

FUND EVALUATION REPORT

Plymouth County Retirement Association

Investment Review
March 29, 2018



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**Performance Update
As of February 28, 2018**

As of February 28, 2018

Asset Class Net Performance Summary

	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	15 Yrs (%)	Inception (%)	Inception Date
Total Retirement Association	1,003,424,558	100.0	-2.9	0.3	12.7	6.9	8.1	5.7	8.2	8.1	Nov-89
<i>Custom Benchmark - Policy Benchmark</i>			-2.4	0.9	13.8	7.8	9.1	7.2	--	--	Nov-89
Domestic Equity Assets	250,121,815	24.9	-3.7	0.1	13.9	--	--	--	--	16.1	Jan-16
<i>Russell 3000</i>			-3.7	1.4	16.2	10.6	14.4	9.8	10.7	16.2	Jan-16
International Developed Market Equity Assets	168,237,292	16.8	-4.1	0.5	23.4	--	--	--	--	13.1	Jan-16
<i>MSCI EAFE</i>			-4.5	0.3	20.1	5.7	7.1	2.8	8.6	11.5	Jan-16
International Emerging Market Equity Assets	103,359,032	10.3	-4.1	3.5	30.1	--	--	--	--	21.5	Jan-16
<i>MSCI Emerging Markets</i>			-4.6	3.3	30.5	9.0	5.0	2.7	12.8	23.4	Jan-16
Global Equity Assets	97,023,557	9.7	-3.5	--	--	--	--	--	--	-3.5	Feb-18
<i>MSCI World</i>			-4.1	0.9	17.4	8.2	10.7	6.0	9.3	-4.1	Feb-18
Domestic Fixed Income	74,280,024	7.4	-0.8	-1.8	0.8	--	--	--	--	2.5	Jan-16
<i>75% Bbg Barclays Aggregate/25% Bbg Barclays US TIPs 1-10 year</i>			-0.8	-1.9	0.3	1.1	1.2	--	--	1.9	Jan-16
Value Added Fixed Income	72,550,229	7.2	-0.3	0.4	4.0	--	--	--	--	8.0	Jan-16
<i>50% BBgBarc US High Yield/ 50% Credit Suisse Leveraged Loans</i>			-0.3	0.5	4.3	4.8	4.8	6.8	6.9	9.1	Jan-16
International Fixed Income	37,513,484	3.7	-0.1	1.8	9.7	--	--	--	--	9.2	Jan-16
<i>Custom Benchmark - Global Fixed Income</i>			-2.0	-2.0	5.1	4.5	2.9	--	--	7.0	Jan-16
Hedge Fund	39,659,592	4.0	-0.9	0.6	10.7	4.3	6.1	--	--	5.2	Feb-10
<i>HFRI Fund of Funds Composite Index</i>			-1.3	1.1	6.9	2.4	3.7	1.4	3.7	3.2	Feb-10
Real Estate	100,487,812	10.0	-2.0	-2.7	1.0	--	--	--	--	--	Jan-16
<i>Custom Benchmark - Real Estate</i>			-1.9	-3.0	2.3	7.6	9.6	5.5	8.6	5.7	Jan-16
Private Equity	32,334,641	3.2	0.0	0.0	14.9	--	--	--	--	4.8	Jan-16
<i>Cambridge Associates Fund of Funds Composite 1-Quarter Lag</i>			0.0	0.0	12.8	9.7	11.4	7.7	10.7	8.0	Jan-16
Real Assets	20,906,446	2.1	0.0	0.0	1.8	--	--	--	--	-3.4	Jan-16
<i>CPI+3%</i>			0.4	1.2	5.1	5.0	4.4	4.6	5.1	5.3	Jan-16
Cash and Cash Equivalent	6,950,634	0.7									

