

Presentation For
**City of Fort Pierce, Florida Retirement
and Benefit System**

Third Quarter 2018

November 15, 2018
Fort Pierce, Florida

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AFFILIATES

CEREDEX
VALUE ADVISORS[®]
A VIRTUS INVESTMENT PARTNER

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INVESTMENT MANAGEMENT CO.
A VIRTUS INVESTMENT PARTNER

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Kayne Anderson Rudnick
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HORIZON KINETICS

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WCM
INVESTMENT MANAGEMENT

ZVNBRGN^{® 1}
zevenbergen capital investments

¹ Virtus has a minority ownership position in Zevenbergen Capital Investments.



OUR FIRM

- Value Equity investing roots trace back to 1989
- Approximately \$9.6 billion AUM* in three primary strategies
- Headquartered in Orlando, Florida

OUR INVESTMENT STRATEGIES

	Large Cap Value	Mid-Cap Value	Small Cap Value
Assets	\$3.6 billion	\$3.7 billion	\$2.3 billion
Lead Manager Experience	36 Years	22 Years	33 Years

OUR INVESTMENT PROFESSIONALS*

- 13 Investment Professionals
- 3 Portfolio Managers have worked together for 22 years
- 10 CFA Charterholders

*AUM as of 9/30/18 (includes sub-advisory relationships and separate accounts).
Effective 4/20/12, the Ceredex Small Cap Value Strategy is closed to new investors.



PORTFOLIO MANAGERS

Mills Riddick, CFA
Chief Investment Officer
Large Cap Value Portfolio Manager
 • BS Accounting, Florida State University, 1980
 • Certified Public Accountant (CPA), State of Florida 1981
 • 36 years investment experience

Donald Wordell, CFA
Mid-Cap Value Portfolio Manager
 • BS Finance, University of Central Florida, 1992
 • MBA, University of Central Florida, 1996
 • 22 years investment experience

Brett Barner, CFA
Small Cap Value Portfolio Manager
 • BSBA Finance, University of Central Florida, 1985
 • 33 years investment experience

VALUE EQUITY ANALYSTS

Charlie Carter, CFA
Consumer Discretionary, Consumer Staples
 • BS Management, Georgia Institute of Technology, 2000
 • 17 years investment experience

Melissa Miller, CFA
Financials
 • BA Accounting, Creighton University, 1996
 • MBA, University of Iowa, 2001
 • 17 years investment experience

Cody Smith, CFA
Health Care, Technology
 • BSBA Finance, Drake University, 2004
 • 14 years investment experience

Hein Hanekom, CFA
Energy, Utilities
 BS Finance, Western Carolina University, 2005
 • MBA, University of Central Florida, 2007
 • 13 years investment experience

Jason Fraser, CFA
Financials, Telecom
 • BS Finance, University of Florida, 2005
 • 13 years investment experience

Jennifer Graff, CFA
Industrials, Materials
 • BA Psychology, University of Central Florida, 1999
 • 17 years investment experience

Nicole Blakley, CFA
Materials
 • BS Finance, Louisiana State University, 2003
 • MBA, University of South Florida, 2005
 • 14 years investment experience

David Maynard
Industrials
 • BA Economics and Mathematics, Vanderbilt University, 2005
 • MBA, University of Virginia, 2012
 • 13 years investment experience

PORTFOLIO SPECIALIST

Sarah Thompson
 • BA Psychology, Purdue University, 1995
 • 18 years investment experience

CLIENT PORTFOLIO MANAGER

Steve Loncar
 • BS Finance, Florida State University, 1994
 • MBA, Rollins College, 2001
 • 20 years investment experience

*As of 9/30/18.



Principles that have enabled the approach to be successful





How We Define Ourselves

- Traditional Value
- Bottom-Up Stock Selection
- Fundamental Research Focus

What Differentiates Us

- Dividend Focus
- Buy and Sell Decision Equally Important
- Equity Investing Equal Parts Art and Science
- Portfolio Manager/Analyst Dynamic; Stable and Seasoned Investment Management Team

Our Process

- Dividends
- Valuation
- Fundamentals





Stock requires all three for purchase, but only one could trigger a sell:

Dividend Policy Change

- Eliminated – Automatic Sell
- Cut unexpectedly – Reevaluate Fundamentals
- Cut expectedly – Retain

Relative Value Weakens

- Stock Reaches its Previously Established Price Target
- More Attractive Risk/Reward Prospects

