

*Pontiac*  
General Employees' Retirement System

City of Pontiac  
General Employees' Retirement System

Performance Review  
June 2018

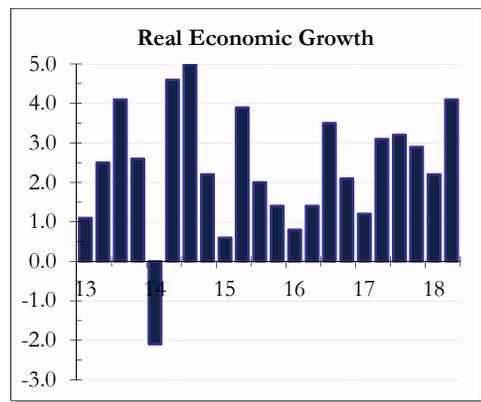


**DAHAB ASSOCIATES**  
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## ECONOMIC ENVIRONMENT

### Healthy Despite Tariff Dispute

Global expansion slowed in Europe and Asia during the second quarter, while the US economy remained strong. Second quarter



Global expansion slowed in Europe and Asia during the second quarter, while the US economy remained strong. Second quarter GDP, according to the BEA's advance estimate met expectations, expanding at a rate of 4.1%. First quarter GDP was also revised upward to 2.2%. Job growth surprised to the upside, with 213,000 hires in June and 2.4 million for the latest 12-months and unemployment inched up

from 3.8% to 4.0%. Home sales remained brisk, while home prices rose 7.1%, year-over-year (through May). Interestingly, sales of lower-priced homes have been driving the market lately.

Corporate manufacturing and services supported the economy, as virtually all the component industries continued to grow. The one concern is that businesses are wary of the new tariffs' potential to impact them negatively in the near term. The same applies to consumer sentiment – very high regarding current conditions, but wary about the future. The Federal Reserve Board voted unanimously to raise the Fed funds rate again to 1.75-2.0%, in a nod to economic momentum, robust job growth and core inflation attaining the desired 2% level. The expectation is for two more rate increases this year.

Commodity prices were mixed for the quarter. Energy products were up nicely while many other commodities, especially grains, were down. More telling was the quarter's stock market volatility,

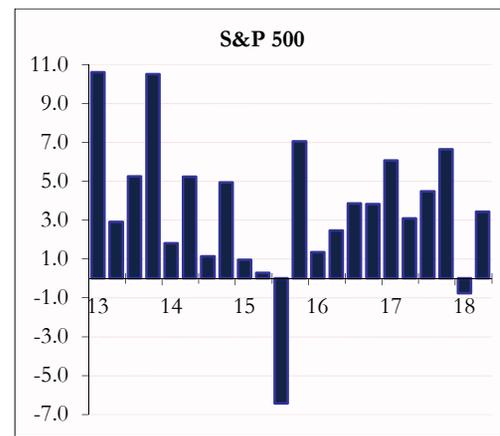
due largely to the newly implemented tariffs applicable to Canadian, Mexican, European, Japanese and Chinese imports sold in the US. The real question is whether the long-held US policy of relatively modest tariffs will now give way to a more damaging trade war.

## DOMESTIC EQUITIES

### Tariff Uncertainty Stirred Markets

Good news arrived on several fronts: high corporate earnings, lower taxes, sustained job growth, and short-term consumer optimism. Yet the stock market wavered during the quarter. Markets were weak in April, stronger in May and weak again in June, due to uncertainty regarding the new tariffs. Still, all major market indices ended the quarter in positive territory.

The industrial-heavy DJIA gained 1.3%, while the broader S&P 500 added 3.4%. The winner among the major indices was the tech-heavy NASDAQ, which



climbed 6.6%. Again in Q2, large-cap growth stocks, particularly tech names, bested the more traditional value sectors; the Russell 1000 Growth Index gained 5.8% vs. only 1.2% for large-cap value. Small-cap beat large-cap, as the Russell 2000 Growth Index

gained 7.2% and its value counterpart climbed 8.3%. The smaller stocks' outperformance reflected the expected shielding of smaller businesses from tariff impacts.

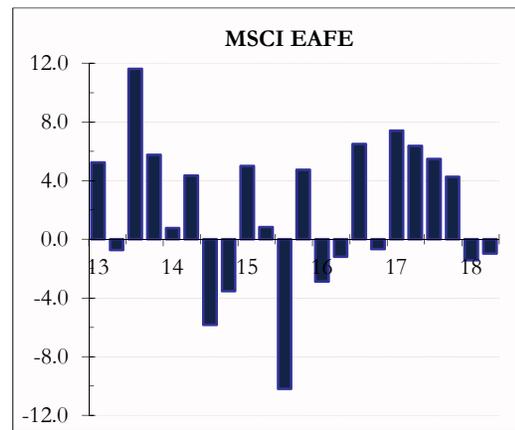
The energy sector surged 14.3%, as OPEC withheld some production in the face of greater US demand. Consumer Service stocks (+10.3%) and ubiquitous technology names (+8.1%) also performed well. On the downside, the financial sector return was nominal, as a relatively flat yield curve stymied bank profits, and basic industries lost ground (-1.1%), as tariff concerns dampened investor enthusiasm.

## INTERNATIONAL EQUITIES

### Trade Issues Tanked

The economies of Europe, Canada, Mexico, Japan and China were already losing steam during the quarter; but the bigger blow was the uncertainty regarding the outcome of trade negotiations. The US took an aggressive negotiating stance and the countries on the receiving end retaliated.

The MSCI EAFE Index fell 1% for the quarter. The UK market was up 3%, helped by surging employment and higher consumer confidence – despite fractious Brexit negotiations. The EU market was down 0.9%. In Germany (-3.4%), Chancellor Merkel saw her hold on the coalition government weakened. Concern over tariffs on German auto exports to the US was another issue. Italy fell 6.8%, due to its weak, populist government and continued troubles in its banking sector. While Spain’s economy was strong, its market fell

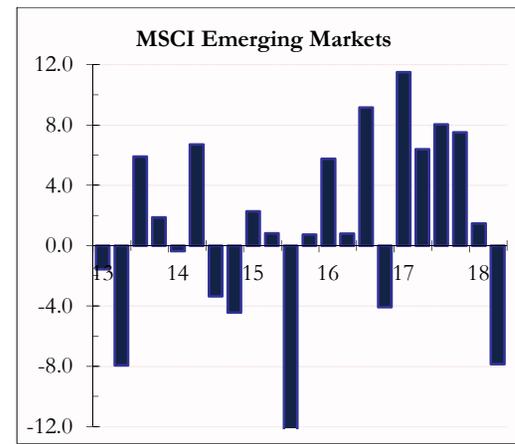


banking sector. While Spain’s economy was strong, its market fell

4.1%, driven by both a decline in tourism and the presumed ineffectiveness of the country’s new PM.

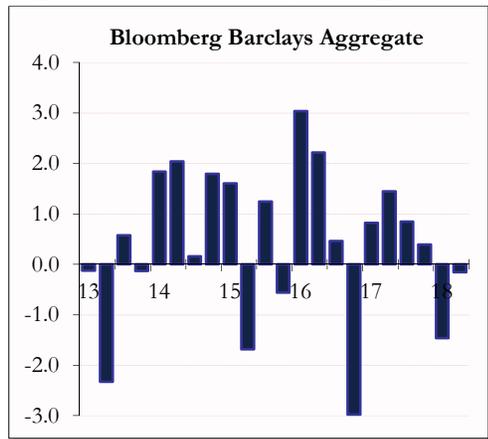
Australia (+5.3%) shined due to rebounding commodity exports and an increased minimum wage. Japan was down 2.8% due to its heavy exposure to tariffs on steel, aluminum and auto exports. Hong Kong (-1.2%) had record low unemployment and expanding government spending. Israel (+11%) was the most positive developed market, by far, driven by robust personal consumption and energy-related exports. Canada (+4.9%), separate from the EAFE Index, benefited directly from higher energy prices and business investment; however, NAFTA negotiations still threaten its economy.

So far this year, emerging market (EM) returns have been negative. The strengthening US dollar, trade tensions, and Latin American



elections were all key factors. The second quarter EM Index return dipped 7.9%. Brazil (-26.4%) was the big loser among the four BRIC countries. Upcoming elections in October, a nationwide trucking strike in May, rampant inflation, and relatively weak export growth all worked against the largest Latin American country. Russia was down (-5.8%) and India was slightly negative (-0.6%). In China (-3.4%), investors worried about a trade war escalation with the US. Korea, Malaysia, Singapore and the Philippines all enjoyed healthy economies, but were dragged down by global trading uncertainties.

Mexico (-3.5%) experienced the same NAFTA trade worries as Canada, although its oil exports quickly ramped up and other aspects of its economy were positive. Turkey (-25.7%) gave pause



to investors, as President Erdogan gained sweeping powers on his re-election, while hurt by soaring imports and stagnant exports.

Greece (-2.0%) has negotiated an encouraging June agreement with the EU, thereby steadying its economy. By contrast,

shares in Argentina, a member of the Frontier market, plunged almost 42%! Its rampant inflation and near bankrupt Treasury are repeats of past decades.

## BOND MARKET

### Short-term Rates Rose While the Yield Curve Flattened

In June, the Federal Reserve Board raised the Fed funds rates to a range of 1.75%–2.0% and the front end of the yield curve rose in sync with the Fed move. Rates in the 5-10 year maturity range rose marginally, but long rates were steady. As a result, the yield curve has flattened further, but is not inverted. An inverted yield curve will likely herald a recession.

The Barclays Aggregate Index was essentially flat for the quarter, down 0.2%. Treasuries, constituting 38% of the Index, were up a nominal 0.1%. Long-maturity Treasuries and mortgage-backed issues each gained ¼%. However, corporate issues lost 1%, partly

related to the tariff unease. High-yield issues gained 1%, helped by economic growth, low supply and less sensitivity to higher interest rates.

The G-6 Index (sovereign bonds among key developed economies x-US) lost a significant 4.8%, largely due to currency depreciation vs. the US dollar. Emerging market sovereign debt tumbled 3.6%. Almost all EM debt returns were in the red for the quarter.

## CASH EQUIVALENTS

### Fed Funds Rate Hike Spurs Tempting Savings Account Rates

The 3-month T-bill return rose along with the June hike in the Fed funds rate. The bellwether 90-day Treasury issue gained almost 0.5% vs. 0.3% in the first quarter. The year-over-year return rose to 1.4%. Around the country, bank teaser rates appear daily, guaranteeing 2% or higher on day-to-day savings accounts. As a result, conservative investors can now obtain a return that is more in line with inflation.

## Economic Statistics

	Current Quarter	Previous Quarter
GDP	4.1	2.2
Unemployment	4.0	4.1
CPI All Items Year/Year	2.9	2.4
Fed Funds Rate	2.0	1.75
Industrial Capacity	78.0	77.5
US Dollars per Euro	1.17	1.23

## Major Index Returns

Index	Quarter	12 Months
Russell 3000	3.9	14.8
S&P 500	3.4	14.4
Russell Midcap	2.8	12.3
Russell 2000	7.8	17.6
MSCI EAFE	-1.0	7.4
MSCI Emg Markets	-7.9	8.6
NCREIF ODCE	2.0	8.4
U.S. Aggregate	-0.2	-0.4
90 Day T-bills	0.5	1.5

## Domestic Equity Return Distributions

	Quarter			Trailing Year		
	VAL	COR	GRO	VAL	COR	GRO
LC	1.2	3.6	5.8	6.8	14.5	22.5
MC	2.4	2.8	3.2	7.6	12.3	18.5
SC	8.3	7.8	7.2	13.1	17.6	21.8

## Market Summary

- The BEA Advance estimate pegs 2<sup>nd</sup> quarter GDP at 4.1%.
- Unemployment rate was 4.0% in June.
- Year over year CPI for all items expanded 2.9%.
- The dollar was stronger against the euro than in the previous quarter.
- Growth continued to beat value, except among small cap names, where value fared better. Across styles, smaller companies bested larger ones.

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System was valued at \$499,637,944, representing an increase of \$1,359,066 from the March quarter's ending value of \$498,278,878. Last quarter, the Fund posted withdrawals totaling \$7,348,636, which offset the portfolio's net investment return of \$8,707,702. Income receipts totaling \$1,972,267 plus net realized and unrealized capital gains of \$6,735,435 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the second quarter, the Composite account gained 1.8%, which ranked in the 27th percentile of the Public Fund universe. Over the trailing twelve-month period, this portfolio returned 10.1%, ranking in the 14th percentile. Since June 2008, the portfolio returned 8.0% on an annualized basis and ranked in the 7th percentile.

### **Domestic Equity**

Last quarter, the domestic equity portion of the portfolio gained 2.9%, which was 1.0% less than the Russell 3000 Index's return of 3.9% and ranked in the 67th percentile of the Domestic Equity universe. Over the trailing year, the domestic equity portfolio returned 14.7%, which was 0.1% below the benchmark's 14.8% return, ranking in the 51st percentile. Since June 2008, this component returned 10.0% per annum and ranked in the 70th percentile. For comparison, the Russell 3000 returned an annualized 10.2% over the same time frame.

### **International Equity**

For the second quarter, the international equity segment returned 0.3%, which was 1.3% above the MSCI EAFE Index's return of -1.0% and ranked in the 16th percentile of the International Equity universe. Over the trailing year, this segment returned 9.7%, which was 2.3% greater than the benchmark's 7.4% return, and ranked in the 40th

percentile. Since June 2008, this component returned 2.8% on an annualized basis and ranked in the 85th percentile. The MSCI EAFE Index returned an annualized 3.3% over the same time frame.

### **Private Equity**

In the second quarter, the private equity component returned 1.2%, which was 1.2% greater than the Cambridge US Private Equity's return of 0.0%. Over the trailing twelve-month period, this component returned 8.2%, which was 4.0% less than the benchmark's 12.2% return. Since June 2008, this component returned -0.3% annualized, while the Cambridge US Private Equity returned an annualized 10.2%.

### **Real Estate**

During the second quarter, the real estate portion of the portfolio returned 2.0%, which was equal to the NCREIF NFI-ODCE Index's return of 2.0%.

### **Global Fixed Income**

In the second quarter, the global fixed income component lost 5.5%, which was 2.0% below the Bloomberg Barclays Global Government Bond's return of -3.5% and ranked in the 99th percentile of the Broad Market Fixed Income universe. Over the trailing year, the global fixed income portfolio returned 0.3%, which was 1.6% below the benchmark's 1.9% return, ranking in the 57th percentile.

### **Domestic Fixed Income**

During the second quarter, the domestic fixed income component returned 0.0%, which was 0.2% greater than the Bloomberg Barclays Aggregate Index's return of -0.2% and ranked in the 65th percentile of the Broad Market Fixed Income universe. Over the trailing twelve months, this segment's return was 0.0%, which was 0.4% greater than the benchmark's -0.4% performance, and ranked in the 72nd percentile. Since June 2008, this component returned 3.9% on an annualized basis and ranked in the 59th percentile. The Bloomberg Barclays Aggregate Index returned an annualized 3.7% over the same period.

## EXECUTIVE SUMMARY

## PERFORMANCE SUMMARY

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year
<b>Total Portfolio - Gross</b>	1.8	10.1	7.2	8.9	8.6	8.0
<i>PUBLIC FUND RANK</i>	(27)	(14)	(38)	(20)	(14)	(7)
<b>Total Portfolio - Net</b>	1.6	9.5	6.6	8.3	8.0	7.3
SHADOW INDEX	2.0	9.8	8.0	9.5	9.3	7.9
<b>Domestic Equity - Gross</b>	2.9	14.7	9.7	12.1	11.8	10.0
<i>DOMESTIC EQUITY RANK</i>	(67)	(51)	(66)	(64)	(70)	(70)
Russell 3000	3.9	14.8	11.6	13.3	13.0	10.2
<b>International Equity - Gross</b>	0.3	9.7	9.5	9.6	6.3	2.8
<i>INTERNATIONAL EQUITY RANK</i>	(16)	(40)	(21)	(25)	(47)	(85)
MSCI EAFE	-1.0	7.4	5.4	6.9	5.4	3.3
<b>Private Equity - Gross</b>	1.2	8.2	2.5	9.2	8.8	-0.3
Cambridge PE	0.0	12.2	10.6	12.5	12.1	10.2
<b>Real Estate - Gross</b>	2.0	----	----	----	----	----
NCREIF ODCE	2.0	8.4	9.4	11.0	11.4	5.3
<b>Global Fixed Income - Gross</b>	-5.5	0.3	----	----	----	----
<i>BROAD MARKET FIXED RANK</i>	(99)	(57)	----	----	----	----
Global Gov Index	-3.5	1.9	2.8	1.0	0.4	2.1
<b>Domestic Fixed Income - Gross</b>	0.0	0.0	0.5	1.2	2.3	3.9
<i>BROAD MARKET FIXED RANK</i>	(65)	(72)	(99)	(90)	(73)	(59)
Aggregate Index	-0.2	-0.4	1.7	2.3	2.6	3.7

## ASSET ALLOCATION

Domestic Equity	54.6%	\$ 272,908,715
Int'l Equity	14.2%	70,866,388
Private Equity	2.4%	11,943,912
Real Estate	6.6%	33,182,778
Global Fixed	0.5%	2,701,423
Domestic Fixed	20.7%	103,432,979
Cash	0.9%	4,601,749
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 499,637,944</b>

## INVESTMENT RETURN

Market Value 3/2018	\$ 498,278,878
Contribs / Withdrawals	-7,348,636
Income	1,972,267
Capital Gains / Losses	6,735,435
Market Value 6/2018	\$ 499,637,944

## EXECUTIVE SUMMARY - USING LAGGED PRIVATE EQUITY DATA

## PERFORMANCE SUMMARY

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year
<b>Total Portfolio</b>	1.8	10.1	7.2	8.9	8.6	8.0
<i>PUBLIC FUND RANK</i>	(27)	(14)	(38)	(20)	(13)	(7)
SHADOW INDEX	2.1	9.9	8.1	9.5	9.3	7.8
<b>Domestic Equity</b>	2.9	14.7	9.7	12.1	11.8	10.0
<i>DOMESTIC EQUITY RANK</i>	(67)	(51)	(66)	(64)	(70)	(70)
Russell 3000	3.9	14.8	11.6	13.3	13.0	10.2
<b>International Equity</b>	0.3	9.7	9.5	9.6	6.3	2.8
<i>INTERNATIONAL EQUITY RANK</i>	(16)	(40)	(21)	(25)	(47)	(85)
MSCI EAFE	-1.0	7.4	5.4	6.9	5.4	3.3
<b>Private Equity</b>	1.1	9.6	2.8	9.6	9.5	-0.9
Cambridge PE (Lag)	2.7	16.2	12.0	13.2	12.8	10.3
<b>Real Estate</b>	2.0	----	----	----	----	----
NCREIF ODCE	2.0	8.4	9.4	11.0	11.4	5.3
<b>Global Fixed Income</b>	-5.5	0.3	----	----	----	----
<i>BROAD MARKET FIXED RANK</i>	(99)	(57)	----	----	----	----
Global Gov Index	-3.5	1.9	2.8	1.0	0.4	2.1
<b>Domestic Fixed Income</b>	0.0	0.0	0.5	1.2	2.3	3.9
<i>BROAD MARKET FIXED RANK</i>	(65)	(72)	(99)	(90)	(73)	(59)
Aggregate Index	-0.2	-0.4	1.7	2.3	2.6	3.7

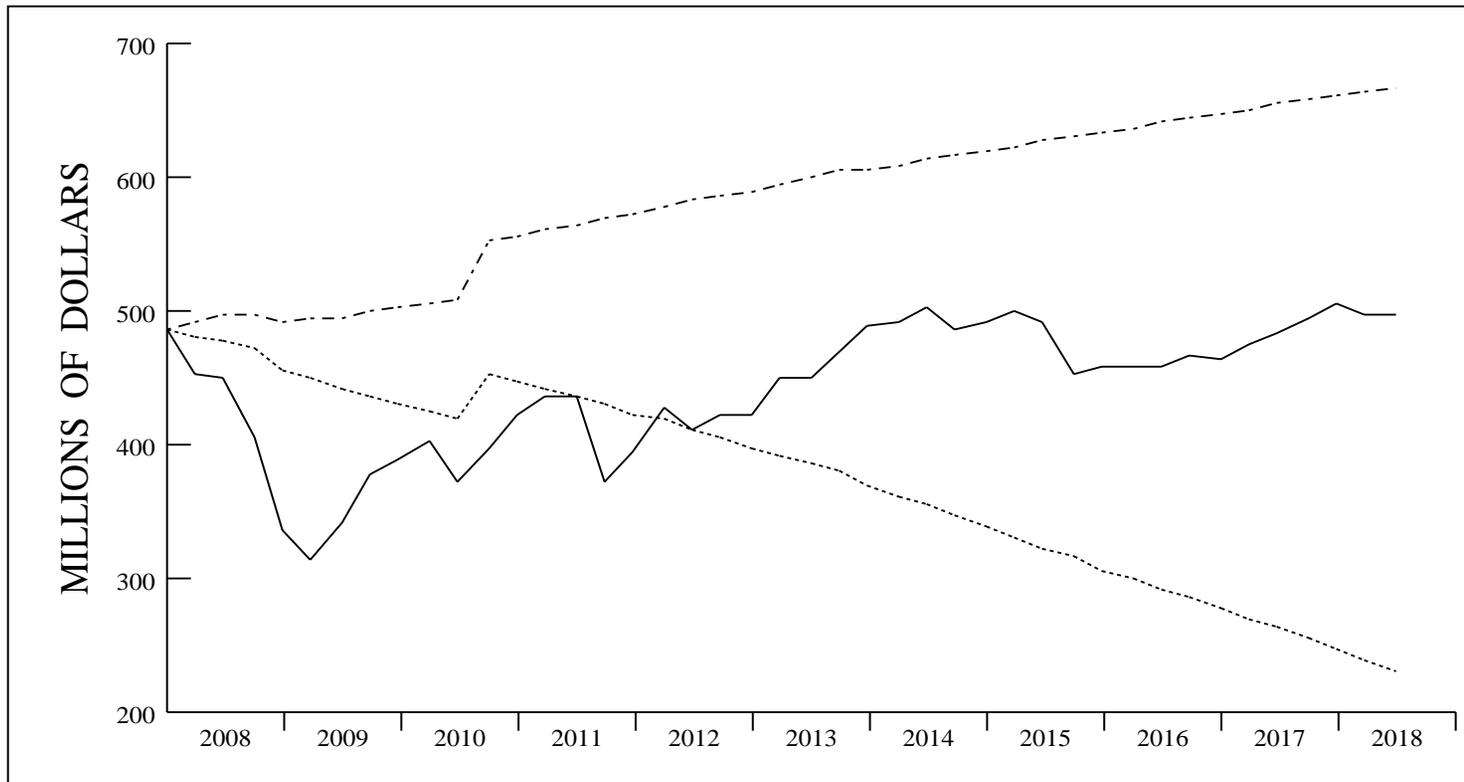
## ASSET ALLOCATION

Domestic Equity	54.6%	\$ 272,908,715
Int'l Equity	14.2%	70,866,388
Private Equity	2.4%	11,938,898
Real Estate	6.6%	33,182,778
Global Fixed	0.5%	2,701,423
Domestic Fixed	20.7%	103,432,979
Cash	0.9%	4,601,749
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 499,632,930</b>

## INVESTMENT RETURN

Market Value 3/2018	\$ 498,754,204
Contribs / Withdrawals	-7,823,434
Income	1,972,267
Capital Gains / Losses	6,729,893
Market Value 6/2018	\$ 499,632,930

**INVESTMENT GROWTH**



— ACTUAL RETURN  
 - - - BLENDED RATE  
 ..... 0.0%

VALUE ASSUMING  
 BLENDED RATES\$ 669,287,431

	LAST QUARTER	PERIOD 12/07 - 6/18
BEGINNING VALUE	\$ 498,278,878	\$ 487,814,824
NET CONTRIBUTIONS	- 7,348,636	-254,751,298
<u>INVESTMENT RETURN</u>	<u>8,707,702</u>	<u>266,574,418</u>
ENDING VALUE	\$ 499,637,944	\$ 499,637,944
INCOME	1,972,267	65,016,645
<u>CAPITAL GAINS (LOSSES)</u>	<u>6,735,435</u>	<u>201,557,774</u>
INVESTMENT RETURN	8,707,702	266,574,418

**PONTIAC GENERAL EMPLOYEES RETIREMENT SYSTEM  
ASSET ALLOCATIONS AND TARGETS  
AS OF JUNE 2018**

Asset Class	Market Value	% of Total Portfolio	Target	+ / -	Range
<b>Total Portfolio</b>	<b>\$ 499,637,944</b>	<b>100%</b>			
Equity (Excluding PE)	\$ 343,775,103	68.8%	55%	13.8%	50 - 60%
Domestic Large Cap	\$ 123,383,144	24.7%	20%	4.7%	15 - 25%
Domestic Mid Cap	\$ 85,851,526	17.2%	15%	2.2%	10 - 20%
Domestic Small Cap	\$ 63,674,045	12.7%	10%	2.7%	8 - 12%
Developed International	\$ 70,866,388	14.2%	5%	9.2%	3 - 7%
Emerging Markets	\$ -	0.0%	5%	-5.0%	3 - 7%
Private Equity	\$ 11,943,912	2.4%	10%	-7.6%	7 - 12%
Real Estate	\$ 33,182,778	6.6%	10%	-3.4%	7 - 12%
Fixed Income	\$ 106,134,402	21.2%	25%	-3.8%	20 - 30%
Cash	\$ 4,601,749	0.9%	0%	0.9%	0 - 5%

**PONTIAC GENERAL EMPLOYEES RETIREMENT SYSTEM  
PA 314 COMPLIANCE  
AS OF JUNE 2018**

<b>Category</b>	<b>Market Value</b>	<b>% of Total Portfolio</b>	<b>Allocation Limit</b>	<b>+ / -</b>	<b>Compliance</b>	<b>Target</b>
<b>Stocks</b>	<b>\$ 343,775,103</b>	<b>68.8%</b>	<b>70%</b>	<b>-1.2%</b>	<b>YES</b>	<b>55%</b>
Attucks Emerging Manager	\$ 55,200,085	11.0%				
Sawgrass	\$ 38,189,919	7.6%				
Attucks Michigan	\$ 29,993,140	6.0%				
Victory Capital Mid Cap	\$ 42,138,584	8.4%				
Systematic	\$ 43,712,942	8.7%				
Kennedy SCC	\$ 21,569,728	4.3%				
Kennedy SCG	\$ 15,332,775	3.1%				
Loomis Sayles	\$ 26,771,542	5.4%				
First Eagle	\$ 32,766,649	6.6%				
WCM	\$ 38,099,739	7.6%				
<b>Global Equity</b>	<b>\$ 70,866,388</b>	<b>14.2%</b>	<b>20%</b>	<b>-5.8%</b>	<b>YES</b>	<b>10%</b>
First Eagle	\$ 32,766,649	6.6%				
WCM	\$ 38,099,739	7.6%				
<b>Real Estate</b>	<b>\$ 33,182,778</b>	<b>6.6%</b>	<b>10%</b>	<b>-3.4%</b>	<b>YES</b>	<b>10%</b>
Intercontinental	\$ 5,243,305	1.0%				
Invesco Core RE	\$ 15,962,478	3.2%				
Principal	\$ 11,976,995	2.4%				
<b>Basket Clause</b>	<b>\$ 14,645,335</b>	<b>2.9%</b>	<b>20%</b>	<b>-17.1%</b>	<b>YES</b>	<b>N/A</b>
GrayCo	\$ 5,235,751	1.0%				
Invesco V	\$ 1,908,668	0.4%				
Mesirow IV	\$ 2,679,659	0.5%				
Mesirow VI	\$ 2,119,834	0.4%				
Brandywine	\$ 2,701,423	0.5%				
<b>Holdings &gt; 5% of Market Cap</b>	<b>\$ -</b>	<b>0.0%</b>	<b>0%</b>	<b>0.0%</b>	<b>YES</b>	<b>0%</b>

**CITY OF PONTIAC GENERAL EMPLOYEES RETIREMENT SYSTEM**  
**TOP TWENTY STOCK HOLDINGS AS OF JUNE 30, 2018**

	<b>Name</b>	<b>Ticker</b>	<b>Sector</b>	<b>Market Cap</b>	<b>Market Value</b>	<b>%</b>
1	Apple Inc	AAPL	Computer Technology	909,841	\$5,096,634	1.0%
2	Microsoft Corp	MSFT	Computer Technology	757,640	\$3,317,931	0.7%
3	Alphabet Inc-CI A	GOOGL	Computer Technology	337,240	\$3,153,828	0.6%
4	Home Depot Inc	HD	Consumer Service	225,056	\$2,435,433	0.5%
5	Mastercard Inc - A	MA	Service	202,454	\$2,238,756	0.4%
6	Intel Corp	INTC	Computer Technology	231,649	\$1,868,002	0.4%
7	Amgen Inc	AMGN	Non Dur Consumer Goods	122,144	\$1,866,943	0.4%
8	Exelon Corp	EXC	Utilities	41,108	\$1,825,154	0.4%
9	Berkshire Hathaway Inc-CI B	BRK/B	Finance	251,245	\$1,823,011	0.4%
10	Cisco Systems Inc	CSCO	Computer Technology	202,365	\$1,789,833	0.4%
11	Verizon Communications Inc	VZ	Utilities	207,876	\$1,749,681	0.4%
12	Unitedhealth Group Inc	UNH	Consumer Service	235,767	\$1,744,367	0.3%
13	Jpmorgan Chase & Co	JPM	Finance	354,778	\$1,562,792	0.3%
14	Oracle Corp	ORCL	Computer Technology	175,410	\$1,463,233	0.3%
15	Exxon Mobil Corp	XOM	Energy	350,265	\$1,444,549	0.3%
16	Walt Disney Co/The	DIS	Service	155,826	\$1,437,784	0.3%
17	Verisk Analytics Inc	VRSK	Service	17,789	\$1,435,918	0.3%
18	Allstate Corp	ALL	Finance	32,080	\$1,434,856	0.3%
19	Honeywell International Inc	HON	Durable Consumer Goods	107,595	\$1,429,984	0.3%
20	Entergy Corp	ETR	Utilities	15,841	\$1,368,744	0.3%

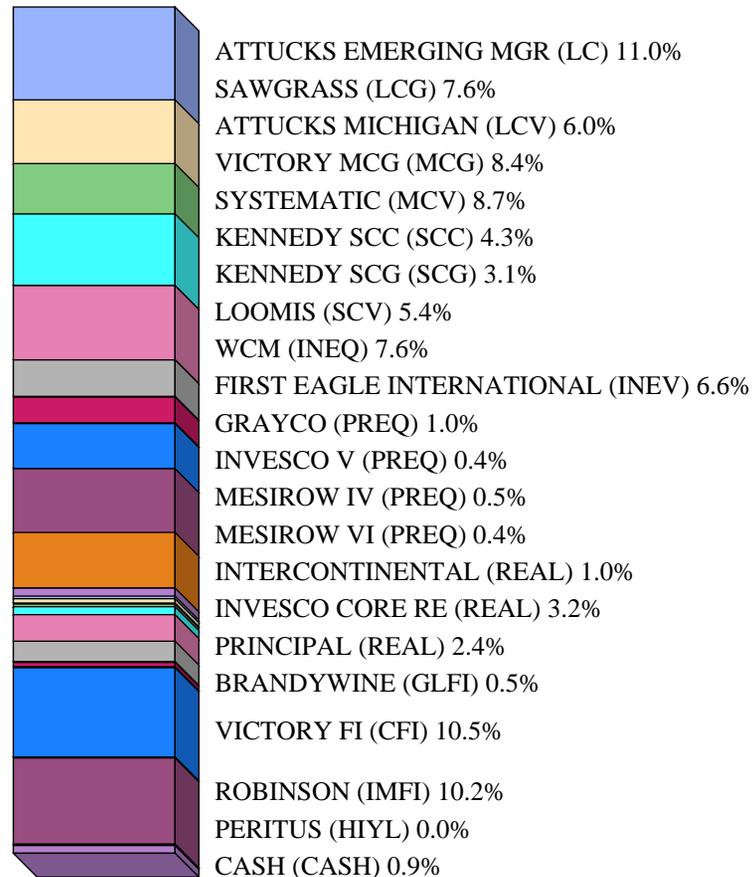
*This list excludes ETFs. Percentages shown are out of the total portfolio. Market capitalization is expressed in millions.*

**CITY OF PONTIAC GENERAL EMPLOYEES RETIREMENT SYSTEM**  
**TOP TWENTY FIXED INCOME HOLDINGS AS OF JUNE 30, 2018**

	<b>Name</b>	<b>Coupon</b>	<b>Maturity</b>	<b>Quality</b>	<b>Type</b>	<b>Market Value</b>	<b>%</b>
1	US TREASURY N/B	2.750	4.83	USG	GOVT	\$8,204,032	1.6%
2	TSY INFL IX N/B	0.250	6.54	USG	GOVT	\$5,144,850	1.0%
3	US TREASURY N/B	1.750	4.87	USG	GOVT	\$3,869,168	0.8%
4	US TREASURY N/B	2.250	1.75	USG	GOVT	\$3,763,872	0.8%
5	US TREASURY N/B	2.625	2.37	USG	GOVT	\$2,502,450	0.5%
6	US TREASURY N/B	2.000	7.12	USG	GOVT	\$2,330,284	0.5%
7	US TREASURY N/B	1.625	7.62	USG	GOVT	\$2,293,550	0.5%
8	US TREASURY N/B	1.500	8.12	USG	GOVT	\$2,257,825	0.5%
9	STRIPS	0.000	8.12	USG	CORP	\$1,977,400	0.4%
10	US TREASURY N/B	2.000	3.62	USG	GOVT	\$1,953,820	0.4%
11	US TREASURY N/B	2.375	1.83	USG	GOVT	\$1,496,130	0.3%
12	US TREASURY N/B	2.250	8.62	USG	GOVT	\$1,431,390	0.3%
13	US TREASURY N/B	2.875	24.87	USG	GOVT	\$1,249,842	0.3%
14	FN BD3667	3.500	8.22	USG	MTGE	\$1,215,905	0.2%
15	FN AS8781	3.000	9.05	USG	MTGE	\$1,164,232	0.2%
16	FNR 2017-15 KD	2.500	6.21	USG	MTGE	\$1,153,375	0.2%
17	FN BM3749	4.000	7.16	USG	MTGE	\$1,122,089	0.2%
18	FN 466507	3.490	2.33	USG	MTGE	\$1,047,888	0.2%
19	FN AS7003	3.000	8.89	USG	MTGE	\$1,026,014	0.2%
20	WASHTENAW CO-NTS-TXB	4.000	0.92	SP - 1+	MUNI	\$1,013,190	0.2%

*Percentages shown are out of the total portfolio.*

**MANAGER ALLOCATION SUMMARY**



Name	Market Value	Percent
Attucks Emerging Mgr (LC)	\$55,200,085	11.0
Sawgrass (LCG)	\$38,189,919	7.6
Attucks Michigan (LCV)	\$29,993,140	6.0
Victory MCG (MCG)	\$42,138,584	8.4
Systematic (MCV)	\$43,712,942	8.7
Kennedy SCC (SCC)	\$21,569,728	4.3
Kennedy SCG (SCG)	\$15,332,775	3.1
Loomis (SCV)	\$26,771,542	5.4
WCM (INEQ)	\$38,099,739	7.6
First Eagle International (INEV)	\$32,766,649	6.6
GrayCo (PREQ)	\$5,235,751	1.0
Invesco V (PREQ)	\$1,908,668	0.4
Mesirow IV (PREQ)	\$2,679,659	0.5
Mesirow VI (PREQ)	\$2,119,834	0.4
Intercontinental (REAL)	\$5,243,305	1.0
Invesco Core RE (REAL)	\$15,962,478	3.2
Principal (REAL)	\$11,976,995	2.4
Brandywine (GLFI)	\$2,701,423	0.5
Victory FI (CFI)	\$52,665,698	10.5
Robinson (IMFI)	\$50,765,876	10.2
Peritus (HIYL)	\$1,405	0.0
Cash (CASH)	\$4,601,749	0.9
<b>Total</b>	<b>\$499,637,944</b>	<b>100.0</b>

**PONTIAC GENERAL EMPLOYEES RETIREMENT SYSTEM  
MANAGER PERFORMANCE SUMMARY AS OF JUNE 2018**

Portfolio	Universe	Quarter		1 Year		3 Years		5 Years		7 Years		10 Years	
<b>Total Portfolio Return</b>	<b>(Public Fund)</b>	<b>1.8</b>	<b>(27)</b>	<b>10.1</b>	<b>(14)</b>	<b>7.2</b>	<b>(38)</b>	<b>8.9</b>	<b>(20)</b>	<b>8.6</b>	<b>(14)</b>	<b>8.0</b>	<b>(7)</b>
<b>Total Portfolio Returns net of fees</b>		<b>1.6</b>		<b>9.5</b>		<b>6.6</b>		<b>8.3</b>		<b>8.0</b>		<b>7.3</b>	
<b>Total Portfolio Shadow Index</b>		<b>2.0</b>		<b>9.8</b>		<b>8.0</b>		<b>9.5</b>		<b>9.3</b>		<b>7.9</b>	
Attucks Emerging Mgr	(Large Cap)	3.3	(44)	17.1	(29)	10.4	(60)	12.8	(58)	12.1	(71)	----	----
Attucks Emerging Mgr net of fees		3.2		16.4		9.8		12.1		11.4		----	
<b>S&amp;P 500</b>		<b>3.4</b>		<b>14.4</b>		<b>11.9</b>		<b>13.4</b>		<b>13.2</b>		<b>10.2</b>	
Sawgrass	(Large Cap Growth)	4.5	(61)	16.7	(77)	11.7	(73)	13.7	(81)	13.6	(60)	10.7	(69)
Sawgrass net of fees		4.4		16.1		11.1		13.1		13.0		10.2	
<b>Russell 1000 Growth</b>		<b>5.8</b>		<b>22.5</b>		<b>15.0</b>		<b>16.4</b>		<b>14.9</b>		<b>11.8</b>	
Attucks Michigan	(Large Cap Value)	-0.4	(92)	9.9	(53)	8.7	(65)	11.5	(51)	11.8	(57)	----	----
Attucks Michigan net of fees		-0.6		9.2		8.0		10.8		11.1		----	
<b>Russell 1000 Value</b>		<b>1.2</b>		<b>6.8</b>		<b>8.2</b>		<b>10.3</b>		<b>11.3</b>		<b>8.5</b>	
Victory Mid Cap	(Mid Cap Growth)	1.1	(89)	13.7	(89)	7.9	(83)	11.6	(89)	11.4	(78)	9.6	(91)
Victory Mid Cap net of fees		1.1		13.3		7.5		11.2		11.1		9.3	
<b>Russell Mid Cap Growth</b>		<b>3.2</b>		<b>18.5</b>		<b>10.7</b>		<b>13.4</b>		<b>12.2</b>		<b>10.4</b>	
Systematic	(Mid Cap Value)	2.9	(34)	14.0	(13)	9.3	(48)	10.8	(77)	10.0	(91)	9.2	(88)
Systematic net of fees		2.8		13.5		8.8		10.2		9.5		8.8	
<b>Russell Mid Cap Value</b>		<b>2.4</b>		<b>7.6</b>		<b>8.8</b>		<b>11.3</b>		<b>11.7</b>		<b>10.1</b>	
Kennedy Small Cap Core	(Small Cap Core)	3.7	(96)	13.9	(78)	8.4	(90)	11.2	(89)	11.0	(89)	11.4	(46)
Kennedy Small Cap Core net of fees		3.4		12.8		7.3		10.2		10.0		10.7	
<b>Russell 2000</b>		<b>7.8</b>		<b>17.6</b>		<b>11.0</b>		<b>12.5</b>		<b>11.8</b>		<b>10.6</b>	
Kennedy Small Cap Growth	(Small Cap Growth)	5.4	(90)	18.9	(79)	12.0	(55)	----	----	----	----	----	----
Kennedy Small Cap Growth net of fees		5.1		17.9		11.0		----		----		----	
<b>Russell 2000 Growth</b>		<b>7.2</b>		<b>21.8</b>		<b>10.6</b>		<b>13.6</b>		<b>12.5</b>		<b>11.2</b>	
Loomis	(Small Cap Value)	4.0	(78)	12.0	(62)	10.2	(58)	12.1	(53)	11.9	(58)	12.3	(31)
Loomis net of fees		3.9		11.2		9.4		11.3		11.1		11.7	
<b>Russell 2000 Value</b>		<b>8.3</b>		<b>13.1</b>		<b>11.2</b>		<b>11.2</b>		<b>11.1</b>		<b>9.9</b>	

**PONTIAC GENERAL EMPLOYEES RETIREMENT SYSTEM  
MANAGER PERFORMANCE SUMMARY AS OF JUNE 2018**

Portfolio	Universe	Quarter		1 Year		3 Years		5 Years		7 Years		10 Years	
WCM	(International Equity)	2.1	(8)	15.5	(12)	12.3	(7)	----	----	----	----	----	----
WCM net of fees		1.9		14.6		11.5		----	----	----			
<i>MSCI All Country World Ex US Net</i>		<b>-2.6</b>		<b>7.3</b>		<b>5.1</b>		<b>6.0</b>		<b>3.8</b>		<b>2.5</b>	
GrayCo I		0.0		0.6		-6.6		2.9		----		----	
GrayCo I net of fees		-0.2		-0.4		-7.5		1.9		----		----	
<i>Cambridge Private Equity</i>		<b>----</b>		<b>12.2</b>		<b>10.6</b>		<b>12.5</b>		<b>12.1</b>		<b>10.2</b>	
Invesco V		0.0		16.7		11.0		14.8		14.3		14.7	
Invesco V net of fees		-0.2		15.7		10.0		13.8		13.2		12.9	
<i>Cambridge Private Equity</i>		<b>----</b>		<b>12.2</b>		<b>10.6</b>		<b>12.5</b>		<b>12.1</b>		<b>10.2</b>	
Mesirow IV		3.9		10.8		11.0		15.0		13.4		10.8	
Mesirow IV net of fees		3.7		9.7		9.2		12.9		11.4		7.3	
<i>Cambridge Private Equity</i>		<b>----</b>		<b>12.2</b>		<b>10.6</b>		<b>12.5</b>		<b>12.1</b>		<b>10.2</b>	
Mesirow VI		1.1		17.9		13.7		11.6		----		----	
Mesirow VI net of fees		0.7		15.9		9.7		1.9		----		----	
<i>Cambridge Private Equity</i>		<b>----</b>		<b>12.2</b>		<b>10.6</b>		<b>12.5</b>		<b>12.1</b>		<b>10.2</b>	
Intercontinental US REIF		2.8		----		----		----		----		----	
Intercontinental US REIF net of fees		2.6		----		----		----		----		----	
<i>NCREIF NFI-ODCE Index</i>		<b>2.0</b>		<b>8.4</b>		<b>9.4</b>		<b>11.0</b>		<b>11.4</b>		<b>5.3</b>	
Invesco Core RE		1.8		----		----		----		----		----	
Invesco Core RE net of fees		1.5		----		----		----		----		----	
<i>NCREIF NFI-ODCE Index</i>		<b>2.0</b>		<b>8.4</b>		<b>9.4</b>		<b>11.0</b>		<b>11.4</b>		<b>5.3</b>	
Principal RE		2.5		----		----		----		----		----	
Principal RE net of fees		2.2		----		----		----		----		----	
<i>NCREIF NFI-ODCE Index</i>		<b>2.0</b>		<b>8.4</b>		<b>9.4</b>		<b>11.0</b>		<b>11.4</b>		<b>5.3</b>	
Brandywine	(Global Fixed Income)	-5.5	(95)	1.2	(64)	----	----	----	----	----	----	----	----
Brandywine net of fees		-5.6		0.7		----		----		----		----	
<i>Bloomberg Barclays Global Gov</i>		<b>-3.5</b>		<b>1.9</b>		<b>2.8</b>		<b>1.0</b>		<b>0.4</b>		<b>2.1</b>	
Victory Fixed Income	(Core Fixed Income)	-0.2	(83)	-0.1	(53)	1.8	(78)	2.5	(67)	3.0	(57)	4.1	(66)
Victory Fixed Income net of fees		-0.3		-0.4		1.5		2.1		2.6		3.9	
<i>Bloomberg Barclays Aggregate</i>		<b>-0.2</b>		<b>-0.4</b>		<b>1.7</b>		<b>2.3</b>		<b>2.6</b>		<b>3.7</b>	
Robinson	(Intermediate Fixed)	0.3	(17)	0.0	(41)	1.5	(60)	2.0	(50)	2.5	(30)	----	----
Robinson net of fees		0.2		-0.2		1.2		1.8		2.3		----	
<i>Bloomberg Barclays Int. Gov/Cred</i>		<b>0.0</b>		<b>-0.6</b>		<b>1.2</b>		<b>1.6</b>		<b>1.9</b>		<b>3.1</b>	

**PONTIAC GENERAL EMPLOYEES RETIREMENT SYSTEM**  
**ATTUCKS PERFORMANCE SUMMARY AS OF JUNE 2018**

Portfolio	Universe	Quarter		1 Year		3 Years		5 Years	
<b>Attucks Emerging Mgr</b>	<b>(Large Cap)</b>	<b>3.3</b>	<b>(44)</b>	<b>17.1</b>	<b>(29)</b>	<b>10.4</b>	<b>(60)</b>	<b>12.8</b>	<b>(58)</b>
<b>Net of mgr fees &amp; gross of Attucks fees</b>		<b>3.3</b>		<b>16.8</b>		<b>10.1</b>		<b>12.5</b>	
<b>Attucks Emerging Mgr net of all fees</b>		<b>3.2</b>		<b>16.4</b>		<b>9.8</b>		<b>12.1</b>	
<i>S&amp;P 500</i>		<i>3.4</i>		<i>14.4</i>		<i>11.9</i>		<i>13.4</i>	
Ativo	(Large Cap Core)	1.9	(76)	14.2	(52)	10.8	(58)	13.0	(63)
Ativo net of fees		1.9		13.9		10.4		12.6	
<i>S&amp;P 500</i>		<i>3.4</i>		<i>14.4</i>		<i>11.9</i>		<i>13.4</i>	
Matarin	(Large Cap Core)	2.9	(50)	20.5	(5)	----	----	----	----
Matarin net of fees		2.9		20.3		----		----	
<i>S&amp;P 500</i>		<i>3.4</i>		<i>14.4</i>		<i>11.9</i>		<i>13.4</i>	
Oakbrook	(Large Cap Growth)	5.7	(44)	21.6	(50)	15.6	(21)	17.2	(25)
Oakbrook net of fees		5.7		21.3		15.3		16.9	
<i>Russell 1000 Growth</i>		<i>5.8</i>		<i>22.5</i>		<i>15.0</i>		<i>16.4</i>	
<b>Attucks Michigan</b>	<b>(Large Cap Value)</b>	<b>-0.4</b>	<b>(92)</b>	<b>9.9</b>	<b>(53)</b>	<b>8.7</b>	<b>(65)</b>	<b>11.5</b>	<b>(51)</b>
<b>Net of mgr fees &amp; gross of Attucks fees</b>		<b>-0.5</b>		<b>9.6</b>		<b>8.4</b>		<b>11.1</b>	
<b>Attucks Michigan net of fees</b>		<b>-0.6</b>		<b>9.2</b>		<b>8.0</b>		<b>10.8</b>	
<i>Russell 1000 Value</i>		<i>1.2</i>		<i>6.8</i>		<i>8.2</i>		<i>10.3</i>	
NorthPointe	(Large Cap Value)	0.3	(86)	10.2	(51)	7.5	(85)	11.2	(59)
NorthPointe net of fees		0.3		10.0		7.2		10.8	
<i>Russell 1000 Value</i>		<i>1.2</i>		<i>6.8</i>		<i>8.2</i>		<i>10.3</i>	
Seizert	(Large Cap Value)	-1.0	(99)	8.9	(68)	10.6	(24)	12.1	(31)
Seizert net of fees		-1.0		8.6		10.2		11.8	
<i>Russell 1000 Value</i>		<i>1.2</i>		<i>6.8</i>		<i>8.2</i>		<i>10.3</i>	

## MANAGER VALUE ADDED

1 Quarter	Portfolio	Benchmark	1 Year
-0.1	Attucks Emerging Mgr	S&P 500	2.7
-1.3	Sawgrass	Russell 1000G	-5.8
-1.6	Attucks Michigan	Russell 1000V	3.1
-2.1	Victory MCG	Russ Mid Gro	-4.8
0.5	Systematic	Russ Mid Val	6.4
-4.1	Kennedy SCC	Russell 2000	-3.7
-1.8	Kennedy SCG	Russell 2000G	-2.9
-4.3	Loomis	Russell 2000V	-1.1
4.7	WCM	ACWI Ex US Net	8.2
0.0	GrayCo	Cambridge PE	-11.6
0.0	Invesco V	Cambridge PE	4.5
3.9	Mesirow IV	Cambridge PE	-1.4
1.1	Mesirow VI	Cambridge PE	5.7
0.8	Intercontinental	NCREIF ODCE	N/A
-0.2	Invesco Core RE	NCREIF ODCE	N/A
0.5	Principal	NCREIF ODCE	N/A
-2.0	Brandywine	Global Gov Index	-0.7
0.0	Victory FI	Aggregate Index	0.3
0.3	Robinson	Int Gov/Credit	0.6
-0.2	<b>Total Portfolio</b>	<b>Shadow Index</b>	<b>0.3</b>

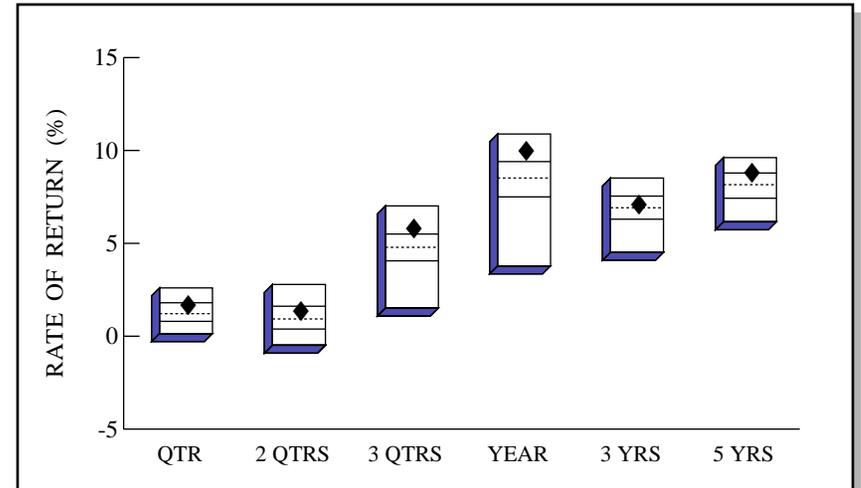
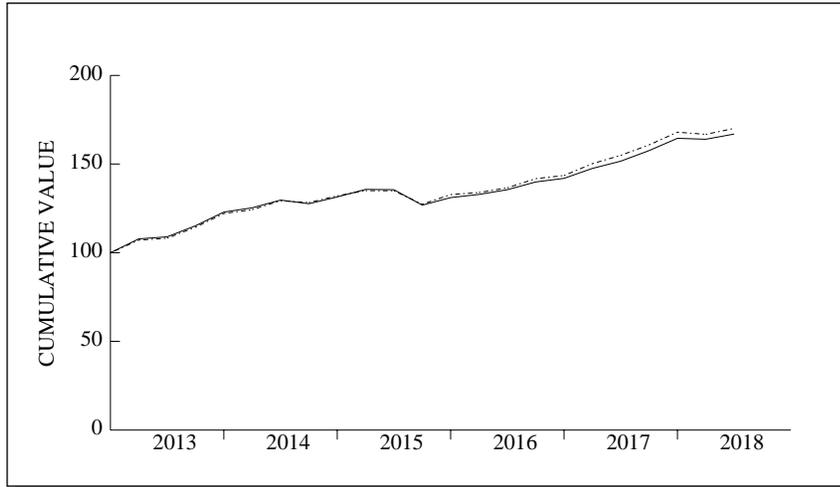
**INVESTMENT RETURN SUMMARY - ONE QUARTER**

<b>Name</b>	<b>Quarter Total Return</b>	<b>Market Value March 31st, 2018</b>	<b>Net Cashflow</b>	<b>Net Investment Return</b>	<b>Market Value June 30th, 2018</b>
First Eagle Global (GLEQ)	---	40,861,555	-41,111,193	249,638	0
Attucks Emerging Mgr (LC)	3.3	56,247,760	-3,000,112	1,952,437	55,200,085
Sawgrass (LCG)	4.5	36,535,782	-505	1,654,642	38,189,919
Attucks Michigan (LCV)	-0.4	33,039,092	-3,000,304	-45,648	29,993,140
Victory MCG (MCG)	1.1	41,662,205	-52	476,431	42,138,584
Systematic (MCV)	2.9	42,464,878	-427	1,248,491	43,712,942
Kennedy SCC (SCC)	3.7	20,802,512	-210	767,426	21,569,728
Kennedy SCG (SCG)	5.4	14,551,725	-103	781,153	15,332,775
Loomis (SCV)	4.0	25,730,431	-364	1,041,475	26,771,542
WCM (INEQ)	2.1	37,318,862	-8,560	789,437	38,099,739
First Eagle International (INEV)	---	0	33,611,193	-844,544	32,766,649
GrayCo (PREQ)	0.0	5,235,751	-12,766	12,766	5,235,751
Invesco V (PREQ)	0.0	1,908,668	0	0	1,908,668
Mesirow IV (PREQ)	3.9	2,779,659	-207,380	107,380	2,679,659
Mesirow VI (PREQ)	1.1	2,014,820	90,028	14,986	2,119,834
Intercontinental (REAL)	2.8	5,148,848	-50,829	145,286	5,243,305
Invesco Core RE (REAL)	1.8	8,302,274	7,459,762	200,442	15,962,478
Principal (REAL)	2.5	11,718,149	0	258,846	11,976,995
Brandywine (GLFI)	-5.5	2,859,584	0	-158,161	2,701,423
Victory FI (CFI)	-0.2	52,769,015	-108	-103,209	52,665,698
Robinson (IMFI)	0.3	50,630,884	-822	135,814	50,765,876
Peritus (HIYL)	---	1,444	0	-39	1,405
Cash (CASH)	---	5,694,980	-1,115,884	22,653	4,601,749
<b>Total Portfolio</b>	<b>1.8</b>	<b>498,278,878</b>	<b>-7,348,636</b>	<b>8,707,702</b>	<b>499,637,944</b>

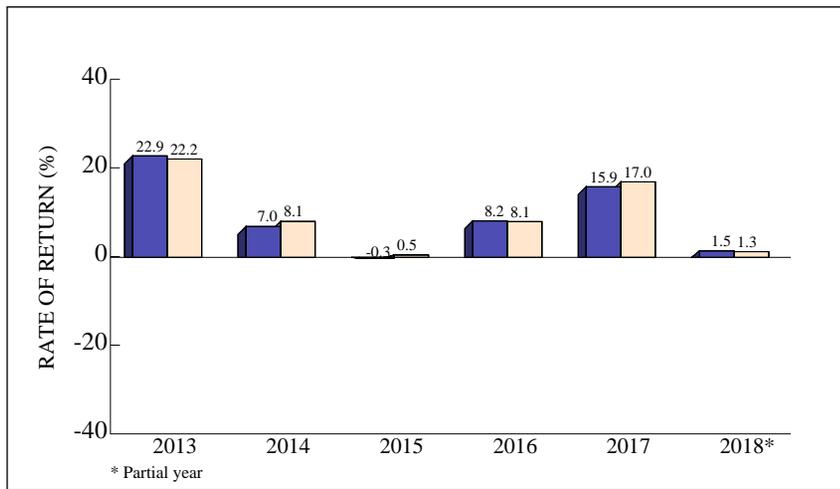
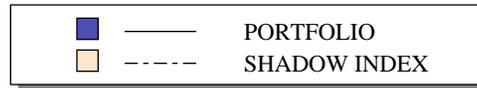
**INVESTMENT RETURN SUMMARY WITH LAGGED PRIVATE EQUITY - ONE QUARTER**

<b>Name</b>	<b>Quarter Total Return</b>	<b>Market Value March 31st, 2018</b>	<b>Net Cashflow</b>	<b>Net Investment Return</b>	<b>Market Value June 30th, 2018</b>
First Eagle Global (GLEQ)	---	40,861,555	-41,111,193	249,638	0
Attucks Emerging Mgr (LC)	3.3	56,247,760	-3,000,112	1,952,437	55,200,085
Sawgrass (LCG)	4.5	36,535,782	-505	1,654,642	38,189,919
Attucks Michigan (LCV)	-0.4	33,039,092	-3,000,304	-45,648	29,993,140
Victory MCG (MCG)	1.1	41,662,205	-52	476,431	42,138,584
Systematic (MCV)	2.9	42,464,878	-427	1,248,491	43,712,942
Kennedy SCC (SCC)	3.7	20,802,512	-210	767,426	21,569,728
Kennedy SCG (SCG)	5.4	14,551,725	-103	781,153	15,332,775
Loomis (SCV)	4.0	25,730,431	-364	1,041,475	26,771,542
WCM (INEQ)	2.1	37,318,862	-8,560	789,437	38,099,739
First Eagle International (INEV)	---	0	33,611,193	-844,544	32,766,649
GrayCo (Lag) (PREQ)	0.2	5,696,381	-472,536	11,906	5,235,751
Invesco V (Lag) (PREQ)	5.1	1,819,959	0	88,709	1,908,668
Mesirow IV (Lag) (PREQ)	-6.7	3,118,713	-132,380	-206,674	2,779,659
Mesirow VI (Lag) (PREQ)	13.7	1,779,171	0	235,649	2,014,820
Intercontinental (REAL)	2.8	5,148,848	-50,829	145,286	5,243,305
Invesco Core RE (REAL)	1.8	8,302,274	7,459,762	200,442	15,962,478
Principal (REAL)	2.5	11,718,149	0	258,846	11,976,995
Brandywine (GLFI)	-5.5	2,859,584	0	-158,161	2,701,423
Victory FI (CFI)	-0.2	52,769,015	-108	-103,209	52,665,698
Robinson (IMFI)	0.3	50,630,884	-822	135,814	50,765,876
Peritus (HIYL)	---	1,444	0	-39	1,405
Cash (CASH)	---	5,694,980	-1,115,884	22,653	4,601,749
<b>Total Portfolio</b>	<b>1.8</b>	<b>498,754,204</b>	<b>-7,823,434</b>	<b>8,702,160</b>	<b>499,632,930</b>

**TOTAL RETURN COMPARISONS**



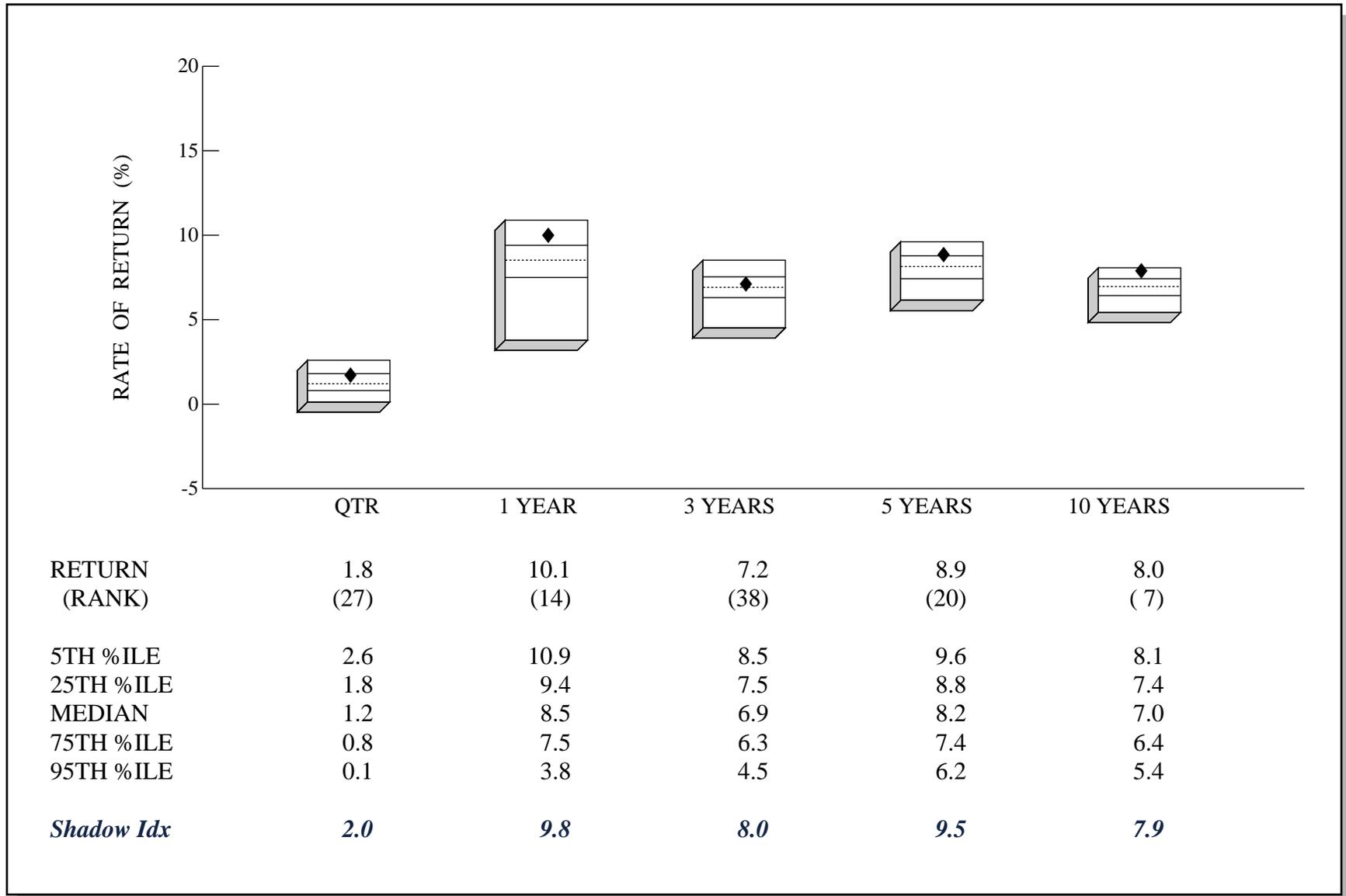
Public Fund Universe



	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	1.8	1.5	5.9	10.1	7.2	8.9
(RANK)	(27)	(29)	(16)	(14)	(38)	(20)
5TH %ILE	2.6	2.8	7.0	10.9	8.5	9.6
25TH %ILE	1.8	1.6	5.5	9.4	7.5	8.8
MEDIAN	1.2	0.9	4.8	8.5	6.9	8.2
75TH %ILE	0.8	0.4	4.1	7.5	6.3	7.4
95TH %ILE	0.1	-0.5	1.5	3.8	4.5	6.2
<i>Shadow Idx</i>	<i>2.0</i>	<i>1.3</i>	<i>5.8</i>	<i>9.8</i>	<i>8.0</i>	<i>9.5</i>