Total Retirement Association

As of February 28, 2018

Trailing Net Performance

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Retirement Association	1,003,424,558	100.0	--	-2.9	0.3	12.7	6.9	8.1	5.7	8.1	Nov-89
<i>Custom Benchmark - Policy Benchmark</i>				-2.4	0.9	13.8	7.8	9.1	7.2	--	Nov-89
Domestic Equity Assets	250,121,815	24.9	24.9	-3.7	0.1	13.9	--	--	--	16.1	Jan-16
<i>Russell 3000</i>				-3.7	1.4	16.2	10.6	14.4	9.8	16.2	Jan-16
Rhumblin Russell 1000 Value	33,068,564	3.3	13.2	-4.8	-1.1	7.5	7.8	--	--	11.1	Apr-13
<i>Russell 1000 Value</i>				-4.8	-1.1	7.8	8.0	12.0	7.9	11.2	Apr-13
Rhumblin Russell 1000 Growth	59,228,321	5.9	23.7	-2.6	4.3	25.9	13.4	16.9	--	16.2	Jul-09
<i>Russell 1000 Growth</i>				-2.6	4.3	26.1	13.5	17.0	11.6	16.4	Jul-09
Fisher Midcap Value	43,438,900	4.3	17.4	-5.2	-1.1	14.5	10.4	11.9	9.7	7.9	Apr-07
<i>Russell MidCap Value</i>				-4.9	-2.7	5.5	7.1	12.0	9.7	7.2	Apr-07
Boston Company Small Cap Growth	44,620,528	4.4	17.8	-0.8	2.7	22.7	11.8	15.4	--	15.0	Aug-09
<i>Russell 2000 Growth</i>				-2.8	0.9	18.4	8.9	13.7	10.7	14.9	Aug-09
LMCG Small Cap Value	69,749,304	7.0	27.9	-4.9	-3.7	1.6	8.7	11.0	--	9.2	Mar-11
<i>Russell 2000 Value</i>				-5.0	-3.8	3.0	8.0	10.6	8.6	9.3	Mar-11
International Developed Market Equity Assets	168,237,292	16.8	16.8	-4.1	0.5	23.4	--	--	--	13.1	Jan-16
<i>MSCI EAFE</i>				-4.5	0.3	20.1	5.7	7.1	2.8	11.5	Jan-16
KBI Master Account	78,985,357	7.9	46.9	-4.6	-0.3	17.1	3.6	5.7	2.2	4.5	Jul-05
<i>MSCI EAFE</i>				-4.5	0.3	20.1	5.7	7.1	2.8	5.2	Jul-05
HGK TS International Equity	49,372,096	4.9	29.3	-3.3	2.2	29.8	9.5	10.7	--	8.2	Feb-11
<i>MSCI EAFE</i>				-4.5	0.3	20.1	5.7	7.1	2.8	5.2	Feb-11
Copper Rock International Small Cap	39,879,839	4.0	23.7	-3.9	0.4	--	--	--	--	2.1	Nov-17
<i>MSCI EAFE Small Cap</i>				-3.5	1.4	27.4	12.3	11.8	6.6	4.1	Nov-17

