

AGENDA

Investment Committee Meeting Of the El Camino Hospital Board

Monday, August 8, 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 – 5:40
Approval: a. Minutes of Investment Committee - May 9, 2016 Minutes Information: b. CFO – Report Out – Finance Committee Open Session Materials c. El Camino Hospital Financial Performance d. Updated 2017 Pacing Plan e. Article of Interest ATTACHMENT 4			
5. REPORT ON BOARD ACTIONS ATTACHMENT 5	John Zoglin, Chair		Information 5:40 – 5:45
6. INVESTMENT COMMITTEE SCORECARD and PERFORMANCE REVIEW a. Investment Committee Scorecard b. Second Quarter Performance Review ATTACHMENT 6	Antonio DiCosola, Pavilion Advisory Group		Information 5:45 – 6:30
7. COMMITTEE EDUCATION: INVESTMENT STRATEGY IN LOW RETURN ENVIRONMENTS ATTACHMENT 7	Antonio DiCosola, Pavilion Advisory Group		Information 6:30 – 6:50

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AGENDA ITEM	PRESENTED BY		
8. PRIVATE EQUITY OPTIONS <u>ATTACHMENT 8</u>	Antonio DiCosola, Pavilion Advisory Group		Information 6:50 – 7:20
9. ADJOURN TO CLOSED SESSION			7:20
10. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	John Zoglin, Chair		7:20 – 7:21
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. - May 9 th , 2016	John Zoglin, Chair		Motion 7:21 – 7:24
12. RECONVENE OPEN SESSION			7:24 – 7:25
To report any required disclosures regarding permissible actions taken during Closed Session.	John Zoglin, Chair		
13. ADJOURNMENT	John Zoglin, Chair		7:25 p.m.

Important Dates:

FY 2017 Investment Committee Meetings

- November 14, 2016
- January 30, 2017 – *Joint Finance & Investment Committee Meeting*
- February 13, 2017
- May 8, 2017

Semi-Annual Board and All Committee Meetings

- October 26, 2016
- April 26, 2017

a. Minutes of Investment Committee - May 9, 2016
Minutes

**Minutes of the Open Session of the
 Investment Committee of the Board of Directors
 Monday, May 9, 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.

Members Absent
Members Excused

A quorum was present at the El Camino Hospital Investment Committee on the 9th day of May, 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 5:27 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><u>Motion:</u> To approve the consent calendar (Open Minutes of the February 8, 2016 Investment Committee Meeting, and Joint Minutes of the January 25, 2016 Finance and Investment Committees).</p> <p><u>Movant:</u> Kalbach</p> <p><u>Second:</u> Conover</p> <p><u>Ayes:</u> Boone, Davis, Nelson, Conover, Kalbach, and Zoglin.</p> <p><u>Abstentions:</u> None</p> <p><u>Absent:</u> None</p> <p><u>Excused:</u> None</p> <p><u>Recused:</u> None</p>	<i>The Open Minutes of the February 8, 2016 Investment Committee Meeting, and Joint Minutes of the January 25, 2016 Finance and Investment Committees were approved.</i>
5. REPORT ON BOARD ACTIONS	Chair Zoglin reported that the Board is currently focused on the close of the FY16 Budget, the recent land purchase in South San Jose, the opening of 3 Urgent Care Facilities, and the upcoming renovation projects including:	<i>None</i>

Agenda Item	Comments/Discussion	Approvals/Action
	<p>MV Parking Structure, Behavioral Health Building, and the iMOB Building.</p> <p><i>*Investment Committee requested standing agenda items to include:</i></p> <ul style="list-style-type: none"> <i>Hospital Financial Update and Finance Committee Open session materials and/or Finance Committee Report to be included on the consent calendar as information.</i> 	
<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 March 31, 2016 and reported the following:</p> <p>a. Scorecard: 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. 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. The 403(b) balance increased by \$15.8 million during the quarter, a little over 5%.</p> <p>b. First Quarter Performance Review: Surplus Cash; 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</p>	

Agenda Item	Comments/Discussion	Approvals/Action
	<p>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%). Mr. DiCosola further noted 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 "Vshaped" recovery in equities.</p> <ul style="list-style-type: none"> • While Pavilion recommended no changes to the traditional asset manager lineup at this time, a small cap growth (Cortina) manager search was presented later in the meeting. <i>(Refer to 6f)</i> <p>Cash Balance Plan; 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</p>	

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	<p>performance, returning -10.2% vs. 0.7% for the Russell 1000 Growth Index and ranking near the bottom of its peer group. As noted above, 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.</p> <ul style="list-style-type: none"> • While Pavilion recommended no changes to the traditional asset manager lineup at this time, a small cap growth (Cortina) manager search was presented later in the meeting. <i>(Refer to 6f)</i> <p>c. Hedge Fund; 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</p>	

Agenda Item	Comments/Discussion	Approvals/Action
	<p>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%. Mr. DiCosola reported in further detail the performance of hedge funds as submitted in the committee packet.</p> <ul style="list-style-type: none"> • Pavilion recommended no changed at this time. <p>d. Asset Class and Investment Strategy Mix: Mr. DiCosola presented an overview of the Asset Class and Investment Strategy Mix as of March 31, 2016. He further examined the structure of the El Camino Surplus Cash portfolio, including the asset classes invested, the goal of each underlying investment strategy utilized, and manager risk assessment as further detailed in the materials submitted in the Investment Committee packet.</p> <ul style="list-style-type: none"> • Pavilion recommended no changed at this time. <p>e. May 2016 Asset Allocation Review: Mr. DiCosola reported that Pavilion last presented an asset allocation review for the Surplus Cash portfolio to El Camino Hospital in February of 2015. At that time the Committee elected at that time 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. 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. He further detailed Peer Comparison, Mean Variance Optimization, and Stochastic Modeling. Mr. DiCosola asked the Committee for questions and feedback and discussion ensued. The Committee asked for follow up discussion on Source of funds, designation of funds, Reporting, and Risk vs. Return.</p> <ul style="list-style-type: none"> • Pavilion recommended either maintaining the current asset allocation or if agreeable, adding a 5% target allocation to private equity with the 	

Agenda Item	Comments/Discussion	Approvals/Action
	<p>proceeds coming from public equity.</p> <p><i>*Items to be agendized for the August 8th meeting: Source of funds, Designation of funds, Reporting, and Risk vs. Return.</i></p> <p>f. Small-Cap Growth Equity Search: Mr. DiCosola presented the Committee with an overview of various candidates included in the Small-Cap Growth Equity Search. He provided in-depth Summaries, Comparative Analysis, Performance, and Manager Profiles on each candidate. Discussion ensued.</p> <ul style="list-style-type: none"> • Pavilion recommended Conestoga Capital Advisors as a Small-Cap Growth manager. 	
<p>7. 403(b) REVIEW</p>	<p>Brian Montanez, Multnomah Group, reported to the Committee that on a quarterly basis, Multnomah Group reviews the 403(b) 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.</p> <p>Fund Actions: Effective April 24th, 2015, the RPAC instructed Fidelity to make the below changes:</p> <ol style="list-style-type: none"> 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. 	<p><i>None</i></p>

Agenda Item	Comments/Discussion	Approvals/Action
	<p>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.</p> <p>7. Removed AllianzGI NFJ Small Cap Value and mapped the assets into the Northern Small Cap Value due to consistent style drift and underperformance.</p> <p>Added as a new asset class and investment to enhance diversification and index fund offering:</p> <ol style="list-style-type: none"> 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. 4. International SMID - DFA International Small Company I <p>Mr. Montanez reported in further detail on the 403(b) fund plan and revisions as submitted in the committee packet, and asked the Committee for questions and feedback; discussion ensued.</p> <p><i>*Update Pacing Plan to reflect this agenda item for review at the February Investment Committee Meeting.</i></p>	
<p>8. FY17 GOALS AND PACING PLAN</p>	<p>Ifthikhar Hussain, Chief Financial Officer, submitted the proposed FY17 Goals and FY17 Pacing Plan to the Committee for approval.</p> <p><u>Motion:</u> To approve the FY17 Goals and FY17 Pacing Plan.</p> <p><u>Movant:</u> Davis</p> <p><u>Second:</u> Kalbach</p> <p><u>Ayes:</u> Boone, Davis, Nelson, Conover, Kalbach, and Zoglin.</p> <p><u>Abstentions:</u> None</p> <p><u>Absent:</u> None</p> <p><u>Excused:</u> None</p> <p><u>Recused:</u> None</p>	<p><i>The FY17 Goals and FY17 Pacing Plan were approved.</i></p>
<p>9. ADJOURN TO CLOSED SESSION</p>	<p><u>Motion:</u> To adjourn to closed session at 7:15 pm.</p> <p><u>Movant:</u> Kalbach</p> <p><u>Second:</u> Conover</p> <p><u>Ayes:</u> Boone, Conover, Davis, Kalbach, Nelson, and Zoglin.</p> <p><u>Abstentions:</u> None</p> <p><u>Absent:</u> None</p> <p><u>Excused:</u> None</p>	<p><i>A motion to adjourn to closed session at 7:15 p.m. was approved.</i></p>

Agenda Item	Comments/Discussion	Approvals/Action
	<u>Recused:</u> None	
10. AGENDA ITEM 14 RECONVENE OPEN SESSION/ REPORT OUT	<i>Agenda Items 10 through 13 were conducted in closed session.</i> Chair Zoglin reported that the Closed Minutes of the February 8, 2016 Investment Committee were approved.	<i>None</i>
11. AGENDA ITEM 15 ADJOURNMENT	<u>Motion:</u> To adjourn the Investment Committee meeting at 7:42 pm. <u>Movant:</u> Nelson <u>Second:</u> Kalbach <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	<i>A motion to adjourn to the Investment Committee meeting at 7:42 pm 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

b. CFO – Report Out – Finance Committee Open Session Materials

Item:	Finance Committee Report El Camino Hospital Investment Committee (IC) August 8, 2016
Responsible party:	Dennis Chiu, Finance Committee Chair
Action requested:	For Discussion
Background:	The Finance Committee meets 6 times per year. The Committee last met on August 1, 2016 and meets next on September 26, 2016.
Board Advisory Committee(s) that reviewed the issue and recommendation, if any:	The Governance Committee reviewed the Finance Committee's Charter
Summary and session objectives:	<p>To update the IC on the work of the Committee.</p> <ul style="list-style-type: none"> • The Committee discussed the update on the second round of bond financing, consisting of \$270 million in revenue bonds and refinancing \$93 million of General Obligation (G.O.) bonds. The G.O. bonds will provide assessed value savings to District residents. • The Committee received a presentation on the Integrated Performance Improvement (IPI) process, illustrating continuing efforts to contain costs and improve quality. • The Finance Committee's charter previously allowed 2-3 external (non-Hospital Board member) advisors with expertise relevant to the Committee's area of responsibility. The Committee approved revisions to its Charter to allow the appointment of two new candidates, increasing total possible Committee membership to 6 (2 Hospital Board members and 4 external advisors). • The Committee interviewed two candidates, and now recommends the Board appoint Mr. Boyd Faust and Mr. Joseph Chow to the Finance Committee. The candidates confirmed that, if the Board appoints them, they will accept the appointment. The candidate resumes are attached.
Suggested discussion questions:	None.
Proposed Board motion, if any:	<ol style="list-style-type: none"> 1) To approve the Finance Committee's revised charter to allow the appointment of two new Committee members. 2) To approve the Finance Committee's recommendation to appoint Mr. Boyd Faust and Mr. Joseph Chow as members of the Finance Committee for a term expiring June 30, 2017, renewable annually.
LIST OF ATTACHMENTS:	The Finance Committee Open Session Materials may be accessed by clicking here .

El Camino Hospital Financial Performance



El Camino Hospital

THE HOSPITAL OF SILICON VALLEY

Summary of Financial Operations

Fiscal Year 2016 – Period 12
7/1/2015 to 6/30/2016

Dashboard - ECH combined as of June 30, 2016

	Annual						Month			YTD		
	2012	2013	2014	2015	2016 Proj.	2016 Bud/Target	PY	CY	Bud/Target	PY	CY	Bud/Target
Volume												
Licensed Beds	443	443	443	443	443	443	443	443	443	443	443	443
ADC	220	240	238	246	243	245	237	248	240	246	242	245
Adjusted Discharges	30,558	32,221	32,003	32,507	31,392	32,696	2,872	2,586	2,734	32,507	31,392	32,696
Inpatient Cases												
Total Discharges	18,231	19,220	18,567	19,081	18,618	19,262	1,611	1,531	1,599	19,081	18,618	19,262
Deliveries	4,600	5,227	5,155	5,273	4,914	5,193	446	415	429	5,273	4,914	5,191
BHS	899	851	844	872	798	850	77	68	72	872	798	850
Rehab	447	537	557	563	508	570	37	50	48	563	508	570
Outpatient												
ED	53,686	48,091	49,543	52,487	51,599	52,151	5,460	4,278	4,351	52,487	51,599	52,151
Procedural Cases												
OP Surg	5,318	5,838	6,385	6,474	6,098	6,676	591	564	566	6,474	6,098	6,677
Endo		2,400	2,635	2,829	2,458	2,825	252	217	238	2,829	2,458	2,826
Interventional		1,508	1,705	1,878	1,969	1,901	175	165	177	1,878	1,969	1,901
All Other	140,961	175,708	164,206	133,371	128,453	134,601	11,421	10,898	11,558	133,006	128,453	134,602
Financial Performance (\$000s)												
Net Revenues	629,585	686,327	721,123	746,645	772,573	743,754	69,257	73,717	65,909	746,645	772,573	743,754
Operating Expenses	576,354	632,353	669,680	689,631	743,101	715,481	60,060	65,591	60,095	689,631	743,101	715,481
Operating Income \$	67,276	69,126	70,305	78,120	52,839	50,138	11,355	11,677	9,027	78,120	52,839	50,138
Operating Margin	10.5%	9.9%	9.5%	10.2%	6.6%	6.5%	15.9%	15.1%	13.1%	10.2%	6.6%	6.5%
EBITDA \$	124,420	124,722	125,254	128,002	107,778	100,393	13,874	16,543	13,514	128,002	107,778	102,074
EBITDA %	19.3%	17.8%	16.9%	16.7%	13.5%	13.1%	19.4%	21.4%	19.6%	16.7%	13.5%	13.3%
IP Margin	0.4%	-1.1%	-3.2%	-4.5%	-7.1%	-1.0%	-4.4%	-7.0%	-1.0%	-3.4%	-7.1%	-1.0%
OP Margin	24.7%	25.9%	25.2%	28.1%	27.0%	25.0%	26.9%	28.4%	25.0%	27.1%	27.0%	25.0%
Payor Mix												
Medicare	46.2%	46.4%	44.7%	46.3%	46.6%	46.4%	47.9%	46.2%	46.4%	46.3%	46.6%	46.4%
Medi-Cal	5.3%	4.9%	6.0%	6.6%	7.4%	6.5%	7.0%	8.4%	6.5%	6.6%	7.4%	6.5%
Commercial IP	25.2%	25.3%	25.4%	24.2%	23.2%	24.0%	22.0%	23.2%	24.0%	24.2%	23.2%	24.0%
Commercial OP	16.3%	16.9%	18.6%	18.7%	18.7%	19.0%	19.2%	18.5%	19.0%	18.7%	18.7%	19.0%
total commercial	41.5%	42.2%	44.0%	42.9%	41.9%	43.0%	41.3%	41.8%	43.0%	42.8%	41.9%	43.0%
Other	7.0%	6.6%	5.4%	4.3%	4.1%	4.1%	3.9%	3.7%	4.1%	4.3%	4.1%	4.1%
Cost												
Employees	2,156.7	2,289.0	2,435.6	2,452.4	2,509.5	2,456.6	2,477.1	2,525.7	2,509.7	2,452.9	2,509.5	2,456.6
Hrs/APD	29.42	29.66	29.72	29.31	30.68	29.48	29.19	29.79	30.54	29.31	30.68	29.48
Balance Sheet												
Net Days in AR	48.1	47.8	50.9	43.6	53.5	48.0	43.6	53.5	48.0	43.6	53.5	48.0
Days Cash	321	350	382	401	361	262	402	361	262	402	361	262
Debt to Capitalization	15.8%	14.0%	12.6%	13.6%	13.8%	29.0%	14.8%	13.8%	29.0%	14.8%	13.8%	29.0%
MADS	7.2	8.0	9.5	8.9	6.1	1.2	9.0	6.1	1.2	9.0	6.1	1.2
Affiliates - Net Income (\$000s)												
Hosp	71,286	88,820	118,906	94,787	44,348	72,460	6,196	15,531	10,888	94,787	44,348	72,460
Concern	1,472	371	1,862	1,202	1,761	1,751	(406)	(176)	388	1,202	1,761	1,751
ECSC			(5)	(41)	(280)	0	(15)	31	0	(41)	(280)	0
Foundation	138	1,545	3,264	710	980	1,315	(403)	61	173	710	980	1,315
SVMD	(30)	(114)	32	106	29	0	(8)	(56)	0	106	29	0

Inpatient volume is 3.3% below budget for the year primarily due to lower surgeries and deliveries, and rehab cases due to construction.

Outpatient volume was lower than budget by 4.5% due to the lower than budget ED visits, OP surgeries and endoscopy cases both for the month of June and YTD. Interventional EP cases, on the other hand, shows a trend of increase with 3.6% ahead of budget for the year.

Operating margin for June was \$2.6M favorable compared to budget due to better charge capture, high collection rate and \$1.2M Prime IGT accrual. Operating margin for the year is \$2.7 million favorable primarily due to high revenue offset by EPIC related expenses in labor and training, pharmacy and surgical medical supply expenses and not achieving budget cost reduction targets in other expenses.

Payor mix is unfavorable primarily due to lower deliveries since deliveries are mainly commercial.

Productivity for the year is behind budget but has improved after EPIC go-live and hrs/APD are lower than budget in June.

AR days continue to improve after EPIC go-live. The Anthem renewal required a bill hold offsetting the improvement trend.

Fiscal Year 2016 Fiscal Period 12 (7/1/2015-6/30/2016) Waterfall

		Year to Date (YTD)	
		Net Income Impact	% Net Revenue
\$ in Thousands			
Budgeted Hospital Operations FY2016		50,138	6.3%
Net Revenue		30,321	4.0%
	* Patient Income		
	* Prime IGT		
	* Integrated Care budgeted (BPSI)		
	* Foundation Income (\$468) plus Misc		
Labor and Benefit Expense Change		(3,947)	-0.5%
	* Net Budgeted Labor -\$5.7M; \$2.3M is RN salaries (net Agency - \$5.9M and EE\$ 3.6M), EPIC Labor \$-1.6M, plus -\$1.8M budgeted savings not realized		
	* Actuarial over accrued earlier in year \$4M		
Professional Fees & Purchased Services		(4,103)	-0.5%
	* EPIC (-\$3.7M)		
	* Marketing (Web) (-\$1M)		
Supplies		(6,012)	-0.8%
	* Drug (-\$4.5M)		
	* Surgical (Implants, Joints, Valves, Spine; -\$3.9M)		
Other Expenses		(10,155)	-1.3%
	* HPO Savings (-\$7M)		
	* EPIC training (-\$3.3M)		
Depreciation & Interest		(3,403)	-0.4%
	* Interest Expense (-\$813K)		
	* Amortization Loss (-\$400K)		
	* Depreciation (-\$2.2M)		
Actual Hospital Operations FY2016		52,839	6.9%

El Camino Hospital (\$000s) ⁽¹⁾

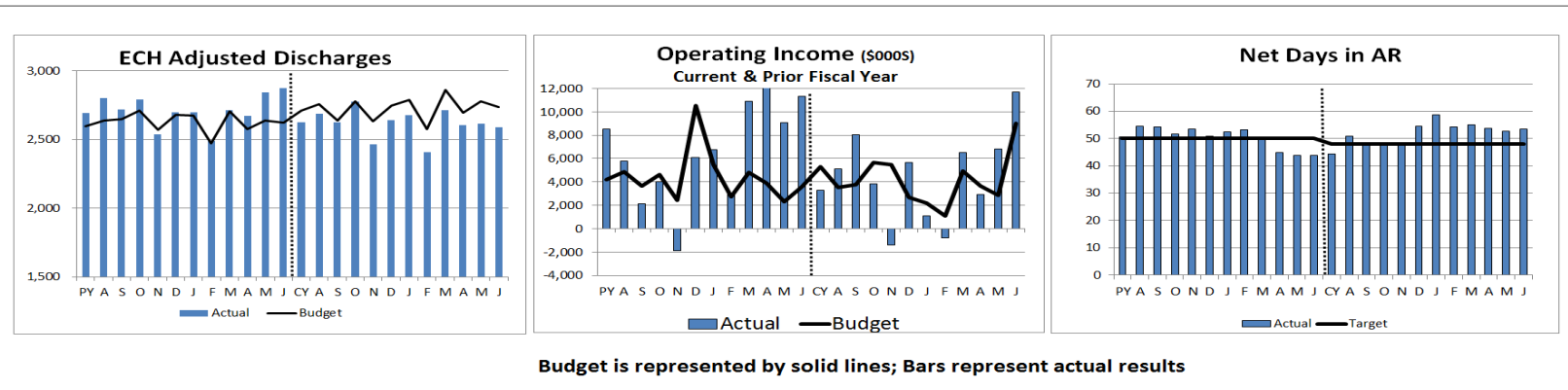
12 months ending 6/30/2016

PERIOD 12 FY 2015	PERIOD 12 FY 2016	PERIOD 12 Budget 2016	Variance Fav (Unfav)	Var%
226,473	234,757	224,987	9,770	4.3%
(157,215)	(161,039)	(159,078)	(1,961)	1.0%
69,257	73,717	65,909	7,808	11.8%
2,157	3,551	3,214	337	10.5%
71,415	77,268	69,123	8,145	11.8%
33,226	38,338	36,844	(1,493)	-4.1%
10,160	11,296	9,271	(2,025)	-21.8%
11,818	9,094	7,998	(1,097)	-13.7%
2,338	1,998	1,496	(502)	-33.6%
(1,206)	616	448	(168)	-37.6%
3,725	4,249	4,039	(211)	-5.2%
60,060	65,591	60,095	(5,496)	-9.1%
11,355	11,677	9,027	2,650	29.4%
(5,159)	3,854	1,860	1,994	107.2%
6,196	15,531	10,888	4,644	42.7%
19.4%	21.4%	19.6%	1.9%	
15.9%	15.1%	13.1%	2.1%	
8.7%	20.1%	15.8%	4.3%	

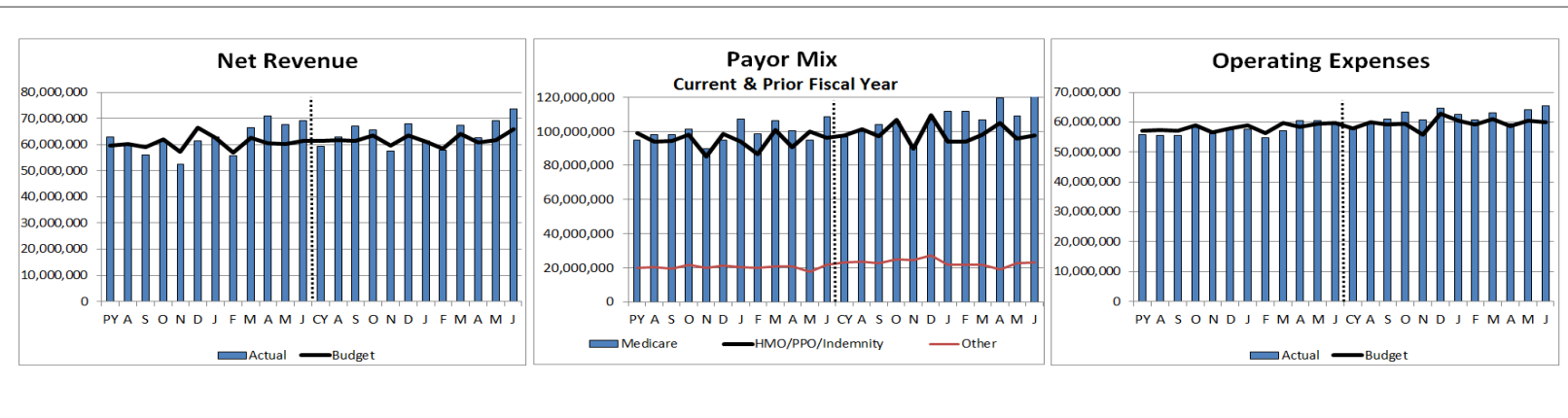
\$000s	YTD FY 2015	YTD FY 2016	YTD Budget 2016	Variance Fav (Unfav)	Var%
OPERATING REVENUE					
Gross Revenue	2,573,881	2,755,387	2,713,439	41,948	1.5%
Deductions	(1,827,236)	(1,982,815)	(1,969,685)	(13,130)	0.7%
Net Patient Revenue	746,645	772,573	743,754	28,818	3.9%
Other Operating Revenue	21,105	23,367	21,864	1,503	6.9%
Total Operating Revenue	767,751	795,939	765,618	30,321	4.0%
OPERATING EXPENSE					
Salaries & Wages	410,072	435,958	432,011	(3,947)	-0.9%
Supplies	109,961	118,246	112,234	(6,012)	-5.4%
Fees & Purchased Services	92,373	99,449	95,346	(4,103)	-4.3%
Other Operating Expense	27,342	34,508	23,953	(10,555)	-44.1%
Interest	5,256	6,191	5,378	(813)	-15.1%
Depreciation	44,627	48,748	46,558	(2,189)	-4.7%
Total Operating Expense	689,631	743,101	715,481	(27,620)	-3.9%
Net Operating Income/(Loss)	78,120	52,839	50,138	2,701	5.4%
Non Operating Income	16,668	(8,601)	22,323	(30,924)	-138.5%
Net Income(Loss)	94,787	44,238	72,460	(28,222)	-38.9%
EBITDA	16.7%	13.5%	13.3%	0.2%	
Operating Margin	10.2%	6.6%	6.5%	0.1%	
Net Margin	12.3%	5.6%	9.5%	-3.9%	

⁽¹⁾ Hospital entity only, excludes controlled affiliates

Monthly Financial Trends

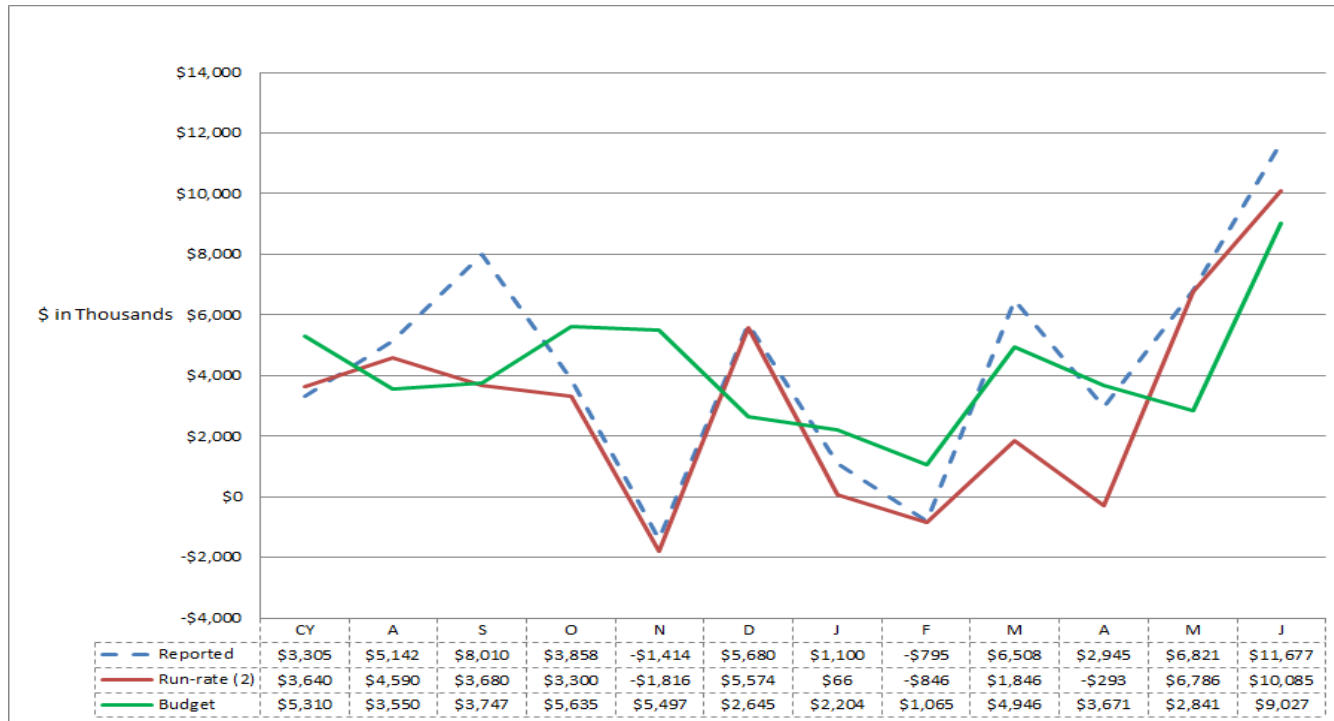


Volume is low mainly in deliveries and surgeries.
AR EPIC recovery offset by Anthem contract renewal bill hold.



ECH Operating Margin

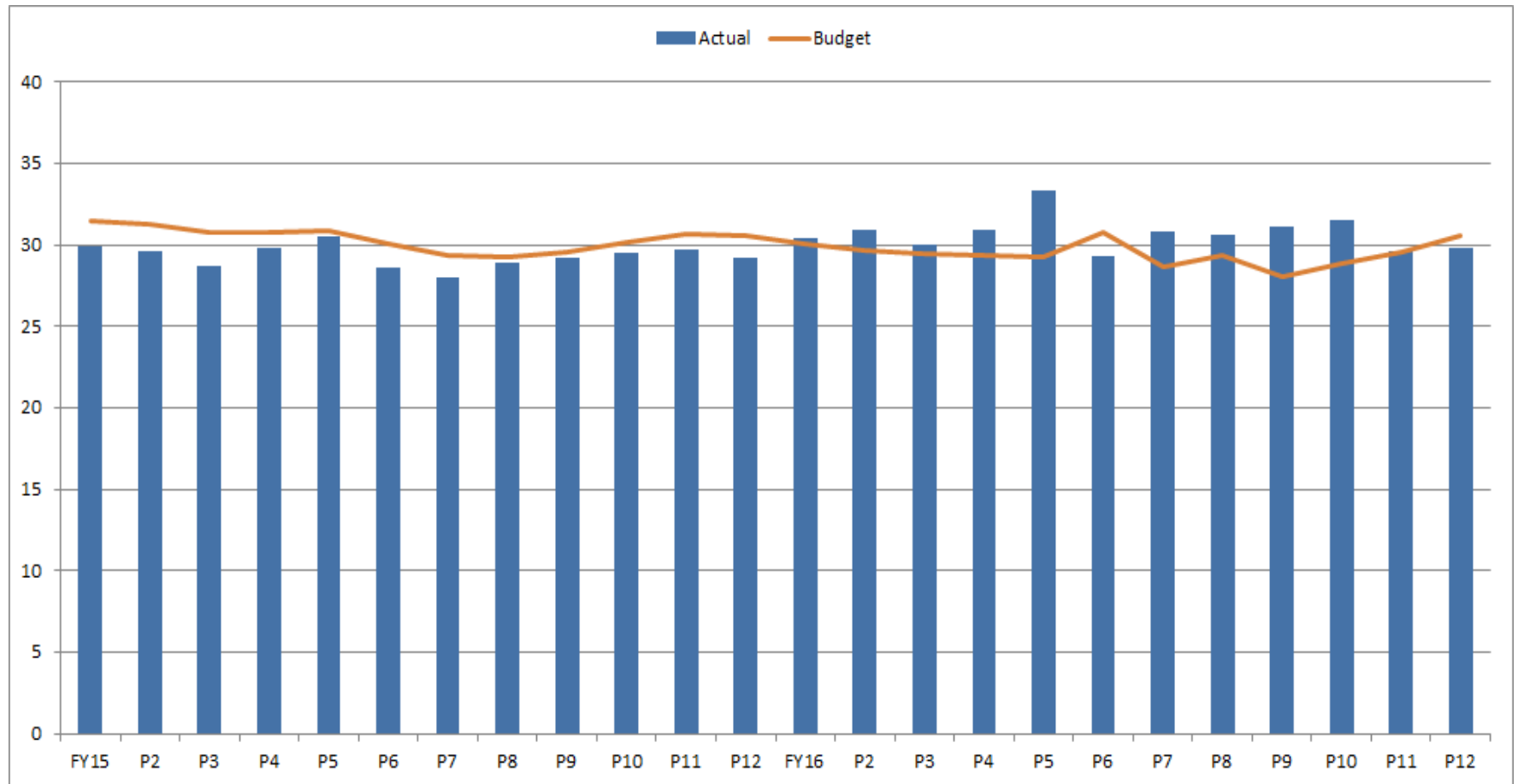
Run rate is booked operating income adjusted for material non-recurring transactions



FY 2016 Actual Run Rate Adjustments (in thousands)													
		J	A	S	O	N	D	J	F	M	A	M	J
Revenue Adjustments	RAC Release	\$549	\$0	\$17	-\$262	-\$369	\$76	-\$274	\$0	-\$1,326	-\$29	\$0	-\$91
	Insurance Overpayment Release	-\$60	-\$53	-\$4,913	-\$240	\$0	-\$149	\$0	\$0	\$0	-\$2,102	\$0	\$0
	Medicare Settlements/Appeal/Tentative Settlement	-\$49	-\$569	-\$183	-\$33	-\$33	-\$33	-\$761	-\$51	-\$304	-\$78	-\$67	-\$139
	BPCT settlement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$76	\$0
	RFBN Settlement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Meaningful use	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$544	\$0	\$0	\$0
	Tricare	-\$182	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Hospital Fee	\$0	\$0	-\$433	-\$24	\$0	\$0	\$0	\$0	\$0	\$0	-\$45	-\$191
	AB 915	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$1,028	\$0	\$0
	PRIME Incentive	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$1,170
	Total	\$259	-\$622	-\$5,513	-\$559	-\$402	-\$106	-\$1,035	-\$51	-\$1,683	-\$3,238	-\$35	-\$1,592
Expense Adjustments	Pay-For-Performance Bonus	\$76	\$69	\$1,183	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Actuarial Exp for Workers Comp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,979	\$0	\$0	\$0
	Total	\$76	\$69	\$1,183	\$0	\$0	\$0	\$0	\$0	\$2,979	\$0	\$0	\$0

- Revenue adjustment of \$1.2M for Prime IGT accrual for June.

Worked Hours per Adjusted Patient Day



Productivity has improved after EPIC go-live and is ahead of target in June

Summary of Financial Results

\$ in Thousands

	Period 12 - Month			Period 12 - FYTD		
	Actual	Budget	Variance	Actual	Budget	Variance
El Camino Hospital Income (Loss) from Operations						
Mountain View	11,626	8,392	3,235	47,313	41,574	5,739
Los Gatos	51	636	(585)	5,526	8,563	(3,037)
Sub Total - El Camino Hospital, excl. Affiliates	11,677	9,027	2,650	52,839	50,138	2,701
Operating Margin %	15.1%	13.1%		6.6%	6.5%	
El Camino Hospital Non Operating Income						
Investments	4,821	2,298	2,523	698	27,571	(26,874)
Swap Adjustments	(1,039)	0	(1,039)	(3,214)	0	(3,214)
Community Benefit	(86)	(233)	147	(2,716)	(2,799)	83
Other	159	(204)	363	(3,369)	(2,450)	(919)
Sub Total - Non Operating Income	3,854	1,860	1,994	(8,601)	22,323	(30,924)
El Camino Hospital Net Income (Loss)	15,531	10,888	4,644	44,238	72,460	(28,222)
ECH Net Margin %	20.1%	15.8%		5.6%	9.5%	
Concern	(176)	388	(564)	1,761	1,751	10
ECSC	31	0	31	(280)	0	(280)
Foundation	61	173	(112)	980	1,315	(335)
Silicon Valley Medical Development	(56)	0	(56)	29	0	29
Net Income Hospital Affiliates	(141)	561	(702)	2,490	3,066	(577)
Total Net Income Hospital & Affiliates	15,390	11,449	3,942	46,727	75,526	(28,799)

Actual to Budget Variance for hospital affiliates primarily due to drug, medical supplies, and EPIC labor/training expenses .

Tracking Smart Growth

COMBINED CAMPUS						Result Away from Goal
	FY15 Year to Date	FY16 Year to Date	Change	%	Annual Goal	
Inpatient Discharges	19,081	18,618	(463)	-2.4%	300	(763)
Surgical Outpatient Cases (incl Litho)	6,474	6,099	(375)	-5.8%	290	(665)
Endo Outpatient procedures	2,829	2,457	(372)	-13.1%	0	(372)
Outpatient Interventional Cases	1,878	1,965	87	4.6%	10	77
Total Case Volume	30,262	29,139	(1,123)	-3.7%	600	(1,723)
NEW Physician Total		460	460			
Pre-existing Physician Total	30,262	28,679	(1,583)	-5.2%		
# New Physicians*		10			15	

* New Physicians: MDs with 20% or more inpatient or procedural (above definition) cases (at least 10) and/or New PCP (OB, Internal Med, Fam Prac)

Mountain View Campus			
	FY15 Year to Date	FY16 Year to Date	Change
Inpatient Discharges	15,619	15,361	(258)
Surgical Outpatient Cases (incl Litho)	3,407	3,235	(172)
Endo Outpatient procedures	2,606	2,351	(255)
Outpatient Interventional Cases	1,856	1,942	86
Total Case Volume	23,488	22,889	(599)

Los Gatos Campus			
	FY15 Year to Date	FY16 Year to Date	Change
Inpatient Discharges	3,462	3,257	(205)
Surgical Outpatient Cases (incl Litho)	3,067	2,864	(203)
Endo Outpatient procedures	223	106	(117)
Outpatient Interventional Cases	22	23	1
Total Case Volume	6,774	6,250	(524)

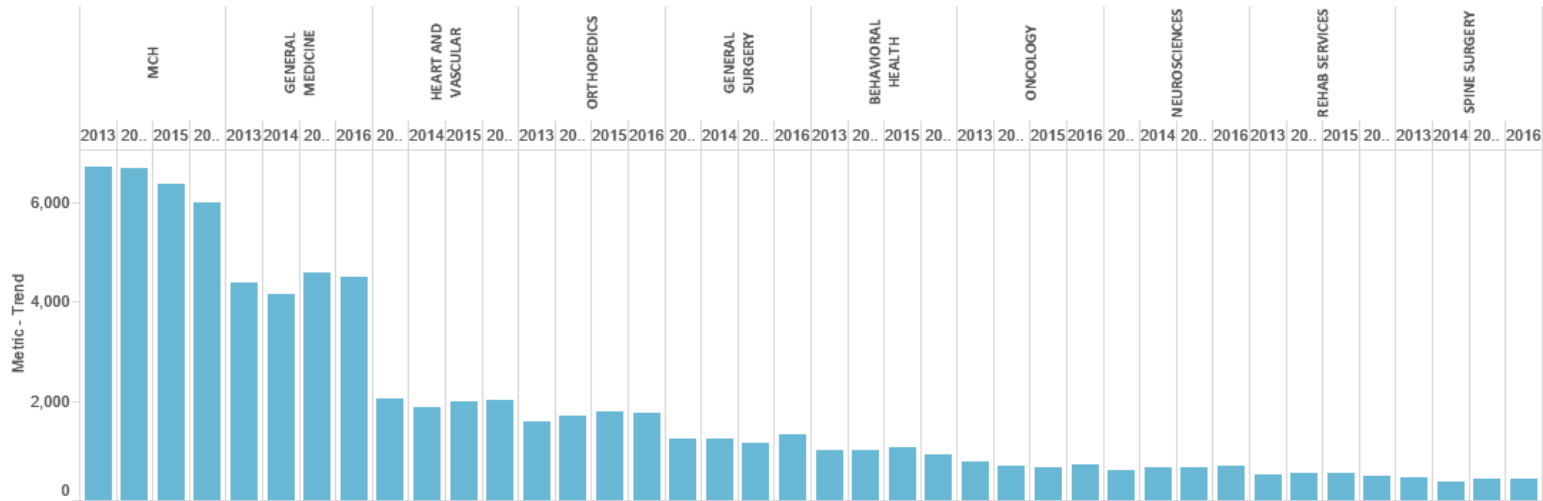
(1) Hospital entity only, excludes controlled affiliates

El Camino Hospital Volume Annual Trends

FY 2016 is annualized

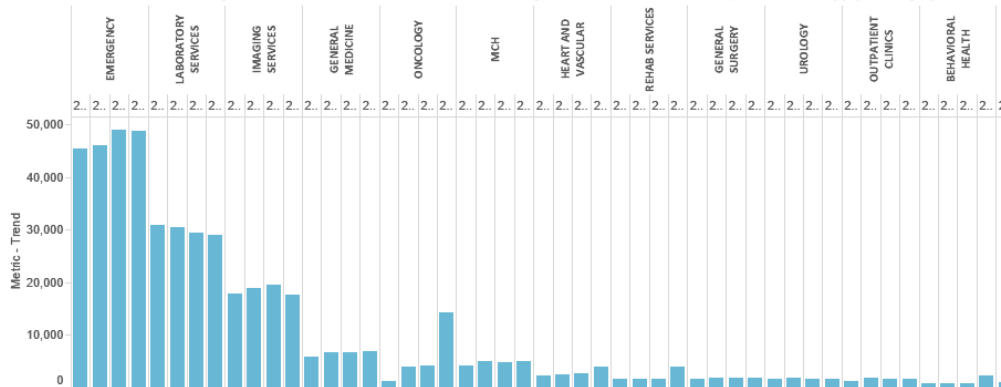
IP

Service Line Trend - clicking on a service line excludes all others. Clicking a second time removes the filter. Filters apply to all graphs below.



OP

Service Line Trend - clicking on a service line excludes all others. Clicking a second time removes the filter. Filters apply to all graphs below.



