

AGENDA

Investment Committee Meeting of the El Camino Hospital Board

Monday, May 9, 2016, **5:30 p.m.**
Conference Room A, Ground Floor

2500 Grant Road, Mountain View, California

MISSION: The purpose of the Investment Committee is to develop and recommend to the El Camino Hospital Board of Directors the organization's investment policies, maintain current knowledge of the management and investment of the invested funds of the hospital and its pension plan(s), provide guidance to management in its investment management role, and provide oversight of the allocation of the investment assets.

AGENDA ITEM	PRESENTED BY		
1. CALL TO ORDER/ROLL CALL	John Zoglin, Chair		5:30 – 5:31
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	John Zoglin, Chair		5:31 – 5:32
3. PUBLIC COMMUNICATION	John Zoglin, Chair		5:32 – 5:33
4. CONSENT CALENDAR: <i>Any committee member may remove an item for discussion before a motion is made.</i>	John Zoglin, Chair	<i>public comment</i>	Motion 5:33 – 5:36
Approval: a. Minutes of Investment Committee - February 8, 2016 Minutes b. Joint Minutes of the Finance and Investment Committee - January 25, 2016 Minutes Information: c. Updated 2016 Pacing Plan d. Article of Interest ATTACHMENT 4			
5. REPORT ON BOARD ACTIONS	John Zoglin, Chair		Information 5:36 – 5:41
6. INVESTMENT COMMITTEE SCORECARD and PERFORMANCE REVIEW a. Investment Committee Scorecard b. First Quarter Performance Review c. Surplus Cash Hedge Fund Portfolio d. Assets Class and Investment Strategy Matrix e. May 2016 Asset Allocation Revisions f. Small-Cap Growth Equity Search ATTACHMENT 6	Antonio DiCosola, Pavilion Advisory Group	<i>public comment</i>	Motion(s) for recommendation required 5:41 – 6:20

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AGENDA ITEM	PRESENTED BY		
7. 403(b) REVIEW a. Executive Summary b. 403(b) Investment Changes c. Asset Balances and Fees ATTACHMENT 7	Brian Montanez, Multnomah Group Julie Johnston, Director of Total Rewards	<i>public comment</i>	Information 6:20 – 6:50
8. FY17 GOALS AND PACING PLAN ATTACHMENT 8	Iftikhar Hussain, Chief Financial Officer		Motion 6:50 – 7:00
9. ADJOURN TO CLOSED SESSION			7:00
10. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	John Zoglin, Chair		7:00- 7:01
11. CONSENT CALENDAR: <i>Any committee member may remove an item for discussion before a motion is made.</i> Approval: Meeting Minutes of the Closed Session Gov't Code Section 54957.2. - February 8 th , 2016	John Zoglin, Chair		Motion 7:01 – 7:05
12. <i>Health and Safety Code Section 32106(b)</i> for a report involving health care facility trade secret. - Committee Self-Assessment Results	John Zoglin, Chair		Discussion 7:05 – 7:25
13. <i>Health and Safety Code Section 32106(b)</i> for a report involving health care facility trade secret. - Committee Self-Assessment Results	John Zoglin, Chair		Discussion 7:25 – 7:35
14. RECONVENE OPEN SESSION			7:35 – 7:36
To report any required disclosures regarding permissible actions taken during Closed Session.	John Zoglin, Chair		
15. ADJOURNMENT	John Zoglin, Chair		7:36 p.m.

Important Dates:

FY 2017 Investment Committee Meetings

Tentative (upon Committee and Board approval):

- August 8, 2016
- November 14, 2016
- February 13, 2017
- May 8, 2017

**Minutes of the Open Session of the
 Investment Committee of the Board of Directors
 Monday, February 8, 2016
 El Camino Hospital, 2500 Grant Road, Mountain View, California
 Conference Room A**

Members Present

John Zoglin, Nicki Boone, Brooks Nelson, John Conover, Gary Kalbach, and Jeffrey Davis, MD (via telepresence).

Members Absent
Members Excused

A quorum was present at the El Camino Hospital Investment Committee on the 8th day of February, 2016 meeting.

Agenda Item	Comments/Discussion	Approvals/Action
1. CALL TO ORDER/ ROLL CALL	The meeting of the Investment Committee of El Camino Hospital (the "Committee") was called to order by Committee Chair John Zoglin at 5:30 p.m. Silent roll call was taken.	<i>None</i>
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Zoglin asked if any Committee member or anyone in the audience believes that a Committee member may have a conflict of interest on any of the items on the agenda. No conflict of interest was reported.	<i>None</i>
3. PUBLIC COMMUNICATION	Chair Zoglin if there was any public communication to present. None were noted.	<i>None</i>
4. CONSENT CALENDAR ITEMS	<p>Chair Zoglin asked if any Committee member wished to remove any items from the consent calendar for discussion. None were noted.</p> <p>Motion: To approve the consent calendar (Open Minutes of the November 9, 2015 Investment Committee Meeting, FY16 Investment Committee Pacing Plan, and FY17 Committee Dates).</p> <p>Movant: Conover</p> <p>Second: Boone</p> <p>Ayes: Boone, Davis, Nelson, Conover, Kalbach, and Zoglin.</p> <p>Abstentions: None</p> <p>Absent: None</p> <p>Excused: None</p> <p>Recused: None</p>	<i>The Open Minutes of the November 9, 2015 Investment Committee Meeting, FY16 Investment Committee Pacing Plan, and FY17 Committee Dates were approved.</i>
5. REPORT ON BOARD ACTIONS	Chair Zoglin reported that the Board is currently focused on the recent land purchase in South San Jose, and the	<i>None</i>

Agenda Item	Comments/Discussion	Approvals/Action
	recent Board approval of opening 3 Urgent Care Facilities within the Silicon Valley.	
<p>6. INVESTMENT COMMITTEE SCORECARD AND PERFORMANCE REVIEW</p>	<p>Antonio DiCosola, Pavilion Advisory Group, reviewed the Investment Committee Scorecard and Performance Review as of December 31, 2015 and reported the following:</p> <p>a. Scorecard: Investment performance for the Surplus Cash portfolio was 30 basis points lower than the benchmark for the quarter with a return of +1.8%. The portfolio remains ahead of the benchmark since inception (Nov. 1, 2012) with a return of +4.4% annualized versus +4.3% for the benchmark. The assets within the Surplus Cash account ended the quarter at \$735.5 million, well ahead of the budgeted amount for June 30, 2016. The Cash Balance Plan's performance outperformed its benchmark for the quarter by 50 basis points with a return of +3.1% and has outperformed its benchmark since inception. The since inception annualized return stands at 7.6%, 1% ahead of its benchmark per year. The assets within the Cash Balance Plan ended the quarter at \$216.4 million; \$7.8 million below the budgeted amount for June 30, 2016. The 403(b) balance increased \$13.9 million during the quarter, roughly 5%. The Surplus Cash portfolio's 3-year Sharpe ratio was above that of its benchmark and well above the expected Sharpe ratio modeled. This was more so due to very little volatility over the period with adequate returns. The Cash Balance Plan's 3-year Sharpe ratio exceeded modeling expectations and its benchmark as the Plan took on slightly more risk (standard deviation) than the benchmark, but with greater success. Both accounts have demonstrated strong risk-adjusted returns since inception.</p> <p>b. Fourth Quarter Performance Review: Surplus Cash; The Surplus Cash portfolio excluding District assets returned +1.8% for the quarter, underperforming its benchmark by 30 basis points. Asset allocation differences relative to the benchmark drove underperformance; however, manager performance also negatively impacted relative returns. An average overweight allocation to both short and market duration fixed income coupled with an underweight allocation to international equity weighed on performance. The</p>	

Agenda Item	Comments/Discussion	Approvals/Action
	<p>Alternatives composite hindered performance results as the Direct Hedge Fund composite underperformed the HFRI Fund of Funds Index by 180 basis points. Real estate performance was not available at time of report production. Domestic equity managers partially offset the negative impact of alternative managers. Active large-cap managers Sands and Barrow Hanley outperformed their respective benchmarks. Strong stock selection within the information technology sector proved accretive for Sands, while Barrow Hanley was aided by beneficial sector positioning. Small-cap value manager Wellington also performed well and ranked in the top decile amongst its peers as strong selection, particularly within the health care sector, helped. Market duration fixed income managers positively contributed to performance. Dodge & Cox experienced flat investment performance for the quarter, preserving capital as the Barclays U.S. Aggregate Index was down 0.6%. MetWest also added value, outpacing the benchmark by 20 basis points. Both managers benefited from shorter-than-benchmark duration positioning as interest rates rose. International equity managers combined to have a marginally positive impact on relative results. Walter Scott (Dreyfus) outperformed the MSCI AC World ex U.S. Index; however, the positive impact was partially offset by Northern Cross (Harbor). In its first full quarter since inception, Harding Loevner Emerging Markets performed in line with its benchmark.</p> <ul style="list-style-type: none"> • Pavilion recommended no changes to the traditional asset manager lineup at this time, but will keep a close watch on developments and performance at Cortina. <p>Cash Balance Plan; The Cash Balance Plan returned +3.1% during the quarter, outperforming its benchmark by 50 basis points. Outperformance was driven by manager results; however, asset allocation differences relative to the benchmark also added marginal value. Domestic equity managers positively contributed to performance most during the quarter. Active large-cap managers Sands and Barrow Hanley outperformed their respective benchmarks. Strong stock selection within the information technology sector proved accretive for Sands, while Barrow Hanley was aided by beneficial</p>	

Agenda Item	Comments/Discussion	Approvals/Action
	<p>sector positioning. Small-cap value manager Wellington also performed well and ranked in the top decile amongst its peers as strong selection, particularly within the health care sector, helped. International equity managers added value as Walter Scott (Dreyfus) outperformed the MSCI AC World ex U.S. Index by 150 basis points. Walter Scott's stock selection, particularly within the European region, proved beneficial. Northern Cross (Harbor), however, trailed its benchmark by 30 basis points and partially offset the positive impact of other managers. The market duration fixed income composite positively contributed to results during the quarter as both Dodge & Cox and MetWest outperformed the Barclays U.S. Aggregate. The managers' shorter-than-benchmark duration positioning aided relative results as interest rates increased during the quarter. Alternative managers had a negligible impact on relative performance. Hedge fund-of-funds managers Lighthouse and Pointer outpaced the HFRI Fund of Funds Composite Index by 140 and 150 basis points, respectively; however, real estate performance was not available at time report production.</p> <ul style="list-style-type: none"> • Pavilion recommended no changes to the existing manager lineup at this time, but will keep a close watch on developments and performance at Cortina. <p>c. Hedge Fund: The Hedge Fund Portfolio returned -1.2% during the fourth quarter, underperforming the HFRI Fund of Funds Composite Index, which returned +0.6%. All of the Portfolio's hedge fund strategies, with the exception of the macro strategy, underperformed their benchmarks. The equity and credit segments were notable laggards as the strategies underperformed their benchmarks by 190 and 170 basis points, respectively. The macro strategy returned +0.3%, outperforming its benchmark by 30 basis points. Mr. DiCosola described in further detail the performance of hedge funds as submitted in the committee packet.</p> <ul style="list-style-type: none"> • Pavilion has moved Luxor to a SELL rating and recommended that the El Camino submit a full redemption when the Fund's lock-up expires on June 30, 2017. The redemption notice would need to be submitted by April 1, 2017. Additionally, Pavilion is recommending that El 	

Agenda Item	Comments/Discussion	Approvals/Action
	<p>Camino redeem from Carlson’s Double Black Diamond Fund Ltd. and replace with BlackRock’s The 32 Capital Fund, Ltd., an equity market neutral manager. The redemption notice would need to be submitted by March 1, 2016.</p> <p>d. Hedge Fund Research Note on BlackRock’s The 32 Capital Fund, Ltd.: Mr. DiCosola presented an overview of BlackRock’s The 32 Capital Fund, Ltd Fund, which included: forecast returns, quantitative strategies, team structure and key professionals, investment process, fees and terms, service providers, and risk and return history as submitted in the committee packet. A brief discussion ensued.</p>	
<p>7. REVIEW CURRENT INVESTMENT STRATEGY OF USING ACTIVE MANAGERS VS. PASSIVE ALLOCATION</p>	<p>Mr. DiCosola reviewed the current Investment Strategy of using Active vs. Passive Managers. He reported the Performance Results to include:</p> <ul style="list-style-type: none"> • The Surplus Cash and Cash Balance Plan portfolios include both actively managed (85-87%) and passively managed strategies (13-15%). • Prior to November of 2012, both portfolios were 100% actively managed. • We’ve chosen to utilize a passive manager to gain S&P 500 Index exposure as large-cap core managers have experienced difficulty consistently outperforming the benchmark. • Most of El Camino’s active managers have added value since being added to the portfolio, with the exception of small-cap growth manager, Cortina, and two other managers who have lagged by a modest amount. • Cortina was also the only manager to lag their benchmark since they started managing the strategy, which is all a result of recent performance headwinds. • The surplus cash portfolio has outperformed the previous benchmark by 1.4% annualized basis net of fees. • The cash balance plan has lagged the previous benchmark by .8% on an annualized basis net of fees. 	<p><i>None</i></p>

Agenda Item	Comments/Discussion	Approvals/Action
	<p>Pavilion recommended no changes to the current Investment Strategy. Mr. DiCosola asked the Committee for feedback and discussion ensued. The Committee generally agreed with the Pavilion recommendation to maintain the current Investment Strategy.</p> <p>*Chair Zoglin asked for Investment Manager Discussion to be agendaized for the May 9, 2016 meeting.</p>	
8. COMMITTEE GOALS	<p>Iftikhar Hussain, Chief Financial Officer, reviewed the progress against the FY16 Goals and noted that all have been completed. He also submitted Proposed FY17 Committee Goals to the Committee and discussion ensued.</p>	<i>None</i>
9. ADJOURN TO CLOSED SESSION	<p><u>Motion:</u> To adjourn to closed session at 7:17 pm. <u>Movant:</u> Kalbach <u>Second:</u> Conover <u>Ayes:</u> Boone, Conover, Davis, Kalbach, Nelson, and Zoglin. <u>Abstentions:</u> None <u>Absent:</u> None <u>Excused:</u> None <u>Recused:</u> None</p>	<i>A motion to adjourn to closed session at 7:17 p.m. was approved.</i>
10. AGENDA ITEM 12 RECONVENE OPEN SESSION/ REPORT OUT	<p><i>Agenda Items 10 through 11 were conducted in closed session.</i></p> <p>Chair Zoglin reported that the November 9, 2015 Investment Committee Closed Minutes were approved. Chair Zoglin also noted the upcoming Investment Committee Meeting dates, and upcoming Semi-Annual Board and All Committee Meeting on March 23, 2016.</p>	<i>None</i>
11. AGENDA ITEM 13 ADJOURNMENT	<p><u>Motion:</u> To adjourn the Investment Committee meeting at 7:31 pm. <u>Movant:</u> Kalbach <u>Second:</u> Nelson <u>Ayes:</u> Boone, Conover, Davis, Kalbach, Nelson, and Zoglin. <u>Abstentions:</u> None <u>Absent:</u> None <u>Excused:</u> None <u>Recused:</u> None</p>	<i>A motion to adjourn to the Investment Committee meeting at 7:31pm was approved.</i>

Attest as to the approval of the Foregoing minutes by the Investment Committee and by the Board of Directors of El Camino Hospital:

John Zoglin, Chairman
ECH Investment Committee of the Board of Directors

DRAFT



**Draft: Subject to IC and FC
Committee Consideration**

**Minutes of the Joint Meeting of the
Investment and Finance Committees
Monday, January 25, 2016**

**El Camino Hospital, 2500 Grant Road, Mountain View, California
Conference Room A&B**

Richard Juelis participated via telephone from 495 Wiley Post Way, Salt Lake City, Utah

Members Present

Investment Committee:

John Zoglin, Chair
Nicola Boone
John Conover
Jeffrey Davis
Gary Kalbach

Finance Committee:

Dennis Chiu, Chair
Bill Hobbs
Richard Juelis (phone)
John Zoglin

Staff Present

Iftikhar Hussain
Michelle McGowan
Mary Rotunno
Julie Johnston (phone)
Mick Zdeblick
Richard Katzman

Others Present

Antonio DiCosola,
Pavilion Advisory Group

Members Absent

Brooks Nelson
Kathy Cain

Agenda Item	Comments/Discussion	Approvals/Action
1. Call to order	The joint meeting of the Finance Committee (“FC”) of El Camino Hospital and the Investment Committee (“IC”) of El Camino Hospital (the “Committees”) was called to order by Investment Committee Chair John Zoglin at 5:30pm.	
2. Agenda Item Potential Conflict of Interest Disclosure	Chair Zoglin asked if there were any conflicts of interest with agenda items. None were reported.	
3. Public Communication	Chair Zoglin asked if there was any public communication. There was none.	
4. Capital Plan and Financing	<p>Iftikhar Hussain, CFO, provided a review of the Capital Plan and Financing.</p> <ul style="list-style-type: none"> • Long range financial targets were reviewed • Forecasted results indicate that operating revenue is stable, and will continue in this direction for the foreseeable future. Although margins do drop on occasion, they remain stable and ECH maintains the healthy 8 – 10% margin that has been enjoyed for the past three years. • Capital Spending Plan (\$1.6B over the next 10 years) and Sensitivity Analysis were briefly reviewed. 	

<p>5. Alignment of Investment Policy with Cash Flow Projections</p>	<p>Antonio DiCosola, a consultant from Pavilion Advisory Group, provided a report covering the alignment of the ECH investment policy with the Cash Forecast.</p> <ul style="list-style-type: none"> • Surplus Cash Summary was reviewed. • Implementation of a task force to address Asset Allocation will be discussed at the May 2016 Investment Committee Meeting. Since new Asset Allocation policy went into effect, only favorable growth has occurred. • Summary shows a continued upward trajectory and favorable cash flow. • Cash surplus is currently at \$625M. • Asset Class Diversification was covered briefly. Portfolio shows good liquidity overall. 78% liquidity within 3 days if necessary, and entire portfolio can be maneuvered to liquidity within a 3 month span. • Brief discussions followed regarding debt capacity vs. investment liquidity, recent investment activity, backup options for lengthening our capital projects, next decision points, 2020 borrowing. <p>Chair Zoglin reminded attendees that the purpose of this joint committee meeting was to give the Investment and Finance Committees some context to each committee’s activities and perspectives. Mr. Zoglin reminded the Investment Committee to include a basic financial report in every meeting packet to provide context. Summary numbers from the quarterly Investment Committee should also be made available for inclusion in the Finance Committee meetings packets for context, as well.</p>	
<p>6. Adjournment</p>	<p>As there were no other topics of discussion, Chair Zoglin called for a motion to adjourn.</p> <p>Motion: To adjourn the 2016 Joint Meeting of the Investment and Financial Committees Movant: Davis Second: Conover Ayes: Boone, Conover, Chiu, Davis, Hobbs, Juelis, Kalbach, Zoglin Noes: None Abstentions: None Absent: Nelson, Cain Recused: None</p> <p>The meeting was adjourned at 6:23 p.m.</p>	<p><i>Motion approved unanimously</i></p>

Attest to the approval of the foregoing minutes by the IC and FC Committees:

 John Zoglin, Chair
 ECH Investment Committee

 Dennis Chiu, Chair
 ECH Finance Committee

**INVESTMENT COMMITTEE
FY 2016 PACING**

FY2016: Q1		
JULY – NO MEETING	AUGUST 10, 2015 Meeting	SEPTEMBER – NO MEETING
N/A	<ul style="list-style-type: none"> ▪ Review hospital financial performance ▪ Review investment performance ▪ Review manager selection as needed 	N/A
FY2016: Q2		
NOVEMBER 9, 2015 Meeting	NOVEMBER 18, 2015	DECEMBER – NO MEETING
<ul style="list-style-type: none"> ▪ Review hospital financial performance ▪ Review investment performance ▪ Review manager selection as needed ▪ Educate Committee on trends regarding environment, social and governance (socially responsible investing) 	<ul style="list-style-type: none"> ▪ <i>Board and Committee Educational Gathering</i> 	N/A
FY2016: Q3		
JANUARY 25, 2016	FEBRUARY 8, 2016 Meeting	MARCH 23, 2015
<ul style="list-style-type: none"> ▪ <i>Joint Finance Committee and Investment Committee meeting.</i> 	<ul style="list-style-type: none"> ▪ Review hospital financial performance ▪ Review investment performance ▪ Review manager selection as needed ▪ Set goals for next Fiscal Year ▪ Propose FY2017 meeting dates ▪ Review current investment strategy of using active managers vs. passive allocation 	<ul style="list-style-type: none"> ▪ <i>Board/committee educational gathering</i>
FY2016: Q4		
APRIL – NO MEETING	MAY 9, 2016 Meeting	JUNE – NO MEETING
N/A	<ul style="list-style-type: none"> ▪ Review investment performance ▪ Review manager selection as needed ▪ Review performance of investment advisor ▪ Review self-assessment results ▪ 403(b) Investment Performance ▪ FY 17 Pacing Plan 	N/A

As Emerging-Market Funds Drop, So Do Fees



ENLARGE

A busy market in Allahabad, India, in 2015. Investors have soured on emerging markets over the past several years. *Photo: Ritesh Shukla/NurPhoto/Zuma Press*

By
Carolyn Cui
April 23, 2016

U.S. investors have found one benefit in the emerging-markets rout of the past few years: falling mutual-fund fees.

The cuts follow fee declines in other mutual-fund categories driven by the rise of exchange-traded funds, which are designed to mimic the performance of an asset class or index, and a push by institutional investors to lower costs.

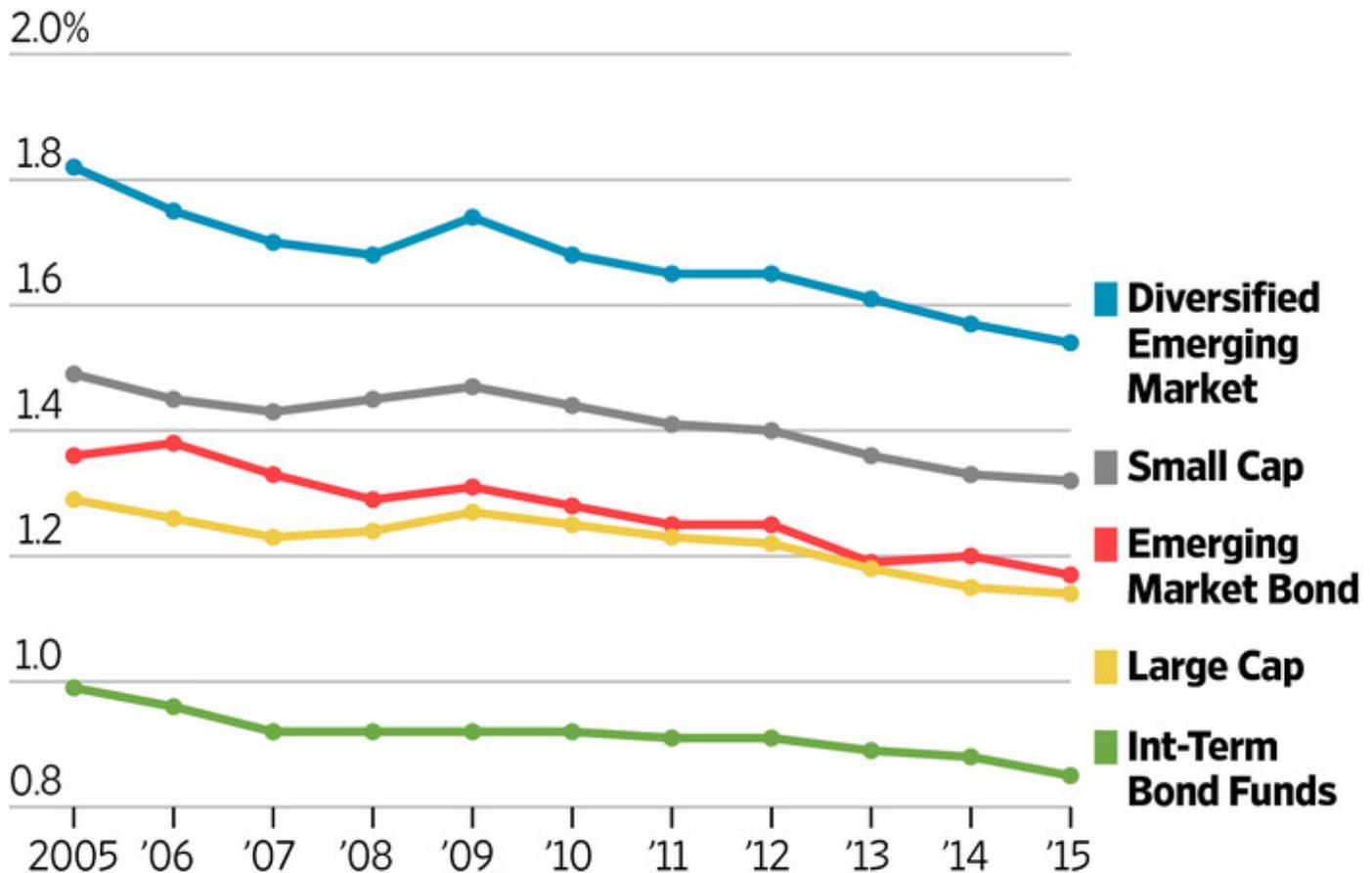
Last month, Franklin Templeton Investments cut management fees on two of its emerging-market funds, including the \$1.1 billion Templeton Developing Markets Trust. The \$1.2 billion Seafarer Overseas Growth and Income fund reduced its expense ratio for individual investors to 1.15% from 1.25% in September, the third cut since its inception in 2012.

Still, emerging-market funds remain one of the priciest sectors for U.S. fund investors. While expenses on emerging-market funds have dropped more than those on other categories such as U.S. stocks and bonds, the declines remain modest.

Many analysts said they expect fees to keep falling, as many emerging-market funds lag behind their benchmarks this year and cost-conscious investors increasingly adopt passive strategies such as index funds. Managers of active funds pick stocks, while a portfolio in a passive fund mirrors an index or asset class.

Coming Down

Fees on emerging-market funds are declining but remain high relative to some other funds.



Source: Morningstar

THE WALL STREET JOURNAL.

"It's incumbent on managers, active or passive, to pass on more of the benefits to shareholders," said Andrew Foster, who runs the Seafarer fund, which bested the performance of 98% of all emerging-market stock funds in the three years through 2015, according to research firm [Morningstar Inc.](#) He said operational costs, such as custody and accounting, have come down significantly. Moreover, investing in emerging markets has become more transparent, as capital markets in these countries have deepened and information has become more available.

Investors have soured on emerging markets over the past few years amid concerns over the Federal Reserve's tightening of its monetary policy, a slowing Chinese economy and

weaker commodity prices. In recent weeks, emerging markets have rebounded as these worries abated.

Historically, investors seeking out investments in poorer nations have paid high fees to managers, in part, because running an emerging-market portfolio can be costly. Managers often need to trade on a multitude of exchanges, where trading fees tend to be higher. They also have to transact with various brokers in each market and deal with additional issues such as foreign exchange.

Trading foreign-listed stocks often involves a custodian bank, which provides administrative and transaction services, adding costs. Many stocks in these markets aren't covered by any sell-side analysts, in some cases leading money managers who might otherwise rely on local analysts to incur large travel bills to meet the companies and management.

Investment options also have been limited within emerging markets, as some money managers have closed funds to new investors after reaching a certain threshold of assets under management, said Iain Douglas, head of emerging-markets equity manager research at Willis Towers Watson, a consulting firm to institutional investors.

Institutional investors pay an average fee of 0.91% to emerging-market stock managers, compared with 0.58% on U.S. large-cap stocks and 0.5% for U.S. high-yield bonds, according to research firm eVestment. Emerging-market bond managers charge 0.58%.

"It's one of the last pockets where there's a somewhat aura of complexity of operations and access that allowed managers to charge a higher fee," said Tim Atwill, head of investment strategy at Parametric, a Seattle-based unit of [Eaton Vance Corp.](#) with more than \$150 billion of assets.

He said the firm has lowered fees on its emerging-market funds a number of times in recent years due to increasing pressure from broker-dealers and competitors. Its \$3.3 billion Parametric Emerging Market fund charges 1.36% for individual investors and 1.11% for institutions.

While those costs were largely accepted in the days when investments in nations such as China and Brazil routinely posted double-digit-percentage gains, sharp declines in emerging-market indexes have caused many investors to become more aware of the high fees of these funds. The MSCI Emerging Markets Index has lost 20% since the end of

2012 through Thursday.

Globally, emerging-market stock funds experienced a record outflow of \$68 billion in 2015, according to fund tracker EPFR Global.

In 2015, an average active manager of emerging-market stock funds charged 1.54%, down from 1.57% a year earlier, according to Morningstar. In contrast, the average active fund that invests in U.S. large-cap stocks charged 1.14%.

Meanwhile, exchange-traded funds and other passive managers have lowered fees significantly in recent years, putting more pressure on active managers. Passive managers charge 0.56% on emerging markets, less than on U.S. stocks, according to Morningstar.

According to Morningstar, passive emerging-market funds had a negative-7.65% return for the three years through 2015, compared with negative-5.58% for active managers. During the first quarter, active managers underperformed their passive counterparts.

Some analysts said the performance by active managers isn't satisfactory.

"If you're going to charge more money, you should do better," said Todd Rosenbluth, director of exchange-traded and mutual-fund research at S&P Global Market Intelligence.

Institutional investors are taking note.

"Clients are asking questions...whether the fees are too high for the potential value these funds are going to add," said Willis Towers Watson's Mr. Douglas. His firm has used its large client base to push managers to cut fees. On average, the fees for its institutional clients have come down from about 1% to between 0.6% and 0.7% in recent years, he said.

Starting in March, Franklin Templeton, which manages \$728 billion, implemented new "management fee caps" on its Templeton Developing Markets Trust and the \$224 million Templeton Frontier Markets Fund. A spokeswoman for Templeton declined to comment.

Write to Carolyn Cui at carolyn.cui@wsj.com

Corrections & Amplifications:

The name of a Franklin Templeton Investments fund is the Templeton Frontier Markets Fund. An earlier version of this article incorrectly called it the Templeton Frontier Fund. (April 25, 2016)

El Camino Hospital Investment Committee Scorecard

March 31, 2016

Key Performance Indicator	Status	1Q 2016		Fiscal Year-to-date		Since Inception (annualized)		FY16	Expectation
		El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	Year-end Budget	Per Asset Allocation
Investment Performance		1Q 2016		Fiscal Year-to-date		Since Inception (annualized)			Mar 2014/2012
Surplus cash balance & op. cash (millions)		\$695.4	--	--	--	--	--	\$699.8	--
Surplus cash return	Green	0.2%	0.9%	-1.8%	-0.9%	4.2%	4.3%	4.0%	5.0%
Cash balance plan balance (millions)		\$216.3	--	--	--	--	--	\$224.2	--
Cash balance plan return	Green	-0.4%	1.0%	-2.1%	-1.0%	6.9%	6.4%	6.0%	6.7%
403(b) plan balance (millions)		\$330.6	--	--	--	--	--	--	--
Risk vs. Return		3-year				Since Inception (annualized)			Mar 2014/2012
Surplus cash Sharpe ratio	Green	0.73	0.76	--	--	0.92	0.93	--	0.66
Net of fee return	Green	3.5%	3.7%	--	--	4.2%	4.3%	--	5.0%
Standard deviation	Green	4.7%	4.8%	--	--	4.5%	4.6%	--	7.2%
Cash balance Sharpe ratio	Green	0.88	0.83	--	--	1.11	1.06	--	0.54
Net of fee return	Green	5.7%	5.2%	--	--	6.9%	6.4%	--	6.7%
Standard deviation	Green	6.5%	6.2%	--	--	6.2%	6.0%	--	10.6%
Asset Allocation		1Q 2016							
Surplus cash absolute variances to target	Green	3.9%	< 10%	--	--	--	--	--	--
Cash balance absolute variances to target	Green	3.0%	< 10%	--	--	--	--	--	--
Manager Compliance		1Q 2016							
Surplus cash manager flags	Green	15	< 18	--	--	--	--	--	--
Cash balance plan manager flags	Green	16	< 18	--	--	--	--	--	--

Glossary of Terms for Scorecard

Key Performance Indicator	Definition / Explanation
Investment Performance	
Surplus cash balance (millions)	Investment performance for the Surplus Cash portfolio was 70 basis points lower than the benchmark for the quarter with a return of +0.2%. The portfolio fell slightly behind the benchmark since inception (Nov. 1, 2012) with a return of +4.2% annualized versus +4.3% for the benchmark. The assets within the Surplus Cash account ended the quarter at \$695.4 million, significantly lower than the beginning of the quarter due to large capital expenditures and is now slightly behind the budgeted amount for June 30, 2016.
Surplus cash return	
Cash balance plan balance (millions)	The Cash Balance Plan's performance outperformed its benchmark for the quarter by 140 basis points with a return of -0.4%, but has outperformed its benchmark since inception. The since inception annualized return stands at +6.9%, 50 basis points ahead of its benchmark per year. The assets within the Cash Balance Plan ended the quarter at \$216.3 million, \$7.9 million below the budgeted amount for June 30, 2016.
Cash balance plan return	
403(b) plan balance (millions)	The 403(b) balance increased by \$15.8 million during the quarter, a little over 5%.
Risk vs. Return	
Surplus cash 3-year Sharpe ratio	The Sharpe ratio is the excess return of an investment over the risk free rate (US Treasuries) generated per unit of risk (standard deviation) taken to obtain that return. The higher the value, the better the risk-adjusted return. It is important to view returns in this context because it takes into account the risk associated with a particular return rather than simply focusing on the absolute level of return. Sharpe ratio = (actual return - risk free rate) / standard deviation
3-year return	
3-year standard deviation	
Cash balance 3-year Sharpe ratio	The Surplus Cash portfolio's 3-year Sharpe ratio was slightly below that of its benchmark and above the expected Sharpe ratio modeled. This was more so due to very little volatility over the period with moderate returns. The Cash Balance Plan's 3-year Sharpe ratio exceeded modeling expectations and its benchmark as the Plan took on slightly more risk (standard deviation) than the benchmark, but with greater success. Both accounts have demonstrated strong risk-adjusted returns since inception.
3-year return	
3-year standard deviation	
Asset Allocation	
Surplus cash absolute variances to target	This represents the sum of the absolute differences between the portfolio's allocations to various asset classes and the target benchmark's allocations to those asset classes. The higher the number, the greater the portfolio's allocations deviate from the target benchmark's allocations, indicating a higher possibility for the portfolio's risk and return characteristics to differ from the Board's expectations.
Cash balance absolute variances to target	The threshold for an alert "yellow" status is set at 10% and the threshold for more severe "red" status is set at 20%. Both portfolios are well below the 10% threshold as the private real estate managers have are fully invested.
Manager Compliance	
Surplus cash manager flags	This section represents how individual investment managers have fared and draws attention to elevated concerns regarding performance, organizational stability, investment personnel, accounting and regulatory issues, and portfolio characteristics all at the individual manager level. The number of flags are aggregated and a percentage of the total is used to highlight an alert "yellow" status (40% of the performance flags) and a more severe "red" status (50%). In total there are 99 potential flags for the Surplus Cash account (44 performance based) and 108 for the Cash Balance Plan (48 performance based). Currently, both accounts are within the threshold.
Cash balance plan manager flags	

Performance Review



El Camino Hospital

1st Quarter 2016

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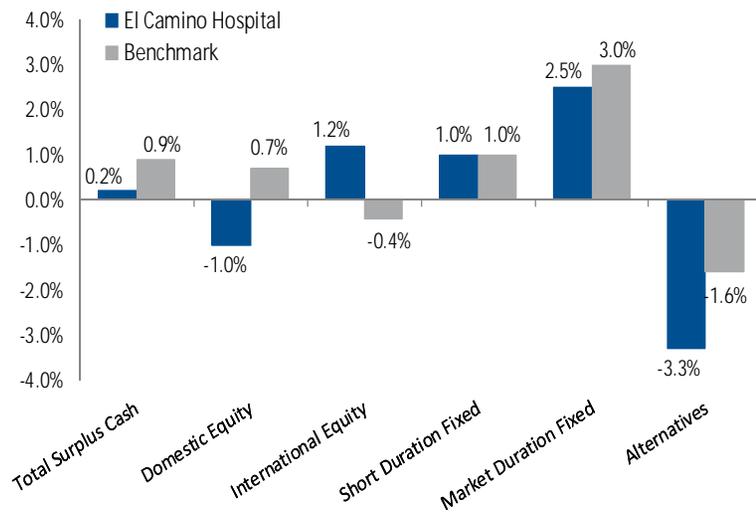
Executive Summary

Surplus Cash Executive Summary

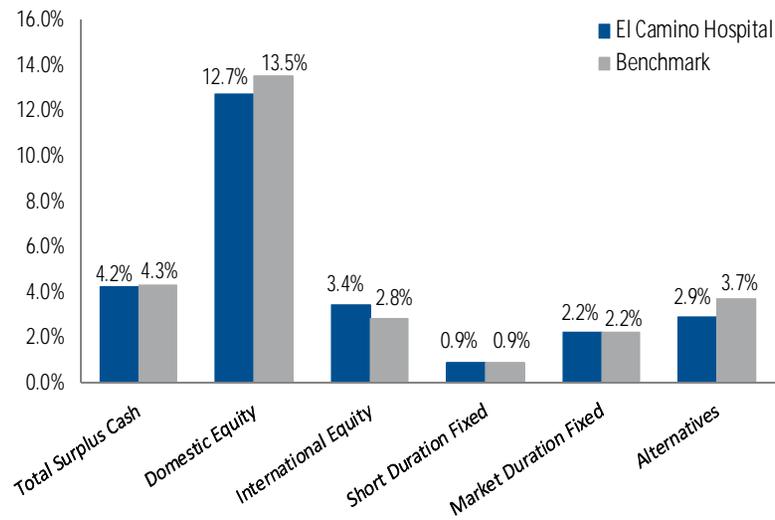
Dashboard

As of March 31, 2016

Performance: Most Recent Quarter



Performance: Since Inception¹



¹ Reflects the date Pavilion's recommended portfolio was implemented (November 1, 2012).

Asset Allocation

Manager	Total Assets (\$ mil.)	Percent of Total	Target Allocation	Variance to Target	Target Range	Within Policy Range
Domestic Equity	\$170.6	26.2%	25.0%	+ 1.2%	20-30%	Yes
International Equity	\$ 94.5	14.5%	15.0%	- 0.5%	10-20%	Yes
Short-Duration Fixed	\$ 66.3	10.2%	10.0%	+ 0.2%	8-12%	Yes
Market-Duration Fixed	\$198.7	30.5%	30.0%	+ 0.5%	25-35%	Yes
Alternatives	\$120.5	18.5%	20.0%	- 1.5%	17-23%	Yes
Total (X District)	\$650.6	100.0%				

Portfolio Updates

Manager News/Issues

- International equity managers Walter Scott, Northern Cross, and Harding Loevner notably outperformed during the quarter relative to their benchmarks and peers. All three managers benefited from favorable security selection.
- Large cap equity manager Sands performed poorly during the quarter, returning -10.2% and ranking in the 99th percentile of its peer group. Underperformance was driven by stock selection within the healthcare and technology sectors.
- U.S. small cap equity managers, Cortina and Wellington, both handily outperformed their respective benchmarks due to favorable stock selection within the healthcare industry.
- The Direct Hedge Fund composite underperformed its benchmark by 150 basis points.

Funding News/Issues

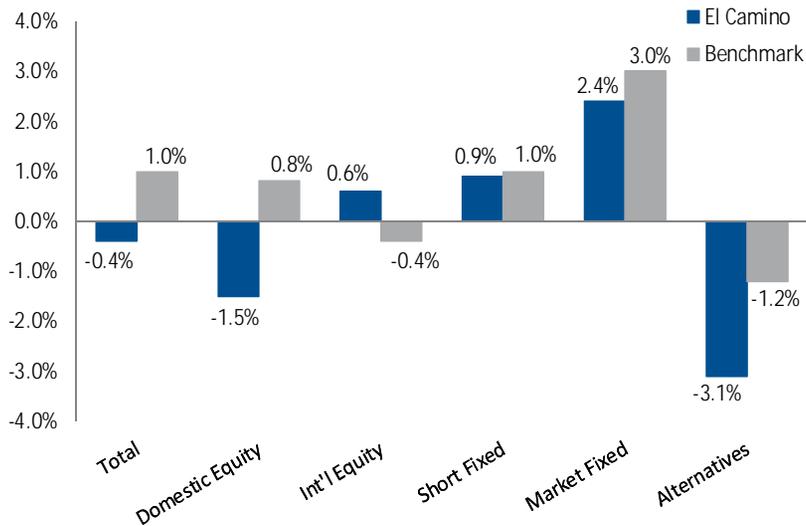
- In March, Oaktree Real Estate Opportunities Fund VI and the Walton Street Real Estate Fund VII made distributions of \$420,000 and \$700,000, respectively.
- In January, redemptions were made from a combination of Dodge & Cox (\$8.0 million), MetWest (\$8 million), and Barrow Hanley Short Duration (\$14.0 million) to fund operating needs.. Also, a \$13.0 million commitment was made to Walton Street Real Estate Fund VIII.

Cash Balance Plan Executive Summary

Dashboard

As of March 31, 2016

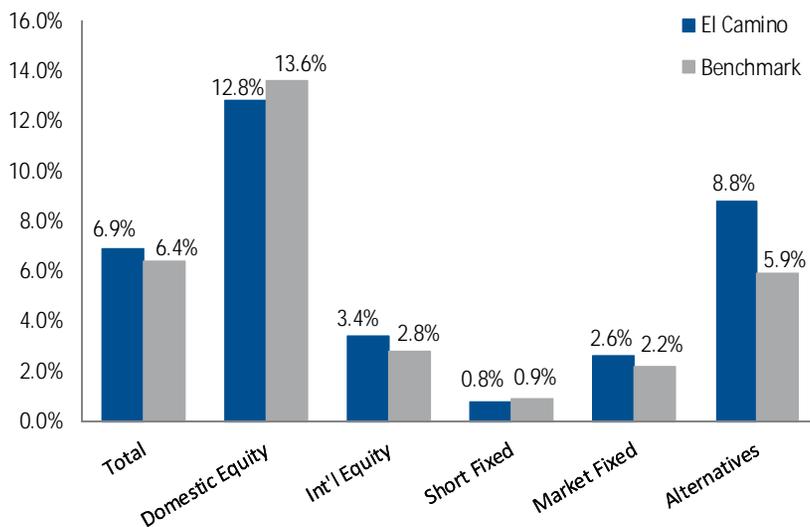
Performance: Most Recent Quarter



Asset Allocation

Manager	Total Assets (\$ mil.)	Percent of Total	Target Allocation	Variance to Target	Target Range	Within Policy Range
Domestic Equity	\$ 71.6	33.1%	32.0%	+ 1.1%	27-37%	Yes
International Equity	\$ 37.0	17.1%	18.0%	- 0.9%	15-21%	Yes
Short-Duration Fixed	\$ 10.0	4.6%	5.0%	- 0.4%	0-8%	Yes
Market-Duration Fixed	\$ 53.6	24.8%	25.0%	- 0.2%	20-30%	Yes
Alternatives	\$ 44.0	20.4%	20.0%	+ 0.4%	17-23%	Yes
Total	\$216.3	100.0%				

Performance: Since Inception¹



Portfolio Updates

Manager News/Issues

- International equity managers Walter Scott and Northern Cross notably outperformed during the quarter relative to their benchmarks and peers. Both managers benefited from favorable security selection.
- Large cap equity manager Sands performed poorly during the quarter, returning -10.2% and ranking in the 99th percentile of its peer group. Underperformance was driven by stock selection within the healthcare and technology sectors.
- Hedge fund-of-funds managers, Lighthouse and Pointer, both trailed the HFRI Fund of Funds Composite Index by 80 bps and 540 bps, respectively.

Funding News/Issues

- In March, the Oaktree Real Estate Opportunities Fund VI and the Walton Street Real Estate Fund VII made distribution payments of \$252,000 and \$420,000 respectively.
- An employer contribution of \$2.4 million was made in January with the proceeds invested in the Barrow Hanley Short Duration Fixed Income separate account. Also, there was a \$10.0 million commitment made to Walton Street Real Estate Fund VIII.

¹ Reflects the date Pavilion's recommended portfolio was implemented (November 1, 2012).



Investment Outlook Dashboard

Second Quarter 2016

Market Segment	Valuations	Fundamentals	Sentiment
Growth – Value	In most market segments, valuations are neutral. In emerging markets growth stocks appear overvalued. Within the U.S., there is a wide valuation disparity among the cheapest quintile stocks to the overall market, suggesting above average return potential for the value style.	A modest recovery in the U.S. and stagnant growth in Europe and Japan suggest that growth stocks should perform better. While economic growth is strong overall in the emerging markets, it is decelerating and varies significantly by country. Combined with uncertainties related to the global recovery and Fed tightening, the environment for earnings growth becomes less certain, and tends to favor growth stocks at the margin. However, certain sectors (e.g., energy and related industries) suffered significantly following the large drop in oil prices. With oil prices stabilized, fundamentals are improving for some of the stronger companies.	During the first quarter, the trend favoring growth stocks appears to have shifted toward value across markets. This follows a strong trend favoring growth for two years in the U.S. and developed international equity markets. Growth stocks had been in favor since late 2010 in emerging markets.
Large cap – Small cap	Relative valuations are neutral.	With the exception of a strong U.S. dollar, fundamentals generally favor large cap stocks. Global M&A activity as well as significant cash positions allow large companies to better support earnings growth.	A more risk averse environment favors large cap.
Global equities	Emerging markets and developed international stocks look cheap relative to U.S. stocks.	Economic growth trends favor the U.S. and select emerging markets countries. Earnings growth potential is stronger in Europe and Japan.	Sentiment favors U.S. stocks, but may be shifting toward foreign developed stocks.
Fixed Income	Interest rates are low, making fixed income not particularly attractive. Spreads on high yield and emerging market debt have widened, offering active investment managers an improved opportunity set.	Continued low interest rates, wider spreads, and low (though slightly rising) default rates favor the credit sector, especially investment grade. Continued dollar strength as well as heightened currency volatility is a negative for foreign and emerging market debt.	Sentiment is with high quality bonds, especially in a risk averse environment.



Current Market Environment

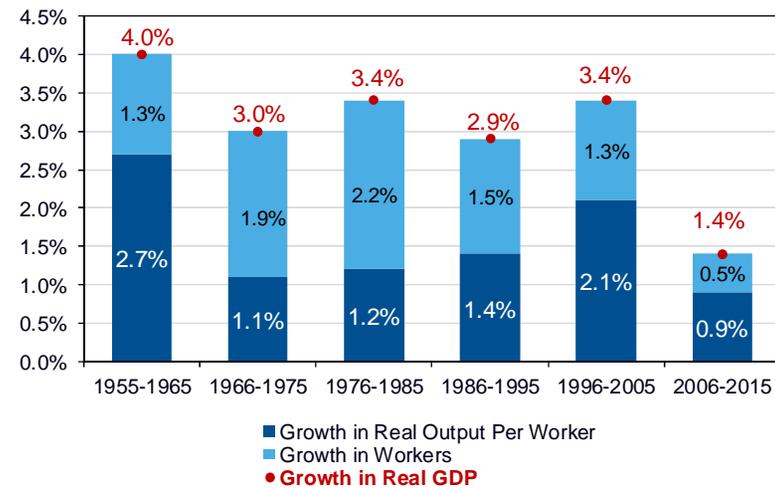
- Global growth low for longer.
- Slowdown in China causing emerging market and developed market growth rates to converge further.
- Low inflation.
- Low interest rates.
- U.S. dollar stabilizes as Fed rate increases are likely to be small in 2016.
- Regulatory pressures increasing.
- Most markets are fully priced.

Implications

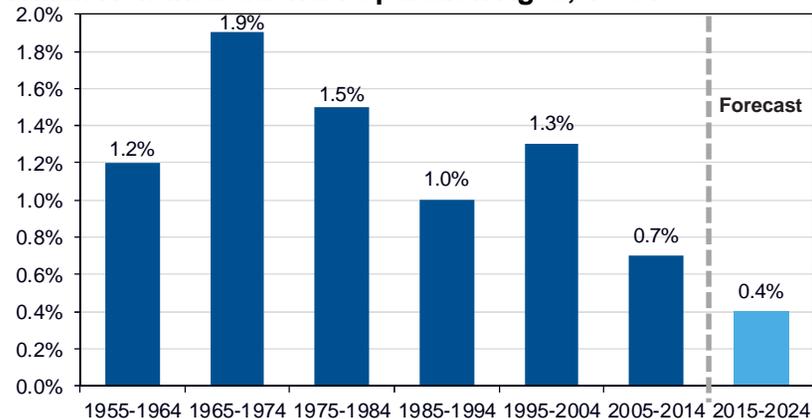
- Increased volatility across markets – stocks, bonds, currencies, commodities.
- Potential for more frequent rebalancing.

Demographics are a Headwind to GDP Growth

Drivers of U.S. GDP Growth – Average Year-Over-Year Percent Change



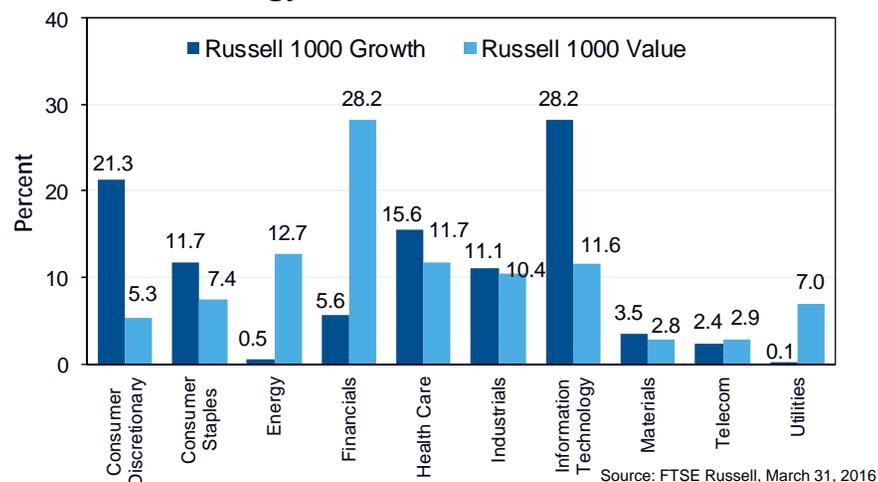
Growth in U.S. Working Age Population – Percent Increase in Civilian Non-Institutional Population Ages, 16-64



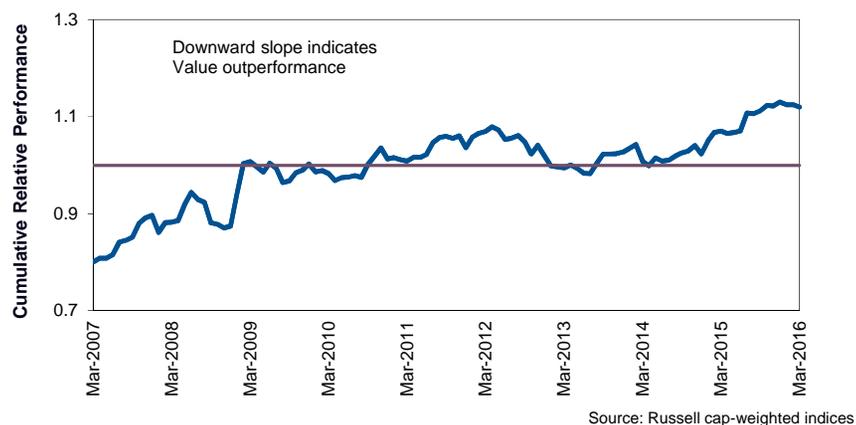


U.S. Large Cap Equities Growth and Value Styles (Tilt to Value)

Russell 1000 Growth and Value Index Sector Allocation – IT and Consumer Discretionary Dominate Growth; Financials and Energy Dominate Value



U.S. Growth-Value Stock Performance – Trend Favoring Growth Since 2014 Appears to Be Turning



Price/Book: Cheapest Quintile of 500 Stock Universe to S&P 500 Suggests a Significant Opportunity in Value Stocks



Observations

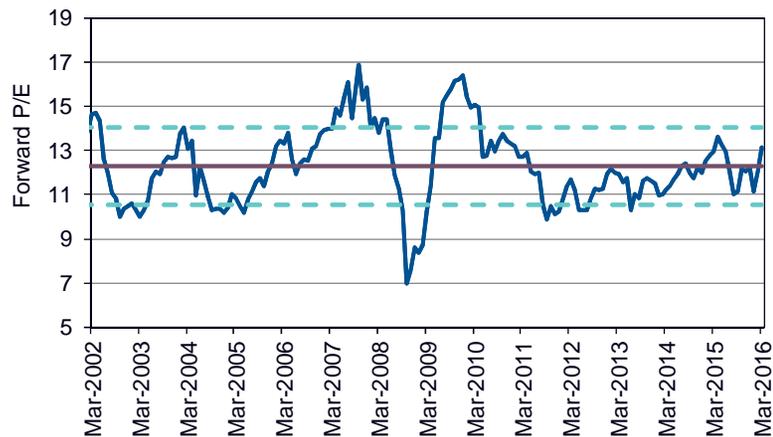
- U.S. large cap growth stocks began noticeably outperforming value stocks in 2015, largely as a result of strong performance from healthcare and IT (traditional growth sectors), and very weak performance from the energy sector, which makes up a larger portion of the value index. For the prior five years, the performance of growth and value stocks had not been significantly different. In the first quarter of 2016, value outperformed growth. We anticipate this trend to continue.
- The opportunity within the value style appears above average. The valuation disparity between the cheapest quintile of the S&P 500 stocks and the S&P 500 is at the one standard deviation band, with the cheapest stocks trading near a 35% discount to the S&P 500's value. Energy, materials, and other cyclical companies have fallen significantly in price during the past year. We believe these companies have more upside potential than downside. Sentiment toward these companies is very negative as well. In combination, we believe these factors suggest a turning point in the value/growth cycle in the U.S.

Recommendation

- Tilt toward value stocks within the U.S.

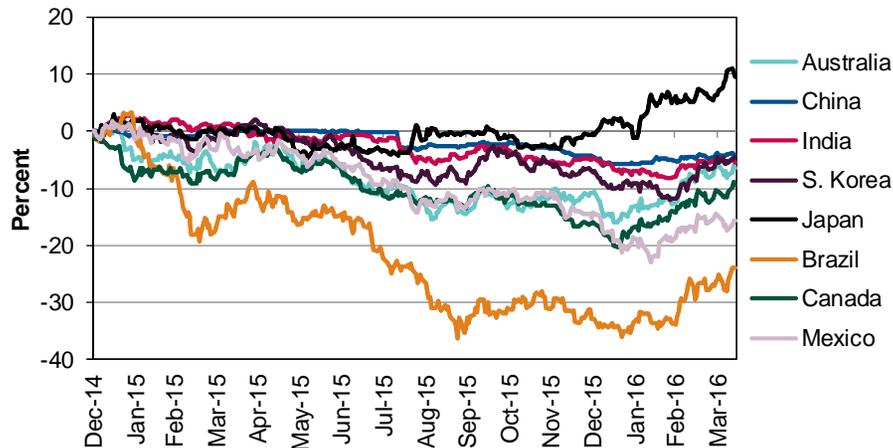
Emerging Markets Equities (Underweight to Target)

Emerging Markets Valuations Look Average to Slightly Above Average



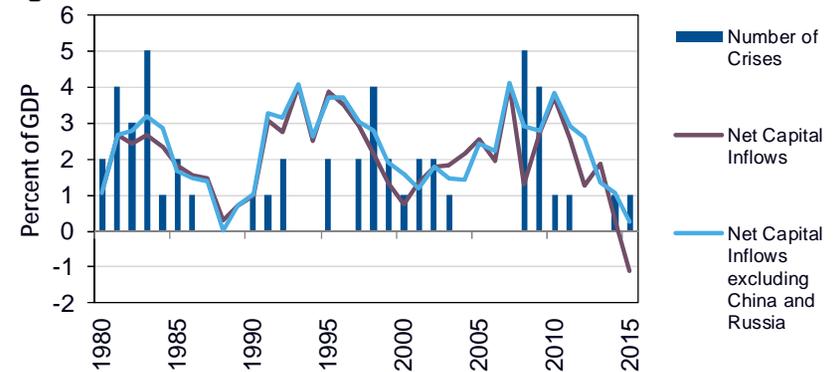
Source: MSCI

Currencies vs. U.S. Dollar – the U.S. Dollar Weakened During the First Quarter



Source: Bloomberg

Net Capital Inflows to Emerging Market Economies and Number of Debt Crisis, 1980-2015, Q3 – Inflows at Lowest Level, Outflows Near Highs of Late 1980's



Observations

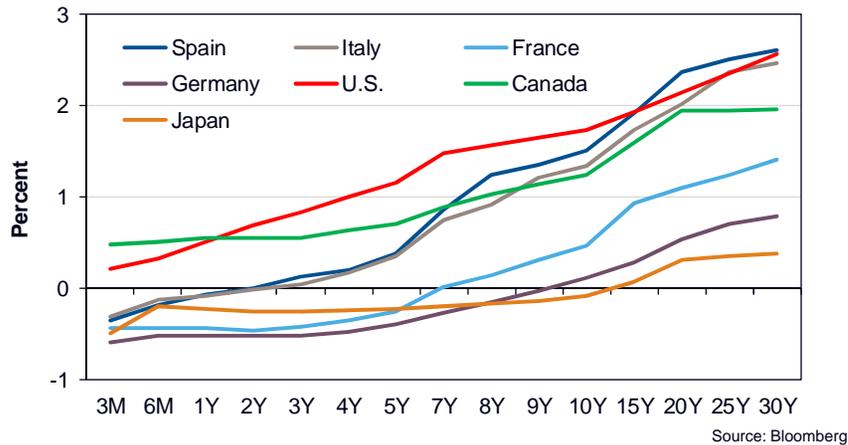
- Emerging market equities are trading at average to above average prices. Relative to the U.S. and EAFE, emerging markets look inexpensive, but not as cheap as they have been at prior troughs on either P/E or P/BV measures.
- Emerging market economic growth is slowing at a time when developed markets growth is accelerating. Combined with a stronger U.S. dollar, tighter lending conditions and low commodity prices, the economic outlook for emerging market countries as well as various sectors is mixed.
- Market volatility has picked up and is likely to stay high as China's economy shifts toward domestic consumption and away from exports and government fixed investment. The Fed's move to normalize monetary policy contributes to uncertainty on emerging country economic growth.
- BofA's Merrill Lynch's early April Global Research Report notes the three most crowded trades as shorting emerging markets, long U.S. dollar, and long quality stocks. Such negative sentiment on emerging markets suggests that a bottom could be approaching. But we note that the markets have moved quickly from risk-on to risk-off modes and back, often resulting in sharp price reversals as investors move in and out of crowded trades.

Recommendation

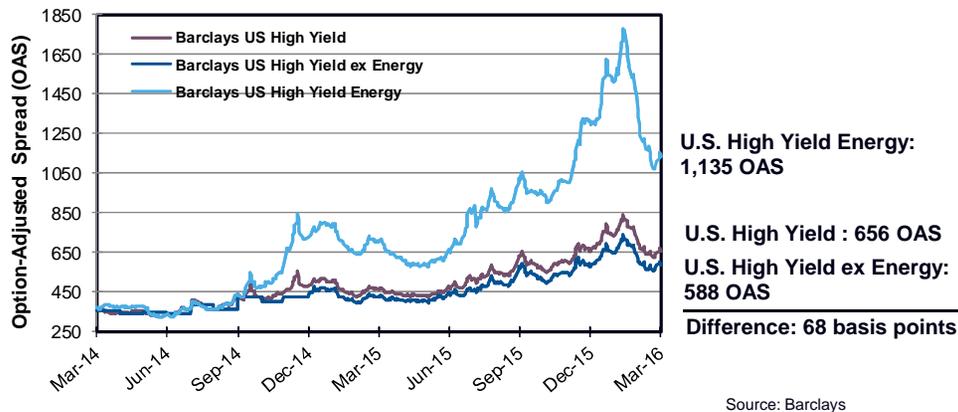
- Country-specific risks are high (Brazil, Russia, China) favoring stock-picking managers to find true values. Maintain underweights to target for the time being.

Low Returns Projected from Fixed Income

U.S. and Developed Markets Yield Curves



U.S. High Yield Credit Spreads ex Energy



Breakeven Rate Increase Levels Are Compressed

	As of March 31, 2016			As of March 31, 2006		
	Yield	Duration	Breakeven Rate Increase (in bps) ¹	Yield	Duration	Breakeven Rate Increase (in bps) ¹
US 10 Year Treasury	1.78%	9.21	19	4.85%	7.83	62
Barclays 1-3 Year Gov/Credit	1.08%	1.89	57	5.04%	1.78	283
Barclays Interm. Gov/Credit	1.63%	4.04	40	5.24%	3.63	144
Barclays Aggregate	2.17%	5.47	40	5.50%	4.68	118
Barclays Long Gov/Credit	3.75%	15.22	25	5.64%	10.71	53

Breakeven rate increases represent the amount interest rates can rise before the total return of each respective index becomes negative.

Source: Barclays

Observations

- In December, the Federal Reserve increased the Fed Funds rate for the first time in nearly a decade, and projected increasing rates four times for a total of one percentage point during 2016. The negative impact of U.S. dollar strength on emerging market countries, oil prices, and U.S. economic growth has the Fed backing off, with current guidance suggesting just two rate increases in 2016. Market expectations are more pessimistic and rightly so. With \$8 trillion of sovereign debt trading at negative rates, and U.S. rates among the highest in the developed markets, further increases could push the U.S. dollar higher and shake an already fragile global recovery. A stronger U.S. dollar is destabilizing for emerging market countries, raising their cost of capital and potentially leading to more capital outflows. We believe these factors place a ceiling on rate increases in 2016 that is below Fed projections.
- We anticipate that returns from investment grade fixed income will be low, as they tend to be highly correlated with starting yields. The starting yield on the Barclays Aggregate Bond Index was 2.2% at March 31, 2016. Yield spreads are generally tight, with only high yield spreads trading above average. The high yield bond market suffered in 2015 from rising defaults, declining liquidity and capital outflows. Fitch forecasts the U.S. high yield default rate for 2016 at 6.0%. The default rate for the energy sector is expected to reach 20% in 2016. The fallout from commodity price declines along with concerns over rising U.S. interest rates caused investors to pull money from junk bond funds. Unfortunately, liquidity has been declining, particularly within the high yield sector, as regulatory changes and bank capital requirements have reduced bank bond inventories. Although yields spiked in 2015, they have come down as oil prices have stabilized at the \$40-\$50 price range.

Surplus Cash Executive Summary

Portfolio Update - March 2016

The Surplus Cash portfolio excluding District assets returned 0.2% during the first quarter, trailing its benchmark by 70 basis points (bps). While asset allocation differences relative to the benchmark had a marginally positive impact on returns, manager performance more than offset the positive impact.

Large cap growth manager Sands was the primary detractor from performance, returning -10.2% vs. 0.7% for the Russell 1000 Growth Index and ranking near the bottom of its peer group. Sands was hurt by poor stock selection within the healthcare and technology sectors, including holdings in Regeneron Pharmaceuticals (-33.6%) and LinkedIn (-49.2%). It should be mentioned that the quarter was historically difficult for active large cap growth managers, as 93% lagged the index. Large cap value manager Barrow Hanley also negatively impacted overall performance, trailing the Russell 1000 Value Index benchmark by 200 bps. Both small cap managers, Cortina and Wellington, outperformed their respective benchmarks.

The international equity composite returned 1.2%, outperforming the MSCI AC World ex USA Index by 160 bps. Developed international managers Walter Scott and Northern Cross outperformed the benchmark by 120 bps and 90 bps, respectively, largely due to favorable stock selection. Emerging markets manager Harding Loevner was the portfolio's top performer in absolute terms, returning 6.6% as emerging markets rebounded from a difficult 2015, driven by a recovery in oil prices and weaker US dollar.

Market duration fixed income managers Dodge & Cox and MetWest slightly hindered performance as both trailed the Barclays Aggregate, which posted strong returns as rates fell amidst a risk-off environment. The Barrow Hanley Short Duration fixed income separate account returned 1.1%, marginally outperforming the Barclays 1-3 Year Gov/Credit by 10 bps.

The hedge fund portfolio was the second largest detractor from performance, returning -4.3% vs. -2.8% for the HFRI Fund of Funds Composite Index. Long/short equity and relative value funds particularly struggled, as most began to increase short positions in January prior to the "V-shaped" recovery in equities.

Investment Activity

In March, Oaktree Real Estate Opportunities Fund VI and Walton Street Real Estate Fund VII made distributions of \$420,000 and \$700,000, respectively. \$400,000 of the proceeds was reinvested in the MetWest Fixed Income separate account. In February, a \$500,000 employer contribution was made. In January, redemptions were made from a combination of Dodge & Cox (\$8.0 million), MetWest (\$8.0 million) and Barrow Hanley Short Duration (\$14.0 million) to fund operating needs.

Recommendations or Action Items

While Pavilion recommends no changes to the traditional asset manager lineup at this time, a small cap growth (Cortina) manager search will be presented at the May 9 meeting. Please see the Surplus Cash Hedge Fund Portfolio report for recommendations specific to that program.

Cash Balance Plan Executive Summary

Portfolio Update - March 2016

The Cash Balance Plan returned -0.4% during the quarter, underperforming its benchmark by 140 basis points. Underperformance was driven primarily by manager results in large cap equity and hedge fund of funds, while asset allocation differences relative to the benchmark also slightly dampened results.

Large cap growth manager Sands was the primary detractor from performance, returning -10.2% vs. 0.7% for the Russell 1000 Growth Index and ranking near the bottom of its peer group. Sands was hurt by poor stock selection within the healthcare and technology sectors, including holdings in Regeneron Pharmaceuticals (-33.6%) and LinkedIn (-49.2%). It should be mentioned that the quarter was historically difficult for active large cap growth managers, as 93% lagged the index. Large cap value manager Barrow Hanley also negatively impacted overall performance, trailing the Russell 1000 Value Index benchmark by 190 bps. Both small cap managers, Cortina and Wellington, outperformed their respective benchmarks.

The international equity composite returned 0.6%, outperforming the MSCI AC World ex USA Index by 100 bps. Both Walter Scott and Northern Cross generated strong relative returns, outperforming the benchmark by 120 bps and 90 bps, respectively, largely due to favorable stock selection.

Market duration fixed income managers Dodge & Cox and MetWest slightly hindered performance as both trailed the Barclays Aggregate, which posted strong returns as rates fell amidst a risk-off environment. The Barrow Hanley Short Duration fixed income separate account returned 1.0%, matching the Barclays 1-3 Year Gov/Credit Index.

Hedge fund of fund Pointer significantly detracted from performance, returning -8.2% vs. -2.8% for the HFRI Fund of Funds Composite Index. Pointer's losses predominantly came from underlying long equity positions, where their managers' largest positions meaningfully underperformed in a weak market.

Investment Activity

In March, Oaktree Real Estate Opportunities Fund VI and Walton Street Real Estate Fund VII made distributions of \$252,000 and \$420,000, respectively. In January, a \$2.4 million employer contribution was made, with the proceeds invested in the Barrow Hanley Short Duration Fixed Income separate account.

Recommendations or Action Items

While Pavilion recommends no changes to the traditional asset manager lineup at this time, a small cap growth (Cortina) manager search will be presented at the May 9 meeting.

Surplus Cash Executive Summary

Manager Compliance Checklist

As of March 31, 2016

Managers	Vanguard S&P 500 Index	Sands Large Cap Growth (Touchstone)	Barrow Hanley LCV	Cortina Small Cap Growth	Wellington Small Cap Value	Walter Scott Int'l (Dreyfus)	Northern Cross (Harbor Int'l)
Organizational/Product Issues							
No changes to investment team	+	-	-	+	+	+	+
No organizational changes	+	+	+	+	+	+	+
No accounting or regulatory concerns	+	+	+	+	+	+	+
Currently in adherence to guidelines	+	+	+	+	+	+	+
Characteristics meet stylistic expectations	+	+	+	+	+	+	+
Relative Performance ^{1,2}							
Three-year return > benchmark	In Line	-480	+	-520 bps	+	In Line	+
Three-year ranking > peer group median	+	94th	+	85th	+	62nd	54th
Five year return > benchmark	In Line	-160	+	-430 bps	+	+	+
Five year ranking > peer group median	+	+	+	87th	+	+	+
Performance Status	+	+	+	-	+	+	+
Date performance status changed	3Q14						
Summary Status	+	+	+	-	+	+	+
Date summary status changed	1Q15						

¹ Manager performance is evaluated net of investment management fees.

² For each manager that underperformed its benchmark and/or peer group, the magnitude of underperformance and/or peer group ranking is shown.

Surplus Cash Executive Summary

Manager Compliance Checklist

As of March 31, 2016

Managers	Harding Loevner	Barrow Hanley Short Fixed	Dodge & Cox Fixed	MetWest Fixed
Organizational/Product Issues				
No changes to investment team	+	+	+	+
No organizational changes	+	+	+	+
No accounting or regulatory concerns	+	+	+	+
Currently in adherence to guidelines	+	+	+	+
Characteristics meet stylistic expectations	+	+	+	+
Relative Performance ^{1,2}				
Three-year return > benchmark	+	In Line	+	-40 bps
Three-year ranking > peer group median	+	+	+	+
Five year return > benchmark	+	-10 bps	+	+
Five year ranking > peer group median	+	62nd	54th	+
Performance Status	+	+	+	+
Date performance status changed				
Summary Status	+	+	+	+
Date summary status changed				

¹ Manager performance is evaluated net of investment management fees.

² For each manager that underperformed its benchmark and/or peer group, the magnitude of underperformance and/or peer group ranking is shown.

Cash Balance Plan Executive Summary

Manager Compliance Checklist

As of March 31, 2016

Managers	Vanguard S&P 500 Index	Sands Large Cap Growth (Touchstone)	Barrow Hanley LCV	Cortina Small Cap Growth	Wellington Small Cap Value	Walter Scott Int'l (Dreyfus)	Northern Cross (Harbor Int'l)
Organizational/Product Issues							
No changes to investment team	+	-	-	+	+	+	+
No organizational changes	+	+	+	+	+	+	+
No accounting or regulatory concerns	+	+	+	+	+	+	+
Currently in adherence to guidelines	+	+	+	+	+	+	+
Characteristics meet stylistic expectations	+	+	+	+	+	+	+
Relative Performance ^{1,2}							
Three-year return > benchmark	In Line	-480 bps	+	-520 bps	+	In Line	+
Three-year ranking > peer group median	+	94th	+	85th	+	62nd	54th
Five year return > benchmark	In Line	-160 bps	+	-430 bps	+	+	+
Five year ranking > peer group median	+	+	+	87th	+	+	+
Performance Status	+	+	+	-	+	+	+
Date performance status changed	3Q14						
Summary Status	+	+	+	-	+	+	+
Date summary status changed	1Q15						

¹ Manager performance is evaluated net of investment management fees.

² For each manager that underperformed its benchmark and/or peer group, the magnitude of underperformance and/or peer group ranking is shown.

Cash Balance Plan Executive Summary

Manager Compliance Checklist

As of March 31, 2016

Managers	Barrow Hanley Short Fixed	Dodge & Cox Fixed	MetWest Fixed	Lighthouse	Pointer
Organizational/Product Issues					
No changes to investment team	+	+	+	+	+
No organizational changes	+	+	+	+	+
No accounting or regulatory concerns	+	+	+	+	+
Currently in adherence to guidelines	+	+	+	+	+
Characteristics meet stylistic expectations	+	+	+	+	+
Relative Performance ^{1,2}					
Three-year return > benchmark	-10 bps	-10 bps	+	+	+
Three-year ranking > peer group median	+	+	+	N/A	N/A
Five year return > benchmark	-10 bps	In Line	+	+	+
Five year ranking > peer group median	65th	56th	+	N/A	N/A
Performance Status	+	+	+	+	+
Date performance status changed					
Summary Status	+	+	+	+	+
Date summary status changed					

¹ Manager performance is evaluated net of investment management fees.

² For each manager that underperformed its benchmark and/or peer group, the magnitude of underperformance and/or peer group ranking is shown.

Executive Summary

Manager Compliance Checklist

As of March 31, 2016

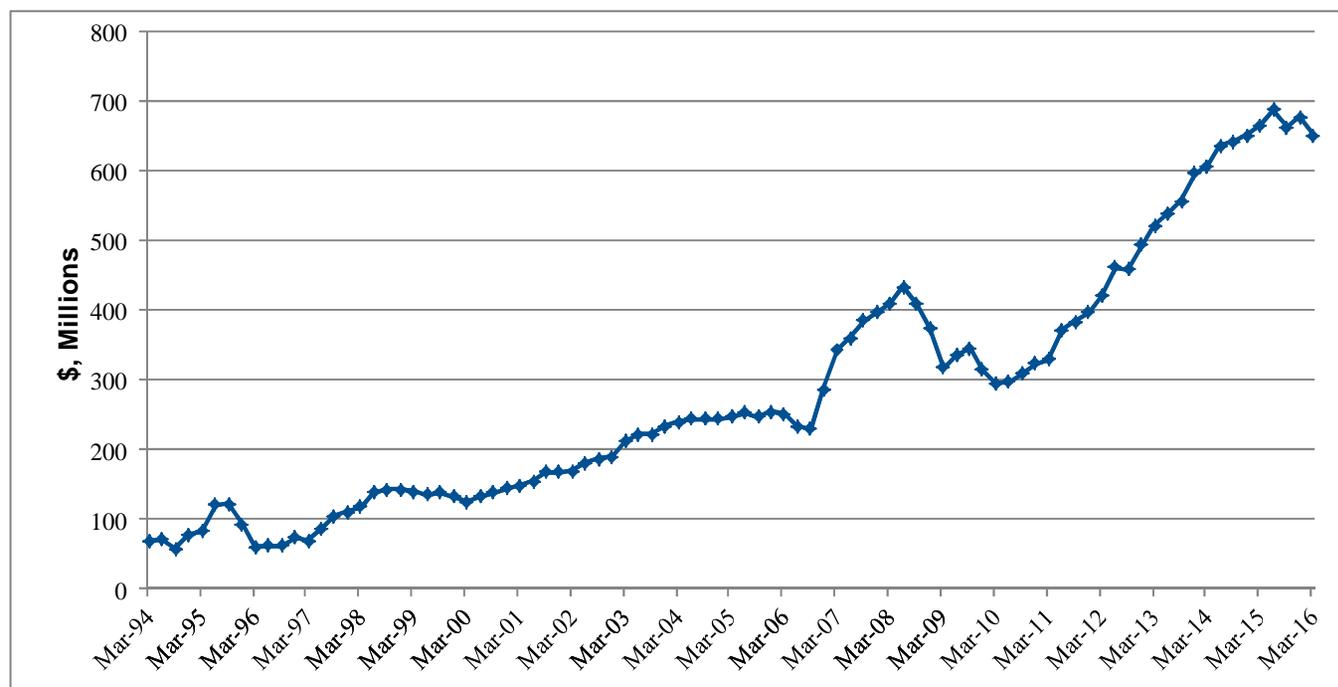
Manager	Compliance Issue	Explanation	Recommended Action	Comments
Sands Large Cap Growth (Touchstone)	Investment Team Change	Tom Ricketts, one of the three portfolio managers and member of the Executive Management Team, has decided to leave Sands Capital. Mr. Ricketts will continue to work at Sands Capital through June 30, 2016. Wes Johnston, who was an associate PM for the last 3 years is being promoted to Co-PM to replace Mr. Ricketts.	Hold	All departures at the portfolio management level on any investment team are significant, however, Sands has maintained a proven investment philosophy and stable investment team up until this point. Our research team will be conducting further due diligence on this departure. Until then, Pavilion recommends no action at this time and will monitor this situation closely moving forward.
Barrow Hanley LCV	Investment Team Change	El Camino's Barrow Hanley Large-Cap Value separate account portfolio manager, Tim Culler, retired on March 31, 2016. Lewis Ropp, who has 34 years of industry experience and has been a part of Barrow Hanley since 2001, took over portfolio management duties from Tim Culler upon his retirement.	Hold	While investment team turnover is not desirable, Mr. Culler has over 30 years of industry experience and after this length of time, it is not surprising to see him step down from his portfolio management role. Lewis Ropp, who will replace Mr. Culler upon his retirement, has significant investment experience and has been a part of Barrow Hanley for over 15 years. Given Barrow Hanley's deep bench of portfolio managers and analysts and strong track record, Pavilion recommends no action as this time. Pavilion will continue to closely monitor the transition over the next year.

Surplus Cash Executive Summary

Market Value Reconciliation

As of March 31, 2016

\$ in Millions	2008	2009	2010	2011	2012 ¹	2013	2014	2015	1st Quarter 2016
Beginning Market Value	\$395.6	\$374.4	\$313.5	\$322.6	\$396.7	\$493.8	\$596.3	\$651.6	\$677.5
Net Cash Flow	(\$16.3)	(\$91.8)	(\$10.5)	\$55.6	\$67.8	\$55.3	\$27.4	\$27.0	(\$28.2)
Income	n/a	n/a	n/a	n/a	n/a	n/a	\$12.3	\$12.6	\$2.7
Realized Gain/(Loss)	n/a	n/a	n/a	n/a	n/a	n/a	\$10.4	\$4.4	(\$0.1)
Unrealized Gain/(Loss)	n/a	n/a	n/a	n/a	n/a	n/a	\$5.3	(\$18.0)	(\$1.3)
Capital App/(Dep)	(\$5.0)	\$30.9	\$19.6	\$18.5	\$29.3	\$47.2	\$27.9	(\$1.0)	\$1.3
End of Period Market Value	\$374.4	\$313.5	\$322.6	\$396.7	\$493.8	\$596.3	\$651.6	\$677.5	\$650.7
Return Net of Fees	-1.2%	11.3%	6.4%	5.1%	6.6%	8.8%	4.4%	-0.2%	0.2%



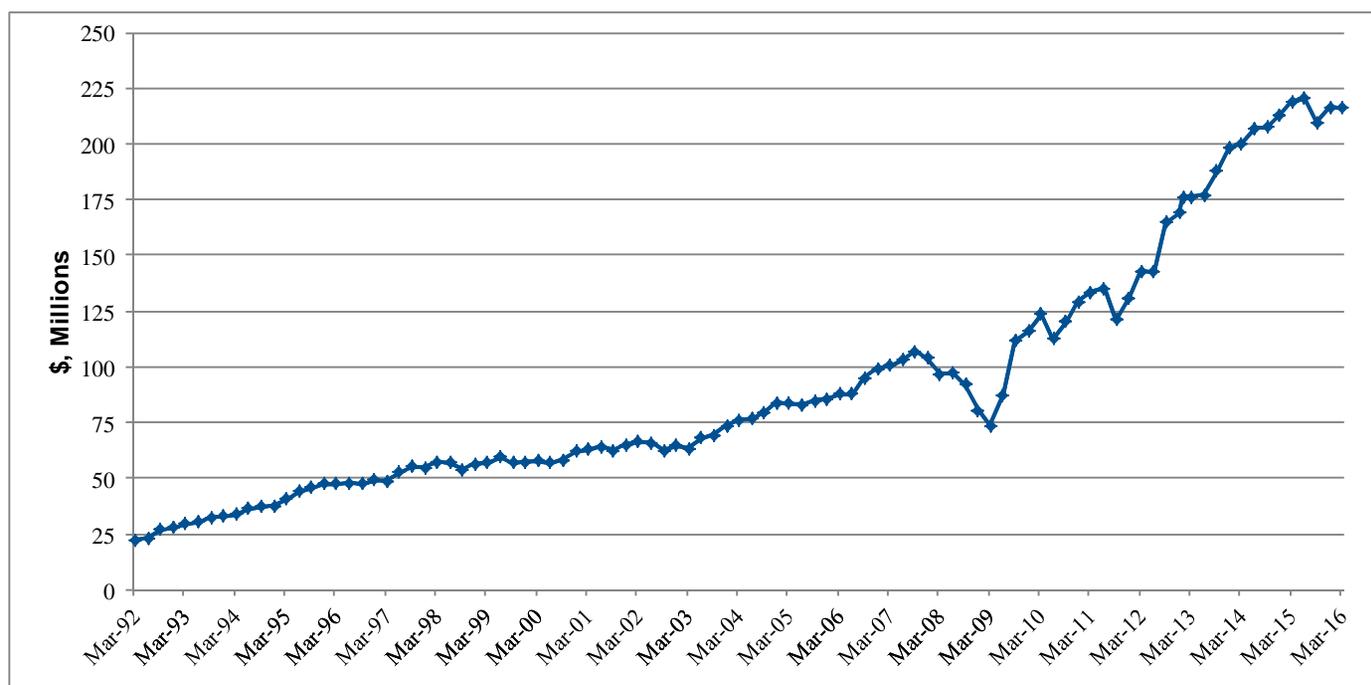
¹ Beginning 8/1/2012, market values represent the Surplus Cash portfolio excluding District assets, with \$13.9 million of District assets shown as a cash outflow in the third quarter of 2012.

Cash Balance Plan Executive Summary

Market Value Reconciliation

As of March 31, 2016

\$ in Millions	2008	2009	2010	2011	2012	2013	2014	2015	1st Quarter 2016
Beginning Market Value	\$104.0	\$80.5	\$116.1	\$129.2	\$130.9	\$168.8	\$198.3	\$213.7	\$216.8
Net Cash Flow	\$4.3	\$11.8	(\$0.8)	\$2.3	\$14.7	\$2.4	\$3.8	\$0.6	\$0.3
Income	n/a	n/a	n/a	n/a	n/a	n/a	\$3.4	\$3.3	\$0.7
Realized Gain/(Loss)	n/a	n/a	n/a	n/a	n/a	n/a	\$4.7	\$2.0	(\$0.1)
Unrealized Gain/(Loss)	n/a	n/a	n/a	n/a	n/a	n/a	\$3.4	(\$2.7)	(\$1.5)
Capital App/(Dep)	(\$27.8)	\$23.8	\$13.9	(\$0.6)	\$23.2	\$27.2	\$11.5	\$2.5	(\$0.9)
End of Period Market Value	\$80.5	\$116.1	\$129.2	\$130.9	\$168.8	\$198.3	\$213.7	\$216.8	\$216.3
Return Net of Fees	-25.9%	28.2%	11.7%	-0.9%	17.0%	15.8%	5.6%	1.1%	-0.4%



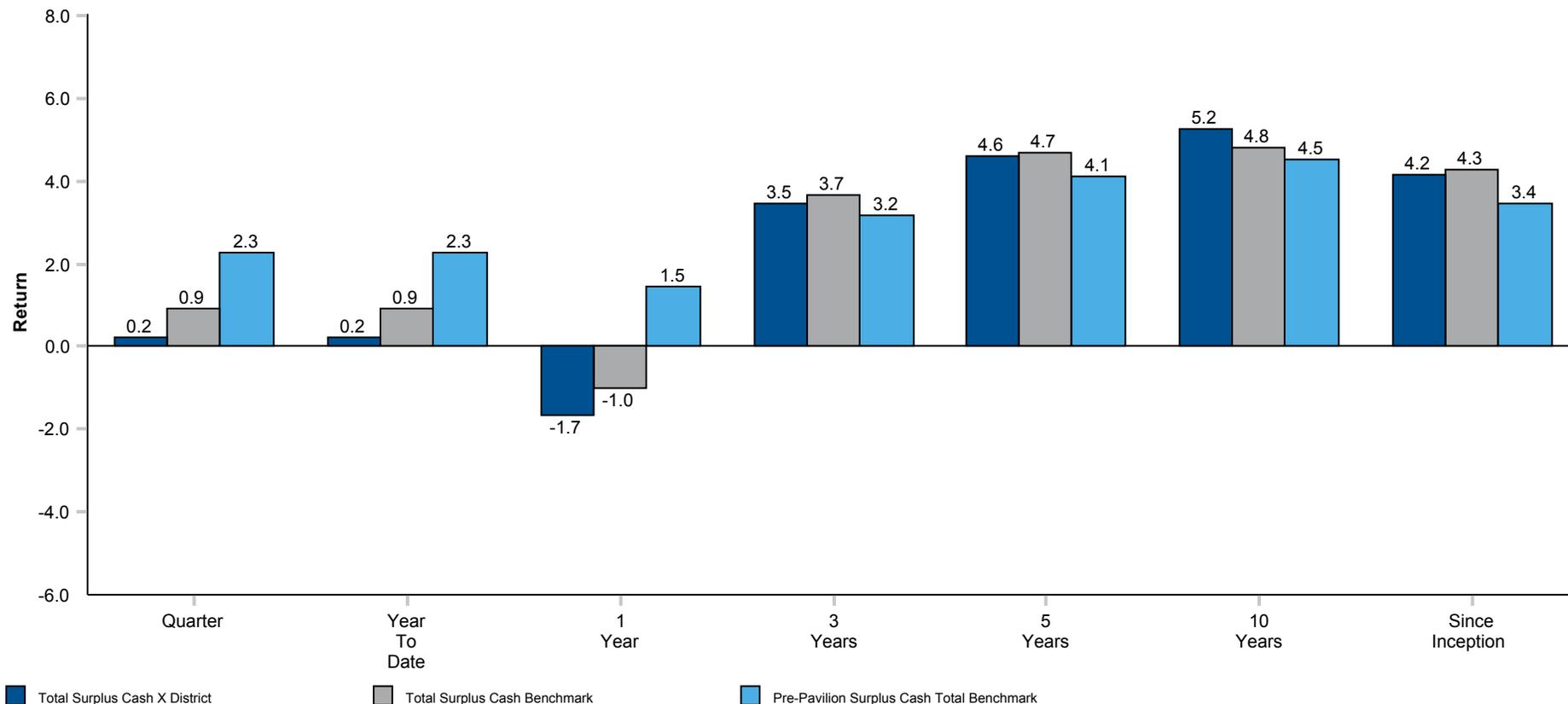


Surplus Cash - Performance Summary

Performance Summary

Total Surplus Cash X District vs. Total Surplus Cash Benchmark*

As of March 31, 2016



	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Total Surplus Cash X District	0.2	0.2	-1.7	3.5	4.6	5.2	4.2	3y 5m
Total Surplus Cash Benchmark	0.9	0.9	-1.0	3.7	4.7	4.8	4.3	
Pre-Pavilion Surplus Cash Total Benchmark	2.3	2.3	1.5	3.2	4.1	4.5	3.4	

* Returns prior to August 1, 2012 include District assets. All returns are net of investment management fees.

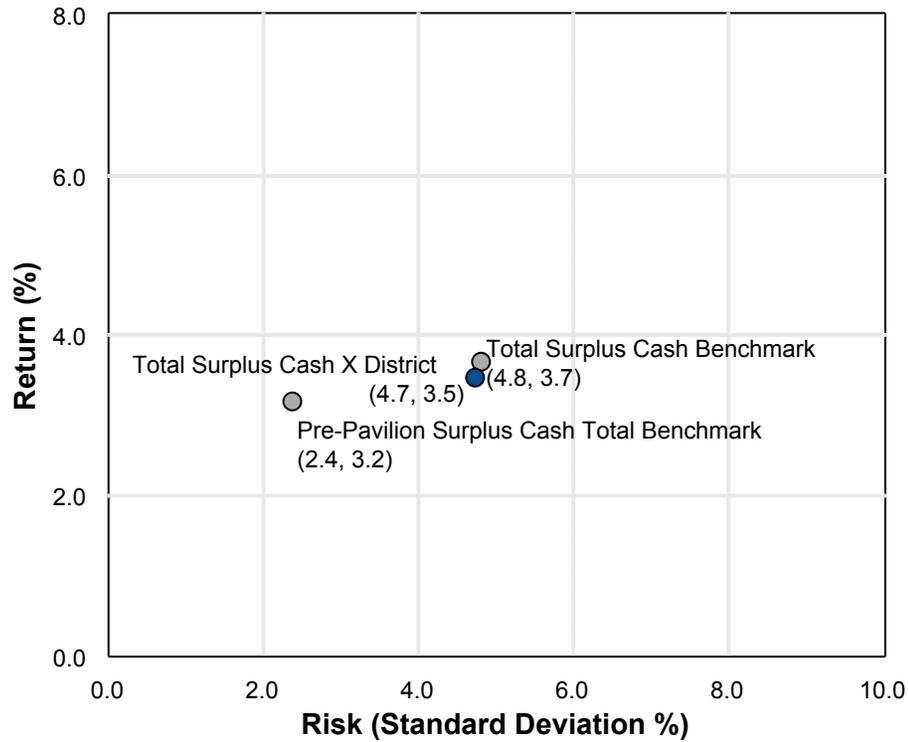
* Since inception returns reflect the date Pavilion's recommended portfolio was implemented (11/1/2012).

Performance Summary

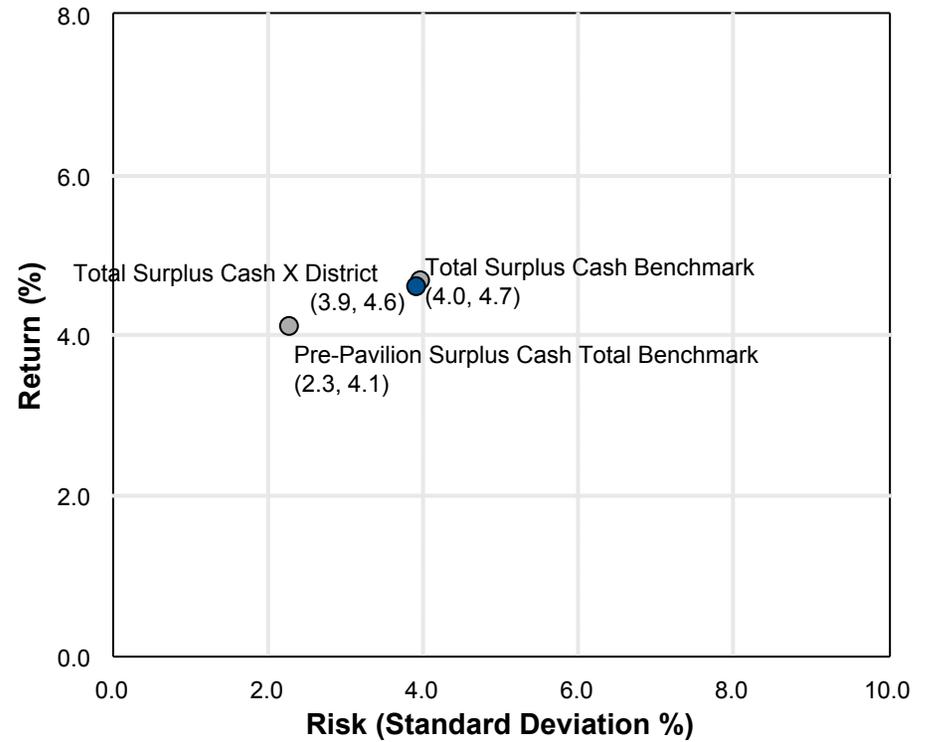
Risk and Return Summary (Net of Fees)

As of March 31, 2016

3 Years



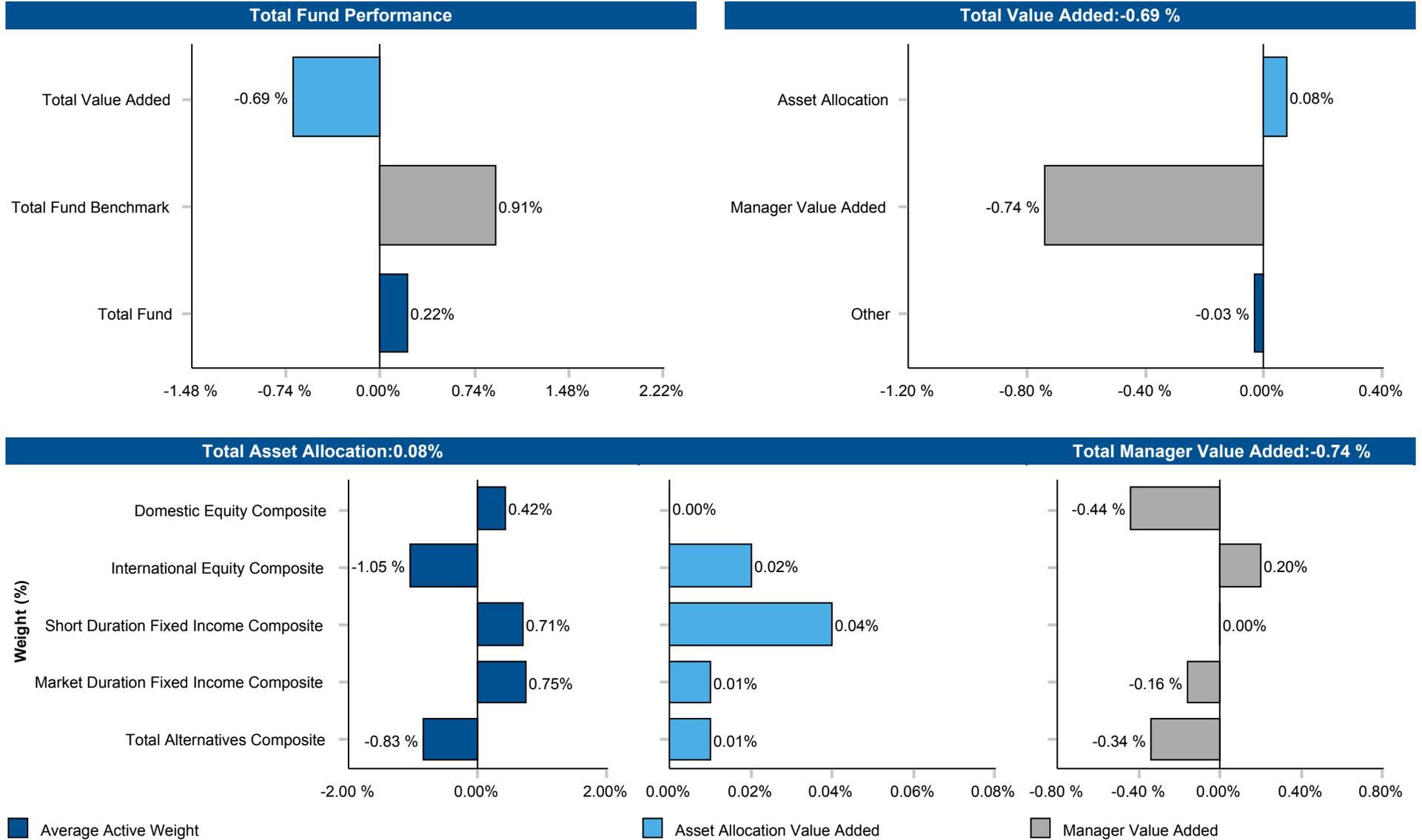
5 Years



Performance Summary

Total Surplus Cash X District Attribution

1 Quarter Ending March 31, 2016



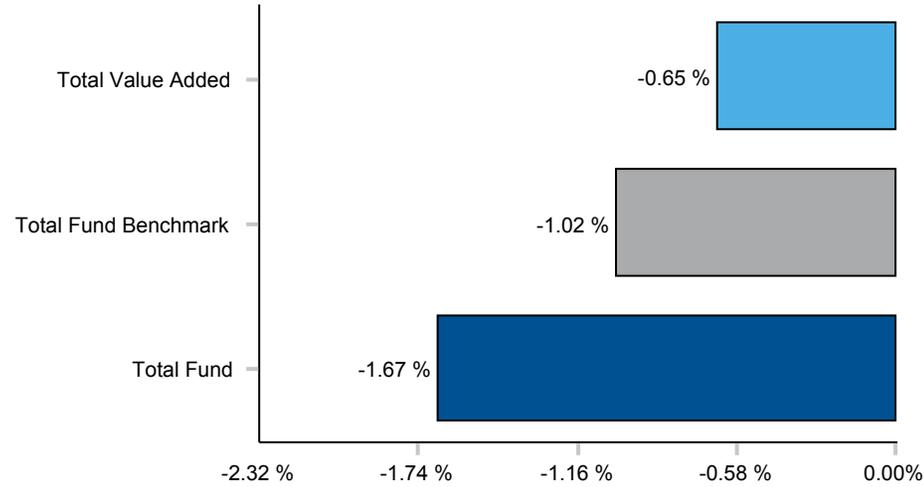
“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

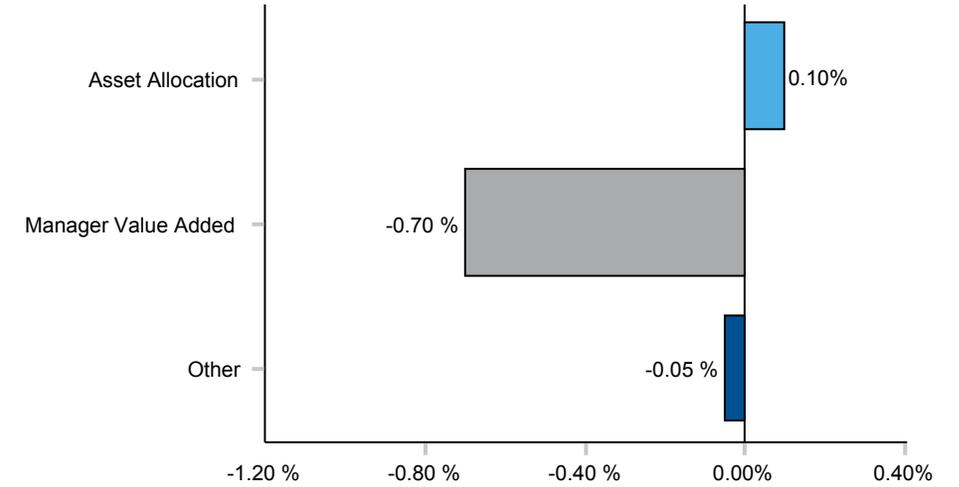
Total Surplus Cash X District Attribution

1 Year Ending March 31, 2016

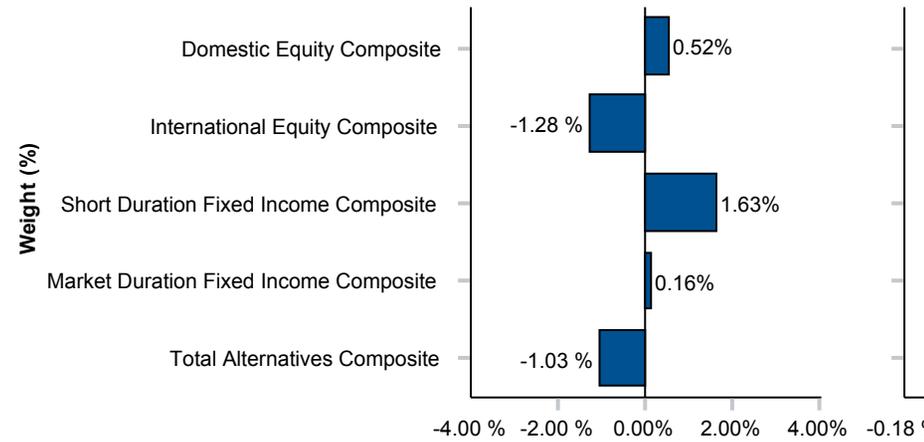
Total Fund Performance



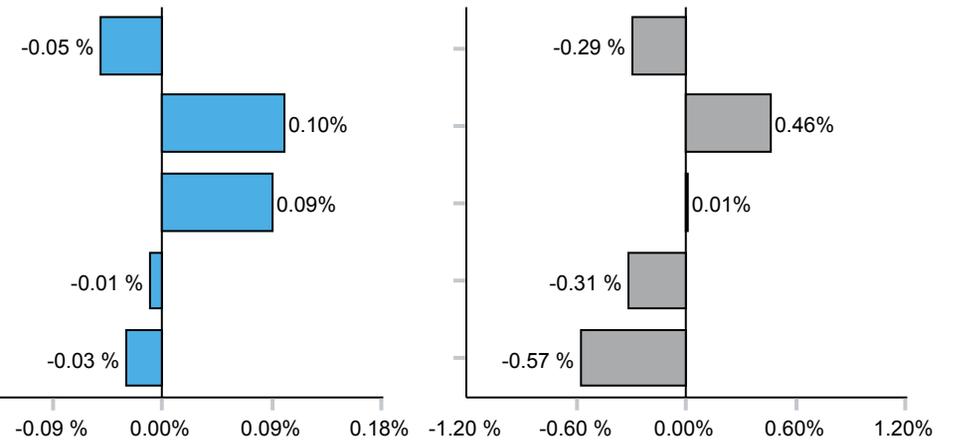
Total Value Added:-0.65 %



Total Asset Allocation:0.10%



Total Manager Value Added:-0.70 %



■ Average Active Weight

■ Asset Allocation Value Added

■ Manager Value Added

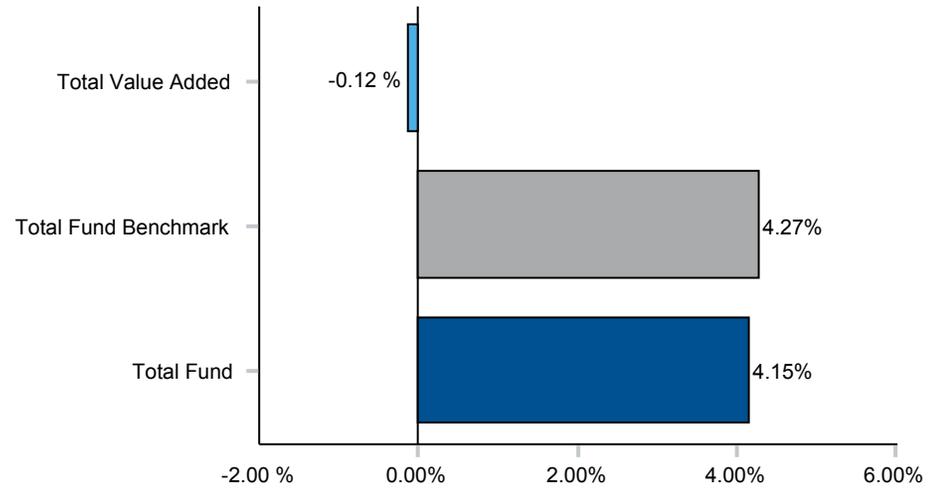
“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

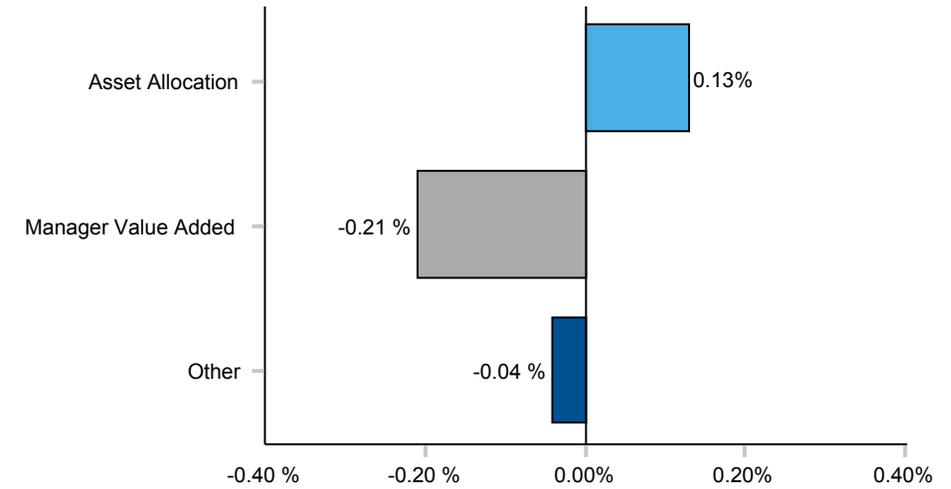
Total Surplus Cash X District Attribution

Since Inception

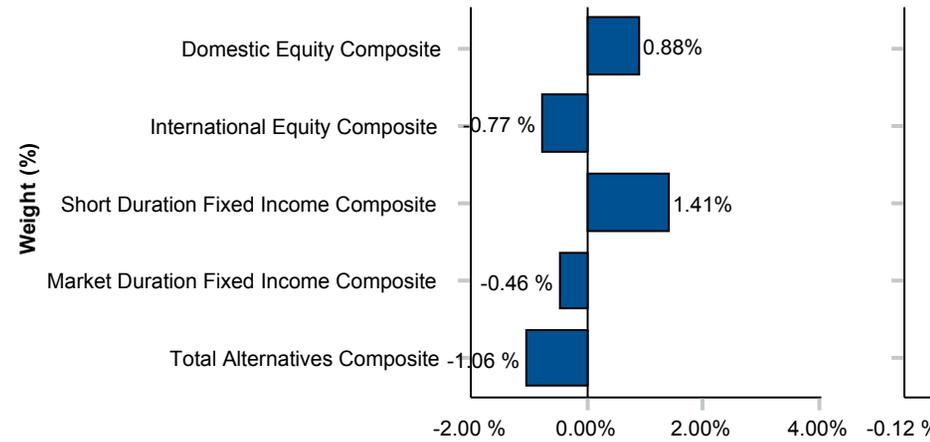
Total Fund Performance



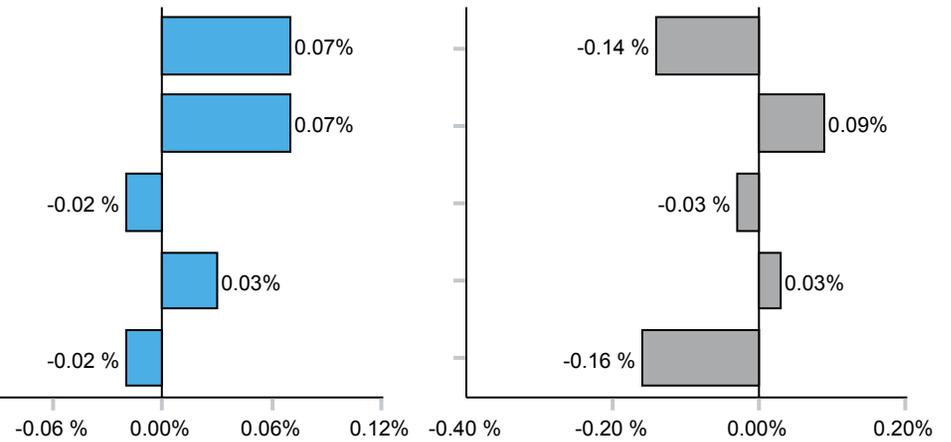
Total Value Added:-0.12 %



Total Asset Allocation:0.13%



Total Manager Value Added:-0.21 %



■ Average Active Weight

■ Asset Allocation Value Added

■ Manager Value Added

“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Composite Asset Allocation & Performance

As of March 31, 2016

	Allocation		Performance(%)							
	Market Value (\$)	%	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Total Surplus Cash X District	650,591,723	100.0	0.2	0.2	-1.7	3.5	4.6	5.2	4.2	3y 5m
Surplus Cash Total Benchmark			0.9	0.9	-1.0	3.7	4.7	4.8	4.3	
Pre-Pavilion Surplus Cash Total Benchmark			2.3	2.3	1.5	3.2	4.1	4.5	3.4	
Total Surplus Cash X District X Privates	622,977,249	95.8	0.2	0.2	-2.2	3.1	4.4	5.1	3.9	3y 5m
Surplus Cash Total Benchmark x Privates			1.0	1.0	-1.0	3.6	4.7	4.8	4.3	
Total Equity Composite	265,069,458	40.7	-0.2	-0.2	-3.6	7.2	8.3	4.8	9.8	3y 5m
Total Equity Benchmark - Surplus			0.3	0.3	-4.1	7.0	8.3	4.8	9.8	
Domestic Equity Composite	170,599,515	26.2	-1.0	-1.0	-2.3	10.0	10.3	5.7	12.7	3y 5m
Domestic Equity Benchmark - Surplus			0.7	0.7	-1.1	10.7	10.9	6.0	13.5	
Large Cap Equity Composite	140,686,413	21.6	-1.3	-1.3	-1.6	11.1	10.9	6.0	13.6	3y 5m
Large Cap Equity Benchmark			1.3	1.3	1.1	11.7	11.2	6.2	14.1	
Small Cap Equity Composite	29,913,101	4.6	0.3	0.3	-5.5	6.4	N/A	N/A	9.6	3y 5m
Small Cap Equity Benchmark			-1.5	-1.5	-9.7	6.9	7.2	5.3	11.0	
International Equity Composite	94,469,943	14.5	1.2	1.2	-5.9	1.0	N/A	N/A	3.4	3y 5m
MSCI AC World ex USA (Net)			-0.4	-0.4	-9.2	0.3	0.3	1.9	2.8	

Returns are expressed as percentages. Returns for periods greater than one year are annualized. Peer group percentile ranks are shown in parentheses.

