

**Board of Trustees for Retirement Plan for Salaried Employees**  
**Regular Meeting Agenda**  
**August 9, 2016 4:30pm**  
**Council Chambers, Olivette City Hall**  
**9473 Olive Blvd**  
**Olivette MO, 63132**

1. Roll Call
2. Approval Of Minutes

Documents:

[PENSION TRUSTEES MINUTES --05-10-16.PDF](#)

3. Quarterly Report - Marquette

Documents:

[OLIVETTE 2Q16 COMPLETE.PDF](#)

4. Adjournment

AGENDA ITEMS WILL NOT NECESSARILY BE DISCUSSED IN ORDER. IF YOU HAVE ANY QUESTIONS, PLEASE CALL CITY HALL AT (314) 993-0444.

The City of Olivette hereby advises the public, employees and qualified job applicants that they are afforded an equal opportunity to participate in the programs and service of the City regardless of race, color, religion, veteran status, national origin, sex, age, sexual orientation, the existence of a physical or mental disability, or any other classification protected by law. If you are a person with a disability and have special needs, please call Barbara Sondag, City Manager at 314.993.0444 as soon as possible but no later than one day prior to the event or call 314.993.3610 VOICE TDD, 1.800.735.2466 RELAY MISSOURI. Thank you.

Posted this 5th day of August, 2016 at 1:00 PM.

**Myra G. Bennett**

Myra G. Bennett, CMC/MPCC  
City Clerk  
City of Olivette



Employee Retirement Board of Trustees  
Regular Meeting  
Tuesday, March 10, 4:00 PM  
Council Chambers, 9473 Olive Boulevard

Meeting was called to order at 4:05pm by Chair Ted Isaacs. In attendance was Ted Isaacs, Alan Robbins, Bill Miller, Josephine Ezenwa, Mike Vrendenburgh, and Barbara Sondag. Absent was Council Liaison Ruth Springer  
Also in attendance: Tom Latzke from Marquette Associates, and Darren Mann Finance Director.

#### **Introduction of new member**

Sondag introduced the new member Mike Vrendenburgh.

#### **Minutes**

The Board discussed the staff prepared minutes.

**Robbins motioned to approve the minutes of March 1, 2016. Second by Miller. Motion passed unanimously.**

#### **Marquette Financial Update as of March 31, 2016**

Latze reviewed the Benefit Index Calculation. The cushion was \$908,304.

Latze then reviewed the Marquette Analysis for the quarter ending March 31, 2016. Marquette did not recommend any changes to the current mix.

#### **Employee Education**

The Pension Commission instructed staff to hold an Employee Pension Education seminar prior to October 2016.

**At 5:05pm Robbins made a motion to adjourn.**

Next meeting August 9, 2016 at 4:30pm.



**Salaried Employees Pension Plan**

The City of Olivette  
Salaried Employees Pension Plan  
Executive Summary

**June 30, 2016**



**MarquetteAssociates**

CORDIALLY INVITES YOU TO THE  
**2016 INVESTMENT SYMPOSIUM**  
FRIDAY, SEPTEMBER 30, 8:00 AM - 3:00 PM

**UNION LEAGUE CLUB OF CHICAGO**

65 West Jackson Boulevard – Chicago  
*Discounted guest rooms available  
Book now to guarantee availability*



**CONFIRMED KEYNOTE SPEAKERS**



**James A. Bianco**  
President, Bianco Research



**Steven Levitt**  
Bestselling Author, *Freakonomics* Series  
Renowned Economist



## 2016 INVESTMENT SYMPOSIUM AGENDA

Please join us for our 5th Annual Investment Symposium to discuss the current market environment, emerging investment themes and investment stewardship challenges in the year ahead. In addition to our two keynotes, two flash talk sessions will brief attendees on popular topics and encourage timely conversations with investment consultants.

**8:00 AM** Registration Open/Breakfast

**8:45 AM** Welcome and Opening Remarks  
Brian Wrubel, President & CEO

**9:00 AM** Opening Keynote  
James A. Bianco, President, Bianco Research

**10:00 AM** Flash Talks Session 1

***Election Years and Market Performance***

Nat Kellogg, CFA, Director of Alternatives, Managing Partner

***Do You Know What's In Your Core Fixed Income Portfolio?***

Ben Mohr, CFA, Senior Research Analyst, Fixed Income

***Portfolio Impact of International Events***

David Hernandez, Senior Research Analyst, International Equities

**Q&A**

**10:45 AM** Networking Break

**11:00 AM** Flash Talks Session 2

***The Changing Landscape of Active Management for U.S. Equities***

Kelli Schrade, CAIA, Director of Manager Research, Managing Partner

***The Demographics of Real Estate Investments***

Jeremy Zirin, CAIA, Senior Research Analyst, Real Assets

***Is My Return Target Realistic?***

Greg Leonberger, FSA, EA, MAAA, Director of Research, Managing Partner

**Q&A**

**11:45 AM** Networking Break

**12:00 PM** Keynote Luncheon

Steven Levitt, Bestselling Author of *Freakonomics* series, Renowned Economist

**2:00 PM** Coffee Reception

**3:00 PM** Adjourn

## Firm Updates

- Marquette Awarded 2015 Greenwich Quality Leader in Overall U.S. Investment Consulting for Mid-Sized Consultants
- Hosted fourth annual Big Brothers Big Sisters golf outing 6/20; raised over \$335,000
- David Smith spoke on NAST 529 plan panel 6/16
- Kweku Obed spoke on NASP defined contribution panel 6/15
- Secure Choice views featured in Benefits Magazine
- Nat Kellogg spoke at P&I Alternatives in DC conference 5/12

## About Marquette

An independent investment consulting firm, Marquette Associates guides institutional investment programs with a focused three-point approach & careful research.

Marquette has served a single mission since 1986 – enable institutions to become more effective investment stewards.

280 clients

\$115 billion AUA

70 employees

Data as of March 31, 2016

## New Clients this Quarter

- City of Philadelphia
- College Savings Plans of Maryland
- Milwaukee Art Museum
- Gundersen Health

## 2016 Halftime Market Briefing

Register today for our upcoming webinar on Thursday, July 21<sup>st</sup> 1:00 - 1:45 pm CT

A “halftime” briefing on our 2Q 2016 Market Environment report, covering the overall U.S. economy, fixed income, U.S./non-U.S. equity, hedge funds, private equity, real estate and infrastructure.



Kelli Schrade,  
CAIA

Director of Manager  
Research, Managing  
Partner



Greg Leonberger,  
FSA, EA, MAAA

Director of Research,  
Managing Partner

## Charts of the Week

- Predicting the Brexit Vote
- What Should We Expect From an Oil Rebound?
- Can Brazil (Pole) Vault Its Way Out Of A Floundering Economy?
- A Continued Shift from Active to Passive in U.S. Equities

## Newsletters

- BREXIT: The Results and What's Next
- Is the High Yield Market Expecting a Rise in Defaults?
- Money Market Reform and Implications for Institutional Investors
- Is Now the Time to Buy Emerging Market Equities?

## Webinars & Videos

- 2016 Halftime Market Briefing (July 21)
- Secure Choice (July 26)
- ABLE Act (August)
- 1Q 2016 Market Briefing
- 2016 Market Preview Briefing

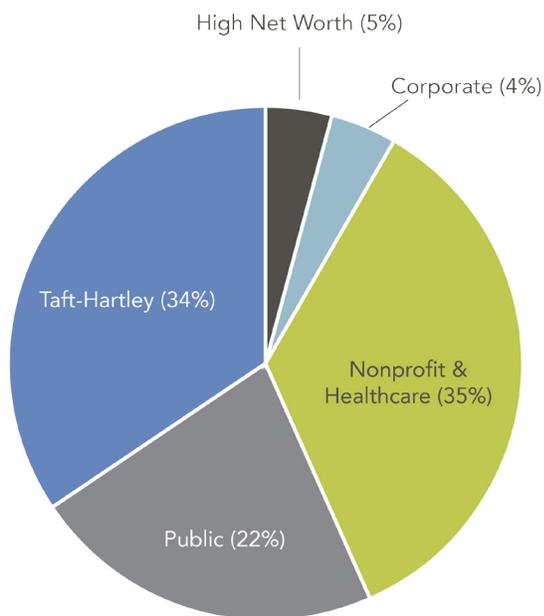
Subscribe to Research Email Alerts at [MarquetteAssociates.com](http://MarquetteAssociates.com) ▶

## Investment Consulting Service Lines

Traditional Investment Consulting	Discretionary Consulting Services	Real Estate Advisory	Wealth Advisement
Partner with clients to be effective stewards for investment decision making.	Assume full responsibility for clients to outsource investment decision making.	Become the delegated decision maker for oversight of specific real estate projects and assets.	Assume full responsibility for clients regarding investment decision making.

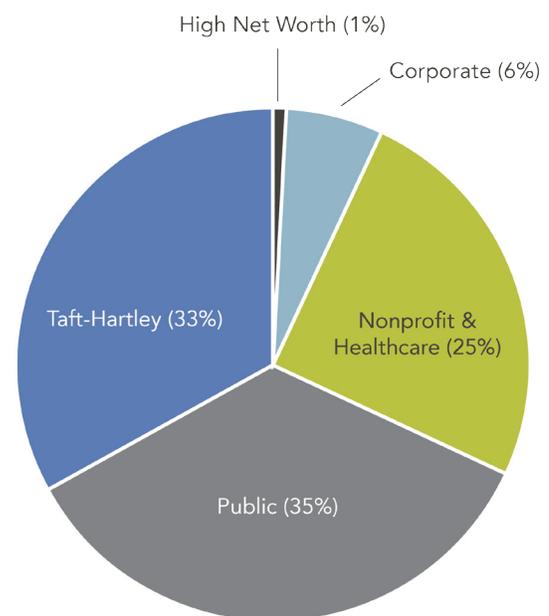
## Our Clients

### Client Breakdown by Quantity



Data as of 3/31/16

### Client Breakdown by Assets



Data as of 3/31/16

## 2016 Anniversaries Over 10 Years

Brian Wrubel	27 Years	Tim Burdick	16 Years	Mike Piotrowski	11 Years
Tim Fallon	20 Years	Tim Hamann	13 Years	Paul Marchese	10 Years
Nichole Roman-Bhatty	18 Years	Doug Oest	13 Years	Mike Spsychalski	10 Years
Rita Cirullo	18 Years	Dave Wernecke	13 Years	Kelli Schrade	10 Years
Brett Christenson	16 Years				

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# Market Environment

2Q 2016

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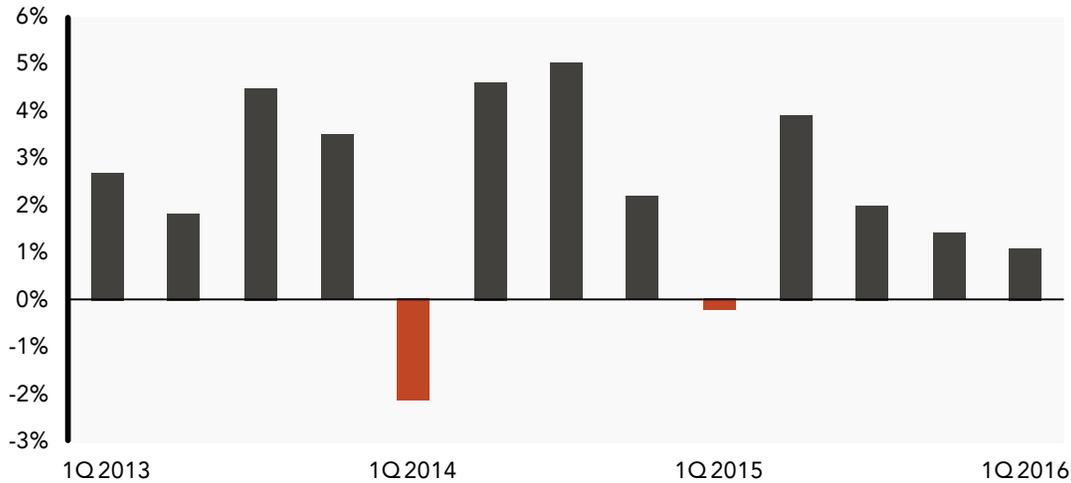
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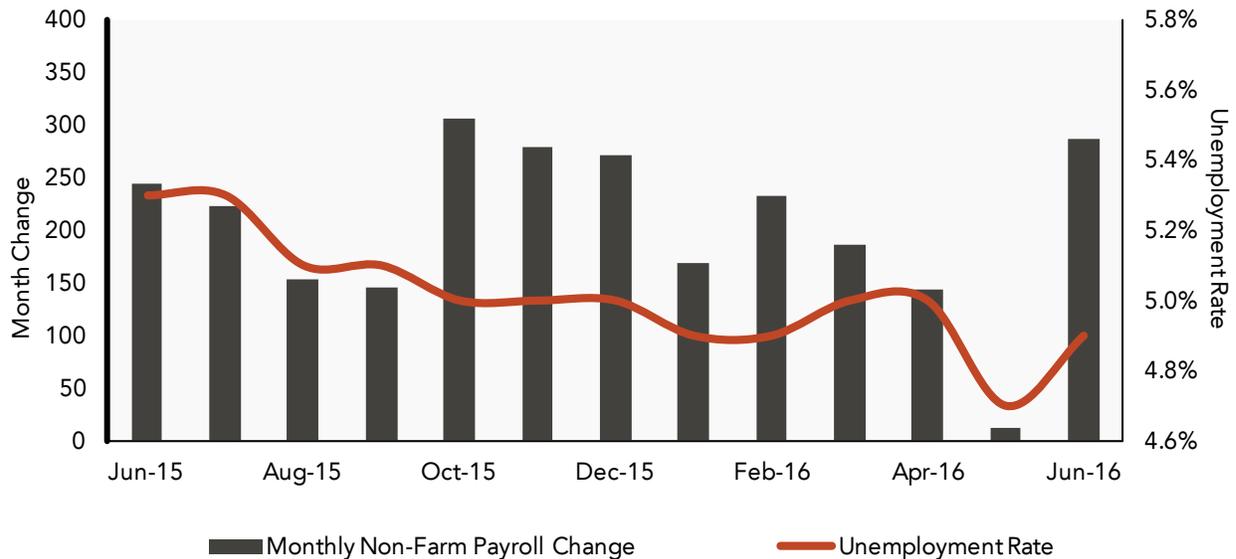
## U.S. Economy

The third estimate for first quarter GDP was released showing an increase of 1.1%, an improvement from the previous first quarter estimate of .8%. Compared to the prior estimate, exports rose by a greater amount. Personal consumption expenditures were the largest contributor to fourth quarter GDP as all other areas were mostly flat. In June, the unemployment rate increased to 4.9%. In the 2<sup>nd</sup> quarter, 2.0 million people were classified as long-term unemployed, or jobless for 27 weeks or more, constituting 25.8% of the unemployed. In June, the labor force participation rate increased to 62.7% and the employment-population ratio fell to 59.6%. The average duration of unemployment in June lasted 27.7 weeks and broad unemployment (U6) declined slightly to 9.6%. Non-farm payroll gained 287K jobs in June and averaged 201K per month over the last twelve months. Non-farm payroll was revised for April and May for a net decrease of 6K jobs.

**Gross Domestic Product: Real GDP Quarterly Percentage Change (seasonally adjusted annual rates)**



**Unemployment Data: Unemployment Rate % & Non-Farm Payroll (000's) Net Jobs Created**

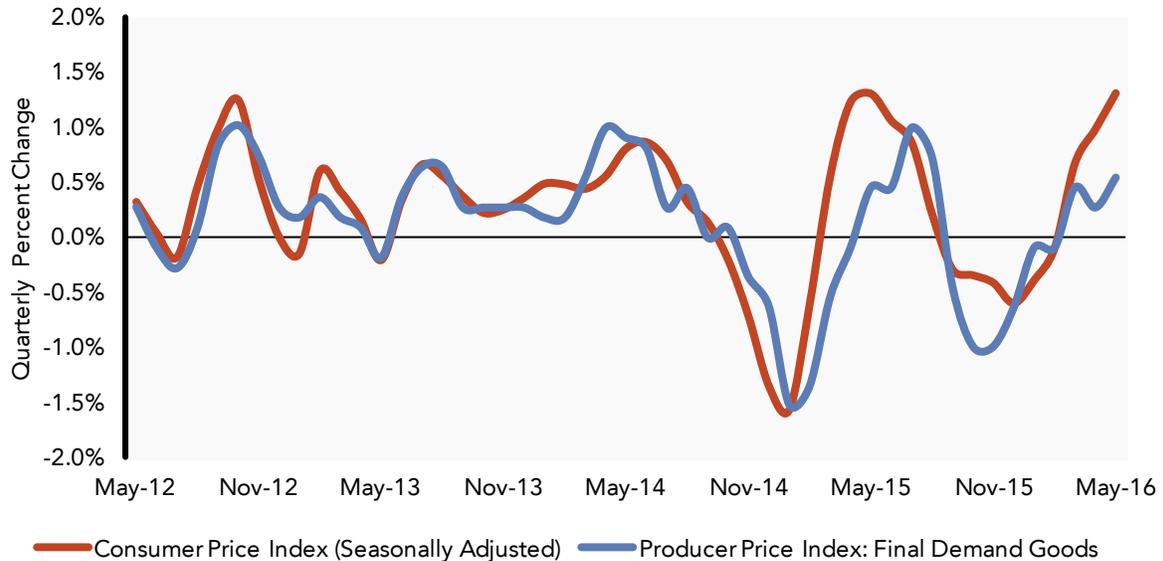


Sources: Bureau of Economic Analysis, Bureau of Labor Statistics

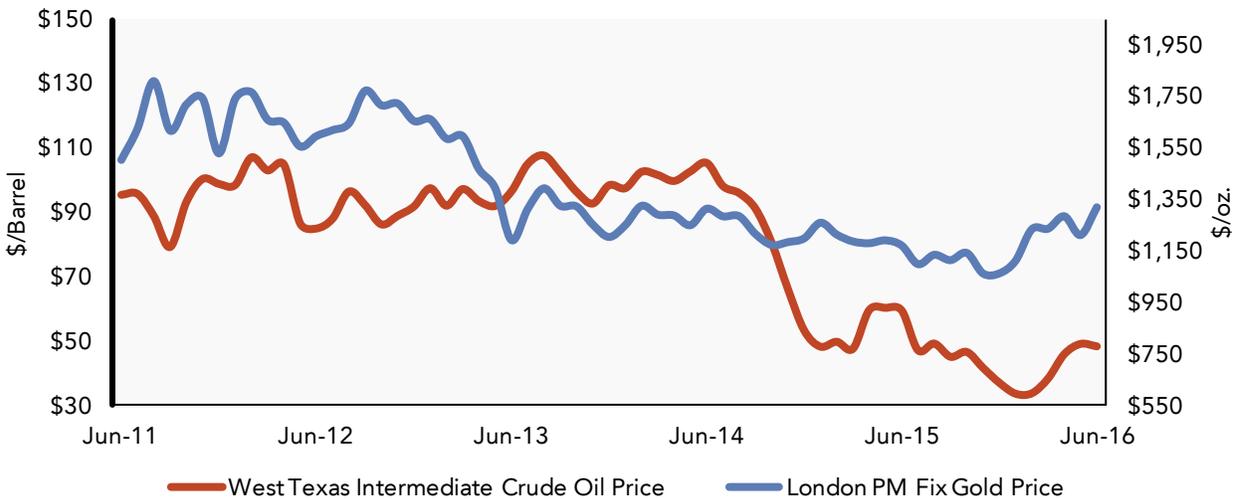
## U.S. Economy

The Consumer Price Index (CPI-U) increased .2% in May. Within CPI-U, energy rose by 1.2% while food fell .2%. In the last twelve months, the CPI-U has risen 1.0%, with food increasing .7% and energy declining by 10.1%. Core CPI rose by .2% in May and increased by 2.2% over the last twelve months. The Producer Price Index for final demand increased .4% in May but fell .1% over the last twelve months. Within total final demand, final demand goods rose .7% while final demand services increased .2%. WTI crude oil prices finished the quarter at \$48.33 per barrel, a monthly decrease of 1.6%. Gold ended June at \$1320/oz, a 9.0% rise for the month. Year-over-year crude oil declined by 18.7% while gold increased by 12.8%.

**U.S. Inflation Data:** Consumer Price Index & Producer Price Index (Year over Year)



**Commodities:** Gold and Oil



Sources: St. Louis Federal Reserve, Union Pacific, Kitco

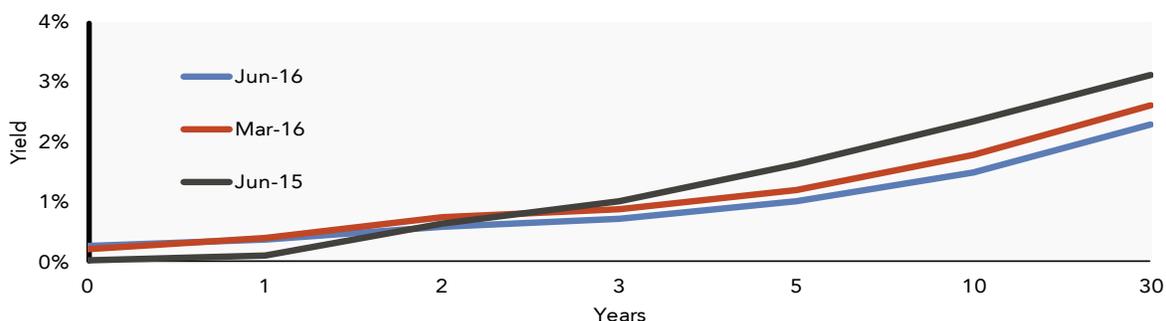
## Fixed Income

The bond markets took a rollercoaster ride the first half of the year. A flight to safety drove Treasuries and investment grade up as oil bankruptcy fears mounted until February 11<sup>th</sup>. Then, a bull run in credit broke out of the gates. The credit rally lasted until fears about the Brexit vote again drove safe haven purchasing in Treasuries and investment grade along with a credit sell-off. Year-to-date, long government bonds have enjoyed the strongest total return at 15.1%, with long credit not far behind at 13.9%. The Agg is up 5.3% despite very low yields in Treasuries and investment grade. High yield, which struggled throughout the latter part of last year and into February 11<sup>th</sup> of this year is now up 9.1% year-to-date. Bank loans are up a slightly muted 4.2%. MBS have returned only 3.1% so far, a sign of prepayment fears post-rally. Global and emerging markets bonds are also up, posting 9.0% and 10.3% returns, respectively. The yield curve continued to flatten given the long bond purchasing, with the 10-year ending June at 1.49% and the 30-year yielding 2.30%.

