

Investment Performance



September 30, 2018

by



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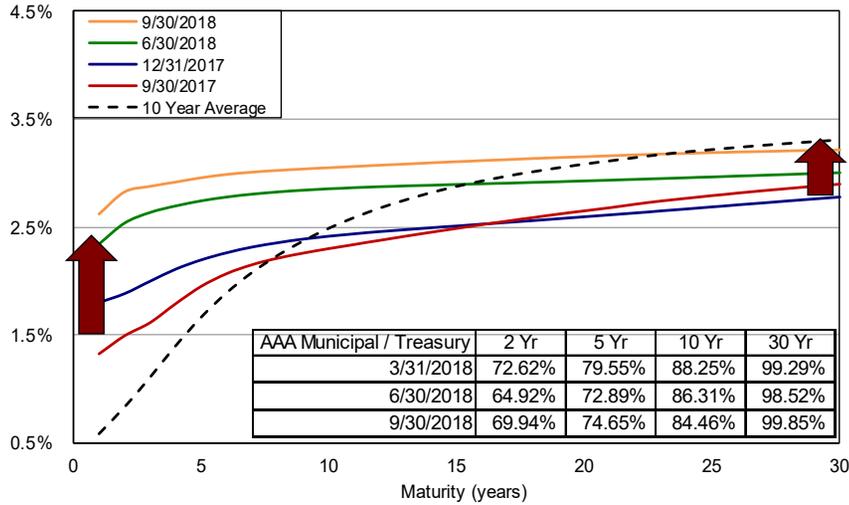
Table of Contents

	<u>Page</u>
Capital Market Summary	2
Executive Summary	3
Company Composite	4
Performance	7
Fixed Income	12
Equity	23

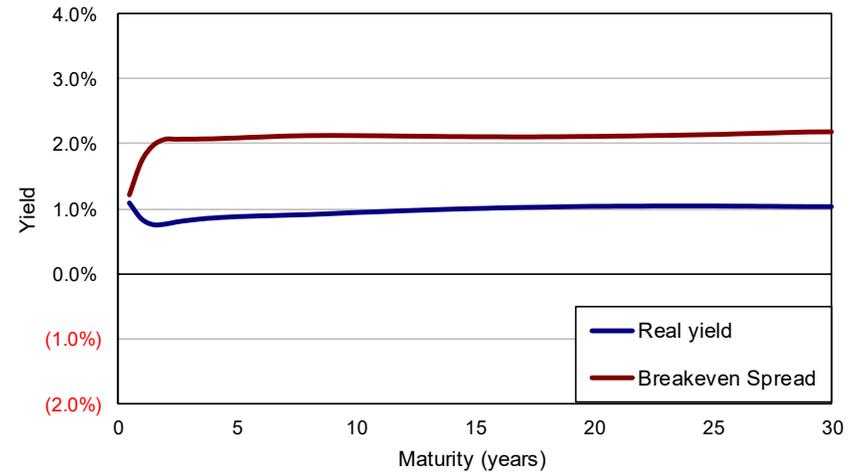


CAPITAL MARKETS SUMMARY 3rd QUARTER 2018

U.S. Treasury Rates



Real Yield / Breakeven Spread



Fixed Income Markets

		QTR	YTD	1 YR	3 YR	5 YR	10 YR	20 YR
Cash	ICE BofAML 91 Day T-bills	0.5%	1.3%	1.6%	0.8%	0.5%	0.3%	1.9%
	Bloomberg Barclays Aggregate	0.0%	-1.6%	-1.2%	1.3%	2.2%	3.8%	4.5%
Investment Grade	U.S. Treasury	-0.6%	-1.7%	-1.6%	0.2%	1.3%	2.7%	4.0%
	U.S. Agency	0.0%	-0.5%	-0.6%	0.7%	1.5%	2.5%	3.9%
	U.S. Credit	0.9%	-2.1%	-1.1%	3.0%	3.4%	5.9%	5.2%
	ABS	0.5%	0.5%	0.5%	1.2%	1.5%	3.7%	3.8%
	MBS	-0.1%	-1.1%	-0.9%	1.0%	2.0%	3.4%	4.5%
	CMBS	0.5%	-0.6%	-0.2%	1.7%	2.4%	5.6%	5.2%
	Bloomberg Barclays U.S. TIPS	-0.8%	-0.8%	0.4%	2.0%	1.4%	3.3%	5.2%
	Bloomberg Barclays Long G/C	-0.5%	-5.4%	-2.7%	3.4%	5.2%	7.1%	6.2%
Muni	Bloomberg Barclays Municipal	-0.2%	-0.4%	0.3%	2.2%	3.5%	4.8%	4.5%
	S&P/LSTA	1.8%	4.0%	5.2%	5.3%	4.1%	6.1%	4.9%
High Yield	Bloomberg Barclays High Yield	2.4%	2.6%	3.0%	8.1%	5.5%	9.5%	6.9%

Equity Markets

		QTR	YTD	1 YR	3 YR	5 YR	10 YR	20 YR
Large Cap	S&P 500	7.7%	10.6%	17.9%	17.3%	13.9%	12.0%	7.4%
	S&P 500 - Value	5.9%	3.5%	10.1%	14.1%	10.9%	9.6%	7.0%
	S&P 500 - Growth	9.3%	17.2%	25.2%	19.9%	16.6%	14.0%	7.5%
Small Cap	Russell 2000	3.6%	11.5%	15.2%	17.1%	11.1%	11.1%	9.4%
	Russell 2000 - Value	1.6%	7.1%	9.3%	16.1%	9.9%	9.5%	9.8%
	Russell 2000 - Growth	5.5%	15.8%	21.1%	18.0%	12.1%	12.7%	8.6%
International (net)	MSCI EAFE	1.4%	-1.4%	2.7%	9.2%	4.4%	5.4%	5.2%
	MSCI EAFE - Value	1.2%	-3.5%	-0.4%	8.1%	3.1%	4.5%	5.7%
	MSCI EAFE - Growth	1.5%	0.6%	5.9%	10.3%	5.6%	6.2%	4.7%
	MSCI Emerging Markets	-1.1%	-7.7%	-0.8%	12.4%	3.6%	5.4%	9.8%



EXECUTIVE SUMMARY

September 30, 2018

Summary

➤ **For the quarter:**

• Portfolio update:

- ✓ The total balance for the portfolio was over \$1,107 MM.
- ✓ All asset classes for the quarter were within their target policy ranges.

• Capital Markets:

- ✓ As of September 30th, the U.S. Treasury yield curve increased on an absolute basis quarter-over-quarter. Yields on the short end of the maturity spectrum increased faster than those on the long end, producing further flattening of the curve. Since the second quarter, fixed income indices have had mixed returns.
- ✓ Domestically, generally strong economic data underpinned by political unrest was the story of the third quarter. Rising rates and growth concerns resulted in volatile markets. Internationally, Brexit negotiations between the United Kingdom and the European Union have been slow with the March 29th, 2019 deadline looming. Italy's budget has also raised alarms in the Eurozone.

• Performance:

- ✓ The PCF's overall portfolio outperformed the benchmark by 9 bps (0.96% vs. 0.88%).
- ✓ All composites did well for the quarter, while cash lagged.

➤ **For the past year:**

• Capital Markets:

- ✓ For investment grade fixed income markets, S&P LSTA came in at 5.2% followed by Bloomberg Barclays High Yield at 3.0%.
- ✓ For equities, domestic growth was the big winners, as S&P Growth returned 25.2% and Russell 2000 Growth came in at 21.1%.

• Performance:

- ✓ The PCF's overall portfolio outperformed the benchmark by 33 bps, returning 1.42%.
- ✓ Core Fixed Income composite outperformed by 64 bps, returning -0.33% vs. -0.97% for the benchmark.

➤ **For the past five years:**

• Capital Markets:

- ✓ High Yield, Barclay's Long G/C and S&P LSTA did well.
- ✓ The top equity asset performer was S&P 500 Growth at 16.6%.

• Performance: the PCF's overall portfolio outperformed the benchmark by 7 bps, returning 2.82%.

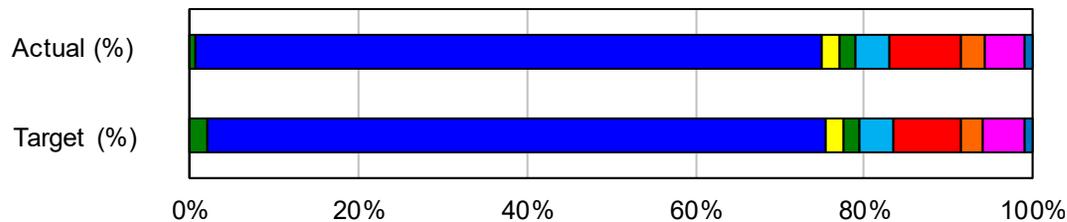


COMPANY COMPOSITE September 30, 2018

Total Company Allocation by Asset Class (\$000s)

	Actual (\$000s)	Actual (%)	Target (%)
■ Cash	6,098	0.6%	2.0%
■ Core Investment-Grade Bonds	823,071	74.3%	73.5%
■ High Yield Bank Loans	22,947	2.1%	2.0%
■ High Yield Bonds	22,706	2.1%	2.0%
■ Emerging Market Debt	42,532	3.8%	4.0%
■ Domestic Equity	95,853	8.7%	8.0%
■ US Small Cap	29,985	2.7%	2.5%
■ International Equity	53,180	4.8%	5.0%
■ International Small Cap Equity	10,878	<u>1.0%</u>	<u>1.0%</u>
Total	1,107,248	100.0%	100.0%

- All asset classes are within their policy target ranges.
- This is monitored monthly.
- Cash is below its target and this is driven by short-term operating needs. It should be remedied in Q1 2019.

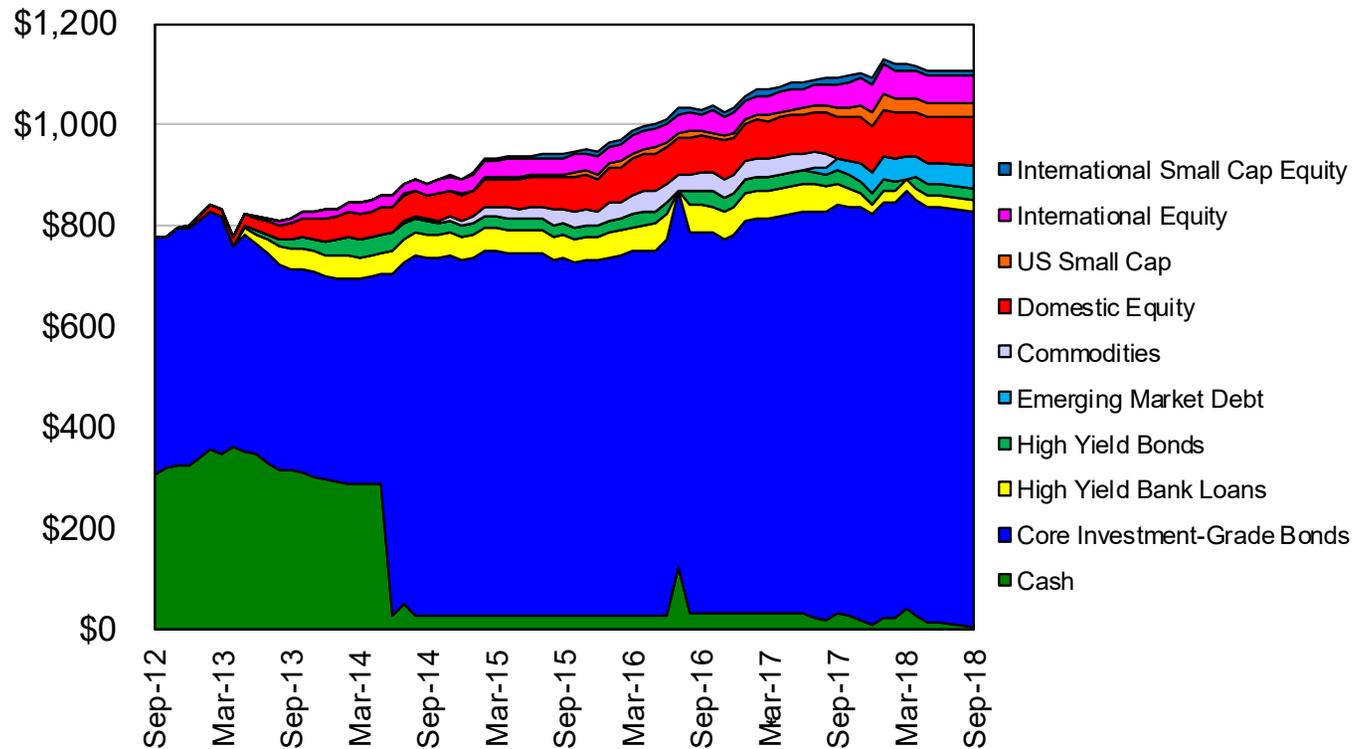




COMPANY COMPOSITE

September 30, 2018

Company Growth by Asset Class (\$MM)



