



Meeting Agenda

Employee Pension & Trust Committee

Monday, March 25, 2024

1:00 PM

Board Room

CALL TO ORDER

CITIZEN COMMENTS (Open for citizens to be heard on any issue or concern, including those related to items on the agenda. Please submit a Speaker Card at the beginning of the meeting if you would like to address the Board/Commission. If you would like to speak on an agenda item, the Chair will hold your comment until the public comment period associated with the item. As provided by law, Boards/Commissions shall make no decisions or consideration of action of citizen comments for items not on the agenda, except to refer the matter to the City Administrator/Staff for administrative consideration, or to a schedule the matter for consideration at a later date. Those addressing the Board/Commission are requested to come to the microphone and identify themselves by name and address for the official record. The Chair may restrict the period for public comment, including the length of the public comment period, the number of individuals who can speak and the length of time each individual may speak. When time allows, the standard individual public comment time is two minutes.)

Comments on agenda items may be made in person at City Hall or by emailing recorder@franklintn.gov before noon on the day of the meeting. Comments will be submitted for the record.

APPROVAL OF MINUTES

1. Consideration Of Approval Of Minutes
September 11, 2023 Pension Meeting

NEW BUSINESS

2. Investment Report For December 31, 2023

Sponsors: Barry Bryant

3. Report Of The Actuary

Sponsors: Kevin Sullivan

4. Report From Tennessee Consolidated Retirement System- FY 2025 Employer Contribution For Open Pension Plan

Sponsors: Kristine Brock

5. Discussion Of Optional Military Service Retirement Credit Program Of The Tennessee Consolidated Retirement System Legacy Defined Benefit Pension Plan (Open Pension)

Sponsors: Kristine Brock, Sara Sylvis

6. Discussion Of Proposed Changes To Retiree Health Plan Option III

Sponsors: Kristine Brock, Sara Sylvis, Tracy Harness

OTHER BUSINESS

ADJOURN

Anyone needing accommodations due to disabilities please contact the ADA Coordinator at 615-791-3277 at least 24 hours prior to the meeting.



File #: 21-06194

DATE: March 6, 2024
TO: Pension Committee
FROM: Barry Bryant

SUBJECT:

Investment Report For December 31, 2023

PURPOSE:

The purpose of this memorandum is to provide information to the Pension Committee concerning asset valuation of the Closed Pension Plan as of December 31, 2023.

BACKGROUND/STAFF COMMENTS:

Asset valuation of the Closed Pension Plan as of December 31st is used by the actuary to prepare the City's funding requirement for the upcoming year.

FINANCIAL IMPACT:

Asset valuation of the Closed Pension Plan as of December 31st is used by the actuary to prepare the City's funding requirement for the upcoming year. This required contribution will be incorporated into the City Administrator's Proposed FY 2025 Budget.

RECOMMENDATION:

For information purposes.

City of Franklin Employees'
Pension Plan & Trust

Performance Review
December 2023

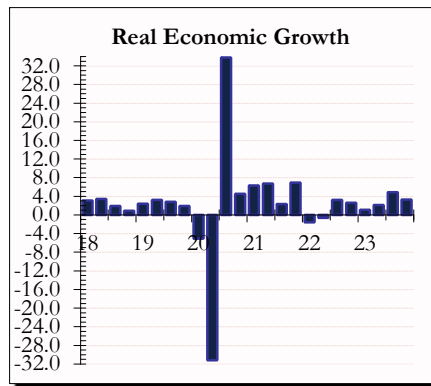


DAHAB ASSOCIATES

ECONOMIC ENVIRONMENT

When a Slowdown is (Potentially) Good News

As the fourth quarter of 2023 unfolded, a significant shift occurred in the global financial landscape. Central banks, notably the Federal Reserve, ECB, and BoE, indicated a pause in their aggressive interest rate hikes, with a shift towards potential



interest rate reductions. The change from tightening monetary policy to a more neutral position, and the potential shift to easing (cutting rates) is being driven by a global disinflation trend and slowing economic growth

over the last 12 months. The main headwind to disinflation continues to be in real estate, where rent prices and home values have remained elevated.

This outlook for a downward trend in interest rates influenced financial markets during the quarter. Most notably the yield on the 10-year Treasury went from 5% to slightly below 4% during the quarter. This turnaround in market rates had a large impact on investor sentiment and stock markets globally.

Global geopolitical dynamics, while not the primary drivers behind these monetary policy changes, remain an essential backdrop. While geopolitical concerns from the previous quarter have taken a back seat, they continue to be a significant factor. The potential

impact of ongoing global tensions on economic growth cannot be overlooked, as attitudes towards globalization and economic integration evolve. There's an increasing emphasis on domestic economic resilience over global economic integration, which is likely to have a profound impact on global growth.

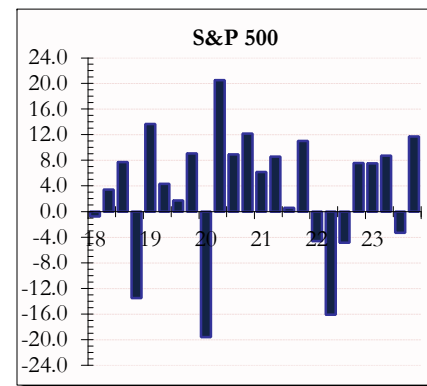
While these notions are mixed, equity markets have responded to these shifts with exuberance. Market valuations have expanded, reflecting confidence in future rate cuts, amidst relatively flat corporate earnings.

This changing landscape suggests a need for a cautious approach in financial markets. Balancing optimism with an awareness of the underlying economic slowdown that is helping cool inflation and lowering rates is essential due to its potential effects on corporate earnings and the market.

DOMESTIC EQUITIES

Sentiment Shift

In the fourth quarter of 2023, the U.S. stock market had a strong



turnaround, with the Russell 3000 Index surging by 12.1%, culminating in a year-to-date return of 26.0%. This quarter marked a notable shift in market dynamics, with Small Cap stocks outshining Large Cap for the first time this year,

signaling a broader market participation beyond the dominant large-cap companies.

Sector-wise, the quarter witnessed some exceptional performances. Real Estate (REITs), emerged as a standout, soaring by 18.8%, fueled by a combination of factors including a perceived peak in interest rates and renewed investor enthusiasm. This resurgence in Real Estate reflects a broader trend impacting interest-sensitive sectors (Utilities), as declining or stabilizing interest rates have reignited investment appetite, thereby boosting equity prices. On the other side, the Energy sector lagged, primarily due to a slump in oil prices. Year-to-date, Communication Services and Information Technology were the strongest sectors, ending the year with phenomenal gains of over 50% each.

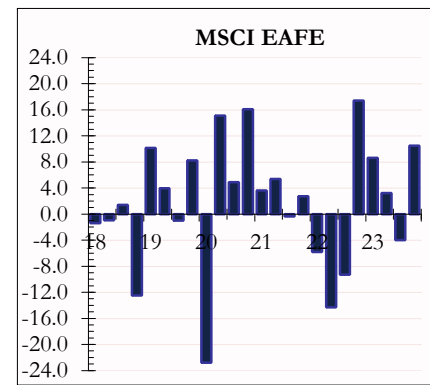
In terms of market quantitative factors, there was a universal upswing. High Beta stocks led the way with a gain of 17.9%. This surge in High Beta stocks indicates a market inclination towards riskier assets, reflecting investor confidence in the market's trajectory. Valuations experienced an upsurge across all market capitalization sizes during the quarter.

Large-cap stocks maintained their position as the most expensive, trading at 19.5x forward earnings. In comparison, Mid Cap and Small Cap stocks were valued at 14.8x and 14.6x forward earnings, respectively. This valuation pattern suggests that despite the broader market rally, investors are still willing to pay a premium for the perceived stability of large-cap companies.

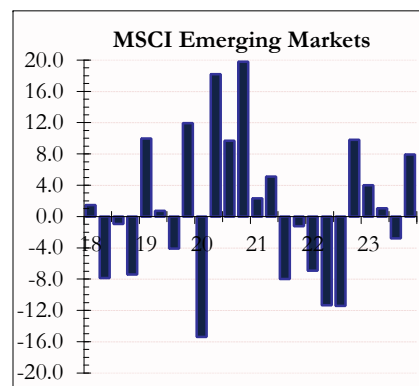
INTERNATIONAL EQUITIES

Climbing Wall of Worry

In the final quarter of 2023, international equities witnessed a significant resurgence, with the MSCI All Country World ex-US Index climbing 9.8%, pushing its year-to-date gain to 16.2%. This marked a substantial recovery from the third quarter's performance. Notably, the MSCI EAFE index, representing international developed markets, also experienced robust growth, rising by 10.5% and bringing its annual gain to 18.9%.



Regionally, Europe, led by Germany's 13.0% growth, outperformed the Far East and Pacific regions. Japan, the index's largest country by weight, lagged the broader index, but still managed a



respectable 8.2% gain. Emerging Markets, as measured by the MSCI Emerging Markets Index, grew by 7.9%, concluding the year with a 10.3% increase in the fourth quarter. India emerged as a high performer, returning

12.0% for the quarter and a substantial 21.3% year-to-date. In

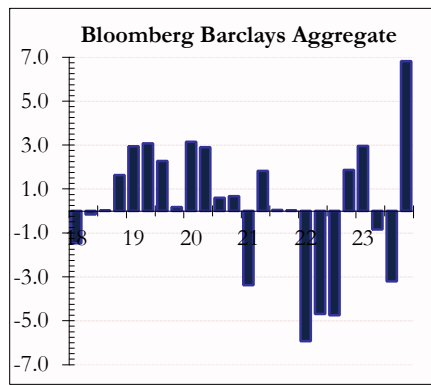
contrast, China continued to be a drag to the overall index, losing -4.2% in the quarter and extending their yearly loss to -11.0%. China's underperformance is attributed to ongoing concerns over its real estate sector, increasing apprehensions regarding Taiwan, and regulatory uncertainty.

Overall, international markets continue to trail the U.S. broadly. However, the existing valuation discount could potentially drive superior performance in international markets going forward.

BOND MARKET

Go Long

In the fourth quarter of 2023, the fixed income market exhibited a broad and robust recovery. The Bloomberg U.S. Aggregate Bond Index significantly rebounded, registering a 6.8% gain, which propelled its annual return to a commendable 5.5%. This positive



trend echoed across all fixed income indices, marking a universal upswing in the sector.

Internationally, the Bloomberg Global Aggregate Index outperformed its U.S. counterpart, posting an 8.1%

return. This was partly fueled by the weakening of the U.S. dollar against a basket of global currencies.

In terms of interest rates, the long end of the yield curve, particularly the 30-Year Treasury yield, saw a notable decline. This yield curve inversion, often viewed as a harbinger of recession, remained a significant characteristic of the quarter.

Credit quality dynamics also shifted, with lower-rated (high-yield) bonds outperforming their higher-rated counterparts. The Bloomberg High Yield index reflected this trend, gaining 7.5% in the quarter.

Central bank policies, particularly the Federal Reserve's indication of halting rate hikes and considering cuts in 2024, played a crucial role in shaping these market movements.

Overall, the fixed income market, buoyed by these developments, projected a strong sentiment for 2024. The year 2023 marked a significant improvement over the preceding year, setting an optimistic tone for the coming year's fixed income landscape.

CASH EQUIVALENTS

Higher But For How Long

The three-month T-Bill returned 1.0% for the fourth quarter. Three-month treasury bills are now yielding 5.46%. Signaling from the Federal Reserve implies that we may have reached a peak last quarter.

Economic Statistics

	Current Quarter	Previous Quarter
GDP (Annualized)	3.3%	4.9%
Unemployment	3.7%	3.8%
CPI All Items Year/Year	3.4%	3.7%
Fed Funds Rate	5.3%	5.3%
Industrial Capacity Utilization	78.6%	79.5%
U.S. Dollars per Euro	1.11	1.06

Major Index Returns

Index	Quarter	12 Months
Russell 3000	12.1%	26.0%
S&P 500	11.7%	26.3%
Russell Midcap	12.8%	17.2%
Russell 2000	14.0%	16.9%
MSCI EAFE	10.5%	18.9%
MSCI Emg. Markets	7.9%	10.3%
NCREIF ODCE	-4.8%	-12.0%
U.S. Aggregate	6.8%	5.5%
90 Day T-bills	1.0%	3.2%

Domestic Equity Return Distributions

Quarter	Trailing Year		
	GRO	COR	VAL
LC	14.2	12.0	9.5
MC	14.5	12.8	12.1
SC	12.7	14.0	15.3

Market Summary

- Equity markets rise broadly
- Interest rates projected to fall
- Geopolitical tensions rise
- Global growth slowing

INVESTMENT RETURN

On December 31st, 2023, the Franklin Employees' Pension Plan & Trust was valued at \$159,374,145, an increase of \$13,416,427 over the September ending value of \$145,957,718. During the last three months, the fund recorded \$3,683,087 in net contributions as well as \$9,733,340 in net investment gains. Income receipts totaling \$10,665 and realized and unrealized capital gains of \$9,722,675 combined to produce the portfolio's net investment return.

RELATIVE PERFORMANCE

Total Fund

In the fourth quarter, the Composite portfolio gained 6.6%, which was 1.5% below the Manager Allocation Index's return of 8.1% and ranked in the 78th percentile of the Public Fund universe. Over the trailing year, the portfolio returned 10.3%, which was 2.0% below the benchmark's 12.3% performance, and ranked in the 87th percentile. Since March 2001, the account returned 6.2% annualized.

Diversified Assets

Performance data for the TCRS Policy Index is based on a draft report and is subject to revision.

Last quarter, the diversified assets portion of the portfolio returned 6.7%, which was 1.5% below the Tennessee Consolidated Retirement System Policy Index's return of 8.2% and ranked in the 77th percentile of the Public Fund universe. Over the trailing twelve months, this segment's return was 10.4%, which was 2.0% below the benchmark's 12.4% return, ranking in the 86th percentile.

Alternative Assets

In the fourth quarter, the alternative assets component returned 3.0%, which was 3.5% better than the Franklin, TN Alternative Asset Hybrid Index's return of -0.5%. Over the trailing twelve-month period, this component returned 6.0%, which was 6.8% better than the benchmark's -0.8% return.

ASSET ALLOCATION

At the end of the fourth quarter, diversified assets comprised 97.6% of the total portfolio (\$155.5 million), while alternative assets totaled 2.1% (\$3.3 million) and cash & equivalent comprised the remaining 0.4% (\$561,935).

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD /1Y	3 Year	5 Year	10 Year	Since 03/01
Total Portfolio - Gross	6.6	10.3	5.1	9.1	6.9	6.2
<i>PUBLIC FUND RANK</i>	(78)	(87)	(29)	(42)	(47)	----
Total Portfolio - Net	6.6	10.1	4.9	8.9	6.6	5.9
Manager Shadow	8.1	12.3	5.0	9.0	7.1	----
Diversified Assets - Gross	6.7	10.4	5.0	9.3	----	----
<i>PUBLIC FUND RANK</i>	(77)	(86)	(30)	(33)	----	----
TCRS Policy Index	8.2	12.4	4.9	9.1	----	----
Alternative Assets - Gross	3.0	6.0	8.5	6.1	6.6	----
Hybrid Index	-0.5	-0.8	8.6	7.4	8.0	----
Russell 2500	13.4	17.4	4.2	11.7	8.4	9.3
NCREIF ODCE	-4.8	-12.0	4.9	4.2	7.3	7.1
NCREIF Timber	3.7	8.8	10.3	6.5	5.7	6.3