### Benchmark Performance: Select Fixed Income Indices

	Month	Qtr	YTD	1 Yr	3 Yr Ann	5 Yr Ann	10 Yr Ann
<b>Broad Market Indices</b>							
BarCap Aggregate	1.8%	2.2%	5.3%	6.0%	4.1%	3.8%	5.1%
BarCap Gov./Credit	2.2%	2.7%	6.2%	6.7%	4.2%	4.1%	5.2%
<b>Intermediate Indices</b>							
BarCap Int. Gov./Credit	1.4%	1.6%	4.1%	4.3%	3.0%	2.9%	4.5%
<b>Government Bond Indices</b>							
BarCap Gov.	2.1%	2.0%	5.2%	6.0%	3.4%	3.4%	4.7%
BarCap Long Gov.	6.1%	6.4%	14.9%	19.0%	10.4%	10.2%	8.7%
BarCap Int. Gov.	1.4%	1.2%	3.6%	3.9%	2.4%	2.3%	4.1%
BarCap 1-3 Year Gov.	0.6%	0.5%	1.4%	1.3%	1.0%	0.8%	2.5%
BarCap U.S. TIPS	2.1%	1.7%	6.2%	4.4%	2.3%	2.6%	4.7%
<b>Credit Indices</b>							
BarCap U.S. Credit	2.3%	3.5%	7.5%	7.6%	5.3%	5.2%	6.1%
BarCap U.S. Long Credit	4.2%	6.7%	13.9%	13.8%	8.7%	8.5%	8.1%
BarCap High Yield	0.9%	5.5%	9.1%	1.6%	4.2%	5.8%	7.6%
CS Leveraged Loan Index	0.0%	2.9%	4.2%	0.9%	3.0%	4.0%	4.2%
<b>Securitized Bond Indices</b>							
BarCap MBS	0.8%	1.1%	3.1%	4.3%	3.8%	3.0%	5.0%
BarCap ABS	0.8%	1.2%	2.5%	2.7%	2.1%	2.3%	3.5%
BarCap CMBS	1.7%	2.2%	5.9%	6.1%	4.2%	4.6%	5.6%
<b>Non-U.S. Indices</b>							
BarCap Global Aggregate	2.9%	2.9%	9.0%	8.9%	2.8%	1.8%	4.4%
JPM EMBI Global Diversified	3.4%	5.0%	10.3%	9.8%	7.2%	6.5%	8.0%

### Yield Curve: Change Over Time



Source: Barclays

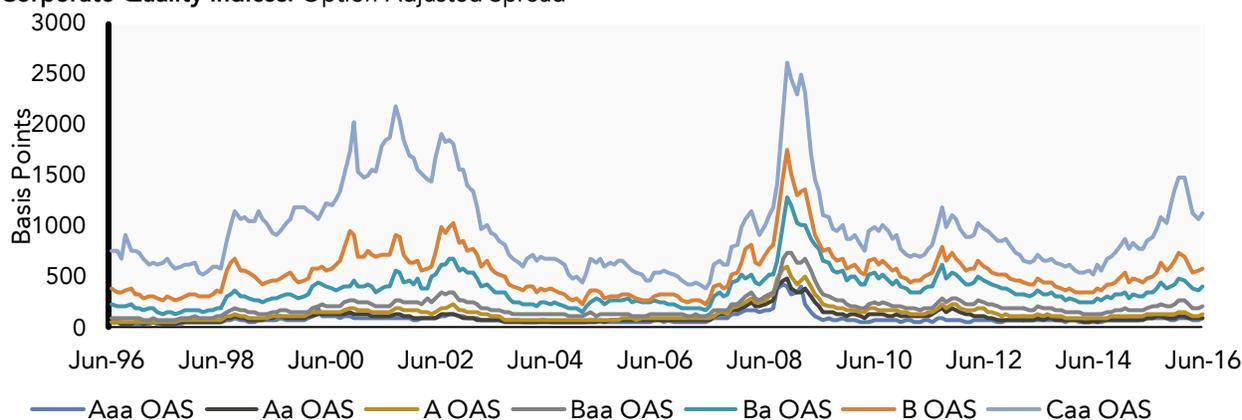
## Fixed Income

CCC-rated corporate credit enjoyed the strongest total return year-to-date, at 16.0%, an outlier compared to the narrow band of 6.3% to 8.6% for AAA-rated to B-rated corporate credit. This dynamic suggests that many of the CCC credits, mostly downgraded energy issuers by now, were oversold leading up to February 11<sup>th</sup>, and the market normalized with ample purchasing since then. The spread chart shows more pronounced widening of lower quality credit versus higher quality credit until February 11<sup>th</sup>, followed by more pronounced tightening. Amidst the Brexit fears, lower quality credit spreads widened more than higher quality credit spreads. Year-to-date, the Agg's return was primarily through price appreciation, at 3.9%, versus income return of only 1.4% in the low rate environment.

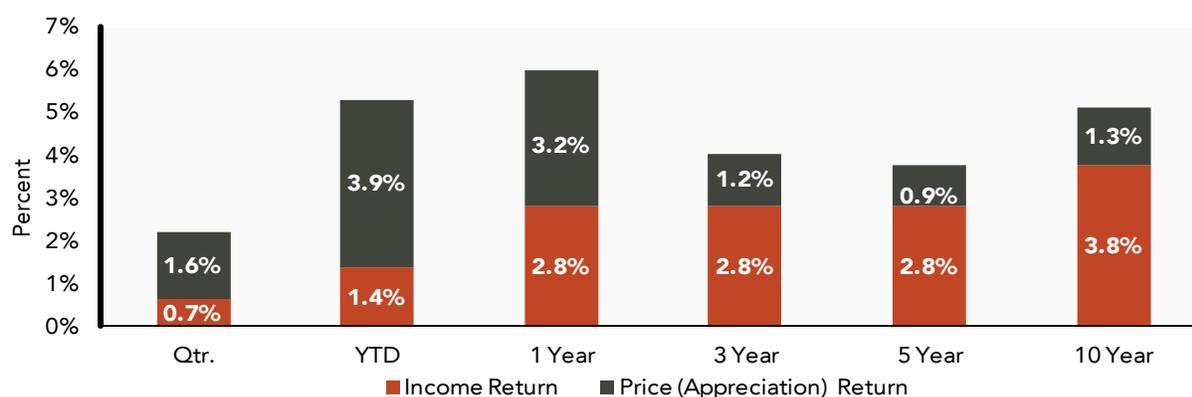
### Corporate Quality Indices: Performance

	Month	Qtr.	YTD	1 Year	3 Year	5 Year	10 Year
BarCap Corporate AAA	2.4%	3.3%	8.1%	11.3%	6.0%	5.3%	5.2%
BarCap Corporate AA	1.9%	2.6%	6.3%	7.8%	4.7%	4.4%	5.3%
BarCap Corporate A	2.1%	3.0%	7.0%	8.6%	5.5%	5.4%	5.8%
BarCap Corporate BBB	2.4%	4.3%	8.6%	7.2%	5.5%	5.8%	6.9%
BarCap Corporate BB	0.7%	3.6%	7.6%	4.1%	5.6%	6.6%	8.2%
BarCap Corporate B	0.8%	4.8%	7.4%	-0.6%	3.3%	5.3%	6.2%
BarCap Corporate CCC	1.5%	11.8%	16.0%	-0.5%	2.9%	5.4%	6.5%

### Corporate Quality Indices: Option-Adjusted Spread



### BarCap Aggregate: Components of Total Return

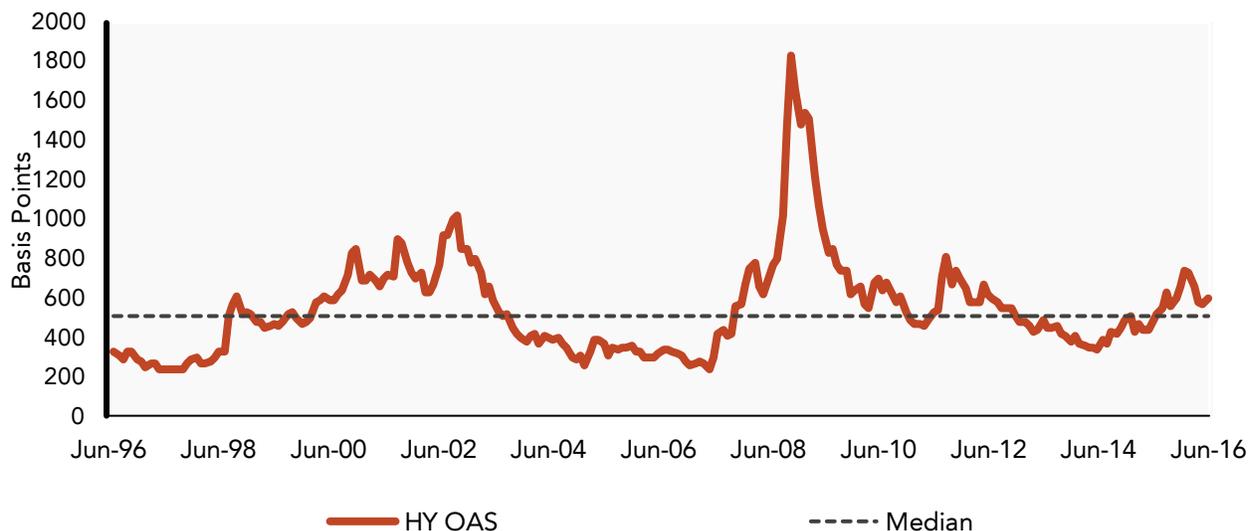


Source: Barclays

### Below Investment Grade

High yield spreads tightened from 734bp at January-end to 566bp at May-end in the credit rally, and widened to 594bp at June-end with the Brexit fears. Bank loan spreads followed a similar trajectory of tightening from 692bp at February-end to 561bp at May-end in the credit rally, and widened to 581bp at June-end, likewise, with the Brexit fears.

OAS: High Yield OAS and Long-Term Median



Three-Year Discount Margin: Credit Suisse Leveraged Loan Index and Long-Term Median



Sources: Barclays, Credit Suisse

## U.S. Equity

U.S. equities advanced moderately during the second quarter despite added volatility in late June stemming from the U.K.'s vote to exit the European Union. The VIX increased nearly 50% following the vote, but quickly returned to normalized levels before month-end. The small cap segment of the market as well as growth indices lagged during June's "risk-off" environment. Value continued its outperformance of growth during June and remains in the lead year-to-date. Strong performance from yield oriented sectors coupled with a rebound in energy and materials helped boost performance in value indices year-to-date. The Russell Mid-Cap Value index posted the strongest return among U.S. equity indices for both the quarter and year-to-date with a return of 4.8% and 8.9%, respectively.

### Equity Returns: Select Index Performance

	Month	Qtr.	YTD	1 Year	3 Year	5 Year	10 Year
<b>Broad Market Indices</b>							
Dow Jones (17,929.99)	1.0%	2.1%	4.3%	4.5%	9.0%	10.4%	7.7%
Wilshire 5000	0.3%	2.8%	4.0%	3.0%	11.3%	11.6%	7.5%
Russell 3000	0.2%	2.6%	3.6%	2.1%	11.1%	11.6%	7.4%
<b>Large-Cap Market Indices</b>							
S&P 500 (2,098.86)	0.3%	2.5%	3.8%	4.0%	11.7%	12.1%	7.4%
Russell 1000	0.2%	2.5%	3.7%	2.9%	11.5%	11.9%	7.5%
Russell 1000 Value	0.9%	4.6%	6.3%	2.9%	9.9%	11.4%	6.1%
Russell 1000 Growth	-0.4%	0.6%	1.4%	3.0%	13.1%	12.4%	8.8%
<b>Mid-Cap Market Indices</b>							
Russell MidCap	0.5%	3.2%	5.5%	0.6%	10.8%	10.9%	8.1%
Russell MidCap Value	0.9%	4.8%	8.9%	3.3%	11.0%	11.7%	7.8%
Russell MidCap Growth	0.0%	1.6%	2.2%	-2.1%	10.5%	10.0%	8.1%
<b>Small-Cap Market Indices</b>							
Russell 2000	-0.1%	3.8%	2.2%	-6.7%	7.1%	8.4%	6.2%
Russell 2000 Value	0.3%	4.3%	6.1%	-2.6%	6.4%	8.2%	5.2%
Russell 2000 Growth	-0.5%	3.2%	-1.6%	-10.8%	7.7%	8.5%	7.1%

### Operating Earnings Ratio: S&P 500



Sources: Bloomberg, Standard & Poors

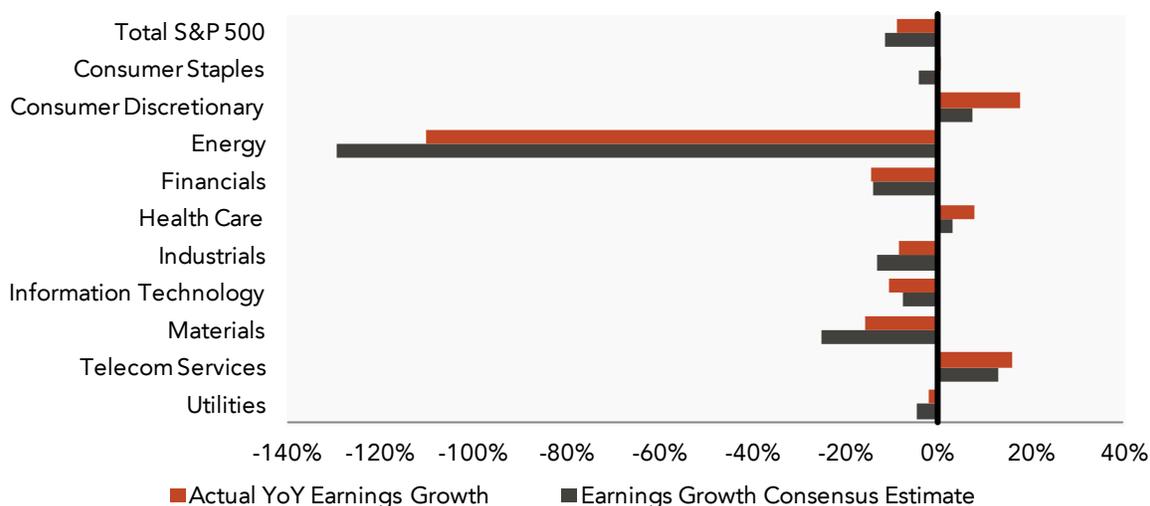
## U.S. Equity

Six out of ten S&P 500 sectors produced positive returns in June led by Telecommunications (+9.3%) and Utilities (+7.8%). Telecommunications and Utilities are also the best performing sectors year-to-date with returns of +24.9% and +23.4%, respectively. Higher yielding sectors have generally benefitted amid diminished expectations of a 2016 rate hike. Energy (+11.6%) was the best performing sector during the quarter as crude oil prices increased to finish the second quarter above \$48 per barrel. Second quarter S&P 500 EPS growth estimates are expected to have declined by 5.3% year-over-year with the fall largely driven by an 80.6% decline in the energy sector. Excluding the decline in energy, second quarter year-over-year EPS growth is estimated to have declined by 0.7%. The energy drag is expected to have troughed in the first quarter and positive EPS growth is estimated for the second half of the year.

### S&P 500 Sector Performance: Historic Returns

	Month	Qtr.	YTD	1 Year	3 Year	5 Year	10 Year
Consumer Staples	5.2%	4.6%	10.5%	18.7%	14.4%	15.1%	11.1%
Consumer Discretionary	-1.2%	-0.9%	0.7%	3.8%	13.2%	16.1%	10.7%
Energy	3.3%	11.6%	16.1%	-3.9%	-1.3%	0.8%	4.3%
Financials	-3.2%	2.1%	-3.1%	-4.2%	7.7%	10.5%	-1.3%
Health Care	1.0%	6.3%	0.4%	-2.0%	16.5%	17.3%	11.2%
Industrials	1.0%	1.4%	6.5%	7.0%	12.1%	11.2%	7.2%
Information Technology	-2.8%	-2.8%	-0.3%	4.8%	15.3%	13.4%	10.0%
Materials	-0.9%	3.7%	7.5%	-2.0%	8.7%	5.8%	6.3%
Telecommunications	9.3%	7.1%	24.9%	25.1%	10.3%	11.7%	8.5%
Utilities	7.8%	6.8%	23.4%	31.5%	16.0%	13.8%	9.2%

### Quarterly Earnings: Analyst Expectations vs. Actual, Breakdown by Sector



Sources: Bloomberg, Standard & Poors

## Global Economy

The Federal Reserve tracks a trade-weighted exchange index between the U.S. dollar and other major widely circulated currencies. The index decreased 4% in June but has risen .8% in the last twelve months. The index is currently 4.5% above its long-term average. The International Monetary Fund (IMF) in its most recent World Economic Outlook is projecting global growth of 3.2% in 2016 and 3.5% in 2017. Advanced economies are projected to expand 1.9% in 2016 and 2.0% in 2017. Emerging market and developing economies are expected to grow 4.1% and 4.6% in 2016 and 2017, respectively.

**Currency: Weighted U.S. Dollar vs. Major Currencies**



**Economic Indicators: For Select Countries**

<b>Consumer Prices (Inflation)</b>	<i>as of</i>	<b>GDP</b>	<i>as of</i>	<b>Unemployment Rate</b>	<i>as of</i>
Britain	0.3% May-16	Britain	1.8% 1Q	Britain	5.0% Mar-16
Canada	1.5% May-16	Canada	2.4% 1Q	Canada	6.9% May-16
China	2.0% May-16	China	4.5% 1Q	China	4.0% 1Q
France	0.2% Jun-16	France	2.6% 1Q	France	9.9% May-16
Germany	0.3% Jun-16	Germany	2.7% 1Q	Germany	6.1% Jun-16
India	5.8% May-16	India	9.6% 1Q	Italy	11.5% May-16
Italy	-0.4% Jun-16	Italy	1.0% 1Q	Japan	3.2% May-16
Japan	-0.4% May-16	Japan	1.9% 1Q	United States	4.7% May-16
United States	1.0% May-16	United States	1.1% 1Q		

Sources: St. Louis Federal Reserve, Economist, Bloomberg

## Non-U.S. Equity

On June 23<sup>rd</sup>, the United Kingdom (UK) shocked markets with its vote to leave the European Union (EU). The Leave camp defeated the Remain camp, 51.9% to 48.1%. Using polling information and odds makers as indicators, investors were caught off guard at the Brexit result, leading to dramatic losses for equities across the globe on June 24<sup>th</sup>. As is often the case, markets rebounded after the broad sell-off.

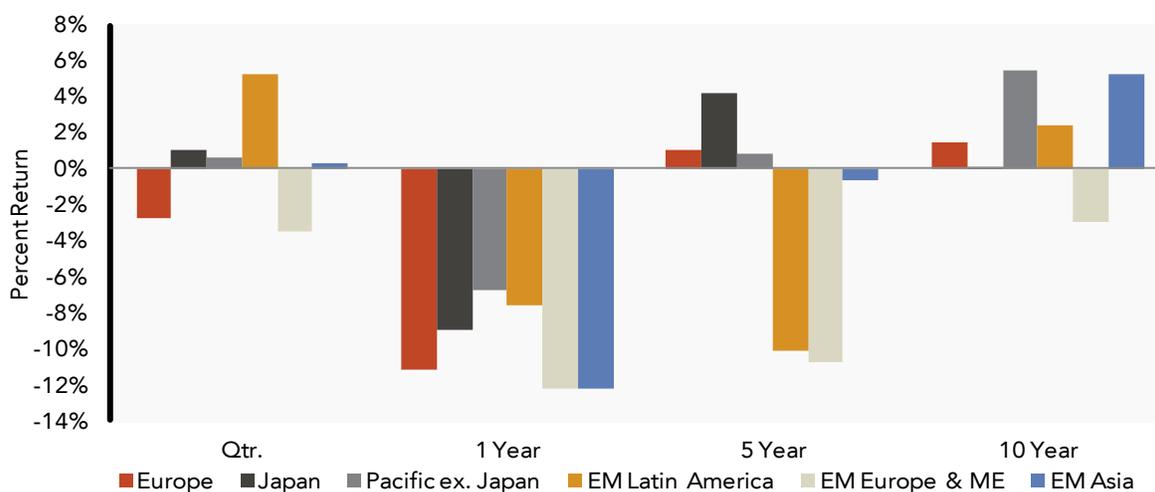
In June, emerging markets (EM) outperformed developed markets (-3.4%), returning 4.0% for the month and continuing their strong performance since February. Relative to Europe, EM countries have very little export exposure to the UK. This asset class should also benefit from the lower for longer interest rate environment that investors expect to persist post Brexit, given the increased levels of uncertainty. In addition, EM equities still offer the most attractive relative valuations versus other broad equity asset classes. The above factors help explain the strong relative performance in June.

European equities performed poorly due to their exposure to the UK and questions surrounding spillover effects to the rest of the EU. Small-cap stocks were the hardest hit (-5.3%) due to their greater reliance on sole domestic economies. Larger-cap multi-national companies fared better given their global revenue exposure and potential competitive advantages from a weaker currency.

### Non U.S. Equity Performance: Select Indices

	Month	Qtr.	YTD	1 Year	3 Year	5 Year	10 Year
MSCI ACWI ex U.S. IMI	-1.7%	-0.7%	-0.9%	-9.6%	1.7%	0.4%	2.2%
MSCI ACWI ex U.S.	-1.5%	-0.6%	-1.0%	-10.2%	1.2%	0.1%	1.9%
MSCI EAFE (U.S. dollar)	-3.4%	-1.5%	-4.4%	-10.2%	2.1%	1.7%	1.6%
MSCI EAFE (Local)	-3.8%	-0.7%	-7.2%	-10.2%	5.8%	6.2%	2.1%
MSCI EAFE Value	-5.0%	-2.8%	-6.7%	-15.4%	-0.1%	0.1%	0.2%
MSCI EAFE Growth	-1.8%	-0.2%	-2.2%	-4.8%	4.2%	3.2%	2.9%
MSCI EAFE Small Cap	-5.3%	-2.6%	-3.2%	-3.7%	7.3%	4.8%	3.6%
MSCI Emerging Markets	4.0%	0.7%	6.4%	-12.1%	-1.6%	-3.8%	3.5%
MSCI Emerging Markets Small Cap	2.5%	0.4%	1.4%	-12.8%	0.0%	-2.3%	6.0%
MSCI Frontier Markets	-3.5%	0.5%	-0.5%	-12.1%	1.0%	1.5%	0.2%

### Regional Performance: Equity Market Performance by Region

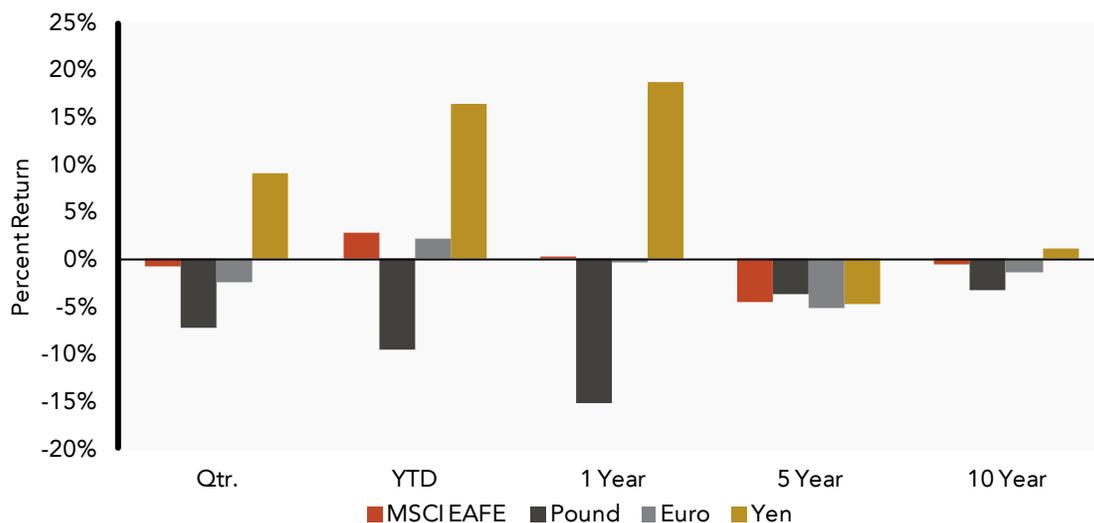


Source: Evestment

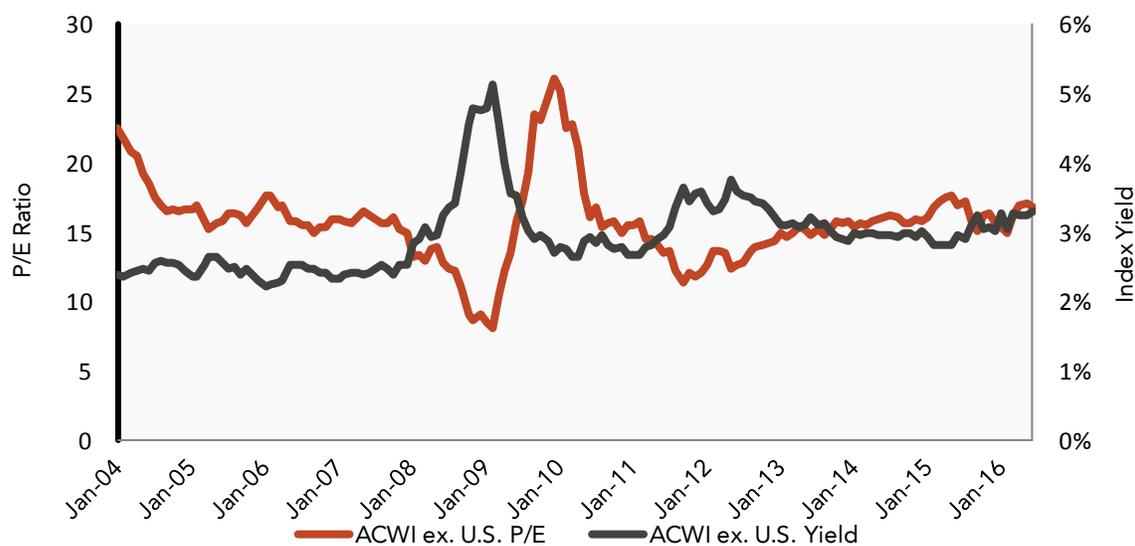
## Non-U.S. Equity

During the second quarter, equity dividend yields were flat, while P/E ratios increased. As of 6/30/2016, the MSCI ACWI ex. U.S. had a dividend yield and P/E ratio of 3.3% and 16.8, respectively. The MSCI EAFE currency return in the second quarter was negative (0.7%). In a flight to safety, the yen (9.1%) appreciated due in large part to the Brexit and resulting uncertainty. The pound lost 7.3% versus the dollar, an unsurprising outcome given the UK's vote to leave the EU. EM currencies were flat for the quarter, but appreciated 2.4% in the month of June.

