

SUMMARY OF RELEVANT FACTS
Town of Longboat Key Combined Retirement Plans
As of September 30, 2017

Distribution of Assets:	
Equity	
-Large Cap. Value	\$5,623,773.11
-Large Cap. Growth	\$5,643,628.38
-Large Cap. Core	\$1,726,220.33
-Mid Cap. Value	\$955,680.77
-Mid Cap. Growth	\$939,702.04
-Small Cap. Value	\$956,879.69
-Small Cap. Growth	\$899,209.66
-International Value	\$2,622,065.03
-International Growth	\$2,628,012.56
Total Equity	\$21,995,171.57
-Fixed Income	\$9,623,458.19
Total Traditional Assets	\$31,618,629.76
Alternative Investments	
-Core Private Real Estate	\$1,602,450.35
-Master Limited Partnerships	\$1,623,191.65
Total Alternative Investments	\$3,225,642.00
Cash (Deposit & Disbursement Acc't)	\$306.19
Total Portfolio	\$34,844,577.95

Distribution by Percentages:	Current	Policy	Range
Equity			
-Large Cap. Value	16.14%	15.00%	12.5 - 17.5%
-Large Cap. Growth	16.20%	15.00%	12.5 - 17.5%
-Large Cap. Core	4.95%	5.00%	2.5 - 7.5%
-Mid Cap. Value	2.74%	2.50%	0.0 - 5.0%
-Mid Cap. Growth	2.70%	2.50%	0.0 - 5.0%
-Small Cap. Value	2.75%	2.50%	0.0 - 5.0%
-Small Cap. Growth	2.58%	2.50%	0.0 - 5.0%
-International Value	7.53%	7.50%	5.0 - 10.0%
-International Growth	7.54%	7.50%	5.0 - 10.0%
Total Equity	63.12%	60.00%	50.0 - 70.0%
-Fixed Income	27.62%	25.00%	15.0 - 35.0%
Total Traditional Assets	90.74%	85.00%	
Alternative Investments			
-Core Private Real Estate	4.60%	10.00%	0.0 - 12.5%
-Master Limited Partnerships	4.66%	5.00%	0.0 - 7.5%
Total Alternative Investments	9.26%	15.00%	0.0 - 20.0%
Cash (Deposit & Disbursement Acc't)	0.00%	0.00%	
Total Portfolio	100.00%	100.00%	

Deposit & Disbursement		
Total Assets	100.00%	\$306
Equity	0.00%	\$0
Cash	100.00%	\$306
Fees		\$0
Gain or (Loss) - Gross-of-Fees		\$37
Gain or (Loss) - Net-of-Fees		\$37

Other Important Facts:	
Total Portfolio	\$34,844,578
Fees	(\$40,850)
Total Gain or (Loss) - Gross-of-Fees	\$1,104,398
Total Gain or (Loss) - Net-of-Fees	\$1,063,548

Vanguard - Large Cap Value ETF		RBC/Fiera - Small Cap Growth	
Total Assets	100.00%	\$5,623,773	100.00%
Equity	100.00%	\$5,623,759	97.71%
Cash	0.00%	\$14	2.29%
Fees		(\$3,671)	(\$1,360)
Gain or (Loss) - Gross-of-Fees		\$220,473	\$74,912
Gain or (Loss) - Net-of-Fees		\$216,801	\$73,552

Vanguard - Large Cap Growth ETF		Lazard - International Value	
Total Assets	100.00%	\$5,643,628	100.00%
Equity	100.00%	\$5,643,468	99.30%
Cash	0.00%	\$160	0.70%
Fees		(\$3,809)	(\$3,640)
Gain or (Loss) - Gross-of-Fees		\$265,160	\$153,041
Gain or (Loss) - Net-of-Fees		\$261,351	\$149,401

Connors - Large Cap Core		Renaissance - International Growth	
Total Assets	100.00%	\$1,726,220	100.00%
Equity	93.50%	\$1,614,040	99.32%
Cash	6.50%	\$112,180	0.68%
Fees		(\$2,461)	(\$3,825)
Gain or (Loss) - Gross-of-Fees		\$61,319	\$148,195
Gain or (Loss) - Net-of-Fees		\$58,858	\$144,370

Kennedy - Mid Cap Value		Pacific - Fixed Income	
Total Assets	100.00%	\$955,681	100.00%
Equity	99.35%	\$949,469	99.45%
Cash	0.65%	\$6,212	0.55%
Fees		(\$1,425)	(\$12,890)
Gain or (Loss) - Gross-of-Fees		\$50,033	\$59,397
Gain or (Loss) - Net-of-Fees		\$48,608	\$46,507

Congress - Mid Cap Growth		Center Coast - MLP	
Total Assets	100.00%	\$939,702	100.00%
Equity	98.89%	\$929,284	98.94%
Cash	1.11%	\$10,418	1.06%
Fees		(\$1,339)	(\$2,786)
Gain or (Loss) - Gross-of-Fees		\$21,357	(\$18,279)
Gain or (Loss) - Net-of-Fees		\$20,017	(\$21,065)

Kayne Anderson - Small Cap Value		American Core Realty - Private Real Estate	
Total Assets	100.00%	\$956,880	100.00%
Equity	99.05%	\$947,772	40.09%
Cash	0.95%	\$9,108	59.91%
Fees		(\$1,424)	(\$2,221)
Gain or (Loss) - Gross-of-Fees		\$56,705	\$12,050
Gain or (Loss) - Net-of-Fees		\$55,281	\$9,829

Breakdown of Returns
Town of Longboat Key Combined Retirement Plans
As of September 30, 2017

EQUITY		Gross-of-Fees	Net-of-Fees			
Vanguard ETF (16.14%)		Return	Return	CRSP Large Value	Russell 1000 Value	
Large Cap. Value						
	Quarter	4.08	4.01	4.14	3.11	
	Fiscal Year to Date	17.74	17.42	17.77	15.12	
	1 Year	17.74	17.42	17.77	15.12	
	Since 6/30/2016	16.72	16.40	16.74	15.03	
Vanguard ETF (16.2%)				CRSP Large Growth	Russell 1000 Growth	
Large Cap. Growth						
	Quarter	4.72	4.65	4.86	5.90	
	Fiscal Year to Date	19.73	19.41	19.86	21.94	
	1 Year	19.73	19.41	19.86	21.94	
	Since 6/30/2016	20.15	19.83	20.33	21.47	
Connors (4.95%)				S&P 500	60% S&P / 40% S&P CBOE	S&P CBOE Buy Write
Large Cap. Core						
	Quarter	3.46	3.31	4.48	3.70	2.54
	Fiscal Year to Date	20.99	20.41	18.61	16.29	12.84
	1 Year	20.99	20.41	18.61	16.29	12.84
	Since 6/30/2016	18.33	17.83	18.15	15.58	11.76
Kennedy (2.74%)				Russell Mid Cap Value		
Mid Cap. Value						
	Quarter	5.51	5.35	2.14		
	Fiscal Year to Date	19.88	19.14	13.37		
	1 Year	19.88	19.14	13.37		
	Since 6/30/2016	22.27	21.53	14.48		
Congress (2.7%)				Russell Mid Cap Growth		
Mid Cap. Growth						
	Quarter	2.31	2.17	5.28		
	Fiscal Year to Date	18.90	18.21	17.82		
	1 Year	18.90	18.21	17.82		
	Since 6/30/2016	16.25	15.59	18.19		
Kayne Anderson (2.75%)				Russell 2000 Value		
Small Cap. Value						
	Quarter	6.26	6.10	5.11		
	Fiscal Year to Date	23.44	22.67	20.55		
	1 Year	23.44	22.67	20.55		
	Since 6/30/2016	22.26	21.51	24.29		

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RBC/Fiera (2.58%) Small Cap. Growth	Gross-of-Fees Return	Net-of-Fees Return	Russell 2000 Growth	
Since 8/31/2017	6.34	6.34	5.45	
Quarter	9.01	8.84	6.22	
Fiscal Year to Date	15.31	14.58	20.98	
1 Year	15.31	14.58	20.98	
Since 6/30/2016	16.39	15.67	24.99	
Lazard (7.53%) International Value			MSCI EAFE (Net)	
Quarter	5.89	5.74	5.40	
Fiscal Year to Date	15.84	15.19	19.10	
1 Year	15.84	15.19	19.10	
Since 6/30/2016	14.92	14.27	20.89	
Renaissance (7.54%) International Growth			MSCI ACWI ex US (Net)	
Quarter	5.51	5.37	6.16	
Fiscal Year to Date	19.80	19.13	19.61	
1 Year	19.80	19.13	19.61	
Since 6/30/2016	22.19	21.51	21.74	
FIXED INCOME Pacific Income Advisors (27.62%)			BC Gov/Credit Intm	
Quarter	0.60	0.47	0.60	
Fiscal Year to Date	0.26	(0.26)	0.23	
1 Year	0.26	(0.26)	0.23	
Since 6/30/2016	0.41	(0.12)	0.31	
ALTERNATIVE - MLPs Center Coast (4.66%)			Alerian MLP	
Quarter	(1.12)	(1.28)	(3.05)	
Fiscal Year to Date	0.85	0.18	(3.70)	
1 Year	0.85	0.18	(3.70)	
Since 6/30/2016	1.32	0.64	(2.14)	
ALTERNATIVE - Private Real Estate American Core Reality (4.6%)			NCREIF Property Index	BC Agg
Since 6/30/2017	1.88	1.53	1.70	0.85

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Time-Weighted Returns (TWR)	Gross-of-Fees	Net-of-Fees	Policy Index
	Return	Return	
Quarter	3.25	3.13	2.99
Fiscal Year to Date	11.74	11.23	11.00
1 Year	11.74	11.23	11.00
Since 6/30/2016	11.67	11.16	11.48
Dollar-Weighted Net (IRR)			Actuary Assumption
Quarter		3.12	1.75
Fiscal Year to Date		11.21	7.00
1 Year		11.21	7.00
Since 6/30/2016		11.08	7.00

Policy Index Date	6/30/2017	6/30/2016
CRSP Large Value	15.00%	15.00%
CRSP Large Growth	15.00%	15.00%
S&P 500	5.00%	5.00%
Russell Mid Cap Value	2.50%	2.50%
Russell Mid Cap Growth	2.50%	2.50%
Russell 2000 Value	2.50%	2.50%
Russell 2000 Growth	2.50%	2.50%
MSCI EAFE (Net)	7.50%	7.50%
MSCI ACWI ex US (Net)	7.50%	7.50%
BC Gov/Credit Intm	32.50%	35.00%
Alerian MLP	5.00%	5.00%
NCREIF Property Index	2.50%	0.00%
Total	100.00%	100.00%

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COMPLIANCE CHECKLIST

Town of Longboat Key Combined Retirement Plans

As of September 30, 2017

GUIDELINES		In Compliance		OBJECTIVES		In Compliance	
Equity Portfolio				Total Portfolio			
Listed on recognized exchange		Yes		3 years	Since Inception	N/A	Yes
Single issue not to exceed 10% at market value for each equity in each separately managed portfolio		Yes		Exceed Target Index		N/A	Yes
Total equity portfolio < 50.0% & > 70.0% of total fund at market value		Yes		Exceed Target Rate of Return (7.0%)*		N/A	Yes
				*Performance compared to dollar-weighted net returns			
Vanguard ETF (16.14%)				RBC (2.58%)			
<u>Large Capitalization Value Equity Portfolio</u>				<u>Small Capitalization Growth Equity Portfolio</u>			
Market Value < 12.5% & > 17.5% of total fund		Yes		Market Value < 0.0% & > 5.0 of total fund		Yes	
Performance (Inception 6/2016)	3 years	Since Inception		Performance (Inception 8/2017)	3 years	Since Inception	
Return > CRSP Large Value	N/A	No		Return > Russell 2000 Growth	N/A	Yes	
Return > Russell 1000 Value	N/A	Yes					
Vanguard ETF (16.2%)				Lazard (7.53%)			
<u>Large Capitalization Growth Equity Portfolio</u>				<u>International Value Equity Portfolio</u>			
Market Value < 12.5% & > 17.5% of total fund		Yes		Market Value < 5.0% & > 10.0 of total fund		Yes	
Performance (Inception 6/2016)	3 years	Since Inception		Performance (Inception 6/2016)	3 years	Since Inception	
Return > CRSP Large Growth	N/A	No		Return > MSCI EAFE (Net)	N/A	No	
Return > Russell 1000 Value	N/A	No					
Connors (4.95%)				Renaissance (7.54%)			
<u>Large Capitalization Core Equity Portfolio</u>				<u>International Growth Equity Portfolio</u>			
Market Value < 2.5% & > 7.5% of total fund		Yes		Market Value < 5.0% & > 10.0 of total fund		Yes	
Performance (Inception 6/2016)	3 years	Since Inception		Performance (Inception 6/2016)	3 years	Since Inception	
Return > S&P 500	N/A	Yes		Return > MSCI ACWI ex US (Net)	N/A	Yes	
Return > 60% S&P/40% S&P CBOE	N/A	Yes					
Return > S&P CBOE Buy Write	N/A	Yes					
Kennedy (2.74%)				Pacific Income Advisors (27.62%)			
<u>Mid Capitalization Value Equity Portfolio</u>				<u>Fixed Income Portfolio</u>			
Market Value < 0.0% & > 5.0% of total fund		Yes		Market Value < 15.0% & > 35.0% of total fund		Yes	
Performance (Inception 6/2016)	3 years	Since Inception		Performance (Inception 6/2016)	3 years	Since Inception	
Return > Russell Midcap Value	N/A	Yes		Return > Barclays Cap Interm. Gov't/Credit	N/A	Yes	
				U.S. Government / Agency or U.S. Corporations		Yes	
				Bonds rated "A" or better		Yes	
				Single corporate issuer not exceed 10% of bond portfolio (except U.S. Government/Agency)		Yes	
Congress (2.7%)				Center Coast (4.66%)			
<u>Mid Capitalization Growth Equity Portfolio</u>				<u>Master Limited Partnerships</u>			
Market Value < 0.0% & > 5.0 of total fund		Yes		Market Value < 0.0% & > 7.50 of total fund		Yes	
Performance (Inception 6/2016)	3 years	Since Inception		Performance (Inception 6/2016)	3 years	Since Inception	
Return > Russell Midcap Growth	N/A	No		Return > Alerian MLP	N/A	Yes	
Kayne Anderson (2.75%)				American Core Reality (4.6%)			
<u>Small Capitalization Value Equity Portfolio</u>				<u>Private Real Estate</u>			
Market Value < 0.0% & > 5.0 of total fund		Yes		Market Value < 0.0% & > 12.5 of total fund		Yes	
Performance (Inception 6/2016)	3 years	Since Inception		Performance (Inception 6/2017)	3 years	Since Inception	
Return > Russell 2000 Value	N/A	No		Return > NCREIF Property Index	N/A	Yes	

QUARTERLY PERFORMANCE EVALUATION

Prepared for:

Town of Longboat Key Retirement Plans

As of September 30, 2017

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Capital Markets Overview: 3Q 2017

Introduction

As of 3Q 2017

- Risk markets globally continued to gain in the third quarter of 2017. Led by international markets, it appears we are in the midst of the most synchronous global economic upturn since 2009. Our bullish global equity outlook assumes earnings estimates will continue to move higher as the global economic recovery persists, and that valuations can expand further as market participants become more comfortable with the self-sustainability of this recovery. As monetary policy fades as the only driver of market outcomes, we see the re-emergence of volatility that's associated with real interest rates tracking real economic growth.
- For the quarter, US equities posted strong performance, especially the Information Technology sector of the S&P 500, which returned 8.65%. Consumer Staples (-1.35%) and Consumer Discretionary (0.84%) were clear laggards as markets discount more potential downside than upside ahead. While the US had solid performance (4.5%), the largest returns for the quarter actually came from abroad with Europe registering 6.5% total return and emerging markets 8.0%, with China's 14.8% return a clear standout. For the one-year period ending September 29, 2017, global equities rallied with double-digit returns exceeding 20% in most regions. Commodities and managed futures lagged for the one-year period.
- The Dow Jones Industrial Average increased 5.6% in the third quarter. The NASDAQ Composite Index was up 6.1% for the quarter. The S&P 500 Index increased 4.5% for the quarter.
- Ten of the 11 sectors within the S&P 500 generated positive returns in 3Q17. The top-performing sector was Information Technology, which was up 8.7%. Energy and Telecom rose 6.8% and 6.8%, respectively, and were also among the top-performing sectors. The biggest laggards were Consumer Staples, which decreased -1.35%, and Consumer Discretionary, which rose 0.84%.
- The bond market registered slightly positive returns during the third quarter. The Bloomberg Barclays US Aggregate Bond Index, a general measure of the bond market, increased 0.8% for the quarter.
- Morgan Stanley & Co. economists expect US real GDP will be 2.2% in 2017. They forecast global GDP growth to be 3.6% in 2017.
- Commodities rose into the third quarter; the Bloomberg Commodity Index increased 2.5%.

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 3Q 2017

The US Economy

As of 3Q 2017

The Department of Commerce estimated that real Gross Domestic Product increased at an annual rate of 3.1% in 2Q17, in comparison to a 1.2% increase in the first quarter of 2017. Morgan Stanley & Co. economists forecast US Real GDP growth will be 2.2% in 2017.

The seasonally adjusted unemployment rate for September 2017 was 4.4%, up from 4.3% in May 2017. Job gains occurred in manufacturing, construction, professional and technical services, health care, and mining. The number of unemployed was little changed at 7.1 million from 6.9 in the previous quarter. The number of long-term unemployed (those jobless for 27 weeks or more) was 1.7 million, little changed from the last quarter. These individuals accounted for 23.9% of the unemployed vs. 24.0% last quarter.

According to the most recent estimate from the Bureau of Economic Analysis, corporate profits increased 0.7% quarter over quarter and are up 6.4% year over year.

Inflation decreased in the US, according to the Bureau of Labor Statistics. The year-over-year Consumer Price Index was 1.9% in May and remains unchanged as of August. Morgan Stanley & Co. economists forecast a 2.0% annual inflation rate for 2017.

The Census Bureau reported that the number of new private-sector housing starts in August 2017 was at a seasonally adjusted annual rate of 1,180,000—1.4% above housing starts this time last year.

The Census Bureau also reported that seasonally adjusted retail and food services sales increased at 3.2% year over year in August, a 100-basis-point decline since last quarter. Consumer confidence steadied in the third quarter of 2017, with Conference Board Consumer Confidence reading 119.80 after reaching the highest level it had been since 2000 in March.

In September, the Institute for Supply Management's Purchasing Managers' Index (PMI), a manufacturing sector index, increased as the PMI registered 60.8%, a three percent uptick from June's reading of 57.8. Generally speaking, a PMI or NMI (ISM Non-Manufacturing Index) over 50 indicates that the sector is expanding and a PMI below 50 but over 43 indicates that the sector is shrinking but the overall economy is expanding. PMI has registered above 50 for 15 out of the last 16 months, indicating an expansion in manufacturing since March 2016. Overall, PMI has been above 43 for 99 consecutive months, indicating overall economic recovery and expansion since June 2009.

The NMI is down 1.6 points to 55.3 since August 2017. The index has now been above 50 for 90 consecutive months, indicating non-manufacturing expansion since February 2010.

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 3Q 2017

US Equity Markets

As of 3Q 2017

The Dow Jones Industrial Average increased 5.6% in the third quarter. The NASDAQ Composite Index was up 6.1% for the quarter. The S&P 500 Index increased 4.5% for the quarter.

Ten of the 11 sectors within the S&P 500 generated positive returns in 3Q17. The top-performing sector was Information Technology, which was up 8.7%. Energy and Telecom rose 6.8% and 6.8%, respectively, and were also among the top-performing sectors. The biggest laggards were Consumer Staples, which decreased -1.35%, and Consumer Discretionary, which rose 0.84%.

The Russell 1000 Index, a large-cap index, increased 4.5% for the quarter, with large-cap growth (5.9%) outperforming large-cap value (3.1%).

The Russell Midcap Index increased 3.5% for the quarter, with mid-cap growth (5.3%) outperforming mid-cap value (2.1%).

The Russell 2000 Index, a small-cap index, increased 5.7% for the quarter, with small-cap growth (6.0%) outperforming small-cap value (4.6%).

Key US Stock Market Index Returns (%) for the Period Ending 9/29/2017				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
S&P 500	4.5%	19.6%	14.2%	14.3%
Dow Jones	5.6%	26.6%	13.6%	13.8%
Russell 2000	5.7%	22.1%	13.8%	13.5%
Russell Midcap	3.5%	16.2%	14.2%	13.8%
Russell 1000	4.5%	19.5%	14.3%	14.3%

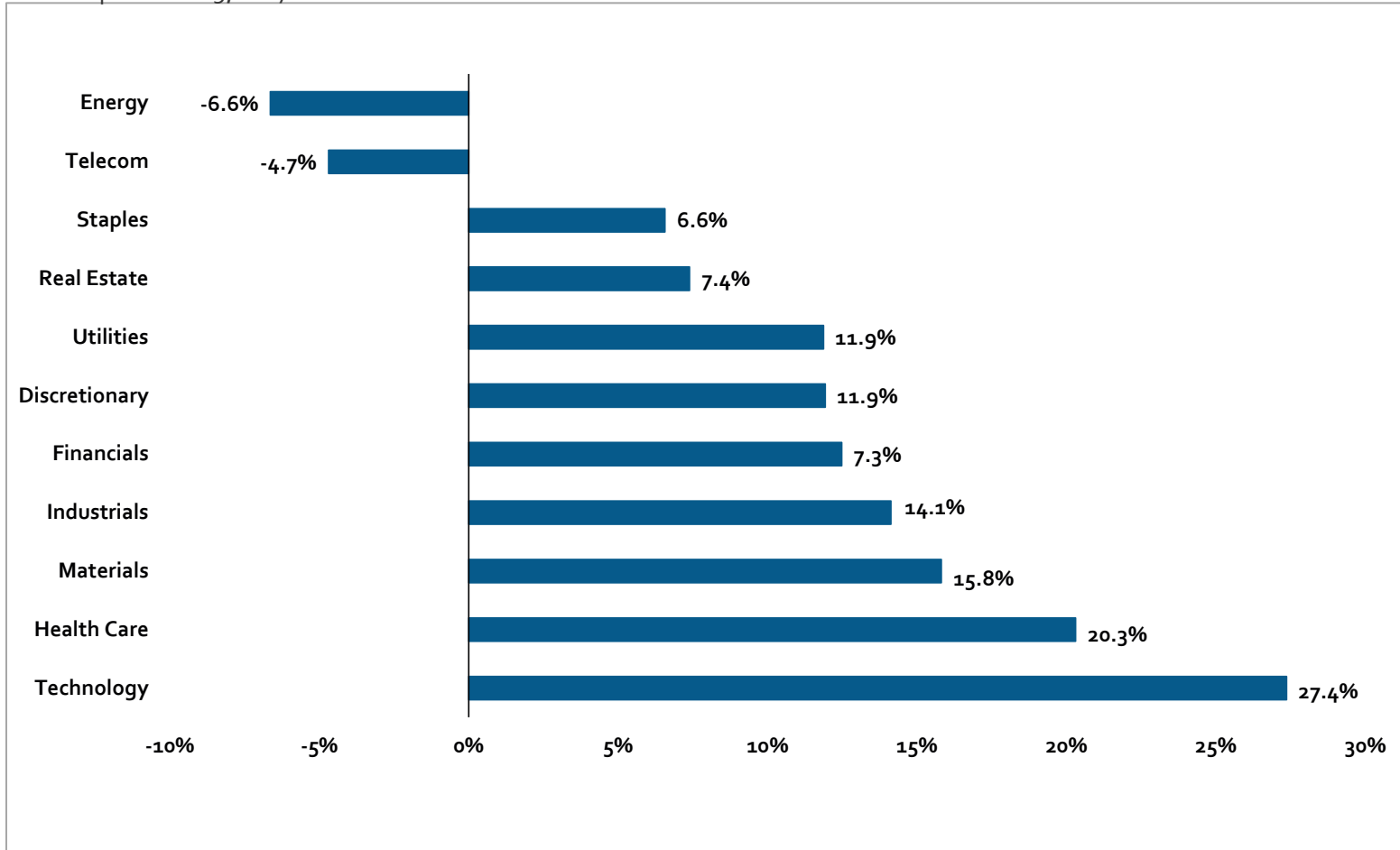
Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC

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S&P 500 Sectors

YTD 2017 Total Return

As of September 29, 2017



Source: Bloomberg

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Capital Markets Overview: 3Q 2017

Global Equity Markets

As of 3Q 2017

In the third quarter, emerging markets (EM) and international developed regions both delivered positive returns (in USD). The MSCI EAFE Index (a benchmark for international developed markets) increased 5.5% for US-currency investors and increased 3.4% for local-currency investors, as the US dollar significantly depreciated in relation to the currencies of many nations in the index.

For the third quarter, the MSCI Emerging Markets Index increased 8.0% for US-currency investors and 7.7% for local-currency investors. The MSCI Europe Index increased 6.5% for US-currency investors and increased 3.5% for local-currency investors during 3Q17.

The S&P 500 Index increased 4.5% for the quarter.

Emerging economy equity market indices were up in the third quarter. The MSCI BRIC (Brazil, Russia, India and China) Index rose 13.9% for the quarter in US dollar terms and 13.2% in terms of local currencies. For the third quarter, the MSCI EM Asia Index was up 7.2% in US dollar terms and 7.2% in local terms.

Key Global Equity Market Index Returns (%) for the Period Ending 9/29/2017				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
MSCI EAFE	5.5%	19.3%	8.9%	6.8%
MSCI EAFE Growth	5.0%	15.8%	9.3%	7.3%
MSCI EAFE Value	5.9%	22.8%	8.4%	6.2%
MSCI Europe	6.5%	23.2%	9.0%	7.0%
MSCI Japan	4.1%	13.2%	10.9%	7.2%
S&P 500	4.5%	19.6%	14.2%	14.3%
MSCI Emerging Markets	8.0%	21.6%	4.4%	3.0%

Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 3Q 2017

The US Bond Market

As of 3Q 2017

The bond market registered positive returns during the third quarter. The Bloomberg Barclays US Aggregate Bond Index, a general measure of the bond market, increased 0.8% for the quarter as the curve continued to flatten.

Interest rates increased during the third quarter, as the yield on the 10-year US Treasury note increased to a quarter-end 2.33% from 2.30% at the end of 2Q17. This came out to a 1.3% increase in rates for the quarter.

Riskier parts of the bond market such as US high yield debt also increased in the third quarter. The Bloomberg Barclays Capital High Yield Index, a measure of lower-rated corporate bonds, rose 2.0%.

Mortgage-backed securities posted slightly positive returns during the third quarter. The Bloomberg Barclays Capital Mortgage Backed Index increased 1.0% for the quarter. During the third quarter, the municipal bond market also increased. As a result, the Bloomberg Barclays Capital Muni Index generated a 1.1% return for the quarter.

Key US Bond Market Index Returns (%) for the Period Ending 9/29/2017				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
Bloomberg Barclays Capital US Aggregate	0.8%	-0.2%	2.1%	3.0%
Bloomberg Barclays Capital High Yield	2.0%	9.0%	6.4%	7.5%
Bloomberg Barclays Capital Government/Credit	0.8%	-0.4%	2.1%	3.0%
Bloomberg Barclays Capital Government	0.4%	-2.0%	1.2%	2.2%
Bloomberg Barclays Capital Intermediate Govt/Credit	0.6%	0.1%	1.6%	2.3%
Bloomberg Barclays Capital Long Govt/Credit	1.5%	-1.6%	3.9%	6.2%
Bloomberg Barclays Capital Mortgage Backed Securities	1.0%	0.2%	2.0%	2.7%
Bloomberg Barclays Capital Muni	1.1%	0.8%	3.0%	3.9%

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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Nontraditional investment options and strategies are often employed by a portfolio manager to further a fund’s investment objective and to help offset market risks. However, these features may be complex, making it more difficult to understand the fund’s essential characteristics and risks, and how it will perform in different market environments and over various periods of time. They may also expose the fund to increased volatility and unanticipated risks particularly when used in complex combinations and/or accompanied by the use of borrowing or “leverage.”

KEY ASSET CLASS CONSIDERATIONS AND OTHER RISKS

Investing in the markets entails the risk of market volatility. The value of all types of investments, including stocks, mutual funds, exchange-traded funds (“ETFs”), closed-end funds, and unit investment trusts, may increase or decrease over varying time periods. To the extent the investments depicted herein represent **international securities**, you should be aware that there may be additional risks associated with international investing, including foreign economic, political, monetary and/or legal factors, changing currency exchange rates, foreign taxes, and differences in financial and accounting standards. These risks may be magnified in **emerging markets and frontier markets**. **Small- and mid-capitalization companies** may lack the financial resources, product diversification and competitive strengths of larger companies. In addition, the securities of small- and mid-capitalization companies may not trade as readily as, and be subject to higher volatility than, those of larger, more established companies. The value of **fixed income securities** will fluctuate and, upon a sale, may be worth more or less than their original cost or maturity value. Bonds are subject to interest rate risk, call risk, reinvestment risk, liquidity risk, and credit risk of the issuer. **High yield bonds** are subject to additional risks such as increased risk of default and greater volatility because of the lower credit quality of the issues. In the case of **municipal bonds**, income is generally exempt from federal income taxes. Some income may be subject to state and local taxes and to the federal alternative minimum tax. Capital gains, if any, are subject to tax. **Treasury Inflation Protection Securities’ (TIPS)** coupon payments and underlying principal are automatically increased to compensate for inflation by tracking the consumer price index (CPI). While the real rate of return is guaranteed, TIPS tend to offer a low return. Because the return of TIPS is linked to inflation, TIPS may significantly underperform versus conventional U.S. Treasuries in times of low inflation. There is no guarantee that investors will receive par if TIPS are sold prior to maturity. The returns on a portfolio consisting primarily of **environmental, social, and governance-aware investments (“ESG”)** may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because ESG criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria. The companies identified and investment examples are for illustrative purposes only and should not be deemed a recommendation to purchase, hold or sell any securities or investment products. They are intended to demonstrate the approaches taken by managers who focus on ESG criteria in their investment strategy. There can be no guarantee that a client's account will be managed as described herein. **Options** and margin trading involve substantial risk and are not suitable for all investors. Besides the general investment risk of holding securities that may decline in value and the possible loss of principal invested, **closed-end funds** may have additional risks related to declining market prices relative to net asset values (NAVs), active manager underperformance and potential leverage. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one-time public offering and once issued, shares of closed-end funds are sold in the open

market through a stock exchange. NAV is total assets less total liabilities divided by the number of shares outstanding. At the time an investor purchases shares of a closed-end fund, shares may have a market price that is above or below NAV. Portfolios that invest a large percentage of assets in only one industry **sector** (or in only a few sectors) are more vulnerable to price fluctuation than those that diversify among a broad range of sectors. **Alternative investments** often are speculative and include a high degree of risk. Investors could lose all or a substantial amount of their investment. Alternative investments are suitable only for eligible, long-term investors who are willing to forgo liquidity and put capital at risk for an indefinite period of time. They may be highly illiquid and can engage in leverage and other speculative practices that may increase the volatility and risk of loss. Alternative Investments typically have higher fees than traditional investments. 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Composite index results are shown for illustrative purposes and do not represent the performance of a specific investment. Individual funds have specific tax risks related to their investment programs that will vary from fund to fund. Clients should consult their own tax and legal advisors as Morgan Stanley Wealth Management does not provide tax or legal advice. Interests in alternative investment products are offered pursuant to the terms of the applicable offering memorandum, are distributed by Morgan Stanley Smith Barney LLC and certain of its affiliates, and (1) are not FDIC-insured, (2) are not deposits or other obligations of Morgan Stanley or any of its affiliates, (3) are not guaranteed by Morgan Stanley and its affiliates, and (4) involve investment risks, including possible loss of principal. Morgan Stanley Smith Barney LLC is a registered broker-dealer, not a bank. 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As a diversified global financial services firm, Morgan Stanley Wealth Management engages in a broad spectrum of activities including financial advisory services, investment management activities, sponsoring and managing private investment funds, engaging in broker-dealer transactions and principal securities, commodities and foreign exchange transactions, research publication, and other activities. In the ordinary course of its business, Morgan Stanley Wealth Management therefore engages in activities where Morgan Stanley Wealth Management's interests may conflict with the interests of its clients, including the private investment funds it manages. Morgan Stanley Wealth Management can give no assurance that conflicts of interest will be resolved in favor of its clients or any such fund. Alternative investments involve complex tax structures, tax inefficient investing, and delays in distributing important tax information. Individual funds have specific risks related to their investment programs that will vary from fund to fund. Clients should consult their own tax and legal advisors as Morgan Stanley Wealth Management does not provide tax or legal advice.

