

December 31, 2018



**City of Atlanta General  
Employees Pension Fund**

**Investment Measurement Service  
Monthly Review**

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**Table of Contents**  
**December 31, 2018**

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**Asset Allocation and Performance**

Actual vs. Target Asset Allocation	2
Asset Distribution Across Investment Managers	3
Manager Performance	4

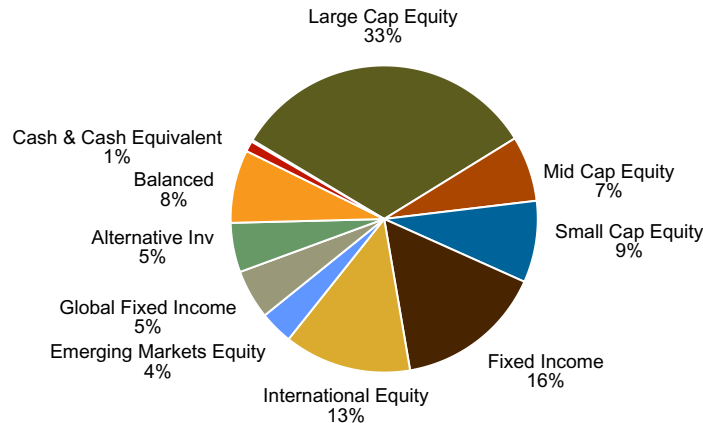
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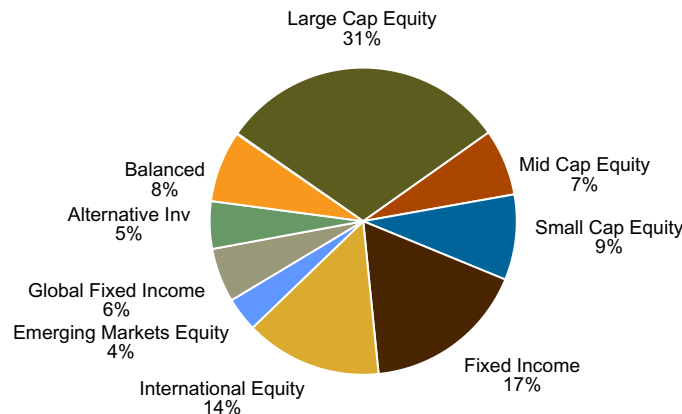
## Actual vs Target Asset Allocation As of December 31, 2018

The Strategic Policy Target is set without regard to the Balanced mandate and includes 32.5% S&P 500 Index, 7.5% Russell MidCap Index, 10% Russell 2000 Index, 8% MSCI EAFE Index, 8% MSCI ACWI ex US, 4% MSCI Emerging Markets Index, 20% Bloomberg Barclays U.S. Aggregate Bond Index, 5% World Govt Bond Index, and 5% Custom Alternatives Index. The Actual Policy Target is adjusted to reflect the implementation of the Balanced mandate and includes 30.5% S&P 500 Index, 7% Russell MidCap Index, 9% Russell 2000 Index, 7.4% MSCI EAFE Index, 7% MSCI ACWI ex US, 3.6% MSCI Emerging Markets Index, 7.5% Custom Tactical Overlay Index, 17.2% Bloomberg Barclays U.S. Aggregate Bond Index, 5.8% World Govt Bond Index, and 5% Custom Alternatives Index. The Actual Policy Target is represented as the Policy Index throughout the remainder of the report.

### Actual Asset Allocation



### Target Asset Allocation



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap Equity	434,977	32.6%	30.5%	2.1%	28,265
Mid Cap Equity	91,749	6.9%	7.0%	(0.1%)	(1,595)
Small Cap Equity	115,019	8.6%	9.0%	(0.4%)	(4,995)
Fixed Income	208,543	15.6%	17.2%	(1.6%)	(21,483)
International Equity	179,309	13.4%	14.4%	(1.0%)	(12,713)
Emerging Markets Equity	46,904	3.5%	3.6%	(0.1%)	(1,101)
Global Fixed Income	69,908	5.2%	5.8%	(0.5%)	(6,767)
Alternative Inv	69,747	5.2%	5.0%	0.2%	3,073
Balanced	102,361	7.7%	7.5%	0.2%	2,350
Cash & Cash Equivalent	14,965	1.1%	0.0%	1.1%	14,965
<b>Total</b>	<b>1,333,482</b>	<b>100.0%</b>	<b>100.0%</b>		

## Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of December 31, 2018, with the distribution as of November 30, 2018.