Currency Returns: Select Major Currencies



Valuation: Trailing PE and Dividend Yield



Source: Evestment, Bloomberg

## Hedge Fund

The "Brexit" decision drove a significant amount of performance dispersion across different hedge fund strategies in June. Equity oriented strategies (long/short and event driven) underperformed as managers largely failed to navigate the volatility at the end of the month. Sector and factor positioning also hurt long/short managers as defensive sectors, where most managers are underweight, outperformed during the month. Conversely, global macro managers did very well in June as managers were well positioned for the rally in the U.S. Dollar and the sharp drop in global bond yields that occurred as a result of the UK's unexpected decision to exit the European Union.

### Hedge Fund Performance: HFR Strategy Index Returns

	Month	Qtr.	YTD	1 Year	3 Year	5 Year	10 Year
HFRX Global	0.2%	-0.4%	-0.8%	-5.6%	-0.6%	-0.5%	-0.3%
HFRX Hedged Equity	-1.5%	-2.0%	-3.9%	-8.3%	0.4%	-0.4%	-0.9%
HFRI Composite	0.8%	0.8%	1.6%	-2.0%	3.0%	2.5%	3.6%
HFRI Fund of Funds	-0.3%	-1.2%	-2.4%	-5.2%	2.0%	1.7%	1.6%
HFRI Convertible Arbitrage	-0.3%	1.1%	2.2%	0.7%	3.1%	3.2%	4.6%
HFRI Equity Hedge	-0.3%	-0.1%	-0.2%	-4.8%	3.1%	2.3%	3.0%
HFRI Event-Driven	-0.4%	1.0%	1.9%	-4.0%	1.9%	2.7%	3.9%
HFRI Macro	3.0%	1.7%	3.5%	2.6%	2.7%	1.0%	3.5%
HFRI Merger Arbitrage	0.1%	0.3%	0.5%	0.8%	2.9%	2.5%	3.7%
HFRI Relative Value	0.3%	1.2%	2.3%	-0.6%	3.3%	4.1%	5.2%

### Ten Year Risk Return: Hedge Fund Returns vs. Public Markets



Source: HFR, Bloomberg

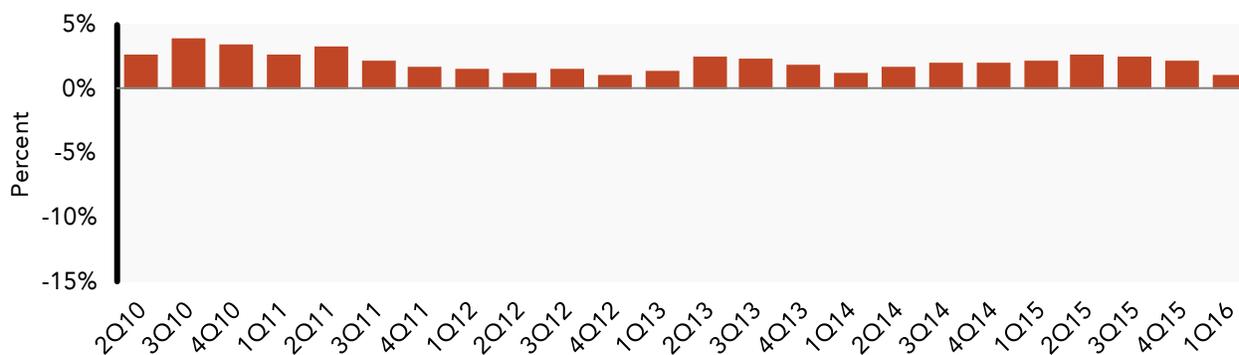
## Commercial Real Estate

The NPI achieved a total return of 2.2% in the first quarter of 2016, down 110 bps from the fourth quarter of 2015. Income contributed 1.2% to total return, and appreciation contributed 1.0%. On an annualized basis the NPI posted a gain of 11.8%, comprised of approximately 4.9% income and 6.7% appreciation. The NFI-ODCE gained 2.2% in the first quarter of 2016, comprised of 1.1% income and 1.1% appreciation. On an annualized 1-year basis, the return for the NFI-ODCE was 13.7%. NFI leverage ticked up slightly to 22.1% in the first quarter. From a sector standpoint, Retail and Industrial took the lead in the first quarter with returns of 3.0% each. Retail and Industrial also led on the annualized 1-year return basis with gains of 13.1% and 14.3%, respectively. Properties in the Western and Southern regions of the country continued to lead in the first quarter with gains of 2.8% and 2.2%, respectively. NFI-ODCE funds attracted \$1.4 billion of net capital flows in the first quarter, amounting to a trailing year total net inflow of \$6.1 billion, on pace for another record setting year.

### Real Estate Performance: Select Indices

Indices	1Q16	YTD	1 Year	3 Year	5 Year	10 Year	10 Yr Risk
<b>NPI</b>	<b>2.2%</b>	<b>2.2%</b>	<b>11.8%</b>	<b>11.9%</b>	<b>11.9%</b>	<b>7.6%</b>	<b>6.0%</b>
Income	1.2%	1.2%	4.9%	5.3%	5.4%	5.7%	0.3%
Appreciation	1.0%	1.0%	6.7%	6.4%	6.3%	1.8%	6.0%
<b>NFI-ODCE</b>	<b>2.2%</b>	<b>2.2%</b>	<b>13.7%</b>	<b>13.6%</b>	<b>13.3%</b>	<b>6.4%</b>	<b>8.8%</b>
Income	1.1%	1.1%	4.7%	5.0%	5.1%	5.4%	0.3%
Appreciation	1.1%	1.1%	8.7%	8.3%	7.8%	0.9%	8.8%
<b>FTSE NAREIT All Eq. REITs</b>	<b>5.8%</b>	<b>5.8%</b>	<b>4.7%</b>	<b>9.9%</b>	<b>11.6%</b>	<b>6.5%</b>	<b>25.6%</b>
NPI Apartment	1.9%	1.9%	10.9%	10.6%	11.5%	7.1%	6.3%
NPI Office	1.7%	1.7%	10.8%	11.2%	11.1%	7.3%	6.7%
NPI Industrial	3.0%	3.0%	14.3%	13.7%	13.1%	7.7%	6.1%
NPI Retail	3.0%	3.0%	13.1%	13.5%	13.2%	8.7%	4.9%
NPI Hotel	1.2%	1.2%	11.7%	10.6%	9.8%	6.2%	7.2%
NPI East	1.7%	1.7%	9.8%	9.8%	10.2%	6.9%	6.5%
NPI Midwest	2.1%	2.1%	10.8%	11.3%	11.1%	6.8%	4.9%
NPI South	2.2%	2.2%	11.8%	12.9%	12.5%	7.9%	5.3%
NPI West	2.8%	2.8%	14.1%	13.5%	13.5%	8.4%	6.6%

### Commercial Real Estate Market: NFI-ODCE Property Appreciation

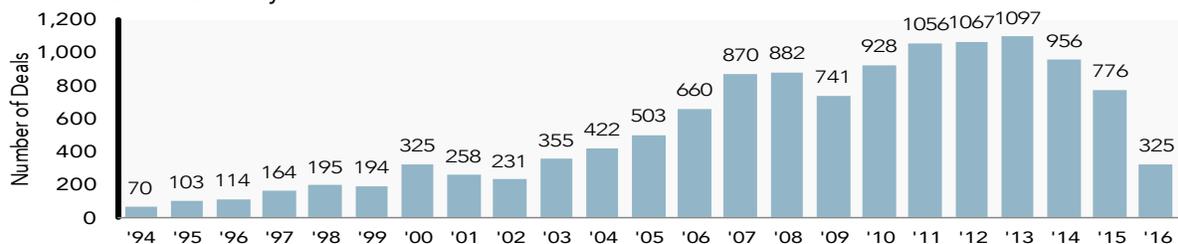


Sources: NCREIF

## Infrastructure

So far this year, 325 infrastructure deals have closed, with Europe seeing the majority of activity and the average deal size representing \$486M. Not surprisingly, energy (mostly renewable energy assets) and transportation were the most popular sectors for deal activity in the opening months of 2016, representing 60% and 16% of deals, respectively. Dry powder has again risen this year to a record high of \$145B from \$109B at the end of 2015. Recent transactions of note include the launch of the \$3B Sembcorp Gayatri Power Complex in India, and Dalian Wanda Group's \$2.3B acquisition of a Chinese hospital portfolio project.

Number of Deals: Deals by Year

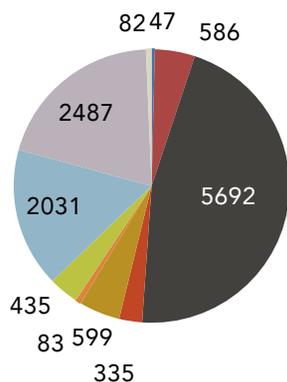


Dry Powder: Capital Available for Investment



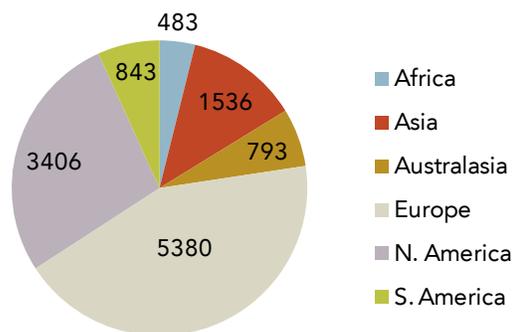
Deal Breakdown: By Industry (left) and by Region (right)

Deals by Industry



- Defense
- Education
- Energy
- Govt. Bldgs.
- Healthcare
- Logistics
- Telecomm.
- Transport
- Utilities
- Waste Mgmt.

Deals by Region



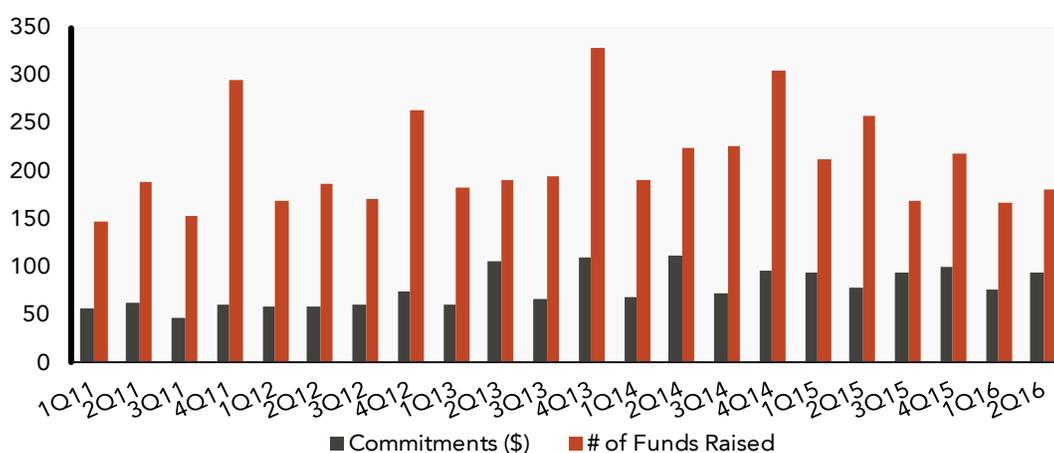
Source: Preqin Infrastructure as of 2/5/2016

Note: Information for prior time periods may change due to daily updates by Preqin

## Private Equity

The rally in global equity markets that started in March and carried into the second quarter helped to drive increased activity in the PE market, and a return to more normal conditions after a slow start to the year. Global private equity fundraising increased 19% year-on-year in the second quarter to \$92.6 billion. Investment activity also jumped as buyout deals and exits both rebounded from a very slow first quarter. New buyout deals totaled \$88.5 billion in the second quarter, down 13% from a year ago, but up 76% from the first quarter. Exits came in at \$90.1 billion, down 28% year-on-year, but up 33% from the first quarter. As deal activity has picked up there has been a stabilization in purchase price multiples, which leveled off in Q2, but remain significantly above the long term average. The largest announced deal during the quarter was the \$7.5 billion buyout of MultiPlan, a healthcare cost management company, which was led by Leonard Green and Hellman & Friedman. This was also the largest exit during the quarter as Adrian and Partners Group were the prior sponsors, having originally bought the business for \$4.4 billion in 2014. Venture exits continued to be strong at \$26.1 billion, up 54% from a year ago, led by the \$8.6 billion dollar acquisition of Supercell, an online gaming company known for its popular "Clash of Clans" game, to Tencent.

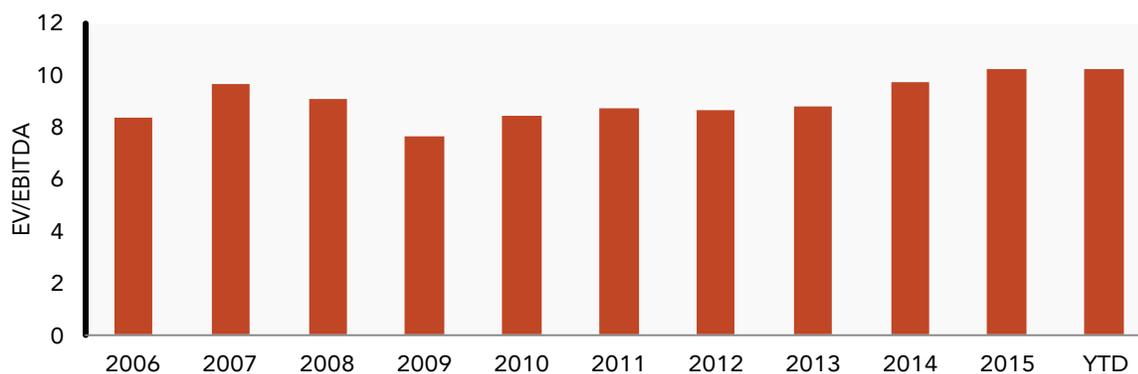
### Fundraising: Buyout and Venture



### Annualized Performance: Select Benchmarks as of March 31, 2016

	Qtr	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Cambridge Private Equity Index	1.6%	5.3%	7.1%	12.7%	11.9%	11.3%	9.2%
Dow Jones Total Stock Market	6.3%	0.3%	-4.4%	14.7%	12.1%	7.5%	5.7%
Russell 2000 Index	3.6%	-3.3%	-4.4%	11.7%	9.2%	6.8%	7.3%

### Purchase Price Multiples: EV/EBITDA



Sources: Venture Economics, Preqin Ltd., Standard & Poors, Bloomberg

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**About Marquette Associates**

Marquette Associates is an independent investment consulting firm that guides institutional investment programs with a focused three-point approach and careful research. Marquette has served a single mission since 1986 - enable institutions to become more effective investment stewards. Marquette is a completely independent and 100% employee-owned consultancy founded with the sole purpose of advising institutions. For more information, please visit [www.marquetteassociates.com](http://www.marquetteassociates.com).

# EXHIBIT I



**Salaried Employees Pension Plan**

The City of Olivette  
Salaried Employees Pension Plan  
Executive Summary

**June 30, 2016**

Market Value: \$19.1 Million and 100.0% of Fund

Investment Manager	Asset Class	Status	Reason
Preferred Securities	Short-Term Fixed Income	In Compliance	---
Principal Bond & Mortgage	Int. Fixed Income	In Compliance	---
Principal Fixed Income	Core Plus Fixed Income	In Compliance	---
High Yield	High Yield Fixed Income	In Compliance	---
Principal Total Market Stock Index	Large-Cap Core	In Compliance	---
Principal Large Cap S&P 500 Index	Large-Cap Core	In Compliance	---
Vanguard 500 Index	Large-Cap Core	In Compliance	---
Vanguard Mid Cap Value	Mid-Cap Value	In Compliance	---
Vanguard Mid Cap Growth	Mid-Cap Growth	In Compliance	---
Vanguard Small Cap Value	Small-Cap Value	In Compliance	---
Vanguard Small Cap Growth	Small-Cap Growth	In Compliance	---
Vanguard Total International Stock	Non-U.S. Large-Cap Growth	In Compliance	---
Vanguard Emerging Markets	Emerging Markets	In Compliance	---
Principal US Property	Core Real Estate	In Compliance	---

### Investment Manager Evaluation Terminology

The following terminology has been developed by Marquette Associates to facilitate efficient communication among the Investment Manager, Investment Consultant, and the Plan Sponsor. Each term signifies a particular status with the Fund and any conditions that may require improvement. In each case, communication is made only after consultation with the Trustees and/or the Investment Committee of the Plan.

**In Compliance** – The investment manager states it is acting in accordance with the Investment Policy Guidelines.

**Alert** – The investment manager is notified of a problem in performance (usually related to a benchmark or volatility measure), a change in investment characteristics, an alteration in management style or key investment professionals, and/or any other irregularities.

**On Notice** – The investment manager is notified of continued concern with one or more Alert issues. Failure to improve upon stated issues within a specific time frame justifies termination.

**Termination** – The Trustees have decided to terminate the investment manager. The investment manager is notified and transition plans are in place.

# Total Fund Composite

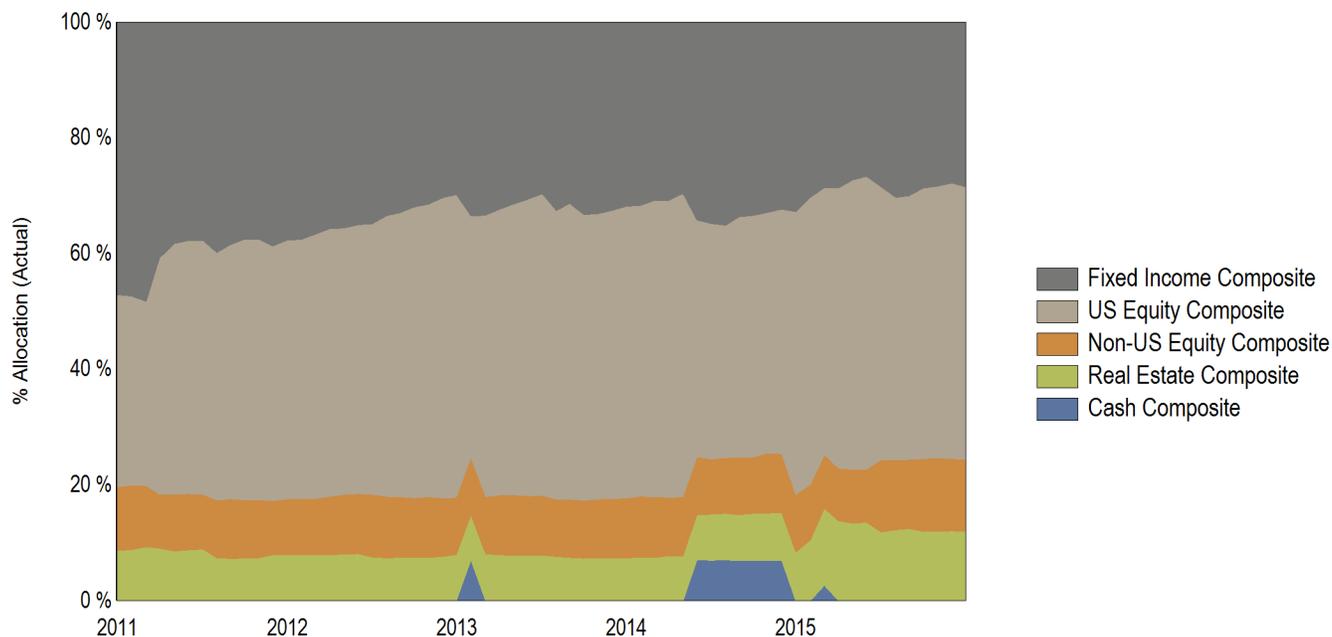
Market Value: \$19.1 Million and 100.0% of Fund

