

THE ECONOMIC CLIMATE

The U.S. economy is expected to grow at around 2.2% in Q1. Economists expect a slightly quicker rate of growth throughout the year. We believe that this middle-of-the-road expansion –characterized as not too fast and not too slow –may allow the U.S. economy to continue expanding for longer than expected. The U.S. has enacted a 25% tariff on steel and a 10% tariff on aluminum, which went into effect on March 23rd. The U.S. also engaged with China over allegations of asymmetrical trade policies and intellectual property theft.

MARKET PORTFOLIO IMPACTS

Global economic growth has improved –low inflation, strong employment, and accommodative foreign central bank policies have been supportive of equity prices. In the U.S., monetary tightening has yet to have a major impact on equities. Concerns over increasing trade protectionism weighed on financial markets. The tariffs placed on steel and aluminum are not likely to have a material impact on asset prices, but escalating tensions and retaliatory measures could have a negative impact on global growth.

THE INVESTMENT CLIMATE

Excitement and optimism over tax cuts helped lead equities higher to begin the year. However, markets stumbled in February – falling roughly 10%. Equities recovered much of the losses throughout the quarter, but then fell back to their lows at the end of March. 2018 is expected to be a banner year for U.S. corporate profits. Earnings for the calendar year are forecast to grow 17.3%, with 7.3% revenue growth. These 2018 expectations may already be priced in. February’s market correction appeared isolated to the equity markets. “Risk-off” selling that often accompanies market drawdowns was not apparent – credit spreads, U.S. Treasuries, and gold, reacted minimally.

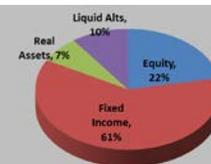
FISCAL YEAR TO DATE PERFORMANCE

With respect to the fiscal year, the Endowment portfolio experienced a 8.1% gain in the period ending March 2018. During the period, International Equities posted positive returns and outperformed its benchmark. Real Estate and Alternative saw positive performance but lagged their benchmark.

Investment Pools	Three months ended 3/31/2018	Year to Date	Fiscal Year to Date	One (1) Year Return	Three (3) Year Return	Five (5) Year Return
Cash Equivalent 100% Cash Equivalents	0.4	0.4	0.9	1.2	0.5	0.3
Global Constrained Income & Growth 22% Equity, 61% Fixed Income, 7% Real Estate, 10% Alternative Investments	-0.9	-0.9	3.7	5.5	3.3	4.1
Global Constrained Balanced 43% Equity, 39% Fixed Income, 8% Real Estate, 10% Alternative Investments	-0.7	-0.7	5.8	8.3	4.5	5.9
Global Growth & Income 56% Equity, 22% Fixed Income, 10% Real Estate, 12% Alternative Investments	-1.0	-1.0	6.7	9.8	5.3	6.7
Endowment	0.0	0.0	8.1	11.2	6.3	7.1
Market Benchmarks						
Cash - 90-Day Treasury Bills	0.4	0.4	0.9	1.2	0.5	0.3
Bonds - Bloomberg Barclays US Aggregate	-1.5	-1.5	-0.2	1.2	1.2	1.8
International Stocks - MSCI ACWI ex U.S. Gross	-1.1	-1.1	10.4	17.0	6.7	6.4
Domestic Stocks - S&P 500	-0.8	-0.8	10.6	14.0	10.8	13.3
Blended Benchmark - Endowment¹	-0.6	-0.6	7.0	10.1	6.2	6.9

GLOBAL CONSTRAINED INCOME & GROWTH

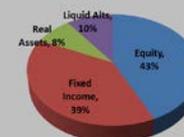
Designed for donors or nonprofits with medium-term objectives (3-5 years). While moderately conservative, this pool will have a risk of loss. A moderate portion may be invested in capital appreciation oriented investments. The income allocation may include an allocation to fixed income instruments. The pool will not include an allocation to illiquid alternative investments.



The Global Constrained Income & Growth Pool returned -0.9% during the quarter and was up 5.5% over the past year. Domestic Equity lost -0.6% and International Equity was up 0.7% over the quarter. Total Equities account for 23.1% of the portfolio, Domestic equity and International Equity outperformed their benchmarks. The Pool's Fixed Income securities, which comprises 59.5% of its total assets, returned -0.8% for the quarter and outperformed its benchmark. The 6.9% allocation to REITs was down -8.2% and 10.3% allocation to Alternatives saw a gain of 0.7%. Both REITs and Alternatives underperformed their benchmark.