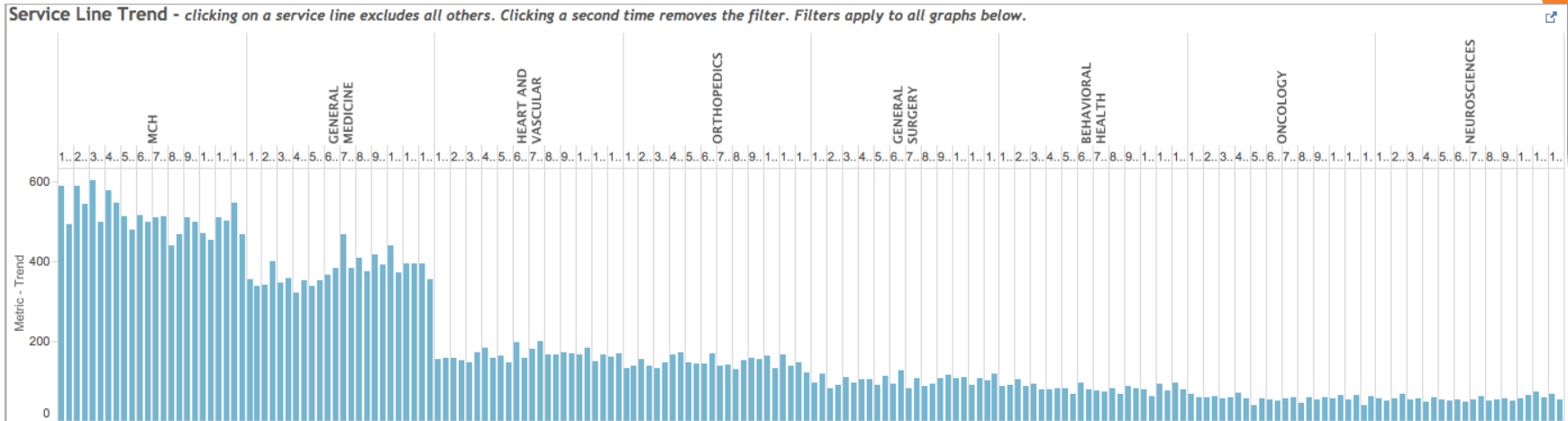
- IP declined in maternal child health service line – 2015 decline was NICU which recovered in 2016; the 2016 decline is in deliveries. Other service lines are stable
- OP – ED has grown due to ACO but plateaued in 2016. Oncology has grown but measure changed with EPIC and is not comparable to legacy count

El Camino Hospital Volume Monthly Trends

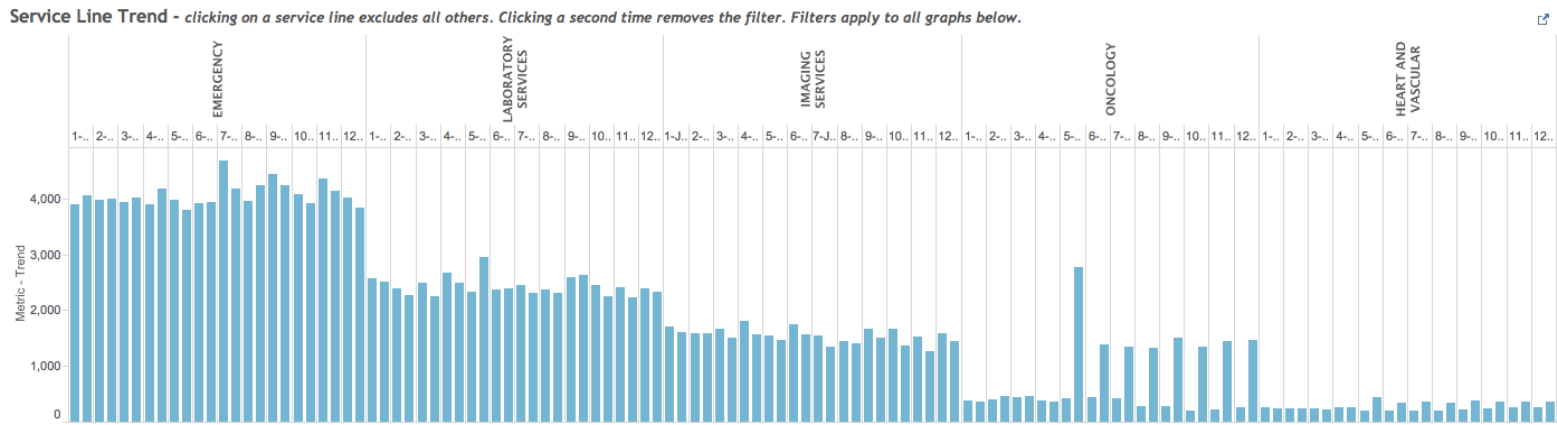
Prior and Current Fiscal Years

Columns are in PY, CY Order

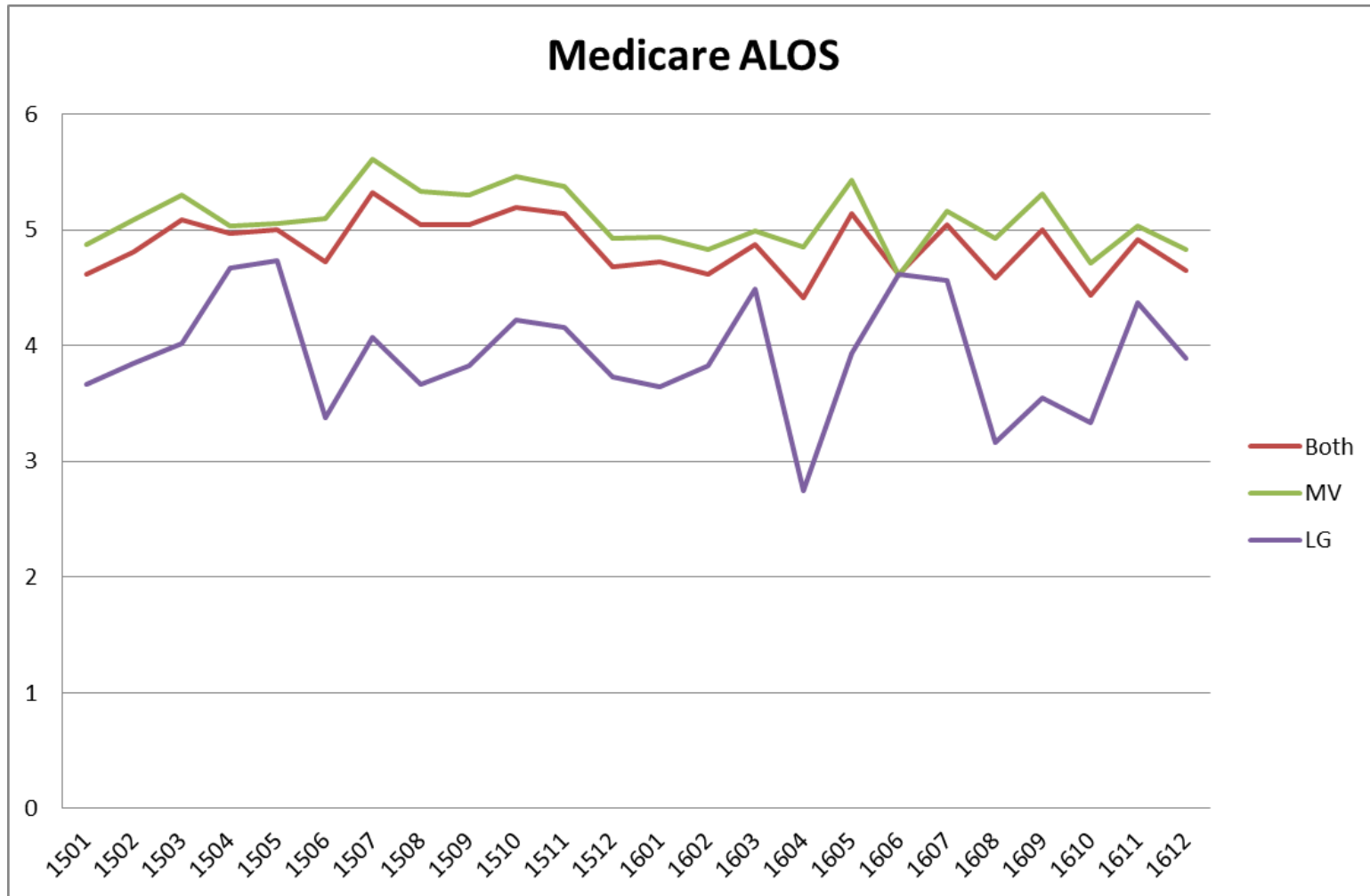
IP



OP



- IP volume declined in deliveries but other service lines are stable
- OP – Oncology volume has grown but visit count in EPIC is not comparable to legacy count



- Medicare: Due to DRG reimbursement, financial results usually improve with decreased LOS

El Camino Hospital Investment Committee Scorecard

Updated Quarterly

June 30, 2016

Key Performance Indicator	Status	El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	FY16 Year-end Budget	Expectation Per Asset Allocation
Investment Performance		2Q 2016		Fiscal Year-to-date		Since Inception (annualized)			Mar 2014/2012
Surplus cash balance & op. cash (millions)		\$727.7	--	--	--	--	--	\$699.8	--
Surplus cash return		1.8%	1.4%	0.1%	0.5%	4.4%	4.4%	4.0%	5.0%
Cash balance plan balance (millions)		\$221.5	--	--	--	--	--	\$224.2	--
Cash balance plan return		1.7%	1.4%	-0.3%	0.4%	7.0%	6.4%	6.0%	6.7%
403(b) plan balance (millions) ¹		\$330.6	--	--	--	--	--	--	--
Risk vs. Return		3-year				Since Inception (annualized)			Mar 2014/2012
Surplus cash Sharpe ratio		0.90	0.93	--	--	1.00	0.98	--	0.66
Net of fee return		4.3%	4.4%	--	--	4.4%	4.4%	--	5.0%
Standard deviation		4.7%	4.7%	--	--	4.4%	4.4%	--	7.2%
Cash balance Sharpe ratio		0.97	0.93	--	--	1.14	1.09	--	0.54
Net of fee return		6.2%	5.7%	--	--	7.0%	6.4%	--	6.7%
Standard deviation		6.4%	6.1%	--	--	6.0%	5.8%	--	10.6%
Asset Allocation		2Q 2016							
Surplus cash absolute variances to target		4.9%	< 10%	--	--	--	--	--	--
Cash balance absolute variances to target		4.3%	< 10%	--	--	--	--	--	--
Manager Compliance		2Q 2016							
Surplus cash manager flags		15	< 18	--	--	--	--	--	--
Cash balance plan manager flags		16	< 18	--	--	--	--	--	--

El Camino Hospital

Capital Spending (in millions)

Category	Detail	Approved	Total Estimated Cost of Project	Total Authorized Active	Spent from Inception	FY 16 YTD Spent
CIP	EPIC Installation			73.8	57.0	20.8
IT Hardware, Software, Equipment*				6.9		6.5
Medical & Non Medical Equipment				16.5		17.1
Facility Projects						
	1307 LG Upgrades	FY13	15.5	17.3	10.3	3.5
	1219 LG Spine OR	FY13	4.1	4.1	1.2	0.6
	1414 Integrated MOB	FY15	232.0	28.0	11.6	8.9
	1413 North Drive Parking Expansion	FY15	15.0	3.0	1.5	1.3
	1245 Behavioral Health Bldg	FY16	62.5	9.0	6.8	1.4
	1248 LG Imaging Phase II (CT & Gen Rad)	FY16	6.8	8.8	0.0	0.0
	1313/1224 LG Rehab HVAC System & Structural	FY16	3.7	3.7	1.6	1.6
	1502 Cabling & Wireless Upgrades	FY16	2.5	2.8	1.3	1.3
	1425 IMOB Preparation Project - Old Main	FY16	2.3	3.0	0.7	0.7
	1430 Women's Hospital Expansion	FY16	91.0	0.0	0.0	0.0
	1422 CUP Upgrade	FY16	4.0	1.5	1.0	0.9
	1503 Willow Pavilion Tomosynthesis	FY16	0.3	1.3	0.1	0.1
	1519/1314 LG Electrical Systems Upgrade	FY16	1.2	0.0	0.0	0.0
	1347 LG Central Sterile Upgrades	FY15	3.7	0.2	0.2	0.0
	1508 LG NICU 4 Bed Expansion	FY16	7.0	0.0	0.0	0.0
	1520 Facilities Planning Allowance	FY16	1.0	0.0	0.0	0.0
	Land Acquisition Approved in 12/15	FY16	27.1	27.1	27.1	27.1
	All Other Projects under \$1M		16.2	40.2	35.8	1.7
			495.9	150.0	99.2	49.1
GRAND TOTAL				247.2		93.5
Forecast at start of fiscal year						125.8

2016 projected spend includes items to be presented for approval during the fiscal year

Comparative El Camino Hospital with Variances and Footnotes ⁽¹⁾

Balance Sheet (\$ Thousands)

ASSETS				LIABILITIES AND FUND BALANCE			
	Unaudited	Audited			Unaudited	Audited	
	June 30, 2016	June 30, 2015	Change		June 30, 2016	June 30, 2015	Change
CURRENT ASSETS				CURRENT LIABILITIES			
Cash	59,127	55,224	3,903	(9) Accounts Payable	22,360	30,142	(7,782)
(1) Short Term Investments	103,323	145,027	(41,704)	(10) Salaries and Related Liabilities	23,535	20,812	2,723
(2) Patient Accounts Receivable, net	116,081	95,737	20,344	Accrued PTO	23,124	22,212	912
(3) Other Accounts and Notes Receivable	4,369	2,378	1,991	Worker's Comp Reserve	2,300	2,300	0
Intercompany Receivables	2,074	1,595	479	(11) Third Party Settlements	10,785	20,253	(9,468)
Inventories and Prepaids	45,052	44,055	997	Intercompany Payables	106	108	(2)
Total Current Assets	330,027	344,016	(13,990)	Malpractice Reserves	1,936	1,800	136
				(12) Bonds Payable - Current	3,635	5,475	(1,840)
BOARD DESIGNATED ASSETS				(13) Bond Interest Payable	4,857	1,711	3,146
Plant & Equipment Fund	119,650	117,965	1,685	Other Liabilities	2,943	3,111	(168)
Operational Reserve Fund	100,196	100,196	0	Total Current Liabilities	95,581	107,925	(12,344)
(4) Community Benefit Fund	13,037	2,085	10,952				
(5) Workers Compensation Reserve Fund	23,552	24,719	(1,167)	LONG TERM LIABILITIES			
(6) Postretirement Health/Life Reserve Fund	18,857	17,197	1,660	(14) Post Retirement Benefits	18,857	17,197	1,660
PTO Liability Fund	23,124	22,212	912	(15) Worker's Comp Reserve	21,252	22,419	(1,167)
Malpractice Reserve Fund	1,800	1,800	0	Other L/T Obligation (Asbestos)	3,637	3,531	106
Catastrophic Reserves Fund	14,125	14,150	(25)	(16) Bond Payable	226,580	229,548	(2,968)
Total Board Designated Assets	314,341	300,324	14,017	Total Long Term Liabilities	270,326	272,696	(2,370)
(7) FUNDS HELD BY TRUSTEE	30,847	37,676	(6,829)	FUND BALANCE/CAPITAL ACCOUNTS			
				Unrestricted	982,789	951,924	30,865
LONG TERM INVESTMENTS	208,419	207,290	1,129	Board Designated	314,341	300,324	14,017
				Restricted	0	5	(5)
INVESTMENTS IN AFFILIATES	31,265	31,808	(543)	(17) Total Fund Bal & Capital Accts	1,297,130	1,252,254	44,876
PROPERTY AND EQUIPMENT				TOTAL LIABILITIES AND FUND BALANCE	1,663,036	1,632,874	30,162
Fixed Assets at Cost	1,171,096	1,077,951	93,145				
Less: (Accumulated Depreciation)	(485,856)	(473,920)	(11,936)				
Construction in Progress	38,279	82,506	(44,227)				
(8) Property, Plant & Equipment - Net	723,518	686,537	36,982				
DEFERRED OUTFLOWS	24,618	25,218	(600)				
RESTRICTED ASSETS - CASH	0	5	(5)				
TOTAL ASSETS	1,663,036	1,632,874	30,162				

(1) Hospital entity only, excludes controlled affiliates

El Camino Hospital Comparative Balance Sheet Variances and Footnotes ⁽¹⁾

- (1) Decrease is primarily due to purchase of Santa Teresa land (\$25M) and transfer (\$10M) to establish an Endowment for the Hospital's Community Benefit programs.
- (2) Increase due to establishment of new Epic A/R and still having the old HBOC A/R prior to the conversion to Epic that is being worked down.
- (3) Increase due to higher intercompany accounts receivables (payables) this year over FY2015 and a number of new MD Income Guarantee Agreements established during FY2016.
- (4) Increase due to this year's establishment of a \$10M Endowment to support the Hospital's Community Benefit program.
- (5) Decrease due to a lesser actuarially determined Workers Compensation needed reserve.
- (6) Increase due to the actuarially determined Postretirement Healthcare/Life insurance reserves in FY2016.
- (7) Decrease due to paybacks to the Hospital from the 2015A Bond Project funds for those certain construction-in-progress projects at Los Gatos.
- (8) Increase due to the acquisition of the Santa Teresa land in San Jose and remaining capitalization of the Epic implementation and various construction-in-progress projects at Los Gatos in the current year.
- (9) Decrease due to having a very significant accrued construction-in-progress payment due the General Contractor for the new Data Center project at the end of FY2015.
- (10) Increase due to an additional three (3) days of needed payroll accrual to get to month end.
- (11) Decrease is due to a Cost Report Settlement (2012) that was substantially settled in the current year and the RAC Review and Insurance Review Liability Reserves were re-evaluated decreasing the expected needed reserves for the current year.
- (12) Decrease due to a lesser current year 2015A bond principal due (February 2017) over the amount due in the prior year.
- (13) Increase due to a full semi-annual payment due 8/1/16 opposed to last year's first 2015A interest payment due in 2015 for only a two and one-half month period.
- (14) Refer to footnote # 6.
- (15) Refer to footnote # 5.
- (16) Decrease due to first bond principal payment made in FY2016, and the upcoming second payment being reclassified to current year liabilities.
- (17) Increase due to this year's P&L affect and a fund balance cash transfer from CONCERN to the Hospital in support of its Community Benefit programs for FY2017.

⁽¹⁾ Hospital entity only, excludes controlled affiliates

APPENDIX

EL CAMINO HOSPITAL
(Excludes Affiliates)
EXECUTIVE FINANCIAL SUMMARY
Period Ending June 30, 2016

YTD STATEMENT OF REVENUE AND EXPENSES (\$000s)					BALANCE SHEET (\$000s)		
	Prior Year	Actual	Budget	Var F(U)		June 30, 2016	Jun 30, 2015
Gross Revenue	\$2,573,881	\$2,755,387	\$2,713,439	\$41,948	Cash and Investments	685,211	707,865
Deductions from Revenue	(1,827,236)	(1,982,815)	(1,969,685)	(13,130)	Non Cash Current Assets	167,576	143,766
Net Patient Revenue	746,645	772,573	743,754	28,818	Property, Plant & Equipment (Net)	723,518	686,537
Other Operating Revenue	21,105	23,367	21,864	1,503	Other Assets	86,730	94,707
Total Operating Revenue	767,751	795,939	765,618	30,321	Total Assets	1,663,036	1,632,874
Salaries & Wages	410,072	435,958	432,011	(3,947)	Current Liabilities	95,579	107,925
Supplies	109,961	118,246	112,234	(6,012)	Long-Term Liabilities	270,326	272,696
Fees & Purchased Services	80,223	88,558	83,340	(5,218)	Fund Balance/Capital Accounts	1,297,130	1,252,254
Other Operating Expense	39,493	45,400	35,959	(9,440)	Total Liabilities & Equity	1,663,036	1,632,874
Total Non Capital Operating Expense	639,748	688,162	663,544	(24,617)	KEY ECH STATISTICS - YTD		
OPERATING EBITDA	128,002	107,778	102,074	5,704	Balance Sheet	Actual	Target ⁽¹⁾
Interest, Depreciation & Amortization	49,883	54,939	51,936	(3,003)	Debt Service Coverage Ratio (MADS)	6.1	1.2
NET OPERATING SURPLUS	78,120	52,839	50,138	2,701	Debt to Capitalization	13.8%	29.0%
Non Operating Income	16,668	(8,601)	22,323	(30,924)	Days of Cash	361	262
TOTAL NET SURPLUS	94,787	44,238	72,460	(28,222)	Net AR Days	53.5	48.0
EBITDA Margin	16.7%	13.5%	13.3%	0.2%	Volume	Prior Year	Actual
Operating Margin	10.2%	6.6%	6.5%	0.1%	Acute Discharges	19,081	18,618
Total Margin	12.3%	5.6%	9.5%	-3.9%	Acute Average Daily Census	246	242
					Licensed Beds	443	443
					Occupancy (%)	56%	55%
					Deliveries	5,273	4,914
					Emergency Department Visits IP	8,799	8,834
					Emergency Department Visits OP	52,487	51,599
					Surgical Cases	10,962	10,607
					Productivity		
					Full Time Equivalent Employees	2,452	2,509
					Worked Hrs/Adjusted Patient Day	29.31	30.68
						2,458	29.48

⁽¹⁾ For Debt Service Coverage Ratio and Debt to Capitalization, Target represents Bond Covenants
For Days Cash and Net AR Days, Target represents S&P A Rated Stand-Alone Hospital Medians

This summary is replaced by the dashboard. It is provided in this report for reference and will be removed from next report

Dashboard - Mountain View

	Annual						Month			YTD		
	2012	2013	2014	2015	2016 Projection	2016 Bud/Target	PY	CY	Bud/Target	PY	CY	Bud/Target
Volume	443.28											
Licensed Beds	300	300	300	300	300	300	300	300	300	300	300	300
Acute Patient Days	65,989	72,245	71,084	73,360	73,011	73,061	5,753	5,958	5,865	73,360	73,011	73,060
ADC	181	198	195	201	200	200	192	199	196	201	199	200
Adjusted Acute Discharges	25,420	26,640	26,147	26,627	25,896	26,705	2,345	2,119	2,232	26,627	25,896	26,705
Acute Discharges	15,019	15,876	15,177	15,619	15,361	15,756	1,310	1,254	1,308	15,619	15,361	15,756
Inpatient total												
Acute	15,019	15,876	15,177	15,619	15,361	15,756	1,310	1,254	1,308	15,619	15,361	15,756
Deliveries	3,973	4,480	4,364	4,573	4,259	4,488	381	357	371	4,573	4,259	4,488
BHS	899	851	844	872	798	850	77	68	72	872	798	850
Rehab	0	0	0	0	0	0	0	0	0	0	0	0
OP total												
ED	42,537	37,256	38,502	41,301	40,229	41,187	4,286	3,360	3,436	41,301	40,229	41,187
OP Surg	2,309	2,818	3,278	3,407	3,234	3,600	314	301	305	3,407	3,234	3,601
Endo	1942	2,104	2,405	2,606	2,352	2,607	230	209	220	2,606	2,352	2,608
Interventional		1,497	1,688	1,856	1,942	1,878	173	161	175	1,856	1,942	1,878
All Other	131,657	161,348	148,693	116,243	112,769	117,059	9,876	9,631	9,995	115,672	112,769	117,060
Financial Performance (\$000s)												
Net Revenues	507,128	557,533	589,420	603,788	633,376	602,989	53,722	61,752	54,226	603,788	633,376	602,989
Operating Expenses	470,713	516,892	550,736	562,790	607,125	580,982	48,920	53,495	48,857	562,790	607,125	580,982
Operating Income \$	49,994	55,324	56,518	59,684	47,313	41,574	6,737	11,626	8,392	59,684	47,313	41,574
Operating Margin	9.6%	9.7%	9.3%	9.6%	7.2%	6.7%	12.1%	17.9%	14.7%	9.6%	7.2%	6.7%
EBITDA \$	100,790	105,938	105,814	103,637	96,163	87,252	8,745	15,975	12,327	103,637	96,163	87,252
EBITDA %	19.4%	18.5%	17.4%	16.6%	14.7%	14.0%	15.7%	24.5%	21.5%	16.6%	14.7%	14.0%
IP Margin												
OP Margin												
Payor Mix												
Medicare	41.4%	42.0%	44.0%	46.4%	46.2%	46.4%	47.5%	45.8%	46.4%	46.4%	46.2%	46.4%
Medi-Cal	6.0%	5.4%	6.5%	7.1%	7.9%	7.0%	7.7%	8.7%	7.0%	7.1%	7.9%	7.0%
Commercial IP	29.0%	28.6%	25.7%	24.2%	23.6%	24.2%	21.9%	23.6%	24.2%	24.2%	23.6%	24.2%
Commercial OP	18.7%	19.2%	18.9%	18.4%	18.6%	18.7%	19.0%	18.3%	18.7%	18.4%	18.6%	18.7%
Other	4.9%	4.8%	4.9%	3.9%	3.7%	3.7%	3.9%	3.7%	3.7%	3.9%	3.7%	3.7%
Cost												
Employees	1,793.0	1,901.0	2,027.6	2,029.9	2,121.0	2,035.9	2,050.6	2,096.9	2,086.0	2,030.4	2,087.6	2,035.9
Hrs/APD	29.28	29.58	30.16	29.60	30.97	29.93	29.65	30.75	31.10	29.60	30.97	29.93

Dashboard - Los Gatos

	Annual						Month			YTD		
	2012	2013	2014	2015	2016 Projection	2016 Bud/Target	PY	CY	Bud/Target	PY	CY	Bud/Target
Volume												
Licensed Beds	143	143	143	143	143	143	143	143	143	143	143	143
ADC	39	42	43	45	43	45	45	50	44	45	43	45
Adjusted Acute Discharges	5,178	5,582	5,856	5,880	5,495	5,992	528	467	502	5,880	5,495	5,992
Acute Discharges	3,212	3,344	3,390	3,462	3,257	3,506	301	277	291	3,462	3,257	3,506
Inpatient total												
Acute	3,212	3,344	3,390	3,462	3,257	3,506	301	277	291	3,462	3,257	3,506
Deliveries	627	747	791	700	655	705	65	58	58	700	655	703
BHS	0	0	0	0	0	0	0	0	0	0	0	0
Rehab	447	537	557	563	508	570	37	50	48	563	508	570
OP total												
ED	11,149	10,835	11,041	11,186	11,370	10,964	1,174	918	915	11,186	11,370	10,964
OP Surg	3,009	3,020	3,107	3,067	2,864	3,076	277	263	261	3,067	2,864	3,076
Endo	433	296	230	223	106	218	22	8	18	223	106	218
Interventional		11	17	22	27	22	2	4	2	22	27	22
All Other	9,304	14,360	15,513	17,128	15,684	17,542	1,545	1,267	1,564	17,334	15,684	17,542
Financial Performance (\$000s)												
Net Revenues	122,457	128,794	131,702	142,858	139,197	140,765	15,535	11,965	11,683	142,858	139,197	140,765
Operating Expenses	105,641	115,461	118,944	126,841	135,976	134,499	11,139	12,096	11,238	126,841	135,976	134,499
Operating Income \$	17,282	13,802	13,787	18,436	5,526	8,563	4,617	51	636	18,436	5,526	8,563
Operating Margin	14.1%	10.7%	10.4%	12.7%	3.9%	6.0%	29.3%	0.4%	5.4%	12.7%	3.9%	6.0%
EBITDA \$	23,630	18,784	19,440	24,365	11,615	13,141	5,128	567	1,187	24,365	11,615	14,822
EBITDA %	19.2%	14.5%	14.6%	16.8%	8.2%	9.2%	32.5%	4.7%	10.0%	16.8%	8.2%	10.4%
Payor Mix												
Medicare	44.7%	45.5%	44.0%	46.1%	48.2%	43.1%	49.5%	47.9%	43.1%	46.1%	48.2%	43.1%
Medi-Cal	3.0%	2.9%	3.5%	4.3%	5.1%	3.0%	4.0%	7.3%	3.0%	4.3%	5.1%	3.0%
Commercial IP	26.3%	25.3%	25.9%	23.8%	21.4%	23.8%	22.7%	21.8%	23.8%	23.8%	21.4%	23.8%
Commercial OP	17.0%	17.0%	19.1%	20.0%	19.4%	21.5%	20.1%	19.7%	21.5%	20.0%	19.4%	21.5%
Other	9.0%	9.3%	7.5%	5.8%	5.9%	8.6%	3.7%	3.3%	8.6%	5.8%	5.9%	8.6%
Cost												
Employees	363.8	388.0	408.1	422.6	421.2	420.7	426.5	428.8	423.7	422.5	421.9	420.7
Hrs/APD	30.10	29.13	27.65	28.00	29.34	27.50	27.19	25.93	28.10	28.00	29.34	27.50

El Camino Hospital – Mountain View (\$000s)⁽¹⁾

12 months ending 6/30/2016

PERIOD 12 FY 2015	PERIOD 12 FY 2016	PERIOD 12 Budget 2016	Variance Fav (Unfav)	Var%
183,799	191,795	184,183	7,612	4.1%
(130,077)	(130,043)	(129,957)	(86)	0.1%
53,722	61,752	54,226	7,526	13.9%
1,935	3,369	3,022	347	11.5%
55,658	65,121	57,249	7,873	13.8%
27,355	31,668	30,791	(877)	-2.8%
7,869	9,249	7,531	(1,718)	-22.8%
10,611	7,774	6,663	(1,111)	-16.7%
1,077	455	(63)	(518)	821.3%
(1,206)	616	448	(168)	-37.6%
3,214	3,732	3,487	(245)	-7.0%
48,920	53,495	48,857	(4,638)	-9.5%
6,737	11,626	8,392	3,235	38.5%
(5,159)	3,854	1,860	1,994	107.2%
1,578	15,481	10,252	5,229	51.0%
14.1%	22.6%	19.3%	3.3%	
12.1%	17.9%	14.7%	3.2%	
2.8%	23.8%	17.9%	5.9%	

\$000s OPERATING REVENUE

Gross Revenue
Deductions
Net Patient Revenue
Other Operating Revenue
Total Operating Revenue

OPERATING EXPENSE

Salaries & Wages
Supplies
Fees & Purchased Services
Other Operating Expense
Interest
Depreciation
Total Operating Expense
Net Operating Income/(Loss)
Non Operating Income
Net Income(Loss)

EBITDA

Operating Margin

Net Margin

YTD FY 2015	YTD FY 2016	YTD Budget 2016	Variance Fav (Unfav)	Var%
2,101,568	2,261,921	2,223,725	38,196	1.7%
(1,497,781)	(1,628,545)	(1,620,735)	(7,810)	0.5%
603,788	633,376	602,989	30,386	5.0%
18,686	21,062	19,567	1,495	7.6%
622,473	654,438	622,556	31,882	5.1%
339,554	362,658	359,756	(2,901)	-0.8%
88,963	96,615	91,422	(5,193)	-5.7%
77,214	83,276	79,216	(4,060)	-5.1%
13,105	15,726	4,910	(10,816)	-220.3%
5,256	6,191	5,378	(813)	-15.1%
38,698	42,659	40,300	(2,359)	-5.9%
562,790	607,125	580,982	(26,143)	-4.5%
59,684	47,313	41,574	5,739	13.8%
16,668	(8,575)	22,323	(30,897)	-138.4%
76,351	38,738	63,897	(25,159)	-39.4%
15.0%	12.4%	11.6%	0.8%	
9.6%	7.2%	6.7%	0.6%	
12.3%	5.9%	10.3%	-4.3%	

⁽¹⁾ Hospital only, excludes controlled affiliates

El Camino Hospital – Los Gatos(\$000s) ⁽¹⁾

Results from Operations vs. Prior Year
12 months ending 6/30/2016

PERIOD 12 FY 2015	PERIOD 12 FY 2016	PERIOD 12 Budget 2016	Variance Fav (Unfav)	Var%
42,673	42,962	40,804	2,158	5.3%
(27,138)	(30,996)	(29,121)	(1,875)	6.4%
15,535	11,965	11,683	283	2.4%
222	181	191	(10)	-5.3%
15,757	12,147	11,874	272	2.3%
5,870	6,669	6,054	(616)	-10.2%
2,291	2,047	1,740	(306)	-17.6%
1,207	1,321	1,335	14	1.1%
1,260	1,543	1,559	16	1.0%
0	0	0	0	0.0%
511	517	551	34	6.3%
11,139	12,096	11,238	(857)	-7.6%
4,617	51	636	(585)	-92.0%
0	(0)	0	(0)	0.0%
4,617	51	636	(585)	-92.1%
38.1%	15.0%	20.5%	-5.6%	
29.3%	0.4%	5.4%	-4.9%	
29.3%	0.4%	5.4%	-4.9%	

\$000s

OPERATING REVENUE

Gross Revenue

Deductions

Net Patient Revenue

Other Operating Revenue

Total Operating Revenue

OPERATING EXPENSE

Salaries & Wages

Supplies

Fees & Purchased Services

Other Operating Expense

Interest

Depreciation

Total Operating Expense

Net Operating Income/(Loss)

Non Operating Income

Net Income(Loss)

EBITDA

Operating Margin

Net Margin

YTD FY 2015	YTD FY 2016	YTD Budget 2016	Variance Fav (Unfav)	Var%
472,313	493,466	489,715	3,752	0.8%
(329,455)	(354,269)	(348,950)	(5,320)	1.5%
142,858	139,197	140,765	(1,568)	-1.1%
2,420	2,305	2,297	8	0.3%
145,278	141,502	143,062	(1,560)	-1.1%
70,518	73,300	72,255	(1,045)	-1.4%
20,998	21,631	20,812	(819)	-3.9%
15,159	16,174	16,130	(44)	-0.3%
14,238	18,782	19,043	261	1.4%
0	0	0	0	0.0%
5,929	6,089	6,259	170	2.7%
126,841	135,976	134,499	(1,477)	-1.1%
18,436	5,526	8,563	(3,037)	-35.5%
0	(26)	0	(26)	0.0%
18,436	5,500	8,563	(3,064)	-35.8%
24.0%	18.8%	20.8%	-2.0%	
12.7%	3.9%	6.0%	-2.1%	
12.7%	3.9%	6.0%	-2.1%	

⁽¹⁾ Hospital only, excludes affiliates

El Camino Hospital Capital Spending (in thousands) FY 2011 – FY 2015

Category	2011	2012	2013	2014	2015
IT Hardware/Software Equipment	3,544	7,289	8,019	2,788	4,660
Medical/Non Medical Equipment	6,632	11,203	10,284	12,891	13,340
Non CIP Land, Land I, BLDG, Additions	2,518	7,311	0	22,292	0
Facilities Projects CIP					
0101 - Hosp Replace	232	313	0	0	0
0317 - Melchor TI's	925	117	0	0	0
0701 - Cyberknife	735	0	0	0	0
0704 - 1 South Upgrade	0	2	0	0	0
0802 - Willow Pavillion Upgrades	7	0	0	0	0
0805 - Women's Hospital Finishes	51	0	0	0	0
0809 - Hosp Renovations	262	0	0	0	0
0815 - Orc Pav Water Heater	29	0	0	0	0
0816 - Hospital Signage	41	0	0	0	0
0904 - LG Facilities Upgrade	254	41	2	0	0
0907 - LG Imaging Masterplan	0	162	244	774	1,402
1000 - LG Rehab Building	258	0	0	0	0
1104 - New Main CDU TV's	124	0	0	0	0
9900 - Unassigned Costs	921	279	734	470	3,717
0803 - Park Pav Foundation	207	270	0	0	0
1005 - LG OR Light Upgrd	89	108	14	0	0
1101 - Melchor Pavilion - Genomics	15	0	0	0	0
1102 - LG Joint Hotel	359	657	0	0	0
1106 - SHC Project	0	2,245	0	0	0
1108 - Cooling Towers	4	932	450	0	0
1115 - Womens Hosp TI's	0	50	0	0	0
1118 - Park Pav Roto Care	0	119	0	0	0
1120 - BHS Out Patient TI's	0	472	66	0	0
1122 - LG Sleep Studies	0	147	7	0	0
1129 - Old Main Card Rehab	0	400	9	0	0
0817 - Womens Hosp Upgrds	132	1,242	645	1	0
0906 - Slot Build-Out	0	0	1,003	1,576	15,101
1107 - Boiler Replacement	0	49	0	0	0
1109 - New Main Upgrades	0	589	423	393	2
1111 - Mom/Baby Overflow	0	267	212	29	0
1129 - Cardiac Rehab Improv	0	0	0	0	0
1132 - Pneumatic Tube Prj	0	78	0	0	0
1204 - Elevator Upgrades	0	24	25	30	0
1210 - Los Gatos VOIP	0	1	147	89	0
0800 - Womens L&D Expansion	27	129	2,104	1,531	269
1116 - LG Ortho Pavillion	0	44	177	24	21
1124 - LG Rehab BLDG	0	11	49	458	0
1128 - LG Boiler Replacement	0	3	0	0	0
1131 - MV Equipment Replace	0	190	216	0	0
1135 - Park Pavilion HVAC	0	47	0	0	0
1208 - Willow Pav. High Risk	0	0	110	0	0
1213 - LG Sterilizers	0	0	102	0	0
1225 - Rehab BLDG Roofing	0	0	7	241	4
1227 - New Main eICU	0	0	96	21	0
1230 - Fog Shop	0	0	339	80	0
1247 - LG Infant Security	0	0	134	0	0
1307 - LG Upgrades	0	0	376	2,979	3,282
1308 - LG Infrastructure	0	0	0	114	0
1315 - 205 So. Drive TI's	0	0	0	500	2
0908 - NPCR3 Seismic Upgrds	0	554	1,302	1,224	1,328

Category	2011	2012	2013	2014	2015
Facilities Projects CIP cont.					
1125 - Will Pav Fire Sprinkler	0	9	57	39	0
1211 - SIS Monitor Install	0	0	215	0	0
1216 - New Main Process Imp Office	0	0	19	1	16
1217 - MV Campus MEP Upgrades FY13	0	0	0	181	274
1219 - LG Spine OR	0	0	0	214	323
1221 - LG Kitchen Refrig	0	0	0	85	0
1224 - Rehab Bldg HVAC Upgrades	0	0	11	202	81
1245 - Behavioral Health Bldg Replace	0	0	0	1,257	3,775
1248 - LG - CT Upgrades	0	0	0	26	345
1249 - LG Mobile Imaging	0	0	0	146	0
1301 - Desktop Virtual	0	0	0	13	0
1304 - Rehab Wander Mgmt	0	0	0	87	0
1310 - Melchor Cancer Center Expansion	0	0	0	44	13
1318 - Women's Hospital TI	0	0	0	48	48
1327 - Rehab Building Upgrades	0	0	0	0	15
1320 - 2500 Hosp Dr Roofing	0	0	0	75	81
1328 - LG Ortho Canopy FY14	0	0	0	255	209
1340 - New Main ED Exam Room TVs	0	0	0	8	193
1341 - New Main Admin	0	0	0	32	103
1344 - New Main AV Upgrd	0	0	0	243	0
1345 - LG Lab HVAC	0	0	0	112	0
1346 - LG OR 5, 6, and 7 Lights Replace	0	0	0	0	285
1347 - LG Central Sterile Upgrades	0	0	0	0	181
1400 - Oak Pav Cancer Center	0	0	0	0	5,208
1403 - Hosp Drive BLDG 11 TI's	0	0	0	86	103
1404 - Park Pav HVAC	0	0	0	64	7
1408 - New Main Accessibility Upgrades	0	0	0	0	7
1413 - North Drive Parking Structure Exp	0	0	0	0	167
1414 - Integrated MOB	0	0	0	0	2,009
1421 - LG MOB Improvements	0	0	0	0	198
1429 - 2500 Hospital Dr Bldg 8 TI	0	0	0	0	101
1432 - 205 South Dr BHS TI	0	0	0	0	8
1501 - Women's Hospital NPC Comp	0	0	0	0	4
1504 - Equipment Support Infrastructure	0	0	0	0	61
Subtotal Facilities Projects CIP	4,674	9,553	9,294	13,753	38,940
Grand Total	17,368	35,357	27,598	51,723	56,940
Forecast at Beginning of year		47,138	49,399	47,300	65,420

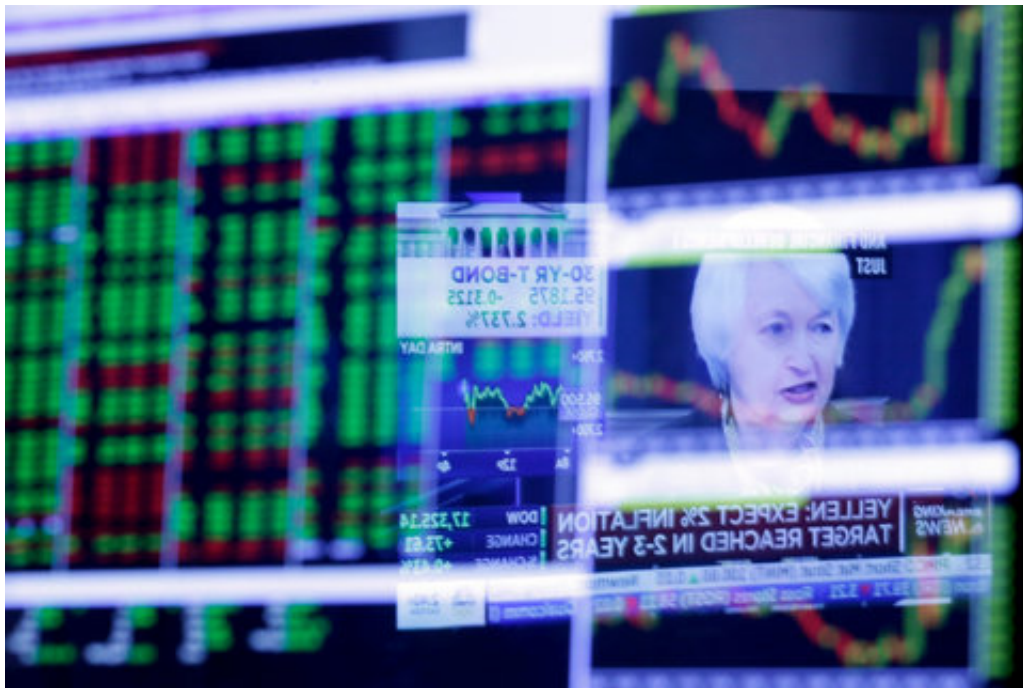
Updated 2017 Pacing Plan

**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 ▪ CFO Report Out – Open Session Finance Committee Materials 	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 ▪ CFO Report Out – Open Session Finance Committee Materials 	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 ▪ 403(b) Investment Performance ▪ CFO Report Out – Open Session Finance Committee Materials 	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 ▪ CFO Report Out – Open Session Finance Committee Materials 	N/A

Article of Interest

The Economy Has Slowed Down



Richard Drew/Associated Press

For three quarters in a row, the growth rate of the economy has hovered around a mere 1 percent. In the last quarter of 2015 and the first quarter of 2016, the economy expanded at feeble annual rates of 0.9 percent and 0.8 percent, respectively. The initial reading for the second quarter of this year, released on Friday, was a disappointing 1.2 percent.

There are many moving and interlocking parts to the economy, so there's always reason to believe that any one report will be prove to be a fluke. But three quarters in a row of sluggish growth are harder to dismiss.

Slower growth threatens to dent recent positive momentum in consumer spending and wage growth. It also portends continued lackluster business investment, which in turn, highlights the limits of Federal Reserve low-interest rate policy as a method of stimulating the economy. The Fed is right to keep rates low in the face of sluggish growth, but clearly, low rates alone are not enough to spur investment in the United States.

In a presidential election year, slower growth also has political implications. Republican politicians have long blamed the economy's problems on the policies of President Obama. Dismal growth statistics play into that narrative, even though Republican obstruction of proposed economic initiatives, including bolstered spending for teaching, clean energy,

manufacturing and infrastructure repair, is largely to blame. Republicans are also to blame for economic setbacks in recent years that resulted from political brinkmanship over the federal debt ceiling and budget-related issues.

Still, weak growth figures this year will make it harder for Democrats to defend the record of the Obama era. The task will involve both pointing out how slower growth at this stage of the recovery has roots in earlier Republican obstructionism and presenting a plan for reviving and stewarding the economy going forward. Hillary Clinton has already presented many detailed policies, including plans to lift pay through a higher minimum wage, profit-sharing, better benefits and narrowing the gender-pay gap. Donald Trump has no comparable proposals.

The reality of the nation's economic situation is that the recession from the end of 2007 to mid-2009 was too deep, devastating and complex to overcome without significant and sustained spending and investment by the government sector. For partisan and ideological reasons, Republicans disparaged and blocked such involvement, even in the face of evidence that the economy's other sectors – consumer spending and business investment – were too damaged to propel a stronger recovery. Today's economy reflects that political dynamic.

The important question is what to do now. Mrs. Clinton has offered coherent policies. Mr. Trump has not.

ATTACHMENT 5

ECH BOARD COMMITTEE MEETING AGENDA ITEM COVER SHEET

Item:	Report on Board Actions Investment Committee Meeting Date: August 8, 2016
Responsible party:	John Zoglin, Investment Committee Chairman
Action requested:	For Information
Background: In FY16, staff added this item to each Board Committee's agenda to keep Committee members informed about Board actions via a verbal report by the Committee Chair. Recently, staff was asked to supplement the Chair's verbal report with the attached written report.	
Other Board Advisory Committees that reviewed the issue and recommendation, if any: None.	
Summary and session objectives : To inform the Committee about recent Board actions	
Suggested discussion questions: None.	
Proposed Committee motion, if any: None. This is an informational item.	
LIST OF ATTACHMENTS: Report on May and June 2016 Board Actions	

Report on May and June 2016 Board Actions

1. May 11, 2016 El Camino Hospital Board Meeting Approvals
 - a. FY16 Period 9 Financial Report
 - b. Recognized Tehila and Saul Eisenstat, MD were for their years of service to the Hospital and patients
 - c. Hospital Bylaws amended to provide consistent rules for contracting/employment relationships between El Camino Hospital and Board member who are members of the District Board and those who are not.
2. June 8, 2016 El Camino Hospital Board Meeting Approvals
 - a. Recognized Michele Kirsch and Nahid Aliniasee for Co-Chairing the 2016 Sapphire Soiree which generated the highest yield in revenue over the history of the event. Over \$520,000 will go directly to the ECH Cancer Center.
 - b. FY17 Operating and Capital Budget
 - c. Over \$3 million in Community Benefit Grants
 - d. Disbanded its iCare Ad hoc Committee of the Board
 - e. The FY17 Organizational and Individual Executive Incentive Goals. Important Changes this year were
 - i. Removing Joint Commission Certification as a trigger goal
 - ii. Reducing the number of individual goals for each executive
 - iii. Making individual goals more specific to each executive's area of accountability
 - f. Incremental funding for Women's Hospital Renovations and new Behavioral Health Services Building
 - g. Final Funding for the North Parking Garage Expansion
 - h. Epic 2015 and 2016 Upgrades
 - i. FY16 Committee Goals
 - j. Minor Revisions to the Finance Committee and Executive Compensation Committee Charters
 - k. 6 Physician Contract Renewals
 - l. Approved the Board Chair's slate of Committee members and Chairs for FY17. Some Board member assignments were changed. Director Chen was appointed as Chair of the Executive Compensation Committee.
3. June 14, 2016 El Camino Healthcare District Board meeting Approvals
 - a. Approved Amendment (above to the ECH Bylaws)
 - b. Approved Revised Process for Election and Re-Election of Non-District Board Members to the Hospital Board (Provides for appointment of Chair of the Committee and clarifies that a member of the ECH Governance Committee serves as member of the Committee)
 - c. Approved the FY17 District and Hospital Budgets

- d. Designated \$9.3 million of tax revenue from the FY14 and FY15 funds in its Capital Appropriation Fund to the Women's Hospital Expansion Renovation/Reconstruction Project.
- e. Approved \$6.4 million in Community Benefit Grants
- f. Authorized the Mountain View Campus Development Proposal (North Parking Garage, Behavioral Health Services Building, Integrated Medical Office Building, Central Utility Plant Upgrades, Women's Hospital Expansion, Demolition of Old Main Hospital and Associated Work). This was approval to build on District owned land as required by the ground lease. Funding approval will come later where required.
- g. Appointed Director Reeder (Chair), Director Miller, and Gary Kalbach as members of the ECH Board Member Election Ad hoc Committee for FY17.

*This list is not meant to be exhaustive, but includes agenda items the Board s voted on that are most likely to be of interest to or pertinent to the work of El Camino Hospital's Board Advisory Committees.

