

CITY OF BIRMINGHAM
 RETIREMENT INVESTMENT COMMITTEE
 WEDNESDAY, FEBRUARY 27, 2019, 7:30 A.M.
 ROOM 203
 AGENDA

1. Retirement Fund - Summary of Assets

	<u>1/31/2019</u>		<u>12/31/2018</u>		<u>1/31/2018</u>	
Abbey Capital - Managed Futures.	5,072,141	5.3%	5,367,174	5.9%	6,068,277	5.5%
Apex Capital Management - SMID-Cap Growth	10,397,477	10.8%	9,275,392	10.1%	11,785,460	10.7%
Bahl Gaynor - Large-Cap Growth	6,081,209	6.3%	5,752,442	6.3%	7,432,056	6.8%
Bradford & Marzec - Fixed Income	10,963,116	11.4%	11,260,785	12.3%	11,364,862	10.3%
C. S. McKee - Fixed Income	2,242,311	2.3%	2,619,964	2.9%	4,113,219	3.7%
Cavendish Managed Futures	5,211,898	5.4%	5,338,852	5.8%	5,608,507	5.1%
Gabelli - Small-Cap Value	8,964,842	9.3%	8,017,085	8.7%	10,552,626	9.6%
Goldman Sachs - Alternative	3,701,310	3.8%	3,623,754	4.0%	3,735,066	3.4%
Lazard - International Equity	10,637,541	11.0%	10,088,135	11.0%	12,465,687	11.3%
Lazard - Emerging Markets	5,830,318	6.0%	5,225,193	5.7%	7,199,002	6.6%
Seizert Capital - Mid Cap Value	7,016,881	7.3%	6,501,483	7.1%	7,964,921	7.2%
Vanguard S&P 500 ETF	13,647,379	14.2%	12,575,147	13.7%	14,580,640	13.3%
Westwood Holdings - Large-Cap Value	6,655,268	6.9%	6,057,470	6.6%	7,026,514	6.4%
Total	<u>96,421,691</u>	100.0%	<u>91,702,877</u>	100.0%	<u>109,896,837</u>	100.0%

2. Retiree Health Care Fund - Summary of Assets

	<u>1/31/2019</u>		<u>12/31/2018</u>		<u>1/31/2018</u>	
Abbey Capital - Managed Futures	1,592,506	4.6%	1,685,140	5.1%	1,905,270	5.3%
Apex Capital Management - SMID-Cap Growth	3,409,129	9.8%	3,041,625	9.2%	2,853,321	7.9%
Bahl & Gaynor - Large-Cap Growth	2,469,866	7.1%	2,336,017	7.1%	2,491,003	6.9%
Bradford & Marzec - Fixed Income	4,340,695	12.4%	4,258,784	12.9%	4,110,576	11.4%
C. S. McKee - Fixed Income	1,905,994	5.5%	1,853,814	5.6%	1,729,583	4.8%
Cavendish Managed Futures	1,772,001	5.1%	1,815,164	5.5%	1,906,845	5.3%
Gabelli - Small-Cap Value	3,028,765	8.7%	2,724,029	8.3%	3,457,004	9.6%
Goldman Sachs - Alternative	1,245,447	3.6%	1,219,351	3.7%	1,256,805	3.5%
Lazard - International Equity	3,468,474	9.9%	3,289,824	10.0%	3,889,594	10.8%
Lazard - Emerging Market	2,010,002	5.8%	1,801,376	5.5%	2,379,351	6.6%
Seizert Capital - Mid Cap Value	2,493,560	7.1%	2,312,700	7.0%	2,704,096	7.5%
Vanguard S&P 500 ETF	4,808,654	13.8%	4,430,867	13.4%	4,923,711	13.6%
Westwood Holdings - Large-Cap Value	2,405,496	6.9%	2,245,512	6.8%	2,473,854	6.9%
Total	<u>34,950,590</u>	100.0%	<u>33,014,203</u>	100.0%	<u>36,081,014</u>	100.0%

3. Approval of Minutes of the regular meeting held December 5, 2018.

4. Investment Consultant Report

5. Comerica Composite Performance Review - December 31, 2018

- A. Retirement Fund
- B. Retiree Health Care Fund

6. Meeting Open to the Public for Matters Not on the Agenda

7. Investment Manager Spreadsheets

- A. Retirement Fund
- B. Retiree Health Care Fund

8. Adjourn

NOTICE: Individuals with disabilities requiring accommodations for effective participation in this meeting should contact the city clerk's office at (248) 530-1880 (voice) or (248) 644-5115 (TDD) at least one day in advance to request mobility, visual, hearing or other assistance.

Las personas que requieren alojamiento, tales como servicios de interpretacion, la participacion efectiva en esta reunion deben ponerse en contacto con la Oficina del Secretario Municipal al (248) 530-1880 por lo menos el dia antes de la reunion publica.
 (Title VI of the Civil Rights Act of 1964)

MINUTES OF A MEETING OF THE
RETIREMENT INVESTMENT COMMITTEE
DECEMBER 5, 2018

The meeting was called to order at 7:30 A.M.

Present: Mark Gerber, Finance Director/Treasurer; Christopher Conti,
Retirement Board Trustee; Richard Aginian, Citizen Member

Also Present: Steve and David Gasper, UBS; Thelma Golden, Treasury
Consultant; Frank Pisano, Library Board Member

Motion by Aginian:
Second by Gerber:

To approve the minutes of the Retirement Investment Committee meeting held
September 5, 2018.

Ayes: 3
Nays 0

Motion by Aginian:
Second by Gerber:

To set the 2019 meeting dates for the regular meetings of the retirement Investment
Committee on February 27, June 5, September 4, and December 4 at 7:30 a.m. in the
municipal building.

Ayes: 3
Nays: 0

Steve Gasper reviewed the investment consultant report and Comerica's Composite
Performance Review for periods ending September 30, 2018. The S&P 500 continued
to outperform every other index by a considerable amount. Growth was quite strong for
the quarter and year-to-date. International markets under performed, especially
emerging markets due to the possibility of trade wars and currency issues. Fixed
income performance improved somewhat but is expected to be significantly lower over
the next 12-18 months.

