

Investment Performance Review  
Period Ending June 30, 2019

## **Southfield Fire & Police Retirement System**

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Index Returns (%)

<u>Equities</u>	<u>Month</u>	<u>3 M</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Yr Ann</u>	<u>5 Yr Ann</u>
S&P 500 Total Return	7.05	4.30	18.54	10.42	14.19	10.71
Russell Midcap Index	6.87	4.13	21.34	7.81	12.14	8.61
Russell 2000 Index	7.07	2.09	16.97	(3.35)	12.28	7.05
Russell 1000 Growth Indx	6.87	4.64	21.49	11.56	18.07	13.38
Russell 1000 Value Index	7.18	3.84	16.24	8.45	10.17	7.45
Russell 3000 Index	7.02	4.09	18.71	8.98	14.01	10.18
MSCI EAFE NR	5.93	3.68	14.03	1.08	9.11	2.25
MSCI EM NR	6.24	0.61	10.58	1.21	10.66	2.49

Russell Indices Style Returns

	<u>V</u>	<u>B</u>	<u>G</u>		<u>V</u>	<u>B</u>	<u>G</u>
<b>L</b>	<b>16.2</b>	<b>18.8</b>	<b>21.5</b>	<b>L</b>	<b>-8.3</b>	<b>-4.8</b>	<b>-1.5</b>
<b>M</b>	<b>18.0</b>	<b>21.3</b>	<b>26.1</b>	<b>M</b>	<b>-12.3</b>	<b>-9.1</b>	<b>-4.8</b>
<b>S</b>	<b>13.5</b>	<b>17.0</b>	<b>20.3</b>	<b>S</b>	<b>-12.9</b>	<b>-11.0</b>	<b>-9.3</b>
	<b>YTD</b>				<b>2018</b>		

Index Returns (%)

<u>Fixed Income</u>	<u>Month</u>	<u>3 M</u>	<u>YTD</u>	<u>1 Year</u>	<u>Mod. Adj. Duration</u>	<u>Yield to Worst</u>
U.S. Aggregate	1.26	3.08	6.11	7.87	5.73	2.49
U.S. Corporate Investment Grade	2.45	4.48	9.85	10.72	7.64	3.16
U.S. Corporate High Yield	2.28	2.50	9.94	7.48	3.23	5.87
Global Aggregate	2.22	3.29	5.57	5.85	7.08	1.48

Levels (%)

<u>Key Rates</u>	<u>06/30/19</u>	<u>12/31/18</u>	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>
3 Month	2.09	2.35	1.38	0.50	0.16
US 2 Year	1.75	2.49	1.88	1.19	1.05
US 10 Year	2.01	2.68	2.41	2.44	2.27
US 30 Year	2.53	3.01	2.74	3.07	3.02
ICE LIBOR USD 3M	2.32	2.81	1.69	1.00	0.61
Euribor 3 Month ACT/360	(0.35)	(0.31)	(0.33)	(0.32)	(0.13)
Bankrate 30Y Mortgage Rates Na	3.80	4.51	3.85	4.06	3.90
Prime	5.50	5.50	4.50	3.75	3.50

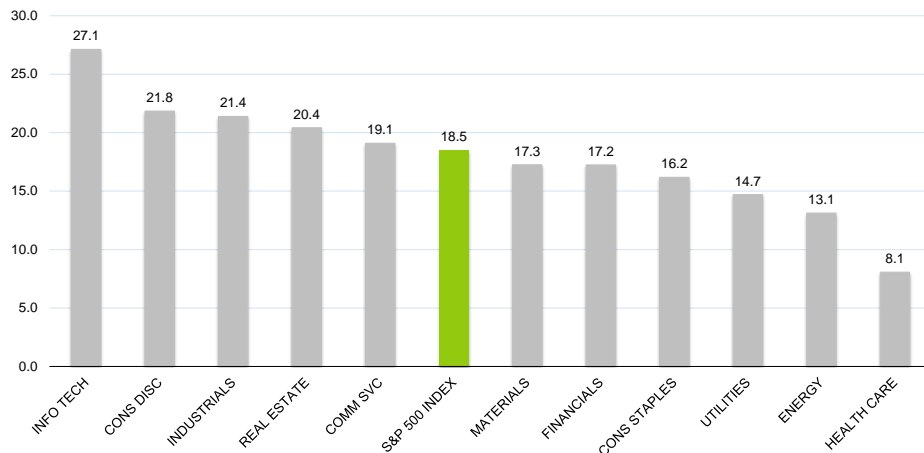
Currencies

	<u>06/30/19</u>	<u>12/31/18</u>	<u>12/31/17</u>
Euro Spot	1.14	1.15	1.20
British Pound Spot	1.27	1.28	1.35
Japanese Yen Spot	107.85	109.69	112.69
Swiss Franc Spot	0.98	0.98	0.97

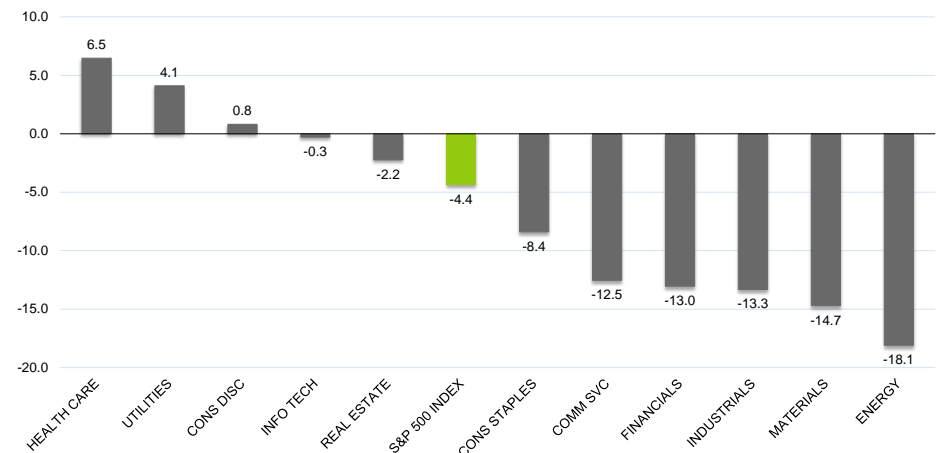
Commodities

	<u>06/30/19</u>	<u>12/31/18</u>	<u>12/31/17</u>
Oil	58.47	47.60	55.72
Gasoline	2.72	2.26	2.49
Natural Gas	2.31	2.76	2.72
Gold	1,413.70	1,300.20	1,187.30
Silver	15.34	15.80	16.50
Copper	271.35	264.45	337.15
Corn	431.50	397.50	404.25
BBG Commodity TR Idx	167.80	159.72	179.96