Investment Committee Scorecard

El Camino Hospital Investment Committee Scorecard

June 30, 2016

Key Performance Indicator	Status	El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	FY16 Year-end Budget	Expectation Per Asset Allocation
Investment Performance		2Q 2016		Fiscal Year-to-date		Since Inception (annualized)		Mar 2014/2012	
Surplus cash balance & op. cash (millions)		\$727.7	--	--	--	--	--	\$699.8	--
Surplus cash return		1.8%	1.5%	0.1%	0.6%	4.4%	4.4%	4.0%	5.0%
Cash balance plan balance (millions)		\$221.5	--	--	--	--	--	\$224.2	--
Cash balance plan return		1.7%	1.5%	-0.3%	0.5%	7.0%	6.4%	6.0%	6.7%
403(b) plan balance (millions) ¹		\$330.6	--	--	--	--	--	--	--
Risk vs. Return		3-year				Since Inception (annualized)		Mar 2014/2012	
Surplus cash Sharpe ratio		0.90	0.93	--	--	1.00	0.98	--	0.66
Net of fee return		4.3%	4.4%	--	--	4.4%	4.4%	--	5.0%
Standard deviation		4.7%	4.7%	--	--	4.4%	4.4%	--	7.2%
Cash balance Sharpe ratio		0.97	0.94	--	--	1.14	1.09	--	0.54
Net of fee return		6.2%	5.7%	--	--	7.0%	6.4%	--	6.7%
Standard deviation		6.4%	6.1%	--	--	6.0%	5.8%	--	10.6%
Asset Allocation		2Q 2016							
Surplus cash absolute variances to target		4.9%	< 10%	--	--	--	--	--	--
Cash balance absolute variances to target		4.3%	< 10%	--	--	--	--	--	--
Manager Compliance		2Q 2016							
Surplus cash manager flags		15	< 18	--	--	--	--	--	--
Cash balance plan manager flags		16	< 18	--	--	--	--	--	--

¹ Reflects the March 31, 2016 balance as more recent data was not yet available.

Glossary of Terms for Scorecard

Key Performance Indicator	Definition / Explanation
Investment Performance	
Surplus cash balance (millions)	Investment performance for the Surplus Cash portfolio was 30 basis points higher than the benchmark for the quarter with a return of +1.8%. The portfolio has matched the benchmark since inception (Nov. 1, 2012) with a return of +4.4% annualized. The assets within the Surplus Cash account ended the quarter at \$727.7 million, significantly higher than the beginning of the quarter due to strong performance and an increase in cash from operations, and ended the fiscal year ~\$28 million above the budgeted amount for June 30, 2016.
Surplus cash return	
Cash balance plan balance (millions)	The Cash Balance Plan's performance was better than its benchmark for the quarter by 20 basis points with a return of +1.7%, and has outperformed its benchmark since inception. The since inception annualized return stands at +7.0%, 60 basis points ahead of its benchmark per year. The assets within the Cash Balance Plan ended the quarter at \$221.5 million, \$2.7 million below the budgeted amount for June 30, 2016.
Cash balance plan return	
403(b) plan balance (millions)	The 403(b) balance was not avialable at the time of production and reflects the March 31, 2016 balance.
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.
3-year return	
3-year standard deviation	Sharpe ratio = (actual return - risk free rate) / standard deviation
Cash balance 3-year Sharpe ratio	
3-year return	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 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).
Cash balance plan manager flags	
	Currently, both accounts are within the threshold.

Second Quarter Performance Review

Executive Summary



El Camino Hospital

2nd Quarter 2016

Pavilion Advisory Group Inc.
227 W. Monroe Street, Suite 2020
Chicago, IL 60606
Phone: 312-798-3200
Fax: 312-902-1984
www.pavilioncorp.com



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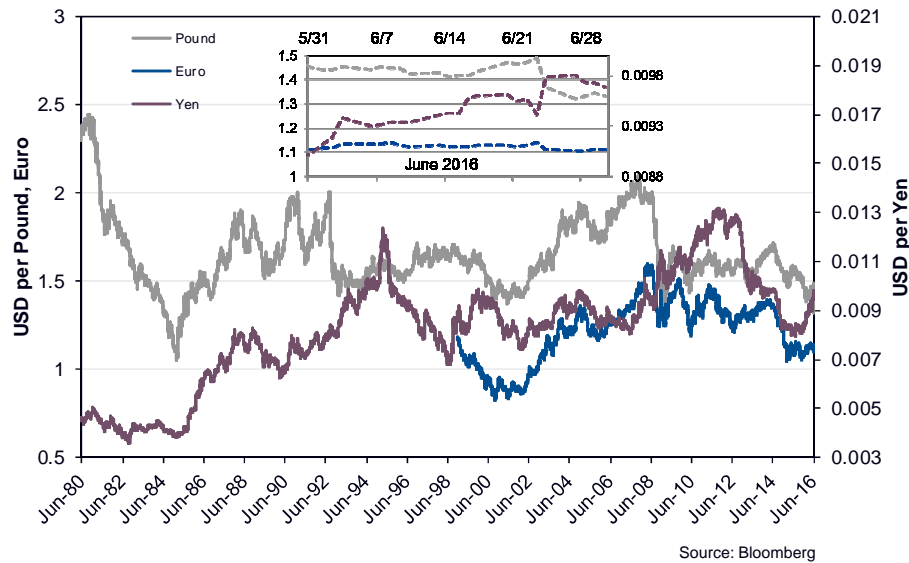


Capital Markets Review & Investment Outlook

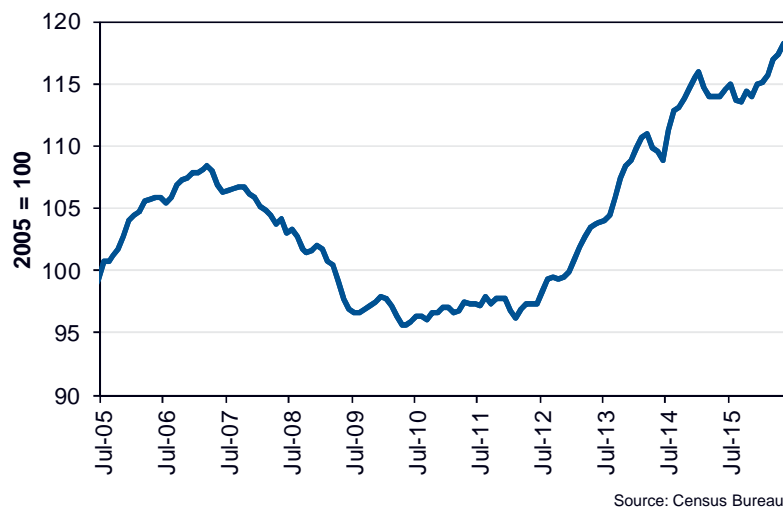
Capital Markets Review

Economy

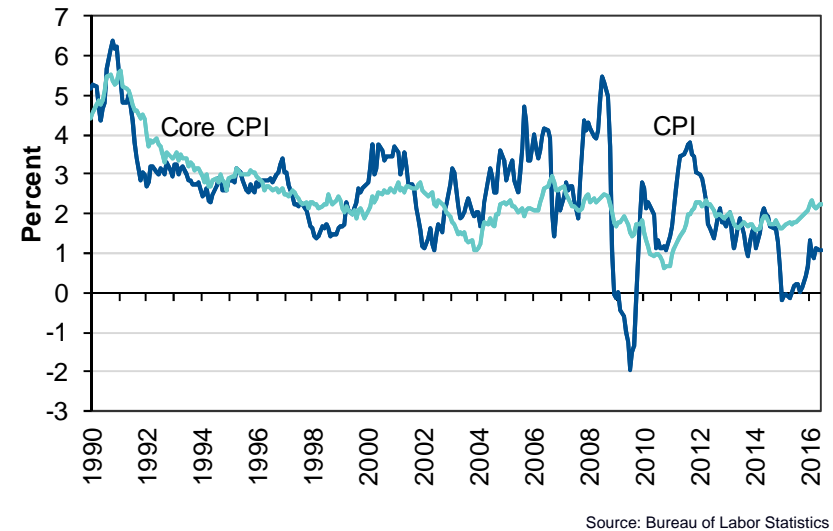
Currencies vs. USD



New Single – Family Home Prices



Consumer Price Index



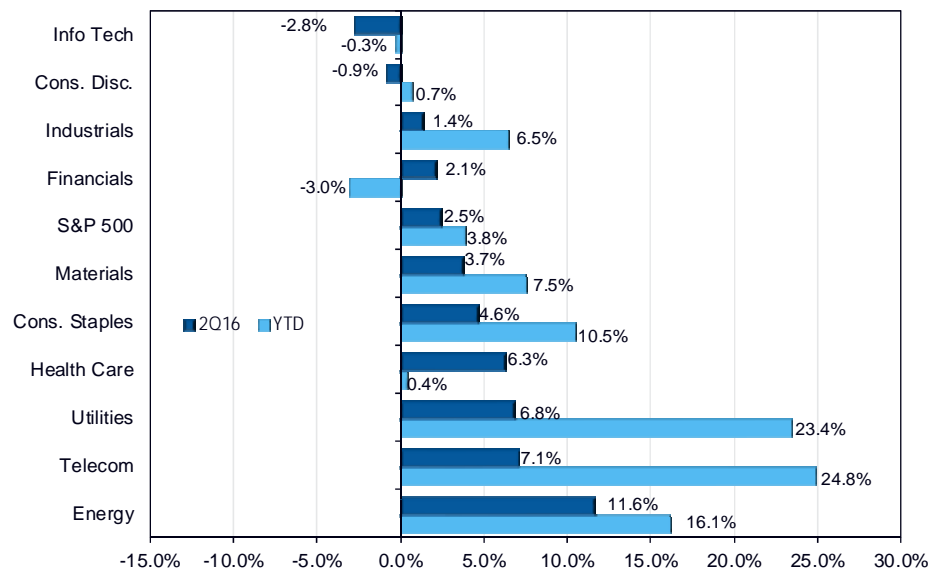
A Step Back From Globalism Brings Uncertainty

- § Investors and political watchers were surprised when U.K. voters chose to exit the European Union. Markets and most currencies fell sharply in the immediate aftermath, though they regained much of the losses quickly. The vote reflected a growing sentiment that globalism's benefits are not reaching working-class citizens in the developed nations, and that workers tend to value higher wages over ultra-low inflation.
- § U.S. Q2 GDP grew at a 1.2% rate, well below the post-1980 Q2 average of 3.1%. Inflation in the first half of 2016 ran at a 1.6% annual rate. One-year inflation (1.0%) was led higher by rents (3.8%) and medical (3.6%), while food (0.3%), clothing (0.4%) and fuel (-15.4%) eased after poultry viruses and supply concerns waned. The Federal Reserve is not expected to raise interest rates in the short-term, due to Brexit fallout, lackluster economic data and the upcoming elections.
- § Housing construction looks to have hit a plateau for the near-term. While single-family home construction repeated a multi-year pattern, multi-unit construction fell below its recent pace. This reflects a nearing saturation of rental units and difficulty in locating vacant or suitable property upon which to build profitably. Home construction remains constrained by a smaller experienced workforce than existed during the housing boom. Remodeling projects are taking longer to start and complete, though spending in this area remains strong.

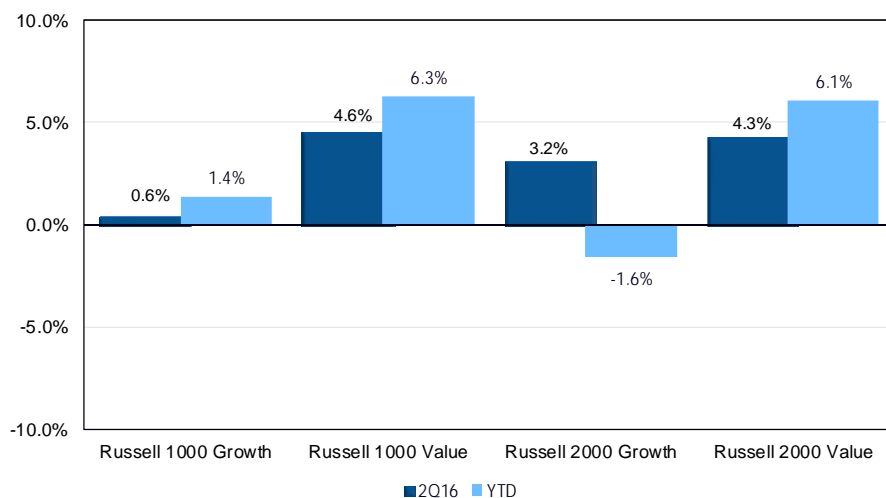
Capital Markets Review

Equities

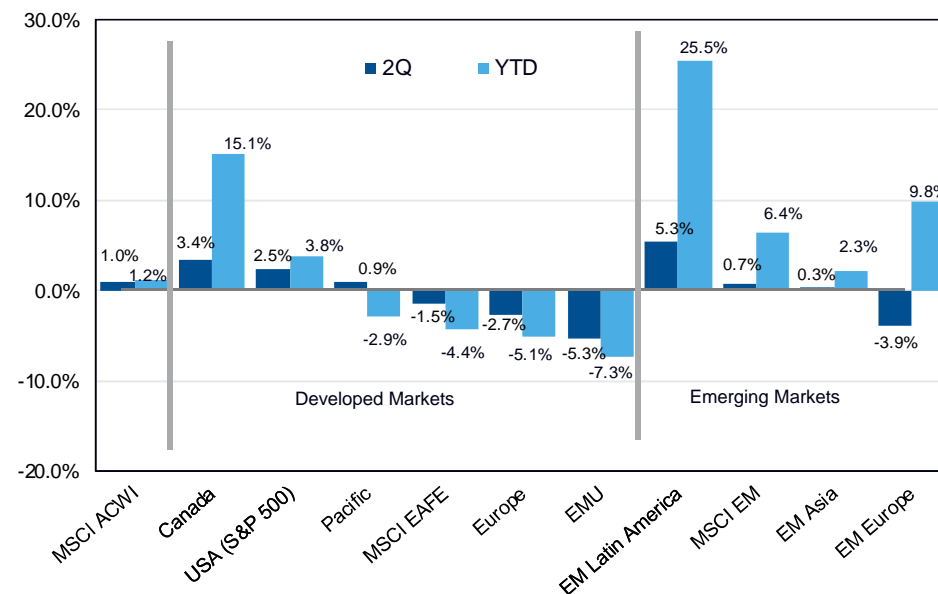
2nd Quarter 2016 and YTD S&P 500 Sector Returns



2nd Quarter 2016 – Investors Continue to Seek Value



2nd Quarter and YTD 2016 World Equity Returns



U.S. Continues Year With Modest Gains; Brexit Weighs Heavily on Markets

- § The S&P 500 gained 2.5% during the second quarter, bringing the year to date return to 3.8%. Brexit was the second quarter's defining event, as the UK's unexpected decision to leave the EU initially sent markets into a nosedive, but they largely recovered by June's end. A search for yield drove investors into equities as the yield on the S&P 500 and Russell 2000 both exceeded that of the 10-year U.S. Treasury. Higher yielding sectors such as Telecoms and Utilities saw particularly strong investor demand, causing both sectors to return nearly 25% during the first half of 2016. A rebound in oil prices led to strong gains in Energy, which saw a 12% return for the quarter and 16% year to date.
- § Emerging markets returned 0.7% during second quarter and 6.4% year to date, outperforming both the U.S. and EAFE. Latin America was again the strongest performing region. Stability in Chinese economic growth helped EM Asia. Developed international markets, with the exception of Canada (benefiting from rising oil prices) declined during the quarter on concerns about economic growth slowing further, particularly post-Brexit.
- § The second quarter saw a continuation in the outperformance of the value style, as some of the market's pricier, growth-oriented sectors (Information Technology and Consumer Discretionary) sold off. In general, small-cap stocks performed better than large-cap stocks and were the best performing U.S. market-cap segment, posting a 3.8% return for the second quarter.

Capital Markets Review

Fixed Income

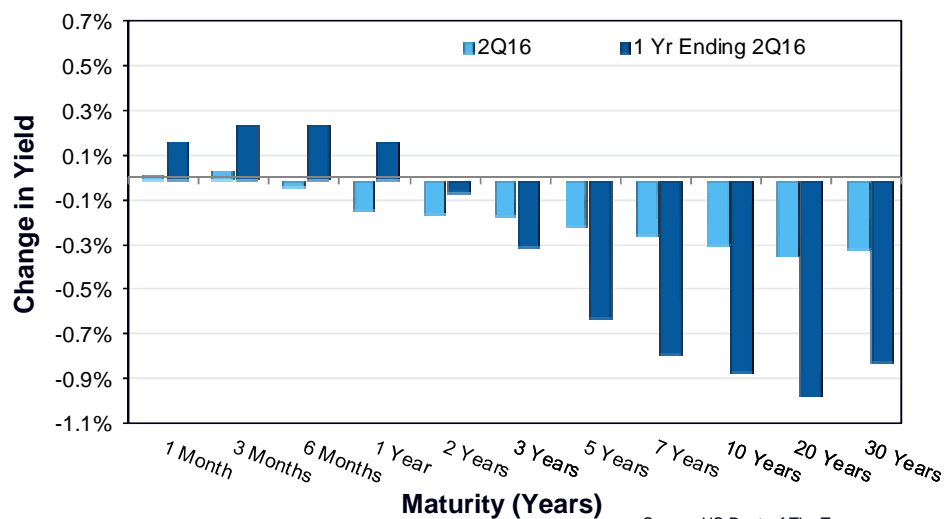
Duration – Adjusted Excess Returns to Treasuries (bps)

	2009	2010	2011	2012	2013	2014	2015	1Q16	2Q16
Aggregate	746	171	-114	226	93	10	-53	-4	31
Agency	288	77	-25	166	1	10	-133	23	36
MBS	495	225	-106	91	98	40	-5	-38	3
ABS	2496	169	52	246	24	53	44	16	50
CMBS	2960	1501	47	841	97	108	-28	58	37
Credit	1990	192	-322	693	226	-18	-169	18	97
High Yield	5955	974	-240	1394	923	-112	-577	77	411
EMD (USD)	3797	508	-537	1503	-32	-120	3	123	266

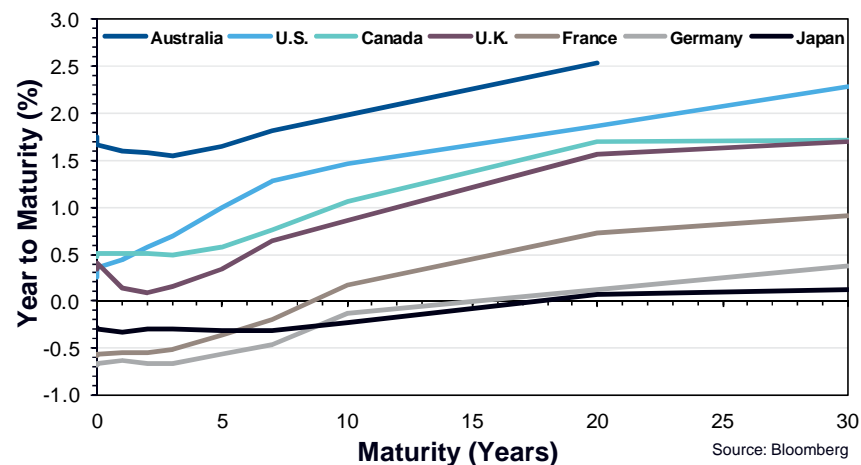
Best Period Second Best Period Worst Period Second Worst Period

Source: Barclays

U.S. Treasury Yield Curve Change



Global Sovereign Yield Curve Comparison



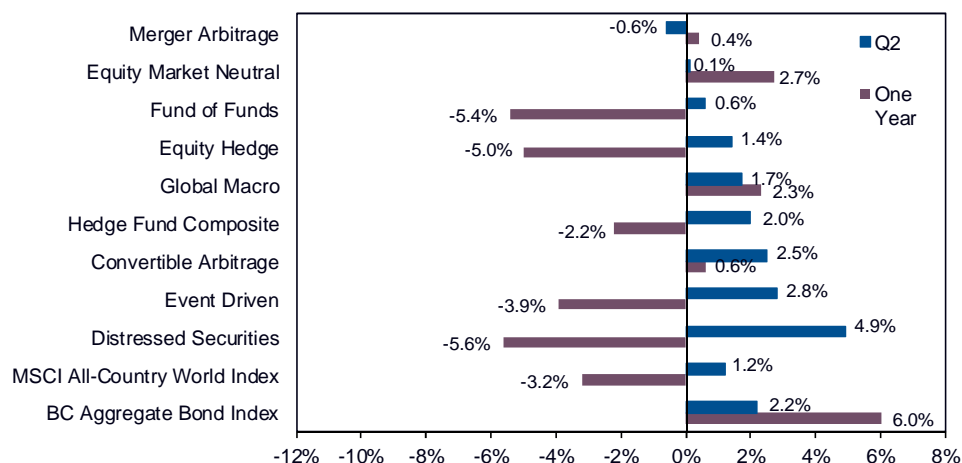
Rates and Spreads Rally as Global Yields Free Fall

- § Bond markets rallied during the second quarter as credit spreads tightened during the first half of the quarter, while Brexit headlines led a volatility surge in late June. Treasury yields plunged amid the flight-to-quality and neared all-time lows by quarter-end, with longer duration bonds leading returns. Over the trailing one-year period, 10- and 30-year yields declined over 80 basis points (bps) while short-term yields rose.
- § Despite volatility in late June, all spread sectors ended the quarter with positive total returns and outpaced Treasuries on a duration-adjusted basis. Investment grade credit spreads tightened 7 bps during the quarter, while high yield spreads tightened 62 bps as the sector returned +5.5%. The European Central Bank initiated its corporate bond buying program in June, which provided a technical tailwind for the sector as yield compression in European credit pushed yield-hungry buyers to the U.S.
- § While U.S. rates approached all-time lows during June, domestic rates maintained a sizable yield-advantage relative to other high quality developed markets such as Japan, Germany, and France. Developed non-U.S. Treasuries (+4.8%) outpaced U.S. Treasuries on a duration-adjusted basis during the quarter. U.S. dollar-denominated emerging market debt also produced strong results (+5.0%), while local currency emerging debt (+2.7%) was hindered by currency volatility, including a 5.5% loss for the Mexican Peso versus the U.S. dollar.

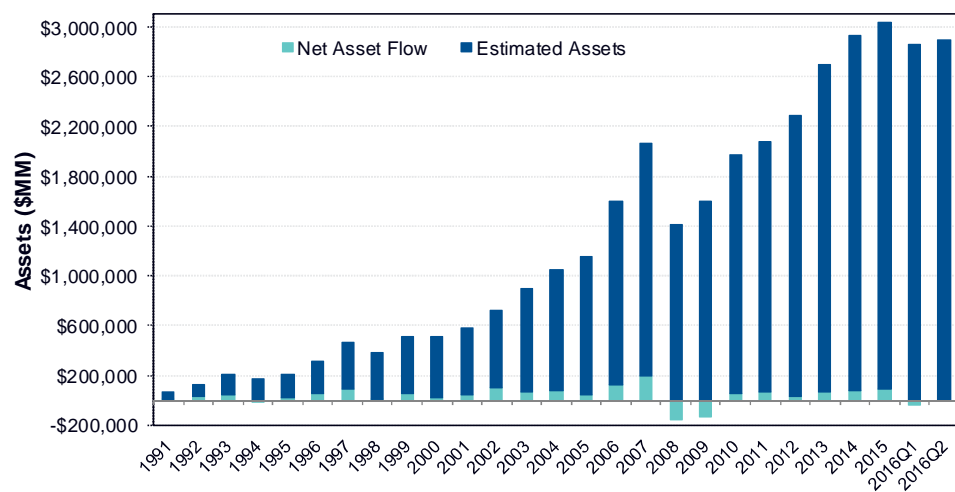
Capital Markets Review

Hedge Funds

HFR Index Performance – Second Quarter and Trailing 12 Months

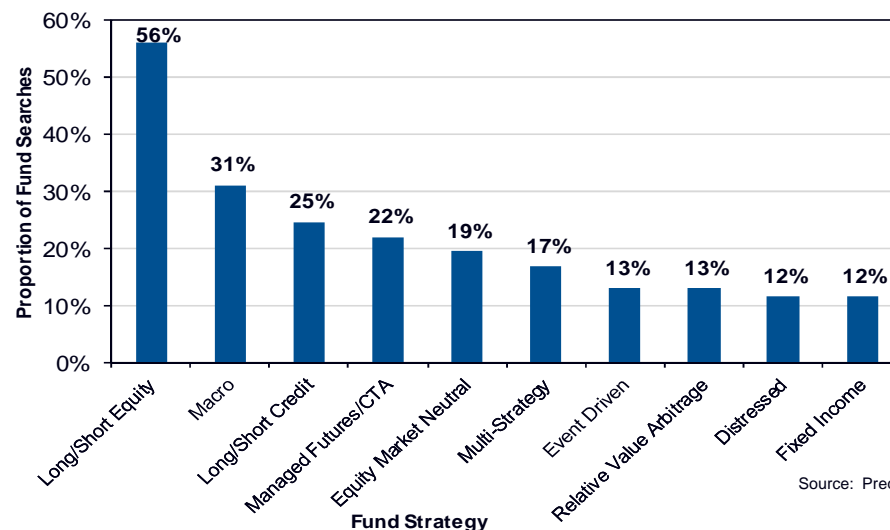


Hedge Fund Assets and Flows



Source: HFR, Inc.

Hedge Fund Strategies Sought by Investors Over the Next 12 Months



Source: Preqin

Hedge Funds Rebound After A Difficult Quarter

- § Hedge funds enjoyed a strong second quarter with all strategies except Merger Arbitrage delivering positive returns. The overall Hedge Fund Composite (+2.0%) compared well to the MSCI All-Country World Index, which closed the quarter up (+1.2%). The Barclays Capital Aggregate Bond Index had another strong quarter (+2.2%). Fund of Funds (+0.6%) lagged the overall Hedge Fund Composite and the publicly traded markets, but nevertheless delivered a modestly positive return.
- § Distressed Securities (+4.9%) delivered exceptionally strong returns with gains coming from a number of areas including distributions from liquidation holdings such as Lehman Brothers, strong performance from energy related credits and the successful resolution of positions relating to Argentinian bonds.
- § Event Driven (+2.8%) and Equity Hedge (+1.4%) generated solid returns as market conditions calmed and investors began to pay more attention to fundamentals. Convertible Arbitrage (+2.5%) benefited from a normalization of market liquidity and the rally in credit spreads. Global macro (+1.7%) benefited from large directional moves across a number of Fixed Income, Commodity and Currency markets.
- § Merger arbitrage (-0.6%) was the only negative strategy. Managers suffered from a number of high profile deals breaking including the failed merger between Pfizer and Allergan.
- § According to HFR, hedge fund assets increased by \$42 billion through June 2016. Redemptions slowed during the quarter with net redemptions of \$8.2 billion compared to \$15.1 billion in the first quarter. The industry generated net performance gains of \$50.2 billion for the second quarter.

Capital Markets Review

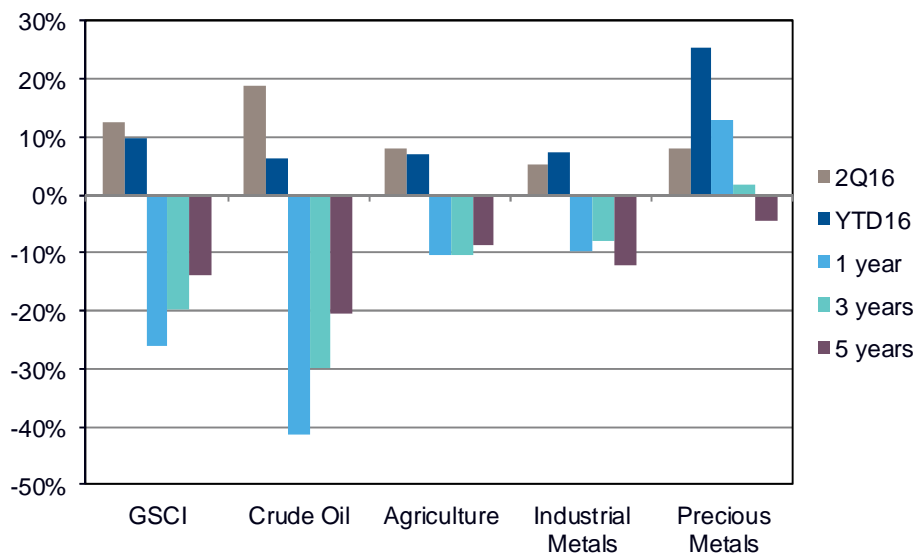
Real Assets

REIT Returns Favorable Except Europe (Periods Ended June 30, 2016)

	Quarter	YTD	5 Years
Global	3.5%	8.9%	7.8%
U.S.	7.0%	13.4%	12.6%
Canada	9.6%	21.3%	4.6%
Europe	-5.5%	-3.6%	5.0%
Emerging Markets	1.7%	3.6%	-0.3%

Source: NAREIT

Commodity Returns – Big Gains in Second Quarter 2016



Source: S&P GSCI

Private Real Estate Returns as of First Quarter 2016

NCREIF	3 Mon.	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.
	2.2%	11.8%	11.9%	11.9%	9.9%
Apartments	1.9%	10.9%	10.6%	11.5%	7.1%
Industrial	3.0%	14.3%	13.7%	13.1%	7.7%
Office	1.7%	10.8%	11.2%	11.1%	7.3%
Retail	3.0%	13.1%	13.5%	13.2%	8.7%
East	1.7%	9.8%	9.8%	10.2%	6.9%
Midwest	2.1%	10.8%	11.3%	11.1%	6.8%
South	2.2%	11.8%	12.9%	12.5%	7.9%
West	2.8%	14.1%	13.5%	13.5%	8.4%

Source: NCREIF

Real Estate Performs Well; Commodities Rebound

§ Private real estate returned 2.2% during the first quarter of 2016 and 11.8% for the trailing one-year period. By sector, industrial and retail properties performed best for the quarter. By region, the west was the strongest performer for the quarter and year. Three- and five-year returns have been boosted by significant appreciation. Long-term, income has represented about 70% of the total return from real estate, although in recent years, appreciation has been 50% or more of the return to real estate. Expectations are that returns will be driven primarily by income (estimated at 5%) over the next few years, with little appreciation.

§ U.S. REIT returns were strong during the second quarter (+7.0%) and year to date (+13.4%) periods. Fundamentals remain strong with high occupancy, steady demand and generally limited new supply. However, rent growth is slowing, supply is increasing in some markets and cap rates are very low as investors search for yield in a low interest rate environment. The European and Japanese REIT markets experienced negative returns during the second quarter (-5.5% and -7.2%) and first half of 2016 (-3.6% and -7.4%) on Brexit concerns and the potential for slower economic growth. Emerging markets provided slightly positive returns for the quarter and year to date periods with most markets generating positive returns. Chinese REITs, however, returned -2.4% and -9.9% for the three and six months ended June 30, 2016.

§ Commodity markets experienced a big rebound (+12.7%) during the second quarter, led by oil (+18.9%). Year to date, the Goldman Sachs Commodity Index returned 9.7%, with precious metals (+25.4%) driving the year to date return. The major index components all experienced positive returns for both the quarter and year to date periods. One-, three-, and five-year returns remain negative, however, as commodity returns were negative in four (2011, 2013, 2014, and 2015) of the past five years. Sentiment around commodities remains mixed. Gold has seen increased investment flows given its safe haven status, particularly in today's low interest rate environment. Other commodities have seen increased interest, but most investors remain cautious given supply and demand considerations, as well as the possibility of a continued strong U.S. dollar.

Capital Markets Review

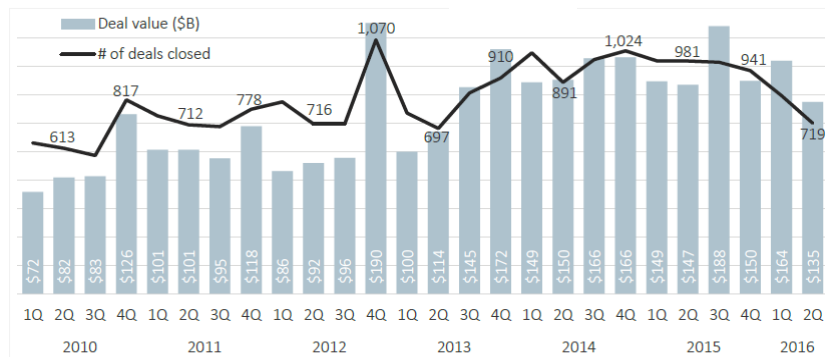
Private Equity

Investment Horizon Pooled IRR (As of 12/31/2015)

Asset Class	Strategy	1 Quarter	1 Year	5 Years	10 Years	20 Years
Venture Capital	VC: Early Stage	1.3%	15.4%	23.4%	18.0%	11.2%
Venture Capital	VC: Late/Expansion Stage	2.2%	9.2%	17.3%	12.6%	12.5%
Venture Capital	VC: Multi - Stage	3.6%	12.1%	20.7%	15.1%	10.4%
Venture Capital	Sub-Total	2.1%	13.8%	22.0%	16.5%	11.1%
Growth Equity	Growth Equity	3.3%	9.2%	13.6%	11.3%	11.8%
Growth Equity	Sub-Total	3.3%	9.2%	13.6%	11.3%	11.8%
Buyout	Buyout: Small Cap	1.1%	6.7%	10.2%	11.5%	15.6%
Buyout	Buyout: Mid Cap	1.9%	5.8%	9.9%	9.5%	12.4%
Buyout	Buyout: Large Cap	2.1%	6.0%	11.5%	11.4%	12.5%
Buyout	Buyout: Mega Cap	2.8%	10.6%	15.3%	13.6%	9.9%
Buyout	Sub-Total	2.4%	8.5%	13.3%	12.3%	11.2%
Mezzanine	Mezzanine/Sub Debt	0.5%	5.2%	9.5%	10.7%	9.6%
Mezzanine	Sub-Total	0.5%	5.2%	9.5%	10.7%	9.6%
Distressed	Distressed	-0.1%	1.8%	9.2%	9.4%	9.6%
Distressed	Sub-Total	-0.1%	1.8%	9.2%	9.4%	9.6%
Private Equity Energy	Sub-Total	-8.1%	-17.9%	-4.7%	0.3%	5.5%
Fund of Funds	FoF: Venture Capital	1.9%	9.9%	18.9%	14.7%	10.1%
Fund of Funds	FoF: Private Equity	1.8%	6.5%	11.2%	9.9%	9.1%
Fund of Funds	Sub-Total	1.7%	7.5%	13.2%	11.1%	9.3%
Secondary Funds	Secondary Funds	-0.5%	7.1%	11.4%	11.3%	10.9%
Secondary Funds	Sub-Total	-0.5%	7.1%	11.4%	11.3%	10.9%
Total		1.4%	6.8%	12.3%	11.4%	9.7%
MSCI AC World Index		5.0%	-2.4%	7.7%	6.1%	4.8%

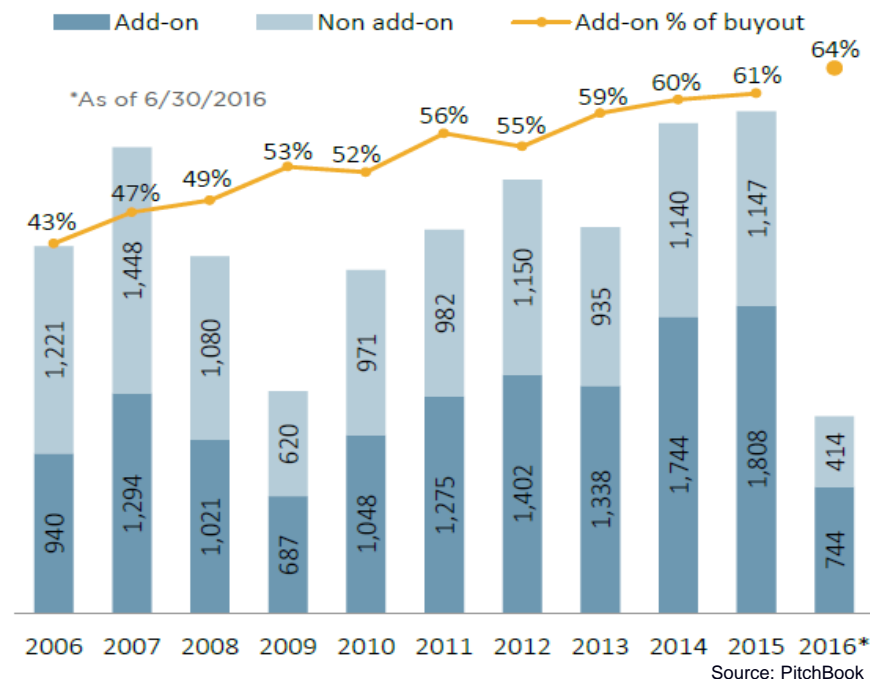
Source: ThomsonOne

U.S. Private Equity Activity – Deal Volume & Value



Source: PitchBook

U.S. Add-On Activity as a Percentage of Budget Activity



Source: PitchBook

Private Equity Continues to Post Positive Returns; Investment and Exit Activity Slowing

§ The pooled IRR for private equity funds underperformed the MSCI All Country World Index during the fourth quarter of 2015, although most market segments posted positive returns. Only energy related private equity funds performed poorly during the quarter with a -8.1% return. On a trailing one-, three-, five- and ten-year basis, private equity funds outperformed the publicly traded markets. The strongest performance in recent years has come from early stage venture, while distressed debt funds have posted among the lowest returns.

§ Private equity deal volumes, and value fell in 2016. In part, this is attributable to a more difficult regulatory environment. However, valuations play a part as they continue to rise in concert with publicly-traded equity market valuations, making it more challenging for private equity managers to invest. According to PitchBook, add-on activity in the U.S. market continues to grow as a percent of overall buyout activity, reaching a record 64% in 2016 from just 43% in 2006.

§ U.S. private equity-backed exit activity has slowed in 2016 relative to the past few years (\$113 billion in the first half of 2016 compared to \$180 million and \$132 million in the first half of 2014 and 2015, respectively). Relative to earlier years, however, exit activity remains healthy.

Capital Markets Review

Index Returns

As of June 30, 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	2.8	4.0	3.0	5.0	11.3	11.6	14.9	7.4
S&P 500	2.5	3.8	4.0	5.7	11.7	12.1	14.9	7.4
Russell 1000 Index	2.5	3.7	2.9	5.1	11.5	11.9	15.0	7.5
Russell 1000 Growth Index	0.6	1.4	3.0	6.7	13.1	12.3	15.5	8.8
Russell 1000 Value Index	4.6	6.3	2.9	3.5	9.9	11.4	14.5	6.1
Russell Midcap Index	3.2	5.5	0.6	3.6	10.8	10.9	16.5	8.1
Russell Midcap Growth Index	1.6	2.2	-2.1	3.5	10.5	10.0	15.8	8.1
Russell Midcap Value Index	4.8	8.9	3.2	3.5	11.0	11.7	17.1	7.8
Russell 2000 Index	3.8	2.2	-6.7	-0.3	7.1	8.4	13.9	6.2
Russell 2000 Growth Index	3.2	-1.6	-10.8	0.1	7.7	8.5	14.3	7.1
Russell 2000 Value Index	4.3	6.1	-2.6	-0.9	6.4	8.1	13.5	5.2
International Equity Indices								
MSCI EAFE	-1.5	-4.4	-10.2	-7.2	2.1	1.7	6.0	1.6
MSCI EAFE Growth Index	-0.1	-2.2	-4.8	-3.1	4.2	3.2	7.6	2.9
MSCI EAFE Value Index	-2.8	-6.6	-15.4	-11.4	-0.1	0.1	4.3	0.2
MSCI EAFE Small Cap	-2.6	-3.2	-3.7	-2.2	7.3	4.8	9.9	3.6
MSCI AC World Index	1.0	1.2	-3.7	-1.5	6.0	5.4	9.5	4.3
MSCI AC World ex US	-0.6	-1.0	-10.2	-7.8	1.2	0.1	5.3	1.9
MSCI Emerging Markets Index	0.7	6.4	-12.1	-8.7	-1.6	-3.8	3.8	3.5
Fixed Income Indices								
Barclays U.S. Aggregate	2.2	5.3	6.0	3.9	4.1	3.8	4.6	5.1
Barcap Intermediate U.S. Government/Credit	1.6	4.1	4.3	3.0	3.0	2.9	3.8	4.5
Barclays U.S. Long Government/Credit	6.5	14.3	15.7	8.6	9.3	9.2	9.3	8.4
Barclays US Corp: High Yield	5.5	9.1	1.6	0.6	4.2	5.8	10.0	7.6
BofA Merrill Lynch 3 Month U.S. T-Bill	0.1	0.1	0.2	0.1	0.1	0.1	0.1	1.0
Barclays U.S. TIPS	1.7	6.2	4.4	1.3	2.3	2.6	4.3	4.8
Citigroup Non-U.S. World Government Bond	4.0	13.5	13.8	-0.8	2.4	0.3	2.3	4.0
JPM EMBI Global Diversified (external currency)	5.0	10.3	9.8	5.0	7.2	6.5	8.8	8.0
JPM GBI-EM Global Diversified (local currency)	2.7	14.0	2.0	-7.1	-3.6	-2.2	3.1	5.7
Real Asset Indices								
Bloomberg Commodity Index Total Return	12.8	13.2	-13.3	-18.7	-10.6	-10.8	-4.4	-5.6
Dow Jones Wilshire REIT	5.6	11.1	22.8	13.7	13.6	12.5	21.0	7.0

Returns for periods greater than one year are annualized.

Investment Outlook Dashboard

Third Quarter 2016

Market Segment	Valuations	Fundamentals	Sentiment
Growth – Value	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. In emerging markets, value stocks appear undervalued. Within international developed equity markets, growth and value stocks look fairly priced.	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 varies significantly by country. Fed tightening looks to be on a much slower and flatter path, which should benefit earnings growth, especially for more highly levered companies. With oil prices stabilized, fundamentals are improving for some stronger energy 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	Small cap stocks are beginning to look cheap in the U.S., appear undervalued in the international developed markets and are expensive in emerging markets.	Fundamentals generally favor large cap stocks. There are some warning signs of a potential change, however. Cash levels as a percent of debt are declining. Capital expenditures are down while buybacks are up. M&A activity is down for larger and mega companies because of increased regulatory pressures.	A more risk averse and yield seeking environment favors large cap.
Global Equities	Emerging markets look cheap relative to U.S. stocks. Develop international market stocks appear inexpensive relative to historical levels.	Economic growth trends favor the U.S. and select emerging market countries. Earnings growth potential is stronger in the U.S. while earnings growth looks to have troughed in emerging markets.	Sentiment favors U.S. stocks, with emerging markets beginning to show some strength.
Fixed Income	Interest rates are low, making fixed income not particularly attractive. Spreads on high yield and emerging market debt remain wide, 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.



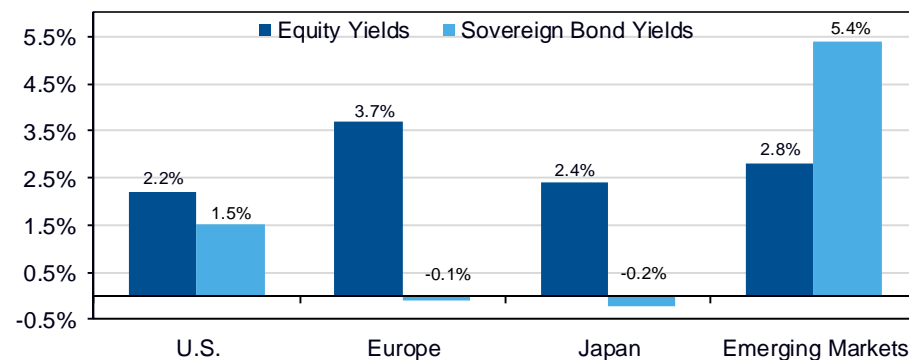
Current Market Environment

- Interest rates near historic lows and likely to stay low for longer.
- Slow economic growth in Europe and Japan expected to result in further monetary easing.
- The Federal Reserve is unlikely to raise interest rates by much, if at all in 2016.
- The search for yield continues, placing upward pressure on equity valuations.

Implications

- Risk has increased both in the fixed income and equity markets. Diversification is key.
- Increased volatility across markets – stocks, bonds, currencies and commodities.
- Potential for more frequent rebalancing.

