

City of Quincy Retirement System

August 31, 2024

Performance Update

Agenda

1. Executive Summary
 - August Market Overview
 - Manager Highlights
2. Performance Update as of August 31, 2024
3. Current Issues
 - Private Credit RFP Finalist Review
4. Disclaimer, Glossary & Notes

Executive Summary

Economic and Market Update
Data as of August 31, 2024

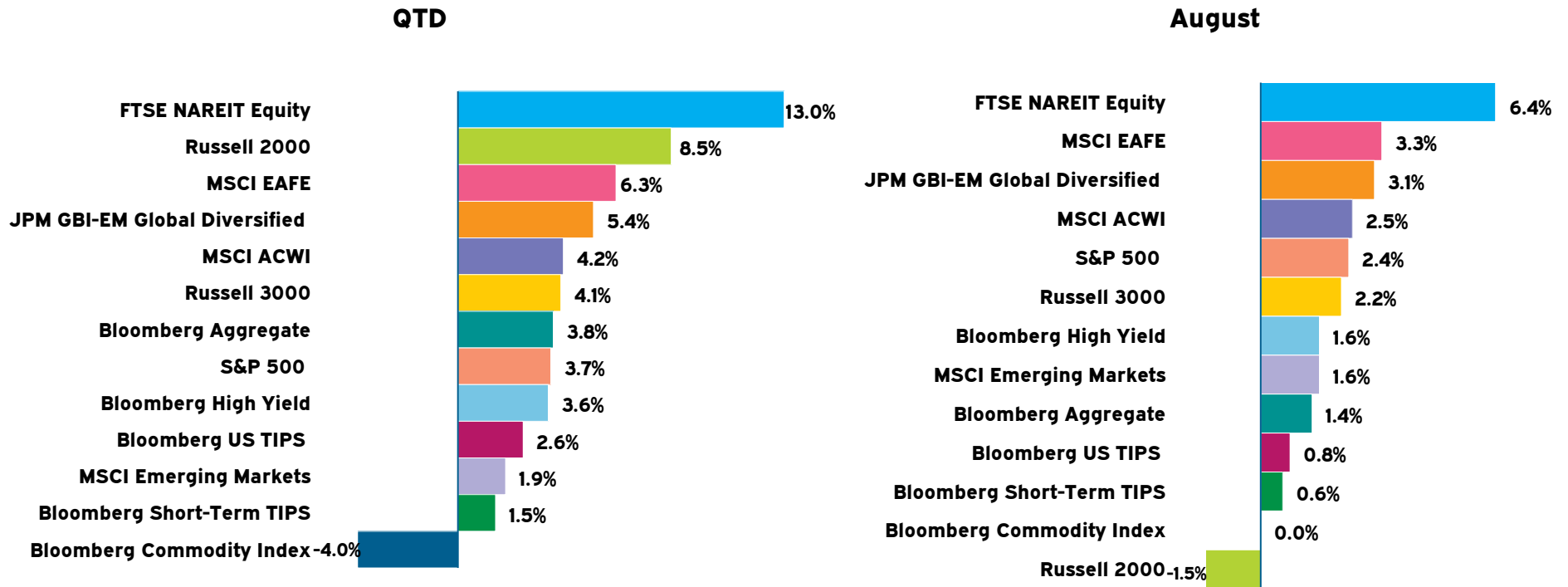
Commentary

→ After a very volatile start to the month, most asset classes posted gains in August.

- Weak US jobs data caused speculation that the Fed might have waited too long to cut interest rates increasing the risk of a “hard landing” for the US economy. This and pressure from the Bank of Japan raising rates on the yen carry trade drove the equity market volatility at the start of the month.
- Subsequent data was more reassuring though, including an above expectations retail sales report, and the equity market was able to recover for the month. The Bank of Japan also calmed markets with dovish comments to stabilize the unwinding of the yen carry trade.
- From Jackson Hole, Chair Powell indicated that improvements in inflation and a balancing labor market provided justification for rate cuts soon. At their subsequent September meeting they reduced rates by 0.50%.
- In August, the broad market (Russell 3000) returned +2.2%. Large cap stocks (+2.4%) outperformed small cap (-1.5%). For the month healthcare, utilities, and consumer staples took over leadership from technology.
- Non-US developed equity markets outperformed the broad US market in August (+3.3%). A weakening US dollar was a key driver of results.
- Emerging market equities (+1.6%) lagged developed markets with China gaining +1.0%.
- Fixed income markets posted positive returns on expectations for policy rate cuts this fall as inflation pressures recede, and the economy slows.

→ Looking ahead, the paths of inflation, labor markets, and monetary policy, China’s economic disorder and slowing economic growth, the yen-carry trade, and the looming US election will be key factors.

Index Returns¹



→ August was positive for most asset classes, but the month started off very volatile given concerns over weak economic data and an unwinding of the yen carry trade due to a rate increase by the Bank of Japan. Eventually things settled down though as additional economic data was released, and corporate earnings remained strong.

→ As we approach the end of the third quarter, US stocks have significantly outperformed other asset classes.

¹ Source: Bloomberg. Data is as of August 31, 2024.

Domestic Equity Returns¹

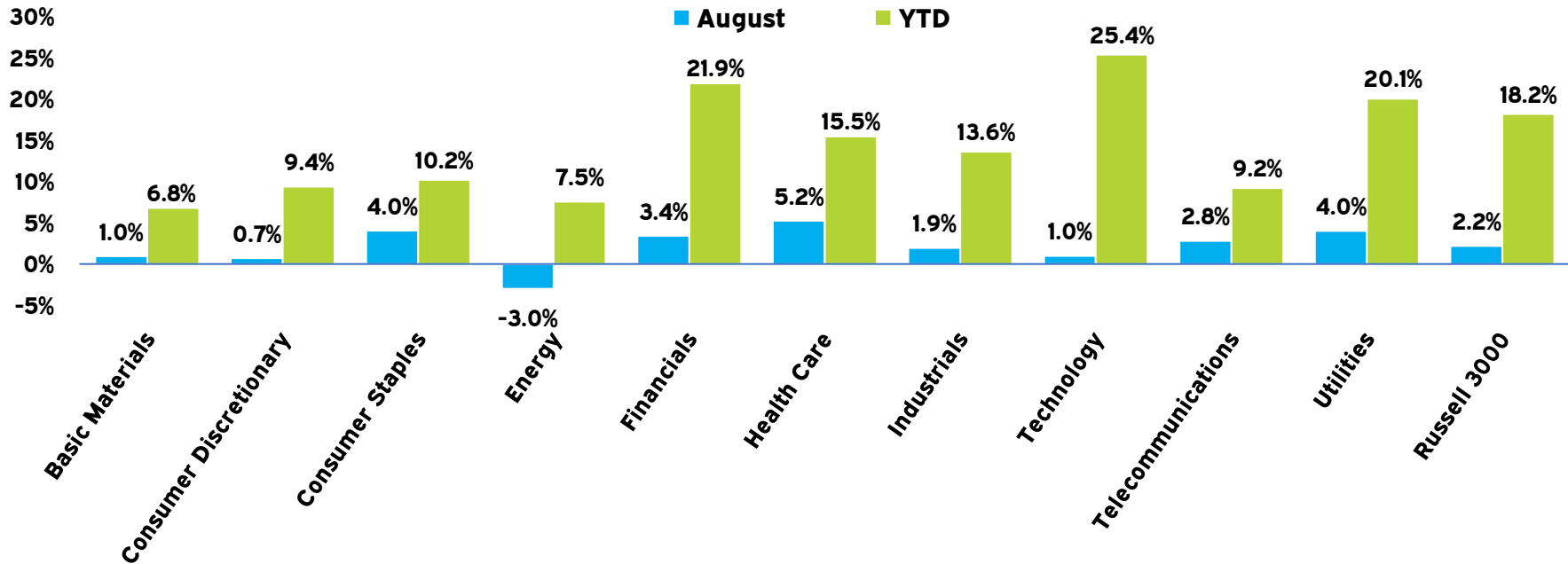
Domestic Equity	August (%)	QTD (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	2.4	3.7	19.5	27.1	9.4	15.9	13.0
Russell 3000	2.2	4.1	18.2	26.1	7.9	15.2	12.3
Russell 1000	2.4	3.9	18.6	26.6	8.3	15.5	12.6
Russell 1000 Growth	2.1	0.3	21.1	30.8	8.9	19.1	16.0
Russell 1000 Value	2.7	7.9	15.1	21.1	7.3	11.2	8.8
Russell MidCap	2.0	6.8	12.1	20.2	3.5	11.2	9.6
Russell MidCap Growth	2.5	3.1	9.3	19.1	-0.5	10.5	10.6
Russell MidCap Value	1.9	8.0	13.0	20.2	5.4	10.8	8.3
Russell 2000	-1.5	8.5	10.4	18.5	0.6	9.7	8.0
Russell 2000 Growth	-1.1	7.0	11.7	17.7	-2.1	8.3	8.2
Russell 2000 Value	-1.9	10.1	9.1	19.2	3.1	10.4	7.5

US Equities: The Russell 3000 rose +2.2% in August, bringing the year-to-date results to +18.2%.

- US stocks experienced a sharp drawdown in early August, driven by the unwinding of the yen carry trade and a disappointing July jobs report. However, subsequent encouraging data on jobless claims and retail sales caused investors to be less concerned as the month wore on.
- Apple, Nvidia, and Microsoft now constitute 18% of the Russell 1000 Index (large cap). Taken together they drove the outperformance of the large cap index (+2.4%) over the small cap Russell 2000 index (-1.5%) for the month. The decline in energy prices also contributed to the underperformance as small cap energy companies were more impacted than their large cap peers.

¹ Source: Bloomberg. Data is as of August 31, 2024.

Russell 3000 Sector Returns¹



- In August, economically sensitive energy stood out with negative returns, while other sectors posted positive results.
- Health care (+5.2%) led the way for the month driven by strong results from Eli Lilly related to its weight loss drug. Consumer staples (+4.0%) and utilities (+4.0) also posted strong gains for the month.
- All sectors have positive returns for the year-to-date period. Technology stocks (+25.4%) continue to lead the broader market, followed by financials (+21.9%), and utilities (+20.1%).

¹ Source: Bloomberg. Data is as of August 31, 2024.

