CITY OF HOLLY HILL, FLORIDA

POLICE PENSION FUND BOARD OF TRUSTEES

AGENDA ● AUGUST 10, 2018

Holly Hill Police Dept. Training Room	**Police Pension Fund Board of Trustees**	**12:00 PM**

CITY HALL
1065 RIDGEWOOD AVENUE
HOLLY HILL, FL 32117

City Clerk's office: (386) 248-9441 - Fax: (386) 248-9448

HOLLY HILL
FLORIDA

Holly Hill Police Dept. Training Room
City Hall
Holly Hill, FL 32117

BOARD MEMBERS

Chairman
Chief Steve Aldrich

Sergeant Michael Shaffer
Sergeant Chris Yates
Robert W. Taylor
Charlie Sharp

CITY CLERK
Valerie Manning

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF MINUTES

1. Minutes - May 11, 2018 - Police Pension Board of Trustees Meeting
   (Requested by Valerie Manning, City Clerk)

4. CHAIRPERSON'S REPORT

5. OLD BUSINESS

6. NEW BUSINESS

1. Second Quarter 2018 Performance Review
   (Requested by Valerie Manning, City Clerk)

7. OTHER BUSINESS

8. ADJOURNMENT

Website Address – www.hollyhillfl.org (City Clerk)

NOTICE – If any person decides to appeal any decision of the Police Pension Board, he/she will need a record of the proceedings and, for that purpose, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The City does not prepare or provide such a record.

For special accommodations, please notify the City Clerk's Office at least 72 hours in advance. (386) 248-9441

Help for the hearing impaired is available through the Assistive Listening System. Receivers can be obtained from the City Clerk's Office.

In accordance with the Americans with Disabilities Act (ADA), persons needing a special accommodation to participate in the Police Pension Board proceedings should contact the City Clerk's Office no later than three (3) days prior to the proceedings.

STAFF REPORT
CITY OF HOLLY HILL, FLORIDA

Police Pension Board
Agenda Item

MEETING DATE: **August 10, 2018**
FROM: **Valerie Manning**
SUBJECT: **Minutes - May 11, 2018 - Police Pension Board of Trustees Meeting**
NUMBER: **(ID # 2150)**
APPLICANT:
PLANNER:

DISCUSSION:

Minutes from May 11, 2018 Police Pension Fund Board of Trustees meeting.

FISCAL ANALYSIS:

N/A

STAFF RECOMMENDATION:

Approve minutes from May 11, 2018 meeting.

MOTION:

Approve minutes as submitted by City Clerk.

- Minutes - May 11, 2018 - Police Pension Board meeting (PDF)

HOLLY HILL
FLORIDA

Holly Hill Police Dept. Training Room	Police Officers Retirement Trust Fund	12:00 PM

City Hall
Holly Hill, FL 32117

MINUTES • MAY 11, 2018

1. CALL TO ORDER

a) Roll Call

Stephen Aldrich, Chairman
Chris Yates, Secretary
Mike Shaffer
Robert Taylor
Charlie Sharp

Guest, Charlie Mulfinger II - Graystone
Guest, Scott Owens – Graystone
Guest, Sheliza Bhola – Finance Department
Guest, Debi Gutierrez – Finance Department
Guest, Alex Kish, BMC CPA City Auditor

2. APPROVAL OF MINUTES

a) Minutes – February 9, 2018

*Shaffer made a motion to **APPROVE the February 9, 2018 minutes,** seconded by Yates.*

PASSED, 5-0.

3. CHAIRMAN'S REPORT

Chairman Aldrich gave an update on Gina Baker requesting on what benefits she would be entitled to; Nick Champion was given a lump sum payout to his pension; and Mark Rogers was given a lump sum payout to his pension. Discussed the proposed budget for 2018-2019 for the plan and the summary description plan with board members and asked for a motion to approve.

Attachment: Minutes - May 11, 2018 - Police Pension Board meeting (2150 : Minutes)

*Shaffer made a motion to **APPROVE the Proposed 2018-2019 Budget for the plan**, seconded by Yates.*

PASSED, 5-0.

*Yates made a motion to **APPROVE the Summary Plan Description**, seconded by Shaffer.*

PASSED, 5-0.

4. OLD BUSINESS

None.

5. NEW BUSINESS

1. Police Officers' Retirement Trust Fund – Audit Report 2018

Alex Kish, BMC CPA City Auditor briefly discussed the plan with the members; overall the plan looks good.

*Sharp made a motion to **APPROVE the Police Officers' Retirement Trust Fund – Audit Report 2018**, seconded by Taylor.*

PASSED, 5-0.

2. Debi Gutierrez Pension School Costs for the Police Department

*Yates made a motion to **APPROVE paying 50% for Debi Gutierrez to attend the Pension School for the Police Department**, seconded by Shaffer.*

PASSED, 5-0.

3. 1st Quarter Report - Charles Mulfinger II from Graystone

Scott Owens – Graystone and Charles Mulfinger II spoke gave updates on the 1st Quarter Report.

Charlie Mulfinger II - Graystone suggested they increase both of their International Investment Plans to 6% and they don't have to change the policy, this is just tactical.

*Shaffer made a motion to **APPROVE putting 6% into each International Investment Plan accounts**, seconded by Yates.*

PASSED, 5-0.

6. OTHER BUSINESS

Chairman Aldrich mentioned the outstanding bills from Foster & Foster and the insurance for the board. Asked for a motion to pay these.

Attachment: Minutes - May 11, 2018 - Police Pension Board meeting (2150 : Minutes)

*Shaffer made a motion to **APPROVE paying outstanding bills with Foster & Foster in the amount of $12,000 and the expecting bill for the insurance for the board in the amount of $3,000**, seconded by Sharp.*

PASSED, 5-0.

1. Meeting Dates for 2018 Pension Board Meetings – Next meeting will be August 10, 2018.

7. ADJOURNMENT

The meeting adjourned at approximately 1:15 PM.

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Valerie Manning
City Clerk, CMC

Attachment: Minutes - May 11, 2018 - Police Pension Board meeting (2150 : Minutes)

STAFF REPORT
CITY OF HOLLY HILL, FLORIDA

Police Pension Board
Agenda Item

MEETING DATE: **August 10, 2018**
FROM: **Valerie Manning**
SUBJECT: **Second Quarter 2018 Performance Review**
NUMBER: **(ID # 2153)**
APPLICANT:
PLANNER:

DISCUSSION:

Second Quarter 2018 Performance Review for the Holly Hill Police Officers' Retirement Trust Fund.

- Holly Hill 2Q 2018 (PDF)
- Holly Hill Quarterly Performance Summary - 2 Q 2018 (PDF)

SUMMARY OF RELEVANT FACTS
Holly Hill Police Officers' Retirement Trust Fund
As of June 30, 2018

Distribution of Assets:		
Equity		
- Large Cap Value	$1,749,901.03	
- Large Cap Growth	$1,722,144.91	
- Large Cap Core	$1,070,804.82	
- Small Cap Value	$784,434.90	
- Small Cap Growth	$852,325.12	
- International Value	$625,136.92	
- International Growth	$611,242.25	
Total Equity		$7,415,989.95
Fixed Income		$1,999,987.42
Private Real Estate		$947,853.00
Cash (Deposit & Disbursement Account)		$905.81
Total Portfolio		$10,364,736.18

Distribution by Percentages:	Policy	Current
Equity Breakdown		
- Large Cap Value	17.50%	16.88%
- Large Cap Growth	17.50%	16.62%
- Large Cap Core	10.00%	10.33%
- Small Cap Value	7.50%	7.57%
- Small Cap Growth	7.50%	8.22%
- International Value	5.00%	6.03%
- International Growth	5.00%	5.90%
Total Equity	70.00%	71.55%
Fixed Income	20.00%	19.30%
Private Real Estate	10.00%	9.14%
Cash (Deposit & Disbursement Account	0.0%	0.01%
Total	100.00%	100.00%

Other Important Facts:

Total Portfolio	$10,364,736
Total Gain or (Loss) - Gross	$243,425
Total Gain or (Loss) - Net	$220,598
Total Fees	($22,828)

BLACKROCK		
Total Assets	100.00%	$1,749,901
Equity	98.25%	$1,719,347
Cash	1.75%	$30,554
Fees		($3,786)
Gain or (Loss)		$41,712

RBC		
Total Assets	100.00%	$852,3
Equity	98.79%	$842,0
Cash	1.21%	$10,3
Fees		($1,9
Gain or (Loss)		$74,5

CLEARBRIDGE		
Total Assets	100.00%	$1,722,145
Equity	98.25%	$1,692,005
Cash	1.75%	$30,140
Fees		($3,859)
Gain or (Loss)		$99,374

DELAWARE		
Total Assets	100.00%	$625,1
Equity	98.19%	$613,7
Cash	1.81%	$11,3
Fees		($1,2
Gain or (Loss)		($16,6

CONNORS		
Total Assets	100.00%	$1,070,805
Equity	94.71%	$1,014,136
Cash	5.29%	$56,669
Fees		($2,324)
Gain or (Loss)		$28,435

RENAISSANCE		
Total Assets	100.00%	$611,2
Equity	98.21%	$600,2
Cash	1.79%	$10,9
Fees		($1,1
Gain or (Loss)		($35,0

BOSTON		
Total Assets	100.00%	$784,435
Equity	98.22%	$770,434
Cash	1.78%	$14,001
Fees		($1,884)
Gain or (Loss)		$19,838

MADISON		
Total Assets	100.00%	$1,999,9
Fixed	99.04%	$1,980,8
Cash	0.96%	$19,1
Fees		($4,1
Gain or (Loss)		$4,7

DEPOSIT & DISBURSEMENT		
Cash	100.00%	$906
Gain or (Loss)		$31

INTERCONTINENTAL		
Total Assets	100.00%	$947,8
Equity	100.00%	$947,8
Cash	0.00%	
Fees		($2,4
Gain or (Loss)		$26,3

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Police Officers' Retirement Trust Fund

As of June 30, 2018

ACTUARIAL ASSUMPTION = 7.40%

EQUITY BlackRock Large Cap. Value	Gross-of-Fees Returns	Net-of-Fees Returns	Russ 1000 Value	PSN Money Managers	S&P 500
Quarter	2.39	2.18	1.18	1.81	3.43
1 year	10.11	9.15	6.77	9.63	14.37
3 year	11.02	10.02	8.26	9.28	11.93
5 year	11.17	10.13	10.34	11.11	13.42
Since 8/31/12	11.93	10.89	12.48	NA	14.32
Blackrock/Lord Abbett Since 6/30/97	7.64	6.60	7.65	NA	7.49
Combined Managers - Since 11/30/95	8.82	7.75	8.93	NA	8.92
Clearbridge Large Cap. Growth			Russ 1000 Growth	PSN Money Managers	
Quarter	5.52	5.29	5.76	4.17	
Since 8/31/17	17.12	16.36	17.19	NA	
CB/WW - 1 year	20.73	19.71	22.51	18.60	
CB/WW - 3 year	8.63	7.65	14.98	12.15	
CB/WW - 5 year	11.17	10.13	16.36	14.52	
CB/WW - Since 12/31/12	11.82	10.77	17.12	NA	
CB/Wedgewood/Sands/Alliance/Sirach - Since 11/30/95	7.92	6.88	8.67	NA	
Connors Large Cap. Core			S&P 500	60% S&P 500 / 40% CBOE Buy Write	S&P CBOE Buy Write
Quarter	2.73	2.50	3.43	3.42	3.39
1 year	10.93	9.84	14.37	11.53	7.28
3 year	9.03	8.04	11.93	10.28	7.73
Since 8/31/13	10.94	9.98	13.44	11.45	8.42
Boston Small/Mid Cap. Value			Russell 2500 Value Dynamic Index	PSN Money Managers	
Quarter	2.59	2.34	5.80	6.53	
1 year	10.33	9.25	11.49	13.53	
Since 3/31/2016	16.32	15.18	15.29	NA	
Boston/GW - 3 year	8.79	7.70	8.75	10.89	
Boston/GW - 5 year	7.75	6.64	9.70	12.33	
Boston/GW - Since 5/31/06	8.63	7.56	6.78	NA	
Boston/GW/Babson/Harris - Since 1/31/05	8.87	7.80	7.46	NA	
RBC Small Cap. Growth			Russ 2000 Growth	PSN Money Managers	
Quarter	9.59	9.31	7.23	8.62	
1 year	19.78	18.58	21.86	24.65	
3 year	11.77	10.62	10.60	12.18	
5 year	12.68	11.50	13.65	14.33	
Since 5/31/06	10.42	9.30	9.59	NA	
RBC/Kayne/ING Furman - Since 11/30/95	8.74	7.64	7.56	NA	

Delaware **International Value**			MSCI EAFE (Net)	MSCI EAFE Value	
Quarter	(2.99)	(3.22)	(1.24)	(2.64)	
1 year	4.28	3.29	6.84	4.25	
3 year	4.61	3.59	4.90	3.30	
5 year	6.81	5.75	6.44	5.37	
Since 9/30/04	6.37	5.30	5.79	4.94	
Renaissance **International Growth**			MSCI AC Wrld x US	MSCI EAFE Growth	
Quarter	(5.79)	(6.00)	(2.61)	0.11	
1 year	2.75	1.85	7.28	9.41	
3 year	4.19	3.23	5.07	6.41	
5 year	7.24	6.21	5.99	7.43	
Since 1/31/09	9.91	8.89	9.37	10.04	
FIXED INCOME **Madison**			BC Int. G/C Bond	BC G/C Bond	90-Day T-Bill
Quarter	0.24	0.03	0.01	(0.33)	0.44
1 year	(0.29)	(1.17)	(0.58)	(0.63)	1.32
3 year	0.80	(0.06)	1.16	1.83	0.64
5 year	1.08	0.21	1.60	2.29	0.39
Since 11/30/95	4.28	3.30	4.54	4.99	2.26
PRIVATE REAL ESTATE **Intercontinental**			NCREIF Prop Idx		
Quarter	2.86	2.59	1.81		
Since 12/31/17	5.86	5.17	3.54		
TOTAL RETURN **Time-Weighted Returns (TWR)**			Policy Index		
Quarter	2.40	2.18	2.52		
1 year	9.46	8.47	9.91		
3 year	6.83	5.86	7.82		
5 year	7.56	6.58	9.02		
Since 11/30/95	6.99	5.98	7.70		
TOTAL RETURN **Dollar-Weighted Net (IRR)**			Actuarial Rate	CPI +4	
Quarter		2.17	1.85	1.54	
1 year		8.61	7.40	7.05	
3 year		5.91	7.40	5.87	
5 year		6.68	7.40	5.53	
Since 11/30/95		6.13	7.40	6.24	

-Policy Index

- 17.5% Russ 1000 Value / 17.5% Russ 1000 Growth / 10% S&P 500 / 7.5% Russ 2500 Value / 7.5% Russ 2000 Growth / 5% MSCI EAFE (net) / 5% MSCI AC Wd ex US (net) / 20% BC Int G/C / 10% NCREIF Prop Idx for periods since 12/31/2018
- 17.5% Russ 1000 Value / 17.5% Russ 1000 Growth / 10% S&P 500 / 7.5% Russ 2500 Value / 7.5% Russ 2000 Growth / 5% MSCI EAFE (net) / 5% MSCI AC Wd ex US (net) / 30% BC Int G/C for periods since 3/31/2016
- 17.5% Russ 1000 Value / 17.5% Russ 1000 Growth / 10% S&P 500 / 7.5% Russ 2000 Value / 7.5% Russ 2000 Growth / 5% MSCI EAFE (net) / 5% MSCI AC Wd ex US (net) / 30% BC Int G/C for periods from 8/31/2013 to 3/31/2016
- 20% Russ 1000 Value / 20% Russ 1000 Growth / 7.5% Russ 2000 Value / 7.5% Russ 2000 Growth / 5% MSCI EAFE (net) / 5% MSCI AC Wd ex US (gross) / 35% BC Int G/C for periods from 1/31/2009 to 8/31/2013
- 22.5% Russ 1000 Value / 17.5% Russ 1000 Growth / 7.5% Russ 2000 / 7.5% Russ 2000 Growth / 5% MSCI EAFE (net) / 40% BC Int G/C for periods from 1/31/2005 to 1/31/2009
- 22.5% Russ 1000 Value / 17.5% Russ 1000 Growth / 15% Russ 2500 Growth / 5% MSCI EAFE (net) / 40% BC Int G/C for periods from 9/30/2004 to 1/31/2005
- 24% Russ 1000 Value / 18% Russ 1000 Growth / 18% Russ 2500 Growth / 40% BC Int G/C for periods prior to 9/30/2004

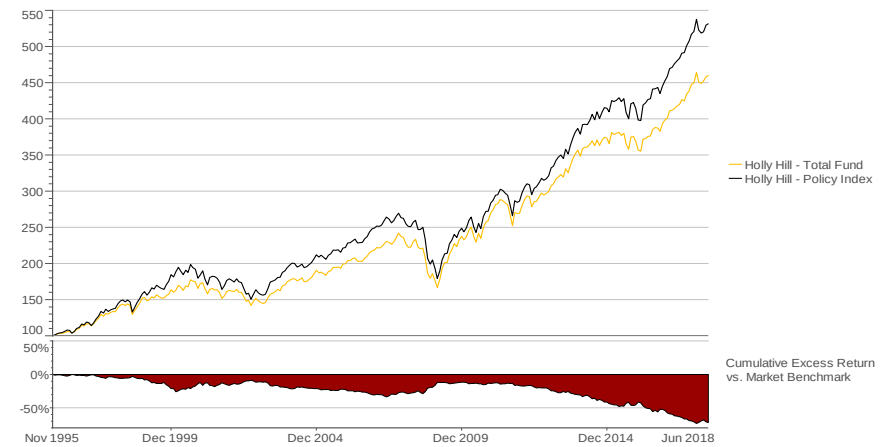
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Risk/Return Analysis- Since Inception

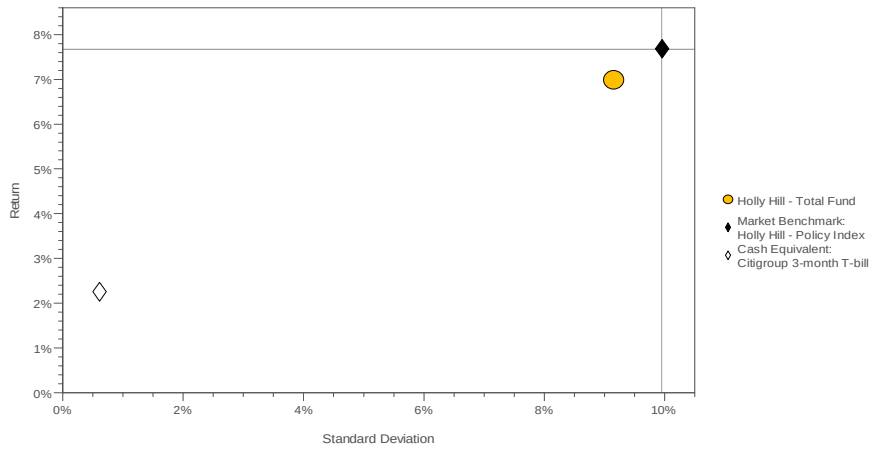
Zephyr StyleADVISOR

Zephyr StyleADVISOR - MSSB - Tampa, FL

Manager Performance
December 1995 - June 2018 (Single Computation)



Risk / Return
December 1995 - June 2018 (Single Computation)



Return & Risk Analysis

December 1995 - June 2018: Summary Statistics

	Return	Excess Return vs. Market	Standard Deviation	Beta vs. Market	Maximum Drawdown	Up Capture vs. Market	Down Capture vs. Market	Alpha vs. Market	Sharpe Ratio	R-Squared vs. Market
Holly Hill - Total Fund	6.99%	-0.69%	9.15%	0.90	-31.00%	88.48%	90.05%	0.08%	0.52	95.44%
Holly Hill - Policy Index	7.68%	0.00%	9.95%	1.00	-33.46%	100.00%	100.00%	0.00%	0.54	100.00%

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

COMPLIANCE CHECKLIST

City of Holly Hill Municipal Police Officers' Retirement Trust Fund ***As of June 30, 2018***

GUIDELINES	In Compliance
Equity Portfolio	
Listed on recognized exchange	Yes
Single issue not to exceed 10% at market value for each equity in each separately managed portfolio	Yes
Total equity portfolio < 72.5% & > 67.5% of total fund at market	Yes
Single issue not to exceed 5% at market value for the total portfolio	Yes
Foreign equities < 25% of total portfolio at market	Yes
No scrutinized companies (Sudan/Iran) held per Protecting Florida's Investments Act requirement	Yes

OBJECTIVES	10 years	Since Inception
Total Portfolio		
Exceed Target Index	No	No
Exceed actuarial assumption (7.4%)*	No	No
Exceed CPI + 4%*	No	No

** Measured using Net Dollar-Weighted Rate of Return*

BlackRock

Large Capitalization Value Equity Portfolio

Market Value < 20.0% & > 15.0% of total fund		Yes
Performance (Inception 8/31/2012)	3 years	Since Inception
Rank in the Top 50% of manager universe	Yes	No
Return > Russell 1000 Value	Yes	No

Clearbridge

Large Capitalization Growth Equity Portfolio

Market Value < 20.0% & > 15.0% of total fund		Yes
Performance (Inception 8/31/2017)	3 years	Since Inception
Rank in the Top 50% of manager universe	N/A	No
Return > Russell 1000 Growth	N/A	No

Connors

Large Capitalization Core Equity Portfolio

Market Value < 12.5% & > 7.50% of total fund		Yes
Performance (Inception 8/31/2013)	3 years	Since Inception
Return > S&P 500	No	No
Return > 60% S&P 500 / 40% CBOE Buy Write	No	No
Return > S&P CBOE Buy Write	Yes	Yes

Boston

Small/Mid Capitalization Value Equity Portfolio

Market Value < 10% & > 5% of total fund		Yes
Performance (Inception 3/31/2016)	3 years	Since Inception
Rank in the Top 50% of manager universe	N/A	Yes
Return > Russell 2500 Value	N/A	Yes

Intercontinental

Private Real Estate Equity Portfolio

Market Value < 12.5% & > 0% of total fund		Yes
Performance (Inception 12/31/2017)	5 years	Since Inception
Return > NCREIF Prop Idx	N/A	Yes

RBC

Small Capitalization Growth Equity Portfolio

Market Value < 10% & > 5% of total fund		Yes
Performance (Inception 5/31/2006)	5 years	Since Inception
Rank in the Top 50% of manager universe	No	Yes
Return > Russell 2000 Growth	No	Yes

Delaware Investments

International Value Equity Portfolio

Market Value < 6.25% & > 3.75% of total fund		Yes
Performance (Inception 9/30/2004)	5 years	Since Inception
Return > MSCI EAFE (Net)	Yes	Yes

Renaissance

International Growth Equity Portfolio

Market Value < 6.25% & > 3.75% of total fund		Yes
Performance (Inception 1/31/2009)	5 years	Since Inception
Return > MSCI AC World ex US	Yes	Yes

Madison Investment Advisors

Fixed Income Portfolio

Market Value < 22.5% & > 17.5% of total fund		Yes
Performance (Inception 11/30/1995)	10 years	Since Inception
Return > Barclays Cap Interm. Gov't/Credit	No	No
U.S. Government / Agency or U.S. Corporations		Yes
Bonds rated "A" or better		Yes
Single corporate issuer not exceed 10% of bond portfolio (except U.S. Government/Agency)		Yes

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Police Officers' Retirement Trust Fund
Consulting & Management Fee Billing Summary
As of June 30, 2018

BlackRock 745-106969

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$1,745,986.07	1/1/2018	3/31/2018	$2,580.12	0.60%	$1,205.45	0.28%	$3,785.57	0.88%
1/16/2018	$1,972,533.26	10/1/2017	12/31/2017	$2,976.64	0.60%	$1,392.12	0.28%	$4,368.76	0.88%

Clearbridge 745-106970

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$1,779,976.54	1/1/2018	3/31/2018	$2,630.35	0.60%	$1,228.92	0.28%	$3,859.27	0.88%
1/16/2018	$1,795,346.91	10/1/2017	12/31/2017	$2,709.26	0.60%	$1,267.07	0.28%	$3,976.33	0.88%

Connors 745-040115

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$1,043,221.36	1/1/2018	3/31/2018	$1,541.62	0.60%	$782.08	0.30%	$2,323.70	0.90%
1/16/2018	$1,139,754.21	10/1/2017	12/31/2017	$1,719.94	0.60%	$854.23	0.30%	$2,574.17	0.90%

Boston 745-125096

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$764,448.43	1/1/2018	3/31/2018	$1,129.66	0.60%	$753.98	0.40%	$1,883.64	1.00%
1/16/2018	$806,744.68	10/1/2017	12/31/2017	$1,217.41	0.60%	$813.38	0.40%	$2,030.79	1.00%

RBC 745-106971

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$779,529.80	1/1/2018	3/31/2018	$1,151.95	0.60%	$807.29	0.42%	$1,959.24	1.02%
1/16/2018	$784,199.35	10/1/2017	12/31/2017	$1,183.39	0.60%	$830.18	0.42%	$2,013.57	1.02%

Delaware 745-125072

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$506,343.72	1/1/2018	3/31/2018	$748.25	0.60%	$474.44	0.38%	$1,222.69	0.98%
1/16/2018	$513,433.56	10/1/2017	12/31/2017	$774.80	0.60%	$491.77	0.38%	$1,266.57	0.98%

Renaissance 745-125543

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$536,631.42	1/1/2018	3/31/2018	$793.00	0.60%	$396.96	0.30%	$1,189.96	0.90%
1/16/2018	$535,750.00	10/1/2017	12/31/2017	$808.47	0.60%	$405.12	0.30%	$1,213.59	0.90%

Madison 745-106968

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$2,013,569.73	1/1/2018	3/31/2018	$2,975.54	0.60%	$1,141.94	0.23%	$4,117.48	0.83%
1/16/2018	$2,584,212.75	10/1/2017	12/31/2017	$3,899.69	0.60%	$1,498.14	0.23%	$5,397.83	0.83%

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Intercontinental 745-055570

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$923,971.00	4/1/2018	6/30/2018	$0.00	0.00%	$2,486.00	1.08%	$2,486.00	1.08%
1/9/2018	$900,000.00	1/5/2018	3/31/2018	$1,269.57	0.60%	$2,305.00	1.09%	$3,574.57	1.69%

Total - All Managers

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$10,093,678.07	1/1/2018	3/31/2018	$13,550.49	0.54%	$9,277.06	0.37%	$22,827.55	0.92%
1/16/2018	$10,131,974.72	10/1/2017	12/31/2017	$15,289.60	0.60%	$7,552.01	0.30%	$22,841.61	0.89%
1/9/2018	$900,000.00	1/5/2018	3/31/2018	$1,269.57	0.60%	$2,305.00	1.09%	$3,574.57	1.69%

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Graystone Consulting

QUARTERLY PERFORMANCE EVALUATION

Prepared for:

Holly Hill Police Officers' Retirement Trust Fund

As of June 30, 2018

Graystone Consulting Tampa

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Institutional Consulting Director
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Graystone Consulting

Capital Markets Overview: 2Q 2018

Introduction

As of 2Q 2018

- After a volatile start to 2018, markets found some relief in the second quarter. However, the environment remains challenging for equities. While economic data continues to be constructive, a protectionist trade policy pursued by the Trump administration has weighed on sentiment as uncertainty over tariffs threatens to overshadow strong corporate earnings and consumer confidence. CIO and MS & Co.'s Chief US Equity Strategist, Mike Wilson, has maintained his price target of 2,750 for the S&P 500 and expects choppy trading in the coming months.

- US equities generated positive returns in the second quarter, as the S&P 500 rose 3.43% and 7 of the 11 sectors finished in the black. Energy led the way, jumping 13.48% as oil prices rebounded and moved over $70 per barrel at the end of June. It was followed by Consumer Discretionary and Tech, which increased by 8.17% and 7.09%, respectively. Industrials were the greatest laggards, losing 3.18%. They were followed closely by Financials, which shed 3.16%. Other major US indices were positive on the quarter; the Dow Jones rose 1.26% and the NASDAQ returned 6.61%.

- International equities were challenged by a rising US dollar and other geopolitical pressures. For the second quarter, the MSCI Emerging Markets Index dropped 7.73% for US-currency investors as weaknesses in China, Turkey, and Argentina were amplified by the stronger greenback. The MSCI Europe Index dropped 0.87% for US-currency investors, while MSCI Japan fell 2.12%. Both European and Japanese returns were positive on a local currency basis, further reflecting the impact that the dollar had on international stocks.

- The bond market registered slightly negative returns during the second quarter. The Bloomberg Barclays US Aggregate Bond Index, a general measure of the bond market, fell 0.16%.

- Morgan Stanley & Co. economists expect US real GDP will be 2.7% in 2018, amid an environment of 3.9% global GDP growth.

- Commodities were up slightly in the second quarter; the Bloomberg Commodity Index gained 0.40%.

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 2Q 2018

The US Economy

As of 2Q 2018 (with most recent data available)

The Bureau of Economic Analysis estimated that real Gross Domestic Product increased at an annual rate of 2.0% in 1Q18, in comparison to a 2.9% increase in 4Q17. Morgan Stanley & Co. economists forecast US Real GDP growth will be 2.7% in 2018 and 2.2% in 2019.

The seasonally adjusted unemployment rate for May 2018 was 3.8%. Job gains occurred in construction, professional and technical services, retail, transportation and warehousing, and manufacturing. The number of unemployed was 6.1 million in May, down from 6.7 million in February of this year. The number of long-term unemployed (those jobless for 27 weeks or more) was 1.2 million, a decrease of more than 200,000 from February. These individuals accounted for 19.4% of the unemployed vs. 20.8% at the end of last quarter.

According to the most recent data from the Federal Reserve Bank of St. Louis, corporate profits increased 8.67% quarter over quarter and are up 16.88% year over year as of Q1 2018.

Inflation increased in the US, according to the Bureau of Labor Statistics. The year-over-year Consumer Price Index was 2.2% in May, up from the 1.8% figure in February. Morgan Stanley & Co. economists forecast a 2.6% annual inflation rate for 2018 and 1.9% for 2019.

The Census Bureau reported that the number of new private-sector housing starts in May 2018 was at a seasonally adjusted annual rate of 1,301,000—8.0% above housing starts this time last year.

The Census Bureau also reported that seasonally adjusted retail and food services sales increased at 5.9% year over year in May. Consumer confidence decreased slightly in 2Q18, with Conference Board Consumer Confidence reading 126.4 in June after peaking at 130 in February—the highest level it had been since 2000.

In May, the Institute for Supply Management's Purchasing Managers Index (PMI), a manufacturing sector index, arrived at 60.2, down 1.0% from February's reading of 60.8. Generally speaking, a PMI or NMI (ISM Non-Manufacturing Index) over 50 indicates that the sector is expanding, and a PMI below 50 but over 43 indicates that the sector is shrinking but the overall economy is expanding. PMI has registered above 50 for 26 out of the last 29 months, indicating an expansion in manufacturing since March 2016. Overall, PMI has been above 43 for 105 consecutive months, indicating overall economic recovery and expansion since June 2009.

The NMI for May was 58.6—0.9 points lower than in February 2018. The index has now been above 50 for 99 consecutive months, indicating non-manufacturing expansion since February 2010.

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Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Federal Reserve Bank of St. Louis, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 2Q 2018

US Equity Markets

As of 2Q 2018

The Dow Jones Industrial Average gained 1.26% in the second quarter, while the NASDAQ Composite Index was up 6.61%. The S&P 500 Index rose 3.43% over the same period.

7 of the 11 sectors finished in the black for 2Q18. Energy led the way, jumping 13.48% as oil prices rebounded and moved over $70 per barrel at the end of June. It was followed by Consumer Discretionary and Tech, which increased by 8.17% and 7.09%, respectively. Industrials were the greatest laggards, losing 3.18%. They were closely followed by Financials, which shed 3.16%.

The Russell 1000, a large-cap index, increased 3.57% for the quarter, with large-cap growth (+5.75%) outperforming large-cap value (+1.17%).

The Russell Midcap gained 2.82% on the quarter, with mid-cap growth (+3.16%) outperforming mid-cap value (+2.40%).

The Russell 2000, a small-cap index, appreciated 7.75% for the quarter, with small-cap growth (+7.23%) underperforming small-cap value (+8.30%).

Key US Stock Market Index Returns (%) for the Period Ending 6/29/2018

INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized
S&P 500	3.43%	14.56%	13.41%	13.39%
Dow Jones	1.26%	16.65%	12.95%	13.04%
Russell 2000	7.75%	17.50%	12.45%	11.97%
Russell Midcap	2.82%	12.64%	12.21%	12.01%
Russell 1000	3.57%	14.73%	13.36%	13.27%

Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC

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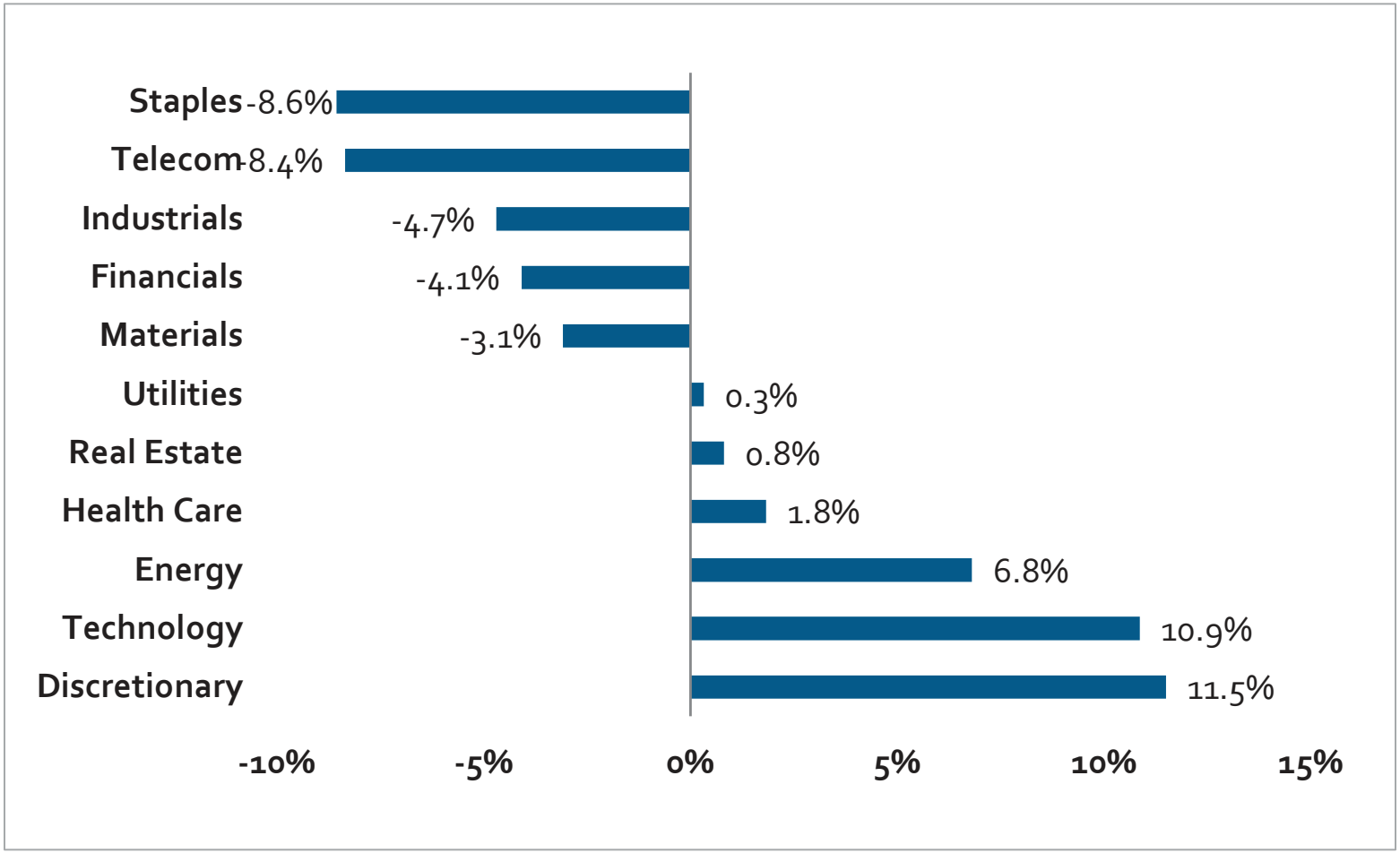
S&P 500 Sectors

YTD 2018 Total Return

As of June 29, 2018



Source: Bloomberg

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Capital Markets Overview: 2Q 2018

Global Equity Markets

As of 2Q 2018

The second quarter was difficult for international markets, as a strengthening US dollar challenged returns. This could especially be seen in the sell-off of emerging market (EM) equities and their underperformance versus developed market stocks. The MSCI EAFE Index (a benchmark for international developed markets) fell 0.80% for US-currency investors.

In the second quarter, the MSCI Emerging Markets Index dropped 7.73% for US-currency investors as weaknesses in China, Turkey, and Argentina were amplified by the stronger greenback. The MSCI Europe Index dropped 0.87% for US-currency investors, while MSCI Japan fell 2.12%.Both European and Japanese returns were positive on a local currency basis, further reflecting the impact that the dollar had on international returns.

The S&P 500 Index gained 3.43% for the quarter.

Emerging economy equity market indices were down sharply in the second quarter. The MSCI BRIC (Brazil, Russia, India and China) Index fell 6.67% in US dollar terms, while the MSCI EM Asia Index was down 5.06%.

Key Global Equity Market Index Returns (%) for the Period Ending 6/29/2018

INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
MSCI EAFE	-0.80%	6.66%	6.93%	5.61%
MSCI EAFE Growth	0.58%	9.21%	7.82%	6.40%
MSCI EAFE Value	-2.22%	4.10%	5.95%	4.75%
MSCI Europe	-0.87%	5.33%	6.81%	5.18%
MSCI Japan	-2.12%	10.25%	7.69%	7.50%
S&P 500	3.43%	14.56%	13.41%	13.39%
MSCI Emerging Markets	-7.73%	8.25%	5.38%	1.96%

Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 2Q 2018

The US Bond Market

As of 2Q 2018

The bond market registered slightly negative returns during the second quarter. The Bloomberg Barclays US Aggregate Bond Index, a general measure of the bond market, fell 0.16%.

Interest rates increased during the second quarter, as the yield on the 10-year US Treasury note increased to a quarter-end 2.86% from 2.74% at the end of March. The intra-quarter move to 3.11% in May marked a 6-year high in rates.

Riskier parts of the bond market such as US high yield debt fared better in the second quarter. The Bloomberg Barclays Capital High Yield Index, a measure of lower-rated corporate bonds, gained 1.03%.

Mortgage-backed had marginal gains in the second quarter. The Bloomberg Barclays Capital Mortgage Backed Index rose 0.24%. Municipal bonds were also up; the Bloomberg Barclays Capital Muni Index saw gains of 0.87%.

