

Investment Performance Review  
Period Ending December 31, 2016

**Destin Fire Control District  
Firefighters'  
Retirement Trust Fund**

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**AndCo Consulting** | (844) 44-ANDCO | [AndCoConsulting.com](http://AndCoConsulting.com)

*Formerly The Bogdahn Group*

On the cover of your standard quarterly report, and on all documents we will be sending to you going forward, you will notice **your name** comes before ours. That is not by accident. Everything from the services we provide to how we are structured as an organization is designed to ensure that you, our client, comes first.

We take our role as an independent institutional consulting firm and plan fiduciary very seriously, and we believe this approach and philosophy adds real value to our clients. To ensure that the client always comes first in the service equation and that our fiduciary responsibility is never compromised, the important principles of independence, objectivity and transparency are embodied in our mission and vision statements and define who we are as an organization. They are engrained in our culture and corporate values and used to guide our actions every day.

Over the years, the investment environment has grown more complex and we've seen our staff grow and our expertise and services advance to serve our expanding clientele. To strengthen business continuity and meet the needs of our clients, we recently began a program to broaden employee ownership of our firm. Inherently, as we thought about our mission (*To represent the sole interest of our clients by redefining independence*), vision (*To be a transformational organization viewed as the leader in our industry*), and the passion behind our service culture, we wanted to do something significant that would better reflect who we are as an organization and how we never compromise our client-first mentality and service philosophy.

### Why a Company Rebrand?

After more than a decade of growth and original brand equity, why would a company rebrand now? Though client-first consulting has been a cornerstone of our company since its inception, with the milestone of transitioning majority ownership from our founder to the firm's next generation of leadership, it became the perfect opportunity to reintroduce ourselves to the world as AndCo. We have always believed the assets of our firm were the collective body of individuals working together to serve our clients. It has always been bigger than one or even a handful of people. We feel this rebrand is a better reflection of this belief and conviction along with our mission and vision. Our team members could work at other places but they choose to work at AndCo because they believe this approach is better for clients. Business will continue as usual, as the leadership and team you have come to know and trust will not be impacted by this rebrand.

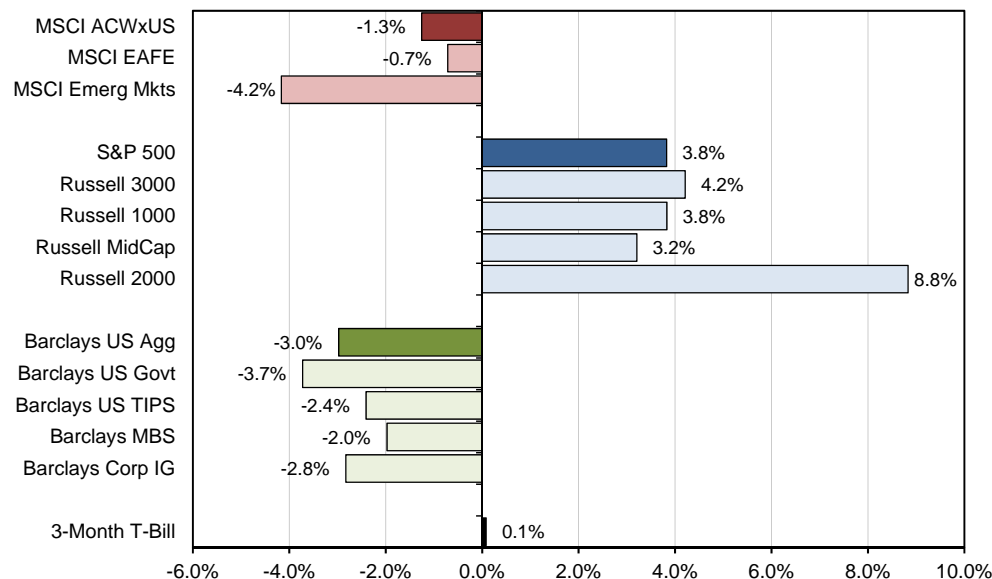
### Why AndCo?

As AndCo, we want your first impression to be our commitment to client-first consulting. Our promise to you spans from our very foundation up to the name on our building. Most importantly, this company rebrand sets the stage for the future of our firm, and your place in it. At AndCo, it is always:

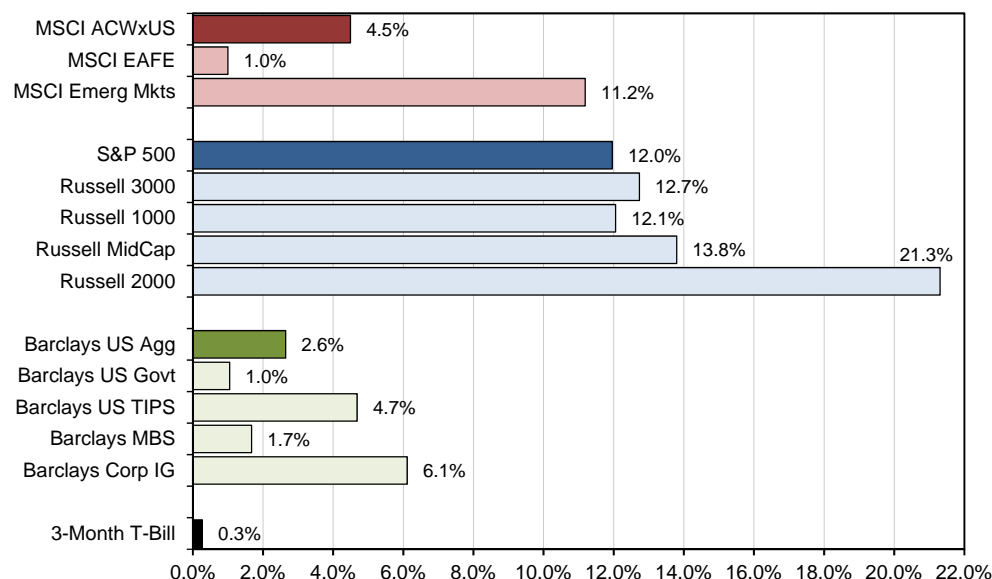
**Our Clients** 

- Broad asset class returns were mixed for the 4<sup>th</sup> quarter. Domestic equity indices posted positive performance for the quarter, while broad international equity and fixed income benchmarks were negative for the period. The quarter's investment cycle was dominated first by the U.S. presidential election, and then by the largely anticipated Federal Reserve (Fed) interest rate hike in December. The uncertainty that drove equity returns lower during the first half of the quarter gave way to a string of positive macroeconomic data and a Trump victory that drove equity benchmarks, particularly in the U.S., higher through the remainder of the quarter. Trump's platform of strengthening infrastructure, deregulation, and lower personal and corporate taxes drove expectations higher for both domestic growth and inflation. The broad market Russell 3000 Index returned 4.2% for the quarter. The small cap Russell 2000 Index more than doubled performance of other capitalization indices with a return of 8.8% for the quarter and a strong 21.3% for the trailing one-year period.
- International equity market benchmarks stumbled during the quarter with the broad market MSCI ACWI ex U.S. Index posting a return of -1.3% for the period in U.S. dollar (USD) terms. Despite the difficult quarter, the broad market index returned a moderate 4.5% for 2016. Developed markets (-0.7%) outperformed emerging markets (-4.2%) for the quarter as developed market economic data was generally positive. However, emerging markets substantially outperformed developed markets for the one-year period with the MSCI Emerging Markets Index returning 11.2% versus a return of 1.0% for the MSCI EAFE Index.
- The quarter's strong economic backdrop led the Federal Open Market Committee (FOMC) to follow through on investors' expectations and raise short-term interest rates for the first time in 2016. The same events that drove domestic equity markets higher were a headwind for fixed income markets. As a result, the U.S. Treasury yield curve rose dramatically during the quarter with modestly elevated rates at shorter maturities and larger increases in mid-to-long-term maturities. All investment grade benchmarks were negative for the quarter, but the mortgage-backed securities sector was down less than other investment grade sectors due to its shorter duration. Although the 4<sup>th</sup> quarter took back some of 2016's earlier gains, investment grade benchmarks finished in positive territory for the year. The Bloomberg Barclays Investment Grade Corporate Bond Index was the best performer over the one-year period, advancing a solid 6.1%. Corporate issues benefited from increased demand for yield which led to credit spread compression, especially in lower quality issues.

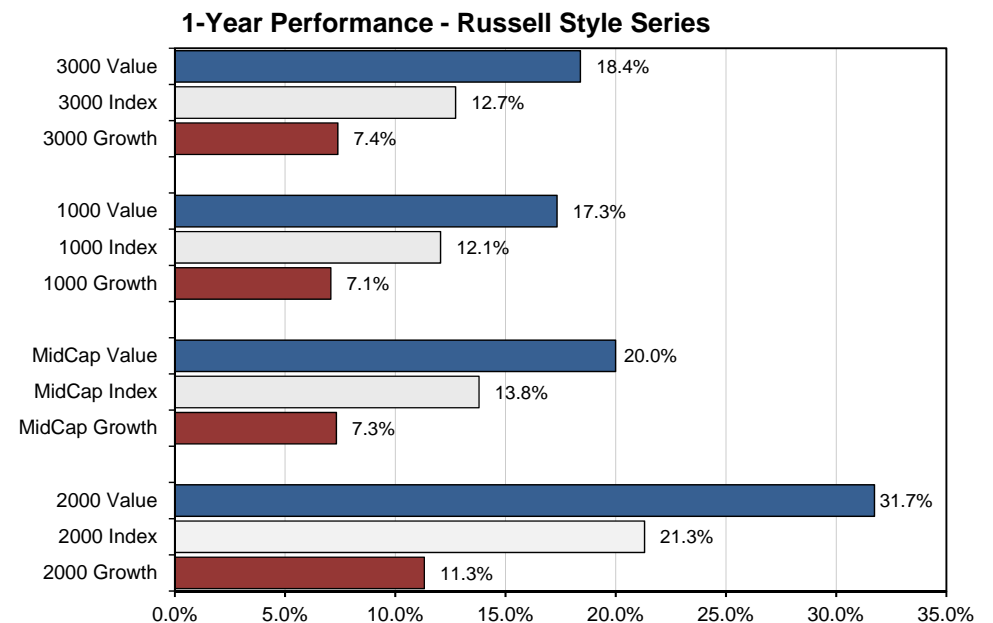
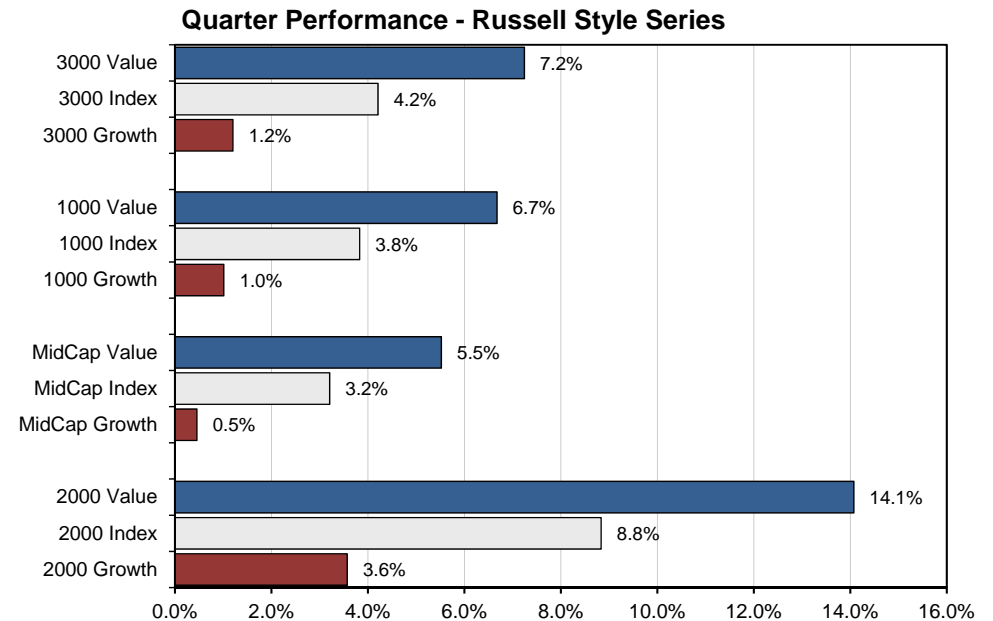
### Quarter Performance



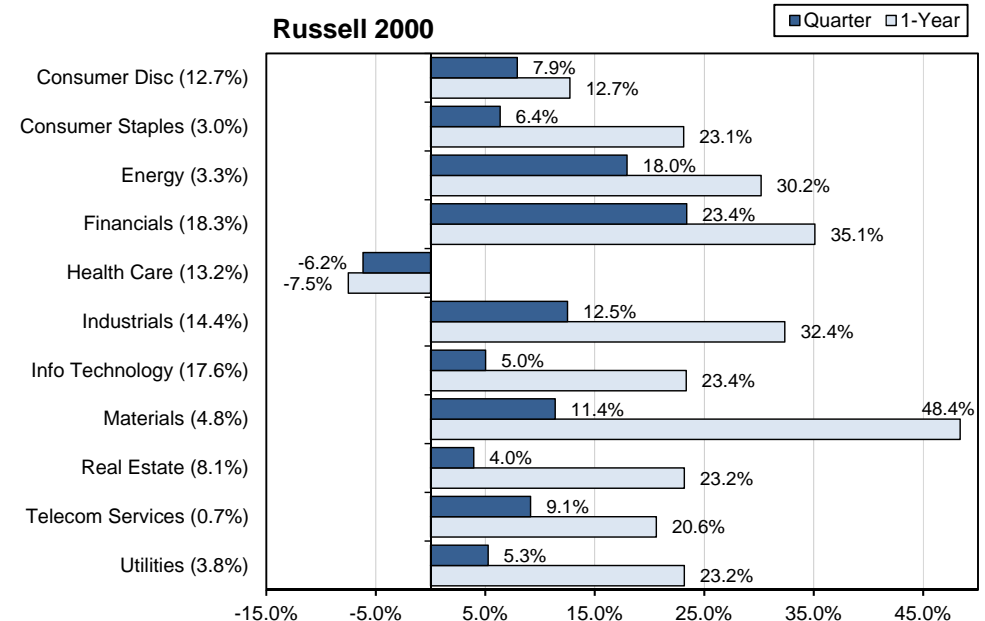
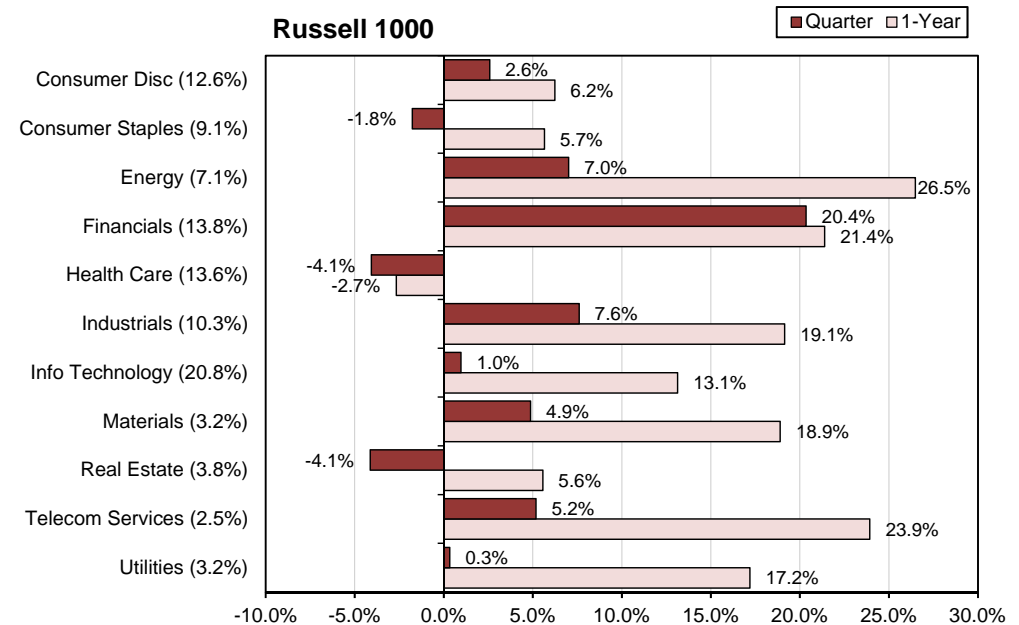
### 1-Year Performance



- U.S. equity index returns were positive across the style and capitalization spectrum for the 4<sup>th</sup> quarter as well as for calendar year 2016. During the quarter, index returns were driven by encouraging economic data including improvements in GDP growth, employment, housing, and consumer confidence being reported throughout the period. Domestic markets continued to rally after the November presidential election with several domestic indices hitting new highs on expectations resulting from Trump's "market-friendly" policy objectives. While the Fed did increase interest rates in December, the market reaction was relatively tame as the rate hike was widely expected.
- Small cap benchmarks posted the quarter's strongest performance for both value and growth issues. At the core, the small cap Russell 2000 Index returned a robust 8.8% for the quarter and a stellar 21.3% for the year. Although still positive, the core large cap Russell 1000 Index returned a lower 3.8% for the quarter and 12.1% for the year. This dispersion is not totally outside of the norm as small cap stocks generally outperform large cap stocks during "risk-on" market expansions. Interestingly, mid cap stocks finished behind both small and large cap issues for the quarter. This is partially due to the Russell Midcap Index's higher allocations to the real estate and utilities sectors, which were two of the worst performing sectors for the quarter.
- Value benchmarks more than doubled their comparable growth benchmarks across the capitalization spectrum for both the quarter and one-year periods. Unlike prior quarters where value index outperformance was driven by exposure to higher yielding "bond proxy" sectors, this quarter's returns were led by exposure to cyclical sectors, particularly financials. Value-style outperformance persists over the one-year period with double-digit returns ranging from an impressive 31.7% for the Russell 2000 Value Index to a still strong 17.3% for the Russell 1000 Value Index. In contrast, growth index performance lagged value results substantially, returning 11.3% and 7.1% for the Russell 2000 Growth and Russell 1000 Growth respectively.
- Domestic equity valuations appear stretched relative to historical levels based on Forward Price/Earnings ratios (P/E), with even the cheapest relative indices trading marginally above historical valuations. The large and midcap growth indices have valuation levels near their respective historical averages, while the remaining indices fall between 110% and 137% of their 15-year averages.



- Large cap sector performance spanned a range of nearly 25% during the 4<sup>th</sup> quarter, with results in five of eleven economic sectors outpacing the Russell 1000 Index return, and eight of eleven sectors posting gains for the period. Financials were the clear leader during the quarter, posting a strong return of 20.4%, which nearly tripled the result of any other sector. Financials benefited from expectations for potential deregulation as well as the impact of higher interest rates on future profitability. The industrials (7.6%) and materials (4.9%) sectors also outperformed for the period as Trump's promise for increased investment in U.S. infrastructure brightened the outlook for both sectors. The energy sector (7.0%) also posted a solid gain for the quarter as oil prices rose following an OPEC agreement to cut supply in November. Prices rose further after several non-OPEC countries indicated they would also reduce production. The real estate and health care sectors were the weakest performers for the quarter, both posting -4.1% for the period. Real estate and other "bond proxy" sectors such as consumer staples and utilities were impacted by higher interest rates, reducing the demand for more defensive equity issues. The health care sector's weak performance was more symptomatic of the uncertainty surrounding the future of health care regulation under a new Administration determined to repeal the Affordable Care Act. Despite some divergence in the 4<sup>th</sup> quarter, sector performance over the one-year period was robust with ten of eleven sectors posting positive results and seven putting up double-digit gains.
- Small cap sector results were roughly in-line with large caps for the 4<sup>th</sup> quarter, with five of eleven economic sectors outpacing the Russell 2000 Index return for the quarter and ten of eleven sectors posting positive results for the period. Most of the trends observable in large cap index sector performance also impacted the small cap sectors, but to a larger, positive degree. Similar to large cap issues, higher yielding, defensive sectors lagged the more cyclical, economically sensitive sectors. Over the trailing one-year period the materials, financials, industrials, and energy sectors each posted returns in excess of 30%. The sole negative small cap sector for the year was health care with a return of -7.5%.
- Using S&P 500 sector valuations as a proxy for the market, Forward P/E ratios for five GICS sectors were below their long-term averages at quarter-end. The technology and health care sectors were trading at the largest discount to their long-term average P/E ratios. In contrast, the energy and utilities sector valuations were the most extended relative to their historical P/E ratios.



**The Market Environment**  
**Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000**  
As of December 31, 2016

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	2.95%	3.0%	12.5%	Information Technology
Microsoft Corp	2.19%	8.6%	15.1%	Information Technology
Exxon Mobil Corp	1.75%	4.3%	19.9%	Energy
Johnson & Johnson	1.47%	-1.8%	15.3%	Health Care
JPMorgan Chase & Co	1.46%	30.5%	34.6%	Financials
Berkshire Hathaway Inc B	1.43%	12.8%	23.4%	Financials
Amazon.com Inc	1.35%	-10.4%	10.9%	Consumer Discretionary
General Electric Co	1.35%	7.5%	4.6%	Industrials
AT&T Inc	1.22%	6.0%	29.9%	Telecommunication Services
Facebook Inc A	1.20%	-10.3%	9.9%	Information Technology

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
CVR Energy Inc	0.00%	91.7%	-27.2%	Energy
CoreCivic Inc	0.01%	79.4%	0.8%	Real Estate
United States Steel Corp	0.02%	75.4%	319.6%	Materials
California Resources Corp	0.00%	70.3%	-8.6%	Energy
NVIDIA Corp	0.25%	56.0%	226.9%	Information Technology
SVB Financial Group	0.04%	55.3%	44.4%	Financials
KeyCorp	0.09%	50.9%	42.1%	Financials
EP Energy Corp A	0.00%	49.5%	49.5%	Energy
Goldman Sachs Group Inc	0.43%	48.9%	34.9%	Financials
SLM Corp	0.02%	47.5%	69.0%	Financials

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Twilio Inc A	0.00%	-55.2%	N/A	Information Technology
Puma Biotechnology Inc	0.00%	-54.2%	-60.8%	Health Care
Community Health Systems Inc	0.00%	-51.6%	-74.5%	Health Care
Fitbit Inc A	0.00%	-50.7%	-75.3%	Information Technology
GoPro Inc A	0.00%	-47.8%	-51.6%	Consumer Discretionary
Hertz Global Holdings Inc	0.01%	-46.3%	-61.8%	Industrials
GNC Holdings Inc	0.00%	-45.1%	-63.0%	Consumer Discretionary
Alnylam Pharmaceuticals Inc	0.01%	-44.8%	-60.2%	Health Care
Juno Therapeutics Inc	0.01%	-37.2%	-57.1%	Health Care
Groupon Inc	0.01%	-35.5%	8.1%	Consumer Discretionary

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Advanced Micro Devices Inc	0.45%	64.1%	295.1%	Information Technology
Microsemi Corp	0.33%	28.6%	65.6%	Information Technology
Webster Financial Corp	0.26%	43.7%	50.0%	Financials
Prosperity Bancshares Inc	0.26%	31.4%	53.5%	Financials
Bank of the Ozarks Inc	0.25%	37.5%	8.0%	Financials
RSP Permian Inc	0.23%	15.1%	82.9%	Energy
Curtiss-Wright Corp	0.23%	8.2%	44.4%	Industrials
EMCOR Group Inc	0.23%	18.8%	48.2%	Industrials
Aspen Technology Inc	0.23%	16.9%	44.8%	Information Technology
PrivateBancorp Inc	0.23%	18.0%	32.2%	Financials

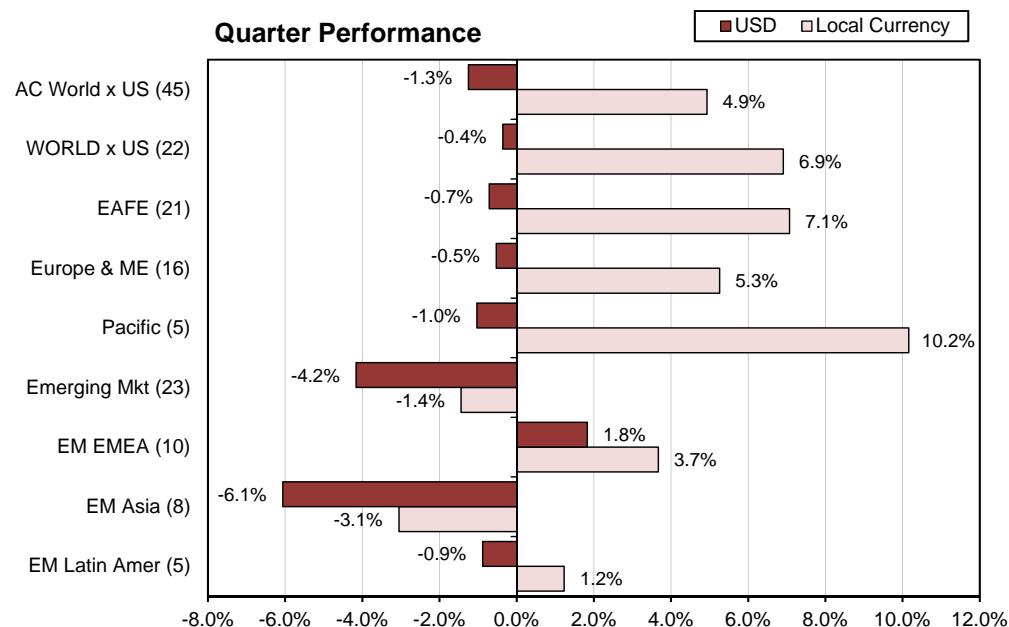
Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Wins Finance Holdings Inc	0.01%	508.7%	1400.0%	Financials
Key Energy Services Inc	0.00%	293.0%	-66.2%	Energy
Peabody Energy Corp	0.00%	222.6%	-34.9%	Energy
Altisource Asset Management Corp	0.00%	189.2%	211.8%	Real Estate
Seventy Seven Energy Inc	0.00%	138.7%	4185.7%	Energy
AK Steel Holding Corp	0.17%	111.4%	355.8%	Materials
Era Group Inc	0.02%	110.8%	52.2%	Energy
NL Industries Inc	0.00%	107.4%	168.1%	Industrials
Fred's Inc	0.03%	106.1%	15.6%	Consumer Discretionary
Pier 1 Imports Inc	0.04%	104.8%	77.9%	Consumer Discretionary

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Code Rebel Corp	0.00%	-98.0%	-100.0%	Information Technology
Republic Airways Holdings Inc	0.00%	-93.4%	-98.5%	Industrials
Basic Energy Services Inc	0.00%	-92.5%	-97.7%	Energy
Ophthotech Corp	0.01%	-89.5%	-93.8%	Health Care
Cempra Inc	0.01%	-88.4%	-91.0%	Health Care
Violin Memory Inc	0.00%	-88.2%	-98.2%	Information Technology
Adeptus Health Inc Class A	0.01%	-82.3%	-86.0%	Health Care
6D Global Technologies Inc	0.00%	-80.0%	-99.7%	Information Technology
Proteon Therapeutics Inc	0.00%	-79.6%	-87.7%	Health Care
Anthera Pharmaceuticals Inc	0.00%	-79.4%	-86.0%	Health Care

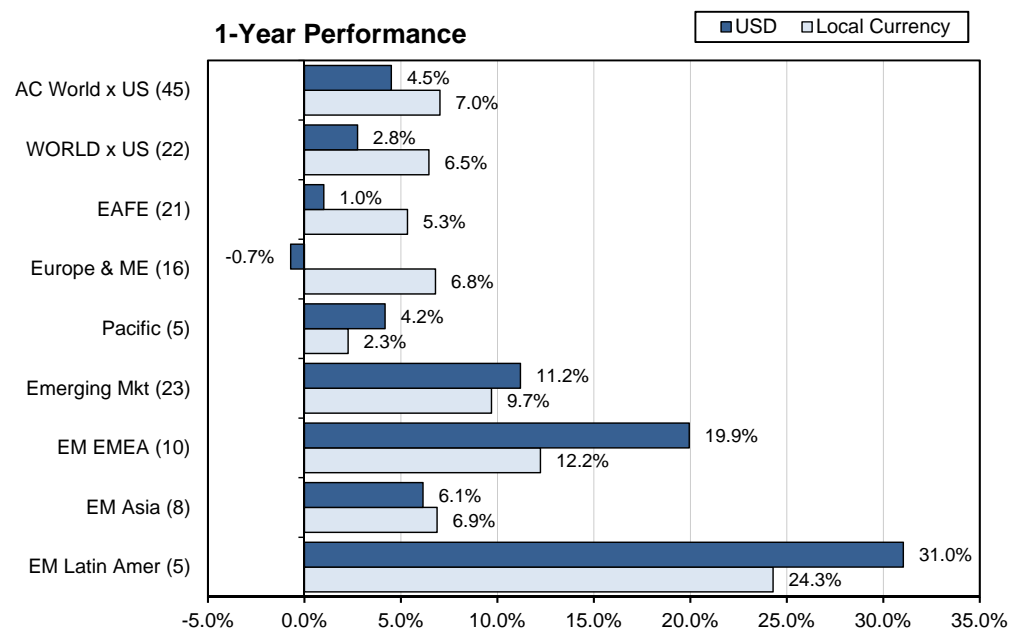


- As the USD versus local currency return charts illustrate, the USD's strength was a major headwind for international index performance during the 4<sup>th</sup> quarter as well as over the trailing one-year period. The primary factor contributing to the return differentials in 2016 was increasing divergence in U.S. monetary policy (tightening) relative to other developed countries (further accommodation). While the U.S. growth prospects support reduced monetary stimulus, economic data in the Eurozone supports a continuation of monetary accommodation to bolster what has been a slow recovery. As such, the European Central Bank (ECB) lengthened its quantitative easing program, originally scheduled to end in March 2017, to December 2017. Although the program was extended, the ECB reduced the size of monthly purchases from \$80 billion euros to \$60 billion euros. This economic divergence was further reinforced after the election as Trump's pro-growth policies and protectionist views on trade, if enacted, favor additional USD strength.
- The 4<sup>th</sup> quarter's USD performance was negative for both developed (-0.7%) and emerging (-4.2%) markets. While emerging market performance (-1.4%) was also negative in local currency terms for the period, the currency impact was more pronounced in developed market results with the MSCI-EAFE Index's local currency return of 7.1% representing a 7.9% spread relative to the benchmark's USD returns. While USD strength is also evident in the one-year performance of developed markets (1.0% USD vs. 5.3% local), USD emerging market performance of 11.2% marginally outpaced the emerging market local currency return of 9.7%. Japanese equities advanced considerably in local currency terms as a weaker yen was viewed as a major tailwind to its export driven economy. The U.K. also posted a solid quarter in local currency terms on the back of a weakening pound sterling and continued stimulus. Despite their local currency return strength, the USD returns of both countries were negative for the quarter with Japan returning -0.2% and the U.K. returning -0.9%.
- While the 4<sup>th</sup> quarter's emerging market results were negatively impacted by rising yields, a stronger USD, and fears surrounding future U.S. trade and foreign policy, one-year performance in emerging markets was more than double the returns posted by developed markets. Although one-year of outperformance does not represent a trend, emerging market investors are hoping for a continuance of 2016's emerging market performance surge after several years of lagging results relative to domestic and developed international equity markets.

