



PERSPECTIVES THAT DRIVE ENTERPRISE SUCCESS



PERIOD ENDING: MARCH 31, 2016

Investment Performance Review for

Imperial County Employees' Retirement System

Table of contents



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Investment Landscape

TAB I

Real Estate

TAB VI

Total Fund Review

TAB II

Commodities

TAB VII

Domestic Equity

TAB III

International Equity

TAB IV

Fixed Income

TAB V



PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS

2ND QUARTER 2016
Investment Landscape

Table of contents



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Economic environment	4
----------------------	---

Fixed income rates & credit	16
-----------------------------	----

Equity	22
--------	----

Other assets	33
--------------	----

Appendix	41
----------	----

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1st quarter summary

THE ECONOMIC CLIMATE

- Global growth expectations continue to be revised downward. Emerging economies continue to struggle while developed economies continue to grow modestly. U.S. real GDP grew more slowly quarter-over-quarter at 1.4%. **p. 6, 13**
- Global inflation remains low but some signs of positive price movement can be seen, partly due to the effects of lower oil price dissipating and stability in overall commodity markets. Global manufacturing overcapacity will likely act as a headwind to inflation for some time. **p. 13**

MARKET PORTFOLIO IMPACTS

- The U.S. dollar fell slightly in Q1 as expectations dampened regarding the pace of further Fed rate hikes. USD weakness will have benefited U.S. investors whose international assets are unhedged. **p. 39**
- Emerging market equities rebounded, helped by rising commodity prices and emerging currency appreciation. **p. 30, 32**

THE INVESTMENT CLIMATE

- During the first 10 trading days of 2016 the S&P 500 saw its worst start to a year ever. This drawdown was followed by a strong rally and full recovery in major equity markets. **p. 25, 40**
- The benefits of monetary easing seem to be waning. Interest rates in many nations are now in negative territory. The Federal Reserve has taken a more dovish stance, and the market now expects two rate increases in 2016. **p. 5, 18**

ASSET ALLOCATION ISSUES

- We continue to remain underweight risk, and believe that market risks are asymmetrically skewed to the downside. **p. 25, 31**
- With increasing probability of a Brexit, investors should be aware of the potential impacts to continental European risk premia. **p. 15**
- Inflation expectations remain low based on both survey and market pricing data, although investors have historically done a poor job of forecasting inflation. **p. 11**

We remain underweight to risk

Continue to be watchful of global growth and corporate earnings trends

Economic environment

U.S. economics summary

- U.S. real GDP growth expectations have fallen to 0.1% quarter-over-quarter, as of April 13th, according to the Atlanta Fed GDPNow. Lower consumer spending and weaker trade detracted from growth expectations.
- U.S. real GDP growth was 2% during 2015 (Q4 2014 to Q4 2015), slightly down from 2.1% in Q3. Consumption was the predominant driver of growth.
- Headline inflation during the quarter rose to 0.9% from 0.7% in December, and core inflation has shown a strong trend upwards. Both survey based and market based inflation expectations increased.
- The Federal Reserve left the Federal Funds Target Rate unchanged at its March meeting. Janet Yellen explained the Fed will remain accommodative, citing continued risks within global financial markets.
- The unemployment rate increased slightly to 5.0% from 4.9% in February. This rise in unemployment can be partly explained by the increase in the participation rate from 62.9% to 63.0% as new job seekers entered the market.

	Most Recent	12 Months Prior
GDP (<i>annual YoY</i>)	2.0% <i>12/31/15</i>	2.5% <i>12/31/14</i>
Inflation (<i>CPI, Headline</i>)	0.9% <i>3/31/16</i>	(0.1%) <i>3/31/15</i>
Expected Inflation (<i>5yr-5yr forward</i>)	1.8% <i>3/31/16</i>	2.0% <i>3/31/15</i>
Fed Funds Rate	0.25% <i>3/31/16</i>	0.12% <i>3/31/15</i>
10 Year Rate	1.8% <i>3/31/16</i>	1.9% <i>3/31/15</i>
U-3 Unemployment	5.0% <i>3/31/16</i>	5.5% <i>3/31/15</i>
U-6 Unemployment	9.8% <i>3/31/16</i>	10.9% <i>3/31/15</i>

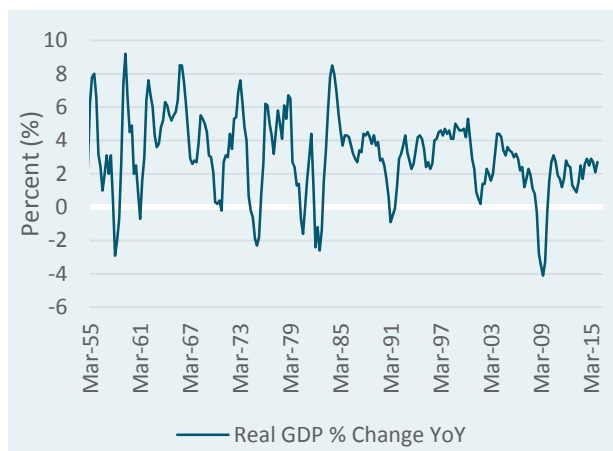
U.S. economics – GDP growth

The U.S. economy grew 1.4% QoQ in the fourth quarter with a majority of that growth coming from the consumer. Household spending has been the strongest driver of expansion contributing nearly 1.7% to growth. A tightening job market has contributed to consumer spending strength. The participation rate moved up and we are beginning to see upward pressure on wages. Inventory investment remains a patch of weakness and has been a drag on U.S. growth over the past two quarters. Additionally, the stronger U.S. dollar has acted

as a headwind for U.S. exports – further detracting from fourth quarter GDP. The economy grew at 2.0% for the year. Looking ahead to growth in GDP, companies will still face headwinds as inventory build has been strong and demand for durable goods is weak. Additionally, multi-national companies continue to face the risk of a stronger dollar which would put downward pressure on profits. As of April 13th, the Atlanta Fed GDPNow indicator is forecasting disappointing growth of 0.1% for Q1 2016.

Consumer expenditures were the only notable contributor to growth in Q4

LONG-TERM U.S. GDP GROWTH



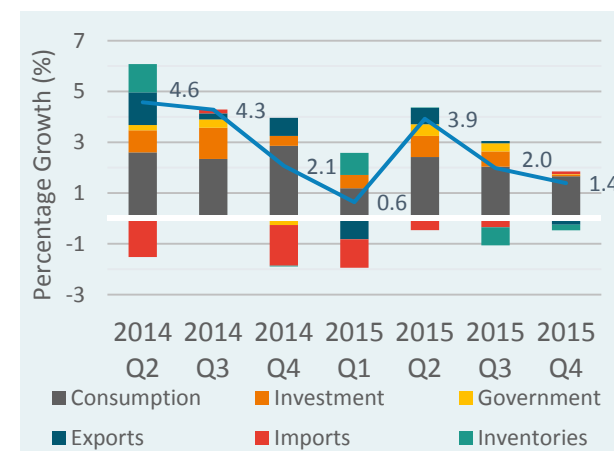
Source: FRED, as of 12/31/15

MEDIUM-TERM U.S. GDP GROWTH



Source: FRED, as of 12/31/15

GDP COMPONENTS



Source: FRED

U.S. economics – unemployment

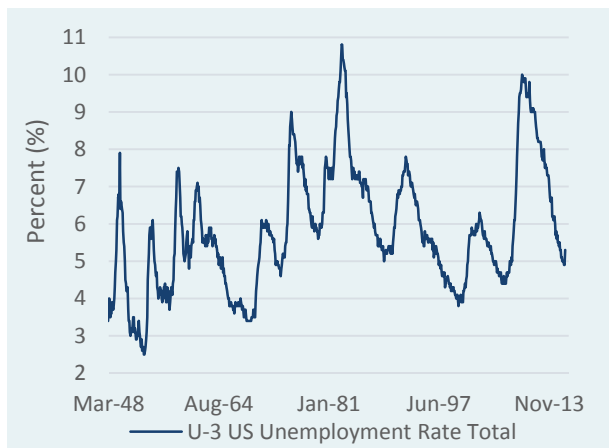
The U.S. labor market was mixed in Q1. The unemployment rate increased slightly to 5.0% from 4.9% in February. However, higher unemployment was influenced by a 0.1% rise in the labor participation rate to 63.0% as new job seekers entered the market. Unemployment duration rose slightly after multiple years of improvement since the financial crisis.

The labor market continued to add jobs, with nonfarm payrolls increasing by 215,000 in March vs an expected

205,000. Average hourly wages have steadily improved since the financial crisis, with the recent print at 2.3% year-over-year.

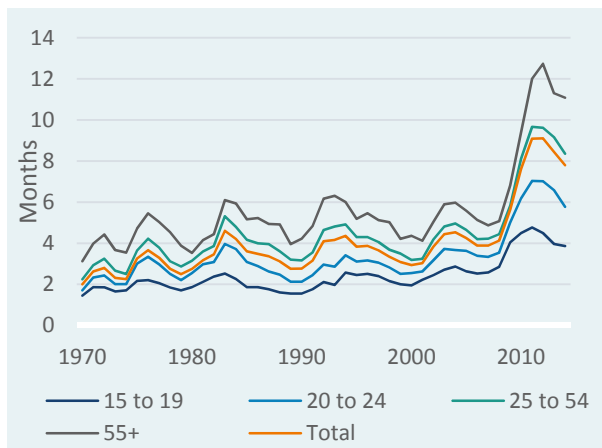
It is interesting to dive deeper into unemployment duration and examine the magnitude of 2008-2009 deterioration by age group rather than an aggregate figure. The drastic increases in unemployment duration for older workers shows the unevenness of the situation across age groups.

UNEMPLOYMENT SINCE 1948



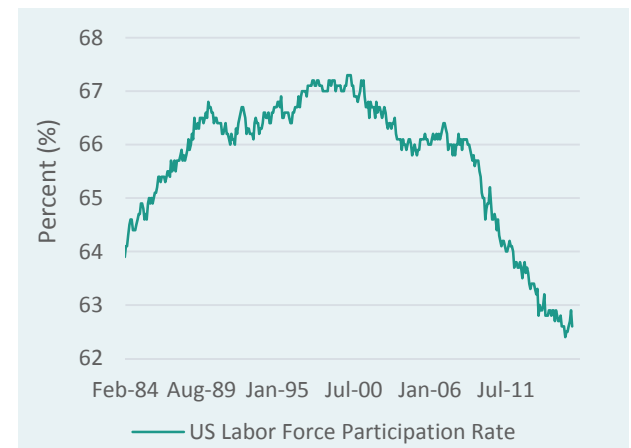
Source: Bloomberg, as of 3/31/16

UNEMPLOYMENT DURATION



Source: OECD, as of 12/31/14

LABOR FORCE PARTICIPATION RATE



Source: FRED, as of 3/31/16

U.S. economics – the consumer

Consumer expenditures predominantly drove real GDP in Q4, as other components of GDP rested near zero growth. We continue to be watchful of these trends as consumer credit expansion and spending is a key tenant of economic growth.

The condition of the U.S. consumer base has improved as the labor market tightens, real wage growth continues at a moderate pace, debt payments remain manageable relative to history, credit growth is

trending up, and current levels of savings leave room for higher consumption levels.

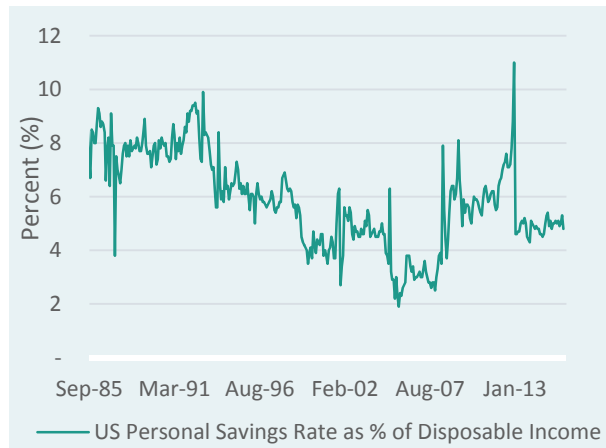
However, the average health of the consumer base may be somewhat deceptive due to unevenness across demographics. Rising student loan burdens are dampening housing demand and spending habits of younger individuals, as the price of education has outstripped broader inflation measures.

CREDIT GROWTH



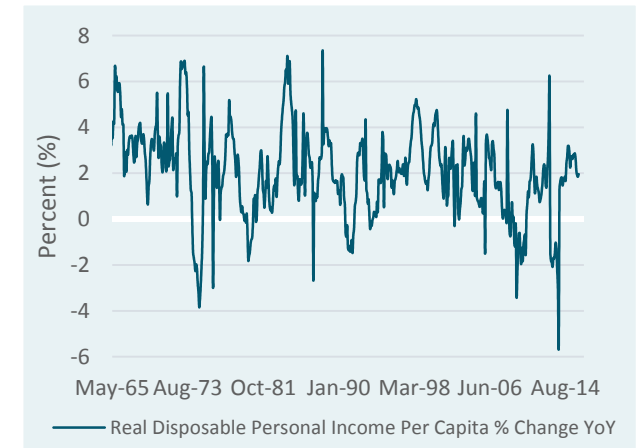
Source: FRED, as of 2/1/16

PERSONAL SAVINGS RATE



Source: FRED, as of 2/1/16

GROWTH OF DISPOSABLE INCOME



Source: FRED, as of 2/1/16

U.S. economics – sentiment

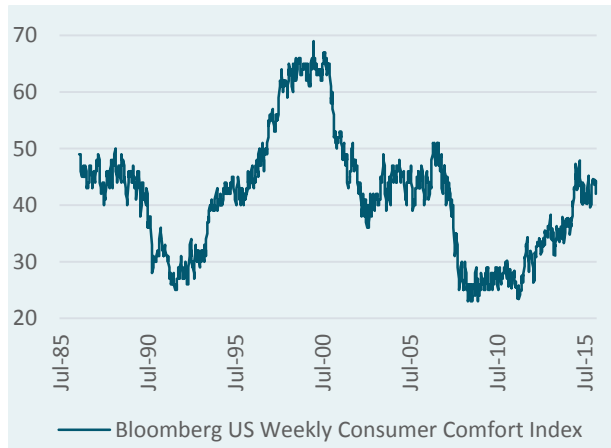
Consumer sentiment has stabilized in a normal range after trending upwards following the financial crisis. The Citi Economic Surprise index remains near the lower end of a normal range as economic data has missed expectations on average.

Sentiment may be an increasingly important indicator in the near future as the consumer remains a core support of economic growth. Given the positive fundamentals surrounding the consumer - ability to

borrow, to increase spending through less savings, and the prospects of higher real wages – positive sentiment may be a deciding factor in economic growth.

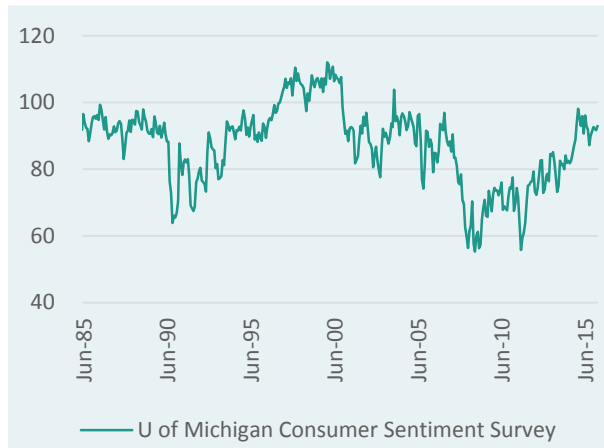
Despite this environment, consumers remain stubbornly timid which may be an indication of deeper economic problems. We believe the cautious state of consumers, given the reliance of the economy on consumption in the current environment, creates downside risks for growth and the markets.

CONSUMER COMFORT INDEX



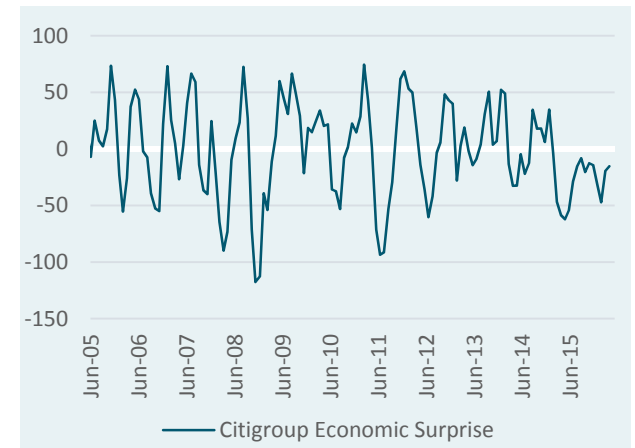
Source: Bloomberg, as of 3/27/16 (see Appendix)

CONSUMER SENTIMENT



Source: University of Michigan, as of 3/31/16 (see Appendix)

ECONOMIC SURPRISE



Source: Bloomberg, as of 3/31/16 (see Appendix)

U.S. economics – housing

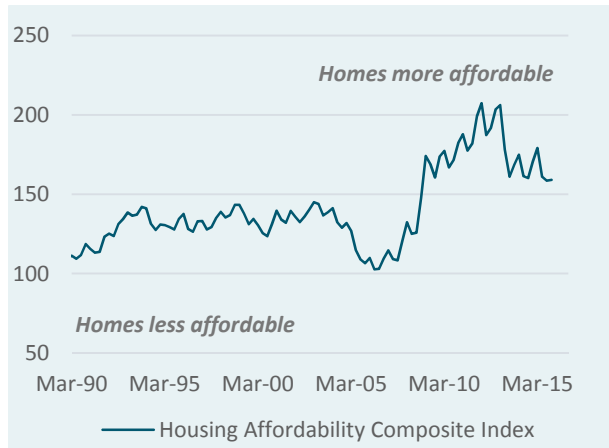
Home prices continued a healthy appreciation of 5.4% year-over-year as of January, according to the S&P/Case-Shiller US National Home Price Index, though values remain below pre-crisis levels. Affordability is materially above average despite a recovery in prices. A low rate of homeownership may indicate pent up demand.

A steady rise in housing prices over previous years has

affected housing affordability, though near-record low borrowing rates have had an overwhelmingly positive effect on affordability, resulting in a net positive. Further tightening of the labor and wages increase should flow through to strength in housing.

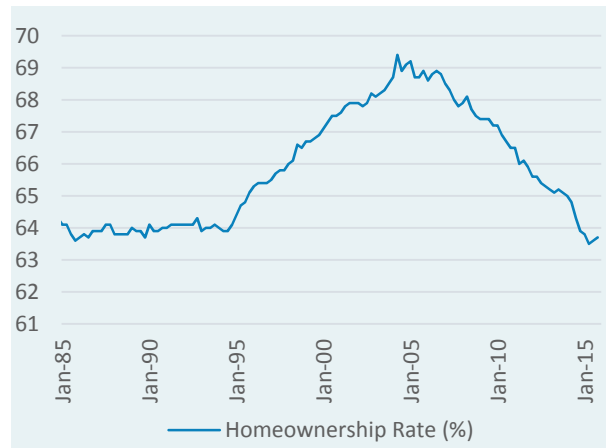
Large student loan burdens have delayed home purchases, and millennials have been starting families at a later age which also affects purchasing habits.

HOME AFFORDABILITY



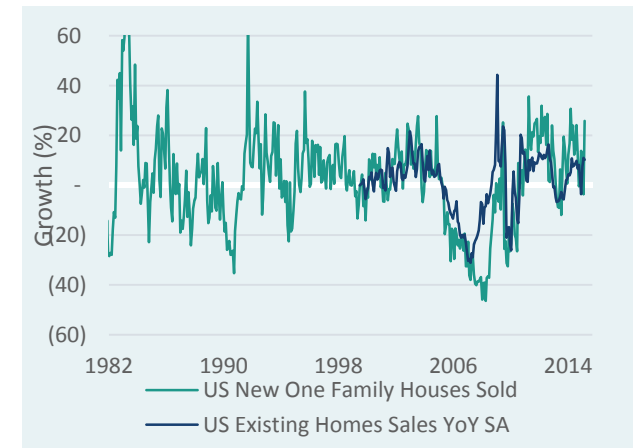
Source: National Association of Realtors, as of 12/31/15

HOMEOWNERSHIP RATE



Source: FRED, as of 1/1/2016

NEW & EXISTING HOME SALES



Source: Bloomberg, as of 2/29/16

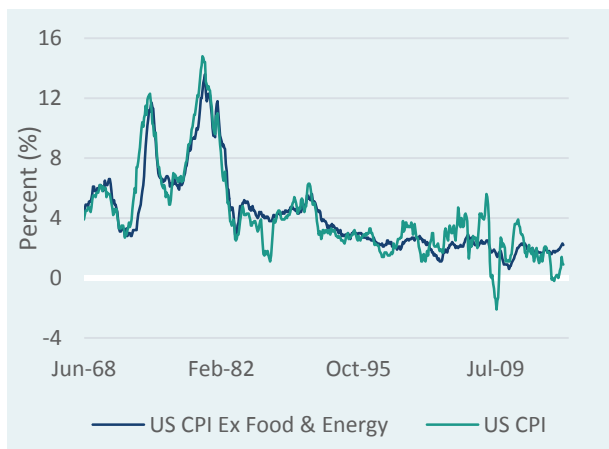
U.S. economics – inflation

Inflation expectations rose materially during Q1, as proxied by the 10yr TIPS Breakeven Rate and the University of Michigan Inflation Expectations Survey.

Headline inflation exhibited volatility in Q1 but remains muted. Core inflation (ex-food & energy) has shown a strong uptrend in recent months, buoyed most recently by a rise in housing and medical costs. We remain watchful of domestic inflation; if the dollar depreciates and wages increase, we could see the return of price increases which also may affect the path of Fed policy.

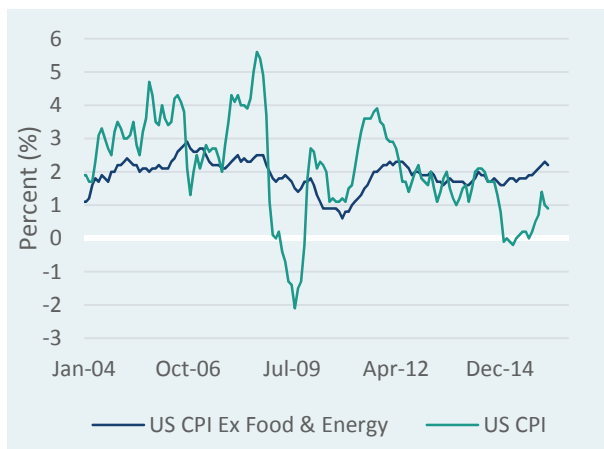
As we have mentioned before, investors' track record at forecasting inflation has been very poor. We can conclude, however, that times of low inflation tend to coincide with depressed prices for those assets which are held to protect against rises in inflation. Investors feeling the dual effect of lower inflation expectations along with losses from their inflation protecting assets can easily become discouraged and divest. However, today's prices may present an inopportune time to sell, and as history suggests we should not place too much weight on the market's expectation of future inflation.

LONG-TERM U.S. CPI (YOY)



Source: FRED, as of 3/31/16

MEDIUM-TERM U.S. CPI (YOY)



Source: FRED, as of 3/31/16

MARKET EXPECTATIONS OF INFLATION



Source: Bloomberg, University of Michigan, as of 3/31/16

International economics summary

- Global growth remains sluggish. The IMF currently forecast growth of 3.2% in 2016, down from 3.4% in January. Upcoming geopolitical tensions surrounding Brexit and the current migrant crisis may have implications on GDP growth this year.
- China remains in the headlines. However, the country continues to be the largest growth engine among both developed and developing economies. China is in the midst of large structural shifts, but it should not be assumed that an economic crisis is inevitable.
- Euro area unemployment has come down about a percent from last year to 10.3%, but youth unemployment remains at extremely high levels, with February coming in at 21.6%, up nearly a percent from last year.
- The ECB further eased existing monetary policy. Among other accommodations, they moved their deposit rate into further negative territory and they included investment grade bonds as a part of eligible investment vehicles.
- Despite adopting negative interest rates in January, Japan has struggled to catalyze strong economic growth and lift inflation.
- After further conversations surrounding the anticipated Brexit, markets are likely to remain volatile until June 23rd, the date of the referendum.

Area	GDP (Real, YoY)	Inflation (CPI)	Unemployment
United States	2.0% 12/31/15	0.9% 3/31/16	5.0% 3/31/16
Western Europe	1.6% 12/31/15	0.0% 3/31/16	8.7% 12/31/15
Japan	0.7% 12/31/15	0.3% 2/29/16	3.3% 2/29/16
BRIC Nations	4.6% 12/31/15	3.9% 12/31/15	5.0% 12/31/15
Brazil	(5.9%) 12/31/15	10.4% 2/29/16	7.4% 12/31/15
Russia	(3.8%) 12/31/15	7.3% 3/31/16	5.7% 12/31/15
India	7.3% 12/31/15	5.2% 2/29/16	8.2% 4/12/16
China	6.8% 12/31/15	2.3% 2/29/16	4.1% 12/31/15

International economics

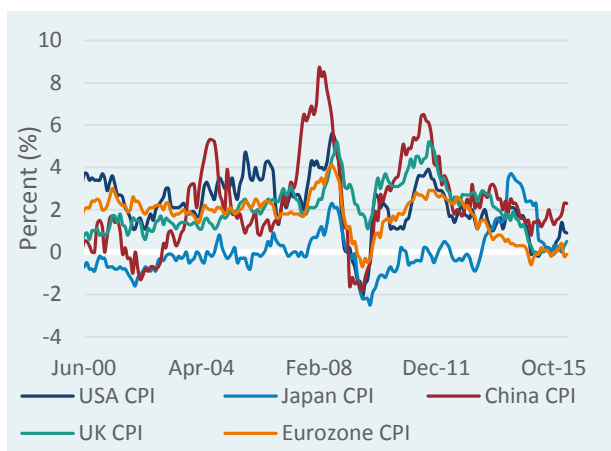
With continued downward revisions to global GDP, many countries are feeling the effects of suppressed inflation, lackluster growth, and waning consumer confidence. As a result, the first quarter saw multiple expansions of monetary policy, notably the ECB further cutting their deposit rate to -0.4% and the BOJ joining NIRP and implementing a deposit rate of -0.1% on excess reserves.

Western Europe continues to face uncertainty surrounding the migrant crisis. Policy around this challenge may affect border control and free movement of people issues which could have effects on trade within the EU. A possible Brexit

may affect the ability of the European Union's central institutions to act in a coordinated manner when needed to address economic issues.

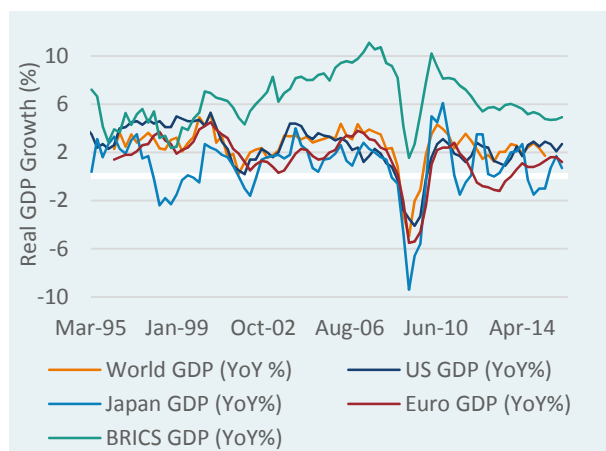
Emerging markets experienced ongoing deflationary forces including the downturn in the global commodity cycle, repatriation of developed market sourced capital, and slowing economic activity in China. As some of these effects flatten or reverse course in the coming months, emerging market countries may see an opportunity for improvement.

INTERNATIONAL INFLATION (CPI)



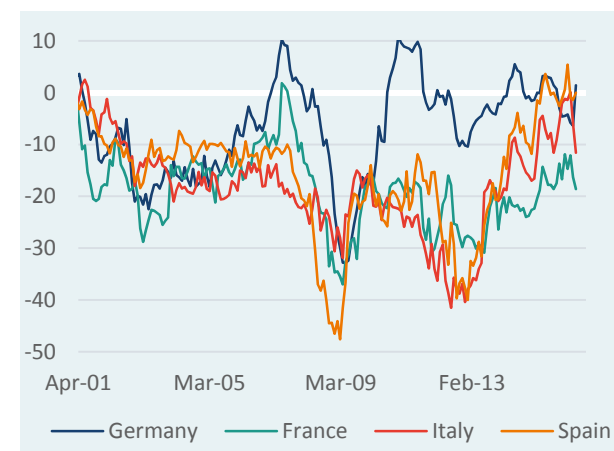
Source: Bloomberg, as of 3/31/16

REAL GDP GROWTH



Source: Bloomberg, as of 12/31/15

CONSUMER CONFIDENCE



Source: Bloomberg, as of 3/31/16

China – the world's question mark

The Chinese economy continues to grow at a steady, yet slower pace than recent years. Considerable investments into infrastructure over the years produced large gains in industrial capacity which has led to excesses following the growth slowdown. The government is investing to reduce this excess capacity and reposition workers which will be a fragile process given the significant employment shifts required to bring the economy to equilibrium.

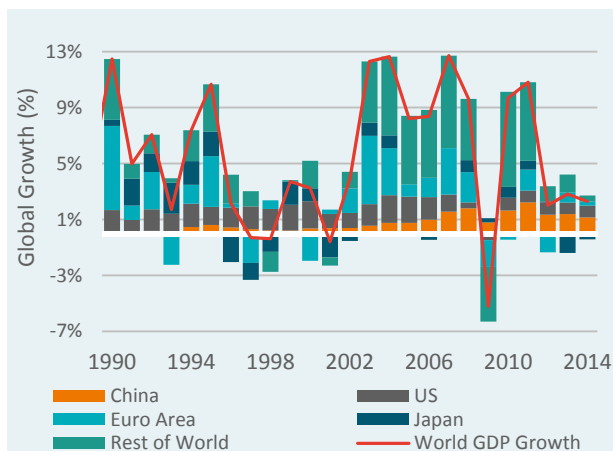
Unemployment in China is very low (4.1% in Q4), economic growth is among the highest in the world (6.8% in Q4), inflation is moderate (2.3% in February), they

remain a net creditor with a healthy current account, and foreign-exchange reserves are large at around \$3.2 Trillion USD. Debt levels in the country are worrying (237% of GDP in Q1), though mostly owned internally which poses less risk to global investors.

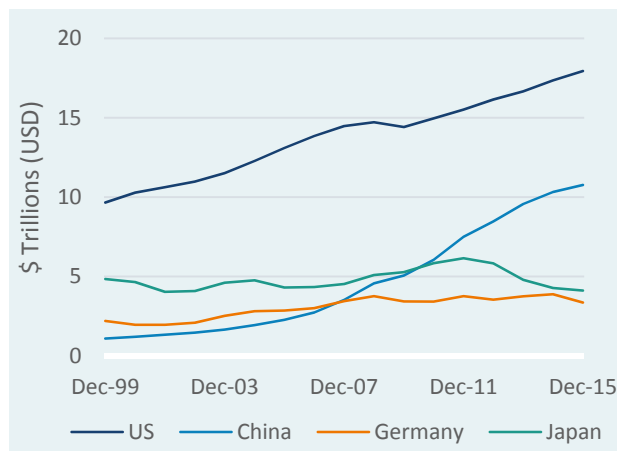
China's deceleration has had far reaching impacts across the globe and the country continues to own its share of economic problems. However, China remains the world's largest contributor to growth and potentially a large source of untapped consumer demand.

Valid concerns for the future but many strong economic indicators still persist

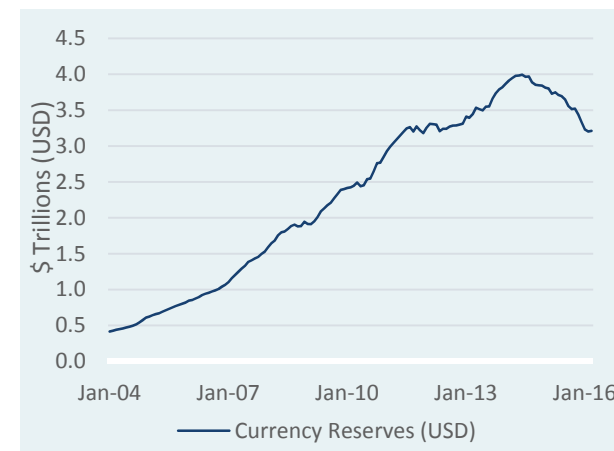
DRIVERS OF GLOBAL GROWTH



TOTAL GDP – 4 LARGEST ECONOMIES



CURRENCY RESERVES



Brexit – it's complicated

“Brexit” refers to the U.K. voting to leave the European Union. Current polling seems equally balanced regarding the chance of an exit. Market sentiment assumes that Brexit would be a negative result, but the reality is likely more nuanced.

During the early 1990s the U.K. joined the Exchange Rate Mechanism, a currency management agreement regarded as a precursor to the Euro, tying U.K. monetary policy to that of Germany. The strains involved produced “Black Wednesday”, when George Soros and other hedge funds forced the Bank of England to pull out of the

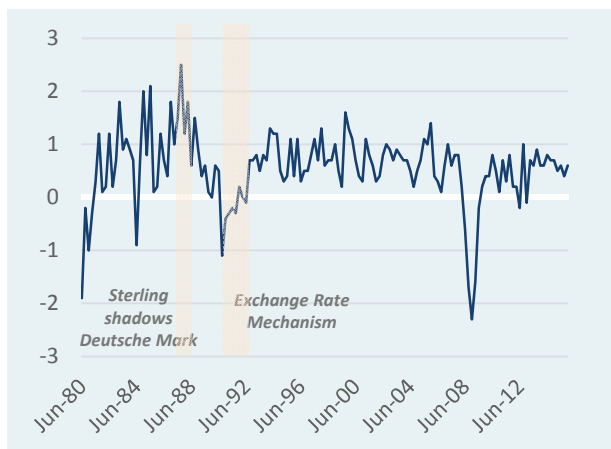
mechanism. Despite predictions of disaster the resulting economic expansion was one of the longest in U.K. history. Similar predictions of doom around the decision of the U.K. not to enter the Euro also proved wrong.

While Brexit could cause volatility, the long term effect for the U.K. (if not for the other EU members) could turn out to be positive as much as negative. Similarly, a vote to stay in could turn market attention to a new raft of regulatory proposals from an EU no longer restrained by the danger of U.K. threats to leave. As always the future is hard to predict.

Brexit would not necessarily be bad

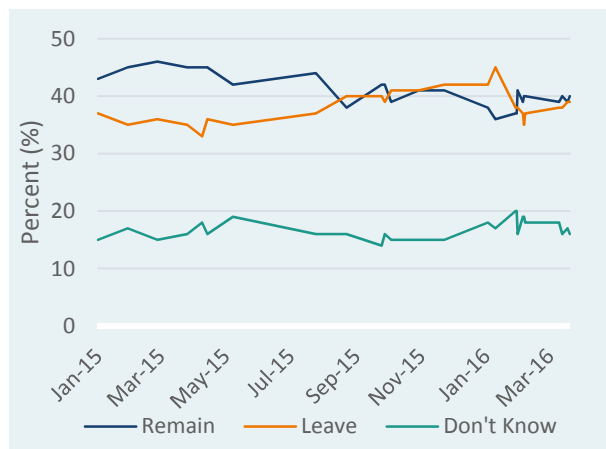
Remaining would not necessarily be good

UK GDP QOQ



Source: UK Office for National Statistics, as of 12/31/2015.
Shaded area represents UK membership of ERM

BREXIT POLLS



Source: YouGov, as of 4/18/2016

DIFFERENT ECONOMIES

	UK	Europe
GDP YoY	2.1%	1.6%
Inflation	0.5%	0.0%
Unemployment	5.1%	8.7%
10 Year Interest Rate	1.48%	0.16%

Source: UK Office for National Statistics, Bloomberg

Fixed income rates & credit

Interest rate environment

- With significant volatility in financial markets at the start of 2016, investors fled to U.S. 10 Year Treasuries which rallied from 2.3% at the start of the year to 1.65% a week into February, then retraced some of that move to 1.77%.
- Interest rates decreased broadly across developed markets in Q4, most notably in the U.S. and Germany. Australia and China saw little movement in their 10 year rate.
- Global financial market turmoil has pushed investors into safe haven assets such as U.S. Treasuries which continue to be one of the higher yielding developed market bonds.
- The ECB expanded their existing monetary policy by further cutting rates to -40 bps. The German bund rallied from over 60 bps at the start of the year to under 9 bps in early April.
- Japan implemented a negative interest rate on excess deposits in January, which brought their 10 year yield into negative territory for the first time ever.
- As the U.S. continues to contemplate further rate hikes, most other countries are contemplating easier monetary policy with intention of devaluing currency, increasing investment, and generating economic growth.

Area	Short Term (3M)	10 Year
United States	0.20%	1.77%
Germany	(0.59%)	0.15%
France	(0.42%)	0.49%
Spain	(0.23%)	1.43%
Italy	(0.22%)	1.22%
Greece	2.63%	8.48%
UK	0.45%	1.42%
Japan	(0.09%)	-0.035%
Australia	2.06%	2.49%
China	2.10%	2.84%
Brazil	13.99%	13.97%
Russia*	9.79%	9.09%

Source: Bloomberg, as of 3/31/15

*Shortest term rate for Russia is 1Y

Negative interest rates

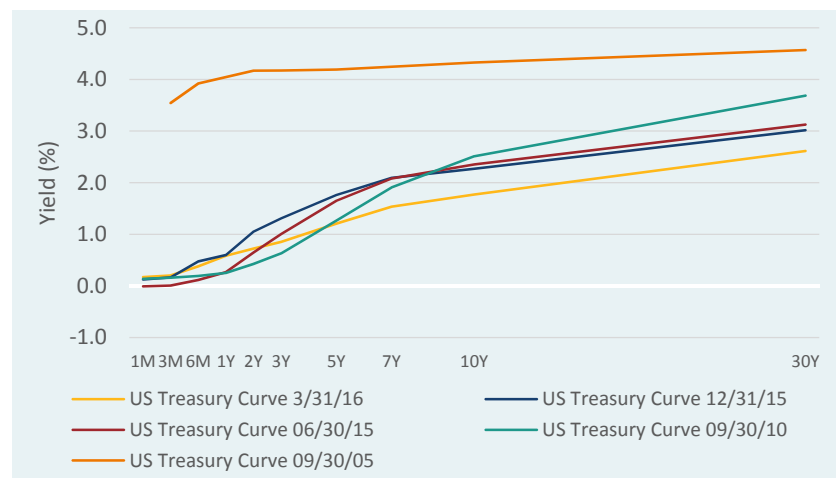
- Facing limitations of already record low policy rates, a few central banks have adopted a novel monetary policy approach phenomenon, NIRP (Negative Interest Rate Policy).
- Negative deposit rates have further suppressed global sovereign yields that were already at historic lows.
- With limited ability to expand balance sheets and no ability to push rates lower, the Eurozone pioneered the implementation of NIRP to achieve target inflation levels and spur economic growth.
- While investors still seem to be prepared to hold bonds at these negative rates, implications include adverse effects on banking profitability and investors being pushed towards taking excessive risk. Additionally, the U.S. has seen a tailwind in the form of dollar strength as other currencies continue to be devalued.
- The consequences of the spread of NIRP remain to be seen and there is little historical data to rely on when assessing likely outcomes.



