

# Bay City Police and Fire Retirement System

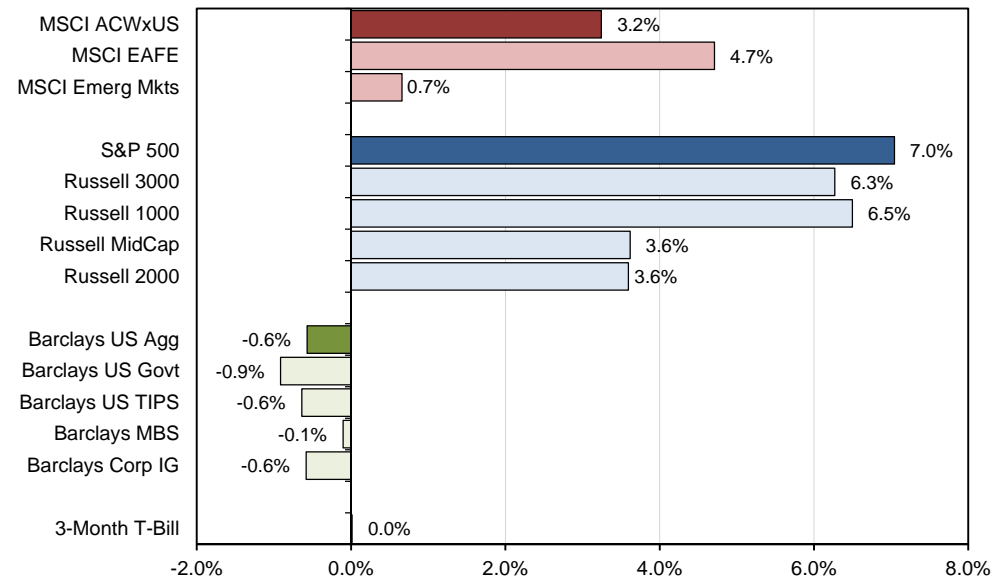
Investment Performance Review  
Period ended December 31, 2015



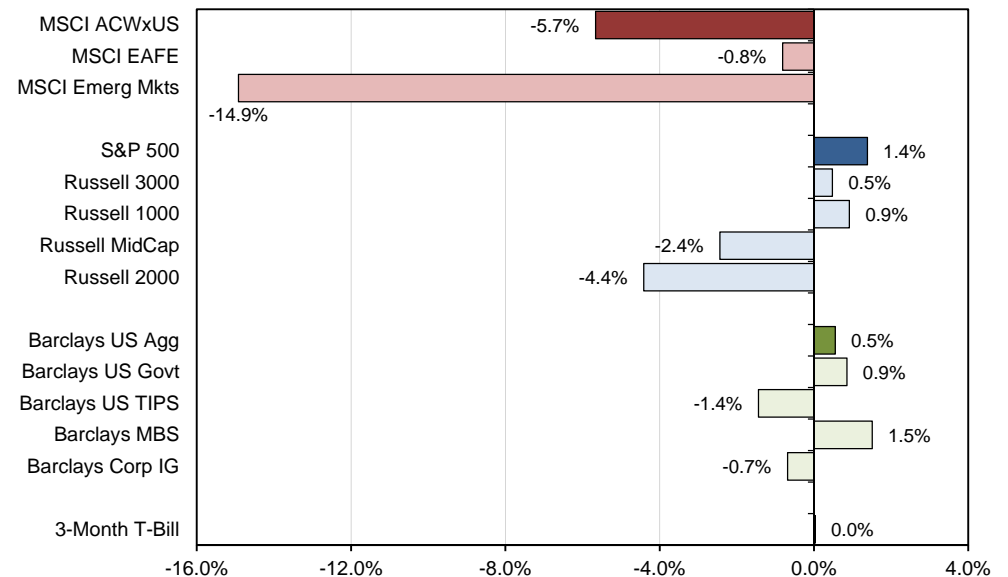
## 4th Quarter 2015 Market Environment

- The 4<sup>th</sup> quarter of 2015 saw broad equity markets recover some of the losses experienced during the previous quarter. The majority of the 4<sup>th</sup> quarter's returns were generated during the month of October as markets reacted positively to news that several major central banks, notably Europe and China, would inject additional stimulus into their economies. However, returns in November began to lose momentum, and December's monthly returns were broadly negative as investors weighed the reality of a weaker-than-expected policy response from the European Central Bank (ECB) and ongoing weakness in energy and commodity prices. Although largely telegraphed, December saw the U.S. Federal Reserve (the Fed) raise the Federal Funds Rate by 25 basis points (bps) following positive news regarding employment, housing, and consumer confidence. While the rate increase was small and expected, it did signal the Fed's belief in the sustainability of U.S. economic growth. This increase also begins the process of "rate normalization" after seven years of the Fed's "zero interest rate policy" and foreshadows the prospect of additional rate increases in 2016.
- Led by large capitalization issues, domestic equity market indices all posted positive results for the 4<sup>th</sup> quarter. For the calendar year, domestic large cap stock indices posted small, but positive gains, while domestic small- and mid-capitalization indices posted slightly negative results. In U.S. dollar (USD) terms, non-U.S. equity indices posted gains in the 4<sup>th</sup> quarter with broad developed market proxies continuing to outpace riskier emerging market composite indices. On a one-year basis, emerging market equity returns struggled mightily relative to their developed market counterparts due to ongoing concerns over the prospect of stagnant global economic growth. While international market returns lagged their domestic market counterparts during 2015, a large portion of the disparity can be attributed to the significant appreciation of the USD throughout the year.
- U.S. fixed income indices tracked on the chart were all modestly negative for the 4<sup>th</sup> quarter. As expected, the Fed's decision to move short-term rates higher had a negative impact on bond returns during the quarter. In addition to the December interest rate increase, investor concerns over global deflationary pressures and low economic growth pushed Treasury Inflation Protected Securities (TIPS) and investment grade corporate bond returns into negative territory for the calendar year.

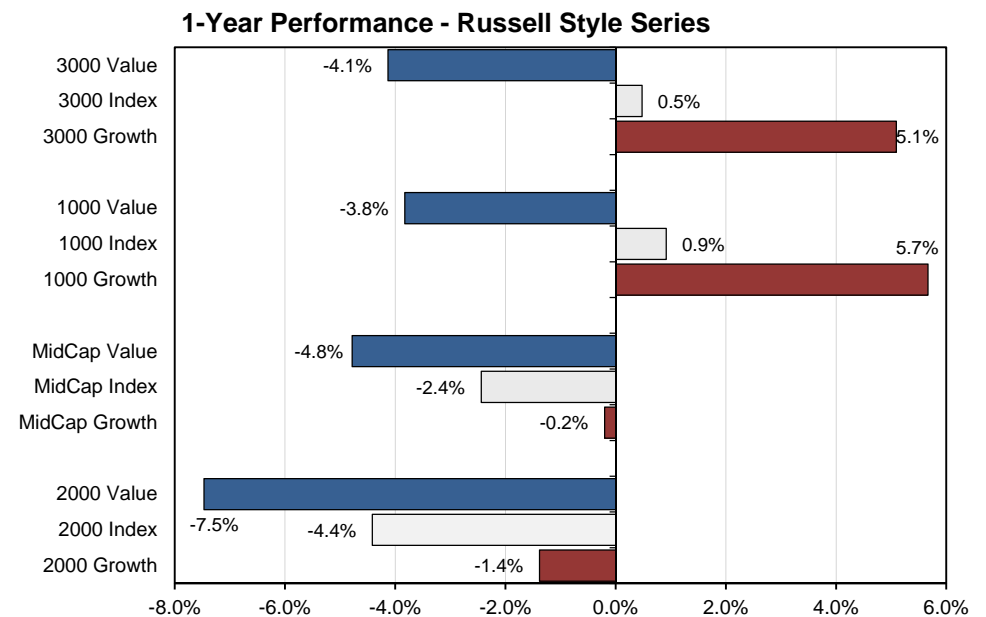
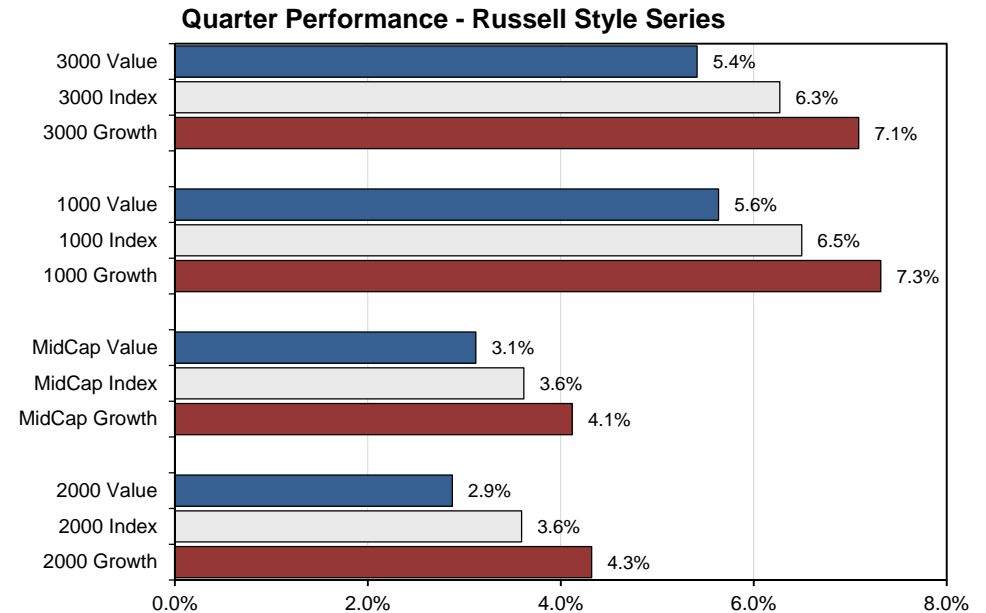
### Quarter Performance



### 1-Year Performance



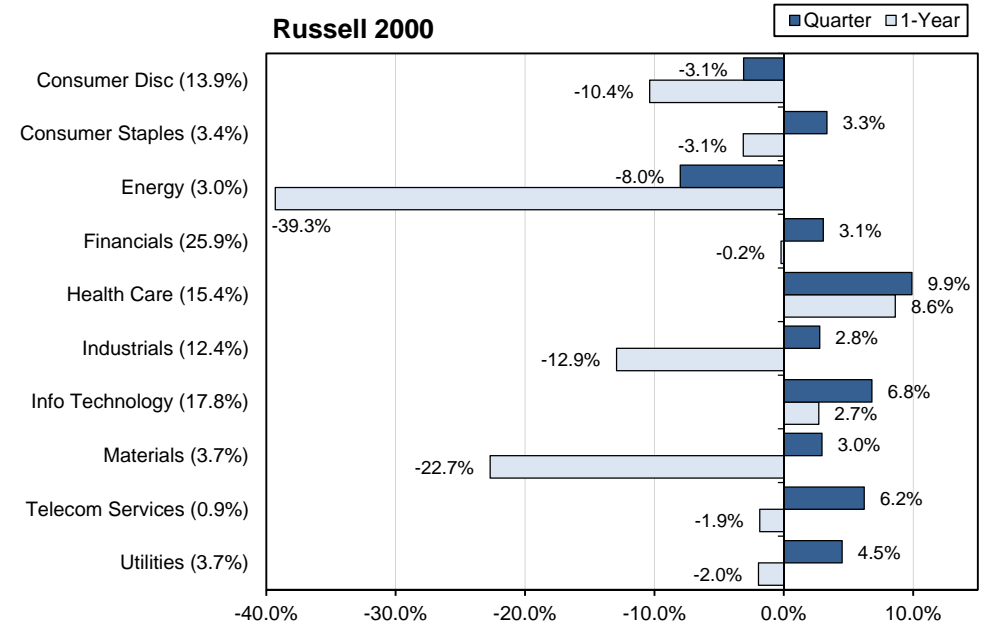
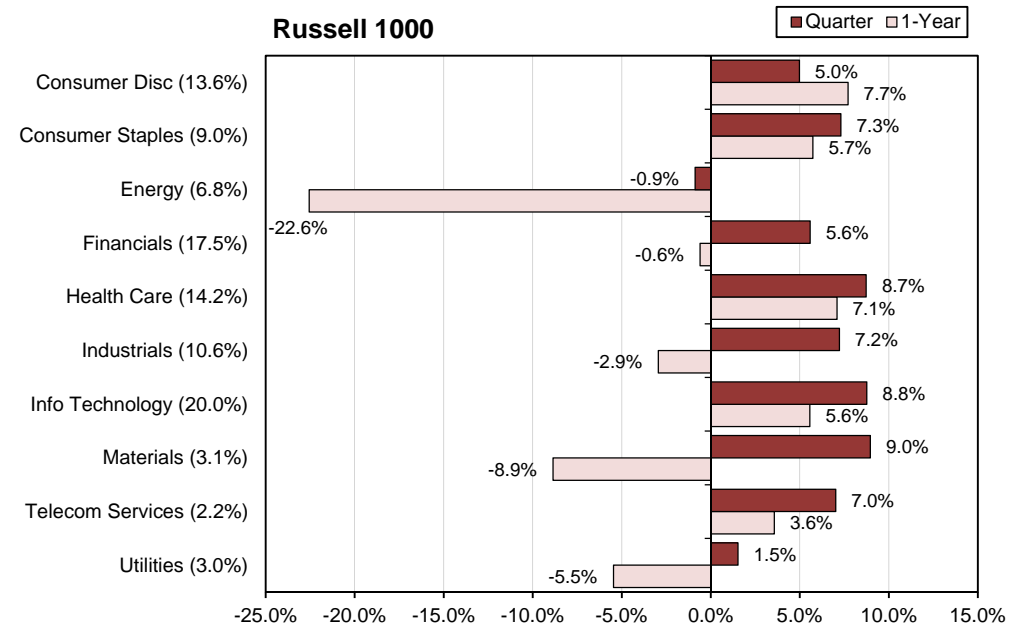
- Domestic equity index performance was positive across the style and capitalization spectrum during the 4<sup>th</sup> quarter. Outside of macroeconomic and geopolitical factors that impacted all equity performance, there were two notable trends affecting domestic equity results during the 4<sup>th</sup> quarter of 2015. First, large cap indices outperformed their small cap counterparts. Second, growth stock index returns meaningfully outpaced their value index counterparts at all levels of the capitalization spectrum. The dominance of large cap index performance for the quarter was influenced by their perceived safety and stability of their earnings growth. The dominance of growth indices for the quarter is largely attributable to the indices' lower weight to cyclical sectors heavily exposed to ongoing weakness in commodity prices and capital spending.
- Performance for the 4<sup>th</sup> quarter echoed throughout calendar year 2015 as both large cap and growth indices proved to be the best performers over the trailing one-year period. In fact, only growth and core large cap issues managed positive returns for the year. All value benchmarks, as well as small- and mid-cap core and growth indices, posted negative results for the year.
- From a valuation perspective, current Price/Earnings ratios (P/E) for value indices appear stretched relative to their long-term (20-year) averages. The mid-cap value index appears most expensive at 111% of its long-term average. Despite strong performance in 2015, current P/E valuations for the growth indices fall between 85% and 90% of their historical long-term averages.



- Large cap sector performance was broadly positive for the 4<sup>th</sup> quarter as every sector within the Russell 1000 Index, with the exception of energy, posted positive results. Sector strength was notably broad with eight of the ten GICS sectors posting returns of at least 5.0% for the quarter. The materials sector was the strongest performer for the quarter, returning 9.0%. Merger and acquisition activity between the sector's two largest constituents – Dow Chemical (DOW) and DuPont (DD) – provided a substantial boost to the sector's performance. Information technology and health care were also strong performers, posting returns of 8.8% and 8.7% respectively. Led by an ongoing slide in oil prices, which closed the year below \$40/barrel, energy was the only sector to post negative performance for the quarter. This energy weakness is further illustrated on the table below with nine of the ten worst performing stocks in the Russell 1000 coming from the sector. Over calendar year 2015, five of ten sectors in the large cap index had positive performance with the consumer discretionary (7.7%) and health care (7.1%) sectors posting the strongest results. On the negative side, commodity price driven sectors were the worst performers for the year with energy (-22.6%) and materials (-8.9%) suffering the brunt of the losses.

- Similar to large cap indices, small cap index performance was largely positive for the quarter with only the consumer discretionary (-3.1%) and energy (-8.0%) sectors posting negative returns. However, in contrast to the large cap benchmark's balanced one-year sector results, only two sectors, health care (8.6%) and information technology (2.7%), managed to post positive returns. Similar to the large cap index, the energy (-39.3) and materials (-22.7%) sectors posted the Russell 2000's weakest annual sector performance.

- Using the S&P 500 as a proxy, trailing P/E ratios for five GICS sectors were below their 20-year averages at quarter-end. The information technology and financials sectors were trading at the largest discount to their long-term average P/E ratios. In contrast, telecommunication services, utilities, and consumer discretionary sector valuations were the most extended relative to historical P/E ratios.



**The Market Environment**  
**Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000**  
As of December 31, 2015

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	2.97%	-4.2%	-3.0%	Information Technology
Microsoft Corp	2.20%	26.2%	22.7%	Information Technology
Exxon Mobil Corporation	1.60%	5.8%	-12.8%	Energy
General Electric Co	1.43%	24.4%	27.5%	Industrials
Johnson & Johnson	1.40%	10.8%	1.2%	Health Care
Amazon.com Inc	1.26%	32.0%	117.8%	Consumer Discretionary
Wells Fargo & Co	1.24%	6.6%	1.8%	Financials
Berkshire Hathaway Inc Class B	1.20%	1.3%	-12.1%	Financials
JPMorgan Chase & Co	1.20%	9.1%	8.4%	Financials
Facebook Inc Class A	1.11%	16.4%	34.1%	Information Technology

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
STERIS PLC	0.38%	16.4%	17.8%	Health Care
Tyler Technologies Inc	0.35%	16.8%	59.3%	Information Technology
Dyax Corp	0.33%	97.1%	167.6%	Health Care
CubeSmart	0.30%	13.3%	42.4%	Financials
Manhattan Associates Inc	0.29%	6.2%	62.5%	Information Technology
Neurocrine Biosciences Inc	0.29%	42.2%	153.2%	Health Care
Casey's General Stores Inc	0.28%	17.3%	34.5%	Consumer Staples
Vail Resorts Inc	0.28%	23.6%	43.7%	Consumer Discretionary
Anacor Pharmaceuticals Inc	0.28%	-4.0%	250.3%	Health Care
Piedmont Natural Gas Co	0.27%	43.1%	49.4%	Utilities

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Keurig Green Mountain Inc	0.06%	72.6%	-31.1%	Consumer Staples
Advanced Micro Devices Inc	0.00%	66.9%	7.5%	Information Technology
Rayonier Advanced Materials Inc	0.00%	61.1%	-54.9%	Materials
Rovi Corp	0.00%	58.8%	-26.3%	Information Technology
Airgas Inc	0.05%	55.5%	22.7%	Materials
First Solar Inc	0.02%	54.4%	48.0%	Information Technology
Ionis Pharmaceuticals Inc	0.04%	53.2%	0.3%	Health Care
SolarWinds Inc	0.02%	50.1%	18.2%	Information Technology
SunPower Corp	0.01%	49.8%	16.2%	Information Technology
Bruker Corp	0.01%	47.7%	23.7%	Health Care

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Pacific Biosciences of California Inc	0.05%	258.7%	67.5%	Health Care
Weight Watchers International Inc	0.04%	257.4%	-8.2%	Consumer Discretionary
Energy Recovery Inc	0.00%	230.4%	34.2%	Industrials
Vital Therapies Inc	0.01%	185.1%	-53.8%	Health Care
Five Prime Therapeutics Inc	0.06%	169.7%	53.7%	Health Care
Five9 Inc	0.01%	135.1%	94.2%	Information Technology
Resolute Energy Corp	0.00%	124.2%	-34.1%	Energy
Ohr Pharmaceutical Inc	0.00%	122.5%	-26.4%	Health Care
Willbros Group Inc	0.00%	113.5%	-57.1%	Energy
Ocata Therapeutics Inc	0.02%	101.4%	38.3%	Health Care

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Teekay Corp	0.00%	-66.2%	-79.8%	Energy
Peabody Energy Corp	0.00%	-62.9%	-93.4%	Energy
Ultra Petroleum Corp	0.00%	-60.9%	-81.0%	Energy
Targa Resources Corp	0.01%	-46.6%	-73.4%	Energy
Tidewater Inc	0.00%	-45.5%	-77.1%	Energy
Kinder Morgan, Inc.	0.13%	-45.1%	-62.8%	Energy
Southwestern Energy Co	0.01%	-44.0%	-73.9%	Energy
GoPro Inc Class A	0.01%	-42.3%	-71.5%	Consumer Discretionary
Golar LNG Ltd	0.01%	-41.9%	-54.0%	Energy
Seadrill Ltd	0.01%	-40.7%	-70.1%	Energy

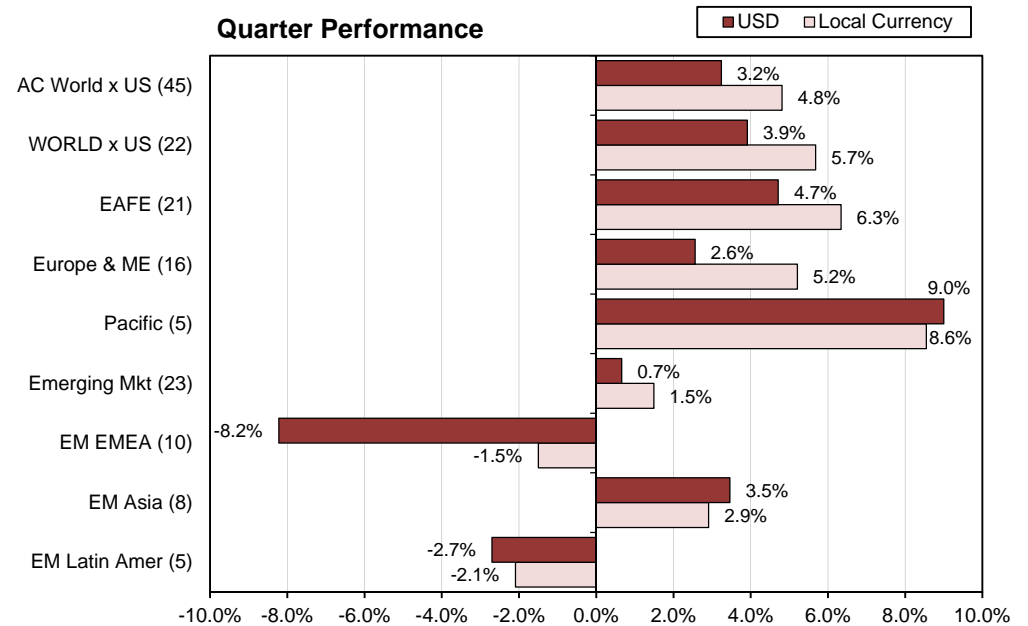
Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Magnum Hunter Resources Corporation	0.00%	-95.3%	-99.5%	Energy
Miller Energy Resources Inc	0.00%	-95.1%	-99.7%	Energy
American Eagle Energy Corp	0.00%	-90.7%	-99.8%	Energy
Vantage Drilling Co	0.00%	-89.7%	-99.5%	Energy
Threshold Pharmaceuticals Inc	0.00%	-88.2%	-84.9%	Health Care
Hercules Offshore Inc	0.00%	-86.3%	-99.2%	Energy
Walter Energy Inc	0.00%	-86.0%	-99.2%	Materials
Repos Therapeutics Inc	0.00%	-83.7%	-87.9%	Health Care
Corporate Resource Services Inc	0.00%	-83.3%	-99.9%	Industrials
Noranda Aluminum Holding Corp	0.00%	-80.5%	-98.7%	Materials

- The quarter started strong as investors anticipated additional economic stimulus announcements from the European Central Bank (ECB) and the People's Bank of China (PBoC). The latter occurred in October when the PBoC lowered the banking reserve requirement, cut interest rates, and removed a deposit cap that limited the rate of interest banks could pay savers. This stimulus package encouraged investors and initially drove markets higher. However, when the ECB announced only a minimum cut in its deposit rate and a six-month extension to its quantitative easing program on December 3<sup>rd</sup>, it was less than investors expected and global markets sold off through the remainder of the month. Despite a disappointing December, the majority of international equity index results were positive for the 4<sup>th</sup> quarter in both local and USD terms. Only the European (-8.2%) and Latin American (-2.7%) sub-segments of the emerging market index posted negative results in both local and USD terms for the quarter. Within broad market USD quarterly results, developed market (3.2%) returns easily outpaced emerging market (0.7%) performance.

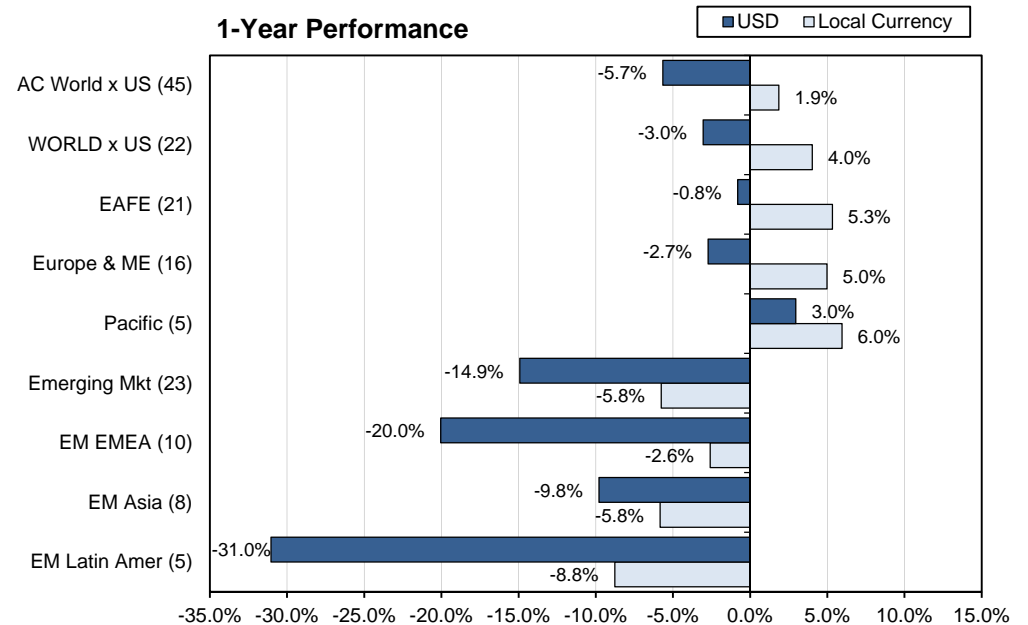
- Developed markets, as measured by the MSCI EAFE Index, performed well during the quarter in both USD (4.7%) and local currency (6.3%) terms, but the index's two largest countries posted mixed results for the period. As the largest weight in the index, Japan's 9.3% return had a large positive impact on broad index return as the country benefited from continued quantitative easing and some improvement in corporate earnings. Unfortunately, the benchmark's second largest country, the UK, managed only a mild 0.7% for the period and struggled relative to other European markets due to its greater exposure to commodity sensitive industries. Finally, USD strength was once again a major theme across global market index returns during 2015. While the trailing one-year USD performance was unilaterally lower than local currency results, the disparity was particularly notable in developed market indices (outside of the Pacific index) where local currency returns were positive for the year but USD equivalent results were negative.