### Quarter Performance



### 1-Year Performance



**The Market Environment**  
**U.S. Dollar International Index Attribution & Country Detail**  
As of December 31, 2016

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	12.5%	1.6%	-1.3%
Consumer Staples	11.2%	-10.3%	-2.8%
Energy	5.5%	10.4%	26.8%
Financials	21.2%	9.5%	-1.7%
Health Care	10.7%	-7.8%	-11.8%
Industrials	14.0%	-1.9%	6.7%
Information Technology	5.5%	-3.2%	3.6%
Materials	7.9%	3.4%	24.3%
Real Estate	3.7%	-7.4%	2.6%
Telecommunication Services	4.5%	-6.9%	-7.3%
Utilities	3.4%	-7.4%	-5.5%
<b>Total</b>	<b>100.0%</b>	<b>-0.7%</b>	<b>1.0%</b>

MSCI - ACWIXUS	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	11.5%	-0.9%	-0.6%
Consumer Staples	9.8%	-10.1%	-1.9%
Energy	7.3%	8.3%	31.3%
Financials	23.4%	6.8%	4.0%
Health Care	8.1%	-8.1%	-13.1%
Industrials	11.7%	-2.2%	6.3%
Information Technology	9.3%	-5.0%	10.7%
Materials	8.0%	2.6%	27.6%
Real Estate	3.3%	-7.9%	1.4%
Telecommunication Services	4.7%	-6.7%	-4.1%
Utilities	3.2%	-7.2%	-3.3%
<b>Total</b>	<b>100.0%</b>	<b>-1.3%</b>	<b>4.5%</b>

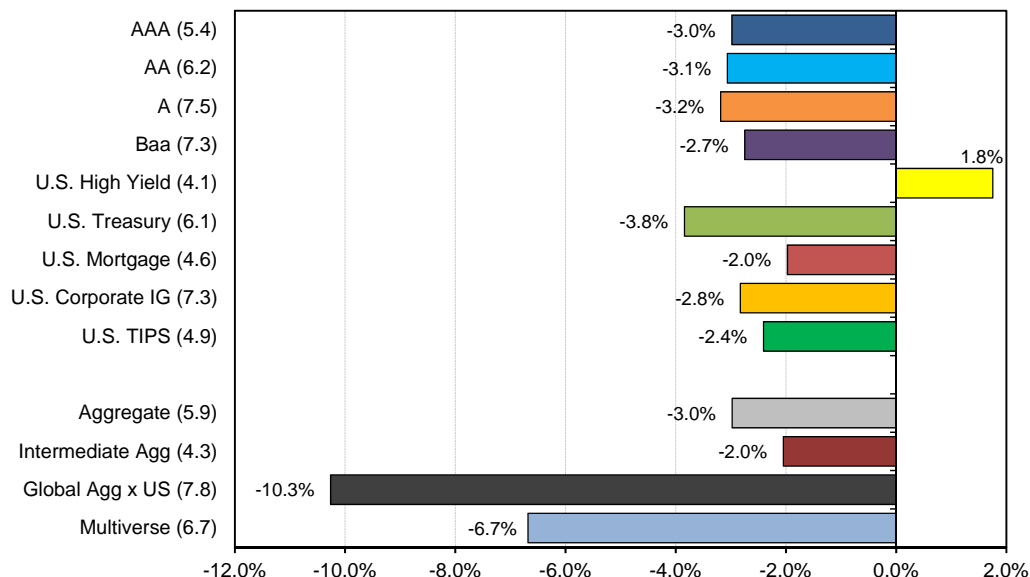
MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	10.3%	-9.5%	0.9%
Consumer Staples	7.2%	-10.5%	0.4%
Energy	7.9%	8.0%	36.5%
Financials	24.4%	-0.7%	15.0%
Health Care	2.5%	-9.6%	-7.5%
Industrials	5.8%	-6.2%	-1.9%
Information Technology	23.3%	-6.3%	16.8%
Materials	7.4%	4.2%	31.4%
Real Estate	2.6%	-10.5%	-1.8%
Telecommunication Services	5.9%	-6.2%	2.0%
Utilities	2.9%	-6.8%	3.2%
<b>Total</b>	<b>100.0%</b>	<b>-4.2%</b>	<b>11.2%</b>

Country	MSCI-EAFE Weight	MSCI-ACWIXUS Weight	Quarter Return	1- Year Return
Japan	24.1%	17.0%	-0.2%	2.4%
United Kingdom	18.3%	12.9%	-0.9%	-0.1%
France	10.2%	7.2%	2.9%	4.9%
Germany	9.3%	6.5%	1.5%	2.8%
Switzerland	8.7%	6.1%	-3.9%	-4.9%
Australia	7.4%	5.2%	0.7%	11.5%
Netherlands	3.3%	2.3%	-2.1%	4.8%
Hong Kong	3.3%	2.3%	-9.0%	2.3%
Spain	3.1%	2.2%	2.2%	-1.0%
Sweden	2.8%	2.0%	-0.8%	0.6%
Italy	2.1%	1.5%	10.8%	-10.5%
Denmark	1.7%	1.2%	-8.7%	-15.8%
Singapore	1.2%	0.9%	-3.6%	1.4%
Belgium	1.2%	0.8%	-11.8%	-7.6%
Finland	1.0%	0.7%	-4.4%	-4.7%
Israel	0.7%	0.5%	-11.3%	-24.9%
Norway	0.7%	0.5%	2.4%	13.3%
Ireland	0.5%	0.3%	0.1%	-7.1%
Austria	0.2%	0.1%	6.5%	11.3%
New Zealand	0.2%	0.1%	-10.9%	18.4%
Portugal	0.2%	0.1%	-2.9%	3.6%
<b>Total EAFE Countries</b>	<b>100.0%</b>	<b>70.3%</b>	<b>-0.7%</b>	<b>1.0%</b>
Canada		7.1%	3.3%	24.6%
<b>Total Developed Countries</b>		<b>77.3%</b>	<b>-0.4%</b>	<b>2.8%</b>
China		6.0%	-7.1%	0.9%
Korea		3.3%	-5.6%	8.8%
Taiwan		2.8%	-2.2%	18.5%
India		1.9%	-8.0%	-1.4%
Brazil		1.7%	2.1%	66.2%
South Africa		1.6%	-4.1%	17.9%
Russia		1.0%	18.6%	54.8%
Mexico		0.8%	-7.9%	-9.2%
Indonesia		0.6%	-7.8%	17.0%
Malaysia		0.6%	-8.4%	-3.9%
Thailand		0.5%	-1.8%	26.6%
Philippines		0.3%	-12.8%	-6.6%
Chile		0.3%	2.2%	15.6%
Poland		0.3%	3.4%	0.1%
Turkey		0.2%	-13.7%	-8.5%
Qatar		0.2%	0.7%	6.3%
United Arab Emirates		0.2%	-1.5%	13.6%
Colombia		0.1%	-2.3%	26.5%
Peru		0.1%	2.5%	55.6%
Greece		0.1%	15.3%	-12.1%
Hungary		0.1%	9.3%	35.4%
Czech Republic		0.0%	-3.4%	-5.0%
Egypt		0.0%	-23.3%	-11.5%
<b>Total Emerging Countries</b>		<b>22.7%</b>	<b>-4.2%</b>	<b>11.2%</b>
<b>Total ACWIXUS Countries</b>		<b>100.0%</b>	<b>-1.3%</b>	<b>4.5%</b>

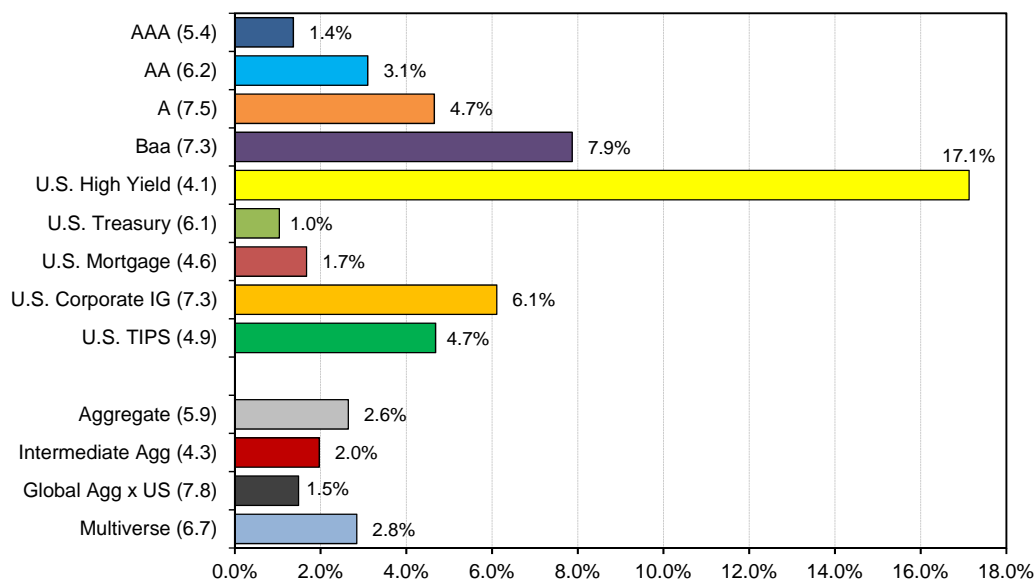


- After defying logic and market expectations with solid positive results for most of 2016, fixed income benchmarks fell across various sectors and quality segments during the 4<sup>th</sup> quarter as the reality of higher interest rates and inflation expectations exerted their powerful impact on yields. On the interest rate front, market rates rose through the quarter as investors prepared for a telegraphed, and ultimately realized, interest rate increase of 25 basis points (bps) by the Fed. The December increase was supported by continued improvement in the U.S. economy, and represented the sole Fed rate increase for 2016. On the inflation front, Donald Trump's victory in the U.S. presidential election also played a role in the quarter's negative fixed income results as market expectations after the victory shifted sentiment toward potentially higher inflation and economic growth.
- Looking through the quality lens, each of the fixed income quality segment benchmarks (with the exception of high yield) finished the 4<sup>th</sup> quarter down roughly -3%. The high yield (lower quality) benchmark was the only index to post a positive result for the quarter with a return of 1.8%. The high yield index benefited from its lower duration (less interest rate sensitivity) as well as a steady compression in credit spreads that offset the impact of generally higher market yields. Extending the comparison to the one-year period, the quality benchmarks all posted positive results with annual returns displaying an inverse relationship with their quality.
- Examining results on a sector basis shows the nominal Treasury sector feeling the largest impact from the yield curve shift with a 4<sup>th</sup> quarter return of -3.8%. The lower-duration TIPS index returned -2.4% for the quarter. The mortgage sector posted the quarter's best relative result with a return of -2.0% benefiting from its lower duration. Given the previously mentioned negative impact of USD strength on foreign investments, the 4<sup>th</sup> quarter was a particularly difficult quarter for global fixed income markets with the Global Aggregate ex-U.S. index returning -10.3%. Despite the 4<sup>th</sup> quarter's negative index results, each sector and global benchmark posted positive results for the trailing one-year period.
- The Fed stated that future rate increases will be implemented at a measured pace and will be based on an ongoing assessment of current economic data. However, future policy action by the new Trump Administration and global economic developments will likely impact the pace of future interest rate increases as well.

### Quarter Performance

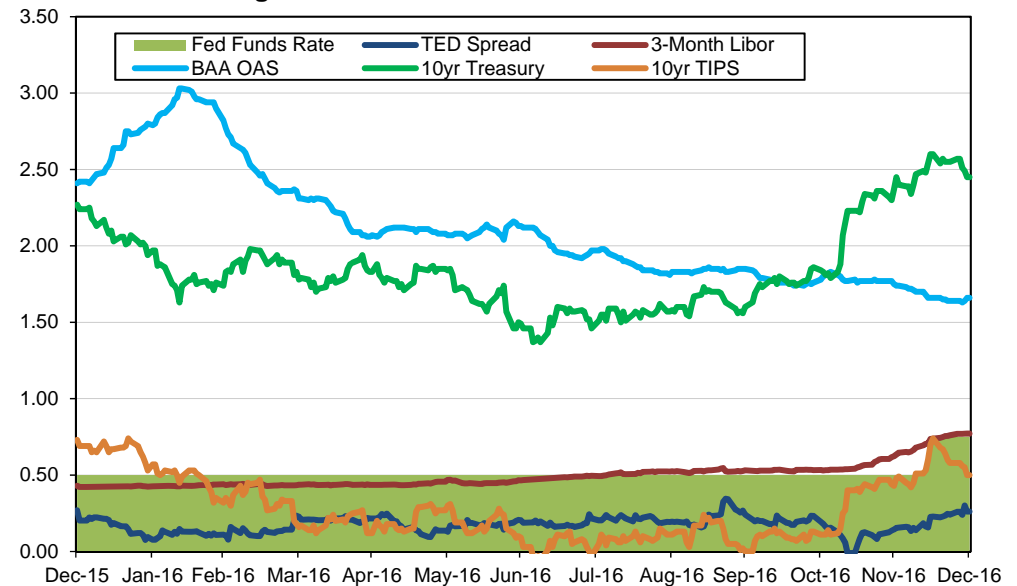


### 1-Year Performance

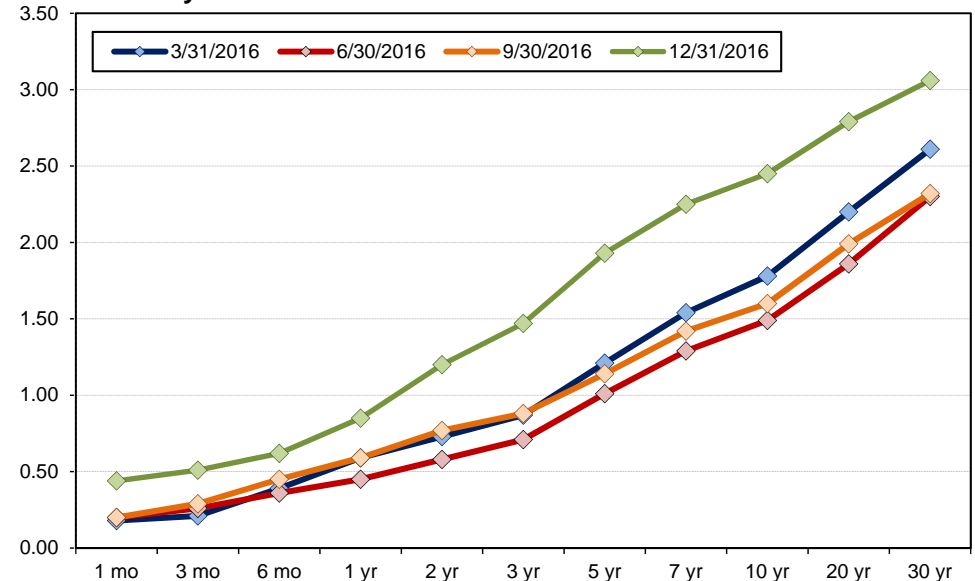


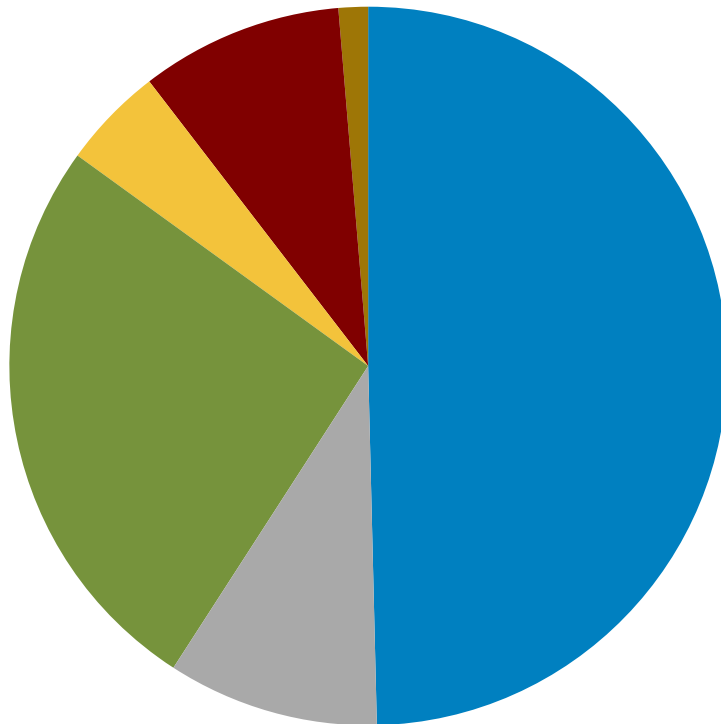
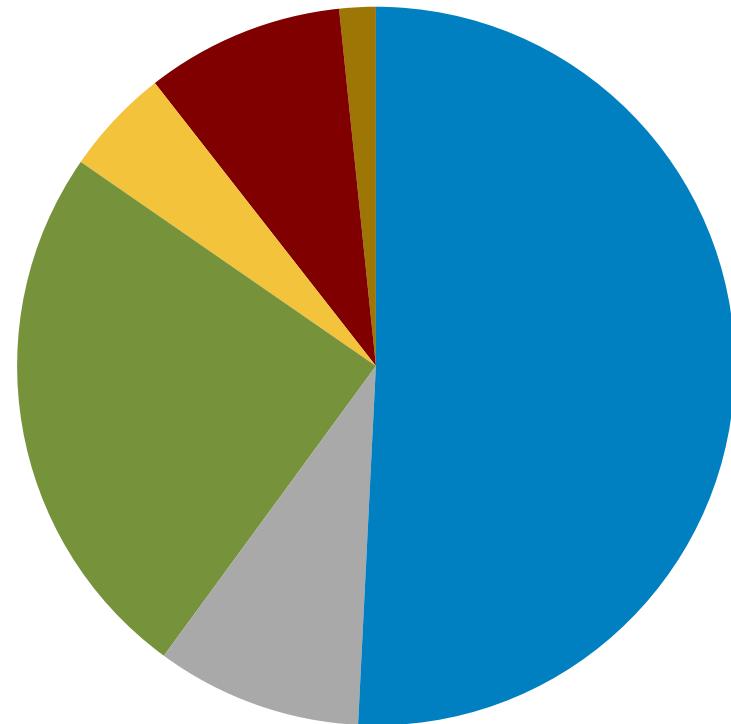
- Much of the index performance detailed in the bar graphs on the previous page is visible on a time series basis by reviewing the line graphs to the right. The '1-Year Trailing Market Rates' chart illustrates that after trading in a tight range for most of the year, the 10-year Treasury yield (green line) rose dramatically over the final months of 2016, closing at a yield (2.45%) near its one-year high. The blue line illustrates changes in the BAA OAS (Option Adjusted Spread). This measure quantifies the additional yield premium that investors require to purchase and hold non-Treasury issues. The steady decline in credit spreads throughout 2016 is equivalent to an interest rate decrease on corporate bonds, which results in a tailwind for corporate bond index returns. While there was some upside momentum in credit spreads early in 2016, they have narrowed by over 1.25% since their high on February 11<sup>th</sup>.
- The lower graph provides a snapshot of the U.S. Treasury yield curve at each of the last four calendar quarters and clearly illustrates the unrest that materialized in Treasury yields during the 4<sup>th</sup> quarter. While each of the last three quarter-end yield curves show a fairly tight distribution, the December 31<sup>st</sup> reading is higher at all maturities with both short- and long-term rates finishing 2016 near the high end of their respective 12-month trading ranges. This upward shift caused yields to rise an average of 22 bps for maturities of less than one-year, 60 bps for the two- to five-year maturity range, and 81 bps for the seven- to thirty-year maturity range. Greater yield increases at the longer end of the curve represent a "steepening" of the yield curve which conveys market anticipation of higher interest rates in the future.
- Given the magnitude of the increase in yields that occurred during the period, it is no surprise that most fixed income indices finished the quarter in negative territory. In a rising rate environment, it is also expected that longer-duration market indices will fall more than equivalent lower-duration benchmarks. Finally, while global benchmarks are impacted by the same yield and duration factors as domestic benchmarks, they have the additional powerful lever of currency impact. This currency effect can either be an offsetting benefit to negative yield and duration factors in a rising rate environment or an exacerbation of negative performance as it was during the 4<sup>th</sup> quarter.