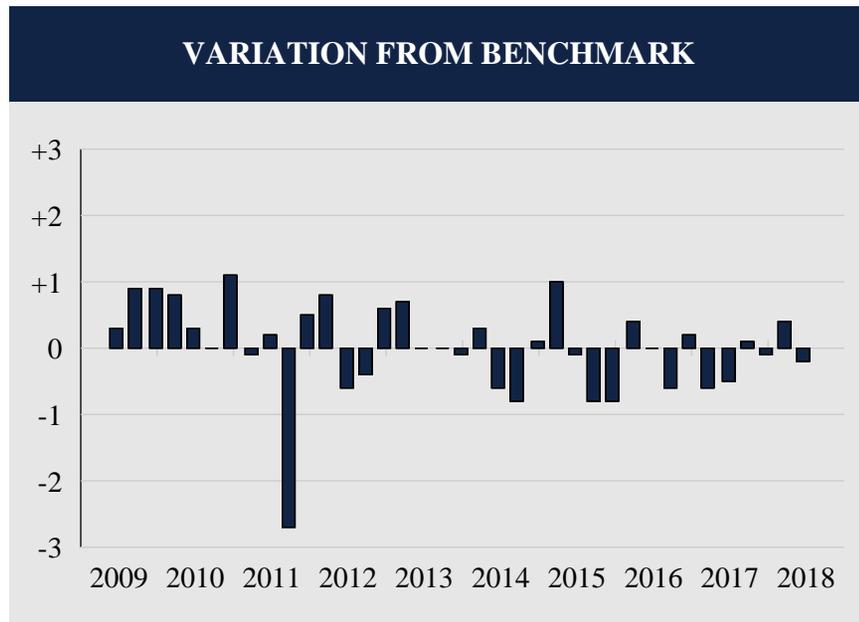
Public Fund Universe

**TOTAL PORTFOLIO UNIVERSE RANKINGS - PUBLIC FUND UNIVERSE**



**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY SINCE DECEMBER 2007**

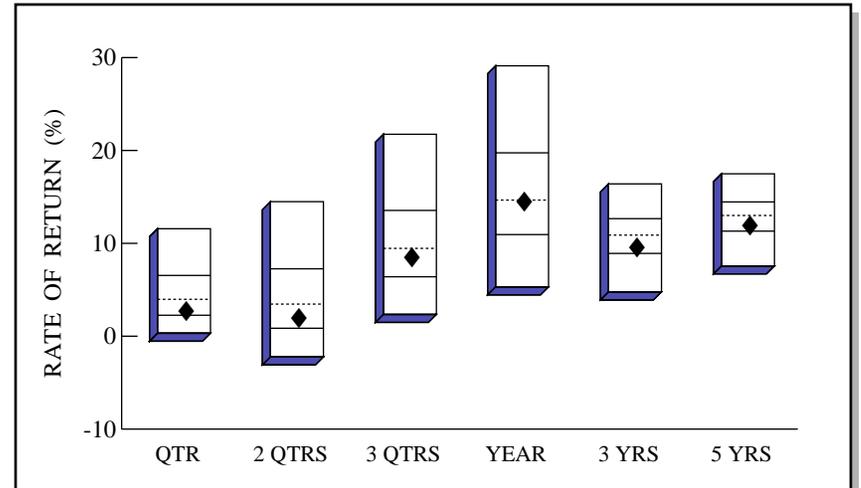
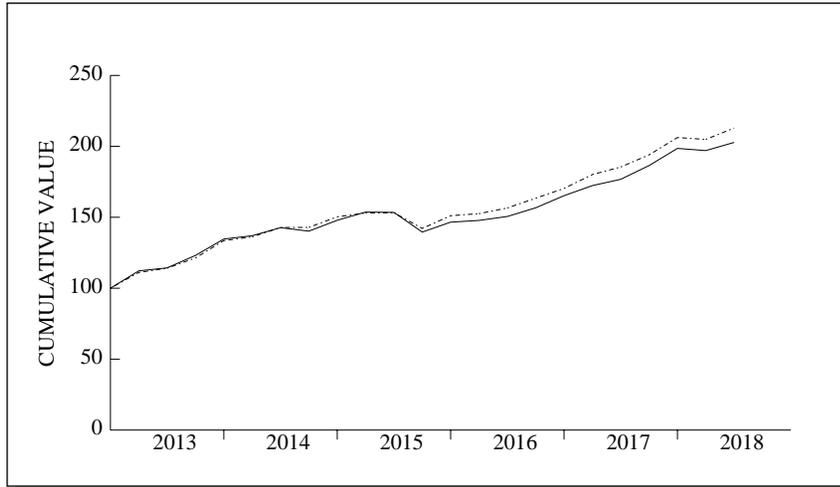
**COMPARATIVE BENCHMARK: SHADOW INDEX**



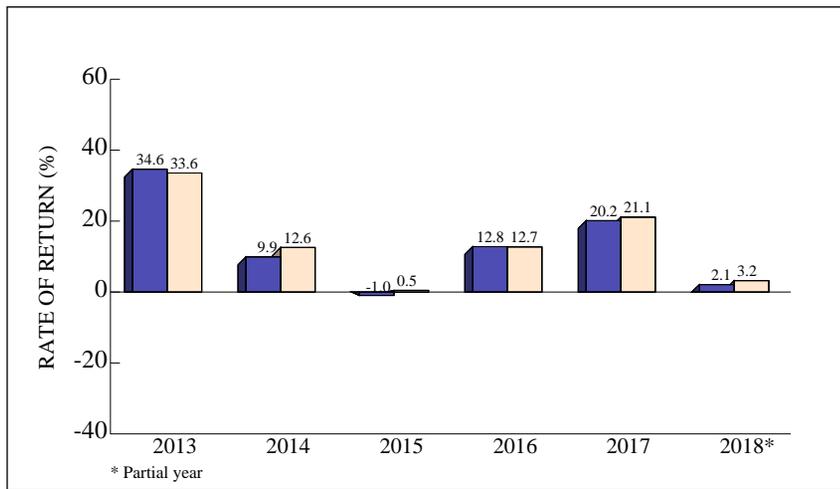
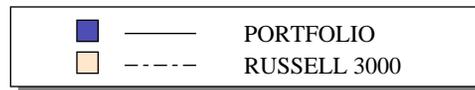
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/09	11.4	11.1	0.3
9/09	12.6	11.7	0.9
12/09	4.6	3.7	0.9
3/10	5.0	4.2	0.8
6/10	-6.5	-6.8	0.3
9/10	8.8	8.8	0.0
12/10	8.3	7.2	1.1
3/11	4.4	4.5	-0.1
6/11	1.0	0.8	0.2
9/11	-13.0	-10.3	-2.7
12/11	8.0	7.5	0.5
3/12	9.5	8.7	0.8
6/12	-2.6	-2.0	-0.6
9/12	4.6	5.0	-0.4
12/12	1.9	1.3	0.6
3/13	7.9	7.2	0.7
6/13	1.0	1.0	0.0
9/13	5.7	5.7	0.0
12/13	6.7	6.8	-0.1
3/14	2.0	1.7	0.3
6/14	3.5	4.1	-0.6
9/14	-1.6	-0.8	-0.8
12/14	3.0	2.9	0.1
3/15	3.2	2.2	1.0
6/15	-0.1	0.0	-0.1
9/15	-6.4	-5.6	-0.8
12/15	3.4	4.2	-0.8
3/16	1.3	0.9	0.4
6/16	2.0	2.0	0.0
9/16	3.2	3.8	-0.6
12/16	1.4	1.2	0.2
3/17	4.0	4.6	-0.6
6/17	2.7	3.2	-0.5
9/17	3.9	3.8	0.1
12/17	4.4	4.5	-0.1
3/18	-0.3	-0.7	0.4
6/18	1.8	2.0	-0.2

<b>Total Quarters Observed</b>	<b>37</b>
<b>Quarters At or Above the Benchmark</b>	<b>22</b>
<b>Quarters Below the Benchmark</b>	<b>15</b>
<b>Batting Average</b>	<b>.595</b>

**DOMESTIC EQUITY RETURN COMPARISONS**



Domestic Equity Universe

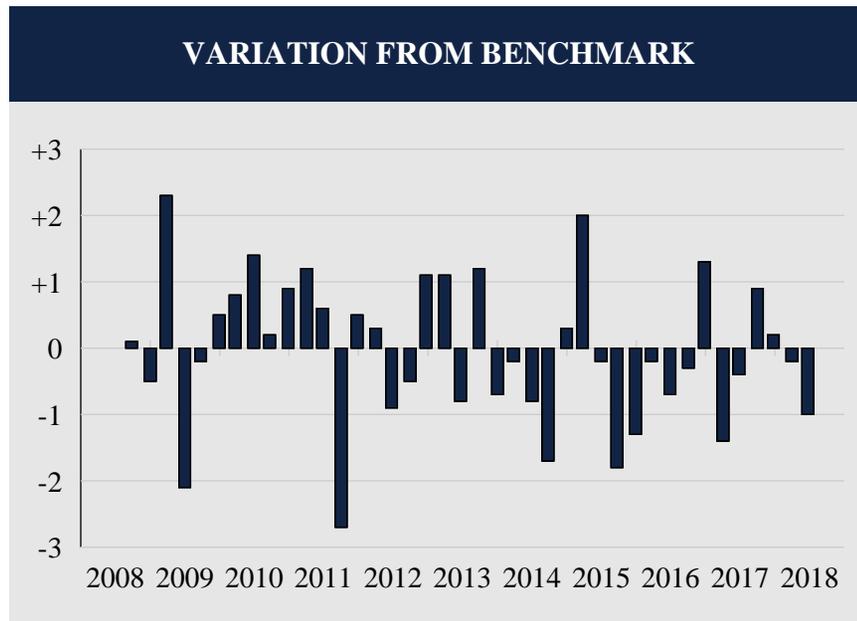


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	2.9	2.1	8.7	14.7	9.7	12.1
(RANK)	(67)	(65)	(57)	(51)	(66)	(64)
5TH %ILE	11.6	14.5	21.7	29.1	16.4	17.5
25TH %ILE	6.5	7.3	13.5	19.8	12.7	14.5
MEDIAN	4.0	3.5	9.5	14.7	10.9	13.0
75TH %ILE	2.3	0.9	6.4	11.0	8.9	11.3
95TH %ILE	0.3	-2.2	2.4	5.3	4.8	7.6
<b>Russ 3000</b>	<b>3.9</b>	<b>3.2</b>	<b>9.8</b>	<b>14.8</b>	<b>11.6</b>	<b>13.3</b>

Domestic Equity Universe

**DOMESTIC EQUITY QUARTERLY PERFORMANCE SUMMARY - 10 YEARS**

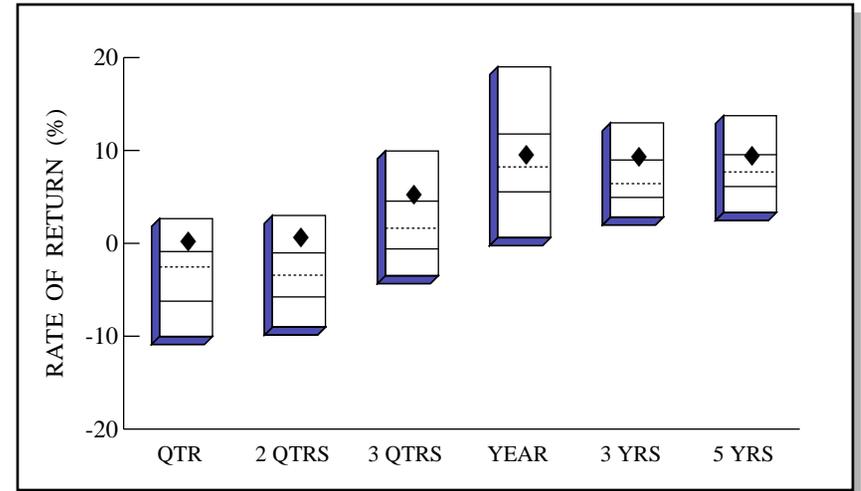
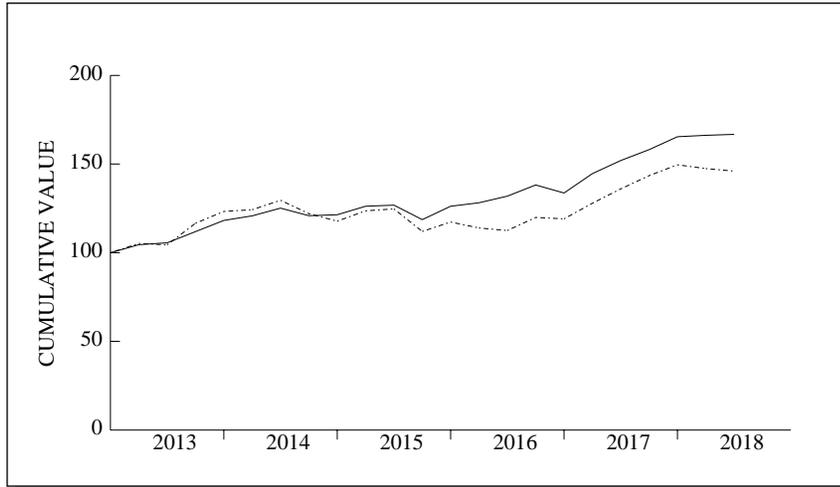
**COMPARATIVE BENCHMARK: RUSSELL 3000**



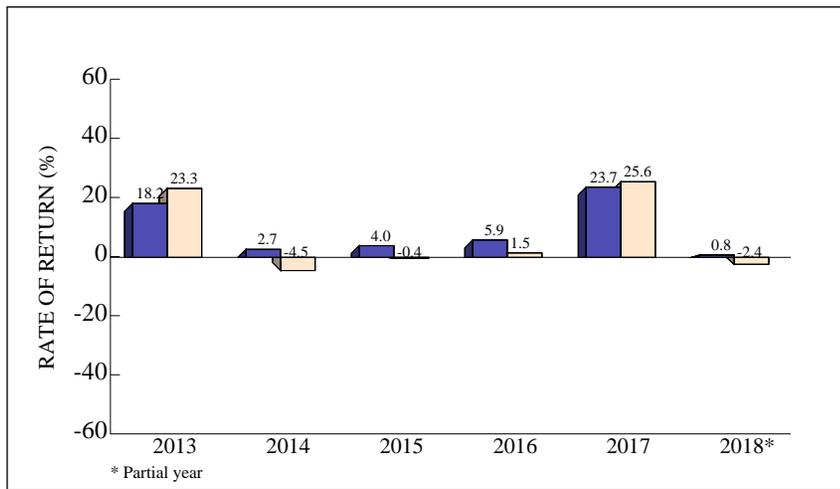
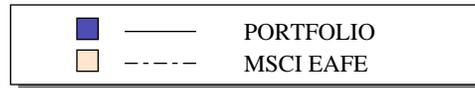
<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>19</b>
<b>Quarters Below the Benchmark</b>	<b>21</b>
<b>Batting Average</b>	<b>.475</b>

<b>RATES OF RETURN</b>			
<b>Date</b>	<b>Portfolio</b>	<b>Benchmark</b>	<b>Difference</b>
9/08	-8.6	-8.7	0.1
12/08	-23.3	-22.8	-0.5
3/09	-8.5	-10.8	2.3
6/09	14.7	16.8	-2.1
9/09	16.1	16.3	-0.2
12/09	6.4	5.9	0.5
3/10	6.7	5.9	0.8
6/10	-9.9	-11.3	1.4
9/10	11.7	11.5	0.2
12/10	12.5	11.6	0.9
3/11	7.6	6.4	1.2
6/11	0.6	0.0	0.6
9/11	-18.0	-15.3	-2.7
12/11	12.6	12.1	0.5
3/12	13.2	12.9	0.3
6/12	-4.0	-3.1	-0.9
9/12	5.7	6.2	-0.5
12/12	1.4	0.3	1.1
3/13	12.2	11.1	1.1
6/13	1.9	2.7	-0.8
9/13	7.6	6.4	1.2
12/13	9.4	10.1	-0.7
3/14	1.8	2.0	-0.2
6/14	4.1	4.9	-0.8
9/14	-1.7	0.0	-1.7
12/14	5.5	5.2	0.3
3/15	3.8	1.8	2.0
6/15	-0.1	0.1	-0.2
9/15	-9.0	-7.2	-1.8
12/15	5.0	6.3	-1.3
3/16	0.8	1.0	-0.2
6/16	1.9	2.6	-0.7
9/16	4.1	4.4	-0.3
12/16	5.5	4.2	1.3
3/17	4.3	5.7	-1.4
6/17	2.6	3.0	-0.4
9/17	5.5	4.6	0.9
12/17	6.5	6.3	0.2
3/18	-0.8	-0.6	-0.2
6/18	2.9	3.9	-1.0

### INTERNATIONAL EQUITY RETURN COMPARISONS



International Equity Universe

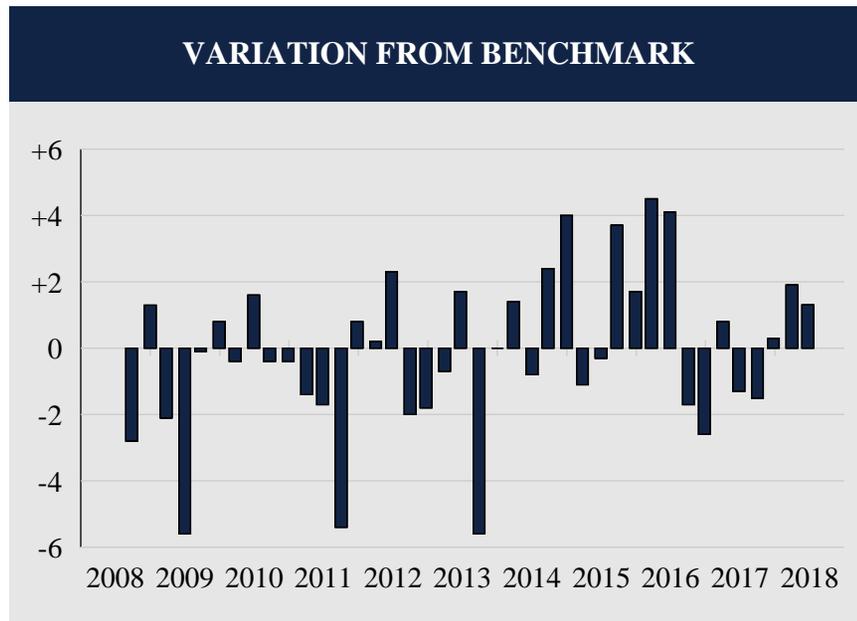


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	0.3	0.8	5.4	9.7	9.5	9.6
(RANK)	(16)	(12)	(20)	(40)	(21)	(25)
5TH %ILE	2.7	3.0	9.9	19.0	13.0	13.7
25TH %ILE	-0.9	-1.0	4.5	11.8	9.0	9.6
MEDIAN	-2.5	-3.4	1.6	8.2	6.4	7.7
75TH %ILE	-6.2	-5.8	-0.6	5.6	4.9	6.1
95TH %ILE	-10.0	-9.0	-3.5	0.6	2.8	3.3
<b>MSCI EAFE</b>	<b>-1.0</b>	<b>-2.4</b>	<b>1.8</b>	<b>7.4</b>	<b>5.4</b>	<b>6.9</b>

International Equity Universe

**INTERNATIONAL EQUITY QUARTERLY PERFORMANCE SUMMARY - 10 YEARS**

**COMPARATIVE BENCHMARK: MSCI EAFE**

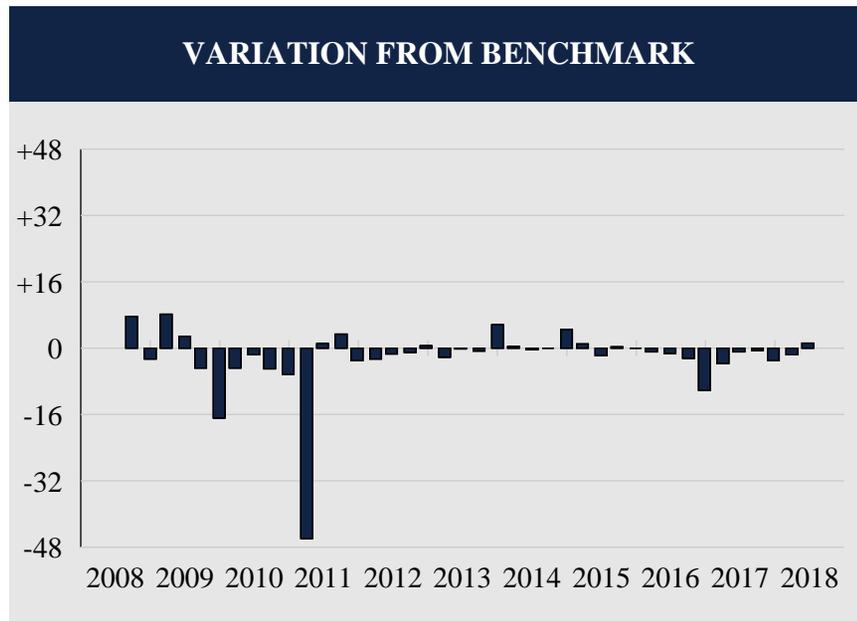


RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/08	-23.3	-20.5	-2.8
12/08	-18.6	-19.9	1.3
3/09	-16.0	-13.9	-2.1
6/09	20.2	25.8	-5.6
9/09	19.4	19.5	-0.1
12/09	3.0	2.2	0.8
3/10	0.5	0.9	-0.4
6/10	-12.1	-13.7	1.6
9/10	16.1	16.5	-0.4
12/10	6.3	6.7	-0.4
3/11	2.0	3.4	-1.4
6/11	0.1	1.8	-1.7
9/11	-24.4	-19.0	-5.4
12/11	4.2	3.4	0.8
3/12	11.2	11.0	0.2
6/12	-4.6	-6.9	2.3
9/12	5.0	7.0	-2.0
12/12	4.8	6.6	-1.8
3/13	4.5	5.2	-0.7
6/13	1.0	-0.7	1.7
9/13	6.0	11.6	-5.6
12/13	5.7	5.7	0.0
3/14	2.2	0.8	1.4
6/14	3.5	4.3	-0.8
9/14	-3.4	-5.8	2.4
12/14	0.5	-3.5	4.0
3/15	3.9	5.0	-1.1
6/15	0.5	0.8	-0.3
9/15	-6.5	-10.2	3.7
12/15	6.4	4.7	1.7
3/16	1.6	-2.9	4.5
6/16	2.9	-1.2	4.1
9/16	4.8	6.5	-1.7
12/16	-3.3	-0.7	-2.6
3/17	8.2	7.4	0.8
6/17	5.1	6.4	-1.3
9/17	4.0	5.5	-1.5
12/17	4.6	4.3	0.3
3/18	0.5	-1.4	1.9
6/18	0.3	-1.0	1.3

<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>19</b>
<b>Quarters Below the Benchmark</b>	<b>21</b>
<b>Batting Average</b>	<b>.475</b>

## PRIVATE EQUITY QUARTERLY PERFORMANCE SUMMARY

**COMPARATIVE BENCHMARK: CAMBRIDGE US PRIVATE EQUITY**



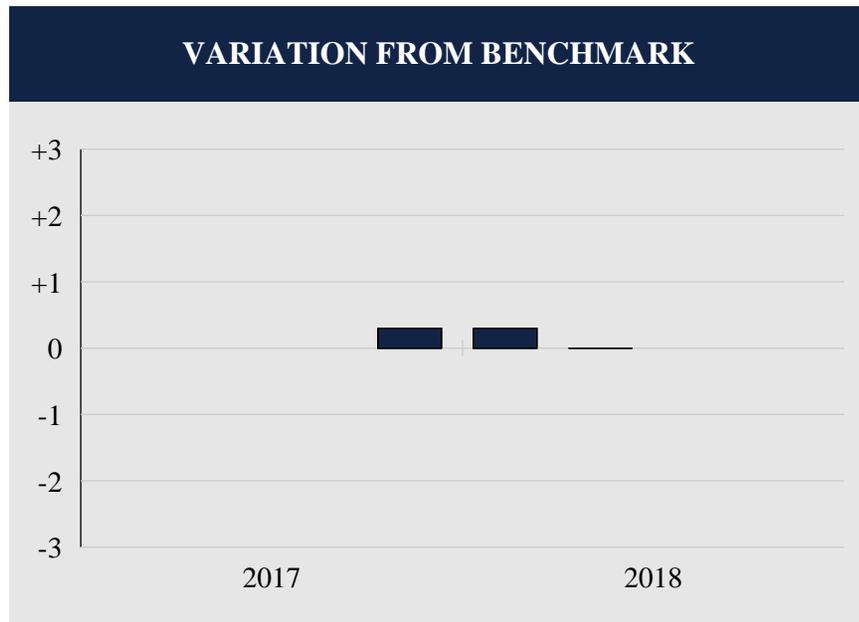
### RATES OF RETURN

Date	Portfolio	Benchmark	Difference
9/08	1.1	-6.6	7.7
12/08	-18.6	-16.0	-2.6
3/09	4.9	-3.3	8.2
6/09	7.4	4.5	2.9
9/09	1.0	5.8	-4.8
12/09	-10.8	6.0	-16.8
3/10	-0.4	4.4	-4.8
6/10	0.0	1.6	-1.6
9/10	0.1	5.1	-5.0
12/10	2.8	9.1	-6.3
3/11	-40.7	5.2	-45.9
6/11	5.7	4.6	1.1
9/11	-0.8	-4.2	3.4
12/11	2.3	5.3	-3.0
3/12	2.8	5.4	-2.6
6/12	-1.5	-0.1	-1.4
9/12	2.7	3.7	-1.0
12/12	4.4	3.8	0.6
3/13	2.4	4.6	-2.2
6/13	2.9	3.1	-0.2
9/13	4.4	5.1	-0.7
12/13	12.5	6.9	5.6
3/14	3.5	3.1	0.4
6/14	5.0	5.4	-0.4
9/14	1.5	1.5	0.0
12/14	5.4	0.9	4.5
3/15	3.6	2.6	1.0
6/15	2.0	3.8	-1.8
9/15	-1.1	-1.4	0.3
12/15	0.5	0.5	0.0
3/16	-0.9	0.0	-0.9
6/16	2.7	4.0	-1.3
9/16	1.5	3.9	-2.4
12/16	-5.6	4.6	-10.2
3/17	0.2	3.9	-3.7
6/17	2.6	3.5	-0.9
9/17	3.4	4.0	-0.6
12/17	2.1	5.1	-3.0
3/18	1.1	2.7	-1.6
6/18	1.2	0.0	1.2

<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>14</b>
<b>Quarters Below the Benchmark</b>	<b>26</b>
<b>Batting Average</b>	<b>.350</b>

**REAL ESTATE QUARTERLY PERFORMANCE SUMMARY**

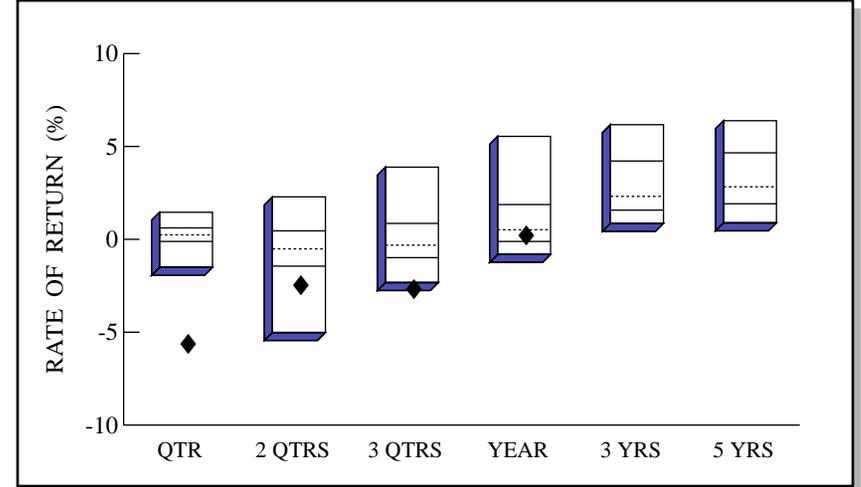
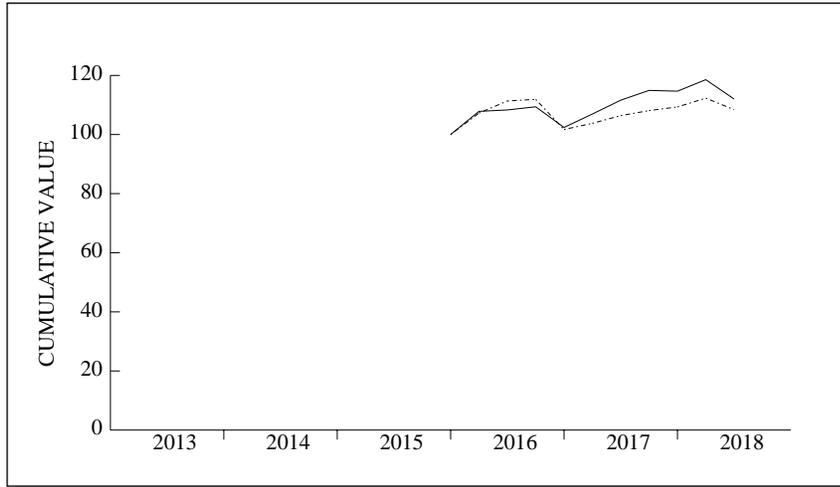
**COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX**



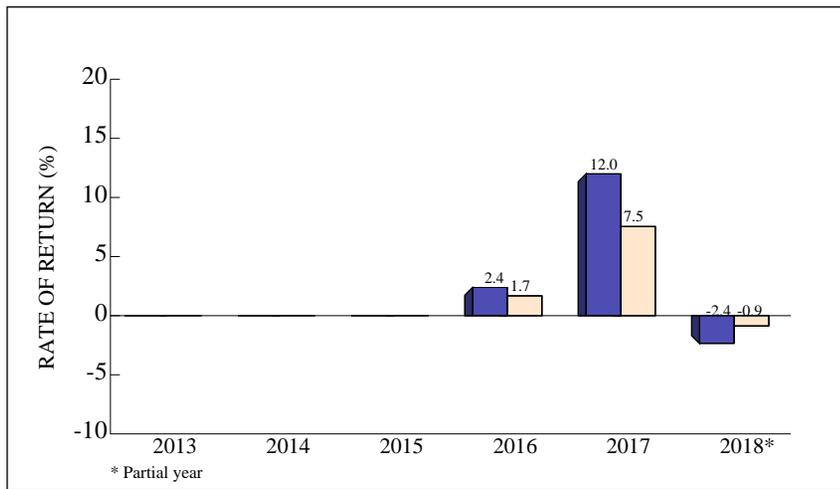
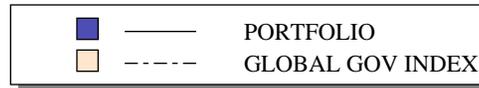
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/17	2.4	2.1	0.3
3/18	2.5	2.2	0.3
6/18	2.0	2.0	0.0

<b>Total Quarters Observed</b>	<b>3</b>
<b>Quarters At or Above the Benchmark</b>	<b>3</b>
<b>Quarters Below the Benchmark</b>	<b>0</b>
<b>Batting Average</b>	<b>1.000</b>

GLOBAL FIXED INCOME RETURN COMPARISONS



Broad Market Fixed Universe

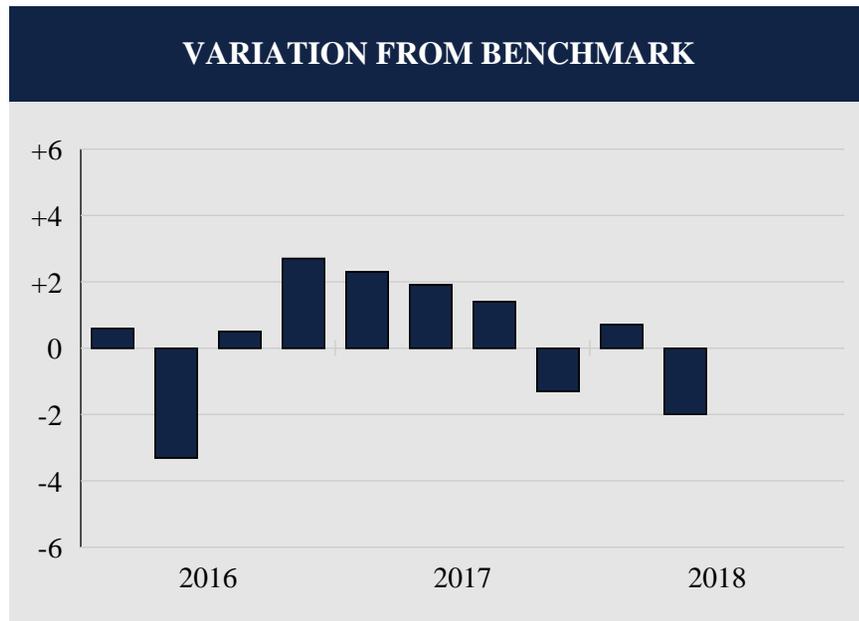


\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-5.5	-2.4	-2.6	0.3	----	----
(RANK)	(99)	(88)	(96)	(57)	----	----
5TH %ILE	1.5	2.3	3.9	5.5	6.2	6.4
25TH %ILE	0.6	0.5	0.9	1.9	4.2	4.7
MEDIAN	0.2	-0.5	-0.3	0.5	2.3	2.8
75TH %ILE	-0.1	-1.5	-1.0	-0.1	1.6	1.9
95TH %ILE	-1.5	-5.0	-2.3	-0.8	0.9	0.9
<b>Global Gov</b>	<b>-3.5</b>	<b>-0.9</b>	<b>0.3</b>	<b>1.9</b>	<b>2.8</b>	<b>1.0</b>

Broad Market Fixed Universe

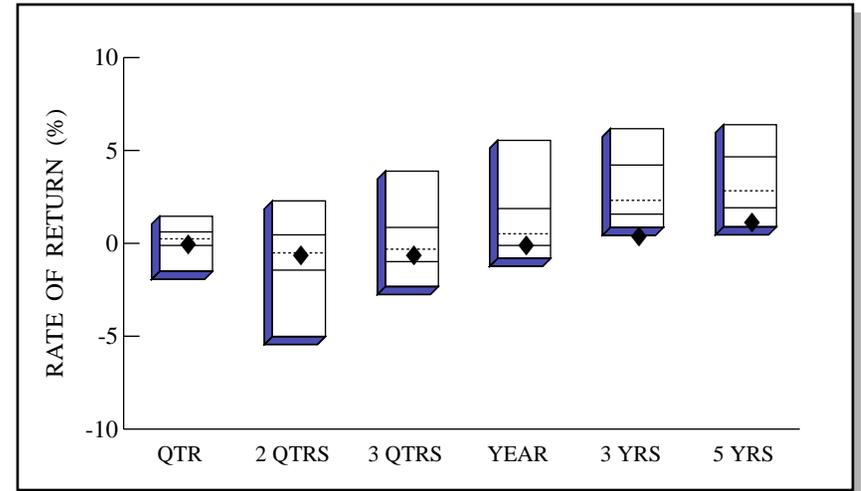
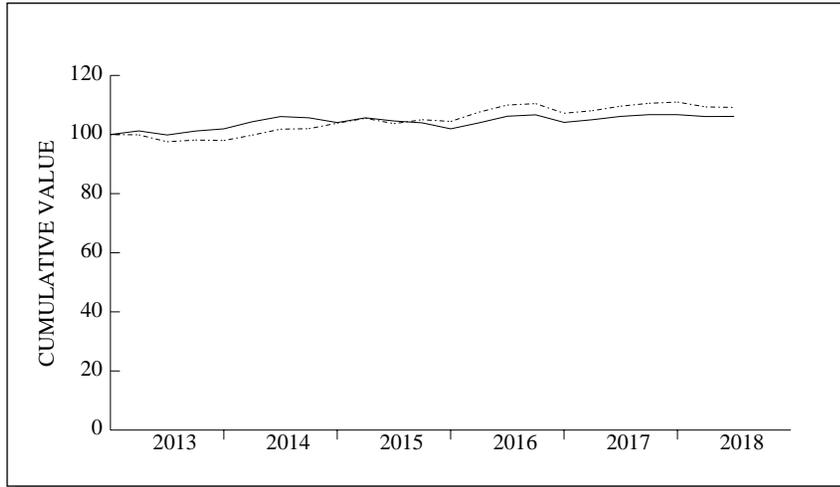
**GLOBAL FIXED INCOME QUARTERLY PERFORMANCE SUMMARY**  
**COMPARATIVE BENCHMARK: BLOOMBERG BARCLAYS GLOBAL GOVERNMENT BOND**



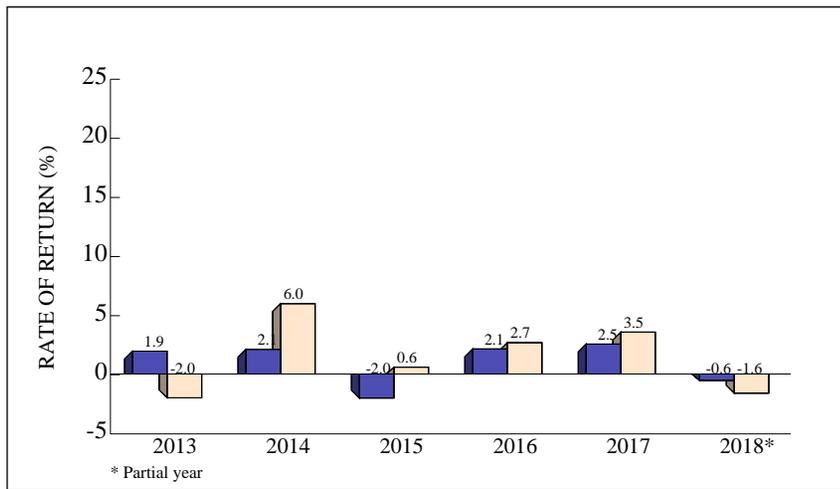
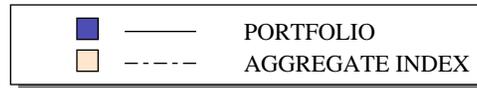
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/16	7.8	7.2	0.6
6/16	0.5	3.8	-3.3
9/16	1.0	0.5	0.5
12/16	-6.4	-9.1	2.7
3/17	4.4	2.1	2.3
6/17	4.4	2.5	1.9
9/17	3.0	1.6	1.4
12/17	-0.2	1.1	-1.3
3/18	3.4	2.7	0.7
6/18	-5.5	-3.5	-2.0

<b>Total Quarters Observed</b>	<b>10</b>
<b>Quarters At or Above the Benchmark</b>	<b>7</b>
<b>Quarters Below the Benchmark</b>	<b>3</b>
<b>Batting Average</b>	<b>.700</b>

**DOMESTIC FIXED INCOME RETURN COMPARISONS**



Broad Market Fixed Universe

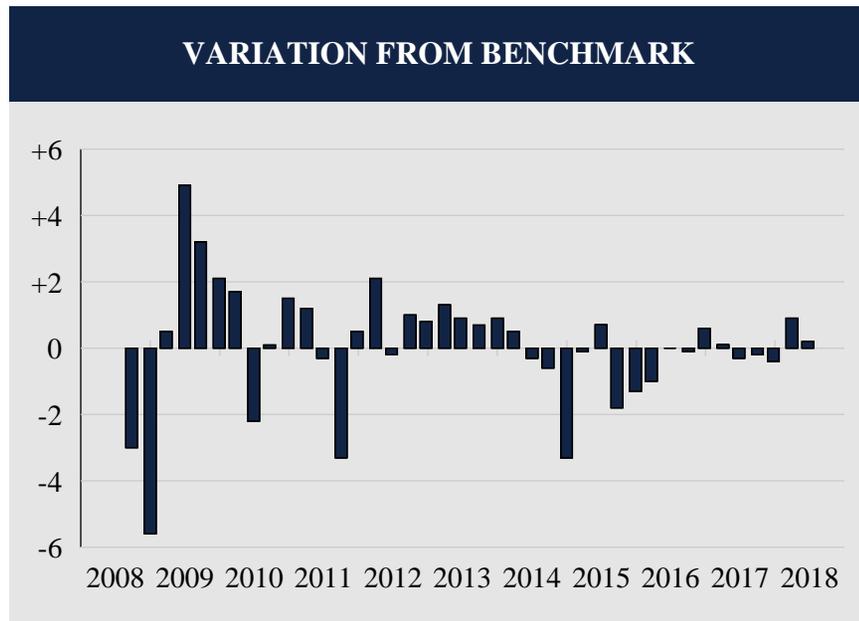


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	0.0	-0.6	-0.6	0.0	0.5	1.2
(RANK)	(65)	(51)	(57)	(72)	(99)	(90)
5TH %ILE	1.5	2.3	3.9	5.5	6.2	6.4
25TH %ILE	0.6	0.5	0.9	1.9	4.2	4.7
MEDIAN	0.2	-0.5	-0.3	0.5	2.3	2.8
75TH %ILE	-0.1	-1.5	-1.0	-0.1	1.6	1.9
95TH %ILE	-1.5	-5.0	-2.3	-0.8	0.9	0.9
<b>Agg</b>	<b>-0.2</b>	<b>-1.6</b>	<b>-1.2</b>	<b>-0.4</b>	<b>1.7</b>	<b>2.3</b>

Broad Market Fixed Universe

## DOMESTIC FIXED INCOME QUARTERLY PERFORMANCE SUMMARY - 10 YEARS

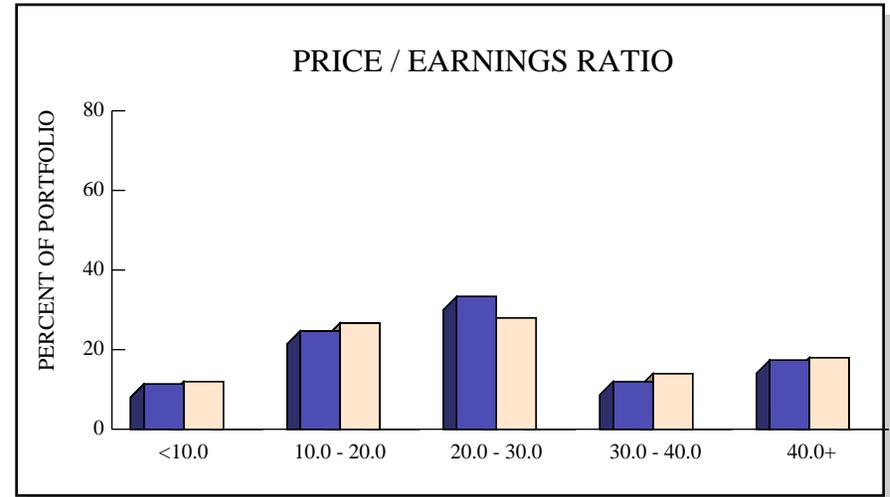
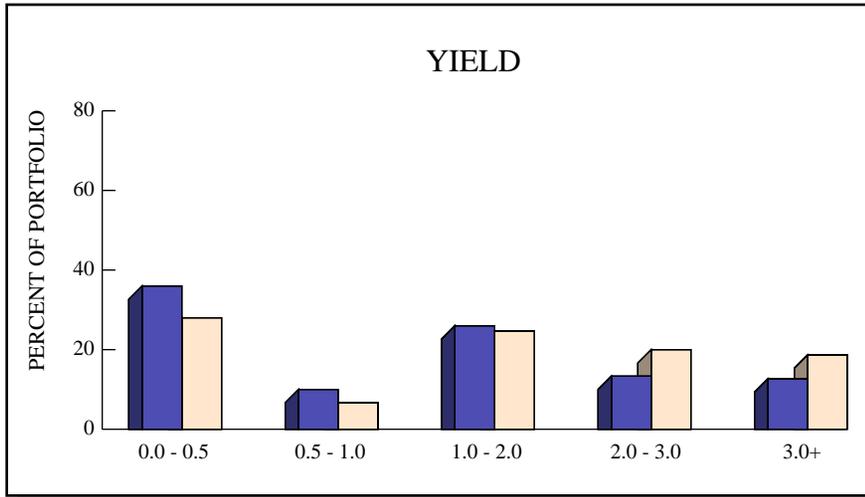
**COMPARATIVE BENCHMARK: BLOOMBERG BARCLAYS AGGREGATE INDEX**



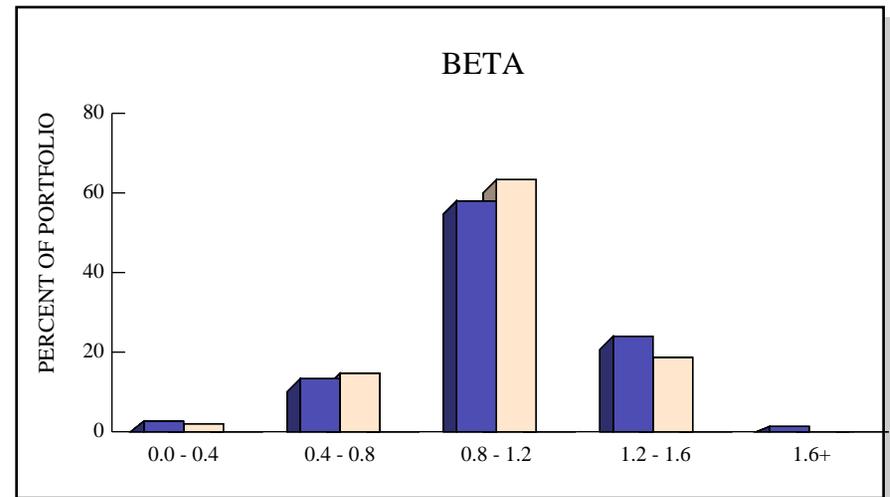
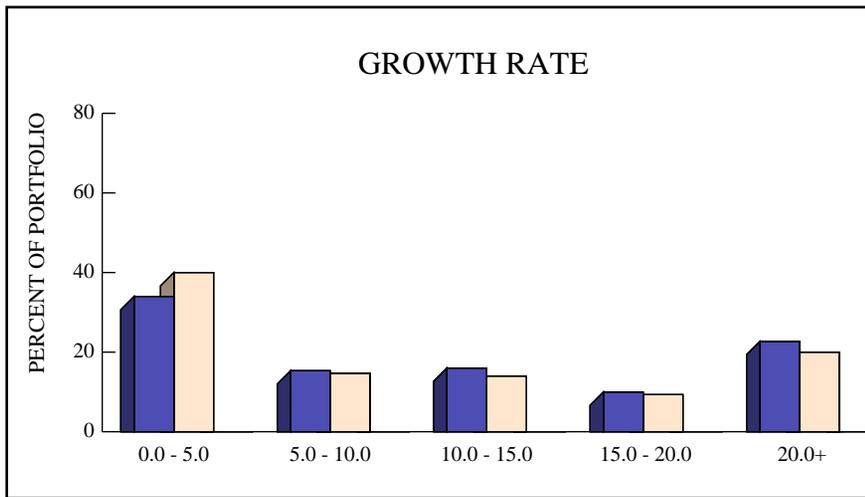
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/08	-3.5	-0.5	-3.0
12/08	-1.0	4.6	-5.6
3/09	0.6	0.1	0.5
6/09	6.7	1.8	4.9
9/09	6.9	3.7	3.2
12/09	2.3	0.2	2.1
3/10	3.5	1.8	1.7
6/10	1.3	3.5	-2.2
9/10	2.6	2.5	0.1
12/10	0.2	-1.3	1.5
3/11	1.6	0.4	1.2
6/11	2.0	2.3	-0.3
9/11	0.5	3.8	-3.3
12/11	1.6	1.1	0.5
3/12	2.4	0.3	2.1
6/12	1.9	2.1	-0.2
9/12	2.6	1.6	1.0
12/12	1.0	0.2	0.8
3/13	1.2	-0.1	1.3
6/13	-1.4	-2.3	0.9
9/13	1.3	0.6	0.7
12/13	0.8	-0.1	0.9
3/14	2.3	1.8	0.5
6/14	1.7	2.0	-0.3
9/14	-0.4	0.2	-0.6
12/14	-1.5	1.8	-3.3
3/15	1.5	1.6	-0.1
6/15	-1.0	-1.7	0.7
9/15	-0.6	1.2	-1.8
12/15	-1.9	-0.6	-1.3
3/16	2.0	3.0	-1.0
6/16	2.2	2.2	0.0
9/16	0.4	0.5	-0.1
12/16	-2.4	-3.0	0.6
3/17	0.9	0.8	0.1
6/17	1.1	1.4	-0.3
9/17	0.6	0.8	-0.2
12/17	0.0	0.4	-0.4
3/18	-0.6	-1.5	0.9
6/18	0.0	-0.2	0.2

<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>23</b>
<b>Quarters Below the Benchmark</b>	<b>17</b>
<b>Batting Average</b>	<b>.575</b>

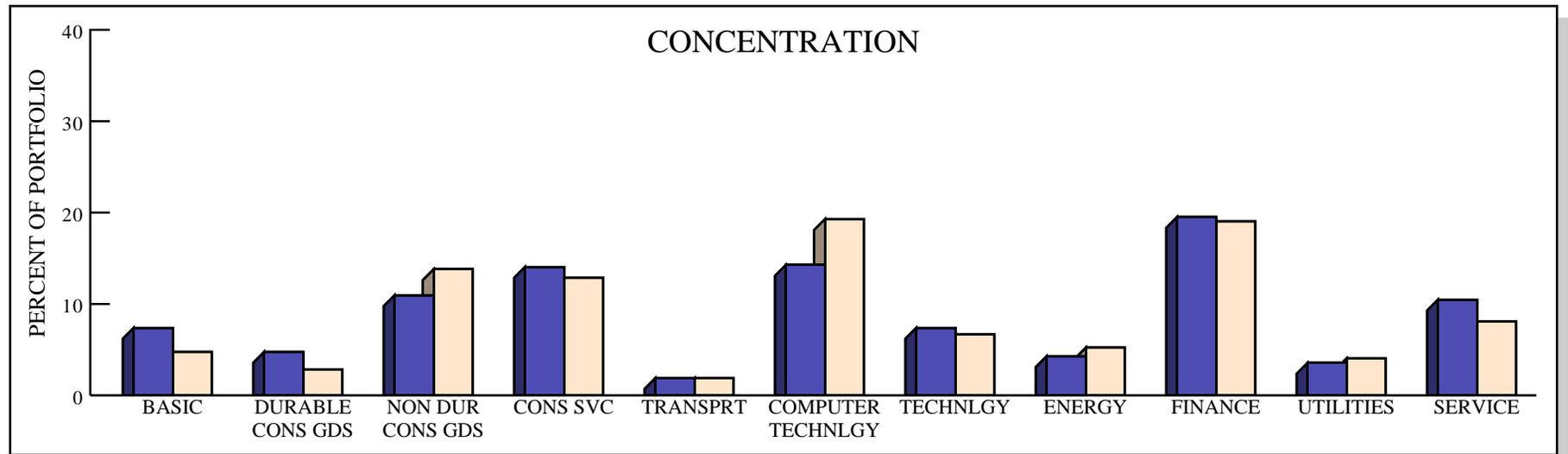
**STOCK CHARACTERISTICS**



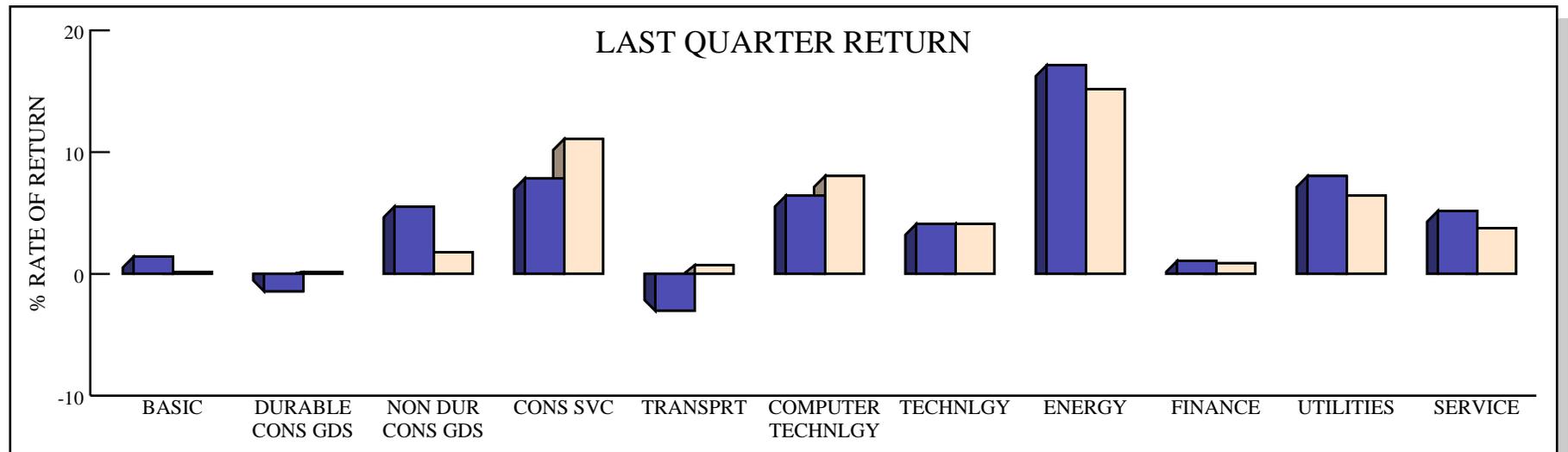
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	787	1.4%	10.6%	25.7	1.01
RUSSELL 3000	3,008	1.8%	9.6%	25.5	1.00



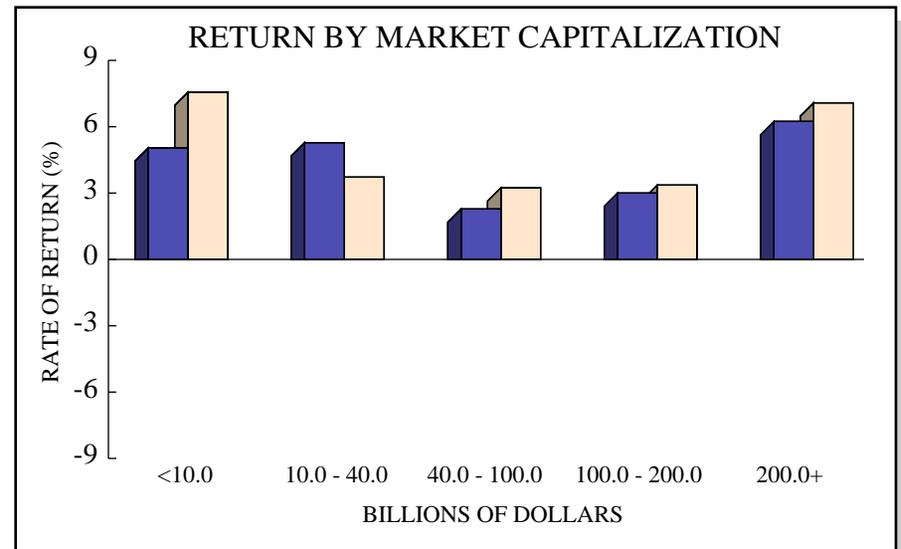
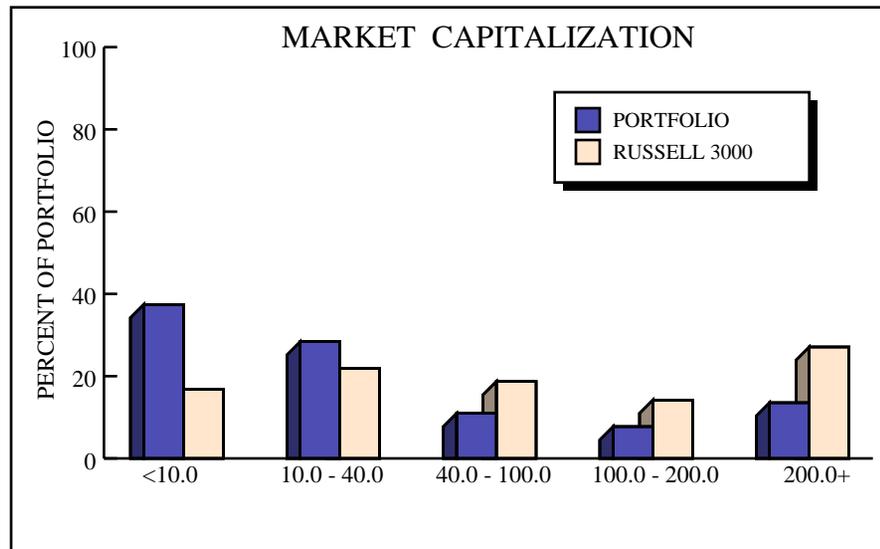
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 3000



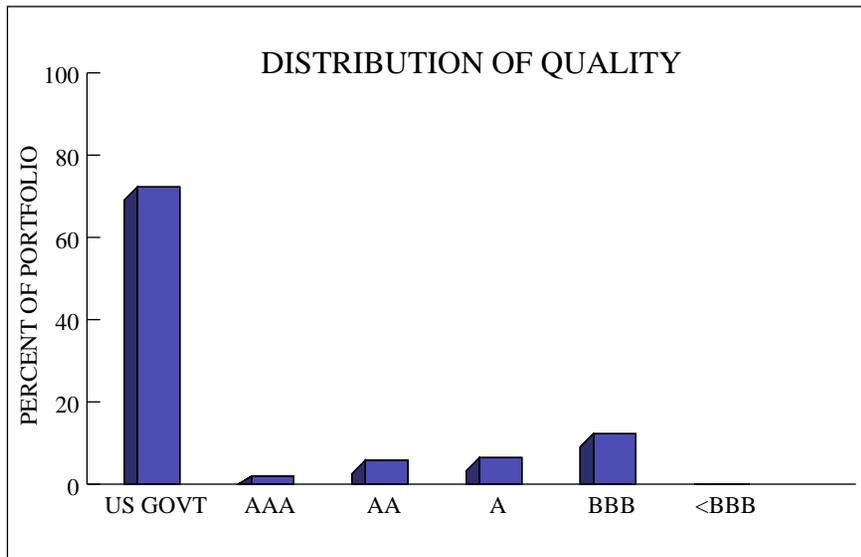
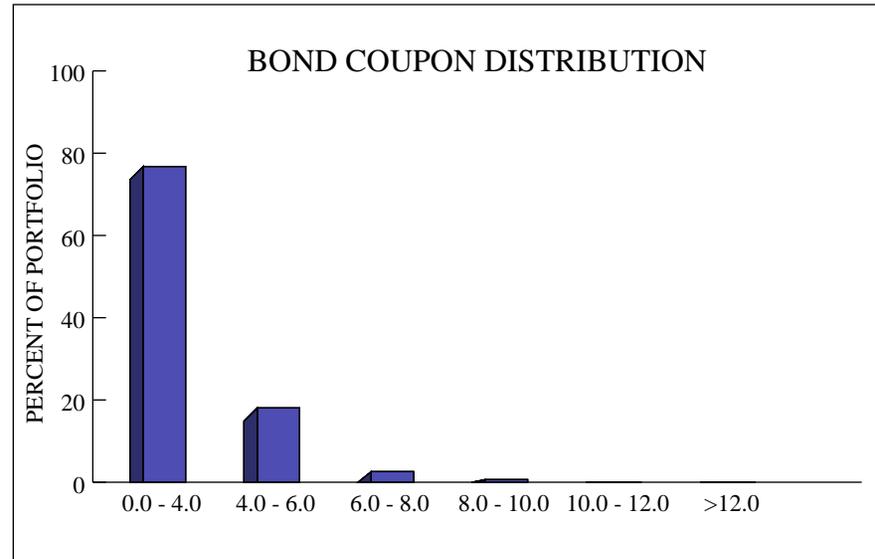
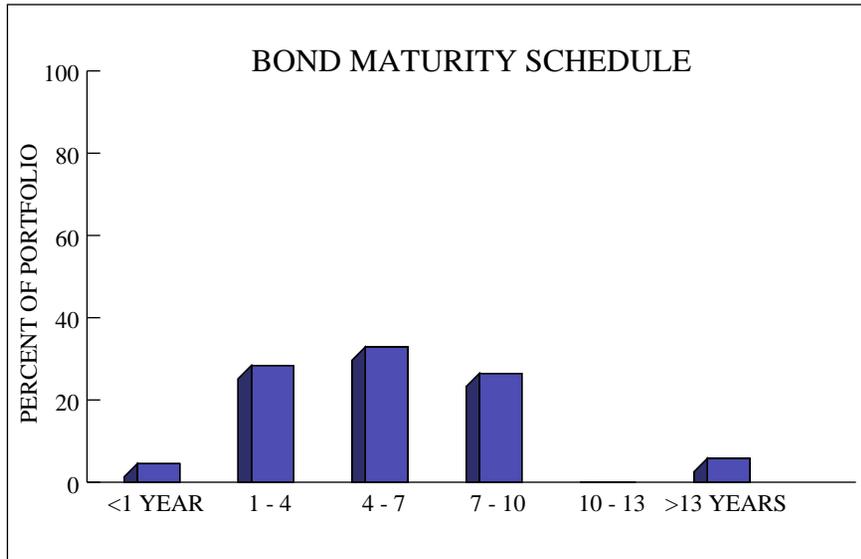
**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 5,096,634	1.87%	10.8%	Computer Tech	\$ 909.8 B
2	MICROSOFT CORP	3,317,931	1.22%	8.5%	Computer Tech	757.6 B
3	ALPHABET INC-CL A	3,153,828	1.16%	8.9%	Computer Tech	337.2 B
4	HOME DEPOT INC	2,435,433	.89%	10.1%	Consumer Service	225.1 B
5	MASTERCARD INC - A	2,238,756	.82%	12.4%	Finance	202.5 B
6	INTEL CORP	1,868,002	.68%	-4.0%	Computer Tech	231.6 B
7	AMGEN INC	1,866,943	.68%	9.1%	NonDur Cons Goods	122.1 B
8	EXELON CORP	1,825,154	.67%	10.1%	Utilities	41.1 B
9	BERKSHIRE HATHAWAY INC-CL B	1,823,010	.67%	-6.4%	Finance	251.2 B
10	CISCO SYSTEMS INC	1,789,833	.66%	1.1%	Computer Tech	202.4 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>AGGREGATE INDEX</b>
No. of Securities	244	10,012
Duration	4.82	6.01
YTM	3.15	3.29
Average Coupon	3.01	3.11
Avg Maturity / WAL	6.17	8.39
Average Quality	AAA	USG-AAA

**PONTIAC GENERAL EMPLOYEES RETIREMENT SYSTEM  
MANAGER FEE SCHEDULES**

Manager	Annual Fee Schedule
Attucks Emerging Mgr Attucks Michigan	0.63% on all assets (to be reduced to 0.5% on July 1st)
Brandywine	0.45% on all assets
First Eagle	0.75% on all assets
GrayCo I	1% on invested capital
Intercontinental U.S. REIF	1.1% on first \$25 million; 1% on next \$25 million; 0.85% on next \$50 million. Preferred Return: 8%; Carried Interest: 20%
Invesco V	0.7% on committed capital in year one; 0.8% in year two; 0.9% in years three through eight; reduced by 10% per year thereafter, but not below a rate of 0.5%
Invesco Core RE	Management Fee: 1.1% Cash Management: 0.15% on cash in excess of 7.5% of aggregate NAV
Kennedy SCC	95 basis points on all assets
Kennedy SCG	0.85% on all assets
Loomis	0.8% on first \$10 million; 0.6% on remainder
Mesirow IV Mesirow VI	1% on committed capital for years one through seven; reduced by 10% per year thereafter
Principal	1% on all assets
Robinson	0.22% on all assets
Sawgrass	0.6% on first \$20 million; 0.5% on remainder
Systematic	0.5% on first \$75 million; 0.4% on remainder
Victory MCG Victory Fixed Income	0.45% on first \$25 million; 0.35% on next \$25 million; 0.30% on remainder of combined assets between both portfolios
WCM	0.75% on all assets

## APPENDIX - MAJOR MARKET INDEX RETURNS

<b>Economic Data</b>	<b>Style</b>	<b>QTR</b>	<b>YTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Consumer Price Index	Economic Data	1.0	2.2	2.9	1.8	1.5
<b>Domestic Equity</b>	<b>Style</b>	<b>QTR</b>	<b>YTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Russell 3000	Broad Equity	3.9	3.2	14.8	11.6	13.3
S&P 500	Large Cap Core	3.4	2.6	14.4	11.9	13.4
Russell 1000	Large Cap	3.6	2.8	14.5	11.6	13.4
Russell 1000 Growth	Large Cap Growth	5.8	7.3	22.5	15.0	16.4
Russell 1000 Value	Large Cap Value	1.2	-1.7	6.8	8.2	10.3
Russell Mid Cap	Midcap	2.8	2.3	12.3	9.6	12.2
Russell Mid Cap Growth	Midcap Growth	3.2	5.4	18.5	10.7	13.4
Russell Mid Cap Value	Midcap Value	2.4	-0.2	7.6	8.8	11.3
Russell 2000	Small Cap	7.8	7.7	17.6	11.0	12.5
Russell 2000 Growth	Small Cap Growth	7.2	9.7	21.8	10.6	13.6
Russell 2000 Value	Small Cap Value	8.3	5.5	13.1	11.2	11.2
<b>International Equity</b>	<b>Style</b>	<b>QTR</b>	<b>YTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
MSCI All Country World Ex US	Foreign Equity	-2.4	-3.4	7.8	5.6	6.5
MSCI EAFE	Developed Markets Equity	-1.0	-2.4	7.4	5.4	6.9
MSCI EAFE Growth	Developed Markets Growth	0.3	-0.6	9.8	6.8	7.8
MSCI EAFE Value	Developed Markets Value	-2.3	-4.2	4.9	3.9	6.0
MSCI Emerging Markets	Emerging Markets Equity	-7.9	-6.5	8.6	6.0	5.4
<b>Domestic Fixed Income</b>	<b>Style</b>	<b>QTR</b>	<b>YTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Bloomberg Barclays Aggregate Index	Core Fixed Income	-0.2	-1.6	-0.4	1.7	2.3
Bloomberg Barclays Capital Gov't Bond	Treasuries	0.1	-1.1	-0.6	1.0	1.5
Bloomberg Barclays Capital Credit Bond	Corporate Bonds	-0.9	-3.0	-0.6	2.9	3.4
Intermediate Aggregate	Core Intermediate	0.1	-1.0	-0.3	1.3	1.8
ML/BoA 1-3 Year Treasury	Short Term Treasuries	0.2	0.1	0.1	0.4	0.6
Bloomberg Barclays Capital High Yield	High Yield Bonds	1.0	0.2	2.6	5.5	5.5
<b>Alternative Assets</b>	<b>Style</b>	<b>QTR</b>	<b>YTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Bloomberg Barclays Global Treasury Ex US	International Treasuries	-4.9	-0.6	2.9	3.5	1.0
NCREIF NFI-ODCE Index	Real Estate	2.0	4.3	8.4	9.4	11.0
HFRI FOF Composite	Hedge Funds	0.8	1.0	5.5	2.0	3.5

**APPENDIX - DISCLOSURES**

\* The shadow index is a customized index that matches your portfolio's asset allocation on a quarterly basis.