YTD Sector Returns



2018 Sector Returns



**Market Summary:**

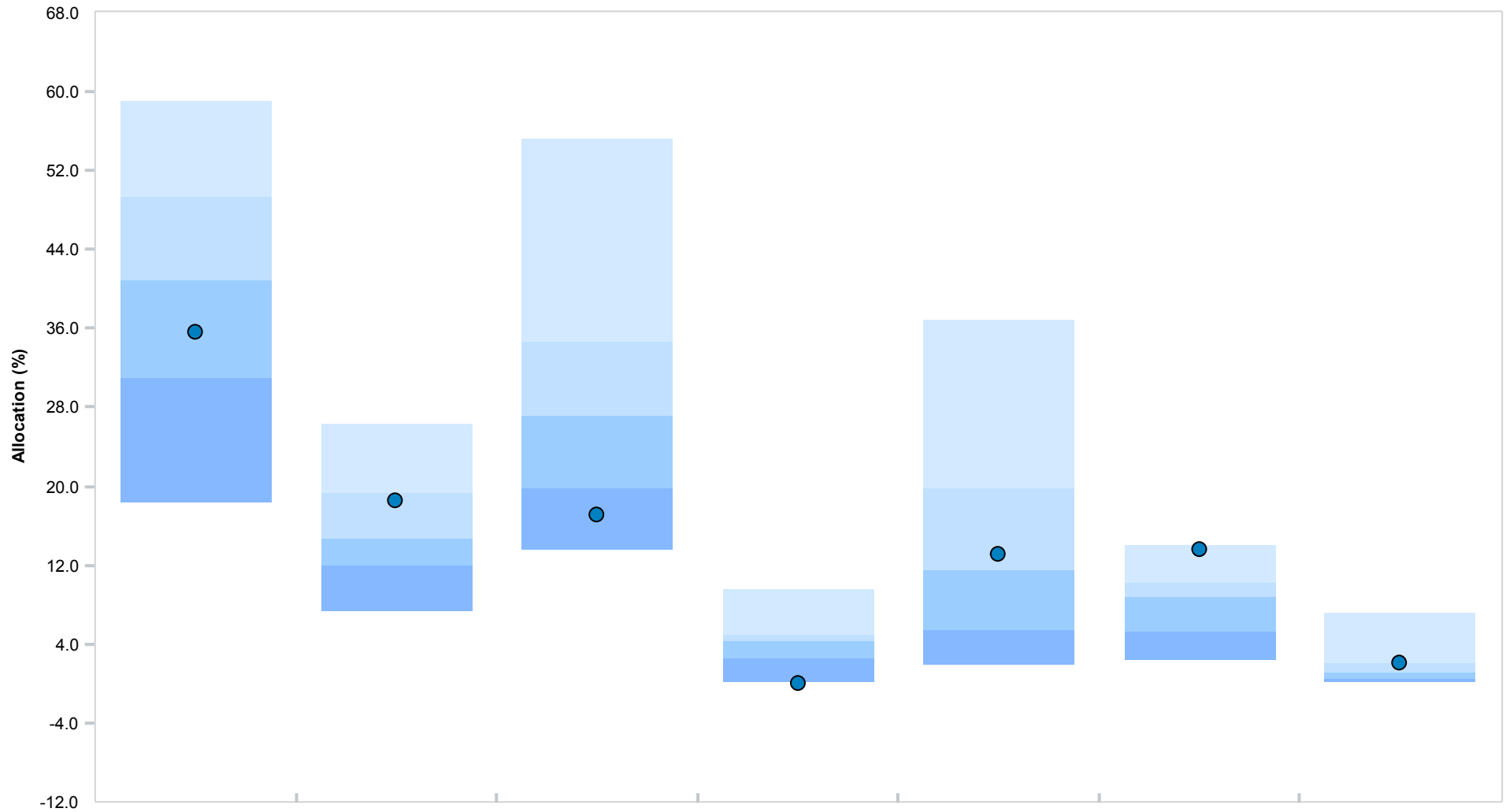
Broad asset class returns were positive during the 2<sup>nd</sup> quarter of 2019 with equity and fixed income markets building upon their 1<sup>st</sup> quarter gains. US stocks out performed international stocks during a very volatile quarter. Equity indices rose during April as progress in global trade negotiations outweighed signs of weakening macroeconomic data. However, trade discussions between the US and China deteriorated in May, provoking additional tariffs and a sharp decline in equities. Softening economic data, stubbornly low inflation, and fear of a trade induced global slowdown drove the Federal Reserve (Fed) to communicate a shift in their position, favoring more accommodative policies. This change in central bank posture caused the equity markets to rebound strongly, ending the quarter in positive territory. Fixed income returns were also positive during the quarter as the prospect of more accommodative monetary policies pushed interest rates lower, increasing bond prices.

Within the domestic equity markets, large caps out performed small caps during the quarter; the S&P 500 Index returned 4.3% versus 2.1% for the Russell 2000 Index (proxy for small caps). US large and mid cap stocks generated positive returns over the past year, returning 10.4% and 7.8% respectively; however, small caps posted a loss, falling 3.3%. Developed markets out performed emerging markets during the quarter with the MSCI EAFE Index returning 3.7% versus a 0.6% return for the MSCI Emerging Markets Index. Both developing and emerging markets posted slight gains over the 1-year period ending 3/31, returning 1.1% and 1.2% respectively. Fixed income also provided attractive returns as a more dovish stance from the Fed and other global central banks pushed interest rates lower across the yield curve; the Bloomberg Barclays Aggregate Index returned 3.1% during the 2<sup>nd</sup> quarter. Corporate bonds out performed due to greater interest rate sensitivity, higher yields, and tightening credit spreads.

- Total Fund return of +2.30% underperformed the Policy Index return of +2.35%. The primary driver of underperformance were QMA and Morgan Dempsey.
- Within the Large Cap allocation, the Low Volatility allocation outperformed the return of the broad S&P 500, while the Equal Weight portfolio and the more conservative Dividend Aristocrat both lagged.
- QMA Mid Cap underperformed their benchmark, returning 1.51% vs. +3.05%.
- Morgan Dempsey (Micro Cap Equity) underperformed their benchmark, returning -1.08% vs. +1.10% for the quarter.
- 1607 Capital Partners outperformed their benchmark for the quarter, gaining 3.65% vs. 3.22% for their benchmark..
- Both Domestic Fixed Income managers, Tortoise Credit and Loomis Sayles outperformed their benchmarks for the quarter as investment grade corporate bonds rallied higher.
- Bloomfield Capital Fund V made their second capital call during the quarter, and is now 70% called. The first distribution of preferred return was received after the close of the quarter.
- Nantucket outperformed for the quarter as equity markets were in positive territory.
- KStone Partners underperformed their benchmark for the quarter.
- PRISA I, II and III were all ahead of their benchmarks for the quarter. Of note is the decline in retail property prices during the quarter.
- JCR Fund III made multiple distributions during the quarter and remains approximately 65% called. JCR Fund IV made a another call during the quarter and is now just over 35% called.
- Landmark Fund VII had continued activity during the quarter and is now 26% called. IRR since inception is 29.9%.
- As of 6/30/2019, the Total Fund is in compliance with Public Act 314.



## Plan Sponsor TF Asset Allocation vs. All Public Plans-Total Fund



Parenttheses contain percentile rankings.  
Calculation based on quarterly periodicity.

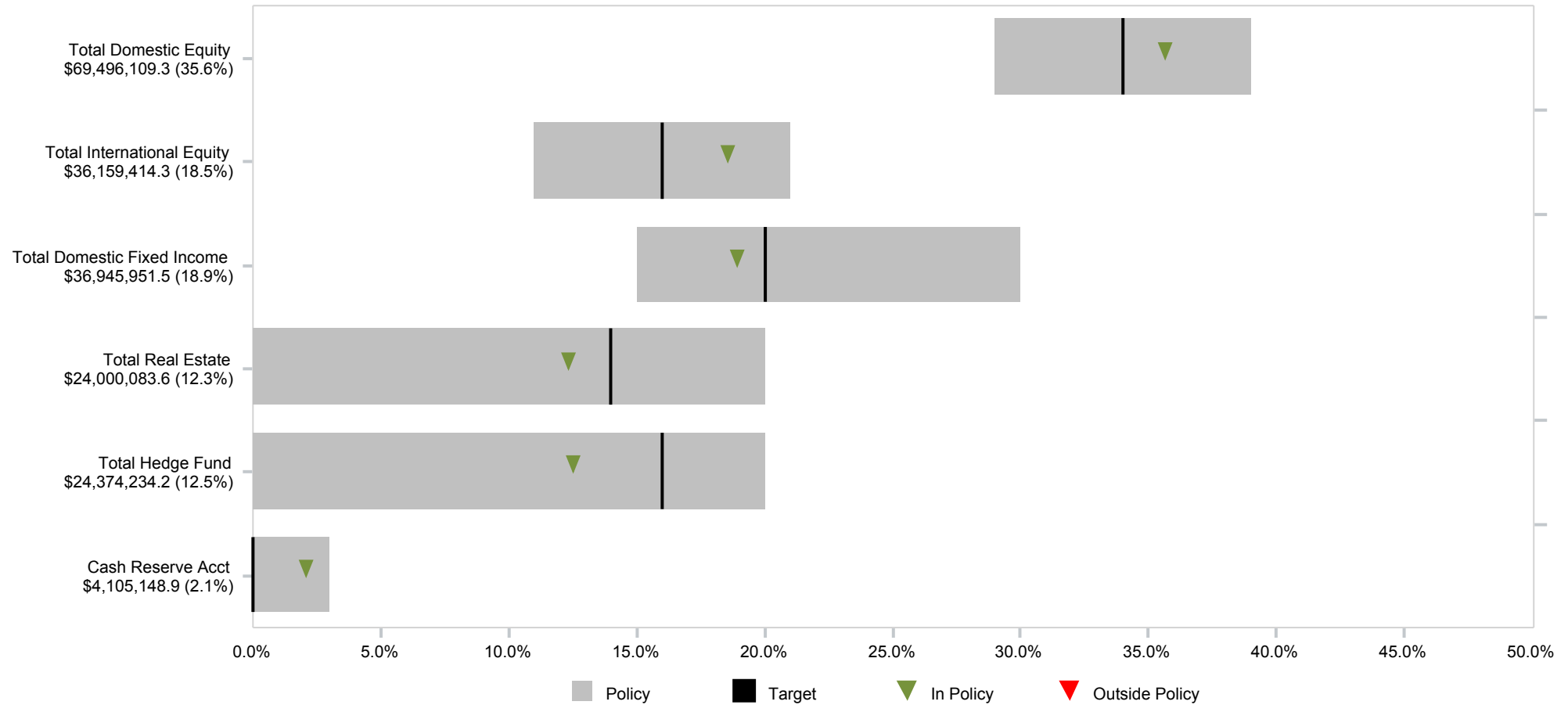
**Comparative Performance Trailing Returns**  
**Southfield Fire & Police Retirement System**  
As of June 30, 2019

Comparative Performance									
	QTR	YTD	1 YR	3 YR	5 YR	7 YR	10 YR	Inception	Inception Date
Total Fund	2.2981	9.6610	4.7760	8.1257	5.6731	8.0280	8.6661	7.5621	01/01/1989

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.