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another, and the index may not accurately reflect the performance of a described style); and limited data (many hedge funds do not report to indices, and the index may omit funds, the inclusion of which might significantly affect the performance shown. The HFRI indices are based on information self-reported by hedge fund managers that decide on their own, at any time, whether or not they want to provide, or continue to provide, information to HFR Asset Management, L.L.C. Results for funds that go out of business are included in the index until the date that they cease operations. Therefore, these indices may not be complete or accurate representations of the hedge fund universe, and may be biased in several ways.

It should be noted that the majority of hedge fund indexes are comprised of hedge fund manager returns. This is in contrast to traditional indexes, which are comprised of individual securities in the various market segments they represent and offer complete transparency as to membership and construction methodology. As such, some believe that hedge fund index returns have certain biases that are not present in traditional indexes. Some of these biases inflate index performance, while others may skew performance negatively. However, many studies indicate that overall hedge fund index performance has been biased to the upside. Some studies suggest performance has been inflated by up to 260 basis points or more annually depending on the types of biases included and the time period studied. Although there are numerous potential biases that could affect hedge fund returns, we identify some of the more common ones throughout this paper. Self-selection bias results when certain manager returns are not included in the index returns and may result in performance being skewed up or down. Because hedge funds are private placements, hedge fund managers are able to decide which fund returns they want to report and are able to opt out of reporting to the various databases. Certain hedge fund managers may choose only to report returns for funds with strong returns and opt out of reporting returns for weak performers. Other hedge funds that close may decide to stop reporting in order to retain secrecy, which may cause a downward bias in returns. Survivorship bias results when certain constituents are removed from an index. This often results from the closure of funds due to poor performance, “blow ups,” or other such events. As such, this bias typically results in performance being skewed higher. As noted, hedge fund index performance biases can result in positive or negative skew. However, it would appear that the skew is more often positive. While it is difficult to quantify the effects precisely, investors should be aware that idiosyncratic factors may be giving hedge fund index returns an artificial “lift” or upwards bias.

Hedge Funds of Funds and many funds of funds are private investment vehicles restricted to certain qualified private and institutional investors. They are often speculative and include a high degree of risk. Investors can lose all or a substantial amount of their investment. They may be highly illiquid, can engage in leverage and other speculative practices that may increase volatility and the risk of loss, and may be subject to large investment minimums and initial lockups. They involve complex tax structures, tax-inefficient investing and delays in distributing important tax information. Categorically, hedge funds and funds of funds have higher fees and expenses than traditional investments, and such fees and expenses can lower the returns achieved by investors. Funds of funds have an additional layer of fees over and above hedge fund fees that will offset returns. An investment in an **exchange-traded fund** involves risks similar to those of investing in a broadly based portfolio of equity securities traded on an exchange in the relevant securities market, such as market fluctuations caused by such factors as economic and political developments, changes in interest rates and perceived trends in stock and bond prices. An investment in a **target date portfolio** is subject to the risks attendant to the underlying funds in which it invests, in these portfolios the funds are the Consulting Group Capital Market funds. A target date portfolio is geared to investors who will retire and/or require income at an approximate year. The portfolio is managed to meet the investor’s goals by the pre-established year or “target date.” A target date portfolio will transition its invested assets from a more aggressive portfolio to a more conservative portfolio as the target date draws closer. An investment in the target date portfolio is not guaranteed at any time, including, before or after the target date is reached. **Managed futures** investments are speculative, involve a high degree of risk, use significant leverage, are generally illiquid, have substantial charges, subject investors to conflicts of interest, and are suitable only for the risk capital portion of an investor’s portfolio. Managed futures investments do not replace equities or bonds but rather may act as a complement in a well diversified portfolio. Managed Futures are complex and not appropriate for all investors. **Rebalancing** does not protect against a loss in declining financial markets. There may be a potential tax implication with a rebalancing strategy. **Asset allocation and diversification** do not assure a profit or protect against loss in declining financial markets. Past performance is no guarantee of future results. Actual results may vary.

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This material is not a financial plan and does not create an investment advisory relationship between you and your Morgan Stanley Financial Advisor. We are not your fiduciary either under the Employee Retirement Income Security Act of 1974 (ERISA) or the Internal Revenue Code of 1986, and any information in this report is not intended to form the primary basis for any investment decision by you, or an investment advice or recommendation for either ERISA or Internal Revenue Code purposes. Morgan Stanley Private Wealth Management will only prepare a financial plan at your specific request using Private Wealth Management approved financial planning signature.

We may act in the capacity of a broker or that of an advisor. As your broker, we are not your fiduciary and our interests may not always be identical to yours. Please consult with your Private Wealth Advisor to discuss our obligations to disclose to you any conflicts we may from time to time have and our duty to act in your best interest. We may be paid both by you and by others who compensate us based on what you buy. Our compensation, including that of your Private Wealth Advisor, may vary by product and over time.

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For index, indicator and survey definitions referenced in this report please visit the following: <http://www.morganstanleyfa.com/public/projectfiles/id.pdf>

Global Investment Committee (GIC) Asset Allocation Models: The Asset Allocation Models are created by Morgan Stanley Wealth Management's GIC. **HYPOTHETICAL MODEL PERFORMANCE (GROSS):** Hypothetical model performance results do not reflect the investment or performance of an actual portfolio following a GIC Strategy, but simply reflect actual historical performance of selected indices on a real-time basis over the specified period of time representing the GIC's strategic and tactical allocations as of the date of this report. The past performance shown here is simulated performance based on benchmark indices, not investment results from an actual portfolio or actual trading. There can be large differences between hypothetical and actual performance results achieved by a particular asset allocation or trading strategy. Hypothetical performance results do not represent actual trading and are generally designed with the benefit of hindsight. Actual performance results of accounts vary due to, for example, market factors (such as liquidity) and client-specific factors (such as investment vehicle selection, timing of contributions and withdrawals, restrictions and rebalancing schedules). Clients would not necessarily have obtained the performance results shown here if they had invested in accordance with any GIC Asset Allocation Model for the periods indicated. Despite the limitations of hypothetical performance, these hypothetical performance results allow clients and Financial Advisors to obtain a sense of the risk/return trade-off of different asset allocation constructs. The hypothetical performance results in this report are calculated using the returns of benchmark indices for the asset classes, and not the returns of securities, fund or other investment products. Models may contain allocations to Hedge Funds, Private Equity and Private Real Estate. The benchmark indices for these asset classes are not issued on a daily basis. When calculating model performance on a day for which no benchmark index data is issued, we have assumed straight line growth between the index levels issued before and after that date. **FEES REDUCE THE PERFORMANCE OF ACTUAL ACCOUNTS:** None of the fees or other expenses (e.g. commissions, mark-ups, mark-downs, fees) associated with actual trading or accounts are reflected in the GIC Asset Allocation Models. The GIC Asset Allocation Models and any model performance included in this presentation are intended as educational materials. Were a client to use these models in connection with investing, any investment decisions made would be subject to transaction and other costs which, when compounded over a period of years, would decrease returns. Information regarding Morgan Stanley's standard advisory fees is available in the Form ADV Part 2, which is available at www.morganstanley.com/adv. The following hypothetical illustrates the compound effect fees have on investment returns: For example, if a portfolio's annual rate of return is 15% for 5 years and the account pays 50 basis points in fees per annum, the gross cumulative five-year return would be 101.1% and the five-year return net of fees would be 96.8%. Fees and/or expenses would apply to clients who invest in investments in an account based on these asset allocations, and would reduce clients' returns. The impact of fees and/or expenses can be material. **insurance products disclosures: Variable annuities** are long-term investments designed for retirement purposes and may be subject to market fluctuations, investment risk, and possible loss of principal. All guarantees, including optional benefits, are based on the financial strength and claims-paying ability of the issuing insurance company and do not apply to the underlying investment options. Optional riders may not be able to be purchased in combination and are available at an additional cost. Some optional riders must be elected at time of purchase. Optional riders may be subject to specific limitations, restrictions, holding periods, costs, and expenses as specified by the insurance company in the annuity contract. If you are investing in a **variable annuity** through a tax-advantaged retirement plan such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity because of its other features, such as lifetime income payments and death benefits protection. Taxable distributions (and certain deemed distributions) are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal income tax penalty. Early withdrawals will reduce the death benefit and cash surrender value. **Equity securities** may fluctuate in response to news on companies, industries, market conditions and general economic environment. **Ultrashort-term fixed income** asset class is comprised of fixed income securities with high quality, very short maturities. They are therefore subject to the risks associated with debt securities such as credit and interest rate risk. **Master Limited Partnerships (MLPs)** are limited partnerships or limited liability companies that are taxed as partnerships and whose interests (limited partnership units or limited liability company units) are traded on securities exchanges like shares of common stock. Currently, most MLPs operate in the energy, natural resources or real estate sectors. Investments in MLP interests are subject to the risks generally applicable to companies in the energy and natural resources sectors, including commodity pricing risk, supply and demand risk, depletion risk and exploration risk. Individual MLPs are publicly traded partnerships that have unique risks related to their structure. These include, but are not limited to, their reliance on the capital markets to fund growth, adverse ruling on the current tax treatment of distributions (typically mostly tax deferred), and commodity volume risk. The potential tax benefits from investing in MLPs depend on their being treated as partnerships for federal income tax purposes and, if the MLP is deemed to be a corporation, then its income would be subject to federal taxation at the entity level, reducing the amount of cash available for distribution to the fund which could result in a reduction of the fund's value. MLPs carry interest rate risk and may underperform in a rising interest rate environment. MLP funds accrue deferred income taxes for future tax liabilities associated with the portion of MLP distributions considered to be a tax-deferred return of capital and for any net operating gains as well as capital appreciation of its investments; this deferred tax liability is reflected in the daily NAV, and, as a result, the MLP fund's after-tax performance could differ significantly from the underlying assets even if the pre-tax performance is closely tracked. **Investing in commodities** entails significant risks. Commodity prices may be affected by a variety of factors at any time, including but not limited to, (i) changes in supply and demand relationships, (ii) governmental programs and policies, (iii) national and international political and economic events, war and terrorist events, (iv) changes in interest and exchange rates, (v) trading activities in commodities and related contracts, (vi) pestilence, technological change and weather, and (vii) the price volatility of a commodity. In addition, the commodities markets are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity, participation of speculators and government intervention. **Physical precious metals** are non-regulated products. Precious metals are speculative investments, which may experience short-term and long term price volatility. The value of precious metals investments may fluctuate and may appreciate or decline, depending on market conditions. Unlike bonds and stocks, precious metals do not make interest or dividend payments. Therefore, precious metals may not be suitable for investors who require current

income. Precious metals are commodities that should be safely stored, which may impose additional costs on the investor. **REITs** investing risks are similar to those associated with direct investments in real estate: property value fluctuations, lack of liquidity, limited diversification and sensitivity to economic factors such as interest rate changes and market recessions. Risks of **private real estate** include: illiquidity; a long-term investment horizon with a limited or nonexistent secondary market; lack of transparency; volatility (risk of loss); and leverage. Principal is returned on a monthly basis over the life of a **mortgage-backed security**. Principal prepayment can significantly affect the monthly income stream and the maturity of any type of MBS, including standard MBS, CMOs and Lottery Bonds. **Asset-backed securities** generally decrease in value as a result of interest rate increases, but may benefit less than other fixed-income securities from declining interest rates, principally because of prepayments. **Yields** are subject to change with economic conditions. Yield is only one factor that should be considered when making an investment decision. **Credit ratings** are subject to change. The majority of \$25 and \$1000 par **preferred securities** are "callable" meaning that the issuer may retire the securities at specific prices and dates prior to maturity. Interest/dividend payments on certain preferred issues may be deferred by the issuer for periods of up to 5 to 10 years, depending on the particular issue. The investor would still have income tax liability even though payments would not have been received. Price quoted is per \$25 or \$1,000 share, unless otherwise specified. Current yield is calculated by multiplying the coupon by par value divided by the market price. The initial interest rate on a **floating-rate security** may be lower than that of a fixed-rate security of the same maturity because investors expect to receive additional income due to future increases in the floating security's underlying reference rate. The reference rate could be an index or an interest rate. However, there can be no assurance that the reference rate will increase. Some floating-rate securities may be subject to call risk. The market value of **convertible bonds** and the underlying common stock(s) will fluctuate and after purchase may be worth more or less than original cost. If sold prior to maturity, investors may receive more or less than their original purchase price or maturity value, depending on market conditions. Callable bonds may be redeemed by the issuer prior to maturity. Additional call features may exist that could affect yield. Some \$25 or \$1000 **par preferred securities** are QDI (Qualified Dividend Income) eligible. Information on QDI eligibility is obtained from third party sources. The dividend income on QDI eligible preferreds qualifies for a reduced tax rate. Many traditional 'dividend paying' perpetual preferred securities (traditional preferreds with no maturity date) are QDI eligible. In order to qualify for the preferential tax treatment all qualifying preferred securities must be held by investors for a minimum period – 91 days during a 180 day window period, beginning 90 days before the ex-dividend date. Companies paying **dividends** can reduce or cut payouts at any time. **Nondiversification**: For a portfolio that holds a concentrated or limited number of securities, a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than a less concentrated portfolio. The **indices selected by Morgan Stanley Wealth Management** to measure performance are representative of broad asset classes. Morgan Stanley Wealth Management retains the right to change representative indices at any time. Because of their narrow focus, **sector investments** tend to be more volatile than investments that diversify across many sectors and companies. **Growth investing** does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations. **Value investing** does not guarantee a profit or eliminate risk. Not all companies whose stocks are considered to be value stocks are able to turn their business around or successfully employ corrective strategies which would result in stock prices that do not rise as initially expected. Any type of **continuous or periodic investment plan** does not assure a profit and does not protect against loss in declining markets. Since such a plan involves continuous investment in securities regardless of fluctuating price levels of such securities, the investor should consider his financial ability to continue his purchases through periods of low price levels. **Duration**, the most commonly used measure of bond risk, quantifies the effect of changes in interest rates on the price of a bond or bond portfolio. The longer the duration, the more sensitive the bond or portfolio would be to changes in interest rates. This material is disseminated in the United States of America by Morgan Stanley Smith Barney LLC. Morgan Stanley Wealth Management is not acting as a municipal advisor to any municipal entity or obligated person within the meaning of Section 15B of the Securities Exchange Act (the "Municipal Advisor Rule") and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of the Municipal Advisor Rule. This material, or any portion thereof, may not be reprinted, sold or redistributed without the written consent of Morgan Stanley Smith Barney LLC. © 2017 Morgan Stanley Smith Barney LLC. Member SIPC.

Town of Longboat Key Combined Retirement Plan

Asset Allocation & Time Weighted Performance

as of September 30, 2017

	Allocation		Performance(%)				
	Market Value (\$)	%	Current Quarter	Fiscal YTD	1 Year	Since Inception	Inception Date
Total Fund	34,844,578	100.00	3.25	11.74	11.74	11.67	07/01/2016
Policy Index			2.99	11.00	11.00	11.48	
Domestic Equity							
Vanguard - Large Cap Value	5,623,773	16.14	4.08	17.74	17.74	16.72	07/01/2016
CRSP Lg VL			4.14	17.77	17.77	16.75	
Vanguard - Large Cap Growth	5,643,628	16.20	4.72	19.73	19.73	20.15	07/01/2016
CRSP Lg Cap Gr			4.86	19.86	19.86	20.34	
Connors - Covered Calls	1,726,220	4.95	3.46	20.99	20.99	18.33	07/01/2016
S&P 500 Total Return			4.48	18.61	18.61	18.16	
Kennedy - Mid Cap Value	955,681	2.74	5.51	19.88	19.88	22.27	07/01/2016
Russell Midcap Value			2.14	13.37	13.37	14.48	
Congress - Mid Cap Growth	939,702	2.70	2.31	18.90	18.90	16.25	07/01/2016
Russell Midcap Growth			5.28	17.82	17.82	18.20	
Kayne Anderson - Small Cap Value	956,880	2.75	6.26	23.44	23.44	22.26	07/01/2016
Russell 2000 VL			5.11	20.55	20.55	24.31	
RBC/Fiera Capital - Small Cap Growth	899,210	2.58	9.01	15.31	15.31	16.39	07/01/2016
Russell 2000 Gr			6.22	20.98	20.98	24.99	
International Equity							
Lazard - International Value	2,622,065	7.53	5.89	15.84	15.84	14.92	07/01/2016
MSCI EAFE Net			5.40	19.10	19.10	20.91	
Renaissance - International Growth	2,628,013	7.54	5.51	19.80	19.80	22.19	07/01/2016
MSCI AC World ex US Net			6.16	19.61	19.61	21.75	

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Town of Longboat Key Combined Retirement Plan

Asset Allocation & Time Weighted Performance

as of September 30, 2017

	Allocation		Performance(%)				
	Market Value (\$)	%	Current Quarter	Fiscal YTD	1 Year	Since Inception	Inception Date
Fixed Income							
Pacific Income - Fixed Income	9,623,458	27.62	0.60	0.26	0.26	0.41	07/01/2016
BC Gov/Cr Intm			0.60	0.23	0.23	0.31	
Alternatives							
Center Coast - MLPs	1,623,192	4.66	-1.12	0.85	0.85	1.32	07/01/2016
Alerian MLP Index			-3.05	-3.70	-3.70	-2.14	
American Core Realty Fd LLC - DVP	1,602,450	4.60	1.88	N/A	N/A	1.88	07/01/2017
NCREIF Property Idx			1.70	N/A	N/A	1.70	
Cash & Equivalents							
Cash	306	0.00	7.99	8.17	8.17	6.50	07/01/2016
90-Day T-Bills			0.25	0.64	0.64	0.57	

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Town of Longboat Key Combined Retirement Plan
Asset Allocation & Net Dollar Weighted Performance (IRR)
as of September 30, 2017

	%	Current Quarter	Fiscal YTD	1 Year	Since Inception	Inception Date
Total Fund	100.00	3.14	11.24	11.24	11.10	06/30/2016
Domestic Equity						
Vanguard - Large Cap Value	16.14	4.01	17.73	17.73	16.50	06/30/2016
Vanguard - Large Cap Growth	16.20	4.72	19.49	19.49	19.67	06/30/2016
Connors - Covered Calls	4.95	3.34	20.58	20.58	18.19	06/30/2016
Kennedy - Mid Cap Value	2.74	5.34	19.35	19.35	21.86	06/30/2016
Congress - Mid Cap Growth	2.70	2.16	18.23	18.23	15.63	06/30/2016
Kayne Anderson - Small Cap Value	2.75	6.09	23.00	23.00	21.65	06/30/2016
RBC/Fiera Capital - Small Cap Growth	2.58	8.82	14.59	14.59	15.86	06/30/2016
International Equity						
Lazard - International Value	7.53	5.76	14.87	14.87	14.01	06/30/2016
Renaissance - International Growth	7.54	5.43	18.97	18.97	21.73	06/30/2016
Fixed Income						
Pacific Income - Fixed Income	27.62	0.47	-0.35	-0.35	-0.18	06/30/2016
Alternatives						
Center Coast - MLPs	4.66	-1.28	0.31	0.31	0.74	06/30/2016
American Core Realty Fd LLC - DVP	4.60	1.24	N/A	N/A	1.24	06/30/2017
Cash & Equivalents						
Cash	0.00	0.06	0.03	0.03	0.03	06/30/2016

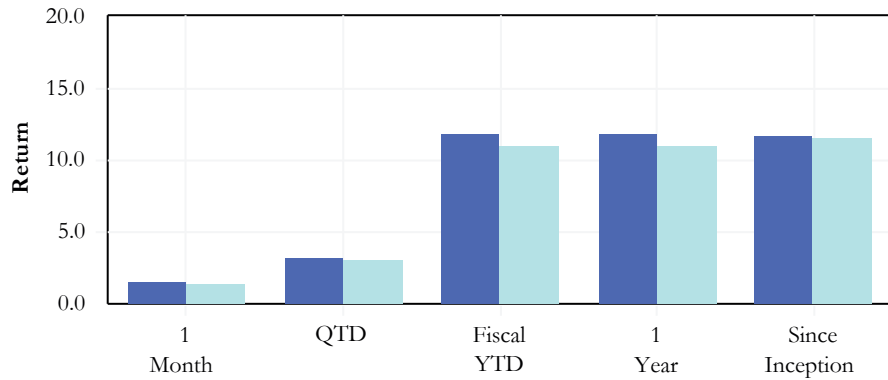
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Town of Longboat Key Combined Retirement Plan

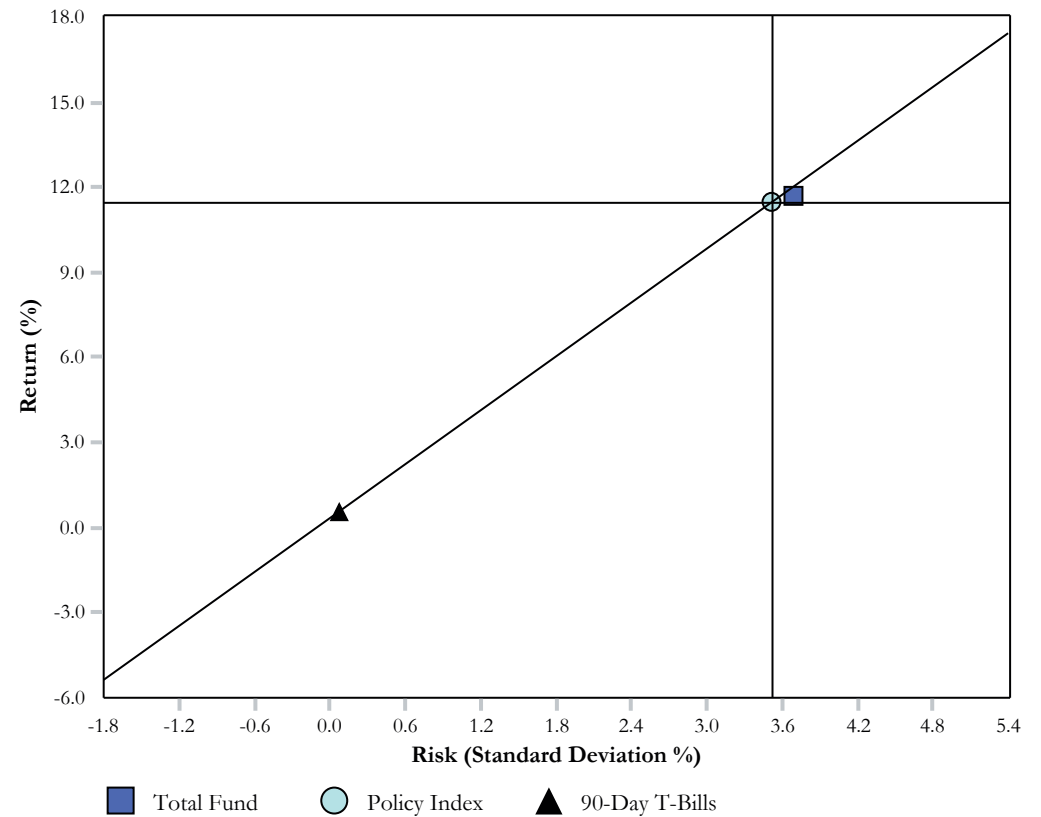
Total Fund - Executive Summary

as of September 30, 2017

Manager Performance Chart



Manager Risk & Return



Manager Annualized Performance

	1 Month	QTD	Fiscal YTD	1 Year	Inception 07/01/2016
Total Fund	1.52	3.25	11.74	11.74	11.67
Policy Index	1.42	2.99	11.00	11.00	11.48
Differences	0.10	0.26	0.74	0.74	0.19

Historic Asset Growth

	1 Month	QTD	Fiscal YTD	1 Year	Inception 07/01/2016
Total Fund					
Beginning Market Value	33,931	34,214	32,324	32,324	32,898
Net Contributions	397	-427	-1,005	-1,005	-2,399
Fees/Expenses	-2	-41	-151	-151	-187
Income	85	192	726	726	885
Gain/Loss	433	906	2,951	2,951	3,648
Ending Market Value	34,845	34,845	34,845	34,845	34,845

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Total Fund	11.67	3.69	1.03	-1.92	102.92	114.00	-0.20	2.87	0.98	07/01/2016
Policy Index	11.48	3.53	1.00	-1.69	100.00	100.00	0.00	2.95	1.00	07/01/2016

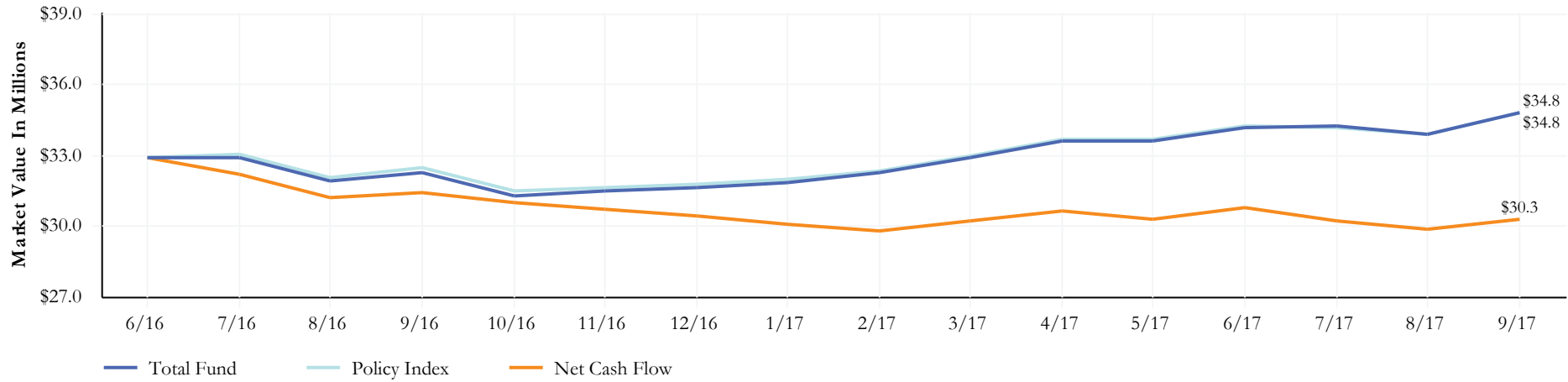
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Town of Longboat Key Combined Retirement Plan

Total Fund - Change in Assets & Distribution of Returns

as of September 30, 2017

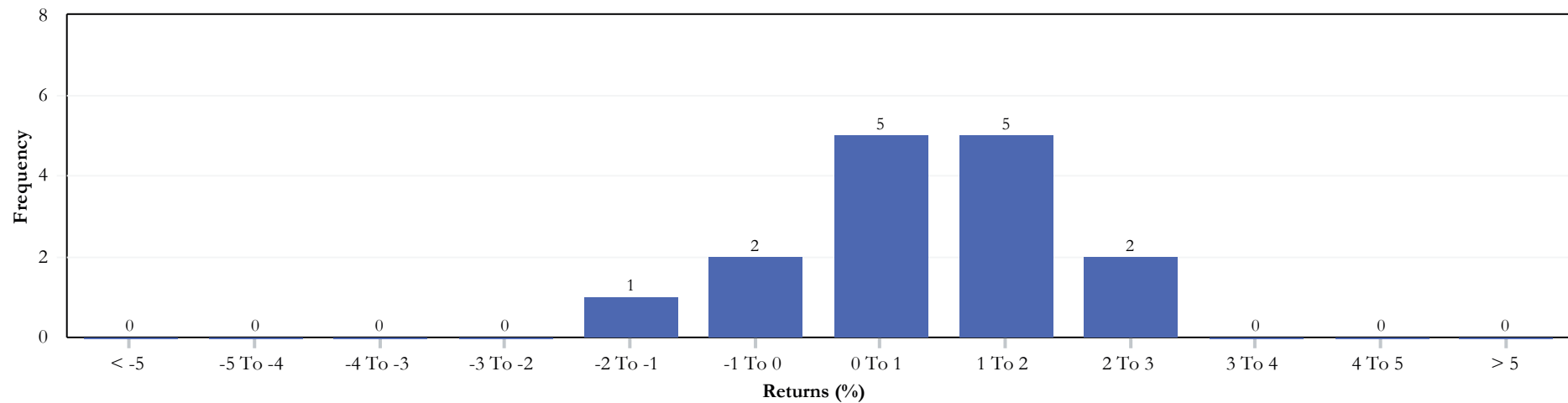
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 07/01/2017	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Return On Investment	Market Value As of 09/30/2017
Total Fund	34,214.35	-	2,584.62	-3,011.84	-40.85	-	192.29	1,098.30	34,844.58

Distribution of Returns



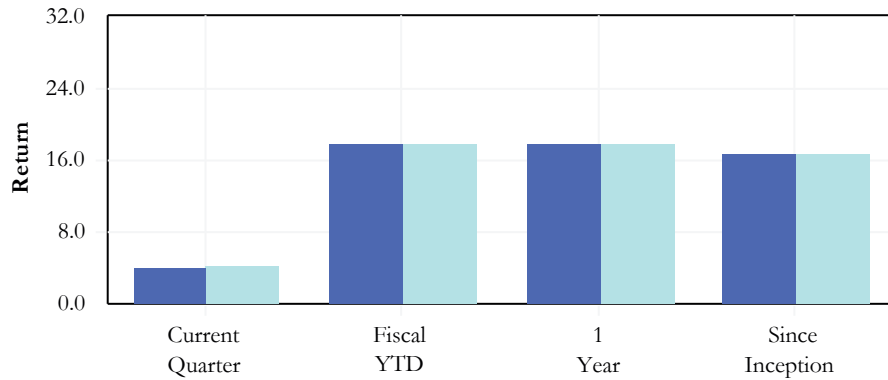
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Town of Longboat Key Combined Retirement Plan