**1-Year Trailing Market Rates**



**Treasury Yield Curve**



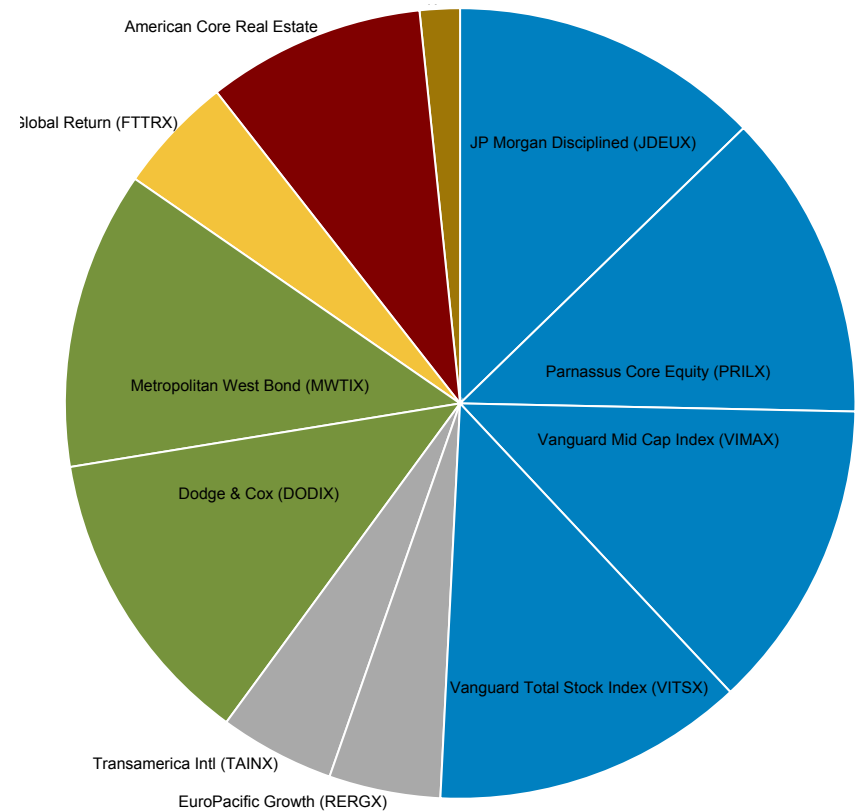
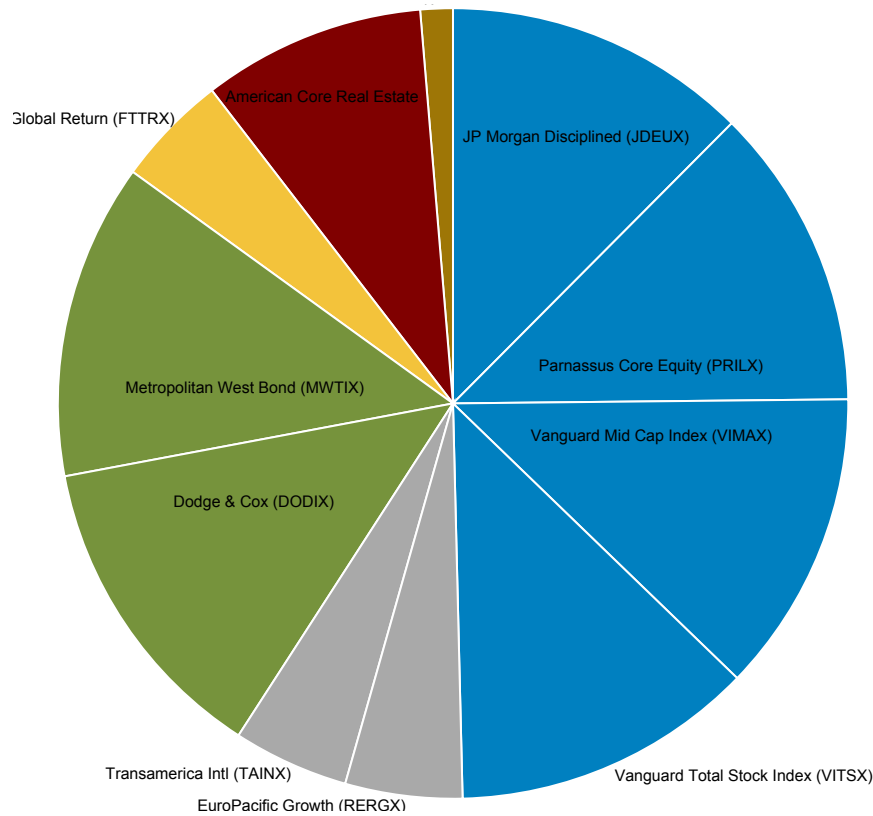
Asset Allocation By Segment as of  
September 30, 2016 : \$15,667,026Asset Allocation By Segment as of  
December 31, 2016 : \$16,165,609

Allocation			Allocation		
Segments	Market Value	Allocation	Segments	Market Value	Allocation
Domestic Equity	7,772,916	49.6	Domestic Equity	8,211,395	50.8
International Equity	1,491,420	9.5	International Equity	1,499,178	9.3
Domestic Fixed Income	4,046,940	25.8	Domestic Fixed Income	3,968,444	24.5
Global Fixed Income	719,035	4.6	Global Fixed Income	779,164	4.8
Real Estate	1,428,677	9.1	Real Estate	1,441,820	8.9
Cash Equivalent	208,038	1.3	Cash Equivalent	265,608	1.6

**Destin Fire Control District Firefighters' Retirement Trust Fund**  
**Asset Allocation by Manager**  
As of December 31, 2016

September 30, 2016 : \$15,667,026

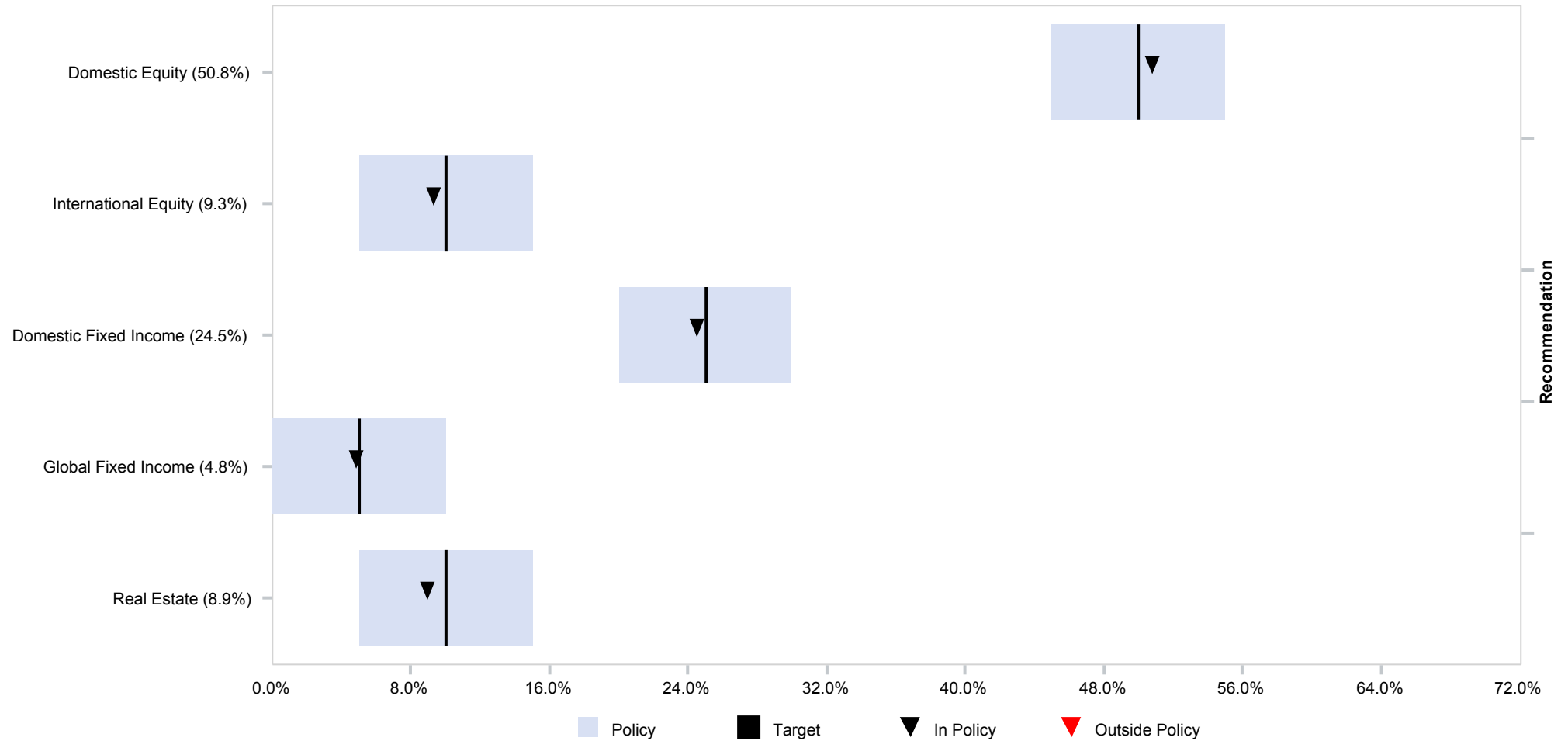
December 31, 2016 : \$16,165,609



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
JP Morgan Disciplined (JDEUX)	1,951,182	12.5	JP Morgan Disciplined (JDEUX)	2,057,543	12.7
Parnassus Core Equity (PRILX)	1,939,504	12.4	Parnassus Core Equity (PRILX)	2,036,640	12.6
Vanguard Mid Cap Index (VIMAX)	1,942,099	12.4	Vanguard Mid Cap Index (VIMAX)	2,052,470	12.7
Vanguard Total Stock Index (VITSX)	1,940,131	12.4	Vanguard Total Stock Index (VITSX)	2,064,740	12.8
EuroPacific Growth (RERGX)	749,620	4.8	EuroPacific Growth (RERGX)	737,545	4.6
Transamerica Intl (TAINX)	741,799	4.7	Transamerica Intl (TAINX)	761,633	4.7
Dodge & Cox (DODIX)	2,023,470	12.9	Dodge & Cox (DODIX)	1,998,297	12.4
Metropolitan West Bond (MWTIX)	2,023,470	12.9	Metropolitan West Bond (MWTIX)	1,970,147	12.2
Templeton Global Return (FTTRX)	719,035	4.6	Templeton Global Return (FTTRX)	779,164	4.8
American Core Real Estate	1,428,677	9.1	American Core Real Estate	1,441,820	8.9
Receipts & Disbursement	208,038	1.3	Receipts & Disbursement	265,608	1.6



**Executive Summary**

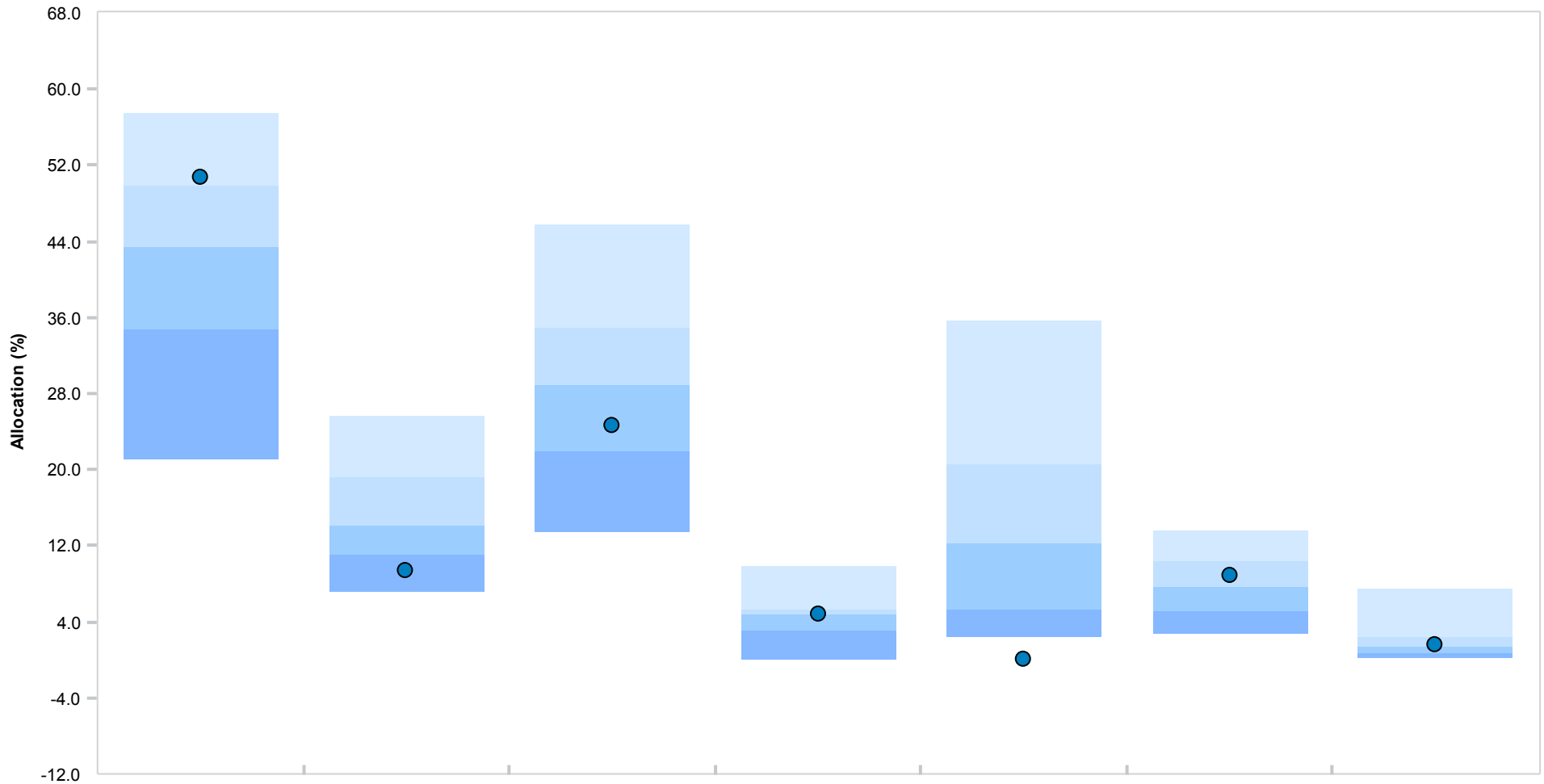


**Asset Allocation Compliance**

	Minimum Allocation (%)	Maximum Allocation (%)	Current Allocation (%)	Target Allocation (%)
Global Fixed Income	0.0	10.0	4.8	5.0
International Equity	5.0	15.0	9.3	10.0
Real Estate	5.0	15.0	8.9	10.0
Domestic Fixed Income	20.0	30.0	24.5	25.0
Domestic Equity	45.0	55.0	50.8	50.0
Total Fund	N/A	N/A	100.0	100.0

**Destin Fire Control District Firefighters' Retirement Trust Fund**  
**Asset Allocation vs Other Public Pension Plans**  
As of December 31, 2016

**Plan Sponsor TF Asset Allocation vs. All Public Plans-Total Fund**



	US Equity	Intl. Equity	US Fixed Income	Intl. Fixed Income	Alternative Inv.	Real Estate	Cash
● Destin Fire	50.80 (22)	9.27 (88)	24.55 (65)	4.82 (45)	0.00	8.92 (40)	1.64 (43)
5th Percentile	57.42	25.71	45.72	9.94	35.65	13.53	7.45
1st Quartile	49.94	19.11	35.01	5.21	20.55	10.29	2.43
Median	43.35	14.08	28.82	4.73	12.20	7.66	1.38
3rd Quartile	34.80	11.13	21.93	3.09	5.37	5.16	0.74
95th Percentile	21.02	7.16	13.49	0.09	2.39	2.77	0.12
Population	470	441	465	164	141	294	398

Parentheses contain percentile rankings.

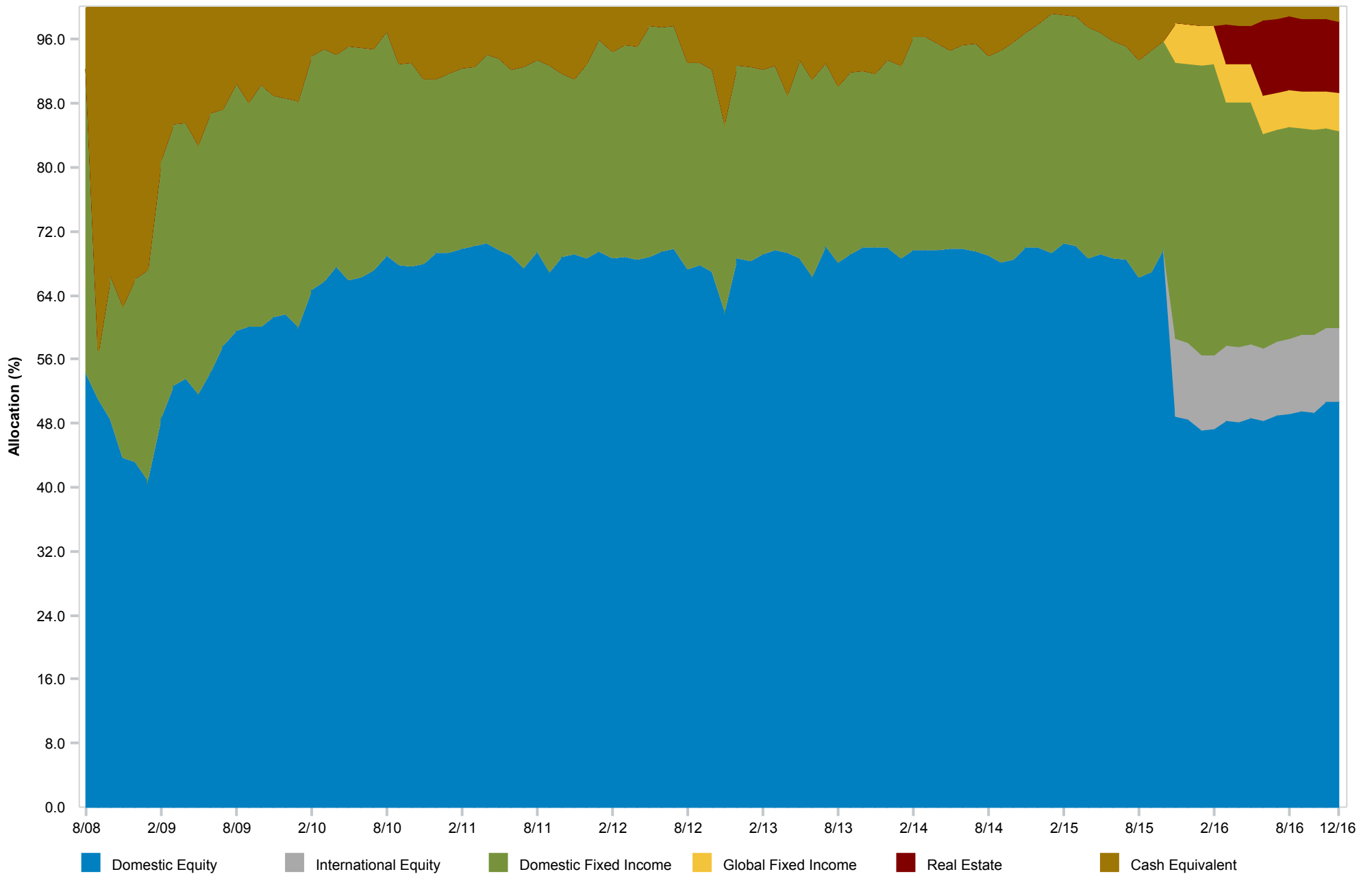


**Destin Fire Control District Firefighters' Retirement Trust Fund**  
**Asset Allocation History by Portfolio**

As of December 31, 2016

	Dec-2016		Sep-2016		Jun-2016		Mar-2016		Dec-2015	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%
<b>Balanced Accounts</b>										
Bowen Hanes (Balanced)	-	0.00	-	0.00	-	0.00	-	0.00	174,934	1.22
<b>Total Equity</b>	<b>9,710,573</b>	<b>60.07</b>	<b>9,264,335</b>	<b>59.13</b>	<b>8,500,377</b>	<b>57.35</b>	<b>8,396,697</b>	<b>57.73</b>	<b>8,356,144</b>	<b>58.13</b>
<b>Domestic Equity</b>	<b>8,211,395</b>	<b>50.80</b>	<b>7,772,916</b>	<b>49.61</b>	<b>7,165,664</b>	<b>48.35</b>	<b>7,038,898</b>	<b>48.40</b>	<b>6,967,235</b>	<b>48.47</b>
JP Morgan Disciplined (JDEUX)	2,057,543	12.73	1,951,182	12.45	1,754,934	11.84	1,729,902	11.89	1,740,970	12.11
Parnassus Core Equity (PRILX)	2,036,640	12.60	1,939,504	12.38	1,801,023	12.15	1,787,290	12.29	1,741,374	12.11
Vanguard Mid Cap Index (VIMAX)	2,052,470	12.70	1,942,099	12.40	1,799,196	12.14	1,758,259	12.09	1,737,957	12.09
Vanguard Total Stock Index (VITSX)	2,064,740	12.77	1,940,131	12.38	1,810,511	12.22	1,763,447	12.12	1,746,934	12.15
<b>International Equity</b>	<b>1,499,178</b>	<b>9.27</b>	<b>1,491,420</b>	<b>9.52</b>	<b>1,334,713</b>	<b>9.01</b>	<b>1,357,799</b>	<b>9.34</b>	<b>1,388,908</b>	<b>9.66</b>
EuroPacific Growth (RERGX)	737,545	4.56	749,620	4.78	673,571	4.54	675,708	4.65	691,734	4.81
Transamerica Intl (TAINX)	761,633	4.71	741,799	4.73	661,142	4.46	682,091	4.69	697,174	4.85
<b>Total Fixed Income</b>	<b>4,747,608</b>	<b>29.37</b>	<b>4,765,975</b>	<b>30.42</b>	<b>4,689,305</b>	<b>31.64</b>	<b>5,137,021</b>	<b>35.32</b>	<b>5,719,881</b>	<b>39.79</b>
<b>Domestic Fixed Income</b>	<b>3,968,444</b>	<b>24.55</b>	<b>4,046,940</b>	<b>25.83</b>	<b>3,978,519</b>	<b>26.84</b>	<b>4,429,877</b>	<b>30.46</b>	<b>5,014,414</b>	<b>34.88</b>
Dodge & Cox (DODIX)	1,998,297	12.36	2,023,470	12.92	1,978,921	13.35	2,222,157	15.28	2,500,300	17.39
Metropolitan West Bond (MWTIX)	1,970,147	12.19	2,023,470	12.92	1,999,598	13.49	2,207,720	15.18	2,514,115	17.49
<b>Global Fixed Income</b>	<b>779,164</b>	<b>4.82</b>	<b>719,035</b>	<b>4.59</b>	<b>710,787</b>	<b>4.80</b>	<b>707,144</b>	<b>4.86</b>	<b>705,467</b>	<b>4.91</b>
Templeton Global Return (FTTRX)	779,164	4.82	719,035	4.59	710,787	4.80	707,144	4.86	705,467	4.91
<b>Real Estate</b>	<b>1,441,820</b>	<b>8.92</b>	<b>1,428,677</b>	<b>9.12</b>	<b>1,406,856</b>	<b>9.49</b>	<b>700,000</b>	<b>4.81</b>	<b>-</b>	<b>0.00</b>
American Core Real Estate	1,441,820	8.92	1,428,677	9.12	1,406,856	9.49	700,000	4.81	-	0.00
<b>Cash Accounts</b>										
Receipts & Disbursement	265,608	1.64	208,038	1.33	225,149	1.52	310,729	2.14	124,388	0.87
<b>Total Fund</b>	<b>16,165,609</b>	<b>100.00</b>	<b>15,667,026</b>	<b>100.00</b>	<b>14,821,687</b>	<b>100.00</b>	<b>14,544,447</b>	<b>100.00</b>	<b>14,375,346</b>	<b>100.00</b>





# Destin Fire Control District Firefighters' Retirement Trust Fund

## Financial Reconciliation

1 Quarter Ending December 31, 2016

	Market Value 10/01/2016	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Capital Gain/Loss	Market Value 12/31/2016
<b>Total Equity</b>	<b>9,264,335</b>	<b>224,000</b>	-	-	-	-	<b>119,785</b>	<b>102,453</b>	<b>9,710,573</b>
<b>Domestic Equity</b>	<b>7,772,916</b>	<b>175,000</b>	-	-	-	-	<b>93,136</b>	<b>170,343</b>	<b>8,211,395</b>
JP Morgan Disciplined (JDEUX)	1,951,182	17,000	-	-	-	-	9,511	79,850	2,057,543
Parnassus Core Equity (PRILX)	1,939,504	51,000	-	-	-	-	60,560	-14,423	2,036,640
Vanguard Mid Cap Index (VIMAX)	1,942,099	65,000	-	-	-	-	10,078	35,293	2,052,470
Vanguard Total Stock Index (VITSX)	1,940,131	42,000	-	-	-	-	12,987	69,623	2,064,740
<b>International Equity</b>	<b>1,491,420</b>	<b>49,000</b>	-	-	-	-	<b>26,649</b>	<b>-67,890</b>	<b>1,499,178</b>
EuroPacific Growth (RERGX)	749,620	19,500	-	-	-	-	11,879	-43,453	737,545
Transamerica Intl (TAINX)	741,799	29,500	-	-	-	-	14,770	-24,437	761,633
<b>Total Fixed Income</b>	<b>4,765,975</b>	-	-	-	-	-	<b>56,342</b>	<b>-74,709</b>	<b>4,747,608</b>
<b>Domestic Fixed Income</b>	<b>4,046,940</b>	-	-	-	-	-	<b>50,716</b>	<b>-129,211</b>	<b>3,968,444</b>
Dodge & Cox (DODIX)	2,023,470	-	-	-	-	-	14,161	-39,334	1,998,297
Metropolitan West Bond (MWTIX)	2,023,470	-	-	-	-	-	36,554	-89,877	1,970,147
<b>Global Fixed Income</b>	<b>719,035</b>	-	-	-	-	-	<b>5,626</b>	<b>54,502</b>	<b>779,164</b>
Templeton Global Return (FTTRX)	719,035	-	-	-	-	-	5,626	54,502	779,164
<b>Real Estate</b>	<b>1,428,677</b>	-	-	-	<b>-3,976</b>	-	<b>21,430</b>	<b>-4,311</b>	<b>1,441,820</b>
American Core Real Estate	1,428,677	-	-	-	-3,976	-	21,430	-4,311	1,441,820
<b>Cash Accounts</b>									
Receipts & Disbursement	208,038	-224,000	506,881	-194,911	-	-30,417	17	-	265,608
<b>Total Fund</b>	<b>15,667,026</b>	-	<b>506,881</b>	<b>-194,911</b>	<b>-3,976</b>	<b>-30,417</b>	<b>197,574</b>	<b>23,433</b>	<b>16,165,609</b>



# Destin Fire Control District Firefighters' Retirement Trust Fund

## Financial Reconciliation

October 1, 2016 To December 31, 2016

	Market Value 10/01/2016	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Capital Gain/Loss	Market Value 12/31/2016
<b>Total Equity</b>	<b>9,264,335</b>	<b>224,000</b>	-	-	-	-	<b>119,785</b>	<b>102,453</b>	<b>9,710,573</b>
<b>Domestic Equity</b>	<b>7,772,916</b>	<b>175,000</b>	-	-	-	-	<b>93,136</b>	<b>170,343</b>	<b>8,211,395</b>
JP Morgan Disciplined (JDEUX)	1,951,182	17,000	-	-	-	-	9,511	79,850	2,057,543
Parnassus Core Equity (PRILX)	1,939,504	51,000	-	-	-	-	60,560	-14,423	2,036,640
Vanguard Mid Cap Index (VIMAX)	1,942,099	65,000	-	-	-	-	10,078	35,293	2,052,470
Vanguard Total Stock Index (VITSX)	1,940,131	42,000	-	-	-	-	12,987	69,623	2,064,740
<b>International Equity</b>	<b>1,491,420</b>	<b>49,000</b>	-	-	-	-	<b>26,649</b>	<b>-67,890</b>	<b>1,499,178</b>
EuroPacific Growth (RERGX)	749,620	19,500	-	-	-	-	11,879	-43,453	737,545
Transamerica Intl (TAINX)	741,799	29,500	-	-	-	-	14,770	-24,437	761,633
<b>Total Fixed Income</b>	<b>4,765,975</b>	-	-	-	-	-	<b>56,342</b>	<b>-74,709</b>	<b>4,747,608</b>
<b>Domestic Fixed Income</b>	<b>4,046,940</b>	-	-	-	-	-	<b>50,716</b>	<b>-129,211</b>	<b>3,968,444</b>
Dodge & Cox (DODIX)	2,023,470	-	-	-	-	-	14,161	-39,334	1,998,297
Metropolitan West Bond (MWTIX)	2,023,470	-	-	-	-	-	36,554	-89,877	1,970,147
<b>Global Fixed Income</b>	<b>719,035</b>	-	-	-	-	-	<b>5,626</b>	<b>54,502</b>	<b>779,164</b>
Templeton Global Return (FTTRX)	719,035	-	-	-	-	-	5,626	54,502	779,164
<b>Real Estate</b>	<b>1,428,677</b>	-	-	-	<b>-3,976</b>	-	<b>21,430</b>	<b>-4,311</b>	<b>1,441,820</b>
American Core Real Estate	1,428,677	-	-	-	-3,976	-	21,430	-4,311	1,441,820
<b>Cash Accounts</b>									
Receipts & Disbursement	208,038	-224,000	506,881	-194,911	-	-30,417	17	-	265,608
<b>Total Fund</b>	<b>15,667,026</b>	-	<b>506,881</b>	<b>-194,911</b>	<b>-3,976</b>	<b>-30,417</b>	<b>197,574</b>	<b>23,433</b>	<b>16,165,609</b>



## Destin Fire Control District Firefighters' Retirement Trust Fund

## Trailing Returns

As of December 31, 2016

## Comparative Performance

	QTR		FYTD		1 YR		3 YR		4 YR		5 YR		Inception		Inception Date
<b>Total Fund</b>	<b>1.38</b>	<b>(20)</b>	<b>1.38</b>	<b>(20)</b>	<b>7.58</b>	<b>(41)</b>	<b>4.13</b>	<b>(72)</b>	<b>7.82</b>	<b>(41)</b>	<b>8.34</b>	<b>(59)</b>	<b>6.70</b>	<b>(93)</b>	<b>11/01/1994</b>
Total Fund Policy	1.12	(30)	1.12	(30)	7.92	(33)	5.54	(12)	8.14	(30)	8.84	(36)	6.88	(90)	
All Public Plans-Total Fund Median	0.67		0.67		7.23		4.60		7.54		8.48		7.77		
<b>Total Fund (Net)</b>	<b>1.35</b>		<b>1.35</b>		<b>7.47</b>		<b>3.76</b>		<b>7.40</b>		<b>7.86</b>		<b>6.15</b>		<b>11/01/1994</b>
<b>Total Equity</b>	<b>2.29</b>		<b>2.29</b>		<b>9.39</b>		<b>4.39</b>		<b>10.15</b>		<b>10.86</b>		<b>7.52</b>		<b>08/01/1996</b>
Total Equity Policy	3.30		3.30		10.18		6.61		12.06		12.94		7.73		
<b>Domestic Equity</b>	<b>3.26</b>	<b>(56)</b>	<b>3.26</b>	<b>(56)</b>	<b>11.11</b>	<b>(39)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>7.98</b>	<b>(36)</b>	<b>12/01/2015</b>
Russell 3000 Index	4.21	(36)	4.21	(36)	12.74	(25)	8.43	(10)	14.23	(16)	14.67	(16)	9.58	(21)	
IM U.S. Multi-Cap Core Equity (MF) Median	3.56		3.56		9.75		6.47		13.01		13.41		6.74		
<b>International Equity</b>	<b>-2.73</b>	<b>(69)</b>	<b>-2.73</b>	<b>(69)</b>	<b>0.79</b>	<b>(59)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>-1.01</b>	<b>(60)</b>	<b>12/01/2015</b>
MSCI AC World ex USA	-1.20	(39)	-1.20	(39)	5.01	(15)	-1.32	(19)	2.70	(39)	5.48	(43)	2.83	(6)	
IM International Large Cap Core Equity (MF) Median	-1.71		-1.71		1.41		-2.86		2.21		5.08		-0.53		
<b>Total Fixed Income</b>	<b>-0.39</b>		<b>-0.39</b>		<b>4.83</b>		<b>2.28</b>		<b>1.80</b>		<b>2.23</b>		<b>5.42</b>		<b>11/01/1994</b>
Total Fixed Income Policy	-3.61		-3.61		2.04		2.83		1.59		2.11		5.69		
<b>Domestic Fixed Income</b>	<b>-1.94</b>	<b>(32)</b>	<b>-1.94</b>	<b>(32)</b>	<b>3.95</b>	<b>(45)</b>	<b>2.05</b>	<b>(86)</b>	<b>1.63</b>	<b>(69)</b>	<b>2.10</b>	<b>(85)</b>	<b>5.38</b>	<b>(82)</b>	<b>11/01/1994</b>
Bloomberg Barclays U.S. Aggregate Index	-2.98	(84)	-2.98	(84)	2.65	(78)	3.03	(51)	1.74	(63)	2.23	(80)	5.75	(66)	
IM U.S. Broad Market Fixed Income (SA+CF+MF) Median	-2.46		-2.46		3.73		3.03		1.97		2.96		5.98		
<b>Global Fixed Income</b>	<b>8.36</b>	<b>(1)</b>	<b>8.36</b>	<b>(1)</b>	<b>8.81</b>	<b>(4)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>5.24</b>	<b>(11)</b>	<b>12/01/2015</b>
Blmbg. Barc. Global Multiverse	-6.68	(79)	-6.68	(79)	2.84	(55)	-0.02	(65)	-0.57	(57)	0.49	(76)	3.01	(42)	
IM Global Fixed Income (MF) Median	-3.95		-3.95		3.35		0.43		-0.29		1.44		2.59		
<b>Real Estate</b>	<b>1.20</b>	<b>(94)</b>	<b>1.20</b>	<b>(94)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>4.35</b>	<b>(100)</b>	<b>04/01/2016</b>
NCREIF Fund Index-Open End Diversified Core (EW)	2.16	(67)	2.16	(67)	9.27	(53)	12.21	(69)	12.49	(74)	12.20	(75)	6.67	(54)	
IM U.S. Open End Private Real Estate (SA+CF) Median	2.30		2.30		9.47		12.77		13.24		13.01		6.84		

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.