Performance Summary

Composite Asset Allocation & Performance

As of March 31, 2016

	Allocation		Performance(%)							
	Market Value (\$)	%	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Total Fixed Income Composite	264,986,803	40.7	2.2	2.2	1.1	1.9	3.1	4.5	1.8	3y 5m
Total Fixed Income Benchmark - Surplus			2.5	2.5	1.7	2.2	3.0	4.3	2.0	
Short Duration Fixed Income Composite	66,302,831	10.2	1.0	1.0	1.2	0.9	2.0	3.7	0.9	3y 5m
Short Duration Fixed Income Benchmark - Surplus			1.0	1.0	1.0	0.9	1.9	3.7	0.9	
Market Duration Fixed Income Composite	198,683,972	30.5	2.5	2.5	1.0	2.3	4.4	N/A	2.2	3y 5m
Barclays U.S. Aggregate			3.0	3.0	2.0	2.5	3.8	4.9	2.2	
Total Alternatives Composite	120,535,462	18.5	-3.3	-3.3	-4.3	N/A	N/A	N/A	2.9	2y 11m
Total Alternatives Benchmark - Surplus			-1.6	-1.6	-1.3	N/A	N/A	N/A	3.7	
Real Estate Composite	27,614,474	4.2	0.0	0.0	10.9	N/A	N/A	N/A	13.7	2y 7m
NCREIF Property Index			2.2	2.2	11.8	11.9	11.9	7.6	12.0	
Hedge Fund Composite	92,920,988	14.3	-4.3	-4.3	-8.2	N/A	N/A	N/A	0.6	2y 11m
HFRI Fund of Funds Composite Index			-2.8	-2.8	-5.4	1.9	1.3	1.5	1.6	

Returns are expressed as percentages. Returns for periods greater than one year are annualized.
Peer group percentile ranks are shown in parentheses.

Performance Summary

Manager Asset Allocation & Performance

As of March 31, 2016

	Allocation		Performance(%)							
	Market Value (\$)	%	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Large-Cap Equity										
Vanguard S&P 500 Index	88,302,648	13.6	1.3 (28)	1.3 (28)	1.8 (18)	11.8 (13)	11.6 (14)	7.0 (20)	14.1 (11)	3y 5m
S&P 500			1.3 (27)	1.3 (27)	1.8 (18)	11.8 (13)	11.6 (13)	7.0 (20)	14.1 (10)	
<i>IM U.S. Large Cap Core Equity</i>			0.3	0.3	-1.1	10.0	10.0	6.0	12.5	
Sands Large Cap Growth (Touchstone)	25,147,352	3.9	-10.2 (99)	-10.2 (99)	-10.2 (98)	8.8 (94)	10.8 (42)	8.2 (15)	11.5 (90)	3y 5m
Russell 1000 Growth Index			0.7 (7)	0.7 (7)	2.5 (10)	13.6 (21)	12.4 (14)	8.3 (14)	15.4 (17)	
<i>IM U.S. Large Cap Growth Equity</i>			-2.7	-2.7	-1.2	11.8	10.5	6.9	13.8	
Barrow Hanley Large Cap Value	27,236,413	4.2	-0.4 (64)	-0.4 (64)	-3.2 (45)	10.0 (14)	10.3 (15)	5.7 (32)	8.5 (3)	15y 8m
Russell 1000 Value Index			1.6 (20)	1.6 (20)	-1.5 (24)	9.4 (23)	10.2 (15)	5.7 (32)	6.4 (40)	
<i>IM U.S. Large Cap Value Equity</i>			0.2	0.2	-3.6	8.3	8.6	5.0	6.0	
Small-Cap Equity										
Cortina Small Cap Growth	12,965,215	2.0	-3.9 (39)	-3.9 (39)	-10.6 (36)	2.7 (85)	3.4 (87)	4.4 (72)	5.3 (93)	3y 5m
Russell 2000 Growth Index			-4.7 (56)	-4.7 (56)	-11.8 (45)	7.9 (29)	7.7 (38)	6.0 (23)	12.0 (27)	
<i>IM U.S. Small Cap Growth Equity</i>			-4.5	-4.5	-12.5	6.2	6.9	5.0	10.6	
Wellington Small Cap Value	16,947,886	2.6	3.7 (28)	3.7 (28)	-1.1 (4)	9.5 (10)	10.2 (1)	8.5 (1)	13.5 (7)	3y 5m
Russell 2000 Value Index			1.7 (59)	1.7 (59)	-7.7 (65)	5.7 (62)	6.7 (50)	4.4 (58)	9.9 (56)	
<i>IM U.S. Small Cap Value Equity</i>			2.3	2.3	-7.1	6.3	6.6	4.6	10.2	
International Equity										
Walter Scott Int'l (Dreyfus)	43,277,881	6.7	0.8 (36)	0.8 (36)	-3.5 (17)	0.3 (62)	2.2 (35)	N/A	2.9 (60)	3y 5m
MSCI AC World ex USA (Net)			-0.4 (48)	-0.4 (48)	-9.2 (55)	0.3 (61)	0.3 (63)	1.9 (53)	2.8 (61)	
<i>IM International Equity</i>			-0.7	-0.7	-8.7	1.3	1.2	2.1	3.8	
Northern Cross Int'l (Harbor)	42,356,168	6.5	0.5 (38)	0.5 (38)	-8.6 (50)	1.0 (54)	1.7 (44)	3.7 (24)	3.6 (52)	3y 5m
MSCI AC World ex USA (Net)			-0.4 (48)	-0.4 (48)	-9.2 (55)	0.3 (61)	0.3 (63)	1.9 (53)	2.8 (61)	
<i>IM International Equity</i>			-0.7	-0.7	-8.7	1.3	1.2	2.1	3.8	
Harding Loevner Emerging Markets	8,835,894	1.4	6.6 (22)	6.6 (22)	-9.0 (23)	-1.7 (14)	-0.5 (12)	3.7 (25)	4.3 (21)	0y 7m
MSCI EM (net)			5.7 (30)	5.7 (30)	-12.0 (57)	-4.5 (48)	-4.1 (53)	3.0 (36)	3.2 (33)	
<i>IM Emerging Markets Equity</i>			3.7	3.7	-11.5	-4.7	-4.1	2.4	1.9	

Returns are expressed as percentages. Returns for periods greater than one year are annualized. Peer group percentile ranks are shown in parentheses.

Performance Summary

Manager Asset Allocation & Performance

As of March 31, 2016

	Allocation		Performance(%)							
	Market Value (\$)	%	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Short Duration Fixed Income										
Barrow Hanley Short Fixed	63,148,059	9.7	1.1 (15)	1.1 (15)	1.2 (5)	0.9 (24)	1.0 (62)	2.8 (36)	5.0 (15)	25y
Barclays 1-3 Year Gov/Credit			1.0 (23)	1.0 (23)	1.0 (10)	0.9 (23)	1.1 (56)	2.8 (36)	4.4 (21)	
<i>IM U.S. Short Term Investment Grade</i>			0.6	0.6	0.4	0.6	1.2	2.4	4.0	
Cash Composite	3,154,772	0.5	0.0	0.0	0.1	0.2	N/A	N/A	-0.2	3y 5m
90 Day U.S. Treasury Bill			0.1	0.1	0.1	0.1	0.1	1.1	0.1	
Market Duration Fixed Income										
Dodge & Cox Fixed	95,843,023	14.7	2.7 (43)	2.7 (43)	0.5 (44)	2.6 (24)	3.9 (54)	5.3 (48)	2.4 (29)	3y 5m
Barclays U.S. Aggregate			3.0 (22)	3.0 (22)	2.0 (5)	2.5 (26)	3.8 (56)	4.9 (61)	2.2 (42)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			2.6	2.6	0.3	2.0	3.9	5.2	2.0	
MetWest Fixed	90,137,477	13.9	2.4 (59)	2.4 (59)	1.4 (15)	2.1 (45)	4.3 (35)	6.3 (4)	2.1 (46)	3y 5m
Barclays U.S. Aggregate			3.0 (22)	3.0 (22)	2.0 (5)	2.5 (26)	3.8 (56)	4.9 (61)	2.2 (42)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			2.6	2.6	0.3	2.0	3.9	5.2	2.0	
Real Estate										
Oaktree Real Estate Opportunities Fund VI	15,308,291	2.4	0.0	0.0	7.9	N/A	N/A	N/A	12.1	2y 7m
NCREIF Property Index			2.2	2.2	11.8	11.9	11.9	7.6	12.0	
Walton Street Real Estate Fund VII, L.P.	12,306,183	1.9	0.0	0.0	14.8	N/A	N/A	N/A	21.2	2y 5m
NCREIF Property Index			2.2	2.2	11.8	11.9	11.9	7.6	12.1	
Hedge Funds										
Hedge Fund Composite	92,920,988	14.3	-4.3	-4.3	-8.2	N/A	N/A	N/A	0.6	2y 11m
HFRI Fund of Funds Composite Index			-2.8	-2.8	-5.4	1.9	1.3	1.5	1.6	
Total Plan										
Total Surplus Cash X District	650,591,723	100.0	0.2	0.2	-1.7	3.5	4.6	5.2	4.2	3y 5m
Total Surplus Cash Benchmark			0.9	0.9	-1.0	3.7	4.7	4.8	4.3	
Pre-Pavilion Total Surplus Cash Benchmark			2.3	2.3	1.5	3.2	4.1	4.5	3.4	

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

Peer group percentile ranks are shown in parentheses.



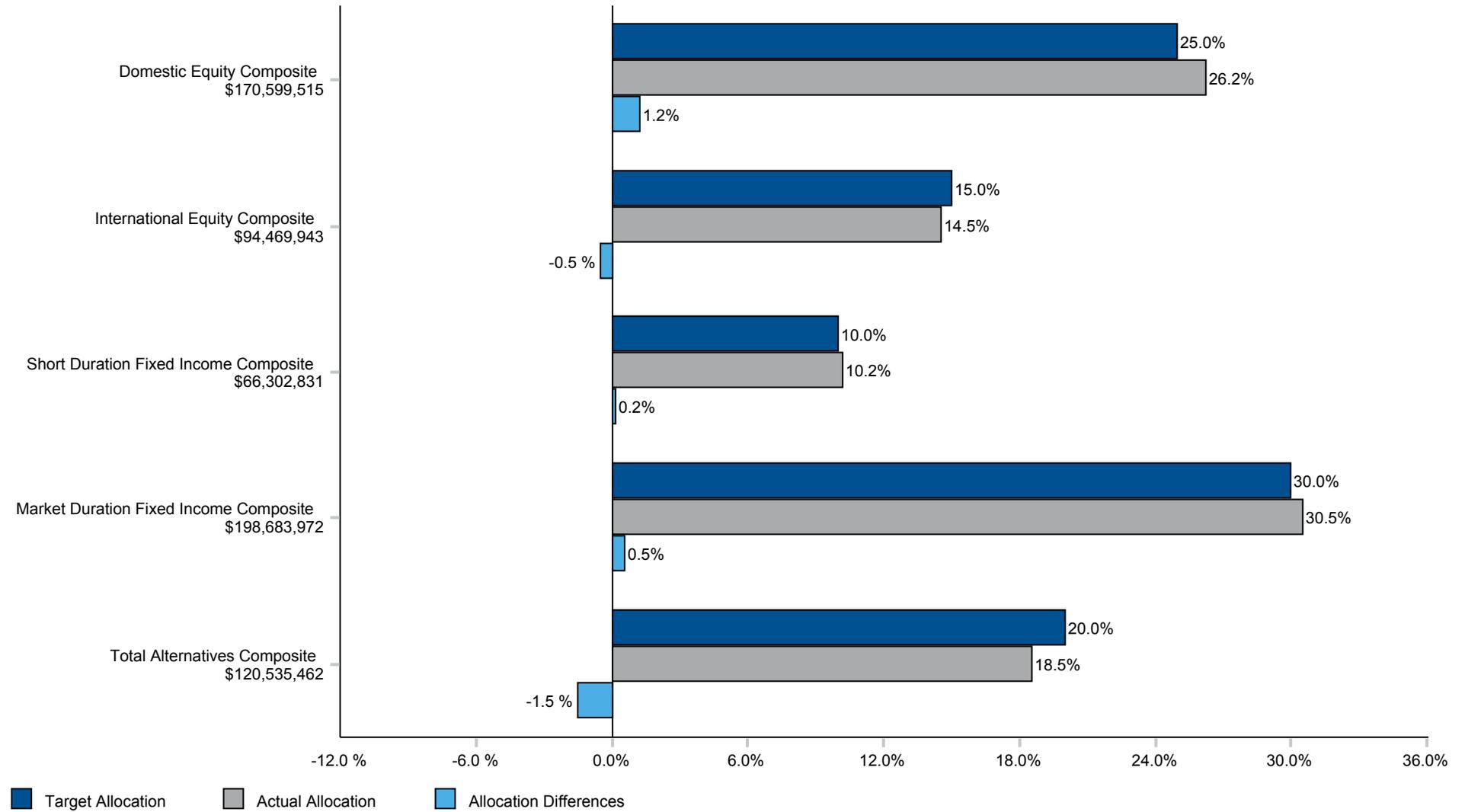
Surplus Cash - Asset Class Diversification

Asset Class Diversification

Total Surplus Cash X District vs. Surplus Cash Target Allocation

As of March 31, 2016

March 31, 2016 : \$650,591,723



Asset Class Diversification

Surplus Cash Investment Program Structure

As of March 31, 2016

Manager	Asset Class/Type	Total Assets (\$ mil.)	Percent of Total	Target Allocation	Weighting Relative to Target	Target Range
Large-Cap Domestic Equity		\$140.7	21.6%	20.0%	+ 1.6%	20-30%
Vanguard S&P 500 Index	Large-Cap Index	\$ 88.3	13.6%	10.0%	+ 3.6%	
Sands	Large-Cap Growth	\$ 25.1	3.9%	5.0%	- 1.1%	
Barrow Hanley	Large-Cap Value	\$ 27.2	4.2%	5.0%	- 0.8%	
Small-Cap Domestic Equity		\$ 29.9	4.6%	5.0%	- 0.4%	
Cortina	Small-Cap Growth	\$ 13.0	2.0%	2.5%	- 0.5%	
Wellington	Small-Cap Value	\$ 16.9	2.6%	2.5%	+ 0.1%	
International Equity		\$ 94.5	14.5%	15.0%	- 0.5%	10-20%
Walter Scott	Developed and Emerging	\$ 43.3	6.7%	7.5%	- 0.8%	
Harbor	Developed and Emerging	\$ 42.4	6.5%	7.5%	- 1.0%	
Harding Loevner	Emerging	\$ 8.8	1.4%	0.0%	+ 1.4%	
Short-Duration Fixed Income		\$ 66.2	10.2%	10.0%	+ 0.2%	8-12%
Barrow Hanley	Short Duration	\$ 63.1	9.7%	10.0%	- 0.3%	
Cash	Money Market	\$ 3.1	0.5%	0.0%	+ 0.5%	
Market-Duration Fixed Income		\$198.7	30.5%	30.0%	+ 0.5%	25-35%
Dodge & Cox	Market Duration	\$ 95.8	14.7%	15.0%	- 0.3%	
MetWest	Market Duration	\$102.8	15.8%	15.0%	+ 0.8%	
Alternatives		\$120.6	18.5%	20.0%	- 1.5%	17-23%
Oaktree RE Opportunities	Real Estate	\$ 15.3	2.4%	2.5%	- 0.1%	
Walton Street	Real Estate	\$ 12.3	1.9%	2.5%	- 0.6%	
Direct Hedge Fund Composite	Hedge Fund	\$ 93.0	14.3%	15.0%	- 0.7%	
Total (X District)		\$650.6	100.0%			
District Assets - Barrow Hanley	Short Duration	\$ 26.8				
Debt Reserves - Ponder	Short Duration	\$ 32.6				
Total Surplus Cash		\$710.0				

*Totals may not add due to rounding.

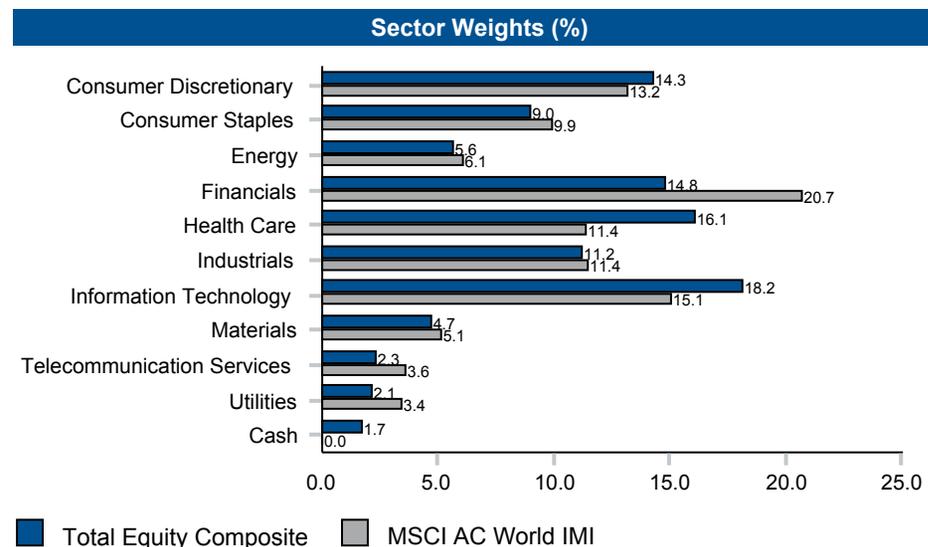
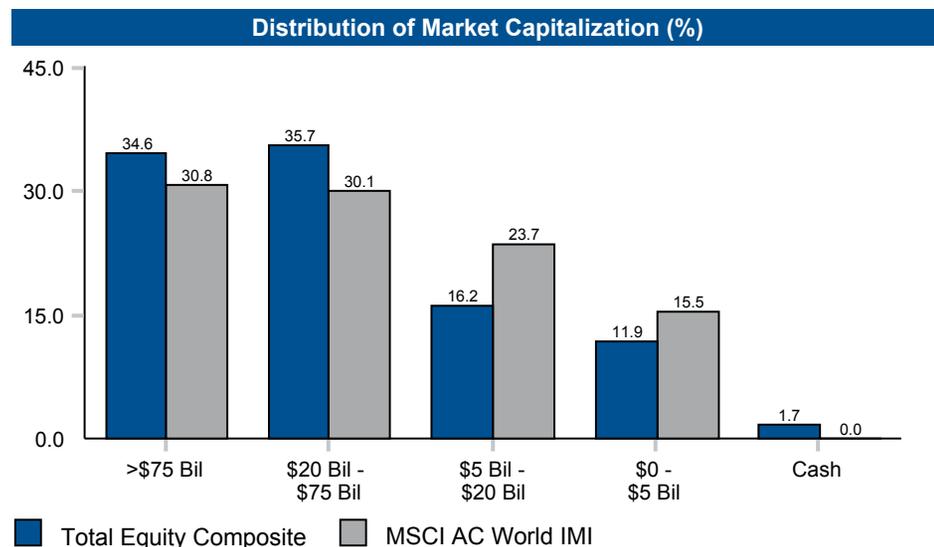
Equity Portfolio - Characteristics

Surplus Cash Equity Composite vs. MSCI AC World IMI

As of March 31, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	89,037	80,673
Median Mkt. Cap (\$M)	13,566	1,355
Price/Earnings ratio	20.2	17.1
Price/Book ratio	3.0	2.6
5 Yr. EPS Growth Rate (%)	7.2	7.3
Current Yield (%)	2.1	2.6
Debt to Equity	0.3	0.7
Number of Stocks	873	8,633
Beta (5 Years, Monthly)	0.88	1.00
Consistency (5 Years, Monthly)	55.00	1.00
Sharpe Ratio (5 Years, Monthly)	0.70	0.48
Information Ratio (5 Years, Monthly)	0.56	-
Up Market Capture (5 Years, Monthly)	96.12	-
Down Market Capture (5 Years, Monthly)	79.70	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Microsoft Corp	1.2	1.0	0.2	0.3
Facebook Inc	1.2	0.6	0.6	9.0
Visa Inc	1.2	0.4	0.8	-1.2
Apple Inc	1.1	1.5	-0.4	4.1
Novo Nordisk A/S	0.9	0.3	0.7	-5.0
Alphabet Inc	0.8	0.5	0.3	-1.9
Johnson & Johnson	0.8	0.7	0.1	6.1
Alibaba Group Holding Ltd	0.8	0.2	0.6	-2.8
Roche Holding AG	0.8	0.4	0.4	-7.6
Amazon.com Inc	0.8	0.6	0.2	-12.2
% of Portfolio	9.8	6.2		



Equity Portfolio - Country/Region Allocation

Surplus Cash Equity Composite vs. MSCI AC World IMI

As of March 31, 2016

	Total Equity Composite	MSCI AC World IMI
Australia	0.5	2.3
Hong Kong	1.5	1.1
Japan	4.8	7.9
New Zealand	0.0	0.1
Singapore	0.0	0.5
Pacific	6.8	11.9
Austria	0.2	0.1
Belgium	0.4	0.5
Finland	0.4	0.4
France	5.3	3.1
Germany	2.3	2.9
Ireland	0.4	0.2
Italy	0.0	0.8
Netherlands	0.4	1.0
Portugal	0.0	0.1
Spain	0.7	1.0
EMU	10.0	10.1
Denmark	1.1	0.6
Norway	0.0	0.2
Sweden	0.9	1.1
Switzerland	4.6	2.9
United Kingdom	5.4	6.5
Europe ex EMU	11.9	11.4
Canada	0.6	3.1
United States	62.7	52.7
Israel	0.5	0.3
Middle East	0.5	0.3
Developed Markets	92.7	89.6

	Total Equity Composite	MSCI AC World IMI
Brazil	0.2	0.6
Cayman Islands	0.0	0.0
Chile	0.0	0.1
Colombia	0.5	0.0
Mexico	0.2	0.5
Peru	0.1	0.0
Virgin Islands	0.0	0.0
EM Latin America	1.0	1.3
China	2.2	2.6
India	0.3	0.9
Indonesia	0.1	0.3
Korea	0.3	1.7
Malaysia	0.1	0.4
Philippines	0.0	0.1
Taiwan	0.7	1.3
Thailand	0.0	0.2
EM Asia	3.7	7.5
Czech Republic	0.0	0.0
Egypt	0.0	0.0
Greece	0.0	0.0
Hungary	0.0	0.0
Poland	0.1	0.1
Qatar	0.0	0.1
Russia	0.2	0.3
South Africa	0.3	0.7
Turkey	0.1	0.2
United Arab Emirates	0.0	0.1
EM Europe + Middle East + Africa	0.7	1.7
Emerging Markets	5.5	10.4
Frontier Markets	0.0	0.0
Cash	1.7	0.0
Other	0.1	0.0
Total	100.0	100.0

Fixed Income Portfolio - Characteristics

Surplus Cash Fixed Income Composite vs. Total Fixed Income Bmk - Surplus

As of March 31, 2016

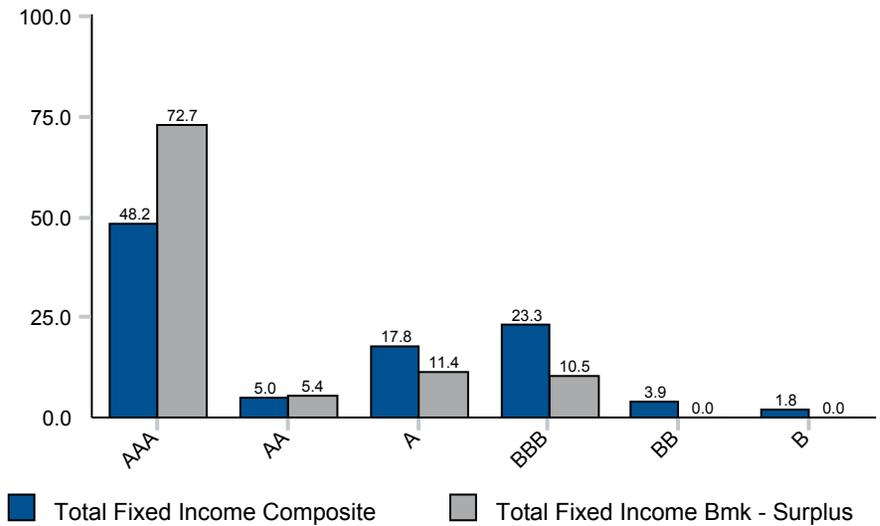
Portfolio Characteristics

	Portfolio	Benchmark
Effective Duration	3.9	4.1
Avg. Maturity	6.4	5.5
Avg. Quality	AA-	AA+
Yield To Maturity (%)	2.7	2.2

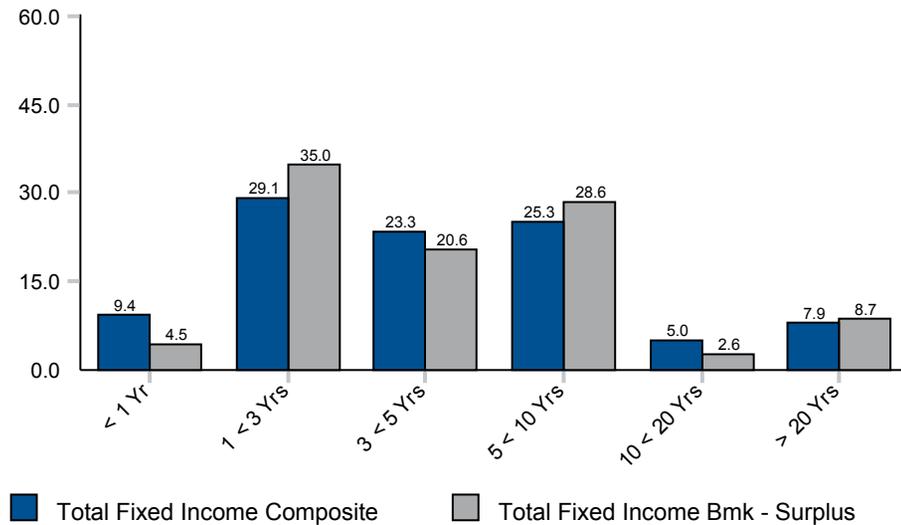
Risk Characteristics - 5 Years

	Consistency	Sharpe Ratio	Information Ratio	Up Market Capture	Down Market Capture
Total Fixed Income Composite	51.7	1.7	0.0	90.6	71.7
Total Fixed Income Bmk - Surplus	0.0	1.4	N/A	100.0	100.0

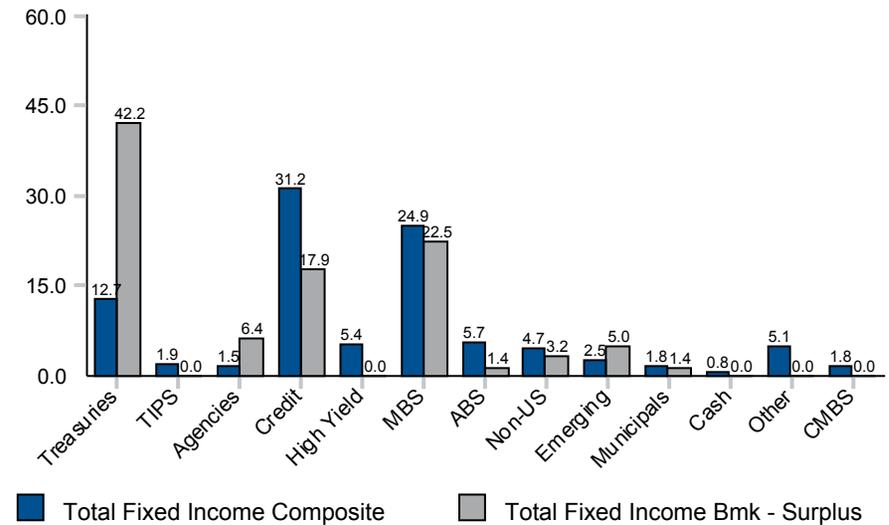
Credit Quality Distribution (%)



Maturity Distribution (%)



Sector Distribution (%)



Performance Summary

Surplus Cash Private Real Estate Investment

As of December 31, 2015 (\$ in Millions)

Partnership	Vintage Year	Fund Type	Committed Capital	Paid-in Capital	Outstanding Commitment	Market Value ¹	Distributions	Total Value	Net IRR ²	TV / PI	D / PI
Oaktree RE Opportunities VI	2012	Private RE	\$14.0	\$15.0	\$0.0	\$15.7	\$2.9	\$18.6	14.9%	1.2	0.2
Walton Street RE Fund VII	2012	Private RE	\$14.0	\$11.7	\$2.3	\$13.0	\$1.9	\$14.9	21.6%	1.3	0.2

¹ If a market value has not yet been released for a particular fund, the previous quarter's value is adjusted according to subsequent contributions and distributions.

² Net IRR is through the previous quarter end.

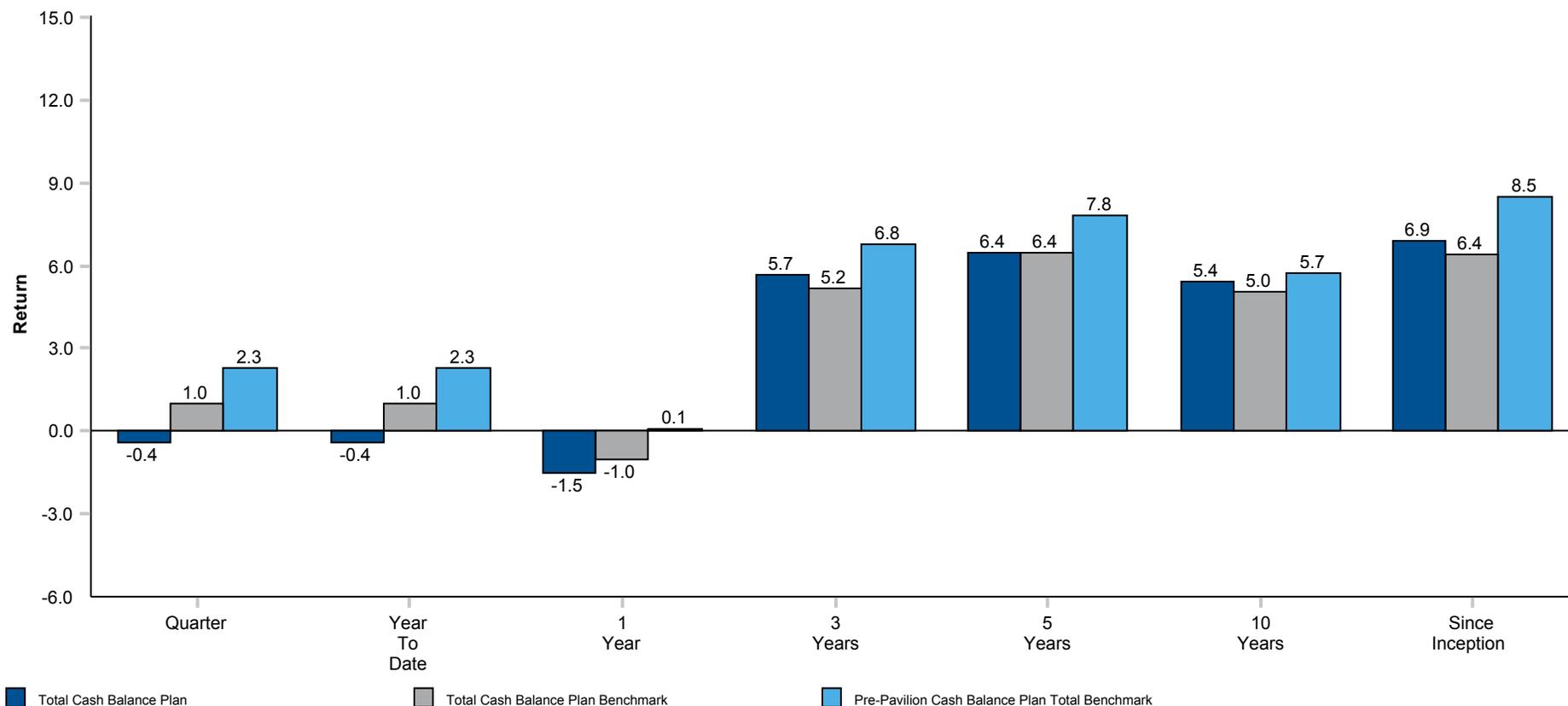


Cash Balance Plan - Performance Summary

Performance Summary

Total Cash Balance Plan vs. Total Cash Balance Plan Benchmark*

As of March 31, 2016



	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Total Cash Balance Plan	-0.4	-0.4	-1.5	5.7	6.4	5.4	6.9	3y 5m
Total Cash Balance Plan Benchmark	1.0	1.0	-1.0	5.2	6.4	5.0	6.4	
Pre-Pavilion Cash Balance Plan Total Benchmark	2.3	2.3	0.1	6.8	7.8	5.7	8.5	

* Returns are net of investment management fees.

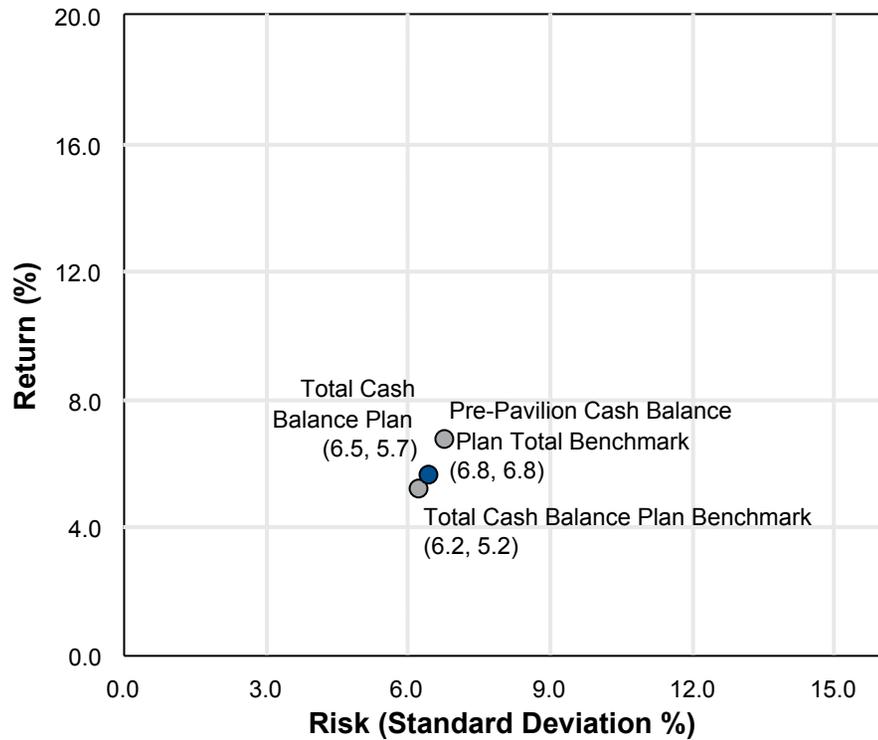
* Since inception returns reflect the date Pavilion's recommended portfolio was implemented (11/1/2012).

Performance Summary

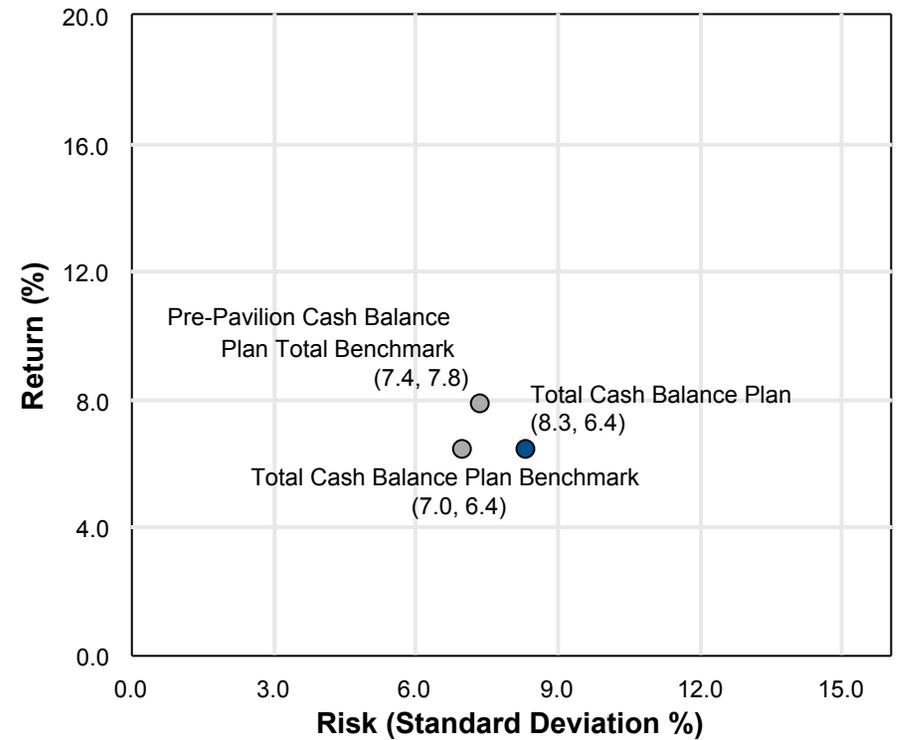
Risk and Return Summary (Net of Fees)

As of March 31, 2016

3 Years



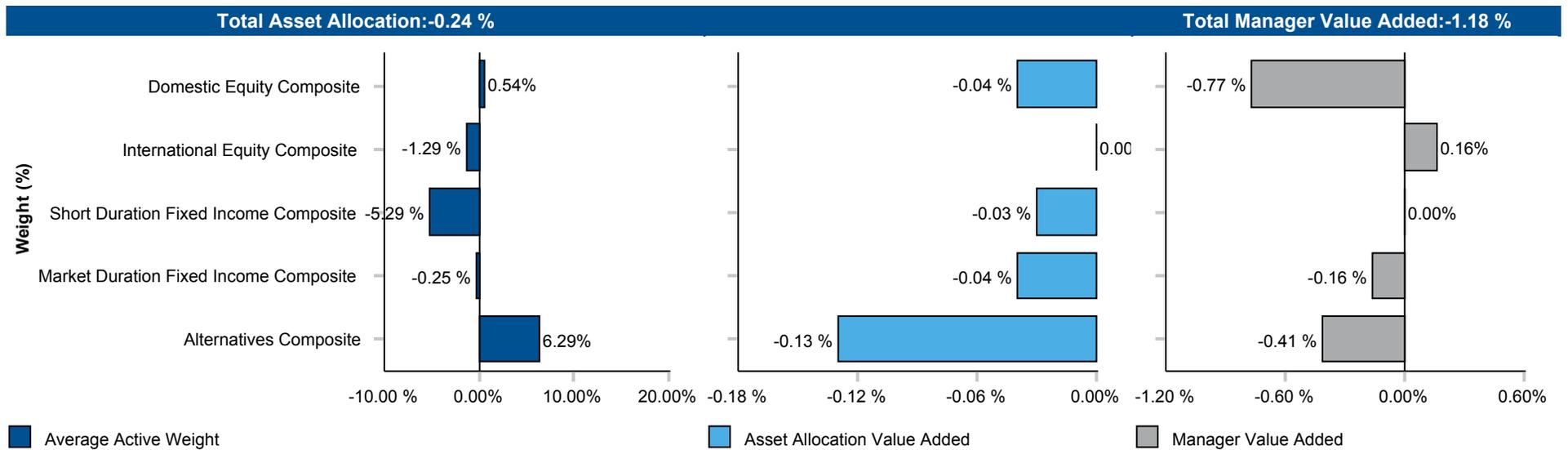
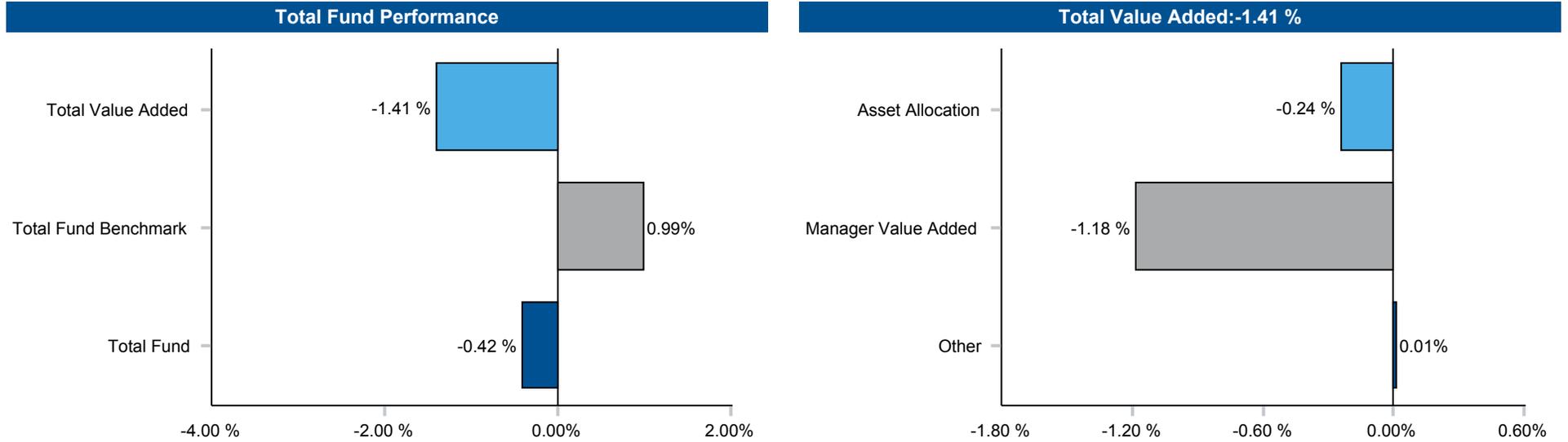
5 Years



Performance Summary

Total Cash Balance Plan Attribution

1 Quarter Ending March 31, 2016



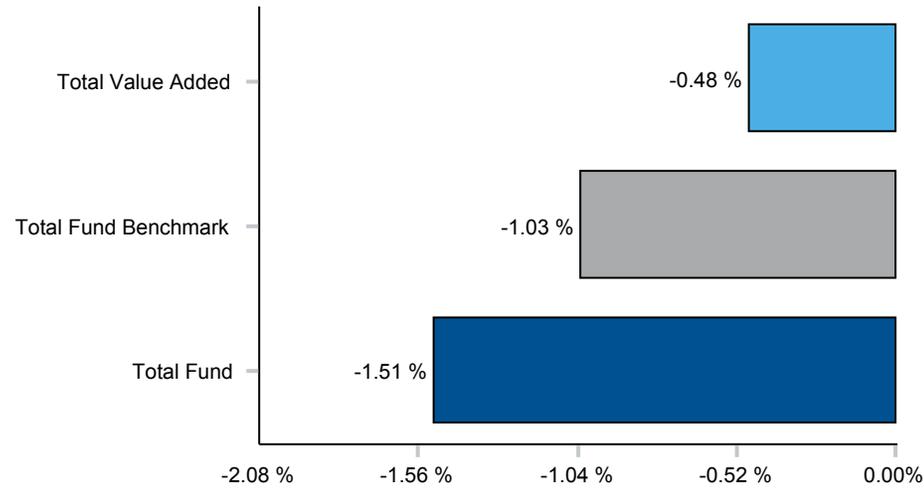
“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

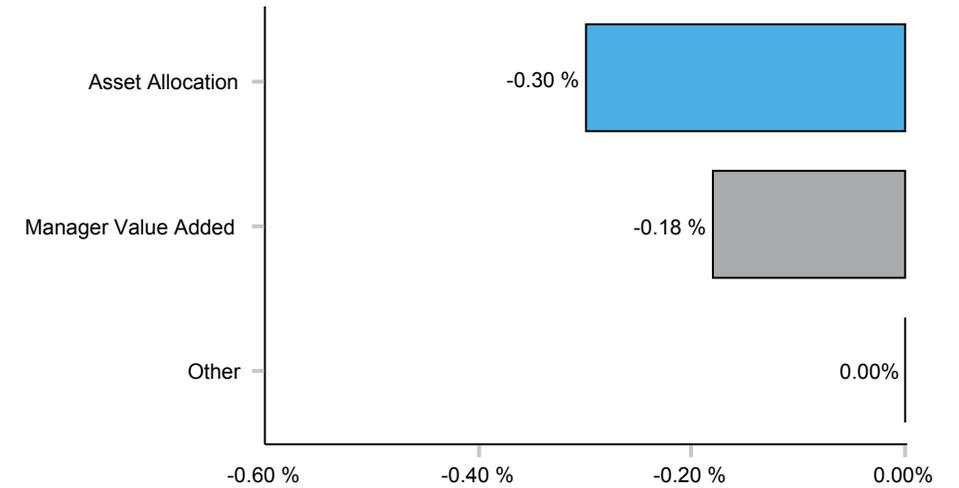
Total Cash Balance Plan Attribution

1 Year Ending March 31, 2016

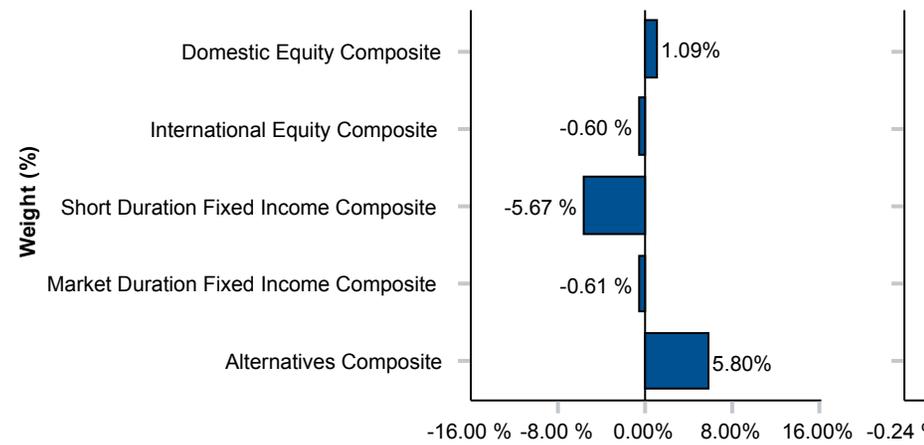
Total Fund Performance



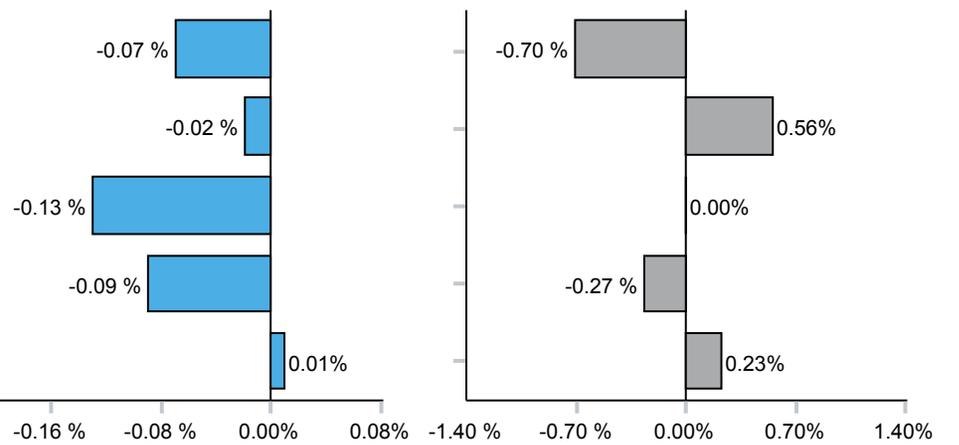
Total Value Added:-0.48 %



Total Asset Allocation:-0.30 %



Total Manager Value Added:-0.18 %



■ Average Active Weight

■ Asset Allocation Value Added

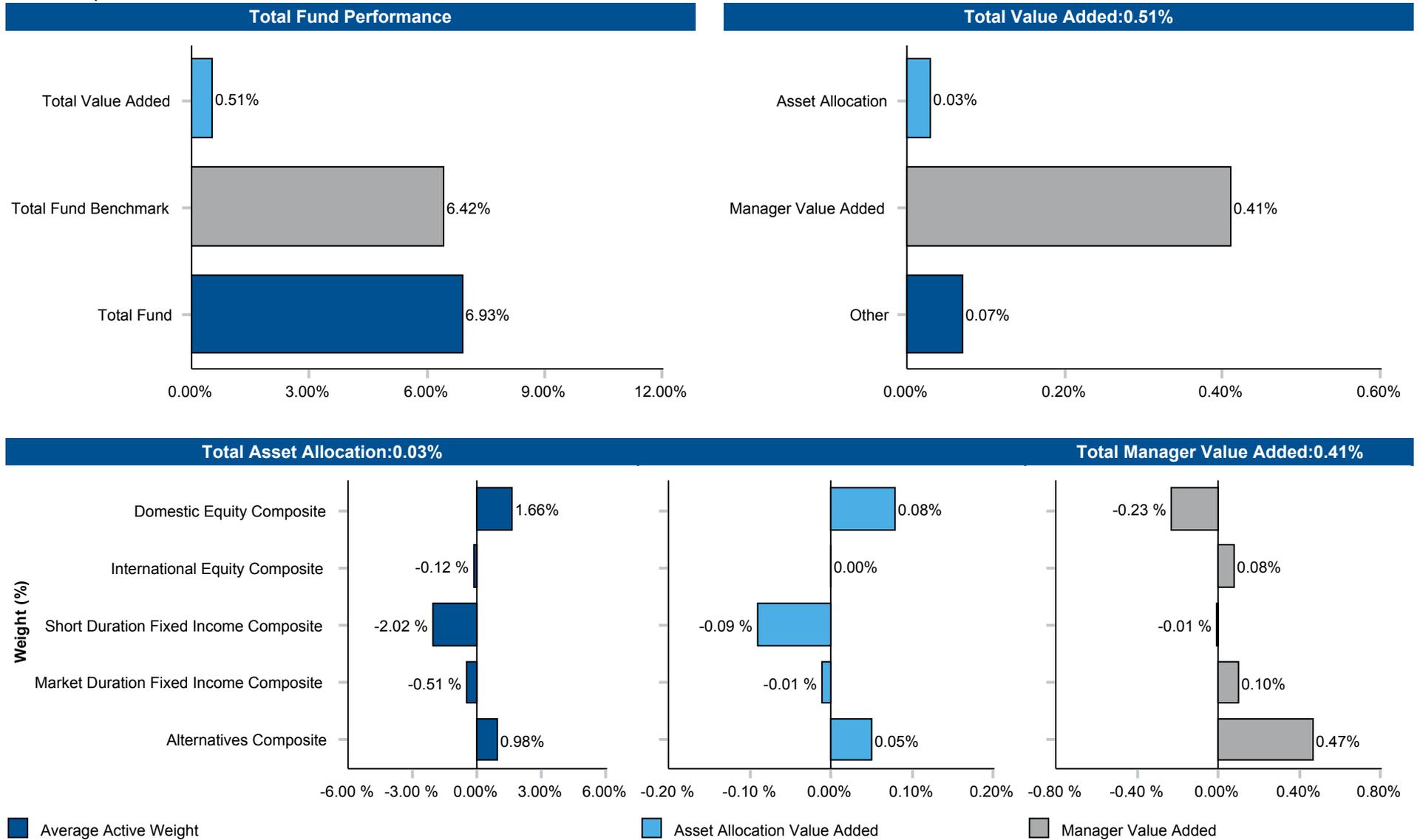
■ Manager Value Added

“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Total Cash Balance Plan Attribution

Since Inception



“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Composite Asset Allocation & Performance

As of March 31, 2016

	Allocation		Performance(%)							
	Market Value (\$)	%	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Total Cash Balance Plan	216,264,121	100.0	-0.4	-0.4	-1.5	5.7	6.4	5.4	6.9	3y 5m
Total Cash Balance Plan Benchmark			1.0	1.0	-1.0	5.2	6.4	5.0	6.4	
Pre-Pavilion Total Cash Balance Plan Benchmark			2.3	2.3	0.1	6.8	7.8	5.7	8.5	
Total Cash Balance Plan X Private Structures	199,700,292	92.3	-0.5	-0.5	-2.5	5.1	6.1	5.3	6.4	3y 5m
Cash Balance Plan Total X Privates Benchmark			0.9	0.9	-1.7	4.8	6.2	4.9	6.1	
Total Equity Composite	108,589,655	50.2	-0.8	-0.8	-3.9	6.9	7.9	4.3	9.4	3y 5m
Total Equity Benchmark			0.4	0.4	-3.7	7.1	8.3	4.8	9.7	
Domestic Equity Composite	71,553,758	33.1	-1.5	-1.5	-2.8	10.2	10.2	5.4	12.8	3y 5m
Domestic Equity Benchmark			0.8	0.8	-0.6	11.0	10.9	6.1	13.6	
Large Cap Equity Composite	61,390,156	28.4	-1.8	-1.8	-2.3	10.9	10.5	5.6	13.3	3y 5m
Large Cap Equity Benchmark			1.3	1.3	1.1	11.7	11.2	6.2	14.1	
Small Cap Equity Composite	10,163,602	4.7	0.3	0.3	-5.5	6.4	N/A	N/A	9.6	3y 5m
Small Cap Equity Benchmark			-1.5	-1.5	-9.7	6.9	7.2	5.3	11.0	
International Equity Composite	37,035,897	17.1	0.6	0.6	-6.1	0.8	N/A	N/A	3.4	3y 5m
MSCI AC World ex USA (Net)			-0.4	-0.4	-9.2	0.3	0.3	1.9	2.8	

Returns are expressed as percentages. Returns for periods greater than one year are annualized. Peer group percentile ranks are shown in parentheses.

Performance Summary

Composite Asset Allocation & Performance

As of March 31, 2016

	Allocation		Performance(%)							
	Market Value (\$)	%	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Total Fixed Income Composite	63,656,118	29.4	2.2	2.2	0.9	2.1	3.8	5.5	2.1	3y 5m
Total Fixed Income Benchmark			2.4	2.4	1.7	2.1	3.5	4.8	1.8	
Short Duration Fixed Income Composite	10,036,782	4.6	0.9	0.9	1.0	0.8	N/A	N/A	0.8	3y 5m
Short Duration Fixed Income Benchmark			1.0	1.0	1.0	0.9	0.7	1.4	0.9	
Market Duration Fixed Income Composite	53,619,335	24.8	2.4	2.4	0.9	2.6	4.1	5.6	2.6	3y 5m
Barclays U.S. Aggregate			3.0	3.0	2.0	2.5	3.8	4.9	2.2	
Total Alternatives Composite	44,018,348	20.4	-3.1	-3.1	1.2	8.8	N/A	N/A	8.8	3y 5m
Total Alternatives Benchmark			-1.2	-1.2	0.1	5.1	N/A	N/A	5.9	
Hedge Fund of Fund Composite	27,454,519	12.7	-4.9	-4.9	-4.0	5.8	N/A	N/A	6.5	3y 5m
HFRI Fund of Funds Composite Index			-2.8	-2.8	-5.4	1.9	1.3	1.5	3.1	
Real Estate Composite	16,563,829	7.7	0.0	0.0	10.9	14.4	N/A	N/A	13.0	3y 3m
NCREIF Property Index			2.2	2.2	11.8	11.9	11.9	7.6	11.8	

Returns are expressed as percentages. Returns for periods greater than one year are annualized. Peer group percentile ranks are shown in parentheses.

Performance Summary

Manager Asset Allocation & Performance

As of March 31, 2016

	Allocation		Performance(%)							
	Market Value (\$)	%	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Large-Cap Equity										
Vanguard Institutional Index Fund	32,691,667	15.1	1.3 (28)	1.3 (28)	1.8 (18)	11.8 (13)	11.6 (14)	7.0 (20)	14.1 (11)	3y 5m
S&P 500			1.3 (27)	1.3 (27)	1.8 (18)	11.8 (13)	11.6 (13)	7.0 (20)	14.1 (10)	
<i>IM U.S. Large Cap Core Equity</i>			0.3	0.3	-1.1	10.0	10.0	6.0	12.5	
Sands Large Cap Growth (Touchstone)	13,483,060	6.2	-10.2 (99)	-10.2 (99)	-10.2 (98)	8.8 (94)	10.8 (42)	8.2 (15)	11.5 (90)	3y 5m
Russell 1000 Growth Index			0.7 (7)	0.7 (7)	2.5 (10)	13.6 (21)	12.4 (14)	8.3 (14)	15.4 (17)	
<i>IM U.S. Large Cap Growth Equity</i>			-2.7	-2.7	-1.2	11.8	10.5	6.9	13.8	
Barrow Hanley Large Cap Value	15,215,429	7.0	-0.3 (59)	-0.3 (59)	-3.0 (42)	10.3 (12)	10.4 (12)	5.8 (29)	12.9 (15)	3y 5m
Russell 1000 Value Index			1.6 (20)	1.6 (20)	-1.5 (24)	9.4 (23)	10.2 (15)	5.7 (32)	12.6 (20)	
<i>IM U.S. Large Cap Value Equity</i>			0.2	0.2	-3.6	8.3	8.6	5.0	11.2	
Small-Cap Equity										
Cortina Small Cap Growth	4,433,241	2.0	-3.9 (39)	-3.9 (39)	-10.6 (36)	2.7 (85)	3.4 (87)	4.4 (72)	5.3 (93)	3y 5m
Russell 2000 Growth Index			-4.7 (56)	-4.7 (56)	-11.8 (45)	7.9 (29)	7.7 (38)	6.0 (23)	12.0 (27)	
<i>IM U.S. Small Cap Growth Equity</i>			-4.5	-4.5	-12.5	6.2	6.9	5.0	10.6	
Wellington Small Cap Value	5,730,361	2.6	3.8 (27)	3.8 (27)	-1.2 (5)	9.5 (9)	10.2 (1)	8.5 (1)	13.4 (7)	3y 5m
Russell 2000 Value Index			1.7 (59)	1.7 (59)	-7.7 (65)	5.7 (62)	6.7 (50)	4.4 (58)	9.9 (56)	
<i>IM U.S. Small Cap Value Equity</i>			2.3	2.3	-7.1	6.3	6.6	4.6	10.2	
International Equity										
Walter Scott Int'l (Dreyfus)	18,999,154	8.8	0.8 (36)	0.8 (36)	-3.5 (17)	0.3 (62)	2.2 (35)	N/A	2.9 (60)	3y 5m
MSCI AC World ex USA (Net)			-0.4 (48)	-0.4 (48)	-9.2 (55)	0.3 (61)	0.3 (63)	1.9 (53)	2.8 (61)	
<i>IM International Equity</i>			-0.7	-0.7	-8.7	1.3	1.2	2.1	3.8	
Northern Cross Int'l (Harbor)	18,036,744	8.3	0.5 (38)	0.5 (38)	-8.6 (50)	1.0 (54)	1.7 (44)	3.7 (24)	3.6 (52)	3y 5m
MSCI AC World ex USA (Net)			-0.4 (48)	-0.4 (48)	-9.2 (55)	0.3 (61)	0.3 (63)	1.9 (53)	2.8 (61)	
<i>IM International Equity</i>			-0.7	-0.7	-8.7	1.3	1.2	2.1	3.8	

Returns are expressed as percentages. Returns for periods greater than one year are annualized. Peer group percentile ranks are shown in parentheses.

Performance Summary

Manager Asset Allocation & Performance

As of March 31, 2016

	Allocation		Performance(%)							
	Market Value (\$)	%	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Short Duration Fixed Income										
Barrow Hanley Short Fixed	8,207,953	3.8	1.0 (19)	1.0 (19)	1.0 (12)	0.8 (35)	1.0 (65)	2.7 (37)	0.8 (38)	3y 5m
Barclays 1-3 Year Gov/Credit			1.0 (23)	1.0 (23)	1.0 (10)	0.9 (23)	1.1 (56)	2.8 (36)	0.9 (29)	
<i>IM U.S. Short Term Investment Grade</i>			0.6	0.6	0.4	0.6	1.2	2.4	0.7	
Cash Composite	1,828,829	0.8	0.1	0.1	3.3	1.9	N/A	N/A	1.7	3y 5m
90 Day U.S. Treasury Bill			0.1	0.1	0.1	0.1	0.1	1.1	0.1	
Market Duration Fixed Income										
Dodge & Cox Income Fund	27,047,350	12.5	2.4 (63)	2.4 (63)	0.5 (45)	2.4 (29)	3.8 (56)	5.3 (50)	7.0 (18)	27y 3m
Barclays U.S. Aggregate			3.0 (22)	3.0 (22)	2.0 (5)	2.5 (26)	3.8 (56)	4.9 (61)	6.6 (47)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			2.6	2.6	0.3	2.0	3.9	5.2	6.5	
Met West Total Return Fund I	26,571,986	12.3	2.4 (60)	2.4 (60)	1.3 (18)	2.7 (19)	4.9 (11)	6.6 (2)	3.0 (10)	3y 5m
Barclays U.S. Aggregate			3.0 (22)	3.0 (22)	2.0 (5)	2.5 (26)	3.8 (56)	4.9 (61)	2.2 (42)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			2.6	2.6	0.3	2.0	3.9	5.2	2.0	
Hedge Fund of Funds										
Lighthouse Diversified	15,030,107	6.9	-2.0	-2.0	-1.8	5.7	4.3	4.0	6.1	3y 5m
HFRI Fund of Funds Composite Index			-2.8	-2.8	-5.4	1.9	1.3	1.5	3.1	
Pointer Offshore LTD	12,424,412	5.7	-8.2	-8.2	-6.6	5.9	5.9	7.5	6.9	3y 3m
HFRI Fund of Funds Composite Index			-2.8	-2.8	-5.4	1.9	1.3	1.5	2.7	
Real Estate										
Oaktree RE Opportunities Fund VI	9,184,975	4.2	0.0	0.0	7.9	13.3	N/A	N/A	12.3	3y 2m
NCREIF Property Index			2.2	2.2	11.8	11.9	11.9	7.6	11.8	
Walton Street Real Estate Fund VII, L.P.	7,378,854	3.4	0.0	0.0	14.8	N/A	N/A	N/A	18.7	2y 9m
NCREIF Property Index			2.2	2.2	11.8	11.9	11.9	7.6	11.9	
Total Plan										
Total Cash Balance Plan	216,264,121	100.0	-0.4	-0.4	-1.5	5.7	6.4	5.4	6.9	3y 5m
Total Cash Balance Plan Benchmark			1.0	1.0	-1.0	5.2	6.4	5.0	6.4	
Pre-Pavilion Total Cash Balance Plan Benchmark			2.3	2.3	0.1	6.8	7.8	5.7	8.5	

Returns are expressed as percentages. Returns for periods greater than one year are annualized. Peer group percentile ranks are shown in parentheses.



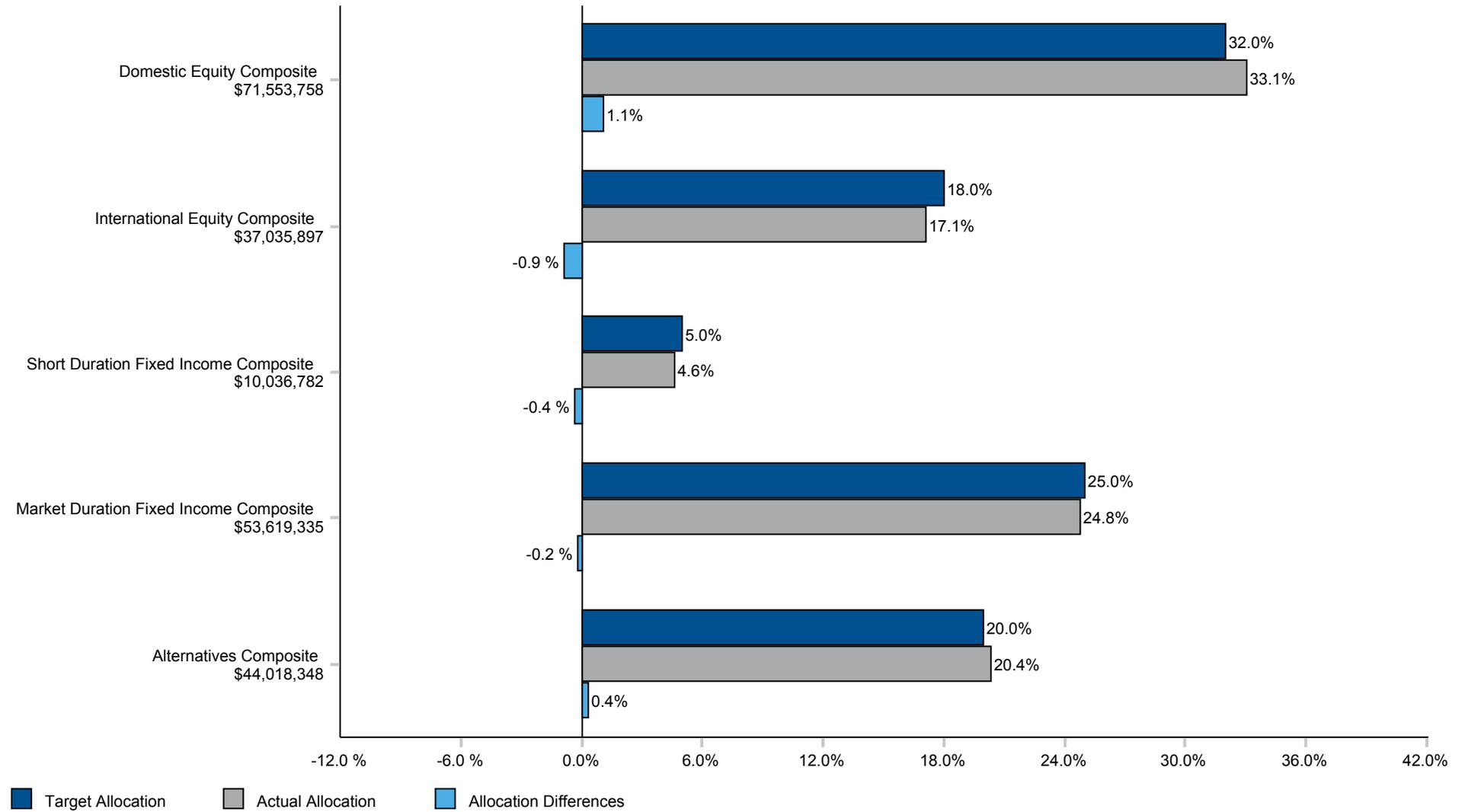
Cash Balance Plan - Asset Class Diversification

Asset Class Diversification

Total Cash Balance Plan vs. Cash Balance Plan Target Allocation

As of March 31, 2016

March 31, 2016 : \$216,264,121



Asset Class Diversification

Cash Balance Plan Investment Program Structure

As of March 31, 2016

Manager	Asset Class/Type	Total Assets (\$, mil.)	Percent of Total	Target Allocation	Weighting Relative to Target	Target Range
Large-Cap Domestic Equity		\$ 61.4	28.4%	27.0%	+ 1.4%	27-37%
Vanguard S&P 500 Index	Large-Cap Index	\$ 32.7	15.1%	13.5%	+ 1.6%	
Sands	Large-Cap Growth	\$ 13.5	6.2%	6.8%	- 0.6%	
Barrow Hanley	Large-Cap Value	\$ 15.2	7.0%	6.8%	+ 0.2%	
Small-Cap Domestic Equity		\$ 10.2	4.7%	5.0%	- 0.3%	
Cortina	Small-Cap Growth	\$ 4.4	2.0%	2.5%	- 0.5%	
Wellington	Small-Cap Value	\$ 5.7	2.6%	2.5%	+ 0.1%	
International Equity		\$ 37.0	17.1%	18.0%	- 0.9%	15-21%
Walter Scott	Developed and Emerging	\$ 19.0	8.8%	9.0%	- 0.2%	
Harbor	Developed and Emerging	\$ 18.0	8.3%	9.0%	- 0.7%	
Short-Duration Fixed Income		\$ 10.0	4.6%	5.0%	- 0.4%	0-8%
Barrow Hanley	Short Duration	\$ 8.2	3.8%	5.0%	- 1.2%	
Cash	Money Market	\$ 1.8	0.8%	0.0%	+ 0.8%	
Market-Duration Fixed Income		\$ 53.6	24.8%	25.0%	- 0.2%	20-30%
Dodge & Cox	Market Duration	\$ 27.0	12.5%	12.5%	+ 0.0%	
MetWest	Market Duration	\$ 26.6	12.3%	12.5%	- 0.2%	
Alternatives		\$ 44.0	20.4%	20.0%	+ 0.4%	17-23%
Lighthouse	HFOF	\$ 15.0	7.0%	5.0%	+ 2.0%	
Pointer	HFOF	\$ 12.4	5.7%	5.0%	+ 0.7%	
Oaktree RE Opportunities	Real Estate	\$ 9.2	4.2%	5.0%	- 0.8%	
Walton Street	Real Estate	\$ 7.4	3.4%	5.0%	- 1.6%	
Total		\$216.3	100.0%			

*Totals may not add due to rounding.

Equity Portfolio - Characteristics

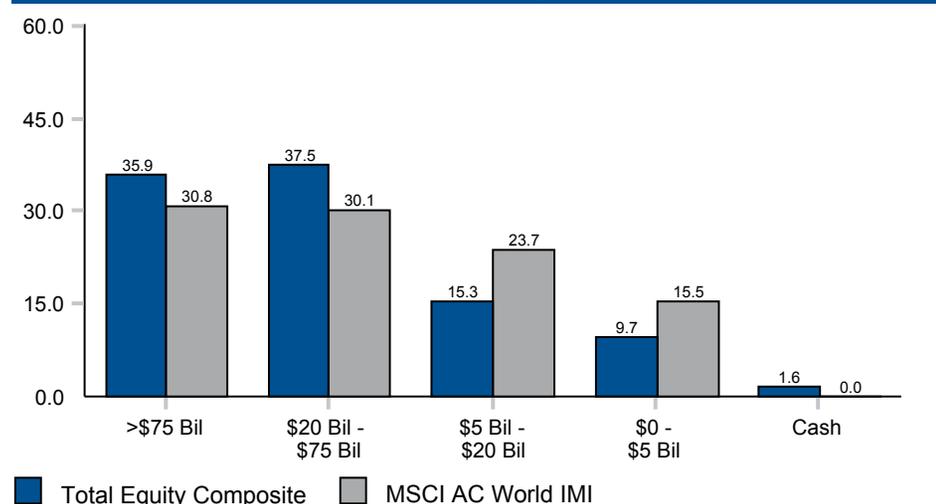
Cash Balance Plan Equity Composite vs. MSCI AC World IMI

As of March 31, 2016

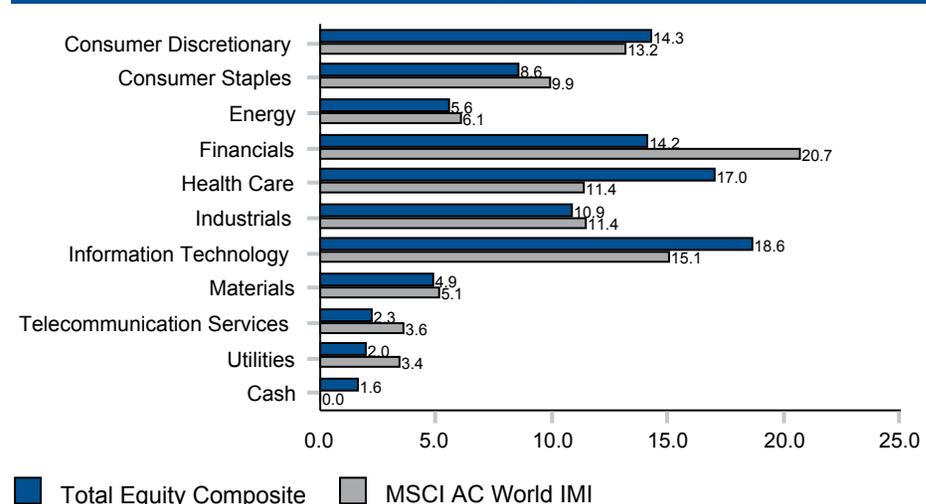
Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	91,575	80,673
Median Mkt. Cap (\$M)	13,613	1,355
Price/Earnings ratio	20.4	17.1
Price/Book ratio	3.0	2.6
5 Yr. EPS Growth Rate (%)	7.2	7.3
Current Yield (%)	2.0	2.6
Debt to Equity	0.3	0.7
Number of Stocks	796	8,633
Beta (5 Years, Monthly)	0.96	1.00
Consistency (5 Years, Monthly)	58.33	1.00
Sharpe Ratio (5 Years, Monthly)	0.63	0.48
Information Ratio (5 Years, Monthly)	0.75	-
Up Market Capture (5 Years, Monthly)	102.86	-
Down Market Capture (5 Years, Monthly)	91.11	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Visa Inc	1.5	0.4	1.1	-1.2
Facebook Inc	1.4	0.6	0.7	9.0
Microsoft Corp	1.2	1.0	0.2	0.3
Apple Inc	1.0	1.5	-0.5	4.1
Salesforce.com Inc.	1.0	0.1	0.9	-5.8
Alibaba Group Holding Ltd	1.0	0.2	0.8	-2.8
Novo Nordisk A/S	1.0	0.3	0.7	-5.0
Alphabet Inc	0.9	0.5	0.4	-1.9
Unitedhealth Group Inc	0.9	0.3	0.6	10.0
Amazon.com Inc	0.9	0.6	0.3	-12.2
% of Portfolio	10.7	5.5		

Distribution of Market Capitalization (%)



Sector Weights (%)



Equity Portfolio - Country/Region Allocation

Cash Balance Plan Equity Composite vs. MSCI AC World IMI

As of March 31, 2016

	Total Equity Composite	MSCI AC World IMI
Australia	0.6	2.3
Hong Kong	1.3	1.1
Japan	5.1	7.9
New Zealand	0.0	0.1
Singapore	0.0	0.5
Pacific	7.0	11.9
Austria	0.2	0.1
Belgium	0.4	0.5
Finland	0.4	0.4
France	5.6	3.1
Germany	2.4	2.9
Ireland	0.5	0.2
Italy	0.0	0.8
Netherlands	0.4	1.0
Portugal	0.0	0.1
Spain	0.7	1.0
EMU	10.6	10.1
Denmark	1.1	0.6
Norway	0.0	0.2
Sweden	0.9	1.1
Switzerland	4.9	2.9
United Kingdom	5.5	6.5
Europe ex EMU	12.5	11.4
Canada	0.5	3.1
United States	63.8	52.7
Israel	0.7	0.3
Middle East	0.7	0.3
Developed Markets	95.1	89.6

	Total Equity Composite	MSCI AC World IMI
Brazil	0.0	0.6
Cayman Islands	0.0	0.0
Chile	0.0	0.1
Colombia	0.5	0.0
Mexico	0.0	0.5
Peru	0.0	0.0
Virgin Islands	0.0	0.0
EM Latin America	0.6	1.3
China	2.1	2.6
India	0.0	0.9
Indonesia	0.0	0.3
Korea	0.0	1.7
Malaysia	0.1	0.4
Philippines	0.0	0.1
Taiwan	0.4	1.3
Thailand	0.0	0.2
EM Asia	2.6	7.5
Czech Republic	0.0	0.0
Egypt	0.0	0.0
Greece	0.0	0.0
Hungary	0.0	0.0
Poland	0.0	0.1
Qatar	0.0	0.1
Russia	0.0	0.3
South Africa	0.0	0.7
Turkey	0.0	0.2
United Arab Emirates	0.0	0.1
EM Europe + Middle East + Africa	0.0	1.7
Emerging Markets	3.2	10.4
Frontier Markets	0.0	0.0
Cash	1.6	0.0
Other	0.1	0.0
Total	100.0	100.0

Fixed Income Portfolio - Characteristics

Cash Balance Plan Fixed Income Composite vs. Total Fixed Income Benchmark

As of March 31, 2016

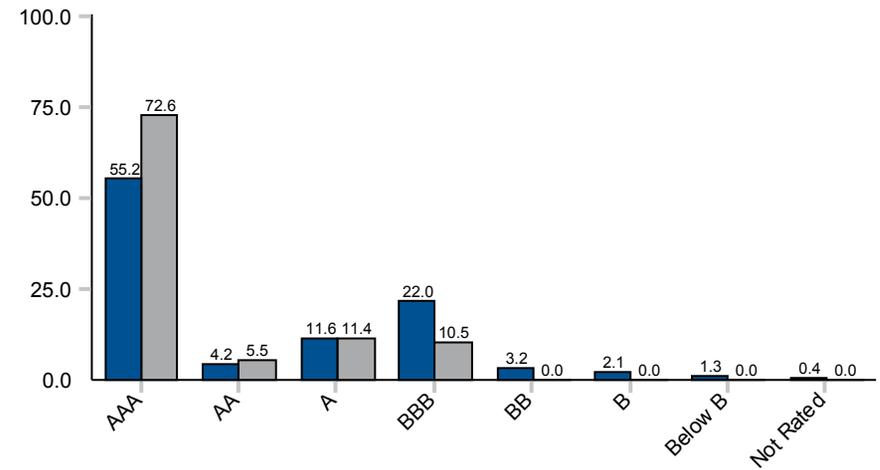
Portfolio Characteristics

	Portfolio	Benchmark
Effective Duration	3.9	4.0
Avg. Maturity	7.0	5.4
Avg. Quality	A+	AA+
Yield To Maturity (%)	2.6	2.2

Risk Characteristics - 5 Years

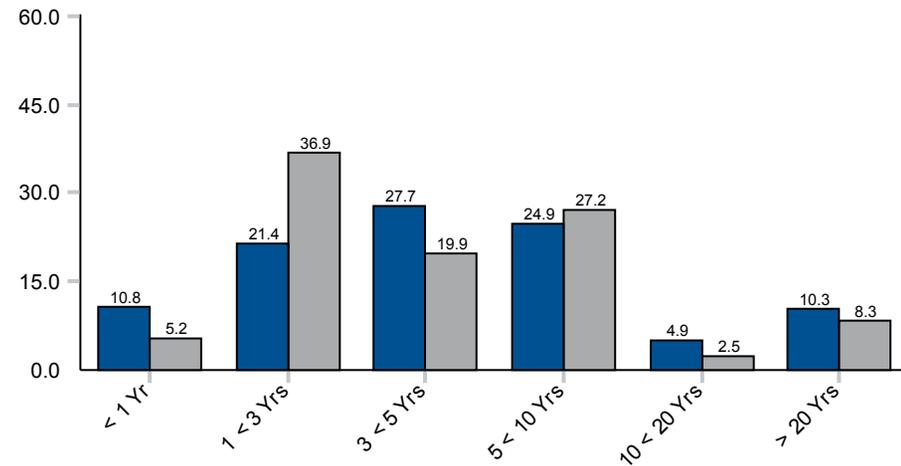
	Consistency	Sharpe Ratio	Information Ratio	Up Market Capture	Down Market Capture
Total Fixed Income Composite	51.7	1.6	0.2	97.0	78.0
Total Fixed Income Benchmark	0.0	1.5	N/A	100.0	100.0

Credit Quality Distribution (%)



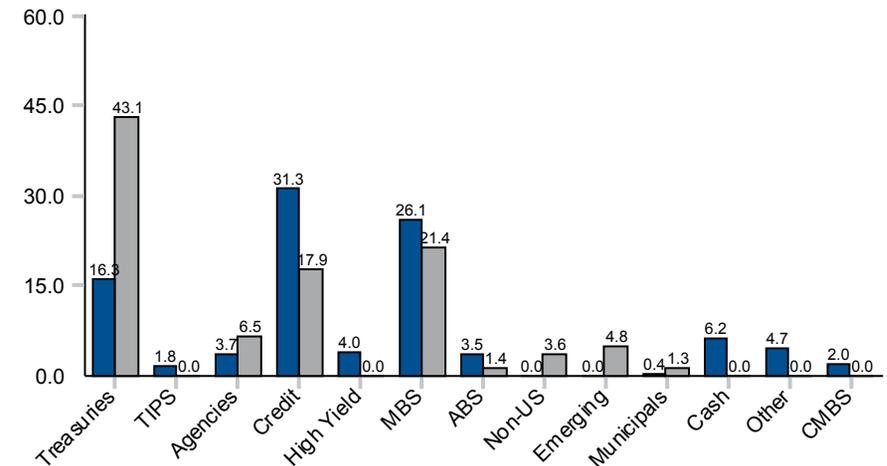
■ Total Fixed Income Composite ■ Total Fixed Income Benchmark

Maturity Distribution (%)



■ Total Fixed Income Composite ■ Total Fixed Income Benchmark

Sector Distribution (%)



■ Total Fixed Income Composite ■ Total Fixed Income Benchmark

Performance Summary

Cash Balance Plan Private Real Estate Investment

As of December 31, 2015 (\$ in Millions)

Partnership	Vintage Year	Fund Type	Committed Capital	Paid-in Capital	Outstanding Commitment	Market Value ¹	Distributions	Total Value	Net IRR ²	TV / PI	D / PI
Oaktree RE Opportunities VI	2012	Private RE	\$8.4	\$10.9	\$0.0	\$9.4	\$4.0	\$13.4	13.3%	1.2	0.4
Walton Street RE Fund VII	2012	Private RE	\$8.4	\$7.0	\$1.4	\$7.8	\$1.3	\$9.1	20.8%	1.3	0.2

¹ If a market value has not yet been released for a particular fund, the previous quarter's value is adjusted according to subsequent contributions and distributions.

² Net IRR is through the previous quarter end.



Manager Evaluation

Manager Evaluation

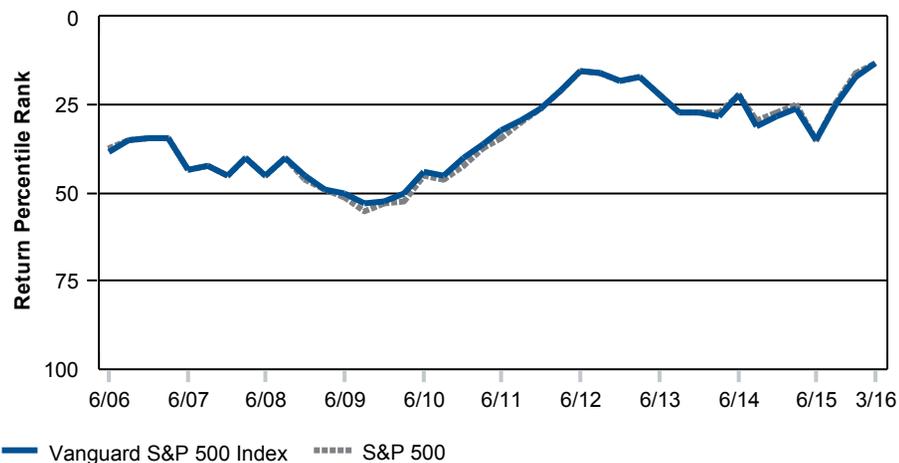
Vanguard S&P 500 Index vs. S&P 500

As of March 31, 2016

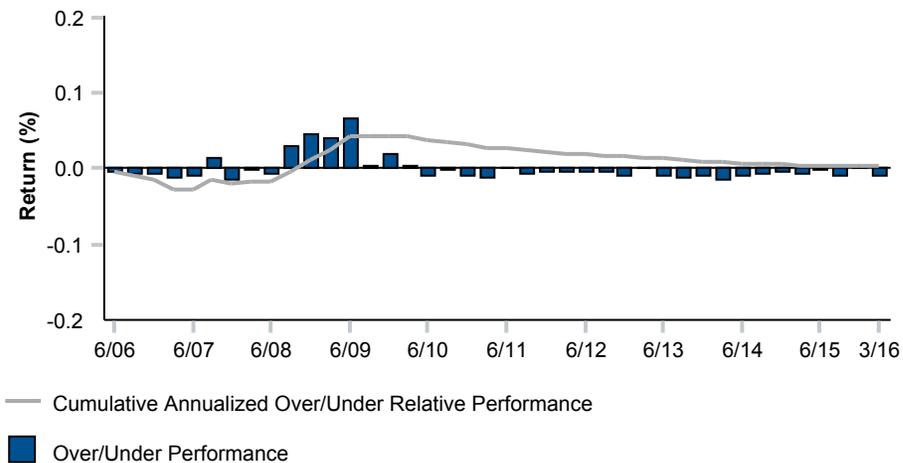
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Vanguard S&P 500 Index	1.3	1.3	1.8	11.8	11.6	7.0	1.4	13.7	32.3	16.0	2.1	15.0	26.6	-37.0	5.5	15.8
S&P 500	1.3	1.3	1.8	11.8	11.6	7.0	1.4	13.7	32.4	16.0	2.1	15.1	26.5	-37.0	5.5	15.8
IM U.S. Large Cap Core Equity	0.3	0.3	-1.1	10.0	10.0	6.0	-0.5	11.4	31.8	15.4	-0.4	13.2	26.5	-37.2	5.9	14.0
<i>Vanguard S&P 500 Index Rank</i>	28	28	18	13	14	20	27	17	41	40	24	26	50	48	55	28

Three Year Rolling Percentile Ranking



Relative Performance



Historical Statistics (Apr-2011 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Vanguard S&P 500 Index	11.6	12.4	11.8	0.0	1.0	0.9	0.0	-2.5	7.0	15.0	25y 8m
S&P 500	11.6	12.4	11.8	0.0	1.0	1.0	0.0	-0.5	6.9	0.0	25y 8m

Manager Evaluation

Vanguard S&P 500 Index vs. S&P 500

As of March 31, 2016

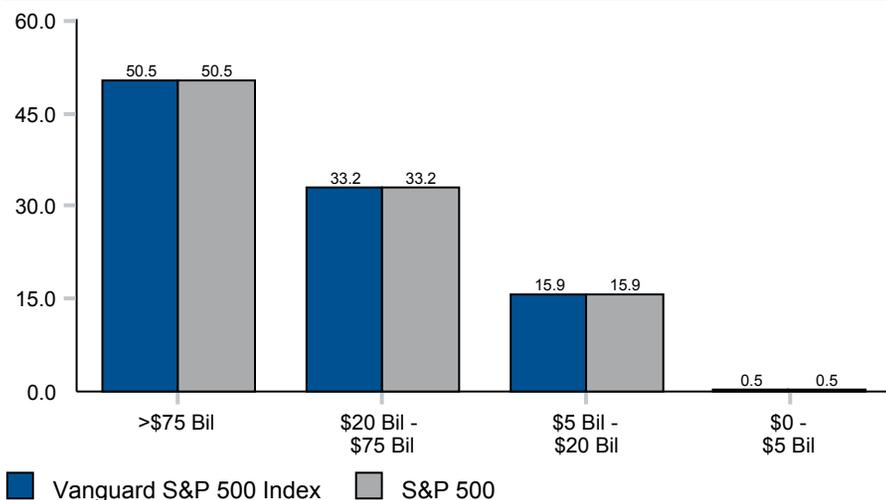
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	137,960	137,949
Median Mkt. Cap (\$M)	18,472	18,411
Price/Earnings ratio	19.3	19.3
Price/Book ratio	3.2	3.2
5 Yr. EPS Growth Rate (%)	7.6	7.2
Current Yield (%)	2.2	2.2
Debt to Equity	0.9	0.9
Number of Stocks	505	504
Beta (5 Years, Monthly)	1.00	1.00
Consistency (5 Years, Monthly)	28.33	1.00
Sharpe Ratio (5 Years, Monthly)	0.96	0.96
Information Ratio (5 Years, Monthly)	-1.70	-
Up Market Capture (5 Years, Monthly)	99.93	-
Down Market Capture (5 Years, Monthly)	100.06	-

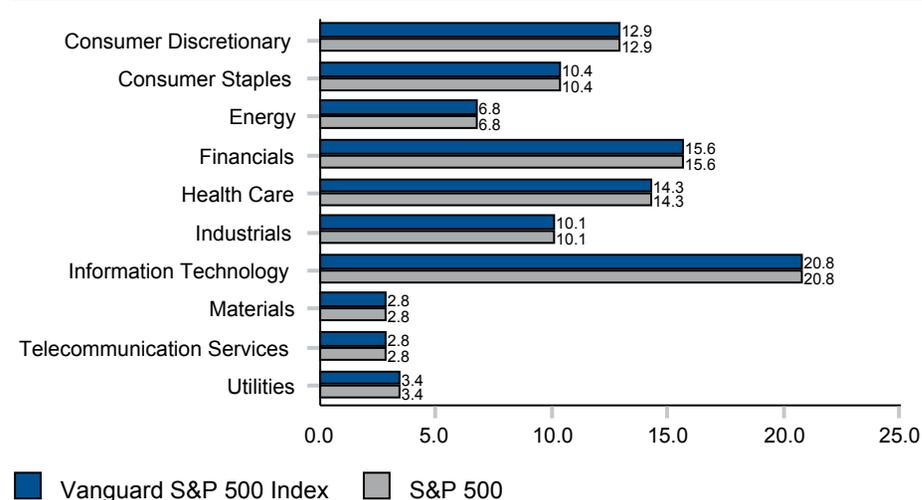
Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Apple Inc	3.4	3.4	0.0	4.1
Microsoft Corp	2.4	2.4	0.0	0.3
Exxon Mobil Corp	1.9	1.9	0.0	8.2
Johnson & Johnson	1.7	1.7	0.0	6.1
General Electric Co	1.7	1.7	0.0	2.9
Facebook Inc	1.5	1.5	0.0	9.0
Berkshire Hathaway Inc	1.4	1.5	-0.1	7.5
AT&T Inc	1.3	1.3	0.0	15.4
Amazon.com Inc	1.3	1.3	0.0	-12.2
Wells Fargo & Co	1.2	1.2	0.0	-10.3
% of Portfolio	17.8	17.8		

Distribution of Market Capitalization (%)



Sector Weights (%)



Manager Evaluation

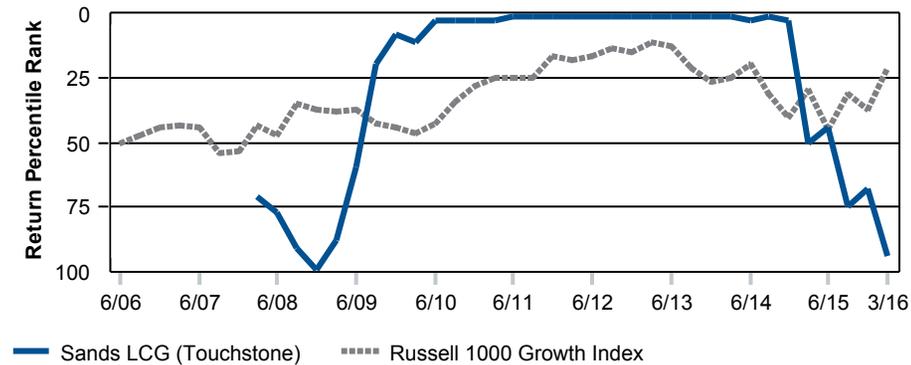
Sands Large Cap Growth (Touchstone) vs. Russell 1000 Growth Index

As of March 31, 2016

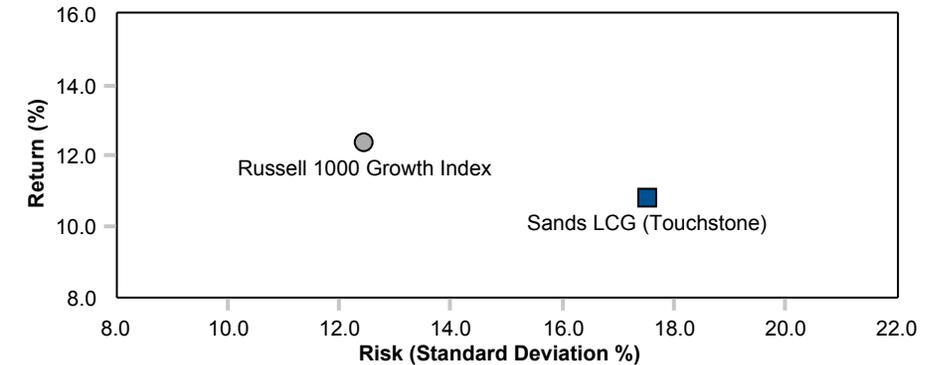
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Sands LCG (Touchstone)	-10.2	-10.2	-10.2	8.8	10.8	8.2	0.2	8.4	41.3	23.8	2.3	26.3	71.1	-48.5	18.7	-5.9
Russell 1000 Growth Index	0.7	0.7	2.5	13.6	12.4	8.3	5.7	13.1	33.5	15.3	2.6	16.7	37.2	-38.4	11.8	9.1
IM U.S. Large Cap Growth Equity	-2.7	-2.7	-1.2	11.8	10.5	6.9	5.5	10.5	34.1	14.9	-1.8	15.1	35.0	-39.8	13.8	6.7
<i>Sands LCG (Touchstone) Rank</i>	<i>99</i>	<i>99</i>	<i>98</i>	<i>94</i>	<i>42</i>	<i>15</i>	<i>93</i>	<i>81</i>	<i>7</i>	<i>1</i>	<i>13</i>	<i>2</i>	<i>1</i>	<i>95</i>	<i>22</i>	<i>99</i>

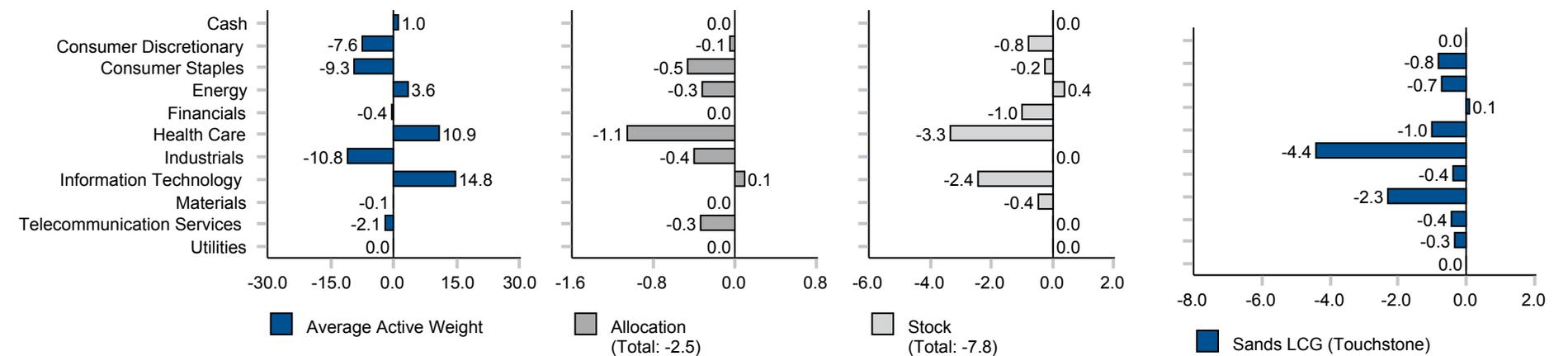
Three Year Rolling Percentile Ranking



Risk and Return (Apr - 2011 - Mar - 2016)



Buy and Hold Attribution



Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

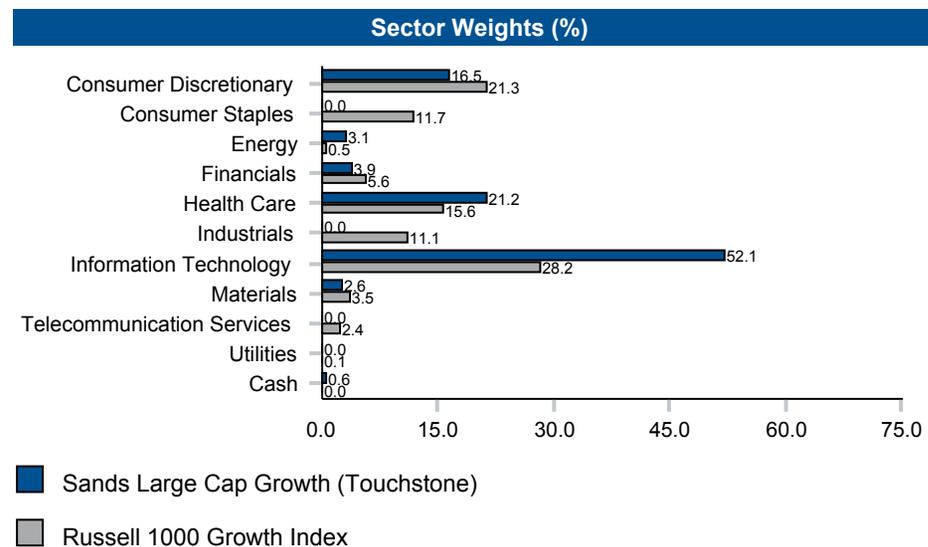
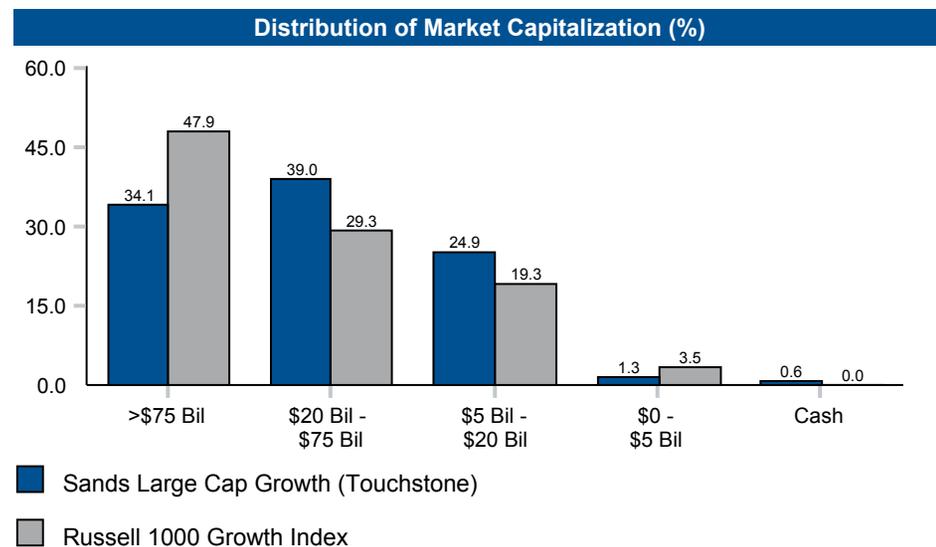
Manager Evaluation

Sands Large Cap Growth (Touchstone) vs. Russell 1000 Growth Index

As of March 31, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	106,621	136,286
Median Mkt. Cap (\$M)	37,080	8,715
Price/Earnings ratio	36.6	21.6
Price/Book ratio	6.4	5.3
5 Yr. EPS Growth Rate (%)	14.9	12.4
Current Yield (%)	0.2	1.6
Debt to Equity	0.5	-0.2
Number of Stocks	32	635
Beta (5 Years, Monthly)	1.20	1.00
Consistency (5 Years, Monthly)	41.67	1.00
Sharpe Ratio (5 Years, Monthly)	0.71	1.00
Information Ratio (5 Years, Monthly)	-0.12	-
Up Market Capture (5 Years, Monthly)	109.15	-
Down Market Capture (5 Years, Monthly)	126.45	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Visa Inc	9.7	1.4	8.3	-1.2
Facebook Inc	7.5	2.3	5.2	9.0
Salesforce.com Inc.	7.5	0.5	7.0	-5.8
Alibaba Group Holding Ltd	4.6	0.0	4.6	-2.8
Alphabet Inc	4.5	2.1	2.4	-1.9
Adobe Systems Inc	4.4	0.5	3.9	-0.1
Priceline Group Inc (The)	4.1	0.6	3.5	1.1
Amazon.com Inc	4.1	2.2	1.9	-12.2
Baidu Inc	3.9	0.0	3.9	1.0
Regeneron Pharmaceuticals Inc	3.5	0.3	3.2	-33.6
% of Portfolio	53.7	9.8		



Characteristics are as of June 30, 2015. Holdings as of September 30, 2015 unavailable at time of report production.