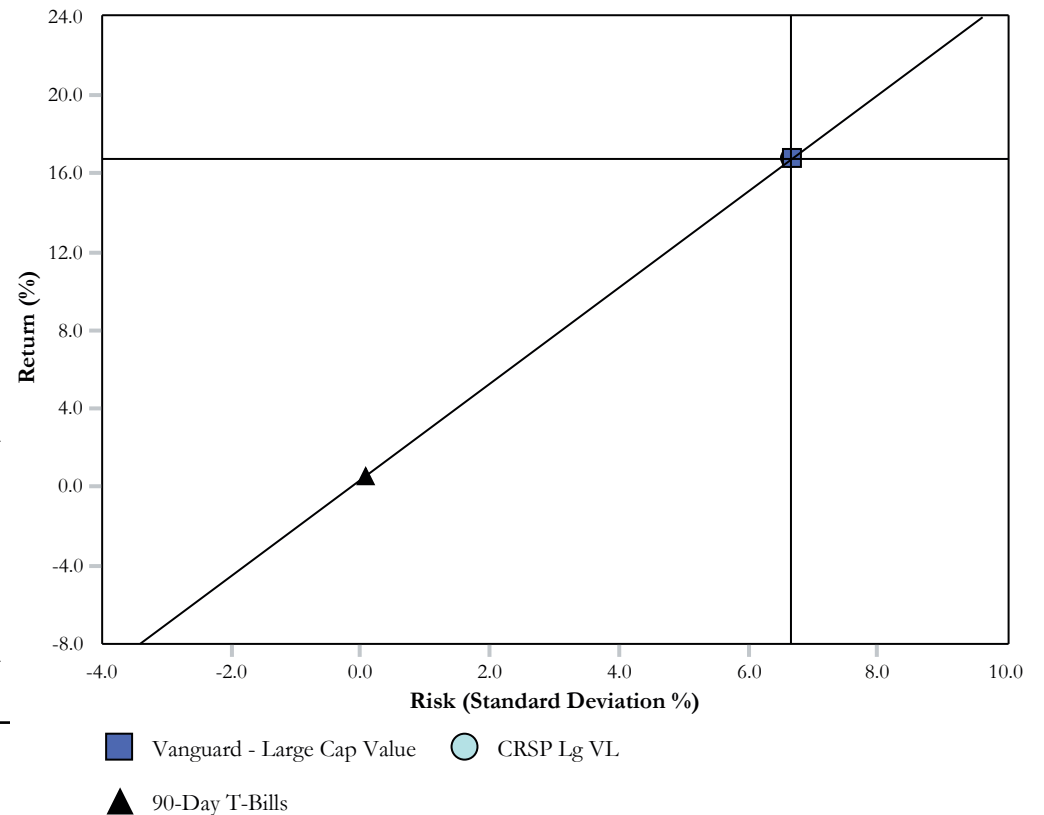
Vanguard Large Cap Value - Executive Summary

as of September 30, 2017

Manager Performance Chart



Manager Risk & Return



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Vanguard - Large Cap Value	4.08	17.74	17.74	16.72
CRSP Lg VL	4.14	17.77	17.77	16.74
Differences	-0.06	-0.03	-0.03	-0.02

Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Vanguard - Large Cap Value				
Beginning Market Value	5,403	5,018	5,018	4,180
Net Contributions	4	-257	-257	457
Fees/Expenses	-4	-14	-14	-17
Income	38	140	140	172
Gain/Loss	183	737	737	833
Ending Market Value	5,624	5,624	5,624	5,624

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Vanguard - Large Cap Value	16.72	6.70	1.00	-1.57	99.95	100.27	-0.09	2.27	1.00	07/01/2016
CRSP Lg VL	16.74	6.67	1.00	-1.58	100.00	100.00	0.00	2.28	1.00	07/01/2016

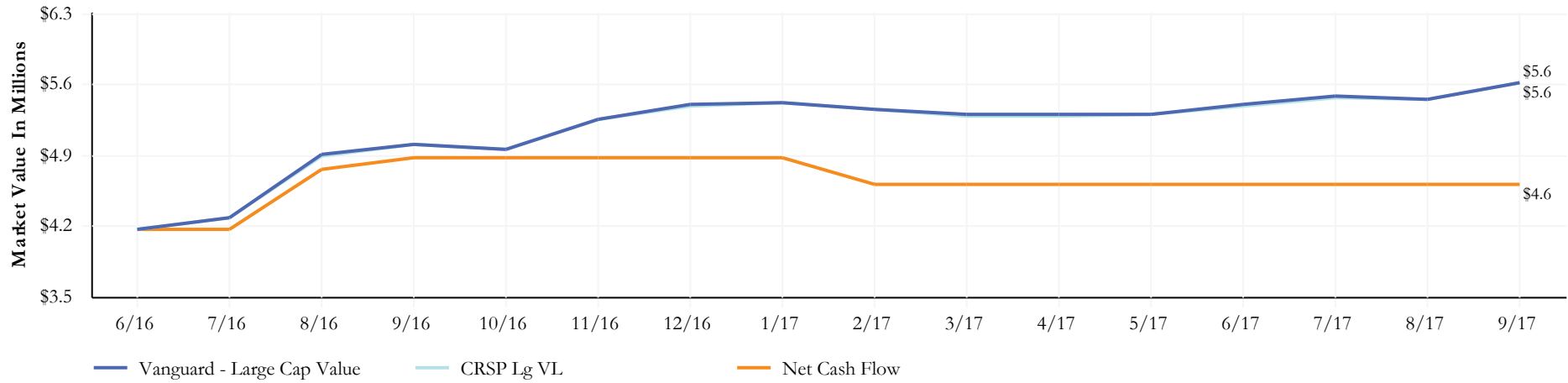
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Town of Longboat Key Combined Retirement Plan

Vanguard Large Cap Value - Change in Assets & Distribution of Returns

as of September 30, 2017

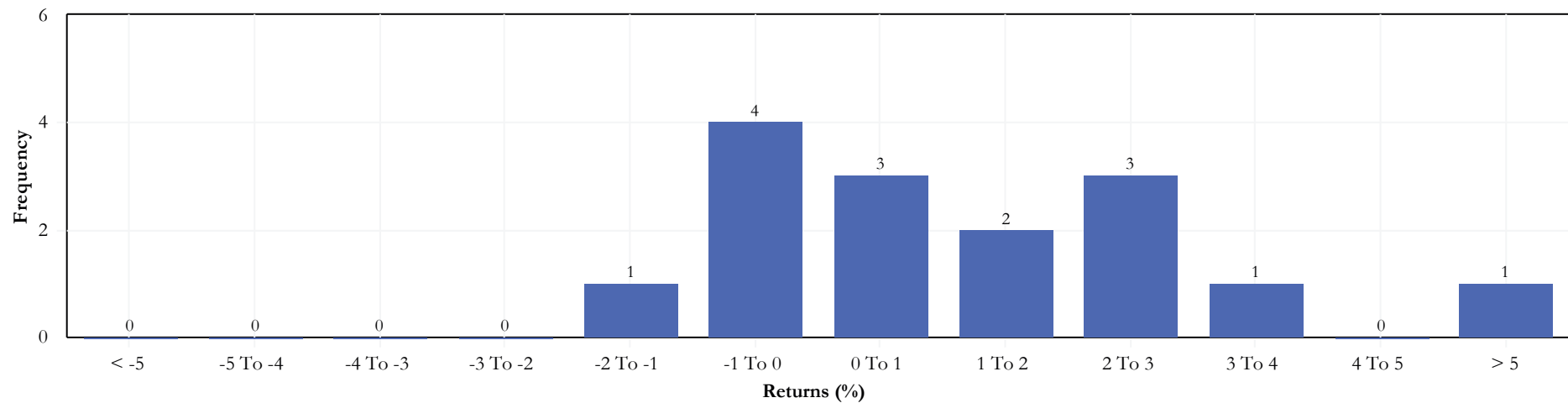
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 07/01/2017	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2017
Vanguard - Large Cap Value	5,403,395.65	-	3,576.17	-	-3,671.37	-	220,472.66	5,623,773.11

Distribution of Returns



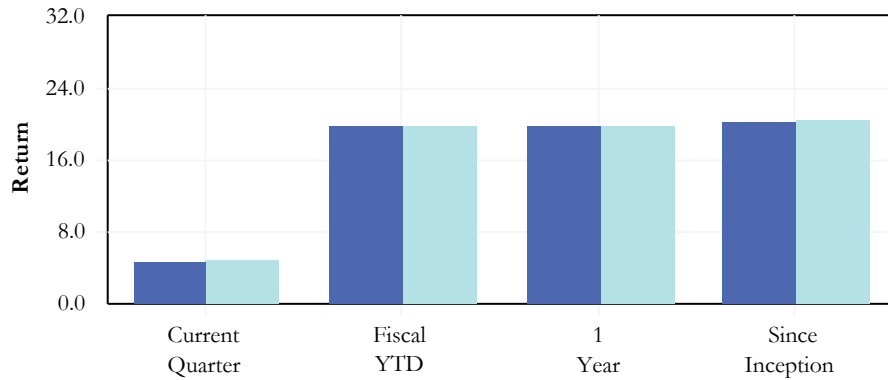
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Town of Longboat Key Combined Retirement Plan

Vanguard Large Cap Growth - Executive Summary

as of September 30, 2017

Manager Performance Chart



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Vanguard - Large Cap Growth	4.72	19.73	19.73	20.15
CRSP Lg Cap Gr	4.86	19.86	19.86	20.33
Differences	-0.14	-0.13	-0.13	-0.18

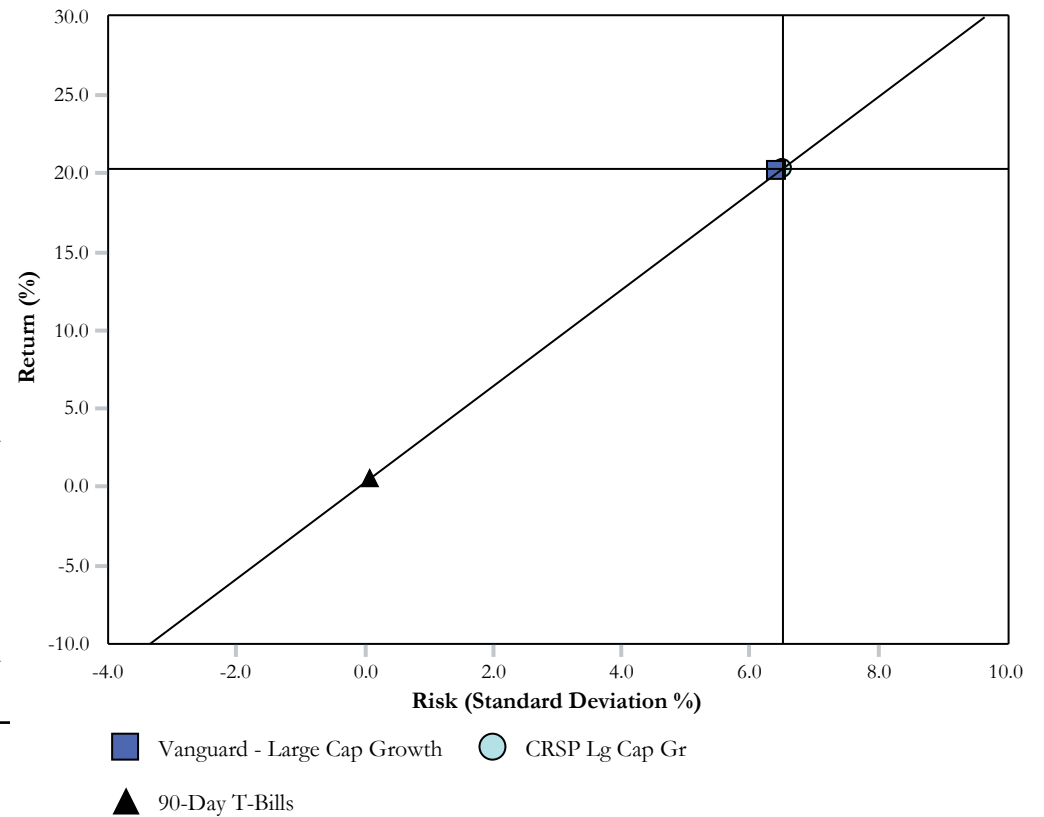
Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Vanguard - Large Cap Growth				
Beginning Market Value	5,683	5,000	5,000	4,145
Net Contributions	-301	-322	-322	321
Fees/Expenses	-4	-14	-14	-17
Income	17	73	73	89
Gain/Loss	248	907	907	1,106
Ending Market Value	5,644	5,644	5,644	5,644

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Vanguard - Large Cap Growth	20.15	6.43	0.99	-2.59	98.92	97.18	0.06	2.82	1.00	07/01/2016
CRSP Lg Cap Gr	20.33	6.50	1.00	-2.65	100.00	100.00	0.00	2.81	1.00	07/01/2016

Manager Risk & Return



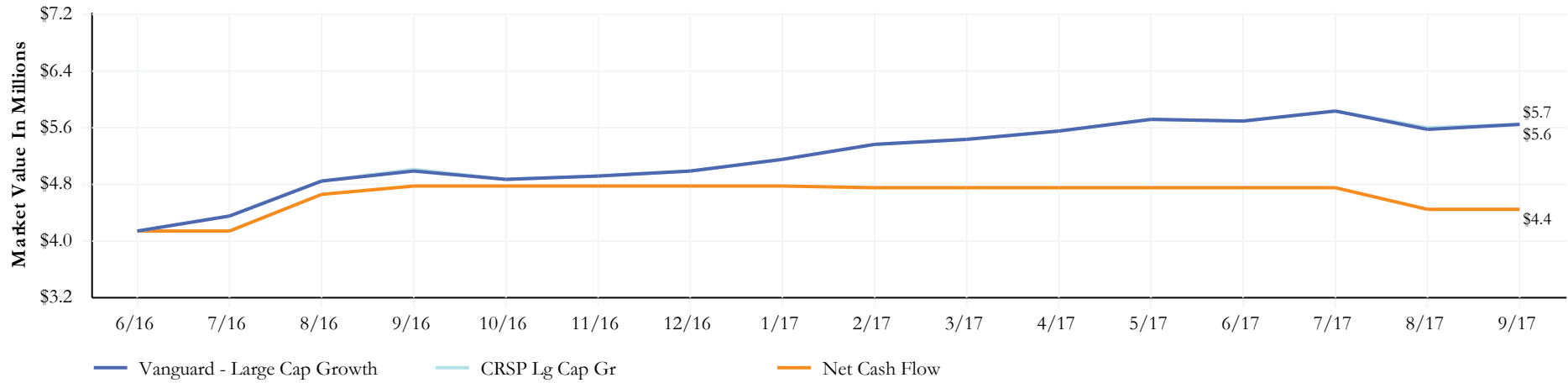
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Town of Longboat Key Combined Retirement Plan

Vanguard Large Cap Growth - Change in Assets & Distribution of Returns

as of September 30, 2017

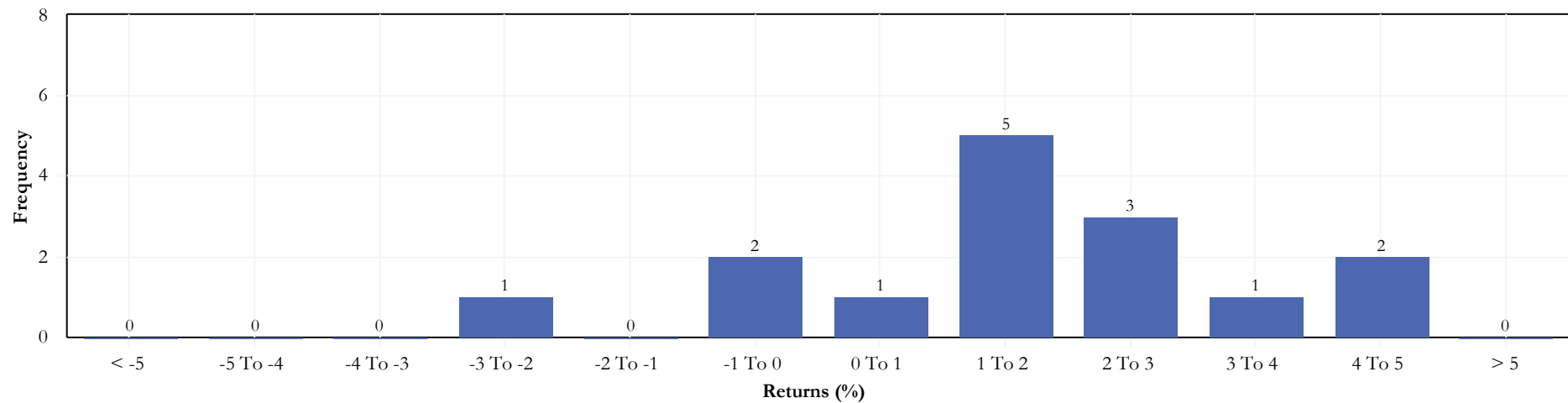
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 07/01/2017	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2017
Vanguard - Large Cap Growth	5,683,485.46	-	3,767.31	-304,975.08	-3,808.81	-	265,159.50	5,643,628.38

Distribution of Returns



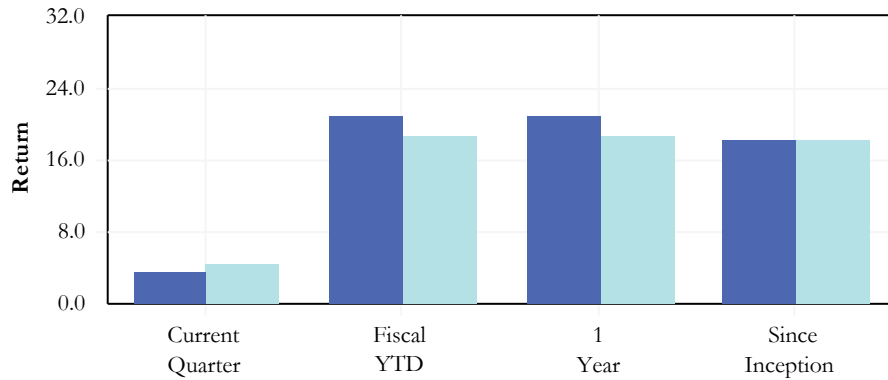
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Town of Longboat Key Combined Retirement Plan

Connors Covered Call Strategy - Executive Summary

as of September 30, 2017

Manager Performance Chart



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Connors - Covered Calls	3.46	20.99	20.99	18.33
S&P 500 Total Return	4.48	18.61	18.61	18.15
Differences	-1.02	2.38	2.38	0.18

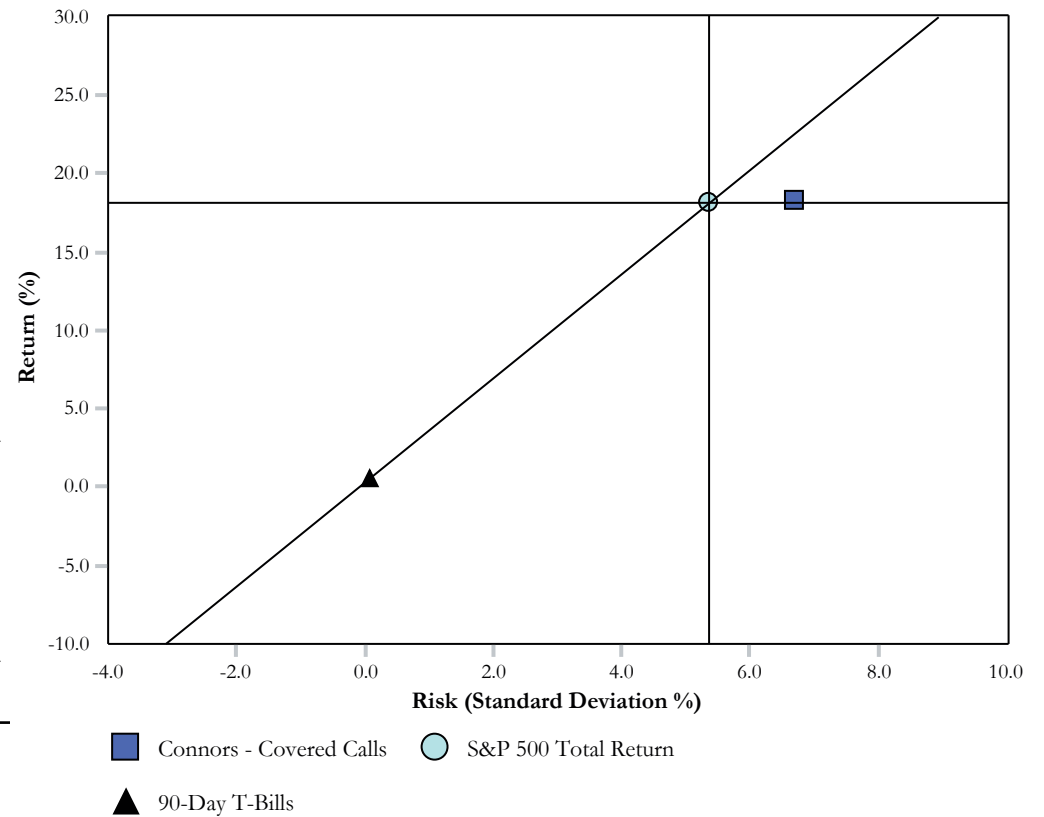
Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Connors - Covered Calls				
Beginning Market Value	1,738	1,520	1,520	3,314
Net Contributions	-68	-100	-100	-1,970
Fees/Expenses	-2	-8	-8	-10
Income	9	39	39	50
Gain/Loss	50	274	274	342
Ending Market Value	1,726	1,726	1,726	1,726

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Connors - Covered Calls	18.33	6.71	1.09	-1.83	96.70	42.38	-1.27	2.47	0.76	07/01/2016
S&P 500 Total Return	18.15	5.37	1.00	-1.82	100.00	100.00	0.00	3.04	1.00	07/01/2016

Manager Risk & Return



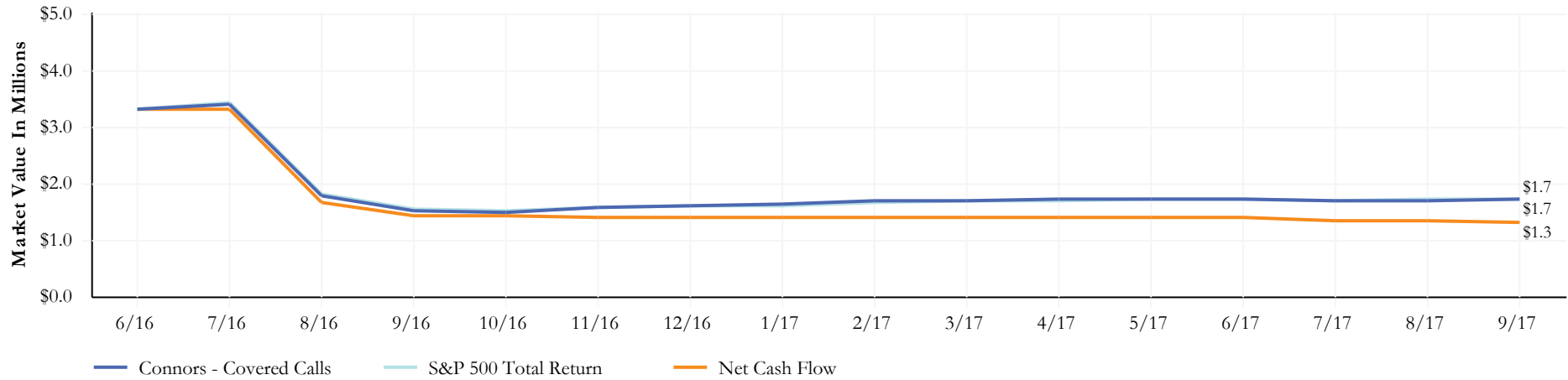
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Town of Longboat Key Combined Retirement Plan

Connors Covered Call Strategy - Change in Assets & Distribution of Returns

as of September 30, 2017

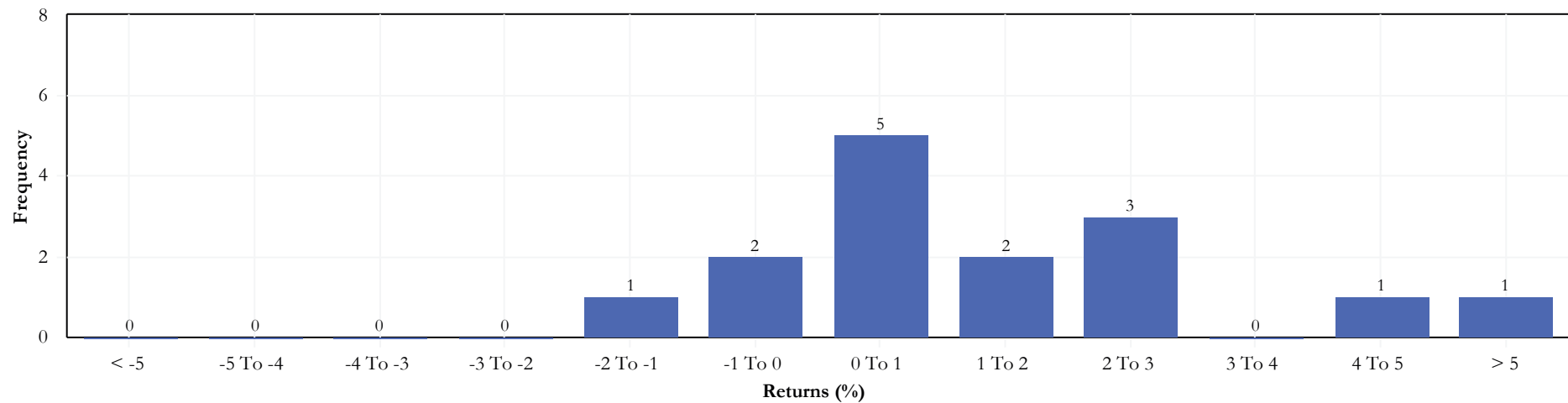
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 07/01/2017	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2017
Connors - Covered Calls	1,737,822.93	-	47,361.90	-115,361.90	-2,460.73	-	58,858.13	1,726,220.33

Distribution of Returns

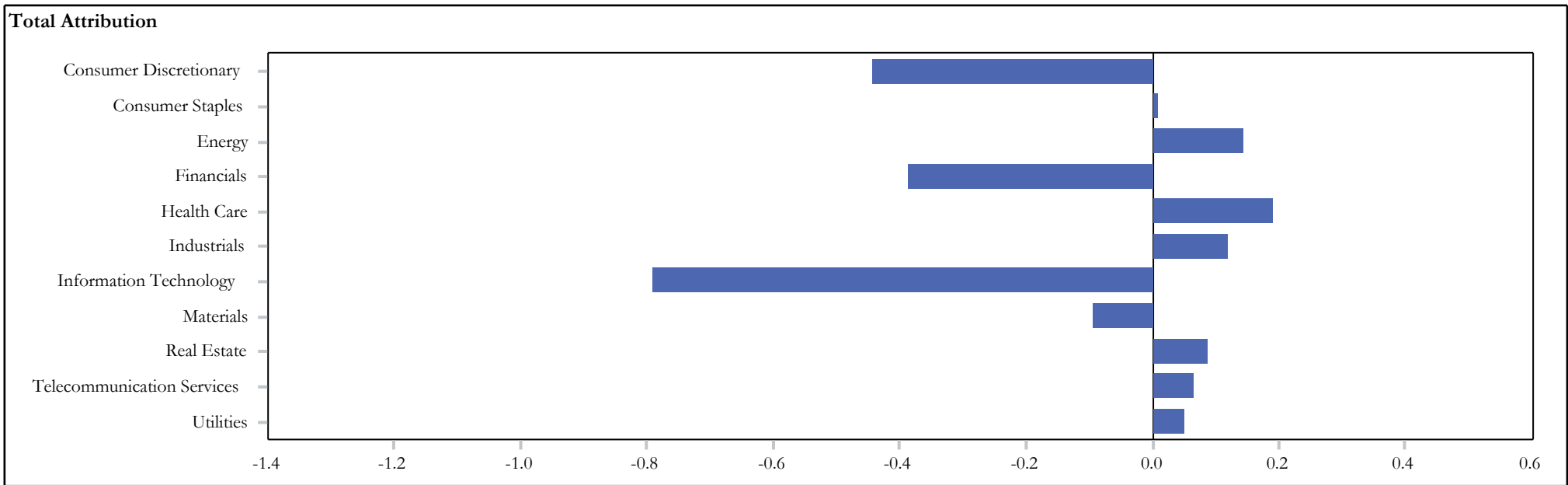
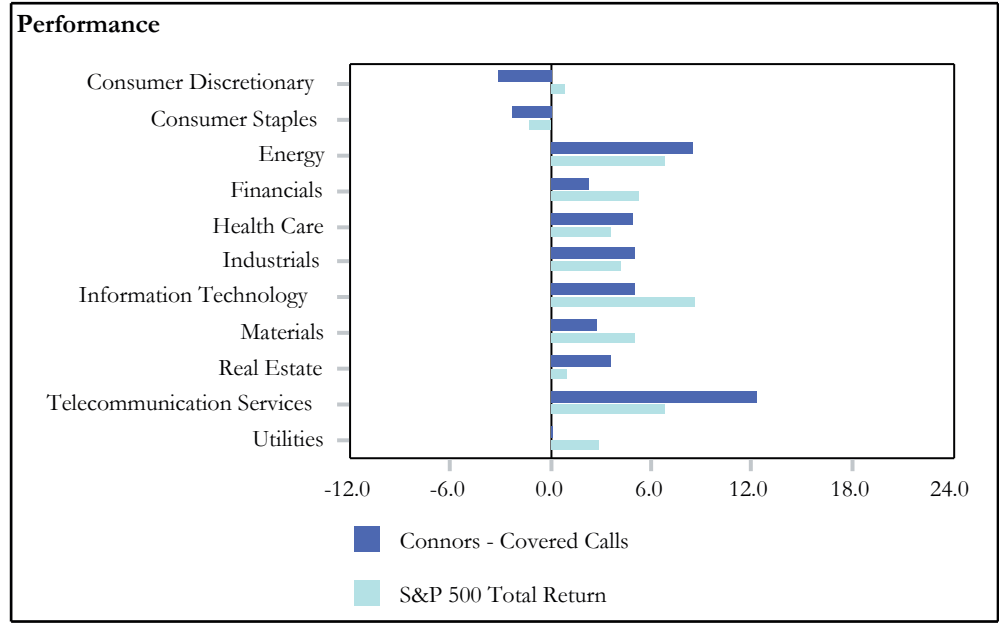
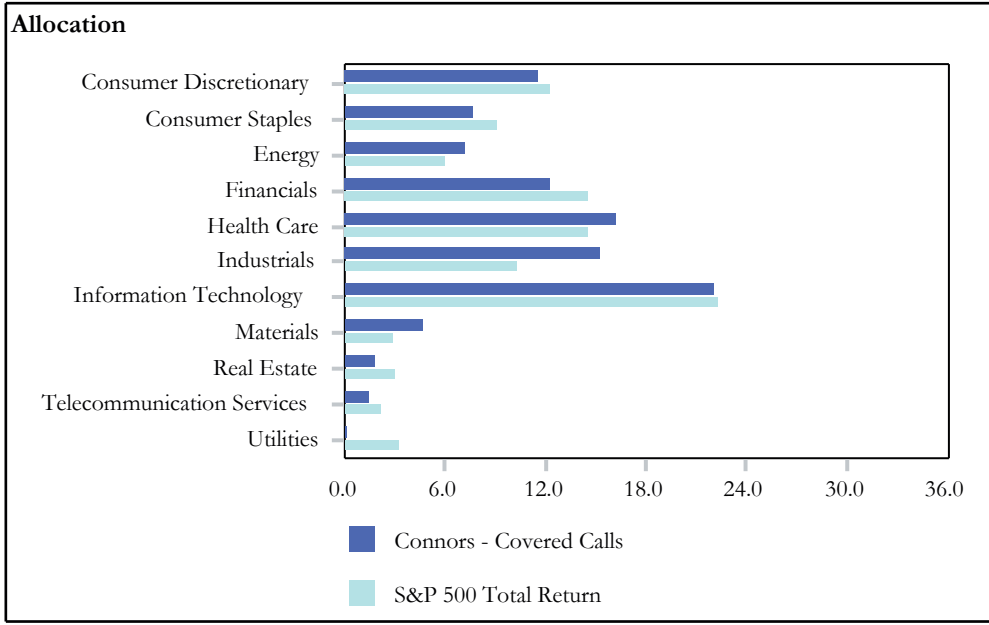