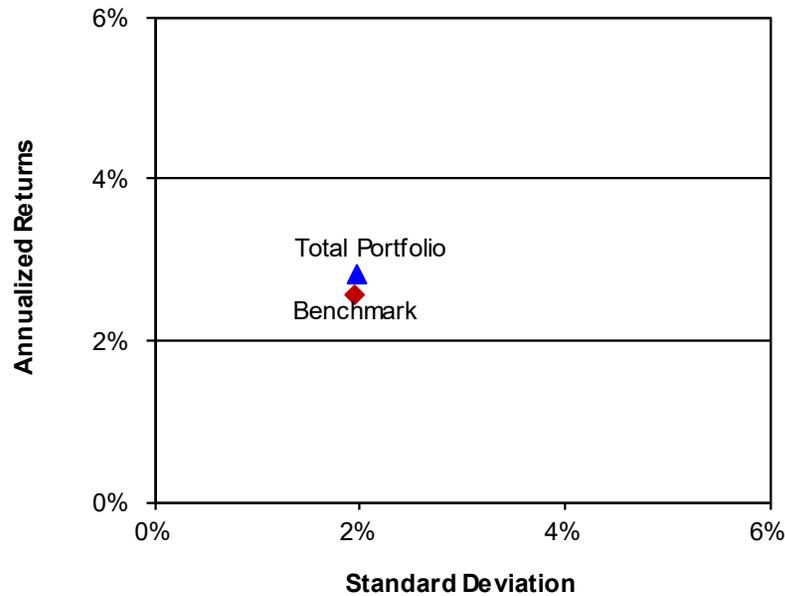
* June 2016 had a bump up in cash due to the transition of the new High Yield Bank and Bond Managers.



COMPANY COMPOSITE

September 30, 2018

Five Year Risk/Return Performance (Total Portfolio)



- This chart shows the risk and return for the actual portfolio and the overall benchmark for the past five years.
- Over the past five years, LAPCF outperformed its benchmark by 0.07% on an annualized basis.



INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of September 30, 2018

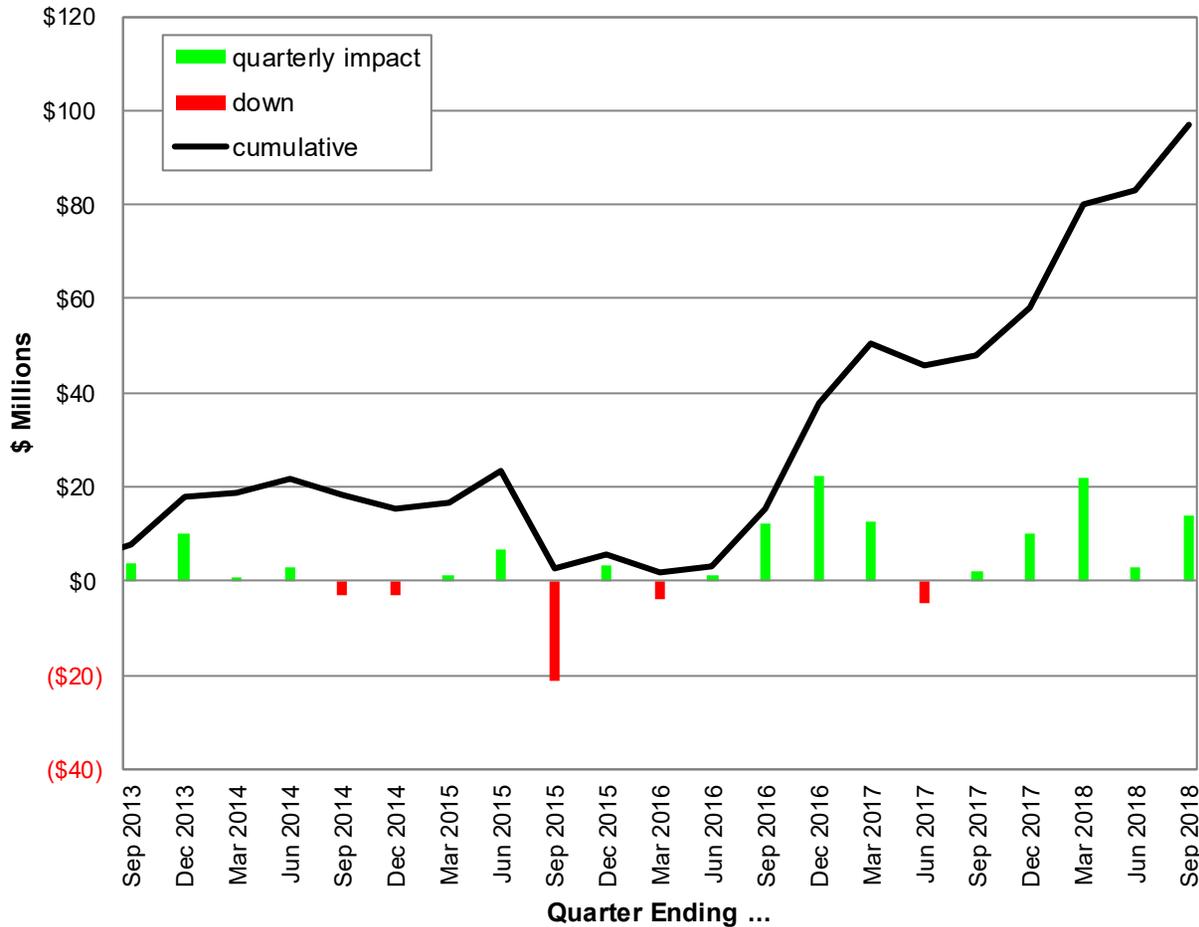
Portfolio	Market Value (\$000s)	% of Overall Portfolio	For Periods Ending 9/30/2018					Inception Date		
			Quarter	YTD	One Year	Two Years	Three Years		Five Years	Since Inception
PCF Composite										
Pretax Performance	1,107,248	100.0%	0.96%	0.46%	1.42%	2.47%	3.29%	2.82%	2.22%	1/1/2012
¹ <u>Blended Benchmark</u>			0.88%	0.20%	1.09%	2.02%	2.94%	2.74%	2.99%	
Relative Performance			0.09%	0.27%	0.33%	0.44%	0.35%	0.07%	(0.77%)	
Cash										
WF Advantage Fund	6,098	0.6%	0.33%	0.87%	1.02%	0.66%	0.51%	NA	0.40%	1/1/2015
<u>Merrill 91 Day T-Bill</u>			0.49%	1.30%	1.59%	1.12%	0.84%	NA	0.68%	
Relative Performance			(0.16%)	(0.44%)	(0.57%)	(0.46%)	(0.33%)	NA	(0.28%)	
Core Fixed Income Composite	823,071	74.3%	0.19%	(0.47%)	(0.33%)	0.18%	1.38%	2.29%	1.66%	1/1/2012
¹ <u>Blended Benchmark</u>			0.10%	(0.89%)	(0.97%)	(0.39%)	0.89%	1.93%	1.76%	
Relative Performance			0.09%	0.41%	0.64%	0.57%	0.49%	0.36%	(0.10%)	
Risky Debt Composite	88,184	8.0%	1.94%	(0.16%)	0.56%	3.09%	4.45%	3.17%	3.15%	4/1/2013
¹ <u>Blended Benchmark</u>			1.89%	0.39%	1.21%	3.70%	4.72%	3.67%	3.56%	
Relative Performance			0.04%	(0.55%)	(0.66%)	(0.61%)	(0.27%)	(0.49%)	(0.40%)	
Total Equity Composite	189,895	17.2%	4.19%	4.98%	10.36%	14.42%	13.66%	9.68%	12.10%	11/1/2012
¹ <u>Blended Benchmark</u>			3.99%	4.33%	10.00%	14.27%	14.01%	9.77%	12.17%	
Relative Performance			0.20%	0.66%	0.36%	0.15%	(0.35%)	(0.09%)	(0.07%)	

¹The blended benchmark consists of a target-weighted blend of the underlying portfolio benchmarks.



DIVERSIFIED PORTFOLIO

Value Added or (Detracted) by the Diversified Portfolio



➤ Since inception, the diversified portfolio has added about \$97 MM above what the prior portfolio structure likely would have earned.

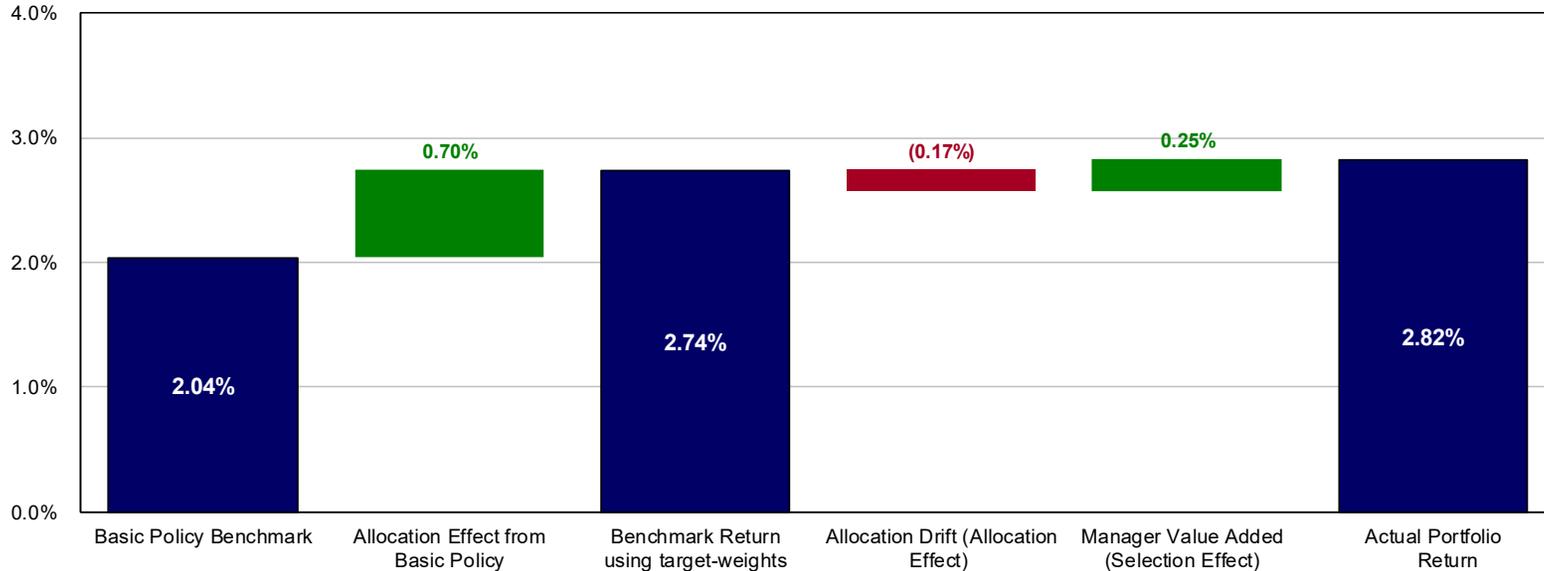
➤ The legacy allocation is defined as: 50% Treasury and 50% Agency.