Ending June 30, 2016

	Asset Class	Market Value (\$)	3 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
<b>Total Fund Composite</b>		<b>19,109,804</b>	<b>-102,440</b>	<b>100.0</b>	<b>100.0</b>	<b>0</b>
<b>Fixed Income Composite</b>		<b>5,434,196</b>	<b>-102,440</b>	<b>28.4</b>	<b>30.0</b>	<b>-298,746</b>
Preferred Securities	Short-Term Fixed Income	503,023	0	2.6	2.5	25,277
Principal Bond & Mortgage	Int. Fixed Income	370,538	-102,440	1.9	5.0	-584,952
High Yield	High Yield Fixed Income	468,524	0	2.5	2.5	-9,221
Principal Fixed Income	Core Plus Fixed Income	4,092,111	0	21.4	20.0	270,150
<b>US Equity Composite</b>		<b>8,998,350</b>	<b>0</b>	<b>47.1</b>	<b>40.0</b>	<b>1,354,428</b>
Principal Total Market Stock Index	Large-Cap Core	1,621,354	0	8.5	11.5	-576,274
Principal Large Cap S&P 500 Index	Large-Cap Core	2,354,871	0	12.3	11.0	252,793
Vanguard 500 Index	Large-Cap Core	1,812,052	0	9.5	8.2	245,048
Vanguard Mid Cap Value	Mid-Cap Value	814,030	0	4.3	4.0	49,638
Vanguard Mid Cap Growth	Mid-Cap Growth	787,780	0	4.1	4.0	23,387
Vanguard Small Cap Value	Small-Cap Value	831,187	0	4.3	4.0	66,794
Vanguard Small Cap Growth	Small-Cap Growth	777,076	0	4.1	4.0	12,684
<b>Non-US Equity Composite</b>		<b>2,372,032</b>	<b>0</b>	<b>12.4</b>	<b>20.0</b>	<b>-1,449,929</b>
Vanguard Total International Stock	Non-U.S. Large-Cap Growth	1,600,881	0	8.4	8.3	9,035
Vanguard Emerging Markets	Emerging Markets	771,151	0	4.0	5.0	-184,340
<b>Real Estate Composite</b>		<b>2,302,940</b>	<b>0</b>	<b>12.1</b>	<b>10.0</b>	<b>391,960</b>
Principal US Property	Core Real Estate	2,302,940	0	12.1	10.0	391,960
<b>Cash Composite</b>		<b>2,287</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>2,287</b>
Vanguard Cash	Cash & Equivalents	2,287	0	0.0	0.0	2,287

Market Value: \$19.1 Million and 100.0% of Fund

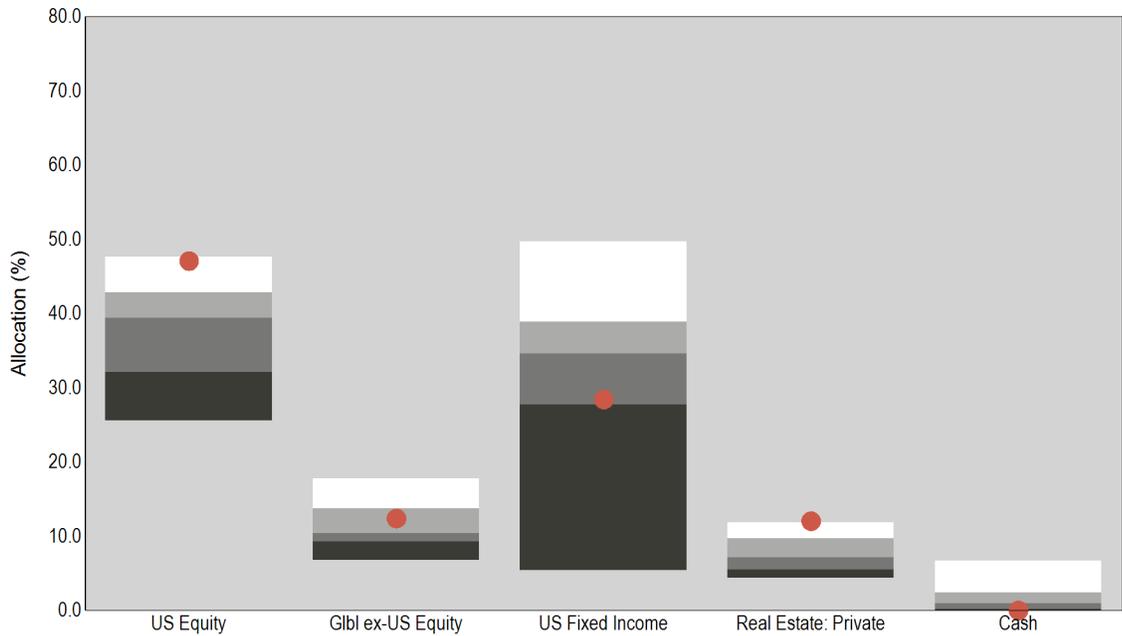
Historic Asset Allocation



	Current	Policy	Difference	%
Fixed Income	\$5,434,196	\$6,210,686	-\$776,491	-4.1%
U.S. Equity	\$8,998,350	\$9,554,902	-\$556,552	-2.9%
Non-U.S. Equity	\$2,372,032	\$1,910,980	\$461,052	2.4%
Real Assets	\$2,302,940	\$1,433,235	\$869,705	4.6%
Other	\$2,287	\$0	\$2,287	0.0%
<b>Total</b>	<b>\$19,109,804</b>	<b>\$19,109,804</b>		

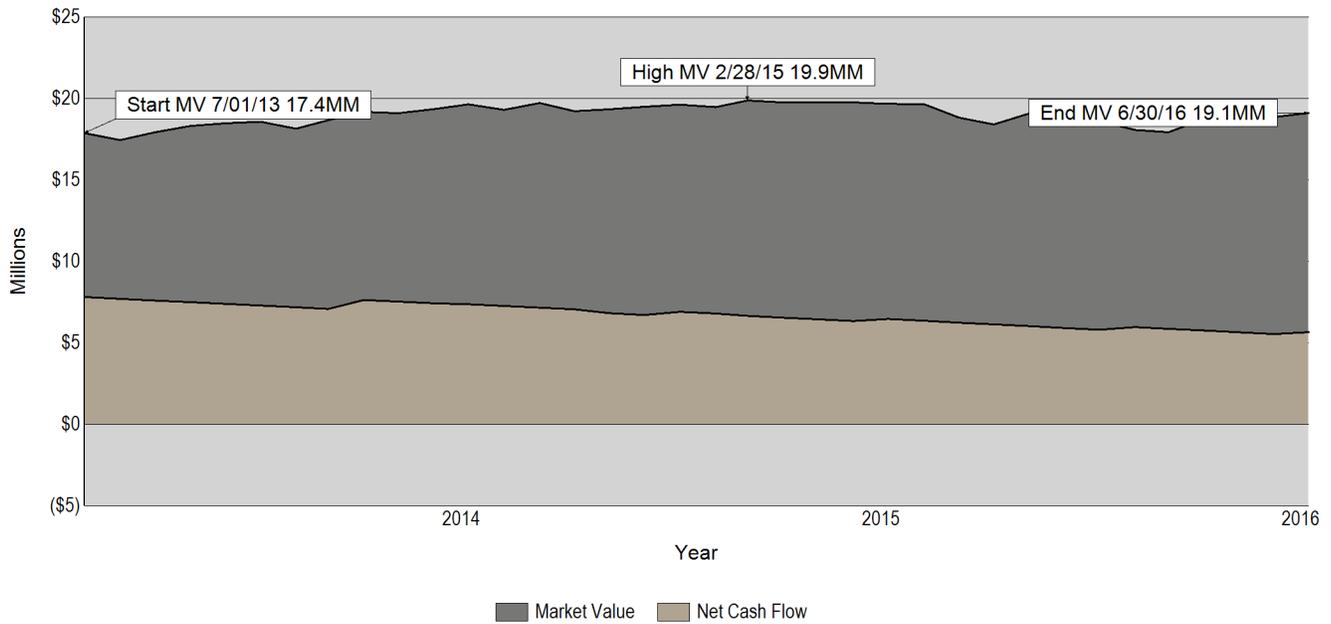
Market Value: \$19.1 Million and 100.0% of Fund

Total Plan Allocation vs. InvestorForce Public DB < \$50mm Net



	Allocation (Rank)									
5th Percentile	47.7		17.8		49.7		11.9		6.8	
25th Percentile	42.9		13.7		38.9		9.7		2.5	
Median	39.5		10.4		34.6		7.1		1.0	
75th Percentile	32.1		9.3		27.7		5.5		0.2	
95th Percentile	25.6		6.8		5.4		4.4		0.0	
# of Portfolios	45		44		24		14		46	
● Total Fund Composite	47.1	(6)	12.4	(40)	28.4	(74)	12.1	(1)	0.0	(93)

Market Value: \$19.1 Million and 100.0% of Fund



Summary of Cash Flows

	Second Quarter	Year-To-Date	One Year	Three Years
<b>Beginning Market Value</b>	<b>\$18,738,653.54</b>	<b>\$18,593,649.20</b>	<b>\$19,662,869.50</b>	<b>\$17,394,580.87</b>
Net Cash Flow	-\$102,440.00	-\$146,625.52	-\$809,633.31	-\$2,257,927.99
Net Investment Change	\$473,590.48	\$662,780.34	\$256,567.83	\$3,973,151.14
<b>Ending Market Value</b>	<b>\$19,109,804.02</b>	<b>\$19,109,804.02</b>	<b>\$19,109,804.02</b>	<b>\$19,109,804.02</b>

## Total Fund Composite

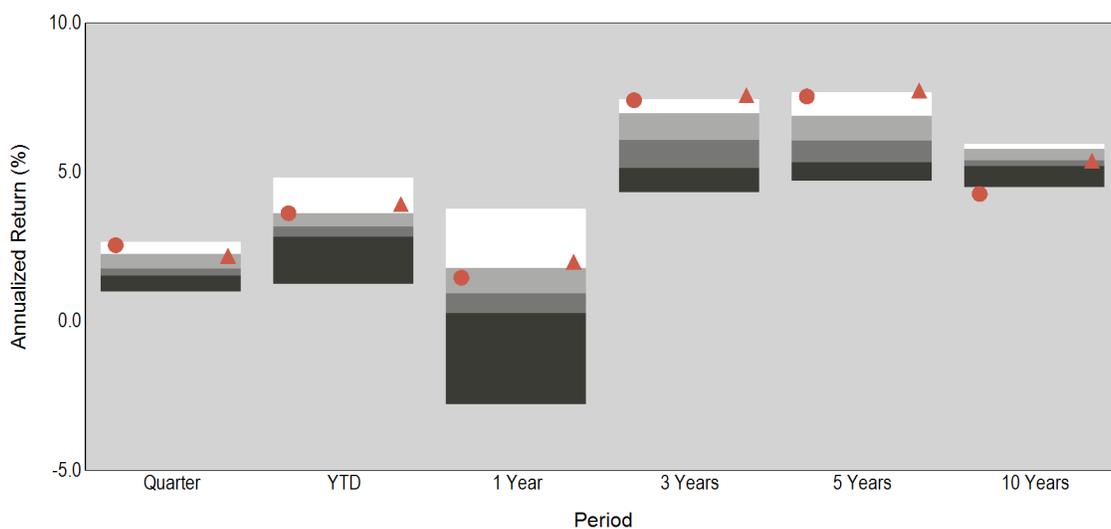
## Annualized Performance (Net of Fees)

Market Value: \$19.1 Million and 100.0% of Fund

Ending June 30, 2016

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
<b>Total Fund Composite</b>	<b>0.8</b>	<b>2.6</b>	<b>3.6</b>	<b>1.5</b>	<b>3.2</b>	<b>7.4</b>	<b>8.6</b>	<b>7.5</b>	<b>10.2</b>	<b>4.3</b>
<i>Total Fund Composite Custom Benchmark</i>	0.6	2.2	3.9	2.0	3.3	7.6	8.6	7.7	9.8	5.4
<i>InvestorForce Public DB &lt; \$50mm Net Rank</i>	22	6	24	36	5	8	16	11	5	99
<b>Fixed Income Composite</b>	<b>1.6</b>	<b>3.2</b>	<b>5.7</b>	<b>4.0</b>	<b>2.7</b>	<b>3.6</b>	--	--	--	--
<i>Barclays Aggregate</i>	1.8	2.2	5.3	6.0	3.9	4.1	2.9	3.8	4.6	5.1
<i>InvestorForce Public DB US Fix Inc Net Rank</i>	29	16	21	68	65	47	--	--	--	--
<b>US Equity Composite</b>	<b>0.2</b>	<b>2.7</b>	<b>2.5</b>	<b>0.1</b>	<b>4.1</b>	<b>10.5</b>	--	--	--	--
<i>Russell 3000</i>	0.2	2.6	3.6	2.1	4.7	11.1	13.6	11.6	14.9	7.4
<i>InvestorForce Public DB US Eq Net Rank</i>	39	42	69	60	44	48	--	--	--	--
<b>Non-US Equity Composite</b>	<b>0.9</b>	<b>0.9</b>	<b>2.4</b>	<b>-11.4</b>	<b>-7.6</b>	<b>0.3</b>	--	--	--	--
<i>MSCI EAFE + Emerging Markets</i>	-1.7	-0.9	-2.0	-10.5	-7.5	1.3	4.4	0.3	5.4	1.8
<i>InvestorForce Public DB ex-US Eq Net Rank</i>	3	14	6	81	85	89	--	--	--	--
<b>Real Estate Composite</b>	<b>0.9</b>	<b>2.2</b>	<b>4.1</b>	<b>11.1</b>	<b>12.5</b>	<b>12.0</b>	--	--	--	--
<i>NFI</i>	0.6	1.9	3.9	10.8	12.1	12.0	11.8	11.7	9.9	5.2
<i>InvestorForce Public DB Real Estate Priv Net Rank</i>	65	36	48	40	39	34	--	--	--	--

### InvestorForce Public DB < \$50mm Net Accounts



	Return					
	Quarter	YTD	1 Year	3 Years	5 Years	10 Years
5th Percentile	2.7	4.8	3.8	7.4	7.7	5.9
25th Percentile	2.2	3.6	1.8	7.0	6.9	5.8
Median	1.8	3.2	0.9	6.1	6.1	5.4
75th Percentile	1.5	2.8	0.3	5.1	5.3	5.2
95th Percentile	1.0	1.2	-2.8	4.3	4.7	4.5
# of Portfolios	52	52	52	42	30	22
● Total Fund Composite	2.6	3.6	1.5	7.4	7.5	4.3
▲ Total Fund Composite Custom Benchmark	2.2	3.9	2.0	7.6	7.7	5.4

# Total Fund Composite

# Calendar Performance (Net of Fees)

Market Value: \$19.1 Million and 100.0% of Fund

## Calendar Year

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Total Fund Composite</b>	<b>0.4</b>	<b>7.8</b>	<b>16.8</b>	<b>13.7</b>	<b>1.8</b>	<b>15.2</b>	<b>11.8</b>	<b>-34.8</b>	<b>9.5</b>	<b>11.6</b>	<b>6.9</b>
<i>Total Fund Composite Custom Benchmark</i>	0.2	8.3	17.5	10.9	3.3	13.2	14.2	-26.8	7.3	12.1	5.6
<i>InvestorForce Public DB &lt; \$50mm Net Rank</i>	23	4	41	6	34	7	81	99	28	37	40
<b>Fixed Income Composite</b>	<b>-1.0</b>	<b>4.7</b>	<b>-0.9</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Barclays Aggregate</i>	0.6	6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3	2.4
<i>InvestorForce Public DB US Fix Inc Net Rank</i>	71	53	42	--	--	--	--	--	--	--	--
<b>US Equity Composite</b>	<b>0.9</b>	<b>11.3</b>	<b>32.8</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Russell 3000</i>	0.5	12.6	33.6	16.4	1.0	16.9	28.3	-37.3	5.1	15.7	6.1
<i>InvestorForce Public DB US Eq Net Rank</i>	18	44	81	--	--	--	--	--	--	--	--
<b>Non-US Equity Composite</b>	<b>-9.5</b>	<b>-2.2</b>	<b>5.1</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>MSCI EAFE + Emerging Markets</i>	-4.2	-4.3	16.1	17.5	-13.8	10.4	40.4	-45.5	15.9	27.3	15.9
<i>InvestorForce Public DB ex-US Eq Net Rank</i>	97	22	99	--	--	--	--	--	--	--	--
<b>Real Estate Composite</b>	<b>13.4</b>	<b>12.6</b>	<b>13.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>NFI</i>	13.9	11.5	12.9	9.8	15.0	15.3	-30.4	-10.7	14.8	15.3	20.2
<i>InvestorForce Public DB Real Estate Priv Net Rank</i>	31	42	38	--	--	--	--	--	--	--	--

Total Fund Composite Custom Benchmark

inception to 10/31/2006

45% Barclay's Aggregate; 35% S&P 500; 5% Russell 2000; 8% MSCI EAFE; 7% NFI ODCE

10/31/2006 to 12/31/2006

30% Barclay's Aggregate; 25% S&P 500; 10% Russell MidCap; 10% Russell 2000; 15% MSCI EAFE; 10% NFI ODCE

12/31/2006 to 12/31/2008

25% Barclay's Aggregate; 25% S&P 500; 10% Russell MidCap; 10% Russell 2000; 20% MSCI EAFE; 10% NFI ODCE

12/31/2008 to 03/31/2010

43% Barclay's Aggregate; 25% S&P 500; 10% Russell 3000; 5% Russell MidCap; 5% Russell 2000; 5% MSCI EAFE; 7% NFI ODCE

03/31/2010 to 12/31/2010

43% Barclay's Aggregate; 20% S&P 500; 10% Russell 3000; 5% Russell MidCap; 5% Russell 2000; 5% MSCI EAFE; 5% MSCI Emerging Markets; 7% NFI ODCE

12/31/2012 to 8/31/2015

32.5% Barclay's Aggregate; 23% S&P 500; 12% Russell 3000; 7.5% Russell MidCap; 7.5% Russell 2000; 5% MSCI EAFE; 5% MSCI Emerging Markets; 7% NFI ODCE

9/1/2015 to 12/31/2015

30% Barclay's Aggregate; 22.5% S&P 500; 8% Russell 3000; 8% Russell MidCap; 11.5% Russell 2000; 5% MSCI EAFE; 5% MSCI Emerging Markets; 10% NFI ODCE

1/1/2016 to present

27.5% Barclay's Aggregate; 2.5% Barclays High Yield; 19.2% S&P 500; 11.5% Russell 3000; 8% Russell MidCap; 8% Russell 2000; 8.3% MSCI EAFE; 5% MSCI Emerging Markets; 10% NFI ODCE

# Investment Manager

# Annualized Performance (Net of Fees)

Market Value: \$19.1 Million and 100.0% of Fund

Ending June 30, 2016

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
<b>Total Fund Composite</b>	<b>0.8</b>	<b>2.6</b>	<b>3.6</b>	<b>1.5</b>	<b>3.2</b>	<b>7.4</b>	<b>8.6</b>	<b>7.5</b>	<b>10.2</b>	<b>4.3</b>
<i>Total Fund Composite Custom Benchmark</i>	0.6	2.2	3.9	2.0	3.3	7.6	8.6	7.7	9.8	5.4
<i>InvestorForce Public DB &lt; \$50mm Net Rank</i>	22	6	24	36	5	8	16	11	5	99
<b>Fixed Income Composite</b>	<b>1.6</b>	<b>3.2</b>	<b>5.7</b>	<b>4.0</b>	<b>2.7</b>	<b>3.6</b>	--	--	--	--
<i>Barclays Aggregate</i>	1.8	2.2	5.3	6.0	3.9	4.1	2.9	3.8	4.6	5.1
<i>InvestorForce Public DB US Fix Inc Net Rank</i>	29	16	21	68	65	47	--	--	--	--
<b>Preferred Securities</b>	<b>0.4</b>	<b>2.5</b>	<b>2.4</b>	<b>5.2</b>	<b>4.6</b>	<b>6.3</b>	<b>7.2</b>	<b>6.8</b>	<b>11.0</b>	--
<i>Barclays 1-3 Yr. Govt/Credit</i>	0.6	0.7	1.7	1.6	1.3	1.2	1.1	1.1	1.6	2.8
<i>eA US Short Duration Fixed Inc Net Rank</i>	92	3	17	1	1	1	1	1	1	--
<b>Principal Bond &amp; Mortgage</b>	<b>1.7</b>	<b>2.7</b>	<b>5.3</b>	<b>4.6</b>	<b>2.6</b>	<b>3.8</b>	<b>3.5</b>	<b>4.3</b>	<b>6.9</b>	<b>5.1</b>
<i>Barclays Aggregate</i>	1.8	2.2	5.3	6.0	3.9	4.1	2.9	3.8	4.6	5.1
<i>eA US Interm Duration Fixed Inc Net Rank</i>	2	1	3	12	59	8	8	5	2	15
<b>High Yield</b>	<b>0.6</b>	<b>4.5</b>	<b>7.5</b>	<b>0.0</b>	<b>-0.3</b>	<b>3.3</b>	<b>4.6</b>	<b>4.8</b>	<b>9.0</b>	--
<i>Barclays High Yield</i>	0.9	5.5	9.1	1.6	0.6	4.2	5.5	5.8	10.0	7.6
<i>eA US High Yield Fixed Inc Net Rank</i>	58	44	31	64	64	64	70	72	59	--
<b>Principal Fixed Income</b>	<b>1.8</b>	<b>3.2</b>	<b>6.0</b>	<b>4.2</b>	--	--	--	--	--	--
<i>Barclays Aggregate</i>	1.8	2.2	5.3	6.0	3.9	4.1	2.9	3.8	4.6	5.1
<i>eA US Core Plus Fixed Inc Net Rank</i>	16	22	31	73	--	--	--	--	--	--
<b>US Equity Composite</b>	<b>0.2</b>	<b>2.7</b>	<b>2.5</b>	<b>0.1</b>	<b>4.1</b>	<b>10.5</b>	--	--	--	--
<i>Russell 3000</i>	0.2	2.6	3.6	2.1	4.7	11.1	13.6	11.6	14.9	7.4
<i>InvestorForce Public DB US Eq Net Rank</i>	39	42	69	60	44	48	--	--	--	--
<b>Principal Total Market Stock Index</b>	<b>0.3</b>	<b>2.5</b>	<b>4.1</b>	<b>3.3</b>	<b>5.1</b>	<b>11.1</b>	<b>13.5</b>	<b>11.6</b>	<b>14.7</b>	--
<i>Russell 3000</i>	0.2	2.6	3.6	2.1	4.7	11.1	13.6	11.6	14.9	7.4
<i>eA US Large Cap Equity Net Rank</i>	26	30	24	19	26	33	30	25	25	--
<b>Principal Large Cap S&amp;P 500 Index</b>	<b>0.2</b>	<b>2.4</b>	--	--	--	--	--	--	--	--
<i>S&amp;P 500</i>	0.3	2.5	3.8	4.0	5.7	11.7	13.8	12.1	14.9	7.4
<i>eA US Large Cap Core Equity Net Rank</i>	33	35	--	--	--	--	--	--	--	--
<b>Vanguard 500 Index</b>	<b>0.3</b>	<b>2.4</b>	<b>3.8</b>	<b>3.9</b>	--	--	--	--	--	--
<i>S&amp;P 500</i>	0.3	2.5	3.8	4.0	5.7	11.7	13.8	12.1	14.9	7.4
<i>Large Blend MStar MF Rank</i>	29	29	22	17	--	--	--	--	--	--
<b>Vanguard Mid Cap Value</b>	<b>0.3</b>	<b>2.8</b>	<b>4.5</b>	<b>1.3</b>	<b>3.6</b>	--	--	--	--	--
<i>CRSP US Mid Cap Value TR USD</i>	0.3	2.8	4.4	1.3	3.6	11.3	15.2	12.1	17.3	7.7
<i>Mid-Cap Value MStar MF Rank</i>	23	46	63	30	17	--	--	--	--	--
<b>Vanguard Mid Cap Growth</b>	<b>-0.5</b>	<b>1.8</b>	<b>2.5</b>	<b>-3.2</b>	<b>3.8</b>	--	--	--	--	--
<i>CRSP US Mid Cap Growth TR USD</i>	-0.5	1.9	2.5	-3.2	3.9	10.2	13.0	9.5	15.6	8.0
<i>Mid-Cap Growth MStar MF Rank</i>	43	65	24	31	24	--	--	--	--	--