Key US Bond Market Index Returns (%) for the Period Ending 6/29/2018

INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
Bloomberg Barclays Capital US Aggregate	-0.16%	-0.54%	2.27%	2.55%
Bloomberg Barclays Capital High Yield	1.03%	2.65%	5.51%	6.38%
Bloomberg Barclays Capital Government/Credit	-0.32%	-0.85%	2.24%	2.72%
Bloomberg Barclays Capital Government	0.10%	-0.81%	1.48%	2.04%
Bloomberg Barclays Capital Intermediate Govt/Credit	0.01%	-0.72%	1.59%	1.93%
Bloomberg Barclays Capital Long Govt/Credit	-1.45%	-1.07%	5.10%	6.18%
Bloomberg Barclays Capital Mortgage Backed Securities	0.24%	0.01%	2.25%	2.15%
Bloomberg Barclays Capital Muni	0.87%	1.55%	3.53%	3.91%

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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Nontraditional investment options and strategies are often employed by a portfolio manager to further a fund's investment objective and to help offset market risks. However, these features may be complex, making it more difficult to understand the fund's essential characteristics and risks, and how it will perform in different market environments and over various periods of time. They may also expose the fund to increased volatility and unanticipated risks particularly when used in complex combinations and/or accompanied by the use of borrowing or "leverage."

KEY ASSET CLASS CONSIDERATIONS AND OTHER RISKS

Investing in the markets entails the risk of market volatility. The value of all types of investments, including stocks, mutual funds, exchange-traded funds ("ETFs"), closed-end funds, and unit investment trusts, may increase or decrease over varying time periods. To the extent the investments depicted herein represent **international securities**, you should be aware that there may be additional risks associated with international investing, including foreign economic, political, monetary and/or legal factors, changing currency exchange rates, foreign taxes, and differences in financial and accounting standards. These risks may be magnified in **emerging markets and frontier markets**. **Small- and mid-capitalization companies** may lack the financial resources, product diversification and competitive strengths of larger companies. In addition, the securities of small- and mid-capitalization companies may not trade as readily as, and be subject to higher volatility than, those of larger, more established companies. The value of **fixed income securities** will fluctuate and, upon a sale, may be worth more or less than their original cost or maturity value. Bonds are subjec to interest rate risk, call risk, reinvestment risk, liquidity risk, and credit risk of the issuer. **High yield bonds** are subject to additional risks such as increased risk of default and greater volatility because of the lower credit quality of the issues. In the case of **municipal bonds**, income is generally exempt from federal income taxes. Some income may be subject to state and local taxes and to the federal alternative minimum tax. Capital gains, if any, are subject to tax. **Treasury Inflation Protection Securities' (TIPS)** coupon payments and underlying principal are automatically increased to compensate for inflation by tracking the consumer price index (CPI). While the real rate of return is guaranteed, TIPS tend to offer a low return. Because the return of TIPS is linked to inflation, TIPS may significantly underperform versus conventional U.S. Treasuries in times of low inflation. There is no guarantee that investors will receive par if TIPS are sold prior to maturity. The returns on a portfolio consisting primarily of **environmental, social, and governance-aware investments ("ESG")** may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because ESG criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria. The companies identified and investment examples are for illustrative purposes only and should not be deemed a recommendation to purchase, hold or sell any securities or investment products. They are intended to demonstrate the approaches taken by managers who focus on ESG criteria in their investment strategy. There can be no guarantee that a client's account will be managed as described herein. **Options** and margin trading involve substantial risk and are not suitable for all investors. Besides the general investment risk of holding securities that may decline in value and the possible loss of principal invested, **closed-end funds** may have additional risks related to declining market prices relative to net asset values (NAVs), active manager underperformance and potential leverage. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one-time public offering and once issued, shares of closed-end funds are sold in the open market through a stock exchange. NAV is total assets less total liabilities divided by the number of shares outstanding. At the time an investor purchases shares of a closed-end fund, shares may have a market price that is above or below NAV. Portfolios that invest a large percentage of assets in only one industry **sector** (or in only a few sectors) are more vulnerable to price fluctuation than those that diversify among a broad range of sectors.

Alternative investments often are speculative and include a high degree of risk. Investors could lose all or a substantial amount of their investment. Alternative investments are suitable only for eligible, long-term investors who are willing to forgo liquidity and put capital at risk for an indefinite period of time. They may be highly illiquid and can engage in leverage and other speculative practices that may increase the volatility and risk of loss. Alternative Investments typically have higher fees than traditional investments. Investors should carefully review and consider potential risks before investing. Certain of these risks may include but are not limited to: Loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices; Lack of liquidity in that there may be no secondary market for a fund; Volatility of returns; Restrictions on transferring interests in a fund; Potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized; Absence of information regarding valuations and pricing; Complex tax structures and delays in tax reporting; Less regulation and higher fees than mutual funds; and Risks associated with the operations, personnel, and processes of the manager. As a diversified global financial services firm, Morgan Stanley Wealth Management engages in a broad spectrum of activities including financial advisory services, investment management activities, sponsoring and managing private investment funds, engaging in broker-dealer transactions and principal securities, commodities and foreign exchange transactions, research publication, and other activities. In the ordinary course of its business, Morgan Stanley Wealth Management therefore engages in activities where Morgan Stanley Wealth Management's interests may conflict with the interests of its clients, including the private investment funds it manages. Morgan Stanley Wealth Management can give no assurance that conflicts of interest will be resolved in favor of its clients or any such fund. All expressions of opinion are subject to change without

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As a diversified global financial services firm, Morgan Stanley Wealth Management engages in a broad spectrum of activities including financial advisory services, investment management activities, sponsoring and managing private investment funds, engaging in broker-dealer transactions and principal securities, commodities and foreign exchange transactions, research publication, and other activities. In the ordinary course of its business, Morgan Stanley Wealth Management therefore engages in activities where Morgan Stanley Wealth Management's interests may conflict with the interests of its clients, including the private investment funds it manages. Morgan Stanley Wealth Management can give no assurance that conflicts of interest will be resolved in favor of its clients or any such fund. Alternative investments involve complex tax structures, tax inefficient investing, and delays in distributing important tax information. Individual funds have specific risks related to their investment programs that will vary from fund to fund. Clients should consult their own tax and legal advisors as Morgan Stanley Wealth Management does not provide tax or legal advice.

While the HFRI indices are frequently used, they have limitations (some of which are typical of other widely used indices). These limitations include survivorship bias (the returns of the indices may not be representative of all the hedge funds in the universe because of the tendency of lower performing funds to leave the index); heterogeneity (not all hedge funds are alike or comparable to one another, and the index may not accurately reflect the performance of a described style); and limited data (many hedge funds do not report to indices, and the index may omit funds, the inclusion of which might significantly affect the performance shown. The HFRI indices are based on information self-reported by hedge fund managers that decide on their own, at any time, whether or not they want to provide, or continue to provide, information to HFR Asset Management, L.L.C. Results for funds that go out of business are included in the index until the date that they cease operations. Therefore, these indices may not be complete or accurate representations of the hedge fund universe, and may be biased in several ways.

It should be noted that the majority of hedge fund indexes are comprised of hedge fund manager returns. This is in contrast to traditional indexes, which are comprised of individual securities in the various market segments they represent and offer complete transparency as to membership and construction methodology. As such, some believe that hedge fund index returns have certain biases that are not present in traditional indexes. Some of these biases inflate index performance, while others may skew performance negatively. However, many studies indicate that overall hedge fund index performance has been biased to the upside. Some studies suggest performance has been inflated by up to 260 basis points or more annually depending on the types of biases included and the time period studied. Although there are numerous potential biases that could affect hedge fund returns, we identify some of the more common ones throughout this paper.

Self-selection bias results when certain manager returns are not included in the index returns and may result in performance being skewed up or down. Because hedge funds are private placements, hedge fund managers are able to decide which fund returns they want to report and are able to opt out of reporting to the various databases. Certain hedge fund managers may choose only to report

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returns for funds with strong returns and opt out of reporting returns for weak performers. Other hedge funds that close may decide to stop reporting in order to retain secrecy, which may cause a downward bias in returns.

Survivorship bias results when certain constituents are removed from an index. This often results from the closure of funds due to poor performance, "blow ups," or other such events. As such, this bias typically results in performance being skewed higher. As noted, hedge fund index performance biases can result in positive or negative skew. However, it would appear that the skew is more often positive. While it is difficult to quantify the effects precisely, investors should be aware that idiosyncratic factors may be giving hedge fund index returns an artificial "lift" or upwards bias.

Hedge Funds of Funds and many funds of funds are private investment vehicles restricted to certain qualified private and institutional investors. They are often speculative and include a high degree of risk. Investors can lose all or a substantial amount of their investment. They may be highly illiquid, can engage in leverage and other speculative practices that may increase volatility and the risk of loss and may be subject to large investment minimums and initial lockups. They involve complex tax structures, tax-inefficient investing and delays in distributing important tax information. Categorically, hedge funds and funds of funds have higher fees and expenses than traditional investments, and such fees and expenses can lower the returns achieved by investors. Funds of funds have an additional layer of fees over and above hedge fund fees that will offset returns. An investment in an **exchange-traded fund** involves risks similar to those of investing in a broadly based portfolio of equity securities traded on an exchange in the relevant securities market, such as market fluctuations caused by such factors as economic and political developments, changes in interest rates and perceived trends in stock and bond prices. An investment in a **target date portfolio** is subject to the risks attendant to the underlying funds in which it invests, in these portfolios the funds are the Consulting Group Capital Market funds. A target date portfolio is geared to investors who will retire and/or require income at an approximate year. The portfolio is managed to meet the investor's goals by the pre-established year or "target date." A target date portfolio will transition its invested assets from a more aggressive portfolio to a more conservative portfolio as the target date draws closer. An investment in the target date portfolio is not guaranteed at any time, including, before or after the target date is reached. **Managed futures** investments are speculative, involve a high degree of risk, use significant leverage, are generally illiquid, have substantial charges, subject investors to conflicts of interest, and are suitable only for the risk capital portion of an investor's portfolio. Managed futures investments do not replace equities or bonds but rather may act as a complement in a well diversified portfolio. Managed Futures are complex and not appropriate for all investors. **Rebalancin** does not protect against a loss in declining financial markets. There may be a potential tax implication with a rebalancing strategy. **Asset allocation and diversification** do not assure a profit or protec against loss in declining financial markets. Past performance is no guarantee of future results. Actual results may vary.

Tax laws are complex and subject to change. Morgan Stanley Smith Barney LLC ("Morgan Stanley"), its affiliates and Morgan Stanley Financial Advisors and Private Wealth Advisors do not provide tax or legal advice and are not "fiduciaries" (under ERISA, the Internal Revenue Code or otherwise) with respect to the services or activities described herein except as otherwise provided in writing by Morgan Stanley and/or as described at www.morganstanley.com/disclosures/dol. Individuals are encouraged to consult their tax and legal advisors (a) before establishing a retirement plan or account, and (b) regarding any potential tax, ERISA and related consequences of any investments made under such plan or account.

Insurance products are offered in conjunction with Morgan Stanley Smith Barney LLC's licensed insurance agency affiliates.

Indices are unmanaged. An investor cannot invest directly in an index. They are shown for illustration purposes only and do not show the performance of any specific investment. Reference to an inde does not imply that the portfolio will achieve return, volatility or other results similar to the index. The composition of an index may not reflect the manner in which a portfolio is constructed in relation to expected or achieved returns, portfolio guidelines, restrictions, sectors, correlations, concentrations, volatility, or tracking error target, all of which are subject to change over time.

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For index, indicator and survey definitions referenced in this report please visit the following: http://www.morganstanleyfa.com/public/projectfiles/id.pdf

GLOBAL INVESTMENT COMMITTEE (GIC) ASSET ALLOCATION MODELS: The Asset Allocation Models are created by Morgan Stanley Wealth Management's GIC.

HYPOTHETICAL MODEL PERFORMANCE (GROSS): Hypothetical model performance results do not reflect the investment or performance of an actual portfolio following a GIC Strategy, but simply reflect actual historical performance of selected indices on a real-time basis over the specified period of time representing the GIC's strategic and tactical allocations as of the date of this report. The past performance shown here is simulated performance based on benchmark indices, not investment results from an actual portfolio or actual trading. There can be large differences between hypothetical and actual performance results achieved by a particular asset allocation or trading strategy. Hypothetical performance results do not represent actual trading and are generally designed with the benefit of hindsight. Actual performance results of accounts vary due to, for example, market factors (such as liquidity) and client-specific factors (such as investment vehicle selection, timing of contributions and withdrawals, restrictions and rebalancing schedules). Clients would not necessarily have obtained the performance results shown here if they had invested in accordance with any GIC Asset Allocation Model for the periods indicated. Despite the limitations of hypothetical performance, these hypothetical performance results allow clients and Financial Advisors to obtain a sense of the risk/return trade-off of different asset allocation constructs. The hypothetical performance results in this report are calculated using the returns of benchmark indices for the asset classes, and not the returns of securities, fund or other investment products. Models may contain allocations to Hedge Funds, Private Equity and Private Real Estate. The benchmark indices for these asset classes are not issued on a daily basis. When calculating model performance on a day for which no benchmark index data is issued, we have assumed straight line growth between the index levels issued before and after that date.

FEES REDUCE THE PERFORMANCE OF ACTUAL ACCOUNTS: None of the fees or other expenses (e.g. commissions, mark-ups, mark-downs, fees) associated with actual trading or accounts are reflected in the GIC Asset Allocation Models. The GIC Asset Allocation Models and any model performance included in this presentation are intended as educational materials. Were a client to use these models in connection with investing, any investment decisions made would be subject to transaction and other costs which, when compounded over a period of years, would decrease returns. Information regarding Morgan Stanley's standard advisory fees is available in the Form ADV Part 2, which is available at www.morganstanley.com/adv. The following hypothetical illustrates the compound effect fees have on investment returns: For example, if a portfolio's annual rate of return is 15% for 5 years and the account pays 50 basis points in fees per annum, the gross cumulative five-year return would be 101.1% and the five-year return net of fees would be 96.8%. Fees and/or expenses would apply to clients who invest in investments in an account based on these asset allocations, and would reduce clients' returns. The impact of fees and/or expenses can be material.

Variable annuities are long-term investments designed for retirement purposes and may be subject to market fluctuations, investment risk, and possible loss of principal. All guarantees, including optional benefits, are based on the financial strength and claims-paying ability of the issuing insurance company and do not apply to the underlying investment options. Optional riders may not be able to be purchased in combination and are available at an additional cost. Some optional riders must be elected at time of purchase. Optional riders may be subject to specific limitations, restrictions, holding periods, costs, and expenses as specified by the insurance company in the annuity contract. If you are investing in a **variable annuity** through a tax-advantaged retirement plan such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity because of its other features, such as lifetime income payments and death benefits protection. Taxable distributions (and certain deemed distributions) are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal income tax penalty. Early withdrawals will reduce the death benefit and cash surrender value.

Equity securities may fluctuate in response to news on companies, industries, market conditions and general economic environment. **Ultrashort-term fixed income** asset class is comprised of fixed income securities with high quality, very short maturities. They are therefore subject to the risks associated with debt securities such as credit and interest rate risk.

Master Limited Partnerships (MLPs) are limited partnerships or limited liability companies that are taxed as partnerships and whose interests (limited partnership units or limited liability company units) are traded on securities exchanges like shares of common stock. Currently, most MLPs operate in the energy, natural resources or real estate sectors. Investments in MLP interests are subject to the risks generally applicable to companies in the energy and natural resources sectors, including commodity pricing risk, supply and demand risk, depletion risk and exploration risk. Individual MLPs are publicly traded partnerships that have unique risks related to their structure. These include, but are not limited to, their reliance on the capital markets to fund growth, adverse ruling on the current tax treatment of distributions (typically mostly tax deferred), and commodity volume risk. The potential tax benefits from investing in MLPs depend on their being treated as partnerships for federal

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income tax purposes and, if the MLP is deemed to be a corporation, then its income would be subject to federal taxation at the entity level, reducing the amount of cash available for distribution to the fund which could result in a reduction of the fund's value. MLPs carry interest rate risk and may underperform in a rising interest rate environment. MLP funds accrue deferred income taxes for future tax liabilities associated with the portion of MLP distributions considered to be a tax-deferred return of capital and for any net operating gains as well as capital appreciation of its investments; this deferred tax liability is reflected in the daily NAV, and, as a result, the MLP fund's after-tax performance could differ significantly from the underlying assets even if the pre-tax performance is closely tracked.

Investing in commodities entails significant risks. Commodity prices may be affected by a variety of factors at any time, including but not limited to, (i) changes in supply and demand relationships, (ii governmental programs and policies, (iii) national and international political and economic events, war and terrorist events, (iv) changes in interest and exchange rates, (v) trading activities in commodities and related contracts, (vi) pestilence, technological change and weather, and (vii) the price volatility of a commodity. In addition, the commodities markets are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity, participation of speculators and government intervention. **Physical precious metals** are non-regulated products. Precious metals are speculative investments, which may experience short-term and long term price volatility. The value of precious metals investments may fluctuate and may appreciate or decline, depending on market conditions. Unlike bonds and stocks, precious metals do not make interest or dividend payments. Therefore, precious metals may not be suitable for investors who require currer income. Precious metals are commodities that should be safely stored, which may impose additional costs on the investor.

REITs investing risks are similar to those associated with direct investments in real estate: property value fluctuations, lack of liquidity, limited diversification and sensitivity to economic factors such as interest rate changes and market recessions. Risks of **private real estate** include: illiquidity; a long-term investment horizon with a limited or nonexistent secondary market; lack of transparency; volatility (risk of loss); and leverage. Principal is returned on a monthly basis over the life of a **mortgage-backed security.** Principal prepayment can significantly affect the monthly income stream and the maturity of any type of MBS, including standard MBS, CMOs and Lottery Bonds. **Asset-backed securities** generally decrease in value as a result of interest rate increases, but may benefit less than other fixed-income securities from declining interest rates, principally because of prepayments.

Yields are subject to change with economic conditions. Yield is only one factor that should be considered when making an investment decision. **Credit ratings** are subject to change. **Duration,** the most commonly used measure of bond risk, quantifies the effect of changes in interest rates on the price of a bond or bond portfolio. The longer the duration, the more sensitive the bond or portfolio would be to changes in interest rates. The majority of $25 and $1000 par **preferred securities** are "callable" meaning that the issuer may retire the securities at specific prices and dates prior to maturity. Interest/dividend payments on certain preferred issues may be deferred by the issuer for periods of up to 5 to 10 years, depending on the particular issue. The investor would still have income tax liability even though payments would not have been received. Price quoted is per $25 or $1,000 share, unless otherwise specified. Current yield is calculated by multiplying the coupon by par value divided by the market price. The initial interest rate on a **floating-rate security** may be lower than that of a fixed-rate security of the same maturity because investors expect to receive additional income due to future increases in the floating security's underlying reference rate. The reference rate could be an index or an interest rate. However, there can be no assurance that the reference rate will increase. Some floating-rate securities may be subject to call risk. The market value of **convertible bonds** and the underlying common stock(s) will fluctuate and after purchase may be worth more or less than original cost. If sold prior to maturity, investors may receive more or less than their original purchase price or maturity value, depending on market conditions. Callable bonds may be redeemed by the issuer prior to maturity. Additional call features may exist that could affect yield. Some $25 or $1000 **par preferred securities** are QDI (Qualified Dividend Income) eligible. Information on QDI eligibility is obtained from third party sources. The dividend income on QDI eligible preferreds qualifies for a reduced tax rate. Many traditional 'dividend paying' perpetual preferred securities (traditional preferreds with no maturity date) are QDI eligible. In order to qualify for the preferential tax treatment all qualifying preferred securities must be held by investors for a minimum period – 9 days during a 180 day window period, beginning 90 days before the ex-dividend date.

Companies paying **dividends** can reduce or cut payouts at any time.

Nondiversification: For a portfolio that holds a concentrated or limited number of securities, a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than a less concentrated portfolio. The **indices selected by Morgan Stanley Wealth Management** to measure performance are representative of broad asset classes. Morgan Stanley Wealth Management retains the right to change representative indices at any time. Because of their narrow focus, **sector investments** tend to be more volatile than investments that diversify across many sectors and companies.

Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations. **Value investing** does not guarantee a profit or eliminate risk. Not all companies whose stocks are considered to be value stocks are able to turn their business around or successfully employ corrective strategies which would result in stock prices that do not rise as initially expected.

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Any type of **continuous or periodic investment plan** does not assure a profit and does not protect against loss in declining markets. Since such a plan involves continuous investment in securities regardless of fluctuating price levels of such securities, the investor should consider his financial ability to continue his purchases through periods of low price levels.

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Holly Hill Municipal Police Officers' Retirement Trust Fund

Asset Allocation & Time Weighted Performance

as of June 30, 2018

	Allocation		Performance(%)								
	Market Value ($)	%	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Total Fund	**10,364,736**	**100.00**	**2.40**	**5.95**	**9.46**	**6.83**	**7.56**	**7.16**	**7.53**	**6.99**	**12/01/19**
Policy Index			2.52	6.15	9.91	7.82	9.02	8.66	7.97	7.70	
Domestic Equity											
BlackRock - Large Cap Value	1,749,901	16.88	2.39	5.40	10.11	11.02	11.17	N/A	N/A	11.93	09/01/20
Russell 1000 VL			1.18	3.55	6.77	8.26	10.34	N/A	N/A	12.49	
Clearbridge - Large Cap Growth	1,722,145	16.62	5.52	15.08	N/A	N/A	N/A	N/A	N/A	17.12	09/01/20
Russell 1000 Gr			5.76	15.69	N/A	N/A	N/A	N/A	N/A	17.19	
Connors - Large Cap Core	1,070,805	10.33	2.73	7.50	10.93	9.03	N/A	N/A	N/A	10.94	09/01/20
S&P 500 Total Return			3.43	9.47	14.37	11.93	N/A	N/A	N/A	13.44	
Boston - SMID Cap Value	784,435	7.57	2.59	5.75	10.33	N/A	N/A	N/A	N/A	16.32	04/01/20
Russell 2500 VL			5.80	7.37	11.49	N/A	N/A	N/A	N/A	15.31	
RBC - Small Cap Growth	852,325	8.22	9.59	14.40	19.78	11.77	12.68	13.53	12.71	10.42	06/01/20
Russell 2000 Gr			7.23	14.73	21.86	10.60	13.65	12.50	11.24	9.59	
International Equity											
Delaware - International Value	625,137	6.03	-2.99	-0.31	4.28	4.61	6.81	5.57	3.46	6.37	10/01/20
MSCI EAFE Net			-1.24	1.36	6.84	4.90	6.44	4.89	2.84	5.79	
Renaissance - International Growth	611,242	5.90	-5.79	-2.78	2.75	4.19	7.24	5.59	N/A	9.91	02/01/20
MSCI AC World ex US Net			-2.61	1.05	7.28	5.07	5.99	3.81	N/A	9.37	
Fixed Income											
Madison - Intermediate Fixed Income	1,999,987	19.30	0.24	-0.73	-0.29	0.80	1.08	1.30	2.52	4.28	12/01/19
BC Gov/Cr Intm			0.01	-1.17	-0.58	1.16	1.60	1.95	3.08	4.54	

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The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

Holly Hill Municipal Police Officers' Retirement Trust Fund

Asset Allocation & Time Weighted Performance

as of June 30, 2018

		Allocation		Performance(%)								
		Market Value ($)	%	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Private Real Estate												
Intercontinental Wealth Advisors	IMS	947,853	9.14	2.86	N/A	N/A	N/A	N/A	N/A	N/A	5.86	01/01/20
NCREIF Property Idx				1.81	N/A	N/A	N/A	N/A	N/A	N/A	3.54	
Cash & Equivalents												
Cash		906	0.01	1.14	1.24	1.25	0.44	0.29	0.22	0.30	2.58	03/01/19
90-Day T-Bills				0.44	1.07	1.32	0.64	0.39	0.30	0.31	2.23	

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

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Holly Hill Municipal Police Officers' Retirement Trust Fund

Asset Allocation & Net Dollar Weighted Performance (IRR)

as of As of June 30, 2018

	%	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Total Fund	**100.00**	**2.17**	**5.34**	**8.61**	**5.91**	**6.68**	**6.24**	**6.69**	**6.13**	**11/30/199**
Domestic Equity										
BlackRock - Large Cap Value	16.88	2.18	5.16	9.74	10.24	10.49	N/A	N/A	11.40	08/31/201
Clearbridge - Large Cap Growth	16.62	5.44	14.67	N/A	N/A	N/A	N/A	N/A	16.69	08/31/201
Connors - Large Cap Core	10.33	2.50	7.06	10.16	8.11	N/A	N/A	N/A	10.20	08/31/201
Boston - SMID Cap Value	7.57	2.34	5.07	9.37	N/A	N/A	N/A	N/A	15.52	03/31/201
RBC - Small Cap Growth	8.22	9.31	13.46	18.50	10.35	11.71	12.50	12.07	9.45	05/31/200
International Equity										
Delaware - International Value	6.03	-3.37	-1.31	2.94	3.36	5.78	4.71	1.55	3.38	09/30/200
Renaissance - International Growth	5.90	-6.51	-4.13	1.07	2.95	6.26	4.68	N/A	9.11	01/31/200
Fixed Income										
Madison - Intermediate Fixed Income	19.30	0.03	-1.41	-1.09	-0.02	0.25	0.42	1.42	3.47	11/30/199
Private Real Estate										
Intercontinental Wealth Advisors IMS	9.15	2.58	N/A	N/A	N/A	N/A	N/A	N/A	5.17	12/31/201

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

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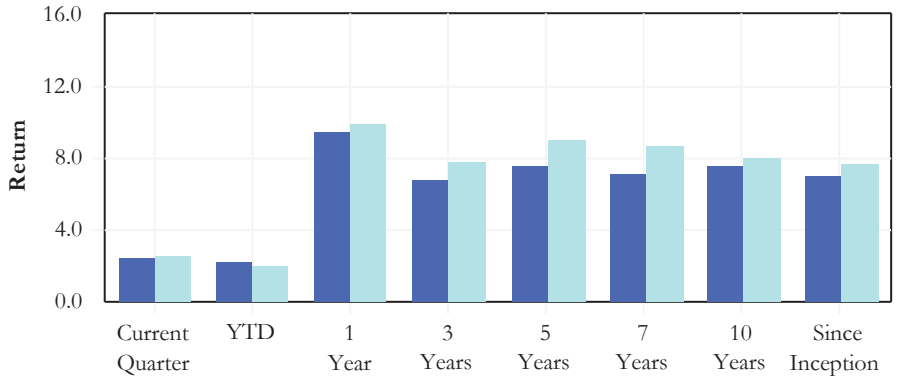
Holly Hill Municipal Police Officers' Retirement Trust Fund

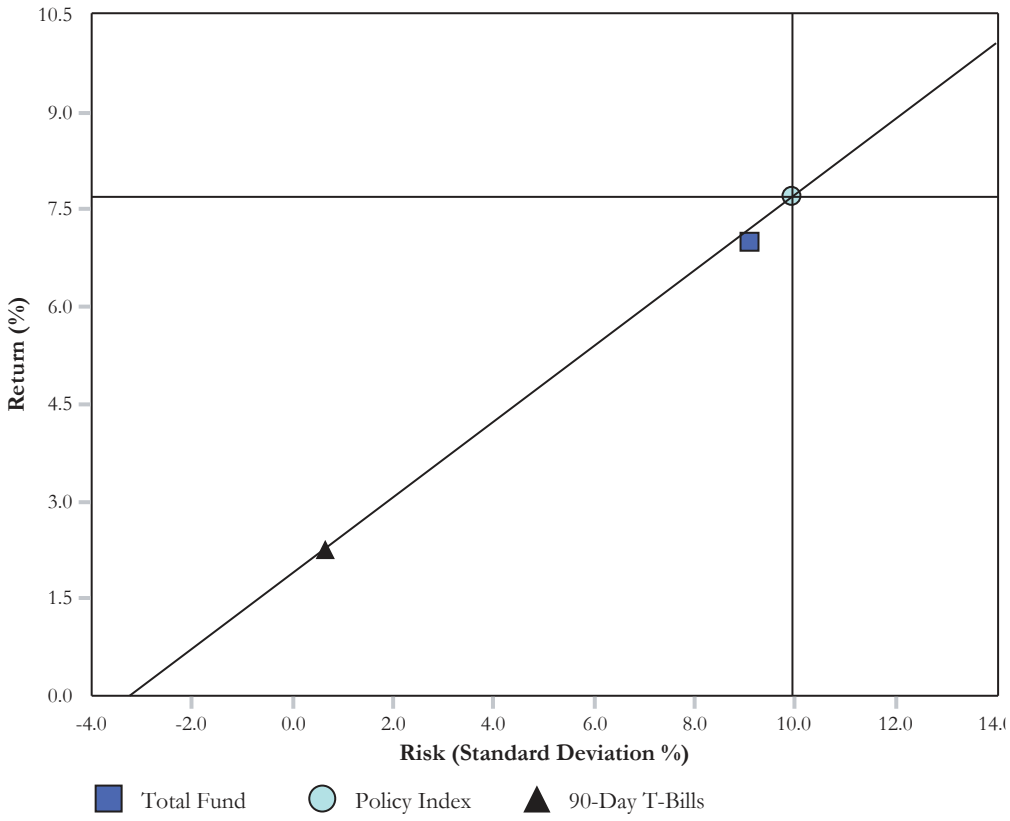
Total Fund - Executive Summary

as of June 30, 2018

Manager Performance Chart



Manager Risk & Return



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Inception 12/01/1995
Total Fund	2.40	5.95	9.46	6.83	7.56	7.16	7.53	6.99
Policy Index	2.52	6.15	9.91	7.82	9.02	8.66	7.97	7.70
Differences	-0.12	-0.20	-0.45	-0.99	-1.46	-1.50	-0.44	-0.71

Historic Asset Growth

	Current Quarter	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Inception 12/01/1995
Total Fund								
Beginning Market Value	10,225	11,181	9,673	8,892	7,931	7,554	5,893	2,810
Net Contributions	-81	-1,009	-141	-192	-491	-884	-713	-698
Fees/Expenses	-23	-49	-93	-256	-421	-564	-742	-1,327
Income	52	91	184	538	903	1,245	1,688	3,568
Gain/Loss	192	151	742	1,383	2,443	3,014	4,240	6,012
Ending Market Value	10,365	10,365	10,365	10,365	10,365	10,365	10,365	10,365

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Total Fund	6.99	9.13	0.90	-31.00	89.70	88.94	0.06	0.54	0.95	12/01/1995
Policy Index	7.70	9.93	1.00	-33.46	100.00	100.00	0.00	0.57	1.00	12/01/1995

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Graystone

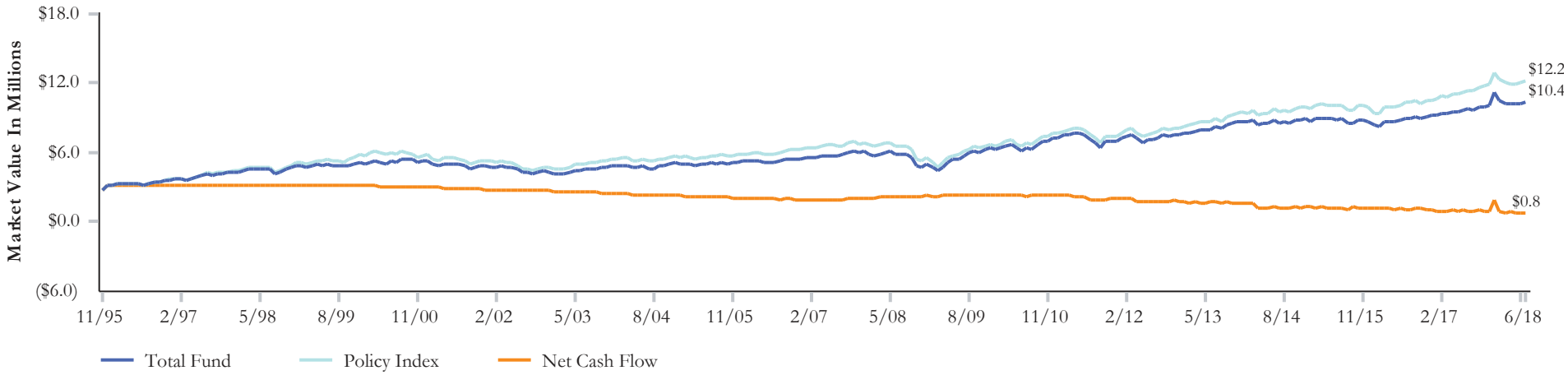
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Total Fund - Change in Assets & Distribution of Returns

as of June 30, 2018

Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 04/01/2018	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Return On Investment	Market Value As of 06/30/2018
Total Fund	10,225.04	-	514.22	-595.12	-22.83	-	51.81	243.43	10,364.74

Distribution of Returns

Distribution of Returns

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Graystone

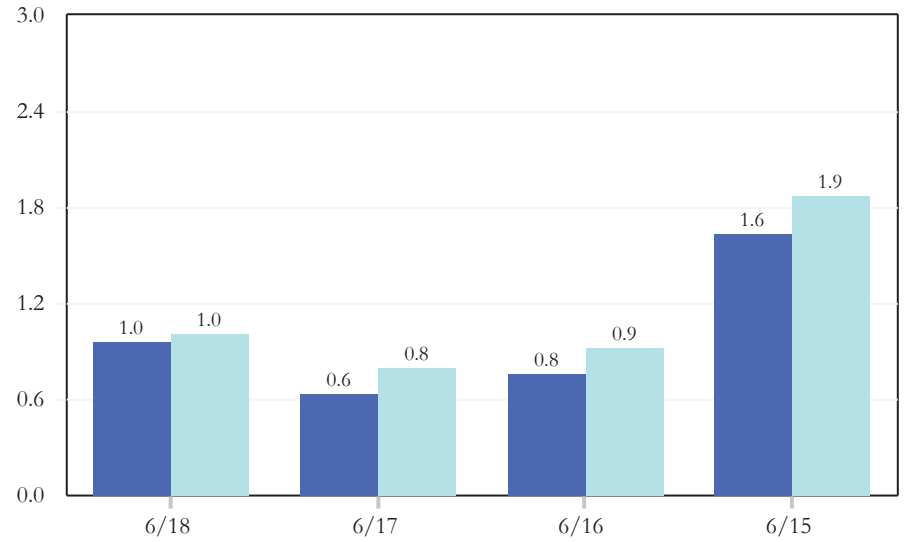
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

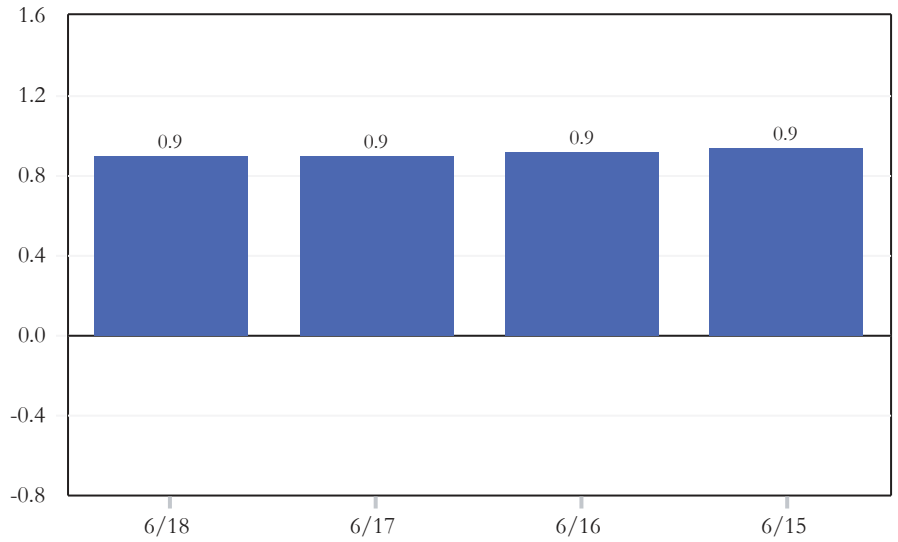
Total Fund - Rolling Three Year MPT Statistics

as of June 30, 2018

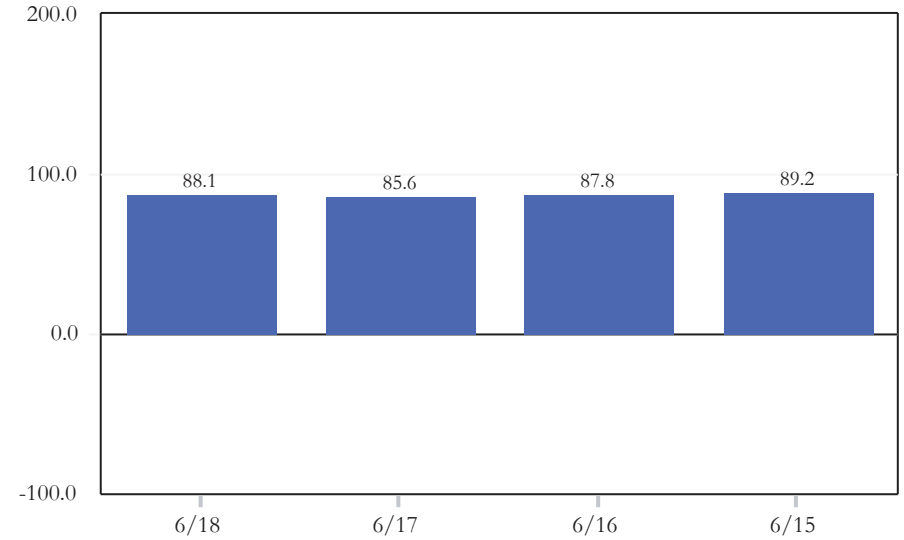
Sharpe Ratio



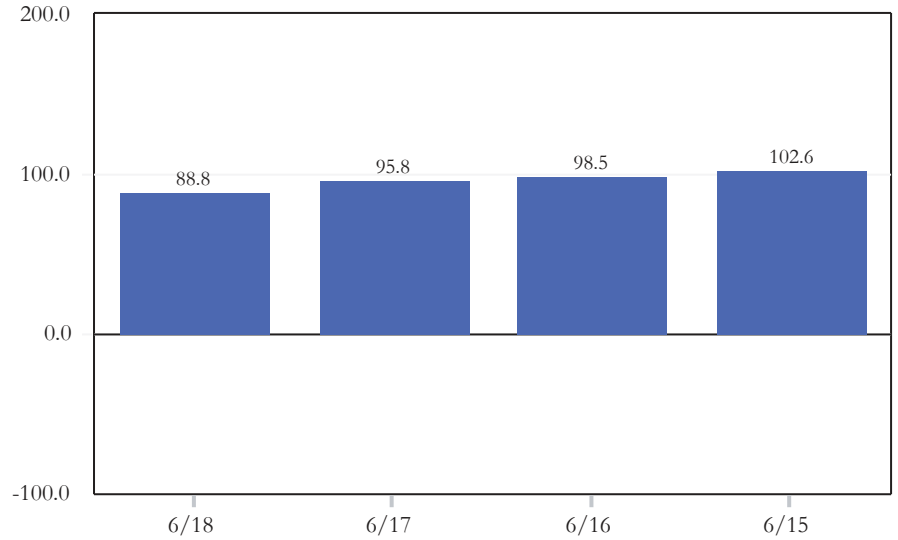
Beta



Up Market Capture



Down Market Capture



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Graystone

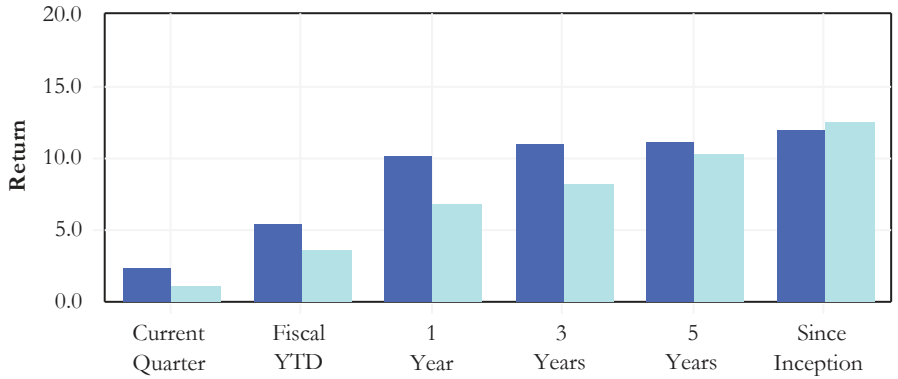
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

