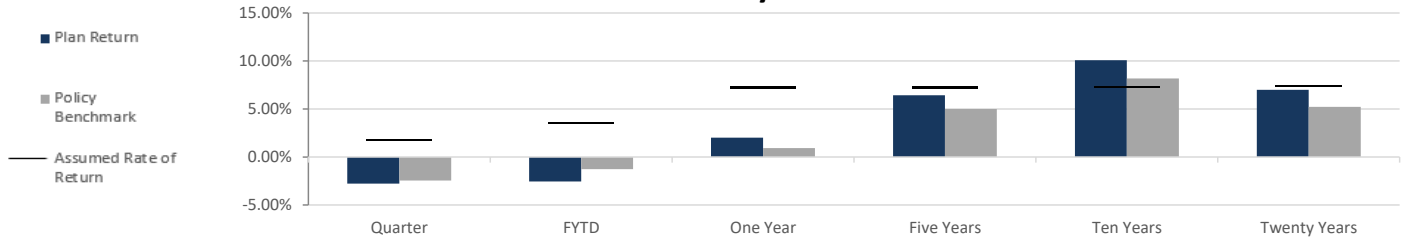




"The goal of LAGERS' investment portfolio is to achieve the assumed rate of return over the long-term, while maintaining reasonable risk. If the portfolio meets this goal, we can assure that future benefits of LAGERS' members are safe and secure." - LAGERS' Investment Team

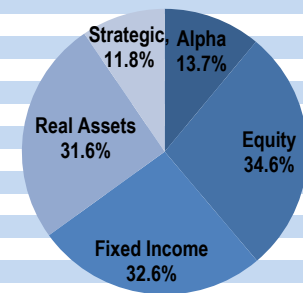
Net of Fee Returns By Time Period¹



Executive Summary	Market Value (millions)	Quarter	FYTD ²	One Year	Five Years	Ten Years	Twenty Years
Total Plan	\$7,416,726,955	-2.78%	-2.56%	2.01%	6.42%	10.07%	6.99%
Policy Benchmark		-2.45%	-1.26%	0.94%	5.00%	8.18%	5.22%
Excess Return		-0.33%	-1.30%	1.07%	1.42%	1.89%	1.77%
60/40 US Equity/Bond Portfolio		-7.56%	-3.32%	-2.35%	6.24%	9.42%	5.48%

Asset Class	Portfolio Exposure	Policy Target	Variance
Alpha (Vol adjusted to 8%)	13.7%	15.0%	-1.3%
Equity	34.6%	35.0%	-0.4%
Public Equity	23.4%		
Private Equity	11.1%		
Fixed Income	32.6%	31.0%	1.6%
Public Fixed Income	22.5%		
Private Fixed Income	10.1%		
Real Assets	31.6%	36.0%	-4.4%
Public Real Assets	8.2%		
Private Real Assets	23.4%		
Strategic	11.8%	8.0%	3.8%
Public Strategic	8.0%		
Private Strategic	3.9%		
Net Leverage	-20.6%	-25.0%	4.5%

LAGERS Portfolio Exposure



FYTD Contributions to Plan Value

Beginning Value	(as of 06/30/18)	\$7,718,667,298
Payment to Retirees		-\$162,383,668
Contributions Received		\$127,261,638
Investment Gain/Loss & Expenses		-\$266,818,314
Ending Value	(as of 12/31/18)	\$7,416,726,955

Key Developments During the Quarter

Notable activity for the quarter included our decision to commit \$75 million to L Catterton Growth Partners IV and another \$75 million was committed to RFE IX, LP. LAGERS previously made commitments to other funds led by these managers.

¹LAGERS' assumed rate of return is 7.25%

²LAGERS' fiscal year is June 30

This report was compiled by LAGERS' staff utilizing data primarily from LAGERS' Custodian.

No information contained in this report should be used to calculate returns or compare multiple funds, including private equity funds.

The information in this report has not been reviewed, approved or verified by the external investment managers.