Fundamentals Deteriorate

- Cyclical
- Structural
- Timing of Catalyst Extended



Dividend Required

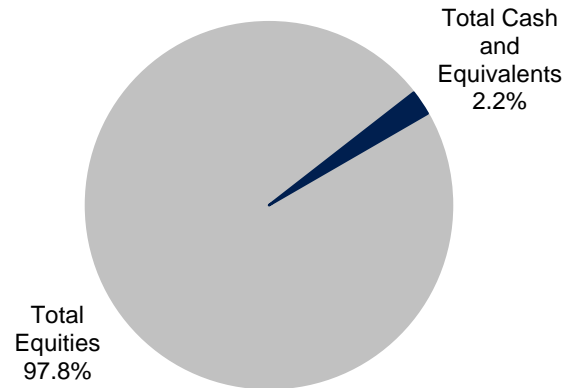
Dividends Reduce Duration

Margin of Safety

Diversity Among &
Within Sectors



Portfolio Composition



Assets		Market Value	% of Total
Total Portfolio	\$	8,137,812.43	100.0%
Total Equities	\$	7,958,652.64	97.8%
Total Cash and Equivalents	\$	179,159.79	2.2%

Period Ending September 30, 2018. Source: Eagle Investment Systems, October 31, 2018.

Past performance is not indicative of future results.

This perspective was prepared for City of Fort Pierce, Florida Retirement and Benefit System, specific one-on-one presentation.



Account Activity Summary - Quarter

Beginning Portfolio Market Value 06/30/2018	\$	8,032,430.28
Contributions	\$	-
Withdrawals	\$	(18,046.04)
Net Contributions/Withdrawals	\$	(18,046.04)
Portfolio Earnings		
Interest	\$	925.62
Dividends	\$	60,153.73
Realized Gains/Losses	\$	268,004.65
Unrealized Gains/Losses	\$	(205,655.81)
Total Portfolio Earnings	\$	123,428.19
Ending Portfolio Market Value 09/30/2018	\$	8,137,812.43
Net Change	\$	105,382.15

Period Ending September 30, 2018. Source: Eagle Investment Systems, October 31, 2018.

Past performance is not indicative of future results.

Dividends reflect past performance and there is no guarantee they will continue to be paid.

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Account Activity Summary - Annual

Beginning Portfolio Market Value 09/30/2017	\$	7,212,926.95
Contributions	\$	-
Withdrawals	\$	(68,168.75)
Net Contributions/Withdrawals	\$	(68,168.75)
Portfolio Earnings		
Interest	\$	3,170.26
Dividends	\$	237,234.36
Realized Gains/Losses	\$	519,798.30
Unrealized Gains/Losses	\$	232,851.31
Total Portfolio Earnings	\$	993,054.23
Ending Portfolio Market Value 09/30/2018	\$	8,137,812.43
Net Change	\$	924,885.48

Period Ending September 30, 2018. Source: Eagle Investment Systems, October 31, 2018.

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Inception to Date Reconciliation

City of Fort Pierce Retirement & Benefit System Inception to Date Statement of Cash Flow January 5, 1999 through September 30, 2018		
\$ Original Investment		\$ 5,459,900.00
+ Subsequent Contributions		\$ 1,343,255.15
- Subsequent Withdrawals		\$ (19,911,075.93)
- Management Fees		\$ (1,249,479.43)
+ Total Investment Earnings		\$ 22,495,212.64
+ Income	\$ 3,213,205.74	
+/- Capital Appreciation (Depreciation)	\$ 19,282,006.90	
Total Assets as of September 30, 2018		\$ 8,137,812.43

Period Ending September 30, 2018. Source: Eagle Investment Systems and SunTrust Portfolio View, October 31, 2018.
See Investment Performance in Appendix.

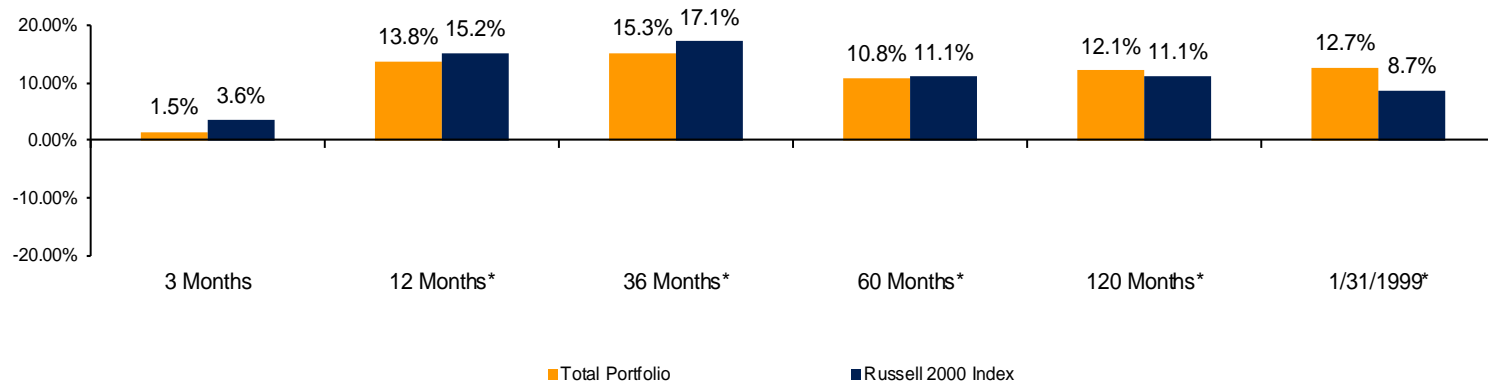
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Performance Comparisons