GLOBAL CONSTRAINED BALANCED

Designed for donors or nonprofits with longer-term objectives (7+ years) and spending rates of less than 4% of assets per year. A portion may be invested in capital appreciation oriented investments. The income allocation may include an allocation to fixed income instruments. The pool will not include an allocation to illiquid alternative investments.



The Global Constrained Balanced pool returned -0.7% during the quarter and was up 8.3% over the past year. Domestic Equity lost -0.6% and International Equity was up 0.8% over the quarter. Total Equities account for 44.1% of the portfolio, Domestic equity underperformed its benchmark. The Pool's Fixed Income securities, which comprises 38.2% of its total assets, returned -0.7% for the quarter and outperformed its benchmark. The 7.6% allocation to REITs was down -8.2% and 9.9% allocation to Alternatives saw a gain of 0.7%. Both REITs and Alternatives underperformed their benchmark.

GLOBAL GROWTH & INCOME

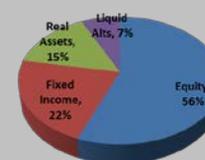
Designed for donors or nonprofits with long-term objectives (10+ years) yet with liquidity requirements and with spending objectives of approximately 4% of assets per year. A large portion may be invested in capital appreciation oriented investments. The income allocation may include an allocation to fixed income instruments. The pool will not include an allocation to illiquid alternative investments.



The Global Growth & Income pool returned -0.1% during the quarter and was up 9.8% over the past year. Domestic Equity lost -0.5% and International Equity was up 0.6% over the quarter. Total Equities account for 59.5% of the portfolio, Domestic equity underperformed its benchmarks. The Pool's Fixed Income securities, which comprises 20.8% of its total assets, returned -0.7% for the quarter and outperformed its benchmark. The 8.8% allocation to REITs was down -8.2% and 8% allocation to Alternatives saw a gain of 0.7%. Both REITs and Alternatives underperformed their benchmark. Commodities saw a -0.1% decrease and outperformed the benchmark.

ENDOWMENT POOL

Designed for donors or nonprofits with endowment-like objectives (20+ years), willing to accept moderate illiquidity and with spending objectives of approximately 4% of assets per year. A large portion may be invested in capital appreciation oriented investments. The income allocation may include an allocation to fixed income instruments. The pool may include an allocation to illiquid alternative investments. The management of this pool will be consistent with endowment best practices.



The Endowment pool gained 0.0% during the quarter which ranked in the 32nd percentile. For the trailing one year the Endowment was up 11.2%. Domestic Equity lost -0.6% and International Equity was up 0.7% over the quarter. Total Equities account for 56.4% of the portfolio, Domestic equity underperformed its benchmark. The Pool's Fixed Income securities, which comprises 20.7% of its total assets, returned -0.7% for the quarter and outperformed its benchmark. Real Estate and Alternatives were both positive (1.3% and 0.7% respectively) over the quarter. Commodities saw a -0.1% decrease and outperformed the benchmark.

Underlying Investment Managers

Domestic Equity: Vanguard 500 Index, T. Rowe Price Large Cap Growth, Touchstone Value fund Ins, Vanguard Extended Market ETF

International Equity: Dodge & Cox International Stock, EuroPacific Growth, DFA International Small Cap, Harding Loevner Emerging Markets

Fixed Income: Dodge & Cox Income, Met West Total Return, Voya Floating Rate I, Vanguard Inflation Protected Securities

Alternative Investments: AQR Style Premia Fund

Real Assets: Gresham Commodity, TownSquare Real Estate, Penn Square, UBS Trumbull, Vanguard REITs

Note: Performance for Penn Square Global Real Estate II and Town Square Real Estate Alpha Fund I is lagged by one quarter.

1. 30% Russell 3000, 26% MSCI ACWI ex US, 22% Bloomberg Barclays US Aggregate, 10% NCREIF Property Index, 5% Bloomberg Commodity Index, 7% HFRI Fund of Funds Composite Index.

Notes: The above are the historical returns for each of the five investment pools. Investment performance of individual funds may vary from the total pool return due to the timing of contributions and grants. Historical returns are not a predictor of future returns. The returns above are net of fees paid to investment managers. This fee represents the plans' blended expense ratio and is between 50 and 60 basis points annually. The fee for our investment consultant, Verus, is not reflected in the returns.