Total Retirement Association

As of February 28, 2018

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
International Emerging Market Equity Assets	103,359,032	10.3	10.3	-4.1	3.5	30.1	--	--	--	21.5	Jan-16
<i>MSCI Emerging Markets</i>				-4.6	3.3	30.5	9.0	5.0	2.7	23.4	Jan-16
LMCG Emerging Markets	103,359,032	10.3	100.0	-4.1	3.5	30.1	6.9	--	--	5.2	Sep-13
<i>MSCI Emerging Markets</i>				-4.6	3.3	30.5	9.0	5.0	2.7	6.8	Sep-13
Global Equity Assets	97,023,557	9.7	9.7	-3.5	--	--	--	--	--	-3.5	Feb-18
<i>MSCI World</i>				-4.1	0.9	17.4	8.2	10.7	6.0	-4.1	Feb-18
First Eagle Global Value Fund	19,223,008	1.9	19.8	-3.9	--	--	--	--	--	-3.9	Feb-18
<i>MSCI ACWI</i>				-4.2	1.2	18.8	8.3	10.1	5.6	-4.2	Feb-18
Kopernik Global All Cap Fund	19,361,168	1.9	20.0	-3.2	--	--	--	--	--	-3.2	Feb-18
<i>MSCI ACWI</i>				-4.2	1.2	18.8	8.3	10.1	5.6	-4.2	Feb-18
Lee Munder Global Multi-Cap Strategy	28,439,380	2.8	29.3	--	--	--	--	--	--	--	Mar-18
<i>MSCI ACWI</i>				-4.2	1.2	18.8	8.3	10.1	5.6	--	Mar-18
Wellington Durable Enterprises, L.P.	30,000,000	3.0	30.9	--	--	--	--	--	--	--	Mar-18
<i>MSCI ACWI</i>				-4.2	1.2	18.8	8.3	10.1	5.6	--	Mar-18
Domestic Fixed Income	74,280,024	7.4	7.4	-0.8	-1.8	0.8	--	--	--	2.5	Jan-16
75% Bbg Barclays Aggregate/25% Bbg Barclays US TIPs 1-10 year				-0.8	-1.9	0.3	1.1	1.2	--	1.9	Jan-16
IR&M Core Bonds	74,280,024	7.4	100.0	-0.8	-1.8	0.6	1.2	1.5	3.3	4.1	Nov-04
75% Bbg Barclays Aggregate/25% Bbg Barclays US TIPs 1-10 year				-0.8	-1.9	0.3	1.1	1.2	--	--	Nov-04
Value Added Fixed Income	72,550,229	7.2	7.2	-0.3	0.4	4.0	--	--	--	8.0	Jan-16
50% BbgBarc US High Yield/ 50% Credit Suisse Leveraged Loans				-0.3	0.5	4.3	4.8	4.8	6.8	9.1	Jan-16
Eaton Vance High Yield	37,845,267	3.8	52.2	-0.7	-0.3	3.6	4.8	5.2	7.9	7.1	Apr-06
ICE BofAML High Yield Master TR				-0.9	-0.3	4.1	5.2	5.4	8.1	7.5	Apr-06



Total Retirement Association

As of February 28, 2018

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
THL Bank Loan Select Fund	34,704,962	3.5	47.8	0.1	1.2	4.3	5.0	5.0	--	5.8	Sep-10
<i>Credit Suisse Leveraged Loans</i>				0.2	1.3	4.4	4.4	4.3	5.3	5.0	Sep-10
International Fixed Income	37,513,484	3.7	3.7	-0.1	1.8	9.7	--	--	--	9.2	Jan-16
<i>Custom Benchmark - Global Fixed Income</i>				-2.0	-2.0	5.1	4.5	2.9	--	7.0	Jan-16
Franklin Templeton Emerging Market Bonds	37,513,484	3.7	100.0	-0.1	1.8	9.7	8.0	4.1	6.8	7.4	May-06
<i>JP Morgan EMBI Global Diversified</i>				-2.0	-2.0	4.4	5.8	4.5	7.0	7.4	May-06
Hedge Fund	39,659,592	4.0	4.0	-0.9	0.6	10.7	4.3	6.1	--	5.2	Feb-10
<i>HFRI Fund of Funds Composite Index</i>				-1.3	1.1	6.9	2.4	3.7	1.4	3.2	Feb-10
ABS Offshore SPC - Global Segregated Portfolio	21,552,317	2.1	54.3	-1.6	1.1	10.9	3.5	6.5	--	6.0	Aug-10
<i>HFRI Fund of Funds Composite Index</i>				-1.3	1.1	6.9	2.4	3.7	1.4	3.4	Aug-10
Entrust Special Opportunities Fund III, Ltd.	18,107,275	1.8	45.7	0.0	0.0	19.7	--	--	--	25.6	Oct-16
<i>HFRI Fund of Funds Composite Index</i>				-1.3	1.1	6.9	2.4	3.7	1.4	6.9	Oct-16
Real Estate	100,487,812	10.0	10.0	-2.0	-2.7	1.0	--	--	--	--	Jan-16
<i>Custom Benchmark - Real Estate</i>				-1.9	-3.0	2.3	7.6	9.6	5.5	5.7	Jan-16
Core Real Estate	81,377,783	8.1	81.0	-2.5	-3.4	2.3	6.7	8.9	--	--	--
<i>NCREIF ODCE (lagged one qtr., net)</i>				0.0	0.0	6.7	9.8	10.6	4.1	--	--
PRISA I	37,624,257	3.7	46.2	0.0	0.0	7.0	10.3	11.0	3.5	6.6	Sep-04
<i>NCREIF ODCE (lagged one qtr., net)</i>				0.0	0.0	6.7	9.8	10.6	4.1	7.0	Sep-04
Invesco REIT	28,353,753	2.8	34.8	-6.7	-9.1	-4.8	1.6	6.3	7.0	10.8	Dec-02
<i>Wilshire REIT</i>				-7.6	-11.1	-10.0	0.2	5.9	6.5	9.8	Dec-02
Multi Employer Property Trust	15,399,772	1.5	18.9	0.0	0.0	5.5	9.1	9.6	3.3	6.5	Mar-00
<i>NCREIF ODCE (lagged one qtr., net)</i>				0.0	0.0	6.7	9.8	10.6	4.1	7.2	Mar-00