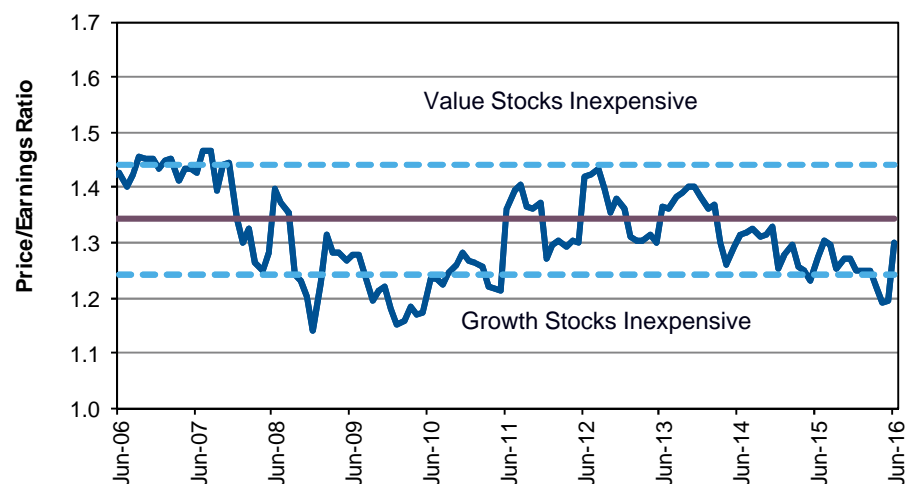
Dividend Yields Exceed Bond Yields in Developed Markets



Indices: Equity – S&P 500, MSCI Europe, MSCI Japan, MSCI Emerging Markets.
Fixed Income – 10-Yr Sovereign for U.S., Germany, Japan, JPM EMBI.

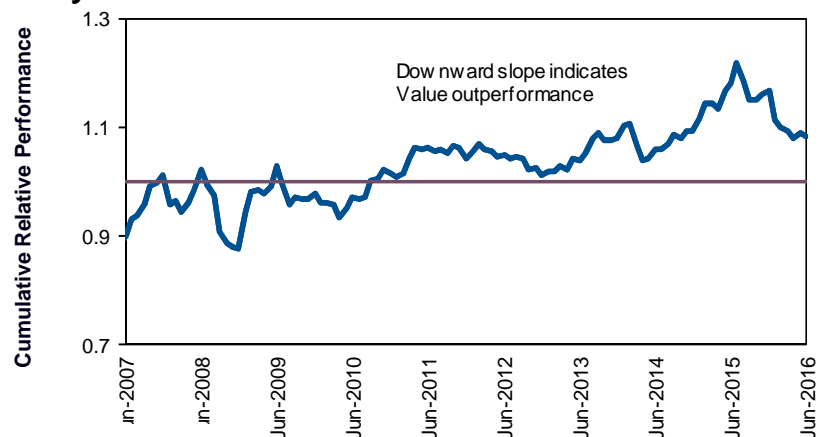
U.S. Large Cap Equities Growth and Value Styles (Tilt to Value)

U.S. Large Growth vs. Value Price/Earnings Ratios – Cap-Weighted Growth and Value Stocks Appear Fairly Priced



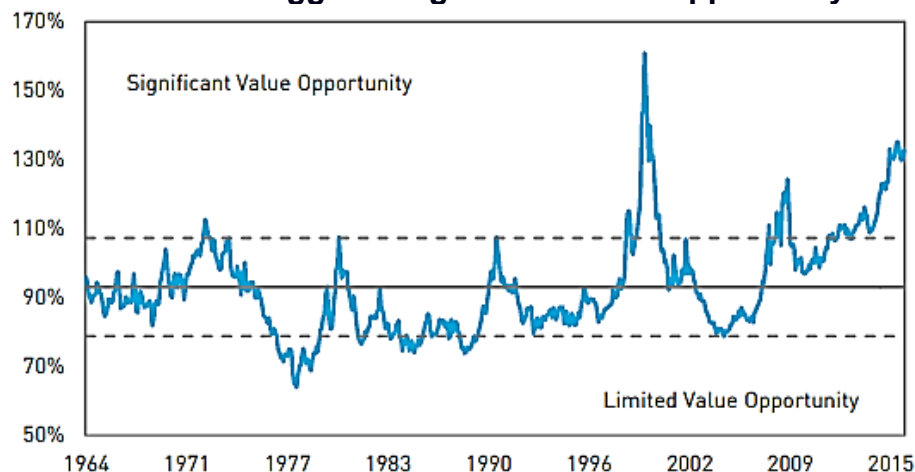
Source: FTSE Russell, June 30, 2016

U.S. Growth-Value Stock Performance Favoring Value Since January 2016



Source: Russell cap-weighted indices

U.S. Valuation Spreads - Price/Book: Cheapest Quintile vs. 1000 Stock Universe Suggests Significant Value Opportunity



Source: Sanford C. Bernstein & Co., Pzena Analysis

Observations

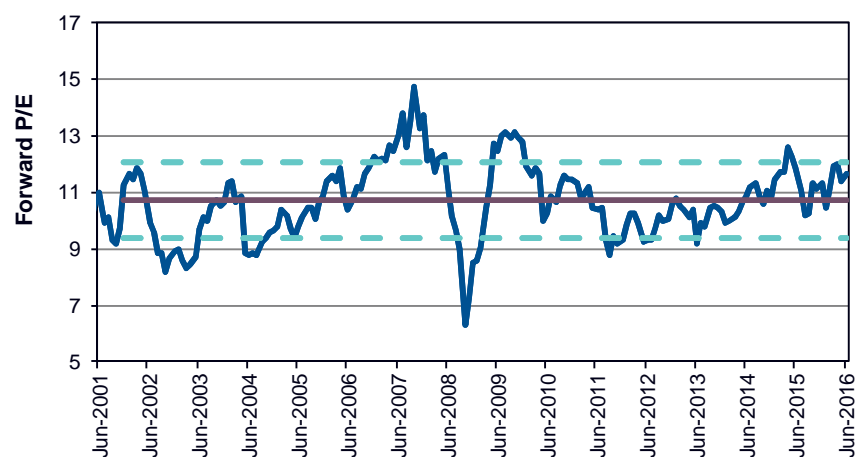
- U.S. large cap growth stocks noticeably outperformed value stocks in 2015, largely as a result of strong performance from Healthcare and IT (traditional growth sectors), and very weak performance from the Energy sector, which makes up a larger portion of the value index. For the prior five years, the performance of growth and value stocks had not been significantly different. Beginning in 2016, value stocks began to outperform growth stocks.
- Overall, valuations between growth and value stocks are average, however, we note that the opportunity within the value style appears above average. The valuation disparity between the cheapest quintile of 1000 stock universe is beyond the one standard deviation band, with a cheapest stacks trading at about a 30% discount to the average of the 1000 largest U.S. stocks. 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.

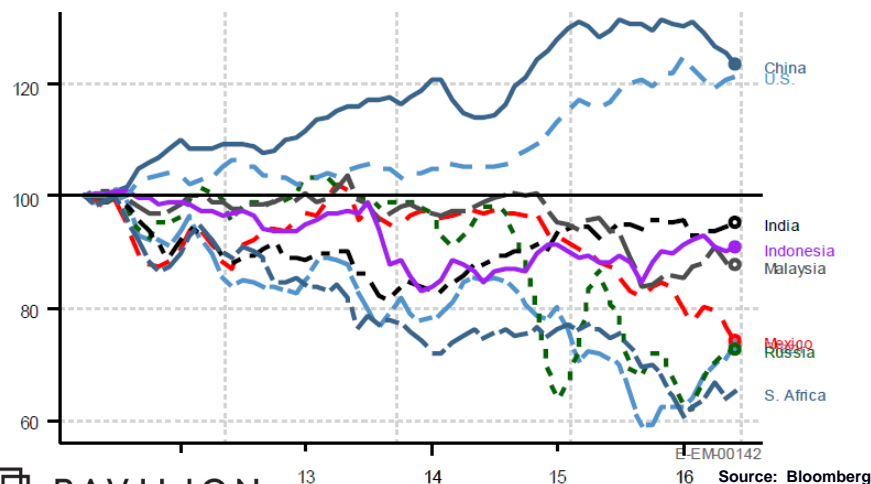
Emerging Market Equities (Rebalance Part Way Back to Target)

Emerging Markets Valuations Look Average to Slightly Above Average



Source: MSCI

Currencies Other than China, Have Devalued Relative to the U.S. Dollar



Source: Bloomberg

Although Sentiment on Emerging Markets is Still Negative, It is Showing a Marked Improvement from its Low in February When it Ranked Ahead of Only Energy



Source: BofA

Observations

- Emerging market equities are trading at average to slightly above-average prices. Relative to the U.S. and EAFE, emerging markets look inexpensive.
- Emerging market economic growth appears to be stabilizing while developed market growth is weakening slightly. The U.S. dollar has appreciated significantly against emerging market currencies and is unlikely to appreciate much more as a rise in U.S. interest rates is likely to be small if it occurs. Commodity prices are stabilizing as well. While the economic outlook for various emerging market countries is mixed, in general, growth appears to have bottomed.
- 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. This is a negative for emerging markets. However, there are some positives. In particular, the Fed's move to normalize monetary policy looks to be on a much slower and flatter path, which we expect will benefit emerging market economies, moderating outflows from local investors and contributing to inflows from foreign investors.
- BofA's Merrill Lynch's June 2016 Global Research Report shows sentiment on emerging markets though negative, is improving.

Recommendation

- Country-specific risks remain high (Brazil, Russia, China) favoring stock-picking managers to find true values. Emerging market equities look to be among the cheapest market segment and while sentiment is negative, it is improving. We recommend rebalancing part way back to the target allocation.



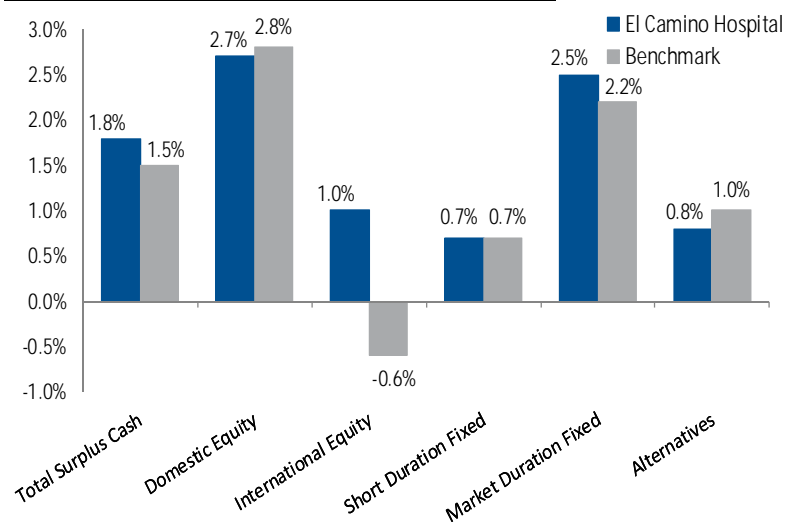
Portfolio Review

Surplus Cash Executive Summary

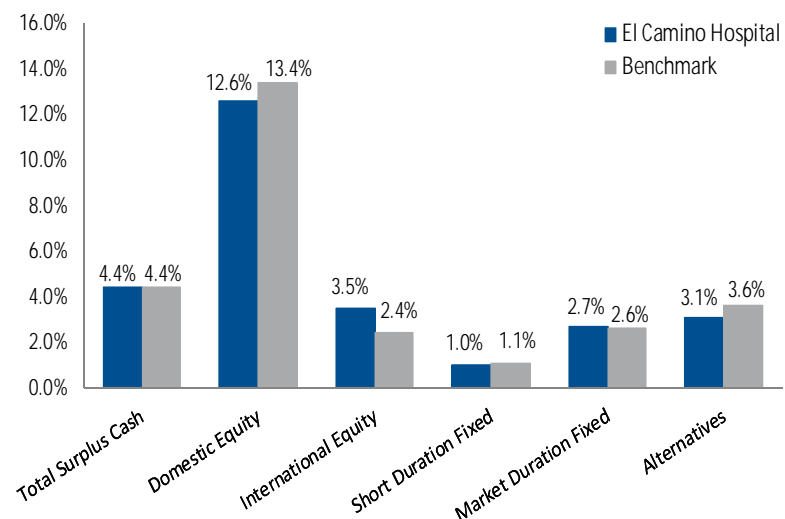
Dashboard

As of June 30, 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	\$175.3	26.4%	25.0%	+ 1.4%	20-30%	Yes
International Equity	\$ 95.4	14.4%	15.0%	- 0.6%	10-20%	Yes
Short-Duration Fixed	\$ 67.8	10.2%	10.0%	+ 0.2%	8-12%	Yes
Market-Duration Fixed	\$205.1	30.9%	30.0%	+ 0.9%	25-35%	Yes
Alternatives	\$121.2	18.2%	20.0%	- 1.8%	17-23%	Yes
Total (X District)	\$664.7	100.0%				

Portfolio Updates

Manager News/Issues

- The Fund benefited from the timing of the Cortina liquidation. Assets were in cash during the post-"Brexit" selloff in equities and reinvested for the subsequent market rebound.
- Large-cap equity managers Sands and Barrow Hanley lagged their benchmarks by 110 and 160 basis points, respectively. Barrow Hanley due to unfavorable stock selection in Financials and Sands due to an overweight to Information Technology.
- Small-cap manager Wellington trailed the Russell 2000 Value Index by 370 bps as poor stock selection dampened returns. Long term results have been strong.
- Developed international equity manager Walter Scott and emerging markets equity manager Harding Loevner notably outperformed during the quarter. Both ranked in the top quartile of their peer groups.
- Dodge & Cox fixed income outperformed the Barclays U.S. Aggregate Index by 80 basis points due to overweight exposure to non-U.S. and emerging markets debt.
- The Direct Hedge Fund portfolio outperformed its benchmark by 50 basis points.

Funding News/Issues

- Oaktree Real Estate Opportunities Fund VI made distribution payments totaling \$638,802 during the quarter.
- In May, the Walton Street Real Estate Fund VII made a distribution payment of \$328,583.
- In June, small-cap growth manager Cortina was liquidated with the proceeds reinvested in the Conestoga Small-Cap Fund.

Surplus Cash Executive Summary

Portfolio Update - June 2016

The Surplus Cash portfolio excluding District assets returned +1.8% during the second quarter, exceeding its benchmark by 30 basis points (bps) due to strong relative performance from the portfolio's international equity, market duration fixed income, and direct hedge fund managers.

The domestic equity composite trailed its benchmark by 10 bps, as significant outperformance from the small-cap segment was offset by underwhelming performance from large-cap managers. The small-cap composite benefited from the timing of the Cortina small-cap growth liquidation, as assets were in cash during the post-"Brexit" selloff and subsequently reinvested in Conestoga in time to participate in the market rebound. Large-cap managers Sands and Barrow Hanley trailed their benchmarks by 110 and 160 bps, respectively. Sands suffered from an overweight to the poor performing Information Technology sector, while Barrow Hanley's stock selection within Financials detracted from performance.

The international equity composite returned +1.0%, outperforming the MSCI AC World ex USA Index by 160 bps. Developed international manager Walter Scott was the portfolio's top performer on a relative basis, returning +3.0% and outpacing the benchmark by 360 bps. The strategy's outperformance was driven by significant underweight exposure to Financials as well as strong stock selection within the sector. Emerging markets manager Harding Loevner also boosted results, returning +3.5% vs +0.7% for the MSCI EM Index, led by strong stock selection in Financials and Information Technology.

Market duration fixed income manager Dodge & Cox returned +3.0%, outperforming the Barclays U.S. Aggregate Index by 80 bps due to overweight exposure to non-U.S. and emerging markets debt. Conversely, Metwest slightly trailed the benchmark as a result of underweight duration positioning, coupled with a below-benchmark allocation to corporate credit.

The direct hedge fund portfolio bounced back from a difficult first quarter, returning +1.1% vs. +0.6% for the HFRI Fund of Funds Composite Index, led by strong relative gains from the relative value strategy, which outperformed its benchmark by over 300 bps. Returns for the Fund's Real Estate managers were not available at the time of this report.

Investment Activity

In May, Oaktree Real Estate Opportunities Fund VI and the Walton Street Real Estate Fund VII made distributions of \$218,802 and \$328,583, respectively. In June, Oaktree Real Estate Opportunities Fund VI made a distribution of \$420,000. Also in June, small-cap growth manager Cortina was liquidated with the proceeds reinvested in the Conestoga Small-Cap Fund.

Recommendations or Action Items

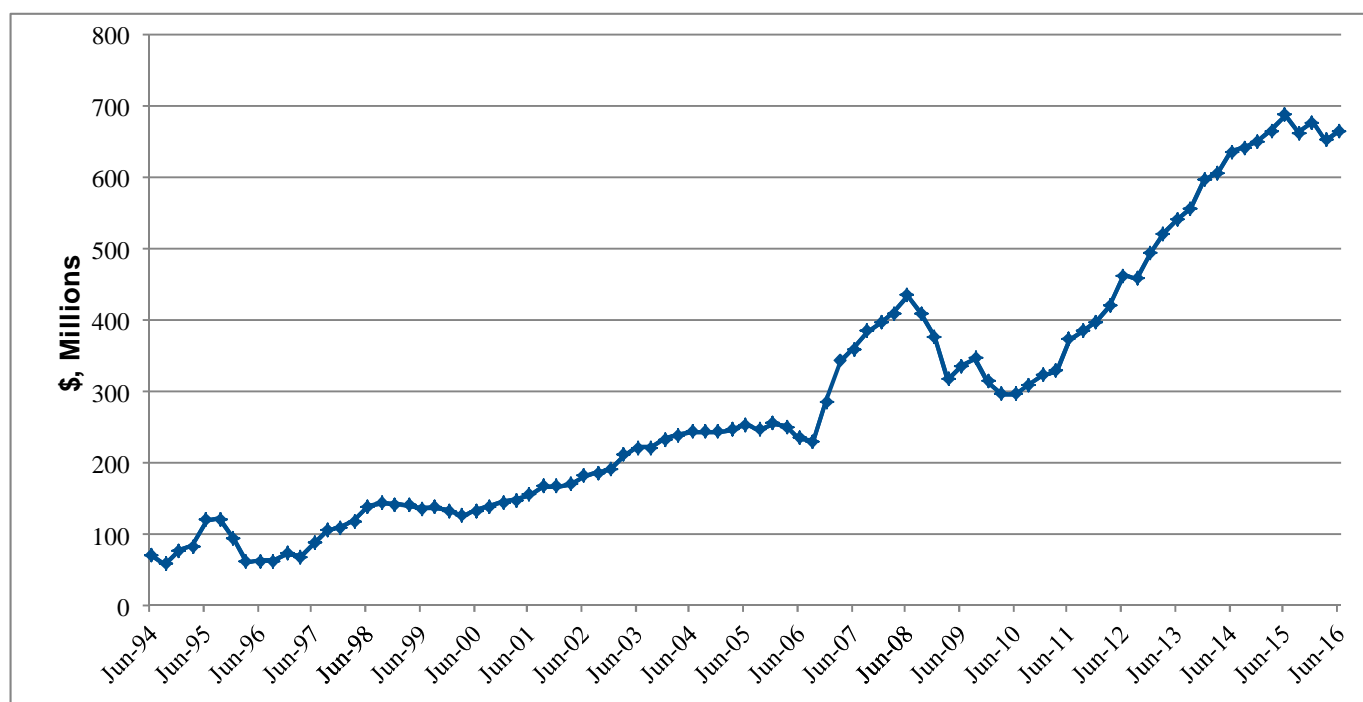
As of June 30, 2016, the equity composite's underlying emerging markets exposure was 5.4% vs. 10.5% for the MSCI AC World IMI Index. Pavilion recommends rebalancing the equity composite closer to the benchmark, increasing the underlying emerging markets exposure to 8.0%.

Surplus Cash Executive Summary

Market Value Reconciliation

As of June 30, 2016

\$ in Millions	2008	2009	2010	2011	2012 ¹	2013	2014	2015	1st Quarter 2016	2nd Quarter 2016
Beginning Market Value	\$395.6	\$374.4	\$313.5	\$322.6	\$396.7	\$493.8	\$596.3	\$651.6	\$677.5	\$651.2
Net Cash Flow	(\$16.3)	(\$91.8)	(\$10.5)	\$55.6	\$67.8	\$55.3	\$27.4	\$27.0	(\$28.2)	\$1.2
Income	n/a	n/a	n/a	n/a	n/a	n/a	\$12.3	\$12.6	\$2.7	\$2.7
Realized Gain/(Loss)	n/a	n/a	n/a	n/a	n/a	n/a	\$10.4	\$4.4	(\$0.1)	\$3.5
Unrealized Gain/(Loss)	n/a	n/a	n/a	n/a	n/a	n/a	\$5.3	(\$18.0)	(\$0.8)	\$6.1
Capital App/(Dep)	(\$5.0)	\$30.9	\$19.6	\$18.5	\$29.3	\$47.2	\$27.9	(\$1.0)	\$1.8	\$12.3
End of Period Market Value	\$374.4	\$313.5	\$322.6	\$396.7	\$493.8	\$596.3	\$651.6	\$677.5	\$651.2	\$664.7
Return Net of Fees	-1.2%	11.3%	6.4%	5.1%	6.6%	8.8%	4.4%	-0.2%	0.3%	1.8%



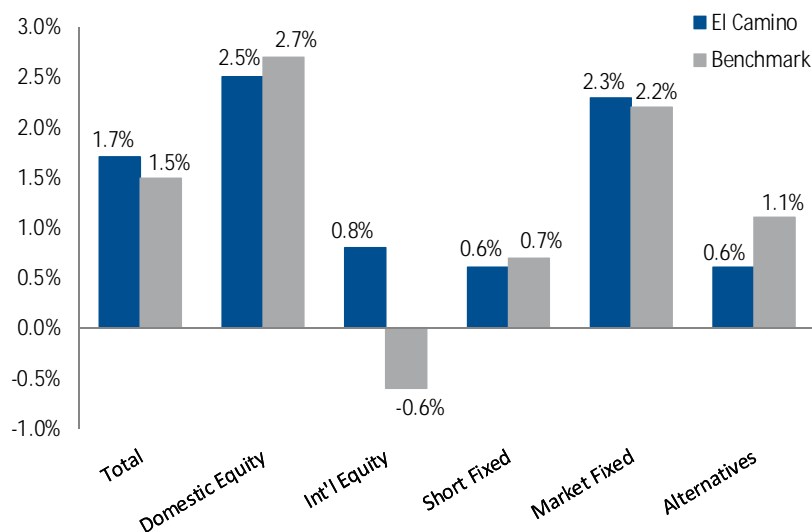
¹ Beginning 8/1/2012, market values represent the Surplus Cash portfolio excluding District assets, with \$13.9 million of District assets shown as a cash outflow in the third quarter of 2012.

Cash Balance Plan Executive Summary

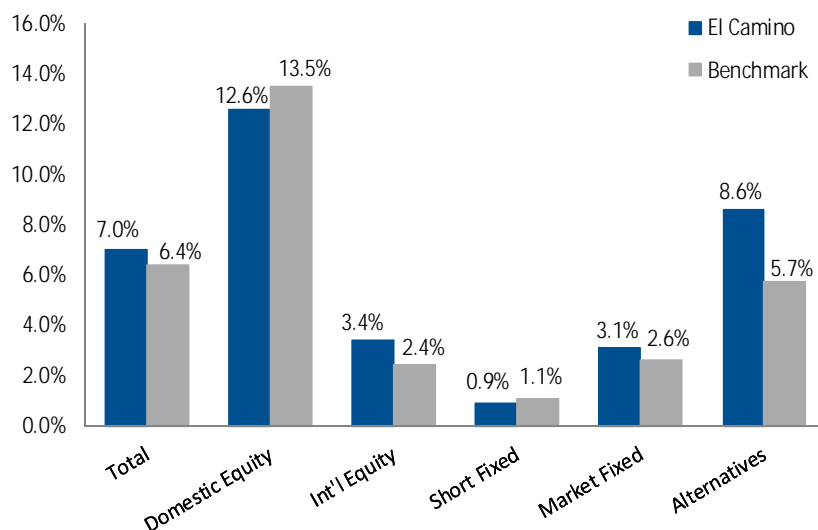
Dashboard

As of June 30, 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	\$ 75.1	33.9%	32.0%	+ 1.9%	27-37%	Yes
International Equity	\$ 37.3	16.8%	18.0%	- 1.2%	15-21%	Yes
Short-Duration Fixed	\$ 9.2	4.1%	5.0%	- 0.9%	0-8%	Yes
Market-Duration Fixed	\$ 55.9	25.2%	25.0%	+ 0.2%	20-30%	Yes
Alternatives	\$ 44.0	19.9%	20.0%	- 0.1%	17-23%	Yes
Total	\$221.5	100.0%				

Portfolio Updates

Manager News/Issues

- The Fund benefited from the timing of the Cortina liquidation. Assets were in cash during the post-"Brexit" selloff in equities and reinvested for the subsequent market rebound.
- Large-cap equity managers Sands and Barrow Hanley lagged their benchmarks by 110 and 160 basis points, respectively. Barrow Hanley due to unfavorable stock selection in Financials and Sands due to an overweight to Information Technology.
- Small-cap manager Wellington trailed the Russell 2000 Value Index by 370 bps as poor stock selection dampened returns. Long term results have been strong.
- International equity manager Walter Scott outperformed the benchmark by 360 basis points as the strategy benefited from an underweight position in financials, coupled with strong stock selection.
- The Hedge Fund of Funds composite outperformed its benchmark by 40 basis points.

Funding News/Issues

- Oaktree Real Estate Opportunities Fund VI made distribution payments totaling \$383,281 during the quarter.
- In May, Walton Street Real Estate Fund VII made a distribution payment of \$197,150.
- In June, small-cap growth manager Cortina was liquidated with the proceeds reinvested in the Conestoga Small-Cap Fund.

Cash Balance Plan Executive Summary

Portfolio Update - June 2016

The Cash Balance Plan returned +1.7% during the quarter, outperforming its benchmark by 20 basis points (bps) due to strong relative performance from the portfolio's international equity and hedge fund of funds managers.

The domestic equity composite trailed its benchmark by 20 bps, as significant outperformance from the small-cap segment was offset by underwhelming performance from large-cap managers. The small-cap composite benefited from the timing of the Cortina small-cap growth liquidation, as assets were in cash during the post-"Brexit" selloff and subsequently reinvested in Conestoga in time to participate in the market rebound. Large-cap managers Sands and Barrow Hanley trailed their benchmarks by 110 and 160 bps, respectively. Sands suffered from an overweight to the poor performing Information Technology sector, while Barrow Hanley's stock selection within Financials detracted from performance.

The international equity composite returned +0.8%, outperforming the MSCI AC World ex USA Index by 140 bps. Walter Scott was the primary source of outperformance, returning +3.0% and outpacing the benchmark by 360 bps, driven by significant underweight exposure to Financials as well as strong stock selection within the sector. Northern Cross returned -1.6%, lagging the benchmark by 100 bps as unfavorable stock selection and overweight exposure to the Consumer Discretionary sector dragged on performance.

Performance was mixed within market duration fixed income. Dodge & Cox returned +2.6%, outperforming the Barclays U.S. Aggregate Index by 40 bps due to overweight exposure to non-U.S. and emerging markets debt. Conversely, Metwest slightly trailed the benchmark as a result of underweight duration positioning, coupled with a below-benchmark allocation to corporate credit.

The hedge fund of funds composite bounced back from a difficult first quarter, returning +1.0% vs. +0.6% for the HFRI Fund of Funds Composite Index. Lighthouse and Pointer outperformed the benchmark by 10 and 70 bps, respectively. Returns for the Fund's Real Estate managers were not available at the time of this report.

Investment Activity

In May, Oaktree Real Estate Opportunities Fund VI and the Walton Street Real Estate Fund VII made distributions of \$131,281 and \$197,150, respectively. In June, Oaktree Real Estate Opportunities Fund VI made a distribution of \$252,000. Also in June, small-cap growth manager Cortina was liquidated with the proceeds reinvested in the Conestoga Small-Cap Fund.

Recommendations or Action Items

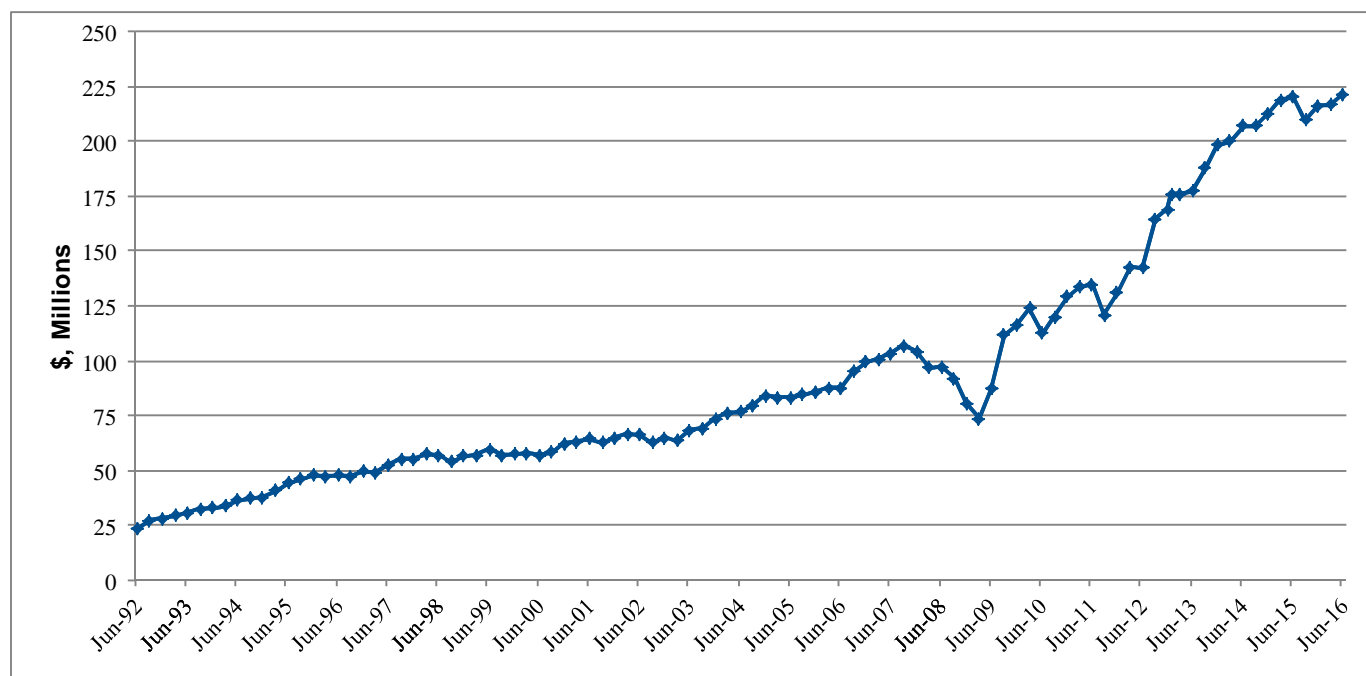
As of June 30, 2016, the equity composite's underlying emerging markets exposure was 4.3% vs. 10.5% for the MSCI AC World IMI Index. Pavilion recommends rebalancing the equity composite closer to the benchmark, increasing the underlying emerging markets exposure to 8.0%. To accomplish this, Pavilion recommends adding an investment in the Harding Loevner Emerging Markets Fund.

Cash Balance Plan Executive Summary

Market Value Reconciliation

As of June 30, 2016

\$ in Millions	2008	2009	2010	2011	2012	2013	2014	2015	1st Quarter 2016	2nd Quarter 2016
Beginning Market Value	\$104.0	\$80.5	\$116.1	\$129.2	\$130.9	\$168.8	\$198.3	\$213.7	\$216.8	\$216.6
Net Cash Flow	\$4.3	\$11.8	(\$0.8)	\$2.3	\$14.7	\$2.4	\$3.8	\$0.6	\$0.3	\$1.2
Income	n/a	n/a	n/a	n/a	n/a	n/a	\$3.4	\$3.3	\$0.7	\$0.7
Realized Gain/(Loss)	n/a	n/a	n/a	n/a	n/a	n/a	\$4.7	\$2.0	(\$0.1)	\$0.7
Unrealized Gain/(Loss)	n/a	n/a	n/a	n/a	n/a	n/a	\$3.4	(\$2.7)	(\$1.2)	\$2.3
Capital App/(Dep)	(\$27.8)	\$23.8	\$13.9	(\$0.6)	\$23.2	\$27.2	\$11.5	\$2.5	(\$0.6)	\$3.7
End of Period Market Value	\$80.5	\$116.1	\$129.2	\$130.9	\$168.8	\$198.3	\$213.7	\$216.8	\$216.6	\$221.5
Return Net of Fees	-25.9%	28.2%	11.7%	-0.9%	17.0%	15.8%	5.6%	1.1%	-0.3%	1.7%



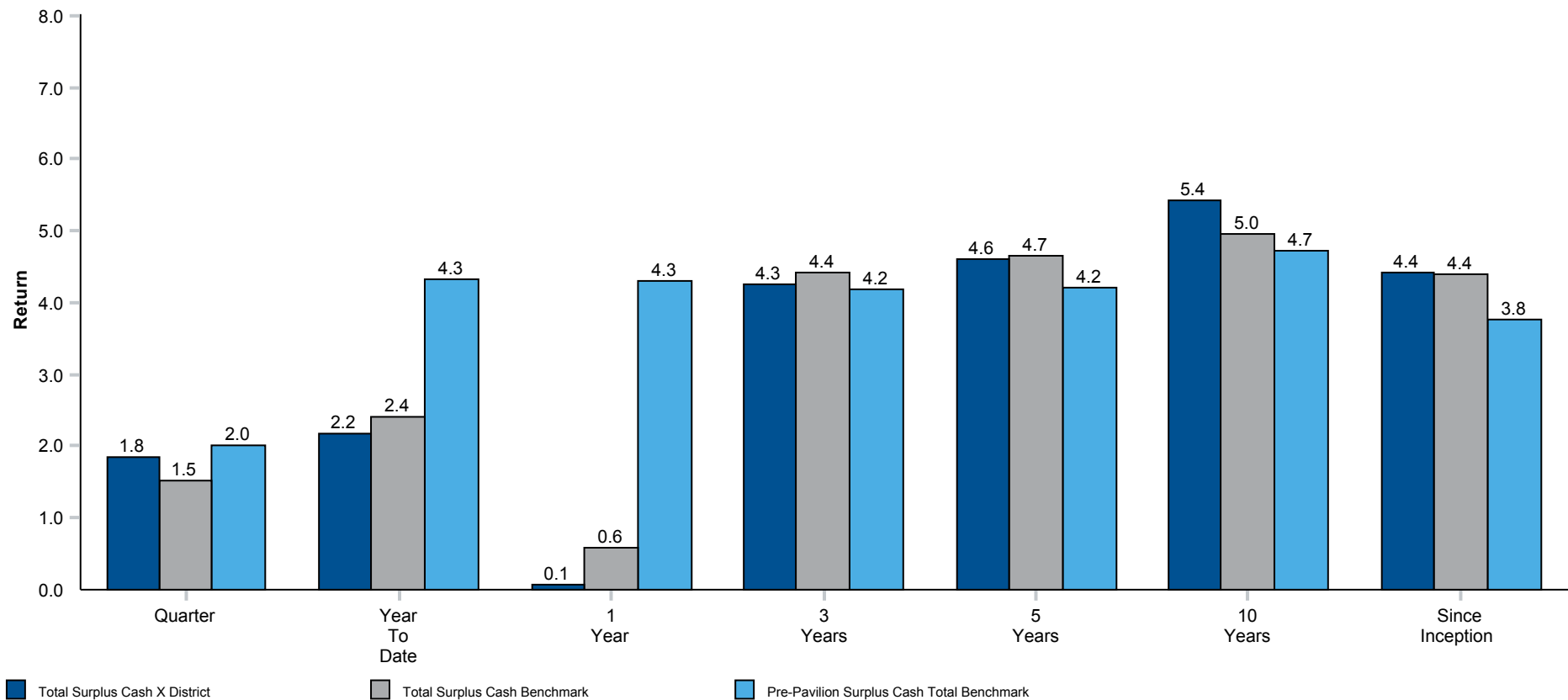


Surplus Cash - Performance Summary

Performance Summary

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

As of June 30, 2016



	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Total Surplus Cash X District	1.8	2.2	0.1	4.3	4.6	5.4	4.4	3y 8m
Total Surplus Cash Benchmark	1.5	2.4	0.6	4.4	4.7	5.0	4.4	
Pre-Pavilion Surplus Cash Total Benchmark	2.0	4.3	4.3	4.2	4.2	4.7	3.8	

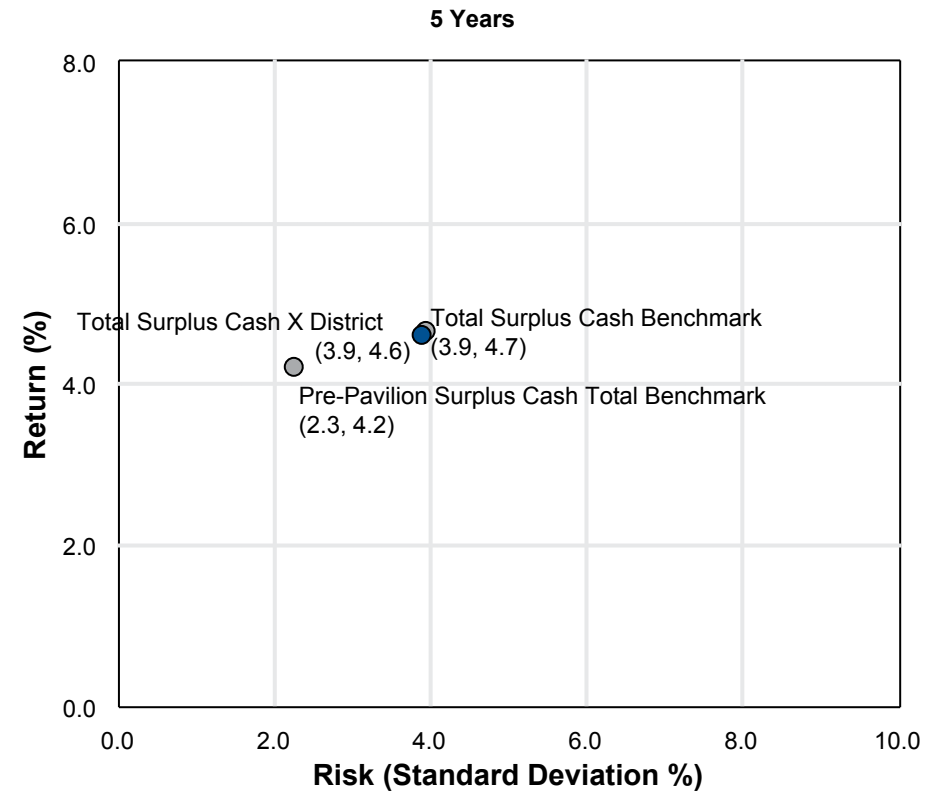
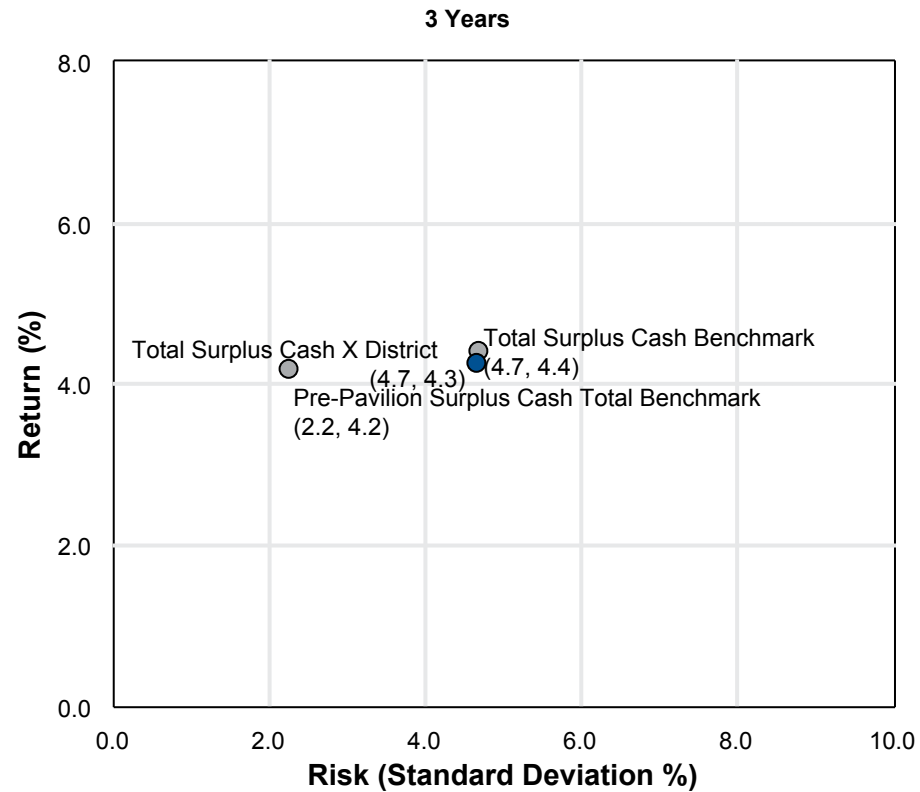
* Returns prior to August 1, 2012 include District assets. All returns are net of investment management fees.