Source: Wells Fargo, State of Louisiana, CIA analysis



ATTRIBUTION

Five-Year Performance Attribution: Overall



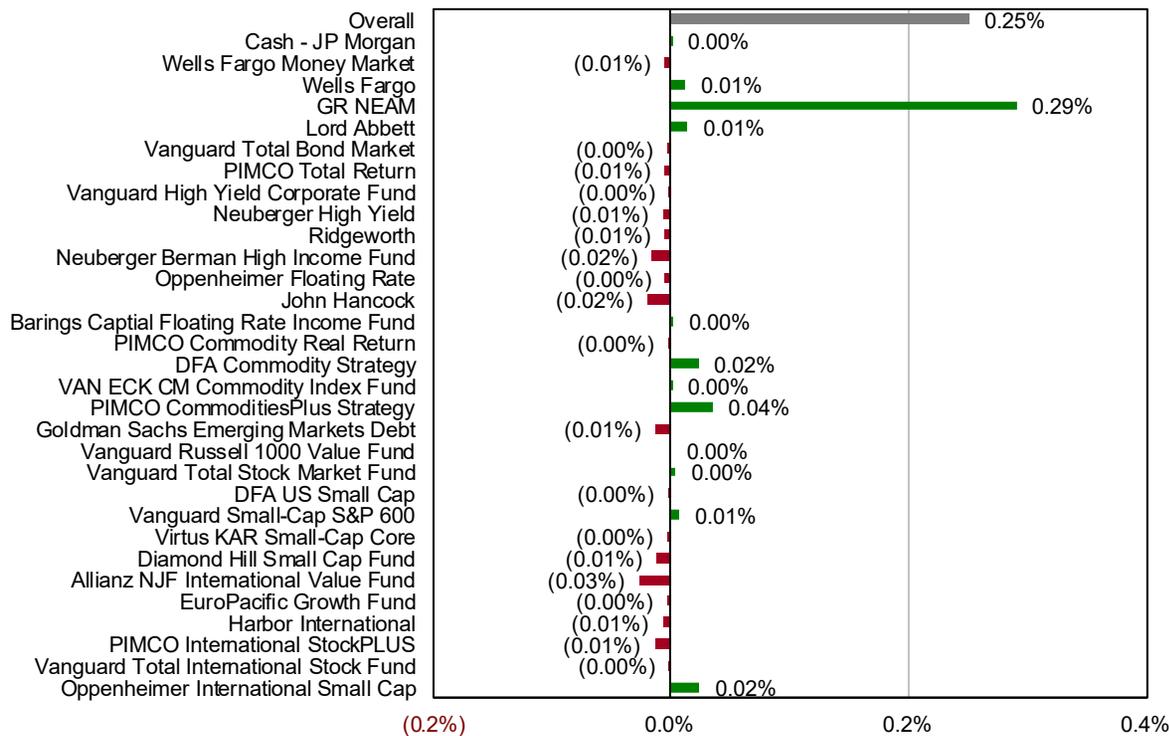
- If the PCF had not changed the law and its investment portfolio, it would have earned approximately 2.04% annualized over the past five years.
- By adding risk to the portfolio, the PCF earned an extra 0.70% per year.
- The significant allocation effect was driven by the time period needed after the asset allocation was chosen to when it was implemented. As the PCF stays close to its target allocations and checks this monthly, this effect is close to 0% over the time periods after the portfolio was fully implemented.
- The PCF's investment managers have added 0.25% in value overall on an annualized basis.



ATTRIBUTION

Five Year Performance Attribution

Manager Value Added

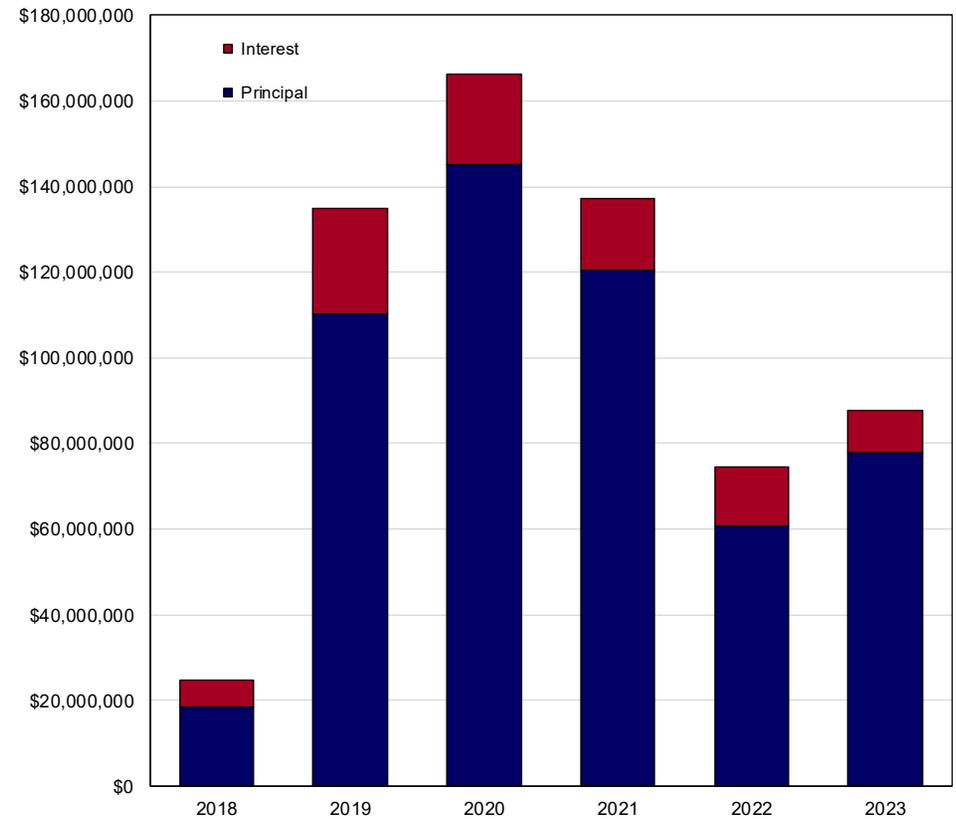
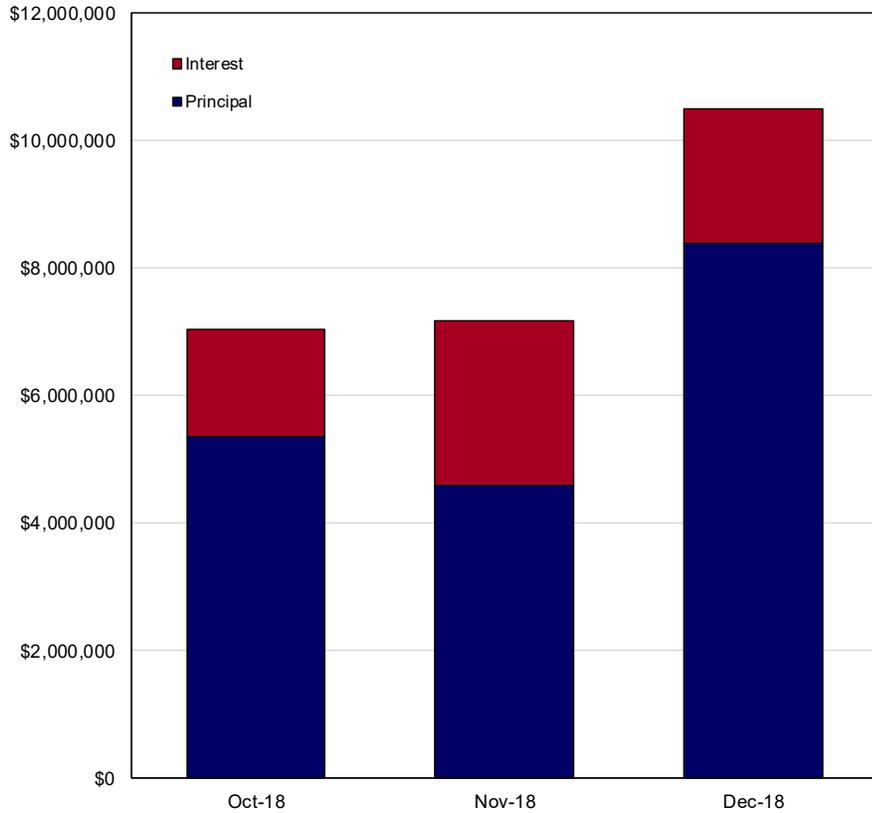


- NEAM has had a significantly positive impact on the overall portfolio (+0.25% annualized over the past five years) driven by good performance and a large allocation.
- As the rest of the managers have relatively small mandates, they have a limited ability to impact the relative returns of the overall portfolio.
- The managers that had the largest negative impact have been replaced:
 - State of Louisiana fixed income,
 - Allianz NFJ International,
 - Neuberger Berman, and
 - John Hancock.



INVESTMENT PERFORMANCE

Fixed Income Cash Flow Projections





INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of September 30, 2018

Portfolio	Market Value (\$000s)	% of Overall Portfolio	For Periods Ending 9/30/2018							
			Quarter	YTD	One Year	Two Years	Three Years	Five Years	Since Inception	Inception Date
Core Fixed Income Composite	823,071	74.3%	0.19%	(0.47%)	(0.33%)	0.18%	1.38%	2.29%	1.66%	1/1/2012
¹ <u>Blended Benchmark</u>			0.10%	(0.89%)	(0.97%)	(0.39%)	0.89%	1.93%	1.76%	
Relative Performance			0.09%	0.41%	0.64%	0.57%	0.49%	0.36%	(0.10%)	
NEAM	823,071	74.3%	0.19%	(0.47%)	(0.33%)	0.19%	1.42%	NA	1.77%	6/27/2014
<u>Bloomberg Barclays Intermediate Aggregate</u>			0.10%	(0.89%)	(0.97%)	(0.39%)	0.89%	NA	1.29%	
Relative Performance			0.09%	0.41%	0.64%	0.58%	0.53%	NA	0.48%	

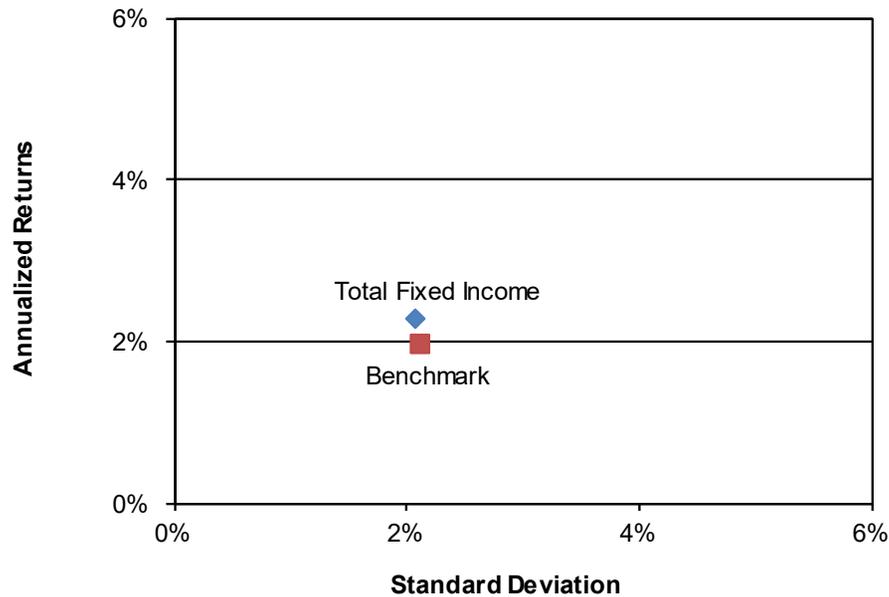
- NEAM outperformed for all time periods. Since Inception NEAM has outperformed their relative benchmark by 48 bps.
- The Core Fixed Income Composite includes, in chronological order:
 - State of Louisiana fixed income,
 - Various mutual funds used transitionally,
 - JP Morgan, and
 - NEAM.