Total Retirement Association

As of February 28, 2018

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Non-Core Real Estate	19,110,030	1.9	19.0	0.0	0.0	-3.1	--	--	--	--	Jan-16
Mesirow Financial International Real Estate Fund I	5,514,400	0.5	28.9								
DSF Multi-Family Real Estate Fund III	5,475,000	0.5	28.6								
AEW Partners Real Estate VIII	2,640,572	0.3	13.8								
DSF Capital Partners IV	2,748,611	0.3	14.4								
Hunt Redevelopment & Renovation	1,137,031	0.1	5.9								
1921 Realty, Inc	949,668	0.1	5.0								
New Boston Institutional Fund, LP VII	348,688	0.0	1.8								
Berkshire Multifamily Value Fund II	95,329	0.0	0.5								
Carlisle Realty Partners VIII	156,704	0.0	0.8								
Intercontinental Real Estate Investment Fund III	44,027	0.0	0.2								
Private Equity	32,334,641	3.2	3.2	0.0	0.0	14.9	--	--	--	4.8	Jan-16
<i>Cambridge Associates Fund of Funds Composite 1-Quarter Lag</i>				<i>0.0</i>	<i>0.0</i>	<i>12.8</i>	<i>9.7</i>	<i>11.4</i>	<i>7.7</i>	<i>8.0</i>	<i>Jan-16</i>
Private Equity General	22,154,720	2.2	68.5								
Euro Choice V Programme	5,253,561	0.5	23.7								
Lexington Capital Partners VII	3,492,023	0.3	15.8								
TRG Growth Partnership II	2,466,128	0.2	11.1								
Landmark Equity Partners XIV	1,753,068	0.2	7.9								
Summit Partners Growth Equity Fund IX	1,764,812	0.2	8.0								