This index was calculated using the following asset classes and corresponding benchmarks:

Domestic Equity	Russell 3000
International Equity	MSCI EAFE
Private Equity	Cambridge US Private Equity
Real Estate	NCREIF NFI-ODCE Index
Global Fixed Income	Bloomberg Barclays Global Government Bond
Domestic Fixed Income	Bloomberg Barclays Aggregate Index
Cash & Equivalent	90 Day T Bill

\* Dahab Associates utilizes data provided by a custodian and other vendors it believes are reliable. However, it cannot assume responsibility for errors and omissions therefrom.

\* All returns were calculated on a time-weighted basis, and are gross of fees unless otherwise noted.

\* All returns for periods greater than one year are annualized.

\* Dahab Associates uses the modified duration measure to present average duration.

\* All values are in US dollars.

\* The blended assumption rate is 7.5% through December 31, 2015 and 7.0% thereafter.

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
ATTUCKS - EMERGING MANAGER  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Attucks Emerging Manager portfolio was valued at \$55,200,085, a decrease of \$1,047,675 from the March ending value of \$56,247,760. Last quarter, the account recorded a net withdrawal of \$3,000,112, which overshadowed the fund's net investment return of \$1,952,437. Income receipts totaling \$251,683 and realized and unrealized capital gains of \$1,700,754 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

During the second quarter, the Attucks Emerging Manager portfolio gained 3.3%, which was 0.1% less than the S&P 500 Index's return of 3.4% and ranked in the 44th percentile of the Large Cap universe. Over the trailing year, the portfolio returned 17.1%, which was 2.7% greater than the benchmark's 14.4% performance, and ranked in the 29th percentile. Since June 2011, the account returned 12.1% per annum and ranked in the 71st percentile. For comparison, the S&P 500 returned an annualized 13.2% over the same time frame.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year
<b>Total Portfolio - Gross</b>	3.3	17.1	10.4	12.8	12.1	----
<i>LARGE CAP RANK</i>	(44)	(29)	(60)	(58)	(71)	----
<b>Total Portfolio - Net</b>	3.2	16.4	9.8	12.1	11.4	----
S&P 500	3.4	14.4	11.9	13.4	13.2	10.2
<b>Domestic Equity - Gross</b>	3.3	17.1	10.4	12.8	12.1	----
<i>LARGE CAP RANK</i>	(44)	(29)	(60)	(58)	(71)	----
S&P 500	3.4	14.4	11.9	13.4	13.2	10.2

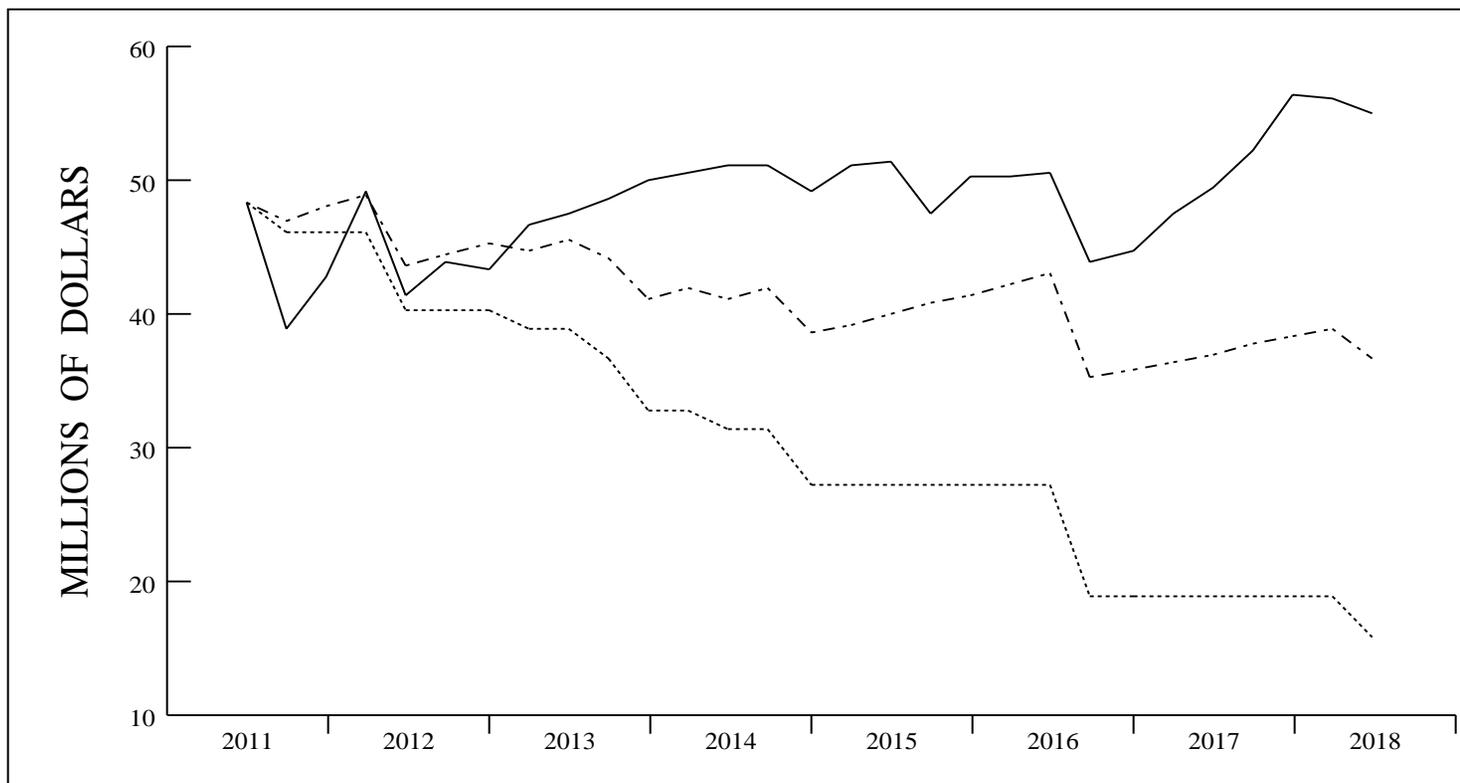
**ASSET ALLOCATION**

Domestic Equity	100.0%	\$ 55,200,085
Total Portfolio	100.0%	\$ 55,200,085

**INVESTMENT RETURN**

Market Value 3/2018	\$ 56,247,760
Contribs / Withdrawals	- 3,000,112
Income	251,683
Capital Gains / Losses	1,700,754
Market Value 6/2018	\$ 55,200,085

**INVESTMENT GROWTH**



— ACTUAL RETURN  
 - - - - - BLENDED RATE  
 ..... 0.0%

VALUE ASSUMING  
 BLENDED RATE \$ 36,781,133

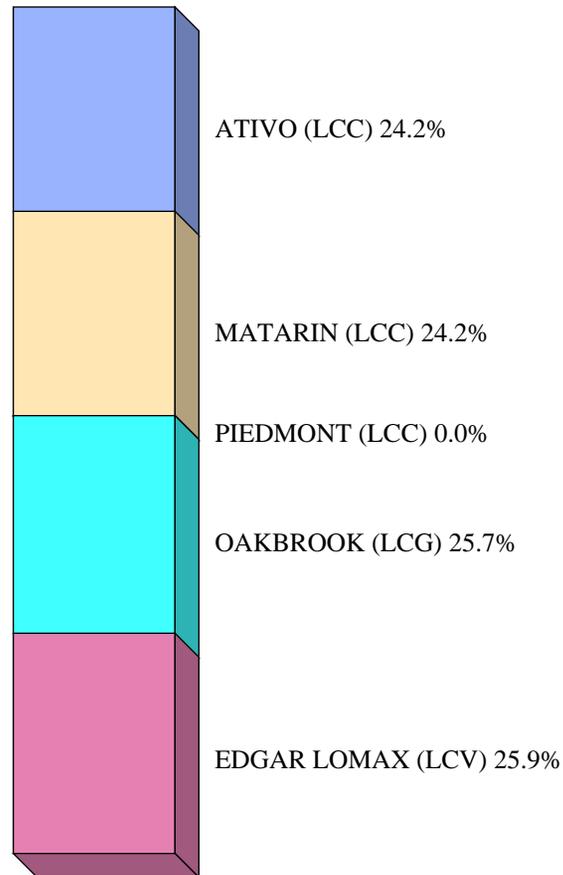
	LAST QUARTER	PERIOD 6/11 - 6/18
BEGINNING VALUE	\$ 56,247,760	\$ 48,594,092
NET CONTRIBUTIONS	- 3,000,112	- 32,591,774
<u>INVESTMENT RETURN</u>	<u>1,952,437</u>	<u>39,197,767</u>
ENDING VALUE	\$ 55,200,085	\$ 55,200,085
INCOME	251,683	6,348,394
<u>CAPITAL GAINS (LOSSES)</u>	<u>1,700,754</u>	<u>32,849,374</u>
INVESTMENT RETURN	1,952,437	39,197,767

**PONTIAC GENERAL EMPLOYEES RETIREMENT SYSTEM  
ATTUCKS EMERGING MANAGER SUMMARY AS OF JUNE 2018**

Portfolio	Universe	Quarter		1 Year		3 Years		5 Years	
<b>Attucks Emerging Mgr</b>	<b>(Large Cap)</b>	<b>3.3</b>	<b>(44)</b>	<b>17.1</b>	<b>(29)</b>	<b>10.4</b>	<b>(60)</b>	<b>12.8</b>	<b>(58)</b>
<b>Net of mgr fees &amp; gross of Attucks fees</b>		<b>3.3</b>		<b>16.8</b>		<b>10.1</b>		<b>12.5</b>	
<b>Attucks Emerging Mgr net of all fees</b>		<b>3.2</b>		<b>16.4</b>		<b>9.8</b>		<b>12.1</b>	
<i><b>S&amp;P 500</b></i>		<i><b>3.4</b></i>		<i><b>14.4</b></i>		<i><b>11.9</b></i>		<i><b>13.4</b></i>	
Ativo	(Large Cap Core)	1.9	(76)	14.2	(52)	10.8	(58)	13.0	(63)
Ativo net of fees		1.9		13.9		10.4		12.6	
<i><b>S&amp;P 500</b></i>		<i><b>3.4</b></i>		<i><b>14.4</b></i>		<i><b>11.9</b></i>		<i><b>13.4</b></i>	
Matarin	(Large Cap Core)	2.9	(50)	20.5	(5)	----	----	----	----
Matarin net of fees		2.9		20.3		----		----	
<i><b>S&amp;P 500</b></i>		<i><b>3.4</b></i>		<i><b>14.4</b></i>		<i><b>11.9</b></i>		<i><b>13.4</b></i>	
Oakbrook	(Large Cap Growth)	5.7	(44)	21.6	(50)	15.6	(21)	17.2	(25)
Oakbrook net of fees		5.7		21.3		15.3		16.9	
<i><b>Russell 1000 Growth</b></i>		<i><b>5.8</b></i>		<i><b>22.5</b></i>		<i><b>15.0</b></i>		<i><b>16.4</b></i>	

*\*Actual fee schedule for historical manager Union Heritage could not be obtained. An expense ratio of 32.5 bps was assumed, putting it in line with the other managers.*

**MANAGER ALLOCATION SUMMARY**

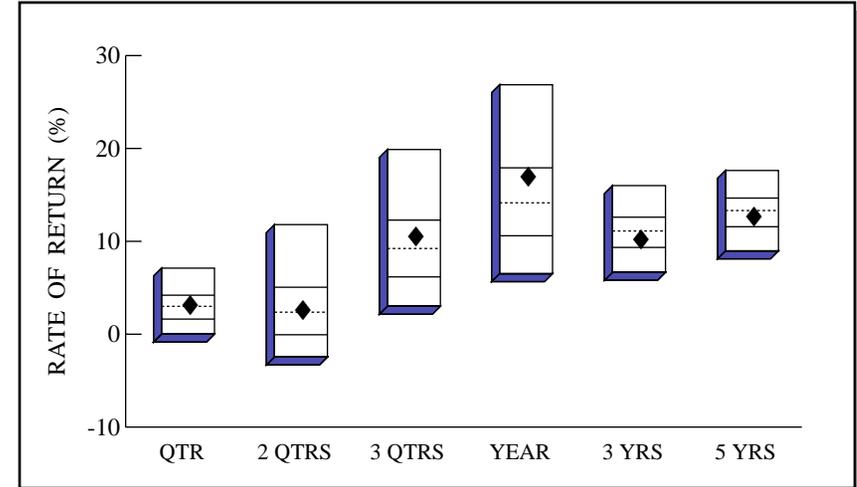
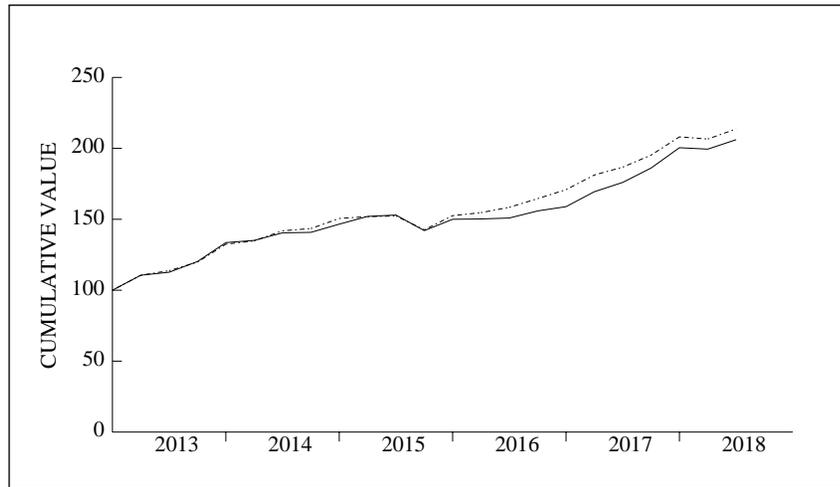


Name	Market Value	Percent
Ativo (LCC)	\$13,332,831	24.2
Matarin (LCC)	\$13,353,324	24.2
Piedmont (LCC)	\$6,457	0.0
Oakbrook (LCG)	\$14,197,254	25.7
Edgar Lomax (LCV)	\$14,310,219	25.9
<b>Total</b>	<b>\$55,200,085</b>	<b>100.0</b>

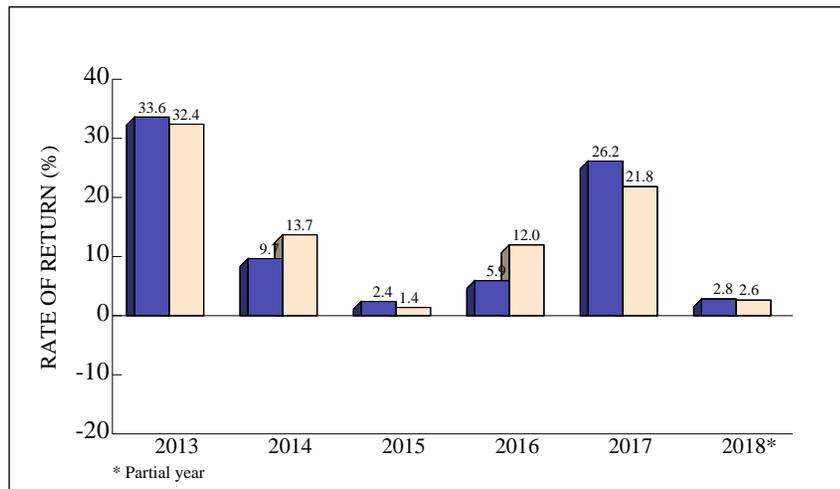
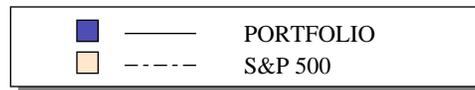
**INVESTMENT RETURN SUMMARY - ONE QUARTER**

<b>Name</b>	<b>Quarter Total Return</b>	<b>Market Value March 31st, 2018</b>	<b>Net Cashflow</b>	<b>Net Investment Return</b>	<b>Market Value June 30th, 2018</b>
Ativo (LCC)	1.9	15,915,750	-3,000,028	417,109	13,332,831
Matarin (LCC)	2.9	13,448,441	-500,021	404,904	13,353,324
Piedmont (LCC)	---	15,281,794	-16,090,857	815,520	6,457
Oakbrook (LCG)	5.7	11,601,775	1,999,978	595,501	14,197,254
Edgar Lomax (LCV)	---	0	14,590,816	-280,597	14,310,219
<b>Total Portfolio</b>	<b>3.3</b>	<b>56,247,760</b>	<b>-3,000,112</b>	<b>1,952,437</b>	<b>55,200,085</b>

**TOTAL RETURN COMPARISONS**



Large Cap Universe

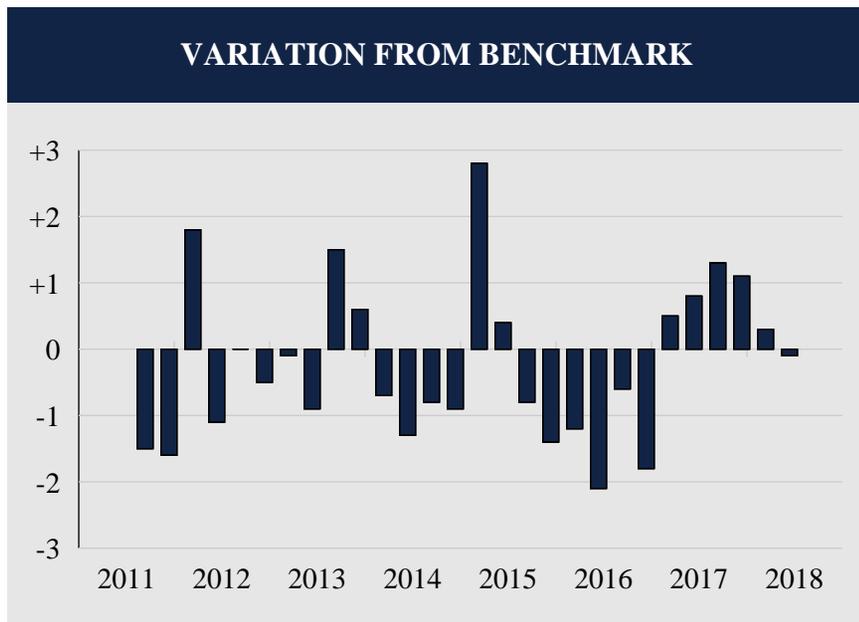


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	3.3	2.8	10.7	17.1	10.4	12.8
(RANK)	(44)	(44)	(32)	(29)	(60)	(58)
5TH %ILE	7.1	11.8	19.9	26.9	16.0	17.6
25TH %ILE	4.2	5.1	12.3	17.9	12.6	14.7
MEDIAN	3.0	2.4	9.2	14.1	11.1	13.3
75TH %ILE	1.6	-0.1	6.2	10.6	9.3	11.6
95TH %ILE	0.0	-2.5	3.0	6.5	6.7	9.0
<b>S&amp;P 500</b>	<b>3.4</b>	<b>2.6</b>	<b>9.5</b>	<b>14.4</b>	<b>11.9</b>	<b>13.4</b>

Large Cap Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

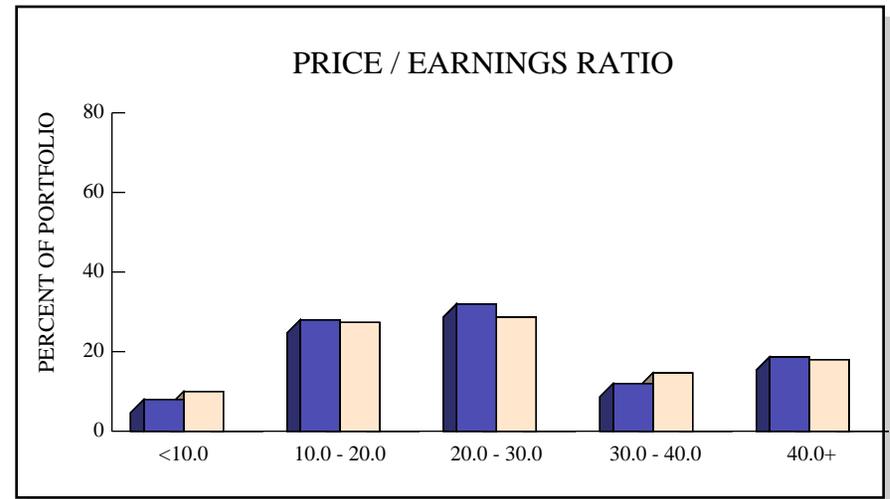
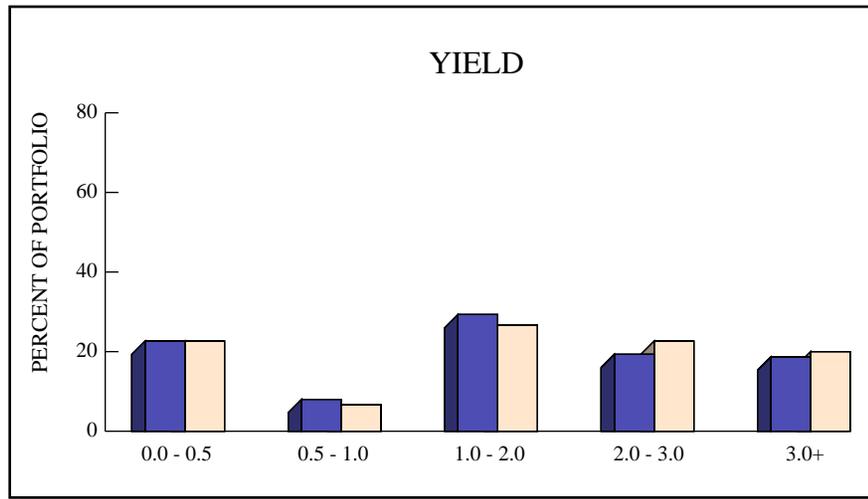
**COMPARATIVE BENCHMARK: S&P 500**



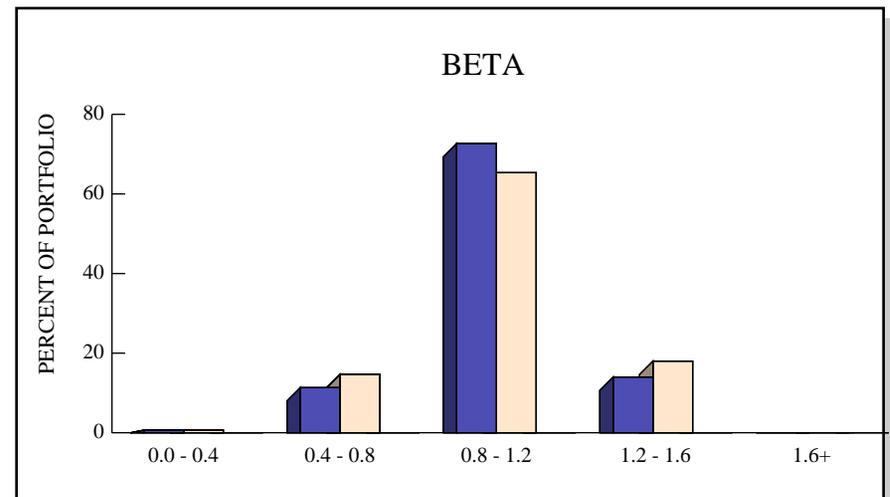
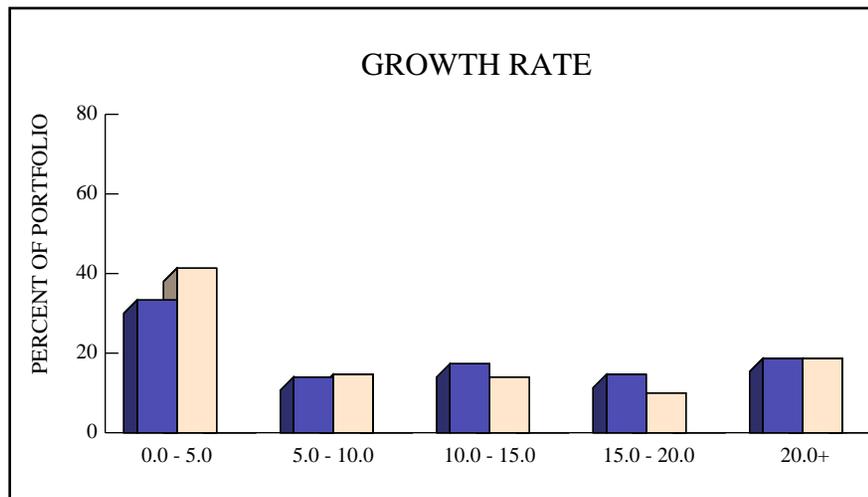
<b>Total Quarters Observed</b>	<b>28</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>17</b>
<b>Batting Average</b>	<b>.393</b>

<b>RATES OF RETURN</b>			
<b>Date</b>	<b>Portfolio</b>	<b>Benchmark</b>	<b>Difference</b>
9/11	-15.4	-13.9	-1.5
12/11	10.2	11.8	-1.6
3/12	14.4	12.6	1.8
6/12	-3.9	-2.8	-1.1
9/12	6.3	6.3	0.0
12/12	-0.9	-0.4	-0.5
3/13	10.5	10.6	-0.1
6/13	2.0	2.9	-0.9
9/13	6.7	5.2	1.5
12/13	11.1	10.5	0.6
3/14	1.1	1.8	-0.7
6/14	3.9	5.2	-1.3
9/14	0.3	1.1	-0.8
12/14	4.0	4.9	-0.9
3/15	3.7	0.9	2.8
6/15	0.7	0.3	0.4
9/15	-7.2	-6.4	-0.8
12/15	5.6	7.0	-1.4
3/16	0.1	1.3	-1.2
6/16	0.4	2.5	-2.1
9/16	3.3	3.9	-0.6
12/16	2.0	3.8	-1.8
3/17	6.6	6.1	0.5
6/17	3.9	3.1	0.8
9/17	5.8	4.5	1.3
12/17	7.7	6.6	1.1
3/18	-0.5	-0.8	0.3
6/18	3.3	3.4	-0.1

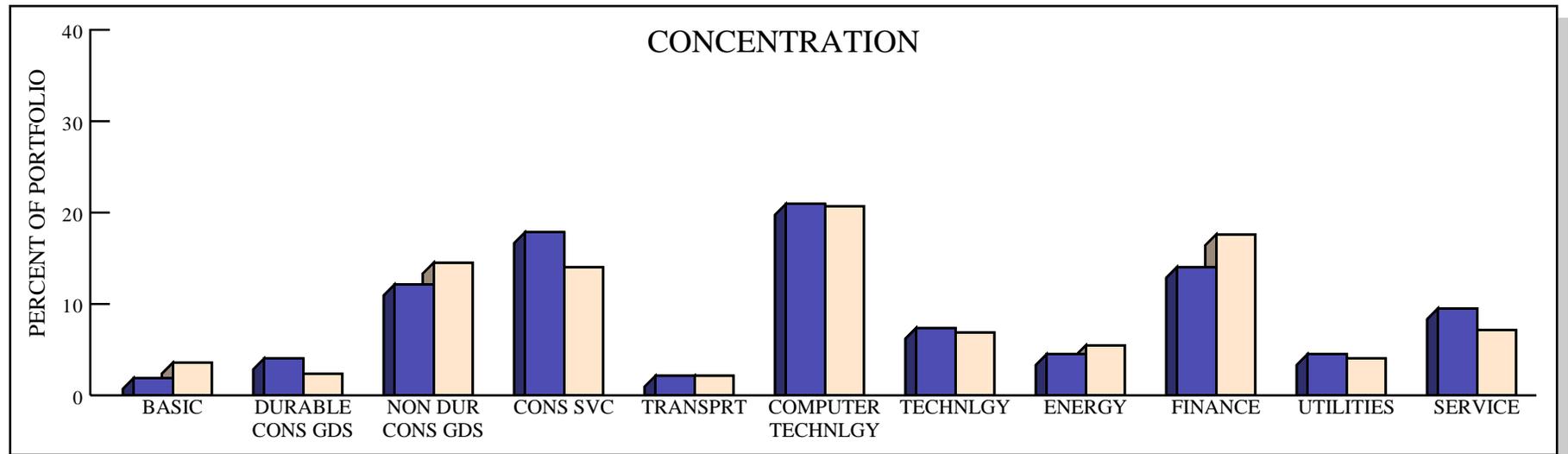
**STOCK CHARACTERISTICS**



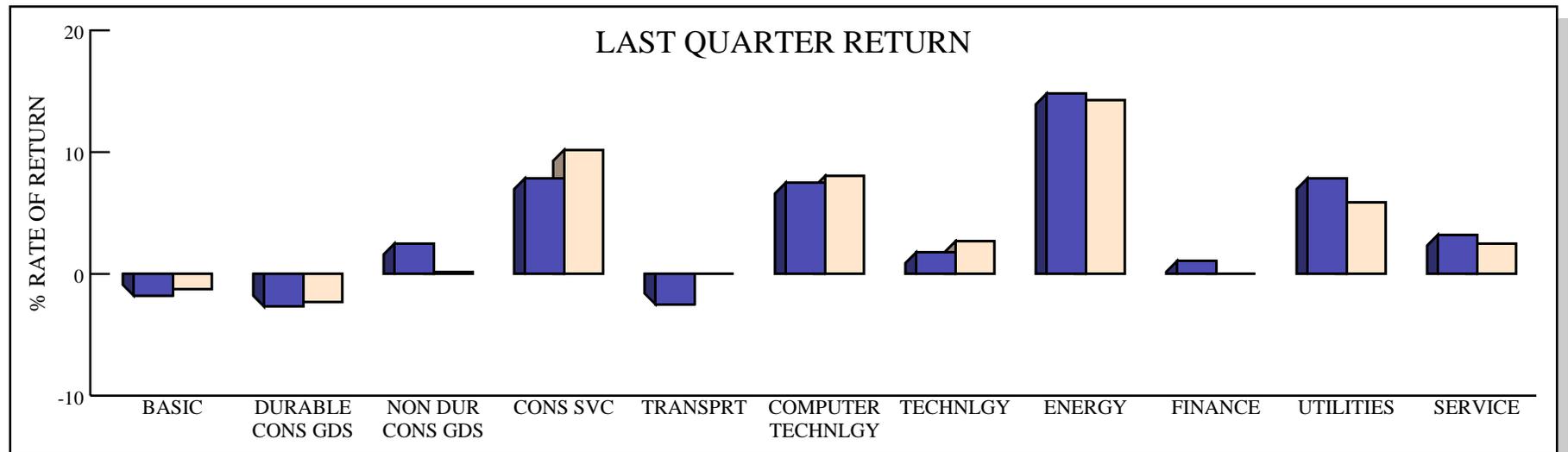
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	406	1.7%	11.1%	26.8	0.99
S&P 500	505	1.9%	9.0%	26.2	1.00



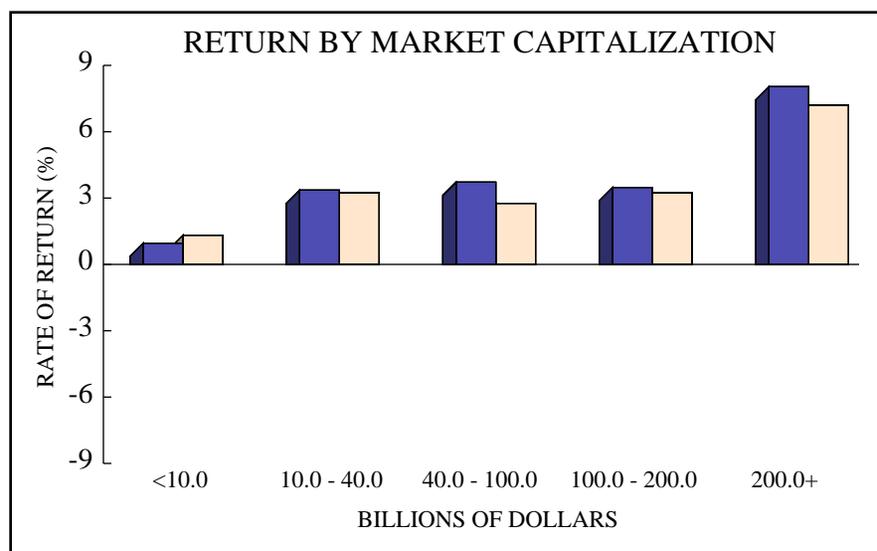
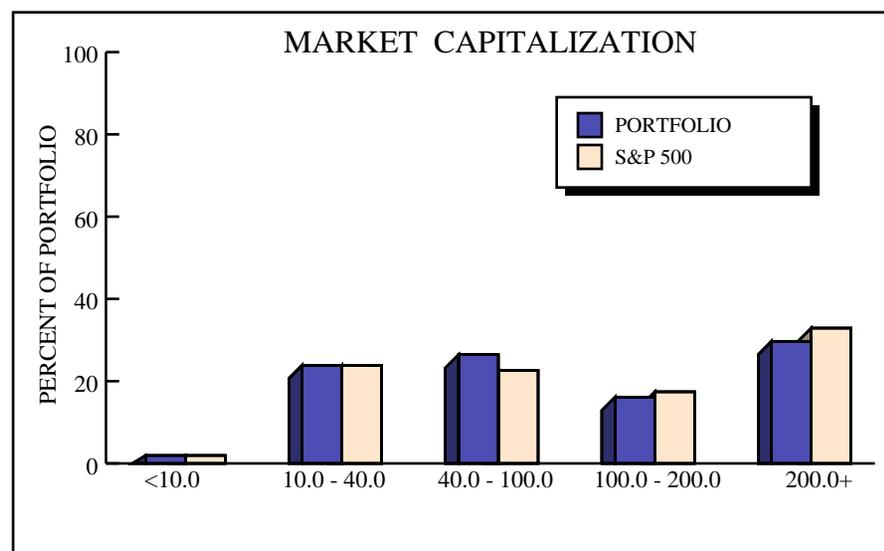
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 2,471,219	4.48%	10.8%	Computer Tech	\$ 909.8 B
2	ALPHABET INC-CL A	1,234,205	2.24%	8.9%	Computer Tech	337.2 B
3	MASTERCARD INC - A	1,132,348	2.05%	12.4%	Finance	202.5 B
4	EXELON CORP	1,115,055	2.02%	10.1%	Utilities	41.1 B
5	HOME DEPOT INC	1,100,949	1.99%	10.1%	Consumer Service	225.1 B
6	CISCO SYSTEMS INC	1,029,148	1.86%	1.1%	Computer Tech	202.4 B
7	MICROSOFT CORP	974,464	1.77%	8.5%	Computer Tech	757.6 B
8	PFIZER INC	935,298	1.69%	3.2%	NonDur Cons Goods	212.2 B
9	FACEBOOK INC-A	918,162	1.66%	21.6%	Computer Tech	466.1 B
10	ALLSTATE CORP	883,311	1.60%	-3.3%	Finance	32.1 B

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
SAWGRASS - LARGE CAP GROWTH  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Sawgrass Large Cap Growth portfolio was valued at \$38,189,919, representing an increase of \$1,654,137 from the March quarter's ending value of \$36,535,782. Last quarter, the Fund posted withdrawals totaling \$505, which partially offset the portfolio's net investment return of \$1,654,642. Income receipts totaling \$142,747 plus net realized and unrealized capital gains of \$1,511,895 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the second quarter, the Sawgrass Large Cap Growth portfolio returned 4.5%, which was 1.3% below the Russell 1000 Growth Index's return of 5.8% and ranked in the 61st percentile of the Large Cap Growth universe. Over the trailing year, the portfolio returned 16.7%, which was 5.8% below the benchmark's 22.5% return, ranking in the 77th percentile. Since December 2007, the portfolio returned 8.8% annualized. The Russell 1000 Growth returned an annualized 10.2% over the same period.

## **HOLDINGS ANALYSIS**

Last quarter the Sawgrass portfolio was invested across ten of eleven industry sectors shown in our analysis. Relative to the Russell 1000 Growth index, the portfolio was more heavily weighted in the Durable Consumer Goods, Non-Durable Consumer Goods, Consumer Service, and Service sectors. The Computer Technology and Technology sectors were underweight.

The Sawgrass portfolio lost ground to the index through unfavorable selection in the Basic and Technology sectors, which both posted losses. Most of the remaining sectors slightly underperformed their index counterparts, except for the Non-Durable Consumer Goods sector.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 12/07
<b>Total Portfolio - Gross</b>	4.5	16.7	11.7	13.7	13.6	10.7	8.8
<i>LARGE CAP GROWTH RANK</i>	(61)	(77)	(73)	(81)	(60)	(69)	----
<b>Total Portfolio - Net</b>	4.4	16.1	11.1	13.1	13.0	10.2	8.4
Russell 1000G	5.8	22.5	15.0	16.4	14.9	11.8	10.2
<b>Domestic Equity - Gross</b>	4.5	16.7	11.7	13.7	13.6	10.7	8.8
<i>LARGE CAP GROWTH RANK</i>	(61)	(77)	(73)	(81)	(60)	(69)	----
Russell 1000G	5.8	22.5	15.0	16.4	14.9	11.8	10.2

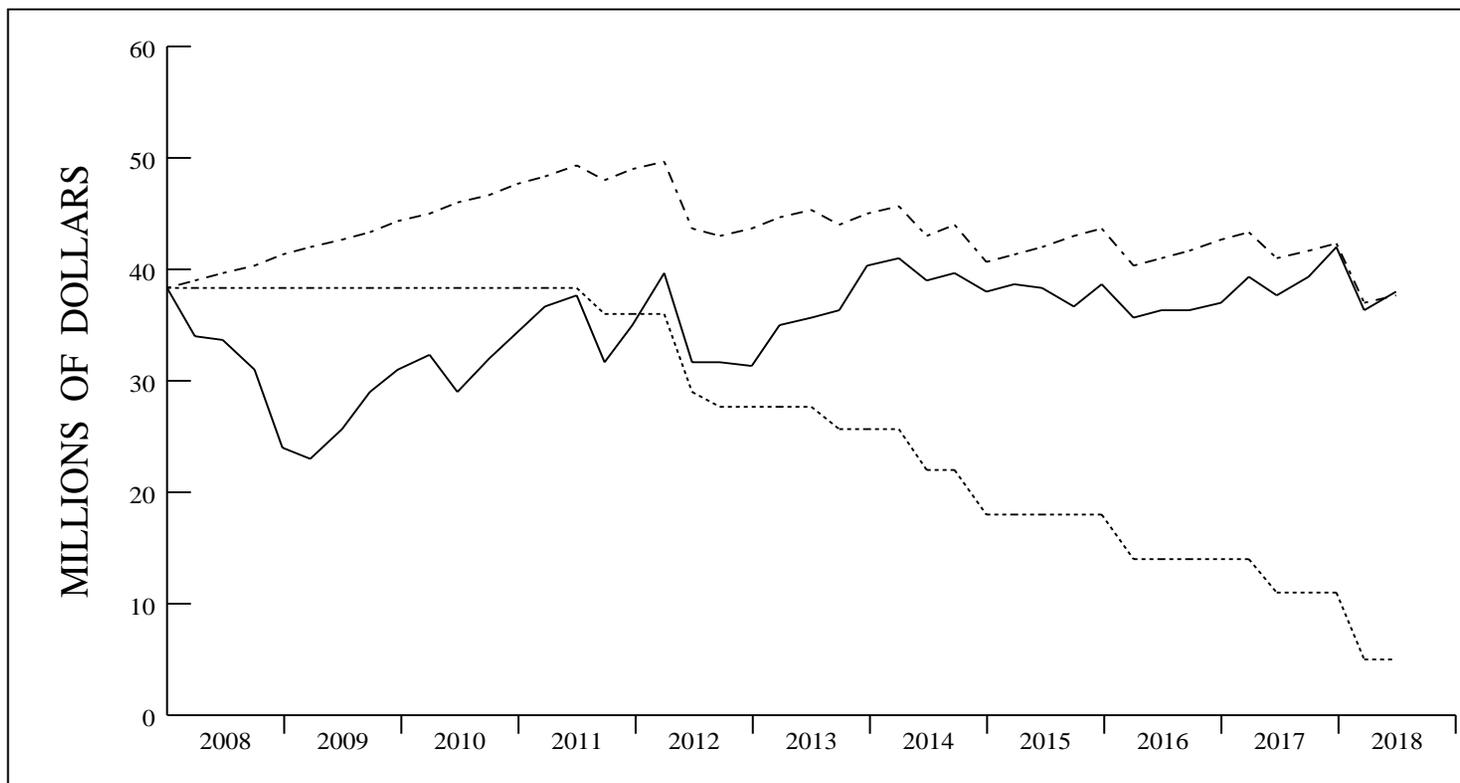
**ASSET ALLOCATION**

Domestic Equity	100.0%	\$ 38,189,919
Total Portfolio	100.0%	\$ 38,189,919

**INVESTMENT RETURN**

Market Value 3/2018	\$ 36,535,782
Contribs / Withdrawals	-505
Income	142,747
Capital Gains / Losses	1,511,895
Market Value 6/2018	\$ 38,189,919

**INVESTMENT GROWTH**

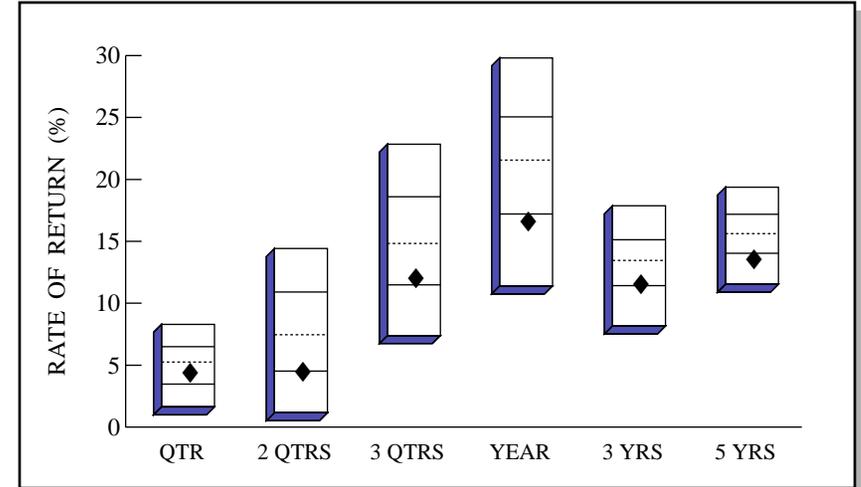
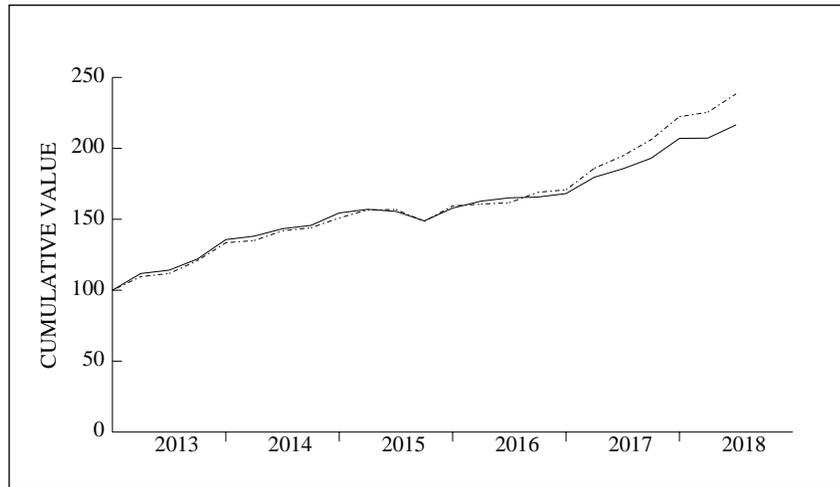


— ACTUAL RETURN  
 - - - - - BLENDED RATE  
 ..... 0.0%

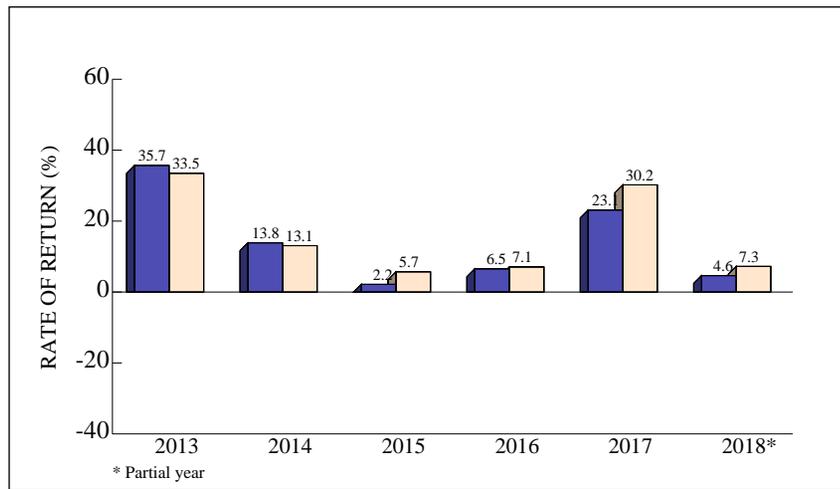
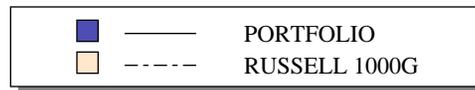
VALUE ASSUMING  
 BLENDED RATE \$ 37,894,558

	LAST QUARTER	PERIOD 12/07 - 6/18
BEGINNING VALUE	\$ 36,535,782	\$ 38,467,655
NET CONTRIBUTIONS	-505	- 33,263,325
<u>INVESTMENT RETURN</u>	<u>1,654,642</u>	<u>32,985,589</u>
ENDING VALUE	\$ 38,189,919	\$ 38,189,919
INCOME	142,747	4,127,818
<u>CAPITAL GAINS (LOSSES)</u>	<u>1,511,895</u>	<u>28,857,771</u>
INVESTMENT RETURN	1,654,642	32,985,589

**TOTAL RETURN COMPARISONS**



Large Cap Growth Universe

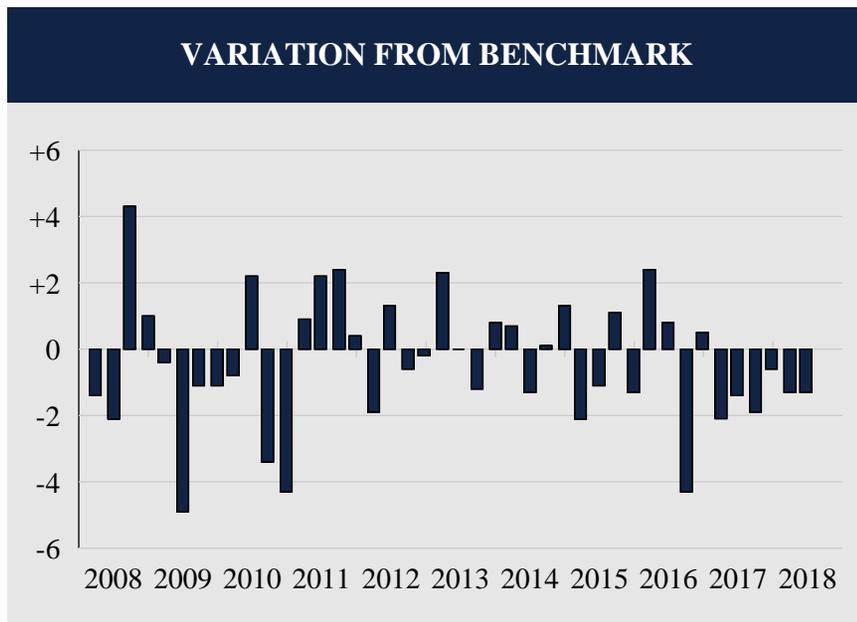


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	4.5	4.6	12.2	16.7	11.7	13.7
(RANK)	(61)	(74)	(72)	(77)	(73)	(81)
5TH %ILE	8.3	14.4	22.8	29.8	17.9	19.4
25TH %ILE	6.5	10.9	18.6	25.0	15.1	17.2
MEDIAN	5.2	7.5	14.8	21.6	13.5	15.6
75TH %ILE	3.5	4.5	11.5	17.2	11.4	14.0
95TH %ILE	1.6	1.2	7.4	11.4	8.2	11.5
<b>Russ 1000G</b>	<b>5.8</b>	<b>7.3</b>	<b>15.7</b>	<b>22.5</b>	<b>15.0</b>	<b>16.4</b>

Large Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

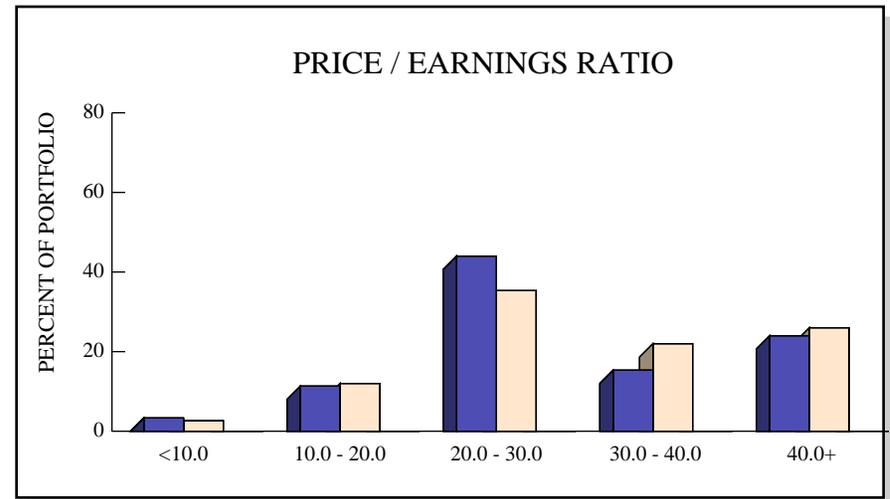
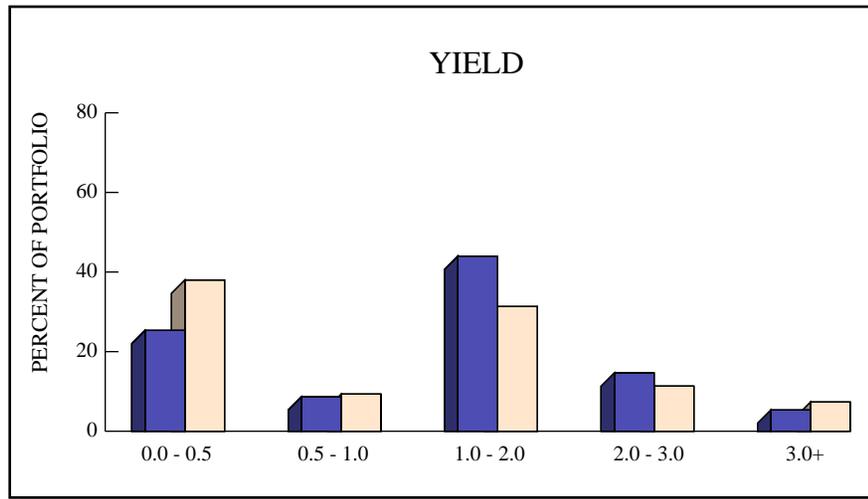
**COMPARATIVE BENCHMARK: RUSSELL 1000 GROWTH**



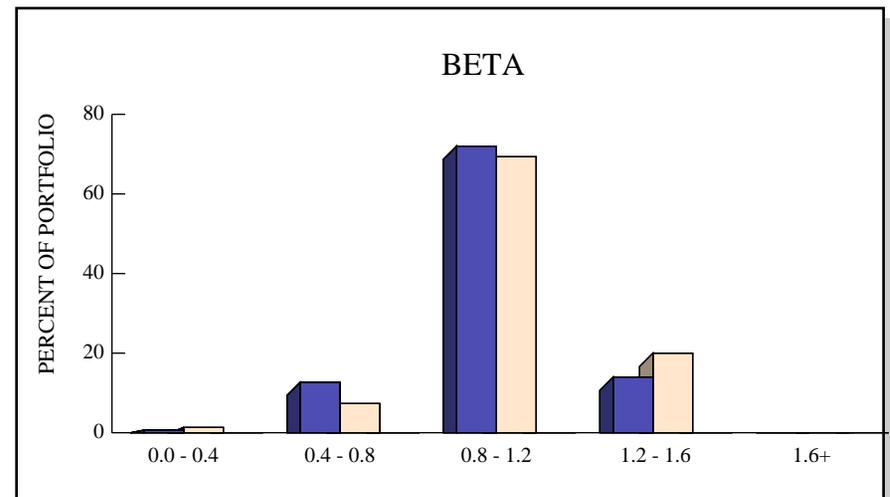
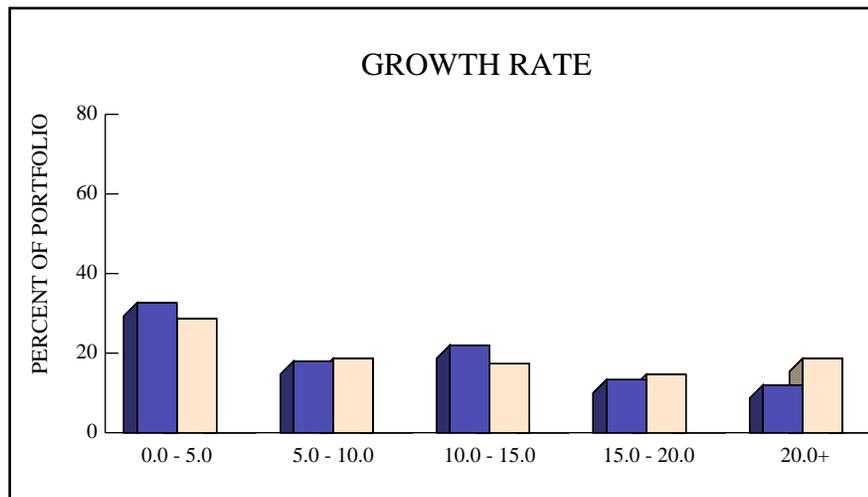
<b>Total Quarters Observed</b>	<b>42</b>
<b>Quarters At or Above the Benchmark</b>	<b>18</b>
<b>Quarters Below the Benchmark</b>	<b>24</b>
<b>Batting Average</b>	<b>.429</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
3/08	-11.6	-10.2	-1.4
6/08	-0.8	1.3	-2.1
9/08	-8.0	-12.3	4.3
12/08	-21.8	-22.8	1.0
3/09	-4.5	-4.1	-0.4
6/09	11.4	16.3	-4.9
9/09	12.9	14.0	-1.1
12/09	6.8	7.9	-1.1
3/10	3.9	4.7	-0.8
6/10	-9.6	-11.8	2.2
9/10	9.6	13.0	-3.4
12/10	7.5	11.8	-4.3
3/11	6.9	6.0	0.9
6/11	3.0	0.8	2.2
9/11	-10.7	-13.1	2.4
12/11	11.0	10.6	0.4
3/12	12.8	14.7	-1.9
6/12	-2.7	-4.0	1.3
9/12	5.5	6.1	-0.6
12/12	-1.5	-1.3	-0.2
3/13	11.8	9.5	2.3
6/13	2.1	2.1	0.0
9/13	6.9	8.1	-1.2
12/13	11.2	10.4	0.8
3/14	1.8	1.1	0.7
6/14	3.8	5.1	-1.3
9/14	1.6	1.5	0.1
12/14	6.1	4.8	1.3
3/15	1.7	3.8	-2.1
6/15	-1.0	0.1	-1.1
9/15	-4.2	-5.3	1.1
12/15	6.0	7.3	-1.3
3/16	3.1	0.7	2.4
6/16	1.4	0.6	0.8
9/16	0.3	4.6	-4.3
12/16	1.5	1.0	0.5
3/17	6.8	8.9	-2.1
6/17	3.3	4.7	-1.4
9/17	4.0	5.9	-1.9
12/17	7.3	7.9	-0.6
3/18	0.1	1.4	-1.3
6/18	4.5	5.8	-1.3

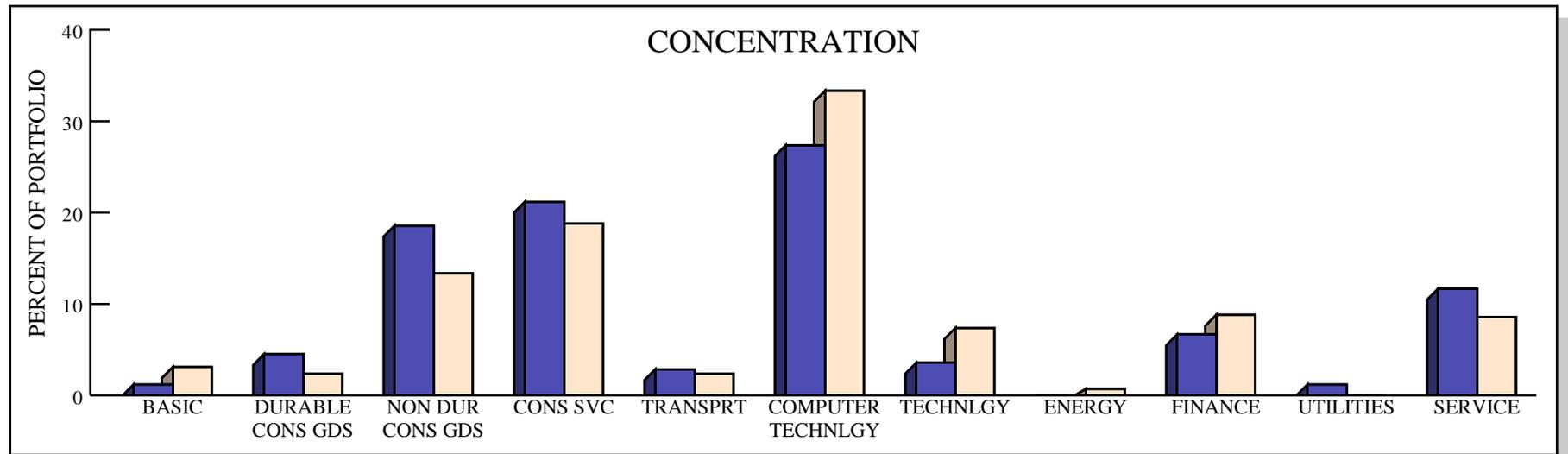
**STOCK CHARACTERISTICS**



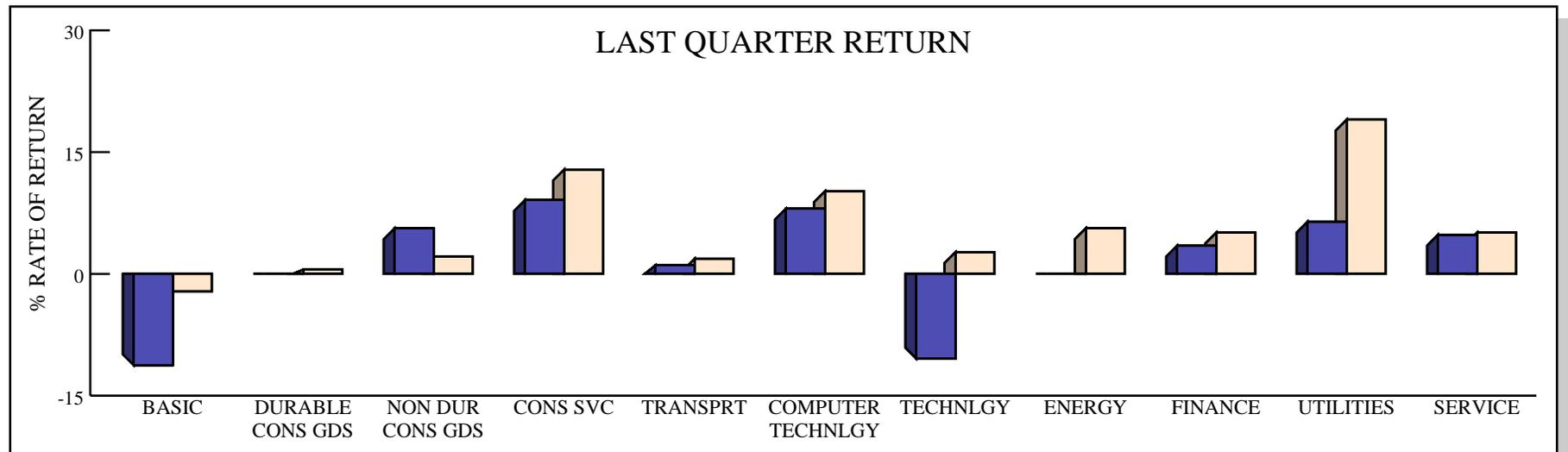
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	52	1.4%	8.0%	31.8	0.98
RUSSELL 1000G	542	1.2%	11.8%	32.4	1.03



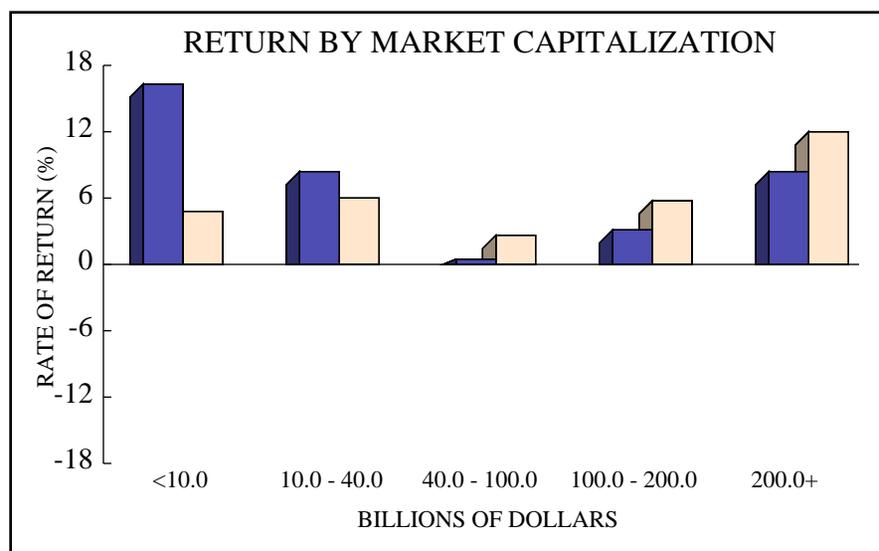
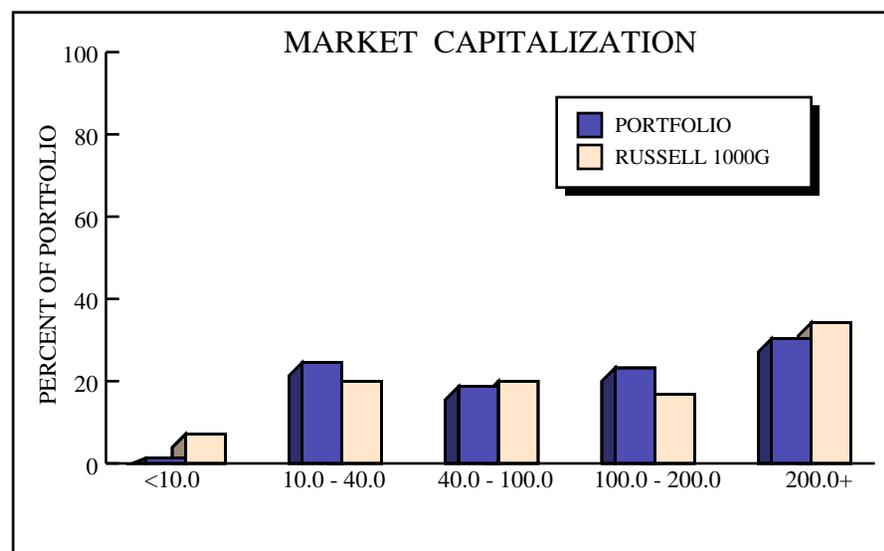
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 GROWTH



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 2,169,489	5.68%	10.8%	Computer Tech	\$ 909.8 B
2	MICROSOFT CORP	2,068,838	5.42%	8.5%	Computer Tech	757.6 B
3	ALPHABET INC-CL A	1,919,623	5.03%	8.9%	Computer Tech	337.2 B
4	HOME DEPOT INC	1,334,484	3.49%	10.1%	Consumer Service	225.1 B
5	MASTERCARD INC - A	1,106,408	2.90%	12.4%	Finance	202.5 B
6	UNITEDHEALTH GROUP INC	1,032,881	2.70%	15.1%	Consumer Service	235.8 B
7	TJX COMPANIES INC	1,030,799	2.70%	17.2%	Consumer Service	59.5 B
8	ECOLAB INC	1,006,166	2.63%	2.7%	NonDur Cons Goods	40.5 B
9	WALT DISNEY CO/THE	961,108	2.52%	4.4%	Service	155.8 B
10	NIKE INC -CL B	955,363	2.50%	20.3%	NonDur Cons Goods	102.2 B

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
ATTUCKS - MICHIGAN  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Attucks Michigan portfolio was valued at \$29,993,140, a decrease of \$3,045,952 from the March ending value of \$33,039,092. Last quarter, the account recorded total net withdrawals of \$3,000,304 in addition to \$45,648 in net investment losses. The fund's net investment loss was a result of income receipts totaling \$180,607 and realized and unrealized capital losses totaling \$226,255.