- Emerging markets, as measured by the MSCI Emerging Market Index, returned 0.7% in USD and 1.5% in local currency for the quarter. The index's positive performance was driven by regional results in the EM Asia index as both the EM EMEA and EM Latin America indices posted negative results for the period. Over the trailing one-year period, the broad emerging market index and each of its regional index components finished the year in negative territory measured in both USD and local currency terms.

**Quarter Performance**



**1-Year Performance**



**The Market Environment**  
**U.S. Dollar International Index Attribution & Country Detail**  
As of December 31, 2015

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	13.2%	5.6%	1.9%
Consumer Staples	11.9%	5.2%	8.8%
Energy	4.5%	0.7%	-18.5%
Financials	25.6%	3.5%	-3.0%
Health Care	11.9%	5.4%	7.8%
Industrials	12.6%	6.4%	0.4%
Information Technology	5.2%	10.3%	4.5%
Materials	6.4%	1.2%	-16.8%
Telecommunication Services	4.9%	6.5%	3.4%
Utilities	3.8%	2.2%	-5.3%
<b>Total</b>	<b>100.0%</b>	<b>4.7%</b>	<b>-0.8%</b>

MSCI - ACWIXUS	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	12.2%	4.5%	-1.1%
Consumer Staples	10.8%	3.8%	5.0%
Energy	6.0%	-0.6%	-22.0%
Financials	27.1%	2.5%	-8.4%
Health Care	9.6%	3.4%	5.8%
Industrials	11.2%	4.6%	-3.6%
Information Technology	8.3%	8.3%	-1.6%
Materials	6.4%	0.3%	-19.8%
Telecommunication Services	5.2%	2.6%	-4.4%
Utilities	3.5%	1.3%	-9.3%
<b>Total</b>	<b>100.0%</b>	<b>3.2%</b>	<b>-5.7%</b>

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	10.0%	2.2%	-11.3%
Consumer Staples	8.3%	-1.8%	-9.1%
Energy	7.1%	-0.1%	-17.1%
Financials	28.0%	0.9%	-18.7%
Health Care	2.9%	2.2%	-5.2%
Industrials	7.0%	-3.2%	-16.8%
Information Technology	20.8%	6.4%	-6.9%
Materials	6.0%	-1.9%	-21.6%
Telecommunication Services	6.8%	-6.0%	-19.6%
Utilities	3.2%	-1.3%	-20.8%
<b>Total</b>	<b>100.0%</b>	<b>0.7%</b>	<b>-14.9%</b>

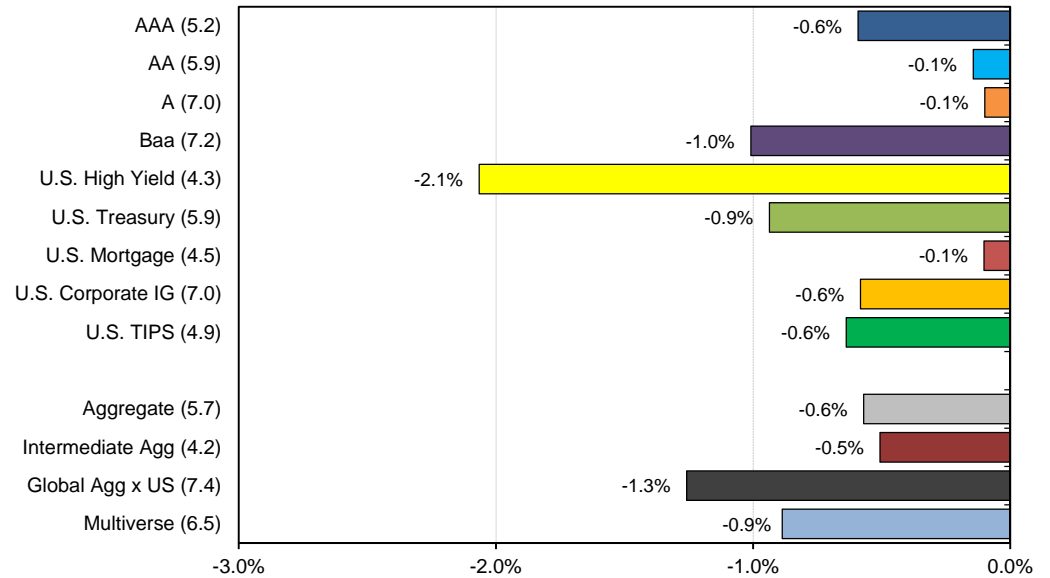
Country	MSCI-EAFE Weight	MSCI-ACWIXUS Weight	Quarter Return	1-Year Return
Japan	23.4%	17.3%	9.3%	9.6%
United Kingdom	19.4%	14.3%	0.7%	-7.6%
France	9.7%	7.2%	1.7%	-0.1%
Switzerland	9.4%	6.9%	2.0%	0.4%
Germany	9.1%	6.7%	7.7%	-1.9%
Australia	6.8%	5.0%	10.0%	-10.0%
Spain	3.2%	2.3%	-2.6%	-15.6%
Hong Kong	3.1%	2.3%	6.0%	-0.5%
Netherlands	2.9%	2.1%	3.1%	1.3%
Sweden	2.9%	2.1%	2.4%	-5.0%
Italy	2.4%	1.7%	-2.3%	2.3%
Denmark	1.9%	1.4%	6.7%	23.4%
Belgium	1.4%	1.1%	13.6%	12.1%
Singapore	1.3%	0.9%	4.2%	-17.7%
Finland	0.9%	0.7%	9.6%	2.0%
Israel	0.8%	0.6%	8.9%	10.4%
Norway	0.6%	0.4%	-0.5%	-15.0%
Ireland	0.4%	0.3%	7.0%	16.5%
Austria	0.2%	0.1%	6.9%	3.5%
New Zealand	0.2%	0.1%	18.2%	-6.3%
Portugal	0.2%	0.1%	4.2%	0.9%
<b>Total EAFE Countries</b>	<b>100.0%</b>	<b>73.6%</b>	<b>4.7%</b>	<b>-0.8%</b>
Canada		5.9%	-5.1%	-24.2%
<b>Total Developed Countries</b>		<b>79.5%</b>	<b>3.9%</b>	<b>-3.0%</b>
China		5.5%	4.0%	-7.8%
Korea		3.2%	5.4%	-6.7%
Taiwan		2.5%	1.2%	-11.7%
India		1.8%	-0.9%	-6.1%
South Africa		1.4%	-10.6%	-25.5%
Brazil		1.1%	-3.3%	-41.4%
Mexico		0.9%	-1.2%	-14.4%
Russia		0.7%	-4.1%	4.2%
Malaysia		0.7%	7.9%	-20.1%
Indonesia		0.5%	20.8%	-19.5%
Thailand		0.4%	-6.2%	-23.5%
Philippines		0.3%	-0.5%	-6.8%
Turkey		0.3%	-0.3%	-31.9%
Poland		0.3%	-12.9%	-25.4%
Chile		0.2%	-1.1%	-17.7%
Qatar		0.2%	-10.2%	-19.5%
United Arab Emirates		0.2%	-12.6%	-17.9%
Greece		0.1%	-19.0%	-61.3%
Colombia		0.1%	-9.4%	-41.8%
Peru		0.1%	-8.1%	-31.7%
Hungary		0.1%	11.4%	36.3%
Czech Republic		0.0%	-11.3%	-18.4%
Egypt		0.0%	-7.8%	-23.7%
<b>Total Emerging Countries</b>		<b>20.6%</b>	<b>0.7%</b>	<b>-14.9%</b>
<b>Total ACWIXUS Countries</b>		<b>100.0%</b>	<b>3.2%</b>	<b>-5.7%</b>

Source: MSCI Global Index Monitor (Returns are Net in USD)

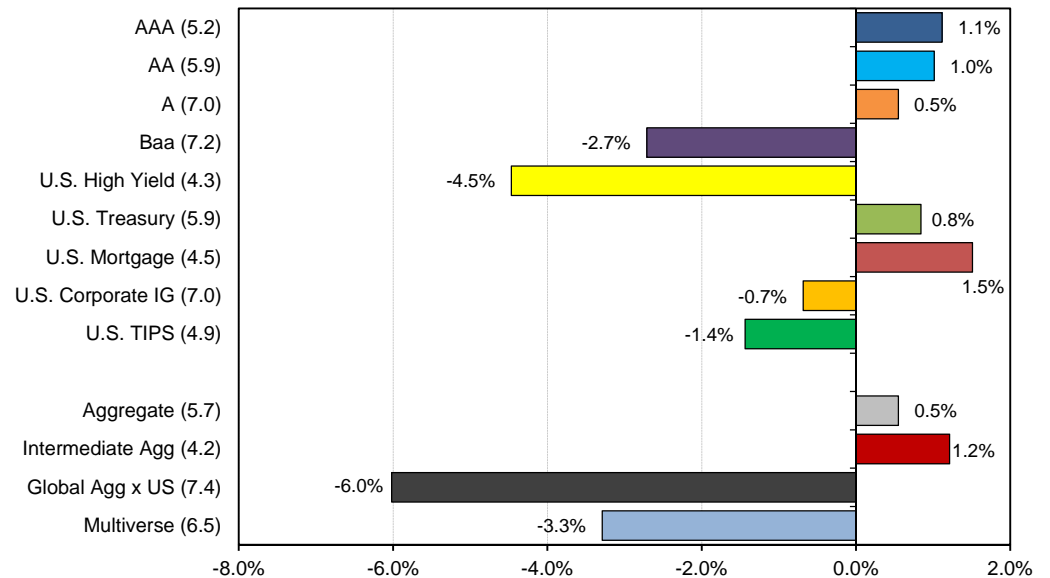


- Fixed income index performance was modestly negative for the 4<sup>th</sup> quarter. Much of the quarter's negative performance was attributable to the market's anticipation and reaction to the Fed's December decision to raise the Federal Funds Rate by 25 bps. This shift in monetary policy represented both an end to the Fed's seven year (December 2008) zero-interest rate policy and the first rate increase in nearly ten years (July 2006). The Fed's action caused a flattening of the U.S. Treasury yield curve with short-term yields rising more than long-term rates. Despite the larger increase in rates at the short end of the yield curve, longer-dated maturity issues underperformed due to their higher durations and the resulting greater sensitivity to interest rate increases. The calendar year's fixed income results were mixed with high-quality issues posting small, positive results, while lower-quality and international bonds posted negative performance for the year.
- The broad market Aggregate benchmark posted a return of -0.6% for the quarter. Within the Aggregate index, the mortgage index, aided by its lower duration, was down less than Treasury and corporate issues during the quarter. While the Treasury and mortgage indices finished the year with positive returns, the combined impact of rate increases on the Treasury yield curve, and widening credit spreads during the second half of the year, caused the investment grade corporate index to end the year in negative territory. Due to persistent strength in the USD throughout 2015, unhedged global bond index performance lagged broad domestic index returns for both the quarter and the calendar year.
- Lower credit quality and high yield indices underperformed other domestic indices for both the 4<sup>th</sup> quarter and the trailing year. Within both bond market segments, issues in energy and commodity related companies were hit particularly hard as credit spreads widened substantially in these industries. While theoretical liquidity concerns in the bond market had been expressed due to structural changes in trading and inventory since the financial crisis, these concerns became a reality during the quarter when the Third Avenue Focused Credit Fund (TFCVX) abruptly closed and suspended investor redemptions in order to liquidate the fund's high yield, illiquid positions in an orderly fashion. Only time will tell if this problem was due to excessive risk taking by the single fund or if it is more endemic of the overall structure of the high yield market.

**Quarter Performance**

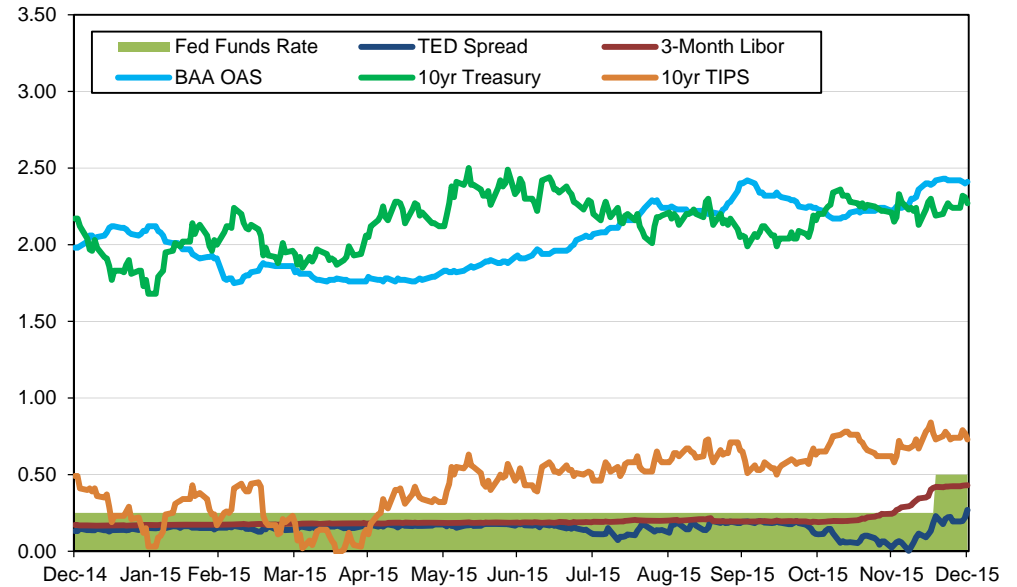


**1-Year Performance**

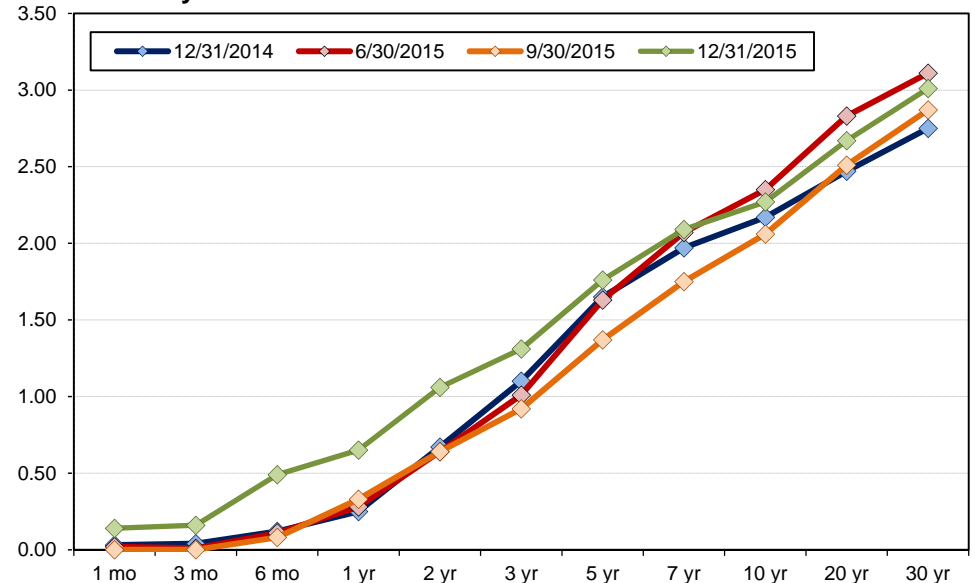


- U.S. Treasury Inflation Protected Securities (TIPS) finished the quarter and year in negative territory returning -0.6% and -1.4%, respectively. Current inflation readings continue to fall below the Fed's 2.0% target, and future inflation expectations are tempered by a strong USD and the deflationary pressures of falling energy and commodity prices.
- Much of the index performance detailed in the bar graphs on the previous page is visible on a time series basis by reviewing the line graphs to the right. The '1-Year Trailing Market Rates' chart illustrates that the 10-year Treasury (green line) rose over the quarter and ended the year slightly higher than where it started. The blue line illustrates changes in the BAA OAS (Option Adjusted Spread), which quantifies the additional yield premium that investors demand to purchase and hold non-Treasury issues. After falling below 2.0% early in 2015, this spread rose throughout the remainder of the year. This "spread-widening" is equivalent to an interest rate increase on corporate bonds, which creates drag on realized corporate bond returns. Finally, the Federal Funds Rate (light green shading) has a small uptick on the right of the graph showing the Fed's announcement to end its zero interest rate policy. The lower graph provides a snapshot of the U.S. Treasury yield curve at each of the last four calendar quarters. Maturities out to seven years ended 2015 at their highest levels of the year while 10-, 20-, and 30-year maturities issues finished the year marginally lower than their June 30<sup>th</sup> levels.
- Based on moderate U.S. economic growth, stable employment, and below target inflation, it is unlikely the Fed will move aggressively to increase (normalize) the Federal Funds Rate during 2016. The Fed has stated future rate increases would be implemented at a measured pace and with ongoing assessment of current economic data. Geopolitical events and stimulus programs by other countries should keep demand for U.S. Treasury issues elevated and put downward pressure on how high domestic rates will rise in the short-term.

1-Year Trailing Market Rates



Treasury Yield Curve



## Bay City Police & Fire

### Compliance Checklist as of December 31, 2015

Total Fund Compliance:	Yes	No	N/A
1. The Total Plan gross return equaled or exceeded the total plan benchmark over the trailing three year period.	✓		
2. The Total Plan gross return equaled or exceeded the total plan benchmark over the trailing five year period.	✓		
3. The Total Plan gross return ranked within the top 50th percentile of its peer group over the trailing three year period.	✓		
4. The Total Plan gross return ranked within the top 50th percentile of its peer group over the trailing five year period.	✓		
5. The Total Plan gross return equaled or exceeded the annual return target of 7.5% over the trailing five year period.	✓		

Equity Compliance:	Yes	No	N/A
1. Total domestic equity returns meet or exceed the benchmark over the trailing three year period.		✓	
2. Total domestic equity returns meet or exceed the benchmark over the trailing five year period.		✓	
1. Total International equity returns meet or exceed the benchmark over the trailing three year period.		✓	
2. Total International equity returns meet or exceed the benchmark over the trailing five year period.	✓		

Fixed Income Compliance:	Yes	No	N/A
1. Total fixed income returns meet or exceed the benchmark over the trailing three year period.		✓	
2. Total fixed income returns meet or exceed the benchmark over the trailing five year period.	✓		
3. Overall fixed income shall have an average quality rating of "A" or higher. "Based off PNC compliance"	✓		
4. The duration of the fixed income portfolio shall be within a 20% range of the index. "Based off PNC compliance"	✓		

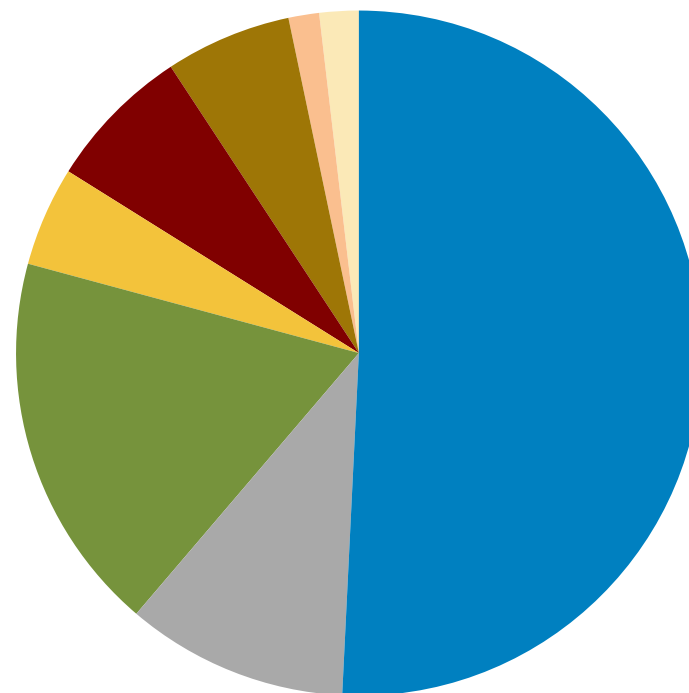
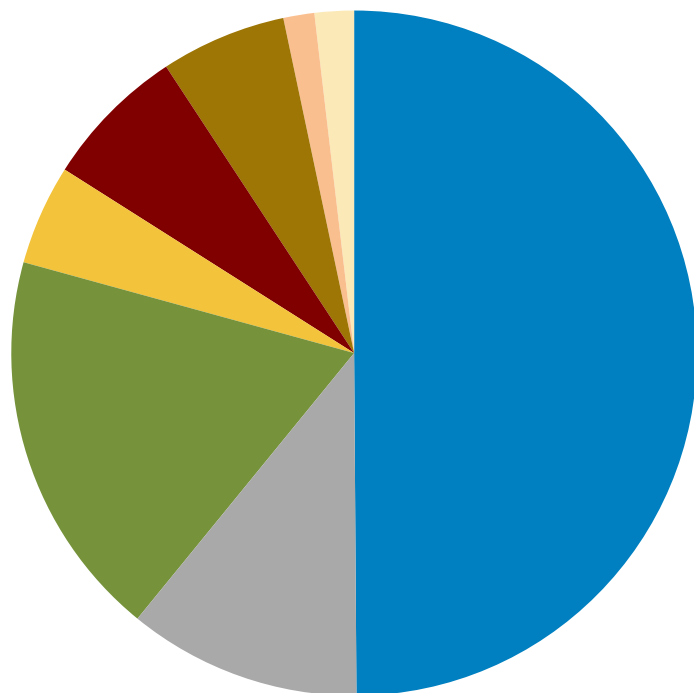
## Bay City Police & Fire

### Compliance Checklist as of December 31, 2015

Manager Compliance:	Manager outperformed the index over the trailing three and five year periods.			Manager ranked within the top 50th percentile over trailing three and five year periods.			Less than four consecutive quarters of under performance relative to the benchmark.								
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
1. LS Equal Wgt			✓			✓			✓						
2. NTGI R1000 Index	✓					✓	✓								
3. Victory Mid Cap		✓			✓		✓								
4. Fisher SCC			✓			✓	✓								
5. SouthernSun SC			✓			✓	✓								
6. First Eagle Oversea		✓		✓			✓								
7. Hexavest		✓			✓		✓								
8. PNC Fixed		✓			✓		✓								
9. Brandywine Global			✓			✓	✓								
10. Templeton Global			✓			✓	✓								
11. American RE		✓			✓		✓								
12. Guggenheim RE	✓			✓			✓								
13. Millennium Int'l			✓			✓			✓						
Some managers are based on 3 yrs.															