### Asset Distribution Across Investment Managers

	December 31, 2018		November 30, 2018	
	Market Value	Percent	Market Value	Percent
<b>Domestic Equity</b>	<b>\$641,744,442</b>	<b>48.13%</b>	<b>\$710,548,389</b>	<b>50.04%</b>
<b>Large Cap Equity</b>	<b>\$434,976,864</b>	<b>32.62%</b>	<b>\$477,291,446</b>	<b>33.62%</b>
Morgan Stanley LC Core	127,814,789	9.59%	139,644,056	9.84%
BlackRock S&P 500 Equity Index Fund	307,162,075	23.03%	337,647,390	23.78%
<b>Mid Cap Equity</b>	<b>\$91,748,907</b>	<b>6.88%</b>	<b>\$102,657,110</b>	<b>7.23%</b>
MacKay Shields (1)	91,748,907	6.88%	102,657,110	7.23%
<b>Small Cap Equity</b>	<b>\$115,018,671</b>	<b>8.63%</b>	<b>\$130,599,833</b>	<b>9.20%</b>
Earnest Partners SC Core	63,867,845	4.79%	72,191,440	5.08%
Channing Cap Mgt	23,790,997	1.78%	27,463,714	1.93%
<b>Legato</b>	<b>\$27,359,828</b>	<b>2.05%</b>	<b>\$30,944,679</b>	<b>2.18%</b>
ESSEX	9,370,028	0.70%	10,576,178	0.74%
Bridge City	9,348,805	0.70%	10,518,298	0.74%
Lebenthal Lisanti	8,640,996	0.65%	9,850,204	0.69%
<b>International Equity</b>	<b>\$179,308,583</b>	<b>13.45%</b>	<b>\$188,055,538</b>	<b>13.24%</b>
Hardman Johnston Global Advisors	93,982,892	7.05%	97,783,510	6.89%
Artisan Partners	85,325,690	6.40%	90,272,028	6.36%
<b>Emerging Markets Equity</b>	<b>\$46,904,288</b>	<b>3.52%</b>	<b>\$48,616,666</b>	<b>3.42%</b>
Earnest Partners Emerging Markets	46,904,288	3.52%	48,616,666	3.42%
<b>Balanced</b>	<b>\$102,361,021</b>	<b>7.68%</b>	<b>\$107,797,187</b>	<b>7.59%</b>
Globalt Tactical ETF	102,361,021	7.68%	107,797,187	7.59%
<b>Fixed Income</b>	<b>\$208,542,958</b>	<b>15.64%</b>	<b>\$205,415,933</b>	<b>14.47%</b>
Mesirow Financial	70,315,813	5.27%	69,150,063	4.87%
SSgA U.S. Aggregate Bond Index	66,433,100	4.98%	65,232,476	4.59%
Garcia Hamilton	71,794,045	5.38%	71,033,394	5.00%
<b>Global Fixed Income</b>	<b>\$69,908,160</b>	<b>5.24%</b>	<b>\$68,119,159</b>	<b>4.80%</b>
Colchester	69,908,160	5.24%	68,119,159	4.80%
<b>Real Estate</b>	<b>\$41,566,704</b>	<b>3.12%</b>	<b>\$41,566,704</b>	<b>2.93%</b>
Intercontinental (2)	23,740,184	1.78%	23,740,184	1.67%
JPM US Real Estate (2)	17,826,520	1.34%	17,826,520	1.26%
<b>Alternative Investment</b>	<b>\$28,180,631</b>	<b>2.11%</b>	<b>\$28,180,631</b>	<b>1.98%</b>
GrayCo Alternative Partners II (3)	28,180,631	2.11%	28,180,631	1.98%
<b>Cash &amp; Cash Equivalent</b>	<b>\$14,965,203</b>	<b>1.12%</b>	<b>\$21,548,271</b>	<b>1.52%</b>
Enhanced Cash	2,879,164	0.22%	21,457,418	1.51%
Security Lending	338	0.00%	338	0.00%
Cash	12,085,701	0.91%	90,515	0.01%
<b>Total Fund</b>	<b>\$1,333,481,990</b>	<b>100.0%</b>	<b>\$1,419,848,479</b>	<b>100.0%</b>

Johnston Asset Management has changed their name to "Hardman Johnston Global Advisors"

(1) Cornerstone Capital (affiliate) was consolidated into its parent, MacKay Shields, effective 1/1/18

(2) The ending market value is based on the previous available manager statement (09/30/2018).

(3) The current market value of GrayCo is reported using the previous quarter ending market value and current quarter-to-date flows.

## Investment Manager Returns

The table below details the rates of return for the fund's investment managers over various time periods ended December 31, 2018. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended December 31, 2018

