lx Inst	$5,628,793	1.9%	6.3%	31.7%	8.0%	--	--	--	5.7%	May-14
FTSE Emerging Markets			*7.0%*	*32.5%*	*8.5%*	*--*	*--*	*--*	*6.3%*	*May-14*
Total Investment Grade Fixed Income	**$44,450,997**	**14.9%**	**-0.1%**	**2.4%**	**1.9%**	**1.6%**	**3.1%**	**3.2%**	**3.3%**	**Jun-07**
Custom Benchmark Fixed Income			*-0.2%*	*2.1%*	*1.8%*	*1.3%*	*2.6%*	*3.6%*	*3.9%*	*Jun-07*
Segall Bryant & Hamill	$44,450,997	14.9%	-0.1%	2.4%	1.9%	1.4%	2.8%	--	3.9%	Jan-09
Custom Benchmark Segall			*-0.2%*	*2.1%*	*1.8%*	*1.3%*	*2.6%*	*--*	*3.4%*	*Jan-09*

Performance Summary (Net of Fees) - Annualized

			Ending December 31, 2017						Inception	
	Market Value	% of Portfolio	2017 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Short Duration High Yield Fixed Income	**$4,180,961**	**1.4%**	**0.0%**	**3.5%**	**3.4%**	**3.3%**	**5.1%**	**6.2%**	**5.9%**	**Jun-07**
Custom Benchmark			*0.0%*	*3.6%*	*4.4%*	*3.9%*	*5.6%*	*6.5%*	*6.0%*	*Jun-07*
Chartwell Short Duration High Yield	$4,180,961	1.4%	0.0%	3.5%	3.4%	--	--	--	3.2%	Oct-13
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.0%*	*3.6%*	*4.4%*	--	--	--	*4.0%*	*Oct-13*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.2%*	*3.9%*	*4.5%*	--	--	--	*3.9%*	*Oct-13*
Total Fund Global Bond	**$28,024,271**	**9.4%**	**-1.7%**	**1.9%**	**--**	**--**	**--**	**--**	**1.4%**	**Jun-15**
Franklin Templeton Global Bond Plus Trust	$28,024,271	9.4%	-1.7%	1.9%	--	--	--	--	1.4%	Jun-15
Total Fund Real Estate	**$37,937,726**	**12.7%**	**1.3%**	**5.7%**	**9.0%**	**10.4%**	**11.1%**	**4.4%**	**7.8%**	**Oct-03**
NCREIF ODCE Equal Weighted Index			*2.1%*	*7.8%*	*10.7%*	*11.6%*	*12.1%*	*4.9%*	*8.0%*	*Oct-03*
JP Morgan Real Estate Strategic Property - Core Investments	$37,937,726	12.7%	1.3%	5.7%	9.0%	10.4%	11.1%	4.5%	7.9%	Oct-03
NCREIF ODCE Equal Weighted Index			*2.1%*	*7.8%*	*10.7%*	*11.6%*	*12.1%*	*4.9%*	*8.0%*	*Oct-03*
Total Fund Hedge Fund of Funds	**$2,340,742**	**0.8%**	**-0.1%**	**1.8%**	**-1.1%**	**1.9%**	**1.5%**	**0.4%**	**2.3%**	**Apr-04**
LumX Asset Management	$175,840	0.1%								
Entrust Capital Diversified Peru Class X	$2,164,902	0.7%								
Total Fund GTAA	**$58,507,624**	**19.6%**	**3.4%**	**13.4%**	**7.3%**	**6.4%**	**6.0%**	**--**	**6.1%**	**Apr-10**
65% MSCI World Index/35% CitigroupWGBI			*3.9%*	*17.0%*	*6.7%*	*7.6%*	*6.8%*	--	*7.1%*	*Apr-10*
First Eagle Global Value	$58,507,624	19.6%	3.4%	13.4%	7.5%	--	--	--	6.0%	Sep-14
65% MSCI World Index/35% CitigroupWGBI			*3.9%*	*17.0%*	*6.7%*	--	--	--	*5.1%*	*Sep-14*
Total Fund Cash	**$5,392,634**	**1.8%**	**0.2%**	**0.6%**	**0.3%**	**0.2%**	**0.2%**	**0.8%**	**--**	**Jul-06**
PNC Stif	$5,392,634	1.8%	0.2%	0.6%	0.3%	0.2%	0.2%	1.2%	1.6%	Jul-06
91 Day T-Bills			*0.3%*	*0.9%*	*0.4%*	*0.3%*	*0.2%*	*0.3%*	*0.9%*	*Jul-06*

Performance Summary (Net of Fees) - Annualized

			Ending December 31, 2017						Inception	
	Market Value	% of Portfolio	2017 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Fund Other	**$2,538,530**	**0.9%**								
MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11	$387,896	0.1%								
Entrust Audit Holdback	$730,359	0.2%								
Mesirow Audit Holdback	$1,420,275	0.5%								

Benchmark History

As of December 31, 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 December 31, 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 December 31, 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.