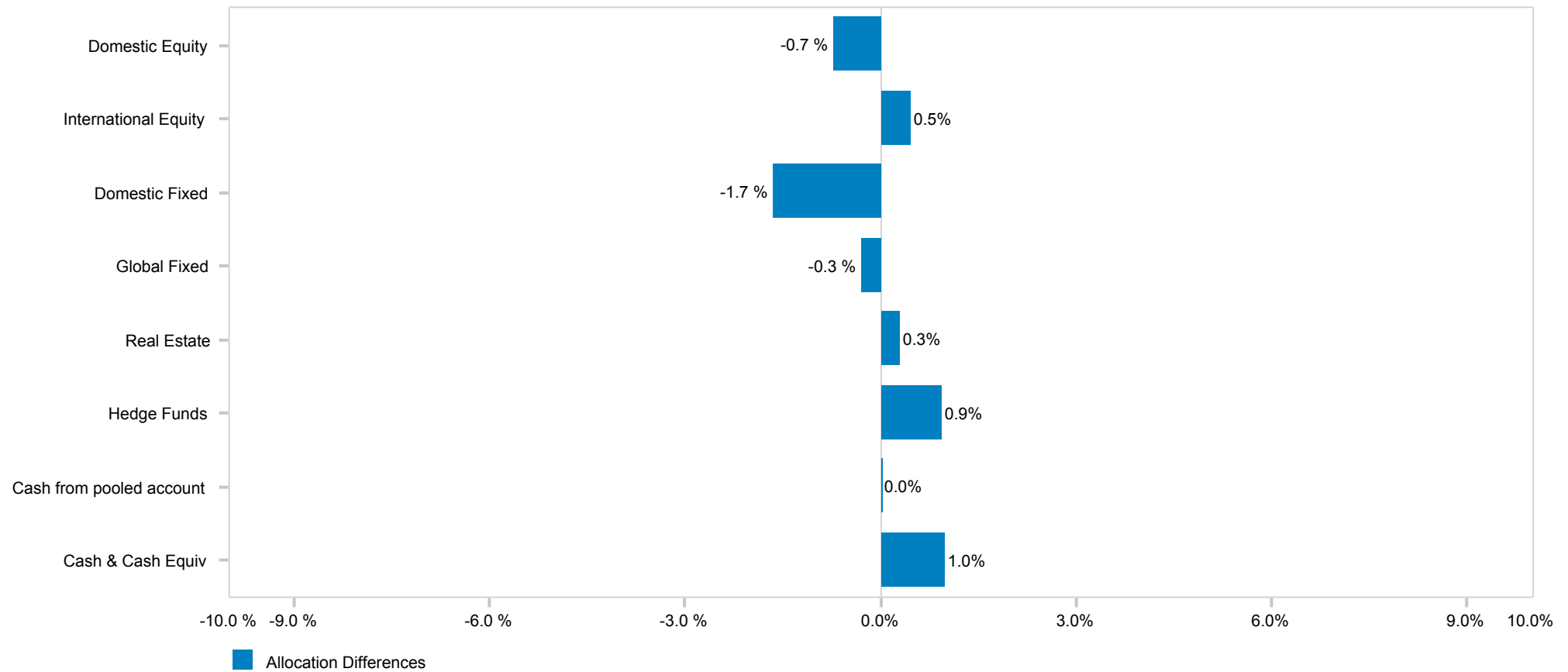
Asset Allocation By Segment as of  
September 30, 2015 : \$51,063,284

Asset Allocation By Segment as of  
December 31, 2015 : \$51,938,924



Allocation			Allocation		
Segments	Market Value	Allocation	Segments	Market Value	Allocation
Domestic Equity	25,476,841	49.9	Domestic Equity	26,372,977	50.8
International Equity	5,616,472	11.0	International Equity	5,436,691	10.5
Domestic Fixed Income	9,387,162	18.4	Domestic Fixed Income	9,327,928	18.0
Global Fixed Income	2,411,974	4.7	Global Fixed Income	2,440,567	4.7
Real Estate	3,452,048	6.8	Real Estate	3,557,883	6.9
Hedge Fund	3,023,598	5.9	Hedge Fund	3,089,959	5.9
Private Equity	747,765	1.5	Private Equity	747,765	1.4
Cash Equivalent	947,425	1.9	Cash Equivalent	965,153	1.9

Asset Allocation vs. Target Allocation



Asset Allocation vs. Target Allocation

	Market Value \$	Allocation (%)	Target (%)
Domestic Equity	26,629,621	51.3	52.0
International Equity	5,436,691	10.5	10.0
Domestic Fixed	9,527,532	18.3	20.0
Global Fixed	2,440,567	4.7	5.0
Real Estate	4,305,648	8.3	8.0
Hedge Funds	3,089,959	5.9	5.0
Cash from pooled account	-	0.0	0.0
Cash & Cash Equiv	508,905	1.0	0.0
<b>Total Fund</b>	<b>51,938,924</b>	<b>100.0</b>	<b>100.0</b>

**Financial Reconciliation**  
**Total Fund**  
**1 Quarter Ending December 31, 2015**

<b>Financial Reconciliation</b>	<b>Market Value 10/01/2015</b>	<b>Net Transfers</b>	<b>Contributions</b>	<b>Distributions</b>	<b>Management Fees</b>	<b>Other Expenses</b>	<b>Return On Investment</b>	<b>Market Value 12/31/2015</b>
<b>Total Fund</b>	<b>51,063,284</b>	<b>-</b>	<b>590,047</b>	<b>-1,097,523</b>	<b>-47,804</b>	<b>-40,247</b>	<b>1,471,166</b>	<b>51,938,924</b>
<b>Total Domestic Equity</b>	<b>25,882,678</b>	<b>-363,171</b>	<b>142</b>	<b>-</b>	<b>-36,829</b>	<b>-</b>	<b>1,146,801</b>	<b>26,629,621</b>
Dana Investment Advisors	54,678	-43,349	-	-	-12,282	-	952	-
NTGI R1000 Index Fund	7,081,630	-	142	-	-	-	461,872	7,543,645
Victory Mid Cap Equity	4,295,979	8,056	-	-	-8,056	-	32,785	4,328,764
Fisher SCC	3,569,184	7,926	-	-	-7,926	-	206,332	3,775,516
SouthernSun SC	3,589,822	8,565	-	-	-8,565	-	-17,101	3,572,721
LS Equal Wtd Index	7,291,385	-344,369	-	-	-	-	461,961	7,408,976
<b>Total International Equity</b>	<b>5,616,472</b>	<b>-399,993</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>220,212</b>	<b>5,436,691</b>
First Eagle Overseas Fund (SGOIX)	2,454,006	-399,993	-	-	-	-	143,537	2,197,550
Hexavest International Equity Fund	3,162,466	-	-	-	-	-	76,675	3,239,141
<b>Total Fixed Income</b>	<b>12,047,167</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-1,075</b>	<b>-</b>	<b>-77,993</b>	<b>11,968,099</b>
PNC Investment Mgmt. (Fixed)	9,635,193	-	-	-	-	-	-107,661	9,527,532
Brandywine Global Fixed	961,114	-	-	-	-1,075	-	-4,730	955,309
Templeton Global Multisector Plus	1,450,860	-	-	-	-	-	34,398	1,485,258

**Financial Reconciliation**  
**Total Fund**  
**1 Quarter Ending December 31, 2015**

	<b>Market Value 10/01/2015</b>	<b>Net Transfers</b>	<b>Contributions</b>	<b>Distributions</b>	<b>Management Fees</b>	<b>Other Expenses</b>	<b>Return On Investment</b>	<b>Market Value 12/31/2015</b>
<b>Total Real Estate</b>	<b>4,199,813</b>	-	-	-	<b>-9,900</b>	-	<b>115,735</b>	<b>4,305,648</b>
American Core Realty Fund	2,407,641	-	-	-	-6,835	-	73,004	2,473,810
Guggenheim Real Estate PLUS Trust	1,044,407	-	-	-	-3,065	-	42,731	1,084,073
Mesirow Global Partnership Fund II, LP	747,765	-	-	-	-	-	-	747,765
<b>Total Hedge Fund Composite</b>	<b>3,023,598</b>	-	-	-	-	-	<b>66,361</b>	<b>3,089,959</b>
Millennium International LTD	3,023,598	-	-	-	-	-	66,361	3,089,959
<b>Cash Accounts</b>								
Cash	287,613	769,107	589,905	-1,097,523	-	-40,247	51	508,905
Cash from Pooled Custody Stmt	5,944	-5,944	-	-	-	-	-	-



**Comparative Performance**  
**Trailing Returns**  
As of December 31, 2015

Comparative Performance																	
	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception	Inception Date	
<b>Total Fund (Gross)</b>	<b>2.86</b>	<b>(48)</b>	<b>1.11</b>	<b>(17)</b>	<b>1.11</b>	<b>(17)</b>	<b>9.92</b>	<b>(4)</b>	<b>8.77</b>	<b>(5)</b>	<b>11.03</b>	<b>(7)</b>	<b>5.90</b>	<b>(47)</b>	<b>6.49</b>	<b>(97)</b>	<b>01/01/1993</b>
Total Fund Policy	3.10	(38)	0.26	(40)	0.26	(40)	8.83	(18)	8.13	(14)	10.79	(11)	6.34	(20)	8.44	(10)	
Difference	-0.24		0.85		0.85		1.09		0.64		0.24		-0.44		-1.95		
All Public Plans-Total Fund Median	2.83		-0.10		-0.10		7.62		7.01		9.68		5.88		7.64		
<b>Total Fund (Net)</b>	<b>2.77</b>		<b>0.69</b>		<b>0.69</b>		<b>9.50</b>		<b>8.34</b>		<b>10.56</b>		<b>N/A</b>		<b>4.87</b>		<b>01/01/2008</b>
Total Fund Policy	3.10		0.26		0.26		8.83		8.13		10.79		6.34		5.60		
Difference	-0.33		0.43		0.43		0.67		0.21		-0.23		N/A		-0.73		
<b>Total Domestic Equity</b>	<b>4.39</b>		<b>-0.47</b>		<b>-0.47</b>		<b>14.36</b>		<b>11.67</b>		<b>15.01</b>		<b>N/A</b>		<b>6.03</b>		<b>12/01/2007</b>
Total Domestic Equity Policy	6.27		0.48		0.48		14.74		12.18		15.04		7.35		6.48		
Difference	-1.88		-0.95		-0.95		-0.38		-0.51		-0.03		N/A		-0.45		
<b>Total International Equity</b>	<b>3.93</b>		<b>1.13</b>		<b>1.13</b>		<b>4.81</b>		<b>3.68</b>		<b>8.00</b>		<b>N/A</b>		<b>-0.59</b>		<b>12/01/2007</b>
Total International Equity Policy	4.71		-0.81		-0.81		5.01		3.60		7.83		3.03		-0.79		
Difference	-0.78		1.94		1.94		-0.20		0.08		0.17		N/A		0.20		
<b>Total Fixed Income</b>	<b>-0.65</b>		<b>-1.63</b>		<b>-1.63</b>		<b>0.13</b>		<b>2.58</b>		<b>4.25</b>		<b>4.36</b>		<b>5.75</b>		<b>01/01/1993</b>
Total Fixed Income Policy	-0.69		1.07		1.07		1.10		2.58		3.42		4.04		5.21		
Difference	0.04		-2.70		-2.70		-0.97		0.00		0.83		0.32		0.54		
<b>Total Real Estate</b>	<b>2.76</b>		<b>12.94</b>		<b>12.94</b>		<b>12.83</b>		<b>12.73</b>		<b>5.42</b>		<b>4.69</b>		<b>5.43</b>		<b>07/01/2005</b>
Total Real Estate Policy	3.43		15.17		15.17		13.59		13.54		6.16		6.27		6.95		
Difference	-0.67		-2.23		-2.23		-0.76		-0.81		-0.74		-1.58		-1.52		
<b>Total Hedge Fund Composite</b>	<b>2.19</b>		<b>12.65</b>		<b>12.65</b>		<b>12.84</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>12.84</b>		<b>01/01/2013</b>
Total Hedge Fund Policy	0.20		0.67		0.67		3.95		3.46		7.62		3.99		3.95		
Difference	1.99		11.98		11.98		8.89		N/A		N/A		N/A		8.89		

Comparative Performance

Trailing Returns

As of December 31, 2015

	QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR	Inception	Inception Date
<b>Total Domestic Equity</b>	<b>4.39</b>	<b>-0.47</b>	<b>-0.47</b>	<b>14.36</b>	<b>11.67</b>	<b>15.01</b>	<b>N/A</b>	<b>6.03</b>	<b>12/01/2007</b>
Total Domestic Equity Policy	6.27	0.48	0.48	14.74	12.18	15.04	7.35	6.48	
Difference	-1.88	-0.95	-0.95	-0.38	-0.51	-0.03	N/A	-0.45	
NTGI R1000 Index Fund	6.52 (49)	0.99 (45)	0.99 (45)	15.08 (43)	N/A	N/A	N/A	14.91 (30)	11/01/2011
Russell 1000 Index	6.50 (55)	0.92 (54)	0.92 (54)	15.01 (52)	12.44 (51)	15.12 (34)	7.40 (50)	14.86 (49)	
Difference	0.02	0.07	0.07	0.07	N/A	N/A	N/A	0.05	
IM U.S. Large Cap Index Equity (SA+CF) Median	6.52	0.95	0.95	15.02	12.45	14.90	7.40	14.83	
Victory Mid Cap Equity	0.76 (88)	-2.87 (80)	-2.87 (80)	13.38 (66)	11.16 (55)	17.07 (46)	N/A	8.25 (56)	03/01/2006
Russell Midcap Growth Index	4.12 (38)	-0.20 (61)	-0.20 (61)	14.88 (41)	11.54 (45)	18.04 (31)	8.16 (72)	7.80 (64)	
Difference	-3.36	-2.67	-2.67	-1.50	-0.38	-0.97	N/A	0.45	
IM U.S. Mid Cap Growth Equity (SA+CF) Median	3.26	1.22	1.22	14.12	11.25	16.92	8.81	8.36	
Fisher SCC	5.78 (6)	0.82 (8)	0.82 (8)	N/A	N/A	N/A	N/A	9.31 (27)	06/01/2013
Russell 2500 Value Index	2.78 (42)	-5.49 (65)	-5.49 (65)	10.51 (67)	9.23 (64)	13.84 (78)	6.51 (81)	5.94 (69)	
Difference	3.00	6.31	6.31	N/A	N/A	N/A	N/A	3.37	
IM U.S. Small Cap Value Equity (SA+CF) Median	2.45	-4.33	-4.33	12.02	9.98	15.27	7.97	7.56	
SouthernSun SC	-0.48 (98)	-9.96 (97)	-9.96 (97)	N/A	N/A	N/A	N/A	3.72 (97)	06/01/2013
Russell 2500 Index	3.28 (53)	-2.90 (69)	-2.90 (69)	12.46 (68)	10.32 (70)	15.75 (58)	7.56 (63)	7.96 (70)	
Difference	-3.76	-7.06	-7.06	N/A	N/A	N/A	N/A	-4.24	
IM U.S. Small Cap Core Equity (SA+CF) Median	3.31	-1.62	-1.62	13.99	11.42	16.08	8.31	9.75	
LS Equal Wtd Index	6.19 (44)	N/A	N/A	N/A	N/A	N/A	N/A	6.19 (44)	10/01/2015
S&P 500 Equal Weighted	5.04 (75)	-2.20 (85)	-2.20 (85)	15.09 (53)	12.37 (57)	18.05 (4)	8.52 (21)	5.04 (75)	
Difference	1.15	N/A	N/A	N/A	N/A	N/A	N/A	1.15	
IM U.S. Large Cap Core Equity (SA+CF) Median	5.94	1.39	1.39	15.26	12.63	14.94	7.75	5.94	
<b>Total International Equity</b>	<b>3.93</b>	<b>1.13</b>	<b>1.13</b>	<b>4.81</b>	<b>3.68</b>	<b>8.00</b>	<b>N/A</b>	<b>-0.59</b>	<b>12/01/2007</b>
Total International Equity Policy	4.71	-0.81	-0.81	5.01	3.60	7.83	3.03	-0.79	
Difference	-0.78	1.94	1.94	-0.20	0.08	0.17	N/A	0.20	
First Eagle Overseas Fund (SGOIX)	4.49 (17)	2.56 (8)	2.56 (8)	4.43 (46)	N/A	N/A	N/A	6.27 (63)	12/01/2011
MSCI EAFE (net) Index	4.71 (14)	-0.81 (46)	-0.81 (46)	5.01 (31)	3.60 (30)	7.83 (37)	3.03 (35)	7.54 (32)	
Difference	-0.22	3.37	3.37	-0.58	N/A	N/A	N/A	-1.27	
IM International Multi-Cap Core Equity (MF) Median	3.54	-0.96	-0.96	4.25	3.01	7.38	2.54	6.84	
Hexavest International Equity Fund	2.42 (89)	-0.99 (63)	-0.99 (63)	4.75 (67)	N/A	N/A	N/A	6.39 (64)	11/01/2011
MSCI EAFE (net) Index	4.71 (48)	-0.81 (61)	-0.81 (61)	5.01 (63)	3.60 (69)	7.83 (79)	3.03 (90)	6.11 (69)	
Difference	-2.29	-0.18	-0.18	-0.26	N/A	N/A	N/A	0.28	
IM International Large Cap Equity (SA+CF) Median	4.65	0.37	0.37	5.78	4.51	9.37	4.34	7.13	

**Comparative Performance**  
**Trailing Returns**  
As of December 31, 2015

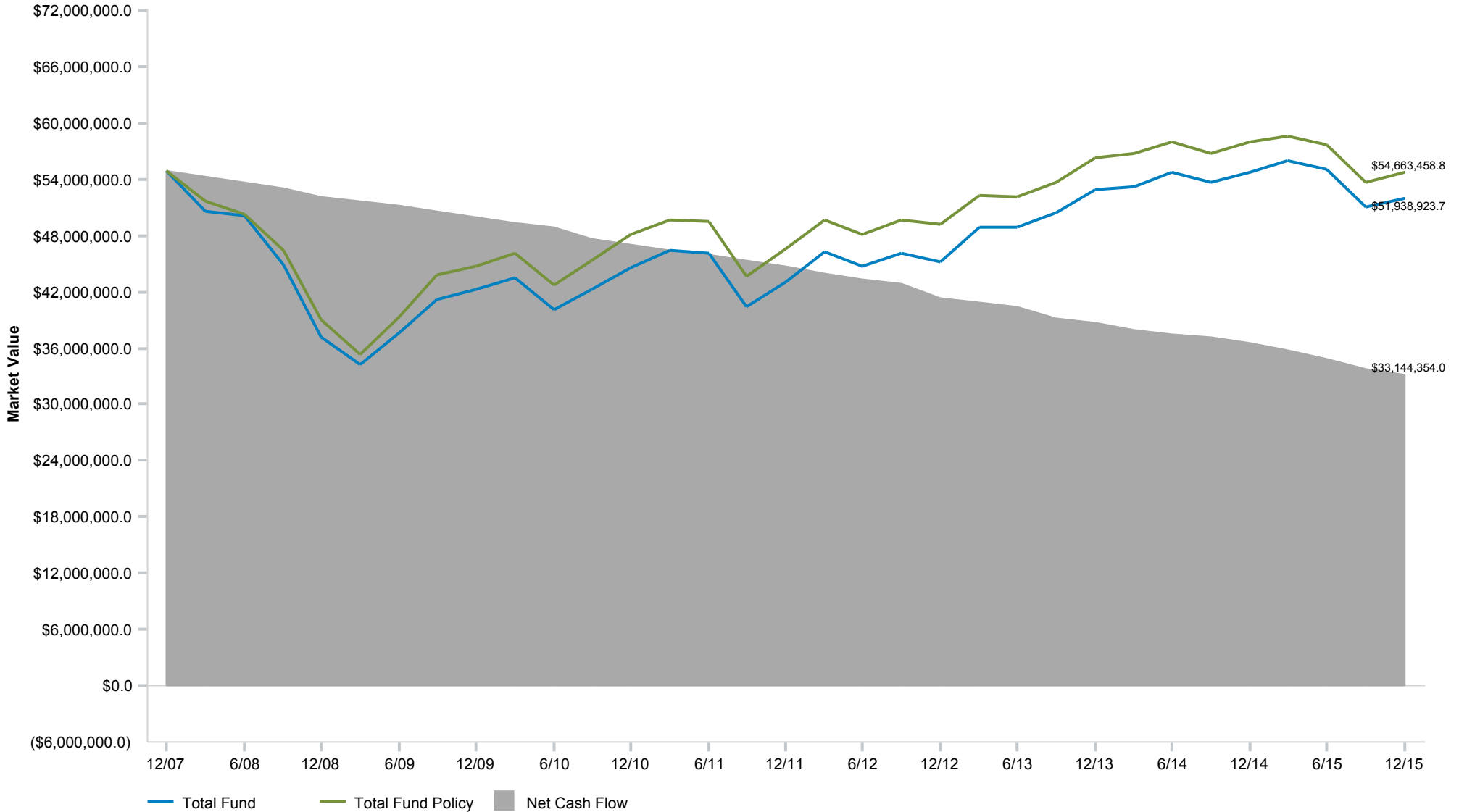
	QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR	Inception	Inception Date
<b>Total Fixed Income</b>	<b>-0.65</b>	<b>-1.63</b>	<b>-1.63</b>	<b>0.13</b>	<b>2.58</b>	<b>4.25</b>	<b>4.36</b>	<b>5.75</b>	<b>01/01/1993</b>
Total Fixed Income Policy	-0.69	1.07	1.07	1.10	2.58	3.42	4.04	5.21	
Difference	0.04	-2.70	-2.70	-0.97	0.00	0.83	0.32	0.54	
PNC Investment Mgmt. (Fixed)	-1.12 (99)	-0.66 (99)	-0.66 (99)	0.44 (100)	2.78 (65)	4.39 (43)	4.46 (55)	5.79 (22)	01/01/1993
Barclays Intermediate U.S. Gov/Credit Index	-0.69 (90)	1.07 (76)	1.07 (76)	1.10 (87)	2.58 (79)	3.42 (87)	4.04 (92)	5.21 (97)	
Difference	-0.43	-1.73	-1.73	-0.66	0.20	0.97	0.42	0.58	
IM U.S. Intermediate Duration (SA+CF) Median	-0.44	1.30	1.30	1.39	2.94	4.27	4.52	5.60	
Brandywine Global Fixed	-0.49 (46)	-7.93 (94)	-7.93 (94)	N/A	N/A	N/A	N/A	-2.18 (63)	03/01/2014
Barclays Global Aggregate	-0.92 (68)	-3.15 (53)	-3.15 (53)	-1.74 (63)	0.90 (82)	2.39 (85)	3.74 (91)	-2.72 (75)	
Difference	0.43	-4.78	-4.78	N/A	N/A	N/A	N/A	0.54	
IM Global Unhedged Fixed Income (SA+CF) Median	-0.60	-3.03	-3.03	-1.19	1.90	4.04	4.60	-1.86	
Templeton Global Multisector Plus	2.37 (6)	-3.43 (24)	-3.43 (24)	N/A	N/A	N/A	N/A	-0.94 (24)	03/01/2014
JPM Global Government Bond Index	-1.15 (65)	-2.61 (20)	-2.61 (20)	-2.17 (27)	0.34 (44)	1.41 (72)	3.78 (48)	-2.61 (41)	
Difference	3.52	-0.82	-0.82	N/A	N/A	N/A	N/A	1.67	
IM International Fixed Income (MF) Median	-0.78	-5.80	-5.80	-3.19	0.16	2.96	3.55	-4.55	
<b>Total Real Estate</b>	<b>2.76</b>	<b>12.94</b>	<b>12.94</b>	<b>12.83</b>	<b>12.73</b>	<b>5.42</b>	<b>4.69</b>	<b>5.43</b>	<b>07/01/2005</b>
Total Real Estate Policy	3.43	15.17	15.17	13.59	13.54	6.16	6.27	6.95	
Difference	-0.67	-2.23	-2.23	-0.76	-0.81	-0.74	-1.58	-1.52	
American Core Realty Fund	3.03 (75)	15.37 (42)	15.37 (42)	13.11 (75)	13.12 (75)	5.36 (91)	6.00 (85)	6.63 (87)	07/01/2005
NCREIF Fund Index-Open End Diversified Core (EW)	3.43 (49)	15.17 (60)	15.17 (60)	13.59 (69)	13.54 (65)	6.16 (65)	6.27 (72)	6.95 (79)	
Difference	-0.40	0.20	0.20	-0.48	-0.42	-0.80	-0.27	-0.32	
IM U.S. Open End Private Real Estate (SA+CF) Median	3.37	15.33	15.33	14.16	14.38	6.38	6.76	7.34	
Guggenheim Real Estate PLUS Trust	4.09 (36)	12.13 (96)	12.13 (96)	15.98 (29)	15.75 (30)	8.47 (7)	5.33 (100)	6.53 (100)	04/01/2005
Guggenheim Policy	4.54 (15)	11.29 (100)	11.29 (100)	12.68 (78)	13.10 (76)	9.68 (3)	7.08 (28)	8.06 (29)	
Difference	-0.45	0.84	0.84	3.30	2.65	-1.21	-1.75	-1.53	
IM U.S. Open End Private Real Estate (SA+CF) Median	3.37	15.33	15.33	14.16	14.38	6.38	6.76	7.70	
<b>Total Hedge Fund Composite</b>	<b>2.19</b>	<b>12.65</b>	<b>12.65</b>	<b>12.84</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>12.84</b>	<b>01/01/2013</b>
Total Hedge Fund Policy	0.20	0.67	0.67	3.95	3.46	7.62	3.99	3.95	
Difference	1.99	11.98	11.98	8.89	N/A	N/A	N/A	8.89	
Millennium International LTD	2.19	12.65	12.65	12.84	N/A	N/A	N/A	12.84	01/01/2013
HFRI RV: Multi-Strategy Index	0.20	0.67	0.67	3.95	3.46	7.62	3.99	3.95	
Difference	1.99	11.98	11.98	8.89	N/A	N/A	N/A	8.89	

**Comparative Performance - IRR  
Cumulative IRR  
As of December 31, 2015**

<b>Comparative Performance - IRR</b>							
	<b>Inception</b>	<b>Since Inception Ending Sep-2015</b>	<b>Since Inception Ending Jun-2015</b>	<b>Since Inception Ending Mar-2015</b>	<b>Since Inception Ending Dec-2014</b>	<b>Since Inception Ending Sep-2014</b>	<b>Inception Date</b>
Mesirow Global Partnership Fund II, LP	23.58	24.23	21.28	16.78	16.21	12.21	05/17/2013