Total Retirement Association

As of February 28, 2018

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Leeds Equity Partners V	1,845,923	0.2	8.3								
Audax Mezzaine Debt IV	1,825,894	0.2	8.2								
Siguler Guff Distressed Opportunities Fund III, LP	1,111,905	0.1	5.0								
Mesirow Financial Capital Partners IX, LP	554,168	0.1	2.5								
Leeds Equity Partners IV	865,245	0.1	3.9								
DN Partners II, LP	733,617	0.1	3.3								
Euro Choice II	170,561	0.0	0.8								
RIMCO Royalty Partners, LP	159,083	0.0	0.7								
Charles River Partnership XI	158,729	0.0	0.7								
Venture Capital	10,179,922	1.0	31.5								
Ascent Ventures V	4,723,128	0.5	46.4								
Globespan Capital V	4,845,928	0.5	47.6								
Ascend Ventures II	208,265	0.0	2.0								
Ascent Ventures IV	402,601	0.0	4.0								
Real Assets	20,906,446	2.1	2.1	0.0	0.0	1.8	--	--	--	-3.4	Jan-16
<i>CPI+3%</i>				<i>0.4</i>	<i>1.2</i>	<i>5.1</i>	<i>5.0</i>	<i>4.4</i>	<i>4.6</i>	<i>5.3</i>	<i>Jan-16</i>
JP Morgan Global Maritime Investment	6,437,329	0.6	30.8								
Timbervest Partners III, LP	5,476,751	0.5	26.2								
BTG Pactual Global Timberland Resources	3,879,029	0.4	18.6								

Total Retirement Association

As of February 28, 2018

	Market Value (\$)	% of Portfolio	% of Sector	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Global Infrastructure Partners III	3,604,277	0.4	17.2								
Basalt Infrastructure Partners II	1,509,059	0.2	7.2								
Cash and Cash Equivalent	6,950,634	0.7	0.7								
Cash	6,950,634	0.7	100.0								