He is uncomfortable with fixed income manager Goldman Sachs who was hired to
protect the funds in a rising rate environment because of their ability to long and short
positions. They have changed their investment strategy to focus on currencies at the

expense of long-short positions. He would recommend that they be replaced with another fixed income manager with some hedging capabilities.

Motion by Aginian:

Second by Conti:

To forward a recommendation to the Retirement Board and Retiree Health Care Fund Investment Committee to authorize Investment Consultant Steve Gasper to conduct a search for a fixed income manager with some hedging capabilities.

Ayes: 3

Nays: 0

Managed Futures manager Abbey has continued to underperform. A recommendation would be to replace them and explore other options in the alternative investment area.

Motion by Conti:

Second by Aginian:

To forward a recommendation to the Retirement Board and Retiree Health Care Fund Investment Committee to authorize Investment Consultant Steve to conduct a broad search for investment managers in the alternative manager space.

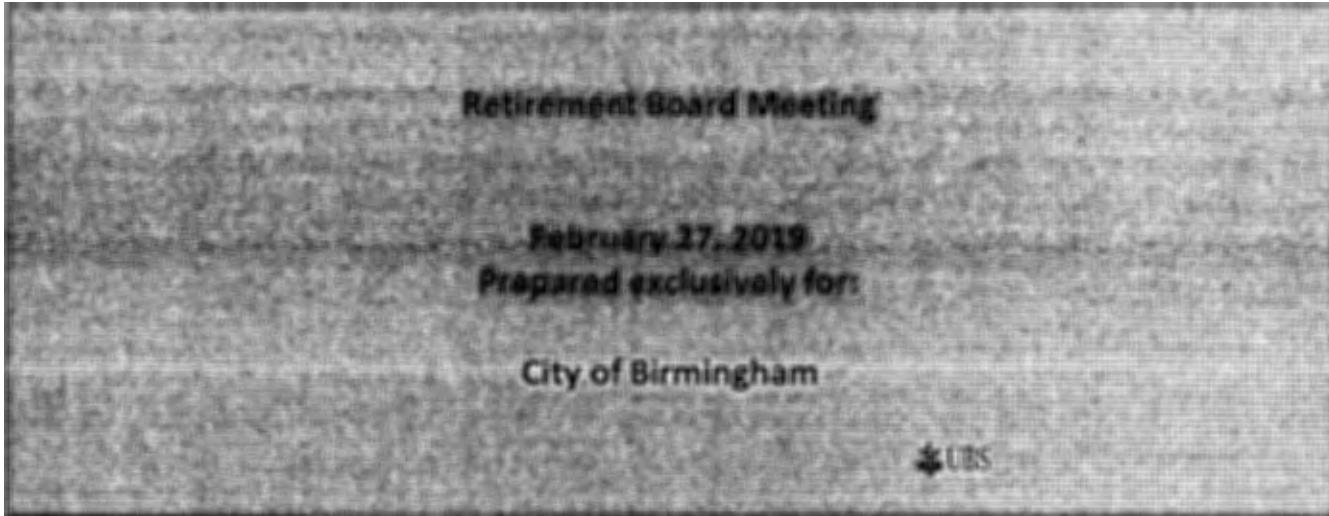
Ayes: 3

Nays: 0

The meeting was adjourned at 8:40 A.M.

Respectfully submitted,

Thelma Golden
Treasury Consultant



Steve Gasper Jr., CFA
Senior Vice President - Private Wealth Management
Wealth Advisor
248-637-0269 – Direct Line

Brett M. Gasper, CFP®, CPWA®
Senior Vice President - Private Wealth Management
Private Wealth Advisor
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David B. Gasper, CFP®, CIMA®
Senior Vice President - Private Wealth Management
Wealth Advisor
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The prices and information contained in this report were obtained from sources we believe accurate, but we do not guarantee them.

CITY OF BIRMINGHAM
RETIREMENT BOARD MEETING

February 27, 2019
Meeting Agenda

- I. Recap of Last Meeting
- II. Retirement Performance Review, Attribution & Outlook
- III. Last Meeting's Actions (Retirement)
- IV. Recommended Changes
- V. Manager Update
- VI. Healthcare Fund Asset Allocation & Performance Review
- VII. Last Meeting's Action (Fixed Income)
- VIII. Today's Action Items (Healthcare)

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- **Recap of last meeting**

- Discussed Fixed Income and Alternative Managers for replacement consideration
- Approved a manager search for potential replacements for:
 - Goldman Sachs Strategic Income
 - Abbey Capital Managed Futures
 - Cavendish Managed Futures

RETIREMENT

- **Retirement Performance Review, Attribution & Outlook**

- Q4 Performance ending 12/31/2018
 - See page 3 - (Composite Performance Review)
- 1 year ending 12/31/2018
 - See page 3 - (Composite Performance Review)
- Current Weightings
 - See page 5 - City of Birmingham Retirement Fund Comerica Report for asset allocation.

- **Last Meeting's Actions – (Retirement)**

- No action taken

- **Recommendations – (Retirement)**

- Replace Goldman Sachs Strategic Income with Bramshill Investments Income Performance Fund.
- Alternative Investment Recommendation:
 - Replace Abbey Capital entirely
 - Partially Trim Cavendish Futures Fund (amount to be determined)
 - Purchase Graham Absolute Return Fund
 - Purchase Whitebox Multi Strategy Fund

The prices and information contained in this report were obtained from sources we believe accurate, but we do not guarantee them.

HEALTHCARE

- **Healthcare Performance Review, Attribution & Outlook**
 - Q4 Performance ending 12/31/18
 - See Page 3 – (Composite Performance Review)
 - 1 year ending 12/31/2018
 - See Page 3 – (Composite Performance Review)
 - Current Weightings
 - See page 5 - City of Birmingham Healthcare Fund Comerica Report for asset allocation

- **Last Meeting's Action - (Healthcare)**
 - No action taken

- **Recommendations - (Healthcare)**
- Replace Goldman Sachs Strategic Income with Bramshill Investments Income Performance Fund.
- Alternative Investment Recommendation:
 - Replace Abbey Capital entirely
 - Partially Trim Cavendish Futures Fund (amount to be determined)
 - Purchase Graham Absolute Return Fund
 - Purchase Whitebox Multi Strategy Fund

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City of Birmingham Employees Retirement Fund
Composite Performance Review
Report for Periods Ending December 31, 2018



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City of Birmingham Employees Retirement Fund

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FOURTH QUARTER 2018 MARKET SUMMARY

The final quarter of 2018 concluded with strong “risk-off” movements, with nearly every major asset category outside of high quality fixed income witnessing sizable declines in December. Central to this weakness were concerns of overly tight U.S. monetary conditions, prompting the Federal Reserve to dial-back expectations for interest rate hikes in 2019 and beyond.