**Schedule of Investable Assets**  
**Total Fund**  
**10 Years Ending December 31, 2015**

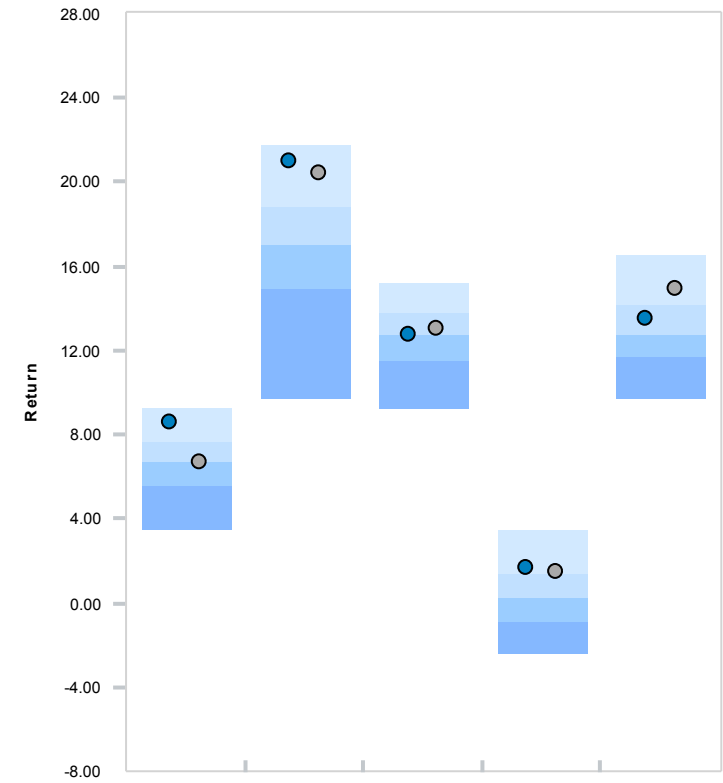
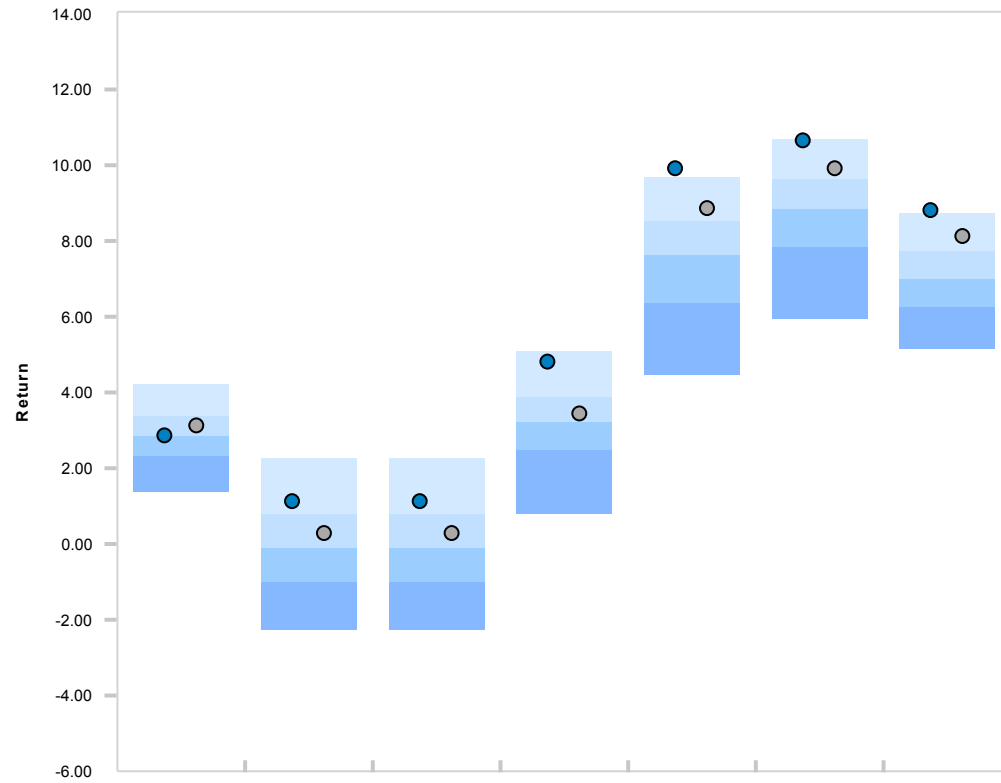
**Schedule of Investable Assets**



**Schedule of Investable Assets**

Periods Ending	Beginning Market Value \$	Contributions \$	Withdrawals \$	Gain/Loss \$	Net Cash Flow \$	Ending Market Value \$
10 YR	54,847,787	16,862,785	38,566,219	18,794,570	-21,703,433	51,938,924

**Plan Sponsor Peer Group Analysis - All Public Plans-Total Fund**



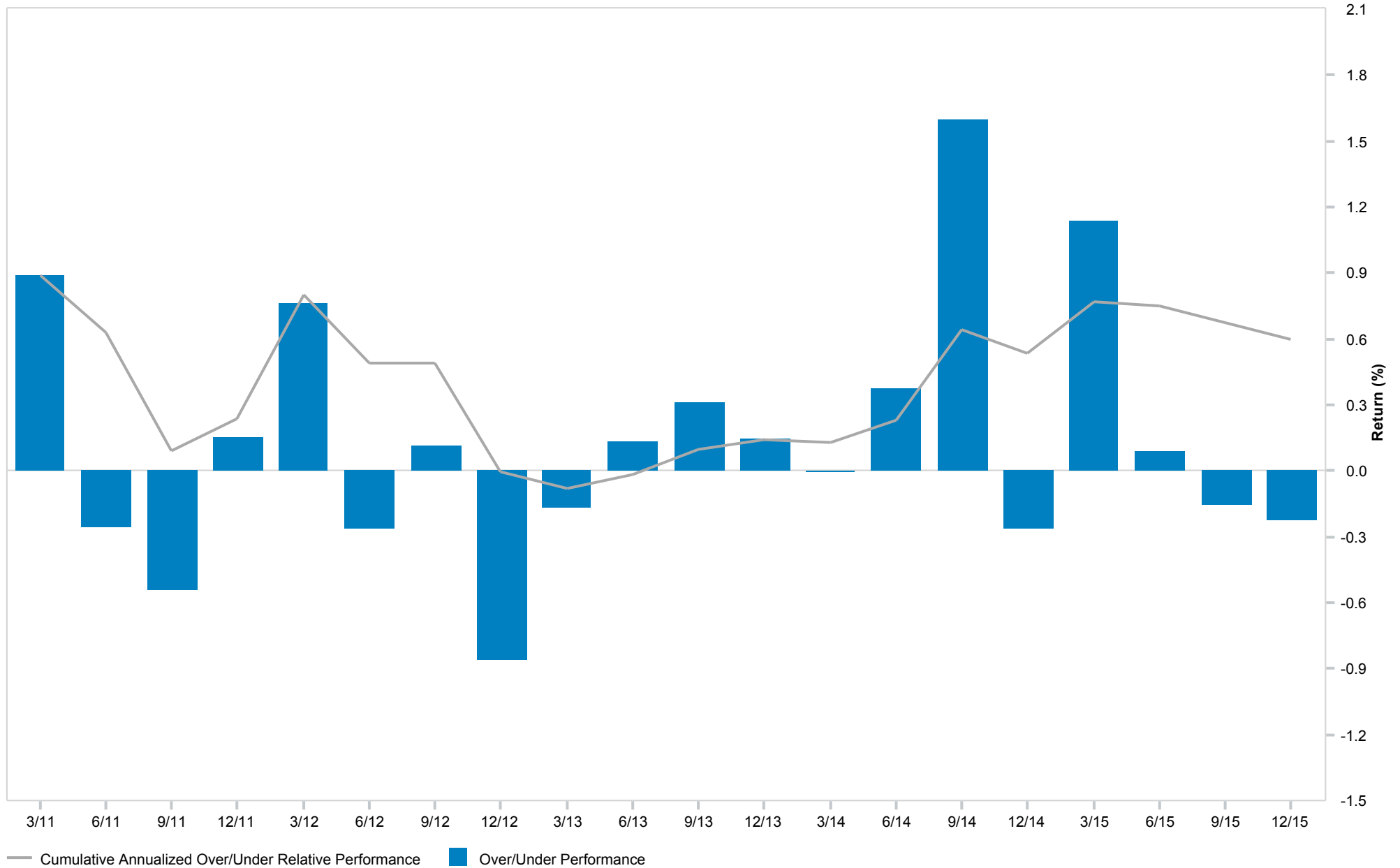
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Fund	2.86 (48)	1.11 (17)	1.11 (17)	4.77 (9)	9.92 (4)	10.62 (6)	8.77 (5)
● Total Fund Policy	3.10 (38)	0.26 (40)	0.26 (40)	3.44 (41)	8.83 (18)	9.87 (18)	8.13 (14)
Median	2.83	-0.10	-0.10	3.19	7.62	8.82	7.01

	2014	2013	2012	2011	2010
● Total Fund	8.56 (9)	20.98 (8)	12.77 (49)	1.68 (19)	13.50 (34)
● Total Fund Policy	6.73 (49)	20.46 (10)	13.04 (44)	1.44 (24)	14.91 (14)
Median	6.65	17.04	12.73	0.26	12.71

**Comparative Performance**

	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014
Total Fund	-5.25 (60)	0.00 (43)	3.75 (1)	2.78 (27)	-0.10 (9)	3.81 (38)
Total Fund Policy	-5.11 (54)	-0.09 (51)	2.58 (38)	3.05 (18)	-1.67 (82)	3.42 (69)
All Public Plans-Total Fund Median	-5.01	-0.09	2.44	2.27	-1.12	3.63

Relative Performance



Calculation based on quarterly periodicity.  
Benchmark: 65% MSCI ACWi / 35% Barclays Global Agg

**LS - Portfolio Description**

- Strategy: Large Cap Index Fund
- Vehicle: Commingled Fund
- Objective: To track the performance of a customized, equally-weighted S&P500 Index.
- Annual fees: .10% on first \$10MM  
.08% on next \$40MM  
.06% on next \$50MM
- Benchmark: S&P 500 Equal Wtd

**LS - Strategy Details**

LS Investments manages a passive strategy, attempting to track the performance of a customized, equally-weighted S&P 500 Index. The customized index allocates 30% of the portfolio to the top 50 names and 70% to the remaining 450 names. Rebalanced each quarter.

**NTGI Russell 1000 - Portfolio Description**

- Strategy: NTGI Russell 1000 Index
- Vehicle: Collective Trust
- Objective: To replicate the performance of Russell 1000 Index
- Annual fees: .06% on first \$50MM  
.05% on next \$50MM
- Benchmark: Russell 1000 Index

**NTGI Russell 1000 - Strategy Details**

Northern Trust believes that providing low cost market exposure is vital to investors in order to maximize investment returns over the long term. Our core objective is to replicate the benchmark characteristics while minimizing transaction costs and preserving wealth throughout the process. Their core objective is to replicate the Russell 1000 Index risk and return characteristics while seeing to preserve wealth throughout the investment management process.

**Victory Mid Cap - Portfolio Description**

- Strategy: Mid Cap Equity
- Vehicle: Separately Managed Account
- Objective: To outperform the Russell Midcap Index
- Annual fees: .75% on first \$25MM  
.60% on next \$25MM
- Benchmark: Russell Midcap Index

**Victory Mid Cap - Strategy Details**

Victory's Mid-Cap Growth strategy uses a bottom-up stock selection process focusing on the most attractive growth candidates from the mid-cap segment of the stock market. The team focuses on security selection utilizing both quantitative tools and fundamental research to identify alpha-generating ideas. Their focus is on stock-specific research because security selection is where they have the most confidence in their skills and insights, and through security selection, they strive to repeatedly add value to client portfolios. The team controls risk at the issue, sector and market capitalization levels. Their goal is to exceed our clients' expectations and provide consistently attractive results through bottom-up security selection.



**SouthernSun Small Mid Cap - Portfolio Description**

- Strategy: Small Mid Cap
- Vehicle: Separately Managed Account
- Objective: To outperform the Russell 2500 Index
- Annual fees: .90% on all assets
- Benchmark: Russell 2500 Index

**SouthernSun Small Mid Cap - Strategy Details**

The SMID Cap strategy targets companies with market caps of \$1 billion to \$12 billion at time of initial purchase. While idea generation may come from traditional screening, new names are often sourced through research on existing portfolio holdings, industry trade publications, and industry conferences. The Investment Team relies almost solely on internally conducted research for idea generation.

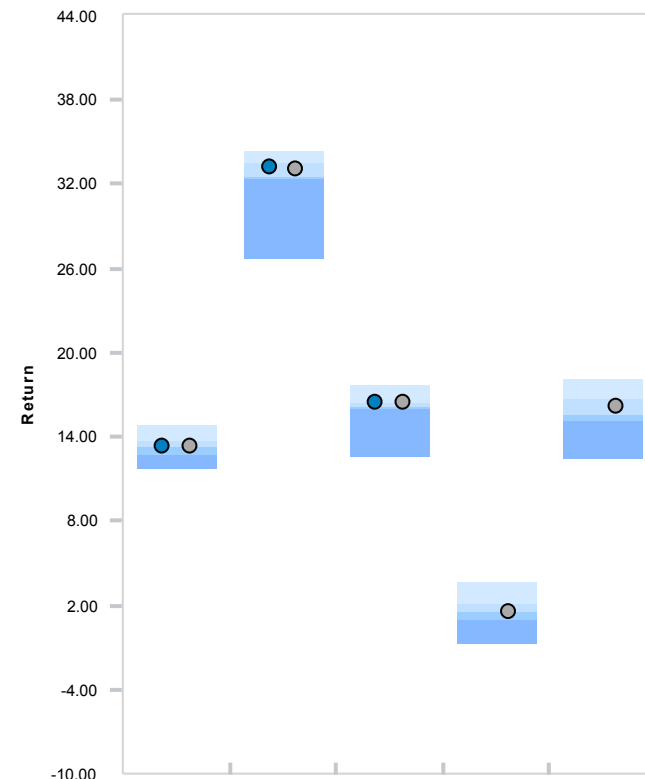
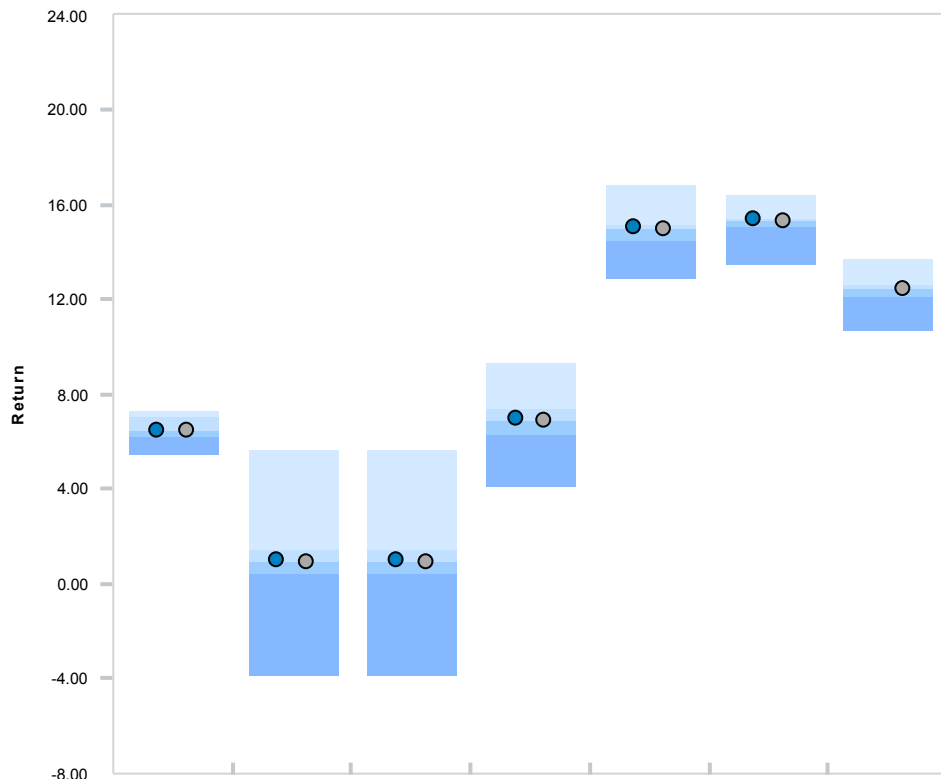
**Fisher Small Mid Value - Portfolio Description**

- Strategy: Small Mid Cap Value
- Vehicle: Separately Managed Account
- Objective: To outperform the Russell 2500 Value Index
- Annual fees: .85% on all assets
- Benchmark: Russell 2500 Value Index

**Fisher Small Mid Value - Strategy Details**

The FIIG Small and Mid Cap Value investment process is based on a combined bottom-up and top-down approach to discover securities most likely to generate the highest expected returns. Their strategy utilizes a three step investment process seeking to identify strategic attributes (i.e. competitive and comparative advantages) in companies undervalued by the marketplace: 1. Define starting universe 2. Assess relative attractiveness of sectors, industry and thematic preferences within the universe based on macroeconomic themes 3. Rigorous fundamental analysis of companies passing the quantitative screens.

Peer Group Analysis - IM U.S. Large Cap Index (SA+CF)



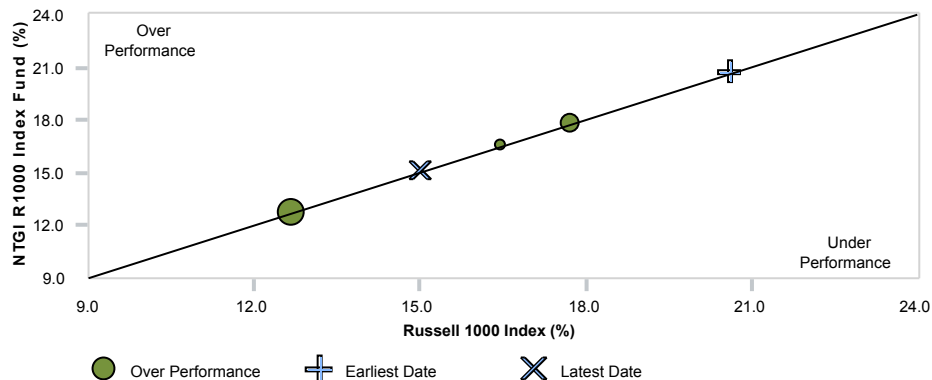
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● NTGI R1000 Index Fund	6.52 (49)	0.99 (45)	0.99 (45)	6.97 (49)	15.08 (43)	15.43 (22)	N/A
● Russell 1000 Index	6.50 (55)	0.92 (54)	0.92 (54)	6.90 (57)	15.01 (52)	15.36 (38)	12.44 (51)
Median	6.52	0.95	0.95	6.94	15.02	15.33	12.45

	2014	2013	2012	2011	2010
● NTGI R1000 Index Fund	13.31 (50)	33.17 (30)	16.49 (24)	N/A	N/A
● Russell 1000 Index	13.24 (55)	33.11 (34)	16.42 (40)	1.50 (56)	16.10 (41)
Median	13.29	32.54	16.20	1.56	15.58

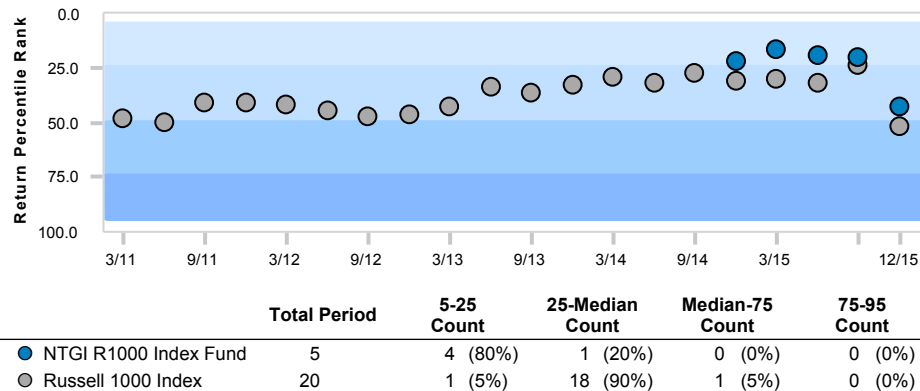
Comparative Performance

	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014
NTGI R1000 Index Fund	-6.83 (65)	0.16 (47)	1.59 (39)	4.91 (67)	0.68 (49)	5.12 (56)
Russell 1000 Index	-6.83 (65)	0.11 (75)	1.59 (37)	4.88 (76)	0.65 (54)	5.12 (58)
IM U.S. Large Cap Index (SA+CF)	-6.68	0.16	0.96	4.95	0.66	5.13

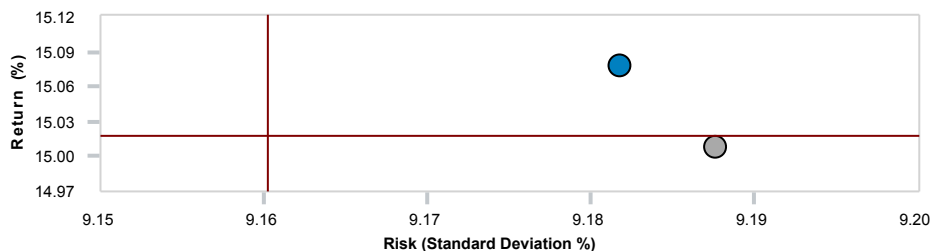
3 Yr Rolling Under/Over Performance - 5 Years



3 Yr Rolling Percentile Ranking - 5 Years

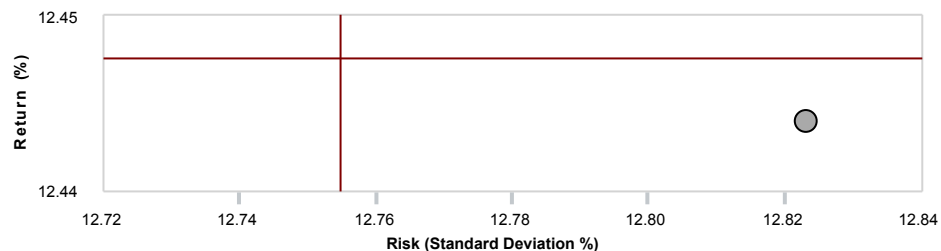


Peer Group Scattergram - 3 Years



	Return	Standard Deviation
● NTGI R1000 Index Fund	15.08	9.18
● Russell 1000 Index	15.01	9.19
— Median	15.02	9.16

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
● NTGI R1000 Index Fund	N/A	N/A
● Russell 1000 Index	12.44	12.82
— Median	12.45	12.75

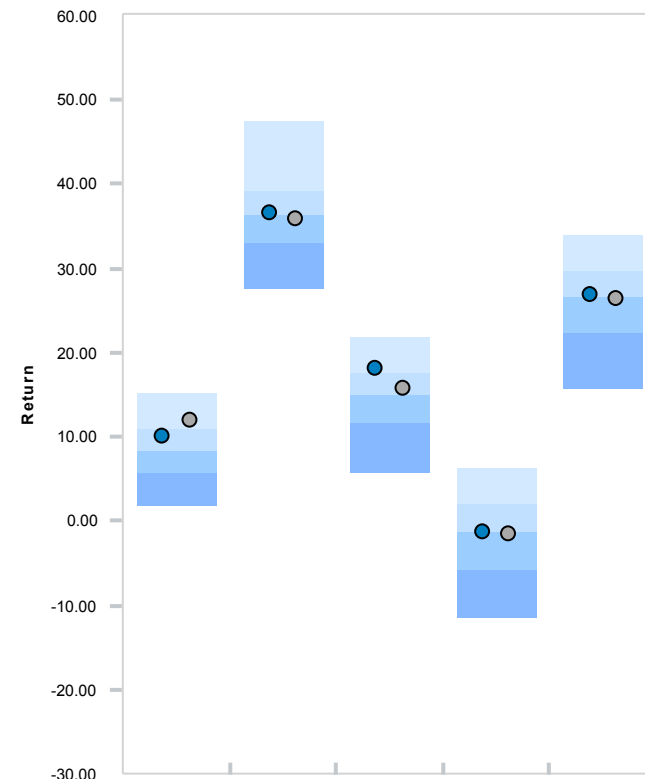
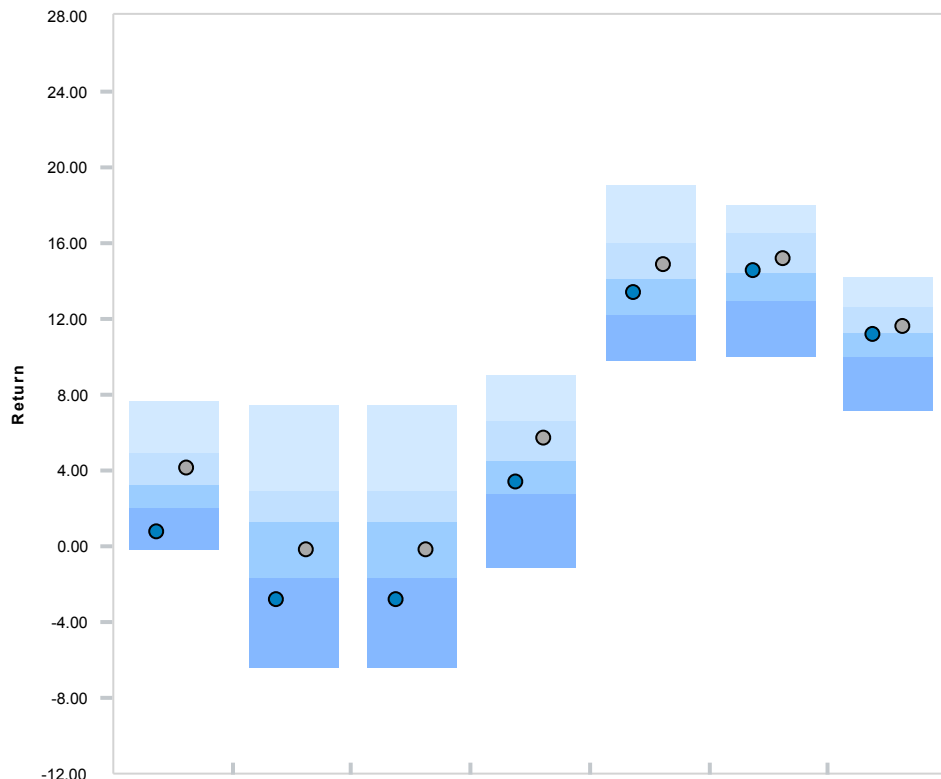
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
NTGI R1000 Index Fund	0.13	100.18	99.79	0.06	0.49	1.39	1.00	5.32
Russell 1000 Index	0.00	100.00	100.00	0.00	N/A	1.39	1.00	5.32

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
NTGI R1000 Index Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 1000 Index	0.00	100.00	100.00	0.00	N/A	1.05	1.00	6.69

Peer Group Analysis - IM U.S. Mid Cap Growth (SA+CF)



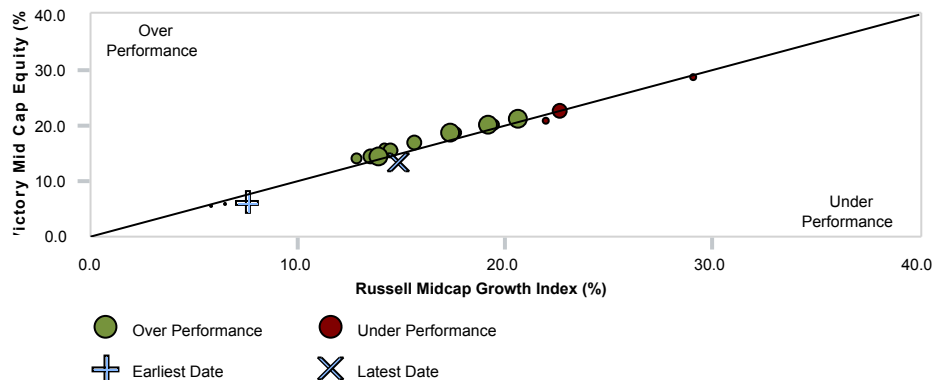
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Victory Mid Cap Equity	0.76 (88)	-2.87 (80)	-2.87 (80)	3.35 (66)	13.38 (66)	14.54 (49)	11.16 (55)
● Russell Midcap Gr Index	4.12 (38)	-0.20 (61)	-0.20 (61)	5.68 (34)	14.88 (41)	15.11 (40)	11.54 (45)
Median	3.26	1.22	1.22	4.49	14.12	14.47	11.25