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

Performance Summary

Risk and Return Summary (Net of Fees)

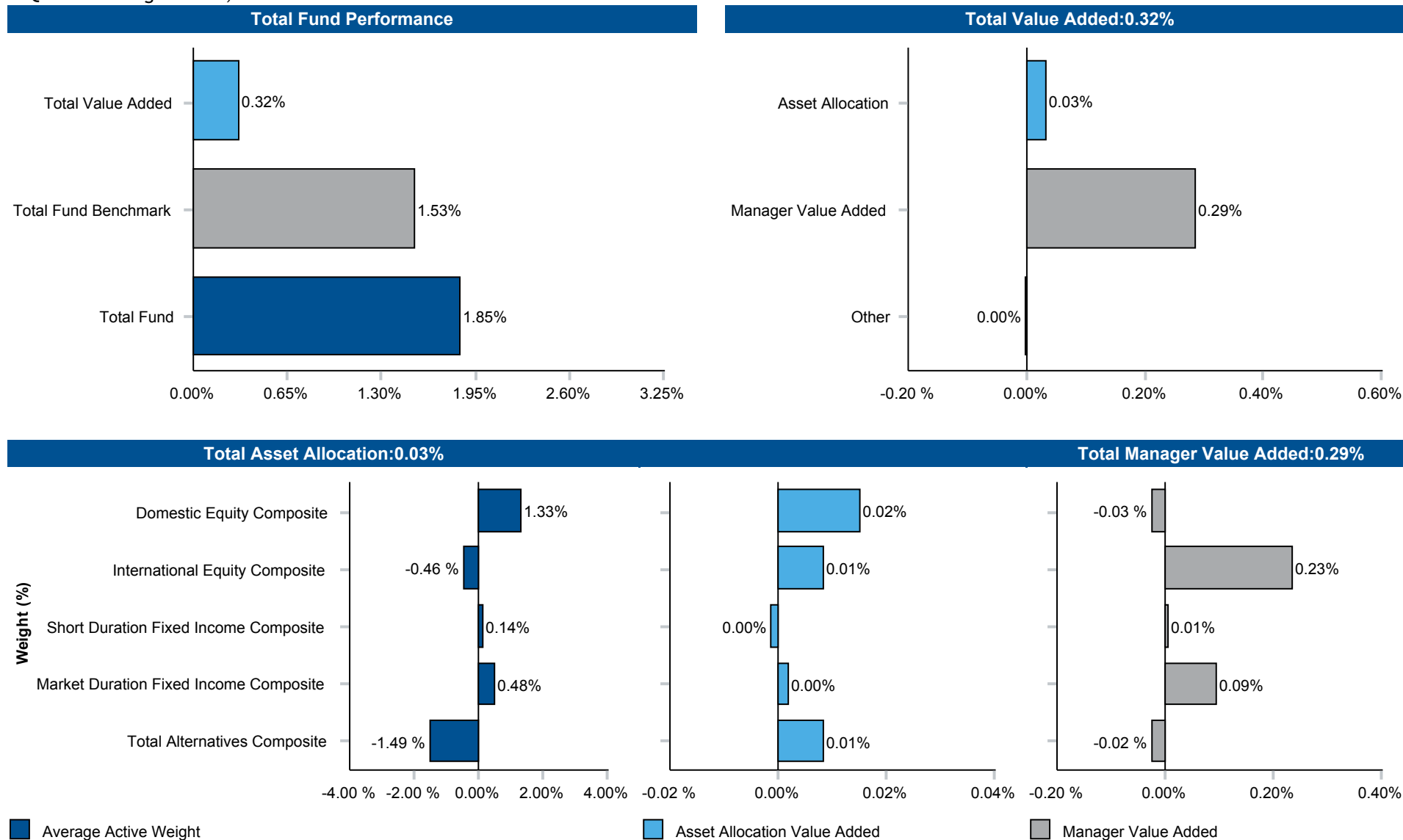
As of June 30, 2016



Performance Summary

Total Surplus Cash X District Attribution

1 Quarter Ending June 30, 2016

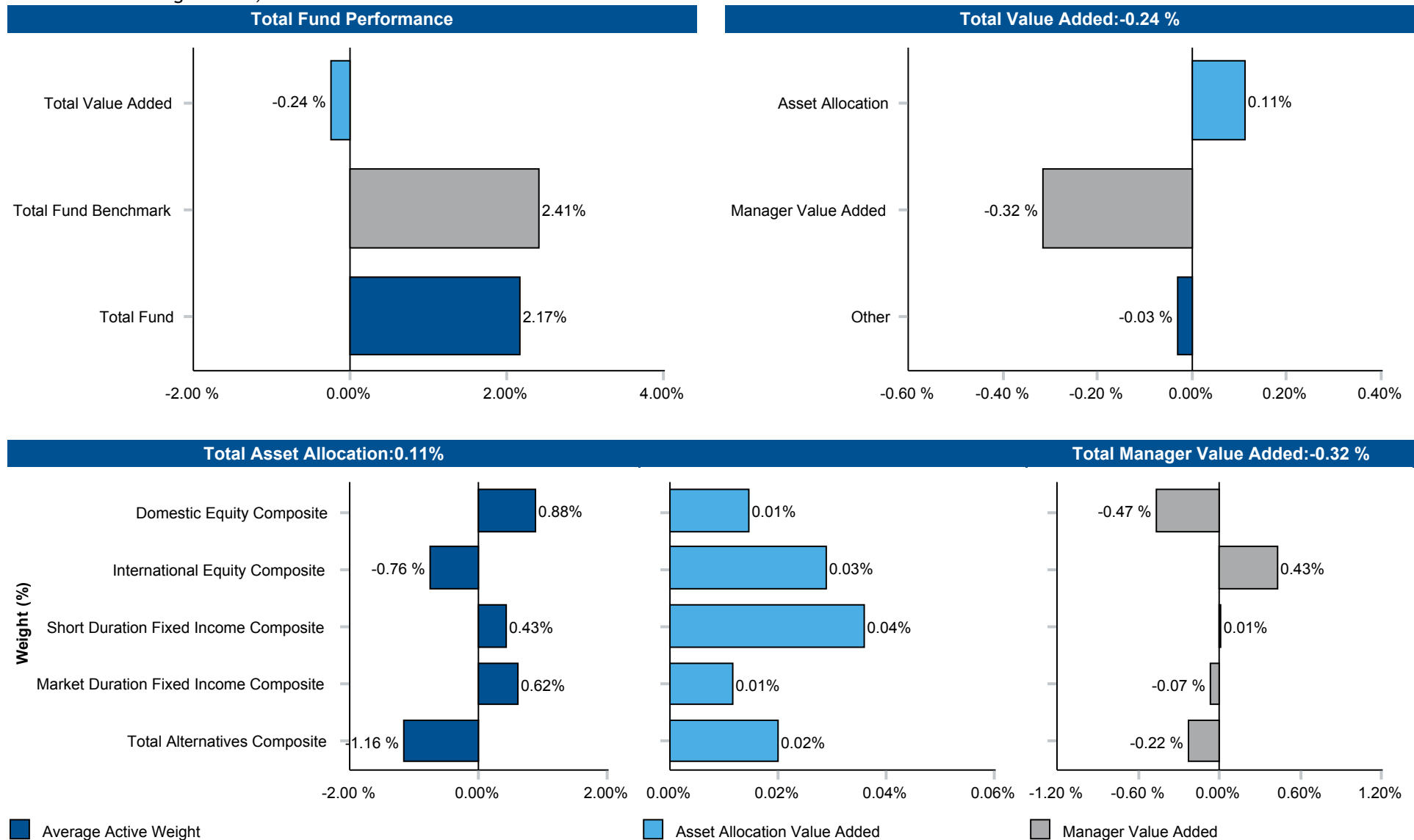


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Total Surplus Cash X District Attribution

Year To Date Ending June 30, 2016

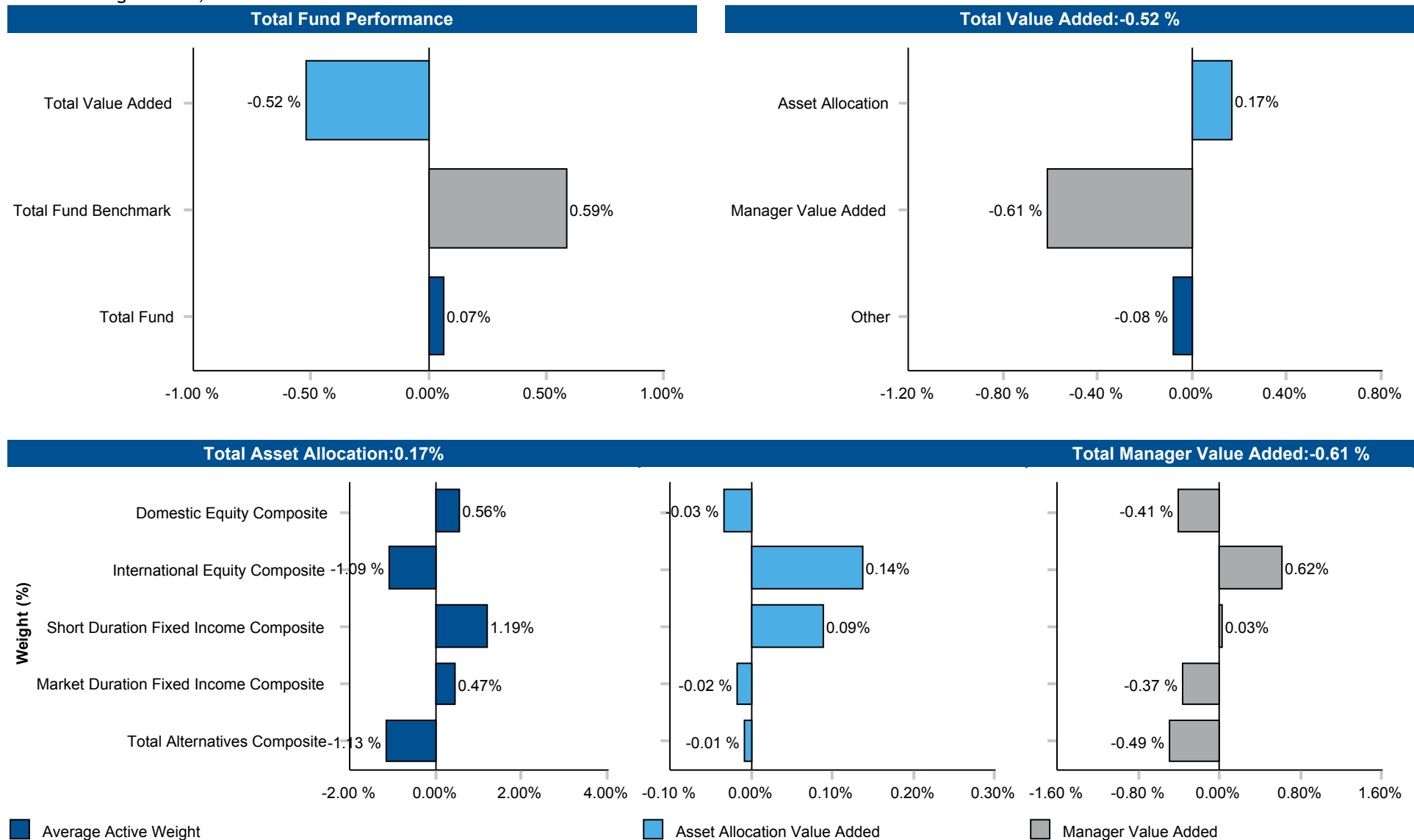


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Total Surplus Cash X District Attribution

1 Year Ending June 30, 2016

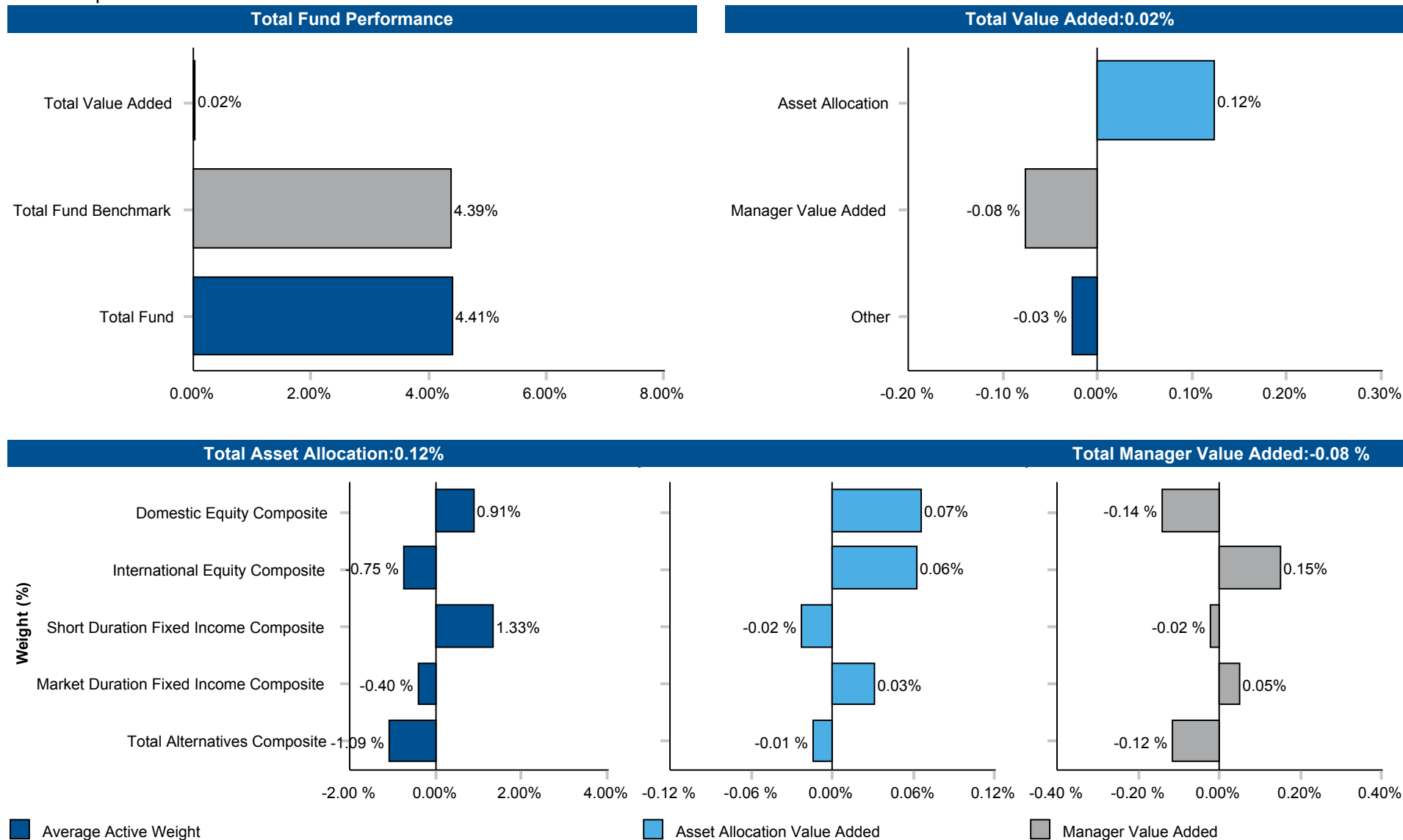


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Total Surplus Cash X District Attribution

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 June 30, 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	664,760,891	100.0	1.8	2.2	0.1	4.3	4.6	5.4	4.4	3y 8m
Surplus Cash Total Benchmark			1.5	2.4	0.6	4.4	4.7	5.0	4.4	
Pre-Pavilion Surplus Cash Total Benchmark			2.0	4.3	4.3	4.2	4.2	4.7	3.8	
Total Surplus Cash X District X Privates	637,489,997	95.9	1.9	2.2	-0.2	3.9	4.4	5.3	4.1	3y 8m
Surplus Cash Total Benchmark x Privates			1.6	2.6	0.7	4.4	4.7	5.0	4.4	
Total Equity Composite	270,678,562	40.7	2.1	1.8	-2.3	7.3	8.4	5.0	9.7	3y 8m
Total Equity Benchmark - Surplus			1.5	1.8	-3.1	7.3	8.8	4.9	9.5	
Domestic Equity Composite	175,280,077	26.4	2.7	1.7	-0.2	9.6	10.5	6.1	12.6	3y 8m
Domestic Equity Benchmark - Surplus			2.8	3.5	1.4	10.6	11.6	6.2	13.4	
Large Cap Equity Composite	143,582,987	21.6	2.0	0.7	0.2	10.7	10.9	6.3	13.2	3y 8m
Large Cap Equity Benchmark			2.5	3.8	3.5	11.6	11.9	6.4	13.8	
Small Cap Equity Composite	31,697,090	4.8	5.7	6.0	-2.0	6.4	N/A	N/A	10.6	3y 8m
Small Cap Equity Benchmark			3.8	2.2	-6.7	7.1	8.4	6.2	11.3	
International Equity Composite	95,398,484	14.4	1.0	2.2	-6.0	2.3	N/A	N/A	3.5	3y 8m
MSCI AC World ex USA (Net)			-0.6	-1.0	-10.2	1.2	0.1	1.9	2.4	

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 June 30, 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	272,889,841	41.1	2.1	4.3	4.1	3.2	3.1	4.7	2.3	3y 8m
Total Fixed Income Benchmark - Surplus			1.8	4.4	4.9	3.4	3.0	4.5	2.3	
 Short Duration Fixed Income Composite	 67,795,513	 10.2	 0.7	 1.8	 1.9	 1.3	 1.8	 3.7	 1.0	 3y 8m
Short Duration Fixed Income Benchmark - Surplus			0.7	1.7	1.6	1.2	1.7	3.7	1.1	
 Market Duration Fixed Income Composite	 205,094,328	 30.9	 2.5	 5.1	 4.8	 3.9	 4.4	 N/A	 2.7	 3y 8m
Barclays U.S. Aggregate			2.2	5.3	6.0	4.1	3.8	5.1	2.6	
 Total Alternatives Composite	 121,192,489	 18.2	 0.8	 -2.0	 -4.1	 3.4	 N/A	 N/A	 3.1	 3y 2m
Total Alternatives Benchmark - Surplus			1.0	-0.9	-1.6	4.1	N/A	N/A	3.6	
 Real Estate Composite	 27,270,894	 4.1	 0.0	 2.2	 7.4	 N/A	 N/A	 N/A	 13.3	 2y 10m
NCREIF Property Index			2.0	4.3	10.6	11.6	11.5	7.4	11.7	
 Hedge Fund Composite	 93,921,595	 14.1	 1.1	 -3.2	 -7.2	 1.1	 N/A	 N/A	 0.9	 3y 2m
HFRI Fund of Funds Composite Index			0.6	-2.6	-5.4	1.9	1.6	1.6	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 June 30, 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	90,465,136	13.6	2.4 (33)	3.8 (27)	4.0 (21)	11.6 (11)	12.1 (12)	7.4 (19)	13.8 (10)	3y 8m
S&P 500			2.5 (32)	3.8 (27)	4.0 (21)	11.7 (11)	12.1 (11)	7.4 (19)	13.8 (9)	
IM U.S. Large Cap Core Equity			2.0	2.1	0.5	9.7	10.4	6.4	12.3	
Sands Large Cap Growth (Touchstone)	25,028,421	3.8	-0.5 (73)	-10.6 (100)	-10.6 (98)	8.1 (93)	10.0 (61)	9.1 (11)	10.6 (91)	3y 8m
Russell 1000 Growth Index			0.6 (42)	1.4 (9)	3.0 (9)	13.1 (17)	12.3 (12)	8.8 (16)	14.5 (15)	
IM U.S. Large Cap Growth Equity			0.3	-2.2	-1.6	11.5	10.4	7.4	12.9	
Barrow Hanley Large Cap Value	28,089,430	4.2	3.0 (46)	2.5 (53)	-0.8 (45)	9.2 (25)	10.5 (26)	6.1 (33)	8.6 (5)	15y 11m
Russell 1000 Value Index			4.6 (8)	6.3 (13)	2.9 (17)	9.9 (14)	11.4 (9)	6.1 (31)	6.6 (39)	
IM U.S. Large Cap Value Equity			2.5	2.8	-1.4	8.1	9.5	5.3	6.0	
Small-Cap Equity										
Wellington Small Cap Value	17,091,707	2.6	0.6 (80)	4.4 (42)	-1.4 (20)	9.0 (6)	10.3 (6)	8.7 (1)	12.7 (6)	3y 8m
Russell 2000 Value Index			4.3 (13)	6.1 (25)	-2.6 (32)	6.4 (30)	8.1 (35)	5.2 (50)	10.4 (38)	
IM U.S. Small Cap Value Equity			2.3	4.1	-4.5	5.4	7.4	5.2	9.9	
Conestoga Small Cap Growth	14,603,981	2.2	5.8 (23)	2.2 (21)	1.8 (1)	N/A	N/A	N/A	3.5 (1)	0y 1m
Russell 2000 Growth Index			3.2 (47)	-1.6 (46)	-10.8 (42)	7.7 (38)	8.5 (31)	7.1 (16)	-0.5 (60)	
IM U.S. Small Cap Growth Equity			3.1	-2.0	-12.8	6.8	7.6	5.8	0.1	
International Equity										
Walter Scott Int'l (Dreyfus)	44,591,141	6.7	3.0 (15)	3.8 (27)	-1.1 (7)	2.7 (33)	2.4 (27)	N/A	3.5 (46)	3y 8m
MSCI AC World ex USA (Net)			-0.6 (59)	-1.0 (51)	-10.2 (54)	1.2 (56)	0.1 (62)	1.9 (58)	2.4 (61)	
IM International Equity			-0.1	-0.9	-9.9	1.6	0.7	2.3	3.2	
Northern Cross Int'l (Harbor)	41,661,223	6.3	-1.6 (73)	-1.1 (52)	-11.5 (68)	1.0 (58)	0.7 (51)	3.6 (28)	2.9 (56)	3y 8m
MSCI AC World ex USA (Net)			-0.6 (59)	-1.0 (51)	-10.2 (54)	1.2 (56)	0.1 (62)	1.9 (58)	2.4 (61)	
IM International Equity			-0.1	-0.9	-9.9	1.6	0.7	2.3	3.2	
Harding Loevner Emerging Markets	9,146,120	1.4	3.5 (23)	10.4 (15)	-6.1 (16)	1.4 (14)	0.2 (9)	4.8 (19)	8.0 (16)	0y 10m
MSCI EM (net)			0.7 (83)	6.4 (45)	-12.1 (69)	-1.6 (54)	-3.8 (56)	3.5 (42)	3.9 (54)	
IM Emerging Markets Equity			2.1	6.0	-10.3	-1.4	-3.5	3.2	4.1	

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 June 30, 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	63,661,949	9.6	0.8 (47)	1.9 (26)	2.0 (11)	1.3 (35)	1.0 (64)	2.8 (37)	4.9 (15)	25y 3m
Barclays 1-3 Year Gov/Credit			0.7 (57)	1.7 (37)	1.6 (26)	1.2 (39)	1.1 (60)	2.8 (37)	4.4 (21)	
<i>IM U.S. Short Term Investment Grade</i>			0.7	1.4	1.1	1.1	1.3	2.5	4.0	
Cash Composite	4,133,565	0.6	0.1	0.1	0.2	0.2	N/A	N/A	-0.1	3y 8m
90 Day U.S. Treasury Bill			0.1	0.1	0.1	0.1	0.1	1.0	0.1	
Market Duration Fixed Income										
Dodge & Cox Fixed	98,794,226	14.9	3.0 (21)	5.8 (27)	4.9 (40)	4.3 (23)	4.1 (46)	5.6 (42)	3.1 (22)	3y 8m
Barclays U.S. Aggregate			2.2 (74)	5.3 (46)	6.0 (14)	4.1 (36)	3.8 (61)	5.1 (64)	2.6 (47)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			2.6	5.2	4.5	3.7	4.0	5.5	2.6	
MetWest Fixed	93,343,601	14.0	2.1 (79)	4.6 (67)	4.7 (43)	3.6 (59)	4.4 (30)	6.5 (8)	2.5 (53)	3y 8m
Barclays U.S. Aggregate			2.2 (74)	5.3 (46)	6.0 (14)	4.1 (36)	3.8 (61)	5.1 (64)	2.6 (47)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			2.6	5.2	4.5	3.7	4.0	5.5	2.6	
Real Estate										
Oaktree Real Estate Opportunities Fund VI	15,037,571	2.3	0.0	2.4	6.5	N/A	N/A	N/A	11.9	2y 10m
NCREIF Property Index			2.0	4.3	10.6	11.6	11.5	7.4	11.7	
Walton Street Real Estate Fund VII, L.P.	12,233,323	1.8	0.0	2.0	8.5	N/A	N/A	N/A	19.9	2y 8m
NCREIF Property Index			2.0	4.3	10.6	11.6	11.5	7.4	11.7	
Hedge Funds										
Hedge Fund Composite	93,921,595	14.1	1.1	-3.2	-7.2	1.1	N/A	N/A	0.9	3y 2m
HFRI Fund of Funds Composite Index			0.6	-2.6	-5.4	1.9	1.6	1.6	1.6	
Total Plan										
Total Surplus Cash X District	664,760,891	100.0	1.8	2.2	0.1	4.3	4.6	5.4	4.4	3y 8m
Total Surplus Cash Benchmark			1.5	2.4	0.6	4.4	4.7	5.0	4.4	
Pre-Pavilion Total Surplus Cash Benchmark			2.0	4.3	4.3	4.2	4.2	4.7	3.8	

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

Surplus Cash Executive Summary

Manager Compliance Checklist

As of June 30, 2016

Managers	Vanguard S&P 500 Index	Sands Large Cap Growth (Touchstone)	Barrow Hanley LCV	Wellington Small Cap Value	Conestoga Small Cap	Walter Scott Int'l (Dreyfus)	Northern Cross (Harbor Int'l)
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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	-500 bps	-70 bps	+	N/A	+	-20 bps
Three-year ranking > peer group median	+	93rd	+	+	N/A	+	58th
Five year return > benchmark	In Line	-230 bps	-90 bps	+	N/A	+	+
Five year ranking > peer group median	+	61st	+	+	N/A	+	51st

Performance Status

+	+	+	+	+	+	+
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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.

Surplus Cash Executive Summary

Manager Compliance Checklist

As of June 30, 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	+	+	+	-50 bps
Three-year ranking > peer group median	+	+	+	59th
Five year return > benchmark	+	-10 bps	+	+
Five year ranking > peer group median	+	64th	+	+

Performance Status

+	+	+	+
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Date performance status changed

Summary Status

+	+	+	+
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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.



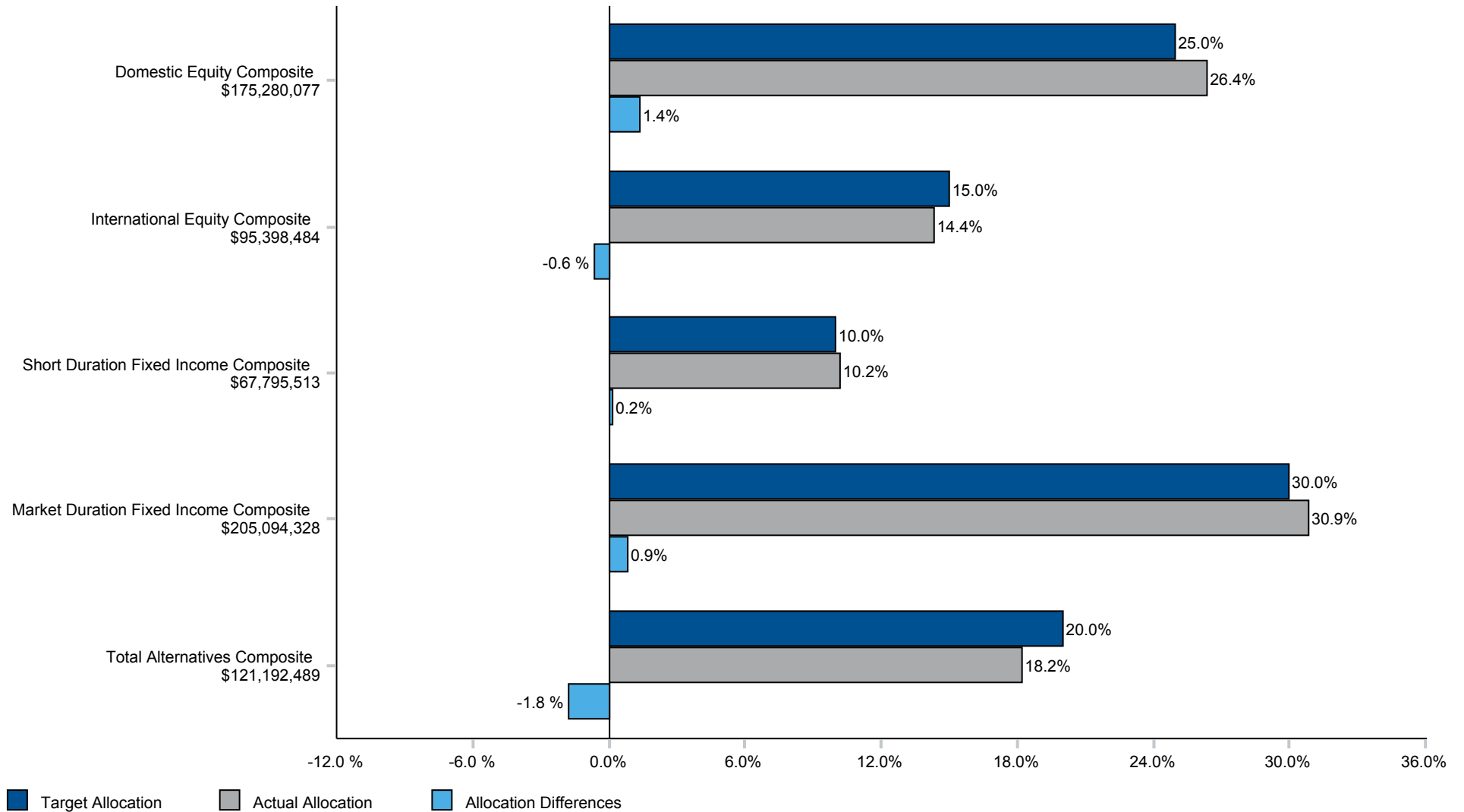
Surplus Cash - Asset Class Diversification

Asset Class Diversification

Total Surplus Cash X District vs. Surplus Cash Target Allocation

As of June 30, 2016

June 30, 2016 : \$664,760,891



Asset Class Diversification

Surplus Cash Investment Program Structure

As of June 30, 2016

Manager	Asset Class/Type	Total Assets (\$ mil.)	Percent of Total	Target Allocation	Weighting Relative to Target	Target Range
Large-Cap Domestic Equity		\$143.6	21.6%	20.0%	+ 1.6%	20-30%
Vanguard S&P 500 Index	Large-Cap Index	\$ 90.5	13.6%	10.0%	+ 3.6%	
Sands	Large-Cap Growth	\$ 25.0	3.8%	5.0%	- 1.2%	
Barrow Hanley	Large-Cap Value	\$ 28.1	4.2%	5.0%	- 0.8%	
Small-Cap Domestic Equity		\$ 31.7	4.8%	5.0%	- 0.2%	
Conestoga	Small-Cap Growth	\$ 14.6	2.2%	2.5%	- 0.3%	
Wellington	Small-Cap Value	\$ 17.1	2.6%	2.5%	+ 0.1%	
International Equity		\$ 95.4	14.4%	15.0%	- 0.6%	10-20%
Walter Scott	Developed and Emerging	\$ 44.6	6.7%			
Harbor	Developed and Emerging	\$ 41.7	6.3%			
Harding Loevner	Emerging	\$ 9.1	1.4%			
Short-Duration Fixed Income		\$ 67.8	10.2%	10.0%	+ 0.2%	8-12%
Barrow Hanley	Short Duration	\$ 63.7	9.6%			
Cash	Money Market	\$ 4.1	0.6%			
Market-Duration Fixed Income		\$205.1	30.9%	30.0%	+ 0.9%	25-35%
Dodge & Cox	Market Duration	\$ 98.8	14.9%	15.0%	- 0.1%	
MetWest	Market Duration	\$106.3	16.0%	15.0%	+ 1.0%	
Alternatives		\$121.2	18.2%	20.0%	- 1.8%	17-23%
Oaktree RE Opportunities	Real Estate	\$ 15.0	2.3%	2.5%	- 0.2%	
Walton Street	Real Estate	\$ 12.2	1.8%	2.5%	- 0.7%	
Direct Hedge Fund Composite	Hedge Fund	\$ 93.9	14.1%	15.0%	- 0.9%	
Total (X District)		\$664.7	100.0%			
District Assets - Barrow Hanley	Short Duration	\$ 30.0				
Debt Reserves - Ponder	Short Duration	\$ 30.8				
Total Surplus Cash		\$725.6				

*Totals may not add due to rounding.

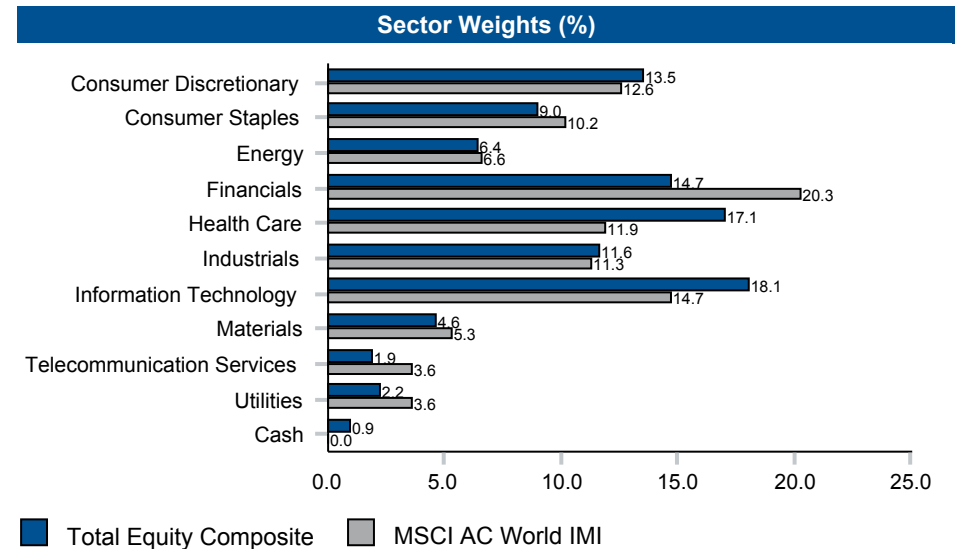
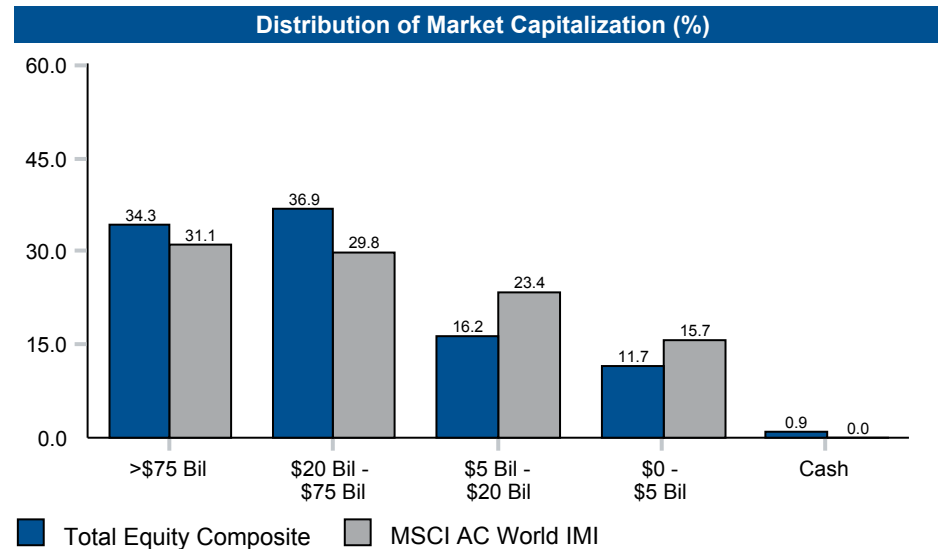
Equity Portfolio - Characteristics

Surplus Cash Equity Composite vs. MSCI AC World IMI

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	89,023	80,733
Median Mkt. Cap (\$M)	15,006	1,359
Price/Earnings ratio	20.6	17.2
Price/Book ratio	3.1	2.7
5 Yr. EPS Growth Rate (%)	6.0	6.3
Current Yield (%)	2.1	2.6
Debt to Equity	0.4	0.9
Number of Stocks	825	8,721
Beta (5 Years, Monthly)	0.88	1.00
Consistency (5 Years, Monthly)	55.00	1.00
Sharpe Ratio (5 Years, Monthly)	0.71	0.49
Information Ratio (5 Years, Monthly)	0.52	-
Up Market Capture (5 Years, Monthly)	96.68	-
Down Market Capture (5 Years, Monthly)	80.96	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Facebook Inc	1.2	0.6	0.6	0.2
Visa Inc	1.1	0.3	0.8	-2.8
Amazon.com Inc	1.0	0.7	0.3	20.5
Microsoft Corp	1.0	0.9	0.1	-6.7
Apple Inc	1.0	1.3	-0.3	-11.7
Johnson & Johnson	0.9	0.8	0.1	12.9
Schlumberger Ltd	0.9	0.3	0.6	7.9
Roche Holding AG	0.9	0.5	0.4	6.3
Salesforce.com Inc.	0.9	0.1	0.7	7.6
Novartis AG	0.8	0.5	0.4	13.0
% of Portfolio	9.7	6.0		



Equity Portfolio - Country/Region Allocation

Surplus Cash Equity Composite vs. MSCI AC World IMI

As of June 30, 2016

	Total Equity Composite	MSCI AC World IMI
Australia	0.6	2.3
Hong Kong	1.5	1.1
Japan	5.0	8.1
New Zealand	0.0	0.1
Singapore	0.0	0.5
Pacific	7.1	12.1
Austria	0.2	0.1
Belgium	0.4	0.5
Finland	0.4	0.3
France	4.9	2.9
Germany	2.2	2.7
Ireland	0.4	0.2
Italy	0.0	0.7
Netherlands	0.6	1.0
Portugal	0.0	0.1
Spain	0.6	0.9
EMU	9.6	9.5
Denmark	1.1	0.6
Norway	0.0	0.3
Sweden	0.8	1.0
Switzerland	4.6	2.8
United Kingdom	5.6	6.4
Europe ex EMU	12.1	11.2
Canada	0.5	3.2
United States	63.9	53.3
Israel	0.4	0.3
Middle East	0.4	0.3
Developed Markets	93.6	89.5

	Total Equity Composite	MSCI AC World IMI
Brazil	0.3	0.7
Cayman Islands	0.0	0.0
Chile	0.0	0.1
Colombia	0.5	0.0
Mexico	0.2	0.4
Peru	0.0	0.0
Virgin Islands	0.0	0.0
EM Latin America	1.1	1.3
China	2.1	2.6
India	0.3	0.9
Indonesia	0.1	0.3
Korea	0.3	1.6
Malaysia	0.0	0.3
Philippines	0.0	0.2
Taiwan	0.7	1.3
Thailand	0.1	0.3
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	0.0	0.1
Qatar	0.0	0.1
Russia	0.2	0.4
South Africa	0.2	0.7
Turkey	0.0	0.1
United Arab Emirates	0.0	0.1
EM Europe + Middle East + Africa	0.6	1.6
Emerging Markets	5.4	10.5
Frontier Markets	0.0	0.0
Cash	0.9	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 June 30, 2016

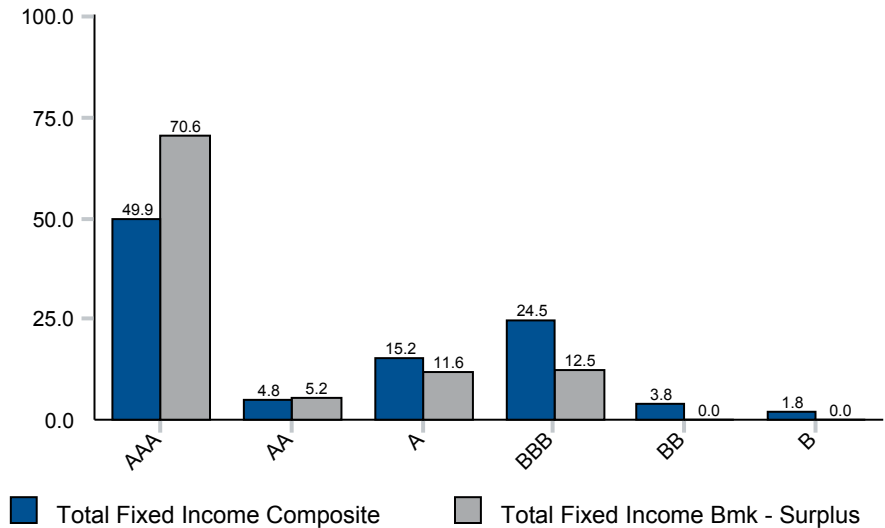
Portfolio Characteristics

	Portfolio	Benchmark
Effective Duration	4.1	4.6
Avg. Maturity	5.9	6.4
Avg. Quality	AA	AA+
Yield To Maturity (%)	1.9	1.7

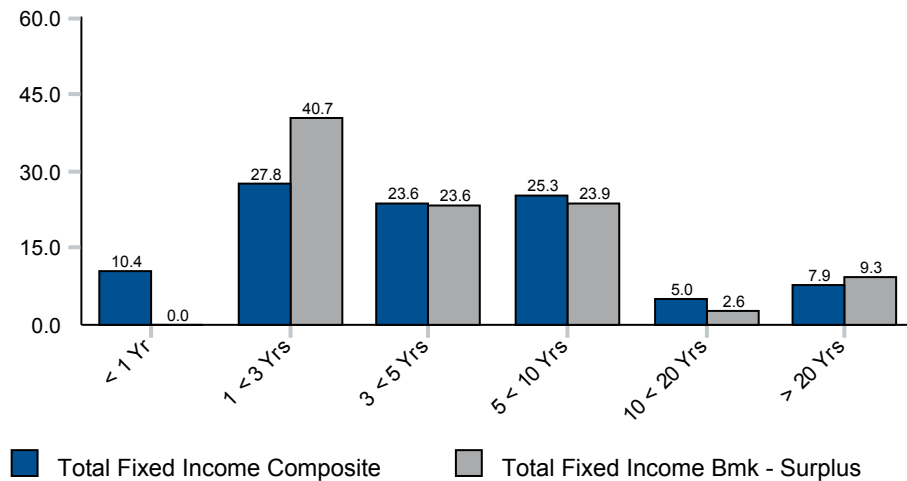
Risk Characteristics - 5 Years

	Consistency	Sharpe Ratio	Information Ratio	Up Market Capture	Down Market Capture
Total Fixed Income Composite	51.7	1.7	0.1	92.0	71.6
Total Fixed Income Bmk - Surplus	0.0	1.4	N/A	100.0	100.0

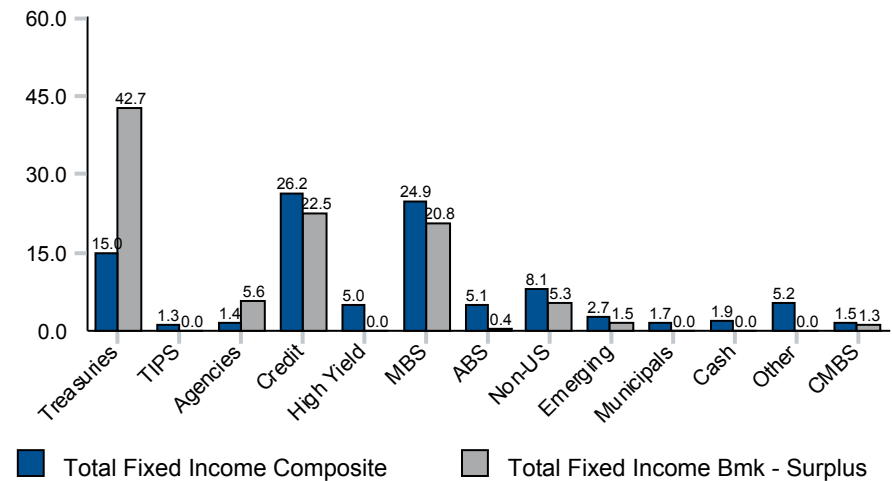
Credit Quality Distribution (%)



Maturity Distribution (%)



Sector Distribution (%)



Performance Summary

Surplus Cash Private Real Estate Investment

As of March 31, 2016 (\$ 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	\$3.4	\$19.0	14.3%	1.3	0.2
Walton Street RE Fund VII	2012	Private RE	\$14.0	\$11.7	\$2.3	\$12.6	\$2.6	\$15.2	19.5%	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.



Surplus Cash - Direct Hedge Fund Portfolio

Hedge Fund Portfolio Executive Summary

Portfolio Update - Second Quarter 2016

The Hedge Fund Portfolio returned +1.1% during the second quarter, outperforming the HFRI Fund of Funds Composite Index by 50 basis points. Hedge funds experienced a broad rebound from a difficult first quarter, with three of the four strategies delivering positive returns. However, three of the Portfolio's four hedge fund strategies underperformed their respective benchmarks. The equity segment was a notable laggard, while the relative value segment delivered strong results on an absolute and relative basis.

The Credit strategy delivered an exceptionally strong return of +4.6%, with strong gains from Davidson Kempner and Marathon. Gains came from several areas, including distributions from liquidation holdings such as Lehman Brothers, strong performance from energy-related credits, and the successful resolution of positions relating to Argentinian bonds.

The Relative Value strategy generated excellent returns of +4.2% with all three managers contributing. Fir Tree was a star performer (+7.8%) over the quarter as the fund experienced a broad revaluation of a number of positions which had been punished earlier in the year, including car rental and pipeline companies. Pine River and (Carlson) Double Black Diamond each made solid contributions driven by their event equity and merger arbitrage books.

The Equity Long / Short strategy (-1.8%) was the lone strategy to post a loss in the quarter. The Portfolio's dedicated Japanese manager, Indus (-6.9%), was responsible for most of the negative attribution. Japanese markets were sharply lower during the quarter and several of Indus' largest long positions were heavily marked down. CapeView detracted as European markets witnessed heavy outflows around the "Brexit" event. CapeView was defensively positioned into the event, a move which served to mitigate losses. Both ESG and Passport generated modest positive results and helped to partially offset overall losses in the equity segment.

The Macro strategy generated a small positive return of 0.2%, with three out of four managers delivering positive results. Brevan Howard, Moore and Robeco Transtrend delivered small positive returns while Stone Milliner suffered a 1.0% loss.

Investment Activity

The position in (Carlson) Double Black Diamond was redeemed at the end of June and the proceeds (\$5.5 million) were utilized to fund the BlackRock 32 Capital Fund on August 1st.

Hedge Fund Portfolio Executive Summary

Recommendations or Action Items

Pavilion recommends redeeming from the following funds:

- Brevan Howard (Macro) - poor performance, more attractive opportunities in macro space
- Luxor (Equity) - SELL recommendation communicated in 1Q16 - eligible for redemption beginning June 30, 2017
- Pine River (Relative Value) - medium term outlook for Relative Value is tepid
- Fir Tree (Relative Value) - medium term outlook for Relative Value is tepid

Pavilion recommends reinvesting the proceeds in the following funds:

- new Macro manager
- new Macro manager
- Davidson Kempner (Credit) - existing manager
- York (Credit) - existing manager

Pavilion will work with El Camino management to implement changes during the coming quarters.