	Market Value \$(Dollars)	Ending Weight	Last Month	Last 3 Months	Last Year	Last 3 Years
<b>Domestic Equity</b>	<b>\$641,744,442</b>	<b>48.13%</b>	<b>(9.68%)</b>	<b>(14.81%)</b>	<b>(6.15%)</b>	<b>9.21%</b>
Domestic Equity - Net	641,744,442	48.13%	(9.70%)	(14.85%)	(6.33%)	8.98%
<b>Large Cap Equity</b>	<b>\$434,976,864</b>	<b>32.62%</b>	<b>(8.87%)</b>	<b>(13.06%)</b>	<b>(3.37%)</b>	<b>9.89%</b>
Large Cap Equity - Net	434,976,864	32.62%	(8.88%)	(13.09%)	(3.47%)	9.76%
S&P 500 Index	-	-	(9.03%)	(13.52%)	(4.38%)	9.26%
Morgan Stanley LC Core	127,814,789	9.59%	(8.47%)	(11.99%)	(0.93%)	11.42%
Morgan Stanley LC Core - Net	-	-	(8.50%)	(12.08%)	(1.25%)	11.01%
S&P 500 Index	-	-	(9.03%)	(13.52%)	(4.38%)	9.26%
BlackRock Equity Index	307,162,075	23.03%	(9.03%)	(13.50%)	(4.35%)	9.28%
BlackRock Equity Index - Net	307,162,075	23.03%	(9.03%)	(13.50%)	(4.37%)	9.26%
S&P 500 Index	-	-	(9.03%)	(13.52%)	(4.38%)	9.26%
<b>Mid Cap Equity</b>	<b>\$91,748,907</b>	<b>6.88%</b>	<b>(10.63%)</b>	<b>(17.39%)</b>	<b>(11.15%)</b>	<b>6.33%</b>
Mid Cap Equity - Net	91,748,907	6.88%	(10.66%)	(17.47%)	(11.41%)	5.97%
Russell MidCap Index	-	-	(9.92%)	(15.37%)	(9.06%)	7.04%
MacKay Shields (1)	91,748,907	6.88%	(10.63%)	(17.39%)	(11.15%)	6.33%
MacKay Shields - Net	\$91,748,907	6.88%	(10.66%)	(17.47%)	(11.41%)	5.97%
Russell MidCap Index	-	-	(9.92%)	(15.37%)	(9.06%)	7.04%
<b>Small Cap Equity</b>	<b>\$115,018,671</b>	<b>8.63%</b>	<b>(11.93%)</b>	<b>(18.94%)</b>	<b>(11.78%)</b>	<b>8.89%</b>
Small Cap Equity - Net	115,018,671	8.63%	(11.97%)	(19.04%)	(12.18%)	8.37%
Russell 2000 Index	-	-	(11.88%)	(20.20%)	(11.01%)	7.36%
Earnest Partners SC Core	63,867,845	4.79%	(11.53%)	(17.46%)	(12.63%)	11.07%
Earnest Partners SC Core - Net	\$63,867,845	4.79%	(11.56%)	(17.52%)	(12.86%)	10.74%
Russell 2000 Index	-	-	(11.88%)	(20.20%)	(11.01%)	7.36%
Channing Cap Mgt	23,790,997	1.78%	(13.37%)	(21.81%)	(16.53%)	5.15%
Channing Cap Mgt - Net	\$23,790,997	1.78%	(13.44%)	(21.99%)	(17.21%)	4.24%
Russell 2000 Value Index	-	-	(12.09%)	(18.67%)	(12.86%)	7.37%
<b>Legato</b>	<b>\$27,359,828</b>	<b>2.05%</b>	<b>(11.59%)</b>	<b>(19.75%)</b>	<b>(4.92%)</b>	<b>6.35%</b>
Legato - Net	27,359,828	2.05%	(11.64%)	(19.87%)	(5.45%)	5.74%
Russell 2000 Growth Index	-	-	(11.68%)	(21.65%)	(9.31%)	7.24%
ESSEX	9,370,028	0.70%	(11.41%)	(20.50%)	(6.13%)	-
Bridge City	9,348,805	0.70%	(11.12%)	(15.63%)	0.76%	-
Lebenthal Lisanti	8,640,996	0.65%	(12.28%)	(23.03%)	(1.33%)	-
Russell 2000 Growth Index	-	-	(11.68%)	(21.65%)	(9.31%)	7.24%
<b>International Equity</b>	<b>\$179,308,583</b>	<b>13.45%</b>	<b>(4.61%)</b>	<b>(11.38%)</b>	<b>(13.90%)</b>	<b>5.74%</b>
International Equity - Net	179,308,583	13.45%	(4.68%)	(11.57%)	(14.56%)	4.85%
MSCI EAFE Index	-	-	(4.85%)	(12.54%)	(13.79%)	2.87%
Hardman Johnston Global Adv	93,982,892	7.05%	(3.89%)	(11.48%)	(13.28%)	6.88%
Hardman Johnston Global Adv - Net	93,982,892	7.05%	(3.94%)	(11.62%)	(13.82%)	6.22%
MSCI ACWI ex US Index	-	-	(4.49%)	(11.41%)	(13.78%)	4.98%
Artisan Partners	85,325,690	6.40%	(5.40%)	(11.29%)	(14.55%)	4.59%
Artisan Partners - Net	85,325,690	6.40%	(5.48%)	(11.52%)	(15.42%)	3.54%
MSCI EAFE Index	-	-	(4.85%)	(12.54%)	(13.79%)	2.87%
<b>Emerging Markets Equity</b>	<b>\$46,904,288</b>	<b>3.52%</b>	<b>(3.44%)</b>	<b>(6.91%)</b>	<b>(14.85%)</b>	<b>9.69%</b>
Emerging Markets Equity - Net	46,904,288	3.52%	(3.52%)	(7.15%)	(15.49%)	8.72%
MSCI Emerging Mkts Idx	-	-	(2.60%)	(7.40%)	(14.25%)	9.65%
Earnest Partners Emerging Markets	46,904,288	3.52%	(3.44%)	(6.91%)	(14.85%)	9.69%
Earnest Partners Emerging Markets - Net	46,904,288	3.52%	(3.52%)	(7.15%)	(15.49%)	8.72%
MSCI Emerging Mkts Idx	-	-	(2.60%)	(7.40%)	(14.25%)	9.65%