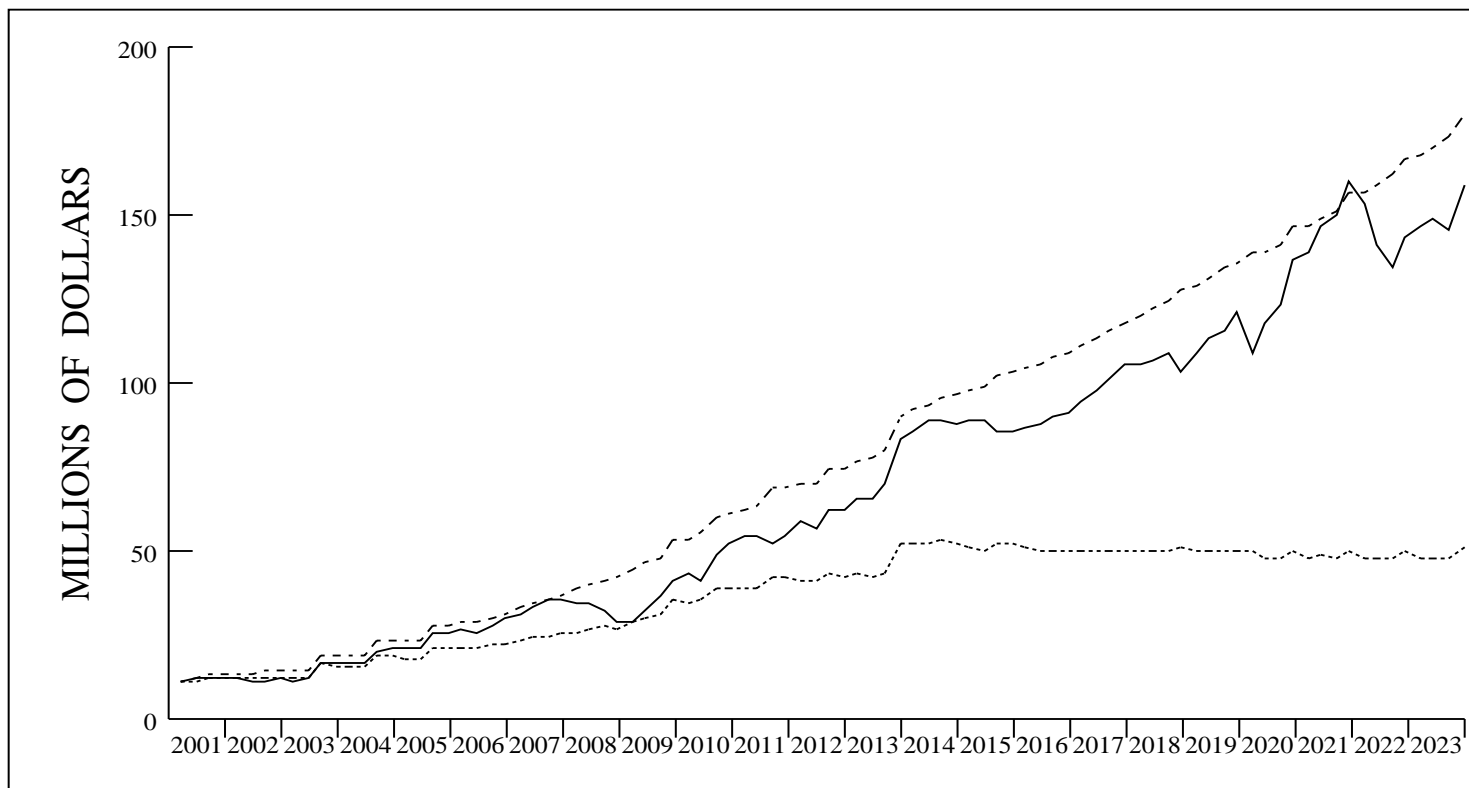
ASSET ALLOCATION

Diversified	97.6%	\$ 155,487,630
Alternative	2.1%	3,324,580
Cash	0.4%	561,935
Total Portfolio	100.0%	\$ 159,374,145

INVESTMENT RETURN

Market Value 9/2023	\$ 145,957,718
Contribs / Withdrawals	3,683,087
Income	10,665
Capital Gains / Losses	9,722,675
Market Value 12/2023	\$ 159,374,145

INVESTMENT GROWTH



— ACTUAL RETURN
 - - - BLENDED GROWTH
 0.0%

VALUE ASSUMING
 BLENDED GA \$ 180,150,628

	LAST QUARTER	PERIOD 3/01 - 12/23
BEGINNING VALUE	\$ 145,957,718	\$ 12,168,310
NET CONTRIBUTIONS	3,683,087	39,592,581
INVESTMENT RETURN	9,733,340	107,613,254
ENDING VALUE	\$ 159,374,145	\$ 159,374,145
INCOME	10,665	9,418,387
CAPITAL GAINS (LOSSES)	9,722,675	98,194,867
INVESTMENT RETURN	9,733,340	107,613,254

MANAGER PERFORMANCE SUMMARY - GROSS OF FEES

Portfolio	(Universe)	Quarter	YTD	1 Year	3 Years	5 Years	Since Inception
Composite	(Public Fund)	6.6 (78)	10.3 (87)	10.3 (87)	5.1 (29)	9.1 (42)	6.2 ---- 03/01
<i>Manager Shadow</i>		<i>8.1 ----</i>	<i>12.3 ----</i>	<i>12.3 ----</i>	<i>5.0 ----</i>	<i>9.0 ----</i>	<i>---- ---- 03/01</i>
TCRS	(Public Fund)	6.7 (77)	10.4 (86)	10.4 (86)	5.0 (30)	9.2 (36)	8.3 (30) 12/16
<i>TCRS Policy Index</i>		<i>8.2 ----</i>	<i>12.4 ----</i>	<i>12.4 ----</i>	<i>4.9 ----</i>	<i>9.1 ----</i>	<i>8.3 ---- 12/16</i>
Hamilton Lane SF III		0.0 ----	-8.3 ----	-8.3 ----	-3.0 ----	-1.7 ----	7.2 ---- 06/13
<i>Russell 2500</i>		<i>13.4 ----</i>	<i>17.4 ----</i>	<i>17.4 ----</i>	<i>4.2 ----</i>	<i>11.7 ----</i>	<i>9.7 ---- 06/13</i>
Landmark PE		0.0 ----	0.8 ----	0.8 ----	6.7 ----	5.7 ----	3.3 ---- 12/13
<i>Russell 2500</i>		<i>13.4 ----</i>	<i>17.4 ----</i>	<i>17.4 ----</i>	<i>4.2 ----</i>	<i>11.7 ----</i>	<i>8.4 ---- 12/13</i>
FIA Timber		1.1 ----	7.0 ----	7.0 ----	8.6 ----	3.8 ----	4.7 ---- 03/16
<i>NCREIF Timber</i>		<i>3.7 ----</i>	<i>8.8 ----</i>	<i>8.8 ----</i>	<i>10.3 ----</i>	<i>6.5 ----</i>	<i>5.4 ---- 03/16</i>
RMS Forest Fund III		7.2 ----	10.4 ----	10.4 ----	14.3 ----	12.9 ----	7.1 ---- 06/12
<i>NCREIF Timber</i>		<i>3.7 ----</i>	<i>8.8 ----</i>	<i>8.8 ----</i>	<i>10.3 ----</i>	<i>6.5 ----</i>	<i>6.4 ---- 06/12</i>

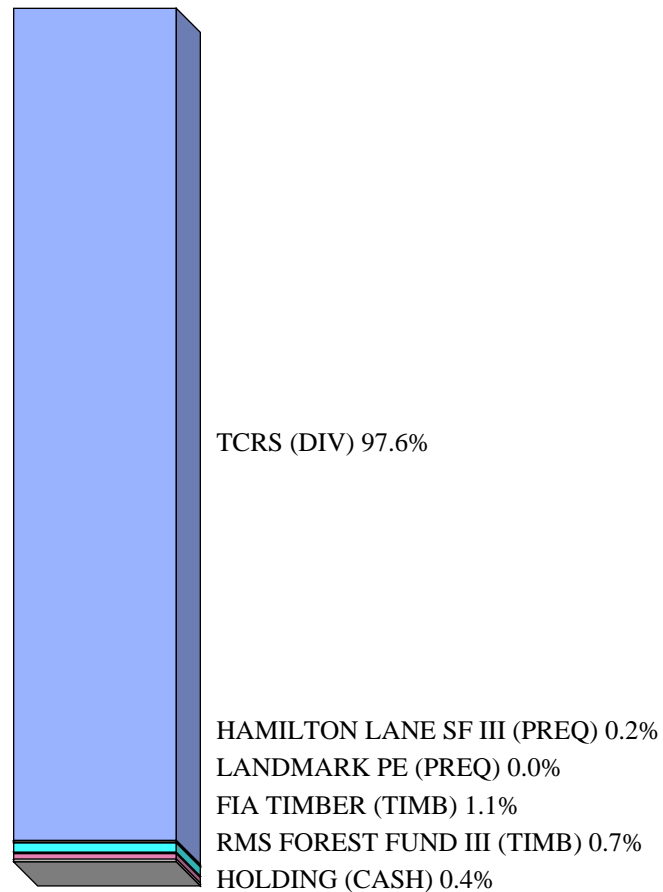
MANAGER PERFORMANCE SUMMARY - NET OF FEES

Portfolio	Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	
Composite	6.6	10.1	10.1	4.9	8.9	5.9	03/01
<i>Manager Shadow</i>	<i>8.1</i>	<i>12.3</i>	<i>12.3</i>	<i>5.0</i>	<i>9.0</i>	<i>---</i>	<i>03/01</i>
TCRS	6.7	10.3	10.3	4.9	9.0	8.1	12/16
<i>TCRS Policy Index</i>	<i>8.2</i>	<i>12.4</i>	<i>12.4</i>	<i>4.9</i>	<i>9.1</i>	<i>8.3</i>	<i>12/16</i>
Hamilton Lane SF III	0.0	-9.9	-9.9	-5.0	-3.6	4.7	06/13
<i>Russell 2500</i>	<i>13.4</i>	<i>17.4</i>	<i>17.4</i>	<i>4.2</i>	<i>11.7</i>	<i>9.7</i>	<i>06/13</i>
Landmark PE	0.0	0.1	0.1	5.8	4.7	2.3	12/13
<i>Russell 2500</i>	<i>13.4</i>	<i>17.4</i>	<i>17.4</i>	<i>4.2</i>	<i>11.7</i>	<i>8.4</i>	<i>12/13</i>
FIA Timber	0.9	6.1	6.1	7.7	2.9	3.8	03/16
<i>NCREIF Timber</i>	<i>3.7</i>	<i>8.8</i>	<i>8.8</i>	<i>10.3</i>	<i>6.5</i>	<i>5.4</i>	<i>03/16</i>
RMS Forest Fund III	7.0	9.3	9.3	13.2	11.8	6.1	06/12
<i>NCREIF Timber</i>	<i>3.7</i>	<i>8.8</i>	<i>8.8</i>	<i>10.3</i>	<i>6.5</i>	<i>6.4</i>	<i>06/12</i>

COMPLETE MANAGER PERFORMANCE SUMMARY - GROSS OF FEES

Portfolio	(Universe)	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Composite	(Public Fund)	-2.7 (42)	3.4 (85)	7.8 (92)	5.7 (19)	6.3 (7)	6.8 (23)	5.9 ---- 03/01
<i>Manager Shadow</i>		<i>-3.2 ----</i>	<i>3.8 ----</i>	<i>9.7 ----</i>	<i>5.2 ----</i>	<i>6.1 ----</i>	<i>6.9 ----</i>	<i>---- ---- 03/01</i>
TCRS	(Public Fund)	-2.8 (46)	3.4 (85)	7.9 (92)	5.7 (20)	6.4 (6)	---- ----	7.6 (1) 12/16
<i>TCRS Policy Index</i>		<i>-3.2 ----</i>	<i>3.9 ----</i>	<i>9.8 ----</i>	<i>5.1 ----</i>	<i>6.1 ----</i>	<i>---- ----</i>	<i>7.3 ---- 12/16</i>
Hamilton Lane SF III		1.2 ----	-8.3 ----	-12.1 ----	4.7 ----	-2.1 ----	7.4 ----	7.4 ---- 06/13
<i>Russell 2500</i>		<i>-4.8 ----</i>	<i>3.6 ----</i>	<i>11.3 ----</i>	<i>8.4 ----</i>	<i>4.5 ----</i>	<i>7.9 ----</i>	<i>8.6 ---- 06/13</i>
Landmark PE		2.6 ----	0.8 ----	2.3 ----	9.6 ----	5.7 ----	4.9 ----	9.4 ---- 03/10
<i>Russell 2500</i>		<i>-4.8 ----</i>	<i>3.6 ----</i>	<i>11.3 ----</i>	<i>8.4 ----</i>	<i>4.5 ----</i>	<i>7.9 ----</i>	<i>9.9 ---- 03/10</i>
FIA Timber		2.5 ----	5.8 ----	7.4 ----	8.4 ----	3.9 ----	---- ----	4.7 ---- 03/16
<i>NCREIF Timber</i>		<i>1.4 ----</i>	<i>4.9 ----</i>	<i>10.0 ----</i>	<i>9.2 ----</i>	<i>5.9 ----</i>	<i>5.9 ----</i>	<i>5.1 ---- 03/16</i>
RMS Forest Fund III		0.9 ----	3.0 ----	13.2 ----	10.2 ----	8.1 ----	5.7 ----	6.6 ---- 06/12
<i>NCREIF Timber</i>		<i>1.4 ----</i>	<i>4.9 ----</i>	<i>10.0 ----</i>	<i>9.2 ----</i>	<i>5.9 ----</i>	<i>5.9 ----</i>	<i>6.2 ---- 06/12</i>

MANAGER ALLOCATION SUMMARY



Name	Market Value	Percent
TCRS (DIV)	\$155,487,630	97.6
Hamilton Lane SF III (PREQ)	\$363,628	0.2
Landmark PE (PREQ)	\$59,961	0.0
FIA Timber (TIMB)	\$1,746,928	1.1
RMS Forest Fund III (TIMB)	\$1,154,063	0.7
Holding (CASH)	\$561,935	0.4
Total	\$159,374,145	100.0

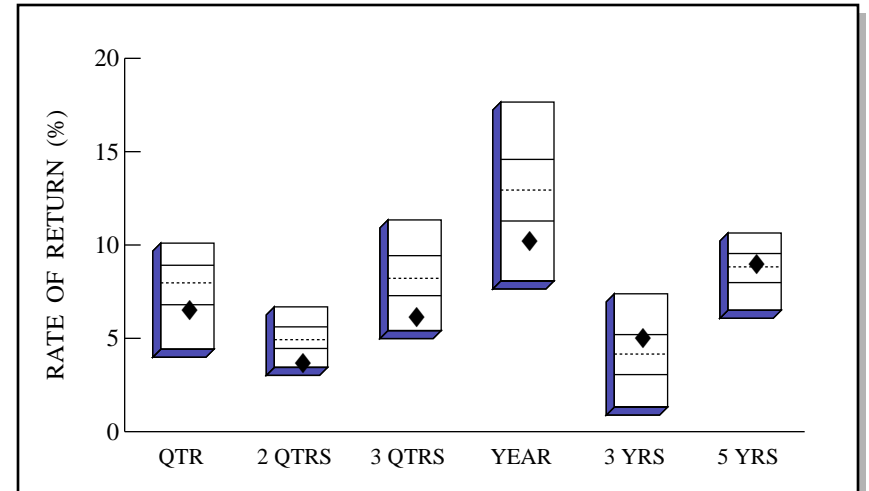
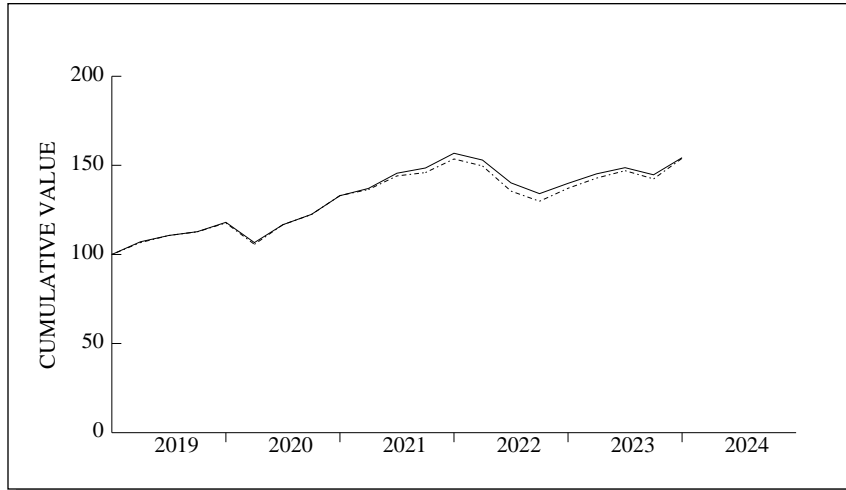
MANAGER VALUE ADDED

1 Quarter	Portfolio	Benchmark	1 Year
-1.5	Tennessee Consolidated Retirement System	TCRS Policy Index	-2.0
-13.4	Hamilton Lane Secondary Fund III	Russell 2500	-25.7
-13.4	Landmark Partners Equity Partners XIV, LP	Russell 2500	-16.6
-2.6	FIA Timber Growth & Value Partners	NCREIF Timber	-1.8
3.5	RMS Forest Growth III	NCREIF Timber	1.6
-1.5	Total Portfolio	Manager Shadow	-2.0

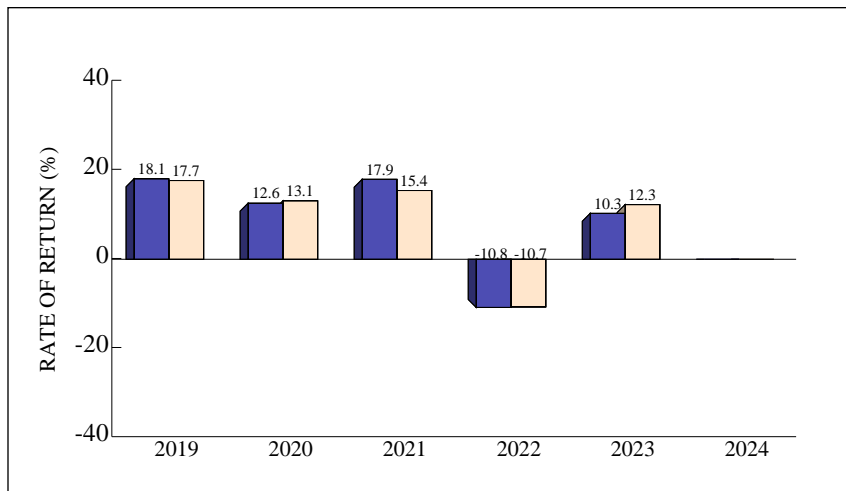
INVESTMENT RETURN SUMMARY - ONE QUARTER

Name	Quarter Total Return	Market Value September 30th, 2023	Net Cashflow	Net Investment Return	Market Value December 31st, 2023
TCRS (DIV)	6.7	141,713,355	4,146,593	9,627,682	155,487,630
Hamilton Lane SF III (PREQ)	0.0	363,628	0	0	363,628
Landmark PE (PREQ)	0.0	59,961	0	0	59,961
FIA Timber (TIMB)	1.1	1,734,751	-7,434	19,611	1,746,928
RMS Forest Fund III (TIMB)	7.2	1,109,521	-32,265	76,807	1,154,063
Holding (CASH)	---	976,502	-423,807	9,240	561,935
Total Portfolio	6.6	145,957,718	3,683,087	9,733,340	159,374,145