	<u>3 Months</u>	<u>12 Months*</u>	<u>36 Months*</u>	<u>60 Months*</u>	<u>120 Months*</u>	Inception To Date <u>1/31/1999*</u>
Total Portfolio	1.53%	13.84%	15.28%	10.75%	12.10%	12.70%
Russell 2000 Value Index	1.60%	9.33%	16.12%	9.92%	9.52%	9.65%
Russell 2000 Index	3.58%	15.24%	17.12%	11.07%	11.11%	8.70%



Period Ending September 30, 2018. Source: Eagle Investment Systems, October 31, 2018.

*Annualized returns.

Past performance is not indicative of future results.

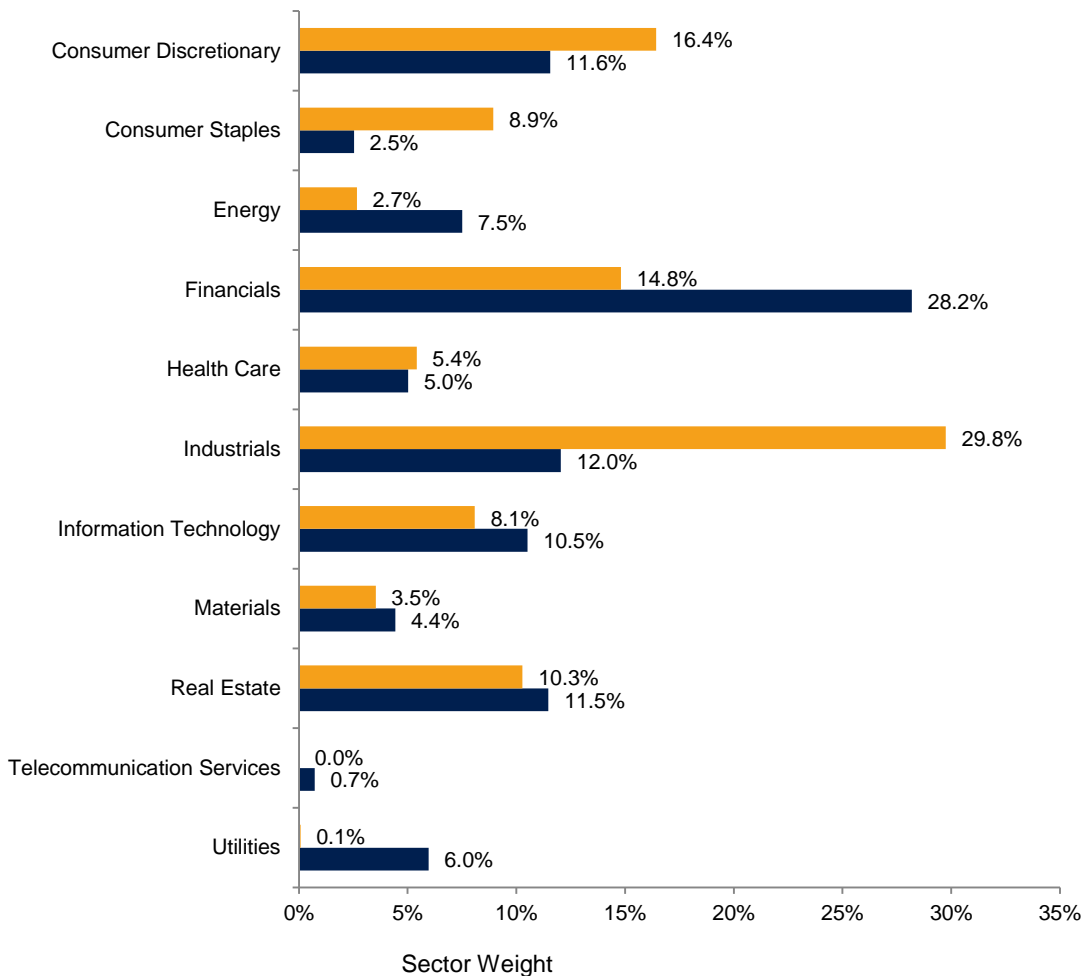
The comparative performance contained herein reflects annualized returns for specific time periods, are gross of all fees, are not indicative of actual annual returns, and may not be relied upon for investment decisions. See Investment Performance Disclosure in Appendix.