## **RELATIVE PERFORMANCE**

### **Total Fund**

During the second quarter, the Attucks Michigan portfolio lost 0.4%, which was 1.6% less than the Russell 1000 Value Index's return of 1.2% and ranked in the 92nd percentile of the Large Cap Value universe. Over the trailing year, the portfolio returned 9.9%, which was 3.1% greater than the benchmark's 6.8% performance, and ranked in the 53rd percentile. Since June 2011, the account returned 11.8% per annum and ranked in the 57th percentile. For comparison, the Russell 1000 Value returned an annualized 11.3% over the same time frame.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year
<b>Total Portfolio - Gross</b>	-0.4	9.9	8.7	11.5	11.8	----
<i>LARGE CAP VALUE RANK</i>	(92)	(53)	(65)	(51)	(57)	----
<b>Total Portfolio - Net</b>	-0.6	9.2	8.0	10.8	11.1	----
Russell 1000V	1.2	6.8	8.2	10.3	11.3	8.5
<b>Domestic Equity - Gross</b>	-0.4	9.9	8.7	11.5	11.8	----
<i>LARGE CAP VALUE RANK</i>	(92)	(53)	(65)	(51)	(57)	----
Russell 1000V	1.2	6.8	8.2	10.3	11.3	8.5

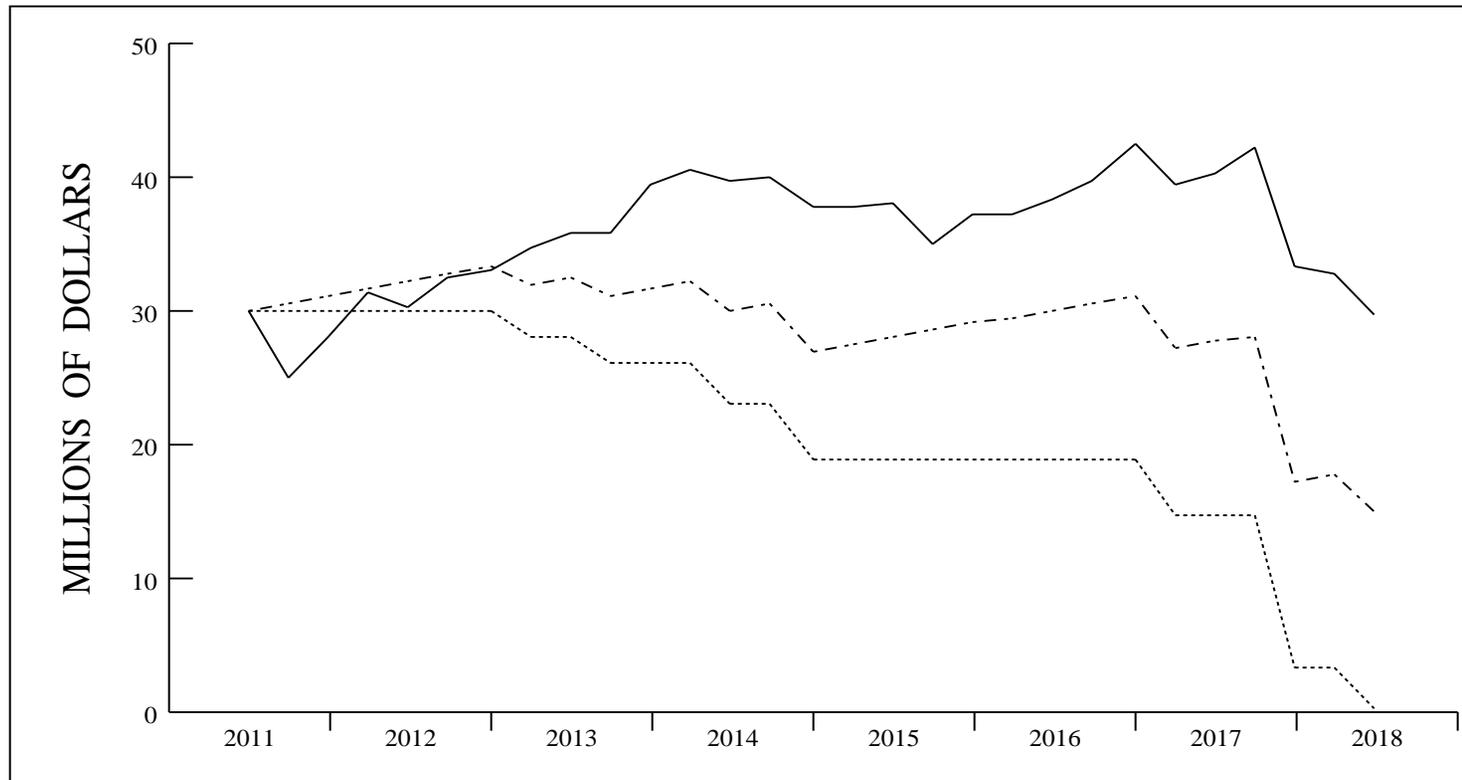
**ASSET ALLOCATION**

Domestic Equity	100.0%	\$ 29,993,140
Total Portfolio	100.0%	\$ 29,993,140

**INVESTMENT RETURN**

Market Value 3/2018	\$ 33,039,092
Contribs / Withdrawals	- 3,000,304
Income	180,607
Capital Gains / Losses	-226,255
Market Value 6/2018	\$ 29,993,140

**INVESTMENT GROWTH**



— ACTUAL RETURN  
 - - - - - BLENDED RATE  
 ..... 0.0%

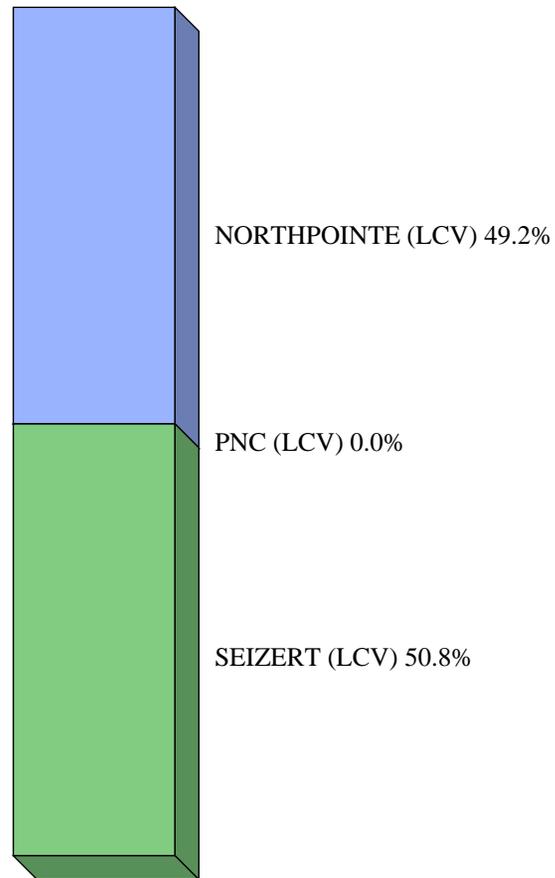
VALUE ASSUMING  
 BLENDED RATE \$ 15,085,469

	LAST QUARTER	PERIOD 6/11 - 6/18
BEGINNING VALUE	\$ 33,039,092	\$ 30,133,108
NET CONTRIBUTIONS	- 3,000,304	- 29,588,395
<u>INVESTMENT RETURN</u>	<u>- 45,648</u>	<u>29,448,427</u>
ENDING VALUE	\$ 29,993,140	\$ 29,993,140
INCOME	180,607	5,634,672
CAPITAL GAINS (LOSSES)	<u>-226,255</u>	<u>23,813,755</u>
INVESTMENT RETURN	- 45,648	29,448,427

**PONTIAC GENERAL EMPLOYEES RETIREMENT SYSTEM**  
**ATTUCKS MICHIGAN SUMMARY AS OF JUNE 2018**

Portfolio	Universe	Quarter		1 Year		3 Years		5 Years	
<b>Attucks Michigan</b>	(Large Cap Value)	<b>-0.4</b>	<b>(92)</b>	<b>9.9</b>	<b>(53)</b>	<b>8.7</b>	<b>(65)</b>	<b>11.5</b>	<b>(51)</b>
<b>Net of mgr fees &amp; gross of Attucks fees</b>		<b>-0.5</b>		<b>9.6</b>		<b>8.4</b>		<b>11.1</b>	
<b>Attucks Michigan net of fees</b>		<b>-0.6</b>		<b>9.2</b>		<b>8.0</b>		<b>10.8</b>	
<i>Russell 1000 Value</i>		<i>1.2</i>		<i>6.8</i>		<i>8.2</i>		<i>10.3</i>	
NorthPointe	(Large Cap Value)	0.3	(86)	10.2	(51)	7.5	(85)	11.2	(59)
NorthPointe net of fees		0.3		10.0		7.2		10.8	
<i>Russell 1000 Value</i>		<i>1.2</i>		<i>6.8</i>		<i>8.2</i>		<i>10.3</i>	
Seizert	(Large Cap Value)	-1.0	(99)	8.9	(68)	10.6	(24)	12.1	(31)
Seizert net of fees		-1.0		8.6		10.2		11.8	
<i>Russell 1000 Value</i>		<i>1.2</i>		<i>6.8</i>		<i>8.2</i>		<i>10.3</i>	

**MANAGER ALLOCATION SUMMARY**

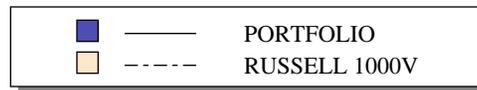
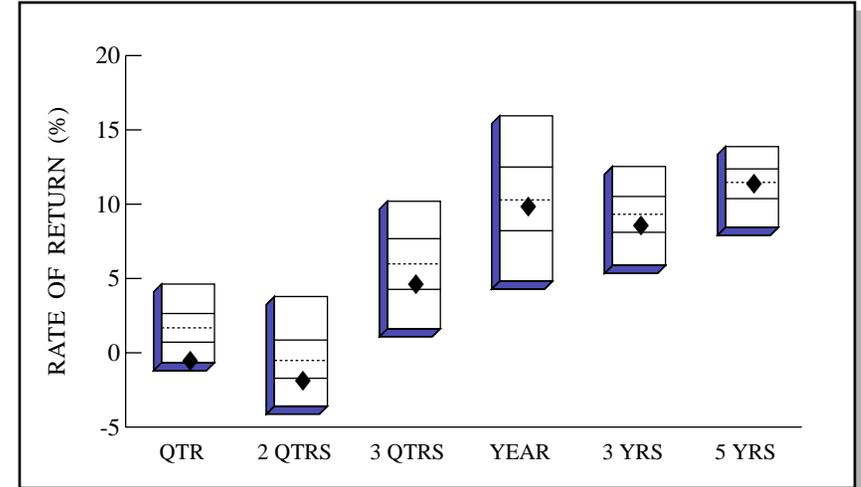
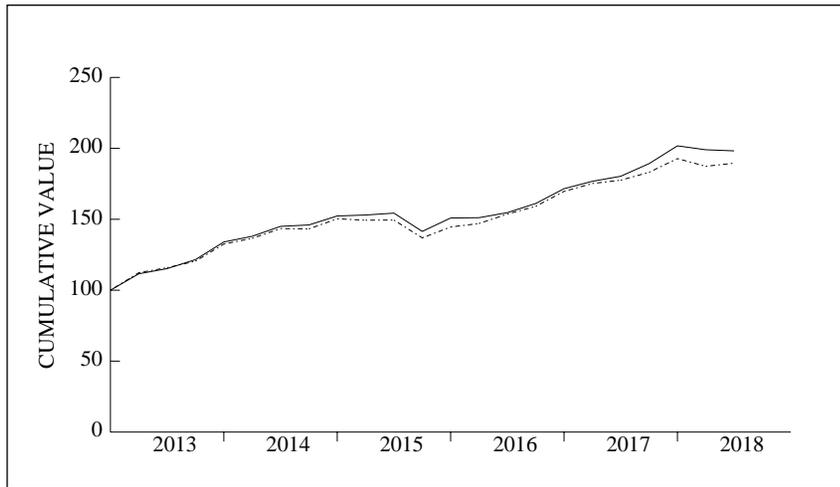


Name	Market Value	Percent
NorthPointe (LCV)	\$14,742,043	49.2
PNC (LCV)	\$3,098	0.0
Seizert (LCV)	\$15,247,999	50.8
<b>Total</b>	<b>\$29,993,140</b>	<b>100.0</b>

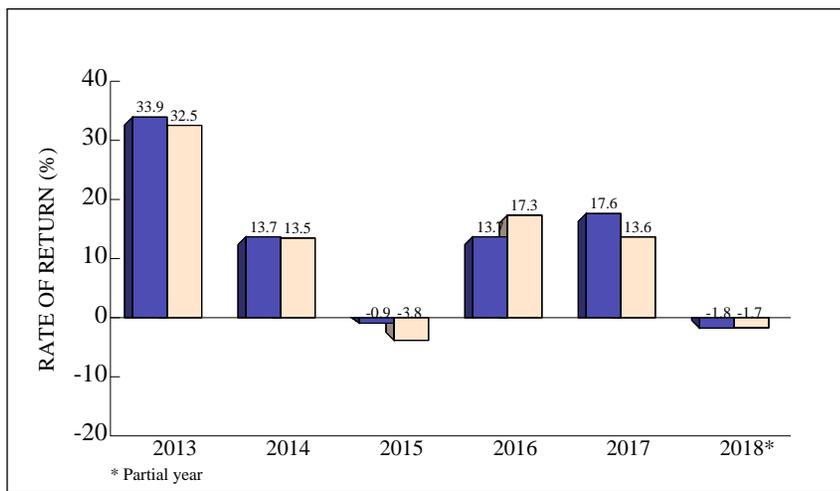
**INVESTMENT RETURN SUMMARY - ONE QUARTER**

<b>Name</b>	<b>Quarter Total Return</b>	<b>Market Value March 31st, 2018</b>	<b>Net Cashflow</b>	<b>Net Investment Return</b>	<b>Market Value June 30th, 2018</b>
NorthPointe (LCV)	0.3	15,417,977	-750,024	74,090	14,742,043
PNC (LCV)	---	3	-66	3,161	3,098
Seizert (LCV)	-1.0	17,621,112	-2,250,214	-122,899	15,247,999
<b>Total Portfolio</b>	<b>-0.4</b>	<b>33,039,092</b>	<b>-3,000,304</b>	<b>-45,648</b>	<b>29,993,140</b>

**TOTAL RETURN COMPARISONS**



Large Cap Value Universe

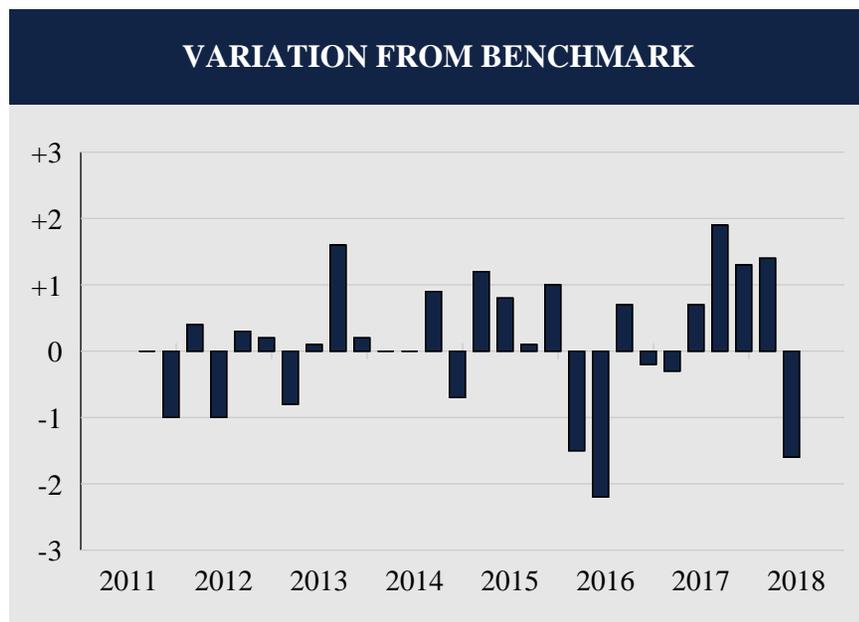


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	-0.4	-1.8	4.7	9.9	8.7	11.5
(RANK)	(92)	(76)	(68)	(53)	(65)	(51)
5TH %ILE	4.6	3.8	10.2	16.0	12.5	13.9
25TH %ILE	2.6	0.9	7.7	12.5	10.5	12.4
MEDIAN	1.7	-0.5	6.0	10.3	9.3	11.5
75TH %ILE	0.7	-1.7	4.3	8.2	8.1	10.4
95TH %ILE	-0.7	-3.6	1.6	4.8	5.9	8.4
<b>Russ 1000V</b>	<b>1.2</b>	<b>-1.7</b>	<b>3.5</b>	<b>6.8</b>	<b>8.2</b>	<b>10.3</b>

Large Cap Value Universe

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

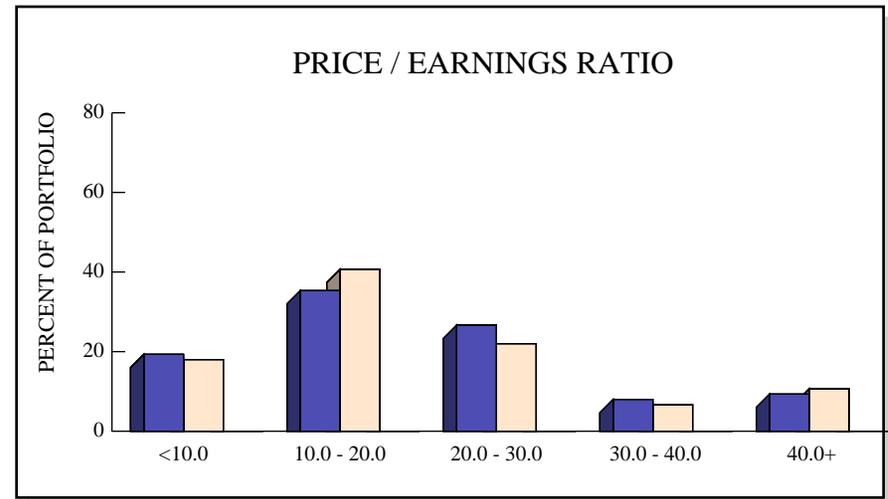
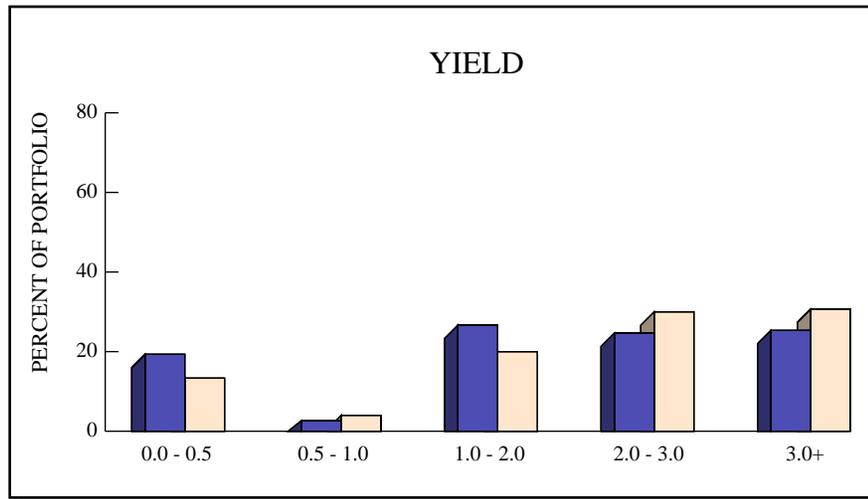
COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE



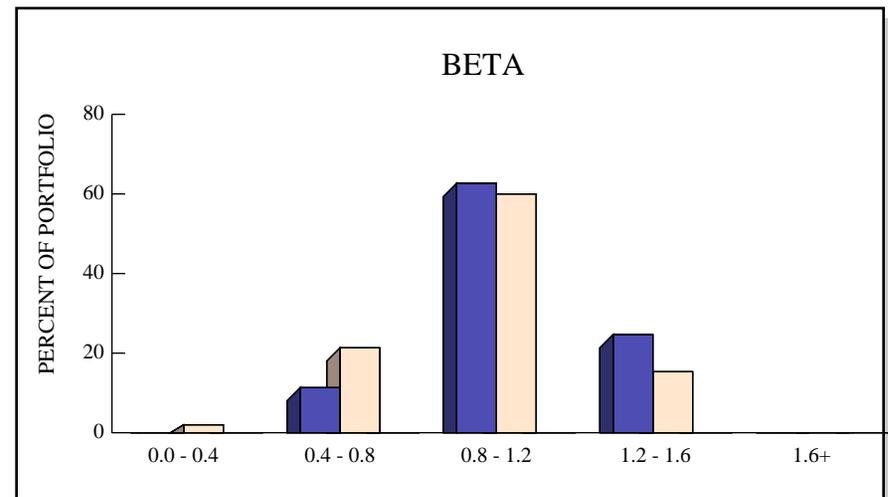
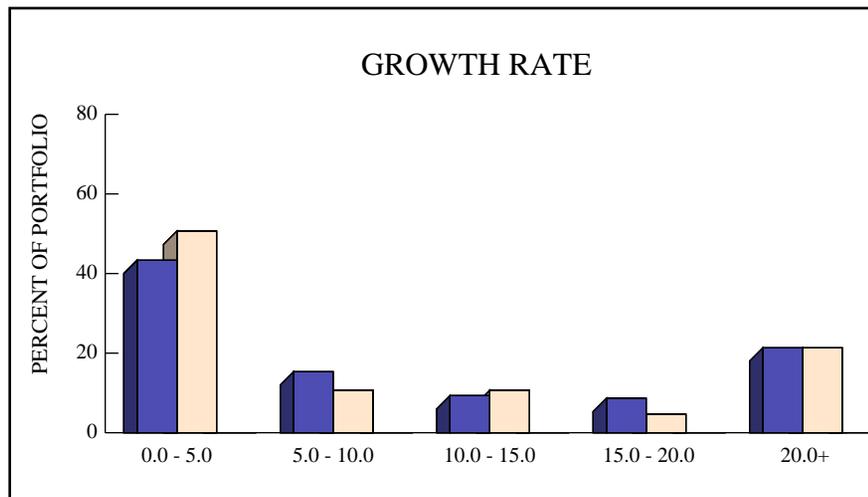
<b>Total Quarters Observed</b>	<b>28</b>
<b>Quarters At or Above the Benchmark</b>	<b>19</b>
<b>Quarters Below the Benchmark</b>	<b>9</b>
<b>Batting Average</b>	<b>.679</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/11	-16.2	-16.2	0.0
12/11	12.1	13.1	-1.0
3/12	11.5	11.1	0.4
6/12	-3.2	-2.2	-1.0
9/12	6.8	6.5	0.3
12/12	1.7	1.5	0.2
3/13	11.5	12.3	-0.8
6/13	3.3	3.2	0.1
9/13	5.5	3.9	1.6
12/13	10.2	10.0	0.2
3/14	3.0	3.0	0.0
6/14	5.1	5.1	0.0
9/14	0.7	-0.2	0.9
12/14	4.3	5.0	-0.7
3/15	0.5	-0.7	1.2
6/15	0.9	0.1	0.8
9/15	-8.3	-8.4	0.1
12/15	6.6	5.6	1.0
3/16	0.1	1.6	-1.5
6/16	2.4	4.6	-2.2
9/16	4.2	3.5	0.7
12/16	6.5	6.7	-0.2
3/17	3.0	3.3	-0.3
6/17	2.0	1.3	0.7
9/17	5.0	3.1	1.9
12/17	6.6	5.3	1.3
3/18	-1.4	-2.8	1.4
6/18	-0.4	1.2	-1.6

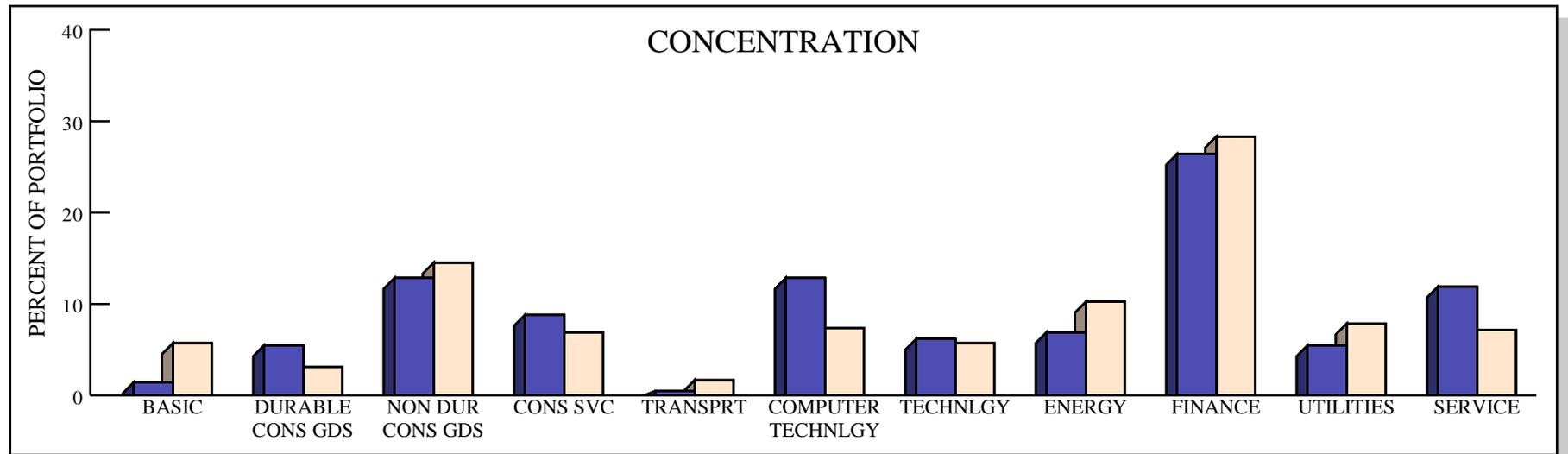
**STOCK CHARACTERISTICS**



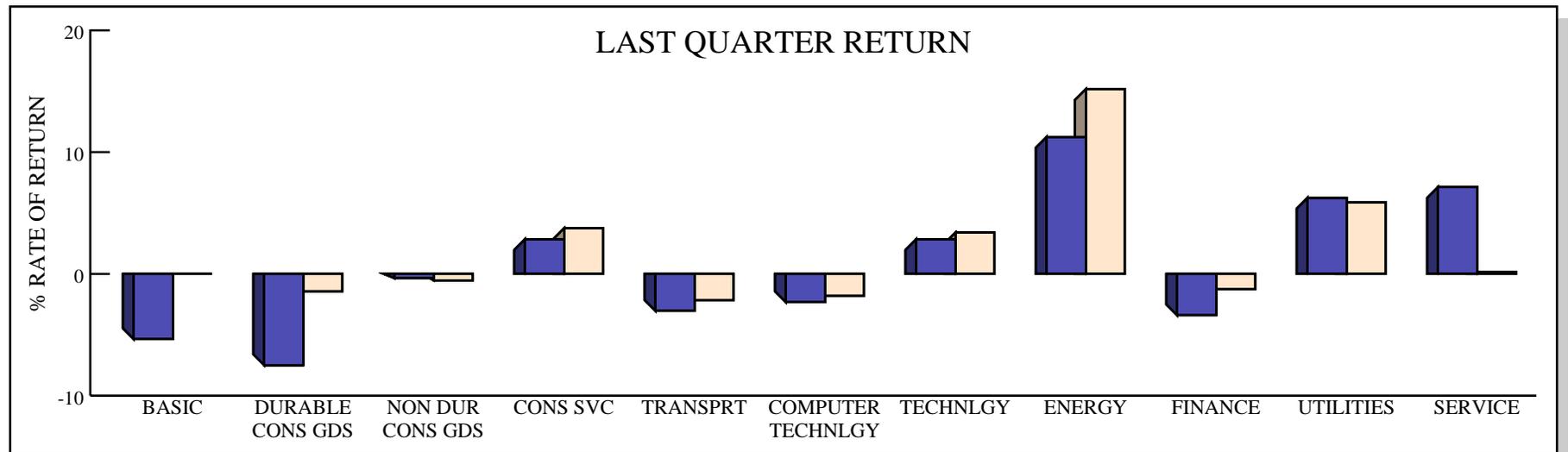
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	99	2.1%	9.2%	20.3	1.05
RUSSELL 1000V	729	2.4%	7.5%	20.4	0.96



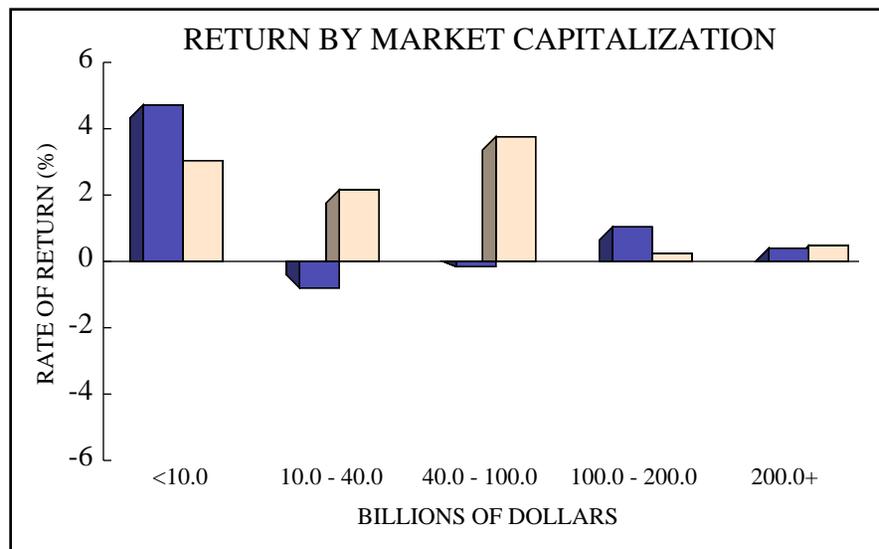
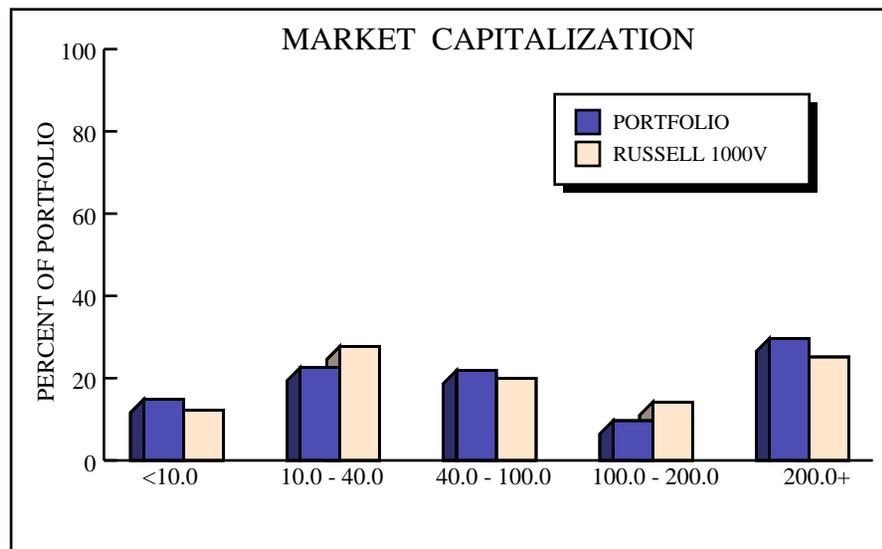
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 VALUE



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	JPMORGAN CHASE & CO	\$ 1,098,581	3.66%	-4.8%	Finance	\$ 354.8 B
2	BERKSHIRE HATHAWAY INC-CL B	948,929	3.16%	-6.4%	Finance	251.2 B
3	BANK OF AMERICA CORP	868,731	2.90%	-5.6%	Finance	285.8 B
4	CITIGROUP INC	813,279	2.71%	-0.4%	Finance	170.6 B
5	CISCO SYSTEMS INC	760,684	2.54%	1.1%	Computer Tech	202.4 B
6	JOHNSON & JOHNSON	744,421	2.48%	-4.6%	NonDur Cons Goods	325.5 B
7	VERIZON COMMUNICATIONS INC	718,326	2.39%	6.5%	Utilities	207.9 B
8	EXXON MOBIL CORP	707,424	2.36%	12.0%	Energy	350.3 B
9	INTEL CORP	676,752	2.26%	-4.0%	Computer Tech	231.6 B
10	GOLDMAN SACHS GROUP INC	666,121	2.22%	-12.1%	Finance	83.3 B

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
VICTORY CAPITAL - MID-CAPITALIZATION GROWTH  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Victory Capital Mid-Capitalization Growth portfolio was valued at \$42,138,584, representing an increase of \$476,379 from the March quarter's ending value of \$41,662,205. Last quarter, the Fund posted withdrawals totaling \$52, which partially offset the portfolio's net investment return of \$476,431. Income receipts totaling \$106,200 plus net realized and unrealized capital gains of \$370,231 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the second quarter, the Victory Capital Mid-Capitalization Growth portfolio returned 1.1%, which was 2.1% below the Russell Mid Cap Growth Index's return of 3.2% and ranked in the 89th percentile of the Mid Cap Growth universe. Over the trailing year, the portfolio returned 13.7%, which was 4.8% below the benchmark's 18.5% return, ranking in the 89th percentile. Since March 2006, the portfolio returned 8.8% annualized. The Russell Mid Cap Growth returned an annualized 9.0% over the same period.

## **HOLDINGS ANALYSIS**

Last quarter the Victory Mid Cap portfolio was invested across ten of the eleven industry sectors in our analysis. Relative to the Russell Mid Cap Growth index, portfolio was notably overweight in the Finance sector, while the Computer Technology and Service sectors were underweight. The Transportation sector was left vacant.

Since the Finance sector did not do well in the midcap growth market last quarter, the portfolio, which was heavily dependent on this sector, inherited those weak results. The reduced weight in the Computer Technology sector also hurt, since that was a stronger source of return.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 03/06
<b>Total Portfolio - Gross</b>	1.1	13.7	7.9	11.6	11.4	9.6	8.8
<i>MID CAP GROWTH RANK</i>	(89)	(89)	(83)	(89)	(78)	(91)	----
<b>Total Portfolio - Net</b>	1.1	13.3	7.5	11.2	11.1	9.3	8.6
Russ Mid Gro	3.2	18.5	10.7	13.4	12.2	10.4	9.0
<b>Domestic Equity - Gross</b>	1.1	13.7	7.9	11.6	11.4	9.6	8.8
<i>MID CAP GROWTH RANK</i>	(89)	(89)	(83)	(89)	(78)	(91)	----
Russ Mid Gro	3.2	18.5	10.7	13.4	12.2	10.4	9.0

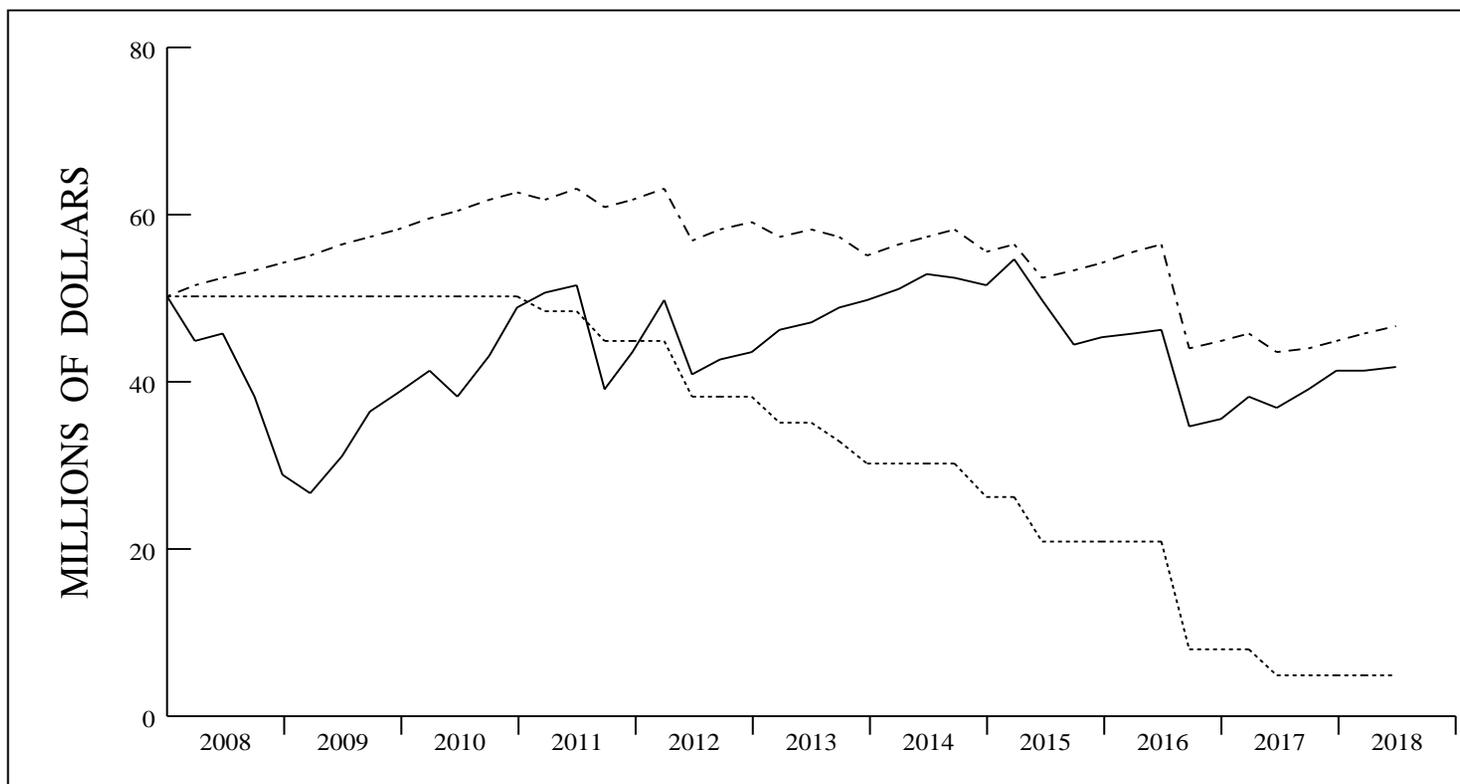
**ASSET ALLOCATION**

Domestic Equity	100.0%	\$ 42,138,584
Total Portfolio	100.0%	\$ 42,138,584

**INVESTMENT RETURN**

Market Value 3/2018	\$ 41,662,205
Contribs / Withdrawals	- 52
Income	106,200
Capital Gains / Losses	370,231
Market Value 6/2018	\$ 42,138,584

**INVESTMENT GROWTH**

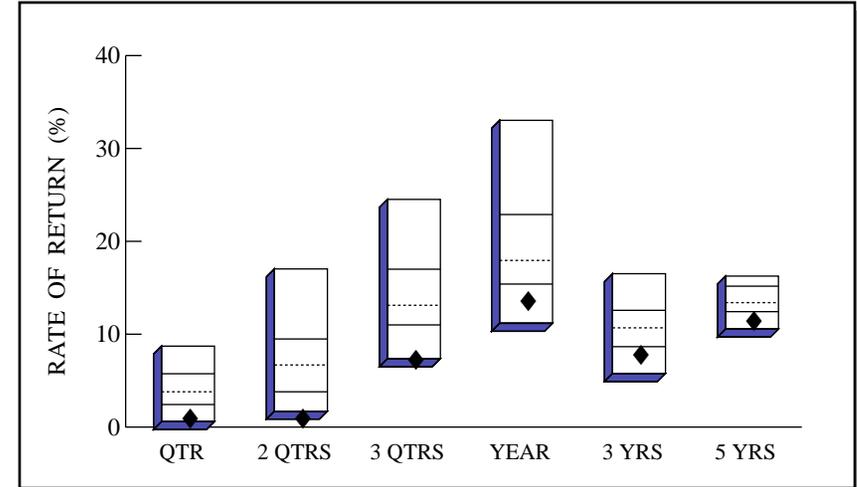
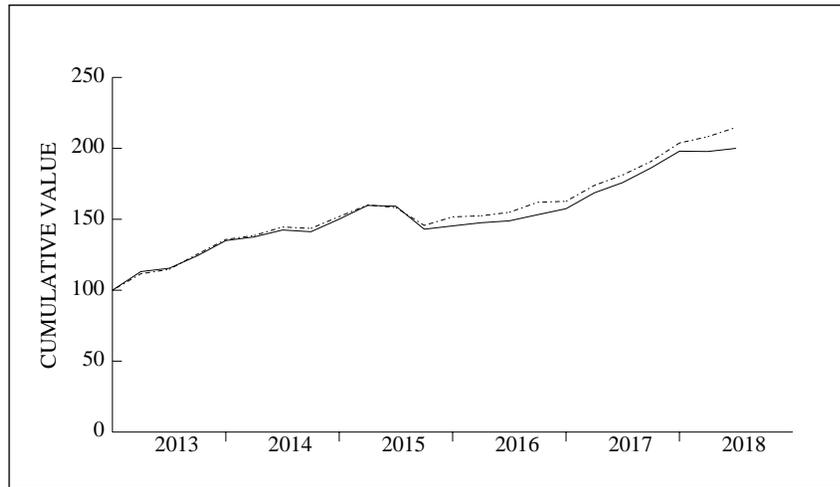


— ACTUAL RETURN  
 - - - BLENDED RATE  
 ..... 0.0%

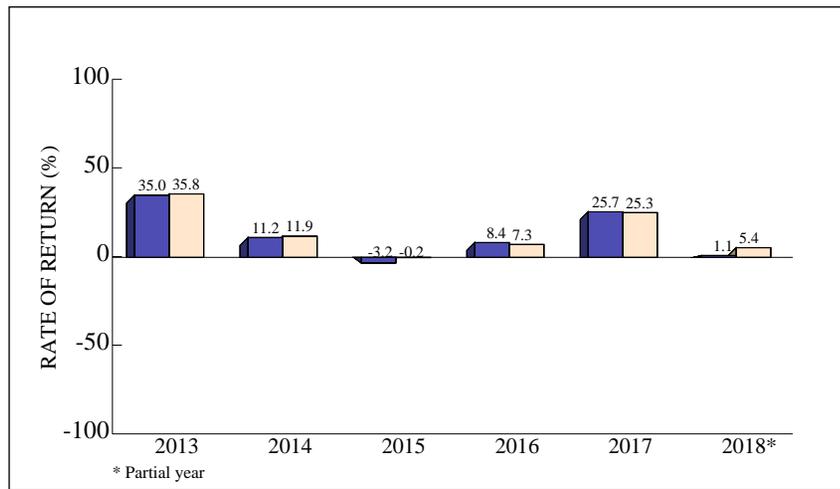
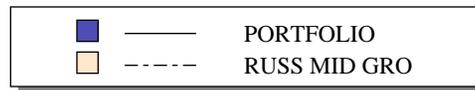
VALUE ASSUMING  
 BLENDED RATE \$ 46,746,921

	LAST QUARTER	PERIOD 12/07 - 6/18
BEGINNING VALUE	\$ 41,662,205	\$ 50,647,301
NET CONTRIBUTIONS	- 52	- 45,404,629
<u>INVESTMENT RETURN</u>	<u>476,431</u>	<u>36,895,912</u>
ENDING VALUE	\$ 42,138,584	\$ 42,138,584
INCOME	106,200	3,740,786
<u>CAPITAL GAINS (LOSSES)</u>	<u>370,231</u>	<u>33,155,126</u>
INVESTMENT RETURN	476,431	36,895,912

**TOTAL RETURN COMPARISONS**



Mid Cap Growth Universe

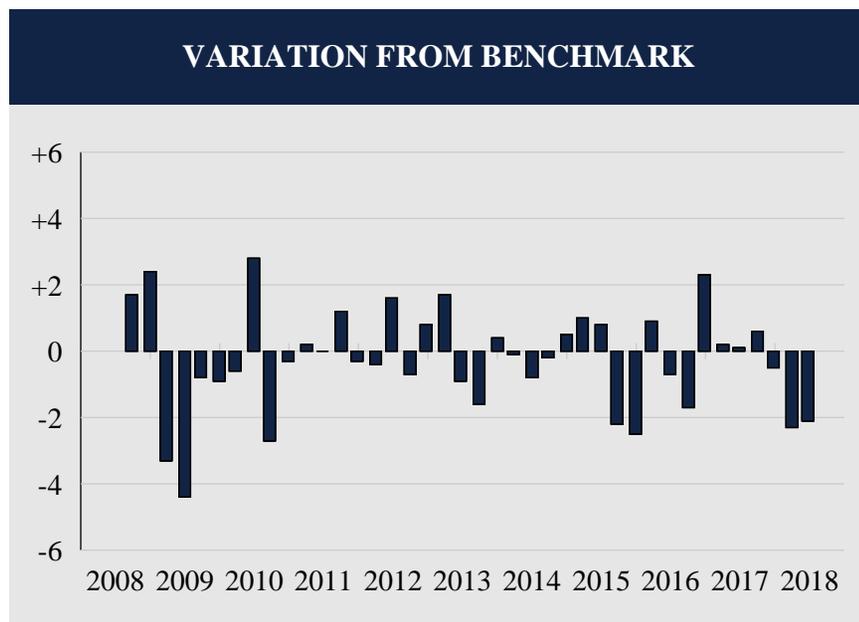


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	1.1	1.1	7.4	13.7	7.9	11.6
(RANK)	(89)	(96)	(95)	(89)	(83)	(89)
5TH %ILE	8.7	17.0	24.5	33.0	16.5	16.3
25TH %ILE	5.8	9.5	17.0	22.9	12.6	15.2
MEDIAN	3.8	6.7	13.1	18.0	10.7	13.4
75TH %ILE	2.4	3.8	11.0	15.4	8.7	12.4
95TH %ILE	0.6	1.7	7.4	11.2	5.8	10.5
<b>Russ MCG</b>	<b>3.2</b>	<b>5.4</b>	<b>12.6</b>	<b>18.5</b>	<b>10.7</b>	<b>13.4</b>

Mid Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY - 10 YEARS**

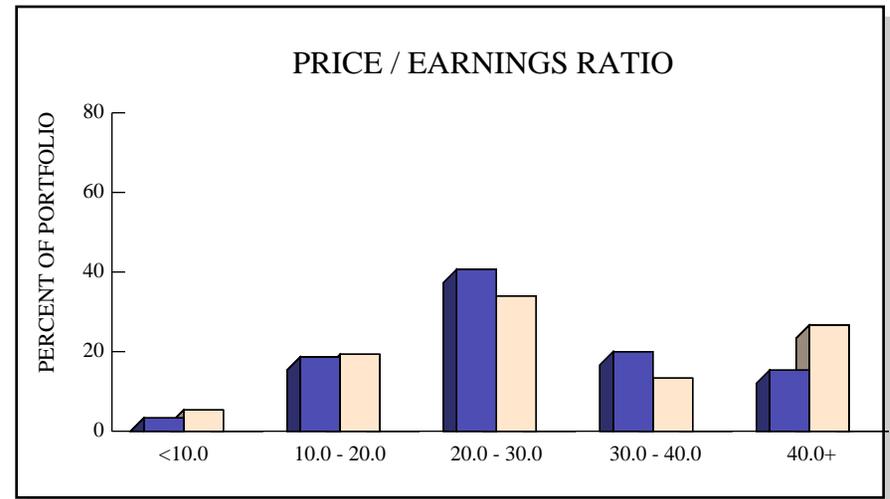
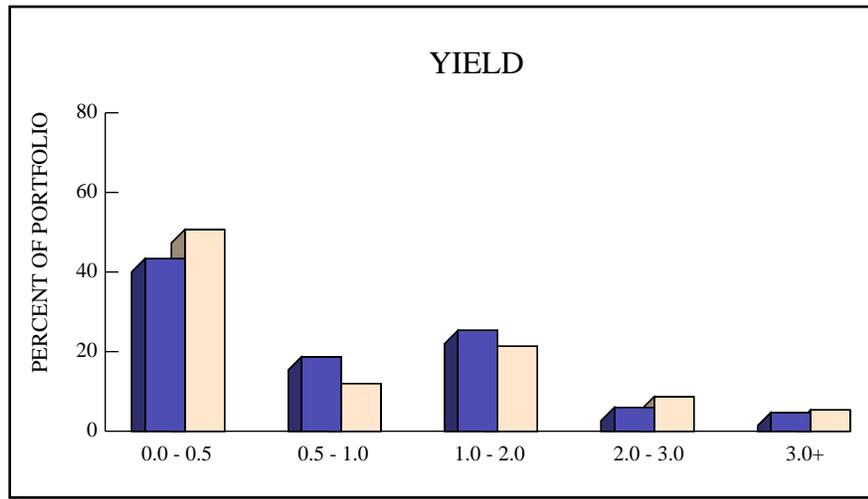
**COMPARATIVE BENCHMARK: RUSSELL MID CAP GROWTH**



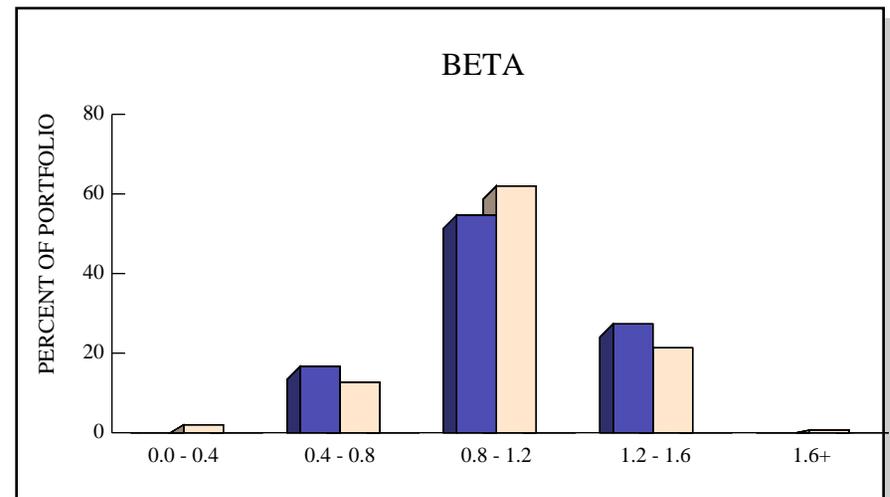
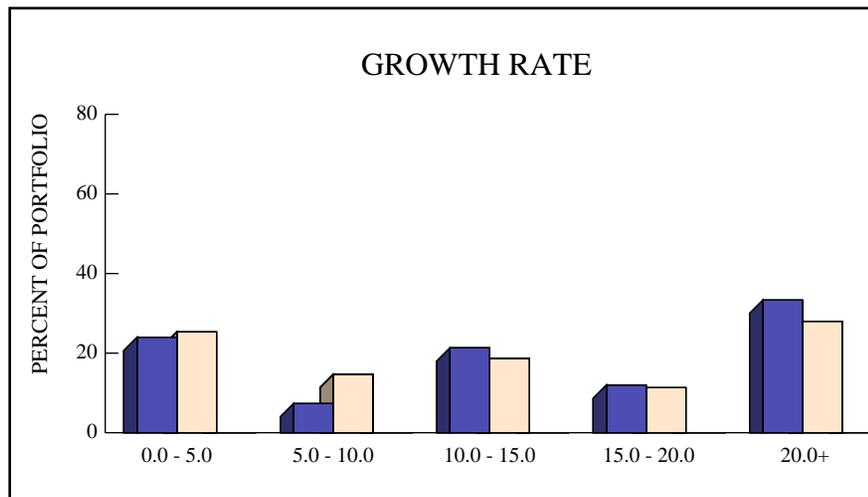
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/08	-16.1	-17.8	1.7
12/08	-25.0	-27.4	2.4
3/09	-6.7	-3.4	-3.3
6/09	16.3	20.7	-4.4
9/09	16.8	17.6	-0.8
12/09	5.8	6.7	-0.9
3/10	7.1	7.7	-0.6
6/10	-7.4	-10.2	2.8
9/10	12.0	14.7	-2.7
12/10	13.7	14.0	-0.3
3/11	8.1	7.9	0.2
6/11	1.6	1.6	0.0
9/11	-18.1	-19.3	1.2
12/11	10.9	11.2	-0.3
3/12	14.1	14.5	-0.4
6/12	-4.0	-5.6	1.6
9/12	4.6	5.3	-0.7
12/12	2.5	1.7	0.8
3/13	13.2	11.5	1.7
6/13	2.0	2.9	-0.9
9/13	7.7	9.3	-1.6
12/13	8.6	8.2	0.4
3/14	1.9	2.0	-0.1
6/14	3.6	4.4	-0.8
9/14	-0.9	-0.7	-0.2
12/14	6.3	5.8	0.5
3/15	6.4	5.4	1.0
6/15	-0.3	-1.1	0.8
9/15	-10.2	-8.0	-2.2
12/15	1.6	4.1	-2.5
3/16	1.5	0.6	0.9
6/16	0.9	1.6	-0.7
9/16	2.9	4.6	-1.7
12/16	2.8	0.5	2.3
3/17	7.1	6.9	0.2
6/17	4.3	4.2	0.1
9/17	5.9	5.3	0.6
12/17	6.3	6.8	-0.5
3/18	-0.1	2.2	-2.3
6/18	1.1	3.2	-2.1

<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>18</b>
<b>Quarters Below the Benchmark</b>	<b>22</b>
<b>Batting Average</b>	<b>.450</b>

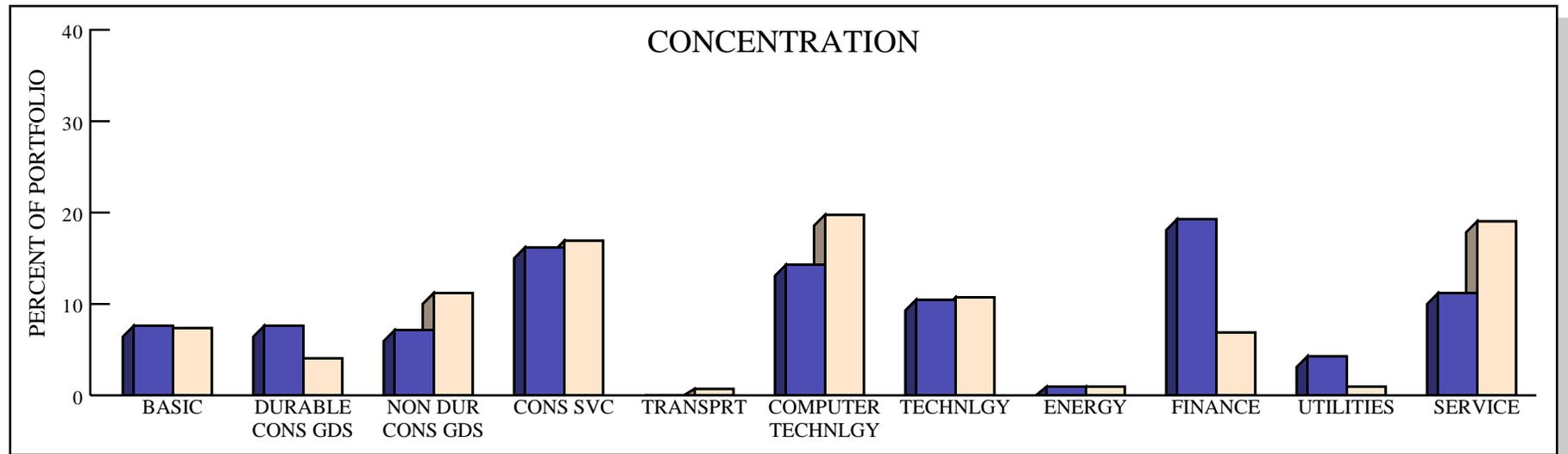
**STOCK CHARACTERISTICS**



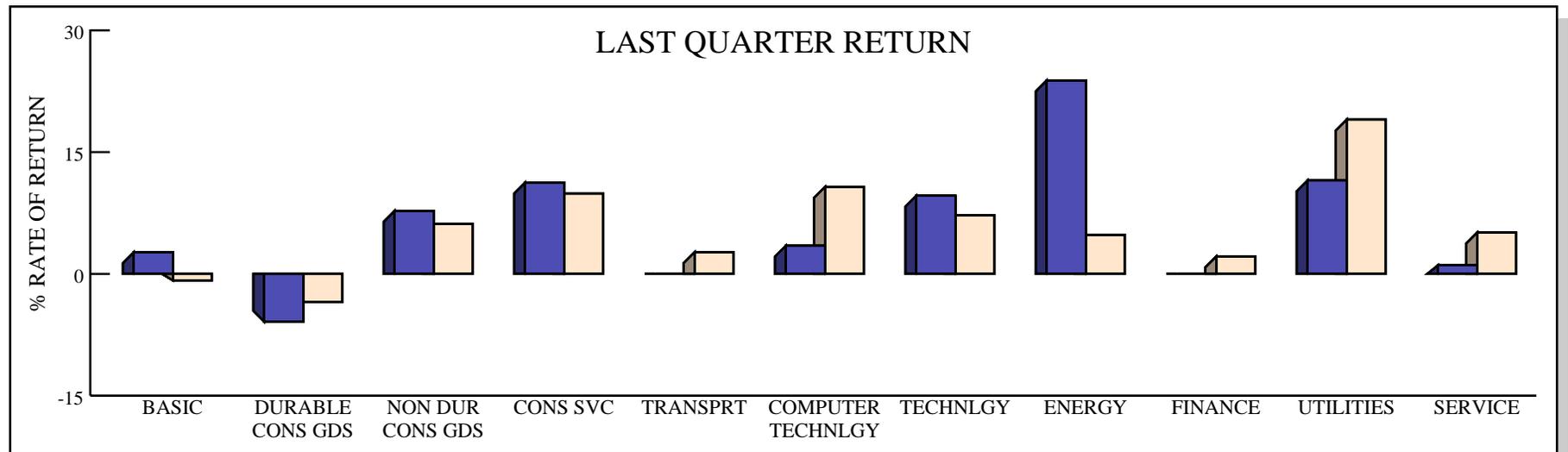
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	75	0.9%	14.4%	28.5	1.03
RUSS MID GRO	415	0.9%	14.7%	30.1	1.03



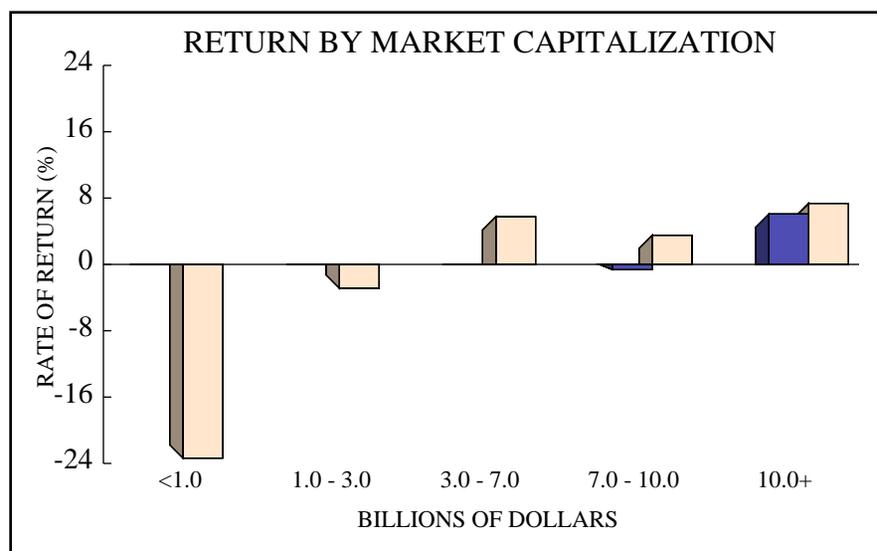
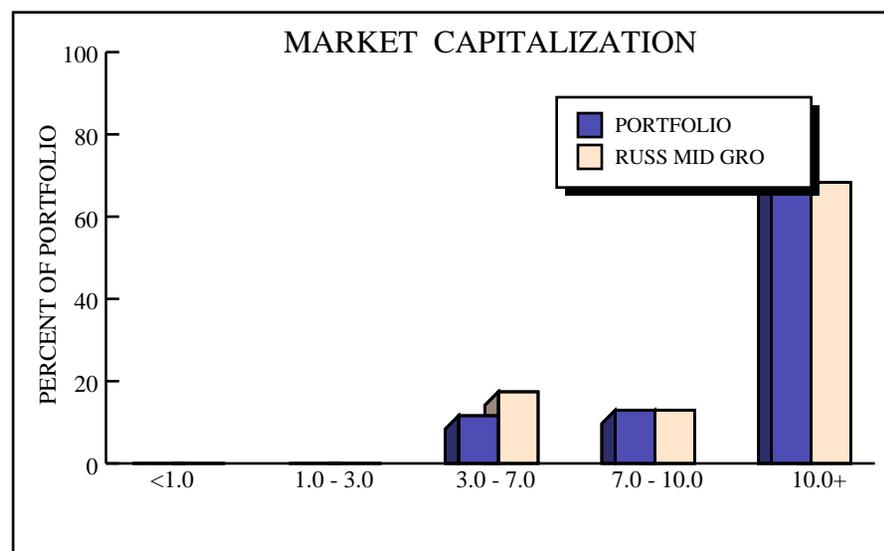
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL MID CAP GROWTH



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	SVB FINANCIAL GROUP	\$ 1,126,164	2.67%	20.3%	Finance	\$ 15.3 B
2	ROSS STORES INC	1,110,225	2.63%	9.0%	Consumer Service	31.9 B
3	FIDELITY NATIONAL INFO SERV	1,028,491	2.44%	10.4%	Service	35.1 B
4	CENTENE CORP	948,717	2.25%	15.3%	Consumer Service	25.3 B
5	SBA COMMUNICATIONS CORP	932,928	2.21%	-3.4%	Service	19.0 B
6	XPO LOGISTICS INC	931,674	2.21%	-1.6%	Service	12.1 B
7	PTC INC	928,719	2.20%	20.3%	Computer Tech	10.9 B
8	ENCOMPASS HEALTH CORP	920,992	2.19%	18.9%	Consumer Service	6.7 B
9	MICROCHIP TECHNOLOGY INC	847,563	2.01%	-0.1%	Computer Tech	21.4 B
10	BAXTER INTERNATIONAL INC	797,472	1.89%	13.8%	Technology	39.7 B

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
SYSTEMATIC - MID CAP VALUE  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Systematic Mid Cap Value portfolio was valued at \$43,712,942, representing an increase of \$1,248,064 from the March quarter's ending value of \$42,464,878. Last quarter, the Fund posted withdrawals totaling \$427, which partially offset the portfolio's net investment return of \$1,248,491. Income receipts totaling \$196,480 plus net realized and unrealized capital gains of \$1,052,011 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the second quarter, the Systematic Mid Cap Value portfolio returned 2.9%, which was 0.5% above the Russell Mid Cap Value Index's return of 2.4% and ranked in the 34th percentile of the Mid Cap Value universe. Over the trailing year, the portfolio returned 14.0%, which was 6.4% above the benchmark's 7.6% return, ranking in the 13th percentile. Since March 2006, the portfolio returned 8.8% annualized. The Russell Mid Cap Value returned an annualized 8.2% over the same period.