Foreign Equity Returns¹

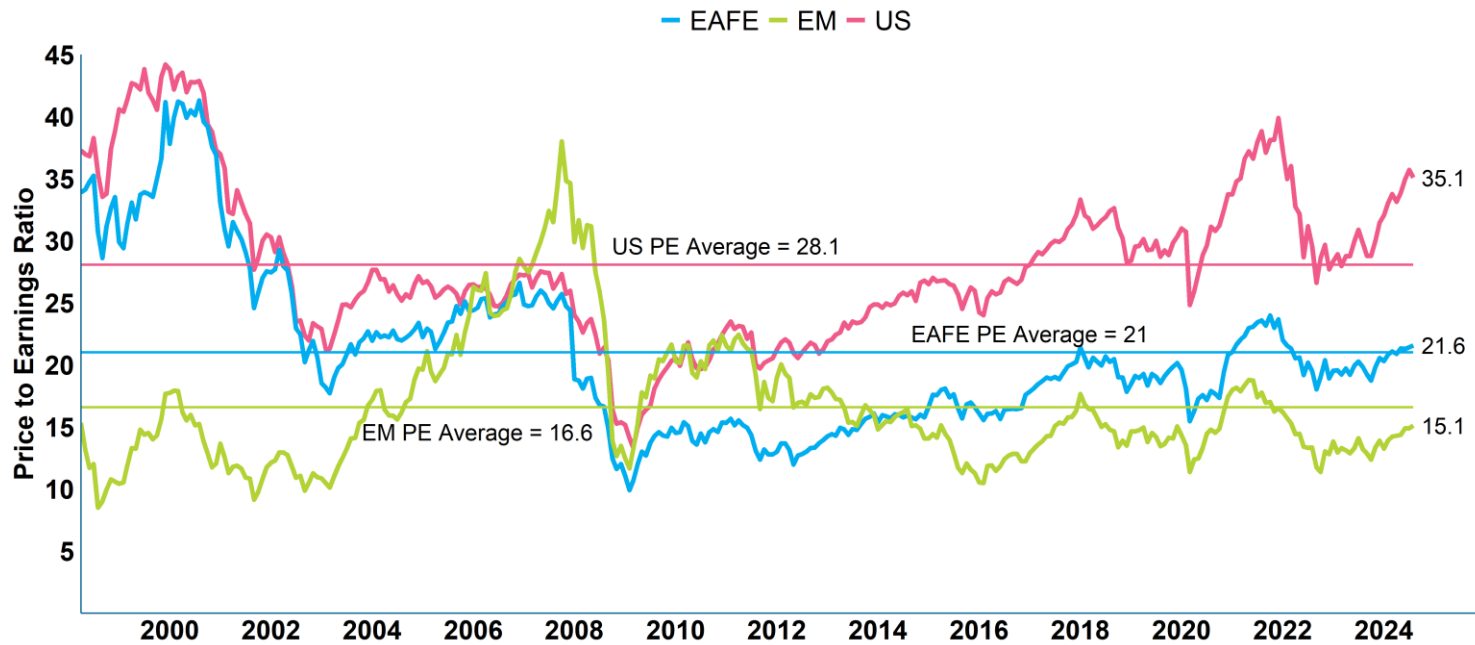
Foreign Equity	August (%)	QTD (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	2.8	5.2	11.2	18.2	2.1	7.6	4.4
MSCI EAFE	3.3	6.3	12.0	19.4	4.1	8.6	5.2
MSCI EAFE (Local Currency)	0.4	1.2	12.4	16.7	7.6	9.6	7.4
MSCI EAFE Small Cap	2.0	7.8	8.3	15.1	-2.4	6.4	5.3
MSCI Emerging Markets	1.6	1.9	9.5	15.1	-3.1	4.8	2.6
MSCI Emerging Markets (Local Currency)	0.4	1.0	12.1	16.3	0.1	6.6	5.4
MSCI EM ex. China	1.8	2.7	11.3	22.6	1.8	8.7	3.9
MSCI China	1.0	-0.3	4.4	-2.8	-13.6	-3.4	0.6

Foreign Equity: Developed international equities (MSCI EAFE) rose +3.3% in August, while emerging market equities (MSCI Emerging Markets) gained just +1.6%.

- After a sell-off early in the month, developed market equities saw solid returns in August outpacing US equities. The weakening dollar was a major contributor to results with local currency returns much lower (+0.4% versus +3.3%). Europe led global returns for the month following promising inflation news and bolstered by spending around the Paris Olympics. UK returns were positive but comments that tax hikes and spending cuts were on the horizon weighed on relative returns. After initial significant volatility related to the strengthening yen, the Japanese TOPIX ended the month down -2.9%.
- Emerging market equities saw positive returns but lagged its developed peers. Smaller Asian markets saw the greatest returns, due to currency appreciation against the US dollar. China and India saw slight gains but lagged the broad index, while Korea saw losses as tech stocks experienced a correction.

¹ Source: Bloomberg. Data is as of August 31, 2024.

Equity Cyclically Adjusted P/E Ratios¹



→ In August, the US price to earnings ratio fell slightly to 35.1 it still remains well above its 21st century average (28.1).

→ Non-US developed market valuations have increased to slightly above their long-term average while emerging market stocks remain well below their long-term average price-to-earnings ratio.

¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of August 2024. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.

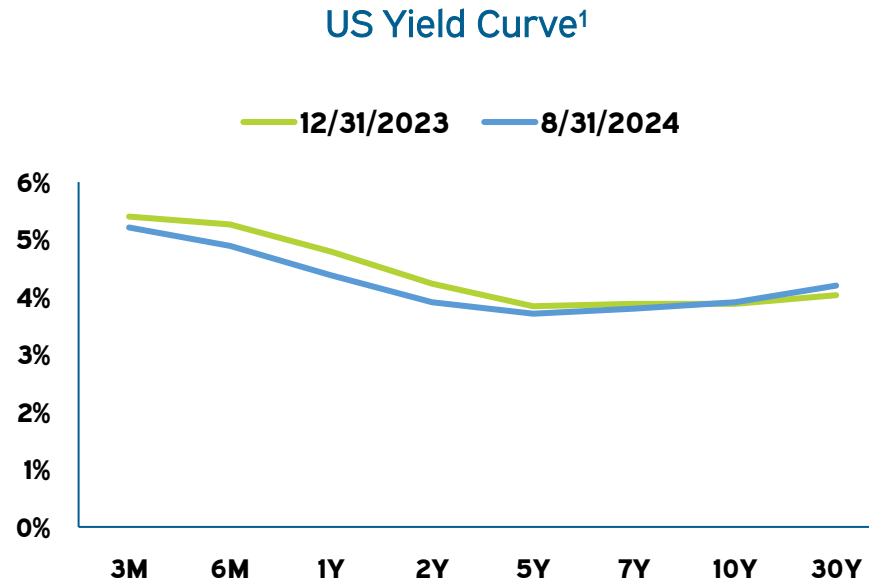
Fixed Income Returns¹

Fixed Income	August (%)	QTD (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	1.5	3.8	3.5	7.9	-1.8	0.3	1.9	4.7	6.0
Bloomberg Aggregate	1.4	3.8	3.1	7.3	-2.1	0.0	1.6	4.4	6.2
Bloomberg US TIPS	0.8	2.6	3.3	6.2	-1.3	2.0	2.1	4.0	6.9
Bloomberg Short-term TIPS	0.6	1.5	3.8	6.3	2.2	3.3	2.2	4.1	2.5
Bloomberg High Yield	1.6	3.6	6.3	12.6	2.5	4.5	4.6	7.3	3.5
JPM GBI-EM Global Diversified (USD)	3.1	5.4	1.5	6.0	-1.7	0.1	-0.3	--	--

Fixed Income: The Bloomberg Universal index rose +1.5% in August, bringing the year-to-date return to +3.5%.

- Fixed income indexes rose in August, driven by market participants' expectations for a shift towards more accommodative monetary policy in the coming months largely due to continued easing of inflationary pressures and heightened concerns regarding a weakening labor market.
- The broad US bond market (Bloomberg Aggregate) rose +1.4% over the month, with the broad TIPS market gaining +0.8%. The less interest rate sensitive short-term TIPS index increased +0.6%.
- Riskier bonds led the way during the month, as risk appetite remains strong with emerging market and high yield bonds gaining +3.1% and +1.6%, respectively.

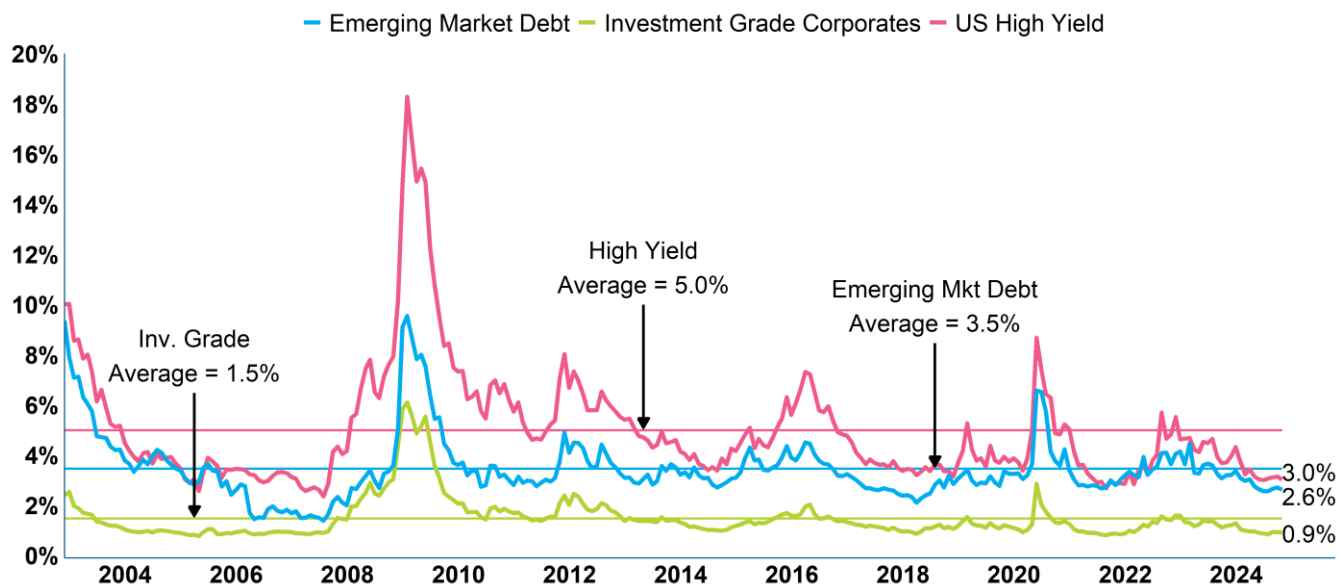
¹ Source: Bloomberg. Data is as of August 31, 2024. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.



- Weaker economic data and comments from Chair Powell in August that rate cuts were likely coming in September supported a bond rally for the month.
- Interest rates finished the month lower but largely off the levels reached during the start of the month volatility. The more policy sensitive 2-year Treasury yield declined from 4.26% at the end of July to 3.92% in August. The 10-year Treasury yield fell less in August declining from 4.03% to 3.90%.
- The yield curve was relatively flat at month-end after a long period of inversion, as shorter-dated yields declined the most over the month.

¹ Source: Bloomberg. Data is as of August 31, 2024.

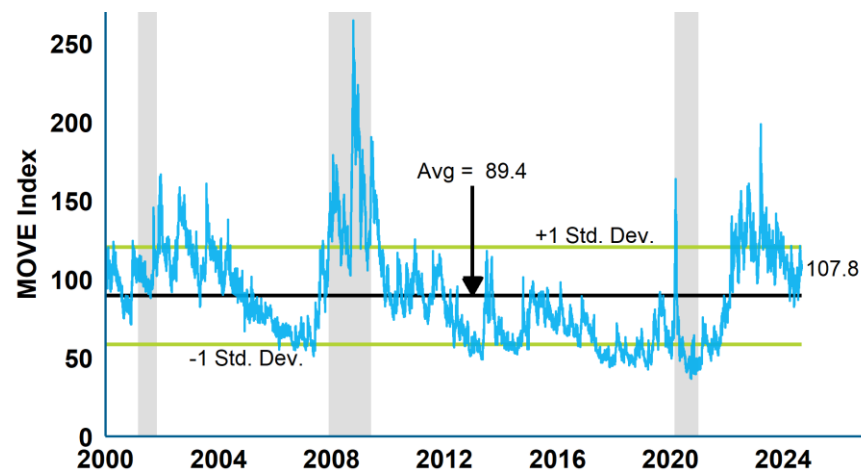
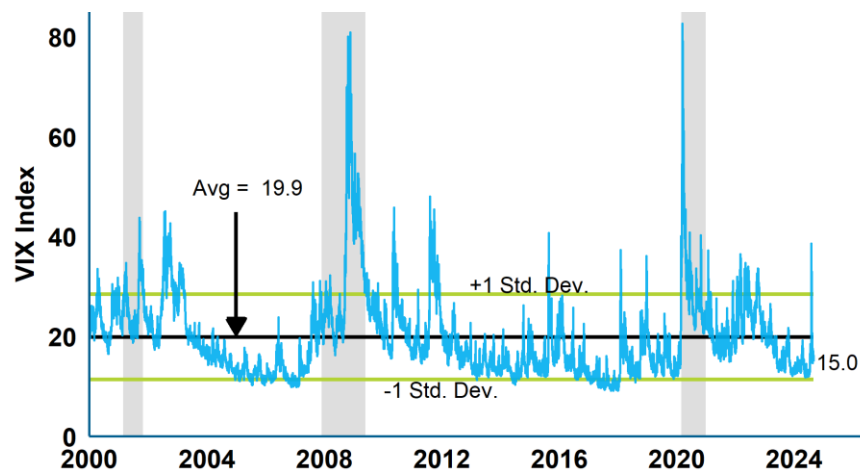
Credit Spreads vs. US Treasury Bonds¹



- Corporate bonds, particularly high yield, generally outperformed government bonds for the month given the prospective for materially lower interest rates.
- Spreads (the yield above a comparable maturity Treasury) widened significantly at the start of the month in the volatile environment but declined after.
- Overall spreads finished largely where they started the month despite the volatility. All spreads remained below their respective long-run averages, particularly high yield.
- Although spreads are relatively tight, yields remain at above-average levels compared to the last two decades, particularly for short-term issues.