Johnston Asset Management has changed their name to "Hardman Johnston Global Advisors"  
(1) Cornerstone Capital (affiliate) was consolidated into its parent, MacKay Shields, effective 1/1/18.

## Investment Manager Returns

The table below details the rates of return for the fund's investment managers over various time periods ended December 31, 2018. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended December 31, 2018

	Market Value \$(Dollars)	Ending Weight	Last 5 Years	Last 7 years	Last 10 Years	Since Inception	
<b>Domestic Equity</b>	<b>\$641,744,442</b>	<b>48.13%</b>	<b>7.74%</b>	-	-	<b>9.22%</b>	(10/13)
Domestic Equity - Net	641,744,442	48.13%	7.46%	-	-	8.93%	(10/13)
<b>Large Cap Equity</b>	<b>\$434,976,864</b>	<b>32.62%</b>	<b>9.18%</b>	<b>13.23%</b>	<b>13.97%</b>	<b>8.59%</b>	(1/97)
Large Cap Equity - Net	434,976,864	32.62%	9.03%	13.08%	13.75%	7.51%	(10/07)
S&P 500 Index	-	-	8.49%	12.70%	13.12%	6.77%	(10/07)
Morgan Stanley LC Core	127,814,789	9.59%	10.48%	14.22%	13.75%	10.92%	(1/93)
Morgan Stanley LC Core - Net	\$127,814,789	9.59%	10.06%	13.77%	13.28%	8.76%	(10/07)
S&P 500 Index	-	-	8.49%	12.70%	13.12%	6.77%	(10/07)
BlackRock Equity Index	307,162,075	23.03%	-	-	-	10.36%	(9/15)
BlackRock Equity Index - Net	307,162,075	23.03%	-	-	-	10.34%	(9/15)
S&P 500 Index	-	-	8.49%	12.70%	13.12%	9.70%	(9/15)
<b>Mid Cap Equity</b>	<b>\$91,748,907</b>	<b>6.88%</b>	<b>5.29%</b>	<b>11.59%</b>	<b>13.35%</b>	<b>7.66%</b>	(10/95)
Mid Cap Equity - Net	91,748,907	6.88%	4.88%	11.11%	12.86%	5.88%	(10/07)
Russell MidCap Index	-	-	6.26%	11.49%	14.03%	6.81%	(10/07)
MacKay Shields (1)	91,748,907	6.88%	6.03%	12.42%	14.29%	7.66%	(11/06)
MacKay Shields - Net	\$91,748,907	6.88%	5.64%	11.99%	13.85%	6.65%	(10/07)
Russell MidCap Index	-	-	6.26%	11.49%	14.03%	6.81%	(10/07)
<b>Small Cap Equity</b>	<b>\$115,018,671</b>	<b>8.63%</b>	<b>6.18%</b>	<b>11.50%</b>	<b>13.58%</b>	<b>9.77%</b>	(10/95)
Small Cap Equity - Net	115,018,671	8.63%	5.66%	10.89%	12.89%	6.67%	(10/07)
Russell 2000 Index	-	-	4.41%	10.44%	11.97%	6.15%	(10/07)
Earnest Partners SC Core	63,867,845	4.79%	8.26%	13.13%	14.39%	10.87%	(7/99)
Earnest Partners SC Core - Net	\$63,867,845	4.79%	7.84%	12.64%	13.83%	7.41%	(10/07)
Russell 2000 Index	-	-	4.41%	10.44%	11.97%	6.15%	(10/07)
Channing Cap Mgt	23,790,997	1.78%	3.23%	-	-	7.62%	(2/13)
Channing Cap Mgt - Net	\$23,790,997	1.78%	2.33%	-	-	6.68%	(2/13)
Russell 2000 Value Index	-	-	3.61%	9.57%	10.40%	7.28%	(2/13)
<b>Legato</b>	<b>\$27,359,828</b>	<b>2.05%</b>	-	-	-	<b>3.21%</b>	(4/15)
Legato - Net	27,359,828	2.05%	-	-	-	2.61%	(4/15)
Russell 2000 Growth Index	-	-	5.13%	11.25%	13.52%	3.57%	(4/15)
ESSEX	9,370,028	0.70%	-	-	-	6.39%	(4/17)
Bridge City	9,348,805	0.70%	-	-	-	10.99%	(8/16)
Lebenthal Lisanti	8,640,996	0.65%	-	-	-	14.70%	(8/16)
Russell 2000 Growth Index	-	-	5.13%	11.25%	13.52%	6.95%	(8/16)
<b>International Equity</b>	<b>\$179,308,583</b>	<b>13.45%</b>	<b>3.53%</b>	<b>8.55%</b>	-	<b>6.92%</b>	(10/10)
International Equity - Net	179,308,583	13.45%	2.66%	7.79%	-	6.18%	(10/10)
MSCI EAFE Index	-	-	0.53%	5.75%	6.32%	4.03%	(10/10)
Hardman Johnston Asset Mgt	93,982,892	7.05%	4.34%	7.85%	-	5.98%	(10/10)
Hardman Johnston Asset Mgt - Net	\$93,982,892	7.05%	3.64%	7.14%	-	5.28%	(10/10)
MSCI ACWI ex US Index	-	-	1.14%	5.33%	7.06%	3.59%	(10/10)
Artisan Partners	85,325,690	6.40%	2.73%	9.12%	-	7.69%	(10/10)
Artisan Partners - Net	85,325,690	6.40%	1.70%	8.31%	-	7.00%	(10/10)
MSCI EAFE Index	-	-	0.53%	5.75%	6.32%	4.03%	(10/10)
<b>Emerging Markets Equity</b>	<b>\$46,904,288</b>	<b>3.52%</b>	-	-	-	<b>10.08%</b>	(10/15)
Emerging Markets Equity - Net	46,904,288	3.52%	-	-	-	9.10%	(10/15)
MSCI Emerging Mkts Idx	-	-	2.03%	3.61%	8.39%	9.12%	(10/15)
Earnest Partners Emerging Markets	46,904,288	3.52%	-	-	-	10.08%	(10/15)
Earnest Partners Emerging Markets	46,904,288	3.52%	-	-	-	9.10%	(10/15)
MSCI Emerging Mkts Idx	-	-	2.03%	3.61%	8.39%	9.12%	(10/15)