Asset Allocation & Performance

El Camino Hedge Fund Portfolio

As of June 30, 2016

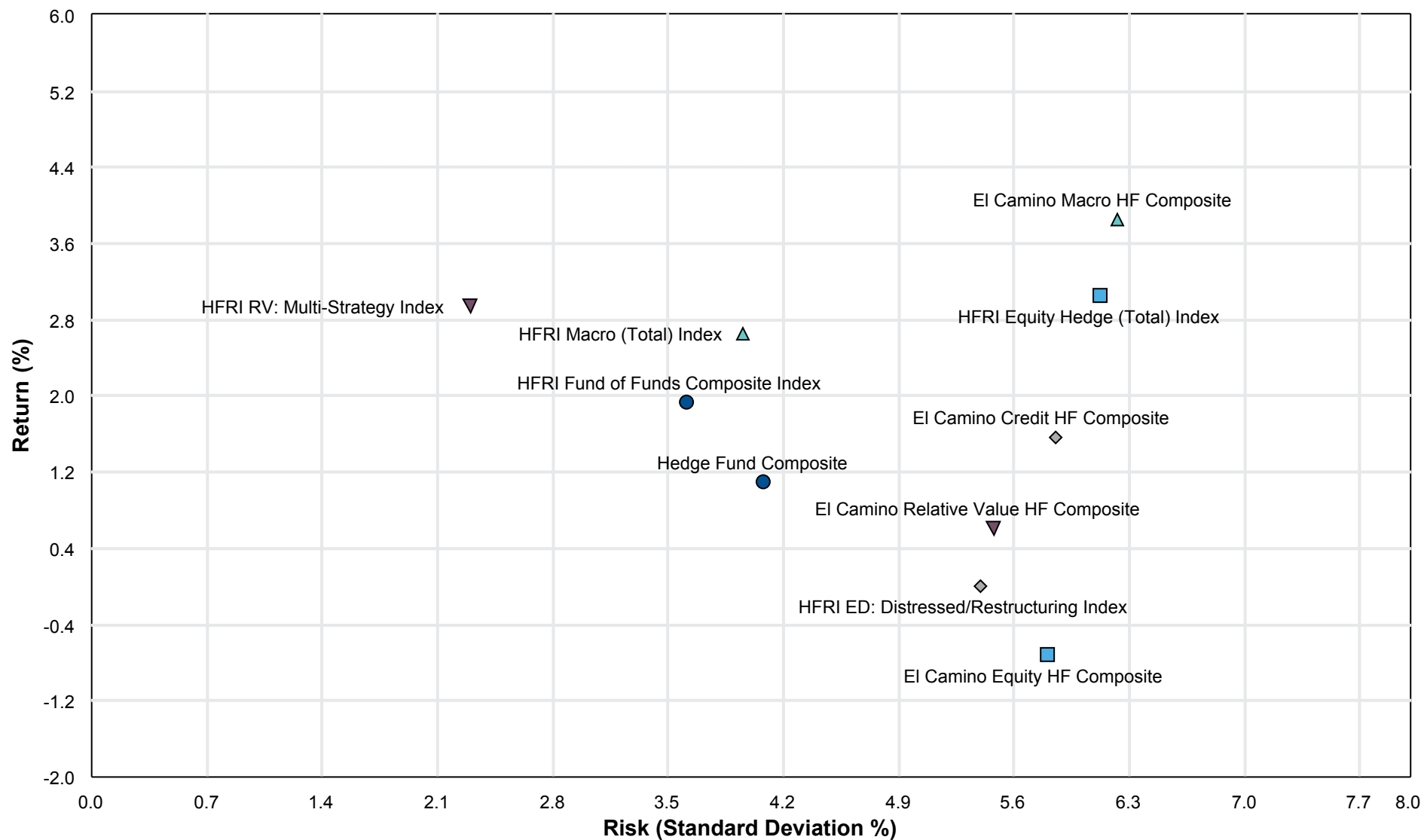
	Allocation		Performance(%)						
	Market Value (\$)	%	Quarter	Year To Date	1 Year	3 Years	5 Years	Since Invested	Inception Period
Hedge Fund Composite	93,921,595	100.0	1.1	-3.2	-7.2	1.1	N/A	0.9	3y 2m
HFRI Fund of Funds Composite Index			0.6	-2.6	-5.4	1.9	1.6	1.6	
El Camino HF Composite Benchmark			2.1	1.4	-2.8	2.4	2.3	2.0	
Credit HF Composite	19,364,939	20.6	4.6	2.3	-6.5	1.6	N/A	1.9	3y 2m
HFRI ED: Distressed/Restructuring Index			4.9	3.2	-5.6	0.0	2.1	0.3	
Equity HF Composite	32,626,112	34.7	-1.8	-9.7	-13.2	-0.7	N/A	-0.2	3y 2m
HFRI Equity Hedge (Total) Index			1.4	-0.4	-5.0	3.1	2.3	2.8	
Macro HF Composite	24,560,381	26.1	0.2	1.6	3.1	3.9	N/A	2.0	3y 2m
HFRI Macro (Total) Index			1.7	3.3	2.3	2.7	1.0	1.6	
Relative Value HF Composite	17,370,162	18.5	4.2	-2.6	-9.2	0.6	N/A	0.8	3y 2m
HFRI RV: Multi-Strategy Index			1.1	1.3	-0.8	2.9	3.4	2.6	

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 June 30, 2016

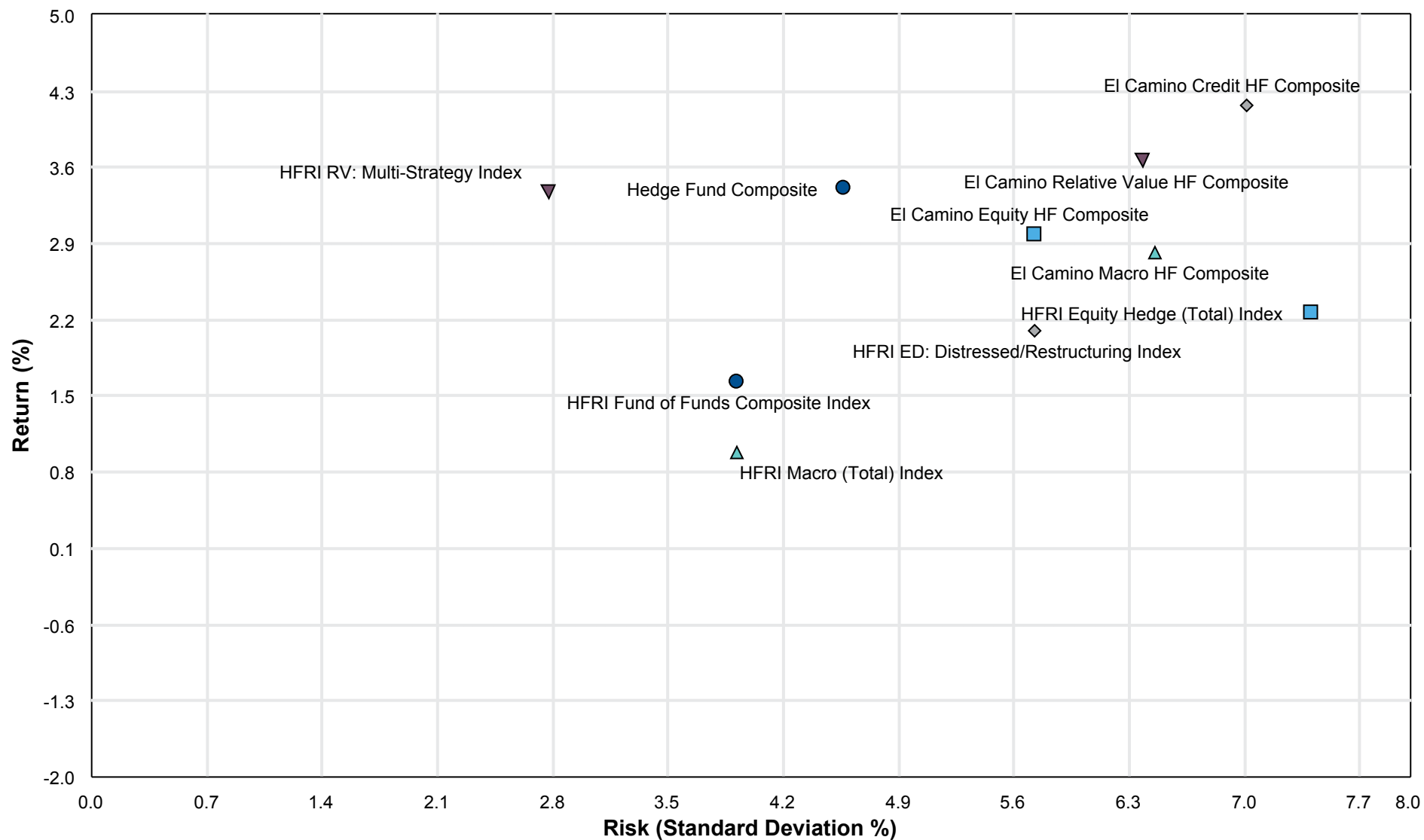


After May 1, 2013, results are actual El Camino Hedge Fund Portfolio returns.

Performance Summary

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

5 Years Ending June 30, 2016



El Camino Hedge Fund Portfolio Risk Statistics

As of June 30, 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	3.4	4.6	-9.5	6.0	-5.7	0.7	0.7
HFRI Fund of Funds Composite Index	1.6	3.9	-7.6	3.8	-5.0	0.4	0.4
Equity Long/Short							
El Camino Equity HF Composite	3.0	5.7	-14.3	9.1	-8.1	0.5	0.6
HFRI Equity Hedge (Total) Index	2.3	7.4	-10.9	6.9	-10.9	0.3	0.3
Credit							
El Camino Credit HF Composite	4.2	7.0	-18.5	8.0	-10.4	0.6	0.5
HFRI ED: Distressed/Restructuring Index	2.1	5.7	-17.5	7.4	-7.8	0.4	0.3
Macro							
El Camino Macro HF Composite	2.8	6.5	-7.4	7.9	-4.8	0.5	0.5
HFRI Macro (Total) Index	1.0	3.9	-5.7	5.1	-3.5	0.3	0.3
Relative Value							
El Camino Relative Value HF Composite	3.7	6.4	-13.8	6.9	-8.1	0.6	0.5
HFRI RV: Multi-Strategy Index	3.4	2.8	-4.2	3.8	-3.0	1.2	1.2

From May 1, 2013, results shown are El Camino Hedge Fund Portfolio returns.

Asset Class Diversification

Hedge Fund Portfolio

As of June 30, 2016

Manager	Asset Class/Type	Total Assets (\$ mil.)	Percent of Total	Target Allocation	Weighting Relative to Target
Equity Hedge Funds		\$ 32.6	34.8%	40.0%	- 5.2%
ESG	Emerging Market Equity	\$ 4.4	4.7%		
Luxor	Event Driven Equity	\$ 3.6	3.8%		
CapeView 1x	European Equity	\$ 2.7	2.9%		
CapeView 2x	European Equity	\$ 3.0	3.2%		
Passport 1x	US Equity	\$ 2.6	2.8%		
Passport 2x	US Equity	\$ 2.8	2.9%		
Bloom Tree	Global Equity	\$ 4.4	4.7%		
Tiger Eye	US Equity	\$ 4.4	4.7%		
Indus Japan	Japanese Equity	\$ 4.8	5.1%		
Credit Hedge Funds		\$ 19.4	20.6%	20.0%	+ 0.6%
Davidson Kempner	Distressed Credit	\$ 8.4	8.9%		
York	Multi-Strategy Credit	\$ 6.3	6.7%		
Marathon	Multi-Strategy Credit	\$ 4.7	5.0%		
Macro Hedge Funds		\$ 24.6	26.2%	20.0%	+ 6.2%
Brevan Howard	Discretionary Macro	\$ 6.0	6.3%		
Moore	Discretionary Macro	\$ 6.2	6.6%		
Stone Milliner	Discretionary Macro	\$ 5.0	5.3%		
Transtrend	Systematic Macro	\$ 7.4	7.9%		
Relative Value Hedge Funds		\$ 17.4	18.5%	20.0%	- 1.5%
Carlson	Multi-Strategy	\$ 5.5	5.9%		
Fir Tree	Multi-Strategy	\$ 6.1	6.5%		
Pine River	Multi-Strategy	\$ 5.8	6.1%		
Total Hedge Fund Portfolio		\$ 93.9	100.0%		

Totals may not add up due to rounding.

Pro Forma Performance Summary

As of June 30, 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	1.1	-3.2	-7.2	1.1	3.4	0.9	-1.6	2.2	14.0	9.9	-0.9	11.4	3y 2m
HFRI Fund of Funds Composite Index	0.6	-2.6	-5.4	1.9	1.6	1.6	-0.3	3.4	9.0	4.8	-5.7	5.7	
Equity Long/Short													
El Camino Equity HF Composite	-1.8	-9.7	-13.2	-0.7	3.0	-0.2	2.0	-0.4	20.6	7.7	0.0	11.3	3y 2m
HFRI Equity Hedge (Total) Index	1.4	-0.4	-5.0	3.1	2.3	2.8	-1.0	1.8	14.3	7.4	-8.4	10.5	
ESG Cross Border Equity Offshore Fund, Ltd.	0.6	-6.5	-10.6	-4.7	0.3	-4.1	-5.1	-7.0	13.4	6.7	9.3	11.0	3y 2m
Luxor Capital Partners Offshore, Ltd.	-1.1	-10.0	-30.0	-11.2	-6.3	-10.1	-20.9	-8.4	16.1	1.7	-3.2	4.6	3y 2m
CapeView Azri Fund Limited	-2.2	-10.3	-7.5	2.7	4.4	2.7	9.8	4.6	11.4	5.8	1.3	12.8	3y
CapeView Azri 2X Fund	-4.4	-19.9	-14.6	5.9	9.3	5.9	21.6	9.8	24.4	12.7	4.3	26.9	3y
Passport Long Short Fund Ltd. (1x)	0.7	-1.6	0.5	2.9	5.0	1.8	10.6	-5.7	19.8	12.1	-7.2	N/A	2y 11m
Passport Long Short Fund Ltd. (2x)	1.7	-3.0	1.5	5.8	9.9	3.5	21.8	-11.1	43.4	24.4	-14.5	N/A	2y 11m
Bloom Tree Offshore Fund, Ltd.	-1.2	-12.3	-11.6	1.2	6.7	-1.0	6.3	3.0	12.8	13.7	23.7	5.8	2y 3m
Tiger Eye Fund, Ltd.	-1.0	-4.5	-10.0	4.9	8.2	-0.9	-2.0	3.9	37.7	17.7	5.6	10.1	2y 3m
Indus Japan Fund Ltd.	-6.9	-14.5	-19.4	2.1	6.7	-1.6	1.8	6.3	45.0	8.1	-1.6	8.1	2y 7m
Credit													
El Camino Credit HF Composite	4.6	2.3	-6.5	1.6	4.2	1.9	-8.2	2.8	18.6	16.2	-2.1	10.8	3y 2m
HFRI ED: Distressed/Restructuring Index	4.9	3.2	-5.6	0.0	2.1	0.3	-8.1	-1.4	14.0	10.1	-1.8	12.1	
DK Distressed Opportunities International (Cayman) Ltd.	7.3	8.3	0.8	4.7	5.8	5.1	-6.2	3.2	21.7	13.5	-2.4	10.2	3y 2m
Marathon Special Opportunity Fund Ltd.	5.6	1.2	-9.4	-1.9	2.4	-7.1	-11.9	-2.8	19.6	16.5	-4.8	9.1	2y 3m
York Credit Opportunities Unit Trust	0.7	-3.9	-12.7	-0.5	3.1	-0.3	-7.9	3.4	15.6	18.9	-1.8	11.4	3y 2m

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

Peer group percentile ranks are shown in parenthesis.

From May 1, 2013, results shown are 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; 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 June 30, 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	0.2	1.6	3.1	3.9	2.8	2.0	1.0	7.7	0.7	3.4	-2.9	10.4	3y 2m
HFRI Macro (Total) Index	1.7	3.3	2.3	2.7	1.0	1.6	-1.3	5.6	-0.4	-0.1	-4.2	8.1	
Brevan Howard Multi-Strategy Fund Limited	1.0	1.6	-1.9	0.6	2.3	-0.5	-1.9	1.8	0.8	5.3	6.0	2.3	3y 2m
Moore Macro Managers Fund Ltd.	0.5	-4.3	-4.3	2.0	5.1	1.4	3.1	5.4	13.4	8.9	-2.6	11.6	2y 3m
Stone Milliner Macro Fund Inc.	-1.0	-0.9	0.7	5.9	7.6	1.1	5.7	14.3	11.2	8.1	-1.6	5.9	1y 4m
Robeco Transtrend Diversified Fund LLC	0.1	9.0	17.2	9.5	4.5	6.6	-1.1	18.9	0.6	1.2	-11.3	18.6	3y 2m
Relative Value													
El Camino Relative Value HF Composite	4.2	-2.6	-9.2	0.6	3.7	0.8	-4.0	1.6	12.7	14.3	0.2	13.1	3y 2m
HFRI RV: Multi-Strategy Index	1.1	1.3	-0.8	2.9	3.4	2.6	0.7	3.4	7.9	8.2	-2.4	13.2	
(Carlson) Double Black Diamond Ltd.	2.5	-0.3	-1.6	3.4	4.0	3.3	0.9	4.9	8.1	11.6	-2.2	9.5	3y 2m
Fir Tree International Value Fund (Non-US), L.P.	7.8	-3.9	-14.6	-2.1	3.2	-1.7	-8.9	-2.1	17.2	16.9	2.4	16.7	3y 2m
Pine River Fund Ltd.	2.2	-3.3	-9.7	0.3	5.3	-1.7	-2.8	4.7	9.7	21.7	5.7	13.9	2y 3m

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

Peer group percentile ranks are shown in parenthesis.

From May 1, 2013, results shown are 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; returns for Robeco Transtrend Diversified Fund, LLC prior to April 2008 represent Transtrend Diversified Trend Program Enhanced Risk (USD) Fund.

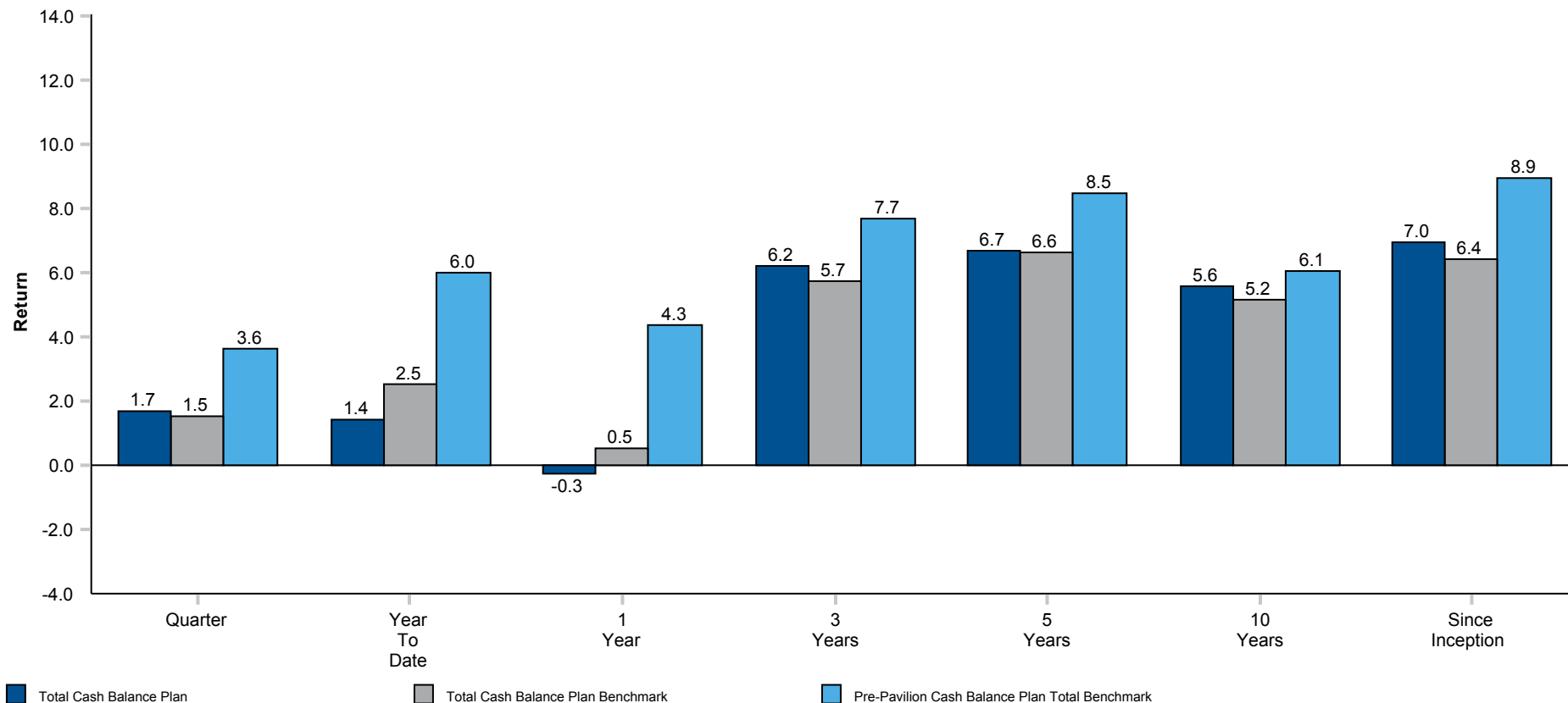


Cash Balance Plan - Performance Summary

Performance Summary

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

As of June 30, 2016



	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Total Cash Balance Plan	1.7	1.4	-0.3	6.2	6.7	5.6	7.0	3y 8m
Total Cash Balance Plan Benchmark	1.5	2.5	0.5	5.7	6.6	5.2	6.4	
Pre-Pavilion Cash Balance Plan Total Benchmark	3.6	6.0	4.3	7.7	8.5	6.1	8.9	

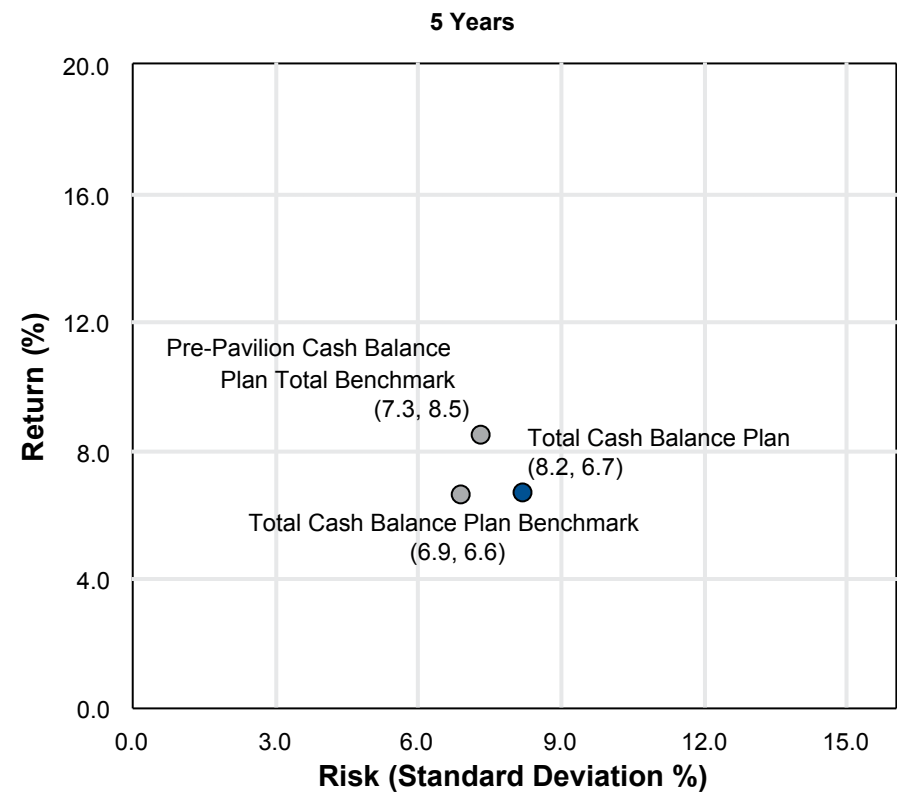
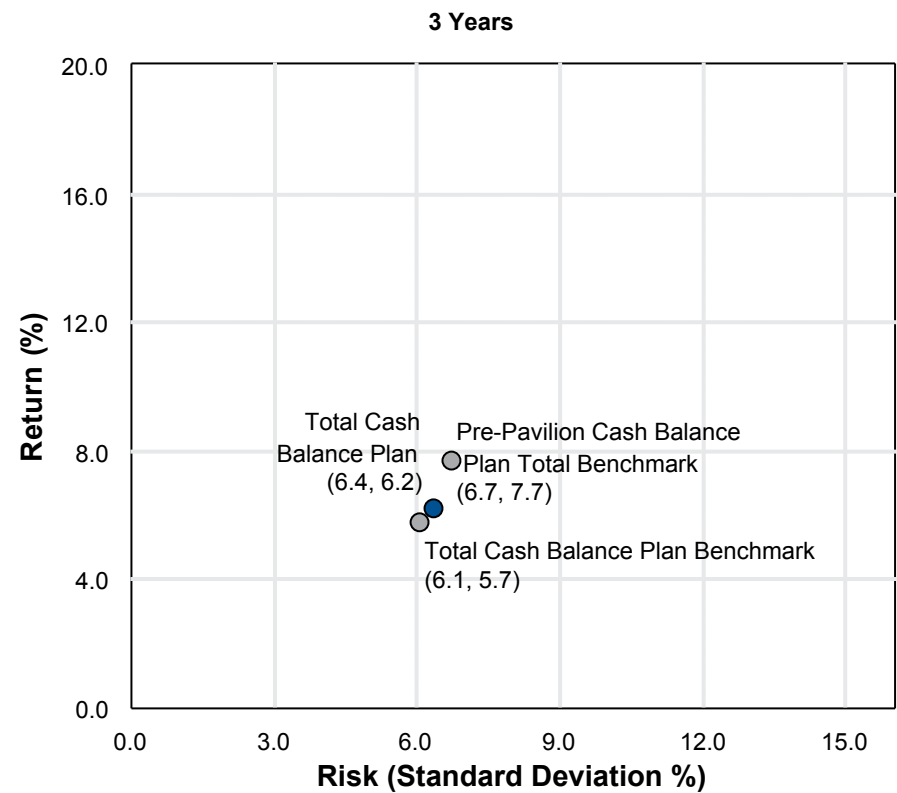
* Returns are net of investment management fees.

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

Performance Summary

Risk and Return Summary (Net of Fees)

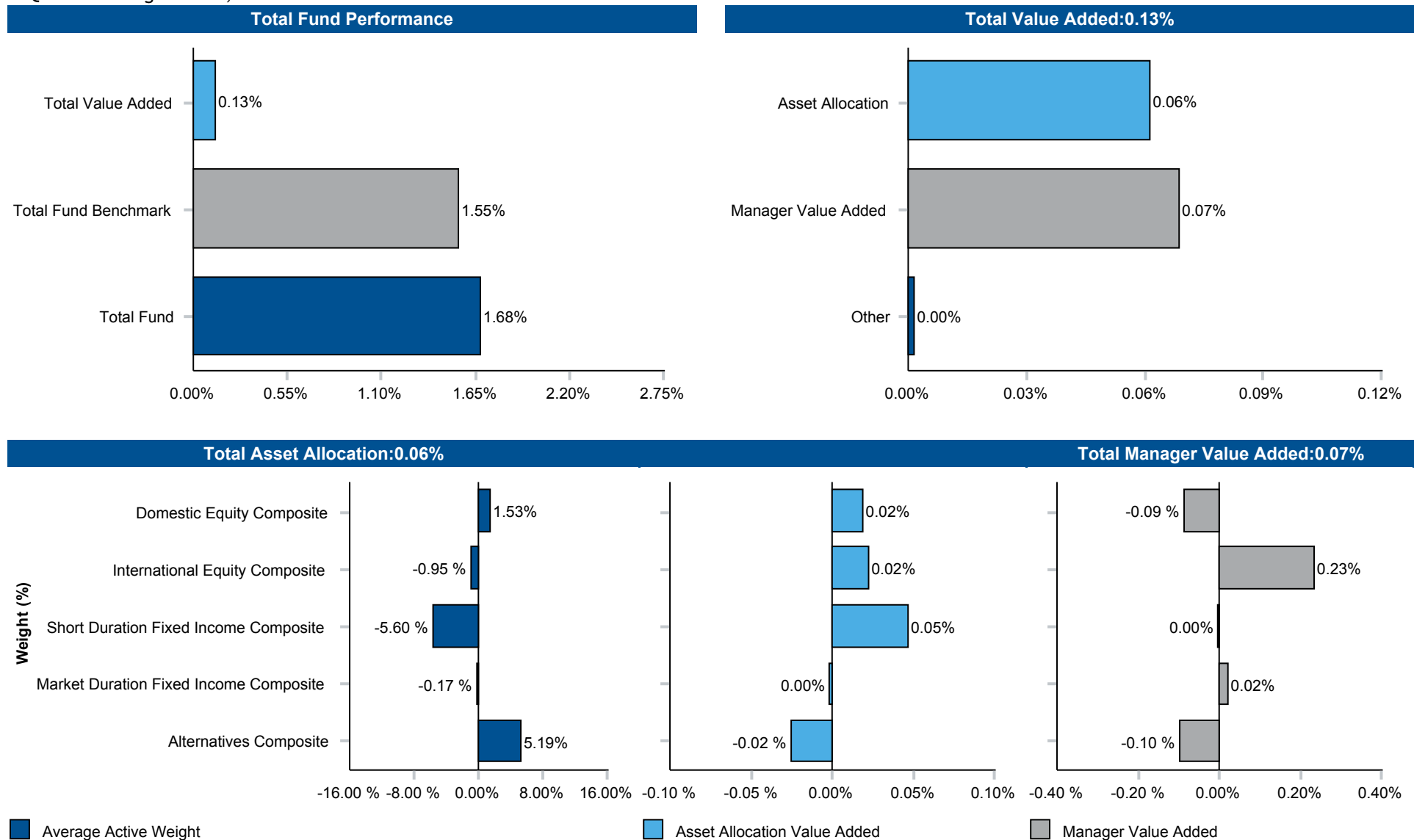
As of June 30, 2016



Performance Summary

Total Cash Balance Plan Attribution

1 Quarter Ending June 30, 2016

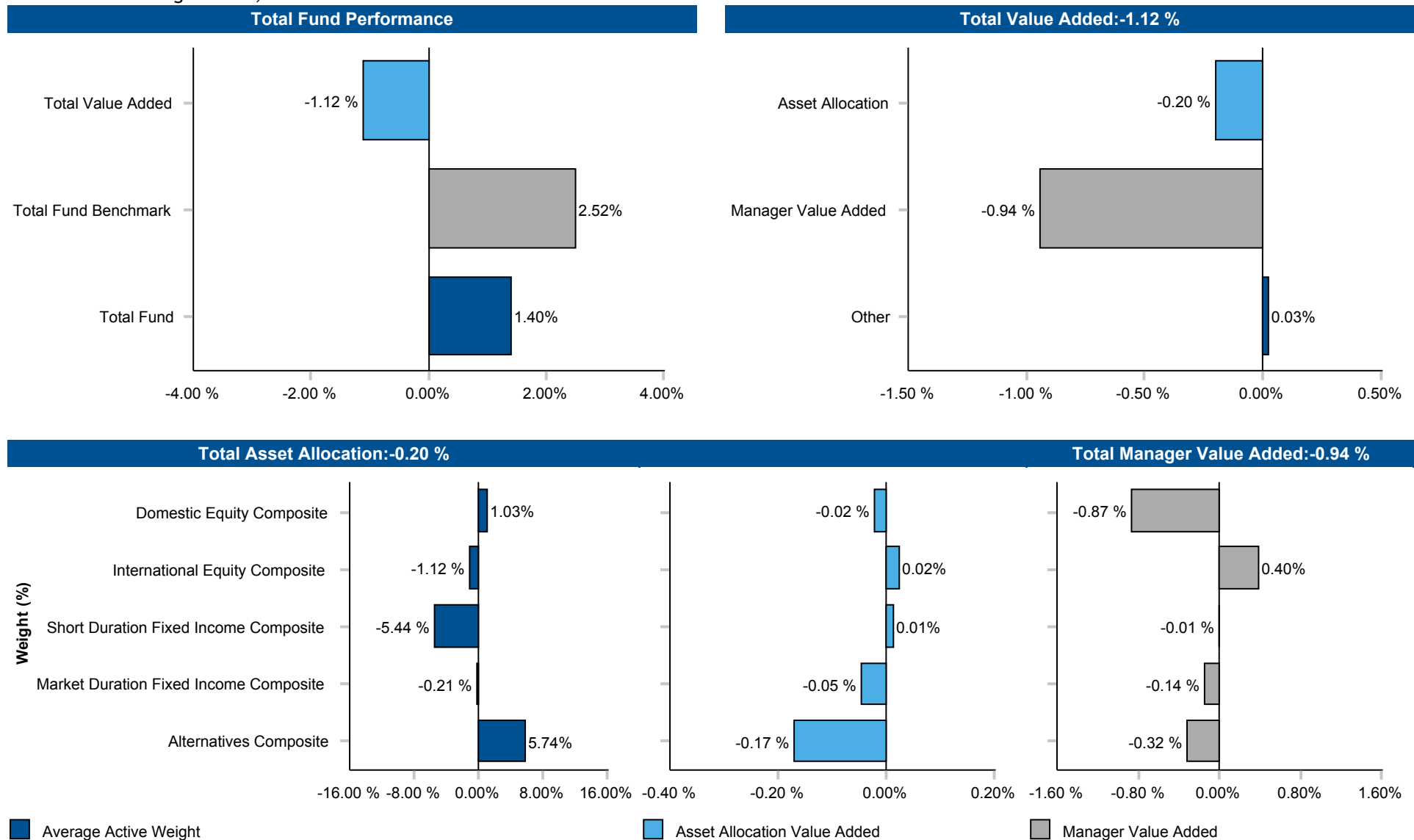


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Total Cash Balance Plan Attribution

Year To Date Ending June 30, 2016

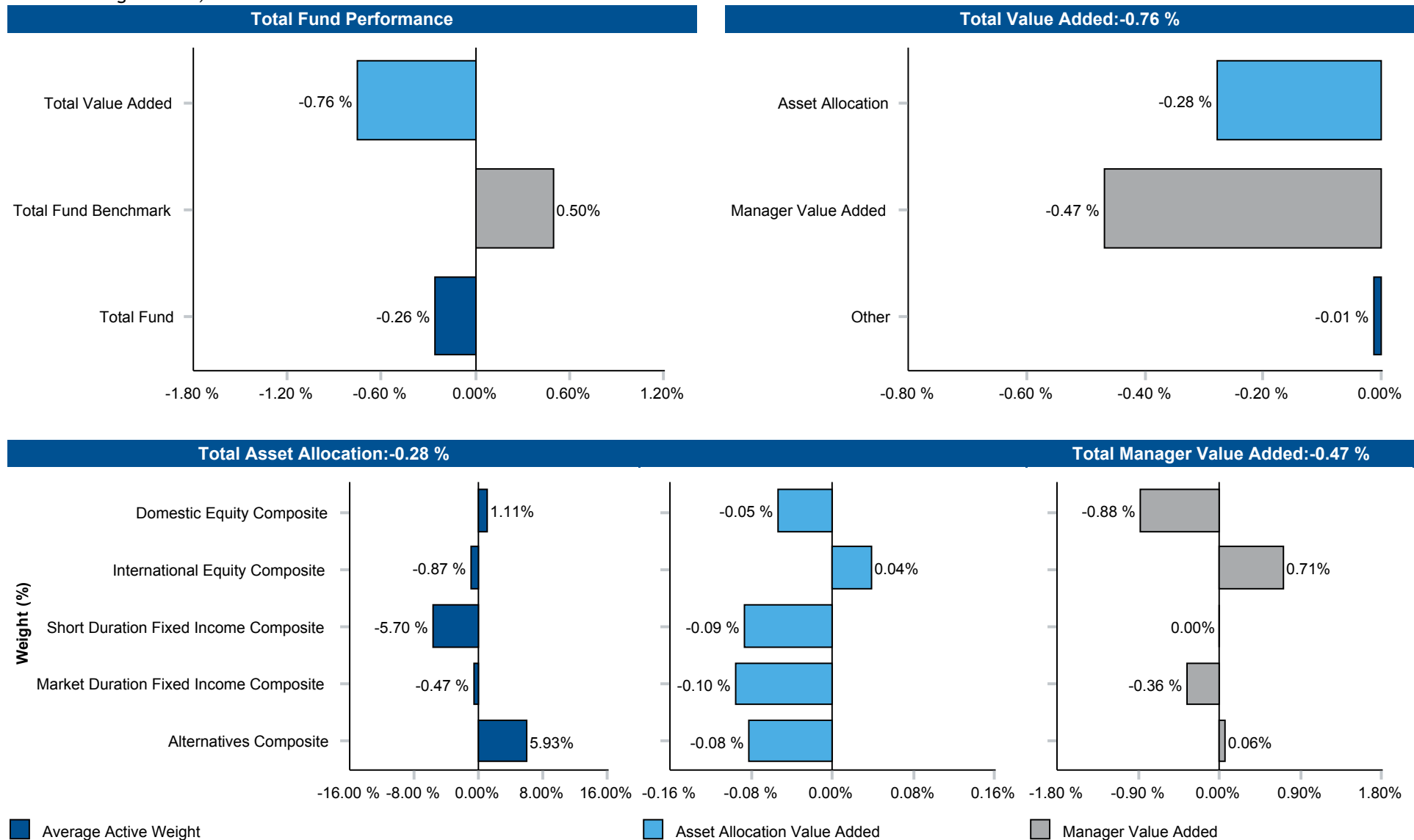


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Total Cash Balance Plan Attribution

1 Year Ending June 30, 2016

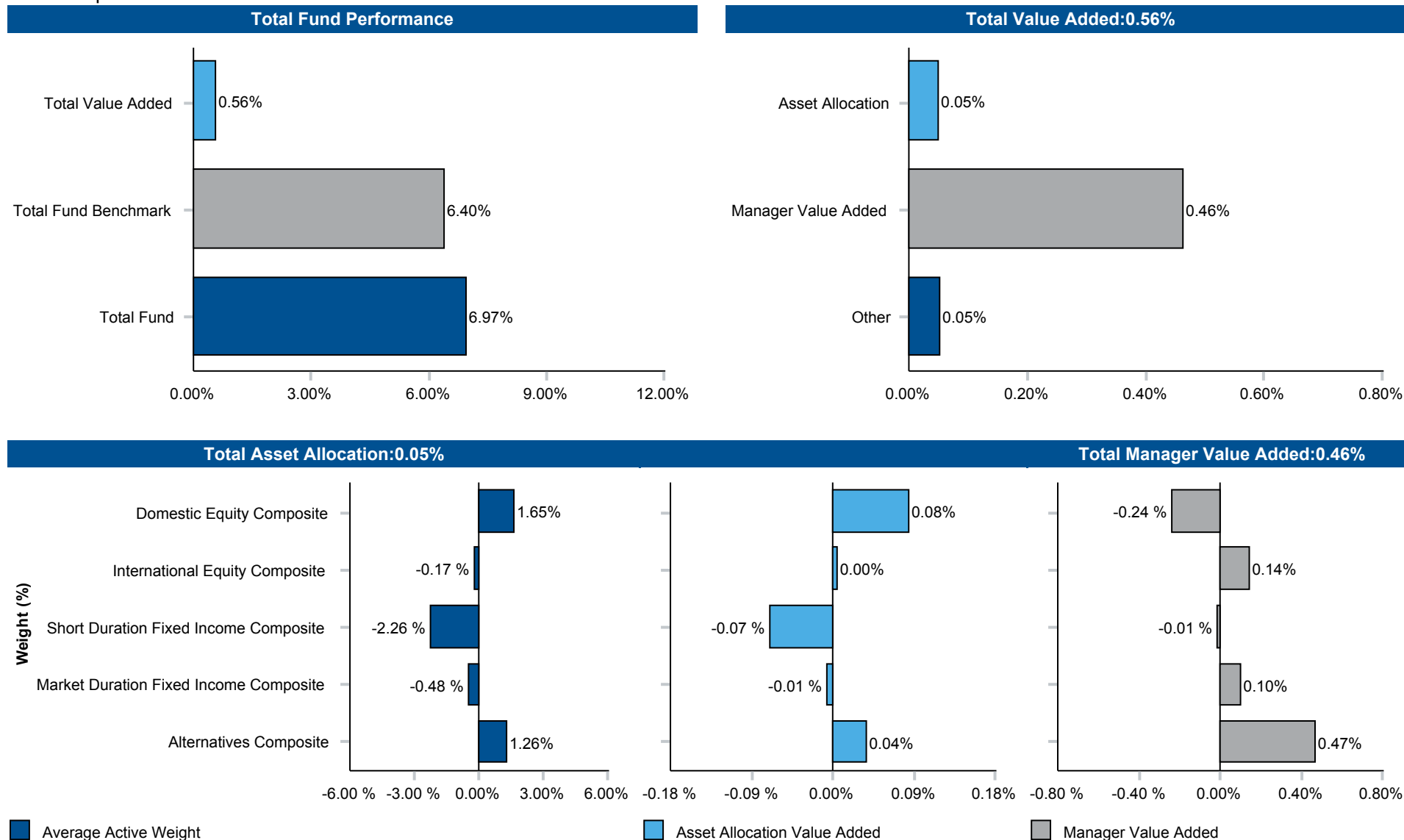


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Total Cash Balance Plan Attribution

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 June 30, 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	221,482,470	100.0	1.7	1.4	-0.3	6.2	6.7	5.6	7.0	3y 8m
Total Cash Balance Plan Benchmark			1.5	2.5	0.5	5.7	6.6	5.2	6.4	
Pre-Pavilion Total Cash Balance Plan Benchmark			3.6	6.0	4.3	7.7	8.5	6.1	8.9	
Total Cash Balance Plan X Private Structures	205,124,780	92.6	1.8	1.3	-0.9	5.6	6.3	5.4	6.5	3y 8m
Cash Balance Plan Total X Privates Benchmark			1.5	2.4	0.0	5.4	6.4	5.1	6.1	
Total Equity Composite	112,407,021	50.8	1.9	1.1	-2.8	7.1	8.3	4.4	9.3	3y 8m
Total Equity Benchmark			1.5	1.9	-2.6	7.4	8.7	4.9	9.4	
Domestic Equity Composite	75,090,530	33.9	2.5	0.9	-0.9	9.8	10.7	5.6	12.6	3y 8m
Domestic Equity Benchmark			2.7	3.6	1.9	10.9	11.7	6.3	13.5	
Large Cap Equity Composite	64,321,541	29.0	1.9	0.1	-0.7	10.4	10.9	5.7	13.0	3y 8m
Large Cap Equity Benchmark			2.5	3.8	3.5	11.6	11.9	6.4	13.8	
Small Cap Equity Composite	10,768,989	4.9	5.7	6.0	-2.1	6.4	N/A	N/A	10.6	3y 8m
Small Cap Equity Benchmark			3.8	2.2	-6.7	7.1	8.4	6.2	11.3	
International Equity Composite	37,316,491	16.8	0.8	1.4	-6.3	2.0	N/A	N/A	3.4	3y 8m
MSCI AC World ex USA (Net)			-0.6	-1.0	-10.2	1.2	0.1	1.9	2.4	

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 June 30, 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	65,049,047	29.4	2.1	4.3	4.1	3.3	3.8	5.6	2.5	3y 8m
Total Fixed Income Benchmark			1.8	4.3	4.7	3.2	3.4	5.0	2.2	
 Short Duration Fixed Income Composite	 9,170,668	 4.1	 0.6	 1.5	 1.5	 1.0	 N/A	 N/A	 0.9	 3y 8m
Short Duration Fixed Income Benchmark			0.7	1.7	1.6	1.2	0.8	1.4	1.1	
 Market Duration Fixed Income Composite	 55,878,379	 25.2	 2.3	 4.8	 4.5	 4.1	 4.1	 5.8	 3.1	 3y 8m
Barclays U.S. Aggregate			2.2	5.3	6.0	4.1	3.8	5.1	2.6	
 Total Alternatives Composite	 44,026,402	 19.9	 0.6	 -1.8	 0.0	 9.1	 N/A	 N/A	 8.6	 3y 8m
Total Alternatives Benchmark			1.1	-0.3	-0.3	5.1	N/A	N/A	5.7	
 Hedge Fund of Fund Composite	 27,668,712	 12.5	 1.0	 -4.2	 -4.2	 5.9	 N/A	 N/A	 6.3	 3y 8m
HFRI Fund of Funds Composite Index			0.6	-2.6	-5.4	1.9	1.6	1.6	2.9	
 Real Estate Composite	 16,357,690	 7.4	 0.0	 2.2	 7.4	 15.0	 N/A	 N/A	 12.7	 3y 6m
NCREIF Property Index			2.0	4.3	10.6	11.6	11.5	7.4	11.6	

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 June 30, 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	35,213,045	15.9	2.4 (33)	3.8 (27)	4.0 (21)	11.6 (11)	12.1 (12)	7.4 (19)	13.8 (10)	3y 8m
S&P 500			2.5 (32)	3.8 (27)	4.0 (21)	11.7 (11)	12.1 (11)	7.4 (19)	13.8 (9)	
IM U.S. Large Cap Core Equity			2.0	2.1	0.5	9.7	10.4	6.4	12.3	
Sands Large Cap Growth (Touchstone)	13,419,293	6.1	-0.5 (73)	-10.6 (100)	-10.6 (98)	8.1 (93)	10.0 (61)	9.1 (11)	10.6 (91)	3y 8m
Russell 1000 Growth Index			0.6 (42)	1.4 (9)	3.0 (9)	13.1 (17)	12.3 (12)	8.8 (16)	14.5 (15)	
IM U.S. Large Cap Growth Equity			0.3	-2.2	-1.6	11.5	10.4	7.4	12.9	
Barrow Hanley Large Cap Value	15,689,203	7.1	3.0 (45)	2.7 (51)	-0.6 (43)	9.5 (20)	10.7 (22)	6.1 (31)	12.9 (16)	3y 8m
Russell 1000 Value Index			4.6 (8)	6.3 (13)	2.9 (17)	9.9 (14)	11.4 (9)	6.1 (31)	13.1 (12)	
IM U.S. Large Cap Value Equity			2.5	2.8	-1.4	8.1	9.5	5.3	11.3	
Small-Cap Equity										
Wellington Small Cap Value	5,778,715	2.6	0.6 (80)	4.4 (40)	-1.5 (21)	9.1 (6)	10.3 (6)	8.7 (1)	12.7 (6)	3y 8m
Russell 2000 Value Index			4.3 (13)	6.1 (25)	-2.6 (32)	6.4 (30)	8.1 (35)	5.2 (50)	10.4 (38)	
IM U.S. Small Cap Value Equity			2.3	4.1	-4.5	5.4	7.4	5.2	9.9	
Conestoga Small Cap Growth	4,989,781	2.3	5.8 (23)	2.2 (21)	1.8 (1)	N/A	N/A	N/A	3.5 (1)	0y 1m
Russell 2000 Growth Index			3.2 (47)	-1.6 (46)	-10.8 (42)	7.7 (38)	8.5 (31)	7.1 (16)	-0.5 (60)	
IM U.S. Small Cap Growth Equity			3.1	-2.0	-12.8	6.8	7.6	5.8	0.1	
International Equity										
Walter Scott Int'l (Dreyfus)	19,575,680	8.8	3.0 (15)	3.8 (27)	-1.1 (7)	2.7 (33)	2.4 (27)	N/A	3.5 (46)	3y 8m
MSCI AC World ex USA (Net)			-0.6 (59)	-1.0 (51)	-10.2 (54)	1.2 (56)	0.1 (62)	1.9 (58)	2.4 (61)	
IM International Equity			-0.1	-0.9	-9.9	1.6	0.7	2.3	3.2	
Northern Cross Int'l (Harbor)	17,740,812	8.0	-1.6 (73)	-1.1 (52)	-11.5 (68)	1.0 (58)	0.7 (51)	3.6 (28)	2.9 (56)	3y 8m
MSCI AC World ex USA (Net)			-0.6 (59)	-1.0 (51)	-10.2 (54)	1.2 (56)	0.1 (62)	1.9 (58)	2.4 (61)	
IM International Equity			-0.1	-0.9	-9.9	1.6	0.7	2.3	3.2	

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 June 30, 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	6,751,891	3.0	0.7 (57)	1.7 (34)	1.7 (21)	1.1 (50)	1.0 (68)	2.8 (37)	0.9 (43)	3y 8m
Barclays 1-3 Year Gov/Credit			0.7 (57)	1.7 (37)	1.6 (26)	1.2 (39)	1.1 (60)	2.8 (37)	1.1 (33)	
<i>IM U.S. Short Term Investment Grade</i>			0.7	1.4	1.1	1.1	1.3	2.5	0.8	
Cash Composite	2,418,778	1.1	0.1	0.3	1.3	1.9	N/A	N/A	1.6	3y 8m
90 Day U.S. Treasury Bill			0.1	0.1	0.1	0.1	0.1	1.0	0.1	
Market Duration Fixed Income										
Dodge & Cox Income Fund	27,760,950	12.5	2.6 (49)	5.1 (57)	4.4 (54)	4.0 (39)	4.0 (52)	5.5 (49)	7.0 (26)	27y 6m
Barclays U.S. Aggregate			2.2 (74)	5.3 (46)	6.0 (14)	4.1 (36)	3.8 (61)	5.1 (64)	6.6 (53)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			2.6	5.2	4.5	3.7	4.0	5.5	6.7	
Met West Total Return Fund I	28,117,429	12.7	2.0 (86)	4.5 (72)	4.7 (44)	4.2 (29)	5.0 (7)	6.8 (2)	3.3 (15)	3y 8m
Barclays U.S. Aggregate			2.2 (74)	5.3 (46)	6.0 (14)	4.1 (36)	3.8 (61)	5.1 (64)	2.6 (47)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			2.6	5.2	4.5	3.7	4.0	5.5	2.6	
Hedge Fund of Funds										
Lighthouse Diversified	15,132,962	6.8	0.7	-1.3	-1.4	5.8	4.5	4.1	5.9	3y 8m
HFRI Fund of Funds Composite Index			0.6	-2.6	-5.4	1.9	1.6	1.6	2.9	
Pointer Offshore LTD	12,535,750	5.7	1.3	-7.4	-7.4	6.0	5.4	7.8	6.7	3y 6m
HFRI Fund of Funds Composite Index			0.6	-2.6	-5.4	1.9	1.6	1.6	2.6	
Real Estate										
Oaktree RE Opportunities Fund VI	9,022,543	4.1	0.0	2.4	6.5	14.1	N/A	N/A	12.1	3y 5m
NCREIF Property Index			2.0	4.3	10.6	11.6	11.5	7.4	11.6	
Walton Street Real Estate Fund VII, L.P.	7,335,147	3.3	0.0	2.0	8.5	17.8	N/A	N/A	17.8	3y
NCREIF Property Index			2.0	4.3	10.6	11.6	11.5	7.4	11.6	
Total Plan										
Total Cash Balance Plan	221,482,470	100.0	1.7	1.4	-0.3	6.2	6.7	5.6	7.0	3y 8m
Total Cash Balance Plan Benchmark			1.5	2.5	0.5	5.7	6.6	5.2	6.4	
Pre-Pavilion Total Cash Balance Plan Benchmark			3.6	6.0	4.3	7.7	8.5	6.1	8.9	

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 Executive Summary

Manager Compliance Checklist

As of June 30, 2016

Managers	Vanguard S&P 500 Index	Sands Large Cap Growth (Touchstone)	Barrow Hanley LCV	Wellington Small Cap Value	Conestoga Small Cap	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	-500 bps	-40bps	+	N/A	+	-20bps
Three-year ranking > peer group median	+	93rd	+	+	N/A	+	58th
Five year return > benchmark	In Line	-230 bps	-70bps	+	N/A	+	+
Five year ranking > peer group median	+	61st	+	+	N/A	+	51st
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 June 30, 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	+	+	+	+
Five year ranking > peer group median	68th	52nd	+	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 June 30, 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, left the firm on June 30, 2016. Wes Johnston, who was an associate PM for the last 3 years was 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. 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 replaced 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.