# Destin Fire Control District Firefighters' Retirement Trust Fund

## Trailing Returns

As of December 31, 2016

	QTR		FYTD		1 YR		3 YR		4 YR		5 YR		Inception		Inception Date
Domestic Equity Strategies															
JP Morgan Disciplined (JDEUX)	4.53	(31)	4.53	(31)	9.85	(55)	N/A		N/A		N/A		7.20	(57)	12/01/2015
S&P 500 Index	3.82	(45)	3.82	(45)	11.96	(29)	8.87	(7)	14.33	(10)	14.66	(16)	9.37	(28)	
IM U.S. Large Cap Core Equity (MF) Median	3.68		3.68		10.16		7.29		12.91		13.39		7.61		
Parnassus Core Equity (PRILX)	2.25	(81)	2.25	(81)	10.62	(45)	N/A		N/A		N/A		7.50	(52)	12/01/2015
S&P 500 Index	3.82	(45)	3.82	(45)	11.96	(29)	8.87	(7)	14.33	(10)	14.66	(16)	9.37	(28)	
IM U.S. Large Cap Core Equity (MF) Median	3.68		3.68		10.16		7.29		12.91		13.39		7.61		
Vanguard Mid Cap Index (VIMAX)	2.14	(92)	2.14	(92)	11.23	(79)	N/A		N/A		N/A		7.61	(70)	12/01/2015
Russell Midcap Index	3.21	(79)	3.21	(79)	13.80	(59)	7.92	(16)	14.08	(19)	14.72	(17)	9.88	(47)	
IM U.S. Mid Cap Core Equity (MF) Median	5.19		5.19		14.50		6.30		12.76		13.14		9.68		
Vanguard Total Stock Index (VITSX)	4.12	(41)	4.12	(41)	12.68	(25)	N/A		N/A		N/A		9.56	(21)	12/01/2015
Russell 3000 Index	4.21	(36)	4.21	(36)	12.74	(25)	8.43	(10)	14.23	(16)	14.67	(16)	9.58	(21)	
IM U.S. Multi-Cap Core Equity (MF) Median	3.56		3.56		9.75		6.47		13.01		13.41		6.74		
International Equity Strategies															
EuroPacific Growth (RERGX)	-4.15	(91)	-4.15	(91)	1.01	(57)	N/A		N/A		N/A		-1.24	(62)	12/01/2015
MSCI AC World ex USA	-1.20	(39)	-1.20	(39)	5.01	(15)	-1.32	(19)	2.70	(39)	5.48	(43)	2.83	(6)	
IM International Large Cap Core Equity (MF) Median	-1.71		-1.71		1.41		-2.86		2.21		5.08		-0.53		
Transamerica Intl (TAINX)	-1.30	(39)	-1.30	(39)	0.54	(61)	N/A		N/A		N/A		-0.81	(55)	12/01/2015
MSCI AC World ex USA	-1.20	(39)	-1.20	(39)	5.01	(15)	-1.32	(19)	2.70	(39)	5.48	(43)	2.83	(6)	
IM International Large Cap Core Equity (MF) Median	-1.71		-1.71		1.41		-2.86		2.21		5.08		-0.53		
Domestic Fixed Income Strategies															
Dodge & Cox (DODIX)	-1.24	(3)	-1.24	(3)	5.57	(2)	N/A		N/A		N/A		4.32	(2)	12/01/2015
Bloomberg Barclays U.S. Aggregate Index	-2.98	(71)	-2.98	(71)	2.65	(60)	3.03	(30)	1.74	(36)	2.23	(59)	2.14	(51)	
IM U.S. Broad Market Core Fixed Income (MF) Median	-2.72		-2.72		2.85		2.80		1.57		2.42		2.14		
Metropolitan West Bond (MWTIX)	-2.64	(41)	-2.64	(41)	2.45	(70)	N/A		N/A		N/A		1.95	(60)	12/01/2015
Bloomberg Barclays U.S. Aggregate Index	-2.98	(71)	-2.98	(71)	2.65	(60)	3.03	(30)	1.74	(36)	2.23	(59)	2.14	(51)	
IM U.S. Broad Market Core Fixed Income (MF) Median	-2.72		-2.72		2.85		2.80		1.57		2.42		2.14		
Global Fixed Income Strategies															
Templeton Global Return (FTTRX)	8.36	(1)	8.36	(1)	8.81	(4)	N/A		N/A		N/A		5.24	(11)	12/01/2015
Blmbg. Barc. Global Multiverse	-6.68	(79)	-6.68	(79)	2.84	(55)	-0.02	(65)	-0.57	(57)	0.49	(76)	3.01	(42)	
IM Global Fixed Income (MF) Median	-3.95		-3.95		3.35		0.43		-0.29		1.44		2.59		
Real Estate Strategies															
American Core Real Estate	1.20	(94)	1.20	(94)	N/A		N/A		N/A		N/A		4.35	(100)	04/01/2016
NCREIF Fund Index-Open End Diversified Core (EW)	2.16	(67)	2.16	(67)	9.27	(53)	12.21	(69)	12.49	(74)	12.20	(75)	6.67	(54)	
IM U.S. Open End Private Real Estate (SA+CF) Median	2.30		2.30		9.47		12.77		13.24		13.01		6.84		

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.



## Destin Fire Control District Firefighters' Retirement Trust Fund

## Fiscal Year Returns

As of December 31, 2016

Comparative Performance														
	FYTD		FY 2016		FY 2015		FY 2014		FY 2013		FY 2012		FY 2011	
Total Fund	1.38	(20)	11.08	(11)	-4.72	(98)	12.03	(11)	11.77	(64)	20.11	(11)	-1.88	(90)
Total Fund Policy	1.12	(30)	10.64	(19)	-0.22	(42)	11.03	(29)	11.30	(73)	17.65	(55)	2.06	(15)
All Public Plans-Total Fund Median	0.67		9.67		-0.53		10.17		12.51		17.93		0.22	
Total Fund (Net)	1.35		10.89		-5.19		11.49		11.09		19.64		-2.47	
Total Equity	2.29		12.91		-7.64		16.49		18.01		27.69		-3.55	
Total Equity Policy	3.30		13.56		-2.53		15.82		20.66		26.14		-1.42	
Domestic Equity	3.26	(56)	N/A		N/A		N/A		N/A		N/A		N/A	
Russell 3000 Index	4.21	(36)	14.96	(13)	-0.49	(33)	17.76	(30)	21.60	(59)	30.20	(17)	0.55	(26)
IM U.S. Multi-Cap Core Equity (MF) Median	3.56		11.36		-1.61		16.24		22.79		26.40		-1.74	
International Equity	-2.73	(69)	N/A		N/A		N/A		N/A		N/A		N/A	
MSCI AC World ex USA	-1.20	(39)	9.80	(12)	-11.78	(81)	5.22	(19)	16.98	(79)	15.04	(46)	-10.42	(34)
IM International Large Cap Core Equity (MF) Median	-1.71		5.54		-8.36		3.44		21.06		14.86		-11.06	
Total Fixed Income	-0.39		4.16		0.81		2.63		-0.96		5.82		1.83	
Total Fixed Income Policy	-3.61		5.26		2.94		3.96		-1.68		5.16		5.26	
Domestic Fixed Income	-1.94	(32)	5.10	(69)	0.81	(68)	2.63	(94)	-0.96	(50)	5.82	(83)	1.83	(85)
Bloomberg Barclays U.S. Aggregate Index	-2.98	(84)	5.19	(67)	2.94	(15)	3.96	(74)	-1.68	(73)	5.16	(90)	5.26	(24)
IM U.S. Broad Market Fixed Income (SA+CF+MF) Median	-2.46		5.71		1.71		4.74		-0.98		7.75		4.39	
Global Fixed Income	8.36	(1)	N/A		N/A		N/A		N/A		N/A		N/A	
Blmbg. Barc. Global Multiverse	-6.68	(79)	9.23	(20)	-3.56	(46)	1.40	(82)	-2.22	(60)	5.57	(85)	3.85	(12)
IM Global Fixed Income (MF) Median	-3.95		7.19		-3.70		3.53		-1.52		7.19		1.71	
Real Estate	1.20	(94)	N/A		N/A		N/A		N/A		N/A		N/A	
NCREIF Fund Index-Open End Diversified Core (EW)	2.16	(67)	10.62	(69)	14.71	(64)	12.39	(70)	12.47	(69)	11.77	(66)	18.03	(41)
IM U.S. Open End Private Real Estate (SA+CF) Median	2.30		11.14		15.93		12.90		13.22		12.90		16.62	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.



## Destin Fire Control District Firefighters' Retirement Trust Fund

## Fiscal Year Returns

As of December 31, 2016

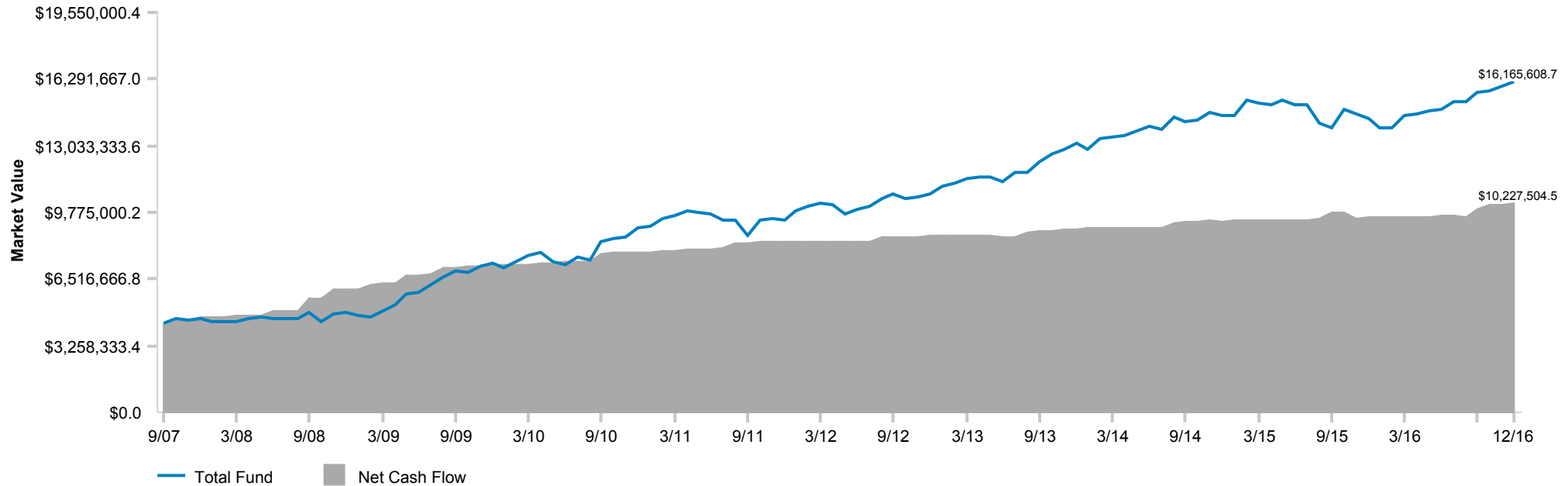
	FYTD		FY 2016		FY 2015		FY 2014		FY 2013		FY 2012		FY 2011	
Domestic Equity Strategies														
JP Morgan Disciplined (JDEUX)	4.53	(31)	N/A		N/A		N/A		N/A		N/A		N/A	
S&P 500 Index	3.82	(45)	15.43	(16)	-0.61	(26)	19.73	(17)	19.34	(61)	30.20	(25)	1.14	(27)
IM U.S. Large Cap Core Equity (MF) Median	3.68		12.95		-2.02		17.35		20.03		28.06		-0.83	
Parnassus Core Equity (PRILX)	2.25	(81)	N/A		N/A		N/A		N/A		N/A		N/A	
S&P 500 Index	3.82	(45)	15.43	(16)	-0.61	(26)	19.73	(17)	19.34	(61)	30.20	(25)	1.14	(27)
IM U.S. Large Cap Core Equity (MF) Median	3.68		12.95		-2.02		17.35		20.03		28.06		-0.83	
Vanguard Mid Cap Index (VIMAX)	2.14	(92)	N/A		N/A		N/A		N/A		N/A		N/A	
Russell Midcap Index	3.21	(79)	14.25	(27)	-0.25	(33)	15.83	(17)	27.91	(39)	28.03	(30)	-0.88	(30)
IM U.S. Mid Cap Core Equity (MF) Median	5.19		11.87		-1.36		12.13		27.31		26.03		-3.37	
Vanguard Total Stock Index (VITSX)	4.12	(41)	N/A		N/A		N/A		N/A		N/A		N/A	
Russell 3000 Index	4.21	(36)	14.96	(13)	-0.49	(33)	17.76	(30)	21.60	(59)	30.20	(17)	0.55	(26)
IM U.S. Multi-Cap Core Equity (MF) Median	3.56		11.36		-1.61		16.24		22.79		26.40		-1.74	
International Equity Strategies														
EuroPacific Growth (RERGX)	-4.15	(91)	N/A		N/A		N/A		N/A		N/A		N/A	
MSCI AC World ex USA	-1.20	(39)	9.80	(12)	-11.78	(81)	5.22	(19)	16.98	(79)	15.04	(46)	-10.42	(34)
IM International Large Cap Core Equity (MF) Median	-1.71		5.54		-8.36		3.44		21.06		14.86		-11.06	
Transamerica Intl (TAINX)	-1.30	(39)	N/A		N/A		N/A		N/A		N/A		N/A	
MSCI AC World ex USA	-1.20	(39)	9.80	(12)	-11.78	(81)	5.22	(19)	16.98	(79)	15.04	(46)	-10.42	(34)
IM International Large Cap Core Equity (MF) Median	-1.71		5.54		-8.36		3.44		21.06		14.86		-11.06	
Domestic Fixed Income Strategies														
Dodge & Cox (DODIX)	-1.24	(3)	N/A		N/A		N/A		N/A		N/A		N/A	
Bloomberg Barclays U.S. Aggregate Index	-2.98	(71)	5.19	(51)	2.94	(7)	3.96	(59)	-1.68	(52)	5.16	(80)	5.26	(14)
IM U.S. Broad Market Core Fixed Income (MF) Median	-2.72		5.20		1.91		4.18		-1.65		6.77		4.32	
Metropolitan West Bond (MWTIX)	-2.64	(41)	N/A		N/A		N/A		N/A		N/A		N/A	
Bloomberg Barclays U.S. Aggregate Index	-2.98	(71)	5.19	(51)	2.94	(7)	3.96	(59)	-1.68	(52)	5.16	(80)	5.26	(14)
IM U.S. Broad Market Core Fixed Income (MF) Median	-2.72		5.20		1.91		4.18		-1.65		6.77		4.32	
Global Fixed Income Strategies														
Templeton Global Return (FTTRX)	8.36	(1)	N/A		N/A		N/A		N/A		N/A		N/A	
Blmbg. Barc. Global Multiverse	-6.68	(79)	9.23	(20)	-3.56	(46)	1.40	(82)	-2.22	(60)	5.57	(85)	3.85	(12)
IM Global Fixed Income (MF) Median	-3.95		7.19		-3.70		3.53		-1.52		7.19		1.71	
Real Estate Strategies														
American Core Real Estate	1.20	(94)	N/A		N/A		N/A		N/A		N/A		N/A	
NCREIF Fund Index-Open End Diversified Core (EW)	2.16	(67)	10.62	(69)	14.71	(64)	12.39	(70)	12.47	(69)	11.77	(66)	18.03	(41)
IM U.S. Open End Private Real Estate (SA+CF) Median	2.30		11.14		15.93		12.90		13.22		12.90		16.62	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.



**Destin Fire Control District Firefighters' Retirement Trust Fund**  
**Long-Term Performance**  
As of December 31, 2016

**Plan Growth**



**Trailing Returns**

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Total Fund	1.38 (20)	7.58 (41)	7.58 (41)	2.53 (85)	4.13 (72)	8.34 (59)	7.70 (64)	5.79 (26)	6.13 (50)
Total Fund Policy	1.12 (30)	7.92 (33)	7.92 (33)	4.42 (16)	5.54 (12)	8.84 (36)	8.42 (27)	5.53 (44)	5.65 (76)
Median	0.67	7.23	7.23	3.65	4.60	8.48	8.01	5.44	6.13

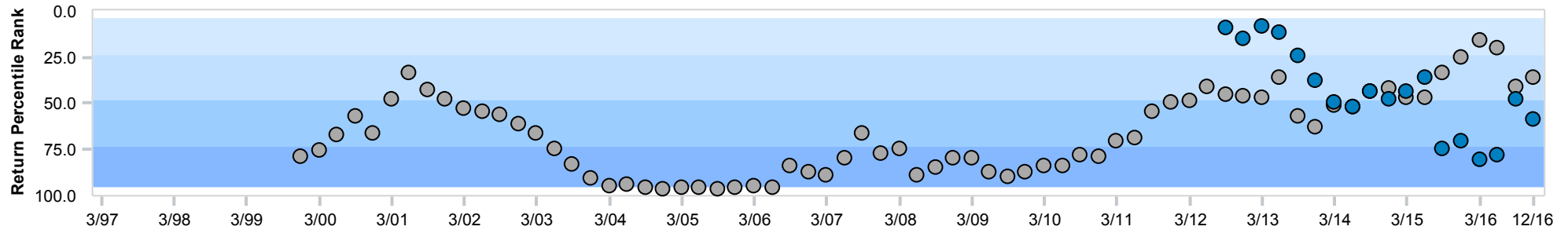
**Fiscal Year Returns**

	FYTD	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
Total Fund	1.38 (20)	11.08 (10)	-4.72 (99)	12.03 (10)	11.77 (64)	20.11 (11)	-1.88 (90)	10.56 (37)	5.22 (13)
Total Fund Policy	1.12 (30)	10.64 (19)	-0.22 (44)	11.03 (28)	11.30 (72)	17.65 (54)	2.06 (17)	10.05 (48)	0.46 (68)
Median	0.67	9.68	-0.45	10.13	12.49	17.90	0.34	9.98	1.55

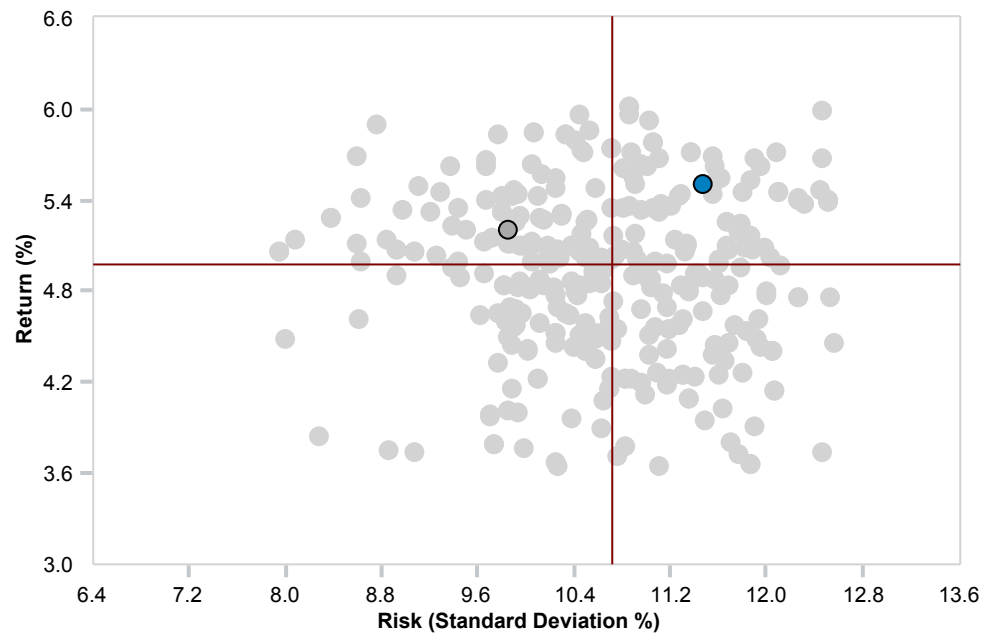


**Destin Fire Control District Firefighters' Retirement Trust Fund**  
**Long-Term Performance**  
As of December 31, 2016

**5 Year Rolling Percentile Ranking**

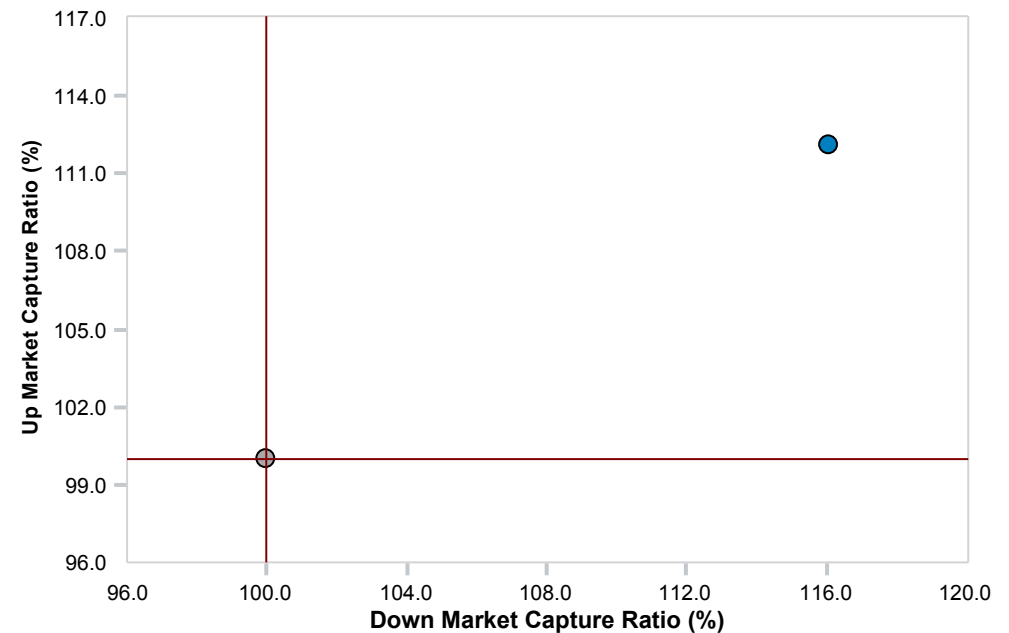


**Risk vs Return: October 2007 to Present**



● Total Fund    ● Total Fund Policy

**Up/Down Markets: October 2007 to Present**



● Total Fund    ● Total Fund Policy

**Historical Statistics: October 1, 2007 To December 31, 2016**

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Total Fund	62.16	-23.59	-0.21	0.46	0.48	0.13	0.05	1.12	3.39
Total Fund Policy	0.00	-28.07	0.00	0.00	0.52	N/A	0.05	1.00	0.00



**Destin Fire Control District Firefighters' Retirement Trust Fund**  
**Compliance Statistics**  
As of December 31, 2016