## Investment Manager

## Annualized Performance (Net of Fees)

Market Value: \$19.1 Million and 100.0% of Fund

Ending June 30, 2016

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Vanguard Small Cap Value	0.1	3.7	7.3	0.2	2.1	10.2	--	--	--	--
CRSP US Small Cap Value TR USD	0.1	3.7	7.3	0.2	2.2	10.2	14.8	11.8	18.0	8.8
Small Value MStar MF Rank	24	22	19	21	15	6	--	--	--	--
Vanguard Small Cap Growth	0.5	4.4	2.4	-6.4	-0.2	7.4	--	--	--	--
CRSP US Small Cap Growth TR USD	0.5	4.3	2.3	-6.5	-0.3	7.3	11.1	7.8	14.4	7.6
Small Growth MStar MF Rank	36	41	26	29	51	42	--	--	--	--
<b>Non-US Equity Composite</b>	<b>0.9</b>	<b>0.9</b>	<b>2.4</b>	<b>-11.4</b>	<b>-7.6</b>	<b>0.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
MSCI EAFE + Emerging Markets	-1.7	-0.9	-2.0	-10.5	-7.5	1.3	4.4	0.3	5.4	1.8
InvestorForce Public DB ex-US Eq Net Rank	3	14	6	81	85	89	--	--	--	--
Vanguard Total International Stock	-0.9	0.2	0.0	-9.2	-7.0	1.9	--	--	--	--
FTSE Global All Cap ex US	-1.6	-0.4	-0.6	-9.2	-6.7	2.2	5.2	0.9	6.3	2.8
Foreign Large Growth MStar MF Rank	25	44	26	66	91	87	--	--	--	--
Vanguard Emerging Markets	5.0	2.3	7.7	-12.3	-7.6	-0.9	-0.2	--	--	--
FTSE Emerging Markets	4.7	1.9	8.1	-11.9	-7.0	-0.4	0.6	-2.9	4.5	4.3
Diversified Emerging Mkts MStar MF Rank	19	51	35	77	50	48	65	--	--	--
<b>Real Estate Composite</b>	<b>0.9</b>	<b>2.2</b>	<b>4.1</b>	<b>11.1</b>	<b>12.5</b>	<b>12.0</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
NFI	0.6	1.9	3.9	10.8	12.1	12.0	11.8	11.7	9.9	5.2
InvestorForce Public DB Real Estate Priv Net Rank	65	36	48	40	39	34	--	--	--	--
Principal US Property	0.9	2.2	4.1	11.1	12.5	12.0	12.1	12.2	10.0	4.9
NFI	0.6	1.9	3.9	10.8	12.1	12.0	11.8	11.7	9.9	5.2

## Investment Manager

## Calendar Performance (Net of Fees)

Market Value: \$19.1 Million and 100.0% of Fund

	Calendar Year										
	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)	2005 (%)
<b>Total Fund Composite</b>	<b>0.4</b>	<b>7.8</b>	<b>16.8</b>	<b>13.7</b>	<b>1.8</b>	<b>15.2</b>	<b>11.8</b>	<b>-34.8</b>	<b>9.5</b>	<b>11.6</b>	<b>6.9</b>
<i>Total Fund Composite Custom Benchmark</i>	0.2	8.3	17.5	10.9	3.3	13.2	14.2	-26.8	7.3	12.1	5.6
<i>InvestorForce Public DB &lt; \$50mm Net Rank</i>	23	4	41	6	34	7	81	99	28	37	40
<b>Fixed Income Composite</b>	<b>-1.0</b>	<b>4.7</b>	<b>-0.9</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Barclays Aggregate</i>	0.6	6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3	2.4
<i>InvestorForce Public DB US Fix Inc Net Rank</i>	71	53	42	--	--	--	--	--	--	--	--
<b>Preferred Securities</b>	<b>4.9</b>	<b>11.4</b>	<b>1.6</b>	<b>19.0</b>	<b>1.3</b>	<b>16.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Barclays 1-3 Yr. Govt/Credit</i>	0.7	0.8	0.6	1.3	1.6	2.8	3.8	5.0	6.8	4.3	1.8
<i>eA US Short Duration Fixed Inc Net Rank</i>	1	1	8	1	76	1	--	--	--	--	--
<b>Principal Bond &amp; Mortgage</b>	<b>-0.9</b>	<b>5.4</b>	<b>1.0</b>	<b>7.5</b>	<b>6.8</b>	<b>11.6</b>	<b>21.7</b>	<b>-13.2</b>	<b>3.7</b>	<b>4.6</b>	<b>2.5</b>
<i>Barclays Aggregate</i>	0.6	6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3	2.4
<i>eA US Interm Duration Fixed Inc Net Rank</i>	99	4	6	7	2	1	1	99	99	17	6
<b>High Yield</b>	<b>-4.9</b>	<b>2.1</b>	<b>6.9</b>	<b>14.8</b>	<b>3.1</b>	<b>14.8</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Barclays High Yield</i>	-4.5	2.5	7.4	15.8	5.0	15.1	58.2	-26.2	1.9	11.9	2.7
<i>eA US High Yield Fixed Inc Net Rank</i>	78	48	56	53	64	33	--	--	--	--	--
<b>Principal Fixed Income</b>	<b>-1.2</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>						
<i>Barclays Aggregate</i>	0.6	6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3	2.4
<i>eA US Core Plus Fixed Inc Net Rank</i>	82	--	--	--	--	--	--	--	--	--	--
<b>US Equity Composite</b>	<b>0.9</b>	<b>11.3</b>	<b>32.8</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Russell 3000</i>	0.5	12.6	33.6	16.4	1.0	16.9	28.3	-37.3	5.1	15.7	6.1
<i>InvestorForce Public DB US Eq Net Rank</i>	18	44	81	--	--	--	--	--	--	--	--
<b>Principal Total Market Stock Index</b>	<b>0.7</b>	<b>12.6</b>	<b>32.4</b>	<b>15.8</b>	<b>1.4</b>	<b>16.0</b>	<b>27.0</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Russell 3000</i>	0.5	12.6	33.6	16.4	1.0	16.9	28.3	-37.3	5.1	15.7	6.1
<i>eA US Large Cap Equity Net Rank</i>	47	38	56	44	32	31	53	--	--	--	--
<b>Principal Large Cap S&amp;P 500 Index</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>S&amp;P 500</i>	1.4	13.7	32.4	16.0	2.1	15.1	26.5	-37.0	5.5	15.8	4.9
<i>eA US Large Cap Core Equity Net Rank</i>	--	--	--	--	--	--	--	--	--	--	--
<b>Vanguard 500 Index</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>S&amp;P 500</i>	1.4	13.7	32.4	16.0	2.1	15.1	26.5	-37.0	5.5	15.8	4.9
<i>Large Blend MStar MF Rank</i>	--	--	--	--	--	--	--	--	--	--	--
<b>Vanguard Mid Cap Value</b>	<b>-1.8</b>	<b>14.0</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>CRSP US Mid Cap Value TR USD</i>	-1.8	14.1	37.4	17.9	-0.4	24.6	35.2	-37.9	-6.1	19.9	11.7
<i>Mid-Cap Value MStar MF Rank</i>	20	12	--	--	--	--	--	--	--	--	--

## Investment Manager

## Calendar Performance (Net of Fees)

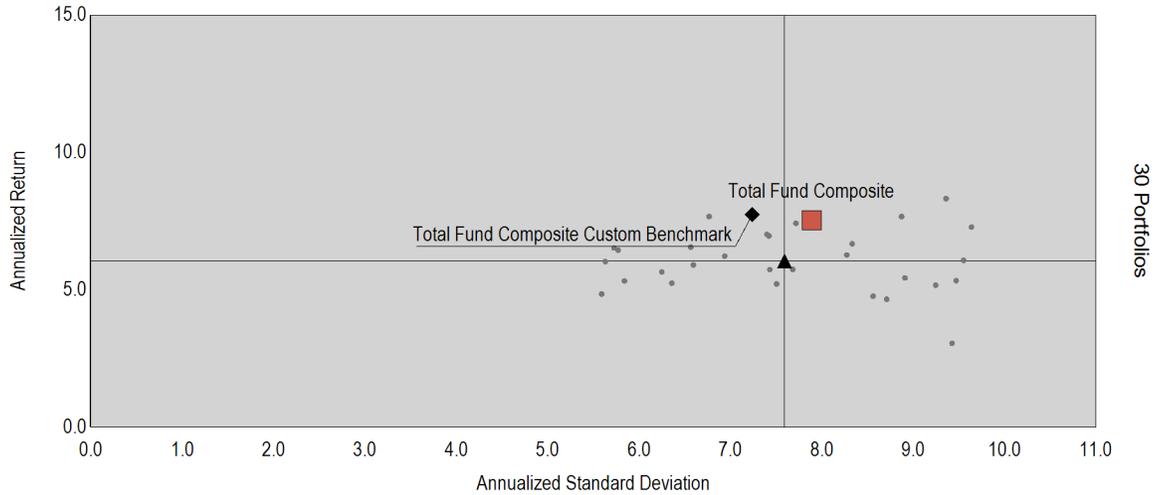
Market Value: \$19.1 Million and 100.0% of Fund

	Calendar Year										
	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)	2005 (%)
Vanguard Mid Cap Growth	-1.0	13.5	--	--	--	--	--	--	--	--	--
CRSP US Mid Cap Growth TR USD	-0.9	13.6	33.0	15.8	-2.2	27.5	38.4	-44.9	19.2	11.2	15.3
Mid-Cap Growth MStar MF Rank	55	7	--	--	--	--	--	--	--	--	--
Vanguard Small Cap Value	-4.7	10.6	--	--	--	--	--	--	--	--	--
CRSP US Small Cap Value TR USD	-4.6	10.6	38.5	20.5	0.0	27.2	37.8	-33.2	-4.9	18.9	6.4
Small Value MStar MF Rank	39	3	--	--	--	--	--	--	--	--	--
Vanguard Small Cap Growth	-2.5	4.0	38.2	--	--	--	--	--	--	--	--
CRSP US Small Cap Growth TR USD	-2.6	4.0	38.4	15.4	-3.1	29.4	41.9	-39.5	9.6	12.9	11.7
Small Growth MStar MF Rank	53	41	70	--	--	--	--	--	--	--	--
<b>Non-US Equity Composite</b>	<b>-9.5</b>	<b>-2.2</b>	<b>5.1</b>	<b>--</b>							
MSCI EAFE + Emerging Markets	-4.2	-4.3	16.1	17.5	-13.8	10.4	40.4	-45.5	15.9	27.3	15.9
InvestorForce Public DB ex-US Eq Net Rank	97	22	99	--	--	--	--	--	--	--	--
Vanguard Total International Stock	-4.4	-4.2	15.0	--	--	--	--	--	--	--	--
FTSE Global All Cap ex US	-4.0	-3.1	15.9	17.9	-14.0	13.2	45.0	-46.0	17.6	28.6	17.8
Foreign Large Growth MStar MF Rank	99	55	75	--	--	--	--	--	--	--	--
Vanguard Emerging Markets	-15.5	0.4	-5.2	--	--	--	--	--	--	--	--
FTSE Emerging Markets	-15.2	1.6	-3.5	17.9	-19.0	19.8	82.6	-52.9	39.7	33.1	35.1
Diversified Emerging Mkts MStar MF Rank	67	25	82	--	--	--	--	--	--	--	--
<b>Real Estate Composite</b>	<b>13.4</b>	<b>12.6</b>	<b>13.3</b>	<b>--</b>							
NFI	13.9	11.5	12.9	9.8	15.0	15.3	-30.4	-10.7	14.8	15.3	20.2
InvestorForce Public DB Real Estate Priv Net Rank	31	42	38	--	--	--	--	--	--	--	--
Principal US Property	13.4	12.6	13.3	11.5	15.3	15.9	-31.6	-13.2	13.4	15.1	18.6
NFI	13.9	11.5	12.9	9.8	15.0	15.3	-30.4	-10.7	14.8	15.3	20.2

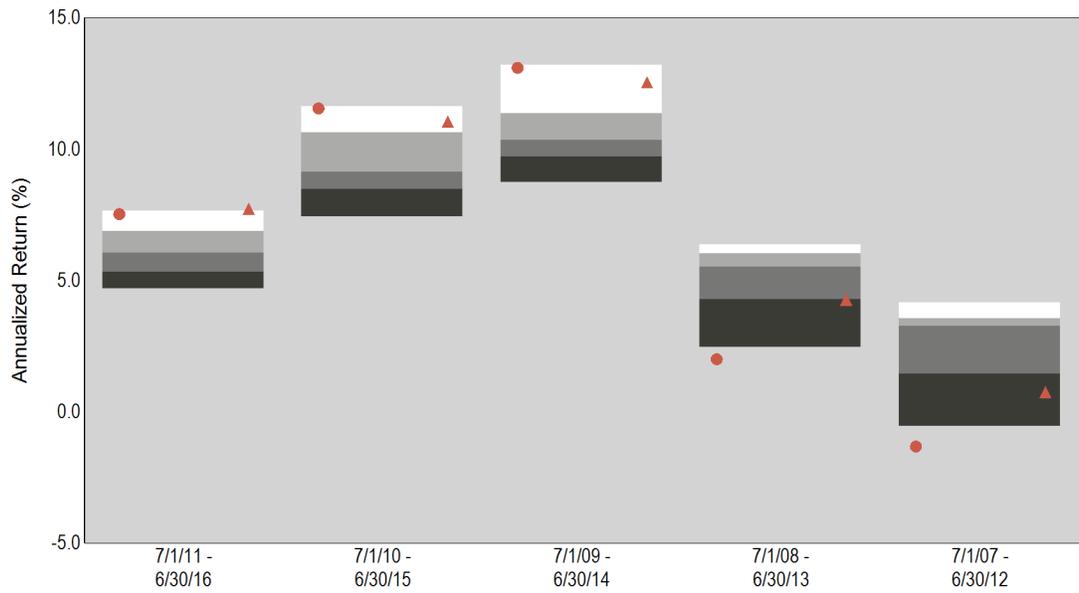
# Total Fund vs. Peer Universe

Market Value: \$19.1 Million and 100.0% of Fund

**Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016**



**Rolling 5 Year Returns**



	Return (Rank)									
	7/1/11 - 6/30/16		7/1/10 - 6/30/15		7/1/09 - 6/30/14		7/1/08 - 6/30/13		7/1/07 - 6/30/12	
5th Percentile	7.7	(11)	11.6	(6)	13.2	(7)	6.4	(99)	4.2	(99)
25th Percentile	6.9	(4)	10.6	(19)	11.4	(10)	6.0	(76)	3.6	(85)
Median	6.1		9.1		10.3		5.5		3.3	
75th Percentile	5.3		8.5		9.7		4.3		1.5	
95th Percentile	4.7		7.4		8.8		2.5		-0.5	
# of Portfolios	30		35		27		32		33	
● Total Fund Composite	7.5	(11)	11.6	(6)	13.1	(7)	2.0	(99)	-1.3	(99)
▲ Total Fund Composite Custom Benchmark	7.7	(4)	11.1	(19)	12.6	(10)	4.3	(76)	0.8	(85)

Market Value: \$19.1 Million and 100.0% of Fund

## 3 Years Ending June 30, 2016

	Sharpe Ratio	Tracking Error	Anlzd Alpha	Beta	R-Squared	Information Ratio	Anlzd Standard Deviation	Up Mkt Capture Ratio Anlzd	Down Mkt Capture Ratio Anlzd
Total Fund Composite	1.0	0.7%	-0.2%	1.0	1.0	-0.2	7.2%	97.8%	98.4%
Total Fund Composite Custom Benchmark	1.0	--	--	--	--	--	7.2%	--	--
Fixed Income Composite	1.2	1.7%	-0.1%	0.9	0.7	-0.3	2.9%	98.3%	118.3%
Barclays Aggregate	1.5	--	--	--	--	--	2.7%	--	--
Preferred Securities	1.9	3.1%	4.7%	1.3	0.1	1.6	3.3%	338.9%	-121.3%
Barclays 1-3 Yr. Govt/Credit	1.6	--	--	--	--	--	0.7%	--	--
Principal Bond & Mortgage	1.4	1.1%	0.1%	0.9	0.8	-0.3	2.6%	96.8%	105.8%
Barclays Aggregate	1.5	--	--	--	--	--	2.7%	--	--
High Yield	0.6	0.9%	-0.6%	0.9	1.0	-0.9	5.7%	92.1%	100.9%
Barclays High Yield	0.7	--	--	--	--	--	6.0%	--	--
US Equity Composite	0.9	1.6%	-0.7%	1.0	1.0	-0.4	11.7%	96.3%	99.1%
Russell 3000	1.0	--	--	--	--	--	11.5%	--	--
Principal Total Market Stock Index	1.0	0.7%	0.2%	1.0	1.0	0.0	11.3%	99.2%	98.6%
Russell 3000	1.0	--	--	--	--	--	11.5%	--	--
Vanguard Small Cap Value	0.7	0.0%	-0.1%	1.0	1.0	-1.4	13.7%	99.9%	100.1%
CRSP US Small Cap Value TR USD	0.7	--	--	--	--	--	13.7%	--	--
Vanguard Small Cap Growth	0.5	0.0%	0.1%	1.0	1.0	2.4	14.1%	100.2%	99.9%
CRSP US Small Cap Growth TR USD	0.5	--	--	--	--	--	14.1%	--	--
Non-US Equity Composite	0.0	4.3%	-0.9%	1.0	0.9	-0.2	13.9%	100.2%	104.6%
MSCI EAFE + Emerging Markets	0.1	--	--	--	--	--	13.3%	--	--
Vanguard Total International Stock	0.1	1.7%	-0.2%	1.0	1.0	-0.2	12.8%	96.9%	99.1%
FTSE Global All Cap ex US	0.2	--	--	--	--	--	13.1%	--	--
Vanguard Emerging Markets	-0.1	1.3%	-0.5%	1.0	1.0	-0.4	16.8%	97.6%	100.2%
FTSE Emerging Markets	0.0	--	--	--	--	--	16.9%	--	--
Real Estate Composite	7.2	1.6%	1.5%	0.9	0.1	0.0	1.6%	100.1%	--
NFI	19.7	--	--	--	--	--	0.6%	--	--
Principal US Property	7.2	1.6%	1.5%	0.9	0.1	0.0	1.6%	100.1%	--
NFI	19.7	--	--	--	--	--	0.6%	--	--

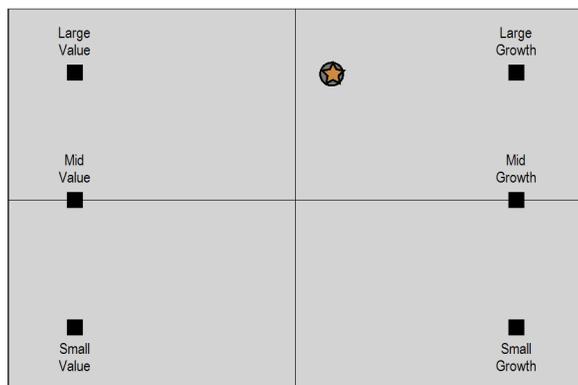
# Vanguard 500 Index

As of June 30, 2016

# Characteristics

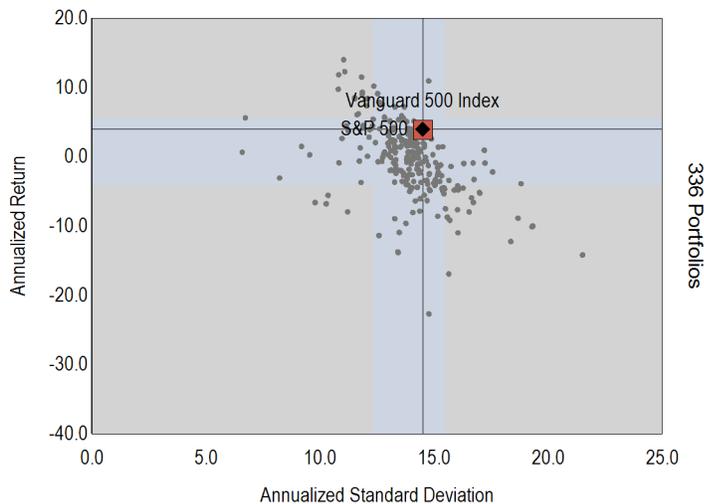
Market Value: \$1.8 Million and 9.5% of Fund

## Style Drift - 1 Year



● Vanguard 500 Index    ★ S&P 500

## Risk / Return - 1 Year



## Characteristics

	Portfolio	S&P 500
Number of Holdings	515	505
Weighted Avg. Market Cap. (\$B)	127.5	127.6
Median Market Cap. (\$B)	18.1	18.1
Price To Earnings	23.8	23.3
Price To Book	4.9	4.4
Price To Sales	3.5	3.0
Return on Equity (%)	18.9	17.7
Yield (%)	2.2	2.2
Beta		1.0
R-Squared		1.0

## Largest Holdings

	End Weight	Return
APPLE	2.9	-11.7
MICROSOFT	2.2	-6.7
EXXON MOBIL	2.1	13.1
JOHNSON & JOHNSON	1.8	12.9
GENERAL ELECTRIC	1.6	-0.2

## Top Contributors

	Beg Wgt	Return	Contribution
AMAZON.COM	1.3	20.5	0.3
EXXON MOBIL	1.9	13.1	0.3
JOHNSON & JOHNSON	1.7	12.9	0.2
PFIZER	1.0	19.9	0.2
AT&T	1.3	11.7	0.2

## Characteristics

	Portfolio	S&P 500
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	7.4	7.4
Materials	2.9	2.9
Industrials	10.1	10.2
Consumer Discretionary	12.2	12.3
Consumer Staples	10.5	10.6
Health Care	14.6	14.7
Financials	15.7	15.7
Information Technology	19.7	19.8
Telecommunications	2.9	2.9
Utilities	3.6	3.6
Unclassified	0.4	0.0

## Bottom Contributors

	Beg Wgt	Return	Contribution
APPLE	3.4	-11.7	-0.4
MICROSOFT	2.4	-6.7	-0.2
ALPHABET 'A'	1.2	-7.8	-0.1
ALPHABET 'C'	1.2	-7.1	-0.1
ALLERGAN	0.6	-13.8	-0.1

## Market Capitalization

	Small Cap	Small/Mid	Mid Cap	Mid/Large	Large Cap
Vanguard 500 Index	0.0%	1.7%	16.7%	32.3%	49.3%
S&P 500	0.0%	1.7%	16.8%	32.2%	49.3%
<i>Weight Over/Under</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>