- The Net of Fees returns in this report are estimated. Fees do not include: the investment consulting fee paid to IPS, investment manager incentive fees, custodian fees, or other administrative costs.

- 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

INVESTMENT PERFORMANCE SERVICES, LLC

FELRA And UFCW Pension Fund

Preliminary Performance

Period Ending

January 31, 2018

Summary of Cash Flows

	Last Month
Beginning Market Value	$298,187,342
Net Cash Flow	-$10,551,234
Net Investment Change	$8,033,944
Ending Market Value	$295,670,052

Asset Allocation vs. Policy

	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
Domestic Equity	$104,515,842	35.3%	30.0%	20.0% - 40.0%	5.3%	$15,814,826
International Equity	$10,344,146	3.5%	0.0%	0.0% - 0.0%	3.5%	$10,344,146
Emerging Markets Equity	$6,103,838	2.1%	0.0%	0.0% - 0.0%	2.1%	$6,103,838
Investment Grade Bonds	$54,236,870	18.3%	20.0%	10.0% - 40.0%	-1.7%	-$4,897,140
Opportunistic Fixed Income	$28,432,508	9.6%	10.0%	0.0% - 20.0%	-0.4%	-$1,134,497
Short Duration High Yield Bonds	$4,187,611	1.4%	5.0%	0.0% - 10.0%	-3.6%	-$10,595,892
Real Estate	$27,744,858	9.4%	15.0%	0.0% - 30.0%	-5.6%	-$16,605,650
Hedge Fund of Funds	$2,340,742	0.8%	0.0%	0.0% - 0.0%	0.8%	$2,340,742
Global Tactical Asset Allocation	$45,623,602	15.4%	15.0%	0.0% - 30.0%	0.4%	$1,273,094
Cash Equivalents / Other	$12,140,035	4.1%	5.0%	0.0% - 20.0%	-0.9%	-$2,643,467
Total	**$295,670,052**	**100.0%**	**100.0%**			

Note: Trustees elected to reduce real estate from 15% to 10%. Liquidation is in process.

Gross of Fees

	Market Value	Ending January 31, 2018 % of Portfolio	1 Mo
Total Fund	**$295,670,052**	**100.0%**	**2.7%**
Total Fund Domestic Equity	**$104,515,842**	**35.3%**	**5.2%**
S&P 500			*5.7%*
Wedge Capital Management	$32,784,111	11.1%	4.9%
Russell 1000 Value			*3.9%*
Vanguard Total Stock Mkt Idx Fund	$71,731,731	24.3%	5.3%
CRSP US Total Market TR USD			*5.3%*
Total Fund International Equity	**$16,447,984**	**5.6%**	**6.4%**
MSCI EAFE			*5.0%*
Gryphon International Investment	$10,344,146	3.5%	5.2%
MSCI EAFE			*5.0%*
MSCI EAFE Growth			*4.6%*
Vanguard Emerging Mkts Stock Lx Inst	$6,103,838	2.1%	8.5%
FTSE Emerging Markets			*8.9%*
Total Investment Grade Fixed Income	**$54,236,870**	**18.3%**	**-0.5%**
Custom Benchmark Fixed Income			*-0.9%*
Segall Bryant & Hamill	$54,236,870	18.3%	-0.5%
Custom Benchmark Segall			*-0.9%*