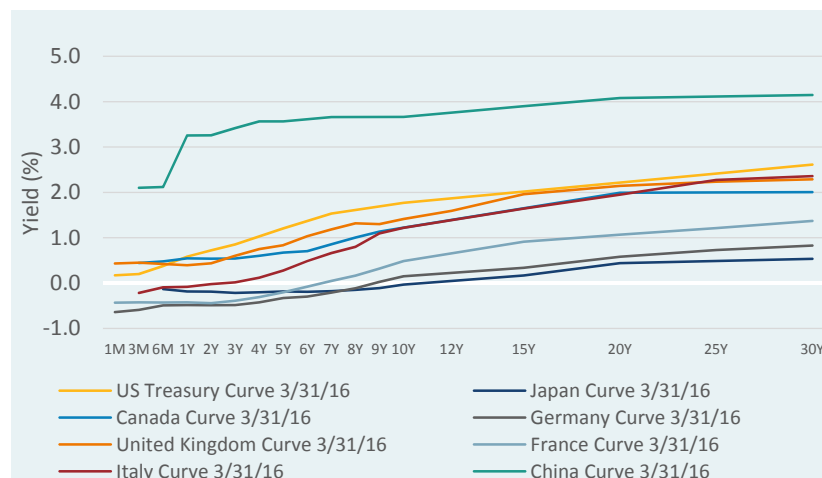
Source: Bloomberg, as of 3/31/16

Yield environment

U.S. YIELD CURVE

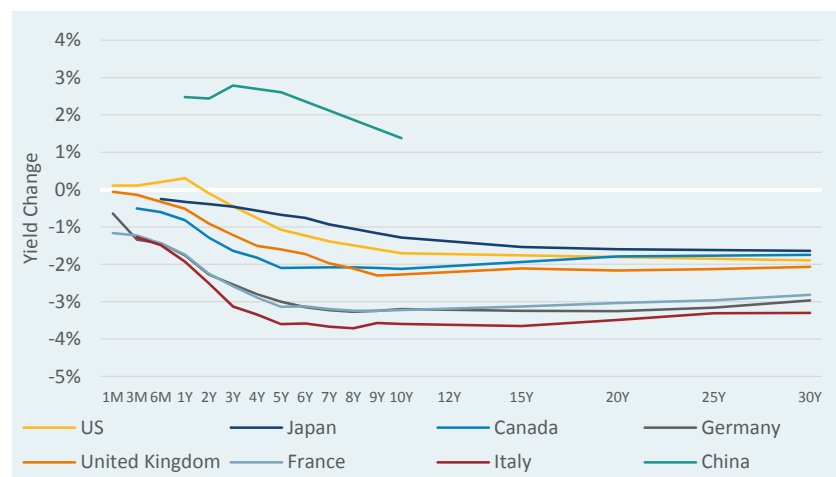


GLOBAL GOVERNMENT YIELD CURVES

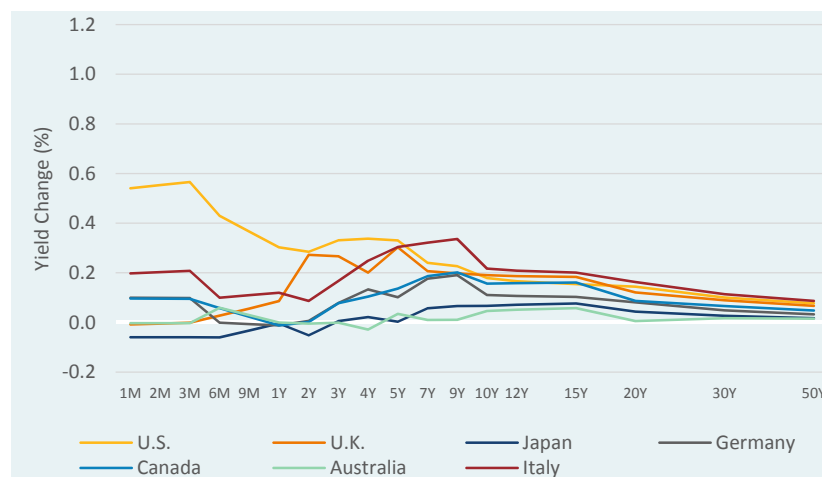


The U.S. yield curve has come down across all major tenors since the end of the fourth quarter

YIELD CURVE CHANGES OVER LAST FIVE YEARS



IMPLIED CHANGES OVER NEXT YEAR



Source: Bloomberg, as of 3/31/16

Credit environment

High yield spreads and high yield energy spreads widened to begin the year, in line with a general market wide risk-off move. However, spreads retraced on the back of the oil rebound and market rally.

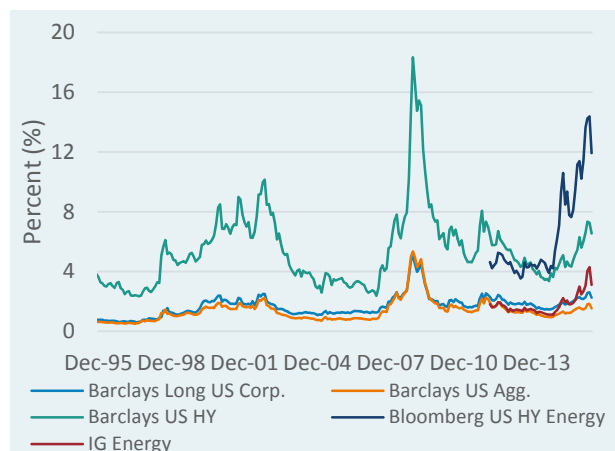
Credit spreads remain above average but in a normal range. A number of sectors, particularly the high yield energy space, are depending on continuing access to the credit markets. Were spreads to stay elevated or move higher, the ongoing viability of these issuance

dependent companies may be increasingly called into question.

The perceived risk of emerging market debt remains high, and country specific. The effect of lower oil prices on commodity exporters is notable, and this has contributed to spreads remaining at higher levels compared to intermediate term history. The recent increase in the oil price has brought spreads closer towards average levels.

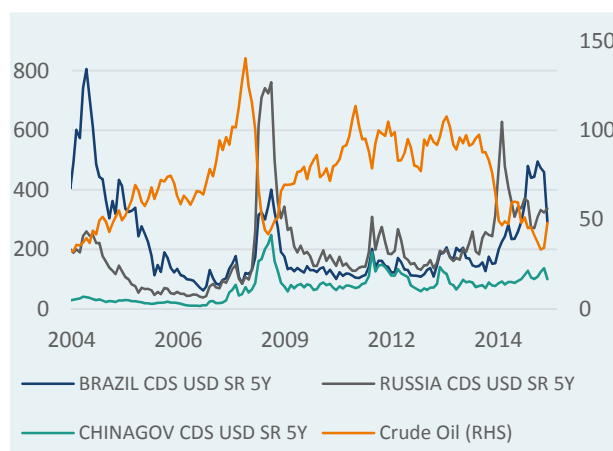
Sensitivity of high yield spreads to oil is much higher in a low oil price environment

CREDIT SPREADS



Source: Barclays Capital Indices, Bloomberg, as of 3/31/16

EMERGING MARKET SPREADS



Source: Bloomberg, as of 3/31/16

SPREADS

Market	Credit Spread (3/31/2016)	Credit Spread (1 Year Ago)
Long US Corporate	2.1%	1.8%
US Aggregate	1.1%	1.0%
US High Yield	7.0%	5.1%
US High Yield Energy	11.9%	9.3%
US Bank Loans	3.9%	3.9%

Source: Barclays, Credit Suisse, Bloomberg, as of 3/31/16

Issuance and default

Issuance has slowed significantly across the higher-risk debt markets. Lending standards are tightening, covenants increasing and high yield defaults are accelerating. These movements suggest that the credit cycle is maturing. We remain cautious regarding overexposure to higher risk credit. We would suggest investors tilt accordingly – bank loans vs. high yield, high grade corporate vs. high yield, and so on.

Defaults are rising in the high yield market, fueled by the energy sector. Hedges put in place by energy-

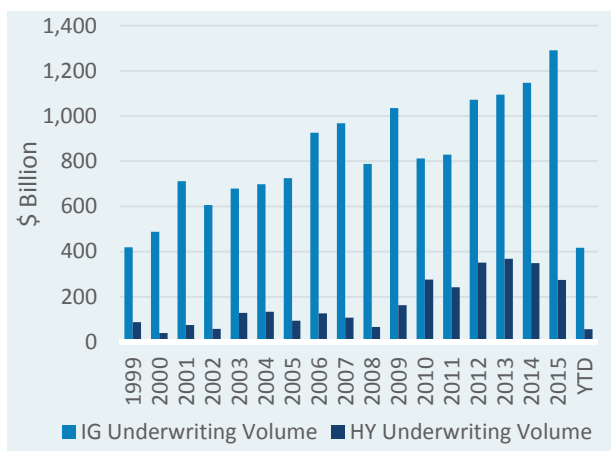
related companies continue to roll off. There exists a surprising level of funding available through distressed credit funds which may make its way to struggling firms and perhaps prolong the pain and prevent the needed restructuring within the industry.

With continued issues in the credit market, investors should take care to understand and control the degree of credit exposure in portfolios, and where possible tilt gently away from high yield rather than increasing exposures.

Credit cycle appears to be maturing

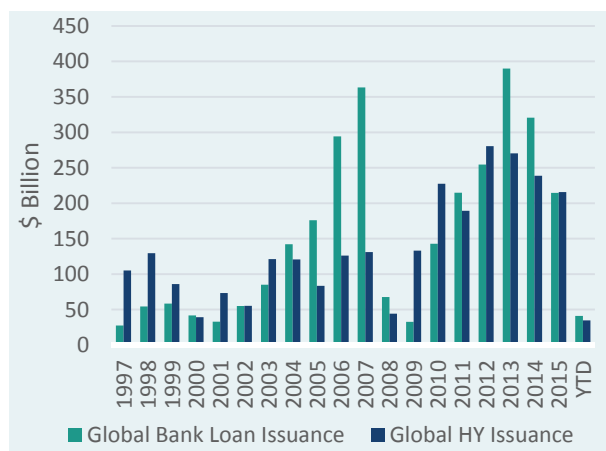
We favor investment grade over higher risk issues

IG & HIGH YIELD ISSUANCE



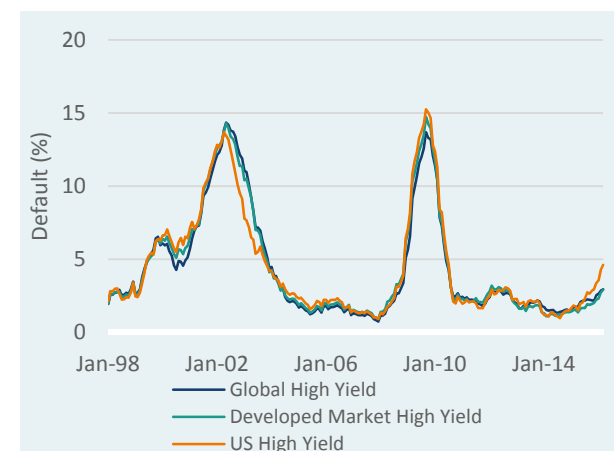
Source: Bloomberg, as of 3/31/16

BANK LOAN & GLOBAL HY ISSUANCE



Source: BofA Merrill Lynch Global Research, as of 3/31/16

HY DEFAULT TRENDS (ROLLING 1 YEAR)



Source: Credit Suisse, BofA, as of 3/31/15

Equity

Equity environment

- We remain underweight to risk assets. Market risks continue to appear asymmetrical to the downside.
- The first quarter earnings growth estimate for the S&P 500 was -9.1% as of April 8th. If an earnings decline is reported it will mark the first time since the four quarters ending Q3 2009 that the index has experienced four consecutive quarters of earnings contraction (see slide 31 for further coverage of domestic and international earnings trends).
- Telecom and utilities sectors showed strong performance in Q1 at 16.6% and 15.6%, respectively. Financials and health care underperformed at -5.1% and -5.5%.
- Size and value factors have failed to produce positive premia over the past 1, 3, 5, 7, and 10 years.
- Emerging market equities fell to start the year but have since rallied along with a bounce in commodity prices. Strong appreciation in emerging market currencies have also buoyed returns for U.S. investors in these markets.
- The U.S. dollar fell in Q1, resulting in gains for domestic investors with unhedged international currency exposure.

	QTD Total Return (unhedged)	QTD Total Return (hedged)	YTD Total Return (unhedged)	YTD Total Return (hedged)	1 Year Total Return (unhedged)	1 Year Total Return (hedged)
US Large Cap (Russell 1000)	1.2%		1.2%		0.5%	
US Small Cap (Russell 2000)	(1.5%)		(1.5%)		(9.8%)	
US Large Value (Russell 1000 Value)	1.6%		1.6%		(1.5%)	
US Large Growth (Russell 1000 Growth)	0.7%		0.7%		2.5%	
International Large (MSCI EAFE)	(3.0%)	(6.0%)	(3.0%)	(6.0%)	(8.3%)	(11.2%)
Eurozone (Euro Stoxx 50)	(3.3%)	(7.5%)	(3.3%)	(7.5%)	(11.6%)	
UK (FTSE 100)	(2.2%)	(2.4%)	(2.2%)	(2.4%)	(7.6%)	(10.2%)
Japan (NIKKEI 225)	(4.8%)	(12.3%)	(4.8%)	(12.3%)	(5.3%)	(13.4%)
Emerging Markets (MSCI Emerging Markets)	5.7%	2.5%	5.7%	2.5%	(12.0%)	(9.5%)

Source: Russell Investments, MSCI, STOXX, FTSE, Nikkei, as of 3/31/16

Domestic equity historical return

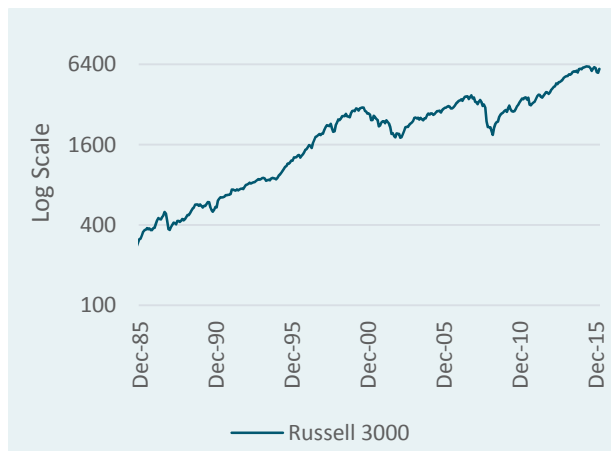
The domestic equity recovery coming out of the financial crisis has been driven fairly equally by strong earnings growth and strong upward movement in valuations. From a fundamental perspective we may need to see an improvement in earnings growth from the current contracting trend in order to realize further equity market upside, barring additional expansion of equity valuations which seems unlikely at current levels.

We remain underweight risk on an intermediate

timeframe. Risks today seem asymmetrical to the downside as corporate earnings turn lower, global growth expectations continue to be revised downward, and credit markets indicate there may be pain ahead.

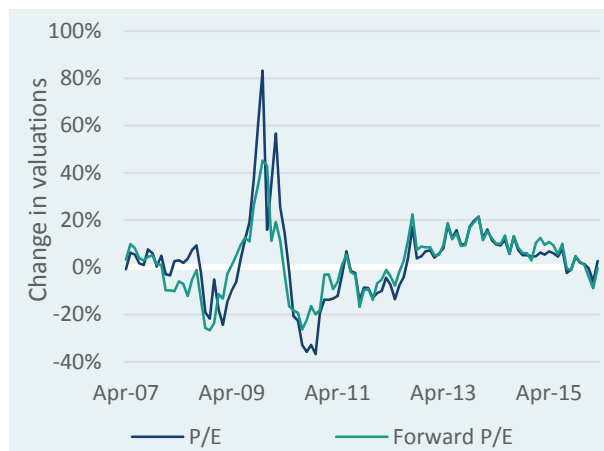
However, equity exposure remains an integral part of the portfolio and is the primary means for investors to access the long-term productive capacity of the economy. Shorter term disruption notwithstanding, the equity investment experience remains positive over the long term.

LONG-TERM PERFORMANCE



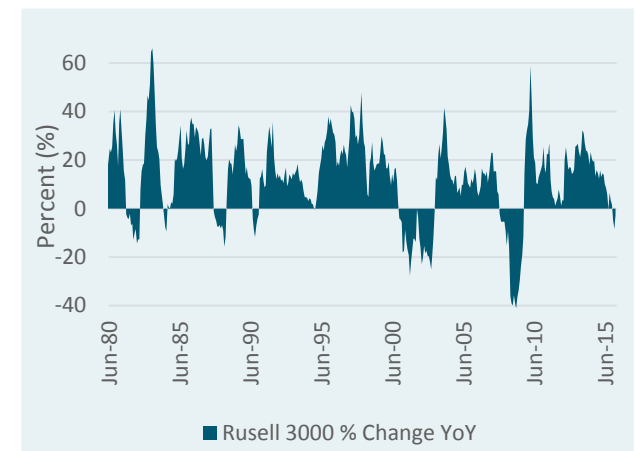
Source: FRED, as of 3/31/16

S&P 500 EPS ESTIMATE & PRICE



Source: Standard & Poor's, as of 3/31/16

DOWNSIDE EVENTS



Source: FRED, as of 3/31/16

Domestic equity recent

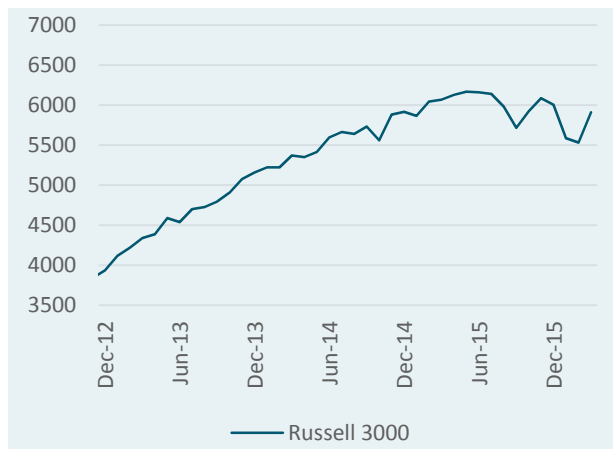
The U.S. equity market has effectively been range-bound since late 2014. The market fell sharply to start the year amid risk-off sentiment and global growth concerns, but retraced losses in March.

The return of risk-on sentiment and a dovish Fed helped stabilize equity markets. The timing of rate hikes continues to add uncertainty; however, market expectations of such a rise have been pushed back once again.

Weak corporate earnings may be a headwind for equity markets in the short-term. For Q1, the April 8th estimate of year over year earnings decline was -9.1%. If a decline does occur, it will mark four consecutive quarters of earnings contraction. With the effect of monetary easing diminishing, investors may find it more difficult to overlook another poor earnings season. Investors should remember, however, that low expectations for earnings growth provide the possibility for positive earnings surprise which might have the effect of changing sentiment.

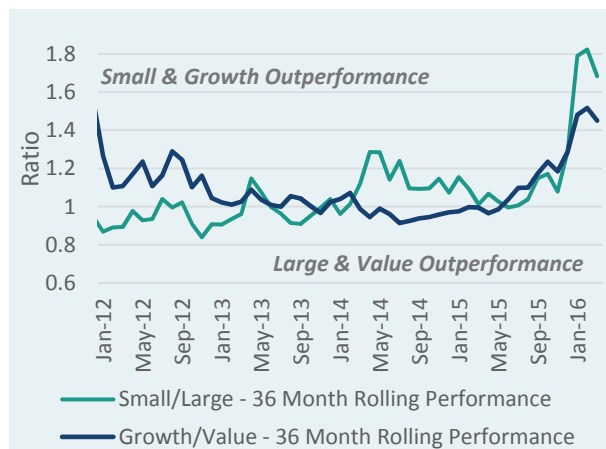
Keep watchful of domestic equities as earnings growth remains negative

SHORT TERM PERFORMANCE (3YR)



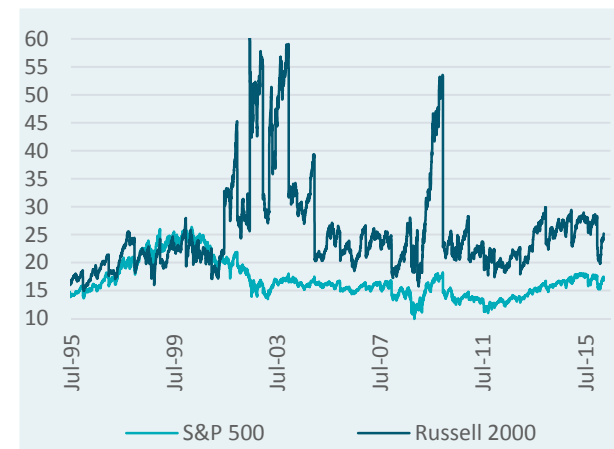
Source: Russell Investments, as of 3/31/16

SMALL/LARGE & GROWTH/VALUE



Source: Russell Investments, as of 3/31/16

FORWARD P/E



Source: Standard & Poor's, Russell Investments, as of 3/31/16

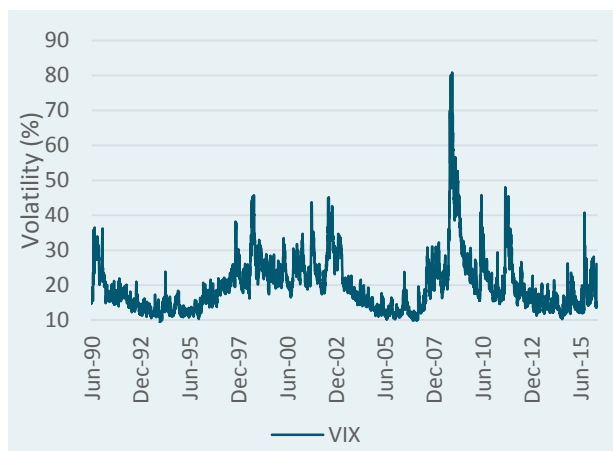
Equity volatility

Despite starting the year with heightened volatility due to a risk-off sentiment, uncertainty in global central bank policy, lowered economic growth expectations, and concerns around financial market stability, equity volatility came down to more normal levels towards the end of the quarter. Most major markets recovered losses from the start of the year and found stable ground as central banks continued a dovish stance, oil found a trading range from upper 30's to lower 40's, and the dollar continued to weaken.

Domestic volatility still remains the lowest compared to other major markets.

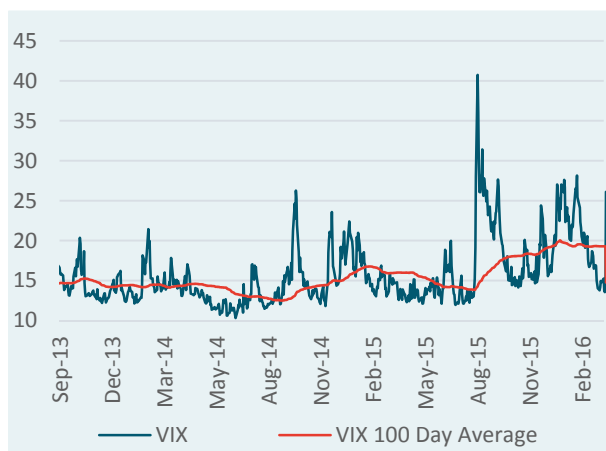
International markets are seeing more volatility as the Brexit referendum approaches, as questions continue regarding economic growth, and as geopolitical tensions persist. Emerging market volatility has come down slightly with the stabilization of oil prices.

LONG-TERM VOLATILITY



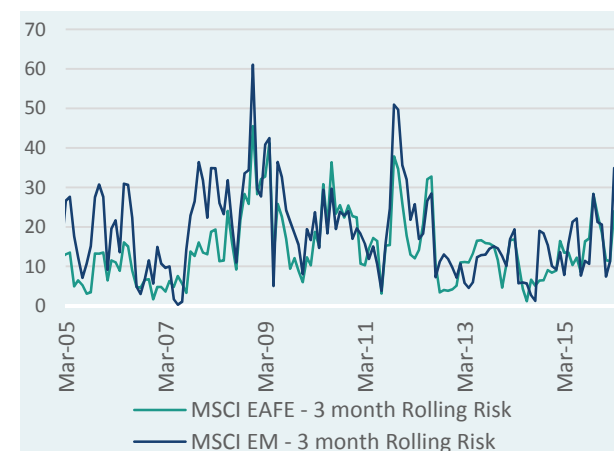
Source: CBOE, as of 3/31/16

INTERMEDIATE-TERM VOLATILITY



Source: CBOE, as of 3/31/16

INTERNATIONAL EQUITY VOLATILITY



Source: MSCI, as of 3/31/16

Domestic equity size and style

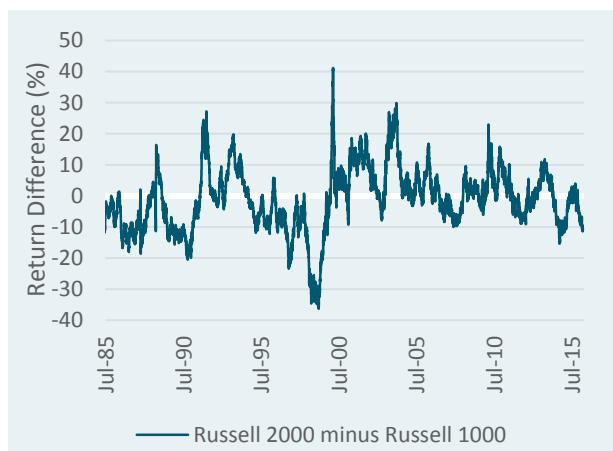
Value stocks outperformed growth stocks during the quarter as the Russell 1000 Value Index and Russell 1000 Growth Index returned 1.6% and 0.7%, respectively. However, the value factor has not provided positive returns to investors over the past 1, 3, 5, 7, and 10 years, leading many to question the efficacy of the value premium, or alternatively to suggest that a reversion to a value market is long overdue.

during the quarter. The Russell 1000 Index and Russell 2000 Index returned 1.2% and 1.5%, respectively. The Russell 1000 Index has outperformed the Russell 2000 Index on an absolute and risk-adjusted basis over the past 1, 3, 5, 7, 10, and 20 years.

This lack of performance from both the size premium and the value premium over the past 10-20 years is certainly worth noting. We will be examining these effects more closely during the coming quarters.

Large cap equities outperformed small cap equities

SMALL CAP VS LARGE CAP (YOY)



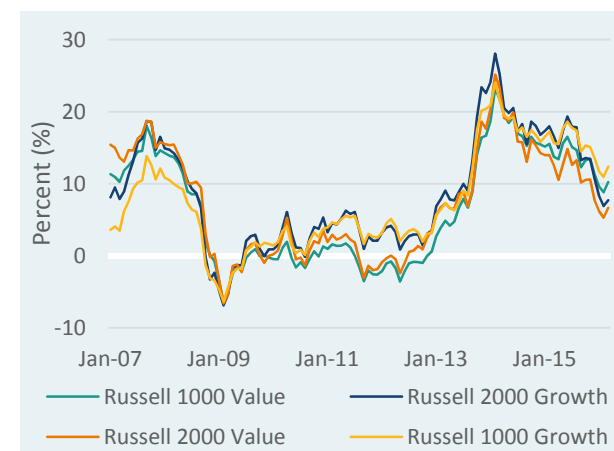
Source: Russell Investments, as of 3/31/16

VALUE VS GROWTH (YOY)



Source: Russell Investments, as of 3/31/16

ROLLING 5 YEAR RETURN



Source: Russell Investments, as of 3/31/16

Domestic equity valuations

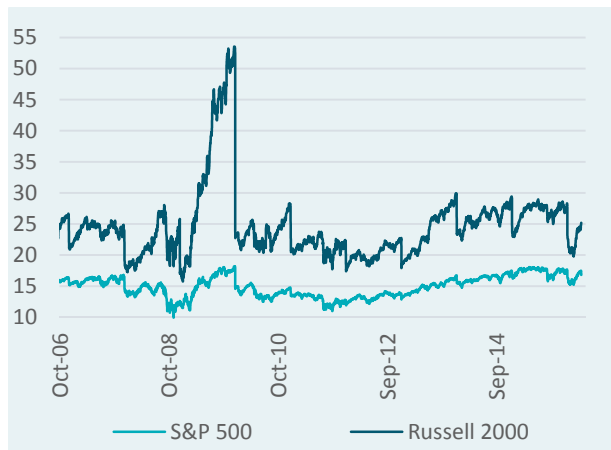
Domestic equity valuations fell to start the year along with the broader equity market decline. Valuations of large cap equities have since returned to prior levels while small cap valuations remain lower.

Attempts to gauge whether equities are over or undervalued on a cross asset class basis is made difficult by the fact that bond yields are extremely low. Investors are willing (or forced) to hold greater allocations to risk assets as most safer assets offer very

low return potential. The natural level of equity valuations could reasonably be expected to be higher in today's environment as investors have fewer alternatives available to meet return targets.

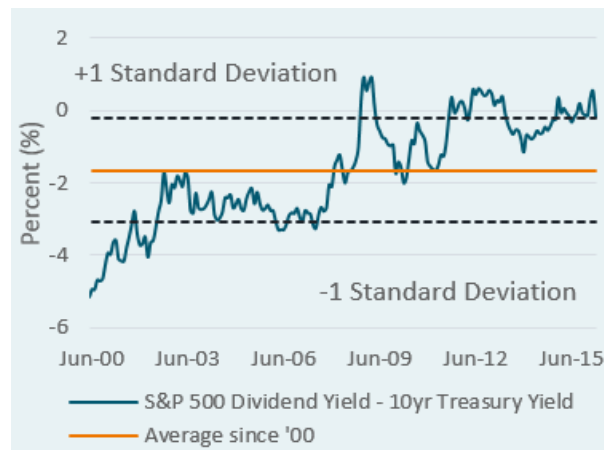
The Shiller P/E ratio remains at a relatively elevated level, although it should be noted that this indicator does not necessarily imply, particularly in the current interest rate environment, that U.S. equities are necessarily due for a significant downturn.

12 MONTH FORWARD P/E



Source: Standard & Poor's, Russell Investments, as of 3/31/16

EQUITY YIELD LESS BOND YIELD



Source: Standard & Poor's, Bloomberg, as of 3/31/16

SHILLER P/E LONG-TERM



Source: Shiller, as of 3/31/16

International equity historical return

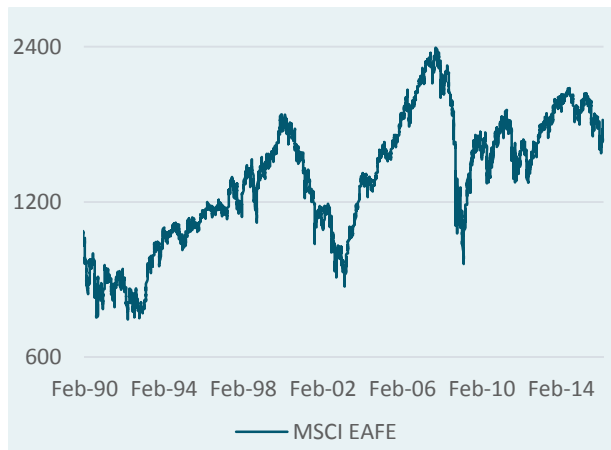
Domestic equities exhibited a significant run over the past 10 years, which led investors with home country bias to outperform. However, international and domestic markets tend to move in cycles. Domestic equities underperformed international equities materially during the early 2000's.

Emerging market equities showed a strong rebound in Q1. Countries have seen deeply depressed valuations following the downturn of the commodity super cycle and weakened currencies. Severe pessimism

surrounding these markets has allowed for potential upside movement if/when expectations are adjusted.

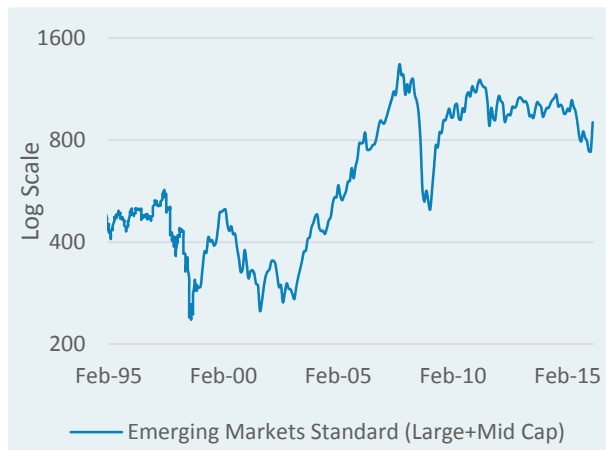
Equities can be thought of in terms of the entire opportunity set – the global equity market. Through gaining exposure to the whole opportunity set, investors should expect to realize greater risk-adjusted returns due to less than perfect correlation across equity markets.

EAFE LONG TERM (USD)



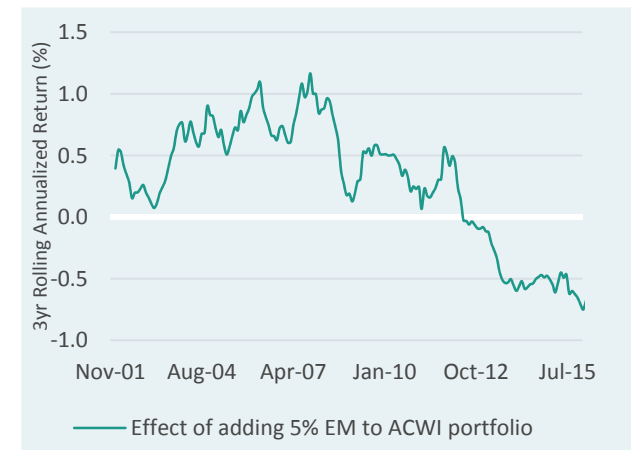
Source: MSCI, as of 3/31/16

EMERGING MARKETS LONG TERM (USD)



Source: MSCI, as of 3/31/16

EM EFFECT ON GLOBAL EQUITY PORTFOLIO



Source: MSCI, as of 3/31/16

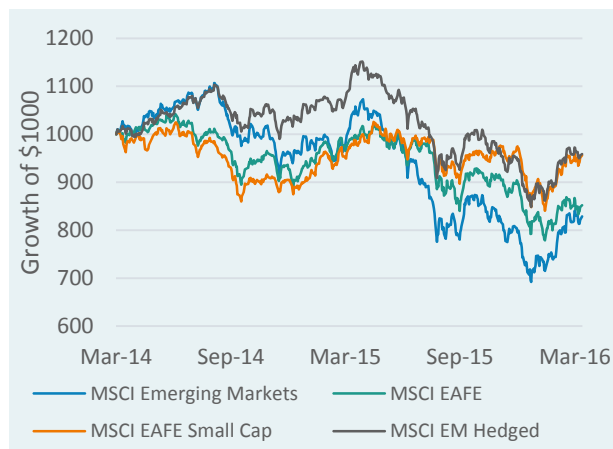
International equity recent

The euro and yen strengthened despite relatively looser monetary policy, contributing to underperformance of developed international markets. Local currency appreciation has the dual effect of hurting the competitiveness of export prices, a negative for the equity markets, while helping returns of foreign investors who hold local equities on an unhedged basis. The net benefit/loss is determined by the nature of trade within each economy and the reaction of equity investors to the currency move.

In Europe, negative interest rates continue to put banks under pressure and financials were one of the worst performing sectors in Q1. Banks compose 14% of the index. Japan equity valuations continued lower after the sell-off, moving from a trailing P/E of 21 at the start of the year to 18.8 at quarter-end.

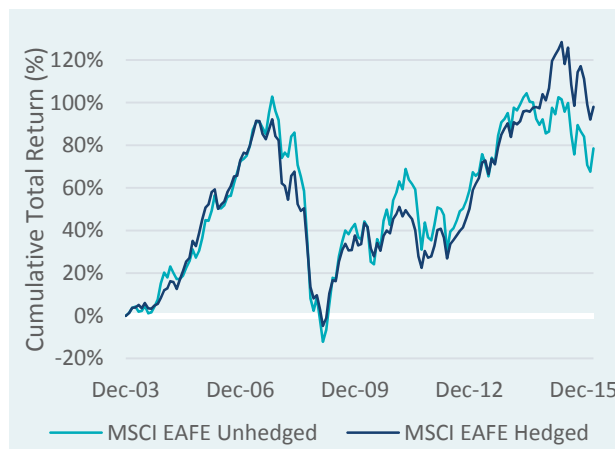
A weaker U.S. dollar and stronger commodity prices fueled a rally in emerging market equities in Q1.

SHORT-TERM PERFORMANCE



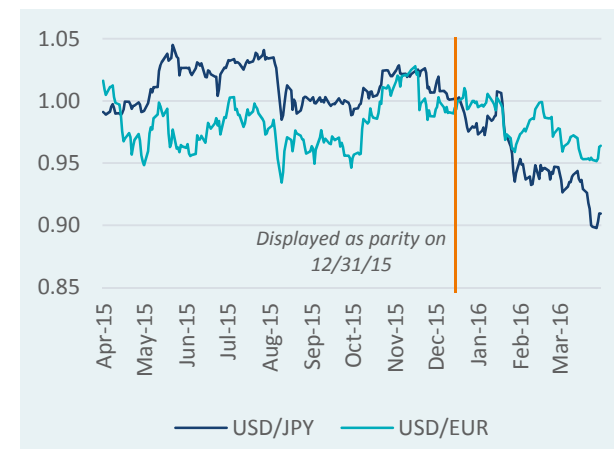
Source: MSCI, as of 3/31/16

CUMULATIVE RETURN



Source: MSCI, as of 3/31/16

USD/EUR, USD/YEN



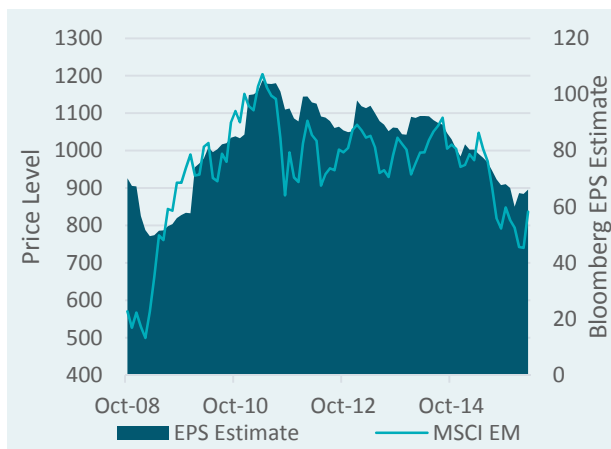
Source: MSCI, as of 3/31/16

International equity valuations

International valuations remain relatively cheap on a traditional P/E basis. However, P/E ratios can be deceiving due to their *point-in-time* nature (price of equities at a certain time divided by equities earnings at a certain time). As the value of equities are determined by the present value of future earnings it is worth noting the directional trend of earnings across each equity marketplace. Trend may add color to current valuation levels.

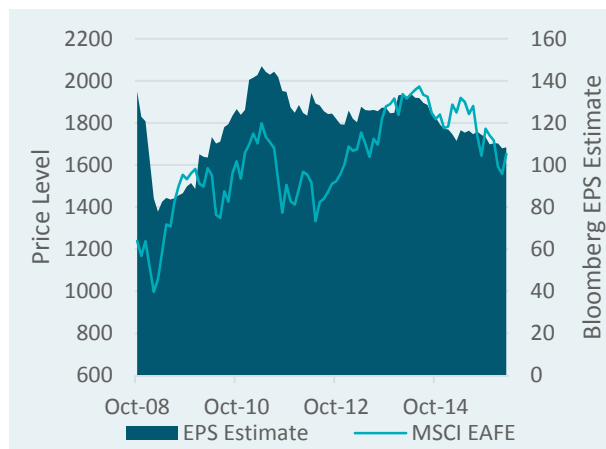
MSCI EM and MSCI EAFE valuations remain cheaper relative to the U.S. markets, though these indices have exhibited downward trends in earnings-per-share (EPS) estimates. MSCI EAFE has seen a gradual deterioration in earnings estimates while EM has seen a sharp falloff following the downward movement in commodity prices and recession in many countries. The U.S. has exhibited a steady upward trend in earnings until the recent turnover.

MSCI EM EPS ESTIMATE & PRICE



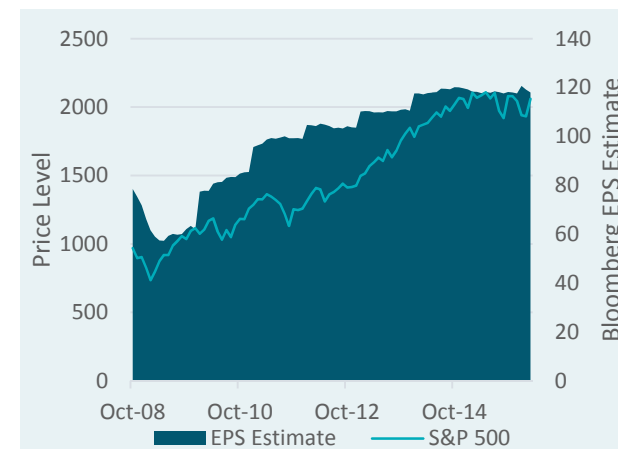
Source: MSCI, as of 3/31/16

MSCI EAFE EPS ESTIMATE & PRICE



Source: MSCI, as of 3/31/16

S&P 500 EPS ESTIMATE & PRICE



Source: Standard & Poor's, as of 3/31/16

Emerging market equity

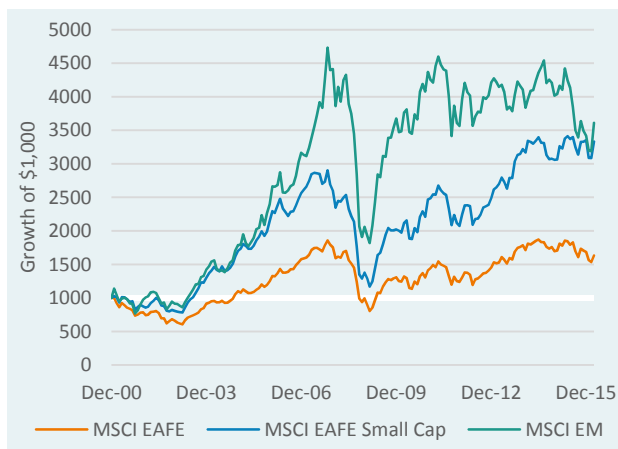
Emerging markets sold off at the start of the year along with broader equity markets, but experienced a full recovery bringing returns positive year-to-date. The rally in the oil market was mirrored by many oil producing emerging market currencies, providing a boost for unhedged U.S. based investors. Brazil was one of the best performing equity markets, supported by further speculation that top government leadership might be replaced.