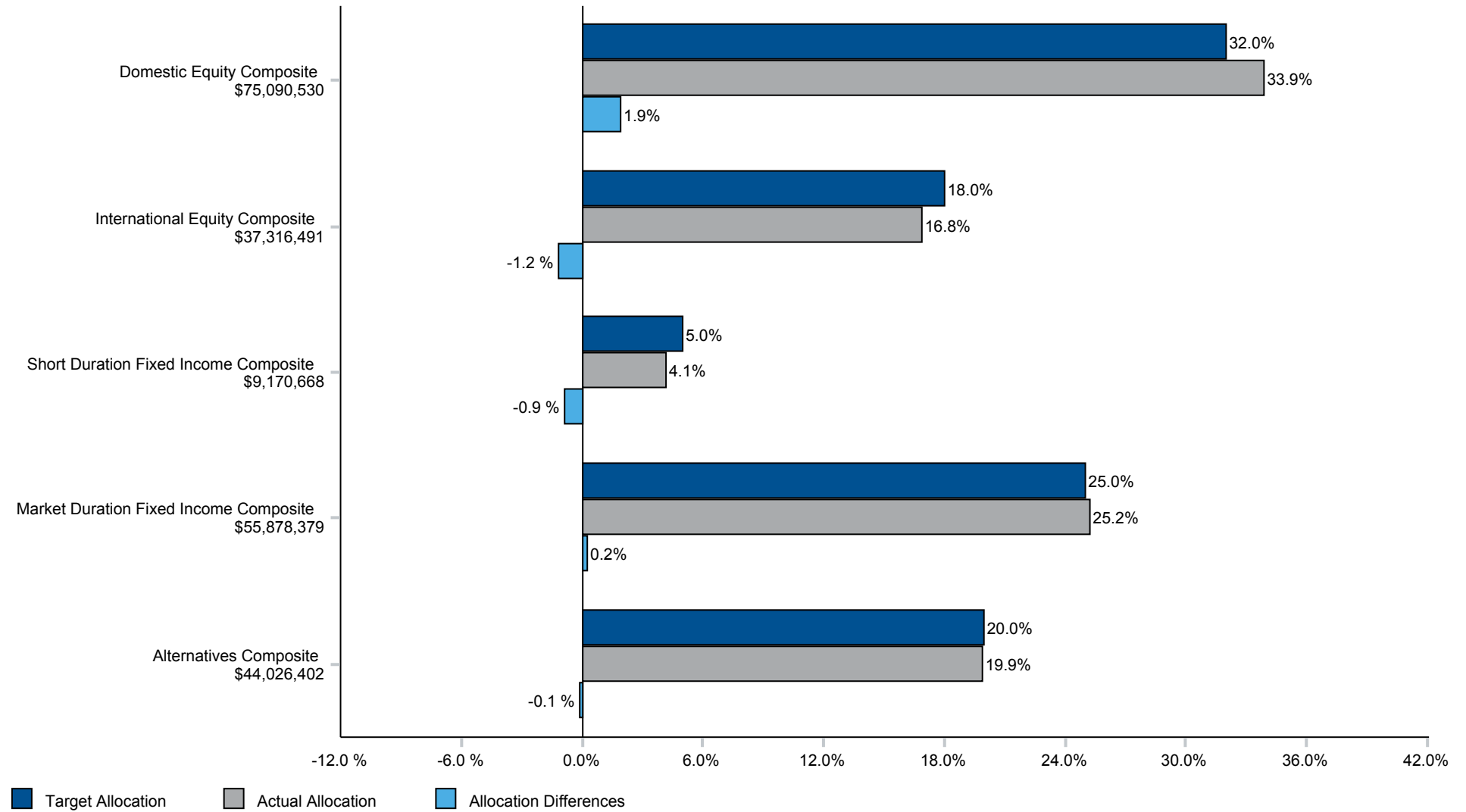
Cash Balance Plan - Asset Class Diversification

Asset Class Diversification

Total Cash Balance Plan vs. Cash Balance Plan Target Allocation

As of June 30, 2016

June 30, 2016 : \$221,482,470



Asset Class Diversification

Cash Balance Plan Investment Program Structure

As of June 30, 2016

Manager	Asset Class/Type	Total Assets (\$, mil.)	Percent of Total	Target Allocation	Weighting Relative to Target	Target Range
Large-Cap Domestic Equity		\$ 64.3	29.0%	27.0%	+ 2.0%	27-37%
Vanguard S&P 500 Index	Large-Cap Index	\$ 35.2	15.9%	13.5%	+ 2.4%	
Sands	Large-Cap Growth	\$ 13.4	6.1%	6.8%	- 0.7%	
Barrow Hanley	Large-Cap Value	\$ 15.7	7.1%	6.8%	+ 0.3%	
Small-Cap Domestic Equity		\$ 10.8	4.9%	5.0%	- 0.1%	
Conestoga	Small-Cap Growth	\$ 5.0	2.3%	2.5%	- 0.2%	15-21%
Wellington	Small-Cap Value	\$ 5.8	2.6%	2.5%	+ 0.1%	
International Equity		\$ 37.3	16.8%	18.0%	- 1.2%	0-8%
Walter Scott	Developed and Emerging	\$ 19.6	8.8%			
Harbor	Developed and Emerging	\$ 17.7	8.0%			20-30%
Short-Duration Fixed Income		\$ 9.2	4.1%	5.0%	- 0.9%	
Barrow Hanley	Short Duration	\$ 6.8	3.0%			
Cash	Money Market	\$ 2.4	1.1%			17-23%
Market-Duration Fixed Income		\$ 55.9	25.2%	25.0%	+ 0.2%	
Dodge & Cox	Market Duration	\$ 27.8	12.5%	12.5%	+ 0.0%	
MetWest	Market Duration	\$ 28.1	12.7%	12.5%	+ 0.2%	17-23%
Alternatives		\$ 44.0	19.9%	20.0%	- 0.1%	
Lighthouse	HFOF	\$ 15.1	6.8%	5.0%	+ 1.8%	
Pointer	HFOF	\$ 12.5	5.7%	5.0%	+ 0.7%	
Oaktree RE Opportunities	Real Estate	\$ 9.0	4.1%	5.0%	- 0.9%	
Walton Street	Real Estate	\$ 7.3	3.3%	5.0%	- 1.7%	
Total		\$221.5	100.0%			

*Totals may not add due to rounding.

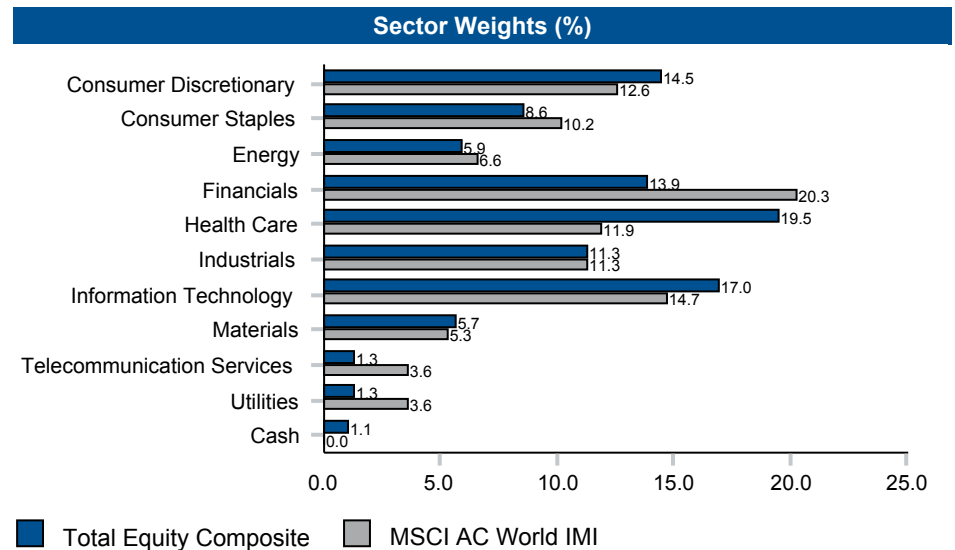
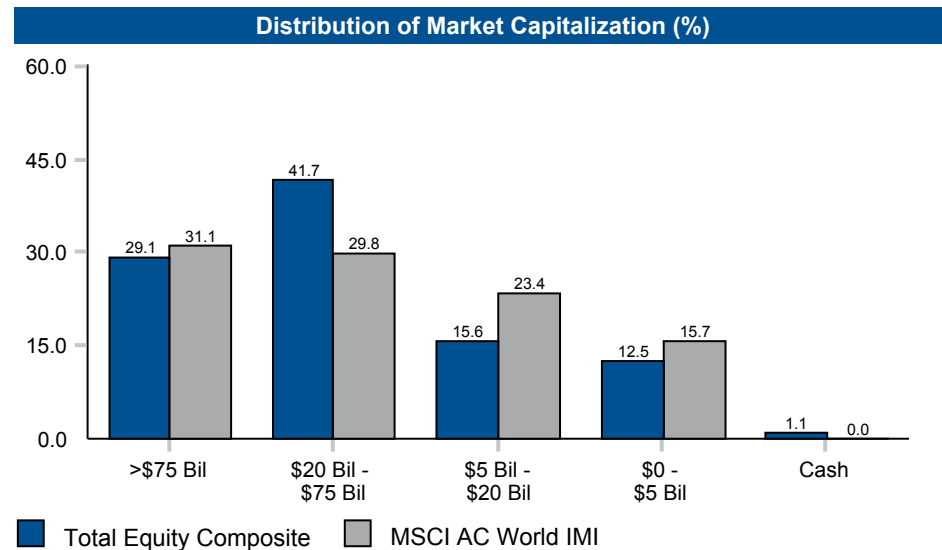
Equity Portfolio - Characteristics

Cash Balance Plan Equity Composite vs. MSCI AC World IMI

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	72,355	80,733
Median Mkt. Cap (\$M)	13,000	1,359
Price/Earnings ratio	21.3	17.2
Price/Book ratio	3.2	2.7
5 Yr. EPS Growth Rate (%)	5.7	6.3
Current Yield (%)	2.1	2.6
Debt to Equity	-0.3	0.9
Number of Stocks	309	8,721
Beta (5 Years, Monthly)	0.96	1.00
Consistency (5 Years, Monthly)	58.33	1.00
Sharpe Ratio (5 Years, Monthly)	0.67	0.49
Information Ratio (5 Years, Monthly)	0.82	-
Up Market Capture (5 Years, Monthly)	103.76	-
Down Market Capture (5 Years, Monthly)	90.86	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Visa Inc	1.5	0.3	1.2	-2.8
Roche Holding AG	1.5	0.5	1.1	6.3
Novartis AG	1.4	0.5	0.9	13.0
Alibaba Group Holding Ltd	1.4	0.2	1.2	0.6
CIE Generale D""Optique Essilor Int'l	1.3	0.1	1.3	7.8
Salesforce.com Inc.	1.3	0.1	1.2	7.6
Reckitt Benckiser Group PLC	1.3	0.2	1.1	4.8
Schlumberger Ltd	1.3	0.3	1.0	7.9
Facebook Inc	1.2	0.6	0.6	0.2
Las Vegas Sands Corp	1.2	0.1	1.2	-14.5
% of Portfolio	13.4	2.7		



Equity Portfolio - Country/Region Allocation

Cash Balance Plan Equity Composite vs. MSCI AC World IMI

As of June 30, 2016

	Total Equity Composite	MSCI AC World IMI
Australia	0.8	2.3
Hong Kong	1.8	1.1
Japan	7.7	8.1
New Zealand	0.0	0.1
Singapore	0.0	0.5
Pacific	10.3	12.1
Austria	0.3	0.1
Belgium	0.7	0.5
Finland	0.5	0.3
France	8.2	2.9
Germany	3.8	2.7
Ireland	0.6	0.2
Italy	0.0	0.7
Netherlands	1.1	1.0
Portugal	0.0	0.1
Spain	1.0	0.9
EMU	16.3	9.5
Denmark	1.8	0.6
Norway	0.0	0.3
Sweden	1.4	1.0
Switzerland	7.5	2.8
United Kingdom	8.9	6.4
Europe ex EMU	19.7	11.2
Canada	0.6	3.2
United States	46.9	53.3
Israel	0.8	0.3
Middle East	0.8	0.3
Developed Markets	94.5	89.5

	Total Equity Composite	MSCI AC World IMI
Brazil	0.1	0.7
Cayman Islands	0.0	0.0
Chile	0.0	0.1
Colombia	0.9	0.0
Mexico	0.0	0.4
Peru	0.0	0.0
Virgin Islands	0.0	0.0
EM Latin America	0.9	1.3
China	2.8	2.6
India	0.0	0.9
Indonesia	0.0	0.3
Korea	0.0	1.6
Malaysia	0.0	0.3
Philippines	0.0	0.2
Taiwan	0.6	1.3
Thailand	0.0	0.3
EM Asia	3.4	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	0.4
South Africa	0.0	0.7
Turkey	0.0	0.1
United Arab Emirates	0.0	0.1
EM Europe + Middle East + Africa	0.0	1.6
Emerging Markets	4.3	10.5
Frontier Markets	0.0	0.0
Cash	1.1	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 June 30, 2016

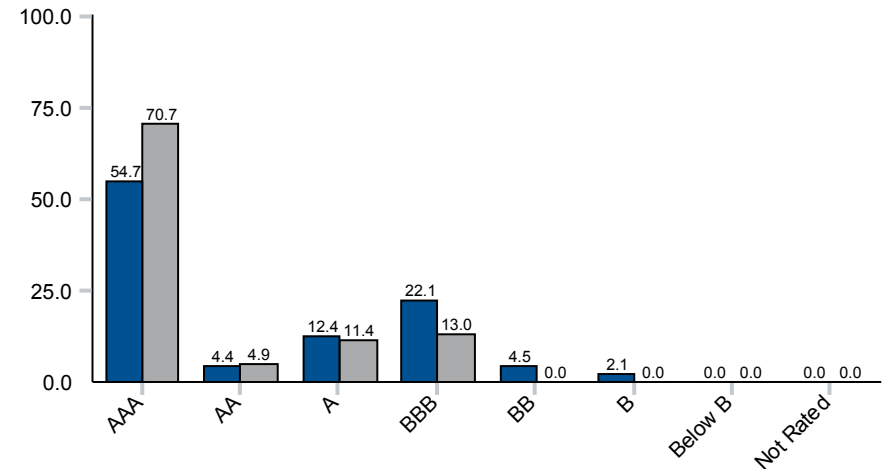
Portfolio Characteristics

	Portfolio	Benchmark
Effective Duration	4.3	5.0
Avg. Maturity	6.6	7.0
Avg. Quality	A+	AA+
Yield To Maturity (%)	2.2	1.8

Risk Characteristics - 5 Years

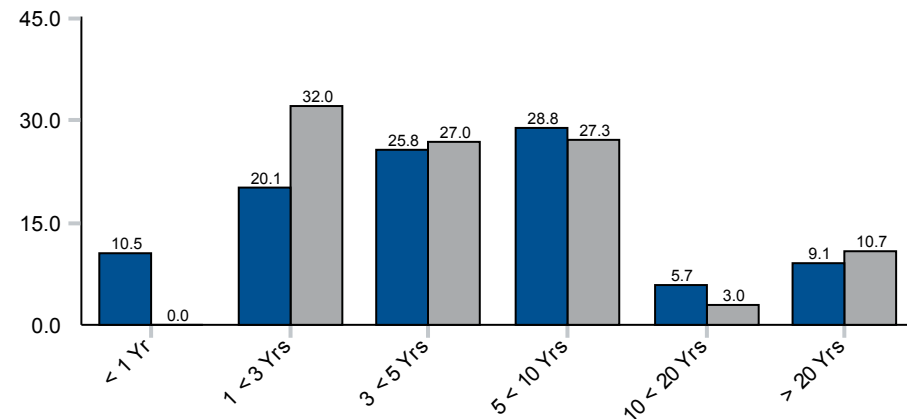
	Consistency	Sharpe Ratio	Information Ratio	Up Market Capture	Down Market Capture
Total Fixed Income Composite	53.3	1.7	0.2	99.1	77.5
Total Fixed Income Benchmark	0.0	1.5	N/A	100.0	100.0

Credit Quality Distribution (%)



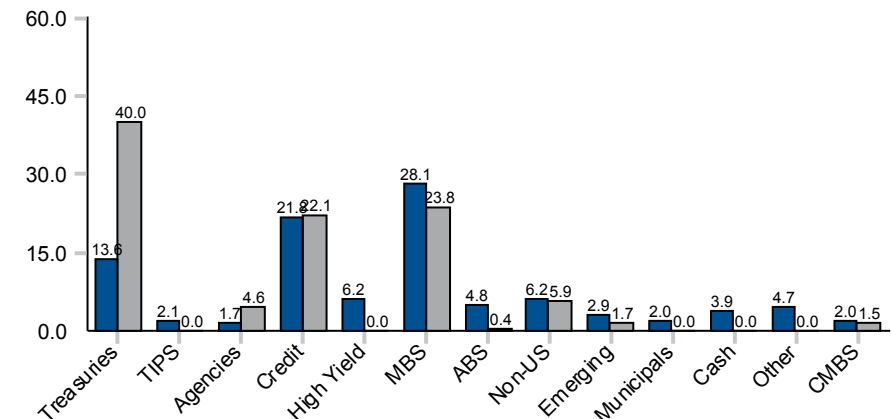
■ Total Fixed Income Composite ■ Total Fixed Income Benchmark

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 March 31, 2016 (\$ 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	\$4.3	\$13.7	12.9%	1.3	0.4
Walton Street RE Fund VII	2012	Private RE	\$8.4	\$7.0	\$1.4	\$7.5	\$1.7	\$9.3	18.9%	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.



Appendix

Appendix

Surplus Cash Summary of Investment Decisions

Date	Decision
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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	<p>The Citigroup equity transition was completed.</p> <p>The following managers were funded:</p> <table> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <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> </table>	Manager	Amount Funded (millions)	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
Manager	Amount Funded (millions)																		
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	<p>The following additional contributions were funded:</p> <table> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <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> </table>	Manager	Amount Funded (millions)	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				
Manager	Amount Funded (millions)																		
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	<p>The following additional contributions were funded:</p> <table> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <tr> <td>MetWest Fixed</td><td>\$2.8</td></tr> <tr> <td>Barrow Hanley Short Duration Fixed</td><td>\$5.1</td></tr> </table>	Manager	Amount Funded (millions)	MetWest Fixed	\$2.8	Barrow Hanley Short Duration Fixed	\$5.1												
Manager	Amount Funded (millions)																		
MetWest Fixed	\$2.8																		
Barrow Hanley Short Duration Fixed	\$5.1																		

Appendix

Surplus Cash Summary of Investment Decisions

Date	Decision												
January 2013	<p>The following additional contributions were funded:</p> <table> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <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> </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	<p>The Investment Committee recommended El Camino retain Pavilion for direct hedge fund advisory services.</p> <p>The following additional contribution was funded:</p> <table> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <tr> <td>Wellington Small Cap Value</td><td>\$1.2</td></tr> </table>	Manager	Amount Funded (millions)	Wellington Small Cap Value	\$1.2								
Manager	Amount Funded (millions)												
Wellington Small Cap Value	\$1.2												
March 2013	<p>The following additional contribution was funded:</p> <table> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <tr> <td>MetWest Fixed</td><td>\$1.6</td></tr> </table>	Manager	Amount Funded (millions)	MetWest Fixed	\$1.6								
Manager	Amount Funded (millions)												
MetWest Fixed	\$1.6												
May 2013	<p>Eight hedge funds (\$5 million each) were funded on May 1, 2013 for a total of \$40 million.</p>												
July 2013	<p>The remaining two hedge fund strategies (\$5 million each) were funded on July 1, 2013 and August 1, 2013, respectively.</p> <p>The Direct Hedge Fund portfolio became fully invested.</p>												
September 2013	<p>\$14.0 million was committed to the Oaktree Real Estate Opportunities Fund VI and \$6.6 million was called in September.</p> <p>\$14.0 million was committed to the Walton Street Real Estate Fund VII.</p>												
October 2013	<p>The following additional contributions were funded:</p> <table> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <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> </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> <p>The following hedge funds were funded on April 1, 2014:</p> <table> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <tr> <td>Marathon Special Opportunity Fund</td><td>\$5.5</td></tr> <tr> <td>Bloom Tree Offshore Fund</td><td>\$4.5</td></tr> <tr> <td>Tiger Eye Fund</td><td>\$4.5</td></tr> <tr> <td>Moore Macro Managers Fund</td><td>\$6.0</td></tr> <tr> <td>Pine River Fund</td><td>\$6.0</td></tr> </table> <p>Additional contributions of \$1.0 million were made to both Brevan Howard Multi-Strategy Fund and Robeco Transtrend Diversified Fund.</p>	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												

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	<p>The following additional contributions were funded:</p> <table> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <tr> <td>Vanguard Institutional Index</td><td>\$2.0</td></tr> <tr> <td>Touchstone Sands</td><td>\$3.0</td></tr> <tr> <td>Barrow Hanley LCV</td><td>\$2.0</td></tr> <tr> <td>Dodge & Cox</td><td>\$5.0</td></tr> <tr> <td>MetWest</td><td>\$3.0</td></tr> </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

Date	Decision								
May 2015	<p>The Surplus Cash account received an inflow of \$20 million.</p> <p>The following additional contributions were funded utilizing the inflow:</p> <table> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <tr> <td>Dodge & Cox</td><td>\$5.1</td></tr> <tr> <td>MetWest</td><td>\$4.7</td></tr> </table> <p>\$9.0 million of the proceeds remained in the cash account in order to fund a dedicated emerging markets manager.</p>	Manager	Amount Funded (millions)	Dodge & Cox	\$5.1	MetWest	\$4.7		
Manager	Amount Funded (millions)								
Dodge & Cox	\$5.1								
MetWest	\$4.7								
June 2015	<p>\$0.7 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in June.</p> <p>\$1.1 million of the capital committed to the Walton Street Real Estate Fund VII was called in June.</p>								
August 2015	<p>A contribution of \$1.2 million was made to the MetWest Total Return Fixed Income account.</p> <p>Harding Loevner, the Surplus Cash Plan's dedicated emerging markets manager, was funded on August 13th with an initial \$9.0 million.</p>								
September 2015	<p>\$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.</p>								
October 2015	<p>\$1.4 million of the capital committed to the Walton Street Real Estate Fund VII was called in October.</p> <p>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.</p>								
November 2015	<p>The Oaktree Real Estate Opportunities Fund VI made a distribution payment in the amount of \$1.4 million.</p>								
December 2015	<p>The Oaktree Real Estate Opportunities Fund VI made a distribution payment in the amount of \$0.6 million.</p>								
January 2016	<p>A \$13.0 million commitment was made to the Walton Street Real Estate Fund VIII in January.</p> <p>The following redemptions were made during January for operating needs:</p> <table> <tr> <th>Manager</th><th>Amount Redeemed (millions)</th></tr> <tr> <td>Dodge & Cox</td><td>\$8.0</td></tr> <tr> <td>MetWest</td><td>\$8.0</td></tr> <tr> <td>Barrow Hanley Short Duration</td><td>\$14.0</td></tr> </table>	Manager	Amount Redeemed (millions)	Dodge & Cox	\$8.0	MetWest	\$8.0	Barrow Hanley Short Duration	\$14.0
Manager	Amount Redeemed (millions)								
Dodge & Cox	\$8.0								
MetWest	\$8.0								
Barrow Hanley Short Duration	\$14.0								

Appendix

Surplus Cash Summary of Investment Decisions

Date	Decision
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.
May 2016	The decision was made to liquidate the Fund's position in Cortina and invest the proceeds in Conestoga. The Oaktree Real Estate Opportunities Fund VI made a distribution payment in the amount of \$218,802. The Walton Street Real Estate Fund VII made a distribution payment in the amount of \$328,583.
June 2016	The Oaktree Real Estate Opportunities Fund VI made a distribution payment in the amount of \$420,000. Small-cap growth manager, Cortina, was liquidated and the proceeds reinvested in the Conestoga small-cap Fund. The Carlson Double Black Diamond Fund was redeemed as of June 30, 2016 and the proceeds reinvested in the BlackRock 32 Capital Fund as of August 1, 2016.

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:																					
	<table><tr><th>Asset Class</th><th>Target Allocation</th><th>Range</th></tr><tr><td>Domestic Equity</td><td>32%</td><td>27% to 37%</td></tr><tr><td>International Equity</td><td>18%</td><td>15% to 21%</td></tr><tr><td>Alternatives</td><td>20%</td><td>17% to 23%</td></tr><tr><td>Broad Fixed Income</td><td>25%</td><td>20% to 30%</td></tr><tr><td>Short Fixed Income</td><td>5%</td><td>0% to 8%</td></tr><tr><td>Total Fund</td><td>100%</td><td>---</td></tr></table>	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%	---
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> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <tr> <td>Vanguard S&P 500 Index</td><td>\$22.7</td></tr> <tr> <td>Sands Large Cap Growth (Touchstone)</td><td>\$11.3</td></tr> <tr> <td>Barrow Hanley Large Cap Value</td><td>\$11.3</td></tr> <tr> <td>Cortina Small Cap Growth</td><td>\$4.2</td></tr> <tr> <td>Wellington Small Cap Value</td><td>\$4.2</td></tr> <tr> <td>Walter Scott Int'l (Dreyfus)</td><td>\$15.1</td></tr> <tr> <td>Northern Cross Int'l (Harbor)</td><td>\$15.1</td></tr> <tr> <td>Barrow Hanley Short Fixed</td><td>\$19.4</td></tr> <tr> <td>MetWest Fixed</td><td>\$21.0</td></tr> <tr> <td>Lighthouse Diversified</td><td>\$8.4</td></tr> </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> <tr> <th>Manager</th><th>Amount Committed (millions)</th></tr> <tr> <td>Oaktree Real Estate Opps Fund VI</td><td>\$8.4</td></tr> <tr> <td>Walton Street Real Estate Fund VII</td><td>\$8.4</td></tr> </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> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <tr> <td>Pointer</td><td>\$8.4</td></tr> <tr> <td>Oaktree Real Estate Opps Fund VI</td><td>\$5.9</td></tr> </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> <tr> <th>Manager</th><th>Amount Contributed (millions)</th></tr> <tr> <td>Dodge & Cox Fixed</td><td>\$1.5</td></tr> <tr> <td>MetWest Fixed</td><td>\$1.5</td></tr> </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	Distribution payments of \$0.1 million were made by the Walton Street Real Estate Fund VII. \$1.7 million of the capital committed to the Walton Street Real Estate Fund VII was called in March. \$0.8 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in March.						
April 2014	A \$3.6 million employer contribution was made to the Barrow Hanley Short-Term Fixed account. \$0.8 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in April.						
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	\$0.5 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in November.
December 2014	\$0.7 million of the capital committed to the Walton Real Estate Fund VII was called in December.
January 2015	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).
February 2015	\$1.8 million of the capital committed to the Walton Real Estate Fund VII was called in February.
March 2015	\$0.8 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in March.
April 2015	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).
June 2015	<p>\$0.4 million of the capital committed to the Oaktree Real Estate Opportunities Fund VI was called in June.</p> <p>\$0.6 million of the capital committed to the Walton Street Real Estate Fund VII was called in June.</p>
July 2015	A \$2.4 million employer contribution was made in July with the proceeds invested in the Barrow Hanley Short-Term Fixed account.
September 2015	\$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.
October 2015	<p>\$0.8 million of the capital committed to the Walton Street Real Estate Fund VII was called in October</p> <p>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.
May 2016	The decision was made to liquidate the Fund's position in Cortina and invest the proceeds in Conestoga. The Oaktree Real Estate Opportunities Fund VI made a distribution payment in the amount of \$131,281. The Walton Street Real Estate Fund VII made a distribution payment in the amount of \$197,150
June 2016	The Oaktree Real Estate Opportunities Fund VI made a distribution payment in the amount of \$252,000. Small-cap growth manager, Cortina was liquidated and the proceeds reinvested in the Conestoga small-cap fund.

Appendix

Benchmark Descriptions

As of June 30, 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 June 30, 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 June 30, 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 June 30, 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 June 30, 2016

	Year To Date	Performance(%)									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Surplus Cash X District	2.2	-0.2	4.4	8.8	6.6	5.1	6.4	11.3	-1.2	6.3	6.0
Total Surplus Cash Benchmark	2.4	-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	4.3	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	2.2	-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	2.6	-0.3	5.3	7.5	6.0	5.2	7.3	7.7	-2.0	6.0	4.8
Total Equity Composite	1.8	-1.0	4.4	28.8	17.7	2.3	10.8	23.7	-35.3	1.9	14.6
Total Equity Benchmark - Surplus	1.8	-2.2	6.1	27.7	19.0	0.4	15.5	19.7	-36.8	-0.2	22.2
Domestic Equity Composite	1.7	-0.2	9.0	36.7	16.3	2.3	10.8	23.7	-35.3	1.9	14.6
Domestic Equity Benchmark - Surplus	3.5	0.0	11.4	34.3	17.8	0.4	15.5	19.7	-36.8	-0.2	22.2
Large Cap Equity Composite	0.7	0.5	12.2	35.1	16.5	2.3	10.8	23.7	-35.3	1.9	14.6
Large Cap Equity Benchmark	3.8	1.1	13.5	32.7	17.1	0.4	15.5	19.7	-36.8	-0.2	22.2
Small Cap Equity Composite	6.0	-3.4	-0.9	41.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Small Cap Equity Benchmark	2.2	-4.4	5.0	38.9	16.3	-4.2	26.8	27.5	-33.8	-1.7	18.4
International Equity Composite	2.2	-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)	-1.0	-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 June 30, 2016

	Year To Date	Performance(%)									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Fixed Income Composite	4.3	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	4.4	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	 1.8	 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	1.7	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	 5.1	 -0.4	 5.8	 -0.6	 6.9	 8.8	 8.1	 12.6	 2.5	 6.9	 N/A
Barclays U.S. Aggregate	5.3	0.5	6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3
 Alternatives Composite	 -2.0	 1.7	 5.1	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A
Total Alternatives Benchmark -Surplus	-0.3	4.1	6.1	9.6	N/A	N/A	N/A	N/A	N/A	N/A	N/A
 Real Estate Composite	 2.2	 14.3	 22.8	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A
NCREIF Property Index	4.3	13.3	11.8	11.0	10.5	14.3	13.1	-16.8	-6.5	15.8	16.6
 Hedge Fund Composite	 -3.2	 -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	-2.6	-0.3	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 June 30, 2016

	Performance(%)										
	Year To Date	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Cash Balance Plan	1.4	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	2.5	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	6.0	-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	1.3	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	2.4	-0.6	5.3	14.0	12.7	3.7	12.4	14.8	-22.0	2.8	14.8
Total Equity Composite	1.1	-1.0	4.6	27.7	23.3	-3.9	14.2	33.0	-43.0	0.3	19.5
Total Equity Benchmark	1.9	-1.8	6.2	26.9	18.9	0.4	15.5	19.7	-36.8	-0.2	22.2
Domestic Equity Composite	0.9	-0.3	10.2	36.3	21.5	-3.9	14.2	33.0	-43.0	0.3	19.5
Domestic Equity Benchmark	3.6	0.3	12.2	33.7	17.5	0.4	15.5	19.7	-36.8	-0.2	22.2
Large Cap Equity Composite	0.1	0.3	12.3	35.4	21.8	-3.9	14.2	33.0	-43.0	0.3	19.5
Large Cap Equity Benchmark	3.8	1.1	13.5	32.7	17.1	0.4	15.5	19.7	-36.8	-0.2	22.2
Small Cap Equity Composite	6.0	-3.4	-0.9	41.1	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Small Cap Equity Benchmark	2.2	-4.4	5.0	38.9	16.3	-4.2	26.8	27.5	-33.8	-1.7	18.4
International Equity Composite	1.4	-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)	-1.0	-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 June 30, 2016

	Year To Date	Performance(%)									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Fixed Income Composite	4.3	-0.1	4.3	0.6	7.0	6.4	7.8	17.6	-0.3	4.9	5.4
Total Fixed Income Benchmark	4.3	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	 1.5	 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	1.7	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	 4.8	 -0.1	 5.7	 0.6	 8.0	 5.4	 7.8	 17.6	 -0.3	 4.9	 5.4
Barclays U.S. Aggregate	5.3	0.5	6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3
 Total Alternatives Composite	 -1.8	 8.2	 13.1	 11.4	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A
Total Alternatives Benchmark	-0.3	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	 -4.2	 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	-2.6	-0.3	3.4	9.0	4.8	-5.7	5.7	11.5	-21.4	10.3	10.4
 Real Estate Composite	 2.2	 14.3	 23.9	 5.0	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A
NCREIF Property Index	4.3	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.

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 June 30, 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.

Disclosures

This report contains confidential and proprietary information and is intended for the exclusive use of the parties to whom it was provided. Facts and information provided in this report are believed to be accurate at the time of preparation. However, certain information in this document has been provided to Pavilion Advisory Group Inc. (Pavilion) by third parties and subject to change at any time and based on market conditions. Although we believe this information is reliable, we have not independently verified the information.

Returns are net of investment fees unless otherwise denoted. Returns for periods greater than one year are annualized. Mutual fund returns assume reinvestment of all distributions at net asset value (NAV) and deduction of fund expenses.

Past performance does not guarantee future results. This document may include certain forward-looking statements that are based on current estimates and forecasts. Actual results could differ materially. Investing in securities products involves risk, including possible loss of principal as the value of investments fluctuates.

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A6b.2 - APPENDIX - Manager Book

Manager Book



El Camino Hospital

2nd Quarter 2016

Pavilion Advisory Group Inc.
227 W. Monroe Street, Suite 2020
Chicago, IL 60606
Phone: 312-798-3200
Fax: 312-902-1984
www.pavilioncorp.com



PAVILION

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Manager Review

Manager Evaluation

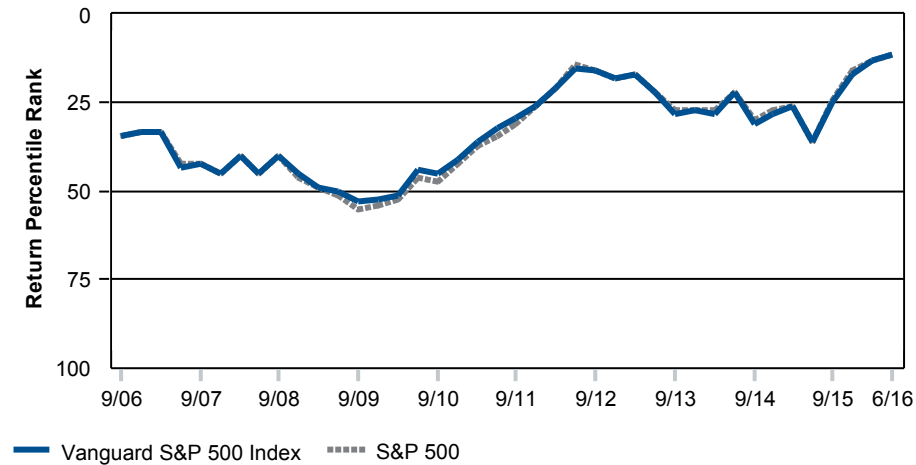
Vanguard S&P 500 Index vs. S&P 500

As of June 30, 2016

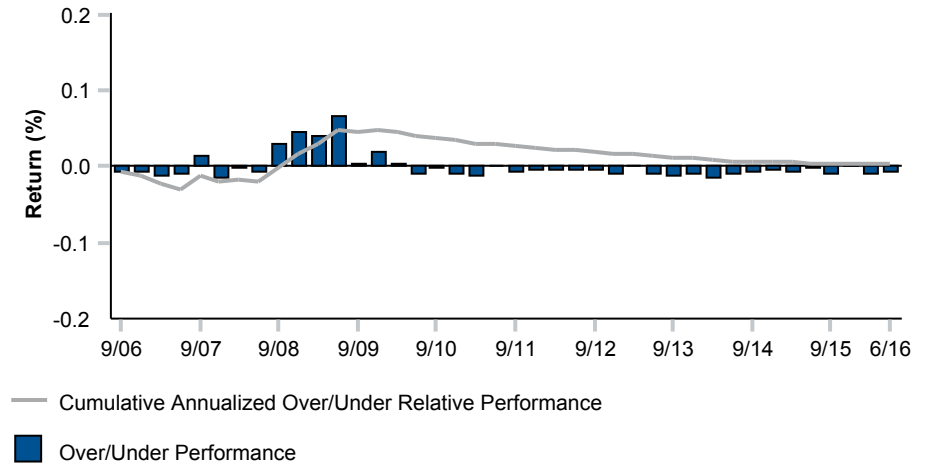
Historical Performance

	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	2.4	3.8	4.0	11.6	12.1	7.4	1.4	13.7	32.3	16.0	2.1	15.0	26.6	-37.0	5.5	15.8
S&P 500	2.5	3.8	4.0	11.7	12.1	7.4	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	2.0	2.1	0.5	9.7	10.4	6.4	-0.4	11.4	31.9	15.4	-0.4	13.2	26.5	-37.2	5.9	14.0
Vanguard S&P 500 Index Rank	33	27	21	11	12	19	28	16	42	40	24	26	50	48	56	27

Three Year Rolling Percentile Ranking



Relative Performance



Historical Statistics (Jul-2011 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Vanguard S&P 500 Index	12.1	12.4	12.3	0.0	1.0	1.0	0.0	-2.8	7.0	10.0	25y 11m
S&P 500	12.1	12.4	12.3	0.0	1.0	1.0	0.0	N/A	6.9	0.0	25y 11m

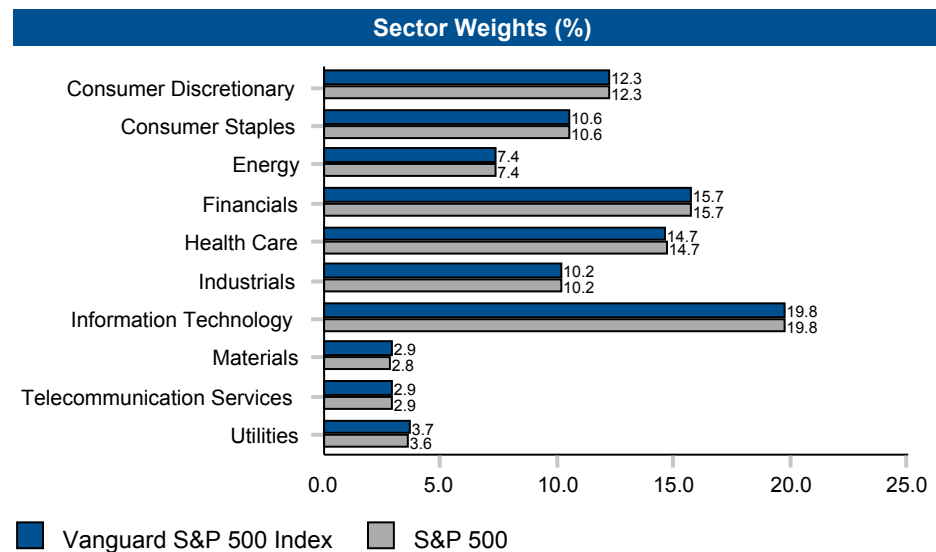
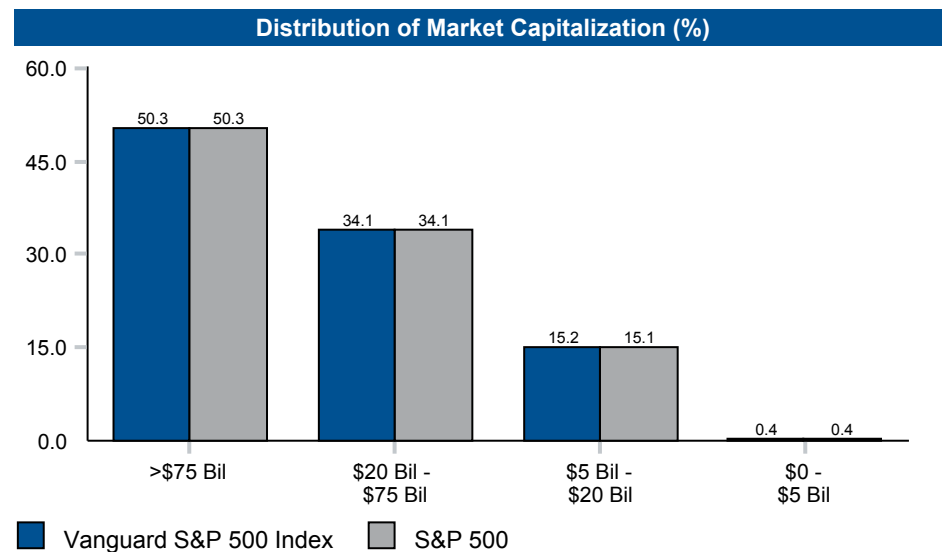
Manager Evaluation

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

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	135,847	135,964
Median Mkt. Cap (\$M)	18,208	18,208
Price/Earnings ratio	19.6	19.6
Price/Book ratio	3.2	3.2
5 Yr. EPS Growth Rate (%)	6.3	5.9
Current Yield (%)	2.2	2.2
Debt to Equity	1.4	1.4
Number of Stocks	507	505
Beta (5 Years, Monthly)	1.00	1.00
Consistency (5 Years, Monthly)	28.33	1.00
Sharpe Ratio (5 Years, Monthly)	1.01	1.01
Information Ratio (5 Years, Monthly)	-1.81	-
Up Market Capture (5 Years, Monthly)	99.93	-
Down Market Capture (5 Years, Monthly)	100.07	-

Top Ten Equity Holdings			
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)
Apple Inc	2.9	2.9	0.0
Microsoft Corp	2.2	2.2	0.0
Exxon Mobil Corp	2.1	2.1	0.0
Johnson & Johnson	1.8	1.8	0.0
General Electric Co	1.6	1.6	0.0
Amazon.com Inc	1.5	1.5	0.0
AT&T Inc	1.5	1.5	0.0
Facebook Inc	1.5	1.5	0.0
Berkshire Hathaway Inc	1.4	1.5	-0.1
Verizon Communications Inc	1.3	1.3	0.0
% of Portfolio	17.7	17.8	



Manager Evaluation

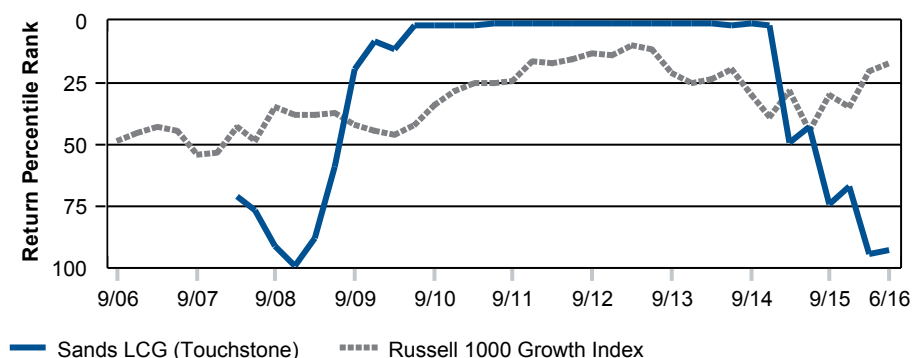
Sands Large Cap Growth (Touchstone) vs. Russell 1000 Growth Index

As of June 30, 2016

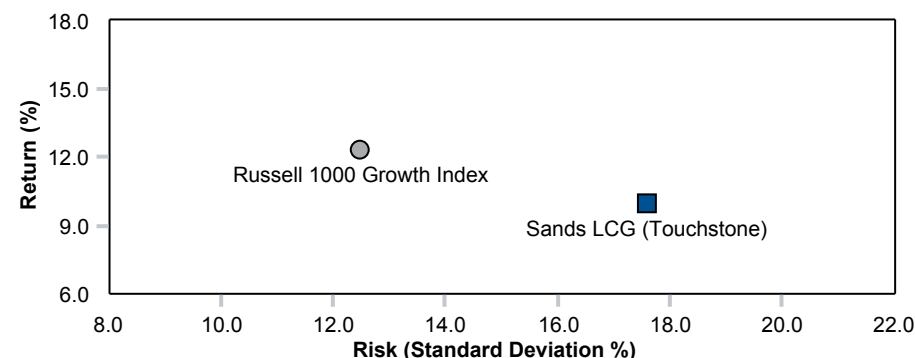
Historical Performance

	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)	-0.5	-10.6	-10.6	8.1	10.0	9.1	0.2	8.4	41.3	23.8	2.3	26.3	71.1	-48.5	18.7	-5.9
Russell 1000 Growth Index	0.6	1.4	3.0	13.1	12.3	8.8	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	0.3	-2.2	-1.6	11.5	10.4	7.4	5.5	10.5	34.0	14.9	-1.8	15.1	35.0	-39.8	13.9	6.7
Sands LCG (Touchstone) Rank	73	100	98	93	61	11	93	79	7	1	13	2	1	96	23	99

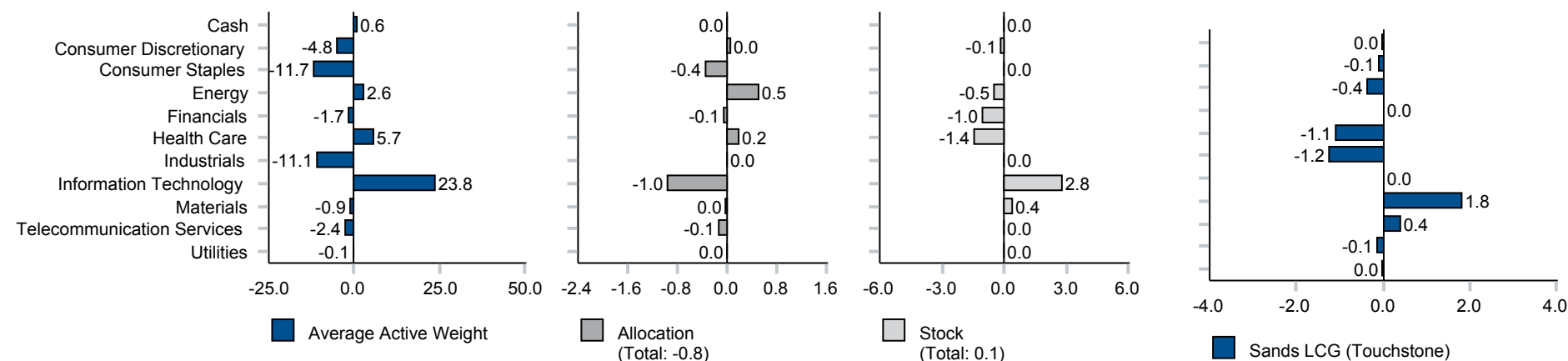
Three Year Rolling Percentile Ranking



Risk and Return (Jul - 2011 - Jun - 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.