**Multi Timeperiod Statistics**

	1 Qtr Return		1 Quarter Ending Sep-2016 Return		1 Quarter Ending Jun-2016 Return		1 Quarter Ending Mar-2016 Return		3 YR Return		5 YR Return		3 YR Down Market Capture		5 YR Down Market Capture	
<b>Total Fund</b>	<b>1.38</b>	<b>(20)</b>	<b>3.44</b>	<b>(50)</b>	<b>1.48</b>	<b>(79)</b>	<b>1.09</b>	<b>(48)</b>	<b>4.13</b>	<b>(72)</b>	<b>8.34</b>	<b>(59)</b>	<b>220.77</b>	<b>(1)</b>	<b>226.34</b>	<b>(1)</b>
Total Fund Policy	1.12	(30)	3.28	(56)	1.83	(57)	1.47	(26)	5.54	(12)	8.84	(36)	100.00		100.00	
All Public Plans-Total Fund Median	0.67		3.43		1.91		1.04		4.60		8.48		132.64		138.91	
<b>Total Fund (Net)</b>	<b>1.35</b>		<b>3.42</b>		<b>1.46</b>		<b>1.05</b>		<b>3.76</b>		<b>7.86</b>		<b>228.54</b>		<b>236.59</b>	
Total Fund Policy	1.12		3.28		1.83		1.47		5.54		8.84		100.00		100.00	
<b>Total Equity</b>	<b>2.29</b>		<b>5.12</b>		<b>1.23</b>		<b>0.49</b>		<b>4.39</b>		<b>10.86</b>		<b>185.91</b>		<b>167.87</b>	
Total Equity Policy	3.30		4.73		1.56		0.28		6.61		12.94		100.00		100.00	
<b>Domestic Equity</b>	<b>3.26</b>	<b>(56)</b>	<b>4.62</b>	<b>(47)</b>	<b>1.80</b>	<b>(39)</b>	<b>1.03</b>	<b>(36)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>	
Russell 3000 Index	4.21	(36)	4.40	(54)	2.63	(21)	0.97	(38)	8.43	(10)	14.67	(16)	100.00		100.00	
IM U.S. Multi-Cap Core Equity (MF) Median	3.56		4.48		1.38		0.36		6.47		13.41		111.44		119.35	
<b>International Equity</b>	<b>-2.73</b>	<b>(69)</b>	<b>7.82</b>	<b>(8)</b>	<b>-1.70</b>	<b>(72)</b>	<b>-2.24</b>	<b>(35)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>	
MSCI AC World ex USA	-1.20	(39)	7.00	(29)	-0.40	(35)	-0.26	(19)	-1.32	(19)	5.48	(43)	100.00		100.00	
IM International Large Cap Core Equity (MF) Median	-1.71		6.13		-1.00		-3.09		-2.86		5.08		109.22		99.06	
<b>Total Fixed Income</b>	<b>-0.39</b>		<b>1.02</b>		<b>2.03</b>		<b>2.11</b>		<b>2.28</b>		<b>2.23</b>		<b>21.31</b>		<b>10.56</b>	
Total Fixed Income Policy	-3.61		0.52		2.21		3.03		2.83		2.11		100.00		100.00	
<b>Domestic Fixed Income</b>	<b>-1.94</b>	<b>(32)</b>	<b>1.26</b>	<b>(40)</b>	<b>2.28</b>	<b>(65)</b>	<b>2.36</b>	<b>(69)</b>	<b>2.05</b>	<b>(86)</b>	<b>2.10</b>	<b>(85)</b>	<b>50.26</b>	<b>(82)</b>	<b>29.05</b>	<b>(86)</b>
Bloomberg Barclays U.S. Aggregate Index	-2.98	(84)	0.46	(87)	2.21	(69)	3.03	(24)	3.03	(51)	2.23	(80)	100.00		100.00	
IM U.S. Broad Market Fixed Income (SA+CF+MF) Median	-2.46		1.07		2.46		2.69		3.03		2.96		88.72		84.07	
<b>Global Fixed Income</b>	<b>8.36</b>	<b>(1)</b>	<b>-0.34</b>	<b>(100)</b>	<b>0.52</b>	<b>(100)</b>	<b>0.24</b>	<b>(100)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>	
Bmbg. Barc. Global Multiverse	-6.68	(79)	1.05	(70)	3.00	(23)	5.88	(11)	-0.02	(65)	0.49	(76)	100.00		100.00	
IM Global Fixed Income (MF) Median	-3.95		1.47		2.39		3.15		0.43		1.44		81.02		77.27	
<b>Real Estate</b>	<b>1.20</b>	<b>(94)</b>	<b>1.83</b>	<b>(68)</b>	<b>1.26</b>	<b>(94)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>	
NCREIF Fund Index-Open End Diversified Core (EW)	2.16	(67)	2.18	(47)	2.18	(61)	2.44	(61)	12.21	(69)	12.20	(75)	N/A		N/A	
IM U.S. Open End Private Real Estate (SA+CF) Median	2.29		2.09		2.50		2.64		12.77		13.01		N/A		N/A	



**Destin Fire Control District Firefighters' Retirement Trust Fund**  
**Compliance Statistics**  
As of December 31, 2016

	1 Qtr Return		1 Quarter Ending Sep-2016 Return		1 Quarter Ending Jun-2016 Return		1 Quarter Ending Mar-2016 Return		3 YR Return		5 YR Return		3 YR Down Market Capture	5 YR Down Market Capture
Domestic Equity Strategies														
JP Morgan Disciplined (JDEUX)	4.53	(31)	4.25	(35)	1.45	(66)	-0.64	(72)	N/A		N/A		N/A	N/A
S&P 500 Index	3.82	(45)	3.85	(50)	2.46	(34)	1.35	(28)	8.87	(7)	14.66	(16)	100.00	100.00
IM U.S. Large Cap Core Equity (MF) Median	3.68		3.85		2.02		0.33		7.29		13.39		110.12	112.68
Parnassus Core Equity (PRILX)	2.25	(81)	4.60	(26)	0.77	(88)	2.64	(14)	N/A		N/A		N/A	N/A
S&P 500 Index	3.82	(45)	3.85	(50)	2.46	(34)	1.35	(28)	8.87	(7)	14.66	(16)	100.00	100.00
IM U.S. Large Cap Core Equity (MF) Median	3.68		3.85		2.02		0.33		7.29		13.39		110.12	112.68
Vanguard Mid Cap Index (VIMAX)	2.14	(92)	5.19	(38)	2.33	(57)	1.17	(57)	N/A		N/A		N/A	N/A
Russell Midcap Index	3.21	(79)	4.52	(55)	3.18	(34)	2.24	(43)	7.92	(16)	14.72	(17)	100.00	100.00
IM U.S. Mid Cap Core Equity (MF) Median	5.19		4.61		2.55		1.65		6.30		13.14		105.10	110.11
Vanguard Total Stock Index (VITSX)	4.12	(41)	4.42	(53)	2.67	(21)	0.95	(38)	N/A		N/A		N/A	N/A
Russell 3000 Index	4.21	(36)	4.40	(54)	2.63	(21)	0.97	(38)	8.43	(10)	14.67	(16)	100.00	100.00
IM U.S. Multi-Cap Core Equity (MF) Median	3.56		4.48		1.38		0.36		6.47		13.41		111.44	119.35
International Equity Strategies														
EuroPacific Growth (RERGX)	-4.15	(91)	8.23	(6)	-0.32	(31)	-2.32	(36)	N/A		N/A		N/A	N/A
MSCI AC World ex USA	-1.20	(39)	7.00	(29)	-0.40	(35)	-0.26	(19)	-1.32	(19)	5.48	(43)	100.00	100.00
IM International Large Cap Core Equity (MF) Median	-1.71		6.13		-1.00		-3.09		-2.86		5.08		109.22	99.06
Transamerica Intl (TAINX)	-1.30	(39)	7.41	(23)	-3.07	(87)	-2.16	(34)	N/A		N/A		N/A	N/A
MSCI AC World ex USA	-1.20	(39)	7.00	(29)	-0.40	(35)	-0.26	(19)	-1.32	(19)	5.48	(43)	100.00	100.00
IM International Large Cap Core Equity (MF) Median	-1.71		6.13		-1.00		-3.09		-2.86		5.08		109.22	99.06



**Destin Fire Control District Firefighters' Retirement Trust Fund**  
**Compliance Statistics**  
As of December 31, 2016

	1 Qtr Return		1 Quarter Ending Sep-2016 Return		1 Quarter Ending Jun-2016 Return		1 Quarter Ending Mar-2016 Return		3 YR Return		5 YR Return		3 YR Down Market Capture	5 YR Down Market Capture
Domestic Fixed Income Strategies														
Dodge & Cox (DODIX)	-1.24	(3)	1.79	(3)	2.61	(21)	2.35	(85)	N/A		N/A		N/A	N/A
Bloomberg Barclays U.S. Aggregate Index	-2.98	(71)	0.46	(74)	2.21	(63)	3.03	(17)	3.03	(30)	2.23	(59)	100.00	100.00
IM U.S. Broad Market Core Fixed Income (MF) Median	-2.72		0.72		2.35		2.72		2.80		2.42		97.49	96.01
Metropolitan West Bond (MWTIX)	-2.64	(41)	0.73	(49)	1.98	(84)	2.43	(81)	N/A		N/A		N/A	N/A
Bloomberg Barclays U.S. Aggregate Index	-2.98	(71)	0.46	(74)	2.21	(63)	3.03	(17)	3.03	(30)	2.23	(59)	100.00	100.00
IM U.S. Broad Market Core Fixed Income (MF) Median	-2.72		0.72		2.35		2.72		2.80		2.42		97.49	96.01
Global Fixed Income Strategies														
Templeton Global Return (FTTRX)	8.36	(1)	-0.34	(100)	0.52	(100)	0.24	(100)	N/A		N/A		N/A	N/A
Blmbg. Barc. Global Multiverse	-6.68	(79)	1.05	(70)	3.00	(23)	5.88	(11)	-0.02	(65)	0.49	(76)	100.00	100.00
IM Global Fixed Income (MF) Median	-3.95		1.47		2.39		3.15		0.43		1.44		81.02	77.27
Real Estate Strategies														
American Core Real Estate	1.20	(94)	1.83	(68)	1.26	(94)	N/A		N/A		N/A		N/A	N/A
NCREIF Fund Index-Open End Diversified Core (EW)	2.16	(67)	2.18	(47)	2.18	(61)	2.44	(61)	12.21	(69)	12.20	(75)	N/A	N/A
IM U.S. Open End Private Real Estate (SA+CF) Median	2.29		2.09		2.50		2.64		12.77		13.01		N/A	N/A

# Destin Fire Control District Firefighters' Retirement Trust Fund

## Fee Analysis

As of December 31, 2016

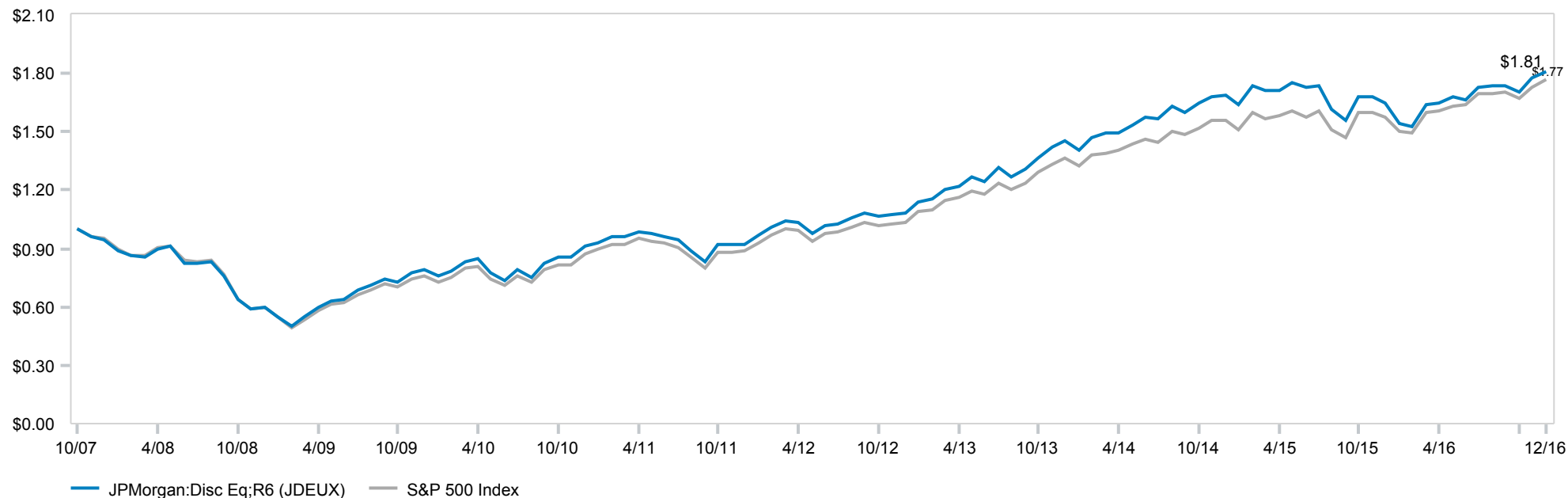
	Estimated Annual Fee (%)	12/31/16 Market Value	12/31/16 Allocation (%)	Estimated Annual Fee (\$)
<b>Domestic Equity</b>				
JP Morgan Disciplined (JDEUX)	0.35	2,057,543	12.73	7,201
Parnassus Core Equity (PRILX)	0.67	2,036,640	12.60	13,645
Vanguard Mid Cap Index (VIMAX)	0.08	2,052,470	12.70	1,642
Vanguard Total Stock Index (VITSX)	0.04	2,064,740	12.77	826
<b>Domestic Fixed Income</b>				
Dodge & Cox (DODIX)	0.43	1,998,297	12.36	8,593
Metropolitan West Bond (MWTIX)	0.44	1,970,147	12.19	8,669
<b>International Equity</b>				
Transamerica Intl (TAINX)	0.80	761,633	4.71	6,093
EuroPacific Growth (RERGX)	0.50	737,545	4.56	3,688
<b>Global Fixed Income</b>				
Templeton Global Return (FTTRX)	0.67	779,164	4.82	5,220
<b>Real Estate</b>				
American Core Real Estate	1.10	1,441,820	8.92	15,860
<b>Cash Accounts</b>				
Receipts & Disbursement	0.00	265,608	1.64	-
<b>Total Fund</b>	<b>0.44</b>	<b>16,165,609</b>	<b>100.00</b>	<b>71,437</b>



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## **Long-Term Manager Composite Data**

### Growth of a Dollar



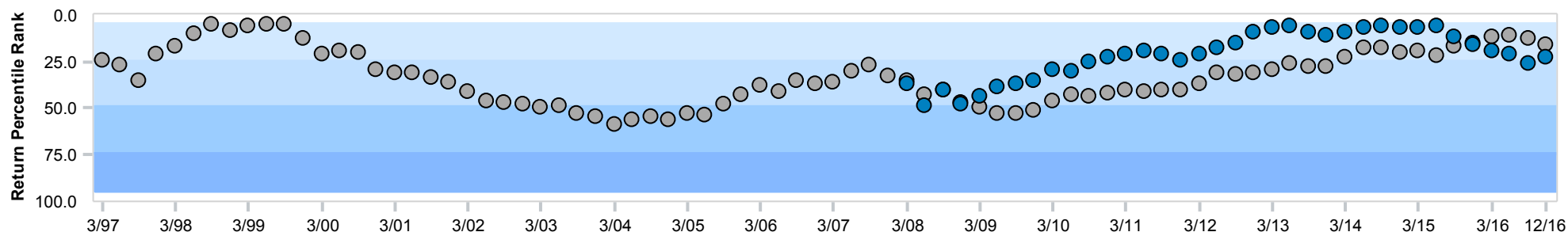
### Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
JPMorgan:Disc Eq;R6 (JDEUX)	4.53 (31)	9.85 (55)	9.85 (55)	3.67 (73)	7.58 (42)	14.41 (23)	12.58 (18)	7.25 (14)	N/A
S&P 500 Index	3.82 (45)	11.96 (29)	11.96 (29)	6.54 (18)	8.87 (7)	14.66 (16)	12.83 (12)	6.95 (24)	6.69 (24)
Median	3.68	10.16	10.16	5.10	7.29	13.39	11.34	6.12	6.03

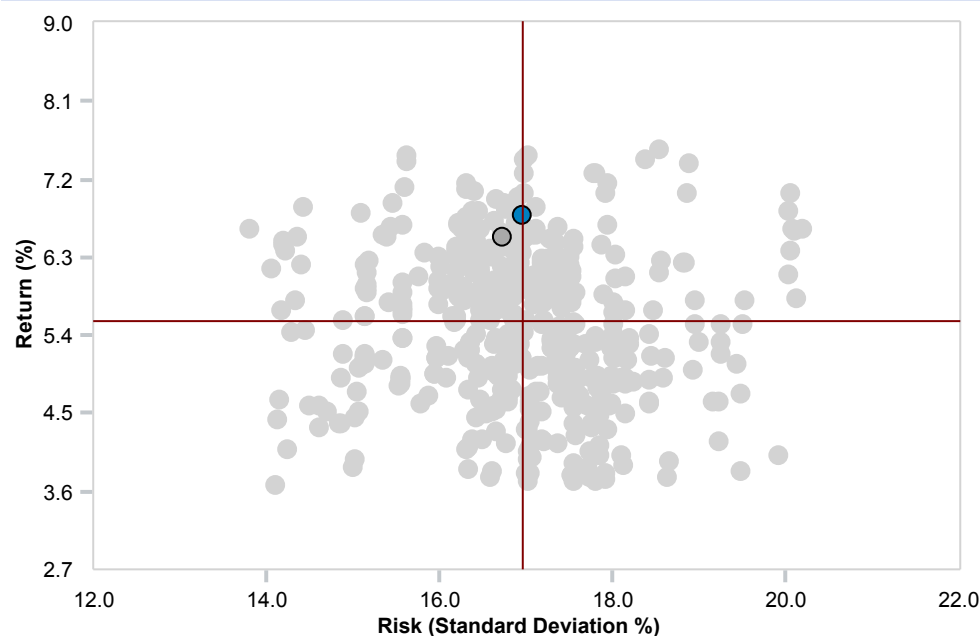
### Fiscal Year Returns

	FYTD	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
JPMorgan:Disc Eq;R6 (JDEUX)	4.53 (31)	11.02 (74)	-2.26 (54)	21.77 (3)	21.14 (31)	30.56 (20)	0.91 (29)	10.92 (15)	-2.91 (21)
S&P 500 Index	3.82 (45)	15.43 (16)	-0.61 (26)	19.73 (17)	19.34 (61)	30.20 (25)	1.14 (27)	10.16 (24)	-6.91 (60)
Median	3.68	12.95	-2.02	17.35	20.03	28.06	-0.83	8.28	-5.80

### 5 Year Rolling Percentile Ranking

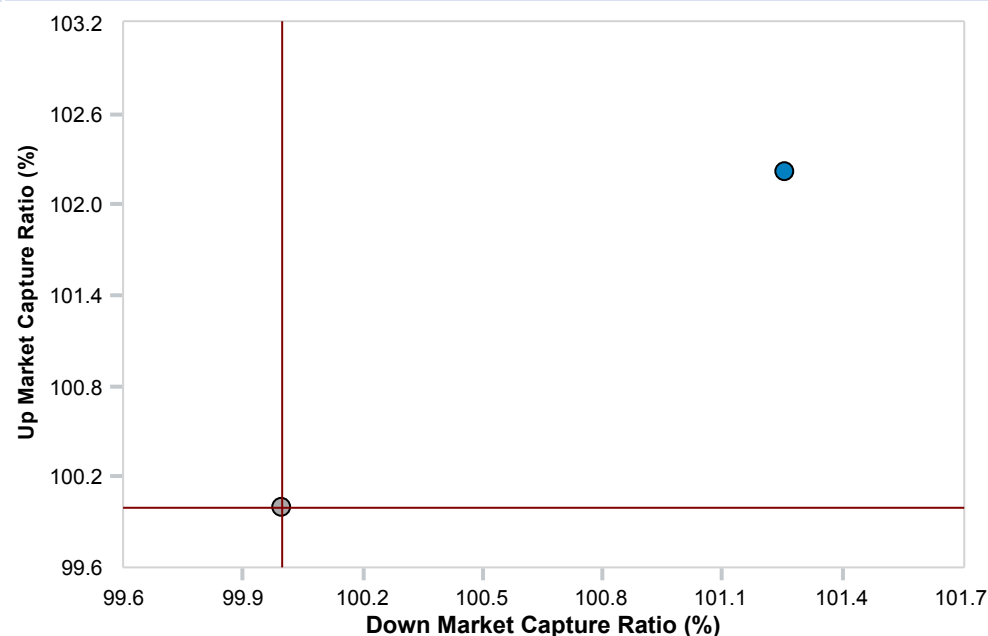


### Risk vs Return: October 2007 to Present



● JPMorgan:Disc Eq;R6 (JDEUX) ● S&P 500 Index

### Up/Down Markets: October 2007 to Present

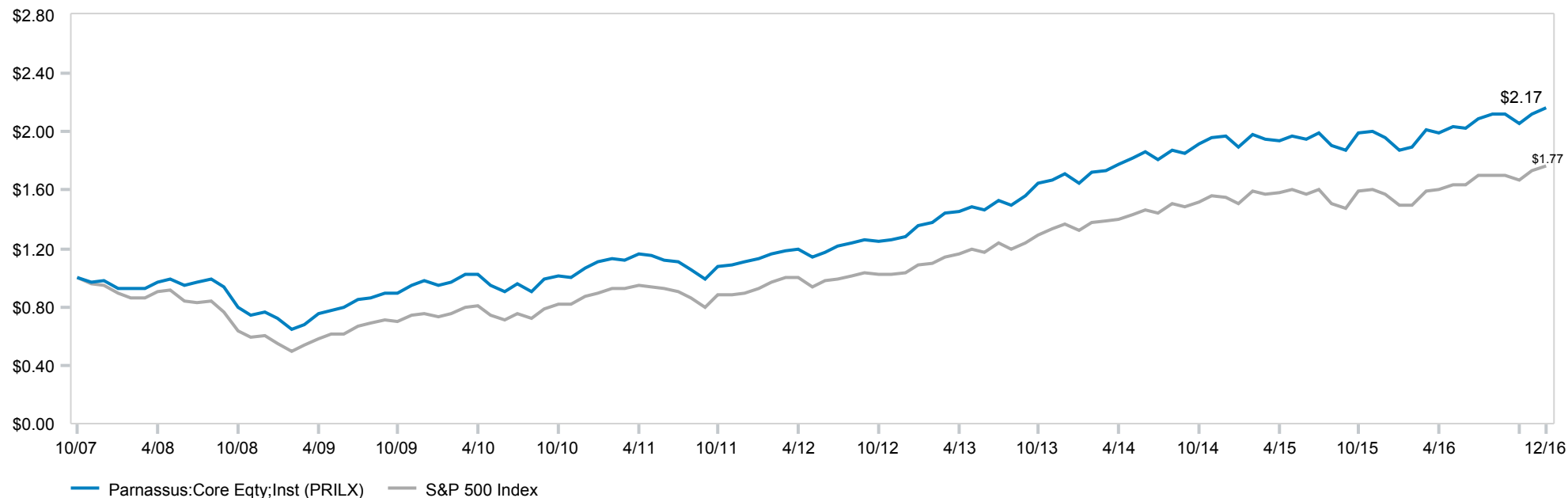


● JPMorgan:Disc Eq;R6 (JDEUX) ● S&P 500 Index

### Historical Statistics: October 1, 2007 To December 31, 2016

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
JPMorgan:Disc Eq;R6 (JDEUX)	64.86	-44.76	0.21	0.27	0.45	0.15	0.08	1.01	1.78
S&P 500 Index	0.00	-45.80	0.00	0.00	0.44	N/A	0.07	1.00	0.00

### Growth of a Dollar



### Trailing Returns

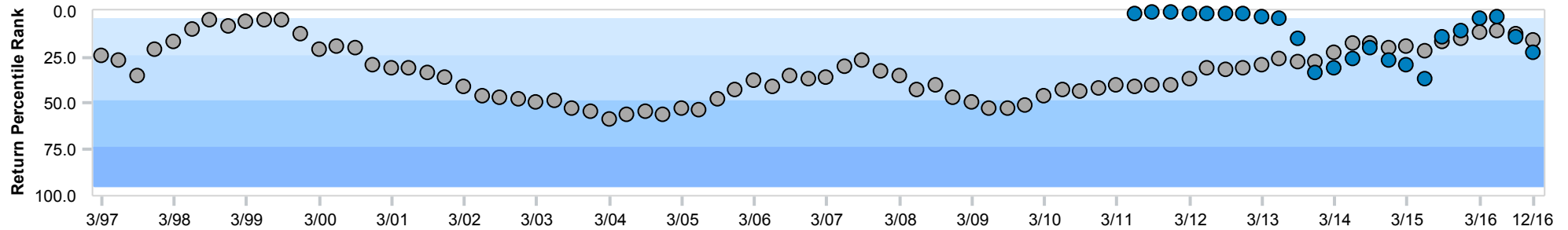
	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Parnassus:Core Eqty;Inst (PRILX)	2.24 (81)	10.61 (45)	10.61 (45)	4.99 (52)	8.14 (24)	14.42 (23)	12.01 (31)	9.69 (1)	N/A
S&P 500 Index	3.82 (45)	11.96 (29)	11.96 (29)	6.54 (18)	8.87 (7)	14.66 (16)	12.83 (12)	6.95 (24)	6.69 (24)
Median	3.68	10.16	10.16	5.10	7.29	13.39	11.34	6.12	6.03

### Fiscal Year Returns

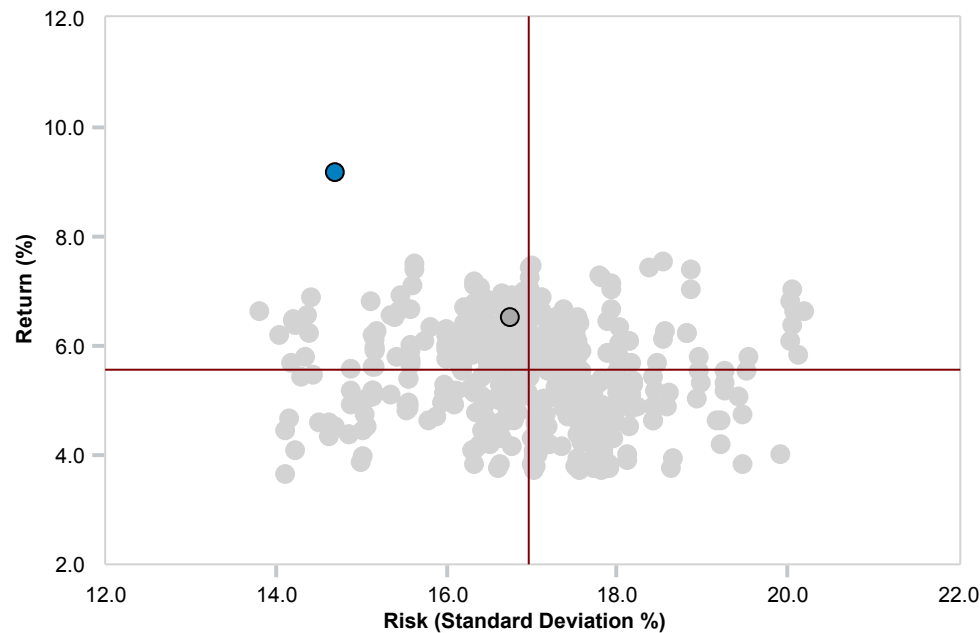
	FYTD	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
Parnassus:Core Eqty;Inst (PRILX)	2.24 (81)	13.41 (45)	1.09 (9)	18.51 (35)	23.61 (11)	26.83 (64)	0.58 (33)	10.64 (18)	-4.74 (41)
S&P 500 Index	3.82 (45)	15.43 (16)	-0.61 (26)	19.73 (17)	19.34 (61)	30.20 (25)	1.14 (27)	10.16 (24)	-6.91 (60)
Median	3.68	12.95	-2.02	17.35	20.03	28.06	-0.83	8.28	-5.80