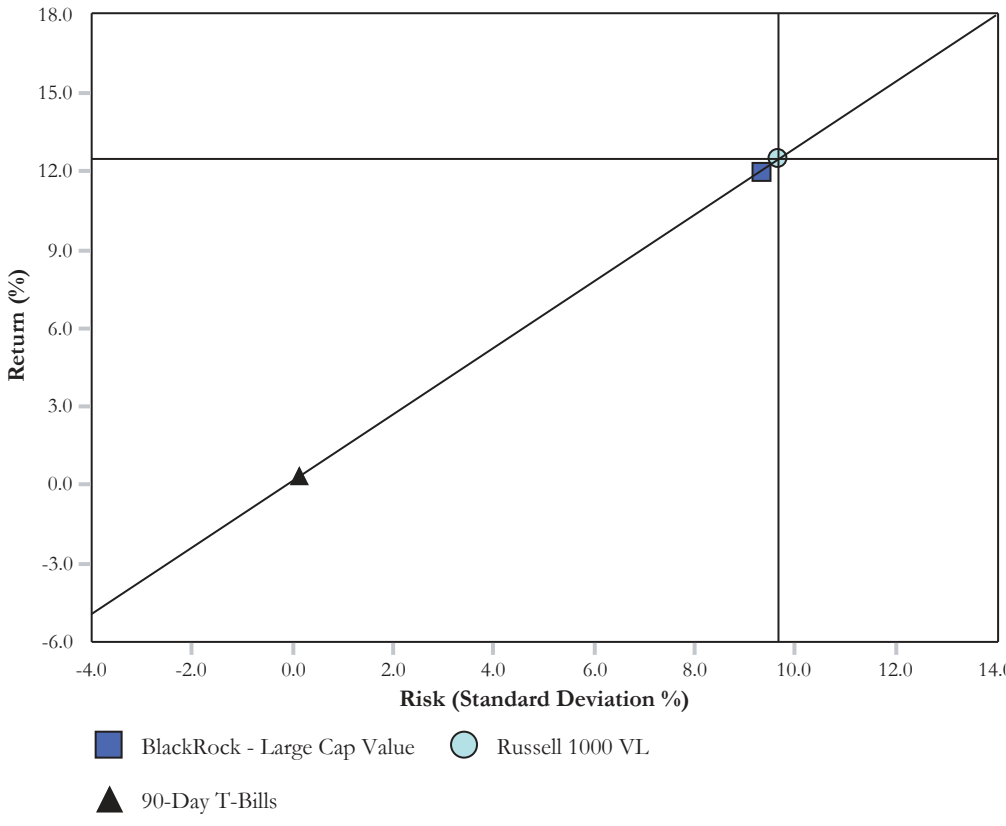
BlackRock Large Cap Value - Executive Summary

as of June 30, 2018

Manager Performance Chart



Manager Risk & Return



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	Inception 09/01/2012
BlackRock - Large Cap Value	2.39	5.40	10.11	11.02	11.17	11.93
Russell 1000 VL	1.18	3.55	6.77	8.26	10.34	12.48
Differences	1.21	1.85	3.34	2.76	0.83	-0.55

Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	Inception 09/01/2012
BlackRock - Large Cap Value						
Beginning Market Value	1,749	1,881	1,814	1,533	1,581	1,449
Net Contributions	-37	-222	-232	-290	-635	-687
Fees/Expenses	-4	-12	-16	-46	-76	-87
Income	12	35	47	134	214	256
Gain/Loss	30	69	137	418	665	818
Ending Market Value	1,750	1,750	1,750	1,750	1,750	1,750

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
BlackRock - Large Cap Value	11.93	9.36	0.94	-7.89	94.31	92.11	0.27	1.22	0.93	09/01/2012
Russell 1000 VL	12.48	9.66	1.00	-10.23	100.00	100.00	0.00	1.23	1.00	09/01/2012

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Graystone

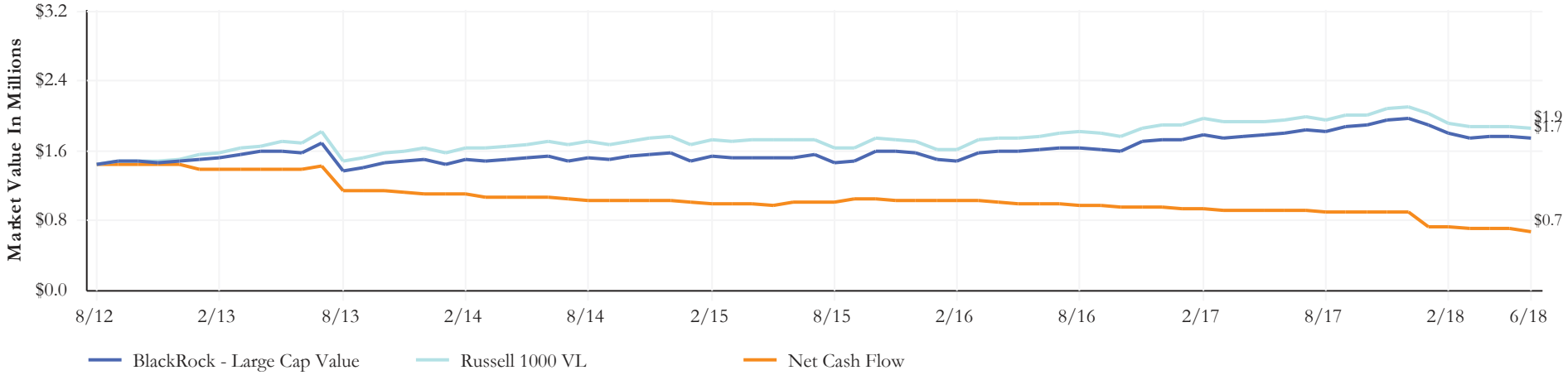
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

BlackRock Large Cap Value - Change in Assets & Distribution of Returns

as of June 30, 2018

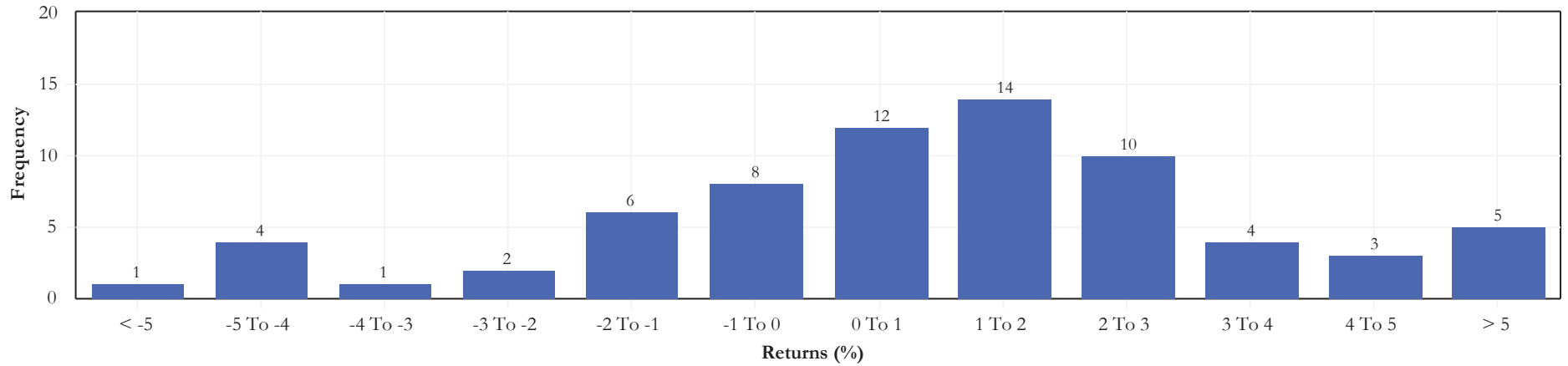
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 04/01/2018	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 06/30/2018
BlackRock - Large Cap Value	1,748,975.07	-	46,000.00	-83,000.00	-3,785.57	-	41,711.54	1,749,901.04

Distribution of Returns



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Graystone

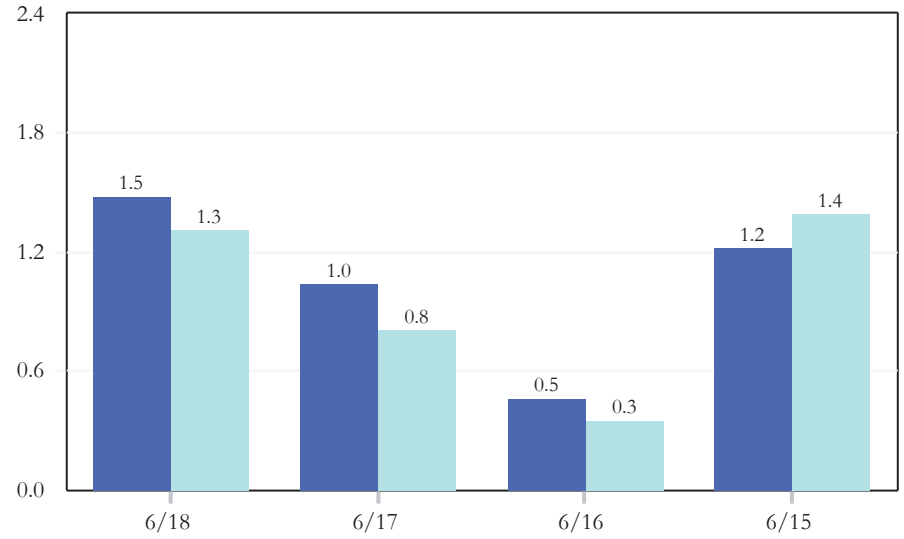
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

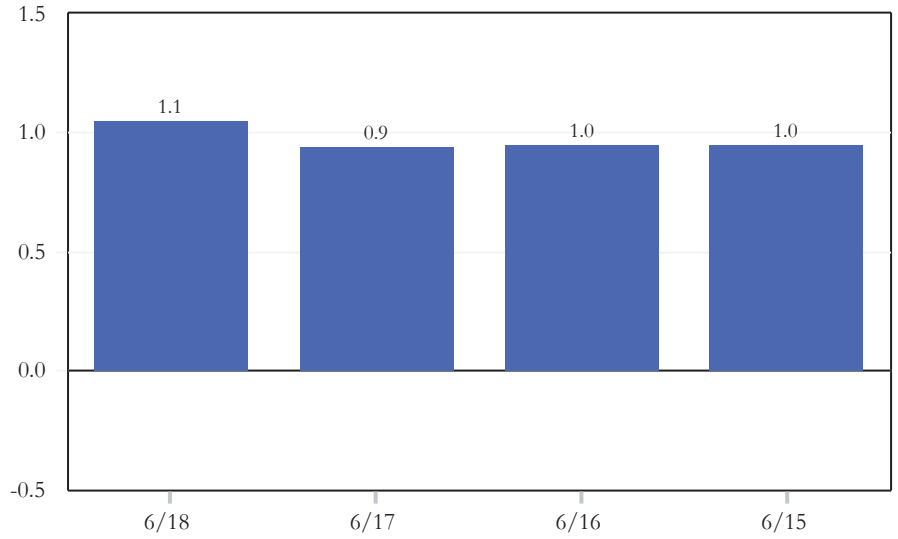
BlackRock - Large Cap Value - Rolling Two Year MPT Statistics

as of June 30, 2018

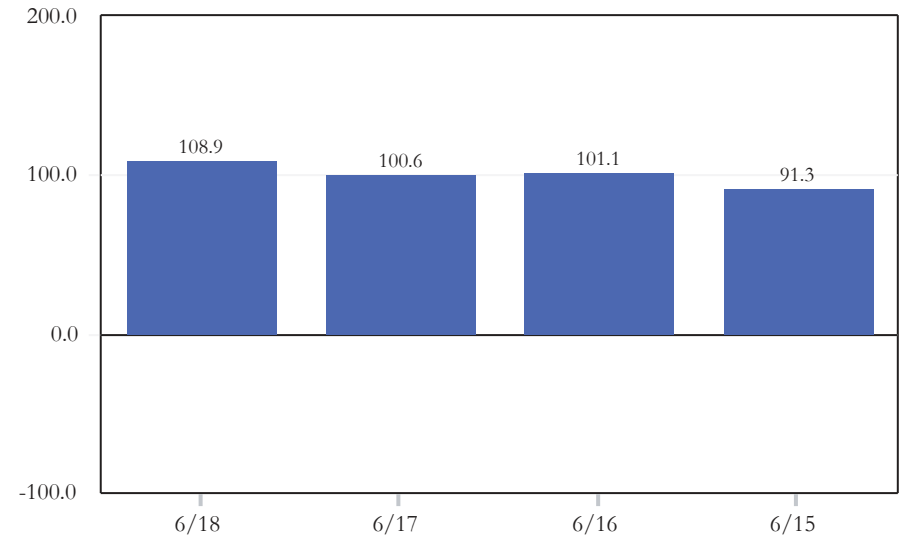
Sharpe Ratio



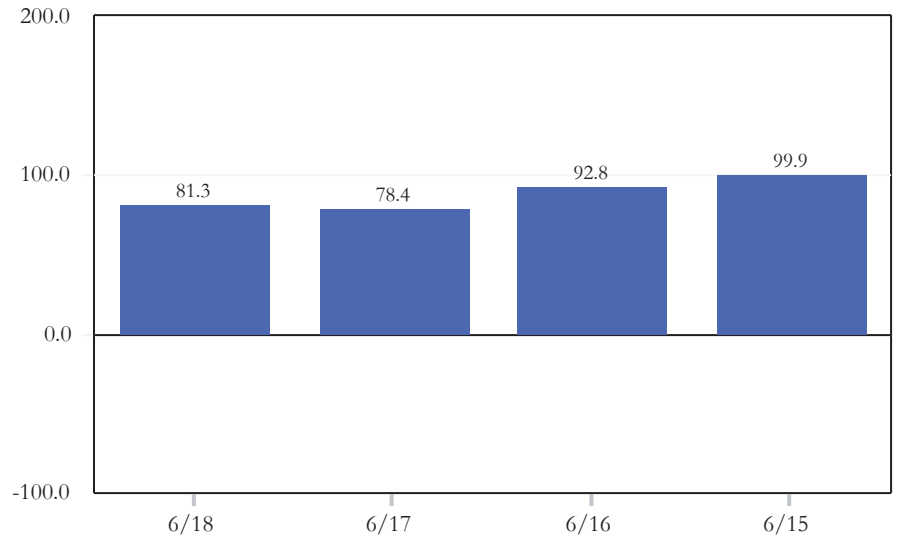
Beta



Up Market Capture



Down Market Capture



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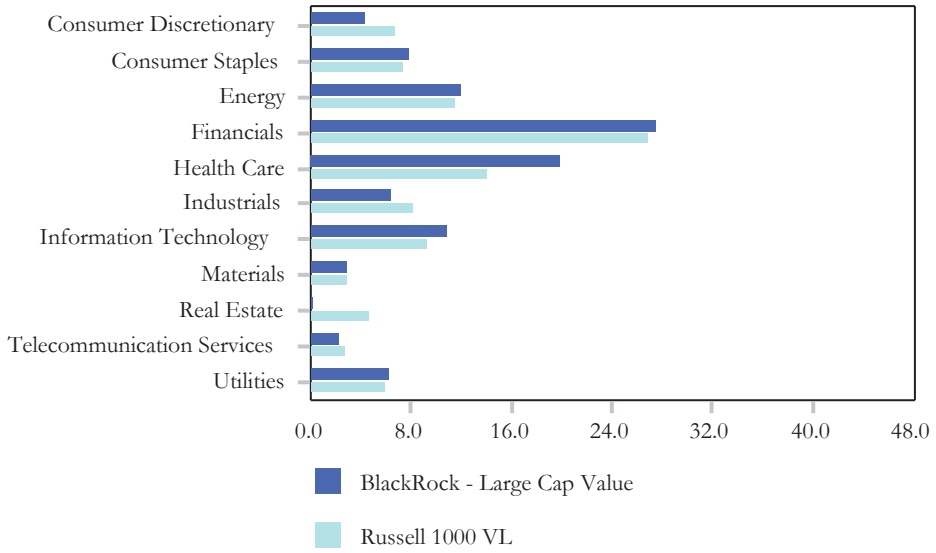
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

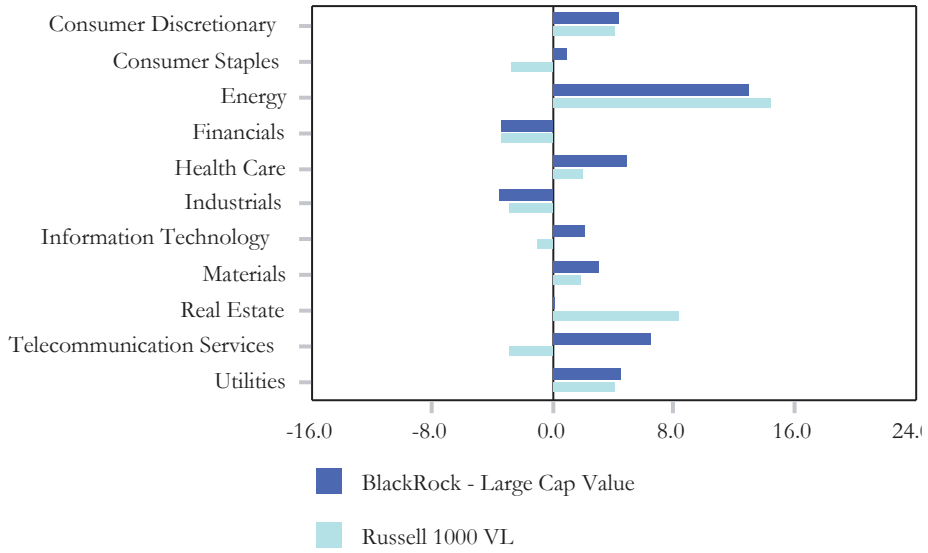
BlackRock - Large Cap Value - Quarterly Performance Attributes

as of June 30, 2018

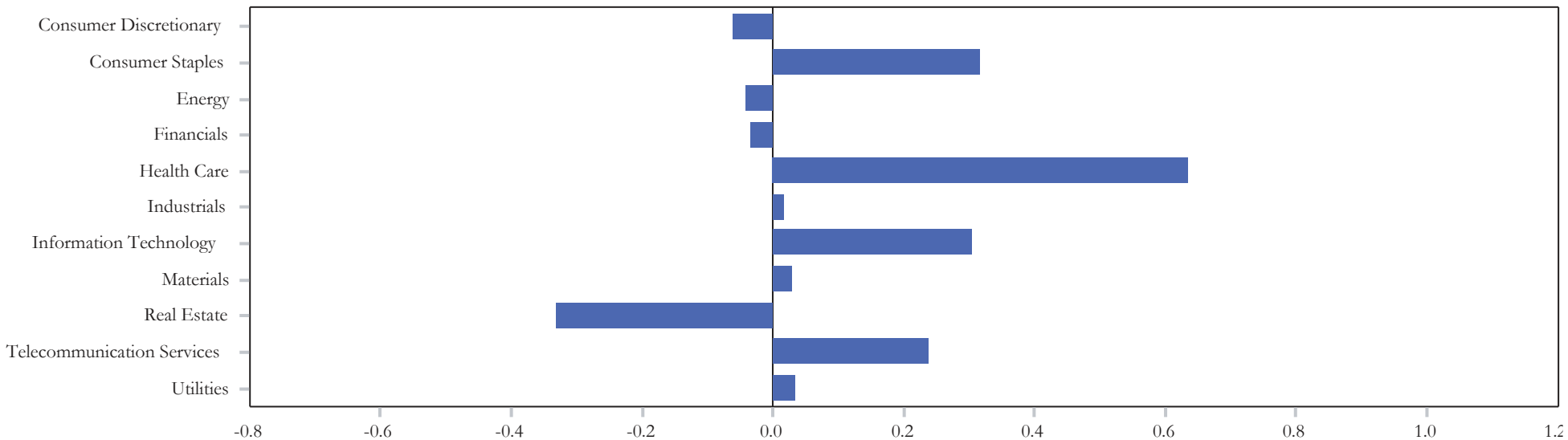
Allocation



Performance



Total Attribution



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Graystone

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

BlackRock - Large Cap Value - Quarterly Performance Attributes

as of June 30, 2018

	Allocation - 04/01/2018		Performance - Quarter Ending June 30, 2018		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	4.28	6.72	4.36	4.20	-0.07	0.01	0.00	-0.06
Consumer Staples	7.78	7.35	0.92	-2.80	0.03	0.28	0.01	0.32
Energy	11.90	11.50	13.07	14.44	0.14	-0.15	-0.04	-0.04
Financials	27.49	26.82	-3.46	-3.45	-0.03	0.00	0.00	-0.03
Health Care	19.91	14.03	4.99	1.95	0.05	0.41	0.18	0.64
Industrials	6.44	8.10	-3.60	-2.90	0.06	-0.06	0.01	0.02
Information Technology	10.80	9.22	2.16	-1.08	-0.05	0.30	0.06	0.31
Materials	2.89	2.94	3.05	1.94	0.00	0.03	0.00	0.03
Real Estate	0.00	4.64	0.00	8.39	-0.33	0.00	0.00	-0.33
Telecommunication Services	2.25	2.77	6.53	-2.83	0.02	0.27	-0.05	0.24
Utilities	6.25	5.92	4.53	4.17	0.01	0.02	0.00	0.03
Total	100.00	100.00	2.30	1.19	-0.16	1.11	0.16	1.11

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

All the values for Allocation, Performance and Attribution are expresssed in Percentage(%) terms

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Holly Hill Municipal Police Officers' Retirement Trust Fund

BlackRock - Large Cap Value - Portfolio Characteristics

as of June 30, 2018

Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap ($000)	130,341,966.87	117,081,350.33
Median Mkt. Cap ($000)	68,413,121.05	9,900,411.78
Price/Earnings ratio	16.73	16.10
Price/Book ratio	2.45	2.15
5 Yr. EPS Growth Rate (%)	8.86	8.54
Beta (5 Years, Monthly)	0.97	1.00
Number of Stocks	77	729
Debt to Equity	0.74	0.66

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
JPMorgan Chase & Co	4.81	2.71	2.10	-4.77
Pfizer Inc	3.91	1.62	2.29	3.22
Citigroup Inc	3.47	1.31	2.16	-0.39
Wells Fargo & Co	3.25	1.87	1.38	6.58
Oracle Corp	2.84	0.88	1.96	-3.30
Suncor Energy Inc.	2.62	0.00	2.62	18.71
Microsoft Corp	2.51	0.30	2.21	8.51
Morgan Stanley	2.40	0.45	1.95	-11.73
Verizon Communications Inc	2.37	1.60	0.77	6.53
SunTrust Banks Inc.	2.28	0.24	2.04	-2.39
% of Portfolio	30.46	10.98	19.48	

Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Devon Energy Corp	1.00	0.18	0.82	38.55
Hess Corp	1.70	0.14	1.56	32.69
Marathon Oil Corp	0.53	0.14	0.39	29.63
Mattel Inc.	0.50	0.03	0.47	24.87
Anadarko Petroleum Corp	0.55	0.19	0.36	21.68
Kroger Co. (The)	1.01	0.19	0.82	19.44
Suncor Energy Inc.	2.62	0.00	2.62	18.71
CDW Corp	1.19	0.00	1.19	15.21
Unitedhealth Group Inc	1.16	0.00	1.16	15.05
BP PLC	1.63	0.00	1.63	14.10
% of Portfolio	11.89	0.87	11.02	

Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Brighthouse Financial Inc	0.11	0.04	0.07	-22.04
Cardinal Health Inc	0.61	0.12	0.49	-21.34
Philip Morris International Inc	0.61	0.96	-0.35	-17.61
Taiwan Semiconductor	1.27	0.00	1.27	-13.37
Goldman Sachs Group Inc	1.43	0.60	0.83	-12.12
Lockheed Martin Corp	0.72	0.05	0.67	-12.02
Morgan Stanley	2.40	0.45	1.95	-11.73
Northrop Grumman Corp	0.93	0.00	0.93	-11.54
Travelers Companies Inc (The)	0.91	0.20	0.71	-11.37
3M Co	0.88	0.14	0.74	-9.78
% of Portfolio	9.87	2.56	7.31	

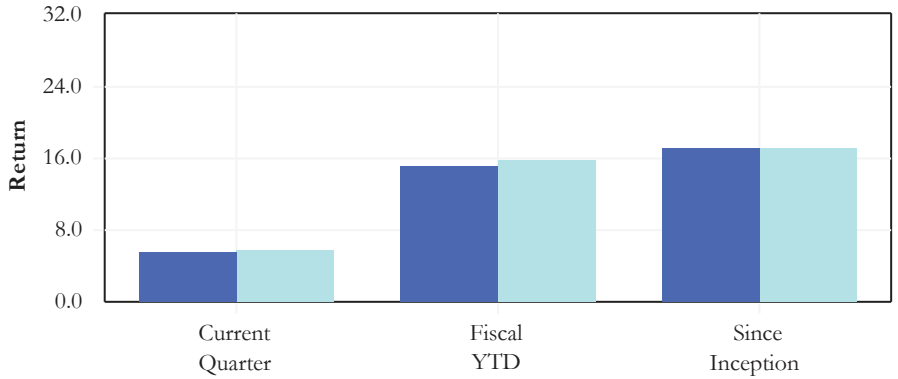
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

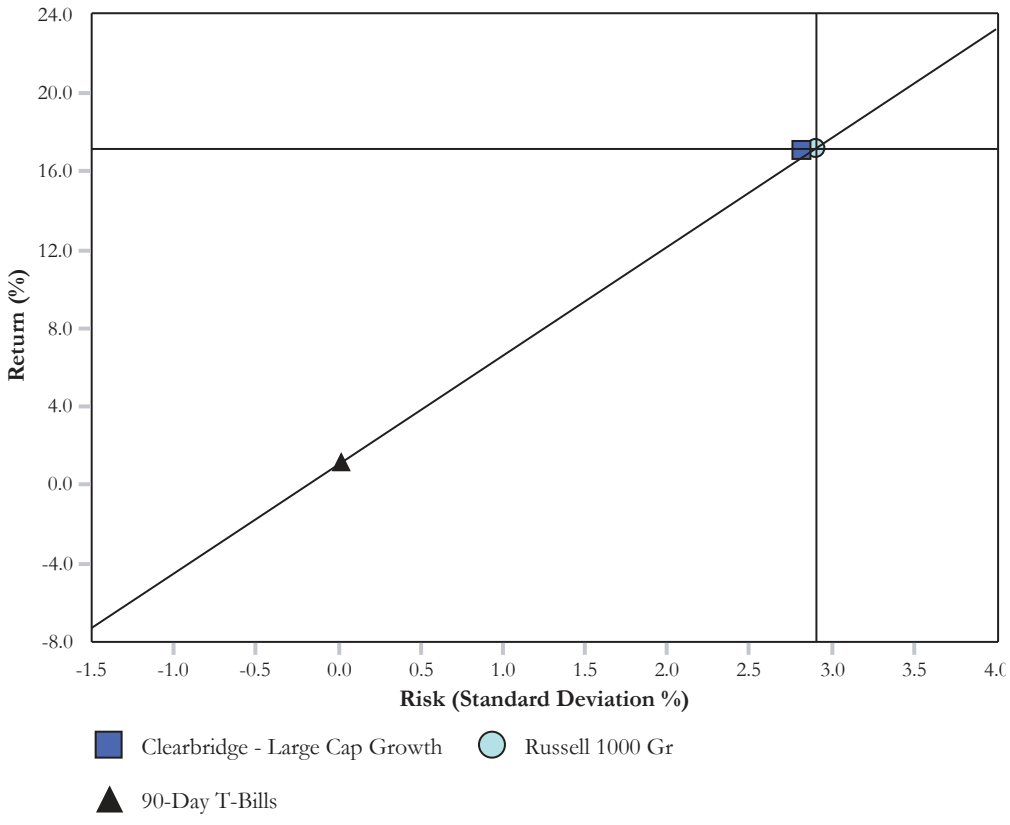
Clearbridge - Large Cap Growth - Executive Summary

as of June 30, 2018

Manager Performance Chart



Manager Risk & Return



Manager Annualized Performance

	Current Quarter	Fiscal YTD	Inception 09/01/2017
Clearbridge - Large Cap Growth	5.52	15.08	17.12
Russell 1000 Gr	5.76	15.69	17.19
Differences	-0.24	-0.61	-0.07

Historic Asset Growth

	Current Quarter	Fiscal YTD	Inception 09/01/2017
Clearbridge - Large Cap Growth			
Beginning Market Value	1,781	1,677	1,647
Net Contributions	-154	-196	-196
Fees/Expenses	-4	-12	-12
Income	5	14	15
Gain/Loss	94	239	267
Ending Market Value	1,722	1,722	1,722

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Clearbridge - Large Cap Growth	17.12	2.82	0.87	-5.30	99.60	100.07	0.20	0.54	0.81	09/01/2017
Russell 1000 Gr	17.19	2.91	1.00	-5.29	100.00	100.00	0.00	0.52	1.00	09/01/2017

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Graystone

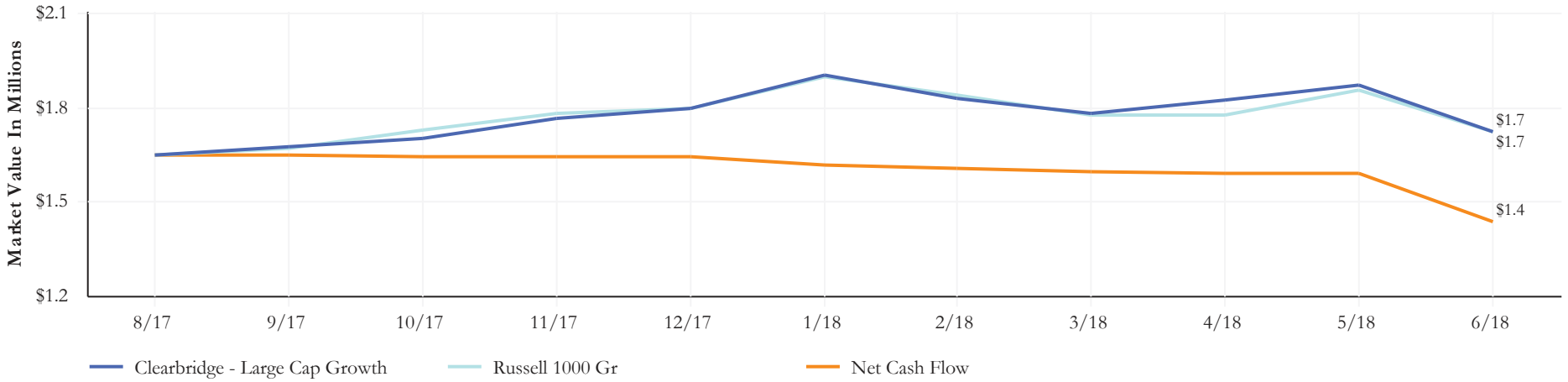
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Clearbridge - Large Cap Growth - Change in Assets & Distribution of Returns

as of June 30, 2018

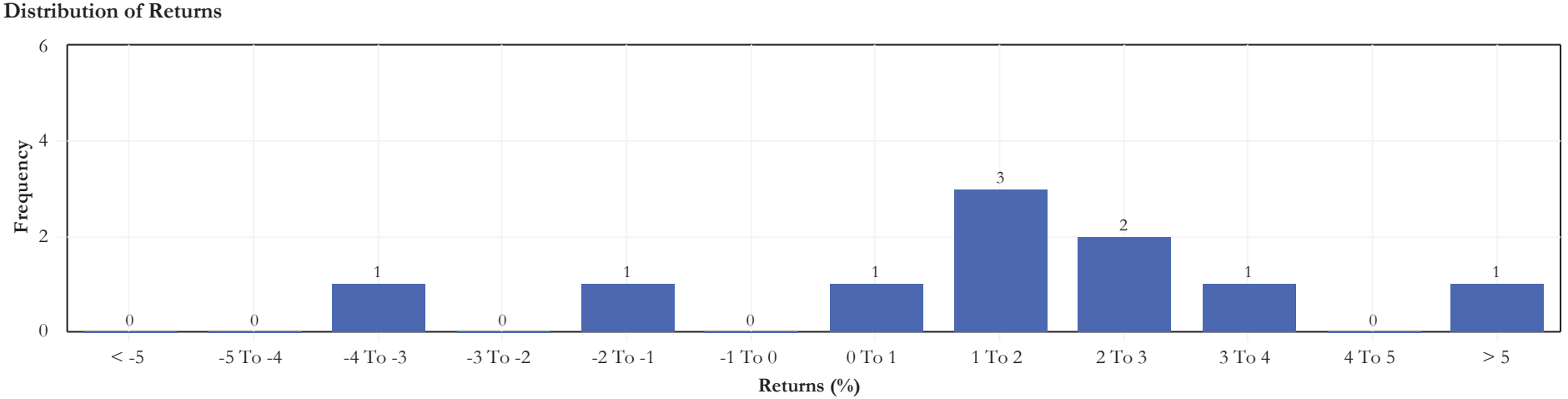
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 04/01/2018	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 06/30/2018
Clearbridge - Large Cap Growth	1,780,629.92	-	18,000.00	-172,000.00	-3,859.27	-	99,374.26	1,722,144.91

Distribution of Returns



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Graystone

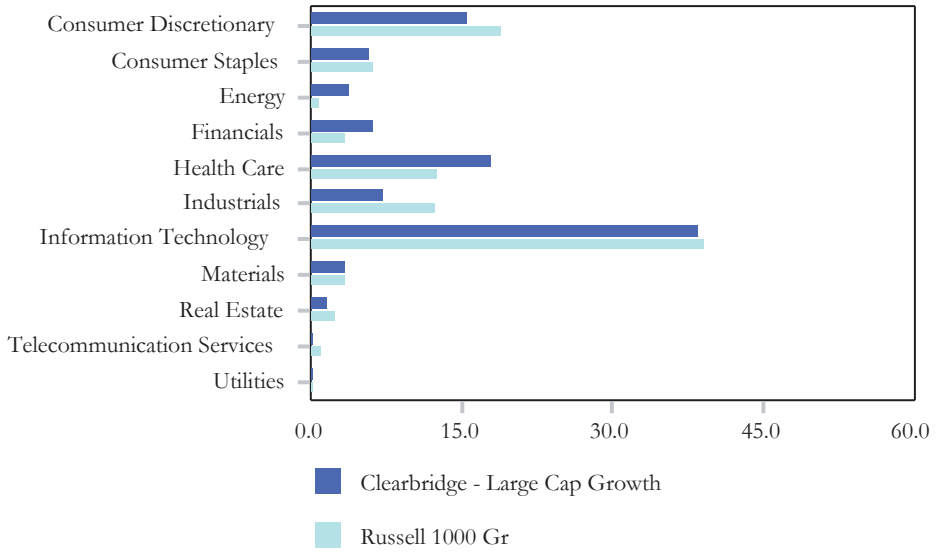
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

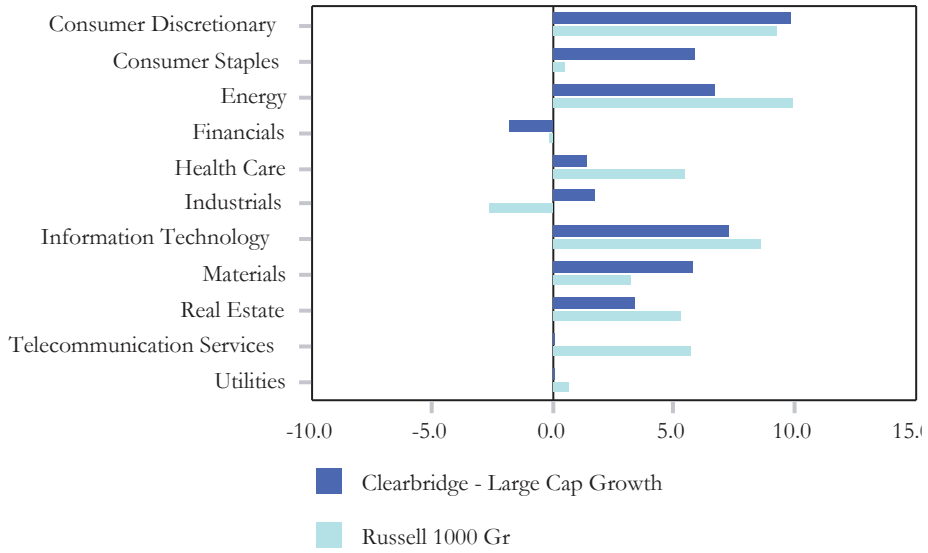
Clearbridge - Large Cap Growth - Quarterly Performance Attributes

as of June 30, 2018

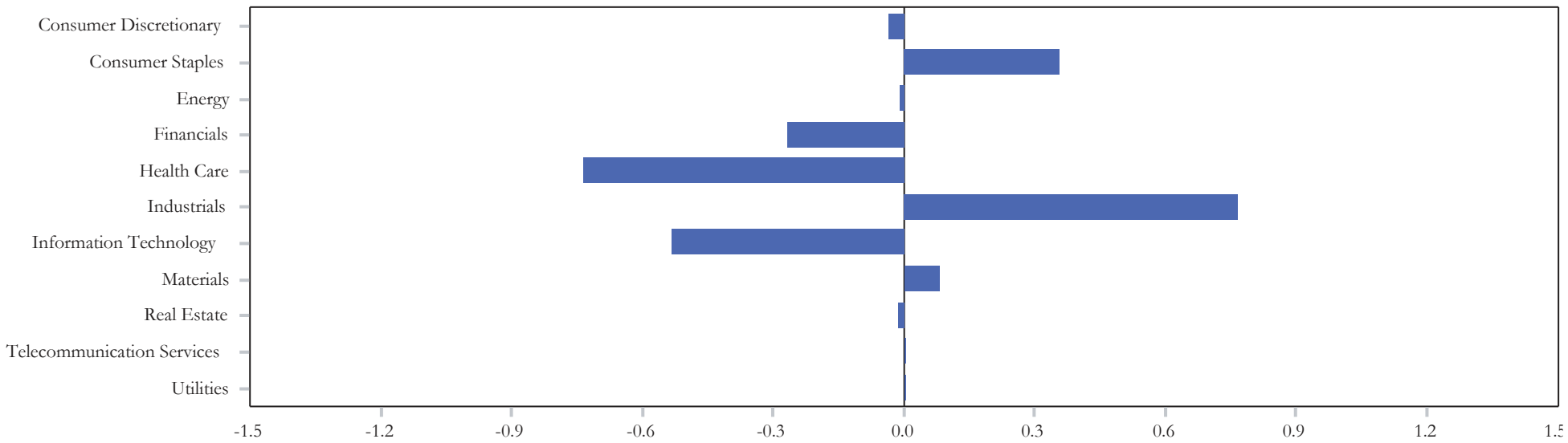
Allocation



Performance



Total Attribution



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Graystone

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Clearbridge - Large Cap Growth - Quarterly Performance Attributes

as of June 30, 2018

	Allocation - 04/01/2018		Performance - Quarter Ending June 30, 2018		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	15.56	18.87	9.86	9.28	-0.12	0.11	-0.02	-0.03
Consumer Staples	5.79	6.09	5.86	0.50	0.01	0.34	0.00	0.36
Energy	3.80	0.87	6.71	9.91	0.11	-0.03	-0.09	-0.01
Financials	6.23	3.45	-1.79	-0.18	-0.17	-0.05	-0.04	-0.27
Health Care	17.82	12.50	1.46	5.46	-0.02	-0.50	-0.21	-0.73
Industrials	7.16	12.41	1.76	-2.59	0.45	0.59	-0.27	0.77
Information Technology	38.63	39.09	7.29	8.62	-0.01	-0.54	0.02	-0.53
Materials	3.43	3.46	5.80	3.29	0.00	0.09	-0.01	0.08
Real Estate	1.60	2.34	3.42	5.34	0.01	-0.03	0.01	-0.01
Telecommunication Services	0.00	0.90	0.00	5.70	0.00	0.00	0.00	0.00
Utilities	0.00	0.01	0.00	0.65	0.00	0.00	0.00	0.00
Total	100.00	100.00	5.45	5.82	0.25	-0.01	-0.61	-0.37