¹The blended benchmark consists of a market-weighted blend of the underlying portfolio benchmarks.



INVESTMENT PERFORMANCE

Five Year Risk/Return Performance (Fixed Income)



➤ Over the past five years, Fixed Income has outperformed against its benchmark by 0.36% with the same risk.



NEAM CORE BONDS

Portfolio Characteristics

	NEAM as of		Bloomberg BC Int. Aggregate as of
	6/30/18	9/30/18	9/30/18
Effective Duration	4.0 years	3.9 years	4.4 years
Average Maturity	4.9 years	5.5 years	5.5 years
Yield to Maturity	3.2%	3.3%	3.3%
Average Quality	AA	AA	AA

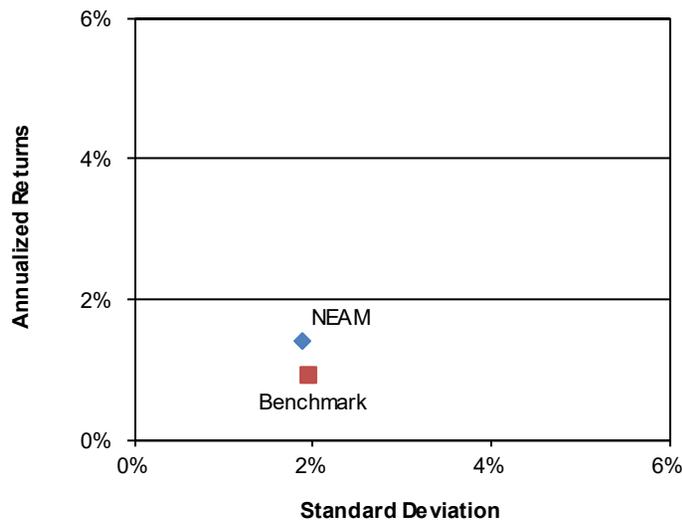
Advisor's Mandate

- Actively managed fixed income separate account.
- Inception: June 2014
- Objective: Exceed total return of the Bloomberg Barclays Int. Aggregate
- Annual Fee = 0.075% on the first \$400M and 0.045% on the remaining.

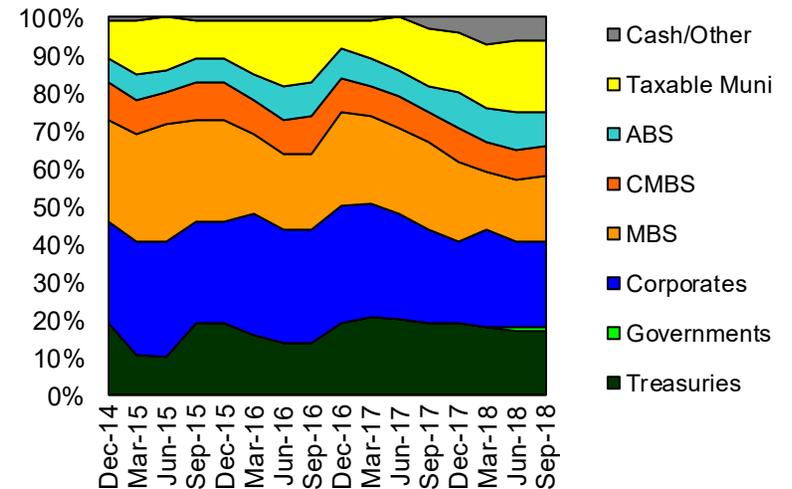
Commentary

- NEAM outperformed for the quarter and all time periods.
- Since inception NEAM outperformed their relative benchmark by 0.48% net of fees.

Three-Year Risk/Return



Historical Sector Distribution



Source: NEAM, Bloomberg, CIA Analysis, Wells Fargo



INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of September 30, 2018

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Since Inception	Inception Date
High Yield Bank Loan Composite	22,947	2.1%	2.17%	4.50%	5.71%	5.43%	5.24%	3.65%	3.61%	4/1/2013
<u>S&P LSTA Index</u>			1.72%	3.66%	4.69%	4.75%	4.90%	3.80%	3.69%	
Relative Performance			0.45%	0.84%	1.02%	0.69%	0.34%	(0.15%)	(0.08%)	
Barings Capital Floating Rate Income	22,947	2.1%	2.17%	4.50%	5.71%	5.43%	NA	NA	5.69%	8/1/2016
<u>S&P LSTA Index</u>			1.72%	3.66%	4.69%	4.75%	NA	NA	5.11%	
Relative Performance			0.45%	0.84%	1.02%	0.69%	NA	NA	0.58%	

- The HYBL composite underperformed the benchmark over longer time periods driven by legacy managers, specifically John Hancock.
- Barings outperformed the S&P LSTA Index for all reporting time periods.



BARINGS – FLOATING RATE INCOME FUND

Portfolio Characteristics

	Barings HYBL as of		S&P LSTA as of
	6/30/18	9/30/18	9/30/18
Number of Issues	183	220	1,074
Average Maturity	5.3 years	5.1 years	NA
Effective Duration	4.0	4.0	3.3
Avg Credit Quality	B	B	B+

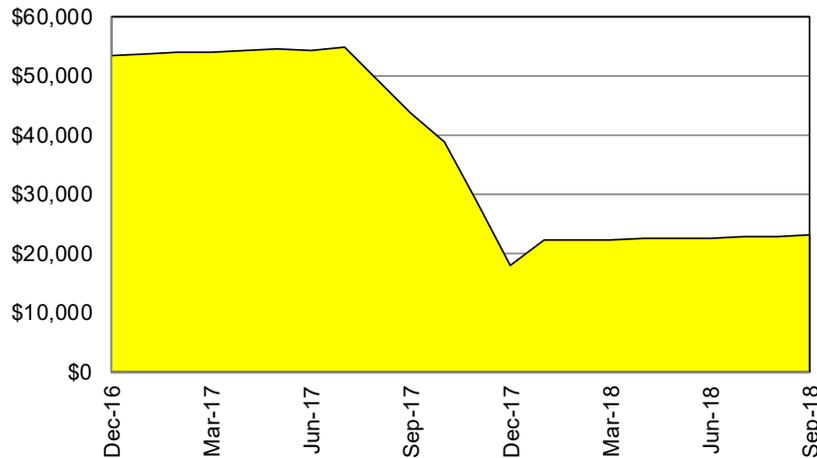
Advisor’s Mandate

- Actively-Managed High Yield Bank Loan Fund
- Inception: August 2016
- Objective: Exceed total return of the S&P LSTA index
- Annual fee 0.475%

Commentary

- The fund outperformed the benchmark by 45 basis points for the quarter.

Asset Growth (\$000s)



Top Ten Issuers

Holding	Portfolio Weight
Fieldwood Energy Llc.	2.0%
Ortho-Clinical Diagnostics	1.6%
Veritas	1.5%
Apex Tool Group, Llc.	1.4%
Asurion	1.4%
Syniverse Technologies	1.3%
York Risk Services Holding	1.3%
Finastra	1.2%
National Financial Partners	1.2%
Renaissance Learning, Inc.	1.1%
	14.0%

Source: Barings, Bloomberg, CIA analysis



INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of September 30, 2018

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Since Inception	Inception Date
High Yield Bond Composite	22,706	2.1%	2.53%	2.55%	2.56%	4.56%	6.97%	4.48%	3.84%	5/1/2013
¹ <u>Blended Benchmark</u>			2.36%	2.33%	2.72%	5.77%	7.11%	4.86%	4.29%	
Relative Performance			0.16%	0.23%	(0.16%)	(1.21%)	(0.14%)	(0.38%)	(0.44%)	
Federated Institutional High Yield Bond	11,358	1.0%	2.38%	NA	NA	NA	NA	NA	3.22%	4/1/2018
<u>ML HY Master II Constrained</u>			2.32%	NA	NA	NA	NA	NA	3.21%	
Relative Performance			0.06%	NA	NA	NA	NA	NA	0.00%	
Vanguard High Yield Corporate Fund	11,348	1.0%	2.67%	NA	NA	NA	NA	NA	3.04%	4/1/2018
<u>ML HY Master II Constrained</u>			2.41%	NA	NA	NA	NA	NA	3.40%	
Relative Performance			0.27%	NA	NA	NA	NA	NA	(0.35%)	

- The HYB composite underperformed the benchmark over longer time periods driven by legacy managers, specifically Neuberger.
- Both Federated and Vanguard High Yield outperformed for the quarter.



FEDERATED HIGH YIELD BOND

Portfolio Characteristics

	Federated HY as of		ML HY Master II Constr as of
	6/30/18	9/30/18	9/30/18
No. of Holdings	549	539	1,861
Average Duration	4.1 years	3.7 years	4.6 years
Avg. Credit Quality	B	B	B+
Avg. Yield to Maturity	5.2	4.6	6.1
Average Coupon	6.2%	6.3%	6.3%

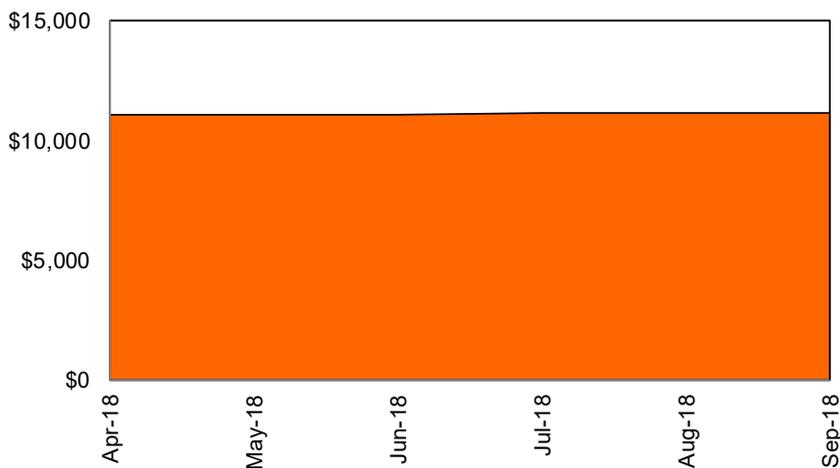
Advisor's Mandate

- Fund (FIHBX)
- Actively-Managed High Yield Bond Fund
- Inception: April 2018
- Objective: Exceed total return of the ML HY Master II Constrained Index
- Annual fee 0.500%

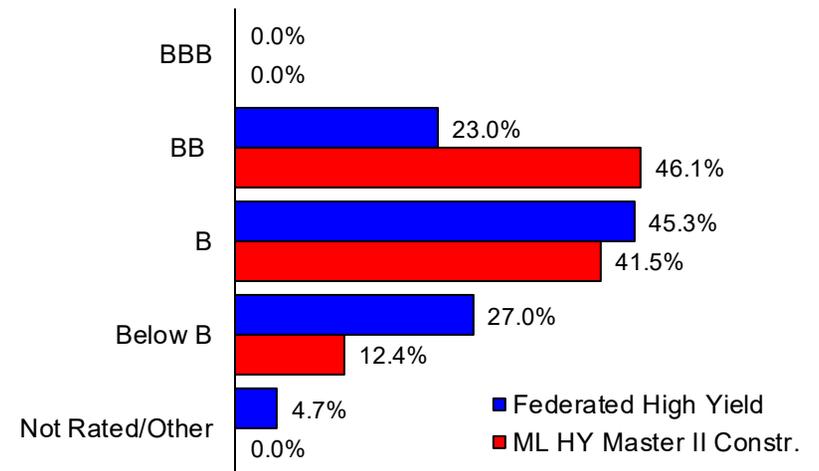
Commentary

- The fund outperformed the benchmark by 6 basis points for the quarter.