# Vanguard 500 Index

As of June 30, 2016

# Attribution

Market Value: \$1.8 Million and 9.5% of Fund

## Vanguard 500 Index Performance Attribution vs. S&P 500

	Total Effects	Attribution Effects			Returns		Sector Weights				
		Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.0%	0.0%	0.0%	0.0%	11.6%	11.6%	6.7%	6.7%			
Materials	0.0%	0.0%	0.0%	0.0%	3.7%	3.7%	2.8%	2.8%			
Industrials	0.0%	0.0%	0.0%	0.0%	1.4%	1.4%	10.2%	10.2%			
Cons. Disc.	0.0%	0.0%	0.0%	0.0%	-1.2%	-1.2%	12.6%	12.6%			
Cons. Staples	0.0%	0.0%	0.0%	0.0%	4.6%	4.6%	10.5%	10.5%			
Health Care	0.0%	0.0%	0.0%	0.0%	6.2%	6.2%	14.2%	14.2%			
Financials	0.0%	0.0%	0.0%	0.0%	2.0%	2.0%	15.8%	15.8%			
Info. Tech	0.0%	0.0%	0.0%	0.0%	-2.9%	-2.9%	20.9%	20.9%			
Telecomm.	0.0%	0.0%	0.0%	0.0%	7.1%	7.1%	2.8%	2.8%			
Utilities	0.0%	0.0%	0.0%	0.0%	6.8%	6.8%	3.5%	3.5%			
Cash	0.0%	--	--	--	--	--	0.0%	0.0%			
<b>Portfolio</b>	<b>0.0%</b>	<b>=</b>	<b>0.0%</b>	<b>+</b>	<b>0.0%</b>	<b>+</b>	<b>0.0%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>100.0%</b>	<b>100.0%</b>

## Market Cap Attribution vs. S&P 500

	Portfolio Weight	Index Weight	Excess Weight	Portfolio USD Return	Index USD Return	Excess USD Return	Allocation Effect (Local)	Selection Effect (Local)	Active Contrib.	Passive Contrib.	Total Contrib.
<b>Market Cap. Quintile (\$Bil)</b>											
1) Above 223.21	19.0%	19.0%	0.0%	0.7%	0.7%	0.0%	0.0%	0.0%	0.0%	-0.3%	-0.3%
2) 122.68 - 223.21	20.8%	20.8%	0.0%	3.6%	3.6%	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%
3) 54.61 - 122.68	20.1%	20.1%	0.0%	2.9%	2.9%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
4) 23.79 - 54.61	20.3%	20.2%	0.1%	1.7%	1.7%	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.1%
5) 0.00 - 23.79	19.9%	19.9%	-0.1%	3.0%	3.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
<b>Total</b>				<b>2.4%</b>	<b>2.4%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

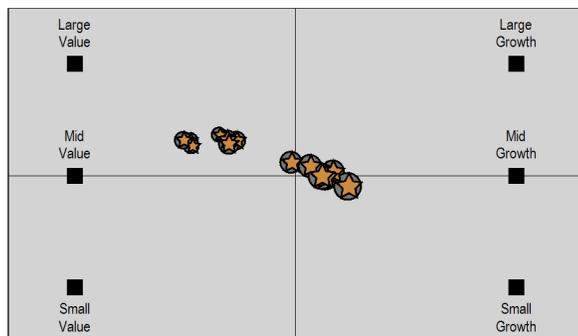
# Vanguard Mid Cap Value

As of June 30, 2016

# Characteristics

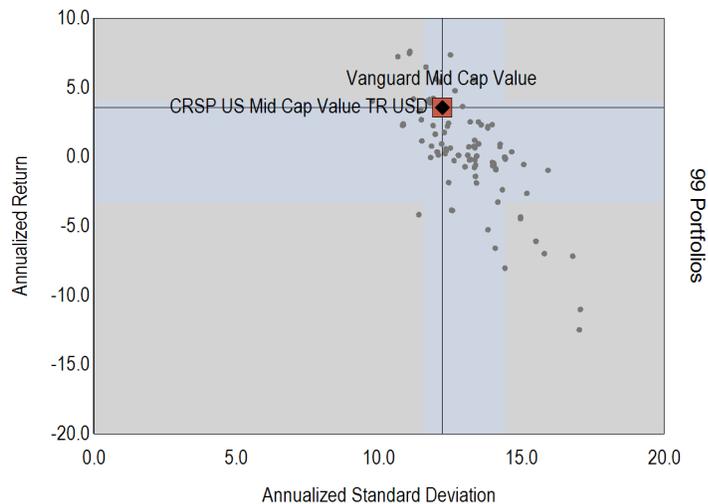
Market Value: \$0.8 Million and 4.3% of Fund

## Style Drift - 2 Years



- Vanguard Mid Cap Value
- ★ CRSP US Mid Cap Value TR USD

## Risk / Return - 2 Years



## Characteristics

	Portfolio	Russell MidCap Value
Number of Holdings	206	566
Weighted Avg. Market Cap. (\$B)	11.6	11.8
Median Market Cap. (\$B)	8.5	5.6
Price To Earnings	21.8	21.2
Price To Book	2.9	2.2
Price To Sales	2.0	2.6
Return on Equity (%)	14.0	9.6
Yield (%)	2.2	2.4
Beta		1.0
R-Squared		1.0

## Largest Holdings

	End Weight	Return
FIDELITY NAT.INFO.SVS.	1.5	16.8
NEWELL RUBBERMAID	1.4	10.1
CONAGRA FOODS	1.3	7.7
NEWMONT MINING	1.3	47.3
WEC ENERGY GROUP	1.3	9.6

## Top Contributors

	Beg Wgt	Return	Contribution
NEWMONT MINING	0.9	47.3	0.4
NVIDIA	1.1	32.3	0.4
ONEOK	0.4	61.7	0.2
MARATHON OIL	0.6	35.3	0.2
BOSTON SCIENTIFIC	0.8	24.2	0.2

## Characteristics

	Portfolio	Russell MidCap Value
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	5.5	10.1
Materials	10.1	6.1
Industrials	8.2	11.1
Consumer Discretionary	17.5	8.4
Consumer Staples	8.7	3.5
Health Care	5.1	4.8
Financials	22.7	32.8
Information Technology	11.2	8.2
Telecommunications	0.4	1.5
Utilities	10.5	13.6
Unclassified	0.2	0.0

## Bottom Contributors

	Beg Wgt	Return	Contribution
UNITED CONTINENTAL HDG.	0.7	-31.4	-0.2
ENDO INTERNATIONAL	0.4	-44.6	-0.2
SEAGATE TECH.	0.6	-27.0	-0.2
ROYAL CARIBBEAN CRUISES	0.9	-17.9	-0.2
HOLLYFRONTIER	0.4	-31.9	-0.1

## Market Capitalization

	Small Cap	Small/Mid	Mid Cap	Mid/Large	Large Cap
Vanguard Mid Cap Value	0.1%	19.4%	76.8%	3.6%	0.0%
Russell MidCap Value	2.0%	30.7%	58.3%	9.0%	0.0%
<i>Weight Over/Under</i>	-1.9%	-11.3%	18.5%	-5.4%	0.0%

# Vanguard Mid Cap Value

As of June 30, 2016

# Attribution

Market Value: \$0.8 Million and 4.3% of Fund

## Vanguard Mid Cap Value Performance Attribution vs. Russell MidCap Value

	Total Effects	Attribution Effects			Returns		Sector Weights				
		Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	-0.3%	-0.2%	-0.2%	0.1%	9.9%	12.2%	5.4%	8.0%			
Materials	-0.1%	-0.2%	0.2%	-0.1%	6.8%	9.7%	9.8%	5.9%			
Industrials	-0.1%	-0.1%	0.0%	0.0%	1.0%	2.3%	8.8%	9.7%			
Cons. Disc.	-1.1%	-0.1%	-1.0%	-0.1%	-6.8%	-6.1%	17.7%	8.3%			
Cons. Staples	0.0%	-0.1%	0.1%	-0.1%	6.2%	7.7%	9.0%	4.5%			
Health Care	-0.2%	-0.2%	0.0%	0.0%	3.6%	6.7%	6.1%	5.7%			
Financials	-0.4%	-0.7%	0.0%	0.2%	2.4%	4.5%	22.2%	33.5%			
Info. Tech	0.0%	0.0%	0.0%	0.0%	3.1%	3.4%	10.9%	9.1%			
Telecomm.	0.1%	-0.1%	0.1%	0.1%	-9.7%	-2.1%	0.4%	1.7%			
Utilities	0.2%	0.4%	-0.1%	-0.1%	10.1%	7.4%	9.7%	13.4%			
Cash	0.0%	--	--	--	--	--	0.0%	0.0%			
<b>Portfolio</b>	<b>-2.1%</b>	<b>=</b>	<b>-1.3%</b>	<b>+</b>	<b>-0.9%</b>	<b>+</b>	<b>0.0%</b>	<b>2.7%</b>	<b>4.8%</b>	<b>100.0%</b>	<b>100.0%</b>

## Market Cap Attribution vs. Russell MidCap Value

	Portfolio Weight	Index Weight	Excess Weight	Portfolio USD Return	Index USD Return	Excess USD Return	Allocation Effect (Local)	Selection Effect (Local)	Active Contrib.	Passive Contrib.	Total Contrib.
<b>Market Cap. Quintile (\$Bil)</b>											
1) Above 18.35	11.8%	19.9%	-8.1%	5.8%	6.6%	-0.8%	-0.2%	-0.1%	-0.2%	0.4%	0.1%
2) 12.16 - 18.35	18.3%	19.7%	-1.4%	7.1%	5.8%	1.3%	0.0%	0.2%	0.2%	0.2%	0.4%
3) 8.34 - 12.16	42.5%	20.1%	22.4%	1.5%	3.8%	-2.4%	-0.2%	-1.0%	-1.2%	-0.2%	-1.4%
4) 5.13 - 8.34	23.0%	19.9%	3.1%	-0.3%	4.0%	-4.4%	0.0%	-1.0%	-1.0%	-0.1%	-1.2%
5) 0.00 - 5.13	4.4%	20.4%	-16.0%	3.0%	3.6%	-0.7%	0.2%	0.0%	0.2%	-0.2%	-0.1%
<b>Total</b>				<b>2.7%</b>	<b>4.8%</b>	<b>-2.1%</b>	<b>-0.2%</b>	<b>-1.9%</b>	<b>-2.1%</b>	<b>0.0%</b>	<b>-2.1%</b>

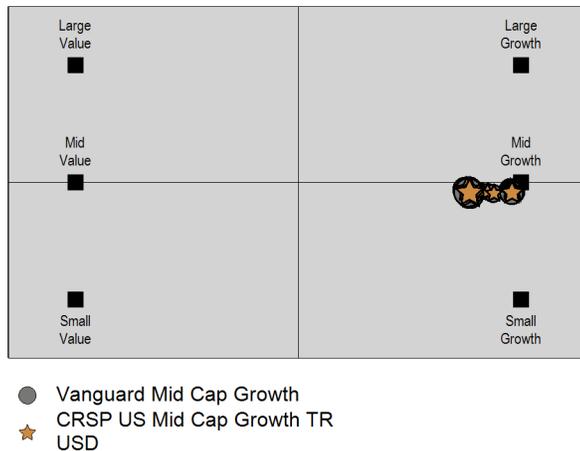
# Vanguard Mid Cap Growth

As of June 30, 2016

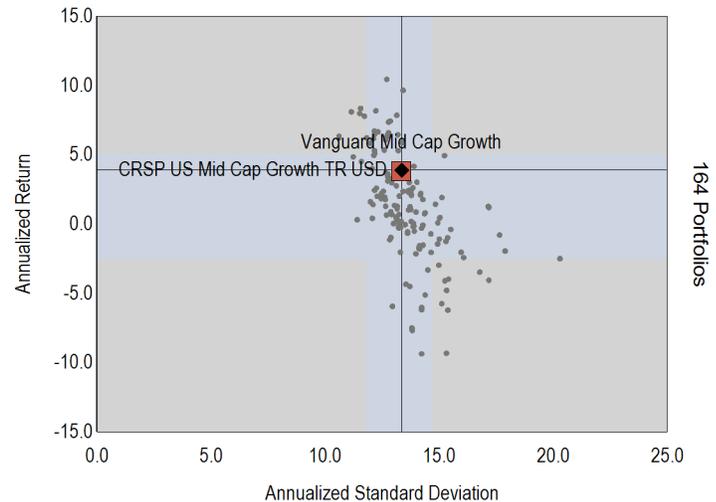
# Characteristics

Market Value: \$0.8 Million and 4.1% of Fund

## Style Drift - 2 Years



## Risk / Return - 2 Years



## Characteristics

	Portfolio	Russell MidCap Growth
Number of Holdings	157	465
Weighted Avg. Market Cap. (\$B)	12.7	12.3
Median Market Cap. (\$B)	9.5	6.5
Price To Earnings	30.1	29.2
Price To Book	5.2	6.2
Price To Sales	5.0	3.6
Return on Equity (%)	19.8	22.9
Yield (%)	0.9	1.1
Beta		1.0
R-Squared		1.0

## Largest Holdings

	End Weight	Return
EQUINIX	1.9	17.8
FISERV	1.7	6.0
ROSS STORES	1.6	-1.8
ELECTRONIC ARTS	1.5	14.6
EDWARDS LIFESCIENCES	1.5	13.1

## Top Contributors

	Beg Wgt	Return	Contribution
EQUINIX (FRA)	1.4	18.6	0.3
DIGITAL REALTY TST.	0.9	24.2	0.2
ULTA SALON CO&FRA.	0.8	25.8	0.2
ELECTRONIC ARTS	1.3	14.6	0.2
DOLLAR TREE	1.3	14.3	0.2

## Characteristics

	Portfolio	Russell MidCap Growth
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	5.0	1.3
Materials	2.3	5.0
Industrials	16.4	14.2
Consumer Discretionary	18.9	24.1
Consumer Staples	2.7	8.0
Health Care	14.8	15.8
Financials	14.0	9.7
Information Technology	23.5	21.2
Telecommunications	2.2	0.5
Utilities	0.2	0.1
Unclassified	0.0	0.0

## Bottom Contributors

	Beg Wgt	Return	Contribution
PALO ALTO NETWORKS	0.9	-24.8	-0.2
SIGNET JEWELERS	0.7	-33.4	-0.2
ALASKA AIR GROUP	0.7	-28.6	-0.2
SKYWORKS SOLUTIONS	1.0	-18.4	-0.2
NORWEGIAN CRUISE LINE HDG.	0.6	-27.9	-0.2

## Market Capitalization

	Small Cap	Small/Mid	Mid Cap	Mid/Large	Large Cap
Vanguard Mid Cap Growth	0.2%	10.4%	81.0%	8.3%	0.0%
Russell MidCap Growth	1.0%	27.6%	58.4%	13.0%	0.0%
<i>Weight Over/Under</i>	-0.8%	-17.2%	22.6%	-4.7%	0.0%

# Vanguard Mid Cap Growth

As of June 30, 2016

# Attribution

Market Value: \$0.8 Million and 4.1% of Fund

## Vanguard Mid Cap Growth Performance Attribution vs. Russell MidCap Growth

	Total Effects	Attribution Effects			Returns		Sector Weights				
		Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.5%	0.0%	0.6%	-0.1%	16.3%	18.5%	4.1%	0.8%			
Materials	0.2%	0.5%	0.0%	-0.3%	13.1%	3.0%	2.0%	5.1%			
Industrials	-0.1%	-0.1%	0.0%	0.0%	-2.6%	-1.7%	16.5%	16.5%			
Cons. Disc.	0.4%	0.2%	0.2%	0.0%	-3.7%	-4.6%	21.8%	24.9%			
Cons. Staples	-0.5%	-0.4%	-0.3%	0.3%	3.0%	7.5%	2.7%	8.4%			
Health Care	0.5%	0.4%	0.1%	0.0%	9.5%	6.5%	13.8%	12.6%			
Financials	0.1%	0.1%	0.1%	0.0%	4.5%	4.2%	14.8%	12.0%			
Info. Tech	-0.6%	-0.6%	0.1%	-0.1%	0.6%	3.5%	21.8%	19.3%			
Telecomm.	0.0%	0.0%	0.1%	-0.1%	3.3%	8.1%	2.1%	0.4%			
Utilities	0.0%	0.0%	0.0%	0.0%	-2.8%	5.9%	0.4%	0.1%			
Cash	0.0%	--	--	--	--	--	0.0%	0.0%			
<b>Portfolio</b>	<b>0.4%</b>	<b>=</b>	<b>0.1%</b>	<b>+</b>	<b>0.7%</b>	<b>+</b>	<b>-0.4%</b>	<b>1.9%</b>	<b>1.5%</b>	<b>100.0%</b>	<b>100.0%</b>

## Market Cap Attribution vs. Russell MidCap Growth

	Portfolio Weight	Index Weight	Excess Weight	Portfolio USD Return	Index USD Return	Excess USD Return	Allocation Effect (Local)	Selection Effect (Local)	Active Contrib.	Passive Contrib.	Total Contrib.
<b>Market Cap. Quintile (\$Bil)</b>											
1) Above 20.56	9.1%	19.9%	-10.9%	4.1%	3.0%	1.1%	-0.2%	0.1%	-0.1%	0.3%	0.2%
2) 14.10 - 20.56	23.5%	19.9%	3.6%	1.4%	2.5%	-1.1%	0.0%	-0.3%	-0.2%	0.2%	0.0%
3) 9.82 - 14.10	32.2%	19.7%	12.4%	1.7%	0.6%	1.1%	-0.1%	0.4%	0.2%	-0.2%	0.0%
4) 6.24 - 9.82	28.4%	20.3%	8.2%	2.6%	0.8%	1.8%	-0.1%	0.5%	0.5%	-0.2%	0.3%
5) 0.00 - 6.24	6.8%	20.1%	-13.3%	-0.5%	0.9%	-1.4%	0.1%	-0.1%	0.0%	-0.1%	-0.1%
<b>Total</b>				<b>1.9%</b>	<b>1.5%</b>	<b>0.4%</b>	<b>-0.2%</b>	<b>0.6%</b>	<b>0.4%</b>	<b>0.0%</b>	<b>0.4%</b>

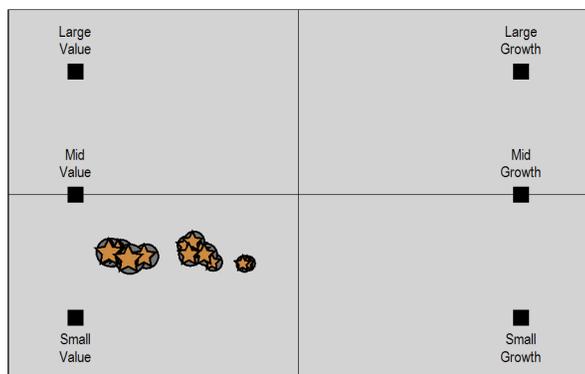
# Vanguard Small Cap Value

As of June 30, 2016

# Characteristics

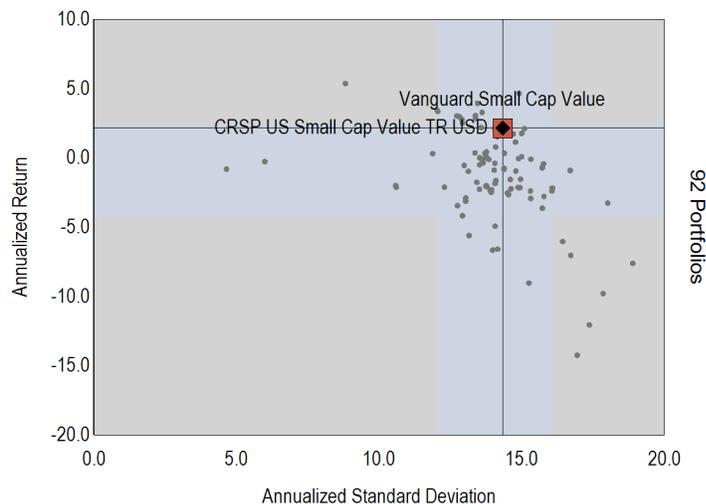
Market Value: \$0.8 Million and 4.3% of Fund

## Style Drift - 2 Years



● Vanguard Small Cap Value  
 ★ CRSP US Small Cap Value TR USD

## Risk / Return - 2 Years



## Characteristics

	Portfolio	Russell 2000 Value
Number of Holdings	855	1,361
Weighted Avg. Market Cap. (\$B)	3.5	1.6
Median Market Cap. (\$B)	1.7	0.6
Price To Earnings	20.7	16.8
Price To Book	2.6	1.5
Price To Sales	2.0	2.3
Return on Equity (%)	11.8	7.1
Yield (%)	2.2	2.0
Beta	0.9	1.0
R-Squared	1.0	1.0

## Largest Holdings

	End Weight	Return
INGREDION	0.6	21.6
NEWFIELD EXPLORATION	0.6	32.9
ARTHUR J GALLAGHER	0.5	7.9
ATMOS ENERGY	0.5	10.1
WESTAR ENERGY	0.5	13.8

## Top Contributors

	Beg Wgt	Return	Contribution
NEWFIELD EXPLORATION	0.4	32.9	0.1
SOUTHWESTERN ENERGY	0.2	55.9	0.1
INGREDION	0.5	21.6	0.1
HNTGTN.INGALLS INDS.	0.4	23.1	0.1
ADVANCED MICRO DEVC.	0.1	80.4	0.1

## Characteristics

	Portfolio	Russell 2000 Value
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	5.5	5.1
Materials	7.6	4.5
Industrials	16.3	12.0
Consumer Discretionary	10.5	10.7
Consumer Staples	4.0	3.0
Health Care	6.1	4.6
Financials	30.0	41.3
Information Technology	10.8	10.2
Telecommunications	0.5	0.8
Utilities	8.7	7.7
Unclassified	0.0	0.0

## Bottom Contributors

	Beg Wgt	Return	Contribution
OFFICE DEPOT	0.3	-53.4	-0.1
FIRST SOLAR	0.3	-29.2	-0.1
JETBLUE AIRWAYS	0.4	-21.6	-0.1
VERIFONE SYSTEMS	0.2	-34.3	-0.1
GOODYEAR TIRE & RUB.	0.3	-22.0	-0.1

## Market Capitalization

	Small Cap	Small/Mid	Mid Cap	Mid/Large	Large Cap
Vanguard Small Cap Value	35.7%	56.9%	7.4%	0.0%	0.0%
Russell 2000 Value	80.4%	19.6%	0.0%	0.0%	0.0%
<i>Weight Over/Under</i>	<i>-44.7%</i>	<i>37.2%</i>	<i>7.4%</i>	<i>0.0%</i>	<i>0.0%</i>

# Vanguard Small Cap Value

As of June 30, 2016

# Attribution

Market Value: \$0.8 Million and 4.3% of Fund

## Vanguard Small Cap Value Performance Attribution vs. Russell 2000 Value

	Total Effects	Attribution Effects			Returns		Sector Weights	
		Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.4%	0.3%	0.0%	0.0%	15.6%	7.3%	4.6%	4.1%
Materials	-0.3%	-0.4%	0.6%	-0.5%	7.3%	19.2%	7.4%	3.5%
Industrials	-0.4%	-0.3%	0.0%	-0.1%	2.2%	4.5%	16.4%	11.9%
Cons. Disc.	-0.5%	-0.4%	-0.1%	-0.1%	-6.0%	-2.4%	11.6%	10.1%
Cons. Staples	0.0%	-0.1%	0.0%	0.0%	8.3%	10.1%	4.1%	3.6%
Health Care	0.0%	0.0%	0.0%	0.0%	2.7%	2.9%	5.9%	4.1%
Financials	0.0%	0.0%	0.0%	0.0%	4.9%	4.9%	29.7%	43.2%
Info. Tech	-0.1%	-0.1%	0.0%	0.0%	-0.1%	0.7%	11.4%	10.7%
Telecomm.	-0.1%	0.0%	0.0%	0.0%	7.6%	12.1%	0.5%	0.9%
Utilities	-0.1%	-0.1%	0.0%	0.0%	9.0%	10.1%	8.4%	7.9%
Cash	0.0%	--	--	--	--	--	0.0%	0.0%
<b>Portfolio</b>	<b>-1.1%</b>	<b>= -0.9%</b>	<b>+ 0.4%</b>	<b>+ -0.6%</b>	<b>3.7%</b>	<b>4.8%</b>	<b>100.0%</b>	<b>100.0%</b>