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Sector Concentration*

● Portfolio ● Russell 2000 Value



Portfolio Characteristics*

Characteristic	Portfolio	Russell 2000 Value
Market Cap (billion)	\$2.6	\$2.1
Dividend Yield	2.4%	1.9%
Price-to-Earnings (12 months trailing)	17.8	14.9
Price-to-Book	2.3	1.5
Price-to-Sales	1.0	0.9

Top 10 Holdings*

Security	%
Energizer Holdings Inc.	4.6
Meredith Corporation	4.2
Power Integrations, Inc.	4.1
Kemper Corporation	4.0
Hill-Rom Holdings, Inc.	3.8
Tetra Tech, Inc.	3.8
B&G Foods, Inc.	3.8
Evercore Inc. Class A	3.0
Physicians Realty Trust	2.9
Tanger Factory Outlet Centers,	2.6

See Holdings Disclosure in Appendix.

* Period Ending September 30, 2018. Source: FactSet, October 31, 2018.

Past performance is not indicative of future results.

Portfolio characteristics, sector analysis, and holdings exclude cash and may change at any time without notice.

See Holdings Disclosure, Sector Weightings and Portfolio Characteristics in Appendix.

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Top 10 Holdings

Security	Description
Energizer Holdings Inc.	Energizer Holdings, Inc. manufactures and markets batteries and lighting products. The company's products include household batteries, specialty batteries, and portable lighting. Energizer Holdings is headquartered in St. Louis, MO.
Meredith Corporation	Meredith Corp. engages in television broadcasting and magazine advertising business. It operates through the Local Media and National Media business segments. The Local Media segment includes television stations and offers websites, mobile-optimized websites, and mobile applications. The National Media segment consists of national consumer media brands delivered via multiple media platforms including print magazines and digital and mobile media, brand licensing activities, database-related activities, and business-to-business marketing products and services.
Power Integrations, Inc.	Power Integrations, Inc. engages in the design, development, and marketing of analog and mixed-signal integrated circuits and other electronic components and circuitry used in high-voltage power conversion. Its products are used in power converters that convert electricity from a high-voltage source to the type of power required for a specified downstream use.
Kemper Corporation	Kemper Corp. is an insurance holding company, which engages in the property and casualty insurance, and life and health insurance businesses through its subsidiaries. It operates through the Property and Casualty Insurance; and Life and Health Insurance segments. The Property and Casualty Insurance segment focuses on the provision of automobile, homeowners, renters, fire, umbrella, and other types of property; and casualty insurance to individuals, and commercial automobile insurance to businesses.
Hill-Rom Holdings, Inc.	Hill-Rom Holdings, Inc. is a medical technology company, which focuses on patient care solutions that improve clinical and economic outcomes. It operates through three segments: Patient Support System, Front Line Care, and Surgical Solutions. The Patient Support Systems segment provides bed frames and surfaces, as well as mobility and clinical workflow solutions.
Tetra Tech, Inc.	Tetra Tech, Inc. engages in the provision of consulting and engineering services. It operates through the following segments: Water, Environment and Infrastructure (WEI); Resource Management and Energy (RME); and Remediation and Construction Management (RCM). The Water, Environment and Infrastructure segment includes water resources, water and wastewater treatment, environment, and infrastructure engineering activities.
B&G Foods, Inc.	B&G Foods, Inc. engages in the manufacture, sell, and distribution of shelf-stable foods and household products. Its products include frozen and canned vegetables, hot cereals, fruit spreads, canned meats and beans, bagel chips, spices, seasonings, hot sauces, and wine vinegar. Its brands include back to Nature, BEAR CREEK, CREAM OF WHEAT, Green Giant, Mrs Dash, ORTEGA, and PIRATE'S BOOTY.
Evercore Inc. Class A	Evercore, Inc. is an independent investment banking advisory company. It operates through the Investment Banking and Investment Management business segments. The Investment Banking segment includes the global advisory business of the company through which the firm deliver strategic corporate advisory, capital markets advisory and institutional equities services.
Physicians Realty Trust	Physicians Realty Trust operates as a real estate investment trust, which leases and manages healthcare properties. It is a self-managed healthcare real estate company organized to acquire, selectively develop, own and manage healthcare properties which are leased to physicians, hospitals, and healthcare delivery systems.
Tanger Factory Outlet Centers,	Tanger Factory Outlet Centers, Inc. is a fully-integrated, self-administered and self-managed real estate investment trust. It focuses on developing, acquiring, owning, operating and managing outlet shopping centers. The company was founded by Stanley K. Tanger in 1981 and is headquartered in Greensboro, NC.