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

All the values for Allocation, Performance and Attribution are expresssed in Percentage(%) terms

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Holly Hill Municipal Police Officers' Retirement Trust Fund

Clearbridge - Large Cap Growth - Portfolio Characteristics

as of June 30, 2018

Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap ($000)	239,689,235.20	267,911,293.60
Median Mkt. Cap ($000)	82,161,259.00	12,043,105.02
Price/Earnings ratio	31.83	28.75
Price/Book ratio	5.47	7.16
5 Yr. EPS Growth Rate (%)	16.50	21.26
Beta (5 Years, Monthly)	0.89	1.00
Number of Stocks	49	542
Debt to Equity	1.50	3.36

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Amazon.com Inc	6.43	5.40	1.03	17.44
Microsoft Corp	4.07	5.53	-1.46	8.51
Alphabet Inc	3.50	2.65	0.85	8.13
Visa Inc	3.35	1.85	1.50	10.90
Facebook Inc	3.01	3.61	-0.60	21.61
Unitedhealth Group Inc	2.80	1.83	0.97	15.05
Alphabet Inc	2.60	2.64	-0.04	8.87
Akamai Technologies Inc	2.55	0.09	2.46	3.17
Adobe Systems Inc	2.51	0.94	1.57	12.83
Home Depot Inc. (The)	2.41	1.76	0.65	10.06
% of Portfolio	33.23	26.30	6.93	

Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Chipotle Mexican Grill Inc	1.12	0.08	1.04	33.51
Facebook Inc	3.01	3.61	-0.60	21.61
VMware Inc	1.29	0.08	1.21	21.19
Amazon.com Inc	6.43	5.40	1.03	17.44
Biomarin Pharmaceutical Inc	0.83	0.13	0.70	16.20
Unitedhealth Group Inc	2.80	1.83	0.97	15.05
Palo Alto Networks Inc	1.64	0.14	1.50	13.19
Adobe Systems Inc	2.51	0.94	1.57	12.83
Alexion Pharmaceuticals Inc	1.89	0.17	1.72	11.39
Costco Wholesale Corp	1.61	0.71	0.90	11.23
% of Portfolio	23.13	13.09	10.04	

Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
DENTSPLY SIRONA Inc	1.39	0.00	1.39	-12.82
Celgene Corp	2.22	0.45	1.77	-10.97
Red Hat Inc	2.14	0.19	1.95	-10.13
Caterpillar Inc	1.28	0.57	0.71	-7.48
Blackrock Inc	2.36	0.00	2.36	-7.40
Yum China Holdings Inc	1.71	0.01	1.70	-7.08
Anheuser-Busch InBev SA/NV	1.92	0.00	1.92	-6.11
Johnson & Johnson	1.54	0.46	1.08	-4.61
Comcast Corp	1.84	0.00	1.84	-3.43
Oracle Corp	2.01	0.10	1.91	-3.30
% of Portfolio	18.41	1.78	16.63	

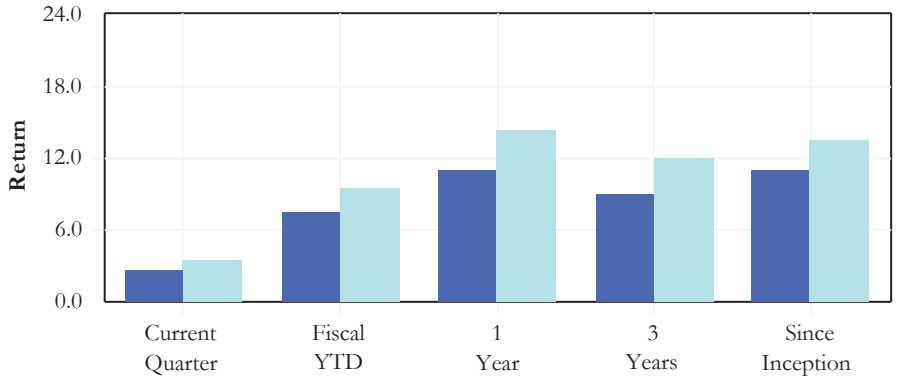
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

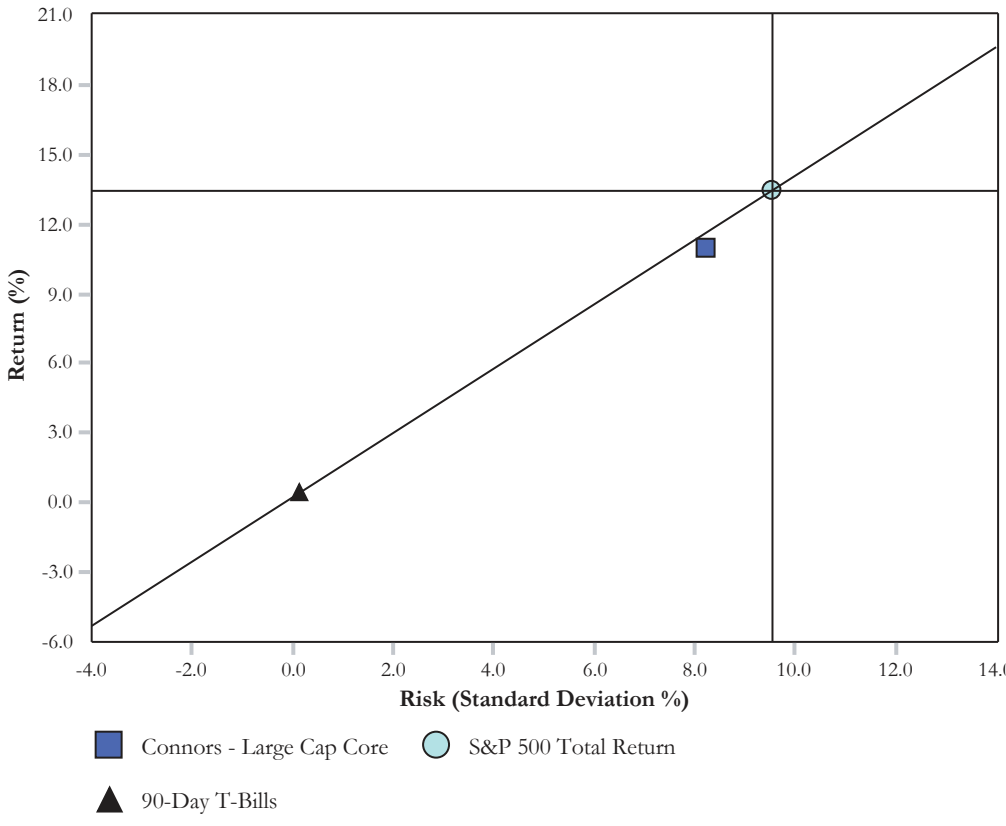
Connors Large Cap Core - Executive Summary

as of June 30, 2018

Manager Performance Chart



Manager Risk & Return



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	3 Years	Inception 09/01/2013
Connors - Large Cap Core	2.73	7.50	10.93	9.03	10.94
S&P 500 Total Return	3.43	9.47	14.37	11.93	13.44
Differences	-0.70	-1.97	-3.44	-2.90	-2.50

Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	3 Years	Inception 09/01/2013
Connors - Large Cap Core					
Beginning Market Value	1,045	1,087	1,061	924	813
Net Contributions	-	-89	-94	-94	-181
Fees/Expenses	-2	-7	-11	-27	-40
Income	5	15	20	63	98
Gain/Loss	23	65	94	205	381
Ending Market Value	1,071	1,071	1,071	1,071	1,071

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Connors - Large Cap Core	10.94	8.23	0.83	-8.51	83.80	87.01	-0.15	1.26	0.93	09/01/2013
S&P 500 Total Return	13.44	9.55	1.00	-8.36	100.00	100.00	0.00	1.33	1.00	09/01/2013

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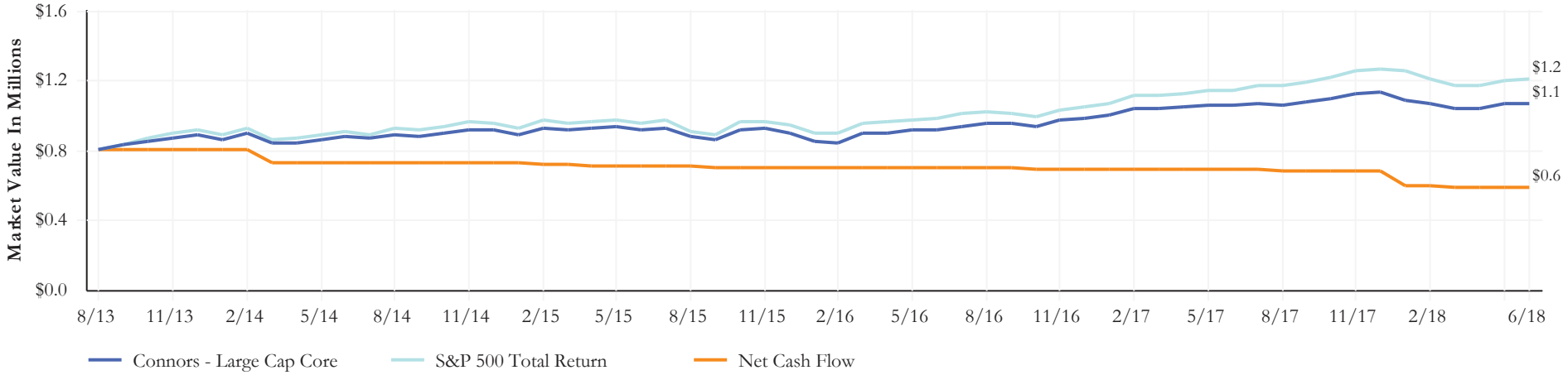
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Connors Large Cap Core - Change in Assets & Distribution of Returns

as of June 30, 2018

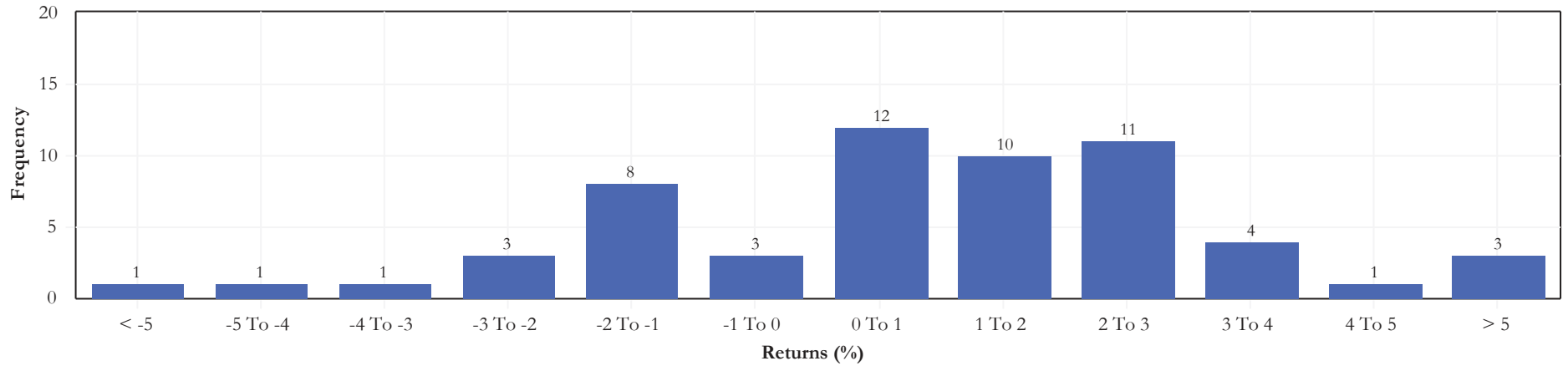
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 04/01/2018	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 06/30/2018
Connors - Large Cap Core	1,044,693.62	-	-	-	-2,323.70	-	28,434.90	1,070,804.82

Distribution of Returns



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Graystone

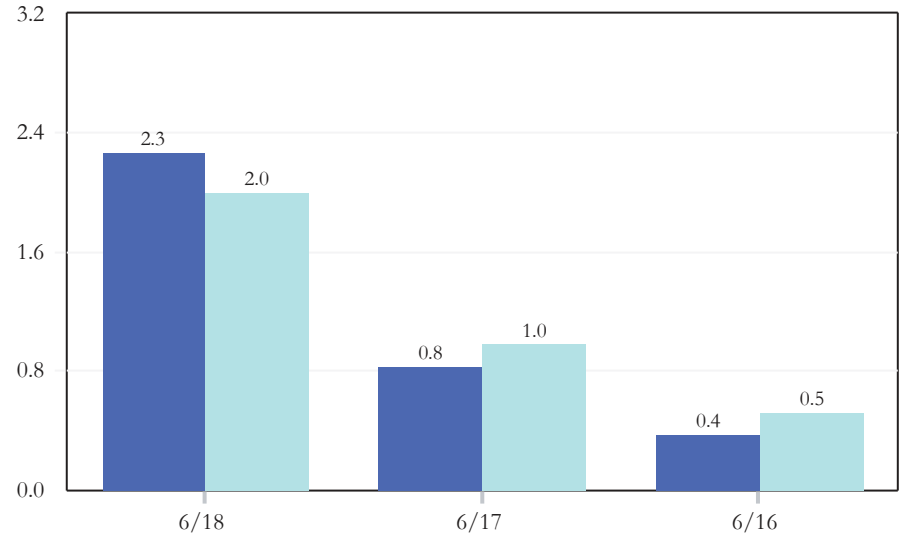
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

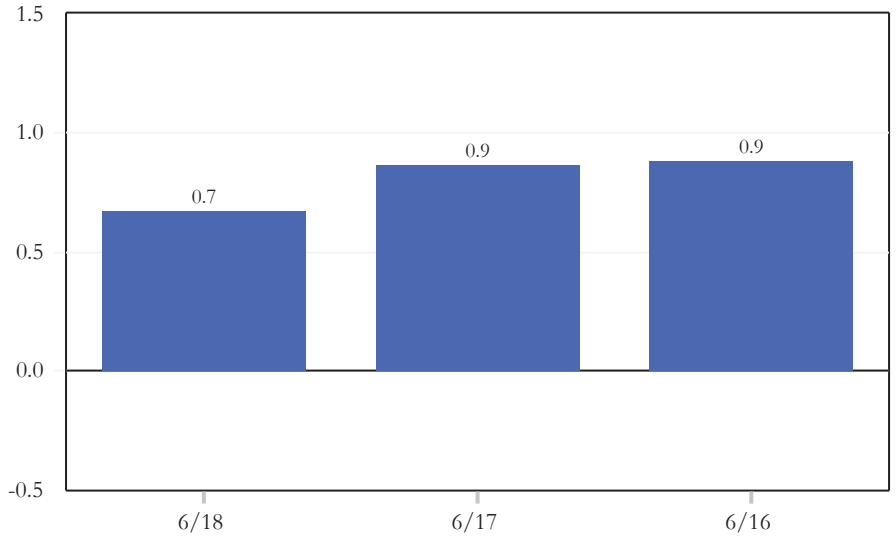
Connors - Large Cap Core - Rolling Two Year MPT Statistics

as of June 30, 2018

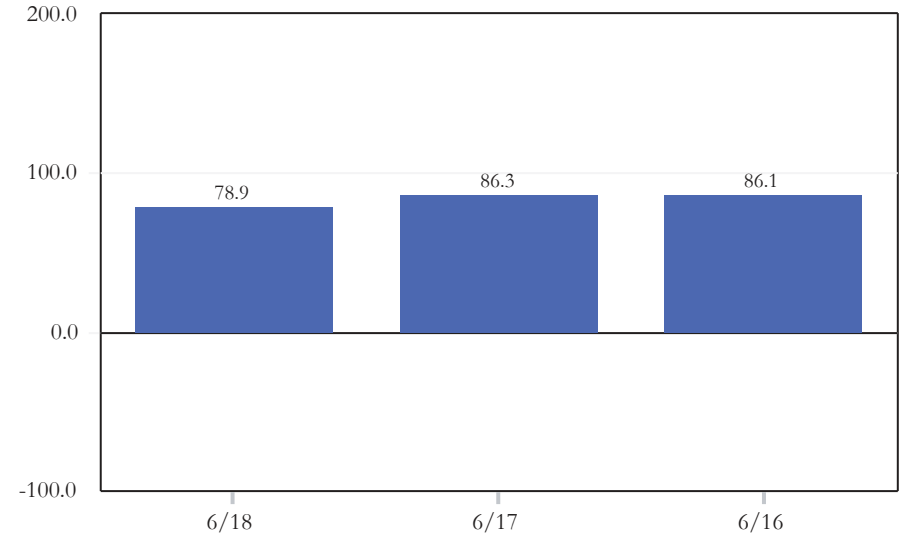
Sharpe Ratio



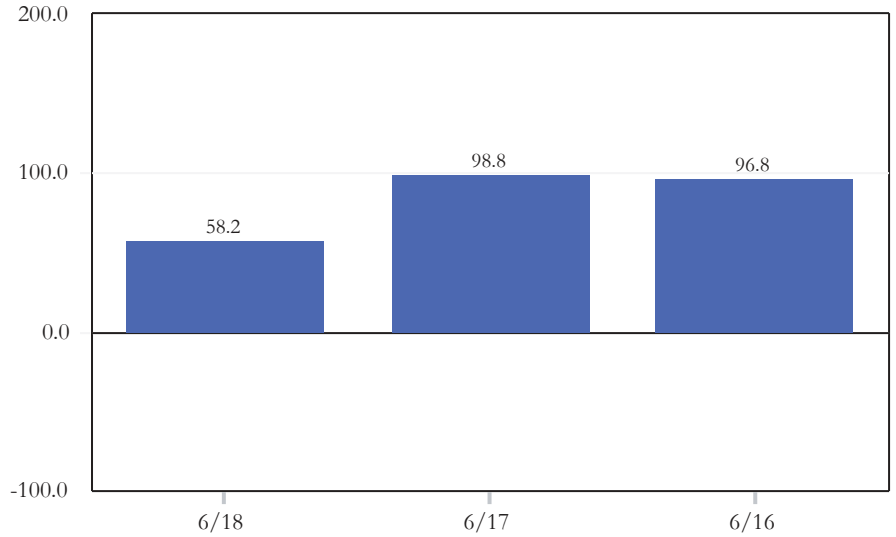
Beta



Up Market Capture



Down Market Capture



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Graystone

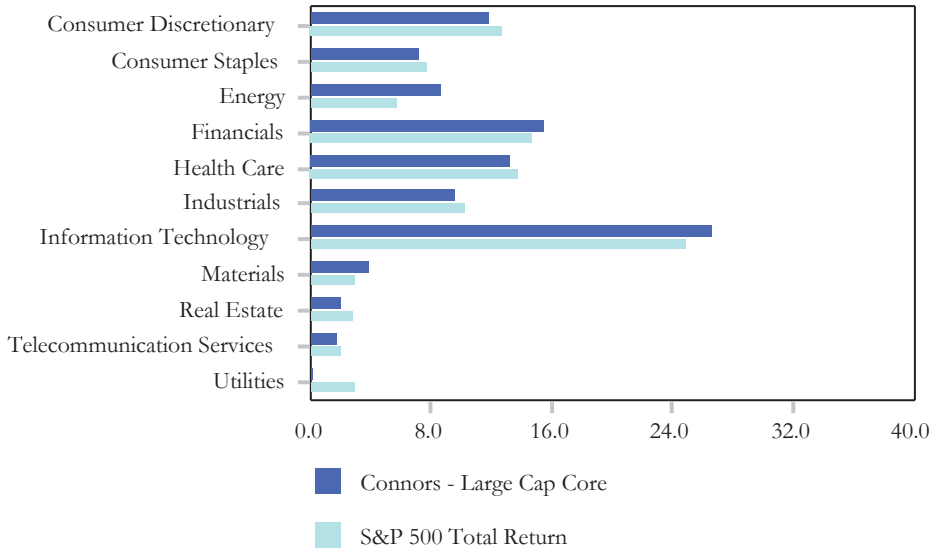
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

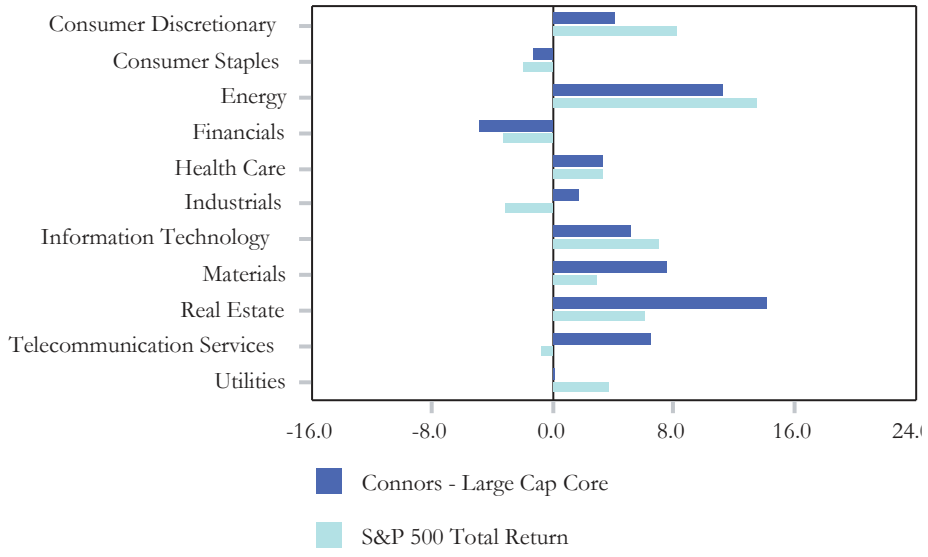
Connors - Large Cap Core - Quarterly Performance Attributes

as of June 30, 2018

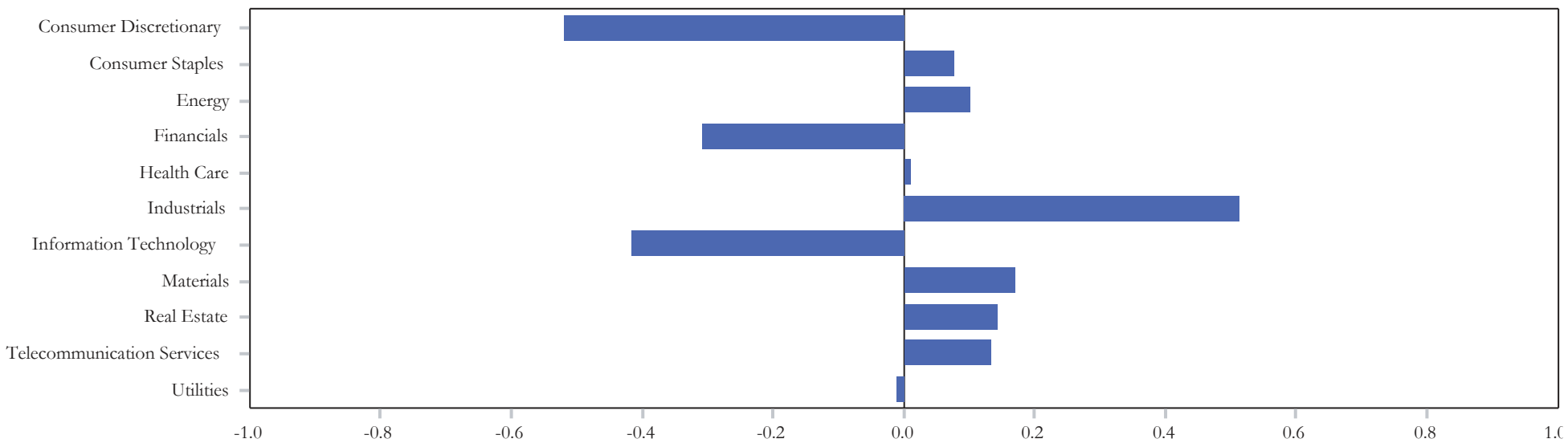
Allocation



Performance



Total Attribution



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Graystone

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Connors - Large Cap Core - Quarterly Performance Attributes

as of June 30, 2018

	Allocation - 04/01/2018		Performance - Quarter Ending June 30, 2018		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	11.78	12.67	4.14	8.18	-0.04	-0.51	0.04	-0.52
Consumer Staples	7.12	7.65	-1.27	-1.97	0.03	0.05	0.00	0.08
Energy	8.64	5.74	11.35	13.58	0.30	-0.13	-0.06	0.10
Financials	15.53	14.73	-4.86	-3.23	-0.05	-0.24	-0.01	-0.31
Health Care	13.20	13.71	3.37	3.28	0.00	0.01	0.00	0.01
Industrials	9.52	10.21	1.71	-3.22	0.05	0.50	-0.03	0.51
Information Technology	26.66	24.87	5.21	7.01	0.06	-0.45	-0.03	-0.42
Materials	3.83	2.86	7.54	2.96	0.00	0.13	0.04	0.17
Real Estate	2.02	2.78	14.26	6.14	-0.02	0.23	-0.06	0.14
Telecommunication Services	1.69	1.92	6.53	-0.77	0.01	0.14	-0.02	0.13
Utilities	0.00	2.86	0.00	3.77	-0.01	0.00	0.00	-0.01
Total	100.00	100.00	3.31	3.40	0.31	-0.26	-0.15	-0.10

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

All the values for Allocation, Performance and Attribution are expresssed in Percentage(%) terms

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Holly Hill Municipal Police Officers' Retirement Trust Fund

Connors - Large Cap Core - Portfolio Characteristics

as of June 30, 2018

Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap ($000)	170,376,833.91	213,952,552.10
Median Mkt. Cap ($000)	91,646,507.16	20,691,162.93
Price/Earnings ratio	20.16	20.90
Price/Book ratio	3.20	3.39
5 Yr. EPS Growth Rate (%)	7.22	14.76
Beta (3 Years, Monthly)	0.82	1.00
Number of Stocks	82	505
Debt to Equity	1.38	2.05

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Apple Inc	4.49	3.95	0.54	10.76
Microsoft Corp	4.35	3.29	1.06	8.51
JPMorgan Chase & Co	3.54	1.54	2.00	-4.77
Skyworks Solutions Inc	3.28	0.08	3.20	-3.29
Tyler Technologies Inc.	3.23	0.00	3.23	5.28
Nike Inc	3.17	0.44	2.73	20.26
Wells Fargo & Co	2.96	1.06	1.90	6.58
Emerson Electric Co.	2.95	0.19	2.76	1.91
Energen Corp.	2.90	0.00	2.90	15.84
Abbott Laboratories	2.54	0.46	2.08	2.27
% of Portfolio	33.41	11.01	22.40	

Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Nike Inc	3.17	0.44	2.73	20.26
Energen Corp.	2.90	0.00	2.90	15.84
CSX Corp	2.32	0.24	2.08	14.87
Public Storage	2.20	0.15	2.05	14.26
Palo Alto Networks Inc	1.99	0.00	1.99	13.19
Adobe Systems Inc	1.06	0.52	0.54	12.83
Merck & Co Inc.	2.06	0.71	1.35	12.31
Exxon Mobil Corp	1.89	1.52	0.37	12.00
Chevron Corp	2.45	1.05	1.40	11.82
Costco Wholesale Corp	1.01	0.40	0.61	11.23
% of Portfolio	21.05	5.03	16.02	

Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Western Digital Corp	1.88	0.10	1.78	-15.56
Starbucks Corp	2.37	0.29	2.08	-15.17
DENTSPLY SIRONA Inc	1.70	0.04	1.66	-12.82
First American Financial Corp	1.76	0.00	1.76	-11.22
PNC Financial Services Inc.	2.23	0.28	1.95	-10.21
Raytheon Co.	0.75	0.24	0.51	-10.13
3M Co	1.05	0.51	0.54	-9.78
Walgreens Boots Alliance Inc	1.78	0.22	1.56	-7.78
M&T Bank Corp	2.31	0.11	2.20	-7.28
Chubb Ltd	1.85	0.26	1.59	-6.59
% of Portfolio	17.68	2.05	15.63	

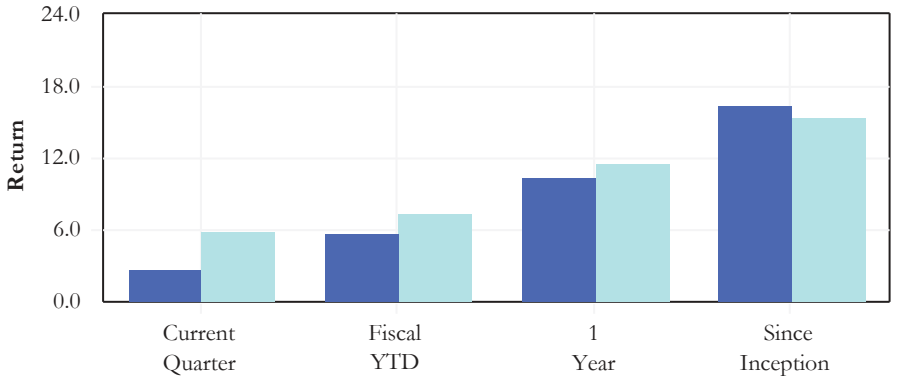
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

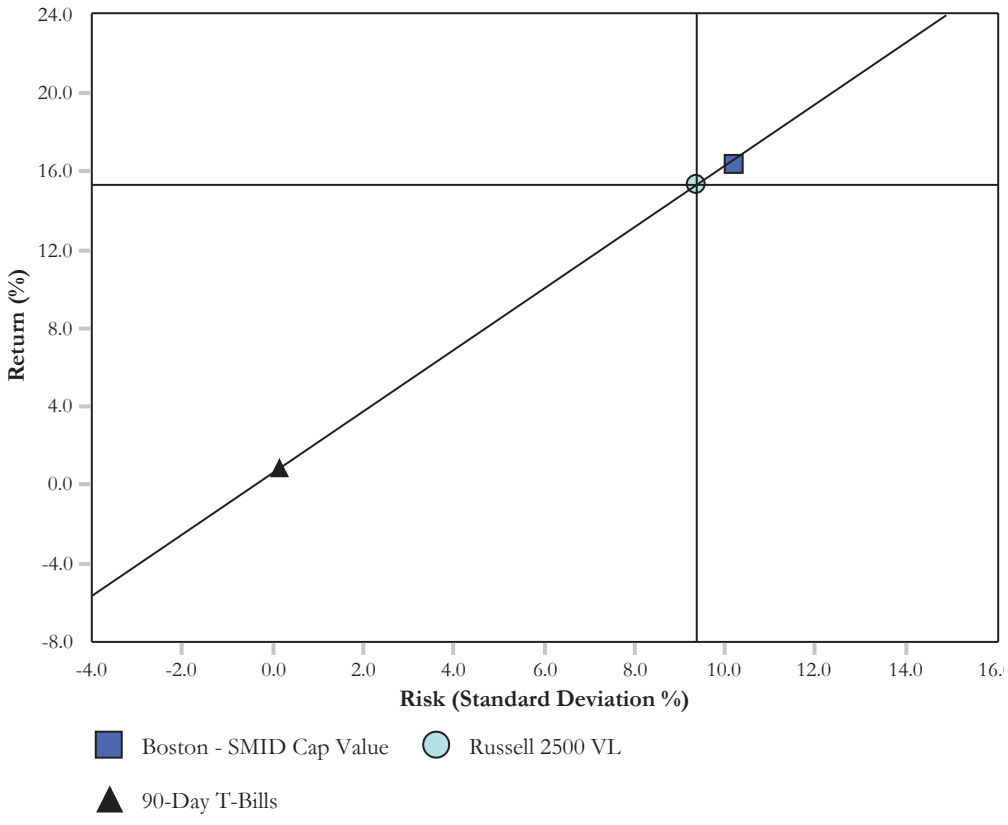
Boston SMID Cap Value - Executive Summary

as of June 30, 2018

Manager Performance Chart



Manager Risk & Return



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	Inception 04/01/2016
Boston - SMID Cap Value	2.59	5.75	10.33	16.32
Russell 2500 VL	5.80	7.37	11.49	15.29
Differences	-3.21	-1.62	-1.16	1.03

Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	Inception 04/01/2016
Boston - SMID Cap Value				
Beginning Market Value	766	771	745	621
Net Contributions	-	-25	-29	-64
Fees/Expenses	-2	-6	-8	-16
Income	3	9	12	28
Gain/Loss	17	35	64	216
Ending Market Value	784	784	784	784

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Boston - SMID Cap Value	16.32	10.20	1.04	-4.13	101.83	89.27	0.43	1.46	0.91	04/01/2016
Russell 2500 VL	15.29	9.36	1.00	-4.91	100.00	100.00	0.00	1.48	1.00	04/01/2016

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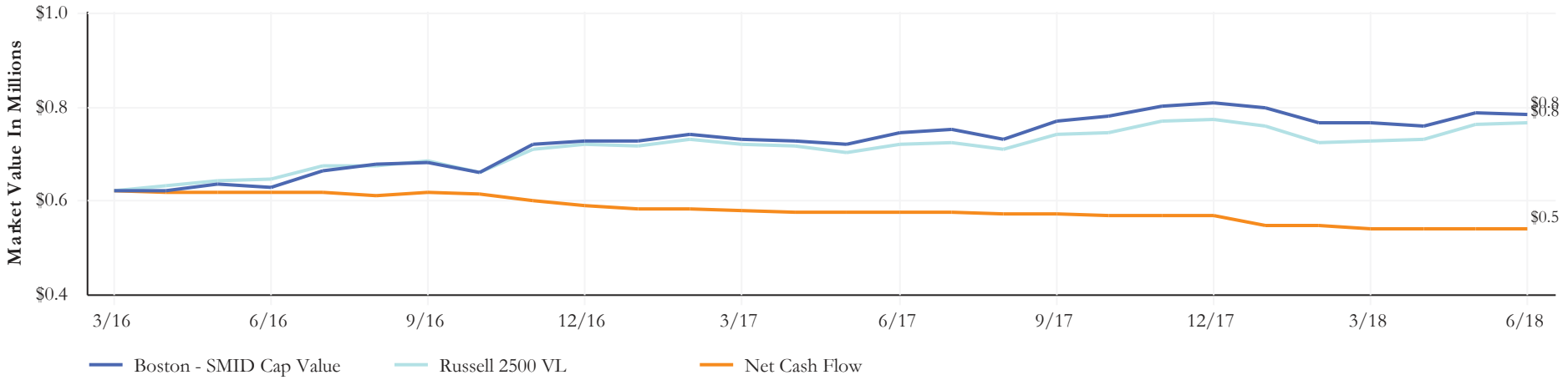
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Boston SMID Cap Value - Change in Assets & Distribution of Returns

as of June 30, 2018

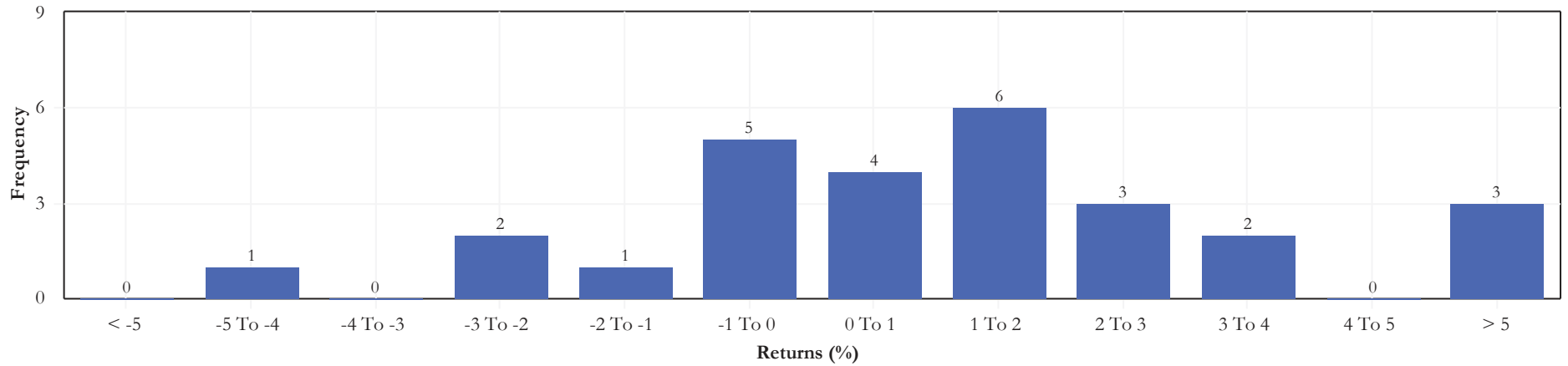
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 04/01/2018	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 06/30/2018
Boston - SMID Cap Value	766,480.89	-	-	-	-1,883.64	-	19,837.66	784,434.91

Distribution of Returns



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Graystone

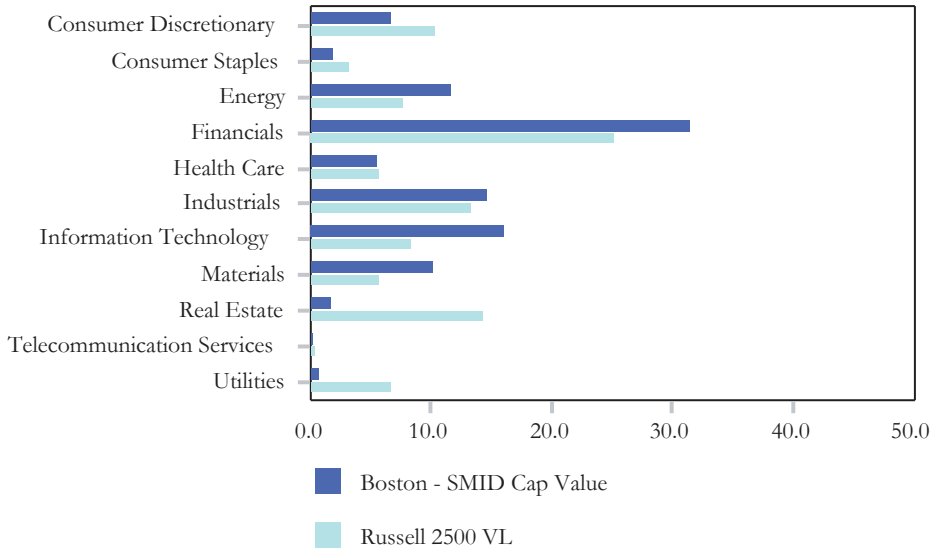
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