#### 5 Year Rolling Percentile Ranking

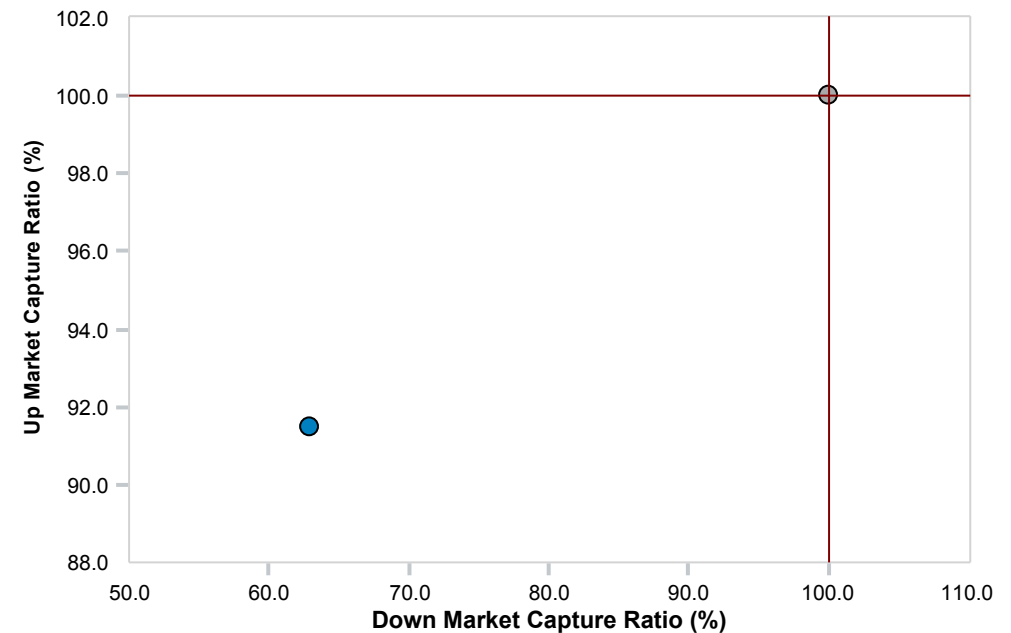


#### Risk vs Return: October 2007 to Present



● Parnassus:Core Eqty;Inst (PRILX) ● S&P 500 Index

#### Up/Down Markets: October 2007 to Present



● Parnassus:Core Eqty;Inst (PRILX) ● S&P 500 Index

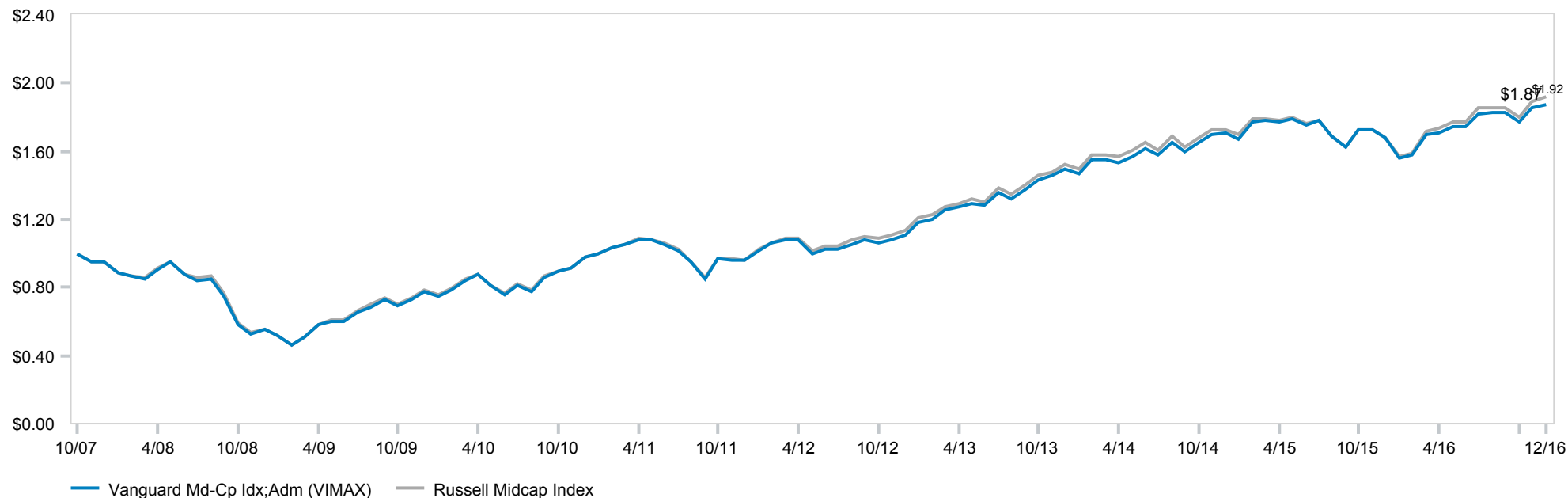
#### Historical Statistics: October 1, 2007 To December 31, 2016

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Parnassus:Core Eqty;Inst (PRILX)	54.05	-31.14	3.47	2.16	0.64	0.42	0.11	0.84	5.18
S&P 500 Index	0.00	-45.80	0.00	0.00	0.44	N/A	0.07	1.00	0.00

# Vanguard Md-Cp Idx;Adm (VIMAX) Long-Term Composite Performance

As of December 31, 2016

## Growth of a Dollar



## Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Vanguard Md-Cp Idx;Adm (VIMAX)	2.14 (92)	11.22 (79)	11.22 (79)	4.75 (48)	7.67 (24)	14.37 (26)	13.39 (14)	7.66 (23)	9.21 (16)
Russell Midcap Index	3.21 (79)	13.80 (59)	13.80 (59)	5.37 (42)	7.92 (16)	14.72 (17)	13.68 (8)	7.86 (19)	9.51 (9)
Median	5.19	14.50	14.50	4.55	6.30	13.14	11.96	6.71	8.01

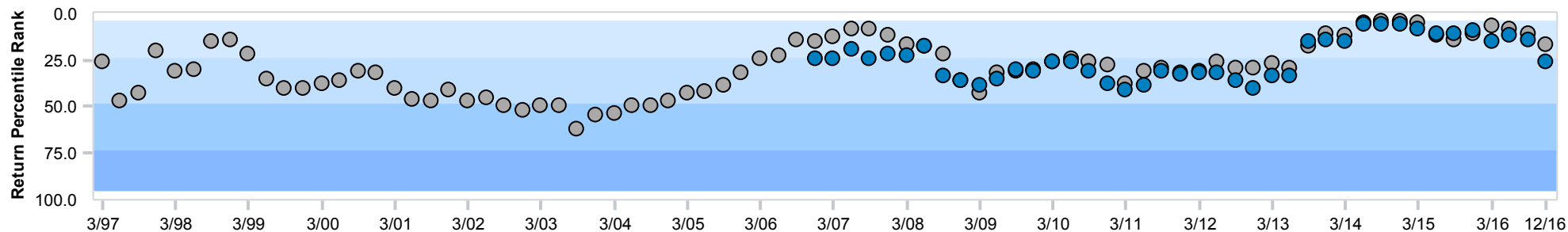
## Fiscal Year Returns

	FYTD	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
Vanguard Md-Cp Idx;Adm (VIMAX)	2.14 (92)	12.64 (40)	1.71 (25)	15.88 (16)	27.95 (38)	26.47 (44)	-0.69 (28)	17.90 (9)	-2.01 (32)
Russell Midcap Index	3.21 (79)	14.25 (27)	-0.25 (33)	15.83 (17)	27.91 (39)	28.03 (30)	-0.88 (30)	17.54 (11)	-3.55 (43)
Median	5.19	11.87	-1.36	12.13	27.31	26.03	-3.37	13.51	-4.29

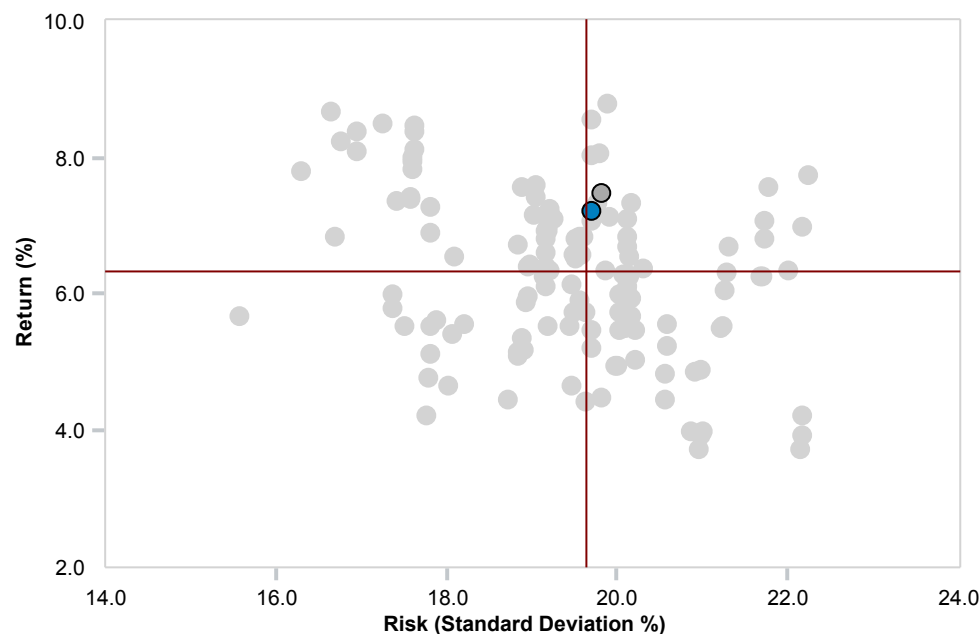
Long-term composite performance. Actual client results may vary.  
October 2007 represents the beginning of the current market cycle.  
Peer Group: IM U.S. Mid Cap Core Equity (MF)



### 5 Year Rolling Percentile Ranking

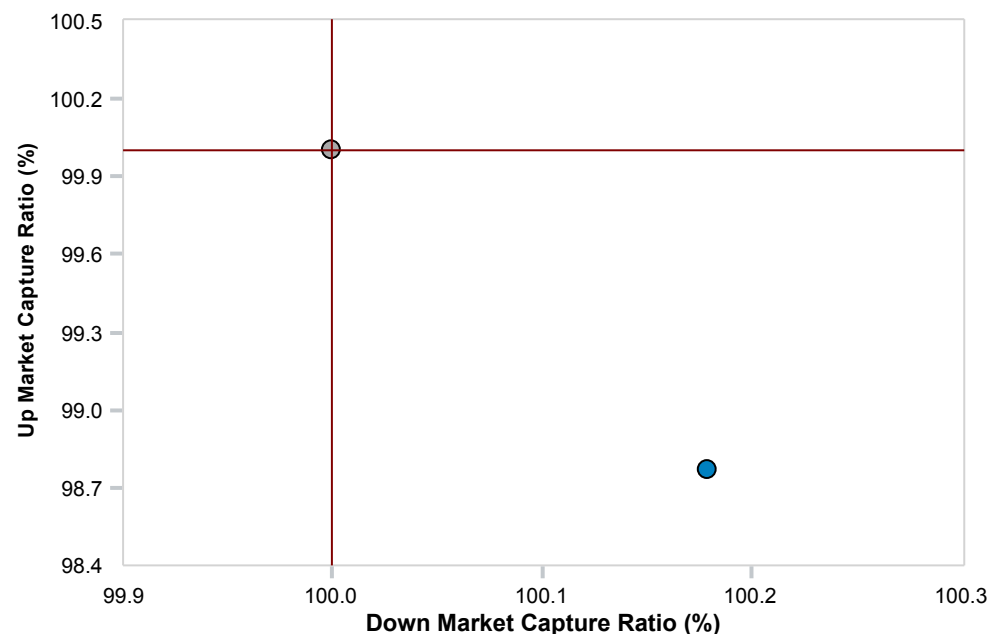


### Risk vs Return: October 2007 to Present



● Vanguard Md-Cp Idx;Adm (VIMAX) ● Russell Midcap Index

### Up/Down Markets: October 2007 to Present

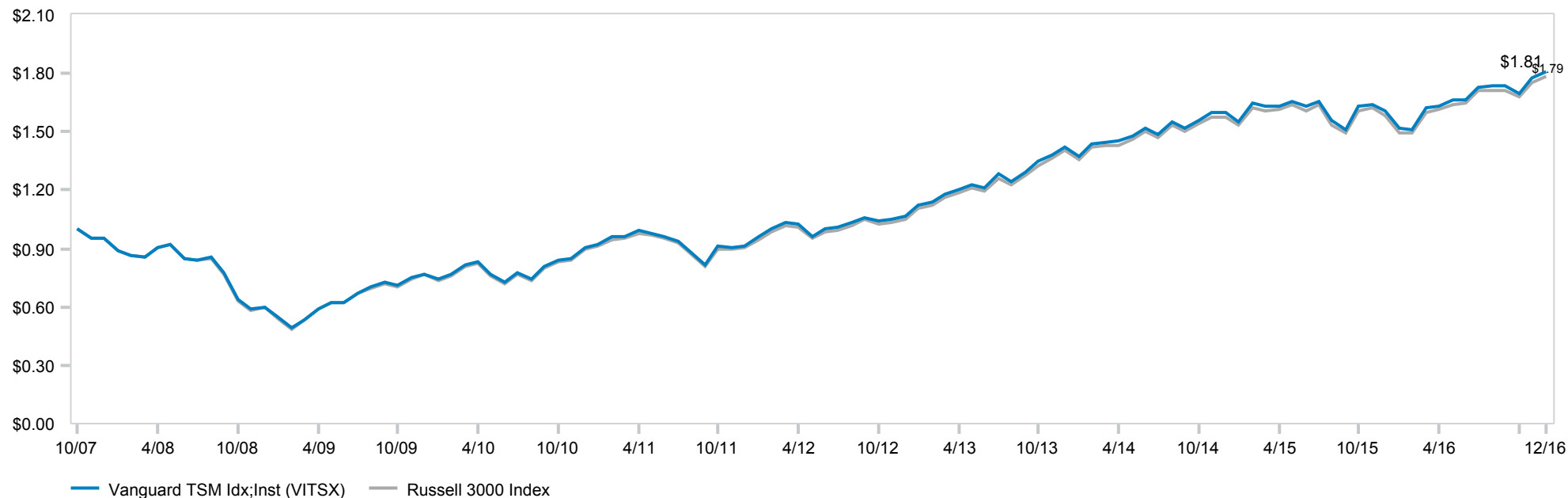


● Vanguard Md-Cp Idx;Adm (VIMAX) ● Russell Midcap Index

### Historical Statistics: October 1, 2007 To December 31, 2016

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Vanguard Md-Cp Idx;Adm (VIMAX)	45.95	-48.50	-0.20	-0.28	0.43	-0.18	0.09	0.99	1.57
Russell Midcap Index	0.00	-48.60	0.00	0.00	0.44	N/A	0.09	1.00	0.00

### Growth of a Dollar



### Trailing Returns

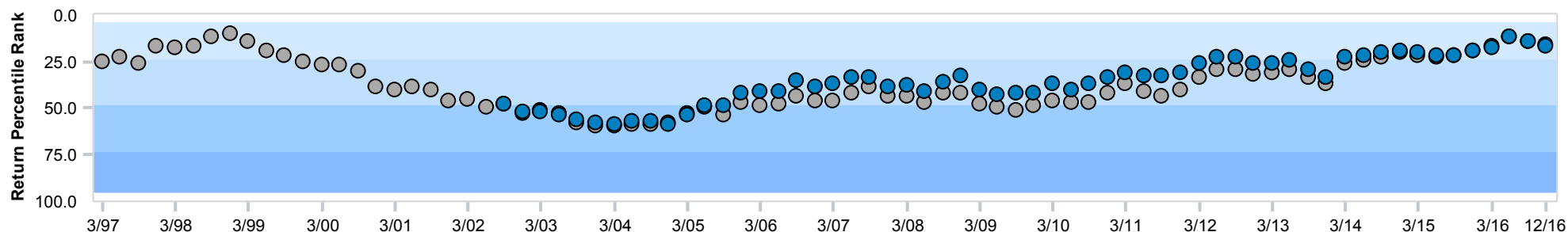
	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Vanguard TSM Idx;Inst (VITSX)	4.12 (41)	12.67 (26)	12.67 (26)	6.37 (14)	8.39 (11)	14.63 (17)	12.95 (11)	7.24 (19)	7.34 (23)
Russell 3000 Index	4.21 (36)	12.74 (25)	12.74 (25)	6.43 (11)	8.43 (10)	14.67 (16)	12.92 (13)	7.07 (23)	7.11 (30)
Median	3.56	9.75	9.75	4.16	6.47	13.41	11.30	6.08	6.49

### Fiscal Year Returns

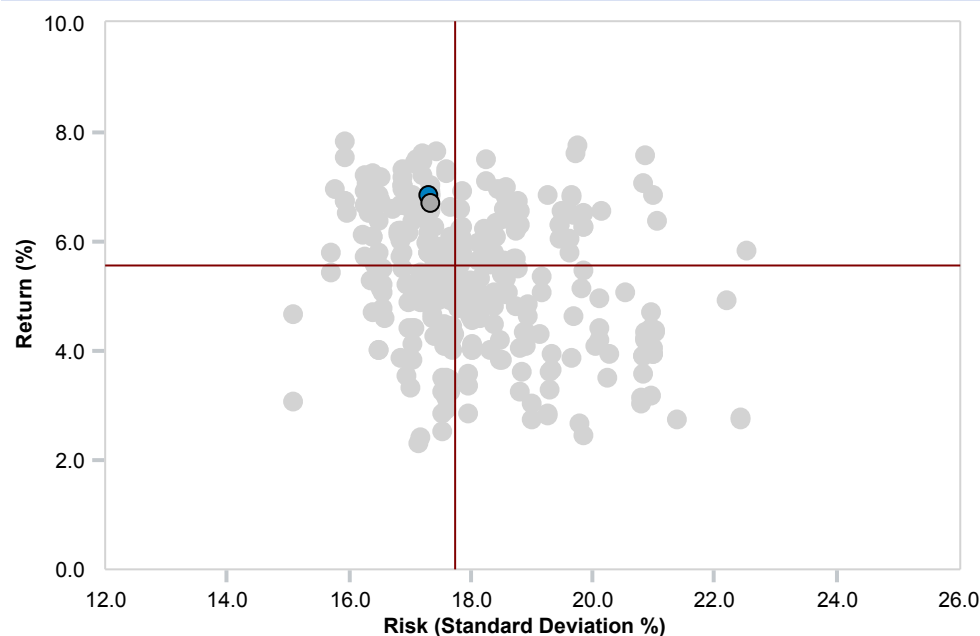
	FYTD	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
Vanguard TSM Idx;Inst (VITSX)	4.12 (41)	15.00 (12)	-0.57 (34)	17.76 (30)	21.52 (61)	30.24 (16)	0.72 (23)	11.13 (31)	-5.93 (55)
Russell 3000 Index	4.21 (36)	14.96 (13)	-0.49 (33)	17.76 (30)	21.60 (59)	30.20 (17)	0.55 (26)	10.96 (33)	-6.42 (61)
Median	3.56	11.36	-1.61	16.24	22.79	26.40	-1.74	9.59	-5.44



### 5 Year Rolling Percentile Ranking

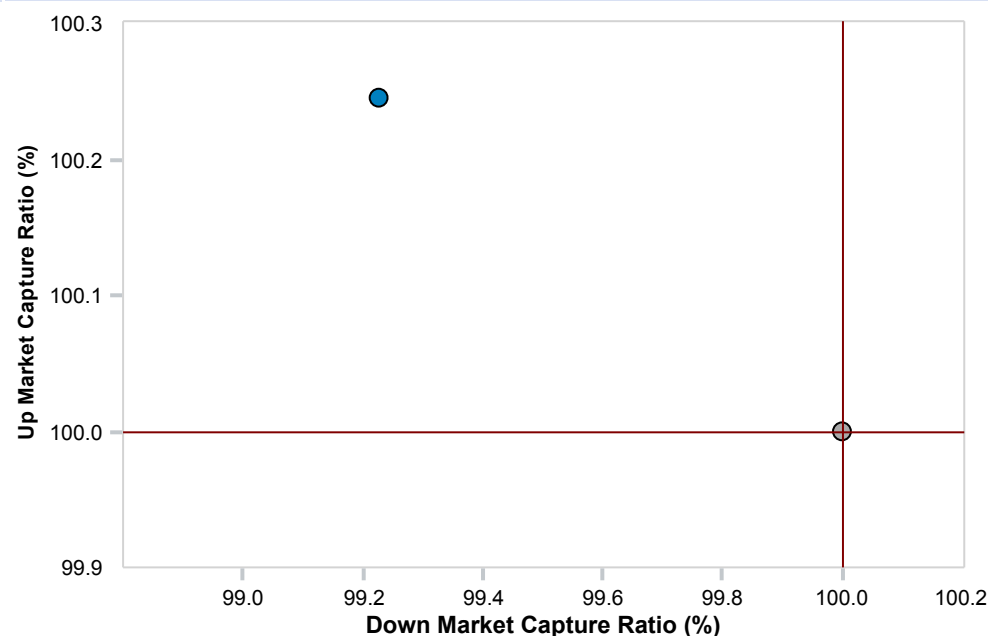


### Risk vs Return: October 2007 to Present



● Vanguard TSM Idx;Inst (VITSX) ● Russell 3000 Index

### Up/Down Markets: October 2007 to Present

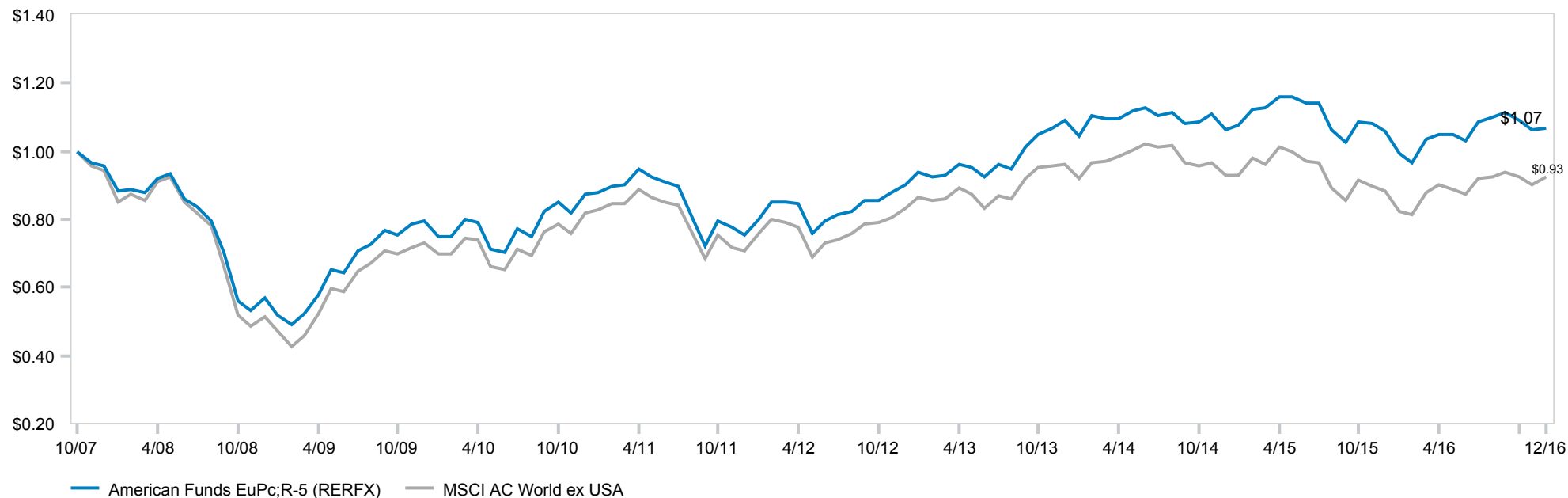


● Vanguard TSM Idx;Inst (VITSX) ● Russell 3000 Index

### Historical Statistics: October 1, 2007 To December 31, 2016

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Vanguard TSM Idx;Inst (VITSX)	56.76	-45.55	0.13	0.12	0.44	0.88	0.08	1.00	0.14
Russell 3000 Index	0.00	-45.95	0.00	0.00	0.44	-0.33	0.08	1.00	0.00

### Growth of a Dollar



### Trailing Returns

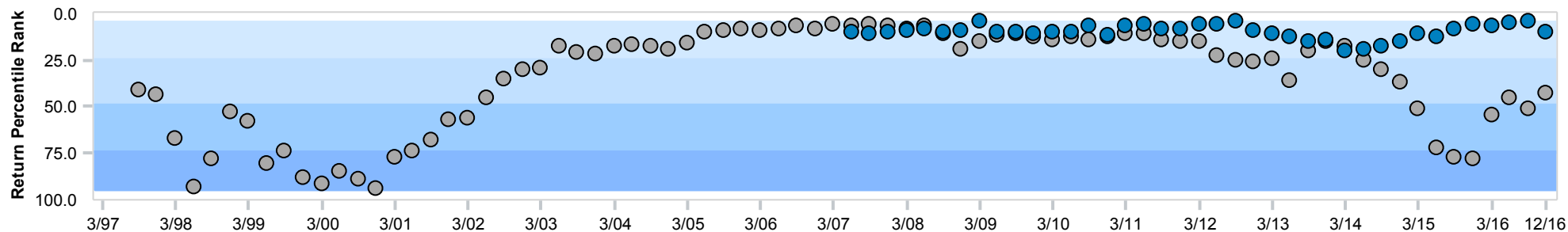
	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
American Funds EuPc;R-5 (RERFX)	-4.14 (91)	1.00 (57)	1.00 (57)	0.23 (16)	-0.64 (14)	7.17 (10)	4.32 (12)	2.92 (7)	N/A
MSCI AC World ex USA	-1.20 (39)	5.01 (15)	5.01 (15)	-0.25 (33)	-1.32 (19)	5.48 (43)	3.39 (22)	1.42 (16)	6.33 (11)
Median	-1.71	1.41	1.41	-0.87	-2.86	5.08	2.59	0.32	5.14

### Fiscal Year Returns

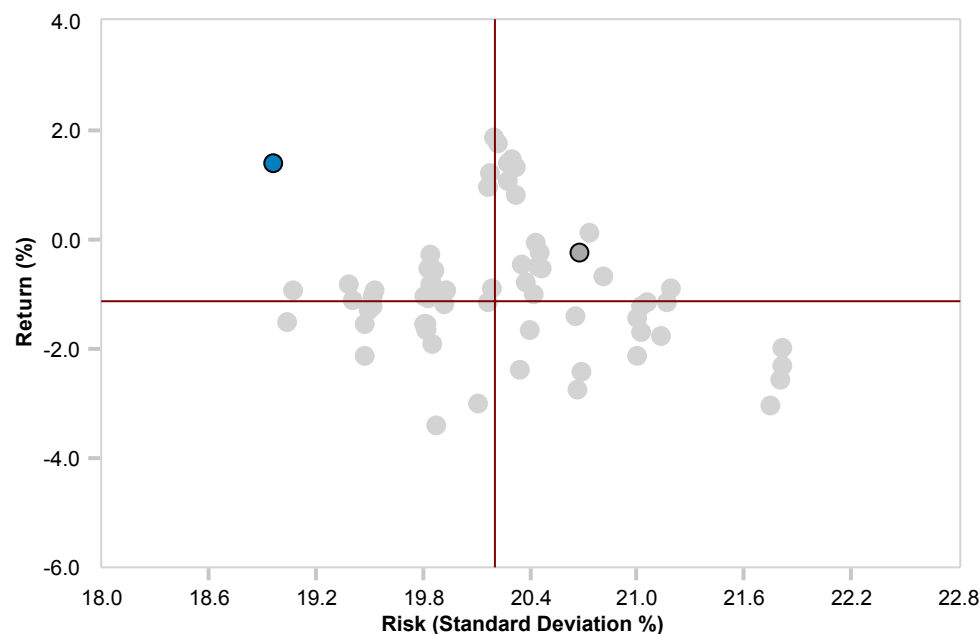
	FYTD	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
American Funds EuPc;R-5 (RERFX)	-4.14 (91)	8.47 (18)	-4.97 (7)	6.93 (8)	18.22 (75)	18.39 (6)	-12.38 (70)	7.35 (12)	8.92 (6)
MSCI AC World ex USA	-1.20 (39)	9.80 (12)	-11.78 (81)	5.22 (19)	16.98 (79)	15.04 (46)	-10.42 (34)	8.00 (8)	6.43 (9)
Median	-1.71	5.54	-8.36	3.44	21.06	14.86	-11.06	3.67	1.49