Equities slumped across the globe during the quarter, but the greatest weakness was in U.S. and developed market equities. The risk-off environment helped drive a flight-to-quality rally in fixed income, as the higher quality segments of the fixed income market outperformed below investment-grade sectors. Real assets also slumped, with particularly poor performance across commodities and energy-related infrastructure assets.

City of Birmingham Employees Retirement Fund

Composite Performance Review

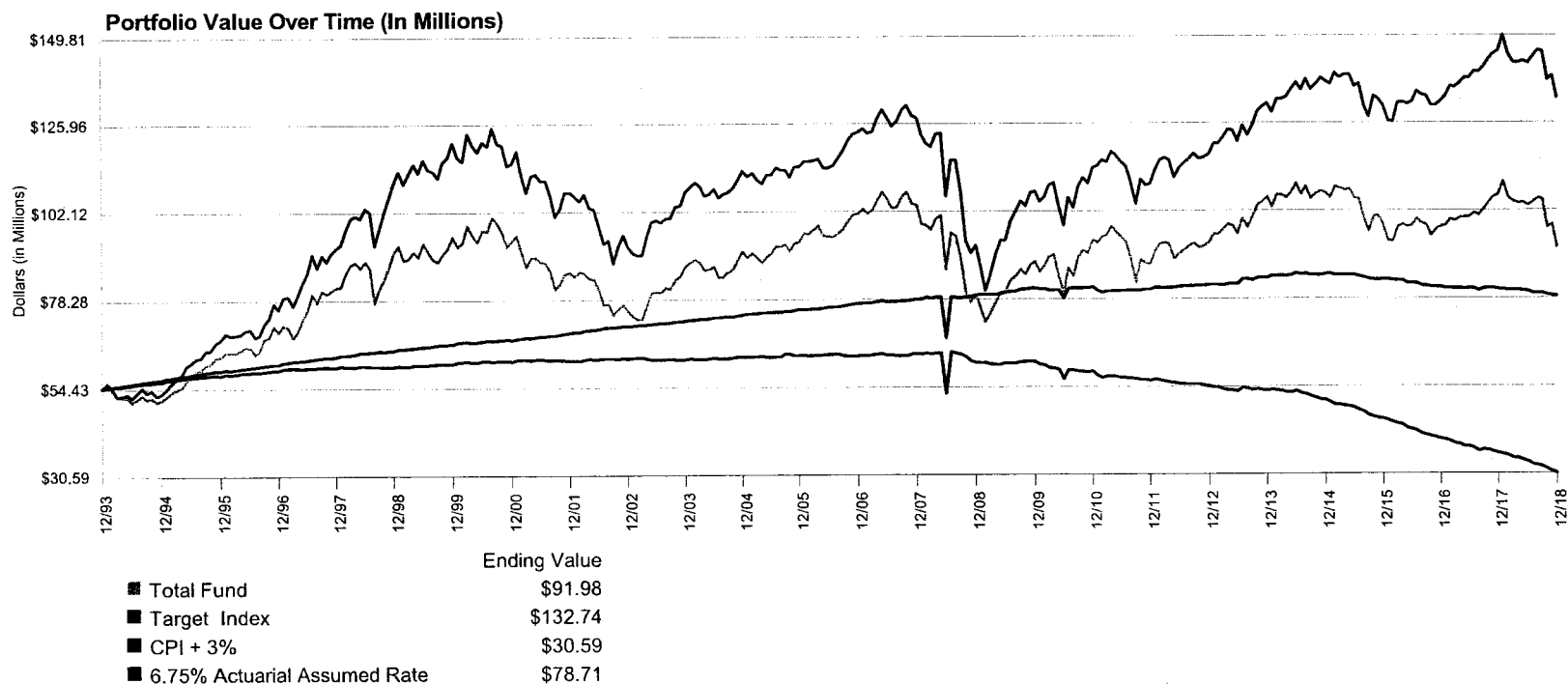
Report for Periods Ending December 31, 2018

Annualized

	Qtr	1Yr	3Yr	5Yr	7Yr	10Yr	Since 12/93
Total Fund	-10.5%	-7.3%	4.8%	3.5%	6.5%	7.3%	6.5%
Target Index ¹	-7.3	-4.2	5.7	5.0	7.3	8.3	7.2
CPI + 3%	0.8	4.7	5.0	4.5	4.5	4.8	5.2
6.75% Actuarial Assumed Rate	1.6	6.7	6.7	6.7	6.7	6.7	6.7

Footnotes:

¹Target Index is currently comprised of: 45.0% S&P 500 Index, 10.0% MSCI EAFE Index, 5.0% MSCI Emerging Markets Index, 35.0% Bloomberg Barclays US Aggregate Index, and 5.0% HFRI Macro: Systematic Diversified Index. Please see Appendix for benchmark history.