Manager Evaluation

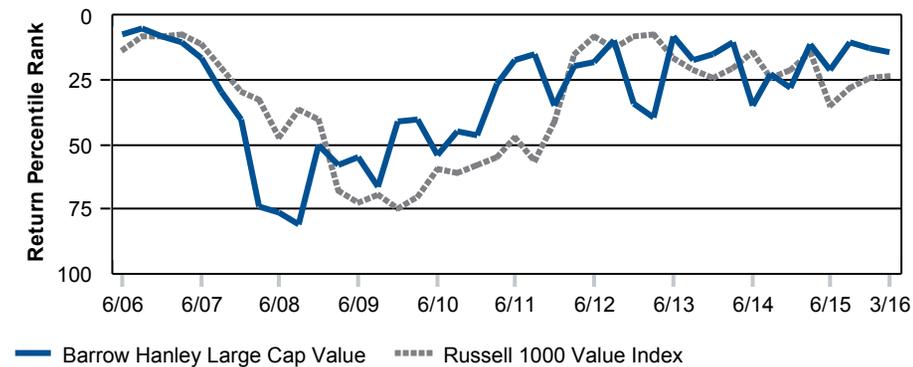
Barrow Hanley Large Cap Value vs. Russell 1000 Value Index

As of March 31, 2016

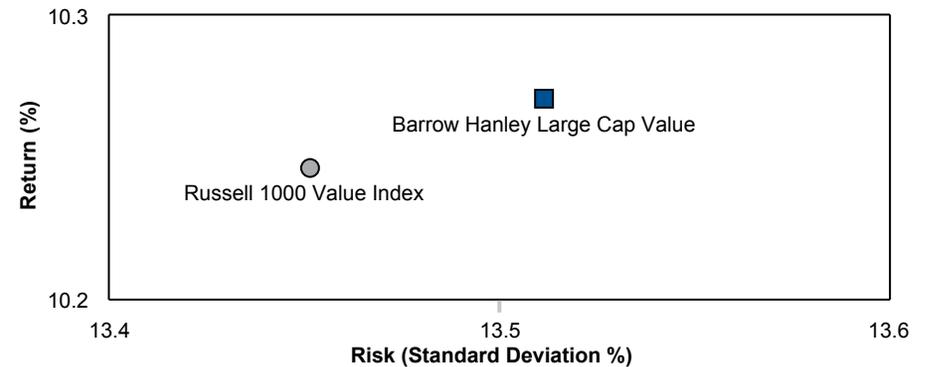
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Barrow Hanley Large Cap Value	-0.4	-0.4	-3.2	10.0	10.3	5.7	-2.3	12.8	34.7	15.3	2.3	10.8	23.7	-35.3	1.9	14.6
Russell 1000 Value Index	1.6	1.6	-1.5	9.4	10.2	5.7	-3.8	13.5	32.5	17.5	0.4	15.5	19.7	-36.8	-0.2	22.2
IM U.S. Large Cap Value Equity	0.2	0.2	-3.6	8.3	8.6	5.0	-3.8	10.9	32.7	15.3	-2.3	12.6	24.1	-36.8	1.7	17.9
Barrow Hanley Large Cap Value Rank	64	64	45	14	15	32	21	15	31	49	15	82	54	33	48	88

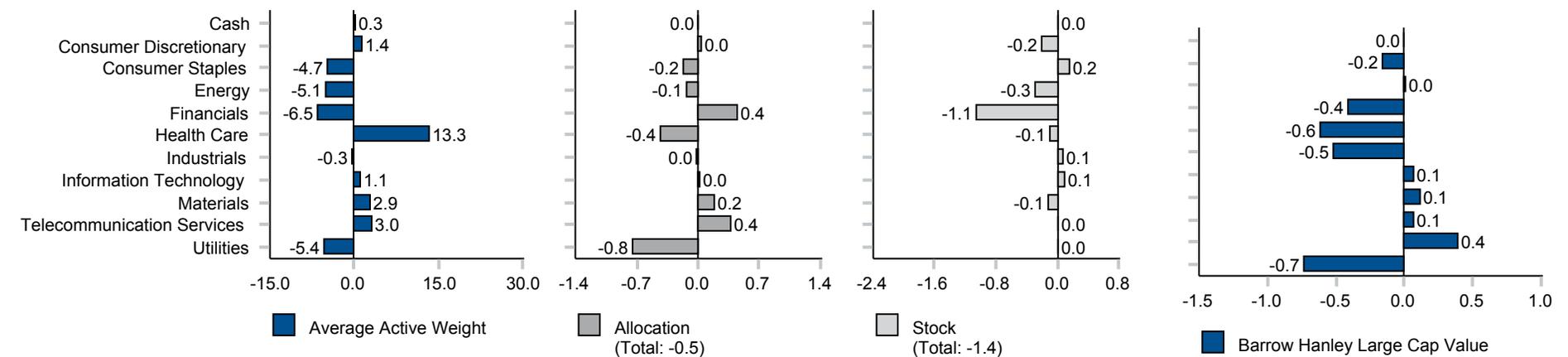
Three Year Rolling Percentile Ranking



Risk and Return (Apr - 2011 - Mar - 2016)



Buy and Hold Attribution



Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

Manager Evaluation

Barrow Hanley Large Cap Value vs. Russell 1000 Value Index

As of March 31, 2016

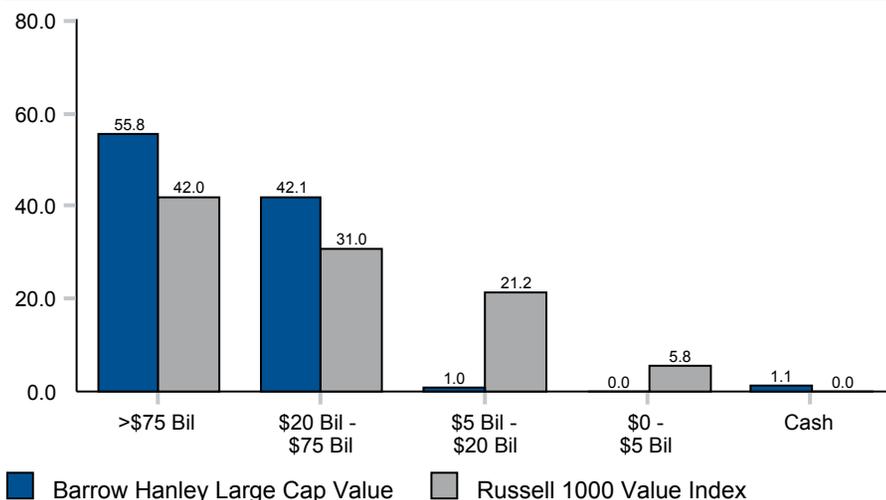
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	117,267	110,516
Median Mkt. Cap (\$M)	68,866	7,119
Price/Earnings ratio	17.3	17.3
Price/Book ratio	2.5	2.1
5 Yr. EPS Growth Rate (%)	4.1	2.6
Current Yield (%)	2.8	2.6
Debt to Equity	1.1	1.0
Number of Stocks	45	684
Beta (5 Years, Monthly)	0.96	1.00
Consistency (5 Years, Monthly)	46.67	1.00
Sharpe Ratio (5 Years, Monthly)	0.85	0.84
Information Ratio (5 Years, Monthly)	0.00	-
Up Market Capture (5 Years, Monthly)	96.33	-
Down Market Capture (5 Years, Monthly)	93.38	-

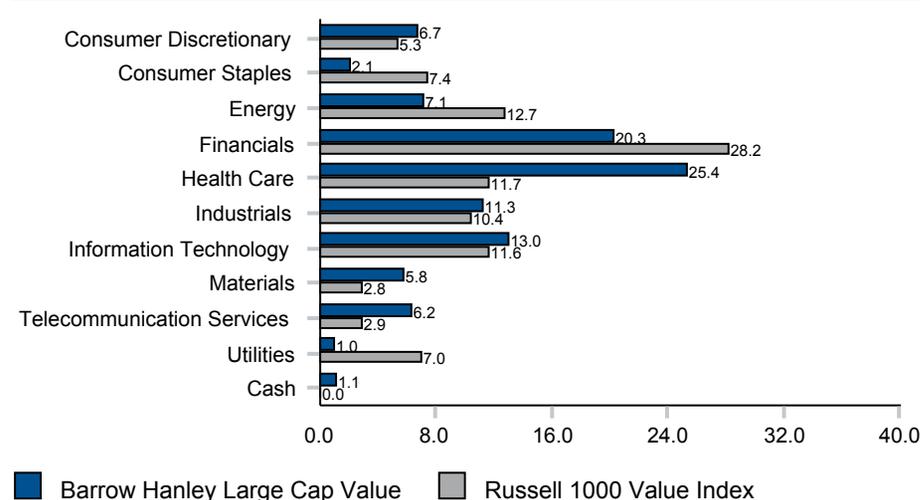
Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Unitedhealth Group Inc	5.0	0.1	5.0	10.0
Microsoft Corp	3.8	2.0	1.9	0.3
Verizon Communications Inc	3.5	0.2	3.4	18.5
Medtronic PLC	3.5	1.1	2.4	-2.0
Air Products and Chemicals Inc.	3.2	0.1	3.2	11.4
Carnival Corp	3.2	0.2	2.9	-2.5
Wells Fargo & Co	3.0	2.3	0.7	-10.3
JPMorgan Chase & Co	3.0	2.2	0.8	-9.7
Oracle Corp	3.0	0.5	2.4	12.5
Honeywell International Inc	2.8	0.0	2.8	8.8
% of Portfolio	34.1	8.6		

Distribution of Market Capitalization (%)



Sector Weights (%)



Manager Evaluation

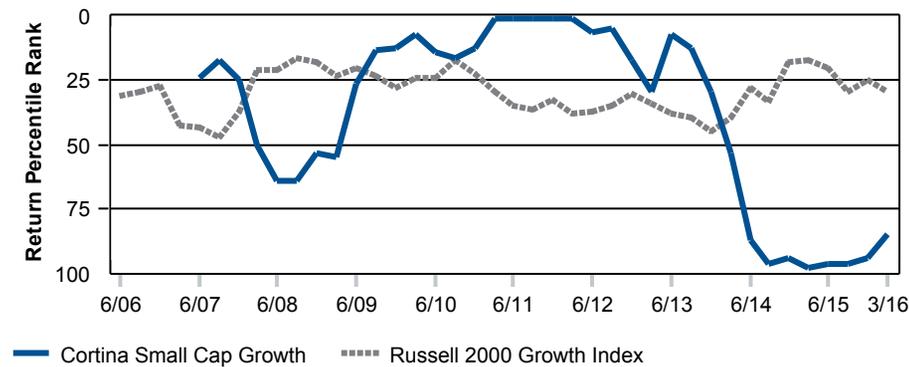
Cortina Small Cap Growth vs. Russell 2000 Growth Index

As of March 31, 2016

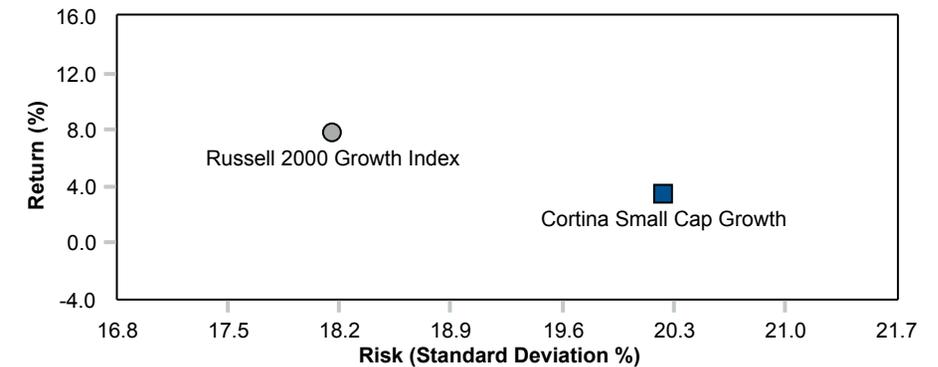
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Cortina Small Cap Growth	-3.9	-3.9	-10.6	2.7	3.4	4.4	-6.3	-8.9	49.2	6.5	2.2	36.1	50.8	-45.4	11.5	11.4
Russell 2000 Growth Index	-4.7	-4.7	-11.8	7.9	7.7	6.0	-1.4	5.6	43.3	14.6	-2.9	29.1	34.5	-38.5	7.0	13.3
IM U.S. Small Cap Growth Equity	-4.5	-4.5	-12.5	6.2	6.9	5.0	-3.3	1.7	43.8	12.0	-3.9	26.9	33.1	-42.6	7.8	9.7
Cortina Small Cap Growth Rank	39	39	36	85	87	72	75	98	22	90	9	5	8	74	30	38

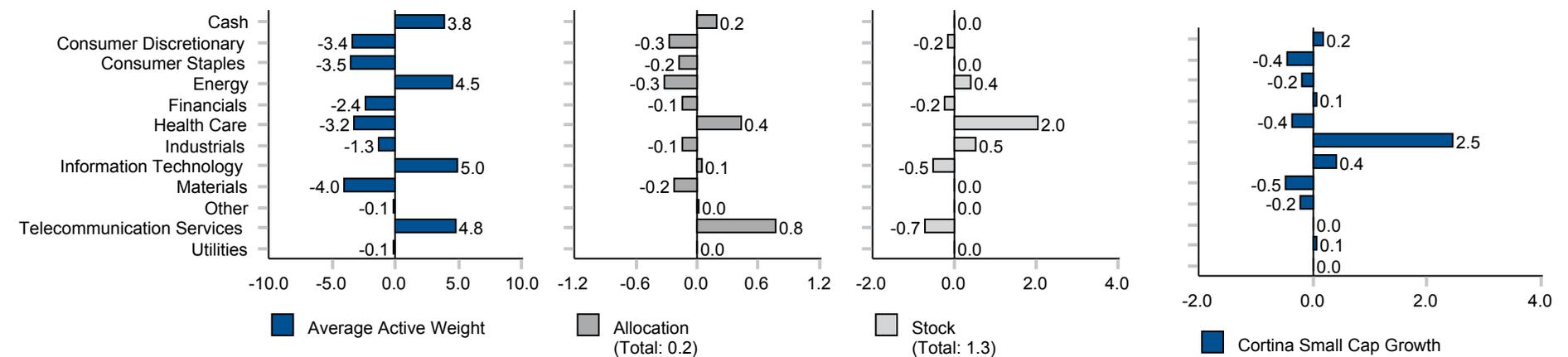
Three Year Rolling Percentile Ranking



Risk and Return (Apr - 2011 - Mar - 2016)



Buy and Hold Attribution



Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

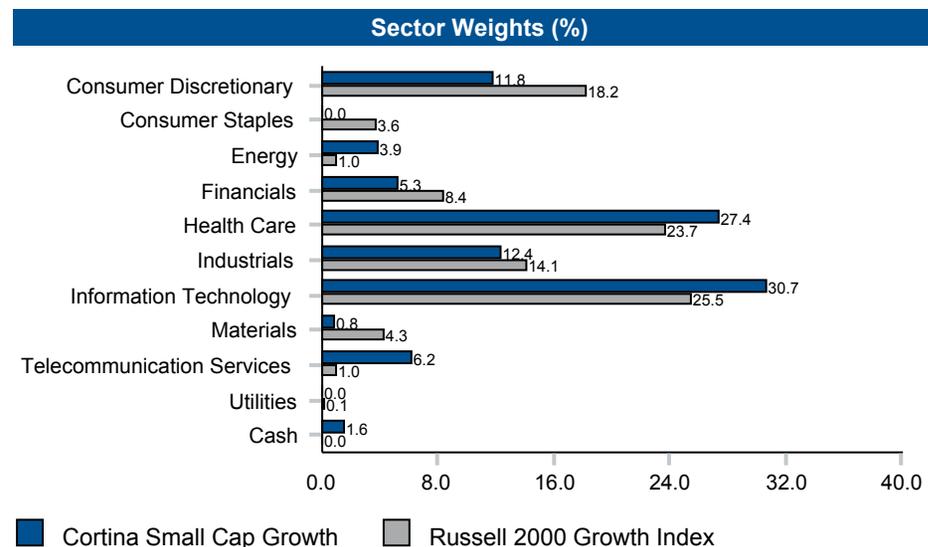
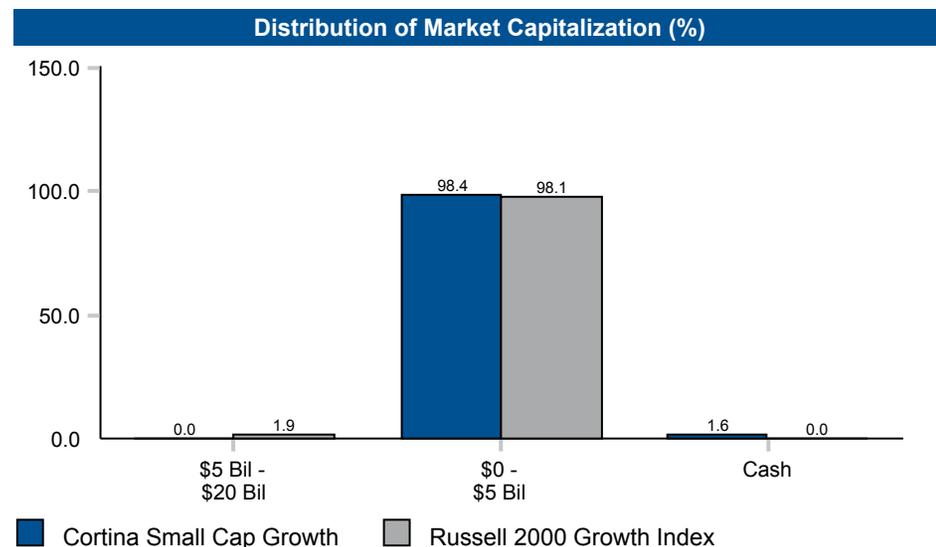
Manager Evaluation

Cortina Small Cap Growth vs. Russell 2000 Growth Index

As of March 31, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	1,094	2,029
Median Mkt. Cap (\$M)	907	693
Price/Earnings ratio	27.4	23.3
Price/Book ratio	3.2	3.5
5 Yr. EPS Growth Rate (%)	8.0	13.9
Current Yield (%)	0.2	0.8
Debt to Equity	-0.2	0.5
Number of Stocks	101	1,181
Beta (5 Years, Monthly)	0.95	1.00
Consistency (5 Years, Monthly)	45.00	1.00
Sharpe Ratio (5 Years, Monthly)	0.27	0.51
Information Ratio (5 Years, Monthly)	-0.59	-
Up Market Capture (5 Years, Monthly)	87.22	-
Down Market Capture (5 Years, Monthly)	101.32	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
K2M Group Holdings Inc	1.9	0.0	1.8	-24.9
NxStage Medical Inc	1.7	0.1	1.6	-31.6
MaxLinear Inc	1.7	0.1	1.6	25.6
Q2 Holdings Inc	1.6	0.1	1.6	-8.8
AtriCure Inc	1.6	0.1	1.6	-25.0
BioTelemetry Inc	1.6	0.0	1.6	0.0
Imax Corp	1.5	0.2	1.3	-12.5
Universal Electronics Inc	1.5	0.1	1.4	20.7
AMN Healthcare Services Inc.	1.5	0.2	1.3	8.2
Five Below Inc	1.5	0.3	1.2	28.8
% of Portfolio	16.2	1.2		



Manager Evaluation

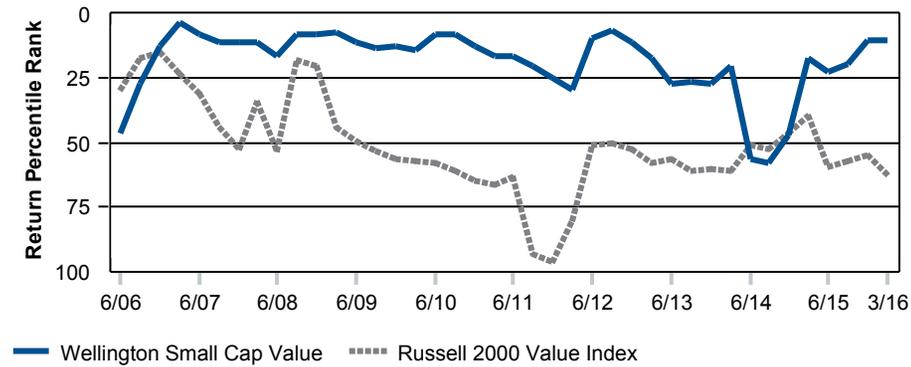
Wellington Small Cap Value vs. Russell 2000 Value Index

As of March 31, 2016

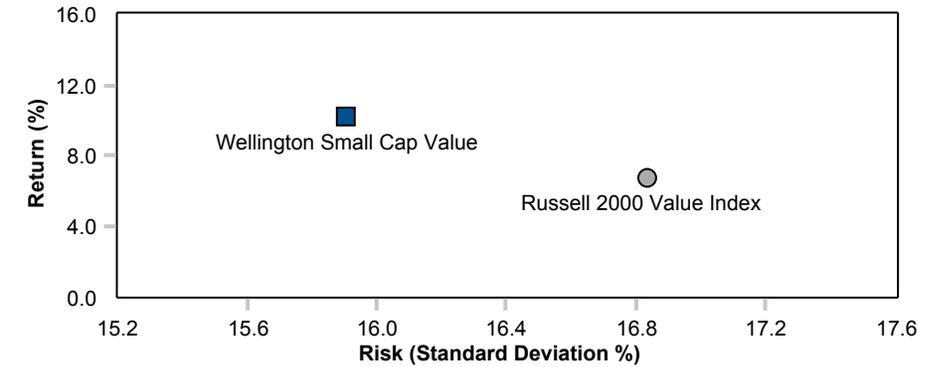
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Wellington Small Cap Value	3.7	3.7	-1.1	9.5	10.2	8.5	-0.8	6.8	33.7	15.6	1.2	26.4	31.2	-26.5	-3.0	19.9
Russell 2000 Value Index	1.7	1.7	-7.7	5.7	6.7	4.4	-7.5	4.2	34.5	18.1	-5.5	24.5	20.6	-28.9	-9.8	23.5
IM U.S. Small Cap Value Equity	2.3	2.3	-7.1	6.3	6.6	4.6	-6.9	3.3	35.6	16.1	-3.8	25.4	28.8	-32.2	-6.8	16.9
Wellington Small Cap Value Rank	28	28	4	10	1	1	3	12	73	56	6	36	38	4	21	20

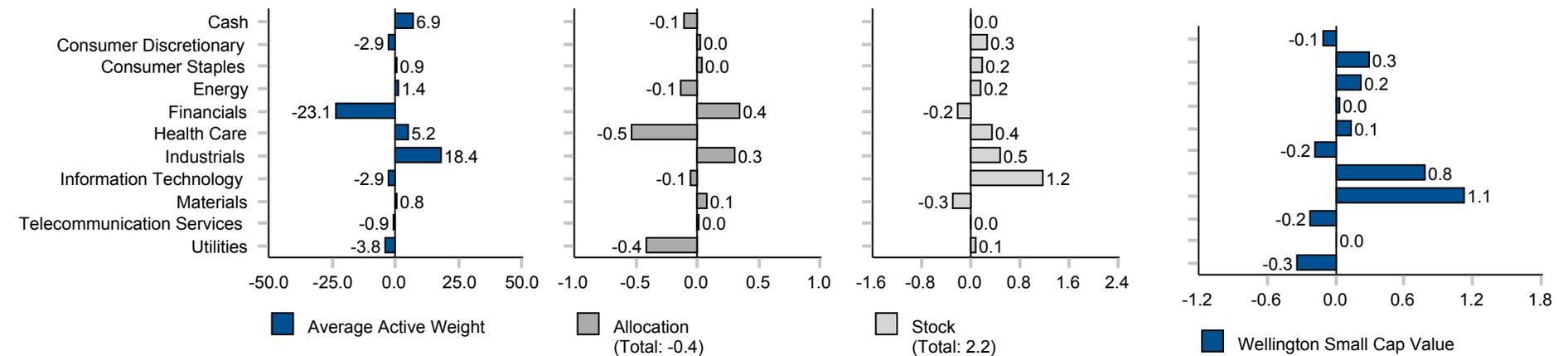
Three Year Rolling Percentile Ranking



Risk and Return (Apr - 2011 - Mar - 2016)



Buy and Hold Attribution



Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

Manager Evaluation

Wellington Small Cap Value vs. Russell 2000 Value Index

As of March 31, 2016

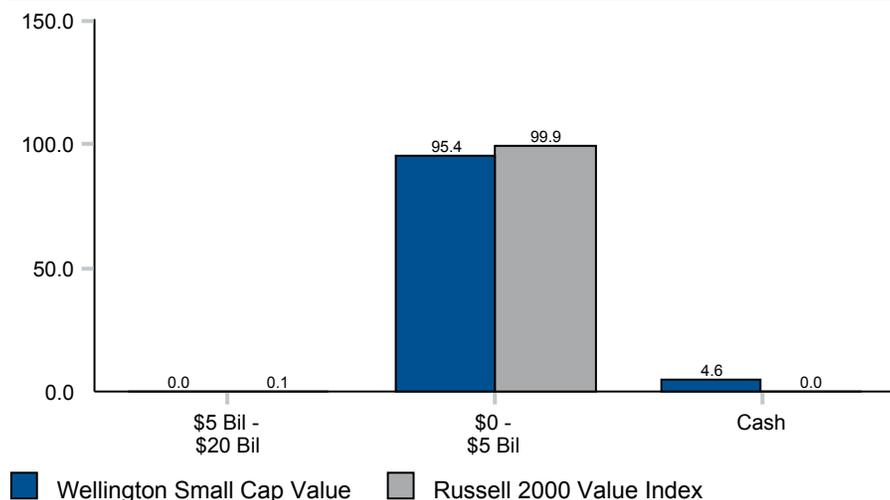
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	1,615	1,771
Median Mkt. Cap (\$M)	1,384	586
Price/Earnings ratio	20.1	17.7
Price/Book ratio	1.9	1.7
5 Yr. EPS Growth Rate (%)	5.2	7.6
Current Yield (%)	1.8	2.3
Debt to Equity	0.8	0.7
Number of Stocks	76	1,325
Beta (5 Years, Monthly)	0.95	1.00
Consistency (5 Years, Monthly)	65.00	1.00
Sharpe Ratio (5 Years, Monthly)	0.71	0.48
Information Ratio (5 Years, Monthly)	1.09	-
Up Market Capture (5 Years, Monthly)	104.83	-
Down Market Capture (5 Years, Monthly)	89.16	-

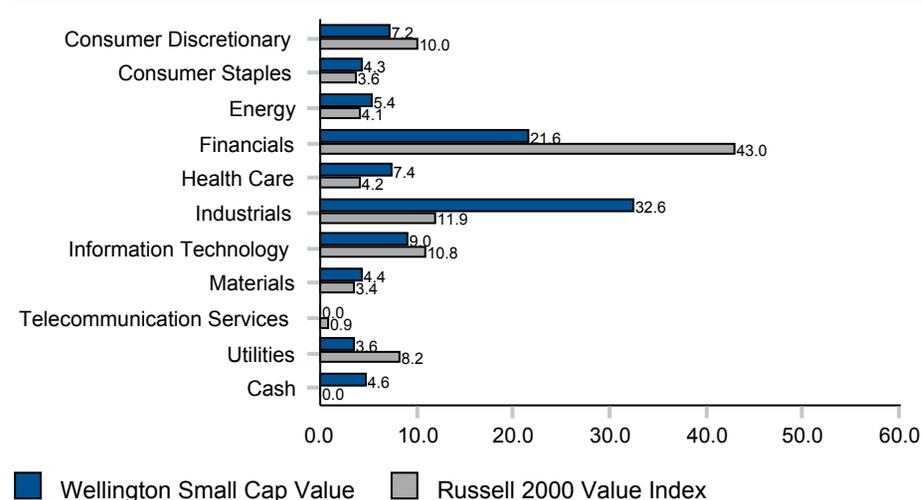
Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
G&K Services Inc	2.8	0.1	2.7	17.1
Belden Inc	2.5	0.0	2.5	28.8
Mueller Industries Inc.	2.4	0.1	2.3	8.9
Webster Financial Corp	2.4	0.4	2.0	-2.8
Albany International Corp.	2.1	0.1	2.0	3.3
International Bancshares Corp	1.9	0.2	1.7	-2.9
Sensient Technologies Corp	1.9	0.1	1.7	1.5
Essendant Inc	1.8	0.2	1.7	-1.3
First Midwest Bancorp Inc	1.8	0.2	1.6	-1.7
ScanSource Inc	1.7	0.1	1.6	25.3
% of Portfolio	21.2	1.4		

Distribution of Market Capitalization (%)



Sector Weights (%)



Manager Evaluation

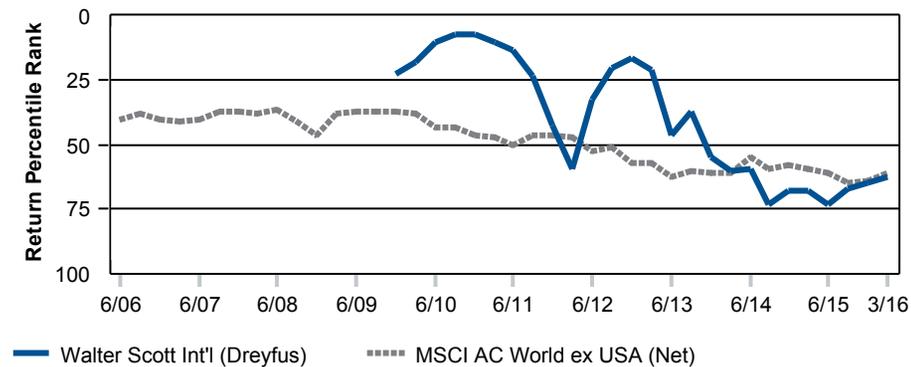
Walter Scott Int'l (Dreyfus) vs. MSCI AC World ex USA (Net)

As of March 31, 2016

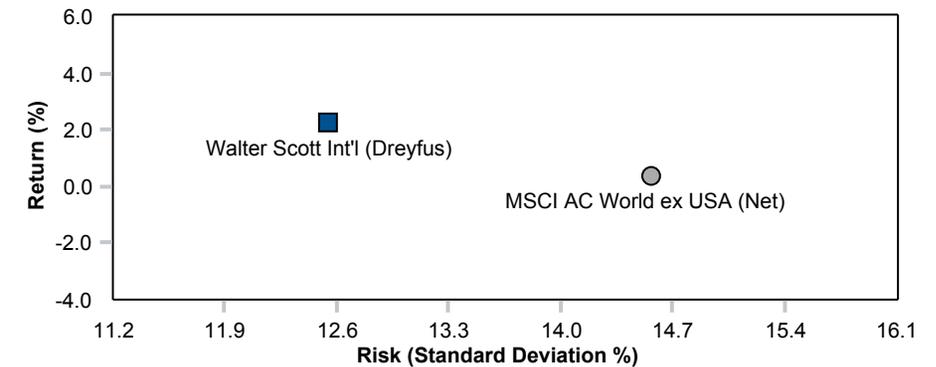
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Walter Scott Int'l (Dreyfus)	0.8	0.8	-3.5	0.3	2.2	N/A	-0.6	-4.4	9.0	21.0	-9.9	14.0	34.9	-31.6	8.5	N/A
MSCI AC World ex USA (Net)	-0.4	-0.4	-9.2	0.3	0.3	1.9	-5.7	-3.9	15.3	16.8	-13.7	11.2	41.4	-45.5	16.7	26.7
IM International Equity	-0.7	-0.7	-8.7	1.3	1.2	2.1	-2.8	-4.5	17.4	18.6	-14.9	12.9	36.5	-46.0	13.2	26.2
Walter Scott Int'l (Dreyfus) Rank	36	36	17	62	35	N/A	37	49	70	28	13	44	54	3	78	N/A

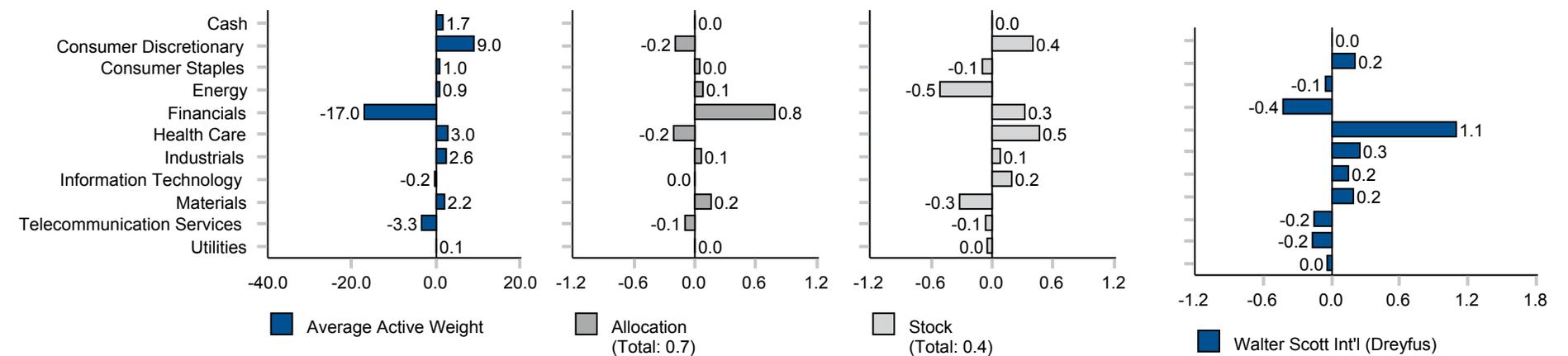
Three Year Rolling Percentile Ranking



Risk and Return (Apr - 2011 - Mar - 2016)



Buy and Hold Attribution



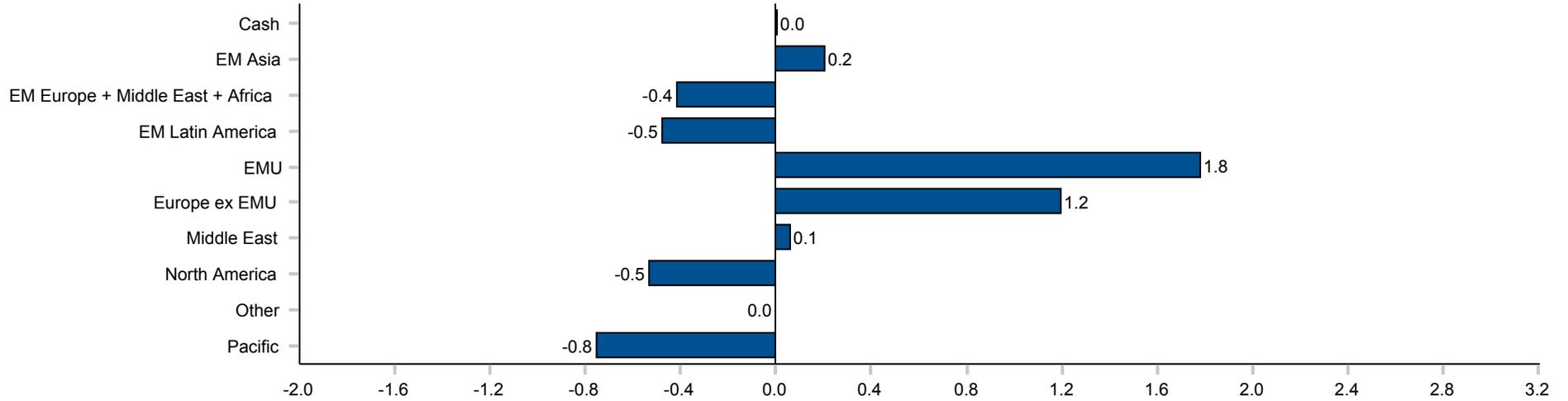
Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

Manager Evaluation

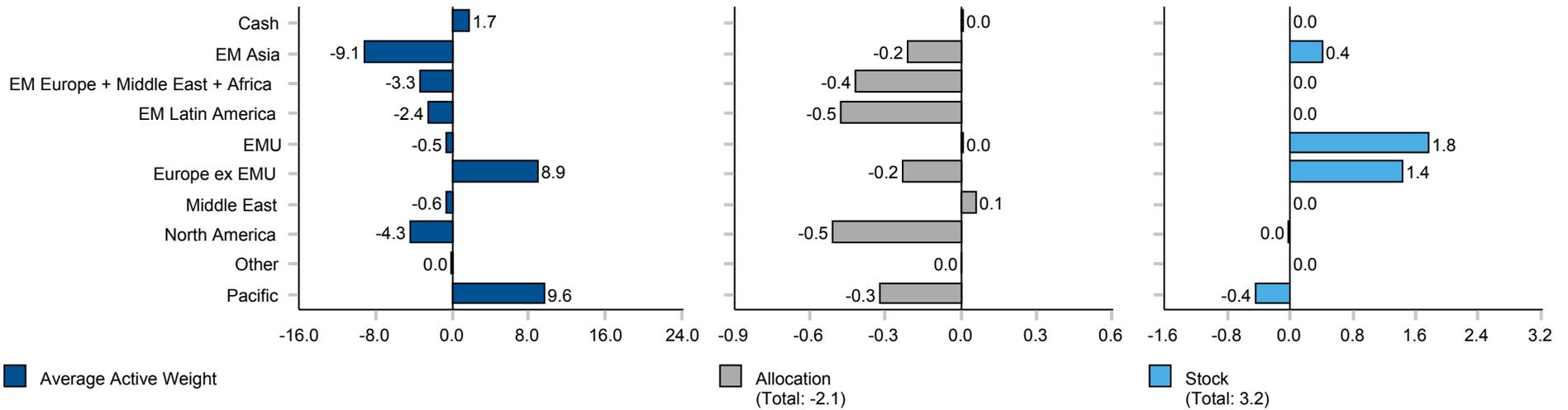
Walter Scott Int'l (Dreyfus) vs. MSCI AC World ex USA (Net)

1 Quarter Ending March 31, 2016

Total Attribution



Performance Attribution



Manager Evaluation

Walter Scott Int'l (Dreyfus) vs. MSCI AC World ex USA (Net)

As of March 31, 2016

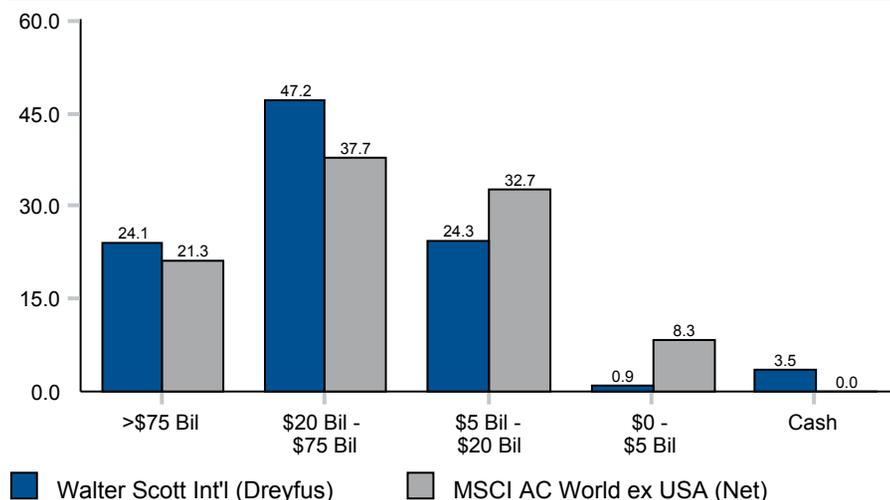
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	55,963	49,504
Median Mkt. Cap (\$M)	29,026	6,912
Price/Earnings ratio	21.0	14.6
Price/Book ratio	3.1	2.2
5 Yr. EPS Growth Rate (%)	5.9	6.5
Current Yield (%)	2.5	3.3
Debt to Equity	0.4	1.2
Number of Stocks	54	1,856
Beta (5 Years, Monthly)	0.83	1.00
Consistency (5 Years, Monthly)	55.00	1.00
Sharpe Ratio (5 Years, Monthly)	0.23	0.09
Information Ratio (5 Years, Monthly)	0.34	-
Up Market Capture (5 Years, Monthly)	87.16	-
Down Market Capture (5 Years, Monthly)	78.24	-

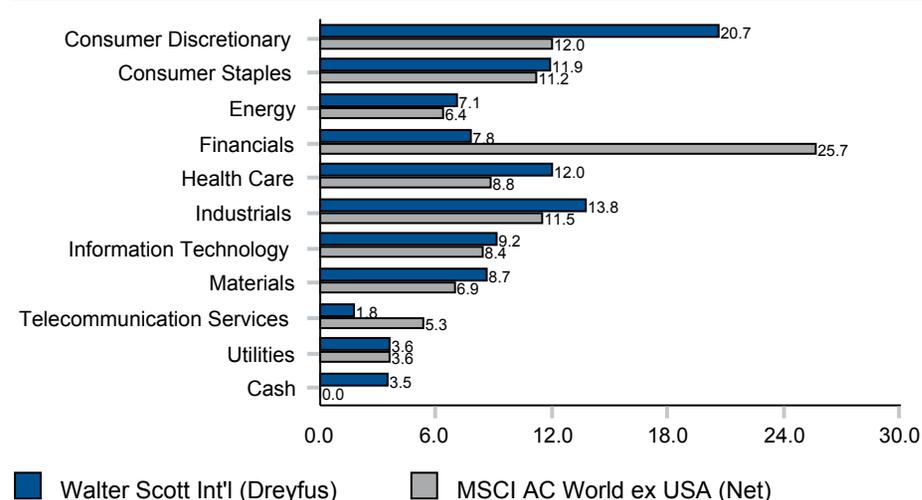
Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Adidas AG	3.3	0.2	3.2	20.2
Reckitt Benckiser Group PLC	2.6	0.4	2.3	4.5
SAP AG Systeme Anwendungen	2.6	0.5	2.1	1.7
Industria De Diseno Textil Inditex SA	2.5	0.2	2.2	-2.1
Daito Trust Construction Co Ltd	2.4	0.1	2.3	23.6
Experian Plc	2.4	0.1	2.3	1.1
Taiwan Semiconductor Manufacturing Co	2.4	0.8	1.6	15.2
CSL Ltd	2.4	0.2	2.2	2.7
Compass Group PLC	2.3	0.2	2.2	3.8
Keyence Corp	2.3	0.2	2.2	-1.8
% of Portfolio	25.2	2.7		

Distribution of Market Capitalization (%)



Sector Weights (%)



Manager Evaluation

Walter Scott Int'l (Dreyfus) vs. MSCI AC World ex USA (Net) - Country/Region Allocation

As of March 31, 2016

	Walter Scott Int'l (Dreyfus)	MSCI AC World ex USA (Net)
Australia	3.2	5.1
Hong Kong	7.1	2.3
Japan	21.5	16.1
New Zealand	0.0	0.1
Singapore	0.0	1.0
Pacific	31.8	24.6
Austria	0.0	0.1
Belgium	0.0	1.0
Finland	2.3	0.7
France	12.1	7.1
Germany	5.9	6.5
Ireland	0.0	0.4
Italy	0.0	1.6
Netherlands	0.0	2.2
Portugal	0.0	0.1
Spain	2.4	2.3
EMU	22.7	22.1
Denmark	3.0	1.4
Norway	0.0	0.4
Sweden	1.7	2.1
Switzerland	14.2	6.5
United Kingdom	14.9	13.8
Europe ex EMU	33.9	24.3
Canada	2.0	6.6
United States	0.0	0.1
Israel	0.0	0.5
Middle East	0.0	0.5
Developed Markets	90.4	78.2

	Walter Scott Int'l (Dreyfus)	MSCI AC World ex USA (Net)
Brazil	0.0	1.4
Cayman Islands	0.0	0.0
Chile	0.0	0.3
Colombia	0.0	0.1
Mexico	0.0	1.0
Peru	0.0	0.1
Virgin Islands	0.0	0.0
EM Latin America	0.0	2.9
China	3.7	5.2
India	0.0	1.8
Indonesia	0.0	0.6
Korea	0.0	3.4
Malaysia	0.0	0.8
Philippines	0.0	0.3
Taiwan	2.4	2.7
Thailand	0.0	0.5
EM Asia	6.1	15.2
Czech Republic	0.0	0.0
Egypt	0.0	0.0
Greece	0.0	0.1
Hungary	0.0	0.1
Poland	0.0	0.3
Qatar	0.0	0.2
Russia	0.0	0.8
South Africa	0.0	1.6
Turkey	0.0	0.3
United Arab Emirates	0.0	0.2
EM Europe + Middle East + Africa	0.0	3.7
Emerging Markets	6.1	21.8
Frontier Markets	0.0	0.0
Cash	3.5	0.0
Other	0.0	0.0
Total	100.0	100.0

Manager Evaluation

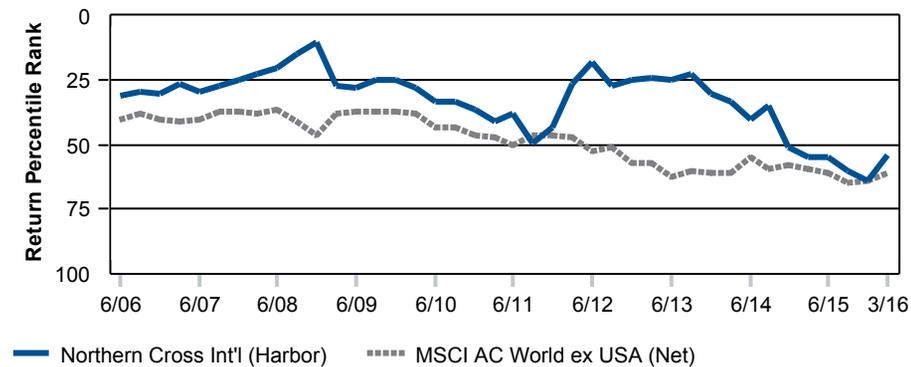
Northern Cross Int'l (Harbor) vs. MSCI AC World ex USA (Net)

As of March 31, 2016

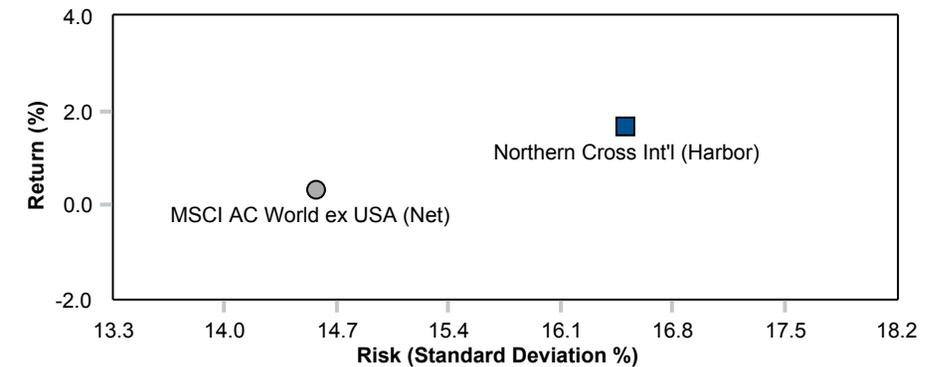
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Northern Cross Int'l (Harbor)	0.5	0.5	-8.6	1.0	1.7	3.7	-3.8	-6.8	16.8	20.9	-11.1	12.0	38.6	-42.7	21.8	32.7
MSCI AC World ex USA (Net)	-0.4	-0.4	-9.2	0.3	0.3	1.9	-5.7	-3.9	15.3	16.8	-13.7	11.2	41.4	-45.5	16.7	26.7
IM International Equity	-0.7	-0.7	-8.7	1.3	1.2	2.1	-2.8	-4.5	17.4	18.6	-14.9	12.9	36.5	-46.0	13.2	26.2
Northern Cross Int'l (Harbor) Rank	38	38	50	54	44	24	55	76	52	30	20	55	45	27	26	19

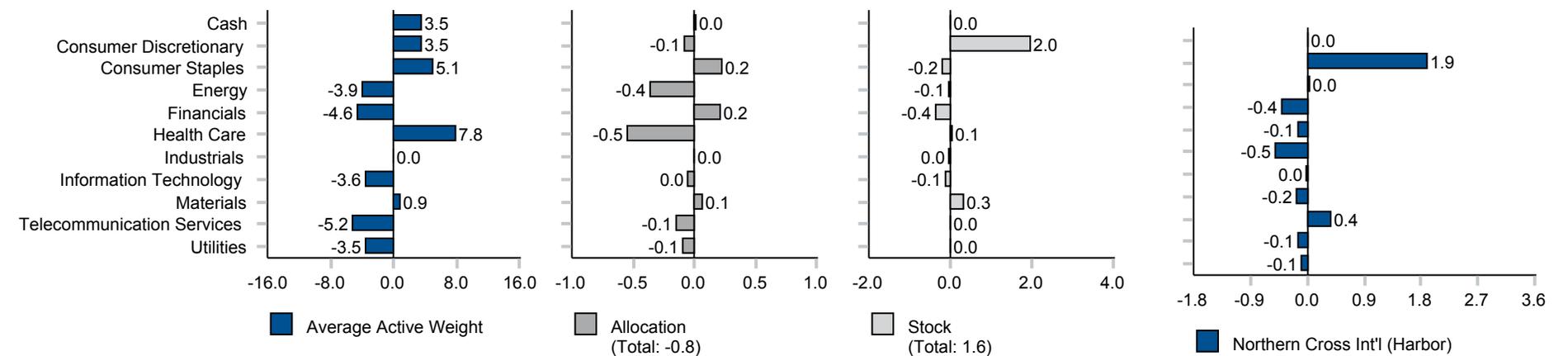
Three Year Rolling Percentile Ranking



Risk and Return (Apr - 2011 - Mar - 2016)



Buy and Hold Attribution



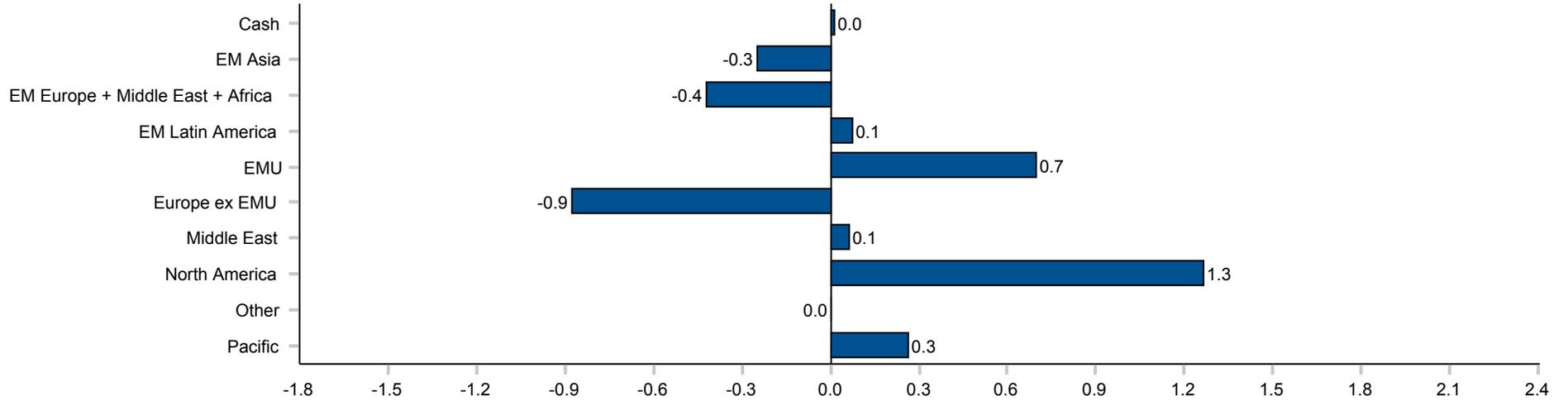
Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

Manager Evaluation

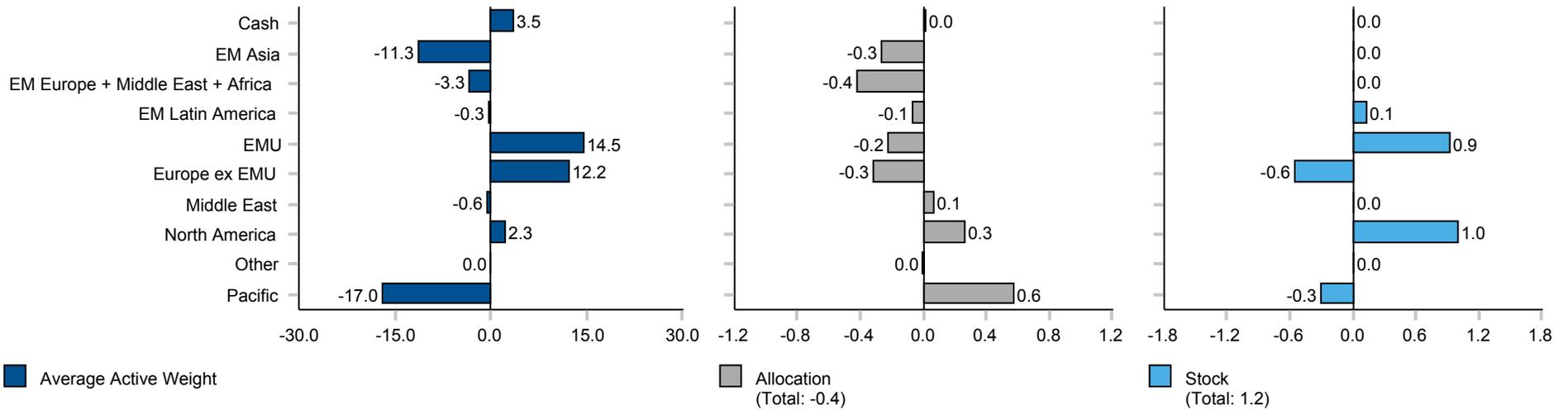
Northern Cross Int'l (Harbor) vs. MSCI AC World ex USA (Net)

1 Quarter Ending March 31, 2016

Total Attribution



Performance Attribution



■ Average Active Weight

■ Allocation (Total: -0.4)

■ Stock (Total: 1.2)

Manager Evaluation

Northern Cross Int'l (Harbor) vs. MSCI AC World ex USA (Net)

As of March 31, 2016

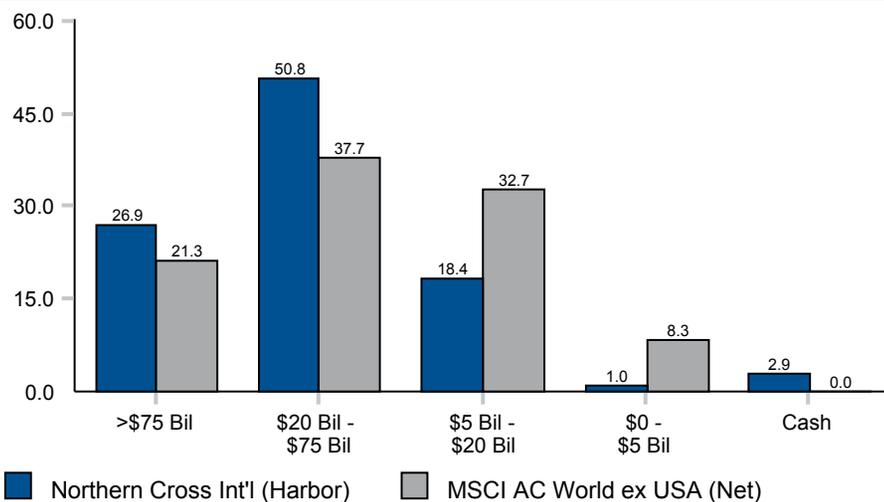
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	64,264	49,504
Median Mkt. Cap (\$M)	31,885	6,912
Price/Earnings ratio	18.7	14.6
Price/Book ratio	2.5	2.2
5 Yr. EPS Growth Rate (%)	6.5	6.5
Current Yield (%)	2.5	3.3
Debt to Equity	-1.8	1.2
Number of Stocks	71	1,856
Beta (5 Years, Monthly)	1.02	1.00
Consistency (5 Years, Monthly)	51.67	1.00
Sharpe Ratio (5 Years, Monthly)	0.18	0.09
Information Ratio (5 Years, Monthly)	0.40	-
Up Market Capture (5 Years, Monthly)	104.83	-
Down Market Capture (5 Years, Monthly)	98.01	-

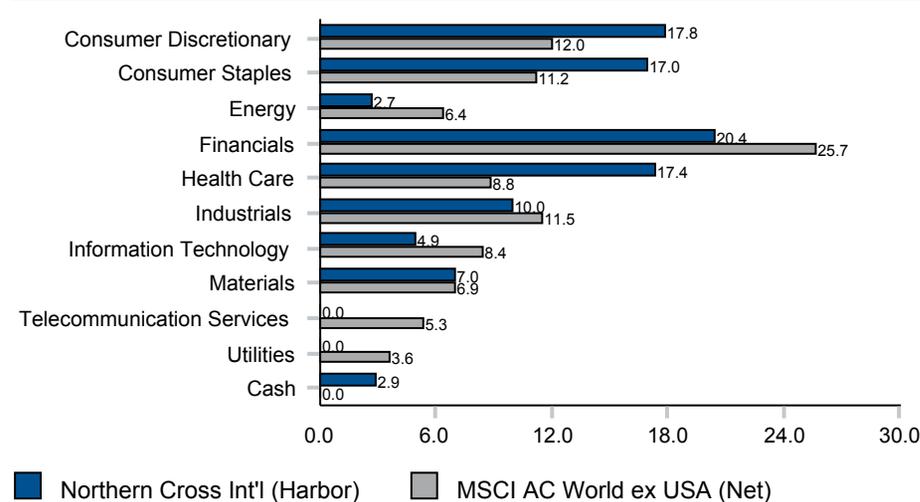
Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Las Vegas Sands Corp	4.1	0.0	4.1	19.5
Novo Nordisk A/S	3.7	0.6	3.1	-5.0
Unibail Rodamco	3.0	0.2	2.9	10.4
Roche Holding AG	3.0	1.0	2.0	-7.6
Wynn Resorts Ltd	3.0	0.0	3.0	35.9
Shire PLC	2.7	0.2	2.5	-17.5
Schlumberger Ltd	2.7	0.0	2.7	6.5
CIE Generale D""Optique Essilor Int'l	2.6	0.2	2.4	-1.0
Diageo PLC	2.5	0.4	2.1	0.0
Alibaba Group Holding Ltd	2.5	0.2	2.2	-2.8
% of Portfolio	29.8	2.8		

Distribution of Market Capitalization (%)



Sector Weights (%)



Manager Evaluation

Northern Cross (Harbor Int'l) vs. MSCI AC World ex USA (Net) - Country/Region Allocation

As of March 31, 2016

	Harbor International Fund	MSCI AC World ex USA
Australia	0.0	5.1
Hong Kong	0.0	2.3
Japan	8.3	16.1
New Zealand	0.0	0.1
Singapore	0.0	1.0
Pacific	8.4	24.6
Austria	1.3	0.1
Belgium	2.3	1.0
Finland	0.0	0.7
France	19.3	7.1
Germany	8.5	6.5
Ireland	0.0	0.4
Italy	0.0	1.6
Netherlands	2.5	2.2
Portugal	0.0	0.1
Spain	1.7	2.3
EMU	35.6	22.1
Denmark	3.7	1.4
Norway	0.0	0.4
Sweden	3.8	2.1
Switzerland	14.3	6.5
United Kingdom	13.8	13.8
Europe ex EMU	35.6	24.3
Canada	0.4	6.6
United States	11.2	0.1
Israel	0.0	0.5
Middle East	0.0	0.5
Developed Markets	91.1	78.2

	Harbor International Fund	MSCI AC World ex USA
Brazil	0.2	1.4
Cayman Islands	0.0	0.0
Chile	0.0	0.3
Colombia	2.9	0.1
Mexico	0.0	1.0
Peru	0.0	0.1
Virgin Islands	0.0	0.0
EM Latin America	3.1	2.9
China	2.5	5.2
India	0.0	1.8
Indonesia	0.0	0.6
Korea	0.0	3.4
Malaysia	0.5	0.8
Philippines	0.0	0.3
Taiwan	0.0	2.7
Thailand	0.0	0.5
EM Asia	2.9	15.2
Czech Republic	0.0	0.0
Egypt	0.0	0.0
Greece	0.0	0.1
Hungary	0.0	0.1
Poland	0.0	0.3
Qatar	0.0	0.2
Russia	0.0	0.8
South Africa	0.0	1.6
Turkey	0.0	0.3
United Arab Emirates	0.0	0.2
EM Europe + Middle East + Africa	0.0	3.7
Emerging Markets	6.1	21.8
Frontier Markets	0.0	0.0
Cash	2.9	0.0
Other	0.0	0.0
Total	100.0	100.0

Manager Evaluation

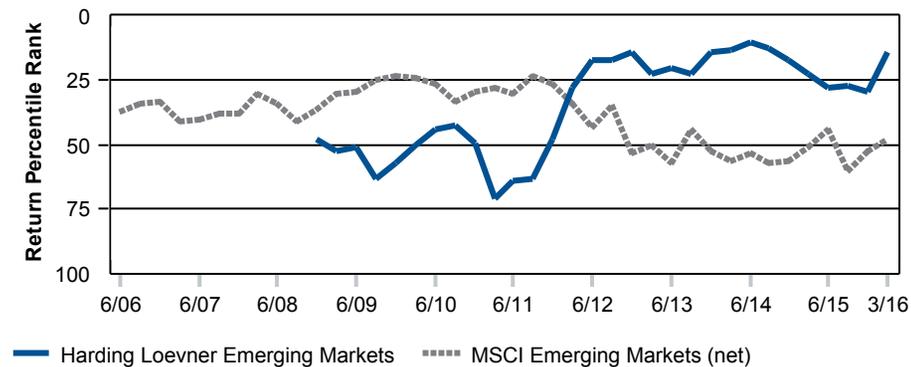
Harding Loevner Emerging Markets vs. MSCI Emerging Markets (net)

As of March 31, 2016

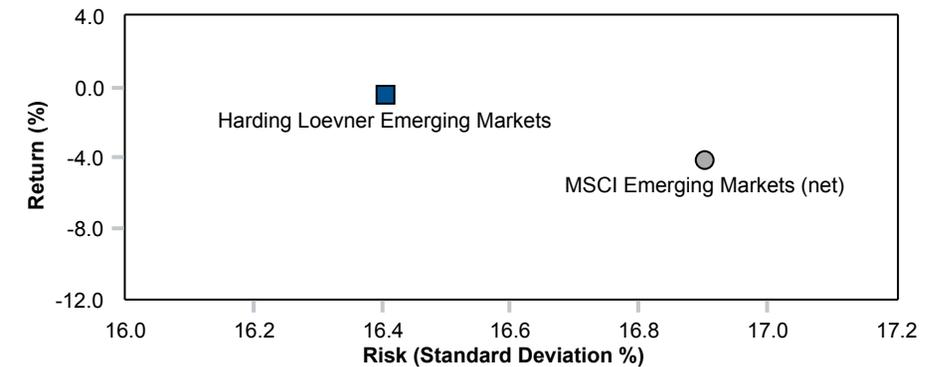
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Harding Loevner Emerging Markets	6.6	6.6	-9.0	-1.7	-0.5	3.7	-13.5	-1.9	4.3	22.5	-17.0	20.8	64.0	-52.5	36.3	30.1
MSCI Emerging Markets (net)	5.7	5.7	-12.0	-4.5	-4.1	3.0	-14.9	-2.2	-2.6	18.2	-18.4	18.9	78.5	-53.3	39.4	32.2
IM Emerging Markets Equity	3.7	3.7	-11.5	-4.7	-4.1	2.4	-14.2	-3.0	-1.4	18.8	-19.5	18.3	72.7	-54.6	36.8	32.3
Harding Loevner Emerging Markets Rank	22	22	23	14	12	25	43	41	21	17	21	31	82	38	55	67

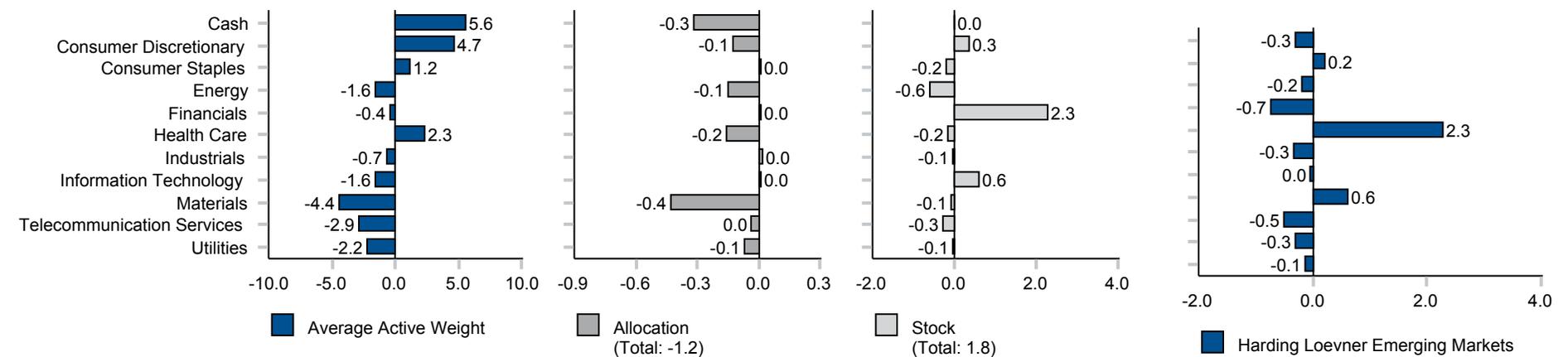
Three Year Rolling Percentile Ranking



Risk and Return (Apr - 2011 - Mar - 2016)



Buy and Hold Attribution



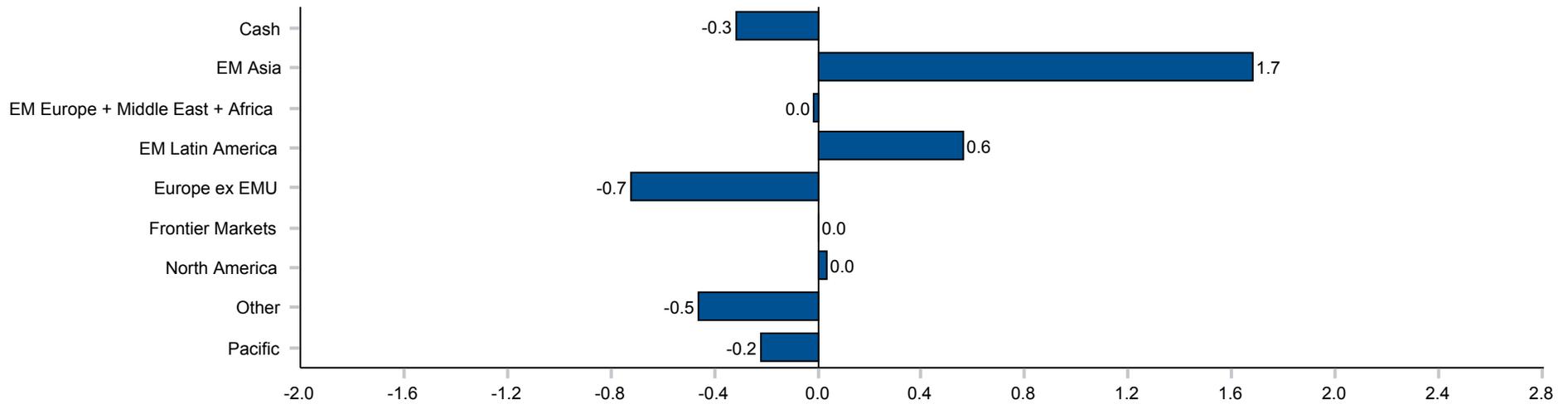
Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

Manager Evaluation

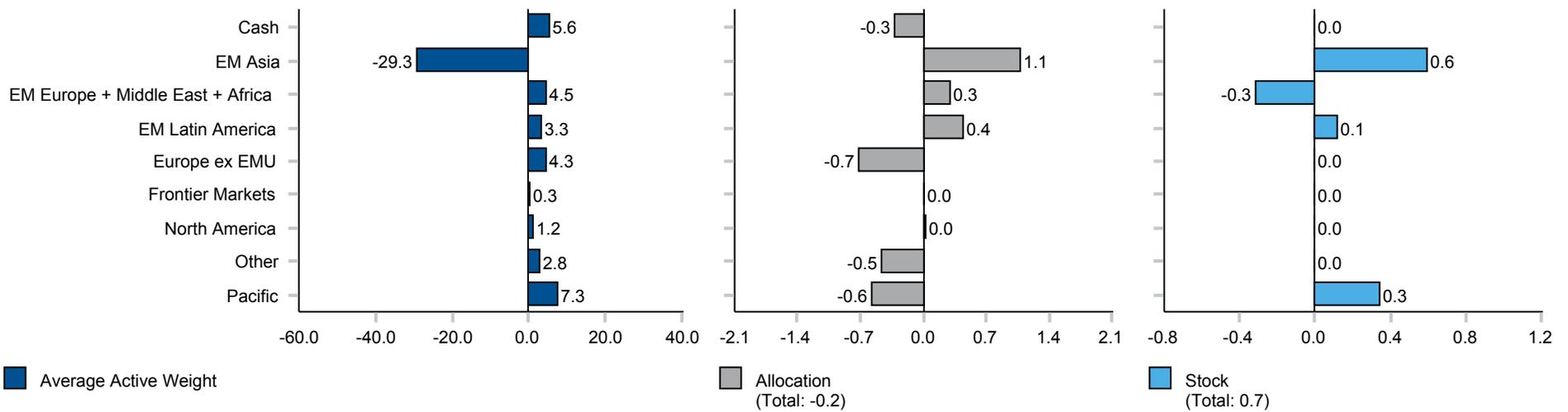
Harding Loevner Emerging Markets vs. MSCI EM (net)

1 Quarter Ending March 31, 2016

Total Attribution



Performance Attribution



■ Average Active Weight

■ Allocation
(Total: -0.2)

■ Stock
(Total: 0.7)

Manager Evaluation

Harding Loevner Emerging Markets vs. MSCI EM (net)

As of March 31, 2016

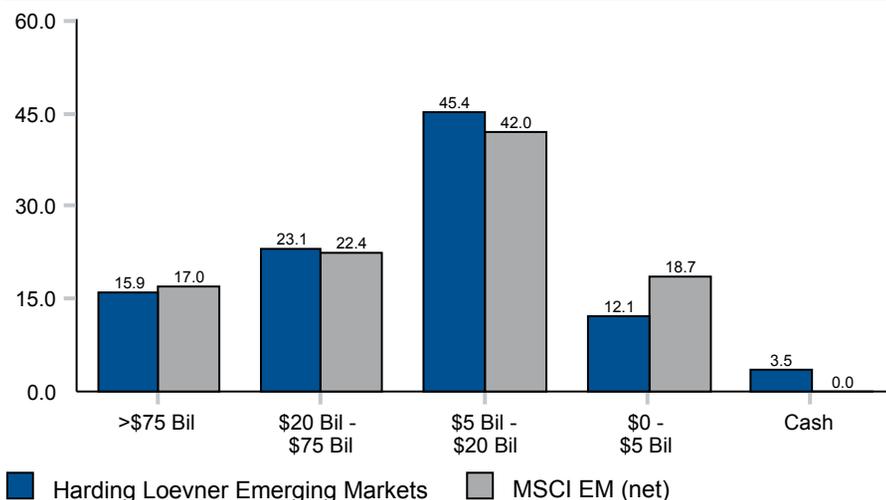
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	40,581	41,805
Median Mkt. Cap (\$M)	11,503	5,010
Price/Earnings ratio	16.5	12.4
Price/Book ratio	2.6	2.2
5 Yr. EPS Growth Rate (%)	8.5	8.2
Current Yield (%)	2.4	2.9
Debt to Equity	0.8	0.9
Number of Stocks	81	835
Beta (5 Years, Monthly)	0.89	1.00
Consistency (5 Years, Monthly)	60.00	1.00
Sharpe Ratio (5 Years, Monthly)	0.06	-0.14
Information Ratio (5 Years, Monthly)	0.74	-
Up Market Capture (5 Years, Monthly)	94.87	-
Down Market Capture (5 Years, Monthly)	81.83	-

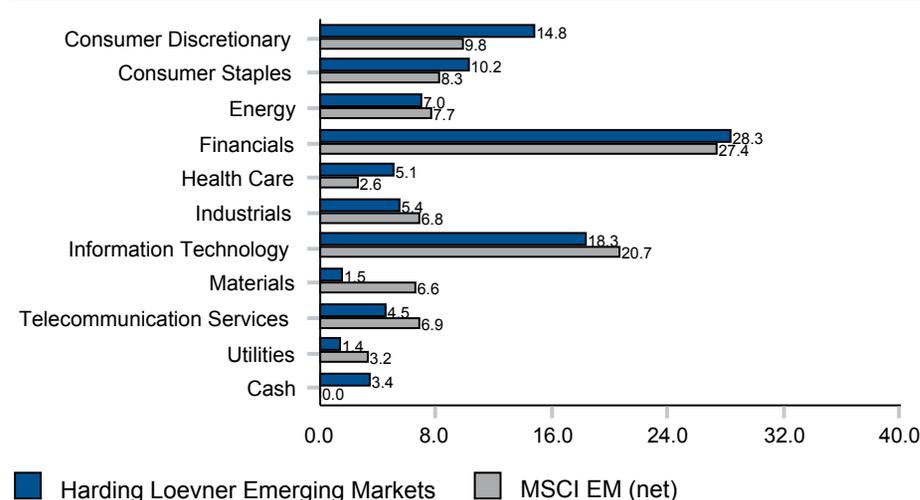
Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Taiwan Semiconductor Manufacturing	4.6	3.4	1.2	17.0
Samsung Electronics Co Ltd (B)	4.0	3.5	0.5	7.1
Tencent Holdings LTD	3.0	2.9	0.1	3.8
AIA Group Ltd	2.9	0.0	2.9	-5.8
Sands China Ltd	2.5	0.0	2.5	23.7
Cnooc Ltd	2.2	0.6	1.6	8.5
Naspers Ltd	2.1	1.5	0.6	2.3
Sberbank of Russia OJSC	2.1	0.5	1.6	18.4
China Mobile Ltd	2.1	1.9	0.2	-1.6
Grupo Financiero Banorte	2.1	0.4	1.7	3.8
% of Portfolio	27.5	14.7		

Distribution of Market Capitalization (%)



Sector Weights (%)



Manager Evaluation

Harding Loevner Emerging Markets vs. MSCI Emerging Markets (net) - Country/Region Allocation

As of March 31, 2016

	Harding Loevner Emerging Markets	MSCI Emerging Markets (net)
Australia	0.0	0.0
Hong Kong	8.8	0.2
Japan	0.0	0.0
New Zealand	0.0	0.0
Singapore	0.0	0.0
Pacific	8.8	0.2
Austria	0.0	0.0
Belgium	0.0	0.0
Finland	0.0	0.0
France	0.0	0.0
Germany	0.0	0.0
Ireland	0.0	0.0
Italy	0.0	0.0
Netherlands	0.0	0.0
Portugal	0.0	0.0
Spain	0.0	0.0
EMU	0.0	0.0
Denmark	0.0	0.0
Norway	0.0	0.0
Sweden	0.0	0.0
Switzerland	0.0	0.0
United Kingdom	3.9	0.0
Europe ex EMU	3.9	0.0
Canada	2.2	0.0
United States	0.0	0.0
Israel	0.0	0.0
Middle East	0.0	0.0
Developed Markets	14.9	0.2

	Harding Loevner Emerging Markets	MSCI Emerging Markets (net)
Brazil	6.2	6.6
Cayman Islands	0.0	0.0
Chile	1.0	1.3
Colombia	1.0	0.5
Mexico	5.0	4.5
Peru	1.5	0.4
Virgin Islands	0.0	0.0
EM Latin America	14.8	13.3
China	11.8	23.6
India	9.0	8.1
Indonesia	3.3	2.7
Korea	7.9	15.6
Malaysia	0.0	3.5
Philippines	0.5	1.4
Taiwan	10.2	12.4
Thailand	1.5	2.2
EM Asia	44.3	69.5
Czech Republic	1.5	0.2
Egypt	0.4	0.2
Greece	0.0	0.4
Hungary	1.3	0.3
Poland	1.8	1.4
Qatar	0.0	1.0
Russia	4.6	3.8
South Africa	7.8	7.3
Turkey	2.2	1.6
United Arab Emirates	0.9	0.9
EM Europe + Middle East + Africa	20.4	17.0
Emerging Markets	79.5	99.8
Frontier Markets	0.4	0.0
Cash	3.4	0.0
Other	1.8	0.0
Total	100.0	100.0

Manager Evaluation

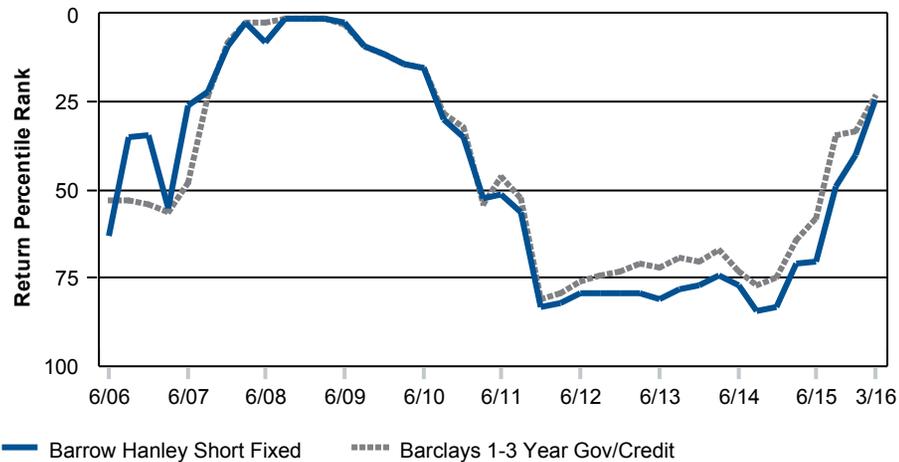
Barrow Hanley Short Fixed vs. Barclays 1-3 Year Gov/Credit

As of March 31, 2016

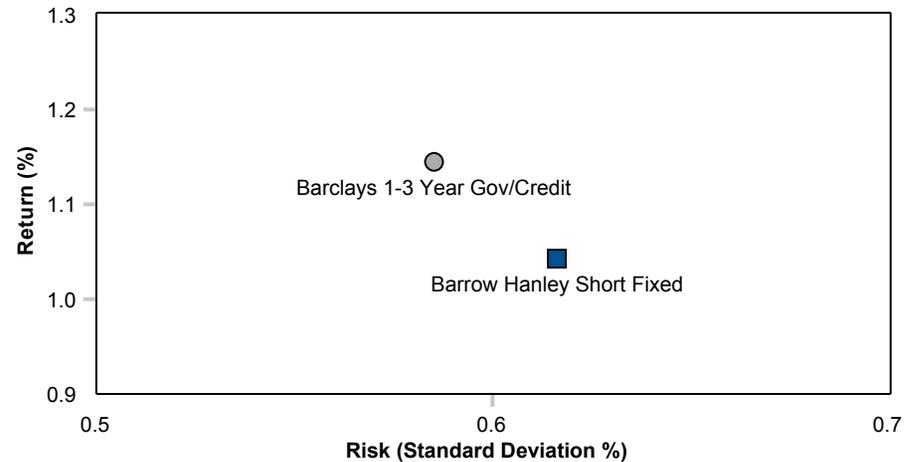
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Barrow Hanley Short Fixed	1.1	1.1	1.2	0.9	1.0	2.8	0.7	0.6	0.4	1.0	1.5	2.4	4.0	4.9	6.8	4.3
Barclays 1-3 Year Gov/Credit	1.0	1.0	1.0	0.9	1.1	2.8	0.7	0.8	0.6	1.3	1.6	2.8	3.8	5.0	6.8	4.3
IM U.S. Short Term Investment Grade	0.6	0.6	0.4	0.6	1.2	2.4	0.3	0.6	0.5	3.1	1.1	3.5	8.7	-2.8	4.6	4.2
<i>Barrow Hanley Short Fixed Rank</i>	<i>15</i>	<i>15</i>	<i>5</i>	<i>24</i>	<i>62</i>	<i>36</i>	<i>19</i>	<i>51</i>	<i>52</i>	<i>90</i>	<i>34</i>	<i>73</i>	<i>88</i>	<i>4</i>	<i>5</i>	<i>46</i>

Three Year Rolling Percentile Ranking



Risk and Return (Apr-2011 - Mar-2016)



Historical Statistics (Apr-2011 - Mar-2016)

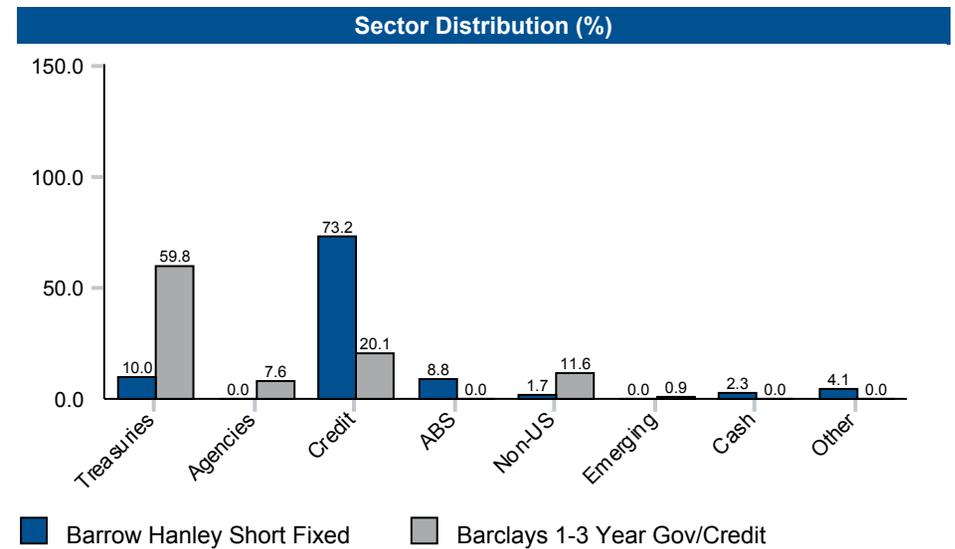
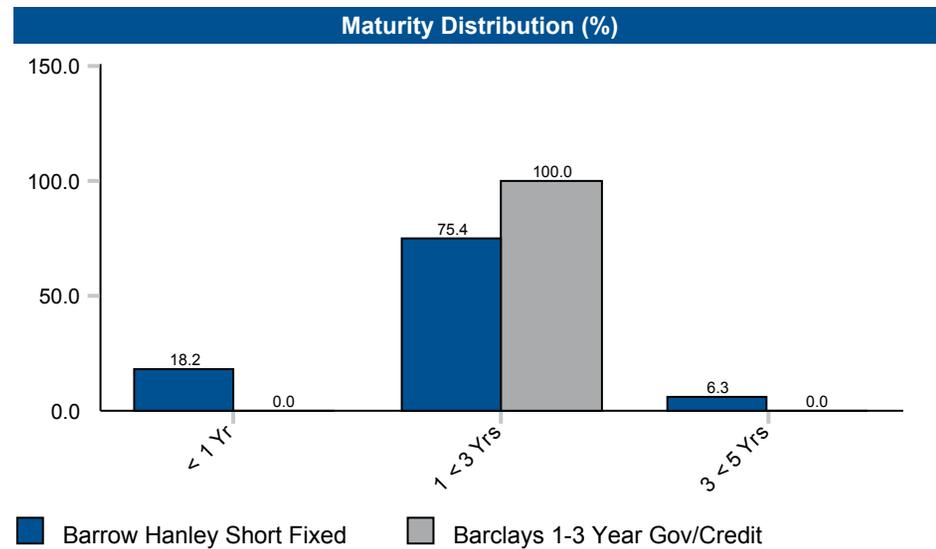
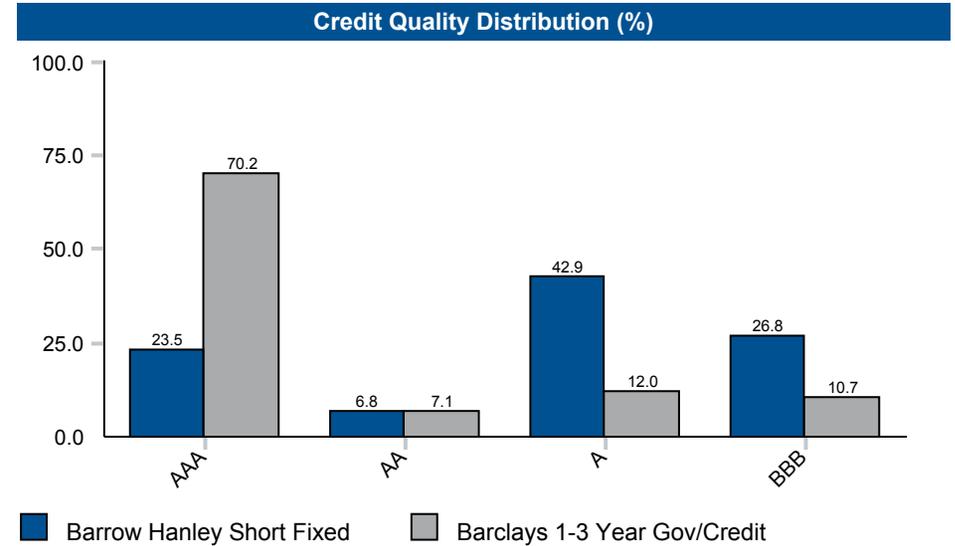
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Barrow Hanley Short Fixed	1.0	0.6	1.0	-0.1	1.0	1.6	0.2	-0.5	0.2	30.0	25y
Barclays 1-3 Year Gov/Credit	1.1	0.6	1.1	0.0	1.0	1.9	0.0	N/A	0.2	0.0	25y

Manager Evaluation

Barrow Hanley Short Fixed vs. Barclays 1-3 Year Gov/Credit

As of March 31, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	1.8	1.9
Avg. Maturity	1.8	2.0
Avg. Quality	A+	AA+
Yield To Maturity (%)	1.4	1.1



Manager Evaluation

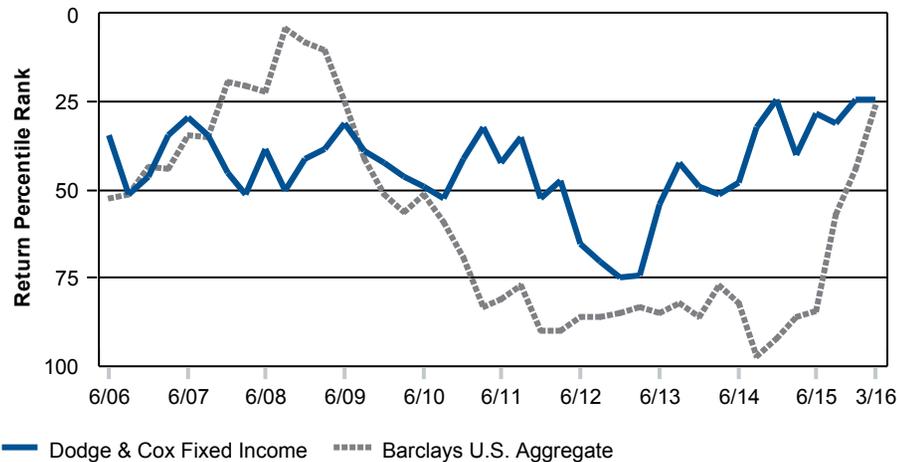
Dodge & Cox Fixed Income vs. Barclays U.S. Aggregate

As of March 31, 2016

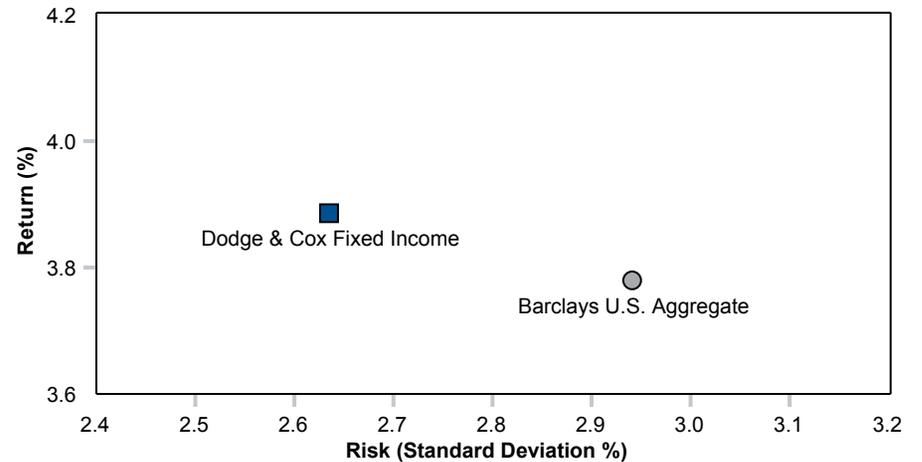
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Dodge & Cox Fixed Income	2.7	2.7	0.5	2.6	3.9	5.3	-0.6	5.9	0.3	8.1	4.8	7.2	16.1	-0.3	4.7	5.3
Barclays U.S. Aggregate	3.0	3.0	2.0	2.5	3.8	4.9	0.5	6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3
IM U.S. Broad Market Core+ Fixed Income	2.6	2.6	0.3	2.0	3.9	5.2	-0.5	5.4	-1.1	8.2	6.2	8.2	14.2	-2.2	5.6	4.0
<i>Dodge & Cox Fixed Income Rank</i>	43	43	44	24	54	48	59	36	19	55	76	74	34	39	76	17

Three Year Rolling Percentile Ranking



Risk and Return (Apr-2011 - Mar-2016)



Historical Statistics (Apr-2011 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Dodge & Cox Fixed Income	3.9	2.6	3.8	1.8	0.6	1.4	2.5	0.0	1.2	60.0	27y 3m
Barclays U.S. Aggregate	3.8	2.9	3.7	0.0	1.0	1.3	0.0	N/A	1.3	0.0	27y 3m

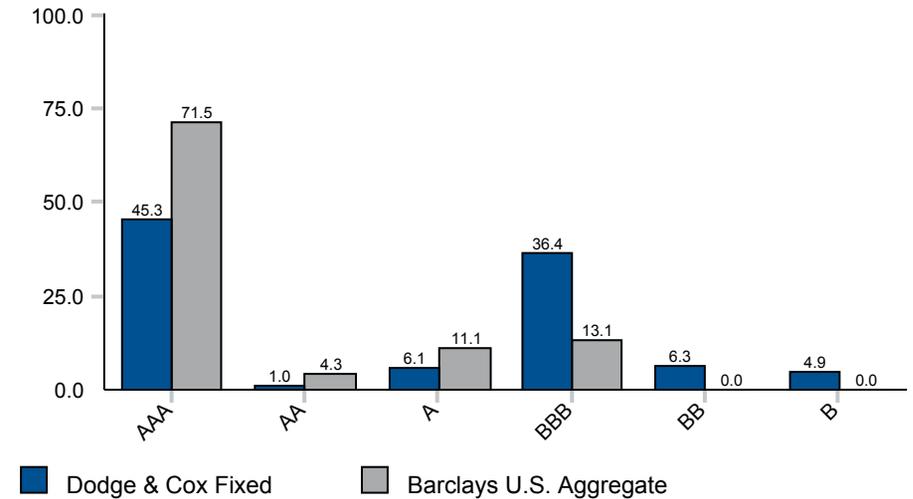
Manager Evaluation

Dodge & Cox Fixed vs. Barclays U.S. Aggregate

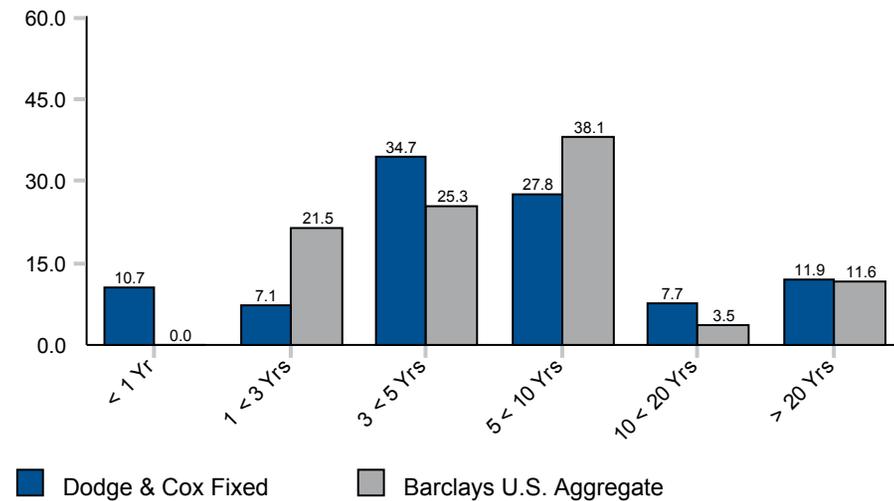
As of March 31, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	4.6	5.5
Yield To Maturity (%)	3.3	2.2
Avg. Maturity	8.1	7.8
Avg. Quality	A	AA+

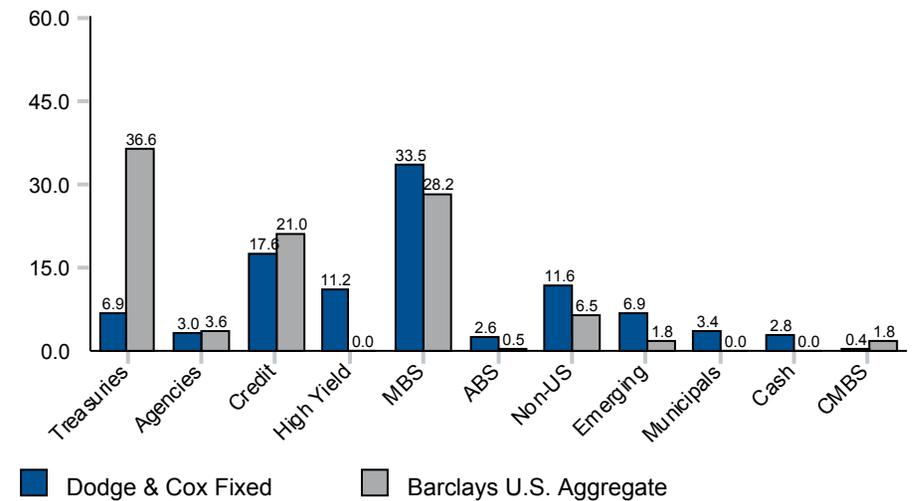
Credit Quality Distribution (%)



Maturity Distribution (%)



Sector Distribution (%)



Manager Evaluation

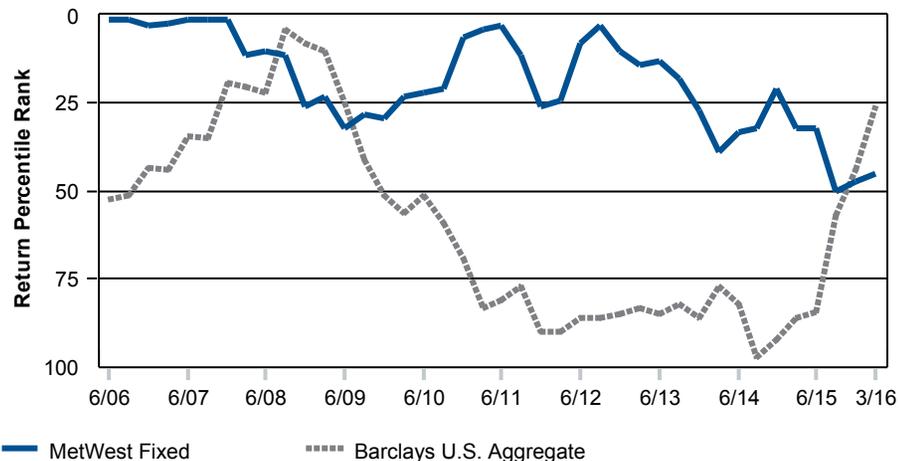
MetWest Fixed vs. Barclays U.S. Aggregate

As of March 31, 2016

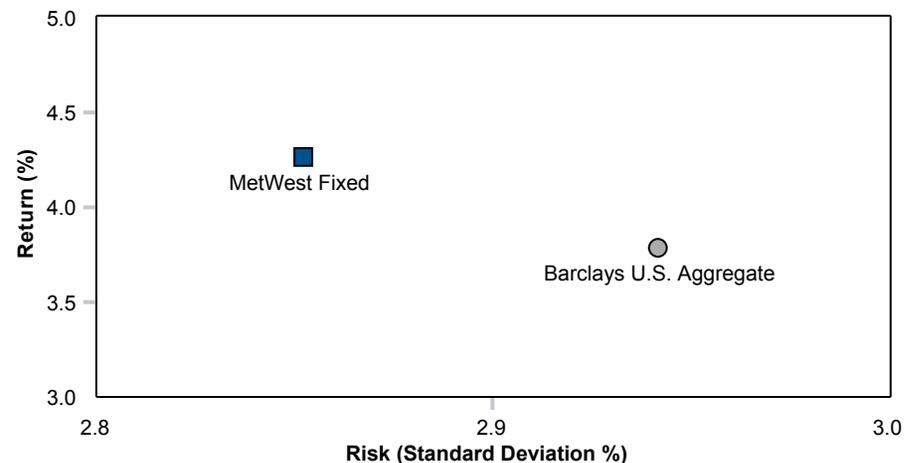
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
MetWest Fixed	2.4	2.4	1.4	2.1	4.3	6.3	0.2	5.6	-1.5	11.0	5.5	11.7	17.3	-1.3	6.5	7.2
Barclays U.S. Aggregate	3.0	3.0	2.0	2.5	3.8	4.9	0.5	6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3
IM U.S. Broad Market Core+ Fixed Income	2.6	2.6	0.3	2.0	3.9	5.2	-0.5	5.4	-1.1	8.2	6.2	8.2	14.2	-2.2	5.6	4.0
<i>MetWest Fixed Rank</i>	59	59	15	45	35	4	26	44	65	9	66	5	30	40	30	1

Three Year Rolling Percentile Ranking



Risk and Return (Apr-2011 - Mar-2016)



Historical Statistics (Apr-2011 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
MetWest Fixed	4.3	2.9	4.2	1.6	0.7	1.5	2.2	0.2	1.1	50.0	19y
Barclays U.S. Aggregate	3.8	2.9	3.7	0.0	1.0	1.3	0.0	N/A	1.3	0.0	19y

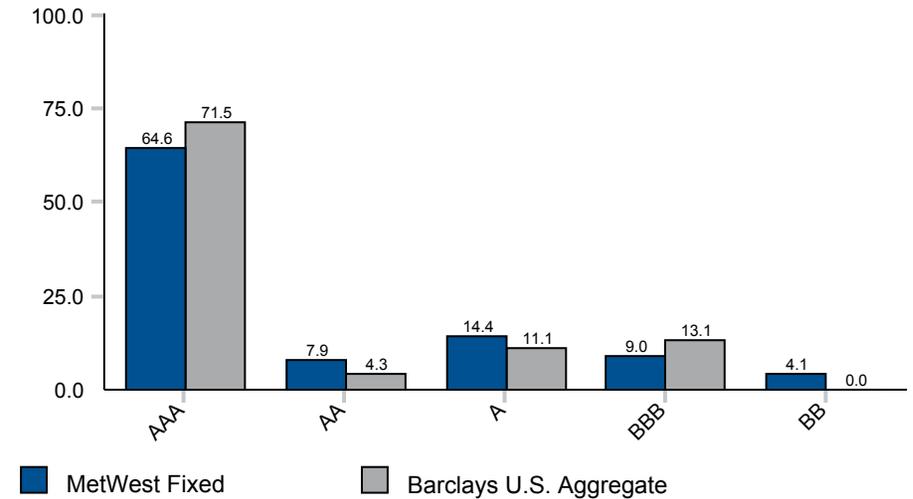
Manager Evaluation

MetWest Fixed vs. Barclays U.S. Aggregate

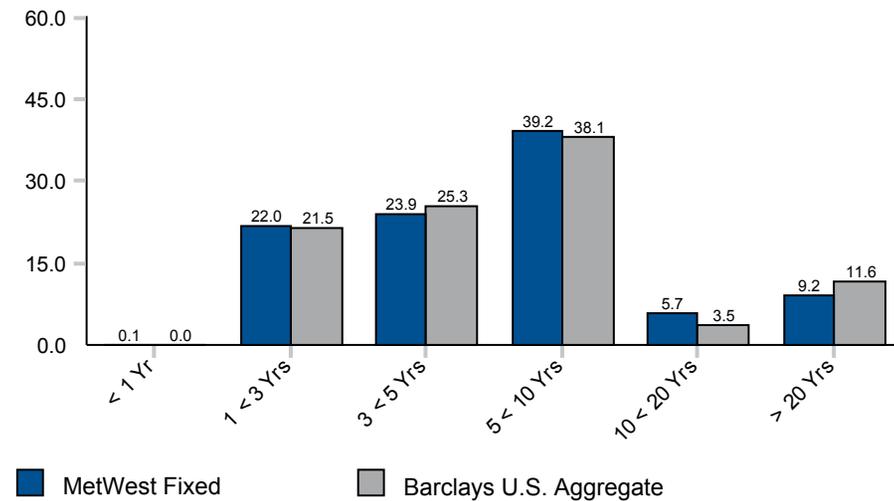
As of March 31, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	4.8	5.5
Yield To Maturity (%)	2.6	2.2
Avg. Maturity	7.8	7.8
Avg. Quality	AA+	AA+

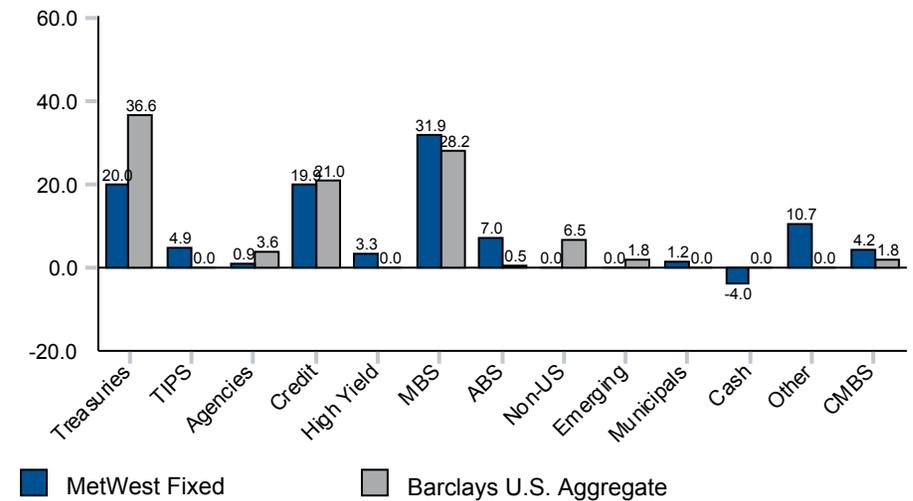
Credit Quality Distribution (%)



Maturity Distribution (%)



Sector Distribution (%)



Manager Evaluation

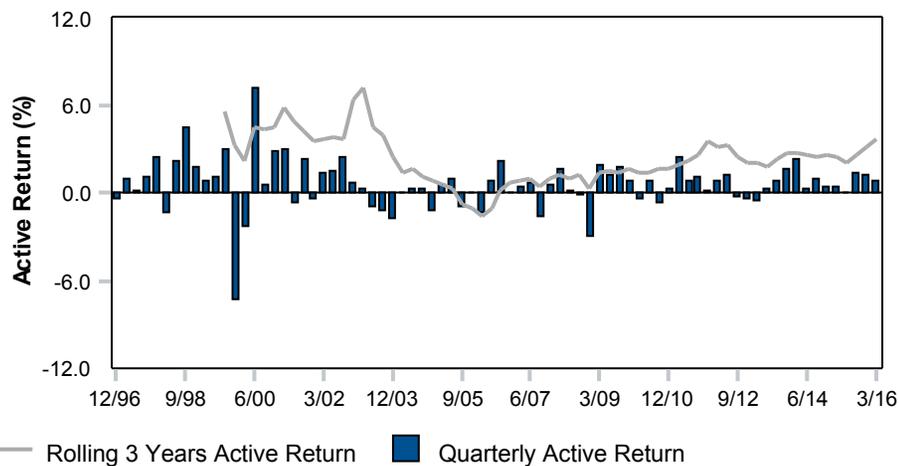
Lighthouse Diversified vs. HFRI Fund of Funds Composite Index

As of March 31, 2016

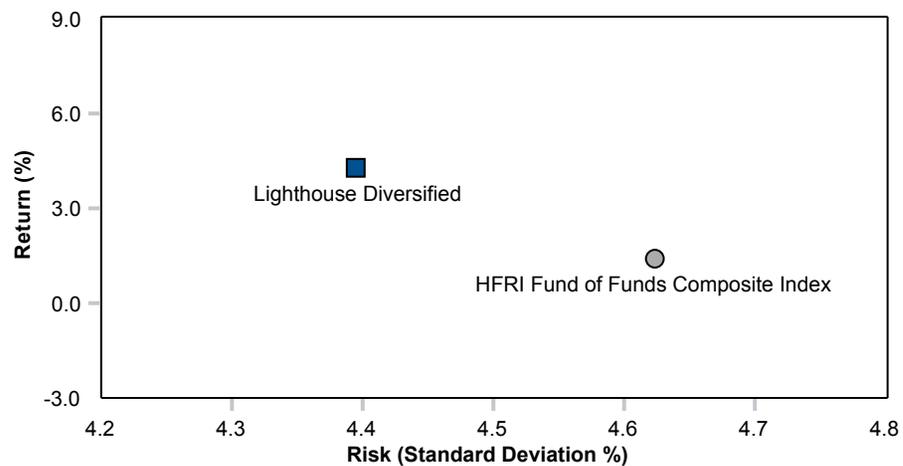
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Lighthouse Diversified	-2.0	-2.0	-1.8	5.7	4.3	4.0	3.1	7.7	11.4	6.4	-1.2	6.0	18.0	-22.6	10.4	12.5
HFRI Fund of Funds Composite Index	-2.8	-2.8	-5.4	1.9	1.3	1.5	-0.2	3.4	9.0	4.8	-5.7	5.7	11.5	-21.4	10.3	10.4

Comparative Performance and Rolling Return



Risk and Return (Apr-2011 - Mar-2016)



Historical Statistics (Apr-2011 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Lighthouse Diversified	4.3	4.4	4.2	3.0	0.9	1.0	1.4	2.0	2.2	85.0	19y 8m
HFRI Fund of Funds Composite Index	1.3	4.6	1.4	0.0	1.0	0.3	0.0	N/A	3.2	0.0	19y 8m

Manager Evaluation

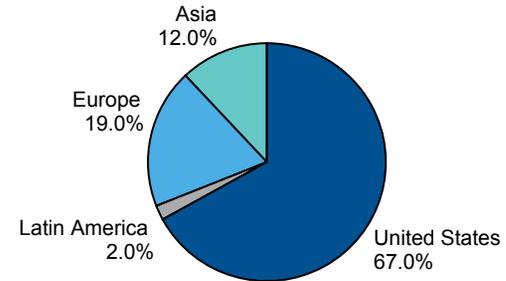
Lighthouse Diversified

As of March 31, 2016

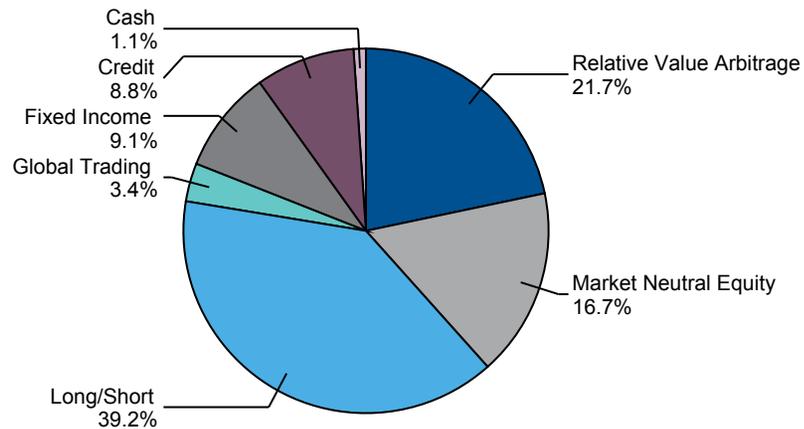
Portfolio Characteristics

	Portfolio
Net Exposure %	36.4
Leverage	1.2
Manager Count	30
# Managers Funded	2
# Managers Redeemed	N/A

Region Allocation



Asset Breakdown



Manager Evaluation

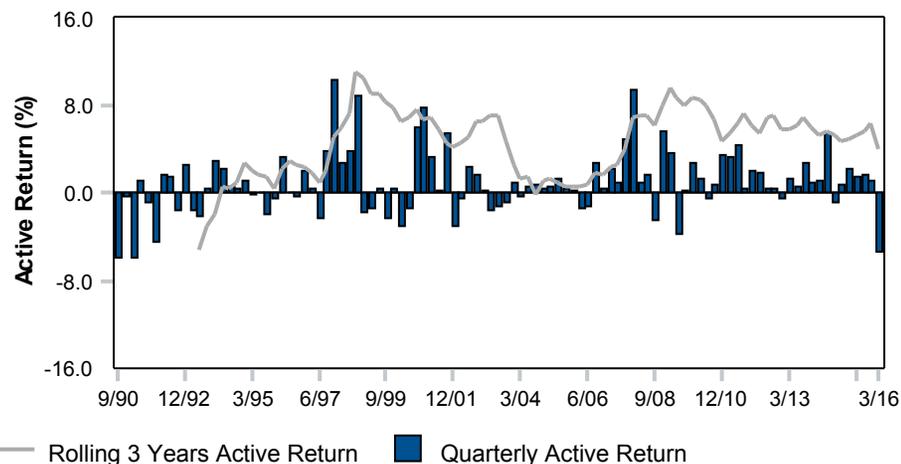
Pointer Offshore LTD vs. HFRI Fund of Funds Composite Index

As of March 31, 2016

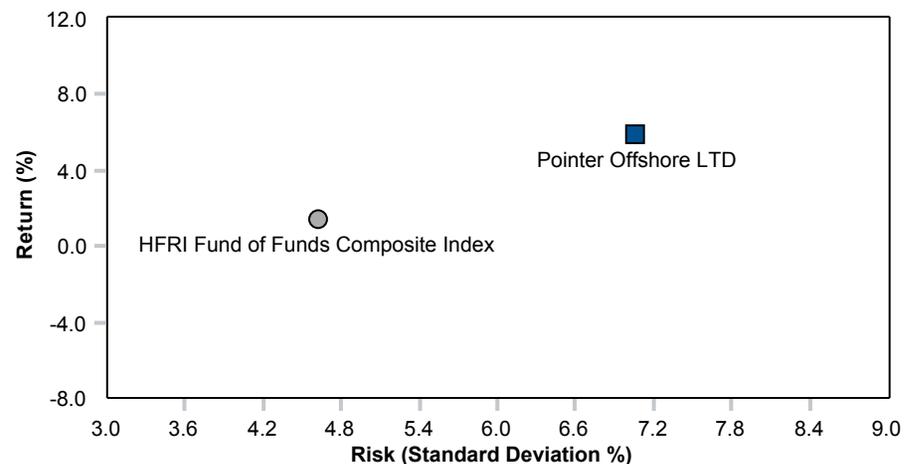
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Pointer Offshore LTD	-8.2	-8.2	-6.6	5.9	5.9	7.5	6.7	10.2	15.1	7.0	4.3	11.2	14.8	-16.5	30.4	11.1
HFRI Fund of Funds Composite Index	-2.8	-2.8	-5.4	1.9	1.3	1.5	-0.2	3.4	9.0	4.8	-5.7	5.7	11.5	-21.4	10.3	10.4

Comparative Performance and Rolling Return



Risk and Return (Apr-2011 - Mar-2016)



Historical Statistics (Apr-2011 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Pointer Offshore LTD	5.9	7.1	5.9	4.2	1.3	0.8	4.2	1.1	4.4	85.0	25y 9m
HFRI Fund of Funds Composite Index	1.3	4.6	1.4	0.0	1.0	0.3	0.0	N/A	3.2	0.0	25y 9m

Manager Evaluation

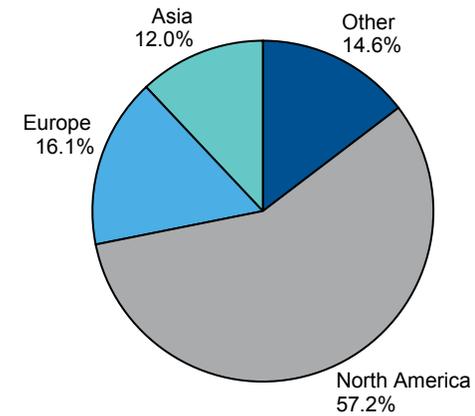
Pointer Offshore LTD

As of March 31, 2016

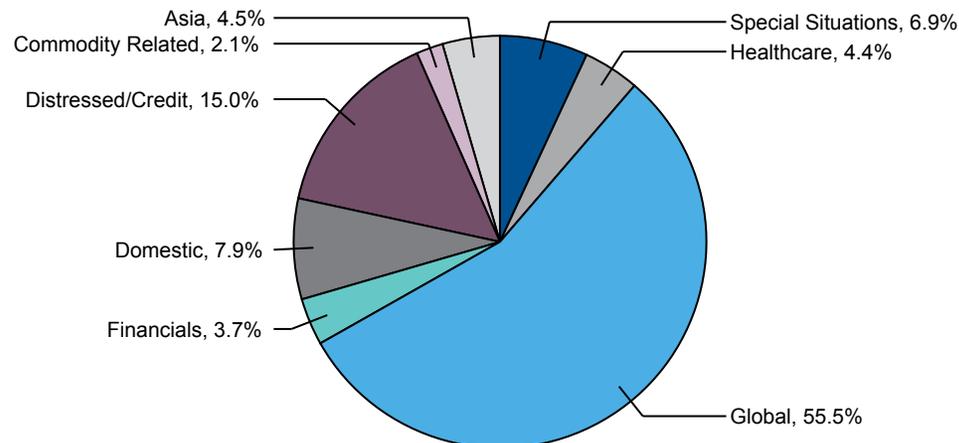
Portfolio Characteristics

	Portfolio
Net Exposure %	36.0
Gross Exposure %	138.0
Gross Long %	87.0
Gross Short %	51.0
Leverage	1.4
Manager Count	28
# Managers Funded	0
# Managers Redeemed	0

Region Allocation



Strategy Allocation



Manager Evaluation

Oaktree Real Estate Opportunities Fund VI

As of December 31, 2015*

Administrative Facts

Commencement of Operations	9/20/2012
Final Closing Date	9/20/2013
Investment Period End Date	8/30/2016
Fund Closing Date ¹	9/20/2022
Fund Type	Closed-end
Total Committed Capital	\$2,677
% Drawn	100%
% Distributed	14%
GP and Affiliates % of the Fund	3.0%

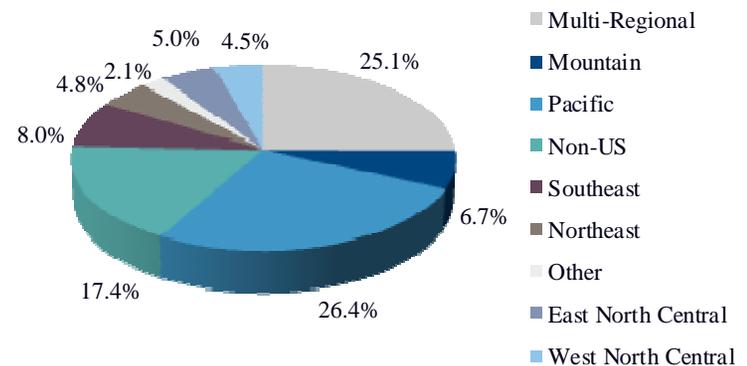
Historical Investment Profile

Investment Category	# of Investments	Net Invested Capital	
		Total (\$)	% of Total
Commercial	51	1394.5	51.3%
Non-US	18	605.8	22.2%
Residential	10	335.3	12.3%
Residential NPLs	15	139.0	5.1%
Commercial NPLs	11	134.0	4.9%
Corporate	2	115.3	4.2%
Total	107	2723.9	100%

Top Ten Holdings

	Asset Type	Property Type	Market Value	%
STORE Platform	Equity	Retail	\$135.8	4.3%
Bascom Platform	Equity	Multi-Family	\$119.7	3.8%
Genesis Platform	Equity	Residential	\$115.6	3.6%
Philadelphia Marriott	Equity	Hotel/Gaming/Leisure	\$100.0	3.1%
ETCO homes Platform	Equity	Mixed	\$99.4	3.1%
Mark Hopkins InterContinental	Equity	Hotel/Gaming/Leisure	\$90.9	2.9%
Chicago Board of Trade Building	Equity	Office	\$86.6	2.7%
Southeast Office Portfolio	Recapitalized Equity	Office	\$77.1	2.4%
Simply Self Storage	Equity	Self Storage	\$74.3	2.3%
Kauai Lagoons	Recapitalized Equity	Hotel/Gaming/Leisure	\$65.8	2.1%
Total			\$965.2	30.3%

Geographic Exposure



* Characteristics as of March 31, 2015 were unavailable at time of report production.