Equities in this space have faced significant headwinds.

Despite sharp drawdowns in recent years, emerging markets have delivered returns since December 2000 that outpaced international developed by a very large margin.

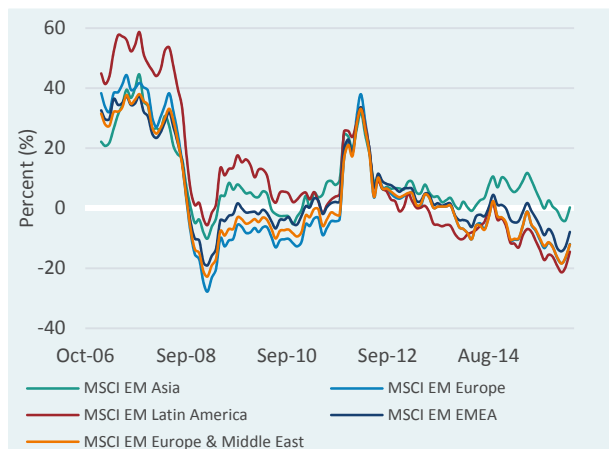
Further accommodative central bank policies and continued low yields in developed markets should help emerging market fund flows as higher yielding investment options remain limited. Furthermore, as borrowing rates tend to follow those of the developed market, an accommodative Fed provides a flow-through stimulus effect to these economies.

LONG TERM PERFORMANCE



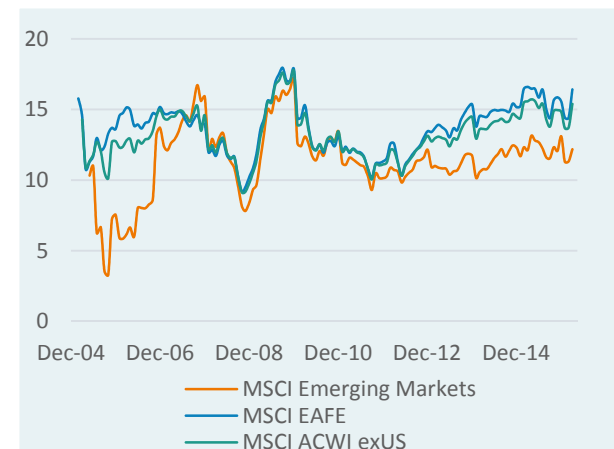
Source: MSCI, as of 3/31/16

ROLLING 3 YEAR RETURN



Source: MSCI, as of 3/31/16

FORWARD P/E



Source: MSCI, as of 3/31/16

Other assets

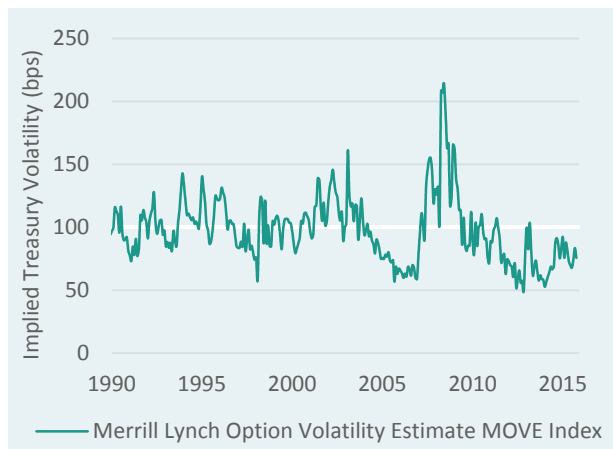
Other asset volatility

With the first Fed rate hike completed, weak commodity prices, and fear of a continued strength in the U.S. dollar versus other major currencies, the start of the first quarter saw increased financial volatility across major asset classes. Since the start of the year, global financial stress has calmed down and foreign exchange volatility has reverted. With dovish comments from the Fed and increased easing from the ECB, BOJ, and PBOC, most financial assets seem to be priced for a stable market environment going forward.

Oil volatility has retreated sharply since the start of the year as talks of potential production output remain a possibility in OPEC countries. Additionally, rig counts in the U.S. dropped, indicating there may be a slight reprieve of supply in the near term.

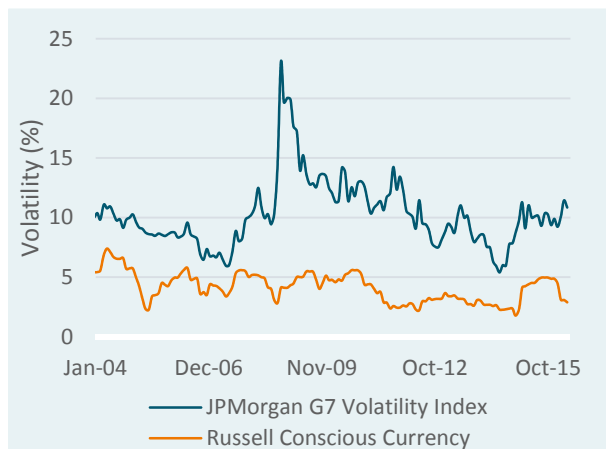
Fixed income implied volatility remains below average despite the anticipation of rate hikes and extended durations in a low yield environment. Even with market attention focused on rate movement, the expected short term risk of fixed income continues to be low.

FIXED INCOME VOLATILITY



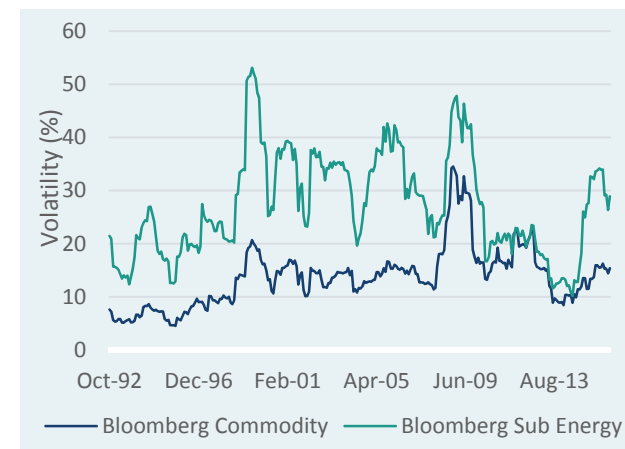
Source: Merrill Lynch, as of 3/31/16 (see Appendix)

FX VOLATILITY



Source: JP Morgan, Russell Investments, as of 3/31/16

COMMODITY VOLATILITY



Source: Bloomberg, as of 3/31/16

Real estate & REITs

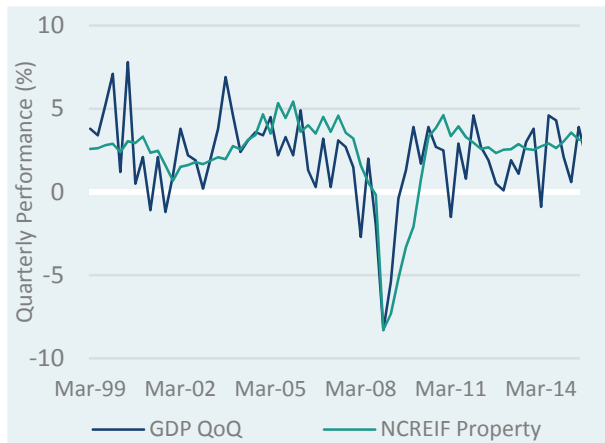
Core real estate has now provided six consecutive years of steady returns between 10-14%. Correlations between GDP growth and real estate have historically been very high. A slow, but steady recovery in the job market, combined with low interest rates has created an environment conducive to positive results in the asset class. Lending standards have remained tighter than previous cycles keeping new supply from overheating the market.

Fundamentals remain strong as vacancy rates continue to decline overall. Industrial property vacancy rates have

shown the steepest declines as e-commerce has increased demand for infill warehouse space. Apartment vacancies ticked up slightly at the end of 2015 as new supply has been heavier in this sector. Net operating income growth remains positive overall, but has slowed in recent quarters with the exception of apartments, which continue to grow over 10%.

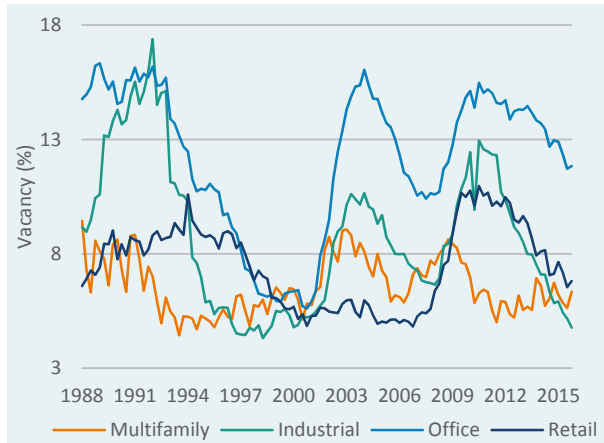
Cap rates have continued to steadily decline along with interest rates, although the spreads to U.S. Treasuries remain attractive.

REAL ESTATE & THE BUSINESS CYCLE



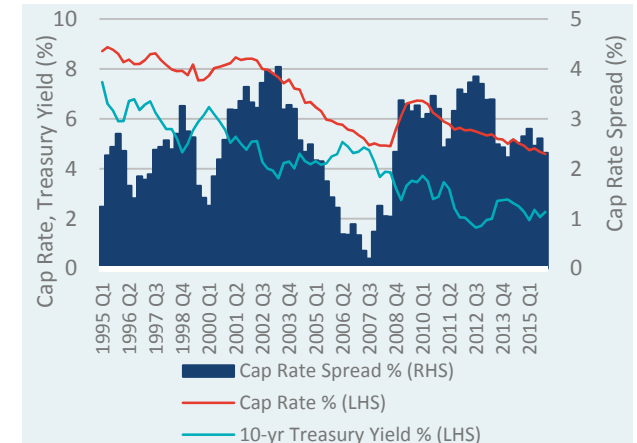
Source: NCREIF, as of 12/31/15

REAL ESTATE VACANCY BY TYPE



Source: NCREIF, as of 12/1/15

CAP RATE SPREADS



Source: NCREIF, as of 12/1/15

Commodities

After months of prolonged negative performance for commodities, Q1 provided a positive reprieve. Along with other risky assets, crude oil saw a rough start to the year, falling below \$30 in February. With stronger market sentiment and indications of production ceilings from major oil producers, the price has recovered to the low \$40's. The WTI forward curve has begun to flatten which could be positive for long investors seeking to reduce their losses on the roll yield.

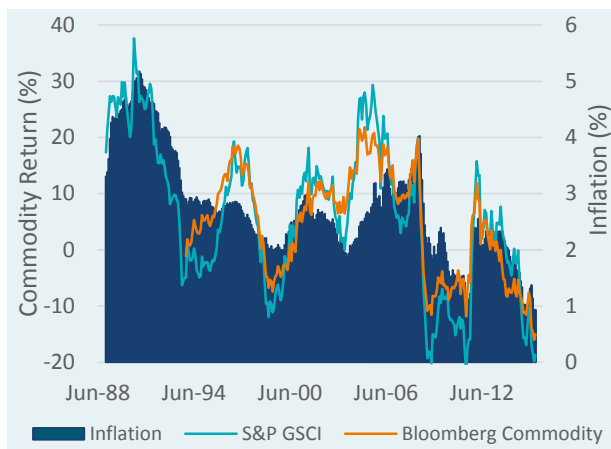
U.S. oil and gas rig counts dropped to the lowest level on record back to 1949, reflecting the dramatic downturn in

activity from the U.S. energy sector. This reduction in supply was a tailwind for crude oil prices.

While oil continues to hover around all time low prices, Americans are approaching peak driving season and could bolster upward price movement.

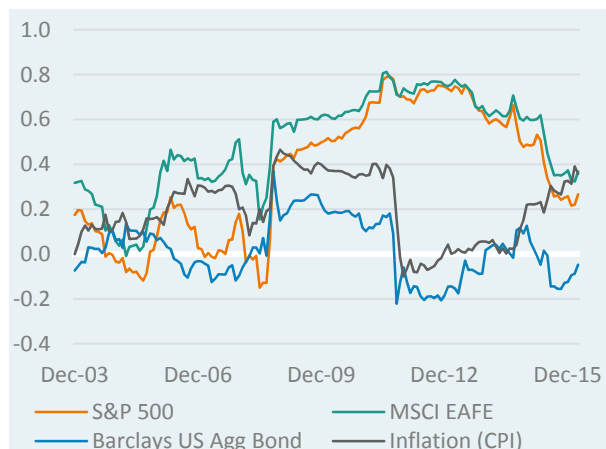
Gold started 2016 just above \$1100 and has since rallied past \$1250. While the initial rally seemed to have been supported by uncertainty around Fed policy and instability across global financial markets, gold has remained range bound over the last month.

3 YR ROLLING RETURNS



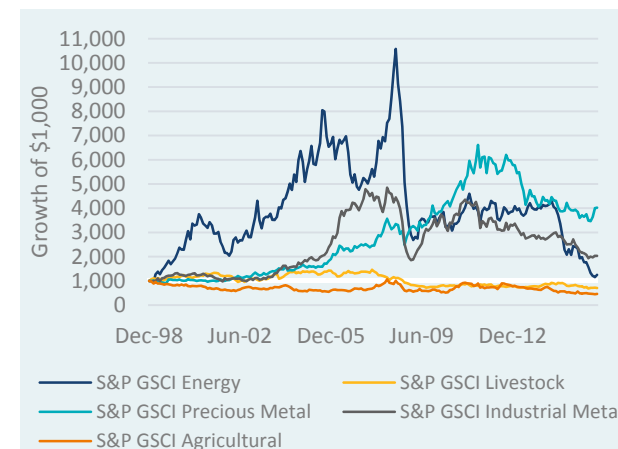
Source: Standard & Poor's, Bloomberg, as of 3/31/16

COMMODITY CORRELATION (3YR ROLLING)



Source: MPI, as of 3/31/16 - correlation to Bloomberg Commodity

COMMODITY CUMULATIVE RETURNS



Source: S&P Dow Jones, as of 3/31/16

Private equity buyouts

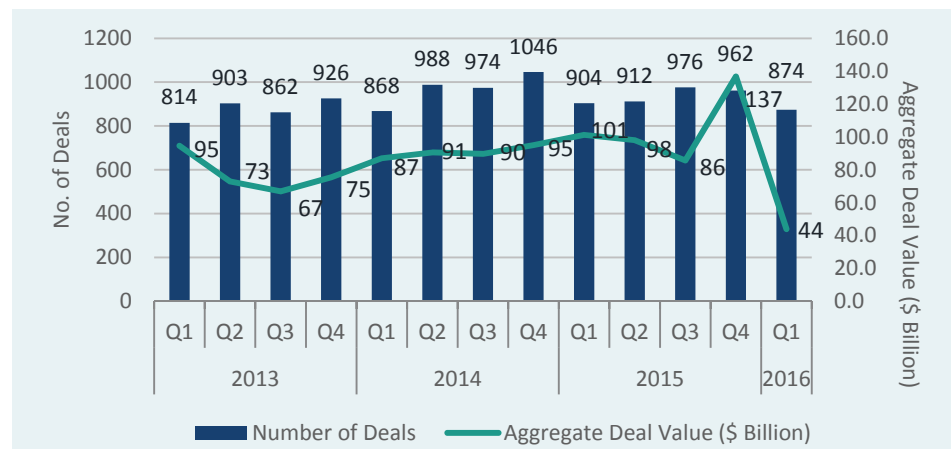
With pricing rich in the buyouts space, harvesting volume is outpacing new capital deployment. This bodes well for LPs given higher levels of distributions than capital calls in a frothy investment environment. While exhibiting a continued downward trend in the number of exits, the aggregate value of Buyout exits continued to outpace new investments.

The first quarter of 2016 saw 874 private equity-backed buyout deals globally, worth a combined \$44 Billion. This represents a sharp decrease from the 962 deals in the

previous quarter, and is 57% lower than the \$101 Billion recorded across 904 deals in Q1 2015.

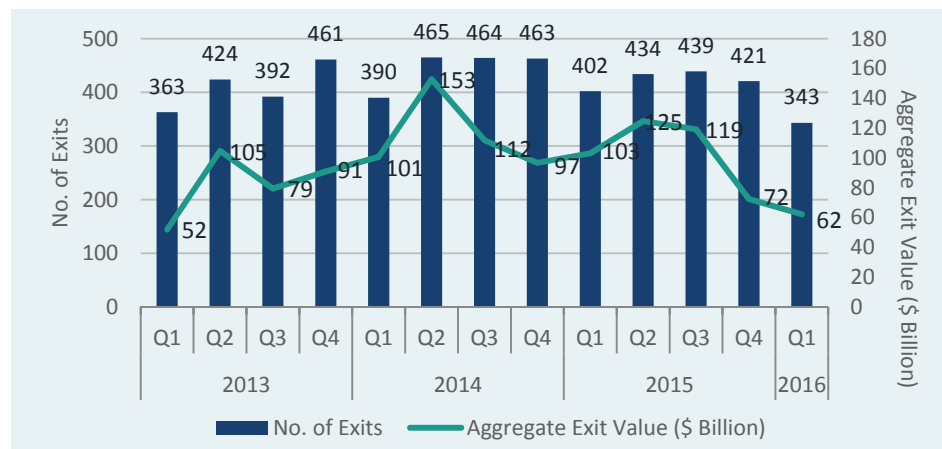
Private equity buyout-backed exits also contracted in Q1 2016, as 343 exits with a total value of \$62 Billion were announced. The number of exits is 19% lower than the 421 exits seen in Q4 2015, and 15% lower than the 402 exits in Q1 2015.

GLOBAL PRIVATE EQUITY-BACKED BUYOUT DEALS



Source: Preqin, as of 3/31/16

GLOBAL PRIVATE EQUITY-BACKED BUYOUT EXITS



Source: Preqin, as of 3/31/16

Venture capital

Venture Capital fund managers are not finding exit markets as receptive and have adjusted capital deployment to somewhat lower levels, with a focus on existing portfolio companies. With the funding environment generally more stringent for new startups and later stage companies that have yet to gain traction, we see signs that the venture space is going through a modest correction.

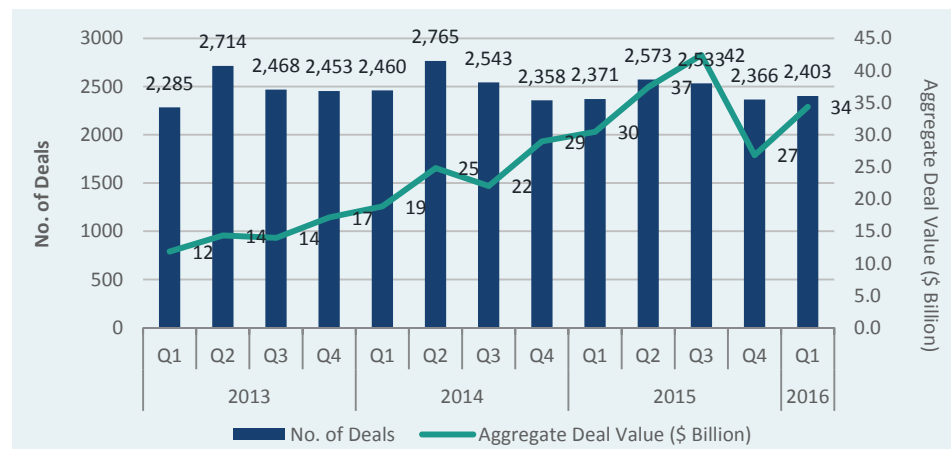
With aggregate exit values generally lagging in 2015, VC investment activity has turned more cautious, with a

focus on selectively funding existing portfolio companies.

Globally the first quarter saw 2,403 deals, worth a combined \$34 Billion. Both the quantity and value of new deals have fallen over the last two quarters.

The venture-backed exit market contracted in Q1, as 265 exits were announced globally worth a total of \$17 Billion. The number of exits was 15% lower than the 304 exits seen in Q4 2015, and 6% lower than the 282 exits in Q1 2015.

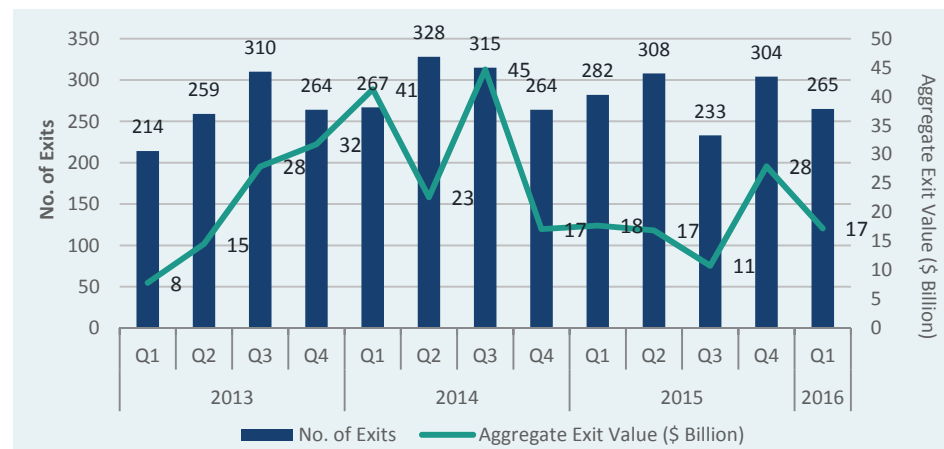
GLOBAL VENTURE CAPITAL INVESTMENTS*



Source: Preqin, as of 3/31/16

* Figures exclude add-ons, mergers, grants, venture debt & secondary stock purchases.

GLOBAL VENTURE CAPITAL EXITS



Source: Preqin, as of 3/31/16

Currency

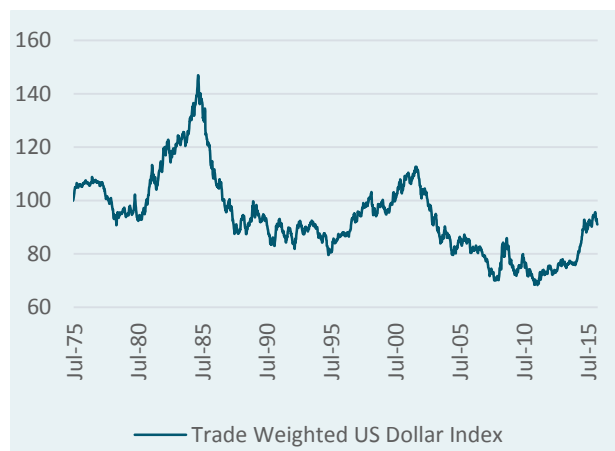
The U.S. dollar depreciated against a broad basket of currencies in Q1, resulting in moderate to significant gains for investors with unhedged international equity exposure. Emerging market currencies rallied particularly hard in March as the U.S. dollar fell following a more accommodative sounding Fed and market risk-on sentiment.

The currency headwind faced by unhedged U.S. investors has reversed, bringing the effects of currency

back to neutral on a 1-year rolling basis.

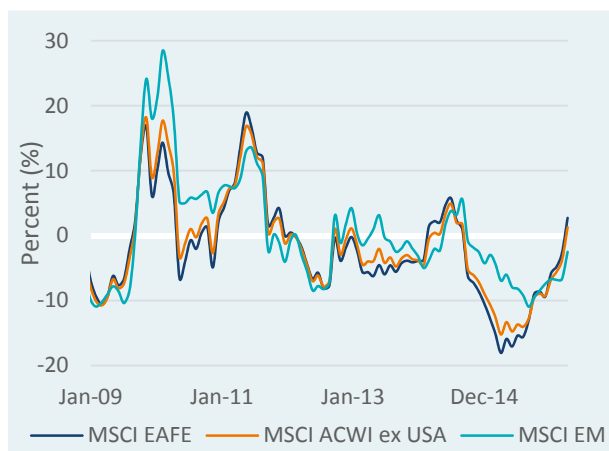
Forecasting the future path of the U.S. dollar is an extremely difficult task. The dollar has appreciated greatly over the last few years, although this quarter some of that progression had been given back. The dollar is influenced by relative interest rates and is therefore influenced by central bank actions. Furthermore, trade and inflows/outflows of U.S. dollars around the globe has great impact on valuations.

LONG-TERM TRADE WEIGHTED USD



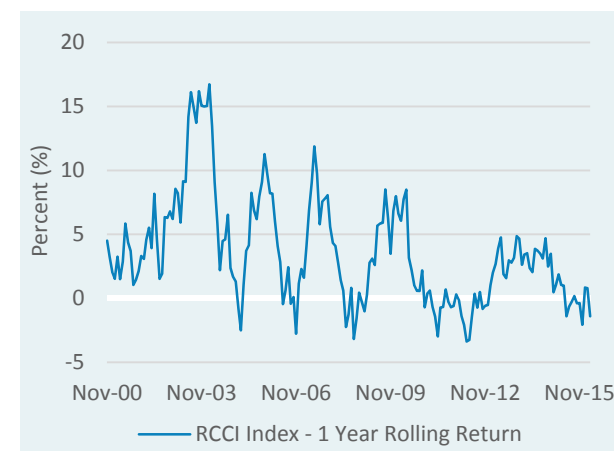
Source: FRED, as of 3/31/16

EFFECT OF CURRENCY (1YR ROLLING)



Source: MSCI, as of 3/31/16

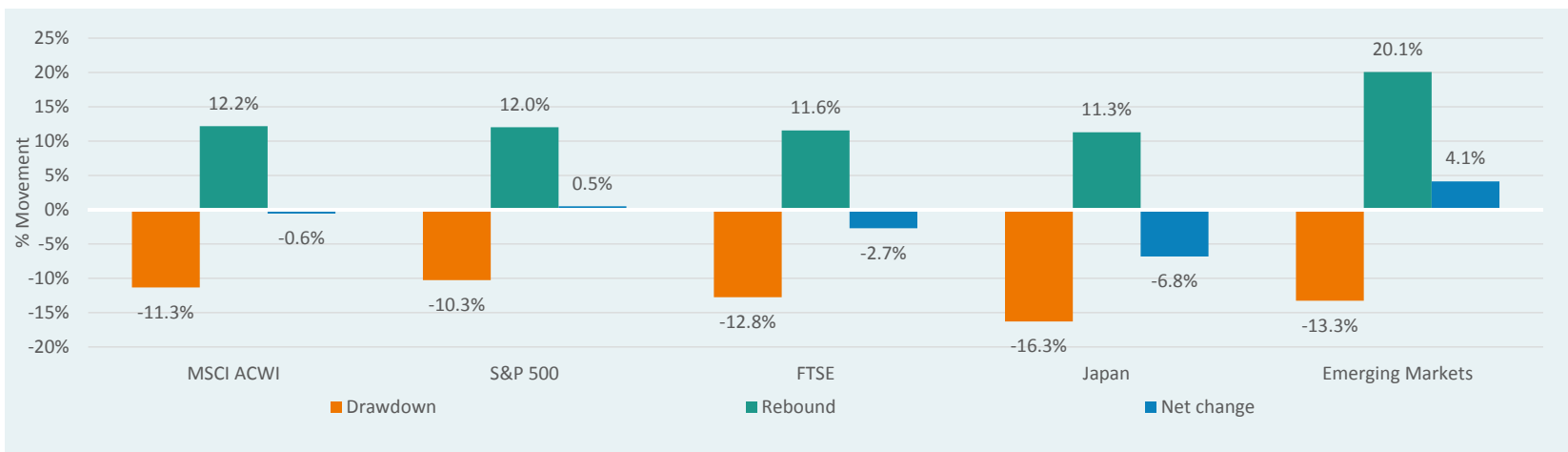
CURRENCY MARKET BEHAVIOR



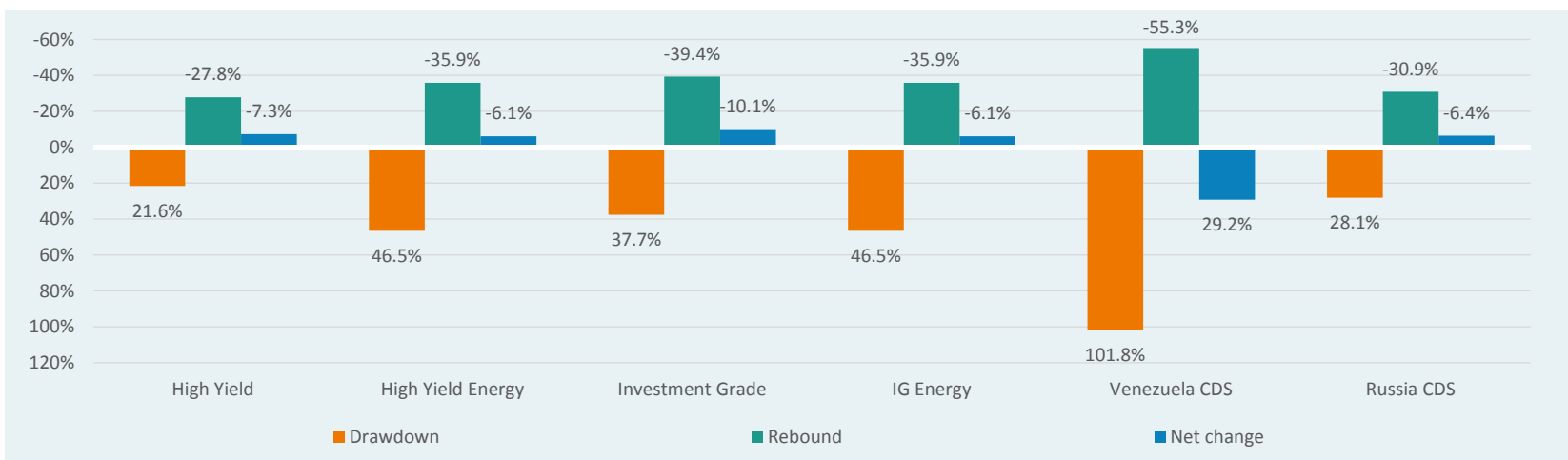
Source: Russell Investments, as of 3/31/16

Peak to trough

EQUITY DRAWDOWN AND RECOVERY



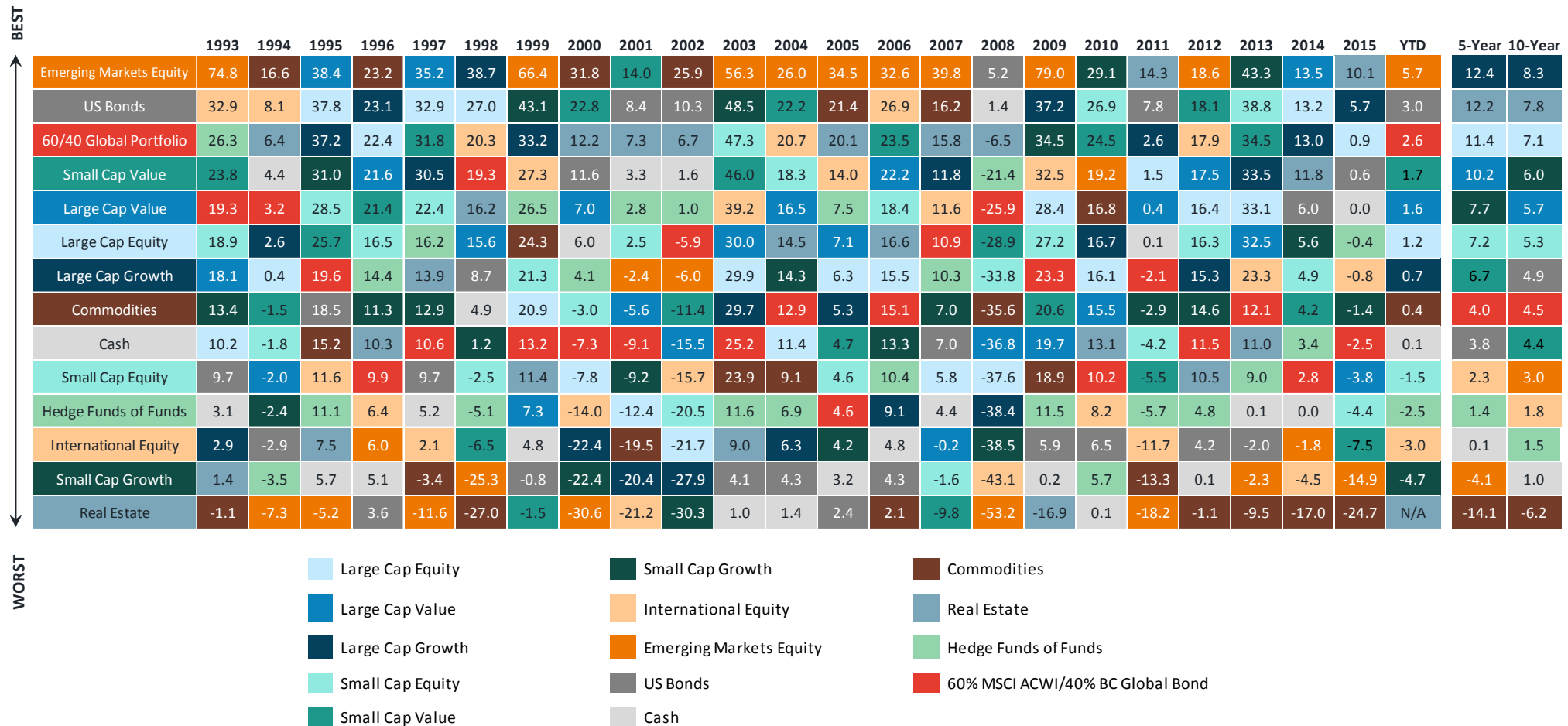
SPREAD EXPANSION AND COMPRESSION



Source: Bloomberg, as of 4/11/2016 Returns are for the period observed during from 1/1/2016 to 4/11/2016. Indices are stated in USD and returns are gross.

Appendix

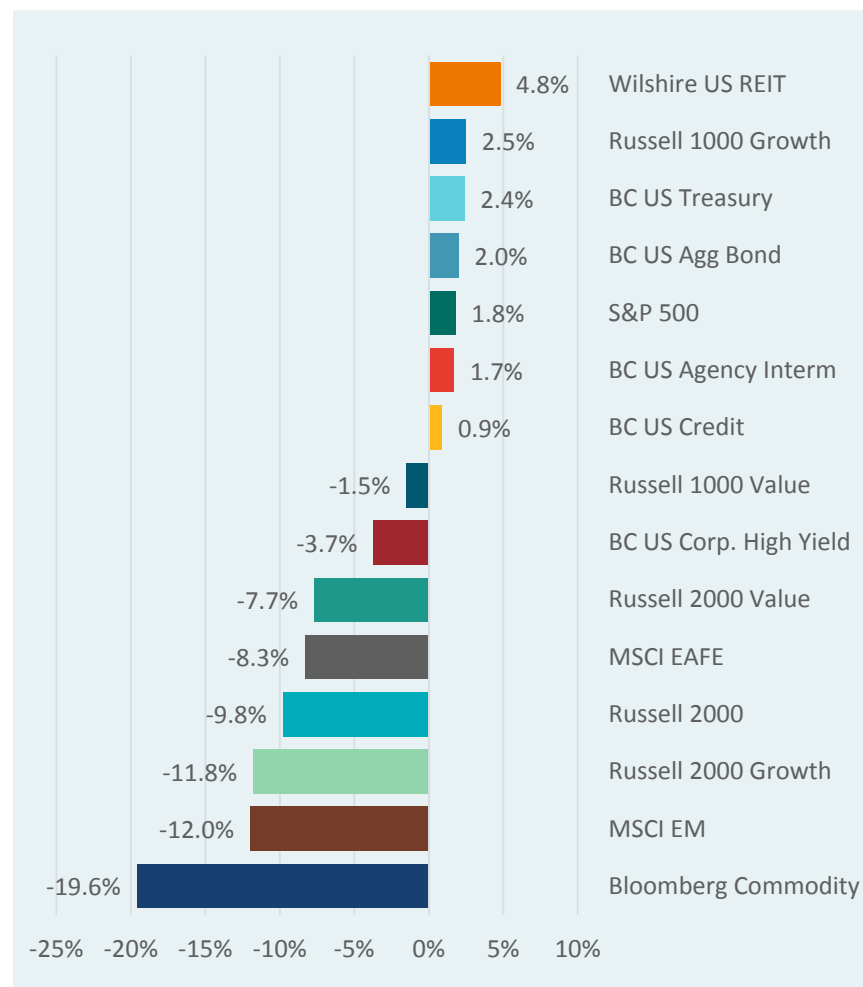
Periodic table of returns – March 2016



Source Data: Morningstar, Inc., Hedge Fund Research, Inc. (HFR), National Council of Real Estate Investment Fiduciaries (NCREIF). Indices used: Russell 1000, Russell 1000 Value, Russell 1000 Growth, Russell 2000, Russell 2000 Value, Russell 2000 Growth, MSCI EAFE, MSCI EM, BC Agg, T-Bill 90 Day, Bloomberg Commodity, NCREIF Property, HFRI FOF, MSCI ACWI, BC Global Bond. NCREIF Property performance data as of 12/31/15.