Returns prior to September 31, 2013 were provided by Gray & Company.

(1) Cornerstone Capital (affiliate) was consolidated into its parent, MacKay Shields, effective 1/1/18

## Investment Manager Returns

The table below details the rates of return for the fund's investment managers over various time periods ended December 31, 2018. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended December 31, 2018

	Market Value \$(Dollars)	Ending Weight	Last Month	Last 3 Months	Last Year	Last 3 Years
<b>Balanced</b>	<b>\$102,361,021</b>	<b>7.68%</b>	<b>(5.07%)</b>	<b>(8.57%)</b>	<b>(4.64%)</b>	<b>6.81%</b>
Balanced - Net	102,361,021	7.68%	(5.10%)	(8.67%)	(5.03%)	6.36%
Globalt Tactical ETF	102,361,021	7.68%	(5.07%)	(8.57%)	(4.64%)	6.81%
Globalt Tactical ETF - Net	102,361,021	7.68%	(5.10%)	(8.67%)	(5.03%)	6.36%
Globalt Benchmark (4)	-	-	(5.43%)	(9.89%)	(5.99%)	6.32%
<b>Fixed Income</b>	<b>\$208,542,958</b>	<b>15.64%</b>	<b>1.52%</b>	<b>1.30%</b>	<b>0.32%</b>	<b>2.28%</b>
Fixed Income - Net	208,542,958	15.64%	1.51%	1.26%	0.17%	2.11%
Blmbg Aggregate Idx	-	-	1.84%	1.64%	0.01%	2.06%
Mesirow Financial	70,315,813	5.27%	1.69%	1.21%	(0.08%)	2.30%
Mesirow Financial - Net	\$70,315,813	5.27%	1.66%	1.15%	(0.33%)	2.04%
Blmbg Aggregate Idx	-	-	1.84%	1.64%	0.01%	2.06%
SSgA U.S. Agg Bond Index	66,433,100	4.98%	1.84%	1.65%	0.04%	2.07%
SSgA U.S. Agg Bond Index - Net	66,433,100	4.98%	1.84%	1.64%	0.01%	2.04%
Blmbg Aggregate Idx	-	-	1.84%	1.64%	0.01%	2.06%
Garcia Hamilton	71,794,045	5.38%	1.07%	1.07%	0.99%	-
Garcia Hamilton - Net	71,794,045	5.38%	1.06%	1.03%	0.81%	-
Blmbg Aggregate Idx	-	-	1.84%	1.64%	0.01%	2.06%
<b>Global Fixed Income</b>	<b>\$69,908,160</b>	<b>5.24%</b>	<b>2.67%</b>	<b>1.31%</b>	<b>(0.48%)</b>	<b>4.11%</b>
Global Fixed Income - Net	69,908,160	5.24%	2.63%	1.19%	(0.96%)	3.60%
World Govt Bond	-	-	2.39%	1.75%	(0.84%)	2.69%
Colchester	69,908,160	5.24%	2.67%	1.31%	(0.48%)	4.11%
Colchester - Net	69,908,160	5.24%	2.63%	1.19%	(0.96%)	3.60%
World Govt Bond	-	-	2.39%	1.75%	(0.84%)	2.69%
<b>Real Estate</b>	<b>\$41,566,704</b>	<b>3.12%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>7.42%</b>	<b>8.87%</b>
Intercontinental	23,740,184	1.78%	0.00%	0.00%	8.43%	10.09%