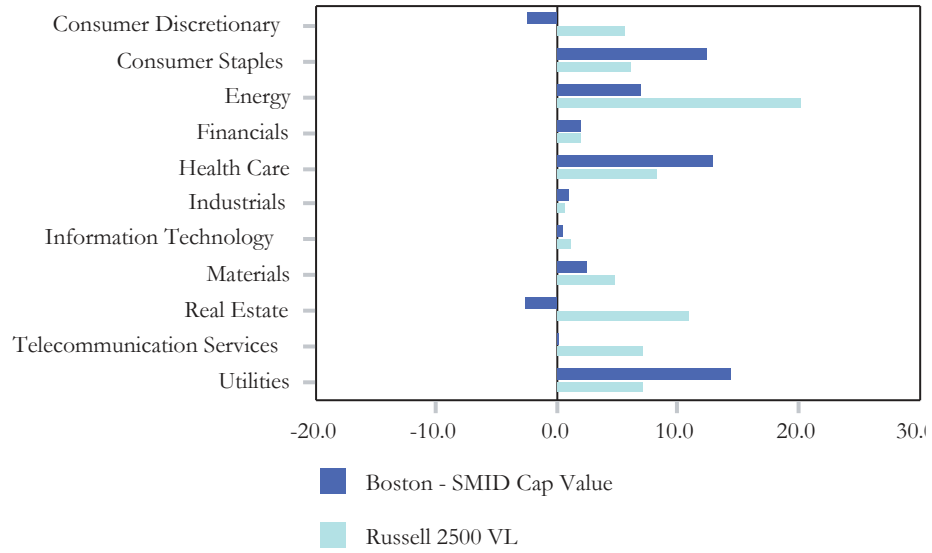
Boston - SMID Cap Value - Quarterly Performance Attributes

as of June 30, 2018

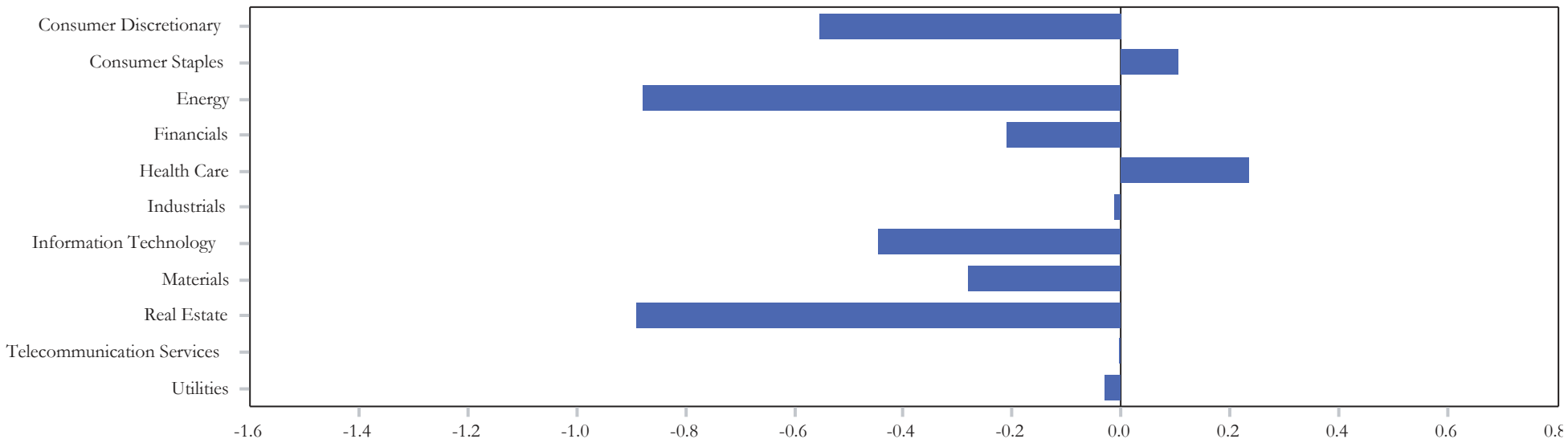
Allocation



Performance



Total Attribution



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Graystone

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Boston - SMID Cap Value - Quarterly Performance Attributes

as of June 30, 2018

	Allocation - 04/01/2018		Performance - Quarter Ending June 30, 2018		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	6.70	10.30	-2.47	5.58	0.00	-0.84	0.29	-0.56
Consumer Staples	1.81	3.12	12.37	6.09	0.00	0.19	-0.09	0.10
Energy	11.55	7.62	6.92	20.27	0.60	-0.94	-0.54	-0.88
Financials	31.41	25.22	2.07	1.99	-0.23	0.02	0.01	-0.21
Health Care	5.38	5.64	12.97	8.25	0.00	0.25	-0.02	0.24
Industrials	14.54	13.20	1.02	0.69	-0.06	0.05	0.00	-0.01
Information Technology	16.07	8.26	0.60	1.14	-0.36	-0.05	-0.04	-0.45
Materials	10.09	5.61	2.47	4.89	-0.03	-0.14	-0.11	-0.28
Real Estate	1.71	14.17	-2.68	11.01	-0.66	-1.93	1.69	-0.89
Telecommunication Services	0.00	0.32	0.00	7.18	0.00	0.00	0.00	0.00
Utilities	0.74	6.54	14.44	7.11	-0.08	0.46	-0.41	-0.03
Total	100.00	100.00	2.69	5.66	-0.83	-2.92	0.77	-2.97

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

All the values for Allocation, Performance and Attribution are expresssed in Percentage(%) terms

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Holly Hill Municipal Police Officers' Retirement Trust Fund

Boston - SMID Cap Value - Portfolio Characteristics

as of June 30, 2018

Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap ($000)	4,639,926.98	4,736,772.77
Median Mkt. Cap ($000)	3,514,121.10	1,246,861.35
Price/Earnings ratio	14.68	16.83
Price/Book ratio	2.00	1.84
5 Yr. EPS Growth Rate (%)	11.01	10.35
Beta (5 Years, Monthly)	1.05	1.00
Number of Stocks	160	1,727
Debt to Equity	1.78	-0.65

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
SLM Corp	1.77	0.19	1.58	2.14
Walker & Dunlop Inc	1.60	0.05	1.55	-5.92
Navient Corp	1.37	0.13	1.24	0.46
Arrow Electronics Inc	1.34	0.25	1.09	-2.26
Diamondback Energy Inc	1.33	0.00	1.33	4.09
RSP Permian Inc	1.33	0.11	1.22	-6.10
Air Lease Corp	1.32	0.14	1.18	-1.31
Parsley Energy Inc	1.24	0.09	1.15	4.45
SunCoke Energy Inc	1.21	0.03	1.18	24.54
Lithia Motors Inc.	1.19	0.03	1.16	-5.63
% of Portfolio	13.70	1.02	12.68	

Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Insight Enterprises Inc	0.72	0.04	0.68	40.08
Universal Corp	0.69	0.06	0.63	37.69
WildHorse Resource Development Corp	0.71	0.00	0.71	32.84
Syneos Health Inc	0.77	0.09	0.68	32.11
Kosmos Energy Ltd	0.38	0.06	0.32	31.27
Gulfport Energy Corp	0.37	0.08	0.29	30.26
PQ Group Holdings Inc	0.68	0.02	0.66	28.85
Extraction Oil & Gas Inc	0.57	0.06	0.51	28.19
Engility Holdings Inc	0.39	0.02	0.37	25.57
QEP Resources Inc	0.55	0.11	0.44	25.23
% of Portfolio	5.83	0.54	5.29	

Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
CommScope Holding Co Inc	0.38	0.21	0.17	-26.93
Arconic Inc	0.30	0.00	0.30	-25.91
ManpowerGroup Inc	0.27	0.21	0.06	-24.39
Skechers U.S.A. Inc	0.75	0.08	0.67	-22.83
Owens-Illinois Inc.	0.47	0.10	0.37	-22.39
Owens Corning	0.68	0.26	0.42	-21.18
Entercom Communications Corp.	0.33	0.04	0.29	-20.79
Ferroglobe PLC	0.29	0.00	0.29	-19.67
SYNNEX Corp	0.67	0.11	0.56	-18.21
World Fuel Services Corp	1.11	0.05	1.06	-16.64
% of Portfolio	5.25	1.06	4.19	

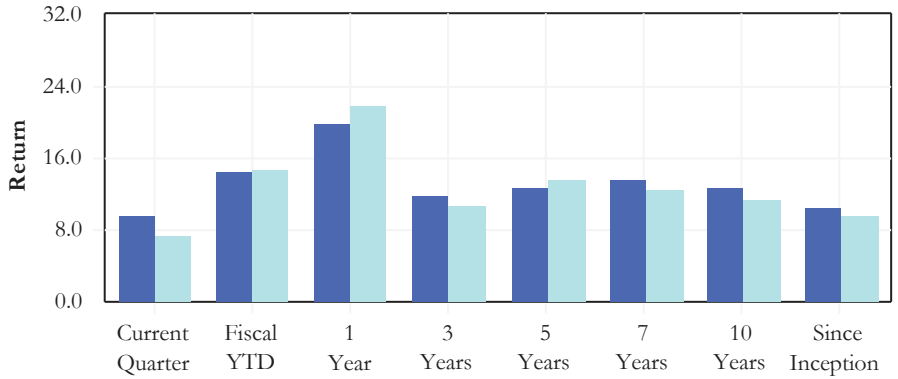
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

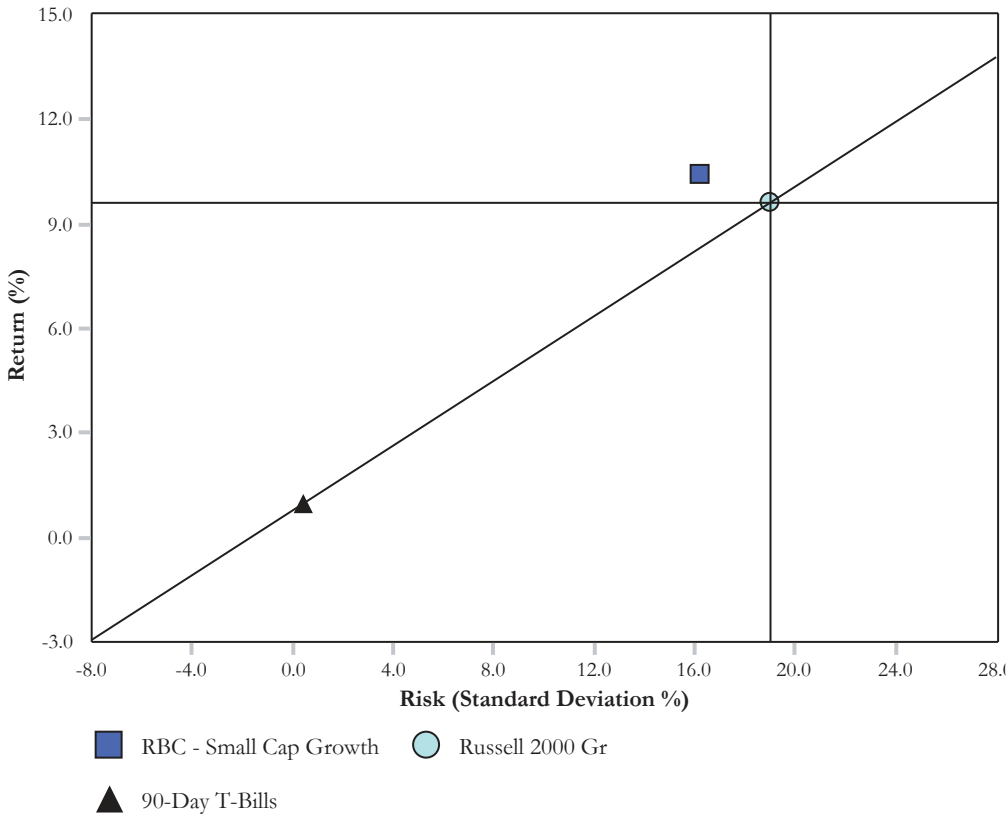
RBC Small Cap Growth - Executive Summary

as of June 30, 2018

Manager Performance Chart



Manager Risk & Return



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Inception 06/01/2006
RBC - Small Cap Growth	9.59	14.40	19.78	11.77	12.68	13.53	12.71	10.42
Russell 2000 Gr	7.23	14.73	21.86	10.60	13.65	12.50	11.24	9.59
Differences	2.36	-0.33	-2.08	1.17	-0.97	1.03	1.47	0.83

Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Inception 06/01/2006
RBC - Small Cap Growth								
Beginning Market Value	780	770	737	699	624	674	451	458
Net Contributions	-	-20	-20	-75	-160	-369	-331	-332
Fees/Expenses	-2	-6	-8	-22	-36	-48	-62	-71
Income	1	3	4	11	16	22	31	36
Gain/Loss	74	105	139	239	407	573	763	762
Ending Market Value	852	852	852	852	852	852	852	852

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
RBC - Small Cap Growth	10.42	16.28	0.83	-47.35	85.56	76.44	2.21	0.63	0.93	06/01/2006
Russell 2000 Gr	9.59	18.99	1.00	-52.31	100.00	100.00	0.00	0.53	1.00	06/01/2006

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Graystone

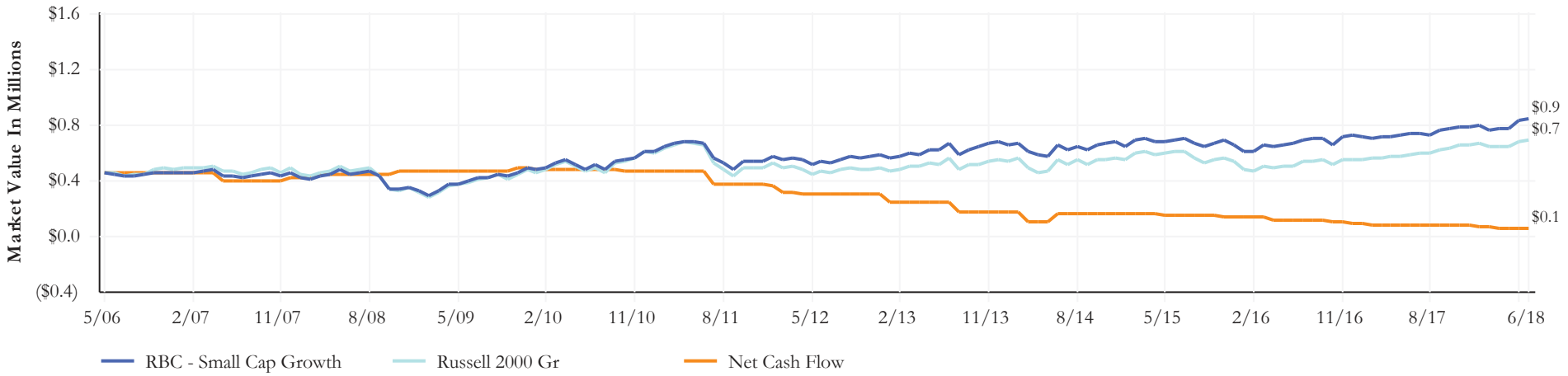
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

RBC Small Cap Growth - Change in Assets & Distribution of Returns

as of June 30, 2018

Historic Change in Assets

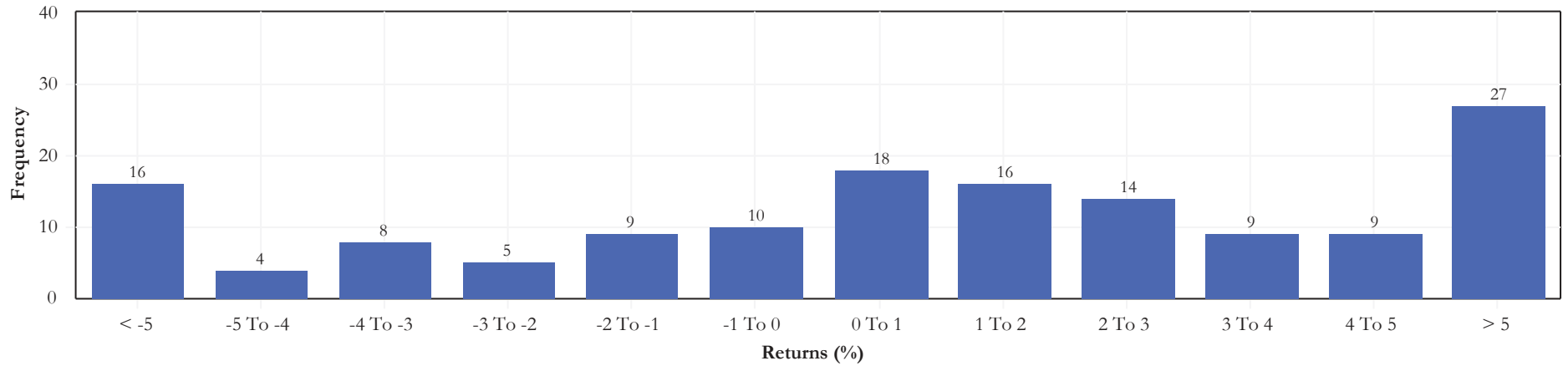


Quarterly Change in Assets

	Market Value As of 04/01/2018	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 06/30/2018
RBC - Small Cap Growth	779,703.55	-	-	-	-1,959.24	-	74,580.81	852,325.12

Distribution of Returns

Distribution of Returns



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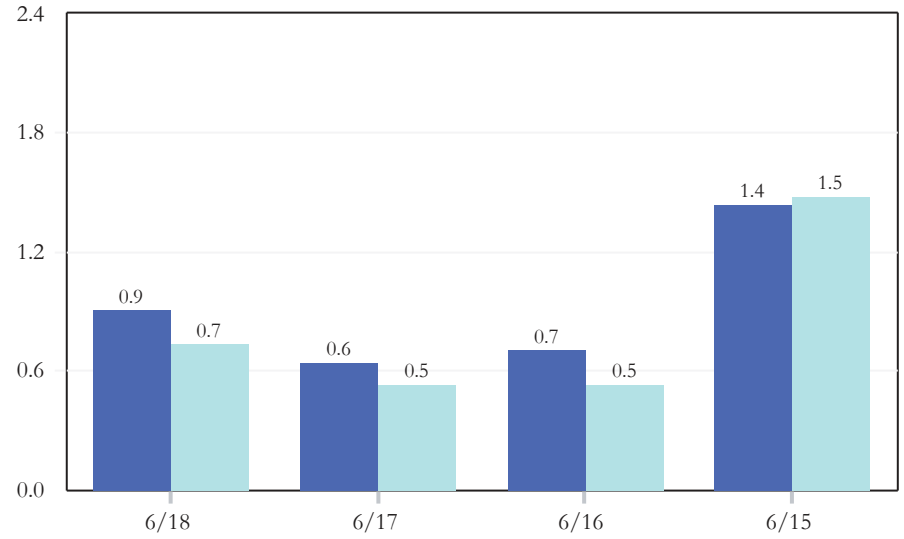
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

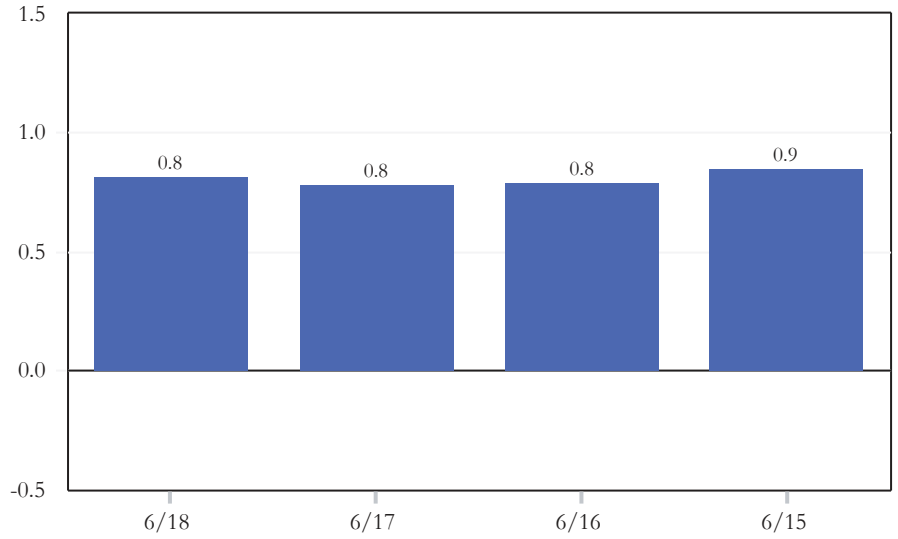
RBC - Small Cap Growth - Rolling Three Year MPT Statistics

as of June 30, 2018

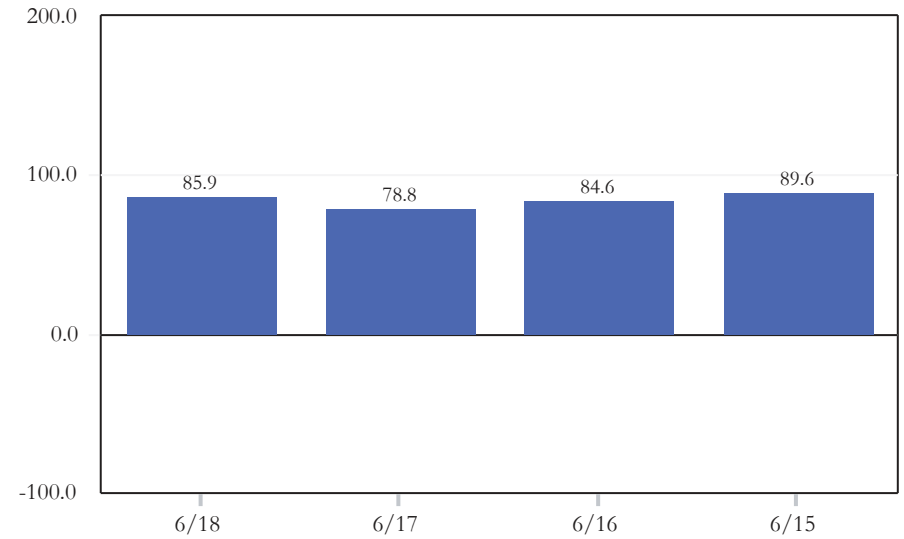
Sharpe Ratio



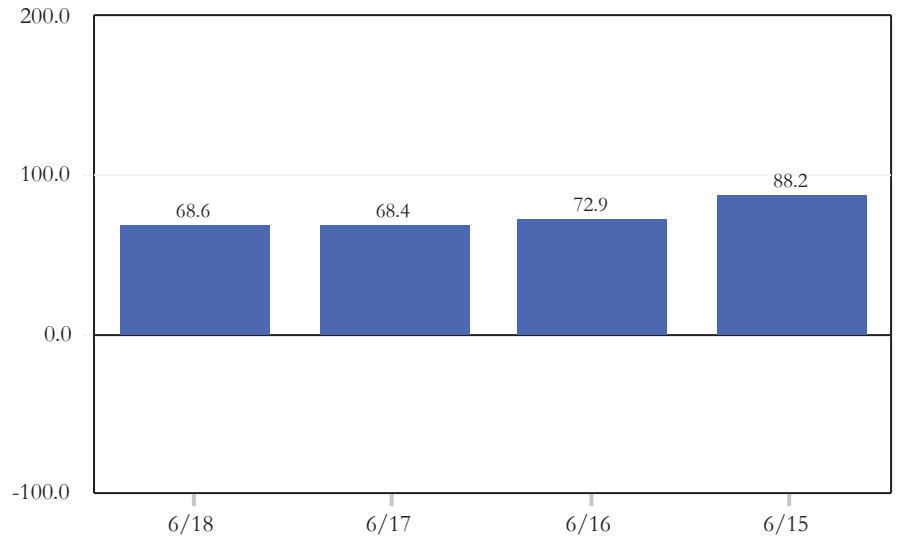
Beta



Up Market Capture



Down Market Capture



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Graystone

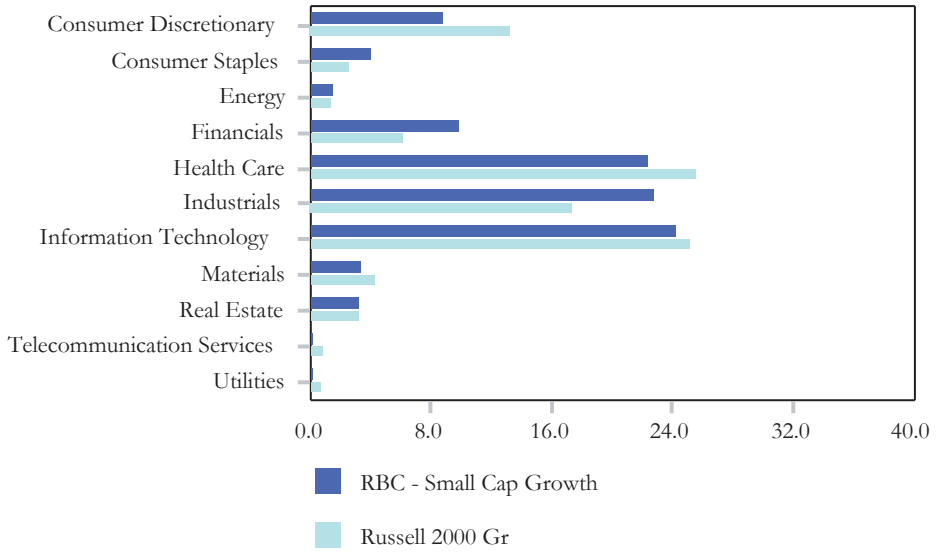
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

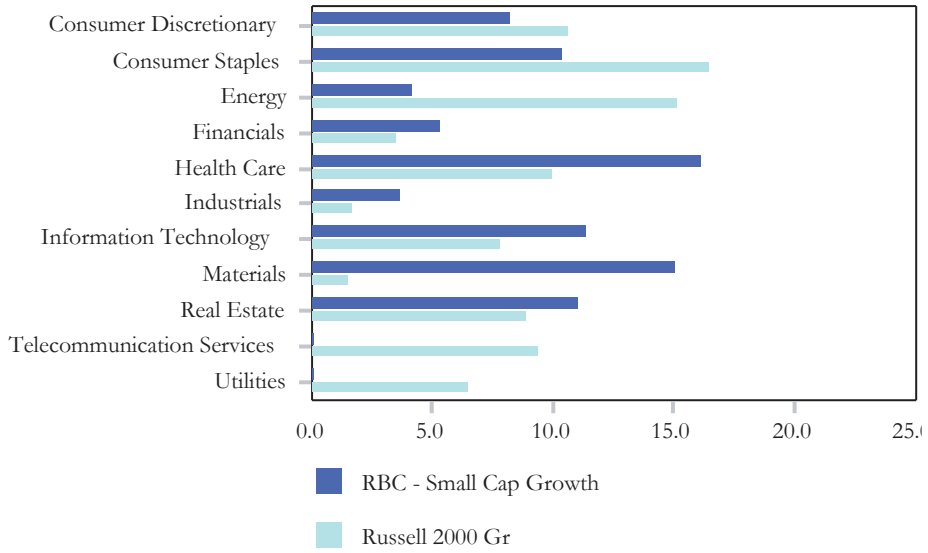
RBC - Small Cap Growth - Quarterly Performance Attributes

as of June 30, 2018

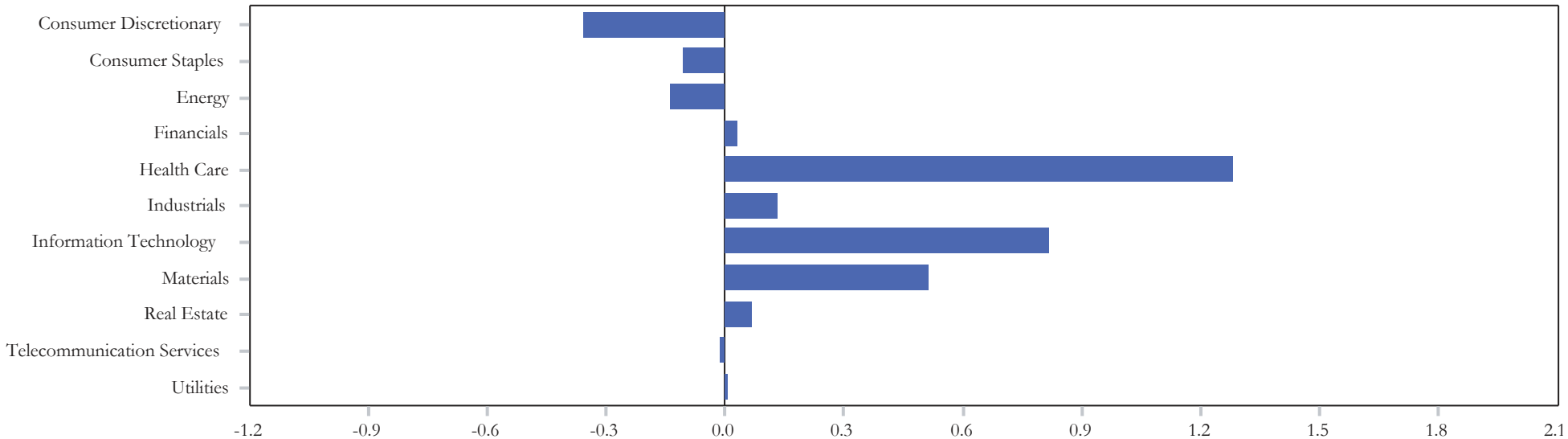
Allocation



Performance



Total Attribution



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Graystone

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

RBC - Small Cap Growth - Quarterly Performance Attributes

as of June 30, 2018

	Allocation - 04/01/2018		Performance - Quarter Ending June 30, 2018		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	8.78	13.23	8.22	10.60	-0.15	-0.29	0.09	-0.36
Consumer Staples	4.03	2.50	10.36	16.43	0.13	-0.15	-0.09	-0.11
Energy	1.43	1.29	4.11	15.18	0.02	-0.14	-0.02	-0.14
Financials	9.86	6.09	5.30	3.47	-0.15	0.11	0.07	0.03
Health Care	22.37	25.50	16.13	9.96	-0.06	1.53	-0.18	1.28
Industrials	22.76	17.35	3.63	1.63	-0.33	0.36	0.10	0.13
Information Technology	24.25	25.20	11.34	7.79	-0.02	0.89	-0.06	0.82
Materials	3.36	4.29	15.10	1.48	0.06	0.59	-0.13	0.51
Real Estate	3.15	3.18	11.04	8.84	0.00	0.07	0.00	0.07
Telecommunication Services	0.00	0.73	0.00	9.31	-0.01	0.00	0.00	-0.01
Utilities	0.00	0.63	0.00	6.45	0.01	0.00	0.00	0.01
Total	100.00	100.00	9.66	7.42	-0.52	2.98	-0.22	2.24

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

All the values for Allocation, Performance and Attribution are expresssed in Percentage(%) terms

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Holly Hill Municipal Police Officers' Retirement Trust Fund

RBC - Small Cap Growth - Portfolio Characteristics

as of June 30, 2018

Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap ($000)	2,762,010.05	2,415,552.58
Median Mkt. Cap ($000)	2,144,008.47	1,022,137.24
Price/Earnings ratio	33.04	25.65
Price/Book ratio	3.31	4.33
5 Yr. EPS Growth Rate (%)	10.43	14.47
Beta (5 Years, Monthly)	0.82	1.00
Number of Stocks	77	1,225
Debt to Equity	0.59	0.52

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Neogen Corp	2.82	0.37	2.45	19.70
FirstCash Inc	2.47	0.36	2.11	10.86
Haemonetics Corp	2.35	0.44	1.91	22.58
Balchem Corp	2.12	0.29	1.83	20.05
Woodward Inc	2.12	0.37	1.75	7.46
Bottomline Technologies Inc	2.11	0.18	1.93	28.59
Texas Roadhouse Inc	1.96	0.40	1.56	13.81
Integer Holdings Corp	1.96	0.13	1.83	14.32
HealthEquity Inc	1.88	0.37	1.51	24.05
RBC Bearings Inc	1.88	0.28	1.60	3.71
% of Portfolio	21.67	3.19	18.48	

Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
USA Technologies Inc	0.90	0.07	0.83	55.55
Inogen Inc	0.80	0.30	0.50	51.68
TreeHouse Foods Inc	0.98	0.00	0.98	37.21
Bottomline Technologies Inc	2.11	0.18	1.93	28.59
Medidata Solutions Inc	1.77	0.42	1.35	28.26
Actuant Corp	1.37	0.08	1.29	26.24
HealthEquity Inc	1.88	0.37	1.51	24.05
Haemonetics Corp	2.35	0.44	1.91	22.58
ePlus Inc	1.60	0.12	1.48	21.11
Omnicell Inc	1.64	0.18	1.46	20.85
% of Portfolio	15.40	2.16	13.24	

Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Beacon Roofing Supply Inc	0.99	0.20	0.79	-19.69
LCI Industries	1.00	0.20	0.80	-12.82
Cantel Medical Corp.	1.88	0.00	1.88	-11.71
Sun Hydraulics Corp	1.01	0.12	0.89	-9.87
Pegasystems Inc	1.86	0.00	1.86	-9.60
Envestnet Inc	1.53	0.22	1.31	-4.10
Applied Industrial Technologies Inc	1.57	0.24	1.33	-3.35
Allscripts Healthcare Solutions Inc	0.82	0.02	0.80	-2.83
Multi-Color Corp	1.27	0.00	1.27	-2.04
United Natural Foods Inc	1.12	0.00	1.12	-0.65
% of Portfolio	13.05	1.00	12.05	

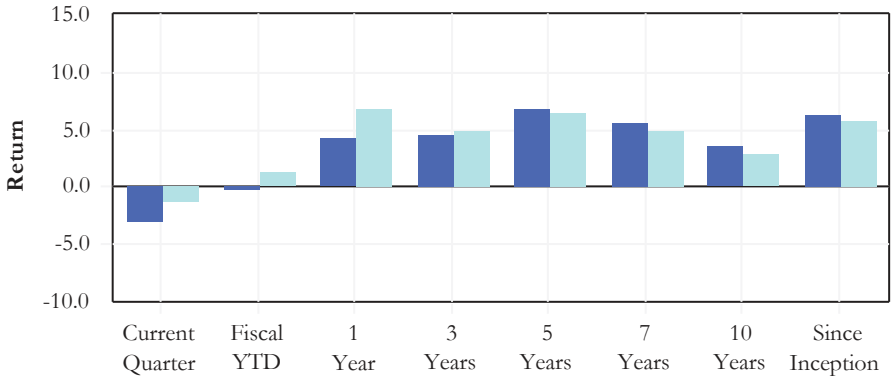
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

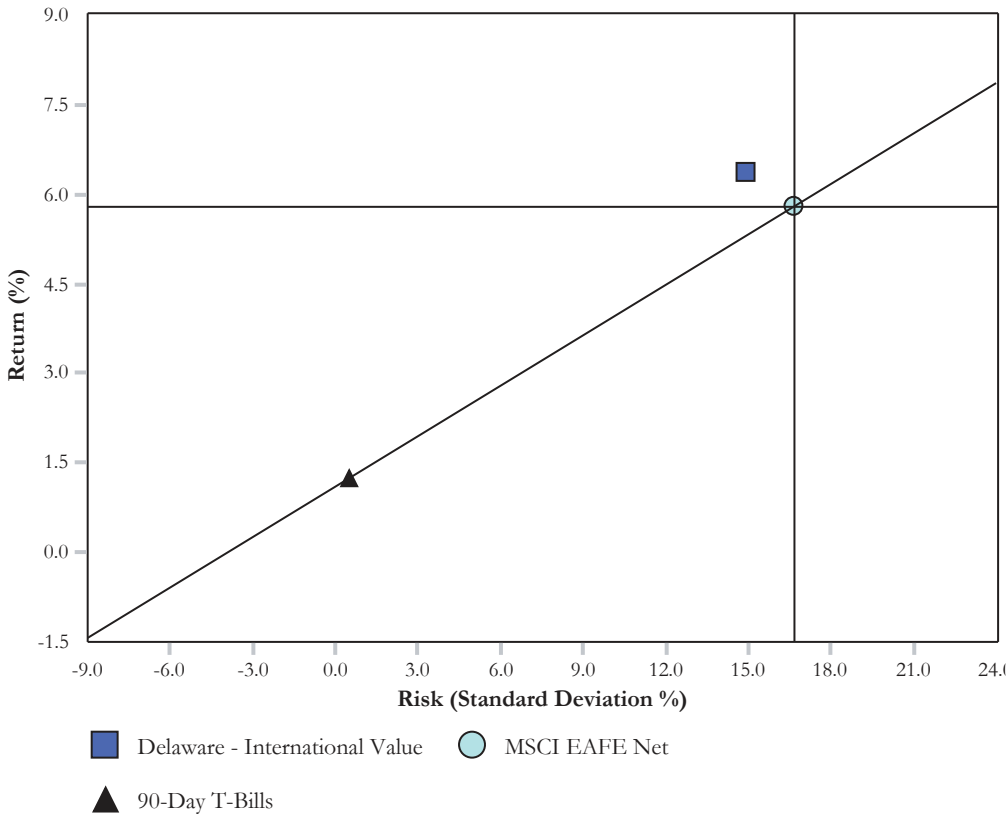
Delaware International Value - Executive Summary

as of June 30, 2018

Manager Performance Chart



Manager Risk & Return



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Inception 10/01/2004
Delaware - International Value	-2.99	-0.31	4.28	4.61	6.81	5.57	3.46	6.37
MSCI EAFE Net	-1.24	1.36	6.84	4.90	6.44	4.89	2.84	5.79
Differences	-1.75	-1.67	-2.56	-0.29	0.37	0.68	0.62	0.58

Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Inception 10/01/2004
Delaware - International Value								
Beginning Market Value	507	496	477	457	394	341	530	237
Net Contributions	136	136	134	121	109	146	25	217
Fees/Expenses	-1	-4	-5	-14	-22	-30	-39	-51
Income	8	13	16	41	70	100	136	182
Gain/Loss	-24	-16	3	20	75	68	-26	40
Ending Market Value	625	625	625	625	625	625	625	625

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Delaware - International Value	6.37	14.90	0.86	-49.52	91.83	87.36	1.25	0.41	0.92	10/01/200
MSCI EAFE Net	5.79	16.66	1.00	-56.68	100.00	100.00	0.00	0.35	1.00	10/01/200