## **HOLDINGS ANALYSIS**

The Systematic portfolio was invested last quarter across all eleven industry sectors in our analysis. With regard to the Russell Mid Cap Value index, the portfolio was overweight in the Basic and Energy sectors, while underweight in the Finance and Utilities sectors.

The portfolio eked out a half percent lead over the index through a combination of two factors: overweighting the Energy sector, which was powerhouse in the midcap value market, and very favorable selection in the Non-Durable Consumer Goods, Consumer Service, and Service sectors. Steep losses in the Transportation sector kept gains in check.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 03/06
<b>Total Portfolio - Gross</b>	2.9	14.0	9.3	10.8	10.0	9.2	8.8
<i>MID CAP VALUE RANK</i>	(34)	(13)	(48)	(77)	(91)	(88)	----
<b>Total Portfolio - Net</b>	2.8	13.5	8.8	10.2	9.5	8.8	8.5
Russ Mid Val	2.4	7.6	8.8	11.3	11.7	10.1	8.2
<b>Domestic Equity - Gross</b>	2.9	14.0	9.3	10.8	10.0	9.2	8.8
<i>MID CAP VALUE RANK</i>	(34)	(13)	(48)	(77)	(91)	(88)	----
Russ Mid Val	2.4	7.6	8.8	11.3	11.7	10.1	8.2

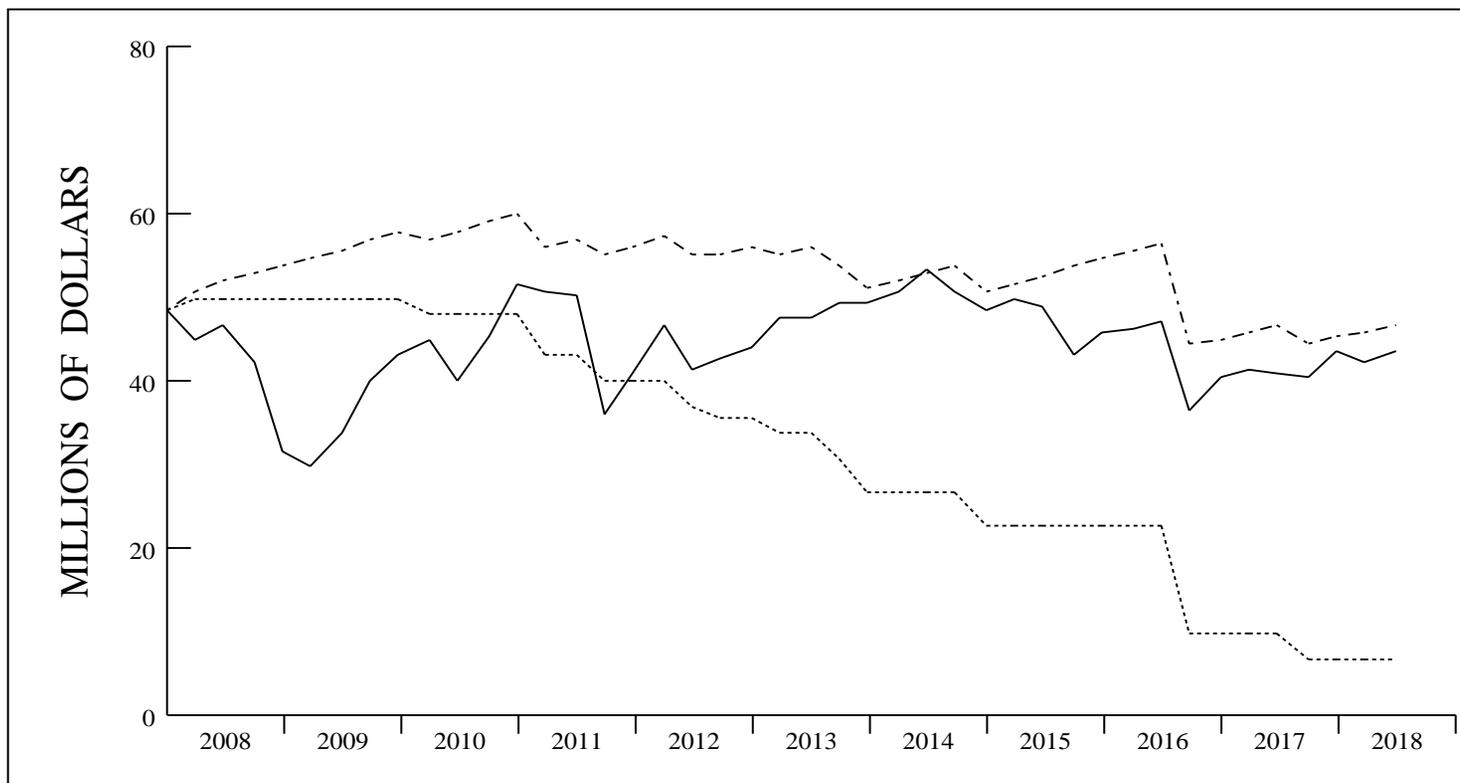
**ASSET ALLOCATION**

Domestic Equity	100.0%	\$ 43,712,942
Total Portfolio	100.0%	\$ 43,712,942

**INVESTMENT RETURN**

Market Value 3/2018	\$ 42,464,878
Contribs / Withdrawals	-427
Income	196,480
Capital Gains / Losses	1,052,011
Market Value 6/2018	\$ 43,712,942

**INVESTMENT GROWTH**

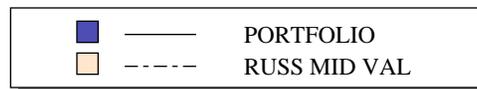
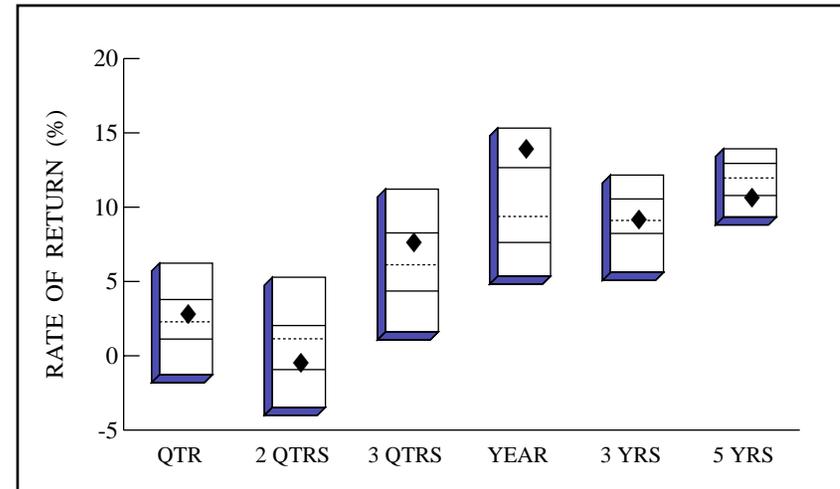
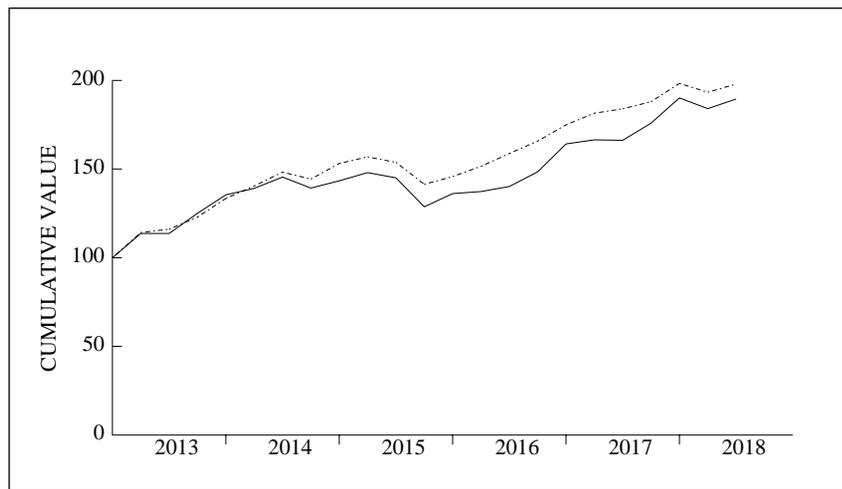


— ACTUAL RETURN  
 - - - - - BLENDED RATE  
 ..... 0.0%

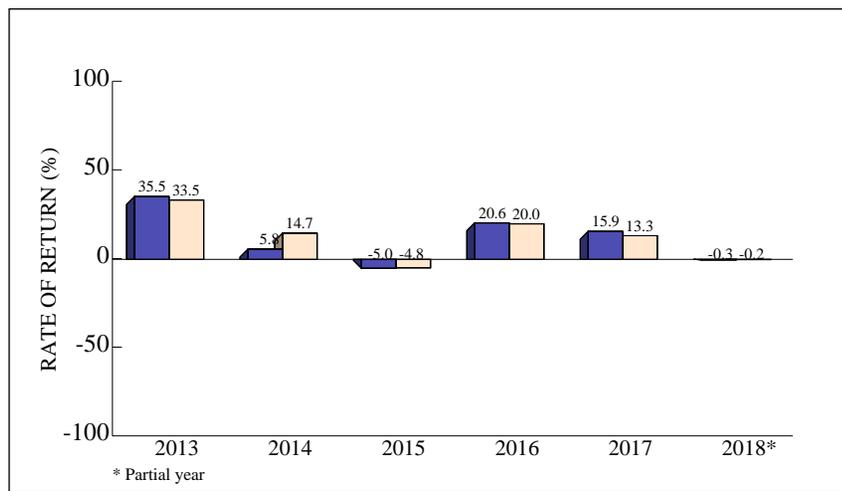
VALUE ASSUMING  
 BLENDED RATE \$ 46,968,107

	LAST QUARTER	PERIOD 12/07 - 6/18
BEGINNING VALUE	\$ 42,464,878	\$ 48,865,376
NET CONTRIBUTIONS	-427	- 41,878,542
<u>INVESTMENT RETURN</u>	<u>1,248,491</u>	<u>36,726,108</u>
ENDING VALUE	\$ 43,712,942	\$ 43,712,942
INCOME	196,480	5,589,307
<u>CAPITAL GAINS (LOSSES)</u>	<u>1,052,011</u>	<u>31,136,801</u>
INVESTMENT RETURN	1,248,491	36,726,108

**TOTAL RETURN COMPARISONS**



Mid Cap Value Universe

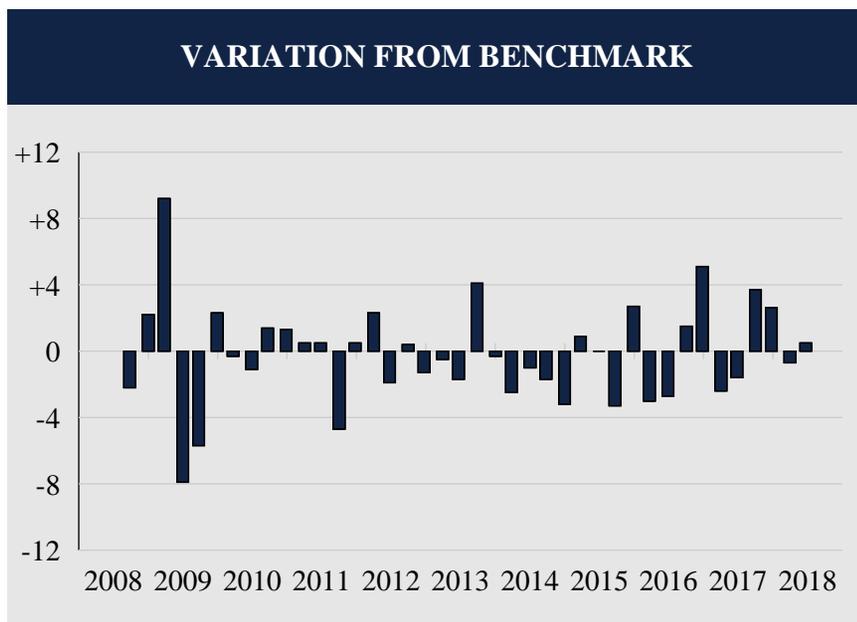


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	2.9	-0.3	7.7	14.0	9.3	10.8
(RANK)	(34)	(68)	(35)	(13)	(48)	(77)
5TH %ILE	6.2	5.3	11.2	15.3	12.2	13.9
25TH %ILE	3.8	2.0	8.3	12.7	10.6	13.0
MEDIAN	2.3	1.1	6.1	9.4	9.1	12.0
75TH %ILE	1.1	-0.9	4.4	7.6	8.2	10.8
95TH %ILE	-1.3	-3.5	1.6	5.4	5.6	9.3
<b>Russ MCV</b>	<b>2.4</b>	<b>-0.2</b>	<b>5.3</b>	<b>7.6</b>	<b>8.8</b>	<b>11.3</b>

Mid Cap Value Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY - 10 YEARS**

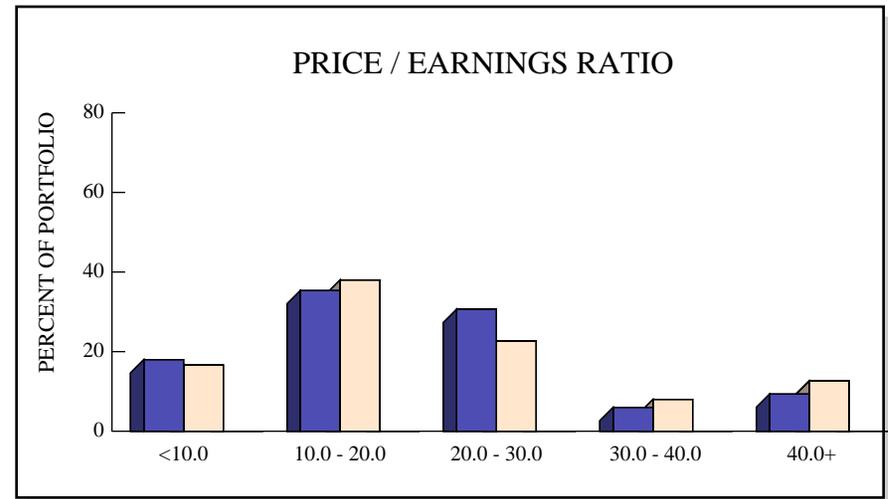
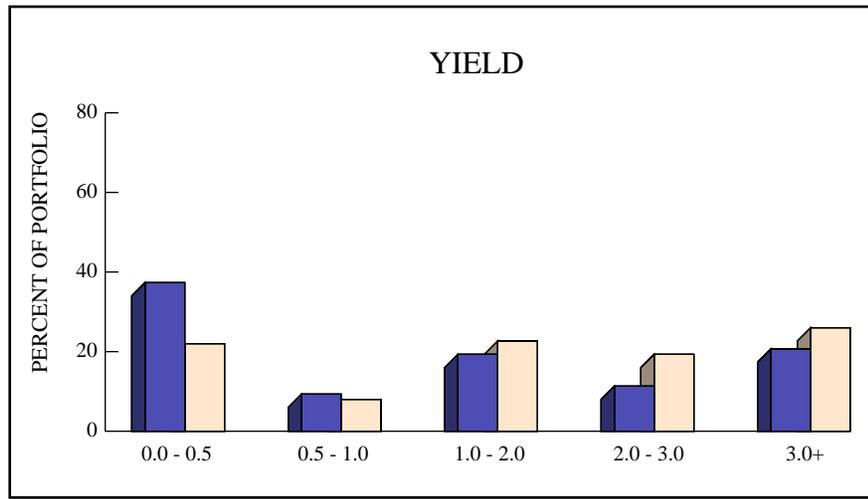
**COMPARATIVE BENCHMARK: RUSSELL MID CAP VALUE**



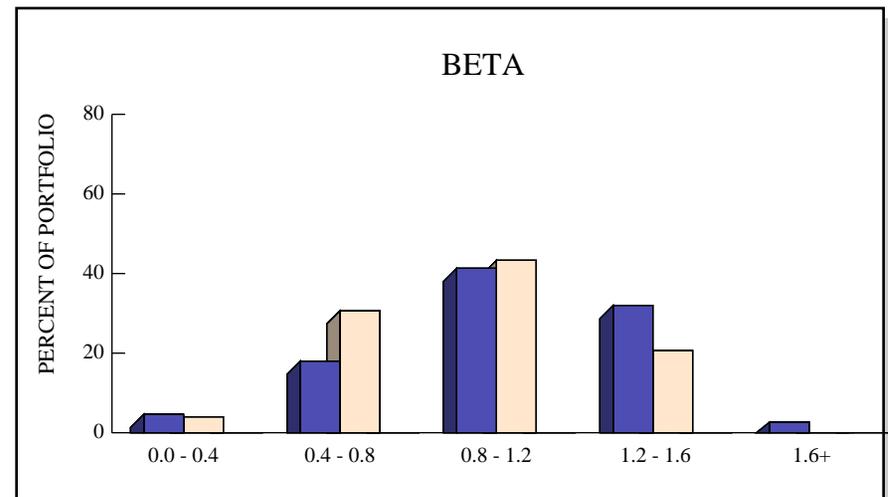
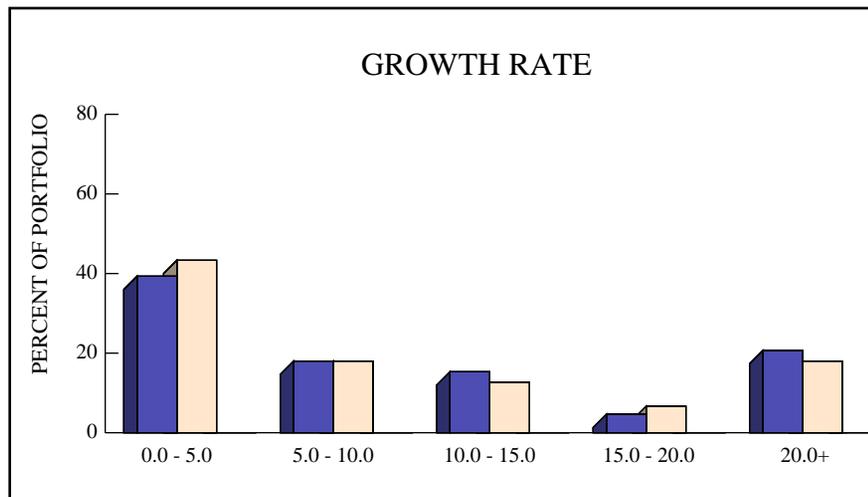
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/08	-9.7	-7.5	-2.2
12/08	-25.0	-27.2	2.2
3/09	-5.5	-14.7	9.2
6/09	13.0	20.9	-7.9
9/09	17.9	23.6	-5.7
12/09	7.5	5.2	2.3
3/10	9.3	9.6	-0.3
6/10	-10.7	-9.6	-1.1
9/10	13.5	12.1	1.4
12/10	13.5	12.2	1.3
3/11	7.9	7.4	0.5
6/11	-0.2	-0.7	0.5
9/11	-23.2	-18.5	-4.7
12/11	13.9	13.4	0.5
3/12	13.7	11.4	2.3
6/12	-5.2	-3.3	-1.9
9/12	6.2	5.8	0.4
12/12	2.6	3.9	-1.3
3/13	13.7	14.2	-0.5
6/13	0.0	1.7	-1.7
9/13	10.0	5.9	4.1
12/13	8.3	8.6	-0.3
3/14	2.7	5.2	-2.5
6/14	4.6	5.6	-1.0
9/14	-4.3	-2.6	-1.7
12/14	2.9	6.1	-3.2
3/15	3.3	2.4	0.9
6/15	-2.0	-2.0	0.0
9/15	-11.3	-8.0	-3.3
12/15	5.8	3.1	2.7
3/16	0.9	3.9	-3.0
6/16	2.1	4.8	-2.7
9/16	5.9	4.4	1.5
12/16	10.6	5.5	5.1
3/17	1.4	3.8	-2.4
6/17	-0.2	1.4	-1.6
9/17	5.8	2.1	3.7
12/17	8.1	5.5	2.6
3/18	-3.2	-2.5	-0.7
6/18	2.9	2.4	0.5

<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>19</b>
<b>Quarters Below the Benchmark</b>	<b>21</b>
<b>Batting Average</b>	<b>.475</b>

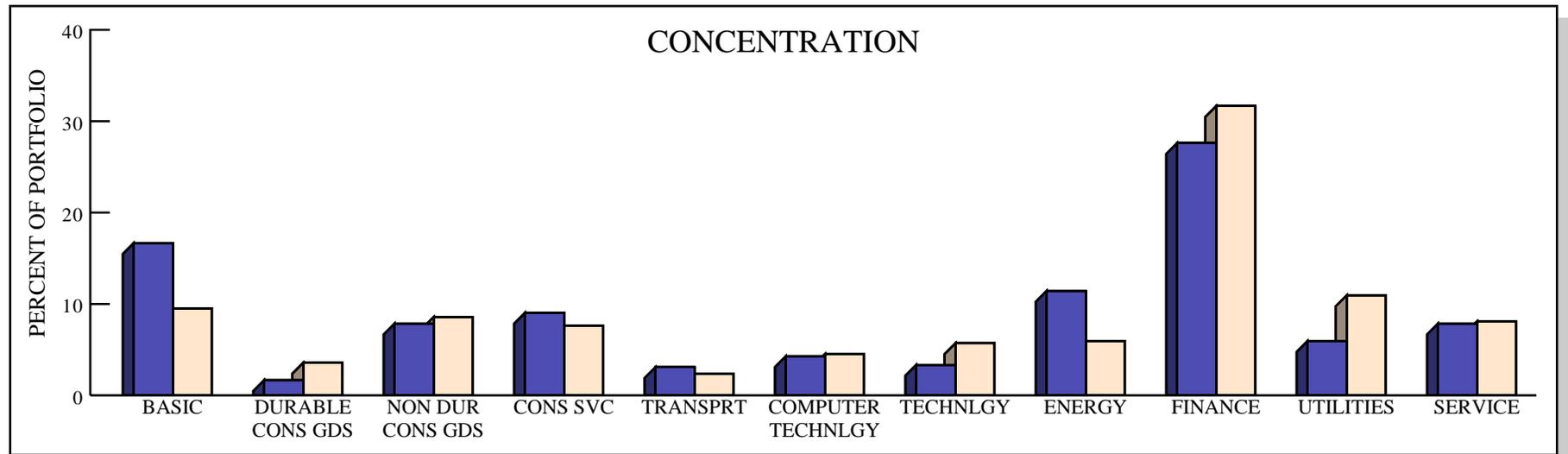
**STOCK CHARACTERISTICS**



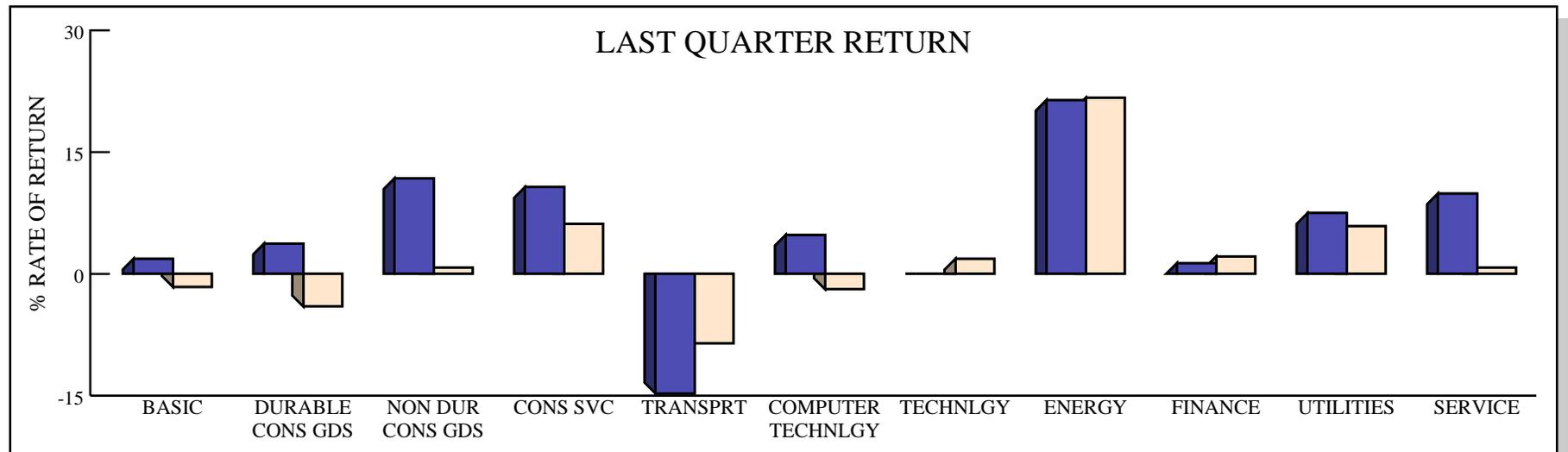
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	89	1.7%	8.9%	20.0	1.01
RUSS MID VAL	596	2.2%	7.6%	21.4	0.91



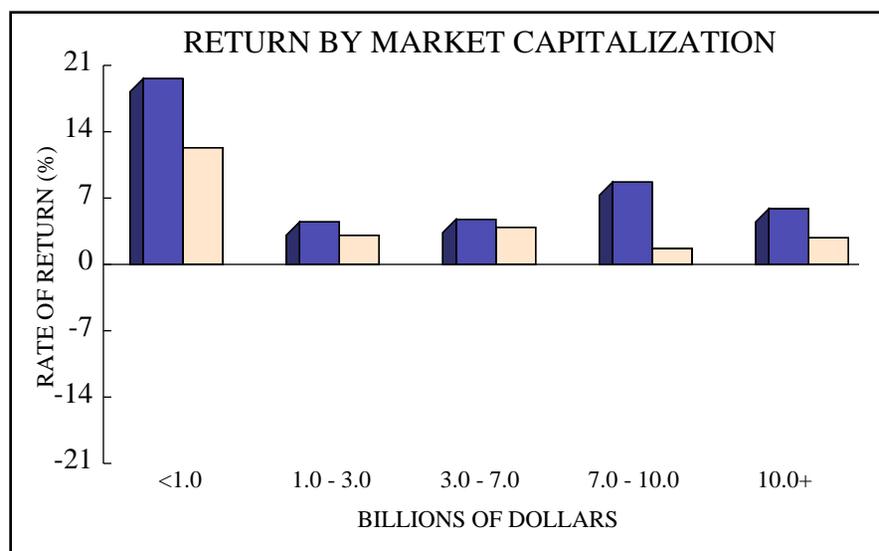
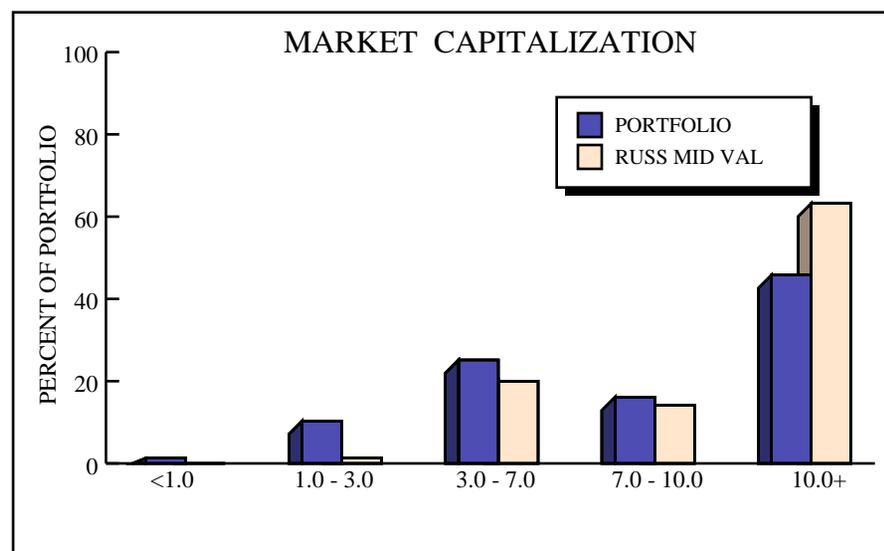
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO      ■ RUSSELL MID CAP VALUE



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	CITIZENS FINANCIAL GROUP	\$ 1,290,119	2.95%	-6.8%	Finance	\$ 18.9 B
2	ENERGY CORP	1,194,076	2.73%	3.7%	Utilities	15.8 B
3	LIBERTY PROPERTY TRUST	1,167,874	2.67%	12.6%	Finance	6.6 B
4	ENERGEN CORP	1,055,526	2.41%	15.8%	Energy	7.1 B
5	MEDICAL PROPERTIES TRUST INC	809,546	1.85%	10.0%	Finance	5.1 B
6	VISTRA ENERGY CORP	774,747	1.77%	13.6%	Energy	12.4 B
7	WPX ENERGY INC	768,348	1.76%	22.0%	Energy	7.2 B
8	KNIGHT-SWIFT TRANSPORTATION	752,928	1.72%	-16.8%	Transportation	6.8 B
9	HARTFORD FINANCIAL SVCS GRP	749,310	1.71%	-0.3%	Finance	18.3 B
10	FOOT LOCKER INC	736,574	1.69%	16.6%	Consumer Service	6.2 B

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
KENNEDY - SMALL CAP CORE  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Kennedy Small Cap Core portfolio was valued at \$21,569,728, representing an increase of \$767,216 from the March quarter's ending value of \$20,802,512. Last quarter, the Fund posted withdrawals totaling \$210, which partially offset the portfolio's net investment return of \$767,426. Income receipts totaling \$53,426 plus net realized and unrealized capital gains of \$714,000 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the second quarter, the Kennedy Small Cap Core portfolio returned 3.7%, which was 4.1% below the Russell 2000 Index's return of 7.8% and ranked in the 96th percentile of the Small Cap Core universe. Over the trailing year, the portfolio returned 13.9%, which was 3.7% below the benchmark's 17.6% return, ranking in the 78th percentile. Since December 1994, the portfolio returned 14.9% annualized. The Russell 2000 returned an annualized 9.8% over the same period.

## **HOLDINGS ANALYSIS**

The Kennedy Small Cap Core portfolio was invested at the end of the second quarter in all eleven industry sectors in our analysis. Allocations were fairly similar to those within the Russell 2000 index, with some additional weight in the Basic and Technology sectors, and less in the Non-Durable Consumer Goods and Computer Technology sectors.

The portfolio failed to meet index performance in all but two sectors (Transportation and Energy, where they were just slightly above). The greatest disparities occurred in the Non-Durable Consumer Goods, Consumer Service, and Technology sectors. This led to a more than 4% shortfall.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 12/94
<b>Total Portfolio - Gross</b>	3.7	13.9	8.4	11.2	11.0	11.4	14.9
<i>SMALL CAP CORE RANK</i>	(96)	(78)	(90)	(89)	(89)	(46)	----
<b>Total Portfolio - Net</b>	3.4	12.8	7.3	10.2	10.0	10.7	14.5
Russell 2000	7.8	17.6	11.0	12.5	11.8	10.6	9.8
<b>Domestic Equity - Gross</b>	3.7	13.9	8.4	11.2	11.0	11.4	14.9
<i>SMALL CAP CORE RANK</i>	(96)	(78)	(90)	(89)	(89)	(46)	----
Russell 2000	7.8	17.6	11.0	12.5	11.8	10.6	9.8

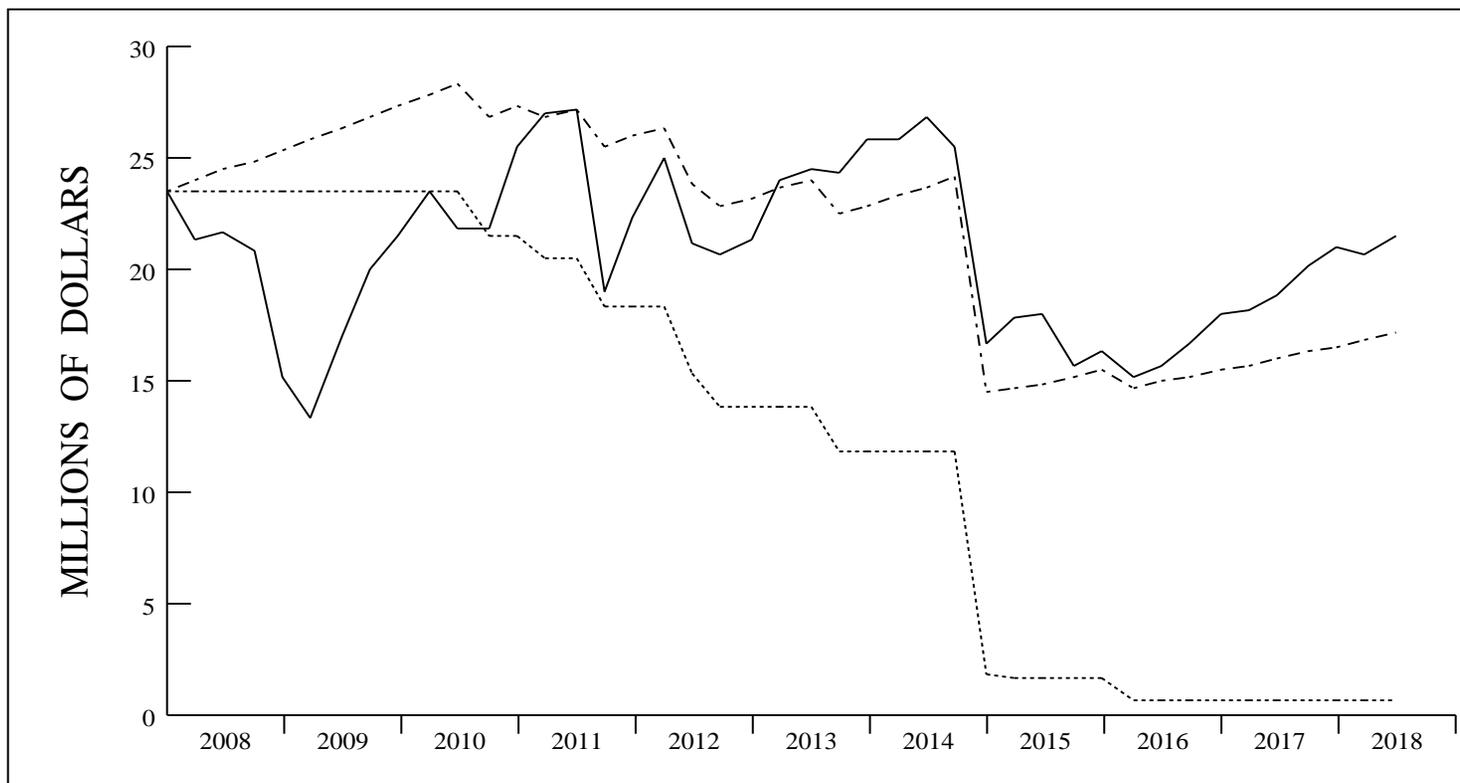
**ASSET ALLOCATION**

Domestic Equity	100.0%	\$ 21,569,728
Total Portfolio	100.0%	\$ 21,569,728

**INVESTMENT RETURN**

Market Value 3/2018	\$ 20,802,512
Contribs / Withdrawals	-210
Income	53,426
Capital Gains / Losses	714,000
Market Value 6/2018	\$ 21,569,728

**INVESTMENT GROWTH**

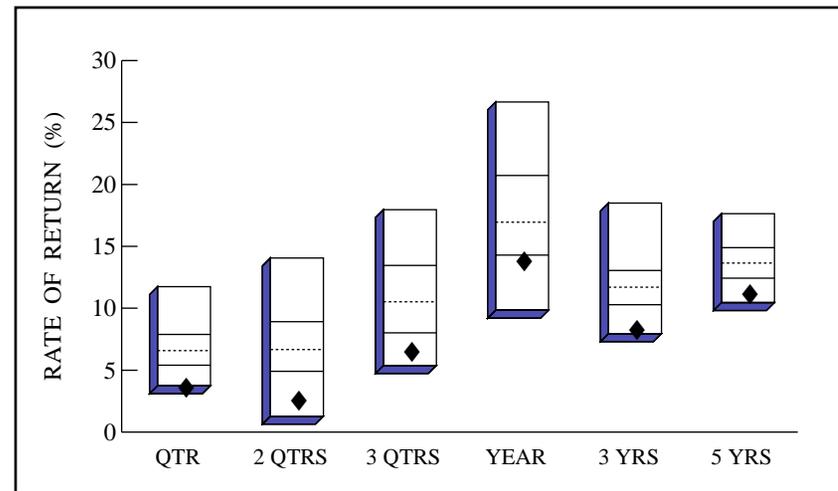
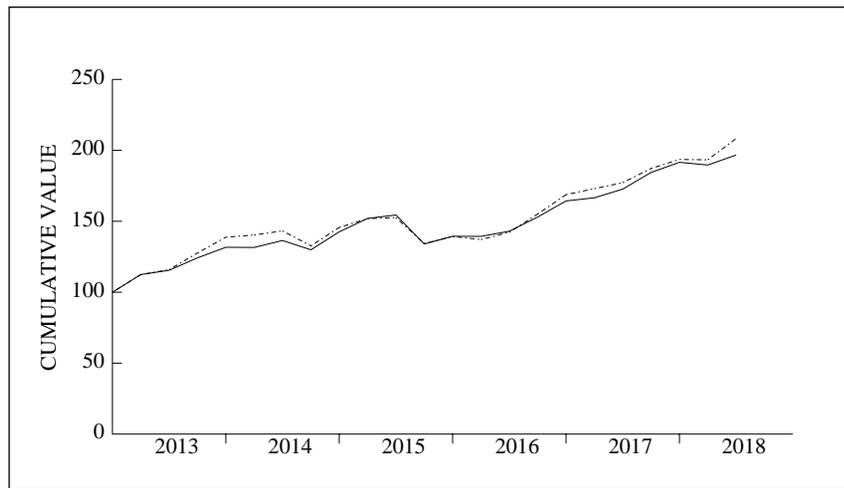


— ACTUAL RETURN  
 - - - - - BLENDED RATE  
 ..... 0.0%

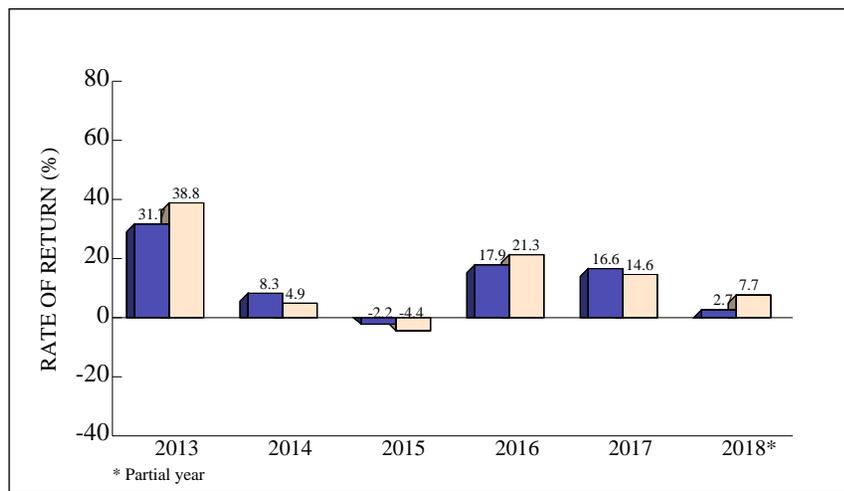
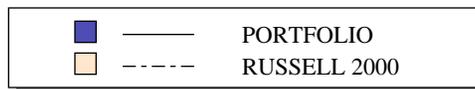
VALUE ASSUMING  
 BLENDED RATE \$ 17,223,018

	LAST QUARTER	PERIOD 12/07 - 6/18
BEGINNING VALUE	\$ 20,802,512	\$ 23,664,669
NET CONTRIBUTIONS	-210	- 22,852,427
<u>INVESTMENT RETURN</u>	<u>767,426</u>	<u>20,757,486</u>
ENDING VALUE	\$ 21,569,728	\$ 21,569,728
INCOME	53,426	1,622,518
<u>CAPITAL GAINS (LOSSES)</u>	<u>714,000</u>	<u>19,134,968</u>
INVESTMENT RETURN	767,426	20,757,486

**TOTAL RETURN COMPARISONS**



Small Cap Core Universe

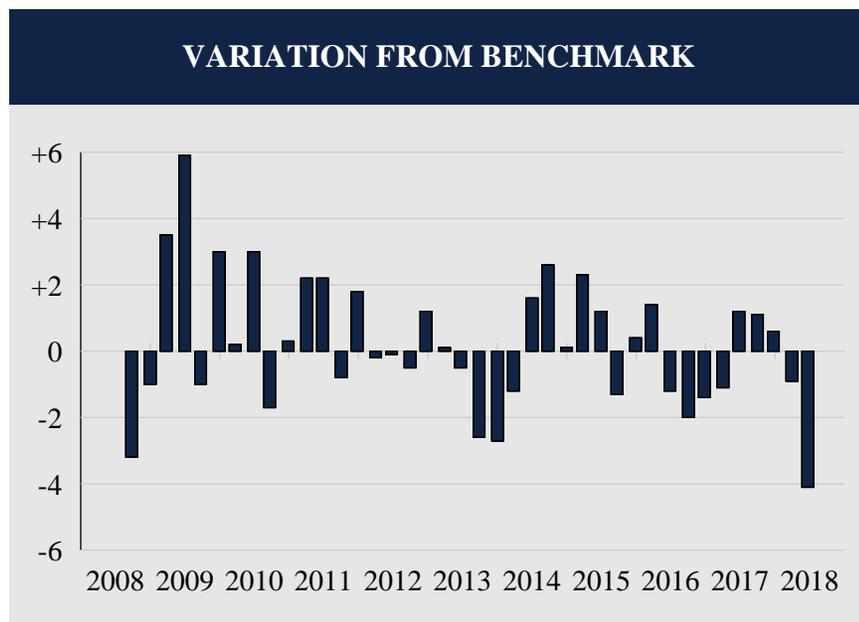


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	3.7	2.7	6.6	13.9	8.4	11.2
(RANK)	(96)	(90)	(87)	(78)	(90)	(89)
5TH %ILE	11.7	14.1	18.0	26.7	18.5	17.6
25TH %ILE	7.9	8.9	13.5	20.7	13.1	14.9
MEDIAN	6.6	6.7	10.5	16.9	11.7	13.7
75TH %ILE	5.4	4.9	8.0	14.3	10.3	12.4
95TH %ILE	3.8	1.3	5.4	9.8	7.9	10.5
<b>Russ 2000</b>	<b>7.8</b>	<b>7.7</b>	<b>11.3</b>	<b>17.6</b>	<b>11.0</b>	<b>12.5</b>

Small Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY - 10 YEARS**

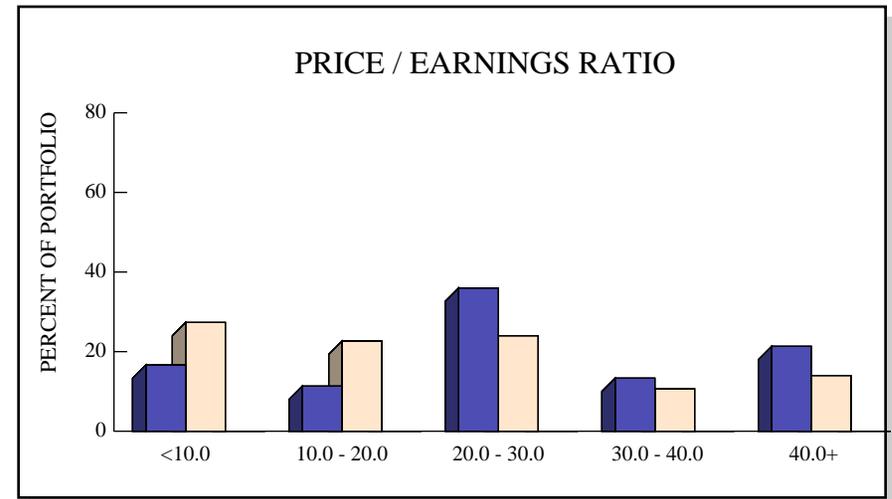
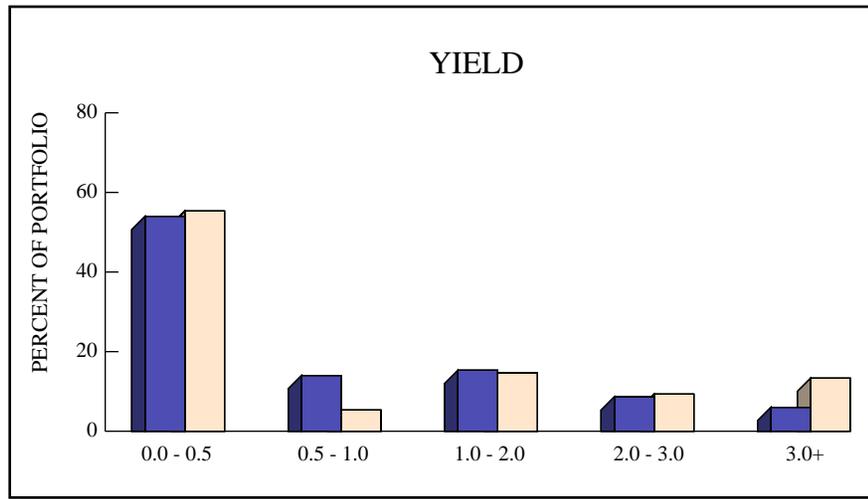
**COMPARATIVE BENCHMARK: RUSSELL 2000**



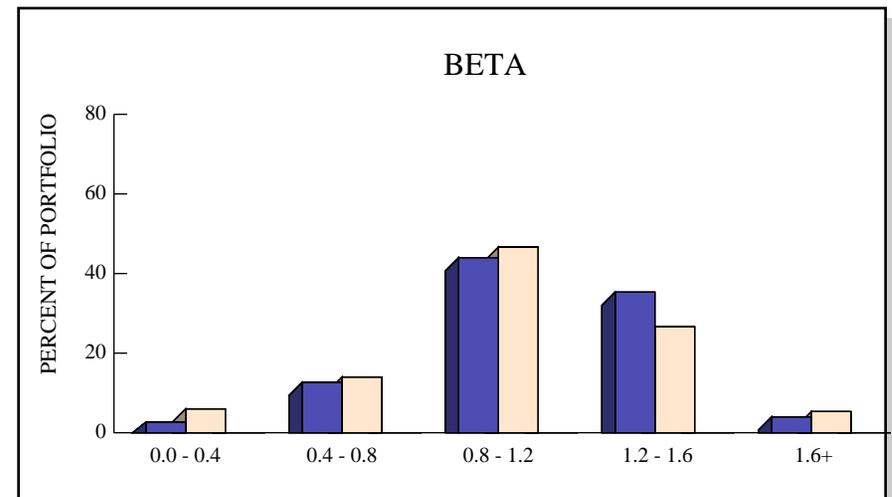
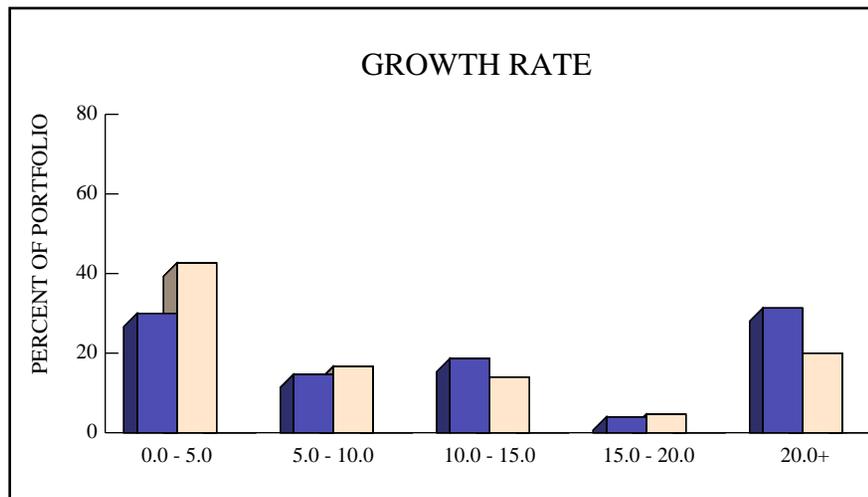
<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>21</b>
<b>Quarters Below the Benchmark</b>	<b>19</b>
<b>Batting Average</b>	<b>.525</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
9/08	-4.3	-1.1	-3.2
12/08	-27.1	-26.1	-1.0
3/09	-11.5	-15.0	3.5
6/09	26.6	20.7	5.9
9/09	18.3	19.3	-1.0
12/09	6.9	3.9	3.0
3/10	9.1	8.9	0.2
6/10	-6.9	-9.9	3.0
9/10	9.6	11.3	-1.7
12/10	16.6	16.3	0.3
3/11	10.1	7.9	2.2
6/11	0.6	-1.6	2.2
9/11	-22.7	-21.9	-0.8
12/11	17.3	15.5	1.8
3/12	12.2	12.4	-0.2
6/12	-3.6	-3.5	-0.1
9/12	4.7	5.2	-0.5
12/12	3.0	1.8	1.2
3/13	12.5	12.4	0.1
6/13	2.6	3.1	-0.5
9/13	7.6	10.2	-2.6
12/13	6.0	8.7	-2.7
3/14	-0.1	1.1	-1.2
6/14	3.6	2.0	1.6
9/14	-4.8	-7.4	2.6
12/14	9.8	9.7	0.1
3/15	6.6	4.3	2.3
6/15	1.6	0.4	1.2
9/15	-13.2	-11.9	-1.3
12/15	4.0	3.6	0.4
3/16	-0.1	-1.5	1.4
6/16	2.6	3.8	-1.2
9/16	7.0	9.0	-2.0
12/16	7.4	8.8	-1.4
3/17	1.4	2.5	-1.1
6/17	3.7	2.5	1.2
9/17	6.8	5.7	1.1
12/17	3.9	3.3	0.6
3/18	-1.0	-0.1	-0.9
6/18	3.7	7.8	-4.1

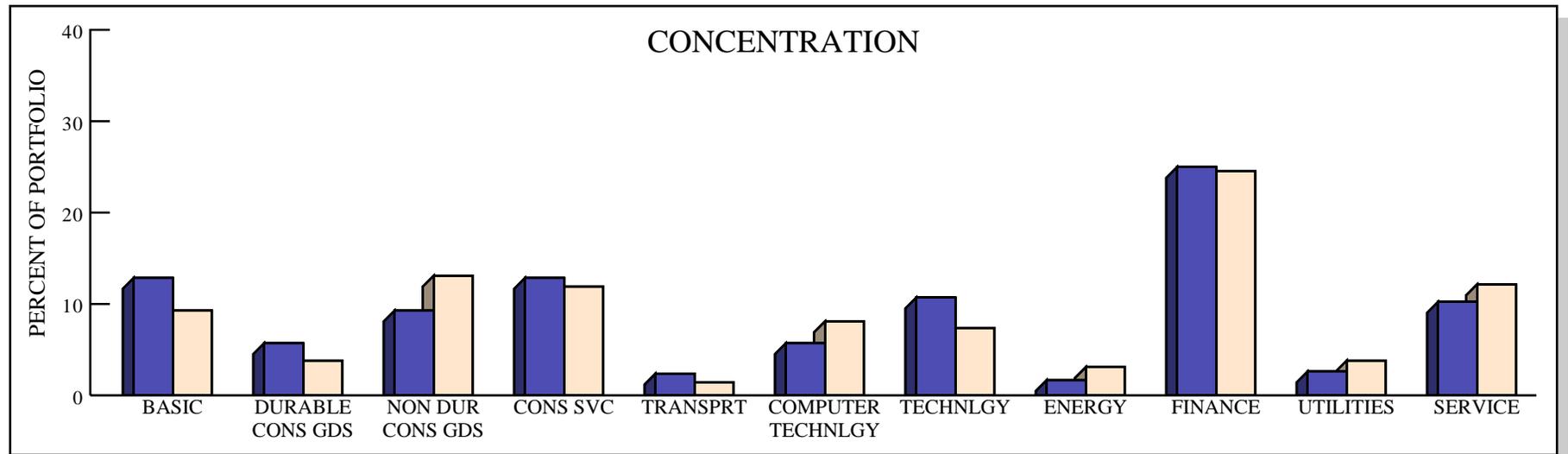
**STOCK CHARACTERISTICS**



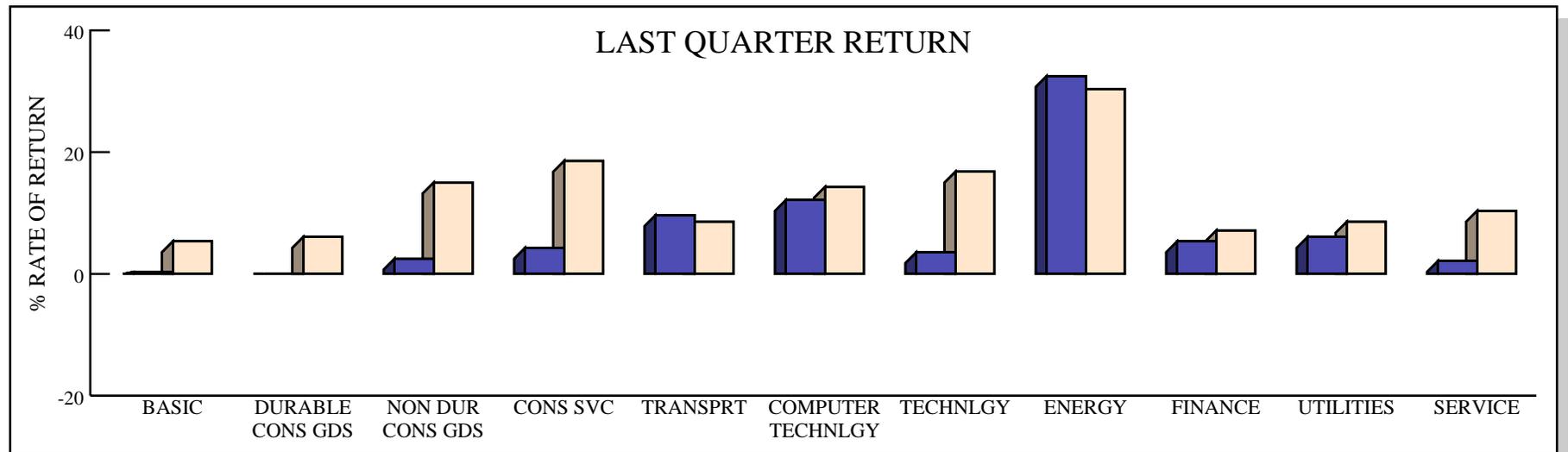
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	96	0.9%	12.7%	27.6	1.10
RUSSELL 2000	2,021	1.3%	8.7%	19.1	1.04



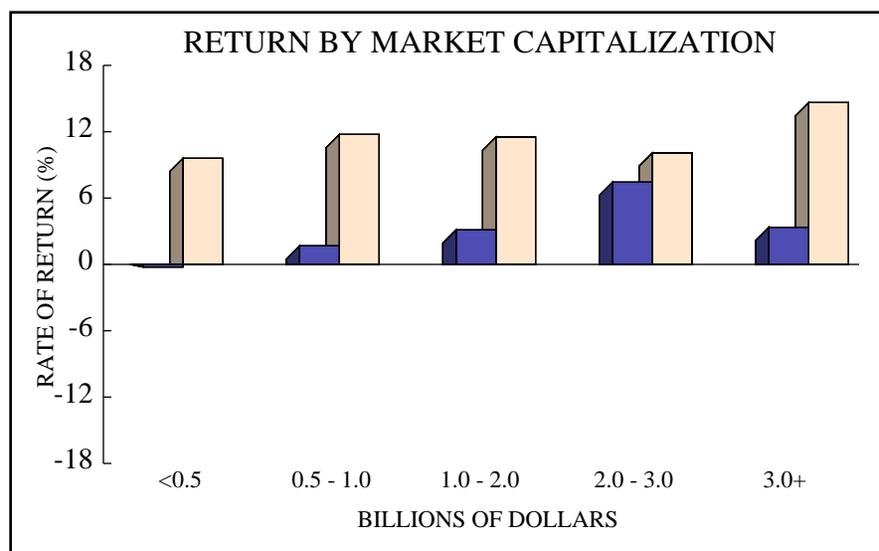
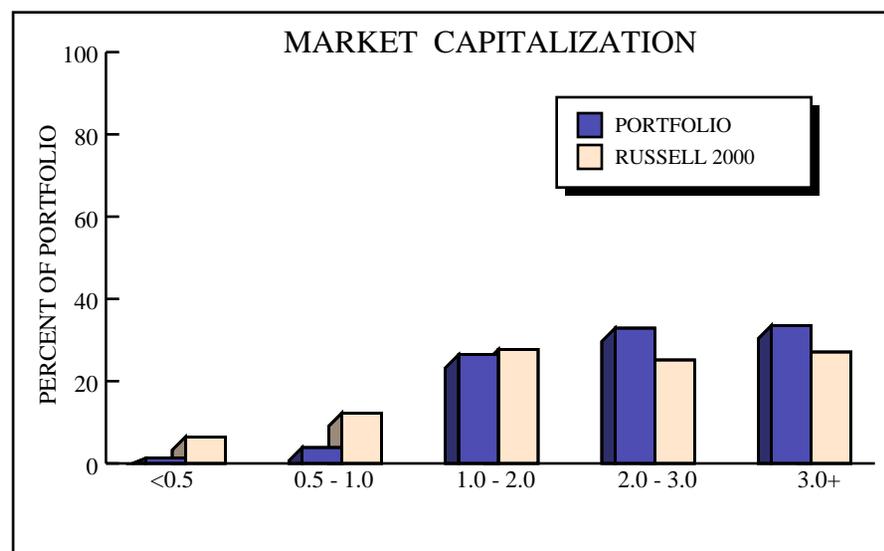
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 2000



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	WALKER & DUNLOP INC	\$ 486,325	2.25%	-5.9%	Finance	\$ 1.7 B
2	BRINK'S CO/THE	448,275	2.08%	12.0%	Service	4.1 B
3	TIVITY HEALTH INC	389,242	1.80%	-11.2%	Consumer Service	1.4 B
4	IROBOT CORP	388,700	1.80%	18.0%	Durable Cons Goods	2.1 B
5	OMNICELL INC	372,500	1.73%	20.9%	Computer Tech	2.0 B
6	KENNAMETAL INC	362,195	1.68%	-10.2%	Basic	2.9 B
7	PRESTIGE BRANDS HOLDINGS INC	344,614	1.60%	13.8%	NonDur Cons Goods	2.0 B
8	EURONET WORLDWIDE INC	338,682	1.57%	6.2%	Finance	4.3 B
9	PINNACLE ENTERTAINMENT INC	334,264	1.55%	11.9%	Consumer Service	2.0 B
10	INGEVITY CORP	333,386	1.55%	9.7%	Basic	3.4 B

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
KENNEDY - SMALL CAP GROWTH  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Kennedy Small Cap Growth portfolio was valued at \$15,332,775, representing an increase of \$781,050 from the March quarter's ending value of \$14,551,725. Last quarter, the Fund posted withdrawals totaling \$103, which partially offset the portfolio's net investment return of \$781,153. Income receipts totaling \$16,471 plus net realized and unrealized capital gains of \$764,682 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the second quarter, the Kennedy Small Cap Growth portfolio returned 5.4%, which was 1.8% below the Russell 2000 Growth Index's return of 7.2% and ranked in the 90th percentile of the Small Cap Growth universe. Over the trailing year, the portfolio returned 18.9%, which was 2.9% below the benchmark's 21.8% return, ranking in the 79th percentile. Since December 2014, the portfolio returned 13.1% annualized and ranked in the 49th percentile. The Russell 2000 Growth returned an annualized 11.6% over the same period.

## **HOLDINGS ANALYSIS**

Last quarter, the Kennedy Small Cap Growth portfolio was invested in ten of the eleven industry sectors in our analysis. The Non-Durable Consumer Goods sector held about half the allocation of its Russell 2000 Growth index counterpart, while the Computer Technology and Technology sectors were overweight. The Utilities sector was not funded.