Period Ending September 30, 2018. Source: Factset, October 31, 2018.

Past performance is not indicative of future results. Data subject to change. See Holding Disclosure in Appendix.

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Performance Review - Portfolio Holdings

	Units	Security	Unit Cost	Book Value	Price	Market Value	Alloc.	
City of Fort Pierce, Florida Retirement and Benefit System				\$	6,847,467.34	\$	8,137,812.43	100.00%
Currency				\$	179,159.79	\$	179,159.79	2.20%
	179,160	US DOLLAR	\$ 1.00	\$ 179,159.79	\$	\$ 179,159.79	2.20%	
Common Stock				\$	6,668,307.55	\$	7,958,652.64	97.80%
CONSUMER DISCRETIONARY				\$	1,272,438.15	\$	1,306,533.45	16.06%
	7,155	AMC ENTERTAINMENT HOLDINGS INC	\$ 20.76	\$ 148,530.74	\$ 20.50	\$ 146,677.50	1.80%	
	7,000	AMERICAN EAGLE OUTFITTERS INC	\$ 13.49	\$ 94,417.10	\$ 24.83	\$ 173,810.00	2.14%	
	3,500	BLOOMIN' BRANDS INC	\$ 18.03	\$ 63,113.53	\$ 19.79	\$ 69,265.00	0.85%	
	3,300	EMERALD EXPOSITIONS EVENTS INC	\$ 15.86	\$ 52,321.96	\$ 16.48	\$ 54,384.00	0.67%	
	10,400	ENTRAVISION COMMUNICATIONS CORP	\$ 6.21	\$ 64,586.56	\$ 4.90	\$ 50,960.00	0.63%	
	1,700	LITHIA MOTORS INC	\$ 95.83	\$ 162,910.16	\$ 81.66	\$ 138,822.00	1.71%	
	6,600	MEREDITH CORP	\$ 58.04	\$ 383,067.26	\$ 51.05	\$ 336,930.00	4.14%	
	2,600	NUTRISYSTEM INC	\$ 37.09	\$ 96,444.86	\$ 37.05	\$ 96,330.00	1.18%	
	1,100	SCHOLASTIC CORP	\$ 32.58	\$ 35,838.00	\$ 46.69	\$ 51,359.00	0.63%	
	5,897	SONIC AUTOMOTIVE INC	\$ 16.89	\$ 99,600.45	\$ 19.35	\$ 114,502.95	1.41%	
	600	STANDARD MOTOR PRODUCTS INC	\$ 46.41	\$ 27,847.72	\$ 49.22	\$ 29,532.00	0.36%	
	1,300	TUPPERWARE BRANDS CORP	\$ 33.66	\$ 43,759.81	\$ 33.45	\$ 43,961.00	0.54%	
CONSUMER STAPLES				\$	652,235.90	\$	716,050.50	8.80%
	200	ANDERSONS INC/THE	\$ 33.26	\$ 6,651.76	\$ 37.65	\$ 7,563.00	0.09%	
	10,900	B&G FOODS INC	\$ 32.65	\$ 355,901.27	\$ 27.45	\$ 304,382.50	3.74%	
	6,200	ENERGIZER HOLDINGS INC	\$ 40.15	\$ 248,911.26	\$ 58.65	\$ 363,630.00	4.47%	
	500	PRICESMART INC	\$ 81.54	\$ 40,771.61	\$ 80.95	\$ 40,475.00	0.50%	
ENERGY				\$	180,922.71	\$	212,180.50	2.61%
	3,200	SM ENERGY CO	\$ 19.55	\$ 62,567.68	\$ 31.53	\$ 100,896.00	1.24%	
	5,900	US SILICA HOLDINGS INC	\$ 20.06	\$ 118,355.03	\$ 18.83	\$ 111,284.50	1.37%	
FINANCIALS				\$	688,879.49	\$	1,176,969.35	14.46%
	700	ARTISAN PARTNERS ASSET MANAGEMENT	\$ 29.82	\$ 20,876.84	\$ 32.40	\$ 22,680.00	0.28%	
	300	BANCO LATINOAMERICANO DE COMERCIO	\$ 12.44	\$ 3,732.00	\$ 20.92	\$ 6,276.00	0.08%	
	1,734	BANK OF HAWAII CORP	\$ 53.50	\$ 92,766.77	\$ 78.91	\$ 136,829.94	1.68%	
	2,100	COHEN & STEERS INC	\$ 33.73	\$ 70,833.00	\$ 40.61	\$ 85,281.00	1.05%	
	2,400	EVERCORE INC	\$ 29.93	\$ 71,843.75	\$ 100.55	\$ 241,320.00	2.97%	
	2,000	FIRST INTERSTATE BANCSYSTEM INC	\$ 38.40	\$ 76,805.37	\$ 44.80	\$ 89,600.00	1.10%	
	1,105	HANOVER INSURANCE GROUP INC/THE	\$ 42.78	\$ 47,271.90	\$ 123.37	\$ 136,323.85	1.68%	
	2,800	HORACE MANN EDUCATORS CORP	\$ 24.66	\$ 69,060.88	\$ 44.90	\$ 125,720.00	1.54%	
	4,000	KEMPER CORP	\$ 57.41	\$ 229,630.98	\$ 80.45	\$ 321,800.00	3.95%	
	1,300	TRUSTCO BANK CORP NY	\$ 4.66	\$ 6,058.00	\$ 8.50	\$ 11,138.56	0.14%	
HEALTH CARE				\$	203,057.76	\$	430,780.00	5.29%
	3,200	HILL-ROM HOLDINGS INC	\$ 44.40	\$ 142,071.56	\$ 94.40	\$ 302,080.00	3.71%	