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Graystone

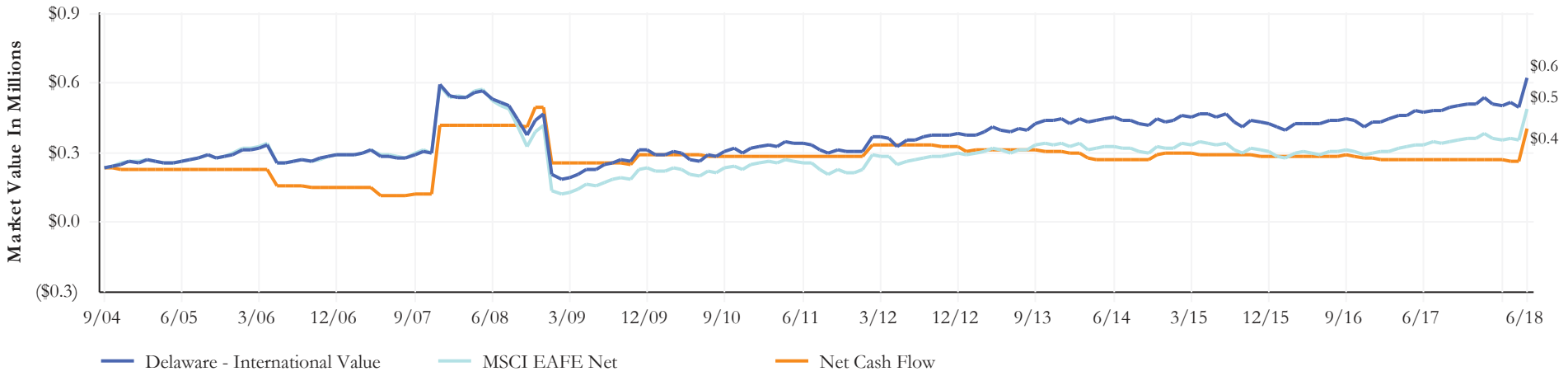
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Delaware International Value - Change in Assets & Distribution of Returns

as of June 30, 2018

Historic Change in Assets

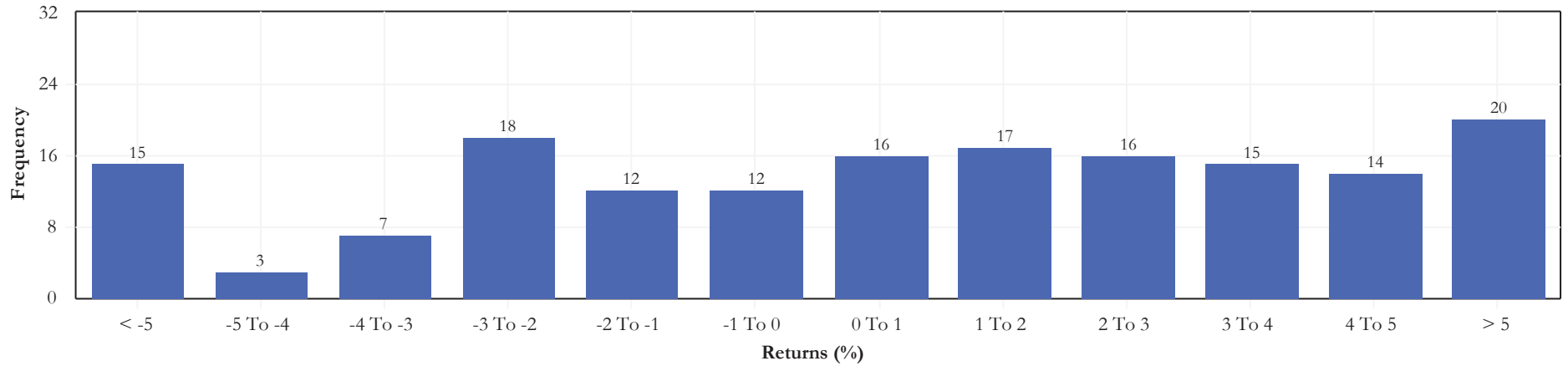


Quarterly Change in Assets

	Market Value As of 04/01/2018	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 06/30/2018
Delaware - International Value	506,986.18	-	136,000.00	-	-1,222.69	-	-16,626.56	625,136.93

Distribution of Returns

Distribution of Returns



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Graystone

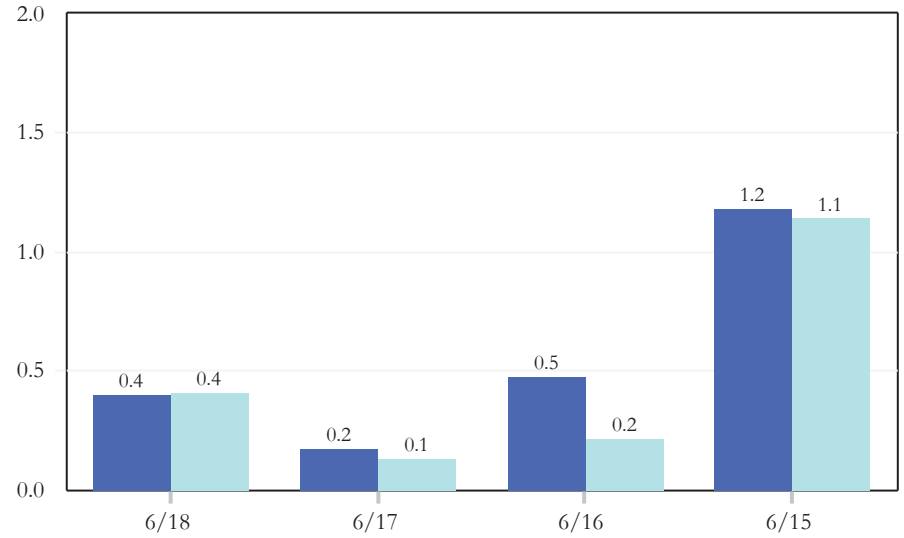
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

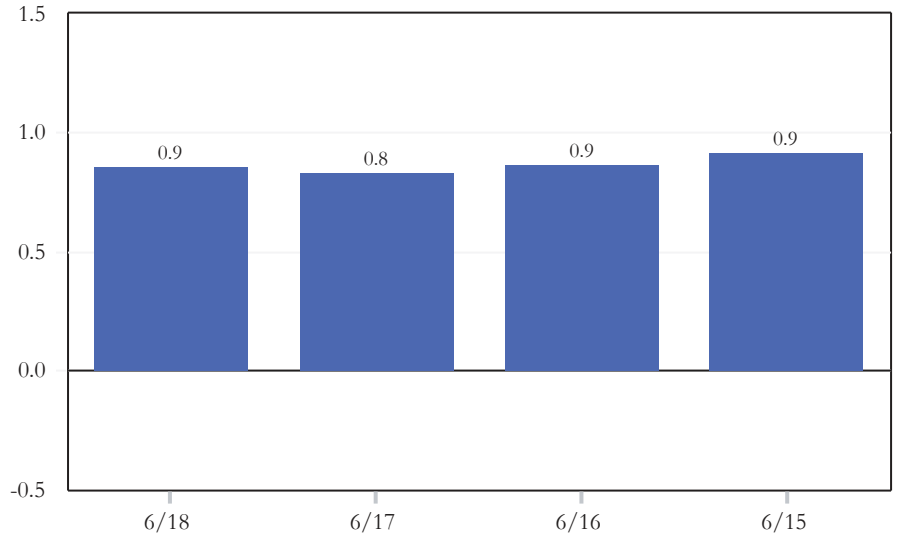
Delaware - International Value - Rolling Three Year MPT Statistics

as of June 30, 2018

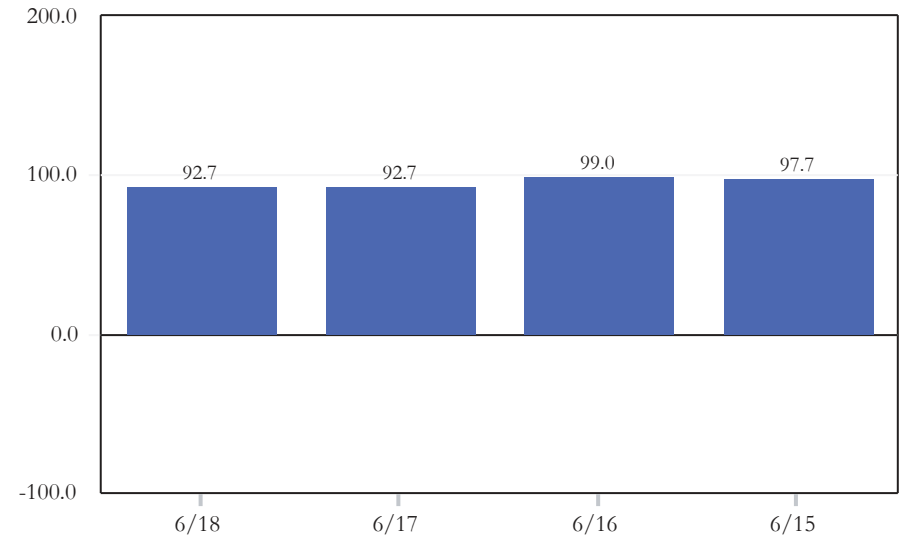
Sharpe Ratio



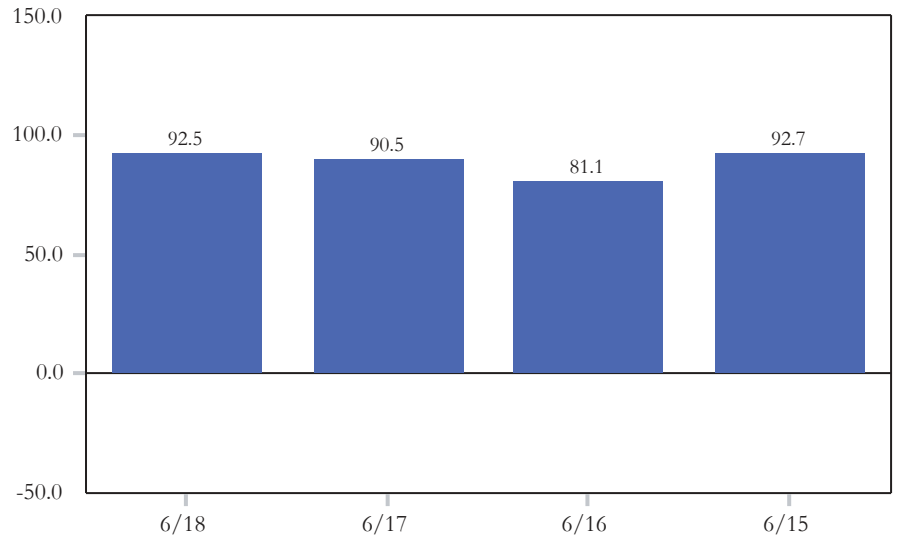
Beta



Up Market Capture



Down Market Capture



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Graystone

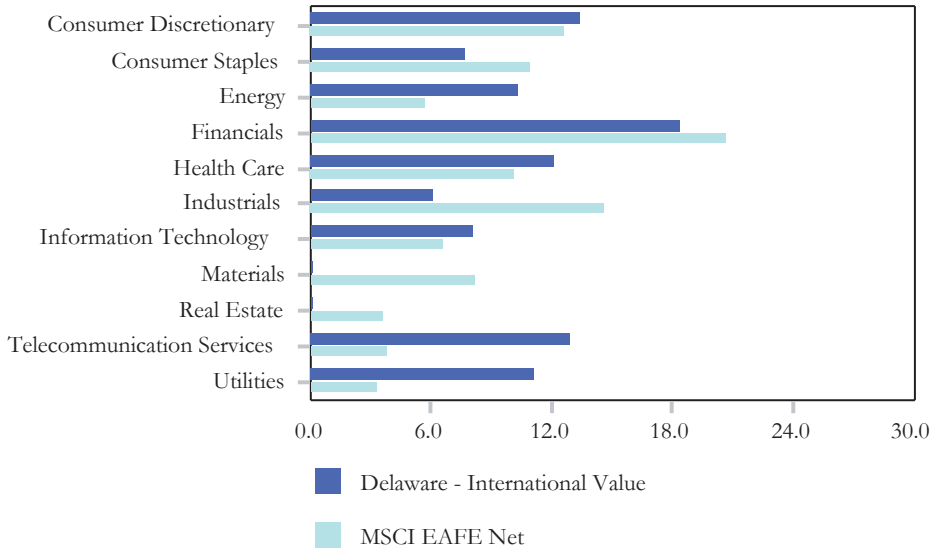
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

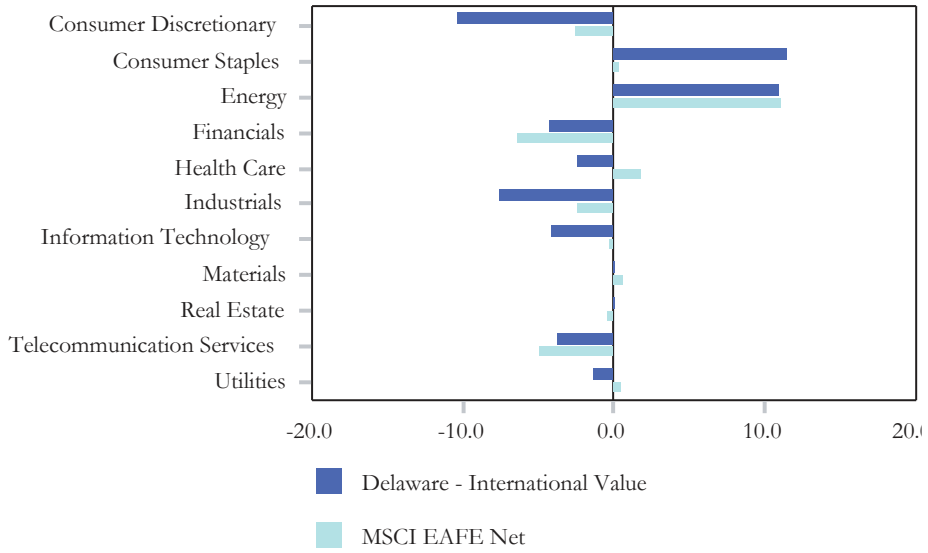
Delaware - International Value - Quarterly Performance Attributes

as of June 30, 2018

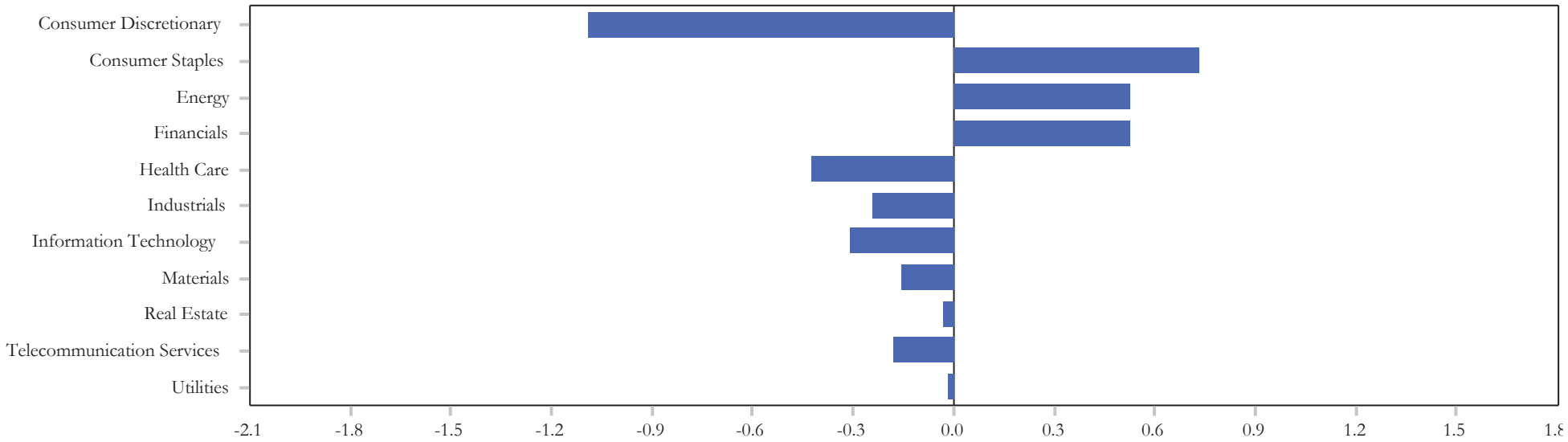
Allocation



Performance



Total Attribution



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Graystone

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Delaware - International Value - Quarterly Performance Attributes

as of June 30, 2018

	Allocation - 04/01/2018		Performance - Quarter Ending June 30, 2018		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	13.38	12.62	-10.39	-2.55	-0.01	-1.02	-0.06	-1.09
Consumer Staples	7.64	10.98	11.48	0.43	-0.06	1.17	-0.38	0.73
Energy	10.30	5.64	10.96	11.16	0.55	-0.01	-0.01	0.53
Financials	18.36	20.69	-4.24	-6.34	0.12	0.46	-0.05	0.53
Health Care	12.10	10.18	-2.35	1.80	0.05	-0.39	-0.08	-0.43
Industrials	6.11	14.57	-7.57	-2.41	0.08	-0.77	0.44	-0.24
Information Technology	8.01	6.60	-4.12	-0.31	0.01	-0.24	-0.08	-0.31
Materials	0.00	8.12	0.00	0.60	-0.16	0.00	0.00	-0.16
Real Estate	0.00	3.55	0.00	-0.37	-0.03	0.00	0.00	-0.03
Telecommunication Services	12.93	3.79	-3.77	-4.87	-0.32	0.04	0.10	-0.18
Utilities	11.17	3.27	-1.34	0.53	0.16	-0.05	-0.12	-0.02
Total	100.00	100.00	-2.00	-1.33	0.39	-0.82	-0.24	-0.67

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

All the values for Allocation, Performance and Attribution are expresssed in Percentage(%) terms

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Holly Hill Municipal Police Officers' Retirement Trust Fund

Delaware - International Value - Portfolio Characteristics

as of June 30, 2018

Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap ($000)	84,748,377.19	59,946,964.61
Median Mkt. Cap ($000)	44,827,764.12	11,374,751.69
Price/Earnings ratio	9.52	14.10
Price/Book ratio	1.59	2.15
5 Yr. EPS Growth Rate (%)	1.76	10.98
Beta (5 Years, Monthly)	0.90	1.00
Number of Stocks	40	926
Debt to Equity	-9.99	-0.76

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarte Retur (%)
Tesco PLC	3.93	0.23	3.70	18.33
Iberdrola SA, Bilbao	3.90	0.31	3.59	5.30
BP PLC	3.88	1.06	2.82	14.10
Eni SpA	3.78	0.33	3.45	6.85
Sanofi	3.68	0.63	3.05	4.58
Takeda Pharmaceutical Co	3.61	0.21	3.40	-12.28
Lloyds Banking Group PLC	3.53	0.42	3.11	-7.80
Enel Ente Nazionale Per L'Energia Elettrica SPA, Roma	3.50	0.32	3.18	-9.13
Koninklijke Ahold Delhaize NV	3.49	0.21	3.28	4.57
Honda Motor Co Ltd	3.44	0.33	3.11	-15.72
% of Portfolio	36.74	4.05	32.69	

Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Tesco PLC	3.93	0.23	3.70	18.33
BP PLC	3.88	1.06	2.82	14.10
Royal Dutch Shell PLC	3.23	1.11	2.12	12.28
SAP AG	1.59	0.79	0.80	11.59
Eni SpA	3.78	0.33	3.45	6.85
Iberdrola SA, Bilbao	3.90	0.31	3.59	5.30
Sanofi	3.68	0.63	3.05	4.58
Koninklijke Ahold Delhaize NV	3.49	0.21	3.28	4.57
Glaxosmithkline PLC	3.08	0.70	2.38	4.54
Tokio Marine Holdings Inc	2.97	0.22	2.75	4.46
% of Portfolio	33.53	5.59	27.94	

Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterl Return (%)
Daimler AG	3.30	0.41	2.89	-20.15
Banco Santander SA	1.41	0.60	0.81	-17.57
Mitsubishi Electric Corp	0.47	0.17	0.30	-16.70
Honda Motor Co Ltd	3.44	0.33	3.11	-15.72
Taiwan Semiconductor	2.79	0.00	2.79	-13.37
Takeda Pharmaceutical Co	3.61	0.21	3.40	-12.28
Isuzu Motors Ltd	0.54	0.05	0.49	-12.19
Singapore Telecommunications Ltd	1.67	0.13	1.54	-12.10
Telefonica SA	2.49	0.28	2.21	-11.28
Canon Inc	1.33	0.23	1.10	-10.32
% of Portfolio	21.05	2.41	18.64	

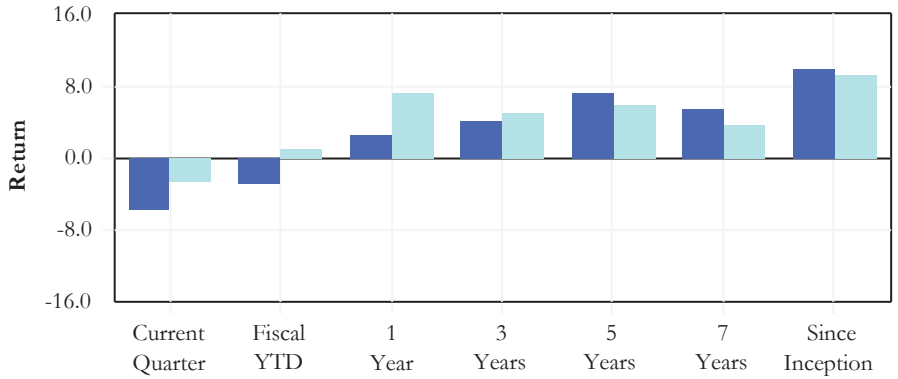
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

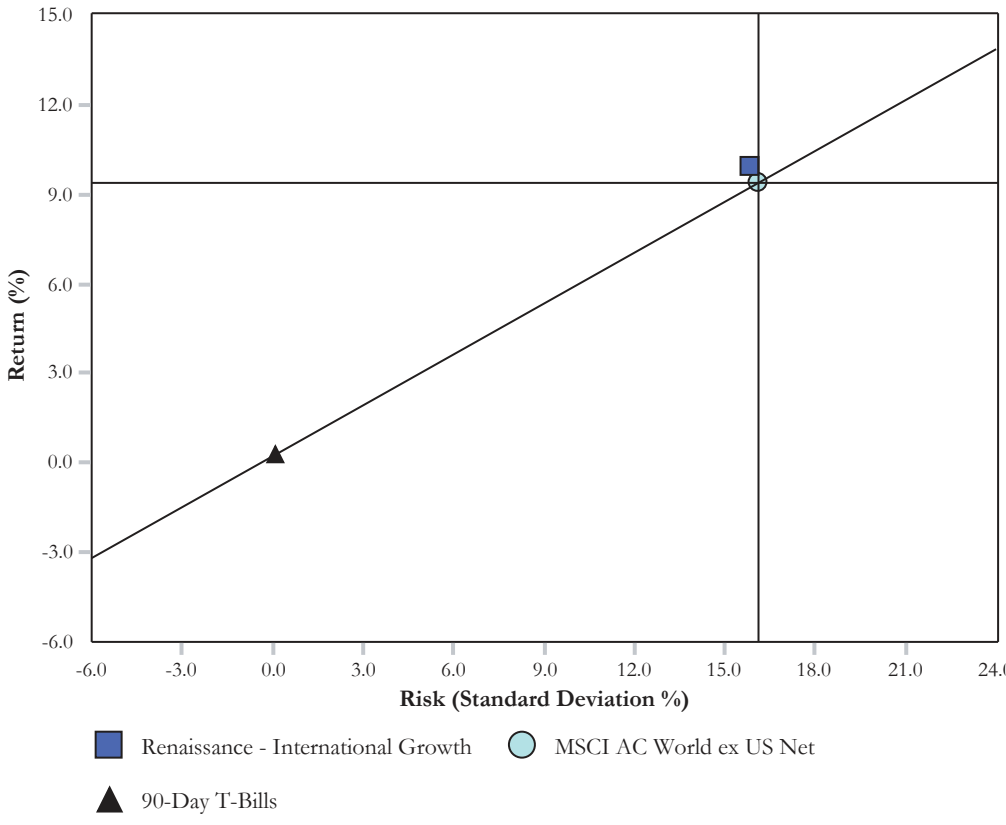
Renaissance International Growth - Executive Summary

as of June 30, 2018

Manager Performance Chart



Manager Risk & Return



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	Inception 02/01/2009
Renaissance - International Growth	-5.79	-2.78	2.75	4.19	7.24	5.59	9.91
MSCI AC World ex US Net	-2.61	1.05	7.28	5.07	5.99	3.81	9.37
Differences	-3.18	-3.83	-4.53	-0.88	1.25	1.78	0.54

Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	Inception 02/01/2009
Renaissance - International Growth							
Beginning Market Value	537	523	500	467	392	355	233
Net Contributions	110	110	106	102	87	117	95
Fees/Expenses	-1	-4	-5	-13	-22	-29	-36
Income	6	9	12	29	49	70	87
Gain/Loss	-41	-28	-2	27	105	98	232
Ending Market Value	611	611	611	611	611	611	611

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Renaissance - International Growth	9.91	15.86	0.93	-22.56	96.14	90.96	1.18	0.66	0.89	02/01/200
MSCI AC World ex US Net	9.37	16.14	1.00	-23.29	100.00	100.00	0.00	0.62	1.00	02/01/200

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Graystone

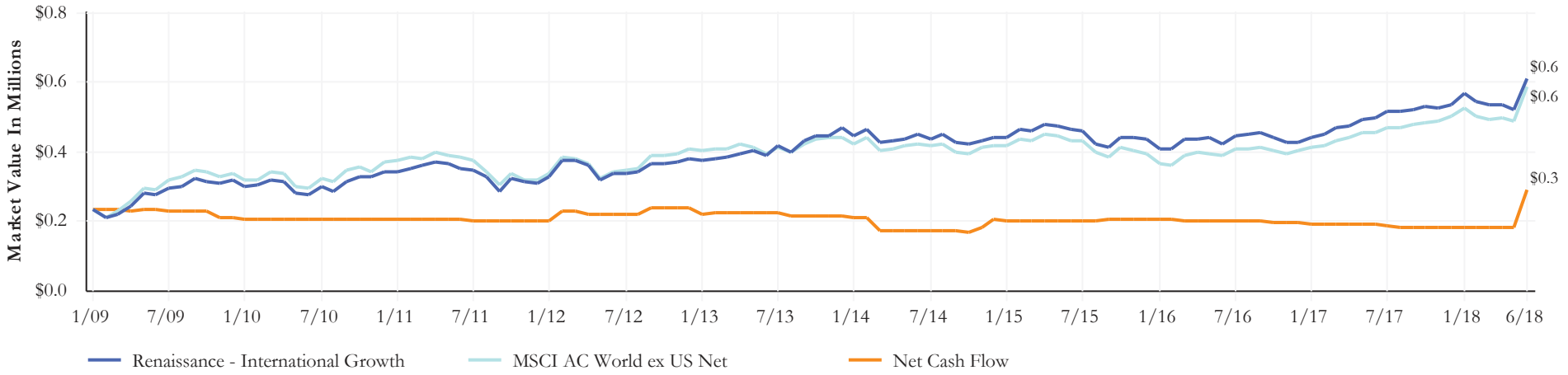
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Renaissance International Growth - Change in Assets & Distribution of Returns

as of June 30, 2018

Historic Change in Assets

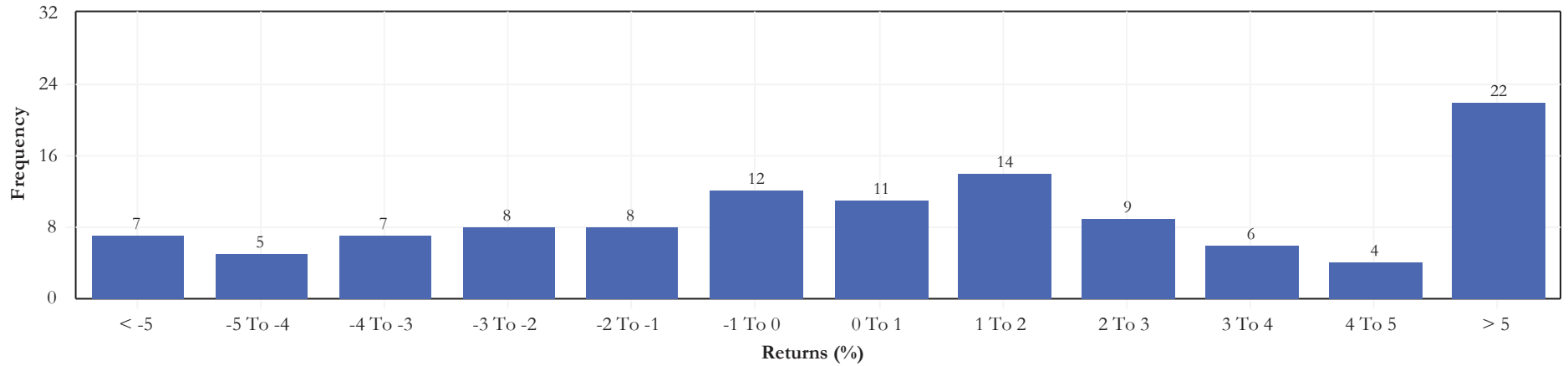


Quarterly Change in Assets

	Market Value As of 04/01/2018	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 06/30/2018
Renaissance - International Growth	537,461.97	-	131,849.06	-21,849.06	-1,189.96	-	-35,029.77	611,242.24

Distribution of Returns

Distribution of Returns



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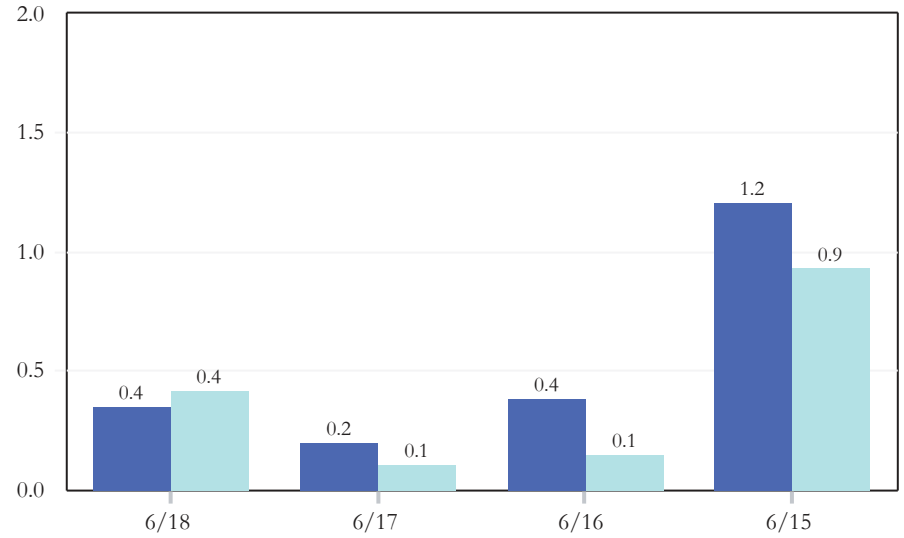
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

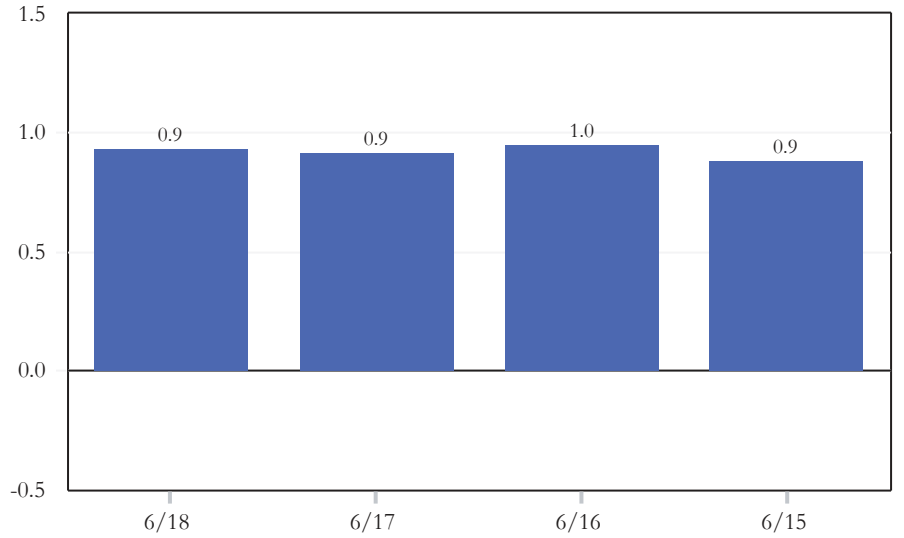
Renaissance - International Growth - Rolling Three Year MPT Statistics

as of June 30, 2018

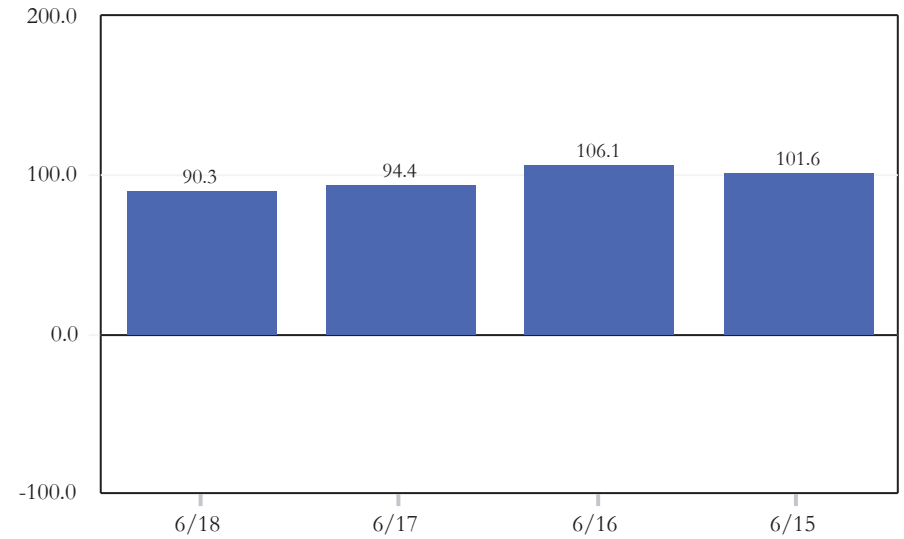
Sharpe Ratio



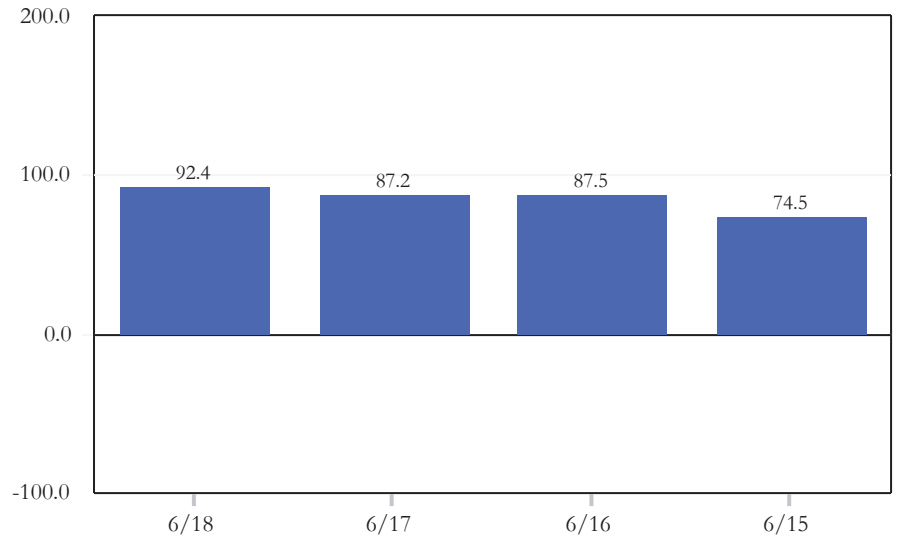
Beta



Up Market Capture



Down Market Capture



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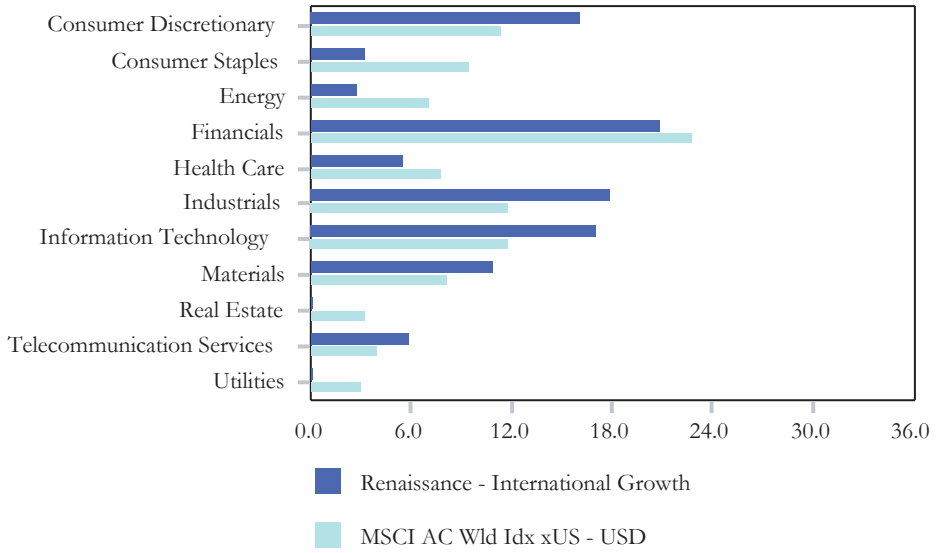
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