Poor performance in all but two sectors led to the portfolio's subpar return last quarter. The Finance sector was in line with its benchmark return and the Durable Consumer Goods sector produced a comfortable lead, but the remaining sectors fell short, most of them producing less than half the gains of their index counterparts, and three (Basic, Transportation, and Energy) posting losses.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 12/14
<b>Total Portfolio - Gross</b>	5.4	18.9	12.0	----	----	----	13.1
<i>SMALL CAP GROWTH RANK</i>	(90)	(79)	(55)	----	----	----	(49)
<b>Total Portfolio - Net</b>	5.1	17.9	11.0	----	----	----	12.2
Russell 2000G	7.2	21.8	10.6	13.6	12.5	11.2	11.6
<b>Domestic Equity - Gross</b>	5.4	18.9	12.0	----	----	----	13.1
<i>SMALL CAP GROWTH RANK</i>	(90)	(79)	(55)	----	----	----	(49)
Russell 2000G	7.2	21.8	10.6	13.6	12.5	11.2	11.6

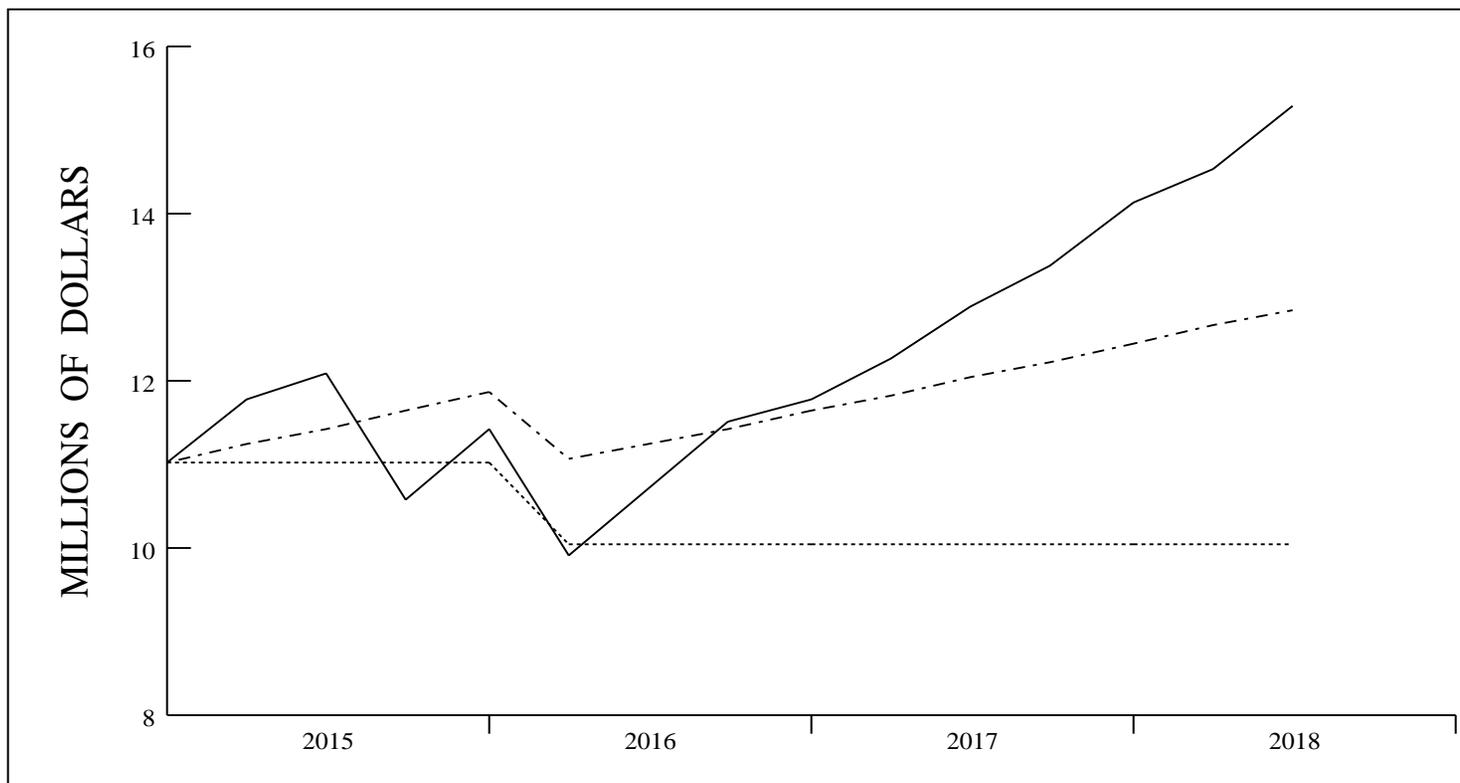
**ASSET ALLOCATION**

Domestic Equity	100.0%	\$ 15,332,775
Total Portfolio	100.0%	\$ 15,332,775

**INVESTMENT RETURN**

Market Value 3/2018	\$ 14,551,725
Contribs / Withdrawals	-103
Income	16,471
Capital Gains / Losses	764,682
Market Value 6/2018	\$ 15,332,775

**INVESTMENT GROWTH**

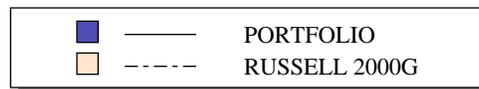
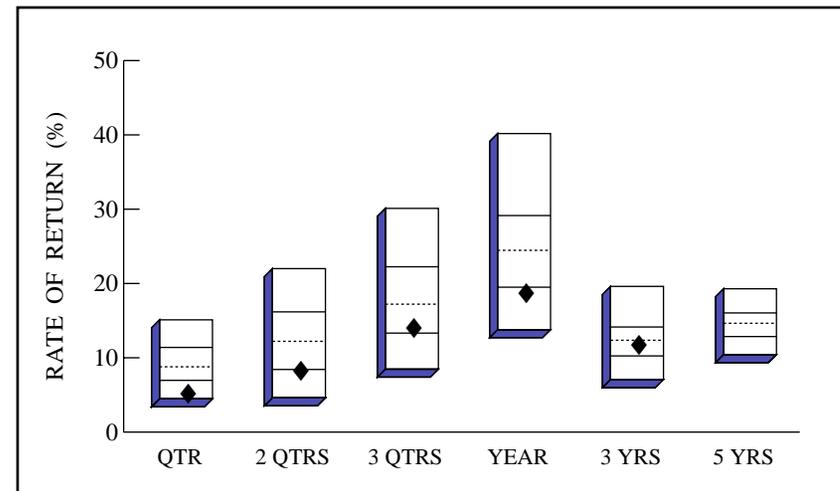
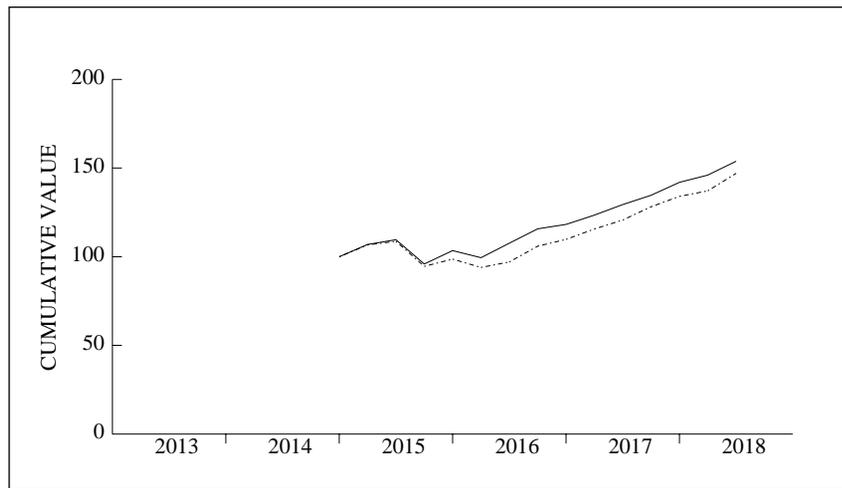


— ACTUAL RETURN  
 - - - - - BLENDED RATE  
 ..... 0.0%

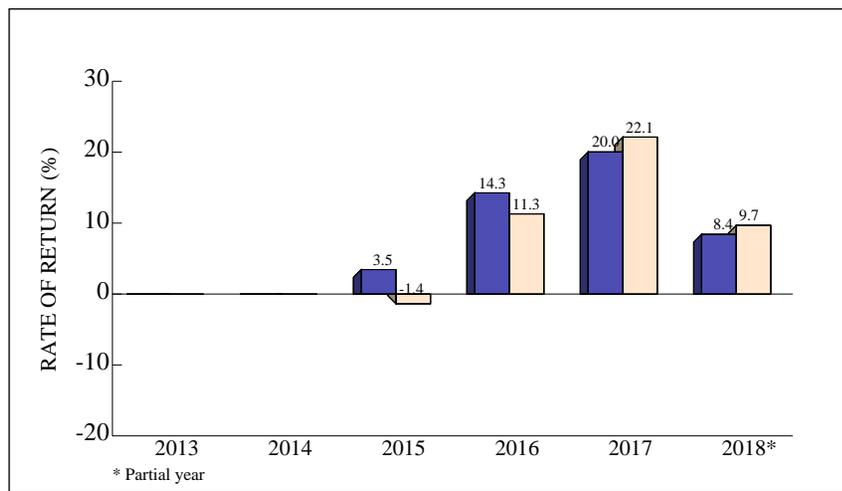
VALUE ASSUMING  
 BLENDED RATE \$ 12,888,167

	LAST QUARTER	PERIOD 12/14 - 6/18
BEGINNING VALUE	\$ 14,551,725	\$ 11,047,276
NET CONTRIBUTIONS	-103	-1,001,712
<u>INVESTMENT RETURN</u>	<u>781,153</u>	<u>5,287,211</u>
ENDING VALUE	\$ 15,332,775	\$ 15,332,775
INCOME	16,471	199,543
<u>CAPITAL GAINS (LOSSES)</u>	<u>764,682</u>	<u>5,087,668</u>
INVESTMENT RETURN	781,153	5,287,211

**TOTAL RETURN COMPARISONS**



Small Cap Growth Universe

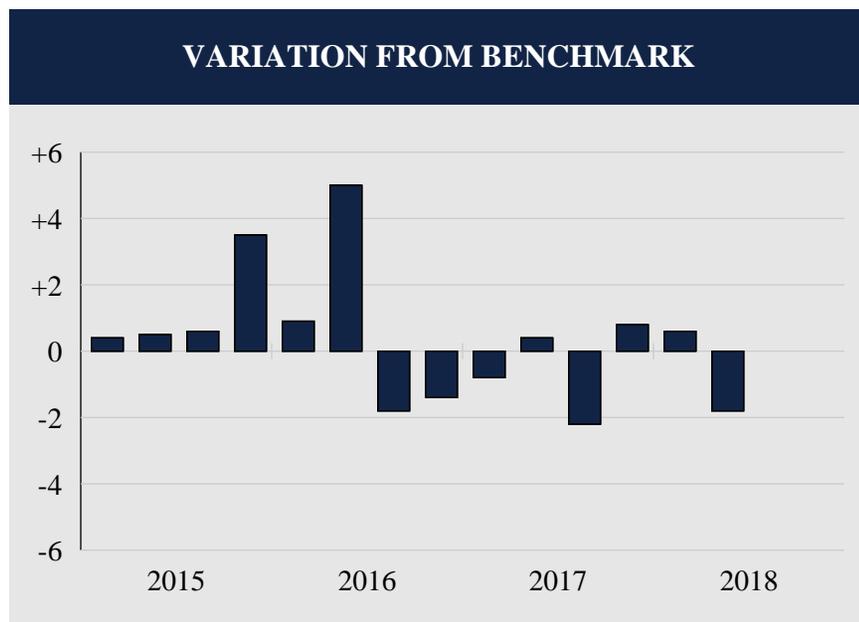


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	5.4	8.4	14.3	18.9	12.0	---
(RANK)	(90)	(75)	(71)	(79)	(55)	---
5TH %ILE	15.1	22.0	30.1	40.2	19.6	19.3
25TH %ILE	11.4	16.2	22.2	29.2	14.1	16.0
MEDIAN	8.8	12.2	17.2	24.5	12.3	14.6
75TH %ILE	7.0	8.4	13.3	19.5	10.3	12.9
95TH %ILE	4.5	4.6	8.5	13.8	7.1	10.4
<b>Russ 2000G</b>	<b>7.2</b>	<b>9.7</b>	<b>14.7</b>	<b>21.8</b>	<b>10.6</b>	<b>13.6</b>

Small Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

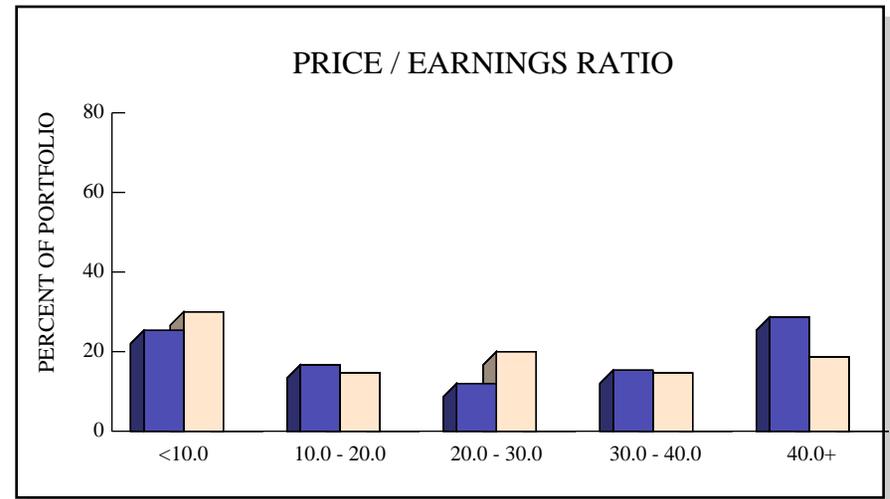
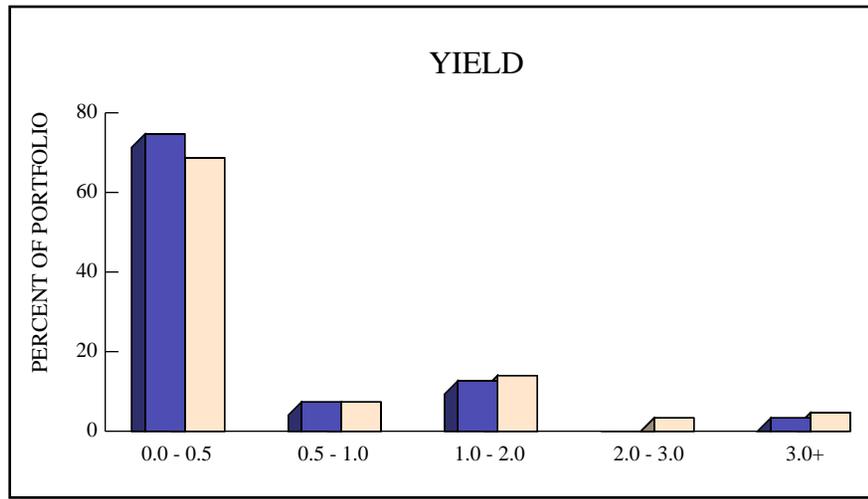
**COMPARATIVE BENCHMARK: RUSSELL 2000 GROWTH**



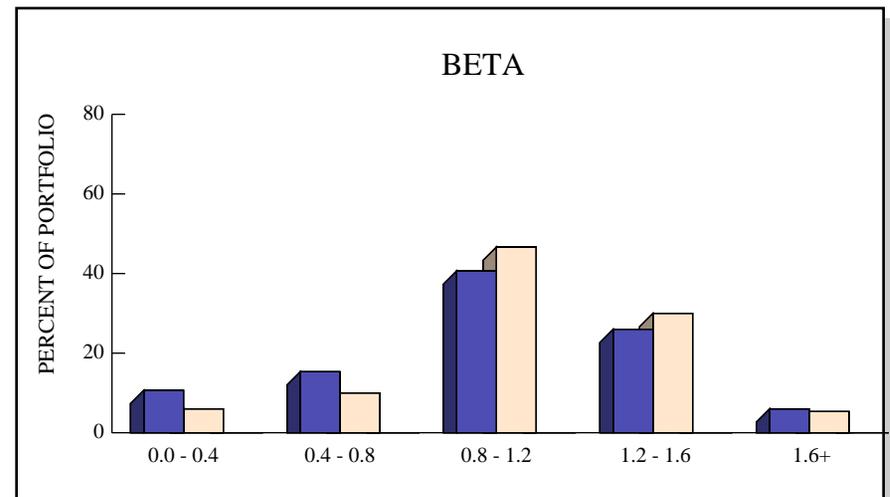
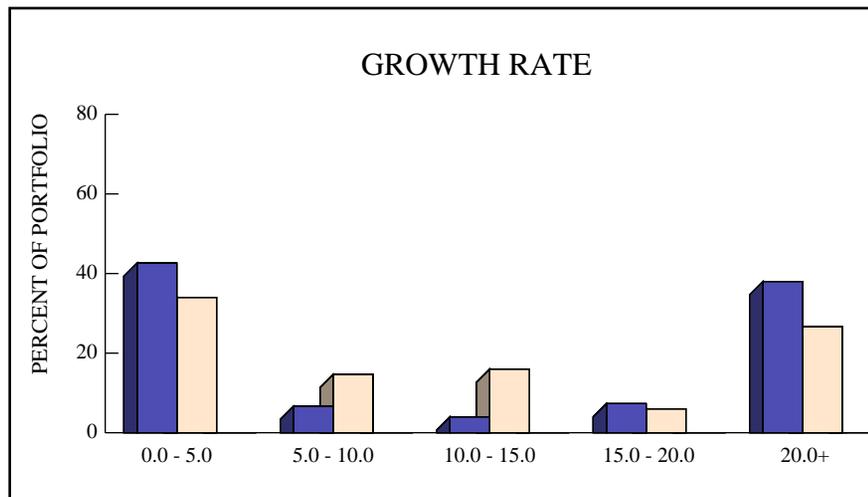
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/15	7.0	6.6	0.4
6/15	2.5	2.0	0.5
9/15	-12.5	-13.1	0.6
12/15	7.8	4.3	3.5
3/16	-3.8	-4.7	0.9
6/16	8.2	3.2	5.0
9/16	7.4	9.2	-1.8
12/16	2.2	3.6	-1.4
3/17	4.5	5.3	-0.8
6/17	4.8	4.4	0.4
9/17	4.0	6.2	-2.2
12/17	5.4	4.6	0.8
3/18	2.9	2.3	0.6
6/18	5.4	7.2	-1.8

<b>Total Quarters Observed</b>	<b>14</b>
<b>Quarters At or Above the Benchmark</b>	<b>9</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.643</b>

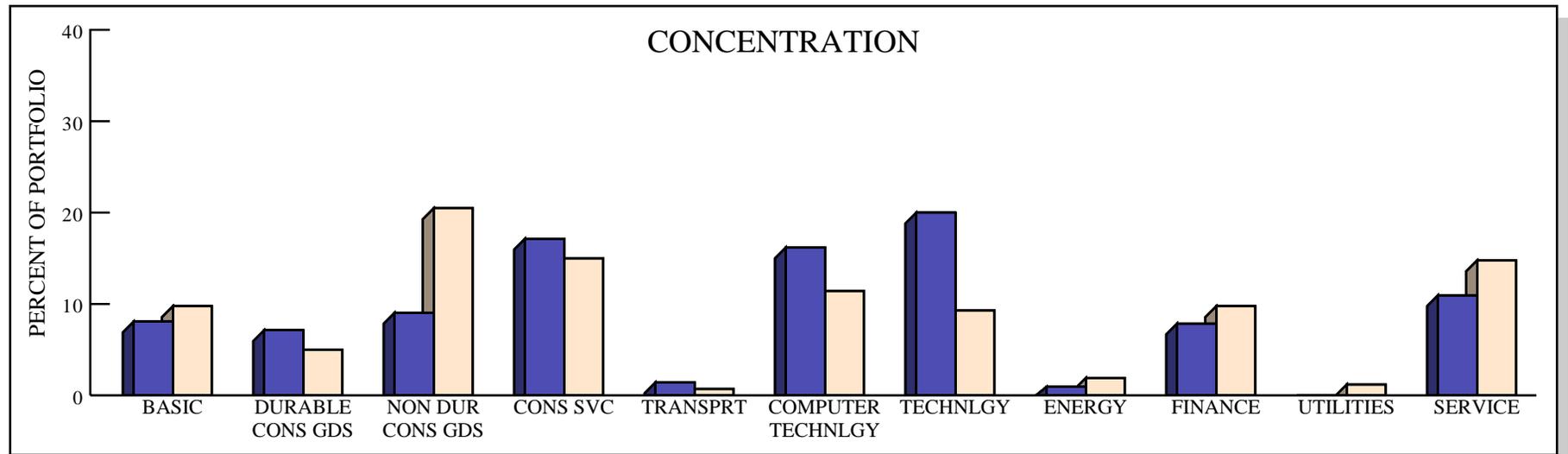
**STOCK CHARACTERISTICS**



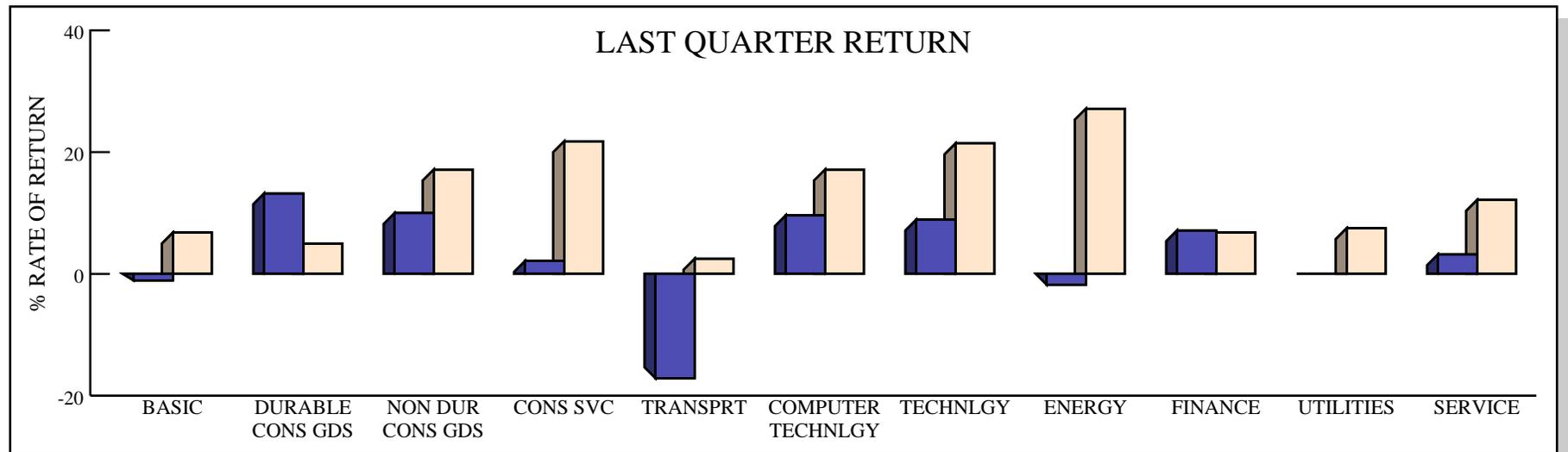
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	68	0.5%	11.9%	26.1	0.98
RUSSELL 2000G	1,225	0.6%	12.0%	20.5	1.07



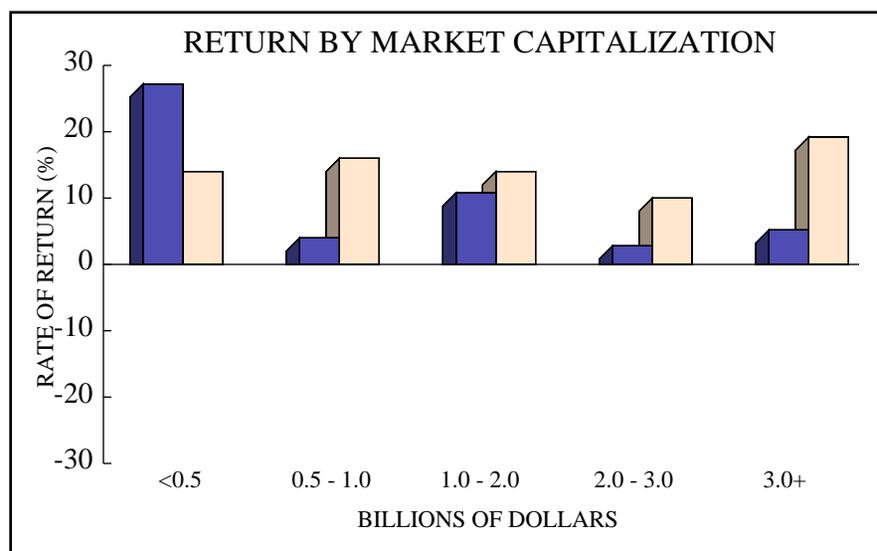
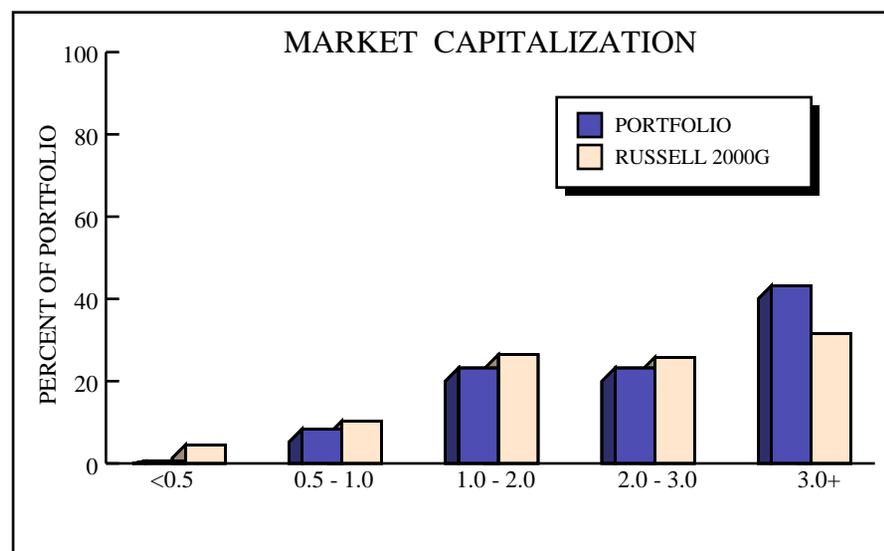
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 2000 GROWTH



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	LIVANOVA PLC	\$ 322,419	2.10%	12.8%	Technology	\$ 4.8 B
2	WINGSTOP INC	314,023	2.05%	10.5%	Consumer Service	1.5 B
3	OMNICELL INC	305,784	1.99%	20.9%	Computer Tech	2.0 B
4	BIOTELEMETRY INC	302,535	1.97%	44.9%	Technology	1.5 B
5	JOHN BEAN TECHNOLOGIES CORP	299,504	1.95%	-21.5%	Basic	2.8 B
6	CALLAWAY GOLF COMPANY	297,525	1.94%	16.0%	Durable Cons Goods	1.8 B
7	BLACKLINE INC	291,850	1.90%	10.8%	Computer Tech	2.3 B
8	VISTEON CORP	283,811	1.85%	17.2%	Durable Cons Goods	3.8 B
9	AXOGEN INC	275,370	1.80%	37.7%	Technology	1.9 B
10	PLANET FITNESS INC - CL A	274,757	1.79%	16.3%	Consumer Service	3.9 B

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
LOOMIS SAYLES - SMALL CAP VALUE  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Loomis Sayles Small Cap Value portfolio was valued at \$26,771,542, representing an increase of \$1,041,111 from the March quarter's ending value of \$25,730,431. Last quarter, the Fund posted withdrawals totaling \$364, which partially offset the portfolio's net investment return of \$1,041,475. Income receipts totaling \$75,243 plus net realized and unrealized capital gains of \$966,232 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the second quarter, the Loomis Sayles Small Cap Value portfolio returned 4.0%, which was 4.3% below the Russell 2000 Value Index's return of 8.3% and ranked in the 78th percentile of the Small Cap Value universe. Over the trailing year, the portfolio returned 12.0%, which was 1.1% below the benchmark's 13.1% return, ranking in the 62nd percentile. Since December 1994, the portfolio returned 13.5% annualized. The Russell 2000 Value returned an annualized 10.8% over the same period.

## **HOLDINGS ANALYSIS**

At the close of the second quarter, the Loomis portfolio was invested across all eleven industry sectors. The Basic, Non-Durable Consumer Goods, and Service sectors were given more weight than their index counterparts, while the Consumer Service, Finance, and Utilities sectors were underweight.

Seven sectors underperformed last quarter, contributing to the portfolio's lackluster return. The Energy sector's shortfall stood out with a spread of more than 20% between the portfolio and benchmark. The overweight Basic sector was also a factor, as this was the small cap value market's weakest sector.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 12/94
<b>Total Portfolio - Gross</b>	4.0	12.0	10.2	12.1	11.9	12.3	13.5
<i>SMALL CAP VALUE RANK</i>	(78)	(62)	(58)	(53)	(58)	(31)	----
<b>Total Portfolio - Net</b>	3.9	11.2	9.4	11.3	11.1	11.7	13.3
Russell 2000V	8.3	13.1	11.2	11.2	11.1	9.9	10.8
<b>Domestic Equity - Gross</b>	4.0	12.0	10.2	12.1	11.9	12.3	13.5
<i>SMALL CAP VALUE RANK</i>	(78)	(62)	(58)	(53)	(58)	(31)	----
Russell 2000V	8.3	13.1	11.2	11.2	11.1	9.9	10.8

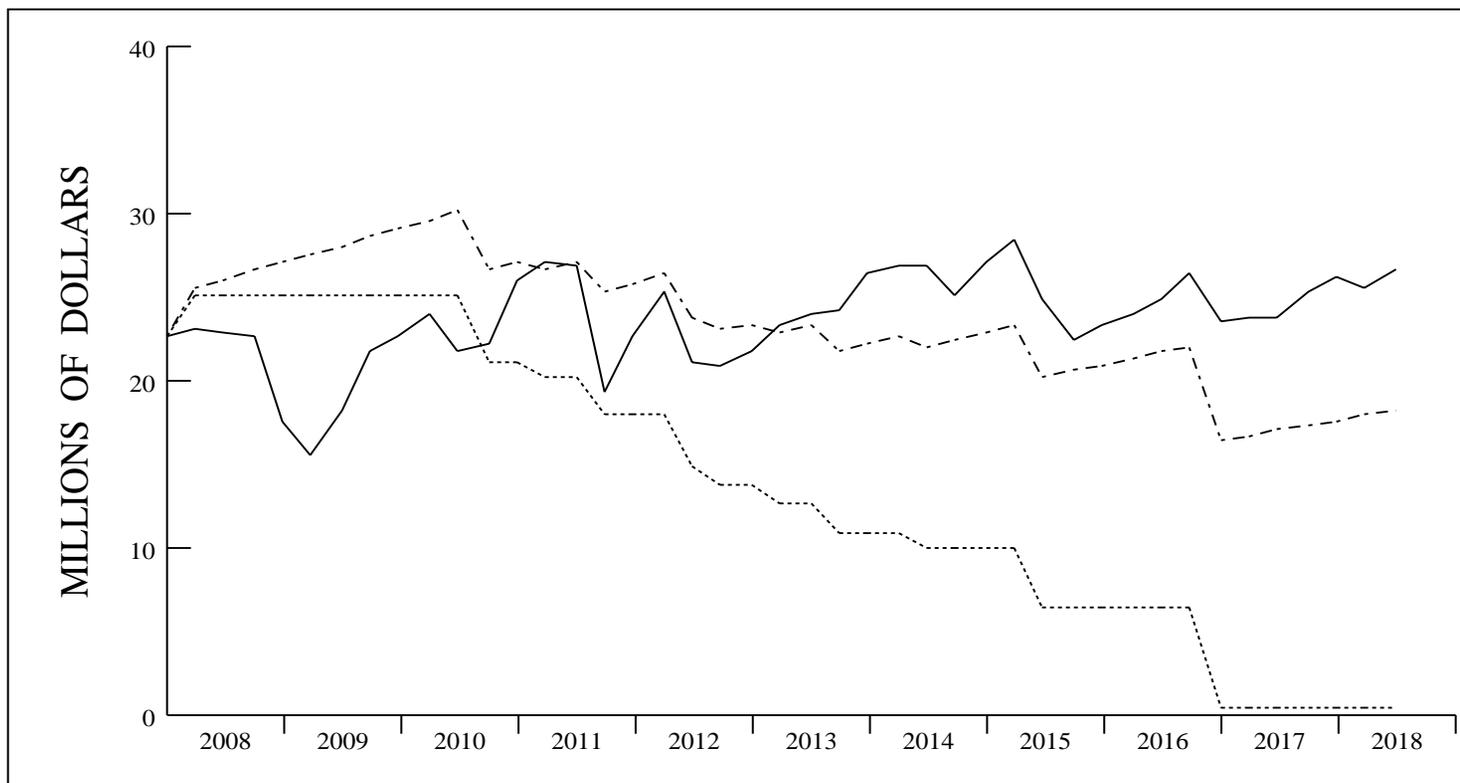
**ASSET ALLOCATION**

Domestic Equity	100.0%	\$ 26,771,542
Total Portfolio	100.0%	\$ 26,771,542

**INVESTMENT RETURN**

Market Value 3/2018	\$ 25,730,431
Contribs / Withdrawals	-364
Income	75,243
Capital Gains / Losses	966,232
Market Value 6/2018	\$ 26,771,542

**INVESTMENT GROWTH**

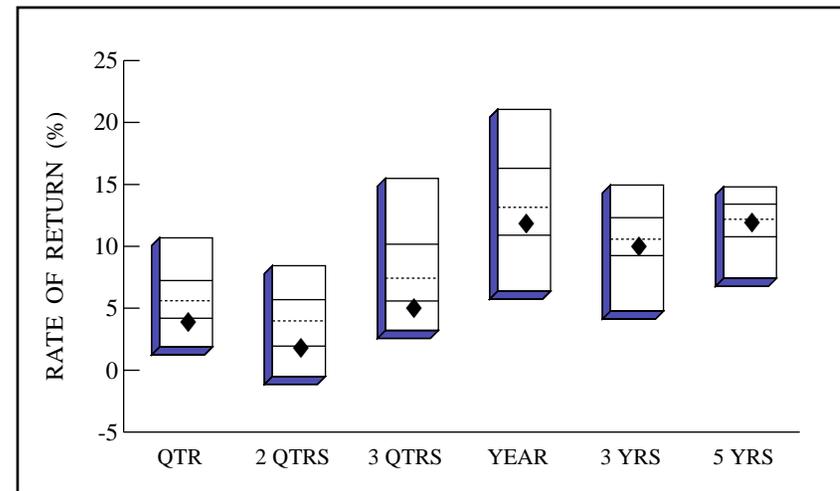
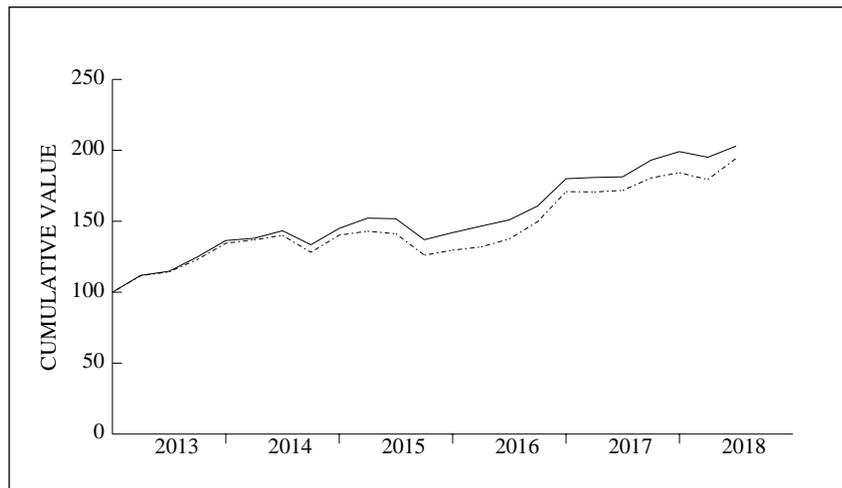


— ACTUAL RETURN  
 - - - BLENDED RATE  
 ..... 0.0%

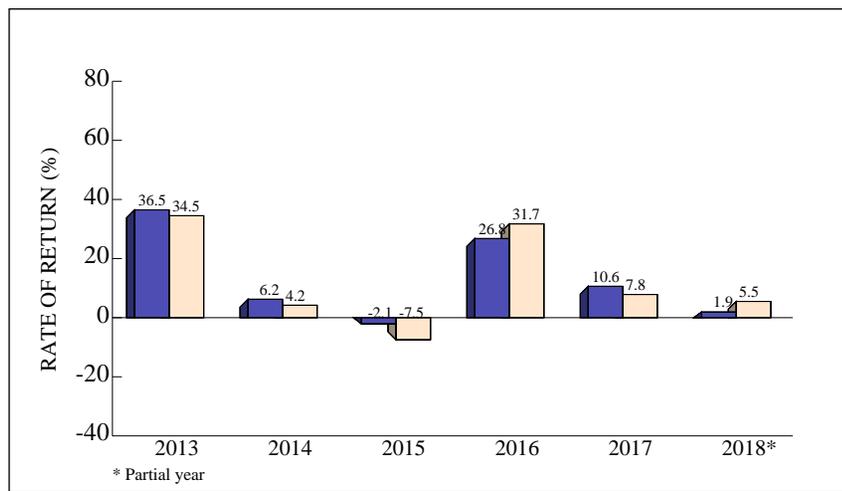
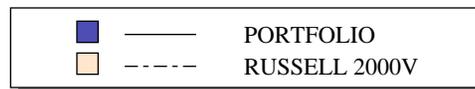
VALUE ASSUMING  
 BLENDED RATE \$ 18,322,822

	LAST QUARTER	PERIOD 12/07 - 6/18
BEGINNING VALUE	\$ 25,730,431	\$ 22,726,519
NET CONTRIBUTIONS	-364	-22,206,783
<u>INVESTMENT RETURN</u>	<u>1,041,475</u>	<u>26,251,806</u>
ENDING VALUE	\$ 26,771,542	\$ 26,771,542
INCOME	75,243	2,957,438
<u>CAPITAL GAINS (LOSSES)</u>	<u>966,232</u>	<u>23,294,368</u>
INVESTMENT RETURN	1,041,475	26,251,806

**TOTAL RETURN COMPARISONS**



Small Cap Value Universe



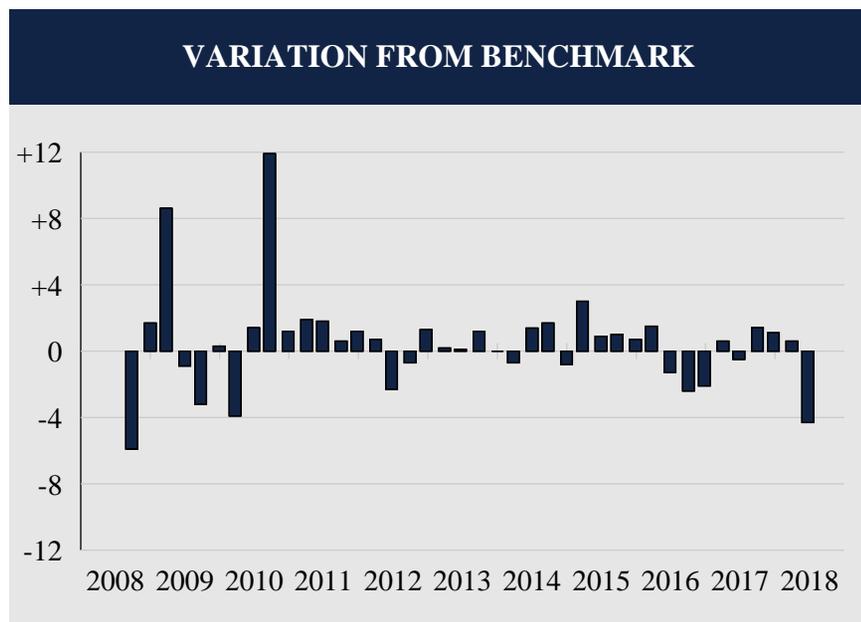
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	4.0	1.9	5.1	12.0	10.2	12.1
(RANK)	(78)	(76)	(80)	(62)	(58)	(53)
5TH %ILE	10.7	8.4	15.5	21.1	14.9	14.8
25TH %ILE	7.2	5.7	10.2	16.3	12.3	13.4
MEDIAN	5.6	4.0	7.4	13.1	10.6	12.2
75TH %ILE	4.2	1.9	5.6	10.9	9.2	10.8
95TH %ILE	1.9	-0.5	3.2	6.4	4.8	7.4
<i>Russ 2000V</i>	<i>8.3</i>	<i>5.5</i>	<i>7.6</i>	<i>13.1</i>	<i>11.2</i>	<i>11.2</i>

Small Cap Value Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY - 10 YEARS**

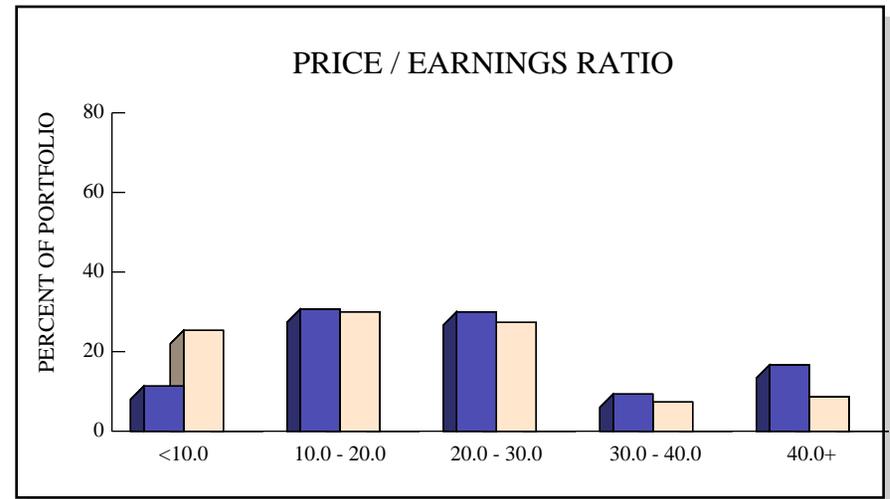
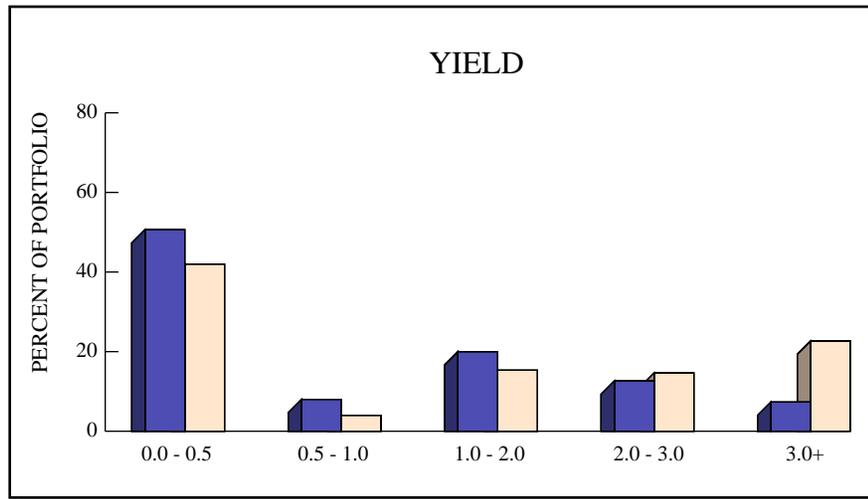
**COMPARATIVE BENCHMARK: RUSSELL 2000 VALUE**



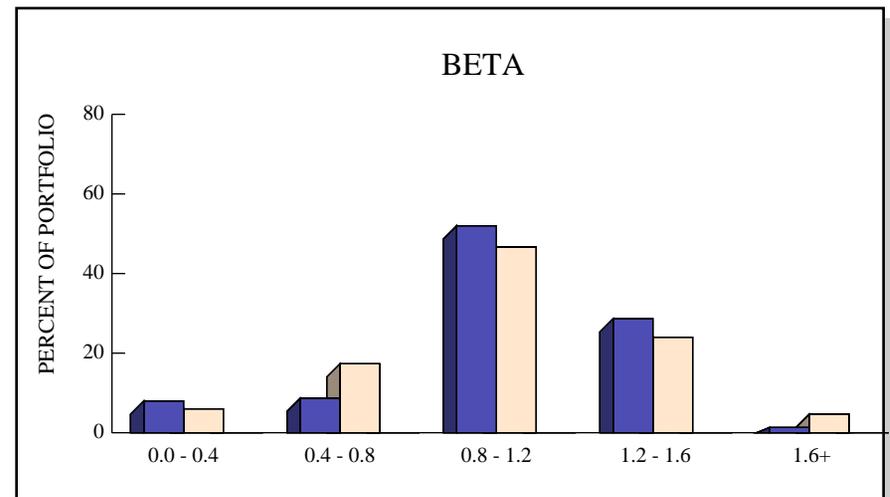
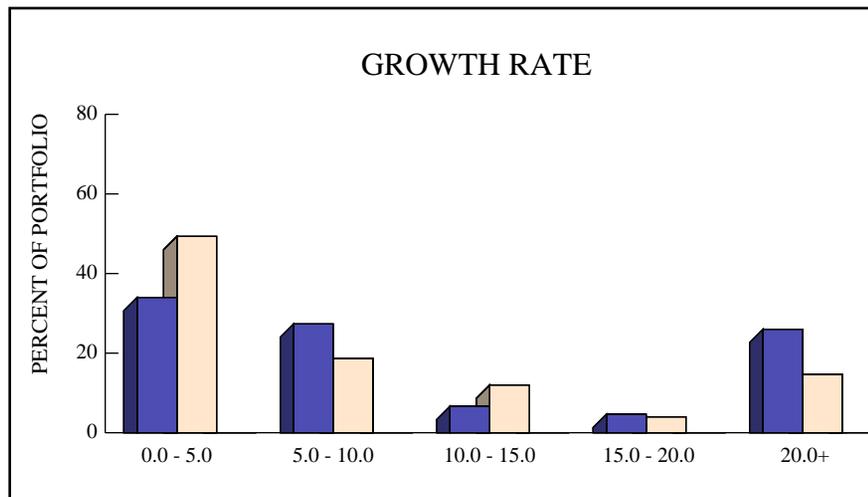
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/08	-0.9	5.0	-5.9
12/08	-23.2	-24.9	1.7
3/09	-11.0	-19.6	8.6
6/09	17.1	18.0	-0.9
9/09	19.5	22.7	-3.2
12/09	3.9	3.6	0.3
3/10	6.1	10.0	-3.9
6/10	-9.2	-10.6	1.4
9/10	21.6	9.7	11.9
12/10	16.6	15.4	1.2
3/11	8.5	6.6	1.9
6/11	-0.9	-2.7	1.8
9/11	-20.9	-21.5	0.6
12/11	17.2	16.0	1.2
3/12	12.3	11.6	0.7
6/12	-5.3	-3.0	-2.3
9/12	5.0	5.7	-0.7
12/12	4.5	3.2	1.3
3/13	11.8	11.6	0.2
6/13	2.6	2.5	0.1
9/13	8.8	7.6	1.2
12/13	9.3	9.3	0.0
3/14	1.1	1.8	-0.7
6/14	3.8	2.4	1.4
9/14	-6.9	-8.6	1.7
12/14	8.6	9.4	-0.8
3/15	5.0	2.0	3.0
6/15	-0.3	-1.2	0.9
9/15	-9.7	-10.7	1.0
12/15	3.6	2.9	0.7
3/16	3.2	1.7	1.5
6/16	3.0	4.3	-1.3
9/16	6.5	8.9	-2.4
12/16	12.0	14.1	-2.1
3/17	0.5	-0.1	0.6
6/17	0.2	0.7	-0.5
9/17	6.5	5.1	1.4
12/17	3.1	2.0	1.1
3/18	-2.0	-2.6	0.6
6/18	4.0	8.3	-4.3

<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>27</b>
<b>Quarters Below the Benchmark</b>	<b>13</b>
<b>Batting Average</b>	<b>.675</b>

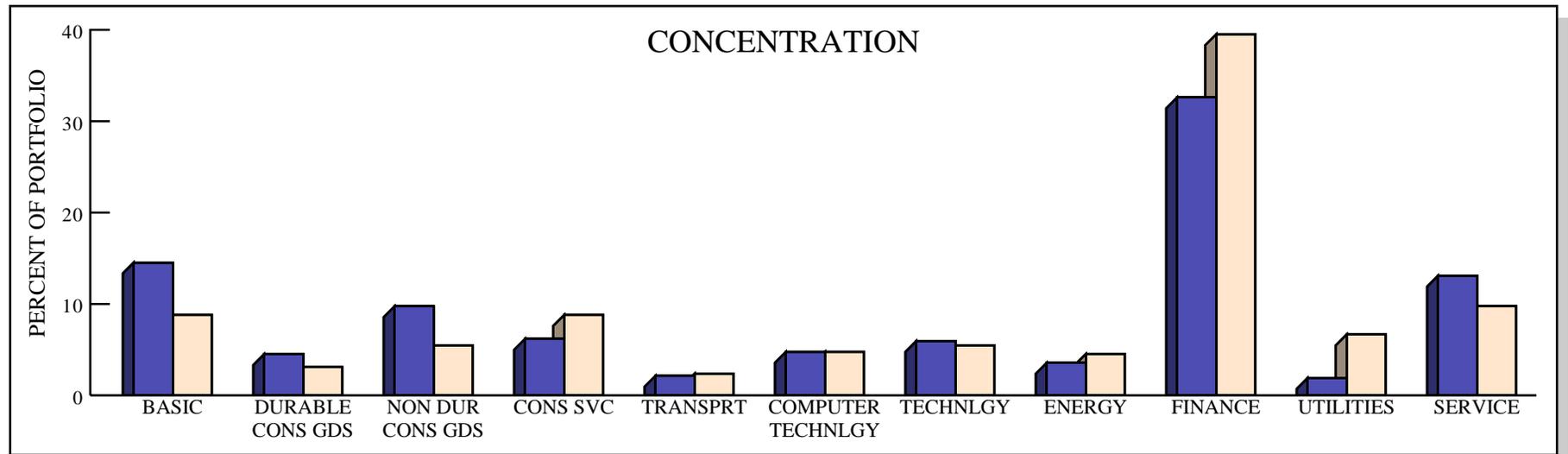
**STOCK CHARACTERISTICS**



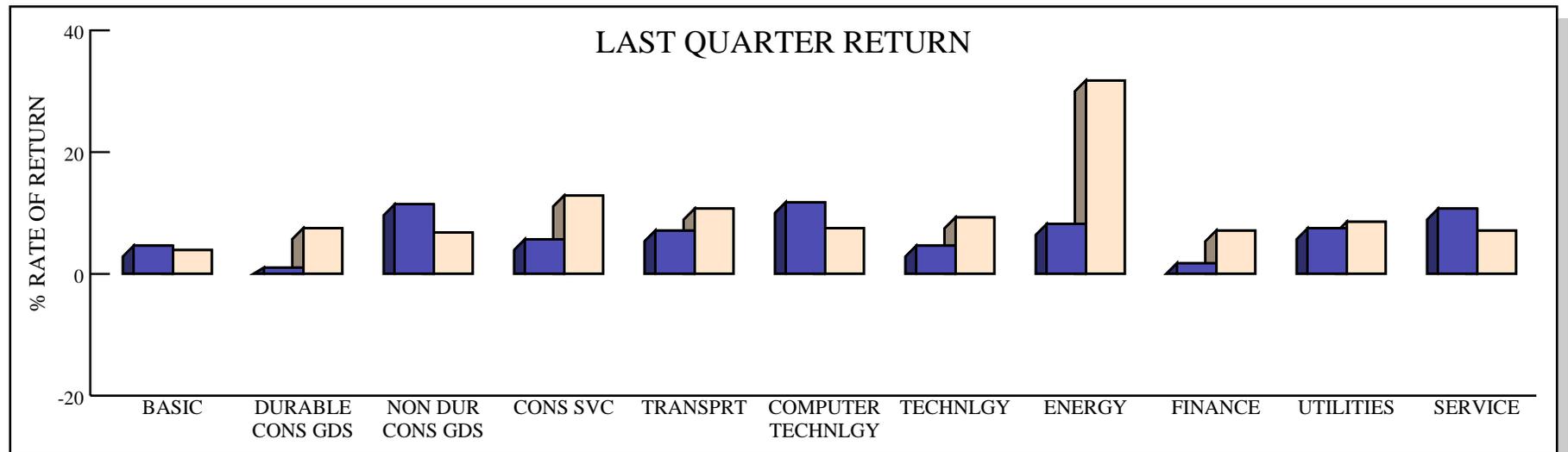
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	147	1.1%	10.9%	24.0	1.00
RUSSELL 2000V	1,364	1.9%	6.2%	17.8	1.01



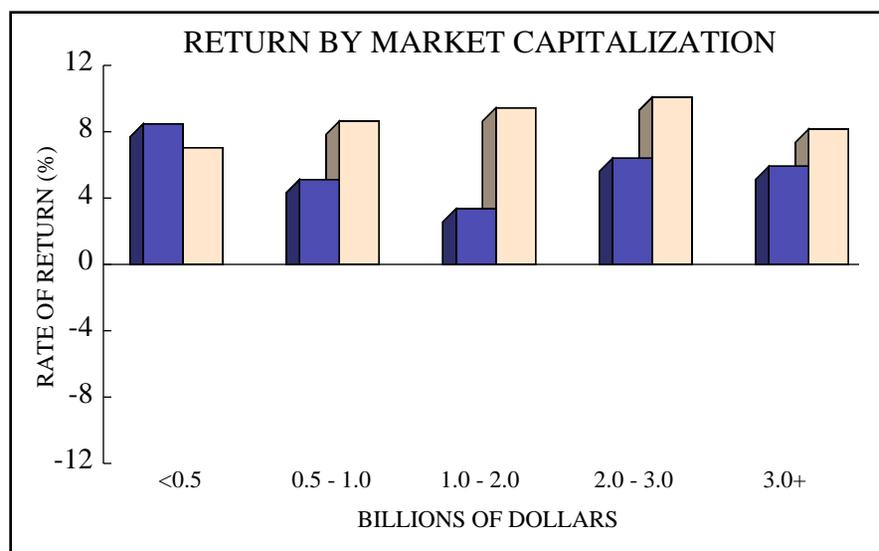
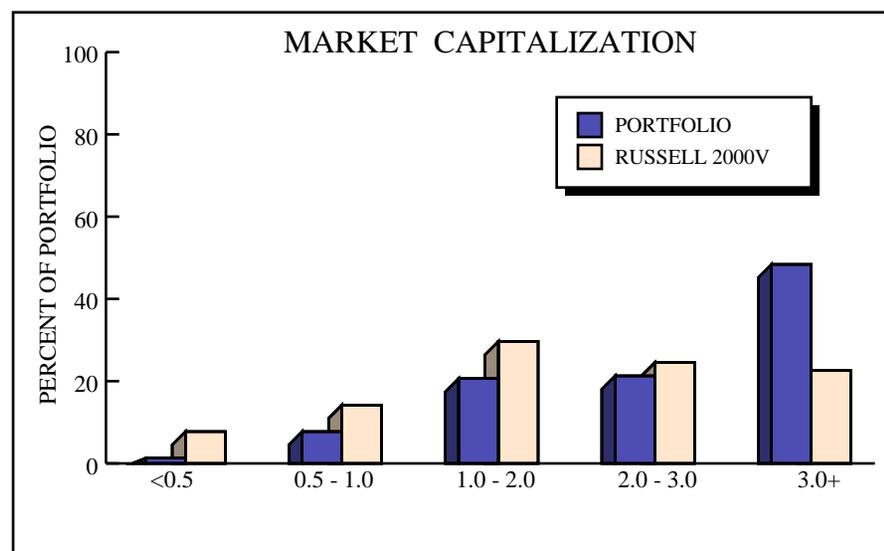
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 2000 VALUE



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	LITTELFUSE INC	\$ 449,743	1.68%	9.8%	Basic	\$ 5.7 B
2	ALLETE INC	319,936	1.20%	7.9%	Utilities	4.0 B
3	KORN/FERRY INTERNATIONAL	318,568	1.19%	20.2%	Service	3.5 B
4	INSPERITY INC	308,039	1.15%	37.2%	Service	4.0 B
5	CHURCHILL DOWNS INC	306,878	1.15%	21.5%	Consumer Service	4.0 B
6	KAR AUCTION SERVICES INC	299,263	1.12%	1.7%	Consumer Service	7.4 B
7	RETAIL OPPORTUNITY INVESTMEN	295,811	1.10%	9.6%	Finance	2.2 B
8	WINTRUST FINANCIAL CORP	294,664	1.10%	1.4%	Finance	4.9 B
9	MELLANOX TECHNOLOGIES LTD	288,812	1.08%	15.7%	Computer Tech	4.5 B
10	WEX INC	283,815	1.06%	21.6%	Service	8.2 B

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
WCM - FOCUSED GROWTH INTERNATIONAL  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's WCM Focused Growth International portfolio was valued at \$38,099,739, representing an increase of \$780,877 from the March quarter's ending value of \$37,318,862. Last quarter, the Fund posted withdrawals totaling \$8,560, which partially offset the portfolio's net investment return of \$789,437. Income receipts totaling \$207,867 plus net realized and unrealized capital gains of \$581,570 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the second quarter, the WCM Focused Growth International portfolio returned 2.1%, which was 4.7% above the MSCI All Country World Ex US Net Index's return of -2.6% and ranked in the 8th percentile of the International Equity universe. Over the trailing year, the portfolio returned 15.5%, which was 8.2% above the benchmark's 7.3% return, ranking in the 12th percentile. Since September 2013, the portfolio returned 10.8% annualized and ranked in the 9th percentile. The MSCI All Country World Ex US Net Index returned an annualized 4.2% over the same period.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 09/13
<b>Total Portfolio - Gross</b>	2.1	15.5	12.3	----	----	----	10.8
<i>INTERNATIONAL EQUITY RANK</i> ( 8)	( 8)	(12)	( 7)	----	----	----	( 9)
<b>Total Portfolio - Net</b>	1.9	14.6	11.5	----	----	----	10.0
ACWI Ex US Net	-2.6	7.3	5.1	6.0	3.8	2.5	4.2
<b>International Equity - Gross</b>	2.1	15.5	12.3	----	----	----	10.8
<i>INTERNATIONAL EQUITY RANK</i> ( 8)	( 8)	(12)	( 7)	----	----	----	( 9)
ACWI Ex US Net	-2.6	7.3	5.1	6.0	3.8	2.5	4.2

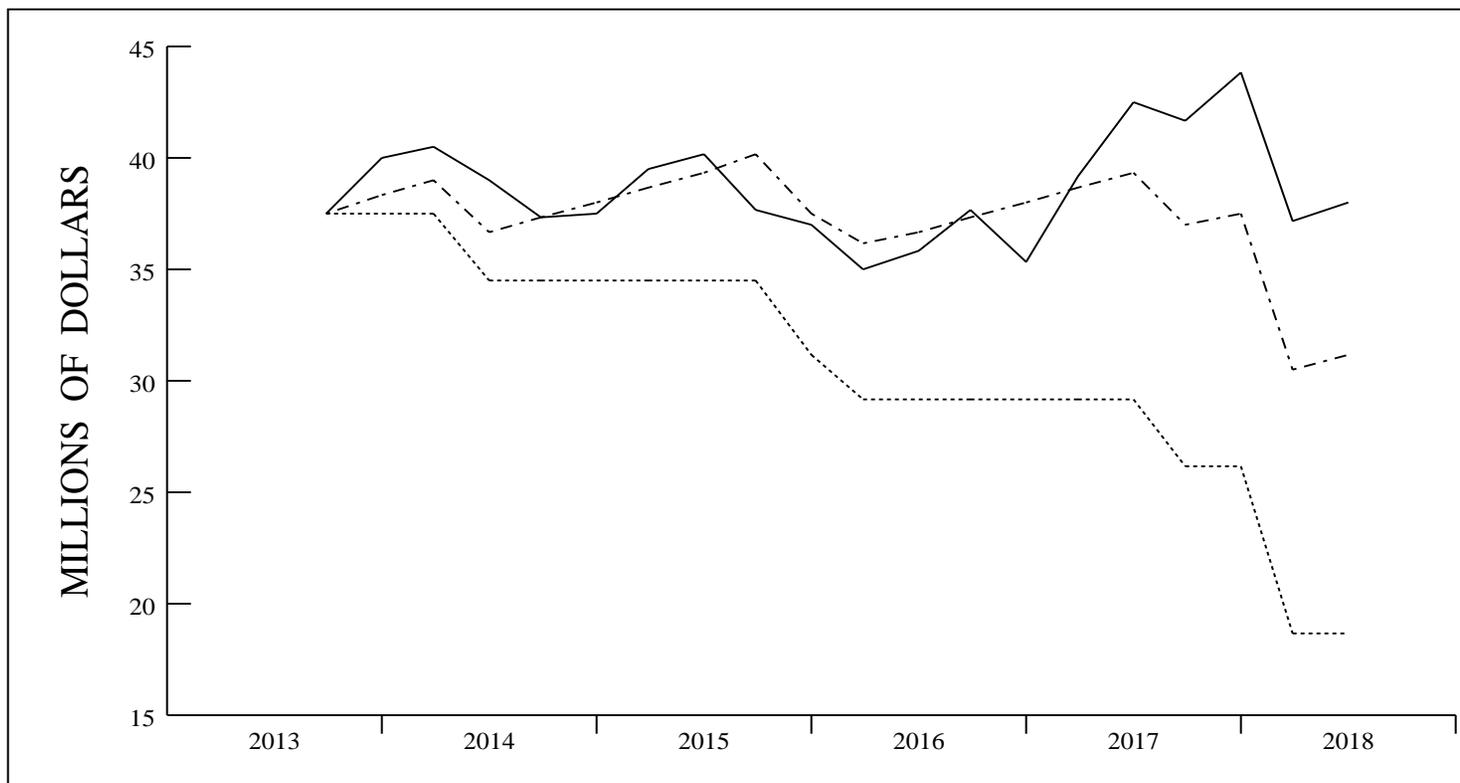
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 38,099,739
Total Portfolio	100.0%	\$ 38,099,739

**INVESTMENT RETURN**

Market Value 3/2018	\$ 37,318,862
Contribs / Withdrawals	- 8,560
Income	207,867
Capital Gains / Losses	581,570
Market Value 6/2018	\$ 38,099,739

**INVESTMENT GROWTH**

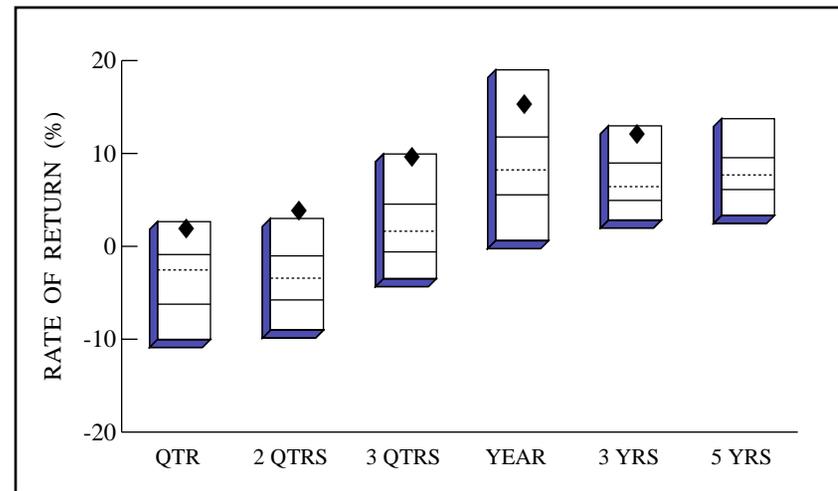
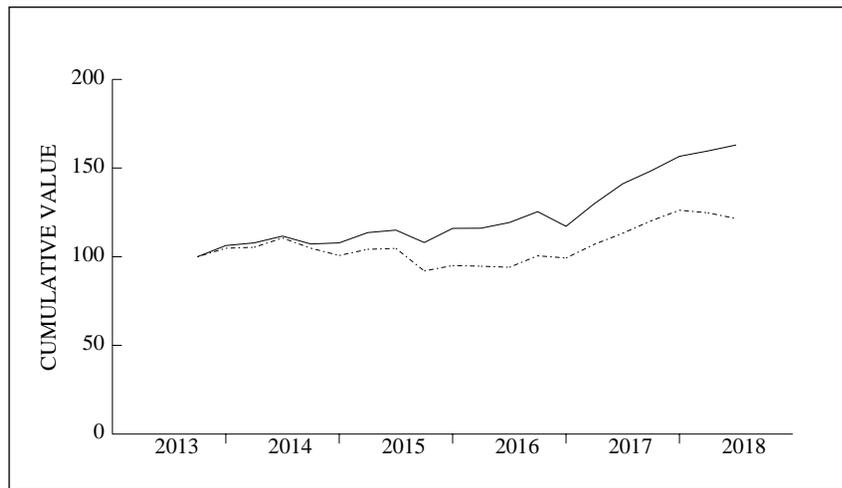


— ACTUAL RETURN  
 - - - BLENDED RATE  
 ..... 0.0%

VALUE ASSUMING  
 BLENDED RATE \$ 31,176,019

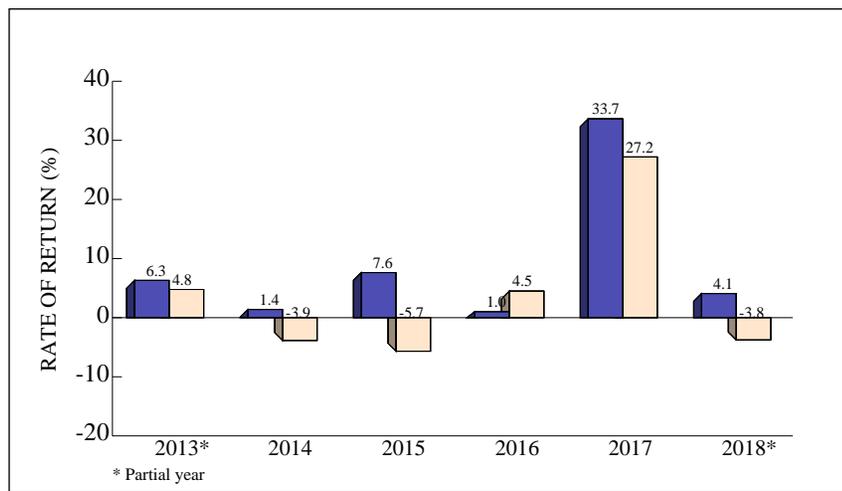
	LAST QUARTER	PERIOD 9/13 - 6/18
BEGINNING VALUE	\$ 37,318,862	\$ 37,653,208
NET CONTRIBUTIONS	- 8,560	- 18,875,308
<u>INVESTMENT RETURN</u>	<u>789,437</u>	<u>19,321,839</u>
ENDING VALUE	\$ 38,099,739	\$ 38,099,739
INCOME	207,867	2,751,249
<u>CAPITAL GAINS (LOSSES)</u>	<u>581,570</u>	<u>16,570,590</u>
INVESTMENT RETURN	789,437	19,321,839

**TOTAL RETURN COMPARISONS**



■ ——— PORTFOLIO  
■ - - - - ACWI EX US NET

International Equity Universe

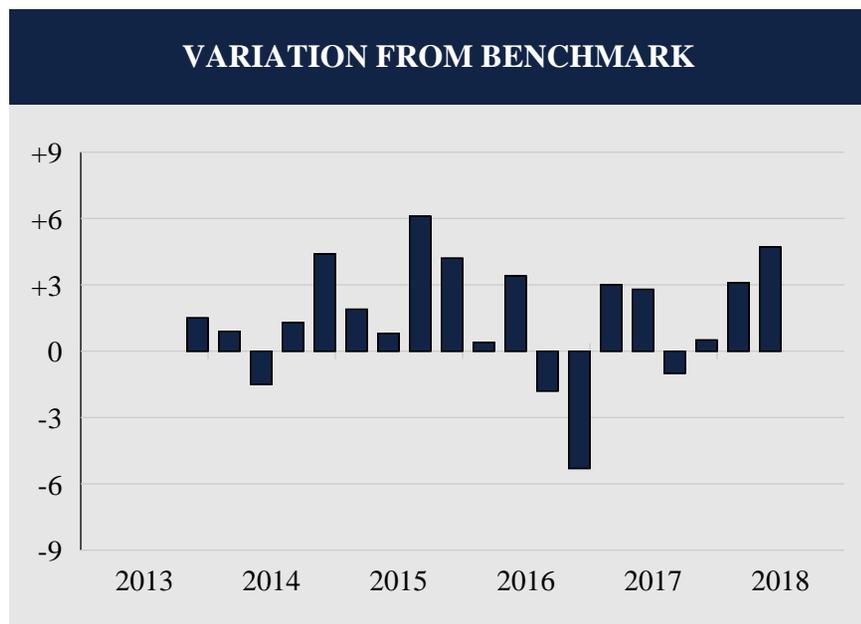


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	2.1	4.1	9.8	15.5	12.3	---
(RANK)	(8)	(4)	(6)	(12)	(7)	---
5TH %ILE	2.7	3.0	9.9	19.0	13.0	13.7
25TH %ILE	-0.9	-1.0	4.5	11.8	9.0	9.6
MEDIAN	-2.5	-3.4	1.6	8.2	6.4	7.7
75TH %ILE	-6.2	-5.8	-0.6	5.6	4.9	6.1
95TH %ILE	-10.0	-9.0	-3.5	0.6	2.8	3.3
<b>ACWI Ex US Net</b>	<b>-2.6</b>	<b>-3.8</b>	<b>1.1</b>	<b>7.3</b>	<b>5.1</b>	<b>6.0</b>

International Equity Universe

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: MSCI ALL COUNTRY WORLD EX US NET



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/13	6.3	4.8	1.5
3/14	1.4	0.5	0.9
6/14	3.5	5.0	-1.5
9/14	-4.0	-5.3	1.3
12/14	0.5	-3.9	4.4
3/15	5.4	3.5	1.9
6/15	1.3	0.5	0.8
9/15	-6.1	-12.2	6.1
12/15	7.4	3.2	4.2
3/16	0.0	-0.4	0.4
6/16	2.8	-0.6	3.4
9/16	5.1	6.9	-1.8
12/16	-6.6	-1.3	-5.3
3/17	10.9	7.9	3.0
6/17	8.6	5.8	2.8
9/17	5.2	6.2	-1.0
12/17	5.5	5.0	0.5
3/18	1.9	-1.2	3.1
6/18	2.1	-2.6	4.7

<b>Total Quarters Observed</b>	<b>19</b>
<b>Quarters At or Above the Benchmark</b>	<b>15</b>
<b>Quarters Below the Benchmark</b>	<b>4</b>
<b>Batting Average</b>	<b>.789</b>

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
GRAYCO - ALTERNATIVE PARTNERS I  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

*The most recent statement available at this time was March 31, 2018. The market value was carried forward and a 0% return was assumed.*

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's GrayCo Alternative Partners I account was valued at \$5,235,751. Over the last three months, the fund recorded a net withdrawal of \$12,766 in fees.