**Executive Summary**



**Asset Allocation Compliance**

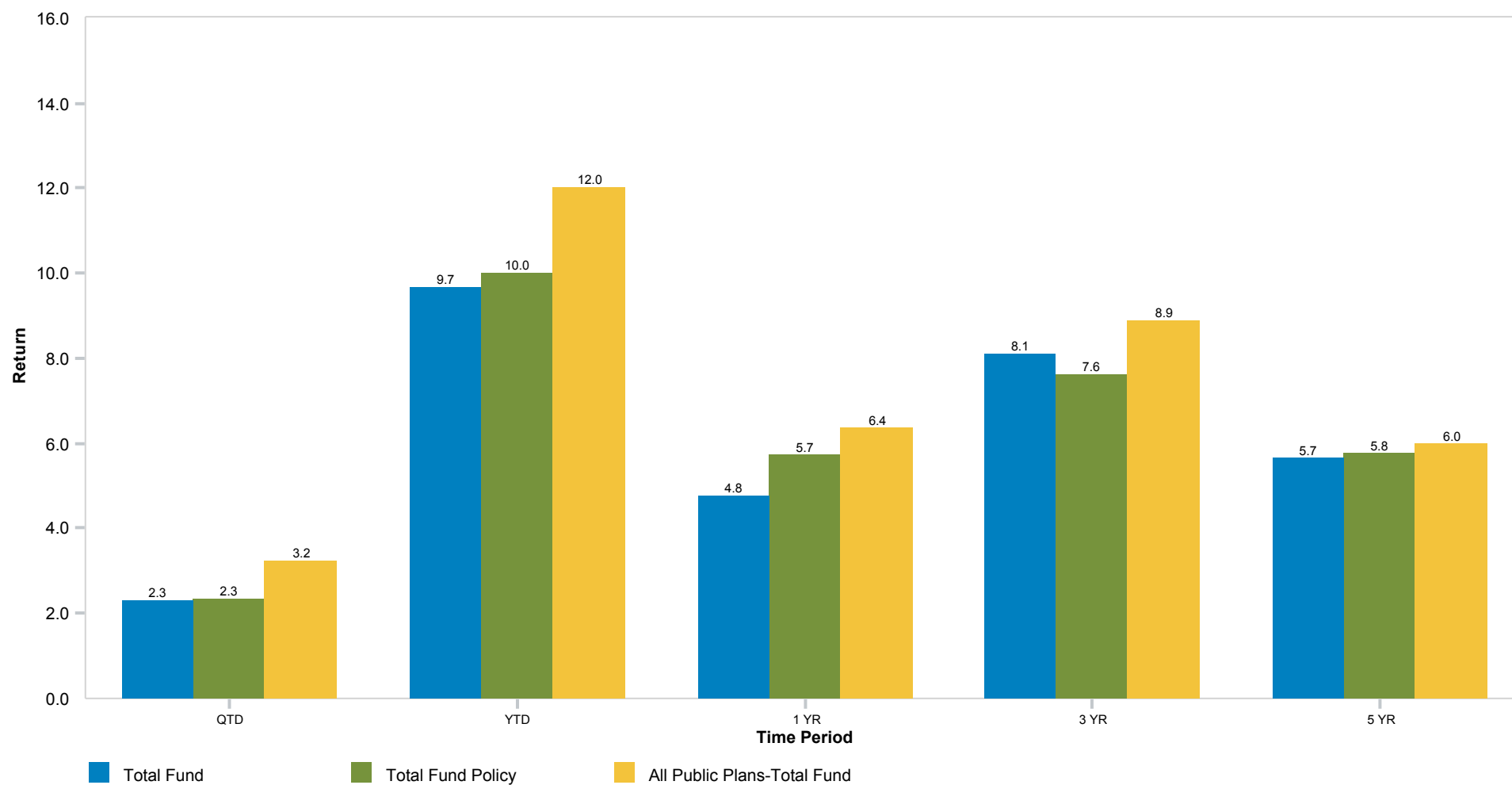
	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Target Allocation (%)	Maximum Allocation (%)	Min. Rebal. (\$000)	Target Rebal. (\$000)	Max. Rebal. (\$000)
Total Fund	195,080,942	100.0	N/A	100.0	N/A	-	-	-
Total Domestic Equity	69,496,109	35.6	29.0	34.0	39.0	-12,922,636	-3,168,589	6,585,458
Total International Equity	36,159,414	18.5	11.0	16.0	21.0	-14,700,511	-4,946,464	4,807,583
Total Domestic Fixed Income	36,945,951	18.9	15.0	20.0	30.0	-7,683,810	2,070,237	21,578,331
Total Real Estate	24,000,084	12.3	0.0	14.0	20.0	-24,000,084	3,311,248	15,016,105
Total Hedge Fund	24,374,234	12.5	0.0	16.0	20.0	-24,374,234	6,838,716	14,641,954
Cash Reserve Acct	4,105,149	2.1	0.0	0.0	3.0	-4,105,149	-4,105,149	1,747,279



## Gain/Loss Summary

	QTD	YTD	1 YR	3 YR	5 YR
Total Fund					
Beginning Market Value	194,170,176	184,485,371	200,979,681	188,387,559	203,273,125
Net Contributions	-3,071,405	-6,400,635	-13,171,852	-34,740,493	-54,140,825
Gain/Loss	3,982,171	16,996,206	7,273,113	41,433,876	45,948,641
Ending Market Value	195,080,942	195,080,942	195,080,942	195,080,942	195,080,942

## Comparative Performance



**Asset Allocation by Segment**  
**Southfield Fire & Police Retirement System**  
As of June 30, 2019

**Asset Allocation Attributes**

	Domestic Equity		International Equity		Domestic Fixed Income		Real Estate		Hedge Fund		Cash Equivalent		Total Fund	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%
<b>Total Fund</b>	<b>68,818,102</b>	<b>35.28</b>	<b>34,302,691</b>	<b>17.58</b>	<b>33,090,070</b>	<b>16.96</b>	<b>27,455,589</b>	<b>14.07</b>	<b>24,374,234</b>	<b>12.49</b>	<b>7,040,255</b>	<b>3.61</b>	<b>195,080,942</b>	<b>100.00</b>
<b>Total Domestic Equity</b>	<b>68,818,102</b>	<b>99.02</b>	-	-	-	-	-	-	-	-	<b>678,007</b>	<b>0.98</b>	<b>69,496,109</b>	<b>35.62</b>
LSIA LC 30/70	15,769,109	99.79	-	-	-	-	-	-	-	-	33,138	0.21	15,802,247	8.10
LSIA Dividend Aristocrats	11,639,577	99.44	-	-	-	-	-	-	-	-	65,567	0.56	11,705,144	6.00
LSIA S&P 500 Low Volatility	11,161,896	99.38	-	-	-	-	-	-	-	-	69,116	0.62	11,231,011	5.76
QMA US MC Equity	20,262,816	99.71	-	-	-	-	-	-	-	-	59,039	0.29	20,321,855	10.42
Morgan Dempsey	9,984,704	95.68	-	-	-	-	-	-	-	-	451,147	4.32	10,435,851	5.35
<b>Total International Equity</b>	-	-	<b>34,302,691</b>	<b>94.87</b>	-	-	-	-	-	-	<b>1,856,723</b>	<b>5.13</b>	<b>36,159,414</b>	<b>18.54</b>
1607 Capital Partners	-	-	34,302,691	94.87	-	-	-	-	-	-	1,856,723	5.13	36,159,414	18.54
<b>Total Domestic Fixed Income</b>	-	-	-	-	<b>33,090,070</b>	<b>89.56</b>	<b>3,455,506</b>	<b>9.35</b>	-	-	<b>400,375</b>	<b>1.08</b>	<b>36,945,951</b>	<b>18.94</b>
Tortoise Credit	-	-	-	-	16,554,658	98.01	-	-	-	-	336,885	1.99	16,891,543	8.66
Loomis Sayles Intermediate Duration	-	-	-	-	16,535,412	100.00	-	-	-	-	-	-	16,535,412	8.48
Bloomfield Capital Income Fund V	-	-	-	-	-	-	3,455,506	98.20	-	-	63,490	1.80	3,518,996	1.80
<b>Total Real Estate</b>	-	-	-	-	-	-	<b>24,000,084</b>	<b>100.00</b>	-	-	-	-	<b>24,000,084</b>	<b>12.30</b>
PRISA I	-	-	-	-	-	-	6,315,377	100.00	-	-	-	-	6,315,377	3.24
PRISA II	-	-	-	-	-	-	5,334,080	100.00	-	-	-	-	5,334,080	2.73
PRISA III	-	-	-	-	-	-	5,716,247	100.00	-	-	-	-	5,716,247	2.93
JCR Capital Fund 3 B	-	-	-	-	-	-	4,023,440	100.00	-	-	-	-	4,023,440	2.06
JCR Income Plus IV	-	-	-	-	-	-	1,570,305	100.00	-	-	-	-	1,570,305	0.80
Landmark Real Estate Partners VIII, L.P.	-	-	-	-	-	-	1,040,634	100.00	-	-	-	-	1,040,634	0.53
<b>Total Hedge Fund</b>	-	-	-	-	-	-	-	-	<b>24,374,234</b>	<b>100.00</b>	-	-	<b>24,374,234</b>	<b>12.49</b>
Nantucket Institutional	-	-	-	-	-	-	-	-	13,117,257	100.00	-	-	13,117,257	6.72
KStone Partners	-	-	-	-	-	-	-	-	11,256,977	100.00	-	-	11,256,977	5.77
<b>Cash Reserve Acct</b>	-	-	-	-	-	-	-	-	-	-	<b>4,105,149</b>	<b>100.00</b>	<b>4,105,149</b>	<b>2.10</b>