JPM US Real Estate	17,826,520	1.34%	0.00%	0.00%	6.12%	-
NCREIF Total Index	-	-	0.55%	1.67%	7.03%	7.32%
<b>Alternative Investment</b>	<b>\$28,180,631</b>	<b>2.11%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>5.08%</b>	<b>4.66%</b>
GrayCo Alternative Partners II (2)	28,180,631	2.11%	0.00%	0.00%	5.08%	4.66%
Alternative Target (3)	-	-	(6.34%)	(10.51%)	(3.84%)	6.56%
<b>Cash &amp; Cash Equivalent</b>	<b>\$14,965,203</b>	<b>1.12%</b>	<b>0.21%</b>	<b>0.58%</b>	<b>1.97%</b>	<b>1.19%</b>
3-month Treasury Bill	-	-	0.18%	0.56%	1.87%	1.02%
Cash	12,085,701	0.91%	0.19%	0.57%	1.98%	1.17%
Enhanced Cash	2,879,164	0.22%	0.22%	0.60%	2.00%	1.20%
Security Lending	338	0.00%	0.20%	0.58%	1.97%	1.45%
3-month Treasury Bill	-	-	0.18%	0.56%	1.87%	1.02%
6-month Treasury Bill	-	-	0.20%	0.58%	1.91%	1.06%
<b>Total Fund</b>	<b>\$1,333,481,990</b>	<b>100.00%</b>	<b>(5.61%)</b>	<b>(9.72%)</b>	<b>(5.60%)</b>	<b>6.94%</b>
Total Fund - Net	1,333,481,990	100.00%	(5.63%)	(9.80%)	(5.92%)	6.52%
Policy Index (1)	-	-	(5.43%)	(9.87%)	(5.91%)	6.35%

(1) Current Quarter Actual Policy Target (Including Balanced) = 30.5% S&P 500 Index, 7% Russell MidCap Index, 9.0% Russell 2000 Index, 7.4% MSCI EAFE Index, 7% MSCI ACWI ex US, 3.6% MSCI Emerging Markets Index, 7.5% Custom Tactical Overlay Index, 17.2% Bloomberg Barclays U.S. Aggregate Bond Index, 5.8% World Govt Bond Index, and 5% Custom Alternatives Index.

(2) The GrayCo Fund performance is generated using manager data on a quarterly lag.

(3) The Custom Alternatives Target is 31% HFRI FoF Diversified Index, 64% Russell 3000 Index, and 5% NCREIF ODCE Index.

(4) Since 10/1/2015, the Globalt Benchmark is the Strategic Policy Target and consists of 32.5% S&P 500 Index, 7.5% Russell MidCap Index, 10% Russell 2000 Index, 8% MSCI EAFE Index, 8% MSCI ACWI ex US, 4% MSCI Emerging Markets Index, 20% Bloomberg Barclays U.S. Aggregate Bond Index, 5% World Govt Bond Index, and 5% Custom Alternatives Index.



## Investment Manager Returns

The table below details the rates of return for the fund's investment managers over various time periods ended December 31, 2018. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended December 31, 2018