¹ Source: Bloomberg. Data is as of August 31, 2024. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

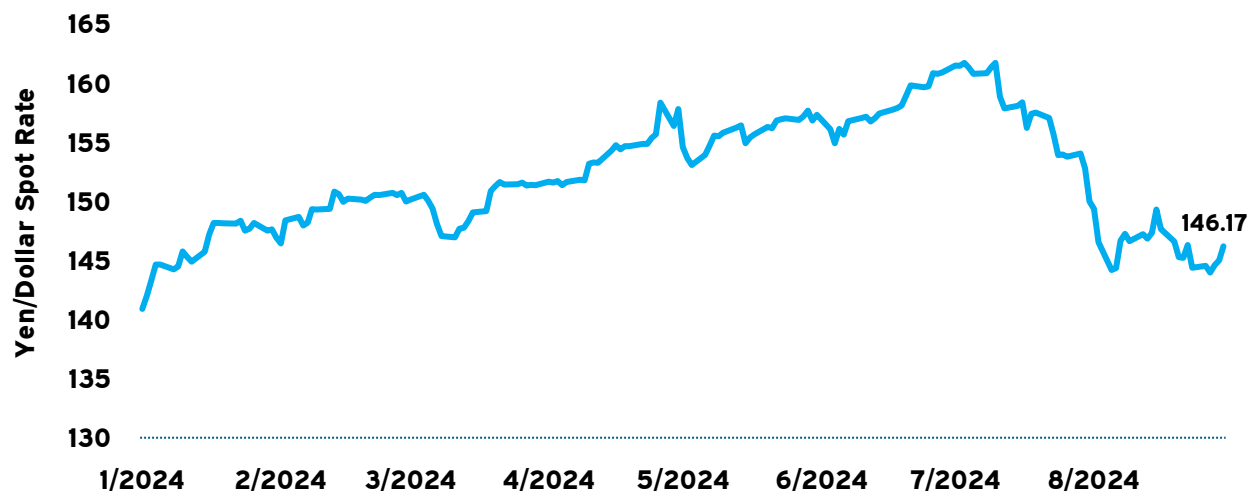
Equity and Fixed Income Volatility¹



- Equity market volatility fell slightly overall in August but this masks the significant volatility in the first part of the month related to the weaker than expected labor report in the US and pressures on the yen carry trade.
- Volatility levels (MOVE) in the bond market also fluctuated through the month finishing off their peak but at a level higher than where they started. Uncertainty in bond markets remain above the long-run average as markets continue to reprice interest rate cuts for the rest of 2024.

¹ Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of August 2024. The average line indicated is the average of the VIX and MOVE values between January 2000 and August 2024.

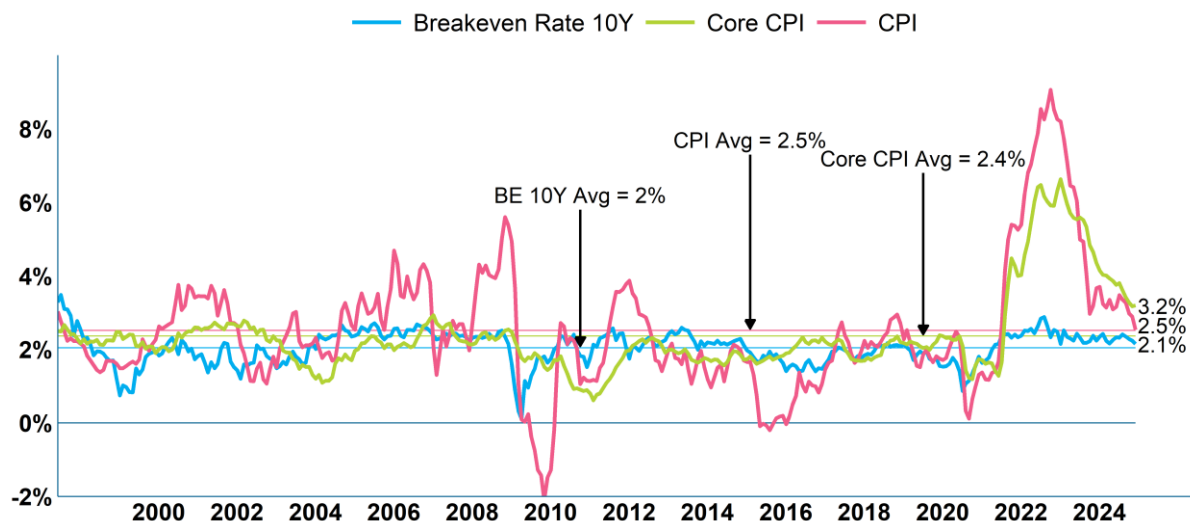
Recent Market Volatility: US Dollar versus Japanese Yen¹



- Given relatively lower interest rates in Japan many have entered the so-called “yen carry trade” borrowing cheaply in Japan and investing in other areas with perceived higher returns.
- This has traditionally involved taking the borrowed proceeds and investing them in Treasuries, but recently has expanded to investing in the US stock market particularly the technology sector.
- When the Bank of Japan signaled, it would continue to increase interest rates with expectations growing for the Fed to cut rates, many unwound this trade contributing to the significant market volatility (in addition to the unemployment miss) at the start of the month.
- With expectations for significant rate cuts ahead in the US the yen has further strengthened after month-end.

¹ Source: Bloomberg. Data as of August 31, 2024.

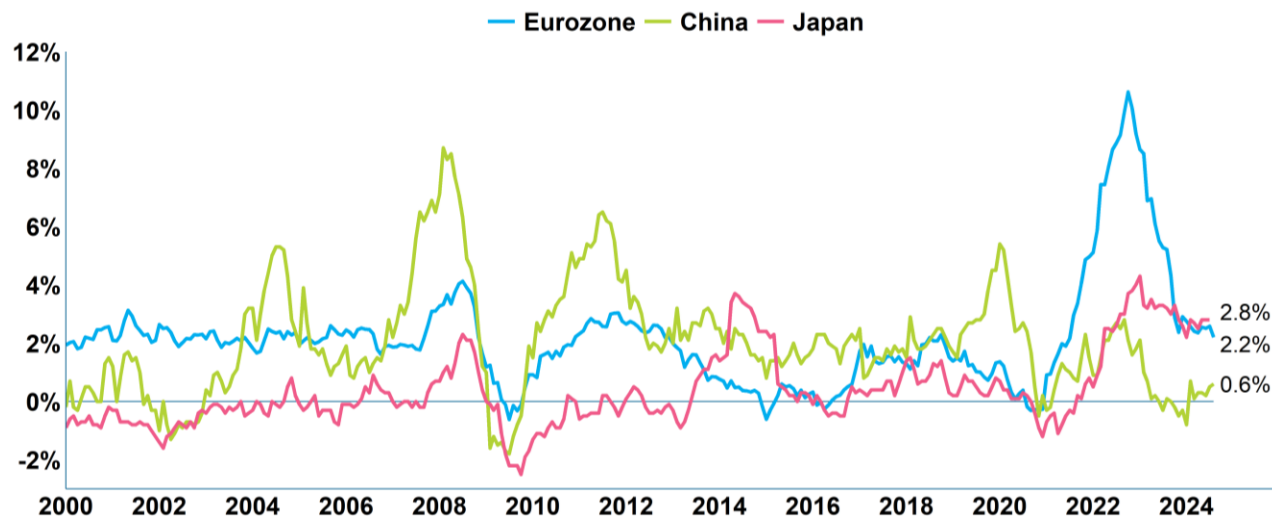
US Ten-Year Breakeven Inflation and CPI¹



- Year-over-year headline inflation continued to fall in August (2.9% to 2.5%), coming in at expectations.
- Month-over-month inflation increased 0.2% in August the same as in July. Shelter and transportation costs posted the largest gains rising 0.5% and 0.9%, respectively. Energy prices (-0.8%) fell for the month while food prices increased (0.1%).
- Core inflation (excluding food and energy) rose 0.3% (slightly above expectations) in August and 3.2% (at expectations) from a year prior.
- Inflation expectations (breakevens) have been relatively stable over the last several years. They remain below current inflation levels.

¹ Source: FRED. Data is as August 2024. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

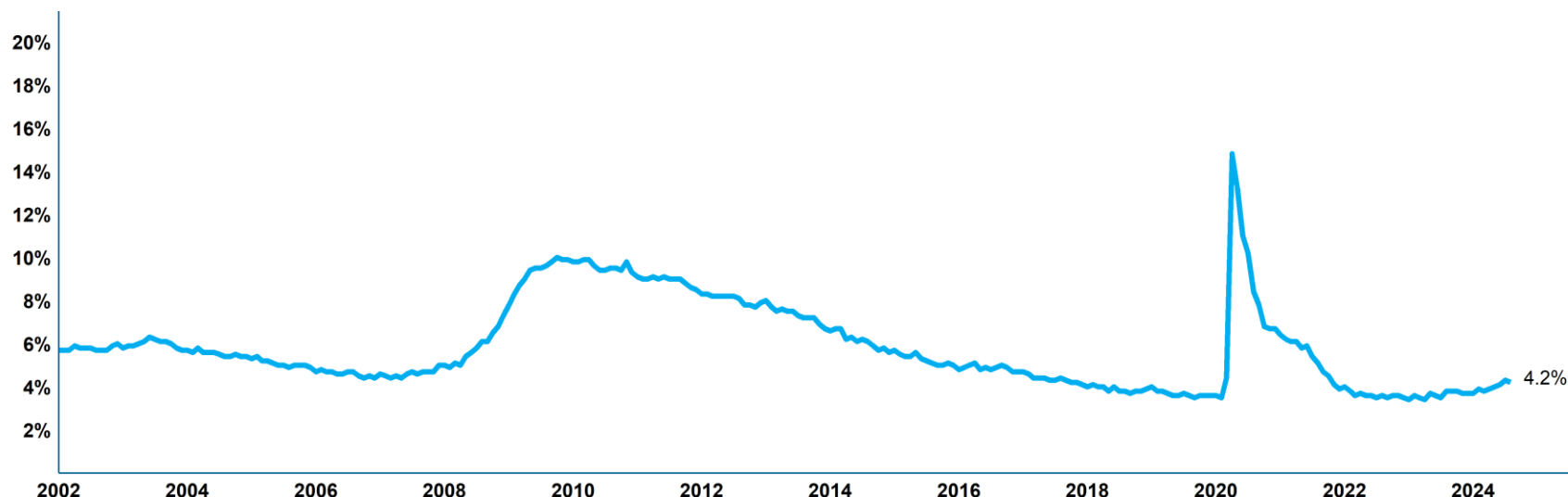
Global Inflation (CPI Trailing Twelve Months)¹



- In the eurozone, inflation fell from 2.5% to 2.2% in August, potentially clearing the way for further rate cuts from the ECB.
- Inflation in Japan remained steady at 2.8% in August for the third straight month. The Bank of Japan made some dovish comments in early August to calm markets, but in early September they signaled a willingness to raise interest rates in the future given inflation levels.
- In China, inflation was slightly up compared to last month representing the seventh straight month of positive price increases after declines late last year. Recent extreme weather has caused supply issues and contributed to higher prices. Inflation in China remains much lower than other countries though due to weak consumer spending and as issues in the real estate sector continue to weigh on sentiment.