**Comparative Performance Trailing Returns**  
**Southfield Fire & Police Retirement System**  
As of June 30, 2019

**Comparative Performance**

	QTR		YTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception		Inception Date
<b>Total Fund</b>	<b>2.30</b>	<b>(96)</b>	<b>9.66</b>	<b>(89)</b>	<b>4.78</b>	<b>(88)</b>	<b>8.13</b>	<b>(75)</b>	<b>5.67</b>	<b>(64)</b>	<b>8.03</b>	<b>(56)</b>	<b>8.67</b>	<b>(67)</b>	<b>7.56</b>	<b>(100)</b>	<b>01/01/1989</b>
Total Fund Policy	2.35	(96)	10.01	(86)	5.72	(70)	7.64	(84)	5.75	(61)	7.89	(62)	9.49	(35)	8.33	(53)	
All Public Plans-Total Fund Median	3.23		12.01		6.36		8.91		5.98		8.21		9.15		8.36		
Population	364		361		352		332		324		311		278		31		
<b>Total Fund (Net of Fees)</b>	<b>2.19</b>		<b>9.43</b>		<b>4.30</b>		<b>7.60</b>		<b>5.02</b>		<b>N/A</b>		<b>N/A</b>		<b>5.64</b>		<b>01/01/2014</b>
<b>Total Domestic Equity</b>	<b>2.40</b>	<b>(76)</b>	<b>15.34</b>	<b>(77)</b>	<b>4.66</b>	<b>(57)</b>	<b>10.95</b>	<b>(71)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>11.62</b>	<b>(57)</b>	<b>01/01/2016</b>
Russell 3000 Index	4.10	(47)	18.71	(46)	8.98	(36)	14.02	(42)	10.19	(38)	13.79	(42)	14.67	(50)	13.05	(39)	
IM U.S. Equity (SA+CF) Median	3.96		18.38		6.18		13.07		8.97		13.38		14.66		12.05		
Population	2,110		2,110		2,107		2,057		1,984		1,858		1,675		2,050		
<b>Total International Equity</b>	<b>3.65</b>	<b>(33)</b>	<b>15.94</b>	<b>(30)</b>	<b>5.27</b>	<b>(16)</b>	<b>11.40</b>	<b>(28)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>10.71</b>	<b>(27)</b>	<b>01/01/2016</b>
MSCI AC World ex USA (Net)	2.98	(44)	13.60	(51)	1.29	(44)	9.39	(56)	2.16	(77)	6.36	(74)	6.54	(88)	7.68	(57)	
IM International Equity (SA+CF) Median	2.61		13.66		0.55		9.77		3.59		8.01		8.40		8.13		
Population	945		945		940		912		827		738		609		899		
<b>Total Fixed Income</b>	<b>2.56</b>	<b>(51)</b>	<b>5.84</b>	<b>(54)</b>	<b>7.51</b>	<b>(43)</b>	<b>3.16</b>	<b>(48)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>4.18</b>	<b>(49)</b>	<b>01/01/2016</b>
Blmbg. Barc. U.S. Aggregate Index	3.08	(34)	6.11	(50)	7.87	(38)	2.31	(71)	2.95	(63)	2.62	(69)	3.90	(67)	3.50	(64)	
IM U.S. Fixed Income (SA+CF) Median	2.58		6.05		7.01		3.01		3.29		3.39		4.73		4.09		
Population	1,252		1,250		1,250		1,206		1,173		1,107		974		1,201		
<b>Total Real Estate</b>	<b>1.16</b>	<b>(78)</b>	<b>2.87</b>	<b>(77)</b>	<b>5.79</b>	<b>(93)</b>	<b>9.23</b>	<b>(29)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>9.42</b>	<b>(32)</b>	<b>01/01/2016</b>
NCREIF Fund Index-ODCE (VW)	1.00	(90)	2.43	(88)	6.41	(91)	7.57	(78)	9.76	(64)	10.52	(71)	9.88	(73)	7.76	(77)	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.47		3.46		7.59		8.43		10.69		11.23		10.60		8.74		
Population	19		19		19		18		18		18		17		18		
<b>Total Hedge Fund</b>	<b>1.79</b>	<b>(33)</b>	<b>5.96</b>	<b>(36)</b>	<b>1.36</b>	<b>(56)</b>	<b>5.67</b>	<b>(10)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>4.31</b>	<b>(16)</b>	<b>01/01/2016</b>
HFRI FOF: Diversified Index	1.72	(36)	6.11	(34)	1.84	(50)	4.12	(22)	2.20	(18)	3.65	(9)	3.28	(57)	2.80	(41)	
IM Alternative Multi-Strategy (MF) Median	1.25		5.21		1.75		2.19		0.87		2.59		3.41		2.21		
Population	190		190		184		143		82		47		22		142		

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.



**Comparative Performance Trailing Returns**  
**Southfield Fire & Police Retirement System**  
As of June 30, 2019

	QTR		YTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception		Inception Date
Total Domestic Equity	2.40		15.34		4.66		10.95		N/A		N/A		N/A		11.62		01/01/2016
LSIA LC 30/70	3.59	(67)	18.38	(49)	9.38	(44)	N/A		N/A		N/A		N/A		10.69	(64)	05/01/2017
S&P 500 Equal Weighted	3.72	(65)	19.19	(34)	8.18	(58)	12.41	(72)	9.14	(75)	13.94	(51)	15.56	(19)	10.16	(71)	
IM U.S. Large Cap Core Equity (SA+CF) Median	4.23		18.14		8.85		13.70		10.31		13.97		14.55		11.69		
Population	221		221		221		216		209		194		178		217		
LSIA Dividend Aristocrats	3.03	(77)	15.80	(75)	14.10	(10)	11.15	(84)	11.32	(23)	14.35	(34)	N/A		14.35	(34)	07/01/2012
S&P 500 Dividend Aristocrats Index TR	3.08	(75)	15.94	(71)	14.32	(9)	11.24	(84)	11.23	(24)	14.29	(35)	16.28	(7)	14.29	(35)	
IM U.S. Large Cap Core Equity (SA+CF) Median	4.23		18.14		8.85		13.70		10.31		13.97		14.55		13.97		
Population	221		221		221		216		209		194		178		194		
LSIA S&P 500 Low Volatility	5.17	(21)	19.37	(31)	18.83	(1)	N/A		N/A		N/A		N/A		14.47	(26)	01/01/2017
S&P 500 Low Volatility Index TR	5.20	(19)	19.53	(29)	19.00	(1)	11.41	(83)	11.79	(15)	13.28	(67)	14.86	(36)	14.64	(25)	
IM U.S. Large Cap Core Equity (SA+CF) Median	4.23		18.14		8.85		13.70		10.31		13.97		14.55		13.23		
Population	221		221		221		216		209		194		178		218		
QMA US MC Equity	1.51	(87)	16.26	(86)	-2.34	(93)	N/A		N/A		N/A		N/A		-2.23	(94)	06/01/2018
S&P MidCap 400 Index	3.05	(64)	17.97	(61)	1.36	(72)	10.90	(69)	8.02	(71)	12.68	(71)	14.64	(77)	1.65	(70)	
IM U.S. Mid Cap Core Equity (SA+CF) Median	3.10		18.02		2.67		11.58		8.24		13.20		14.82		2.57		
Population	48		48		48		48		44		38		38		48		
Morgan Dempsey	-1.08	(84)	5.33	(95)	-9.57	(79)	10.09	(84)	4.19	(83)	N/A		N/A		4.30	(81)	04/01/2014
40/60 R2000V/Russell Micro	1.10	(55)	13.88	(55)	-8.73	(73)	10.66	(82)	5.50	(74)	10.64	(84)	12.52	(90)	5.26	(78)	
IM U.S. Micro Cap Equity (SA+CF) Median	1.50		14.09		-7.32		13.16		8.09		13.31		15.83		7.56		
Population	54		54		53		49		43		38		34		43		
Total International Equity	3.65		15.94		5.27		11.40		N/A		N/A		N/A		10.71		01/01/2016
1607 Capital Partners	3.65	(33)	15.94	(30)	3.32	(26)	12.09	(21)	4.33	(37)	8.45	(42)	9.49	(29)	6.47	(30)	07/01/2006
MSCI AC World ex USA	3.22	(40)	14.00	(48)	1.80	(39)	9.91	(49)	2.65	(66)	6.85	(69)	7.03	(80)	4.03	(80)	
IM International Equity (SA+CF) Median	2.61		13.66		0.55		9.77		3.59		8.01		8.40		5.50		
Population	945		945		940		912		827		738		609		478		