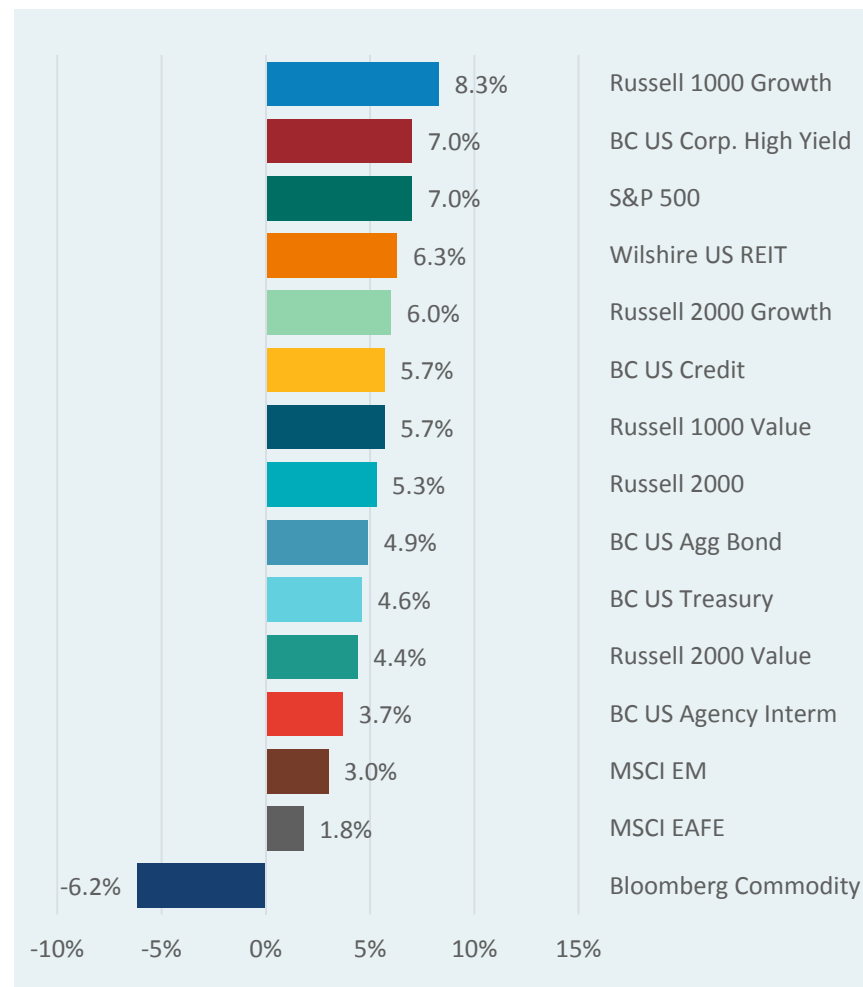
Major asset class returns

ONE YEAR ENDING MARCH



Source: Morningstar, as of 3/31/16

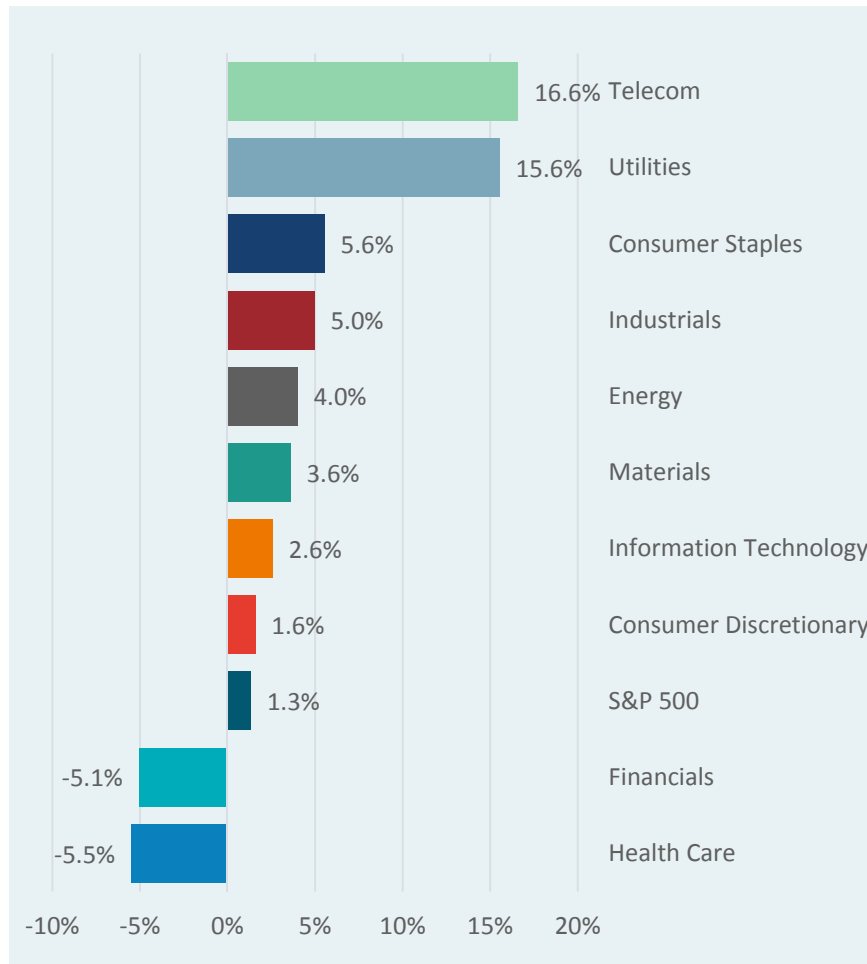
TEN YEARS ENDING MARCH



Source: Morningstar, as of 3/31/16

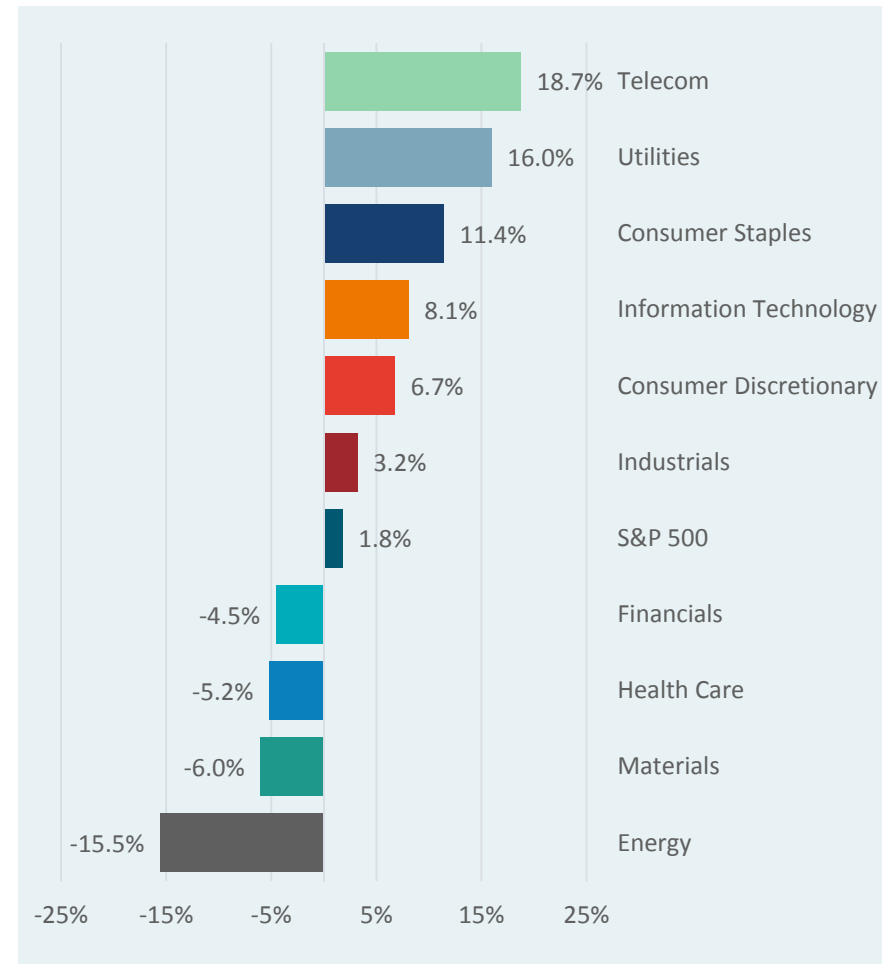
S&P 500 and S&P 500 sector returns

QTD



Source: Morningstar, as of 3/31/16

ONE YEAR ENDING MARCH



Source: Morningstar, as of 3/31/16

Detailed index returns

DOMESTIC EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Core Index							
S&P 500	6.8	1.3	1.3	1.8	11.8	11.6	7.0
S&P 500 Equal Weighted	7.9	3.0	3.0	(1.0)	11.8	11.5	8.2
DJ Industrial Average	7.2	2.2	2.2	2.1	9.3	10.3	7.5
Russell Top 200	6.5	0.7	0.7	2.6	12.0	11.8	6.9
Russell 1000	7.0	1.2	1.2	0.5	11.5	11.4	7.1
Russell 2000	8.0	(1.5)	(1.5)	(9.8)	6.8	7.2	5.3
Russell 3000	7.0	1.0	1.0	(0.3)	11.1	11.0	6.9
Russell Mid Cap	8.2	2.2	2.2	(4.0)	10.4	10.3	7.4
Style Index							
Russell 1000 Growth	6.7	0.7	0.7	2.5	13.6	12.4	8.3
Russell 1000 Value	7.2	1.6	1.6	(1.5)	9.4	10.2	5.7
Russell 2000 Growth	7.7	(4.7)	(4.7)	(11.8)	7.9	7.7	6.0
Russell 2000 Value	8.3	1.7	1.7	(7.7)	5.7	6.7	4.4

INTERNATIONAL EQUITY

Broad Index							
MSCI EAFE	6.5	(3.0)	(3.0)	(8.3)	2.2	2.3	1.8
MSCI AC World ex US	8.1	(0.4)	(0.4)	(9.2)	0.3	0.3	1.9
MSCI EM	13.2	5.7	5.7	(12.0)	(4.5)	(4.1)	3.0
MSCI EAFE Small Cap	8.0	(0.6)	(0.6)	3.2	7.3	5.6	3.4
Style Index							
MSCI EAFE Growth	6.4	(2.1)	(2.1)	(3.7)	3.8	3.7	2.9
MSCI EAFE Value	6.6	(4.0)	(4.0)	(12.8)	0.6	0.8	0.6
Regional Index							
MSCI UK	4.8	(2.3)	(2.3)	(8.8)	0.2	2.2	2.0
MSCI Japan	4.7	(6.5)	(6.5)	(7.1)	3.8	4.0	(0.4)
MSCI Euro	7.4	(2.5)	(2.5)	(9.9)	4.0	0.6	0.8
MSCI EM Asia	11.4	1.9	1.9	(12.6)	(0.1)	(0.7)	5.0
MSCI EM Latin American	20.4	19.1	19.1	(9.2)	(14.8)	(11.5)	1.5

FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
BC US Treasury US TIPS	1.8	4.5	4.5	1.5	(0.7)	3.0	4.6
BC US Treasury Bills	0.1	0.1	0.1	0.2	0.1	0.1	1.2
BC US Agg Bond	0.9	3.0	3.0	2.0	2.5	3.8	4.9
Duration							
BC US Treasury 1-3 Yr	0.2	0.9	0.9	0.9	0.8	0.9	2.5
BC US Treasury Long	(0.0)	8.2	8.2	2.8	6.1	9.7	8.0
BC US Treasury	0.2	3.2	3.2	2.4	2.1	3.6	4.6
Issuer							
BC US MBS	0.3	2.0	2.0	2.4	2.7	3.2	4.8
BC US Corp. High Yield	4.4	3.4	3.4	(3.7)	1.8	4.9	7.0
BC US Agency Interm	0.2	1.5	1.5	1.7	1.3	1.9	3.7
BC US Credit	2.5	3.9	3.9	0.9	2.9	5.0	5.7

OTHER

Index							
Bloomberg Commodity	3.8	0.4	0.4	(19.6)	(16.9)	(14.1)	(6.2)
Wilshire US REIT	10.4	5.2	5.2	4.8	11.1	12.1	6.3
Regional Index							
JPM EMBI Global Div	3.3	5.0	5.0	4.2	3.4	6.2	7.2
JPM GBI-EM Global Div	9.1	11.0	11.0	(1.6)	(6.7)	(2.0)	5.0

Source: Morningstar, as of 3/31/16

Definitions

Bloomberg US Weekly Consumer Comfort Index - tracks the public's economic attitudes each week, providing a high-frequency read on consumer sentiment. The index, based on cell and landline telephone interviews with a random, representative national sample of U.S. adults, tracks Americans' ratings of the national economy, their personal finances and the buying climate on a weekly basis, with views of the economy's direction measured separately each month. (www.langerresearch.com)

University of Michigan Consumer Sentiment Index - A survey of consumer attitudes concerning both the present situation as well as expectations regarding economic conditions conducted by the University of Michigan. For the preliminary release approximately three hundred consumers are surveyed while five hundred are interviewed for the final figure. The level of consumer sentiment is related to the strength of consumer spending. (www.Bloomberg.com)

Citi Economic Surprise Index - objective and quantitative measures of economic news. Defined as weighted historical standard deviations of data surprises (actual releases vs Bloomberg survey median). A positive reading of the Economic Surprise Index suggests that economic releases have on balance been beating consensus. The indices are calculated daily in a rolling three-month window. The weights of economic indicators are derived from relative high-frequency spot FX impacts of 1 standard deviation data surprises. The indices also employ a time decay function to replicate the limited memory of markets. (www.Bloomberg.com)

Merrill Lynch Option Volatility Estimate (MOVE) Index – a yield curve weighted index comprised of a weighted set of 1-month Treasury options, including 2.5.10 and 30 year tenor contracts. This index is an indicator of the expected (implied) future volatility in the rate markets.

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Imperial County Employees' Retirement System

Investment Performance Review

Period Ending: March 31, 2016



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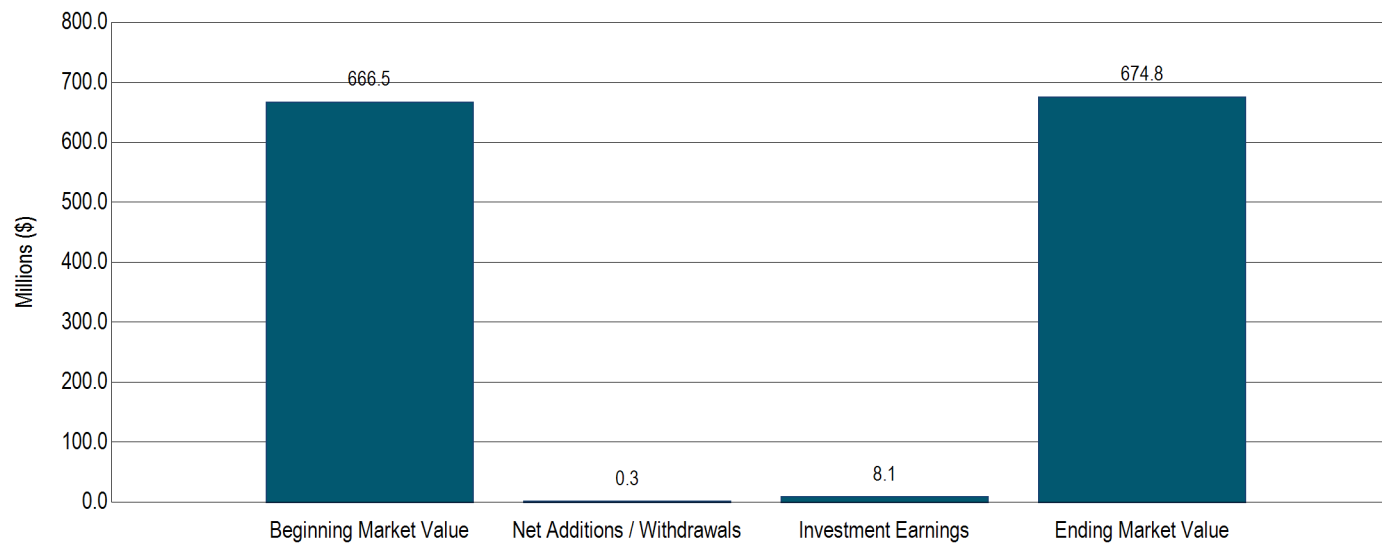
Total Fund
Portfolio Reconciliation

Period Ending: March 31, 2016

Portfolio Reconciliation

Sources of Portfolio Growth	Last Three Months	Fiscal Year-To-Date	One Year
Beginning Market Value	\$666,480,216	\$691,058,257	\$689,710,879
Net Additions/Withdrawals	\$251,679	-\$5,045,241	-\$5,275,776
Investment Earnings	\$8,113,419	-\$11,167,702	-\$9,589,789
Ending Market Value	\$674,845,314	\$674,845,314	\$674,845,314

Change in Market Value
Last Three Months

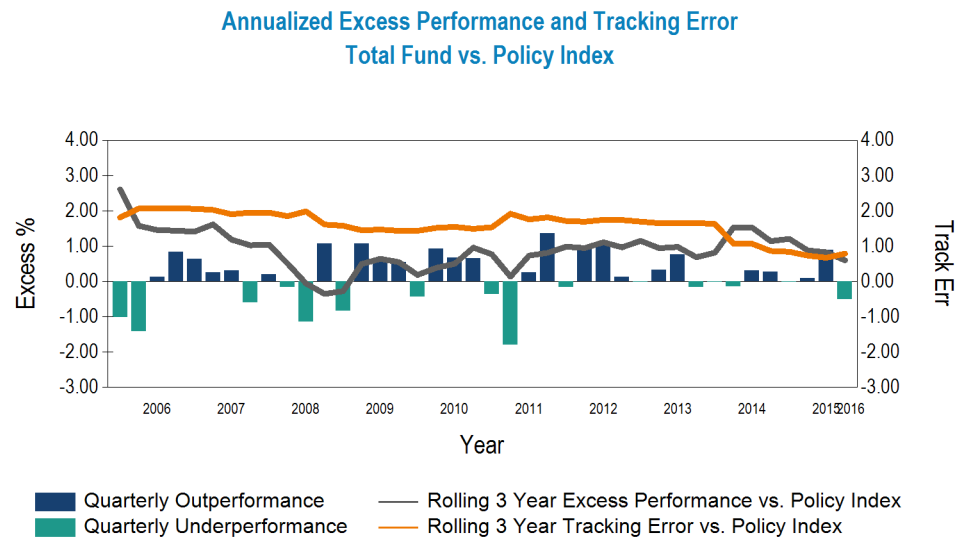
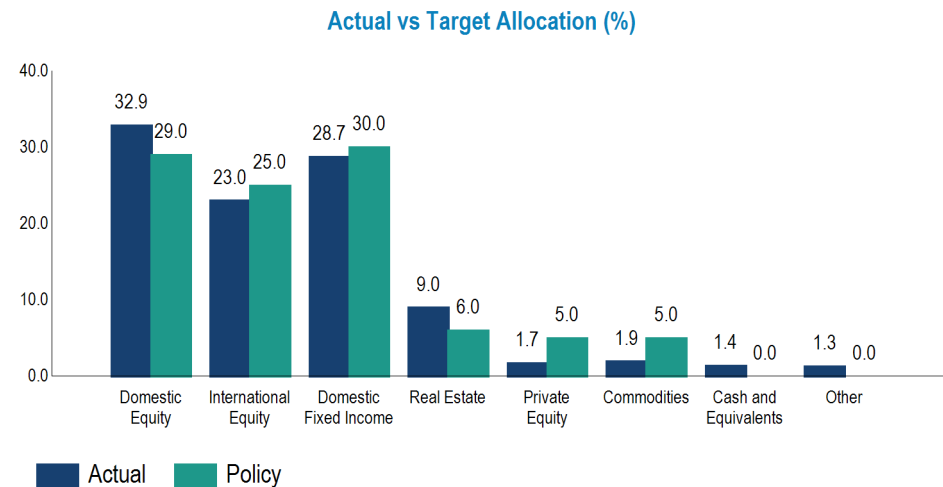


Contributions and withdrawals may include intra-account transfers between managers/funds. Fee transactions are excluded from Portfolio Reconciliation.

Total Fund Executive Summary (Gross of Fees)

Period Ending: March 31, 2016

	QTD	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Total Fund	1.3	1.3	-1.5	-1.2	5.2	5.8	5.6
Total Fund ex Clifton	1.3	1.3	-1.5	-1.2	5.2	5.7	5.6
Policy Index	1.8	1.8	-1.9	-1.6	4.6	5.2	5.1
InvestorForce Public DB Gross Rank	53	53	59	54	66	72	36
Total Domestic Equity	1.0	1.0	-1.0	-0.9	10.4	10.6	7.0
Russell 3000	1.0	1.0	-0.5	-0.3	11.1	11.0	6.9
eA All US Equity Gross Rank	42	42	31	32	49	43	58
Total International Equity	-0.9	-0.9	-8.7	-8.1	0.9	0.3	3.0
MSCI ACWI ex USA Gross	-0.3	-0.3	-9.4	-8.8	0.8	0.8	2.4
eA ACWI ex-US All Cap Equity Gross Rank	42	42	69	76	86	94	78
Total Fixed Income	3.1	3.1	2.5	0.9	2.1	4.3	6.1
Barclays Aggregate	3.0	3.0	3.7	2.0	2.5	3.8	4.9
eA All US Fixed Inc Gross Rank	28	28	52	68	61	43	23
Total Real Estate	2.3	2.3	10.0	15.3	14.0	12.8	--
NCREIF Property Index	2.2	2.2	8.4	11.8	11.9	11.9	--
NCREIF-ODCE	2.2	2.2	9.5	13.7	13.6	13.3	--
Total Private Equity	3.5	3.5	11.4	14.2	19.1	--	--
Russell 3000 +3% Lagged	7.0	7.0	0.9	3.5	18.1	--	--
Total Commodities	0.5	0.5	-23.7	-20.5	-16.7	-14.0	--
Bloomberg Commodity Index TR USD	0.4	0.4	-23.1	-19.6	-16.9	-14.1	--
Total Opportunistic	-1.3	-1.3	-1.4	1.5	12.5	15.4	--
Assumption Rate + 1%	2.2	2.2	6.7	9.0	9.0	9.0	--

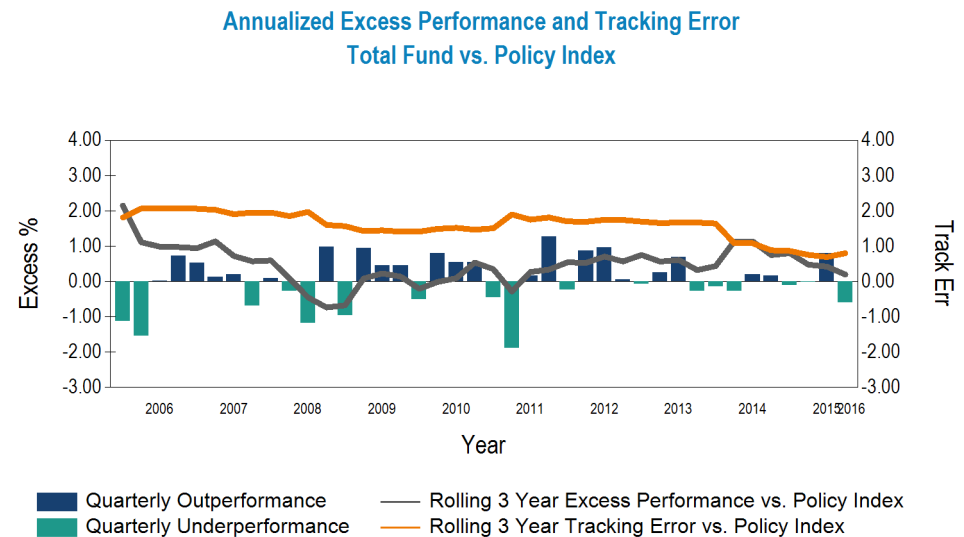
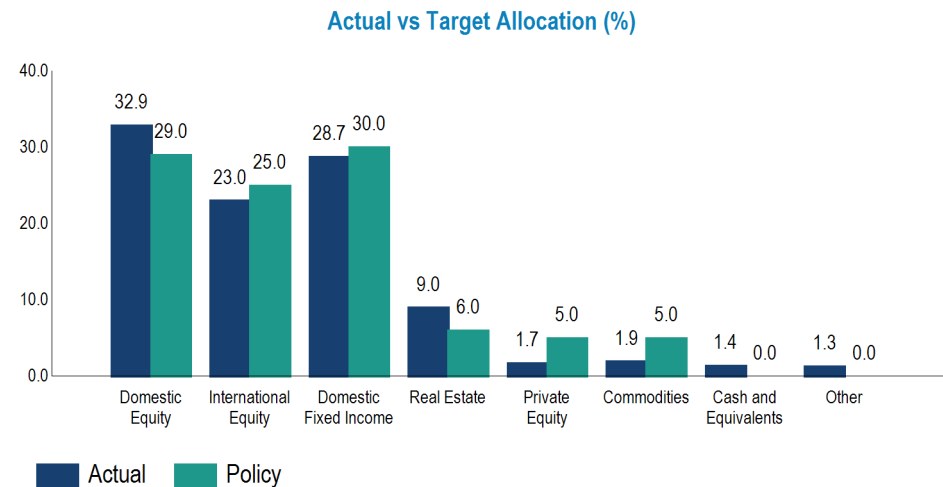


Policy Index (as of 7/1/2014): 29% Russell 3000, 25% MSCI ACWI Free Ex US, 30% BC AGG, 6% NCREIF Property, 5% Bloomberg Commodity Index, 5% Russell 3000 plus 300 bps (Lagged). Prior Policy Index (7/1/2010 to 6/30/2014): 24% S&P 500, 10% R2500, 21% MSCI ACWI Free Ex US, 30% BC AGG, 5% NCREIF Property, 5% Bloomberg Commodity Index, 5% CPI+ 5%. Prior quarter Private Equity returns and index data are used. All returns are (G) gross of fees.

Total Fund Executive Summary (Net of Fees)

Period Ending: March 31, 2016

	QTD	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Total Fund	1.2	1.2	-1.7	-1.5	4.8	5.4	5.2
<i>Total Fund ex Clifton</i>	1.2	1.2	-1.7	-1.6	4.8	5.3	5.2
<i>Policy Index</i>	1.8	1.8	-1.9	-1.6	4.6	5.2	5.1
Total Domestic Equity	1.0	1.0	-1.1	-1.0	10.2	10.4	6.7
<i>Russell 3000</i>	1.0	1.0	-0.5	-0.3	11.1	11.0	6.9
Total International Equity	-0.9	-0.9	-8.9	-8.5	0.4	-0.3	2.4
<i>MSCI ACWI ex USA Gross</i>	-0.3	-0.3	-9.4	-8.8	0.8	0.8	2.4
Total Fixed Income	3.0	3.0	2.3	0.6	1.8	3.9	5.8
<i>Barclays Aggregate</i>	3.0	3.0	3.7	2.0	2.5	3.8	4.9
Total Real Estate	2.1	2.1	9.2	14.2	13.0	12.0	--
<i>NCREIF Property Index</i>	2.2	2.2	8.4	11.8	11.9	11.9	--
<i>NCREIF-ODCE</i>	2.2	2.2	9.5	13.7	13.6	13.3	--
Total Private Equity	3.1	3.1	9.9	12.1	15.5	4.6	--
<i>Russell 3000 +3% Lagged</i>	7.0	7.0	0.9	3.5	18.1	15.5	--
Total Commodities	0.3	0.3	-24.0	-21.0	-17.2	-14.4	--
<i>Bloomberg Commodity Index TR USD</i>	0.4	0.4	-23.1	-19.6	-16.9	-14.1	--
Total Opportunistic	-2.0	-2.0	-2.7	-0.2	10.6	13.6	--
<i>Assumption Rate + 1%</i>	2.2	2.2	6.7	9.0	9.0	9.0	--



Policy Index (as of 7/1/2014): 29% Russell 3000, 25% MSCI ACWI Free Ex US, 30% BC AGG, 6% NCREIF Property, 5% Bloomberg Commodity Index, 5% Russell 3000 plus 300 bps (Lagged). Prior Policy Index (7/1/2010 to 6/30/2014): 24% S&P 500, 10% R2500, 21% MSCI ACWI Free Ex US, 30% BC AGG, 5% NCREIF Property, 5% Bloomberg Commodity Index, 5% CPI+ 5%. Prior quarter Private Equity returns and index data are used. All returns are (N) net of fees.

Total Fund

Attribution Analysis - Asset Class Level (Gross of Fees)

Period Ending: March 31, 2016

Attribution Effects



Performance Attribution

	Quarter	YTD
Wtd. Actual Return	1.28%	1.28%
Wtd. Index Return *	1.77%	1.77%
Excess Return	-0.49%	-0.49%
Selection Effect	-0.35%	-0.35%
Allocation Effect	-0.27%	-0.27%
Interaction Effect	0.13%	0.13%

*Calculated from benchmark returns and weightings of each component.

Attribution Summary Last Three Months

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Total Domestic Equity	1.0%	1.0%	0.0%	0.0%	-0.1%	0.0%	0.0%
Total International Equity	-0.9%	-0.3%	-0.6%	-0.2%	0.0%	0.0%	-0.2%
Total Fixed Income	3.1%	3.0%	0.0%	0.0%	-0.1%	0.0%	-0.1%
Total Real Estate	2.3%	2.2%	0.1%	0.0%	0.0%	0.0%	0.0%
Total Private Equity	3.5%	7.0%	-3.6%	-0.2%	-0.2%	0.1%	-0.3%
Total Commodities	0.5%	0.4%	0.1%	0.0%	0.0%	0.0%	0.0%
Total Opportunistic	-1.3%	2.2%	-3.5%	0.0%	0.0%	0.0%	0.0%
Total	1.3%	1.8%	-0.5%	-0.3%	-0.3%	0.1%	-0.5%

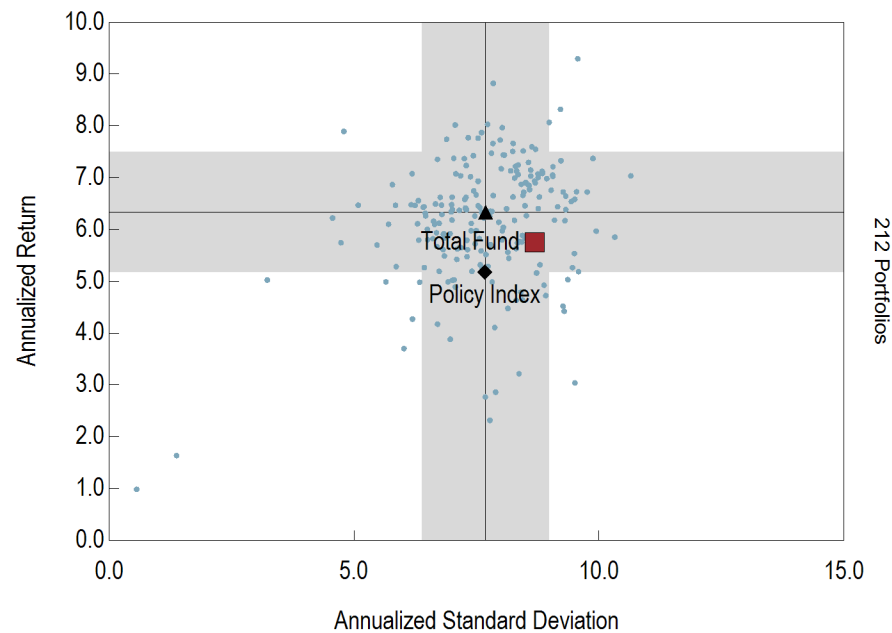
Weighted returns shown in attribution analysis may differ from actual returns.

Total Fund Risk Analysis - 5 Years (Gross of Fees)

Period Ending: March 31, 2016

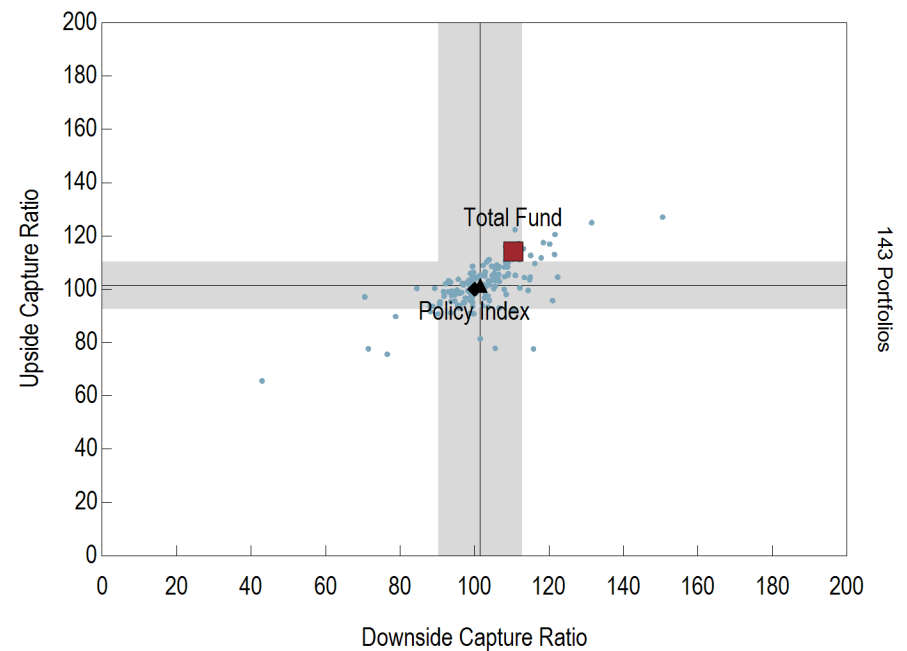
	Anlzd Ret	Ann Excess BM Return	Anlzd Std Dev	Anlzd Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Info Ratio	Up Mkt Cap Ratio	Down Mkt Cap Ratio
Total Fund	5.75%	0.58%	8.69%	-0.08%	1.13	1.36%	0.99	0.66	0.42	114.14%	110.36%

Risk vs. Return



- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

Up Markets vs. Down Markets

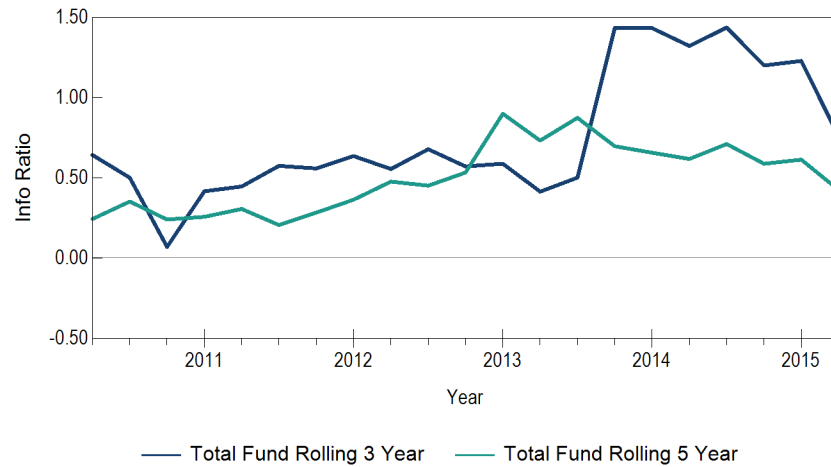


- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

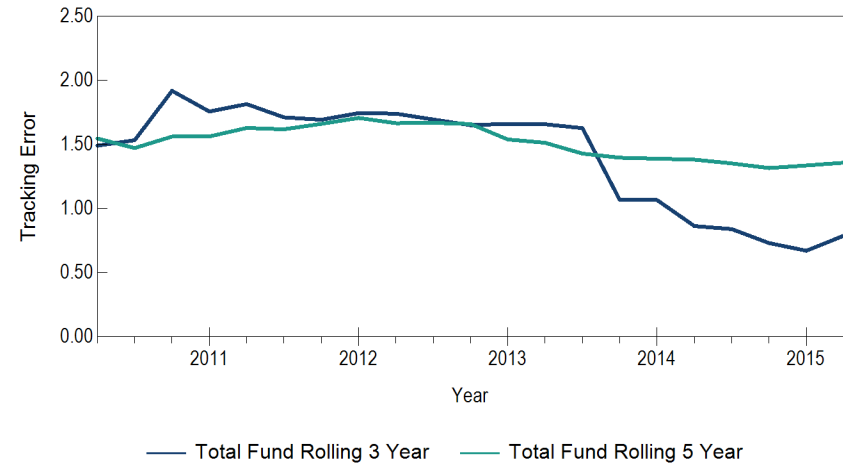
Total Fund Rolling Risk Statistics (Gross of Fees)

Period Ending: March 31, 2016

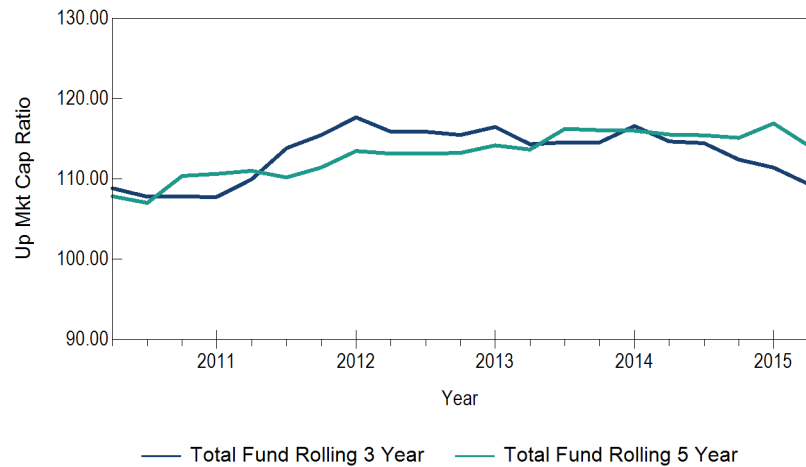
Rolling Information Ratio



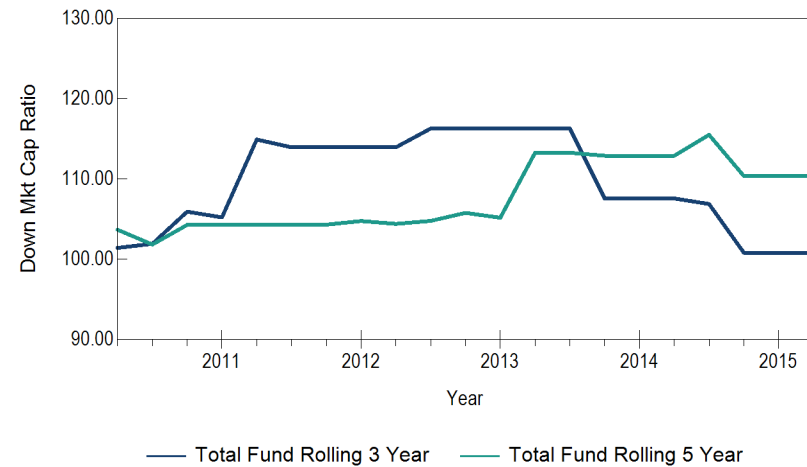
Rolling Tracking Error



Rolling Up Market Capture Ratio (%)



Rolling Down Market Capture Ratio (%)



Total Fund Performance Summary (Gross of Fees)

Period Ending: March 31, 2016

	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011	Return	Since
Total Fund	674,845,314	100.0	1.3	1.3	-1.5	-1.2	5.2	5.8	5.6	0.0	4.8	14.8	14.6	-1.1	9.2	Mar-89
Policy Index			1.8	1.8	-1.9	-1.6	4.6	5.2	5.1	-1.2	4.9	13.5	11.2	0.4	--	Mar-89
InvestorForce Public DB Gross Rank			53	53	59	54	66	72	36	53	74	59	6	89	2	Mar-89
Total Fund ex Clifton			1.3	1.3	-1.5	-1.2	5.2	5.7	5.6	0.0	4.9	14.7	14.2	-1.0	9.2	Mar-89
Policy Index			1.8	1.8	-1.9	-1.6	4.6	5.2	5.1	-1.2	4.9	13.5	11.2	0.4	--	Mar-89
InvestorForce Public DB Gross Rank			53	53	59	54	66	74	38	53	72	59	11	88	2	Mar-89
Total Domestic Equity	221,885,482	32.9	1.0	1.0	-1.0	-0.9	10.4	10.6	7.0	0.3	10.2	33.9	17.1	0.9	--	
Russell 3000			1.0	1.0	-0.5	-0.3	11.1	11.0	6.9	0.5	12.6	33.6	16.4	1.0	--	
eA All US Equity Gross Rank			42	42	31	32	49	43	58	42	51	62	37	40	--	
BlackRock Russell 3000	221,885,482	32.9	1.0	1.0	--	--	--	--	--	--	--	--	--	--	-0.3	Dec-15
Russell 3000			1.0	1.0	--	--	--	--	--	--	--	--	--	--	-1.1	Dec-15
eA US All Cap Core Equity Gross Rank			38	38	--	--	--	--	--	--	--	--	--	--	54	Dec-15
Total International Equity	155,350,708	23.0	-0.9	-0.9	-8.7	-8.1	0.9	0.3	3.0	-3.5	-4.4	14.0	19.3	-15.6	--	
MSCI ACWI ex USA Gross			-0.3	-0.3	-9.4	-8.8	0.8	0.8	2.4	-5.3	-3.4	15.8	17.4	-13.3	--	
eA ACWI ex-US All Cap Equity Gross Rank			42	42	69	76	86	94	78	77	70	92	54	84	--	
BlackRock International Equity	115,193,742	17.1	-2.9	-2.9	-8.7	-8.0	2.5	2.6	2.2	-0.5	-4.7	23.2	17.8	-11.8	7.0	Jul-03
MSCI EAFE Gross			-2.9	-2.9	-8.6	-7.9	2.7	2.8	2.3	-0.4	-4.5	23.3	17.9	-11.7	7.1	Jul-03
eA All EAFE Equity Gross Rank			69	69	74	77	76	76	83	67	64	61	74	48	75	Jul-03
DFA Emerging Markets Value	18,288,199	2.7	9.1	9.1	-12.5	-10.9	-5.8	-5.9	--	-18.3	-3.9	-3.2	20.1	-25.2	2.2	Jan-07
MSCI Emerging Markets Gross			5.8	5.8	-12.4	-11.7	-4.2	-3.8	--	-14.6	-1.8	-2.3	18.6	-18.2	1.8	Jan-07
eA Emg Mkts Equity Gross Rank			9	9	65	61	92	97	--	92	84	84	56	92	62	Jan-07
Vontobel Global Emerging Markets	21,868,767	3.2	2.5	2.5	-6.2	-7.1	--	--	--	-7.8	--	--	--	--	-5.2	Sep-14
MSCI Emerging Markets Gross			5.8	5.8	-12.4	-11.7	--	--	--	-14.6	--	--	--	--	-9.4	Sep-14
eA Emg Mkts Equity Gross Rank			72	72	9	20	--	--	--	18	--	--	--	--	14	Sep-14
Total Fixed Income	193,987,544	28.7	3.1	3.1	2.5	0.9	2.1	4.3	6.1	-0.3	5.9	-1.7	9.6	6.8	--	
Barclays Aggregate			3.0	3.0	3.7	2.0	2.5	3.8	4.9	0.6	6.0	-2.0	4.2	7.8	--	
eA All US Fixed Inc Gross Rank			28	28	52	68	61	43	23	74	34	78	28	45	--	
Bradford & Marzec Fixed	93,360,986	13.8	3.0	3.0	3.6	1.8	3.4	4.9	6.5	1.2	7.0	-0.4	8.8	7.4	6.8	Dec-92
Barclays Aggregate			3.0	3.0	3.7	2.0	2.5	3.8	4.9	0.6	6.0	-2.0	4.2	7.8	5.8	Dec-92
eA US Core Plus Fixed Inc Gross Rank			44	44	14	30	11	27	20	15	16	52	45	51	41	Dec-92
MackKay Shields Core Plus Opportunities	85,546,068	12.7	2.9	2.9	1.3	-0.2	--	--	--	--	--	--	--	--	-0.2	Mar-15
Barclays Aggregate			3.0	3.0	3.7	2.0	--	--	--	--	--	--	--	--	2.2	Mar-15
eA US Core Plus Fixed Inc Gross Rank			51	51	79	85	--	--	--	--	--	--	--	--	85	Mar-15

Since Inception ranking is from the beginning of the first complete month. Templeton Foreign Equity liquidated 10/27/2015. TimesSquare, BlackRock Russell 1000 and T. Rowe liquidated 12/10/2015. BlackRock Russell 3000 funded on 12/10/2015.