Asset Growth (\$000s)



Quarterly End Quality Distribution



Source: Federated, Bloomberg, CIA analysis



VANGUARD HIGH YIELD BOND

Portfolio Characteristics

	Vanguard HY as of		ML HY Master II Constr as of
	6/30/18	9/30/18	9/30/18
No. of Holdings	484	482	1,861
Average Duration	4.3 years	4.2 years	4.6 years
Avg. Credit Quality	B	B	B+
Avg. Yield to Maturity	6.1	5.9	6.1
Average Coupon	5.7%	5.7%	6.3%

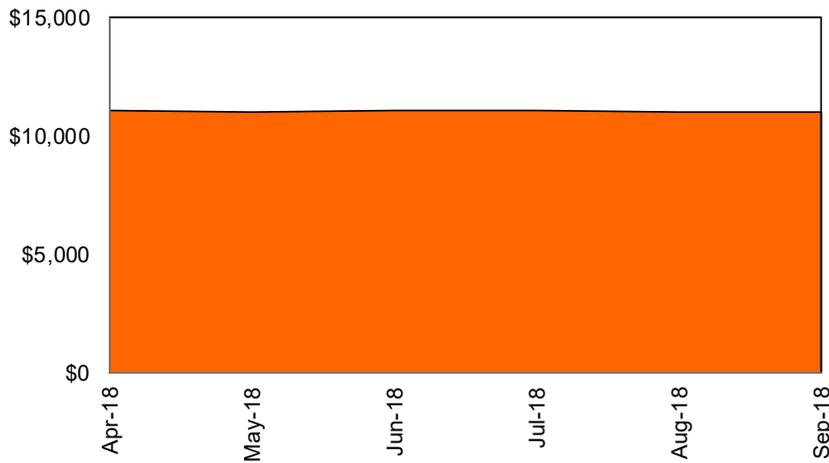
Advisor's Mandate

- Fund (VWEAX)
- Passively-Managed High Yield Bond Fund
- Inception: April 2018
- Objective: Exceed total return of the ML HY Master II Constrained Index
- Annual fee 0.130%

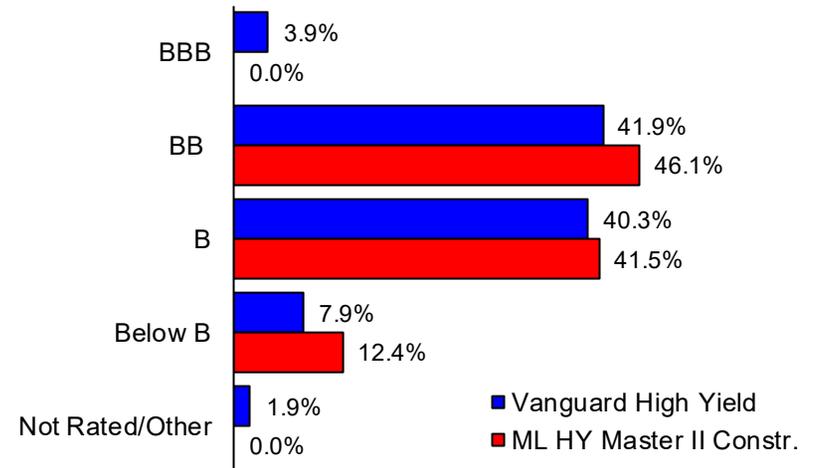
Commentary

- The fund outperformed the benchmark by 27 basis points for the quarter.

Asset Growth (\$000s)



Quarterly End Quality Distribution



Source: Federated, Bloomberg, CIA analysis



INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of September 30, 2018

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Since Inception	Inception Date
Emerging Market Debt Composite	42,532	3.8%	1.50%	(3.91%)	(3.38%)	NA	NA	NA	(1.61%)	8/1/2017
<u>50% EMBI Global / 50% CEMBI Broad</u>			1.75%	(2.48%)	(1.64%)	NA	NA	NA	(0.13%)	
Relative Performance			(0.24%)	(1.42%)	(1.75%)	NA	NA	NA	(1.48%)	
SSGA Emerging Market	21,661	2.0%	1.69%	(2.40%)	(1.55%)	NA	NA	NA	(1.25%)	9/1/2017
<u>50% EMBI Global / 50% CEMBI Broad</u>			1.75%	(2.48%)	(1.64%)	NA	NA	NA	(1.36%)	
Relative Performance			(0.05%)	0.08%	0.09%	NA	NA	NA	0.11%	
Goldman Sachs Emerging Market	20,871	1.9%	1.31%	(5.42%)	(5.13%)	NA	NA	NA	(3.16%)	8/1/2017
<u>50% EMBI Global / 50% CEMBI Broad</u>			1.75%	(2.48%)	(1.64%)	NA	NA	NA	(0.13%)	
Relative Performance			(0.44%)	(2.93%)	(3.49%)	NA	NA	NA	(3.04%)	

- For the quarter SSGA underperformed, but outperformed for all the other time periods.
- Goldman Sachs struggled for the quarter, underperforming their relative benchmark by 44 bps.



SSGA EMERGING MARKETS FUND

Portfolio Characteristics

	SSGA Emerging Market as of		
	6/30/18	9/30/18	9/30/18
No. of Holdings	943	945	2,078
Effective Duration	5.7	5.7	5.7
Effective Maturity	9.6 years	9.4 years	9.6 years
Avg. Credit Quality	BB+	BB+	BB+
Yield	5.6%	5.6%	5.6%

50% EMBI Global Div./ 50% CEMBI Broad Div.

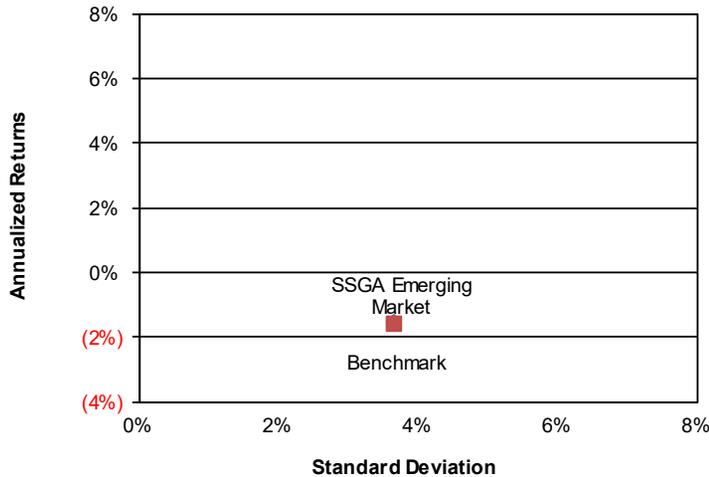
Advisor's Mandate

- Emerging Markets Fund
- Inception: September 2017
- Objective: Exceed total return of JPM 50% EMBI Global Diversified / 50% CEMBI Broad Diversified
- Annual fee 0.21%

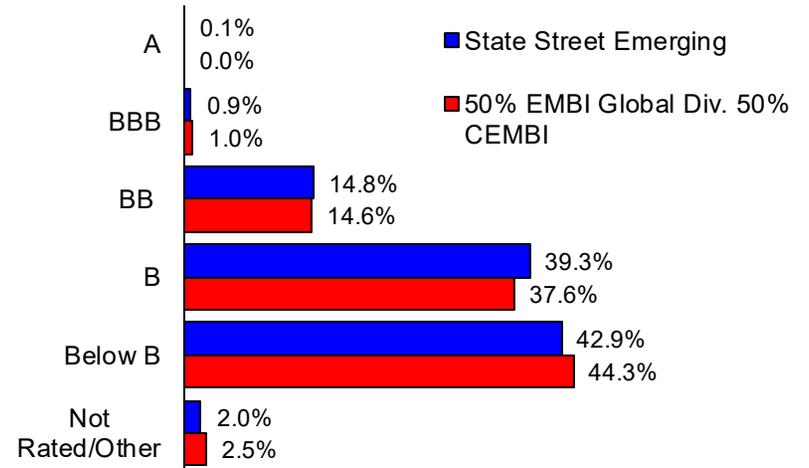
Commentary

- The portfolio underperformed by 5 bps for the quarter.
- SSGA's differentiating factor is its low fees.

One-Year Risk/Return



Quarter End Quality Distribution



Source: State Street, Bloomberg, CIA Analysis



GOLDMAN SACHS EMERGING MARKETS FUND

Portfolio Characteristics

	Goldman Sachs Emerging Market as of		50% EMBI Global Div./ 50% CEMBI Broad Div.
	6/30/18	9/30/18	9/30/18
No. of Holdings	463	416	2,078
Effective Duration	6.1	6.2	5.7
Effective Maturity	6.1 years	6.9 years	9.6 years
Avg. Credit Quality	BB	BB	BB+
Yield	5.5%	5.4%	5.6%

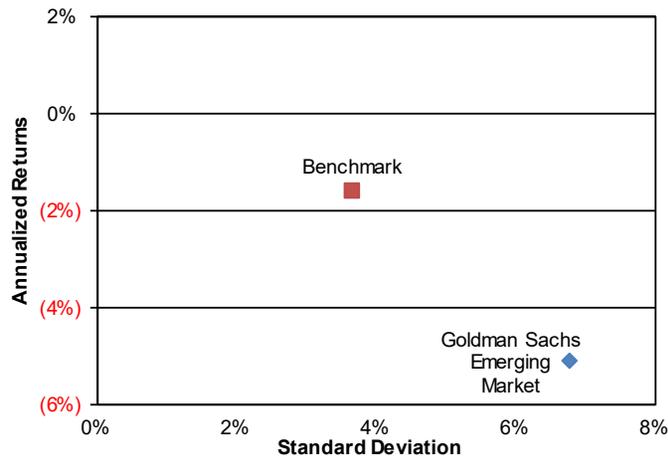
Advisor's Mandate

- Fund (GSDIX)
- Inception: August 2017
- Objective: Exceed total return of JPM 50% EMBI Global Diversified / 50% CEMBI Broad Diversified
- Annual fee 0.89%

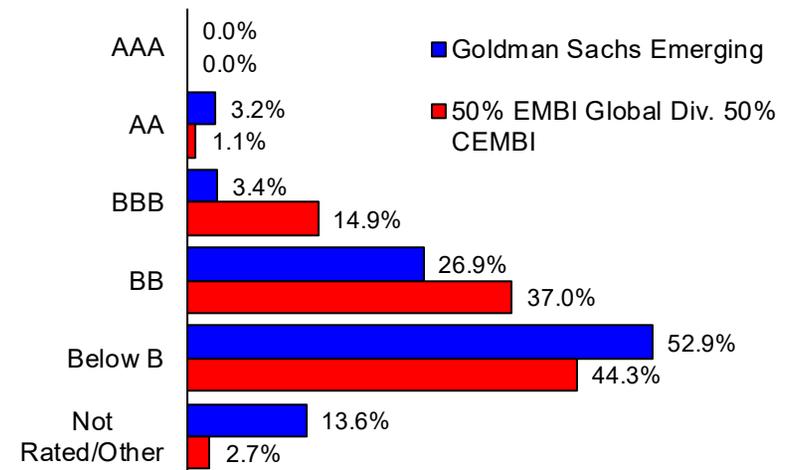
Commentary

- The portfolio underperformed by 44 bps for the quarter.
- Goldman Sachs takes more credit risk than the index. It has nearly the same yield as the index, despite having a much shorter effective maturity.