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.



**Comparative Performance Trailing Returns**  
**Southfield Fire & Police Retirement System**  
As of June 30, 2019

	QTR		YTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception		Inception Date
Total Domestic Fixed Income	2.56		5.84		7.51		3.16		N/A		N/A		N/A		4.18		01/01/2016
Tortoise Credit	2.53	(44)	5.74	(9)	7.48	(9)	3.32	(6)	3.41	(7)	N/A		N/A		3.86	(5)	10/01/2013
Bloomberg Barclays Intermed Aggregate Index	2.39	(68)	4.73	(71)	6.73	(63)	2.03	(85)	2.46	(78)	2.23	(79)	3.34	(79)	2.61	(75)	
IM U.S. Intermediate Duration (SA+CF) Median	2.51		5.01		6.88		2.33		2.67		2.53		3.66		2.82		
Population	143		143		143		141		137		134		123		136		
Loomis Sayles Intermediate Duration	2.87	(6)	5.92	(7)	7.79	(5)	N/A		N/A		N/A		N/A		2.83	(12)	08/01/2016
Bloomberg Barclays Intermediate US Govt/Credit Idx	2.59	(33)	4.97	(55)	6.93	(46)	1.99	(91)	2.39	(86)	2.15	(85)	3.24	(87)	1.95	(90)	
IM U.S. Intermediate Duration (SA+CF) Median	2.51		5.01		6.88		2.33		2.67		2.53		3.66		2.28		
Population	143		143		143		141		137		134		123		141		
PRISA Real Estate Composite	1.59		3.58		7.95		8.97		11.64		11.95		11.36		8.24		07/01/1993
PRISA I	1.49	(43)	3.35	(66)	7.77	(39)	8.05	(64)	10.18	(59)	10.75	(59)	10.58	(55)	6.79	(61)	01/01/2006
NCREIF Fund Index-ODCE (VW)	1.00	(90)	2.43	(88)	6.41	(91)	7.57	(78)	9.76	(64)	10.52	(71)	9.88	(73)	6.85	(59)	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.47		3.46		7.59		8.43		10.69		11.23		10.60		6.94		
Population	19		19		19		18		18		18		17		13		
PRISA II	1.47	(51)	3.48	(47)	7.39	(71)	8.78	(42)	11.21	(36)	12.00	(36)	11.71	(25)	6.48	(74)	01/01/2006
NCREIF Fund Index-ODCE (VW)	1.00	(90)	2.43	(88)	6.41	(91)	7.57	(78)	9.76	(64)	10.52	(71)	9.88	(73)	6.85	(59)	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.47		3.46		7.59		8.43		10.69		11.23		10.60		6.94		
Population	19		19		19		18		18		18		17		13		
PRISA III	1.83	(12)	3.94	(29)	8.66	(12)	10.26	(24)	15.39	(6)	N/A		N/A		15.19	(7)	04/01/2013
NCREIF Fund Index-ODCE (VW)	1.00	(90)	2.43	(88)	6.41	(91)	7.57	(78)	9.76	(64)	10.52	(71)	9.88	(73)	10.49	(64)	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.47		3.46		7.59		8.43		10.69		11.23		10.60		11.30		
Population	19		19		19		18		18		18		17		18		

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.



**Comparative Performance Trailing Returns  
Southfield Fire & Police Retirement System**

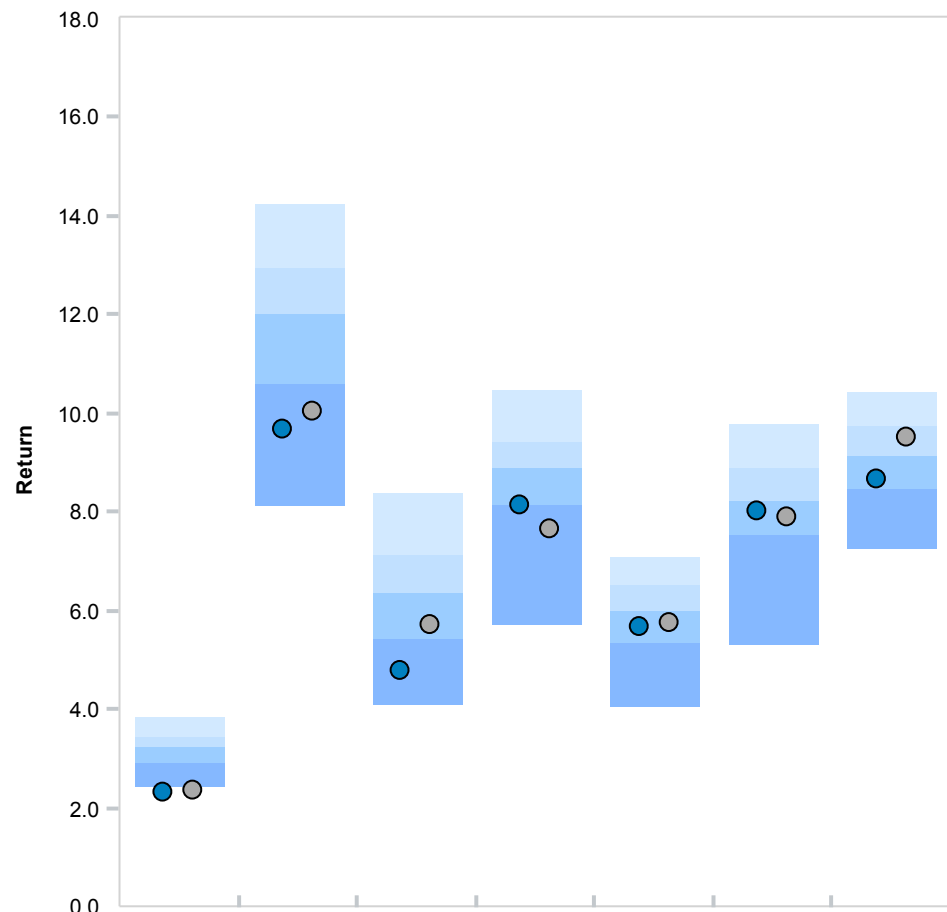
As of June 30, 2019

	QTR		YTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception		Inception Date
Total Hedge Fund	1.79		5.96		1.36		5.67		N/A		N/A		N/A		4.31		01/01/2016
Nantucket Institutional	2.49	(13)	8.91	(10)	2.34	(45)	8.82	(1)	5.62	(1)	7.61	(1)	7.61	(1)	5.34	(1)	07/01/2008
HFRI FOF: Diversified Index	1.72	(36)	6.11	(34)	1.84	(50)	4.12	(22)	2.20	(18)	3.65	(9)	3.28	(57)	1.48	(32)	
IM Alternative Multi-Strategy (MF) Median	1.25		5.21		1.75		2.19		0.87		2.59		3.41		1.01		
Population	190		190		184		143		82		47		22		11		
KStone Partners	0.99	(80)	2.71	(85)	0.25	(93)	4.92	(33)	N/A		N/A		N/A		3.57	(56)	10/01/2015
90 Day T-Bill +3.5%/Yr	1.51	(56)	3.00	(83)	5.89	(17)	4.92	(33)	4.38	(3)	4.15	(8)	3.99	(47)	4.66	(23)	
IM Alternative Credit Focus (MF) Median	1.71		4.59		3.90		3.92		2.19		2.88		3.64		3.79		
Population	230		226		226		205		143		91		48		187		