City of Birmingham Employees Retirement Fund

Summary of Investment Performance

Report for Periods Ending December 31, 2018

	Annualized						Since Inception	Date	Market Value
	Qtr	1Yr	3Yr	5Yr	7Yr	10Yr			
Total Fund	-10.5%	-7.3%	4.8%	3.5%	6.5%	7.3%	6.5%	12/93	\$91,981,346
Target Index 1	-7.3	-4.2	5.7	5.0	7.3	8.3	7.2		
CPI + 3%	0.8	4.7	5.0	4.5	4.5	4.8	5.2		
6.75% Actuarial Assumed Rate	1.6	6.7	6.7	6.7	6.7	6.7	6.7		
Equity Segment Return	-13.8	-9.2	6.6	4.1	8.8	9.4	7.7	1/95	69,109,669
S&P 500 Index	-13.5	-4.4	9.2	8.5	12.7	13.1	9.3		
Large Cap Equity									
Vanguard 500 Index Fund	-13.5	-4.4	-	-	-	-	9.3	5/16	12,575,147
S&P 500 Index	-13.5	-4.4	-	-	-	-	9.3		
Bahl & Gaynor	-10.2	-1.2	11.0	8.9	11.6	-	11.7	9/09	5,752,442
Russell 1000 Growth Index	-15.9	-1.5	11.1	10.4	14.1	-	13.6		
Westwood Holdings Group	-11.3	-5.0	9.3	8.2	12.1	10.9	7.5	7/08	6,335,940
Russell 1000 Value Index	-11.7	-8.3	7.0	5.9	11.0	11.2	7.5		
Mid Cap Equity									
Apex Capital	-18.9	-8.3	6.7	-	-	-	2.6	7/15	9,275,392
Russell Midcap Index	-15.4	-9.1	7.0	-	-	-	4.5		
Russell Midcap Growth Index	-16.0	-4.8	8.6	-	-	-	5.7		
Seizert Capital	-14.5	-9.6	-	-	-	-	-5.6	9/17	6,501,483
Russell Midcap Index	-15.4	-9.1	-	-	-	-	-2.8		
Small Cap Equity									
Gabelli Asset Management	-22.4	-19.5	5.8	3.4	11.1	13.6	9.4	3/00	8,017,085
Russell 2000 Index	-20.2	-11.0	7.4	4.4	10.4	12.0	6.4		
Russell 2000 Value Index	-18.7	-12.9	7.4	3.6	9.6	10.4	8.7		
International Equity									
Lazard Asset Management	-13.2	-11.6	2.7	1.7	7.2	7.4	4.9	12/99	10,088,135
MSCI EAFE Index	-12.5	-13.8	2.9	0.5	5.8	6.3	2.4		
Lazard Emerging Markets	-5.6	-18.0	8.1	-0.7	2.3	7.2	0.4	12/07	5,225,193
MSCI Emerging Markets Index	-7.5	-14.6	9.2	1.6	3.2	8.0	0.1		

City of Birmingham Employees Retirement Fund

Summary of Investment Performance

Report for Periods Ending December 31, 2018

Annualized

	Qtr	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Date	Market Value
Fixed Income Segment Return	0.6%	-0.1%	2.2%	2.6%	2.7%	4.1%	6.1%	12/93	\$17,504,503
Bloomberg Barclays US Aggregate Index	1.6	0.0	2.1	2.5	2.1	3.5	5.1		
Consumer Price Index - US	0.1	1.7	2.0	1.5	1.5	1.8	2.2		
Fixed Income									
C.S. McKee Investment Managers	1.6	0.4	2.2	2.9	2.5	-	3.4	8/09	2,619,964
Bloomberg Barclays US Aggregate Index	1.6	0.0	2.1	2.5	2.1	-	3.2		
Bradford & Marzec	1.2	0.4	3.0	3.4	3.4	-	4.4	9/09	11,260,785
Bloomberg Barclays US Aggregate Index	1.6	0.0	2.1	2.5	2.1	-	3.1		
Goldman Sachs Strategic Income	-1.8	-2.2	0.0	-	-	-	-0.6	3/14	3,623,754
Bloomberg Barclays US Aggregate Index	1.6	0.0	2.1	-	-	-	2.3		
Hedge Funds									
Abbey Capital Multi-Manager Fund	0.5	-4.2	-2.1	3.8	1.4	-	0.1	12/10	5,367,174
HFRI Macro: Systematic Diversified Index	-2.5	-6.0	-1.8	0.5	-0.2	-	-0.6		
Cavendish Futures Fund	-2.7	-0.6	-	-	-	-	2.6	5/16	5,338,852
HFRI Macro: Systematic Diversified Index	-2.5	-6.0	-	-	-	-	-2.2		

Footnotes:

* Performance returns are net of investment management fees.

* Calculated returns may differ from the manager's due to differences in security pricing and/or cash flows.

* Manager and index data represent the most current available at the time of report publication.

* Hedge fund and private capital manager market values and rates of return may be based on estimates and may be revised until completion of an annual audit by the manager.

* For managers and indices that report returns on a lag, 0.0% is utilized for the most recent time period until the actual return data are reported.

* The fiscal year ends in December.

¹ Target Index is currently comprised of: 45.0% S&P 500 Index, 10.0% MSCI EAFE Index, 5.0% MSCI Emerging Markets Index, 35.0% Bloomberg Barclays US Aggregate Index, and 5.0% HFRI Macro: Systematic Diversified Index. Please see Appendix for benchmark history.

City of Birmingham Employees Retirement Fund
Schedule of Asset and Style Allocation

Asset Class	Current Weight
Large Cap Equity	26.8%
Mid Cap Equity	17.2%
Small Cap Equity	8.7%
International Equity	11.0%
Emerging Markets	5.7%
Fixed Income	19.0%
Hedge Fund	11.6%
Private Equity	0.0%
Cash	0.0%
Total	100.0%

Asset Class - Style	Manager	Portfolio Invested	Portfolio Cash	Market Value	Current Weight
Large Cap Equity - Broad	Vanguard 500 Index Fund	100.0%	0.0%	\$12,575,147	13.7%
Large Cap Equity - Growth	Bahl & Gaynor	96.4%	3.6%	\$5,752,442	6.3%
Large Cap Equity - Value	Westwood Holdings Group	100.0%	0.0%	\$6,335,940	6.9%
Mid Cap Equity - Core	Seizert Capital	95.3%	4.7%	\$6,501,483	7.1%
Mid Cap Equity - Growth	Apex Capital	98.5%	1.5%	\$9,275,392	10.1%
Small Cap Equity - Value	Gabelli Asset Management	89.4%	10.6%	\$8,017,085	8.7%
International Equity - Value	Lazard Asset Management	91.4%	8.6%	\$10,088,135	11.0%
Emerging Markets - Core	Lazard Emerging Markets	100.0%	0.0%	\$5,225,193	5.7%
Fixed Income - Core	C.S. McKee Investment Managers	98.4%	1.6%	\$2,619,964	2.8%
Fixed Income - Core	Goldman Sachs Strategic Income	99.1%	0.9%	\$3,623,754	3.9%
Fixed Income - Core Plus	Bradford & Marzec	95.8%	4.2%	\$11,260,785	12.2%
Hedge Fund - Diversified	Abbey Capital Multi-Manager Fund	100.0%	0.0%	\$5,367,174	5.8%
Hedge Fund - Diversified	Cavendish Futures Fund	100.0%	0.0%	\$5,338,852	5.8%
Total				\$91,981,346	100.0%