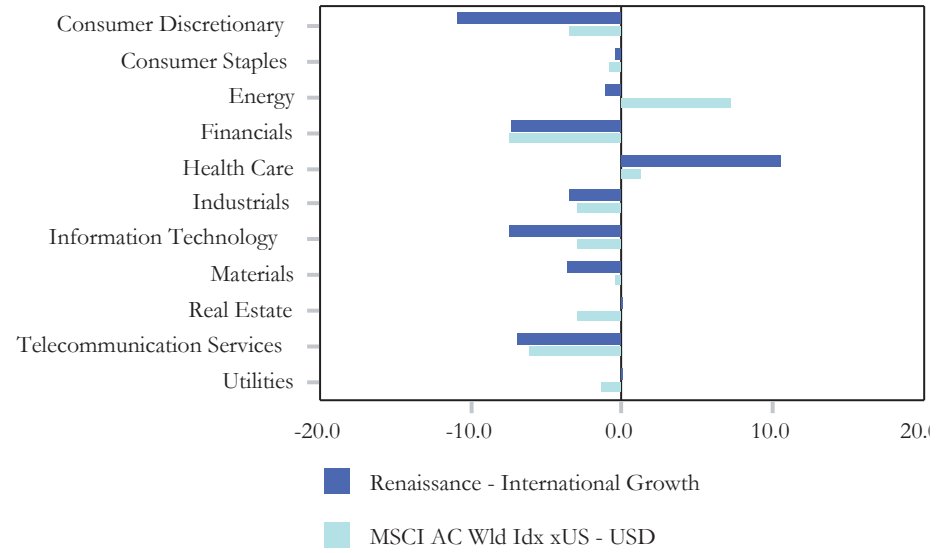
Renaissance - International Growth - Quarterly Performance Attributes

as of June 30, 2018

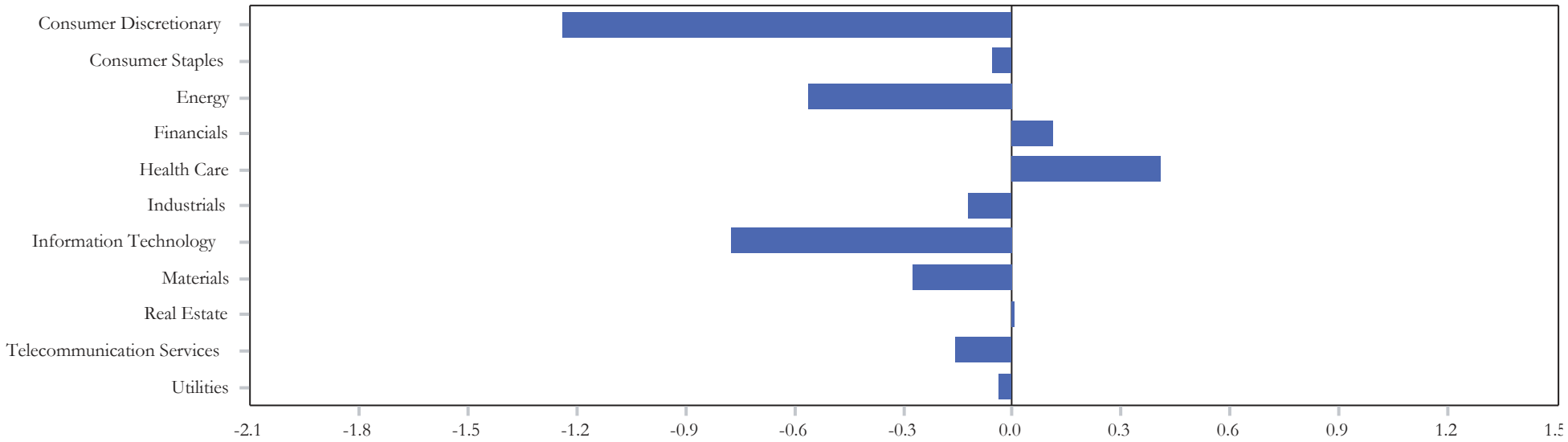
Allocation



Performance



Total Attribution



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Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Renaissance - International Growth - Quarterly Performance Attributes

as of June 30, 2018

	Allocation - 04/01/2018		Performance - Quarter Ending June 30, 2018		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	16.11	11.36	-10.90	-3.39	-0.01	-0.87	-0.36	-1.24
Consumer Staples	3.18	9.41	-0.33	-0.75	-0.09	0.08	-0.05	-0.06
Energy	2.75	7.02	-1.00	7.24	-0.41	-0.49	0.34	-0.56
Financials	20.88	22.77	-7.26	-7.35	0.07	0.05	-0.02	0.11
Health Care	5.48	7.71	10.58	1.34	-0.08	0.68	-0.19	0.41
Industrials	17.85	11.80	-3.49	-2.90	-0.02	-0.07	-0.04	-0.12
Information Technology	17.08	11.79	-7.44	-2.86	-0.01	-0.53	-0.24	-0.77
Materials	10.85	8.11	-3.59	-0.45	0.06	-0.25	-0.08	-0.27
Real Estate	0.00	3.19	0.00	-2.87	0.01	0.00	0.00	0.01
Telecommunication Services	5.82	3.87	-6.86	-6.05	-0.09	-0.04	-0.03	-0.16
Utilities	0.00	2.97	0.00	-1.35	-0.04	0.00	0.00	-0.04
Total	100.00	100.00	-5.35	-2.64	-0.59	-1.43	-0.67	-2.69

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

All the values for Allocation, Performance and Attribution are expresssed in Percentage(%) terms

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Holly Hill Municipal Police Officers' Retirement Trust Fund

Renaissance - International Growth - Portfolio Characteristics

as of June 30, 2018

Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap ($000)	42,871,968.15	65,830,632.13
Median Mkt. Cap ($000)	23,709,513.58	8,122,062.92
Price/Earnings ratio	12.77	14.05
Price/Book ratio	2.07	2.22
5 Yr. EPS Growth Rate (%)	14.74	11.91
Beta (5 Years, Monthly)	0.96	1.00
Number of Stocks	54	2,154
Debt to Equity	0.69	-0.22

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
AerCap Holdings NV	2.53	0.03	2.50	6.76
Icon PLC	2.15	0.00	2.15	12.18
Infineon Technologies	2.08	0.14	1.94	-4.67
DBS Group Holdings Ltd	2.06	0.17	1.89	-3.47
Persimmon PLC	2.05	0.05	2.00	-1.77
Oil Co LUKOIL PJSC	2.02	0.14	1.88	-0.06
Sony Corp	1.99	0.31	1.68	6.04
Smc Corp	1.97	0.10	1.87	-8.41
Capgemini SE	1.95	0.10	1.85	9.79
Taiwan Semiconductor	1.95	0.84	1.11	-13.37
% of Portfolio	20.75	1.88	18.87	

Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Stars Group Inc	1.91	0.00	1.91	31.46
Safran SA	1.92	0.19	1.73	16.78
Jazz Pharmaceuticals Plc	1.87	0.00	1.87	14.11
Canadian National Railway	1.88	0.29	1.59	12.44
Royal Dutch Shell PLC	1.90	0.76	1.14	12.28
Icon PLC	2.15	0.00	2.15	12.18
Capgemini SE	1.95	0.10	1.85	9.79
Stora Enso OYJ, Helsinki	1.83	0.05	1.78	9.54
Baidu Inc	1.74	0.32	1.42	8.88
olseley PLC	1.92	0.09	1.83	8.44
% of Portfolio	19.07	1.80	17.27	

Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Advanced Semiconductor Eng	1.86	0.04	1.82	-36.64
Pandora AS	1.73	0.04	1.69	-34.84
Renault SA	1.69	0.08	1.61	-26.56
Mitsubishi Electric Corp	1.90	0.12	1.78	-16.70
Toray Industries Inc	1.89	0.05	1.84	-16.17
Valeo SA	1.68	0.06	1.62	-15.11
Taiwan Semiconductor	1.95	0.84	1.11	-13.37
Orix Corp	1.81	0.10	1.71	-12.07
Carnival PLC	1.76	0.05	1.71	-11.32
Bridgestone Corp	1.84	0.11	1.73	-10.11
% of Portfolio	18.11	1.49	16.62	

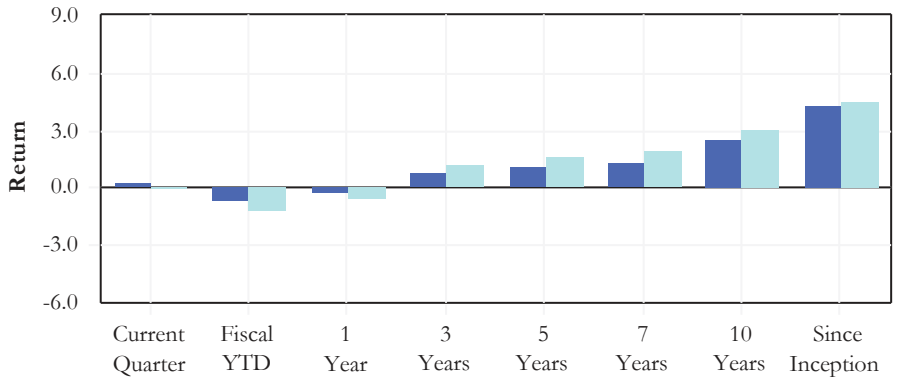
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

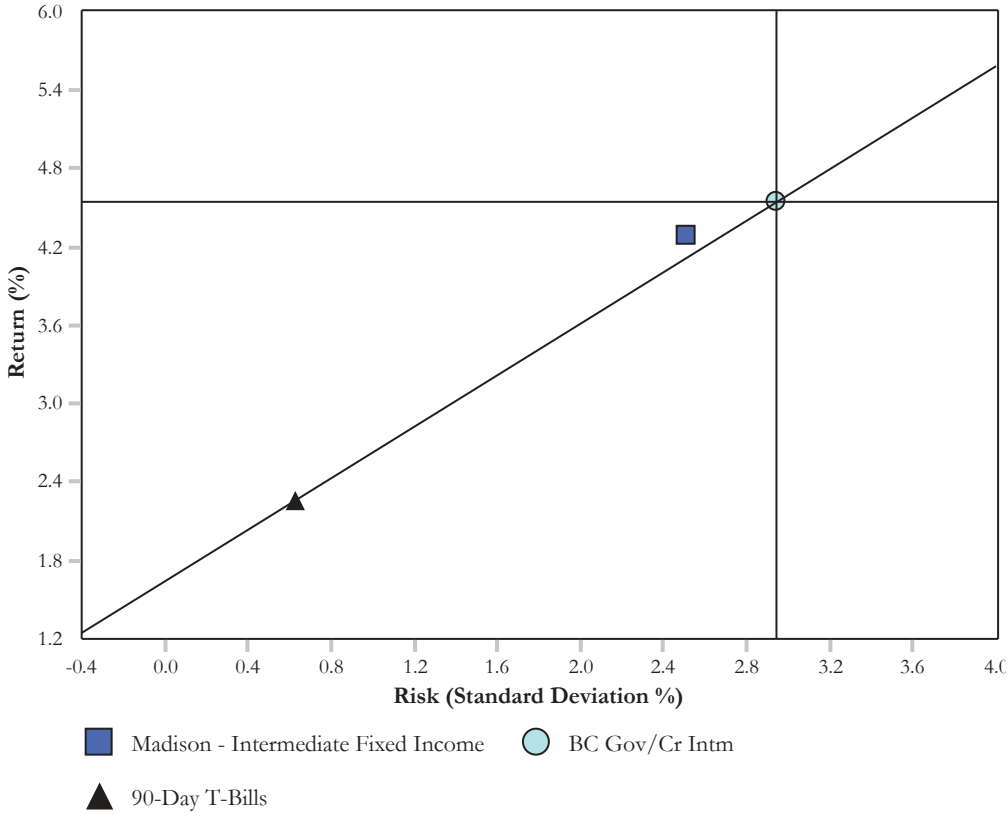
Madison Fixed Income - Executive Summary

as of June 30, 2018

Manager Performance Chart



Manager Risk & Return



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Inception 12/01/1995
Madison - Fixed Income	0.24	-0.73	-0.29	0.80	1.08	1.30	2.52	4.28
BC Gov/Cr Intm	0.01	-1.17	-0.58	1.16	1.60	1.95	3.08	4.54
Differences	0.23	0.44	0.29	-0.36	-0.52	-0.65	-0.56	-0.26

Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Inception 12/01/1995
Madison - Fixed Income								
Beginning Market Value	2,014	2,596	2,590	2,578	2,627	2,450	2,111	1,537
Net Contributions	-14	-564	-564	-576	-658	-523	-432	-973
Fees/Expenses	-4	-15	-20	-64	-109	-156	-219	-450
Income	12	40	54	175	317	472	727	2,076
Gain/Loss	-7	-57	-59	-112	-178	-243	-188	-190
Ending Market Value	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Madison - Intermediate Fixed Income	4.28	2.51	0.81	-2.42	86.53	69.98	0.57	0.82	0.91	12/01/199
BC Gov/Cr Intm	4.54	2.94	1.00	-4.05	100.00	100.00	0.00	0.77	1.00	12/01/199

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Graystone

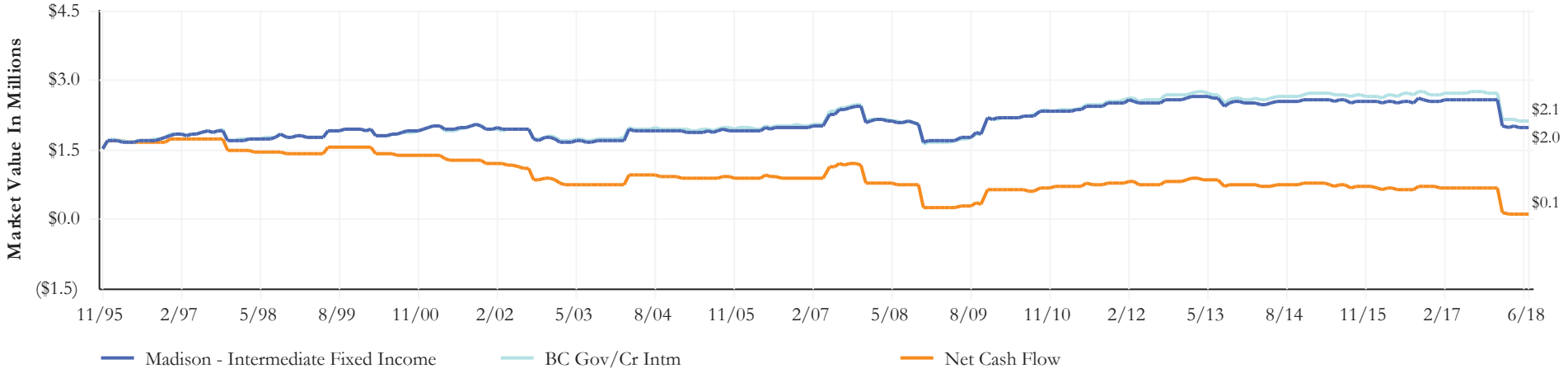
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Madison Fixed Income - Change in Assets & Distribution of Returns

as of June 30, 2018

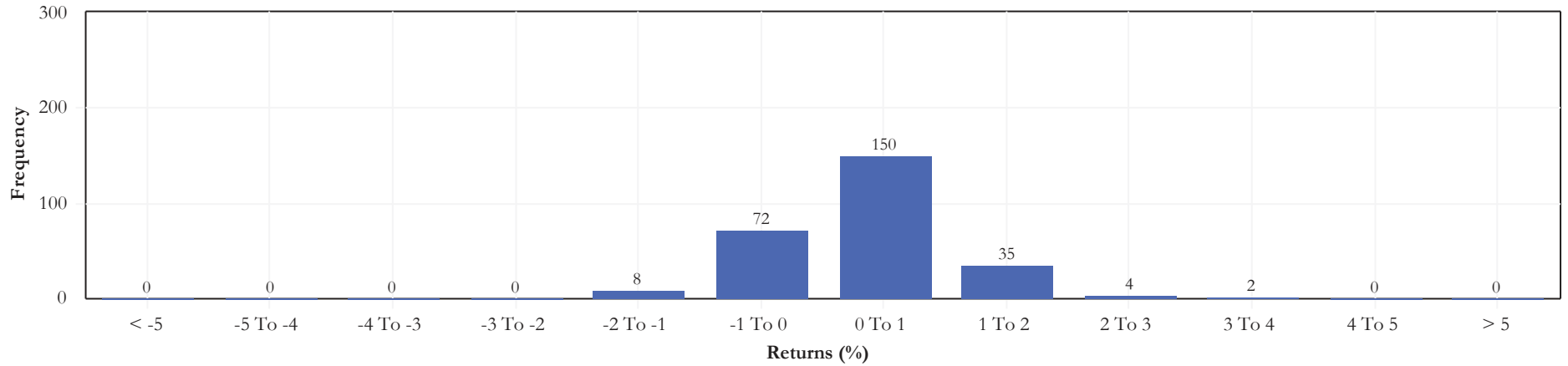
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 04/01/2018	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 06/30/2018
Madison - Intermediate Fixed Income	2,013,569.72	-	-	-14,208.45	-4,117.48	-	4,743.63	1,999,987.42

Distribution of Returns



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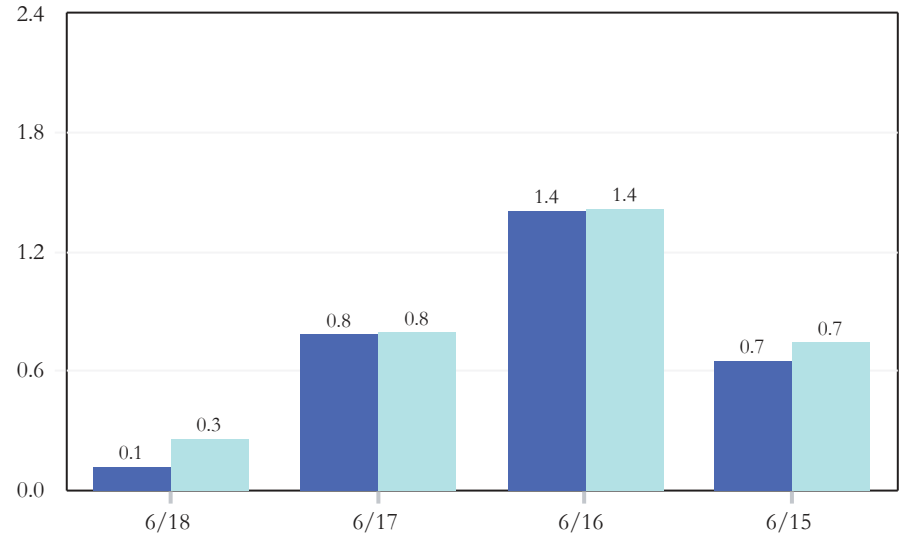
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

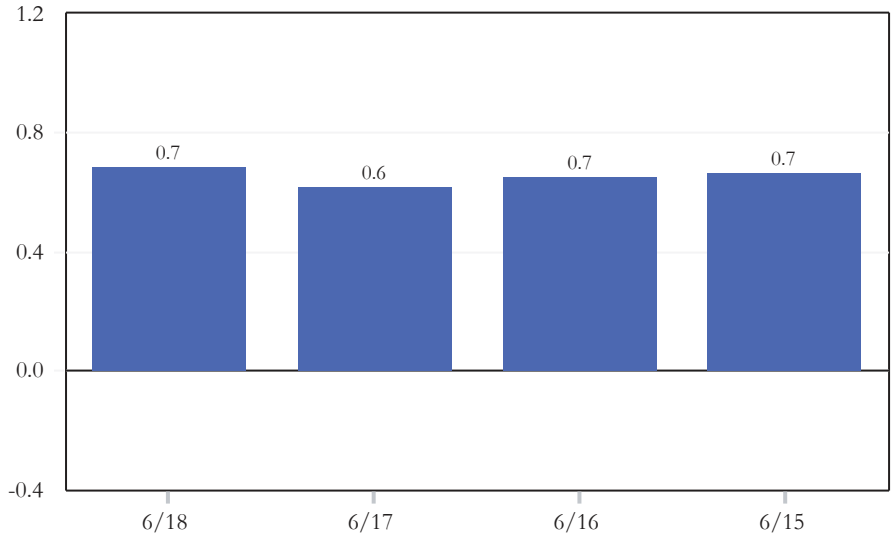
Madison - Intermediate Fixed Income - Rolling Three Year MPT Statistics

as of June 30, 2018

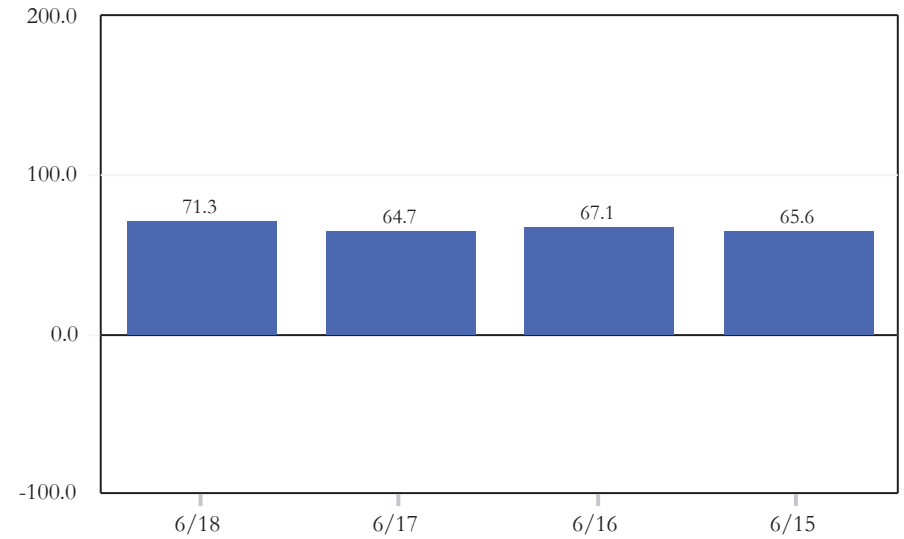
Sharpe Ratio



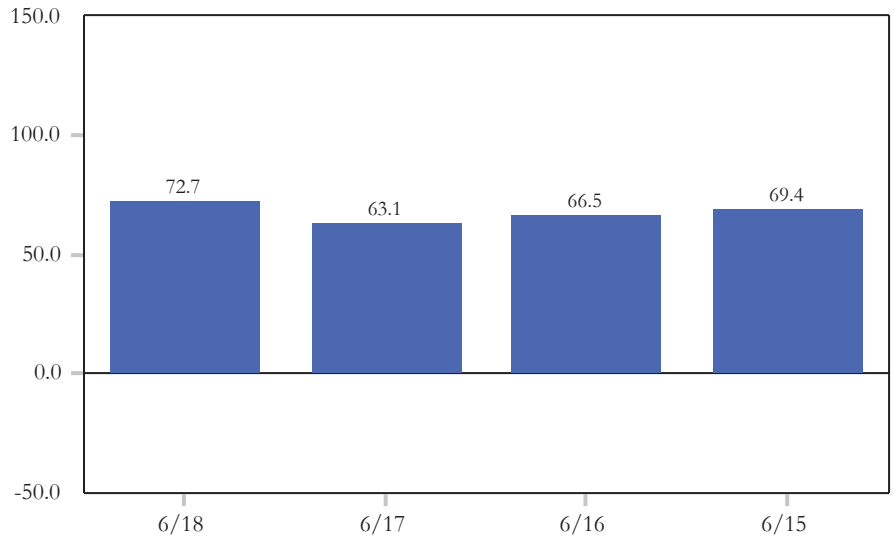
Beta



Up Market Capture



Down Market Capture



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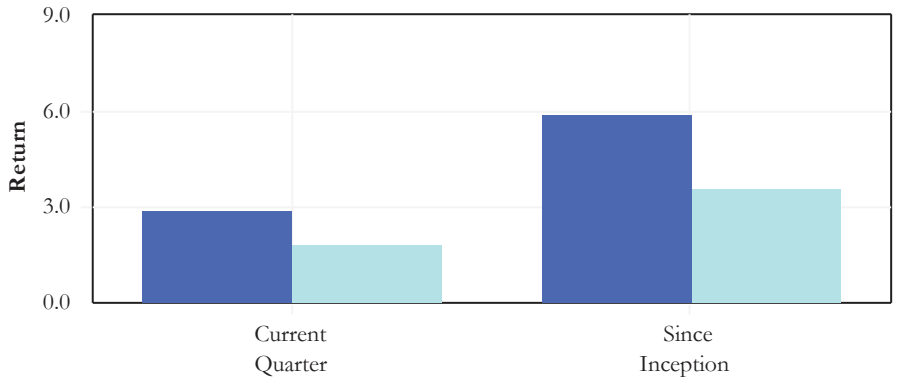
Holly Hill Municipal Police Officers' Retirement Trust Fund

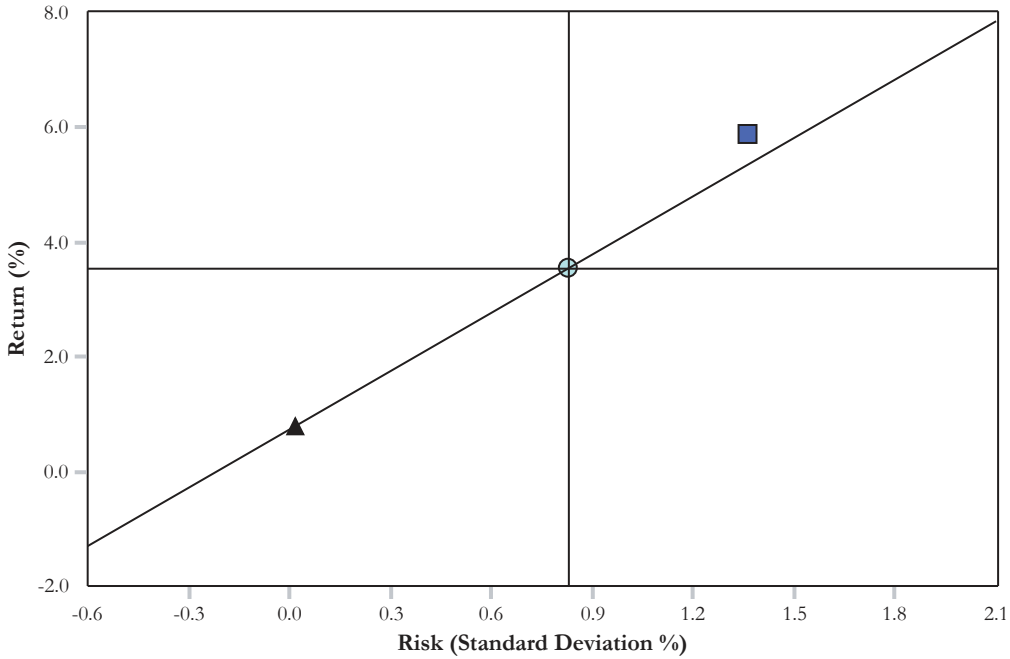
Intercontinental - Executive Summary

as of June 30, 2018

Manager Performance Chart



Manager Risk & Return



Manager Annualized Performance

		Current Quarter	Since Inception	Inception Date
Intercontinental Wealth Advisors	IMS	2.86	5.86	01/01/2018
NCREIF Property Idx		1.81	3.54	
Differences		1.05	2.32	

Historic Asset Growth

		Current Quarter	Since Inception	Inception Date
Intercontinental Wealth Advisors	IMS			01/01/2018
Beginning Market Value		924	900	
Net Contributions		-	1	
Fees/Expenses		-2	-6	
Income		-	-	
Gain/Loss		26	53	
Ending Market Value		948	948	

Modern Portfolio Statistics

		Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Intercontinental Wealth Advisors	IMS	5.86	1.36	1.64	0.00	164.70	N/A	0.00	0.61	1.00	01/01/201
NCREIF Property Idx		3.54	0.83	1.00	0.00	100.00	N/A	0.00	0.55	1.00	01/01/201

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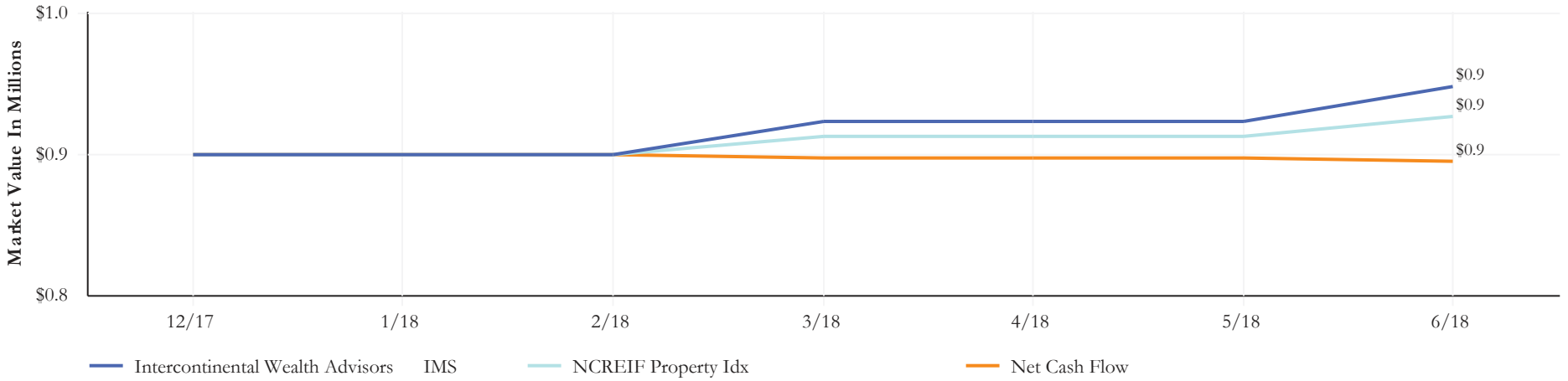
Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Holly Hill Municipal Police Officers' Retirement Trust Fund

Intercontinental - Change in Assets & Distribution of Returns

as of June 30, 2018

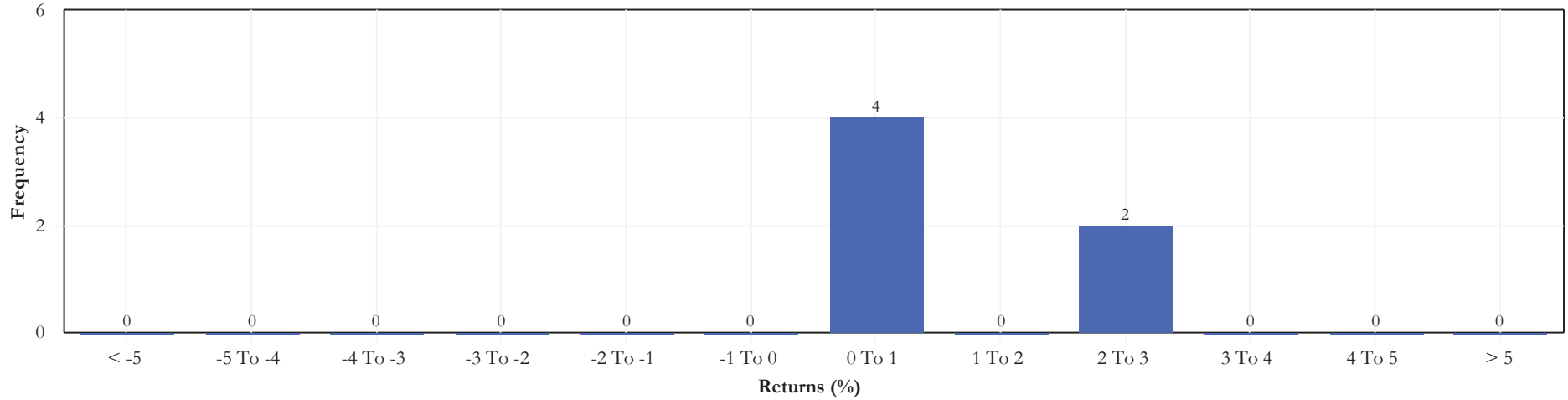
Historic Change in Assets



Quarterly Change in Assets

		Market Value As of 04/01/2018	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 06/30/2018
Intercontinental Wealth Advisors	IMS	923,971.00	-	-	-	-2,486.00	-	26,368.00	947,853.00

Distribution of Returns



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Performance Appendix

Portfolio Name	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
BlackRock - Large Cap Value	2.18	-0.25	9.15	10.02	10.13	7.02	7.77	11/01/1995
Boston - Small/Mid Cap Value	2.34	0.17	9.25	7.70	6.64	7.55	7.93	01/01/2005
Cash	1.14	1.23	1.25	0.44	0.29	0.26	2.51	02/01/1996
Clearbridge - Large Cap Growth	5.29	6.72	19.71	7.65	10.13	10.81	6.91	11/01/1995
Connors - Large Cap Core	2.50	1.70	9.84	8.04	--	--	9.60	08/01/2013
Delaware - International Value	-3.22	-4.49	3.29	3.59	5.75	2.41	5.34	09/01/2004
Intercontinental Wealth Advisors IMS	2.59	5.17	--	--	--	--	5.17	12/01/2017
Madison - Intermediate Fixed Income	0.03	-1.04	-1.17	-0.06	0.21	1.58	3.38	11/01/1995
RBC - Small Cap Growth	9.31	11.44	18.58	10.62	11.50	11.55	7.53	11/01/1995
Renaissance - International Growth	-6.00	-5.80	1.85	3.23	6.21	--	8.50	01/01/2009

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Glossary of Terms

Active Contribution Return: The gain or loss percentage of an investment relative to the performance of the investment benchmark.

Active Exposure: The percentage difference in weight of the portfolio compared to its policy benchmark.

Active Return: Arithmetic difference between the manager's return and the benchmark's return over a specified time period.

Actual Correlation: A measure of the correlation (linear dependence) between two variables X and Y, with a value between +1 and -1 inclusive. This is also referred to as coefficient of correlation.

Alpha: A measure of a portfolio's time weighted return in excess of the market's return, both adjusted for risk. A positive alpha indicates that the portfolio outperformed the market on a risk-adjusted basis, and a negative alpha indicates the portfolio did worse than the market.

Best Quarter: The highest quarterly return for a certain time period.

Beta: A measure of the sensitivity of a portfolio's time weighted return (net of fees) against that of the market. A beta greater than 1.00 indicates volatility greater than the market.

Consistency: The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.

Core: Refers to an investment strategy mandate that is blend of growth and value styles without a pronounced tilt toward either style.

Cumulative Selection Return (*Cumulative Return*): Cumulative investment performance over a specified period of time.

Distribution Rate: The most recent distribution paid, annualized, and then divided by the current market price. Distribution rate may consist of investment income, short-term capital gains, long-term capital gains, and/or return of capital.

Down Market Capture: The ratio of average portfolio returns over the benchmark during periods of negative benchmark return. Lower values indicate better product performance.

Downside Risk: A measure similar to standard deviation, but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the value, the more risk the product has.

Downside Semi Deviation: A statistical calculation that measures the volatility of returns below a minimum acceptable return. This return measure isolates the negative portion of volatility: the larger the number, the greater the volatility.

Drawdown: A drawdown is the peak-to-trough decline during a specific period of an investment, fund or commodity.

Excess over Benchmark: The percentage gain or loss of an investment relative to the investment's benchmark.

Excess Return: Arithmetic difference between the manager's return and the risk-free return over a specified time period.

Growth: A diversified investment strategy which includes investment selections that have capital appreciation as the primary goal, with little or no dividend payouts. These strategies can include reinvestment in expansion, acquisitions, and/or research and development opportunities.

Growth of Dollar: The aggregate amount an investment has gained or lost over a certain time period, also referred to as Cumulative Return, stated in terms of the amount to which an initial dollar investment would have grown over the given time period.

Investment Decision Process (IDP): A model for structuring the investment process and implementing the correct attribution methodologies. The IDP includes every decision made concerning the division of the assets under management over the various asset categories. To analyze each decision‘s contribution to the total return, a modeling approach must measure the marginal value of every individual decision. In this respect, the hierarchy of the decisions becomes very important. We therefore use the IDP model, which serves as a proper foundation for registering the decisions and relating them to each other.

Information Ratio: Measured by dividing the active rate of return by the tracking error. The higher the Information Ratio, the more value-added contribution by the manager.

Jensen's Alpha: The Jensen's alpha measure is a risk-adjusted performance measure that represents the average return on a portfolio or investment above or below that predicted by the capital asset pricing model (CAPM) given the portfolio's or investment's beta and the average market return. This metric is also commonly referred to as alpha..

Kurtosis: A statistical measure that is used to describe the distribution, or skewness, of observed data around the mean, sometimes referred to as the volatility of volatility.

Maximum Drawdown: The drawdown is defined as the percent retrenchment from a fund's peak to the fund's trough value. It is in effect from the time the fund's retrenchment begins until a new fund high is reached. The maximum drawdown encompasses both the period from the fund's peak to the fund's valley (length), and the time from the fund's valley to a new fund high (recovery). It measures the largest percentage drawdown that has occurred in any fund's data record.

Modern Portfolio Theory (MPT): An investment analysis theory on how risk-averse investors can construct portfolios to optimize or maximize expected return based on a given level of market risk, emphasizing that risk is an inherent part of higher reward.

Mutual Fund (MF): An investment program funded by shareholders that trade in diversified holdings and is professionally managed.

Peer Group: A combination of funds that share the same investment style combined as a group for comparison purposes.

Peer/ Plan Sponsor Universe: A combination of asset pools of total plan investments by specific sponsor and plan types for comparison purposes.

Performance Ineligible Assets: Performance returns are not calculated for certain assets because accurate valuations and transaction data for these assets are not processed or maintained by us. Common examples of

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these include life insurance, some annuities and some assets held externally.

Performance Statistics: A generic term for various measures of investment performance measurement terms.

Portfolio Characteristics: A generic term for various measures of investment portfolio characteristics.

Preferred Return: A term used in the private equity (PE) world, and also referred to as a "Hurdle Rate." It refers to the threshold return that the limited partners of a private equity fund must receive, prior to the PE firm receiving its carried interest or "carry."

Ratio of Cumulative Wealth: A defined ratio of the Cumulative Return of the portfolio divided by the Cumulative Return of the benchmark for a certain time period.

Regression Based Analysis: A statistical process for estimating the relationships among variables. It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables

Residual Correlation: Within returns-based style analysis, residual correlation refers to the portion of a strategy's return pattern that cannot be explained by its correlation to the asset-class benchmarks to which it is being compared.

Return: A rate of investment performance for the specified period.

Rolling Percentile Ranking: A measure of an investment portfolio's ranking versus a peer group for a specific rolling time period (i.e. Last 3 Years, Last 5 years, etc.).

R-Squared: The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Squared means a higher correlation of the portfolio's performance to the appropriate benchmark.

SA/CF (Separate Account/Comingled Fund): Represents an acronym for Separate Account and Commingled Fund investment vehicles.

Sector Benchmark: A market index that serves as a proxy for a sector within an asset class.

Sharpe Ratio: Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance results in.

Standard Deviation: A statistical measure of the range of a portfolio's performance; the variability of a return around its average return over a specified time period.

Total Fund Benchmark: The policy benchmark for a complete asset pool that could consist of multiple investment mandates.

Total Fund Composite: The aggregate of multiple portfolios within an asset pool or household.

Tracking Error: A measure of standard deviation for a portfolio's investment performance, relative to the performance of an appropriate market benchmark.

Treynor Ratio: A ratio that divides the excess return (above the risk free rate) by the portfolio's beta to arrive at a unified measure of risk adjusted return. It is generally used to rank portfolios, funds and benchmarks. A higher ratio is indicative of higher returns per unit of market risk. This measurement can help determine if the portfolio is reaching its goal of increasing returns while managing market risk.

Up Market Capture: The ratio of average portfolio returns over the benchmark during periods of positive benchmark return. Higher values indicate better product performance.

Upside Semi Deviation: A statistical calculation that measures the volatility of returns above an acceptable return. This return measure isolates the positive portion of volatility: the larger the number, the greater the volatility.

Value: A diversified investment strategy that includes investment selections which tend to trade at a lower price relative to its dividends, earnings, and sales. Common attributes are stocks that include high dividend, low price-to-book ratio, and/or low price-to-earnings ratio.

Worst Quarter: The lowest rolling quarterly return for a certain time period.

Information Disclosures

The performance data shown reflects past performance, which does not guarantee future results. Investment return and principal will fluctuate so that an investor's shares when redeemed may be worth more or less than original cost. Please note, current performance may be higher or lower than the performance data shown. For up to date month-end performance information, please contact your Financial Advisor or visit the funds' company website.

Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. The prospectus and, if available the summary prospectus, contains this and other information that should be read carefully before investing. Investors should review the information in the prospectus carefully. To obtain a prospectus, please contact your Financial Advisor or visit the funds' company website.

Past performance is no guarantee of future results.

Investing involves market risk, including possible loss of principal. **Growth investing** does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations. **Value investing** involves the risk that the market may not recognize that securities are undervalued and they may not appreciate as anticipated. **Small and mid-capitalization companies** may lack the financial resources, product diversification and competitive strengths of larger companies. The securities of small capitalization companies may not trade as readily as, and be subject to higher volatility than those of larger, more established companies. **Bond funds** and bond holdings have the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the funds. The return of principal in bond funds, and in funds with significant bond holdings, is not guaranteed. **International securities'** prices may carry additional risks, including foreign economic, political, monetary and/or legal factors, changing currency exchange rates, foreign taxes and differences in financial and accounting standards. International investing may not be for everyone. These risks may be magnified in emerging markets. **Alternative investments**, including private equity funds, real estate funds, hedge funds, managed futures funds, and funds of hedge funds, private equity, and managed futures funds, are speculative and entail significant risks that can include losses due to leveraging or\other speculative investment practices, lack of liquidity, volatility of returns, restrictions on transferring interests in a fund, potential lack of diversification, absence and/or delay of information regarding valuations and pricing, complex tax structures and delays in tax reporting, less regulation and higher fees than mutual funds and risks associated with the operations, personnel and processes of the advisor. **Master Limited Partnerships** (MLPs) are limited partnerships or limited liability companies that are taxed as partnerships and whose interests (limited partnership units or limited liability company units) are traded on securities exchanges like shares of common stock. Currently, most MLPs operate in the energy, natural resources or real estate

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sectors. Investments in MLP interests are subject to the risks generally applicable to companies in the energy and natural resources sectors, including commodity pricing risk, supply and demand risk, depletion risk and exploration risk; and MLP interests in the real estate sector are subject to special risks, including interest rate and property value fluctuations, as well as risks related to general and economic conditions. Because of their narrow focus, MLPs maintain exposure to price volatility of commodities and/or underlying assets and tend to be more volatile than investments that diversify across many sectors and companies. MLPs are also subject to additional risks including: investors having limited control and rights to vote on matters affecting the MLP, limited access to capital, cash flow risk, lack of liquidity, dilution risk, conflict of interests, and limited call rights related to acquisitions.