Total Fund Performance Summary (Gross of Fees)

Period Ending: March 31, 2016

	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011	Return	Since
BlackRock US TIPS	15,080,491	2.2	4.5	4.5	2.7	1.6	-0.6	3.1	--	-1.2	3.6	-8.5	7.1	13.7	4.7	Apr-07
Barclays US TIPS			4.5	4.5	2.6	1.5	-0.7	3.0	--	-1.4	3.6	-8.6	7.0	13.6	4.5	Apr-07
eA TIPS / Infl Indexed Fixed Inc Gross Rank			31	31	27	47	50	38	--	43	45	62	59	37	66	Apr-07
Total Real Estate	60,712,404	9.0	2.3	2.3	10.0	15.3	14.0	12.8	--	16.1	13.0	12.6	10.6	14.9	--	
NCREIF Property Index			2.2	2.2	8.4	11.8	11.9	11.9	--	13.3	11.8	11.0	10.5	14.3	--	
NCREIF-ODCE			2.2	2.2	9.5	13.7	13.6	13.3	--	15.0	12.5	13.9	10.9	16.0	--	
ASB Real Estate	30,059,217	4.5	1.6	1.6	10.2	15.9	14.4	--	--	17.3	13.5	13.7	--	--	14.2	Dec-12
NCREIF Property Index			2.2	2.2	8.4	11.8	11.9	--	--	13.3	11.8	11.0	--	--	11.8	Dec-12
NCREIF-ODCE			2.2	2.2	9.5	13.7	13.6	--	--	15.0	12.5	13.9	--	--	13.4	Dec-12
Clarion Lion	29,232,043	4.3	3.3	3.3	10.3	15.5	14.4	13.6	--	15.7	13.2	12.8	10.9	18.7	4.5	Dec-06
NCREIF Property Index			2.2	2.2	8.4	11.8	11.9	11.9	--	13.3	11.8	11.0	10.5	14.3	6.9	Dec-06
NCREIF-ODCE			2.2	2.2	9.5	13.7	13.6	13.3	--	15.0	12.5	13.9	10.9	16.0	5.6	Dec-06
1221 State St. Corp	1,421,144	0.2	0.0	0.0	0.0	0.0	0.0	-2.2	--	0.0	0.0	0.0	0.1	-9.0	-0.5	Sep-08
Total Commodities	13,093,809	1.9	0.5	0.5	-23.7	-20.5	-16.7	-14.0	--	-25.1	-16.3	-9.3	-0.9	-13.2	-7.0	Oct-09
Bloomberg Commodity Index TR USD			0.4	0.4	-23.1	-19.6	-16.9	-14.1	--	-24.7	-17.0	-9.5	-1.1	-13.3	-7.1	Oct-09
BlackRock Commodities	4,111,285	0.6	0.5	0.5	-23.1	-19.6	-16.8	-14.1	--	-24.7	-17.0	-9.4	-0.9	-13.2	-7.2	Oct-09
Bloomberg Commodity Index TR USD			0.4	0.4	-23.1	-19.6	-16.9	-14.1	--	-24.7	-17.0	-9.5	-1.1	-13.3	-7.1	Oct-09
Gresham MTAP Commodity Builder	8,982,524	1.3	0.5	0.5	-24.0	-20.9	--	--	--	-25.3	-16.1	--	--	--	-17.5	Aug-13
Bloomberg Commodity Index TR USD			0.4	0.4	-23.1	-19.6	--	--	--	-24.7	-17.0	--	--	--	-17.7	Aug-13
Total Cash	9,275,270	1.4														
Cash Account	9,275,270	1.4	0.0	0.0	0.0	0.0	0.0	0.1	--	0.0	0.0	0.0	0.4	0.2	--	
91 Day T-Bills			0.1	0.1	0.1	0.1	0.1	0.1	--	0.0	0.0	0.0	0.1	0.0	--	

Since Inception ranking is from the beginning of the first complete month. Templeton Foreign Equity liquidated 10/27/2015. TimesSquare, BlackRock Russell 1000 and T. Rowe liquidated 12/10/2015. BlackRock Russell 3000 funded on 12/10/2015. BlackRock Transition facilitated delivery transactions between TimesSquare, T. Rowe and BlackRock Russell 3000.

Total Fund Performance Summary (Net of Fees)

Period Ending: March 31, 2016

	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011	Return	Since
Total Fund	674,845,314	100.0	1.2	1.2	-1.7	-1.5	4.8	5.4	5.2	-0.4	4.4	14.5	14.2	-1.5	8.8	Mar-89
Policy Index			1.8	1.8	-1.9	-1.6	4.6	5.2	5.1	-1.2	4.9	13.5	11.2	0.4	--	Mar-89
Total Fund ex Clifton			1.2	1.2	-1.7	-1.6	4.8	5.3	5.2	-0.4	4.4	14.4	13.8	-1.4	8.8	Mar-89
Policy Index			1.8	1.8	-1.9	-1.6	4.6	5.2	5.1	-1.2	4.9	13.5	11.2	0.4	--	Mar-89
Total Domestic Equity	221,885,482	32.9	1.0	1.0	-1.1	-1.0	10.2	10.4	6.7	0.1	10.0	33.6	16.9	0.7	--	
Russell 3000			1.0	1.0	-0.5	-0.3	11.1	11.0	6.9	0.5	12.6	33.6	16.4	1.0	--	
BlackRock Russell 3000	221,885,482	32.9	1.0	1.0	--	--	--	--	--	--	--	--	--	--	-0.3	Dec-15
Russell 3000			1.0	1.0	--	--	--	--	--	--	--	--	--	--	-1.1	Dec-15
Total International Equity	155,350,708	23.0	-0.9	-0.9	-8.9	-8.5	0.4	-0.3	2.4	-4.0	-4.9	13.4	18.6	-16.1	--	
MSCI ACWI ex USA Gross			-0.3	-0.3	-9.4	-8.8	0.8	0.8	2.4	-5.3	-3.4	15.8	17.4	-13.3	--	
BlackRock International Equity	115,193,742	17.1	-2.9	-2.9	-8.8	-8.1	2.4	2.5	2.0	-0.6	-4.8	22.9	17.6	-11.9	6.8	Jul-03
MSCI EAFE Gross			-2.9	-2.9	-8.6	-7.9	2.7	2.8	2.3	-0.4	-4.5	23.3	17.9	-11.7	7.1	Jul-03
DFA Emerging Markets Value	18,288,199	2.7	8.9	8.9	-12.9	-11.4	-6.4	-6.4	--	-18.8	-4.4	-3.8	19.4	-25.6	1.6	Jan-07
MSCI Emerging Markets Gross			5.8	5.8	-12.4	-11.7	-4.2	-3.8	--	-14.6	-1.8	-2.3	18.6	-18.2	1.8	Jan-07
Vontobel Global Emerging Markets	21,868,767	3.2	2.3	2.3	-6.8	-7.9	--	--	--	-8.6	--	--	--	--	-6.0	Sep-14
MSCI Emerging Markets Gross			5.8	5.8	-12.4	-11.7	--	--	--	-14.6	--	--	--	--	-9.4	Sep-14
Total Fixed Income	193,987,544	28.7	3.0	3.0	2.3	0.6	1.8	3.9	5.8	-0.6	5.6	-2.0	9.3	6.5	--	
Barclays Aggregate			3.0	3.0	3.7	2.0	2.5	3.8	4.9	0.6	6.0	-2.0	4.2	7.8	--	
Bradford & Marzec Fixed	93,360,986	13.8	2.9	2.9	3.4	1.5	3.1	4.6	6.2	0.9	6.7	-0.8	8.5	7.1	6.5	Dec-92
Barclays Aggregate			3.0	3.0	3.7	2.0	2.5	3.8	4.9	0.6	6.0	-2.0	4.2	7.8	5.8	Dec-92
MacKay Shields Core Plus Opportunities	85,546,068	12.7	2.8	2.8	1.1	-0.6	--	--	--	--	--	--	--	--	-0.6	Mar-15
Barclays Aggregate			3.0	3.0	3.7	2.0	--	--	--	--	--	--	--	--	2.2	Mar-15
BlackRock US TIPS	15,080,491	2.2	4.5	4.5	2.6	1.5	-0.7	3.0	--	-1.3	3.6	-8.6	7.0	13.6	4.6	Apr-07
Barclays US TIPS			4.5	4.5	2.6	1.5	-0.7	3.0	--	-1.4	3.6	-8.6	7.0	13.6	4.5	Apr-07
Total Real Estate	60,712,404	9.0	2.1	2.1	9.2	14.2	13.0	12.0	--	15.0	11.6	12.1	10.3	14.2	--	
NCREIF Property Index			2.2	2.2	8.4	11.8	11.9	11.9	--	13.3	11.8	11.0	10.5	14.3	--	
NCREIF-ODCE			2.2	2.2	9.5	13.7	13.6	13.3	--	15.0	12.5	13.9	10.9	16.0	--	
ASB Real Estate	30,059,217	4.5	1.3	1.3	9.4	14.8	13.3	--	--	16.2	12.5	12.5	--	--	13.1	Dec-12
NCREIF Property Index			2.2	2.2	8.4	11.8	11.9	--	--	13.3	11.8	11.0	--	--	11.8	Dec-12
NCREIF-ODCE			2.2	2.2	9.5	13.7	13.6	--	--	15.0	12.5	13.9	--	--	13.4	Dec-12
Clarion Lion	29,232,043	4.3	3.0	3.0	9.4	14.3	13.3	12.6	--	14.6	12.2	11.8	9.9	17.8	3.5	Dec-06
NCREIF Property Index			2.2	2.2	8.4	11.8	11.9	11.9	--	13.3	11.8	11.0	10.5	14.3	6.9	Dec-06
NCREIF-ODCE			2.2	2.2	9.5	13.7	13.6	13.3	--	15.0	12.5	13.9	10.9	16.0	5.6	Dec-06
1221 State St. Corp	1,421,144	0.2	0.0	0.0	0.0	0.0	0.0	-2.2	--	0.0	0.0	0.0	0.1	-9.0	-0.5	Sep-08

Total Fund

Performance Summary (Net of Fees)

Period Ending: March 31, 2016

	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011	Return	Since
Total Commodities	13,093,809	1.9	0.3	0.3	-24.0	-21.0	-17.2	-14.4	--	-25.6	-16.9	-9.5	-1.2	-13.5	-7.3	Oct-09
<i>Bloomberg Commodity Index TR USD</i>			<i>0.4</i>	<i>0.4</i>	<i>-23.1</i>	<i>-19.6</i>	<i>-16.9</i>	<i>-14.1</i>	<i>--</i>	<i>-24.7</i>	<i>-17.0</i>	<i>-9.5</i>	<i>-1.1</i>	<i>-13.3</i>	<i>-7.1</i>	<i>Oct-09</i>
BlackRock Commodities	4,111,285	0.6	0.4	0.4	-23.3	-19.8	-17.1	-14.3	--	-24.9	-17.2	-9.7	-1.2	-13.5	-7.4	Oct-09
<i>Bloomberg Commodity Index TR USD</i>			<i>0.4</i>	<i>0.4</i>	<i>-23.1</i>	<i>-19.6</i>	<i>-16.9</i>	<i>-14.1</i>	<i>--</i>	<i>-24.7</i>	<i>-17.0</i>	<i>-9.5</i>	<i>-1.1</i>	<i>-13.3</i>	<i>-7.1</i>	<i>Oct-09</i>
Gresham MTAP Commodity Builder	8,982,524	1.3	0.3	0.3	-24.4	-21.5	--	--	--	-25.9	-16.7	--	--	--	-18.0	Aug-13
<i>Bloomberg Commodity Index TR USD</i>			<i>0.4</i>	<i>0.4</i>	<i>-23.1</i>	<i>-19.6</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-24.7</i>	<i>-17.0</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-17.7</i>	<i>Aug-13</i>
Total Cash	9,275,270	1.4														
Cash Account	9,275,270	1.4	0.0	0.0	0.0	0.0	0.0	0.1	--	0.0	0.0	0.0	0.4	0.2	--	
<i>91 Day T-Bills</i>			<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>--</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.1</i>	<i>0.0</i>	<i>--</i>	

Investment Manager
Performance Analysis - 3 & 5 Years (Net of Fees)

Period Ending: March 31, 2016

3 Years

	Anlzd Ret	Ann Excess BM Return	Anlzd Std Dev	Anlzd Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Info Ratio	Up Mkt Cap Ratio	Down Mkt Cap Ratio
BlackRock International Equity	2.39%	-0.29%	11.84%	-0.29%	1.00	0.05%	1.00	0.20	-6.38	98.15%	101.25%
DFA Emerging Markets Value	-6.36%	-2.20%	15.98%	-1.63%	1.14	3.39%	0.97	-0.40	-0.65	103.08%	116.83%
Bradford & Marzec Fixed	3.11%	0.61%	3.62%	0.40%	1.08	1.05%	0.92	0.85	0.58	109.63%	85.89%
BlackRock US TIPS	-0.70%	0.01%	6.12%	0.02%	1.01	0.13%	1.00	-0.12	0.10	101.78%	101.07%
ASB Real Estate	13.35%	1.44%	2.52%	5.94%	0.62	2.49%	0.03	5.29	0.58	113.69%	--
Clarion Lion	13.33%	1.43%	1.60%	4.70%	0.73	1.53%	0.10	8.32	0.93	113.52%	--
BlackRock Commodities	-17.07%	-0.21%	14.61%	-0.25%	1.00	0.10%	1.00	-1.17	-2.14	96.96%	100.35%

5 Years

	Anlzd Ret	Ann Excess BM Return	Anlzd Std Dev	Anlzd Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Info Ratio	Up Mkt Cap Ratio	Down Mkt Cap Ratio
BlackRock International Equity	2.48%	-0.28%	14.77%	-0.28%	1.00	0.04%	1.00	0.16	-6.75	98.17%	100.70%
DFA Emerging Markets Value	-6.44%	-2.65%	19.94%	-2.11%	1.14	3.49%	0.98	-0.33	-0.76	104.39%	113.45%
Bradford & Marzec Fixed	4.61%	0.83%	3.14%	1.61%	0.79	2.12%	0.58	1.45	0.39	114.46%	79.56%
BlackRock US TIPS	3.04%	0.02%	5.58%	0.00%	1.01	0.10%	1.00	0.53	0.20	101.02%	101.03%
Clarion Lion	12.55%	0.63%	1.64%	-1.11%	1.15	1.35%	0.33	7.60	0.46	106.56%	--
BlackRock Commodities	-14.34%	-0.19%	13.67%	-0.22%	1.00	0.08%	1.00	-1.05	-2.36	97.31%	100.31%

Private Equity Non Marketable Securities Overview

Period Ending: March 31, 2016

Vintage	Manager & Fund Name	Estimated 3/31 Market Value ³	Total Commitment	Capital Called	% Called	Remaining Commitment	Capital Returned	Market Value for IRR	Distrib./ Paid-In (DPI) ¹	Tot. Value/ Paid-In (TVPI) ²	Net IRR Since Inception ⁵	IRR Date	
2011	HarbourVest IX-Buyout	\$5,164,632	\$10,000,000	\$5,325,000	53%	\$4,675,000	\$1,276,189	\$4,942,871	24.0%	121.0%	15.4%	12/31/15	
2011	HarbourVest IX-Credit	\$961,798	\$2,000,000	\$1,110,000	56%	\$890,000	\$352,074	\$865,949	31.7%	118.4%	14.9%	12/31/15	
2008	HarbourVest Int'l VI ⁶	\$2,512,904	\$3,712,930	\$2,849,644	77%	\$863,286	\$786,144	\$2,444,882	27.6%	115.8%	17.1%	12/31/15	
2011	HarbourVest IX-Venture	\$3,363,399	\$4,000,000	\$2,740,000	69%	\$1,260,000	\$511,654	\$3,339,973	18.7%	141.4%	22.5%	12/31/15	
2010	KKR Mezzanine ⁷	\$5,576,497	\$10,000,000	\$10,000,000	100%	\$0	\$8,636,814	\$7,383,739	86.4%	142.1%	8.4%	12/31/15	
2011	PIMCO BRAVO ⁴	\$2,410,362	\$10,000,000	\$10,000,000	100%	\$0	\$16,454,518	\$2,410,362	164.5%	188.6%	22.3%	3/31/16	
Total Alternative Illiquids		\$19,989,592	\$39,712,930	\$32,024,644	81%	\$7,688,286	\$28,017,393	\$21,387,776	66.8%	154.3%			
% of Portfolio (Market Value)		3.0%											
								Management Fee	Admin Fee	Interest Expense	Other Expense	Total Expense ⁸	
								HarbourVest IX-Buyout	\$24,404	\$0	\$0	\$3,218	\$27,622
								HarbourVest IX-Credit	\$4,972	\$0	\$0	\$2,513	\$7,485
								HarbourVest Int'l VI	\$7,311	\$0	\$0	\$390	\$7,701
								HarbourVest IX-Venture	\$9,974	\$0	\$0	\$1,229	\$11,203
								KKR Mezzanine	\$19,886	\$0	\$0	\$0	\$19,886
								PIMCO BRAVO	\$8,204	\$1,810	\$3,075	\$7,855	\$20,944

¹(DPI) is equal to (capital returned / capital called)

²(TVPI) is equal to (market value + capital returned) / capital called

³Last known market value + capital calls - distributions (All HarbourVest funds are as of 12/31/2015)

⁴Investment period ended, no further capital to be called.

⁵Gross IRR is calculated on the cash flows of the underlying investments of the fund and is net of the underlying fund fees and carried interest.

⁶Net IRR is calculated on the cash flows of all the limited partners of the fund and is net of all fees. Each IRR figure is provided by its respective manager.

⁷HarbourVest International Private Equity Partners VI-Partnership Fund L.P. values are originally presented in euros and are calculated to dollars using OANDA™.

⁸KKR: Total capital called is \$11,251,720, which includes recycled distributions. Unused capital commitment is \$1,521,567 after including distribution proceeds available for reinvestment

⁹All HarbourVest fees and expenses are for 4Q 2015

Total Fund Financial Reconciliation (Last Three Months)

Period Ending: March 31, 2016

Manager	Beginning Market Value	Contributions	Disbursements	Fees ²	Net Cash Flow	Investment Income	Capital Gain/ Loss	Total Gains/Earnings/ Losses	Ending Market Value
Blackrock Russell 3000 Index	\$219,599,181	\$51,431	\$0	\$0	\$51,431	\$0	\$2,234,871	\$2,234,871	\$221,885,482
BlackRock Transition	\$51,142	\$0	(\$49,219)	\$0	(\$49,219)	\$5,086	(\$7,009)	(\$1,923)	\$0
Times Square Capital	\$16,955	\$0	(\$15,130)		(\$15,130)		(\$1,825)	(\$1,825)	\$0
T. Rowe Price Associates	\$17,201	\$0	(\$16,687)	\$0	(\$16,687)		(\$514)	(\$514)	\$0
DFA Emerging Markets	\$16,793,964	\$0	\$0	\$0	\$0	\$294,264	\$1,199,970	\$1,494,234	\$18,288,199
Vontobel Global Emerging Markets	\$21,371,621	\$0	\$0	\$0	\$0	\$64,820	\$432,326	\$497,146	\$21,868,767
Blackrock International Equity	\$118,635,372	\$0	\$0	\$0	\$0	\$0	(\$3,441,630)	(\$3,441,630)	\$115,193,742
Bradford & Marzec, Inc.	\$90,642,696	\$0	\$0	\$0	\$0	\$792,019	\$1,926,271	\$2,718,290	\$93,360,986
MacKay Shields Core Plus Opp.	\$83,197,016	\$0	\$0	\$0	\$0	\$0	\$2,349,052	\$2,349,052	\$85,546,068
Blackrock US TIPS	\$14,434,440	\$0	\$0	\$0	\$0	\$0	\$646,051	\$646,051	\$15,080,491
Clarion Lion Properties	\$28,383,814	\$201,280	(\$288,299)	(\$76,541)	(\$163,560)	\$313,907	\$697,882	\$1,011,789	\$29,232,043
ICERS State Street Real Estate	\$1,393,210	\$33,538	(\$5,611)	\$0	\$27,927	\$7	\$0	\$7	\$1,421,144
ASB Allegiance Real Estate	\$29,594,747	\$0	\$0	(\$68,280)	(\$68,280)	\$240,620	\$292,130	\$532,750	\$30,059,217
PIMCO BRAVO	\$3,029,007	\$0	(\$433,253)	\$35,315	(\$397,938)	\$97,895	(\$318,602)	(\$220,707)	\$2,410,362
KKR Mezzanine I	\$5,754,200	\$19,886	(\$651,358)	(\$19,886)	(\$651,358)	\$0	\$41,460	\$41,460	\$5,144,302
Blackrock Global Commodity	\$4,091,927	\$0	\$0	\$0	\$0	\$0	\$19,357	\$19,357	\$4,111,285
Gresham TAP Commodity Builder	\$8,954,393	\$0	\$0	(\$14,158)	(\$14,158)	\$0	\$42,289	\$42,289	\$8,982,524
HarbourVest International VI ¹	\$2,286,705	\$293,396	(\$220,813)	(\$7,311)	\$65,272	(\$14)	\$92,919	\$92,905	\$2,444,882
HarbourVest Buyout IX ¹	\$4,446,536	\$500,000	(\$178,238)	(\$24,404)	\$297,358	\$35	\$198,942	\$198,977	\$4,942,871
HarbourVest Credit Opportunities IX ¹	\$644,219	\$250,000	(\$30,898)	(\$4,972)	\$214,130	\$1,594	\$6,006	\$7,600	\$865,949
HarbourVest Venture IX ¹	\$3,198,761	\$200,000	(\$132,264)	(\$9,974)	\$57,762	\$8	\$83,442	\$83,450	\$3,339,973
Cash	\$8,551,351	\$1,459,777	(\$735,858)	\$0	\$723,919	\$0	\$0	\$0	\$9,275,270
The Clifton Group	\$1,391,756	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,391,756
Totals	\$666,480,216	\$3,009,308	(\$2,757,630)	(\$190,212)	\$61,467	\$1,810,242	\$6,493,389	\$8,303,630	\$674,845,314

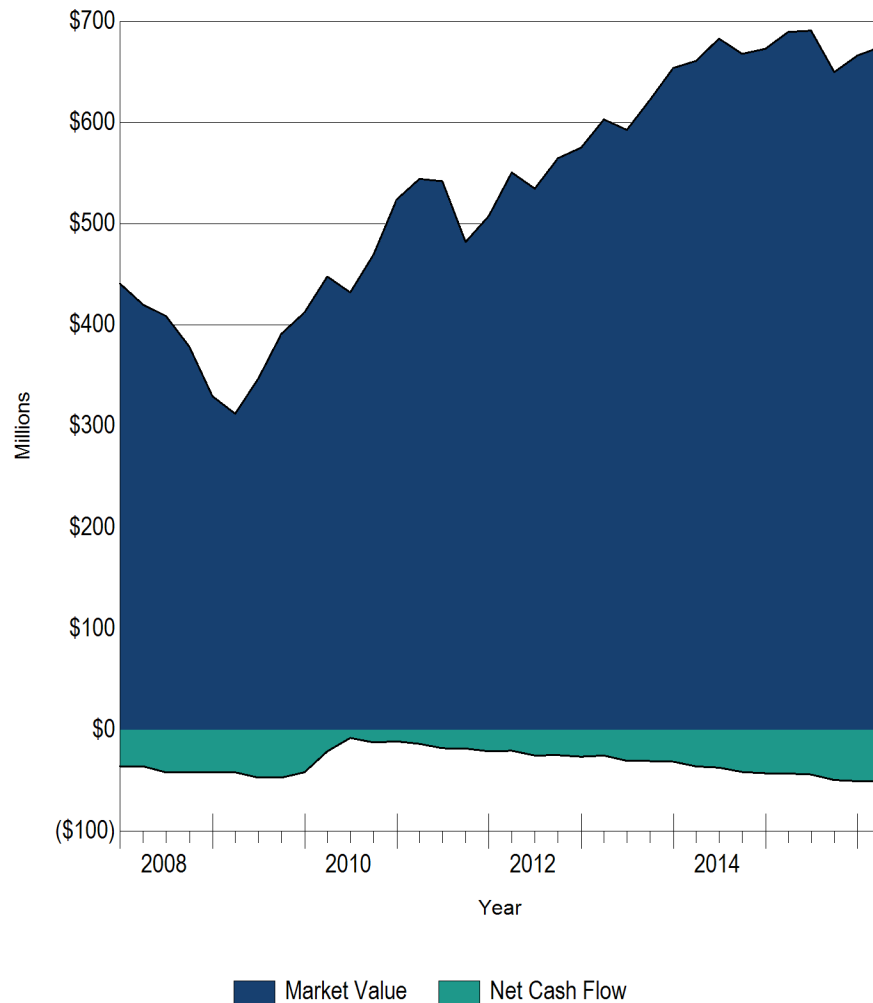
¹4Q 2015 data

²Fee transactions not included in the Portfolio Reconciliation page at beginning of report

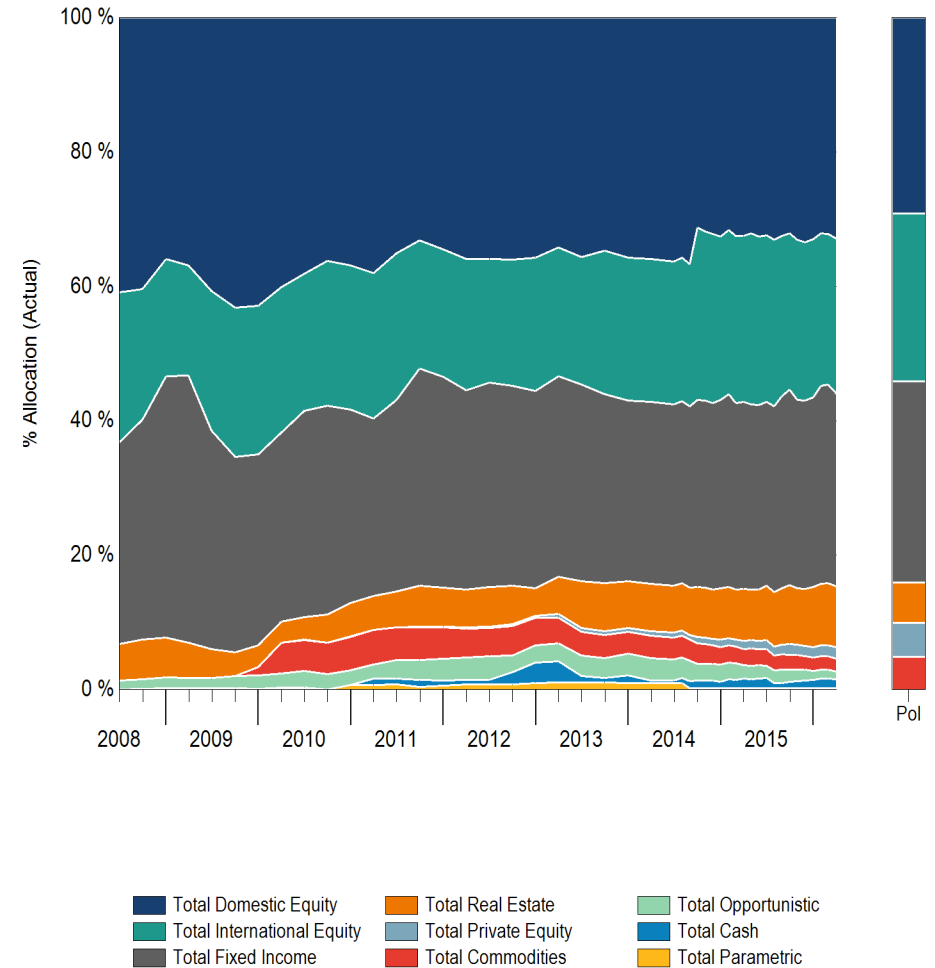
Total Fund Asset Allocation History

Period Ending: March 31, 2016

Market Value History

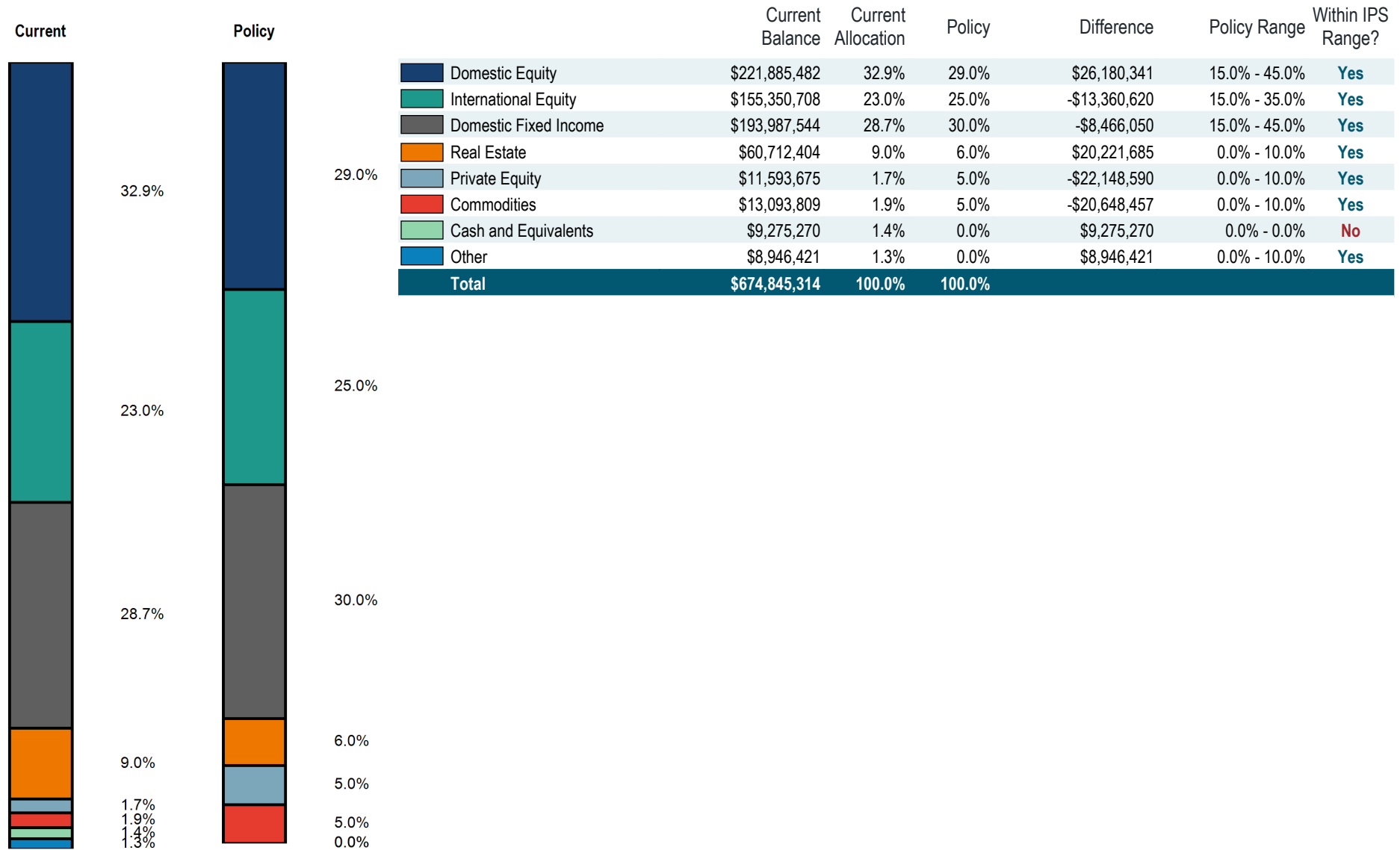


Asset Allocation History



Total Fund Asset Allocation vs. Policy

Period Ending: March 31, 2016



Total Fund Manager Report Card

Period Ending: March 31, 2016

Objective 1: Exceed passive benchmark on a net-of-fee basis

Objective 2: Exceed median manager return in comparable universe on a gross-of-fee basis

Asset Class / Manager	Benchmark	3-Year					5-Year				
		Manager Return	Benchmark Return	Meets Expectations	Universe Ranking	Meets Expectations	Manager Return	Benchmark Return	Meets Expectations	Universe Ranking	Meets Expectations
<u>Domestic Equity</u>											
BlackRock	Russell 3000 Index										
<u>International Equity</u>											
BlackRock	MSCI EAFE Index	2.4%	2.7%	No			2.5%	2.8%	No		
Dimensional Fund Advisors	MSCI Emerging Markets Index + 150 basis points	-6.4%	-2.7%	No	92	No	-6.4%	-2.3%	No	97	No
Vontobel	MSCI Emerging Markets Index + 150 basis points										
<u>Fixed Income</u>											
Bradford & Marzec	Barclays Credit Aggregate Bond Index + 50 basis points	3.1%	3.0%	Yes	11	Yes	4.6%	4.3%	Yes	27	Yes
MacKay Shields	Barclays Credit Aggregate Bond Index + 50 basis points										
BlackRock	Barclays Credit US TIPS Index	-0.7%	-0.7%	No			3.0%	3.0%	No		
<u>Alternatives</u>											
Clarion	NCREIF Property Index	13.3%	11.9%	Yes			12.6%	11.9%	Yes		
ASB Allegiance	NCREIF Property Index	13.3%	11.9%	Yes							
BlackRock	Bloomberg Commodity Index	-17.1%	-16.9%	No			-14.3%	-14.1%	No		
Gresham TAP	Bloomberg Commodity Index + 100 basis points										
PIMCO	Actuarial Assumption Rate + 100 basis points										
KKR	Actuarial Assumption Rate + 100 basis points										
HarbourVest Partners	Russell 3000 + 250 basis points										

Asset Class / Manager	Benchmark	10-Year					15-Year				
		Manager Return	Benchmark Return	Meets Expectations	Universe Ranking	Meets Expectations	Manager Return	Benchmark Return	Meets Expectations	Universe Ranking	Meets Expectations
<u>Domestic Equity</u>											
BlackRock	Russell 3000 Index										
<u>International Equity</u>											
BlackRock	MSCI EAFE Index	2.0%	2.3%	No							
Dimensional Fund Advisors	MSCI Emerging Markets Index + 150 basis points										
Vontobel	MSCI Emerging Markets Index + 150 basis points										
<u>Fixed Income</u>											
Bradford & Marzec	Barclays Credit Aggregate Bond Index + 50 basis points	6.2%	5.4%	Yes	20	Yes	5.9%	5.9%	No		
MacKay Shields	Barclays Credit Aggregate Bond Index + 50 basis points										
BlackRock	Barclays Credit US TIPS Index										
<u>Alternatives</u>											
Clarion	NCREIF Property Index										
ASB Allegiance	NCREIF Property Index										
BlackRock	Bloomberg Commodity Index										
Gresham TAP	Bloomberg Commodity Index + 100 basis points										
PIMCO	Actuarial Assumption Rate + 100 basis points										
KKR	Actuarial Assumption Rate + 100 basis points										
HarbourVest Partners	Russell 3000 + 250 basis points										

Total Fund Investment Fee Analysis

Period Ending: March 31, 2016

Account	Fee Schedule	Market Value As of 3/31/2016	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
1221 State St. Corp	No Fee	\$1,421,144	0.2%	--	--
ASB Real Estate	1.25% of First \$5.0 Mil, 1.00% of Next \$10.0 Mil, 0.75% Thereafter	\$30,059,217	4.5%	\$275,444	0.92%
BlackRock Commodities	0.30% of Assets	\$4,111,285	0.6%	\$12,334	0.30%
BlackRock International Equity	0.15% of First \$50.0 Mil, 0.10% of Next \$50.0 Mil	\$115,193,742	17.1%	\$125,000	0.11%
BlackRock Russell 3000	0.03% of Assets	\$221,885,482	32.9%	\$66,566	0.03%
BlackRock US TIPS	0.07% of Assets	\$15,080,491	2.2%	\$10,556	0.07%
Bradford & Marzec Fixed	0.29% of First \$100.0 Mil, 0.25% of Next \$100.0 Mil	\$93,360,986	13.8%	\$266,079	0.29%
Cash Account	No Fee	\$9,275,270	1.4%	--	--
Clarion Lion	1.25% of First \$10.0 Mil, 1.00% of Next \$15.0 Mil, 0.85% Thereafter	\$29,232,043	4.3%	\$310,972	1.06%
DFA Emerging Markets Value	0.56% of Assets	\$18,288,199	2.7%	\$102,414	0.56%
Gresham MTAP Commodity Builder	0.75% of Assets	\$8,982,524	1.3%	\$67,369	0.75%
Harbourvest Buyout IX	\$100,000 Annually	\$4,942,871	0.7%	\$100,000	2.02%
Harbourvest Credit Ops IX	\$20,000 Annually	\$865,949	0.1%	\$20,000	2.31%
Harbourvest International PE VI	\$35,000 Annually	\$2,444,882	0.4%	\$35,000	1.43%
Harbourvest Venture IX	\$40,000 Annually	\$3,339,973	0.5%	\$40,000	1.20%
KKR Mezzanine Partners	\$150,000 Annually	\$5,144,302	0.8%	\$150,000	2.92%
MacKay Shields Core Plus Opportunities	0.35% of Assets	\$85,546,068	12.7%	\$299,411	0.35%
Parametric	0.20% of First \$25.0 Mil, 0.10% of Next \$50.0 Mil, 0.05% Thereafter Retainer Fee: \$1,500 (Monthly) Minimum Expense: \$12,500 (Quarterly)	\$1,391,756	0.2%	--	--
PIMCO BRAVO	1.90% of Assets	\$2,410,362	0.4%	\$45,797	1.90%
Verus Advisory Fee	\$175,000 Annually				
Vontobel Global Emerging Markets	0.95% of First \$150.0 Mil, 0.85% Thereafter	\$21,868,767	3.2%	\$207,753	0.95%
Investment Management Fee		\$674,845,314	100.0%	\$2,134,695	0.32%

*HarbourVest, KKR and PIMCO BRAVO fees are estimated gross management fees only and do not include incentive allocations or offsetting cash flows received by the fund.

*HarbourVest International Private Equity VI fees are based on committed Euros, actual US Dollar amount will fluctuate based on exchange rates.