City of Birmingham Retiree Healthcare Fund
Composite Performance Review
Report for Periods Ending December 31, 2018



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City of Birmingham Retiree Healthcare Fund

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FOURTH QUARTER 2018 MARKET SUMMARY

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Equities slumped across the globe during the quarter, but the greatest weakness was in U.S. and developed market equities. The risk-off environment helped drive a flight-to-quality rally in fixed income, as the higher quality segments of the fixed income market outperformed below investment-grade sectors. Real assets also slumped, with particularly poor performance across commodities and energy-related infrastructure assets.

City of Birmingham Retiree Healthcare Fund

Composite Performance Review

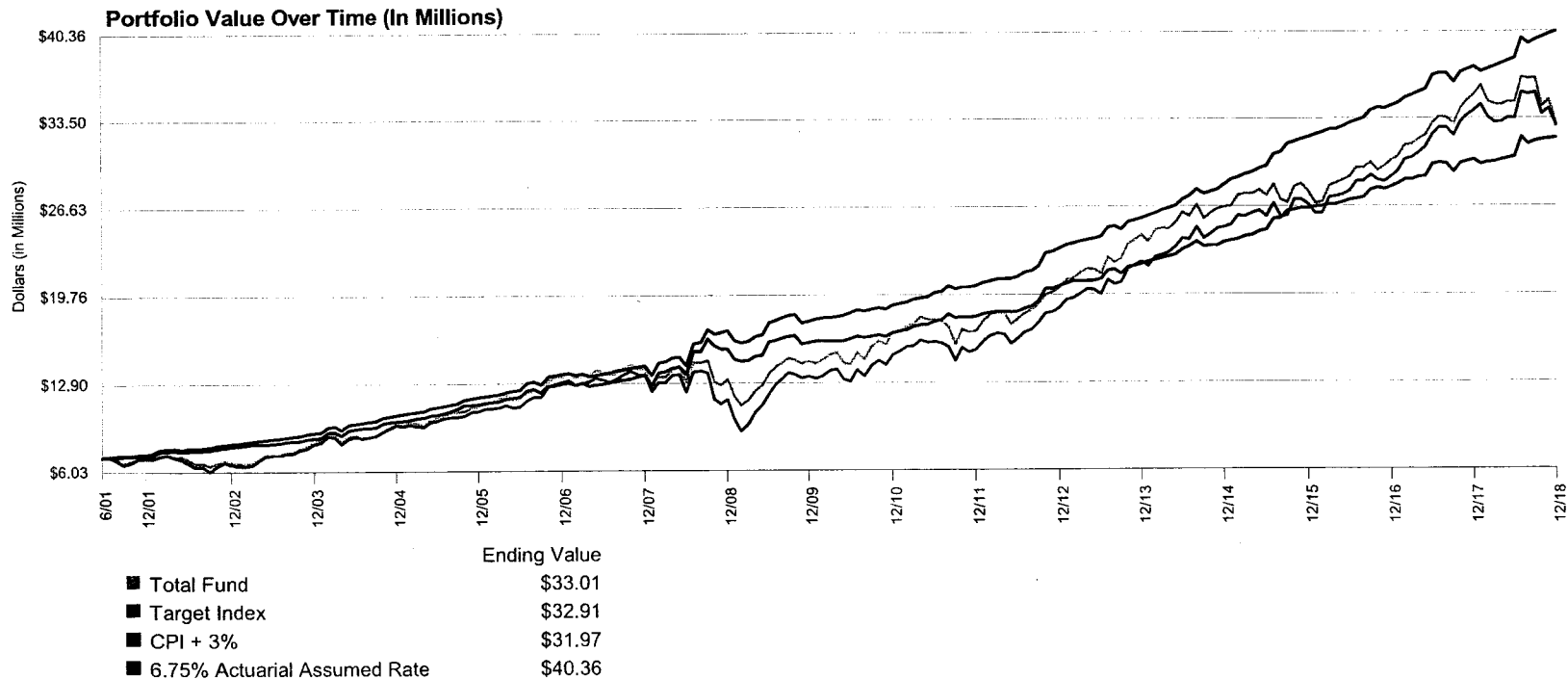
Report for Periods Ending December 31, 2018

Annualized

	Qtr	1Yr	3Yr	5Yr	7Yr	10Yr	Since 6/01
Total Fund	-10.1%	-7.3%	4.6%	3.4%	6.2%	7.1%	5.1%
Target Index ¹	-7.3	-4.2	5.7	5.0	7.3	8.3	4.9
CPI + 3%	0.8	4.7	5.0	4.5	4.5	4.8	5.0
6.75% Actuarial Assumed Rate	1.6	6.7	6.7	6.7	6.7	6.7	6.7

Footnotes:

¹Target Index is currently comprised of: 45.0% S&P 500 Index, 10.0% MSCI EAFE Index, 5.0% MSCI Emerging Markets Index, 35.0% Bloomberg Barclays US Aggregate Index, and 5.0% HFRI Macro: Systematic Diversified Index. Please see Appendix for benchmark history.