Mortgage backed securities also involve prepayment risk, in that faster or slower prepayments than expected on underlying mortgage loans can dramatically alter the yield-to-maturity of a mortgage-backed security and prepayment risk includes the possibility that a fund may invest the proceeds at generally lower interest rates.

Tax managed funds may not meet their objective of being tax-efficient.

Real estate investments are subject to special risks, including interest rate and property value fluctuations, as well as risks related to general and economic conditions. **High yield** fixed income securities, also known as "junk bonds", are considered speculative, involve greater risk of default and tend to be more volatile than investment grade fixed income securities.

Credit quality is a measure of a bond issuer's creditworthiness, or ability to repay interest and principal to bondholders in a timely manner. The credit ratings shown are based on security rating as provided by Standard & Poor's, Moody's and/or Fitch, as applicable. Credit ratings are issued by the rating agencies for the underlying securities in the fund and not the fund itself, and the credit quality of the securities in the fund does not represent the stability or safety of the fund. Credit ratings shown range from AAA, being the highest, to D, being the lowest based on S&P and Fitch's classification (the equivalent of Aaa and C, respectively, by Moody(s). Ratings of BBB or higher by S&P and Fitch (Baa or higher by Moody's) are considered to be investment grade-quality securities. If two or more of the agencies have assigned different ratings to a security, the highest rating is applied. Securities that are not rated by all three agencies are listed as "NR".

"**Alpha tilt strategies** comprise a core holding of stocks that mimic a benchmark type index such as the S&P 500 to which additional securities are added to help tilt the fund toward potentially outperforming the market in an effort to enhance overall investment returns. Tilt strategies are subject to significant timing risk and could potentially expose investors to extended periods of underperformance."

Custom Account Index: The Custom Account Index is an investment benchmark based on your historical target allocations and/or manager selection that you may use to evaluate the performance of your account. The Custom Account index does take into consideration certain changes that may have occurred in your portfolio since the inception of your account, i.e., asset class and/or manager changes. However, in some circumstances, it may not be an appropriate benchmark for use with your specific account composition. For detailed report of the historical composition of this blend please contact your Financial Advisor.

Peer Groups

Peer Groups are a collection of similar investment strategies that essentially group investment products that share the same investment approach. Peer Groups are used for comparison purposes to compare and illustrate a clients investment portfolio versus its peer across various quantitative metrics like performance and risk. Peer Group comparison is conceptually another form of benchmark comparison whereby the actual investment can be ranked versus its peer across various quantitative metrics.

All Peer Group data are provided by Investment Metrics, LLC.

The URL below provides all the definitions and methodology about the various Peer Groups

https://www.invmetrics.com/style-peer-groups

Peer Group Ranking Methodology

A percentile rank denotes the value of a product in which a certain percent of observations fall within a peer group. The range of percentile rankings is between 1 and 100, where 1 represents a high statistical value and 100 represents a low statistical value.

The 30th percentile, for example, is the value in which 30% of the highest observations may be found, the 65th percentile is the value in which 65% of the highest observations may be found, and so on.

Percentile rankings are calculated based on a normalized distribution ranging from 1 to 100 for all products in each peer group, where a ranking of 1 denotes a high statistical value and a ranking of 100 denotes a low statistical value. It is important to note that the same ranking methodology applies to all statistics, implying that a ranking of 1 will always mean highest value across all statistics.

For example, consider a risk/return assessment using standard deviation as a measure of risk. A percentile ranking equal to 1 for return denotes highest return, whereas a percentile ranking of 1 for standard deviation denotes highest risk among peers.

In addition, values may be used to demonstrate quartile rankings. For example, the third quartile is also known as the 75th percentile, and the median is the 50th percentile.

Alternatives

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estimate; and 5) should not be relied upon for tax reporting purposes. Notwithstanding the foregoing, 1) to the extent this report displays Alternative Investment positions within a Morgan Stanley Individual Retirement Account ("IRA"), such positions are held by Morgan Stanley Smith Barney LLC as the custodian of your Morgan Stanley IRA; and 2) if your Alternative Investment positon(s) is held by us and is registered pursuant to the Securities Act of 1933, as amended, your Alternative Investment position(s) is covered by SIPC.

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Traditional alternative investment vehicles are illiquid and usually are not valued daily. The estimated valuation provided will be as of the most recent date available and will be included in summaries of your assets. Such valuation may not be the most recent provided by the fund in which you are invested. No representation is made that the valuation is a market value or that the interest could be liquidated at this value. We are not required to take any action with respect to your investment unless valid instructions are received from you in a timely manner. Some positions reflected herein may not represent interests in the fund, but rather redemption proceeds withheld by the issuer pending final valuations which are not subject to the investment performance of the fund and may or may not accrue interest for the length of the withholding. Morgan Stanley does not engage in an independent valuation of your alternative investment assets. Morgan Stanley provides periodic information to you including the market value of an alternative investment vehicle based on information received from the management entity of the alternative investment vehicle or another service provider.

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Indices are unmanaged and investors cannot directly invest in them. Composite index results are shown for illustrative purposes and do not represent the performance of a specific investment. Past performance is no guarantee of future results. Actual results may vary. Diversification does not assure a profit or protect against loss in a declining market. Any performance or related information presented has not been adjusted to reflect the impact of the additional fees paid to a placement agent by an investor (for Morgan Stanley placement clients, a one-time upfront Placement Fee of up to 3%, and for Morgan Stanley investment advisory clients, an annual advisory fee of up to 2.5%), which would result in a substantial reduction in the returns if such fees were incorporated.

For most investment advisory clients, the program account will be charged an asset-based wrap fee every quarter ("the Fee"). In general, the Fee covers investment advisory services and reporting. In addition to the Fee, clients will pay the fees and expenses of any funds in which their account is invested. Fund fees and expenses are charged directly to the pool of assets the fund invests in and impact the valuations. Clients must understand that these fees and expenses are an additional cost and will not be included in the Fee amount in the account statements.

As fees are deducted quarterly, the compounding effect will be to increase the impact of the fees by an amount directly related to the gross account performance. For example, for an account with an initial value of $100,000 and a 2.5% annual fee, if the gross performance is 5% per year over a three year period, the compounding effect of the fees will result in a net annual compound rate of return of approximately 2.40% per year over a three year period, and the total value of the client's portfolio at the end of the three year period would be approximately $115,762.50 without the fees and $107,372.63 with the fees. Please see the applicable Morgan Stanley Smith Barney LLC Form ADV Part 2A for more information including a description of the fee schedule. It is available at www.morganstanley.com/ADV <http://www.morganstanley.com/ADV> <http://www.morganstanley.com/ADV> or from your Financial Advisor/Private Wealth Advisor.

Alternative investments involve complex tax structures, tax inefficient investing, and delays in distributing important tax information. Individual funds have specific risks related to their investment programs that will vary from fund to fund. Clients should consult their own tax and legal advisors as Morgan Stanley does not provide tax or legal advice. Interests in alternative investment products are offered pursuant to the terms of the applicable offering memorandum, are distributed by Morgan Stanley Smith Barney LLC and certain of its affiliates, and (1) are not FDIC-insured, (2) are not deposits or other obligations of Morgan Stanley or any of its affiliates, (3) are not guaranteed by Morgan Stanley and its affiliates, and (4) involve investment risks, including possible loss of principal. Morgan Stanley Smith Barney LLC is a registered broker-dealer, not a bank.

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Money Market Funds

You could lose money in Money Market Funds. Although MMFs classified as government funds (i.e., MMFs that invest 99.5% of total assets in cash and/or securities backed by the U.S government) and retail funds (i.e., MMFs open to natural person investors only) seek to preserve value at $1.00 per share, they cannot guarantee they will do so. The price of other MMFs will fluctuate and when you sell shares they may be worth more or less than originally paid. MMFs may impose a fee upon sale or temporarily suspend sales if liquidity falls below required minimums. During suspensions, shares would not be available for purchases, withdrawals, check writing or ATM debits. A MMF investment is not insured or guaranteed by the Federal Deposit Insurance Corporation or other government agency.

Attachment: Holly Hill 2Q 2018 (2153 : Second Quarter 2018 Performance Review)

Graystone Consulting

QUARTERLY PERFORMANCE SUMMARY

Prepared for:

Holly Hill Police Officers' Retirement Trust Fund

As of June 30, 2018

Graystone Consulting Tampa

Charles H. Mulfinger, II, CIMA®
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Institutional Consulting Director
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Attachment: Holly Hill Quarterly Performance Summary - 2 Q 2018 (2153 : Second Quarter 2018

Graystone Consulting

U.S. Equity Market % Returns for the Period Ending June 30, 2018					
	Quarter	12 Months	Three Years (annualized)	Five Years (annualized)	Seven Years (annualized)
S&P 500 Index	3.43	14.37	11.93	13.43	13.24
Dow Jones Industrial Average	1.26	16.31	14.07	12.95	12.85
Russell 1000 Index	3.57	14.54	11.64	13.37	13.12
Russell 1000 Growth Index	5.76	22.51	14.98	16.36	14.88
Russell 1000 Value Index	1.18	6.77	8.26	10.35	11.27
Russell 2000 Index	7.75	17.57	10.96	12.46	11.83
Russell 2000 Growth Index	7.23	21.86	10.60	13.65	12.50
Russell 2000 Value Index	8.30	13.10	11.22	11.18	11.10
Russell 3000 Index	3.89	14.78	11.58	13.29	13.02
Russell 3000 Growth Index	5.87	22.47	14.63	16.14	14.69
Russell 3000 Value Index	1.71	7.25	8.48	10.40	11.25
Russell Midcap Index	2.82	12.33	9.58	12.22	11.88
Russell Midcap Growth Index	3.16	18.52	10.73	13.37	12.16
Russell Midcap Value Index	2.41	7.60	8.79	11.27	11.69

Past Performance is not a guarantee of future results. Indices are not available for direct investment.
Source: MAX

S&P 500 Sector % Returns for the Period Ending June 30, 2018	
	Quarter
Energy	13.50
Consumer Discretionary	8.20
Information Technology	7.10
Real Estate	6.10
Utilities	3.70
Health Care	3.10
Materials	2.60
Telecommunication Services	(0.90)
Consumer Staples	(1.50)
Industrials	(3.20)
Financials	(3.20)

Past Performance is not a guarantee of future results. Indices are not available for direct investment.
Source: MAX

Attachment: Holly Hill Quarterly Performance Summary - 2 Q 2018 (2153 : Second Quarter 2018

Graystone Consulting

Developed Markets Equity % Returns for the Period Ending June 30, 2018	U.S. Dollar		Local Currency	
	Quarter	12 Months	Quarter	12 Months
Regional and Other Multi Country Indices				
MSCI EAFE	(1.24)	6.84	3.75	6.65
MSCI Europe	(1.27)	5.28	4.51	4.95
MSCI Far East	(2.83)	10.54	0.68	9.24
MSCI Pacific ex. Japan	1.78	8.68	4.54	15.88
MSCI The World	1.93	11.70	3.85	11.52
MSCI World ex. U.S.	(0.75)	7.04	4.04	7.05
National Indices				
MSCI Hong Kong	(1.18)	9.18	(1.21)	9.69
MSCI Ireland	2.07	5.71	N/A	N/A
MSCI Japan	(2.80)	10.88	1.23	9.31
MSCI Singapore	(7.49)	7.94	(3.82)	6.92

Past Performance is not a guarantee of future results. Indices are not available for direct investment.
Source: MAX

Emerging Markets Equity % Returns for the Period Ending June 30, 2018	U.S. Dollar		Local Currency	
	Quarter	12 Months	Quarter	12 Months
Regional and Other Multi Country Indices				
MSCI EM	(7.86)	8.59	(3.41)	10.86
National Indices				
MSCI China	(3.44)	21.42	(3.43)	21.92
MSCI Malaysia	(11.44)	5.56	(3.43)	21.92
MSCI Taiwan	(6.06)	4.72	(1.77)	4.96
MSCI Thailand	(14.92)	12.35	(14.92)	12.35

Past Performance is not a guarantee of future results. Indices are not available for direct investment.
Source: MAX

Graystone Consulting

Fixed Income % Returns for the Period Ending June 30, 2018					
	Quarter	12 Months	Three Years (annualized)	Five Years (annualized)	10 Years (annualized)
U.S. Fixed Income					
90-Day Treasury Bill	0.44	1.32	0.64	0.40	0.28
Barclays Capital Aggregate	(0.16)	(0.40)	1.72	2.27	3.72
Barclays Capital Credit	(0.88)	(0.65)	2.18	2.96	4.94
Barclays Capital Govt/Credit	(0.33)	(0.63)	1.83	2.28	3.77
Barclays Capital Government	0.10	(0.63)	1.02	1.48	2.91
Barclays Capital High Yield	1.03	2.62	4.68	5.00	6.89
Barclays Capital Intermediate Govt/Credit	0.01	(0.58)	1.16	1.60	3.08
Barclays Capital Long Govt/Credit	(1.45)	(0.78)	4.34	5.09	6.78
Barclays Capital Mortgage Backed	0.24	0.15	1.46	2.32	3.86
Barclays Capital Municipal	0.87	1.56	2.85	3.53	4.43
Global Fixed Income					
Merrill Lynch Global High Yield	(1.29)	2.08	5.46	4.79	7.98
Barclays Global Treasury ex. U.S.	(5.02)	2.71	3.75	1.14	1.92
Barclays Capital Majors ex. U.S.	(4.81)	3.10	3.76	0.99	1.95

Past Performance is not a guarantee of future results. Indices are not available for direct investment.

Source: MAX

SUMMARY OF RELEVANT FACTS
Holly Hill Police Officers' Retirement Trust Fund
As of June 30, 2018

Distribution of Assets:		
Equity		
- Large Cap Value	$1,749,901.03	
- Large Cap Growth	$1,722,144.91	
- Large Cap Core	$1,070,804.82	
- Small Cap Value	$784,434.90	
- Small Cap Growth	$852,325.12	
- International Value	$625,136.92	
- International Growth	$611,242.25	
Total Equity		$7,415,989.95
Fixed Income		$1,999,987.42
Private Real Estate		$947,853.00
Cash (Deposit & Disbursement Account)		$905.81
Total Portfolio		$10,364,736.18

Distribution by Percentages:	Policy	Current
Equity Breakdown		
- Large Cap Value	17.50%	16.88%
- Large Cap Growth	17.50%	16.62%
- Large Cap Core	10.00%	10.33%
- Small Cap Value	7.50%	7.57%
- Small Cap Growth	7.50%	8.22%
- International Value	5.00%	6.03%
- International Growth	5.00%	5.90%
Total Equity	70.00%	71.55%
Fixed Income	20.00%	19.30%
Private Real Estate	10.00%	9.14%
Cash (Deposit & Disbursement Account	0.0%	0.01%
Total	100.00%	100.00%

Other Important Facts:

Total Portfolio	$10,364,736
Total Gain or (Loss) - Gross	$243,425
Total Gain or (Loss) - Net	$220,598
Total Fees	($22,828)

BLACKROCK		
Total Assets	100.00%	$1,749,901
Equity	98.25%	$1,719,347
Cash	1.75%	$30,554
Fees		($3,786)
Gain or (Loss)		$41,712

RBC		
Total Assets	100.00%	$852,3
Equity	98.79%	$842,0
Cash	1.21%	$10,3
Fees		($1,9
Gain or (Loss)		$74,5

CLEARBRIDGE		
Total Assets	100.00%	$1,722,145
Equity	98.25%	$1,692,005
Cash	1.75%	$30,140
Fees		($3,859)
Gain or (Loss)		$99,374

DELAWARE		
Total Assets	100.00%	$625,1
Equity	98.19%	$613,7
Cash	1.81%	$11,3
Fees		($1,2
Gain or (Loss)		($16,6

CONNORS		
Total Assets	100.00%	$1,070,805
Equity	94.71%	$1,014,136
Cash	5.29%	$56,669
Fees		($2,324)
Gain or (Loss)		$28,435

RENAISSANCE		
Total Assets	100.00%	$611,2
Equity	98.21%	$600,2
Cash	1.79%	$10,9
Fees		($1,1
Gain or (Loss)		($35,0

BOSTON		
Total Assets	100.00%	$784,435
Equity	98.22%	$770,434
Cash	1.78%	$14,001
Fees		($1,884)
Gain or (Loss)		$19,838

MADISON		
Total Assets	100.00%	$1,999,9
Fixed	99.04%	$1,980,8
Cash	0.96%	$19,1
Fees		($4,1
Gain or (Loss)		$4,7

DEPOSIT & DISBURSEMENT		
Cash	100.00%	$906
Gain or (Loss)		$31

INTERCONTINENTAL		
Total Assets	100.00%	$947,8
Equity	100.00%	$947,8
Cash	0.00%	
Fees		($2,4
Gain or (Loss)		$26,3

Holly Hill Police Officers' Retirement Trust Fund

As of June 30, 2018

ACTUARIAL ASSUMPTION = 7.40%

EQUITY BlackRock Large Cap. Value	Gross-of-Fees Returns	Net-of-Fees Returns	Russ 1000 Value	PSN Money Managers	S&P 500
Quarter	2.39	2.18	1.18	1.81	3.43
1 year	10.11	9.15	6.77	9.63	14.37
3 year	11.02	10.02	8.26	9.28	11.93
5 year	11.17	10.13	10.34	11.11	13.42
Since 8/31/12	11.93	10.89	12.48	NA	14.32
Blackrock/Lord Abbett Since 6/30/97	7.64	6.60	7.65	NA	7.49
Combined Managers - Since 11/30/95	8.82	7.75	8.93	NA	8.92
Clearbridge Large Cap. Growth			Russ 1000 Growth	PSN Money Managers	
Quarter	5.52	5.29	5.76	4.17	
Since 8/31/17	17.12	16.36	17.19	NA	
CB/WW - 1 year	20.73	19.71	22.51	18.60	
CB/WW - 3 year	8.63	7.65	14.98	12.15	
CB/WW - 5 year	11.17	10.13	16.36	14.52	
CB/WW - Since 12/31/12	11.82	10.77	17.12	NA	
CB/Wedgewood/Sands/Alliance/Sirach - Since 11/30/95	7.92	6.88	8.67	NA	
Connors Large Cap. Core			S&P 500	60% S&P 500 / 40% CBOE Buy Write	S&P CBOE Buy Write
Quarter	2.73	2.50	3.43	3.42	3.39
1 year	10.93	9.84	14.37	11.53	7.28
3 year	9.03	8.04	11.93	10.28	7.73
Since 8/31/13	10.94	9.98	13.44	11.45	8.42
Boston Small/Mid Cap. Value			Russell 2500 Value Dynamic Index	PSN Money Managers	
Quarter	2.59	2.34	5.80	6.53	
1 year	10.33	9.25	11.49	13.53	
Since 3/31/2016	16.32	15.18	15.29	NA	
Boston/GW - 3 year	8.79	7.70	8.75	10.89	
Boston/GW - 5 year	7.75	6.64	9.70	12.33	
Boston/GW - Since 5/31/06	8.63	7.56	6.78	NA	
Boston/GW/Babson/Harris - Since 1/31/05	8.87	7.80	7.46	NA	
RBC Small Cap. Growth			Russ 2000 Growth	PSN Money Managers	
Quarter	9.59	9.31	7.23	8.62	
1 year	19.78	18.58	21.86	24.65	
3 year	11.77	10.62	10.60	12.18	
5 year	12.68	11.50	13.65	14.33	
Since 5/31/06	10.42	9.30	9.59	NA	
RBC/Kayne/ING Furman - Since 11/30/95	8.74	7.64	7.56	NA	

Delaware International Value			MSCI EAFE (Net)	MSCI EAFE Value	
Quarter	(2.99)	(3.22)	(1.24)	(2.64)	
1 year	4.28	3.29	6.84	4.25	
3 year	4.61	3.59	4.90	3.30	
5 year	6.81	5.75	6.44	5.37	
Since 9/30/04	6.37	5.30	5.79	4.94	
Renaissance International Growth			MSCI AC Wrld x US	MSCI EAFE Growth	
Quarter	(5.79)	(6.00)	(2.61)	0.11	
1 year	2.75	1.85	7.28	9.41	
3 year	4.19	3.23	5.07	6.41	
5 year	7.24	6.21	5.99	7.43	
Since 1/31/09	9.91	8.89	9.37	10.04	
FIXED INCOME Madison			BC Int. G/C Bond	BC G/C Bond	90-Day T-Bill
Quarter	0.24	0.03	0.01	(0.33)	0.44
1 year	(0.29)	(1.17)	(0.58)	(0.63)	1.32
3 year	0.80	(0.06)	1.16	1.83	0.64
5 year	1.08	0.21	1.60	2.29	0.39
Since 11/30/95	4.28	3.30	4.54	4.99	2.26
PRIVATE REAL ESTATE Intercontinental			NCREIF Prop Idx		
Quarter	2.86	2.59	1.81		
Since 12/31/17	5.86	5.17	3.54		
TOTAL RETURN Time-Weighted Returns (TWR)			Policy Index		
Quarter	2.40	2.18	2.52		
1 year	9.46	8.47	9.91		
3 year	6.83	5.86	7.82		
5 year	7.56	6.58	9.02		
Since 11/30/95	6.99	5.98	7.70		
TOTAL RETURN Dollar-Weighted Net (IRR)			Actuarial Rate	CPI +4	
Quarter		2.17	1.85	1.54	
1 year		8.61	7.40	7.05	
3 year		5.91	7.40	5.87	
5 year		6.68	7.40	5.53	
Since 11/30/95		6.13	7.40	6.24	

-Policy Index

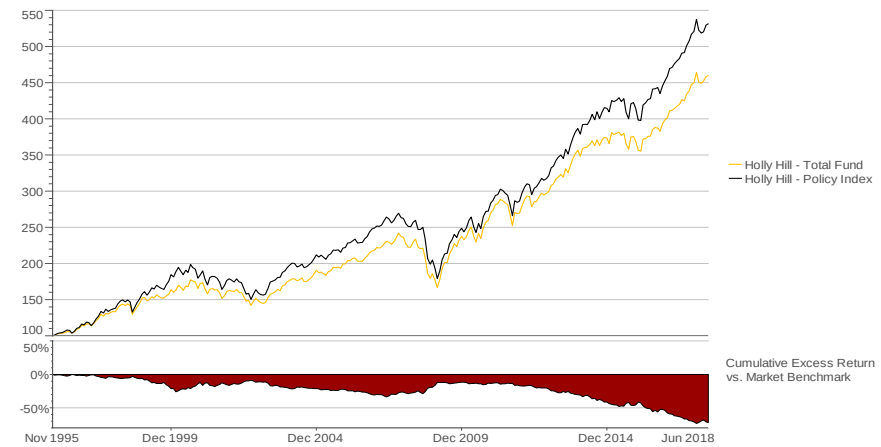
- 17.5% Russ 1000 Value / 17.5% Russ 1000 Growth / 10% S&P 500 / 7.5% Russ 2500 Value / 7.5% Russ 2000 Growth / 5% MSCI EAFE (net) / 5% MSCI AC Wd ex US (net) / 20% BC Int G/C / 10% NCREIF Prop Idx for periods since 12/31/2018
- 17.5% Russ 1000 Value / 17.5% Russ 1000 Growth / 10% S&P 500 / 7.5% Russ 2500 Value / 7.5% Russ 2000 Growth / 5% MSCI EAFE (net) / 5% MSCI AC Wd ex US (net) / 30% BC Int G/C for periods since 3/31/2016
- 17.5% Russ 1000 Value / 17.5% Russ 1000 Growth / 10% S&P 500 / 7.5% Russ 2000 Value / 7.5% Russ 2000 Growth / 5% MSCI EAFE (net) / 5% MSCI AC Wd ex US (net) / 30% BC Int G/C for periods from 8/31/2013 to 3/31/2016
- 20% Russ 1000 Value / 20% Russ 1000 Growth / 7.5% Russ 2000 Value / 7.5% Russ 2000 Growth / 5% MSCI EAFE (net) / 5% MSCI AC Wd ex US (gross) / 35% BC Int G/C for periods from 1/31/2009 to 8/31/2013
- 22.5% Russ 1000 Value / 17.5% Russ 1000 Growth / 7.5% Russ 2000 / 7.5% Russ 2000 Growth / 5% MSCI EAFE (net) / 40% BC Int G/C for periods from 1/31/2005 to 1/31/2009
- 22.5% Russ 1000 Value / 17.5% Russ 1000 Growth / 15% Russ 2500 Growth / 5% MSCI EAFE (net) / 40% BC Int G/C for periods from 9/30/2004 to 1/31/2005
- 24% Russ 1000 Value / 18% Russ 1000 Growth / 18% Russ 2500 Growth / 40% BC Int G/C for periods prior to 9/30/2004

Risk/Return Analysis- Since Inception

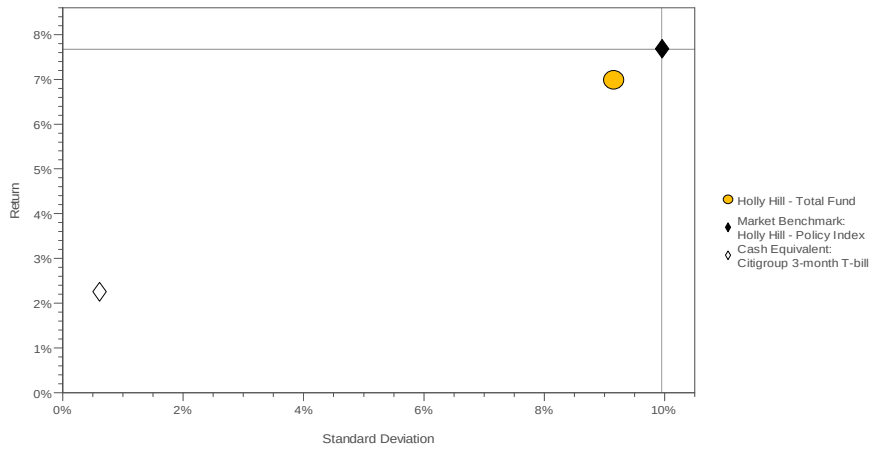
Zephyr StyleADVISOR

Zephyr StyleADVISOR - MSSB - Tampa, FL

Manager Performance
December 1995 - June 2018 (Single Computation)



Risk / Return
December 1995 - June 2018 (Single Computation)



Return & Risk Analysis

December 1995 - June 2018: Summary Statistics

	Return	Excess Return vs. Market	Standard Deviation	Beta vs. Market	Maximum Drawdown	Up Capture vs. Market	Down Capture vs. Market	Alpha vs. Market	Sharpe Ratio	R-Squared vs. Market
Holly Hill - Total Fund	6.99%	-0.69%	9.15%	0.90	-31.00%	88.48%	90.05%	0.08%	0.52	95.44%
Holly Hill - Policy Index	7.68%	0.00%	9.95%	1.00	-33.46%	100.00%	100.00%	0.00%	0.54	100.00%

COMPLIANCE CHECKLIST

City of Holly Hill Municipal Police Officers' Retirement Trust Fund ***As of June 30, 2018***

GUIDELINES	In Compliance
Equity Portfolio	
Listed on recognized exchange	Yes
Single issue not to exceed 10% at market value for each equity in each separately managed portfolio	Yes
Total equity portfolio < 72.5% & > 67.5% of total fund at market	Yes
Single issue not to exceed 5% at market value for the total portfolio	Yes
Foreign equities < 25% of total portfolio at market	Yes
No scrutinized companies (Sudan/Iran) held per Protecting Florida's Investments Act requirement	Yes

OBJECTIVES	10 years	Since Inception
Total Portfolio		
Exceed Target Index	No	No
Exceed actuarial assumption (7.4%)*	No	No
Exceed CPI + 4%*	No	No

** Measured using Net Dollar-Weighted Rate of Return*

BlackRock

Large Capitalization Value Equity Portfolio

Market Value < 20.0% & > 15.0% of total fund		Yes
Performance (Inception 8/31/2012)	3 years	Since Inception
Rank in the Top 50% of manager universe	Yes	No
Return > Russell 1000 Value	Yes	No

Clearbridge

Large Capitalization Growth Equity Portfolio

Market Value < 20.0% & > 15.0% of total fund		Yes
Performance (Inception 8/31/2017)	3 years	Since Inception
Rank in the Top 50% of manager universe	N/A	No
Return > Russell 1000 Growth	N/A	No

Connors

Large Capitalization Core Equity Portfolio

Market Value < 12.5% & > 7.50% of total fund		Yes
Performance (Inception 8/31/2013)	3 years	Since Inception
Return > S&P 500	No	No
Return > 60% S&P 500 / 40% CBOE Buy Write	No	No
Return > S&P CBOE Buy Write	Yes	Yes

Boston

Small/Mid Capitalization Value Equity Portfolio

Market Value < 10% & > 5% of total fund		Yes
Performance (Inception 3/31/2016)	3 years	Since Inception
Rank in the Top 50% of manager universe	N/A	Yes
Return > Russell 2500 Value	N/A	Yes

Intercontinental

Private Real Estate Equity Portfolio

Market Value < 12.5% & > 0% of total fund		Yes
Performance (Inception 12/31/2017)	5 years	Since Inception
Return > NCREIF Prop Idx	N/A	Yes

RBC

Small Capitalization Growth Equity Portfolio

Market Value < 10% & > 5% of total fund		Yes
Performance (Inception 5/31/2006)	5 years	Since Inception
Rank in the Top 50% of manager universe	No	Yes
Return > Russell 2000 Growth	No	Yes

Delaware Investments

International Value Equity Portfolio

Market Value < 6.25% & > 3.75% of total fund		Yes
Performance (Inception 9/30/2004)	5 years	Since Inception
Return > MSCI EAFE (Net)	Yes	Yes

Renaissance

International Growth Equity Portfolio

Market Value < 6.25% & > 3.75% of total fund		Yes
Performance (Inception 1/31/2009)	5 years	Since Inception
Return > MSCI AC World ex US	Yes	Yes

Madison Investment Advisors

Fixed Income Portfolio

Market Value < 22.5% & > 17.5% of total fund		Yes
Performance (Inception 11/30/1995)	10 years	Since Inception
Return > Barclays Cap Interm. Gov't/Credit	No	No
U.S. Government / Agency or U.S. Corporations		Yes
Bonds rated "A" or better		Yes
Single corporate issuer not exceed 10% of bond portfolio (except U.S. Government/Agency)		Yes

Holly Hill Police Officers' Retirement Trust Fund
Valuation & Performance
As of August 3, 2018

	Value	% of Total	Current Policy Target	Current Policy Range	Fiscal YTD Return Since 9/30/2017 Dollar Weighted
BlackRock		0.00%	17.50%	15.00 - 20.00%	
Clearbridge		0.00%	17.50%	15.00 - 20.00%	
Connors		0.00%	10.00%	7.50 - 12.50%	
Boston		0.00%	7.50%	5.00 - 10.00%	
RBC		0.00%	7.50%	5.00 - 10.00%	
Delaware		0.00%	5.00%	3.75 - 6.25%	
Renaissance		0.00%	5.00%	3.75 - 6.25%	
Total Equity	**$0**	**0.00%**	**70.00%**	**67.50 - 72.50%**	
Madison		0.00%	20.00%	17.50 - 22.50%	
*Intercontinental (Since 1/2018)	$947,853	100.00%	10.00%	0.00 - 12.50%	
Deposit & Disbursement		0.00%			0.0%
Total Fund	**$947,853**				

**Market Value as of 6/30/2018*

Dollar–Weighted Returns

The portfolio returns are calculated on a dollar-weighted basis, accounting for deposits and cash flows upon receipt. The dollar-weighted or "internal rate of return - IRR" is the actual rate earned by the Fund. The dollar–weighted return is the appropriate measurement to evaluate the fund's performance in relation to the statement of investment policy and guidelines.

Attachment: Holly Hill Quarterly Performance Summary - 2 Q 2018 (2153 : Second Quarter 2018

Holly Hill Police Officers' Retirement Trust Fund
Consulting & Management Fee Billing Summary
As of June 30, 2018

BlackRock **745-106969**

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$1,745,986.07	1/1/2018	3/31/2018	$2,580.12	0.60%	$1,205.45	0.28%	$3,785.57	0.88%
1/16/2018	$1,972,533.26	10/1/2017	12/31/2017	$2,976.64	0.60%	$1,392.12	0.28%	$4,368.76	0.88%

Clearbridge **745-106970**

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$1,779,976.54	1/1/2018	3/31/2018	$2,630.35	0.60%	$1,228.92	0.28%	$3,859.27	0.88%
1/16/2018	$1,795,346.91	10/1/2017	12/31/2017	$2,709.26	0.60%	$1,267.07	0.28%	$3,976.33	0.88%

Connors **745-040115**

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$1,043,221.36	1/1/2018	3/31/2018	$1,541.62	0.60%	$782.08	0.30%	$2,323.70	0.90%
1/16/2018	$1,139,754.21	10/1/2017	12/31/2017	$1,719.94	0.60%	$854.23	0.30%	$2,574.17	0.90%

Boston **745-125096**

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$764,448.43	1/1/2018	3/31/2018	$1,129.66	0.60%	$753.98	0.40%	$1,883.64	1.00%
1/16/2018	$806,744.68	10/1/2017	12/31/2017	$1,217.41	0.60%	$813.38	0.40%	$2,030.79	1.00%

RBC **745-106971**

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$779,529.80	1/1/2018	3/31/2018	$1,151.95	0.60%	$807.29	0.42%	$1,959.24	1.02%
1/16/2018	$784,199.35	10/1/2017	12/31/2017	$1,183.39	0.60%	$830.18	0.42%	$2,013.57	1.02%

Delaware **745-125072**

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$506,343.72	1/1/2018	3/31/2018	$748.25	0.60%	$474.44	0.38%	$1,222.69	0.98%
1/16/2018	$513,433.56	10/1/2017	12/31/2017	$774.80	0.60%	$491.77	0.38%	$1,266.57	0.98%

Renaissance **745-125543**

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$536,631.42	1/1/2018	3/31/2018	$793.00	0.60%	$396.96	0.30%	$1,189.96	0.90%
1/16/2018	$535,750.00	10/1/2017	12/31/2017	$808.47	0.60%	$405.12	0.30%	$1,213.59	0.90%

Madison **745-106968**

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$2,013,569.73	1/1/2018	3/31/2018	$2,975.54	0.60%	$1,141.94	0.23%	$4,117.48	0.83%
1/16/2018	$2,584,212.75	10/1/2017	12/31/2017	$3,899.69	0.60%	$1,498.14	0.23%	$5,397.83	0.83%

Intercontinental 745-055570

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$923,971.00	4/1/2018	6/30/2018	$0.00	0.00%	$2,486.00	1.08%	$2,486.00	1.08%
1/9/2018	$900,000.00	1/5/2018	3/31/2018	$1,269.57	0.60%	$2,305.00	1.09%	$3,574.57	1.69%

Total - All Managers

Date Billed	Market Value	From	To	$ GC Fee	% Annual GC Fee	$ Mgr. Fee	% Annual Mgr. Fee	$ Total Fee	% Annual Total Fee
4/13/2018	$10,093,678.07	1/1/2018	3/31/2018	$13,550.49	0.54%	$9,277.06	0.37%	$22,827.55	0.92%
1/16/2018	$10,131,974.72	10/1/2017	12/31/2017	$15,289.60	0.60%	$7,552.01	0.30%	$22,841.61	0.89%
1/9/2018	$900,000.00	1/5/2018	3/31/2018	$1,269.57	0.60%	$2,305.00	1.09%	$3,574.57	1.69%

Graystone Consulting

Tactical Asset Allocation Reasoning

Global Equities	Relative Weights	
US	Equal Weight	US equities have done exceptionally well since the global financial crisis, but they are now in the latter stages of a cyclical bull market. While the acceleration of the Trump/Republican progrowth agenda has created a booming economy and earnings outlook, it may also be sowing the seeds for the end of the cycle as the Fed is forced to raise rates and tighten policy in a more deliberate manner.
International Equities (Developed Markets)	Overweight	We maintain a positive bias for Japanese and European equity markets. The populist movements around the world are now spreading to Italy which may spur further fiscal support from Germany and France. This would be a potential positive catalyst but not likely to develop until September.
Emerging Markets	Overweight	Emerging market (EM) equities have been the best region over the past 24 months but are underperforming so far in 2018. Some of this is simply the result of a market that needs to consolidate spectacular gains the past few years. However, it is also directly related to the Fed's tightening campaign. We expect EM to find support not far from current levels and have a strong finish to the year.
Global Fixed Income		
US Investment Grade	Underweight	We have recommended shorter-duration (maturities) since March 2013 given the extremely low yields and potential capital losses associated with rising interest rates from such low levels. While interest rates have remained exceptionally low, US economic data have been very strong recently and the Fed is now raising rates at an accelerating pace. Adding some longer duration when 10-year US Treasury yield is above 3% makes sense.
International Investment Grade	Underweight	Yields are even lower outside the US, leaving very little value in international fixed income, particularly as the global economy begins to recover more broadly. While interest rates are likely to stay low, the offsetting diversification benefits do not warrant much, if any, position, in our view.
Inflation-Protected Securities	Overweight	With deflationary fears having become extreme in 2015 and early 2016, these securities still offer relative value in the context of our forecasted acceleration in global growth and our expectations for oil prices and the US dollar's year-over- year rate of change to revert back toward 0%. That view played out in 2016 and 2017 but has not yet run its course.
High Yield	Underweight	High yield has performed exceptionally well since early 2016 with the stabilization in oil prices and retrenchment by the weaker players. We recently took our remaining high yield positions to zero as we prepare for deterioration in quality of earnings in the US led by lower operating margins. Credit spreads have likely reached a low for this cycle.
Alternative Investments		
Real Estate/REITS	Underweight	Real estate investment trusts (REITs) have underperformed global equities since mid-2016 when interest rates bottomed. We think it is still too early to reconsider our underweight zero allocation given the further rise in rates we expect and deteriorating fundamentals for the industry. Non-US REITs should be favored relative to domestic REITs.
Master Limited Partnerships/Energy Infrastructure	Overweight	Master limited partnerships (MLPs) have traded better since their capitulation in March around the FERC regulatory announcement. With oil prices much more stable and on an upward path, MLPs have garnered more interest given their 8%-to-10% yields.
Hedged Strategies (Hedge Funds and Managed Futures)	Equal Weight	This asset category can provide uncorrelated exposure to traditional risk-asset markets. It tends to outperform when traditional asset categories are challenged by growth scares and/or interest rate volatility spikes. As volatility becomes more persistent in 2018, these strategies should do better than in recent years.