One-Year Risk/Return



Quarter End Quality Distribution





INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of September 30, 2018

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Since Inception	Inception Date
Total Equity Composite	189,895	17.2%	4.19%	4.98%	10.36%	14.42%	13.66%	9.68%	12.10%	11/1/2012
¹ Blended Benchmark			3.99%	4.33%	10.00%	14.27%	14.01%	9.77%	12.17%	
Relative Performance			0.20%	0.66%	0.36%	0.15%	(0.35%)	(0.09%)	(0.07%)	
Domestic Equity Composite	125,837	11.4%	6.14%	8.66%	14.74%	16.28%	15.70%	12.54%	14.51%	11/1/2012
¹ Blended Benchmark			5.96%	8.51%	14.42%	16.30%	15.97%	12.60%	14.55%	
Relative Performance			0.18%	0.16%	0.32%	(0.01%)	(0.27%)	(0.06%)	(0.04%)	
International Equity Composite	64,057	5.8%	0.39%	(2.07%)	2.12%	10.55%	9.67%	4.28%	4.46%	5/1/2013
¹ Blended Benchmark			0.13%	(3.57%)	1.65%	10.09%	10.14%	4.53%	4.73%	
Relative Performance			0.26%	1.50%	0.47%	0.46%	(0.47%)	(0.25%)	(0.27%)	

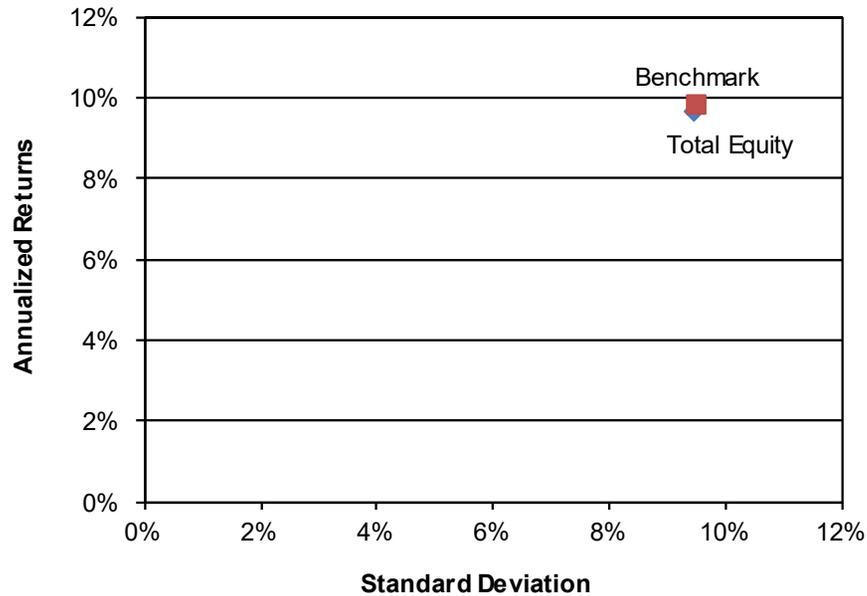
- The Equity portfolio earned over 10.36% this past year.
- Over the past three years:
 - The equity portfolio earned 13.66%, but trailed the benchmark by 35 basis points.
 - US equities did well, earning 15.70%.
 - International equities earned 9.67%.

¹The blended benchmark consists of a market-weighted blend of the underlying portfolio benchmarks.



INVESTMENT PERFORMANCE

Five Year Risk/Return Performance (Total Equity)



➤ Over the past five years, the equity portfolio earned 9.68% on an annualized basis, but underperformed its benchmark by 0.09% on an annualized basis.



INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of September 30, 2018

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Since Inception	Inception Date
Domestic Equity Composite	125,837	11.4%	6.14%	8.66%	14.74%	16.28%	15.70%	12.54%	14.51%	11/1/2012
¹ Blended Benchmark			5.96%	8.51%	14.42%	16.30%	15.97%	12.60%	14.55%	
Relative Performance			0.18%	0.16%	0.32%	(0.01%)	(0.27%)	(0.06%)	(0.04%)	
Vanguard Russell 1000 Value Fund	23,186	2.1%	5.68%	3.85%	9.39%	12.17%	13.42%	NA	8.74%	5/1/2014
<u>Russell 1000 Value Index</u>			5.68%	3.85%	9.36%	12.16%	13.46%	NA	8.76%	
Relative Performance			0.00%	(0.00%)	0.03%	0.01%	(0.03%)	NA	(0.02%)	
Vanguard Total Stock Market Fund	72,666	6.6%	7.09%	10.61%	17.64%	18.17%	17.11%	13.50%	15.33%	11/1/2012
<u>CRSP US Total Market Index</u>			7.07%	10.57%	17.58%	18.09%	17.03%	13.41%	15.25%	
Relative Performance			0.02%	0.03%	0.06%	0.09%	0.08%	0.09%	0.08%	
Vanguard Small Cap S&P 600	15,308	1.4%	4.70%	NA	NA	NA	NA	NA	11.94%	3/1/2018
<u>Russell 2000 Index</u>			3.56%	NA	NA	NA	NA	NA	8.52%	
Relative Performance			1.14%	NA	NA	NA	NA	NA	3.42%	
Virtus KAR Small Cap Core	14,677	1.3%	3.79%	NA	NA	NA	NA	NA	9.05%	3/1/2018
<u>Russell 2000 Index</u>			3.56%	NA	NA	NA	NA	NA	8.52%	
Relative Performance			0.23%	NA	NA	NA	NA	NA	0.53%	

- The Domestic Equity composite outperformed for the current quarter by 18 bps.
- The index funds have done a nice job matching their respective indices.
- For the small cap portfolios, both did well for the quarter.

¹The blended benchmark consists of a market-weighted blend of the underlying portfolio benchmarks.



VANGUARD RUSSELL 1000 VALUE FUND

Portfolio Characteristics

	Vanguard Russell 1000 Value Fund as of		Russell 1000 Value Index as of
	6/30/18	9/30/18	9/30/18
No. of Securities	761	729	727
P/E Ratio	16.2x	16.5x	16.4x
Price/Book Ratio	2.0x	2.1x	2.1x
Avg Mkt Cap (billions)	\$60.8	\$69.8	\$69.8
Return on Equity	12.1%	12.1%	12.1%
% in Top 10 Holdings	20.7%	21.1%	21.1%

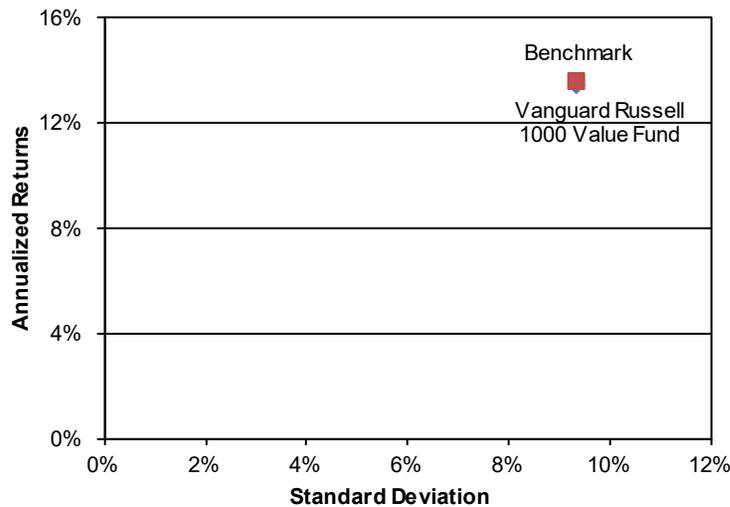
Advisor's Mandate

- Passively managed equity index fund (VRVIX)
- Inception: May 2014
- Objective: Match performance of the Russell 1000 Value Index
- Annual Fee = 0.08%

Commentary

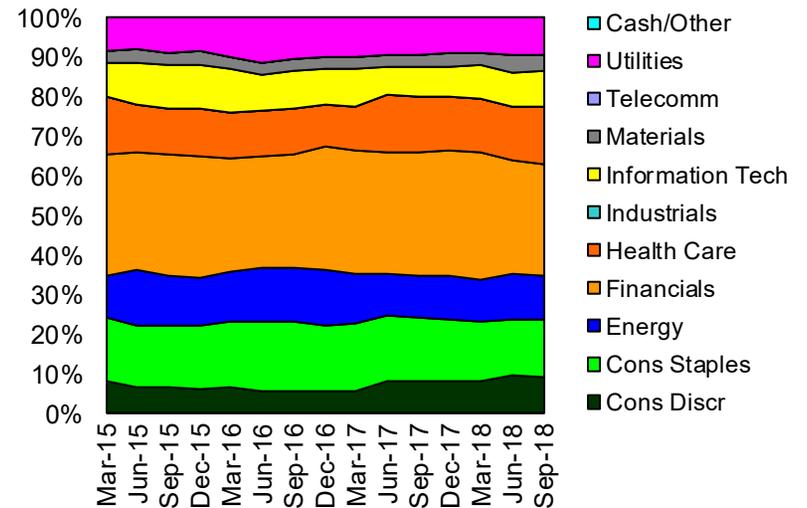
- Vanguard is doing a nice job matching the index.

Three-Year Risk/Return



Source: Vanguard, Bloomberg, CIA analysis

Historical Sector Distribution





VANGUARD TOTAL STOCK MARKET INDEX FUND

Portfolio Characteristics

	Vanguard Total Stock Market Fund		CRSP US Total Market
	as of 6/30/18	as of 9/30/18	as of 9/30/18
No. of Securities	3,654	3,680	3,630
P/E Ratio	26.4x	21.0x	21.0x
Price/Book Ratio	3.0x	3.1x	3.1x
Avg Mkt Cap (billions)	\$64.0	\$73.8	\$73.8
Return on Equity	15.0%	14.9%	14.9%

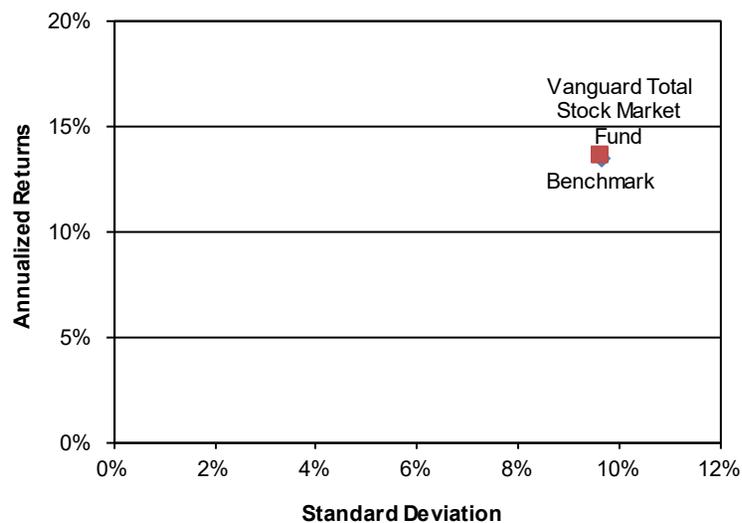
Advisor's Mandate

- Passively managed equity index fund (VIT SX)
- Inception: November 2012
- Objective: Match performance of the CRSP US Total Market Index
- Annual Fee = 0.035% (through 12/31/2017)

Commentary

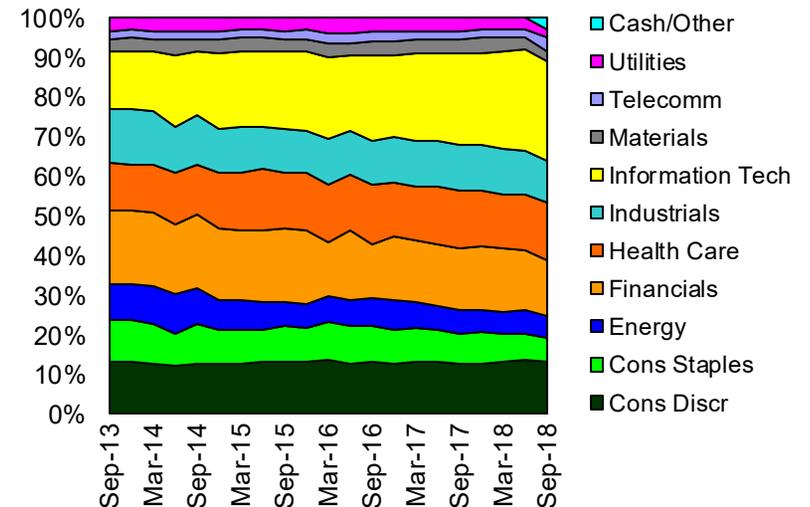
- Vanguard is doing a nice job matching the index.
- Vanguard recently lowered the cost of this fund from 0.04% to 0.035%. This will save the PCF over \$3,000 per year.