Gross of Fees

	Ending January 31, 2018		
	Market Value	% of Portfolio	1 Mo
Total Short Duration High Yield Fixed Income	**$4,187,611**	**1.4%**	**0.2%**
Custom Benchmark			*0.2%*
Chartwell Short Duration High Yield	$4,187,611	1.4%	0.2%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.2%*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.2%*
Total Fund Global Bond	**$28,432,508**	**9.6%**	**1.5%**
Franklin Templeton Global Bond Plus Trust	$28,432,508	9.6%	1.5%
Total Fund Real Estate	**$27,744,858**	**9.4%**	**0.5%**
JP Morgan Real Estate Strategic Property - Core Investments	$27,744,858	9.4%	0.5%
Total Fund Hedge Fund of Funds	**$2,340,742**	**0.8%**	
LumX Asset Management	$175,840	0.1%	
Entrust Capital Diversified Peru Class X	$2,164,902	0.7%	
Total Fund GTAA	**$45,623,602**	**15.4%**	**3.7%**
65% MSCI World Index/35% CitigroupWGBI			*4.0%*
First Eagle Global Value	$45,623,602	15.4%	3.7%
65% MSCI World Index/35% CitigroupWGBI			*4.0%*

Gross of Fees

	Ending January 31, 2018		
	Market Value	% of Portfolio	1 Mo
Total Fund Cash	**$9,601,505**	**3.2%**	**0.0%**
PNC Stif	$9,601,505	3.2%	0.0%
91 Day T-Bills			*0.1%*
Total Fund Other	**$2,538,530**	**0.9%**	
MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11	$387,896	0.1%	
Entrust Audit Holdback	$730,359	0.2%	
Mesirow Audit Holdback	$1,420,275	0.5%	

Net of Fees

	Ending January 31, 2018		
	Market Value	% of Portfolio	1 Mo
Total Fund	**$295,670,052**	**100.0%**	**2.6%**
Total Fund Domestic Equity	**$104,515,842**	**35.3%**	**5.2%**
S&P 500			*5.7%*
Wedge Capital Management	$32,784,111	11.1%	4.9%
Russell 1000 Value			*3.9%*
Vanguard Total Stock Mkt Idx Fund	$71,731,731	24.3%	5.3%
CRSP US Total Market TR USD			*5.3%*
Total Fund International Equity	**$16,447,984**	**5.6%**	**6.3%**
MSCI EAFE			*5.0%*
Gryphon International Investment	$10,344,146	3.5%	5.1%
MSCI EAFE			*5.0%*
MSCI EAFE Growth			*4.6%*
Vanguard Emerging Mkts Stock Lx Inst	$6,103,838	2.1%	8.4%
FTSE Emerging Markets			*8.9%*
Total Investment Grade Fixed Income	**$54,236,870**	**18.3%**	**-0.5%**
Custom Benchmark Fixed Income			*-0.9%*
Segall Bryant & Hamill	$54,236,870	18.3%	-0.5%
Custom Benchmark Segall			*-0.9%*

Net of Fees

	Market Value	% of Portfolio	1 Mo
		Ending January 31, 2018	
Total Short Duration High Yield Fixed Income	**$4,187,611**	**1.4%**	**0.1%**
Custom Benchmark			*0.2%*
Chartwell Short Duration High Yield	$4,187,611	1.4%	0.1%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.2%*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.2%*
Total Fund Global Bond	**$28,432,508**	**9.6%**	**1.4%**
Franklin Templeton Global Bond Plus Trust	$28,432,508	9.6%	1.4%
Total Fund Real Estate	**$27,744,858**	**9.4%**	**0.1%**
JP Morgan Real Estate Strategic Property - Core Investments	$27,744,858	9.4%	0.1%
Total Fund Hedge Fund of Funds	**$2,340,742**	**0.8%**	
LumX Asset Management	$175,840	0.1%	
Entrust Capital Diversified Peru Class X	$2,164,902	0.7%	
Total Fund GTAA	**$45,623,602**	**15.4%**	**3.7%**
65% MSCI World Index/35% CitigroupWGBI			*4.0%*
First Eagle Global Value	$45,623,602	15.4%	3.7%
65% MSCI World Index/35% CitigroupWGBI			*4.0%*

Net of Fees

	Ending January 31, 2018		
	Market Value	% of Portfolio	1 Mo
Total Fund Cash	**$9,601,505**	**3.2%**	**0.0%**
PNC Stif	$9,601,505	3.2%	0.0%
91 Day T-Bills			*0.1%*
Total Fund Other	**$2,538,530**	**0.9%**	
MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11	$387,896	0.1%	
Entrust Audit Holdback	$730,359	0.2%	
Mesirow Audit Holdback	$1,420,275	0.5%	

Footnotes

- Gottex Fund Mangement Holdings, Ltd. market value is as of 12/31/16. and MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11 market value is as of 9/30/17.
- On 1/1/18 First Eagle Global Value transferred $14,500,000 to PNC STIFF.
- On 1/5/18 JP Morgan Real Estate Strategic Property distributed $10,245,617 to PNC STIFF.
- On 1/5/18 PNC STIFF transferred $10,000,000 to Segall Bryant and Hamill fixed income.