City of Birmingham Retiree Healthcare Fund

Summary of Investment Performance

Report for Periods Ending December 31, 2018

Annualized

	Qtr	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Date	Market Value
Total Fund	-10.1%	-7.3%	4.6%	3.4%	6.2%	7.1%	5.1%	6/01	\$33,014,203
Target Index ¹	-7.3	-4.2	5.7	5.0	7.3	8.3	4.9		
CPI + 3%	0.8	4.7	5.0	4.5	4.5	4.8	5.0		
6.75% Actuarial Assumed Rate	1.6	6.7	6.7	6.7	6.7	6.7	6.7		
Equity Segment Return	-13.6	-9.4	6.4	4.0	8.6	9.2	5.2	6/01	23,997,114
S&P 500 Index	-13.5	-4.4	9.2	8.5	12.7	13.1	6.3		
Large Cap Equity									
Vanguard 500 Index Fund	-13.5	-4.4	-	-	-	-	9.3	5/16	4,430,867
S&P 500 Index	-13.5	-4.4	-	-	-	-	9.3		
Bahl & Gaynor	-10.2	-1.4	10.8	8.8	11.6	-	11.7	9/09	2,336,017
Russell 1000 Growth Index	-15.9	-1.5	11.1	10.4	14.1	-	13.6		
Westwood Holdings Group	-11.1	-5.0	8.9	7.9	11.8	10.7	7.4	7/08	2,245,512
Russell 1000 Value Index	-11.7	-8.3	7.0	5.9	11.0	11.2	7.5		
Mid Cap Equity									
Apex Capital	-18.9	-8.6	6.6	-	-	-	3.0	7/15	3,041,625
Russell Midcap Index	-15.4	-9.1	7.0	-	-	-	4.5		
Russell Midcap Growth Index	-16.0	-4.8	8.6	-	-	-	5.7		
Seizert Capital	-14.3	-9.5	-	-	-	-	-5.4	9/17	2,312,700
Russell Midcap Index	-15.4	-9.1	-	-	-	-	-2.8		
Small Cap Equity									
Gabelli Asset Management	-21.5	-20.6	5.0	2.9	10.0	13.0	8.5	6/01	2,724,029
Russell 2000 Index	-20.2	-11.0	7.4	4.4	10.4	12.0	7.1		
Russell 2000 Value Index	-18.7	-12.9	7.4	3.6	9.6	10.4	7.5		
International Equity									
Lazard Asset Management	-13.2	-11.6	2.7	1.6	7.1	7.2	5.9	6/01	3,289,824
MSCI EAFE Index	-12.5	-13.8	2.9	0.5	5.8	6.3	4.5		
Lazard Emerging Markets	-5.6	-18.1	8.0	-0.7	2.3	7.2	0.4	12/07	1,801,376
MSCI Emerging Markets Index	-7.5	-14.6	9.2	1.6	3.2	8.0	0.1		

City of Birmingham Retiree Healthcare Fund

Summary of Investment Performance

Report for Periods Ending December 31, 2018

Annualized

	Qtr	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Date	Market Value
Fixed Income Segment Return	0.8%	-0.1%	2.4%	2.6%	2.6%	3.9%	4.7%	6/01	\$7,331,949
Bloomberg Barclays US Aggregate Index	1.6	0.0	2.1	2.5	2.1	3.5	4.4		
Bloomberg Barclays Interm. US G/C Index	1.7	0.9	1.7	1.9	1.8	2.9	3.9		
Fixed Income									
C.S. McKee Investment Managers	1.4	0.2	2.2	2.7	2.4	-	3.6	8/09	1,853,814
Bloomberg Barclays US Aggregate Index	1.6	0.0	2.1	2.5	2.1	-	3.2		
Bradford & Marzec	1.2	0.4	3.0	3.2	3.2	-	4.3	9/09	4,258,784
Bloomberg Barclays US Aggregate Index	1.6	0.0	2.1	2.5	2.1	-	3.1		
Goldman Sachs Strategic Income	-1.8	-2.2	0.0	-	-	-	-0.6	3/14	1,219,351
Bloomberg Barclays US Aggregate Index	1.6	0.0	2.1	-	-	-	2.3		
Hedge Funds									
Abbey Capital Multi-Manager Fund	0.5	-4.2	-2.7	3.4	1.1	-	-0.2	12/10	1,685,140
HFRI Macro: Systematic Diversified Index	-2.5	-6.0	-1.8	0.5	-0.2	-	-0.6		
Cavendish Futures Fund	-2.7	-0.6	-	-	-	-	2.6	5/16	1,815,164
HFRI Macro: Systematic Diversified Index	-2.5	-6.0	-	-	-	-	-2.2		

Footnotes:

* Performance returns are net of investment management fees.

* Calculated returns may differ from the manager's due to differences in security pricing and/or cash flows.

* Manager and index data represent the most current available at the time of report publication.

* Hedge fund and private capital manager market values and rates of return may be based on estimates and may be revised until completion of an annual audit by the manager.

* For managers and indices that report returns on a lag, 0.0% is utilized for the most recent time period until the actual return data are reported.

* The fiscal year ends in December.

¹ Target Index is currently comprised of: 45.0% S&P 500 Index, 10.0% MSCI EAFE Index, 5.0% MSCI Emerging Markets Index, 35.0% Bloomberg Barclays US Aggregate Index, and 5.0% HFRI Macro: Systematic Diversified Index. Please see Appendix for benchmark history.

City of Birmingham Retiree Healthcare Fund
Schedule of Asset and Style Allocation

Asset Class	Current Weight
Large Cap Equity	27.3%
Mid Cap Equity	16.2%
Small Cap Equity	8.3%
International Equity	10.0%
Emerging Markets	5.5%
Fixed Income	22.2%
Hedge Fund	10.6%
Private Equity	0.0%
Cash	0.0%
Total	100.0%

Asset Class - Style	Manager	Portfolio Invested	Portfolio Cash	Market Value	Current Weight
Large Cap Equity - Broad	Vanguard 500 Index Fund	100.0%	0.0%	\$4,430,867	13.4%
Large Cap Equity - Growth	Bahl & Gaynor	96.5%	3.5%	\$2,336,017	7.1%
Large Cap Equity - Value	Westwood Holdings Group	100.0%	0.0%	\$2,245,512	6.8%
Mid Cap Equity - Core	Seizert Capital	93.7%	6.3%	\$2,312,700	7.0%
Mid Cap Equity - Growth	Apex Capital	98.2%	1.8%	\$3,041,625	9.2%
Small Cap Equity - Value	Gabelli Asset Management	83.0%	17.0%	\$2,724,029	8.3%
International Equity - Value	Lazard Asset Management	91.4%	8.6%	\$3,289,824	10.0%
Emerging Markets - Core	Lazard Emerging Markets	100.0%	0.0%	\$1,801,376	5.5%
Fixed Income - Core	C.S. McKee Investment Managers	97.0%	3.0%	\$1,853,814	5.6%
Fixed Income - Core	Goldman Sachs Strategic Income	99.1%	0.9%	\$1,219,351	3.7%
Fixed Income - Core Plus	Bradford & Marzec	97.0%	3.0%	\$4,258,784	12.9%
Hedge Fund - Diversified	Abbey Capital Multi-Manager Fund	100.0%	0.0%	\$1,685,140	5.1%
Hedge Fund - Diversified	Cavendish Futures Fund	100.0%	0.0%	\$1,815,164	5.5%
Total				\$33,014,203	100.0%