Period Ending September 30, 2018. Source: Eagle Investment Systems, October 31, 2018.

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Performance Review - Portfolio Holdings

	Units	Security	Unit Cost	Book Value	Price	Market Value	Alloc.
	3,000	PHIBRO ANIMAL HEALTH CORP	\$ 20.33	\$ 60,986.20	\$ 42.90	\$ 128,700.00	1.58%
INDUSTRIALS				\$ 1,846,619.84		\$ 2,369,443.77	29.12%
	164	AAR CORP	\$ 26.13	\$ 4,285.32	\$ 47.89	\$ 7,853.96	0.10%
	1,800	ALTRA INDUSTRIAL MOTION CORP	\$ 40.07	\$ 72,134.66	\$ 41.30	\$ 74,646.00	0.92%
	3,500	APOGEE ENTERPRISES INC	\$ 51.01	\$ 178,524.85	\$ 41.32	\$ 144,620.00	1.78%
	300	ASTEC INDUSTRIES INC	\$ 61.57	\$ 18,471.39	\$ 50.41	\$ 15,123.00	0.19%
	300	BRADY CORP	\$ 41.39	\$ 12,416.57	\$ 43.75	\$ 13,125.00	0.16%
	9,109	COVANTA HOLDING CORP	\$ 17.92	\$ 163,225.69	\$ 16.25	\$ 150,421.25	1.85%
	2,800	CUBIC CORP	\$ 39.07	\$ 109,401.87	\$ 73.05	\$ 204,540.00	2.51%
	100	EMCOR GROUP INC	\$ 34.58	\$ 3,458.14	\$ 75.11	\$ 7,511.00	0.09%
	900	ENPRO INDUSTRIES INC	\$ 69.32	\$ 62,389.03	\$ 72.93	\$ 65,637.00	0.81%
	2,000	GRANITE CONSTRUCTION INC	\$ 49.49	\$ 98,987.37	\$ 45.70	\$ 91,647.00	1.13%
	1,500	GREENBRIER COS INC/THE	\$ 45.08	\$ 67,618.11	\$ 60.10	\$ 90,150.00	1.11%
	5,100	HERMAN MILLER INC	\$ 26.25	\$ 133,881.37	\$ 38.40	\$ 196,847.25	2.42%
	157	INTERFACE INC	\$ 14.86	\$ 2,333.40	\$ 23.35	\$ 3,665.95	0.05%
	4,500	KELLY SERVICES INC	\$ 18.60	\$ 83,712.46	\$ 24.03	\$ 108,135.00	1.33%
	600	KENNAMETAL INC	\$ 34.03	\$ 20,419.71	\$ 43.56	\$ 26,136.00	0.32%
	1,700	KFORCE INC	\$ 19.58	\$ 33,284.43	\$ 37.60	\$ 63,920.00	0.79%
	5,700	KNOLL INC	\$ 18.85	\$ 107,436.69	\$ 23.45	\$ 133,665.00	1.64%
	1,854	KORN/FERRY INTERNATIONAL	\$ 30.88	\$ 57,250.64	\$ 49.24	\$ 91,476.36	1.12%
	200	LINDSAY CORP	\$ 96.11	\$ 19,221.87	\$ 100.24	\$ 20,048.00	0.25%
	500	MATSON INC	\$ 37.12	\$ 18,561.09	\$ 39.64	\$ 19,820.00	0.24%
	700	MATTHEWS INTERNATIONAL CORP	\$ 48.01	\$ 33,606.00	\$ 50.15	\$ 35,105.00	0.43%
	800	MULTI-COLOR CORP	\$ 53.37	\$ 42,693.26	\$ 62.25	\$ 49,800.00	0.61%
	300	NN INC	\$ 21.78	\$ 6,534.90	\$ 15.60	\$ 4,680.00	0.06%
	2,800	RITCHIE BROS AUCTIONEERS INC	\$ 25.51	\$ 71,421.66	\$ 36.13	\$ 101,164.00	1.24%
	1,100	SIMPSON MANUFACTURING CO INC	\$ 58.53	\$ 64,387.70	\$ 72.46	\$ 79,706.00	0.98%
	100	STANDEX INTERNATIONAL CORP	\$ 109.88	\$ 10,987.50	\$ 104.25	\$ 10,425.00	0.13%
	1,200	SUN HYDRAULICS CORP	\$ 39.08	\$ 46,894.02	\$ 54.78	\$ 65,736.00	0.81%
	300	TENNANT CO	\$ 25.21	\$ 7,563.00	\$ 75.95	\$ 22,785.00	0.28%
	4,400	TETRA TECH INC	\$ 33.15	\$ 145,881.57	\$ 68.30	\$ 300,520.00	3.69%
	700	VIAD CORP	\$ 20.84	\$ 14,590.48	\$ 59.25	\$ 41,625.00	0.51%
	2,600	WABASH NATIONAL CORP	\$ 18.78	\$ 48,829.62	\$ 18.23	\$ 47,398.00	0.58%
	2,300	WERNER ENTERPRISES INC	\$ 37.48	\$ 86,215.47	\$ 35.35	\$ 81,512.00	1.00%
INFORMATION TECHNOLOGY				\$ 657,863.82		\$ 642,938.00	7.90%
	1,300	CABOT MICROELECTRONICS CORP	\$ 109.72	\$ 142,639.63	\$ 103.17	\$ 134,121.00	1.65%
	400	COHU INC	\$ 22.91	\$ 9,162.82	\$ 25.10	\$ 10,040.00	0.12%
	1,500	COMTECH TELECOMMUNICATIONS CORP	\$ 33.40	\$ 50,096.04	\$ 36.27	\$ 54,405.00	0.67%