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Town of Longboat Key Combined Retirement Plan

Connors - Covered Calls - Quarterly Performance Attributes

as of September 30, 2017



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Town of Longboat Key Combined Retirement Plan
Connors - Covered Calls - Quarterly Performance Attributes
as of September 30, 2017

	Allocation - 07/01/2017		Performance - Quarter Ending September 30, 2017		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	11.57	12.27	-3.17	0.87	0.03	-0.50	0.03	-0.44
Consumer Staples	7.59	9.05	-2.30	-1.31	0.08	-0.09	0.01	0.01
Energy	7.10	6.01	8.47	6.83	0.03	0.10	0.02	0.14
Financials	12.30	14.55	2.28	5.27	-0.02	-0.44	0.07	-0.39
Health Care	16.24	14.51	4.91	3.65	-0.01	0.18	0.02	0.19
Industrials	15.24	10.28	5.07	4.20	-0.01	0.09	0.04	0.12
Information Technology	22.07	22.26	5.08	8.63	-0.01	-0.79	0.01	-0.79
Materials	4.64	2.85	2.73	5.00	0.01	-0.06	-0.04	-0.10
Real Estate	1.80	2.93	3.61	0.97	0.04	0.08	-0.03	0.09
Telecommunication Services	1.45	2.14	12.29	6.79	-0.02	0.12	-0.04	0.06
Utilities	0.00	3.16	0.00	2.87	0.05	0.00	0.00	0.05
Total	100.00	100.00	3.40	4.45	0.17	-1.31	0.09	-1.05

All the values for Allocation, Performance and Attribution are expressed in Percentage(%) terms

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Town of Longboat Key Combined Retirement Plan

Connors - Covered Calls - Portfolio Characteristics

as of September 30, 2017

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	147,493,444.17	175,943,912.27
Median Mkt. Cap (\$000)	77,551,869.00	21,055,396.90
Price/Earnings ratio	22.86	22.42
Price/Book ratio	3.35	3.29
5 Yr. EPS Growth Rate (%)	5.77	9.96
Beta	N/A	1.00
Number of Stocks	77	505
Debt to Equity	2.61	1.14

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Apple Inc	4.02	3.69	0.33	7.45
Tyler Technologies Inc.	4.02	0.00	4.02	-0.77
Microsoft Corp	3.32	2.66	0.66	8.64
Cisco Systems Inc	3.31	0.78	2.53	8.45
3M Co	3.13	0.58	2.55	1.41
Chubb Ltd	3.07	0.31	2.76	-1.46
DowDuPont Inc	3.00	0.75	2.25	10.53
JPMorgan Chase & Co	2.93	1.56	1.37	5.06
Wells Fargo & Co	2.91	1.14	1.77	0.25
Lowe's Cos Inc.	2.82	0.31	2.51	3.68
% of Portfolio	32.53	11.78		

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
AbbVie Inc	1.37	0.66	0.71	23.64
Raytheon Co.	0.46	0.25	0.21	15.54
Chevron Corp	2.17	1.03	1.14	13.76
Lockheed Martin Corp	1.43	0.36	1.07	12.44
Verizon Communications Inc	1.72	0.94	0.78	12.29
Energen Corp.	2.18	0.00	2.18	10.76
DowDuPont Inc	3.00	0.75	2.25	10.53
Abbott Laboratories	2.30	0.43	1.87	10.37
Penske Automotive Group Inc	2.56	0.00	2.56	9.18
Microsoft Corp	3.32	2.66	0.66	8.64
% of Portfolio	20.51	7.08		

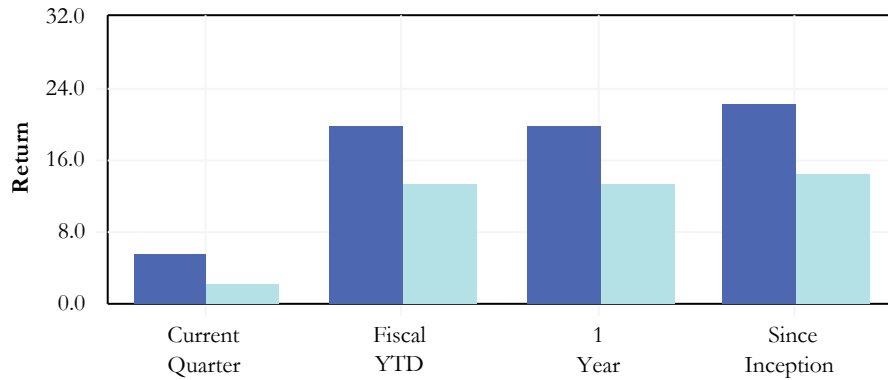
Ten Worst Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Nike Inc	2.07	0.32	1.75	-11.82
Kimberly-Clark Corp	1.81	0.19	1.62	-8.11
DENTSPLY SIRONA Inc	1.93	0.06	1.87	-7.62
Starbucks Corp	2.48	0.36	2.12	-7.47
Walt Disney Co (The)	2.57	0.71	1.86	-6.53
Snap-On Inc	1.83	0.04	1.79	-5.25
United Technologies Corp	2.50	0.40	2.10	-4.37
PepsiCo Inc	2.40	0.74	1.66	-2.84
Chubb Ltd	3.07	0.31	2.76	-1.46
Walgreens Boots Alliance Inc	1.66	0.33	1.33	-0.91
% of Portfolio	22.32	3.46		

Town of Longboat Key Combined Retirement Plan

Kennedy Mid Cap Value - Executive Summary

as of September 30, 2017

Manager Performance Chart



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Kennedy - Mid Cap Value	5.51	19.88	19.88	22.27
Russell Midcap Value	2.14	13.37	13.37	14.48
Differences	3.37	6.51	6.51	7.79

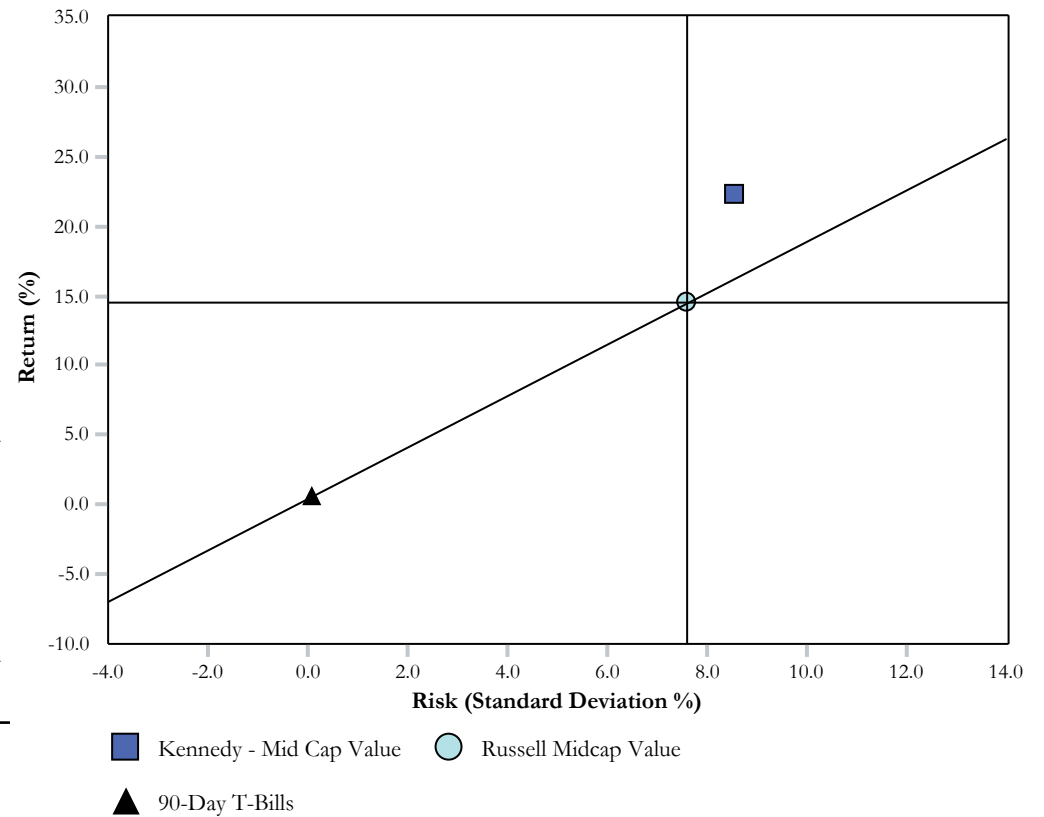
Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Kennedy - Mid Cap Value				
Beginning Market Value	912	847	847	843
Net Contributions	-5	-48	-48	-103
Fees/Expenses	-1	-5	-5	-7
Income	4	16	16	19
Gain/Loss	46	146	146	203
Ending Market Value	956	956	956	956

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Kennedy - Mid Cap Value	22.27	8.58	1.10	-2.38	127.97	63.14	5.54	2.34	0.95	07/01/2016
Russell Midcap Value	14.48	7.61	1.00	-2.42	100.00	100.00	0.00	1.74	1.00	07/01/2016

Manager Risk & Return



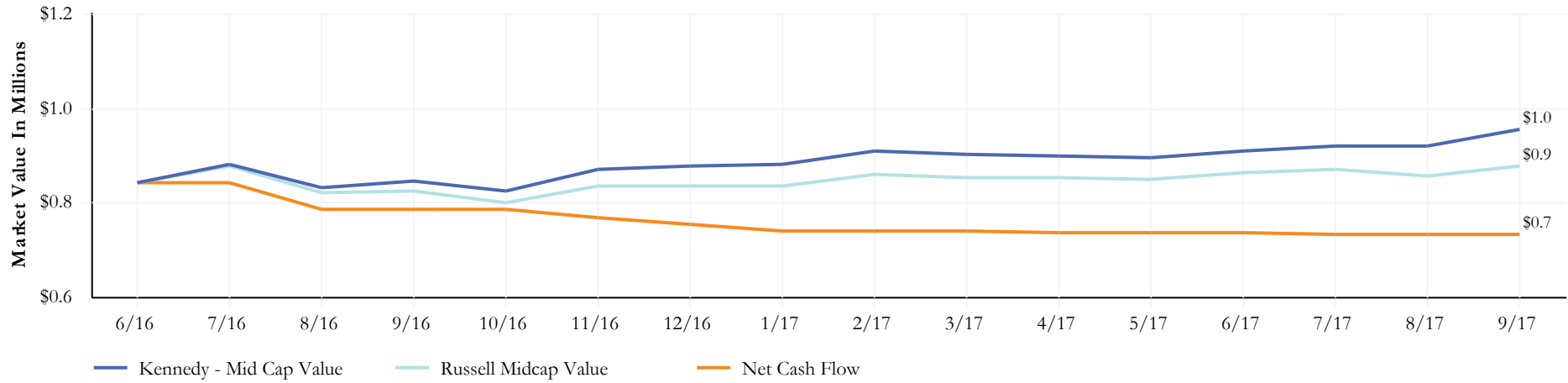
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Town of Longboat Key Combined Retirement Plan

Kennedy Mid Cap Value - Change in Assets & Distribution of Returns

as of September 30, 2017

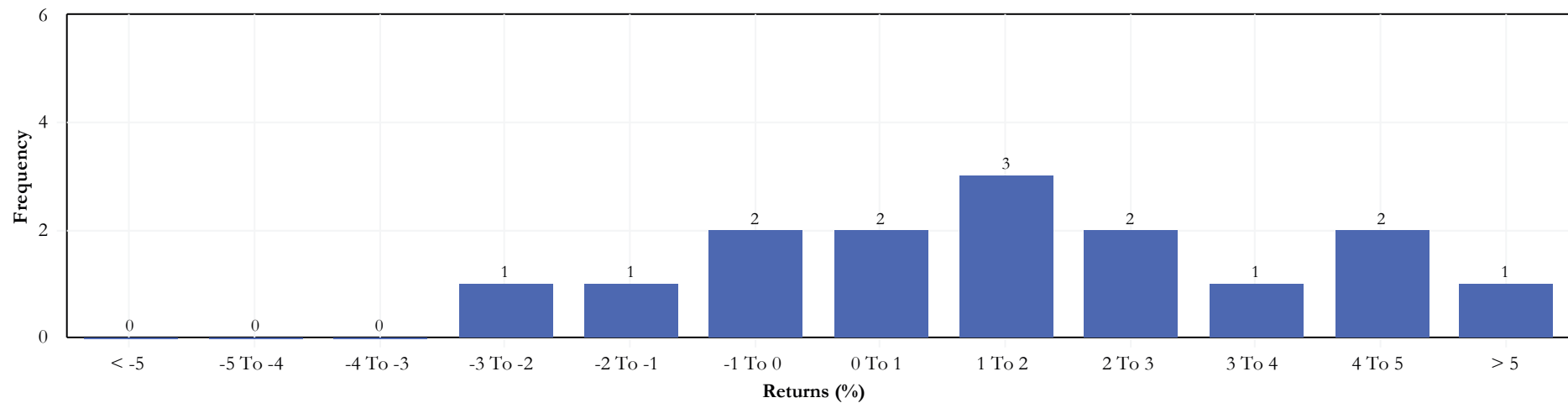
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 07/01/2017	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2017
Kennedy - Mid Cap Value	911,572.74	-	15,459.70	-19,959.70	-1,424.78	-	50,032.81	955,680.77

Distribution of Returns

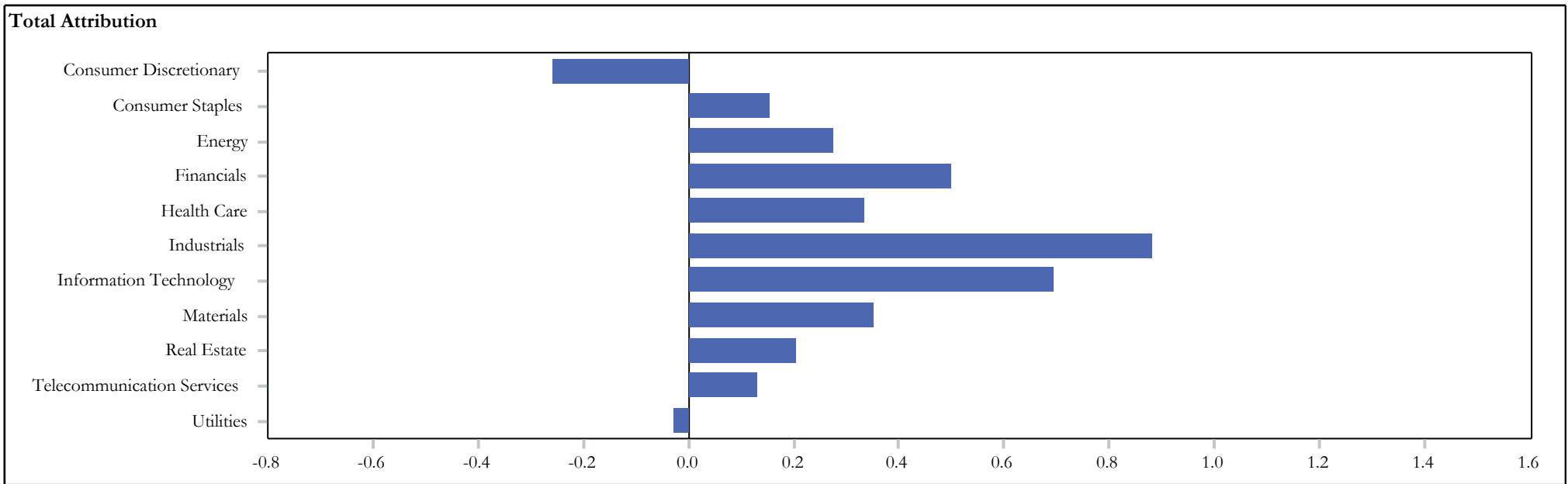
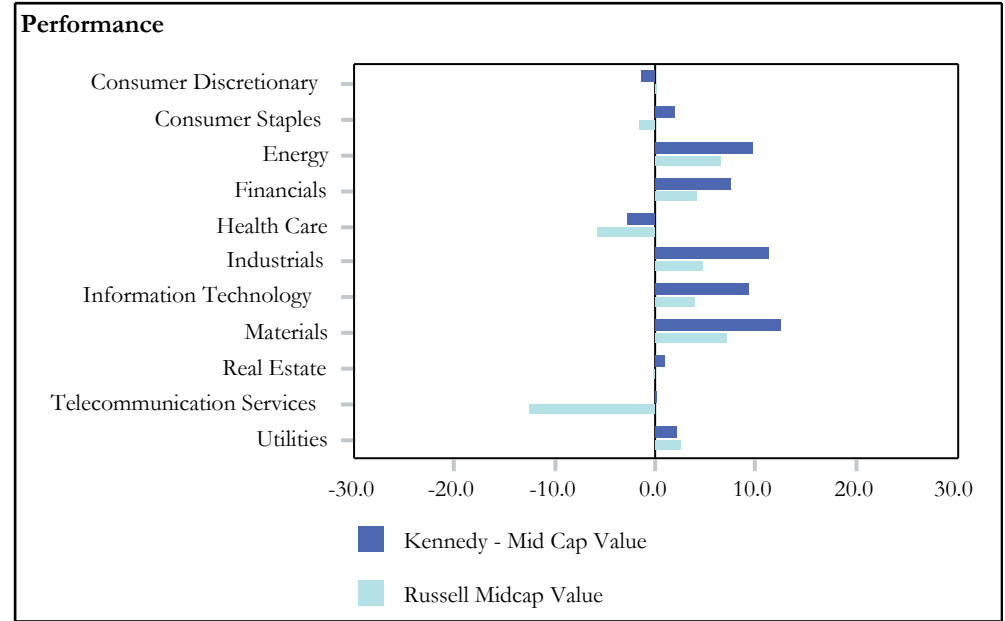
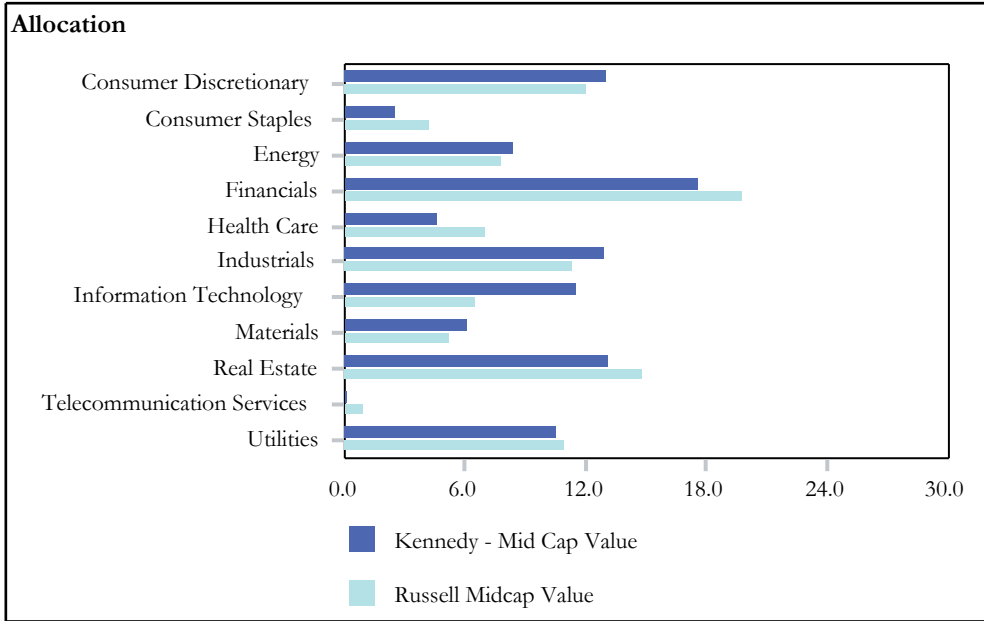


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Town of Longboat Key Combined Retirement Plan

Kennedy - Mid Cap Value - Quarterly Performance Attributes

as of September 30, 2017



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Town of Longboat Key Combined Retirement Plan
Kennedy - Mid Cap Value - Quarterly Performance Attributes
as of September 30, 2017

	Allocation - 07/01/2017		Performance - Quarter Ending September 30, 2017		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	13.01	12.04	-1.36	0.27	-0.02	-0.19	-0.05	-0.26
Consumer Staples	2.49	4.15	1.95	-1.68	0.06	0.16	-0.07	0.15
Energy	8.30	7.71	9.64	6.57	0.01	0.25	0.01	0.27
Financials	17.55	19.72	7.51	4.22	-0.06	0.65	-0.09	0.50
Health Care	4.56	6.91	-2.81	-5.69	0.20	0.21	-0.07	0.33
Industrials	12.91	11.34	11.41	4.69	0.03	0.74	0.10	0.88
Information Technology	11.47	6.41	9.32	3.94	0.09	0.34	0.27	0.69
Materials	6.04	5.17	12.42	7.23	0.03	0.27	0.05	0.35
Real Estate	13.12	14.78	1.02	-0.11	0.04	0.20	-0.03	0.20
Telecommunication Services	0.00	0.85	0.00	-12.47	0.13	0.00	0.00	0.13
Utilities	10.56	10.92	2.11	2.50	0.01	-0.04	0.00	-0.03
Total	100.00	100.00	5.43	2.20	0.52	2.59	0.13	3.23

All the values for Allocation, Performance and Attribution are expressed in Percentage(%) terms

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Town of Longboat Key Combined Retirement Plan

Kennedy - Mid Cap Value - Portfolio Characteristics

as of September 30, 2017

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	11,291,809.75	13,554,516.29
Median Mkt. Cap (\$000)	8,998,847.82	7,047,862.40
Price/Earnings ratio	20.58	19.83
Price/Book ratio	2.39	2.09
5 Yr. EPS Growth Rate (%)	13.82	8.99
Beta	N/A	1.00
Number of Stocks	60	587
Debt to Equity	0.85	1.13

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Old Dominion Freight Line Inc	2.88	0.07	2.81	15.73
Westlake Chemical Corp	2.76	0.04	2.72	25.84
East West Bancorp Inc.	2.71	0.21	2.50	2.41
Reinsurance Group of Amer.	2.43	0.23	2.20	9.06
Teledyne Technologies Inc.	2.38	0.14	2.24	24.70
Huntington Bancshares Inc	2.38	0.39	1.99	3.90
ON Semiconductor Corp	2.31	0.01	2.30	31.55
Lincoln National Corp	2.26	0.42	1.84	9.19
Torchmark Corp	2.25	0.24	2.01	4.69
Xcel Energy Inc.	2.20	0.63	1.57	3.90
% of Portfolio	24.56	2.38		

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Diamond Offshore Drilling Inc.	0.47	0.00	0.47	33.89
ON Semiconductor Corp	2.31	0.01	2.30	31.55
Westlake Chemical Corp	2.76	0.04	2.72	25.84
Teledyne Technologies Inc.	2.38	0.14	2.24	24.70
RPC Inc.	1.28	0.00	1.28	23.02
T. Rowe Price Group Inc	1.68	0.47	1.21	22.98
Lear Corp	1.75	0.05	1.70	22.24
Centene Corp	1.69	0.37	1.32	21.14
Old Dominion Freight Line Inc	2.88	0.07	2.81	15.73
Eagle Materials Inc	1.08	0.00	1.08	15.45
% of Portfolio	18.28	1.15		

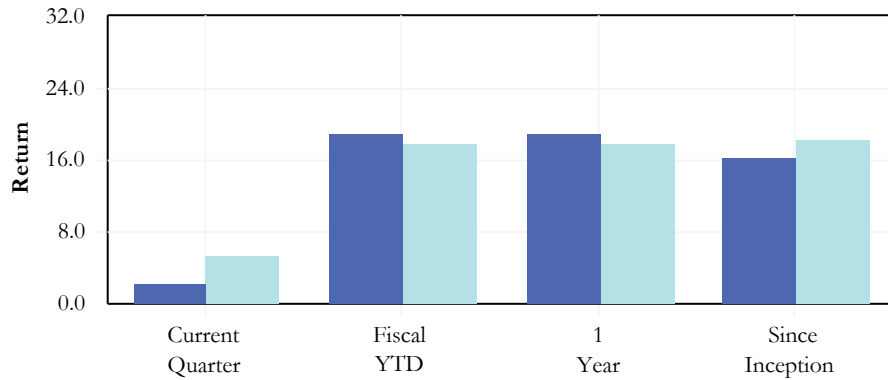
Ten Worst Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Mylan NV	1.42	0.43	0.99	-19.19
Hasbro Inc.	1.83	0.07	1.76	-11.94
Brunswick Corp	2.01	0.02	1.99	-10.49
United Therapeutics Corp	1.03	0.13	0.90	-9.67
AvalonBay Communities Inc.	1.41	0.64	0.77	-6.42
Goodyear Tire & Rubber Co	1.82	0.22	1.60	-4.60
Steel Dynamics Inc	1.17	0.18	0.99	-3.31
Whirlpool Corp	1.09	0.31	0.78	-3.12
UGI Corp	1.95	0.21	1.74	-2.70
Helmerich & Payne Inc.	1.54	0.14	1.40	-2.57
% of Portfolio	15.27	2.35		

Town of Longboat Key Combined Retirement Plan

Congress Mid Cap Growth - Executive Summary

as of September 30, 2017

Manager Performance Chart



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Congress - Mid Cap Growth	2.31	18.90	18.90	16.25
Russell Midcap Growth	5.28	17.82	17.82	18.19
Differences	-2.97	1.08	1.08	-1.94

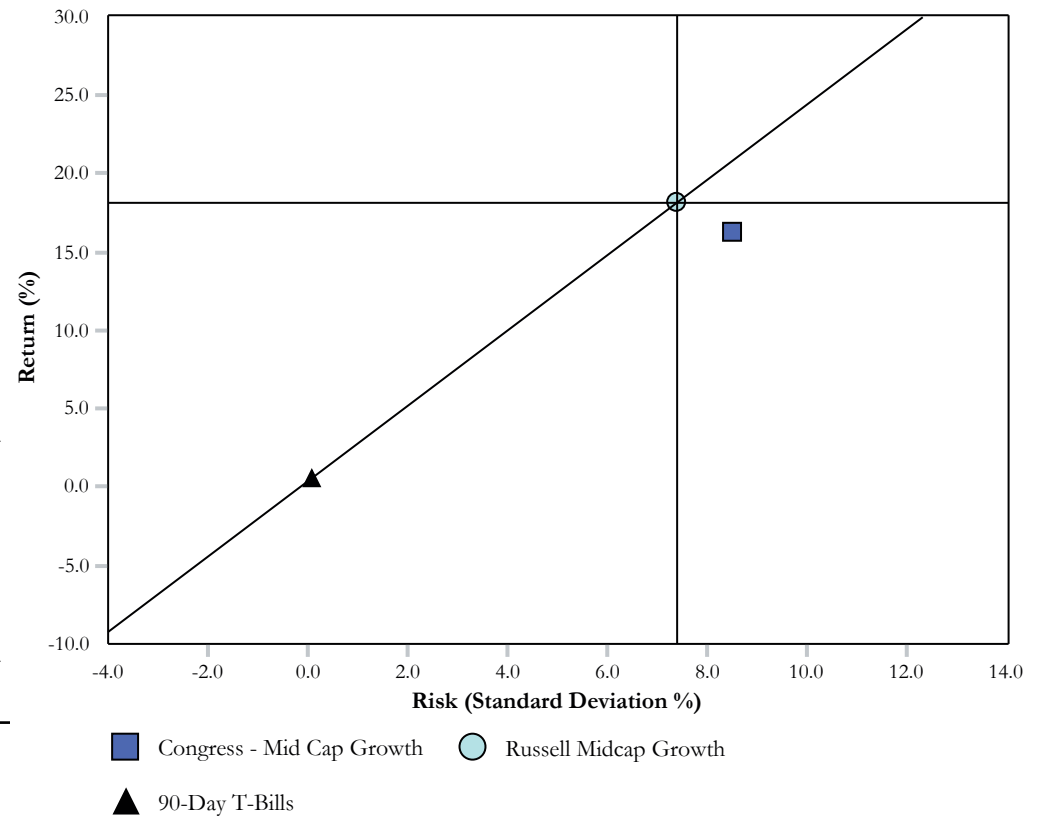
Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Congress - Mid Cap Growth				
Beginning Market Value	931	809	809	846
Net Contributions	-12	-16	-16	-66
Fees/Expenses	-1	-5	-5	-6
Income	2	8	8	10
Gain/Loss	19	144	144	155
Ending Market Value	940	940	940	940

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Congress - Mid Cap Growth	16.25	8.53	0.94	-5.32	96.16	122.67	-0.54	1.75	0.67	07/01/2016
Russell Midcap Growth	18.19	7.41	1.00	-4.39	100.00	100.00	0.00	2.23	1.00	07/01/2016

Manager Risk & Return



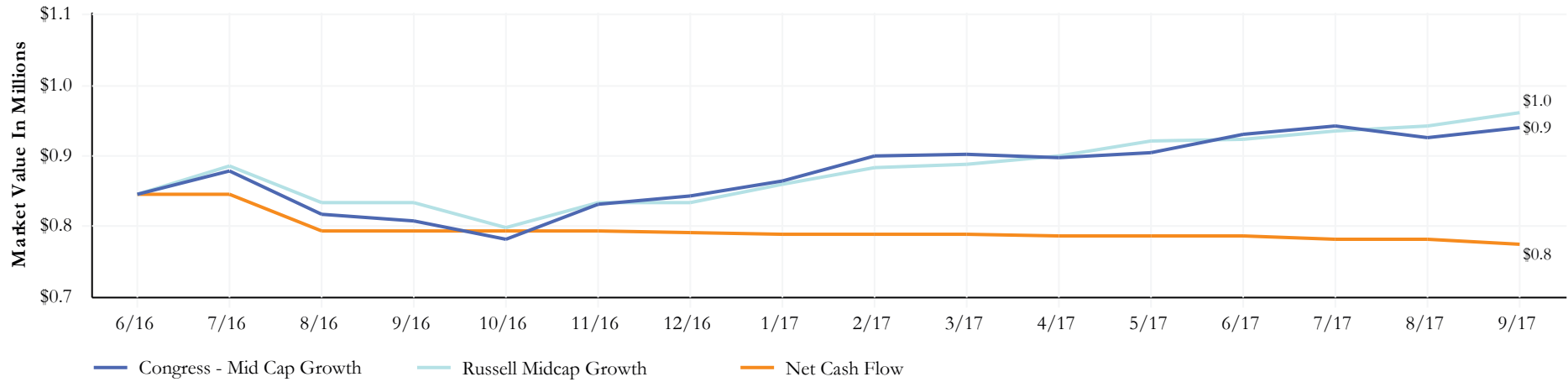
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Town of Longboat Key Combined Retirement Plan