¹ Fund Closing Date is subject to two possible one-year add-ons after September 20, 2022.

Manager Evaluation

Walton Street Real Estate Fund VII

As of December 31, 2015

Administrative Facts

Commencement of Operations	5/2/2013
Final Closing Date	12/31/2013
Investment Period End Date	11/2/2017
Fund Closing Date ¹	11/2/2023
Fund Type	Closed-end
Total Committed Capital	\$1,278
% Drawn ²	83.4%
% Distributed	0%
GP and Affiliates % of the Fund	7.7%

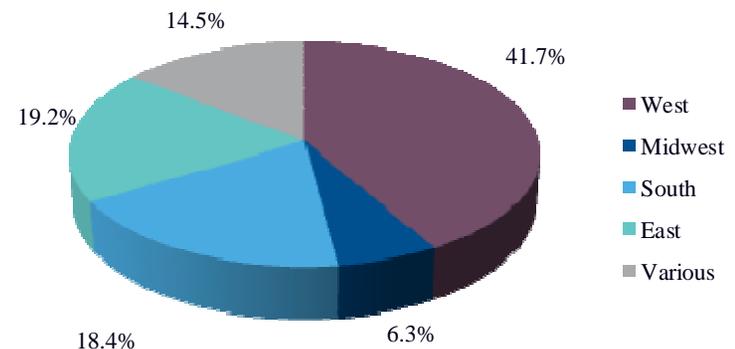
Historical Investment Profile

Investment Category	# of Investments	Invested Capital		Projected Committed Equity
		Total (\$)	% of Total	Total (\$)
Office	17	374.4	36.2%	529.8
Residential	12	198.8	19.2%	208.4
Retail	7	76.7	7.4%	144.0
Hotel	10	290.5	28.1%	310.0
NPLs	1	23.4	2.3%	23.4
Industrial	1	44.0	4.3%	44.0
Senior Housing	1	19.6	1.9%	19.6
Parking Garage	1	7.2	0.7%	7.2
Total	50	1034.6	100%	1286.4

Top Ten Holdings

	Investment Date	Investment Category	Invested Equity	% of Total
237 Park Avenue	Oct-13	Office	\$80.6	8.5%
European Hotel Portfolio	Oct-15	Hotel	\$59.5	6.3%
Hyatt Regency	Mar-15	Hotel	\$46.0	4.9%
World Trade Center	Aug-15	Office	\$38.6	4.1%
Torrey Ridge Science Center	Aug-12	Office	\$37.7	4.0%
Milestone Business Park	Dec-13	Office	\$33.6	3.6%
Key West Portfolio	Mar-15	Hotel	\$31.4	3.3%
16550 Via Esprillo	Aug-15	Office	\$30.5	3.2%
Hilton Alexandria	Jun-14	Hotel	\$30.4	3.2%
ambassador Waikiki	Apr-14	Hotel	\$26.6	2.8%
DoubleTree New Orleans	Jan-15	Hotel	\$25.5	2.7%
Total			\$440.3	46.6%

Geographic Exposure³



* Characteristics as of December 31, 2015 were unavailable at time of report production.

¹ Fund Closing Date is subject to two possible one-year add-ons after November 2, 2023.

² The percent drawn is as of October 8, 2015.

³ Reflects only those holdings with invested equity.

Manager Evaluation

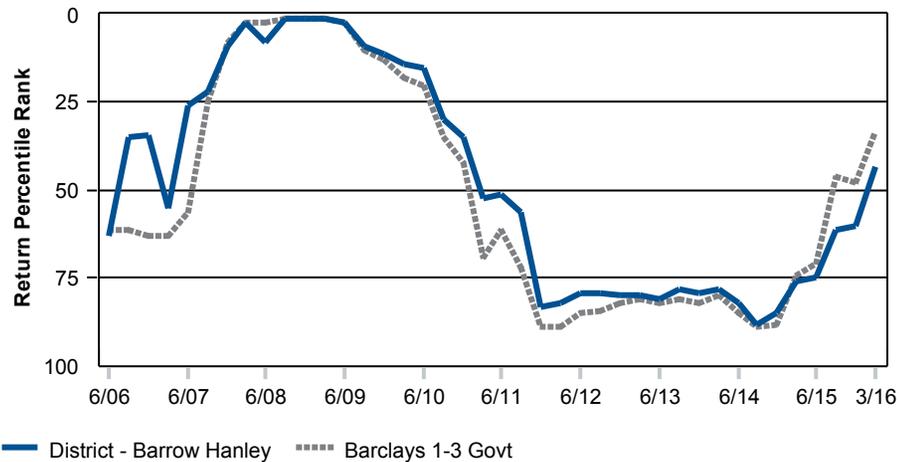
District - Barrow Hanley vs. Barclays 1-3 Govt

As of March 31, 2016

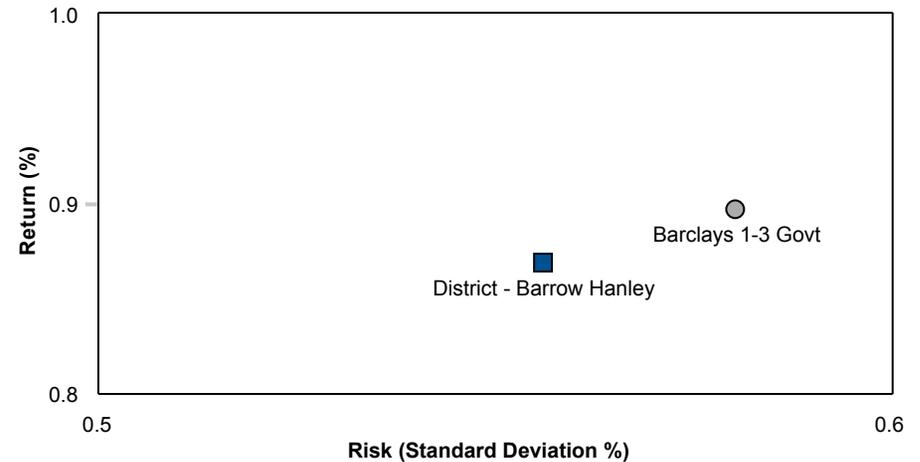
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
District - Barrow Hanley	0.9	0.9	0.9	0.7	0.9	2.7	0.5	0.4	0.3	0.9	1.5	2.4	4.0	4.9	6.8	4.3
Barclays 1-3 Govt	0.9	0.9	0.9	0.8	0.9	2.6	0.6	0.6	0.4	0.5	1.6	2.4	1.4	6.7	7.1	4.1
IM U.S. Short Term Investment Grade	0.6	0.6	0.4	0.6	1.2	2.4	0.3	0.6	0.5	3.1	1.1	3.5	8.7	-2.8	4.6	4.2
<i>District - Barrow Hanley Rank</i>	33	33	17	43	71	39	34	67	63	91	34	73	88	4	5	46

Three Year Rolling Percentile Ranking



Risk and Return (Apr-2011 - Mar-2016)



Historical Statistics (Apr-2011 - Mar-2016)

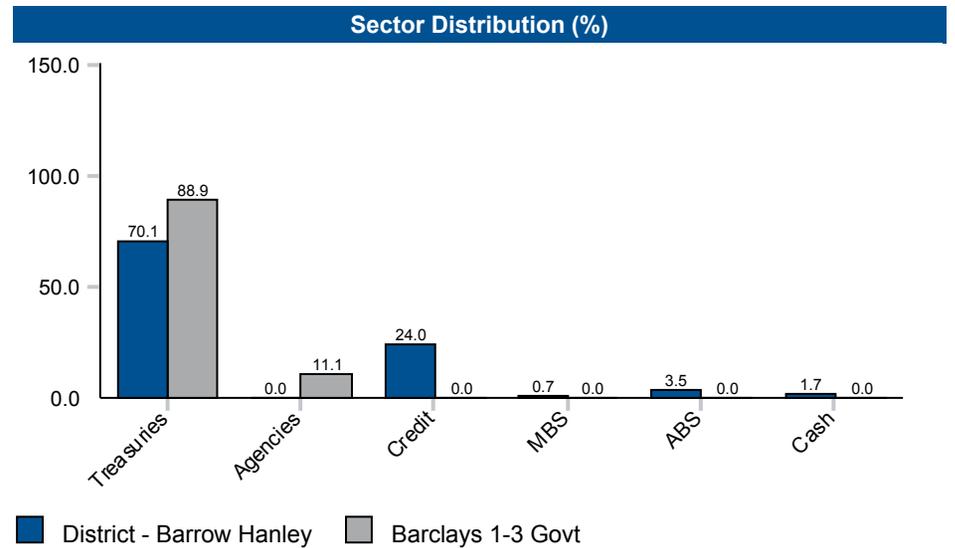
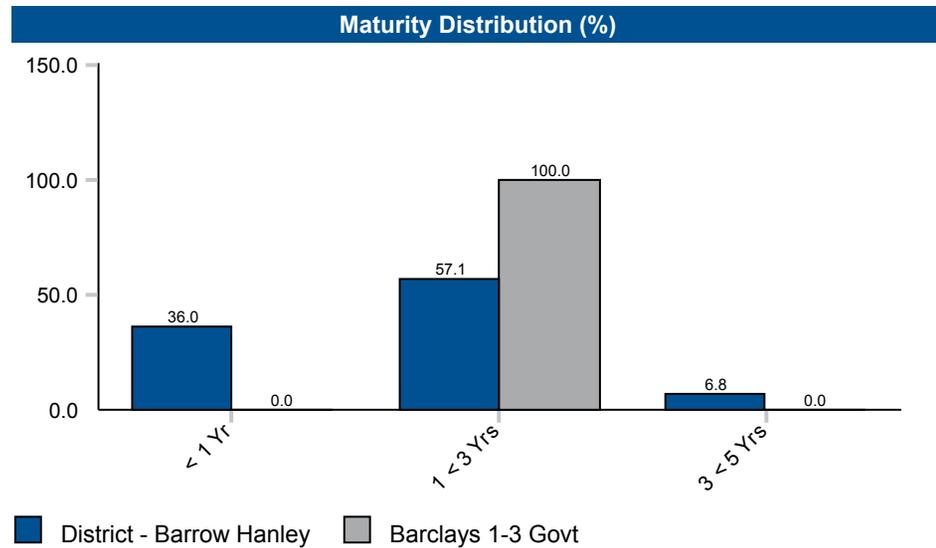
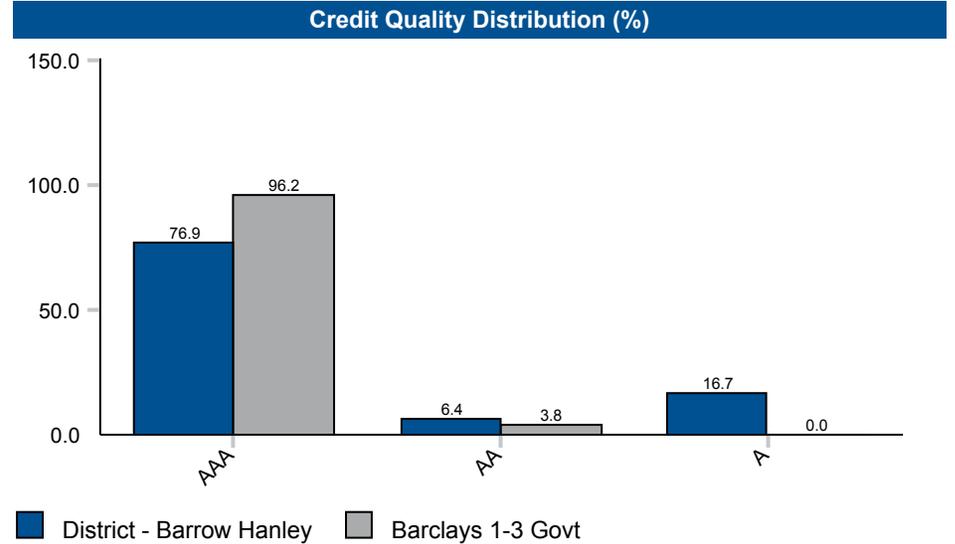
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
District - Barrow Hanley	0.9	0.6	0.8	0.1	0.9	1.5	0.2	-0.2	0.2	30.0	25y
Barclays 1-3 Govt	0.9	0.6	0.8	0.0	1.0	1.5	0.0	N/A	0.2	0.0	25y

Manager Evaluation

District - Barrow Hanley vs. Barclays 1-3 Govt

As of March 31, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	1.6	1.9
Avg. Maturity	1.7	1.9
Avg. Quality	AA	AAA
Yield To Maturity (%)	0.9	0.8



Manager Evaluation

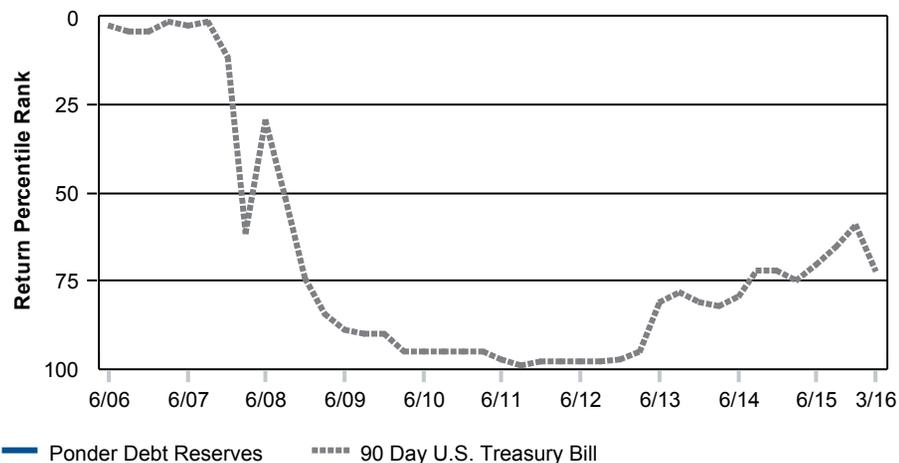
Ponder Debt Reserves vs. 90 Day U.S. Treasury Bill

As of March 31, 2016

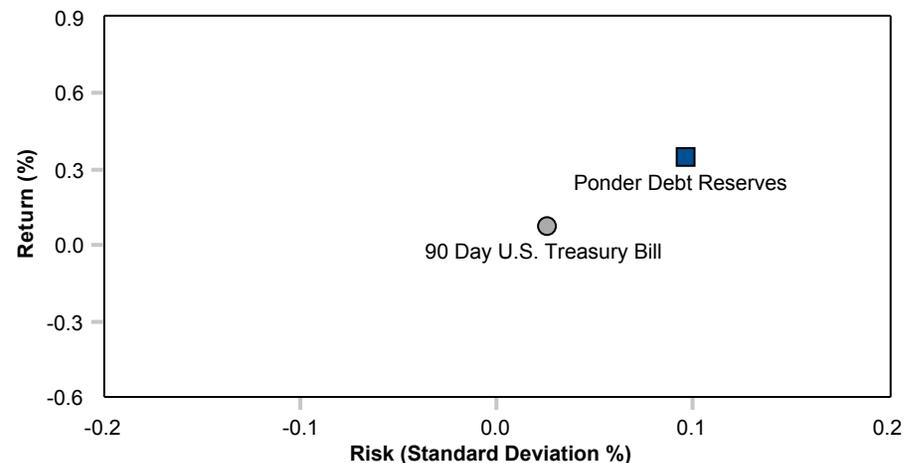
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Ponder Debt Reserves	0.2	0.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
90 Day U.S. Treasury Bill	0.1	0.1	0.1	0.1	0.1	1.1	0.0	0.0	0.0	0.1	0.1	0.1	0.2	2.1	4.9	4.8
IM U.S. Short Term Treasury/Govt Bonds (MF) Median	0.8	0.8	0.5	0.4	0.7	2.5	0.2	0.6	-0.6	0.9	1.4	2.3	2.8	4.7	5.8	3.7
<i>Ponder Debt Reserves Rank</i>	90	90	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Three Year Rolling Percentile Ranking



Risk and Return (Jul-2015 - Mar-2016)



Historical Statistics (May-2015 - Mar-2016)

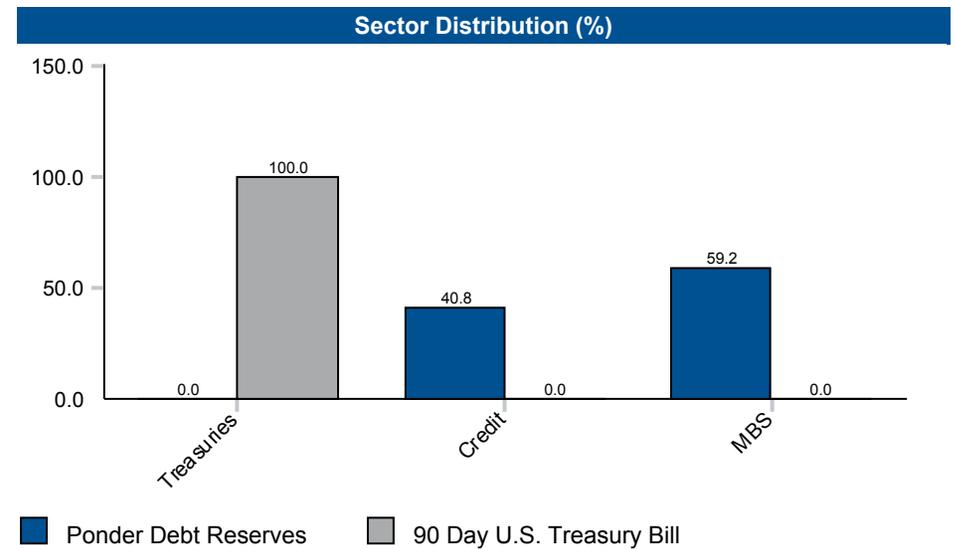
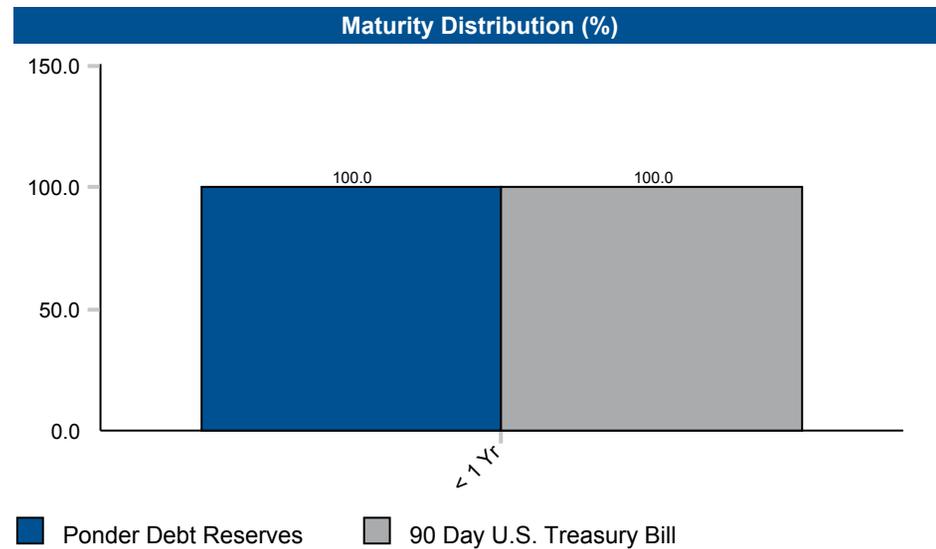
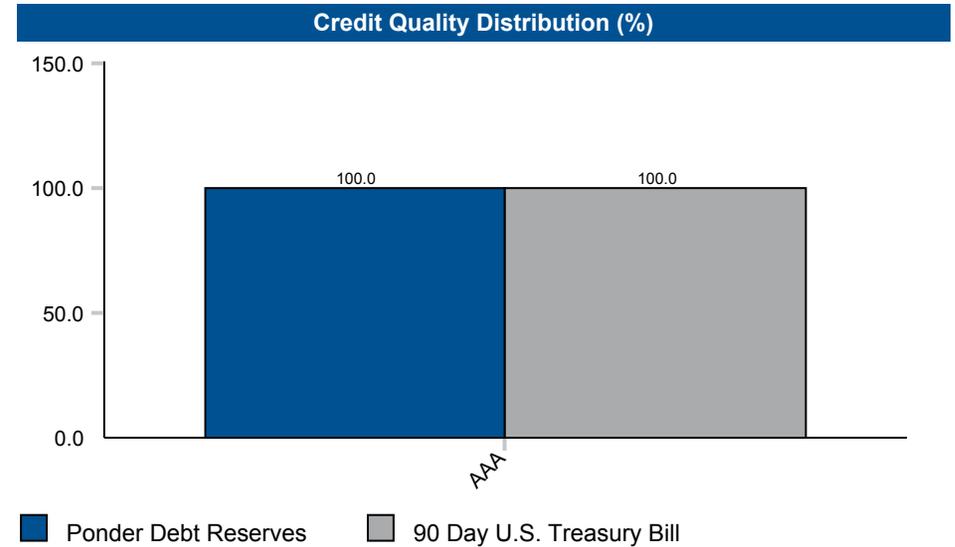
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Ponder Debt Reserves	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0y 11m
90 Day U.S. Treasury Bill	0.1	0.0	0.0	0.0	1.0	N/A	0.0	N/A	0.0	0.0	0y 11m

Manager Evaluation

Ponder Debt Reserves vs. 90 Day U.S. Treasury Bill

As of March 31, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	0.2	0.3
Avg. Maturity	0.2	0.3
Avg. Quality	AAA	AAA
Yield To Maturity (%)	0.7	0.0



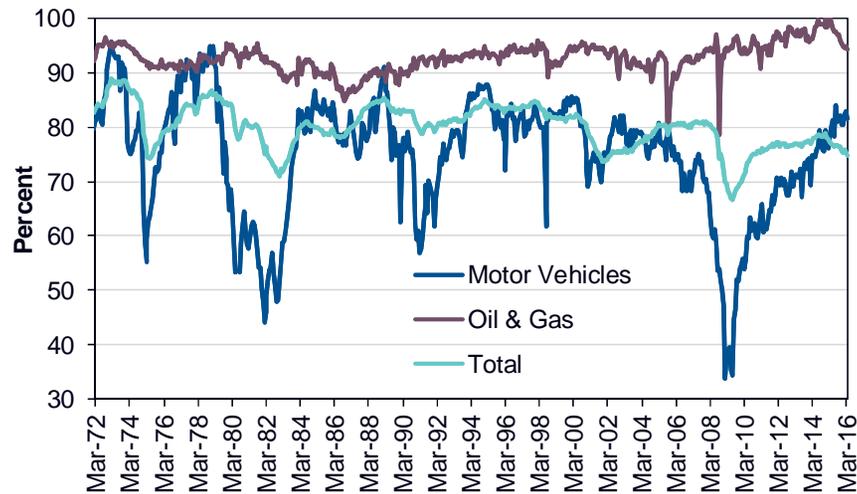


Capital Markets Review

Capital Markets Review

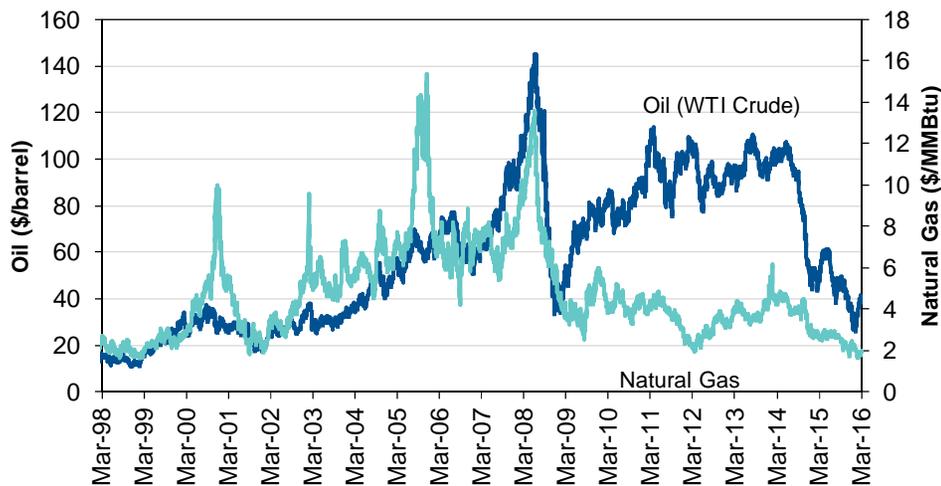
Economy

Capacity Utilization



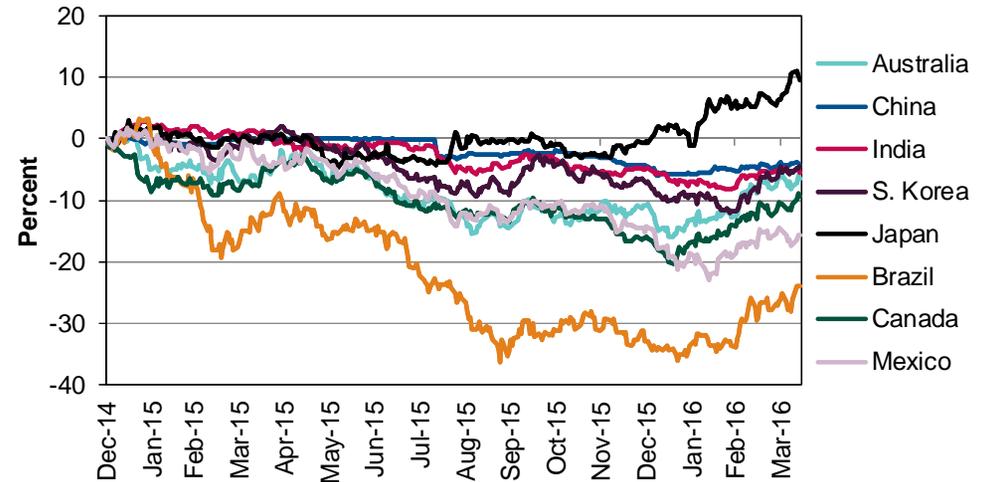
Source: Federal Reserve

Oil and Natural Gas Prices



Source: Bloomberg

Currencies vs. U.S. Dollar



Source: Bloomberg

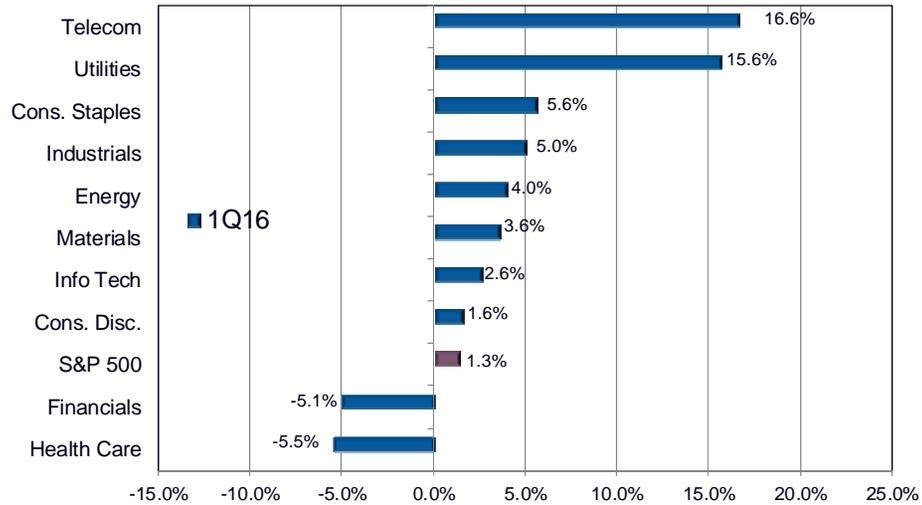
U.S. Dollar Weakens and Oil Prices Stabilize as Fed Backtracks on Rate Hike

- Crude oil prices fell to a low of \$26/barrel during February, but finished the quarter slightly above the year-end price. The appearance of a deal between OPEC and Russia to stabilize production halted the price decline and led the market to its more natural level around \$40-50/barrel. Natural gas prices declined to levels last seen in 1994. A mild winter helped to lower heating bills, but retailers blamed the weather for lower sales of jackets, sweaters and snow removal equipment. Since the fracking revolution took off in the last decade, natural gas prices have remained low, rising with the expected cold winter outbursts.
- The Federal Reserve backtracked on its outlook for 100 bps of interest rate hikes during 2016. Markets reacted so negatively during January that the Fed speculated its December rate hike may have been the proximate cause. Other central banks continue to push rates lower or expand bond purchases as global growth forecasts trend lower. Commodity prices rebounded strongly following the Fed's revised forecast for rate hikes. With a new estimate of 50 bps in 2016 rate hikes, emerging market stocks soared on the hope that the U.S. dollar would not strengthen significantly.
- The U.S. dollar grew weaker throughout the quarter as persistently weak global demand lowered prospects of monetary tightening. Stock markets remained dependent on easy money policies, especially as earnings growth rates trend lower. An ongoing industrial slowdown, excluding autos, is worrying as indicators point to a low first quarter GDP.

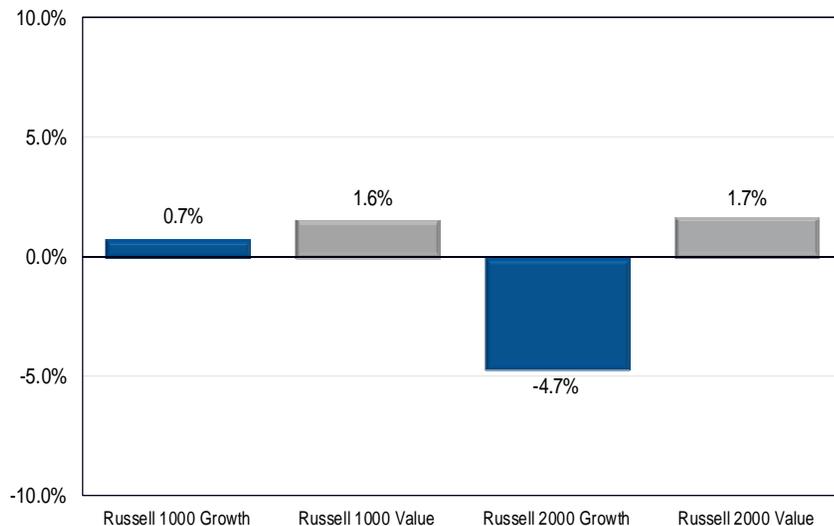
Capital Markets Review

Equities

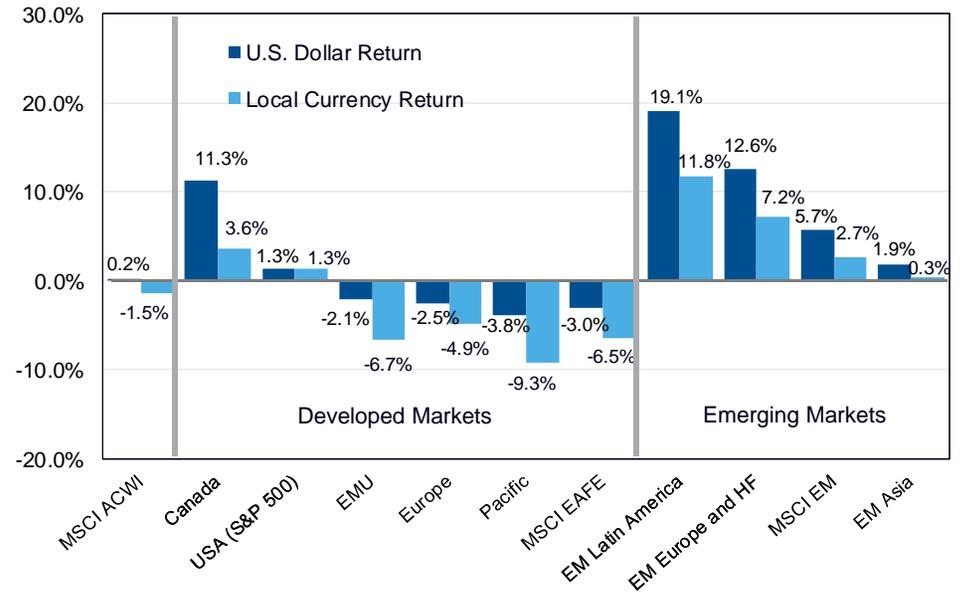
S&P 500 Sector Returns



1st Quarter 2016 Value vs. Growth Returns



1st Quarter 2016 World Equity Returns



U.S. Starts Year With Modest Gains; Emerging Markets Benefit from Currency Gains vs. the U.S. Dollar

- The S&P 500 finished the quarter in positive territory with a 1.3% return. While the market started the quarter down on continued fears of global instability, a weaker dollar, and ECB bond buying expansion fueled a rally in the latter part of the quarter. With the exception of financials and health care, all sectors posted gains. Defensive sectors – telecom, utilities and consumer staples – led the market.
- Emerging markets posted strong gains in the first quarter, benefiting from both favorable market returns and currency gains. Latin America was the strongest performing region. Among the BRICs, Brazil and Russia both posted large gains (28.5% and 15.8%) while China and India declined (-4.8% and -2.5%). Developed markets declined 3.0%, which would have been exacerbated if the dollar hadn't experienced weakness during the quarter.
- The first quarter saw a reversal in the performance of growth and value stocks, with value outperforming growth, especially in the small-cap space. In general, large cap stocks performed better than small cap stocks. The weakness in the small cap growth segment, however, pulled the overall small cap stock indices down. Mid-cap was the best performing U.S. market cap segment with a 3.8% return for the quarter.

Capital Markets Review

Fixed Income

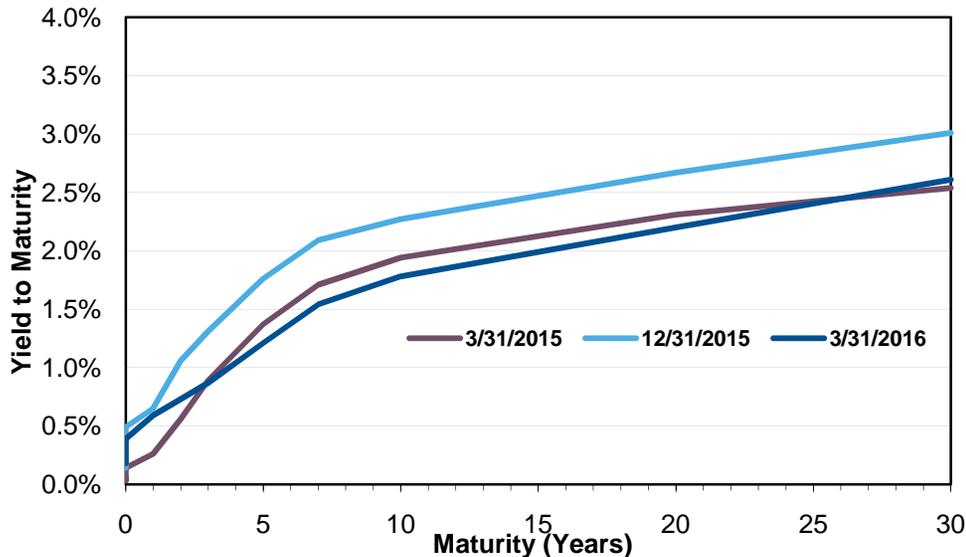
Duration-adjusted Excess Returns to Treasuries (bps)

	2009	2010	2011	2012	2013	2014	2015	1Q16
Aggregate	746	171	-114	226	93	10	-53	-4
Agency	288	77	-25	166	1	10	-133	23
MBS	495	225	-106	91	98	40	-5	-38
ABS	2496	169	52	246	24	53	44	16
CMBS	2960	1501	47	841	97	108	-28	58
Credit	1990	192	-322	693	226	-18	-169	18
High Yield	5955	974	-240	1394	923	-112	-577	77
Emerging	3797	508	-537	1503	-32	-120	3	123

■ Best Period
 ■ Second Best Period
 ■ Worst Period
 ■ Second Worst Period

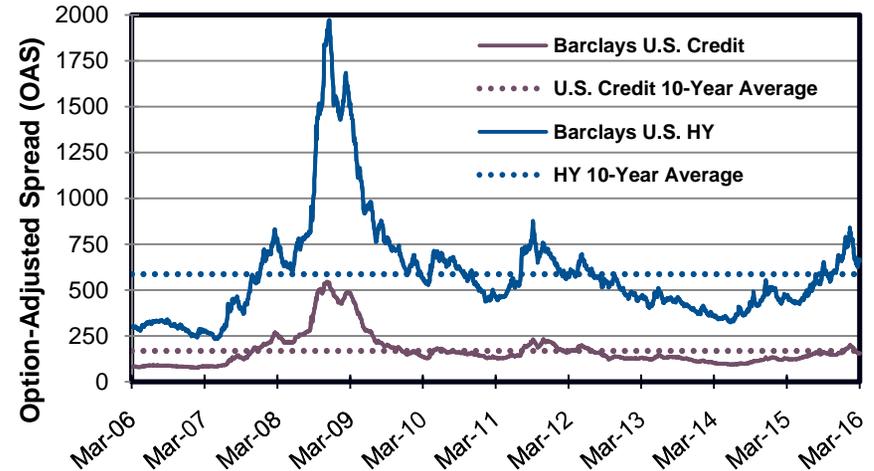
Source: Barclays

U.S. Treasury Yield Curve Change



Source: US Dept of The Treasury

Trailing Ten-Year Credit Spreads



Source: Barclays

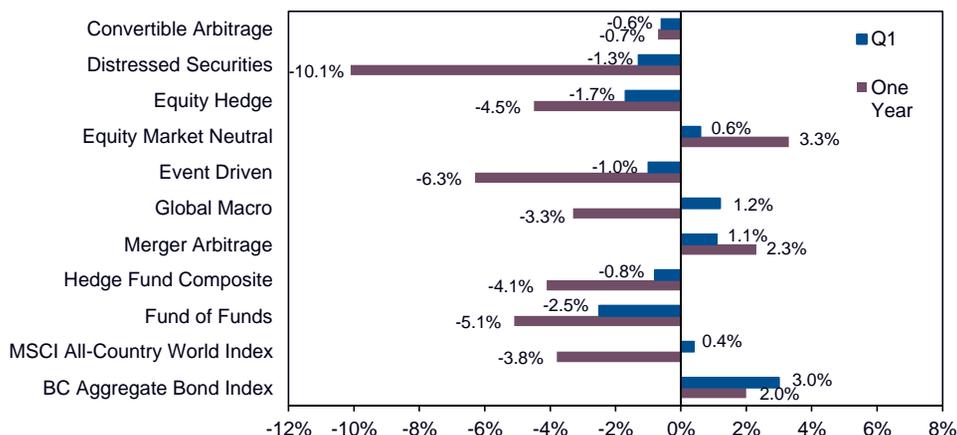
Bond Markets Bounce Back After Sharp Declines to Start the Year

- Fixed income markets improved during the quarter as accommodative responses from global central banks eased investors' fears over slowing global growth. Yields declined across the curve after the Fed reduced market expectations for rate hikes in 2016 from four to two.
- Despite significant spread widening through mid-February, high yield (+3.4%) and investment grade (+4.0%) corporates ended the quarter with strong returns. High yield spreads tightened by 183 bps from their mid-quarter wides to finish four bps tighter as oil prices rebounded. Within investment grade credit, the financial sector saw spreads widen by 21 bps as low rates continue to weigh on bank profitability.
- Locally denominated emerging market debt ended the quarter up 11.0%. EM currencies rallied against the dollar in March and posted their strongest monthly return since 1998. The Brazilian real (+10.3%), led the charge as sentiment improved towards commodity producers resulting in increased demand for riskier assets.
- Treasury inflation protected securities (TIPS) had their strongest quarterly return in four years (+4.5%) as inflation expectations rose. Core CPI inflation rose to above 2% year-over-year and the Fed's preferred core PCE inflation increased sharply to 1.7%.

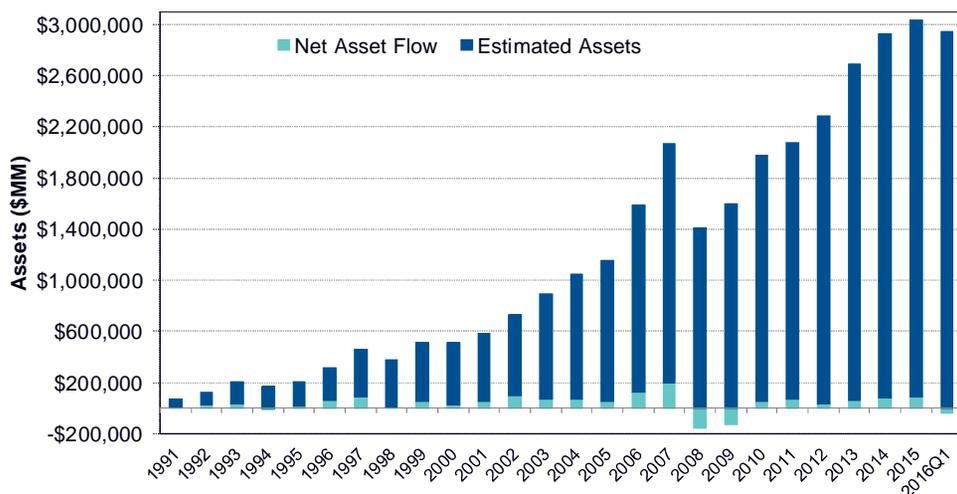
Capital Markets Review

Hedge Funds

HFRI Index Performance –First Quarter and Trailing 12 Months

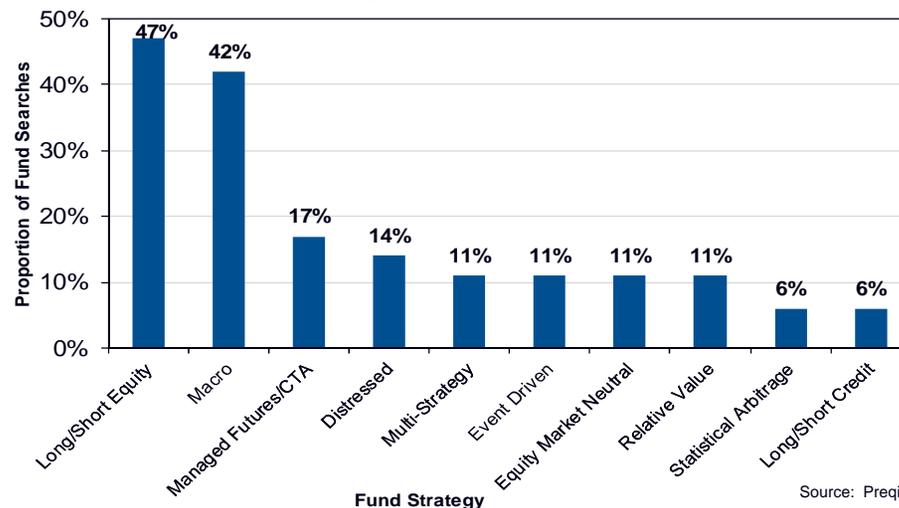


Hedge Fund Assets and Flows



Source: HFR, Inc.

Hedge Fund Strategies Sought by Investors over the Next 12 Months



Source: Preqin

Short Term Volatility Weighs on Hedge Fund Returns

- Hedge fund manager performance was generally negative across strategies during the first quarter, with the exception of global macro (+1.2%), merger arbitrage (+1.1%) and equity market neutral (+0.6%). Hedge funds (-0.8%) underperformed compared to broad market indices, as the MSCI All-Country World Index (+0.4%) eked out a positive return due to strong results in March (+7.4%). The Barclays Capital Aggregate Bond Index (+3.0%) provided positive results each month of the quarter.
- Equity hedge and distressed security strategies were among the worst performing strategies during the quarter, returning -1.7% and -1.3%, respectively. Defensive positioning proved detrimental for equity hedge managers, as global equity markets experienced a sharp reversal mid-quarter to end in positive territory. Distressed securities strategies were burdened by a lack of liquidity and high yield spread widening in January and early February but were able to recoup some of losses in March. March was the first positive month for distressed strategies since the summer of 2015.
- Global macro and merger arbitrage strategies were standout performers. Systematic macro managers were key contributors within the macro strategy, while merger arbitrage benefited from M&A spread tightening during the quarter.
- Hedge fund assets decreased by \$39.6 billion through February 2016. The fall in assets can be attributed to investor outflows of \$15.8 billion and negative performance attribution of \$23.8 billion, according to HFR Inc. According to Preqin, a hedge fund investor database, replacement and new manager search activity is slightly up year-over year and investors are most interested in long/short equity and macro strategies.

Capital Markets Review

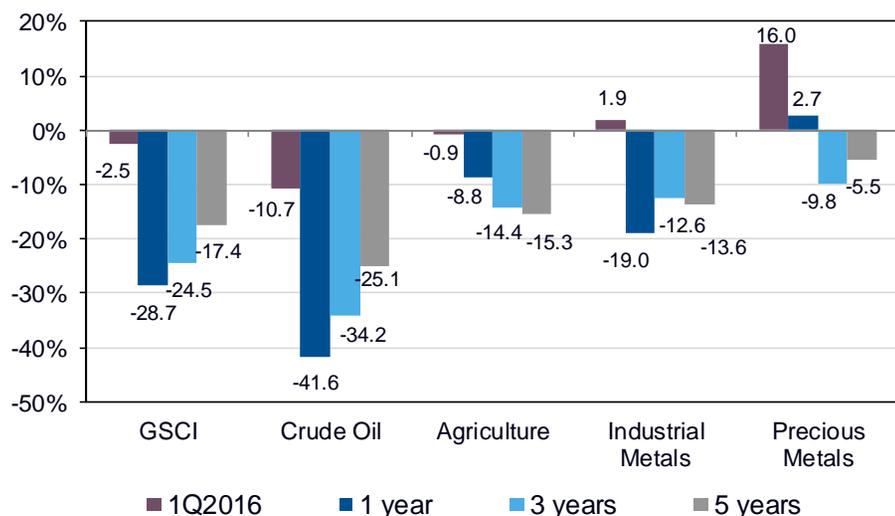
Real Assets

NCREIF Property Index Forecast Returns

	Actual			Forecast			
	2013	2014	2015	2016	2017	2018	2019
Income Return	5.6%	5.4%	5.0%	5.0%	5.0%	5.0%	5-6%
Appreciation	5.2%	6.2%	8.0%	1-3%	(3%) - (2%)	(3%) - (2%)	1-2%
Total Return	11.0%	11.8%	13.3%	6-8%	1-3%	2-4%	5-7%
PREA Consensus Survey				8.5%	6.9%	5.7%	

Source: LaSalle Investment Management

S&P GSCI Returns – Commodities Post Declines with Exception of Precious Metals



Source: S&P GSCI

Real Estate Returns as of Fourth Quarter 2015

NCREIF	3 Mon.	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.
NCREIF	2.9%	13.3%	12.0%	12.2%	7.8%
Apartments	2.7%	12.0%	10.9%	11.9%	7.3%
Industrials	3.2%	14.9%	13.5%	13.2%	7.8%
Office	2.6%	12.5%	11.3%	11.4%	7.5%
Retail	3.5%	15.3%	13.8%	13.3%	8.7%
East	2.3%	11.3%	10.0%	10.6%	7.1%
Midwest	2.4%	12.4%	11.4%	11.2%	6.9%
South	3.0%	14.0%	13.2%	12.7%	8.1%
West	3.6%	15.3%	13.5%	13.7%	8.5%

Source: NCREIF

Real Estate Performs Well; Precious Metals Post Double Digit Returns

- Private real estate returned 2.9% during the fourth quarter, bringing the 2015 return to 13.3%. By sector, retail properties performed best for the quarter and year, followed by the industrial sector. By region, the west and south performed best. For the year, income accounted for 5% of the index return, with appreciation accounting for the remainder. The income yield on the NCREIF Index declined to 1.2% in the fourth quarter, which breaks the previous quarter's record for the lowest level in the index's history. The yield on the real estate index ended 2015 at a 46 bps discount to the Baa corporate bond yield, much lower than the 15-year average of a 30 bps premium. Cap rates hit a new low. Estimates of future returns are low relative to the past five years.
- U.S. and global REITs had strong first quarter returns of 6.0% and 5.2%, respectively. The U.S. and Asian Pacific markets contributed most to the global index return for the quarter. Europe and emerging markets returned 2.0% and 1.9%, respectively during the first quarter. U.S. REITs ended the quarter with a 3.7% yield, a nearly two percent premium relative to 10-year U.S. Treasuries. At quarter end, U.S. and global REITs are trading at premiums to their NAVs of 13% and 6%, respectively.
- The Goldman Sachs Commodity Index declined -2.5% during the first quarter, driven by declines in crude oil prices. Precious metals were a bright spot, returning 16.0%, as investors sought gold's safety in a relatively challenging quarter for risk assets.

Capital Markets Review

Index Returns

As of March 31, 2016

(Percentage Return)

	Quarter	Year To Date	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
Domestic Equity Indices								
Dow Jones Wilshire 5000	1.2	1.2	0.2	6.1	11.3	11.0	17.0	6.9
S&P 500	1.3	1.3	1.8	7.1	11.8	11.6	17.0	7.0
Russell 1000 Index	1.2	1.2	0.5	6.4	11.5	11.4	17.2	7.1
Russell 1000 Growth Index	0.7	0.7	2.5	9.1	13.6	12.4	17.9	8.3
Russell 1000 Value Index	1.6	1.6	-1.5	3.8	9.4	10.2	16.3	5.7
Russell Midcap Index	2.2	2.2	-4.0	4.4	10.4	10.3	19.1	7.4
Russell Midcap Growth Index	0.6	0.6	-4.7	4.9	11.0	10.0	18.7	7.4
Russell Midcap Value Index	3.9	3.9	-3.4	3.9	9.9	10.5	19.5	7.2
Russell 2000 Index	-1.5	-1.5	-9.8	-1.2	6.8	7.2	16.4	5.3
Russell 2000 Growth Index	-4.7	-4.7	-11.8	-0.6	7.9	7.7	17.2	6.0
Russell 2000 Value Index	1.7	1.7	-7.7	-1.8	5.7	6.7	15.5	4.4
International Equity Indices								
MSCI EAFE	-3.0	-3.0	-8.3	-4.7	2.2	2.3	9.7	1.8
MSCI EAFE Growth Index	-2.1	-2.1	-3.7	-1.4	3.8	3.7	10.7	2.9
MSCI EAFE Value Index	-4.0	-4.0	-12.8	-8.0	0.6	0.8	8.6	0.6
MSCI EAFE Small Cap	-0.6	-0.6	3.2	0.1	7.3	5.6	15.1	3.4
MSCI AC World Index	0.2	0.2	-4.3	0.4	5.5	5.2	12.6	4.1
MSCI AC World ex US	-0.4	-0.4	-9.2	-5.2	0.3	0.3	9.2	1.9
MSCI Emerging Markets Index	5.7	5.7	-12.0	-6.0	-4.5	-4.1	8.2	3.0
Fixed Income Indices								
Barclays U.S. Aggregate	3.0	3.0	2.0	3.8	2.5	3.8	4.5	4.9
Barcap Intermediate U.S. Government/Credit	2.4	2.4	2.1	2.8	1.8	3.0	3.8	4.3
Barclays U.S. Long Government/Credit	7.3	7.3	0.4	7.8	4.8	8.5	8.8	7.6
Barclays US Corp: High Yield	3.4	3.4	-3.7	-0.9	1.8	4.9	12.4	7.0
BofA Merrill Lynch 3 Month U.S. T-Bill	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.1
Barclays U.S. TIPS	4.5	4.5	1.5	2.3	-0.7	3.0	4.2	4.6
Citigroup Non-U.S. World Government Bond	9.1	9.1	7.7	-1.4	-0.2	0.2	2.5	4.0
JPM EMBI Global Diversified (external currency)	5.0	5.0	4.2	4.9	3.4	6.2	9.7	7.2
JPM GBI-EM Global Diversified (local currency)	11.0	11.0	-1.6	-6.5	-6.7	-2.0	4.9	5.0
Real Asset Indices								
Bloomberg Commodity Index Total Return	0.4	0.4	-19.6	-23.4	-16.9	-14.1	-4.5	-6.2
Dow Jones Wilshire REIT	5.2	5.2	4.8	14.5	11.1	12.1	24.9	6.3

Returns for periods greater than one year are annualized.



Appendix

Appendix

Surplus Cash Summary of Investment Decisions

Date	Decision
------	----------

July 2011 El Camino retained Stratford Advisory Group, Inc. (Stratford) as investment consultant for its Surplus Cash Plan.

May 2012 Stratford and El Camino management and Investment Committee recommended and the Board approved the following asset allocation:

Asset Class	Target Allocation	Range
Domestic Equity	20%	17% to 23%
International Equity	10%	8% to 12%
Alternatives	20%	17% to 23%
Broad Fixed Income	40%	35% to 45%
Short Fixed Income	10%	8% to 12%
Total Fund	100%	---

September 2012 Stratford changed its name to Pavilion Advisory Group, Inc. (Pavilion).

Pavilion recommended, the Investment Committee reviewed, and management approved the following investment lineup:

Manager	Asset Class	Target Allocation
Vanguard S&P 500 Index	Domestic Equity	7.5%
Sands Large Cap Growth (Touchstone)	Domestic Equity	3.75%
Barrow Hanley Large Cap Value	Domestic Equity	3.75%
Cortina Small Cap Growth	Domestic Equity	2.5%
Wellington Small Cap Value	Domestic Equity	2.5%
Walter Scott Int'l (Dreyfus)	International Equity	5.0%
Northern Cross Int'l (Harbor)	International Equity	5.0%
Barrow Hanley Short Fixed	Short Fixed Income	30%*
Dodge & Cox Fixed	Broad Fixed Income	20.0%
MetWest Fixed	Broad Fixed Income	20.0%
Total		100.0%

*20% of the allocation is an interim election until the alternatives portfolio construction methodology is determined.

October 2012 Management hired Citigroup to transition assets from Barrow Hanley Large Cap Value to Wellington Small Cap Value and Cortina Small Cap Growth. Barrow Hanley Intermediate Duration Fixed Income and the Wells Capital Montgomery Fund were fully redeemed.

Appendix

Surplus Cash Summary of Investment Decisions

Date	Decision																		
October 2012	The Citigroup equity transition was completed. The following managers were funded:																		
	<table><thead><tr><th><u>Manager</u></th><th><u>Amount Funded (millions)</u></th></tr></thead><tbody><tr><td>Vanguard S&P 500 Index</td><td>\$37.3</td></tr><tr><td>Sands Large Cap Growth (Touchstone)</td><td>\$17.1</td></tr><tr><td>Cortina Small Cap Growth</td><td>\$11.4</td></tr><tr><td>Wellington Small Cap Value</td><td>\$11.4</td></tr><tr><td>Walter Scott Int'l (Dreyfus)</td><td>\$22.8</td></tr><tr><td>Northern Cross Int'l (Harbor)</td><td>\$23.0</td></tr><tr><td>Dodge & Cox Fixed</td><td>\$90.4</td></tr><tr><td>MetWest Fixed</td><td>\$91.1</td></tr></tbody></table>	<u>Manager</u>	<u>Amount Funded (millions)</u>	Vanguard S&P 500 Index	\$37.3	Sands Large Cap Growth (Touchstone)	\$17.1	Cortina Small Cap Growth	\$11.4	Wellington Small Cap Value	\$11.4	Walter Scott Int'l (Dreyfus)	\$22.8	Northern Cross Int'l (Harbor)	\$23.0	Dodge & Cox Fixed	\$90.4	MetWest Fixed	\$91.1
<u>Manager</u>	<u>Amount Funded (millions)</u>																		
Vanguard S&P 500 Index	\$37.3																		
Sands Large Cap Growth (Touchstone)	\$17.1																		
Cortina Small Cap Growth	\$11.4																		
Wellington Small Cap Value	\$11.4																		
Walter Scott Int'l (Dreyfus)	\$22.8																		
Northern Cross Int'l (Harbor)	\$23.0																		
Dodge & Cox Fixed	\$90.4																		
MetWest Fixed	\$91.1																		
November 2012	The following additional contributions were funded:																		
	<table><thead><tr><th><u>Manager</u></th><th><u>Amount Funded (millions)</u></th></tr></thead><tbody><tr><td>Vanguard S&P 500 Index</td><td>\$3.0</td></tr><tr><td>Dodge & Cox Fixed</td><td>\$5.0</td></tr><tr><td>MetWest Fixed</td><td>\$5.0</td></tr><tr><td>Walter Scott Int'l (Dreyfus)</td><td>\$1.0</td></tr><tr><td>Northern Cross Int'l (Harbor)</td><td>\$1.0</td></tr><tr><td>Barrow Hanley Short Duration Fixed</td><td>\$5.0</td></tr></tbody></table>	<u>Manager</u>	<u>Amount Funded (millions)</u>	Vanguard S&P 500 Index	\$3.0	Dodge & Cox Fixed	\$5.0	MetWest Fixed	\$5.0	Walter Scott Int'l (Dreyfus)	\$1.0	Northern Cross Int'l (Harbor)	\$1.0	Barrow Hanley Short Duration Fixed	\$5.0				
<u>Manager</u>	<u>Amount Funded (millions)</u>																		
Vanguard S&P 500 Index	\$3.0																		
Dodge & Cox Fixed	\$5.0																		
MetWest Fixed	\$5.0																		
Walter Scott Int'l (Dreyfus)	\$1.0																		
Northern Cross Int'l (Harbor)	\$1.0																		
Barrow Hanley Short Duration Fixed	\$5.0																		
December 2012	The following additional contributions were funded:																		
	<table><thead><tr><th><u>Manager</u></th><th><u>Amount Funded (millions)</u></th></tr></thead><tbody><tr><td>MetWest Fixed</td><td>\$2.8</td></tr><tr><td>Barrow Hanley Short Duration Fixed</td><td>\$5.1</td></tr></tbody></table>	<u>Manager</u>	<u>Amount Funded (millions)</u>	MetWest Fixed	\$2.8	Barrow Hanley Short Duration Fixed	\$5.1												
<u>Manager</u>	<u>Amount Funded (millions)</u>																		
MetWest Fixed	\$2.8																		
Barrow Hanley Short Duration Fixed	\$5.1																		

Appendix

Surplus Cash Summary of Investment Decisions

Date	Decision												
January 2013	The following additional contributions were funded:												
	<table border="1"> <thead> <tr> <th>Manager</th> <th>Amount Funded (millions)</th> </tr> </thead> <tbody> <tr> <td>Sands Large Cap Growth (Touchstone)</td> <td>\$1.0</td> </tr> <tr> <td>Barrow Hanley Large Cap Value</td> <td>\$1.0</td> </tr> <tr> <td>Cortina Small Cap Growth</td> <td>\$1.3</td> </tr> <tr> <td>Dodge & Cox Fixed</td> <td>\$5.5</td> </tr> <tr> <td>MetWest Fixed</td> <td>\$2.4</td> </tr> </tbody> </table>	Manager	Amount Funded (millions)	Sands Large Cap Growth (Touchstone)	\$1.0	Barrow Hanley Large Cap Value	\$1.0	Cortina Small Cap Growth	\$1.3	Dodge & Cox Fixed	\$5.5	MetWest Fixed	\$2.4
	Manager	Amount Funded (millions)											
	Sands Large Cap Growth (Touchstone)	\$1.0											
	Barrow Hanley Large Cap Value	\$1.0											
	Cortina Small Cap Growth	\$1.3											
Dodge & Cox Fixed	\$5.5												
MetWest Fixed	\$2.4												
February 2013	The Investment Committee recommended El Camino retain Pavilion for direct hedge fund advisory services.												
	The following additional contribution was funded:												
	<table border="1"> <thead> <tr> <th>Manager</th> <th>Amount Funded (millions)</th> </tr> </thead> <tbody> <tr> <td>Wellington Small Cap Value</td> <td>\$1.2</td> </tr> </tbody> </table>	Manager	Amount Funded (millions)	Wellington Small Cap Value	\$1.2								
Manager	Amount Funded (millions)												
Wellington Small Cap Value	\$1.2												
March 2013	The following additional contribution was funded:												
	<table border="1"> <thead> <tr> <th>Manager</th> <th>Amount Funded (millions)</th> </tr> </thead> <tbody> <tr> <td>MetWest Fixed</td> <td>\$1.6</td> </tr> </tbody> </table>	Manager	Amount Funded (millions)	MetWest Fixed	\$1.6								
Manager	Amount Funded (millions)												
MetWest Fixed	\$1.6												
May 2013	Eight hedge funds (\$5 million each) were funded on May 1, 2013 for a total of \$40 million.												
July 2013	The remaining two hedge fund strategies (\$5 million each) were funded on July 1, 2013 and August 1, 2013, respectively. The Direct Hedge Fund portfolio became fully invested.												
September 2013	\$14.0 million was committed to the Oaktree Real Estate Opportunities Fund VI and \$6.6 million was called in September. \$14.0 million was committed to the Walton Street Real Estate Fund VII.												
October 2013	The following additional contributions were funded:												
	<table border="1"> <thead> <tr> <th>Manager</th> <th>Amount Funded (millions)</th> </tr> </thead> <tbody> <tr> <td>MetWest Fixed</td> <td>\$7.6</td> </tr> <tr> <td>Dodge & Cox Fixed</td> <td>\$5.5</td> </tr> <tr> <td>Barrow Hanley Short Term Fixed - Non-District</td> <td>\$3.0</td> </tr> </tbody> </table>	Manager	Amount Funded (millions)	MetWest Fixed	\$7.6	Dodge & Cox Fixed	\$5.5	Barrow Hanley Short Term Fixed - Non-District	\$3.0				
	Manager	Amount Funded (millions)											
	MetWest Fixed	\$7.6											
	Dodge & Cox Fixed	\$5.5											
Barrow Hanley Short Term Fixed - Non-District	\$3.0												

Appendix

Surplus Cash Summary of Investment Decisions

Date	Decision												
November 2013	\$1.1 million of the capital committed to the Walton Street Real Estate Fund VII was called in November.												
December 2013	<p>The Indus Japan Fund was funded with an initial contribution of \$5.0 million.</p> <p>An additional contribution of \$1.5 million was made to the York Credit Opportunities Unit Trust.</p> <p>An additional contribution of \$1.5 million was made to the Fir Tree International Value Fund.</p> <p>An additional contribution of \$3.5 million was made to Barrow Hanley Short Term Fixed - District.</p>												
January 2014	<p>The portfolio was rebalanced back towards target allocation with \$16.0 million transferred out of domestic equity and into a combination of international equity (\$2.5 million) and short term fixed income (\$13.5 million).</p> <p>\$1.4 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in January.</p>												
February 2014	\$2.5 million was transferred from the Wellington Small Cap Value Fund to the Cash Account.												
March 2014	<p>\$1.4 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in March.</p> <p>\$2.8 million of the capital committed to the Walton Street Real Estate Fund VII was called in March.</p> <p>A distribution payment of \$0.2 million was made by the Walton Street Real Estate Fund VII in March.</p>												
April 2014	<p>\$1.4 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in April.</p> <p>\$1.6 million was contributed to the Barrow Hanley - District Assets.</p>												
	The following hedge funds were funded on April 1, 2014:												
	<table border="1"> <thead> <tr> <th data-bbox="373 1128 453 1153">Manager</th> <th data-bbox="890 1128 1136 1153">Amount Funded (millions)</th> </tr> </thead> <tbody> <tr> <td data-bbox="373 1161 716 1185">Marathon Special Opportunity Fund</td> <td data-bbox="989 1161 1037 1185">\$5.5</td> </tr> <tr> <td data-bbox="373 1193 625 1218">Bloom Tree Offshore Fund</td> <td data-bbox="989 1193 1037 1218">\$4.5</td> </tr> <tr> <td data-bbox="373 1226 516 1250">Tiger Eye Fund</td> <td data-bbox="989 1226 1037 1250">\$4.5</td> </tr> <tr> <td data-bbox="373 1258 653 1282">Moore Macro Managers Fund</td> <td data-bbox="989 1258 1037 1282">\$6.0</td> </tr> <tr> <td data-bbox="373 1291 522 1315">Pine River Fund</td> <td data-bbox="989 1291 1037 1315">\$6.0</td> </tr> </tbody> </table>	Manager	Amount Funded (millions)	Marathon Special Opportunity Fund	\$5.5	Bloom Tree Offshore Fund	\$4.5	Tiger Eye Fund	\$4.5	Moore Macro Managers Fund	\$6.0	Pine River Fund	\$6.0
Manager	Amount Funded (millions)												
Marathon Special Opportunity Fund	\$5.5												
Bloom Tree Offshore Fund	\$4.5												
Tiger Eye Fund	\$4.5												
Moore Macro Managers Fund	\$6.0												
Pine River Fund	\$6.0												
	Additional contributions of \$1.0 million were made to both Brevan Howard Multi-Strategy Fund and Robeco Transtrend Diversified Fund.												

Appendix

Surplus Cash Summary of Investment Decisions

Date	Decision												
May 2014	\$1.4 million of the capital committed to the Walton Street Real Estate Fund VII was called in May.												
June 2014	The following additional contributions were funded:												
	<table border="1"> <thead> <tr> <th data-bbox="373 480 453 505">Manager</th> <th data-bbox="890 480 1136 505">Amount Funded (millions)</th> </tr> </thead> <tbody> <tr> <td data-bbox="373 513 632 537">Vanguard Institutional Index</td> <td data-bbox="989 513 1035 537">\$2.0</td> </tr> <tr> <td data-bbox="373 545 541 570">Touchstone Sands</td> <td data-bbox="989 545 1035 570">\$3.0</td> </tr> <tr> <td data-bbox="373 578 562 602">Barrow Hanley LCV</td> <td data-bbox="989 578 1035 602">\$2.0</td> </tr> <tr> <td data-bbox="373 610 499 634">Dodge & Cox</td> <td data-bbox="989 610 1035 634">\$5.0</td> </tr> <tr> <td data-bbox="373 643 464 667">MetWest</td> <td data-bbox="989 643 1035 667">\$3.0</td> </tr> </tbody> </table>	Manager	Amount Funded (millions)	Vanguard Institutional Index	\$2.0	Touchstone Sands	\$3.0	Barrow Hanley LCV	\$2.0	Dodge & Cox	\$5.0	MetWest	\$3.0
Manager	Amount Funded (millions)												
Vanguard Institutional Index	\$2.0												
Touchstone Sands	\$3.0												
Barrow Hanley LCV	\$2.0												
Dodge & Cox	\$5.0												
MetWest	\$3.0												
July 2014	\$8.0 million was transferred from the Barrow Hanley - District account into the Surplus Cash Account.												
October 2014	An additional contribution of \$2.6 million was made to the Davidson Kempner Distressed Opportunities International Fund.												
November 2014	\$0.8 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in November.												
December 2014	\$1.1 million of the capital committed to the Walton Street Real Estate Fund VII was called in December.												
February 2015	\$3.0 million of the capital committed to the Walton Street Real Estate Fund VII was called in February.												
March 2015	<p>The portfolio was rebalanced to newly initiated policy targets with \$63.0 million transferred out of market duration fixed income (\$29.0 million redeemed from Dodge & Cox and \$34.0 million redeemed from MetWest) and into domestic and international equity [\$33.0 million contributed to Vanguard Institutional Index, \$15.0 million contributed to Walter Scott (Dreyfus), and \$15.0 million contributed to Northern Cross (Harbor)].</p>												
	<p>\$5.0 million was withdrawn from the Barrow Hanley Short-Term Fixed account with the proceeds used to fund an initial investment in Stone Milliner, a macro hedge fund manager, as of April 1, 2015.</p>												
	<p>\$1.3 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in March.</p>												

Appendix

Surplus Cash Summary of Investment Decisions

Dodge & Cox	\$5.1
MetWest	\$4.7

\$9.0 million of the proceeds remained in the cash account in order to fund a dedicated emerging markets manager.

June 2015

\$0.7 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in June.

\$1.1 million of the capital committed to the Walton Street Real Estate Fund VII was called in June.

August 2015

A contribution of \$1.2 million was made to the MetWest Total Return Fixed Income account.

Harding Loevner, the Surplus Cash Plan's dedicated emerging markets manager, was funded on August 13th with an initial \$9.0 million.

September 2015

\$1.4 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in September. All of the capital committed to the Oaktree Real Estate Opportunities Fund VI has now been called.

October 2015

\$1.4 million of the capital committed to the Walton Street Real Estate Fund VII was called in October.

The Walton Street Real Estate Fund VII made a distribution payment in the amount of \$1.6 million, which was allocated to the Harbor International Fund.

November 2015

The Oaktree Real Estate Opportunities Fund VI made a distribution payment in the amount of \$1.4 million.

December 2015

The Oaktree Real Estate Opportunities Fund VI made a distribution payment in the amount of \$0.6 million.

January 2016

A \$13.0 million commitment was made to the Walton Street Real Estate Fund VIII in January.

The following redemptions were made during January for operating needs:

Manager	Amount Redeemed (millions)
Dodge & Cox	\$8.0
MetWest	\$8.0
Barrow Hanley Short Duration	\$14.0

March 2016

The Oaktree Real Estate Opportunities Fund VI made a distribution payment in the amount of \$420,000.

The Walton Street Real Estate Fund VII made a distribution payment in the amount of \$700,000.

Appendix

Cash Balance Plan Summary of Investment Decisions

Date	Decision
------	----------

July 2011 El Camino retained Stratford Advisory Group, Inc. (Stratford) as investment consultant for its Cash Balance Plan.

May 2012 Stratford and El Camino management and Investment Committee recommended and the Board approved the following asset allocation:

Asset Class	Target Allocation	Range
Domestic Equity	32%	27% to 37%
International Equity	18%	15% to 21%
Alternatives	20%	17% to 23%
Broad Fixed Income	25%	20% to 30%
Short Fixed Income	5%	0% to 8%
Total Fund	100%	---

September 2012 Stratford changed its name to Pavilion Advisory Group, Inc. (Pavilion).

\$5.6 million and \$7.0 million employer contributions for Plan Year 2012 were made on September 13th and 14th, 2012, respectively.

Pavilion recommended, the Investment Committee reviewed, and management approved the following investment lineup:

Manager	Asset Class	Target Allocation
Vanguard S&P 500 Index	Domestic Equity	13.5%
Sands Large Cap Growth (Touchstone)	Domestic Equity	6.75%
Barrow Hanley Large Cap Value	Domestic Equity	6.75%
Cortina Small Cap Growth	Domestic Equity	2.5%
Wellington Small Cap Value	Domestic Equity	2.5%
Walter Scott Int'l (Dreyfus)	International Equity	9.0%
Northern Cross Int'l (Harbor)	International Equity	9.0%
Barrow Hanley Short Fixed	Short Fixed Income	5.0%
Dodge & Cox Fixed	Broad Fixed Income	12.5%
MetWest Fixed	Broad Fixed Income	12.5%
Pointer*	Hedge Fund of Funds	5.0%
Lighthouse Diversified	Hedge Fund of Funds	5.0%
Oaktree Real Estate*	Real Estate	5.0%
Walton Street*	Real Estate	5.0%
Total		100.0%

*Barrow Hanley Short Fixed will be utilized as the interim holding for alternatives holdings that have not yet funded.

Appendix

Cash Balance Plan Summary of Investment Decisions

Date	Decision																						
October 2012	<p>A \$2.7 million employer contribution for Plan Year 2012 was made on October 12, 2012.</p> <p>Management hired Citigroup to transition assets from Dodge & Cox Large Cap Value to Barrow Hanley Large Cap Value and Cortina Small Cap Growth.</p> <p>The Citigroup equity transition was completed.</p> <p>The following managers were funded:</p>																						
	<table border="1"> <thead> <tr> <th data-bbox="394 553 478 578">Manager</th> <th data-bbox="989 553 1230 578">Amount Funded (millions)</th> </tr> </thead> <tbody> <tr> <td data-bbox="394 586 638 610">Vanguard S&P 500 Index</td> <td data-bbox="1087 586 1142 610">\$22.7</td> </tr> <tr> <td data-bbox="394 618 764 643">Sands Large Cap Growth (Touchstone)</td> <td data-bbox="1087 618 1142 643">\$11.3</td> </tr> <tr> <td data-bbox="394 651 705 675">Barrow Hanley Large Cap Value</td> <td data-bbox="1087 651 1142 675">\$11.3</td> </tr> <tr> <td data-bbox="394 683 638 708">Cortina Small Cap Growth</td> <td data-bbox="1087 683 1142 708">\$4.2</td> </tr> <tr> <td data-bbox="394 716 659 740">Wellington Small Cap Value</td> <td data-bbox="1087 716 1142 740">\$4.2</td> </tr> <tr> <td data-bbox="394 748 653 773">Walter Scott Int'l (Dreyfus)</td> <td data-bbox="1087 748 1142 773">\$15.1</td> </tr> <tr> <td data-bbox="394 781 667 805">Northern Cross Int'l (Harbor)</td> <td data-bbox="1087 781 1142 805">\$15.1</td> </tr> <tr> <td data-bbox="394 813 653 837">Barrow Hanley Short Fixed</td> <td data-bbox="1087 813 1142 837">\$19.4</td> </tr> <tr> <td data-bbox="394 846 537 870">MetWest Fixed</td> <td data-bbox="1087 846 1142 870">\$21.0</td> </tr> <tr> <td data-bbox="394 878 604 902">Lighthouse Diversified</td> <td data-bbox="1087 878 1142 902">\$8.4</td> </tr> </tbody> </table>	Manager	Amount Funded (millions)	Vanguard S&P 500 Index	\$22.7	Sands Large Cap Growth (Touchstone)	\$11.3	Barrow Hanley Large Cap Value	\$11.3	Cortina Small Cap Growth	\$4.2	Wellington Small Cap Value	\$4.2	Walter Scott Int'l (Dreyfus)	\$15.1	Northern Cross Int'l (Harbor)	\$15.1	Barrow Hanley Short Fixed	\$19.4	MetWest Fixed	\$21.0	Lighthouse Diversified	\$8.4
Manager	Amount Funded (millions)																						
Vanguard S&P 500 Index	\$22.7																						
Sands Large Cap Growth (Touchstone)	\$11.3																						
Barrow Hanley Large Cap Value	\$11.3																						
Cortina Small Cap Growth	\$4.2																						
Wellington Small Cap Value	\$4.2																						
Walter Scott Int'l (Dreyfus)	\$15.1																						
Northern Cross Int'l (Harbor)	\$15.1																						
Barrow Hanley Short Fixed	\$19.4																						
MetWest Fixed	\$21.0																						
Lighthouse Diversified	\$8.4																						
December 2012	<p>The following commitments were made:</p>																						
	<table border="1"> <thead> <tr> <th data-bbox="394 1000 478 1024">Manager</th> <th data-bbox="978 1000 1251 1024">Amount Committed (millions)</th> </tr> </thead> <tbody> <tr> <td data-bbox="394 1032 726 1057">Oaktree Real Estate Opps Fund VI</td> <td data-bbox="1087 1032 1142 1057">\$8.4</td> </tr> <tr> <td data-bbox="394 1065 730 1089">Walton Street Real Estate Fund VII</td> <td data-bbox="1087 1065 1142 1089">\$8.4</td> </tr> </tbody> </table>	Manager	Amount Committed (millions)	Oaktree Real Estate Opps Fund VI	\$8.4	Walton Street Real Estate Fund VII	\$8.4																
Manager	Amount Committed (millions)																						
Oaktree Real Estate Opps Fund VI	\$8.4																						
Walton Street Real Estate Fund VII	\$8.4																						
January 2013	<p>The following managers were funded:</p>																						
	<table border="1"> <thead> <tr> <th data-bbox="394 1179 478 1203">Manager</th> <th data-bbox="989 1179 1230 1203">Amount Funded (millions)</th> </tr> </thead> <tbody> <tr> <td data-bbox="394 1211 457 1235">Pointer</td> <td data-bbox="1087 1211 1142 1235">\$8.4</td> </tr> <tr> <td data-bbox="394 1243 726 1268">Oaktree Real Estate Opps Fund VI</td> <td data-bbox="1087 1243 1142 1268">\$5.9</td> </tr> </tbody> </table>	Manager	Amount Funded (millions)	Pointer	\$8.4	Oaktree Real Estate Opps Fund VI	\$5.9																
Manager	Amount Funded (millions)																						
Pointer	\$8.4																						
Oaktree Real Estate Opps Fund VI	\$5.9																						

Appendix

Cash Balance Plan Summary of Investment Decisions

Date	Decision						
January 2013	A \$2.7 million employer contribution for Plan Year 2012 was made on January 14, 2013.						
April 2013	A \$3.0 million employer contribution for Plan Year 2012 was made on April 12, 2013 to the following managers:						
	<table border="1"> <thead> <tr> <th data-bbox="386 479 470 503">Manager</th> <th data-bbox="934 479 1234 503">Amount Contributed (millions)</th> </tr> </thead> <tbody> <tr> <td data-bbox="386 511 575 535">Dodge & Cox Fixed</td> <td data-bbox="1060 511 1108 535">\$1.5</td> </tr> <tr> <td data-bbox="386 544 537 568">MetWest Fixed</td> <td data-bbox="1060 544 1108 568">\$1.5</td> </tr> </tbody> </table>	Manager	Amount Contributed (millions)	Dodge & Cox Fixed	\$1.5	MetWest Fixed	\$1.5
Manager	Amount Contributed (millions)						
Dodge & Cox Fixed	\$1.5						
MetWest Fixed	\$1.5						
June 2013	Walton Street Real Estate was funded with an initial contribution of \$0.8 million						
July 2013	A \$3.0 million employer contribution and \$4.3 million transfer from the cash account was made to the Barrow Hanley Short-Term Fixed Fund.						
October 2013	A \$3.0 million employer contribution was made to Dodge & Cox (\$1.5 million) and MetWest (\$1.5 million).						
January 2014	The portfolio was rebalanced, reducing equity exposure and distributing proceeds to fixed income and hedge fund of funds managers.						
	\$0.8 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in March.						
February 2014	\$0.8 million was transferred from the Wellington Small Cap Value Fund to the Cash Account.						
March 2014	<p data-bbox="386 1008 1276 1032">Distribution payments of \$0.1 million were made by the Walton Street Real Estate Fund VII.</p> <p data-bbox="386 1040 1346 1065">\$1.7 million of the capital committed to the Walton Street Real Estate Fund VII was called in March.</p> <p data-bbox="386 1073 1423 1097">\$0.8 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in March.</p>						
April 2014	<p data-bbox="386 1146 1318 1170">A \$3.6 million employer contribution was made to the Barrow Hanley Short-Term Fixed account.</p> <p data-bbox="386 1179 1413 1203">\$0.8 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in April.</p>						
May 2014	\$0.8 million of the capital committed to the Walton Street Real Estate Fund VII was called in May.						
July 2014	A \$3.6 million employer contribution was made on July 14, 2014.						
August 2014	A \$1.6 million contribution was made to the Lighthouse Diversified Fund.						

Appendix

Cash Balance Plan Summary of Investment Decisions

Date	Decision
October 2014	<p>A \$3.6 million employer contribution was made in October with the proceeds split between Walter Scott (Dreyfus) (\$0.9 million), Northern Cross (Harbor) (\$1.3 million), and Barrow Hanley Short-Term Fixed (\$1.4 million).</p> <p>\$2 million was transferred out of the Barrow Hanley Short-Term Fixed account and reallocated to the Pointer Offshore Fund.</p>
November 2014	<p>\$0.5 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in November.</p>
December 2014	<p>\$0.7 million of the capital committed to the Walton Real Estate Fund VII was called in December.</p>
January 2015	<p>A \$3.6 million employer contribution was made in January with the proceeds split between the Vanguard Institutional Index Fund (\$1.3 million), the Barrow Hanley Short-Term Fixed account (\$0.3 million), and the Lighthouse Diversified Fund (\$2.0 million).</p>
February 2015	<p>\$1.8 million of the capital committed to the Walton Real Estate Fund VII was called in February.</p>
March 2015	<p>\$0.8 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in March.</p>
April 2015	<p>A \$3.6 million employer contribution was made in March with the proceeds split between Walter Scott (Dreyfus) (\$0.7 million), Northern Cross (Harbor) (\$0.5 million), and Barrow Hanley Short-Term Fixed (\$2.4 million).</p>
June 2015	<p>\$0.4 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in June. \$0.6 million of the capital committed to the Walton Street Real Estate Fund VII was called in June.</p>
July 2015	<p>A \$2.4 million employer contribution was made in July with the proceeds invested in the Barrow Hanley Short-Term Fixed account.</p>
September 2015	<p>\$0.8 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in September. All of the committed capital to the Oaktree Real Estate Opportunities Fund VI has now been called.</p>
October 2015	<p>\$0.8 million of the capital committed to the Walton Street Real Estate Fund VII was called in October The Walton Street Real Estate Fund VII made a distribution payment in the amount of \$1.0 million, which was allocated to the Barrow Hanley Short-Term Fixed account.</p> <p>A \$2.4 million employer contribution was made in October with the proceeds invested in the Barrow Hanley Short-Term Fixed account.</p>

Appendix

Cash Balance Plan Summary of Investment Decisions

Date	Decision
November 2015	The Oaktree Real Estate Opportunities Fund VI made a \$0.8 million distribution payment in December.
December 2015	The Oaktree Real Estate Opportunities Fund VI made a \$0.3 million distribution payment in December.
January 2016	A \$10.0 million commitment was made to the Walton Street Real Estate Fund VIII in January. A \$2.4 million employer contribution was made in January with the proceeds invested in the Barrow Hanley Short-Term Fixed account.
March 2016	The Oaktree Real Estate Opportunities Fund VI made a distribution payment in the amount of \$252,000. The Walton Street Real Estate Fund VII made a distribution payment in the amount of \$420,000.

Appendix

Benchmark Descriptions

As of March 31, 2016

Surplus Cash

Surplus Cash Total Benchmark

Beginning March 2015, the Surplus Cash Total Benchmark consists of 40% Total Equity Benchmark - Surplus, 30% Barclays Capital Aggregate, 10% Short Duration Fixed Income Benchmark - Surplus, and 20% Total Alternatives Benchmark - Surplus. From April 2014 to February 2015, the Surplus Cash Total Benchmark consisted of 30% Total Equity Benchmark - Surplus, 40% Barclays Capital Aggregate, 10% Short Duration Fixed Income Benchmark - Surplus, and 20% Total Alternatives Benchmark - Surplus. From August 2013 to March 2014, the Surplus Cash Total Benchmark consisted of 30% Total Equity Benchmark - Surplus, 40% Barclays Capital Aggregate, 20% Short Duration Fixed Income Benchmark - Surplus, and 10% Total Alternatives Benchmark - Surplus. During July 2013, the Surplus Cash Total Benchmark consisted of 30% Total Equity Benchmark - Surplus, 40% Barclays Capital Aggregate, 21% Short Duration Fixed Income Benchmark - Surplus, and 9% Total Alternatives Benchmark - Surplus. From May 2013 to June 2013, the Surplus Cash Total Benchmark consisted of 30% Total Equity Benchmark - Surplus, 40% Barclays Capital Aggregate, 22% Short Duration Fixed Income Benchmark - Surplus, and 8% HFRI Fund of Funds Composite Index. From November 2012 to April 2013, the Surplus Cash Total Benchmark consists of 30% Total Equity Benchmark - Surplus and 70% Total Fixed Income Benchmark - Surplus. From January 2007 to October 2012, the Surplus Cash Total Benchmark consisted of 15% Total Equity Benchmark - Surplus and 85% Total Fixed Income Benchmark - Surplus. From August 2000 to December 2006, the Surplus Cash Total Benchmark consisted of 2% Total Equity Benchmark - Surplus and 98% Total Fixed Income Benchmark - Surplus. From April 1991 to July 2000, the Surplus Cash Total Benchmark consisted of 100% Total Fixed Income Benchmark - Surplus.

Surplus Cash Total Benchmark X Privates

Beginning March 2015 the Surplus Cash Total Benchmark consists of 42.1% Total Equity Benchmark - Surplus, 31.6% Barclays Capital Aggregate, 10.5% Short Duration Fixed Income Benchmark - Surplus, and 15.8% Total Alternatives Benchmark - Surplus. From April 2014 to February 2015 the Surplus Cash Total Benchmark consisted of 31.6% Total Equity Benchmark - Surplus, 42.1% Barclays Capital Aggregate, 10.5% Short Duration Fixed Income Benchmark - Surplus, and 15.8% Total Alternatives Benchmark - Surplus. From August 2013 to March 2014, the Surplus Cash Total Benchmark consisted of 30% Total Equity Benchmark - Surplus, 40% Barclays Capital Aggregate, 20% Short Duration Fixed Income Benchmark - Surplus, and 10% Total Alternatives Benchmark - Surplus. During July 2013, the Surplus Cash Total Benchmark consisted of 30% Total Equity Benchmark - Surplus, 40% Barclays Capital Aggregate, 21% Short Duration Fixed Income Benchmark - Surplus, and 9% Total Alternatives Benchmark - Surplus. From May 2013 to June 2013, the Surplus Cash Total Benchmark consisted of 30% Total Equity Benchmark - Surplus, 40% Barclays Capital Aggregate, 22% Short Duration Fixed Income Benchmark - Surplus, and 8% HFRI Fund of Funds Composite Index. From November 2012 to April 2013, the Surplus Cash Total Benchmark consists of 30% Total Equity Benchmark - Surplus and 70% Total Fixed Income Benchmark - Surplus. From January 2007 to October 2012, the Surplus Cash Total Benchmark consisted of 15% Total Equity Benchmark - Surplus and 85% Total Fixed Income Benchmark - Surplus. From August 2000 to December 2006, the Surplus Cash Total Benchmark consisted of 2% Total Equity Benchmark - Surplus and 98% Total Fixed Income Benchmark - Surplus. From April 1991 to July 2000, the Surplus Cash Total Benchmark consisted of 100% Total Fixed Income Benchmark - Surplus.

Pre-Pavilion Surplus Cash Total Benchmark

Beginning January 2007, the Pre-Pavilion Surplus Cash Total Benchmark consists of 15% Total Equity Benchmark - Surplus and 85% Total Fixed Income Benchmark - Surplus. From August 2000 to December 2006, the Pre-Pavilion Surplus Cash Total Benchmark consisted of 2% Total Equity Benchmark - Surplus and 98% Total Fixed Income Benchmark - Surplus. From April 1991 to July 2000, the Pre-Pavilion Surplus Cash Total Benchmark consisted of 100% Total Fixed Income Benchmark - Surplus.

Total Equity Benchmark - Surplus

Beginning March 2015, the Total Equity Benchmark - Surplus consists of 50% Large Cap Equity Benchmark, 12.5% Small Cap Equity Benchmark, and 37.5% MSCI AC World ex USA (Net). From November 2012 to February 2015, the Total Equity Benchmark - Surplus consisted of 50% Large Cap Equity Benchmark, 16.67% Small Cap Equity Benchmark, and 33.33% MSCI AC World ex USA (Net). From April 1991 to October 2012, the Total Equity Benchmark - Surplus consisted of 100% Large Cap Equity Benchmark.

Domestic Equity Benchmark - Surplus

Beginning March 2015, the Domestic Equity Benchmark - Surplus consists of 80% Large Cap Equity Benchmark and 20% Small Cap Equity Benchmark. From November 2012 to February 2015, the Domestic Equity Benchmark - Surplus consisted of 75% Large Cap Equity Benchmark and 25% Small Cap Equity Benchmark. From April 1991 to October 2012, the Domestic Equity Benchmark - Surplus consisted of 100% Large Cap Equity Benchmark.

Appendix

Benchmark Descriptions

As of March 31, 2016

Large Cap Equity Benchmark

Beginning November 2012, the Large Cap Equity Benchmark consists of 25% Russell 1000 Value Index, 25% Russell 1000 Growth Index, and 50% S&P 500 Index. From April 1991 to October 2012, the Large Cap Equity Benchmark consisted of 100% Russell 1000 Value Index.

Small Cap Equity Benchmark

Beginning November 2012, the Small Cap Equity Benchmark consists of 50% Russell 2000 Growth Index and 50% Russell 2000 Value Index.

Total Fixed Income Benchmark - Surplus

Beginning March 2015, the Total Fixed Income Benchmark - Surplus consists of 75% Barclays Capital Aggregate and 25% Short Duration Fixed Income Benchmark - Surplus. From April 2014 to February 2015, the Total Fixed Income Benchmark - Surplus consisted of 80% Barclays Capital Aggregate and 20% Short Duration Fixed Income Benchmark - Surplus. From August 2013 to March 2014, the Total Fixed Income Benchmark - Surplus consisted of 66.67% Barclays Capital Aggregate and 33.33% Short Duration Fixed Income Benchmark - Surplus. During July 2013, the Total Fixed Income Benchmark - Surplus consisted of 65.57% Barclays Capital Aggregate and 34.43% Short Duration Fixed Income Benchmark - Surplus. From May 2013 to June 2013, the Total Fixed Income Benchmark - Surplus consisted of 64.52% Barclays Capital Aggregate and 35.48% Short Duration Fixed Income Benchmark - Surplus. From November 2012 to April 2013, the Total Fixed Income Benchmark - Surplus consisted of 57.14% Barclays Capital Aggregate and 42.86% Short Duration Fixed Income Benchmark - Surplus. From January 2007 to October 2012, the Total Fixed Income Benchmark - Surplus consisted of 40% Barclays Capital Aggregate and 60% Short Duration Fixed Income Benchmark - Surplus. From April 1991 to December 2006, the Total Fixed Income Benchmark - Surplus consisted of 100% Short Duration Fixed Income Benchmark - Surplus.

Short Duration Fixed Income Benchmark - Surplus

Beginning in November 2012, the Short Duration Fixed Income Benchmark - Surplus consists of 100% Barclays Capital 1-3 Year Gov't/Credit. From January 2007 to October 2012, the Short Duration Fixed Income Benchmark - Surplus consisted of 66.67% Barclays Capital Intermediate Aggregate and 33.33% Barclays Capital Gov't 1-3 Year. From May 2001 to December 2006, the Short Duration Fixed Income Benchmark - Surplus consisted of 84.69% Barclays Capital Intermediate Aggregate and 15.31% Barclays Capital Gov't 1-3 Year. From April 1991 to April 2001, the Short Duration Fixed Income Benchmark - Surplus consisted of 100% Barclays Capital Gov't 1-3 Year.

Total Alternatives Benchmark - Surplus

Beginning April 2014 the Total Alternatives Benchmark - Surplus consists of 75% HFRI Fund of Funds Composite Index and 25% NCREIF Property Index. From May 2013 to March 2014, the Total Alternatives Benchmark - Surplus consisted of 100% HFRI Fund of Funds Composite Index.

Appendix

Benchmark Descriptions

As of March 31, 2016

Cash Balance Plan

Cash Balance Plan Total Benchmark

Beginning January 2013, the Cash Balance Plan Total Benchmark consists of 50% Total Equity Benchmark, 35% Total Fixed Income Benchmark, and 15% Alternatives Benchmark. From November 2012 to December 2012, the Cash Balance Plan Total Benchmark consisted of 50% Total Equity Benchmark, 45% Total Fixed Income Benchmark, and 5% Alternatives Benchmark. From October 1990 to October 2012, the Cash Balance Plan Total Benchmark consisted of 60% Russell 1000 Value Index and 40% Barclays Capital Aggregate.

Cash Balance Plan Total X Privates Benchmark

Beginning January 2013, the Cash Balance Plan Total Benchmark consists of 52.63% Total Equity Benchmark, 36.84% Total Fixed Income Benchmark, and 10.53% Alternatives Benchmark. From November 2012 to December 2012, the Cash Balance Plan Total Benchmark consisted of 50% Total Equity Benchmark, 45% Total Fixed Income Benchmark, and 5% Alternatives Benchmark. From October 1990 to October 2012

Pre-Pavilion Cash Balance Plan Total Benchmark

Beginning October 1990, the Cash Balance Plan Total Benchmark consists of 60% Russell 1000 Value Index and 40% Barclays Capital Aggregate.

Total Equity Benchmark

Beginning November 2012, the Total Equity Benchmark consists of 54% Large Cap Equity Benchmark, 10% Small Cap Equity Benchmark, and 36% MSCI AC World ex USA (Net). From October 1990 to October 2012, the Total Equity Benchmark consisted of 100% Large Cap Equity Benchmark.

Domestic Equity Benchmark

Beginning November 2012, the Domestic Equity Benchmark consists of 84.38% Large Cap Equity Benchmark and 15.62% Small Cap Equity Benchmark. From October 1990 to October 2012, the Domestic Equity Benchmark consisted of 100% Large Cap Equity Benchmark.

Large Cap Equity Benchmark

Beginning November 2012, the Large Cap Equity Benchmark consists of 25% Russell 1000 Value Index, 25% Russell 1000 Growth Index, and 50% S&P 500 Index. From October 1990 to October 2012, the Large Cap Equity Benchmark consisted of 100% Russell 1000 Value Index.

Small Cap Equity Benchmark

Beginning November 2012, the Small Cap Equity Benchmark consists of 50% Russell 2000 Growth Index and 50% Russell 2000 Value Index.

Total Fixed Income Benchmark

Beginning January 2013, the Total Fixed Income Benchmark consists of 71.43% Barclays Capital Aggregate and 28.57% Short Duration Fixed Income Benchmark. From November 2012 to December 2012, the Total Fixed Income Benchmark consists of 55.56% Barclays Capital Aggregate and 44.44% Short Duration Fixed Income Benchmark. From October 1990 to October 2012, the Total Fixed Income Benchmark consisted of 100% Barclays Aggregate.

Short Duration Fixed Income Benchmark

Beginning November 2012, the Short Duration Fixed Income Benchmark consists of 100% Barclays Capital 1-3 Year Gov't/Credit. From October 1990 to October 2012, the Short Duration Fixed Income Benchmark consisted of 100% 90 Day U.S. Treasury Bills.

Appendix

Benchmark Descriptions

As of March 31, 2016

Total Alternatives Benchmark

Beginning January 2013, the Alternatives Benchmark consists of 66.67% HFRI Fund of Funds Composite Index and 33.33% NCREIF Property Index. From November 2012 to December 2012, the Alternatives Benchmark consisted of 100% HFRI Fund of Funds Composite Index.

Appendix

Surplus Cash Calendar Year Composite Performance

As of March 31, 2016

	Year To Date	Performance(%)									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Surplus Cash X District	0.2	-0.2	4.4	8.8	6.6	5.1	6.4	11.3	-1.2	6.3	6.0
Total Surplus Cash Benchmark	0.9	-0.1	5.3	7.5	6.0	5.2	7.3	7.7	-2.0	6.0	4.8
Pre-Pavilion Total Surplus Cash Benchmark	2.3	0.2	5.5	3.4	5.3	5.2	7.3	7.7	-2.0	6.0	4.8
Total Surplus Cash X District X Privates	0.2	-0.8	4.0	8.8	6.6	5.1	6.4	11.3	-1.2	6.3	6.0
Surplus Cash Total Benchmark x Privates	1.0	-0.3	5.3	7.5	6.0	5.2	7.3	7.7	-2.0	6.0	4.8
Total Equity Composite	-0.2	-1.0	4.4	28.8	17.7	2.3	10.8	23.7	-35.3	1.9	14.6
Total Equity Benchmark - Surplus	0.3	-2.2	6.1	27.7	19.0	0.4	15.5	19.7	-36.8	-0.2	22.2
Domestic Equity Composite	-1.0	-0.2	9.0	36.7	16.3	2.3	10.8	23.7	-35.3	1.9	14.6
Domestic Equity Benchmark - Surplus	0.7	0.0	11.4	34.3	17.8	0.4	15.5	19.7	-36.8	-0.2	22.2
Large Cap Equity Composite	-1.3	0.5	12.2	35.1	16.5	2.3	10.8	23.7	-35.3	1.9	14.6
Large Cap Equity Benchmark	1.3	1.1	13.5	32.7	17.1	0.4	15.5	19.7	-36.8	-0.2	22.2
Small Cap Equity Composite	0.3	-3.4	-0.9	41.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Small Cap Equity Benchmark	-1.5	-4.4	5.0	38.9	16.3	-4.2	26.8	27.5	-33.8	-1.7	18.4
International Equity Composite	1.2	-1.9	-5.6	13.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI AC World ex USA (Net)	-0.4	-5.7	-3.9	15.3	16.8	-13.7	11.2	41.4	-45.5	16.7	26.7

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

Peer group percentile ranks are shown in parentheses.

Appendix

Surplus Cash Calendar Year Composite Performance

As of March 31, 2016

	Year To Date	Performance(%)									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Fixed Income Composite	2.2	0.0	4.3	-0.3	4.4	5.5	5.8	7.6	4.1	6.8	5.6
Total Fixed Income Benchmark - Surplus	2.5	0.6	4.7	-1.1	3.2	5.8	5.5	5.2	5.4	7.0	4.5
Short Duration Fixed Income Composite	1.0	0.7	0.6	0.5	3.5	4.3	4.8	5.3	4.5	6.8	5.6
Short Duration Fixed Income Benchmark - Surplus	1.0	0.7	0.8	0.6	2.5	4.5	4.9	4.8	5.5	7.0	4.5
Market Duration Fixed Income Composite	2.5	-0.4	5.8	-0.6	6.9	8.8	8.1	12.6	2.5	6.9	N/A
Barclays U.S. Aggregate	3.0	0.5	6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3
Alternatives Composite	-3.3	1.7	5.1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Alternatives Benchmark -Surplus	-1.2	4.1	6.1	9.6	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Real Estate Composite	0.0	14.3	22.8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NCREIF Property Index	2.2	13.3	11.8	11.0	10.5	14.3	13.1	-16.8	-6.5	15.8	16.6
Hedge Fund Composite	-4.3	-1.6	2.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
HFRI Fund of Funds Composite Index	-2.8	-0.2	3.4	9.0	4.8	-5.7	5.7	11.5	-21.4	10.3	10.4

Returns are expressed as percentages. Returns for periods greater than one year are annualized. Peer group percentile ranks are shown in parentheses.