¹ Source: Bloomberg. Data is as of August 31, 2024, except Japan which is as of July 31, 2024.

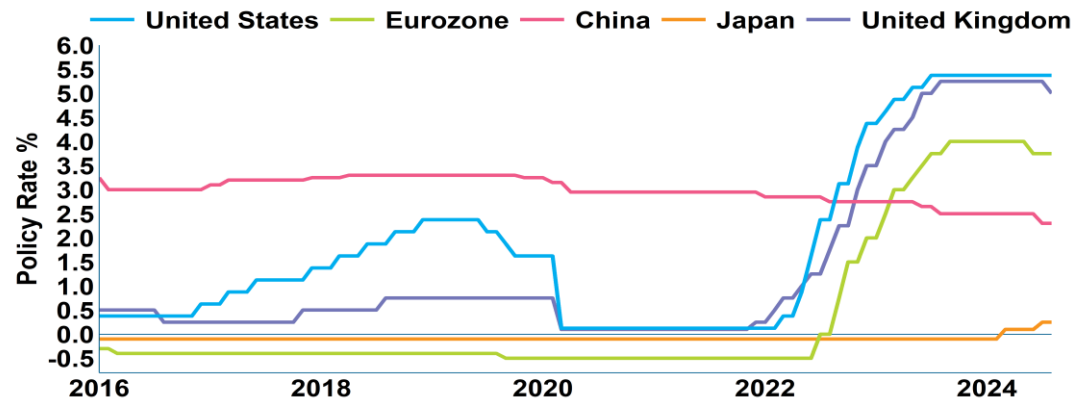
US Unemployment¹



- The unemployment rate fell slightly from 4.3% to 4.2% as the number of people on temporary layoff declined. Compared to a year ago the rate increased by 0.4% (3.8% to 4.2%).
- Construction (+34K), healthcare (+31K), and social services (+13K) sectors added jobs in August while manufacturing reduced jobs (-24k). The total number of jobs created was 142,000 compared to estimates of 165,000.
- The US labor market continues to show signs of slowing with the number of job openings falling to 7.7 million (the peak was over 12 million) and the rate of people quitting jobs is falling.
- The change in average hourly earnings from a year prior remains strong though (around 3.8%), and initial jobless claims are subdued.

¹ Source: FRED. Data is as August 31, 2024.

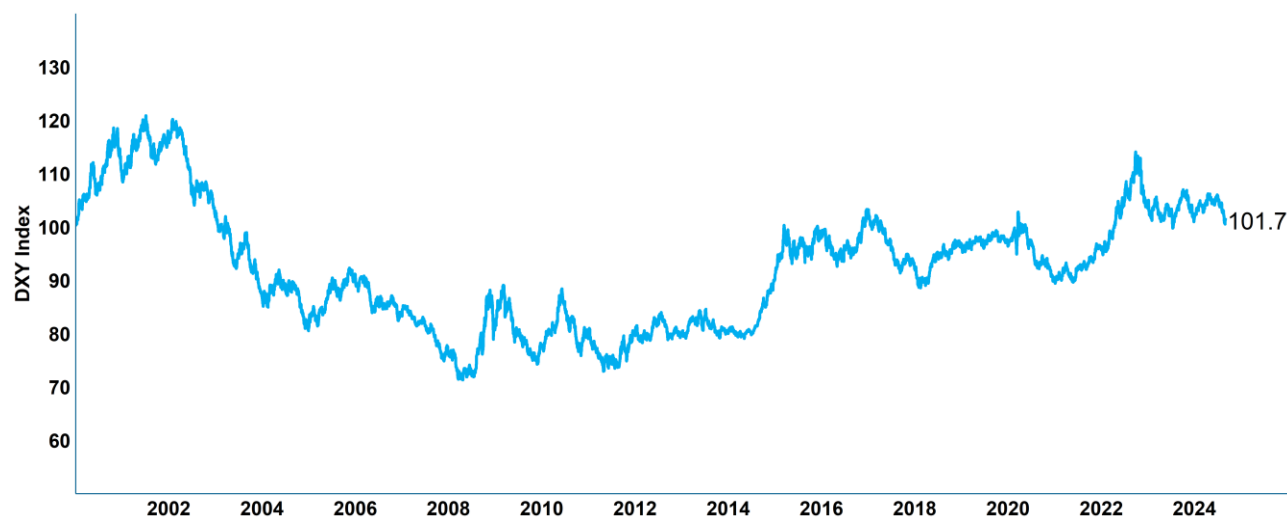
Policy Rates¹



- In the US, the Fed reduced interest rates by 0.5% after holding them at a 5.25%-5.50% level for over a year. Chair Powell cautioned though against assuming that the 0.5% initial cut would be the pace that policymakers would continue at. In their statement they highlighted that they would make additional interest rate cut decisions based on incoming data. Market participants are pricing in two to three additional cuts in 2024.
- The Bank of England (BoE) and European Central Bank (ECB) by contrast have both already started cutting rates. The BoE made a 25 basis points interest rate cut in July while the ECB made two similar cuts in June and September.
- Inflation in Japan remains elevated, prompting Bank of Japan officials to raise the policy rate 0.15% to 0.25% after decades at near-zero rates.
- China's central bank continues to pursue an easing policy given slowing economic growth and low inflation.

¹ Source: Bloomberg. Data is as of August 31, 2024. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the China Central Bank 1-Year Medium Term Interest Rate. UK rate is the UK Bank of England Official Bank Rate.

US Dollar vs. Broad Currencies¹



- The US dollar weakened by over 2% in August on weak economic data and the prospect of rate cuts from the Fed later this year.
- Looking ahead, the track of policy rates across major central banks will be key for the path of the US dollar from here. If the US economy slows more than expected and the Fed relatedly lowers rates at a faster pace, we could see the dollar weaken.

¹ Source: Bloomberg. Data as of August 31, 2024.

Summary

Key Trends:

- According to the International Monetary Fund's (IMF) July report, global growth this year is expected to match the 2023 estimate at around 3.2% with most major economies predicted to avoid a recession.
- Key economic data in the US has largely weakened and come in below expectations, causing markets to expect an additional two to three rate cuts this year after the Fed's initial 0.5% reduction. Uncertainty remains though regarding the timing and pace of interest rate cuts in the coming year.
- We have started to see divergences in monetary policy. Some central banks, such as the European Central Bank and the Bank of England have started to cut interest rates and others, like the Bank of Japan, have increased interest rates, while the Fed appears on the verge of starting rate cuts. This disparity will likely influence capital flows and currencies.
- US consumers could feel pressure as certain components of inflation (e.g., shelter) remain high, borrowing costs are elevated, and the job market may weaken further.
- A focus for US equities going forward will be whether earnings can remain resilient if growth slows. Also, the future paths of the large technology companies that have driven market gains will be important.
- Equity valuations remain lower in emerging and developed markets, but risks remain, including China's economic uncertainty and ongoing weakness in the real estate sector. Japan's recent tightening of monetary policy along with changes in corporate governance in the country could influence relative results.

Manager Highlights

Mesirow Small Cap Equity

→ Mesirow beat its benchmark by 2.9% in August, posting a return of 1.4% vs. the benchmark's -1.5%.

- The portfolio performed as expected, outperforming the Russell 2000 Value Index due to contribution within Health Care, Industrials, Materials and Real Estate. Additionally, the portfolio benefited from leadership by high-quality factors which outperformed in August reversing the trend from July.

→ Since inception, Mesirow has returned 18.3%, outpacing the benchmark's return of 12.8%, net of fees, over that period. However, we note the inception period is very brief, as the manager was hired in May 2024.

Cedar Street Emerging Markets Small Cap Value

→ Cedar Street beat the benchmark by 1.5% in the month, posting a return of 3.0% vs the benchmark's 1.5% return.

- Stock selection and sector allocation drove performance during the month of August.
- From a country perspective, Hong Kong, Brazil, and Malaysia were positive contributors to performance. From a sector perspective, Industrials and Consumer Staples performed well
- The top performing names for the month were VALID (BRAZIL) and TOPKEY (TAIWAN) both of which printed strong earnings.

→ Since inception, Cedar Street has returned 9.1%, trailing the benchmark's return of 13.7%, net of fees, over that period. However, we note the inception period is very brief, as the manager was hired in January 2024.

Driehaus Emerging Market Growth

- Driehaus lagged its benchmark by 0.8% in the month of August, posting a return of 0.8% vs the benchmark's 1.6%.
- The fund's holdings assigned to the information technology and consumer staples sectors, as well as Turkey and South Korea detracted from relative returns.
- Since inception, Driehaus has returned 7.1%, well outpacing the benchmark's return of 3.4%, net of fees, over that period.

Brown Small Cap Fundamental Value

- Brown lagged its benchmark by 0.2% for the month, returning -2.1% vs. the benchmark's -1.9%.
- Stock selection within the Communication Services and Materials sectors were the largest drivers of relative underperformance during the month.
- Since inception, Brown has returned 9.5%, outpacing the benchmark's return of 9.2%, net of fees, over that period.