TOTAL RETURN COMPARISONS



Public Fund Universe

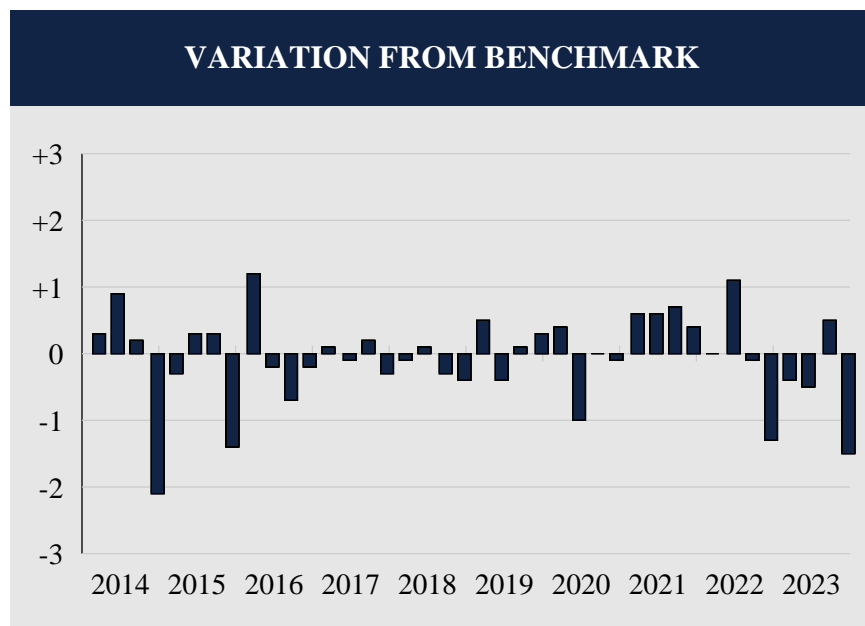


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	6.6	3.7	6.2	10.3	5.1	9.1
(RANK)	(78)	(92)	(89)	(87)	(29)	(42)
5TH %ILE	10.1	6.7	11.3	17.7	7.4	10.6
25TH %ILE	8.9	5.6	9.4	14.6	5.2	9.5
MEDIAN	8.0	4.9	8.2	12.9	4.2	8.8
75TH %ILE	6.8	4.5	7.3	11.3	3.1	8.0
95TH %ILE	4.4	3.4	5.4	8.1	1.3	6.5
<i>Manager Shadow</i>	<i>8.1</i>	<i>4.7</i>	<i>7.8</i>	<i>12.3</i>	<i>5.0</i>	<i>9.0</i>

Public Fund Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY - 10 YEARS

COMPARATIVE BENCHMARK: MANAGER ALLOCATION INDEX



Total Quarters Observed	40
Quarters At or Above the Benchmark	21
Quarters Below the Benchmark	19
Batting Average	.525

RATES OF RETURN						
Date	Portfolio	Bench	Diff	-----Cumulative-----		
				Portfolio	Bench	Diff
3/14	2.0	1.7	0.3	2.0	1.7	0.3
6/14	4.6	3.7	0.9	6.7	5.5	1.2
9/14	-1.2	-1.4	0.2	5.4	4.0	1.4
12/14	0.3	2.4	-2.1	5.7	6.5	-0.8
3/15	2.1	2.4	-0.3	7.9	9.0	-1.1
6/15	0.4	0.1	0.3	8.4	9.1	-0.7
9/15	-5.8	-6.1	0.3	2.1	2.4	-0.3
12/15	1.4	2.8	-1.4	3.6	5.4	-1.8
3/16	2.7	1.5	1.2	6.4	6.9	-0.5
6/16	1.6	1.8	-0.2	8.0	8.9	-0.9
9/16	3.3	4.0	-0.7	11.6	13.2	-1.6
12/16	0.9	1.1	-0.2	12.6	14.5	-1.9
3/17	4.3	4.2	0.1	17.4	19.3	-1.9
6/17	3.3	3.4	-0.1	21.2	23.3	-2.1
9/17	3.6	3.4	0.2	25.6	27.5	-1.9
12/17	3.6	3.9	-0.3	30.2	32.4	-2.2
3/18	-0.4	-0.3	-0.1	29.6	32.0	-2.4
6/18	1.0	0.9	0.1	31.0	33.1	-2.1
9/18	2.6	2.9	-0.3	34.3	37.0	-2.7
12/18	-6.1	-5.7	-0.4	26.2	29.2	-3.0
3/19	7.2	6.7	0.5	35.2	37.8	-2.6
6/19	3.3	3.7	-0.4	39.6	43.0	-3.4
9/19	1.9	1.8	0.1	42.3	45.6	-3.3
12/19	4.7	4.4	0.3	49.0	52.0	-3.0
3/20	-9.7	-10.1	0.4	34.6	36.6	-2.0
6/20	9.4	10.4	-1.0	47.3	50.8	-3.5
9/20	4.9	4.9	0.0	54.5	58.1	-3.6
12/20	8.6	8.7	-0.1	67.7	71.9	-4.2
3/21	3.1	2.5	0.6	72.9	76.3	-3.4
6/21	6.2	5.6	0.6	83.7	86.2	-2.5
9/21	2.0	1.3	0.7	87.4	88.6	-1.2
12/21	5.6	5.2	0.4	97.9	98.4	-0.5
3/22	-2.5	-2.5	0.0	93.0	93.4	-0.4
6/22	-8.3	-9.4	1.1	76.9	75.2	1.7
9/22	-4.3	-4.2	-0.1	69.3	67.7	1.6
12/22	4.3	5.6	-1.3	76.5	77.2	-0.7
3/23	3.8	4.2	-0.4	83.2	84.6	-1.4
6/23	2.4	2.9	-0.5	87.6	90.0	-2.4
9/23	-2.7	-3.2	0.5	82.5	84.0	-1.5
12/23	6.6	8.1	-1.5	94.6	98.9	-4.3

MANAGER FEE SUMMARY - ONE QUARTER

ALL FEES ARE ESTIMATED / ACCRUED

PORTFOLIO	MARKET VALUE	GROSS RETURN	FEE	FEE PCT	NET RETURN
TCRS (DIV)	\$155,487,630	6.7	\$47,934	0.03	6.7
Hamilton Lane SF III (PREQ)	\$363,628	0.0	\$0	0.00	0.0
Landmark PE (PREQ)	\$59,961	0.0	\$0	0.00	0.0
FIA Timber (TIMB)	\$1,746,928	1.1	\$3,535	0.20	0.9
RMS Forest Fund III (TIMB)	\$1,154,063	7.2	\$2,774	0.25	7.0
Holding (CASH)	\$561,935	----	\$0	0.00	----
Total Portfolio	\$159,374,145	6.6	\$54,243	0.04	6.6

FRANKLIN EMPLOYEES' PENSION PLAN & TRUST

ANNUAL FEES

Account	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
TCRS Fund	\$ 188,546	\$ 184,607	\$ 186,097	\$ 152,287	\$ 140,741	\$ 125,209	\$ 110,451	\$ -	\$ -	\$ -	\$ -
Hamilton Lane PE	\$ 6,858	\$ 7,263	\$ 28,461	\$ 15,675	\$ 26,282	\$ 39,472	\$ 34,193	\$ 55,940	\$ 67,444	\$ 38,767	\$ 56,983
Landmark PE	\$ 499	\$ 979	\$ 1,539	\$ 1,606	\$ 1,811	\$ 2,746	\$ 3,504	\$ 3,636	\$ 5,988	\$ 5,603	\$ 2,762
FIA TIMBER	\$ 14,140	\$ 14,140	\$ 14,107	\$ 14,140	\$ 9,262	\$ 11,252	\$ 12,046	\$ 2,686	\$ 3,159	\$ -	\$ -
RMS Forest Fund III	\$ 11,096	\$ 10,396	\$ 10,511	\$ 11,294	\$ 10,887	\$ 12,883	\$ 13,886	\$ 14,936	\$ 10,487	\$ 12,332	\$ 9,414
*BTG Select Fund II	\$ -	\$ 675	\$ 1,039	\$ 1,821	\$ 8,352	\$ 9,807	\$ 11,478	\$ 12,901	\$ 15,036	\$ 16,980	\$ 14,598
*Vanguard Dev. Mkt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 535	\$ 1,926	\$ 1,946	\$ 1,166	\$ -	\$ -
*Schwab/RAFI EM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 575	\$ 939	\$ 10,712	\$ 15,984	\$ 2,716
*Polen LC Growth	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,096	\$ 61,568	\$ 53,110	\$ 45,270
*CS McKee LC Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,783	\$ 98,820	\$ 109,069	\$ 88,338
*SouthernSun Smid Cap	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,240	\$ 89,173	\$ 101,045	\$ 65,051
*Westwood EM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,350	\$ 77,805	\$ 69,051	\$ 44,377
*Bailard REIT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,063	\$ 47,222	\$ 38,418	\$ 22,361
*Longfellow Int. FI	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,080	\$ 17,874	\$ 8,532	\$ -
*Aberdeen EAFE Int'l Eq	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,606	\$ 62,187	\$ 66,977	\$ 27,375
*SSGA Fixed Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,855	\$ 6,487	\$ 5,308
*Vanguard Extd Mkt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 376	\$ 2,564
*SSgA Int'l Select Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,263
Composite	\$ 221,139	\$ 218,060	\$ 241,754	\$ 196,823	\$ 197,335	\$ 201,904	\$ 188,059	\$ 580,202	\$ 615,601	\$ 542,729	\$ 384,553

*Closed accounts

CITY OF FRANKLIN PENSION PLAN
TCRS RETURNS & ALLOCATIONS AS OF DECEMBER 31, 2023

Asset Class	Qtr	1 Year	Annualized		Allocation				
			3 Years	5 Years					
Tennessee Consolidated Retirement System (Public Fd)	6.7	(77)	10.4	(86)	5.0	(30)	9.2	(36)	100.0%
<i>TCRS Shadow Index¹</i>	5.9		11.2		4.5		9.4		
<i>Median Public Fund</i>	8.0		12.9		4.2		8.8		
North American Equity	11.7		24.5		9.5		14.7		30.4%
<i>Russell 3000</i>	12.1		26.0		8.5		15.2		
Int'l Developed Equity	11.5		19.1		3.7		9.3		11.8%
<i>MSCI EAFE</i>	10.5		18.9		4.5		8.7		
Int'l Emerging Markets Equity	12.9		18.8		2.5		7.2		3.5%
<i>MSCI Emerging Markets</i>	7.9		10.3		-4.7		4.1		
Private Equity	-0.7		5.0		18.0		17.8		13.2%
<i>Cambridge US Private Equity²</i>	0.0		5.9		12.6		16.6		
Real Estate	-2.1		-6.4		11.8		8.4		11.2%
<i>NCREIF NFI-ODCE</i>	-4.8		-12.0		4.9		4.3		
Strategic Lending	1.3		8.8		7.5		7.7		11.2%
<i>Strategic Lending Index³</i>	5.0		13.3		3.9		5.5		
Domestic Fixed Income	10.3		6.2		-5.9		0.9		17.5%
<i>Bloomberg Aggregate</i>	6.8		5.5		-3.3		1.1		
Short Term	0.7		3.3		1.7		1.4		1.2%
<i>90 Day T-Bills</i>	4.7		3.9		-1.0		3.2		

1. The shadow index was calculated using the TCRS portfolio's quarterly asset allocation and the historical returns of the benchmarks that correspond with each asset class

2. Performance for the Cambridge US Private Equity Index was unavailable at the time of this report. A return of 0.0% was assumed

3. Effective 8/1/13, benchmark is 50% Bloomberg Barclays High Yield 2% Issuer Capped / 50% Credit Suisse Leveraged Loans

APPENDIX - MAJOR MARKET INDEX RETURNS

Equity	Style	QTR	YTD	1 Year	3 Years	5 Years	10 Years
Russell 3000	Broad Equity	12.1	26.0	26.0	8.5	15.2	11.5
S&P 500	Large Cap Core	11.7	26.3	26.3	10.0	15.7	12.0
Russell 1000	Large Cap Core	12.0	26.5	26.5	9.0	15.5	11.8
Russell 1000 Growth	Large Cap Growth	14.2	42.7	42.7	8.9	19.5	14.9
Russell 1000 Value	Large Cap Value	9.5	11.5	11.5	8.9	10.9	8.4
Russell 2000	Small Cap	14.0	16.9	16.9	2.2	10.0	7.1
Russell 2000 Growth	Small Cap Growth	12.7	18.7	18.7	-3.5	9.2	7.1
Russell 2000 Value	Small Cap Value	15.3	14.6	14.6	7.9	10.0	6.7
MSCI EAFE	Developed Markets	10.5	18.9	18.9	4.5	8.7	4.8
MSCI EAFE Growth	Developed Markets Growth	12.8	18.0	18.0	0.6	9.2	5.5
MSCI EAFE Value	Developed Markets Value	8.3	19.8	19.8	8.3	7.8	3.8
MSCI Emerging Markets	Emerging Markets	7.9	10.3	10.3	-4.7	4.1	3.0
MSCI All Country World	Global Equity	11.1	22.8	22.8	6.2	12.3	8.5
MSCI All Country World ex US	Global Equity (ex. US)	9.8	16.2	16.2	2.0	7.6	4.3
Fixed Income	Style	QTR	YTD	1 Year	3 Years	5 Years	10 Years
Bloomberg Aggregate Index	Core Fixed Income	6.8	5.5	5.5	-3.3	1.1	1.8
Bloomberg Gov/Credit	Gov/Credit	6.6	5.7	5.7	-3.5	1.4	2.0
Bloomberg Gov't Bond	Treasuries	5.6	4.1	4.1	-3.1	1.0	1.5
Bloomberg Credit Bond	Corporate Bonds	8.2	8.2	8.2	-2.1	3.2	3.2
Intermediate Aggregate	Core Intermediate	5.5	5.2	5.2	-2.1	1.1	1.6
Intermediate Gov/Credit	Gov / Credit Intermediate	4.6	5.2	5.2	-1.6	1.6	1.7
ML/BoA 1-3 Year Treasury	Short Term Treasuries	2.5	4.2	4.2	-0.1	1.2	1.0
Bloomberg Global Treasury Ex US	International Treasuries	9.9	6.2	6.2	-7.8	-1.9	-0.7
Bloomberg Global Government Bond	International Fixed Income	8.0	4.3	4.3	-6.5	-1.1	-0.2
Bloomberg Global Aggregate	International Fixed Income	8.1	5.7	5.7	-5.5	-0.3	0.4
Bloomberg Global Aggregate Ex US	International Fixed Income	9.2	5.7	5.7	-7.2	-1.5	-0.8
Alternative Assets	Style	QTR	YTD	1 Year	3 Years	5 Years	10 Years
MSCI US REIT Index	REITs	16.0	13.7	13.7	7.1	6.9	7.3
NCREIF NFI-ODCE Index	Real Estate	-4.8	-12.0	-12.0	4.9	4.2	7.3
NCREIF Timber Index	Timber	3.7	8.8	8.8	10.3	6.5	5.7
Bloomberg Commodity Index	Commodities	-4.6	-7.9	-7.9	10.8	7.2	-1.1
HFRI FOF Composite	Hedge Funds	3.3	6.2	6.2	2.2	5.1	3.2

APPENDIX - DISCLOSURES

* The manager shadow index is a passive benchmark that was calculated by weighting each manager's preceding quarter's weight by that manager's current-quarter benchmark return.

* Performance data provided by TCRS is preliminary and subject to revision.