Appendix

Cash Balance Plan Calendar Year Composite Performance

As of March 31, 2016

	Year To Date	Performance(%)									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Cash Balance Plan	-0.4	1.1	5.6	15.8	17.0	-0.9	11.7	28.2	-25.9	2.4	12.6
Total Cash Balance Plan Benchmark	1.0	0.1	5.7	13.8	12.7	3.7	12.4	14.8	-22.0	2.8	14.8
Pre-Pavilion Total Cash Balance Plan Benchmark	2.3	-1.9	10.5	17.7	12.2	3.7	12.4	14.8	-22.0	2.8	14.8
Total Cash Balance Plan X Private Structures	-0.5	0.1	4.8	16.2	17.0	-0.9	11.7	28.2	-25.9	2.4	12.6
Cash Balance Plan Total X Privates Benchmark	0.9	-0.6	5.3	14.0	12.7	3.7	12.4	14.8	-22.0	2.8	14.8
Total Equity Composite	-0.8	-1.0	4.6	27.7	23.3	-3.9	14.2	33.0	-43.0	0.3	19.5
Total Equity Benchmark	0.4	-1.8	6.2	26.9	18.9	0.4	15.5	19.7	-36.8	-0.2	22.2
Domestic Equity Composite	-1.5	-0.3	10.2	36.3	21.5	-3.9	14.2	33.0	-43.0	0.3	19.5
Domestic Equity Benchmark	0.8	0.3	12.2	33.7	17.5	0.4	15.5	19.7	-36.8	-0.2	22.2
Large Cap Equity Composite	-1.8	0.3	12.3	35.4	21.8	-3.9	14.2	33.0	-43.0	0.3	19.5
Large Cap Equity Benchmark	1.3	1.1	13.5	32.7	17.1	0.4	15.5	19.7	-36.8	-0.2	22.2
Small Cap Equity Composite	0.3	-3.4	-0.9	41.1	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Small Cap Equity Benchmark	-1.5	-4.4	5.0	38.9	16.3	-4.2	26.8	27.5	-33.8	-1.7	18.4
International Equity Composite	0.6	-2.3	-5.3	13.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI AC World ex USA (Net)	-0.4	-5.7	-3.9	15.3	16.8	-13.7	11.2	41.4	-45.5	16.7	26.7

Returns are expressed as percentages. Returns for periods greater than one year are annualized. Peer group percentile ranks are shown in parentheses.

Appendix

Cash Balance Plan Calendar Year Composite Performance

As of March 31, 2016

	Year To Date	Performance(%)									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Fixed Income Composite	2.2	-0.1	4.3	0.6	7.0	6.4	7.8	17.6	-0.3	4.9	5.4
Total Fixed Income Benchmark	2.4	0.6	4.5	-1.3	4.3	7.8	6.5	5.9	5.2	7.0	4.3
Short Duration Fixed Income Composite	0.9	0.6	0.5	0.6	0.2	N/A	N/A	N/A	N/A	N/A	N/A
Short Duration Fixed Income Benchmark	1.0	0.7	0.8	0.6	0.2	0.1	0.1	0.2	2.1	4.9	4.8
Market Duration Fixed Income Composite	2.4	-0.1	5.7	0.6	8.0	5.4	7.8	17.6	-0.3	4.9	5.4
Barclays U.S. Aggregate	3.0	0.5	6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3
Total Alternatives Composite	-3.1	8.2	13.1	11.4	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Alternatives Benchmark	-1.2	4.1	6.1	9.6	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Hedge Fund of Fund Composite	-4.9	4.7	8.8	13.3	N/A	N/A	N/A	N/A	N/A	N/A	N/A
HFRI Fund of Funds Composite Index	-2.8	-0.2	3.4	9.0	4.8	-5.7	5.7	11.5	-21.4	10.3	10.4
Real Estate Composite	0.0	14.3	23.9	5.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NCREIF Property Index	2.2	13.3	11.8	11.0	10.5	14.3	13.1	-16.8	-6.5	15.8	16.6

Returns are expressed as percentages. Returns for periods greater than one year are annualized. Peer group percentile ranks are shown in parentheses.

Surplus Cash Hedge Fund Portfolio



El Camino Hospital

1st Quarter 2016

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PAVILION

Hedge Fund Portfolio Executive Summary

Portfolio Update - First Quarter 2016

The Hedge Fund Portfolio returned -4.3% during the first quarter, underperforming the HFRI Fund of Funds Composite Index, which returned -2.8%. Each of the Portfolio's four hedge fund strategies, with the exception of the macro strategy, underperformed their benchmarks. The equity and relative value segments were notable laggards underperforming their benchmarks by 640 and 610 basis points, respectively. Hedge Funds struggled during the quarter, primarily due to a sharp bounce back in equity and commodity markets in mid-February. Hedge fund managers had brought exposure down in the second half of 2015 and as a result protected on the downside in the beginning of the quarter but were unable to take advantage of the sharp rally from mid-February. The macro strategy provided some helpful diversification returning +1.4%.

The Portfolio's equity and relative value managers were the most notable detractors to relative performance during the quarter. Global equity long/short manager Bloom Tree (-11.2%) was a notable detractor as it was hampered by exposure to MLPs which declined significantly in January and early February. Capeview 2x, a European long/short equity manager, and Indus Japan, a Japanese long/short equity manager, also dampened results as the funds returned -16.2% and -8.1%, respectively. Relative value manager Fir Tree (-10.8%) was the largest source of negative attribution during the quarter. The manager's MLPs and U.S. car rental companies were among the worst performers for the fund. Pine River (-5.4%) also dampened results as the manager's China exposure in the management overlay strategy (short CNH) and market neutral (index A/H arbitrage) hurt performance.

The Portfolio's macro strategy matched the HFRI Macro (Total) Index during the quarter. Robeco Transtrend (+8.9%), a systematic macro manager, was the most notable contributor during the quarter. The manager's rate trading systems, specifically EU bonds, provided the most positive attribution. Systematic macro managers were amongst the best performing strategies in the portfolio and provided adequate diversification for the overall portfolio

Investment Activity

El Camino submitted a full redemption request on March 1, 2016 to exit Carlson's Double Black Diamond Ltd effective April 30, 2016. El Camino should receive at least 90% of the redemption proceeds within 30 days of the redemption date at which time the proceeds will be reallocated to BlackRock's The 32 Capital Fund, Ltd. on either June 1, 2016 or July 1, 2016. The remaining capital will be returned after the Fund's annual audit is completed although Pavilion will work with the manager to return the remaining proceeds at a sooner date.

Recommendations or Action Items

No recommendations at this time.

Asset Allocation & Performance

El Camino Hedge Fund Portfolio

As of March 31, 2016

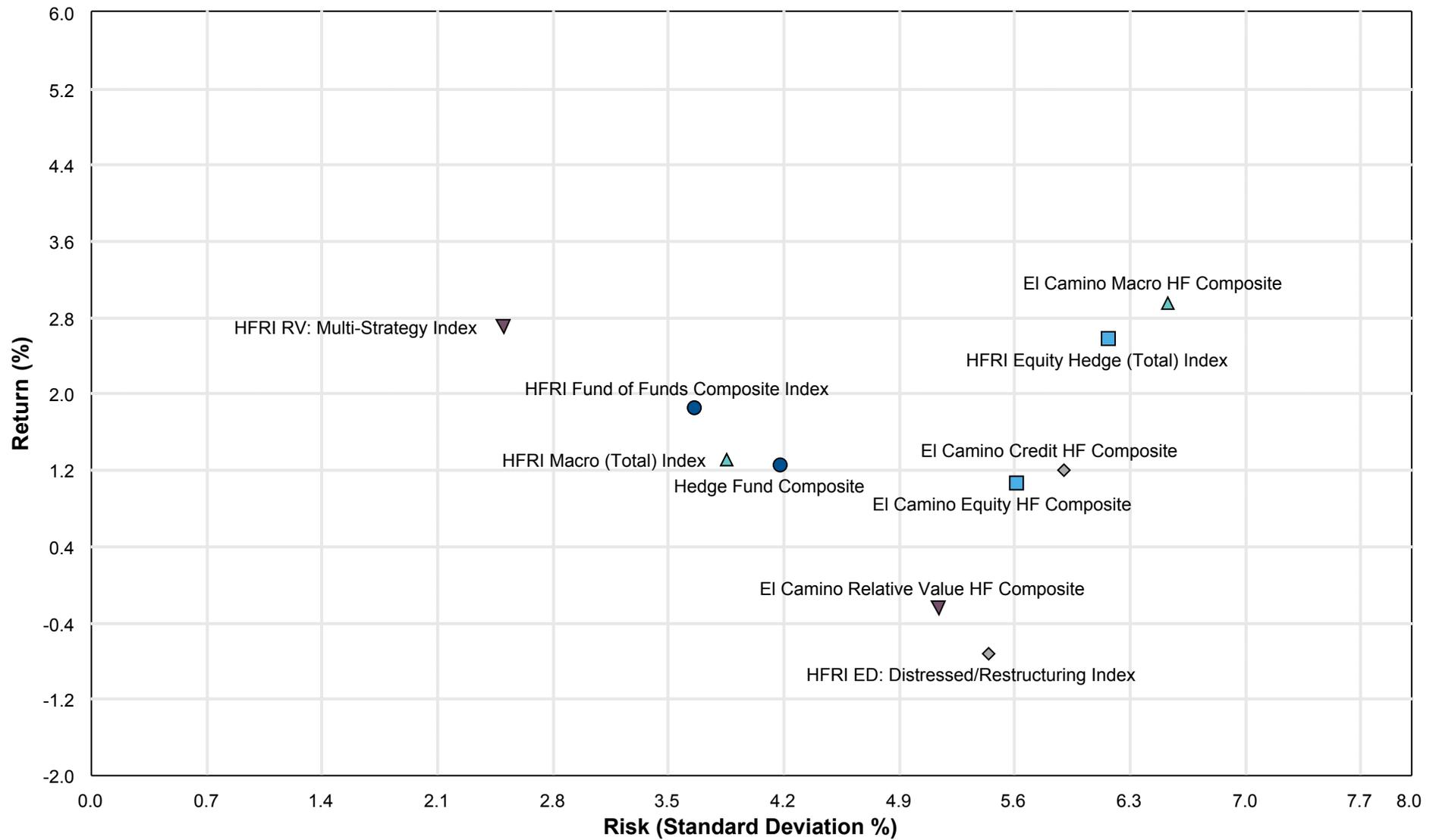
	Allocation		Performance(%)						
	Market Value (\$)	%	Quarter	Year To Date	1 Year	3 Years	5 Years	Since Invested	Inception Period
Hedge Fund Composite	92,920,988	100.0	-4.3	-4.3	-8.2	N/A	N/A	0.6	2y 11m
HFRI Fund of Funds Composite Index			-2.8	-2.8	-5.4	1.9	1.3	1.6	
El Camino HF Composite Benchmark			-0.7	-0.7	-4.7	1.7	1.7	1.5	
Credit HF Composite	18,504,754	19.9	-2.2	-2.2	-10.4	N/A	N/A	0.4	2y 11m
HFRI ED: Distressed/Restructuring Index			-1.1	-1.1	-9.9	-0.7	1.3	-1.2	
Equity HF Composite	33,228,133	35.8	-8.1	-8.1	-9.7	N/A	N/A	0.4	2y 11m
HFRI Equity Hedge (Total) Index			-1.7	-1.7	-4.6	2.6	1.7	2.5	
Macro HF Composite	24,514,016	26.4	1.4	1.4	-1.8	N/A	N/A	2.1	2y 11m
HFRI Macro (Total) Index			1.4	1.4	-3.0	1.3	0.3	1.1	
Relative Value HF Composite	16,674,086	17.9	-6.5	-6.5	-11.5	N/A	N/A	-0.6	2y 11m
HFRI RV: Multi-Strategy Index			-0.4	-0.4	-1.7	2.7	3.0	2.2	

The El Camino HF Composite Benchmark consists of 40% HFRI Equity Hedge (Total) Index, 20% HFRI ED: Distressed/Restructuring Index, 20% HFRI Macro (Total) Index, and 20% HFRI RV: Multi-Strategy Index

Performance Summary

Hedge Fund Composite Risk and Return Summary (Net of Fees)

3 Years Ending March 31, 2016

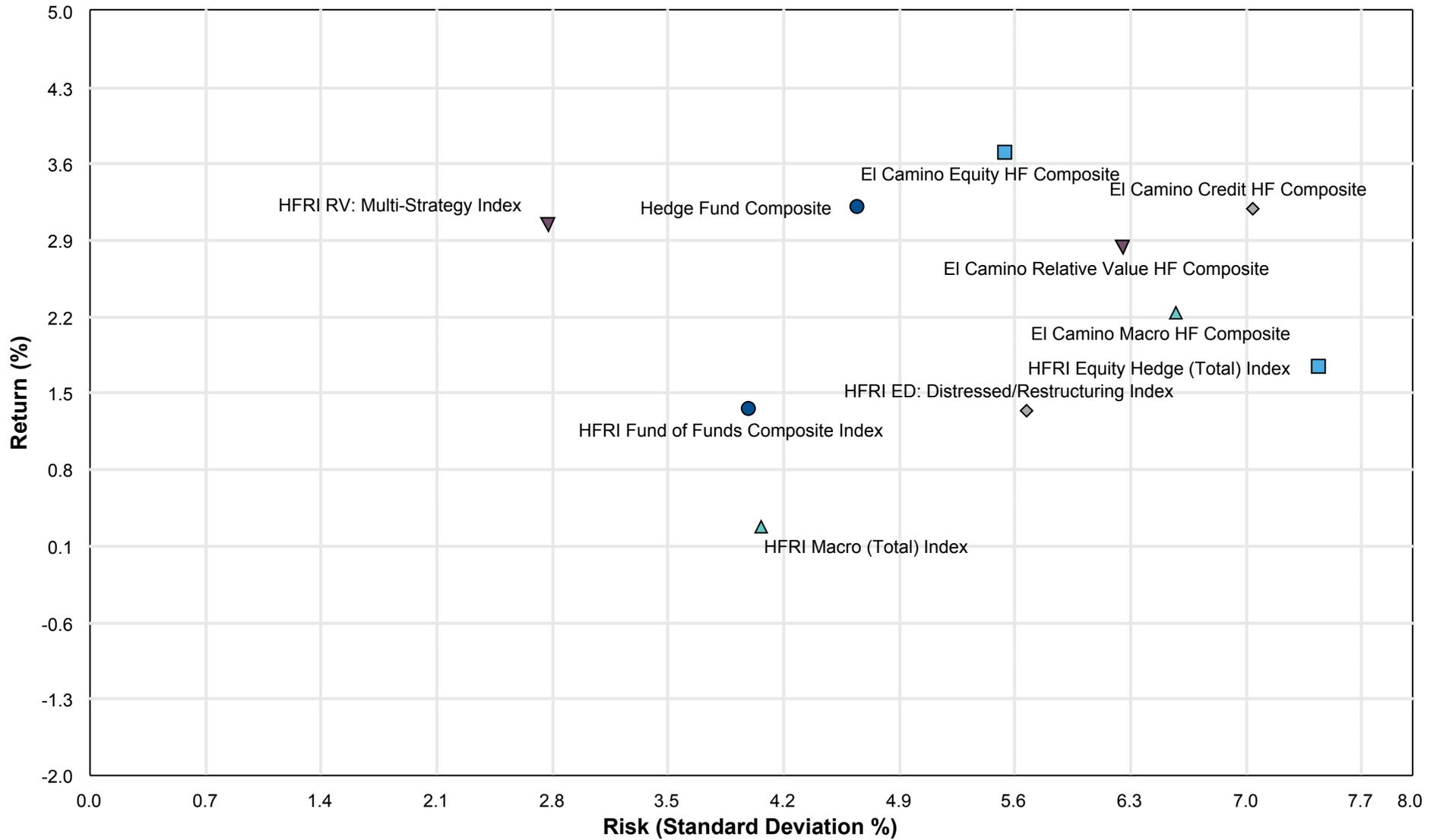


After May 1, 2013, results are actual El Camino Hedge Fund Portfolio returns.

Performance Summary

Hedge Fund Composite Risk and Return Summary (Net of Fees)

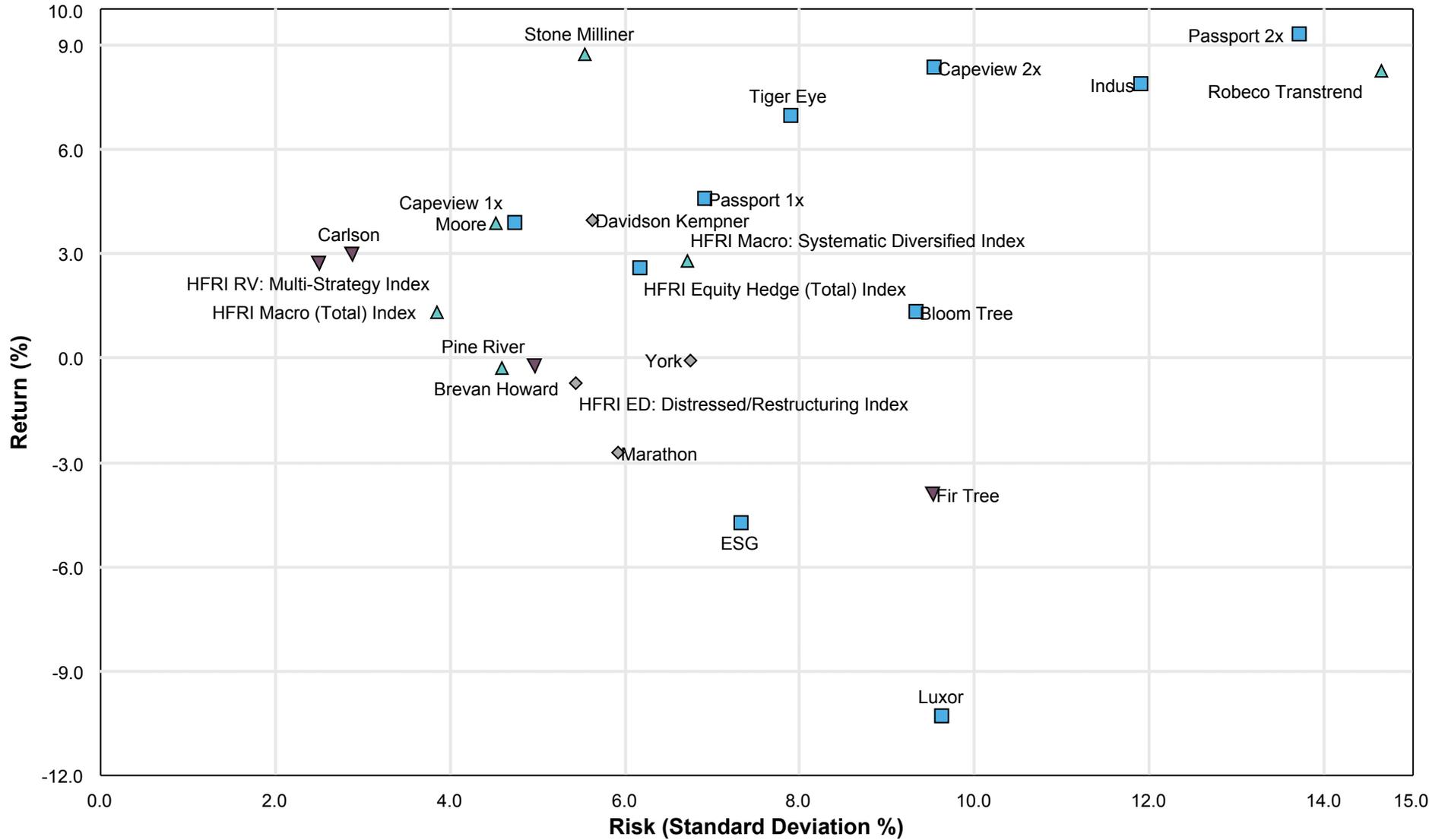
5 Years Ending March 31, 2016



Risk and Return

Hedge Fund Managers Risk Return (Net of Fees)

3 Years Ending March 31, 2016

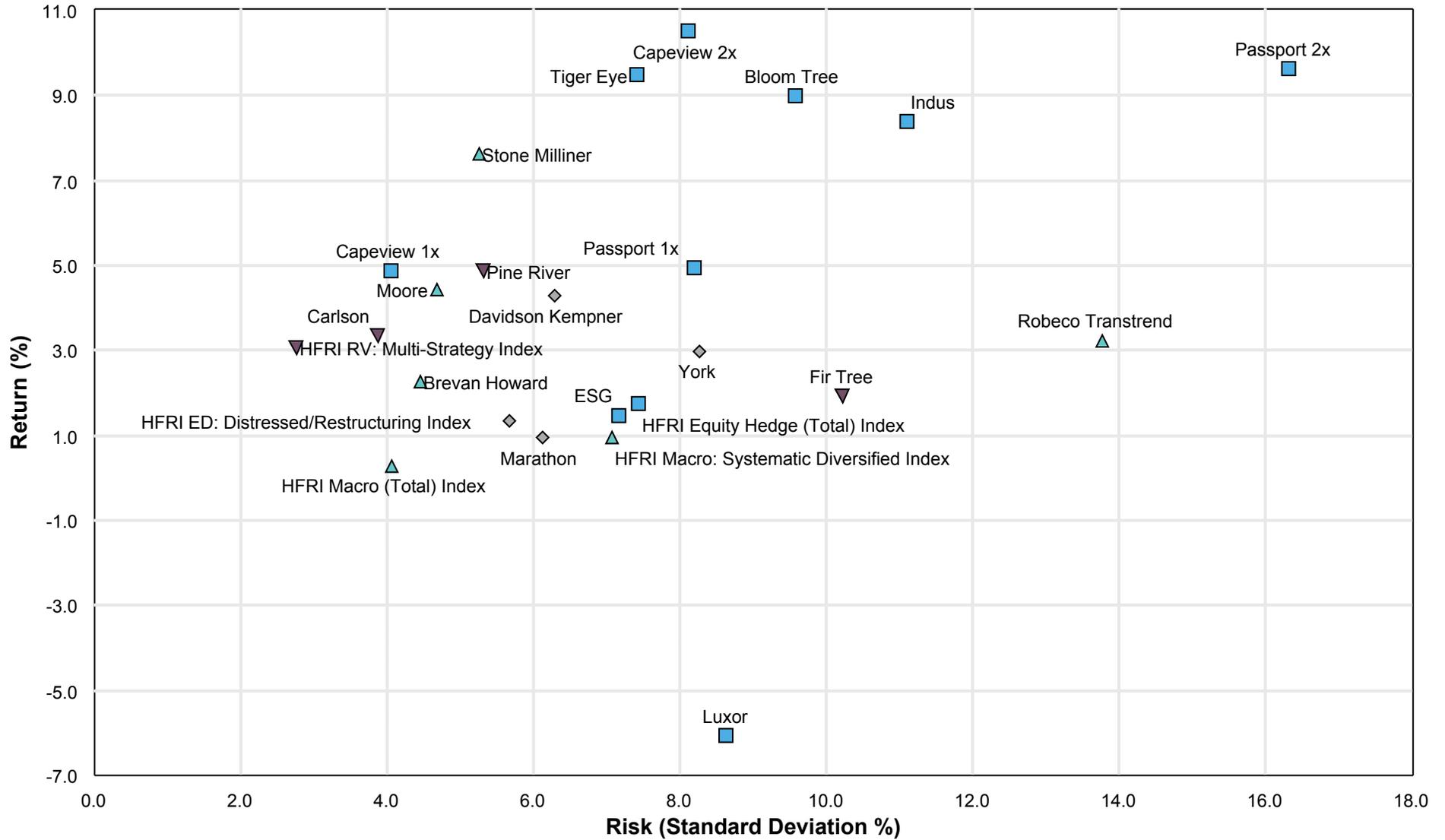


After May 1, 2013, results are actual El Camino Hedge Fund Portfolio returns.

Risk and Return

Hedge Fund Managers Risk Return (Net of Fees)

5 Years Ending March 31, 2016



After May 1, 2013, results are actual El Camino Hedge Fund Portfolio returns.

El Camino Hedge Fund Portfolio Risk Statistics

As of March 31, 2016

	5 Years Return	5 Years Standard Deviation	5 Years Maximum Drawdown	5 Years Best Quarter	5 Years Worst Quarter	5 Years Sharpe Ratio	5 Years Sortino Ratio
Total Portfolio							
Hedge Fund Composite	3.2	4.7	-9.5	6.0	-5.7	0.7	0.7
HFRI Fund of Funds Composite Index	1.3	4.0	-7.7	3.8	-5.0	0.3	0.3
Equity Long/Short							
El Camino Equity HF Composite	3.7	5.5	-12.8	9.1	-8.1	0.7	0.7
HFRI Equity Hedge (Total) Index	1.7	7.4	-13.2	6.9	-10.9	0.3	0.2
Credit							
El Camino Credit HF Composite	3.2	7.0	-18.5	8.0	-10.4	0.5	0.4
HFRI ED: Distressed/Restructuring Index	1.3	5.7	-17.7	5.3	-7.8	0.3	0.2
Macro							
El Camino Macro HF Composite	2.2	6.6	-7.4	7.9	-4.8	0.4	0.4
HFRI Macro (Total) Index	0.3	4.1	-8.0	5.1	-3.5	0.1	0.1
Relative Value							
El Camino Relative Value HF Composite	2.8	6.3	-13.8	6.9	-8.1	0.5	0.4
HFRI RV: Multi-Strategy Index	3.0	2.8	-4.6	3.8	-3.0	1.1	1.1

After May 1, 2013, results are actual El Camino Hedge Fund Portfolio returns.

Asset Class Diversification

Hedge Fund Portfolio

As of March 31, 2016

Manager	Asset Class/Type	Total Assets (\$, mil.)	Percent of Total	Target Allocation	Weighting Relative to Target
Equity Hedge Funds		\$ 33.2	35.8%	40.0%	- 4.2%
ESG	Emerging Market Equity	\$ 4.3	4.7%		
Luxor	Event Driven Equity	\$ 3.6	3.9%		
CapeView 1x	European Equity	\$ 2.8	3.0%		
CapeView 2x	European Equity	\$ 3.1	3.3%		
Passport 1x	US Equity	\$ 2.6	2.8%		
Passport 2x	US Equity	\$ 2.7	2.9%		
Bloom Tree	Global Equity	\$ 4.5	4.8%		
Tiger Eye	US Equity	\$ 4.5	4.8%		
Indus Japan	Japanese Equity	\$ 5.1	5.5%		
Credit Hedge Funds		\$ 18.5	19.9%	20.0%	- 0.1%
Davidson Kempner	Distressed Credit	\$ 7.8	8.4%		
York	Multi-Strategy Credit	\$ 6.3	6.8%		
Marathon	Multi-Strategy Credit	\$ 4.4	4.8%		
Macro Hedge Funds		\$ 24.5	26.4%	20.0%	+ 6.4%
Brevan Howard	Discretionary Macro	\$ 5.9	6.3%		
Moore	Discretionary Macro	\$ 6.2	6.6%		
Stone Milliner	Discretionary Macro	\$ 5.0	5.4%		
Transtrend	Systematic Macro	\$ 7.4	8.0%		
Relative Value Hedge Funds		\$ 16.7	17.9%	20.0%	- 2.1%
Carlson	Multi-Strategy	\$ 5.4	5.8%		
Fir Tree	Multi-Strategy	\$ 5.6	6.1%		
Pine River	Multi-Strategy	\$ 5.6	6.1%		
Total Hedge Fund Portfolio		\$ 92.9	100.0%		

Totals may not add up due to rounding.

Pro Forma Performance Summary

As of March 31, 2016

	Quarter	Year To Date	1 Year	3 Years	5 Years	Since Invested	2015	2014	2013	2012	2011	2010	Inception Period
Total Portfolio													
Hedge Fund Composite	-4.3	-4.3	-8.2	1.3	3.2	0.6	-1.6	2.2	14.0	9.9	-0.9	11.4	2y 11m
<i>HFRI Fund of Funds Composite Index</i>	-2.8	-2.8	-5.4	1.9	1.3	1.6	-0.2	3.4	9.0	4.8	-5.7	5.7	
Equity Long/Short													
El Camino Equity HF Composite	-8.1	-8.1	-9.7	1.1	3.7	0.4	2.0	-0.4	20.6	7.7	0.0	11.3	2y 11m
<i>HFRI Equity Hedge (Total) Index</i>	-1.7	-1.7	-4.6	2.6	1.7	2.5	-1.0	1.8	14.3	7.4	-8.4	10.5	
ESG Cross Border Equity Offshore Fund, Ltd.	-7.1	-7.1	-13.2	-4.8	1.5	-4.7	-5.1	-7.0	13.4	6.7	9.3	11.0	2y 11m
Luxor Capital Partners Offshore, Ltd.	-9.0	-9.0	-26.6	-10.3	-6.1	-10.5	-20.9	-8.4	16.1	1.7	-3.2	4.6	2y 11m
Capeview Azri Fund	-8.2	-8.2	-3.3	3.9	4.9	3.8	9.8	4.6	11.4	5.8	1.3	12.8	2y 9m
Capeview Azri 2X Fund	-16.2	-16.2	-6.4	8.3	10.5	8.2	21.6	9.8	24.4	12.7	4.3	26.9	2y 9m
Passport Long Short Fund, Ltd.	-2.3	-2.3	3.0	4.6	4.9	1.7	10.6	-5.7	19.8	12.1	-7.2	N/A	2y 8m
Passport Long Short Fund, Ltd. 2x	-4.6	-4.6	6.8	9.3	9.6	3.2	21.8	-11.1	43.4	24.4	-14.5	N/A	2y 8m
Bloom Tree Offshore Fund Ltd.	-11.2	-11.2	-9.3	1.3	9.0	-0.5	6.3	3.0	12.8	13.7	23.7	5.8	2y
Tiger Eye Fund, Ltd.	-3.5	-3.5	-9.4	7.0	9.5	-0.5	-2.0	3.9	37.7	17.7	5.6	10.1	2y
Indus Japan Fund Ltd.	-8.1	-8.1	-10.6	7.9	8.4	1.2	1.8	6.3	45.0	8.1	-1.6	8.1	2y 4m
Credit													
El Camino Credit HF Composite	-2.2	-2.2	-10.4	1.2	3.2	0.4	-8.2	2.8	18.6	16.2	-2.1	10.8	2y 11m
<i>HFRI ED: Distressed/Restructuring Index</i>	-1.1	-1.1	-9.9	-0.7	1.3	-1.2	-8.1	-1.4	14.0	10.1	-1.8	12.1	
DK Distressed Opportunities International, Ltd.	0.9	0.9	-4.6	4.0	4.3	3.0	-6.2	3.2	21.7	13.5	-2.4	10.2	2y 11m
Marathon Special Opportunity Fund Ltd.	-4.1	-4.1	-15.1	-2.7	0.9	-10.4	-11.9	-2.8	19.6	16.5	-4.8	9.1	2y
York Credit Opportunities Unit Trust	-4.5	-4.5	-13.5	-0.1	3.0	-0.6	-7.9	3.4	15.6	18.9	-1.8	11.4	2y 11m

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

Peer group percentile ranks are shown in parenthesis.

After May 1, 2013, results are actual El Camino Hedge Fund Portfolio returns.

Returns for Passport Long Short Fund, Ltd. 2x prior to January 2013 represent Passport Long Short Fund, Ltd., returns for CapeView Azri 2x Fund prior to October 2010 represent CapeView Azri Fund, and returns for Robeco Transtrend Diversified Fund, LLC prior to April 2008 represent Transtrend Diversified Trend Program Enhanced Risk (USD) Fund.

Pro Forma Performance Summary

As of March 31, 2016

	Quarter	Year To Date	1 Year	3 Years	5 Years	Since Invested	2015	2014	2013	2012	2011	2010	Inception Period
Macro													
El Camino Macro HF Composite	1.4	1.4	-1.8	2.9	2.2	2.1	1.0	7.7	0.7	3.4	-2.9	10.4	2y 11m
<i>HFRI Macro (Total) Index</i>	<i>1.4</i>	<i>1.4</i>	<i>-3.0</i>	<i>1.3</i>	<i>0.3</i>	<i>1.1</i>	<i>-1.3</i>	<i>5.6</i>	<i>-0.4</i>	<i>-0.1</i>	<i>-4.2</i>	<i>8.1</i>	
Brevan Howard Multi-Strategy Fund Limited	0.6	0.6	-4.5	-0.3	2.3	-0.9	-1.9	1.8	0.8	5.3	6.0	2.3	2y 11m
Moore Macro Managers Fund	-4.7	-4.7	-4.8	3.9	4.4	1.3	3.1	5.4	13.4	8.9	-2.6	11.6	2y
Stone Milliner Macro Inc	0.1	0.1	0.8	8.7	7.6	2.3	5.7	14.3	11.2	8.1	-1.6	5.9	1y 1m
Robeco Transtrend Diversified Fund LLC	8.9	8.9	1.5	8.3	3.2	7.2	-1.1	18.9	0.6	1.2	-11.3	18.6	2y 11m
Relative Value													
El Camino Relative Value HF Composite	-6.5	-6.5	-11.5	-0.2	2.8	-0.6	-4.0	1.6	12.7	14.3	0.2	13.1	2y 11m
<i>HFRI RV: Multi-Strategy Index</i>	<i>-0.4</i>	<i>-0.4</i>	<i>-1.7</i>	<i>2.7</i>	<i>3.0</i>	<i>2.2</i>	<i>0.7</i>	<i>3.4</i>	<i>7.9</i>	<i>8.2</i>	<i>-2.4</i>	<i>13.2</i>	
Double Black Diamond, Ltd. Series E	-2.7	-2.7	-2.4	3.0	3.3	2.7	0.9	4.9	8.1	11.6	-2.2	9.5	2y 11m
Fir Tree International Value Fund (Non-US), L.P.	-10.8	-10.8	-20.3	-3.9	1.9	-4.3	-8.9	-2.1	17.2	16.9	2.4	16.7	2y 11m
Pine River Fund Ltd.	-5.4	-5.4	-9.7	-0.3	4.9	-3.0	-2.8	4.7	9.7	21.7	5.7	13.9	2y

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

Peer group percentile ranks are shown in parenthesis.

After May 1, 2013, results are actual El Camino Hedge Fund Portfolio returns.

Returns for Passport Long Short Fund, Ltd. 2x prior to January 2013 represent Passport Long Short Fund, Ltd., returns for CapeView Azri 2x Fund prior to October 2010 represent CapeView Azri Fund, and returns for Robeco Transtrend Diversified Fund, LLC prior to April 2008 represent Transtrend Diversified Trend Program Enhanced Risk (USD) Fund.



Hedge Fund Manager Performance

Manager Evaluation

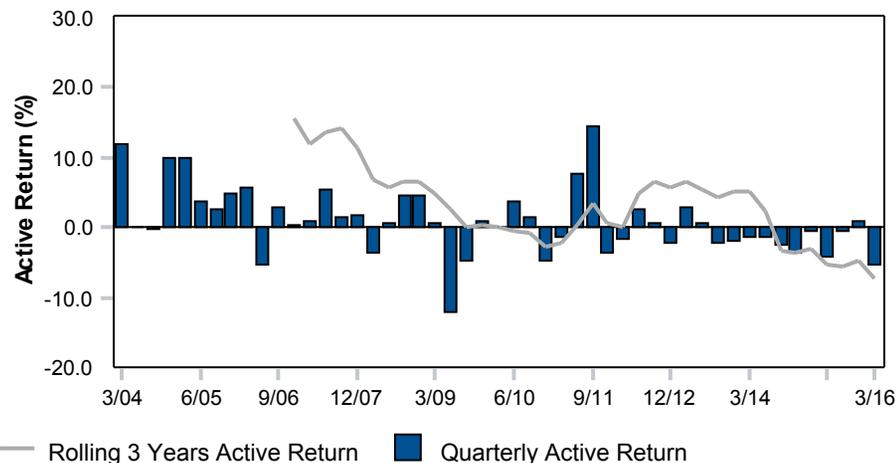
ESG Cross Border Equity Offshore Fund, Ltd. vs. HFRI Equity Hedge (Total) Index

As of March 31, 2016

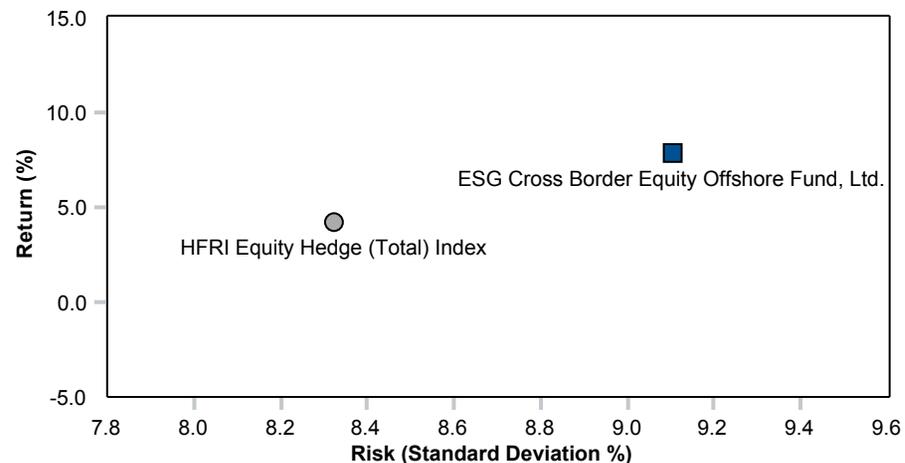
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
ESG Cross Border Equity Offshore Fund, Ltd.	-7.1	-7.1	-13.2	-4.8	1.5	2.4	-5.1	-7.0	13.4	6.7	9.3	11.0	7.9	-21.2	21.0	14.8
HFRI Equity Hedge (Total) Index	-1.7	-1.7	-4.6	2.6	1.7	2.7	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI Emerging Markets Index	5.8	5.8	-11.7	-4.2	-3.8	3.3	-14.6	-1.8	-2.3	18.6	-18.2	19.2	79.0	-53.2	39.8	32.6

Comparative Performance and Rolling Return



Risk and Return (Jan-2004 - Mar-2016)



Historical Statistics (Jan-2004 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
ESG Cross Border Equity Offshore Fund, Ltd.	7.8	9.1	6.7	6.0	0.5	0.7	9.2	0.4	5.7	54.4	12y 3m
HFRI Equity Hedge (Total) Index	4.2	8.3	3.1	0.0	1.0	0.4	0.0	N/A	5.9	0.0	12y 3m

Manager Evaluation

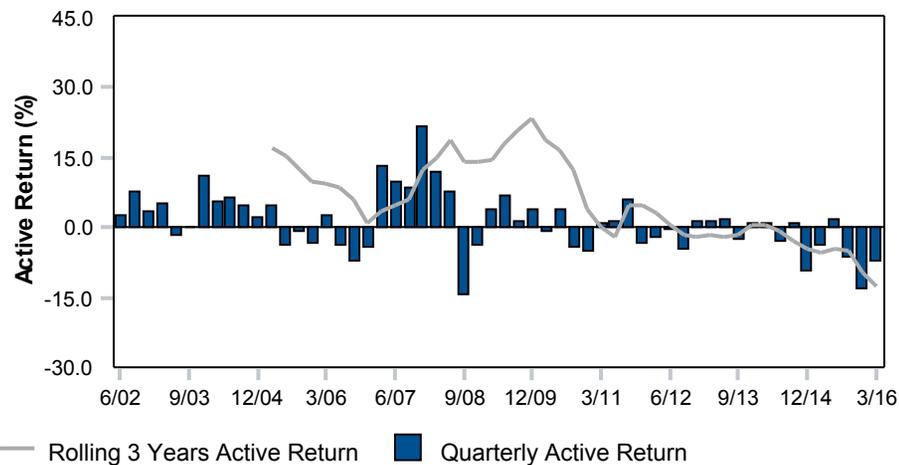
Luxor Capital Partners Offshore, Ltd. vs. HFRI Equity Hedge (Total) Index

As of March 31, 2016

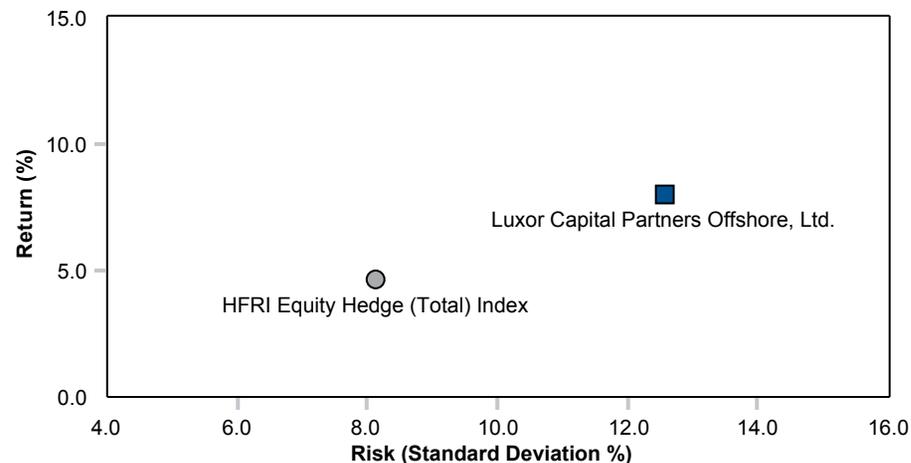
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Luxor Capital Partners Offshore, Ltd.	-9.0	-9.0	-26.6	-10.3	-6.1	2.7	-20.9	-8.4	16.1	1.7	-3.2	4.6	43.9	-29.0	79.3	-1.4
HFRI Equity Hedge (Total) Index	-1.7	-1.7	-4.6	2.6	1.7	2.7	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
DJ Credit Suisse Event Driven Index	-4.5	-4.5	-11.9	0.1	0.5	3.9	-6.3	1.6	15.5	10.6	-9.1	12.6	20.4	-17.7	13.2	15.7

Comparative Performance and Rolling Return



Risk and Return (Apr-2002 - Mar-2016)



Historical Statistics (Apr-2002 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Luxor Capital Partners Offshore, Ltd.	8.0	12.6	7.2	4.7	0.8	0.6	10.9	0.3	8.2	53.6	14y
HFRI Equity Hedge (Total) Index	4.6	8.2	3.5	0.0	1.0	0.4	0.0	N/A	5.7	0.0	14y

Manager Evaluation

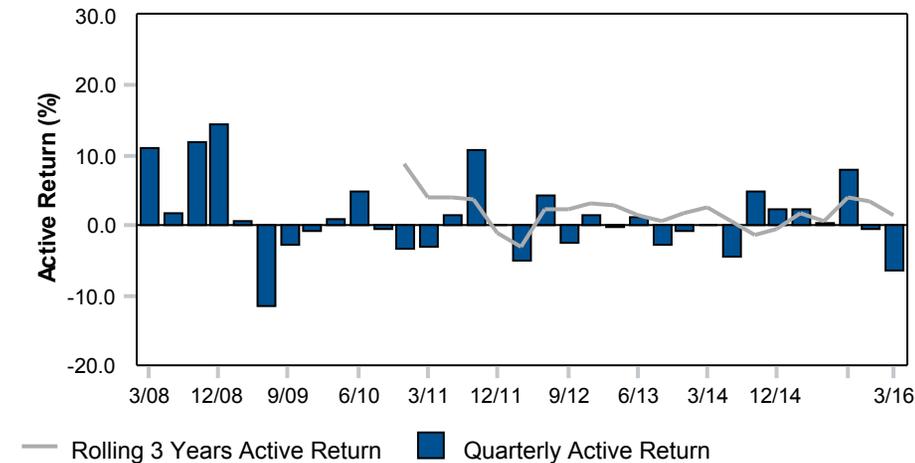
Capeview Azri Fund vs. HFRI Equity Hedge (Total) Index

As of March 31, 2016

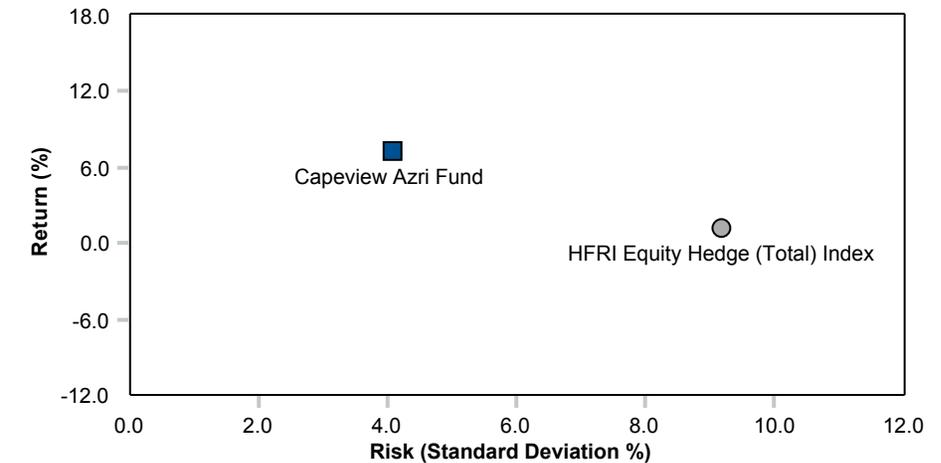
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Capeview Azri Fund	-8.2	-8.2	-3.3	3.9	4.9	N/A	9.8	4.6	11.4	5.8	1.3	12.8	8.7	10.5	N/A	N/A
HFRI Equity Hedge (Total) Index	-1.7	-1.7	-4.6	2.6	1.7	2.7	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI Europe Index	-2.4	-2.4	-8.0	3.3	2.7	2.7	-2.3	-5.7	26.0	19.9	-10.5	4.5	36.8	-46.1	14.4	34.4

Comparative Performance and Rolling Return



Risk and Return (Nov-2007 - Mar-2016)



Historical Statistics (Nov-2007 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Capeview Azri Fund	7.2	4.1	6.7	7.1	0.1	1.6	9.3	0.6	2.1	50.5	8y 5m
HFRI Equity Hedge (Total) Index	1.1	9.2	1.1	0.0	1.0	0.1	0.0	N/A	6.9	0.0	8y 5m

Manager Evaluation

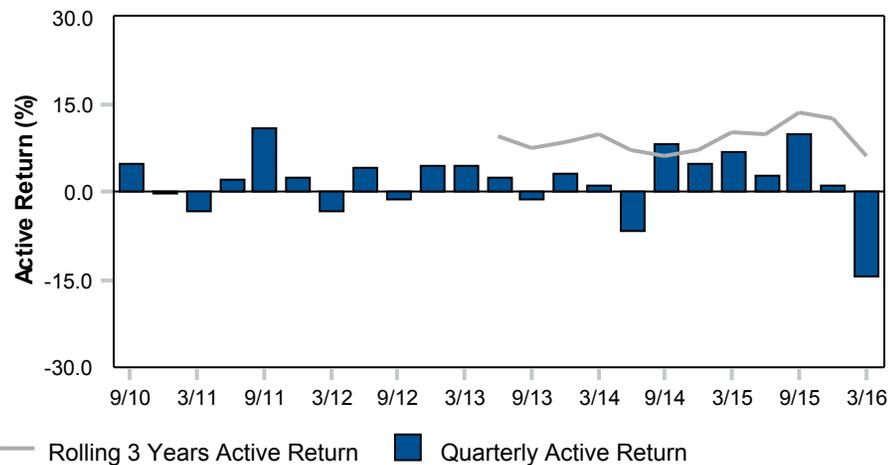
Capeview Azri 2X Fund vs. HFRI Equity Hedge (Total) Index

As of March 31, 2016

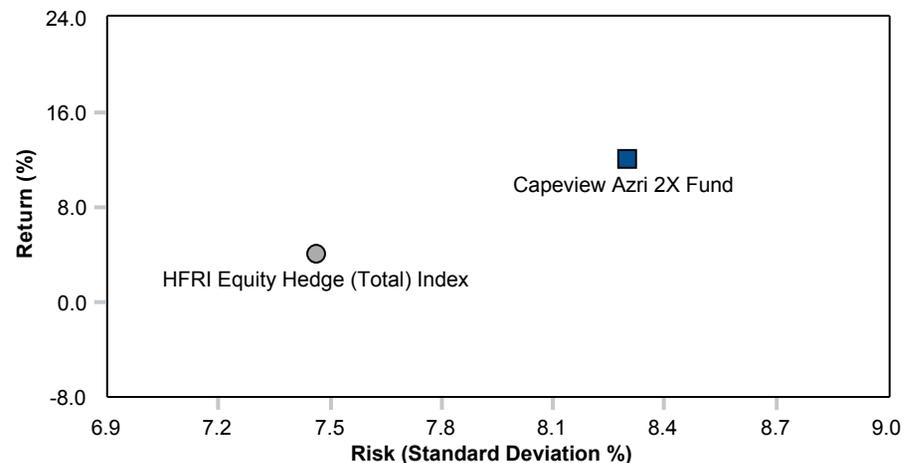
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Capeview Azri 2X Fund	-16.2	-16.2	-6.4	8.3	10.5	N/A	21.6	9.8	24.4	12.7	4.3	26.9	18.0	21.8	N/A	N/A
HFRI Equity Hedge (Total) Index	-1.7	-1.7	-4.6	2.6	1.7	2.7	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI Europe Index	-2.4	-2.4	-8.0	3.3	2.7	2.7	-2.3	-5.7	26.0	19.9	-10.5	4.5	36.8	-46.1	14.4	34.4

Comparative Performance and Rolling Return



Risk and Return (Jul-2010 - Mar-2016)



Historical Statistics (Jul-2010 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Capeview Azri 2X Fund	12.0	8.3	11.7	10.8	0.3	1.4	9.3	0.8	4.9	62.3	5y 9m
HFRI Equity Hedge (Total) Index	4.1	7.5	4.2	0.0	1.0	0.6	0.0	N/A	5.0	0.0	5y 9m

Prior to October 2010, returns represent CapeView Azri Fund, Ltd. multiplied by 2.

Manager Evaluation

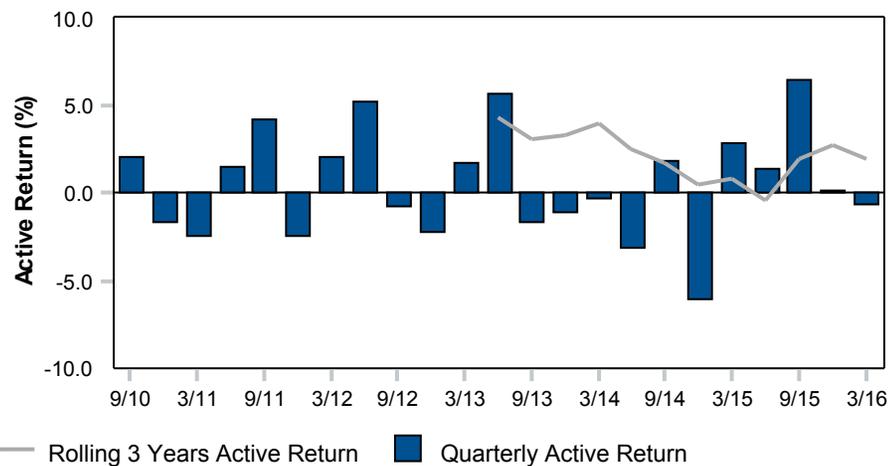
Passport Long Short Fund, Ltd. vs. HFRI Equity Hedge (Total) Index

As of March 31, 2016

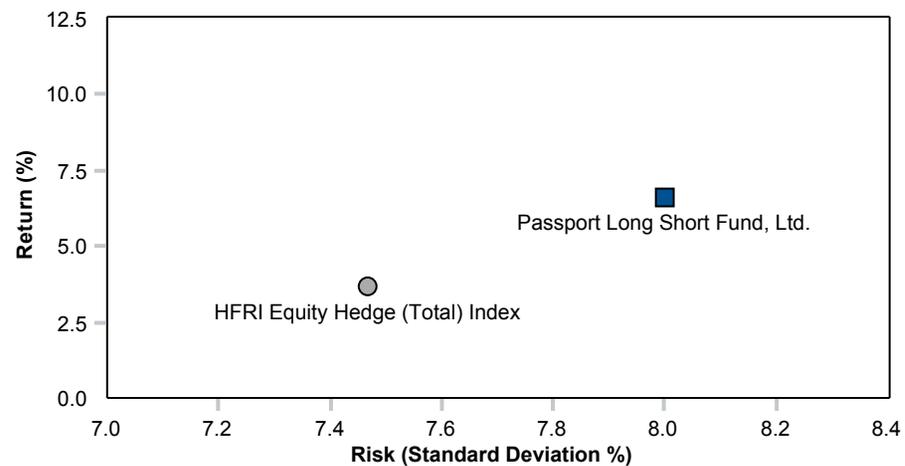
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Passport Long Short Fund, Ltd.	-2.3	-2.3	3.0	4.6	4.9	N/A	10.6	-5.7	19.8	12.1	-7.2	N/A	N/A	N/A	N/A	N/A
HFRI Equity Hedge (Total) Index	-1.7	-1.7	-4.6	2.6	1.7	2.7	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI AC World Index	0.4	0.4	-3.8	6.1	5.8	4.6	-1.8	4.7	23.4	16.8	-6.9	13.2	35.4	-41.8	12.2	21.5

Comparative Performance and Rolling Return



Risk and Return (Jun-2010 - Mar-2016)



Historical Statistics (Jun-2010 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Passport Long Short Fund, Ltd.	6.6	8.0	6.6	5.6	0.3	0.8	9.2	0.3	4.9	50.0	5y 10m
HFRI Equity Hedge (Total) Index	3.7	7.5	3.8	0.0	1.0	0.5	0.0	N/A	5.0	0.0	5y 10m

Manager Evaluation

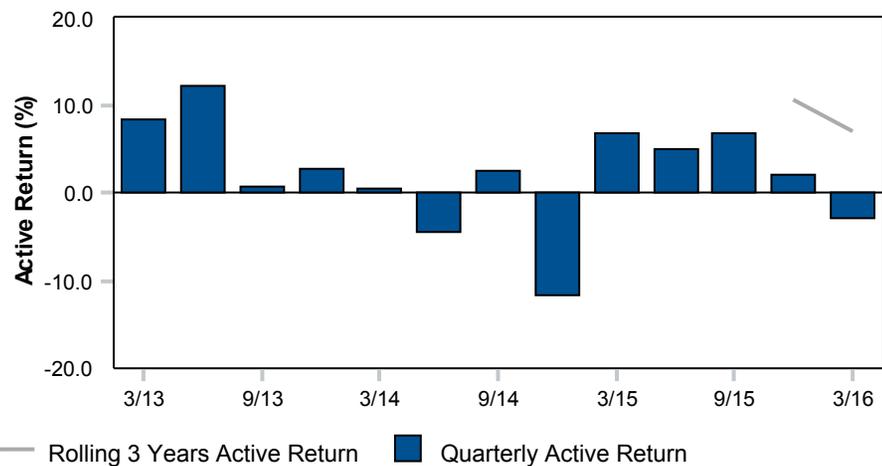
Passport Long Short Fund, Ltd. 2x vs. HFRI Equity Hedge (Total) Index

As of March 31, 2016

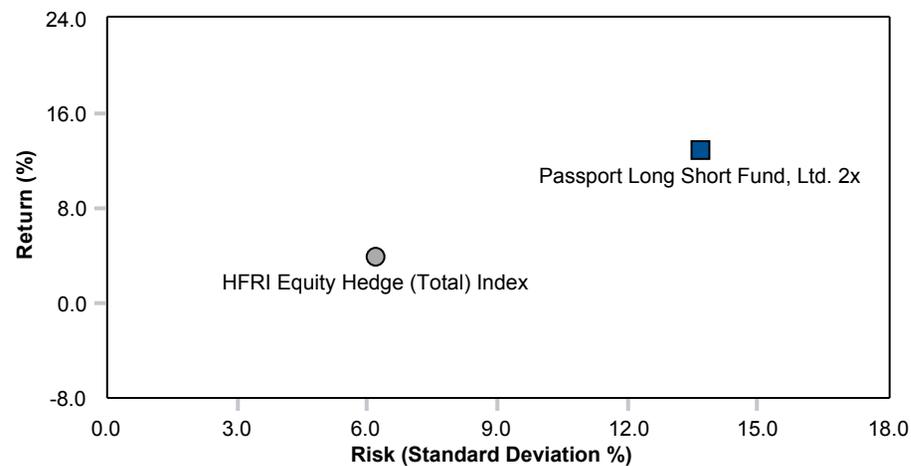
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Passport Long Short Fund, Ltd. 2x	-4.6	-4.6	6.8	9.3	9.6	N/A	21.8	-11.1	43.4	24.4	-14.5	N/A	N/A	N/A	N/A	N/A
HFRI Equity Hedge (Total) Index	-1.7	-1.7	-4.6	2.6	1.7	2.7	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI AC World Index	0.4	0.4	-3.8	6.1	5.8	4.6	-1.8	4.7	23.4	16.8	-6.9	13.2	35.4	-41.8	12.2	21.5

Comparative Performance and Rolling Return



Risk and Return (Jan-2013 - Mar-2016)



Historical Statistics (Jan-2013 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Passport Long Short Fund, Ltd. 2x	12.8	13.7	13.0	14.3	-0.1	1.0	15.3	0.6	8.2	61.5	3y 3m
HFRI Equity Hedge (Total) Index	3.9	6.2	4.0	0.0	1.0	0.6	0.0	N/A	3.9	0.0	3y 3m

Prior to January 2013, returns represent Passport Long Short Fund, Ltd. multiplied by 2.

Manager Evaluation

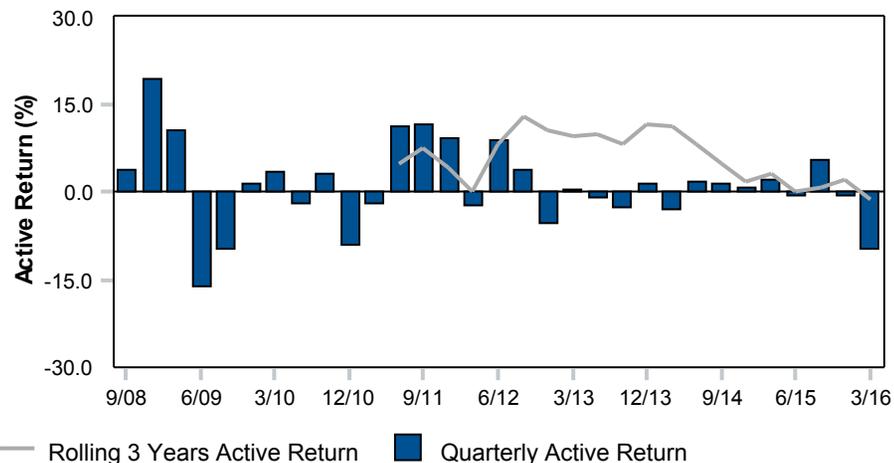
Bloom Tree Offshore Fund Ltd. vs. HFRI Equity Hedge (Total) Index

As of March 31, 2016

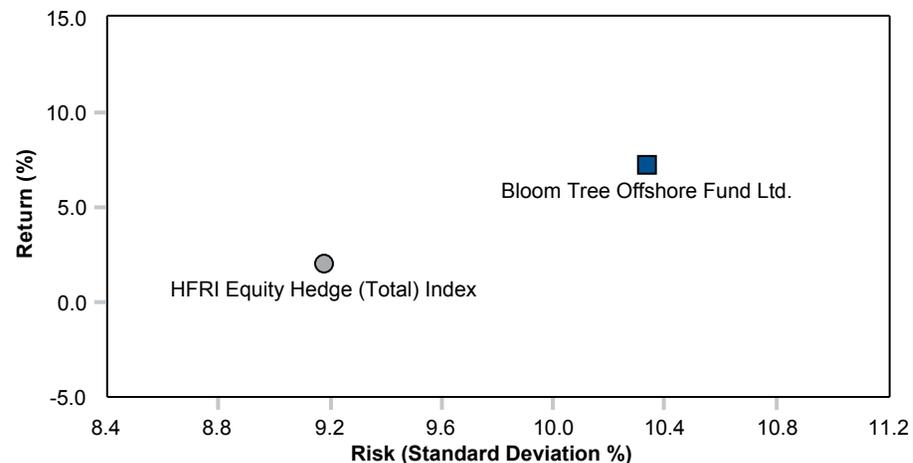
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Bloom Tree Offshore Fund Ltd.	-11.2	-11.2	-9.3	1.3	9.0	N/A	6.3	3.0	12.8	13.7	23.7	5.8	9.1	N/A	N/A	N/A
HFRI Equity Hedge (Total) Index	-1.7	-1.7	-4.6	2.6	1.7	2.7	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI AC World Index	0.4	0.4	-3.8	6.1	5.8	4.6	-1.8	4.7	23.4	16.8	-6.9	13.2	35.4	-41.8	12.2	21.5

Comparative Performance and Rolling Return



Risk and Return (May-2008 - Mar-2016)



Historical Statistics (May-2008 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Bloom Tree Offshore Fund Ltd.	7.2	10.3	7.3	7.2	0.2	0.7	12.4	0.4	6.4	56.8	7y 11m
HFRI Equity Hedge (Total) Index	2.0	9.2	2.2	0.0	1.0	0.2	0.0	N/A	6.7	0.0	7y 11m

Manager Evaluation

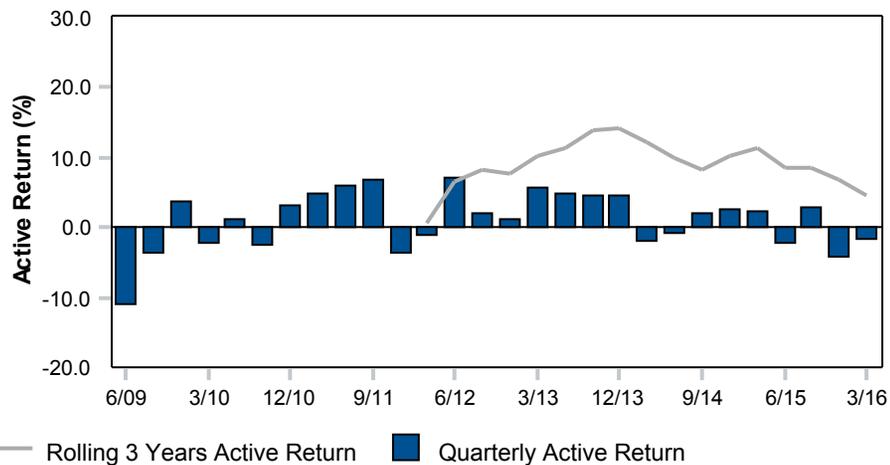
Tiger Eye Fund, Ltd. vs. HFRI Equity Hedge (Total) Index

As of March 31, 2016

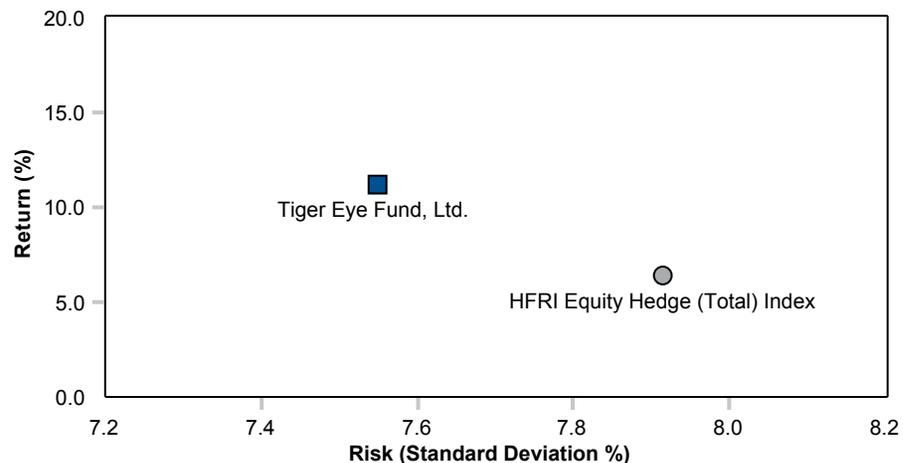
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Tiger Eye Fund, Ltd.	-3.5	-3.5	-9.4	7.0	9.5	N/A	-2.0	3.9	37.7	17.7	5.6	10.1	N/A	N/A	N/A	N/A
HFRI Equity Hedge (Total) Index	-1.7	-1.7	-4.6	2.6	1.7	2.7	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
Russell 3000 Index	1.0	1.0	-0.3	11.1	11.0	6.9	0.5	12.6	33.6	16.4	1.0	16.9	28.3	-37.3	5.1	15.7

Comparative Performance and Rolling Return



Risk and Return (Apr-2009 - Mar-2016)



Historical Statistics (Apr-2009 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Tiger Eye Fund, Ltd.	11.1	7.6	10.8	7.7	0.5	1.4	7.3	0.6	3.4	60.7	7y
HFRI Equity Hedge (Total) Index	6.3	7.9	6.4	0.0	1.0	0.8	0.0	N/A	4.9	0.0	7y

Manager Evaluation

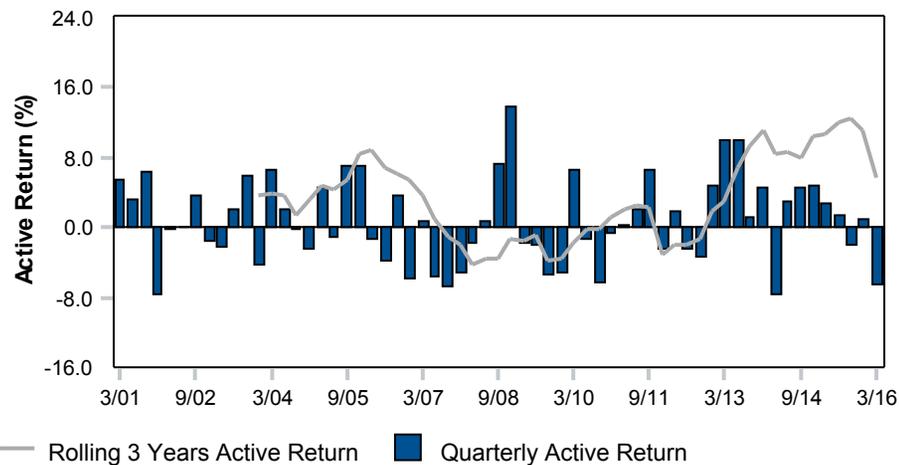
Indus Japan Fund Ltd. vs. HFRI Equity Hedge (Total) Index

As of March 31, 2016

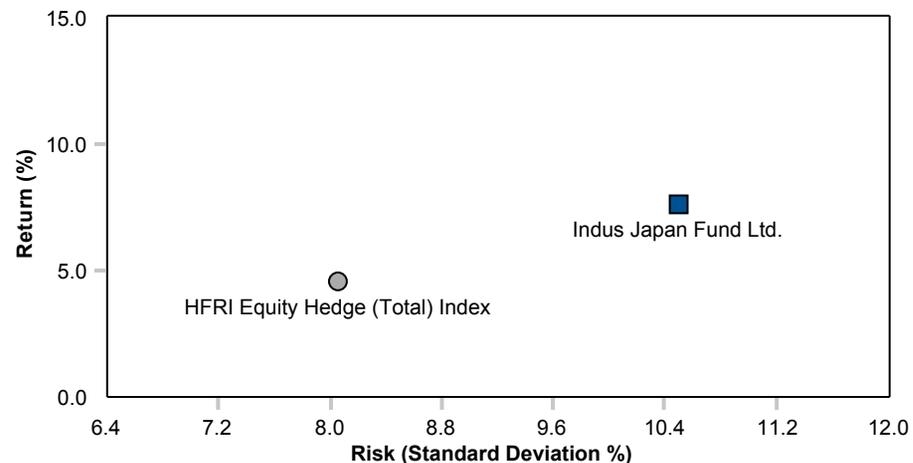
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Indus Japan Fund Ltd.	-8.1	-8.1	-10.6	7.9	8.4	4.2	1.8	6.3	45.0	8.1	-1.6	8.1	8.6	-9.1	-6.5	3.8
HFRI Equity Hedge (Total) Index	-1.7	-1.7	-4.6	2.6	1.7	2.7	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI Japan Index	-6.4	-6.4	-6.8	4.1	4.3	-0.2	9.9	-3.7	27.3	8.4	-14.2	15.6	6.4	-29.1	-4.1	6.3

Comparative Performance and Rolling Return



Risk and Return (Dec-2000 - Mar-2016)



Historical Statistics (Dec-2000 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Indus Japan Fund Ltd.	7.5	10.5	6.3	4.7	0.7	0.6	9.3	0.3	6.3	53.3	15y 4m
HFRI Equity Hedge (Total) Index	4.5	8.1	3.2	0.0	1.0	0.4	0.0	N/A	5.6	0.0	15y 4m

Manager Evaluation

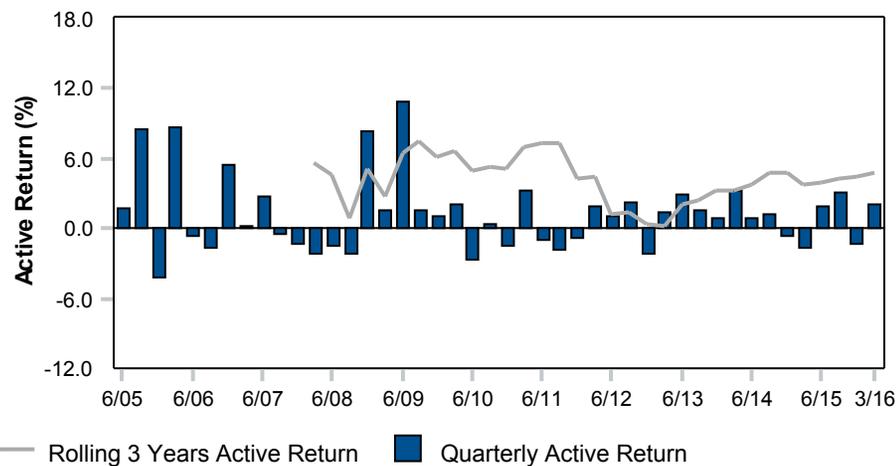
DK Distressed Opportunities International, Ltd. vs. HFRI ED: Distressed/Restructuring Index

As of March 31, 2016

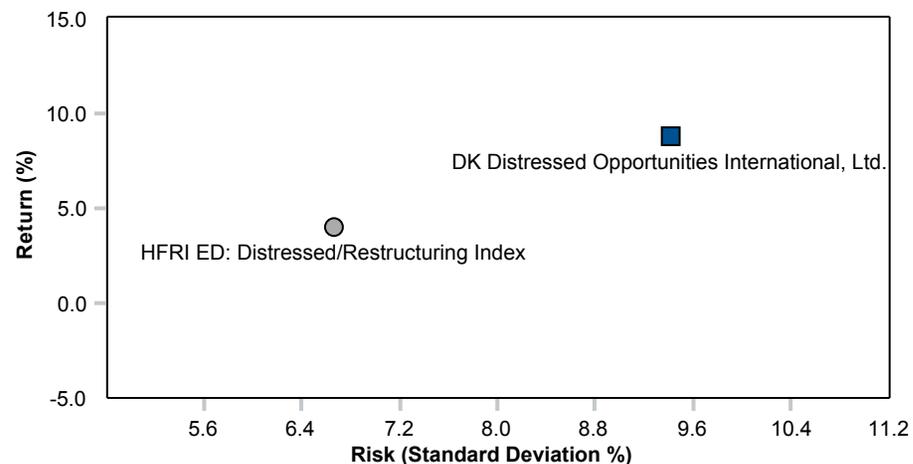
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
DK Distressed Opportunities International, Ltd.	0.9	0.9	-4.6	4.0	4.3	7.0	-6.2	3.2	21.7	13.5	-2.4	10.2	46.2	-22.8	6.0	29.1
HFRI ED: Distressed/Restructuring Index	-1.1	-1.1	-9.9	-0.7	1.3	3.2	-8.1	-1.4	14.0	10.1	-1.8	12.1	28.1	-25.2	5.1	15.9
Barclays Global High Yield Index	4.1	4.1	0.6	2.4	5.1	7.4	-2.7	0.0	7.3	19.6	3.1	14.8	59.4	-26.9	3.2	13.7

Comparative Performance and Rolling Return



Risk and Return (Apr-2005 - Mar-2016)



Historical Statistics (Apr-2005 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
DK Distressed Opportunities International, Ltd.	8.7	9.4	7.5	4.2	1.2	0.8	5.5	0.8	5.4	60.6	11y
HFRI ED: Distressed/Restructuring Index	4.0	6.7	2.8	0.0	1.0	0.4	0.0	N/A	4.8	0.0	11y

Manager Evaluation

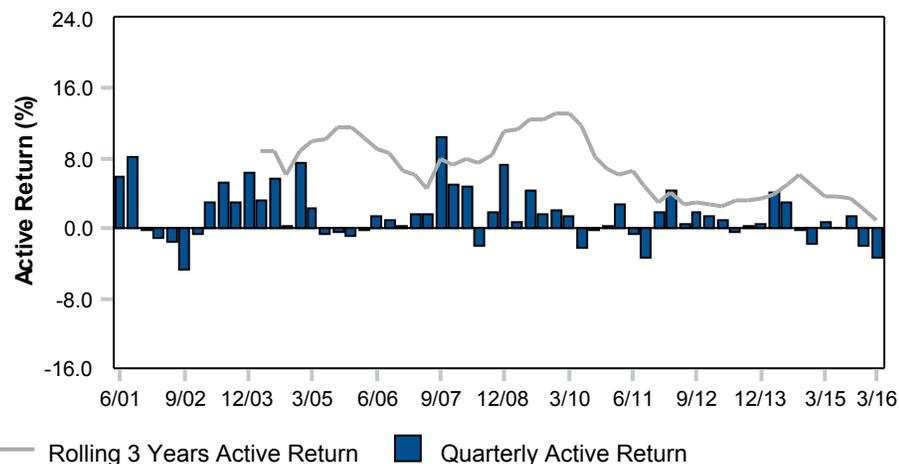
York Credit Opportunities Unit Trust vs. HFRI ED: Distressed/Restructuring Index

As of March 31, 2016

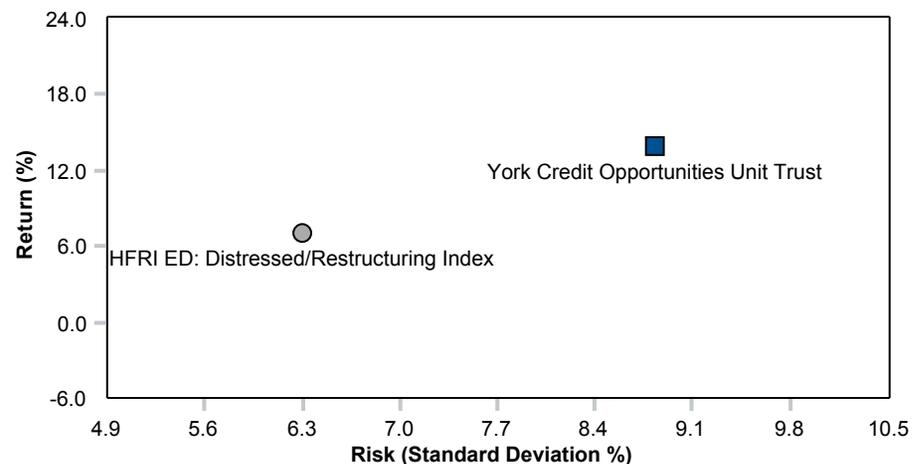
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
York Credit Opportunities Unit Trust	-4.5	-4.5	-13.5	-0.1	3.0	8.7	-7.9	3.4	15.6	18.9	-1.8	11.4	38.8	-14.6	25.8	19.0
HFRI ED: Distressed/Restructuring Index	-1.1	-1.1	-9.9	-0.7	1.3	3.2	-8.1	-1.4	14.0	10.1	-1.8	12.1	28.1	-25.2	5.1	15.9
Barclays Global High Yield Index	4.1	4.1	0.6	2.4	5.1	7.4	-2.7	0.0	7.3	19.6	3.1	14.8	59.4	-26.9	3.2	13.7

Comparative Performance and Rolling Return



Risk and Return (Feb-2001 - Mar-2016)



Historical Statistics (Feb-2001 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
York Credit Opportunities Unit Trust	13.9	8.8	12.0	5.6	1.1	1.4	5.2	1.2	4.7	64.3	15y 2m
HFRI ED: Distressed/Restructuring Index	7.0	6.3	5.5	0.0	1.0	0.9	0.0	N/A	4.1	0.0	15y 2m

Manager Evaluation

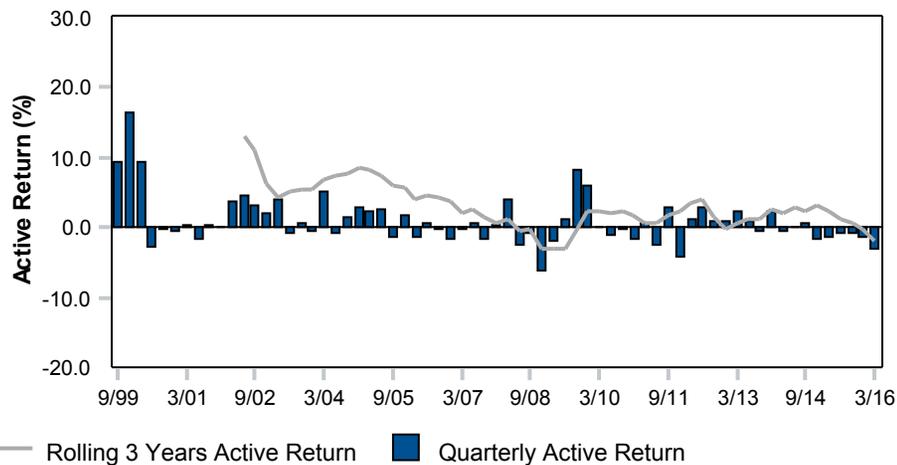
Marathon Special Opportunity Fund Ltd. vs. HFRI ED: Distressed/Restructuring Index

As of March 31, 2016

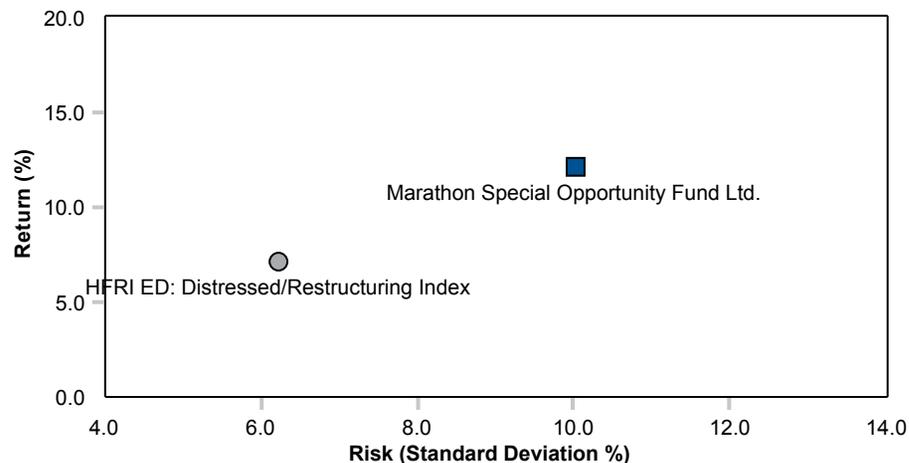
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Marathon Special Opportunity Fund Ltd.	-4.1	-4.1	-15.1	-2.7	0.9	3.1	-11.9	-2.8	19.6	16.5	-4.8	9.1	43.8	-30.1	4.0	13.3
HFRI ED: Distressed/Restructuring Index	-1.1	-1.1	-9.9	-0.7	1.3	3.2	-8.1	-1.4	14.0	10.1	-1.8	12.1	28.1	-25.2	5.1	15.9
Barclays Global High Yield Index	4.1	4.1	0.6	2.4	5.1	7.4	-2.7	0.0	7.3	19.6	3.1	14.8	59.4	-26.9	3.2	13.7

Comparative Performance and Rolling Return



Risk and Return (May-1999 - Mar-2016)



Historical Statistics (May-1999 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Marathon Special Opportunity Fund Ltd.	12.1	10.1	10.0	4.4	1.1	1.0	7.5	0.6	5.2	57.6	16y 11m
HFRI ED: Distressed/Restructuring Index	7.1	6.2	5.1	0.0	1.0	0.8	0.0	N/A	4.0	0.0	16y 11m

Manager Evaluation

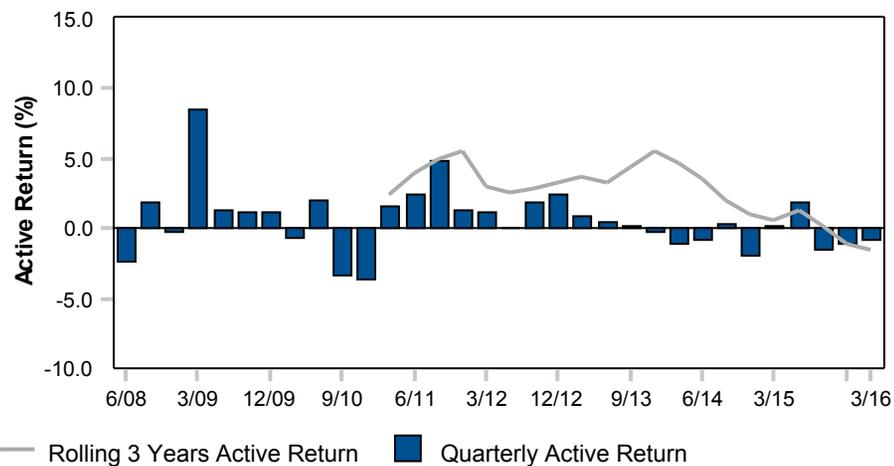
Brevan Howard Multi-Strategy Fund Limited vs. HFRI Macro (Total) Index

As of March 31, 2016

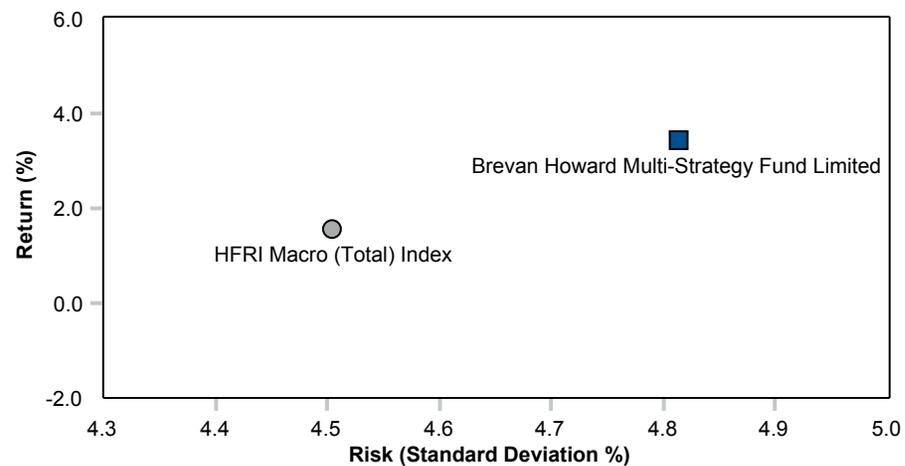
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Brevan Howard Multi-Strategy Fund Limited	0.6	0.6	-4.5	-0.3	2.3	N/A	-1.9	1.8	0.8	5.3	6.0	2.3	17.4	N/A	N/A	N/A
HFRI Macro (Total) Index	1.4	1.4	-3.0	1.3	0.3	3.3	-1.3	5.6	-0.4	-0.1	-4.2	8.1	4.3	4.8	11.1	8.2
DJ Credit Suisse Global Macro Index	-2.2	-2.2	-6.3	1.0	3.1	6.0	0.2	3.1	4.3	4.6	6.4	13.5	11.5	-4.6	17.4	13.5

Comparative Performance and Rolling Return



Risk and Return (Mar-2008 - Mar-2016)



Historical Statistics (Mar-2008 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Brevan Howard Multi-Strategy Fund Limited	3.4	4.8	3.2	2.6	0.6	0.7	4.5	0.4	2.9	54.6	8y 1m
HFRI Macro (Total) Index	1.5	4.5	1.4	0.0	1.0	0.3	0.0	N/A	2.8	0.0	8y 1m

Manager Evaluation

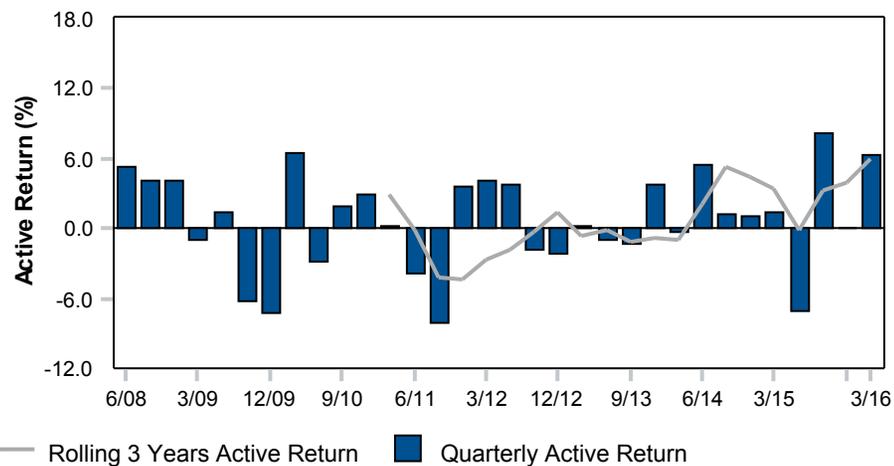
Robeco Transtrend Diversified Fund LLC vs. HFRI Macro: Systematic Diversified Index

As of March 31, 2016

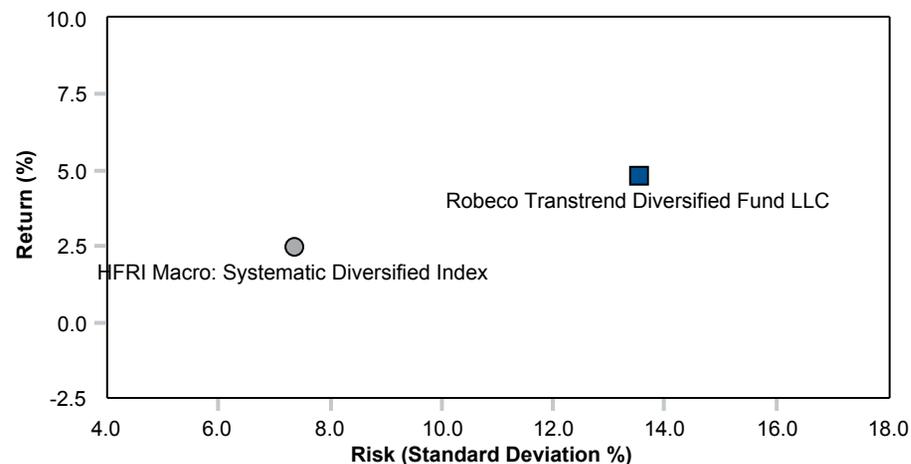
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Robeco Transtrend Diversified Fund LLC	8.9	8.9	1.5	8.3	3.2	7.3	-1.1	18.9	0.6	1.2	-11.3	18.6	-14.1	25.3	27.9	16.3
HFRI Macro: Systematic Diversified Index	2.7	2.7	-4.4	2.8	1.0	4.6	-2.4	10.7	-0.9	-2.5	-3.5	9.8	-1.7	18.1	10.3	16.8
DJ Credit Suisse Managed Futures Index	4.3	4.3	-3.7	4.8	2.3	4.2	-0.9	18.4	-2.6	-2.9	-4.2	12.2	-6.6	18.3	6.0	8.1

Comparative Performance and Rolling Return



Risk and Return (Apr-2008 - Mar-2016)



Historical Statistics (Apr-2008 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Robeco Transtrend Diversified Fund LLC	4.8	13.5	5.4	1.6	1.5	0.4	8.6	0.3	8.5	53.1	8y
HFRI Macro: Systematic Diversified Index	2.4	7.4	2.5	0.0	1.0	0.3	0.0	N/A	4.6	0.0	8y

Prior to April 2008, returns represent Transtrend Diversified Trend Program Enhanced Risk (USD) Fund.

Manager Evaluation

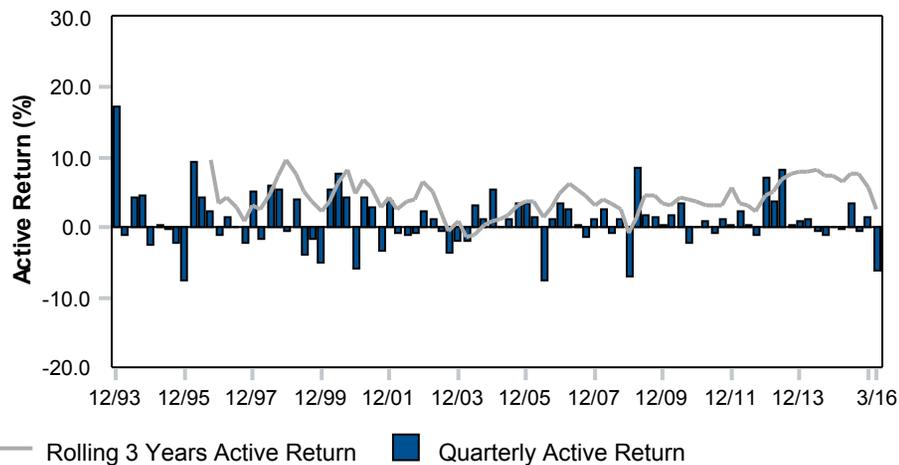
Moore Macro Managers Fund vs. HFRI Macro (Total) Index

As of March 31, 2016

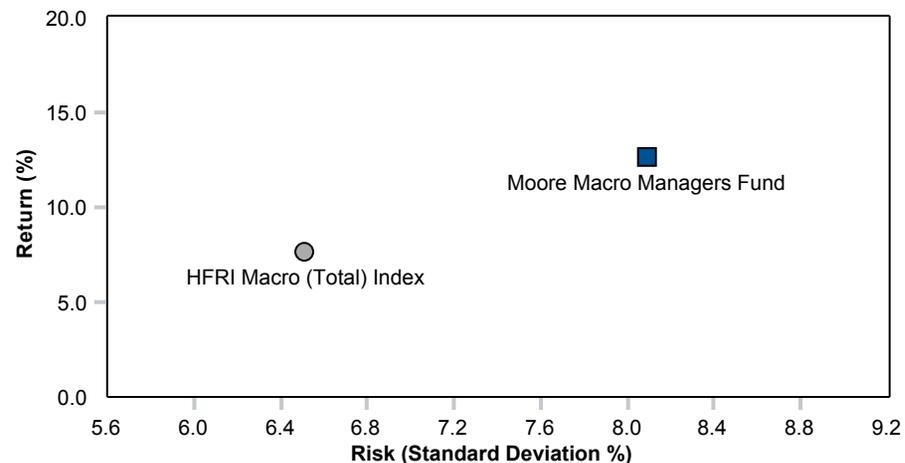
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Moore Macro Managers Fund	-4.7	-4.7	-4.8	3.9	4.4	6.6	3.1	5.4	13.4	8.9	-2.6	11.6	17.1	0.4	14.4	6.2
HFRI Macro (Total) Index	1.4	1.4	-3.0	1.3	0.3	3.3	-1.3	5.6	-0.4	-0.1	-4.2	8.1	4.3	4.8	11.1	8.2
DJ Credit Suisse Global Macro Index	-2.2	-2.2	-6.3	1.0	3.1	6.0	0.2	3.1	4.3	4.6	6.4	13.5	11.5	-4.6	17.4	13.5

Comparative Performance and Rolling Return



Risk and Return (Aug-1993 - Mar-2016)



Historical Statistics (Aug-1993 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Moore Macro Managers Fund	12.6	8.1	9.6	7.4	0.7	1.2	7.1	0.7	4.1	58.5	22y 8m
HFRI Macro (Total) Index	7.7	6.5	4.9	0.0	1.0	0.8	0.0	N/A	3.2	0.0	22y 8m

Manager Evaluation

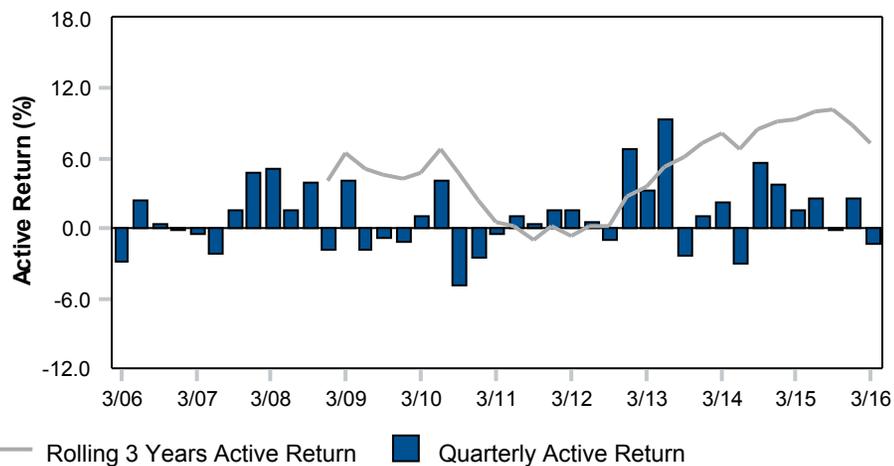
Stone Milliner Macro Fund Inc. vs. HFRI Macro (Total) Index

As of March 31, 2016

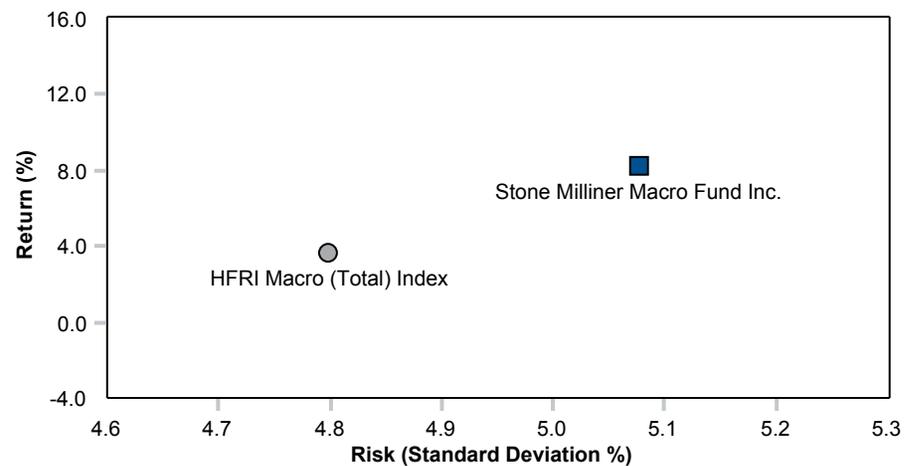
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Stone Milliner Macro Fund Inc.	0.1	0.1	0.8	8.7	7.6	8.4	5.7	14.3	11.2	8.1	-1.6	5.9	4.6	14.3	15.2	8.0
HFRI Macro (Total) Index	1.4	1.4	-3.0	1.3	0.3	3.3	-1.3	5.6	-0.4	-0.1	-4.2	8.1	4.3	4.8	11.1	8.2
DJ Credit Suisse Global Macro Index	-2.2	-2.2	-6.3	1.0	3.1	6.0	0.2	3.1	4.3	4.6	6.4	13.5	11.5	-4.6	17.4	13.5

Comparative Performance and Rolling Return



Risk and Return (Jan-2006 - Mar-2016)



Historical Statistics (Jan-2006 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Stone Milliner Macro Fund Inc.	8.2	5.1	6.9	6.8	0.4	1.4	5.4	0.8	1.6	59.3	10y 3m
HFRI Macro (Total) Index	3.6	4.8	2.4	0.0	1.0	0.5	0.0	N/A	2.6	0.0	10y 3m

Manager Evaluation

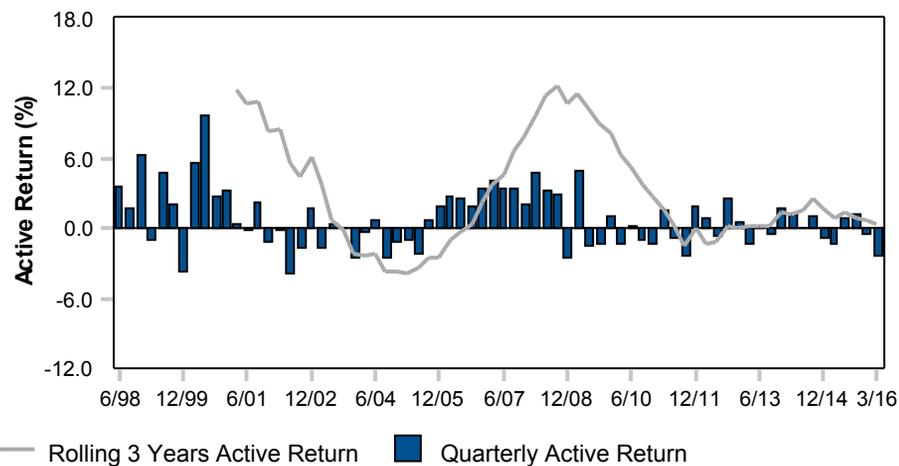
Double Black Diamond, Ltd. Series E vs. HFRI RV: Multi-Strategy Index

As of March 31, 2016

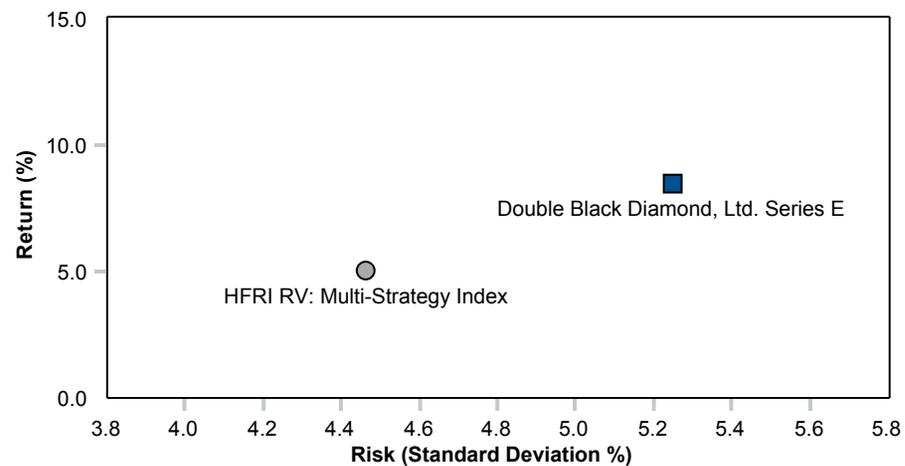
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Double Black Diamond, Ltd. Series E	-2.7	-2.7	-2.4	3.0	3.3	7.0	0.9	4.9	8.1	11.6	-2.2	9.5	28.3	-13.4	15.7	20.9
HFRI RV: Multi-Strategy Index	-0.4	-0.4	-1.7	2.7	3.0	3.7	0.7	3.4	7.9	8.2	-2.4	13.2	24.7	-20.3	1.8	9.0
DJ Credit Suisse Multi-Strategy Index	-0.6	-0.6	-0.4	5.5	5.5	5.4	3.2	6.1	11.2	8.1	4.2	9.3	24.6	-23.6	10.1	14.5

Comparative Performance and Rolling Return



Risk and Return (Apr-1998 - Mar-2016)



Historical Statistics (Apr-1998 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Double Black Diamond, Ltd. Series E	8.4	5.3	6.1	4.6	0.7	1.2	4.2	0.8	3.1	55.6	18y
HFRI RV: Multi-Strategy Index	5.0	4.5	2.9	0.0	1.0	0.6	0.0	N/A	3.2	0.0	18y

Manager Evaluation

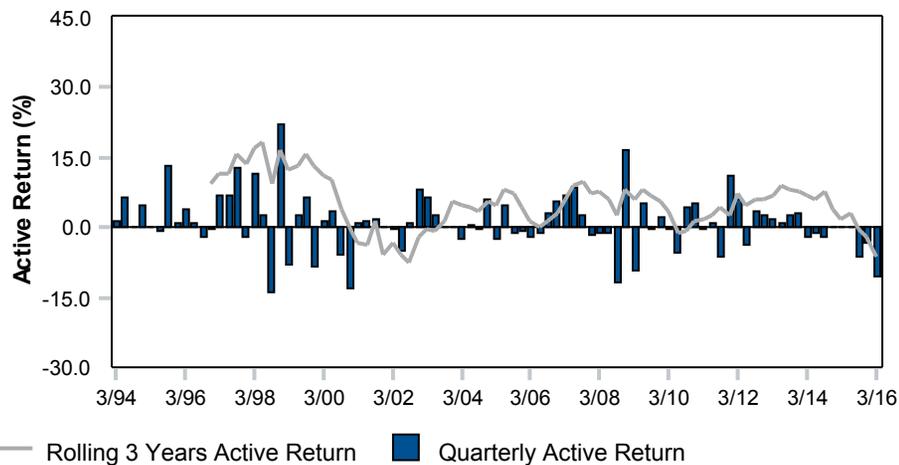
Fir Tree International Value Fund (Non-US), L.P. vs. HFRI RV: Multi-Strategy Index

As of March 31, 2016

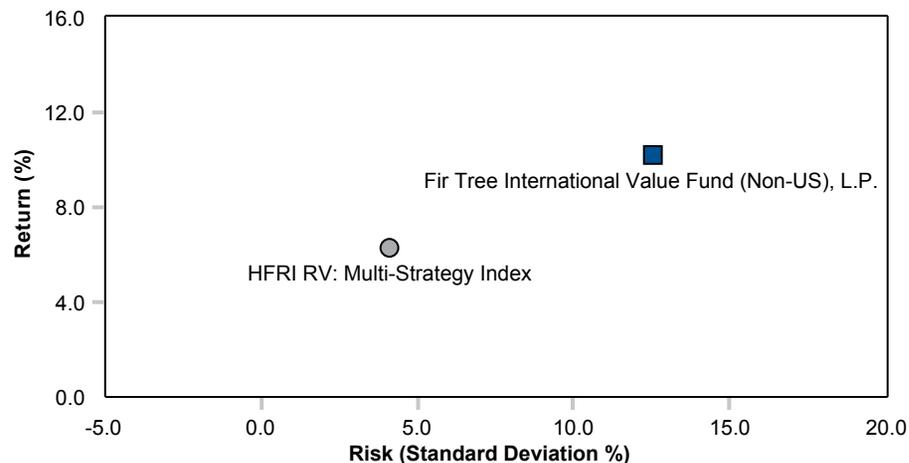
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Fir Tree International Value Fund (Non-US), L.P.	-10.8	-10.8	-20.3	-3.9	1.9	5.7	-8.9	-2.1	17.2	16.9	2.4	16.7	21.1	-19.4	19.4	14.6
HFRI RV: Multi-Strategy Index	-0.4	-0.4	-1.7	2.7	3.0	3.7	0.7	3.4	7.9	8.2	-2.4	13.2	24.7	-20.3	1.8	9.0
DJ Credit Suisse Multi-Strategy Index	-0.6	-0.6	-0.4	5.5	5.5	5.4	3.2	6.1	11.2	8.1	4.2	9.3	24.6	-23.6	10.1	14.5

Comparative Performance and Rolling Return



Risk and Return (Jan-1994 - Mar-2016)



Historical Statistics (Jan-1994 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Fir Tree International Value Fund (Non-US), L.P.	10.1	12.6	7.8	1.9	1.4	0.6	11.3	0.4	7.9	56.2	22y 3m
HFRI RV: Multi-Strategy Index	6.3	4.2	3.5	0.0	1.0	0.8	0.0	N/A	2.9	0.0	22y 3m

Manager Evaluation

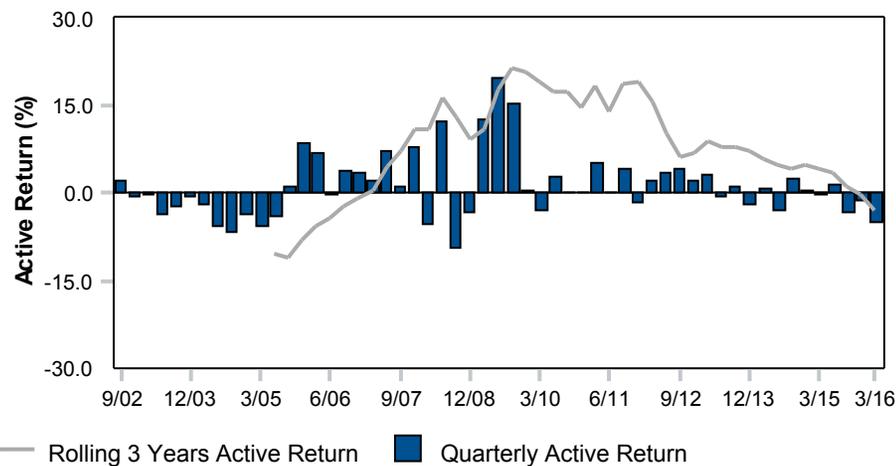
Pine River Fund Ltd. vs. HFRI RV: Multi-Strategy Index

As of March 31, 2016

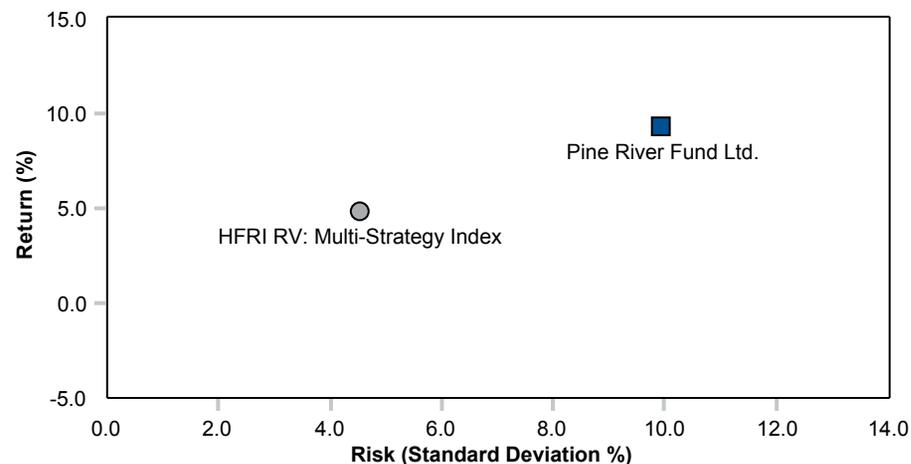
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Pine River Fund Ltd.	-5.4	-5.4	-9.7	-0.3	4.9	11.7	-2.8	4.7	9.7	21.7	5.7	13.9	91.0	-26.7	21.6	25.2
HFRI RV: Multi-Strategy Index	-0.4	-0.4	-1.7	2.7	3.0	3.7	0.7	3.4	7.9	8.2	-2.4	13.2	24.7	-20.3	1.8	9.0
DJ Credit Suisse Multi-Strategy Index	-0.6	-0.6	-0.4	5.5	5.5	5.4	3.2	6.1	11.2	8.1	4.2	9.3	24.6	-23.6	10.1	14.5

Comparative Performance and Rolling Return



Risk and Return (Jun-2002 - Mar-2016)



Historical Statistics (Jun-2002 - Mar-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Pine River Fund Ltd.	9.3	10.0	8.1	2.4	1.5	0.8	7.6	0.6	6.1	56.6	13y 10m
HFRI RV: Multi-Strategy Index	4.8	4.5	3.5	0.0	1.0	0.7	0.0	N/A	3.4	0.0	13y 10m



Hedge Fund Manager Portfolio Characteristics

Manager Evaluation

ESG Cross Border Equity Offshore Fund, Ltd.