	2014	2013	2012	2011	2010
● Victory Mid Cap Equity	9.96 (29)	36.47 (49)	18.08 (23)	-1.39 (51)	26.81 (49)
● Russell Midcap Gr Index	11.90 (22)	35.74 (55)	15.81 (43)	-1.65 (51)	26.38 (52)
Median	8.42	36.35	15.06	-1.27	26.65

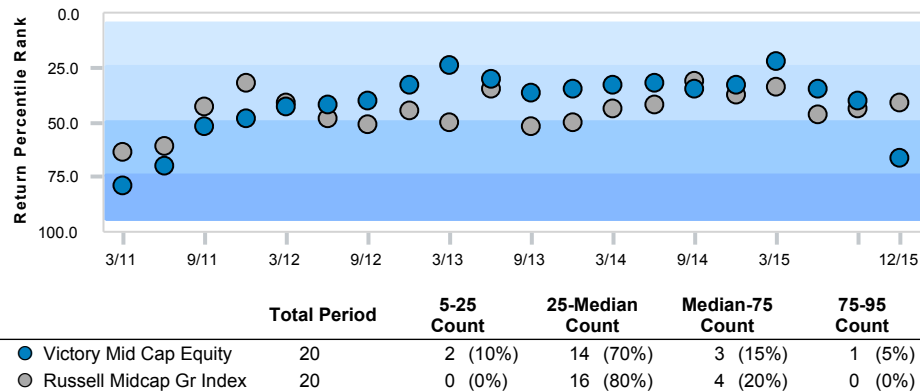
Comparative Performance

	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014
Victory Mid Cap Equity	-10.18 (76)	-0.28 (67)	7.63 (21)	6.85 (31)	-1.12 (40)	3.23 (40)
Russell Midcap Growth Index	-7.99 (44)	-1.14 (82)	5.38 (61)	5.84 (52)	-0.73 (29)	4.37 (14)
IM U.S. Mid Cap Growth (SA+CF)	-8.35	0.66	5.83	5.87	-1.73	2.79

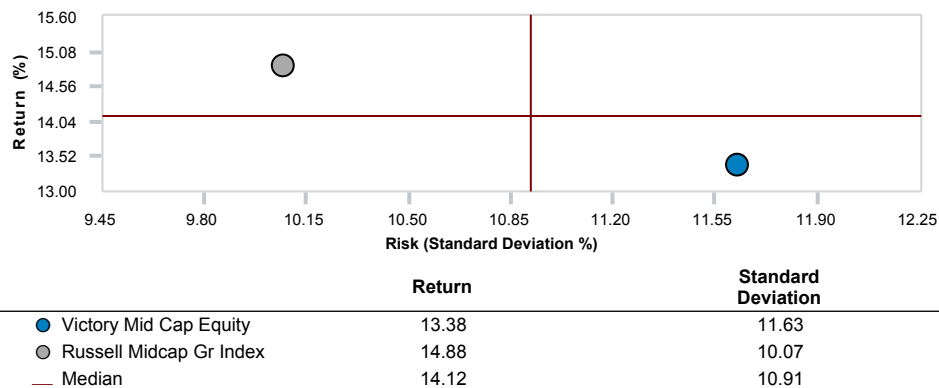
3 Yr Rolling Under/Over Performance - 5 Years



3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



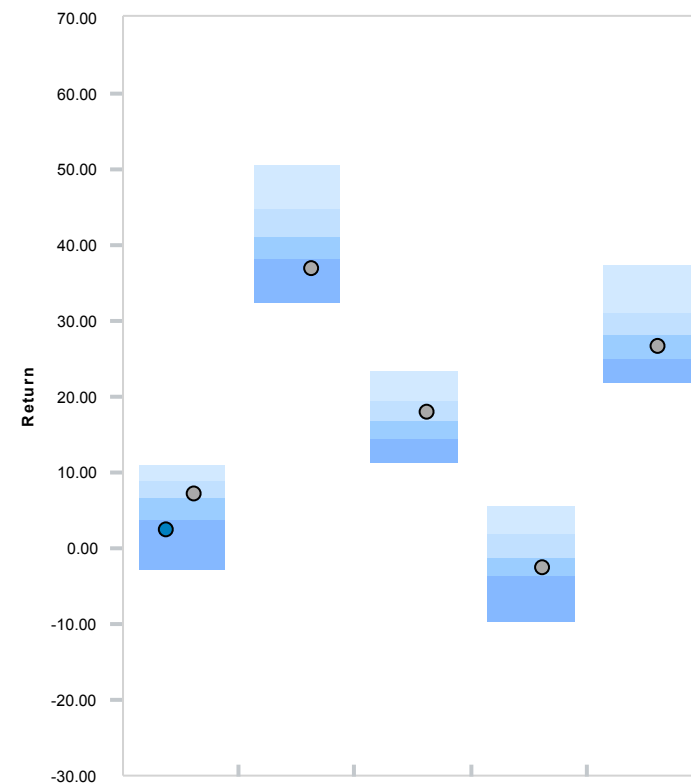
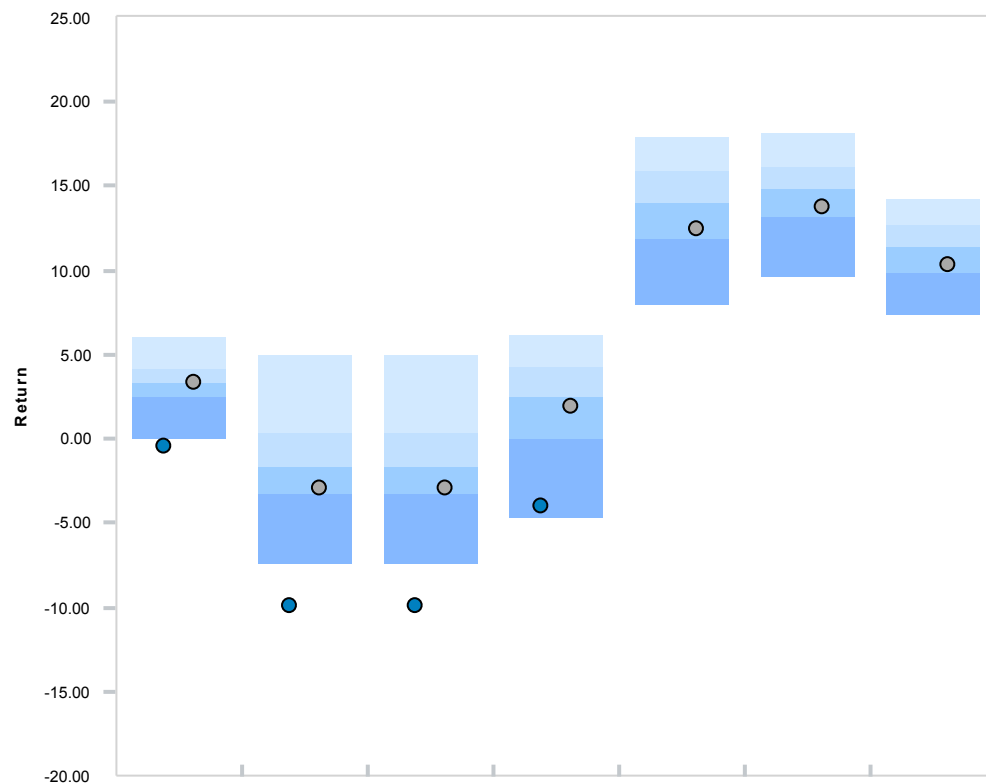
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Victory Mid Cap Equity	3.24	99.57	111.07	-1.54	-0.38	1.11	1.02	6.40
Russell Midcap Growth Index	0.00	100.00	100.00	0.00	N/A	1.28	1.00	5.56

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Victory Mid Cap Equity	3.13	98.76	99.93	-0.30	-0.10	0.83	1.00	8.23
Russell Midcap Growth Index	0.00	100.00	100.00	0.00	N/A	0.87	1.00	7.98

**Peer Group Analysis - IM U.S. Small Cap Core (SA+CF)**



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● SouthernSun SC	-0.48 (98)	-9.96 (97)	-9.96 (97)	-4.04 (95)	N/A	N/A	N/A
● Russell 2500 Index	3.28 (53)	-2.90 (69)	-2.90 (69)	1.96 (56)	12.46 (68)	13.79 (64)	10.32 (70)
Median	3.31	-1.62	-1.62	2.56	13.99	14.82	11.42

	2014	2013	2012	2011	2010
● SouthernSun SC	2.28 (81)	N/A	N/A	N/A	N/A
● Russell 2500 Index	7.07 (47)	36.80 (83)	17.88 (42)	-2.51 (61)	26.71 (65)
Median	6.65	40.96	16.86	-1.38	28.10

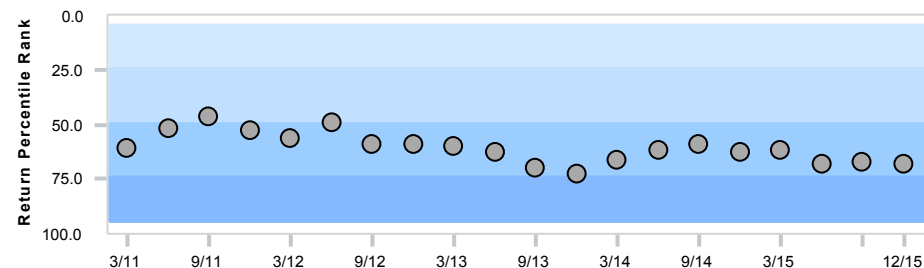
**Comparative Performance**

	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014
SouthernSun SC	-13.42 (94)	-1.66 (94)	6.26 (25)	-2.89 (99)	-4.93 (27)	8.80 (1)
Russell 2500 Index	-10.30 (63)	-0.34 (66)	5.17 (47)	6.77 (77)	-5.35 (39)	3.57 (28)
IM U.S. Small Cap Core (SA+CF)	-9.72	0.39	5.04	8.77	-5.72	2.62

### 3 Yr Rolling Under/Over Performance - 5 Years

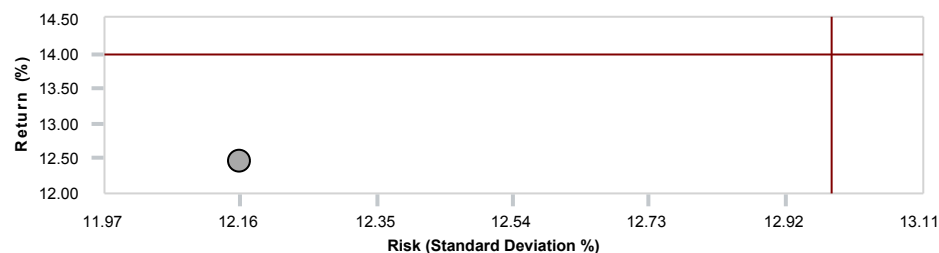
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### 3 Yr Rolling Percentile Ranking - 5 Years



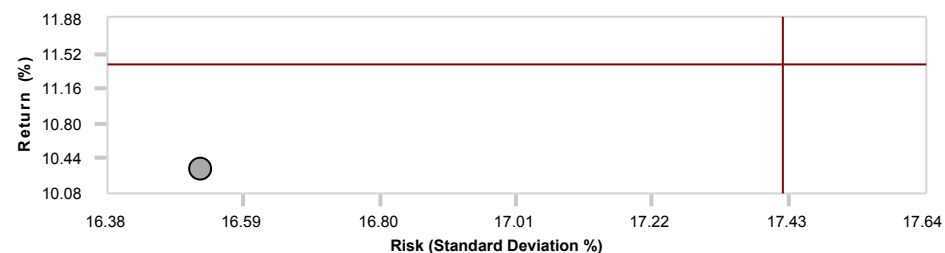
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
● SouthernSun SC	0	0	0	0	0
○ Russell 2500 Index	20	0 (0%)	2 (10%)	18 (90%)	0 (0%)

### Peer Group Scattergram - 3 Years



	Return	Standard Deviation
● SouthernSun SC	N/A	N/A
○ Russell 2500 Index	12.46	12.16
— Median	13.99	12.98

### Peer Group Scattergram - 5 Years



	Return	Standard Deviation
● SouthernSun SC	N/A	N/A
○ Russell 2500 Index	10.32	16.53
— Median	11.42	17.42

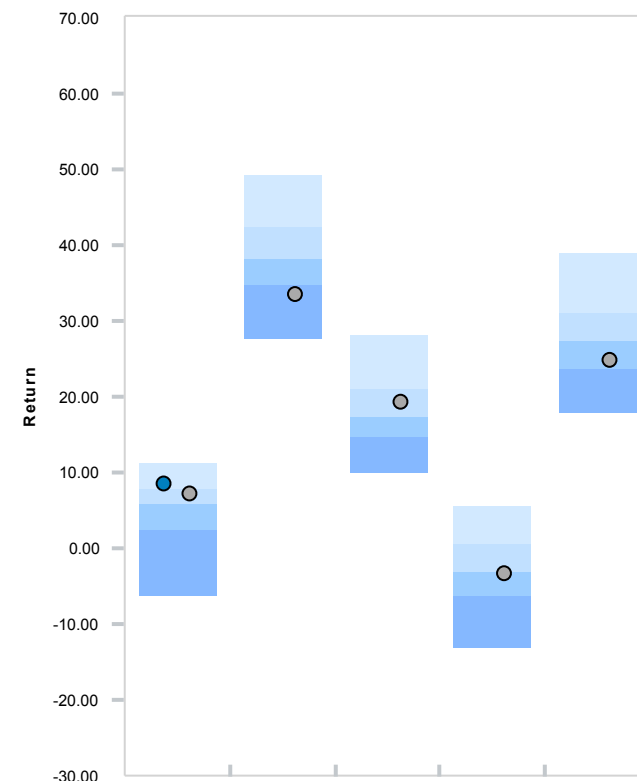
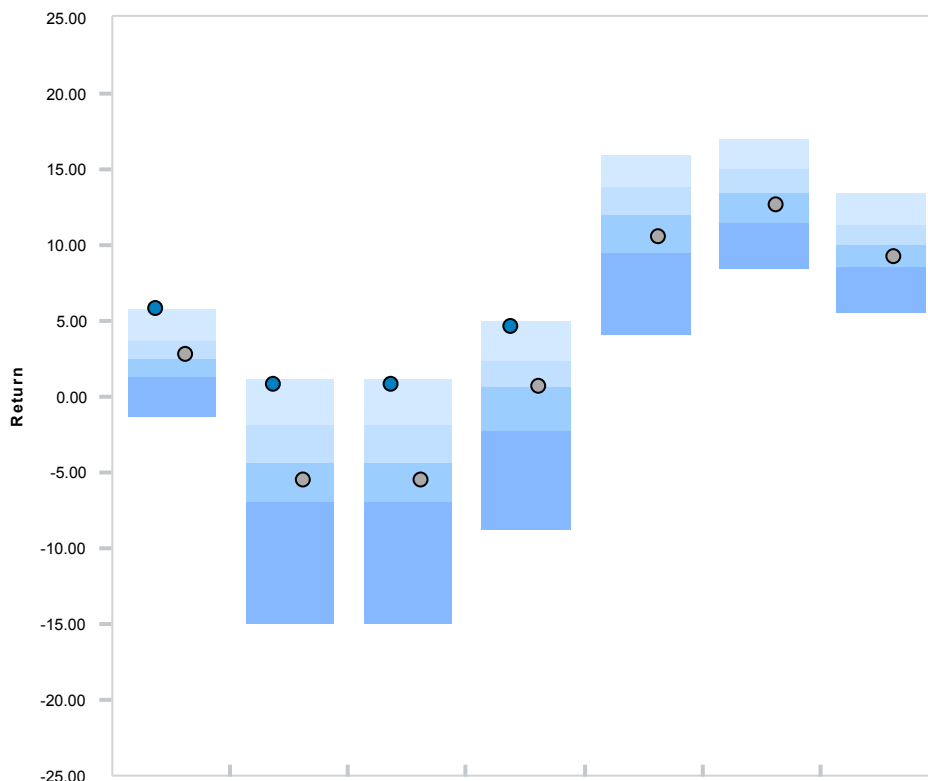
### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
SouthernSun SC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 2500 Index	0.00	100.00	100.00	0.00	N/A	1.01	1.00	7.11

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
SouthernSun SC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 2500 Index	0.00	100.00	100.00	0.00	N/A	0.74	1.00	9.00

**Peer Group Analysis - IM U.S. Small Cap Value (SA+CF)**



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Fisher SCC	5.78 (6)	0.82 (8)	0.82 (8)	4.59 (8)	N/A	N/A	N/A
● Russell 2500 Value Index	2.78 (42)	-5.49 (65)	-5.49 (65)	0.61 (52)	10.51 (67)	12.63 (61)	9.23 (64)
Median	2.45	-4.33	-4.33	0.69	12.02	13.43	9.98

	2014	2013	2012	2011	2010
● Fisher SCC	8.50 (19)	N/A	N/A	N/A	N/A
● Russell 2500 Value Index	7.11 (35)	33.32 (82)	19.21 (39)	-3.36 (53)	24.82 (68)
Median	5.71	38.10	17.48	-3.20	27.38

**Comparative Performance**

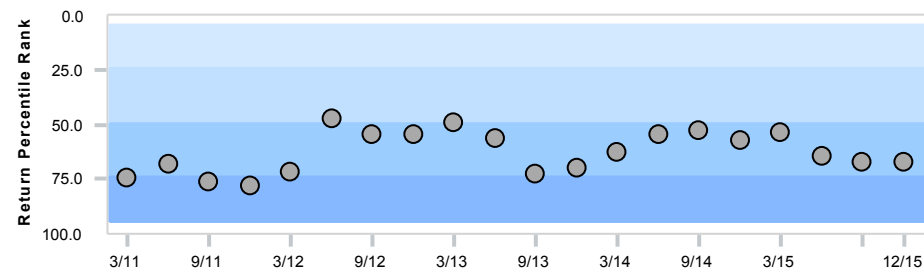
	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014
Fisher SCC	-8.27 (27)	-0.01 (49)	3.91 (34)	5.40 (79)	-2.14 (1)	2.23 (71)
Russell 2500 Value Index	-9.58 (47)	-1.27 (81)	3.02 (53)	6.09 (72)	-6.40 (40)	4.20 (28)
IM U.S. Small Cap Value (SA+CF)	-9.80	-0.06	3.11	7.69	-6.77	3.03



**3 Yr Rolling Under/Over Performance - 5 Years**

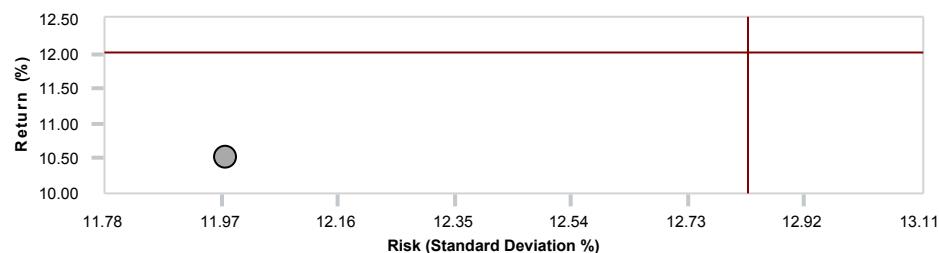
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**3 Yr Rolling Percentile Ranking - 5 Years**



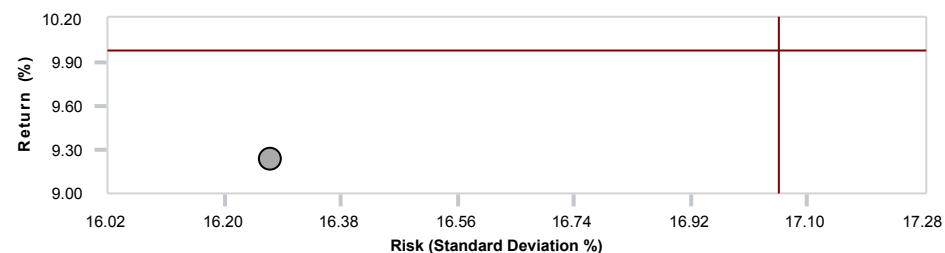
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Fisher SCC	0	0	0	0	0
Russell 2500 Value Index	20	0 (0%)	2 (10%)	16 (80%)	2 (10%)

**Peer Group Scattergram - 3 Years**



	Return	Standard Deviation
Fisher SCC	N/A	N/A
Russell 2500 Value Index	10.51	11.98
Median	12.02	12.83

**Peer Group Scattergram - 5 Years**



	Return	Standard Deviation
Fisher SCC	N/A	N/A
Russell 2500 Value Index	9.23	16.27
Median	9.98	17.05

**Historical Statistics - 3 Years**

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Fisher SCC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 2500 Value Index	0.00	100.00	100.00	0.00	N/A	0.89	1.00	7.14

**Historical Statistics - 5 Years**

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Fisher SCC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 2500 Value Index	0.00	100.00	100.00	0.00	N/A	0.70	1.00	8.90

**First Eagle - Portfolio Description**

- Strategy: International Value
- Vehicle: Mutual Fund  
SGOIX
- Objective: To outperform the MSCI EAFE Index
- Annual fees: .75% on all assets
- Benchmark: MSCI EAFE Index

**First Eagle - Strategy Details**

The funds seeks long-term growth of capital by investing primarily in equities issued by non-US corporations. The Global Value investment team emphasizes value criteria in order to identify companies realizing substantial profits and trading at what they believe are discounts to their intrinsic values. Their primary source of value- the identification of quality businesses based on in-depth, bottom-up research and investing in those businesses for the long-term- remains constant.

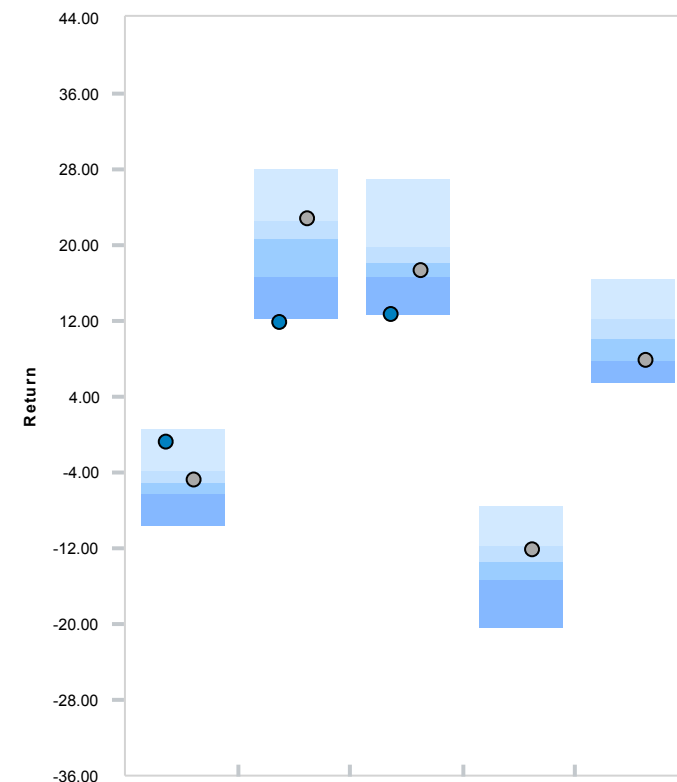
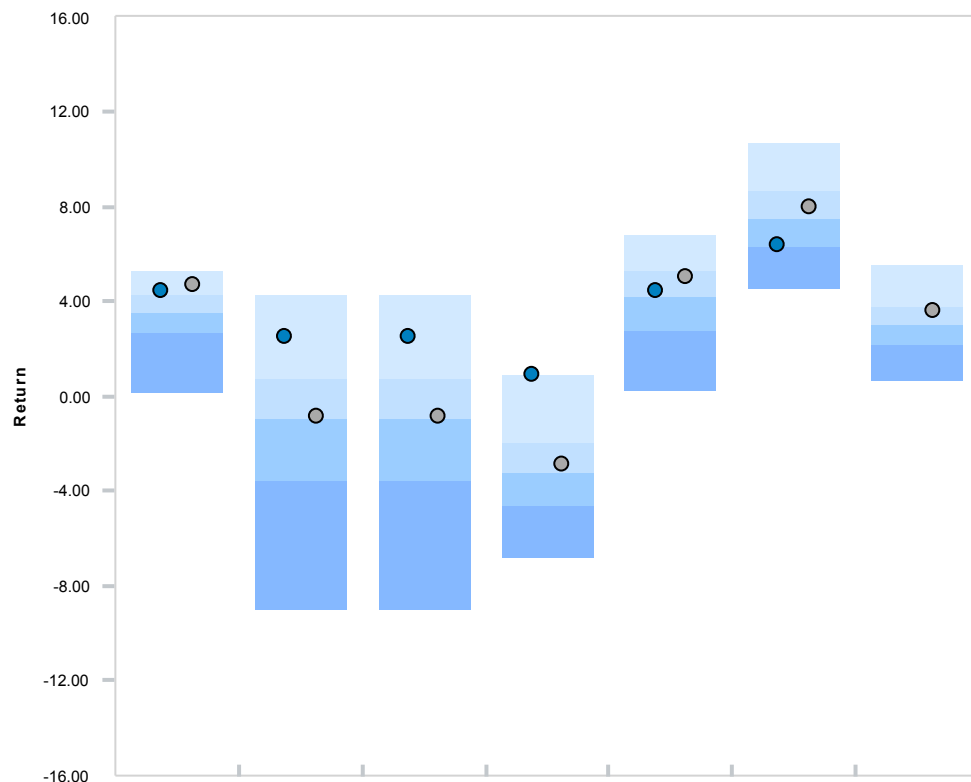
**Hexavest - Portfolio Description**

- Strategy: International Equity
- Vehicle: Commingled Fund
- Objective: To outperform the MSCI EAFE Index
- Annual fees: .60% on first \$10M  
.50% on next \$30M  
.40% on thereafter
- Benchmark: MSCI EAFE Index

**Hexavest - Strategy Details**

Hexavest's investment philosophy consists of actively managing all drivers of performance (regional, country, sector, currency allocations, and stock selection), to maximize the chances of success while minimizing the portfolio's risk. A great emphasis is placed on preserving client capital; therefore, at times a value bias is apparent. Hexavest possesses an edge in analyzing macroeconomic factors and in identifying excesses at the stock selection level. Therefore, the Hexavest process is predominantly top-down. Due to the vast quantity of financial and economic data, the Hexavest team has developed quantitative models aimed at supporting fundamental research.