**BIRMINGHAM EMPLOYEES RETIREMENT SYSTEM
INVESTMENT MANAGERS/CUSTODIAN/OTHER SERVICES**

		DATE OF HIRE/ TRANSFER	ORIGINAL \$/ TRANSFER \$	DATE OF TRANSFER	TRANSFER \$	MANAGEMENT FEE
FIXED INCOME	BRADFORD & MARZEC (TORTOISE CREDIT STRATEGIES)	9/3/2009	\$14,948,519	4/14/2016	\$2,100,000	.30% ON THE FIRST \$50 MILLION
		6/11/2010	1,895,360	6/10/2016	2,000,000	
		12/21/2010	-866,020	3/9/2018	1,621,550	
		10/31/2011	8,050,000	9/14/2018	1,033,150	
FIXED INCOME	C.S. MCKEE	8/25/2009	\$14,956,191	3/8/2013	-\$2,866,445	.35% ON THE FIRST \$25 MILLION .30% ON THE NEXT \$25 MILLION PLUS 20% DISCOUNT
		6/11/2010	812,295	12/11/2015	4,671,240	
		12/21/2010	-1,732,400	4/14/2016	3,000,000	
		3/11/2011	-1,000,000	6/10/2016	1,400,000	
		10/31/2011	5,200,000	3/9/2018	1,621,550	
EQUITY LARGE-CAP GROWTH	BAHL GAYNOR, INC.	9/16/2009	\$5,816,751	4/14/2016	-8,379,000	.30% ON TOTAL ASSETS
		6/11/2010	2,166,125	9/9/2016	-1,000,000	
		3/11/2011	1,000,000	12/9/2016	-3,000,000	
		10/31/2011	889,019	3/9/2018	-303,600	
		3/8/2013	1,910,963	9/14/2018	-1,033,150	
EQUITY LARGE-CAP VALUE	WESTWOOD HOLDINGS GROUP	7/9/2009	\$16,886,783	9/9/2016	-\$1,000,000	0.65% ON ASSETS UP TO \$25,000,000
		6/11/2010	-2,617,400	12/9/2016	-3,000,000	
		10/31/2011	-6,025,000	3/9/2018	-293,400	
		3/8/2013	1,910,963			
		3/4/2014	-1,476,870			
LARGE CAP EQUITY INDEX	VANGUARD S&P 500 ETF (VOO)	4/14/2016	\$3,000,000			0.05%
		9/9/2016	2,000,000			
		12/9/2016	6,000,000			
		3/9/2018	-594,500			
EQUITY SMID-CAP GROWTH	APEX CAPITAL MANAGEMENT (FIERA)	6/20/2015	\$8,760,910			.55% OF ASSETS ON LAST DAY OF PREVIOUS QUARTER
		3/9/2018	-481,400			
EQUITY MID-CAP VALUE	SEIZERT CAPITAL PARTNERS	8/11/2017	\$6,032,700			60%
		3/9/2018	-322,700			
EQUITY SMALL-CAP VALUE	GABELLI ASSET MANAGEMENT	3/10/2000	\$5,000,000	12/9/2005	460,728	1%- 1ST \$40 MILLION .5%- OVER \$40 MILLION DUE ON 1ST DAY OF QTR
		6/8/2001	2,220,000	3/10/2006	-2,885,044	
		10/18/2002	1,483,890	12/8/2006	-500,000	
		3/21/2003	-1,500,000	3/8/2013	3,153,089	
		9/19/2003	-875,000	3/4/2014	-1,476,870	
		10/25/2004	-1,699,670	4/14/2016	-1,148,000	
		3/11/2005	-3,628,233	6/10/2016	-500,000	
				3/9/2018	-448,100	
EQUITY INTERNATIONAL	LAZARD CAPITAL	1/15/2000	\$7,070,000	11/16/2007	-2,000,000	0.65% LAST BUSINESS DAY OF QUARTER
		1/26/2000	4,348	5/21/2008	-3,460,624	
		6/8/2001	890,000	6/11/2010	-3,519,950	
		12/14/2001	1,300,000	12/21/2010	-1,732,040	
		10/18/2002	2,225,840	10/31/2011	-1,300,000	
		9/19/2003	475,000	6/10/2016	-1,900,000	
		3/10/2006	961,681	3/9/2018	-513,400	
EQUITY EMERGING MARKETS	LAZARD CAPITAL (LZEMX)	11/16/2007	\$2,000,000	3/9/2018	-286,000	1%
		6/11/2010	3,519,950			
		10/31/2011	-860,000			
MANAGED FUTURES FUND	ABBEY CAPITAL LIMITED	12/21/2010	\$4,330,100			MANAGEMENT FEE: 1.9% INCENTIVE FEE: 22.0% PLUS COSTS
		12/12/2014	1,063,860			
MANAGED FUTURES FUND	CAVENDISH MANAGED FUTURES (WINTON CAPITAL MANAGEMENT)	4/14/2016	\$5,000,000			MANAGEMENT FEE - 1% PERFORMANCE FEE - 20% OF NEW PROFITS
ALTERNATIVES	GOLDMAN SACHS STRATEGIC INCOME FUND GSZIX	3/4/2014	3,692,180			FEE - .65%
CUSTODIAN PERFORMANCE MEASUREMENT	COMERICA BANK	1951				0.0475% \$500/MANAGER QUARTERLY
INVESTMENT CONSULTANT	STEVE GASPER, UBS	3/9/2007				.065% OF PLAN ASSETS ON LAST DAY OF PREVIOUS FY. PD QTRLY