As of March 31, 2016

Portfolio Characteristics

Firm Assets	\$3.5 billion
Fund Assets	\$1.7 billion
Gross Exposure	173.1%
Net Exposure	21.5%
Long Exposure	97.3%
Short Exposure	-75.8%

Performance Attribution by Industry**

	1Q Gross Attribution	YTD Gross Attribution
Basic Materials	-0.4%	-0.4%
Business Services	-0.3%	-0.3%
Consumer	-0.2%	-0.2%
Financials	0.8%	0.8%
Gaming and Leisure	0.6%	0.6%
Healthcare	-0.6%	-0.6%
Industrial	-0.2%	-0.2%
Real Estate	0.0%	0.0%
Retail	-2.1%	-2.1%
TMT	0.3%	0.3%
Index	0.1%	0.1%

** Attribution excludes cost of currency hedging.

Regional Exposure

	Longs	Shorts	Gross	Net
Global	51.8%	-45.7%	98.5%	6.1%
Latam	4.5%	-2.5%	7.0%	2.0%
EMEA	5.9%	-3.0%	8.9%	2.9%
Asia	18.3%	-15.1%	33.4%	3.2%
Pan EM	16.8%	-9.6%	26.4%	7.2%

Industry Exposure

	Longs	Shorts	Gross	Net
Basic Materials	0.0%	-1.0%	1.0%	-1.0%
Business Services	1.4%	-4.7%	6.1%	-3.3%
Consumer	39.9%	-7.0%	46.9%	32.9%
Financials	15.4%	-10.5%	25.9%	4.9%
Gaming and Leisure	2.8%	-2.6%	5.4%	0.2%
Healthcare	9.0%	-4.1%	13.1%	4.9%
Industrial	0.0%	-4.1%	4.1%	-4.1%
Real Estate	0.0%	0.0%	0.0%	0.0%
Retail	13.1%	-12.2%	25.3%	0.9%
TMT	15.8%	-6.0%	21.8%	9.8%
Index	0.0%	-23.7%	23.7%	-23.7%

Manager Evaluation

Luxor Capital Partners Offshore, Ltd.

As of March 31, 2016

Portfolio Characteristics

Firm Assets	\$3.7 billion
Fund Assets	\$1.6 billion
Gross Exposure	284.5%
Net Exposure	-56.1%
Long Exposure	114.2%
Short Exposure ¹	-170.3%

Performance Attribution by Strategy

	1Q Gross Attribution	YTD Gross Attribution
Equity	-6.9%	-6.9%
Credit		
Bank Debt and Loans	-0.7%	-0.7%
Investment Grade	-0.7%	-0.7%
High Yield	0.3%	0.3%
Convertible Bonds	0.4%	0.4%
Mortgage Backed Securities	0.0%	0.0%
Other	0.0%	0.0%
Commodity and FX Hedges	1.0%	1.0%

Regional Exposure

	Longs	Shorts	Gross	Net
North America	77.8%	-56.6%	135.4%	21.2%
Europe	28.9%	-35.5%	64.4%	-6.6%
Asia	7.5%	-71.4%	78.9%	-63.9%
South America	0.0%	0.0%	0.0%	0.0%
Other	0.0%	-6.7%	6.7%	-6.7%

Industry Exposure

	Longs	Shorts	Gross	Net
Financial Services	7.5%	-1.4%	8.9%	6.1%
Media	14.2%	-3.9%	18.1%	10.3%
Internet	44.6%	-11.2%	55.8%	33.4%
Real Estate/REITS	10.0%	-0.9%	10.9%	9.1%
Utilities	0.6%	-0.2%	0.8%	0.4%
Consumer Products	6.1%	-12.5%	18.6%	-6.4%
Oil and Gas Services	4.9%	-1.6%	6.5%	3.3%
Retail	4.2%	-0.3%	4.5%	3.9%
Software and Technology	3.7%	-1.1%	4.8%	2.6%
Lodging and Gaming	0.9%	-0.7%	1.6%	0.2%
Transportation	1.7%	-7.4%	9.1%	-5.7%
Exploration and Production	7.9%	-2.1%	10.0%	5.8%
Engineering and Construction	0.0%	-0.2%	0.2%	-0.2%
Mortgage Backed Securities	0.0%	0.0%	0.0%	0.0%
Insurance	0.0%	0.0%	0.0%	0.0%
Chemicals	0.0%	-3.6%	3.6%	-3.6%
Commodity	0.0%	-6.7%	6.7%	-6.7%
Basic Materials	0.0%	0.0%	0.0%	0.0%
Industrial	0.5%	-11.2%	11.7%	-10.7%
Mining	2.6%	-0.1%	2.7%	2.5%
Communications	0.3%	-0.2%	0.5%	0.1%
Health and BioTech	1.3%	-1.4%	2.7%	-0.1%
Sovereign	0.3%	-20.5%	20.8%	-20.2%
Alternative Energy	1.5%	-0.8%	2.3%	0.7%
Index ¹	1.6%	-82.3%	83.9%	-80.7%

¹ Short exposure includes short derivatives positions

Manager Evaluation

CapeView Azri Fund, Ltd.

As of March 31, 2016

Portfolio Characteristics

Firm Assets	\$2.0 billion
Fund Assets	\$1.6 billion
Gross Exposure	96.8%
Net Exposure	10.0%
Long Exposure	53.4%
Short Exposure	-43.4%

Regional Exposure

	Longs	Shorts	Gross	Net
UK	24.1%	-24.4%	48.5%	-0.3%
Continental Europe	28.7%	-14.1%	42.8%	14.6%
Europe (Index)	0.6%	-4.9%	5.5%	-4.3%
Other	0.0%	0.0%	0.0%	0.0%

Industry Exposure

	Longs	Shorts	Gross	Net
Basic Materials	6.1%	-2.4%	8.5%	3.7%
Commodity	0.0%	0.0%	0.0%	0.0%
Communications	5.3%	-1.7%	7.0%	3.6%
Consumer, Cyclical	14.5%	-9.4%	23.9%	5.1%
Consumer, Non-cyclical	6.8%	-6.4%	13.2%	0.4%
Currency	0.0%	0.0%	0.0%	0.0%
Diversified	0.0%	0.0%	0.0%	0.0%
Energy	0.0%	-1.4%	1.4%	-1.4%
Financial	9.9%	-7.0%	16.9%	2.9%
Government	0.0%	0.0%	0.0%	0.0%
Index	1.4%	-7.1%	8.5%	-5.7%
Industrial	3.1%	-3.7%	6.8%	-0.6%
Technology	6.3%	-1.4%	7.7%	4.9%
Utilities	0.0%	-3.0%	3.0%	-3.0%

Manager Evaluation

Passport Long Short Fund, Ltd.

As of March 31, 2016

Portfolio Characteristics

Firm Assets	\$4.1 billion
Fund Assets	\$1.0 billion
Gross Exposure	146.0%
Net Exposure	24.0%
Long Exposure	85.0%
Short Exposure	-61.0%

Performance Attribution by Industry

	1Q Gross Attribution	YTD Gross Attribution
Internet / Technology	1.1%	1.1%
Basic Materials	-0.7%	-0.7%
Consumer	0.0%	0.0%
Energy	-0.7%	-0.7%
Diversified	0.6%	0.6%
Industrials	-0.9%	-0.9%
Healthcare	-0.3%	-0.3%
Utilities	0.4%	0.4%
MENA	-0.4%	-0.4%
Financials	-1.1%	-1.1%
Other	0.2%	0.2%

Regional Exposure

	Longs	Shorts	Gross	Net
US	73.0%	-53.0%	127.0%	20.0%
EM	0.0%	0.0%	0.0%	0.0%
MENA	1.0%	0.0%	1.0%	1.0%
Europe	3.0%	-4.0%	7.0%	-1.0%
Asia	5.0%	-2.0%	7.0%	3.0%
Canada	3.0%	-2.0%	5.0%	1.0%
Other	0.0%	0.0%	0.0%	0.0%

Industry Exposure

	Longs	Shorts	Gross	Net
Internet / Technology	25.0%	-6.0%	31.0%	19.0%
Basic Materials	9.0%	-11.0%	20.0%	-2.0%
Consumer	30.0%	-19.0%	49.0%	11.0%
Energy	0.0%	0.0%	0.0%	0.0%
Diversified	0.0%	-5.0%	5.0%	-5.0%
Industrials	6.0%	-4.0%	10.0%	2.0%
Healthcare	10.0%	-7.0%	17.0%	3.0%
Utilities	3.0%	-1.0%	4.0%	2.0%
MENA	1.0%	0.0%	1.0%	1.0%
Financial	1.0%	-8.0%	9.0%	-7.0%

Manager Evaluation

Bloom Tree Offshore Fund, Ltd.

As of March 31, 2016

Portfolio Characteristics

Firm Assets	\$1.4 billion
Fund Assets	\$714 million
Gross Exposure	148.0%
Net Exposure	15.6%
Long Exposure	81.8%
Short Exposure	-66.2%

Performance Attribution by Industry

	<u>1Q Gross Attribution</u>	<u>YTD Gross Attribution</u>
Business Services	0.0%	0.0%
Consumer Discretionary	-2.7%	-2.7%
Consumer Staples	-0.7%	-0.7%
Energy	-3.3%	-3.3%
Financials	-1.4%	-1.4%
Health Care	-1.4%	-1.4%
Industrials	-1.0%	-1.0%
Information Technology	1.9%	1.9%
LED	0.0%	0.0%
Materials	0.5%	0.5%
REIT	0.0%	0.0%
Solar	0.0%	0.0%
Telecommunication Services	-0.6%	-0.6%
Utilities	-0.7%	-0.7%
Other Assets	0.0%	0.0%
Credit/Risk Arb/Other	-0.7%	-0.7%

Industry Exposure

	<u>Longs</u>	<u>Shorts</u>	<u>Gross</u>	<u>Net</u>
Business Services	0.0%	0.0%	0.0%	0.0%
Consumer Discretionary	13.1%	-13.5%	26.6%	-0.4%
Consumer Staples	0.0%	-8.1%	8.1%	-8.1%
Energy	0.5%	-4.4%	4.9%	-3.9%
Financials	13.5%	-1.6%	15.1%	11.9%
Health Care	18.0%	-4.3%	22.3%	13.7%
Industrials	7.1%	-10.7%	17.8%	-3.6%
Information Technology	27.5%	-9.1%	36.6%	18.4%
LED	0.0%	0.0%	0.0%	0.0%
Materials	0.6%	-2.8%	3.4%	-2.2%
REIT	0.0%	0.0%	0.0%	0.0%
Solar	0.0%	0.0%	0.0%	0.0%
Telecommunication Services	0.0%	-4.7%	4.7%	-4.7%
Utilities	0.9%	0.0%	0.9%	0.9%
Other Assets	0.0%	0.0%	0.0%	0.0%
Credit/Risk Arb/Other	0.4%	-5.3%	5.7%	-4.9%

Regional Exposure

	<u>Longs</u>	<u>Shorts</u>	<u>Gross</u>	<u>Net</u>
North America	65.7%	-39.8%	105.5%	25.9%
Europe	8.7%	-11.1%	19.8%	-2.4%
Asia	7.1%	-9.4%	16.5%	-2.3%
Emerging Markets/Other	0.4%	-5.9%	6.3%	-5.5%

Manager Evaluation

Tiger Eye Fund, Ltd.

As of March 31, 2016

Portfolio Characteristics

Firm Assets	\$1.1 billion
Fund Assets	\$1.1 billion
Gross Exposure	96.0%
Net Exposure	59.4%
Long Exposure	77.7%
Short Exposure	-18.3%

Performance Attribution by Industry

	1Q Gross Attribution	YTD Gross Attribution
Consumer	-0.5%	-0.5%
Energy	0.2%	0.2%
Financials	-0.4%	-0.4%
Healthcare	-0.1%	-0.1%
Industrials	-0.6%	-0.6%
Materials	0.3%	0.3%
Real Estate & Lodging	-0.1%	-0.1%
TMT	-1.9%	-1.9%
Other	-0.4%	-0.4%

Industry Exposure

	Longs	Shorts	Gross	Net
Consumer	10.5%	-2.8%	13.3%	7.7%
Energy	7.2%	-0.3%	7.5%	6.9%
Financials	10.5%	-2.1%	12.6%	8.4%
Healthcare	4.4%	-3.9%	8.3%	0.5%
Industrials	20.5%	-2.0%	22.5%	18.5%
Materials	5.1%	-0.4%	5.5%	4.7%
Real Estate & Lodging	7.9%	-3.3%	11.2%	4.6%
TMT	11.6%	-3.5%	15.1%	8.1%
Other	0.0%	0.0%	0.0%	0.0%

Regional Exposure

	Longs	Shorts	Gross	Net
US	74.3%	-17.1%	92.4%	57.2%
Europe	0.0%	-0.7%	0.7%	-0.7%
Asia	0.0%	-0.2%	0.2%	-0.2%
Canada	-3.4%	-0.3%	-3.1%	-3.7%
South America	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%

Manager Evaluation

Indus Japan Fund, Ltd.

As of March 31, 2016

Portfolio Characteristics

Firm Assets	\$5.7 billion
Fund Assets	\$1.3 billion
Gross Exposure	132.0%
Net Exposure	40.0%
Long Exposure	86.0%
Short Exposure	-46.0%

Regional Exposure

	Longs	Shorts	Gross	Net
Japan	83.7%	-46.2%	130.9%	37.5%
North America	1.8%	0.0%	1.8%	1.8%
Hong Kong/China	0.0%	0.0%	0.0%	0.0%
India	0.0%	0.0%	0.0%	0.0%
Europe	0.0%	0.0%	0.0%	0.0%
Philippines	0.0%	0.0%	0.0%	0.0%
Korea	0.0%	0.0%	0.0%	0.0%

Industry Exposure

	Longs	Shorts	Gross	Net
Technology	16.5%	-5.8%	22.3%	10.7%
Cyclicals	21.7%	-9.8%	31.5%	11.9%
Real Estate & Construction	10.8%	-1.0%	11.8%	9.8%
Autos & Auto Parts	1.5%	-1.1%	2.6%	0.4%
Banks	4.5%	0.0%	4.5%	4.5%
Finance	1.6%	-3.4%	5.0%	-1.8%
Telecoms/Media	4.4%	0.0%	4.4%	4.4%
Pharmaceuticals/Healthcare	9.2%	0.0%	9.2%	9.2%
Utilities	0.0%	0.0%	0.0%	0.0%
Transportation	0.0%	-2.0%	2.0%	-2.0%
Consumer	13.8%	-10.4%	24.2%	3.4%
Energy	0.0%	0.0%	0.0%	0.0%
Diversified	1.8%	-12.7%	14.5%	-10.9%

Manager Evaluation

DK Distressed Opportunities International, Ltd.

As of March 31, 2016

Portfolio Characteristics

Firm Assets	\$25.1 billion
Fund Assets	\$1.1 billion
Gross Exposure	99.0%
Net Exposure	86.2%
Long Exposure	92.6%
Short Exposure	-6.4%

Top Positions

Top Longs		Top Shorts	
Lehman Brother	7.6%	Building Material Hedge	-1.4%
MGM Studios	5.7%	US Industrial #10	-0.8%
Litigation Play #1	5.4%	US Energy #8	-0.5%
Building Materials	4.6%	Eircom Hedge	-0.5%
Eircom	3.3%	Freeport McMoran Hedge	-0.5%
Top 5 Total	26.6%	Top 5 Total	-3.7%
Number of Longs	145	Number of Shorts	23

Regional Exposure

	Longs	Shorts	Gross	Net
North America	49.3%	-5.8%	56.1%	43.5%
Europe	24.0%	-0.6%	24.6%	23.4%
Other	19.2%	0.0%	19.2%	19.2%

Asset Class Exposure

	Longs	Shorts	Gross	Net
Common Stock	17.6%	-4.4%	22.0%	13.2%
Corporate Bonds	28.2%	-1.8%	30.0%	26.4%
Liquidations	16.7%	0.0%	16.7%	16.7%
Real Estate	4.8%	0.0%	4.8%	4.8%
Sovereign Credit	7.0%	0.0%	7.0%	7.0%
Structured Credit	16.2%	-0.3%	16.5%	15.9%
Other	2.1%	0.0%	2.1%	2.1%

Manager Evaluation

York Credit Opportunities Unit Trust

As of March 31, 2016

Portfolio Characteristics

Firm Assets	\$19.4 billion
Fund Assets	\$2.6 billion
Gross Exposure	109.1%
Net Exposure	71.5%
Long Exposure	90.3%
Short Exposure	-18.8%

Regional Exposure

	Longs	Shorts	Gross	Net
North America	34.0%	-4.0%	39.0%	30.0%
Europe	36.6%	-7.6%	44.2%	29.0%
Asia	10.8%	-1.5%	12.3%	9.3%
Other	8.7%	-5.6%	14.3%	3.1%

Top Positions

Top Longs		Top Shorts	
TXU	5.7%	Materials - Bonds	-1.4%
Greece	5.6%	Utilities - Bonds	-1.2%
Lehman Brothers	3.7%	Consumer Disc - CDS	-0.5%
Shelf Drilling	3.2%	Consumer Disc - CDS	-0.5%
Redcape Property	2.7%	Materials - CDS	-0.5%
Top 5 Total	20.9%	Top 5 Total	-4.1%
Number of Longs	79	Number of Shorts	19

Strategy Exposure

	Longs	Shorts	Gross	Net
Public Equity	4.6%	-0.9%	5.5%	3.7%
Options & Futures	0.5%	-0.1%	0.6%	0.4%
Bank Debt	9.6%	0.0%	9.6%	9.6%
Bonds	44.3%	-8.8%	53.1%	35.5%
CDS	1.3%	-9.0%	10.3%	-7.7%
Asset Banked	0.7%	0.0%	0.7%	0.7%
Non-Public Equity	29.3%	-0.1%	29.4%	29.2%

Manager Evaluation

Marathon Special Opportunities Fund, Ltd.

As of March 31, 2016

Portfolio Characteristics

Firm Assets	\$12.8 billion
Fund Assets	\$1.2 billion
Gross Exposure	124.8%
Net Exposure	40.8%
Long Exposure	82.8%
Short Exposure	-42.0%

Top Positions

Top Longs		Top Shorts	
Puerto Rico Electric Power	6.7%	MARKIT CDX.EM	-3.2%
San Jose	4.7%	S&P 500	-2.7%
Casear's Entertainment Opco	4.7%	United Rentals	-2.6%
Canada Government	4.0%	Royal Bank of Canada	-2.3%
CMBS	3.3%	MBIA Insurance	-2.2%
Top 5 Total	23.4%	Top 5 Total	-13.0%

Regional Exposure

	Longs	Shorts	Gross	Net
North America	61.8%	-30.5%	93.3%	31.3%
Europe	17.5%	-3.4%	20.9%	14.1%
Asia	1.3%	-5.5%	6.8%	-4.2%
Other	2.1%	-2.7%	4.8%	-0.6%

Asset Class Exposure

	Longs	Shorts	Gross	Net
ABS	5.0%	0.0%	5.0%	5.0%
Credit Derivatives	1.0%	-13.4%	14.4%	-12.4%
Equity	7.9%	-2.5%	10.4%	5.4%
Fixed	65.0%	-21.4%	86.4%	43.6%
Fund	2.1%	0.0%	2.1%	2.1%
Futures	0.0%	-0.1%	0.1%	-0.1%
FX	0.1%	-0.3%	0.4%	-0.2%
Options	1.7%	-4.3%	6.0%	-2.6%
Structured Product	0.0%	0.0%	0.0%	0.0%
Swaps	0.0%	0.0%	0.0%	0.0%

Manager Evaluation

Brevan Howard Multi-Strategy Fund Limited

As of March 31, 2016

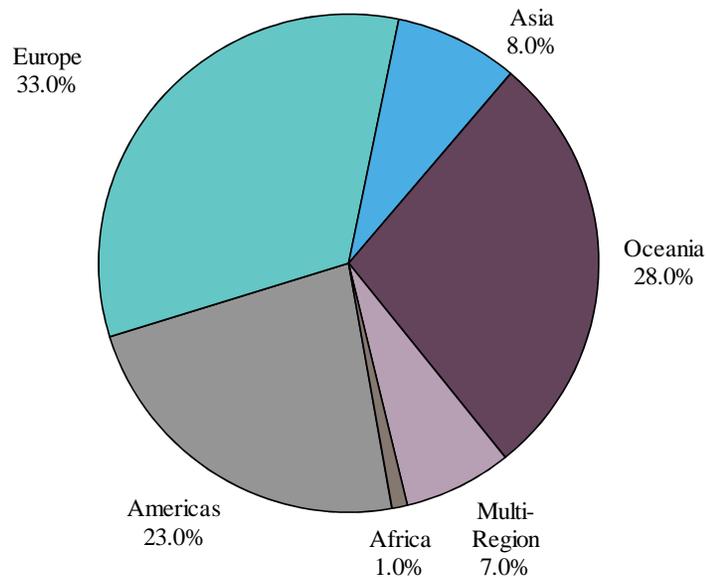
Portfolio Characteristics

Firm Assets	\$22.1 billion
Fund Assets	\$2.3 billion
	VaR
Brevan Howard Multi-Strategy Fund	0.27%
Master Fund	0.22%
Asia Master Fund	0.18%
Systematic Trading Master Fund	1.35%
Direct Investment Portfolio	0.35%

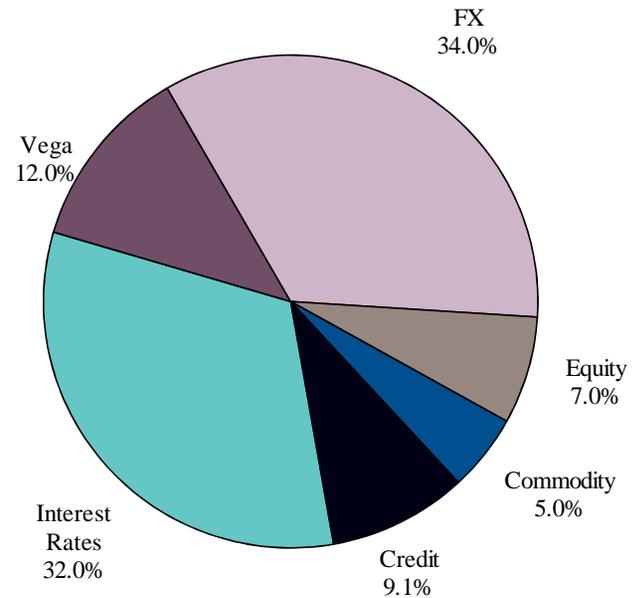
Underlying Fund Allocation

	% NAV Q4	% NAV Q1
Master Fund	44.7%	39.4%
Credit Catalyst Master Fund	3.8%	0.0%
Systematic Trading Master Fund	8.5%	8.9%
Asia Master Fund	12.6%	11.9%
Direct Investment Portfolio	30.5%	39.8%

Regional Exposure



Strategy Exposure



Manager Evaluation

Robeco Transtrend Diversified Fund LLC

As of March 31, 2016

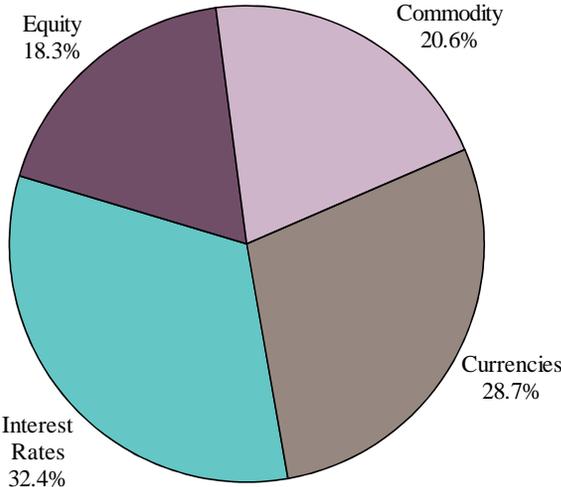
Portfolio Characteristics

Firm Assets	\$5.8 billion
Fund Assets	\$588.5 million
Margin/ Net Assets	24.5%
VaR	8.0%

Attribution by Strategy

	1Q Gross Attribution	YTD Gross Attribution
Commodities	0.3%	0.3%
Currencies	0.4%	0.4%
Interest Rates	0.3%	0.3%
Equity Related	10.8%	10.8%

Strategy Exposure



Manager Evaluation

Moore Macro Managers Fund, Ltd.

As of March 31, 2016

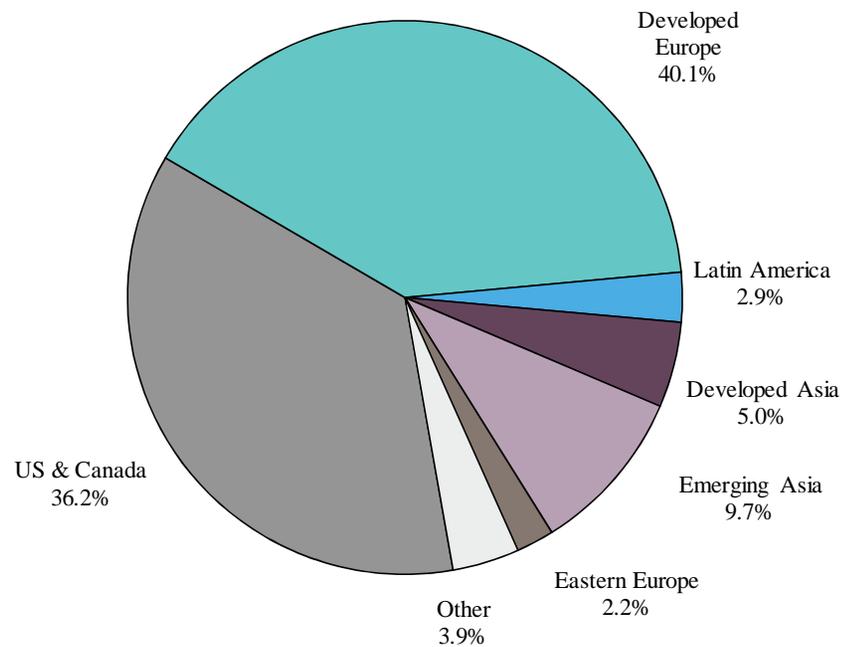
Portfolio Characteristics

Firm Assets	\$13.1 billion
Fund Assets	\$5.2 billion
Gross Exposure	279.0%
Net Exposure	25.0%
Long Exposure	152.0%
Short Exposure	-127.0%

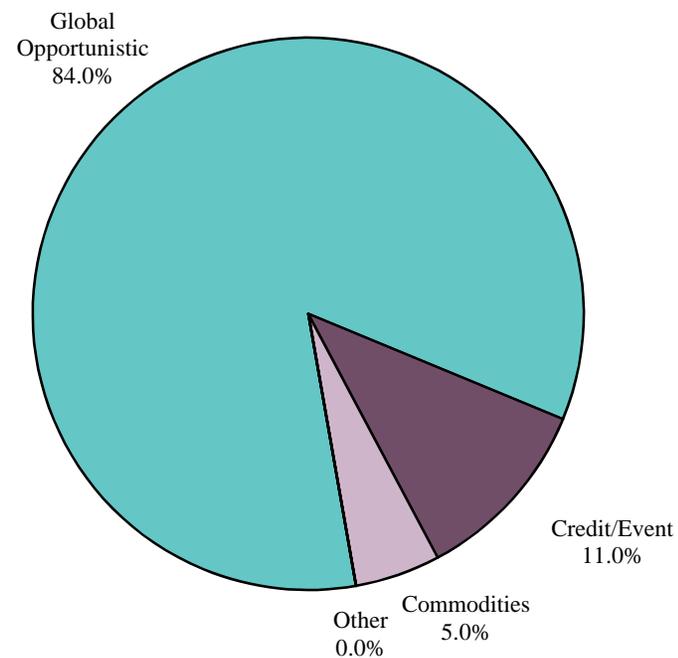
Attribution by Strategy - YTD

	<u>Gross Attribution</u>
Global Opportunistic	-2.3%
Credit/Event	-0.3%
Commodities	-1.1%
Other	0.0%

Regional Exposure



Strategy Exposure



Manager Evaluation

Stone Milliner Macro Fund Inc.

As of March 31, 2016

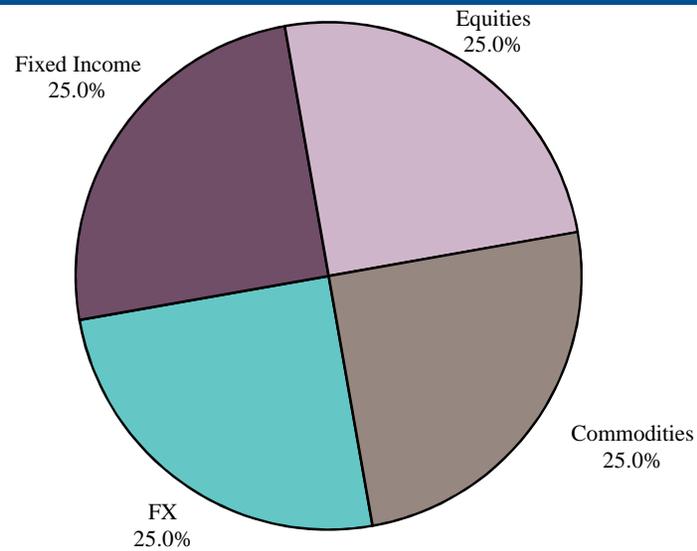
Portfolio Characteristics

Firm Assets	\$5.8 billion
Fund Assets	\$3.1 billion

Attribution by Strategy - Q1

	<u>Gross Attribution</u>
FX	0.5%
Fixed Income	0.0%
Equities	0.0%
Commodities	0.1%

Strategy Exposure



Manager Evaluation

Double Black Diamond, Ltd. Series E

As of March 31, 2016

Portfolio Characteristics

Firm Assets	\$8.3 billion
Fund Assets	\$2.8 billion
Gross Exposure	341.8%
Net Exposure	22.6%
Long Exposure	182.2%
Short Exposure	-159.6%

Performance Attribution by Strategy - Q1

	Gross Attribution
Equity Relative Value	-1.2%
Equity Long/Short	-0.5%
Cross-Asset RV	-1.0%
Credit Long/Short	-0.9%
Event-Driven	1.3%
Strategic Investments	0.2%
Macro Strategies	-0.1%

Regional Exposure

	Longs	Shorts	Gross	Net
North America	137.9%	-117.7%	256.6%	20.2%
Europe	41.4%	-35.8%	77.2%	5.6%
Asia	1.4%	-3.0%	4.4%	-1.6%
Other	1.5%	-3.0%	4.5%	-1.5%

Strategy Exposure

	Longs	Shorts	Gross	Net
Equity Relative Value	50.9%	-52.4%	103.3%	-1.5%
Equity Long/Short	27.9%	-3.0%	30.9%	24.9%
Cross-Asset RV	25.7%	-38.2%	63.9%	-12.5%
Credit Long/Short	14.9%	-6.8%	21.7%	8.1%
Event-Driven	53.5%	-28.4%	81.9%	25.1%
Strategic Investments	5.3%	-1.1%	6.4%	4.2%
Macro Strategies	4.0%	-2.7%	6.7%	1.3%

Manager Evaluation

Fir Tree International Value Fund (Non-US), L.P.

As of March 31, 2016

Portfolio Characteristics

Firm Assets	\$9.5 billion
Fund Assets	\$6.0 billion
Gross Exposure	136.7%
Net Exposure	7.9%
Long Exposure	72.3%
Short Exposure	-64.4%

Performance Attribution by Strategy - YTD

	<u>Gross Attribution</u>
Value Equities	-1.7%
Special Situations	-6.2%
Long-Term Arbitrage	0.0%
Yielding Securities	-4.2%
Corporate Credit	0.8%
Capital Structure Arbitrage	0.8%
Structured/Mortgage Credit	-0.1%
Portfolio Hedges	0.4%
Credit Shorts	-0.8%

Regional Exposure

	<u>Longs</u>	<u>Shorts</u>	<u>Gross</u>	<u>Net</u>
North America	55.1%	-26.0%	82.1%	29.1%
Europe/UK	4.7%	-3.9%	8.6%	0.8%
Asia	2.9%	-27.4%	30.3%	-24.5%
Latin America	9.6%	-4.1%	13.7%	5.5%
Other	0.0%	-3.0%	3.0%	-3.0%

Strategy Exposure

	<u>Longs</u>	<u>Shorts</u>	<u>Gross</u>	<u>Net</u>
Value Equities	10.2%	-11.7%	21.9%	-1.5%
Special Situations	37.9%	-15.0%	52.9%	22.9%
Yielding Securities	6.2%	-1.5%	7.7%	4.7%
Corporate Credit	9.7%	-1.7%	11.4%	8.0%
Capital Structure Arbitrage	4.6%	-2.7%	7.3%	1.9%
Structured / Mortgage Credit	3.2%	0.0%	3.2%	3.2%
Portfolio Hedges	0.5%	-9.0%	9.5%	-8.5%
Credit Shorts	0.0%	-22.9%	22.9%	-22.9%

Manager Evaluation

Pine River Fund, Ltd.

As of March 31, 2016

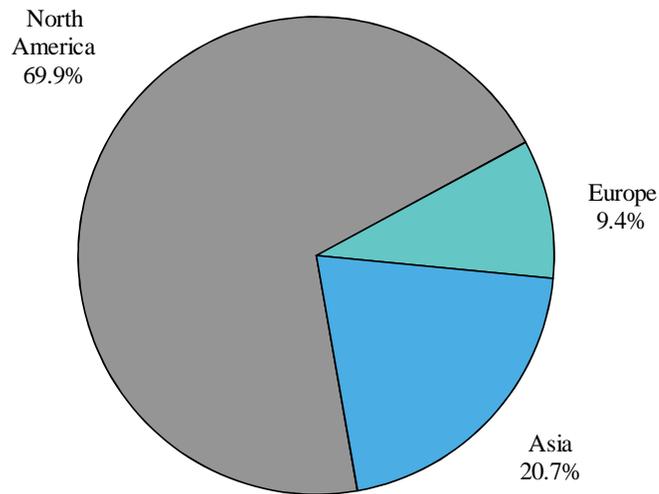
Portfolio Characteristics

Firm Assets	\$12.6 billion
Fund Assets	\$3.5 billion
Gross Exposure	460.0%
Total Number of Positions	3,078
Weighted Average Credit Weighting of Rated Bonds	AA-

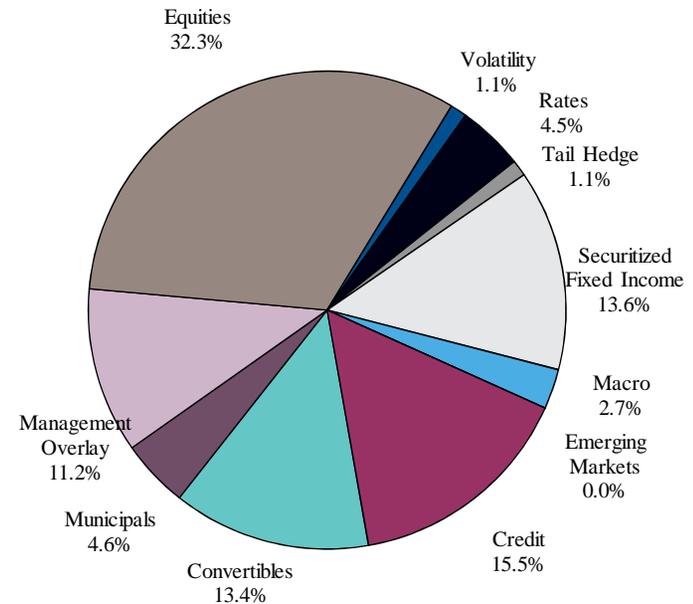
Performance Attribution by Strategy - Q1

	<u>Gross Attribution</u>
Equities	-1.8%
Volatility	0.4%
Convertibles	-0.1%
Credit	-0.4%
Securitized Fixed Income	-0.5%
Municipals	0.2%
Rates	0.0%
Emerging Markets FX	0.0%
Commodities/Macro	0.0%
Tail Hedge	0.1%
Management Overlay	-3.1%
Cash	0.0%

Regional Allocation



Strategy Allocation



Hedge Fund Strategy Definitions

The **Equity Strategy** is comprised of Equity Long/Short strategies. Equity hedge strategies typically have a directional bias (long or short) and trade in equities and equity-related derivatives. Managers seek to buy undervalued equities with improving fundamentals and short overvalued equities with deteriorating fundamentals.

Trade Example: Long a basket of energy stocks and short a basket of consumer electronics stocks.

The **Credit Strategy** is comprised of Distressed Securities, Credit Long/Short, Emerging Market Debt and Credit Event Driven. Credit strategies typically have a directional bias and involve the purchase of various types of debt, equity, trade claims and fixed income securities. Hedging using various instruments such as Credit Default swaps is frequently employed.

Trade Example: Buying the distressed bonds of a company which has defaulted and participating in the corporate restructuring.

The **Macro Strategy** consists of Global Macro, Managed Futures, Commodities and Currencies. Macro strategies usually have a directional bias (which can be either long or short) and involve the purchase of a variety of securities and/or derivatives related to major markets. Managed futures strategies trade similar instruments but are typically implemented by computerized systems.

Trade Example: Long the US Dollar and short the Japanese Yen

The **Relative Value Strategy** typically does not display a distinct directional bias. Relative Value encompasses a range of strategies covering different asset classes. Arbitrage strategies focus on capturing movements or anomalies in the price spreads between related or similar instruments. The rationale for Arbitrage trades is the ultimate convergence of the market price relationship to a known, theoretical or equilibrium relationship.

Trade Example: Long the stock of a merger bid target and short the stock of the acquirer.

Statistical Definitions

Risk Statistics

As of March 31, 2016

Statistics	Definition
Alpha	- A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market, or a portfolio's non-systematic return.
Best Quarter	- The best of rolling 3 months(or 1 quarter) cumulative return.
Beta	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk.
Consistency	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.
Downside Risk	- A measure similar to standard deviation, but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative set of returns. The higher the factor, the riskier the product.
Excess Return	- Arithmetic difference between the managers return and the risk-free return over a specified time period.
Information Ratio	- Measured by dividing the active rate of return by the tracking error. The higher the Information Ratio, the more value-added contribution by the manager.
Maximum Drawdown	- The drawdown is defined as the percent retrenchment from a fund's peak value to the fund's valley value. It is in effect from the time the fund's retrenchment begins until a new fund high is reached. The maximum drawdown encompasses both the period from the fund's peak to the fund's valley (length), and the time from the fund's valley to a new fund high (recovery). It measures the largest percentage drawdown that has occurred in any fund's data record.
Return	- Compounded rate of return for the period.
Sharpe Ratio	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.
Sortino Ratio	- A ratio developed by Frank A. Sortino to differentiate between good and bad volatility in the Sharpe ratio. This differentiation of upwards and downwards volatility allows the calculation to provide a risk-adjusted measure of a security or fund's performance without penalizing it for upward price changes.
Standard Deviation	- A statistical measure of the range of a portfolio's performance, the variability of a return around its average return over a specified time period.
Tracking Error	- A measure of the standard deviation of a portfolio's performance relative to the performance of an appropriate market benchmark.
Worst Quarter	- The worst of rolling 3 months(or 1 quarter) cumulative return.

Asset Class & Investment Strategy Matrix



El Camino Hospital Surplus Cash

1st Quarter 2016



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Asset Class & Investment Strategy Matrix

Asset Class Diversification

Surplus Cash Investment Program Structure

As of March 31, 2016

Manager	Asset Class/Type	Total Assets (\$ mil.)	Percent of Total	Target Allocation	Weighting Relative to Target	Target Range
Large-Cap Domestic Equity		\$140.7	21.6%	20.0%	+ 1.6%	20-30%
Vanguard S&P 500 Index	Large-Cap Index	\$ 88.3	13.6%	10.0%	+ 3.6%	
Sands	Large-Cap Growth	\$ 25.1	3.9%	5.0%	- 1.1%	
Barrow Hanley	Large-Cap Value	\$ 27.2	4.2%	5.0%	- 0.8%	
Small-Cap Domestic Equity		\$ 29.9	4.6%	5.0%	- 0.4%	
Cortina	Small-Cap Growth	\$ 13.0	2.0%	2.5%	- 0.5%	
Wellington	Small-Cap Value	\$ 16.9	2.6%	2.5%	+ 0.1%	
International Equity		\$ 94.5	14.5%	15.0%	- 0.5%	10-20%
Walter Scott	Developed and Emerging	\$ 43.3	6.7%	7.5%	- 0.8%	
Harbor	Developed and Emerging	\$ 42.4	6.5%	7.5%	- 1.0%	
Harding Loevner	Emerging	\$ 8.8	1.4%	0.0%	+ 1.4%	
Short-Duration Fixed Income		\$ 66.2	10.2%	10.0%	+ 0.2%	8-12%
Barrow Hanley	Short Duration	\$ 63.1	9.7%	10.0%	- 0.3%	
Cash	Money Market	\$ 3.1	0.5%	0.0%	+ 0.5%	
Market-Duration Fixed Income		\$198.7	30.5%	30.0%	+ 0.5%	25-35%
Dodge & Cox	Market Duration	\$ 95.8	14.7%	15.0%	- 0.3%	
MetWest	Market Duration	\$102.8	15.8%	15.0%	+ 0.8%	
Alternatives		\$120.6	18.5%	20.0%	- 1.5%	17-23%
Oaktree RE Opportunities	Real Estate	\$ 15.3	2.4%	2.5%	- 0.1%	
Walton Street	Real Estate	\$ 12.3	1.9%	2.5%	- 0.6%	
Direct Hedge Fund Composite	Hedge Fund	\$ 93.0	14.3%	15.0%	- 0.7%	
Total (X District)		\$650.6	100.0%			
District Assets - Barrow Hanley	Short Duration	\$ 26.8				
Debt Reserves - Ponder	Short Duration	\$ 32.6				
Total Surplus Cash		\$710.0				

*Totals may not add due to rounding.

Investment Structure

As of March 31, 2016

Introduction

The objective of this report is to examine the structure of the El Camino Surplus Cash portfolio, including the asset classes invested and the goal of each underlying investment strategy utilized. Currently, the Surplus Cash has exposure to 32 different investment strategies: 5 domestic equity, 3 international equity, 3 fixed income, 2 real estate and 19 hedge funds.

Large Cap Equity: 20%

- | | |
|---------------------|----------------------------------------------------------------------------------------------------------|
| Vanguard (MF): | Passive, low cost index fund tracking core S&P 500 Index. |
| Sands (MF): | Growth biased, concentrated portfolio with above-benchmark risk. Historically outperforms in up markets. |
| Barrow Hanley (SA): | Value biased, concentrated portfolio with near benchmark risk/return profile. |

Small Cap Equity: 5%

- | | |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Cortina (SA): | Growth and smaller capitalization biased, slightly diversified portfolio, which historically outperforms in up markets. Has struggled lately. |
| Wellington (CF): | Value biased, concentrated portfolio with quality bias, which provides downside protection while participating in up markets. |

International Equity: 15%

- | | |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Walter Scott (MF):
(Dreyfus) | Developed international, growth biased, all cap, and concentrated portfolio with below-benchmark beta and risk. Provides downside protection versus the benchmark. Typically invests approximately 5% in emerging markets. |
| Northern Cross (MF):
(Harbor) | Developed international, core, large cap, and concentrated portfolio with near benchmark risk/return profile and focus on quality. |
| Harding Loevner (MF): | Emerging markets, growth biased, all cap, concentrated portfolio with market-like beta. Invests in high quality companies, resulting in below-benchmark risk with consistent return profile. |

Short Duration Fixed Income: 10%

- | | |
|---------------------|-------------------------------------------------------------------------------------------------------------|
| Barrow Hanley (SA): | Provides liquidity while generating yield by investing in high quality, short-term fixed income securities. |
|---------------------|-------------------------------------------------------------------------------------------------------------|

MF: Mutual Fund SA: Separate Account I: Illiquid/Private

Investment Structure

As of March 31, 2016

Market Duration Fixed Income: 30%

- Dodge & Cox (SA): Low beta strategy with emphasis on security selection and bias towards providing income. Typically overweight credit and MBS and underweight US Treasuries. Tends to underperform in weak credit markets.
- MetWest (SA): Focused on both security selection and sector positioning. Relative value driven strategy with an emphasis on mean reversion based allocations. Historically excels at profiting from securities/sectors that are out of favor, more complex, or otherwise overlooked by many other managers. Performs well in up markets.

Real Estate: 5%

Real Estate provides diversification benefits due to its low correlation to traditional asset classes. The Surplus Cash portfolio is currently invested in private, closed-end real estate funds, which have direct ownership of property. These investment vehicles have limited liquidity and long lifespans (7+ years). Due to their illiquid structure, closed-end funds will not be forced to sell properties at severely depressed prices to meet investor liquidity needs in times of market turmoil. Instead, they can take advantage of attractive opportunities that are created by periods of market dislocation. Property types include office, retail, multifamily, industrial, hotels, improved lots, self-storage, senior living and development.

- Oaktree (I): Value-added/Opportunistic. Pursues opportunities where it can manage the potential downside risk and avoid losses. Approximately 15-40 investments ranging from \$25-\$100 million. Typically 70% US / 30% Non-US.
- Walton Street (I): Value-added/Opportunistic. Focus on properties that offer high appreciation with modest income potential, leading to long holding periods to allow adequate time for strategy to be properly implemented. Approximately 50-75 investments, including international investments (typically less than 15%). Favors east and west coast regions.

The Surplus Cash portfolio made a \$13 million commitment to another fund, Walton Street Real Estate Fund VIII, in January 2016.

Hedge Funds: 15%

- Direct Portfolio (I): The objective of the hedge fund portfolio is to provide an opportunity for equity-like returns with less volatility. The hedge fund portfolio is expected to provide downside protection relative to equity markets while outperforming fixed income during periods of rising interest rates. Pavilion has advised El Camino on the implementation of the hedge fund portfolio, which consists of 19 different direct investments in hedge funds, diversified across the four strategy types; Equity, Credit, Macro, and Relative Value. A breakout of the underlying hedge funds, along with definitions of the strategy types, can be seen on the following two pages.

MF: Mutual Fund SA: Separate Account I: Illiquid/Private

Asset Class Diversification

Hedge Fund Portfolio

As of March 31, 2016

Manager	Asset Class/Type	Total Assets (\$, mil.)	Percent of Total	Target Allocation	Weighting Relative to Target
Equity Hedge Funds		\$ 33.2	35.8%	40.0%	- 4.2%
ESG	Emerging Market Equity	\$ 4.3	4.7%		
Luxor	Event Driven Equity	\$ 3.6	3.9%		
CapeView 1x	European Equity	\$ 2.8	3.0%		
CapeView 2x	European Equity	\$ 3.1	3.3%		
Passport 1x	US Equity	\$ 2.6	2.8%		
Passport 2x	US Equity	\$ 2.7	2.9%		
Bloom Tree	Global Equity	\$ 4.5	4.8%		
Tiger Eye	US Equity	\$ 4.5	4.8%		
Indus Japan	Japanese Equity	\$ 5.1	5.5%		
Credit Hedge Funds		\$ 18.5	19.9%	20.0%	- 0.1%
Davidson Kempner	Distressed Credit	\$ 7.8	8.4%		
York	Multi-Strategy Credit	\$ 6.3	6.8%		
Marathon	Multi-Strategy Credit	\$ 4.4	4.8%		
Macro Hedge Funds		\$ 24.5	26.4%	20.0%	+ 6.4%
Brevan Howard	Discretionary Macro	\$ 5.9	6.3%		
Moore	Discretionary Macro	\$ 6.2	6.6%		
Stone Milliner	Discretionary Macro	\$ 5.0	5.4%		
Transtrend	Systematic Macro	\$ 7.4	8.0%		
Relative Value Hedge Funds		\$ 16.7	17.9%	20.0%	- 2.1%
Carlson	Multi-Strategy	\$ 5.4	5.8%		
Fir Tree	Multi-Strategy	\$ 5.6	6.1%		
Pine River	Multi-Strategy	\$ 5.6	6.1%		
Total Hedge Fund Portfolio		\$ 92.9	100.0%		

Totals may not add up due to rounding.

Hedge Fund Strategy Definitions

The **Equity Strategy** is comprised of Equity Long/Short strategies. Equity hedge strategies typically have a directional bias (long or short) and trade in equities and equity-related derivatives. Managers seek to buy undervalued equities with improving fundamentals and short overvalued equities with deteriorating fundamentals.

Trade Example: Long a basket of energy stocks and short a basket of consumer electronics stocks.

The **Credit Strategy** is comprised of Distressed Securities, Credit Long/Short, Emerging Market Debt and Credit Event Driven. Credit strategies typically have a directional bias and involve the purchase of various types of debt, equity, trade claims and fixed income securities. Hedging using various instruments such as Credit Default swaps is frequently employed.

Trade Example: Buying the distressed bonds of a company which has defaulted and participating in the corporate restructuring.

The **Macro Strategy** consists of Global Macro, Managed Futures, Commodities and Currencies. Macro strategies usually have a directional bias (which can be either long or short) and involve the purchase of a variety of securities and/or derivatives related to major markets. Managed futures strategies trade similar instruments but are typically implemented by computerized systems.

Trade Example: Long the US Dollar and short the Japanese Yen

The **Relative Value Strategy** typically does not display a distinct directional bias. Relative Value encompasses a range of strategies covering different asset classes. Arbitrage strategies focus on capturing movements or anomalies in the price spreads between related or similar instruments. The rationale for Arbitrage trades is the ultimate convergence of the market price relationship to a known, theoretical or equilibrium relationship.

Trade Example: Long the stock of a merger bid target and short the stock of the acquirer.



Manager Risk Assessment

Statistical Definitions

Risk Statistics

As of March 31, 2016

Statistics	Definition
Return	- Compounded rate of return for the period.
Standard Deviation	- A statistical measure of the range of a portfolio's performance, the variability of a return around its average return over a specified time period.
Beta	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk.
Sharpe Ratio	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.
Up Market Capture	- The ratio of average portfolio return over the benchmark during periods of positive benchmark return. Higher values indicate better product performance.
Down Market Capture	- The ratio of average portfolio return over the benchmark during periods of negative benchmark return. Lower values indicate better product performance.

Manager Risk Analysis

Traditional Active Managers

Five Years Ending March 31, 2016

	Return	Standard Deviation	Beta	Sharpe Ratio	Up Market Capture	Down Market Capture
Domestic Equity Managers						
Sands Large Cap Growth (Touchstone)	10.8	16.4	1.2	0.7	109.2	126.4
Russell 1000 Growth Index	12.4	12.5	1.0	1.0	100.0	100.0
IM U.S. Large Cap Growth Equity Median	10.5	13.7	1.1	0.8	100.6	114.0
Barrow Hanley Large Cap Value	10.3	12.3	1.0	0.9	96.3	93.4
Russell 1000 Value Index	10.2	12.6	1.0	0.8	100.0	100.0
IM U.S. Large Cap Value Equity Median	8.6	13.1	1.0	0.7	98.0	107.4
Cortina Small Cap Growth	3.4	18.1	1.0	0.3	87.2	101.3
Russell 2000 Growth Index	7.7	17.6	1.0	0.5	100.0	100.0
IM U.S. Small Cap Growth Equity Median	6.9	18.3	1.0	0.5	95.9	98.6
Wellington Small Cap Value	10.2	15.3	1.0	0.7	104.8	89.2
Russell 2000 Value Index	6.7	15.8	1.0	0.5	100.0	100.0
IM U.S. Small Cap Value Equity Median	6.6	16.1	1.0	0.5	99.9	97.9
International Equity Managers						
Walter Scott Int'l (Dreyfus)	2.2	13.5	0.8	0.2	87.2	78.2
MSCI AC World ex USA (Net)	0.3	15.5	1.0	0.1	100.0	100.0
IM International Equity Median	1.2	15.6	1.0	0.2	96.7	93.0
Northern Cross Int'l (Harbor)	1.7	16.2	1.0	0.2	104.8	98.0
MSCI AC World ex USA (Net)	0.3	15.5	1.0	0.1	100.0	100.0
IM International Equity Median	1.2	15.6	1.0	0.2	96.7	93.0
Harding Loevner Emerging Markets	-0.5	17.1	0.9	0.1	94.9	81.8
MSCI Emerging Markets (Net)	-4.1	18.6	1.0	-0.1	100.0	100.0
IM Emerging Markets Equity Median	-4.1	18.2	0.9	-0.1	92.2	94.0

Manager Risk Analysis

Traditional Active Managers

Five Years Ending March 31, 2016

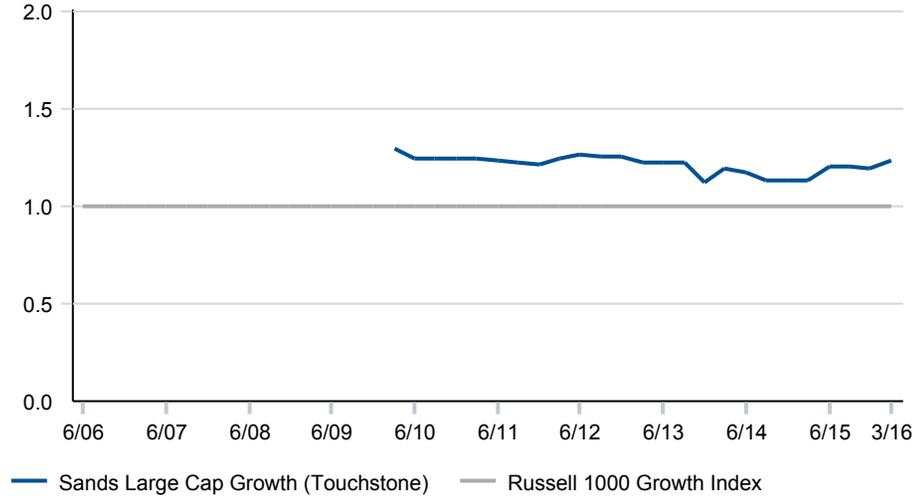
	Return	Standard Deviation	Beta	Sharpe Ratio	Up Market Capture	Down Market Capture
Short Duration Fixed Income						
Barrow Hanley Short Term Fixed	1.0	0.6	0.9	1.6	92.2	95.3
Barclays 1-3 Year Gov/Credit	1.1	0.6	1.0	1.8	100.0	100.0
IM U.S. Short Term Investment Grade Median	1.2	1.0	1.1	1.2	115.2	136.7
Market Duration Fixed Income						
Dodge & Cox Fixed	3.9	2.8	0.7	1.3	94.7	80.9
Barclays U.S. Aggregate	3.8	2.7	1.0	1.3	100.0	100.0
IM U.S. Broad Market Core+ Fixed Income Median	3.9	3.1	0.9	1.2	100.4	103.6
MetWest Fixed	4.3	2.5	0.8	1.7	95.2	66.2
Barclays U.S. Aggregate	3.8	2.7	1.0	1.3	100.0	100.0
IM U.S. Broad Market Core+ Fixed Income Median	3.9	3.1	0.9	1.2	100.4	103.6

Manager Risk Analysis

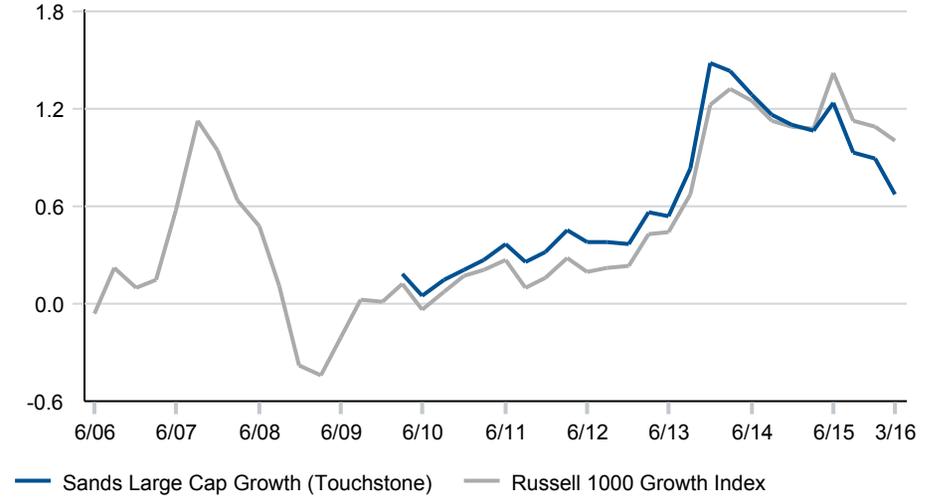
Sands Large Cap Growth (Touchstone) vs. Russell 1000 Growth Index

Rolling Five Year Risk Statistics as of March 31, 2016

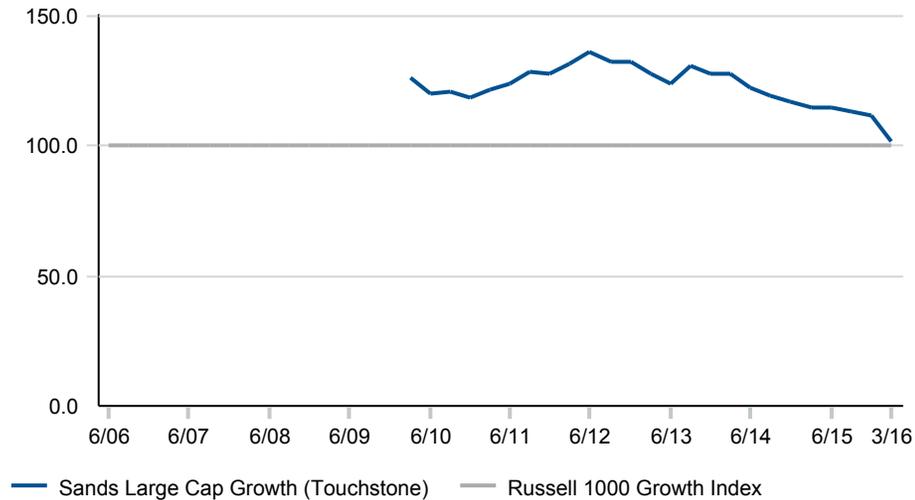
Beta



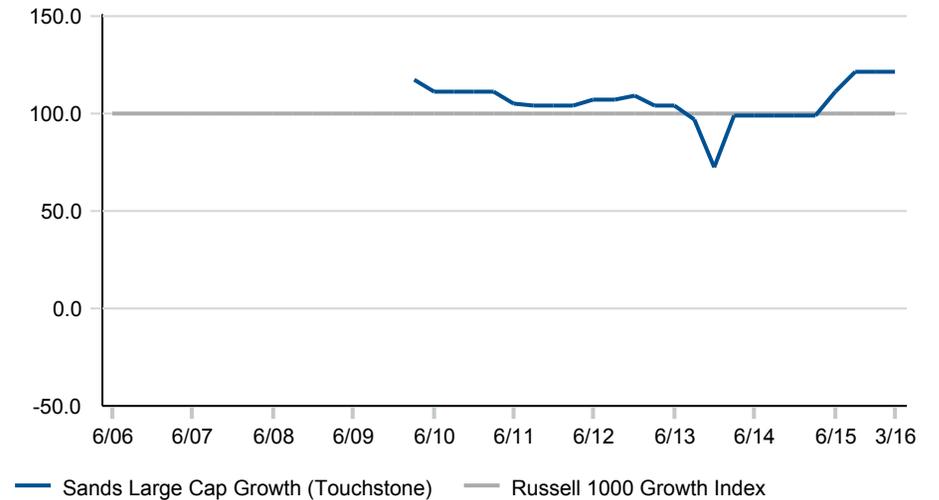
Sharpe Ratio



Up Market Capture



Down Market Capture

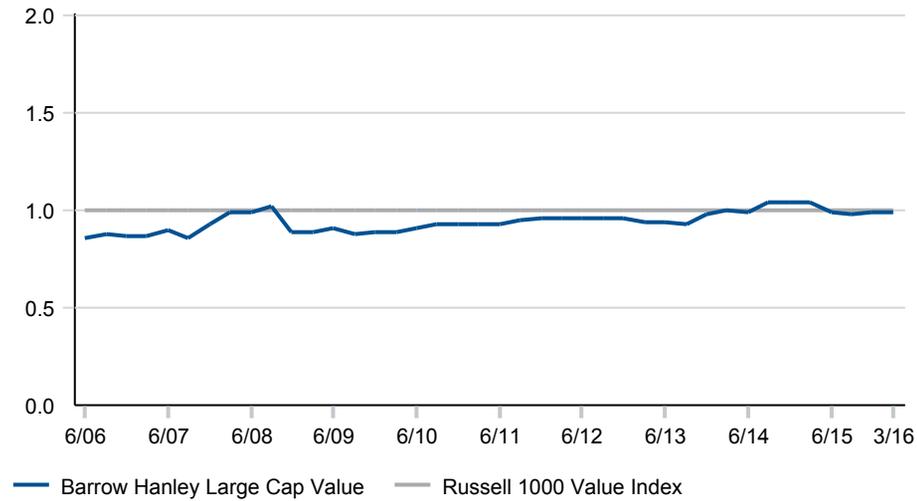


Manager Risk Analysis

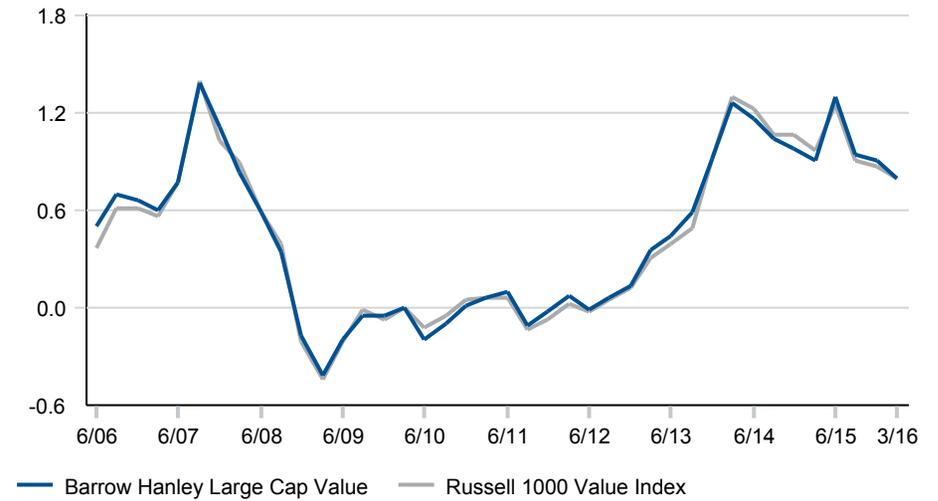
Barrow Hanley Large Cap Value vs. Russell 1000 Value Index

Rolling Five Year Risk Statistics as of March 31, 2016

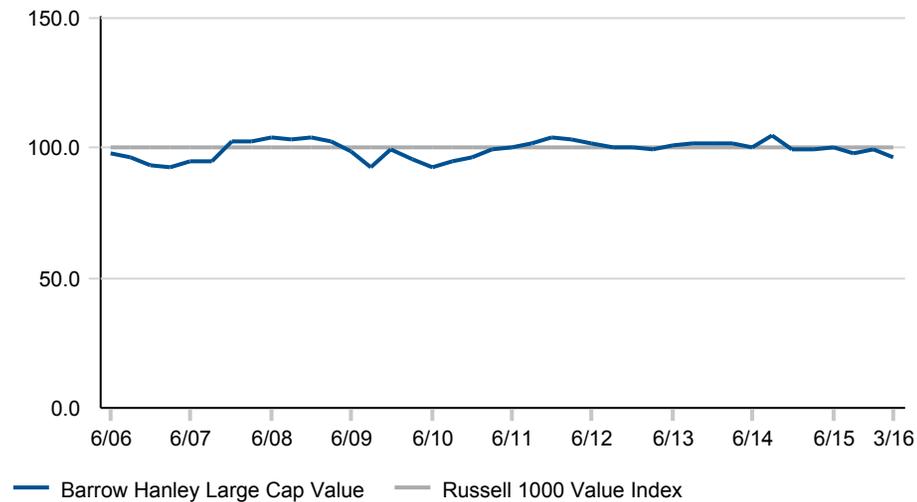
Beta



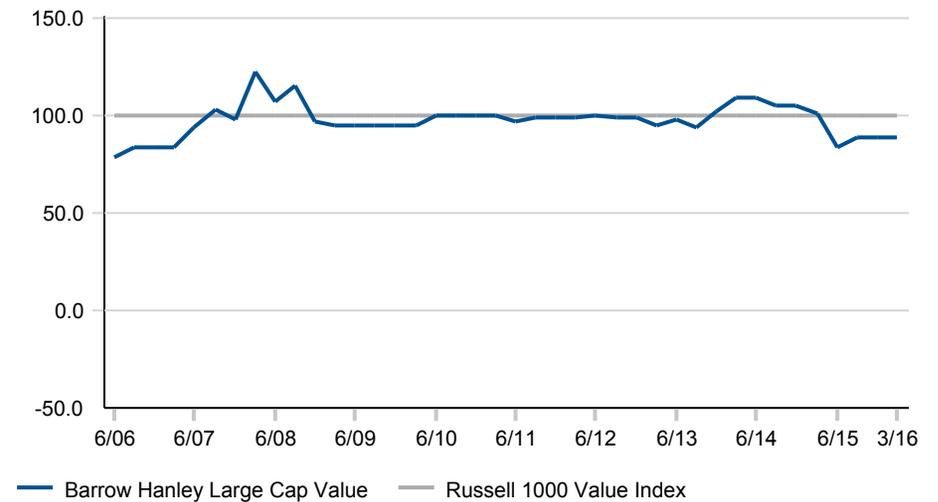
Sharpe Ratio



Up Market Capture



Down Market Capture

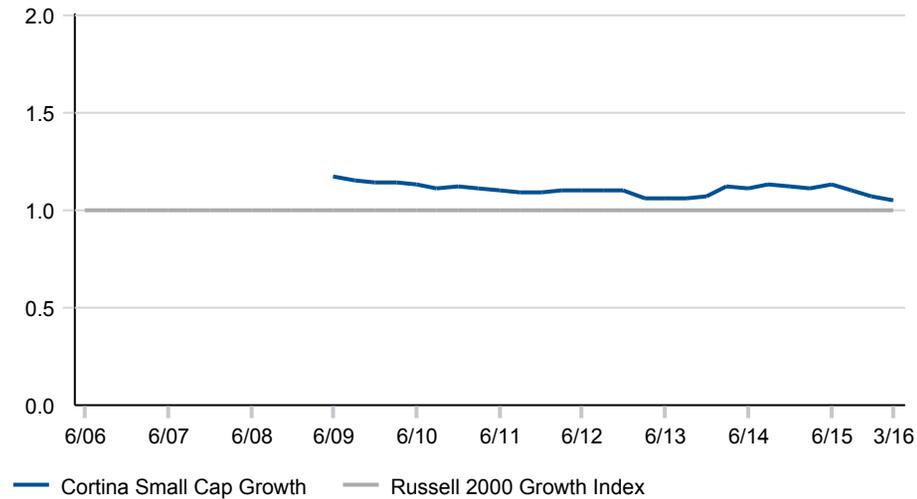


Manager Risk Analysis

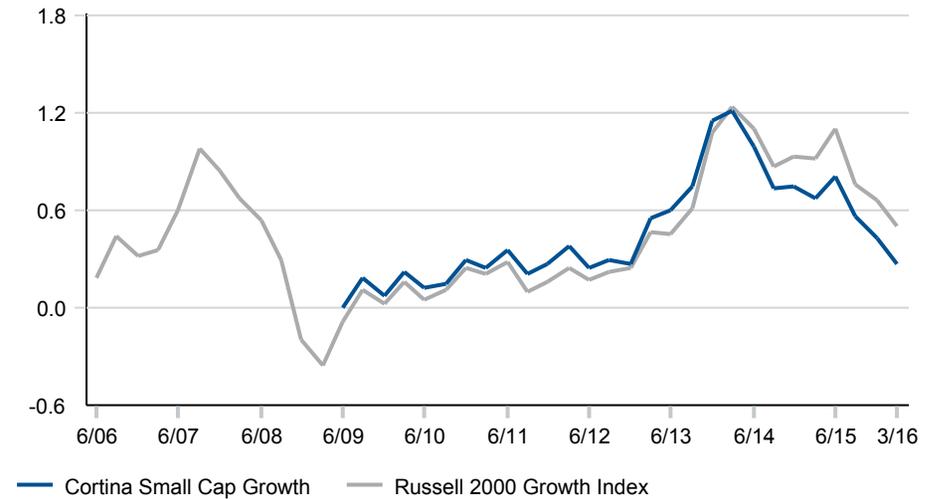
Cortina Small Cap Growth vs. Russell 2000 Growth Index

Rolling Five Year Risk Statistics as of March 31, 2016

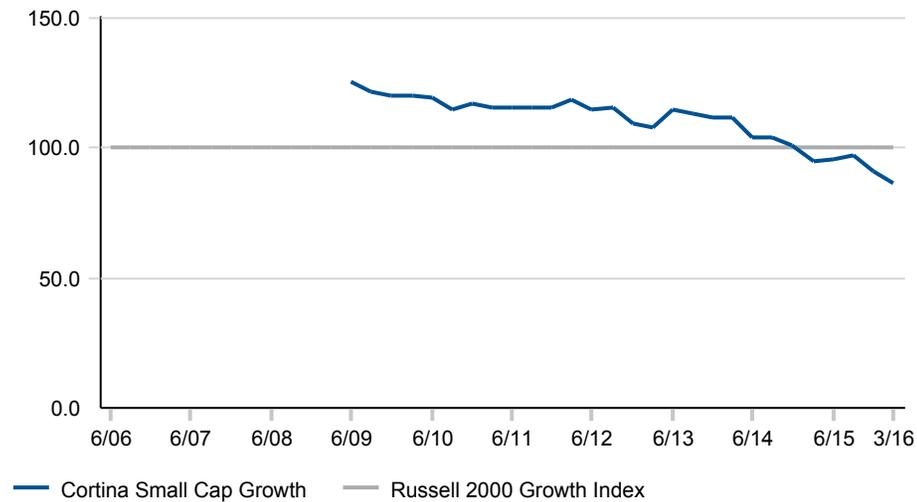
Beta



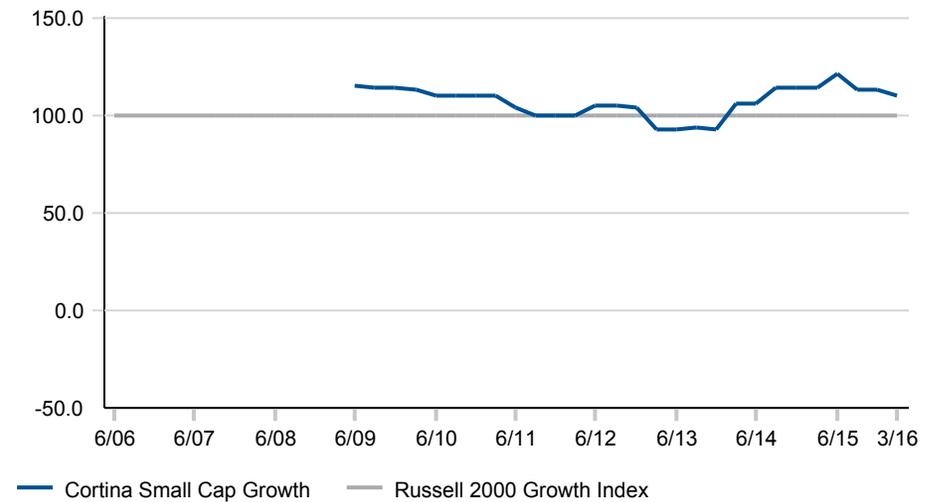
Sharpe Ratio



Up Market Capture



Down Market Capture

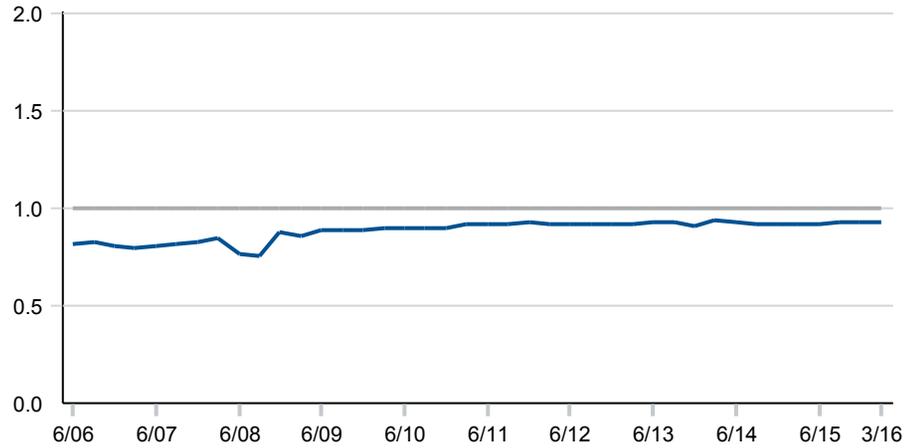


Manager Risk Analysis

Wellington Small Cap Value vs. Russell 2000 Value Index

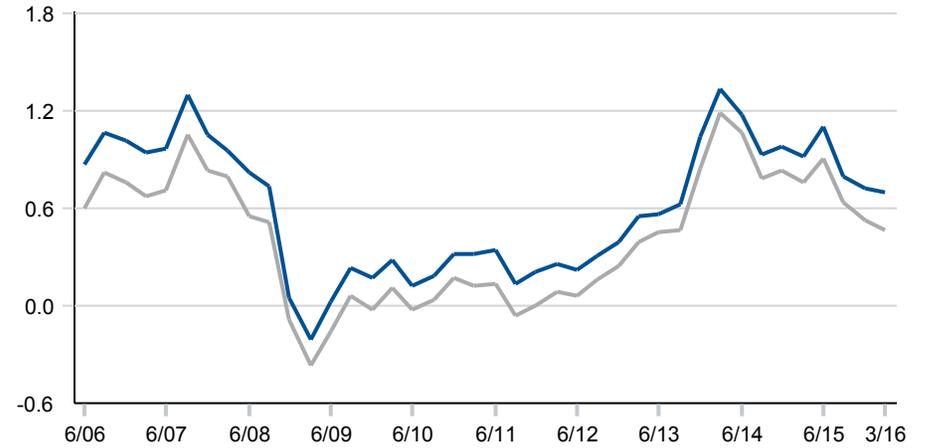
Rolling Five Year Risk Statistics as of March 31, 2016

Beta



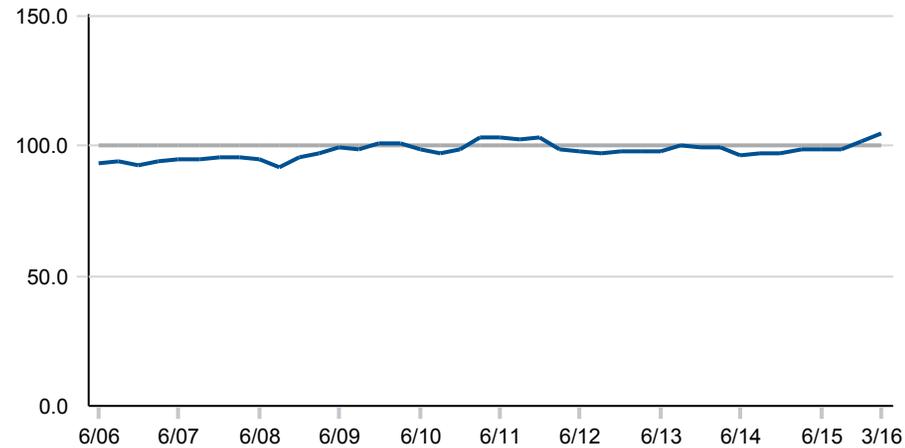
Wellington Small Cap Value Russell 2000 Value Index

Sharpe Ratio



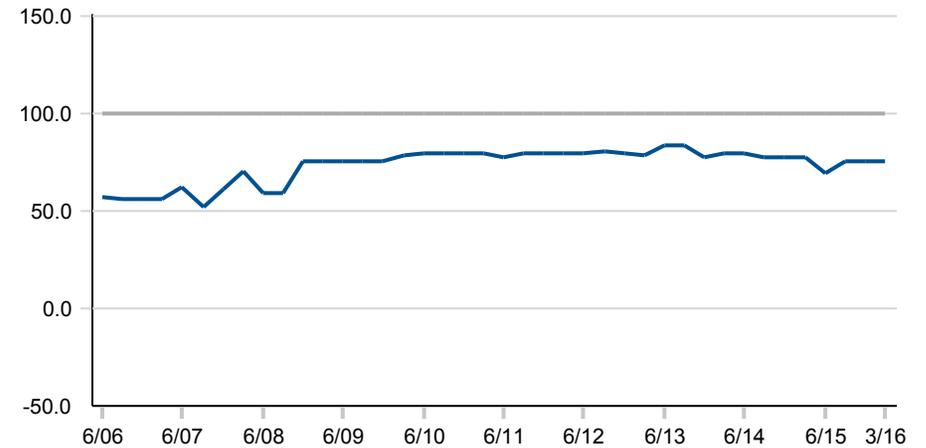
Wellington Small Cap Value Russell 2000 Value Index

Up Market Capture



Wellington Small Cap Value Russell 2000 Value Index

Down Market Capture



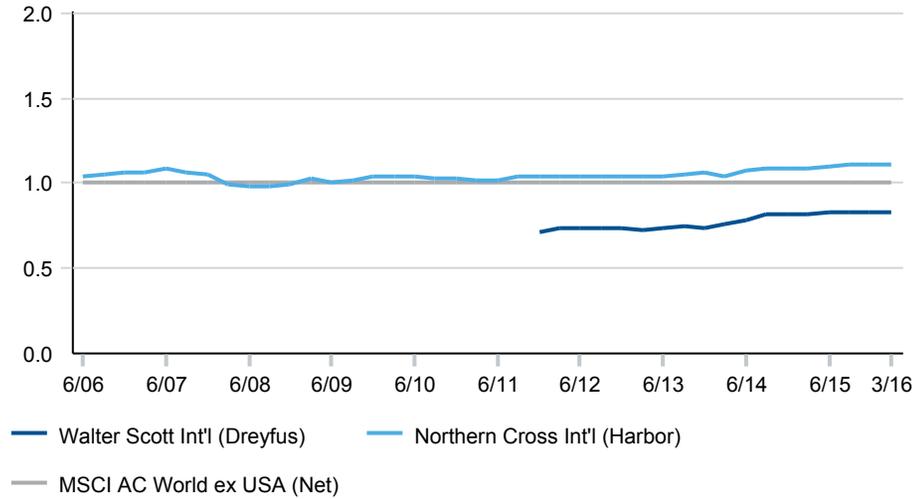
Wellington Small Cap Value Russell 2000 Value Index

Manager Risk Analysis

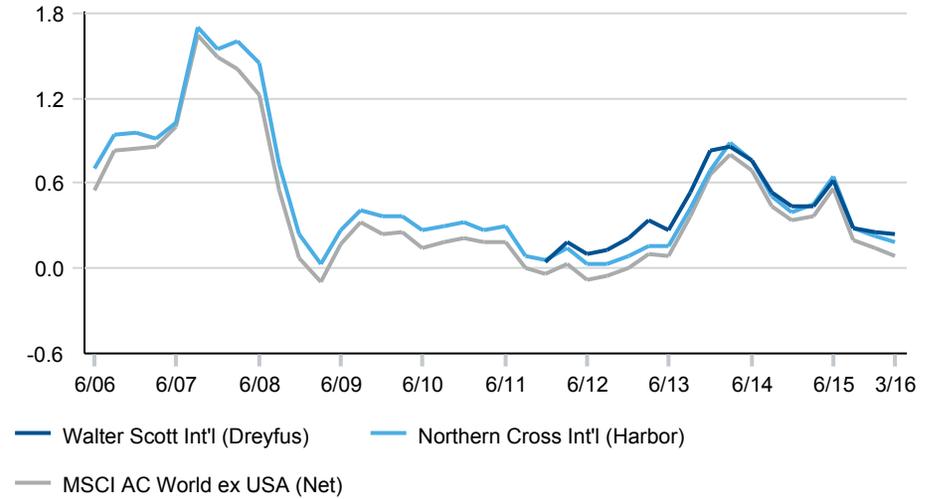
Developed International Equity Managers vs. MSCI AC World ex USA Index (Net)

Rolling Five Year Risk Statistics as of March 31, 2016

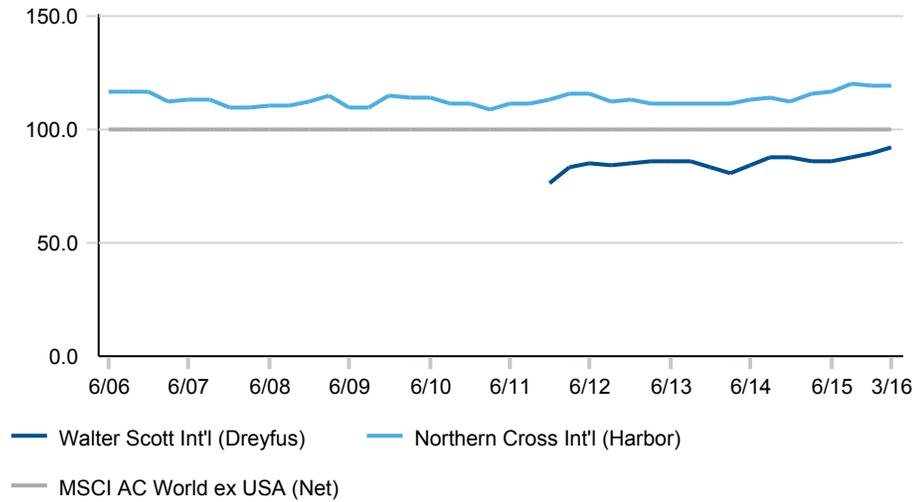
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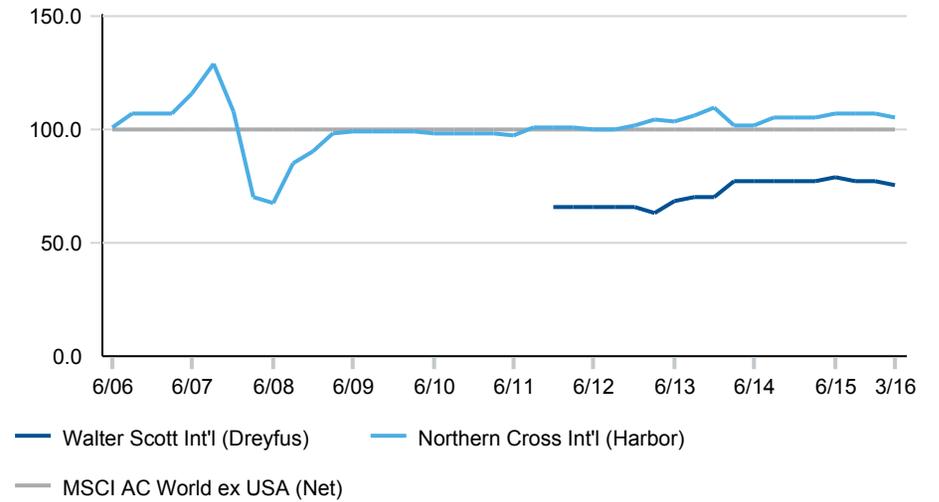
Sharpe Ratio



Up Market Capture



Down Market Capture

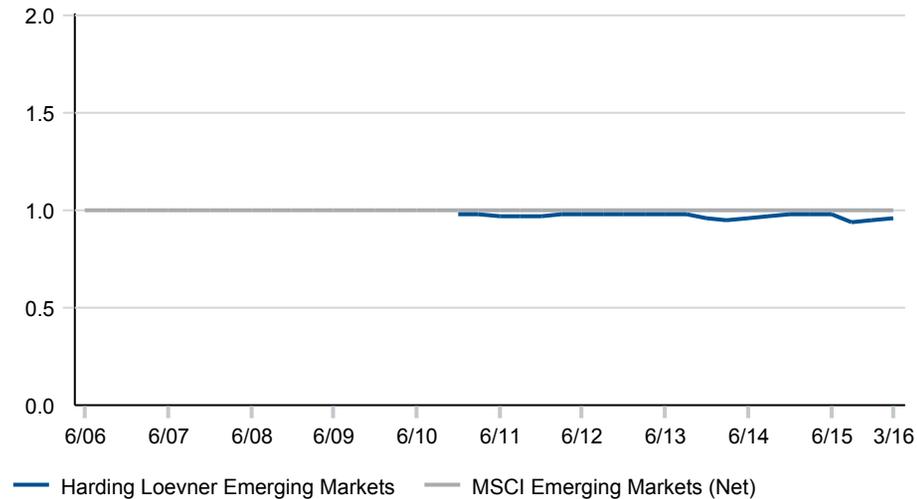


Manager Risk Analysis

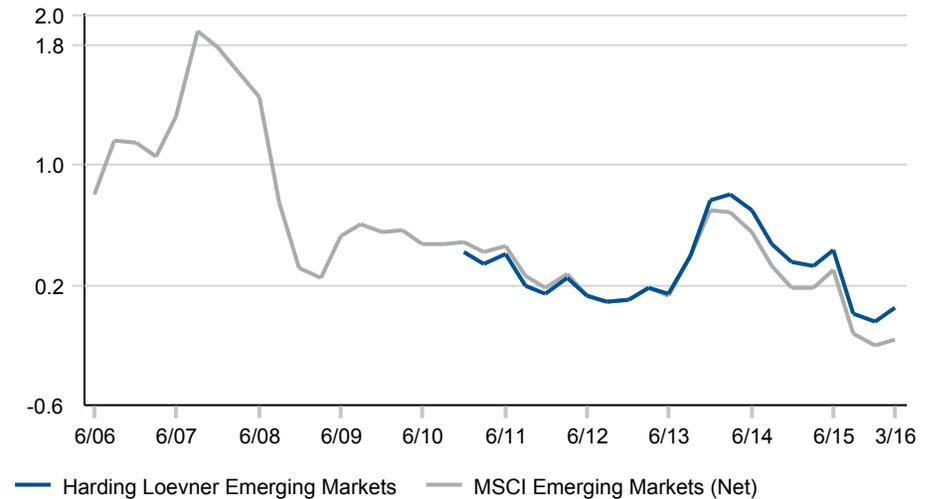
Harding Loevner Emerging Markets vs. MSCI Emerging Markets (Net)

Rolling Five Year Risk Statistics as of March 31, 2016

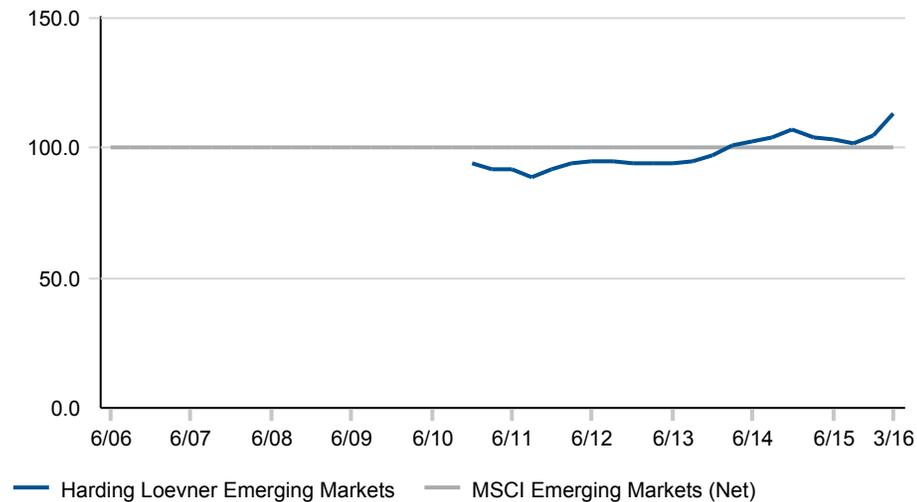
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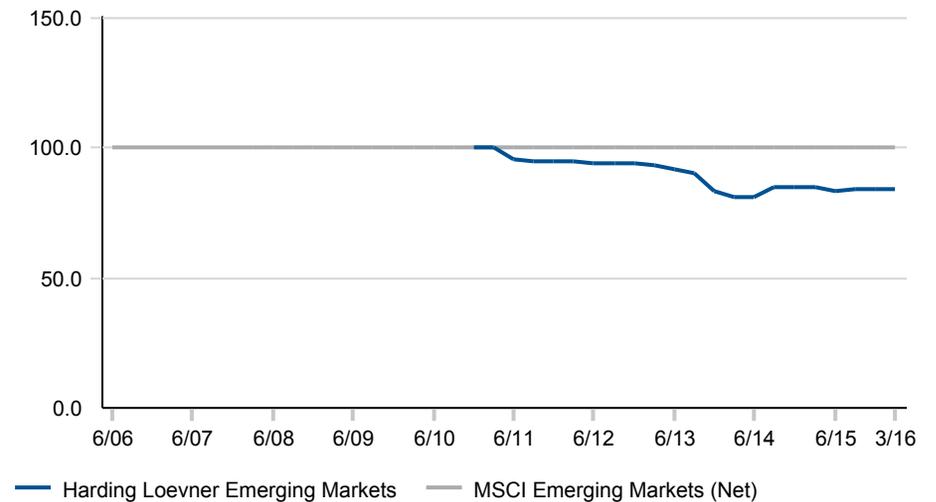
Sharpe Ratio



Up Market Capture



Down Market Capture

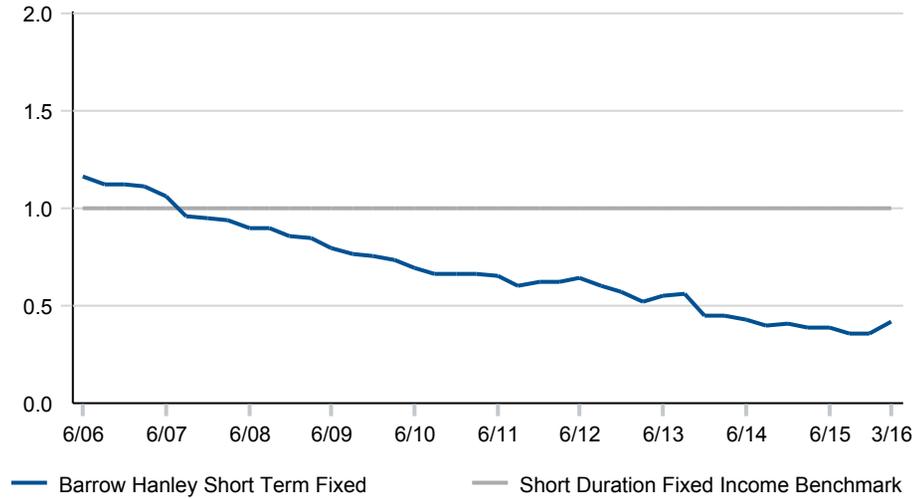


Manager Risk Analysis

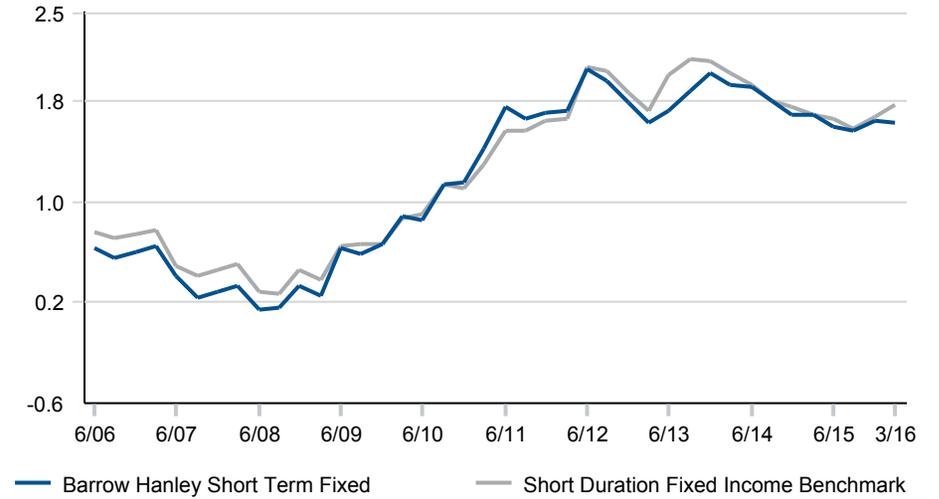
Barrow Hanley Short Term Fixed vs. Short Duration Fixed Income Benchmark

Rolling Five Year Risk Statistics as of March 31, 2016

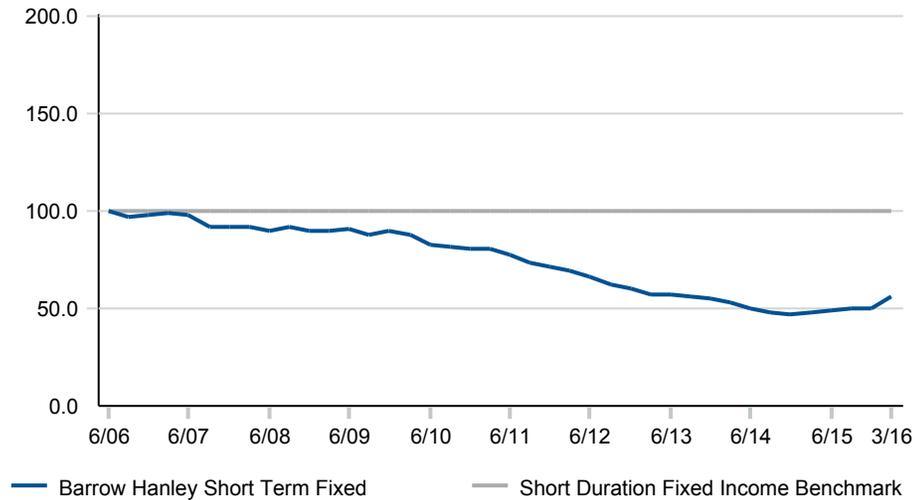
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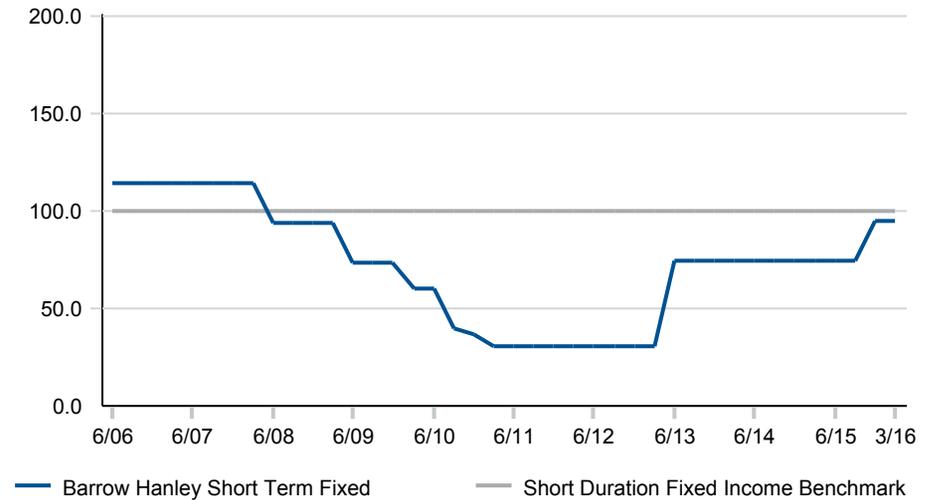
Sharpe Ratio



Up Market Capture



Down Market Capture

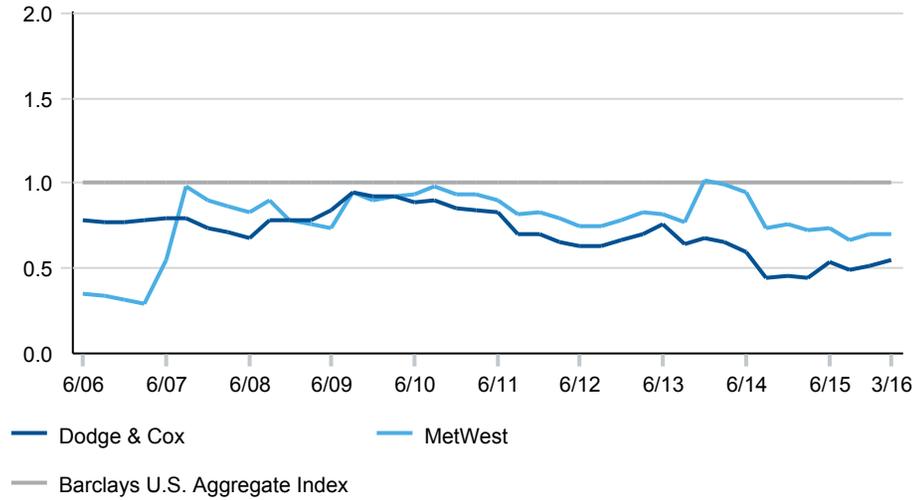


Manager Risk Analysis

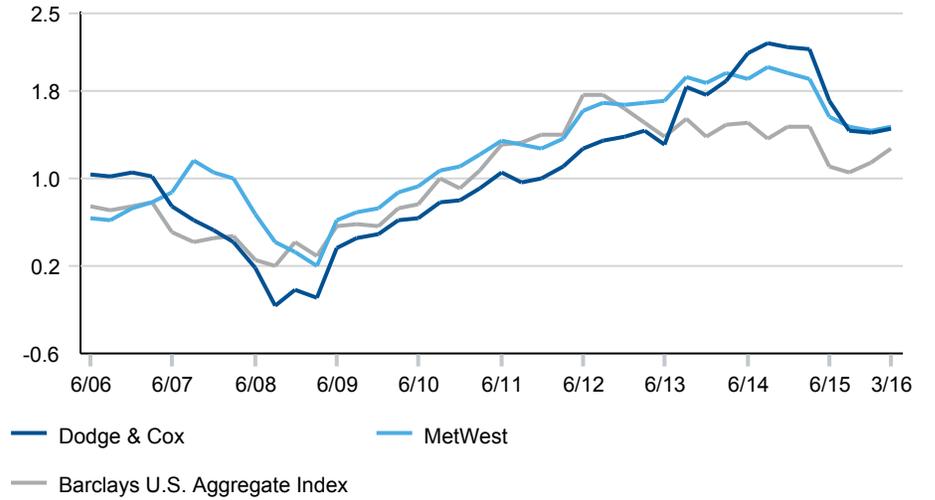
Market Duration Fixed Managers vs. Barclays U.S. Aggregate Index

Rolling Five Year Risk Statistics as of March 31, 2016

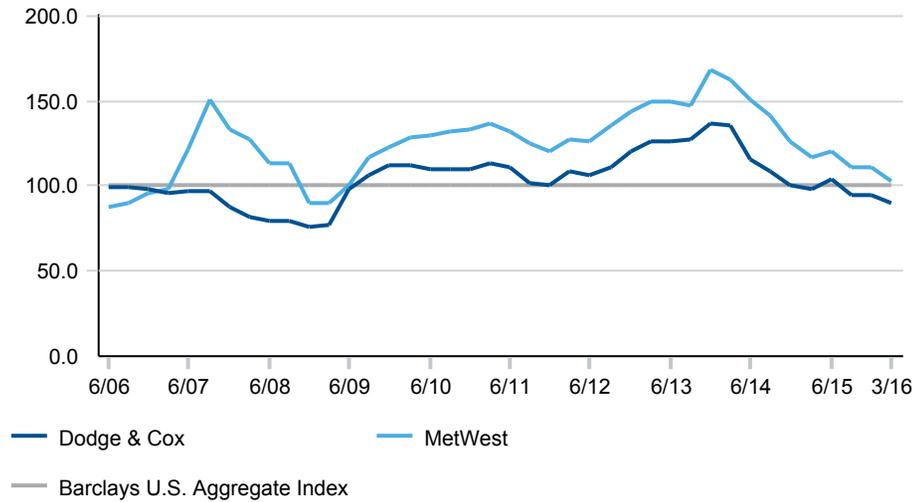
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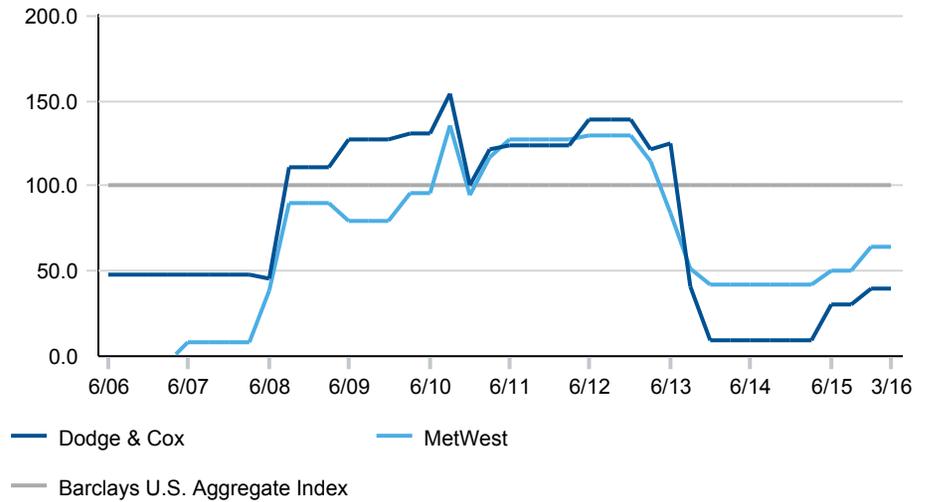
Sharpe Ratio



Up Market Capture



Down Market Capture



Asset Allocation Review



El Camino Hospital Surplus Cash

May 2016



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SECTION 1

Introduction



Summary

- Pavilion last presented an asset allocation review for the Surplus Cash portfolio to El Camino Hospital in February of 2015. The Committee elected to increase domestic and international equities by 5% each and decrease broad fixed income by 10% according to the following mix:

25% U.S. equity, 15% int'l equity, 10% short-duration fixed, 30% market-duration fixed, 20% alternatives

- The intent for the 20% allocation to alternatives is to capture compelling opportunities in the market place. The hedge fund allocation is fully allocated at 15%, while the real estate allocation was paired back to include only private funds at 5%. It was agreed upon that open-ended real estate was too rich from a valuation perspective, particularly given the large investment queues at the stronger firms, which continues to be the case today.
- Currently, the Hospital's Surplus Cash asset allocation is in line with that of peers, however, there may be an opportunity to diversify the alternatives allocation by introducing a diversified private equity program that includes venture capital and growth, buyout, and special situations/distressed managers.
- Projected cash flows have changed substantially from the previous asset allocation study as the Surplus Cash portfolio is expected to utilize just over \$400 million net cash, excluding investment income, over the next 5 years then gain over \$160 million the following 5 years as capex slows.
- Despite these large cash outflows, the projected balance of the Surplus Cash portfolio is still expected to be between \$450 and \$500 million in normal market environments. Additionally, these projections do not include any additional debt issuance, which is expected to be \$150 million in fiscal year 2017 and raise the market value to between \$650 and \$720 million in 2026.
- Pavilion recommends either maintaining the current asset allocation or if agreeable, adding a 5% target allocation to private equity with the proceeds coming from public equity. It will take 3-5 years of commitments and several years after that to reach the target in a diversified manner so any changes in liquidity can be accommodated.



Inputs

- El Camino provided Pavilion with projected financial data through December 31, 2026.
- Annual cash flow into (or out of) the Surplus Cash account was taken from the Cash Flow Statement of the El Camino projected financial data.