* The TCRS policy index is a policy-weighted passive index that was constructed as follows:

For all periods since July 1, 2021

31% S&P 1500 Index	2% S&P TSX 60 Index
13% MSCI EAFE IMI net Index	4% MSCI Emerging Markets Net -0.5%
25% FTSE LPF Index	10% NCREIF 1Q Lagged Index
7% Cambridge US PE 1Q Lagged Index	7% Strategic Lending Index
1% 90 Day T-Bill Index	

For all periods from April 1, 2019 to June 30, 2021

31% S&P 1500 Index	2% S&P TSX 60 Index
13% MSCI EAFE IMI net Index	4% MSCI Emerging Markets Net Index
25% FTSE LPF Index	10% NCREIF 1Q Lagged Index
7% Cambridge US PE 1Q Lagged Index	7% Strategic Lending Index
1% 90 Day T-Bill Index	

For all periods from January 1, 2017 to March 31, 2019

31% S&P 1500 Index	2% S&P TSX 60 Index
13% MSCI EAFE IMI net Index	4% MSCI Emerging Markets Net Index
25% FTSE LPF Index	10% NCREIF 1Q Lagged Index
7% S&P 500 +3% Index	7% Strategic Lending Index
1% 90 Day T-Bill Index	

* The Alternative Assets Hybrid Index is a passive index that was constructed as follows:

16.67% Cambridge PE	41.67% NCREIF ODCE	41.67% NCREIF Timber
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APPENDIX - DISCLOSURES

- * The blended growth assumption rate uses an annual rate of 8.0% through December 31, 2005, then 7.75% through December 31, 2008, then 7.5% through December 31, 2017, then 7.4% through December 31, 2018, then 7.3% through December 31, 2019, then 7.2% through December 31, 2020, then 7.1% through December 31, 2021, and then 7.0% thereafter.
- * Dahab Associates utilizes data provided by a custodian and other vendors it believes are reliable. However, it cannot assume responsibility for errors and omissions therefrom.
- * All returns were calculated on a time-weighted basis, and are gross of fees unless otherwise noted.
- * All returns for periods greater than one year are annualized.
- * Dahab Associates uses the modified duration measure to present average duration.
- * All values are in US dollars.

FRANKLIN EMPLOYEES' PENSION PLAN & TRUST
TENNESSEE CONSOLIDATED RETIREMENT SYSTEM
PERFORMANCE REVIEW
DECEMBER 2023

DAHAB Associates, Inc.
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INVESTMENT RETURN

On December 31st, 2023, the Franklin Employees' Pension Plan & Trust's Tennessee Consolidated Retirement System portfolio was valued at \$155,487,630, representing an increase of \$13,774,275 from the September quarter's ending value of \$141,713,355. Last quarter, the Fund posted net contributions equaling \$4,146,593 plus a net investment gain equaling \$9,627,682. Since there were no income receipts during the quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$9,627,682.

RELATIVE PERFORMANCE

Performance information for the TCRS policy index is provided quarterly by the Verus draft report and is subject to revision.

During the fourth quarter, the Tennessee Consolidated Retirement System portfolio gained 6.7%, which was 1.5% below the Tennessee Consolidated Retirement System Policy Index's return of 8.2% and ranked in the 77th percentile of the Public Fund universe. Over the trailing twelve-month period, the portfolio returned 10.4%, which was 2.0% below the benchmark's 12.4% performance, and ranked in the 86th percentile. Since December 2016, the portfolio returned 8.3% per annum and ranked in the 30th percentile. For comparison, the Tennessee Consolidated Retirement System Policy Index returned an annualized 8.3% over the same time frame.

ASSET ALLOCATION

The account was fully invested in Tennessee Consolidated Retirement System at the end of the quarter.

EXECUTIVE SUMMARY

PERFORMANCE SUMMARY

	Quarter	YTD /1Y	3 Year	5 Year	Since 12/16
Total Portfolio - Gross	6.7	10.4	5.0	9.2	8.3
<i>PUBLIC FUND RANK</i>	(77)	(86)	(30)	(36)	(30)
Total Portfolio - Net	6.7	10.3	4.9	9.0	8.1
TCRS Policy Index	8.2	12.4	4.9	9.1	8.3
Diversified Assets - Gross	6.7	10.4	5.0	9.2	8.3
<i>PUBLIC FUND RANK</i>	(77)	(86)	(30)	(36)	(30)
TCRS Policy Index	8.2	12.4	4.9	9.1	8.3

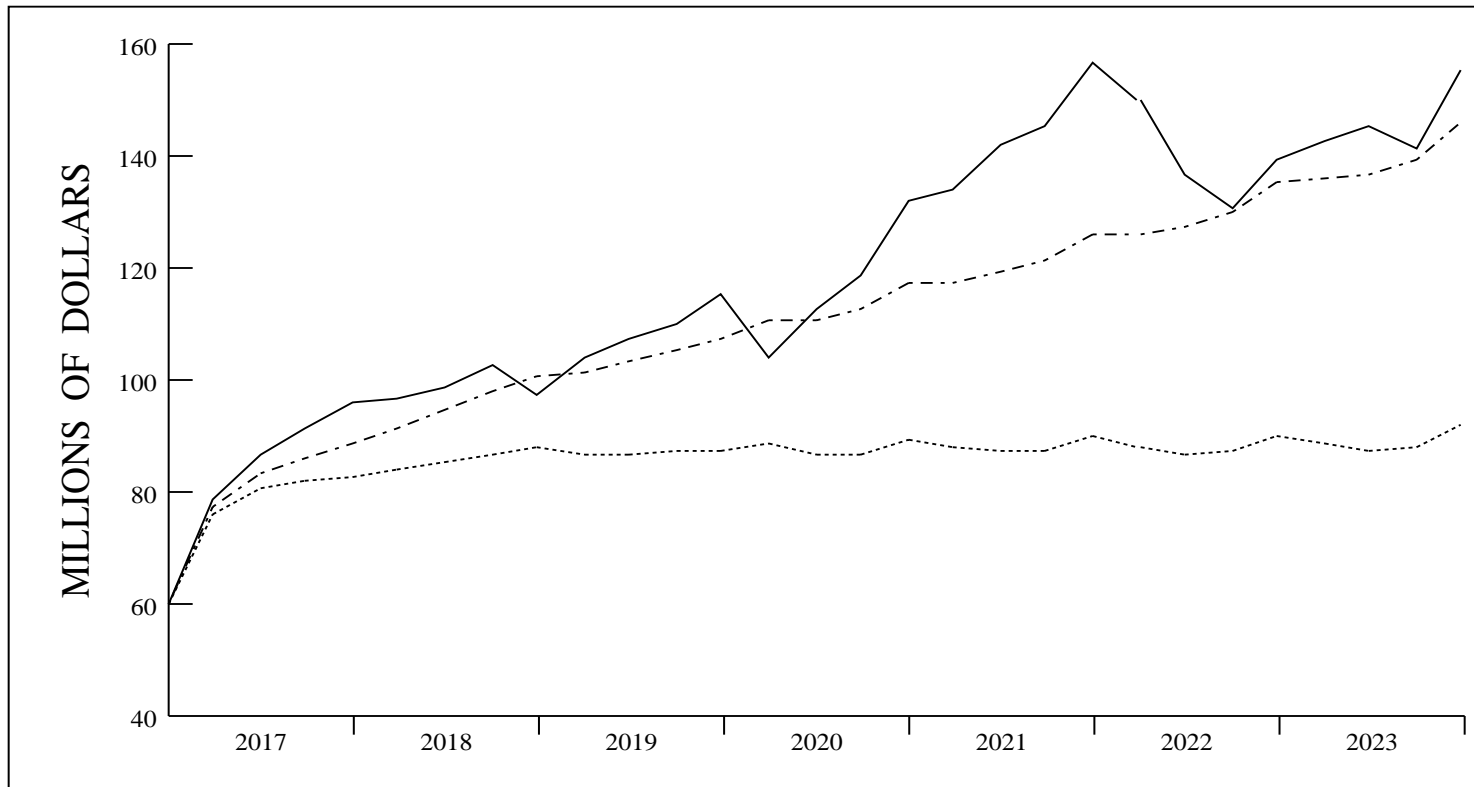
ASSET ALLOCATION

Diversified	100.0%	\$ 155,487,630
Total Portfolio	100.0%	\$ 155,487,630

INVESTMENT RETURN

Market Value 9/2023	\$ 141,713,355
Contribs / Withdrawals	4,146,593
Income	0
Capital Gains / Losses	9,627,682
Market Value 12/2023	\$ 155,487,630

INVESTMENT GROWTH

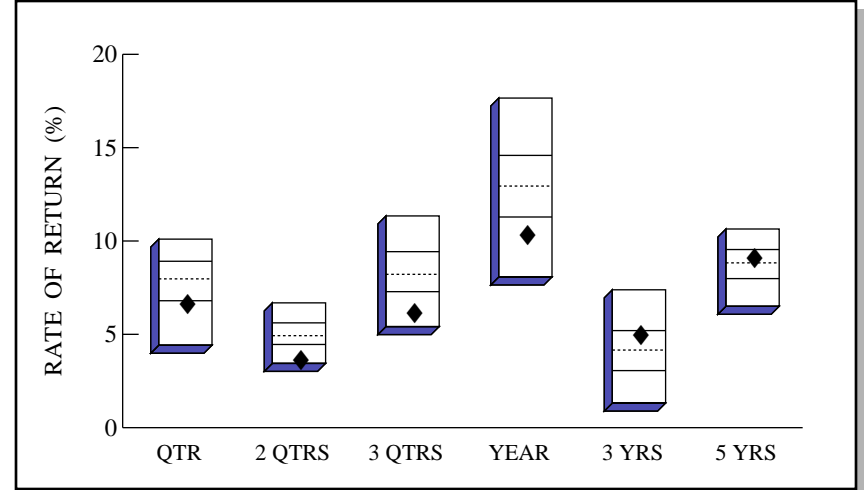
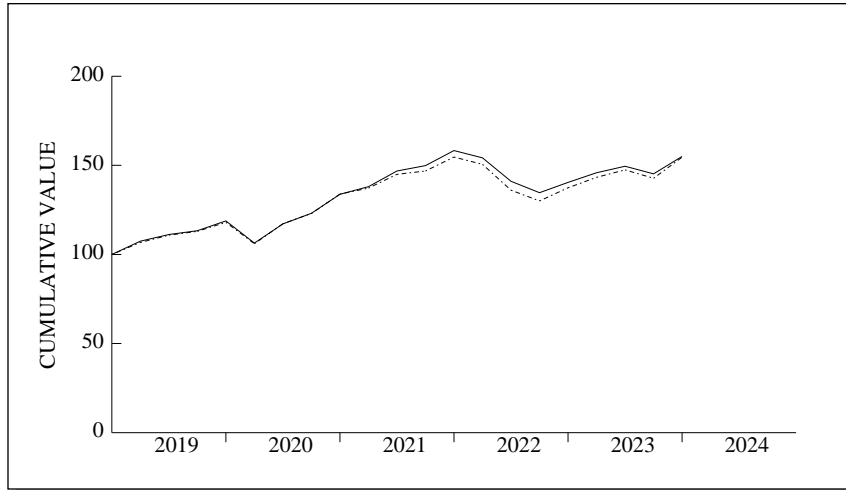


— ACTUAL RETURN
 - - - - - BLENDED GROWTH
 0.0%

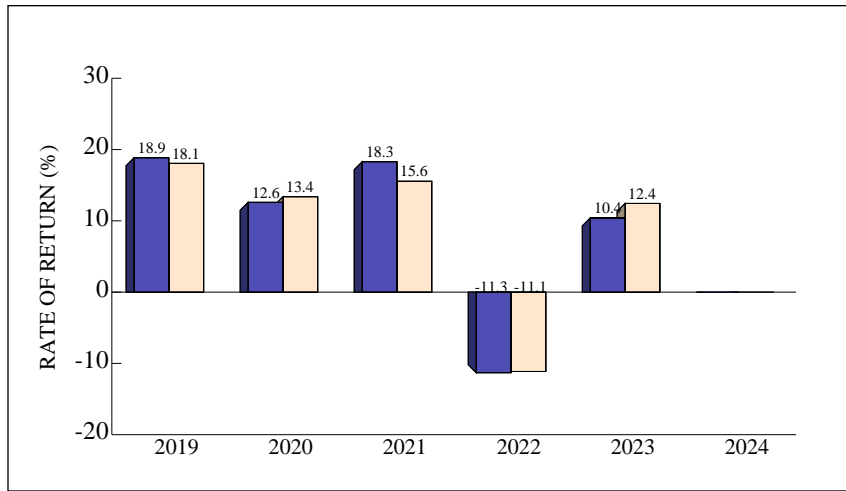
VALUE ASSUMING
 BLENDED GA \$ 146,337,321

	LAST QUARTER	PERIOD 12/16 - 12/23
BEGINNING VALUE	\$ 141,713,355	\$ 60,000,000
NET CONTRIBUTIONS	4,146,593	32,266,258
<u>INVESTMENT RETURN</u>	<u>9,627,682</u>	<u>63,221,372</u>
ENDING VALUE	\$ 155,487,630	\$ 155,487,630
INCOME	0	53
<u>CAPITAL GAINS (LOSSES)</u>	<u>9,627,682</u>	<u>63,221,319</u>
INVESTMENT RETURN	9,627,682	63,221,372

TOTAL RETURN COMPARISONS



Public Fund Universe

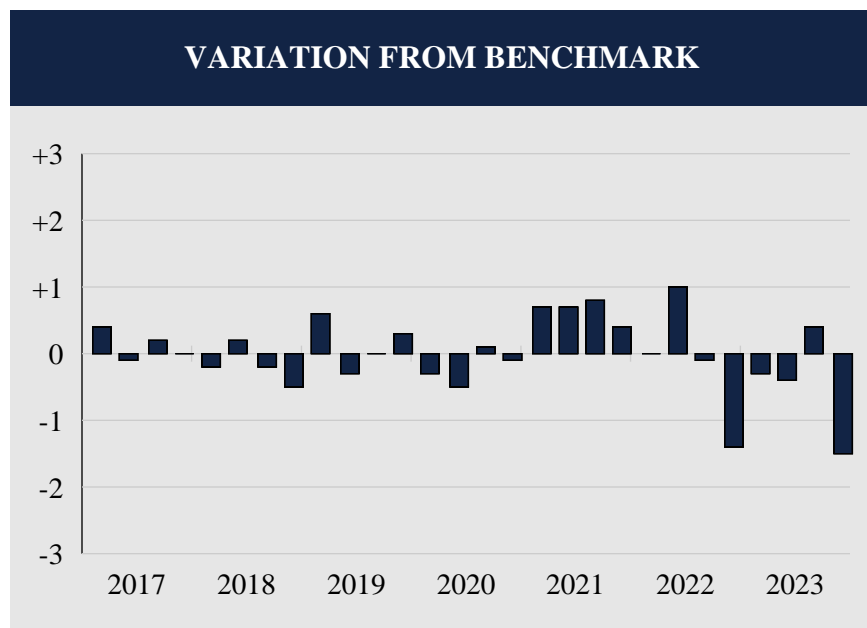


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	6.7	3.7	6.3	10.4	5.0	9.2
(RANK)	(77)	(92)	(89)	(86)	(30)	(36)
5TH %ILE	10.1	6.7	11.3	17.7	7.4	10.6
25TH %ILE	8.9	5.6	9.4	14.6	5.2	9.5
MEDIAN	8.0	4.9	8.2	12.9	4.2	8.8
75TH %ILE	6.8	4.5	7.3	11.3	3.1	8.0
95TH %ILE	4.4	3.4	5.4	8.1	1.3	6.5
TCRS Policy Idx	8.2	4.8	7.9	12.4	4.9	9.1

Public Fund Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: TENNESSEE CONSOLIDATED RETIREMENT SYSTEM POLICY INDEX



Total Quarters Observed	28
Quarters At or Above the Benchmark	15
Quarters Below the Benchmark	13
Batting Average	.536

RATES OF RETURN						
Date	Portfolio	Bench	Diff	-----Cumulative-----		
				Portfolio	Bench	Diff
3/17	4.6	4.2	0.4	4.6	4.2	0.4
6/17	3.3	3.4	-0.1	8.0	7.7	0.3
9/17	3.6	3.4	0.2	11.9	11.3	0.6
12/17	3.9	3.9	0.0	16.3	15.7	0.6
3/18	-0.6	-0.4	-0.2	15.6	15.3	0.3
6/18	1.0	0.8	0.2	16.8	16.2	0.6
9/18	2.7	2.9	-0.2	20.0	19.6	0.4
12/18	-6.2	-5.7	-0.5	12.6	12.8	-0.2
3/19	7.4	6.8	0.6	20.9	20.4	0.5
6/19	3.5	3.8	-0.3	25.2	25.0	0.2
9/19	1.9	1.9	0.0	27.6	27.4	0.2
12/19	4.8	4.5	0.3	33.8	33.2	0.6
3/20	-10.5	-10.2	-0.3	19.8	19.6	0.2
6/20	10.1	10.6	-0.5	31.8	32.2	-0.4
9/20	5.1	5.0	0.1	38.6	38.8	-0.2
12/20	8.7	8.8	-0.1	50.6	51.0	-0.4
3/21	3.2	2.5	0.7	55.4	54.8	0.6
6/21	6.4	5.7	0.7	65.2	63.6	1.6
9/21	2.1	1.3	0.8	68.6	65.7	2.9
12/21	5.7	5.3	0.4	78.2	74.5	3.7
3/22	-2.6	-2.6	0.0	73.6	69.9	3.7
6/22	-8.6	-9.6	1.0	58.7	53.5	5.2
9/22	-4.5	-4.4	-0.1	51.5	46.8	4.7
12/22	4.3	5.7	-1.4	58.0	55.1	2.9
3/23	3.9	4.2	-0.3	64.2	61.6	2.6
6/23	2.5	2.9	-0.4	68.2	66.4	1.8
9/23	-2.8	-3.2	0.4	63.5	61.1	2.4
12/23	6.7	8.2	-1.5	74.5	74.4	0.1

APPENDIX - DISCLOSURES

* The TCRS Shadow Index is a customized index that matches the TCRS portfolio's asset allocation on a quarterly basis.