Period Ending September 30, 2018. Source: Eagle Investment Systems, October 31, 2018.

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Performance Review - Portfolio Holdings

	Units	Security	Unit Cost	Book Value	Price	Market Value	Alloc.
	4,800	DAKTRONICS INC	\$ 13.05	\$ 62,625.65	\$ 7.84	\$ 37,632.00	0.46%
	1,400	PLANTRONICS INC	\$ 37.78	\$ 52,886.73	\$ 60.30	\$ 84,420.00	1.04%
	5,100	POWER INTEGRATIONS INC	\$ 66.76	\$ 340,452.95	\$ 63.20	\$ 322,320.00	3.96%
MATERIALS			\$	287,486.03	\$	280,704.00	3.45%
	2,100	BOISE CASCADE CO	\$ 38.66	\$ 81,189.93	\$ 36.80	\$ 77,280.00	0.95%
	1,400	CARPENTER TECHNOLOGY CORP	\$ 42.51	\$ 59,514.00	\$ 58.95	\$ 82,530.00	1.01%
	1,400	COMMERCIAL METALS CO	\$ 20.69	\$ 28,963.29	\$ 20.52	\$ 28,728.00	0.35%
	600	HAYNES INTERNATIONAL INC	\$ 51.93	\$ 31,158.00	\$ 35.50	\$ 21,300.00	0.26%
	25,400	HECLA MINING CO	\$ 3.41	\$ 86,660.81	\$ 2.79	\$ 70,866.00	0.87%
REAL ESTATE			\$	874,037.85	\$	817,187.07	10.04%
	3,182	ALEXANDER & BALDWIN INC	\$ 35.29	\$ 112,283.48	\$ 22.69	\$ 72,199.58	0.89%
	4,700	DIAMONDROCK HOSPITALITY CO	\$ 11.07	\$ 52,050.57	\$ 11.67	\$ 55,436.50	0.68%
	600	MONMOUTH REAL ESTATE INVESTMENT	\$ 8.32	\$ 4,992.00	\$ 16.72	\$ 10,032.00	0.12%
	10,400	OUTFRONT MEDIA INC	\$ 20.75	\$ 215,802.26	\$ 19.95	\$ 207,480.00	2.55%
	13,900	PHYSICIANS REALTY TRUST	\$ 15.74	\$ 218,775.15	\$ 16.86	\$ 234,354.00	2.88%
	297	RETAIL OPPORTUNITY INVESTMENTS	\$ 21.45	\$ 6,370.94	\$ 18.67	\$ 5,544.99	0.07%
	9,100	TANGER FACTORY OUTLET CENTERS	\$ 26.88	\$ 244,643.30	\$ 22.88	\$ 208,208.00	2.56%
	400	TAUBMAN CENTERS INC	\$ 47.80	\$ 19,120.15	\$ 59.83	\$ 23,932.00	0.29%
UTILITIES			\$	4,766.00	\$	5,866.00	0.07%
	100	NORTHWESTERN CORP	\$ 47.66	\$ 4,766.00	\$ 58.66	\$ 5,866.00	0.07%

Period Ending September 30, 2018. Source: Eagle Investment Systems, October 31, 2018.