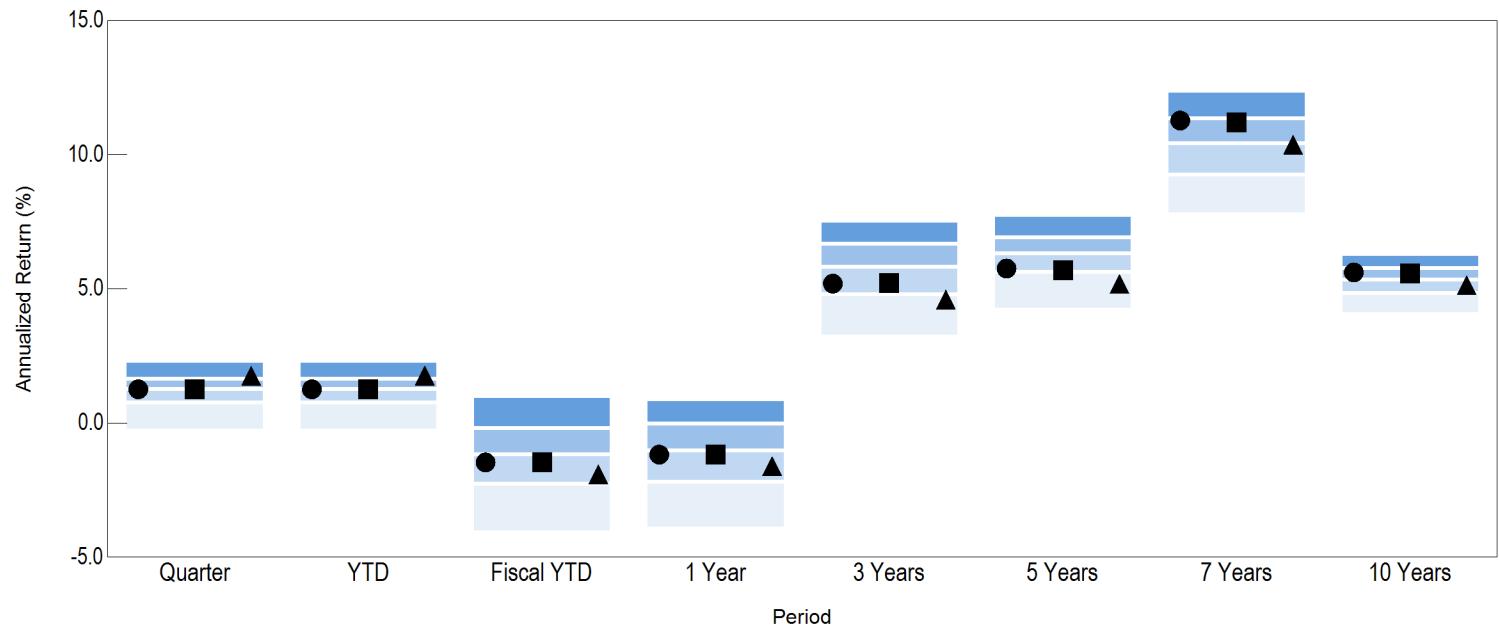
*Verus advisory fee shown for disclosure purposes only and is not included in total investment management fee calculations.

Total Fund

Peer Universe Comparison: Cumulative Performance (Gross of Fees)

Period Ending: March 31, 2016

Total Fund Cumulative Performance vs. InvestorForce Public DB Gross

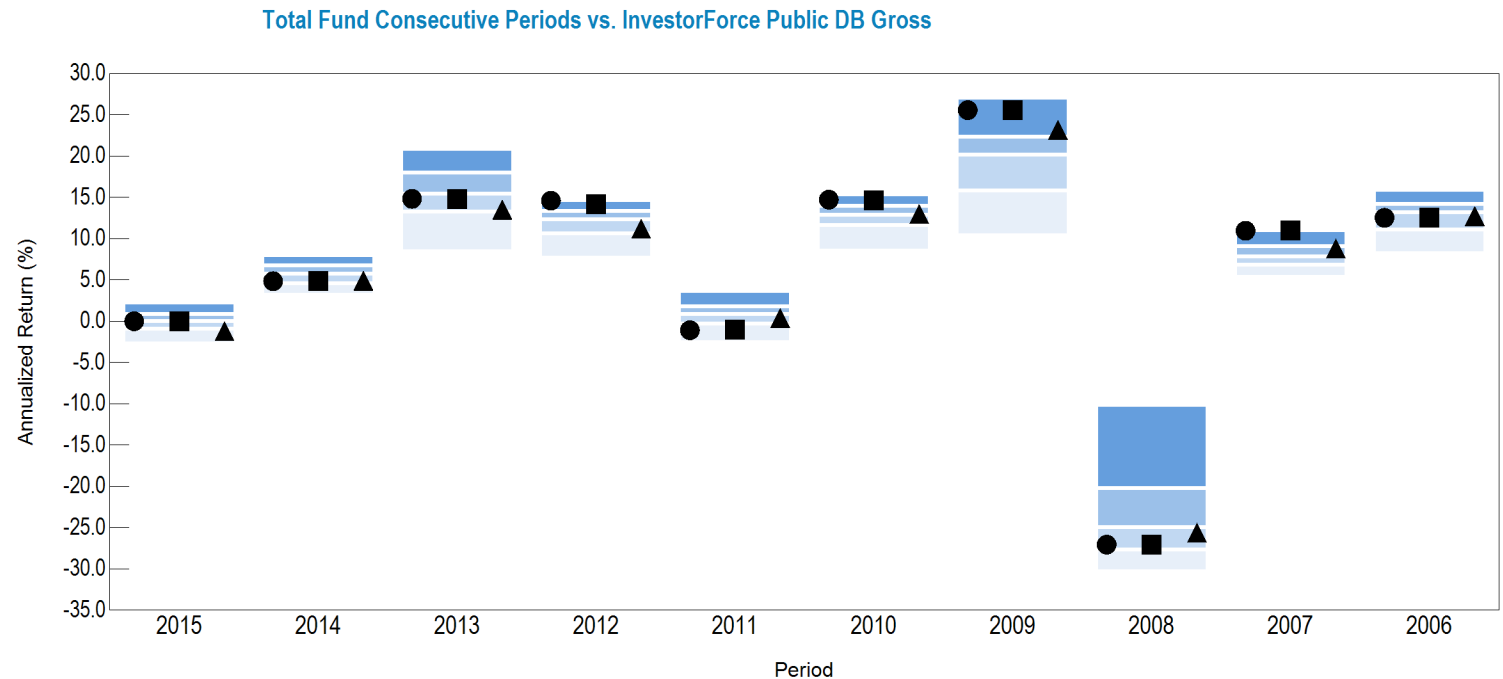


	Return (Rank)											
5th Percentile	2.3		2.3		1.0		0.9		7.5		7.7	
25th Percentile	1.7		1.7		-0.2		0.0		6.7		6.9	
Median	1.3		1.3		-1.2		-1.0		5.8		6.3	
75th Percentile	0.8		0.8		-2.3		-2.2		4.8		5.6	
95th Percentile	-0.3		-0.3		-4.1		-3.9		3.2		4.2	
# of Portfolios	276		276		274		274		241		212	
● Total Fund	1.3	(53)	1.3	(53)	-1.5	(59)	-1.2	(54)	5.2	(66)	5.8	(72)
■ Total Fund ex Clifton	1.3	(53)	1.3	(53)	-1.5	(59)	-1.2	(54)	5.2	(66)	5.7	(74)
▲ Policy Index	1.8	(22)	1.8	(22)	-1.9	(68)	-1.6	(63)	4.6	(81)	5.2	(86)
											11.3	(28)
											11.2	(31)
											10.4	(52)
											5.6	(36)
											5.6	(38)
											5.1	(64)

Total Fund

Peer Universe Comparison: Consecutive Periods (Gross of Fees)

Period Ending: March 31, 2016



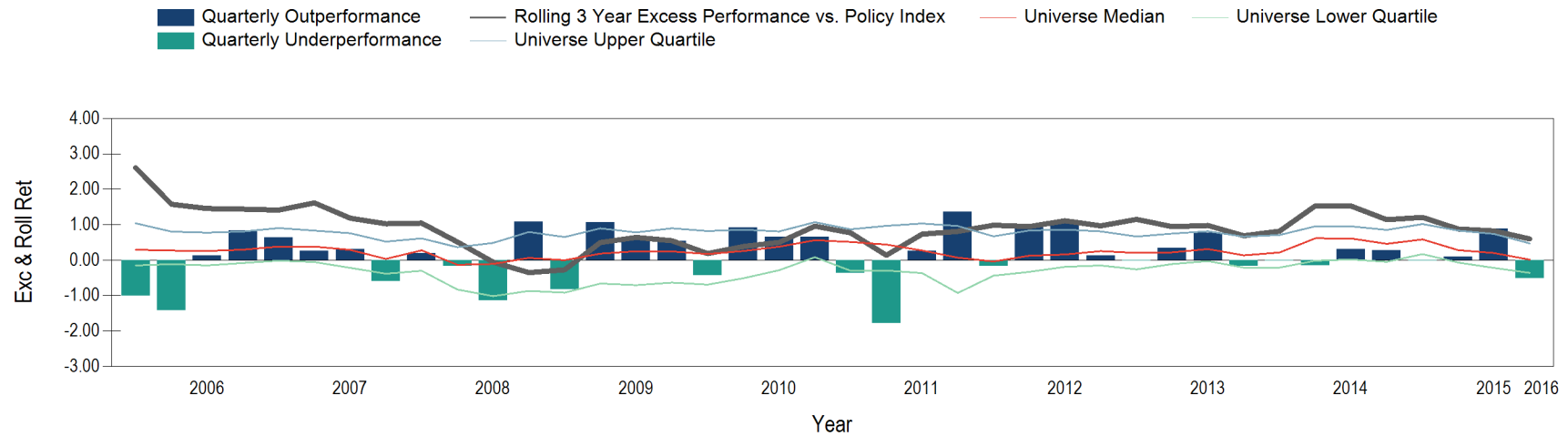
	Return (Rank)									
5th Percentile	2.2	8.0	20.8	14.6	3.6	15.4	27.0	-10.1	11.0	15.9
25th Percentile	0.9	6.8	18.0	13.4	1.9	14.0	22.4	-20.1	9.1	14.2
Median	0.1	5.8	15.5	12.4	0.9	12.9	20.2	-24.9	7.9	13.2
75th Percentile	-0.9	4.6	13.3	10.7	-0.3	11.7	15.9	-27.6	6.9	11.2
95th Percentile	-2.6	3.2	8.5	7.8	-2.5	8.6	10.5	-30.3	5.4	8.3
# of Portfolios	316	248	231	236	206	188	184	181	177	171
● Total Fund	0.0 (53)	4.8 (74)	14.8 (59)	14.6 (6)	-1.1 (89)	14.7 (13)	25.6 (11)	-27.1 (68)	10.9 (6)	12.5 (59)
■ Total Fund ex Clifton	0.0 (53)	4.9 (72)	14.7 (59)	14.2 (11)	-1.0 (88)	14.7 (15)	25.6 (11)	-27.1 (68)	10.9 (6)	12.5 (59)
▲ Policy Index	-1.2 (81)	4.9 (72)	13.5 (74)	11.2 (72)	0.4 (63)	13.0 (49)	23.2 (23)	-25.6 (58)	8.8 (31)	12.7 (57)

Total Fund

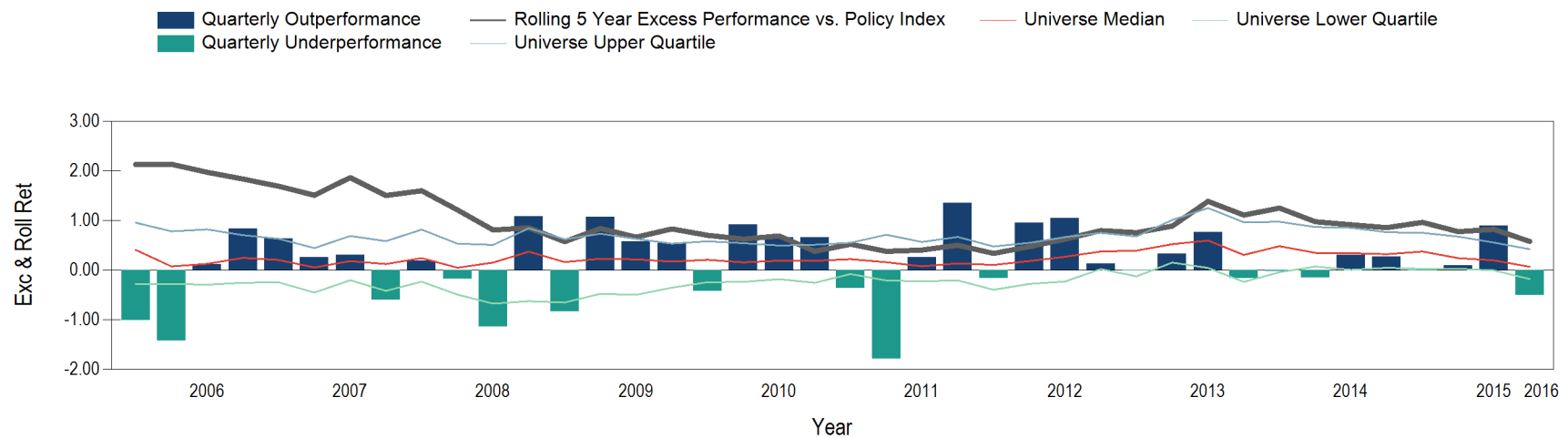
Rolling Return Analysis (Gross of Fees)

Period Ending: March 31, 2016

Rolling 3 Year Annualized Excess Performance



Rolling 5 Year Annualized Excess Performance



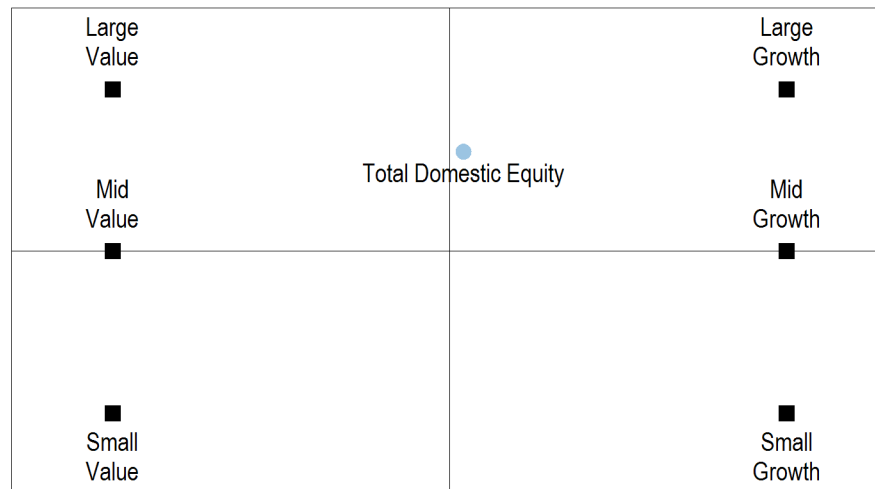
Total Domestic Equity

Asset Class Overview (Gross of Fees)

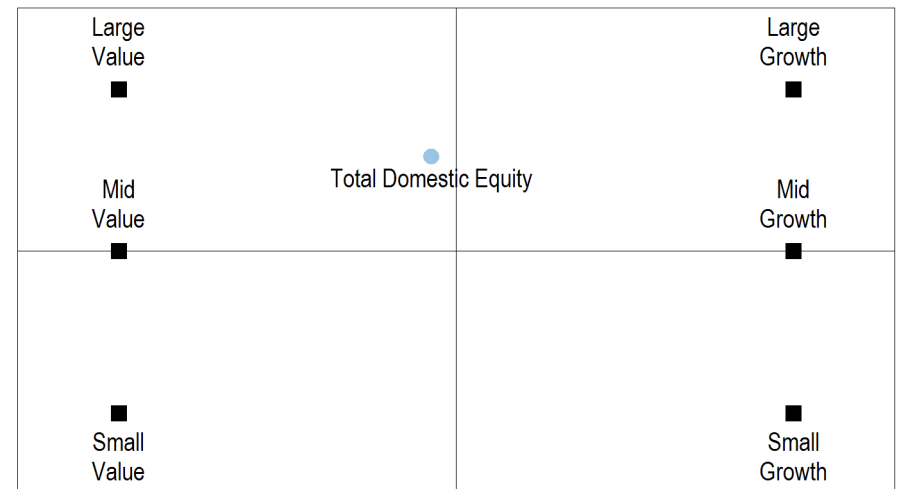
Period Ending: March 31, 2016

	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011
Total Domestic Equity	221,885,482	1.0	1.0	-1.0	-0.9	10.4	10.6	7.0	0.3	10.2	33.9	17.1	0.9
<i>Russell 3000</i>		1.0	1.0	-0.5	-0.3	11.1	11.0	6.9	0.5	12.6	33.6	16.4	1.0
<i>eA All US Equity Gross Rank</i>		42	42	31	32	49	43	58	42	51	62	37	40
BlackRock Russell 3000	221,885,482	1.0	1.0	--	--	--	--	--	--	--	--	--	--
<i>Russell 3000</i>		1.0	1.0	--	--	--	--	--	--	--	--	--	--
<i>eA US All Cap Core Equity Gross Rank</i>		38	38	--	--	--	--	--	--	--	--	--	--

U.S. Effective Style Map
3 Years Ending March 31, 2016



U.S. Effective Style Map
5 Years Ending March 31, 2016



Total Domestic Equity
Asset Class Overview (Net of Fees)

Period Ending: March 31, 2016

	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011
Total Domestic Equity	221,885,482	1.0	1.0	-1.1	-1.0	10.2	10.4	6.7	0.1	10.0	33.6	16.9	0.7
<i>Russell 3000</i>		<i>1.0</i>	<i>1.0</i>	<i>-0.5</i>	<i>-0.3</i>	<i>11.1</i>	<i>11.0</i>	<i>6.9</i>	<i>0.5</i>	<i>12.6</i>	<i>33.6</i>	<i>16.4</i>	<i>1.0</i>
BlackRock Russell 3000	221,885,482	1.0	1.0	--	--	--	--	--	--	--	--	--	--
<i>Russell 3000</i>		<i>1.0</i>	<i>1.0</i>	<i>-0.5</i>	<i>-0.3</i>	<i>11.1</i>	<i>11.0</i>	<i>6.9</i>	<i>0.5</i>	<i>12.6</i>	<i>33.6</i>	<i>16.4</i>	<i>1.0</i>

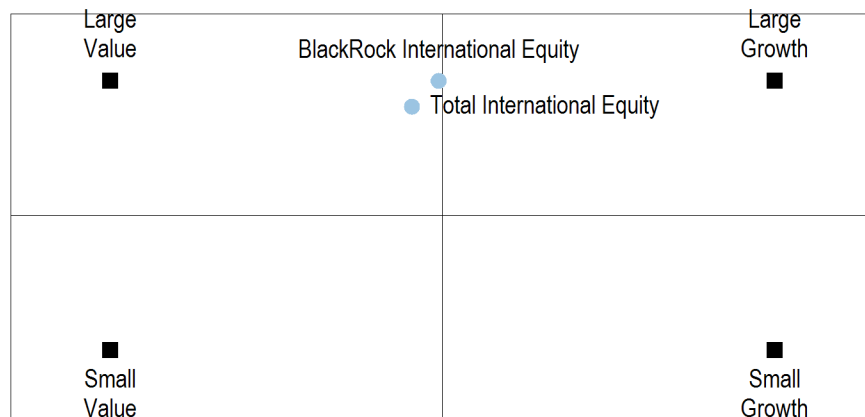
Total International Equity

Asset Class Overview (Gross of Fees)

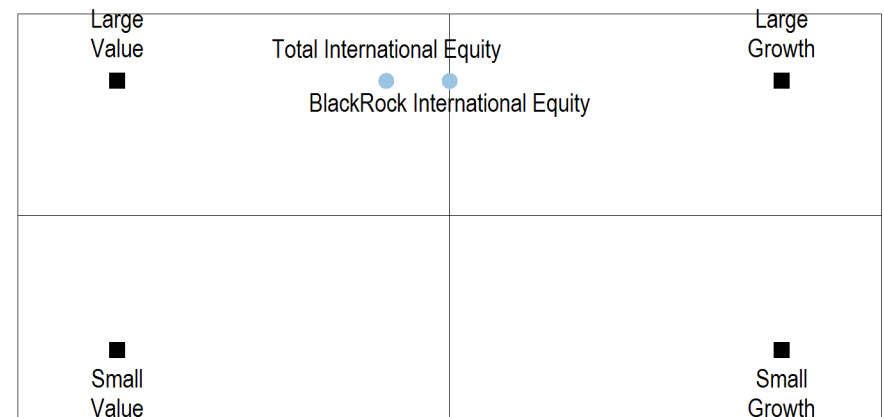
Period Ending: March 31, 2016

	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011
Total International Equity	155,350,708	-0.9	-0.9	-8.7	-8.1	0.9	0.3	3.0	-3.5	-4.4	14.0	19.3	-15.6
MSCI ACWI ex USA Gross		-0.3	-0.3	-9.4	-8.8	0.8	0.8	2.4	-5.3	-3.4	15.8	17.4	-13.3
eA ACWI ex-US All Cap Equity Gross Rank		42	42	69	76	86	94	78	77	70	92	54	84
BlackRock International Equity	115,193,742	-2.9	-2.9	-8.7	-8.0	2.5	2.6	2.2	-0.5	-4.7	23.2	17.8	-11.8
MSCI EAFE Gross		-2.9	-2.9	-8.6	-7.9	2.7	2.8	2.3	-0.4	-4.5	23.3	17.9	-11.7
eA All EAFE Equity Gross Rank		69	69	74	77	76	76	83	67	64	61	74	48
DFA Emerging Markets Value	18,288,199	9.1	9.1	-12.5	-10.9	-5.8	-5.9	--	-18.3	-3.9	-3.2	20.1	-25.2
MSCI Emerging Markets Gross		5.8	5.8	-12.4	-11.7	-4.2	-3.8	--	-14.6	-1.8	-2.3	18.6	-18.2
eA Emg Mkts Equity Gross Rank		9	9	65	61	92	97	--	92	84	84	56	92
Vontobel Global Emerging Markets	21,868,767	2.5	2.5	-6.2	-7.1	--	--	--	-7.8	--	--	--	--
MSCI Emerging Markets Gross		5.8	5.8	-12.4	-11.7	--	--	--	-14.6	--	--	--	--
eA Emg Mkts Equity Gross Rank		72	72	9	20	--	--	--	18	--	--	--	--

EAFE Effective Style Map
3 Years Ending March 31, 2016



EAFE Effective Style Map
5 Years Ending March 31, 2016



Total International Equity Asset Class Overview (Net of Fees)

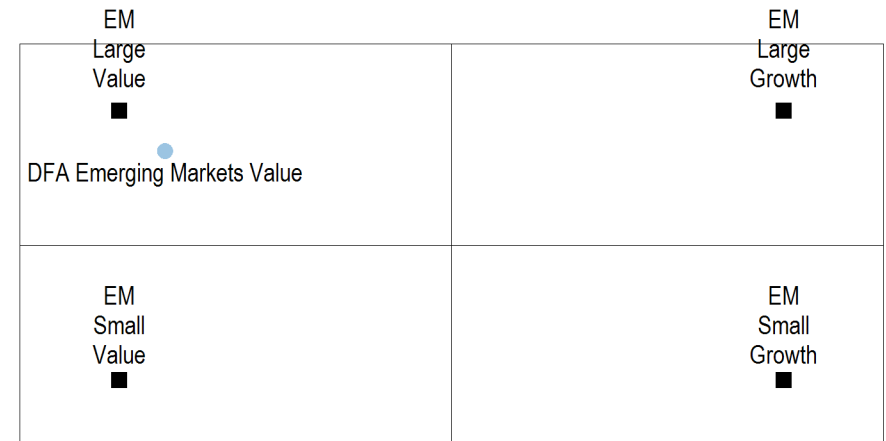
Period Ending: March 31, 2016

	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011
Total International Equity	155,350,708	-0.9	-0.9	-8.9	-8.5	0.4	-0.3	2.4	-4.0	-4.9	13.4	18.6	-16.1
MSCI ACWI ex USA Gross		-0.3	-0.3	-9.4	-8.8	0.8	0.8	2.4	-5.3	-3.4	15.8	17.4	-13.3
BlackRock International Equity	115,193,742	-2.9	-2.9	-8.8	-8.1	2.4	2.5	2.0	-0.6	-4.8	22.9	17.6	-11.9
MSCI EAFE Gross		-2.9	-2.9	-8.6	-7.9	2.7	2.8	2.3	-0.4	-4.5	23.3	17.9	-11.7
DFA Emerging Markets Value	18,288,199	8.9	8.9	-12.9	-11.4	-6.4	-6.4	--	-18.8	-4.4	-3.8	19.4	-25.6
MSCI Emerging Markets Gross		5.8	5.8	-12.4	-11.7	-4.2	-3.8	--	-14.6	-1.8	-2.3	18.6	-18.2
Vontobel Global Emerging Markets	21,868,767	2.3	2.3	-6.8	-7.9	--	--	--	-8.6	--	--	--	--
MSCI Emerging Markets Gross		5.8	5.8	-12.4	-11.7	--	--	--	-14.6	--	--	--	--

EM Effective Style Map
3 Years Ending March 31, 2016

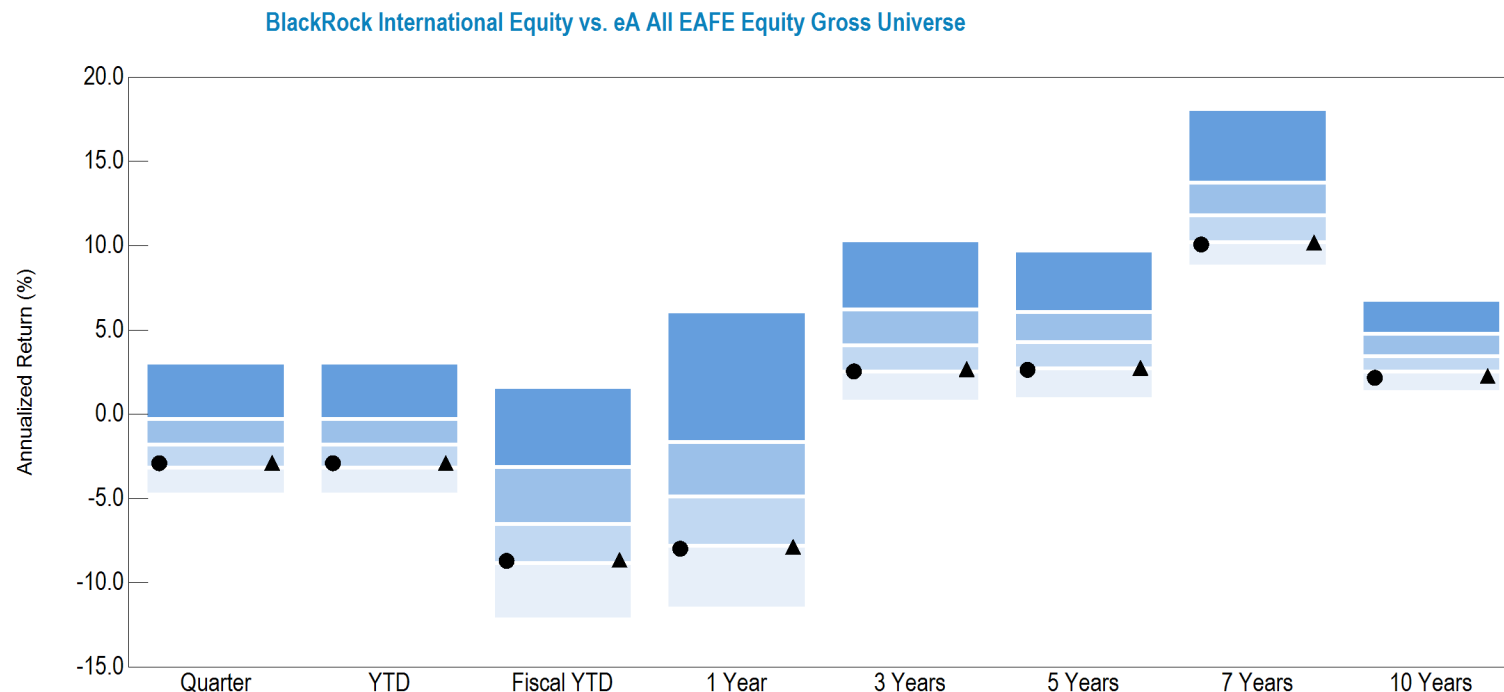


EM Effective Style Map
5 Years Ending March 31, 2016



BlackRock International Equity Cumulative Performance Comparison (Gross of Fees)

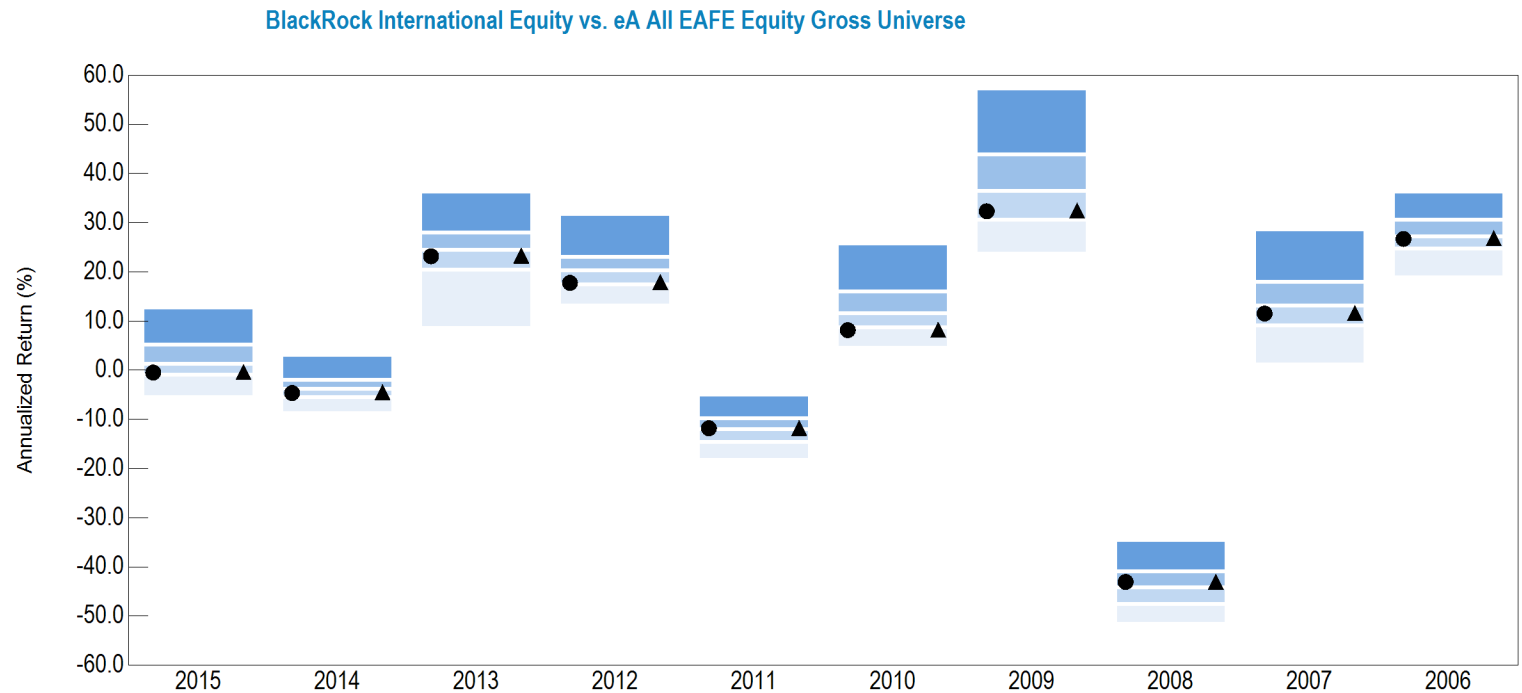
Period Ending: March 31, 2016



	Return (Rank)													
5th Percentile	3.0		3.0		1.6		6.1		10.3		9.7		18.1	
25th Percentile	-0.3		-0.3		-3.1		-1.6		6.2		6.1		13.8	
Median	-1.8		-1.8		-6.5		-4.9		4.1		4.3		11.8	
75th Percentile	-3.1		-3.1		-8.8		-7.8		2.6		2.7		10.2	
95th Percentile	-4.7		-4.7		-12.2		-11.5		0.8		0.9		8.8	
# of Portfolios	314		314		314		313		297		275		256	
● BlackRock International Equity	-2.9	(69)	-2.9	(69)	-8.7	(74)	-8.0	(77)	2.5	(76)	2.6	(76)	10.1	(80)
▲ MSCI EAFE Gross	-2.9	(68)	-2.9	(68)	-8.6	(73)	-7.9	(76)	2.7	(74)	2.8	(75)	10.2	(77)
													2.2	(83)
													2.3	(81)

BlackRock International Equity Consecutive Performance Comparison (Gross of Fees)

Period Ending: March 31, 2016

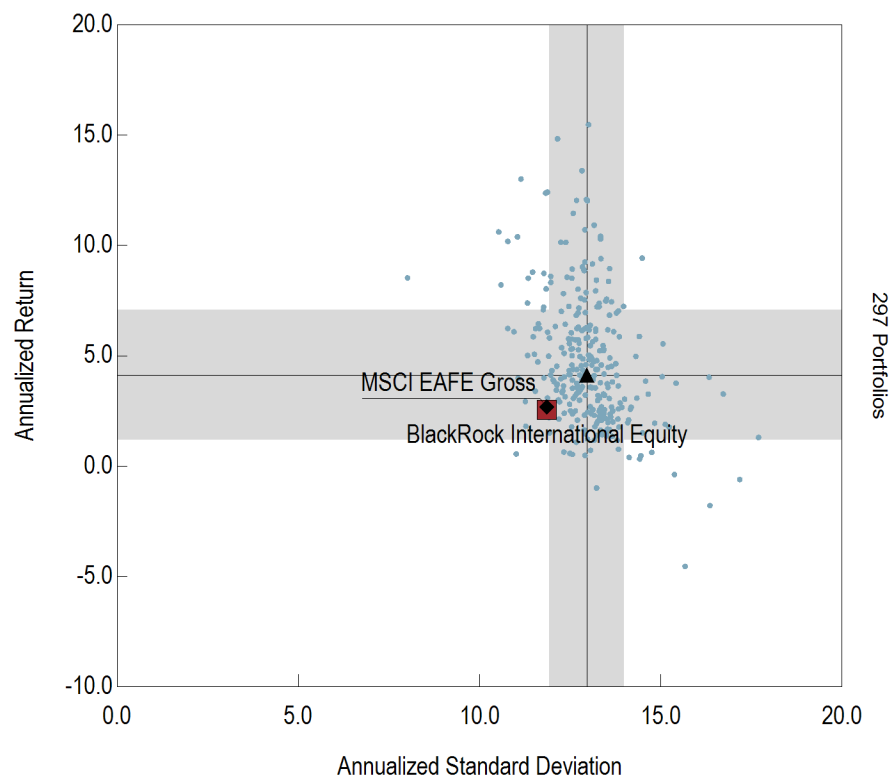


	Return (Rank)									
5th Percentile	12.6	3.0	36.3	31.7	-5.1	25.7	57.3	-34.5	28.5	36.2
25th Percentile	5.2	-1.9	28.1	23.1	-9.7	16.1	44.0	-40.8	18.0	30.7
Median	1.4	-3.7	24.6	20.4	-12.0	11.7	36.5	-44.1	13.2	27.3
75th Percentile	-0.9	-5.4	20.5	17.5	-14.5	8.7	30.7	-47.5	9.1	24.8
95th Percentile	-5.4	-8.6	8.6	13.3	-18.2	4.6	23.7	-51.5	1.2	18.9
# of Portfolios	325	314	284	263	278	352	455	477	466	434
● BlackRock International Equity	-0.5 (67)	-4.7 (64)	23.2 (61)	17.8 (74)	-11.8 (48)	8.1 (79)	32.3 (68)	-43.1 (41)	11.5 (60)	26.7 (57)
▲ MSCI EAFE Gross	-0.4 (66)	-4.5 (60)	23.3 (60)	17.9 (72)	-11.7 (47)	8.2 (78)	32.5 (67)	-43.1 (41)	11.6 (59)	26.9 (55)

BlackRock International Equity Risk vs Return Three & Five Year (Gross of Fees)

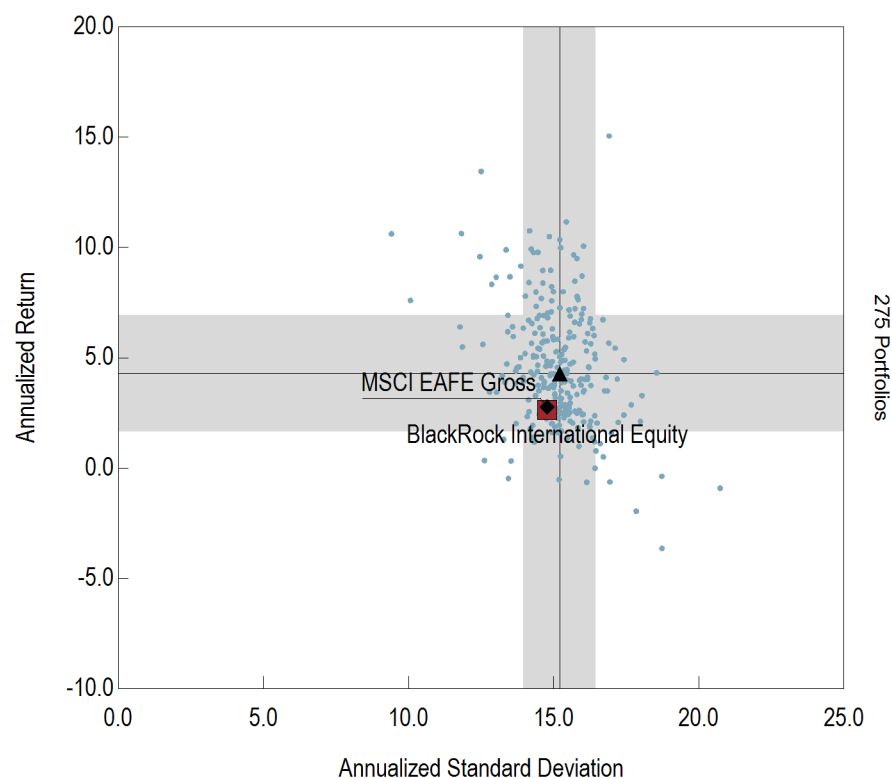
Period Ending: March 31, 2016

Annualized Return vs. Annualized Standard Deviation
3 Years Ending March 31, 2016



- BlackRock International Equity
- ◆ MSCI EAFE Gross
- ▲ Universe Median
- 68% Confidence Interval
- eA All EAFE Equity Gross

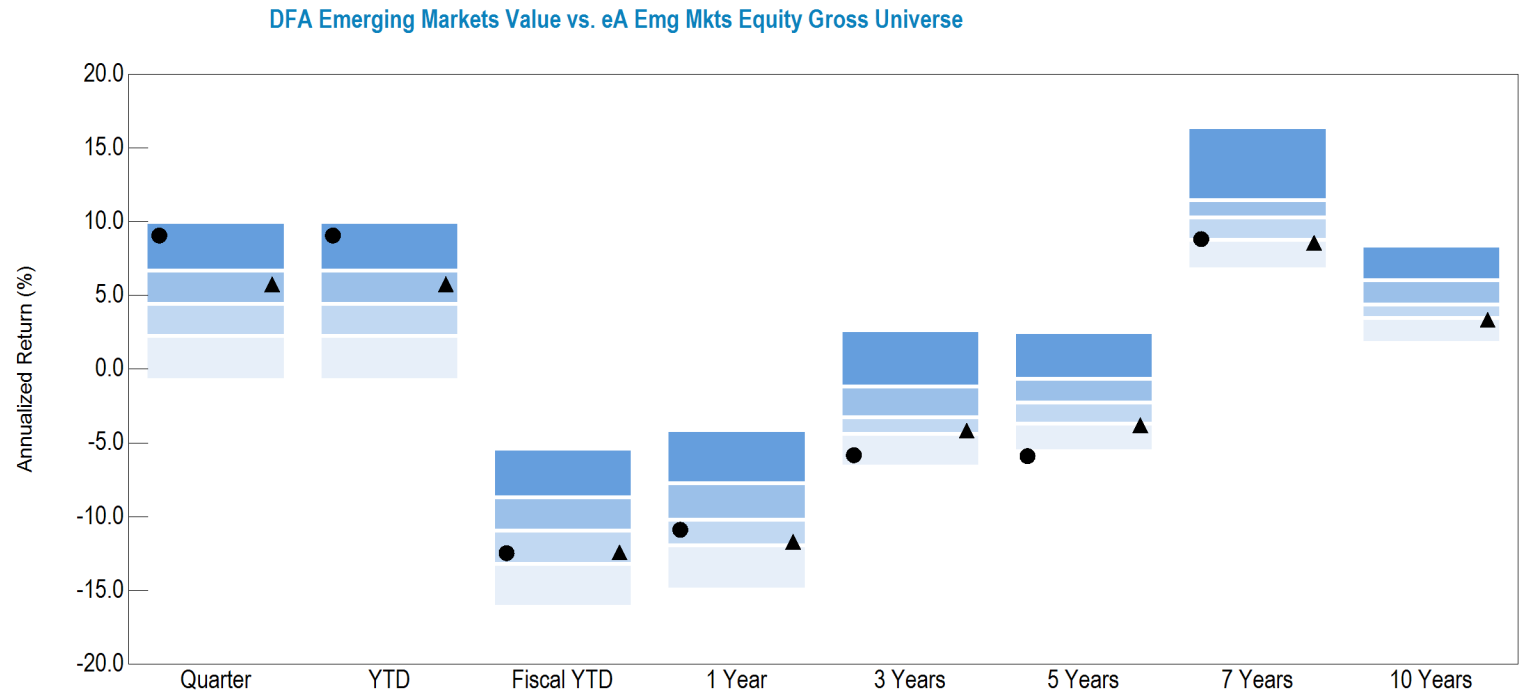
Annualized Return vs. Annualized Standard Deviation
5 Years Ending March 31, 2016