Five-Year Risk/Return



Source: Vanguard, Bloomberg, CIA analysis

Historical Sector Distribution





VANGUARD SMALL CAP S&P 600 FUND

Portfolio Characteristics

	Vanguard Small Cap as of		Russell 2000 as of
	6/30/18	9/30/18	9/30/18
No. of Securities	604	602	2,040
P/E Ratio	21.9x	21.3x	20.6x
Price/Book Ratio	2.2x	2.2x	2.5x
Avg Mkt Cap (billions)	\$1.8	\$1.9	\$2.4
% in Top 10 Holdings	4.9%	5.2%	3.0%

Advisor's Mandate

- Passively managed equity index fund (VSMSX)
- Inception: March 2018
- Objective: Exceed performance of the Russell 2000 Index
- Annual Fee = 0.08%

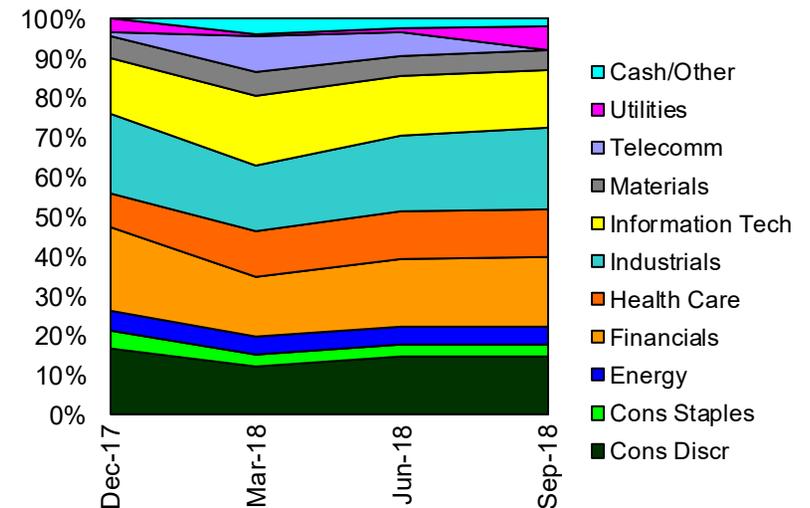
Commentary

- The fund outperformed the benchmark by 114 basis points (1.14%) for the quarter.

One-Year Risk/Return

N/A

Historical Sector Distribution





VIRTUS KAR SMALL CAP FUND

Portfolio Characteristics

	Virtus KAR Small Cap as of		Russell 2000 as of
	6/30/18	9/30/18	9/30/18
No. of Securities	28	27	2,040
P/E Ratio	27.9x	26.4x	20.6x
Price/Book Ratio	6.4x	6.3x	2.5x
Avg Mkt Cap (billions)	\$7.0	\$7.2	\$2.4
% in Top 10 Holdings	50.7%	50.6%	3.0%

Advisor's Mandate

- Passively managed equity index fund (PKSFX)
- Inception: March 2018
- Objective: Match performance of the Russell 2000 Index.
- Annual Fee = 1.08%

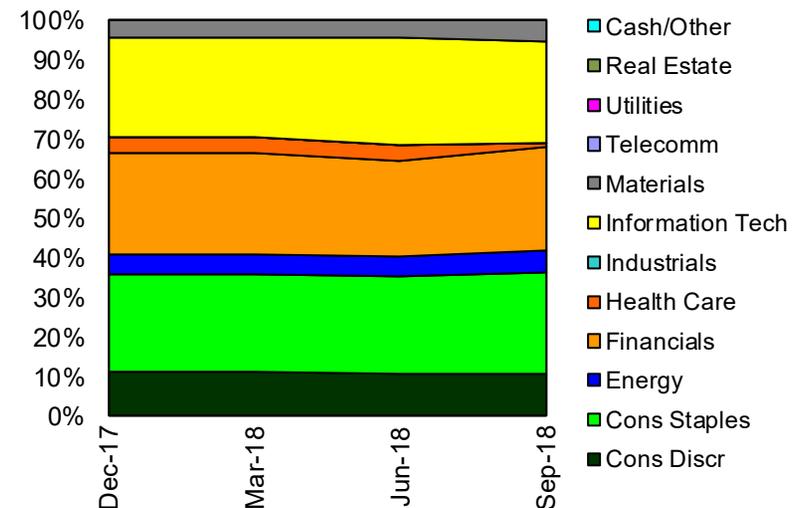
Commentary

- The fund outperformed the benchmark by 23 basis points (0.23%) for the quarter.

One-Year Risk/Return

N/A

Historical Sector Distribution





INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of September 30, 2018

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Since Inception	Inception Date
International Equity Composite	64,057	5.8%	0.39%	(2.07%)	2.12%	10.55%	9.67%	4.28%	4.46%	5/1/2013
¹ Blended Benchmark			0.13%	(3.57%)	1.65%	10.09%	10.14%	4.53%	4.73%	
Relative Performance			0.26%	1.50%	0.47%	0.46%	(0.47%)	(0.25%)	(0.27%)	
Vanguard Total International Stock Fund	29,546	2.7%	0.54%	(3.09%)	1.67%	10.14%	9.98%	4.50%	4.72%	5/1/2013
FTSE Global All Cap ex US Index			0.48%	(3.27%)	1.89%	10.23%	10.08%	4.47%	4.69%	
Relative Performance			0.06%	0.18%	(0.22%)	(0.09%)	(0.09%)	0.04%	0.04%	
City of London	11,998	1.1%	NA	NA	NA	NA	NA	NA	(1.60%)	8/1/2018
MSCI ACWI ex US			NA	NA	NA	NA	NA	NA	(1.65%)	
Relative Performance			NA	NA	NA	NA	NA	NA	0.04%	
EuroPacific Growth Fund	11,635	1.1%	(0.84%)	NA	NA	NA	NA	NA	(0.84%)	7/1/2018
MSCI ACWI ex US			0.68%	NA	NA	NA	NA	NA	0.68%	
Relative Performance			(1.52%)	NA	NA	NA	NA	NA	(1.52%)	
DFA International Small Cap Fund	5,129	0.5%	(0.97%)	(6.57%)	(3.04%)	10.27%	10.33%	NA	5.76%	8/8/2014
MSCI ACWI ex US Small Cap			(1.57%)	(4.58%)	1.62%	9.93%	10.98%	NA	5.29%	
Relative Performance			0.60%	(1.98%)	(4.66%)	0.34%	(0.65%)	NA	0.46%	
Oppenheimer International Small Cap	5,749	0.5%	2.80%	9.20%	15.94%	19.54%	16.56%	NA	13.86%	8/8/2014
MSCI ACWI ex US Small Cap			(1.57%)	(4.58%)	1.62%	9.93%	10.98%	NA	5.29%	
Relative Performance			4.37%	13.78%	14.32%	9.62%	5.58%	NA	8.56%	

- The International Equity Composite outperformed for the quarter by 26 basis points.
 - Oppenheimer was the big winner for the quarter by outperforming their benchmark by 4.37%.
 - EuroPacific struggled for the quarter, underperforming their benchmark by 1.52%

- PCF sold out of the PIMCO International fund and added EuroPacific Growth fund in July and City of London in August.

¹The blended benchmark consists of a market-weighted blend of the underlying portfolio benchmarks.



VANGUARD TOTAL INTERNATIONAL STOCK FUND

Portfolio Characteristics

	Vanguard Total Intl Stock Fund as of		FTSE Global All Cap ex US Index as of
	6/30/18	9/30/18	9/30/18
No. of Holdings	6,349	6,415	6,009
P/E Ratio	14.1x	13.8x	13.8x
Price/Book Ratio	1.6x	1.6x	1.6x
Avg Mkt Cap (billion)	\$25.8	\$26.5	\$26.6
Dividend Yield	2.9%	2.9%	2.9%
Return on Equity	12.3%	12.3%	12.3%
% in Top 10 Holdings	8.7%	8.4%	8.4%

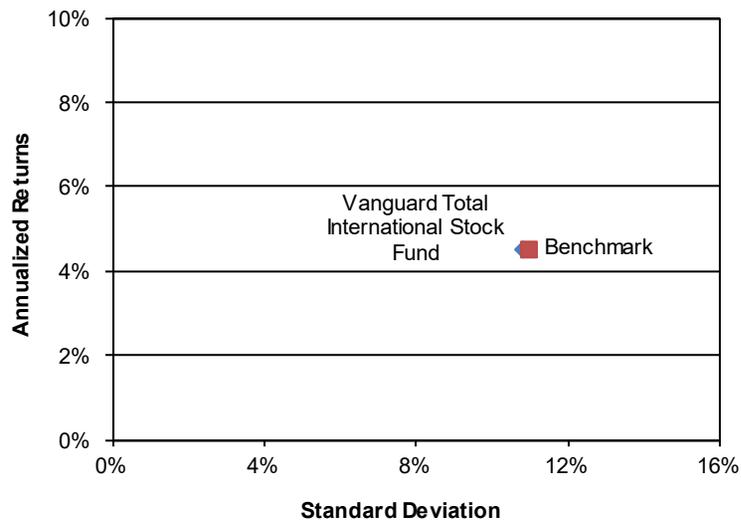
Advisor's Mandate

- Passively-managed equity index fund (VTSNX)
- Inception: May 2013
- Objective: Match performance of the FTSE Global All Cap ex US Index
- Annual Fee = 0.12%

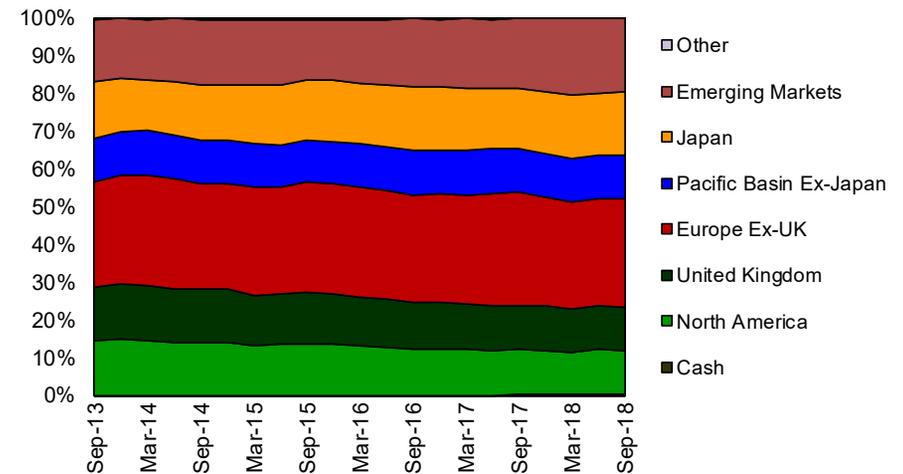
Commentary

- This is a hugely diversified, low-cost fund.