FELRA and UFCW Pension Fund Asset Allocation and Glide Path Updated to November 2017

Presented by Investment Performance Services, LLC

February, 2018

Richard Sichel, Jr., President

David A. Russell, CFA, Senior Investment Strategist

The FELRA Pension Plan's Cash Flow Projections:

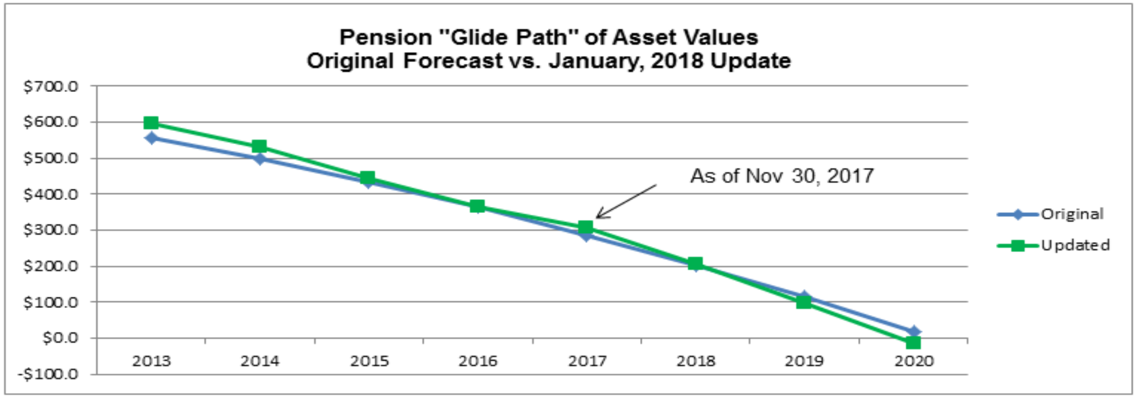
Original Forecast - 2012

	Beginning Market Value ($ million)	Forecasted Return (%)	Forecasted Return ($)	Plan Cash Flows: Contrib	Benefit Payments	Admin Costs	Net Plan Cash Flow	Year End Assets
2013	$608.2	7.2%	$43.8	$56.1	($146.9)	($4.1)	($94.90)	$557.1
2014	$557.1	7.2%	$40.1	$56.1	($150.2)	($4.2)	($98.30)	$498.9
2015	$498.9	7.2%	$35.9	$56.2	($152.6)	($4.4)	($100.80)	$434.0
2016	$434.0	7.2%	$31.3	$56.5	($153.8)	($4.5)	($101.80)	$363.5
2017	$363.5	6.9%	$25.1	$56.9	($154.5)	($4.6)	($102.20)	$286.4
2018	$286.4	6.5%	$18.6	$57.6	($154.4)	($4.8)	($101.60)	$203.4
2019	$203.4	5.2%	$10.6	$58.4	($153.7)	($4.9)	($100.20)	$113.8
2020	$113.8	2.8%	$3.2	$58.5	($152.5)	($5.1)	($99.10)	$17.8
Totals			$208.5	$456.3	($1,218.60)	($36.60)	($798.90)	

Updated Forecast - January, 2018

Reflects Market Values as of Nov 30, 2017 and 2017 Asset Class Return Assumptions

	Beginning Market Value ($ million)	Actual (%)	Actual ($)	Plan Cash Flows: Contrib	Benefit Payments	Admin Costs	Net Plan Cash Flow	Year End Assets	
2013	$603.7	14.9%	$81.2	$56.1	($146.9)	($4.1)	($90.10)	$594.8	
2014	$594.8	5.9%	$31.8	$48.2	($150.1)	($4.4)	($95.32)	$531.3	
2015	$531.3	3.0%	$15.9	$48.2	($150.1)	($4.4)	($106.30)	$444.9	
2016	$444.9	7.8%	$34.7	$45.8	($153.4)	($4.5)	($112.10)	$366.1	
2017	$366.1	9.5%	$34.8	$45.5	($155.7)	($4.7)	($114.90)	**$305.2**	**<- @ Nov 30th**
2018	$305.2	5.5%	$16.9	$45.9	($156.9)	($4.8)	($115.80)	$206.3	
2019	$206.3	2.9%	$6.0	$46.5	($157.2)	($5.0)	($115.70)	$96.5	
2020	$96.5	2.8%	$2.7	$46.5	($156.0)	($5.1)	($114.60)	-$15.4	
			$224.0	$382.7	($1,226.30)	($37.00)	($864.82)		