- BlackRock International Equity
- ◆ MSCI EAFE Gross
- ▲ Universe Median
- 68% Confidence Interval
- eA All EAFE Equity Gross

DFA Emerging Markets Value Cumulative Performance Comparison (Gross of Fees)

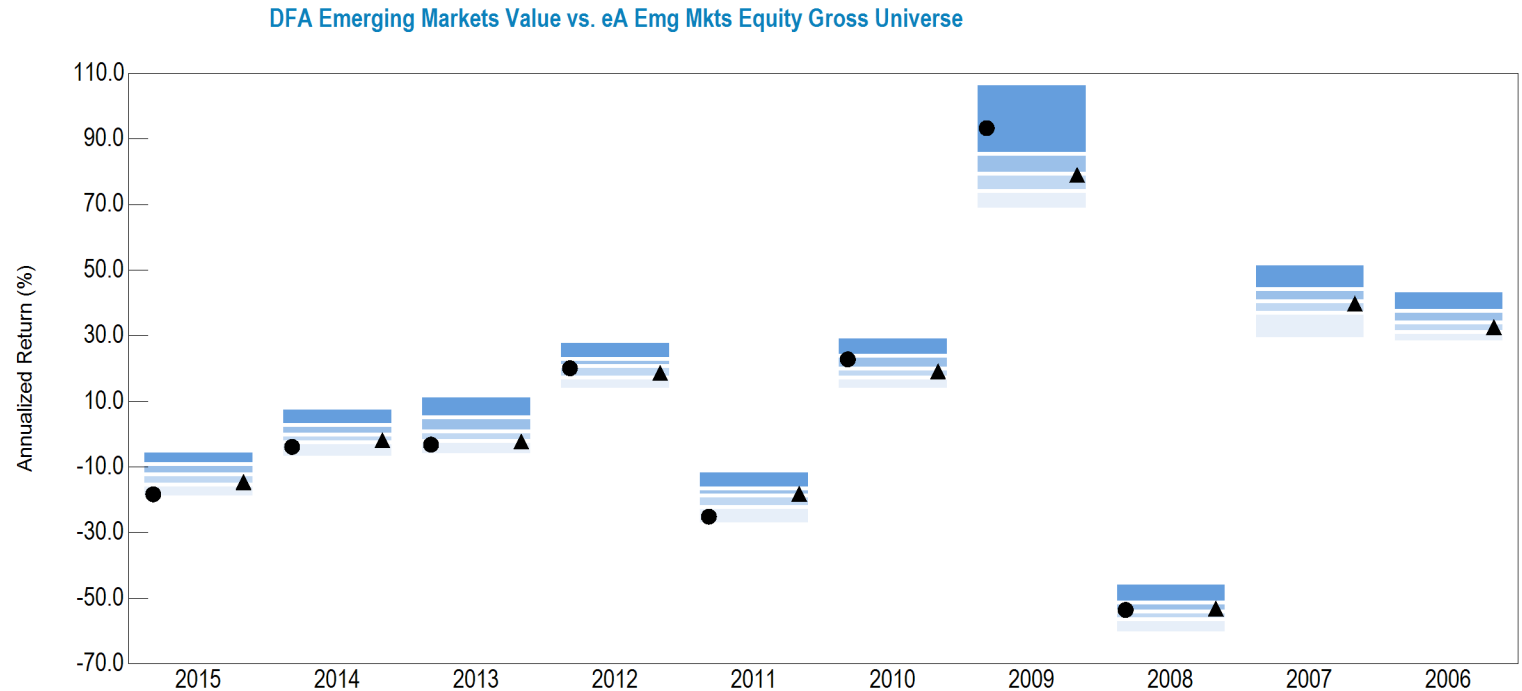
Period Ending: March 31, 2016



	Return (Rank)													
5th Percentile	9.9	(9)	9.9	(9)	-5.4	(65)	-4.2	(61)	2.6	(92)	2.5	(97)	16.4	(74)
25th Percentile	6.7	(34)	6.7	(34)	-8.7	(65)	-7.7	(68)	-1.2	(71)	-0.6	(77)	11.5	(78)
Median	4.4		4.4		-10.9		-10.2		-3.2		-2.2		10.3	
75th Percentile	2.3		2.3		-13.2		-11.9		-4.4		-3.7		8.8	
95th Percentile	-0.7		-0.7		-16.1		-14.9		-6.6		-5.5		6.8	
# of Portfolios	263		263		263		263		239		183		138	
● DFA Emerging Markets Value	9.1	(9)	9.1	(9)	-12.5	(65)	-10.9	(61)	-5.8	(92)	-5.9	(97)	8.8	(74)
▲ MSCI Emerging Markets Gross	5.8	(34)	5.8	(34)	-12.4	(65)	-11.7	(68)	-4.2	(71)	-3.8	(77)	8.6	(78)
													3.3	(77)

DFA Emerging Markets Value Consecutive Performance Comparison (Gross of Fees)

Period Ending: March 31, 2016

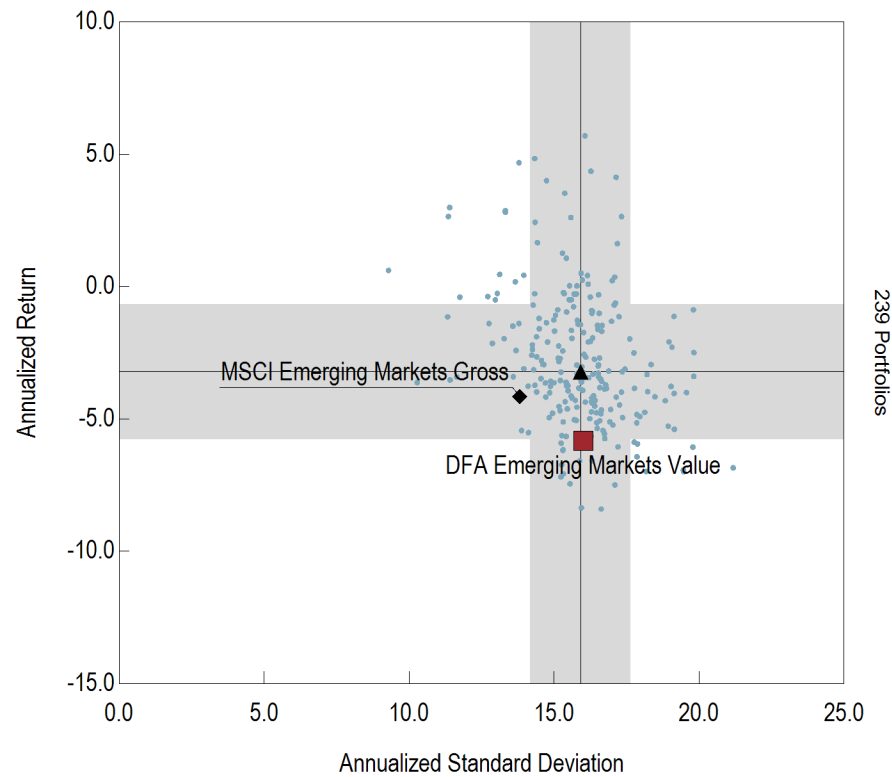


	Return (Rank)									
5th Percentile	-5.0	8.0	11.7	28.4	-11.1	29.6	106.8	-45.4	51.9	43.7
25th Percentile	-9.0	2.9	5.2	23.0	-16.4	23.9	85.5	-51.3	44.3	37.7
Median	-12.2	-0.1	1.0	20.9	-18.6	20.1	79.5	-54.0	40.5	34.2
75th Percentile	-15.3	-2.4	-2.0	17.3	-22.2	17.3	74.3	-56.3	37.1	31.2
95th Percentile	-19.2	-7.0	-6.3	13.7	-27.3	13.7	68.5	-60.7	29.1	28.1
# of Portfolios	273	251	198	155	139	113	113	118	115	108
● DFA Emerging Markets Value	-18.3 (92)	-3.9 (84)	-3.2 (84)	20.1 (56)	-25.2 (92)	22.8 (33)	93.3 (12)	-53.6 (44)	-- (--)	-- (--)
▲ MSCI Emerging Markets Gross	-14.6 (67)	-1.8 (69)	-2.3 (78)	18.6 (68)	-18.2 (45)	19.2 (62)	79.0 (54)	-53.2 (37)	39.8 (58)	32.6 (62)

DFA Emerging Markets Value Risk vs Return Three & Five Year (Gross of Fees)

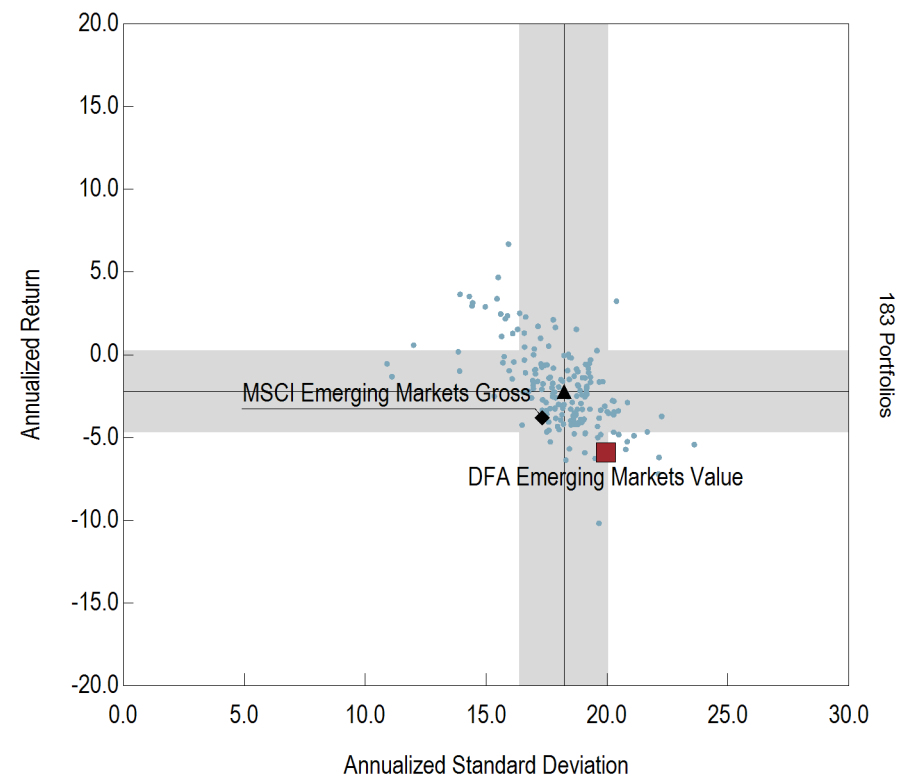
Period Ending: March 31, 2016

Annualized Return vs. Annualized Standard Deviation
3 Years Ending March 31, 2016



- DFA Emerging Markets Value
- ◆ MSCI Emerging Markets Gross
- ▲ Universe Median
- 68% Confidence Interval
- eA Emg Mkts Equity Gross

Annualized Return vs. Annualized Standard Deviation
5 Years Ending March 31, 2016

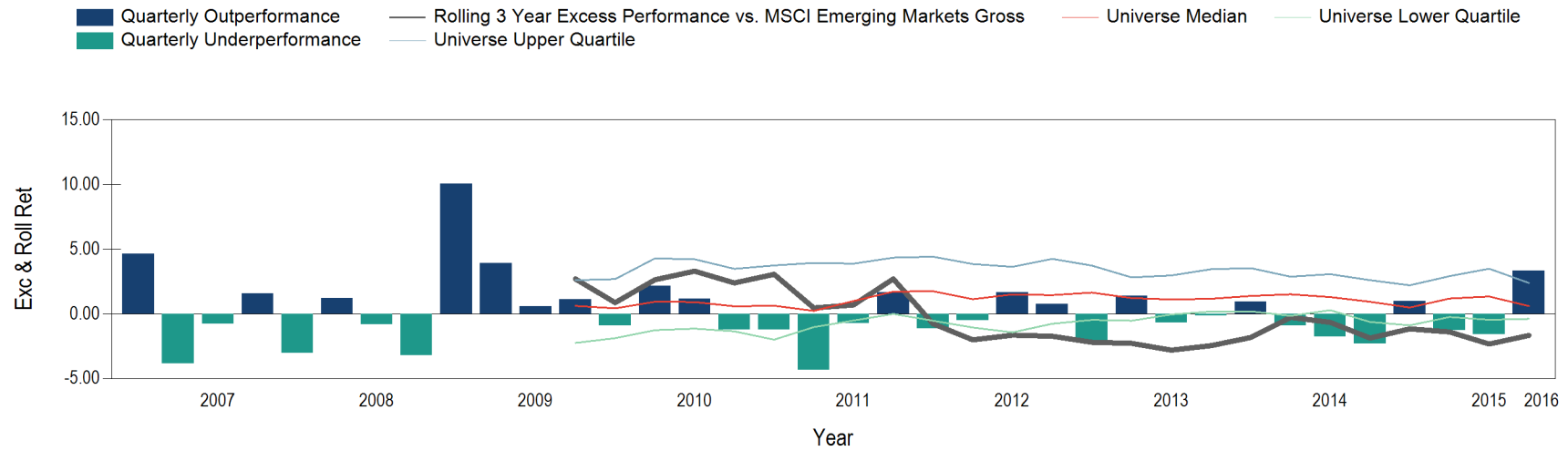


- DFA Emerging Markets Value
- ◆ MSCI Emerging Markets Gross
- ▲ Universe Median
- 68% Confidence Interval
- eA Emg Mkts Equity Gross

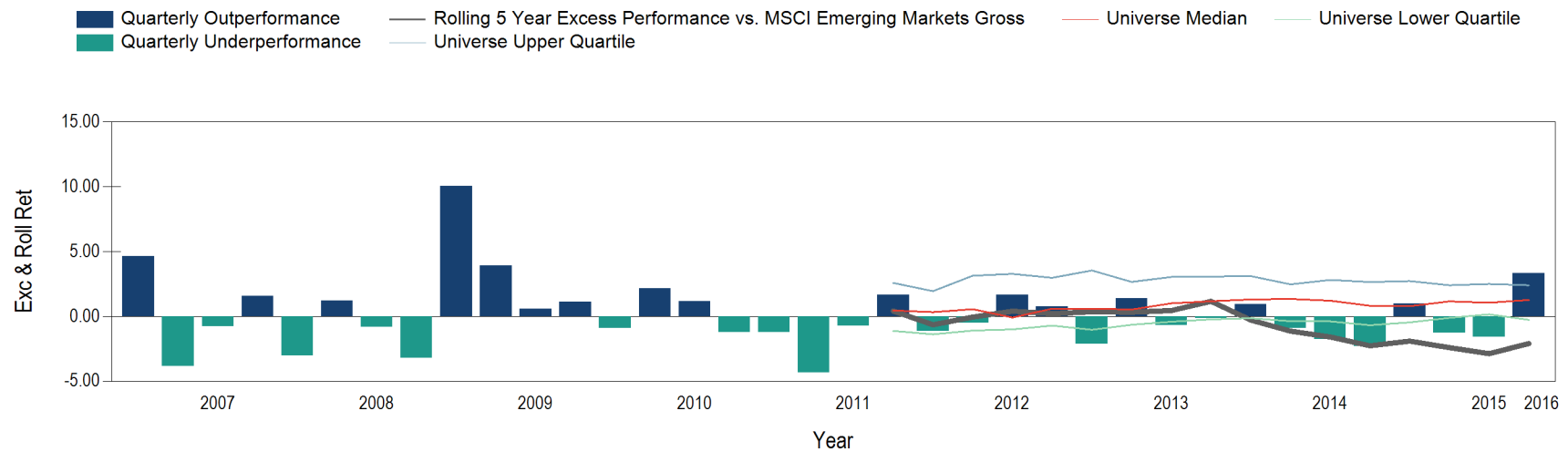
DFA Emerging Markets Value Rolling Return Analysis (Gross of Fees)

Period Ending: March 31, 2016

Rolling 3 Year Annualized Excess Performance



Rolling 5 Year Annualized Excess Performance

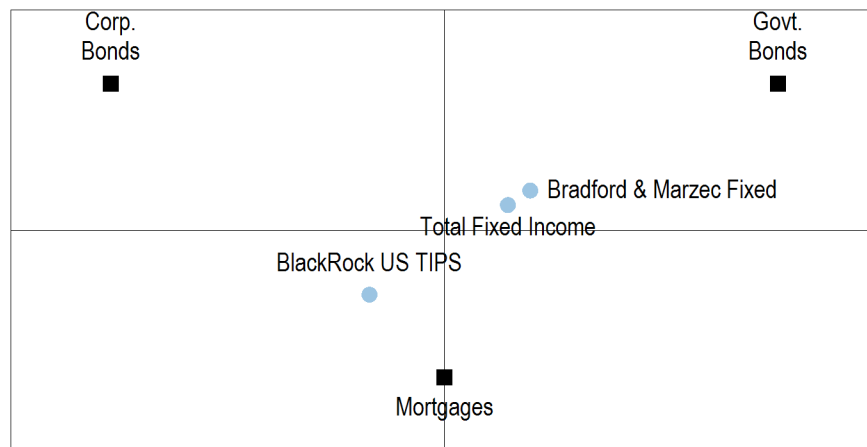


Total Fixed Income Asset Class Overview (Gross of Fees)

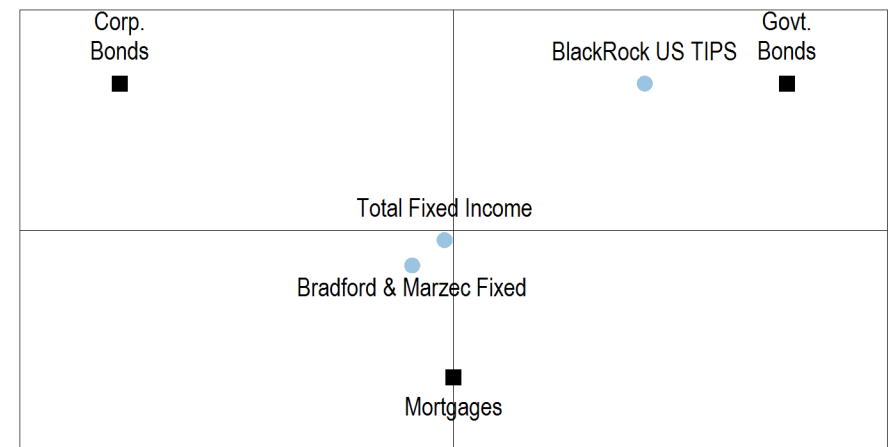
Period Ending: March 31, 2016

	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011
Total Fixed Income	193,987,544	3.1	3.1	2.5	0.9	2.1	4.3	6.1	-0.3	5.9	-1.7	9.6	6.8
Barclays Aggregate		3.0	3.0	3.7	2.0	2.5	3.8	4.9	0.6	6.0	-2.0	4.2	7.8
eA All US Fixed Inc Gross Rank		28	28	52	68	61	43	23	74	34	78	28	45
Bradford & Marzec Fixed	93,360,986	3.0	3.0	3.6	1.8	3.4	4.9	6.5	1.2	7.0	-0.4	8.8	7.4
Barclays Aggregate		3.0	3.0	3.7	2.0	2.5	3.8	4.9	0.6	6.0	-2.0	4.2	7.8
eA US Core Plus Fixed Inc Gross Rank		44	44	14	30	11	27	20	15	16	52	45	51
MacKay Shields Core Plus Opportunities	85,546,068	2.9	2.9	1.3	-0.2	--	--	--	--	--	--	--	--
Barclays Aggregate		3.0	3.0	3.7	2.0	--	--	--	--	--	--	--	--
eA US Core Plus Fixed Inc Gross Rank		51	51	79	85	--	--	--	--	--	--	--	--
BlackRock US TIPS	15,080,491	4.5	4.5	2.7	1.6	-0.6	3.1	--	-1.2	3.6	-8.5	7.1	13.7
Barclays US TIPS		4.5	4.5	2.6	1.5	-0.7	3.0	--	-1.4	3.6	-8.6	7.0	13.6
eA TIPS / Infl Indexed Fixed Inc Gross Rank		31	31	27	47	50	38	--	43	45	62	59	37

Fixed Income Style Map
3 Years Ending March 31, 2016



Fixed Income Style Map
5 Years Ending March 31, 2016



Total Fixed Income
Asset Class Overview (Net of Fees)

Period Ending: March 31, 2016

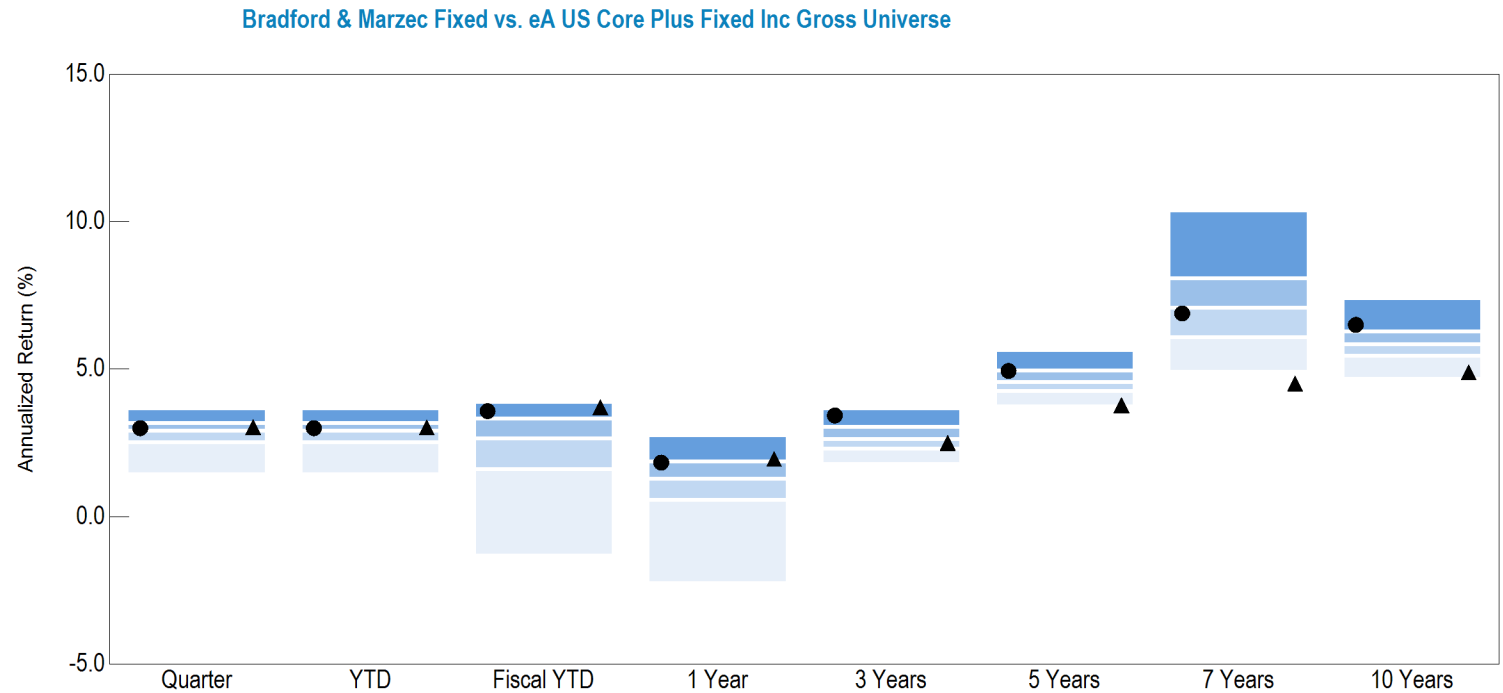
	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011
Total Fixed Income	193,987,544	3.0	3.0	2.3	0.6	1.8	3.9	5.8	-0.6	5.6	-2.0	9.3	6.5
Barclays Aggregate		3.0	3.0	3.7	2.0	2.5	3.8	4.9	0.6	6.0	-2.0	4.2	7.8
Bradford & Marzec Fixed	93,360,986	2.9	2.9	3.4	1.5	3.1	4.6	6.2	0.9	6.7	-0.8	8.5	7.1
Barclays Aggregate		3.0	3.0	3.7	2.0	2.5	3.8	4.9	0.6	6.0	-2.0	4.2	7.8
MacKay Shields Core Plus Opportunities	85,546,068	2.8	2.8	1.1	-0.6	--	--	--	--	--	--	--	--
Barclays Aggregate		3.0	3.0	3.7	2.0	--	--	--	--	--	--	--	--
BlackRock US TIPS	15,080,491	4.5	4.5	2.6	1.5	-0.7	3.0	--	-1.3	3.6	-8.6	7.0	13.6
Barclays US TIPS		4.5	4.5	2.6	1.5	-0.7	3.0	--	-1.4	3.6	-8.6	7.0	13.6

Correlation Matrix
Last 5 Years

	Total Fixed Income	Bradford & Marzec Fixed	MacKay Shields Core Plus Opportunities	BlackRock US TIPS	Barclays Aggregate
Total Fixed Income	1.00	--	--	--	--
Bradford & Marzec Fixed	0.98	1.00	--	--	--
MacKay Shields Core Plus Opportunities	--	--	--	--	--
BlackRock US TIPS	0.85	0.80	--	1.00	--
Barclays Aggregate	0.77	0.76	--	0.86	1.00

Bradford & Marzec Fixed Cumulative Performance Comparison (Gross of Fees)

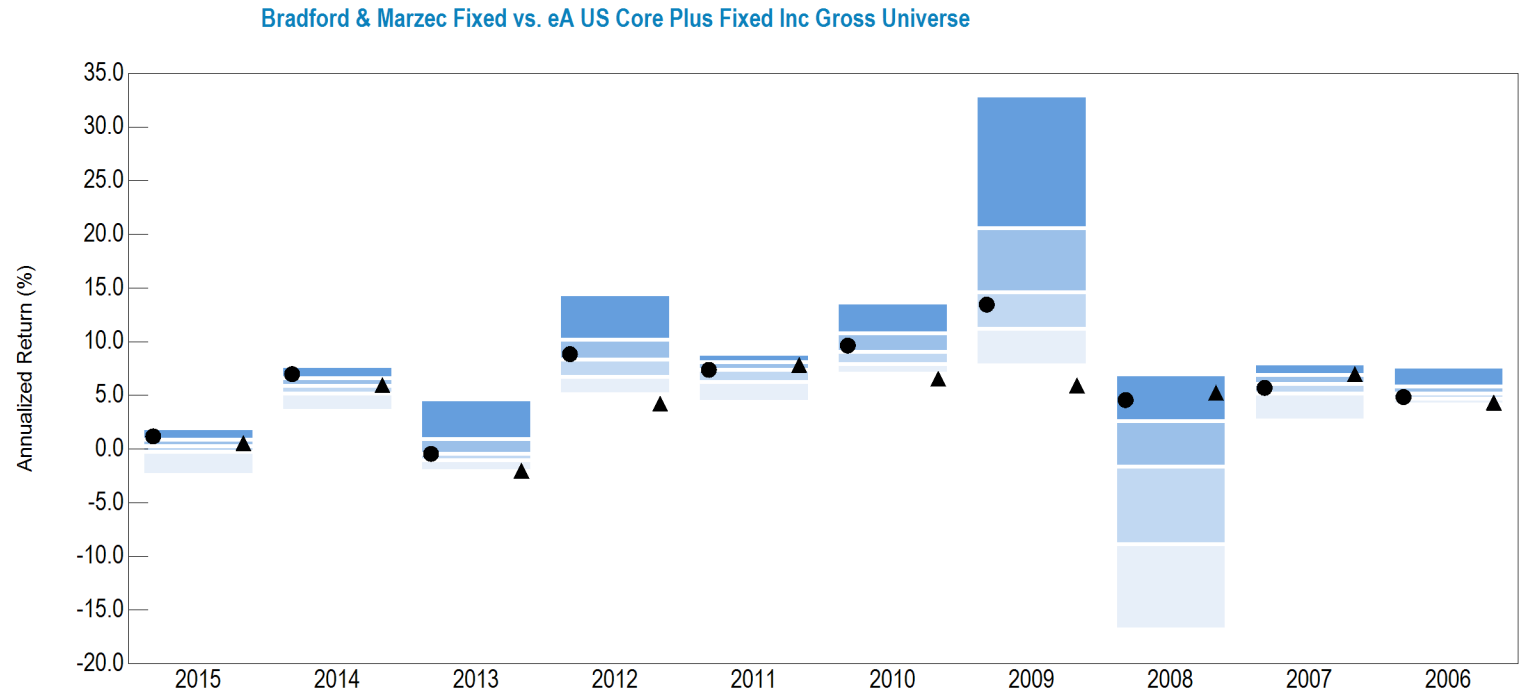
Period Ending: March 31, 2016



	Return (Rank)													
	3.7		3.7		3.9		2.7		3.7		5.6		10.4	
5th Percentile	3.7		3.7		3.9		2.7		3.7		5.6		10.4	
25th Percentile	3.2		3.2		3.3		1.9		3.1		5.0		8.1	
Median	2.9		2.9		2.7		1.3		2.7		4.6		7.1	
75th Percentile	2.5		2.5		1.6		0.6		2.3		4.3		6.1	
95th Percentile	1.5		1.5		-1.3		-2.2		1.8		3.8		4.9	
# of Portfolios	114		114		114		114		114		111		104	
● Bradford & Marzec Fixed	3.0	(44)	3.0	(44)	3.6	(14)	1.8	(30)	3.4	(11)	4.9	(27)	6.9	(56)
▲ Barclays Aggregate	3.0	(39)	3.0	(39)	3.7	(10)	2.0	(21)	2.5	(65)	3.8	(95)	4.5	(97)

Bradford & Marzec Fixed
Consecutive Performance Comparison (Gross of Fees)

Period Ending: March 31, 2016

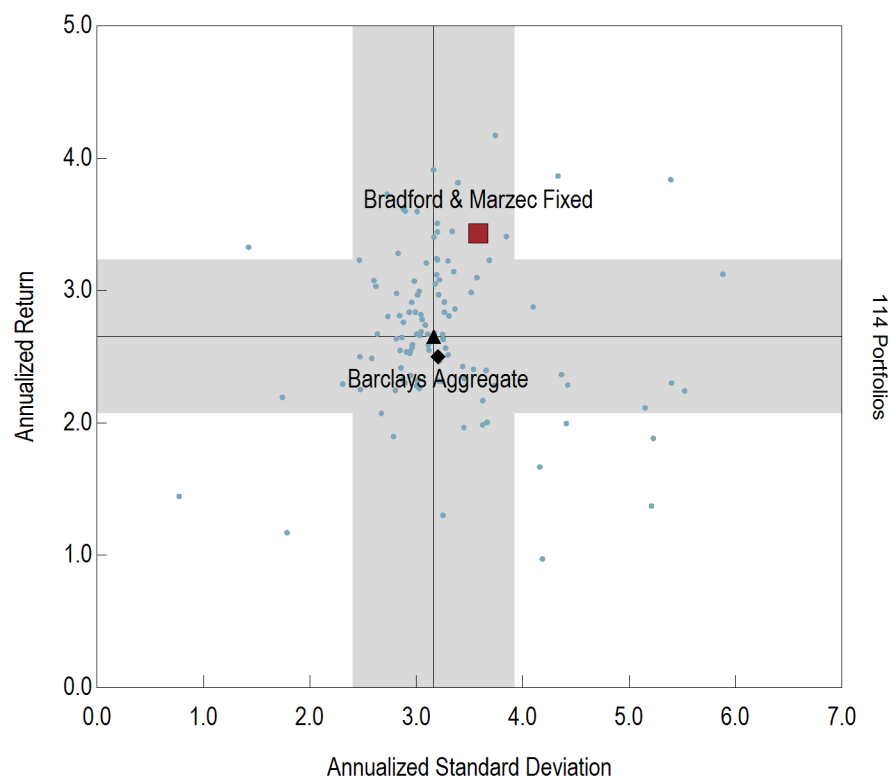


	Return (Rank)									
5th Percentile	1.9	7.7	4.6	14.4	8.8	13.6	32.9	6.9	7.9	7.6
25th Percentile	0.9	6.7	1.0	10.2	8.1	10.8	20.6	2.7	6.9	5.9
Median	0.3	5.9	-0.4	8.3	7.4	9.1	14.6	-1.6	6.1	5.2
75th Percentile	-0.2	5.2	-1.0	6.7	6.3	8.0	11.2	-8.9	5.2	4.7
95th Percentile	-2.4	3.6	-2.0	5.1	4.4	7.0	7.8	-16.8	2.7	4.2
# of Portfolios	115	118	116	124	118	123	128	136	144	146
● Bradford & Marzec Fixed	1.2 (15)	7.0 (16)	-0.4 (52)	8.8 (45)	7.4 (51)	9.6 (40)	13.5 (55)	4.6 (17)	5.7 (66)	4.8 (67)
▲ Barclays Aggregate	0.6 (42)	6.0 (50)	-2.0 (96)	4.2 (97)	7.8 (37)	6.5 (97)	5.9 (99)	5.2 (13)	7.0 (25)	4.3 (90)

Bradford & Marzec Fixed Risk vs Return Three & Five Year (Gross of Fees)

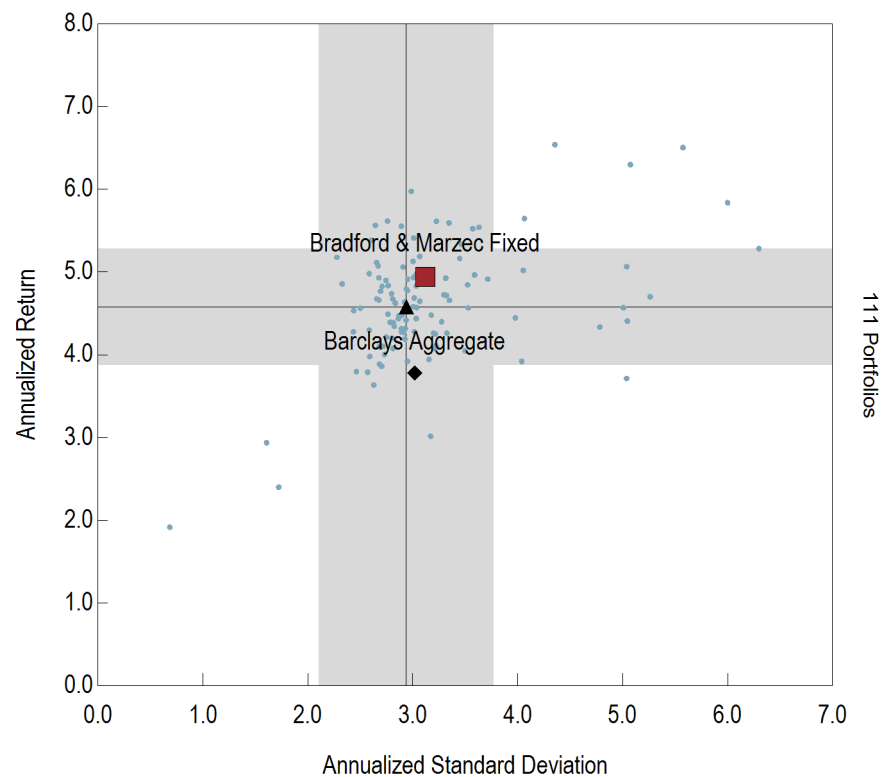
Period Ending: March 31, 2016

Annualized Return vs. Annualized Standard Deviation
3 Years Ending March 31, 2016



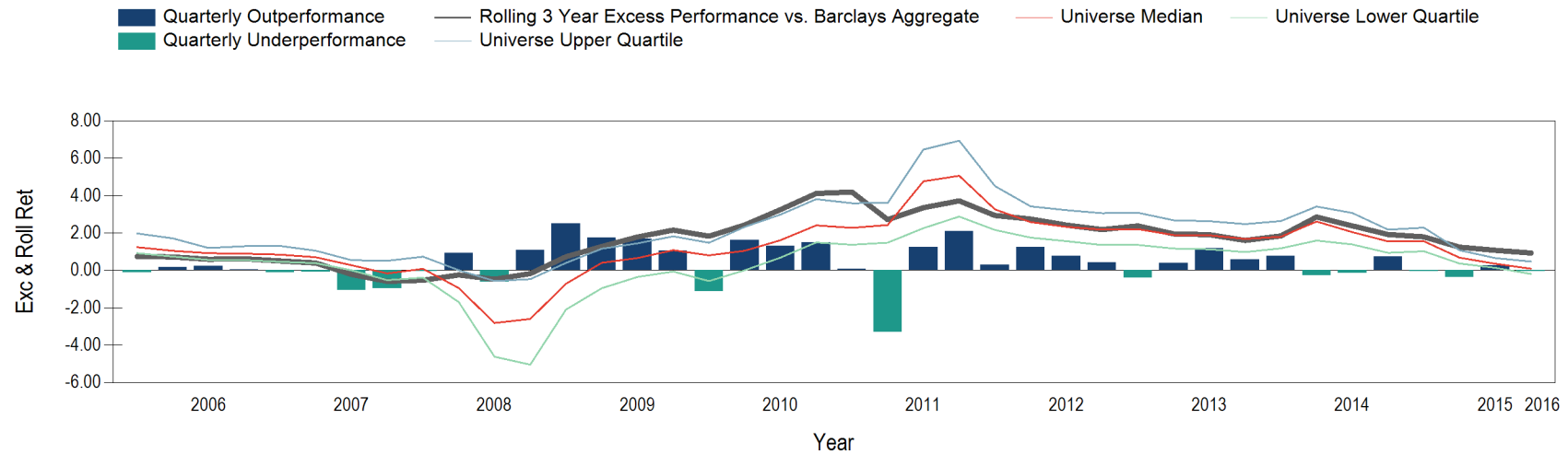
- Bradford & Marzec Fixed
- ◆ Barclays Aggregate
- ▲ Universe Median
- 68% Confidence Interval
- eA US Core Plus Fixed Inc Gross

Annualized Return vs. Annualized Standard Deviation
5 Years Ending March 31, 2016

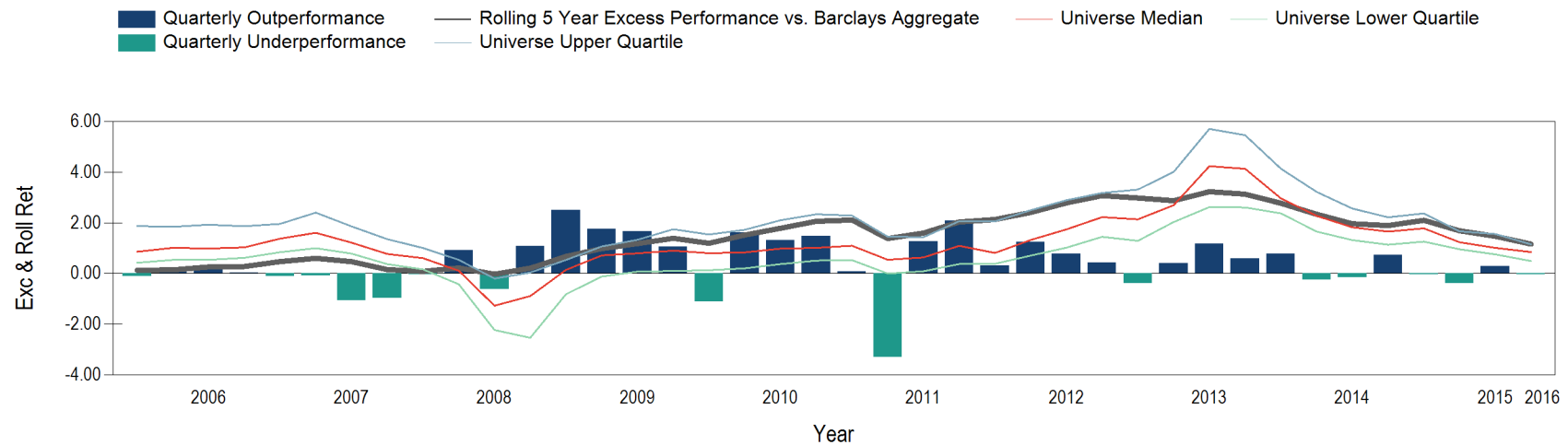


- Bradford & Marzec Fixed
- ◆ Barclays Aggregate
- ▲ Universe Median
- 68% Confidence Interval
- eA US Core Plus Fixed Inc Gross