(In Thousands)	PROJECTED 2017	PROJECTED 2018	PROJECTED 2019	PROJECTED 2020	PROJECTED 2021
CASH PROVIDED (USED) PRIOR TO INTEREST INCOME	<u>(\$95,456)</u>	<u>(\$147,762)</u>	<u>(\$51,010)</u>	<u>(\$4,972)</u>	<u>(\$104,604)</u>

(In Thousands)	PROJECTED 2022	PROJECTED 2023	PROJECTED 2024	PROJECTED 2025	PROJECTED 2026
CASH PROVIDED (USED) PRIOR TO INTEREST INCOME	<u>(\$153,612)</u>	<u>(\$57,345)</u>	<u>\$98,332</u>	<u>\$133,588</u>	<u>\$144,388</u>

- The balance used for the Surplus Cash account as of June 30, 2016 is \$677.7 million. El Camino also maintains \$50.0 million in cash outside of the investment portfolio for a total asset base of \$727.7 million.
- The financial scenarios projected do not include any additional debt. El Camino Hospital is expected to issue \$150 million of debt in fiscal year 2017 that is not included in the attached projections and would bring the projected cash flows in fiscal year 2017 from -\$95,456 to +\$54,544.

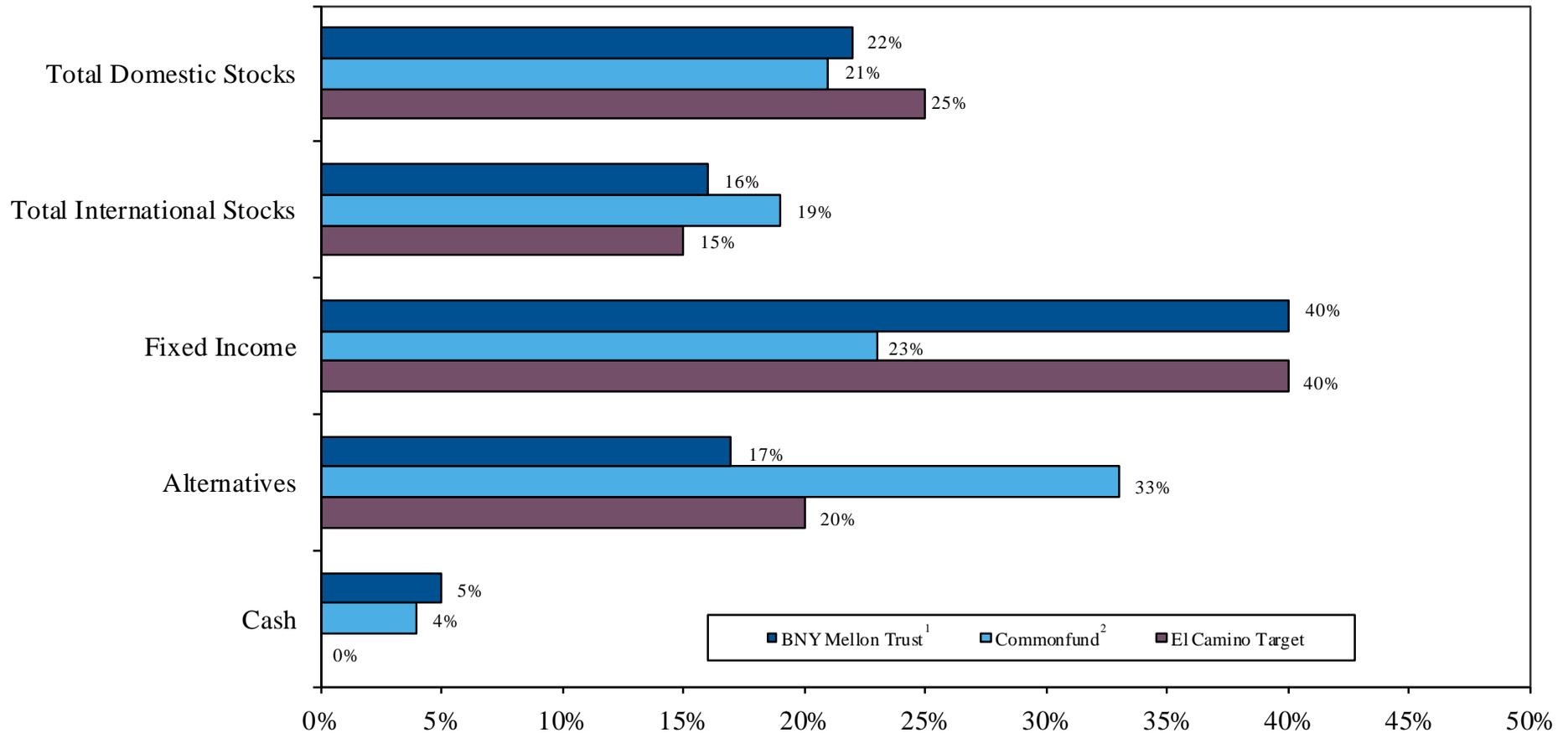


SECTION 2

Peer comparison



Asset allocation comparison



Observation: Survey data shows that the El Camino Hospital Surplus Cash portfolio’s asset allocation is consistent with that of other healthcare organizations. However, El Camino has a slight bias to domestic equity in lieu of international equity. The fixed income allocation looks high relative to peers via Commonfund, but lower than peers via the BNY Mellon Trust universe.

¹Source: BNY Mellon Trust universe, Healthcare organizations with assets greater than \$250 million, contains 37 members.

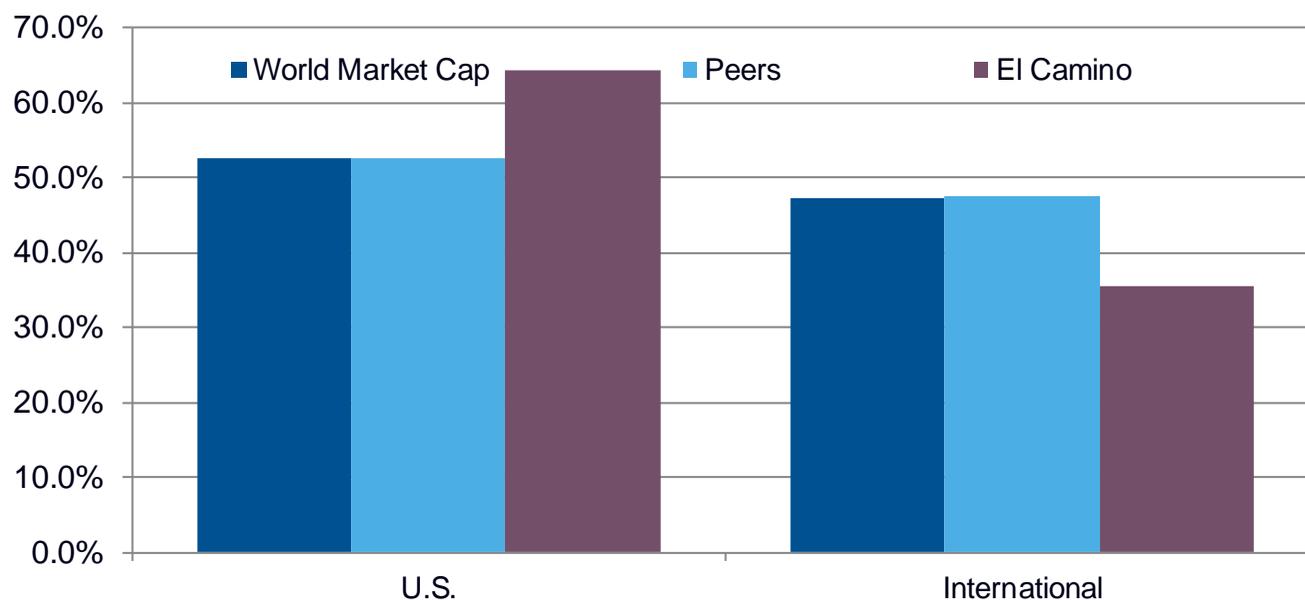
²Source: 2013 Commonfund Benchmarks Study, Healthcare Organizations Report, organizations with assets greater than \$500 million, contains 19 members.



Global equity opportunity set

Market capitalization¹

	Asset Allocation		
	World Market Cap	Peers	El Camino
U.S.	52.7%	52.5%	64.5%
International	47.3%	47.5%	35.5%
Total	100.0%	100.0%	100.0%



¹ Source: MSCI All Country World Index

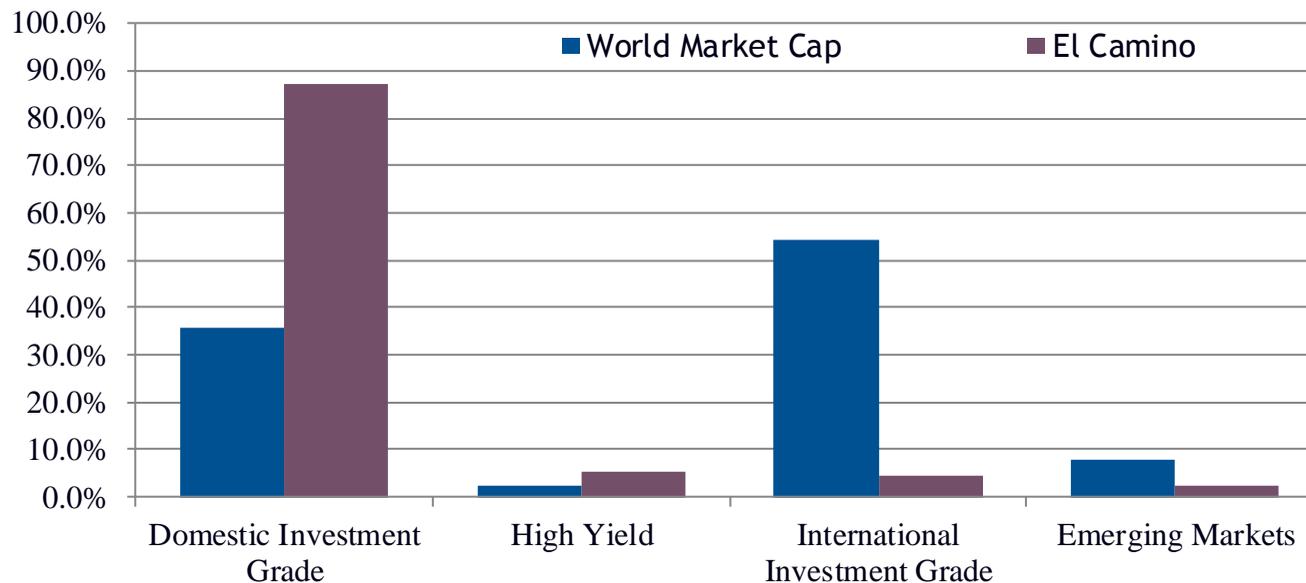
² Source: 2013 Commonfund Benchmarks Study, Healthcare Organizations Report, organizations with assets greater than \$500 million, contains 19 members.



Global fixed income opportunity set

Market capitalization¹

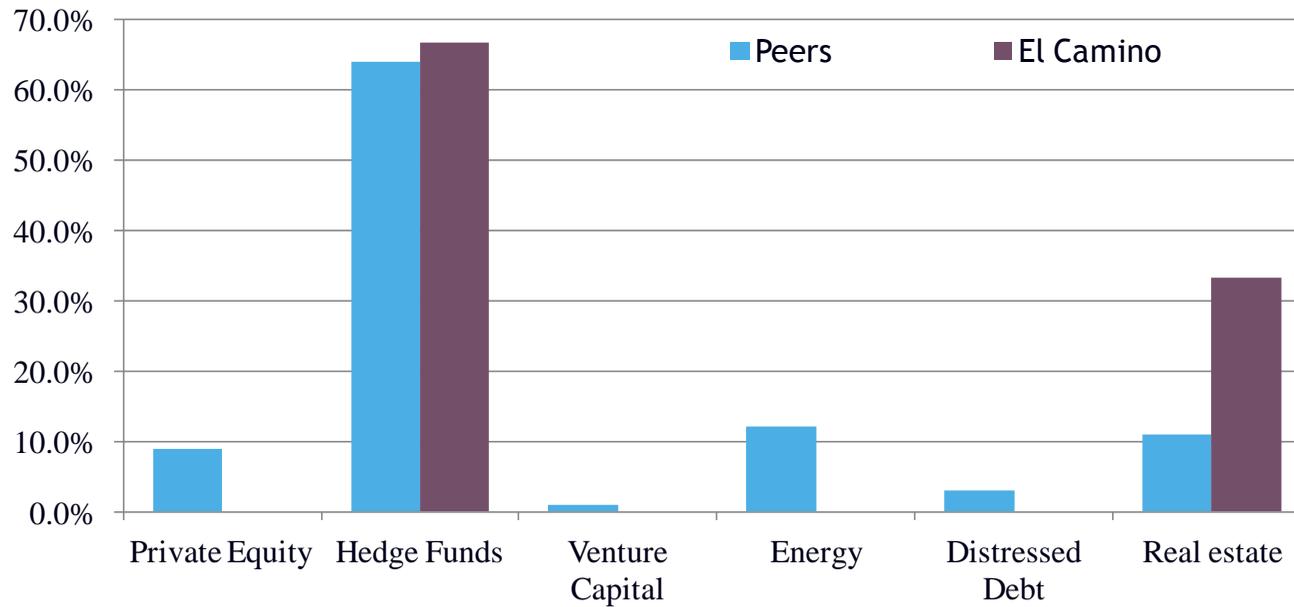
	Asset Allocation	
	World Market Cap	El Camino
Domestic Investment Grade	35.8%	87.4%
High Yield	2.2%	5.4%
International Investment Grade	54.2%	4.7%
Emerging Markets	7.8%	2.5%
Total	100.0%	100.0%



¹ Source: Barclay's Aggregate Multiverse Index

Alternatives opportunity set

	Asset Allocation	
	Peers ¹	El Camino
Private Equity	10.0%	0.0%
Hedge Funds	60.0%	75.0%
Venture Capital	1.0%	0.0%
Energy	15.0%	0.0%
Distressed Debt	2.0%	0.0%
Real estate	12.0%	25.0%
Total	100.0%	100.0%



¹ Source: 2013 Commonfund Benchmarks Study, Healthcare Organizations Report, organizations with assets greater than \$500 million, contains 19 members.



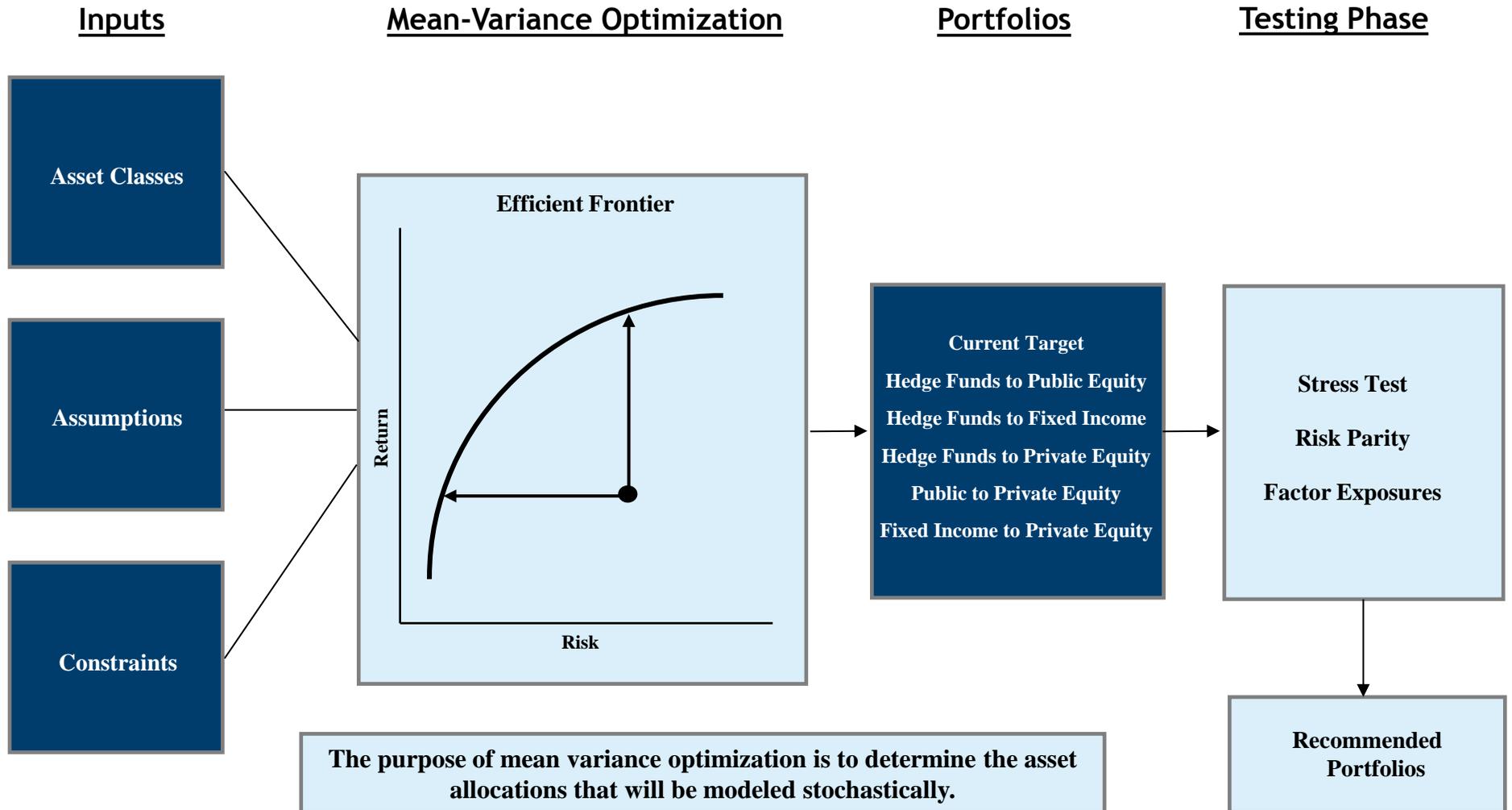


SECTION 3

Mean variance optimization



Asset allocation modeling methodology



Asset allocation scenarios

Asset Class	Portfolios without Private Equity			Portfolios with Private Equity		
	Current	Hedge Funds to Public Equity	Hedge Funds to Fixed Income	Hedge Funds to Private Equity	Public Equity to Private Equity	Fixed Income to Private Equity
Equity						
Large Cap	20.0%	25.0%	20.0%	20.0%	17.5%	20.0%
Small Cap	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
International	15.0%	15.0%	15.0%	15.0%	12.5%	15.0%
Subtotal	40.0%	45.0%	40.0%	40.0%	35.0%	40.0%
Fixed Income						
Market Duration (~5.5 yrs)	30.0%	30.0%	35.0%	30.0%	30.0%	25.0%
Short Duration (~1.9 yrs)	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Subtotal	40.0%	40.0%	45.0%	40.0%	40.0%	35.0%
Alternatives						
Hedge Funds	15.0%	10.0%	10.0%	10.0%	15.0%	15.0%
Real Estate	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Private Equity	--	--	--	5.0%	5.0%	5.0%
Subtotal	20.0%	15.0%	15.0%	20.0%	25.0%	25.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Fixed Income Asset Duration	4.6	4.6	4.7	4.6	4.6	4.5
Total Portfolio Asset Duration	1.8	1.8	2.1	1.8	1.8	1.6
Expected Return	5.5%	5.5%	5.3%	5.8%	5.8%	6.1%
Standard Deviation	8.8%	9.4%	8.4%	9.8%	9.2%	10.2%
Sharpe Ratio ¹	0.57	0.54	0.57	0.54	0.58	0.55
Max 1-yr Loss (99th percentile)	-11.7%	-12.8%	-11.8%	-13.4%	-12.3%	-13.6%

-Highest risk-adjusted return w/o Private Equity
 -Best downside protection

-Highest risk-adjusted return
 -Moderately higher risk than current

¹Excess return over the risk-free rate (0.5%) per unit of risk.

Portfolio liquidity

Asset Class	Portfolios without Private Equity			Portfolios with Private Equity		
	Current	Hedge Funds to Public Equity	Hedge Funds to Fixed Income	Hedge Funds to Private Equity	Public Equity to Private Equity	Fixed Income to Private Equity
Monthly or better	82.1%	86.4%	86.4%	81.4%	77.1%	77.1%
Greater than monthly but less than annually	7.6%	5.0%	5.0%	5.0%	7.6%	7.6%
Greater than annually	10.4%	8.6%	8.6%	13.6%	15.4%	15.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

- Domestic equity, international equity, and short-duration and market-duration fixed income are assumed to have monthly liquidity or better.
- Hedge funds are assumed to have liquidity based on the actual liquidity terms of the current underlying portfolio, which is comprised of the following split: 14% monthly or better, 50% greater than monthly but less than annually, and 36% greater than annually.
- Private Equity and Real Estate are assumed to have greater than annual liquidity.

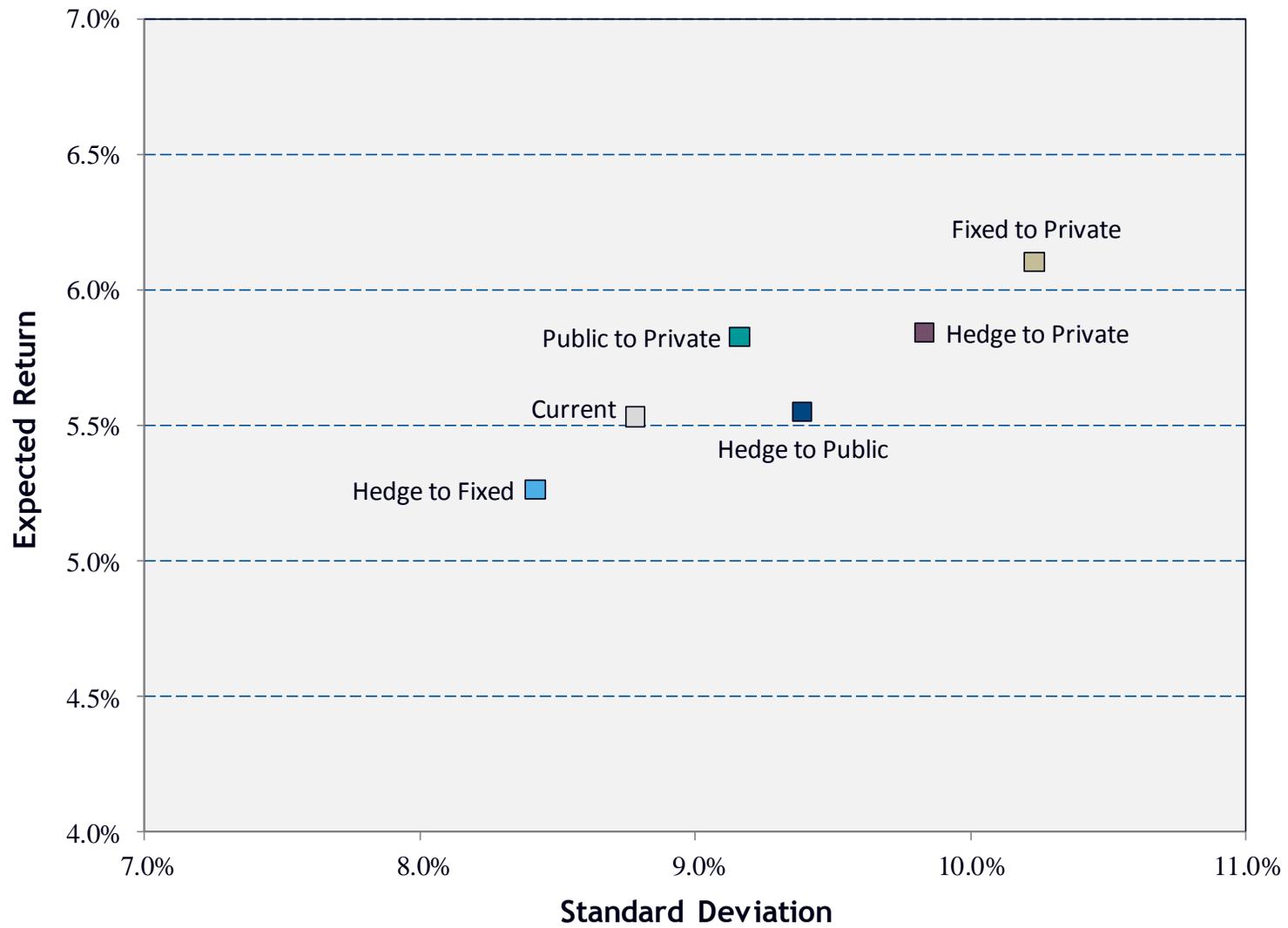
Projected nominal annual returns

1 Year						
Universe Percentile	Portfolios without Private Equity			Portfolios with Private Equity		
	Current	Hedge Funds to Public Equity	Hedge Funds to Fixed Income	Hedge Funds to Private Equity	Public Equity to Private Equity	Fixed Income to Private Equity
1st	30.2%	32.6%	29.2%	33.7%	32.3%	34.7%
5th	20.6%	21.8%	19.9%	22.7%	21.8%	23.6%
25th	11.3%	11.7%	10.8%	12.2%	11.7%	12.7%
50th	5.1%	5.1%	4.8%	5.4%	5.4%	5.8%
75th	-0.9%	-1.2%	-0.8%	-1.1%	-0.7%	-1.2%
95th	-7.6%	-8.3%	-7.3%	-8.5%	-7.9%	-8.8%
99th	-11.7%	-12.8%	-11.8%	-13.4%	-12.3%	-13.6%

5 Year						
Universe Percentile	Portfolios without Private Equity			Portfolios with Private Equity		
	Current	Hedge Funds to Public Equity	Hedge Funds to Fixed Income	Hedge Funds to Private Equity	Public Equity to Private Equity	Fixed Income to Private Equity
1st	16.0%	16.7%	15.3%	17.5%	16.7%	18.2%
5th	12.5%	13.0%	12.1%	13.5%	13.1%	14.1%
25th	8.0%	8.2%	7.7%	8.7%	8.5%	9.1%
50th	5.5%	5.5%	5.2%	5.7%	5.7%	6.0%
75th	2.9%	2.8%	2.7%	2.9%	3.1%	3.0%
95th	-0.5%	-1.0%	-0.6%	-1.0%	-0.5%	-1.1%
99th	-2.9%	-3.6%	-2.9%	-3.6%	-3.1%	-3.6%



Projected risk and expected return



Historical performance returns

Annualized as of March 31, 2016

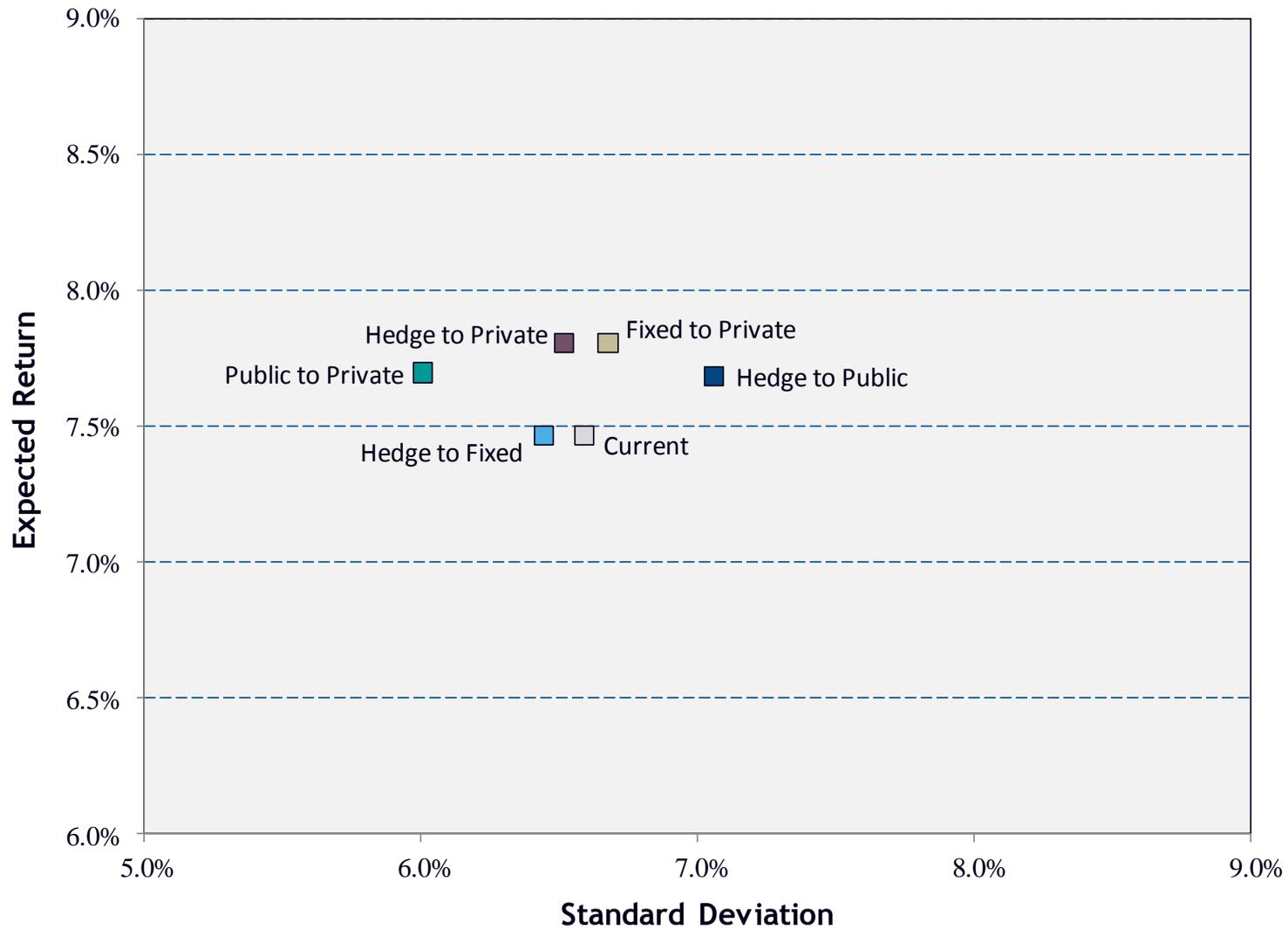
	One Year	Three Years	Five Years	Seven Years	Ten Years	Since Inception	Inception Period
Current	-1.0%	4.6%	4.9%	8.3%	4.5%	7.5%	1/1/1991
Hedge Funds to Public Equity	-0.7%	5.1%	5.4%	9.0%	4.8%	7.7%	1/1/1991
Hedge Funds to Fixed Income	-0.6%	4.6%	5.0%	8.4%	4.7%	7.5%	1/1/1991
Hedge Funds to Private Equity	-0.6%	4.9%	5.3%	8.8%	4.9%	7.8%	1/1/1991
Public Equity to Private Equity	-0.7%	4.7%	5.1%	8.3%	4.8%	7.7%	1/1/1991
Fixed Income to Private Equity	-1.0%	4.9%	5.2%	8.7%	4.8%	7.8%	1/1/1991

Note: Historical returns represent entirely passively managed (indexed) investment style, actual returns may vary substantially with manager selection.



Historical risk and expected return

From January 1, 1991 to March 31, 2016

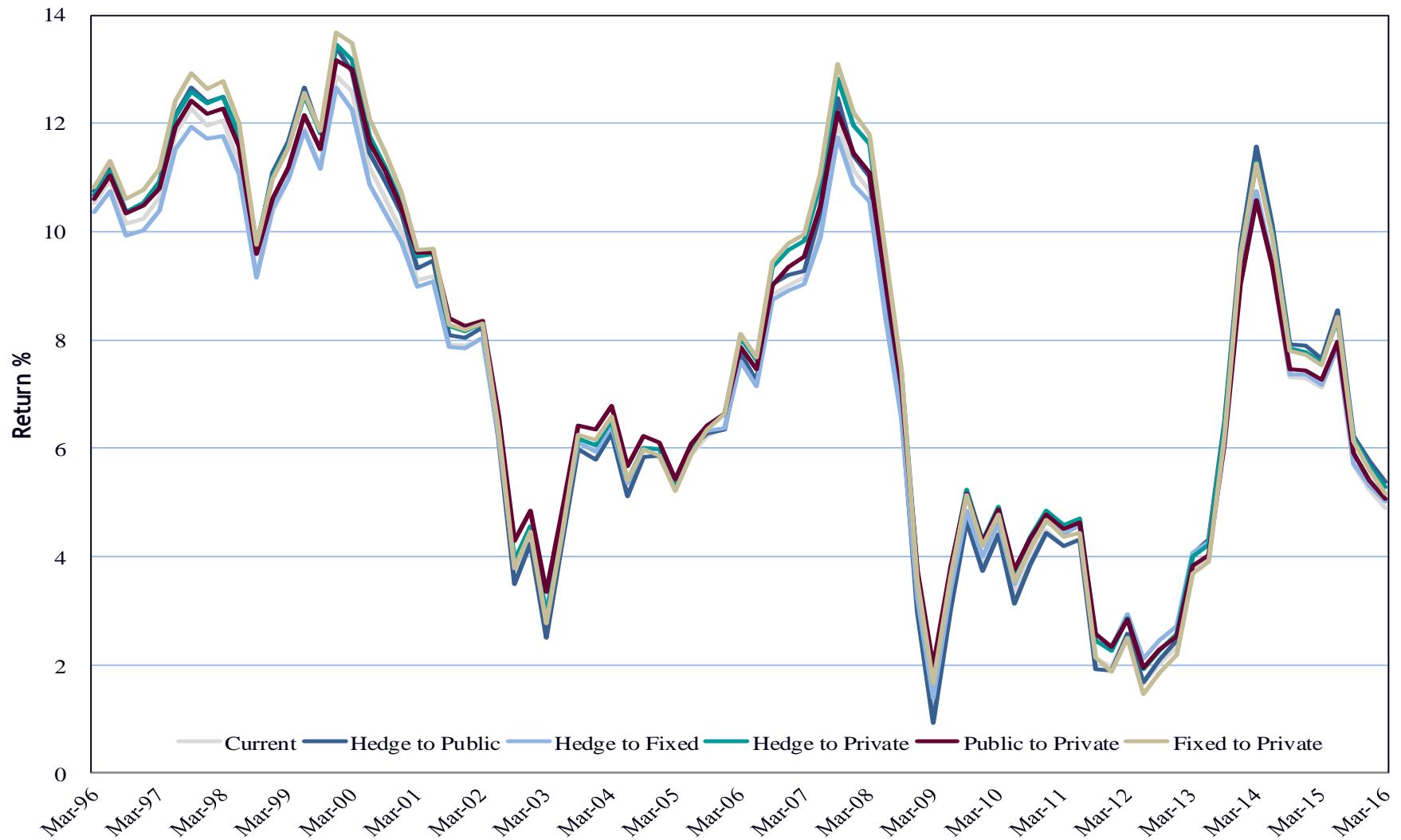


Note: Historical returns represent entirely passively managed (indexed) investment style, actual returns and standard deviation may vary substantially with manager selection.



Rolling historical performance returns

5-years ending March 31, 2016



Note: Historical returns represent entirely passively managed (indexed) investment style, actual returns may vary substantially with manager selection.



Scenario analysis

Deterministic results during extreme market environments

	September 11th	Credit Crisis	European Crisis	Fed Tightening	Rising Rates +111bps	Bull Market	
Max Loss One Year	One Month Ended 9/30/2001	One Year Ended 3/31/2009	3rd Quarter 2011	One Year Ended 12/31/1994	14 Months Ended 9/30/2013	One Year Ended 3/31/2010	
U.S. Large Cap Equity - Surplus Cash Custom Benchmark ¹	-7.0%	-42.4%	-16.2%	-2.0%	23.8%	53.6%	
U.S. Small Cap Equity - Russell 2000	-13.5%	-37.5%	-21.9%	-1.8%	32.5%	62.8%	
International Equity - MSCI AC World ex U.S.	-10.6%	-46.5%	-19.9%	6.6%	19.7%	60.9%	
Market Duration - Barclays U.S. Aggregate	1.2%	3.1%	3.8%	-2.9%	-1.3%	7.7%	
Short Duration - Barclays 1-3 Yr Gov/Credit	1.5%	2.8%	0.3%	0.5%	0.7%	4.2%	
Hedge Funds - HFRI Fund of Funds Composite	-1.6%	-17.6%	-5.0%	-3.5%	7.0%	12.6%	
Real Estate - NCREIF Property	0.5%	-14.7%	3.3%	6.4%	10.8%	-9.6%	
Private Equity - Cambridge All Private Equity	-1.8%	-30.6%	-4.9%	12.1%	14.9%	20.1%	
Current	-11.7%	-3.4%	-21.3%	-7.0%	-0.5%	10.2%	25.3%
Hedge Funds to Public Equity	-12.8%	-3.7%	-22.7%	-7.6%	-0.4%	11.0%	27.3%
Hedge Funds to Fixed Income	-11.8%	-3.3%	-20.4%	-6.6%	-0.4%	9.8%	25.0%
Hedge Funds to Private Equity	-13.4%	-3.4%	-22.0%	-7.0%	0.3%	10.6%	25.7%
Public Equity to Private Equity	-12.3%	-3.0%	-20.5%	-6.4%	0.0%	9.9%	23.6%
Fixed Income to Private Equity	-13.6%	-3.5%	-22.8%	-7.5%	0.3%	11.0%	26.0%

¹ 50% S&P 500 Index / 25% Russell 1000 Growth Index / 25% Russell 1000 Growth Index



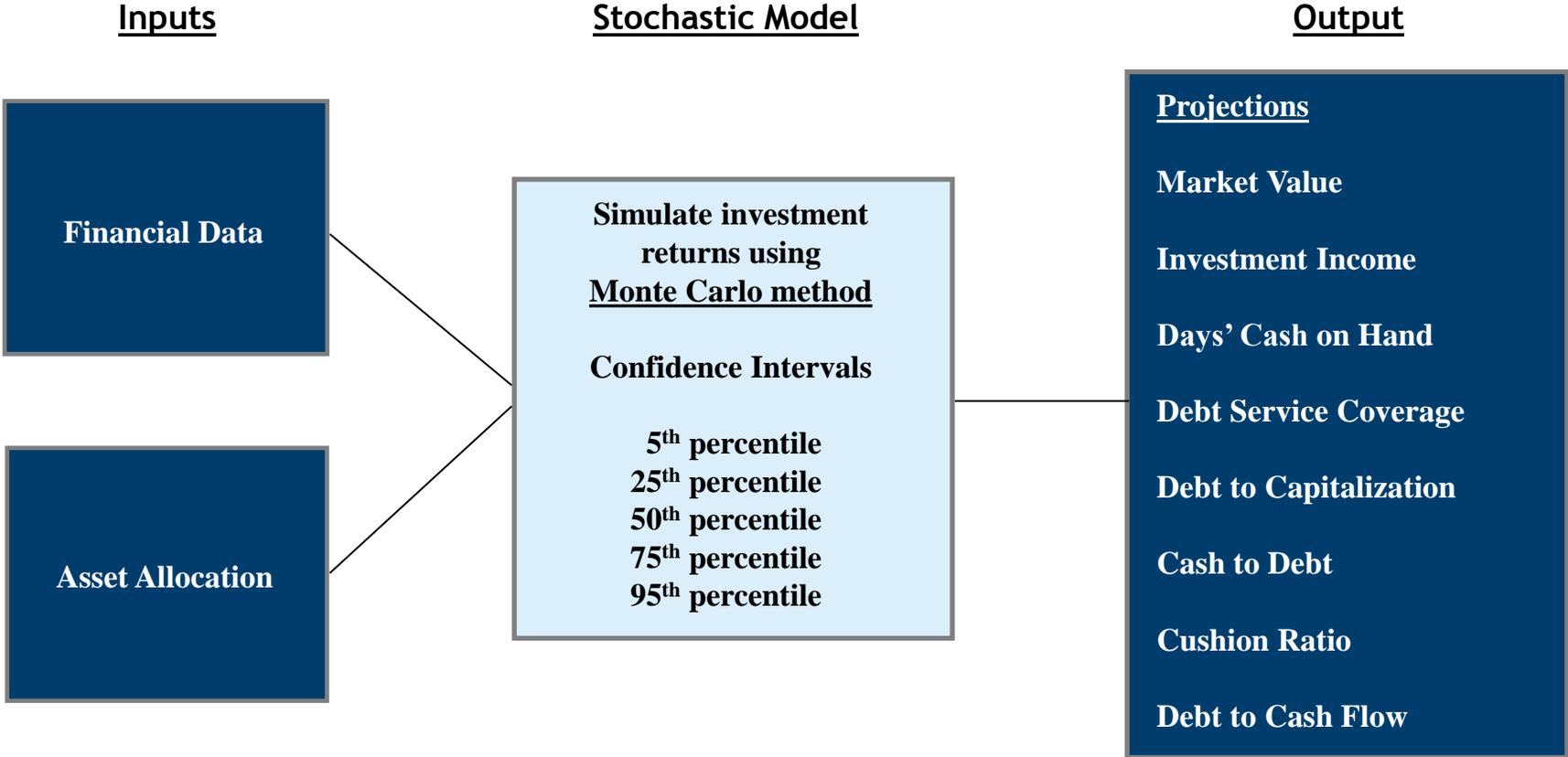


SECTION 4

Stochastic modeling

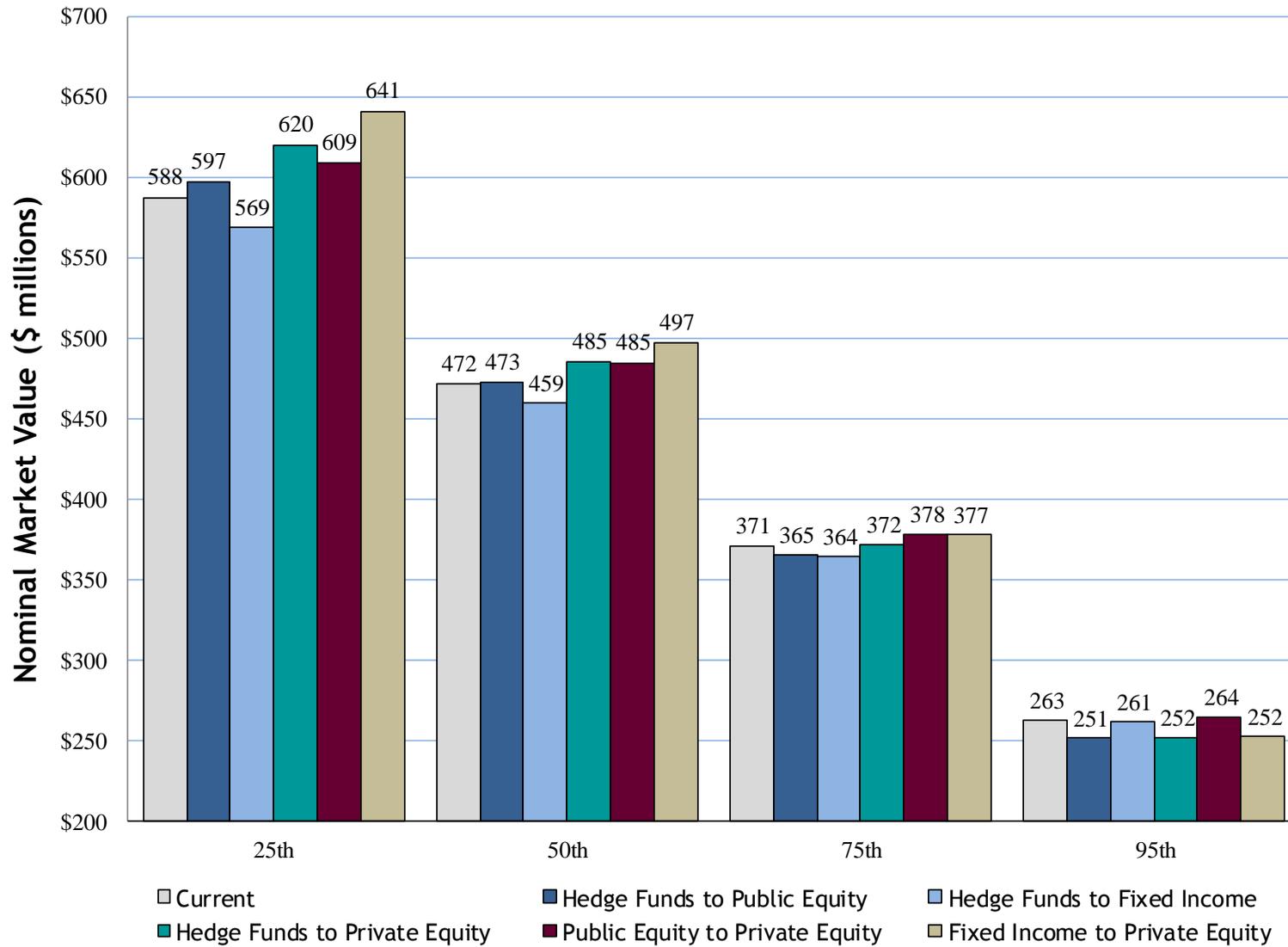


Process



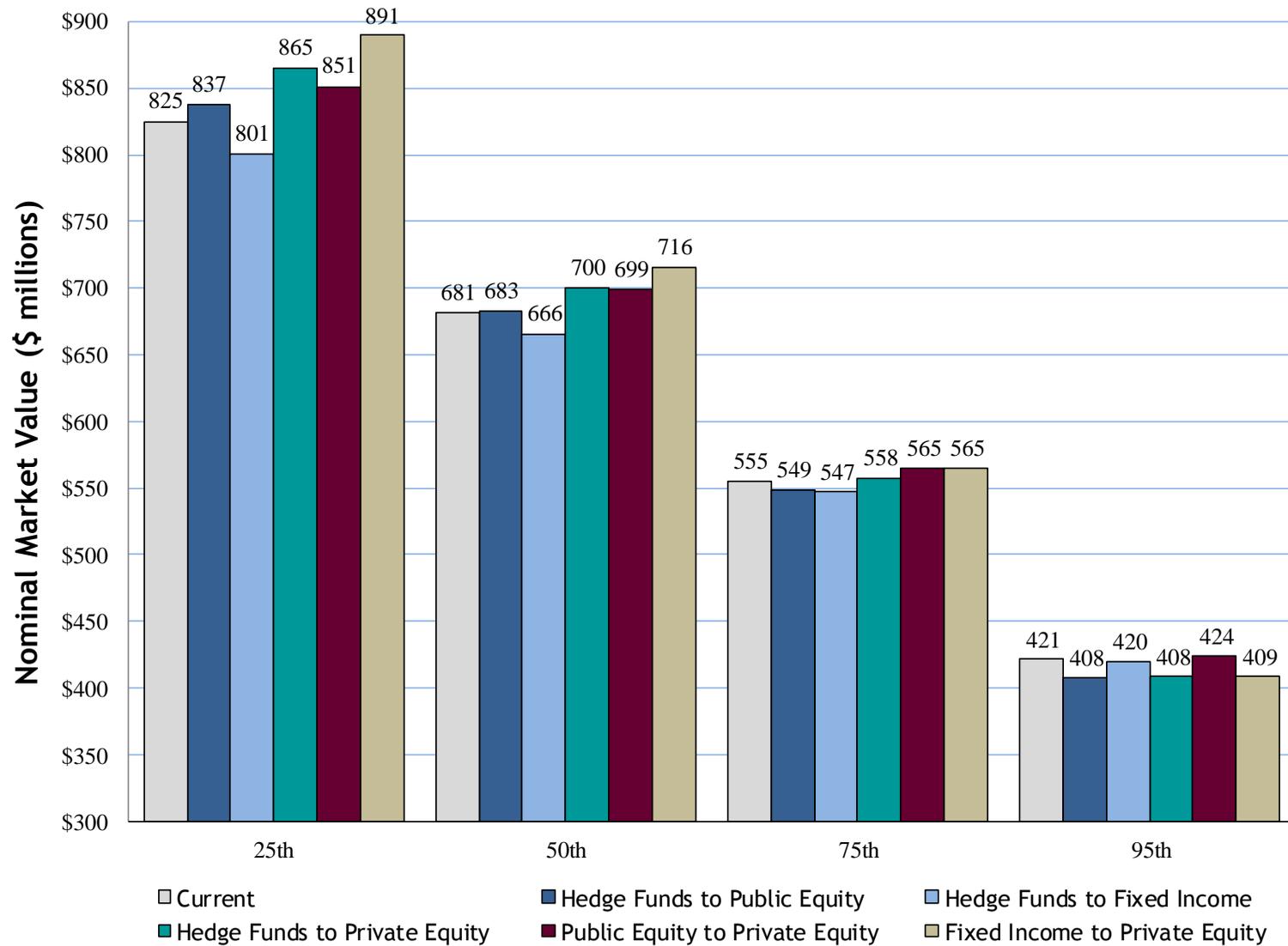
Projected market values

Year 2026



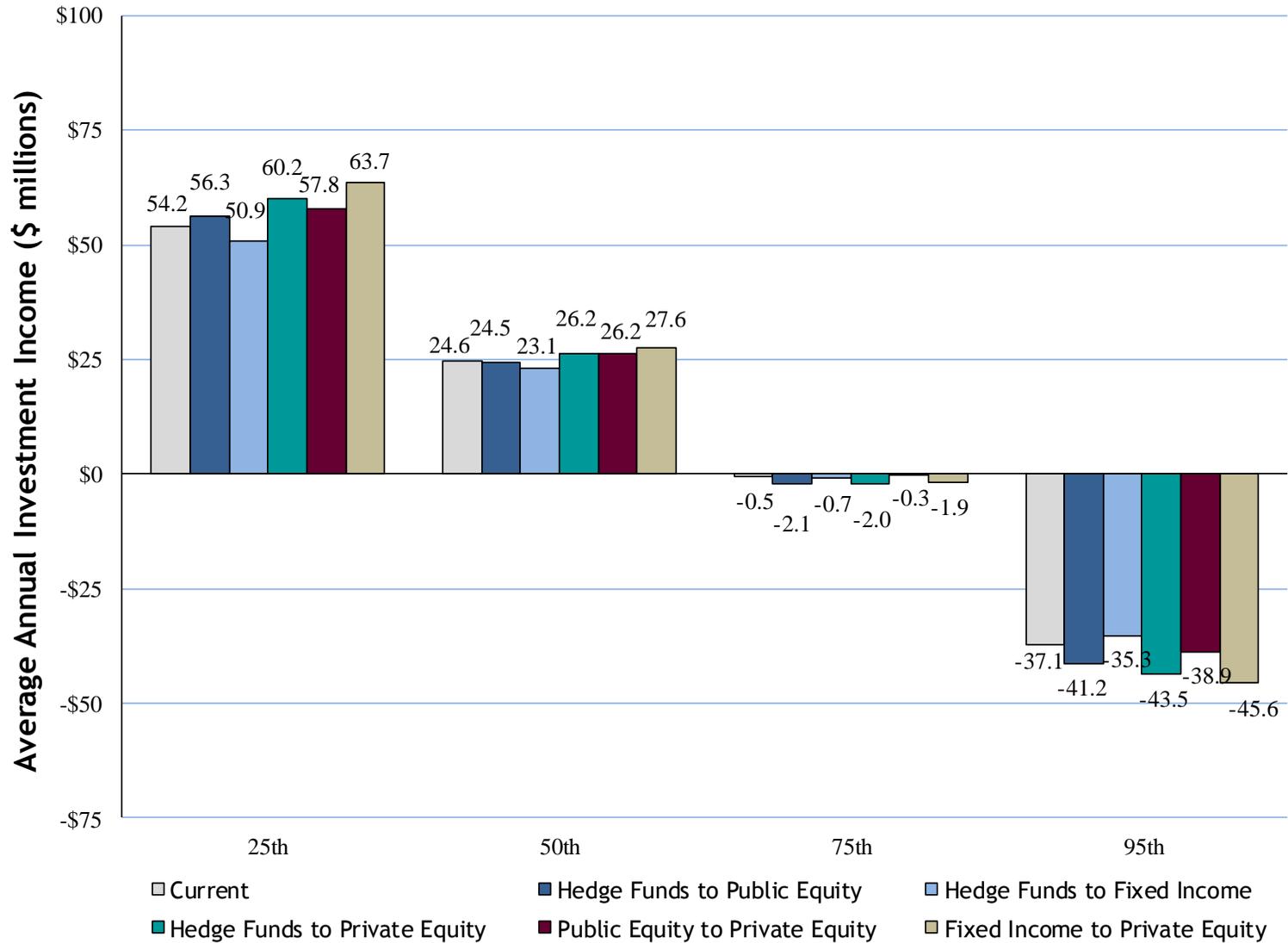
Projected market values with debt issuance

Year 2026



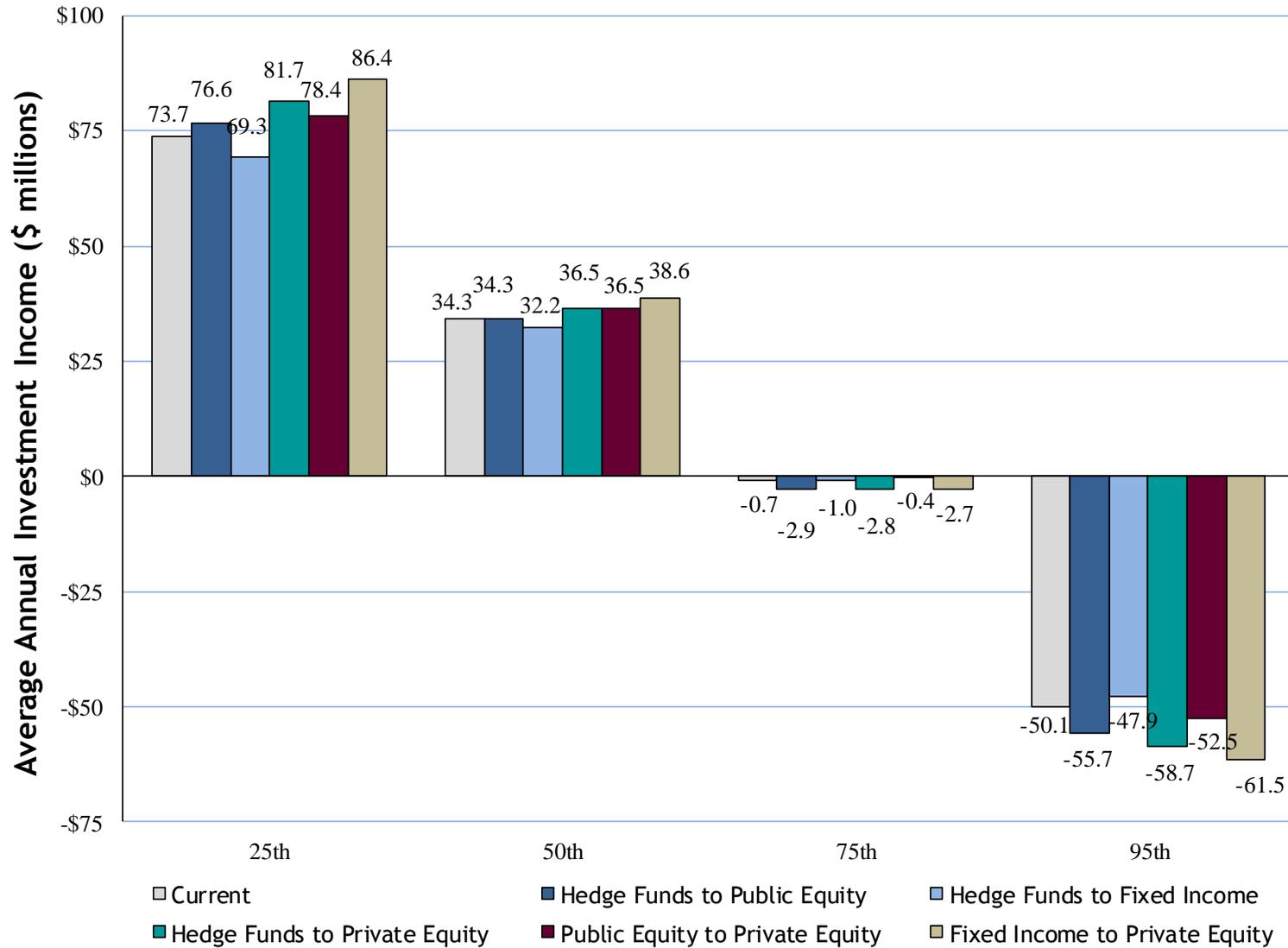
Projected average annual investment income

Years 2017 - 2026



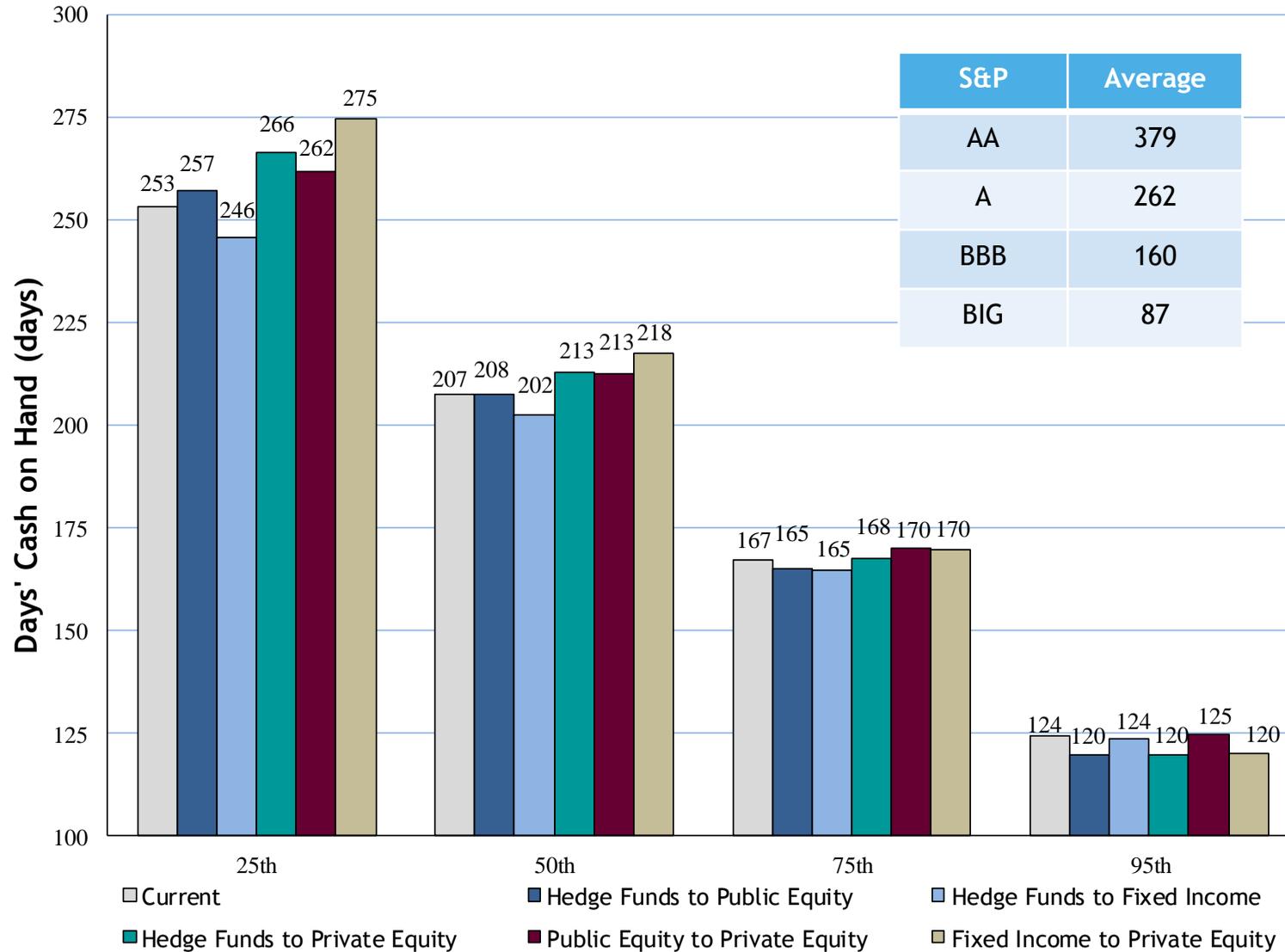
Projected average annual investment income w/debt

Years 2017 - 2026



Projected days' cash on hand

Year 2026

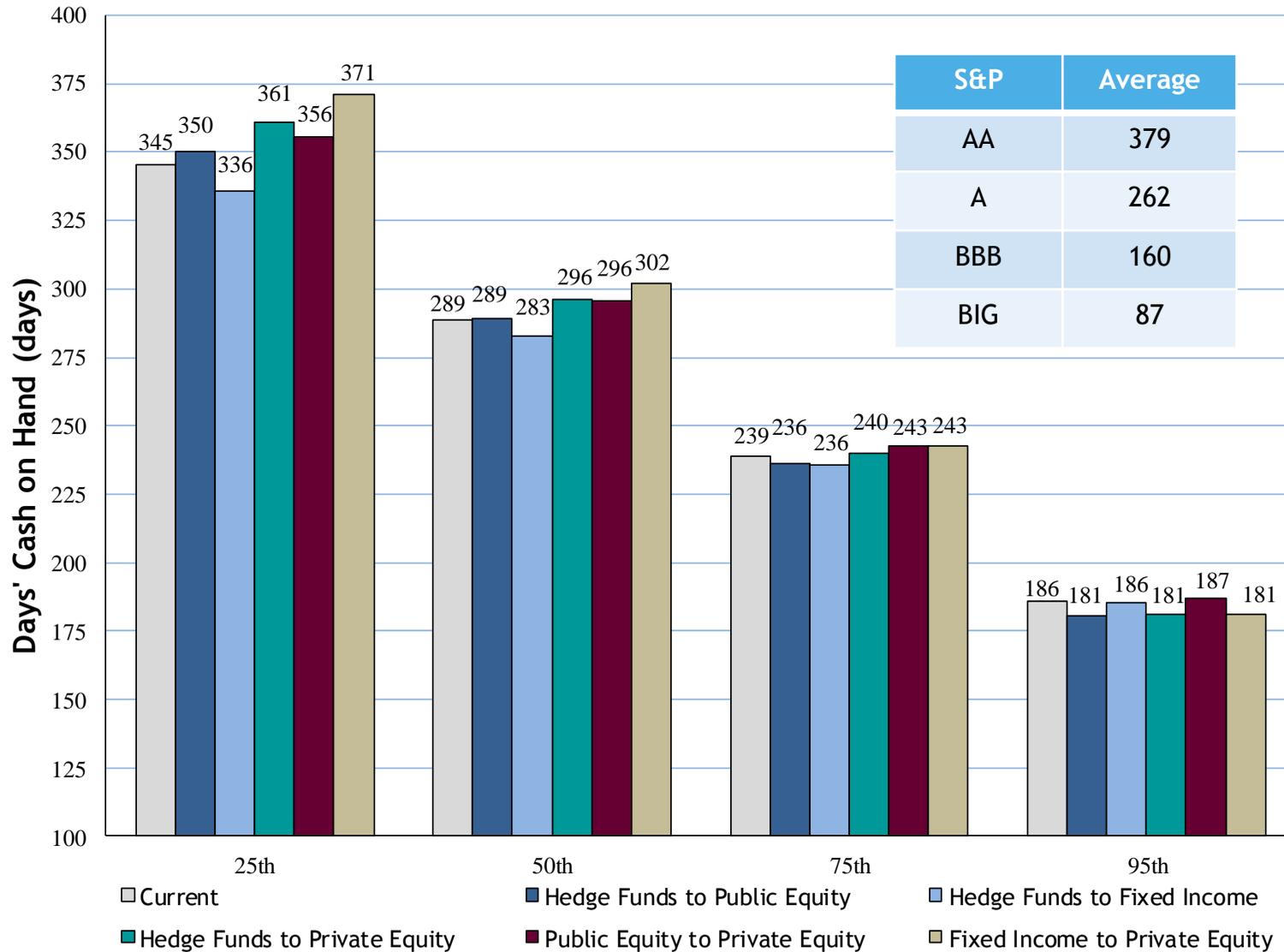


Note: S&P averages based on Standard & Poor's "U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist" report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Projected days' cash on hand with debt issuance

Year 2026

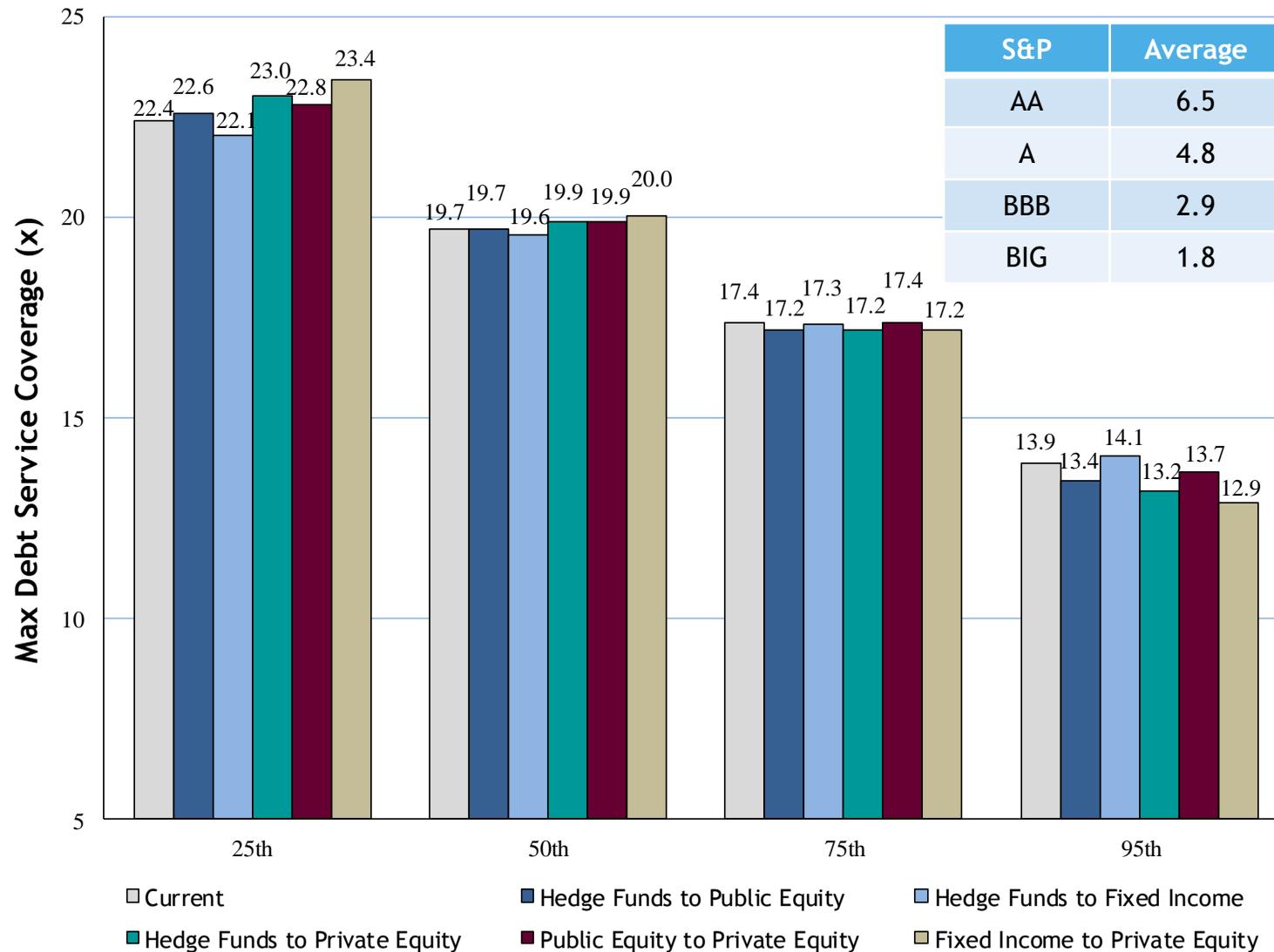


Note: S&P averages based on Standard & Poor's "U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist" report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Projected max debt service coverage

Year 2026

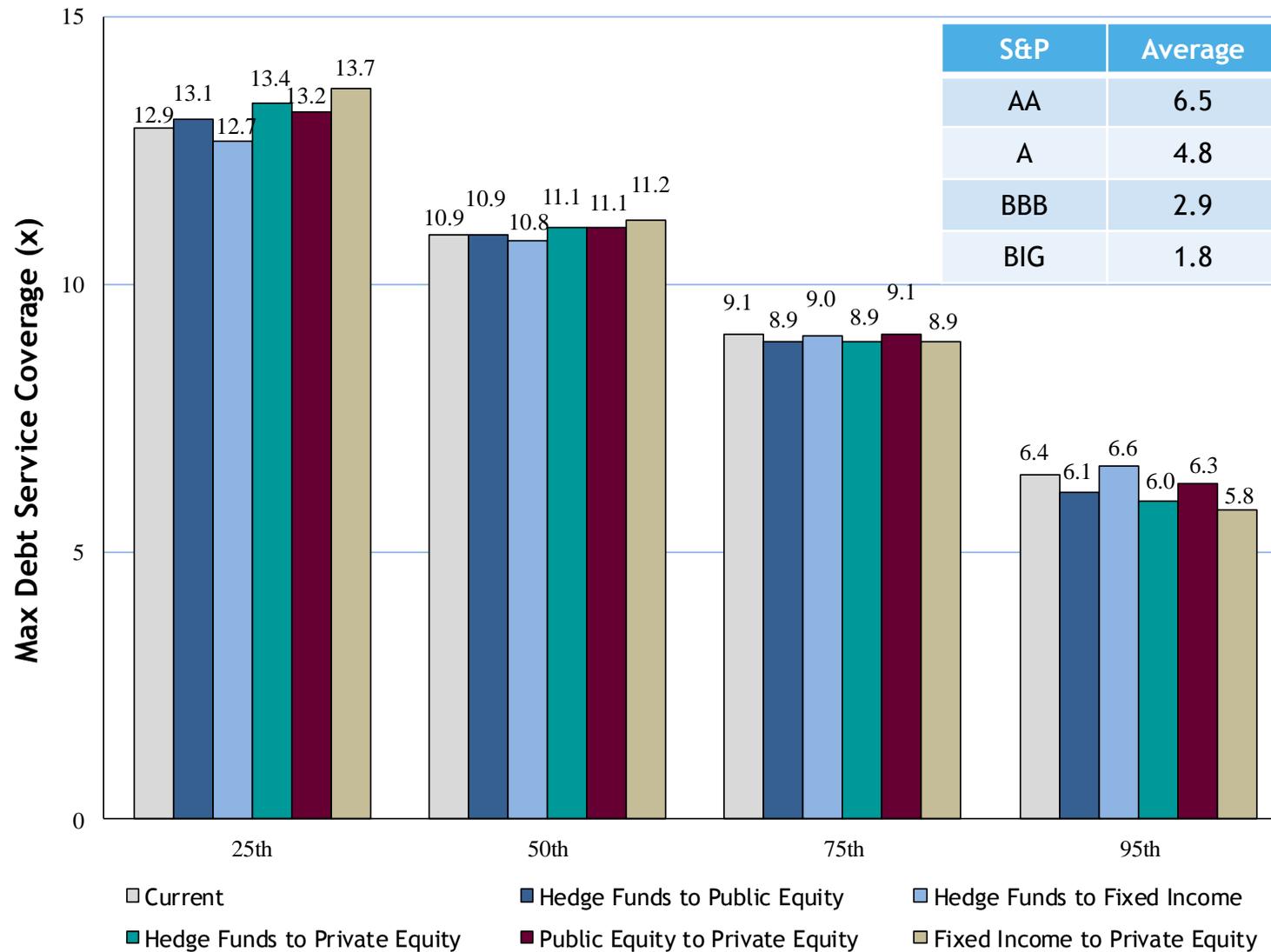


Note: S&P averages based on Standard & Poor's "U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist" report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Projected max debt service coverage with debt issuance

Year 2026

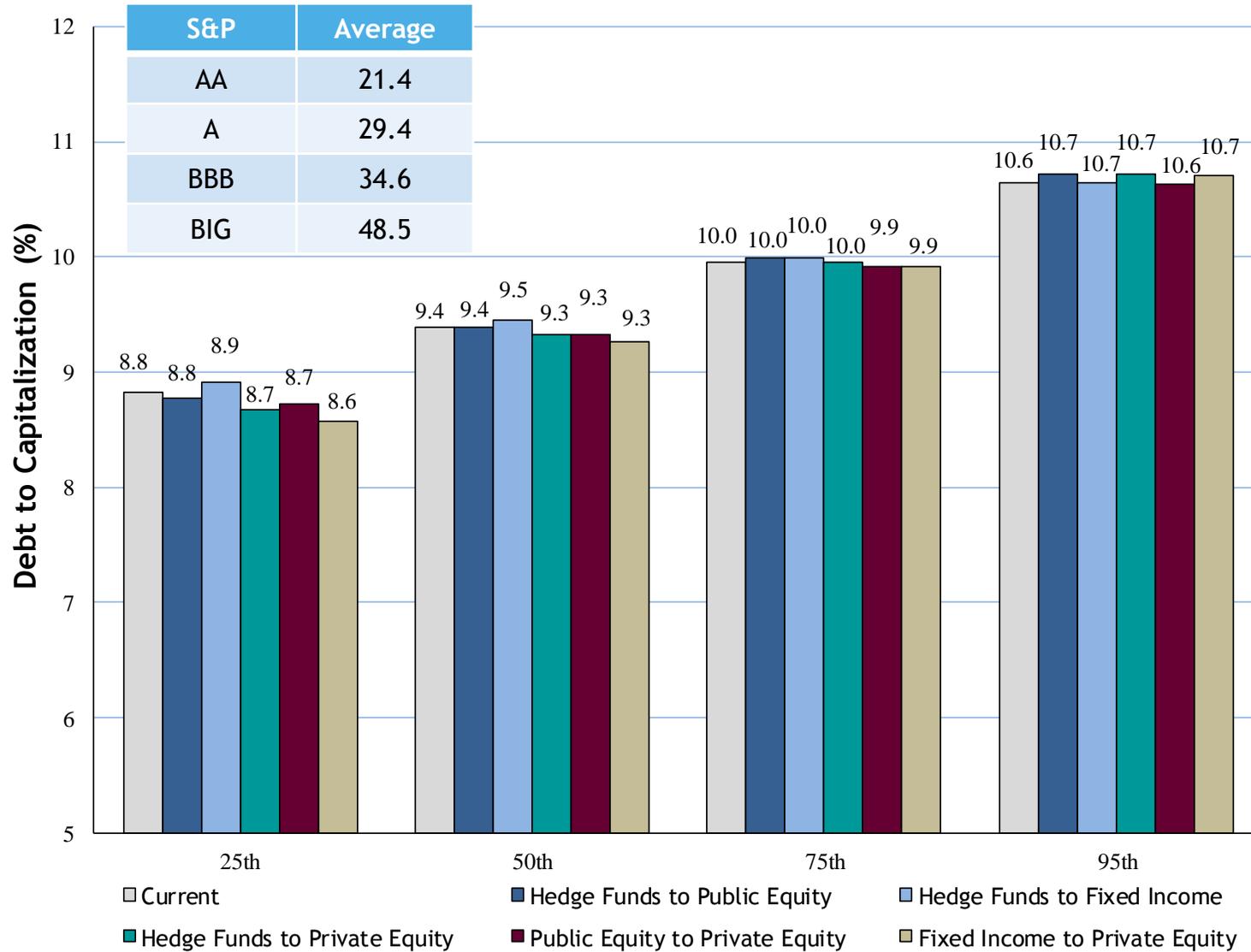


Note: S&P averages based on Standard & Poor's "U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist" report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Projected debt to capitalization

Year 2026

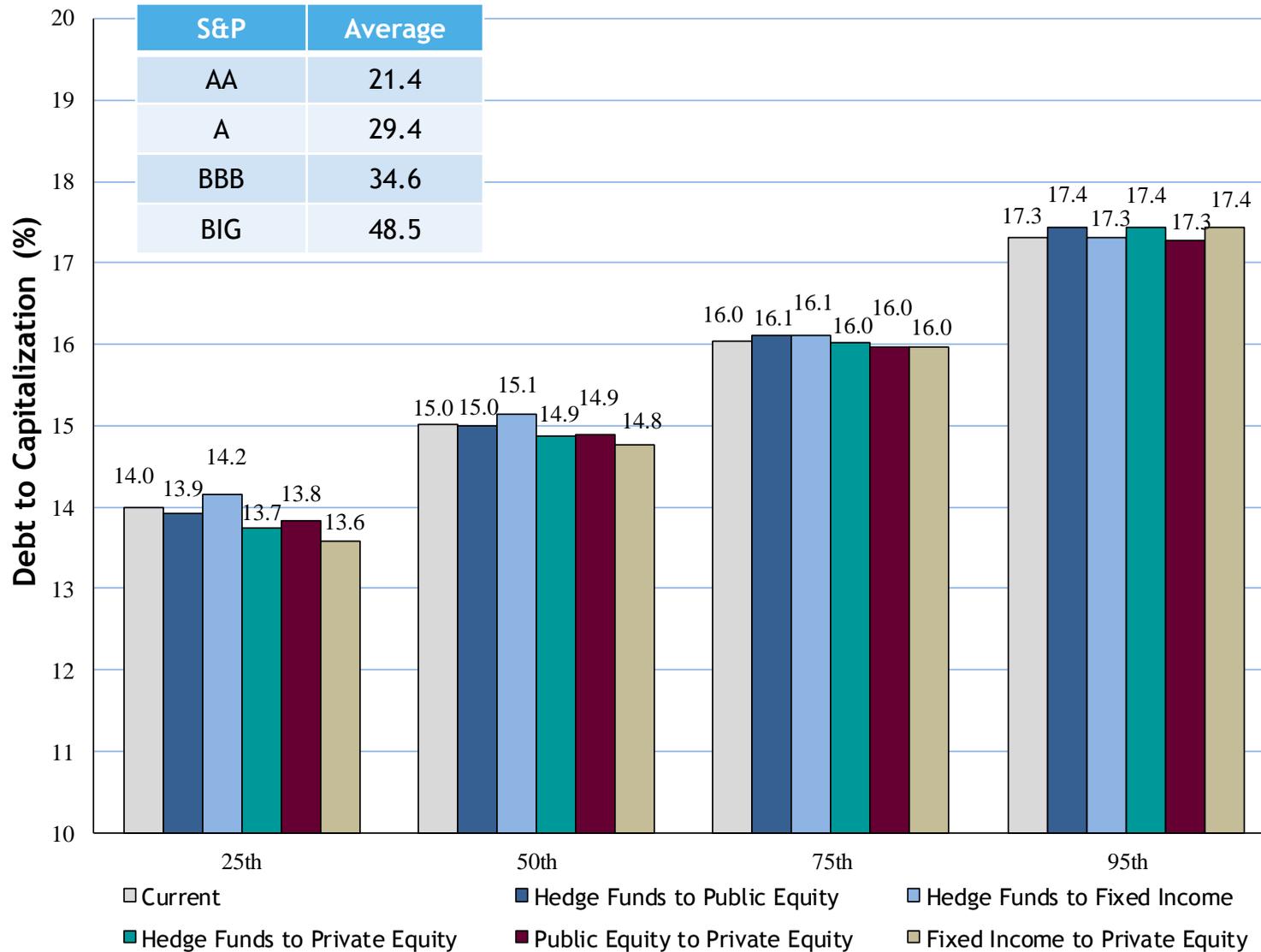


Note: S&P averages based on Standard & Poor’s “U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist” report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Projected debt to capitalization with debt issuance

Year 2026

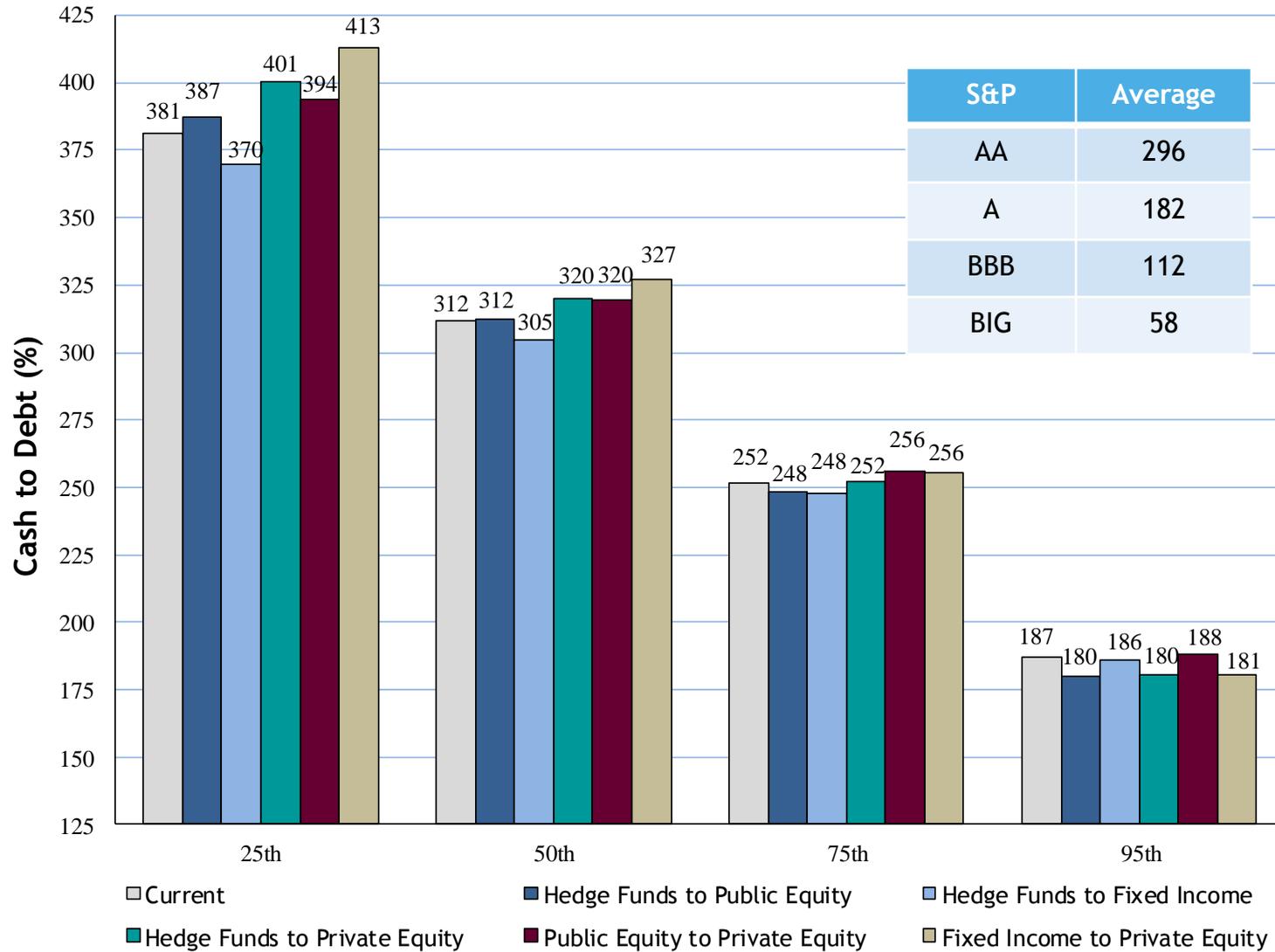


Note: S&P averages based on Standard & Poor's "U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist" report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Projected cash to debt

Year 2026

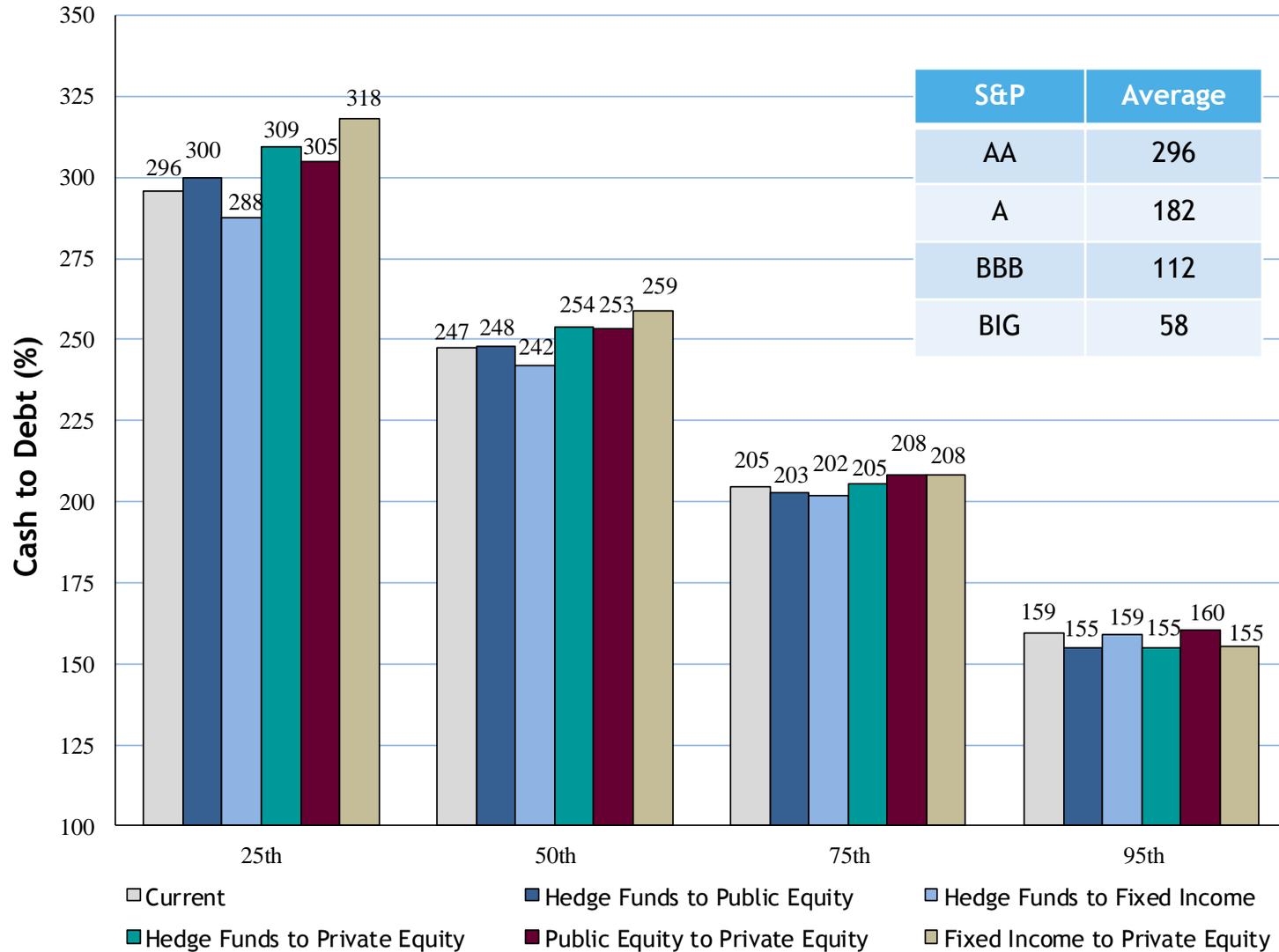


Note: S&P averages based on Standard & Poor's "U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist" report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Projected cash to debt with debt issuance

Year 2026

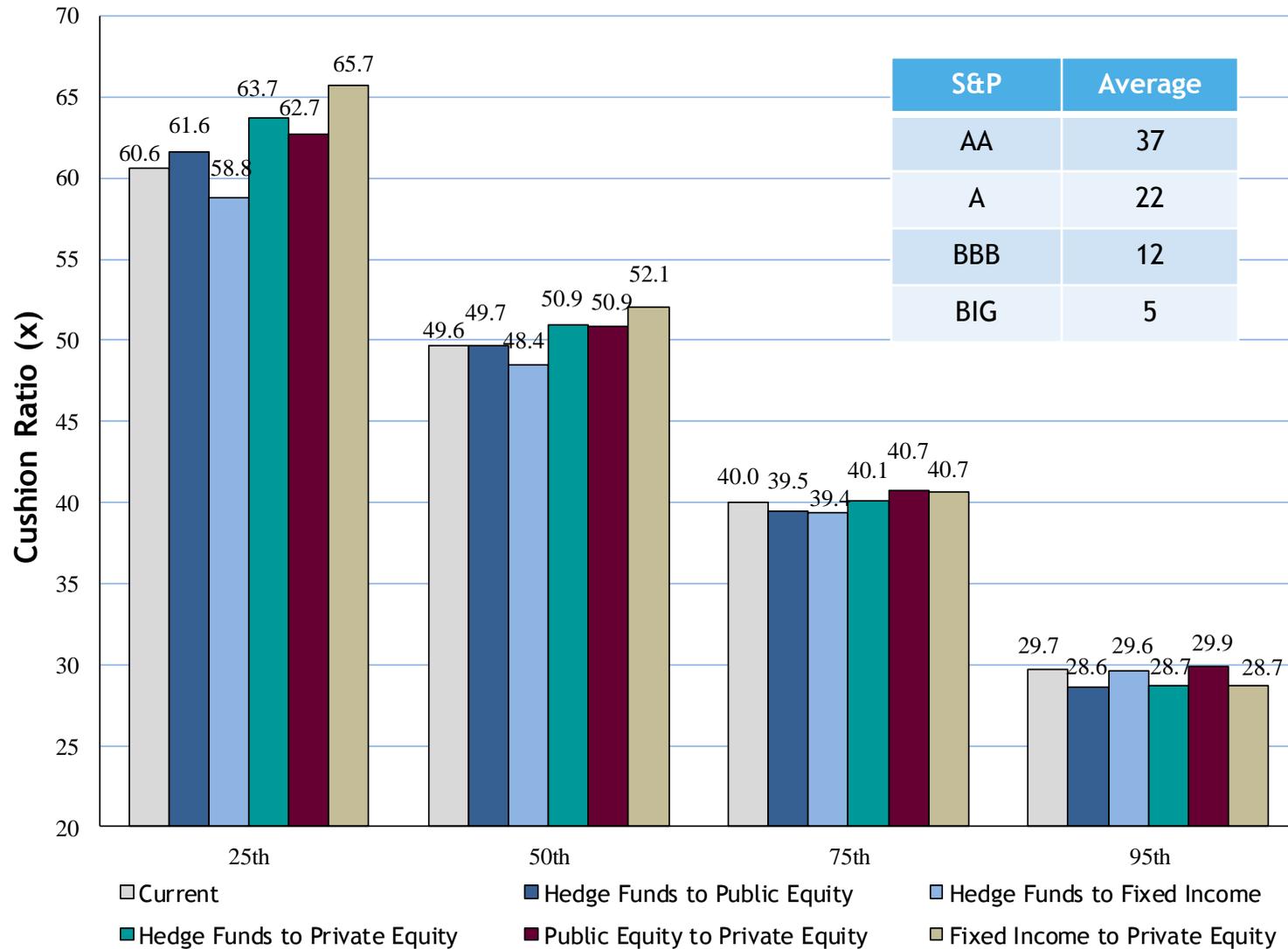


Note: S&P averages based on Standard & Poor's "U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist" report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Projected cushion ratio

Year 2026

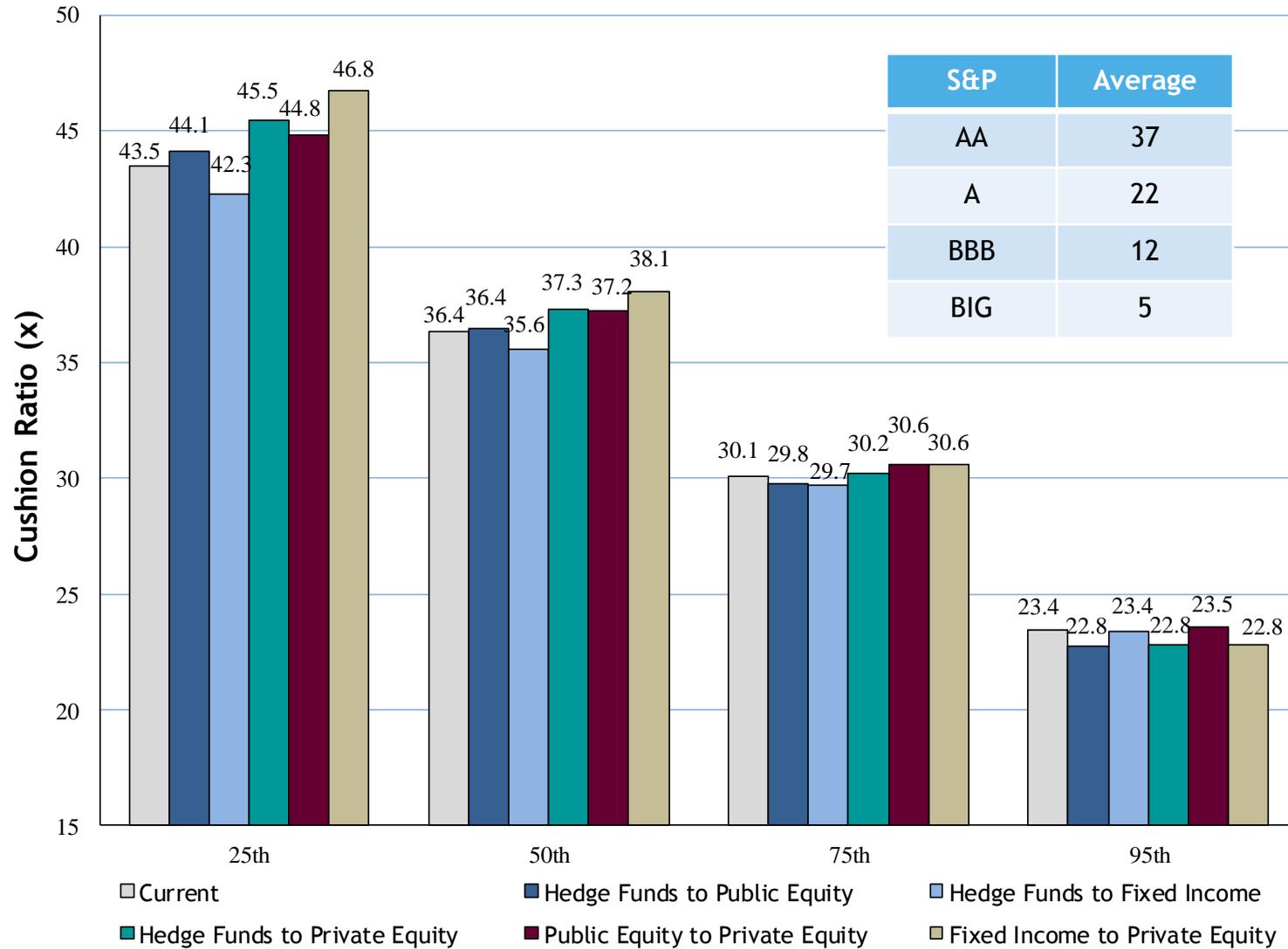


Note: S&P averages based on Standard & Poor's "U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist" report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Projected cushion ratio with debt issuance

Year 2026

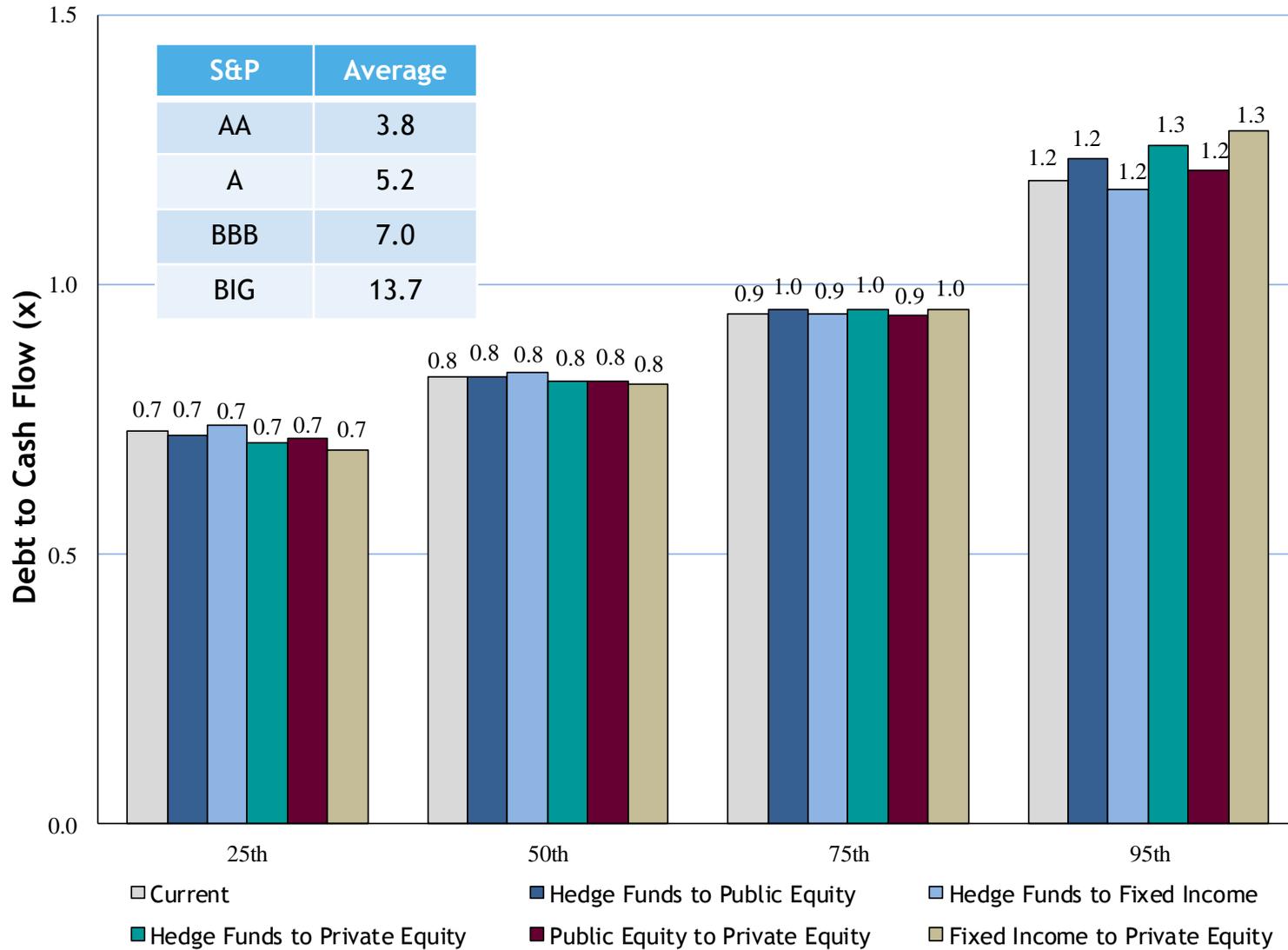


Note: S&P averages based on Standard & Poor's "U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist" report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Projected debt to cash flow

Year 2026

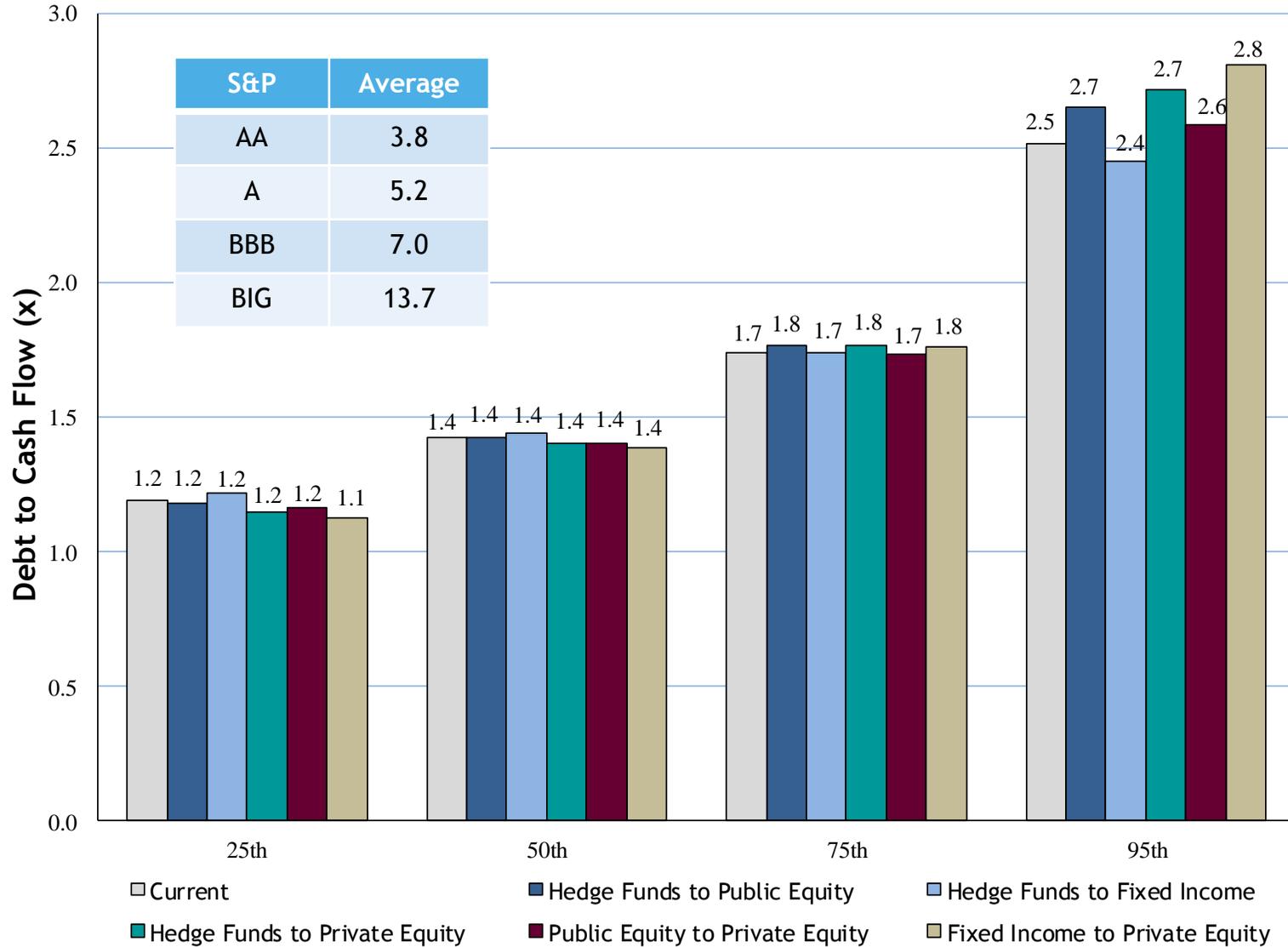


Note: S&P averages based on Standard & Poor's "U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist" report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Projected debt to cash flow with debt issuance

Year 2026



Note: S&P averages based on Standard & Poor's "U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist" report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Pavilion Advisory Group Capital Market Assumptions

	Return	Volatility
U.S. Large Cap Equity	7.3 %	19.0 %
U.S. Small Cap Equity	6.9 %	23.0 %
International Equity	7.0 %	22.0 %
Market Duration Fixed	1.4 %	7.0 %
Short Duration Fixed	1.7 %	4.0 %
Hedge Funds	7.2 %	7.5 %
Real Estate	6.8 %	14.0 %
Private Equity	11.3 %	30.0 %

	Large Cap	Small Cap	Int'l Equity	Market Fixed	Short Fixed	Hedge Funds	Real Estate	Private Equity
U.S. Large Cap Equity	1.00	0.92	0.83	(0.40)	(0.21)	0.77	0.04	0.76
U.S. Small Cap Equity		1.00	0.83	(0.38)	(0.15)	0.76	0.05	0.75
International Equity			1.00	(0.36)	(0.04)	0.80	(0.01)	0.77
Market Duration Fixed				1.00	0.67	(0.36)	(0.04)	(0.35)
Short Duration Fixed					1.00	(0.07)	(0.30)	0.01
Hedge Funds						1.00	(0.07)	0.76
Real Estate							1.00	0.16
Private Equity								1.00

Notes: Assumptions reflect 3-5 year time horizon.

Correlations are based on historical data with a greater emphasis placed on near-term relationships.

Small-cap Growth Equity Search



El Camino Hospital

May 2016

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Introduction

Summary of Candidates

	<u>Artisan</u>	<u>Conestoga</u>	<u>Peregrine</u>	<u>Cortina</u>
Ownership	50% publicly owned, 29% employee owned, 21% privately owned	75% employee owned, 25% owned by retired employees	100% parent owned (Wells Fargo) ¹	70% employee owned, 30% owned by Roth Capital Partners
Investment Team	4 portfolio managers / 11 analysts Current team took over in October 2009	2 portfolio managers / 3 analysts	4 portfolio managers / 2 analysts	2 portfolio managers / 3 analysts
Strategy Assets	\$2.3 billion	\$1.5 billion	\$1.8 billion	\$0.7 billion
Fee Schedule	Mutual Fund: APHSX Annual fee of 1.02%	Mutual Fund: CCALX Annual fee of 0.90%	Separate Account Annual fee of 0.90%	Separate Account Annual fee of 1.00%
Investment Process	<p>Fundamental, bottom-up process first focuses on security selection by seeking to identify companies with franchise characteristics that are selling at attractive valuations and benefiting from accelerating profit cycles.</p> <p>Capital allocation process then divides the portfolio into three parts: Garden (small positions in early stage of profit cycle), Crop (large positions in peak of profit cycle) and Harvest (reduced positions at end of profit cycle).</p>	<p>Fundamental, bottom-up process focuses on stock selection investing in higher quality growth companies that are capable of growing through multiple business cycles.</p> <p>The firm seeks to take advantage of the inefficient discovery process of small companies and other investors' focus on near-term earnings.</p>	<p>Fundamental, bottom-up process attempts to identify companies with high growth prospects and positive change.</p> <p>Portfolio is balanced between Discovery Phase companies (high long-term growth potential) and Rediscovery Phase companies (high near-term growth driven by a catalyst).</p>	<p>Fundamental, bottom-up research process is combined with a top-down thematic component. At any given time, portfolio will typically have between eight to twelve themes.</p> <p>Focuses on accelerating revenue growth and emergence of catalysts.</p>
Style	Small-cap to SMID-cap growth	Small-cap quality growth	Small-cap growth	Small-cap to micro-cap growth
Performance	Ranks in the top third of its peer group over 5- and 7- year periods.	<p>Ranks in the top quintile of its peer group over a 5-year period and in the top decile over a 10-year period.</p> <p>Has offered the best downside protection.</p>	<p>Ranks in the top quintile over 7- and 10-year periods.</p> <p>Has offered the most upside participation.</p>	Ranks below its peer group median over all major annualized periods 3-years and longer.
Risk	Risk has been in-line with the Index	Risk has been less than the Index	Risk has been greater than the Index	Risk has been greater than the Index

¹ Peregrine has reached an agreement to purchase full ownership from current parent Wells Fargo. The transaction is expected to close during the third quarter of 2016.