Performance Update As of August 31, 2024

Allocation vs. Targets and Policy				
	Current Balance	Current Allocation (%)	Policy (%)	Policy Range (%)
US Equity	\$224,798,107	26	24	19 - 29
Developed Market Equity	\$102,647,182	12	11	6 - 16
Emerging Market Equity	\$72,403,689	8	6	1 - 11
Investment Grade Bonds	\$73,888,932	8	9	6 - 12
Long-Term Government Bonds	\$26,476,427	3	7	2 - 12
TIPS	\$29,752,282	3	4	1 - 7
High Yield Bonds	\$45,938,945	5	5	2 - 8
Bank Loans	\$9,716,854	1	2	0 - 4
Private Equity	\$128,546,928	15	14	9 - 19
Private Debt		0	3	0 - 5
Real Estate	\$73,742,245	8	10	5 - 15
Natural Resources	\$11,390,206	1	0	0 - 6
Infrastructure	\$13,712,307	2	3	0 - 6
Opportunistic	\$38,892,302	4	2	0 - 5
Balanced Assets	\$14,911,057	2	0	0 - 0
Cash	\$4,071,310	0	0	0 - 5
Total	\$870,888,772	100	100	

	Current Balance	Current Allocation (%)	Policy (%)
Total Equity Including PE	\$528,395,906	61	55
Total Fixed Income	\$185,773,439	21	30
Total Real Assets	\$98,844,759	11	13
Other	\$57,874,669	7	2
Total	\$870,888,772	100	100

Aggregate Performance Summary											
	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Retirement System (Gross of Fees)	870,888,772	100.0	1.4	3.1	8.1	11.7	4.0	8.7	7.1	8.3	Jan-89
Domestic Equity Assets	224,798,107	25.8	1.9	5.0	17.1	24.9	8.2	13.9	11.7	10.4	Jul-93
<i>Russell 3000 Index</i>			<i>2.2</i>	<i>4.1</i>	<i>18.2</i>	<i>26.1</i>	<i>7.9</i>	<i>15.2</i>	<i>12.4</i>	<i>10.4</i>	
International Developed Market Equity Assets	102,647,182	11.8	2.8	6.1	11.6	17.9	1.9	7.5	4.6	5.3	Feb-98
<i>MSCI EAFE</i>			<i>3.3</i>	<i>6.3</i>	<i>12.0</i>	<i>19.4</i>	<i>4.1</i>	<i>8.6</i>	<i>5.2</i>	<i>5.2</i>	
International Emerging Market Equity Assets	72,403,689	8.3	1.4	1.0	11.5	18.2	-0.3	8.9	5.0	6.7	Sep-08
<i>MSCI Emerging Markets</i>			<i>1.6</i>	<i>1.9</i>	<i>9.5</i>	<i>15.1</i>	<i>-3.1</i>	<i>4.8</i>	<i>2.6</i>	<i>3.4</i>	
Investment Grade Bond Assets	73,888,932	8.5	1.5	4.0	2.4	6.5	-3.9	-1.2	1.1	4.1	Jul-93
<i>Blmbg. U.S. Aggregate Index</i>			<i>1.4</i>	<i>3.8</i>	<i>3.1</i>	<i>7.3</i>	<i>-2.1</i>	<i>0.0</i>	<i>1.6</i>	<i>4.4</i>	
Long-Term Government Bond Assets	26,476,427	3.0	1.6	4.1	2.1	6.1	-4.4	-1.0	--	1.9	Dec-15
<i>PRIT Core Fixed Income</i>			<i>1.6</i>	<i>4.1</i>	<i>2.1</i>	<i>6.1</i>	<i>-4.4</i>	<i>-1.0</i>	<i>--</i>	<i>1.9</i>	
TIPS Assets	29,752,282	3.4	0.8	2.6	3.5	6.2	-1.3	2.0	2.1	3.5	Mar-07
<i>Blmbg. U.S. TIPS Index</i>			<i>0.8</i>	<i>2.6</i>	<i>3.3</i>	<i>6.2</i>	<i>-1.3</i>	<i>2.0</i>	<i>2.1</i>	<i>3.5</i>	
High Yield Bond Assets	45,938,945	5.3	1.5	3.2	6.2	11.7	2.8	4.8	4.1	5.8	Apr-07
<i>Blmbg. U.S. Corp: High Yield Index</i>			<i>1.6</i>	<i>3.6</i>	<i>6.3</i>	<i>12.6</i>	<i>2.5</i>	<i>4.5</i>	<i>4.7</i>	<i>6.3</i>	
Bank Loan Assets	9,716,854	1.1	0.4	1.2	6.4	11.4	6.8	5.6	4.5	4.5	Aug-14
<i>Credit Suisse Leveraged Loan Index</i>			<i>0.6</i>	<i>1.3</i>	<i>5.8</i>	<i>9.8</i>	<i>6.3</i>	<i>5.5</i>	<i>4.7</i>	<i>4.7</i>	

Total Retirement System | As of August 31, 2024

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Real Estate	73,742,245	8.5	0.4	0.8	-4.5	-10.6	0.1	1.9	5.5	5.6	Mar-89
<i>NCREIF ODCE</i>			<i>0.0</i>	<i>0.0</i>	<i>-2.8</i>	<i>-9.3</i>	<i>1.9</i>	<i>3.2</i>	<i>6.4</i>	<i>6.7</i>	
Private Equity Assets	128,546,928	14.8									
Natural Resources Assets	11,390,206	1.3									
Infrastructure Assets	13,712,307	1.6									
Opportunistic Assets	38,892,302	4.5									
Balanced Assets (PRIT General Allocation Fund)	14,911,057	1.7	1.6	3.2	8.6	12.4	4.5	9.1	7.7	8.4	Apr-90
<i>60% Wilshire 5000 & 40% Barclays Aggregate</i>			<i>1.9</i>	<i>4.0</i>	<i>12.0</i>	<i>18.4</i>	<i>4.1</i>	<i>9.3</i>	<i>8.3</i>	<i>8.8</i>	
Cash	4,071,310	0.5									

Trailing Return Summary											
	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Retirement System (Gross of Fees)	870,888,772	100.0	1.4	3.1	8.1	11.7	4.0	8.7	7.1	8.3	Jan-89
Domestic Equity Assets	224,798,107	25.8	1.9	5.0	17.1	24.9	8.2	13.9	11.7	10.4	Jul-93
<i>Russell 3000 Index</i>			<i>2.2</i>	<i>4.1</i>	<i>18.2</i>	<i>26.1</i>	<i>7.9</i>	<i>15.2</i>	<i>12.4</i>	<i>10.4</i>	
RhumbLine Russell 1000 Growth Index	34,880,255	4.0	2.1	0.3	21.1	30.7	8.9	19.1	16.0	12.5	Jun-05
<i>Russell 1000 Growth Index</i>			<i>2.1</i>	<i>0.3</i>	<i>21.1</i>	<i>30.8</i>	<i>8.9</i>	<i>19.1</i>	<i>16.0</i>	<i>12.6</i>	
RhumbLine Russell 1000 Value Index	33,716,682	3.9	2.7	7.9	15.1	21.1	7.3	11.2	8.8	8.1	Jun-05
<i>Russell 1000 Value Index</i>			<i>2.7</i>	<i>7.9</i>	<i>15.1</i>	<i>21.1</i>	<i>7.3</i>	<i>11.2</i>	<i>8.9</i>	<i>8.2</i>	
Rhumbline QSI Index	39,210,302	4.5	2.1	6.7	13.7	21.4	7.0	12.0	11.7	12.0	Aug-13
<i>QSI Index</i>			<i>2.1</i>	<i>6.7</i>	<i>13.7</i>	<i>21.5</i>	<i>7.0</i>	<i>12.0</i>	<i>11.8</i>	<i>12.1</i>	
Brown Small Cap Fundamental Value	10,956,491	1.3	-2.1	9.6	12.8	22.3	8.3	10.7	--	9.5	Jul-16
<i>Russell 2000 Value Index</i>			<i>-1.9</i>	<i>10.1</i>	<i>9.1</i>	<i>19.2</i>	<i>3.1</i>	<i>10.4</i>	<i>7.5</i>	<i>9.2</i>	
Mesirow Small Cap Equity	11,349,163	1.3	1.4	10.1	--	--	--	--	--	18.3	May-24
<i>Russell 2000 Index</i>			<i>-1.5</i>	<i>8.5</i>	<i>10.1</i>	<i>18.0</i>	<i>0.2</i>	<i>9.3</i>	<i>7.6</i>	<i>12.8</i>	
PRIT General Allocation Domestic Equity	94,685,213	10.9	2.0	4.1	18.1	25.5	--	--	--	7.2	Jan-22
<i>PRIT Domestic Equity Benchmark</i>			<i>2.1</i>	<i>3.9</i>	<i>18.1</i>	<i>26.2</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>7.3</i>	

Total Retirement System | As of August 31, 2024

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
International Developed Market Equity Assets	102,647,182	11.8	2.8	6.1	11.6	17.9	1.9	7.5	4.6	5.3	Feb-98
<i>MSCI EAFE</i>			<i>3.3</i>	<i>6.3</i>	<i>12.0</i>	<i>19.4</i>	<i>4.1</i>	<i>8.6</i>	<i>5.2</i>	<i>5.2</i>	
SSgA MSCI EAFE Index	49,756,498	5.7	3.2	6.3	12.1	19.6	4.5	9.0	5.5	6.2	Oct-09
<i>MSCI EAFE</i>			<i>3.3</i>	<i>6.3</i>	<i>12.0</i>	<i>19.4</i>	<i>4.1</i>	<i>8.6</i>	<i>5.2</i>	<i>6.0</i>	
Axiom International Small Cap Equity	12,630,830	1.5	2.0	4.8	12.3	13.5	-7.6	--	--	5.5	Jun-20
<i>S&P Developed Ex-U.S. SmallCap</i>			<i>1.5</i>	<i>5.8</i>	<i>7.2</i>	<i>13.2</i>	<i>-2.6</i>	<i>6.6</i>	<i>5.0</i>	<i>8.4</i>	
<i>MSCI EAFE Small Cap</i>			<i>2.0</i>	<i>7.8</i>	<i>8.3</i>	<i>15.1</i>	<i>-2.4</i>	<i>6.4</i>	<i>5.3</i>	<i>8.1</i>	
PRIT General Allocation Int. Equity	40,259,854	4.6	2.5	6.4	10.9	17.2	--	--	--	3.1	Jan-22
<i>Custom MSCI World Ex-US IMI Net Divs</i>			<i>3.2</i>	<i>6.7</i>	<i>11.3</i>	<i>18.6</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>3.8</i>	
International Emerging Market Equity Assets	72,403,689	8.3	1.4	1.0	11.5	18.2	-0.3	8.9	5.0	6.7	Sep-08
<i>MSCI Emerging Markets</i>			<i>1.6</i>	<i>1.9</i>	<i>9.5</i>	<i>15.1</i>	<i>-3.1</i>	<i>4.8</i>	<i>2.6</i>	<i>3.4</i>	
Driehaus Emerging Markets Growth	43,805,328	5.0	0.8	0.1	12.5	18.6	-2.2	7.3	--	7.1	Mar-19
<i>MSCI Emerging Markets</i>			<i>1.6</i>	<i>1.9</i>	<i>9.5</i>	<i>15.1</i>	<i>-3.1</i>	<i>4.8</i>	<i>2.6</i>	<i>3.4</i>	
Cedar Street Emerging Markets Small Cap Value Fund	12,568,974	1.4	3.0	4.1	9.1	--	--	--	--	9.1	Jan-24
<i>MSCI Emerging Markets Small Cap Value Index</i>			<i>1.5</i>	<i>2.4</i>	<i>10.4</i>	<i>20.2</i>	<i>5.5</i>	<i>12.0</i>	<i>5.9</i>	<i>10.4</i>	
PRIT General Allocation EME	16,029,386	1.8	1.9	1.1	10.7	18.0	--	--	--	2.2	Jan-22
<i>Custom MSCI Emerging Market IMI Net Divs</i>			<i>1.6</i>	<i>1.8</i>	<i>9.3</i>	<i>15.1</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-0.9</i>	