Past performance is not indicative of future results. Data subject to change. See Holding Disclosure in Appendix.

This perspective was prepared for City of Fort Pierce, Florida Retirement and Benefit System, specific one-on-one presentation.

Appendix





Active Position

Absolute portfolio weight minus the benchmark portfolio weight.

Free Cash Flow Yield

Cash flow from operations for a particular year less capital expenditures divided by the diluted weighted average shares outstanding for that fiscal year. Free cash flow per share for the current fiscal year divided by current stock price.

Market Capitalization

The total dollar value of all outstanding shares. It is calculated by multiplying the number of shares outstanding by the current price of one share.

Operating Margin

Operating income divided by revenues, expressed as a percentage.

Price to Sales Ratio (P/S)

A stock's capitalization divided by its sales over a trailing 12 months. The value is the same whether the calculation is done for the whole company or a per-share basis.

Return on Equity (ROE)

Equal to a fiscal year's after-tax income (after preferred stock dividends but before common stock dividends) divided by book value, expressed as a percentage.

Tracking Error

Tracking error is the standard deviation of the difference between the periodic total returns of a portfolio of stocks and those of a benchmark. An estimated tracking error estimates the likelihood that a portfolio will outperform or underperform its benchmark by a certain amount or more at the end of a specified period.

CLIENT REPORTS AND CUSTODY STATEMENT

It is important to receive and review the statement you receive from your custodian. Any client account report provided by our Firm is not intended to replace your custody statement, which should be considered your official record for all pertinent account information. And while our Firm's reports are provided in a different format from the custodian's, and may vary in content and scope, you should compare the asset information to that of your custody statement. Please notify us promptly if you do not receive statements on all accounts from the custodian on at least a quarterly basis.

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Russell Midcap[®] Value: Is an unmanaged index which measures the performance of those securities found in the Russell Midcap universe, as defined by Russell Investment Group, with lower price-to-book ratios and lower forecasted growth values. The stocks are also members of the Russell 1000[®] Value Index.

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Investors cannot invest directly in an index.

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Fees have a compounding effect on cumulative results. For example, assume the account achieves a 10% annual return prior to the deduction of fees each year for a period of ten years. If an annual fee of 0.5% of assets under management were charged each of the ten years, the resulting annual average return net of fees would be reduced to 9.48%.

eA Large Cap Value: US Equity products that invest primarily in large capitalization stocks with fundamental characteristics showing high earnings growth expectations or in fast growing economic sectors. The expected benchmarks for this universe would include Russell 1000[®] Value, S&P 500[®], or the S&P/BARRA Value.

eA Mid Cap Value: US Equity Products that invest primarily in mid capitalization stocks with fundamental characteristics showing high earnings growth expectations or in fast growing economic sectors. The expected benchmarks for this universe would include Russell Midcap[®] Value, Russell Midcap[®], or the S&P 400[®].

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MPT STATISTICS/OTHER MEASUREMENTS

Alpha - is defined as the difference between the average realized return of a portfolio manager with private information and the expected return of the passive strategy based upon public information with equal systematic risk.

Beta – is a measure of an investment’s volatility, relative to an appropriate asset class.

R-Squared – a statistical measure of how well a regression line approximates real data points; an r-squared of 1.0 (100%) indicates a perfect fit. r-squared measures how well the Capital Asset Pricing Model predicts the actual performance of an investment or portfolio.

Sharpe Ratio - also known as Reward-to-Volatility-Ratio, indicates the excess return per unit of risk associated with the excess return. The higher the Sharpe Ratio, the better the performance.

Standard Deviation – a statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time.

PORTFOLIO CHARACTERISTICS DEFINITIONS

30 Day SEC Yield – is calculated by dividing the net investment income per share for the 30 days ended on the date of calculation by the offering price per share on that date. The figure is compounded and annualized.

3-5 Year EPS Growth – Analyst’s estimated 3-5 year growth in earnings.

Price-to-Book (P/B) – A stock’s capitalization divided by its book value. The value is the same whether the calculation is done for the whole company or a per-share basis.

Price-to-Earning P/E – The price of the stock divided by its historical earnings per share.

Price-to-Earning P/E (FY1) – The P/E ratio is equal to a stock’s market capitalization divided by its projected after-tax earnings the next 12-months.

Return on Equity – Equal to a fiscal year’s after tax income (after preferred stock dividends but before common stock dividends) divided by book value, expressed as a percentage.

Thank You