Congress Mid Cap Growth - Change in Assets & Distribution of Returns

as of September 30, 2017

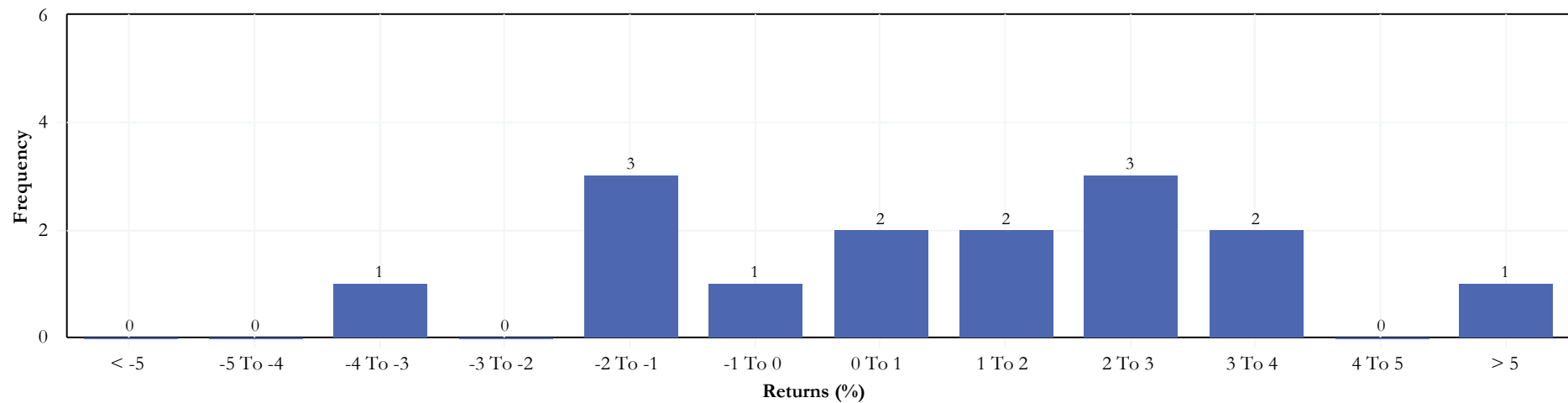
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 07/01/2017	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2017
Congress - Mid Cap Growth	931,184.75	-	-	-11,500.00	-1,339.32	-	21,356.61	939,702.04

Distribution of Returns

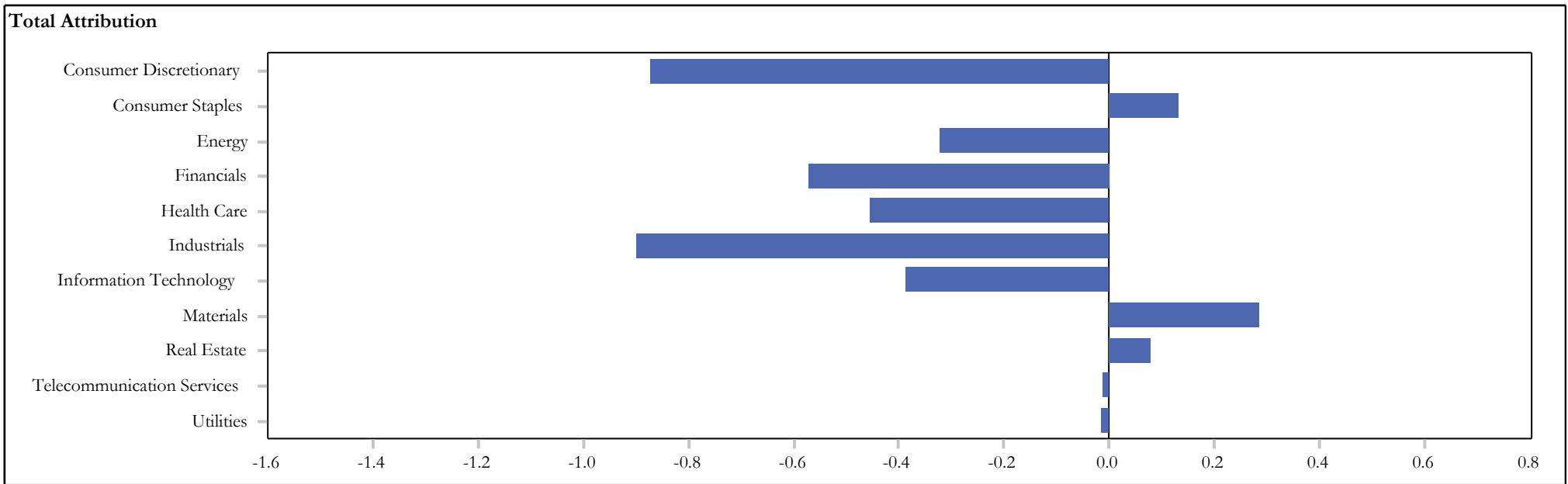
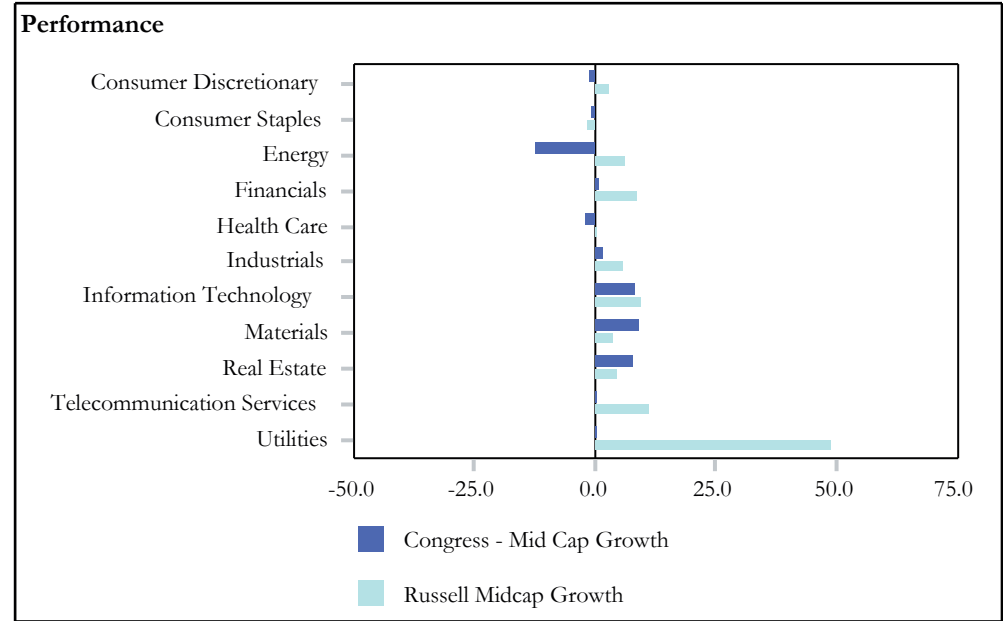
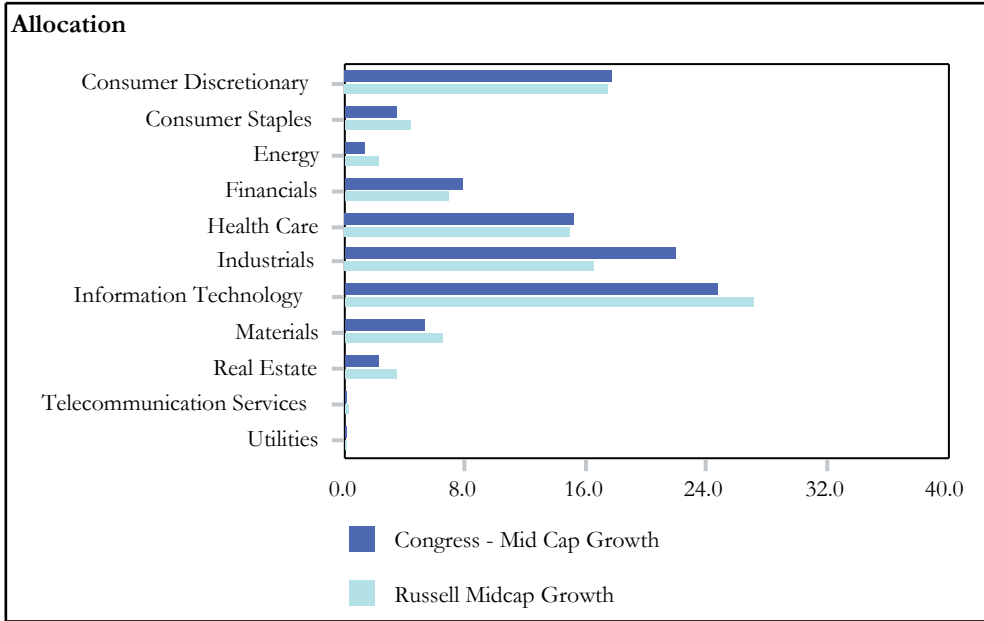


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Town of Longboat Key Combined Retirement Plan

Congress - Mid Cap Growth - Quarterly Performance Attributes

as of September 30, 2017



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Town of Longboat Key Combined Retirement Plan
Congress - Mid Cap Growth - Quarterly Performance Attributes
as of September 30, 2017

	Allocation - 07/01/2017		Performance - Quarter Ending September 30, 2017		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	17.79	17.51	-1.30	2.96	-0.10	-0.73	-0.04	-0.87
Consumer Staples	3.44	4.39	-0.86	-1.76	0.04	0.04	0.05	0.13
Energy	1.30	2.25	-12.46	6.37	-0.09	-0.27	0.04	-0.32
Financials	7.85	6.94	1.00	8.95	0.04	-0.53	-0.08	-0.57
Health Care	15.22	15.02	-2.08	0.53	-0.08	-0.41	0.04	-0.46
Industrials	22.05	16.59	1.78	6.06	0.03	-0.71	-0.22	-0.90
Information Technology	24.77	27.11	8.38	9.57	-0.10	-0.31	0.02	-0.39
Materials	5.33	6.53	9.07	3.99	0.02	0.33	-0.06	0.29
Real Estate	2.25	3.39	7.82	4.52	0.01	0.11	-0.04	0.08
Telecommunication Services	0.00	0.21	0.00	11.39	-0.01	0.00	0.00	-0.01
Utilities	0.00	0.05	0.00	48.78	-0.02	0.00	0.00	-0.02
Total	100.00	100.00	2.24	5.28	-0.27	-2.49	-0.28	-3.04

All the values for Allocation, Performance and Attribution are expressed in Percentage(%) terms

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Town of Longboat Key Combined Retirement Plan

Congress - Mid Cap Growth - Portfolio Characteristics

as of September 30, 2017

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	8,910,309.27	14,636,835.87
Median Mkt. Cap (\$000)	8,247,894.05	8,002,485.84
Price/Earnings ratio	26.34	27.76
Price/Book ratio	4.83	5.47
5 Yr. EPS Growth Rate (%)	14.04	13.08
Beta	N/A	1.00
Number of Stocks	40	420
Debt to Equity	3.13	1.68

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
IPG Photonics Corp	3.87	0.23	3.64	27.54
Mettler-Toledo International Inc	3.71	0.54	3.17	6.39
Cognex Corp	3.67	0.31	3.36	30.00
Synopsys Inc	3.34	0.03	3.31	10.42
Raymond James Fin. Inc.	3.31	0.10	3.21	5.40
JB Hunt Transport	3.05	0.33	2.72	21.87
Cooper Companies Inc. (The)	3.01	0.30	2.71	-0.95
Cintas Corp	2.95	0.42	2.53	14.47
WABCO Holdings Inc	2.93	0.26	2.67	16.07
Monolithic Power Systems Inc	2.93	0.00	2.93	10.74
% of Portfolio	32.77	2.52		

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Cognex Corp	3.67	0.31	3.36	30.00
IPG Photonics Corp	3.87	0.23	3.64	27.54
JB Hunt Transport	3.05	0.33	2.72	21.87
Barnes Group Inc	2.75	0.00	2.75	20.62
WABCO Holdings Inc	2.93	0.26	2.67	16.07
Cintas Corp	2.95	0.42	2.53	14.47
Avery Dennison Corp	2.86	0.28	2.58	11.81
Carter's Inc.	2.08	0.16	1.92	11.49
Monolithic Power Systems Inc	2.93	0.00	2.93	10.74
Synopsys Inc	3.34	0.03	3.31	10.42
% of Portfolio	30.43	2.02		

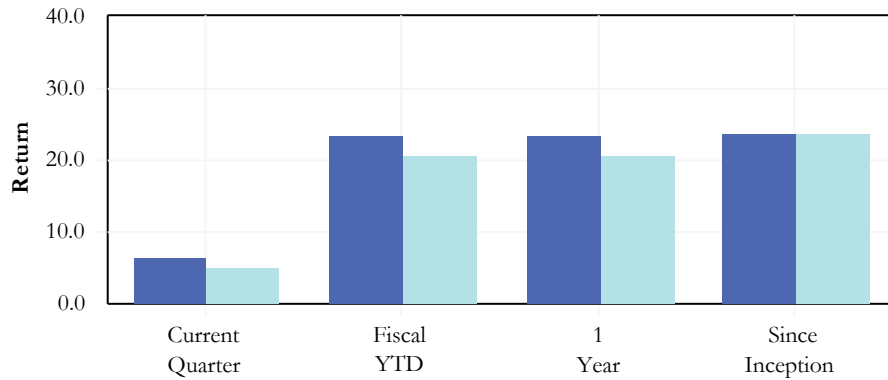
Ten Worst Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Acuity Brands Inc.	1.86	0.17	1.69	-15.69
Manhattan Associates Inc	0.43	0.10	0.33	-13.50
Dorman Products Inc	2.51	0.00	2.51	-13.47
Fabrinet	2.04	0.00	2.04	-13.13
Hasbro Inc.	2.68	0.29	2.39	-11.94
Signature Bank	2.32	0.14	2.18	-10.79
Henry Schein Inc	2.31	0.44	1.87	-10.40
Cambrex Corp	2.34	0.00	2.34	-7.95
Pool Corp	1.69	0.15	1.54	-7.68
Church & Dwight Co. Inc.	2.42	0.41	2.01	-6.25
% of Portfolio	20.60	1.70		

Town of Longboat Key Combined Retirement Plan

Kayne Anderson Small Cap Value - Executive Summary

as of September 30, 2017

Manager Performance Chart



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Kayne Anderson - Small Cap Value	6.26	23.44	23.44	22.26
Russell 2000 VL	5.11	20.55	20.55	24.29
Differences	1.15	2.89	2.89	-2.03

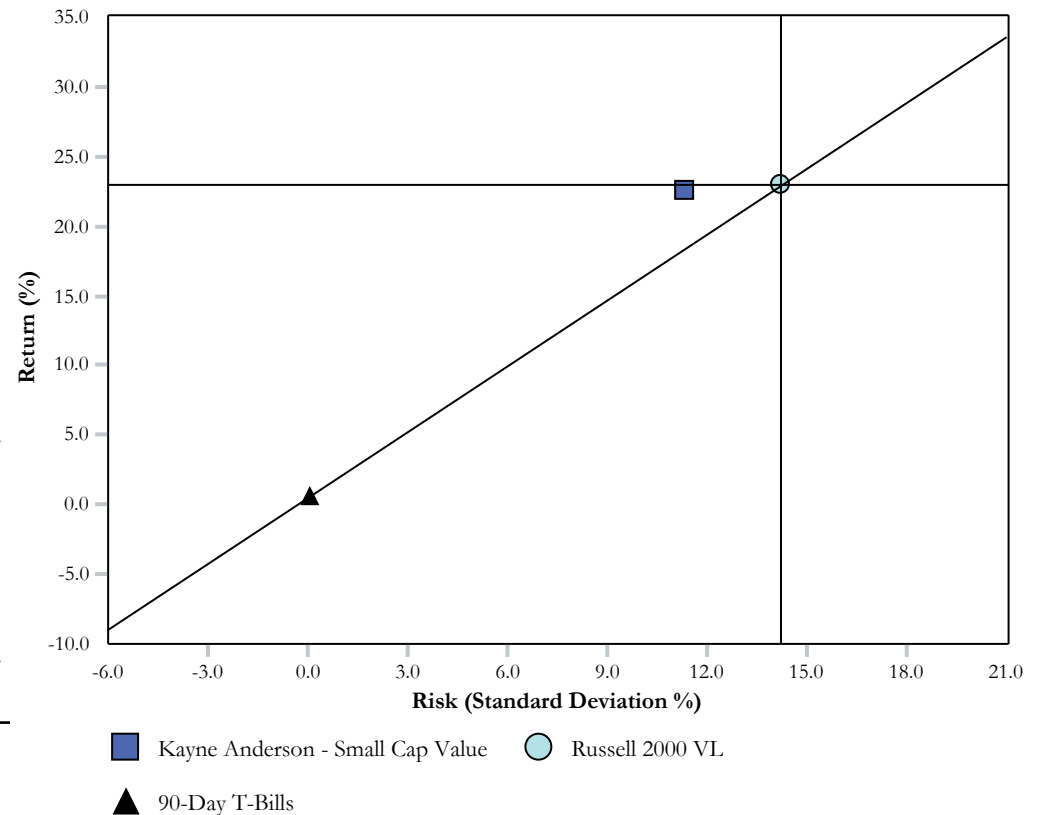
Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Kayne Anderson - Small Cap Value				
Beginning Market Value	917	846	846	847
Net Contributions	-16	-73	-73	-108
Fees/Expenses	-1	-5	-5	-7
Income	4	29	29	32
Gain/Loss	53	160	160	192
Ending Market Value	957	957	957	957

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Kayne Anderson - Small Cap Value	22.26	11.69	0.73	-5.09	81.03	53.15	4.27	1.74	0.83	07/01/2016
Russell 2000 VL	24.29	14.61	1.00	-3.56	100.00	100.00	0.00	1.53	1.00	07/01/2016

Manager Risk & Return



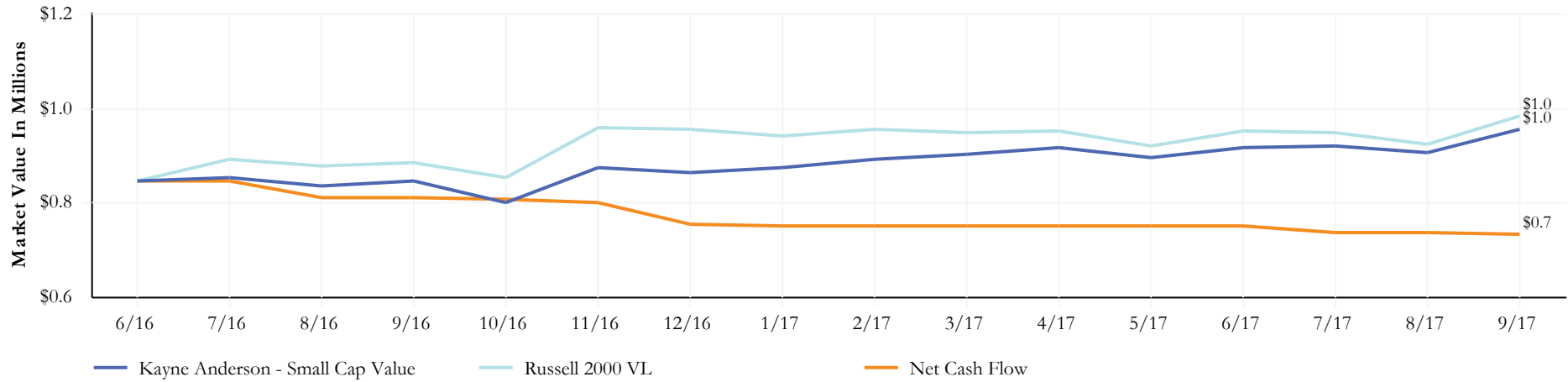
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Town of Longboat Key Combined Retirement Plan

Kayne Anderson Small Cap Value - Change in Assets & Distribution of Returns

as of September 30, 2017

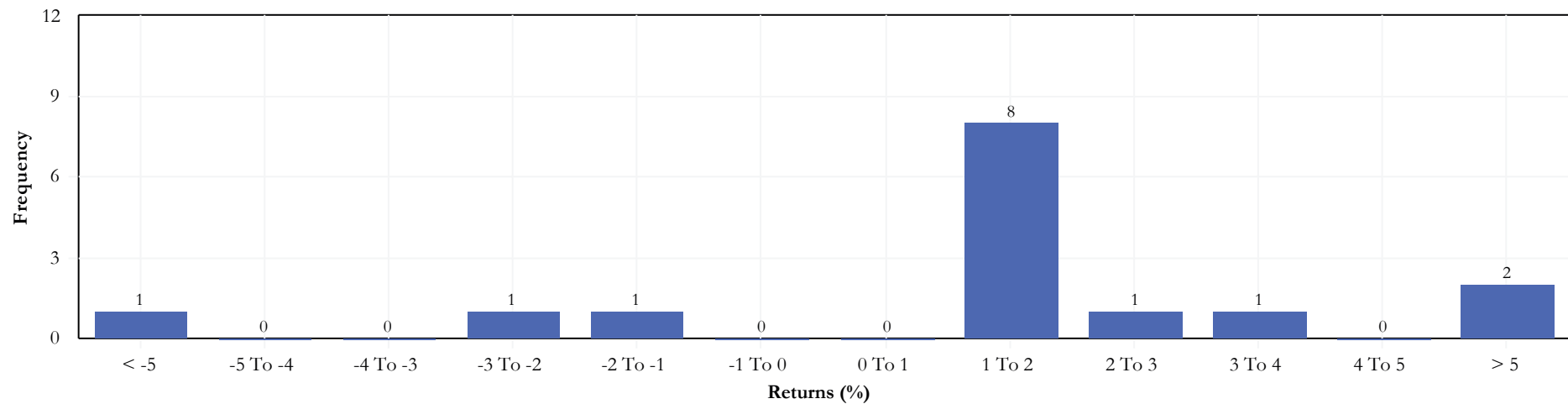
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 07/01/2017	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2017
Kayne Anderson - Small Cap Value	917,098.84	-	-	-15,500.00	-1,423.88	-	56,704.73	956,879.69

Distribution of Returns

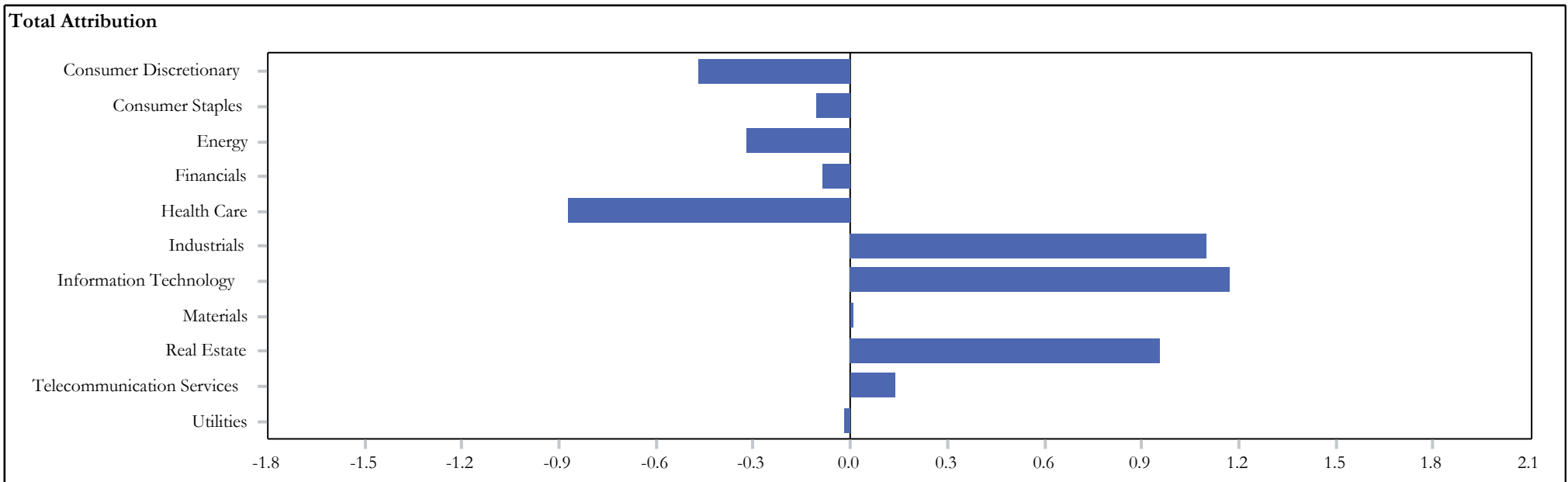
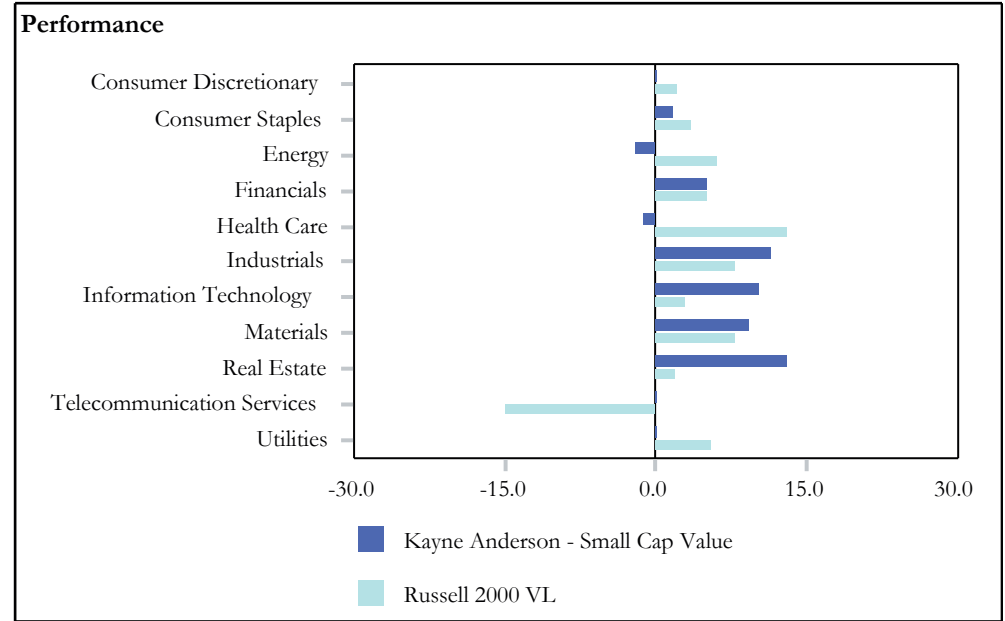
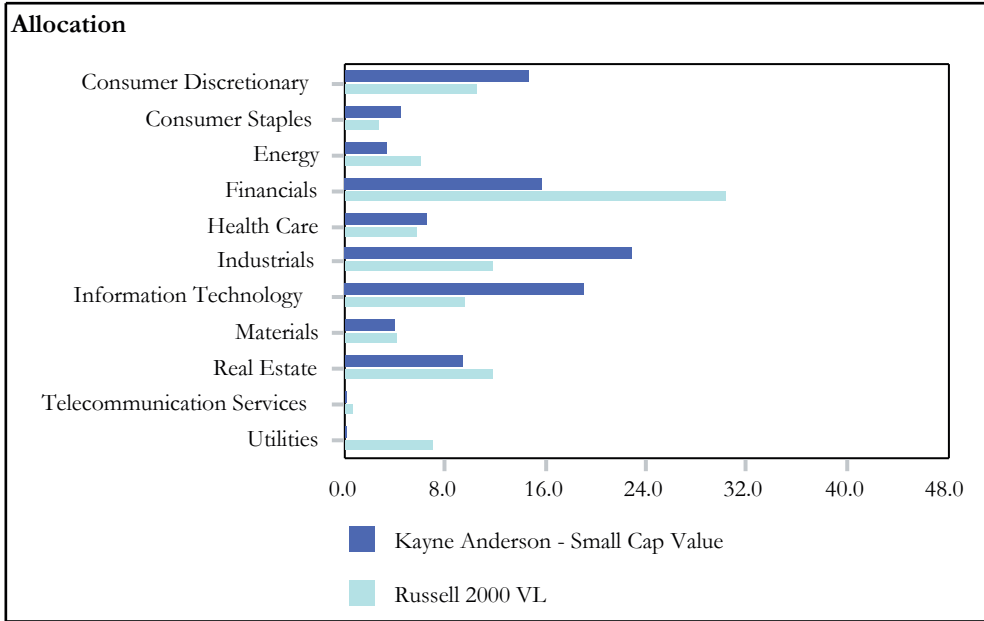


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Town of Longboat Key Combined Retirement Plan

Kayne Anderson - Small Cap Value - Quarterly Performance Attributes

as of September 30, 2017



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Town of Longboat Key Combined Retirement Plan
Kayne Anderson - Small Cap Value - Quarterly Performance Attributes
as of September 30, 2017

	Allocation - 07/01/2017		Performance - Quarter Ending September 30, 2017		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	14.62	10.45	-0.04	2.16	-0.14	-0.23	-0.10	-0.47
Consumer Staples	4.43	2.76	1.87	3.65	-0.02	-0.04	-0.04	-0.10
Energy	3.35	6.02	-2.02	6.13	-0.04	-0.51	0.23	-0.32
Financials	15.79	30.35	5.08	5.26	-0.03	-0.01	-0.05	-0.09
Health Care	6.45	5.73	-1.15	13.09	0.05	-0.82	-0.10	-0.87
Industrials	22.94	11.69	11.45	7.98	0.26	0.39	0.44	1.10
Information Technology	19.12	9.53	10.31	3.07	-0.21	0.70	0.69	1.17
Materials	3.95	4.17	9.42	7.95	-0.01	0.06	-0.05	0.01
Real Estate	9.33	11.74	13.04	1.99	-0.03	1.31	-0.31	0.96
Telecommunication Services	0.00	0.66	0.00	-14.86	0.14	0.00	0.00	0.14
Utilities	0.00	6.92	0.00	5.50	-0.02	0.00	0.00	-0.02
Total	100.00	100.00	6.61	5.11	-0.06	0.86	0.71	1.51

All the values for Allocation, Performance and Attribution are expressed in Percentage(%) terms

The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

Town of Longboat Key Combined Retirement Plan
Kayne Anderson - Small Cap Value - Portfolio Characteristics
as of September 30, 2017

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	3,611,593.89	1,996,045.20
Median Mkt. Cap (\$000)	3,034,637.20	724,549.80
Price/Earnings ratio	26.79	18.87
Price/Book ratio	4.23	1.72
5 Yr. EPS Growth Rate (%)	6.41	6.94
Beta	N/A	1.00
Number of Stocks	30	1,396
Debt to Equity	0.83	0.75

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
RE/MAX Holdings Inc	5.50	0.11	5.39	13.71
Thor Industries Inc.	4.93	0.00	4.93	20.47
Landstar System Inc	4.58	0.00	4.58	16.55
Badger Meter Inc.	4.50	0.00	4.50	23.32
SiteOne Landscape Supply Inc	4.46	0.00	4.46	11.60
Bank of Hawaii Corp	4.42	0.00	4.42	1.14
WD-40 Co	4.37	0.00	4.37	1.87
RBC Bearings Inc	4.32	0.00	4.32	22.99
Scotts Miracle-Gro	4.15	0.00	4.15	9.42
Anika Therapeutics Inc	3.94	0.01	3.93	17.55
% of Portfolio	45.17	0.12		

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Cognex Corp	2.55	0.00	2.55	30.00
Badger Meter Inc.	4.50	0.00	4.50	23.32
RBC Bearings Inc	4.32	0.00	4.32	22.99
Thor Industries Inc.	4.93	0.00	4.93	20.47
Anika Therapeutics Inc	3.94	0.01	3.93	17.55
Landstar System Inc	4.58	0.00	4.58	16.55
HPF Inc	3.55	0.00	3.55	13.78
RE/MAX Holdings Inc	5.50	0.11	5.39	13.71
Graco Inc.	3.21	0.00	3.21	13.56
SiteOne Landscape Supply Inc	4.46	0.00	4.46	11.60
% of Portfolio	41.54	0.12		