Total Retirement System | As of August 31, 2024

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Investment Grade Bond Assets	73,888,932	8.5	1.5	4.0	2.4	6.5	-3.9	-1.2	1.1	4.1	Jul-93
<i>Blmbg. U.S. Aggregate Index</i>			<i>1.4</i>	<i>3.8</i>	<i>3.1</i>	<i>7.3</i>	<i>-2.1</i>	<i>0.0</i>	<i>1.6</i>	<i>4.4</i>	
SSgA U.S. Aggregate Bond Index-NL	22,073,008	2.5	1.4	3.8	3.2	7.4	-2.1	0.0	1.6	3.1	Apr-04
<i>Blmbg. U.S. Aggregate Index</i>			<i>1.4</i>	<i>3.8</i>	<i>3.1</i>	<i>7.3</i>	<i>-2.1</i>	<i>0.0</i>	<i>1.6</i>	<i>3.1</i>	
PRIT General Allocation Core FI	51,815,924	5.9	1.6	4.1	2.1	6.1	-4.4	-1.0	--	-5.0	Jan-22
<i>PRIT Core Fixed Income</i>			<i>1.6</i>	<i>4.1</i>	<i>2.1</i>	<i>6.1</i>	<i>-4.4</i>	<i>-1.0</i>	<i>--</i>	<i>-5.0</i>	
Long-Term Government Bond Assets	26,476,427	3.0	1.6	4.1	2.1	6.1	-4.4	-1.0	--	1.9	Dec-15
<i>PRIT Core Fixed Income</i>			<i>1.6</i>	<i>4.1</i>	<i>2.1</i>	<i>6.1</i>	<i>-4.4</i>	<i>-1.0</i>	<i>--</i>	<i>1.9</i>	
PRIT Core Fixed Income	26,476,427	3.0	1.6	4.1	2.1	6.1	-4.4	-1.0	--	1.9	Dec-15
<i>PRIT Core Fixed Income</i>			<i>1.6</i>	<i>4.1</i>	<i>2.1</i>	<i>6.1</i>	<i>-4.4</i>	<i>-1.0</i>	<i>--</i>	<i>1.9</i>	
TIPS Assets	29,752,282	3.4	0.8	2.6	3.5	6.2	-1.3	2.0	2.1	3.5	Mar-07
<i>Blmbg. U.S. TIPS Index</i>			<i>0.8</i>	<i>2.6</i>	<i>3.3</i>	<i>6.2</i>	<i>-1.3</i>	<i>2.0</i>	<i>2.1</i>	<i>3.5</i>	
SSgA TIPS Index	29,752,282	3.4	0.8	2.6	3.5	6.2	-1.3	2.0	2.1	3.5	Mar-07
<i>Blmbg. U.S. TIPS Index</i>			<i>0.8</i>	<i>2.6</i>	<i>3.3</i>	<i>6.2</i>	<i>-1.3</i>	<i>2.0</i>	<i>2.1</i>	<i>3.5</i>	

Total Retirement System | As of August 31, 2024

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
High Yield Bond Assets	45,938,945	5.3	1.5	3.2	6.2	11.7	2.8	4.8	4.1	5.8	Apr-07
<i>Blmbg. U.S. Corp: High Yield Index</i>			<i>1.6</i>	<i>3.6</i>	<i>6.3</i>	<i>12.6</i>	<i>2.5</i>	<i>4.5</i>	<i>4.7</i>	<i>6.3</i>	
Loomis Sayles High Yield Conservative	13,369,470	1.5	1.7	3.7	5.9	11.0	0.4	3.6	3.6	5.0	Feb-12
<i>Blmbg. U.S. Corp: High Yield Index</i>			<i>1.6</i>	<i>3.6</i>	<i>6.3</i>	<i>12.6</i>	<i>2.5</i>	<i>4.5</i>	<i>4.7</i>	<i>5.7</i>	
Columbia High Yield	13,557,877	1.6	1.6	3.4	6.2	12.4	2.9	4.5	--	5.1	Dec-16
<i>Blmbg. U.S. Corp: High Yield Index</i>			<i>1.6</i>	<i>3.6</i>	<i>6.3</i>	<i>12.6</i>	<i>2.5</i>	<i>4.5</i>	<i>4.7</i>	<i>5.2</i>	
PRIT General Allocation Value Added FI	19,011,598	2.2	1.3	2.6	6.4	11.5	--	--	--	4.7	Jan-22
<i>PRIT Public Value-Added Fixed Income</i>			<i>1.3</i>	<i>2.7</i>	<i>6.1</i>	<i>11.4</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>3.6</i>	
Bank Loan Assets	9,716,854	1.1	0.4	1.2	6.4	11.4	6.8	5.6	4.5	4.5	Aug-14
<i>Credit Suisse Leveraged Loan Index</i>			<i>0.6</i>	<i>1.3</i>	<i>5.8</i>	<i>9.8</i>	<i>6.3</i>	<i>5.5</i>	<i>4.7</i>	<i>4.7</i>	
Beach Point Loan Fund	9,716,854	1.1	0.4	1.2	6.4	11.4	6.8	5.6	4.5	4.5	Aug-14
<i>Credit Suisse Leveraged Loan Index</i>			<i>0.6</i>	<i>1.3</i>	<i>5.8</i>	<i>9.8</i>	<i>6.3</i>	<i>5.5</i>	<i>4.7</i>	<i>4.7</i>	

Total Retirement System | As of August 31, 2024

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Real Estate	73,742,245	8.5	0.4	0.8	-4.5	-10.6	0.1	1.9	5.5	5.6	Mar-89
<i>NCREIF ODCE</i>			<i>0.0</i>	<i>0.0</i>	<i>-2.8</i>	<i>-9.3</i>	<i>1.9</i>	<i>3.2</i>	<i>6.4</i>	<i>6.7</i>	
UBS Trumbull Property Income Fund	10,071,456	1.2	0.0	0.0	-1.7	-6.4	0.8	2.0	4.6	6.7	Jan-89
UBS Trumbull Property Fund	2,190,043	0.3	0.0	0.0	-3.0	-8.6	-4.1	-2.6	1.7	5.5	Jan-89
JPMCB Strategic Property Fund	9,252,051	1.1	0.4	0.7	-3.6	-12.8	0.2	1.8	--	1.9	Jan-19
AEW Partners VII	416,994	0.0									
Rockwood X	3,871,096	0.4									
Torchlight Debt Opportunity Fund VI	3,765,865	0.4									
TerraCap Partners IV (Institutional), L.P.	1,996,728	0.2									
Rockwood Capital Real Estate Partners Fund XI, L.P.	6,173,800	0.7									
Stockbridge Value Fund V, L.P.	963,228	0.1									
PRIT General Allocation Real Estate	35,040,984	4.0	0.7	1.4	-1.1	-5.5	--	--	--	0.5	Jan-22
<i>PRIT Real Estate Benchmark</i>			<i>0.5</i>	<i>1.0</i>	<i>-6.3</i>	<i>-10.0</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-0.5</i>	

Total Retirement System | As of August 31, 2024

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Equity Assets	128,546,928	14.8									
Adams Street Partners 2010	4,677,098	0.5									
Goldman Sachs Private Equity Partners 2005	347,181	0.0									
North American Strategic Partners 2006	28,181	0.0									
Brookfield Capital Partners IV	1,845,935	0.2									
PRIT Vintage Year 2001	56,496	0.0									
PRIT Vintage Year 2002	1,326	0.0									
Ridgemont Equity Partners II	2,766,603	0.3									
TA XII	2,414,434	0.3									
LLR Equity Partners V	7,127,272	0.8									
Wellspring Capital Partners VI	5,012,222	0.6									
Trilantic Capital Partners VI	5,441,249	0.6									
Brookfield Capital Partners V, L.P.	5,288,498	0.6									
FS Equity Partners VIII L.P.	6,499,807	0.7									
Ridgemont Equity Partners III	7,493,005	0.9									
Searchlight Capital III	5,371,756	0.6									
Charlesbank Technology Opportunities Fund	9,064,105	1.0									
LLR Equity Partners VI, L.P	3,603,650	0.4									

Total Retirement System | As of August 31, 2024

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
PRIT General Allocation Private Equity	61,508,111	7.1	1.2	1.6	8.5	9.6	--	--	--	4.9	Jan-22
<i>State Street PE Index (SSPEI) All PE Excluding PD</i>			0.0	0.0	5.0	6.6	--	--	--	2.9	
Natural Resources Assets	11,390,206	1.3	0.5	0.2	6.1	12.1	6.7	5.8	1.7	0.6	Jul-10
Hancock Timberland IX	541,462	0.1									
PRIT General Allocation Timberland	10,810,516	1.2	0.5	0.2	2.5	11.3	--	--	--	4.6	Jan-22
<i>NCREIF Timberland</i>			0.0	0.0	3.9	9.8	11.0	7.2	5.9	9.8	
Oppenheimer Natural Resources	38,228	0.0									
Infrastructure Assets	13,712,307	1.6	0.3	0.7	2.5	5.9	9.7	8.4	--	8.6	Oct-18
IFM Global Infrastructure (U.S.), L.P.	8,968,091	1.0	0.5	1.1	1.0	4.8	8.9	9.2	--	9.3	Oct-18
<i>CPI+5%</i>			0.5	1.0	6.0	7.6	10.0	9.4	8.0	9.0	
Global Infrastructure Partners IV	4,744,217	0.5									
Opportunistic Assets	38,892,302	4.5	0.6	1.6	9.6	11.4	5.3	8.7	--	8.3	Oct-18
HarbourVest Co-Investment Fund V, L.P.	4,233,384	0.5									
EnTrustPermal Special Opportunities Evergreen Fund, Ltd.	5,955,133	0.7									
PRIT General Allocation Hedge Funds	28,703,785	3.3	0.8	2.3	8.0	13.2	--	--	--	6.1	Jan-22
<i>HFRI FOF Composite Index</i>			0.4	0.8	5.7	8.6	2.2	5.1	3.5	2.3	
Balanced Assets (PRIT General Allocation Fund)	14,911,057	1.7	1.6	3.2	8.6	12.4	4.5	9.1	7.7	8.4	Apr-90
<i>60% Wilshire 5000 & 40% Barclays Aggregate</i>			1.9	4.0	12.0	18.4	4.1	9.3	8.3	8.8	
PRIT General Allocation	14,911,057	1.7	1.6	3.2	8.6	12.4	4.5	9.1	7.7	8.4	Apr-90
<i>60% Wilshire 5000 & 40% Barclays Aggregate</i>			1.9	4.0	12.0	18.4	4.1	9.3	8.3	8.8	

Total Retirement System | As of August 31, 2024

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Cash	4,071,310	0.5									
Cash Account	2,052,286	0.2									
<i>ICE BofA 3 Month U.S. T-Bill</i>			0.5	0.9	3.6	5.5	3.3	2.3	1.6	3.0	
PRIM Cash Account	2,019,023	0.2									

Total Retirement System | 1 Month Ending August 31, 2024

Cash Flow Summary

	Beginning Market Value	Contributions	Distributions	Net Investment Change	Ending Market Value
Adams Street Partners 2010	4,677,098	-	-	-	4,677,098
AEW Partners VII	416,994	-	-	-	416,994
Axiom International Small Cap Equity	12,383,452	-	-	247,378	12,630,830
Beach Point Loan Fund	9,674,661	-	-	42,193	9,716,854
Brookfield Capital Partners IV	1,966,834	-	-120,899	-	1,845,935
Brookfield Capital Partners V, L.P.	5,288,498	-	-	-	5,288,498
Brown Small Cap Fundamental Value	11,186,889	-	-	-230,398	10,956,491
Cash Account	2,777,755	-	-725,468	-	2,052,286
Charlesbank Technology Opportunities Fund	9,064,105	-	-	-	9,064,105
Cedar Street Emerging Markets Small Cap Value Fund	12,201,821	-	-	367,153	12,568,974
Columbia High Yield	13,341,042	-	-	216,835	13,557,877
Driehaus Emerging Markets Growth	43,472,031	-	-	333,297	43,805,328
EnTrustPermal Special Opportunities Evergreen Fund, Ltd.	5,955,133	-	-	-	5,955,133
FS Equity Partners VIII L.P.	6,477,375	22,432	-	-	6,499,807
Global Infrastructure Partners IV	4,731,795	12,422	-	-	4,744,217
Goldman Sachs Private Equity Partners 2005	347,181	-	-	-	347,181
Hancock Timberland IX	541,462	-	-	-	541,462
HarbourVest Co-Investment Fund V, L.P.	4,537,949	-	-304,565	-	4,233,384
IFM Global Infrastructure (U.S.), L.P.	8,925,140	-	-	42,951	8,968,091
JPMCB Strategic Property Fund	9,213,755	-	-	38,296	9,252,051
LLR Equity Partners V	7,127,272	-	-	-	7,127,272
LLR Equity Partners VI, L.P.	3,603,650	-	-	-	3,603,650
Loomis Sayles High Yield Conservative	13,138,494	-	-	230,977	13,369,470
Mesirow Small Cap Equity	11,188,534	-	-	160,629	11,349,163
North American Strategic Partners 2006	28,181	-	-	-	28,181