**Peer Group Analysis - IM International Multi-Cap Core Equity (MF)**

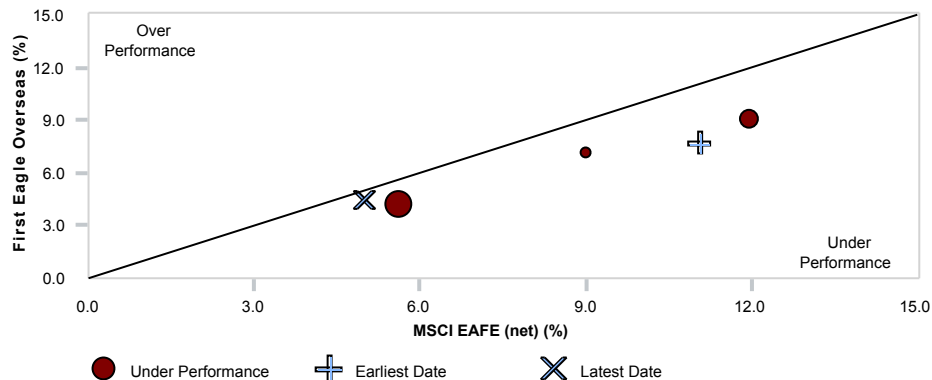


	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR		2014	2013	2012	2011	2010
● First Eagle Overseas	4.49 (17)	2.56 (8)	2.56 (8)	0.89 (6)	4.43 (46)	6.41 (72)	N/A	● First Eagle Overseas	-0.75 (9)	11.88 (97)	12.58 (96)	N/A	N/A
● MSCI EAFE (net)	4.71 (14)	-0.81 (46)	-0.81 (46)	-2.88 (41)	5.01 (31)	7.96 (39)	3.60 (30)	● MSCI EAFE (net)	-4.90 (49)	22.78 (23)	17.32 (66)	-12.14 (30)	7.75 (74)
Median	3.54	-0.96	-0.96	-3.23	4.25	7.51	3.01	Median	-5.00	20.53	18.04	-13.43	10.01

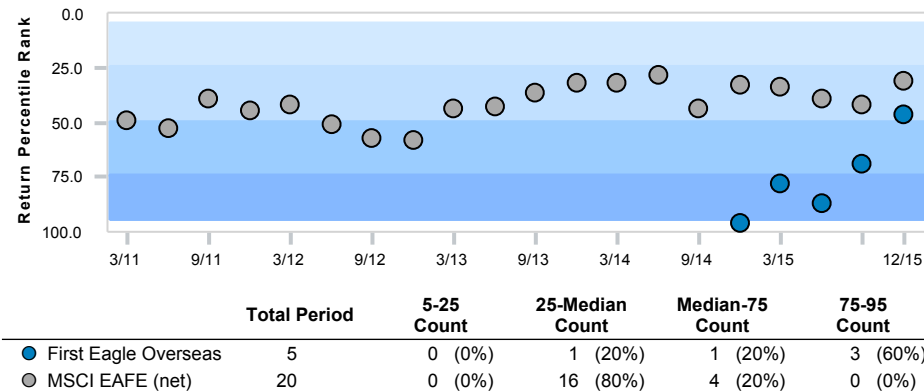
**Comparative Performance**

	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014
First Eagle Overseas	-7.71 (9)	0.94 (56)	5.36 (31)	-2.65 (29)	-4.96 (19)	3.32 (71)
MSCI EAFE (net)	-10.23 (62)	0.62 (71)	4.88 (49)	-3.57 (45)	-5.88 (58)	4.09 (46)
IM International Multi-Cap Core Equity (MF) Median	-9.95	1.04	4.78	-3.81	-5.65	4.02

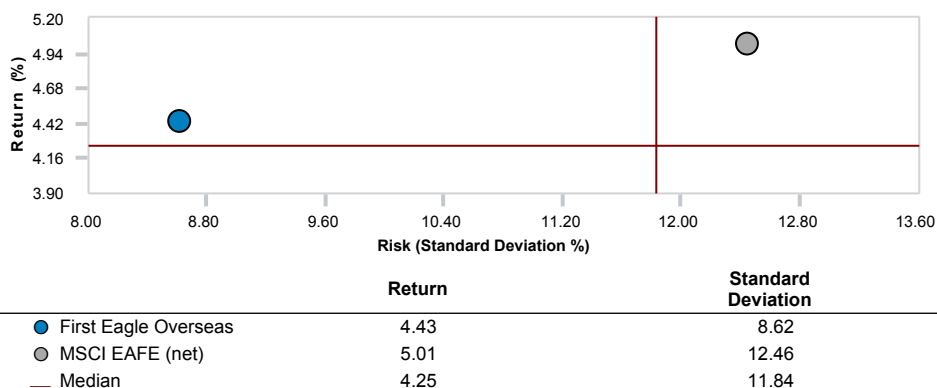
### 3 Yr Rolling Under/Over Performance - 5 Years



### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



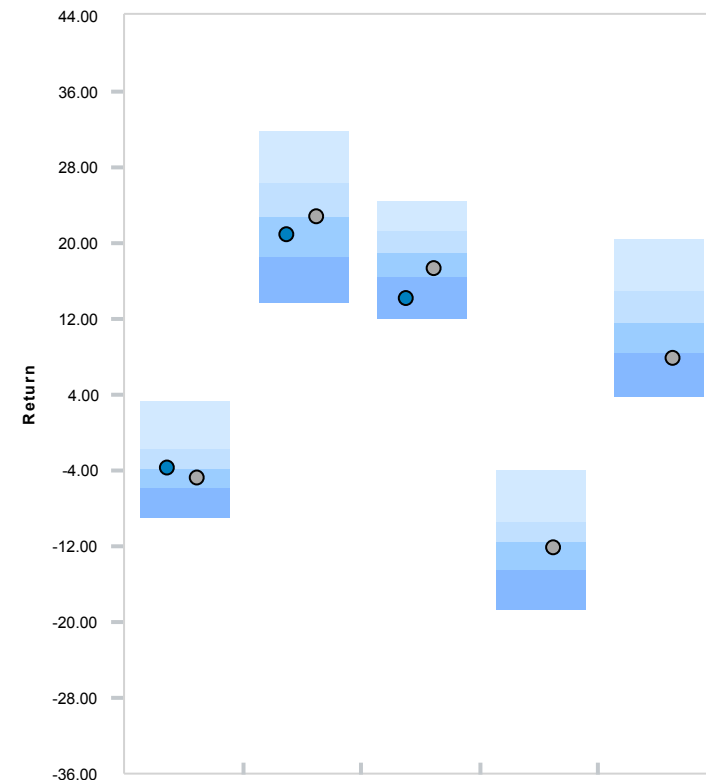
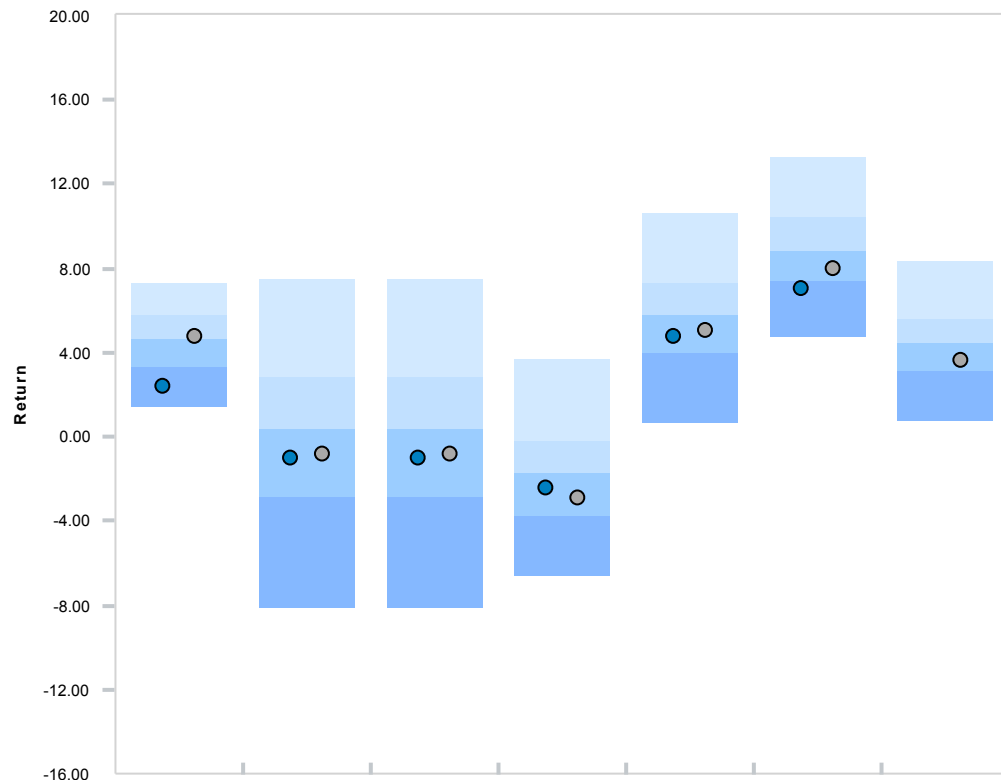
### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
First Eagle Overseas	7.53	64.67	57.58	1.56	-0.13	0.54	0.56	4.74
MSCI EAFE (net)	0.00	100.00	100.00	0.00	N/A	0.45	1.00	7.42

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
First Eagle Overseas	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI EAFE (net)	0.00	100.00	100.00	0.00	N/A	0.31	1.00	10.16

Peer Group Analysis - IM International Large Cap Equity (SA+CF)



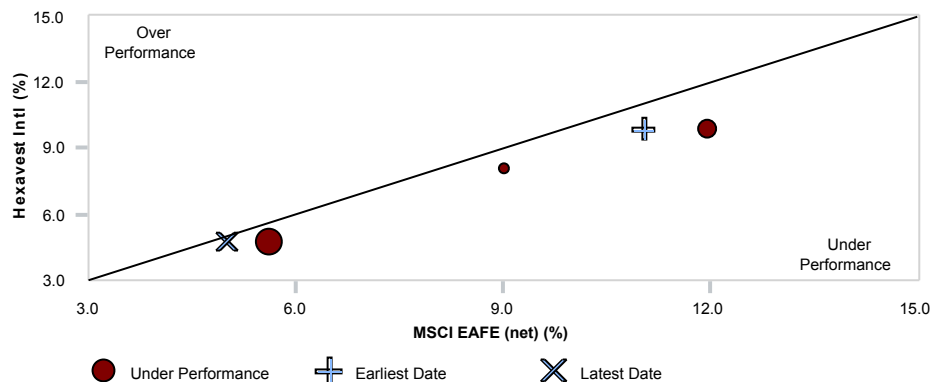
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Hexavest Intl	2.42 (89)	-0.99 (63)	-0.99 (63)	-2.44 (60)	4.75 (67)	7.04 (80)	N/A
● MSCI EAFE (net)	4.71 (48)	-0.81 (61)	-0.81 (61)	-2.88 (65)	5.01 (63)	7.96 (66)	3.60 (69)
Median	4.65	0.37	0.37	-1.71	5.78	8.81	4.51

	2014	2013	2012	2011	2010
● Hexavest Intl	-3.87 (51)	20.77 (62)	14.21 (90)	N/A	N/A
● MSCI EAFE (net)	-4.90 (63)	22.78 (50)	17.32 (66)	-12.14 (56)	7.75 (80)
Median	-3.75	22.68	19.05	-11.55	11.57

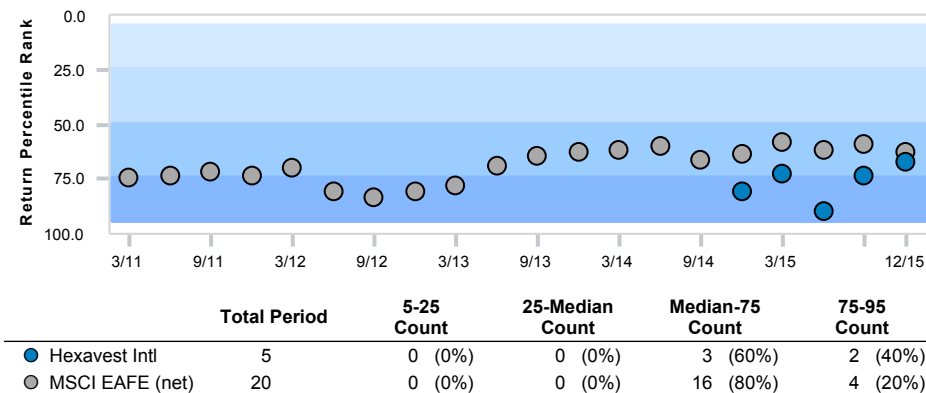
Comparative Performance

	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014
Hexavest Intl	-7.04 (9)	0.15 (83)	3.83 (74)	-4.00 (74)	-3.65 (13)	4.59 (36)
MSCI EAFE (net)	-10.23 (56)	0.62 (74)	4.88 (50)	-3.57 (67)	-5.88 (69)	4.09 (50)
IM International Large Cap Equity (SA+CF) Median	-10.00	1.45	4.87	-2.86	-5.35	4.06

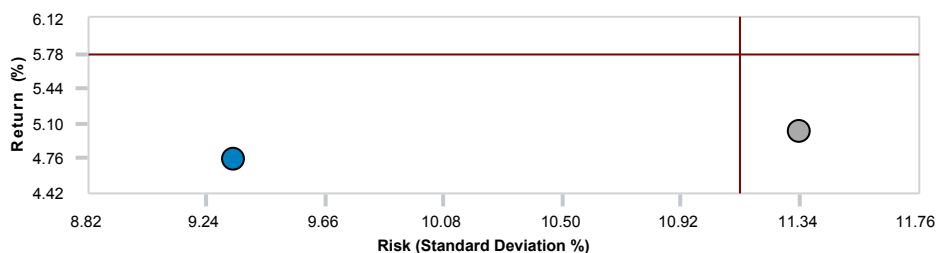
### 3 Yr Rolling Under/Over Performance - 5 Years



### 3 Yr Rolling Percentile Ranking - 5 Years

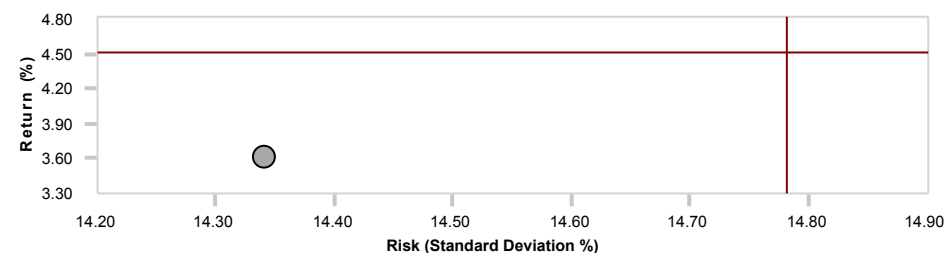


### Peer Group Scattergram - 3 Years



	Return	Standard Deviation
● Hexavest Intl	4.75	9.34
● MSCI EAFE (net)	5.01	11.34
— Median	5.78	11.13

### Peer Group Scattergram - 5 Years



	Return	Standard Deviation
● Hexavest Intl	N/A	N/A
● MSCI EAFE (net)	3.60	14.34
— Median	4.51	14.78

### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Hexavest Intl	2.86	88.70	87.46	0.46	-0.16	0.49	0.84	6.40
MSCI EAFE (net)	0.00	100.00	100.00	0.00	N/A	0.45	1.00	7.42

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Hexavest Intl	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI EAFE (net)	0.00	100.00	100.00	0.00	N/A	0.31	1.00	10.16

**PNC Core FI - Portfolio Description**

- Strategy: Core Plus Fixed Income
- Vehicle: Separately Managed Account
- Objective: To outperform the Barclays Int G/C
- Annual fees: \$2.50 per \$1,000 (.0025) on all assets
- Benchmark: Barclays Intermediate Govt/Credit

**PNC Core FI - Strategy Details**

The Core Fixed Income strategy invests in a diversified portfolio of investment grade fixed income securities. The strategy invests in fixed income securities of all types, including obligations of corporate and U.S. government issuers, mortgage-backed and asset-backed securities. The firm's portfolio managers seek to add value by emphasizing market sectors and individual securities that, based on historical yield relationships, represent an attractive valuation.

PNC Capital Advisors, LLC Fixed Income strategies combine comprehensive top-down economic and financial market analysis with a bottom-up approach to security selection. The Fixed Income Team is focused on managing a portfolio's sector and security exposure through fundamental economic, financial market and security research.

**Brandywine Global FI - Portfolio Description**

- Strategy: Global Opportunistic Fixed Income
- Vehicle: Commingled Fund
- Objective: To outperform the Barclays Global Aggregate Index
- Annual fees: .45% on all assets
- Benchmark: Barclays Global Aggregate Index

**Brandywine Global FI - Strategy Details**

Brandywine Global's Fixed Income philosophy is a value-driven, active, strategic approach. The Opportunistic Fixed Income strategy allows for a 0-15% allocation to emerging markets and for a 0-15% allocation to high yield debt. They believe this approach is ideally suited to the asset class, as each country, and sector exhibit unique valuation parameters. They believe that a client's portfolio should be invested in markets with, above-average value. Value is defined as a combination of above-average real interest rates and an under-valued currency. They typically concentrate investments where existing economic and market conditions can enable that value to be realized in an intermediate time frame

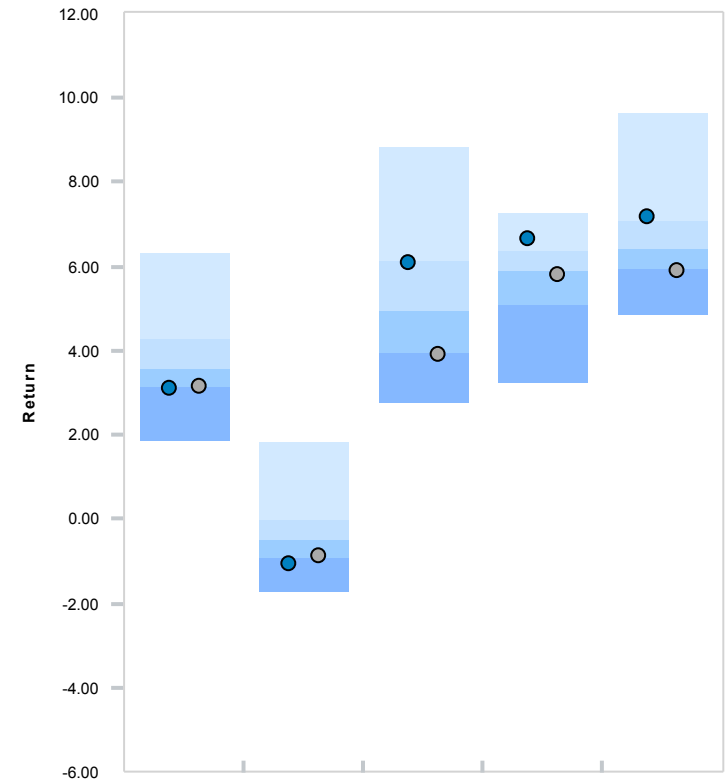
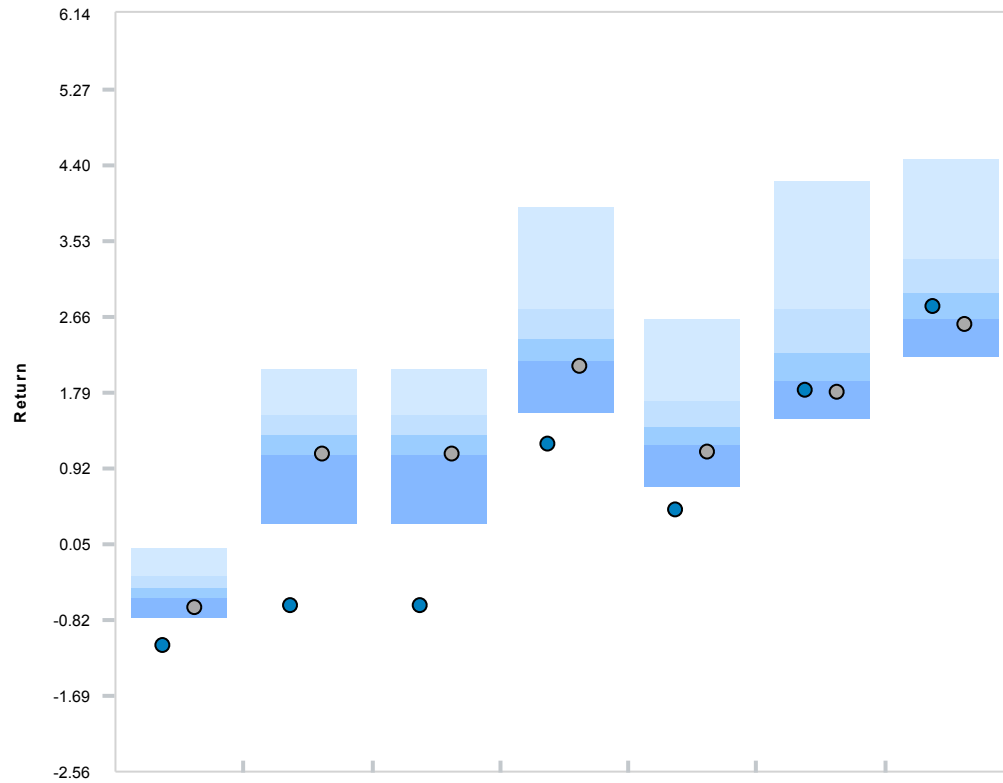
**Templeton Global - Portfolio Description**

- Strategy: Global Multi-sector Plus
- Vehicle: Commingled Fund
- Objective: To outperform the JP Morgan Global Govt Bond
- Annual fees: .62% on all assets
- Benchmark: JP Morgan Global Govt Bond

**Templeton Global - Strategy Details**

This is an opportunistic, high alpha strategy that is not benchmark-driven, but rather takes a long-term total return approach to investing. Portfolio weightings are determined by value in the market, rather than weight in the benchmark. The strategy team seeks to identify economic imbalances that may lead to value opportunities in interest rates (duration), currencies, sovereign credit, corporate/spread sectors and bottom-up security selection. Active positioning across these areas aims to precisely isolate desired exposures.

Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● PNC Invst Mgmt.	-1.12 (99)	-0.66 (99)	-0.66 (99)	1.19 (99)	0.44 (100)	1.82 (85)	2.78 (65)
● BC Inter G/C	-0.69 (90)	1.07 (76)	1.07 (76)	2.09 (80)	1.10 (87)	1.79 (89)	2.58 (79)
Median	-0.44	1.30	1.30	2.41	1.39	2.24	2.94

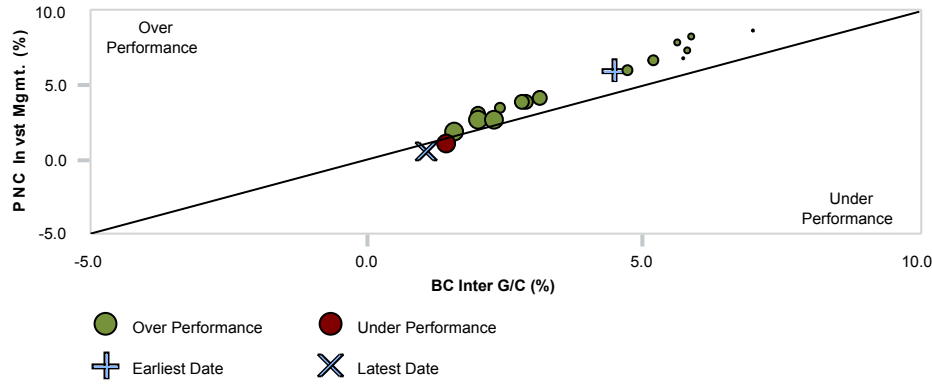
	2014	2013	2012	2011	2010
● PNC Invst Mgmt.	3.07 (78)	-1.05 (82)	6.10 (26)	6.67 (13)	7.16 (23)
● BC Inter G/C	3.13 (75)	-0.86 (71)	3.89 (77)	5.80 (53)	5.89 (77)
Median	3.55	-0.51	4.92	5.87	6.41

Comparative Performance

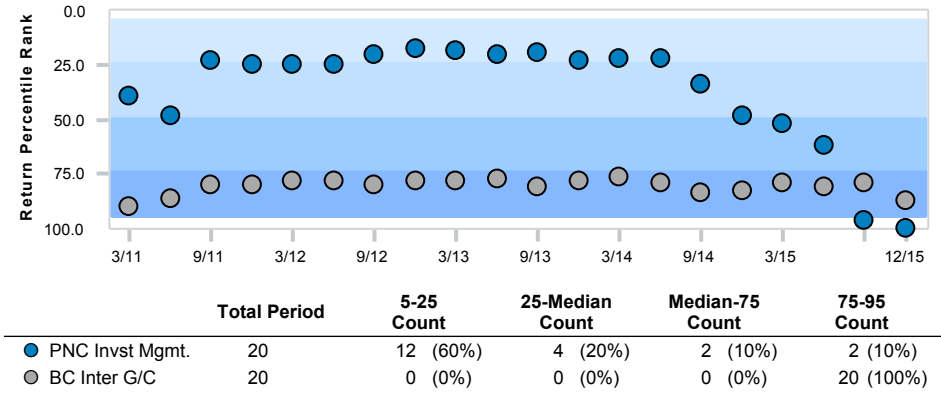
	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014
PNC Invst Mgmt.	-0.27 (98)	-0.54 (33)	1.28 (85)	0.51 (89)	-0.19 (95)	1.44 (43)
BC Inter G/C	0.95 (49)	-0.62 (55)	1.45 (59)	0.89 (59)	-0.03 (63)	1.23 (76)
IM U.S. Intermediate Duration (SA+CF) Median	0.93	-0.61	1.47	0.93	0.01	1.40



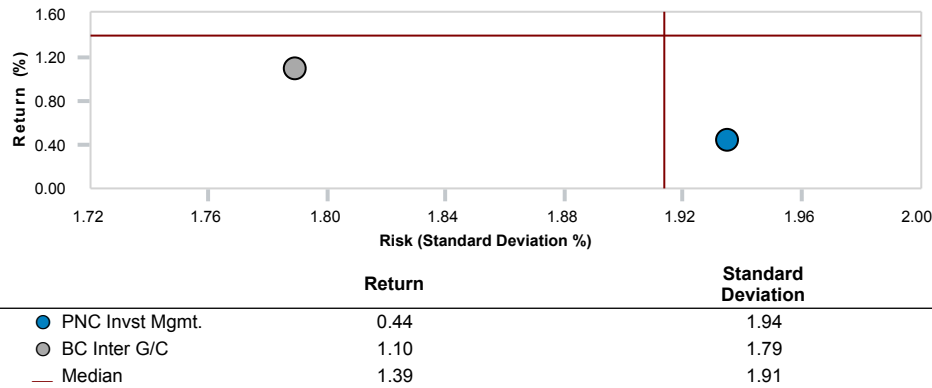
3 Yr Rolling Under/Over Performance - 5 Years



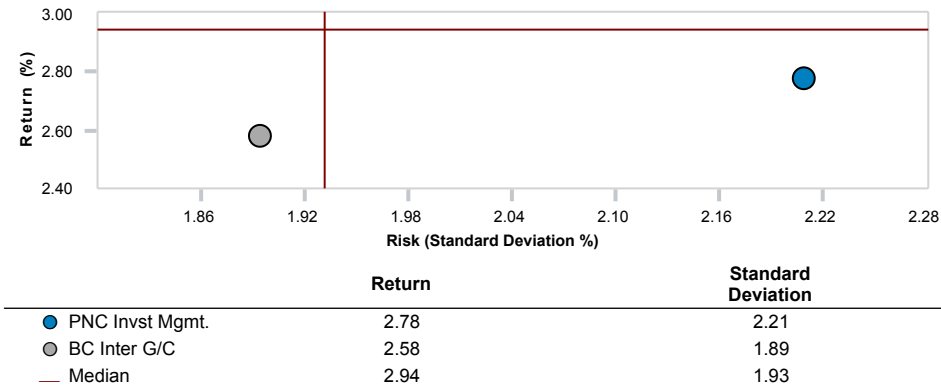
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
PNC Invst Mgmt.	0.99	87.28	108.17	-0.61	-0.66	0.19	0.96	1.64
BC Inter G/C	0.00	100.00	100.00	0.00	N/A	0.51	1.00	1.29

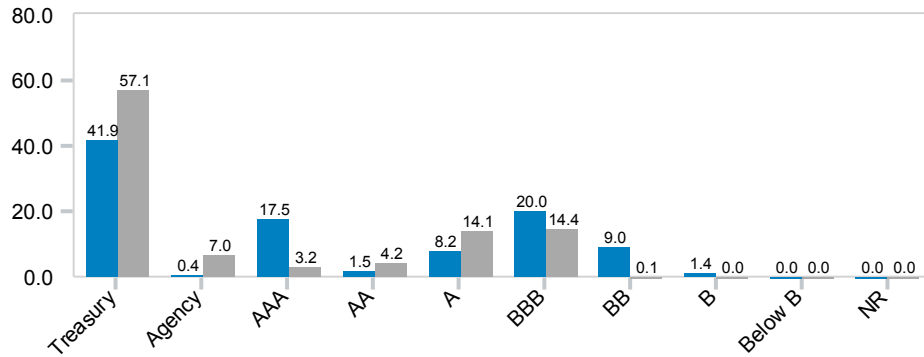
Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
PNC Invst Mgmt.	1.11	104.13	98.69	0.15	0.18	1.15	1.02	1.34
BC Inter G/C	0.00	100.00	100.00	0.00	N/A	1.23	1.00	1.03

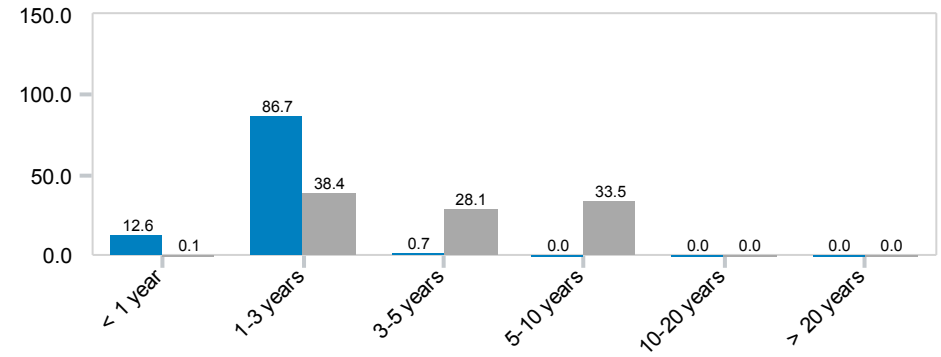
**Portfolio Characteristics**

	Portfolio	Benchmark
Avg. Maturity	4.28	4.31
Avg. Quality	Aa1	AA2/AA3
Coupon Rate (%)	1.50	2.50
Current Yield	1.50	2.47
Effective Duration	1.67	3.97

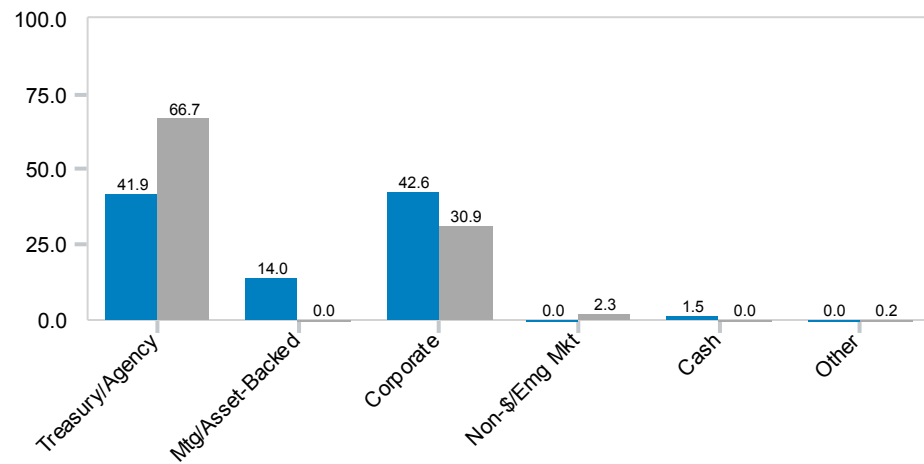
**Credit Quality Distribution (%)**



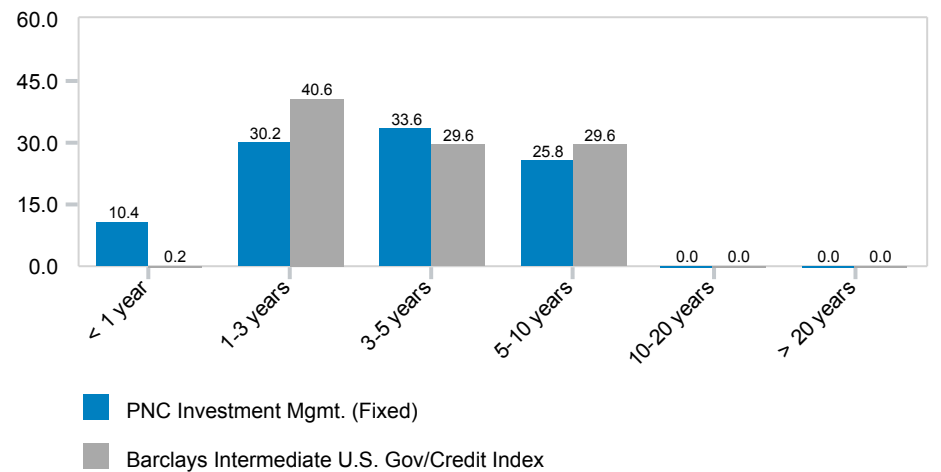
**Maturity Distribution (%)**



**Sector Distribution (%)**



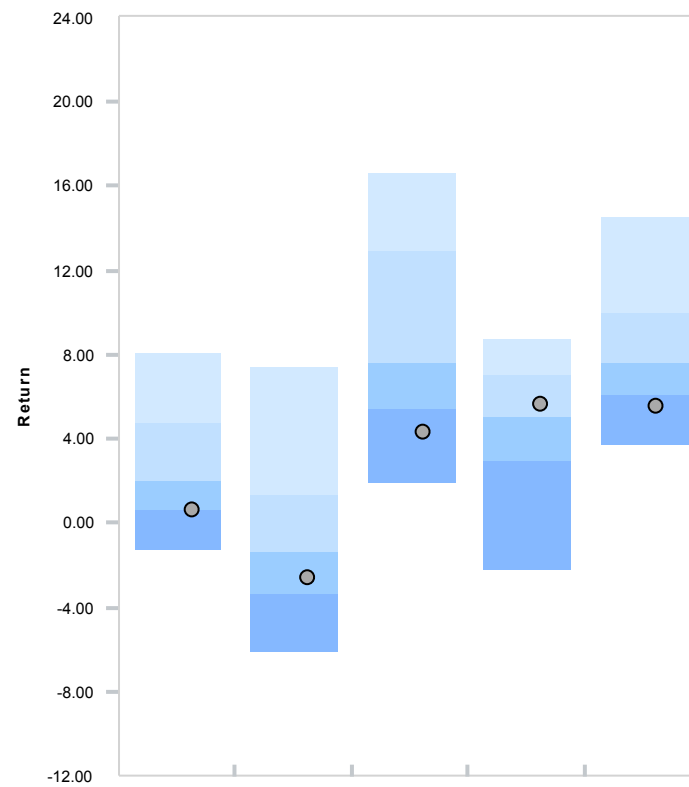
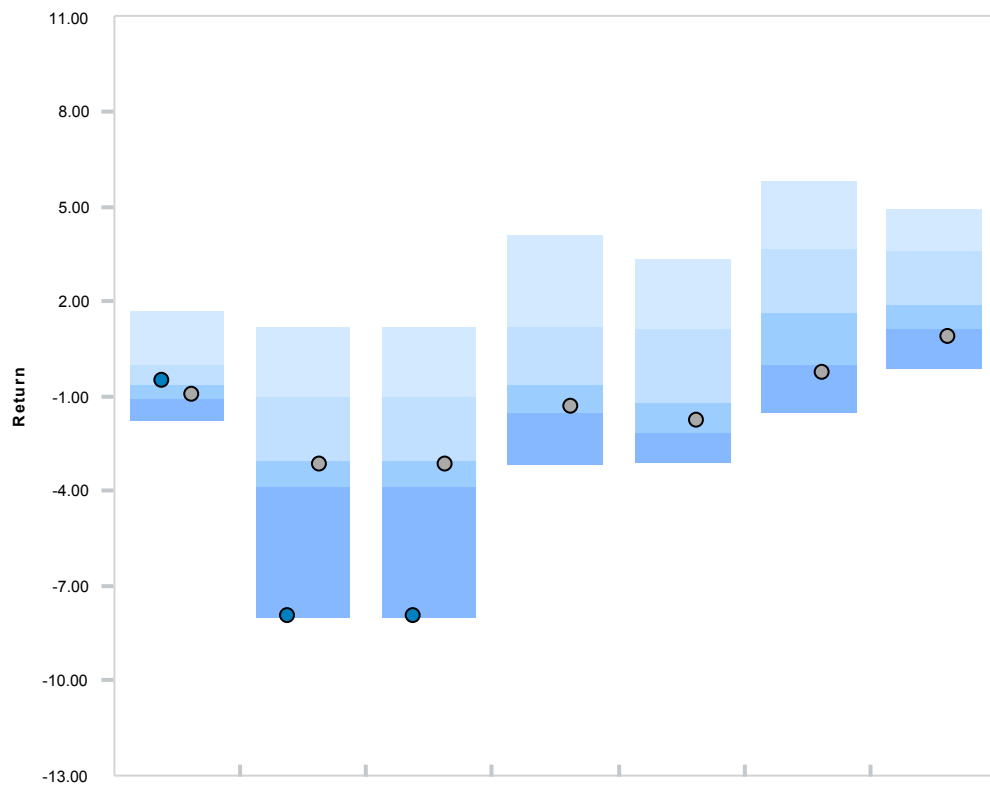
**Duration Distribution (%)**



■ PNC Investment Mgmt. (Fixed)  
■ Barclays Intermediate U.S. Gov/Credit Index

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Peer Group Analysis - IM Global Unhedged Fixed Income (SA+CF)



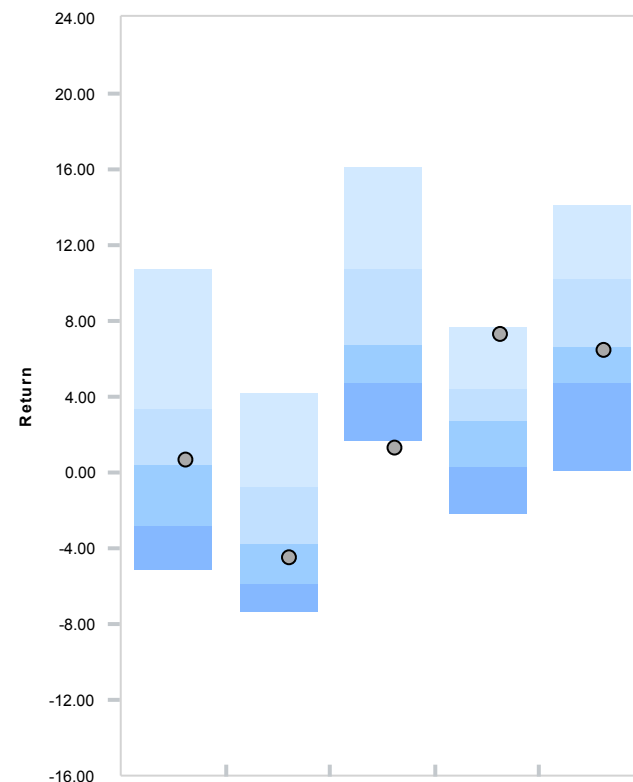
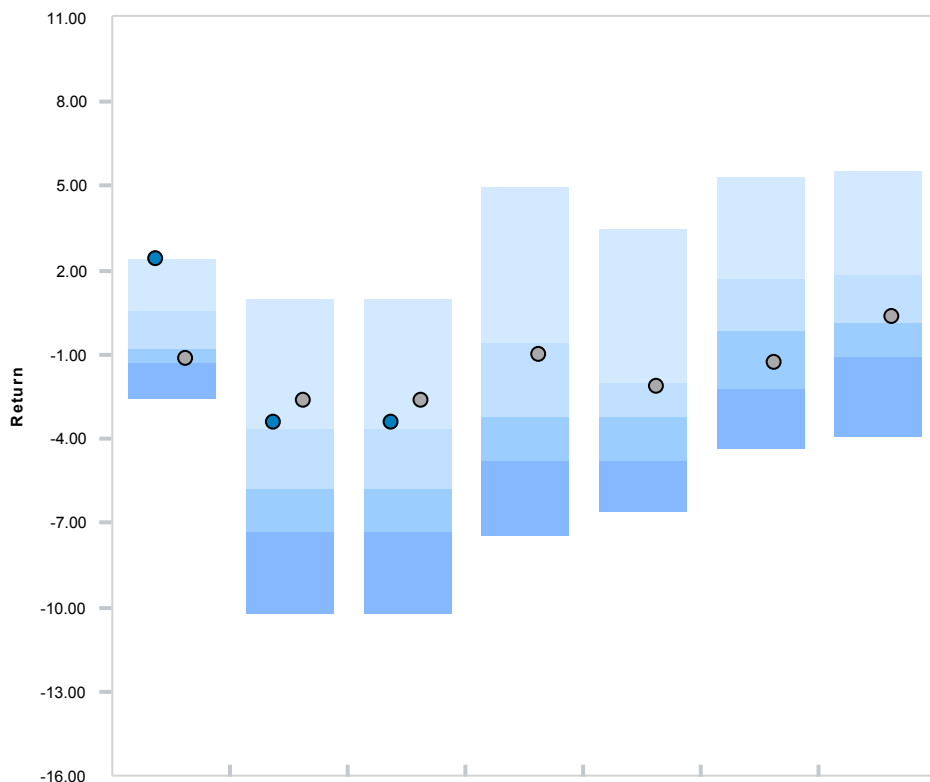
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Brandywine Global	-0.49 (46)	-7.93 (94)	-7.93 (94)	N/A	N/A (46)	N/A	N/A
● BC Global Agg	-0.92 (68)	-3.15 (53)	-3.15 (53)	-1.30 (72)	-1.74 (63)	-0.26 (83)	0.90 (82)
Median	-0.60	-3.03	-3.03	-0.63	-1.19	1.66	1.90

	2014	2013	2012	2011	2010
● Brandywine Global	N/A	N/A	N/A	N/A	N/A
● BC Global Agg	0.59 (76)	-2.60 (65)	4.32 (82)	5.64 (40)	5.54 (87)
Median	2.04	-1.37	7.61	5.07	7.65

Comparative Performance

	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014
Brandywine Global	-4.19 (89)	-3.26 (97)	-0.17 (44)	0.07 (31)	-2.04 (50)	4.10 (6)
BC Global Agg	0.85 (17)	-1.18 (48)	-1.92 (82)	-1.04 (58)	-3.14 (80)	2.47 (54)
IM Global Unhedged Fixed Income (SA+CF) Median	-0.29	-1.29	-0.38	-0.91	-2.14	2.55

Peer Group Analysis - IM International Fixed Income (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Templeton Gbl Multi Plus	2.37 (6)	-3.43 (24)	-3.43 (24)	N/A	N/A	N/A	N/A
● JPM Gbl Govt Bond	-1.15 (65)	-2.61 (20)	-2.61 (20)	-0.98 (27)	-2.17 (27)	-1.31 (63)	0.34 (44)
Median	-0.78	-5.80	-5.80	-3.19	-3.19	-0.15	0.16

	2014	2013	2012	2011	2010
● Templeton Gbl Multi Plus	N/A	N/A	N/A	N/A	N/A
● JPM Gbl Govt Bond	0.67 (47)	-4.49 (63)	1.30 (98)	7.22 (6)	6.42 (53)
Median	0.41	-3.74	6.71	2.75	6.59

Comparative Performance

	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014
Templeton Gbl Multi Plus	-6.20 (92)	-0.08 (12)	0.64 (22)	-1.80 (55)	-0.78 (29)	2.88 (31)
JPM Gbl Govt Bond	2.03 (2)	-1.68 (49)	-1.79 (55)	-0.91 (29)	-3.29 (56)	2.28 (77)
IM International Fixed Income (MF) Median	-1.38	-1.76	-1.40	-1.68	-2.90	2.58

**American Realty-Portfolio Description**

- Strategy: American Core Realty Fund
- Vehicle: Commingled Fund
- Objective: To outperformed the NCREIF ODCE Fund Index
- Annual fees: 1.10% on first \$25M  
.95% on next \$25-75M  
.80% on greater than \$75M
- Benchmark: NCREIF ODCE Fund Index

**American Realty - Strategy Details**

The Core Fund is an open-end commingled fund with the objective to provide its investors with the opportunity to earn steady income and the potential for market appreciation within a risk-controlled environment through a diversified portfolio of stabilized income-producing institutional real estate assets located in or near major US metropolitan markets.

**Guggenheim Real Estate- Portfolio Description**

- Strategy: Guggenheim Real Estate Plus Trust
- Vehicle: Private Real Estate
- Objective: To outperformed 70% NCREIF / 30% NAREIT
- Annual fees: .60% on first \$10M  
.45% on next \$5M  
.35% on next \$5M  
.25% on next \$10M  
.20% on remaining Net Asset Value
- Benchmark: 70% NCREIF / 30% NAREIT

**Guggenheim Real Estate - Strategy Details**

Invests in both public (approximately 30% portfolio) and private (approximately 70% portfolio) real estate. Public investments consist of 4 separate account REIT strategies (core, large cap, small cap, and absolute return) and an in-house public/private arbitrage portfolio. Private investments consist of direct properties (31 investments), mezzanine financing (8 investments), and 7 fund investments (in order to take advantage of market pricing and portfolio diversification).

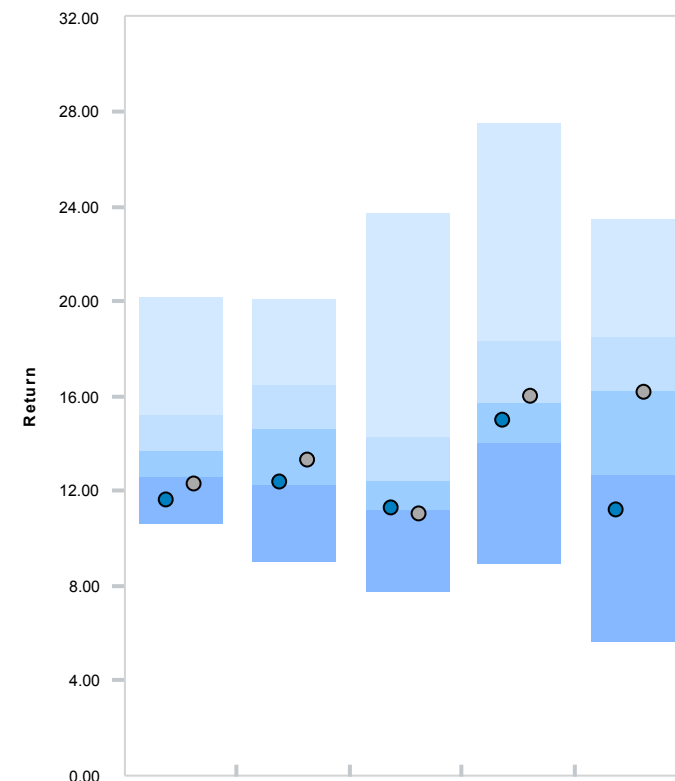
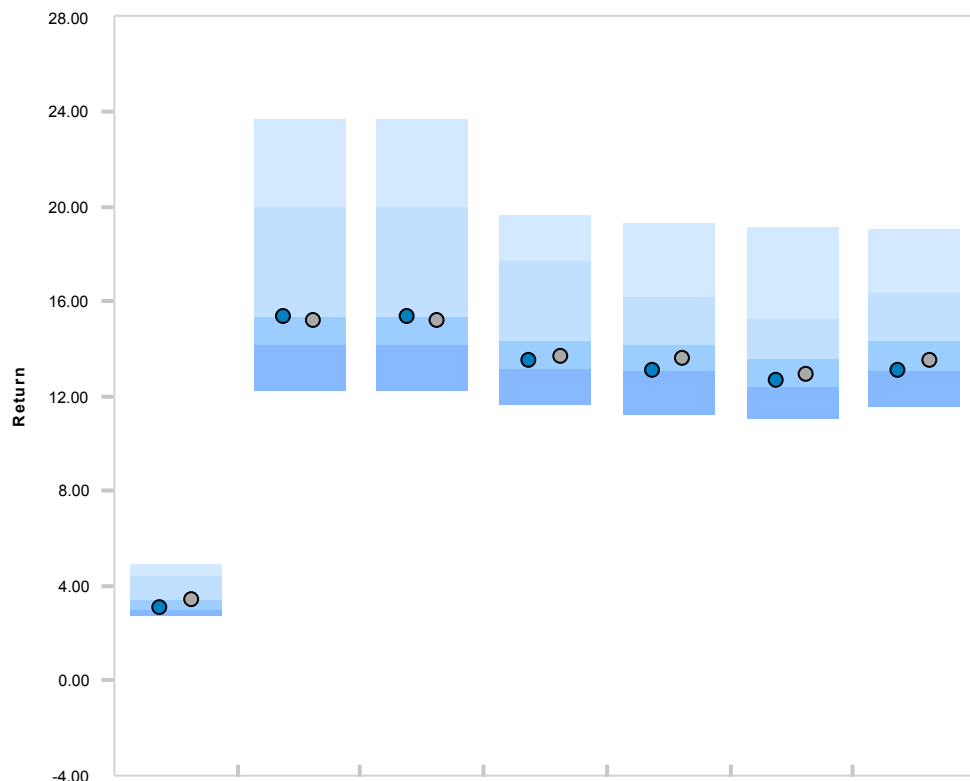
**Mesirow Global Fund II - Portfolio Description**

- Strategy: Global Partnership Fund II
- Vehicle: Real Estate Fund of Funds
- Objective: To outperformed the NCREIF Property Index
- Annual fees: 1.00% on all assets
- Performance Fee: 10% (10% Hurdle Rate)
- Benchmark: NCREIF Property Index

**Mesirow Global Fund II - Strategy Details**

Invest in a diversified portfolio of private real estate funds or other investment vehicles with direct or indirect exposure to real estate. The manager invests in funds with exposure to office, retail, industrial, multi-family, and other types of properties located around the world. The manager selects value-added and opportunistic funds with superior performance track records. The manager diversifies the strategy across property types, geographic markets, managers, and strategies.

Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)



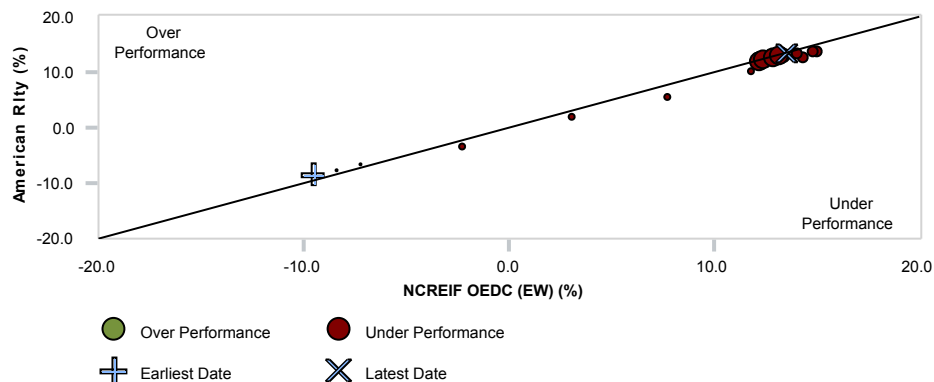
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
American Rlty	3.03 (75)	15.37 (42)	15.37 (42)	13.48 (59)	13.11 (75)	12.64 (67)	13.12 (75)
NCREIF OEDC (EW)	3.43 (49)	15.17 (60)	15.17 (60)	13.72 (56)	13.59 (69)	12.94 (63)	13.54 (65)
Median	3.37	15.33	15.33	14.33	14.16	13.58	14.38

	2014	2013	2012	2011	2010
American Rlty	11.62 (86)	12.37 (74)	11.27 (69)	15.03 (64)	11.21 (84)
NCREIF OEDC (EW)	12.28 (80)	13.34 (62)	11.03 (77)	15.96 (44)	16.14 (51)
Median	13.70	14.63	12.45	15.78	16.28

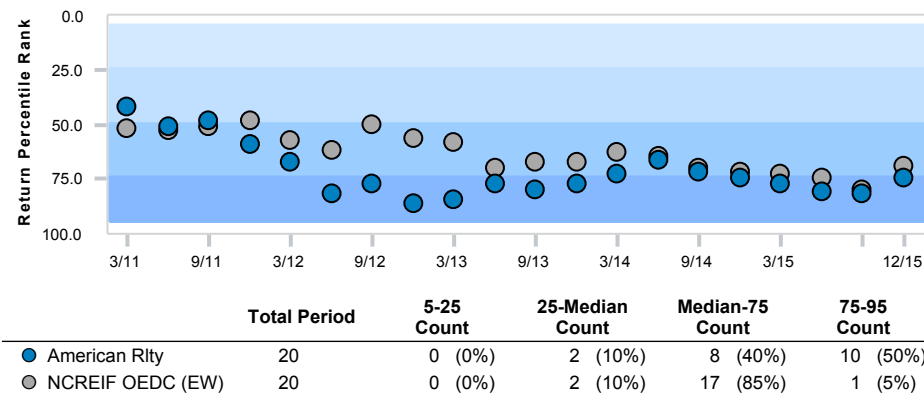
Comparative Performance

	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014
American Rlty	3.33 (69)	3.75 (50)	4.46 (24)	1.80 (94)	3.36 (50)	2.80 (65)
NCREIF OEDC (EW)	3.63 (45)	3.92 (43)	3.40 (59)	3.02 (65)	3.46 (43)	2.76 (67)
IM U.S. Open End Private Real Estate (SA+CF) Median	3.48	3.74	3.56	3.50	3.35	3.15

### 3 Yr Rolling Under/Over Performance - 5 Years



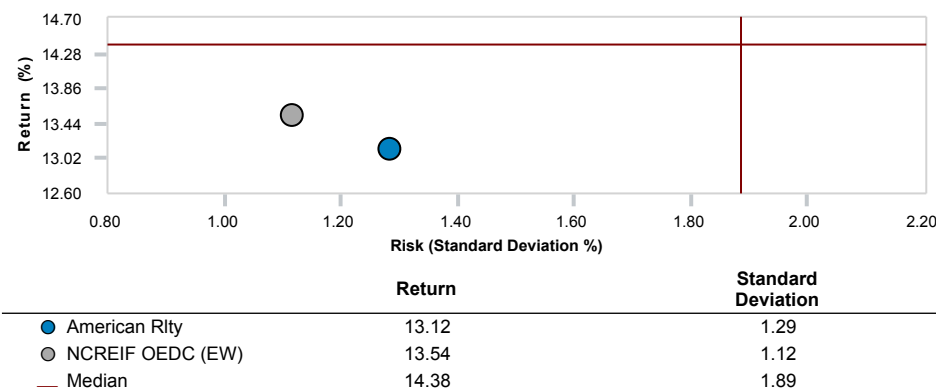
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

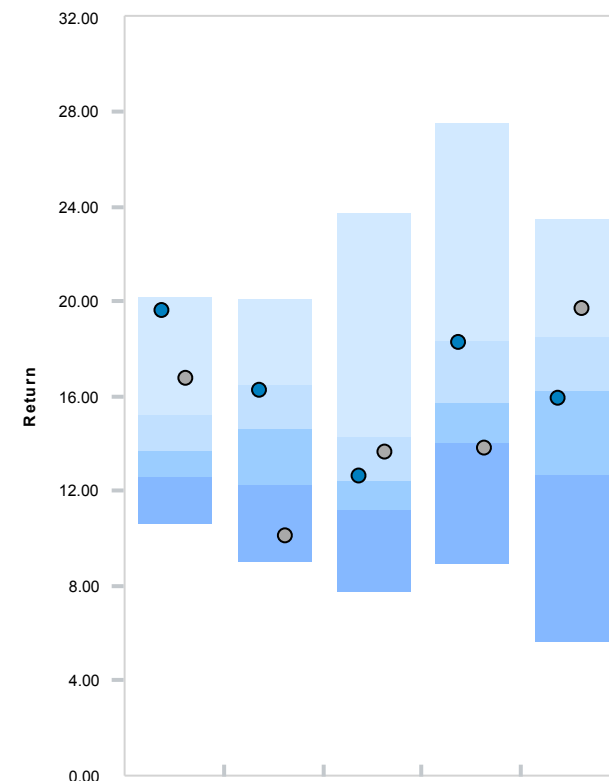
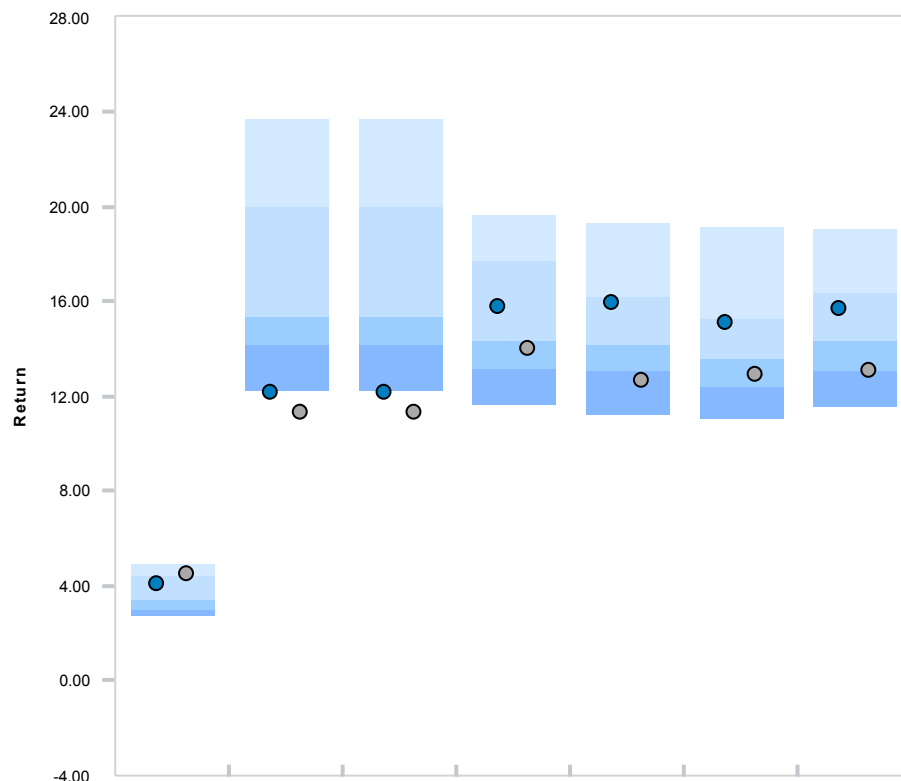
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
American Rlty	1.09	96.64	N/A	2.01	-0.40	9.73	0.81	0.00
<span style="color: blue;">NCREIF OEDC (EW)</span>	<span style="color: blue;">0.00</span>	<span style="color: blue;">100.00</span>	<span style="color: blue;">N/A</span>	<span style="color: blue;">0.00</span>	<span style="color: blue;">N/A</span>	<span style="color: blue;">15.13</span>	<span style="color: blue;">1.00</span>	<span style="color: blue;">0.00</span>

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
American Rlty	0.96	97.03	N/A	2.30	-0.40	9.75	0.79	0.00
<span style="color: blue;">NCREIF OEDC (EW)</span>	<span style="color: blue;">0.00</span>	<span style="color: blue;">100.00</span>	<span style="color: blue;">N/A</span>	<span style="color: blue;">0.00</span>	<span style="color: blue;">N/A</span>	<span style="color: blue;">11.55</span>	<span style="color: blue;">1.00</span>	<span style="color: blue;">0.00</span>



**Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)**



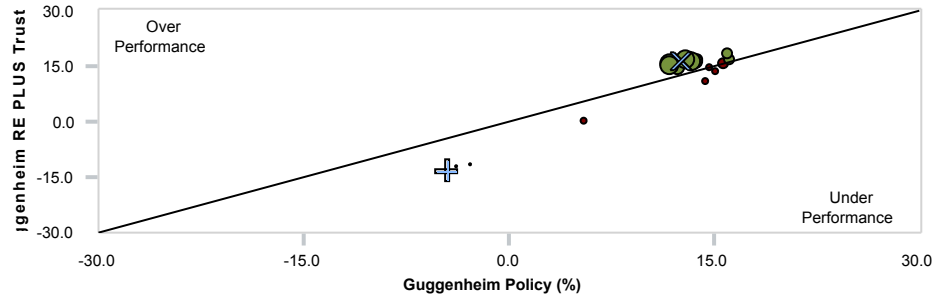
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Guggenheim RE PLUS Trust	4.09 (36)	12.13 (96)	12.13 (96)	15.82 (34)	15.98 (29)	15.13 (31)	15.75 (30)
● Guggenheim Policy	4.54 (15)	11.29 (100)	11.29 (100)	14.00 (54)	12.68 (78)	12.91 (63)	13.10 (76)
Median	3.37	15.33	15.33	14.33	14.16	13.58	14.38

	2014	2013	2012	2011	2010
● Guggenheim RE PLUS Trust	19.64 (9)	16.29 (28)	12.61 (48)	18.25 (28)	15.95 (52)
● Guggenheim Policy	16.77 (17)	10.08 (92)	13.63 (32)	13.85 (79)	19.68 (18)
Median	13.70	14.63	12.45	15.78	16.28

**Comparative Performance**

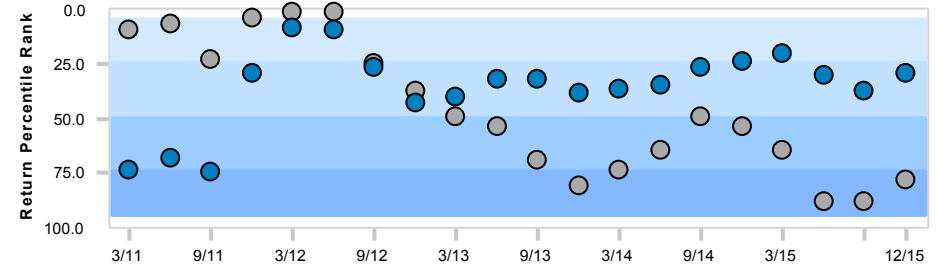
	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014
Guggenheim RE PLUS Trust	1.69 (97)	0.15 (100)	5.77 (15)	7.35 (5)	1.69 (92)	4.38 (17)
Guggenheim Policy	2.76 (82)	0.06 (100)	3.54 (55)	5.79 (11)	1.63 (94)	4.04 (20)
IM U.S. Open End Private Real Estate (SA+CF) Median	3.48	3.74	3.56	3.50	3.35	3.15

**3 Yr Rolling Under/Over Performance - 5 Years**



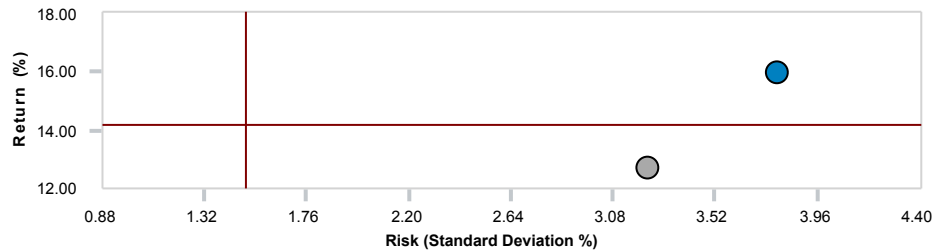
- Over Performance
- Under Performance
- + Earliest Date
- X Latest Date

**3 Yr Rolling Percentile Ranking - 5 Years**



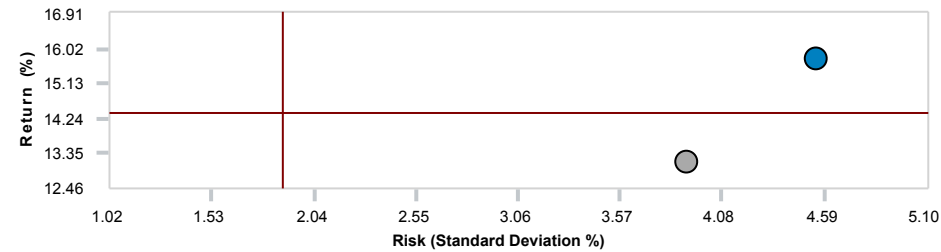
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
<span style="color: blue;">●</span> Guggenheim RE PLUS Trust	20	4 (20%)	13 (65%)	3 (15%)	0 (0%)
<span style="color: grey;">●</span> Guggenheim Policy	20	7 (35%)	3 (15%)	6 (30%)	4 (20%)

**Peer Group Scattergram - 3 Years**



	Return	Standard Deviation
<span style="color: blue;">●</span> Guggenheim RE PLUS Trust	15.98	3.79
<span style="color: grey;">●</span> Guggenheim Policy	12.68	3.23
<span style="color: red;">—</span> Median	14.16	1.50

**Peer Group Scattergram - 5 Years**



	Return	Standard Deviation
<span style="color: blue;">●</span> Guggenheim RE PLUS Trust	15.75	4.55
<span style="color: grey;">●</span> Guggenheim Policy	13.10	3.90
<span style="color: red;">—</span> Median	14.38	1.89

**Historical Statistics - 3 Years**

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Guggenheim RE PLUS Trust	2.05	124.71	N/A	3.21	1.46	3.99	0.99	0.00
Guggenheim Policy	0.00	100.00	N/A	0.00	N/A	3.74	1.00	0.00

**Historical Statistics - 5 Years**

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Guggenheim RE PLUS Trust	2.02	118.42	92.40	1.86	1.20	3.28	1.04	0.79
Guggenheim Policy	0.00	100.00	100.00	0.00	N/A	3.20	1.00	0.86

**Private Equity Financial Reconciliation**  
**Mesirow Global Partnership Fund II, LP**  
 Since Inception Ending December 31, 2015

**Private Equity Financial Reconciliation**

Date	Market Value	Investment	Fees	Fees No Affect	Expenses	Expenses No Affect	Catch-Up Interest	Total	Gain Cash	Gain Stock	Interest	Catch-Up Interest Received	Recallable Capital	Return of Capital Cash	Return of Capital Stock	Total
05/17/2013	-	250,000	-	-	-	-	12,569	262,569	-	-	-	-	-	-	-	-
05/31/2013	250,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
06/28/2013	-	60,000	-	-	-	-	-	60,000	-	-	-	-	-	-	-	-
06/30/2013	318,145	-	11,120	-	-	-	-	11,120	-	-	-	-	-	-	-	-
07/31/2013	318,145	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
08/01/2013	-	-	-	-	-	-	-	-	-	-	-	226	-	-	-	226
08/31/2013	318,145	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
09/27/2013	-	10,000	-	-	-	-	-	10,000	-	-	-	2,320	-	-	-	2,320
09/30/2013	328,358	-	2,289	-	-	-	-	2,289	-	-	-	-	-	-	-	-
10/31/2013	328,358	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11/30/2013	328,358	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12/13/2013	-	50,000	-	-	-	-	-	50,000	-	-	-	-	-	-	-	-
12/27/2013	-	90,000	-	-	-	-	-	90,000	-	-	-	-	-	-	-	-
12/30/2013	-	-	2,500	-	-	-	-	2,500	-	-	-	-	-	-	-	-
12/31/2013	487,657	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
01/31/2014	487,657	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
02/28/2014	487,657	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
03/31/2014	499,149	-	2,500	-	-	-	-	2,500	-	-	-	-	-	-	-	-
04/30/2014	499,149	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
05/31/2014	499,149	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
06/23/2014	-	75,000	-	-	-	-	-	75,000	-	-	-	-	-	-	-	-
06/30/2014	589,683	-	2,500	-	-	-	-	2,500	-	-	-	-	-	-	-	-
07/31/2014	589,683	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
08/31/2014	589,683	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
09/03/2014	-	-	-	-	-	-	-	-	19,848	-	-	-	-	-	-	19,848
09/24/2014	-	65,000	-	-	-	-	-	65,000	-	-	-	-	-	-	-	-
09/30/2014	640,625	-	2,500	-	-	-	-	2,500	-	-	-	-	-	-	-	-
10/31/2014	640,625	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11/30/2014	640,625	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12/31/2014	661,319	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
01/31/2015	661,319	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
02/28/2015	661,319	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
03/31/2015	666,979	-	2,500	-	-	-	-	2,500	-	-	-	-	-	-	-	-
04/10/2015	-	-	-	-	-	-	-	-	14,849	-	-	-	-	-	-	14,849
04/30/2015	652,130	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
05/31/2015	652,130	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
06/30/2015	675,384	-	2,500	-	-	-	-	2,500	-	-	-	-	-	-	-	-
07/16/2015	-	55,000	-	-	-	-	-	55,000	-	-	-	-	-	-	-	-
07/31/2015	730,384	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
08/31/2015	730,384	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Private Equity Financial Reconciliation**  
**Mesirow Global Partnership Fund II, LP**  
 Since Inception Ending December 31, 2015

Date	Market Value	Investment	Fees	Fees No Affect	Expenses	Expenses No Affect	Catch-Up Interest	Total	Gain Cash	Gain Stock	Interest	Catch-Up Interest Received	Recallable Capital	Return of Capital Cash	Return of Capital Stock	Total
09/30/2015	747,765	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10/31/2015	747,765	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11/30/2015	747,765	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12/31/2015	747,765	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>17,923,259</b>	<b>655,000</b>	<b>28,409</b>	-	-	-	<b>12,569</b>	<b>695,978</b>	<b>34,697</b>	-	-	<b>2,546</b>	-	-	-	<b>37,243</b>

Millennium International - Portfolio Description

- Strategy: Millennium International Fund
- Vehicle: Hedge Fund
- Objective: To outperformed the HFRI Multi Strategy Index
- Annual fees: Expenses are charged to the fund (Cost Pass Through)
- Performance Fee: 20% of profits
- Benchmark: HFRI Multi Strategy Index

Millennium International - Strategy Details

The common theme in Millennium's approach is profiting from optionality or arbitrage situations in the capital markets. The senior members of the Firm attempt to identify and retain talented portfolio managers or traders. Primary strategies include Equity Long / Short (Fundamental, Low Directionality +/- 20% Net,) Statistical Arbitrage, Fixed Income, and Interest Rates. The firm currently utilizes approximately 120 distinct portfolio management teams/traders. The firm nets long and short positions across strategies in an effort to reduce cost, margin and risk. The senior managers overlay risk controls at the total portfolio level.

**Benchmark History**  
**Investment Policy Benchmarks**

As of December 31, 2015

<b>Total Fund Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1926</b>	
Russell 1000 Growth Index	15.00
Russell 1000 Value Index	15.00
Russell 2500 Index	12.00
Russell 2500 Value Index	12.00
MSCI EAFE (net) Index	10.00
Barclays Intermediate U.S. Gov/Credit Index	28.00
NCREIF Property Index	5.00
HFRI RV: Multi-Strategy Index	3.00

<b>Total Domestic Equity Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1979</b>	
Russell 3000 Index	100.00
<b>Total International Equity Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1970</b>	
MSCI EAFE (net) Index	100.00

<b>Total Fixed Income Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1973</b>	
Barclays Intermediate U.S. Gov/Credit Index	100.00

<b>Total Real Estate Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1978</b>	
NCREIF Fund Index-ODCE (VW)	100.00
<b>Mar-1978</b>	
NCREIF Fund Index-Open End Diversified Core (EW)	100.00

<b>Total Hedge Fund Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1990</b>	
HFRI RV: Multi-Strategy Index	100.00

<b>Guggenheim Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1978</b>	
NCREIF Fund Index-ODCE (VW)	70.00
FTSE NAREIT Composite REIT Index	30.00
<b>Mar-1978</b>	
NCREIF Fund Index-Open End Diversified Core (EW)	70.00
FTSE NAREIT Composite REIT Index	30.00

Plan Disclosures:

- All composite returns prior to January 1, 2015 was obtained from prior consultant.
- Though there was no changes made to any of the composites from 12/31/14 and back to inception, and are shown as reported by prior consultant, there are changes made to individual portfolios.
- Dana - 4th quarter 2014 return was corrected due to a missed cash flow in November that was impacting their return.
- American Realty- after reviewing some historical returns were corrected.
- Millennium- Corrected past history and built out new quarter to date from manager pages provided.
- Guggenheim- obtained all historical statements and built history.
- Brandywine- obtained all historical statements and built history.
- Franklin Templeton- obtained all historical statements and built history.

Bay City Police and Fire Retirement System

Fee Analysis

As of December 31, 2015

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
LS Equal Wtd Index	0.10	7,408,976	7,409	0.10 % of First \$10 M 0.08 % of Next \$40 M 0.06 % of Next \$50 M 0.03 % of Next \$100 M 0.02 % Thereafter
NTGI R1000 Index Fund	0.06	7,543,645	4,526	0.06 % of First \$50 M 0.04 % of Next \$50 M 0.03 % Thereafter
Victory Mid Cap Equity	0.75	4,328,764	32,466	0.75 % of First \$25 M 0.60 % of Next \$25 M 0.55 % of Next \$50 M 0.50 % Thereafter
SouthernSun SC	0.90	3,572,721	32,154	0.90 % of Assets
Fisher SCC	0.85	3,775,516	32,092	0.85 % of First \$25 M 0.80 % of Next \$25 M 0.75 % of Next \$50 M 0.70 % Thereafter
<b>Total Domestic Equity</b>	<b>0.41</b>	<b>26,629,621</b>	<b>108,647</b>	
First Eagle Overseas Fund (SGOIX)	0.89	2,197,550	19,558	0.89 % of Assets
Hexavest International Equity Fund	0.60	3,239,141	19,435	0.60 % of First \$10 M 0.50 % of Next \$30 M 0.40 % Thereafter
<b>Total International Equity</b>	<b>0.72</b>	<b>5,436,691</b>	<b>38,993</b>	



Bay City Police and Fire Retirement System

Fee Analysis

As of December 31, 2015

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
PNC Investment Mgmt. (Fixed)	0.25	9,527,532	23,819	0.25 % of Assets
Brandywine Global Fixed	0.45	955,309	4,299	0.45 % of First \$50 M 0.40 % of Next \$50 M 0.35 % Thereafter
Templeton Global Multisector Plus	0.60	1,485,258	8,912	0.60 % of First \$50 M 0.50 % of Next \$50 M 0.45 % Thereafter
<b>Total Fixed Income</b>	<b>0.31</b>	<b>11,968,099</b>	<b>37,029</b>	
American Core Realty Fund	1.10	2,473,810	27,212	1.10 % of Assets
Guggenheim Real Estate PLUS Trust	0.60	1,084,073	6,504	0.60 % of First \$10 M 0.45 % of Next \$5 M 0.35 % of Next \$5 M 0.25 % of Next \$10 M 0.20 % Thereafter
Mesirow Global Partnership Fund II, LP	1.00	747,765	7,478	1.00 % of Assets
<b>Total Real Estate</b>	<b>0.96</b>	<b>4,305,648</b>	<b>41,194</b>	
Millennium International LTD		3,089,959	-	
<b>Total Hedge Fund Composite</b>		<b>3,089,959</b>	<b>-</b>	
Cash		508,905	-	
Cash from Pooled Custody Stmt		-	-	
<b>Total Fund</b>	<b>0.43</b>	<b>51,938,924</b>	<b>225,864</b>	

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The Bogdahn Group uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. The Bogdahn Group analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides The Bogdahn Group with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides The Bogdahn Group with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause The Bogdahn Group to believe that the information presented is significantly misstated.

This performance report is based on data obtained by the client's custodian(s), investment fund administrator, or other sources believed to be reliable. While these sources are believed to be reliable, the data providers are responsible for the accuracy and completeness of their statements. Clients are encouraged to compare the records of their custodian(s) to ensure this report fairly and accurately reflects their various asset positions.

The strategies listed may not be suitable for all investors. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. Past performance is not an indication of future performance. Any information contained in this report is for informational purposes only and should not be construed to be an offer to buy or sell any securities, investment consulting, or investment management services.

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<b>Active Return</b>	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
<b>Alpha</b>	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
<b>Beta</b>	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
<b>Consistency</b>	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
<b>Down Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
<b>Downside Risk</b>	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
<b>Excess Return</b>	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
<b>Excess Risk</b>	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
<b>Information Ratio</b>	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
<b>R-Squared</b>	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
<b>Return</b>	- Compounded rate of return for the period.
<b>Sharpe Ratio</b>	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
<b>Standard Deviation</b>	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
<b>Tracking Error</b>	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
<b>Treynor Ratio</b>	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
<b>Up Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

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