Five-Year Risk/Return



Historical Country Distribution





CITY OF LONDON FUND

Portfolio Characteristics

	City of London as of		MSCI ACWI ex US as of
	6/30/18	9/30/18	9/30/18
No. of Holdings	49	48	2,166
P/E Ratio	15.3x	14.9x	14.9x
Price/Book Ratio	1.7x	1.6x	1.6x
Avg Mkt Cap (billion)	\$9.7	\$9.7	\$67.1
Dividend Yield	3.0%	3.1%	3.1%
Return on Equity	10.9%	11.3%	11.3%
% in Top 10 Holdings	34.5%	34.5%	9.3%

One-Year Risk/Return

N/A

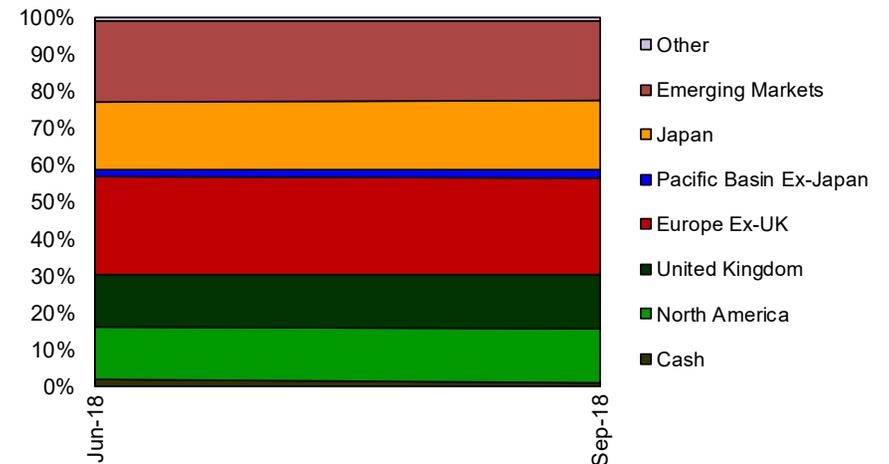
Advisor's Mandate

- Actively-managed International Commingled fund
- Inception: August 2018
- Objective: Exceed total return of the MSCI ACWI ex US Index
- Annual Fee = 0.70%

Commentary

- City of London outperformed their benchmark by 4 basis points since August 2018.

Historical Country Distribution





EuroPacific Growth FUND

Portfolio Characteristics

	EuroPacific as of		MSCI ACWI ex US as of
	6/30/18	9/30/18	9/30/18
No. of Holdings	278	269	2,166
P/E Ratio	14.1x	14.7x	14.9x
Price/Book Ratio	1.9x	1.9x	1.6x
Avg Mkt Cap (billion)	\$44.6	\$44.8	\$67.1
Dividend Yield	2.1%	2.0%	3.1%
Return on Equity	17.7%	17.8%	11.3%
% in Top 10 Holdings	19.3%	20.2%	9.3%

One-Year Risk/Return

N/A

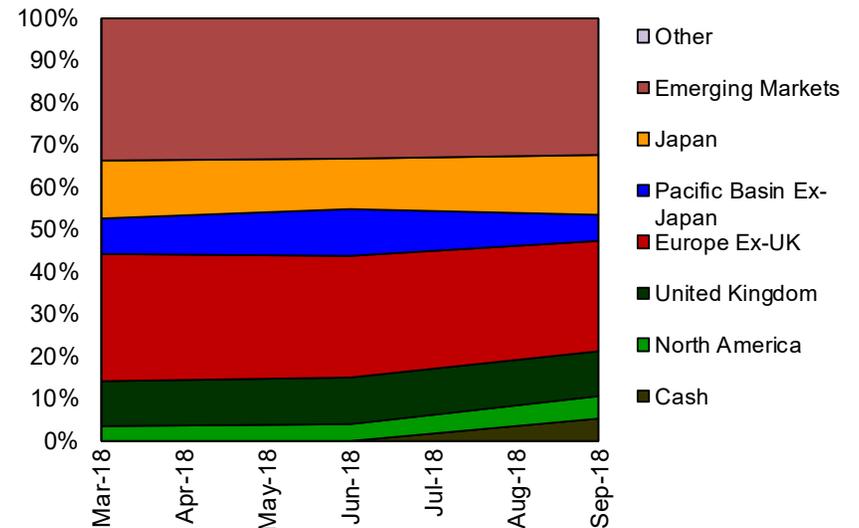
Advisor's Mandate

- Actively managed equity index fund (FEUPX)
- Inception: June 2018
- Objective: Exceed total return of the MSCI ACWI ex US Index
- Annual Fee = 0.58%

Commentary

- EuroPacific funded in June 2018.

Historical Country Distribution





DFA INTERNATIONAL SMALL CAP FUND

Portfolio Characteristics

	DFA Intl Small Cap as of		MSCI ACWI ex US Small Cap as of
	6/30/18	9/30/18	9/30/18
No. of Securities	2,120	2,125	4,290
P/E Ratio	12.8x	11.2x	18.8x
Price/Book Ratio	0.9x	0.9x	1.6x
Avg Mkt Cap (billions)	\$2.1	\$2.1	\$0.8
% in Top 10 Holdings	6.5%	6.8%	2.1%

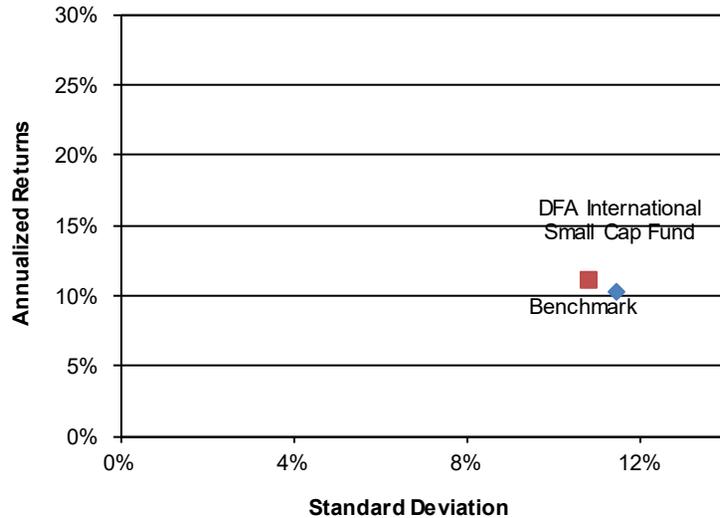
Advisor's Mandate

- Actively managed equity index fund (DISVX)
- Inception: August 2014
- Objective: Exceed total return of the MSCI ACWI ex US Small Cap Fund
- Annual Fee = 0.69%

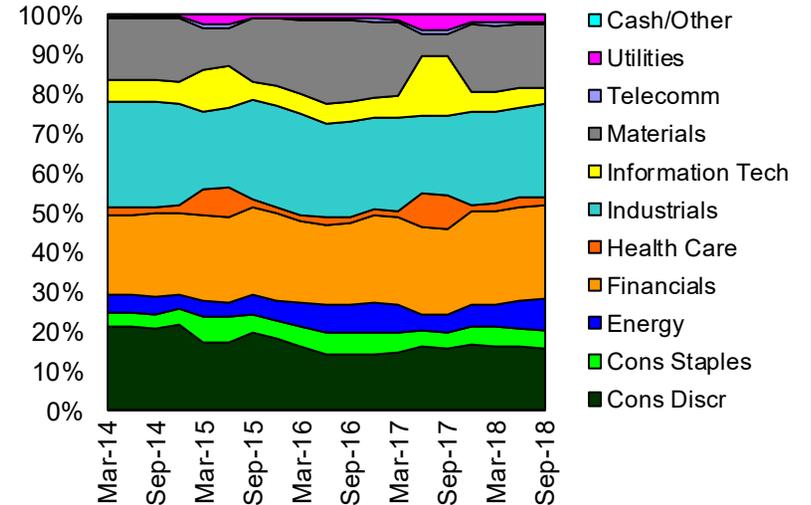
Commentary

- DFA outperformed their benchmark by 60 bps for the quarter and since inception outperformed by 46 bps annually.

Three-Year Risk/Return



Historical Bond Sector Distribution



Source: DFA, Bloomberg, CIA Analysis



OPPENHEIMER INTERNATIONAL SMALL CAP FUND

Portfolio Characteristics

	Oppenheimer Intl Small Cap as of		MSCI ACWI ex US Small Cap as of
	6/30/18	9/30/18	9/30/18
No. of Securities	108	155	4,290
P/E Ratio	23.8x	30.2x	18.8x
Price/Book Ratio	3.1x	3.2x	1.6x
Avg Mkt Cap (billions)	\$6.8	\$7.1	\$0.8

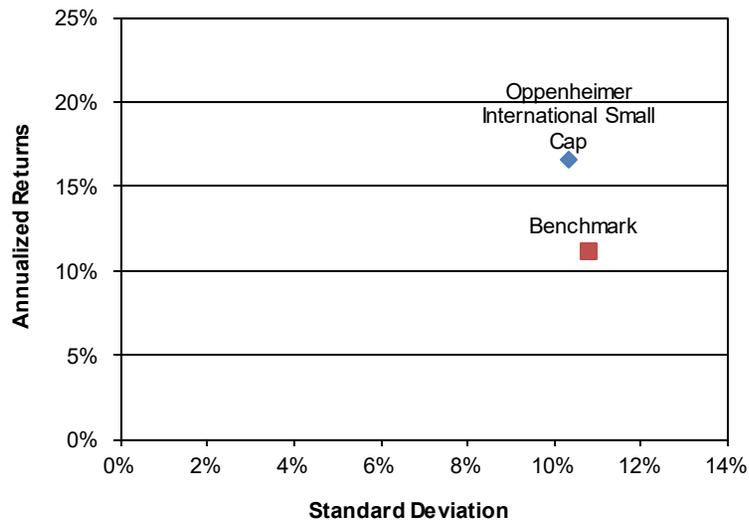
Advisor's Mandate

- Actively managed equity index fund (OSMYX)
- Inception: August 2014
- Objective: Exceed total return of the MSCI ACWI ex US Small Cap Fund
- Annual Fee = 0.95%

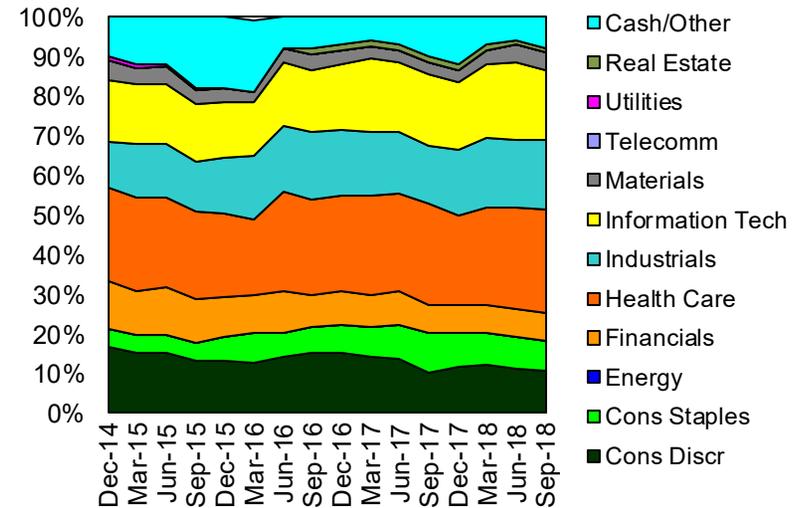
Commentary

- Oppenheimer outperformed their relative benchmark by 437 basis points for the quarter and since inception outperformed by 856 basis points annually.

Three-Year Risk/Return



Historical Bond Sector Distribution



Source: Oppenheimer, Bloomberg, CIA Analysis