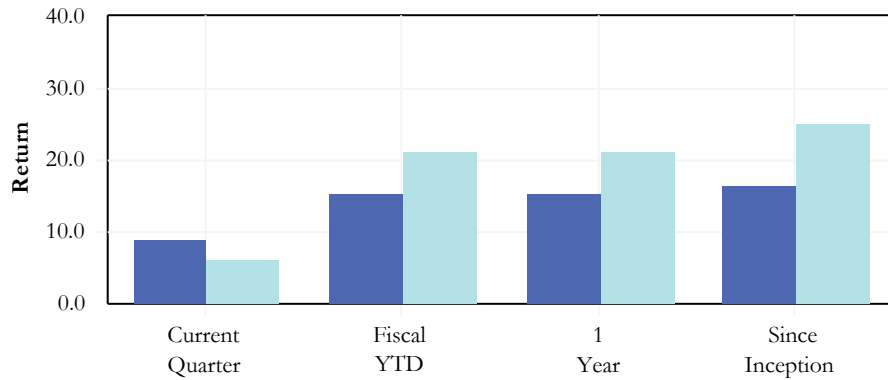
Ten Worst Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Patterson Companies Inc	2.80	0.00	2.80	-17.18
Cheesecake Factory Inc. (The)	3.28	0.00	3.28	-15.72
Manhattan Associates Inc	1.69	0.00	1.69	-13.50
Cinemark Holdings Inc	3.86	0.00	3.86	-5.96
Sally Beauty Holdings Inc	2.25	0.00	2.25	-3.31
Core Laboratories NV	3.58	0.00	3.58	-2.02
Henry (Jack) & Associates Inc	2.88	0.00	2.88	-0.74
Lincoln Electric Holdings Inc	1.90	0.00	1.90	-0.07
Bank of Hawaii Corp	4.42	0.00	4.42	1.14
WD-40 Co	4.37	0.00	4.37	1.87
% of Portfolio	31.03	0.00		

Town of Longboat Key Combined Retirement Plan

RBC/Fiera Capital Small Cap Growth - Executive Summary

as of September 30, 2017

Manager Performance Chart



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
RBC/Fiera Capital - Small Cap Growth	9.01	15.31	15.31	16.39
Russell 2000 Gr	6.22	20.98	20.98	24.98
Differences	2.79	-5.67	-5.67	-8.59

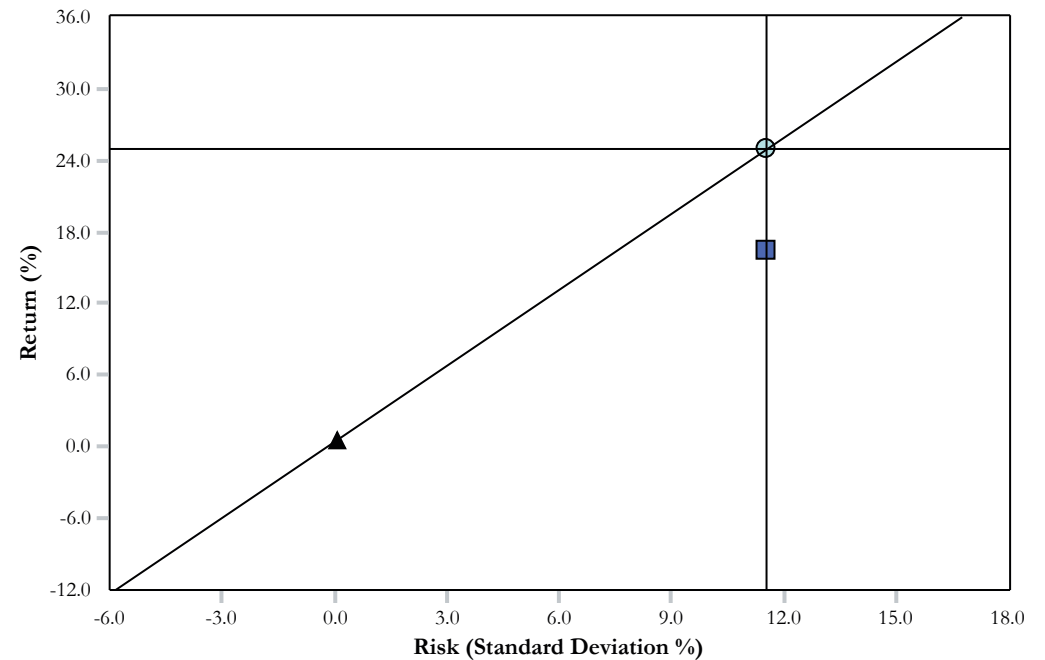
Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
RBC/Fiera Capital - Small Cap Growth				
Beginning Market Value	838	821	821	836
Net Contributions	-12	-38	-38	-93
Fees/Expenses	-1	-5	-5	-6
Income	1	5	5	7
Gain/Loss	74	116	116	156
Ending Market Value	899	899	899	899

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
RBC/Fiera Capital - Small Cap Growth	16.39	11.53	0.94	-6.23	76.60	107.85	-5.68	1.33	0.89	07/01/2016
Russell 2000 Gr	24.98	11.56	1.00	-6.21	100.00	100.00	0.00	1.95	1.00	07/01/2016

Manager Risk & Return



- RBC/Fiera Capital - Small Cap Growth
- Russell 2000 Gr
- ▲ 90-Day T-Bills

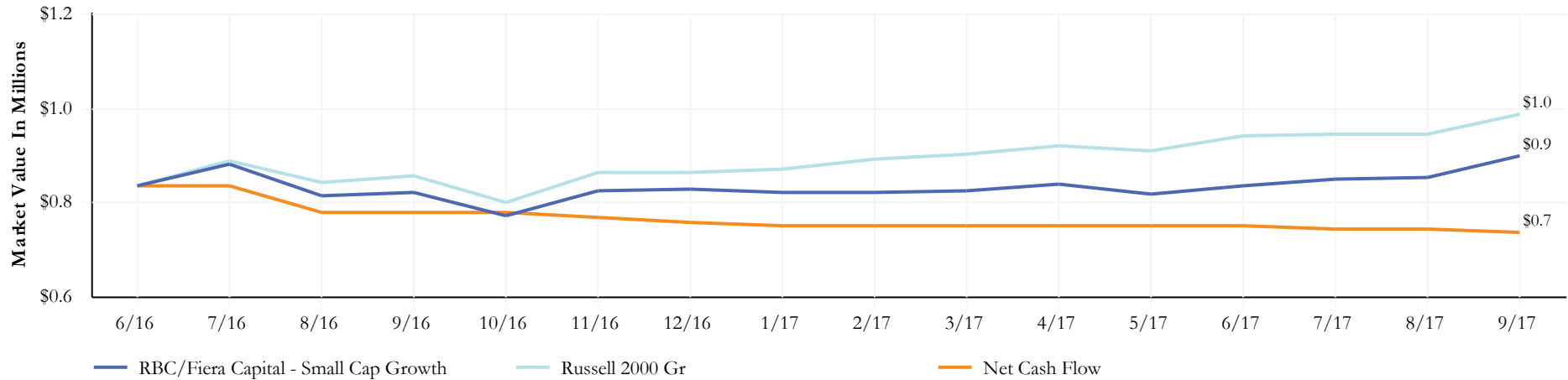
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Town of Longboat Key Combined Retirement Plan

RBC/Fiera Capital Small Cap Growth - Change in Assets & Distribution of Returns

as of September 30, 2017

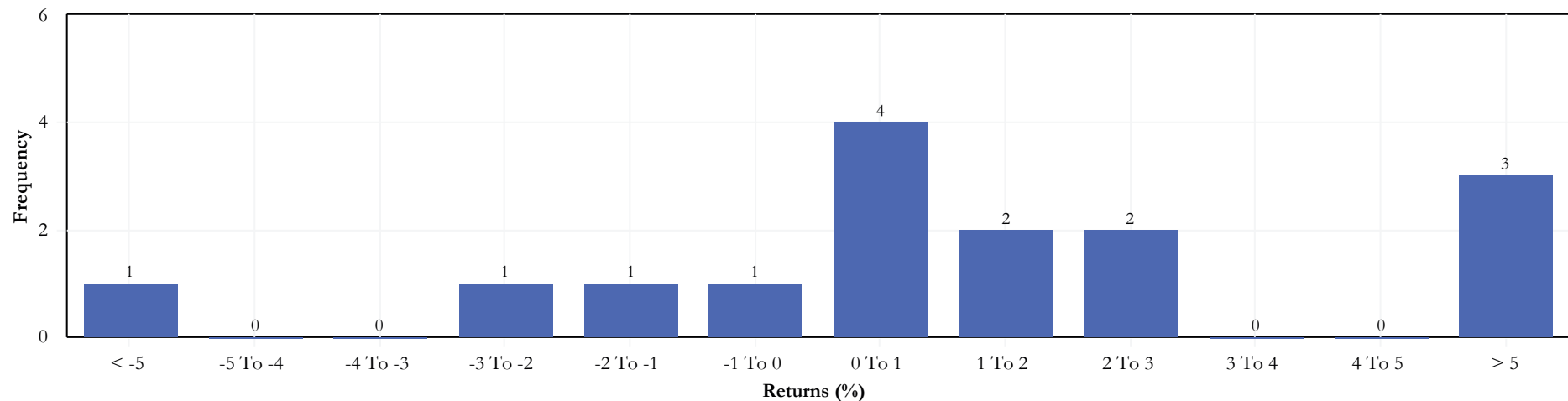
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 07/01/2017	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2017
RBC/Fiera Capital - Small Cap Growth	837,657.28	-	18,609.22	-30,609.22	-1,359.75	-	74,912.13	899,209.66

Distribution of Returns

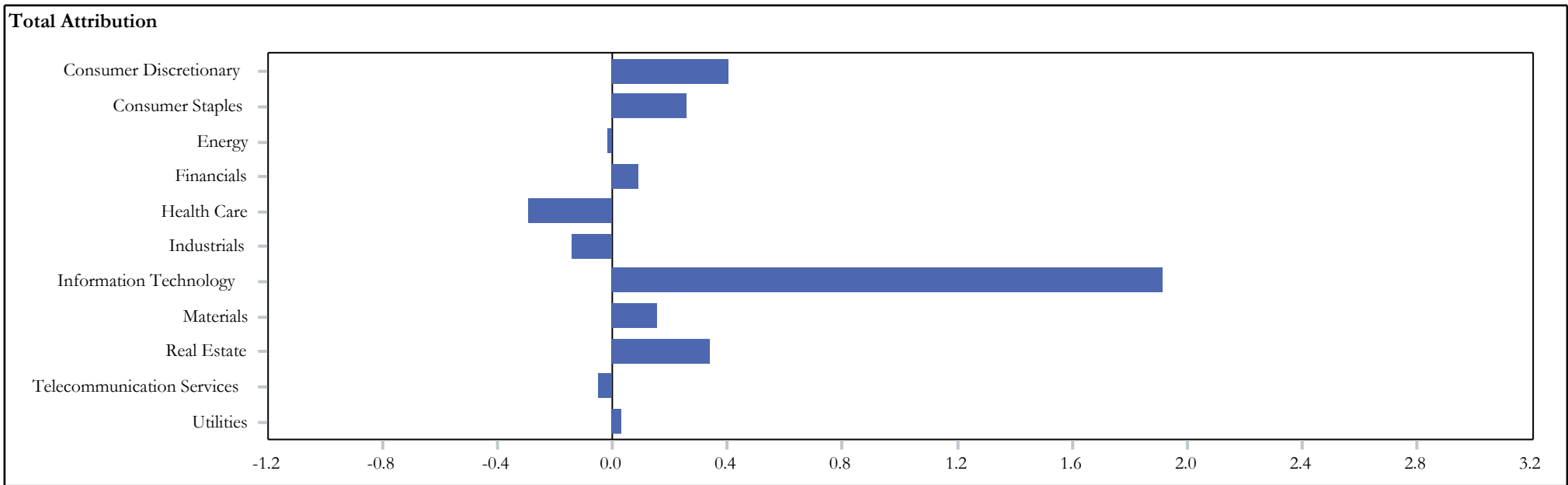
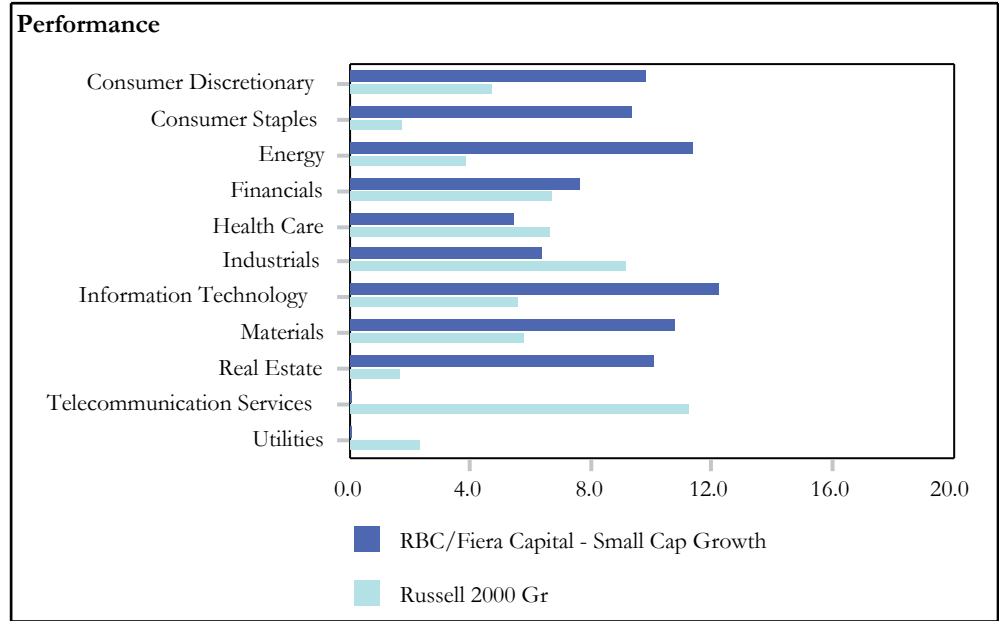
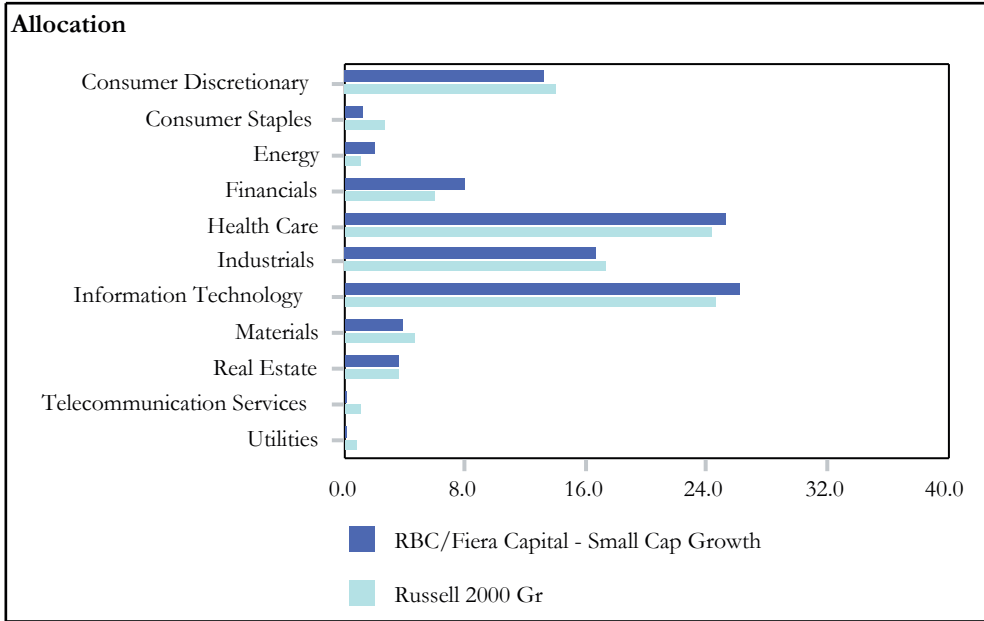


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Town of Longboat Key Combined Retirement Plan

RBC/Fiera Capital - Small Cap Growth - Quarterly Performance Attributes

as of September 30, 2017



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Town of Longboat Key Combined Retirement Plan
RBC/Fiera Capital - Small Cap Growth - Quarterly Performance Attributes
as of September 30, 2017

	Allocation - 07/01/2017		Performance - Quarter Ending September 30, 2017		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	13.21	14.03	9.79	4.71	-0.16	0.72	-0.16	0.40
Consumer Staples	1.16	2.58	9.36	1.75	0.08	0.13	0.05	0.26
Energy	1.95	1.11	11.37	3.87	-0.14	0.09	0.03	-0.02
Financials	8.00	5.97	7.61	6.67	0.01	0.07	0.01	0.09
Health Care	25.28	24.35	5.46	6.66	0.05	-0.31	-0.04	-0.29
Industrials	16.69	17.37	6.35	9.11	0.34	-0.48	-0.01	-0.14
Information Technology	26.18	24.63	12.24	5.59	0.07	1.64	0.20	1.92
Materials	3.90	4.62	10.81	5.79	-0.01	0.24	-0.07	0.16
Real Estate	3.64	3.53	10.04	1.64	0.01	0.31	0.02	0.34
Telecommunication Services	0.00	1.06	0.00	11.23	-0.05	0.00	0.00	-0.05
Utilities	0.00	0.74	0.00	2.29	0.03	0.00	0.00	0.03
Total	100.00	100.00	8.87	6.19	0.24	2.41	0.04	2.69

All the values for Allocation, Performance and Attribution are expressed in Percentage(%) terms

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Town of Longboat Key Combined Retirement Plan
RBC/Fiera Capital - Small Cap Growth - Portfolio Characteristics
as of September 30, 2017

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	2,674,348.89	2,454,287.49
Median Mkt. Cap (\$000)	2,291,366.70	979,074.76
Price/Earnings ratio	33.38	26.54
Price/Book ratio	3.24	4.25
5 Yr. EPS Growth Rate (%)	9.34	16.15
Beta	N/A	1.00
Number of Stocks	78	1,172
Debt to Equity	0.58	1.80

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
PAREXEL International Corp	2.57	0.42	2.15	1.35
Pegasystems Inc	2.49	0.20	2.29	-1.15
Woodward Inc	2.37	0.39	1.98	15.05
Neogen Corp	2.27	0.27	2.00	12.08
Cantel Medical Corp.	2.14	0.33	1.81	20.98
RBC Bearings Inc	1.99	0.28	1.71	22.99
Balchem Corp	1.98	0.25	1.73	4.61
Healthcare Services Group Inc	1.98	0.37	1.61	15.67
FirstCash Inc	1.95	0.05	1.90	8.67
Medidata Solutions Inc	1.94	0.42	1.52	-0.18
% of Portfolio	21.68	2.98		

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Monro Inc	1.15	0.17	0.98	34.78
TriMas Corp	1.11	0.00	1.11	29.50
Envestnet Inc	1.34	0.21	1.13	28.79
Matador Resources Co	0.79	0.23	0.56	27.05
ePlus Inc	1.26	0.12	1.14	24.76
Teledyne Technologies Inc.	1.81	0.00	1.81	24.70
Diodes Inc	1.04	0.03	1.01	24.55
Bottomline Technologies Inc	1.52	0.11	1.41	23.90
RBC Bearings Inc	1.99	0.28	1.71	22.99
Novanta Inc	1.35	0.13	1.22	21.11
% of Portfolio	13.36	1.28		

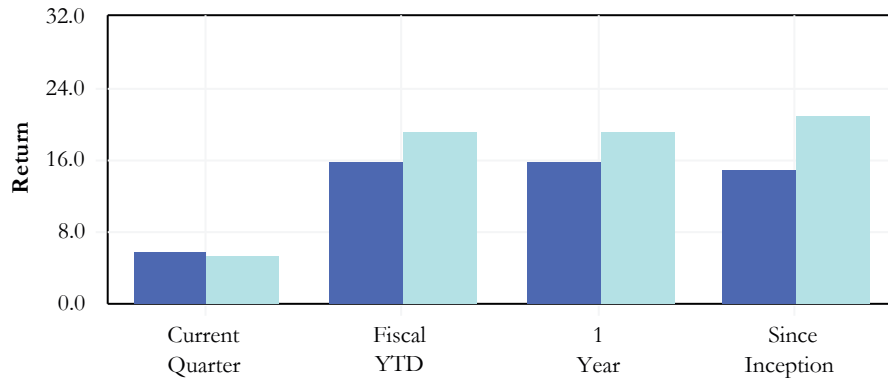
Ten Worst Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Cardtronics plc	0.80	0.10	0.70	-29.98
NuVasive Inc	1.26	0.27	0.99	-27.90
Aceto Corp	0.40	0.00	0.40	-26.86
PRA Group Inc	0.97	0.07	0.90	-24.41
Huron Consulting Group Inc	0.35	0.00	0.35	-20.60
TreeHouse Foods Inc	1.28	0.00	1.28	-17.09
Buffalo Wild Wings Inc	0.61	0.16	0.45	-16.58
ABAXIS Inc	0.97	0.09	0.88	-15.53
Manhattan Associates Inc	1.25	0.00	1.25	-13.50
Dorman Products Inc	1.42	0.19	1.23	-13.47
% of Portfolio	9.31	0.88		

Town of Longboat Key Combined Retirement Plan

Lazard International Value - Executive Summary

as of September 30, 2017

Manager Performance Chart



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Lazard - International Value	5.89	15.84	15.84	14.92
MSCI EAFE Net	5.40	19.10	19.10	20.89
Differences	0.49	-3.26	-3.26	-5.97

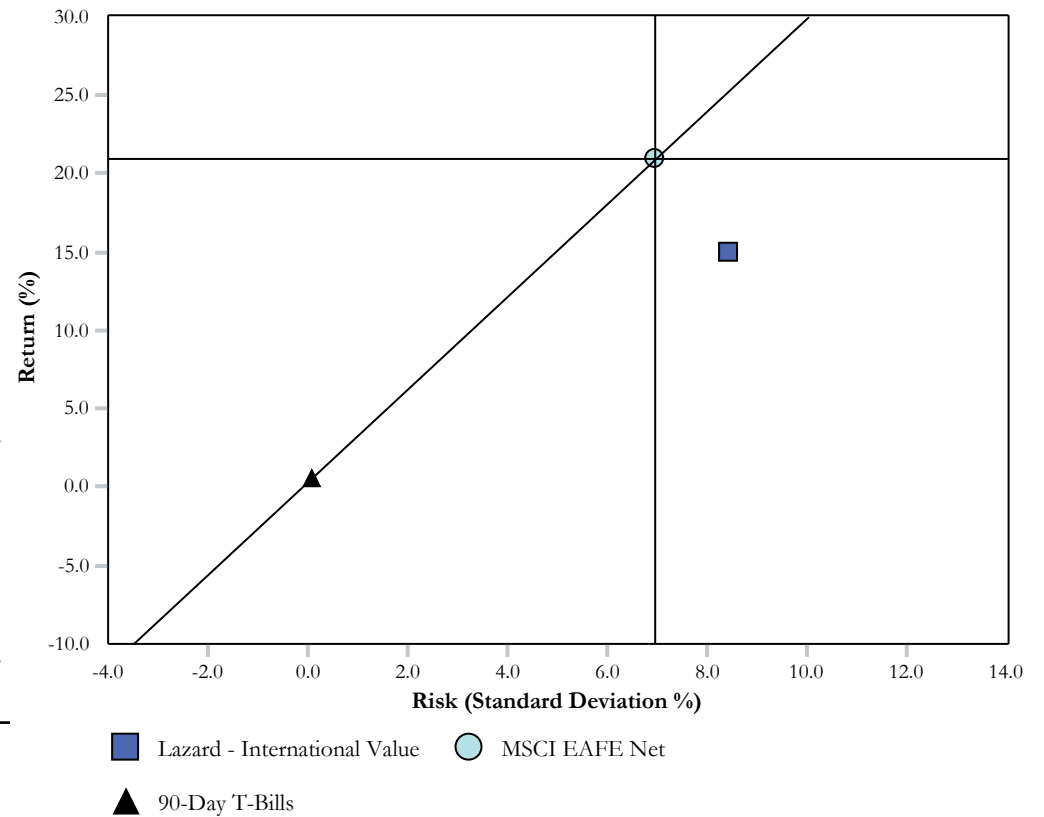
Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Lazard - International Value				
Beginning Market Value	2,556	2,449	2,449	2,499
Net Contributions	-80	-180	-180	-294
Fees/Expenses	-4	-14	-14	-17
Income	14	54	54	60
Gain/Loss	136	312	312	374
Ending Market Value	2,622	2,622	2,622	2,622

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Lazard - International Value	14.92	8.43	1.05	-6.65	90.01	180.67	-5.75	1.64	0.74	07/01/2016
MSCI EAFE Net	20.89	6.96	1.00	-4.00	100.00	100.00	0.00	2.70	1.00	07/01/2016

Manager Risk & Return



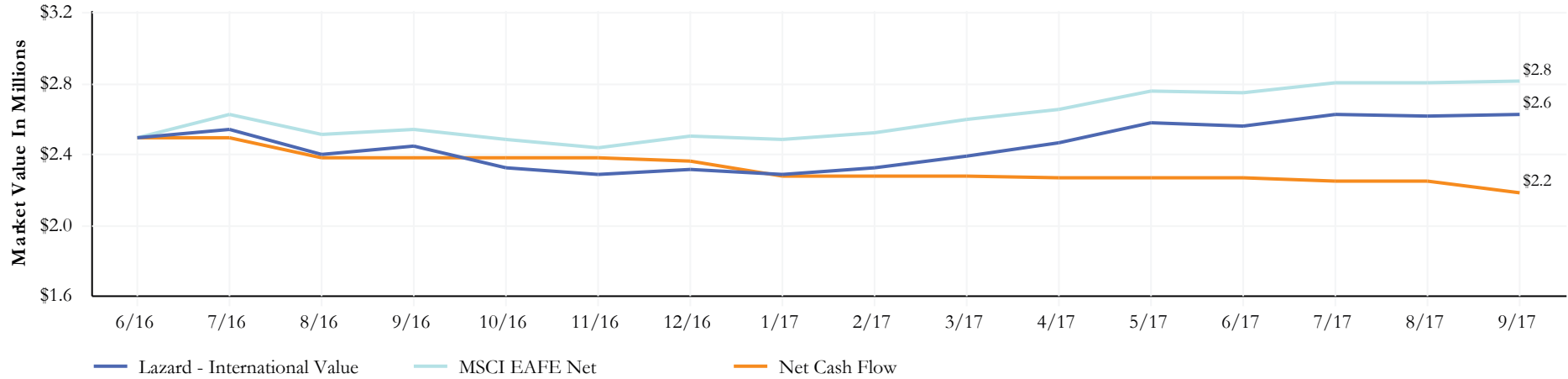
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Town of Longboat Key Combined Retirement Plan

Lazard International Value - Change in Assets & Distribution of Returns

as of September 30, 2017

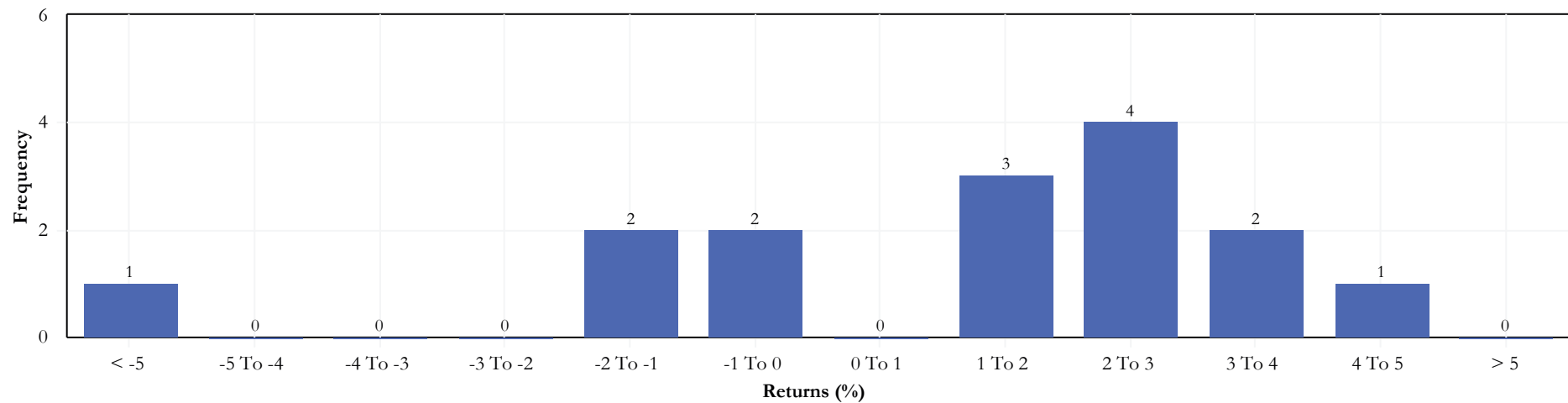
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 07/01/2017	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2017
Lazard - International Value	2,556,206.34	-	52,865.56	-132,767.80	-3,640.12	-	149,401.06	2,622,065.04