This index was calculated using the following asset classes and corresponding benchmarks:

North American Equity	Russell 3000
Developed Markets Equity	MSCI EAFE
Emerging Markets Equity	MSCI Emerging Markets
Private Equity	Cambridge U.S. Private Equity
Real Estate	NCREIF-ODCE
Strategic Lending	TCRS Strategic Lending Index (provided by TCRS)
Inflation Hedged Bond	US TIPS
US Fixed Income	Bloomberg Aggregate

* Dahab Associates utilizes data provided by a custodian and other vendors it believes are reliable. However, it cannot assume responsibility for errors and omissions therefrom.

* All returns were calculated on a time-weighted basis, and are gross of fees unless otherwise noted.

* All returns for periods greater than one year are annualized.

* Dahab Associates uses the modified duration measure to present average duration.

* All values are in US dollars.

FRANKLIN EMPLOYEES' PENSION PLAN & TRUST
HAMILTON LANE - SECONDARY FUND III
PERFORMANCE REVIEW
DECEMBER 2023

DAHAB Associates, Inc.
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INVESTMENT RETURN

On December 31st, 2023, the Franklin Employees' Pension Plan & Trust's Hamilton Lane Secondary Fund III portfolio was valued at \$363,628, unchanged from the September ending value.

RELATIVE PERFORMANCE

Total Fund

Performance for the portfolio was unavailable at the time of this report. A return of 0.0% was assumed.

Over the trailing year, the account returned -8.3%, which was 25.7% below the benchmark's 17.4% performance. Since June 2013, the account returned 7.2% on an annualized basis, while the Russell 2500 returned an annualized 9.7% over the same period.

ASSET ALLOCATION

The portfolio was fully invested in the Hamilton Lane Secondary III L.P. at the end of the quarter.

Private Equity Investor Report
Hamilton Lane Secondary Fund III LP
December 31, 2023

Market Value*	\$	363,628	Last Appraisal Date	9/30/2023
Initial Commitment	\$	4,000,000		
Paid-in Capital	\$	3,128,628	78.22%	
Recallable Distributions	\$	(757,412)	-18.94%	
Remaining Commitment	\$	1,628,784	40.72%	
Net Gain/(Loss)	\$	599,474		
Client Return	IRR	9.5%		
Fund Return	IRR	11.0%	MSCI World PME	9.0% (Source: Hamilton Lane)

Date	Paid-in Capital	% of Commitment	Recallable Distributions	% of Commitment	Non-Recallable Distributions
2013	708,138	17.70%	(65,536)	-1.64%	(31,441)
2014	1,020,393	25.51%	(260,330)	-6.51%	(222,894)
2015	1,122,352	28.06%	(277,426)	-6.94%	(429,881)
2016	32,914	0.82%	(154,120)	-3.85%	(81,305)
2017	220,185	5.50%	-	0.00%	(587,241)
2018	12,323	0.31%	-	0.00%	(353,812)
2019	12,323	0.31%	-	0.00%	(709,765)
2020	-	0.00%	-	0.00%	(201,023)
1/25/2021	-	0.00%	-	0.00%	(64,680)
3/29/2021	-	0.00%	-	0.00%	(79,484)
6/3/2021	-	0.00%	-	0.00%	(156,089)
8/13/2021	-	0.00%	-	0.00%	(63,770)
11/2/2021	-	0.00%	-	0.00%	(134,099)
1/21/2022	-	0.00%	-	0.00%	(90,258)
3/21/2022	-	0.00%	-	0.00%	(44,383)
9/22/2022	-	0.00%	-	0.00%	(43,796)
12/29/2022	-	0.00%	-	0.00%	(27,171)
2/3/2023	-	0.00%	-	0.00%	(19,609)
4/6/2023	-	0.00%	-	0.00%	(23,773)
Total	\$ 3,128,628	78.22%	\$ (757,412)	-18.94%	\$ (3,364,474)

*Market value as of last appraisal date adjusted for current quarter distributions

EXECUTIVE SUMMARY

PERFORMANCE SUMMARY

	Quarter	YTD /1Y	3 Year	5 Year	Since 06/13
Total Portfolio - Gross	0.0	-8.3	-3.0	-1.7	7.2
Total Portfolio - Net	0.0	-9.9	-5.0	-3.6	4.7
Russell 2500	13.4	17.4	4.2	11.7	9.7
Alternative Assets - Gross	0.0	-8.3	-3.0	-1.7	7.2
Russell 2500	13.4	17.4	4.2	11.7	9.7

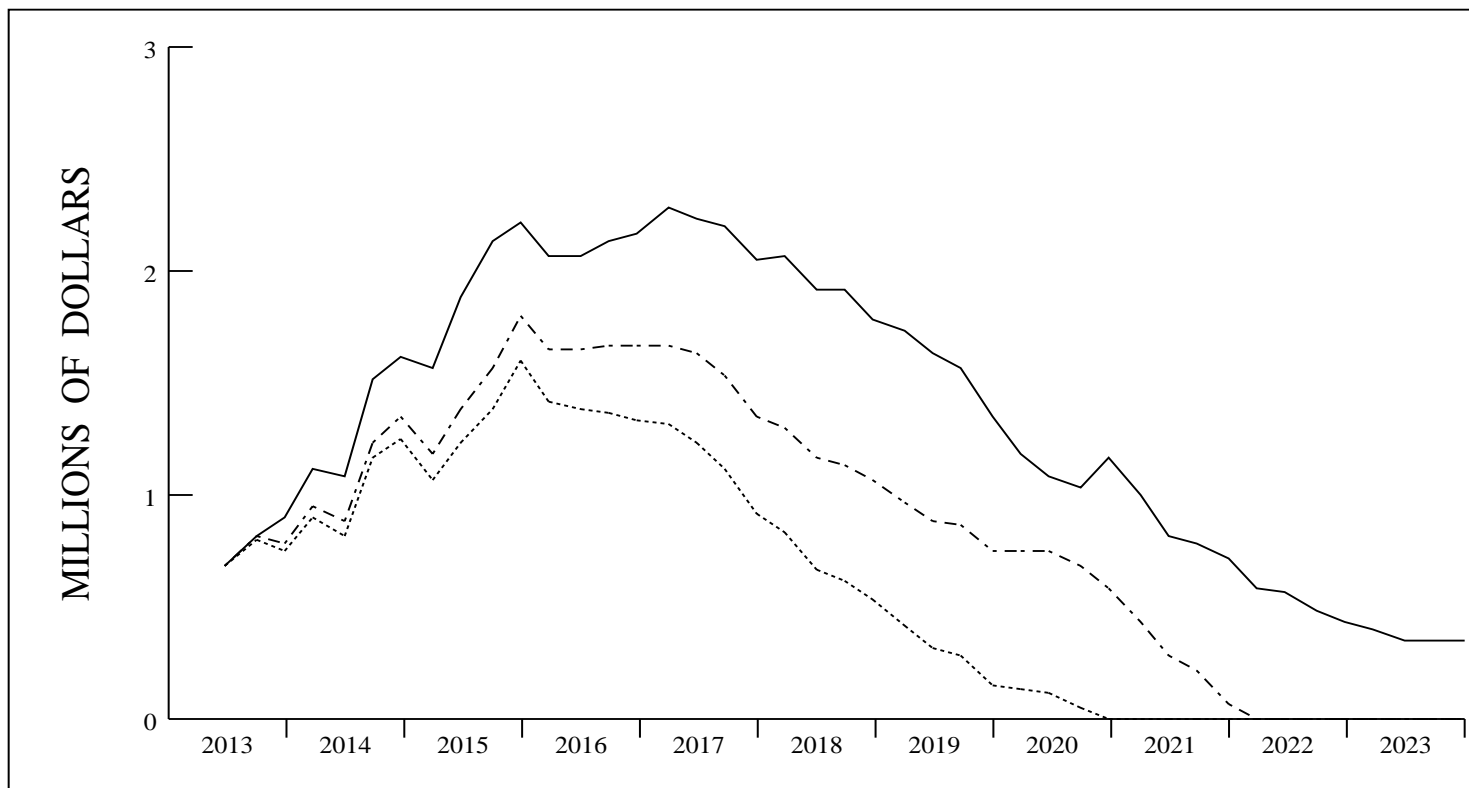
ASSET ALLOCATION

Alternative	100.0%	\$ 363,628
Total Portfolio	100.0%	\$ 363,628

INVESTMENT RETURN

Market Value 9/2023	\$ 363,628
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	0
Market Value 12/2023	\$ 363,628

INVESTMENT GROWTH



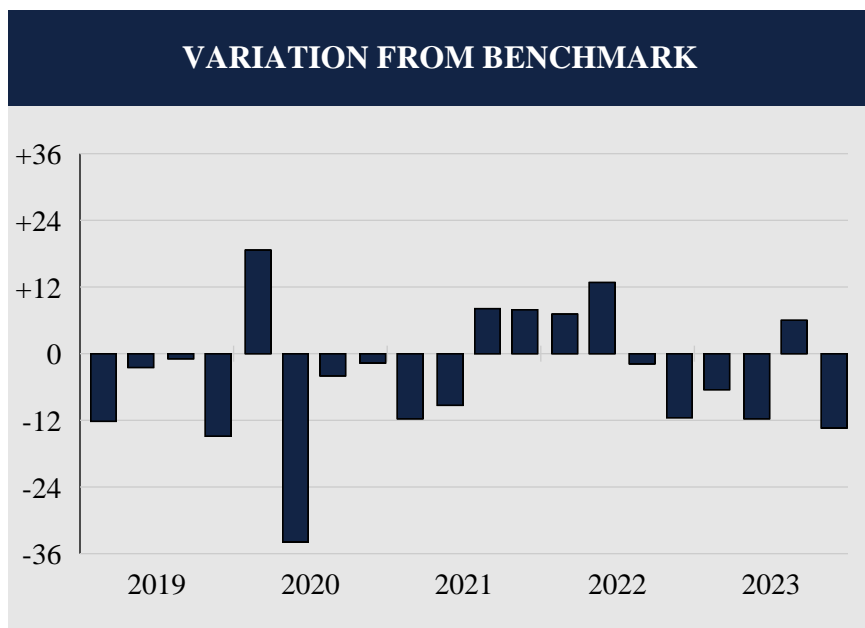
— ACTUAL RETURN
 - - - BLENDED GROWTH
 0.0%

VALUE ASSUMING
 BLENDED GA \$ -198,074

	LAST QUARTER	PERIOD 6/13 - 12/23
BEGINNING VALUE	\$ 363,628	\$ 692,537
NET CONTRIBUTIONS	0	- 1,546,393
INVESTMENT RETURN	0	1,217,484
ENDING VALUE	\$ 363,628	\$ 363,628
INCOME	0	0
CAPITAL GAINS (LOSSES)	0	1,217,484
INVESTMENT RETURN	0	1,217,484

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: RUSSELL 2500



RATES OF RETURN						
Date	Portfolio	Bench	Diff	-----Cumulative-----		
				Portfolio	Bench	Diff
3/19	3.6	15.8	-12.2	3.6	15.8	-12.2
6/19	0.5	3.0	-2.5	4.2	19.2	-15.0
9/19	-2.2	-1.3	-0.9	1.9	17.7	-15.8
12/19	-6.4	8.5	-14.9	-4.5	27.7	-32.2
3/20	-11.1	-29.7	18.6	-15.1	-10.2	-4.9
6/20	-7.3	26.6	-33.9	-21.3	13.6	-34.9
9/20	1.9	5.9	-4.0	-19.9	20.3	-40.2
12/20	25.7	27.4	-1.7	0.7	53.3	-52.6
3/21	-0.8	10.9	-11.7	-0.2	70.0	-70.2
6/21	-3.9	5.4	-9.3	-4.1	79.3	-83.4
9/21	5.4	-2.7	8.1	1.1	74.5	-73.4
12/21	11.7	3.8	7.9	13.0	81.1	-68.1
3/22	1.3	-5.8	7.1	14.5	70.6	-56.1
6/22	-4.2	-17.0	12.8	9.6	41.6	-32.0
9/22	-4.6	-2.8	-1.8	4.6	37.6	-33.0
12/22	-4.1	7.4	-11.5	0.3	47.9	-47.6
3/23	-3.1	3.4	-6.5	-2.8	52.9	-55.7
6/23	-6.5	5.2	-11.7	-9.1	60.9	-70.0
9/23	1.2	-4.8	6.0	-8.1	53.2	-61.3
12/23	0.0	13.4	-13.4	-8.1	73.6	-81.7

Total Quarters Observed	20
Quarters At or Above the Benchmark	6
Quarters Below the Benchmark	14
Batting Average	.300

FRANKLIN EMPLOYEES' PENSION PLAN & TRUST
LANDMARK PARTNERS - EQUITY PARTNERS XIV, LP
PERFORMANCE REVIEW
DECEMBER 2023

DAHAB Associates, Inc.
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INVESTMENT RETURN

On December 31st, 2023, the Franklin Employees' Pension Plan & Trust's Landmark Partners Equity Partners XIV, LP portfolio was valued at \$59,961, unchanged from the September ending value.

RELATIVE PERFORMANCE

Total Fund

Performance for the portfolio was unavailable at the time of this report. A return of 0.0% was assumed.

Over the trailing year, the account returned 0.8%, which was 16.6% below the benchmark's 17.4% performance. Since December 2013, the account returned 3.3% on an annualized basis, while the Russell 2500 returned an annualized 8.4% over the same period.

ASSET ALLOCATION

The portfolio was fully invested in the Landmark Equity Partners XIV, L.P. at the end of the quarter.

Private Equity Investor Report
Landmark Equity Partners XIV, L.P.
December 31, 2023

Market Value	\$ 59,961	Last Appraisal Date: 9/30/2023	
Initial Commitment	\$ 1,000,000		
Paid-in Capital	\$ 972,151	97.22%	
Remaining Commitment	\$ 27,849	2.78%	
Net Gain/(Loss)	\$ 310,993		
Net IRR Since Inception	9.3%		

Date	Paid-in Capital	% of Commitment	Distributions
2010	\$ 131,280	13.13%	\$ (15,079)
2011	\$ 252,157	25.22%	\$ (65,346)
2012	\$ 220,497	22.05%	\$ (102,786)
2013	\$ 173,030	17.30%	\$ (168,237)
2014	\$ 104,551	10.46%	\$ (186,055)
2015	\$ 42,099	4.21%	\$ (164,044)
2016	\$ 11,084	1.11%	\$ (89,931)
2017	\$ 27,674	2.77%	\$ (119,286)
2018	\$ 6,530	0.65%	\$ (128,425)
2019	\$ 2,018	0.20%	\$ (49,460)
2020	\$ 601	0.06%	\$ (13,551)
1/29/2021	\$ -	0.00%	\$ (4,297)
3/26/2021	\$ -	0.00%	\$ (3,625)
6/25/2021	\$ -	0.00%	\$ (11,597)
7/29/2021	\$ -	0.00%	\$ (9,762)
8/16/2021	\$ -	0.00%	\$ (7,568)
9/29/2021	\$ -	0.00%	\$ (5,476)
10/26/2021	\$ -	0.00%	\$ (10,864)
12/27/2021	\$ -	0.00%	\$ (20,966)
3/24/2022	\$ -	0.00%	\$ (5,413)
6/22/2022	\$ -	0.00%	\$ (10,646)
8/4/2022	\$ 630	0.06%	\$ (6,136)
12/29/2022	\$ -	0.00%	\$ (6,669)
2/24/2023	\$ -	0.00%	\$ (3,948)
6/8/2023	\$ -	0.00%	\$ (4,418)
8/27/2023	\$ -	0.00%	\$ (9,598)
Total	\$ 972,151	97.22%	\$ (1,223,183)

Valuations of non-public securities are provided by Landmark Equity Partners XIV, L.P., based on current market and company conditions.