Total Retirement System | 1 Month Ending August 31, 2024

	Beginning Market Value	Contributions	Distributions	Net Investment Change	Ending Market Value
Oppenheimer Natural Resources	38,228	-	-	-	38,228
PRIM Cash Account	1,019,041	3,980,959	-3,000,000	19,023	2,019,023
PRIT Core Fixed Income	26,068,791	-	-	407,635	26,476,427
PRIT General Allocation	14,101,805	-	-3,980,960	4,790,212	14,911,057
PRIT General Allocation Core FI	51,954,019	-	-	-138,095	51,815,924
PRIT General Allocation Domestic Equity	94,259,434	-	-	425,779	94,685,213
PRIT General Allocation EME	15,957,306	-	-	72,081	16,029,386
PRIT General Allocation Hedge Funds	28,574,710	-	-	129,075	28,703,785
PRIT General Allocation Int. Equity	40,078,814	-	-	181,040	40,259,854
PRIT General Allocation Private Equity	61,973,722	-	-	-465,612	61,508,111
PRIT General Allocation Real Estate	35,254,513	-	-	-213,528	35,040,984
PRIT General Allocation Timberland	11,133,004	-	-	-322,488	10,810,516
PRIT General Allocation Value Added FI	17,812,806	-	-	1,198,791	19,011,598
PRIT Vintage Year 2001	54,784	-	-	1,711	56,496
PRIT Vintage Year 2002	1,638	-	-	-312	1,326
RhumbLine Russell 1000 Growth Index	34,169,306	-	-	710,949	34,880,255
RhumbLine Russell 1000 Value Index	32,837,358	-	-	879,324	33,716,682
Rhumbline QSI Index	38,421,052	-	-	789,251	39,210,302
Ridgemont Equity Partners II	2,766,603	-	-	-	2,766,603
Ridgemont Equity Partners III	7,493,005	-	-	-	7,493,005
Rockwood Capital Real Estate Partners Fund XI, L.P.	5,819,032	354,767	-	-	6,173,800
Rockwood X	3,871,096	-	-	-	3,871,096
Searchlight Capital III	5,371,756	-	-	-	5,371,756
SSgA MSCI EAFE Index	48,195,525	-	-	1,560,973	49,756,498
SSgA TIPS Index	29,519,505	-	-	232,777	29,752,282
SSgA U.S. Aggregate Bond Index-NL	21,760,692	-	-	312,316	22,073,008
Stockbridge Value Fund V, L.P.	963,228	-	-	-	963,228

Total Retirement System | 1 Month Ending August 31, 2024

	Beginning Market Value	Contributions	Distributions	Net Investment Change	Ending Market Value
TA XII	2,414,434	-	-	-	2,414,434
TerraCap Partners IV (Institutional), L.P.	1,996,728	-	-	-	1,996,728
Torchlight Debt Opportunity Fund VI	3,765,865	-	-	-	3,765,865
Trilantic Capital Partners VI	5,441,249	-	-	-	5,441,249
UBS Trumbull Property Fund	2,190,043	-	-	-	2,190,043
UBS Trumbull Property Income Fund	10,071,456	-	-	-	10,071,456
Wellspring Capital Partners VI	5,012,222	-	-	-	5,012,222
Total	862,629,872	4,370,581	-8,131,892	12,020,212	870,888,772

Private Market Managers' Performance Overview¹

Managers	Strategy	Vintage Year	Commitment Amount (\$mm)	% Called	Median Peer IRR	Quartile Rank	Net IRR	Net Multiple
Real Estate Managers								
AEW Partners VII	Opportunistic	2013	5.0	93%	12.0	3	10.2%	1.4x
Rockwood X	Value-Added	2016	10.0	98%	17.3	3	4.2%	1.0x
Torchlight Debt Opportunity Fund VI	Opportunistic	2017	5.0	100%	8.8	3	7.6%	1.3x
TerraCap Partners IV	Value-Added	2017	5.0	100%	15.1	4	-4.3%	NA
Rockwood XI	Value-Added	2019	8.0	20%	3.7	3	2.6%	0.9x
Intercontinental U.S. Value Fund	Value-Added	2024	12.0	--	--	--	--	--
TA Realty Core Property Fund	Core	Open End	10.0	--	--	--	--	--
Private Equity Managers								
Adams Street Partners	Fund of Funds	2010	10.0	90%	12.6	2	14.0	2.2x
Goldman Sachs PE Partners	Fund of Funds	2005	10.0	100%	7.2	NA	NA	NA
North American Strategic Partners	Fund of Funds	2006	9.1	96%	6.3	NA	NA	NA
PRIT Vintage Year 2001	Fund of Funds	2001	2.5	NA	11.0	NA	NA	NA
PRIT Vintage Year 2002	Fund of Funds	2002	0.5	NA	8.2	NA	NA	NA
Brookfield Capital Partners IV	Buyout	2015	4.0	100%	19.2	1	39.3%	2.4x

¹ As of 3/31/2024.

² NM indicates that a fund is early in its investment period; therefore, the return is not yet meaningful. NA indicates that the relevant data is not available at the time of report generation.

Private Market Managers'
Performance Overview (con't)¹

Managers	Strategy	Vintage Year	Commitment Amount (\$mm)	% Called	Median Peer IRR	Quartile Rank	Net IRR	Net Multiple
Ridgemont Equity Partners II	Buyout	2015	6.0	79%	19.2	2	20.3%	2.2x
LLR Equity Partners V	Buyout	2017	5.0	85%	20.9	3	19.9%	2.0x
Ridgemont Equity Partners II	Buyout	2015	6.0	79%	19.2	2	20.3%	2.2x
TA XII	Growth Equity	2016	4.0	99%	18.1	1	35.1%	3.1x
Wellspring VI	Buyout	2017	5.0	91%	20.9	3	17.7%	1.7x
Trilantic Capital Partners VI	Buyout	2018	5.0	84%	20.1	4	10.9%	1.3x
Brookfield Capital Partners V	Buyout	2019	4.0	90%	16.9	3	13.9%	1.4x
FS Equity Partners VIII	Buyout	2019	5.0	84%	16.9	3	16.6%	1.6x
Ridgemont Equity Partners III	Buyout	2019	6.0	83%	16.9	1	24.5%	1.7x
Searchlight Capital III	Special Situations	2019	5.0	74%	12.9	1	25.5%	1.6x
Charlesbank Technology Opportunities	Buyout	2019	5.0	84%	16.9	1	43.7%	2.1x
LLR Equity Partners VI	Buyout	2020	4.0	85%	15.6	4	3.2%	1.1x
FS Equity Partners IX	Buyout	2023	8.0	--	--	--	--	--
Searchlight Capital IV	Buyout	2023	8.0	--	--	--	--	--
Opportunistic Managers								
HarbourVest Co-Investment Fund V	Opportunistic	2019	4.0	78%	10.7	1	20.6%	1.9x
EnTrustPermal Spec. Opps. Evergreen Fund	Opportunistic	2020	6.0	91%	NM	NM	NM	NM

¹ As of 3/31/2024.

² NM indicates that a fund is early in its investment period; therefore, the return is not yet meaningful. NA indicates that the relevant data is not available at the time of report generation.

³ Oppenheimer Natural Resources data is as of 12/31/2023, no 3/31/2024 statement or report is available at the time of report generation.

Private Market Managers'
Performance Overview (con't)¹

Managers	Strategy	Vintage Year	Commitment Amount (\$mm)	% Called	Median Peer IRR	Quartile Rank	Net IRR	Net Multiple
Infrastructure Managers								
Global Infrastructure Partners IV	Value-Added	2019	5.0	78%	--	--	--	--
Natural Resources Managers								
Hancock Timberland	Timber	2008	8.0	100%	--	--	1.4%	1.1x
Oppenheimer Natural Resources ³	Natural Resources	2010	7.0	100%	--	--	-4.0%	NA

¹ As of 3/31/2024.

² NM indicates that a fund is early in its investment period; therefore, the return is not yet meaningful. NA indicates that the relevant data is not available at the time of report generation.

³ Oppenheimer Natural Resources data is as of 12/31/2023, no 3/31/2024 statement or report is available at the time of report generation.

Current Issues

Private Credit RFP Finalist Review

Search Overview

- The Quincy Retirement System (“Quincy”) recently adopted a 3% target allocation to private credit.
 - As of August 31, 2024, the private credit allocation was unfunded, pending the conclusion of this search.
- Meketa Investment Group issued an RFP for private credit managers on June 6, 2024, with responses due on June 21, 2024.
- After reviewing all of the respondents, the Board voted to interview five finalists. One firm had to be removed from this analysis as they have now closed their fundraising window¹. The four firms eligible for evaluation at today’s meeting include:
 - Entrust Global Partners
 - HarbourVest Partners
 - Neuberger Berman
 - PennantPark
- For this Private Credit mandate, Meketa’s pacing model recommends that the Board considering committing \$6 million in 2024 and 2025, and then \$7 million per year thereafter

¹ Meketa was informed by CIFIC that LBC Credit Partners VI would close fundraising prior to the October Board meeting date. CIFIC was unable to extend the closing date and therefore has been removed from this review

Blue Ocean Onshore Fund II

Entrust Global Partners Overview

Entrust Global Partners	
Firm Headquarters	New York, New York
Firm Inception	2016
Strategy	Direct Lending- maritime
Strategy Inception	2017
Asset Under Management (Firm)	\$15.9 billion

Organization

- EnTrust Global (“Entrust”) was formed from the combination of EnTrust Capital (founded in 1997) and Permal (founded in 1973) in 2016.
- Entrust is a private, independent company, with Gregg S. Hymowitz owning approximately 80% of the firm.
- The Firm manages a range of investment opportunities across various asset classes and markets, providing both commingled solutions and customized portfolios. The Blue Ocean strategy provides financing solutions to the global transportation industry with a focus on maritime.

Investment Team

- The majority of the Blue Ocean team is based in New York with additional members in London, Boston, Israel, Amsterdam, and Norway.
- The Blue Ocean Executive Committee, which makes investment decisions, includes Svein Engh (Senior Managing Director & Portfolio Manager), Omer Donnerstein (Managing Director & Co-Portfolio Manager) and Gregg Hymowitz (Chairman and CEO).
- The Blue Ocean team consists of 26 professionals.

Investment Terms

Partnership Name	Blue Ocean Onshore Fund II
Partnership Type	Limited Partnership
Investment Strategy/Focus	Direct lending- maritime
Geographic Focus	Most borrowers are expecting to be operating out of Europe and Asia and maritime assets will be employed in worldwide trade
Vintage Year	2023
Target Fund Size	1.0 billion
Fees / Expenses:	
Management Fee	The management fee during the commitment period is 1.0% on total uninvested commitments and 1.5% on total invested capital. After the commitment period, LPs will be charged 1.5% of the total invested capital
Preferred Return	6.0%
Carried Interest	15.0%

Investment Strategy

- Blue Ocean Onshore Fund II will target approximately 20-40 investments (depending on total amount raised) that are expected to be in the \$10-200 million size range.
- The investment philosophy focuses on identifying opportunities in the maritime and transportation industries, targeting sectors with favorable supply-demand dynamics.
- The investment process includes evaluating corporate structures, financial statements, operational history, vessel values, and inspection reports.
- The team prepares detailed investment memos and ensures compliance with financial covenants and collateral requirements.