## Market Cap Attribution vs. Russell 2000 Value

	Portfolio Weight	Index Weight	Excess Weight	Portfolio USD Return	Index USD Return	Excess USD Return	Allocation Effect (Local)	Selection Effect (Local)	Active Contrib.	Passive Contrib.	Total Contrib.
<b>Market Cap. Quintile (\$Bil)</b>											
1) Above 2.72	55.5%	19.7%	35.8%	4.0%	7.4%	-3.4%	0.9%	-1.9%	-1.0%	0.5%	-0.4%
2) 1.86 - 2.72	19.9%	20.1%	-0.1%	2.3%	3.3%	-1.0%	0.0%	-0.2%	-0.2%	-0.3%	-0.5%
3) 1.25 - 1.86	12.3%	20.1%	-7.8%	4.0%	4.3%	-0.2%	0.0%	0.0%	0.0%	-0.1%	-0.1%
4) 0.71 - 1.25	8.9%	20.1%	-11.2%	3.0%	4.4%	-1.3%	0.1%	-0.1%	-0.1%	-0.1%	-0.2%
5) 0.00 - 0.71	3.4%	20.0%	-16.6%	7.1%	4.7%	2.3%	0.0%	0.1%	0.1%	0.0%	0.1%
<b>Total</b>				<b>3.7%</b>	<b>4.8%</b>	<b>-1.1%</b>	<b>1.0%</b>	<b>-2.2%</b>	<b>-1.1%</b>	<b>0.0%</b>	<b>-1.1%</b>

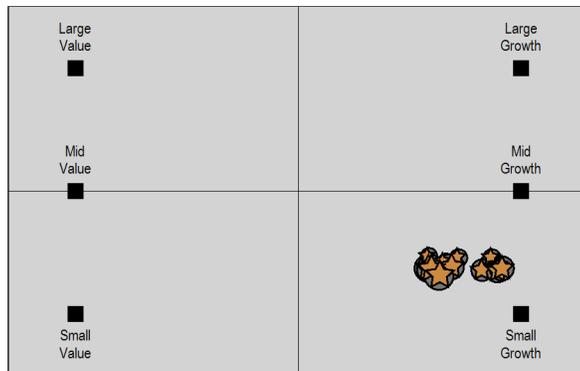
# Vanguard Small Cap Growth

As of June 30, 2016

# Characteristics

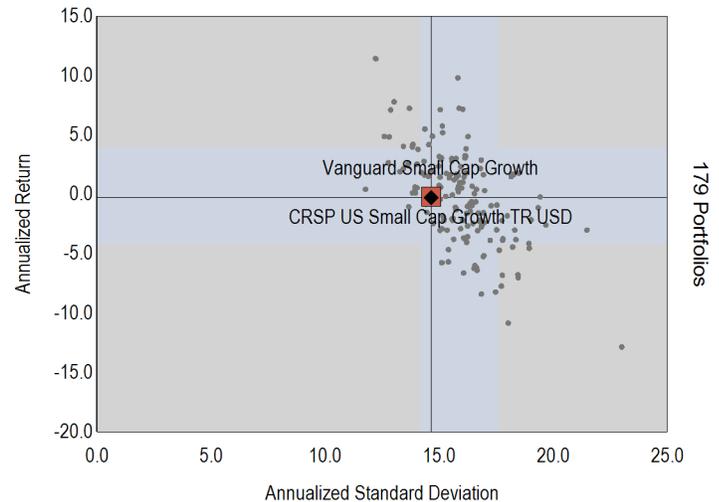
Market Value: \$0.8 Million and 4.1% of Fund

## Style Drift - 2 Years



- Vanguard Small Cap Growth
- ★ CRSP US Small Cap Growth
- ★ TR USD

## Risk / Return - 2 Years



## Characteristics

	Portfolio	Russell 2000 Growth
Number of Holdings	705	1,177
Weighted Avg. Market Cap. (\$B)	3.6	1.8
Median Market Cap. (\$B)	1.7	0.8
Price To Earnings	29.7	26.6
Price To Book	4.6	4.3
Price To Sales	4.6	3.1
Return on Equity (%)	14.8	14.6
Yield (%)	1.1	0.7
Beta	0.8	1.0
R-Squared	1.0	1.0

## Largest Holdings

	End Weight	Return
REGENCY CENTERS	0.7	12.6
CADENCE DESIGN SYS.	0.6	3.1
ITC HOLDINGS	0.6	7.9
WP CAREY	0.6	13.1
COSTAR GP.	0.6	16.2

## Top Contributors

	Beg Wgt	Return	Contribution
ANACOR PHARMACEUTICALS	0.2	85.8	0.2
ZILLOW GROUP CLASS C	0.2	52.9	0.1
ROYAL GOLD	0.3	40.9	0.1
TYLER TECHNOLOGIES	0.4	29.6	0.1
DEMANDWARE	0.1	91.6	0.1

## Characteristics

	Portfolio	Russell 2000 Growth
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	3.3	1.0
Materials	2.5	4.6
Industrials	12.8	15.5
Consumer Discretionary	16.0	16.6
Consumer Staples	3.5	3.3
Health Care	16.3	22.5
Financials	21.6	10.5
Information Technology	22.4	23.9
Telecommunications	0.4	1.2
Utilities	1.2	0.9
Unclassified	0.1	0.0

## Bottom Contributors

	Beg Wgt	Return	Contribution
ISIS PHARMACEUTICALS	0.4	-42.5	-0.2
CAVIUM	0.3	-36.9	-0.1
SYNAPTICS	0.2	-32.6	-0.1
ZEBRA TECHNOLOGIES 'A'	0.3	-27.4	-0.1
SPROUTS FARMERS MARKET	0.3	-21.1	-0.1

## Market Capitalization

	Small Cap	Small/Mid	Mid Cap	Mid/Large	Large Cap
Vanguard Small Cap Growth	35.1%	60.5%	4.3%	0.0%	0.0%
Russell 2000 Growth	72.6%	27.4%	0.0%	0.0%	0.0%
<i>Weight Over/Under</i>	<i>-37.5%</i>	<i>33.2%</i>	<i>4.3%</i>	<i>0.0%</i>	<i>0.0%</i>

# Vanguard Small Cap Growth

As of June 30, 2016

# Attribution

Market Value: \$0.8 Million and 4.1% of Fund

## Vanguard Small Cap Growth Performance Attribution vs. Russell 2000 Growth

	Total Effects	Attribution Effects			Returns		Sector Weights	
		Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.4%	0.1%	0.1%	0.2%	17.7%	8.4%	2.8%	1.0%
Materials	0.0%	0.2%	-0.1%	-0.1%	12.6%	7.6%	2.3%	4.4%
Industrials	0.1%	0.1%	0.0%	0.0%	2.4%	1.8%	12.9%	14.3%
Cons. Disc.	0.2%	0.2%	0.1%	0.0%	-0.3%	-1.3%	17.1%	18.4%
Cons. Staples	-0.1%	0.0%	0.0%	0.0%	8.5%	9.3%	3.0%	3.6%
Health Care	-0.2%	-0.1%	-0.1%	0.0%	4.0%	4.3%	15.9%	23.8%
Financials	0.7%	0.3%	-0.2%	0.5%	5.4%	1.3%	21.4%	8.5%
Info. Tech	0.1%	0.1%	0.0%	0.0%	3.4%	3.1%	23.2%	25.1%
Telecomm.	-0.1%	-0.1%	-0.1%	0.1%	3.2%	14.2%	0.3%	1.0%
Utilities	0.1%	0.0%	0.1%	0.0%	11.4%	11.2%	1.0%	0.1%
Cash	0.0%	--	--	--	--	--	0.0%	0.0%
<b>Portfolio</b>	<b>1.2%</b>	<b>= 0.8%</b>	<b>+ -0.3%</b>	<b>+ 0.7%</b>	<b>4.0%</b>	<b>2.8%</b>	<b>100.0%</b>	<b>100.0%</b>

## Market Cap Attribution vs. Russell 2000 Growth

	Portfolio Weight	Index Weight	Excess Weight	Portfolio USD Return	Index USD Return	Excess USD Return	Allocation Effect (Local)	Selection Effect (Local)	Active Contrib.	Passive Contrib.	Total Contrib.
<b>Market Cap. Quintile (\$Bil)</b>											
1) Above 2.99	53.0%	19.8%	33.3%	3.9%	3.9%	0.0%	0.4%	0.0%	0.4%	0.2%	0.6%
2) 2.13 - 2.99	15.0%	19.6%	-4.7%	2.6%	1.8%	0.8%	0.0%	0.1%	0.2%	-0.2%	0.0%
3) 1.57 - 2.13	13.7%	20.5%	-6.8%	4.4%	0.8%	3.6%	0.1%	0.5%	0.6%	-0.4%	0.2%
4) 0.91 - 1.57	12.6%	20.2%	-7.6%	4.3%	4.7%	-0.4%	-0.1%	-0.1%	-0.2%	0.4%	0.2%
5) 0.00 - 0.91	5.7%	20.0%	-14.2%	7.3%	3.0%	4.3%	0.0%	0.2%	0.2%	0.0%	0.3%
<b>Total</b>				<b>4.0%</b>	<b>2.8%</b>	<b>1.2%</b>	<b>0.4%</b>	<b>0.8%</b>	<b>1.2%</b>	<b>0.0%</b>	<b>1.2%</b>

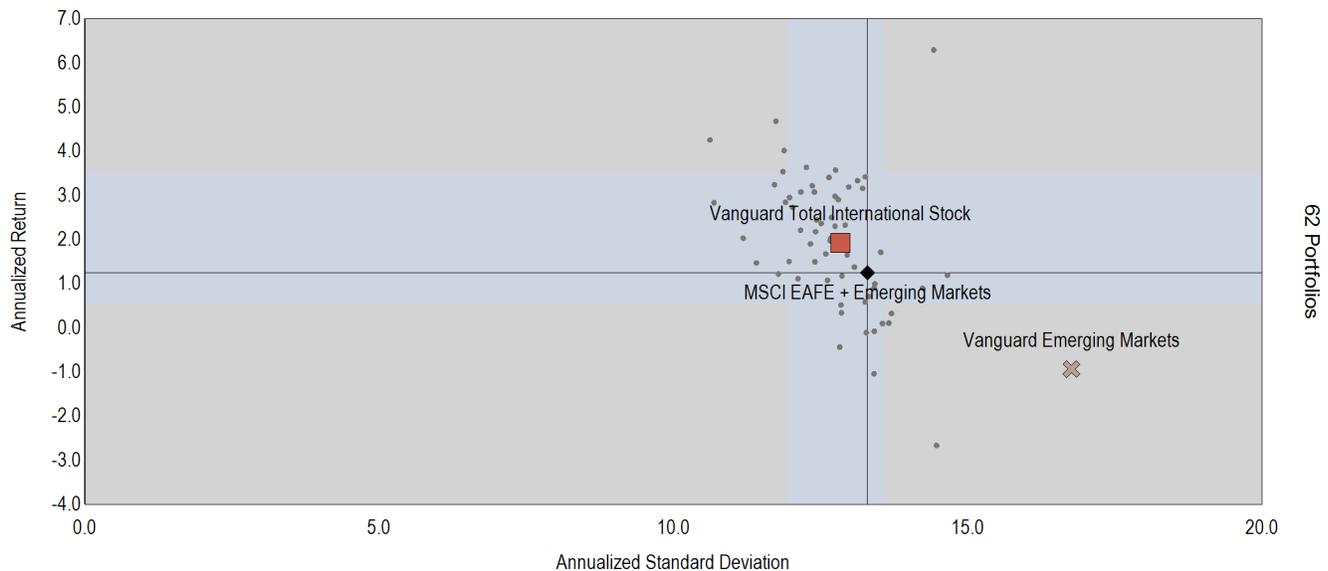
# Non-US Equity Composite

As of June 30, 2016

# Characteristics

Market Value: \$2.4 Million and 12.4% of Fund

## Annualized Return vs. Annualized Standard Deviation



### Characteristics

	Portfolio	MSCI EAFE + Emerging Markets
Number of Holdings	7,547	1,766
Weighted Avg. Market Cap. (\$B)	38.6	49.3
Median Market Cap. (\$B)	1.4	6.4
Price To Earnings	19.6	18.9
Price To Book	3.1	2.4
Price To Sales	2.7	2.3
Return on Equity (%)	15.6	14.0
Yield (%)	3.1	3.2
Beta	1.0	1.0
R-Squared	0.9	1.0

Region	% of Total	% of Bench
North America ex U.S.	4.7%	0.0%
United States	0.3%	0.0%
Europe Ex U.K.	21.1%	33.5%
United Kingdom	8.8%	14.9%
Pacific Basin Ex Japan	11.3%	9.2%
Japan	11.8%	17.8%
Emerging Markets	41.5%	23.7%
Other	0.5%	0.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Characteristics

	Portfolio	MSCI EAFE + Emerging Markets
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	7.2	5.7
Materials	7.7	6.8
Industrials	11.0	11.5
Consumer Discretionary	11.0	11.8
Consumer Staples	10.1	12.1
Health Care	7.4	10.0
Financials	25.4	23.3
Information Technology	10.6	9.5
Telecommunications	5.3	5.5
Utilities	3.7	3.7
Unclassified	0.8	0.0

### Market Capitalization

	Small Cap	Small/Mid	Mid Cap	Mid/Large	Large Cap
Non-US Equity Composite	12.4%	18.9%	27.5%	25.7%	15.5%
<i>Weight Over/Under</i>					

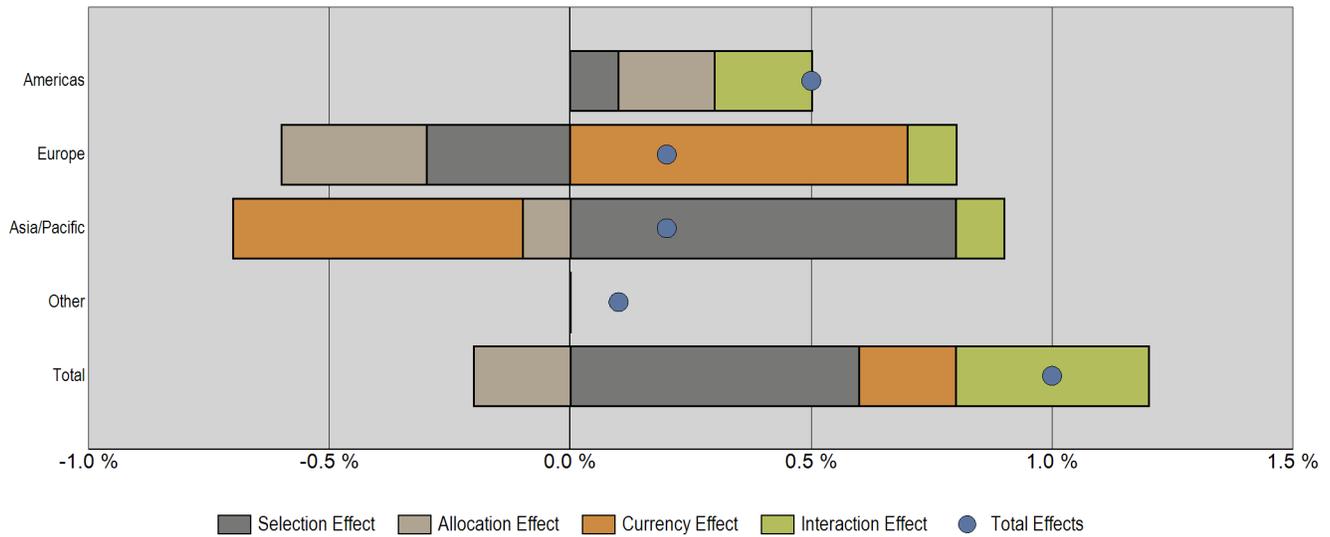
# Non-US Equity Composite

# Attribution

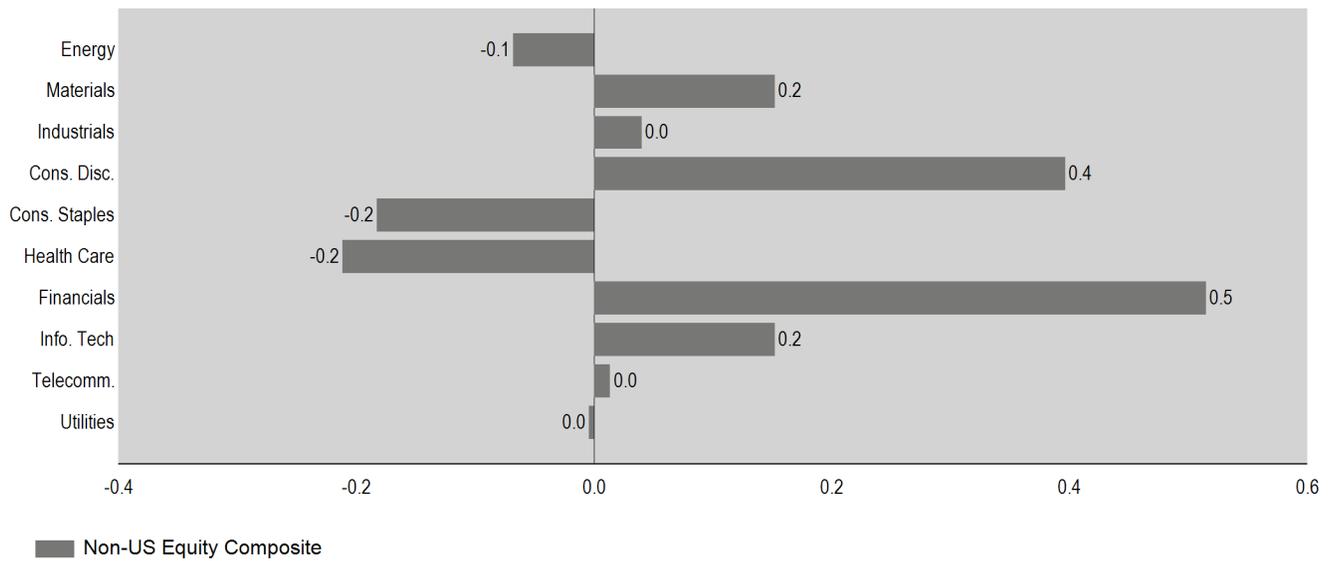
As of June 30, 2016

Market Value: \$2.4 Million and 12.4% of Fund

### Regional Attribution vs MSCI EAFE + Emerging Markets



### Active Contribution vs. MSCI EAFE + Emerging Markets



### Market Cap Attribution vs. MSCI EAFE + Emerging Markets

	Portfolio Weight	Index Weight	Excess Weight	Portfolio USD Return	Index USD Return	Excess USD Return	Allocation Effect (Local)	Selection Effect (Local)	Active Contrib.	Passive Contrib.	Total Contrib.
<b>Market Cap. Quintile (\$Bil)</b>											
1) Above 82.81	14.5%	19.9%	-5.3%	5.3%	4.5%	0.8%	-0.4%	0.2%	-0.1%	1.0%	0.9%
2) 36.40 - 82.81	15.0%	20.0%	-5.0%	-1.7%	-3.3%	1.6%	0.1%	0.3%	0.4%	-0.5%	-0.1%
3) 18.69 - 36.40	17.0%	20.1%	-3.1%	-0.6%	-1.4%	0.8%	0.0%	0.1%	0.2%	-0.1%	0.0%
4) 8.85 - 18.69	18.8%	20.0%	-1.2%	-0.3%	-1.7%	1.3%	0.0%	0.3%	0.3%	-0.2%	0.1%
5) 0.00 - 8.85	34.6%	20.0%	14.6%	0.0%	-1.3%	1.3%	-0.3%	0.6%	0.3%	-0.1%	0.1%
<b>Total</b>				<b>0.3%</b>	<b>-0.6%</b>	<b>1.0%</b>	<b>-0.5%</b>	<b>1.5%</b>	<b>1.0%</b>	<b>0.0%</b>	<b>1.0%</b>

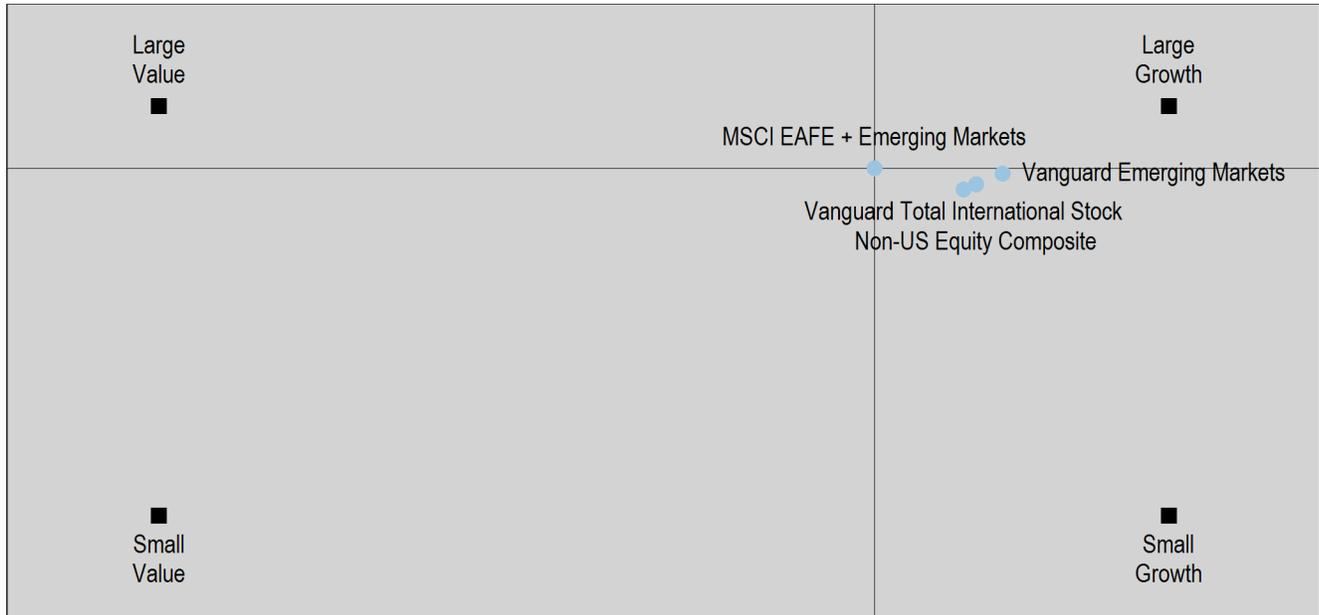
# Non-US Equity Composite

As of June 30, 2016

Style

Market Value: \$2.4 Million and 12.4% of Fund

## Equity Style Map



## Common Holdings Matrix

	Vanguard Total International Stock		Vanguard Emerging Markets	
	#	%	#	%
Vanguard Total International Stock	--	--	2,066	95
Vanguard Emerging Markets	2,066	18	--	--