EXECUTIVE SUMMARY

PERFORMANCE SUMMARY

	Quarter	YTD /1Y	3 Year	5 Year	10 Year
Total Portfolio - Gross	0.0	0.8	6.7	5.7	3.3
Total Portfolio - Net	0.0	0.1	5.8	4.7	2.3
Russell 2500	13.4	17.4	4.2	11.7	8.4
Alternative Assets - Gross	0.0	0.8	6.7	5.7	3.3
Russell 2500	13.4	17.4	4.2	11.7	8.4

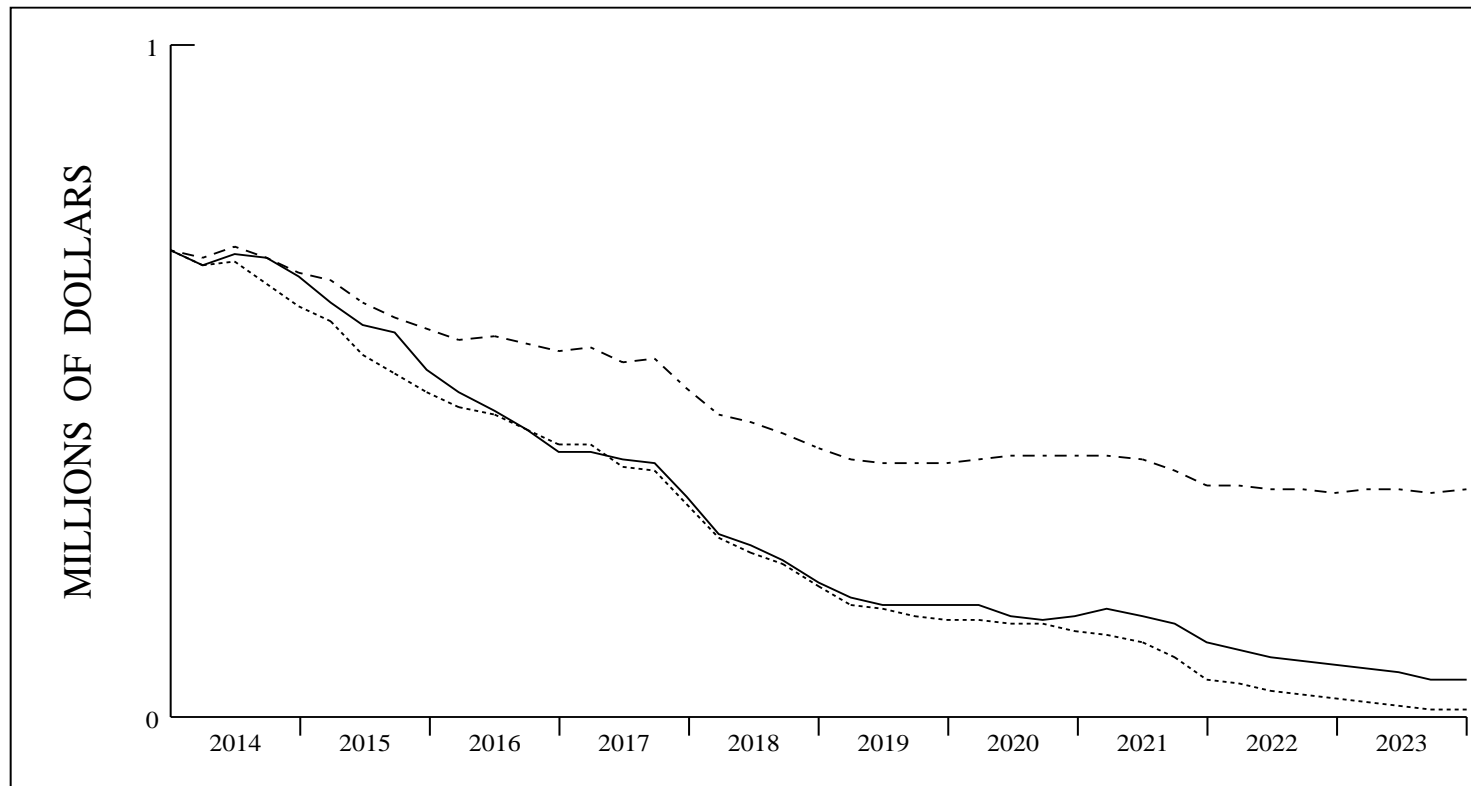
ASSET ALLOCATION

Alternative	100.0%	\$ 59,961
Total Portfolio	100.0%	\$ 59,961

INVESTMENT RETURN

Market Value 9/2023	\$ 59,961
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	0
Market Value 12/2023	\$ 59,961

INVESTMENT GROWTH



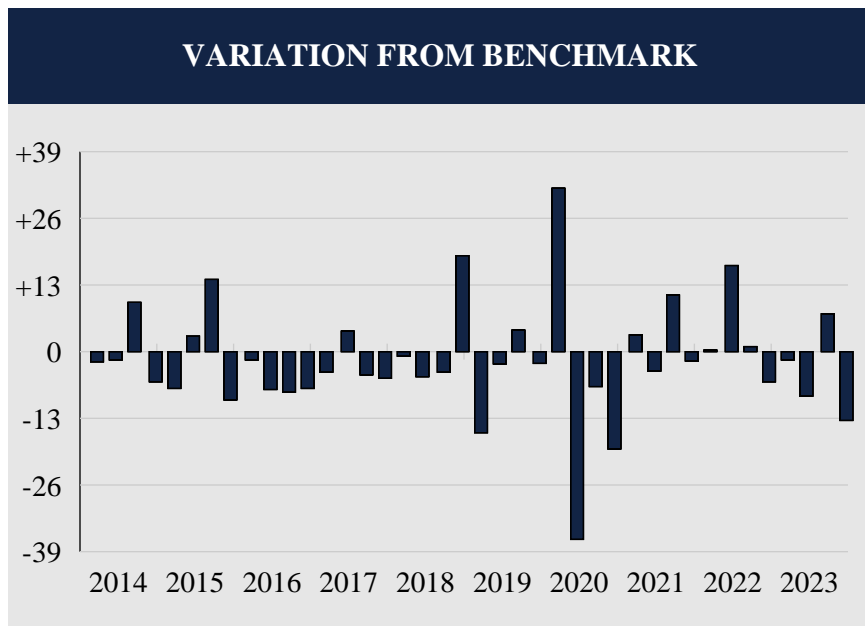
— ACTUAL RETURN
 - - - BLENDED GROWTH
 0.0%

VALUE ASSUMING
 BLENDED GA \$ 343,807

	LAST QUARTER	PERIOD 12/13 - 12/23
BEGINNING VALUE	\$ 59,961	\$ 694,698
NET CONTRIBUTIONS	0	-682,428
INVESTMENT RETURN	0	47,691
ENDING VALUE	\$ 59,961	\$ 59,961
INCOME	0	0
CAPITAL GAINS (LOSSES)	0	47,691
INVESTMENT RETURN	0	47,691

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: RUSSELL 2500



Total Quarters Observed	40
Quarters At or Above the Benchmark	13
Quarters Below the Benchmark	27
Batting Average	.325

RATES OF RETURN						
Date	Portfolio	Bench	Diff	-----Cumulative-----		
				Portfolio	Bench	Diff
3/14	0.3	2.3	-2.0	0.3	2.3	-2.0
6/14	2.0	3.6	-1.6	2.2	5.9	-3.7
9/14	4.2	-5.4	9.6	6.5	0.3	6.2
12/14	0.9	6.8	-5.9	7.5	7.1	0.4
3/15	-2.0	5.2	-7.2	5.4	12.6	-7.2
6/15	2.7	-0.3	3.0	8.3	12.2	-3.9
9/15	3.8	-10.3	14.1	12.4	0.7	11.7
12/15	-6.1	3.3	-9.4	5.6	4.0	1.6
3/16	-1.2	0.4	-1.6	4.3	4.4	-0.1
6/16	-3.8	3.6	-7.4	0.4	8.1	-7.7
9/16	-1.3	6.6	-7.9	-0.9	15.2	-16.1
12/16	-1.1	6.1	-7.2	-2.0	22.2	-24.2
3/17	-0.3	3.7	-4.0	-2.3	26.8	-29.1
6/17	6.1	2.1	4.0	3.7	29.5	-25.8
9/17	0.2	4.7	-4.5	3.9	35.6	-31.7
12/17	0.0	5.2	-5.2	3.9	42.7	-38.8
3/18	-1.1	-0.2	-0.9	2.8	42.4	-39.6
6/18	0.8	5.7	-4.9	3.6	50.5	-46.9
9/18	0.7	4.7	-4.0	4.3	57.6	-53.3
12/18	0.2	-18.5	18.7	4.6	28.4	-23.8
3/19	0.0	15.8	-15.8	4.6	48.7	-44.1
6/19	0.6	3.0	-2.4	5.2	53.1	-47.9
9/19	2.9	-1.3	4.2	8.2	51.2	-43.0
12/19	6.2	8.5	-2.3	14.9	64.1	-49.2
3/20	2.2	-29.7	31.9	17.5	15.3	2.2
6/20	-10.0	26.6	-36.6	5.7	45.9	-40.2
9/20	-0.9	5.9	-6.8	4.7	54.5	-49.8
12/20	8.4	27.4	-19.0	13.5	96.9	-83.4
3/21	14.2	10.9	3.3	29.6	118.4	-88.8
6/21	1.6	5.4	-3.8	31.7	130.3	-98.6
9/21	8.3	-2.7	11.0	42.6	124.1	-81.5
12/21	2.0	3.8	-1.8	45.4	132.7	-87.3
3/22	-5.5	-5.8	0.3	37.4	119.1	-81.7
6/22	-0.2	-17.0	16.8	37.2	81.9	-44.7
9/22	-1.8	-2.8	1.0	34.7	76.8	-42.1
12/22	1.5	7.4	-5.9	36.8	89.9	-53.1
3/23	1.8	3.4	-1.6	39.2	96.4	-57.2
6/23	-3.5	5.2	-8.7	34.4	106.6	-72.2
9/23	2.6	-4.8	7.4	37.8	96.7	-58.9
12/23	0.0	13.4	-13.4	37.8	123.0	-85.2

FRANKLIN EMPLOYEES' PENSION PLAN & TRUST
FIA - TIMBER GROWTH & VALUE PARTNERS
PERFORMANCE REVIEW
DECEMBER 2023

DAHAB Associates, Inc.
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INVESTMENT RETURN

On December 31st, 2023, the Franklin Employees' Pension Plan & Trust's FIA Timber Growth & Value Partners portfolio was valued at \$1,746,928, representing an increase of \$12,177 from the September quarter's ending value of \$1,734,751. Last quarter, the Fund posted withdrawals totaling \$7,434, which offset the portfolio's net investment return of \$19,611. Since there were no income receipts for the fourth quarter, the portfolio's net investment return figure was the product of net realized and unrealized capital gains totaling \$19,611.

RELATIVE PERFORMANCE

Total Fund

During the fourth quarter, the FIA Timber Growth & Value Partners account returned 1.1%, which was 2.6% below the NCREIF Timber Index's return of 3.7%. Over the trailing year, the portfolio returned 7.0%, which was 1.8% below the benchmark's 8.8% return. Since March 2016, the FIA Timber Growth & Value Partners portfolio returned 4.7% per annum, while the NCREIF Timber Index returned an annualized 5.4% over the same time frame.

ASSET ALLOCATION

The portfolio was invested in the Forest Investment Associates Timber Growth and Value Partners portfolio.

Timber Investor Report
Forest Investment Advisors
December 31, 2023

Market Value	\$	1,746,928	Last Appraisal Date: 12/31/2023
Initial Commitment	\$	1,500,000	
Paid-in Capital	\$	1,455,344	
Return of Unused Capital	\$	(41,247)	
Remaining Commitment	\$	85,903	
Net Gain/(Loss)	\$	412,568	
Net IRR Since Inception		3.75%	

Date	Paid-in Capital	% of Commitment	Return of Unused Capital	% of Commitment	Distributions
9/10/2015	\$ 13,370	0.89%	\$ -	0.00%	\$ -
3/22/2016	\$ -	0.00%	\$ -	0.00%	\$ (205)
3/23/2016	\$ 21,442	1.43%	\$ -	0.00%	\$ -
3/29/2016	\$ 14,035	0.94%	\$ -	0.00%	\$ -
4/26/2016	\$ 721,709	48.11%	\$ -	0.00%	\$ -
6/17/2016	\$ -	0.00%	\$ (35,009)	-2.33%	\$ -
9/16/2016	\$ 142,299	9.49%	\$ -	0.00%	\$ -
12/2/2016	\$ 274,851	18.32%	\$ -	0.00%	\$ -
5/3/2018	\$ 39,765	2.65%	\$ -	0.00%	\$ -
11/28/2018	\$ 183,819	12.25%	\$ -	0.00%	\$ -
12/11/2018	\$ 44,054	2.94%	\$ -	0.00%	\$ -
12/21/2018	\$ -	0.00%	\$ (6,238)	-0.42%	\$ -
3/20/2019	\$ -	0.00%	\$ -	0.00%	\$ (4,288)
6/24/2019	\$ -	0.00%	\$ -	0.00%	\$ (26,121)
9/19/2019	\$ -	0.00%	\$ -	0.00%	\$ (7,797)
12/17/2019	\$ -	0.00%	\$ -	0.00%	\$ (3,899)
9/29/2021	\$ -	0.00%	\$ -	0.00%	\$ (3,899)
9/26/2022	\$ -	0.00%	\$ -	0.00%	\$ (11,696)
12/15/2022	\$ -	0.00%	\$ -	0.00%	\$ (7,797)
6/23/2023	\$ -	0.00%	\$ -	0.00%	\$ (390)
8/27/2023	\$ -	0.00%	\$ -	0.00%	\$ (9,746)
12/20/2023	\$ -	0.00%	\$ -	0.00%	\$ (3,899)
Total	\$ 1,455,344	97.02%	\$ (41,247)	-2.75%	\$ (79,737)

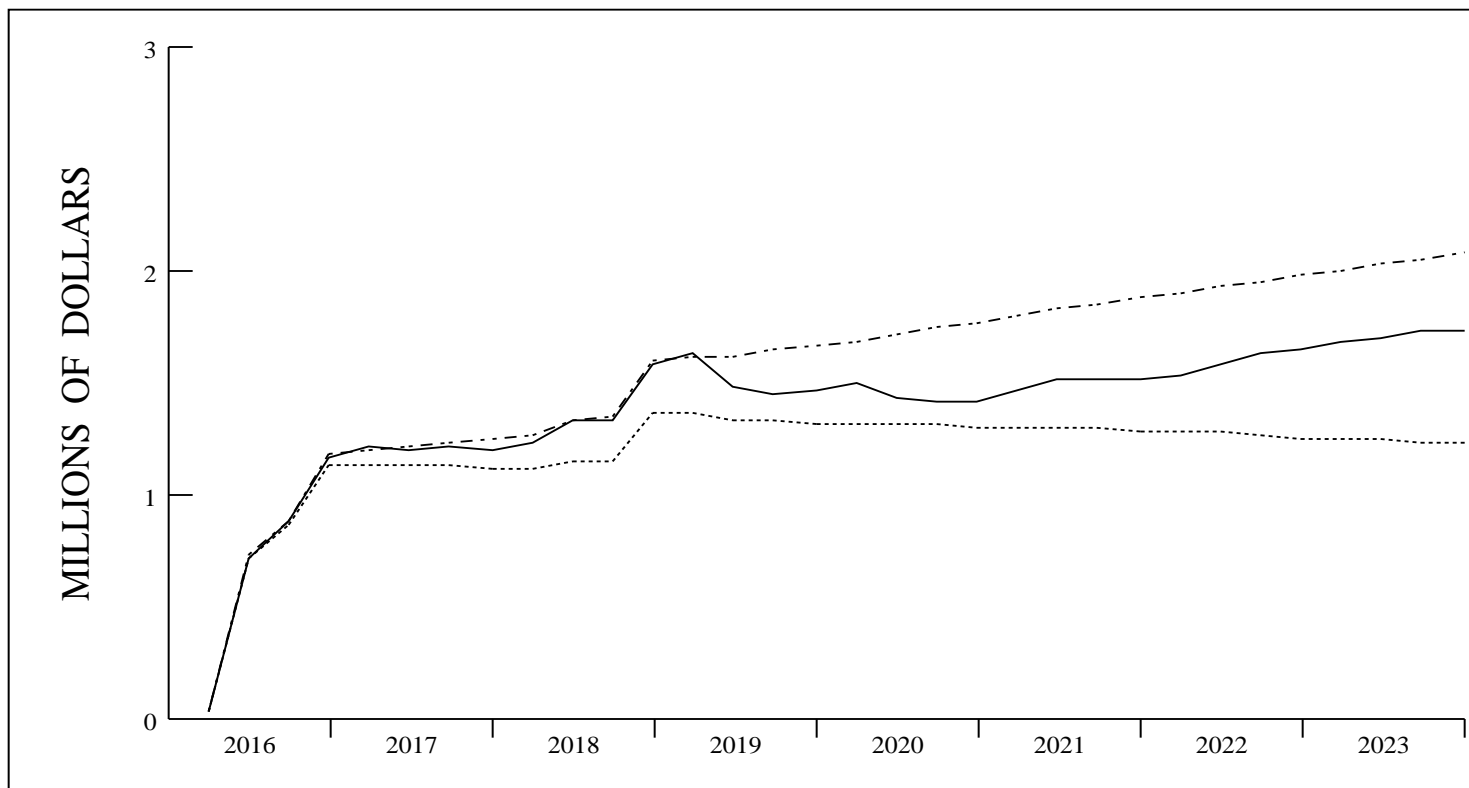
EXECUTIVE SUMMARY

PERFORMANCE SUMMARY					
	Quarter	YTD /1Y	3 Year	5 Year	Since 03/16
Total Portfolio - Gross	1.1	7.0	8.6	3.8	4.7
Total Portfolio - Net	0.9	6.1	7.7	2.9	3.8
NCREIF Timber	3.7	8.8	10.3	6.5	5.4
Alternative Assets - Gross	1.1	7.0	8.6	3.8	4.7
NCREIF Timber	3.7	8.8	10.3	6.5	5.4

ASSET ALLOCATION		
Alternative	100.0%	\$ 1,746,928
Total Portfolio	100.0%	\$ 1,746,928

INVESTMENT RETURN	
Market Value 9/2023	\$ 1,734,751
Contribs / Withdrawals	- 7,434
Income	0
Capital Gains / Losses	19,611
Market Value 12/2023	\$ 1,746,928