Rolling 3 Year Annualized Excess Performance



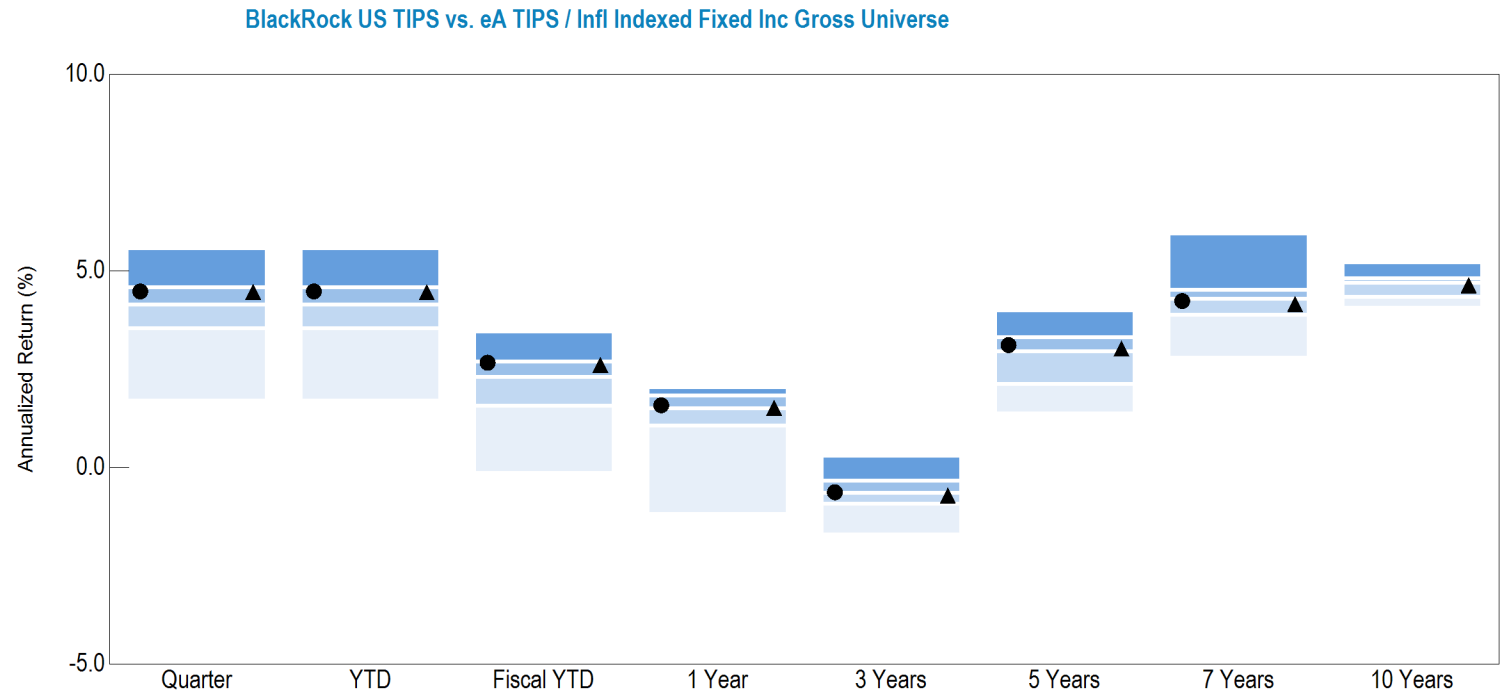
Rolling 5 Year Annualized Excess Performance



BlackRock US TIPS

Cumulative Performance Comparison (Gross of Fees)

Period Ending: March 31, 2016

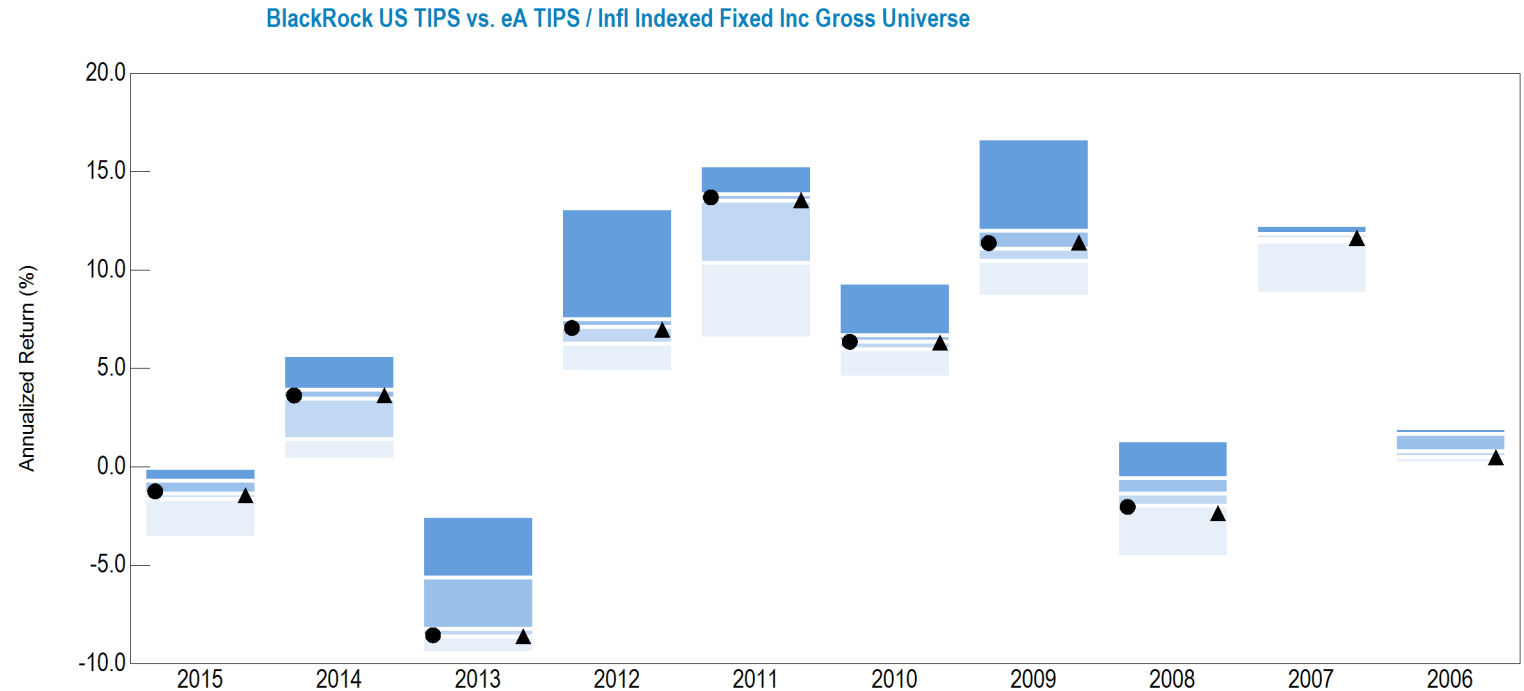


	Return (Rank)													
5th Percentile	5.6		5.6		3.4		2.0		0.3		4.0		5.9	
25th Percentile	4.6		4.6		2.7		1.8		-0.3		3.3		4.5	
Median	4.1		4.1		2.3		1.5		-0.6		3.0		4.3	
75th Percentile	3.5		3.5		1.6		1.1		-0.9		2.1		3.9	
95th Percentile	1.7		1.7		-0.1		-1.2		-1.7		1.4		2.8	
# of Portfolios	39		39		39		39		39		36		32	
● BlackRock US TIPS	4.5	(31)	4.5	(31)	2.7	(27)	1.6	(47)	-0.6	(50)	3.1	(38)	4.2	(54)
▲ Barclays US TIPS	4.5	(32)	4.5	(32)	2.6	(33)	1.5	(50)	-0.7	(60)	3.0	(48)	4.2	(58)
													4.6	(56)

BlackRock US TIPS

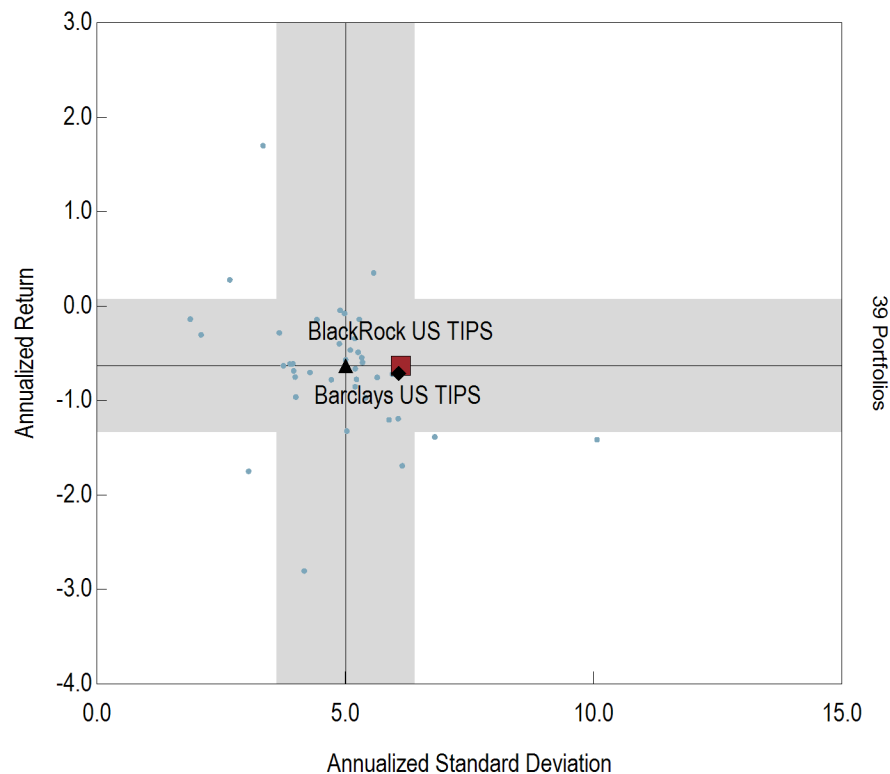
Consecutive Performance Comparison (Gross of Fees)

Period Ending: March 31, 2016



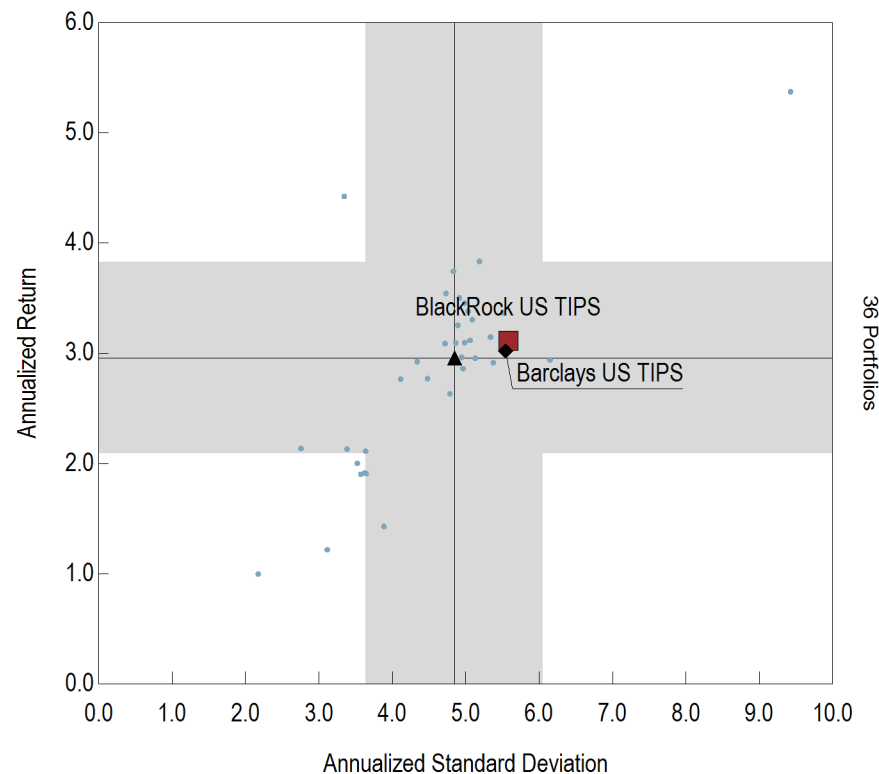
	Return (Rank)									
5th Percentile	-0.1	5.7	-2.5	13.1	15.3	9.4	16.7	1.3	12.3	2.0
25th Percentile	-0.7	4.0	-5.6	7.5	13.9	6.7	12.0	-0.5	11.8	1.7
Median	-1.3	3.5	-8.2	7.1	13.5	6.4	11.1	-1.4	11.6	0.8
75th Percentile	-1.6	1.4	-8.6	6.3	10.4	6.0	10.5	-1.9	11.5	0.5
95th Percentile	-3.6	0.4	-9.4	4.9	6.6	4.6	8.7	-4.6	8.8	0.2
# of Portfolios	44	50	43	43	47	39	37	40	37	35
● BlackRock US TIPS	-1.2 (43)	3.6 (45)	-8.5 (62)	7.1 (59)	13.7 (37)	6.4 (52)	11.4 (36)	-2.0 (78)	-- (--)	-- (--)
▲ Barclays US TIPS	-1.4 (59)	3.6 (44)	-8.6 (76)	7.0 (66)	13.6 (49)	6.3 (57)	11.4 (35)	-2.4 (85)	11.6 (49)	0.5 (80)

Annualized Return vs. Annualized Standard Deviation
3 Years Ending March 31, 2016



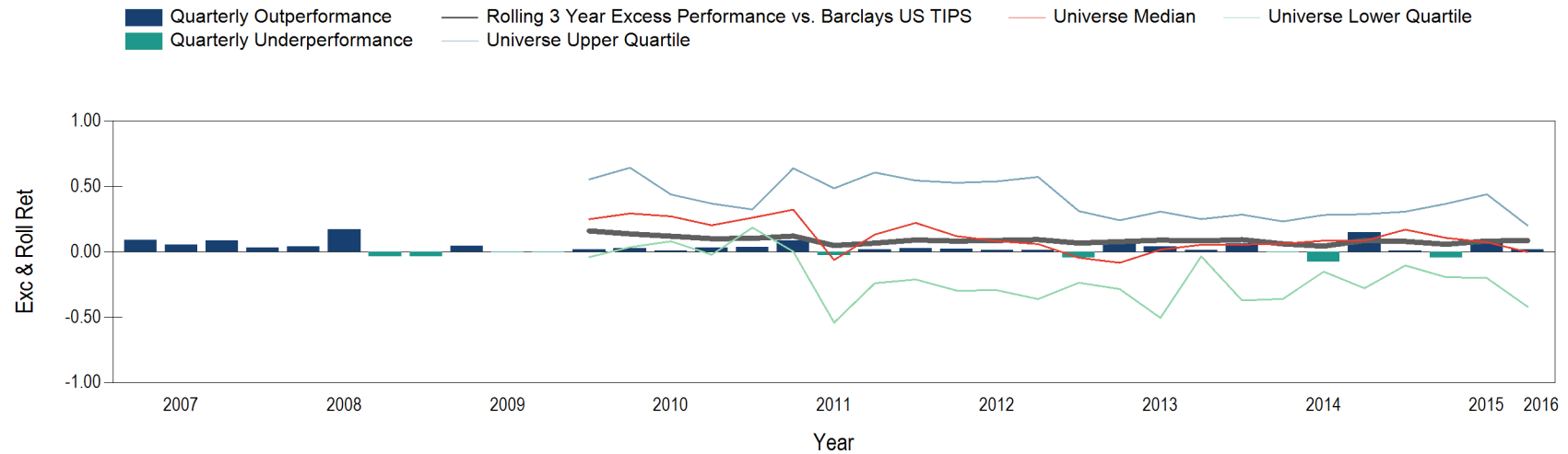
- BlackRock US TIPS
- ◆ Barclays US TIPS
- ▲ Universe Median
- 68% Confidence Interval
- eA TIPS / Infl Indexed Fixed Inc Gross

Annualized Return vs. Annualized Standard Deviation
5 Years Ending March 31, 2016

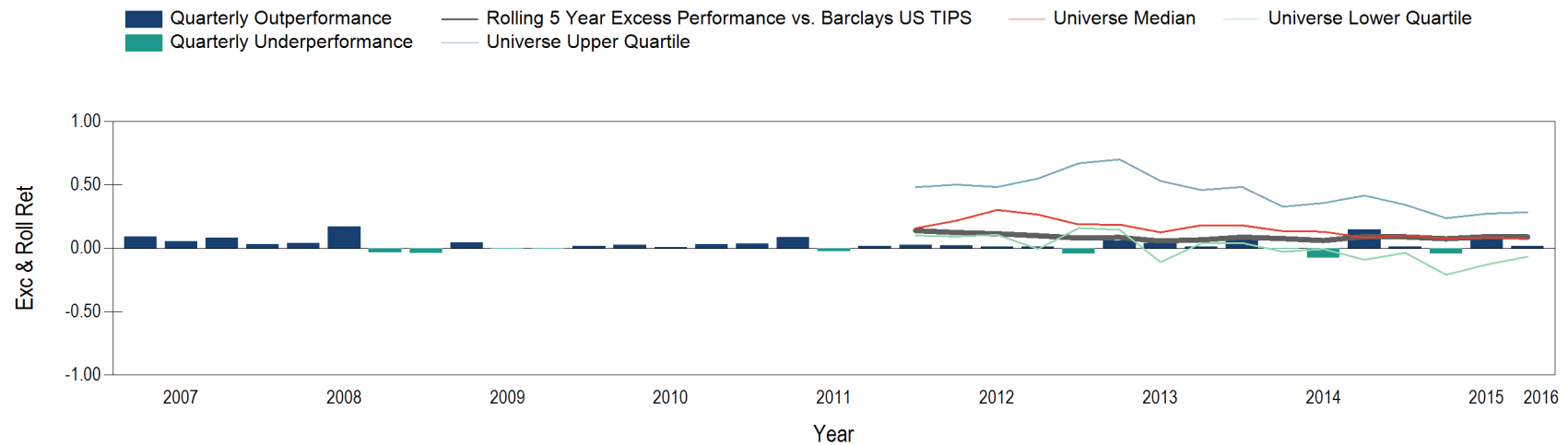


- BlackRock US TIPS
- ◆ Barclays US TIPS
- ▲ Universe Median
- 68% Confidence Interval
- eA TIPS / Infl Indexed Fixed Inc Gross

Rolling 3 Year Annualized Excess Performance



Rolling 5 Year Annualized Excess Performance

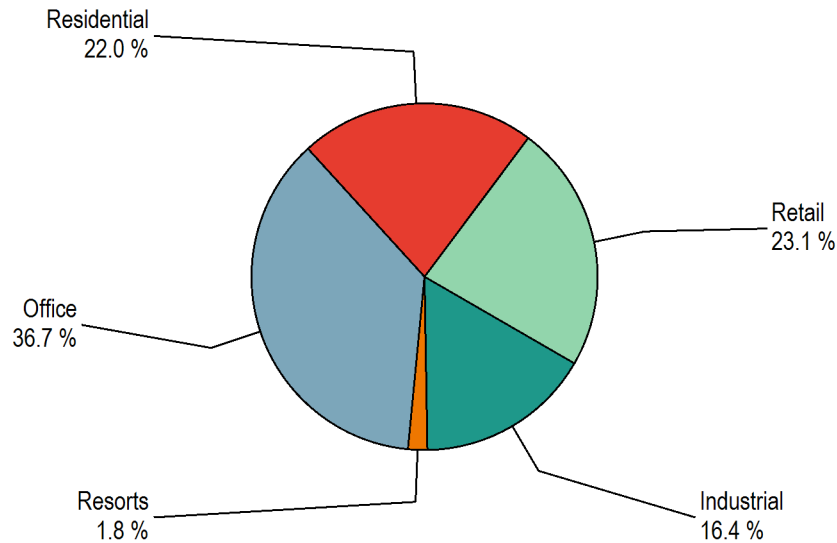


Total Real Estate Asset Class Overview (Gross of Fees)

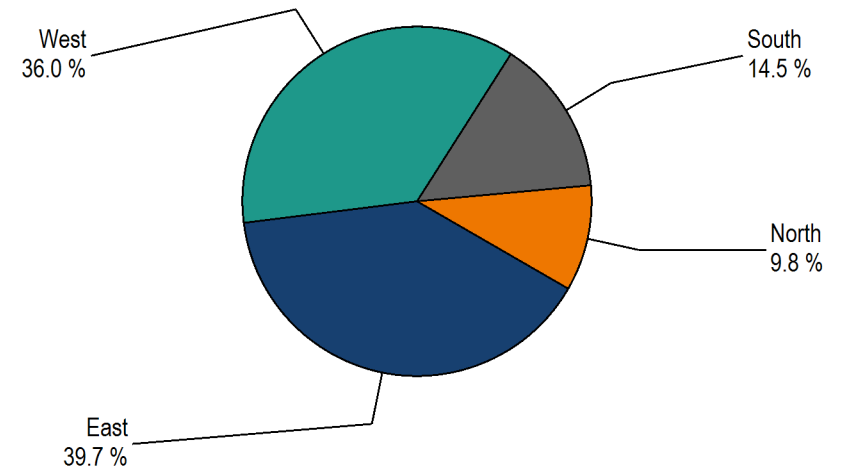
Period Ending: March 31, 2016

	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011
Total Real Estate	60,712,404	2.3	2.3	10.0	15.3	14.0	12.8	--	16.1	13.0	12.6	10.6	14.9
NCREIF Property Index		2.2	2.2	8.4	11.8	11.9	11.9	--	13.3	11.8	11.0	10.5	14.3
NCREIF-ODCE		2.2	2.2	9.5	13.7	13.6	13.3	--	15.0	12.5	13.9	10.9	16.0
ASB Real Estate	30,059,217	1.6	1.6	10.2	15.9	14.4	--	--	17.3	13.5	13.7	--	--
NCREIF Property Index		2.2	2.2	8.4	11.8	11.9	--	--	13.3	11.8	11.0	--	--
NCREIF-ODCE		2.2	2.2	9.5	13.7	13.6	--	--	15.0	12.5	13.9	--	--
Clarion Lion	29,232,043	3.3	3.3	10.3	15.5	14.4	13.6	--	15.7	13.2	12.8	10.9	18.7
NCREIF Property Index		2.2	2.2	8.4	11.8	11.9	11.9	--	13.3	11.8	11.0	10.5	14.3
NCREIF-ODCE		2.2	2.2	9.5	13.7	13.6	13.3	--	15.0	12.5	13.9	10.9	16.0
1221 State St. Corp	1,421,144	0.0	0.0	0.0	0.0	0.0	-2.2	--	0.0	0.0	0.0	0.1	-9.0

Property Type Allocation
Allocation as of March 31, 2016



Geographic Diversification
Allocation as of March 31, 2016

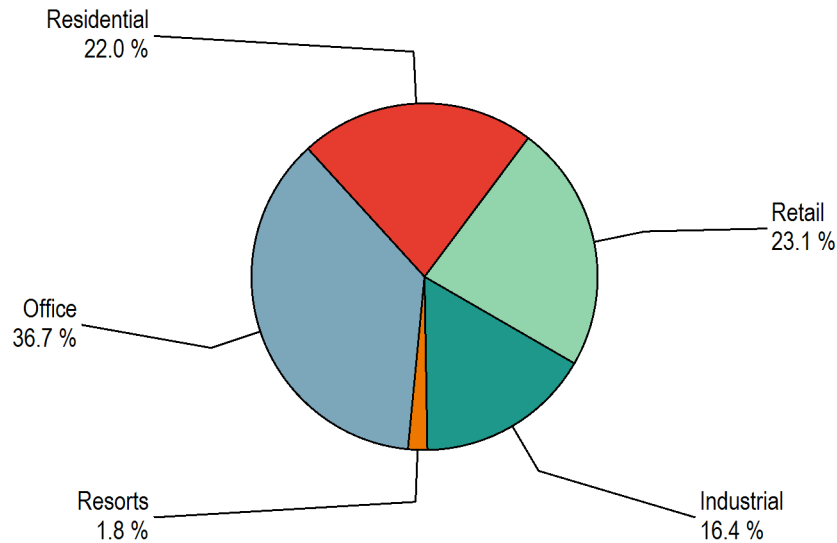


Total Real Estate Asset Class Overview (Net of Fees)

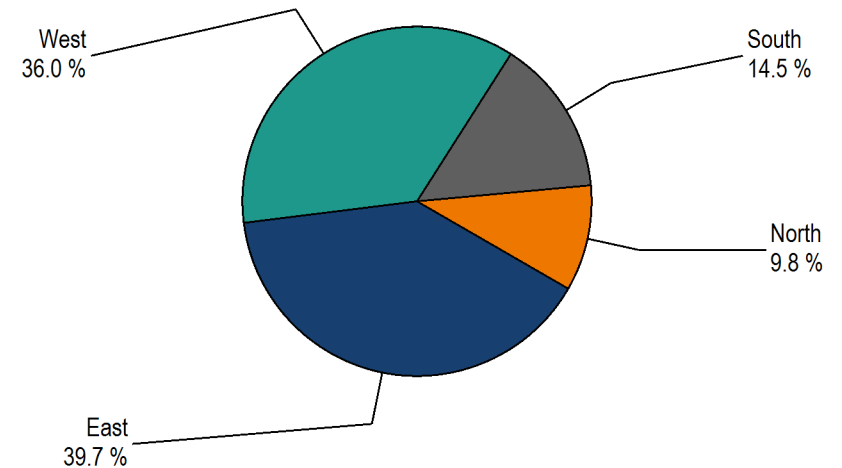
Period Ending: March 31, 2016

	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011
Total Real Estate	60,712,404	2.1	2.1	9.2	14.2	13.0	12.0	--	15.0	11.6	12.1	10.3	14.2
NCREIF Property Index		2.2	2.2	8.4	11.8	11.9	11.9	--	13.3	11.8	11.0	10.5	14.3
NCREIF-ODCE		2.2	2.2	9.5	13.7	13.6	13.3	--	15.0	12.5	13.9	10.9	16.0
ASB Real Estate	30,059,217	1.3	1.3	9.4	14.8	13.3	--	--	16.2	12.5	12.5	--	--
NCREIF Property Index		2.2	2.2	8.4	11.8	11.9	--	--	13.3	11.8	11.0	--	--
NCREIF-ODCE		2.2	2.2	9.5	13.7	13.6	--	--	15.0	12.5	13.9	--	--
Clarion Lion	29,232,043	3.0	3.0	9.4	14.3	13.3	12.6	--	14.6	12.2	11.8	9.9	17.8
NCREIF Property Index		2.2	2.2	8.4	11.8	11.9	11.9	--	13.3	11.8	11.0	10.5	14.3
NCREIF-ODCE		2.2	2.2	9.5	13.7	13.6	13.3	--	15.0	12.5	13.9	10.9	16.0
1221 State St. Corp	1,421,144	0.0	0.0	0.0	0.0	0.0	-2.2	--	0.0	0.0	0.0	0.1	-9.0

Property Type Allocation
Allocation as of March 31, 2016



Geographic Diversification
Allocation as of March 31, 2016

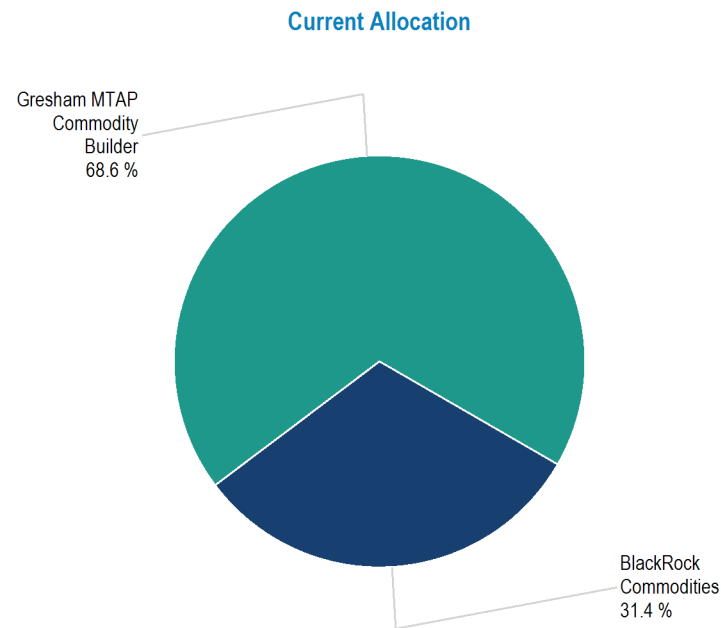


Total Commodities

Asset Class Summary (Gross of Fees)

Period Ending: March 31, 2016

	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011
Total Commodities	13,093,809	0.5	0.5	-23.7	-20.5	-16.7	-14.0	--	-25.1	-16.3	-9.3	-0.9	-13.2
<i>Bloomberg Commodity Index TR USD</i>		<i>0.4</i>	<i>0.4</i>	<i>-23.1</i>	<i>-19.6</i>	<i>-16.9</i>	<i>-14.1</i>	<i>--</i>	<i>-24.7</i>	<i>-17.0</i>	<i>-9.5</i>	<i>-1.1</i>	<i>-13.3</i>
BlackRock Commodities	4,111,285	0.5	0.5	-23.1	-19.6	-16.8	-14.1	--	-24.7	-17.0	-9.4	-0.9	-13.2
<i>Bloomberg Commodity Index TR USD</i>		<i>0.4</i>	<i>0.4</i>	<i>-23.1</i>	<i>-19.6</i>	<i>-16.9</i>	<i>-14.1</i>	<i>--</i>	<i>-24.7</i>	<i>-17.0</i>	<i>-9.5</i>	<i>-1.1</i>	<i>-13.3</i>
Gresham MTAP Commodity Builder	8,982,524	0.5	0.5	-24.0	-20.9	--	--	--	-25.3	-16.1	--	--	--
<i>Bloomberg Commodity Index TR USD</i>		<i>0.4</i>	<i>0.4</i>	<i>-23.1</i>	<i>-19.6</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-24.7</i>	<i>-17.0</i>	<i>--</i>	<i>--</i>	<i>--</i>

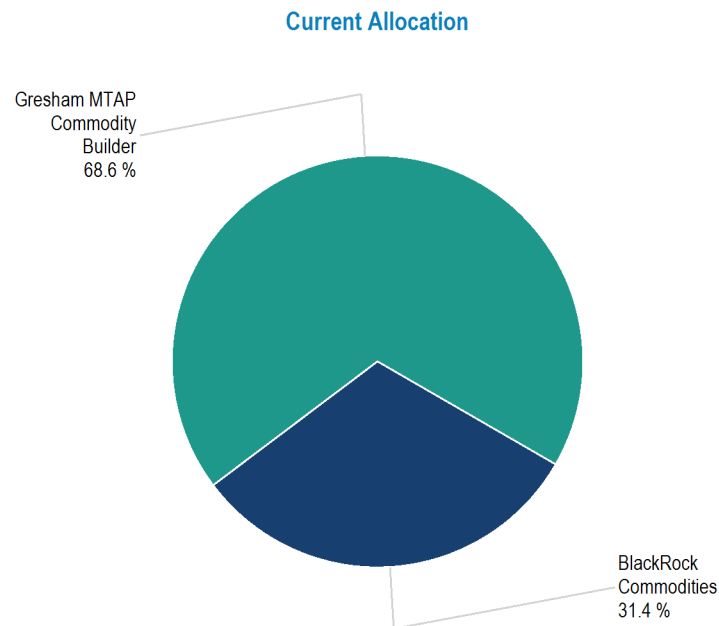


Total Commodities

Asset Class Summary (Net of Fees)

Period Ending: March 31, 2016

	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2015	2014	2013	2012	2011
Total Commodities	13,093,809	0.3	0.3	-24.0	-21.0	-17.2	-14.4	--	-25.6	-16.9	-9.5	-1.2	-13.5
<i>Bloomberg Commodity Index TR USD</i>		<i>0.4</i>	<i>0.4</i>	<i>-23.1</i>	<i>-19.6</i>	<i>-16.9</i>	<i>-14.1</i>	<i>--</i>	<i>-24.7</i>	<i>-17.0</i>	<i>-9.5</i>	<i>-1.1</i>	<i>-13.3</i>
BlackRock Commodities	4,111,285	0.4	0.4	-23.3	-19.8	-17.1	-14.3	--	-24.9	-17.2	-9.7	-1.2	-13.5
<i>Bloomberg Commodity Index TR USD</i>		<i>0.4</i>	<i>0.4</i>	<i>-23.1</i>	<i>-19.6</i>	<i>-16.9</i>	<i>-14.1</i>	<i>--</i>	<i>-24.7</i>	<i>-17.0</i>	<i>-9.5</i>	<i>-1.1</i>	<i>-13.3</i>
Gresham MTAP Commodity Builder	8,982,524	0.3	0.3	-24.4	-21.5	--	--	--	-25.9	-16.7	--	--	--
<i>Bloomberg Commodity Index TR USD</i>		<i>0.4</i>	<i>0.4</i>	<i>-23.1</i>	<i>-19.6</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-24.7</i>	<i>-17.0</i>	<i>--</i>	<i>--</i>	<i>--</i>



Performance Return Calculations

Returns calculated in the performance summary tables are time-weighted rates of return (TWRR). TWRR are calculated from changes in monthly market values, adjusted for weighted cash flows between months. Returns are linked geometrically and annualized for periods longer than one year.

Data Source

Verus is an independent third party consulting firm and calculates returns from best source book of record data. Returns calculated by Verus may deviate from those shown by the manager in part, but not limited to, differences in prices and market values reported by the custodian and manager, as well as significant cash flows into or out of an account. It is the responsibility of the manager and custodian to provide insight into the pricing methodologies and any difference in valuation.

Illiquid Alternatives

Closed end funds including but not limited to Real Estate, Hedge Funds, Private Equity, and Private Credit may lag performance and market value data due to delayed reporting. Verus will show market values for closed end funds as of the most recent reported performance adjusted for capital calls and distributions. Closed end fund managers report performance using an internal rate of return (IRR), which differs from the TWRR calculation done by Verus. It is inappropriate to compare IRR and TWRR to each other. IRR figures reported in the illiquid alternative pages are provided by the respective managers, and Verus has not made any attempts to verify these returns. Until a partnership is liquidated (typically over 10-12 years), the IRR is only an interim estimated return. The actual IRR performance of any LP is not known until the final liquidation.

Manager Line Up

Manager	Inception Date	Data Source	Manager	Inception Date	Data Source
BlackRock Russell 3000	12/10/2015	J.P. Morgan	BlackRock Commodities	10/09/2009	J.P. Morgan
BlackRock International Equity	07/03/2003	J.P. Morgan	Grasham MTAP Commodities	08/31/2013	J.P. Morgan
DFA Emerging Markets Value	01/11/2007	J.P. Morgan	Cash	-	J.P. Morgan
Vontobel Global Emerging Markets	09/30/2014	J.P. Morgan	Clifton Group	-	J.P. Morgan
Bradford & Marzec Fixed	12/01/1992	J.P. Morgan	HarbourVest IX-Buyout	2011 ¹	HarbourVest
MacKay Shields Core Plus Ops	03/02/2015	CITCO	HarbourVest IX-Credit	2011 ¹	HarbourVest
BlackRock US TIPS	04/11/2007	J.P. Morgan	HarbourVest International VI	2008 ¹	HarbourVest
ASB Real Estate	12/31/2012	ASB Real Estate	Harbourvest IX-Venture	2011 ¹	HarbourVest
Clarion Lion	12/31/2006	Clarion Lion	KKR Mezzanine	2010 ¹	KKR
1221 State Street Corp	09/30/2008	ICERS/Union Bank	PIMCO BRAVO	2011 ¹	PIMCO

¹Represents fund vintage year.

Policy & Custom Index Composition

Policy Index (7/1/2014-Current)	29% Russell 3000, 25% MSCI ACWI ex-US (Gross), 30% Barclays U.S. Aggregate, 6% NCREIF Property Index, 5% Bloomberg Commodity Index, 5% Russell 3000 plus 300 bps (Lagged).
Policy Index (7/1/2010-6/30/2014)	24% S&P 500 Index, 10% Russell 2500, 21% MSCI ACWI ex-US (Gross), 30% Barclays U.S. Aggregate, 5% NCREIF Property Index, 5% Bloomberg Commodity Index, 5% CPI+ 5%.

Glossary

Allocation Effect: An attribution effect that describes the amount attributable to the managers' asset allocation decisions, relative to the benchmark.

Alpha: The excess return of a portfolio after adjusting for market risk. This excess return is attributable to the selection skill of the portfolio manager. Alpha is calculated as: $\text{Portfolio Return} - [\text{Risk-free Rate} + \text{Portfolio Beta} \times (\text{Market Return} - \text{Risk-free Rate})]$.

Benchmark R-squared: Measures how well the Benchmark return series fits the manager's return series. The higher the Benchmark R-squared, the more appropriate the benchmark is for the manager.

Beta: A measure of systematic, or market risk; the part of risk in a portfolio or security that is attributable to general market movements. Beta is calculated by dividing the covariance of a security by the variance of the market.

Book-to-Market: The ratio of book value per share to market price per share. Growth managers typically have low book-to-market ratios while value managers typically have high book-to-market ratios.

Capture Ratio: A statistical measure of an investment manager's overall performance in up or down markets. The capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen (up market) or fallen (down market). The capture ratio is calculated by dividing the manager's returns by the returns of the index during the up/down market, and multiplying that factor by 100.

Correlation: A measure of the relative movement of returns of one security or asset class relative to another over time. A correlation of 1 means the returns of two securities move in lock step, a correlation of -1 means the returns of two securities move in the exact opposite direction over time. Correlation is used as a measure to help maximize the benefits of diversification when constructing an investment portfolio.

Excess Return: A measure of the difference in appreciation or depreciation in the price of an investment compared to its benchmark, over a given time period. This is usually expressed as a percentage and may be annualized over a number of years or represent a single period.

Information Ratio: A measure of a manager's ability to earn excess return without incurring additional risk. Information ratio is calculated as: excess return divided by tracking error.

Interaction Effect: An attribution effect that describes the portion of active management that is contributable to the cross interaction between the allocation and selection effect. This can also be explained as an effect that cannot be easily traced to a source.

Portfolio Turnover: The percentage of a portfolio that is sold and replaced (turned over) during a given time period. Low portfolio turnover is indicative of a buy and hold strategy while high portfolio turnover implies a more active form of management.

Price-to-Earnings Ratio (P/E): Also called the earnings multiplier, it is calculated by dividing the price of a company's stock into earnings per share. Growth managers typically hold stocks with high price-to-earnings ratios whereas value managers hold stocks with low price-to-earnings ratios.

R-Squared: Also called the coefficient of determination, it measures the amount of variation in one variable explained by variations in another, i.e., the goodness of fit to a benchmark. In the case of investments, the term is used to explain the amount of variation in a security or portfolio explained by movements in the market or the portfolio's benchmark.

Selection Effect: An attribution effect that describes the amount attributable to the managers' stock selection decisions, relative to the benchmark.

Sharpe Ratio: A measure of portfolio efficiency. The Sharpe Ratio indicates excess portfolio return for each unit of risk associated with achieving the excess return. The higher the Sharpe Ratio, the more efficient the portfolio. Sharpe ratio is calculated as: $\text{Portfolio Excess Return} / \text{Portfolio Standard Deviation}$.

Sortino Ratio: Measures the risk-adjusted return of an investment, portfolio, or strategy. It is a modification of the Sharpe Ratio, but penalizes only those returns falling below a specified benchmark. The Sortino Ratio uses downside deviation in the denominator rather than standard deviation, like the Sharpe Ratio.

Standard Deviation: A measure of volatility, or risk, inherent in a security or portfolio. The standard deviation of a series is a measure of the extent to which observations in the series differ from the arithmetic mean of the series. For example, if a security has an average annual rate of return of 10% and a standard deviation of 5%, then two-thirds of the time, one would expect to receive an annual rate of return between 5% and 15%.

Style Analysis: A return based analysis designed to identify combinations of passive investments to closely replicate the performance of funds

Style Map: A specialized form or scatter plot chart typically used to show where a Manager lies in relation to a set of style indices on a two-dimensional plane. This is simply a way of viewing the asset loadings in a different context. The coordinates are calculated by rescaling the asset loadings to range from -1 to 1 on each axis and are dependent on the Style Indices comprising the Map.

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