### 5 Year Rolling Percentile Ranking

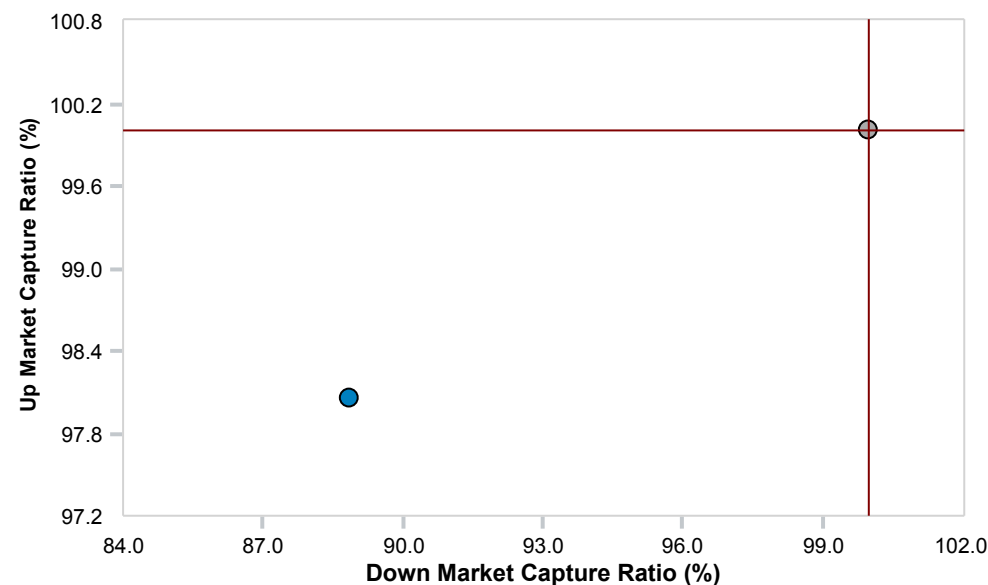


### Risk vs Return: October 2007 to Present



● American Funds EuPc;R-5 (RERFX) ● MSCI AC World ex USA

### Up/Down Markets: October 2007 to Present



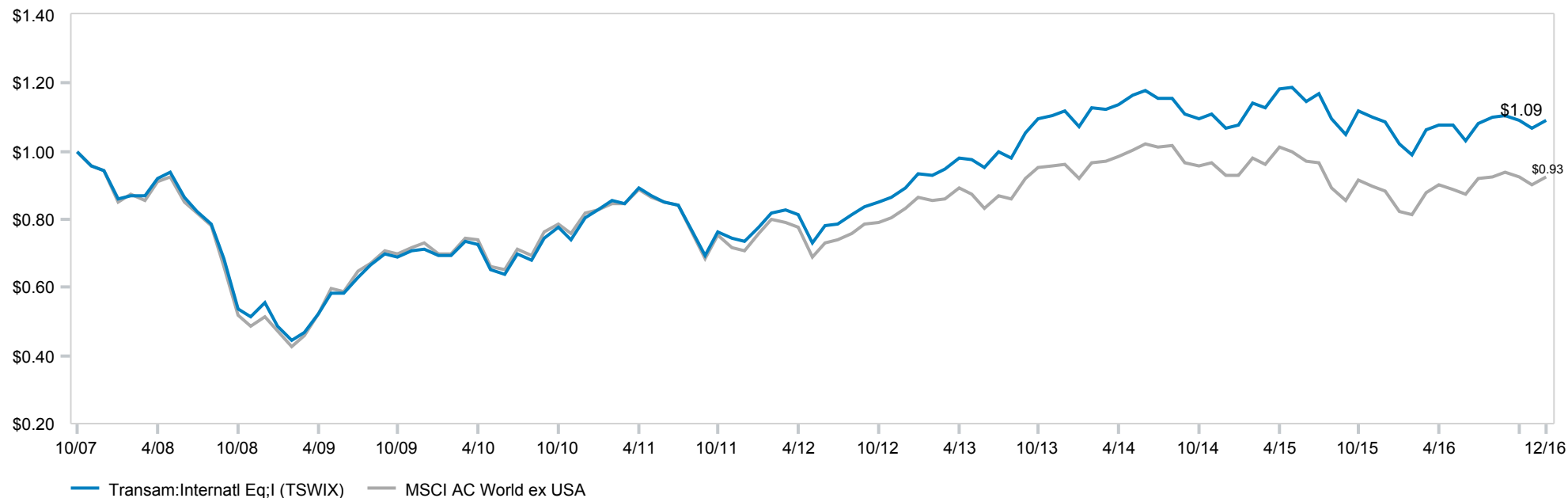
● American Funds EuPc;R-5 (RERFX)

● MSCI AC World ex USA

### Historical Statistics: October 1, 2007 To December 31, 2016

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
American Funds EuPc;R-5 (RERFX)	59.46	-45.07	1.45	1.26	0.14	0.34	0.03	0.90	3.66
MSCI AC World ex USA	0.00	-51.36	0.00	0.00	0.07	N/A	0.02	1.00	0.00

### Growth of a Dollar



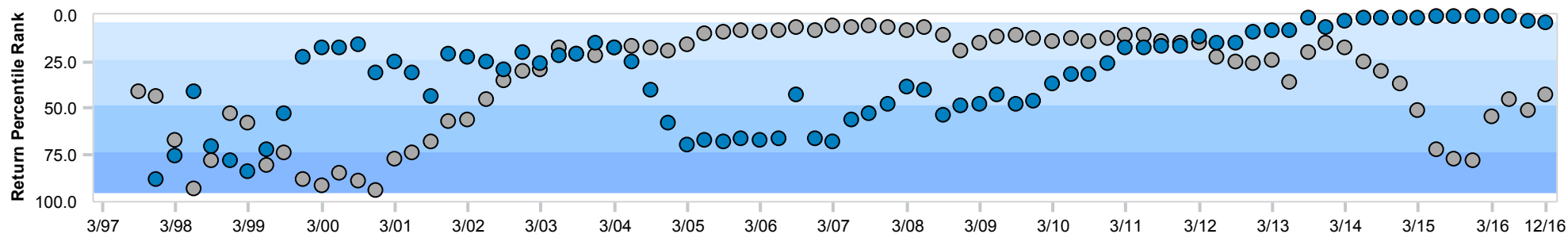
### Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Transam: Internatl Eq:I (TSWIX)	-1.28 (39)	0.56 (61)	0.56 (61)	1.07 (5)	-0.80 (14)	8.28 (4)	6.26 (2)	2.63 (7)	5.73 (29)
MSCI AC World ex USA	-1.20 (39)	5.01 (15)	5.01 (15)	-0.25 (33)	-1.32 (19)	5.48 (43)	3.39 (22)	1.42 (16)	6.33 (11)
Median	-1.71	1.41	1.41	-0.87	-2.86	5.08	2.59	0.32	5.14

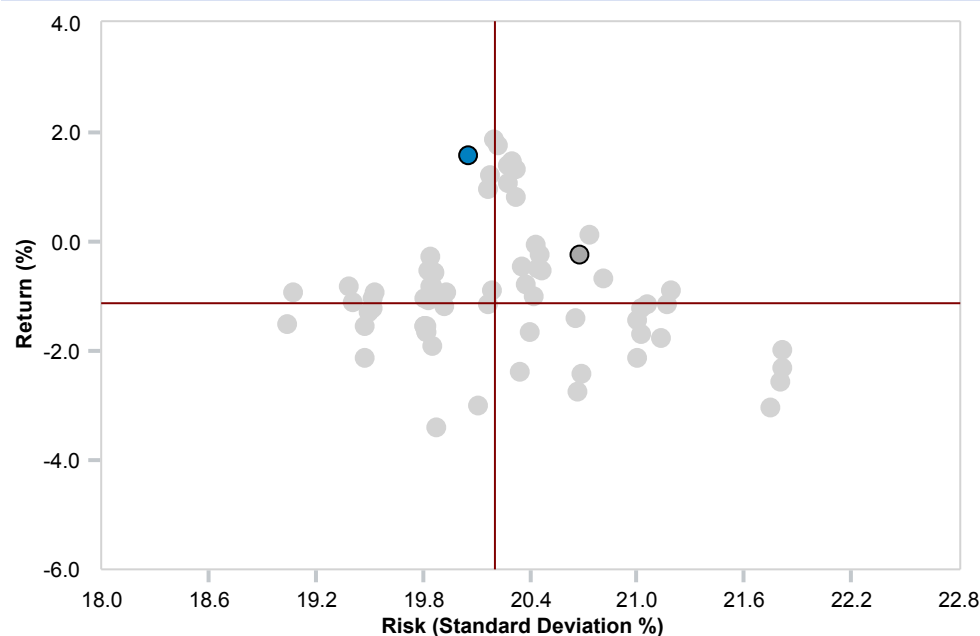
### Fiscal Year Returns

	FYTD	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
Transam: Internatl Eq:I (TSWIX)	-1.28 (39)	5.67 (48)	-5.55 (10)	5.10 (20)	26.28 (9)	20.16 (2)	-6.73 (11)	6.52 (18)	2.48 (27)
MSCI AC World ex USA	-1.20 (39)	9.80 (12)	-11.78 (81)	5.22 (19)	16.98 (79)	15.04 (46)	-10.42 (34)	8.00 (8)	6.43 (9)
Median	-1.71	5.54	-8.36	3.44	21.06	14.86	-11.06	3.67	1.49

### 5 Year Rolling Percentile Ranking

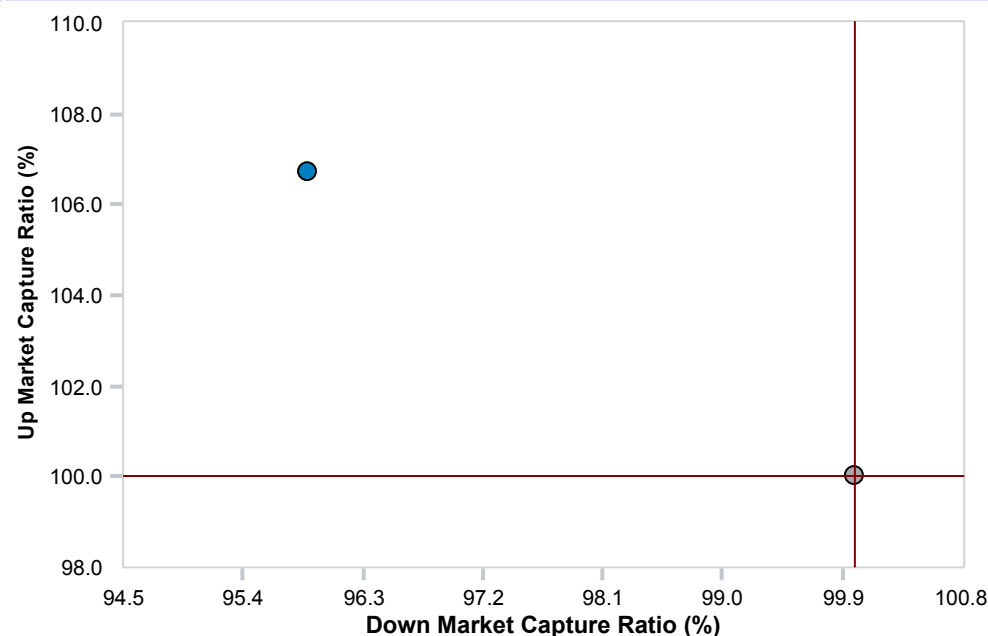


### Risk vs Return: October 2007 to Present



● Transam: Internatl Eq;I (TSWIX) ● MSCI AC World ex USA

### Up/Down Markets: October 2007 to Present

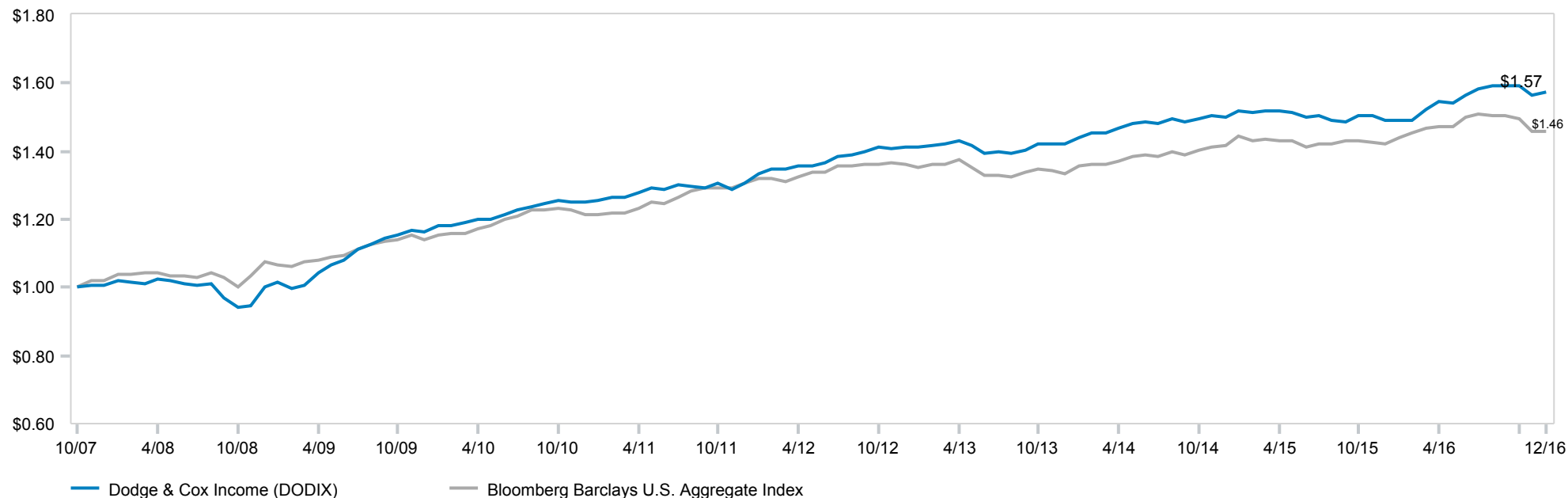


● Transam: Internatl Eq;I (TSWIX) ● MSCI AC World ex USA

### Historical Statistics: October 1, 2007 To December 31, 2016

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Transam: Internatl Eq;I (TSWIX)	62.16	-50.49	1.76	1.66	0.16	0.49	0.03	0.96	3.42
MSCI AC World ex USA	0.00	-51.36	0.00	0.00	0.07	N/A	0.02	1.00	0.00

### Growth of a Dollar



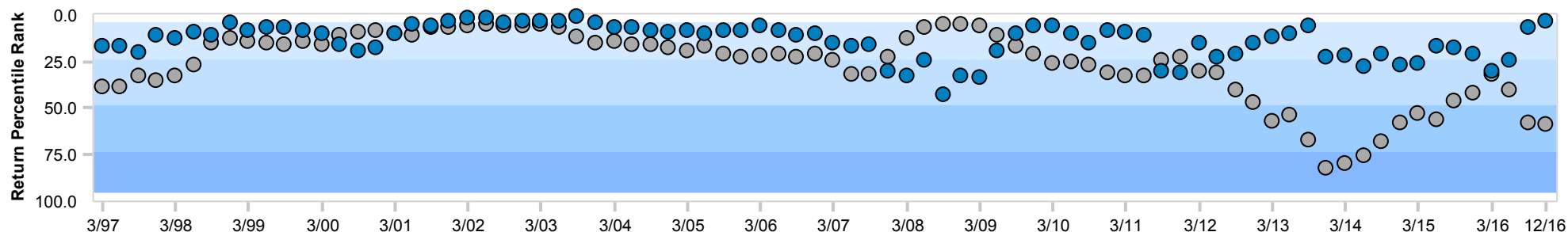
### Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Dodge & Cox Income (DODIX)	-1.24 (3)	5.61 (2)	5.61 (2)	2.47 (5)	3.46 (11)	3.77 (3)	4.39 (15)	5.05 (6)	5.19 (7)
Bloomberg Barclays U.S. Aggregate Index	-2.98 (71)	2.65 (60)	2.65 (60)	1.59 (38)	3.03 (30)	2.23 (59)	3.63 (56)	4.34 (38)	4.58 (35)
Median	-2.72	2.85	2.85	1.45	2.80	2.42	3.72	4.12	4.35

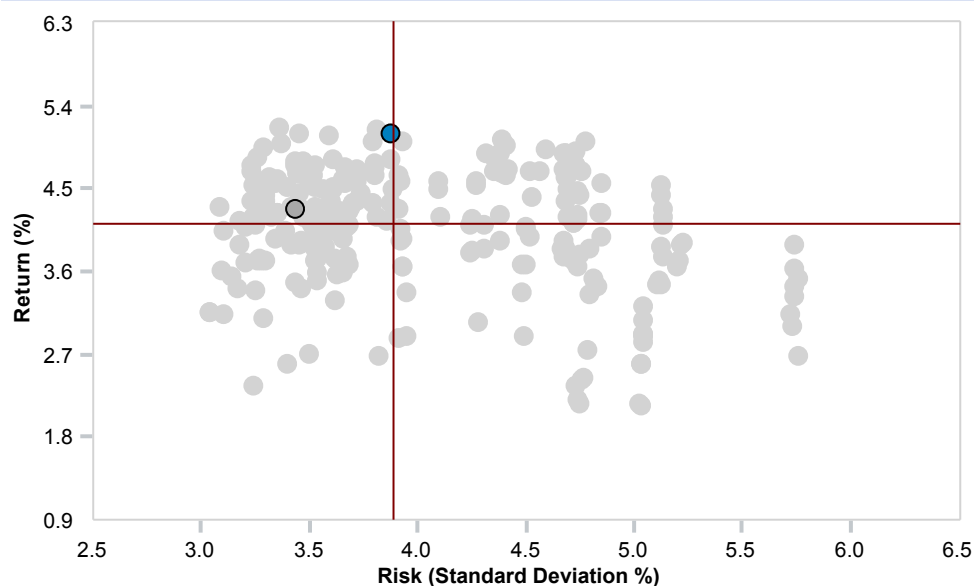
### Fiscal Year Returns

	FYTD	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
Dodge & Cox Income (DODIX)	-1.24 (3)	7.09 (3)	0.16 (94)	5.76 (9)	0.46 (5)	8.37 (15)	3.55 (74)	8.84 (62)	17.88 (3)
Bloomberg Barclays U.S. Aggregate Index	-2.98 (71)	5.19 (51)	2.94 (7)	3.96 (59)	-1.68 (52)	5.16 (80)	5.26 (14)	8.16 (76)	10.56 (59)
Median	-2.72	5.20	1.91	4.18	-1.65	6.77	4.32	9.34	11.35

### 5 Year Rolling Percentile Ranking

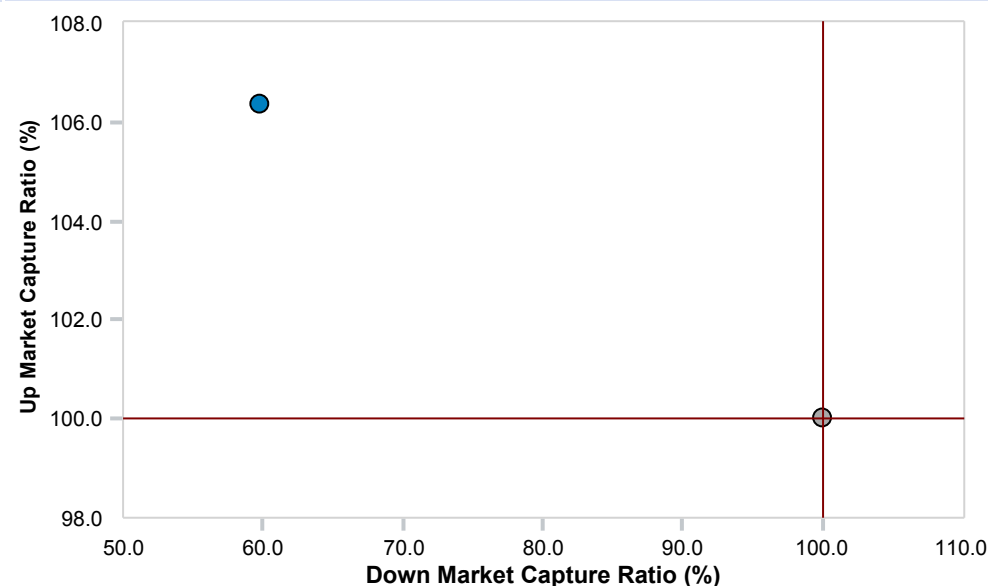


### Risk vs Return: October 2007 to Present



- Dodge & Cox Income (DODIX)
- Bloomberg Barclays U.S. Aggregate Index

### Up/Down Markets: October 2007 to Present

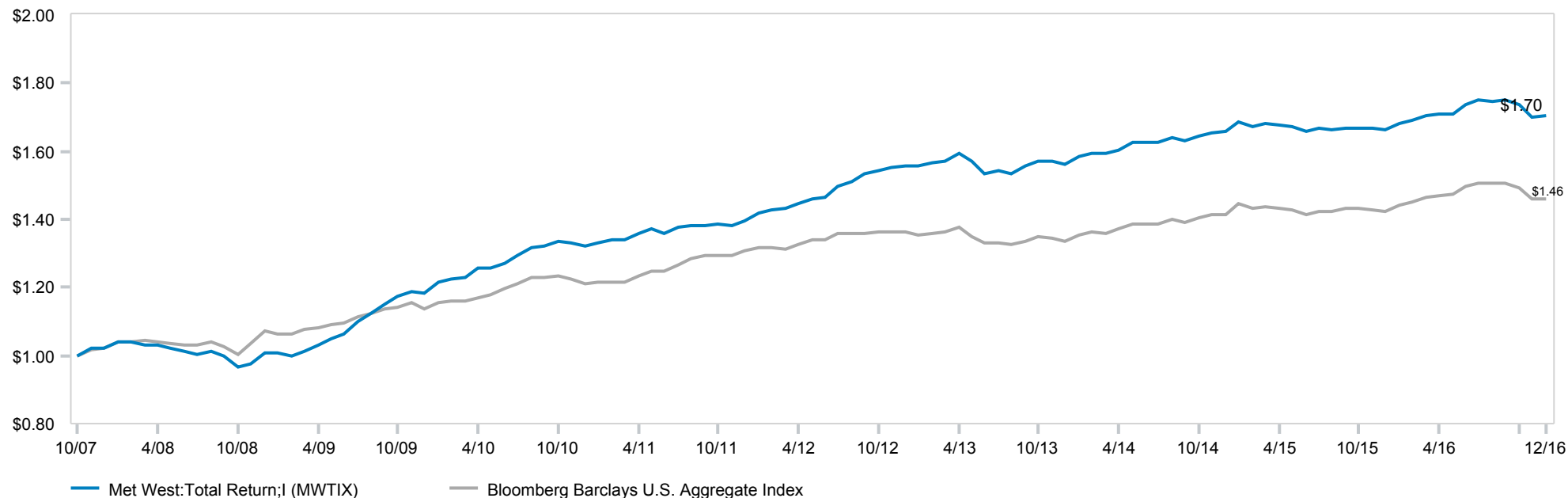


- Dodge & Cox Income (DODIX)
- Bloomberg Barclays U.S. Aggregate Index

### Historical Statistics: October 1, 2007 To December 31, 2016

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Dodge & Cox Income (DODIX)	64.86	-4.08	2.15	0.80	1.17	0.25	0.07	0.69	3.25
Bloomberg Barclays U.S. Aggregate Index	0.00	-2.98	0.00	0.00	1.13	N/A	0.04	1.00	0.00

### Growth of a Dollar



### Trailing Returns

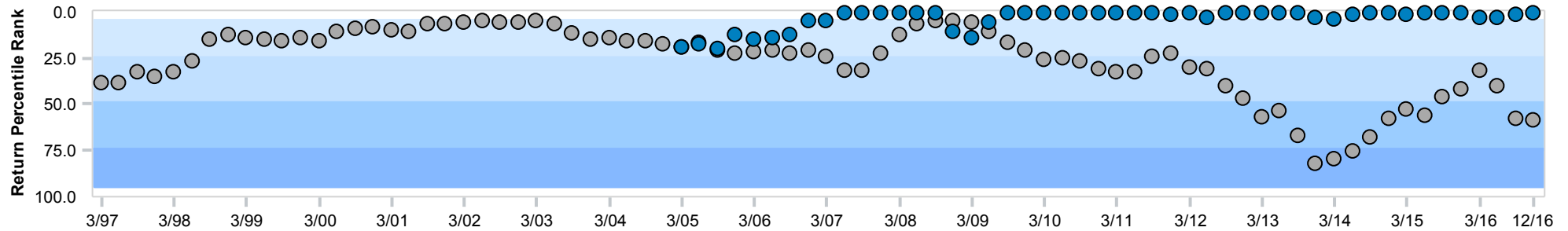
	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Met West:Total Return;I (MWTIX)	-2.64 (42)	2.46 (69)	2.46 (69)	1.37 (57)	2.88 (43)	4.07 (1)	5.33 (1)	5.90 (1)	5.85 (1)
Bloomberg Barclays U.S. Aggregate Index	-2.98 (71)	2.65 (60)	2.65 (60)	1.59 (38)	3.03 (30)	2.23 (59)	3.63 (56)	4.34 (38)	4.58 (35)
Median	-2.72	2.85	2.85	1.45	2.80	2.42	3.72	4.12	4.35

### Fiscal Year Returns

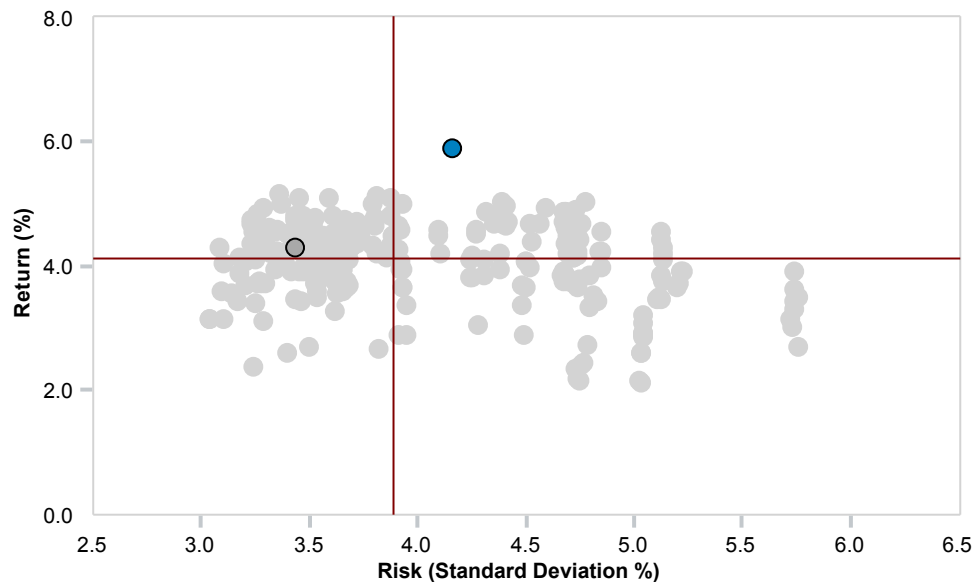
	FYTD	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
Met West:Total Return;I (MWTIX)	-2.64 (42)	4.82 (69)	2.27 (35)	4.95 (23)	1.38 (2)	11.02 (1)	4.37 (48)	15.16 (2)	15.30 (10)
Bloomberg Barclays U.S. Aggregate Index	-2.98 (71)	5.19 (51)	2.94 (7)	3.96 (59)	-1.68 (52)	5.16 (80)	5.26 (14)	8.16 (76)	10.56 (59)
Median	-2.72	5.20	1.91	4.18	-1.65	6.77	4.32	9.34	11.35