INVESTMENT GROWTH



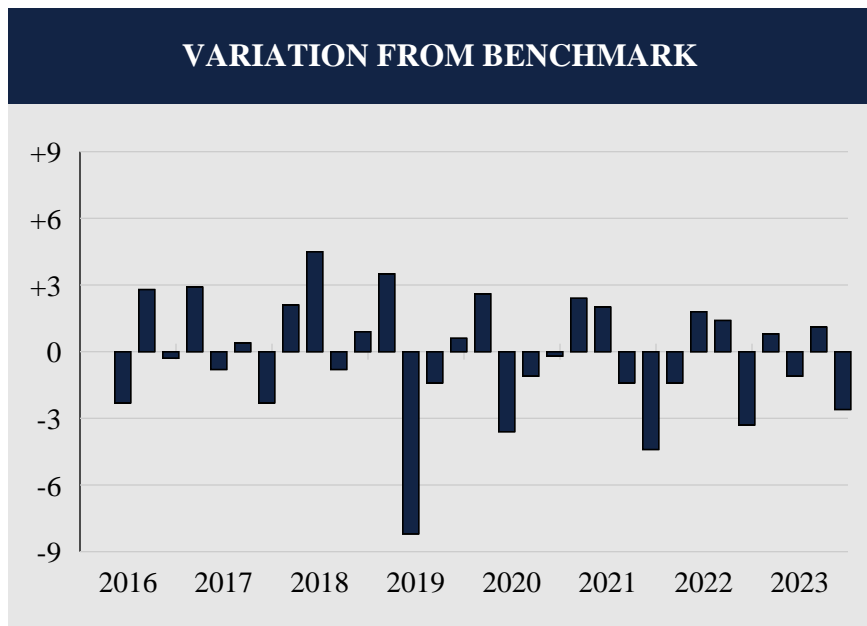
— ACTUAL RETURN
 - - - BLENDED GROWTH
 0.0%

VALUE ASSUMING
 BLENDED GA \$ 2,093,106

	LAST QUARTER	PERIOD 3/16 - 12/23
BEGINNING VALUE	\$ 1,734,751	\$ 39,242
NET CONTRIBUTIONS	- 7,434	1,196,598
INVESTMENT RETURN	19,611	511,088
ENDING VALUE	\$ 1,746,928	\$ 1,746,928
INCOME	0	4,288
CAPITAL GAINS (LOSSES)	19,611	506,800
INVESTMENT RETURN	19,611	511,088

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF TIMBER INDEX



Total Quarters Observed	31
Quarters At or Above the Benchmark	15
Quarters Below the Benchmark	16
Batting Average	.484

RATES OF RETURN						
Date	Portfolio	Bench	Diff	-----Cumulative-----		
				Portfolio	Bench	Diff
6/16	-1.3	1.0	-2.3	-1.3	1.0	-2.3
9/16	3.5	0.7	2.8	2.2	1.7	0.5
12/16	0.9	1.2	-0.3	3.1	2.9	0.2
3/17	3.7	0.8	2.9	6.9	3.6	3.3
6/17	-0.1	0.7	-0.8	6.8	4.4	2.4
9/17	1.0	0.6	0.4	7.9	5.0	2.9
12/17	-0.8	1.5	-2.3	7.0	6.6	0.4
3/18	3.0	0.9	2.1	10.2	7.6	2.6
6/18	5.0	0.5	4.5	15.8	8.1	7.7
9/18	0.2	1.0	-0.8	16.1	9.2	6.9
12/18	1.7	0.8	0.9	18.0	10.0	8.0
3/19	3.6	0.1	3.5	22.3	10.1	12.2
6/19	-7.2	1.0	-8.2	13.4	11.3	2.1
9/19	-1.2	0.2	-1.4	12.0	11.5	0.5
12/19	0.6	0.0	0.6	12.7	11.4	1.3
3/20	2.7	0.1	2.6	15.8	11.5	4.3
6/20	-3.5	0.1	-3.6	11.8	11.6	0.2
9/20	-1.1	0.0	-1.1	10.5	11.7	-1.2
12/20	0.4	0.6	-0.2	11.0	12.3	-1.3
3/21	3.2	0.8	2.4	14.5	13.2	1.3
6/21	3.7	1.7	2.0	18.7	15.1	3.6
9/21	0.5	1.9	-1.4	19.3	17.3	2.0
12/21	0.2	4.6	-4.4	19.6	22.6	-3.0
3/22	1.8	3.2	-1.4	21.7	26.6	-4.9
6/22	3.7	1.9	1.8	26.2	28.9	-2.7
9/22	3.8	2.4	1.4	31.0	32.0	-1.0
12/22	1.6	4.9	-3.3	33.0	38.5	-5.5
3/23	2.6	1.8	0.8	36.4	40.9	-4.5
6/23	0.6	1.7	-1.1	37.2	43.3	-6.1
9/23	2.5	1.4	1.1	40.7	45.3	-4.6
12/23	1.1	3.7	-2.6	42.3	50.6	-8.3

FRANKLIN EMPLOYEES' PENSION PLAN & TRUST
RMS - FOREST GROWTH III
PERFORMANCE REVIEW
DECEMBER 2023

DAHAB Associates, Inc.
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INVESTMENT RETURN

On December 31st, 2023, the Franklin Employees' Pension Plan & Trust's RMS Forest Growth III portfolio was valued at \$1,154,063, representing an increase of \$44,542 from the September quarter's ending value of \$1,109,521. Last quarter, the Fund posted withdrawals totaling \$32,265, which offset the portfolio's net investment return of \$76,807. Since there were no income receipts for the fourth quarter, the portfolio's net investment return figure was the product of net realized and unrealized capital gains totaling \$76,807.

RELATIVE PERFORMANCE

During the fourth quarter, the RMS Forest Growth III account returned 7.2%, which was 3.5% above the NCREIF Timber Index's return of 3.7%. Over the trailing year, the portfolio returned 10.4%, which was 1.6% above the benchmark's 8.8% return. Since June 2012, the RMS Forest Growth III portfolio returned 7.1% per annum, while the NCREIF Timber Index returned an annualized 6.4% over the same time frame.

ASSET ALLOCATION

The portfolio was fully invested in the RMS Forest Growth III Fund at the end of the quarter.

Real Assets Investor Report
RMS Forest Growth III Fund
December 31, 2023

Market Value	\$ 1,154,063	Last Appraisal Date: 12/31/2023	
Initial Commitment	\$ 1,400,000		
Paid-in Capital	\$ 1,400,000	100.00%	
Remaining Commitment	\$ -	0.00%	
Net Gain/(Loss)	\$ 661,110		
Net IRR	4.7%		

Date	Paid-in Capital	% of Commitment	Distributions
2012	\$ 926,712	66.19%	\$ (1,743)
2013	\$ -	0.00%	\$ (14,224)
2014	\$ 301,396	21.53%	\$ (31,442)
2015	\$ 171,892	12.28%	\$ (70,792)
2016	\$ -	0.00%	\$ (84,692)
2017	\$ -	0.00%	\$ (97,701)
2018	\$ -	0.00%	\$ (69,462)
2019	\$ -	0.00%	\$ (161,876)
1Q2020	\$ -	0.00%	\$ (33,039)
3Q2020	\$ -	0.00%	\$ (23,513)
4Q2020	\$ -	0.00%	\$ (12,980)
1Q2021	\$ -	0.00%	\$ (10,443)
2Q2021	\$ -	0.00%	\$ (16,524)
3Q2021	\$ -	0.00%	\$ (28,469)
4Q2021	\$ -	0.00%	\$ (28,829)
1Q2022	\$ -	0.00%	\$ (18,098)
2Q2022	\$ -	0.00%	\$ (27,764)
3Q2022	\$ -	0.00%	\$ (119,355)
4Q2022	\$ -	0.00%	\$ (3,733)
2Q2023	\$ -	0.00%	\$ (6,530)
3Q2023	\$ -	0.00%	\$ (13,573)
4Q2023	\$ -	0.00%	\$ (32,265)
Total	\$ 1,400,000	100.00%	\$ (907,047)

EXECUTIVE SUMMARY

PERFORMANCE SUMMARY

	Quarter	YTD /1Y	3 Year	5 Year	Since 06/12
Total Portfolio - Gross	7.2	10.4	14.3	12.9	7.1
Total Portfolio - Net	7.0	9.3	13.2	11.8	6.1
NCREIF Timber	3.7	8.8	10.3	6.5	6.4
Alternative Assets - Gross	7.2	10.4	14.3	12.9	7.1
NCREIF Timber	3.7	8.8	10.3	6.5	6.4

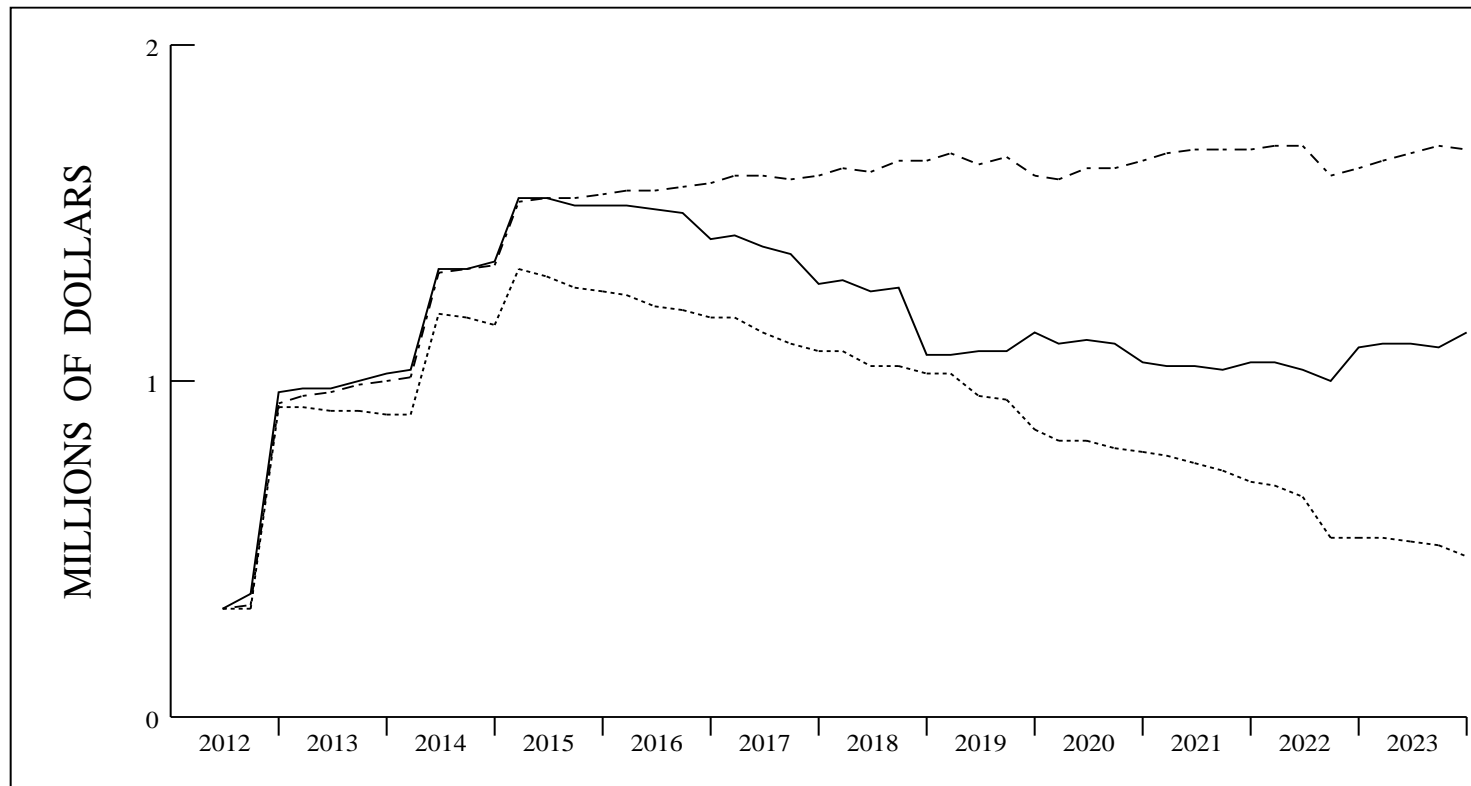
ASSET ALLOCATION

Alternative	100.0%	\$ 1,154,063
Total Portfolio	100.0%	\$ 1,154,063

INVESTMENT RETURN

Market Value 9/2023	\$ 1,109,521
Contribs / Withdrawals	- 32,265
Income	0
Capital Gains / Losses	76,807
Market Value 12/2023	\$ 1,154,063

INVESTMENT GROWTH



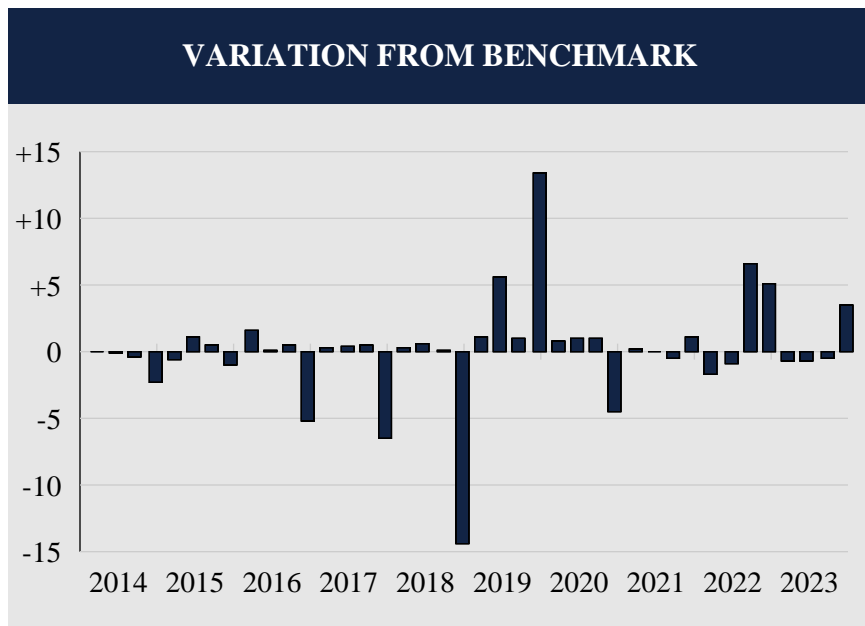
— ACTUAL RETURN
 - - - BLENDED GROWTH
 0.0%

VALUE ASSUMING
 BLENDED GA \$ 1,696,643

	LAST QUARTER	PERIOD 6/12 - 12/23
BEGINNING VALUE	\$ 1,109,521	\$ 331,920
NET CONTRIBUTIONS	- 32,265	154,148
INVESTMENT RETURN	76,807	667,995
ENDING VALUE	\$ 1,154,063	\$ 1,154,063
INCOME	0	0
CAPITAL GAINS (LOSSES)	76,807	667,995
INVESTMENT RETURN	76,807	667,995

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF TIMBER INDEX



Total Quarters Observed	40
Quarters At or Above the Benchmark	25
Quarters Below the Benchmark	15
Batting Average	.625

RATES OF RETURN						
Date	Portfolio	Bench	Diff	-----Cumulative-----		
				Portfolio	Bench	Diff
3/14	1.6	1.6	0.0	1.6	1.6	0.0
6/14	1.0	1.1	-0.1	2.6	2.7	-0.1
9/14	1.1	1.5	-0.4	3.7	4.2	-0.5
12/14	3.7	6.0	-2.3	7.6	10.5	-2.9
3/15	1.2	1.8	-0.6	8.9	12.4	-3.5
6/15	1.6	0.5	1.1	10.6	13.0	-2.4
9/15	1.3	0.8	0.5	12.0	13.9	-1.9
12/15	0.9	1.9	-1.0	13.0	16.0	-3.0
3/16	1.3	-0.3	1.6	14.5	15.7	-1.2
6/16	1.1	1.0	0.1	15.7	16.8	-1.1
9/16	1.2	0.7	0.5	17.1	17.6	-0.5
12/16	-4.0	1.2	-5.2	12.5	19.0	-6.5
3/17	1.1	0.8	0.3	13.7	19.9	-6.2
6/17	1.1	0.7	0.4	15.0	20.7	-5.7
9/17	1.1	0.6	0.5	16.3	21.4	-5.1
12/17	-5.0	1.5	-6.5	10.5	23.3	-12.8
3/18	1.2	0.9	0.3	11.8	24.4	-12.6
6/18	1.1	0.5	0.6	13.0	25.0	-12.0
9/18	1.1	1.0	0.1	14.3	26.3	-12.0
12/18	-13.6	0.8	-14.4	-1.2	27.2	-28.4
3/19	1.2	0.1	1.1	-0.1	27.4	-27.5
6/19	6.6	1.0	5.6	6.4	28.7	-22.3
9/19	1.2	0.2	1.0	7.7	28.9	-21.2
12/19	13.4	0.0	13.4	22.2	28.9	-6.7
3/20	0.9	0.1	0.8	23.3	29.0	-5.7
6/20	1.1	0.1	1.0	24.6	29.1	-4.5
9/20	1.0	0.0	1.0	25.9	29.2	-3.3
12/20	-3.9	0.6	-4.5	21.0	29.9	-8.9
3/21	1.0	0.8	0.2	22.2	30.9	-8.7
6/21	1.7	1.7	0.0	24.3	33.1	-8.8
9/21	1.4	1.9	-0.5	26.0	35.7	-9.7
12/21	5.7	4.6	1.1	33.2	41.9	-8.7
3/22	1.5	3.2	-1.7	35.3	46.4	-11.1
6/22	1.0	1.9	-0.9	36.7	49.1	-12.4
9/22	9.0	2.4	6.6	48.9	52.7	-3.8
12/22	10.0	4.9	5.1	63.7	60.2	3.5
3/23	1.1	1.8	-0.7	65.5	63.0	2.5
6/23	1.0	1.7	-0.7	67.2	65.7	1.5
9/23	0.9	1.4	-0.5	68.6	68.0	0.6
12/23	7.2	3.7	3.5	80.8	74.2	6.6



File #: 21-06195

DATE: March 6, 2024
TO: Pension Committee
FROM: Kevin Sullivan

SUBJECT:

Report Of The Actuary

PURPOSE:

The purpose of this memorandum is to provide information to the Pension Committee concerning the actuarial valuation of the Closed Pension Plan effective January 1, 2024.