Distribution of Returns

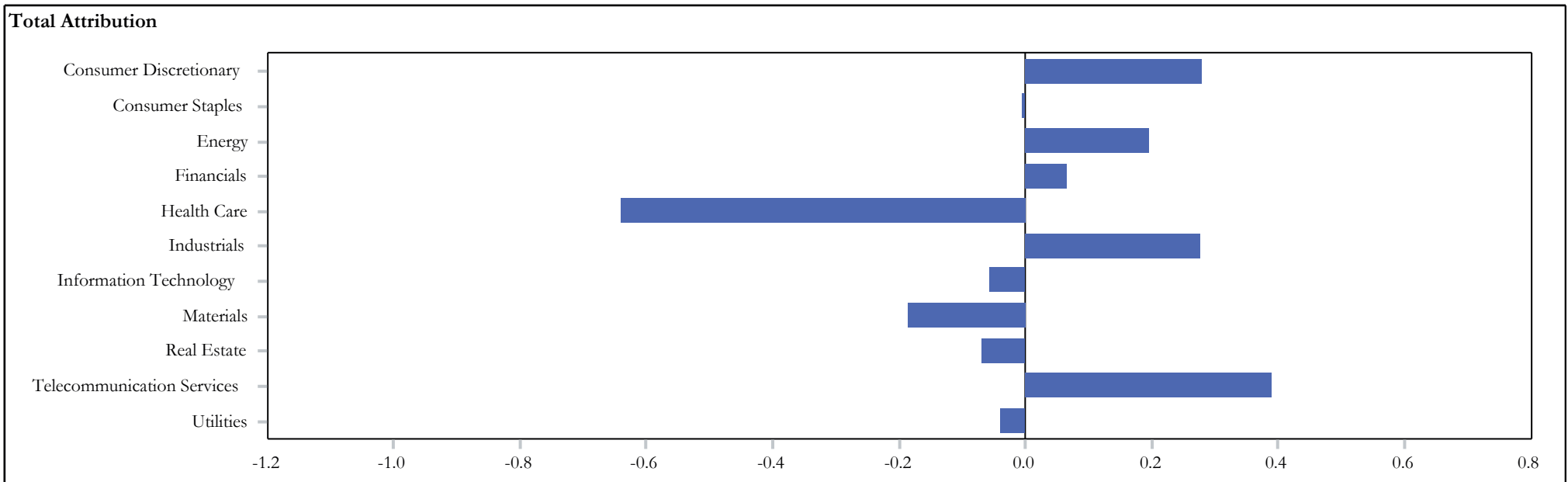
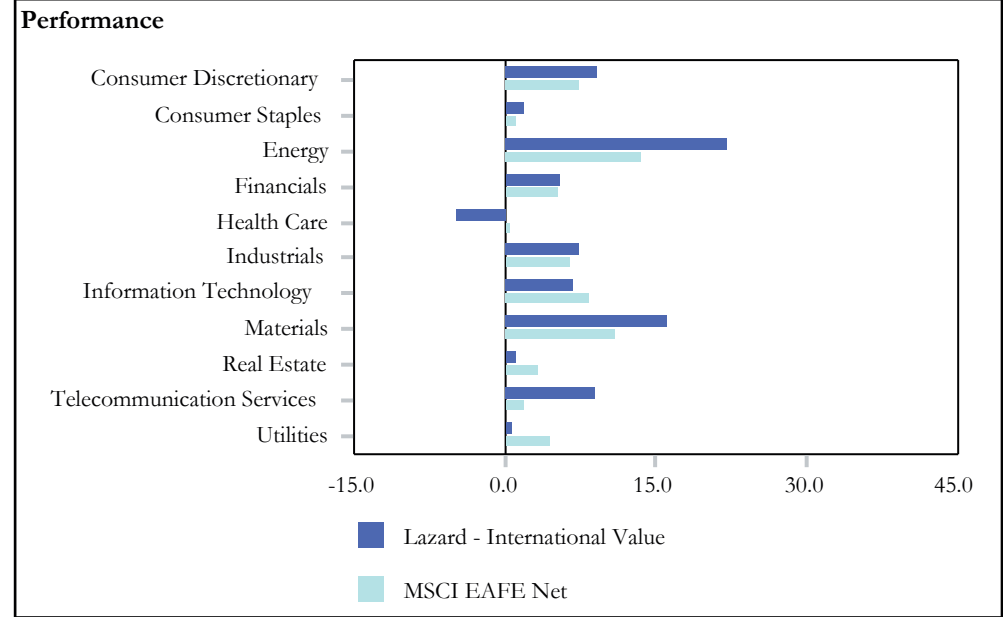
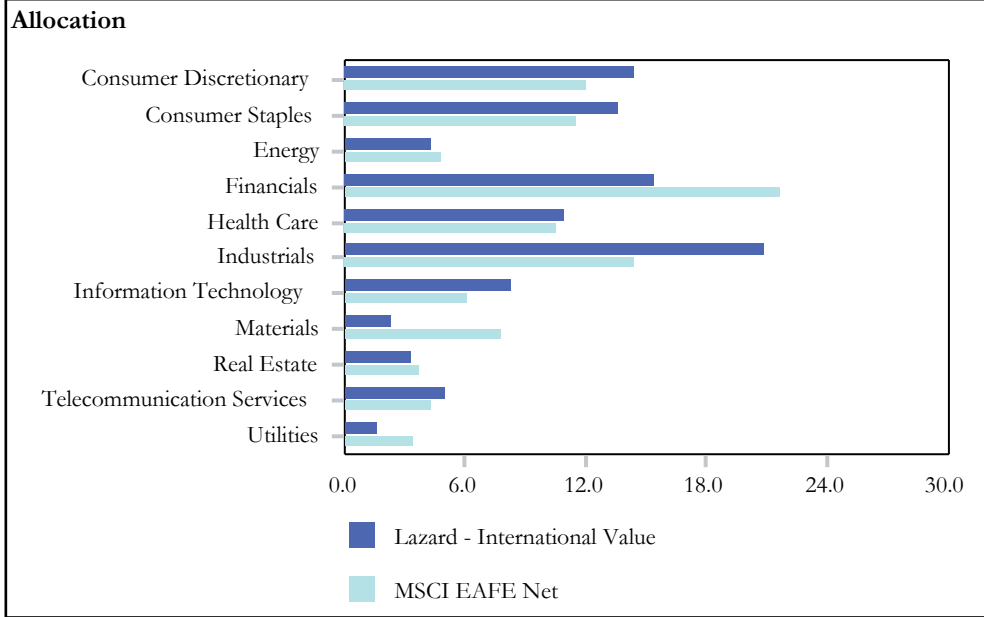


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Town of Longboat Key Combined Retirement Plan

Lazard - International Value - Quarterly Performance Attributes

as of September 30, 2017



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Town of Longboat Key Combined Retirement Plan
Lazard - International Value - Quarterly Performance Attributes
as of September 30, 2017

	Allocation - 07/01/2017		Performance - Quarter Ending September 30, 2017		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	14.43	12.01	9.22	7.53	0.04	0.20	0.04	0.28
Consumer Staples	13.65	11.50	1.88	1.13	-0.11	0.09	0.01	0.00
Energy	4.24	4.78	22.24	13.59	-0.02	0.39	-0.17	0.20
Financials	15.42	21.61	5.52	5.27	0.02	0.06	-0.01	0.07
Health Care	10.89	10.53	-4.90	0.56	-0.01	-0.60	-0.03	-0.64
Industrials	20.83	14.45	7.46	6.41	0.06	0.15	0.07	0.28
Information Technology	8.28	6.08	6.82	8.44	0.06	-0.10	-0.02	-0.06
Materials	2.32	7.73	16.10	11.05	-0.30	0.42	-0.31	-0.19
Real Estate	3.30	3.64	1.04	3.30	0.01	-0.08	0.01	-0.07
Telecommunication Services	5.00	4.25	9.13	1.79	0.00	0.32	0.07	0.39
Utilities	1.62	3.42	0.74	4.40	0.02	-0.12	0.06	-0.04
Total	100.00	100.00	5.70	5.48	-0.22	0.72	-0.28	0.21

All the values for Allocation, Performance and Attribution are expressed in Percentage(%) terms

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Town of Longboat Key Combined Retirement Plan

Lazard - International Value - Portfolio Characteristics

as of September 30, 2017

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	69,426,026.03	61,875,075.15
Median Mkt. Cap (\$000)	36,863,576.73	11,202,294.40
Price/Earnings ratio	24.10	17.11
Price/Book ratio	2.89	2.23
5 Yr. EPS Growth Rate (%)	-0.77	6.51
Beta	N/A	1.00
Number of Stocks	53	926
Debt to Equity	1.01	1.63

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Prudential PLC	3.46	0.43	3.03	4.98
SAP AG	3.32	0.75	2.57	4.76
British American Tobacco	3.22	1.00	2.22	-7.81
Daiwa House Industry Co Ltd	3.18	0.14	3.04	1.04
Unilever PLC	3.15	0.52	2.63	7.88
Novartis AG	2.87	1.32	1.55	2.85
Valeo SA	2.82	0.12	2.70	10.31
Ryohin Keikaku Co Ltd	2.67	0.05	2.62	17.88
Sampo PLC	2.63	0.16	2.47	3.31
Shire PLC	2.62	0.32	2.30	-7.25
% of Portfolio	29.94	4.81		

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Telenor ASA	1.74	0.11	1.63	27.95
Statoil ASA	1.30	0.16	1.14	22.97
Suncor Energy Inc.	1.57	0.00	1.57	20.86
Deutsche Post AG	1.10	0.30	0.80	18.95
Ashtead Group PLC	1.25	0.08	1.17	18.57
Ryohin Keikaku Co Ltd	2.67	0.05	2.62	17.88
Continental AG	1.45	0.19	1.26	17.81
BHP Billiton Ltd	2.26	0.45	1.81	16.10
Royal Dutch Shell PLC	2.59	0.94	1.65	15.78
Tokyo Electron Ltd	1.35	0.17	1.18	13.78
% of Portfolio	17.28	2.45		

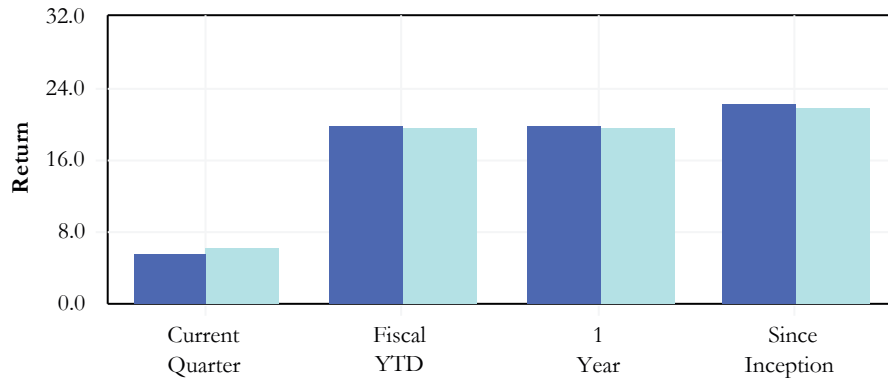
Ten Worst Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Medtronic PLC	2.42	0.00	2.42	-11.40
British American Tobacco	3.22	1.00	2.22	-7.81
Shire PLC	2.62	0.32	2.30	-7.25
Fresenius SE & Co KGAA	1.63	0.23	1.40	-5.75
Sony Corp	1.36	0.33	1.03	-2.23
Ryanair Holdings PLC	1.18	0.02	1.16	-2.04
Sumitomo Mitsui Fin Gp	2.00	0.36	1.64	-1.91
Kao Corp	0.97	0.20	0.77	-0.96
Kddi Corp	1.24	0.33	0.91	-0.45
Red Electrica Corp SA	1.53	0.06	1.47	0.74
% of Portfolio	18.17	2.85		

Town of Longboat Key Combined Retirement Plan

Renaissance International Growth - Executive Summary

as of September 30, 2017

Manager Performance Chart



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Renaissance - International Growth	5.51	19.80	19.80	22.19
MSCI AC World ex US Net	6.16	19.61	19.61	21.74
Differences	-0.65	0.19	0.19	0.45

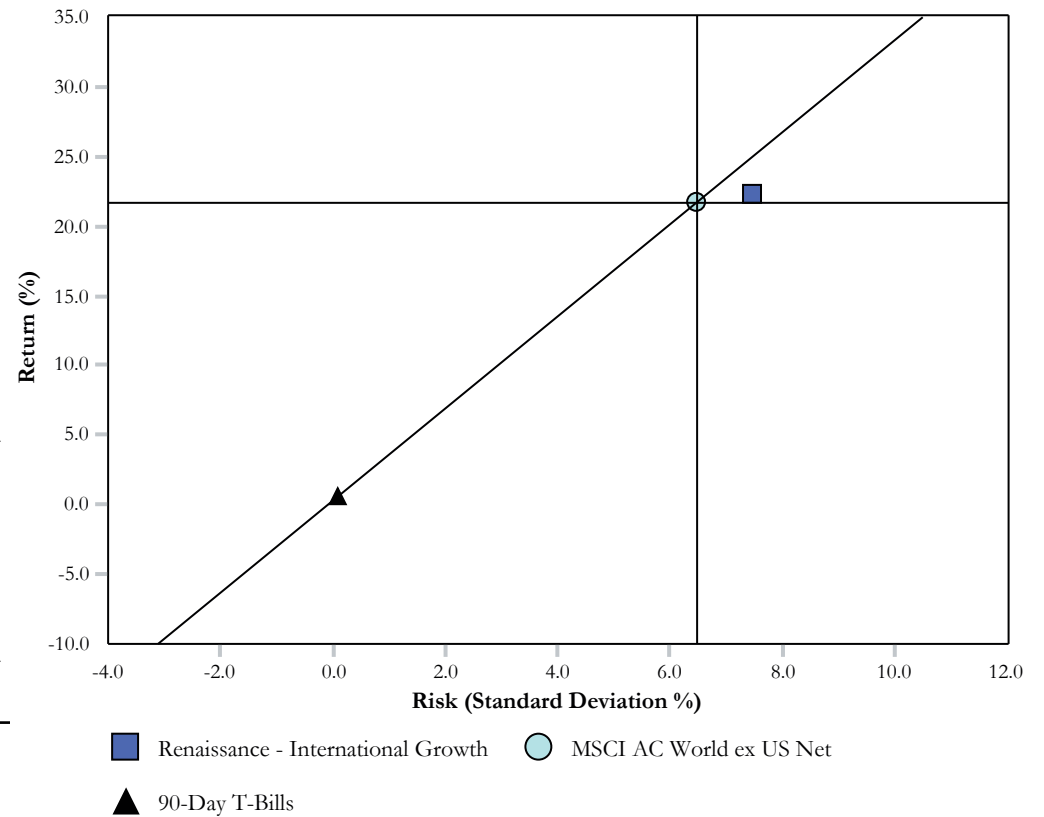
Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Renaissance - International Growth				
Beginning Market Value	2,704	2,472	2,472	2,485
Net Contributions	-220	-300	-300	-489
Fees/Expenses	-4	-14	-14	-18
Income	15	48	48	54
Gain/Loss	133	423	423	596
Ending Market Value	2,628	2,628	2,628	2,628

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Renaissance - International Growth	22.19	7.48	1.07	-4.62	105.14	124.55	-0.95	2.67	0.86	07/01/2016
MSCI AC World ex US Net	21.74	6.48	1.00	-3.72	100.00	100.00	0.00	3.01	1.00	07/01/2016

Manager Risk & Return



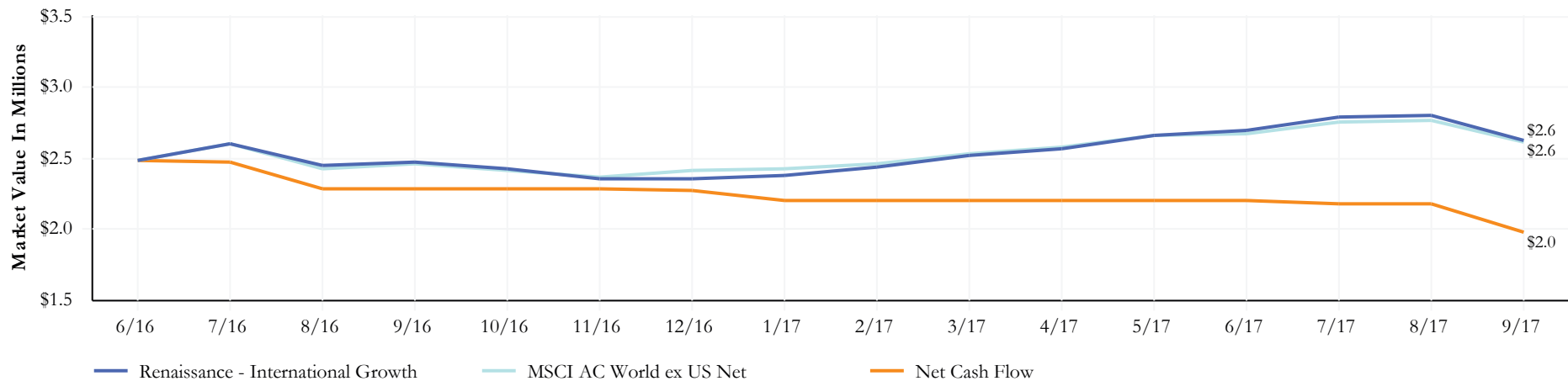
The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

Town of Longboat Key Combined Retirement Plan

Renaissance International Growth - Change in Assets & Distribution of Returns

as of September 30, 2017

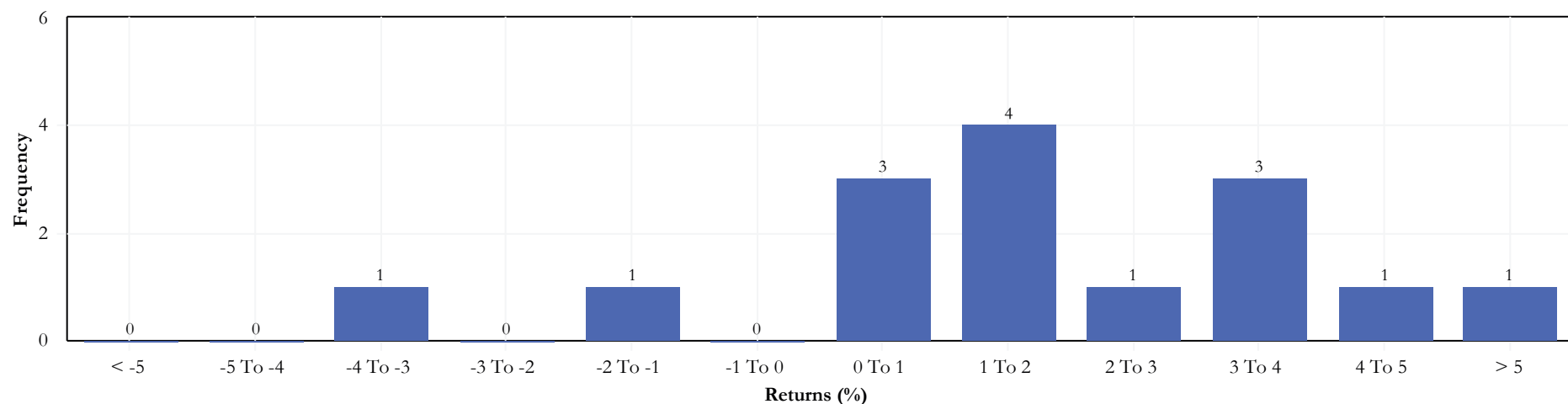
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 07/01/2017	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2017
Renaissance - International Growth	2,703,642.34	-	-	-220,000.00	-3,825.17	-	148,195.40	2,628,012.57

Distribution of Returns

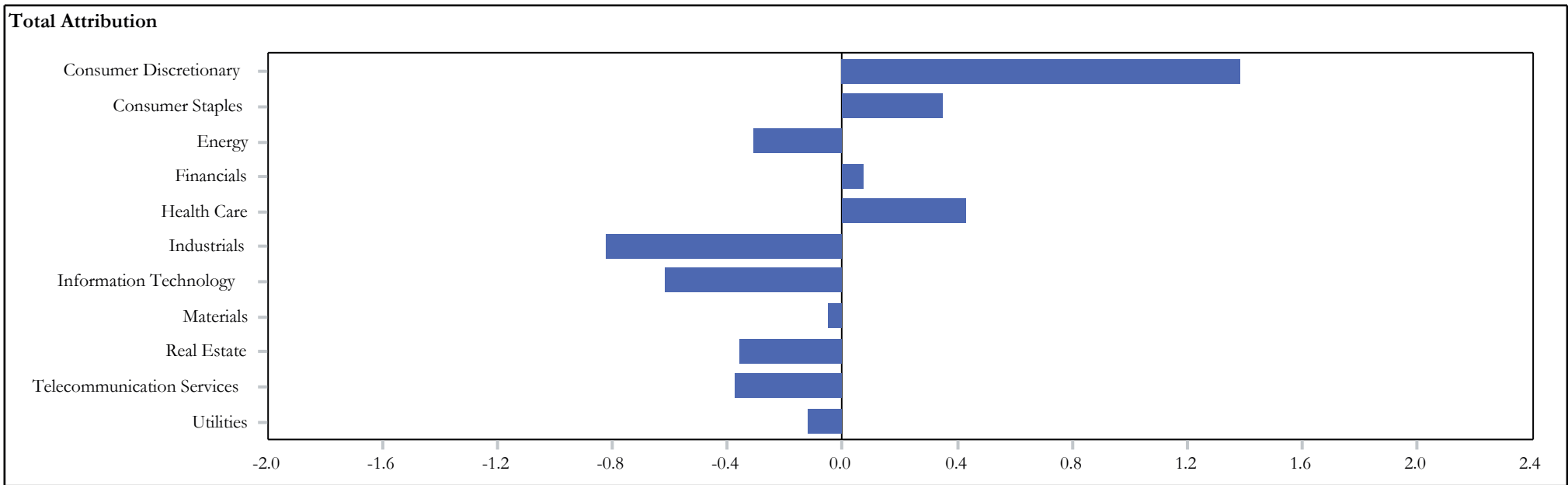
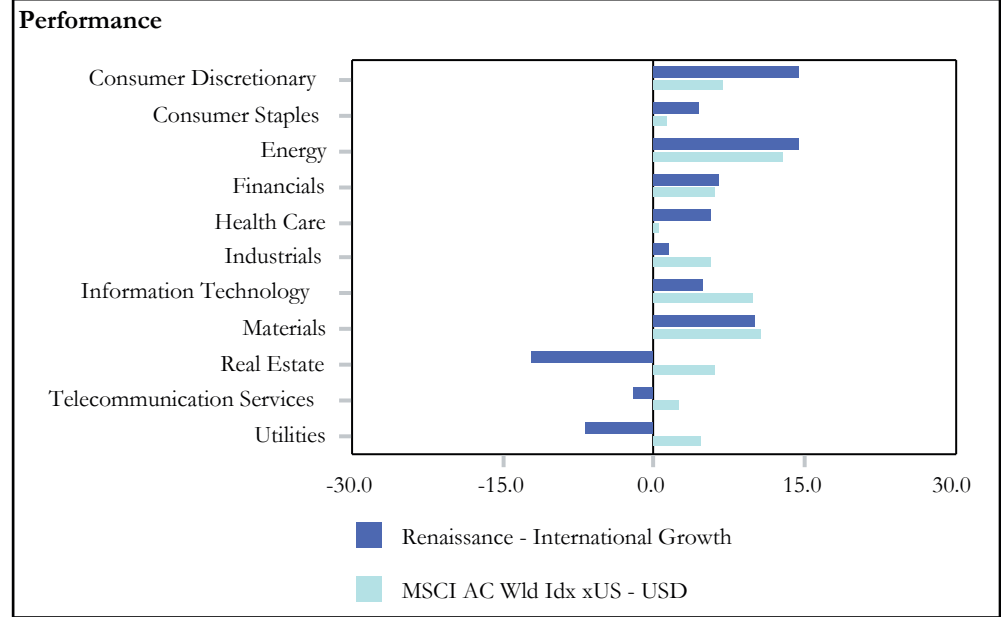
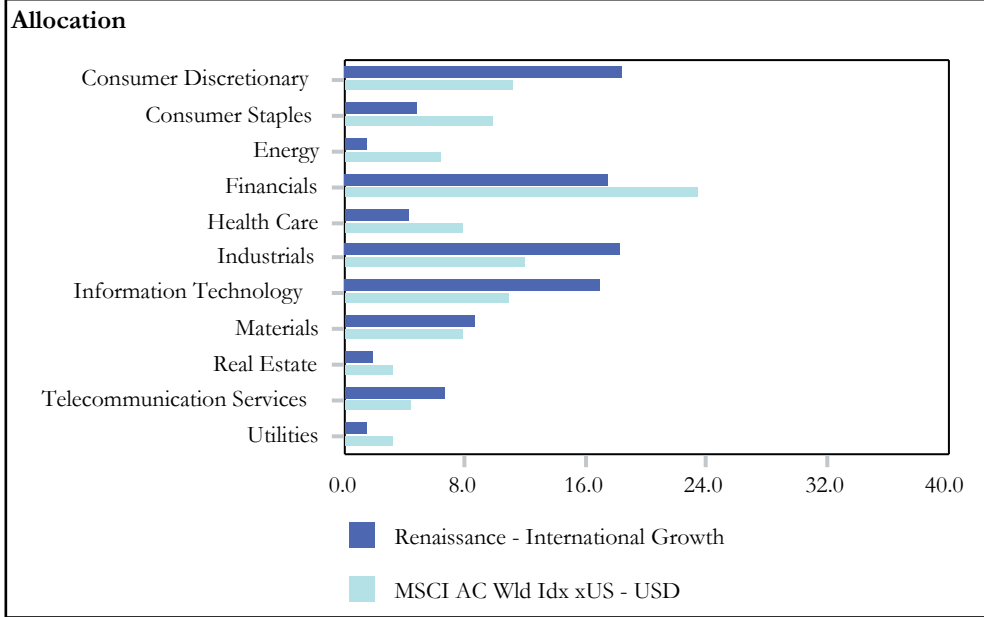


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Town of Longboat Key Combined Retirement Plan

Renaissance - International Growth - Quarterly Performance Attributes

as of September 30, 2017



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Town of Longboat Key Combined Retirement Plan
Renaissance - International Growth - Quarterly Performance Attributes
as of September 30, 2017

	Allocation - 07/01/2017		Performance - Quarter Ending September 30, 2017		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	18.38	11.17	14.46	7.04	0.06	0.81	0.52	1.38
Consumer Staples	4.79	9.84	4.50	1.37	0.27	0.32	-0.24	0.35
Energy	1.40	6.34	14.50	12.92	-0.32	0.12	-0.11	-0.31
Financials	17.48	23.46	6.53	6.16	0.01	0.09	-0.02	0.07
Health Care	4.21	7.87	5.82	0.69	0.22	0.42	-0.21	0.43
Industrials	18.34	11.86	1.52	5.76	-0.02	-0.51	-0.29	-0.82
Information Technology	17.00	10.91	4.97	9.99	0.23	-0.54	-0.31	-0.62
Materials	8.60	7.78	10.15	10.72	0.11	-0.02	-0.14	-0.05
Real Estate	1.82	3.23	-12.06	6.25	0.00	-0.63	0.27	-0.36
Telecommunication Services	6.58	4.38	-1.90	2.56	-0.08	-0.20	-0.10	-0.37
Utilities	1.40	3.14	-6.73	4.68	0.03	-0.34	0.19	-0.12
Total	100.00	100.00	5.85	6.27	0.51	-0.48	-0.44	-0.41

All the values for Allocation, Performance and Attribution are expressed in Percentage(%) terms

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Town of Longboat Key Combined Retirement Plan
Renaissance - International Growth - Portfolio Characteristics
as of September 30, 2017

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	36,156,960.01	65,456,061.31
Median Mkt. Cap (\$000)	21,434,919.31	8,265,292.61
Price/Earnings ratio	13.88	16.37
Price/Book ratio	2.30	2.27
5 Yr. EPS Growth Rate (%)	18.66	7.76
Beta	N/A	1.00
Number of Stocks	54	1,859
Debt to Equity	0.73	1.43

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
AerCap Holdings NV	2.29	0.04	2.25	10.08
NXP Semiconductors NV	2.28	0.19	2.09	3.33
Deutsche Post AG	2.25	0.21	2.04	18.95
WH GROUP LTD	2.18	0.00	2.18	N/A
Unilever PLC	2.16	0.36	1.80	7.88
Valeo SA	2.15	0.09	2.06	10.31
Vestas Wind Systems A/S	2.13	0.09	2.04	-2.64
Arkema	2.12	0.04	2.08	15.10
Grupo Financiero Banorte	2.09	0.08	2.01	8.52
Capgemini SE	2.08	0.09	1.99	13.60
% of Portfolio	21.73	1.19		

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
China Lodging Group Ltd	2.00	0.00	2.00	47.27
Infineon Technologies	1.84	0.14	1.70	19.27
Deutsche Post AG	2.25	0.21	2.04	18.95
Persimmon PLC	1.90	0.05	1.85	18.95
Icon PLC	1.83	0.00	1.83	16.45
Smc Corp	1.78	0.10	1.68	16.01
Toray Industries Inc	1.88	0.07	1.81	15.87
Magna International Inc.	1.99	0.09	1.90	15.83
Arkema	2.12	0.04	2.08	15.10
Oil Co LUKOIL PJSC	1.79	0.11	1.68	14.50
% of Portfolio	19.38	0.81		

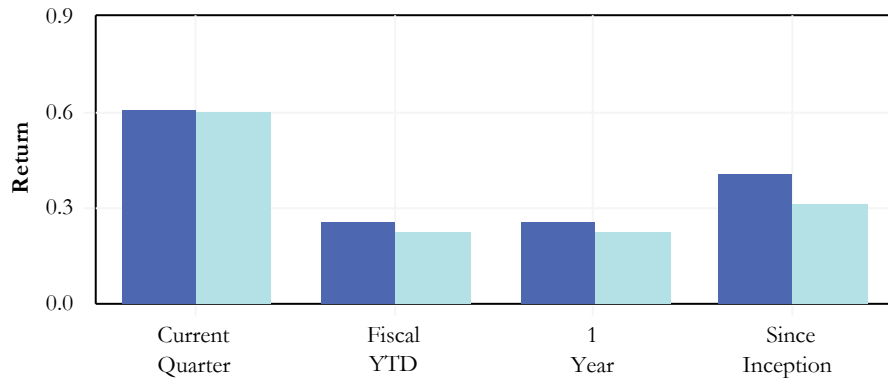
Ten Worst Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
China Eastern Airlines Corp Ltd	1.57	0.00	1.57	-20.13
Controladora Vuela Compania de Aviacion SA de CV	1.60	0.00	1.60	-18.42
Netease Inc	1.65	0.10	1.55	-11.98
Korea Electric Power Corp	1.52	0.04	1.48	-6.73
Jazz Pharmaceuticals Plc	1.88	0.00	1.88	-5.95
SK Telecom Co Ltd	1.86	0.02	1.84	-4.21
Murata Manufacturing Co Ltd	2.02	0.14	1.88	-3.28
Nippon T&T	1.65	0.15	1.50	-3.06
KB Financial Group Inc	1.85	0.09	1.76	-2.89
Vestas Wind Systems A/S	2.13	0.09	2.04	-2.64
% of Portfolio	17.73	0.63		

Town of Longboat Key Combined Retirement Plan

Pacific Income Advisors - Executive Summary

as of September 30, 2017

Manager Performance Chart



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Pacific Income - Fixed Income	0.60	0.26	0.26	0.41
BC Gov/Cr Intm	0.60	0.23	0.23	0.31
Differences	0.00	0.03	0.03	0.10

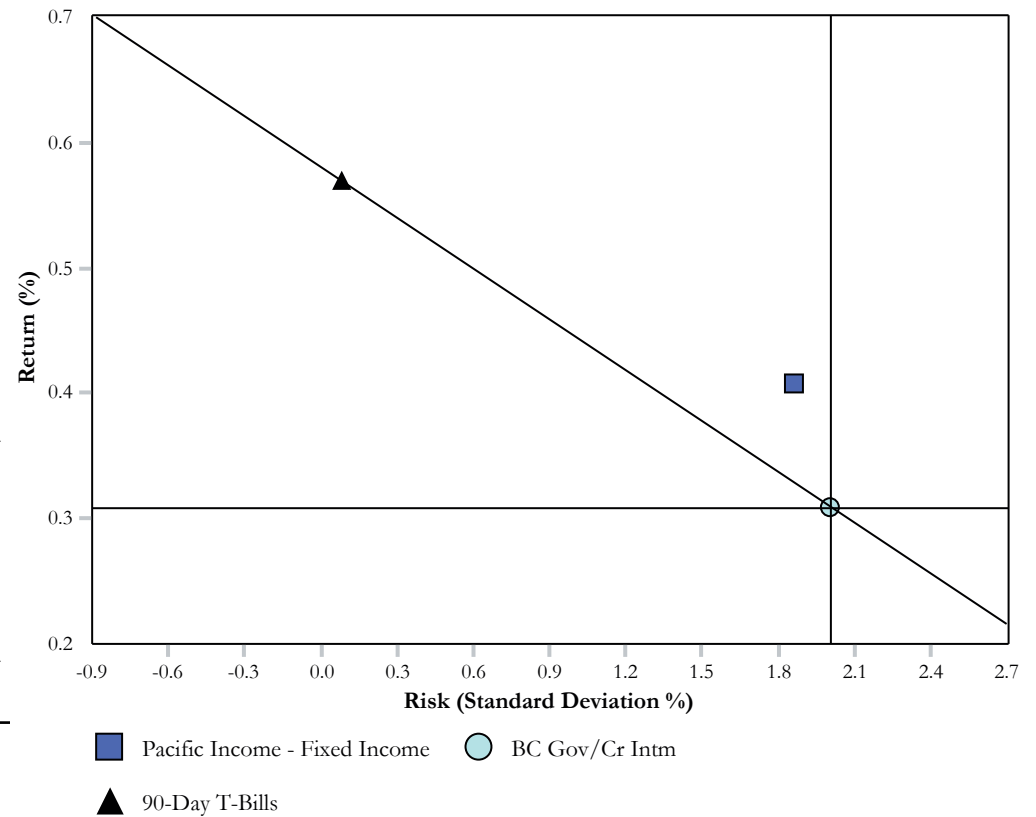
Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Pacific Income - Fixed Income				
Beginning Market Value	9,877	10,357	10,357	10,409
Net Contributions	-300	-699	-699	-763
Fees/Expenses	-13	-52	-52	-65
Income	60	207	207	260
Gain/Loss	-1	-191	-191	-217
Ending Market Value	9,623	9,623	9,623	9,623