As of February 28, 2018

Allocation vs. Target

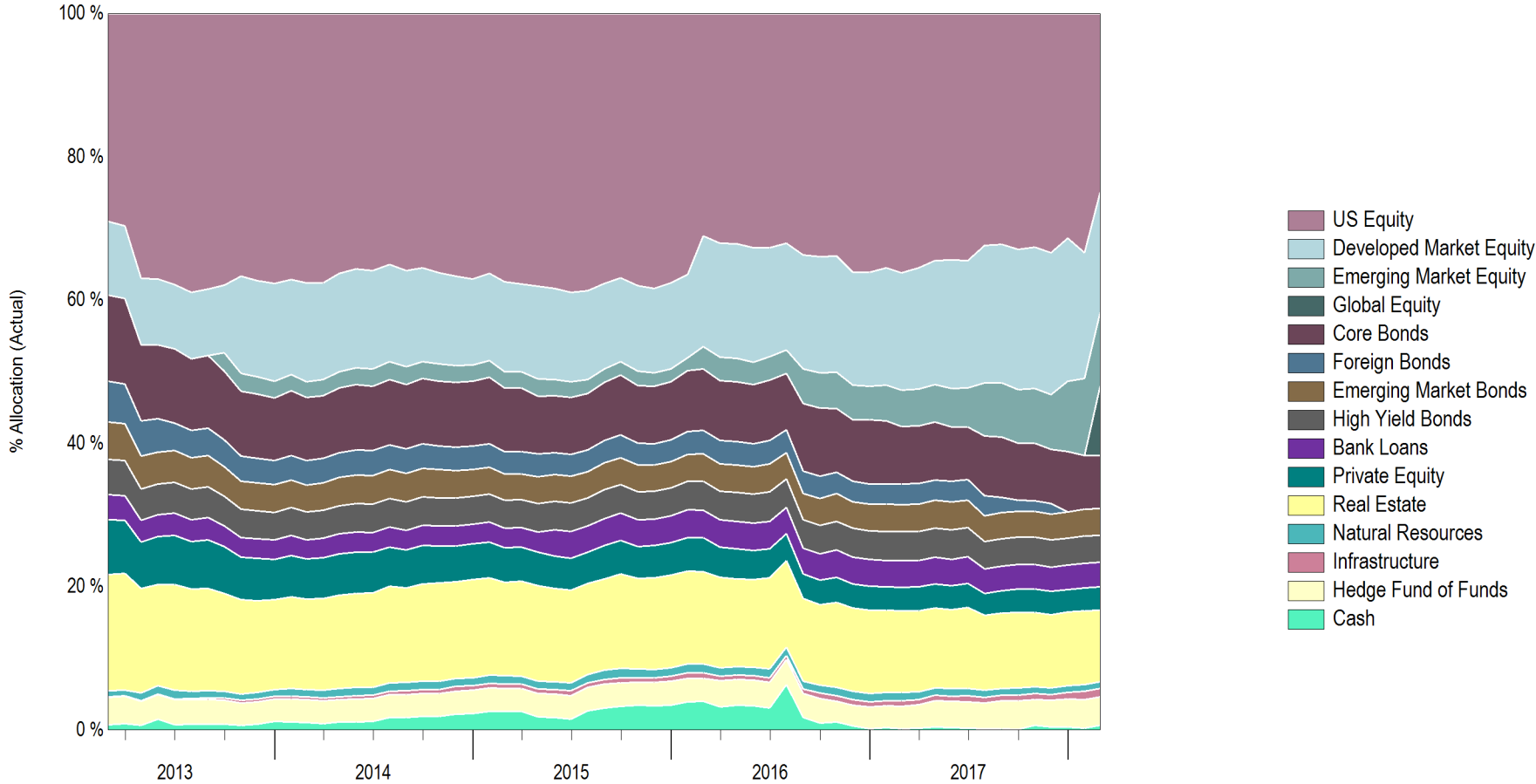
	Current Balance	Current Allocation	Policy	Policy Range	Within IPS Range?
US Equity	\$250,121,815	25%	26%	21% - 36%	Yes
Developed Market Equity	\$168,237,292	17%	6%	1% - 16%	No
Emerging Market Equity	\$103,359,032	10%	10%	5% - 20%	Yes
Global Equity	\$97,023,557	10%	10%	5% - 20%	Yes
Core Bonds	\$74,280,024	7%	9%	4% - 14%	Yes
Emerging Market Bonds	\$37,513,484	4%	2%	0% - 7%	Yes
High Yield Bonds	\$37,845,267	4%	2%	0% - 7%	Yes
Bank Loans	\$34,704,962	3%	2%	0% - 7%	Yes
Private Equity	\$32,334,641	3%	13%	8% - 18%	No
Real Estate	\$100,487,812	10%	10%	5% - 15%	Yes
Natural Resources	\$9,355,780	1%	2%	0% - 4%	Yes
Infrastructure	\$11,550,666	1%	4%	2% - 6%	No
Hedge Fund of Funds	\$39,659,592	4%	4%	2% - 6%	Yes
Cash	\$6,950,634	1%	0%	0% - 3%	Yes
Total	\$1,003,424,558	100%	100%		

	Current Balance	Current Allocation	Policy	Policy Range	Within IPS Range?
Total Equity	\$690,735,930	69%	69%	60% - 80%	Yes
Total Fixed Income	\$184,343,736	18%	15%	5% - 25%	Yes
Total Real Assets	\$121,394,258	12%	16%	13% - 19%	No
Cash	\$6,950,634	1%	0%	0% - 3%	Yes

Plymouth County Retirement Association adopted a new asset allocation as of May 2017.