NOTE:

300 N. Capital terminated 7/20/2015. (\$8,760,910)
 NYL MainStay Marketfield Fund liquidated 12/11/15. (\$4,671,240)
 Systematic Financial terminated 8/11/17 (\$7,252,600)

Revised: 1/9/2019

**BIRMINGHAM RETIREE HEALTH CARE FUND
INVESTMENT MANAGERS/CUSTODIAN/OTHER SERVICES**

		DATE HIRED/ CHANGED	ORIGINAL \$/ TRANSFERS \$	DATE HIRED/ CHANGED	ORIGINAL \$/ TRANSFERS \$	MANAGEMENT FEE*
FIXED INCOME	BRADFORD & MARZEC (TORTOISE CREDIT STRATEGIES)	9/3/2009 6/11/2010 12/21/2010 10/31/2011 3/8/2013	\$3,338,708 -\$549,580 -\$152,170 \$1,000,000 -835,504	6/12/2015 9/8/2017	-1,380,000 -1,648,000	.30% ON THE FIRST \$50 MILLION
FIXED INCOME	C.S. MCKEE	8/25/2009 6/11/2010 12/21/2010 3/11/2011 10/31/2011 12/14/2012 3/8/2013	\$3,338,506 -\$739,825 -\$304,330 -\$590,000 \$660,000 -1,300,000 -\$355,089	6/12/2015 12/11/2015 9/8/2017	-1,656,000 1,067,020 -1,950,500	.35% ON THE FIRST \$25 MILLION 30% ON THE NEXT \$25 MILLION PLUS 20% DISCOUNT
EQUITY LARGE-CAP GROWTH	BAHL GAYNOR, INC.	9/16/2009 6/11/2010 3/11/2011 9/9/2011 10/31/2011 12/14/2012 3/8/2014 3/4/2014	\$903,788 \$538,850 \$590,000 \$200,000 \$154,772 \$400,000 \$417,752 -\$1,610,760	6/12/2015 4/4/2016 9/9/2016 12/9/2016	\$690,000 -2,000,000 -500,000 -520,000	.30% OF TOTAL ASSETS
EQUITY LARGE-CAP VALUE	WESTWOOD HOLDINGS GROUP	7/9/2009 10/31/2011 12/14/2012 3/8/2013 3/4/2014 6/12/2015	\$2,352,880 -\$950,000 \$300,000 \$417,752 -\$244,050 \$552,000	4/14/2016 9/9/2016 12/9/2016	-\$700,000 -500,000 -\$520,000	0.65% ON ASSETS UP TO \$25,000,000
EQUITY LARGE-CAP INDEX FUND	VANGUARD S&P 500 ETF (VOO)	4/14/2016 9/9/2016 12/9/2016 9/8/2017	\$1,300,000 \$1,000,000 \$1,040,000 \$360,000			0.05%
EQUITY SMID-CAP GROWTH	APEX CAPITAL MANAGEMENT	6/20/2015 9/8/2017	\$2,238 \$672,600			.55% OF ASSETS ON LAST BUSINESS DAY OF PREVIOUS QUARTER
EQUITY MID-CAP VALUE	SEIZERT CAPITAL PARTNERS	8/11/2017 9/8/2017	\$2,101,810 \$360,800			0.60%
EQUITY SMALL-CAP VALUE	GABELLI ASSET MANAGEMENT	6/15/2001 7/11/2001 3/11/2005 12/9/2005 3/10/2006 12/8/2006 5/21/2008	\$658,161 \$823 -\$266,131 \$41,895 -\$343,956 -\$24,027 25,073	6/11/2010 3/8/2013 3/4/2014 6/12/2015 9/8/2017	45,250 1,148,818 -\$341,680 \$138,000 302,700	1%- 1ST \$40 MILLION .5%- OVER \$40 MILLION DUE ON 1ST DAY OF QTR
EQUITY INTERNATIONAL	LAZARD CAPITAL	6/15/2001 7/11/2001 12/10/2004 3/11/2005 12/9/2005 3/10/2006 12/8/2006 11/16/2007 5/21/2008	\$715,393 \$895 \$95,310 \$65,408 \$158,985 \$137,583 \$257,646 -\$285,000 -\$268,819	6/11/2010 12/21/2010 9,9,2011 12/14/2012 6/12/2015	-\$150,270 -\$304,330 -\$200,000 \$150,000 \$690,000	0.65% LAST BUSINESS DAY OF QUARTER
EQUITY EMERGING MARKETS	LAZARD CAPITAL (LZEMX)	11/16/2007 5/21/2008 6/1/2010	\$285,000 -\$8,965 \$646,105	12/14/2012 9/8/2017	\$150,000 \$672,600	1%
MANAGED FUTURES FUND	ABBEY CAPITAL LIMITED	12/21/2010 12/14/2012 12/12/2014	\$760,830 \$130,000 \$339,000	9/8/2017	\$457,100	MANAGEMENT FEE: 1.9% INCENTIVE FEE: 22.0% PLUS COSTS
MANAGED FUTURES FUND	CAVENDISH MANAGED FUTURES (WINTON CAPITAL MANAGEMENT)	4/14/2016 9/8/2017	\$1,400,000 \$302,700			MANAGEMENT FEE - 1% PERFORMANCE FEE - 20% OF NEW PROFITS
ALTERNATIVES	GOLDMAN SACHS STRATEGIC INCOME FUND GSZIX	3/4/2014 12/12/2014 9/8/2017	\$854,190 -78,200 470,000			FEE - .65%
CUSTODIAN	COMERICA	6/15/2001				0.0475%
INVESTMENT CONSULTANT	STEVE GASPER, UBS	3/9/2007				.065% OF PLAN ASSETS ON LAST DAY OF PREVIOUS FY PD QTRLY

*Management fees will be based on the aggregate of the BERS and the BRHC Funds
NOTE: The mid-cap growth fund managed by Forstman-Leff was liquidated 10/25/04 (\$286,583)
NYL MainStay Marketfield liquidated 12/11/15 (\$1,067,024)
Systematic Financial terminated 8/11/2017 (\$2,101,810)

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