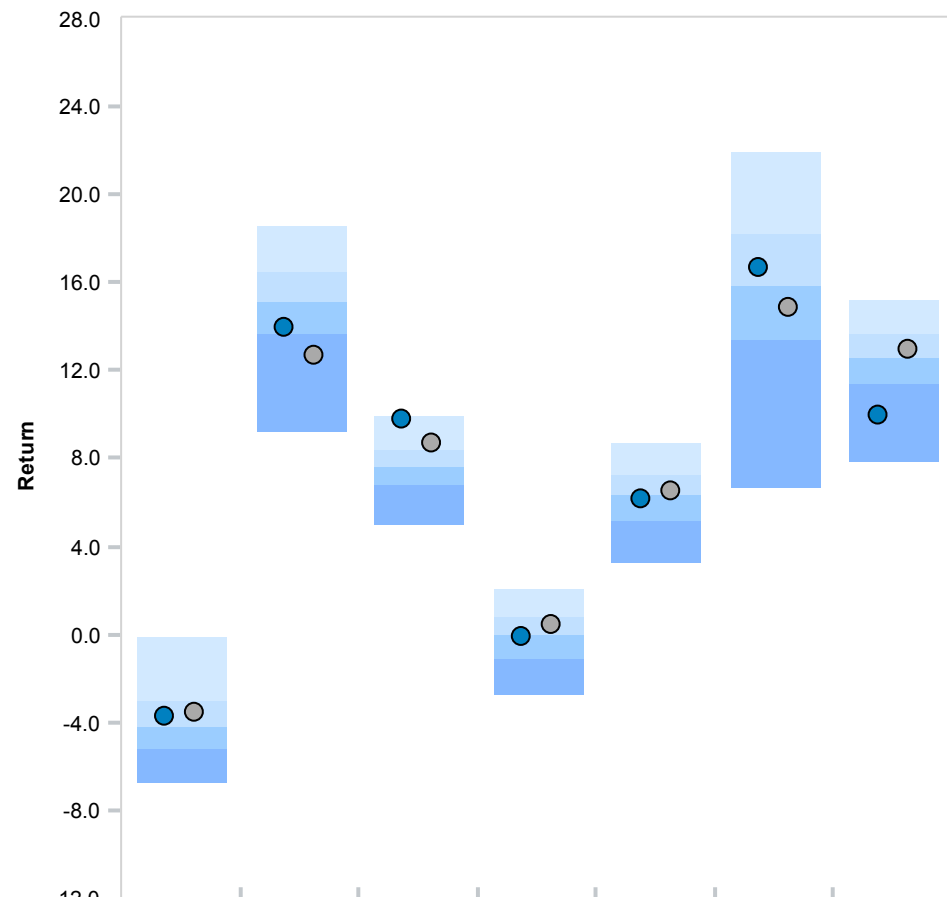
Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.



### Peer Group Analysis - All Public Plans-Total Fund



### Peer Group Analysis - All Public Plans-Total Fund



### Comparative Performance

	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018	1 Qtr Ending Mar-2018	1 Qtr Ending Dec-2017
Investment	7.20 (78)	-6.27 (24)	1.94 (81)	1.15 (45)	-0.37 (54)	3.78 (40)
Index	7.49 (71)	-6.11 (22)	2.35 (65)	0.87 (61)	-0.52 (63)	3.62 (50)
Median	8.40	-7.55	2.58	1.03	-0.32	3.61

## Fund Information

**Type of Fund:** Direct  
**Strategy Type:** Other  
**Size of Fund:** 300,000,000  
**Inception:** 11/16/2018  
**Final Close:** 11/16/2019

**Vintage Year:** 2018  
**Management Fee:** 1.5%  
**Preferred Return:** 8.5% (Series A only)  
**General Partner:** Bloomfield Capital Partners V, LLC

**Investment Strategy:** The investment strategy of each Series of the Fund will have a primary focus on private credit and specialty finance assets (which is expected to include real estate debt and other general debt and debt-related investments) with short to intermediate-term durations and often contractual cash flows. The Managing Member's goal is to preserve invested capital, and generate returns that have a low correlation to traditional public markets (although there can be no assurances that this goal will be realized). The Fund will target middle market opportunities in real estate debt and other general debt and debt-related transactions (including REO properties, and preferred equity, that would include debt-like characteristics). The Fund generally will not invest in traditional leveraged common equity positions in real estate; however, the Fund may acquire REO and similar non-traditional properties and may also take incidental or pledged equity positions in connection with certain loans in order to obtain supplemental collateral to enhance the strength of the primary credit investment, and/or to expedite any requisite foreclosure process with such loan for the benefit of the Fund. The primary focus of private credit and specialty finance assets (including real estate debt and other general debt and debt-related investments) will be to capitalize on gap, transitional, bridge, special situation and opportunistic financings that are time sensitive, complex, and that the Managing Member believes offer attractive risk-adjusted returns. Each Series of the Fund may also variously co-invest in opportunities originated by other investors where the overall investment opportunity is of the same or similar nature as the Series typically invests.

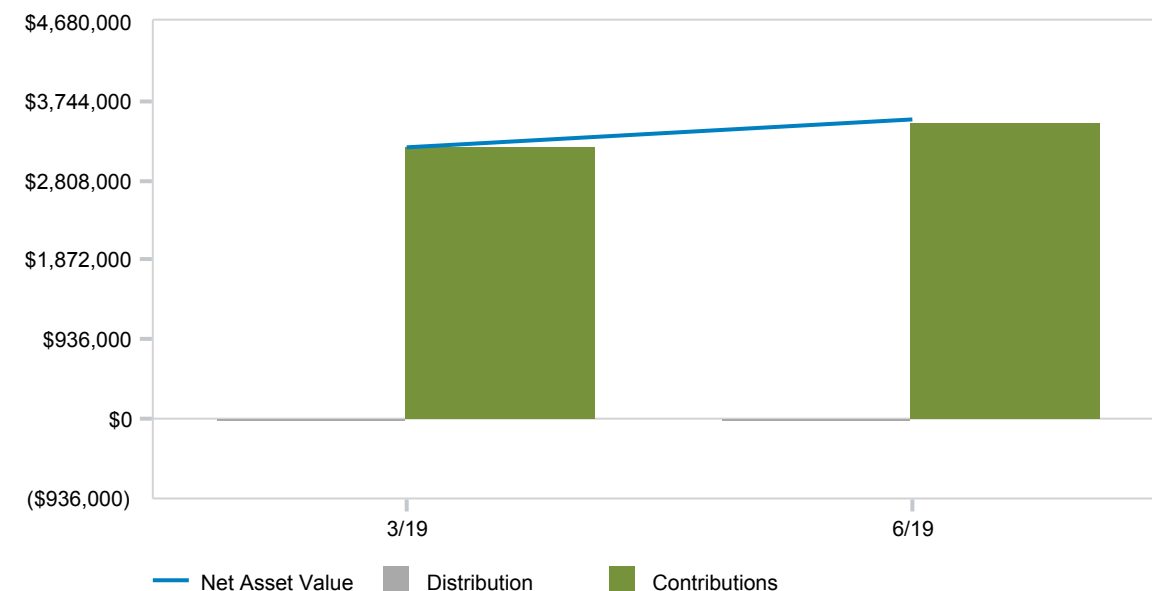
## Cash Flow Summary

**Capital Committed:** \$5,000,000  
**Capital Contributed:** \$3,483,790  
**Management Fees:** -  
**Expenses:** -  
**Catch Up Interest:** -  
**Remaining Capital Commitment:** \$1,516,210