Comparative Analysis

Candidates

<u>Firm</u>	<u>Headquarters</u>	<u>Ownership Structure</u>	<u>Firm Inception</u>	<u>Strategy Inception</u>
Artisan	Milwaukee, WI	50% publicly owned (ticker: APAM), 29% employee owned, 21% privately owned	1994	2009 ¹
Conestoga	Wayne, PA	75% employee owned, 25% owned by retired employees	2001	1999 ²
Peregrine	Minneapolis, MN	100% parent owned (Wells Fargo) ³	1984	1976 ²
Cortina	Milwaukee, WI	70% employee owned, 30% owned by Roth Capital Partners	2004	2004

¹ Strategy inception is 1995, however, it was managed by a different team prior to 2009.

² Strategy was previously managed using the same process and philosophy, at predecessor organization.

³ Peregrine has reached an agreement to purchase full ownership from current parent Wells Fargo. The transaction is expected to close during the third quarter of 2016.

Comparative Analysis

Personnel Profile

As of December 31, 2015

Firm	Firmwide		Strategy			Professional Turnover Associated with Strategy					
	Total Employees	Investment Professionals	Portfolio Managers	Analysts	Decision Process	2015	2014	2013	2012	2011	
Artisan	369	53	4	11	Team	Additions	2	3	0	1	0
						Departures	0	1	0	0	1
Conestoga	12	6	2	3	Team	Additions	2	0	1	0	0
						Departures	0	1	0	0	0
Peregrine	29	11	4	2	Team	Additions	0	1	0	0	0
						Departures	0	0	0	0	0
Cortina	24	11	2	3	Team	Additions	1	0	0	0	0
						Departures	1	0	0	0	0

Comparative Analysis

Asset and Account Profile

As of December 31, 2015

Firm	Firmwide (\$ Millions)		Strategy (\$ Millions)					
	Total Assets	Total Equity Assets	Total Assets	Number of Accounts ¹	Separate Account Assets	Mutual Fund Assets	Other Pooled Assets	Net 3-Year Aggregate Inflows ²
Artisan	\$99,848	\$98,859	\$2,269	14	\$1,014	\$1,255	\$0	\$114
Conestoga	\$1,599	\$1,586	\$1,538	118	\$878	\$660	\$0	\$313
Peregrine	\$3,318	\$3,318	\$1,815	21	\$643	\$1,172	\$0	\$271
Cortina	\$2,309	\$2,309	\$743	25	\$704	\$39	\$0	\$185

¹ Does not include mutual fund clients.

² Inflow numbers represent manager reported data in eVestment.

Comparative Analysis

Fees

Firm	Separate Account			Pooled Vehicle			
	Fee Schedule	Minimum Investment	Fee on \$16 Million (% of assets)	Vehicle	Fee Schedule	Minimum Investment	Fee on \$16 Million (% of assets)
Artisan	1.00% on all assets	\$20 million	N/A	Mutual Fund (Artisan Small Cap Fund – APHSX)	1.02% on all assets	\$1 million	\$163,200 (1.02%)
Conestoga	First \$25 million at 1.00% Next \$25 million at 0.80% Balance at 0.70%	\$5 million	\$160,000 (1.00%)	Mutual Fund (Conestoga Small Cap – CCALX)	0.90% on all assets	\$250,000	\$144,000 (0.90%)
Peregrine	First \$50 million at 0.90% Next \$50 million at 0.75% Balance at 0.65%	\$10 million	\$144,000 (0.90%)	Mutual Fund (Wells Fargo Small Company Growth Fund – WSCRX)	0.90% on all assets	N/A	\$144,000 (0.90%)
Cortina	First \$25 million at 1.00% Next \$25 million at 0.90% Balance at 0.80%	\$5 million	\$160,000 (1.00%)	Mutual Fund (Cortina Small Cap Growth Fund – CRSGX)	1.11% on all assets	\$25,000	\$177,600 (1.11%)

Recommended vehicle

Comparative Analysis

Strategy Profile

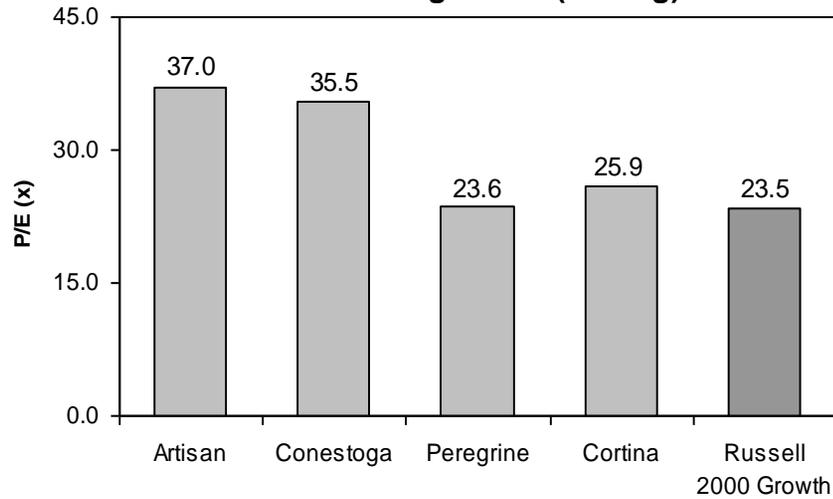
Firm	Portfolio Characteristics					Historical Cash Position			Capitalization
	Research Focus	Security Selection Technique	Typical Portfolio Turnover	Average Number of Holdings	Stated Sector Maximums	Low	High	Average	Guidelines at Time of Purchase
Artisan	Qualitative	Bottom-up	55%	70	No	3%	6%	4%	Below \$2.5 billion
Conestoga	Qualitative	Bottom-up	30%	45	Yes	0%	5%	2%	\$100 million to \$2.5 billion
Peregrine	Qualitative	Bottom-up	110%	120	Yes	1%	6%	3%	Below \$3 billion
Cortina	Qualitative	Top-down/ Bottom-up	85%	105	Yes	0%	5%	3%	\$50 million to \$2 billion

Comparative Analysis

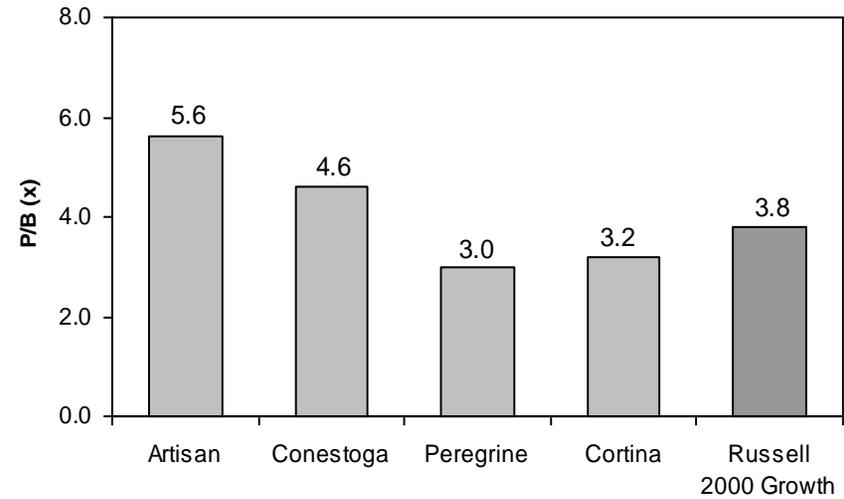
Portfolio Characteristics

As of December 31, 2015

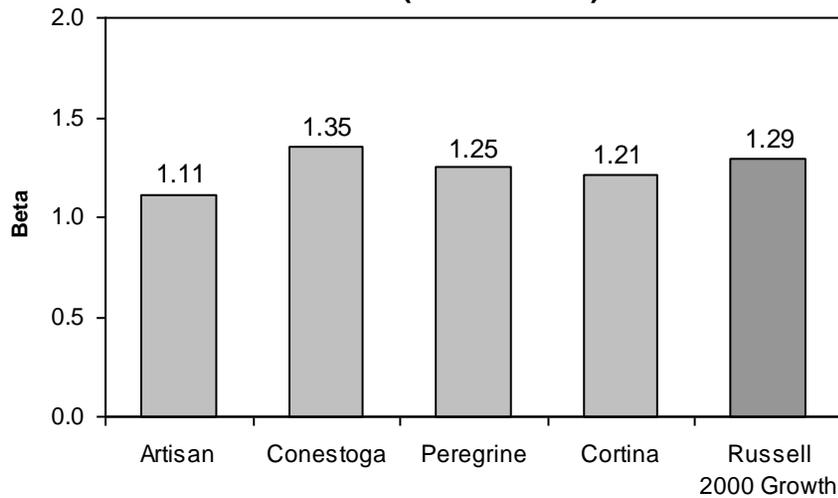
Price/Earnings Ratio (Trailing)



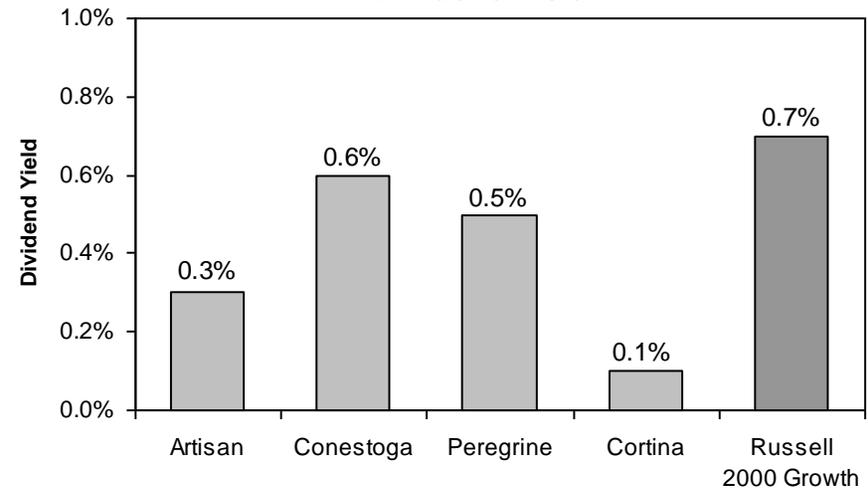
Price/Book Ratio



Beta (vs. S&P 500)



Dividend Yield



Comparative Analysis

Portfolio Capitalization Characteristics

As of December 31, 2015

	<u>Market Capitalization</u>		<u>Market Capitalization Allocation¹</u>			
	<u>Weighted Average (Millions)</u>	<u>Median (Millions)</u>	<u>Large-Cap</u>	<u>Mid-Cap</u>	<u>Small-Cap</u>	<u>Total</u>
Artisan	\$4,272	\$2,626	1.6%	36.1%	62.3%	100.0%
Conestoga	\$1,955	\$1,522	0.0%	9.6%	90.4%	100.0%
Peregrine	\$2,507	\$1,487	0.0%	12.8%	87.2%	100.0%
Cortina	\$1,066	\$814	0.0%	0.0%	100.0%	100.0%
<i>Russell 2000 Growth</i>	<i>\$2,081</i>	<i>\$742</i>	<i>0.0%</i>	<i>2.6%</i>	<i>97.4%</i>	<i>100.0%</i>

¹ Pavilion defines large-cap stocks as having a capitalization above \$20 billion, mid-cap stocks as having a capitalization between \$5 billion and \$20 billion, and small-cap stocks as having a capitalization below \$5 billion.

Comparative Analysis

Sector Diversification¹

As of December 31, 2015

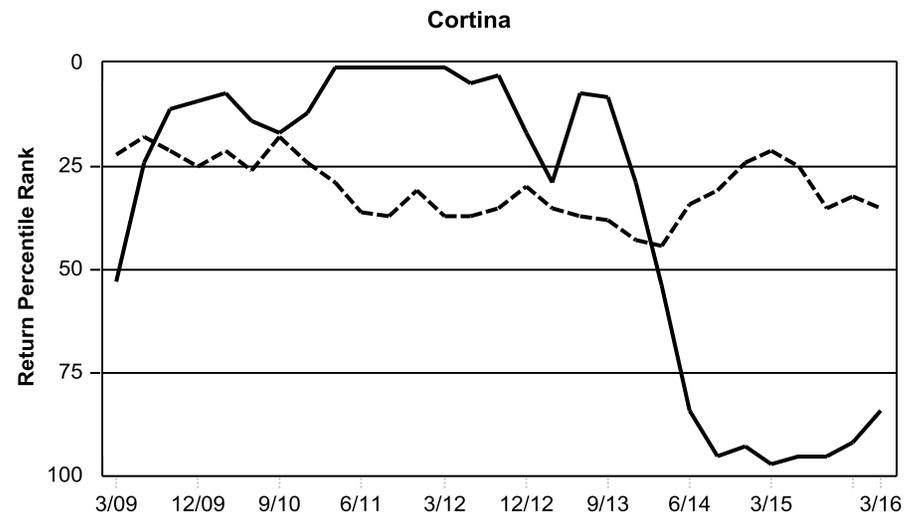
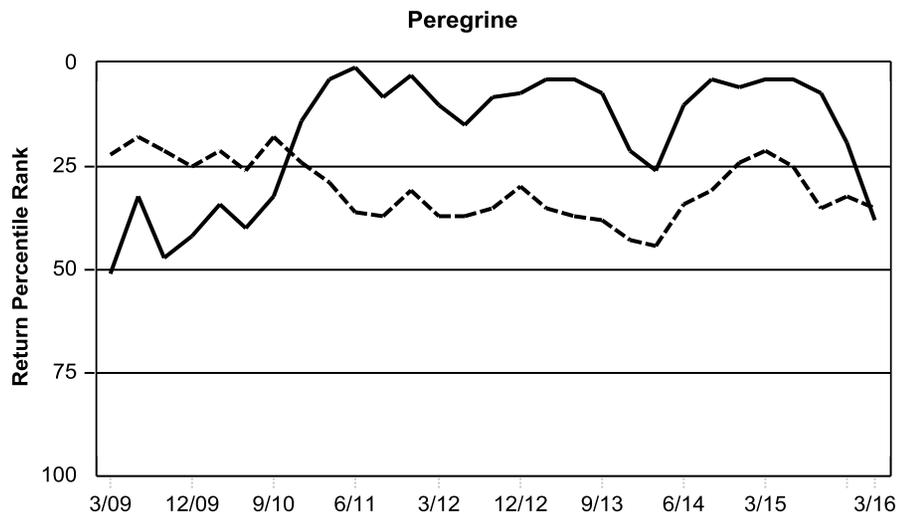
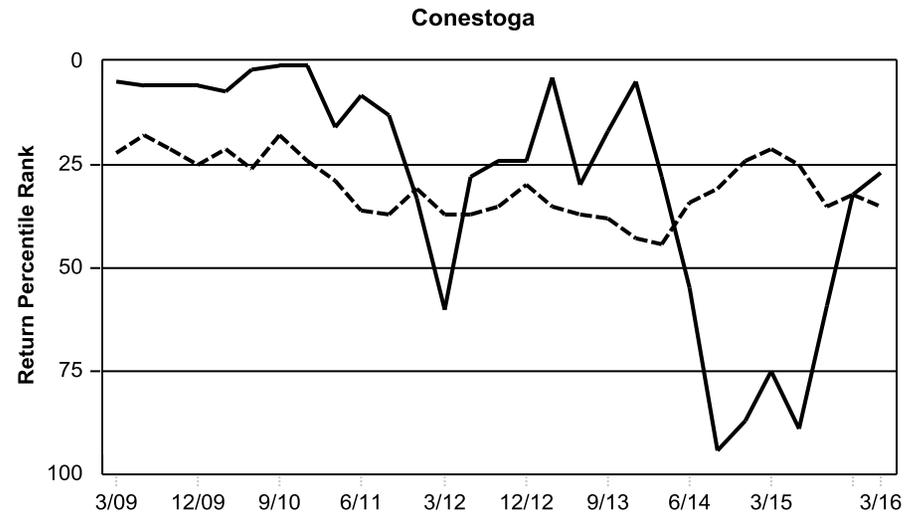
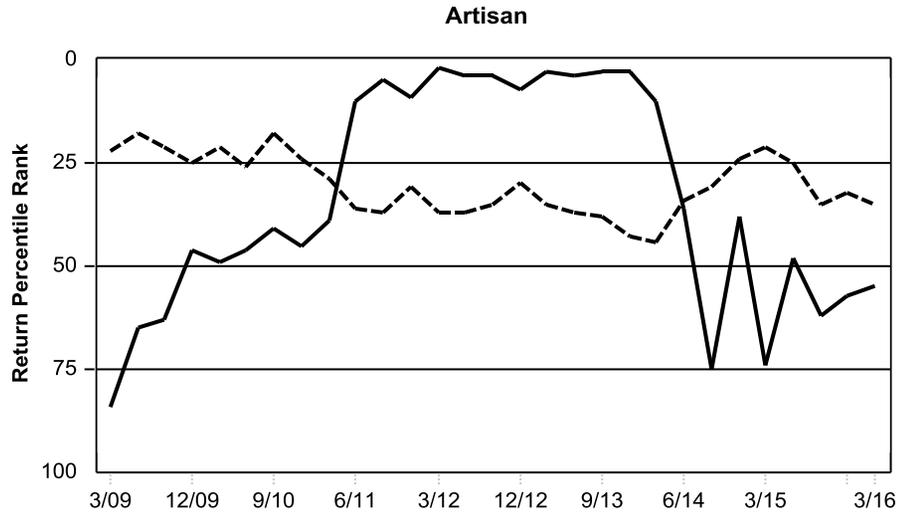
Sector	Artisan	Conestoga	Peregrine	Cortina	<i>Russell 2000</i> Growth
Consumer Discretionary	14.6%	4.4%	14.7%	13.8%	16.7%
Consumer Staples	1.1%	0.0%	0.8%	0.0%	3.5%
Energy	1.2%	1.8%	2.4%	5.7%	1.0%
Financials	0.0%	2.6%	12.3%	5.6%	7.8%
Health Care	23.4%	29.3%	24.2%	26.0%	28.3%
Industrials	19.4%	22.2%	15.6%	11.7%	12.6%
Information Technology	40.3%	37.6%	26.7%	31.4%	25.1%
Materials	0.0%	2.1%	2.9%	0.0%	4.0%
Telecommunications Services	0.0%	0.0%	0.0%	5.8%	0.8%
Utilities	0.0%	0.0%	0.4%	0.0%	0.1%
Other	0.0%	0.0%	0.0%	0.0%	0.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Top 3 sectors	83.1%	89.1%	66.5%	71.2%	70.1%

¹ Bolded and boxed weights represent the portfolio's top three weightings. Excludes cash.

Performance

Rolling Three-Year Rankings versus Russell 2000 Growth¹

Through March 31, 2016



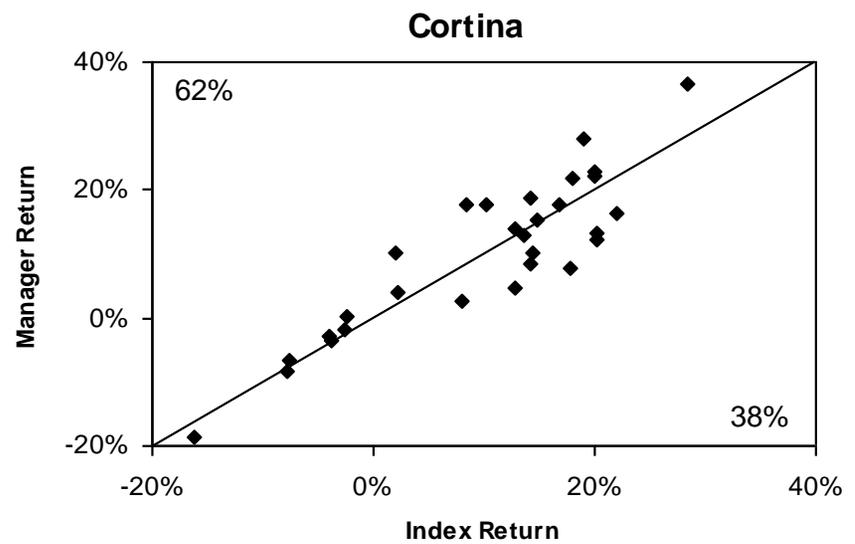
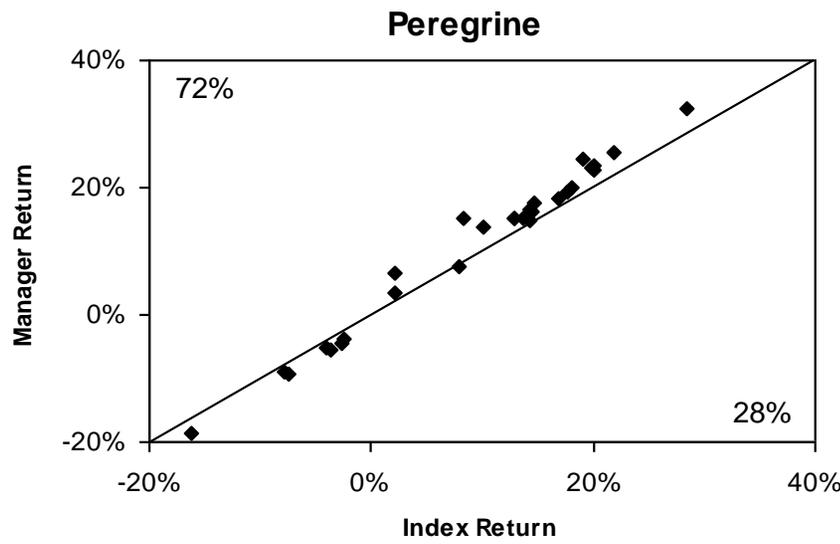
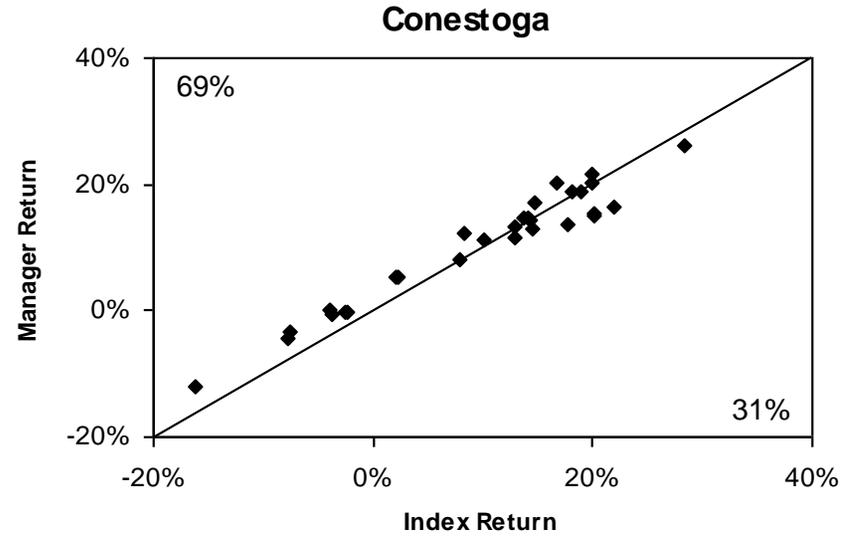
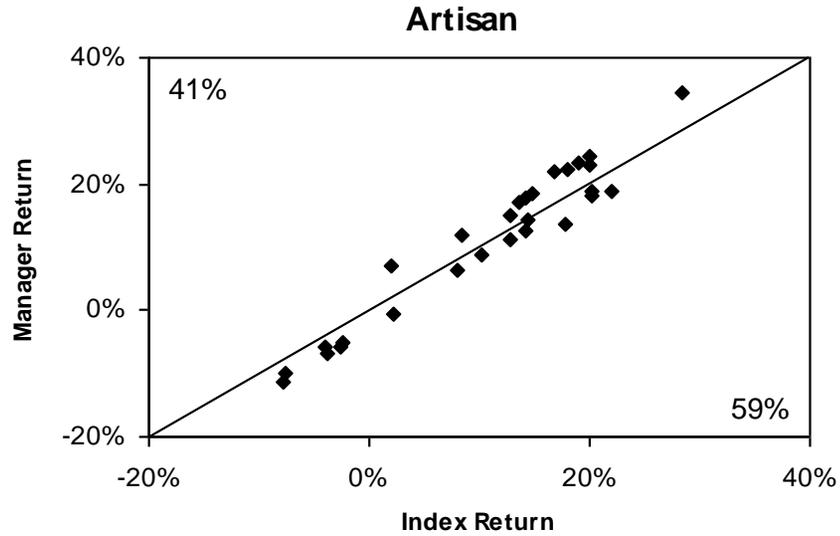
¹ Within the Investment Metrics Small-Cap Growth Peer Group; quarter-by-quarter basis.

² Returns are net of investment management fees.

Performance

Rolling Three-Year Returns versus Russell 2000 Growth

Through March 31, 2016



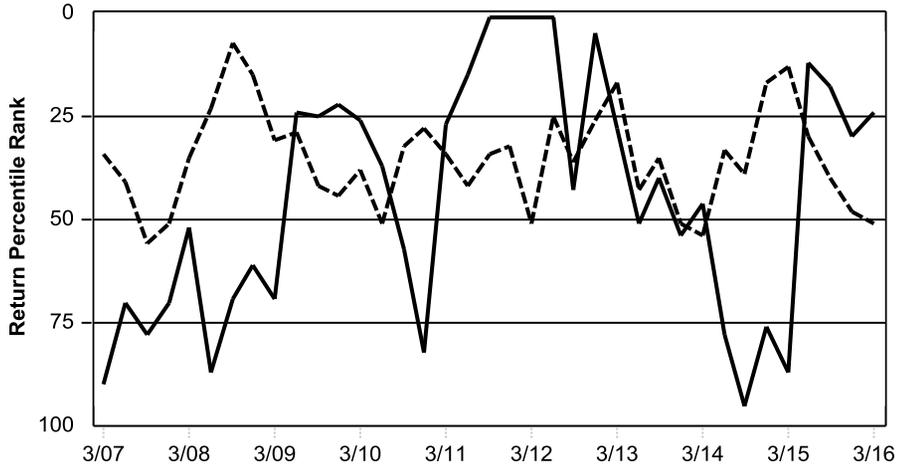
¹ Returns are net of investment management fees.

Performance

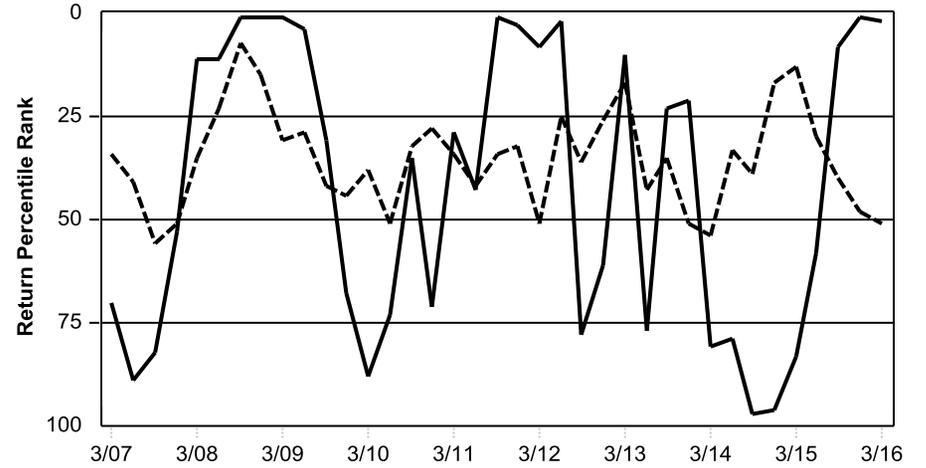
Rolling One-Year Rankings versus Russell 2000 Growth¹

Through March 31, 2016

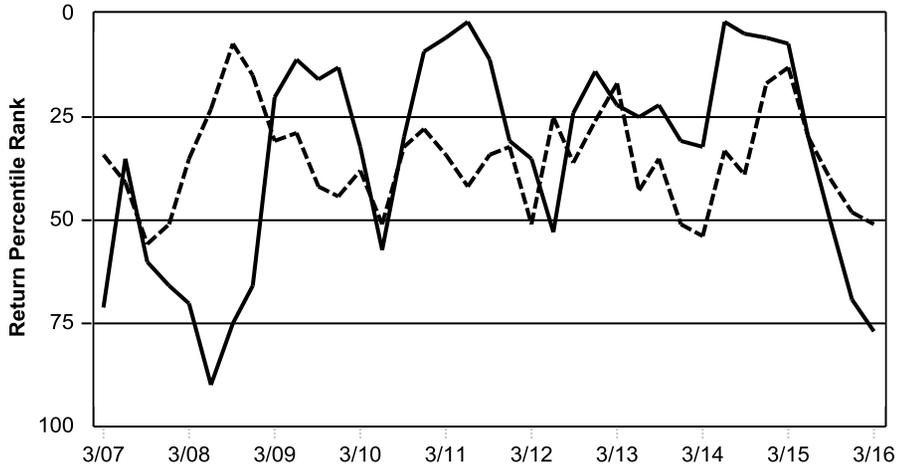
Artisan



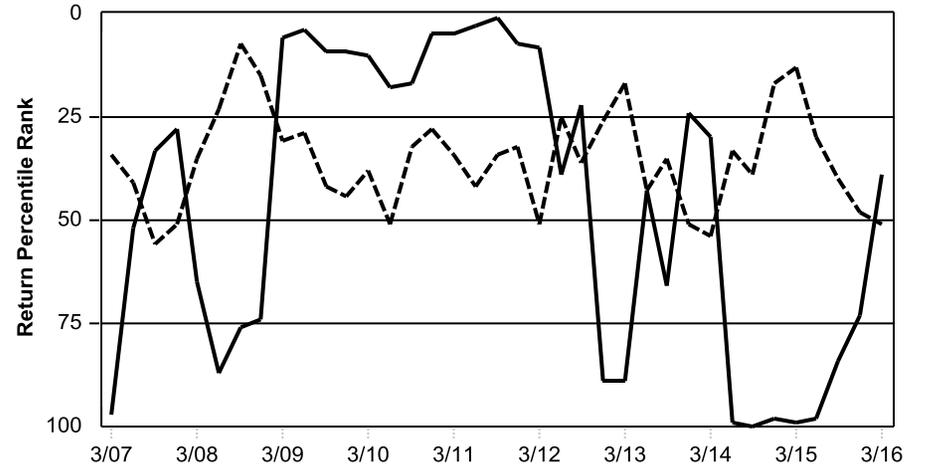
Conestoga



Peregrine



Cortina



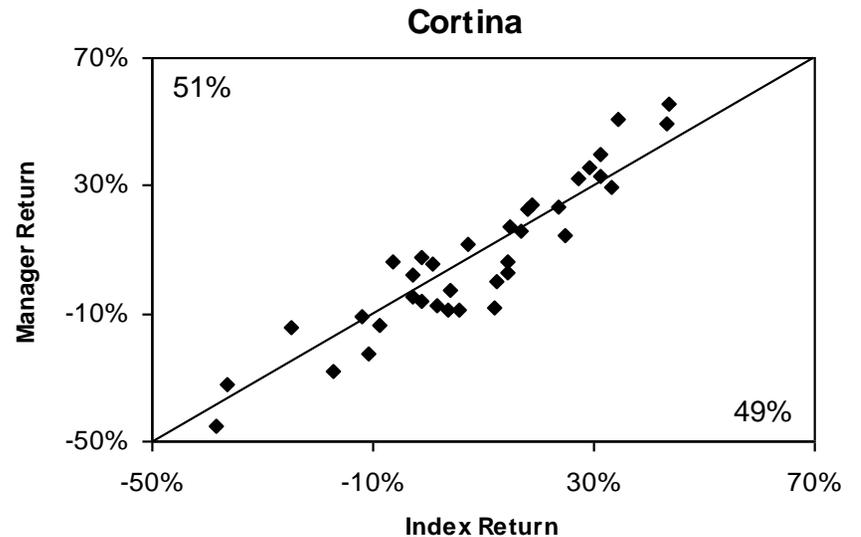
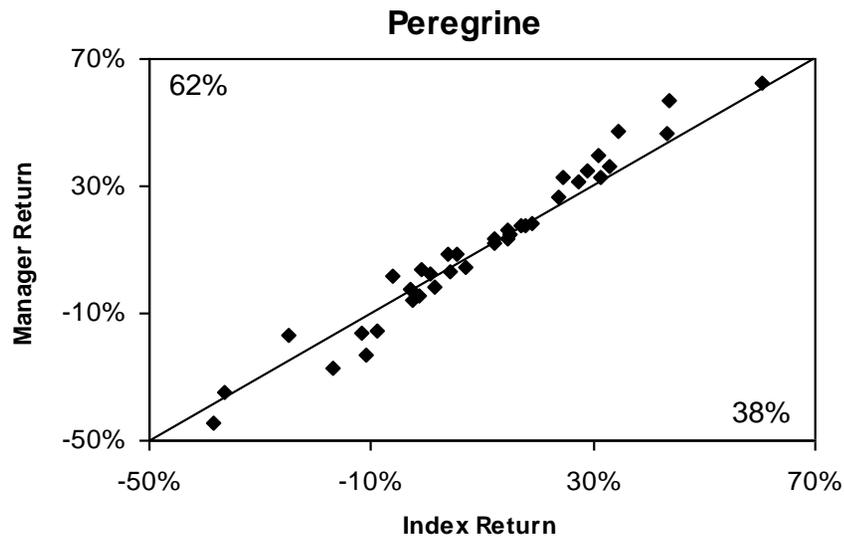
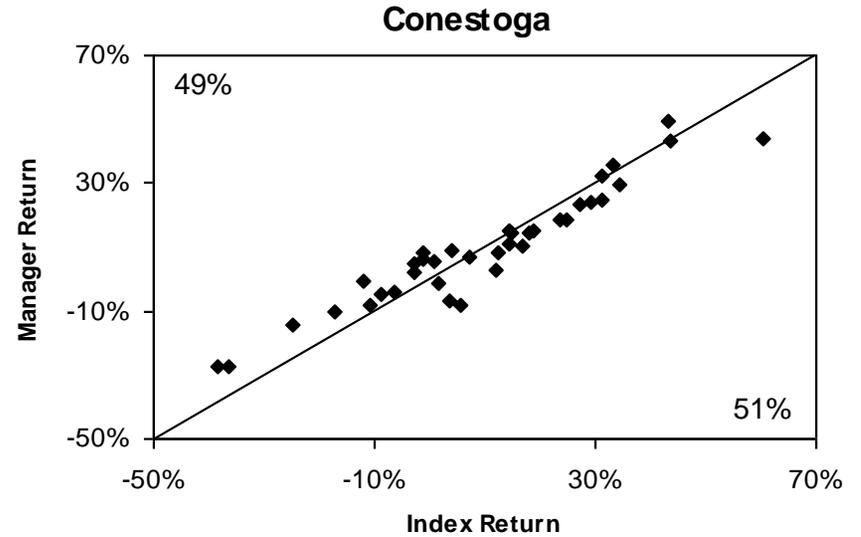
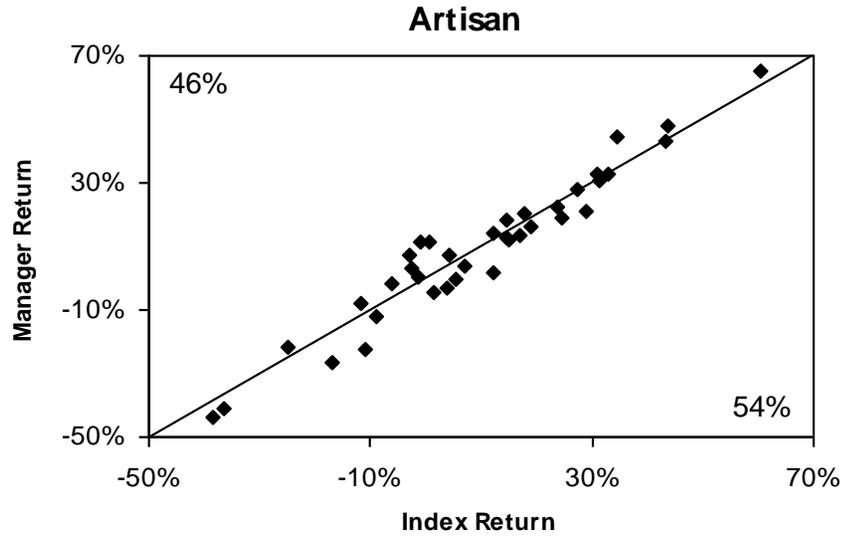
¹ Within the Investment Metrics Small-Cap Growth Peer Group; quarter-by-quarter basis.

² Returns are net of investment management fees.

Performance

Rolling One-Year Returns versus Russell 2000 Growth

Through March 31, 2016

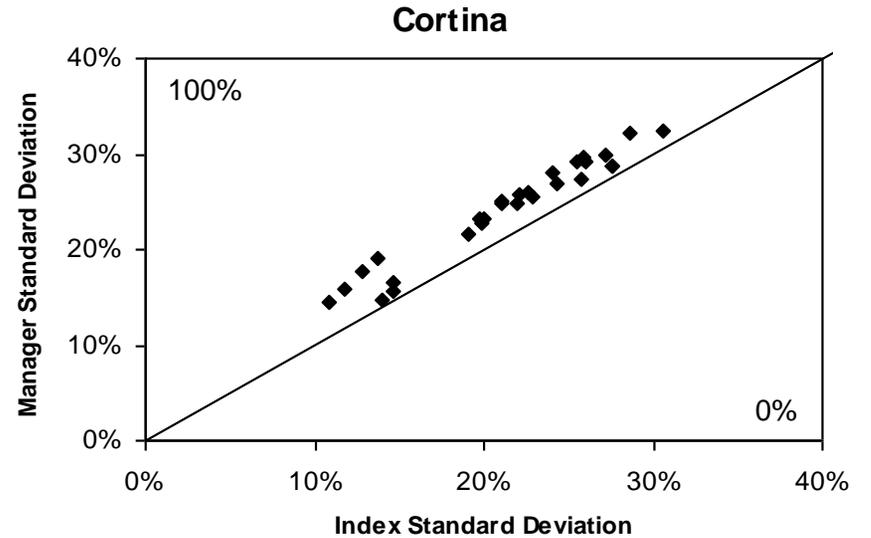
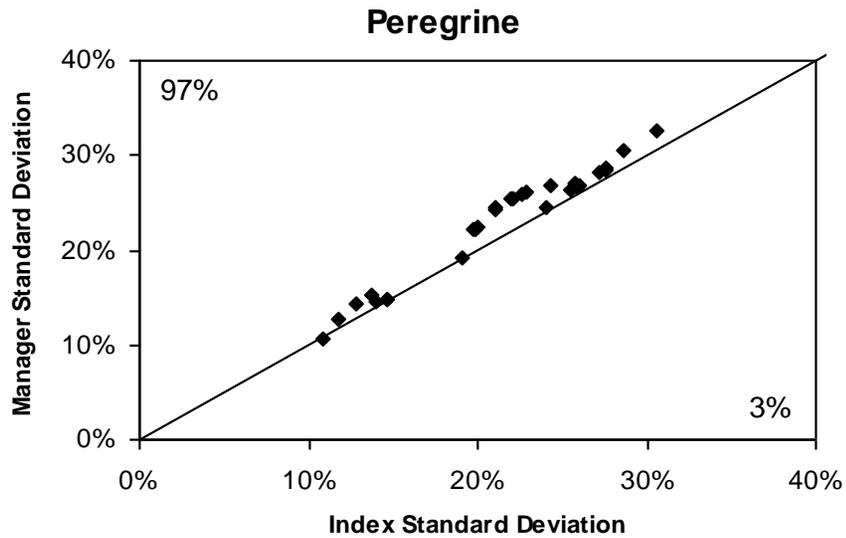
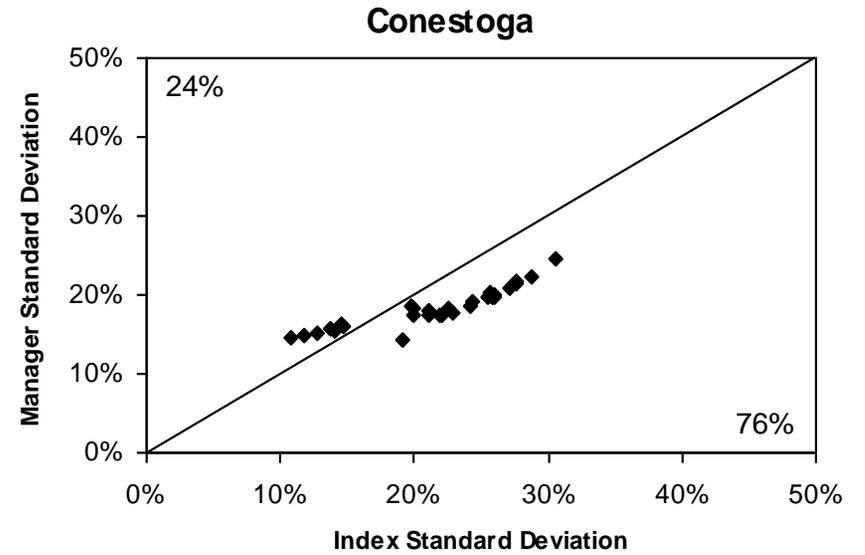
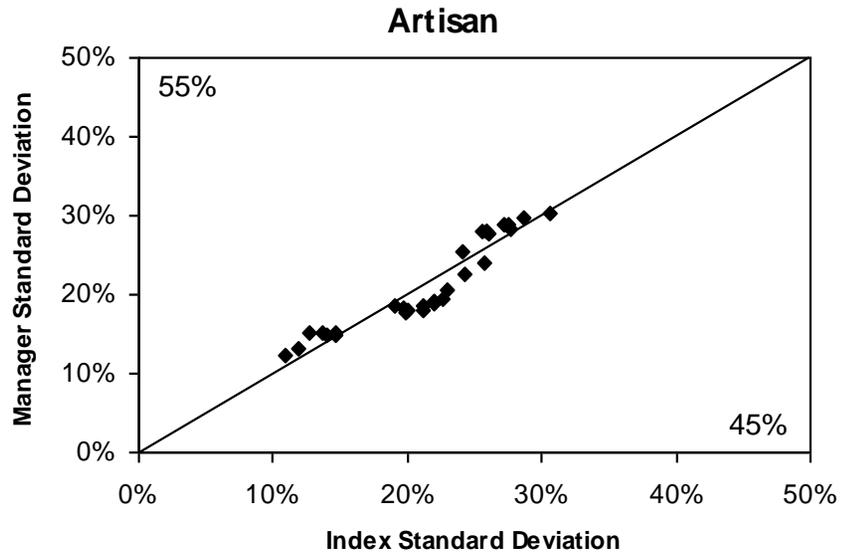


¹ Returns are net of investment management fees.

Performance

Rolling Three-Year Standard Deviations versus Russell 2000 Growth

Through March 31, 2016

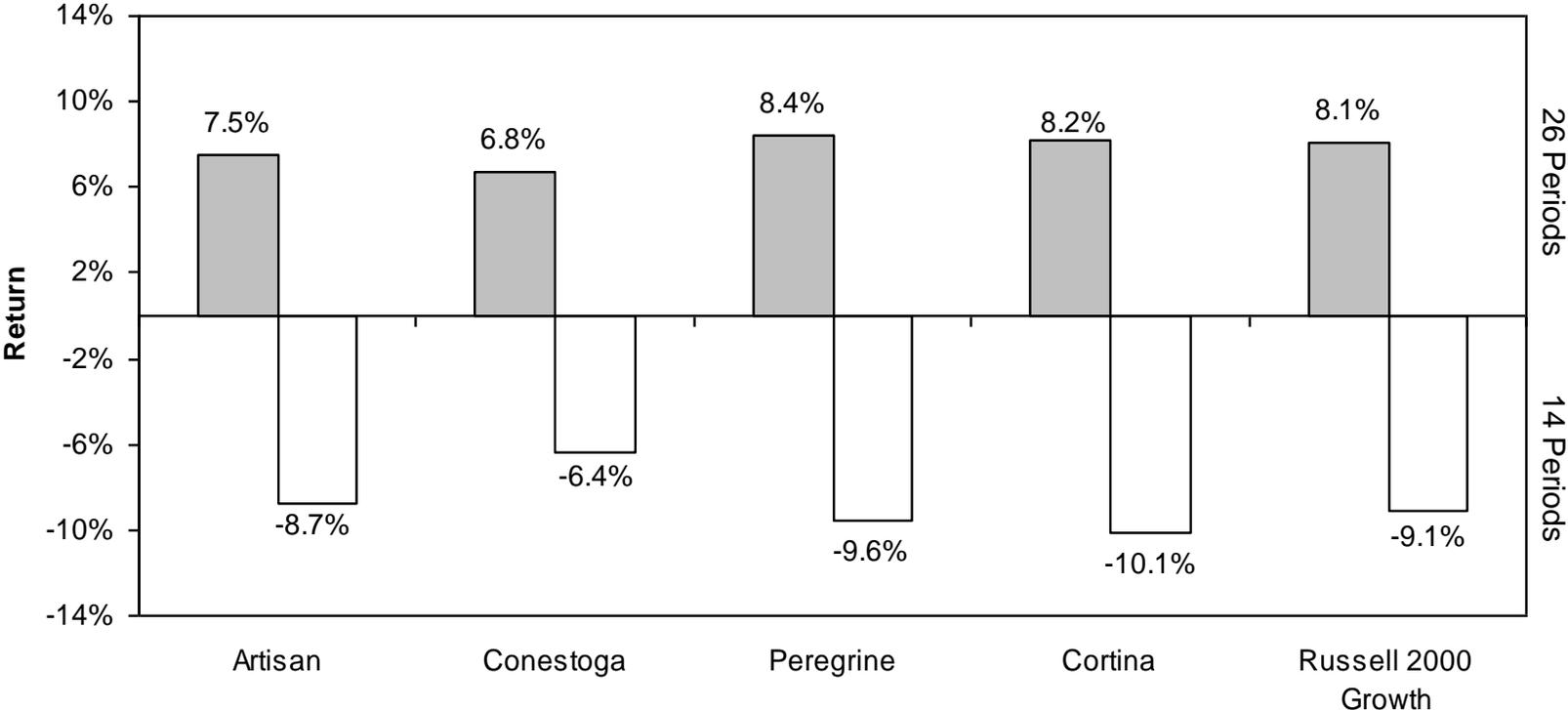


¹ Returns are net of investment management fees.

Performance

Quarterly Up/Down Market Analysis¹

10 Years Ended March 31, 2016

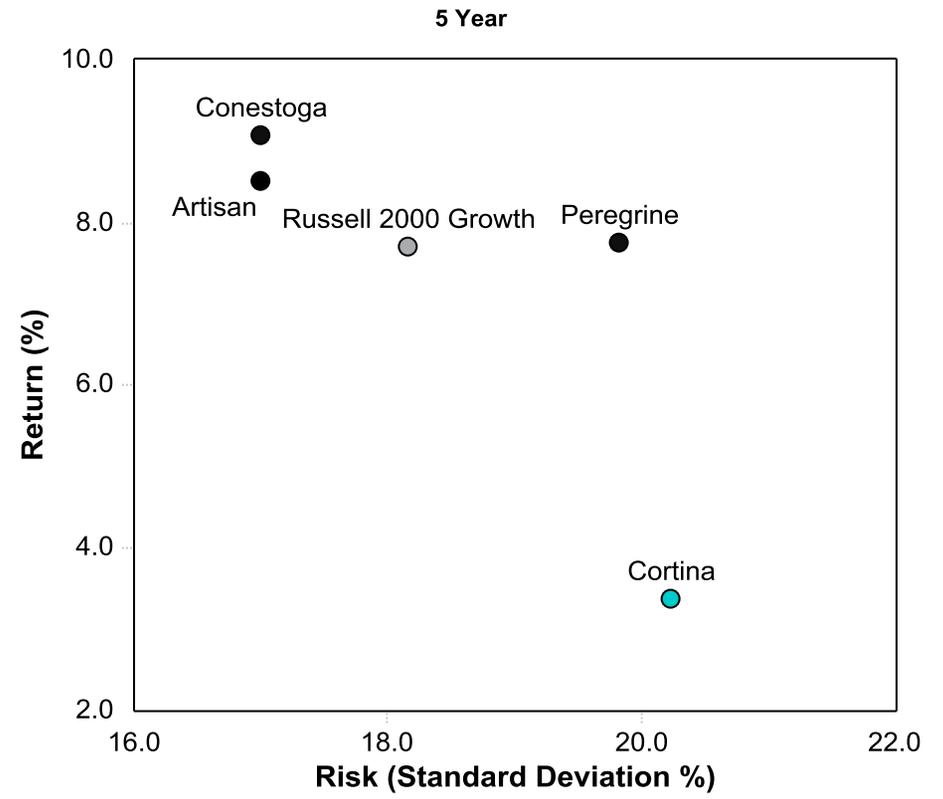
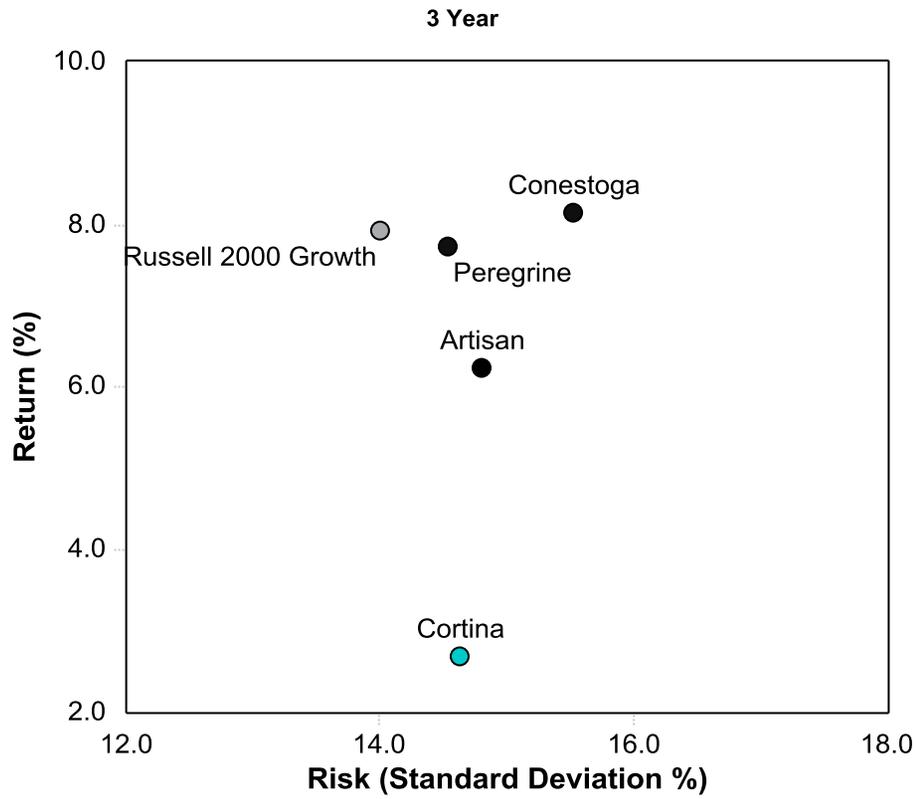


¹ Up (down) period returns are the average quarterly return of the manager net of investment management fees when the Russell 2000 Growth Index has a positive (negative) return.

Performance

Risk/Return Analysis

Periods Ended March 31, 2016



¹ Returns are net of investment management fees.

Performance

Annualized Returns

Periods Ended March 31, 2016

	Quarter	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Period
Artisan	-6.3 (69)	-7.9 (22)	6.2 (49)	8.5 (23)	18.5 (15)	5.0 (50)	8.2 (58)	21y
Russell 2000 Growth Index	-4.7 (56)	-11.8 (45)	7.9 (29)	7.7 (38)	17.2 (36)	6.0 (23)	6.9 (100)	
Small-Cap Growth Peer Group Median	-4.5	-12.5	6.2	6.9	16.3	5.0	8.4	
Conestoga	-3.4 (36)	-0.6 (1)	8.1 (24)	9.1 (15)	16.6 (43)	7.2 (9)	10.6 (12)	13y 3m
Russell 2000 Growth Index	-4.7 (56)	-11.8 (45)	7.9 (29)	7.7 (38)	17.2 (36)	6.0 (23)	10.2 (34)	
Small-Cap Growth Peer Group Median	-4.5	-12.5	6.2	6.9	16.3	5.0	9.6	
Peregrine	-6.2 (69)	-16.2 (74)	7.7 (32)	7.8 (36)	18.5 (15)	5.9 (26)	13.7 (N/A)	37y 3m
Russell 2000 Growth Index	-4.7 (56)	-11.8 (45)	7.9 (29)	7.7 (38)	17.2 (36)	6.0 (23)	9.4 (N/A)	
Small-Cap Growth Peer Group Median	-4.5	-12.5	6.2	6.9	16.3	5.0	N/A	
Cortina	-3.9 (39)	-10.6 (36)	2.7 (85)	3.4 (87)	16.1 (54)	4.4 (72)	6.8 (49)	11y 9m
Russell 2000 Growth Index	-4.7 (56)	-11.8 (45)	7.9 (29)	7.7 (38)	17.2 (36)	6.0 (23)	7.4 (19)	
Small-Cap Growth Peer Group Median	-4.5	-12.5	6.2	6.9	16.3	5.0	6.7	

¹ Returns are net of investment management fees.

² Returns for periods greater than one year are shown on an annualized basis.

³ The numbers in parentheses represent the Small-Cap Growth Peer Group ranking, ranked from best (1) to worst (100).

Performance

Calendar Year Returns

As of March 31, 2016

Periods Ended December 31st

	Year To Date	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Artisan	-6.3 (69)	0.6 (27)	-0.6 (75)	43.1 (60)	18.0 (4)	7.2 (1)	20.7 (84)	44.4 (20)	-43.8 (62)	3.5 (71)	7.1 (70)
Russell 2000 Growth Index	-4.7 (56)	-1.4 (41)	5.6 (13)	43.3 (57)	14.6 (22)	-2.9 (38)	29.1 (27)	34.5 (43)	-38.5 (14)	7.0 (53)	13.3 (26)
Small-Cap Growth Peer Group Median	-4.5	-3.3	1.7	43.8	12.0	-3.9	26.9	33.1	-42.6	7.8	9.7
Conestoga	-3.4 (36)	8.3 (1)	-7.9 (97)	49.6 (20)	11.2 (56)	4.8 (4)	24.2 (68)	29.3 (71)	-27.5 (1)	6.6 (54)	9.4 (54)
Russell 2000 Growth Index	-4.7 (56)	-1.4 (41)	5.6 (13)	43.3 (57)	14.6 (22)	-2.9 (38)	29.1 (27)	34.5 (43)	-38.5 (14)	7.0 (53)	13.3 (26)
Small-Cap Growth Peer Group Median	-4.5	-3.3	1.7	43.8	12.0	-3.9	26.9	33.1	-42.6	7.8	9.7
Peregrine	-6.2 (69)	-4.7 (72)	8.6 (5)	46.6 (31)	16.2 (12)	-2.6 (36)	35.0 (8)	47.2 (12)	-44.4 (66)	4.1 (67)	10.0 (48)
Russell 2000 Growth Index	-4.7 (56)	-1.4 (41)	5.6 (13)	43.3 (57)	14.6 (22)	-2.9 (38)	29.1 (27)	34.5 (43)	-38.5 (14)	7.0 (53)	13.3 (26)
Small-Cap Growth Peer Group Median	-4.5	-3.3	1.7	43.8	12.0	-3.9	26.9	33.1	-42.6	7.8	9.7
Cortina	-3.9 (39)	-6.3 (75)	-8.9 (98)	49.2 (22)	6.5 (90)	2.2 (9)	36.1 (5)	50.8 (8)	-45.4 (74)	11.5 (30)	11.4 (38)
Russell 2000 Growth Index	-4.7 (56)	-1.4 (41)	5.6 (13)	43.3 (57)	14.6 (22)	-2.9 (38)	29.1 (27)	34.5 (43)	-38.5 (14)	7.0 (53)	13.3 (26)
Small-Cap Growth Peer Group Median	-4.5	-3.3	1.7	43.8	12.0	-3.9	26.9	33.1	-42.6	7.8	9.7

¹ Returns are net of investment management fees.

² The numbers in parentheses represent the Small-Cap Growth Peer Group ranking, ranked from best (1) to worst (100).

Artisan Partners LP

Floyd Dukes, CFA, 875 East Wisconsin Avenue, Milwaukee, WI 53202
Phone: (770) 804-5441

ORGANIZATIONAL STRUCTURE AND OWNERSHIP

Artisan Partners LP (Artisan) was founded in 1994 by Andrew A. Ziegler and Carlene Murphy Ziegler. Artisan Partners LP is a wholly-owned subsidiary of Artisan Partners Holdings LP, which is an independent investment firm controlled by Artisan Partners Asset Management. Artisan Partners Asset Management became a publicly traded company in March 2013 and trades under the ticker APAM on the New York Stock Exchange. Employees of Artisan Partners own approximately 29% of the firm's shares, but possess approximately 65% of the voting power. Of the remaining equity, approximately 50% is owned by the public and 21% is owned by the founders and other private investors.

Artisan Partners' six investment teams manage fourteen active equity strategies and one fixed income strategy that are offered through a variety of investment vehicles. Each team offers a distinct investment approach and maintains its own research capabilities, yet is supported by the full resources of a larger organization. The Artisan Growth Team manages domestic small- and mid-cap growth portfolios as well as a global all-cap growth portfolio.

Artisan is registered with the SEC under the Investment Advisors Act of 1940. The firm indicates that there is no censure or litigation pending against it or any of its professionals.

INVESTMENT PHILOSOPHY AND PROCESS

The Artisan Growth Team is composed of four portfolio managers and eleven research analysts who work together in a collaborative team environment. Analysts are sector specialists and each individual on the team is charged with identifying companies that meet the team's criteria for quality, valuation and growth. The Artisan US Small-Cap Growth strategy follows a fundamental, bottom-up investment process that focuses on two distinct areas: security selection and capital allocation.

Artisan's security selection process seeks to identify companies that possess franchise characteristics that are selling at attractive valuations and benefiting from accelerating profit cycles. The team believes that franchise characteristics help to protect a company's stream of cash flows from the effects of competition and looks for companies with at least two of the following characteristics: low cost production capability, possession of a proprietary asset, dominant market share, or a defensible brand name. Franchise companies are typically identified through both quantitative screens and qualitative analysis. Once identified, the investment candidate is subject to intensive fundamental analysis that focuses on revenue growth, margins, financial strength, management's quality and strategic direction, competitive industry position and stage of earnings cycle.

Artisan Partners LP

INVESTMENT PHILOSOPHY AND PROCESS (continued)

Artisan performs detailed analysis to determine the amount a private market buyer would pay to buy the entire company. The team considers a stock to have an attractive valuation if it sells at a discount to the private market valuation estimate.

The team attempts to invest in companies that are well positioned for long-term growth and that are at an early enough stage in their profit cycle to benefit from the increased cash flows that result from an emerging profit cycle. The team believes companies positioned for long-term growth typically have predictable cash flow streams. They look for real growth in demand for a company's products or services and seek companies that are well positioned to take advantage of market opportunities.

Stocks that meet the team's criteria and have been thoroughly vetted are considered "research qualified" and are eligible for purchase. However, a stock is not automatically purchased once it becomes research qualified; valuation, relative attractiveness and timing are also critical to the buy decision.

The capital allocation process divides the portfolio into three parts: Garden, Crop and Harvest. Garden investments tend to have smaller position sizes and be more numerous within the portfolio. Companies in this segment of the portfolio typically have a good franchise, attractive valuation, and accelerating earnings, but are in the early stages of their profit cycle and have not yet demonstrated consistent acceleration of profits. Crop investments form the segment of the portfolio intended to hold companies that are moving into the strongest part of their profit cycles. When a company begins to perform consistently with the team's

expectations, Artisan will increase the portfolio's position in that company and move a stock from the Garden to the Crop. Positions held within the Crop typically drive portfolio performance. When a company's profit cycle begins to decelerate or a stock approaches the team's estimate of its private market value, the team will reduce its position and move it to the Harvest segment of the portfolio.

Sector weightings are the result of the bottom-up investment process, although no industry can represent more than 25% of the portfolio. At the time of purchase, market capitalizations must be below \$2.5 billion and position sizes cannot exceed 3%. Portfolios typically range from 65 to 75 stocks and are fully invested with a cash position below 5%.

A stock is sold from the portfolio if it approaches private market value, there is a change affecting the original reason for purchase, fundamentals deteriorate, or more attractive alternatives emerge.

SOURCE OF THE PERFORMANCE RECORD

From July 2012 to present, performance represents the net returns of the Artisan Small Cap Fund - Institutional Share Class (APHSX). Prior to that, performance represents that of the Artisan Small Cap Fund - Investor Share Class (ARTSX), netted down at the expense ratio of the institutional share class.

Artisan Partners LP

BIOGRAPHIES OF KEY INVESTMENT PROFESSIONALS

Craigh Cepukenas, CFA

- Artisan Partners, Portfolio Manager, 1995 to present
- Stein Roe & Farnham Inc, Research Associate, 1989 to 1995
- University of Chicago Booth School of Business, MBA, 1996
- University of Wisconsin Madison, BS, 1988

James Hamel, CFA

- Artisan Partners, Portfolio Manager, 1997 to present
- Kimberly-Clark Corporation, Operations Manager, 1990 to 1997
- University of Minnesota, BS, 1990

Matthew Kamm, CFA

- Artisan Partners, Portfolio Manager, 2003 to present
- Banc of America Securities, Analyst, 2000 to 2003
- NYU Medical Center, Operations Analyst, 1997 to 2000
- New York University, MBA, 2001
- Duke University, BA, 1996

Jason White, CFA

- Artisan Partners, Portfolio Manager, 2000 to present
- U.S. Navy, Naval Officer, 1995 to 2000
- U.S. Naval Academy, BS, 1995

Andrew Stephens

- Artisan Partners, Advisor, 2014 to present
- Artisan Partners, Portfolio Manager, 1997 to 2014
- Strong Capital Management, Portfolio Manager, 1986 to 1997
- University of Wisconsin, BS, 1986

Conestoga Capital Advisors

Mark Clewett, 500 East Swedesford Road, Suite 120, Wayne, PA 19087
Phone: (484) 654-1385, Fax: (610) 225-0533

ORGANIZATIONAL STRUCTURE AND OWNERSHIP

Conestoga Capital Advisors, LLC (Conestoga) was founded in 2001. Co-founders Bill Martindale and Bob Mitchell launched the firm through the purchase of assets from their prior organization, Martindale Andres, a unit of M&T Bank. In June 2014 Bill Martindale retired, following a multi-year transition period. As part of the succession plan, his equity ownership will be gradually transitioned to other employees over the next few years. Currently, employees own 75% of the firm's equity and Bill Martindale owns the remaining 25%. Control of the company resides only with current employees as Mr. Martindale's voting units were purchased by employees at the time of his retirement.

The firm has approximately \$1.6 billion in assets under management, with the bulk from the small-cap growth strategy. The small-cap growth product is available to institutional investors through separate accounts and mutual funds.

Conestoga is registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. The firm indicates that there is currently no litigation or censure pending against it or its investment professionals.

INVESTMENT PHILOSOPHY AND PROCESS

Conestoga employs a philosophy of investing in higher quality growth companies that are capable of growing through multiple

business cycles. The firm seeks to take advantage of the inefficient discovery process of small companies and other investors' focus on near-term earnings.

The investment process begins with a generalist approach to idea generation. The investment team, which consists of two portfolio managers and three analysts, searches for ideas through a combination of screening, industry conferences and trade shows, and a network of industry contacts. Once a company is identified through those networks, the team completes a thorough fundamental review of the business, financial statements, capital structure, and management. Direct conversations with management and the development of a valuation based on the most appropriate metrics for the company are also included in the investment process.

Companies selected for inclusion in the portfolio will meet the following criteria:

- ability to generate earnings growth of at least 15%
- strong market position with ROE of at least 15%
- strong balance sheet with conservative accounting practices
- capable management team with significant company ownership

Additionally, Conestoga must believe the company has the potential to appreciate its stock price by at least 100% over a three- to five-year investment horizon.

Conestoga Capital Advisors

INVESTMENT PHILOSOPHY AND PROCESS (continued)

Decisions are made on a team basis, but ultimate authority rests with the two portfolio managers. Portfolios are conviction weighted and constructed with 45 to 50 stocks. Sector weights are limited to the lesser of twice the index weight or 25%, based on the Russell Global Sector definitions. Portfolios will maintain a minimum of 90% exposure to companies with a market capitalization less than \$2.5 billion. Annual turnover approximates 30%.

Conestoga will sell or reduce a position when it reaches a price that is twice the initial target, reaches a market capitalization of \$2.5 billion, undergoes a significant deterioration in fundamentals, or when a better opportunity arises. Positions are automatically reviewed if they underperform the benchmark by 25% on a three-month or 52-week basis.

SOURCE OF THE PERFORMANCE RECORD

From October 2014 to present, performance represents the net returns of the Conestoga Small Cap Fund - Institutional Share Class (CCALX). Prior to that, performance represents that of the Conestoga Small Cap Fund - Investors Share Class (CCASX), netted down at the expense ratio of the institutional share class.

BIOGRAPHIES OF KEY INVESTMENT PROFESSIONALS

Bob Mitchell

- Conestoga Capital Advisors, Portfolio Manager, 2001 to present
- Martindale Andres, Portfolio Manager, 1995 to 2001
- Indiana University, MBA, 1995
- University of Notre Dame, BA, 1991

Joseph Monahan, CFA

- Conestoga Capital Advisors, Portfolio Manager, 2014 to present
- Conestoga Capital Advisors, Senior Research Analyst, 2008 to 2014
- McHugh Associates, Portfolio Manager, 2001 to 2008
- Pitcairn Trust Company, Portfolio Manager, 1982 to 2001
- Temple University, MBA, 1987
- Penn State University, BA, 1982

Peregrine Capital Management

Stefanie Adams, 800 LaSalle Avenue, Suite 1850, Minneapolis, MN 55402
Phone: (612) 343-7600, Fax: (612) 343-7631

ORGANIZATIONAL STRUCTURE AND OWNERSHIP

Peregrine Capital Management, Inc. (Peregrine) was founded in 1984 by a group of senior portfolio managers from Norwest Bank Minnesota. Peregrine currently has 29 employees and approximately \$3.3 billion in assets under management. Peregrine offers large- and small-cap growth and small-cap value equity products.

Peregrine is a wholly-owned subsidiary of Wells Fargo Bank Minnesota, N.A., an operating unit of the publicly held Wells Fargo & Company. However, Peregrine has reached an agreement to purchase full ownership from current parent Wells Fargo. The transaction is expected to close during the third quarter of 2016. The firm is registered with the SEC under the Investment Advisers Act of 1940. The firm indicates that there is no censure or litigation pending against it or any of its investment professionals.

INVESTMENT PHILOSOPHY AND PROCESS

Peregrine seeks inefficiencies in the market and seeks to identify misunderstood companies that create potential price appreciation opportunities. The team's portfolio managers/analysts perform extensive bottom-up research on potential investment ideas, developing an understanding of their business models, balance sheets, income statements, cash flow and growth projections, and competitive positions.

Peregrine identifies companies with a market capitalization below \$3 billion. The team looks for evidence of either high growth prospects or positive change. Companies are divided into two categories: Discovery Phase companies and Rediscovery companies.

Discovery Phase companies are expected to have high long-term growth potential. For these companies, Peregrine seeks 3-5 year earnings per share (EPS) growth greater than 20%.

Rediscovery companies have evidence of a positive change or catalyst that the team expects will result in high near-term growth. These changes may involve new management, corporate restructuring, or rapid earnings acceleration due to new product introductions. Peregrine seeks forward EPS growth greater than 40% for Rediscovery companies.

The portfolio is balanced such that Discovery Phase companies or Rediscovery Phase companies are limited to 70% of the total portfolio.

The number of portfolio holdings ranges from 100 to 125 names. Individual position sizes are based solely on the comfort level of the portfolio managers and the market capitalization of the stock. The stated maximum position size is 5% of the portfolio. Sectors are managed to stay within 10% of the strategy's benchmark, the Russell 2000 Growth Index.

Peregrine Capital Management

INVESTMENT PHILOSOPHY AND PROCESS (continued)

The decision making process involves four portfolio managers who are dedicated to the small-cap growth style. Any one member of the team may present a new idea and investment recommendation. Any of the four portfolio managers can veto an investment idea.

Portfolio turnover is approximately 110%. Positions are sold for the following reasons:

- a stock reaches target sell price,
- deteriorating fundamentals, or
- a better opportunity arises.

SOURCE OF THE PERFORMANCE RECORD

Performance represents the returns of the Peregrine Small Cap Growth separate account composite. Returns are after the deduction of investment management fees.

BIOGRAPHIES OF KEY INVESTMENT PROFESSIONALS

Daniel J. Hagen, CFA

- Peregrine Capital Management, Inc., Senior Vice President and Small-cap Equity Associate Portfolio Manager, 1996 to present
- Piper Jaffrey, Statistical Analyst, 1983 to 1996
- University of Minnesota, BSB, 1983

Paul von Kuster, CFA

- Peregrine Capital Management, Inc., Senior Vice President and Small-cap Equity Portfolio Manager, 1984 to present
- Norwest Bank Minnesota, Portfolio Manager, 1979 to 1984
- Norwest Bank Minnesota, Research Analyst, 1974 to 1979
- Princeton University, AB, 1971

William A. Grierson, CFA

- Peregrine Capital Management, Inc., Senior Vice President and Small-cap Equity Portfolio Manager, 2000 to present
- Kopp Investment Advisors, Senior Research Analyst, 1993 to 2000
- Northern Trust, Reporting Analyst, 1992 to 1993
- Lawrence University, BA, 1992

James P. Ross

- Peregrine Capital Management, Inc., Senior Vice President and Small-cap Equity Portfolio Manager, 1996 to present
- Norwest Investment Management, Chief Investment Officer, 1990 to 1996
- Ecolab, Treasury Analyst, 1989 to 1990
- University of Iowa, MBA, 1989
- University of Iowa, BBA, 1987

Robert B. Mersky, CFA

- Peregrine Capital Management, Inc., Advisor, 2015 to present
- Peregrine Capital Management, Inc., President and Small-cap Equity Portfolio Manager, 1984 to 2015
- Norwest Bank Minnesota, Director of Research and Portfolio Manager, 1976 to 1984
- Norwest Bank Minnesota, Research Analyst, 1972 to 1976
- University of Minnesota, BS, 1968

Cortina Asset Management

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ORGANIZATIONAL STRUCTURE AND OWNERSHIP

Cortina Asset Management, LLC (Cortina) is a small-cap investment boutique based in Milwaukee, WI that was founded in April of 2004 by John Potter, Tom Eck, Brian Bies and Joe Frohna. Along with their team of analysts, the group spun out of U.S. Bancorp where they had been working together since 2001. Cortina is 70% owned by eight employees of the firm and 30% owned by Roth Capital Partners, LLC. Roth Capital Partners is a small-cap oriented investment bank and institutional broker headquartered in Newport Beach, CA.

Cortina specializes in the management of small-cap and small- to mid-cap portfolios for institutional investors.

Cortina Asset Management is registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. The firm indicates that there is currently no litigation or censure pending against it or its investment professionals.

INVESTMENT PHILOSOPHY AND PROCESS

Cortina utilizes a bottom-up, fundamental research process in conjunction with a top-down thematic component, seeking to identify a number of companies that are poised to benefit from the same theme.

Brian Bies and Steve Lilly serve as portfolio managers on the small-cap growth strategy and are supported by three analysts; two of whom are senior and have been working on the strategy since its inception. Portfolio managers and analysts have research responsibilities and specialize by sector. They have the additional support of two portfolio managers that run Cortina's small-cap opportunities strategy.

As a firm, Cortina meets with over 1,000 management teams per year and uses those meetings as a primary tool for idea sourcing. The team also will run quantitative screens on accelerating revenue growth, expanding margins, insider buying and earning surprises to highlight additional companies of interest.

Cortina pursues a top-down thematic investment approach in which the team seeks to identify several companies that are each poised to benefit from the same economic trends or market forces. Thematic-driven investing is utilized in order to emphasize areas of the economy that are performing better than others. This top-down approach is used in conjunction with bottom-up fundamental research focusing on company management teams, growth prospects, competitive advantages, financial condition and valuation. Cortina seeks accelerating growth rates of 20% or greater and attempts to invest three to six months before catalysts emerge in order to capture the most upside potential. While the process seeks fairly aggressive growth, valuation does play a role in the portfolio construction process as the team looks for 35% upside potential in their price target at the time of purchase.

Cortina Asset Management

INVESTMENT PHILOSOPHY AND PROCESS (continued)

The identification and evolution of portfolio themes generally drives fundamental research, but themes also will arise from research on a single company. There are typically eight to twelve themes represented in the portfolio at any one time. Roughly 60% of the portfolio will be invested in thematic ideas while the remainder will be invested in single stock ideas.

Portfolios hold between 90 and 120 stocks in order to ease liquidity restrictions as Cortina will invest in companies with market capitalizations that fall between \$50 million and \$2 billion at the time of purchase. Individual position sizes are limited to a maximum of 5% and sector exposure is limited to two times the Russell 2000 Growth Index weight if the sector represents at least 15% of the benchmark. No individual theme may represent more than 15% of the portfolio. Annual turnover approximates 85%.

Positions are sold when they meet one of the follow criteria:

- significant change in company or industry fundamentals,
- catalysts expire,
- significant management changes or aggressive insider selling,
- stock reaches full valuation, or
- position exceeds prudent portfolio parameters.

SOURCE OF THE PERFORMANCE RECORD

Performance represents the returns of El Camino Hospital's account since investment in November 2012. Performance prior to this represents the returns of the Cortina Small-Cap Growth separate account composite. Returns are after the deduction of investment management fees.

BIOGRAPHIES OF KEY INVESTMENT PROFESSIONALS

Brian Bies, CFA

- Cortina Asset Management, Portfolio Manager, 2004 to present
- U.S. Bancorp Asset Management, Portfolio Manager, 2001 to 2004
- Strong Capital Management, Securities Analyst, 2000 to 2001
- State of Wisconsin Investment Board, Securities Analyst, 1996 to 2000
- University of Wisconsin Madison, MBA, 2001
- Creighton University, BS, 1995

Steven Lilly, CFA

- Cortina Asset Management, Portfolio Manager, 2007 to present
- PEAK6 Investments, Portfolio Manager, 2006
- Columbia Management Group, Portfolio Manager, 1995 to 2005
- University of Chicago, MBA, 2001
- Indiana University, BS, 1995

Ryan Davies, CFA

- Cortina Asset Management, Senior Analyst, 2004 to present
- U.S. Bancorp Asset Management, Analyst, 2002 to 2004
- Montgomery Asset Management, Analyst, 1997 to 2002
- Price Waterhouse Coopers, Staff Accountant, 1996 to 1997
- Indiana University, BS, 1996

Jennifer Hanson, CFA

- Cortina Asset Management, Senior Analyst, 2004 to present
- U.S. Bancorp Asset Management, Analyst, 1995 to 2004
- University of Wisconsin Whitewater, BS, 1994



Appendix



Estimated Transition Cost

<i>Legacy Portfolio Value (\$)</i>		\$ 13,376,855		
Description	Liquidation to Cash		To Peregrine	
Trade Analysis	Artisan & Conestoga			
Legacy positions	100		100	
Target Positions	0		120	
Buys	0		108	
Sells	100		95	
Traded Value	\$13,176,714		\$22,413,492	
Expected # of trading days to reach 95% completion	1		1	
Inkind %	0.0%		12.6%	
Direct Costs	\$	bps	\$	bps
Commission cost	\$8,334	6.23	\$11,902	8.90
Taxes/Stamp Duties	\$242	0.18	\$211	0.16
Total Direct Costs	\$8,576	6.41	\$12,113	9.06
Indirect Costs*				
1/2 Bid-Ask Spread	\$17,130	12.81	\$24,643	18.42
Market Impact	\$13,177	9.85	\$18,288	13.67
Total Indirect Costs	\$30,306	22.66	\$42,931	32.09
Implementation Shortfall				
Total IS - (Direct + Indirect Costs)	\$38,883	29.07	\$55,044	41.15
One Standard Deviation	\$148,730	111.18	\$33,391	24.96
* Source: ITG				
Commission rate is 1.00¢ per share.				

Glossary of Terms

Traded Value is the net value of the securities that need to be traded in order to replicate the target portfolio. It is the sum of the value of the legacy securities to be sold plus the value of the target securities to be bought.

In-Kind Transfers represent the monetary value of securities that both the legacy and target portfolios have in common. The securities in question are transferred at the custodial level from the legacy manager to the incoming manager and incur no additional costs.

Direct Costs are explicit costs related to the transition. There are two types: commissions and taxes/stamp duties.

Indirect Costs are implicit costs related to the transition. There are two types: bid/ask spread and market impact.

Bid/ask spread is the difference between the best buying price and the best selling price for any given security (Bloomberg). We observe the bid/ask spread over the last 5 trading days and use half the quoted spread as an estimate of the cost of a one-way transaction.

Market Impact is the effect that a market participant has when it buys or sells an asset. It is the extent to which the buying or selling moves the price against the buyer or seller, i.e. upward when buying and downward when selling. To estimate market impact, we use a mathematical/econometric model that provides a pre-trade forecast of the price impact cost of an order. The model incorporates, among others, the volatility data (based on the last 60 trading days), volume/liquidity data (based on the last 21-day median dollar volume), and bid/ask spread data (based on the last 5 trading days) in order to arrive at its cost estimate.

Implementation Shortfall (IS) is the difference in performance between the target portfolio and the transition portfolio at the end of the transition period. The IS captures all explicit and implicit costs of the transition.

Standard Deviation represents the expected dispersion from the estimate over the entire transition period.

Retirement Plan Administration Committee (RPAC) Investment & Fee Actions for 2015 for the El Camino Hospital 403(b) Retirement Plan

Multnomah Group is contracted as a fiduciary retirement plan investment consultant. On a quarterly basis, Multnomah Group reviews the Plan's investments in accordance with the Plan's Investment Policy Statement and reports their findings to the Hospital's Retirement Plan Administration Committee (RPAC). Below is a summary of 2015 Multnomah Group and RPAC actions.

Fund Actions

Effective April 24th, 2015, the RPAC instructed Fidelity to make the below changes:

1. Removed Fidelity Freedom Funds and mapped the assets into the T. Rowe Price Retirement Funds due to persistent underperformance, changes in the investment glide path, portfolio management personnel, and underlying investment management philosophy of the funds.
2. Removed JPMorgan Core Bond Select and mapped the assets into the Fidelity Total Bond to enhance the investment manager's flexibility to invest in non-core sectors of the fixed income market that should provide an opportunity enhance returns.
3. Removed Vanguard Small Cap Index and mapped the assets into the Fidelity Spartan Extended Market Index to enhance a non-large cap domestic index profile.
4. Replaced Principal Fixed Income Guarantee with NY Life Guaranteed Option (Liquid Assets will be Mapped) to increase crediting rate.
5. Removed Artisan Mid Cap Value and mapped the assets into the Northern Small Cap Value to decrease correlation of asset class to Large Cap Value.
6. Removed Buffalo Mid Cap and mapped the assets into the American Beacon Stephens Small Cap Growth to decrease correlation of asset class to Large Cap Growth.
7. Removed AllianzGI NFJ Small Cap Value and mapped the assets into the Northern Small Cap Value due to consistent style drift and underperformance.

Added as a new asset class and investment to enhance diversification and index fund offering:

1. U.S. Bond Market Index - Fidelity Spartan US Bond Market Index
2. International Equity Index - Fidelity Spartan Global ex-US Index
3. International Large Cap Value - Dodge & Cox International Stock
4. International SMID - DFA International Small Company I

➤ See "El Camino Hospital 403(b) Investment Menu Changes" for visual representation of changes.

Unfortunately there were a few errors in addition to one investment mandate change at the fund level. Effective December 31, 2015, all three below recommendations have been implemented. I detail these below:

Fidelity added the *Freedom Fund 2060* fund to all three Plans in February as part of a Fidelity wide plan sponsor project that started in advance of our fund changes. Unfortunately this was not caught by Fidelity in time to stop the addition of this fund to the El Camino Plans. My recommendation was too immediately, and in coordination with the other below changes, communicate to Fidelity that this fund should be removed from the investment menu and all assets in these funds for all Plans should be mapped to the T. Rowe Price Retirement 2060 fund. At the timing of the correction, there was approximately \$300,000 of the Plans' assets in the Freedom Fund 2060.

Fidelity added the *Fidelity Stock Selector All Cap* fund to the 457(f) Plan without RPAC approval. My recommendation was to immediately communicate to Fidelity that this fund should be removed from the investment menu, in coordination with these other changes, and if there are any assets in the fund, that they be mapped to the Fidelity Spartan 500 Index fund. At the time of the correction, there were no assets that needed to be moved.

In early 2014, the *T. Rowe Price Retirement Income Fund* has changed its name to T. Rowe Price Retirement Balanced fund to reflect that the decision made by T. Rowe Price that this fund will no longer be the terminal target date fund and will no longer be offered as a target date fund. This decision was made by T. Rowe Price because, due to the advancement of time, the alternative T. Rowe Price target date funds such as the 2005 fund now have a more conservative investment allocation and should be considered the "income fund." As time moves on, each of the near or past retirement dated funds, such as the 2005 and 2010, will have a more appropriate asset allocation for someone of that target retirement date. Accordingly, Multnomah Group recommended the removal of the T. Rowe Price Balanced fund from the investment menu and the mapping of all the assets from all three Plans into the T. Rowe Price 2005 fund in conjunction with the above fund changes. At the timing of the correction, there were in excess of \$3 Million in all Plan assets in the Balanced Fund.

Fidelity Retirement Money Market

In July 2014, the Securities and Exchange Commission announced new regulations applicable to money market funds. With these regulations, the SEC distinguished two types of money market investors: retail (a category which includes defined contribution plan participants) and institutional. The rules also distinguished two types of money market funds: government & treasury money market funds and prime money market funds. The end result of these regulations is to create three types of money market funds: government & treasury money market funds, prime funds targeted toward retail investors, and prime funds targeted toward institutional investors.

Effective December 1, 2015, the Plans' Fidelity Retirement Money Market fund will change its name to Fidelity MMT Retire Government Money Market. These changes will enable each fund to operate as a government money market fund under the new regulations. The fund will slightly modify its investment strategy and will adopt a principal investment strategy to normally invest at least 99.5% of the fund's total assets in cash and U.S. Government securities. The fund will no longer be permitted to invest more than 25% of total assets in securities issued by the financial securities industry.

Based on these changes, no actions will be taken towards the Fidelity Retirement Money Market Fund.

Watch List/Recommend Removal

Multnomah Group placed the *T. Rowe Price Equity Income fund* on Watch List in March. This decision was based on a pending manager change as well as the fund's recent underperformance. T. Rowe Price announced that longtime Portfolio Manager Brian Rogers will step down in October 2015. John Linehan has worked with Brian Rogers on other large cap value strategies, and has been named as his successor here. Fund performance has significantly lagged the peer group and its large cap value benchmark over the course of 2014 and into 2015. The fund's underweight to healthcare and its exposure to energy stocks have both detracted from returns over the last year. These changes are significant enough to continue the fund's status on the watch list.

Plan Fee Benchmarking

Annually, Multnomah Group conducts a fee benchmarking study for the administration and recordkeeping services provided to the Plan. Multnomah Group creates a Peer Range for fees for Plans of similar size and demographics. The Peer Range is an estimate of the total cost of plan services available in today's market. The range is calculated based on the average account balance of the plan and the number of participants with a plan balance. The Multnomah Group utilized a range of price sources, including existing clients' pricing, vendor responses to recent comparative searches, and discussions with vendors regarding their current pricing structures.

As of June 30, 2015, the 403(b) Plan pays \$92.00 per participant which equates to 0.11% for Plan services. *This is at the bottom of the peer range, determined by Multnomah Group, of 0.11% and 0.16% and is considered by the Multnomah Group and the RPAC to be reasonable for services received.* For details, see the attached "2015 Fee Benchmarking Report- ECH 403(b)."

Share Class Fees

Annually, Multnomah Group works with the Plan's recordkeeper to review the share class expenses of all investment options currently available to the Plan to ensure the lowest net fees are being utilized. Understanding that the Plan pays for recordkeeping and administrative services through the revenue sharing paid by the investments, all investments are invested in the lowest share class available to the Plan at this time that meets the agreed compensation requirements.

Conclusion

With the above described fund corrections, no investments being categorized as "Recommended for Removal," and with the understanding that the Plans service and investment fees are the lowest available for the services required by the hospital, no further actions are recommended.

Brian A. Montanez, AIF, CPC, TGPC

Principal

Multnomah Group, Inc.



El Camino Hospital 403(b) Investment Menu Changes

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Investment Menu Actions

Tier 1: **Removed** Fidelity Freedom Funds **Added** T. Rowe Price Retirement Funds

Tier 2: Core Index Array

	Fixed Income	U.S. Equity	International Equity	Specialty
	New: Fidelity Spartan US Bond Market Index	Fidelity Spartan 500 Index	New: Fidelity Spartan Global Ex-US Index	
		Fidelity Extended Market Index (Remove Vanguard SC Index , map to Fidelity Extended Index)		

Tier 3: Core Active Array

Stable Principal	Fixed Income	U.S. Equity		International Equity		Specialty
Fidelity Retirement Money Market	New: Fidelity Total Bond (Remove JPMorgan Bond)	T. Rowe Price Equity Income	JPMorgan Large Cap Growth	New: Dodge & Cox International Stock	American Fund EuroPacific Growth	
New: New York Life GIA (Remove Principal)		Remove Artisan MC (Map to SC Value)	Remove Buffalo MC (Map to SC Growth)			
		New: Northern SC Value (Remove AllianzGI SV)	American Beacon Stephens Small Cap Growth	New: DFA International Small Company	Cohen & Steers Realty Shares	

Tier 4: Self-Directed Brokerage Account or Mutual Fund Window

Revised Investment Menu (1-1-15)

Tier 1: T. Rowe Price Retirement Funds						
Tier 2: Core Index Array						
	Fixed Income	U.S. Equity		International Equity		Specialty
	Fidelity Spartan US Bond Market Index	Fidelity Spartan 500 Index		Fidelity Spartan Global Ex-US Index		
		Fidelity Extended Market Index				
Tier 3: Core Active Array						
Stable Principal	Fixed Income	U.S. Equity		International Equity		Specialty
Fidelity Retirement Money Market	Fidelity Total Bond	T. Rowe Price Equity Income	JPMorgan Large Cap Growth	Dodge & Cox International Stock	American Fund EuroPacific Growth	Cohen & Steers Realty Shares
New: New York Life GIA		Northern Small Cap Value	American Beacon Stephens Small Cap Growth	DFA International Small Company		
Tier 4: Mutual Fund Window						



06/30/2015 Fee Benchmarking Report

El Camino Hospital 403(b) Retirement Plan

El Camino Hospital 403(b) Retirement Plan

The Employee Retirement Income Security Act of 1974 (ERISA) requires a subject retirement plan's responsible plan fiduciary to ensure that all fees paid out of plan assets are reasonable in light of the services being rendered. Plan sponsors are not required to purchase services from the lowest bidder, but they must be able to demonstrate a deliberative process by which the reasonableness of applicable fees is regularly considered.

The topic of fee reasonableness has become a critical Department of Labor focal point in the last several years, making it extremely important for plan sponsors to be able to clearly articulate the process by which fiduciaries conclude that all plan fees are reasonable considering relevant facts and circumstances. The concept of fee reasonableness has grown so pervasive that plan sponsors not subject to ERISA are also seeking to ensure fee reasonableness as a best practice.

Each year, Multnomah Group provides a plan specific fee benchmarking analysis to assist our clients in meeting the fee reasonableness standard. Multnomah Group uses proprietary market pricing data to determine the fee range specified in our analysis report. Our Peer Range is based on a plan's number of participants with an account balance, as well as the average account balance of the plan. It is Multnomah Group's estimate of the pricing a client would receive if they were to conduct a competitive vendor search process in the marketplace today. The peer range is an estimate, and does not factor in unique plan design issues or service requirements of a plan that may affect actual pricing. Ultimately, the best benchmarking is to conduct a periodic search process, requesting proposals for services from qualified vendors.

Our annual fee benchmarking analysis centers on investment management fees and plan services fees, which typically include services related to recordkeeping and administration, employee education and communications, compliance, and website and call center maintenance. Investment advisory, audit, and legal fees are outside the scope of Multnomah Group's fee benchmarking analysis.

Multnomah Group's goals in providing the annual fee benchmarking analysis to our clients are as follows:

1. Assist ERISA covered clients in meeting ERISA's fee reasonableness standard, or assist ERISA exempt clients in maintaining fee reasonableness as a best practice, by providing meaningful comparison;
2. Assist clients in understanding applicable plan services fees by discussing the current fee structure;
3. Provide a discussion springboard for related topics such as the duty to prudently monitor the plan's vendors; and,
4. Recommend potential next steps (e.g. renegotiate service provider fees and/or service levels, launch formal request for proposal process) depending upon whether current fees fall in or out of the benchmarked range.

Multnomah Group's disciplined manner of helping clients determine the reasonableness of fees helps to promote the likelihood of best possible outcomes for plan participants. Thorough documentation of this annual process is highly recommended. The annual Fee Benchmarking Analysis Report follows on the next pages.

Vendor	Assets	Participants	Total Plan Fees	=	Inv. Mgmt. Fees	+	Recordkeeping Fees
Fidelity	\$303,780,046.27	3,532	\$1,683,043.60 (0.55%)		\$1,358,099.60 (0.45%)		\$324,944.00 (0.11%)
Total	\$303,780,046.27		\$1,683,043.60 (0.55%)		\$1,358,099.60 (0.45%)		\$324,944.00 (0.11%)

Plan Recordkeeping Fees

	Rate	Fees
Base Fee:	\$0.00	\$0.00
Participant Fees: (3532 participants)	\$92.00	\$324,944.00
Asset Based Fees:	0.00%	\$0.00
Revenue Sharing:		\$0.00
Fund Level Wrap Fees:		\$0.00
Revenue Requirement:		\$0.00
Total Recordkeeping Fees (\$):		\$324,944.00
Total Recordkeeping Fees (%):		0.11%
Fees Per Participant (\$):		\$92.00
Peer Group Range:		0.11%-0.16%

3532 participants and \$86,007.94 average account balance

Transaction Fees

	Rate	Vendor Range
Distribution Fee:	\$0	\$0 - \$80
Loan Initiation Fee:	\$50	\$0 - \$150
Loan Maintenance Fee:	\$25	\$0 - \$50
Self-Directed Brokerage Account Fee:	N/A	\$0 - \$250

Fee Description

The plan is a fixed dollar fee arrangement of \$92 per participant. This fee is offset at the plan level by the revenue generated by plan investments. Excess revenue is credited to the plan's revenue credit account. El Camino directs Fidelity to use these funds for plan administrative expenses or distributes it back to participants.

Investment Name	Assets	Investment Product Expense (%)	Revenue Sharing (%)	Net Investment Management Fee (%)	Net Investment Management Fee (\$)
AllianzGI NFJ Small Cap Value I	\$0.00	0.87%	0.10%	0.77%	\$0.00
Amer Beacon Stephens Sm Cap Gr Inst	\$4,257,756.46	1.10%	0.04%	1.06%	\$45,132.22
American Funds EuroPacific Gr R4	\$8,457,472.55	0.84%	0.35%	0.49%	\$41,441.62
Cohen & Steers Instl Realty Shares	\$3,965,694.30	0.75%	0.10%	0.65%	\$25,777.01
DFA Intl Small Company I	\$64,081.89	0.53%	0.00%	0.53%	\$339.63
Dodge & Cox International Stock	\$162,227.14	0.64%	0.10%	0.54%	\$876.03
Fidelity Freedom K 2060	\$41,704.24	0.64%	0.20%	0.44%	\$183.50
Fidelity Mutual Fund Window	\$5,858,756.07	0.00%	0.00%	0.00%	\$0.00
Fidelity Retirement Money Market	\$11,384,806.53	0.42%	0.20%	0.22%	\$25,046.57
Fidelity Spar Global Ex US Idx Adv	\$17,685.85	0.14%	0.00%	0.14%	\$24.76
Fidelity Spartan 500 Index Instl	\$23,110,659.45	0.04%	0.00%	0.04%	\$9,244.26
Fidelity Spartan Ext Mkt Idx Adv	\$12,901,707.16	0.07%	0.00%	0.07%	\$9,031.20
Fidelity Spartan US Bond Idx Adv	\$92,262.54	0.07%	0.00%	0.07%	\$64.58
Fidelity Total Bond	\$8,993,492.04	0.45%	0.20%	0.25%	\$22,483.73
JPMorgan Large Cap Growth R5	\$17,248,335.40	0.70%	0.10%	0.60%	\$103,490.01
Northern Small Cap Value	\$7,995,795.66	1.01%	0.40%	0.61%	\$48,774.35
NY Life GIA Net 35 ECH	\$5,229,894.18	0.35%	0.25%	0.10%	\$5,229.89
Principal Fix Inc Guaranteed-65bps	\$18,873,075.37	0.65%	0.25%	0.40%	\$75,492.30
T. Rowe Price Equity Income	\$5,444,556.29	0.66%	0.15%	0.51%	\$27,767.24
T. Rowe Price Retirement 2005	\$573,257.19	0.58%	0.15%	0.43%	\$2,465.01
T. Rowe Price Retirement 2010	\$8,107,419.67	0.58%	0.15%	0.43%	\$34,861.90
T. Rowe Price Retirement 2015	\$18,445,186.62	0.62%	0.15%	0.47%	\$86,692.38
T. Rowe Price Retirement 2020	\$34,674,158.33	0.66%	0.15%	0.51%	\$176,838.21
T. Rowe Price Retirement 2025	\$21,427,747.37	0.69%	0.15%	0.54%	\$115,709.84
T. Rowe Price Retirement 2030	\$29,332,956.76	0.72%	0.15%	0.57%	\$167,197.85
T. Rowe Price Retirement 2035	\$18,510,018.51	0.74%	0.15%	0.59%	\$109,209.11
T. Rowe Price Retirement 2040	\$17,493,591.35	0.75%	0.15%	0.60%	\$104,961.55
T. Rowe Price Retirement 2045	\$10,312,958.88	0.75%	0.15%	0.60%	\$61,877.75
T. Rowe Price Retirement 2050	\$6,695,864.15	0.75%	0.15%	0.60%	\$40,175.18
T. Rowe Price Retirement 2055	\$459,746.02	0.75%	0.15%	0.60%	\$2,758.48
T. Rowe Price Retirement 2060	\$0.00	0.75%	0.15%	0.60%	\$0.00

Investment Name	Assets	Investment Product Expense (%)	Revenue Sharing (%)	Net Investment Management Fee (%)	Net Investment Management Fee (\$)
T. Rowe Price Retirement Balanced	\$3,647,178.30	0.56%	0.15%	0.41%	\$14,953.43
Totals:	\$303,780,046.27			0.45%	\$1,358,099.60

Investment Name	Assets	Revenue Sharing (%)	Revenue Sharing (\$)	Fund Level Wrap Fee (%)	Fund Level Wrap Fee (\$)
AllianzGI NFJ Small Cap Value I	\$0.00	0.10%	\$0.00	0.00%	\$0.00
Amer Beacon Stephens Sm Cap Gr Inst	\$4,257,756.46	0.04%	\$1,703.10	0.00%	\$0.00
American Funds EuroPacific Gr R4	\$8,457,472.55	0.35%	\$29,601.15	0.00%	\$0.00
Cohen & Steers Instl Realty Shares	\$3,965,694.30	0.10%	\$3,965.69	0.00%	\$0.00
DFA Intl Small Company I	\$64,081.89	0.00%	\$0.00	0.00%	\$0.00
Dodge & Cox International Stock	\$162,227.14	0.10%	\$162.23	0.00%	\$0.00
Fidelity Freedom K 2060	\$41,704.24	0.20%	\$83.41	0.00%	\$0.00
Fidelity Mutual Fund Window	\$5,858,756.07	0.00%	\$0.00	0.00%	\$0.00
Fidelity Retirement Money Market	\$11,384,806.53	0.20%	\$22,769.61	0.00%	\$0.00
Fidelity Spar Global Ex US Idx Adv	\$17,685.85	0.00%	\$0.00	0.00%	\$0.00
Fidelity Spartan 500 Index Instl	\$23,110,659.45	0.00%	\$0.00	0.00%	\$0.00
Fidelity Spartan Ext Mkt Idx Adv	\$12,901,707.16	0.00%	\$0.00	0.00%	\$0.00
Fidelity Spartan US Bond Idx Adv	\$92,262.54	0.00%	\$0.00	0.00%	\$0.00
Fidelity Total Bond	\$8,993,492.04	0.20%	\$17,986.98	0.00%	\$0.00
JPMorgan Large Cap Growth R5	\$17,248,335.40	0.10%	\$17,248.34	0.00%	\$0.00
Northern Small Cap Value	\$7,995,795.66	0.40%	\$31,983.18	0.00%	\$0.00
NY Life GIA Net 35 ECH	\$5,229,894.18	0.25%	\$13,074.74	0.00%	\$0.00
Principal Fix Inc Guaranteed-65bps	\$18,873,075.37	0.25%	\$47,182.69	0.00%	\$0.00
T. Rowe Price Equity Income	\$5,444,556.29	0.15%	\$8,166.83	0.00%	\$0.00
T. Rowe Price Retirement 2005	\$573,257.19	0.15%	\$859.89	0.00%	\$0.00
T. Rowe Price Retirement 2010	\$8,107,419.67	0.15%	\$12,161.13	0.00%	\$0.00
T. Rowe Price Retirement 2015	\$18,445,186.62	0.15%	\$27,667.78	0.00%	\$0.00
T. Rowe Price Retirement 2020	\$34,674,158.33	0.15%	\$52,011.24	0.00%	\$0.00
T. Rowe Price Retirement 2025	\$21,427,747.37	0.15%	\$32,141.62	0.00%	\$0.00
T. Rowe Price Retirement 2030	\$29,332,956.76	0.15%	\$43,999.44	0.00%	\$0.00
T. Rowe Price Retirement 2035	\$18,510,018.51	0.15%	\$27,765.03	0.00%	\$0.00
T. Rowe Price Retirement 2040	\$17,493,591.35	0.15%	\$26,240.39	0.00%	\$0.00
T. Rowe Price Retirement 2045	\$10,312,958.88	0.15%	\$15,469.44	0.00%	\$0.00
T. Rowe Price Retirement 2050	\$6,695,864.15	0.15%	\$10,043.80	0.00%	\$0.00
T. Rowe Price Retirement 2055	\$459,746.02	0.15%	\$689.62	0.00%	\$0.00
T. Rowe Price Retirement 2060	\$0.00	0.15%	\$0.00	0.00%	\$0.00
T. Rowe Price Retirement Balanced	\$3,647,178.30	0.15%	\$5,470.77	0.00%	\$0.00

Investment Name	Assets	Revenue Sharing (%)	Revenue Sharing (\$)	Fund Level Wrap Fee (%)	Fund Level Wrap Fee (\$)
Totals:	\$303,780,046.27	0.15%	\$448,448.10	0.00%	\$0.00

Appendix: Responsibilities for Monitoring Vendor Fees

Retirement plans subject to the Employee Retirement Income Security Act (ERISA) require the responsible plan fiduciary to evaluate the 408(b)(2) disclosures of “covered service providers” (“CSP”) to avoid ERISA prohibited transactions. CSPs are required under ERISA 408(b)(2) to disclose fees and services to affected clients in relation to their obligations to understand and monitor plan expenses. Covered Service Providers include:

- ERISA fiduciary services providers to a covered plan or plan assets
- Registered Investment Advisers
- Recordkeepers and brokers for covered plans
- Most other providers who receive “indirect compensation” for providing services to covered plans (i.e., compensation from a source other than the plan or plan sponsor)

Department of Labor regulations issued under section 408(b)(2) require CSPs disclose to the responsible plan fiduciary detailed information regarding:

- The services provided;
- The direct and indirect compensation the provider expects to receive for its services to the plan;
- The provider's status as a fiduciary or Registered Investment Adviser with respect to a covered plan; and
- Compensation paid among related parties.

The mandatory disclosure is intended to provide transparency with respect to the services being performed and the compensation received, including forms of compensation that are sourced from participant investment returns. Once the responsible plan fiduciary receives their disclosures from the CSPs they have a set responsibility to evaluate the thoroughness of information provided by their vendors as well as the reasonableness of fees incurred. Those responsibilities require the responsible plan fiduciary to:

- Determine whether all required disclosures have been received;
- Evaluate the disclosures to ensure they are complete;
- If a disclosure is incomplete, request the missing information in writing and, if not received within 90 days, notify the DOL that the service provider has failed to make a complete disclosure, and terminate the arrangement; and
- If the disclosure is complete, evaluate it to determine whether the arrangement is reasonable.

Ultimately, the 408(b)(2) disclosure and review process is a critical step in assisting fiduciaries with (i) understanding the array of services provided to a covered plan by its service providers, and (ii) evaluating the reasonableness of fees incurred. With respect to the fiduciary's obligation to review the disclosures, the preamble to the DOL's 408(b)(2) regulation state; “Fiduciaries should be able to, at a minimum, compare the disclosures they receive from a covered service provider to the requirements of the regulation and form a reasonable belief that the required disclosures have been made.”

The burden of demonstrating compliance with 408(b)(2) falls to both plan fiduciaries and CSPs. The Department of Labor is not required to demonstrate that a failure occurred. For these reasons, the review of 408(b)(2) disclosures from a plan's CSPs should be documented in the fiduciary records. Plan sponsors should note that 408(b)(2) disclosures are not necessarily an annual disclosure provided by CSPs; however, disclosures must be updated any time the required 408(b)(2) information changes or the fiduciary enters into a new agreement with the CSP. At these times, the fiduciary should consider whether the new arrangement is reasonable and document the decision.

The prior report is Multnomah Group's review of the costs associated with the recordkeeper as CSP to the Plan.



INVESTMENT COMMITTEE

Goals for FY 2017

Purpose

The purpose of the Investment Committee is to develop and recommend to El Camino Hospital Board of Director the investment policies governing the Hospital’s assets, maintain current knowledge of the management and investment of the invested funds of the Hospital, and provide oversight of the allocation of the investment assets.

Staff: Iftikhar Hussain, CFO

The CFO shall serve as the primary staff support to the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair’s consideration. Additional members of the hospital staff may participate in the Committee meetings upon the recommendation of the CFO and subsequent approval from the Committee Chair. The CEO is an ex-officio member of this Committee.

Goals	Timeline by Fiscal Year (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable)	Metrics
1. Review performance of consultant recommendations of managers and asset allocations.	<ul style="list-style-type: none"> ▪ Each quarter –Ongoing 	<ul style="list-style-type: none"> ▪ Investment Committee to review selection of money managers; recommendations are made to CFO
2. Educate Board and Committee: Investment strategy adjustments in low return environment	<ul style="list-style-type: none"> ▪ Q1 	<ul style="list-style-type: none"> ▪ Complete by end of Q1
3. Review/revise Executive Dashboard.	<ul style="list-style-type: none"> ▪ Each quarter - Ongoing 	<ul style="list-style-type: none"> ▪ Complete by June 2017
4. Meet with the Finance Committee to help align investment philosophy with capital and cash flow needs.	<ul style="list-style-type: none"> ▪ Q4. 	<ul style="list-style-type: none"> ▪ Complete by end of Q4

Submitted by: Iftikhar Hussain, Executive Sponsor, Investment Committee

**INVESTMENT COMMITTEE
FY 2017 PACING - DRAFT**

FY2017: Q1		
JULY – NO MEETING	AUGUST 8, 2016 Meeting	SEPTEMBER – NO MEETING
N/A	<ul style="list-style-type: none"> ▪ Review hospital financial performance ▪ Review investment performance ▪ Review manager selection as needed ▪ Educate Committee on Investment Strategy in low return environments 	N/A
FY2017: Q2		
OCTOBER – NO MEETING	NOVEMBER 18, 2016 Meeting	DECEMBER – NO MEETING
N/A	<ul style="list-style-type: none"> ▪ Review hospital financial performance ▪ Review investment performance ▪ Review manager selection as needed 	N/A
FY2017: Q3		
JANUARY 30, 2017	FEBRUARY 13, 2017 Meeting	MARCH – NO MEETING
<ul style="list-style-type: none"> ▪ <i>Joint Finance Committee and Investment Committee meeting.</i> 	<ul style="list-style-type: none"> ▪ Review hospital financial performance ▪ Review investment performance ▪ Review manager selection as needed ▪ Propose FY2018 Goals/Meeting Dates/ Pacing Plan 	N/A
FY2017: Q4		
APRIL – NO MEETING	MAY 8, 2017 Meeting	JUNE – NO MEETING
N/A	<ul style="list-style-type: none"> ▪ Review investment performance ▪ Review manager selection as needed ▪ Review performance of investment advisor ▪ Review self-assessment results ▪ 403(b) Investment Performance 	N/A