## **RELATIVE PERFORMANCE**

### **Total Fund**

*The Cambridge US Private Equity Index return was not yet available for the quarter. A flat return of 0% was assumed for the index.*

Over the trailing twelve-month period, the GrayCo Alternative Partners I portfolio returned 0.6%, which was 11.6% less than the Cambridge US Private Equity's 12.2% performance. Since March 2012, the account returned 4.4% annualized, while the Cambridge US Private Equity returned an annualized 12.5% over the same time frame.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 03/12
<b>Total Portfolio - Gross</b>	0.0	0.6	-6.6	2.9	----	----	4.4
<b>Total Portfolio - Net</b>	-0.2	-0.4	-7.5	1.9	----	----	3.0
Cambridge PE	0.0	12.2	10.6	12.5	12.1	10.2	12.5
<b>Private Equity - Gross</b>	0.0	0.6	-6.6	2.9	----	----	4.4
Cambridge PE	0.0	12.2	10.6	12.5	12.1	10.2	12.5

**ASSET ALLOCATION**

Private Equity	100.0%	\$ 5,235,751
Total Portfolio	100.0%	\$ 5,235,751

**INVESTMENT RETURN**

Market Value 3/2018	\$ 5,235,751
Contribs / Withdrawals	- 12,766
Income	0
Capital Gains / Losses	12,766
Market Value 6/2018	\$ 5,235,751

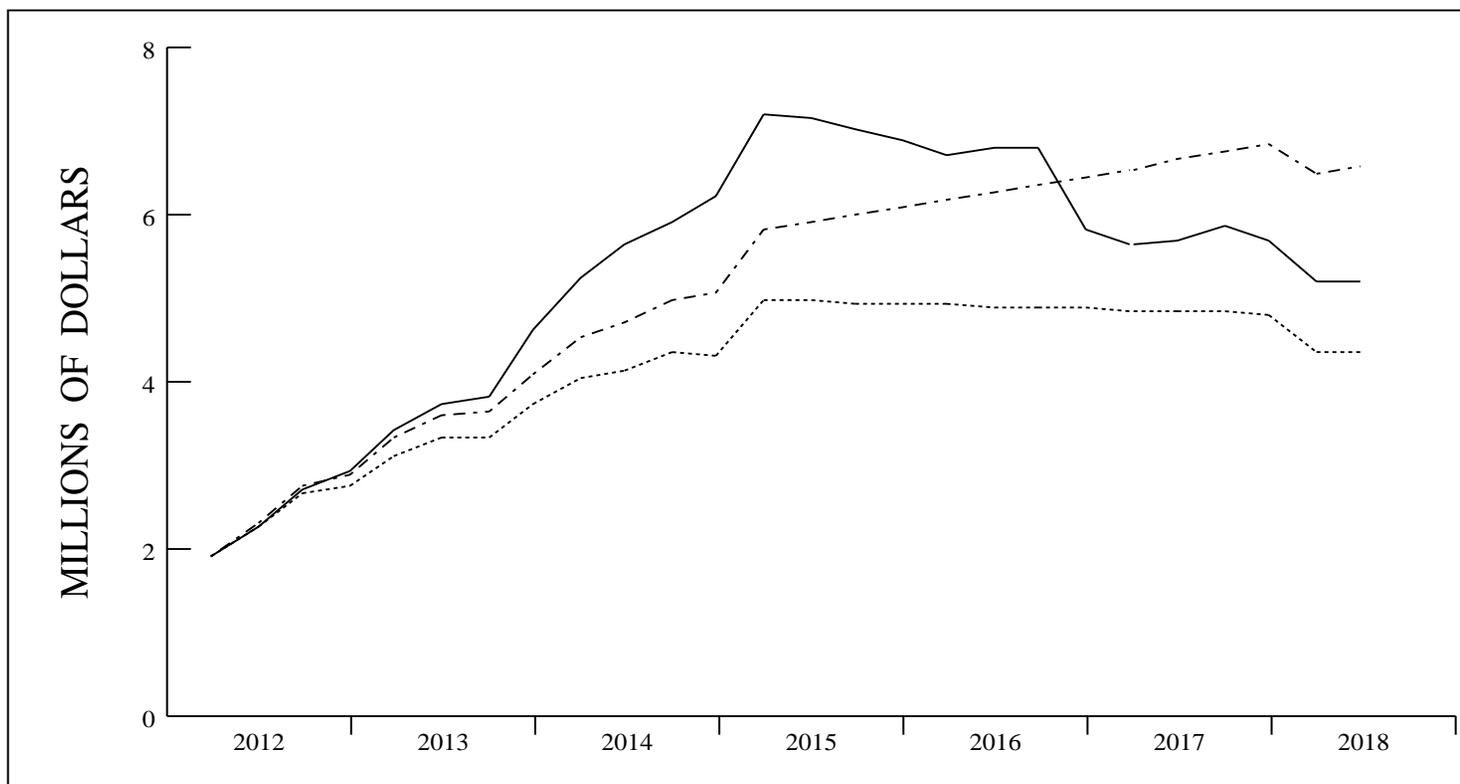
**EXECUTIVE SUMMARY - USING LAGGED DATA**

PERFORMANCE SUMMARY							
	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 06/12
<b>Total Portfolio - Gross</b>	0.2	1.5	-6.6	3.4	----	----	4.5
<b>Total Portfolio - Net</b>	0.0	0.5	-7.5	2.4	----	----	3.2
Cambridge PE (Lag)	2.7	16.2	12.0	13.2	12.8	10.3	13.1
<b>Private Equity - Gross</b>	0.2	1.5	-6.6	3.4	----	----	4.5
Cambridge PE (Lag)	2.7	16.2	12.0	13.2	12.8	10.3	13.1

ASSET ALLOCATION		
Private Equity	100.0%	\$ 5,235,751
Total Portfolio	100.0%	\$ 5,235,751

INVESTMENT RETURN	
Market Value 3/2018	\$ 5,696,381
Contribs / Withdrawals	-472,536
Income	0
Capital Gains / Losses	11,906
Market Value 6/2018	\$ 5,235,751

**INVESTMENT GROWTH**



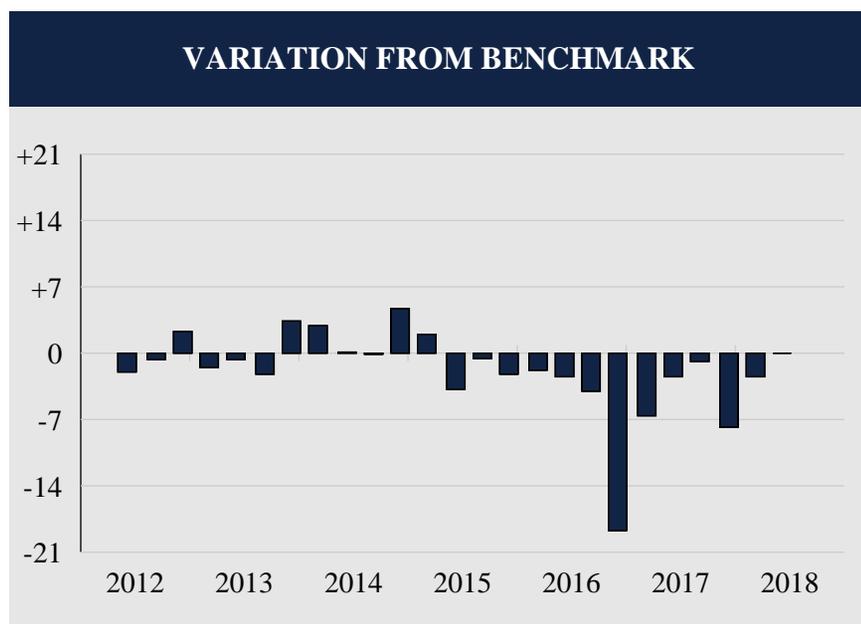
— ACTUAL RETURN  
 - - - BLENDED RATE  
 ..... 0.0%

VALUE ASSUMING  
 BLENDED RATE \$ 6,614,903

	LAST QUARTER	PERIOD 3/12 - 6/18
BEGINNING VALUE	\$ 5,235,751	\$ 1,931,469
NET CONTRIBUTIONS	- 12,766	2,426,015
INVESTMENT RETURN	<u>12,766</u>	<u>878,267</u>
ENDING VALUE	\$ 5,235,751	\$ 5,235,751
INCOME	0	0
CAPITAL GAINS (LOSSES)	<u>12,766</u>	<u>878,267</u>
INVESTMENT RETURN	12,766	878,267

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: CAMBRIDGE US PRIVATE EQUITY



<b>Total Quarters Observed</b>	<b>25</b>
<b>Quarters At or Above the Benchmark</b>	<b>7</b>
<b>Quarters Below the Benchmark</b>	<b>18</b>
<b>Batting Average</b>	<b>.280</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/12	-2.1	-0.1	-2.0
9/12	3.0	3.7	-0.7
12/12	6.1	3.8	2.3
3/13	3.1	4.6	-1.5
6/13	2.4	3.1	-0.7
9/13	2.9	5.1	-2.2
12/13	10.3	6.9	3.4
3/14	6.0	3.1	2.9
6/14	5.5	5.4	0.1
9/14	1.4	1.5	-0.1
12/14	5.6	0.9	4.7
3/15	4.6	2.6	2.0
6/15	0.0	3.8	-3.8
9/15	-2.0	-1.4	-0.6
12/15	-1.7	0.5	-2.2
3/16	-1.8	0.0	-1.8
6/16	1.5	4.0	-2.5
9/16	-0.1	3.9	-4.0
12/16	-14.1	4.6	-18.7
3/17	-2.7	3.9	-6.6
6/17	1.0	3.5	-2.5
9/17	3.1	4.0	-0.9
12/17	-2.7	5.1	-7.8
3/18	0.2	2.7	-2.5
6/18	0.0	0.0	0.0

## Private Equity Investor Report Consequent Alternative Partners I

<b>Net IRR Since Inception:</b>		<b>1.60%</b>	Report as of:
<b>Market Value:</b>	\$	<b>5,235,751</b>	6/30/2018
Total Commitment:	\$	6,000,000	Last Statement:
Unfunded Commitment:	\$	746,557	3/31/2018

*The remaining committment will not be called.*

<u>Quarter</u>	<u>Capital Calls</u>	<u>Distributions</u>	<u>Fees</u>
1Q 2012	\$ 1,997,816	\$ -	\$ 22,663
2Q 2012	\$ 392,928	\$ -	\$ 15,000
3Q 2012	\$ 410,345	\$ -	\$ 15,000
4Q 2012	\$ 76,384	\$ -	\$ 15,000
1Q 2013	\$ 401,449	\$ -	\$ 15,000
2Q 2013	\$ 218,391	\$ -	\$ 15,000
3Q 2013	\$ -	\$ -	\$ 15,000
4Q 2013	\$ 412,644	\$ -	\$ 15,000
1Q 2014	\$ 354,023	\$ -	\$ 15,000
2Q 2014	\$ 114,943	\$ -	\$ 15,000
3Q 2014	\$ 206,897	\$ -	\$ 15,000
4Q 2014	\$ -	\$ -	\$ 15,000
1Q 2015	\$ 667,623	\$ -	\$ 15,000
2Q 2015	\$ -	\$ -	\$ 15,000
3Q 2015	\$ -	\$ -	\$ 15,000
4Q 2015	\$ -	\$ -	\$ 15,000
Year 2016	\$ -	\$ -	\$ 60,000
Year 2017	\$ -	\$ -	\$ 59,310
2018 YTD	\$ -	\$ 459,770	\$ 25,532
<b>Total</b>	<b>\$ 5,253,443</b>	<b>\$ 459,770</b>	<b>\$ 392,505</b>

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
INVESCO - PARTNERSHIP FUND V  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

*The most recent statement available at this time was March 2018. That value was carried forward and a flat return was assumed for the second quarter.*

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Invesco Partnership Fund V portfolio was valued at \$1,908,668.

## **RELATIVE PERFORMANCE**

### **Total Fund**

*The Cambridge US Private Equity Index return was not yet available for the quarter. A flat return of 0% was assumed for the index.*

Over the trailing year, the Invesco Partnership Fund V account returned 16.7%, which was 4.5% greater than the Cambridge US Private Equity benchmark's 12.2% performance. Since March 2008, the account returned 13.5% on an annualized basis, while the Cambridge US Private Equity returned an annualized 10.1% over the same period.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 03/08
<b>Total Portfolio - Gross</b>	0.0	16.7	11.0	14.8	14.3	14.7	13.5
<b>Total Portfolio - Net</b>	-0.2	15.7	10.0	13.8	13.2	12.9	11.7
Cambridge PE	0.0	12.2	10.6	12.5	12.1	10.2	10.1
<b>Private Equity - Gross</b>	0.0	16.7	11.0	14.8	14.3	14.7	13.5
Cambridge PE	0.0	12.2	10.6	12.5	12.1	10.2	10.1

**ASSET ALLOCATION**

Private Equity	100.0%	\$ 1,908,668
Total Portfolio	100.0%	\$ 1,908,668

**INVESTMENT RETURN**

Market Value 3/2018	\$ 1,908,668
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	0
Market Value 6/2018	\$ 1,908,668

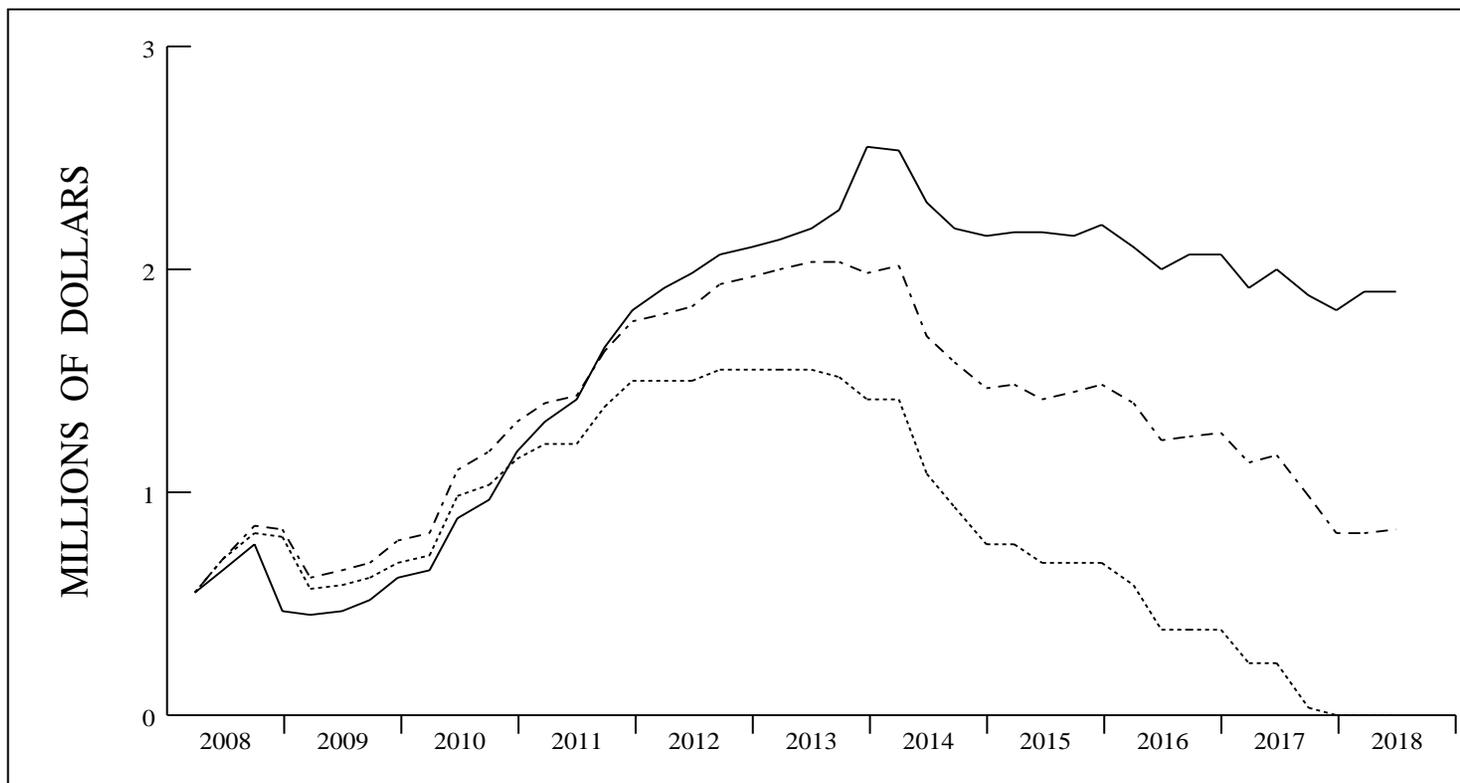
**EXECUTIVE SUMMARY - USING LAGGED DATA**

PERFORMANCE SUMMARY						
	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year
<b>Total Portfolio - Gross</b>	5.1	21.7	12.4	15.5	15.6	13.9
<b>Total Portfolio - Net</b>	4.9	20.6	11.4	14.4	14.5	12.0
Cambridge PE (Lag)	2.7	16.2	12.0	13.2	12.8	10.3
<b>Private Equity - Gross</b>	5.1	21.7	12.4	15.5	15.6	13.9
Cambridge PE (Lag)	2.7	16.2	12.0	13.2	12.8	10.3

ASSET ALLOCATION		
Private Equity	100.0%	\$ 1,908,668
Total Portfolio	100.0%	\$ 1,908,668

INVESTMENT RETURN	
Market Value 3/2018	\$ 1,819,959
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	88,709
Market Value 6/2018	\$ 1,908,668

**INVESTMENT GROWTH**



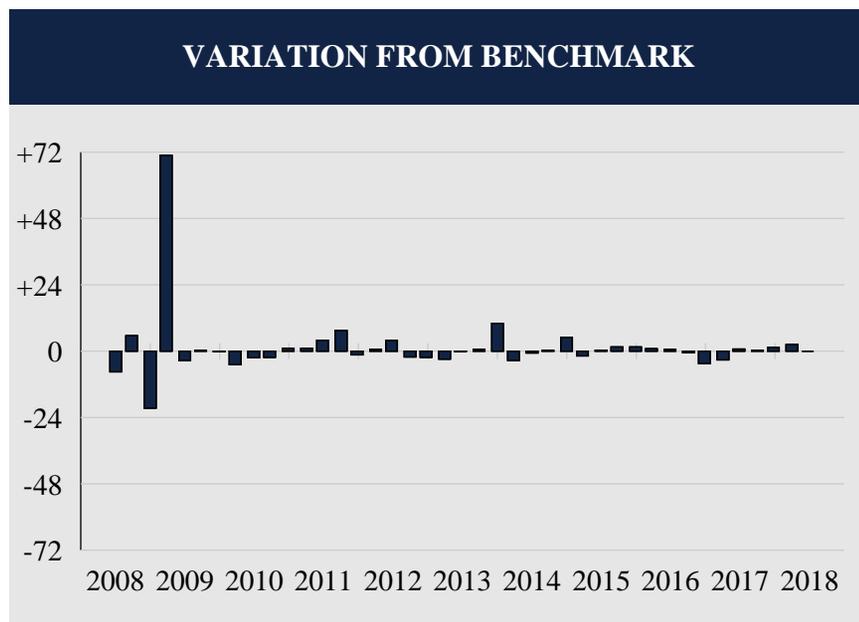
——— ACTUAL RETURN  
 - - - - - BLENDED RATE  
 ..... 0.0%

VALUE ASSUMING  
 BLENDED RATE \$ 846,256

	LAST QUARTER	PERIOD 3/08 - 6/18
BEGINNING VALUE	\$ 1,908,668	\$ 553,119
NET CONTRIBUTIONS	0	-696,826
INVESTMENT RETURN	0	2,052,375
ENDING VALUE	\$ 1,908,668	\$ 1,908,668
INCOME	0	15,714
CAPITAL GAINS (LOSSES)	0	2,036,661
INVESTMENT RETURN	0	2,052,375

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: CAMBRIDGE US PRIVATE EQUITY



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/08	-6.6	0.9	-7.5
9/08	-1.0	-6.6	5.6
12/08	-36.6	-16.0	-20.6
3/09	67.5	-3.3	70.8
6/09	1.1	4.5	-3.4
9/09	6.0	5.8	0.2
12/09	5.8	6.0	-0.2
3/10	-0.5	4.4	-4.9
6/10	-0.8	1.6	-2.4
9/10	2.9	5.1	-2.2
12/10	10.2	9.1	1.1
3/11	6.3	5.2	1.1
6/11	8.5	4.6	3.9
9/11	3.3	-4.2	7.5
12/11	4.0	5.3	-1.3
3/12	6.1	5.4	0.7
6/12	3.7	-0.1	3.8
9/12	1.6	3.7	-2.1
12/12	1.6	3.8	-2.2
3/13	1.7	4.6	-2.9
6/13	3.0	3.1	-0.1
9/13	5.7	5.1	0.6
12/13	17.0	6.9	10.1
3/14	-0.3	3.1	-3.4
6/14	4.7	5.4	-0.7
9/14	1.7	1.5	0.2
12/14	5.9	0.9	5.0
3/15	0.9	2.6	-1.7
6/15	4.1	3.8	0.3
9/15	0.1	-1.4	1.5
12/15	2.0	0.5	1.5
3/16	0.9	0.0	0.9
6/16	4.7	4.0	0.7
9/16	3.3	3.9	-0.6
12/16	0.1	4.6	-4.5
3/17	0.7	3.9	-3.2
6/17	4.3	3.5	0.8
9/17	4.3	4.0	0.3
12/17	6.4	5.1	1.3
3/18	5.1	2.7	2.4
6/18	0.0	0.0	0.0

<b>Total Quarters Observed</b>	<b>41</b>
<b>Quarters At or Above the Benchmark</b>	<b>23</b>
<b>Quarters Below the Benchmark</b>	<b>18</b>
<b>Batting Average</b>	<b>.561</b>

**Private Equity Investor Report**  
**Invesco Partnership Fund V**

<b>Net IRR Since Inception:</b>	<b>13.06%</b>	Report as of:
<b>Market Value:</b>	<b>\$ 1,908,668</b>	6/30/2018
<b>Total Commitment:</b>	<b>\$ 2,500,000</b>	Last Statement:
<b>Unfunded Commitment:</b>	<b>\$ 993,643</b>	3/31/2018

<u>Year</u>	<u>Capital Calls</u>	<u>Refunded Capital Calls</u>	<u>Distributions</u>	<u>Interest Received / (Paid)</u>	<u>Fees</u>
2008	\$ 883,926	\$ 143,530	\$ -	\$ 5,964	\$ 17,640
2009	\$ 136,479	\$ 239,887	\$ -	\$ 9,800	\$ 19,408
2010	\$ 525,344	\$ 60,968	\$ -	\$ 36	\$ 21,590
2011	\$ 342,835	\$ -	\$ -	\$ -	\$ 21,632
2012	\$ 62,158	\$ -	\$ -	\$ -	\$ 21,632
2013	\$ -	\$ -	\$ 136,226	\$ -	\$ 21,632
2014	\$ -	\$ -	\$ 647,073	\$ -	\$ 21,632
2015	\$ -	\$ -	\$ 90,817	\$ -	\$ 21,507
2016	\$ -	\$ -	\$ 295,157	\$ -	\$ 19,468
2017	\$ -	\$ -	\$ 538,936	\$ -	\$ 17,524
2018	\$ -	\$ -	\$ -	\$ -	\$ 8,202
<b>Total</b>	<b>\$ 1,950,742</b>	<b>\$ 444,385</b>	<b>\$ 1,708,209</b>	<b>\$ 15,800</b>	<b>\$ 211,867</b>

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
MESIROW - PARTNERSHIP FUND IV  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

*The most recent statement available at this time was March 31, 2018. The market value has been adjusted for the capital portion of the distribution. The return shown for the quarter results from the income portion of the distribution.*

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Mesirow Partnership Fund IV portfolio was valued at \$2,679,659, a decrease of \$100,000 from the March ending value of \$2,779,659. Last quarter, the account recorded a net withdrawal of \$207,380, which overshadowed the fund's net investment return of \$107,380. Barring income receipts during the second quarter, the portfolio's net investment return figure was the product of \$107,380 in realized and unrealized capital gains.

## **RELATIVE PERFORMANCE**

### **Total Fund**

*The Cambridge US Private Equity Index return was not yet available for the quarter. A flat return of 0% was assumed for the index.*

For the second quarter, the Mesirow Partnership Fund IV account gained 3.9%. Over the trailing twelve-month period, the account returned 10.8%, which was 1.4% below the Cambridge US Private Equity's 12.2% performance. Since March 2007, the portfolio returned 8.8% per annum, while the Cambridge US Private Equity returned an annualized 10.0% over the same period.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 03/07
<b>Total Portfolio - Gross</b>	3.9	10.8	11.0	15.0	13.4	10.8	8.8
<b>Total Portfolio - Net</b>	3.7	9.7	9.2	12.9	11.4	7.3	4.6
Cambridge PE	0.0	12.2	10.6	12.5	12.1	10.2	10.0
<b>Private Equity - Gross</b>	3.9	10.8	11.0	15.0	13.4	10.8	8.8
Cambridge PE	0.0	12.2	10.6	12.5	12.1	10.2	10.0

**ASSET ALLOCATION**

Private Equity	100.0%	\$ 2,679,659
Total Portfolio	100.0%	\$ 2,679,659

**INVESTMENT RETURN**

Market Value 3/2018	\$ 2,779,659
Contribs / Withdrawals	-207,380
Income	0
Capital Gains / Losses	107,380
Market Value 6/2018	\$ 2,679,659

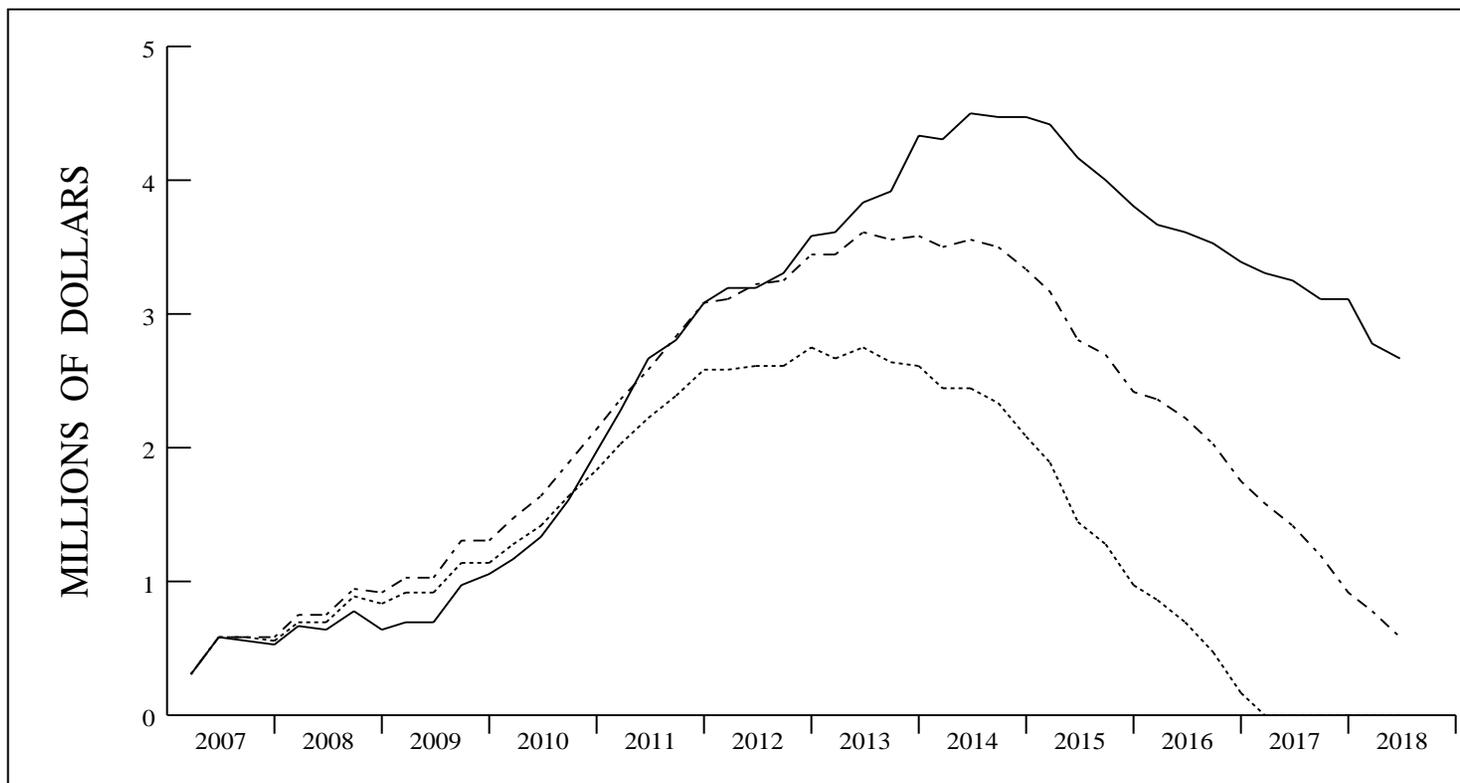
**EXECUTIVE SUMMARY - USING LAGGED DATA**

PERFORMANCE SUMMARY							
	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 06/07
<b>Total Portfolio - Gross</b>	-6.7	10.3	11.2	14.9	14.2	10.3	8.6
<b>Total Portfolio - Net</b>	-7.0	9.2	8.4	13.1	11.9	6.5	4.4
Cambridge PE (Lag)	2.7	16.2	12.0	13.2	12.8	10.3	10.3
<b>Private Equity - Gross</b>	-6.7	10.3	11.2	14.9	14.2	10.3	8.6
Cambridge PE (Lag)	2.7	16.2	12.0	13.2	12.8	10.3	10.3

ASSET ALLOCATION		
Private Equity	100.0%	\$ 2,779,659
Total Portfolio	100.0%	\$ 2,779,659

INVESTMENT RETURN	
Market Value 3/2018	\$ 3,118,713
Contribs / Withdrawals	-132,380
Income	0
Capital Gains / Losses	-206,674
Market Value 6/2018	\$ 2,779,659

**INVESTMENT GROWTH**



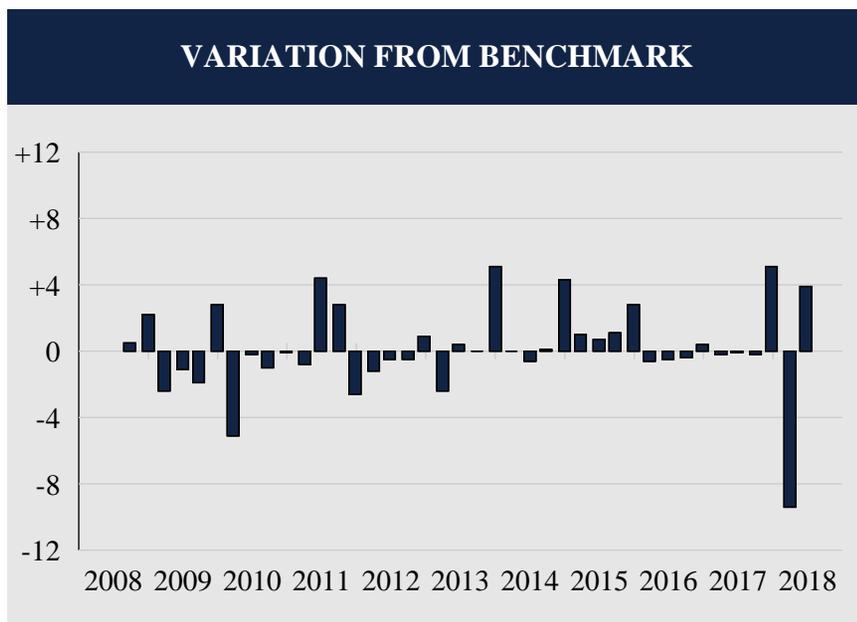
——— ACTUAL RETURN  
 - - - - - BLENDED RATE  
 ..... 0.0%

VALUE ASSUMING  
 BLENDED RATE \$ 604,772

	LAST QUARTER	PERIOD 3/07 - 6/18
BEGINNING VALUE	\$ 2,779,659	\$ 315,118
NET CONTRIBUTIONS	-207,380	-1,430,378
INVESTMENT RETURN	107,380	3,794,919
ENDING VALUE	\$ 2,679,659	\$ 2,679,659
INCOME	0	25,752
CAPITAL GAINS (LOSSES)	107,380	3,769,167
INVESTMENT RETURN	107,380	3,794,919

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY - 10 YEARS**

**COMPARATIVE BENCHMARK: CAMBRIDGE US PRIVATE EQUITY**



<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>19</b>
<b>Quarters Below the Benchmark</b>	<b>21</b>
<b>Batting Average</b>	<b>.475</b>

<b>RATES OF RETURN</b>			
<b>Date</b>	<b>Portfolio</b>	<b>Benchmark</b>	<b>Difference</b>
9/08	-6.1	-6.6	0.5
12/08	-13.8	-16.0	2.2
3/09	-5.7	-3.3	-2.4
6/09	3.4	4.5	-1.1
9/09	3.9	5.8	-1.9
12/09	8.8	6.0	2.8
3/10	-0.7	4.4	-5.1
6/10	1.4	1.6	-0.2
9/10	4.1	5.1	-1.0
12/10	9.0	9.1	-0.1
3/11	4.4	5.2	-0.8
6/11	9.0	4.6	4.4
9/11	-1.4	-4.2	2.8
12/11	2.7	5.3	-2.6
3/12	4.2	5.4	-1.2
6/12	-0.6	-0.1	-0.5
9/12	3.2	3.7	-0.5
12/12	4.7	3.8	0.9
3/13	2.2	4.6	-2.4
6/13	3.5	3.1	0.4
9/13	5.1	5.1	0.0
12/13	12.0	6.9	5.1
3/14	3.1	3.1	0.0
6/14	4.8	5.4	-0.6
9/14	1.6	1.5	0.1
12/14	5.2	0.9	4.3
3/15	3.6	2.6	1.0
6/15	4.5	3.8	0.7
9/15	-0.3	-1.4	1.1
12/15	3.3	0.5	2.8
3/16	-0.6	0.0	-0.6
6/16	3.5	4.0	-0.5
9/16	3.5	3.9	-0.4
12/16	5.0	4.6	0.4
3/17	3.7	3.9	-0.2
6/17	3.4	3.5	-0.1
9/17	3.8	4.0	-0.2
12/17	10.2	5.1	5.1
3/18	-6.7	2.7	-9.4
6/18	3.9	0.0	3.9

**Private Equity Investor Report  
Mesirow Partnership Fund IV**

<b>Net IRR Since Inception:</b>	<b>10.27%</b>	Report as of:
<b>Market Value:</b>	<b>\$ 2,679,659</b>	6/30/2018
<b>Total Commitment:</b>	<b>\$ 5,000,000</b>	Last Statement:
<b>Unfunded Commitment:</b>	<b>\$ 275,000</b>	3/31/2018

<u>Year</u>	<u>Capital Calls</u>	<u>Distributions</u>	<u>Interest Received / (Paid)</u>	<u>Fees</u>
2007	\$ 650,000	\$ -	\$ (3,682)	\$ 55,753
2008	\$ 350,000	\$ -	\$ 25,752	\$ 50,000
2009	\$ 350,000	\$ -	\$ -	\$ 50,000
2010	\$ 750,000	\$ -	\$ -	\$ 50,000
2011	\$ 800,000	\$ -	\$ -	\$ 50,000
2012	\$ 400,000	\$ 200,000	\$ -	\$ 50,000
2013	\$ 350,000	\$ 425,000	\$ -	\$ 50,000
2014	\$ 650,000	\$ 1,125,000	\$ -	\$ 45,000
2015	\$ 200,000	\$ 1,275,000	\$ -	\$ 40,500
2016	\$ 125,000	\$ 898,720	\$ -	\$ 36,448
2017	\$ 100,000	\$ 1,023,898	\$ -	\$ 32,800
2018	\$ -	\$ 325,000	\$ -	\$ 14,760
<b>Total</b>	<b>\$ 4,725,000</b>	<b>\$ 5,272,618</b>	<b>\$ 22,070</b>	<b>\$ 525,261</b>

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
MESIROW - PARTNERSHIP FUND VI  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

*The most recent statement available at this time was March 31, 2018. The market value has been adjusted for the capital portion of the distribution. The return shown for the quarter results from the income portion of the distribution.*

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Mesirow Partnership Fund VI portfolio was valued at \$2,119,834, representing an increase of \$105,014 from the March quarter's ending value of \$2,014,820. Last quarter, the Fund posted net contributions equaling \$90,028 plus a net investment gain equaling \$14,986. Since there were no income receipts during the quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$14,986.

## **RELATIVE PERFORMANCE**

### **Total Fund**

*The Cambridge US Private Equity Index return was not yet available for the quarter. A flat return of 0% was assumed for the index.*

In the second quarter, the Mesirow Partnership Fund VI portfolio returned 1.1%. Over the trailing twelve-month period, the portfolio returned 17.9%, which was 5.7% above the Cambridge US Private Equity's 12.2% performance. Since June 2013, the Mesirow Partnership Fund VI portfolio returned 11.6% annualized, while the Cambridge US Private Equity returned an annualized 12.5% over the same period.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year
<b>Total Portfolio - Gross</b>	1.1	17.9	13.7	11.6	----	----
<b>Total Portfolio - Net</b>	0.7	15.9	9.7	1.9	----	----
Cambridge PE	0.0	12.2	10.6	12.5	12.1	10.2
<b>Private Equity - Gross</b>	1.1	17.9	13.7	11.6	----	----
Cambridge PE	0.0	12.2	10.6	12.5	12.1	10.2

**ASSET ALLOCATION**

Private Equity	100.0%	\$ 2,119,834
Total Portfolio	100.0%	\$ 2,119,834

**INVESTMENT RETURN**

Market Value 3/2018	\$ 2,014,820
Contribs / Withdrawals	90,028
Income	0
Capital Gains / Losses	14,986
Market Value 6/2018	\$ 2,119,834

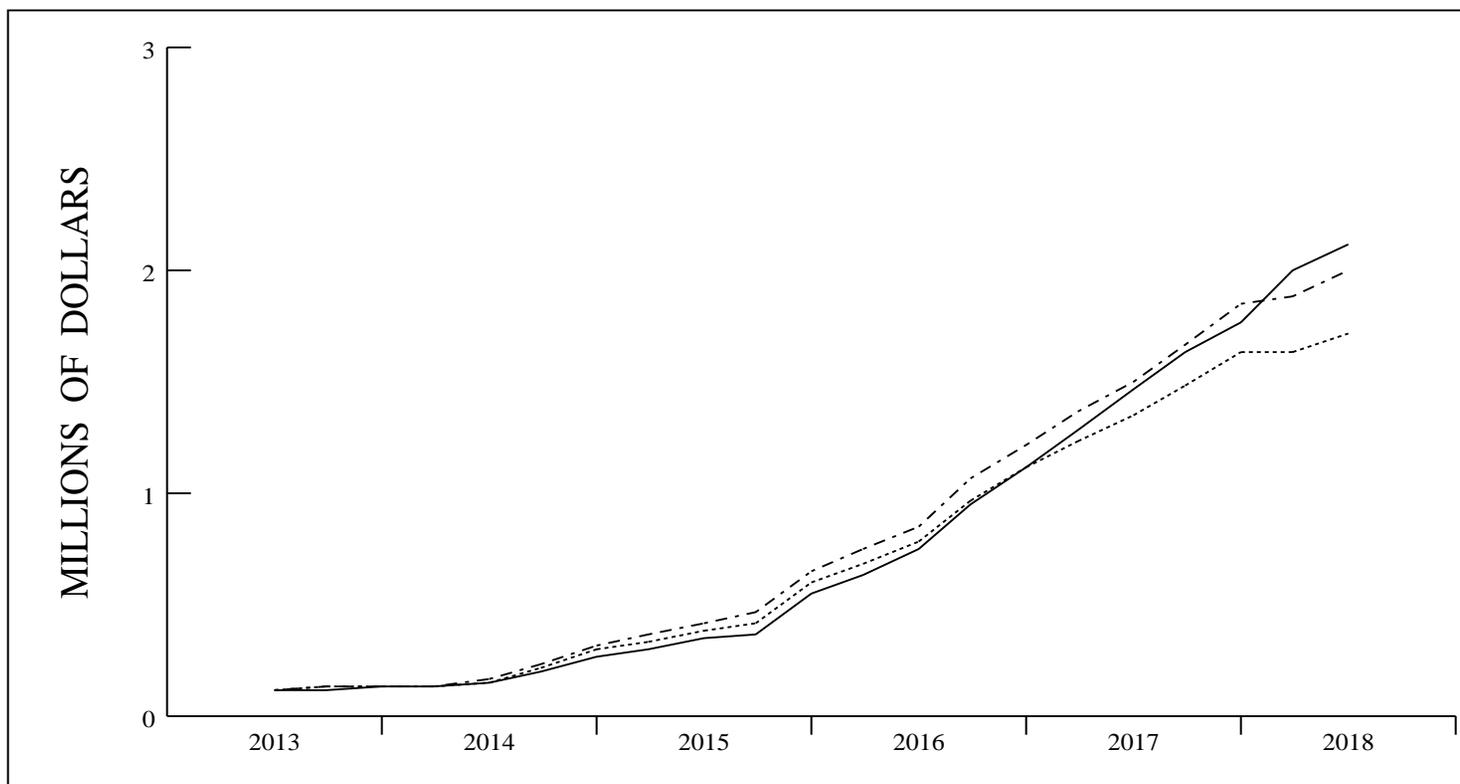
**EXECUTIVE SUMMARY - USING LAGGED DATA**

PERFORMANCE SUMMARY							
	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 09/13
<b>Total Portfolio - Gross</b>	13.7	22.2	13.4	----	----	----	12.0
<b>Total Portfolio - Net</b>	13.2	19.9	8.7	----	----	----	1.9
Cambridge PE (Lag)	2.7	16.2	12.0	13.2	12.8	10.3	13.2
<b>Private Equity - Gross</b>	13.7	22.2	13.4	----	----	----	12.0
Cambridge PE (Lag)	2.7	16.2	12.0	13.2	12.8	10.3	13.2

ASSET ALLOCATION		
Private Equity	100.0%	\$ 2,014,820
Total Portfolio	100.0%	\$ 2,014,820

INVESTMENT RETURN	
Market Value 3/2018	\$ 1,779,171
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	235,649
Market Value 6/2018	\$ 2,014,820

**INVESTMENT GROWTH**



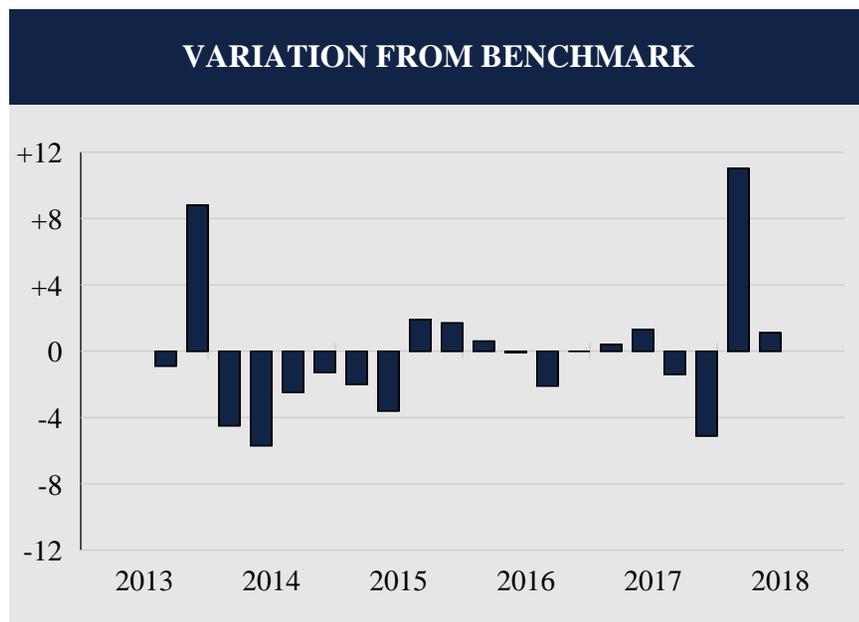
——— ACTUAL RETURN  
 - - - - - BLENDED RATE  
 ..... 0.0%

VALUE ASSUMING  
 BLENDED RATE \$ 2,009,233

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 2,014,820	\$ 120,000
NET CONTRIBUTIONS	90,028	1,611,855
INVESTMENT RETURN	<u>14,986</u>	<u>387,979</u>
ENDING VALUE	\$ 2,119,834	\$ 2,119,834
INCOME	0	0
CAPITAL GAINS (LOSSES)	<u>14,986</u>	<u>387,979</u>
INVESTMENT RETURN	14,986	387,979

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: CAMBRIDGE US PRIVATE EQUITY**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/13	4.2	5.1	-0.9
12/13	15.7	6.9	8.8
3/14	-1.4	3.1	-4.5
6/14	-0.3	5.4	-5.7
9/14	-1.0	1.5	-2.5
12/14	-0.4	0.9	-1.3
3/15	0.6	2.6	-2.0
6/15	0.2	3.8	-3.6
9/15	0.5	-1.4	1.9
12/15	2.2	0.5	1.7
3/16	0.6	0.0	0.6
6/16	3.9	4.0	-0.1
9/16	1.8	3.9	-2.1
12/16	4.6	4.6	0.0
3/17	4.3	3.9	0.4
6/17	4.8	3.5	1.3
9/17	2.6	4.0	-1.4
12/17	0.0	5.1	-5.1
3/18	13.7	2.7	11.0
6/18	1.1	0.0	1.1

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>9</b>
<b>Quarters Below the Benchmark</b>	<b>11</b>
<b>Batting Average</b>	<b>.450</b>

## Private Equity Investor Report Mesirow Partnership Fund VI

<b>Net IRR Since Inception:</b>		<b>10.97%</b>	Report as of:
<b>Market Value:</b>	\$	<b>2,119,834</b>	6/30/2018
<b>Total Commitment:</b>	\$	<b>3,000,000</b>	Last Statement:
<b>Unfunded Commitment:</b>	\$	<b>1,200,000</b>	3/31/2018

<u>Quarter</u>	<u>Capital Calls</u>	<u>Distributions</u>	<u>Fees</u>
2Q 2013	\$ 120,000	\$ -	\$ -
3Q 2013	\$ 15,000	\$ -	\$ 7,500
4Q 2013	\$ -	\$ -	\$ 7,500
1Q 2014	\$ -	\$ -	\$ 7,500
2Q 2014	\$ 30,000	\$ -	\$ 7,500
3Q 2014	\$ 60,000	\$ -	\$ 7,500
4Q 2014	\$ 75,000	\$ -	\$ 7,500
1Q 2015	\$ 45,000	\$ -	\$ 7,500
2Q 2015	\$ 45,000	\$ -	\$ 7,500
3Q 2015	\$ 45,000	\$ 8,173	\$ 7,500
4Q 2015	\$ 180,000	\$ -	\$ 7,500
1Q 2016	\$ 90,000	\$ -	\$ 7,500
2Q 2016	\$ 90,000	\$ -	\$ 7,500
3Q 2016	\$ 195,000	\$ -	\$ 7,500
4Q 2016	\$ 135,000	\$ -	\$ 7,500
1Q 2017	\$ 120,000	\$ -	\$ 7,500
2Q 2017	\$ 120,000	\$ -	\$ 7,500
3Q 2017	\$ 135,000	\$ -	\$ 7,500
4Q 2017	\$ 150,000	\$ -	\$ 7,500
1Q 2018	\$ -	\$ -	\$ 7,500
2Q 2018	\$ 150,000	\$ 59,972	\$ 7,500
<b>Total</b>	<b>\$ 1,800,000</b>	<b>\$ 68,145</b>	<b>\$ 150,000</b>

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
INTERCONTINENTAL - U.S. REAL ESTATE INVESTMENT FUND  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Intercontinental U.S. Real Estate Investment Fund was valued at \$5,243,305, representing an increase of \$94,457 from the March quarter's ending value of \$5,148,848. Last quarter, the Fund posted withdrawals totaling \$50,829, which offset the portfolio's net investment return of \$145,286. Since there were no income receipts for the second quarter, the portfolio's net investment return figure was the product of net realized and unrealized capital gains totaling \$145,286.

## **RELATIVE PERFORMANCE**

### **Total Fund**

During the second quarter, the Intercontinental U.S. Real Estate Investment Fund returned 2.8%, which was 0.8% above the NCREIF NFI-ODCE Index's return of 2.0%.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Year	5 Year
<b>Total Portfolio - Gross</b>	2.8	5.7	----	----	----
<b>Total Portfolio - Net</b>	2.6	5.1	----	----	----
NCREIF ODCE	2.0	4.3	8.4	9.4	11.0
<b>Real Estate - Gross</b>	2.8	5.7	----	----	----
NCREIF ODCE	2.0	4.3	8.4	9.4	11.0

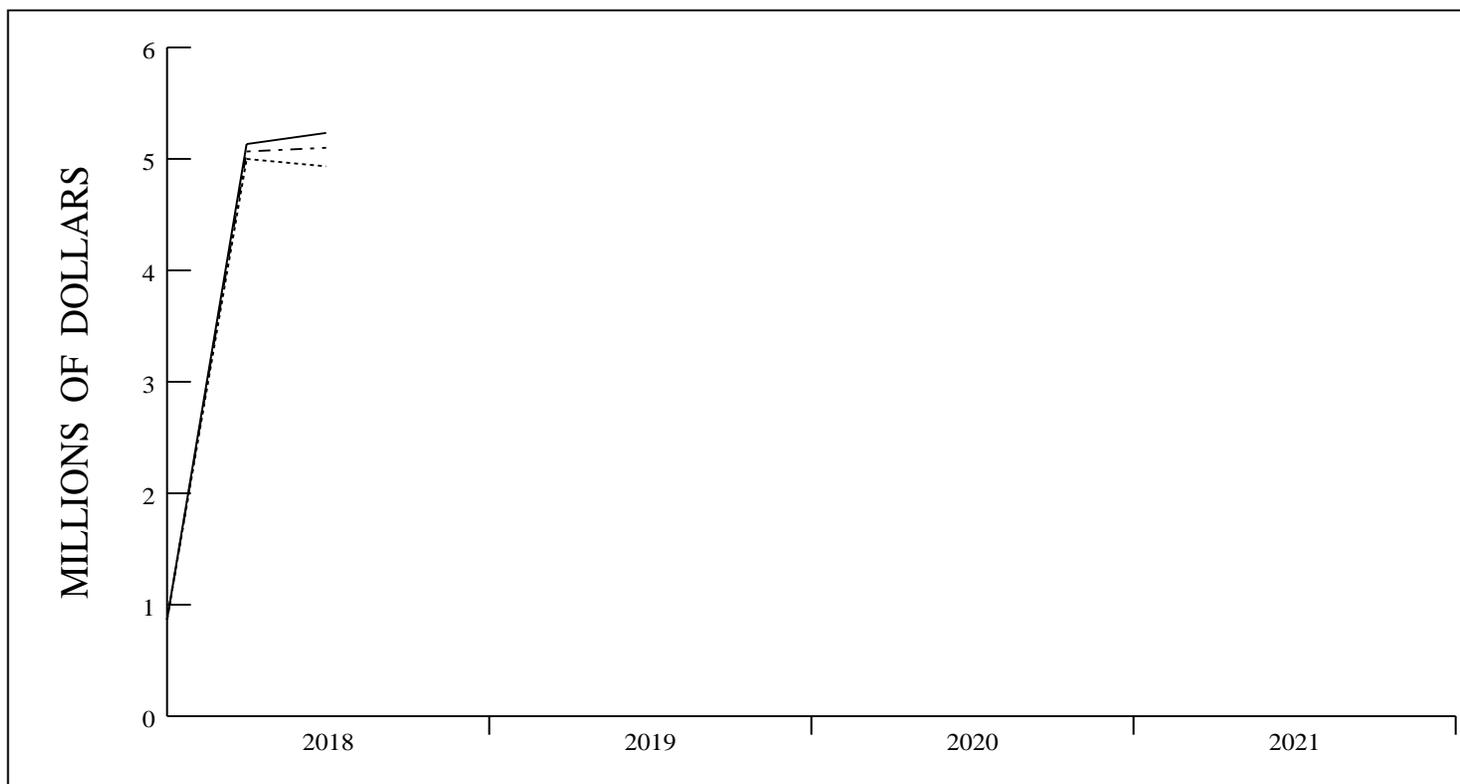
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 5,243,305
Total Portfolio	100.0%	\$ 5,243,305

**INVESTMENT RETURN**

Market Value 3/2018	\$ 5,148,848
Contribs / Withdrawals	- 50,829
Income	0
Capital Gains / Losses	145,286
Market Value 6/2018	\$ 5,243,305

**INVESTMENT GROWTH**



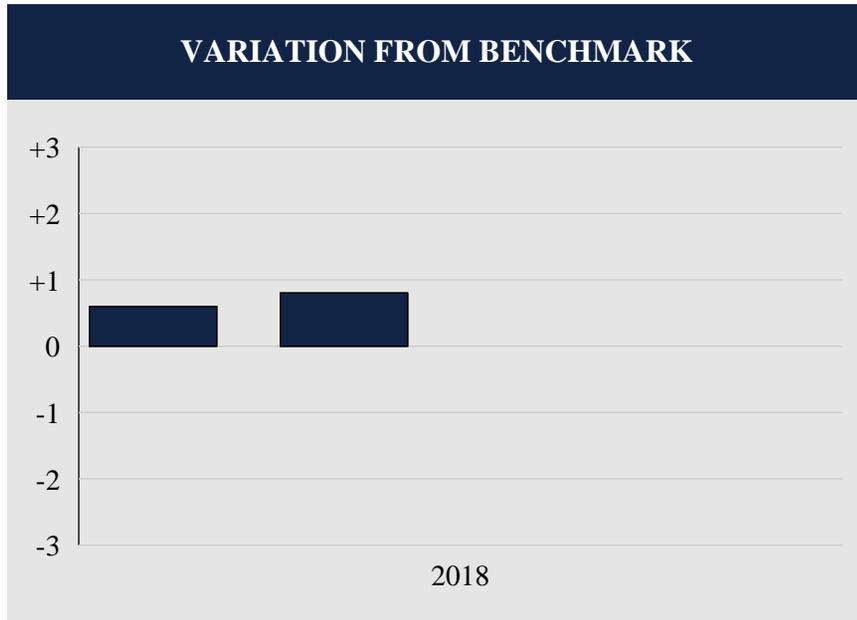
— ACTUAL RETURN  
 - - - BLENDED RATE  
 ..... 0.0%

VALUE ASSUMING  
 BLENDED RATE \$ 5,123,540

	LAST QUARTER	PERIOD 12/17 - 6/18
BEGINNING VALUE	\$ 5,148,848	\$ 881,489
NET CONTRIBUTIONS	- 50,829	4,081,973
INVESTMENT RETURN	<u>145,286</u>	<u>279,843</u>
ENDING VALUE	\$ 5,243,305	\$ 5,243,305
INCOME	0	0
CAPITAL GAINS (LOSSES)	<u>145,286</u>	<u>279,843</u>
INVESTMENT RETURN	145,286	279,843

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX**



<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
3/18	2.8	2.2	0.6
6/18	2.8	2.0	0.8

<b>Total Quarters Observed</b>	<b>2</b>
<b>Quarters At or Above the Benchmark</b>	<b>2</b>
<b>Quarters Below the Benchmark</b>	<b>0</b>
<b>Batting Average</b>	<b>1.000</b>

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
INVESCO - CORE REAL ESTATE  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Invesco Core Real Estate portfolio was valued at \$15,962,478, representing an increase of \$7,660,204 from the March quarter's ending value of \$8,302,274. Last quarter, the Fund posted net contributions equaling \$7,459,762 plus a net investment gain equaling \$200,442. Since there were no income receipts during the quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$200,442.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the second quarter, the Invesco Core Real Estate portfolio returned 1.8%, which was 0.2% below the NCREIF NFI-ODCE Index's return of 2.0%.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Year	5 Year	Since 09/17
<b>Total Portfolio - Gross</b>	1.8	4.4	----	----	----	6.7
<b>Total Portfolio - Net</b>	1.5	3.8	----	----	----	5.8
NCREIF ODCE	2.0	4.3	8.4	9.4	11.0	6.4
<b>Real Estate - Gross</b>	1.8	4.4	----	----	----	6.7
NCREIF ODCE	2.0	4.3	8.4	9.4	11.0	6.4

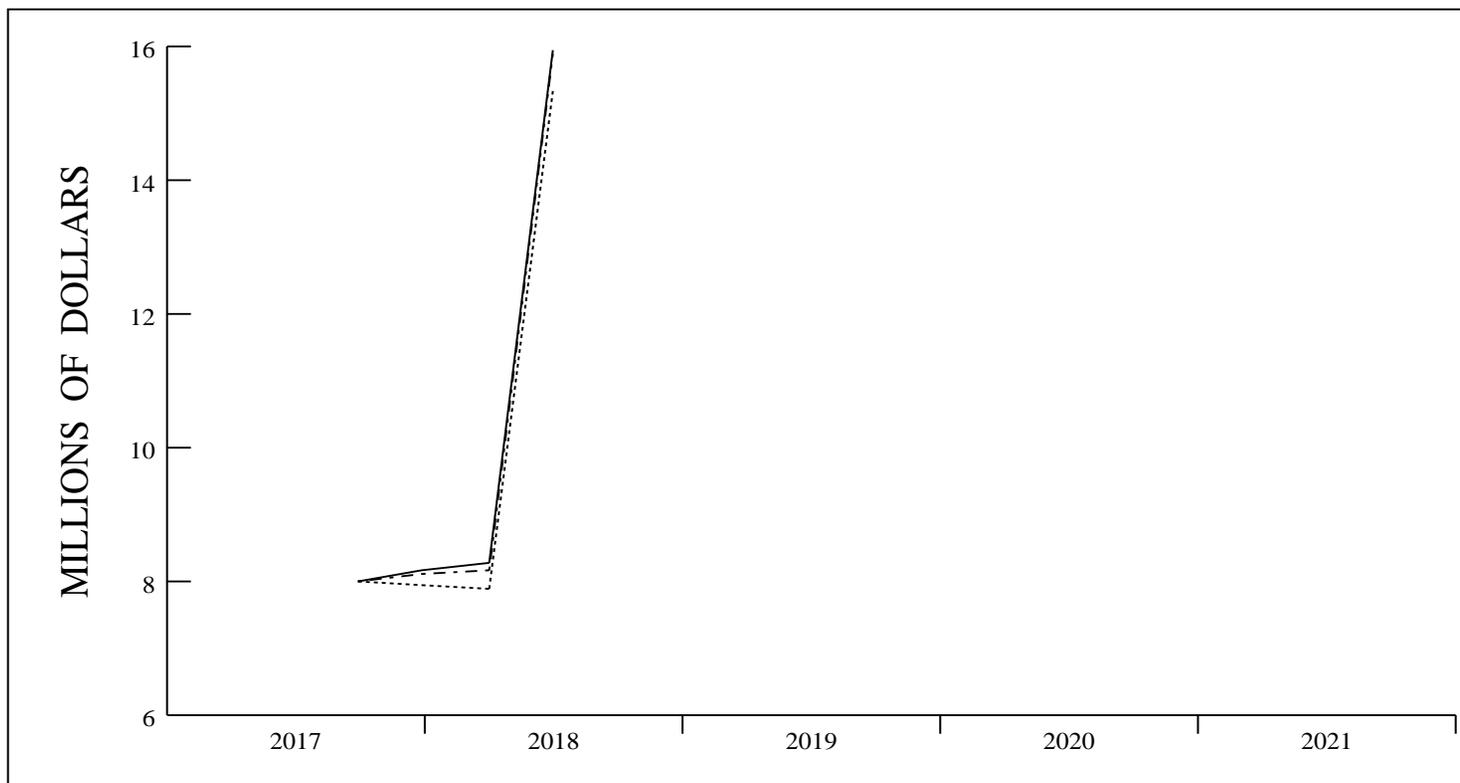
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 15,962,478
Total Portfolio	100.0%	\$ 15,962,478

**INVESTMENT RETURN**

Market Value 3/2018	\$ 8,302,274
Contribs / Withdrawals	7,459,762
Income	0
Capital Gains / Losses	200,442
Market Value 6/2018	\$ 15,962,478

**INVESTMENT GROWTH**



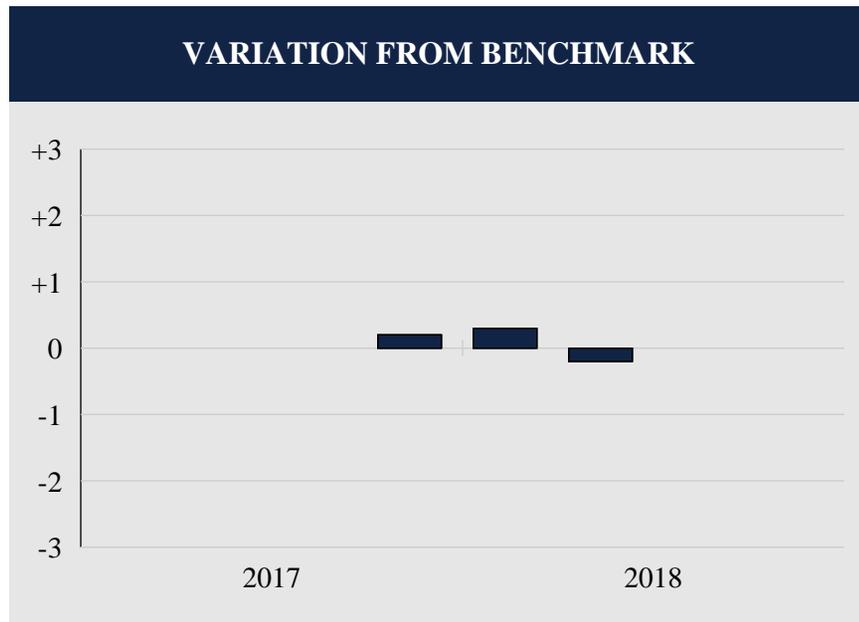
— ACTUAL RETURN  
 - - - - - BLENDED RATE  
 ..... 0.0%

VALUE ASSUMING  
 BLENDED RATE \$ 15,900,989

	LAST QUARTER	PERIOD 9/17 - 6/18
BEGINNING VALUE	\$ 8,302,274	\$ 8,051,583
NET CONTRIBUTIONS	7,459,762	7,327,666
INVESTMENT RETURN	200,442	583,229
ENDING VALUE	\$ 15,962,478	\$ 15,962,478
INCOME	0	88,527
CAPITAL GAINS (LOSSES)	200,442	494,702
INVESTMENT RETURN	200,442	583,229

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/17	2.3	2.1	0.2
3/18	2.5	2.2	0.3
6/18	1.8	2.0	-0.2

<b>Total Quarters Observed</b>	<b>3</b>
<b>Quarters At or Above the Benchmark</b>	<b>2</b>
<b>Quarters Below the Benchmark</b>	<b>1</b>
<b>Batting Average</b>	<b>.667</b>

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
PRINCIPAL - U.S. PROPERTY FUND  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Principal U.S. Property Fund was valued at \$11,976,995, representing an increase of \$258,846 from the March quarter's ending value of \$11,718,149. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$258,846 in net investment returns. Since there were no income receipts for the second quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$258,846.