BACKGROUND/STAFF COMMENTS:

Governmental accounting standards and the State of Tennessee require local governments with single employer defined benefit pension plans, including the City of Franklin Closed Pension Plan, to engage a licensed actuary to calculate an annual funded ratio and an employer funding contribution for the upcoming fiscal year. Kevin Sullivan of USI will present a summarization of his report for the Closed Plan. His full report will be issued before the end of FY 2024.

FINANCIAL IMPACT:

The actuarially determined employer contribution for the Closed Pension Plan as of January 1, 2024 will be incorporated into the City Administrator's Proposed FY 2025 Budget.

RECOMMENDATION:

For information purposes.

City of Franklin Pension Plan

Preliminary Funding Results

DRAFT

	<i>Historical Information</i>	<i>Impact of Demographic (Data) Updates</i>	<i>Impact of 2023 Asset Gain</i>	<i>Impact of Assumption Change (Discount Rate)</i>	<i>Impact of Assumption Change (Mortality with 10 Year Projection)</i>
Valuation Date	January 1, 2023	January 1, 2024	January 1, 2024	January 1, 2024	January 1, 2024
Assumption Changes		No	No	Yes	Yes
Asset Gains Included		No	Yes	Yes	Yes
Discount Rate	6.90%	6.90%	6.90%	6.80%	6.80%
Normal Cost	2,354,516	2,660,000	2,660,000	2,730,000	2,820,000
Expected Employee Contributions	(324,394)	(380,000)	(380,000)	(380,000)	(380,000)
Net Normal Cost	<u>2,030,122</u>	<u>2,280,000</u>	<u>2,280,000</u>	2,350,000	2,440,000
Amortization of Unfunded Liability	4,668,630	6,710,000	6,570,000	6,800,000	7,280,000
Interest to Expected Contribution Date	320,608	458,000	450,000	460,000	490,000
Total Contribution	7,019,361	9,448,000	9,300,000	9,610,000	10,210,000
Prior Year Payroll	33,936,623	35,560,000	35,560,000	35,560,000	35,560,000
Contribution as a Percentage of Payroll	20.68%	26.57%	26.15%	27.02%	28.71%
Change in Contribution From Prior Column		2,430,000	(148,000)	310,000	600,000



File #: 21-06350

DATE: March 12, 2024
TO: Pension Committee
FROM: Kristine Brock, Asst. City Administrator/CFO

SUBJECT:

Report From Tennessee Consolidated Retirement System- FY 2025 Employer Contribution For Open Pension Plan

PURPOSE:

The purpose of this memorandum is to provide information to the Pension Committee concerning the actuarially determined employer contribution for the TCRS Open Pension Plan for the fiscal year beginning July 1, 2024.

BACKGROUND/STAFF COMMENTS:

The actuary for TCRS determines on an annual basis the employer contribution as a percentage of payroll for the City's open defined benefit pension plan for full time employees hired on or after January 1, 2017.

FINANCIAL IMPACT:

The Actuarially Determined Contribution Rate for the City of Franklin for the fiscal year beginning July 1, 2024, is 7.62% of payroll, versus 7.33% in the current fiscal year. This rate will be incorporated into the City Administrator's Proposed FY 2025 Budget.

RECOMMENDATION:

For information purposes.

**Tennessee Consolidated Retirement System
Employer Actuarially Determined Contribution (ADC) Rate**

Department Code(s): 819.09
FRANKLIN CITY OF

Applicable period for this employer rate	July 1, 2024 through June 30, 2025
Actuarial valuation date	June 30, 2023
Actuarial experience study date	June 30, 2020
Investment rate of return assumption	6.75%

Key Elements of the Pension Plan (Employer Elections)

Base plan formula	1.5% formula times years of service
Employee contribution rate	5% of salary
Vesting period	5 years
Retiree COLAs	Provided, CPI based, capped at 3%

Employer ADC Rate		Actuarial Present Value of Benefits (PVB) Summary	
<i>Rate Components:</i>		Actuarial value of assets	\$ 7,503,134
Normal cost	6.89 %	Expected employee contributions	12,017,784
Unfunded accrued liability amortization	0.61 %	Expected employer normal cost	15,628,078
Administrative cost	<u>0.12 %</u>	Unfunded accrued liability	<u>1,433,566</u>
Total employer ADC rate	7.62 %	Total PVB	\$ 36,582,562

Employees Covered by Benefit Terms

Inactive employees or beneficiaries currently receiving benefits	1
<i>Annualized Retirement Benefit: \$770</i>	
Inactive employees entitled to but not yet receiving benefits	131
Active employees	<u>319</u>
<i>Annualized Salary: \$21,398,286</i>	
Total	451

Amortization of Unfunded Accrued Liability

Actuarial Valuation Date	Unfunded Accrued Liability (Negative Unfunded Accrued Liability)	Annual Amortization Amount	Amortization Period at June 30, 2023 (in years)
June 30, 2013	\$ 0	\$ 0	0.00
June 30, 2015*	0	0	0.00
June 30, 2016	0	0	0.00
June 30, 2017	9,809	1,035	14.00
June 30, 2018	(7,300)	(739)	15.00
June 30, 2019	20,620	2,011	16.00
June 30, 2020	39,844	3,757	17.00
June 30, 2021	107,946	9,872	18.00
June 30, 2022	308,771	27,463	19.00
June 30, 2023	<u>953,876</u>	<u>82,714</u>	20.00
Total	\$ 1,433,566	\$ 126,113	

*Beginning June 30, 2015, valuations are performed annually.



File #: 21-06325

DATE: March 6, 2024
TO: Pension Committee
FROM: Kristine Brock, Asst. City Administrator/CFO
Sara Sylvis, Benefits Manager

SUBJECT:

Discussion Of Optional Military Service Retirement Credit Program Of The Tennessee Consolidated Retirement System Legacy Defined Benefit Pension Plan (Open Pension)

PURPOSE:

The purpose of this memorandum is to provide information to the Pension Committee concerning an optional Military Service Retirement Credit for full time City employees hired on or after January 1, 2017, who are members of the TCRS Legacy Pension Plan.

BACKGROUND/STAFF COMMENTS:

Prior to May 25, 2022, all military service rendered after May 8, 1975, had to interrupt the member's TCRS covered employment to be eligible to establish prior service credit. HB 1852/SB 2057; Public Chapter 1057 expands eligibility to allow veterans of six armed conflicts to establish prior service credit even if their military service did not interrupt TCRS-covered employment.

Local governments with a TCRS participation date prior to May 25, 2022, such as the City of Franklin, may elect to authorize military service retirement credit for these newly named conflicts by passing appropriate resolutions and paying an employer buy-in amount determined by TCRS's actuary.

There is also an employee buy-in cost based on the following calculation:

9% X Member's Current Salary X Years of Military Service to be Established (maximum of 4 years)

FINANCIAL IMPACT:

In order for TCRS's actuary to calculate the City of Franklin employer buy-in for the program, a survey was sent to current employees who are TCRS members asking for their expression of interest. From this survey, which closed March 11, 2023, twelve employees identified themselves as military veterans of one of the six military conflicts listed in this program and as being interested in purchasing service credits of up to 4 years. This information has been provided to TCRS as a

request to perform the employer buy-in calculation for the City of Franklin. At the time of the Pension Committee meeting on March 25, 2024, the amount of the employer buy-in is unknown.

RECOMMENDATION:

For Information Purposes.



Military Service Retirement Credit

- HB 1852/SB 2057; Public Chapter 1057
- Prior to May 25, 2022, all military service rendered after May 8, 1975, had to interrupt the member's TCRS-covered employment to be eligible to establish prior service credit.
- This new law expands eligibility to allow veterans of the following armed conflicts to establish prior service credit even if their military service did not interrupt TCRS-covered employment:
 - Multinational Force in Lebanon 8/21/82–2/26/84
 - Invasion of Grenada/Operation Urgent Fury 10/25/83–12/15/83
 - Invasion of Panama/Operation Just Cause 12/20/89–1/31/90
 - Persian Gulf War 8/2/90–4/6/91
 - Operation Enduring Freedom 10/7/01–12/28/14
 - Operation Iraqi Freedom 3/19/03–8/31/10



Military Service Retirement Credit

- This change is effective immediately for vested, active members of the State, Higher Education and Teacher plans and local government employers with a TCRS participation date on or after May 25, 2022.
- Local Governments with a TCRS participation date prior to May 25, 2022, wishing to authorize military service retirement credit for these newly named conflicts may do so by passing the appropriate resolutions.
- Eligible members wishing to establish this service credit must make a lump sum payment based on the following calculation:

9%	X	Member's Current Salary	X	Years of Military Service to be Established
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- Retirees and inactive members are ineligible to establish this type of military service credit.
- This military service credit may not be used to enable a member to achieve vesting.



Military Service Retirement Credit

- Eligible members wishing to establish military service related to these six armed conflicts should complete the Application for Military Service Retirement Credit form located on the Forms and Guides Page at RetireReadyTN.gov.
- The Application for Military Service Retirement Credit form and all related publications and communications have been submitted for revisions to conform to the new law.
- Member payments for all forms of service purchase may be made through Member Self Service at MyTCRS.com

ADMINISTRATION

Kristine Brock
Assistant City Administrator/CFO
Finance & Administration



Dr. Ken Moore
Mayor

Eric S. Stuckey
City Administrator

HISTORIC
FRANKLIN
TENNESSEE

February 28, 2024

To: City of Franklin Employees Hired On Or After January 1, 2017

From: Kristine Brock, Assistant City Administrator/CFO

Re: Military Service Retirement Credit Program- TN Consolidated Retirement System (TCRS)

All full-time City of Franklin employees hired on or after January 1, 2017, are members of the State of Tennessee Consolidated Retirement System (TCRS)- Legacy Pension Plan (Plan). The Plan provides lifetime retirement, survivor and disability benefits for its members. After meeting the 5 year vesting requirement, members are eligible to receive a monthly retirement benefit upon reaching the age and/or service requirements to begin benefits.

An optional provision added since the City joined TCRS relates to Military Service Retirement Credit. Prior to May 25, 2022, all military service rendered after May 8, 1975, had to interrupt the member's TCRS-covered employment to be eligible to establish prior service credit. With passage of House Bill 1852/Senate 2057, Public Chapter 1057, the new law expands eligibility to allow veterans of the following armed conflicts to establish prior service credit even if their military service did not interrupt TCRS-covered employment. The six military engagements covered by this law are:

- Multinational Force in Lebanon 8/21/82-2/26/84
- Invasion of Grenada/Operation Urgent Fury 10/25/83-12/15/83
- Invasion of Panama/Operation Just Cause 12/20/89-1/31/90
- Persian Gulf War 8/2/90-4/6/91
- Operation Enduring Freedom 10/7/01-12/28/14
- Operation Iraqi Freedom 3/19/03-8/31/10

Important provisions of the program include:

- The TCRS member may not be eligible for a military pension.
- The maximum number of military service to be purchased is 4 years.
- Retirees and inactive members are ineligible to establish this type of military service credit.
- Military service credit may not be used to enable a member to achieve vesting.
- Active members wishing to establish this service credit must make a lump sum payment based on the following calculation:

9% X Member's Current Salary X Years of Military Service to be Established

An example- 9% X Current Year Salary of \$60,000 X 3 Years of Military Service= \$16,200



HISTORIC
FRANKLIN
TENNESSEE

Before the Board of Mayor and Alderman may consider adding this provision to the City's Plan, TCRS requires calculation of the local government's entry-cost to the program, which is separate from the employee's contribution described on the prior page. The City's entry cost may be calculated based on an expression of interest from its current employees in the Plan. *Expressing an interest in the Military Service Retirement Credit does not obligate an employee to purchase military service credit, nor does not expressing an interest now preclude an eligible employee from applying later.*

For purposes of calculating the City's entry-cost to the Military Service Retirement Credit for full time employees hired on or after January 1, 2017, employees with military service during the six conflicts listed on page 1 and who have an interest in establishing military service credit respond to the survey by **Monday, March 11th**. The only information to be submitted is your name and number of years of military service to establish, up to 4 years

Should you wish to inquire directly with TCRS about this program, feel free to contact James Armistead, Middle Tennessee Outreach Specialist at james.armistead@tn.gov.

Thank you for your attention.



File #: 21-06326

DATE: March 7, 2024
TO: Pension Committee
FROM: Kristine Brock, Asst. City Administrator/CFO
Sara Sylvis, Benefits Manager
Tracy Harness, Benefits Supervisor

SUBJECT:

Discussion Of Proposed Changes To Retiree Health Plan Option III

PURPOSE:

The purpose of this memorandum is to provide information to the Pension Committee concerning proposed changes to Retiree Health Plan Option III.

BACKGROUND/STAFF COMMENTS:

Retiree Health Plan Option III is available to full time City employees retiring with at least 20 years of service. Premiums for this plan are shared equally between the City and the retiree. The annual deductibles and out of pocket maximum amounts are higher than the active employee PPO plan. Coverage ends at age 65.

Staff annually evaluates this plan and has recommended adjustments in recent years. Most recently, the cost share for the employees was reduced from 60% to 50% and annual deductibles and out of pocket maximum amounts were reduced by \$250 each for FY 2024.

FINANCIAL IMPACT:

Staff is proposing further adjustments for FY 2025 including-

- 1) A sunset of the higher deductible and out of pocket maximum Option III. Instead, retirees with either 20 years of service in the closed single employer pension plan or for members of the TCRS pension plan, 20 years of TCRS service with at least 10 years at the City of Franklin, may purchase retiree insurance until age 65 with the same plan design as the active employee PPO.
- 2) Establishment of a sick leave conversion program for employees retiring with sick leave balances in excess of the amount allowable for payment upon retirement. Accrued sick leave hours above the threshold (currently 960 hours for a 40 hour a week employee) would be converted into months for the option of extending health insurance coverage at the active employee rate.

RECOMMENDATION:

For Discussion Purposes.

Retiree Health Plans- Current and Proposed

	Retiree Health Plan I	Retiree Health Plan III	*Proposed* Retiree Health Plan III
Plan Design	Same PPO as Actives	PPO with Higher Deductibles & Out of Pocket Max than Actives	PPO with Same Annual Deductible & Out of Pocket Max as Actives
Eligibility Requirements (Age/Years of Service)	-Min Age 62 & 20+ Years of service -End of Coverage at age 65	-25 Years of Service - No Minimum Age -End of Coverage at age 65	-No Change for Closed Plan Members -For TCRS Members, Min Age 55 & 25 years of TCRS Service, w/ 10 at COF - End of Coverage at age 65
Retiree Share of Premiums	Same as Actives	50% of Cost	45% of Cost
Retiree Sick Leave Conversion Option	None	None	Yes

Plan Design- Current & Proposed

	Current Plan III- In Network	Proposed Plan III- In Network
Annual Deductible	\$750 Single \$2,750 Family	\$500 Single \$1,000 Family
Out of Pocket Annual Maximum	\$3,750 Single \$8,750 Family	\$1,500 Single \$3,000 Family

Proposed Plan III Annual Deductible and Out of Pocket Maximum shows above are rates for Active Employees for Fiscal Year 2024. Staff proposal is to match Retirees and Actives with the same plan design for annual deductible and out of pocket maximum amount.

Monthly Premiums- Current & Proposed

Category of Coverage	Retiree Health Plan III- Current 50% Employee Share	*Proposed* Retiree Health Plan III 45% Employee Share
Single Coverage	\$358.59	\$351.53
Employee + Spouse	\$763.00	\$746.97
Employee + Children	\$670.32	\$655.70
Family Coverage	\$1,083.91	\$1,063.04

Premiums shown above based on FY 2024 health insurance rates.

Proposed Sick Leave Conversion Plan

- Currently, retirees (40 hour week employees) are paid for up to 960 hours of unused sick leave upon retirement. Sick leave balances above 960 hours are forfeited.
- Proposed Conversion Plan- For every 15 days of sick leave above 960 hours, an employee may purchase an additional month of retiree health insurance at the active employee premium up to a maximum of 12 months.
 - For example, an employee retires with 1,200 hours in sick leave balance. 960 hours are paid at the regular rate of pay. 240 hours converts to two months of additional health insurance at the active employee rate.