	Market Value \$(Dollars)	Ending Weight	Last 5 Years	Last 7 Years	Last 10 Years	Since Inception	
<b>Balanced</b>	<b>\$102,361,021</b>	<b>7.68%</b>	<b>5.69%</b>	-	-	<b>7.31%</b>	(3/13)
Balanced - Net	102,361,021	7.68%	5.22%	-	-	6.81%	(3/13)
Globalt Tactical ETF	102,361,021	7.68%	5.69%	-	-	7.31%	(3/13)
Globalt Tactical ETF - Net	102,361,021	7.68%	5.22%	-	-	6.81%	(3/13)
Globalt Benchmark (4)	-	-	5.54%	8.54%	9.59%	7.35%	(3/13)
<b>Fixed Income</b>	<b>\$208,542,958</b>	<b>15.64%</b>	<b>2.60%</b>	<b>2.34%</b>	<b>3.72%</b>	<b>5.91%</b>	(4/88)
Fixed Income - Net	208,542,958	15.64%	2.41%	2.15%	3.52%	3.93%	(10/07)
Blmbg Aggregate Idx	-	-	2.52%	2.10%	3.48%	3.83%	(10/07)
Mesirow Financial	70,315,813	5.27%	2.66%	2.51%	4.36%	4.71%	(7/06)
Mesirow Financial - Net	\$70,315,813	5.27%	2.36%	2.24%	4.11%	4.24%	(10/07)
Blmbg Aggregate Idx	-	-	2.52%	2.10%	3.48%	3.83%	(10/07)
SSgA U.S. Agg Bond Index	66,433,100	4.98%	-	-	-	1.89%	(9/15)
SSgA U.S. Agg Bond Index - Net	66,433,100	4.98%	-	-	-	1.86%	(9/15)
Blmbg Aggregate Idx	-	-	2.52%	2.10%	3.48%	1.88%	(9/15)
Garcia Hamilton	71,794,045	5.38%	-	-	-	1.37%	(11/16)
Garcia Hamilton - Net	71,794,045	5.38%	-	-	-	1.19%	(11/16)
Blmbg Aggregate Idx	-	-	2.52%	2.10%	3.48%	0.57%	(11/16)
<b>Global Fixed Income</b>	<b>\$69,908,160</b>	<b>5.24%</b>	-	-	-	<b>3.19%</b>	(9/15)
Global Fixed Income - Net	69,908,160	5.24%	-	-	-	2.68%	(9/15)
World Govt Bond	-	-	0.77%	0.20%	1.52%	2.27%	(9/15)
Colchester	69,908,160	5.24%	-	-	-	3.19%	(9/15)
Colchester - Net	69,908,160	5.24%	-	-	-	2.68%	(9/15)
World Govt Bond	-	-	0.77%	0.20%	1.52%	2.27%	(9/15)
<b>Real Estate</b>	<b>\$41,566,704</b>	<b>3.12%</b>	-	-	-	-	-
Intercontinental	23,740,184	1.78%	-	-	-	11.52%	(4/15)
JPM US Real Estate	17,826,520	1.34%	-	-	-	7.38%	(10/16)
NCREIF Total Index	-	-	9.39%	9.78%	7.52%	7.01%	(10/16)
<b>Alternative Investment</b>	<b>\$28,180,631</b>	<b>2.11%</b>	<b>3.67%</b>	-	-	<b>5.74%</b>	(12/12)
GrayCo Alternative Partners II (2)	28,180,631	2.11%	3.67%	-	-	5.74%	(12/12)
Alternative Target (3)	-	-	6.02%	9.41%	9.84%	8.38%	(1/90)
<b>Cash &amp; Cash Equivalent</b>	<b>\$14,965,203</b>	<b>1.12%</b>	<b>0.78%</b>	<b>0.58%</b>	<b>0.44%</b>	<b>0.67%</b>	(10/07)
3-month Treasury Bill	-	-	0.63%	0.47%	0.37%	0.61%	(10/07)
Cash	12,085,701	0.91%	0.77%	0.58%	0.46%	2.36%	(3/97)
Enhanced Cash	2,879,164	0.22%	0.78%	0.58%	0.43%	0.67%	(10/07)
Security Lending	338	0.00%	0.93%	0.69%	0.52%	2.52%	(5/98)
3-month Treasury Bill	-	-	0.63%	0.47%	0.37%	2.01%	(5/98)
6-month Treasury Bill	-	-	0.67%	0.51%	0.44%	-	-
<b>Total Fund</b>	<b>\$1,333,481,990</b>	<b>100.00%</b>	<b>5.75%</b>	<b>9.25%</b>	<b>9.64%</b>	<b>7.15%</b>	(2/97)
Total Fund - Net	1,333,481,990	100.00%	5.34%	8.85%	9.25%	6.49%	(9/07)
Policy Index (1)	-	-	5.56%	8.56%	9.60%	6.59%	(9/07)

(1) Current Quarter Actual Policy Target (Including Balanced) = 30.5% S&P 500 Index, 7% Russell MidCap Index, 9.0% Russell 2000 Index, 7.4% MSCI EAFE Index, 7% MSCI ACWI ex US, 3.6% MSCI Emerging Markets Index, 7.5% Custom Tactical Overlay Index, 17.2% Bloomberg Barclays U.S. Aggregate Bond Index, 5.8% World Govt Bond Index, and 5% Custom Alternatives Index.

(2) The GrayCo Fund performance is generated using manager data on a quarterly lag.

(3) The Custom Alternatives Target is 31% HFRI FoF Diversified Index, 64% Russell 3000 Index, and 5% NCREIF ODCE Index.

(4) Since 10/1/2015, the Globalt Benchmark is the Strategic Policy Target and consists of 32.5% S&P 500 Index, 7.5% Russell MidCap Index, 10% Russell 2000 Index, 8% MSCI EAFE Index, 8% MSCI ACWI ex US, 4% MSCI Emerging Markets Index, 20% Bloomberg Barclays U.S. Aggregate Bond Index, 5% World Govt Bond Index, and 5% Custom Alternatives Index.