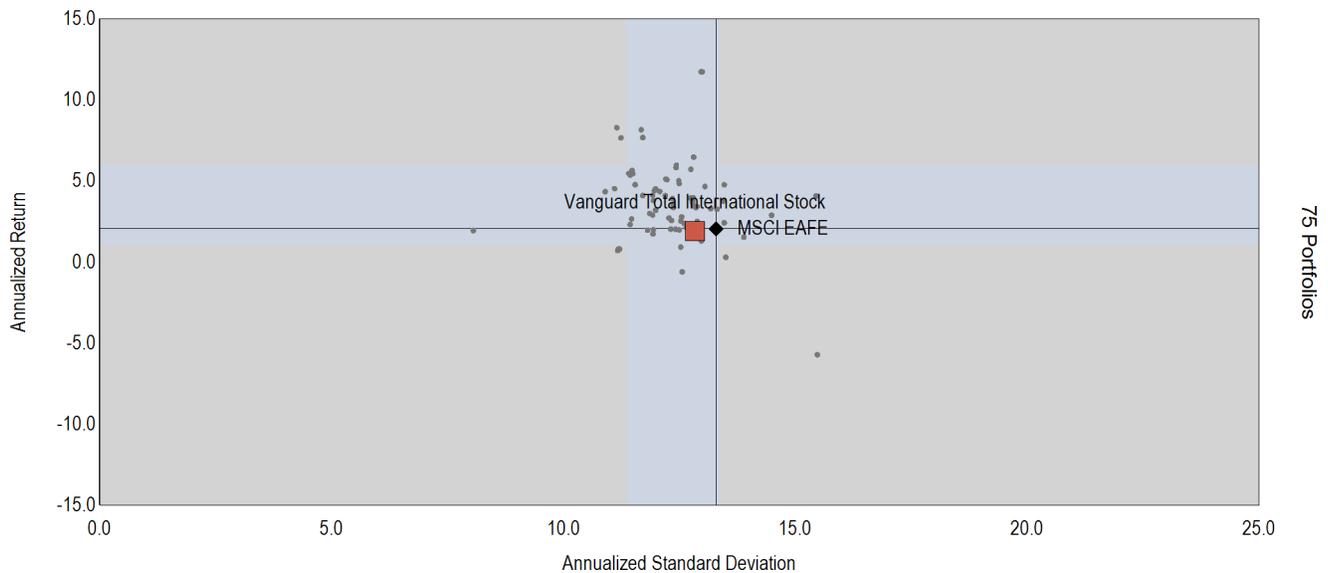
# Vanguard Total International Stock

As of June 30, 2016

## Characteristics

Market Value: \$1.6 Million and 8.4% of Fund

### Annualized Return vs. Annualized Standard Deviation



### Characteristics

	Portfolio	MSCI EAFE	Region	% of Total	% of Bench
Number of Holdings	5,984	930	North America ex U.S.	7.0%	0.0%
Weighted Avg. Market Cap. (\$B)	41.3	51.3	United States	0.3%	0.0%
Median Market Cap. (\$B)	1.4	8.5	Europe Ex U.K.	30.9%	44.1%
Price To Earnings	19.4	19.1	United Kingdom	13.0%	19.6%
Price To Book	3.0	2.4	Pacific Basin Ex Japan	11.2%	12.0%
Price To Sales	2.6	2.2	Japan	17.4%	23.5%
Return on Equity (%)	14.9	12.7	Emerging Markets	19.6%	0.0%
Yield (%)	3.2	3.4	Other	0.6%	0.8%
Beta	0.9	1.0	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
R-Squared	0.9	1.0			

### Characteristics

	Portfolio	MSCI EAFE
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	6.5	5.2
Materials	7.8	6.9
Industrials	12.6	13.3
Consumer Discretionary	11.8	12.2
Consumer Staples	11.0	13.3
Health Care	9.3	12.4
Financials	23.9	22.4
Information Technology	8.2	5.4
Telecommunications	4.6	5.2
Utilities	3.6	3.9
Unclassified	0.6	0.0

### Market Capitalization

	Small Cap	Mid Cap	Large Cap
Vanguard Total International Stock	20.8%	21.0%	58.2%
MSCI EAFE	5.6%	21.8%	72.6%
<b>Weight Over/Under</b>	<b>15.3%</b>	<b>-0.8%</b>	<b>-14.5%</b>

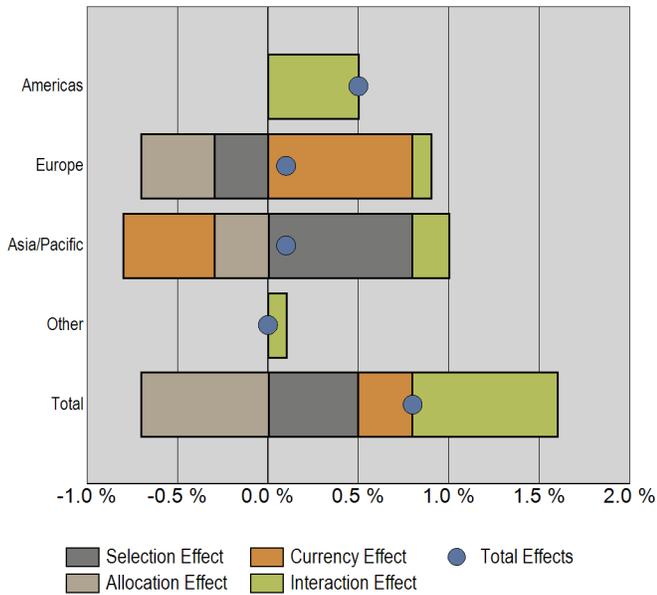
# Vanguard Total International Stock

As of June 30, 2016

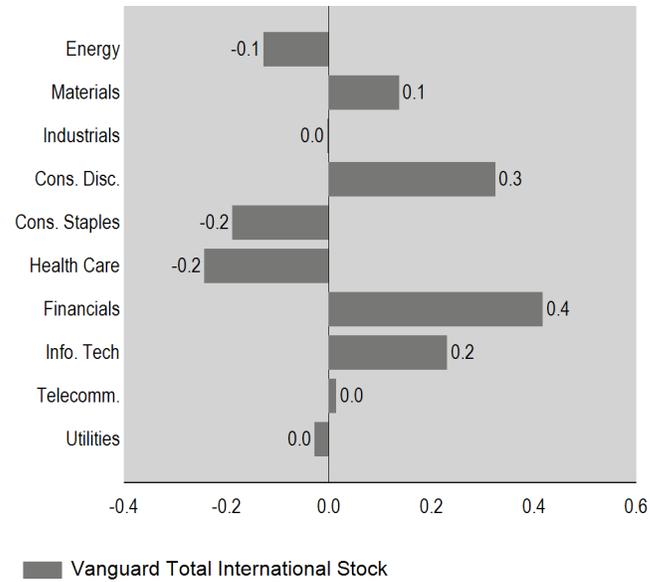
## Attribution

Market Value: \$1.6 Million and 8.4% of Fund

### Vanguard Total International Stock Performance Attribution vs. MSCI EAFE



### Active Contribution



### Performance By Characteristic

Market Cap. Quintile (\$Bil)	Portfolio Weight	Index Weight	Excess Weight	Portfolio USD Return	Index USD Return	Excess USD Return	Allocation Effect (Local)	Selection Effect (Local)	Active Contrib.	Passive Contrib.	Total Contrib.
1) Above 86.95	14.5%	19.8%	-5.2%	5.0%	4.4%	0.6%	-0.4%	0.2%	-0.2%	1.1%	0.9%
2) 42.89 - 86.95	15.2%	20.0%	-4.8%	-2.6%	-3.7%	1.0%	0.1%	0.3%	0.3%	-0.5%	-0.2%
3) 22.61 - 42.89	16.5%	20.2%	-3.6%	-1.7%	-2.8%	1.1%	0.1%	0.2%	0.3%	-0.3%	-0.1%
4) 10.51 - 22.61	18.5%	20.1%	-1.6%	-0.7%	-1.6%	0.9%	0.0%	0.2%	0.2%	-0.1%	0.1%
5) 0.00 - 10.51	35.2%	20.0%	15.2%	-0.8%	-2.2%	1.4%	-0.4%	0.6%	0.2%	-0.2%	0.0%
<b>Total</b>				<b>-0.4%</b>	<b>-1.2%</b>	<b>0.8%</b>	<b>-0.6%</b>	<b>1.5%</b>	<b>0.8%</b>	<b>0.0%</b>	<b>0.8%</b>

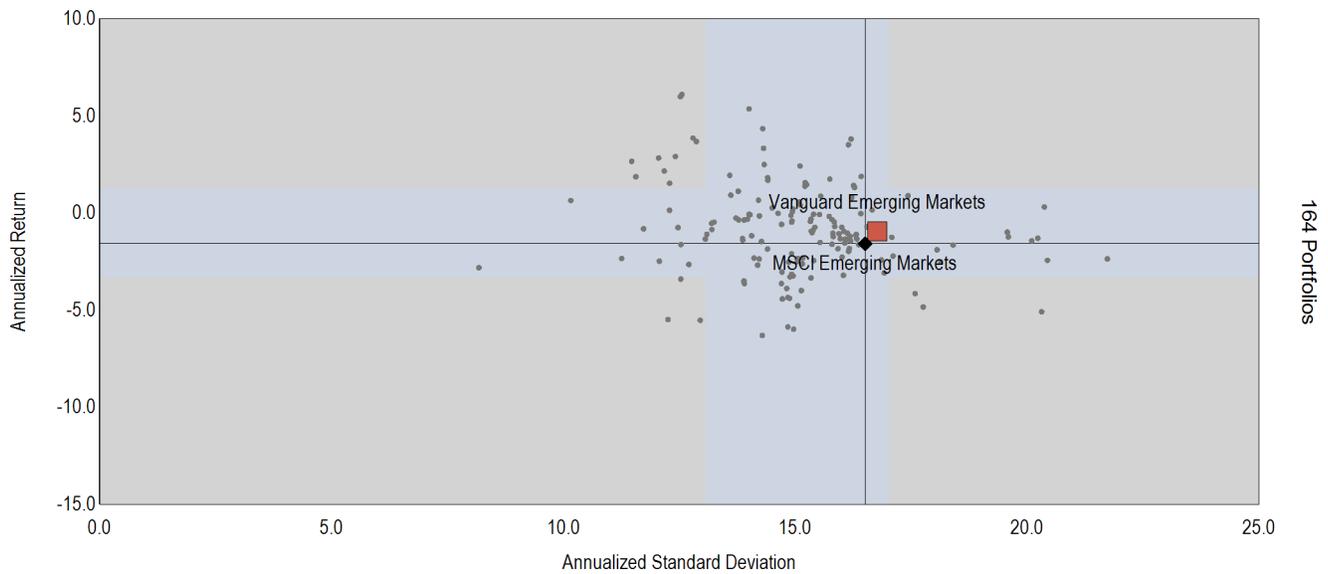
# Vanguard Emerging Markets

As of June 30, 2016

# Characteristics

Market Value: \$0.8 Million and 4.0% of Fund

## Annualized Return vs. Annualized Standard Deviation



### Characteristics

	Portfolio	MSCI Emerging Markets
Number of Holdings	3,625	836
Weighted Avg. Market Cap. (\$B)	32.8	42.9
Median Market Cap. (\$B)	1.4	4.6
Price To Earnings	20.1	17.7
Price To Book	3.3	2.6
Price To Sales	3.1	2.4
Return on Equity (%)	17.2	17.8
Yield (%)	3.0	2.7
Beta	1.0	1.0
R-Squared	1.0	1.0

Region	% of Total	% of Bench
EM Asia	55.7%	70.2%
EM Latin America	15.4%	13.5%
EM Europe & Middle East	7.1%	6.8%
EM Africa	8.7%	7.4%
Other	13.1%	2.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Characteristics

	Portfolio	MSCI Emerging Markets
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	8.6	7.4
Materials	7.7	6.5
Industrials	7.4	5.9
Consumer Discretionary	9.4	10.5
Consumer Staples	8.0	8.5
Health Care	3.2	2.7
Financials	28.5	26.1
Information Technology	15.6	22.6
Telecommunications	6.7	6.7
Utilities	3.9	3.2
Unclassified	1.0	0.0

### Market Capitalization

	Small Cap	Mid Cap	Large Cap
Vanguard Emerging Markets	15.7%	23.7%	60.7%
MSCI Emerging Markets	6.2%	23.2%	70.6%
<b>Weight Over/Under</b>	<b>9.4%</b>	<b>0.5%</b>	<b>-9.9%</b>

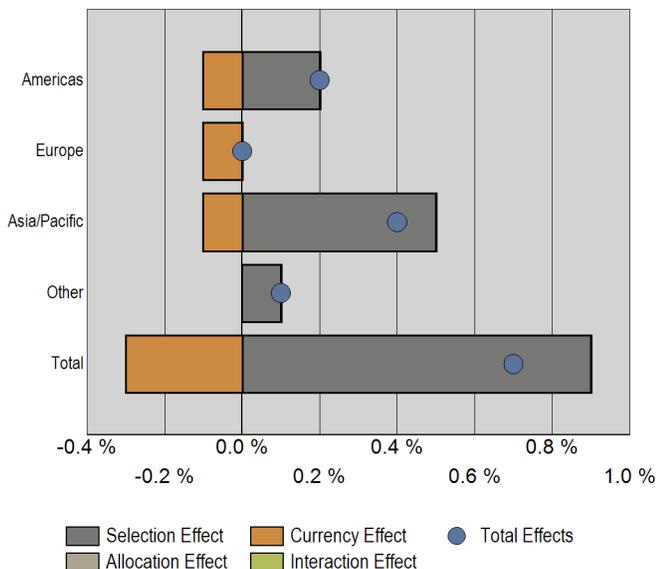
# Vanguard Emerging Markets

As of June 30, 2016

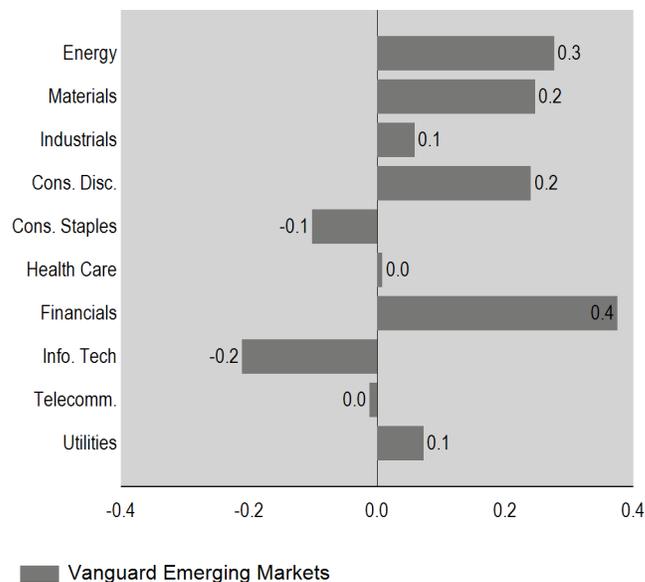
## Attribution

Market Value: \$0.8 Million and 4.0% of Fund

Vanguard Emerging Markets Performance Attribution vs. MSCI Emerging Markets



Active Contribution



Performance By Characteristic

Market Cap. Quintile (\$Bil)	Portfolio Weight	Index Weight	Excess Weight	Portfolio USD Return	Index USD Return	Excess USD Return	Allocation Effect (Local)	Selection Effect (Local)	Active Contrib.	Passive Contrib.	Total Contrib.
1) Above 82.81	11.2%	19.9%	-8.7%	7.5%	4.5%	3.1%	-0.6%	0.6%	0.0%	1.0%	1.0%
2) 36.40 - 82.81	9.4%	20.0%	-10.6%	2.8%	-3.3%	6.1%	0.2%	0.8%	0.9%	-0.5%	0.4%
3) 18.69 - 36.40	15.1%	20.1%	-5.0%	0.8%	-1.4%	2.1%	0.1%	0.3%	0.4%	-0.1%	0.2%
4) 8.85 - 18.69	21.9%	20.0%	1.9%	1.2%	-1.7%	2.9%	0.0%	0.6%	0.6%	-0.2%	0.4%
5) 0.00 - 8.85	42.4%	20.0%	22.4%	1.0%	-1.3%	2.3%	-0.5%	1.2%	0.7%	-0.1%	0.6%
<b>Total</b>				<b>1.9%</b>	<b>-0.6%</b>	<b>2.6%</b>	<b>-0.9%</b>	<b>3.4%</b>	<b>2.6%</b>	<b>0.0%</b>	<b>2.6%</b>

# Principal US Property

As of March 31, 2016

# Characteristics

Market Value: \$2.3 Billion and 12.0% of Fund

## Characteristics

## Strategy Breakdown

	Principal U.S.P.A.
Number of Properties	147
Total Square Feet	
% in Top Ten	27.6%
% Leased (By Square Feet)	91.2%
% Leverage	21.8%
% Equity	67.2%
% Joint Ventures	32.8%
1-Year Dividend Yield	
1-Year Net Income Return	3.9%
1-Year Gross Appreciation Return	8.0%
1-Year Gross Total Return	13.5%
% of Portfolio Owned by Client	

	% of Portfolio	Top Five Metro Areas	% of NAV
Pre-Dvp/Fwd Comm.	1.3%	Seattle	7.9%
Development	4.9%	New York	7.7%
Re-Development	0.1%	Cambridge	6.1%
Initial Leasing	5.2%	Houston	6.0%
Operating	88.5%	Austin	5.5%
Cash, Debt & Other	0.0%		
		<b>Queue %</b>	
Fund GAV	\$8,844,641,812		1.8%
Fund NAV	\$6,719,535,589		2.4%
Queue	+\$161,715,000		
Queue Length	6-9 months		

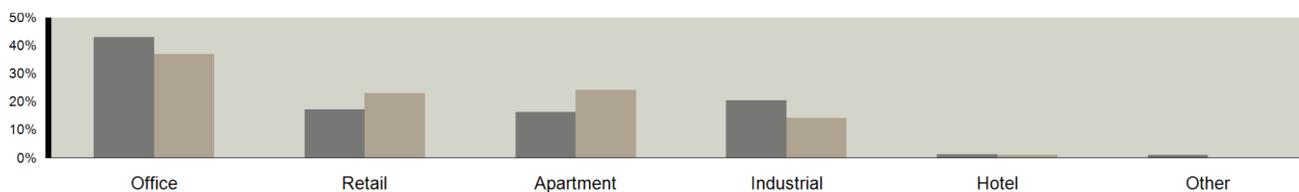
## Top Ten Holdings Investment Detail

Property	Type	Location	Total Cost (\$M)		% of Fund
			Fair Market Value (\$M)		
Charles Park	Office	Cambridge, MA	\$146.9	\$238.0	3.5%
Energy Center	Office	Houston, TX	\$237.8	\$216.3	3.2%
112 at 12th Street	Office	Seattle, WA	\$157.4	\$205.0	3.1%
1370 Avenue of the Americas	Office	New York, NY	\$260.4	\$195.7	2.9%
Watermark Kendall East & West	Multifamily/Retail	Cambridge, MA	\$168.8	\$188.8	2.8%
Park Place	Office/Retail/Land	Anaheim, CA	\$362.0	\$180.1	2.7%
150 Spear Street	Office	San Francisco, CA	\$164.2	\$176.8	2.6%
225 West Santa Clara	Office	San Jose, CA	\$140.4	\$160.3	2.4%
Portales Corporate Center	Office	Phoenix, AZ	\$186.6	\$147.1	2.2%
Hazard Center	Office/Retail	San Diego, CA	\$138.8	\$143.8	2.1%
<b>Total</b>			<b>\$1,963.3</b>	<b>\$1,851.9</b>	<b>27.6%</b>

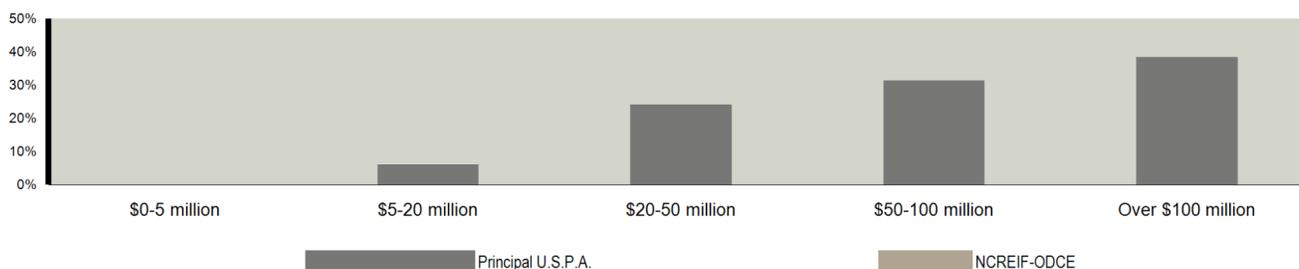
## Regional Breakdown by NAV (Excluding Cash & Debt)



## Property Type Breakdown by NAV (Excluding Cash & Debt)



## Property Size Breakdown by NAV (Excluding Cash & Debt)



\*Other: Land

# Total Fund Composite

# Fee Schedule

Market Value: \$19.1 Million and 100.0% of Fund

Asset Class	Investment Manager	Fee Schedule	Expense Ratio & Estimated Annual Fee <sup>1</sup>	Industry Average <sup>2</sup>
Short-Term Fixed Income	Preferred Securities	0.91% on the Balance	0.91% \$4,578	0.50%
Int. Fixed Income	Principal Bond & Mortgage	0.71% on the Balance	0.71% \$2,631	0.30%
Core Plus Fixed Income	Principal Fixed Income	0.66% on the Balance	0.66% \$27,008	0.30%
High Yield Fixed Income	High Yield	0.81% on the Balance	0.81% \$3,795	0.50%
Large-Cap Core	Principal Total Market Stock Index	0.31% on the Balance	0.31% \$5,026	0.60%
Large-Cap Core	Principal Large Cap S&P 500 Index	0.31% on the Balance	0.31% \$7,300	0.60%
Large-Cap Core	Vanguard 500 Index	0.17% on the Balance	0.17% \$3,080	0.95%
Mid-Cap Value	Vanguard Mid Cap Value	0.09% on the Balance	0.09% \$733	0.91%
Mid-Cap Growth	Vanguard Mid Cap Growth	0.09% on the Balance	0.09% \$709	0.95%
Small-Cap Value	Vanguard Small Cap Value	0.09% on the Balance	0.09% \$748	1.06%
Small-Cap Growth	Vanguard Small Cap Growth	0.09% on the Balance	0.09% \$699	1.00%
Non-U.S. Large-Cap Growth	Vanguard Total International Stock	0.22% on the Balance	0.22% \$3,522	1.04%
Emerging Markets	Vanguard Emerging Markets	0.33% on the Balance	0.33% \$2,545	1.27%
Core Real Estate	Principal US Property	1.15% on the Balance	1.15% \$26,484	1.03%
<b>Total Investment Management Fees</b>			<b>0.46%</b> <b>\$88,858</b>	<b>0.74%</b>
Investment Consultant	Marquette Associates, Inc.	\$24,000 Annual Fee	0.13% \$24,000	
<b>Total Fund</b>			<b>0.59%</b> <b>\$112,858</b>	

<sup>1</sup> Expense Ratio & Estimated Annual Fee are Based on Market Value at Quarter End.

<sup>2</sup> Source: Marquette Associates Investment Management Fee Study.