#### 5 Year Rolling Percentile Ranking

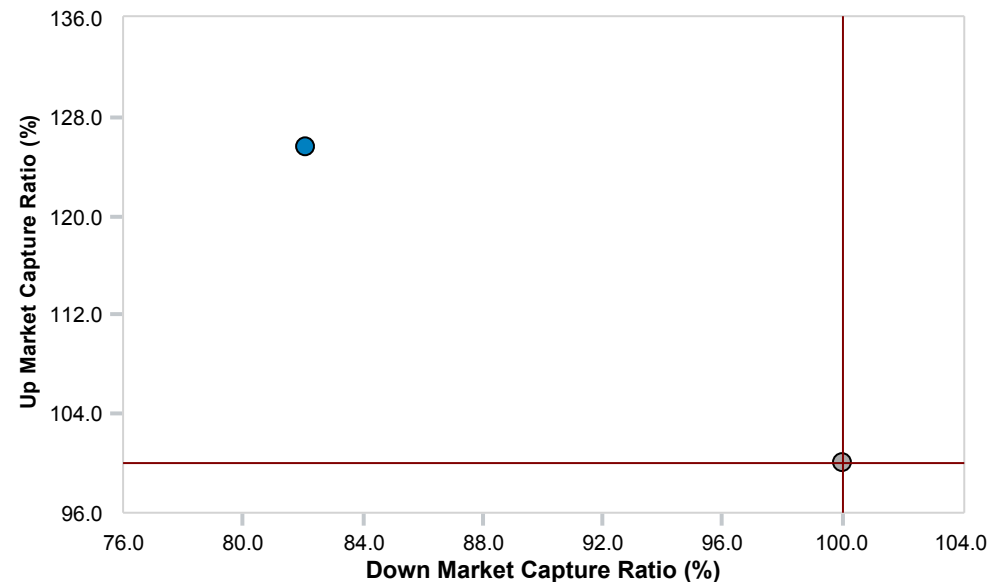


#### Risk vs Return: October 2007 to Present



- Met West:Total Return;I (MWTIX)
- Bloomberg Barclays U.S. Aggregate Index

#### Up/Down Markets: October 2007 to Present



- Met West:Total Return;I (MWTIX)
- Bloomberg Barclays U.S. Aggregate Index

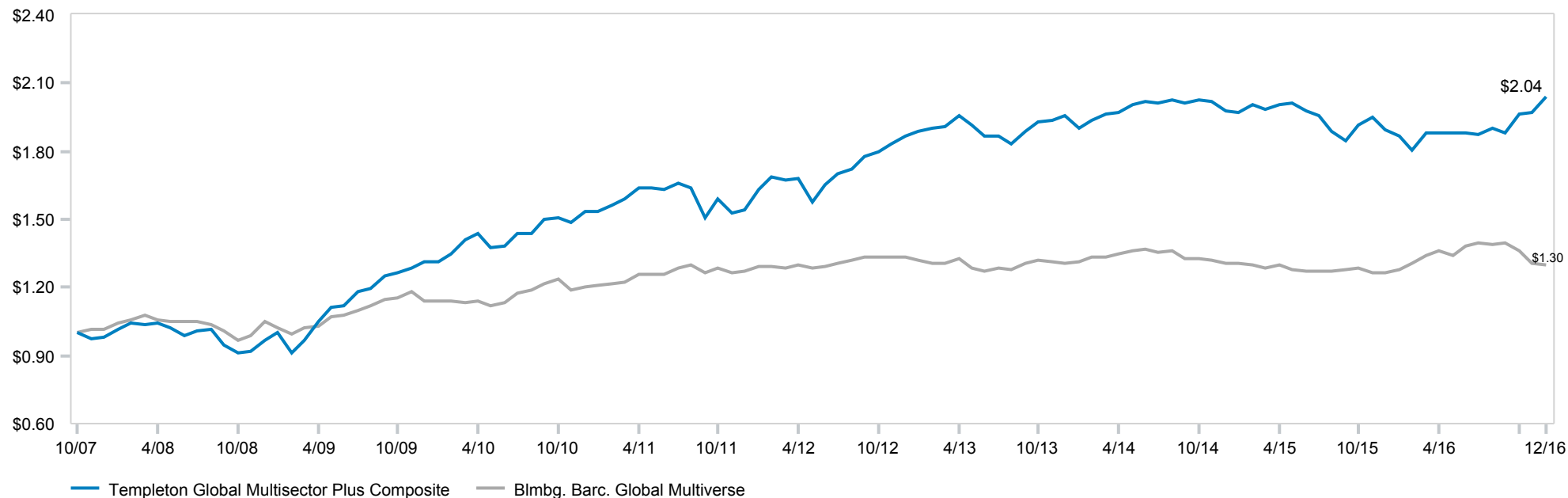
#### Historical Statistics: October 1, 2007 To December 31, 2016

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Met West:Total Return;I (MWTIX)	59.46	-3.50	2.21	1.59	1.28	0.53	0.06	0.86	2.98
Bloomberg Barclays U.S. Aggregate Index	0.00	-2.98	0.00	0.00	1.13	N/A	0.04	1.00	0.00

# Templeton Global Multisector Plus Composite Long-Term Composite Performance

As of December 31, 2016

## Growth of a Dollar



## Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Templeton Global Multisector Plus Composite	8.46 (1)	7.69 (37)	7.69 (37)	1.56 (55)	1.41 (57)	5.82 (25)	6.54 (20)	8.79 (1)	N/A
Blmbg. Barc. Global Multiverse	-6.68 (84)	2.84 (76)	2.84 (76)	-0.27 (67)	-0.02 (77)	0.49 (79)	1.95 (84)	3.44 (85)	4.96 (84)
Median	-1.50	5.71	5.71	2.18	2.38	3.44	4.00	4.72	5.98

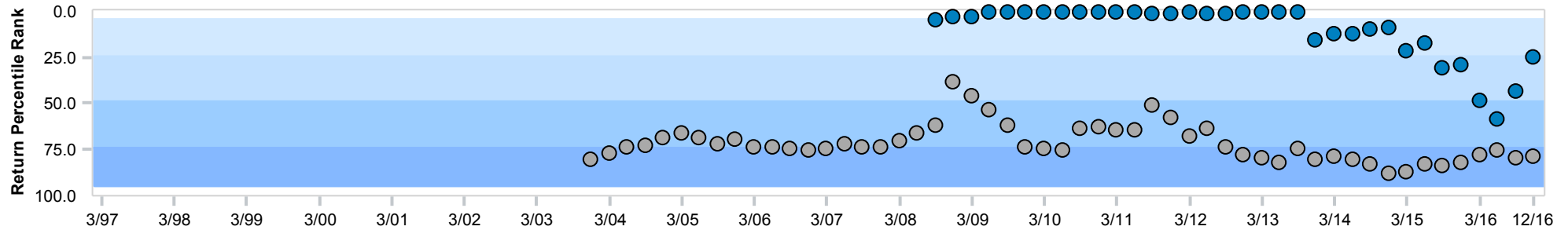
## Fiscal Year Returns

	FYTD	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
Templeton Global Multisector Plus Composite	8.46 (1)	2.06 (95)	-8.33 (94)	6.55 (35)	6.42 (23)	17.78 (18)	0.25 (81)	20.21 (4)	32.09 (1)
Blmbg. Barc. Global Multiverse	-6.68 (84)	9.23 (45)	-3.56 (65)	1.40 (86)	-2.22 (74)	5.57 (84)	3.85 (37)	6.42 (90)	13.75 (61)
Median	-1.50	8.81	-2.69	5.02	0.51	9.28	2.78	9.63	14.56

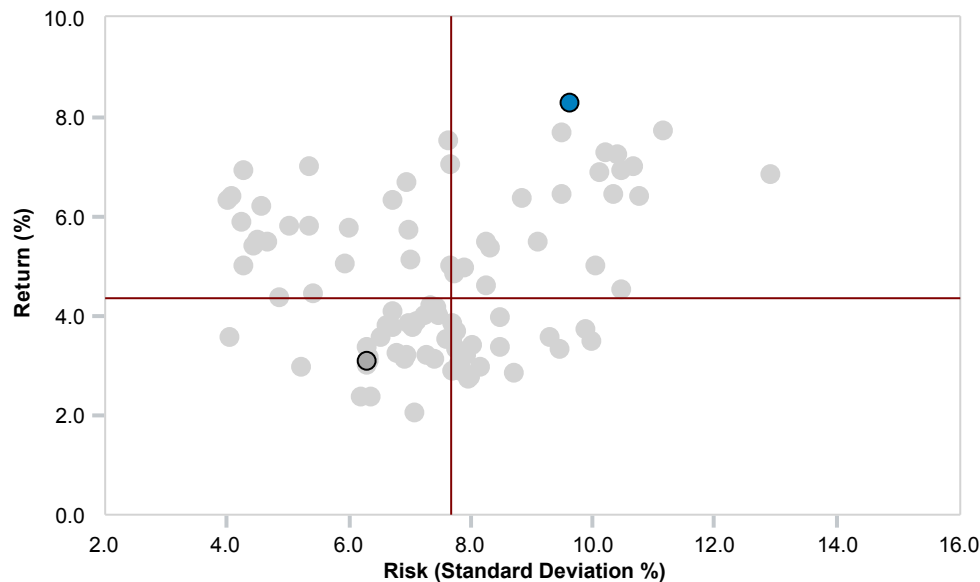
Long-term composite performance. Actual client results may vary.  
October 2007 represents the beginning of the current market cycle.  
Peer Group: IM Global Fixed Income (SA+CF)



#### 5 Year Rolling Percentile Ranking

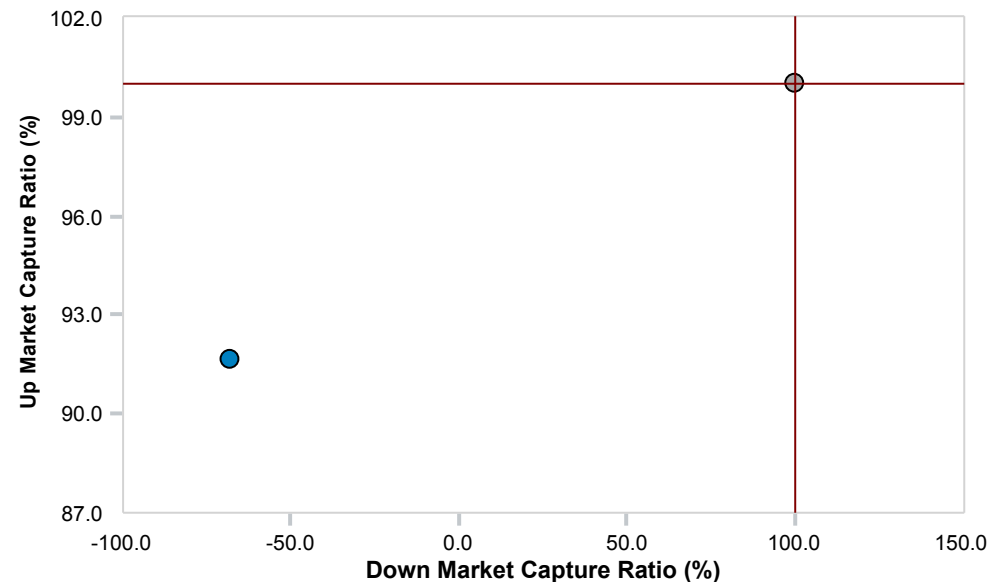


#### Risk vs Return: October 2007 to Present



● Templeton Global Multisector Plus Composite  
● Blmbg. Barc. Global Multiverse

#### Up/Down Markets: October 2007 to Present



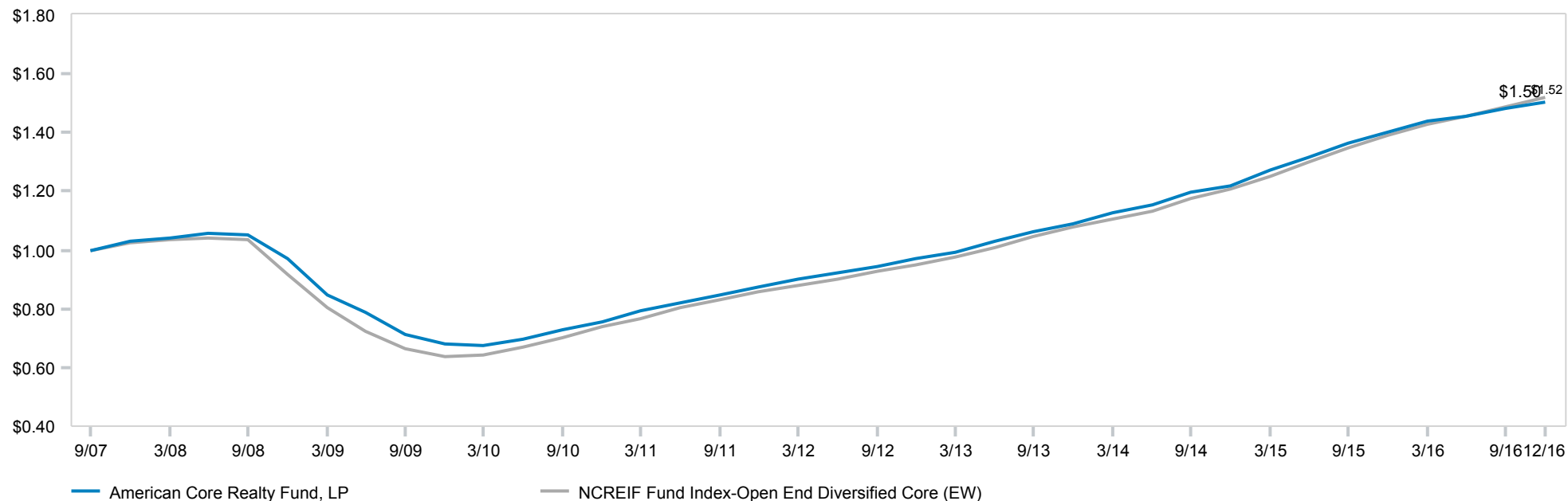
● Templeton Global Multisector Plus Composite  
● Blmbg. Barc. Global Multiverse

#### Historical Statistics: October 1, 2007 To December 31, 2016

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Templeton Global Multisector Plus Composite	56.76	-8.96	6.72	5.26	0.83	0.57	0.13	0.60	9.22
Blmbg. Barc. Global Multiverse	0.00	-7.47	0.00	0.00	0.45	N/A	0.03	1.00	0.00

As of December 31, 2016

### Growth of a Dollar



### Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
American Core Realty Fund, LP	1.20 (94)	7.09 (100)	7.09 (100)	11.14 (81)	11.29 (81)	11.50 (81)	11.96 (94)	5.54 (70)	N/A
NCREIF Fund Index-Open End Diversified Core (EW)	2.16 (67)	9.27 (53)	9.27 (53)	12.18 (57)	12.21 (69)	12.20 (75)	13.28 (73)	5.62 (66)	7.89 (N/A)
Median	2.29	9.47	9.47	12.61	12.77	13.01	14.12	5.83	N/A

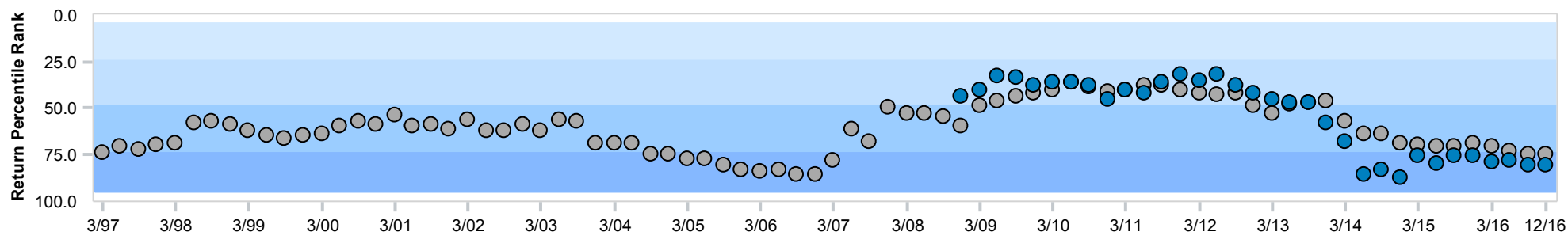
### Fiscal Year Returns

	FYTD	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
American Core Realty Fund, LP	1.20 (94)	9.03 (97)	13.96 (68)	12.47 (67)	12.25 (74)	11.56 (67)	16.11 (73)	2.71 (77)	-32.41 (35)
NCREIF Fund Index-Open End Diversified Core (EW)	2.16 (67)	10.62 (69)	14.71 (64)	12.39 (70)	12.47 (69)	11.77 (66)	18.03 (41)	6.14 (52)	-36.09 (54)
Median	2.29	11.14	15.93	12.90	13.22	12.90	16.62	6.39	-34.80

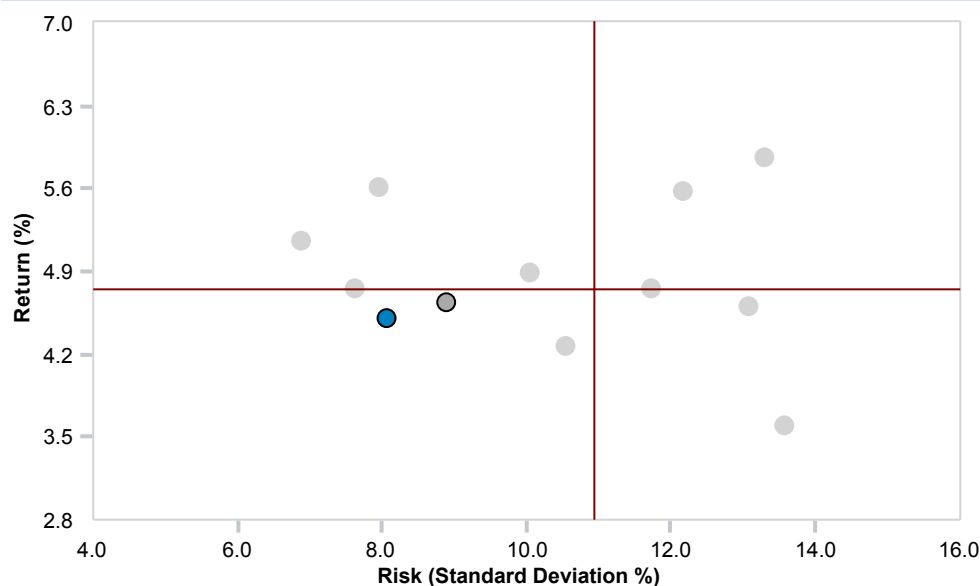
Long-term composite performance. Actual client results may vary.  
October 2007 represents the beginning of the current market cycle.  
Peer Group: IM U.S. Open End Private Real Estate (SA+CF)



### 5 Year Rolling Percentile Ranking

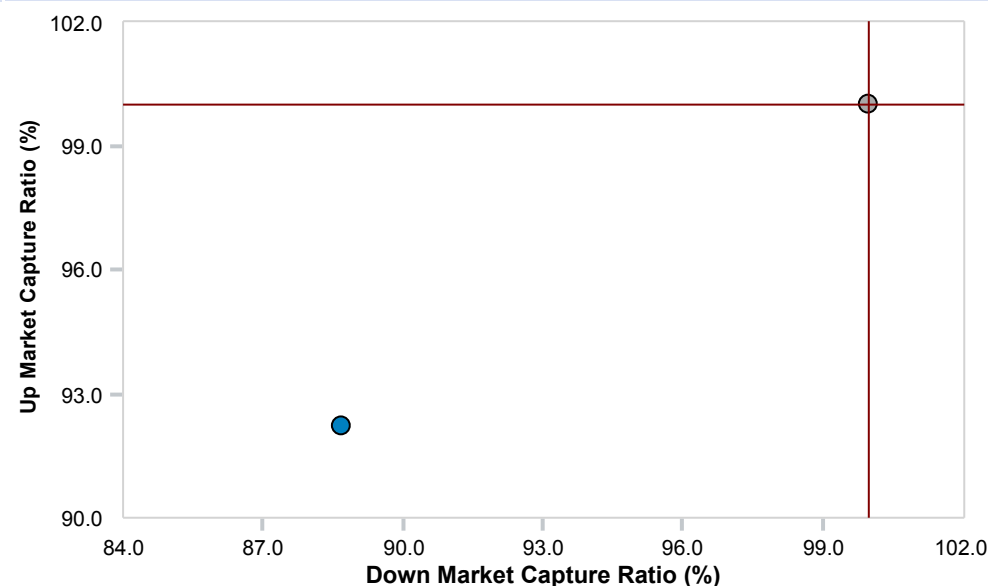


### Risk vs Return: October 2007 to Present



- American Core Realty Fund, LP
- NCREIF Fund Index-Open End Diversified Core (EW)

### Up/Down Markets: October 2007 to Present



- American Core Realty Fund, LP
- NCREIF Fund Index-Open End Diversified Core (EW)

### Historical Statistics: October 1, 2007 To December 31, 2016

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
American Core Realty Fund, LP	37.84	-35.89	0.36	-0.21	0.53	-0.10	0.05	0.89	2.07
NCREIF Fund Index-Open End Diversified Core (EW)	0.00	-39.11	0.00	0.00	0.51	N/A	0.05	1.00	0.00

Total Fund Compliance:	Yes	No	N/A
1. The Total Plan return equaled or exceeded the Net 7.5% actuarial earnings assumption over the trailing three year period.		✓	
2. The Total Plan return equaled or exceeded the Net 7.5% actuarial earnings assumption over the trailing five year period.	✓		
3. The Total Plan return equaled or exceeded the total plan benchmark over the trailing three year period.		✓	
4. The Total Plan return equaled or exceeded the total plan benchmark over the trailing five year period.		✓	
5. The Total Plan return ranked within the top 40th percentile of its peer group over the trailing three year period.		✓	
6. The Total Plan return ranked within the top 40th percentile of its peer group over the trailing five year period.		✓	
7. Total Foreign Securities (including fixed income) shall not exceed 25% of market value.	✓		

Equity Compliance:	Yes	No	N/A
1. Total Equity return equaled or exceeded the benchmark over the trailing three year period.		✓	
2. Total Equity return equaled or exceeded the benchmark over the trailing five year period.		✓	
3. Total Equity return ranked within the top 40th percentile of its peer group over the trailing three year period.			✓
4. Total Equity return ranked within the top 40th percentile of its peer group over the trailing five year period.			✓
5. Investments in corporate common stock and convertible bonds shall not exceed 75% of the market value of Plan assets.	✓		

Fixed Income Compliance:	Yes	No	N/A
1. Total Fixed Income return equaled or exceeded the benchmark over the trailing three year period.		✓	
2. Total Fixed Income return equaled or exceeded the benchmark over the trailing five year period.		✓	
3. Total Domestic Fixed Income return equaled or exceeded the benchmark over the trailing three year period.		✓	
4. Total Domestic Fixed Income return equaled or exceeded the benchmark over the trailing five year period.		✓	
5. Total Domestic Fixed Income return ranked within the top 40th percentile of its peer group over the trailing three year period.		✓	
6. Total Domestic Fixed Income return ranked within the top 40th percentile of its peer group over the trailing five year period.		✓	
7. The value of bonds issued by any single corporation shall not exceed 3% of the total fund.	✓		
8. 90% of Fixed Income at time of purchase, must have a minimum rating of investment grade or higher, as reported by a major credit rating service.	✓		

Manager Compliance:	Dom Eq (JDEUX)			Dom Eq (PRILX)			Dom Eq (VIMAX)			Dom Eq (VITSX)			Intl Eq (RERGX)		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
1. Manager outperformed the index over the trailing three year period.			✓			✓			✓			✓			✓
2. Manager outperformed the index over the trailing five year period.			✓			✓			✓			✓			✓
3. Manager ranked within the top 40th percentile over the trailing three year period.			✓			✓			✓			✓			✓
4. Manager ranked within the top 40th percentile over the trailing five year period.			✓			✓			✓			✓			✓
5. Less than 4 consecutive quarters of under performance relative to the benchmark.	✓			✓			✓			✓			✓		
6. Manager three year down market capture ratio is less than the index.			✓			✓			✓			✓			✓
7. Manager five year down market capture ratio is less than the index.			✓			✓			✓			✓			✓
8. Manager reports in compliance with PFIA.			✓			✓			✓			✓			✓

Manager Compliance:	Intl Eq (TAINX)			Dom FI (DODIX)			Dom FI (MWTIX)			Global FI (FTTRX)			American Core RE		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
1. Manager outperformed the index over the trailing three year period.			✓			✓			✓			✓			✓
2. Manager outperformed the index over the trailing five year period.			✓			✓			✓			✓			✓
3. Manager ranked within the top 40th percentile over the trailing three year period.			✓			✓			✓			✓			✓
4. Manager ranked within the top 40th percentile over the trailing five year period.			✓			✓			✓			✓			✓
5. Less than 4 consecutive quarters of under performance relative to the benchmark.	✓			✓			✓			✓					✓
6. Manager three year down market capture ratio is less than the index.			✓			✓			✓			✓			✓
7. Manager five year down market capture ratio is less than the index.			✓			✓			✓			✓			✓
8. Manager reports in compliance with PFIA.			✓			✓			✓			✓			✓



**Total Fund Policy**

	Weight (%)
<b>Jan-1978</b>	
Citigroup 3 Month T-Bill Index	25.00
Blmbg. Barc. U.S. Gov't/Credit	75.00
<b>Apr-1996</b>	
Citigroup 3 Month T-Bill Index	50.00
Blmbg. Barc. U.S. Gov't/Credit	50.00
<b>Aug-1996</b>	
Citigroup 3 Month T-Bill Index	5.00
Blmbg. Barc. U.S. Gov't/Credit	65.00
S&P 500 Index	30.00
<b>Jun-1997</b>	
Citigroup 3 Month T-Bill Index	5.00
Blmbg. Barc. U.S. Gov't/Credit	35.00
S&P 500 Index	60.00
<b>Apr-2010</b>	
Russell 3000 Index	45.00
Bloomberg Barclays U.S. Aggregate Index	40.00
MSCI EAFE Index	15.00
<b>Apr-2011</b>	
S&P 500 Index	45.00
Bloomberg Barclays U.S. Aggregate Index	40.00
MSCI EAFE Index	15.00
<b>Aug-2016</b>	
Russell 3000 Index	50.00
MSCI AC World ex USA	10.00
Bloomberg Barclays U.S. Aggregate Index	25.00
Blmbg. Barc. Global Multiverse	5.00
NCREIF Fund Index-Open End Diversified Core (EW)	10.00

**Total Equity Policy**

	Weight (%)
<b>Aug-1996</b>	
S&P 500 Index	100.00
<b>Apr-2010</b>	
S&P 500 Index	75.00
MSCI EAFE Index	25.00
<b>Aug-2016</b>	
Russell 3000 Index	83.00
MSCI AC World ex USA	17.00

**Total Fixed Income Policy**

	Weight (%)
<b>Nov-1994</b>	
Blmbg. Barc. U.S. Gov't/Credit	100.00
<b>Apr-2010</b>	
Bloomberg Barclays U.S. Aggregate Index	100.00
<b>Aug-2016</b>	
Bloomberg Barclays U.S. Aggregate Index	83.00
Blmbg. Barc. Global Multiverse	17.00

<b>Active Return</b>	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
<b>Alpha</b>	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
<b>Beta</b>	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
<b>Consistency</b>	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
<b>Distributed to Paid In (DPI)</b>	- The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.
<b>Down Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
<b>Downside Risk</b>	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
<b>Excess Return</b>	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
<b>Excess Risk</b>	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
<b>Information Ratio</b>	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
<b>Public Market Equivalent (PME)</b>	- Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.
<b>R-Squared</b>	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
<b>Return</b>	- Compounded rate of return for the period.
<b>Sharpe Ratio</b>	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
<b>Standard Deviation</b>	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
<b>Total Value to Paid In (TVPI)</b>	- The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life
<b>Tracking Error</b>	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
<b>Treynor Ratio</b>	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
<b>Up Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

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