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## Appendix

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### **Policy Index – Current**

The current broad policy is 70% equity (50% in U.S. markets, 20% in non-U.S. markets), 25% fixed income and 5% target to alternatives. Georgia law limits the total exposure to alternatives to 5%.

The Strategic Policy Target is 32.5% S&P 500 Index, 7.5% Russell MidCap Index, 10% Russell 2000 Index, 8% MSCI EAFE Index, 8% MSCI ACWI ex US, 4% MSCI Emerging Markets Index, 20% Bloomberg Barclays U.S. Aggregate Bond Index, 5% World Govt Bond Index, and 5% Custom Alternatives Index.

The Strategic Policy Target is set without regard to the Balanced mandate and represents the strategic, long-term exposure to asset classes. The Balanced strategy is intended as a tactical overlay. The target for the Balanced mandate is the total fund policy, excluding the Globalt allocation. Target allocations to each broad asset class have been adjusted to reflect the implementation of the Balanced mandate.

The Actual Policy Target is 30.5% S&P 500 Index, 7% Russell MidCap Index, 9% Russell 2000 Index, 7.4% MSCI EAFE Index, 7% MSCI ACWI ex US, 3.6% MSCI Emerging Markets Index, 7.5% Custom Tactical Overlay Index, 17.2% Bloomberg Barclays U.S. Aggregate Bond Index, 5.8% World Govt Bond Index, and 5% Custom Alternatives Index.

### **Policy Index - Historical**

From January 1988 to December 2006 the Policy Index was composed of 55% S&P 500 Index and 45% Bloomberg Barclays U.S. Aggregate Bond Index.

From January 2007 to December 2010 the Policy Index was composed of 25% S&P 500 Index, 20% S&P MidCap 400 Index, 10% Russell 2000 Index, 30% Bloomberg Barclays U.S. Aggregate Bond Index, and 15% Barclays Intermediate Govt/Credit Index.

From January 2011 to December 2013 the Policy Index was composed of 60% S&P 500 Index, 10% MSCI EAFE (Net) Index, 25% Bloomberg Barclays U.S. Aggregate Bond Index, and 5% 3-month Treasury Bill.

From January 2014 to September 2014, the Policy Index was composed of 63.2% Russell 3000 Index, 10.5% MSCI EAFE Index, and 26.2% Bloomberg Barclays U.S. Aggregate Bond Index.

From September 2014 to March 2015, the Policy Index was composed of 60% Russell 3000 Index, 10.5% MSCI EAFE Index, 26.4% Bloomberg Barclays U.S. Aggregate Bond Index, 2.6% HFRI FoF Diversified Index, and 0.5% NFI-ODCE Equal Weight Net.

From March 2015 to September 2015, the Policy Index was composed of 59.5% Russell 3000 Index, 10.5% MSCI EAFE Index, 26.4% Bloomberg Barclays U.S. Aggregate Bond Index, 2.1% HFRI FoF Diversified Index, 0.5% NFI-ODCE Equal Weight Net, and 1% NCREIF Property Index.

Since September 2015, the Policy Index includes 30.5% S&P 500 Index, 7% Russell MidCap Index, 9% Russell 2000 Index, 7.4% MSCI EAFE Index, 7% MSCI ACWI ex US, 3.6% MSCI Emerging Markets Index, 7.5% Custom Tactical Overlay Index, 17.2% Bloomberg Barclays U.S. Aggregate Bond Index, 5.8% World Govt Bond Index, and 5% Custom Alternatives Index.

### **Custom Tactical Overlay Index**

From February 2013 to September 2015, the Custom Tactical Overlay Index was composed of 60% S&P 500 Index, 25% Bloomberg Barclays U.S. Aggregate Bond Index, 10% MSCI World ex-US Index, and 5% 90-day Tbills.

From October 2015 to August 2016, the Custom Tactical Overlay Index was composed of 30.5% S&P 500 Index, 7% Russell MidCap Index, 9% Russell 2000 Index, 7.4% MSCI EAFE Index, 7% MSCI ACWI ex US, 3.6% MSCI Emerging Markets Index, 17.2% Bloomberg Barclays U.S. Aggregate Bond Index, 5.8% World Govt Bond Index, 7.5% Tactical Overlay, and 5% Custom Alternatives Index.

From September 2016 and thereafter, the Custom Tactical Overlay consists of 32.5% S&P 500 Index, 7.5% Russell MidCap Index, 10% Russell 2000 Index, 8% MSCI EAFE Index, 8% MSCI ACWI ex US, 4% MSCI Emerging Markets Index, 20% Bloomberg Barclays U.S. Aggregate Bond Index, 5% World Govt Bond Index, and 5% Custom Alternatives Index.

### **Custom Alternatives Index**

The Custom Alternatives Target is 31% HFRI FoF Diversified Index, 64% Russell 3000 Index, and 5% NCREIF ODCE Index.