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Pacific Income - Fixed Income	0.41	1.87	0.93	-2.13	96.51	92.15	0.12	-0.08	0.99	07/01/2016
BC Gov/Cr Intm	0.31	2.01	1.00	-2.26	100.00	100.00	0.00	-0.12	1.00	07/01/2016

Manager Risk & Return



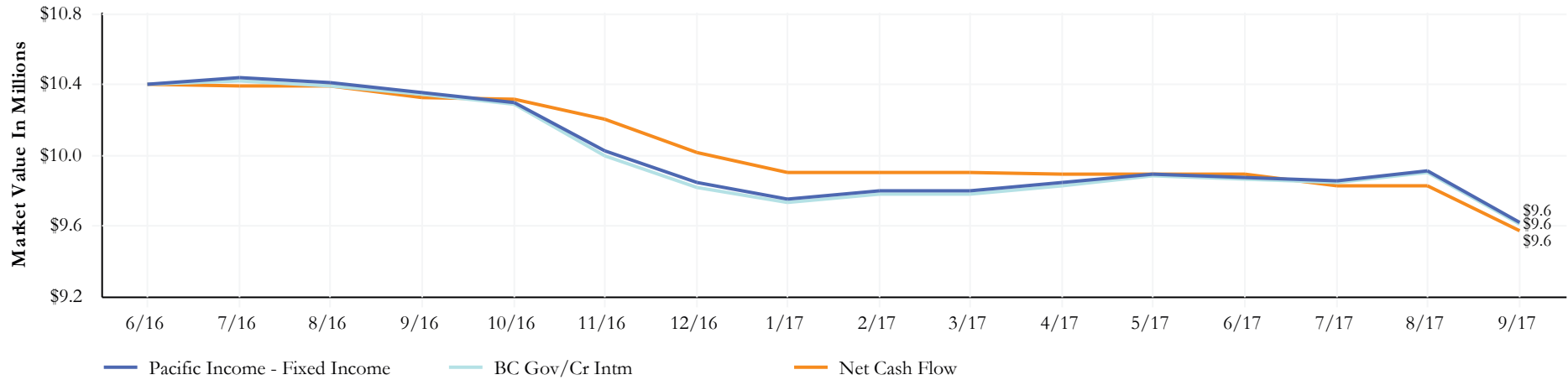
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Town of Longboat Key Combined Retirement Plan

Pacific Income Advisors - Change in Assets & Distribution of Returns

as of September 30, 2017

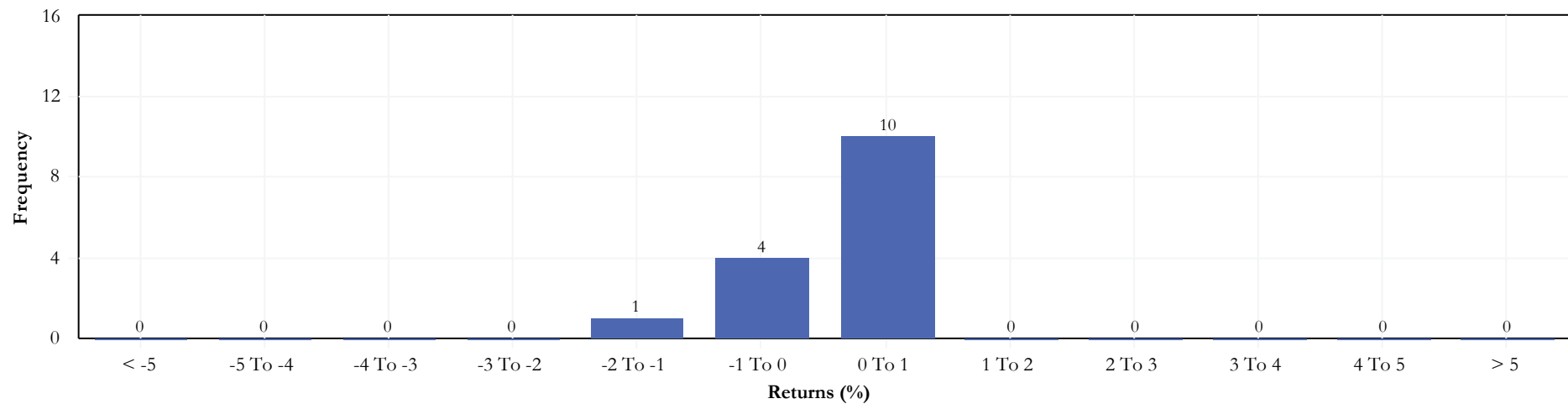
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 07/01/2017	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2017
Pacific Income - Fixed Income	9,876,951.49	-	-	-300,000.00	-12,889.92	-	59,396.62	9,623,458.19

Distribution of Returns



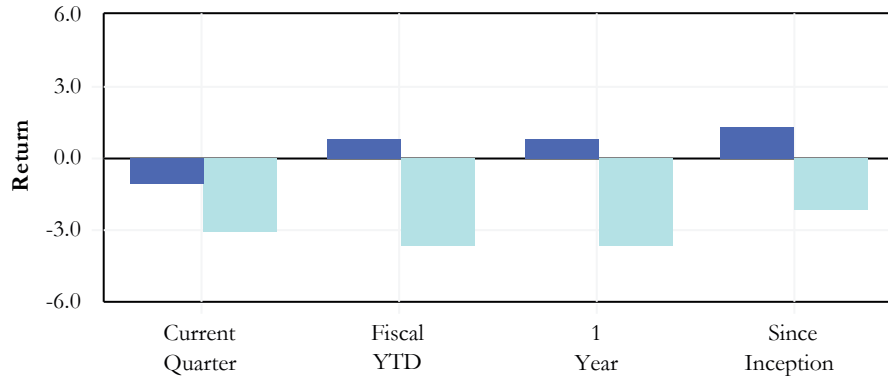
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Town of Longboat Key Combined Retirement Plan

Center Coast MLP - Executive Summary

as of September 30, 2017

Manager Performance Chart



Manager Annualized Performance

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Center Coast - MLPs	-1.12	0.85	0.85	1.32
Alerian MLP Index	-3.05	-3.70	-3.70	-2.14
Differences	1.93	4.55	4.55	3.46

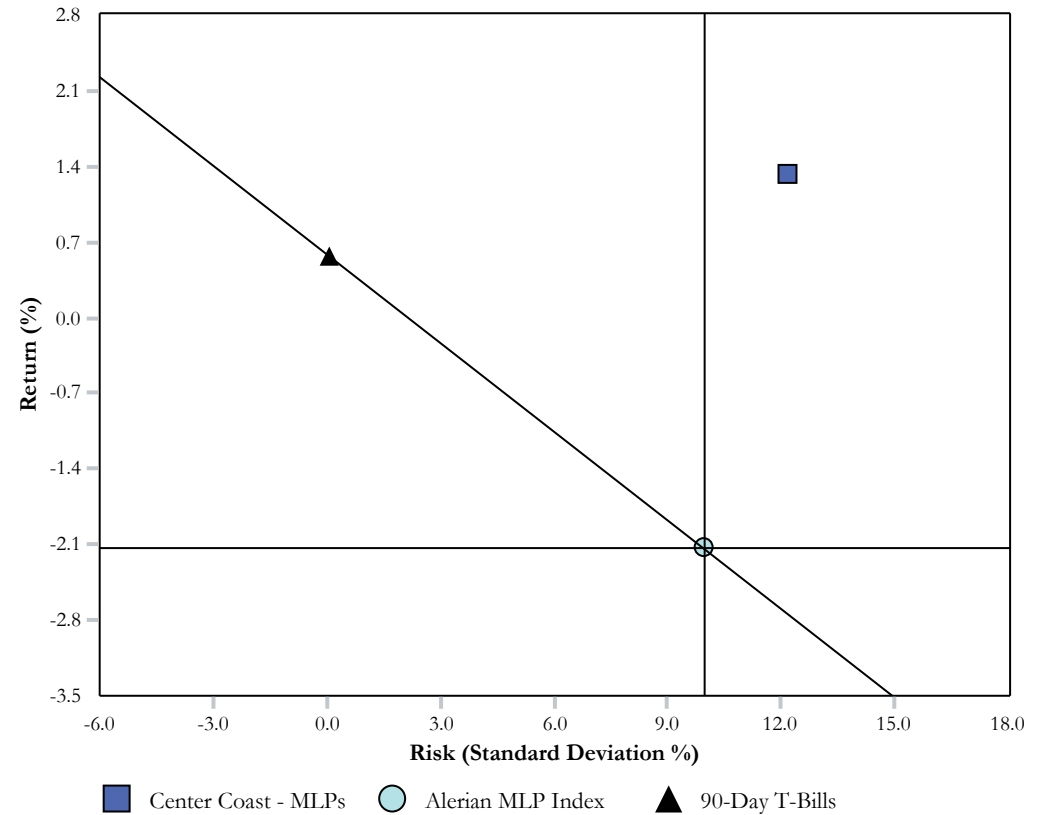
Historic Asset Growth

	Current Quarter	Fiscal YTD	1 Year	Inception 07/01/2016
Center Coast - MLPs				
Beginning Market Value	1,647	1,676	1,676	1,686
Net Contributions	-3	-58	-58	-78
Fees/Expenses	-3	-11	-11	-14
Income	29	106	106	131
Gain/Loss	-47	-90	-90	-102
Ending Market Value	1,623	1,623	1,623	1,623

Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Center Coast - MLPs	1.32	12.20	1.19	-10.84	133.10	104.24	4.10	0.12	0.95	07/01/2016
Alerian MLP Index	-2.14	9.98	1.00	-11.00	100.00	100.00	0.00	-0.22	1.00	07/01/2016

Manager Risk & Return



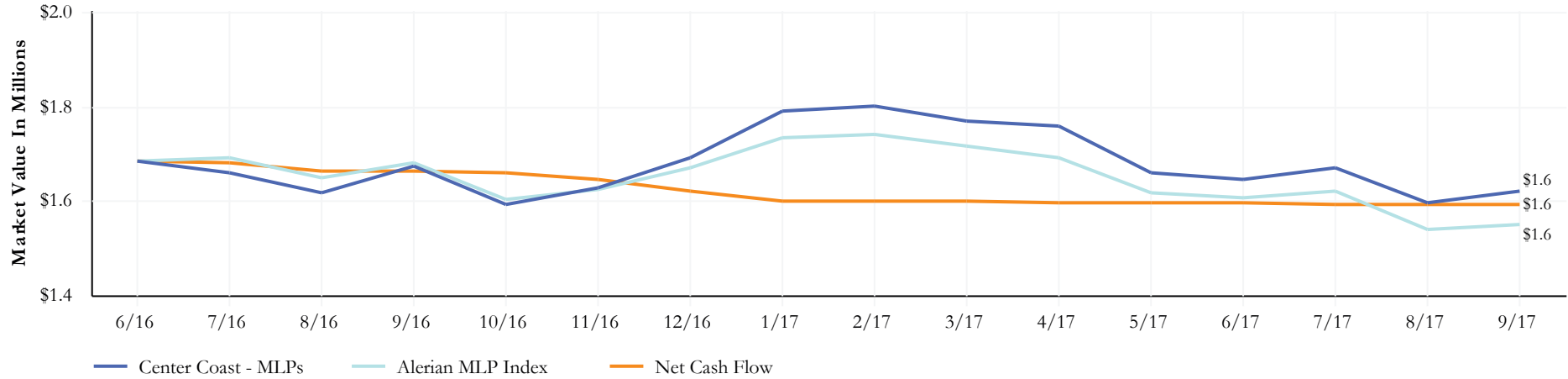
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Town of Longboat Key Combined Retirement Plan

Center Coast MLP - Change in Assets & Distribution of Returns

as of September 30, 2017

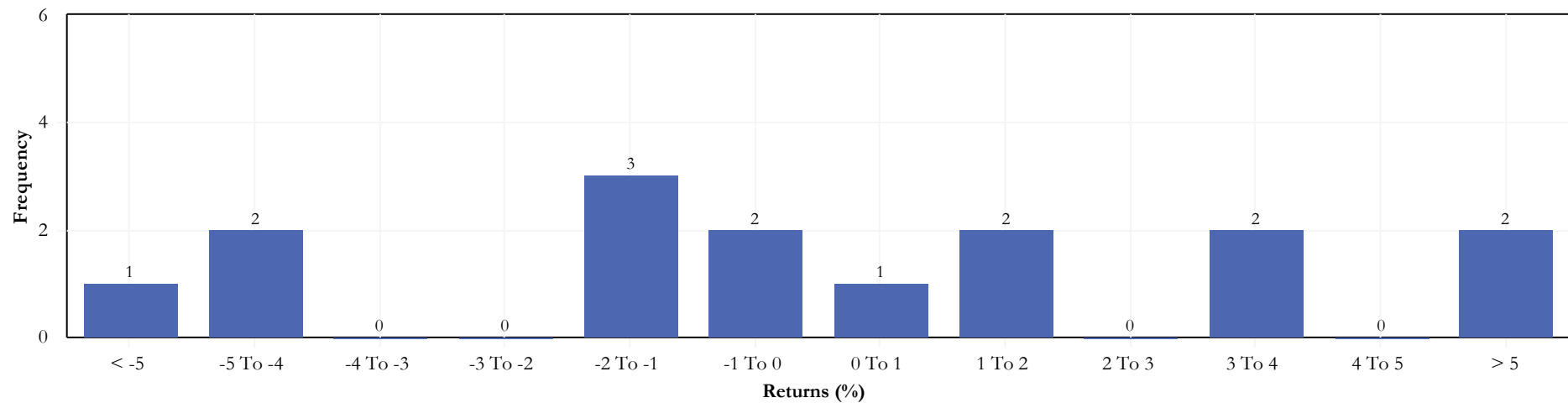
Historic Change in Assets



Quarterly Change in Assets

	Market Value As of 07/01/2017	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2017
Center Coast - MLPs	1,646,756.73	-	169,166.06	-171,666.06	-2,785.65	-	-18,279.43	1,623,191.65

Distribution of Returns



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Performance Appendix

Portfolio Name	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
American Core Realty Fd LLC - DVP	1.53	--	--	--	--	--	1.53	06/01/2017
Cash	7.99	8.02	8.17	--	--	--	6.50	07/01/2016
Center Coast - MLPs	-1.28	-3.03	0.18	--	--	--	1.14	06/01/2016
Congress - Mid Cap Growth	2.17	12.87	18.21	--	--	--	15.53	06/01/2016
Connors - Covered Calls	3.31	11.34	20.41	--	--	--	17.86	06/01/2016
Kayne Anderson - Small Cap Value	6.10	12.89	22.67	--	--	--	21.82	06/01/2016
Kennedy - Mid Cap Value	5.35	10.97	19.14	--	--	--	18.85	06/01/2016
Lazard - International Value	5.74	20.97	15.19	--	--	--	10.91	06/01/2016
Pacific Income - Fixed Income	0.47	1.77	-0.26	--	--	--	0.20	06/01/2016
RBC/Fiera Capital - Small Cap Growth	8.84	10.64	14.58	--	--	--	14.64	06/01/2016
Renaissance - International Growth	5.37	24.39	19.13	--	--	--	16.48	06/01/2016
Vanguard - Large Cap Growth	4.65	19.79	19.41	--	--	--	18.14	06/01/2016
Vanguard - Large Cap Value	4.01	9.10	17.42	--	--	--	15.54	06/01/2016

Glossary of Terms

Active Contribution Return: The gain or loss percentage of an investment relative to the performance of the investment benchmark.

Active Exposure: The percentage difference in weight of the portfolio compared to its policy benchmark.

Active Return: Arithmetic difference between the manager's return and the benchmark's return over a specified time period.

Actual Correlation: A measure of the correlation (linear dependence) between two variables X and Y, with a value between +1 and -1 inclusive. This is also referred to as coefficient of correlation.

Alpha: A measure of a portfolio's time weighted return in excess of the market's return, both adjusted for risk. A positive alpha indicates that the portfolio outperformed the market on a risk-adjusted basis, and a negative alpha indicates the portfolio did worse than the market.

Best Quarter: The highest quarterly return for a certain time period.

Beta: A measure of the sensitivity of a portfolio's time weighted return (net of fees) against that of the market. A beta greater than 1.00 indicates volatility greater than the market.

Consistency: The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.

Core: Refers to an investment strategy mandate that is blend of growth and value styles without a pronounced tilt toward either style.

Cumulative Selection Return (*Cumulative Return*): Cumulative investment performance over a specified period of time.

Distribution Rate: The most recent distribution paid, annualized, and then divided by the current market price. Distribution rate may consist of investment income, short-term capital gains, long-term capital gains, and/or return of capital.

Down Market Capture: The ratio of average portfolio returns over the benchmark during periods of negative benchmark return. Lower values indicate better product performance.

Downside Risk: A measure similar to standard deviation, but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the value, the more risk the product has.

Downside Semi Deviation: A statistical calculation that measures the volatility of returns below a minimum acceptable return. This return measure isolates the negative portion of volatility: the larger the number, the greater the volatility.

Drawdown: A drawdown is the peak-to-trough decline during a specific period of an investment, fund or commodity.

Excess over Benchmark: The percentage gain or loss of an investment relative to the investment's benchmark.

Excess Return: Arithmetic difference between the manager's return and the risk-free return over a specified time period.

Growth: A diversified investment strategy which includes investment selections that have capital appreciation as the primary goal, with little or no dividend payouts. These strategies can include reinvestment in expansion, acquisitions, and/or research and development opportunities.

Growth of Dollar: The aggregate amount an investment has gained or lost over a certain time period, also referred to as Cumulative Return, stated in terms of the amount to which an initial dollar investment would have grown over the given time period.

Investment Decision Process (IDP): A model for structuring the investment process and implementing the correct attribution methodologies. The IDP includes every decision made concerning the division of the assets under management over the various asset categories. To analyze each decision's contribution to the total return, a modeling approach must measure the marginal value of every individual decision. In this respect, the hierarchy of the decisions becomes very important. We therefore use the IDP model, which serves as a proper foundation for registering the decisions and relating them to each other.

Information Ratio: Measured by dividing the active rate of return by the tracking error. The higher the Information Ratio, the more value-added contribution by the manager.

Jensen's Alpha: The Jensen's alpha measure is a risk-adjusted performance measure that represents the average return on a portfolio or investment above or below that predicted by the capital asset pricing model (CAPM) given the portfolio's or investment's beta and the average market return. This metric is also commonly referred to as alpha.

Kurtosis: A statistical measure that is used to describe the distribution, or skewness, of observed data around the mean, sometimes referred to as the volatility of volatility.

Maximum Drawdown: The drawdown is defined as the percent retrenchment from a fund's peak to the fund's trough value. It is in effect from the time the fund's retrenchment begins until a new fund high is reached. The maximum drawdown encompasses both the period from the fund's peak to the fund's valley (length), and the time from the fund's valley to a new fund high (recovery). It measures the largest percentage drawdown that has occurred in any fund's data record.

Modern Portfolio Theory (MPT): An investment analysis theory on how risk-averse investors can construct portfolios to optimize or maximize expected return based on a given level of market risk, emphasizing that risk is an inherent part of higher reward.

Mutual Fund (MF): An investment program funded by shareholders that trade in diversified holdings and is professionally managed.

Peer Group: A combination of funds that share the same investment style combined as a group for comparison purposes.

Peer/ Plan Sponsor Universe: A combination of asset pools of total plan investments by specific sponsor and plan types for comparison purposes.

Performance Ineligible Assets: Performance returns are not calculated for certain assets because accurate valuations and transaction data for these assets are not processed or maintained by us. Common examples of

these include life insurance, some annuities and some assets held externally.

Performance Statistics: A generic term for various measures of investment performance measurement terms.

Portfolio Characteristics: A generic term for various measures of investment portfolio characteristics.

Preferred Return: A term used in the private equity (PE) world, and also referred to as a "Hurdle Rate." It refers to the threshold return that the limited partners of a private equity fund must receive, prior to the PE firm receiving its carried interest or "carry."

Ratio of Cumulative Wealth: A defined ratio of the Cumulative Return of the portfolio divided by the Cumulative Return of the benchmark for a certain time period.

Regression Based Analysis: A statistical process for estimating the relationships among variables. It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables

Residual Correlation: Within returns-based style analysis, residual correlation refers to the portion of a strategy's return pattern that cannot be explained by its correlation to the asset-class benchmarks to which it is being compared.

Return: A rate of investment performance for the specified period.

Rolling Percentile Ranking: A measure of an investment portfolio's ranking versus a peer group for a specific rolling time period (i.e. Last 3 Years, Last 5 years, etc.).

R-Squared: The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Squared means a higher correlation of the portfolio's performance to the appropriate benchmark.

SA/CF (Separate Account/Comingled Fund): Represents an acronym for Separate Account and Comingled Fund investment vehicles.

Sector Benchmark: A market index that serves as a proxy for a sector within an asset class.

Sharpe Ratio: Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance results in.

Standard Deviation: A statistical measure of the range of a portfolio's performance; the variability of a return around its average return over a specified time period.

Total Fund Benchmark: The policy benchmark for a complete asset pool that could consist of multiple investment mandates.

Total Fund Composite: The aggregate of multiple portfolios within an asset pool or household.

Tracking Error: A measure of standard deviation for a portfolio's investment performance, relative to the performance of an appropriate market benchmark.

Treynor Ratio: A ratio that divides the excess return (above the risk free rate) by the portfolio's beta to arrive at a unified measure of risk adjusted return. It is generally used to rank portfolios, funds and benchmarks. A higher ratio is indicative of higher returns per unit of market risk. This measurement can help determine if the portfolio is reaching its goal of increasing returns while managing market risk.

Up Market Capture: The ratio of average portfolio returns over the benchmark during periods of positive benchmark return. Higher values indicate better product performance.

Upside Semi Deviation: A statistical calculation that measures the volatility of returns above an acceptable return. This return measure isolates the positive portion of volatility: the larger the number, the greater the volatility.

Value: A diversified investment strategy that includes investment selections which tend to trade at a lower price relative to its dividends, earnings, and sales. Common attributes are stocks that include high dividend, low price-to-book ratio, and/or low price-to-earnings ratio.

Worst Quarter: The lowest rolling quarterly return for a certain time period.

Information Disclosures

The performance data shown reflects past performance, which does not guarantee future results. Investment return and principal will fluctuate so that an investor's shares when redeemed may be worth more or less than original cost. Please note, current performance may be higher or lower than the performance data shown. For up to date month-end performance information, please contact your Financial Advisor or visit the funds' company website.

Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. The prospectus and, if available the summary prospectus, contains this and other information that should be read carefully before investing. Investors should review the information in the prospectus carefully. To obtain a prospectus, please contact your Financial Advisor or visit the funds' company website.

Past performance is no guarantee of future results.

Investing involves market risk, including possible loss of principal. **Growth investing** does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations. **Value investing** involves the risk that the market may not recognize that securities are undervalued and they may not appreciate as anticipated. **Small and mid-capitalization companies** may lack the financial resources, product diversification and competitive strengths of larger companies. The securities of small capitalization companies may not trade as readily as, and be subject to higher volatility than those of larger, more established companies. **Bond funds** and bond holdings have the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the funds. The return of principal in bond funds, and in funds with significant bond holdings, is not guaranteed. **International securities'** prices may carry additional risks, including foreign economic, political, monetary and/or legal factors, changing currency exchange rates, foreign taxes and differences in financial and accounting standards. International investing may not be for everyone. These risks may be magnified in emerging markets. **Alternative investments**, including private equity funds, real estate funds, hedge funds, managed futures funds, and funds of hedge funds, private equity, and managed futures funds, are speculative and entail significant risks that can include losses due to leveraging or other speculative investment practices, lack of liquidity, volatility of returns, restrictions on transferring interests in a fund, potential lack of diversification, absence and/or delay of information regarding valuations and pricing, complex tax structures and delays in tax reporting, less regulation and higher fees than mutual funds and risks associated with the operations, personnel and processes of the advisor. **Master Limited Partnerships (MLPs)** are limited partnerships or limited liability companies that are taxed as partnerships and whose interests (limited partnership units or limited liability company units) are traded on securities exchanges like shares of common stock. Currently, most MLPs operate in the energy, natural resources or real estate

sectors. Investments in MLP interests are subject to the risks generally applicable to companies in the energy and natural resources sectors, including commodity pricing risk, supply and demand risk, depletion risk and exploration risk; and MLP interests in the real estate sector are subject to special risks, including interest rate and property value fluctuations, as well as risks related to general and economic conditions. Because of their narrow focus, MLPs maintain exposure to price volatility of commodities and/or underlying assets and tend to be more volatile than investments that diversify across many sectors and companies. MLPs are also subject to additional risks including: investors having limited control and rights to vote on matters affecting the MLP, limited access to capital, cash flow risk, lack of liquidity, dilution risk, conflict of interests, and limited call rights related to acquisitions.

Mortgage backed securities also involve prepayment risk, in that faster or slower prepayments than expected on underlying mortgage loans can dramatically alter the yield-to-maturity of a mortgage-backed security and prepayment risk includes the possibility that a fund may invest the proceeds at generally lower interest rates.

Tax managed funds may not meet their objective of being tax-efficient.

Real estate investments are subject to special risks, including interest rate and property value fluctuations, as well as risks related to general and economic conditions. **High yield** fixed income securities, also known as “junk bonds”, are considered speculative, involve greater risk of default and tend to be more volatile than investment grade fixed income securities.

Credit quality is a measure of a bond issuer’s creditworthiness, or ability to repay interest and principal to bondholders in a timely manner. The credit ratings shown are based on security rating as provided by Standard & Poor’s, Moody’s and/or Fitch, as applicable. Credit ratings are issued by the rating agencies for the underlying securities in the fund and not the fund itself, and the credit quality of the securities in the fund does not represent the stability or safety of the fund. Credit ratings shown range from AAA, being the highest, to D, being the lowest based on S&P and Fitch’s classification (the equivalent of Aaa and C, respectively, by Moody’s). Ratings of BBB or higher by S&P and Fitch (Baa or higher by Moody’s) are considered to be investment grade-quality securities. If two or more of the agencies have assigned different ratings to a security, the highest rating is applied. Securities that are not rated by all three agencies are listed as “NR”.

“**Alpha tilt strategies** comprise a core holding of stocks that mimic a benchmark type index such as the S&P 500 to which additional securities are added to help tilt the fund toward potentially outperforming the market in an effort to enhance overall investment returns. Tilt strategies are subject to significant timing risk and could potentially expose investors to extended periods of underperformance.”

Custom Account Index: The Custom Account Index is an investment benchmark based on your historical target allocations and/or manager selection that you may use to evaluate the performance of your account. The Custom Account index does take into consideration certain changes that may have occurred in your portfolio since the inception of your account, i.e., asset class and/or manager changes. However, in some circumstances, it may not be an appropriate benchmark for use with your specific account composition. For detailed report of the historical composition of this blend please contact your Financial Advisor.

Peer Groups

Peer Groups are a collection of similar investment strategies that essentially group investment products that share the same investment approach. Peer Groups are used for comparison purposes to compare and illustrate a client’s investment portfolio versus its peer across various quantitative metrics like performance and risk. Peer Group comparison is conceptually another form of benchmark comparison whereby the

actual investment can be ranked versus its peer across various quantitative metrics.

All Peer Group data are provided by Investment Metrics, LLC.

The URL below provides all the definitions and methodology about the various Peer Groups

<https://www.invmetrics.com/style-peer-groups>

Peer Group Ranking Methodology

A percentile rank denotes the value of a product in which a certain percent of observations fall within a peer group. The range of percentile rankings is between 1 and 100, where 1 represents a high statistical value and 100 represents a low statistical value.

The 30th percentile, for example, is the value in which 30% of the highest observations may be found, the 65th percentile is the value in which 65% of the highest observations may be found, and so on.

Percentile rankings are calculated based on a normalized distribution ranging from 1 to 100 for all products in each peer group, where a ranking of 1 denotes a high statistical value and a ranking of 100 denotes a low statistical value. It is important to note that the same ranking methodology applies to all statistics, implying that a ranking of 1 will always mean highest value across all statistics.

For example, consider a risk/return assessment using standard deviation as a measure of risk. A percentile ranking equal to 1 for return denotes highest return, whereas a percentile ranking of 1 for standard deviation denotes highest risk among peers.

In addition, values may be used to demonstrate quartile rankings. For example, the third quartile is also known as the 75th percentile, and the median is the 50th percentile.

Alternatives

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Alternative investments often are speculative and include a high degree of risk. Investors could lose all or a substantial amount of their investment. Alternative investments are suitable only for eligible, long-term investors who are willing to forgo liquidity and put capital at risk for an indefinite period of time. They may be highly illiquid and can engage in leverage and other speculative practices that may increase the volatility and risk of loss. Alternative Investments typically have higher fees than traditional investments. Investors should carefully review and consider potential risks before investing. Certain of these risks may include but are not limited to: • Loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices; • Lack of liquidity in that there may be no secondary market for a fund; • Volatility of returns; • Restrictions on transferring interests in a fund; • Potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized; • Absence of information regarding valuations and pricing; • Complex tax structures and delays in tax reporting; • Less regulation and higher fees than mutual funds; and • Risks associated with the operations, personnel, and processes of the manager. As a diversified global financial services firm, Morgan Stanley Wealth Management engages in a broad spectrum of activities including financial advisory services, investment management activities, sponsoring and managing private investment funds, engaging in broker-dealer transactions and principal securities, commodities and foreign exchange transactions, research publication, and other activities. In the ordinary course of its business, Morgan Stanley Wealth Management therefore engages in activities where Morgan Stanley Wealth Management's interests may conflict with the interests of its clients, including the private investment funds it manages. Morgan Stanley Wealth Management can give no assurance that conflicts of interest will be resolved in favor of its clients or any such fund.

Indices are unmanaged and investors cannot directly invest in them. Composite index results are shown for illustrative purposes and do not represent the performance of a specific investment.

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For most investment advisory clients, the program account will be charged an asset-based wrap fee every quarter ("the Fee"). In general, the Fee covers investment advisory services and reporting. In addition to the Fee, clients will pay the fees and expenses of any funds in which their account is invested. Fund fees and expenses are charged directly to the pool of assets the fund invests in and impact the valuations. Clients must understand that these fees and expenses are an additional cost and will not be included in the Fee amount in the account statements.

As fees are deducted quarterly, the compounding effect will be to increase the impact of the fees by an amount directly related to the gross account performance. For example, for an account with an initial value of \$100,000 and a 2.5% annual fee, if the gross performance is 5% per year over a three year period, the compounding effect of the fees will result in a net annual compound rate of return of approximately 2.40% per year over a three year period, and the total value of the client's portfolio at the end of the three year period would be approximately \$115,762.50 without the fees and \$107,372.63 with the fees.

Please see the applicable Morgan Stanley Smith Barney LLC Form ADV Part 2A for more information including a description of the fee schedule. It is available at www.morganstanley.com/ADV <<http://www.morganstanley.com/ADV>> or from your Financial Advisor/Private Wealth Advisor.

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