**Distributions (Income + Return of Capital):** \$4,598  
**Market Value:** \$3,518,996

**Inception Date:** 03/25/2019  
**Inception IRR:** 1.18  
**TVPI:** 1.01  
**DPI:** 0.00

## Cash Flow Analysis



## Fund Information

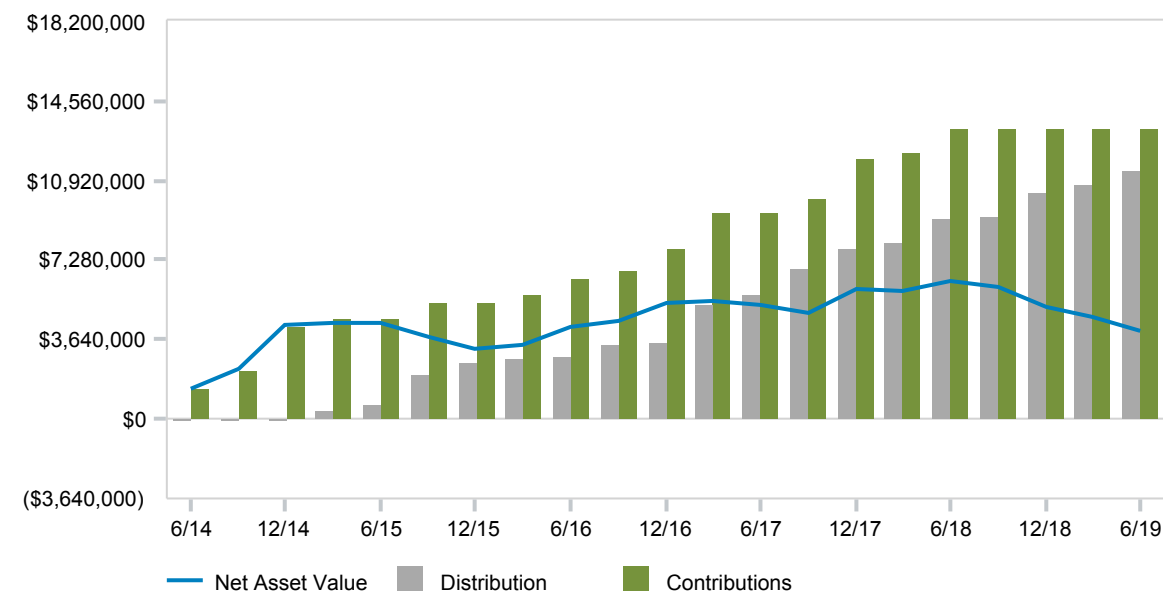
<b>Type of Fund:</b>	Direct	<b>Vintage Year:</b>	2014
<b>Strategy Type:</b>	Value-Add Real Estate	<b>Management Fee:</b>	1.50% on Committed Capital plus 20% after 9% Preferred Return
<b>Size of Fund:</b>	329,500,000	<b>Preferred Return:</b>	9.00%
<b>Inception:</b>	06/02/2014	<b>General Partner:</b>	JCR Capital
<b>Final Close:</b>	01/14/2016		
<b>Investment Strategy:</b>	In line with the prior JCR funds, Fund III B is credit-focused with a mandate of protecting principal while providing investors with attractive risk adjusted returns, including current yield and profit participation components. Fund III B's investment strategy is to provide capital to middle market sponsors for value-add, opportunistic and special situations. The fund targets a variety of asset classes and typically provides high leverage senior debt, mezzanine debt, preferred equity, joint venture equity and programmatic joint venture facilities.		

## Cash Flow Summary

<b>Capital Committed:</b>	\$10,000,000
<b>Capital Contributed:</b>	\$6,571,770
<b>Management Fees:</b>	\$429,658
<b>Expenses:</b>	\$232
<b>Catch Up Interest:</b>	\$185,555
<b>Remaining Capital Commitment:</b>	\$3,428,230

<b>Distributions (Income + Return of Capital):</b>	\$11,361,072
<b>Market Value:</b>	\$4,023,440
<b>Inception Date:</b>	06/02/2014
<b>Inception IRR:</b>	10.15
<b>TVPI:</b>	1.14
<b>DPI:</b>	0.84

## Cash Flow Analysis



## Fund Information

<b>Type of Fund:</b>	Partnership	<b>Vintage Year:</b>	2017
<b>Strategy Type:</b>	Value-Add Real Estate	<b>Management Fee:</b>	1.50%
<b>Size of Fund:</b>	216,495,000	<b>Preferred Return:</b>	8.00% Incentive Fee 20.00%
<b>Inception:</b>	10/20/2017	<b>General Partner:</b>	JCR Capital Investment Company, LLC
<b>Final Close:</b>	TBD		

**Investment Strategy:** The JCR Income Plus Fund IV, L.P. (the “Fund” or “Fund IV”) will seek to provide high current returns as well as long-term capital appreciation to its investors by providing short-term, customized capital solutions to middle market commercial real estate operators for value-add, underperforming, undermanaged and opportunistic properties. Fund IV will seek to invest in a diversified portfolio which will primarily consist of high yield debt, participating debt, structured preferred equity and structured equity positions primarily in cash flowing commercial real estate properties in the United States. The Fund will seek to invest in a variety of property types including multifamily, industrial, office, retail and unique middle market special situations. The Fund will generally seek to make investments between \$5 million and \$15 million in large liquid markets in the U.S. with durations ranging from six to 36 months. Fund IV will have a total target capitalization of \$300 million, with over \$14 million being committed by JCR affiliates. To date, Fund IV has \$225 million in total commitments, and has made 8 investments representing \$36 million in investment commitments.

## Cash Flow Summary

<b>Capital Committed:</b>	\$5,000,000
<b>Capital Contributed:</b>	\$1,755,000
<b>Management Fees:</b>	-
<b>Expenses:</b>	-
<b>Catch Up Interest:</b>	-
<b>Remaining Capital Commitment:</b>	\$3,245,000