Recommended Asset Allocation Glide Path

As of Nov 30, 2017

	IPS 2017 Long Term Assumptions	2014 Recommended Policy Allocation	2015 Target Allocation	Dec 2015 Actual Allocation	Jan 1, 2016 Target Allocation	Jan 1, 2017 Target Allocation	Actual Allocation 11/30/2017	Jan 1, 2018 Target Allocation	Jan 1, 2019 Target Allocation	Jan 1, 2020 Target Allocation
Total Equity		**40.0%**	**40.0%**	**28.7%**	**40.0%**	**30.0%**	**37.3%**	**30.0%**	**0.0%**	**0.0%**
US Equity	**7.25%**	30.0%	30.0%	24.9%	30.0%	30.0%	32.2%	30.0%	0.0%	0.0%
Non-US Equity	**7.75%**	5.0%	5.0%	2.5%	5.0%	0.0%	3.2%	0.0%	0.0%	0.0%
EM Equity	**9.75%**	5.0%	5.0%	1.3%	5.0%	0.0%	1.8%	0.0%	0.0%	0.0%
Total Bonds		**19.5%**	**19.5%**	**13.9%**	**19.5%**	**35.0%**	**12.6%**	**40.0%**	**95.0%**	**90.0%**
US Interm Gov/Credit	**3.00%**	5.0%	5.0%	1.8%	5.0%	20.0%	1.8%	25.0%	95.0%	90.0%
Opportunistic Bond	**4.50%**	10.0%	10.0%	10.8%	10.0%	10.0%	9.3%	10.0%	0.0%	0.0%
Sh Dur HY Bonds	**5.50%**	4.5%	4.5%	1.3%	4.5%	5.0%	1.4%	5.0%	0.0%	0.0%
Real Estate	**7.75%**	**15.0%**	**15.0%**	**25.1%**	**15.0%**	**15.0%**	**12.3%**	**10.0%**	**0.0%**	**0.0%**
Hedge FOFs	**4.50%**	**10.0%**	**10.0%**	**15.0%**	**10.0%**	**0.0%**	**0.8%**	**0.0%**	**0.0%**	**0.0%**
GTAA	**7.00%**	**15.0%**	**15.0%**	**17.1%**	**15.0%**	**15.0%**	**19.0%**	**15.0%**	**0.0%**	**0.0%**
Cash	**1.00%**	0.5%	0.5%	0.2%	0.5%	5.0%	17.9%	5.0%	5.0%	10.0%
Total		**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Forecasted Plan Return								**5.5%**	**2.9%**	**2.8%**

Supplemental Information

Manager Recommendations - Updated January, 2018

U.S. Equity	Status in 2017	Recommended Action in 2018
Wedge Capital	Retained	Liquidate by 12/31/18
Vanguard Total Market	Retained	Liquidate by 12/31/18
International		
Gryphon	Liquidation in Process as cash is needed	---
Vanguard EM Index Fund	Liquidation in Process as cash is needed	---
Fixed Income		
Segall Bryant Hamill	Retained	Retain
Chartwell Short Dur HY	Retained	Liquidate by 12/31/2018
Templeton Global Bond	Retained	Liquidate by 12/31/2018
Real Estate	**Recommendation**	
JPMorgan	Three Partial Redemptions Submitted in 2017	Liquidate by 12/31/2018
Hedge Fund of Funds		
EnTrust	Redeemed Effective June 30, 2017 (See Note 1)	
Mesirow	Redeemed Effective Sept 30, 2017 (See Note 2)	
GTAA		
Wellington	Redeemed Effective 10/31/2016	---
First Eagle	Multiple Redemptions in 2017 to Reduce to 15%	Liquidate by 12/31/2018

Note 1 - Paid out 50% in July, 2017, 47% in Oct, 2017 and 3% audit holdback is due April, 2018

Note 2 - Paid out 95% in Nov, 2017 and 5% audit holdback is due April, 2018

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