Asset Allocation History
5 Years Ending February 28, 2018



As of February 28, 2018

Annual Investment Expense Analysis

As Of February 28, 2018

Name	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
Domestic Equity Assets		\$250,121,815		
Rhumbline Russell 1000 Value	0.05% of First 25.0 Mil, 0.04% of Next 25.0 Mil, 0.03% Thereafter	\$33,068,564	\$15,727	0.05%
Rhumbline Russell 1000 Growth	0.05% of First 25.0 Mil, 0.04% of Next 25.0 Mil, 0.03% Thereafter	\$59,228,321	\$25,268	0.04%
Fisher Midcap Value	0.80% of First 25.0 Mil, 0.75% of Next 25.0 Mil, 0.67% Thereafter	\$43,438,900	\$338,292	0.78%
Boston Company Small Cap Growth	0.45% of Assets	\$44,620,528	\$200,792	0.45%
LMCG Small Cap Value	0.90% of Assets	\$69,749,304	\$627,744	0.90%
International Developed Market Equity Assets		\$168,237,292		
KBI Master Account	0.65% of Assets	\$78,985,357	\$513,405	0.65%
HGK TS International Equity	1.00% of Assets	\$49,372,096	\$493,721	1.00%
Copper Rock International Small Cap	0.85% of Assets	\$39,879,839	\$338,979	0.85%
International Emerging Market Equity Assets		\$103,359,032		
LMCG Emerging Markets	0.75% of Assets	\$103,359,032	\$775,193	0.75%
Global Equity Assets		\$97,023,557		
First Eagle Global Value Fund	0.75% of Assets	\$19,223,008	\$144,173	0.75%
Kopernik Global All Cap Fund	0.80% of First 50.0 Mil, 0.75% of Next 150.0 Mil, 0.70% of Next 250.0 Mil, 0.65% of Next 350.0 Mil	\$19,361,168	\$154,889	0.80%
Lee Munder Global Multi-Cap Strategy	0.45% of Assets	\$28,439,380	\$127,977	0.45%
Wellington Durable Enterprises, L.P.	0.60% of Assets	\$30,000,000	\$180,000	0.60%
Domestic Fixed Income		\$74,280,024		
IR&M Core Bonds	0.25% of First 50.0 Mil, 0.20% of Next 50.0 Mil, 0.15% Thereafter	\$74,280,024	\$173,560	0.23%
Value Added Fixed Income		\$72,550,229		
Eaton Vance High Yield	0.50% of Assets	\$37,845,267	\$189,226	0.50%
THL Bank Loan Select Fund	0.50% of Assets	\$34,704,962	\$173,525	0.50%
International Fixed Income		\$37,513,484		
Franklin Templeton Emerging Market Bonds	0.99% of Assets	\$37,513,484	\$371,383	0.99%
Total		\$803,069,235	\$4,843,855	0.60%

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Meketa Investment Group has prepared this report on the basis of sources believed to be reliable. The data are based on matters as they are known as of the date of preparation of the report, and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available.

In general, the valuation numbers presented in this report are prepared by the custodian bank for listed securities, and by the fund manager or appropriate General Partner in the case of unlisted securities. The data used in the market comparison sections of this report are sourced from various databases. These data are continuously updated and are subject to change.

This report does not contain all the information necessary to fully evaluate the potential risks of any of the investments described herein. Because of inherent uncertainties involved in the valuations of investments that are not publicly traded, any estimated fair values shown in this report may differ significantly from the values that would have been used had a ready market for the underlying securities existed, and the differences could be material. Note that for unlisted securities the valuations may be lagged by one or more calendar quarters, or may reflect original cost.

This document may contain certain forward-looking statements, forecasts, estimates, projections, and opinions (“Forward Statements”). No representation is made or will be made that any Forward Statements will be achieved or will prove to be correct. A number of factors, in addition to any risk factors stated in this material, could cause actual future results to vary materially from the Forward Statements. No representation is given that the assumptions disclosed in this document upon which Forward Statements may be based are reasonable. There can be no assurance that the investment strategy or objective of any fund or investment will be achieved, or that the Fund will receive a return of the amount invested.

In some cases, Meketa Investment Group assists the Trustees in handling capital calls or asset transfers among investment managers. In these cases, we do not make any representations as to the managers’ use of the funds, but do confirm that the capital called or transferred is within the amounts authorized by the Trustees.

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$.

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

Sources: [Investment Terminology](#), International Foundation of Employee Benefit Plans, 1999.
[The Handbook of Fixed Income Securities](#), Fabozzi, Frank J., 1991.

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.