**Distributions (Income + Return of Capital):** \$207,672

**Market Value:** \$1,570,305

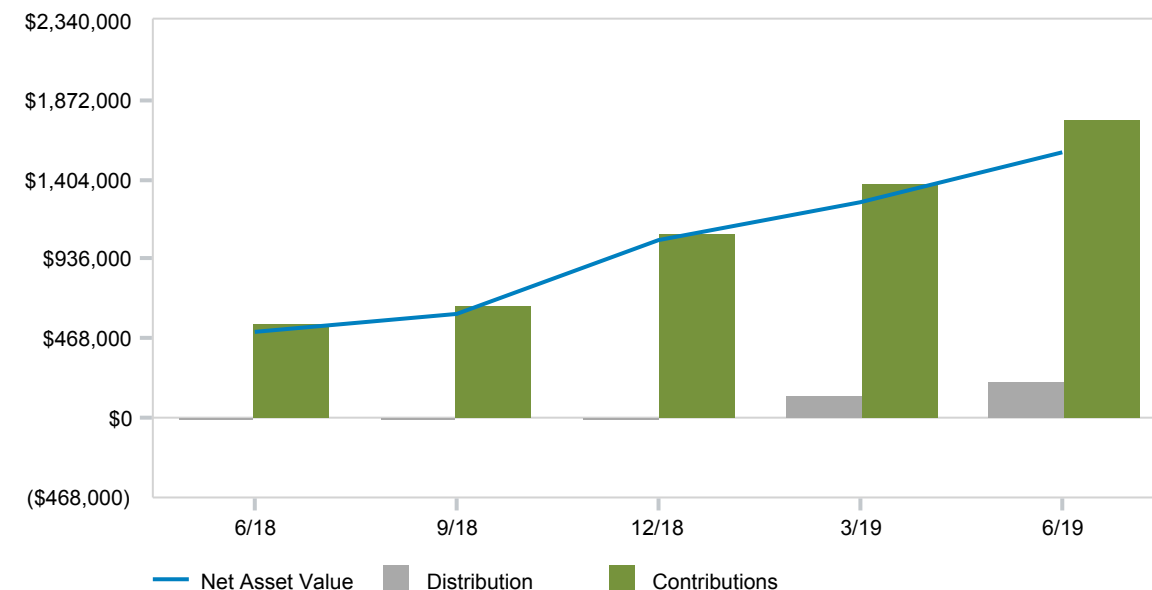
**Inception Date:** 05/04/2018

**Inception IRR:** 2.19

**TVPI:** 1.01

**DPI:** 0.12

## Cash Flow Analysis





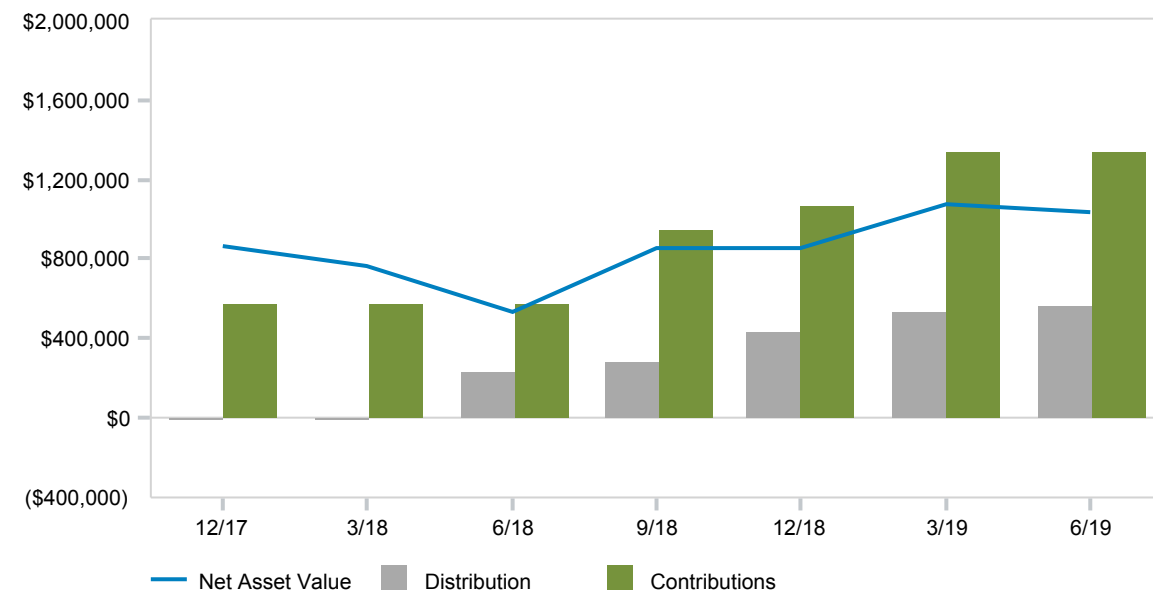
#### Fund Information

<b>Type of Fund:</b>	Partnership	<b>Vintage Year:</b>	2016
<b>Strategy Type:</b>	Secondaries	<b>Management Fee:</b>	1.00%
<b>Size of Fund:</b>	2,647,000,000,000	<b>Preferred Return:</b>	8.00%
<b>Inception:</b>	12/15/2016	<b>General Partner:</b>	Landmark Real Estate Fund-GP VIII, L.P.
<b>Final Close:</b>	Anticipated March 2018		
<b>Investment Strategy:</b>	Landmark Real Estate Partners VIII, L.P., a Delaware limited partnership (the "Partnership" or the "Fund"), is being established to provide investors access to a diversified private equity portfolio of real estate related investments, primarily through secondary market transactions. The Fund expects to make secondary investments principally in various types of real estate and real estate related entities, such as commingled real estate funds, limited partnerships, joint ventures, real estate operating companies and non-traded REIT vehicles.		

#### Cash Flow Summary

<b>Capital Committed:</b>	\$5,000,000
<b>Capital Contributed:</b>	\$1,322,207
<b>Management Fees:</b>	-
<b>Expenses:</b>	-
<b>Catch Up Interest:</b>	\$11,138
<b>Remaining Capital Commitment:</b>	\$3,677,793
<b>Distributions (Income + Return of Capital):</b>	\$566,871
<b>Market Value:</b>	\$1,040,634
<b>Inception Date:</b>	12/21/2017
<b>Inception IRR:</b>	29.88
<b>TVPI:</b>	1.21
<b>DPI:</b>	0.43

#### Cash Flow Analysis



**Southfield Fire and Police Retirement System**  
**Total Fund Asset Allocation Compliance Summary**

June 30, 2019

Total Portfolio Compliance Summary							
	June 30, 2019 Market Value \$	Current Allocation %	IPS Target Allocation %	IPS Range Allocation %	Act 314 Limit %	Compliance within Ranges	Compliance w/314 Limits
Total Portfolio (excluding Unfunded Commitments)	195,080,941.82	100.0%					
Total Equity (14)	105,655,523.61	54.2%	50.0%	40.0% - 70.0%	70.0%	YES	YES
Domestic Equity (14)	69,496,109.27	35.6%	34.0%	29.0% - 39.0%	70.0%	YES	YES
International Equity (14)	36,159,414.34	18.5%	16.0%	11.0% - 21.0%	70.0%	YES	YES
Total US Fixed Income (17 & 17.1.a.iii)	36,945,951.46	18.9%	20.0%	20.0% - 50.0%	100.0%	NO	YES
US Investment Grade Fixed Income (17)	36,945,951.46	18.9%	20.0%	15.0% - 30.0%	100.0%	YES	YES
US Non-Investment Grade Fixed Income (17.1.a.iii)	-	0.0%	0.0%	0.0% - 5.0%	100.0%	YES	YES
Total Non US Fixed Income (20k)	-	0.0%	0.0%	0.0% - 0.0%	20.0%	YES	YES
Total Real Estate (18 & 19)	24,000,083.62	12.3%	14.0%	0.0% - 20.0%	20.0%	YES	YES
Alternative Investments (20d)	24,374,234.24	12.5%	16.0%	0.0% - 20.0%	20.0%	YES	YES
Short Term/Cash Reserves	4,105,148.89	2.1%	0.0%	0.0% - 3.0%	N/A	YES	YES



Commission Recapture Program

Broker	2002 thru 2011	2012	2013	2014	2015	2016	2017	2018	YTD 19
Bank of New York*	\$108,718	\$5200	\$2796	\$2501	\$1,325	\$1,613	\$1,000	\$392	\$433
Income to Fund	\$108,718	\$5,200	\$2,796	\$2,501	\$1,325	\$1,613	\$1,000	\$392	\$433

NOTE: \* (formerly L, J&R) Participants may include: Loomis Sayles, Fiduciary, WHV, and 1607 Capital

\*Participants may include: Loomis Sayles, Fiduciary, WHV, and 1607 Capital

Securities Lending Program (Northern Trust)

	2002 thru 2011	2012	2013	2014	2015	2016	2017	2018	YTD 19
Gross Income	\$620,738	\$98,488	\$110,349	\$131,990	\$123,118	\$147,987	\$134,192	\$134,018	\$54,577
Less: Program Fees	\$248,788	\$39,342	\$44,072	\$52,698	\$49,144	\$59,108	\$53,576	\$53,491	\$21,766
Income To Fund	\$371,950	\$59,146	\$66,277	\$79,292	\$73,974	\$88,879	\$80,616	\$80,527	\$32,810

**Notes:**

As of report run date statements for JCR accounts and Landmark were not released.

**Total Fund Objectives:**

- To earn an annual average return of 7.50% over rolling 5 year periods.
- To earn an average annual, real return of 3.75% after inflation over rolling five year periods.
- To meet the assumed actuarial rate of return with a high degree of probability.
- To rank in the 50<sup>th</sup> percentile over twelve month rolling periods and in the 40<sup>th</sup> percentile over rolling five year periods, among public employee retirement funds.

**Manager Objectives:**

- To exceed their performance return standard with equal or less risk over all three year periods.

**Asset Allocation Policy:**

<b>Asset Class</b>	<b>Target</b>	<b>Ranges</b>
U.S. Equities	34%	29 – 39%
Non-U.S. Equities	16%	11 – 21%
Global Fixed Income	20%	15 – 30%
Real Estate	14%	0 – 20%
Alternative Investments	16%	0 – 20%
Cash & Equivalents	0%	0 – 3%

**Equity Portfolio Guidelines:**

- No more than 5% of the portfolio may be invested in the stock of any one company.
- No more than 10% of the portfolio may be invested in ADRs.

**Fixed Income Portfolio Guidelines:**

- No more than 5% of the portfolio may be invested with one issuer, except for the U.S. Treasury and Agency securities.
- No more than 15% of the portfolio in below investment grade.
- No more than 30% of total assets in non-U.S. dollar denominated securities. At least 75% of any non-U.S. currency exposure must be hedged. May invest beyond the 30% limit in Yankee and Euro issues.

**Other Portfolio Guidelines:**

- Managers are expected to be fully invested at all times, however they may raise cash if this is deemed appropriate under the circumstances.
- Leveraging the portfolio is prohibited.
- Derivative contracts only as permitted.
- Additional investment policies and guidelines are contained in the formal Statement of Investment Policies, Procedures and Objectives.
- All investment managers should follow State of Michigan laws governing the investment of public retirement plan assets.

<b>Active Return</b>	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
<b>Alpha</b>	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
<b>Beta</b>	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
<b>Consistency</b>	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
<b>Distributed to Paid In (DPI)</b>	- The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.
<b>Down Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
<b>Downside Risk</b>	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
<b>Excess Return</b>	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
<b>Excess Risk</b>	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
<b>Information Ratio</b>	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
<b>Public Market Equivalent (PME)</b>	- Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.
<b>R-Squared</b>	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
<b>Return</b>	- Compounded rate of return for the period.
<b>Sharpe Ratio</b>	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
<b>Standard Deviation</b>	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
<b>Total Value to Paid In (TVPI)</b>	- The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life
<b>Tracking Error</b>	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
<b>Treynor Ratio</b>	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
<b>Up Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

AndCo compiled this report for the sole use of the client for which it was prepared. AndCo is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. AndCo uses the results from this evaluation to make observations and recommendations to the client.

AndCo uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. AndCo analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides AndCo with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides AndCo with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause AndCo to believe that the information presented is significantly misstated.

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