## **RELATIVE PERFORMANCE**

### **Total Fund**

During the second quarter, the Principal U.S. Property Fund returned 2.5%, which was 0.5% greater than the NCREIF NFI-ODCE Index's return of 2.0%.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Year	5 Year
<b>Total Portfolio - Gross</b>	2.5	4.8	----	----	----
<b>Total Portfolio - Net</b>	2.2	4.1	----	----	----
NCREIF ODCE	2.0	4.3	8.4	9.4	11.0
<b>Real Estate - Gross</b>	2.5	4.8	----	----	----
NCREIF ODCE	2.0	4.3	8.4	9.4	11.0

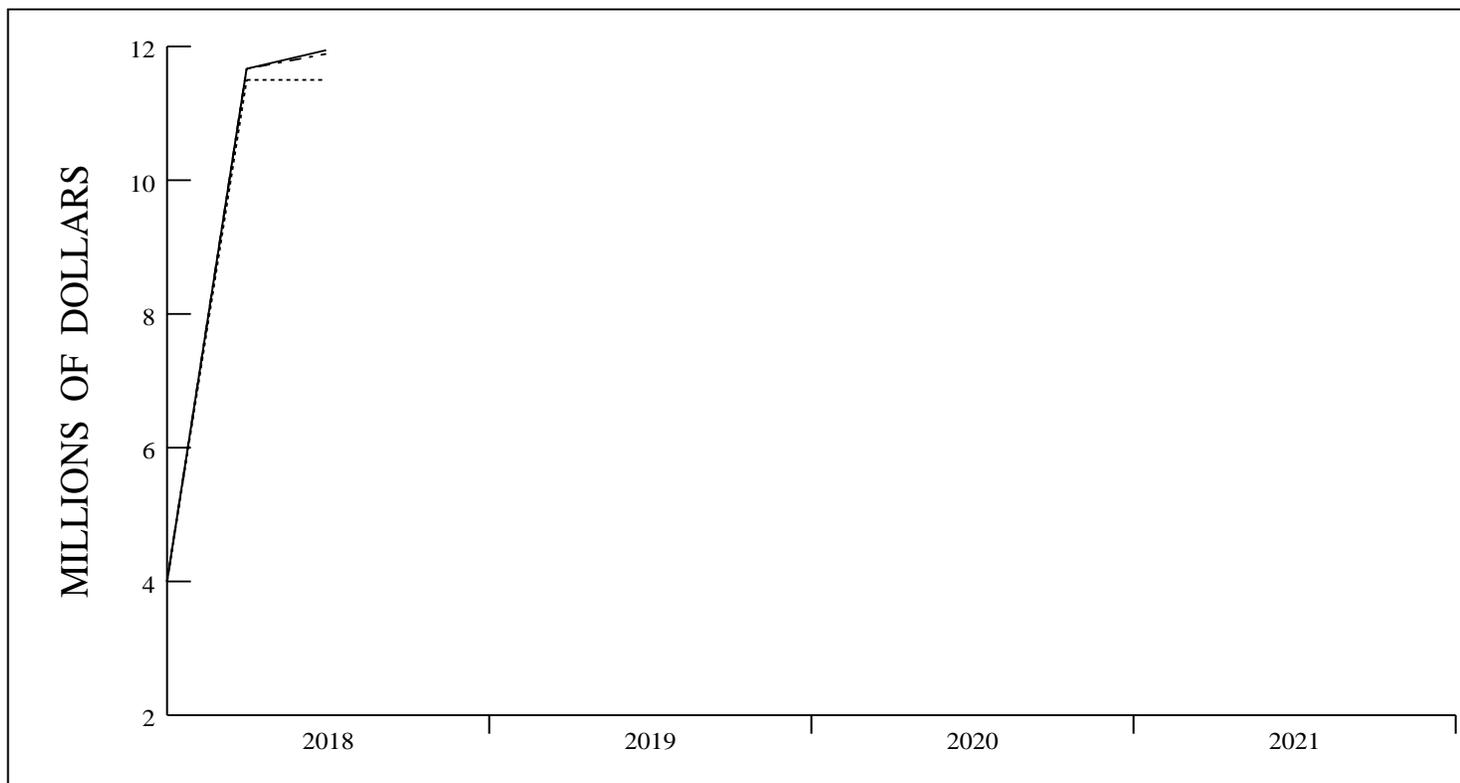
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 11,976,995
Total Portfolio	100.0%	\$ 11,976,995

**INVESTMENT RETURN**

Market Value 3/2018	\$ 11,718,149
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	258,846
Market Value 6/2018	\$ 11,976,995

**INVESTMENT GROWTH**



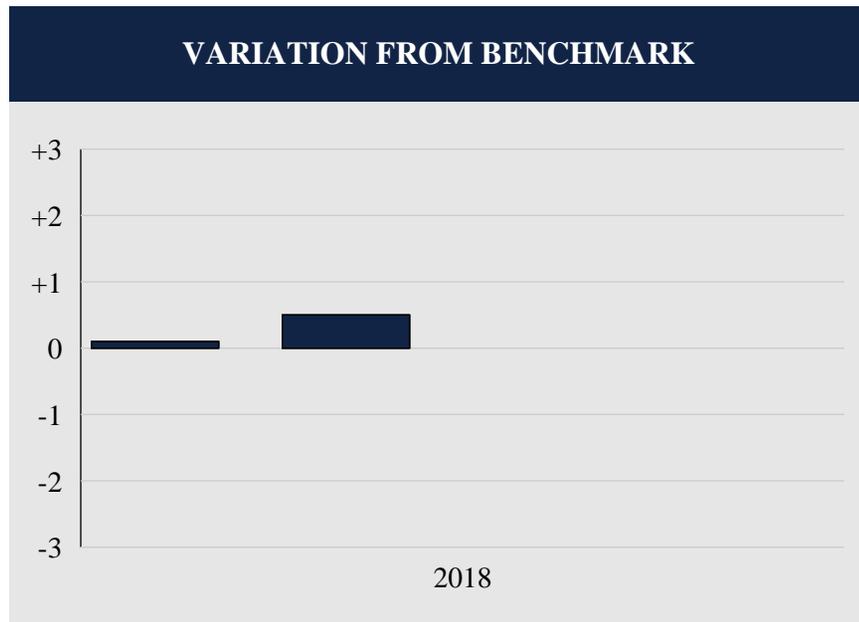
— ACTUAL RETURN  
 - - - BLENDED RATE  
 ..... 0.0%

VALUE ASSUMING  
 BLENDED RATE \$ 11,890,322

	LAST QUARTER	PERIOD 12/17 - 6/18
BEGINNING VALUE	\$ 11,718,149	\$ 4,015,901
NET CONTRIBUTIONS	0	7,500,000
INVESTMENT RETURN	258,846	461,094
ENDING VALUE	\$ 11,976,995	\$ 11,976,995
INCOME	0	0
CAPITAL GAINS (LOSSES)	258,846	461,094
INVESTMENT RETURN	258,846	461,094

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/18	2.3	2.2	0.1
6/18	2.5	2.0	0.5

<b>Total Quarters Observed</b>	<b>2</b>
<b>Quarters At or Above the Benchmark</b>	<b>2</b>
<b>Quarters Below the Benchmark</b>	<b>0</b>
<b>Batting Average</b>	<b>1.000</b>

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
BRANDYWINE GLOBAL INVESTMENT MANAGEMENT - GLOBAL FIXED INCOME  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Brandywine Global Investment Management Global Fixed Income portfolio was valued at \$2,701,423, a decrease of \$158,161 from the March ending value of \$2,859,584. Last quarter, the account recorded no net contributions or withdrawals, while recording a net investment loss for the quarter of \$158,161. Since there were no income receipts for the second quarter, net investment losses were the result of capital losses (realized and unrealized).

## **RELATIVE PERFORMANCE**

### **Total Fund**

During the second quarter, the Brandywine Global Investment Management Global Fixed Income portfolio lost 5.5%, which was 2.0% less than the Bloomberg Barclays Global Government Bond's return of -3.5% and ranked in the 95th percentile of the Global Fixed Income universe. Over the trailing year, the portfolio returned 1.2%, which was 0.7% less than the benchmark's 1.9% performance, and ranked in the 64th percentile. Since December 2015, the account returned 5.0% per annum and ranked in the 48th percentile. For comparison, the Bloomberg Barclays Global Government Bond returned an annualized 3.3% over the same time frame.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 12/15
<b>Total Portfolio - Gross</b>	-5.5	1.2	----	----	----	----	5.0
<i>GLOBAL FIXED INCOME RANK</i> (95)	(64)	----	----	----	----	----	(48)
<b>Total Portfolio - Net</b>	-5.6	0.7	----	----	----	----	4.5
Global Gov Index	-3.5	1.9	2.8	1.0	0.4	2.1	3.3
<b>Global Fixed Income - Gross</b>	-5.5	1.2	----	----	----	----	5.0
<i>GLOBAL FIXED INCOME RANK</i> (95)	(64)	----	----	----	----	----	(48)
Global Gov Index	-3.5	1.9	2.8	1.0	0.4	2.1	3.3

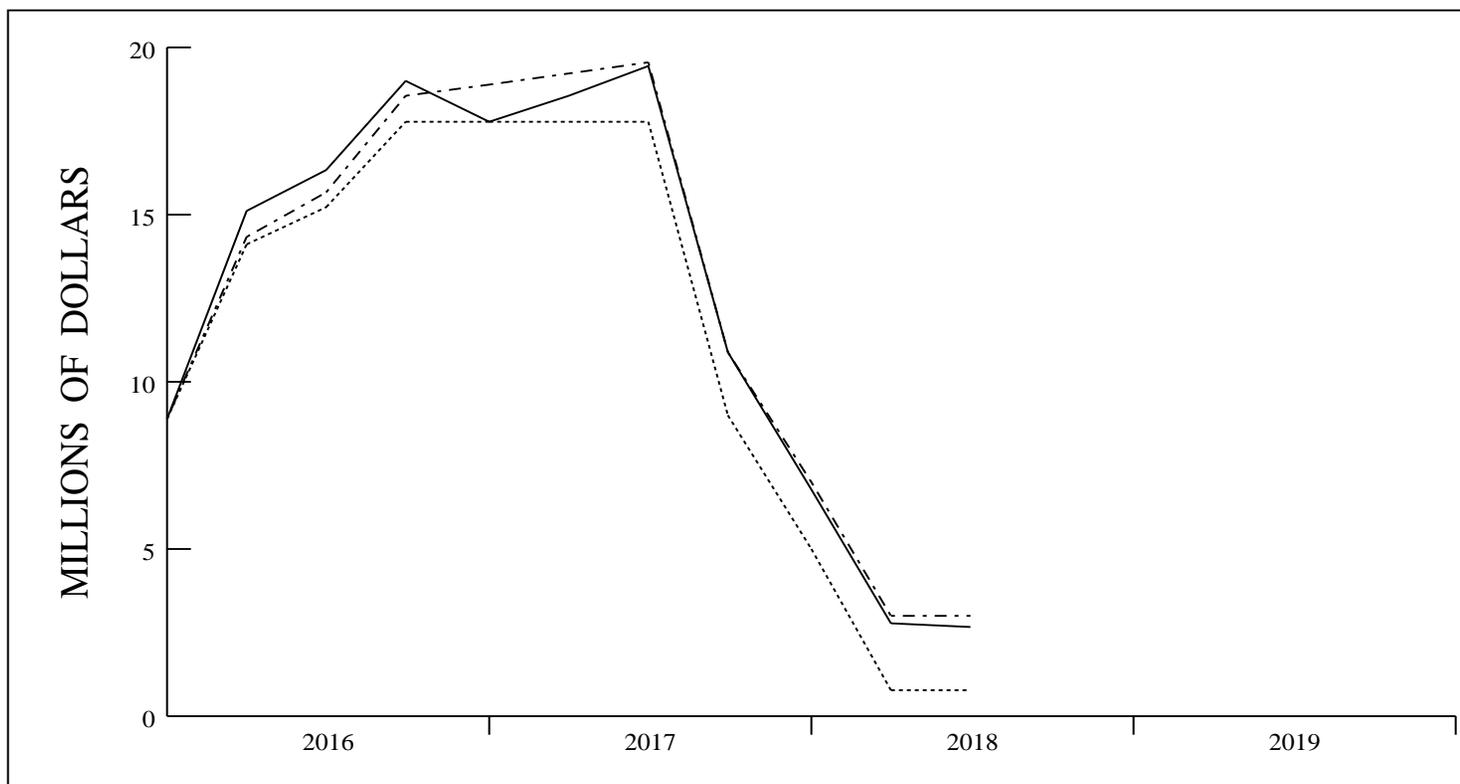
**ASSET ALLOCATION**

Global Fixed	100.0%	\$ 2,701,423
Total Portfolio	100.0%	\$ 2,701,423

**INVESTMENT RETURN**

Market Value 3/2018	\$ 2,859,584
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	-158,161
Market Value 6/2018	\$ 2,701,423

**INVESTMENT GROWTH**

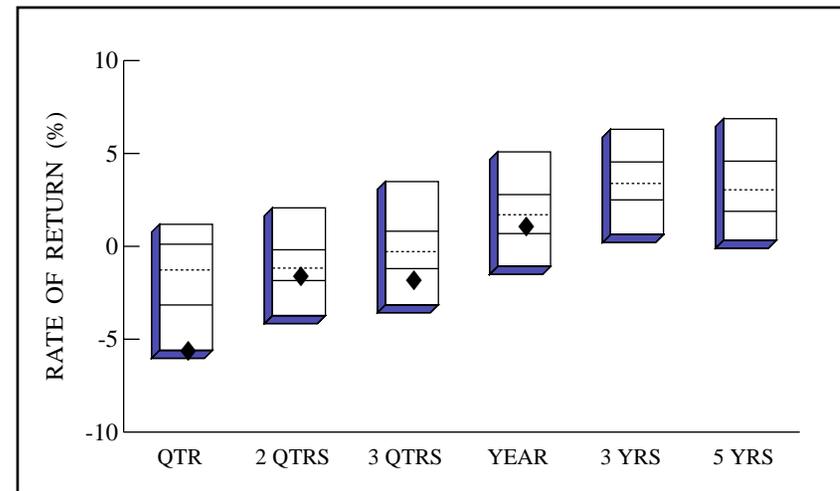
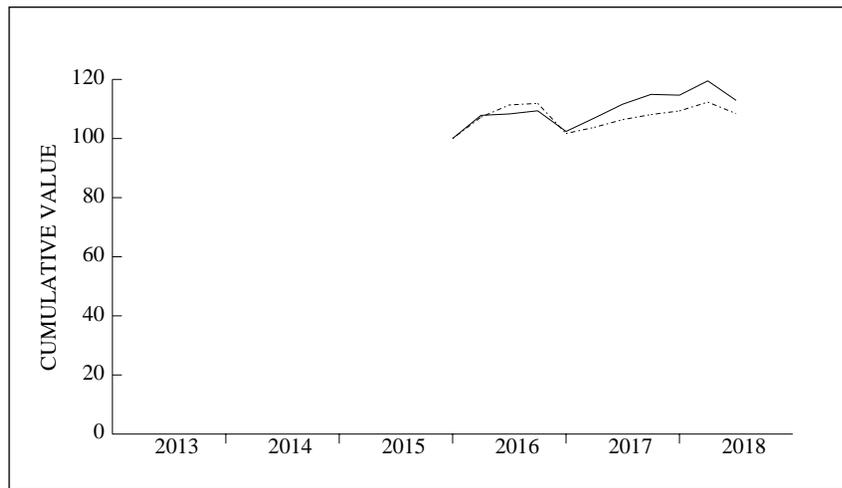


— ACTUAL RETURN  
 - - - BLENDED RATE  
 ..... 0.0%

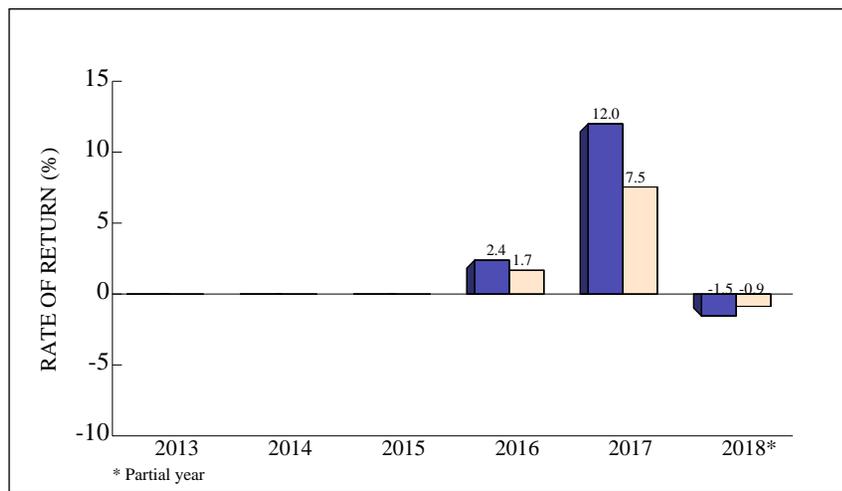
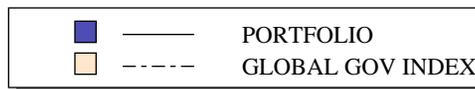
VALUE ASSUMING  
 BLENDED RATE \$ 3,078,589

	LAST QUARTER	PERIOD 12/15 - 6/18
BEGINNING VALUE	\$ 2,859,584	\$ 8,903,857
NET CONTRIBUTIONS	0	- 8,026,979
INVESTMENT RETURN	-158,161	1,824,545
ENDING VALUE	\$ 2,701,423	\$ 2,701,423
INCOME	0	0
CAPITAL GAINS (LOSSES)	-158,161	1,824,545
INVESTMENT RETURN	-158,161	1,824,545

**TOTAL RETURN COMPARISONS**



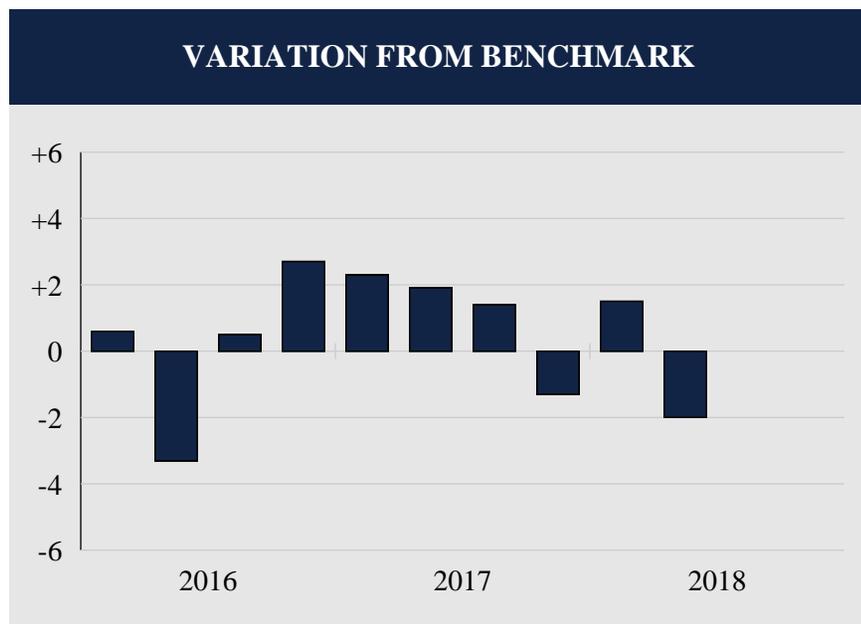
Global Fixed Income Universe



	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-5.5	-1.5	-1.8	1.2	---	---
(RANK)	(95)	(62)	(83)	(64)	---	---
5TH %ILE	1.2	2.1	3.5	5.1	6.3	6.9
25TH %ILE	0.1	-0.2	0.8	2.8	4.5	4.6
MEDIAN	-1.3	-1.2	-0.3	1.7	3.4	3.0
75TH %ILE	-3.2	-1.8	-1.2	0.7	2.5	1.9
95TH %ILE	-5.6	-3.7	-3.1	-1.1	0.6	0.3
<b>Global Gov</b>	<b>-3.5</b>	<b>-0.9</b>	<b>0.3</b>	<b>1.9</b>	<b>2.8</b>	<b>1.0</b>

Global Fixed Income Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**  
**COMPARATIVE BENCHMARK: BLOOMBERG BARCLAYS GLOBAL GOVERNMENT BOND**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/16	7.8	7.2	0.6
6/16	0.5	3.8	-3.3
9/16	1.0	0.5	0.5
12/16	-6.4	-9.1	2.7
3/17	4.4	2.1	2.3
6/17	4.4	2.5	1.9
9/17	3.0	1.6	1.4
12/17	-0.2	1.1	-1.3
3/18	4.2	2.7	1.5
6/18	-5.5	-3.5	-2.0

<b>Total Quarters Observed</b>	<b>10</b>
<b>Quarters At or Above the Benchmark</b>	<b>7</b>
<b>Quarters Below the Benchmark</b>	<b>3</b>
<b>Batting Average</b>	<b>.700</b>

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
VICTORY CAPITAL - CORE FIXED INCOME  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Victory Capital Core Fixed Income portfolio was valued at \$52,665,698, a decrease of \$103,317 from the March ending value of \$52,769,015. Last quarter, the account recorded total net withdrawals of \$108 in addition to \$103,209 in net investment losses. The fund's net investment loss was a result of income receipts totaling \$395,778 and realized and unrealized capital losses totaling \$498,987.

## **RELATIVE PERFORMANCE**

### **Total Fund**

During the second quarter, the Victory Capital Core Fixed Income portfolio lost 0.2%, which was equal to the Bloomberg Barclays Aggregate Index's return of -0.2% and ranked in the 83rd percentile of the Core Fixed Income universe. Over the trailing year, the portfolio returned -0.1%, which was 0.3% greater than the benchmark's -0.4% performance, and ranked in the 53rd percentile. Since December 1994, the account returned 5.6% per annum. For comparison, the Bloomberg Barclays Aggregate Index returned an annualized 5.5% over the same time frame.

## **HOLDINGS ANALYSIS**

At the end of the quarter, USG rated securities comprised approximately 70% of the bond portfolio, helping to minimize default risk. Corporate securities, rated AA through BBB, made up the remainder, giving the portfolio an overall average quality rating of AAA. The average maturity of the portfolio was 7.48 years, less than the Bloomberg Barclays Aggregate Index's 8.39-year maturity. The average coupon was 3.37%.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 12/94
<b>Total Portfolio - Gross</b>	-0.2	-0.1	1.8	2.5	3.0	4.1	5.6
<i>CORE FIXED INCOME RANK</i>	(83)	(53)	(78)	(67)	(57)	(66)	----
<b>Total Portfolio - Net</b>	-0.3	-0.4	1.5	2.1	2.6	3.9	5.5
Aggregate Index	-0.2	-0.4	1.7	2.3	2.6	3.7	5.5
<b>Domestic Fixed Income - Gross</b>	-0.2	-0.1	1.8	2.5	3.0	4.1	5.6
<i>CORE FIXED INCOME RANK</i>	(83)	(53)	(78)	(67)	(57)	(66)	----
Aggregate Index	-0.2	-0.4	1.7	2.3	2.6	3.7	5.5

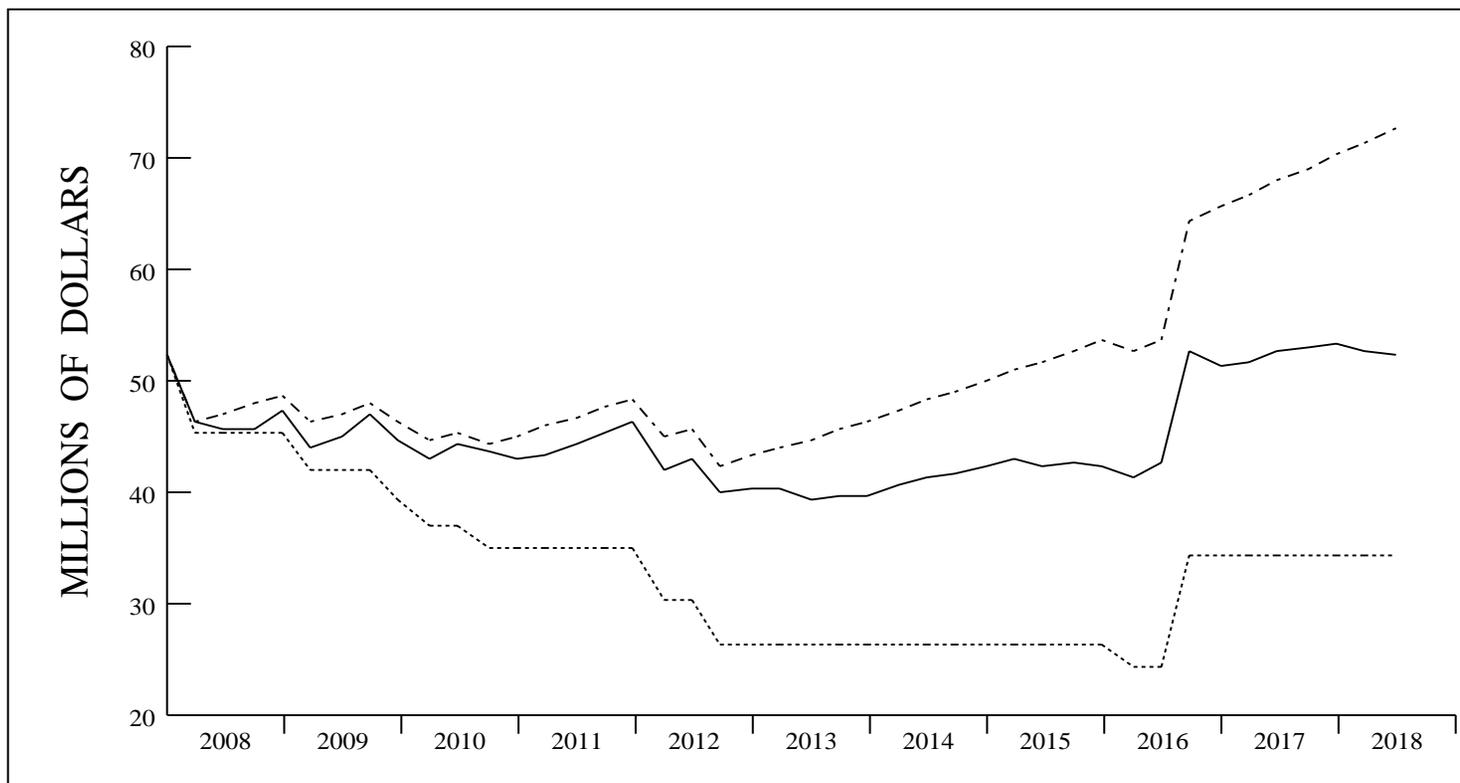
**ASSET ALLOCATION**

Domestic Fixed	100.0%	\$ 52,665,698
Total Portfolio	100.0%	\$ 52,665,698

**INVESTMENT RETURN**

Market Value 3/2018	\$ 52,769,015
Contribs / Withdrawals	-108
Income	395,778
Capital Gains / Losses	-498,987
Market Value 6/2018	\$ 52,665,698

**INVESTMENT GROWTH**

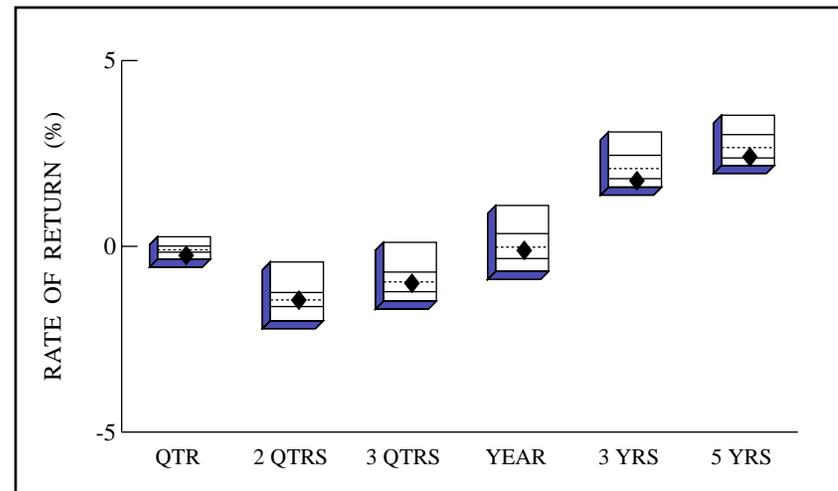
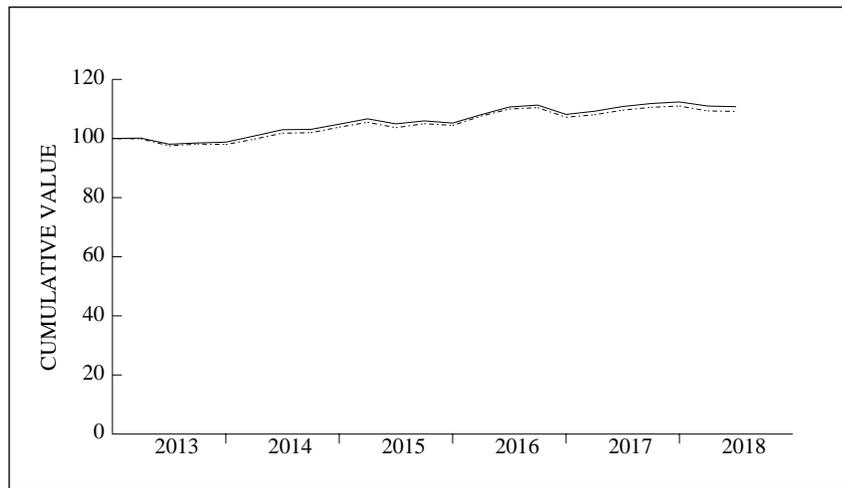


— ACTUAL RETURN  
 - - - BLENDED RATE  
 ..... 0.0%

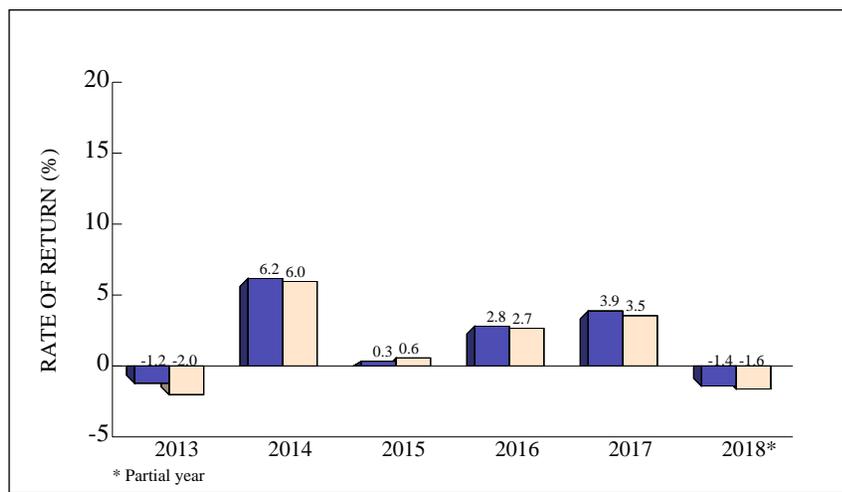
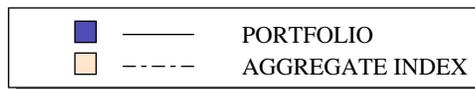
VALUE ASSUMING  
 BLENDED RATE \$ 72,784,567

	LAST QUARTER	PERIOD 12/07 - 6/18
BEGINNING VALUE	\$ 52,769,015	\$ 52,350,710
NET CONTRIBUTIONS	-108	-17,757,626
<u>INVESTMENT RETURN</u>	<u>-103,209</u>	<u>18,072,615</u>
ENDING VALUE	\$ 52,665,698	\$ 52,665,698
INCOME	395,778	10,619,540
<u>CAPITAL GAINS (LOSSES)</u>	<u>-498,987</u>	<u>7,453,075</u>
INVESTMENT RETURN	-103,209	18,072,615

**TOTAL RETURN COMPARISONS**



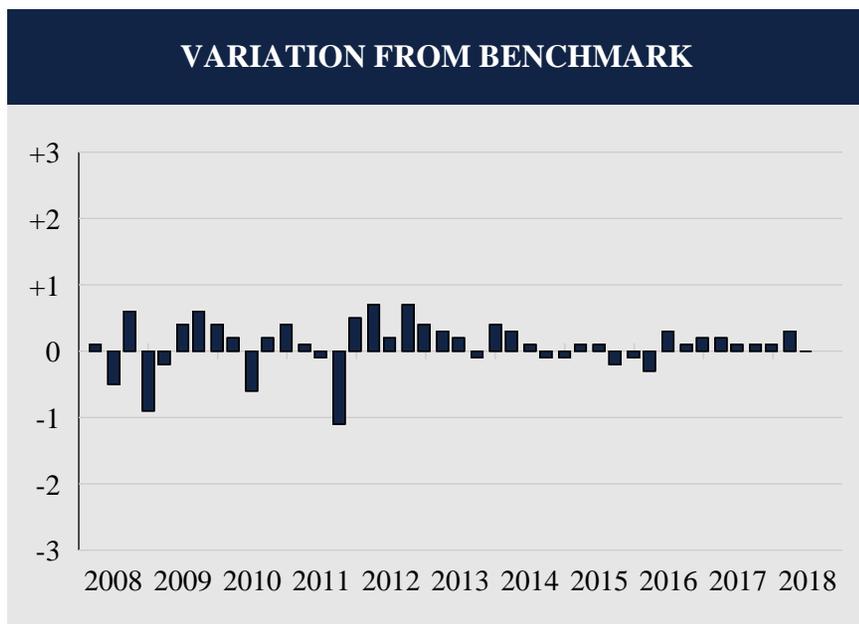
Core Fixed Income Universe



	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-0.2	-1.4	-0.9	-0.1	1.8	2.5
(RANK)	(83)	(43)	(47)	(53)	(78)	(67)
5TH %ILE	0.3	-0.4	0.1	1.1	3.1	3.5
25TH %ILE	0.0	-1.2	-0.7	0.3	2.5	3.0
MEDIAN	-0.1	-1.4	-1.0	0.0	2.1	2.7
75TH %ILE	-0.2	-1.6	-1.2	-0.3	1.8	2.4
95TH %ILE	-0.3	-2.0	-1.5	-0.7	1.6	2.2
<b>Agg</b>	<b>-0.2</b>	<b>-1.6</b>	<b>-1.2</b>	<b>-0.4</b>	<b>1.7</b>	<b>2.3</b>

Core Fixed Income Universe

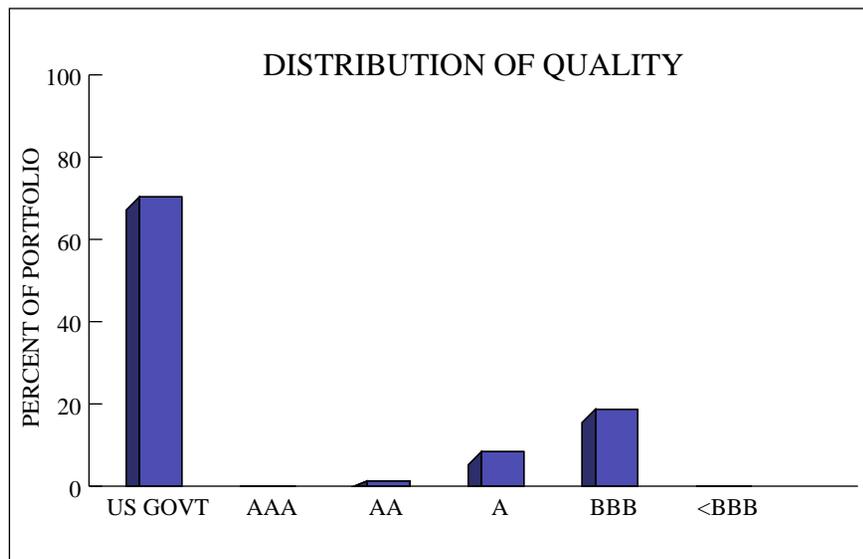
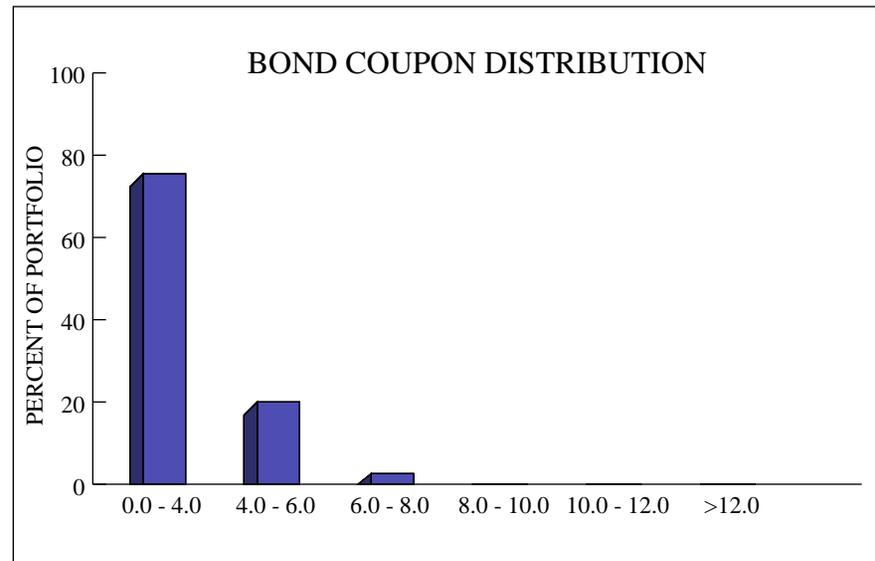
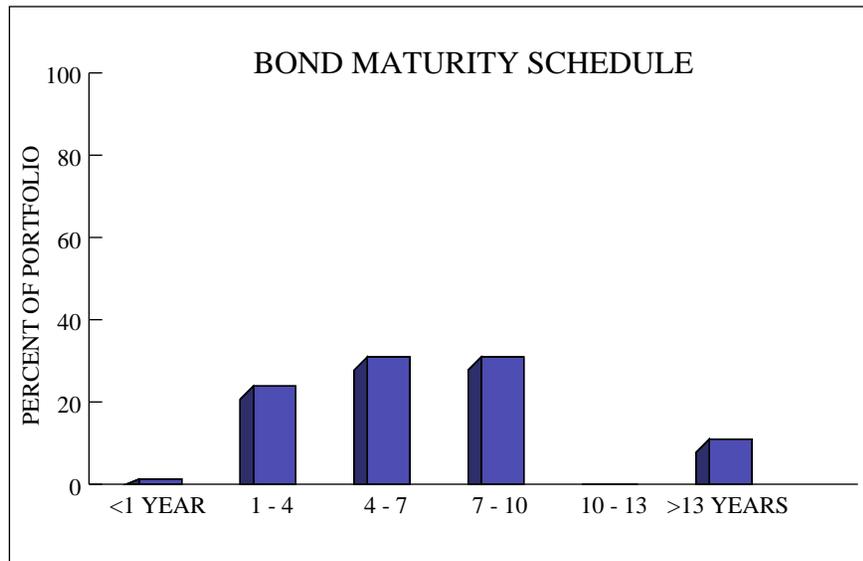
**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**  
**COMPARATIVE BENCHMARK: BLOOMBERG BARCLAYS AGGREGATE INDEX**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	2.3	2.2	0.1
6/08	-1.5	-1.0	-0.5
9/08	0.1	-0.5	0.6
12/08	3.7	4.6	-0.9
3/09	-0.1	0.1	-0.2
6/09	2.2	1.8	0.4
9/09	4.3	3.7	0.6
12/09	0.6	0.2	0.4
3/10	2.0	1.8	0.2
6/10	2.9	3.5	-0.6
9/10	2.7	2.5	0.2
12/10	-0.9	-1.3	0.4
3/11	0.5	0.4	0.1
6/11	2.2	2.3	-0.1
9/11	2.7	3.8	-1.1
12/11	1.6	1.1	0.5
3/12	1.0	0.3	0.7
6/12	2.3	2.1	0.2
9/12	2.3	1.6	0.7
12/12	0.6	0.2	0.4
3/13	0.2	-0.1	0.3
6/13	-2.1	-2.3	0.2
9/13	0.5	0.6	-0.1
12/13	0.3	-0.1	0.4
3/14	2.1	1.8	0.3
6/14	2.1	2.0	0.1
9/14	0.1	0.2	-0.1
12/14	1.7	1.8	-0.1
3/15	1.7	1.6	0.1
6/15	-1.6	-1.7	0.1
9/15	1.0	1.2	-0.2
12/15	-0.7	-0.6	-0.1
3/16	2.7	3.0	-0.3
6/16	2.5	2.2	0.3
9/16	0.6	0.5	0.1
12/16	-2.8	-3.0	0.2
3/17	1.0	0.8	0.2
6/17	1.5	1.4	0.1
9/17	0.9	0.8	0.1
12/17	0.5	0.4	0.1
3/18	-1.2	-1.5	0.3
6/18	-0.2	-0.2	0.0

<b>Total Quarters Observed</b>	<b>42</b>
<b>Quarters At or Above the Benchmark</b>	<b>30</b>
<b>Quarters Below the Benchmark</b>	<b>12</b>
<b>Batting Average</b>	<b>.714</b>

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>AGGREGATE INDEX</b>
No. of Securities	162	10,012
Duration	5.74	6.01
YTM	3.45	3.29
Average Coupon	3.37	3.11
Avg Maturity / WAL	7.48	8.39
Average Quality	AAA	USG-AAA

CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM  
ROBINSON - CORE FIXED INCOME  
PERFORMANCE REVIEW  
JUNE 2018

## **INVESTMENT RETURN**

On June 30th, 2018, the City of Pontiac General Employees' Retirement System's Robinson Core Fixed Income portfolio was valued at \$50,765,876, representing an increase of \$134,992 from the March quarter's ending value of \$50,630,884. Last quarter, the Fund posted withdrawals totaling \$822, which partially offset the portfolio's net investment return of \$135,814. Net investment return was a product of income receipts totaling \$325,196 and realized and unrealized capital losses of \$189,382.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the second quarter, the Robinson Core Fixed Income portfolio returned 0.3%, which was 0.3% above the Intermediate Gov/Credit Index's return of 0.0% and ranked in the 17th percentile of the Intermediate Fixed Income universe. Over the trailing year, the portfolio returned 0.0%, which was 0.6% above the benchmark's -0.6% return, ranking in the 41st percentile. Since September 2010, the portfolio returned 2.4% annualized and ranked in the 37th percentile. The Intermediate Gov/Credit returned an annualized 1.9% over the same period.

## **HOLDINGS ANALYSIS**

At the end of the quarter, USG rated securities comprised nearly 75% of the bond portfolio, helping to minimize default risk. Corporate securities, rated AAA through BBB, made up the remainder, giving the portfolio an overall average quality rating of USG-AAA. The average maturity of the portfolio was 4.52 years, longer than the Bloomberg Barclays Intermediate Gov/Credit Index's 4.34-year maturity. The average coupon was 2.73%.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	1 Year	3 Year	5 Year	7 Year	10 Year	Since 09/10
<b>Total Portfolio - Gross</b>	0.3	0.0	1.5	2.0	2.5	----	2.4
<i>INTERMEDIATE FIXED RANK</i>	(17)	(41)	(60)	(50)	(30)	----	(37)
<b>Total Portfolio - Net</b>	0.2	-0.2	1.2	1.8	2.3	----	2.2
Int Gov/Credit	0.0	-0.6	1.2	1.6	1.9	3.1	1.9
<b>Domestic Fixed Income - Gross</b>	0.3	0.0	1.5	2.0	2.5	----	2.4
<i>INTERMEDIATE FIXED RANK</i>	(17)	(41)	(60)	(50)	(30)	----	(37)
Int Gov/Credit	0.0	-0.6	1.2	1.6	1.9	3.1	1.9

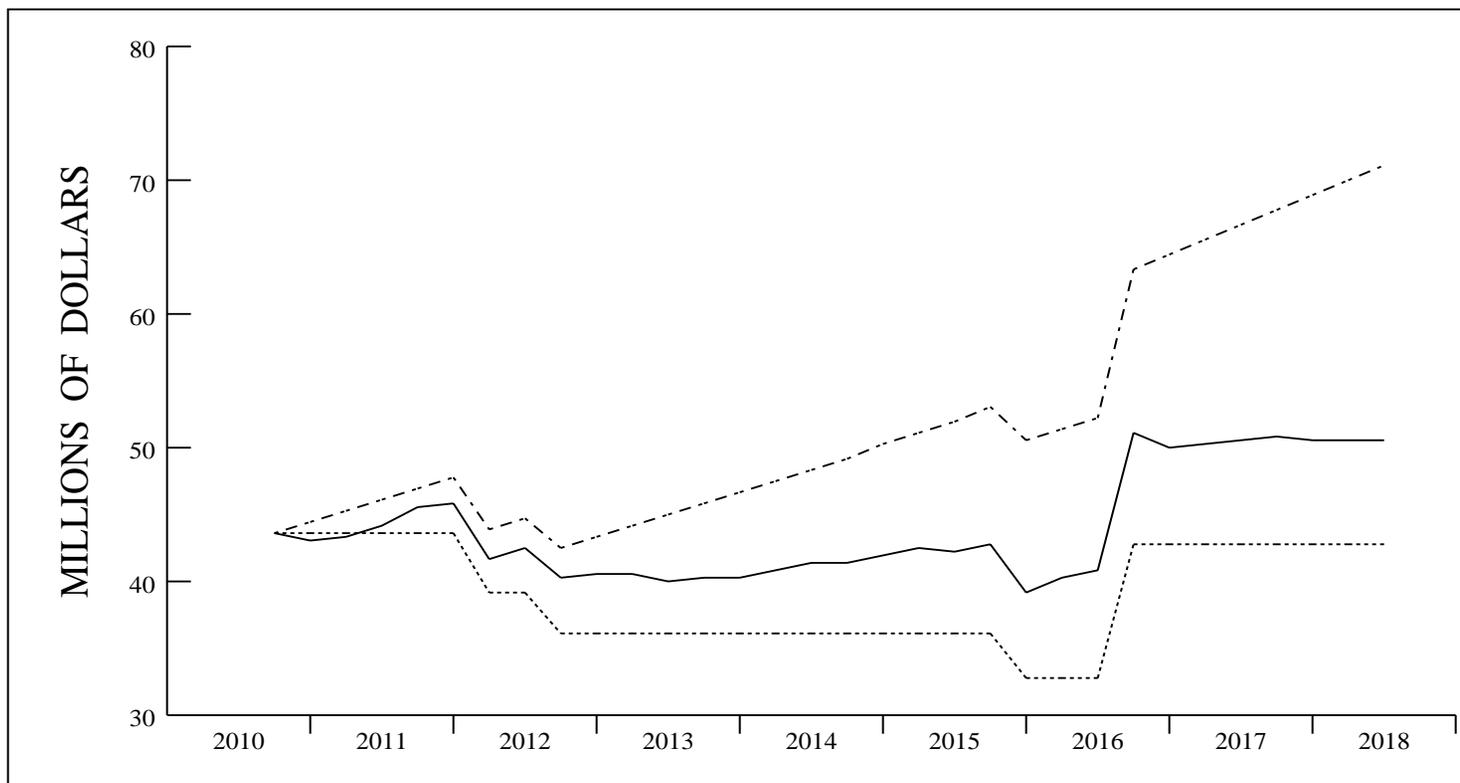
**ASSET ALLOCATION**

Domestic Fixed	100.0%	\$ 50,765,876
Total Portfolio	100.0%	\$ 50,765,876

**INVESTMENT RETURN**

Market Value 3/2018	\$ 50,630,884
Contribs / Withdrawals	-822
Income	325,196
Capital Gains / Losses	-189,382
Market Value 6/2018	\$ 50,765,876

**INVESTMENT GROWTH**

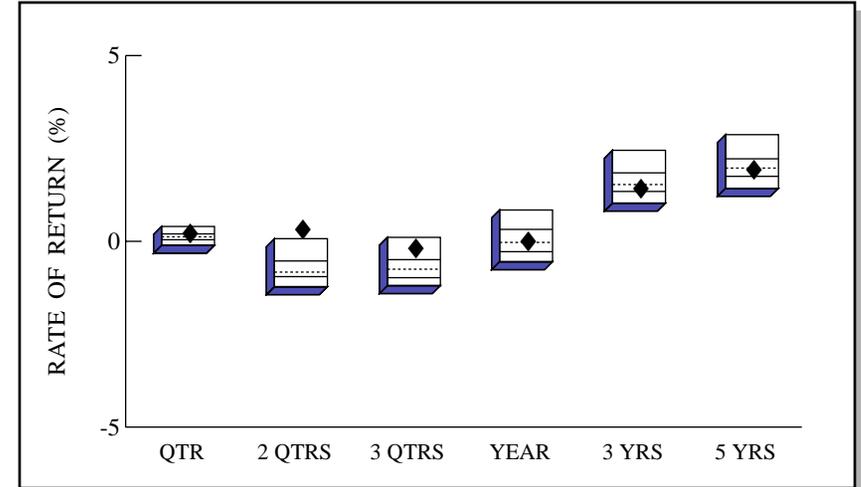
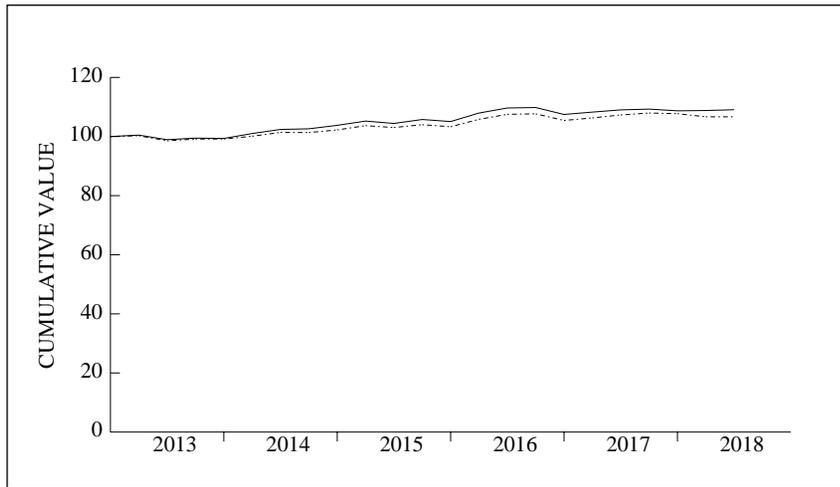


— ACTUAL RETURN  
 - - - BLENDED RATE  
 ..... 0.0%

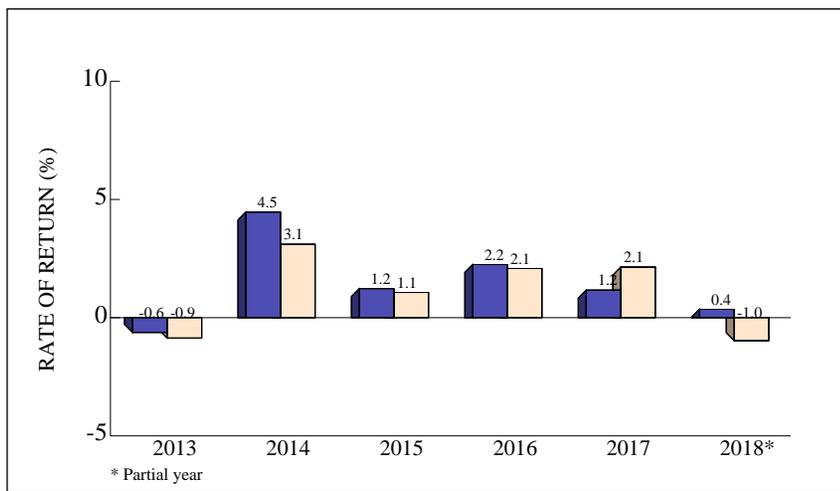
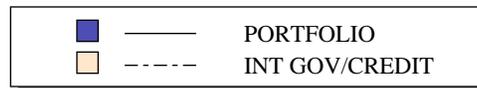
VALUE ASSUMING  
 BLENDED RATE \$ 71,365,952

	LAST QUARTER	PERIOD 9/10 - 6/18
BEGINNING VALUE	\$ 50,630,884	\$ 43,698,759
NET CONTRIBUTIONS	-822	-815,135
<u>INVESTMENT RETURN</u>	<u>135,814</u>	<u>7,882,252</u>
ENDING VALUE	\$ 50,765,876	\$ 50,765,876
INCOME	325,196	10,591,820
CAPITAL GAINS (LOSSES)	<u>-189,382</u>	<u>-2,709,568</u>
INVESTMENT RETURN	135,814	7,882,252

**TOTAL RETURN COMPARISONS**



Intermediate Fixed Universe

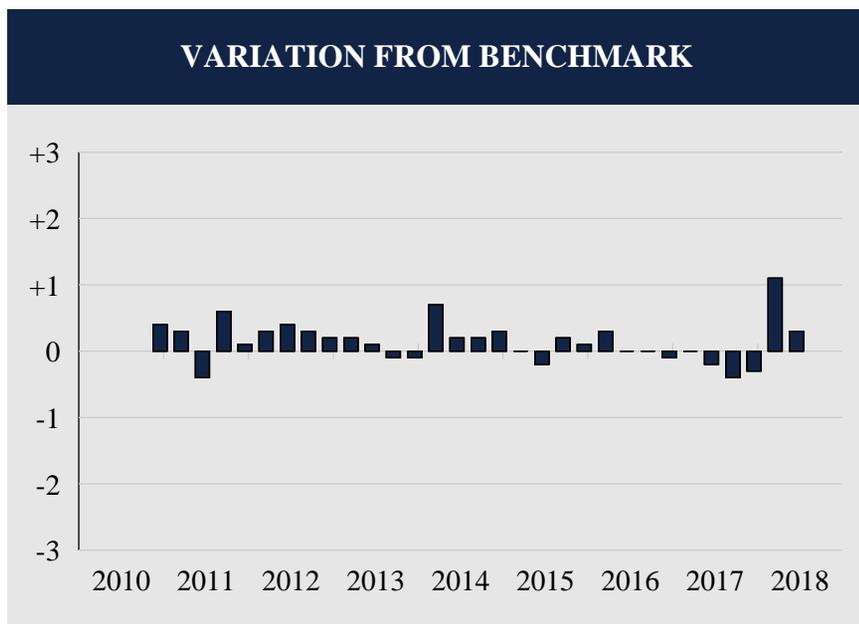


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.3	0.4	-0.2	0.0	1.5	2.0
(RANK)	(17)	(1)	(13)	(41)	(60)	(50)
5TH %ILE	0.4	0.1	0.1	0.8	2.5	2.9
25TH %ILE	0.2	-0.5	-0.5	0.3	1.8	2.2
MEDIAN	0.1	-0.8	-0.8	0.0	1.5	2.0
75TH %ILE	0.0	-1.0	-1.0	-0.3	1.3	1.8
95TH %ILE	-0.1	-1.2	-1.2	-0.6	1.0	1.4
<i>Int G/C</i>	<i>0.0</i>	<i>-1.0</i>	<i>-1.2</i>	<i>-0.6</i>	<i>1.2</i>	<i>1.6</i>

Intermediate Fixed Universe

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

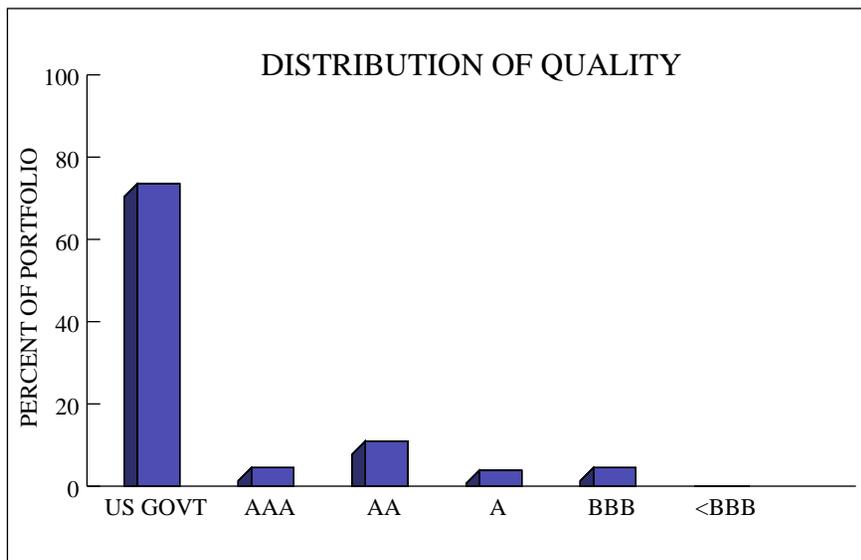
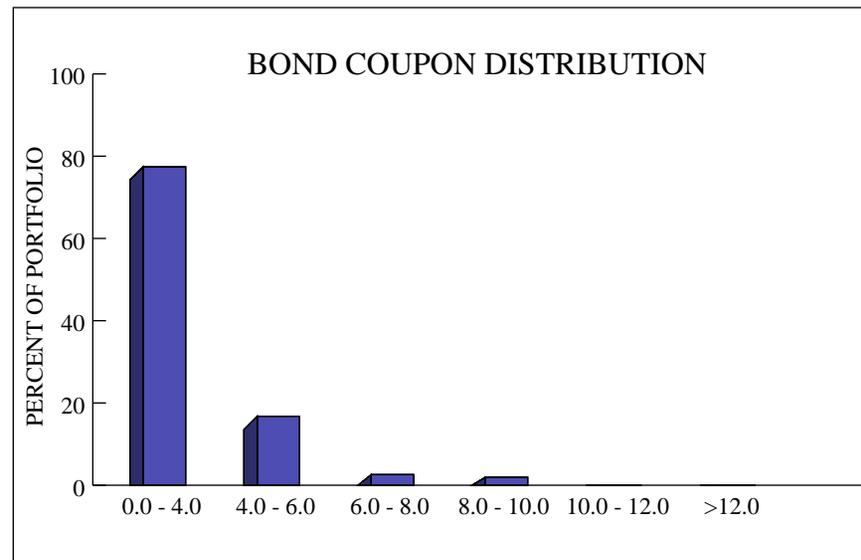
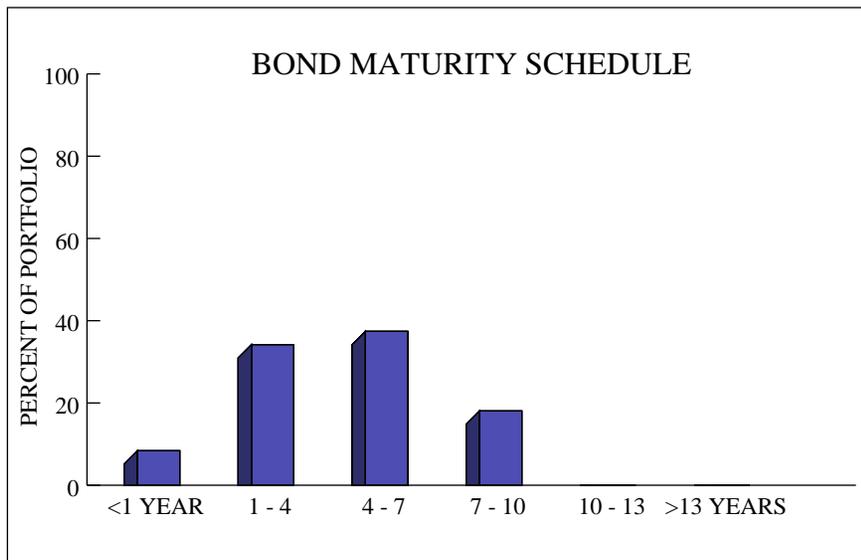
COMPARATIVE BENCHMARK: INTERMEDIATE GOV/CREDIT



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/10	-1.0	-1.4	0.4
3/11	0.6	0.3	0.3
6/11	1.7	2.1	-0.4
9/11	3.0	2.4	0.6
12/11	0.9	0.8	0.1
3/12	0.9	0.6	0.3
6/12	1.9	1.5	0.4
9/12	1.7	1.4	0.3
12/12	0.5	0.3	0.2
3/13	0.5	0.3	0.2
6/13	-1.6	-1.7	0.1
9/13	0.5	0.6	-0.1
12/13	-0.1	0.0	-0.1
3/14	1.7	1.0	0.7
6/14	1.4	1.2	0.2
9/14	0.2	0.0	0.2
12/14	1.2	0.9	0.3
3/15	1.4	1.4	0.0
6/15	-0.8	-0.6	-0.2
9/15	1.2	1.0	0.2
12/15	-0.6	-0.7	0.1
3/16	2.7	2.4	0.3
6/16	1.6	1.6	0.0
9/16	0.1	0.1	0.0
12/16	-2.2	-2.1	-0.1
3/17	0.8	0.8	0.0
6/17	0.7	0.9	-0.2
9/17	0.2	0.6	-0.4
12/17	-0.5	-0.2	-0.3
3/18	0.1	-1.0	1.1
6/18	0.3	0.0	0.3

<b>Total Quarters Observed</b>	<b>31</b>
<b>Quarters At or Above the Benchmark</b>	<b>23</b>
<b>Quarters Below the Benchmark</b>	<b>8</b>
<b>Batting Average</b>	<b>.742</b>

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>INT GOV/CREDIT</b>
No. of Securities	82	4,819
Duration	3.73	3.93
YTM	2.78	3.03
Average Coupon	2.73	2.54
Avg Maturity / WAL	4.52	4.34
Average Quality	USG-AAA	USG-AAA