Entrust Track Record²

As of March 31, 2024

<i>Fund</i>	Vintage Year	Invested Capital (\$M)	Realized Value (\$M)	Unrealized Value (\$M)	Annualized Net IRR (%)
Blue Ocean Onshore Fund – Class A	2017	NA	NA	NA	11.5
Blue Ocean Onshore Fund – Class B	2018	NA	NA	NA	12.5
Blue Ocean Onshore Fund – Class C	2019	NA	NA	NA	18.1
Blue Ocean Onshore Fund – Class D	2019	NA	NA	NA	20.3
Blue Ocean ICAV Fund – Class I	2017	NA	NA	NA	16.7
Blue Ocean ICAV Fund – Class IB	2018	NA	NA	NA	17.1
Blue Ocean ICAV Fund – Class A	2018	NA	NA	NA	16.8
Blue Ocean Income Fund	2018	NA	NA	NA	17.0
Blue Ocean Income Fund II	2020	NA	NA	NA	22.0
Blue Ocean Investments SPC One – Class A	2017	NA	NA	NA	13.3
Blue Ocean Investments SPC One – Class B	2019	NA	NA	NA	26.8
Blue Ocean Investments SPC One – Class C	2020	NA	NA	NA	28.5
Blue Ocean Offshore Fund	2020	NA	NA	NA	35.9
Endowment SMA – Class A	2019	NA	NA	NA	21.2
Pension SMA	2020	NA	NA	NA	22.1

² Invested Capital, Realized Values, and Unrealized Values were not provided in the RFP response

HarbourVest Direct Lending Program II

Firm Overview

HarbourVest Partners	
Firm Location	Boston, MA (HQ)
Firm Inception	1982
Strategy Inception	2019
Firm AUM	\$125.4 billion

- Founded in 1982, HarbourVest Partners is an independent private markets investment firm that provides investment programs and customized solutions focused on venture capital, buyout, mezzanine debt, credit, and real assets through primary fund investments, secondary purchases, and direct co-investments. HarbourVest has offices in Asia, Europe, Latin America, and the United States. HarbourVest has more than 900 active lead sponsor relationships globally.
- HarbourVest has been investing in private credit since 2003 and currently manages approximately \$6.6 billion in credit capital, inclusive of leverage.
- In 2019, after years of making private credit investments through various programs focused on junior credit securities, HarbourVest launched the Direct Lending Fund (“DLF”), a dedicated program focused on senior credit investments. Since the launch of the DLF in 2019, HarbourVest has raised \$3.9 billion of capital commitments across senior credit-focused commingled funds and separate accounts, inclusive of leverage.

Investment Team

- The HarbourVest Direct Lending Program II fund is managed by a team of 23 professionals.
- Key team members include Managing Directors Peter Lipson and Karen Simeone, each with over 20 years of industry experience.
- The team includes other senior members, such as Gregory Stento, John Morris, James Athanasoulas, and Charlie Teeple.

Investment Terms

Partnership Name	HarbourVest Direct Lending Program II
Partnership Type	Limited Partnership
Investment Strategy/Focus	Direct Lending
Geographic Focus	Global with large bias to U.S.
Vintage Year	2023
Target Fund Size	\$1.5 billion
Fees / Expenses:	
Management Fee	0.65% on cumulative invested capital during the investment period, and on unrealized capital thereafter for the levered fund and 0.75% on the lesser of committed capital and cumulative invested capital for the unlevered sleeve. Fee discounts are available based on commitment size.
Preferred Return	7% preferred return for the levered sleeve, or a 5% preferred return for the unlevered sleeve.
Carried Interest	10%

Investment Strategy

- HarbourVest Direct Lending Program II (“Fund II”) is expected to invest in 65 to 75 unique issuers. Fund II will seek to construct a portfolio comprised of 25-40% first lien securities, 40-55% unitranche, and 10-20% second lien securities with position sizes ranging from \$15-\$70 million.
- Fund II can invest up to 25% of commitments outside the U.S., in practice non-U.S. exposure is likely to be closer to 5-10%. Non-U.S. investments will be limited to geographies such as the UK, Europe, Canada and Australia.
- The opportunity undergoes multiple stages of review by the Credit Investment Committee, meeting bi-weekly.
- The final decision requires approval from at least two-thirds of the Credit Investment Committee members.

Harbourvest Partners Track Record

As of March 31, 2024

<i>Fund</i>	Vintage Year	Invested Capital (\$M)	Realized Value (\$M)	Unrealized Value (\$M)	Gross IRR (%)	Net IRR (%)	Net TVPI
Direct Lending Fund	2020	958.2	378.3	755.3	14.5	12.0	1.2
Credit Opportunities Fund I	2015	386.7	600.3	192.2	27.2	24.2	2.0
Credit Opportunities Fund II	2020	791.4	188.6	834.4	13.0	11.8	1.2
Credit Opportunities Fund III	2023	93.2	0.0	98.1	NM	NM	NM

→ As of December 31, 2023, Direct Lending Fund I has a Gross IRR of 14.5% and a Net IRR of 12.0%.

→ Fund II has closed or committed to the first 12 deals in the portfolio, representing \$194 million in commitments.

Neuberger Berman Private Debt Fund V

Firm Overview

Neuberger Berman	
Firm Location	New York, NY (HQ)
Firm Inception	1939
Strategy Inception	2013
Firm AUM	\$474 billion

- Neuberger Berman (“NB”) is an independent, employee-owned investment manager with offices in New York, London, Hong Kong, and Tokyo.
- The Firm manages a range of strategies, including equity, fixed income, multi-asset class as well as alternatives, including private equity, hedge funds, private credit, and real estate. NB Private Debt has \$18 billion in AUM.

Investment Team

- Neuberger Berman's Private Debt team is led by Susan Kasser, who founded the strategy in 2013 and includes 34 dedicated members, 20 of whom are investment professionals.
- The firm maintains high retention rates among senior investment professionals, supported by a culture of partnership and innovation, with approximately 780 current employee-owners as of March 31, 2024.

Investment Terms

Partnership Name	Neuberger Berman Private Debt Fund V
Partnership Type	Limited Partnership
Investment Strategy/Focus	Direct Lending
Geographic Focus	North America
Vintage Year	2024
Target Fund Size	\$3 billion
Fees / Expenses:	
Management Fee	Meketa clients receive a fee discount, bringing management fees to 0.70% on invested capital
Preferred Return	8%
Carried Interest	10%

Investment Strategy

- Neuberger Berman Private Debt Fund V (“Fund V”) seeks to build a portfolio of over 100 loans, with no individual position comprising more than 3% of investable capital. Fund V will be primarily focused on investments in first lien, senior secured loans to U.S. private equity-owned companies. Similar to NB Private Debt Fund IV, NB Private Debt Fund V would be comprised of 90-95%+ First Lien and Unitranche loans and 0-10% second lien, preferred and common equity.
- NB Private Debt focuses on investments in middle market companies with \$25-100+ million of EBITDA in defensible industries benefitting from secular tailwinds, which includes an emphasis on investments software, healthcare and business services. NB Private Debt avoids industries that are highly cyclical or face secular challenges, including auto, energy, travel, leisure, housing, restaurants, or retail.
- Fund V will largely target North American companies.

Neuberger Berman Track Record
As of March 31, 2024

Fund	Vintage Year	Fund Size (\$M)	Invested Capital (\$M)	Realized Value (\$M)	Unrealized Value (\$M)	Gross IRR (%)	Net IRR (%)	Gross TVM
Private Debt Fund I	2014	621	NA	NA	NA	12.7	9.9	1.3
Private Debt Fund II	2015	750	NA	NA	NA	11.2	8.8	1.5
Private Debt Fund III	2017	1,700	5,115.0	3,667.0	2,677.0	14.3	10.5	1.5
Private Debt Fund IV	2021	4,300	7,166.0	2,313.0	6,182.0	12.0	9.1	1.3
Private Debt Fund V	2023	3,000 ³	192.0	6.0	200.0	NM	NM	NM

→ The private debt strategy has maintained a low annualized loss ratio in each of its vintages, with Funds IV and V currently marked at a 0% annualized default ratio.

→ The funds have historically achieved gross returns in the low-to-mid double digits.

³ \$3 billion is the target fundraise.

PennantPark Senior Credit Fund II

Firm Overview

PennantPark	
Firm Location	Miami, FL
Firm Inception	2007
Strategy Inception	2019
Firm AUM	\$7.5 billion

- PennantPark was founded in 2007 and operates out of six offices: Miami, New York, Chicago, Houston, Los Angeles, and Amsterdam.
- PennantPark maintains a proactive approach to portfolio monitoring, utilizing a robust internal risk rating system and consistent communication with portfolio companies and private equity sponsors.
- PennantPark was founded by Arthur Penn (former co-head of the Apollo’s Credit business.) PennantPark manages publicly-traded business development companies, private LP/GP funds, separately managed accounts and co-investments across its two core strategies: Opportunistic Credit and Senior Debt.

Investment Team

- PennantPark employs 76 professionals, including 24 investment professionals and has dedicated teams for finance and operations, marketing and investor relations, legal and compliance, and human resources.
- PennantPark is led by Managing Partner Art Penn and is headquartered in Miami, FL.
- Senior investment professionals at PennantPark average over 26 years of industry experience.

Investment Terms

Partnership Name	PennantPark Senior Credit Fund II
Partnership Type	Limited Partnership
Investment Strategy/Focus	Direct Lending
Geographic Focus	North America
Vintage Year	2023
Target Fund Size	\$600 million
Fees / Expenses:	
Management Fee	1%
Preferred Return	7% for the levered vehicle and 5% for the unlevered vehicle and
Carried Interest	15%

Investment Strategy

- PennantPark Senior Credit Fund II (“Fund II”) seeks to build a portfolio of 60 to 80 investments. Fund II targets directly originated first lien senior secured loans and associated equity co-investments to North American middle market companies with earnings of \$10 to \$50 million.
- PennantPark maintains a proactive approach to portfolio monitoring, utilizing a robust internal risk rating system and consistent communication with portfolio companies and private equity sponsors.
- Historically, PennantPark has originated the majority of its transactions through private equity sponsor relationships. To ensure a steady flow of opportunities, their investment professionals cover a network of over 770 private equity sponsors across North America. Since inception, the firm has funded transactions with over 230 different private equity sponsors, including multiple transactions with around half of those private equity sponsors.

PennantPark Track Record
As of March 31, 2024

<i>Fund</i>	Vintage Year	Invested Capital (\$M)	Realized Value (\$M)	Unrealized Value (\$M)	Gross IRR (%)	Net IRR (%)	Gross TVM
PCSF I (Unlevered)	2019	190.3	118.7	112.5	9.2	7.9	1.4
PCSF I (Levered)	2019	808.7	526.0	401.1	12.3	10.0	1.4
PSCF SMA	2021	171.9	81.6	115.6	9.3	8.0	1.2

- Historically, PennantPark has originated over 600 first-lien investments with a recovery rate of 83.9% on defaulted first-lien loans and an annualized loss rate of 0.09% as of March 31, 2024.
- Since its inception, PennantPark has funded transactions with over 230 different private equity sponsors and maintains an incumbency advantage in repeat business.

Disclaimer, Glossary, and Notes

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

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

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

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

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

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

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

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