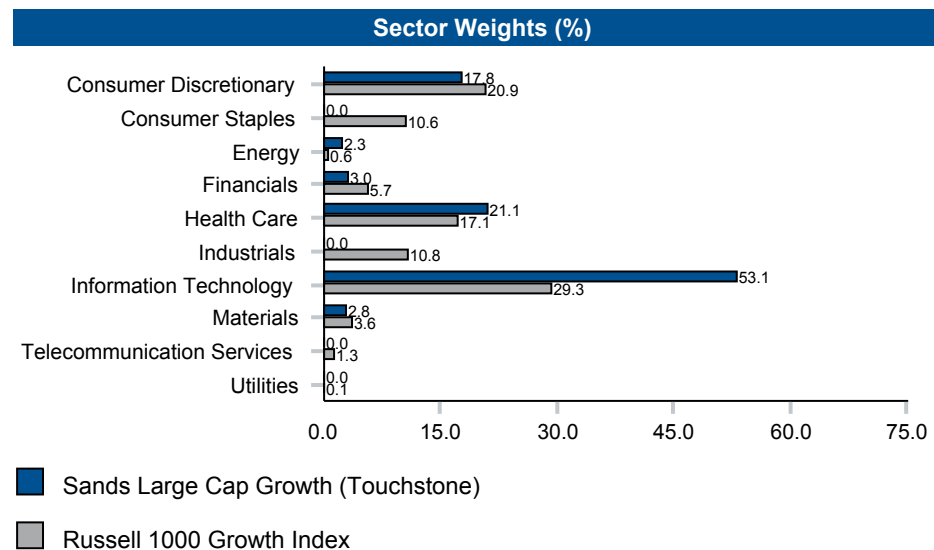
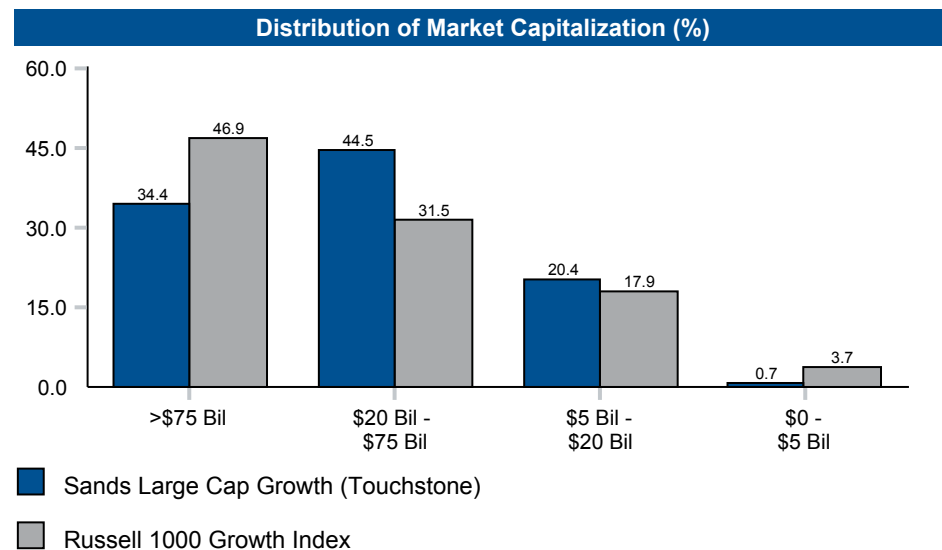
Manager Evaluation

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

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	108,499	129,410
Median Mkt. Cap (\$M)	35,434	8,880
Price/Earnings ratio	38.0	23.3
Price/Book ratio	6.5	5.5
5 Yr. EPS Growth Rate (%)	14.0	9.7
Current Yield (%)	0.2	1.6
Debt to Equity	0.5	1.0
Number of Stocks	31	600
Beta (5 Years, Monthly)	1.22	1.00
Consistency (5 Years, Monthly)	41.67	1.00
Sharpe Ratio (5 Years, Monthly)	0.65	1.00
Information Ratio (5 Years, Monthly)	-0.21	-
Up Market Capture (5 Years, Monthly)	111.05	-
Down Market Capture (5 Years, Monthly)	136.92	-

Top Ten Equity Holdings			
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)
Visa Inc	9.5	1.4	8.1
Salesforce.com Inc.	8.2	0.5	7.7
Facebook Inc	7.6	2.5	5.1
Amazon.com Inc	5.6	2.8	2.8
Adobe Systems Inc	4.5	0.5	4.0
Alphabet Inc	4.1	2.0	2.1
Priceline Group Inc (The)	4.1	0.6	3.4
Alibaba Group Holding Ltd	3.8	0.0	3.8
LinkedIn Corp	3.7	0.2	3.4
Netflix Inc	3.3	0.4	2.9
% of Portfolio	54.2	10.9	



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

Manager Evaluation

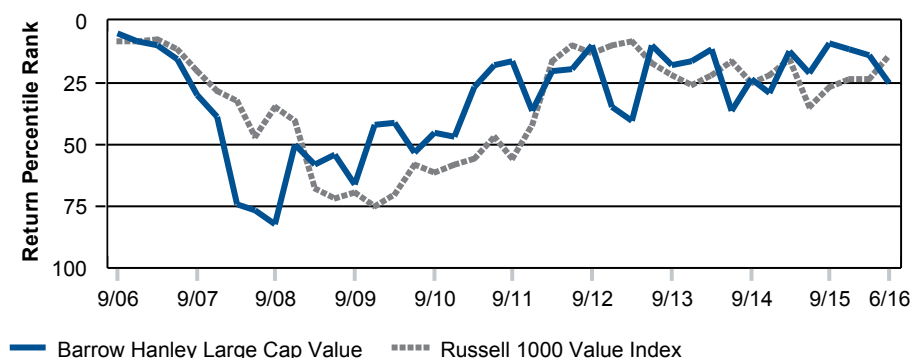
Barrow Hanley Large Cap Value vs. Russell 1000 Value Index

As of June 30, 2016

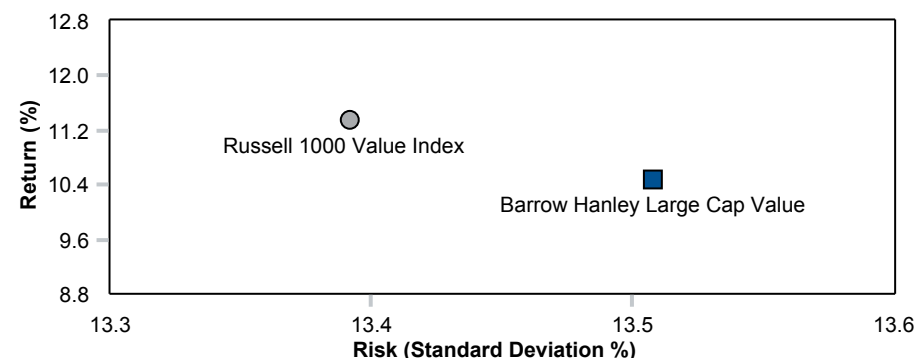
Historical Performance

	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	3.0	2.5	-0.8	9.2	10.5	6.1	-2.3	12.8	34.7	15.3	2.3	10.8	23.7	-35.3	1.9	14.6
Russell 1000 Value Index	4.6	6.3	2.9	9.9	11.4	6.1	-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	2.5	2.8	-1.4	8.1	9.5	5.3	-3.7	10.9	32.7	15.3	-2.3	12.7	24.2	-36.8	1.7	17.9
Barrow Hanley Large Cap Value Rank	46	53	45	25	26	33	22	16	30	51	16	82	55	32	48	88

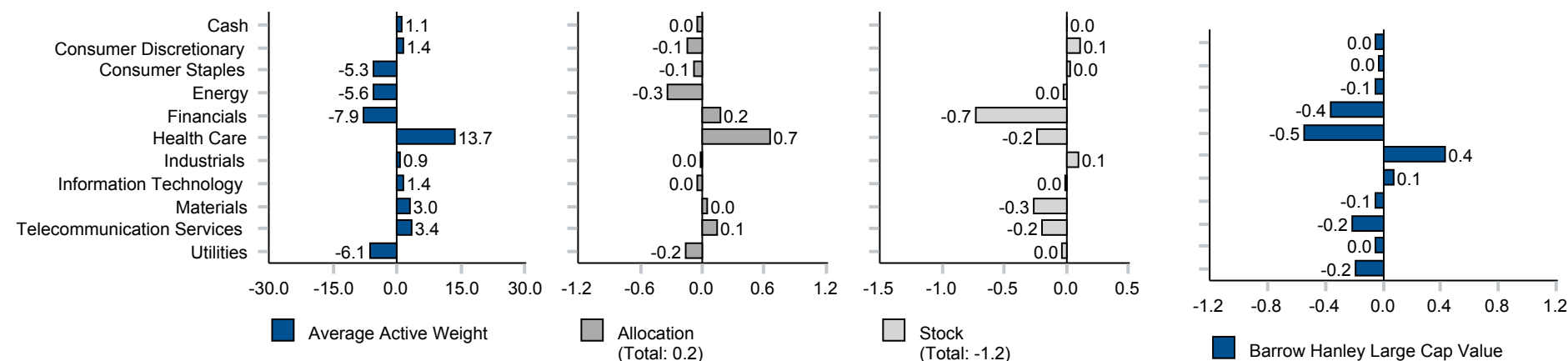
Three Year Rolling Percentile Ranking



Risk and Return (Jul - 2011 - Jun - 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.

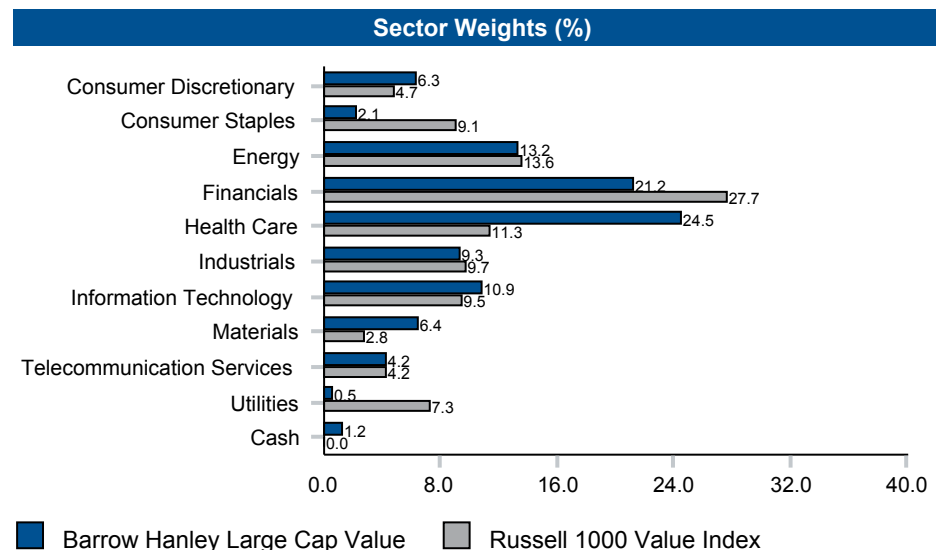
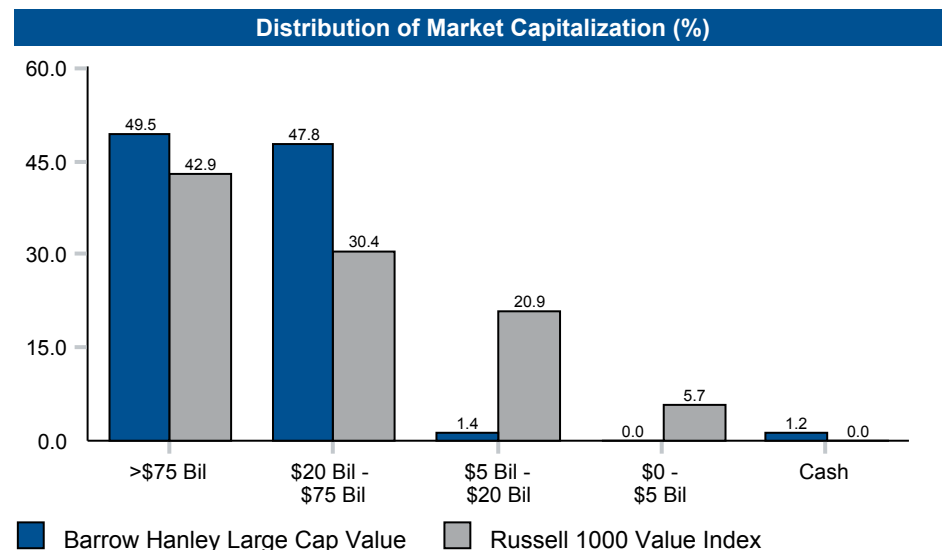
Manager Evaluation

Barrow Hanley Large Cap Value vs. Russell 1000 Value Index

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	112,681	114,957
Median Mkt. Cap (\$M)	58,485	7,567
Price/Earnings ratio	17.1	17.1
Price/Book ratio	2.3	2.1
5 Yr. EPS Growth Rate (%)	2.1	3.0
Current Yield (%)	2.9	2.6
Debt to Equity	1.1	0.9
Number of Stocks	47	692
Beta (5 Years, Monthly)	0.96	1.00
Consistency (5 Years, Monthly)	43.33	1.00
Sharpe Ratio (5 Years, Monthly)	0.87	0.92
Information Ratio (5 Years, Monthly)	-0.33	-
Up Market Capture (5 Years, Monthly)	94.02	-
Down Market Capture (5 Years, Monthly)	95.14	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Medtronic PLC	3.4	1.2	2.2	15.7
Unitedhealth Group Inc	3.4	0.0	3.4	10.0
Pfizer Inc	3.2	1.9	1.3	19.9
Verizon Communications Inc	3.1	1.1	2.0	4.3
Oracle Corp	3.1	1.1	2.0	0.4
BP PLC	3.1	0.0	3.1	19.9
JPMorgan Chase & Co	3.1	2.2	0.8	5.7
Occidental Petroleum Corp	3.0	0.6	2.5	11.5
Air Products and Chemicals Inc.	2.9	0.0	2.9	-0.8
Johnson Controls Inc.	2.9	0.2	2.7	14.3
% of Portfolio	31.1	8.3		



Manager Evaluation

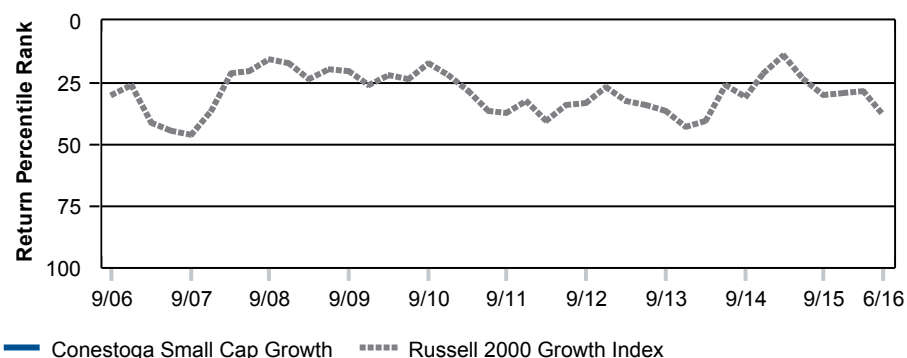
Conestoga Small Cap Growth vs. Russell 2000 Growth Index

As of June 30, 2016

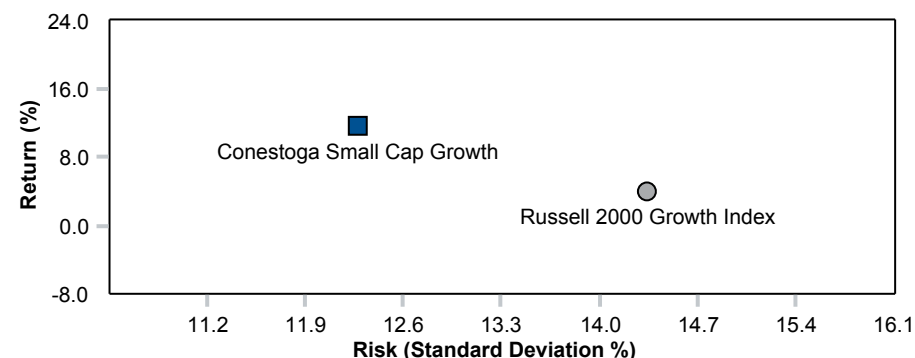
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Conestoga Small Cap Growth	5.8	2.2	1.8	N/A	N/A	N/A	8.3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 2000 Growth Index	3.2	-1.6	-10.8	7.7	8.5	7.1	-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	3.1	-2.0	-12.8	6.8	7.6	5.8	-3.4	1.7	43.5	12.0	-4.3	26.9	33.3	-42.7	7.7	9.6
Conestoga Small Cap Growth Rank	23	21	1	N/A	N/A	N/A	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

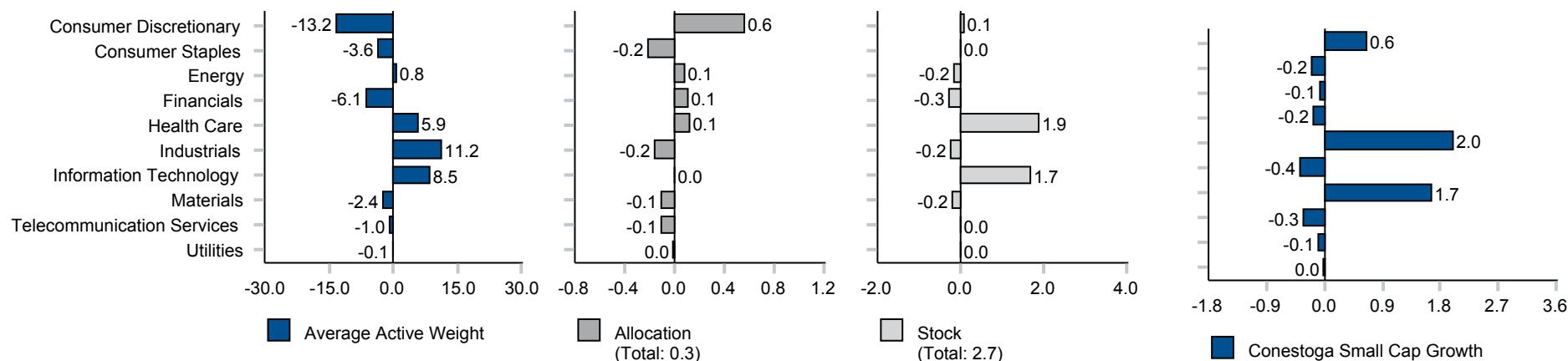
Three Year Rolling Percentile Ranking



Risk and Return (Oct - 2014 - Jun - 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.

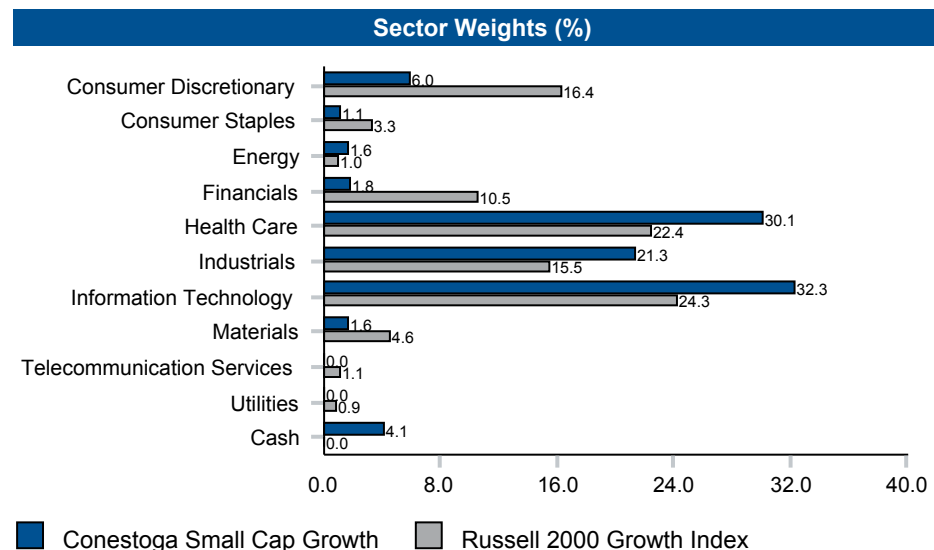
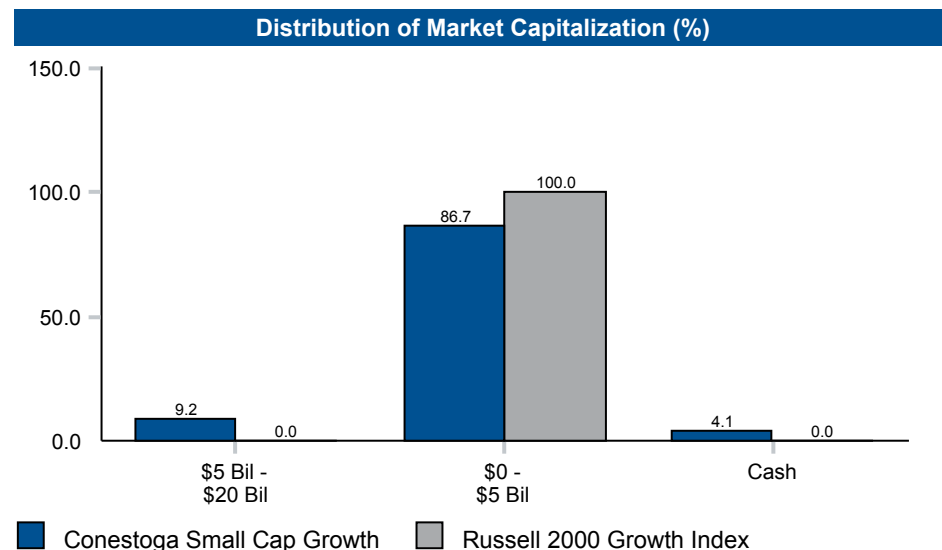
Manager Evaluation

Conestoga Small Cap Growth vs. Russell 2000 Growth Index

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	1,944	1,812
Median Mkt. Cap (\$M)	1,517	779
Price/Earnings ratio	36.3	24.9
Price/Book ratio	4.6	3.6
5 Yr. EPS Growth Rate (%)	9.6	9.3
Current Yield (%)	0.6	0.9
Debt to Equity	0.4	-1.9
Number of Stocks	49	1,177
Beta	-	1.00
Consistency	-	-
Sharpe Ratio	-	-
Information Ratio	-	-
Up Market Capture	-	-
Down Market Capture	-	-

Top Ten Equity Holdings			
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)
Omnicell Inc	3.7	0.2	3.6
Mesa Laboratories Inc	3.3	0.0	3.2
SPS Commerce Inc	3.2	0.1	3.1
Vascular Solutions Inc	3.2	0.1	3.1
Blackbaud Inc	3.2	0.4	2.8
Neogen Corp	3.2	0.3	3.0
Cantel Medical Corp.	3.1	0.3	2.8
Tyler Technologies Inc.	2.9	0.0	2.9
Dorman Products Inc	2.8	0.2	2.7
AAON Inc	2.8	0.1	2.7
% of Portfolio	31.4	1.7	



Manager Evaluation

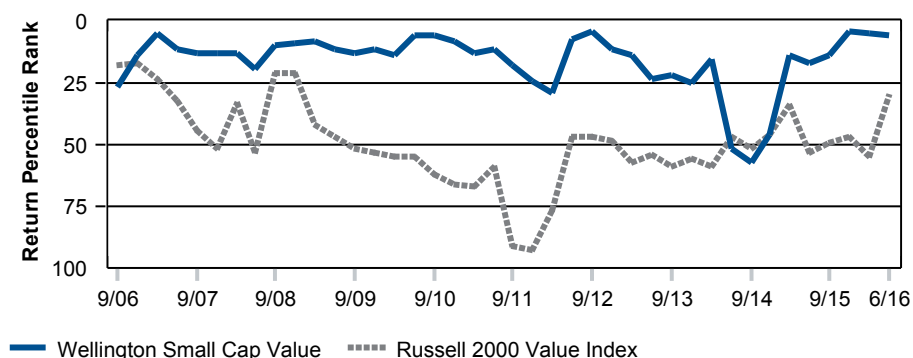
Wellington Small Cap Value vs. Russell 2000 Value Index

As of June 30, 2016

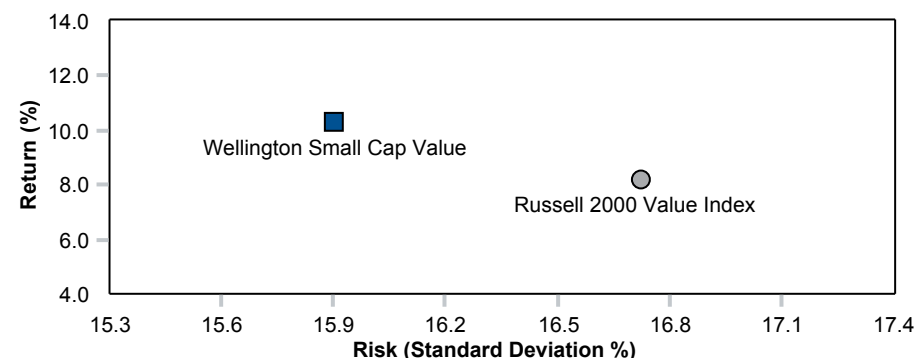
Historical Performance

	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	0.6	4.4	-1.4	9.0	10.3	8.7	-0.8	6.8	33.7	15.6	1.2	26.4	31.2	-26.5	-3.0	19.9
Russell 2000 Value Index	4.3	6.1	-2.6	6.4	8.1	5.2	-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	4.1	-4.5	5.4	7.4	5.2	-7.3	3.1	35.3	16.3	-4.0	25.2	28.3	-32.4	-6.2	17.1
Wellington Small Cap Value Rank	80	42	20	6	6	1	1	10	69	57	5	33	37	4	22	21

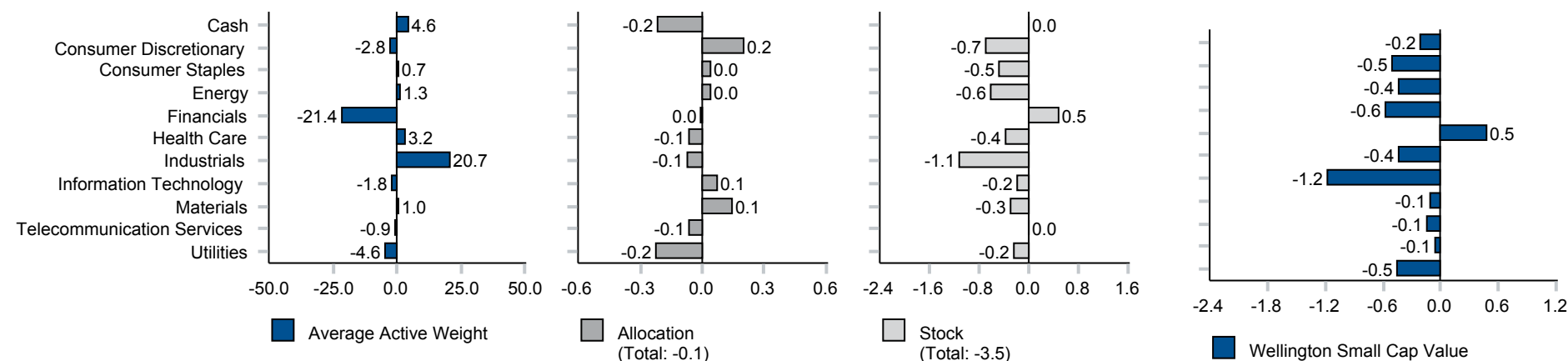
Three Year Rolling Percentile Ranking



Risk and Return (Jul - 2011 - Jun - 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.

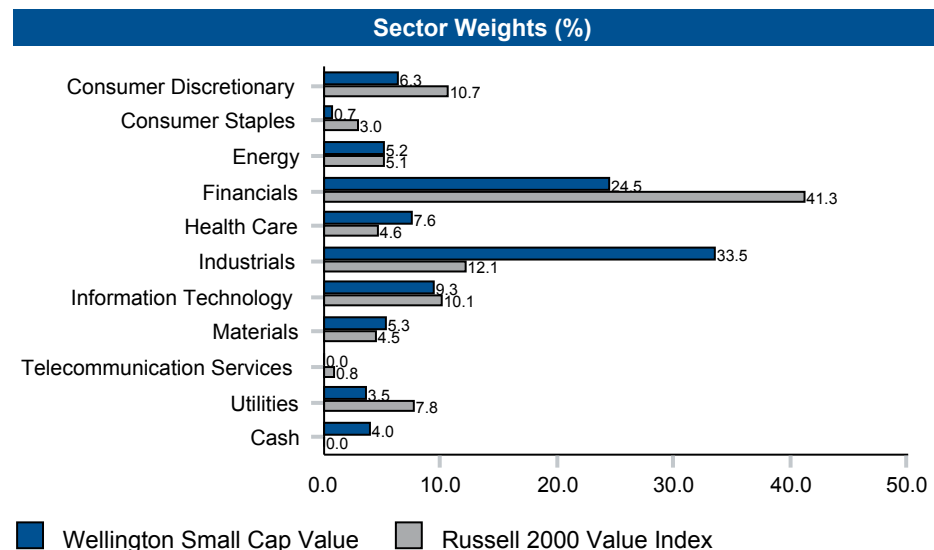
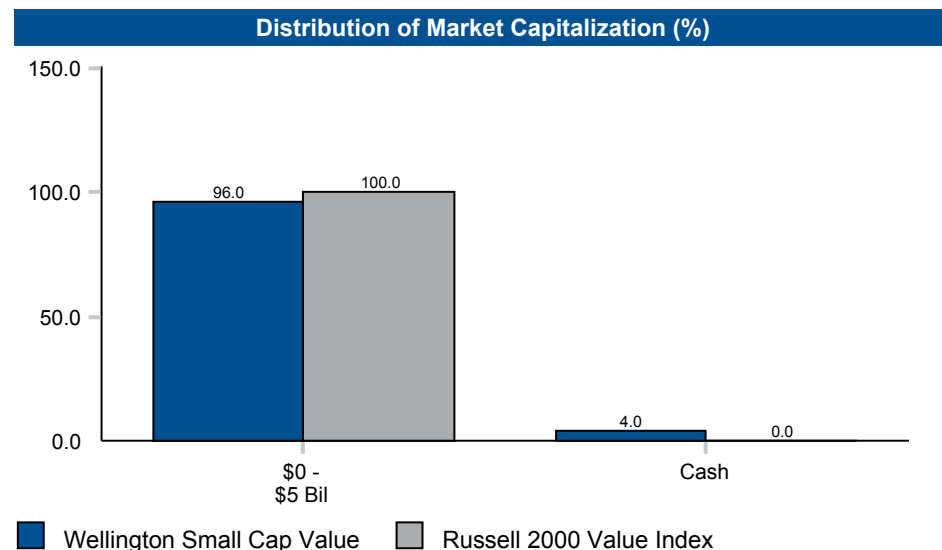
Manager Evaluation

Wellington Small Cap Value vs. Russell 2000 Value Index

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	1,632	1,612
Median Mkt. Cap (\$M)	1,393	577
Price/Earnings ratio	19.3	16.2
Price/Book ratio	1.9	1.5
5 Yr. EPS Growth Rate (%)	3.8	9.2
Current Yield (%)	1.8	2.3
Debt to Equity	0.8	1.0
Number of Stocks	76	1,361
Beta (5 Years, Monthly)	0.95	1.00
Consistency (5 Years, Monthly)	60.00	1.00
Sharpe Ratio (5 Years, Monthly)	0.71	0.57
Information Ratio (5 Years, Monthly)	0.60	-
Up Market Capture (5 Years, Monthly)	100.79	-
Down Market Capture (5 Years, Monthly)	90.36	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Mueller Industries Inc.	2.8	0.1	2.8	8.7
Belden Inc	2.6	0.0	2.6	-1.6
G&K Services Inc	2.5	0.0	2.4	5.0
Albany International Corp.	2.4	0.1	2.3	6.7
Webster Financial Corp	2.4	0.4	2.0	-4.7
Sensient Technologies Corp	2.2	0.0	2.2	12.4
International Bancshares Corp	2.1	0.2	1.9	5.8
FTI Consulting Inc.	2.1	0.2	1.9	14.6
Northwest Bancshares Inc	2.0	0.2	1.8	11.0
ACCO Brands Corp	1.9	0.1	1.8	15.0
% of Portfolio	23.1	1.3		



Manager Evaluation

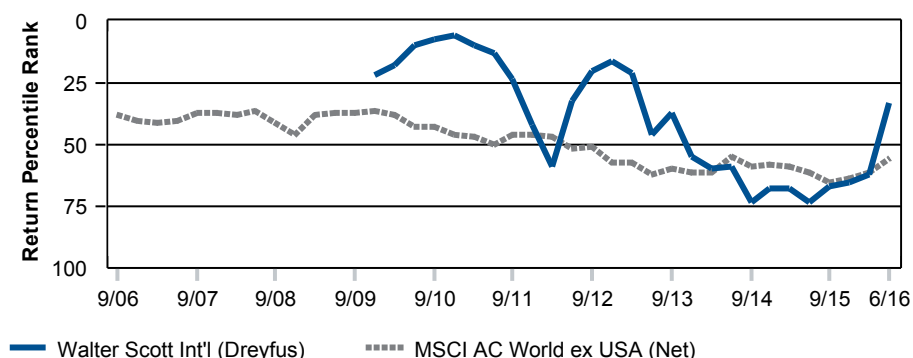
Walter Scott Int'l (Dreyfus) vs. MSCI AC World ex USA (Net)

As of June 30, 2016

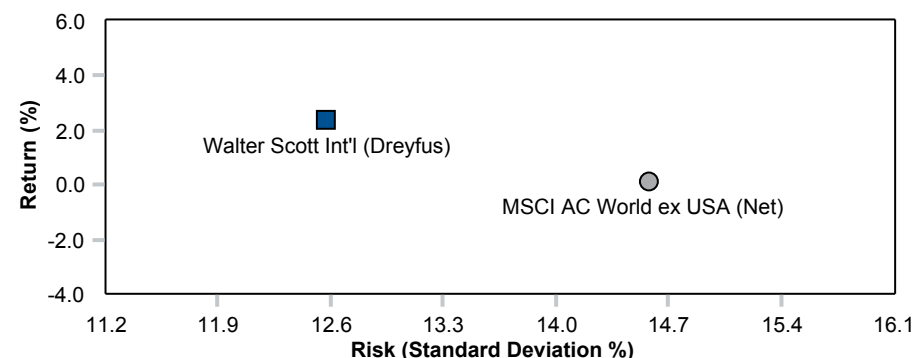
Historical Performance

	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)	3.0	3.8	-1.1	2.7	2.4	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)	-0.6	-1.0	-10.2	1.2	0.1	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	-0.1	-0.9	-9.9	1.6	0.7	2.3	-2.8	-4.5	17.4	18.6	-14.9	12.9	36.4	-46.1	13.2	26.2
Walter Scott Int'l (Dreyfus) Rank	15	27	7	33	27	N/A	37	49	70	28	13	44	54	3	78	N/A

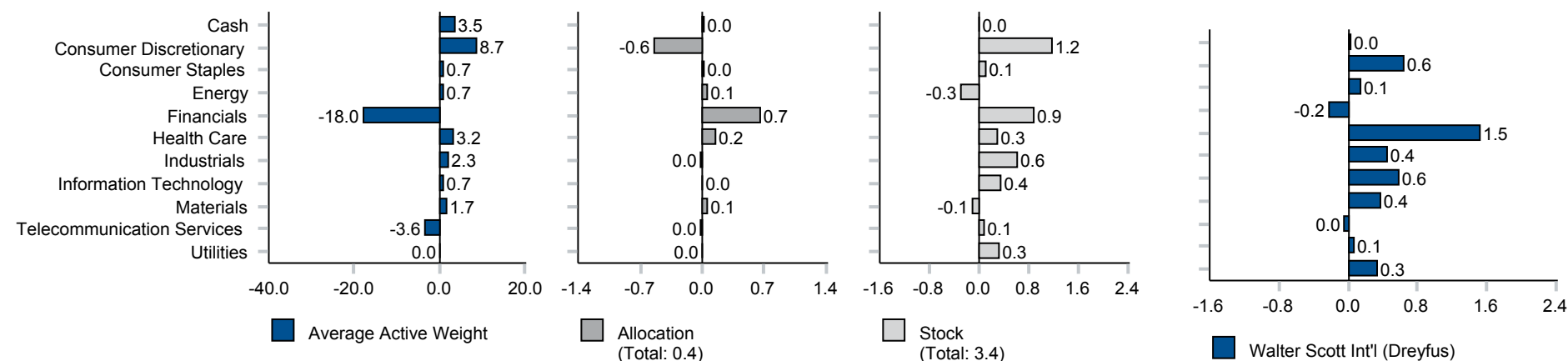
Three Year Rolling Percentile Ranking



Risk and Return (Jul - 2011 - Jun - 2016)



Buy and Hold Attribution



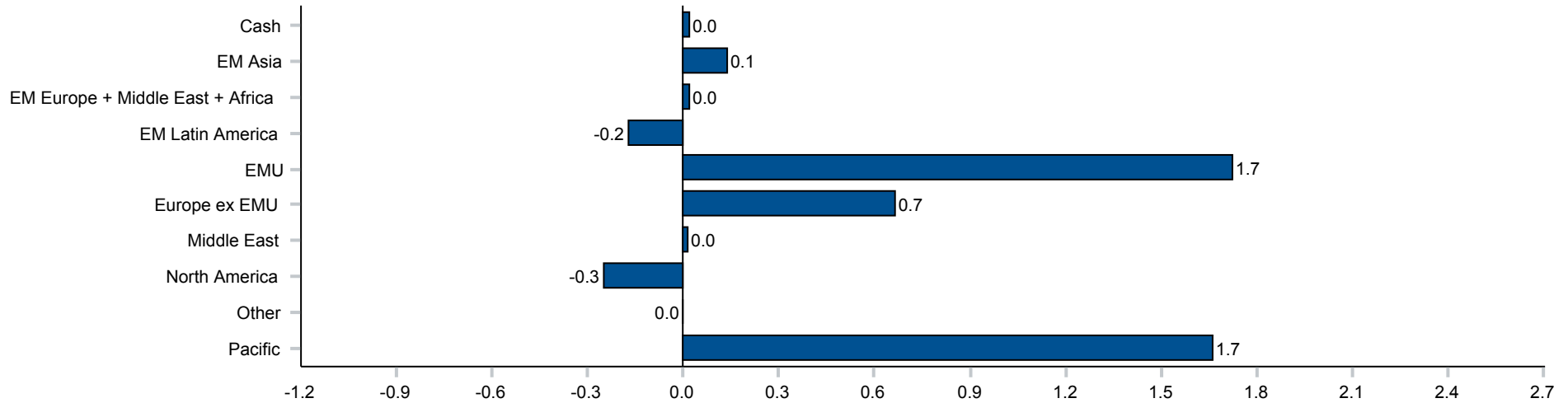
Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

Manager Evaluation

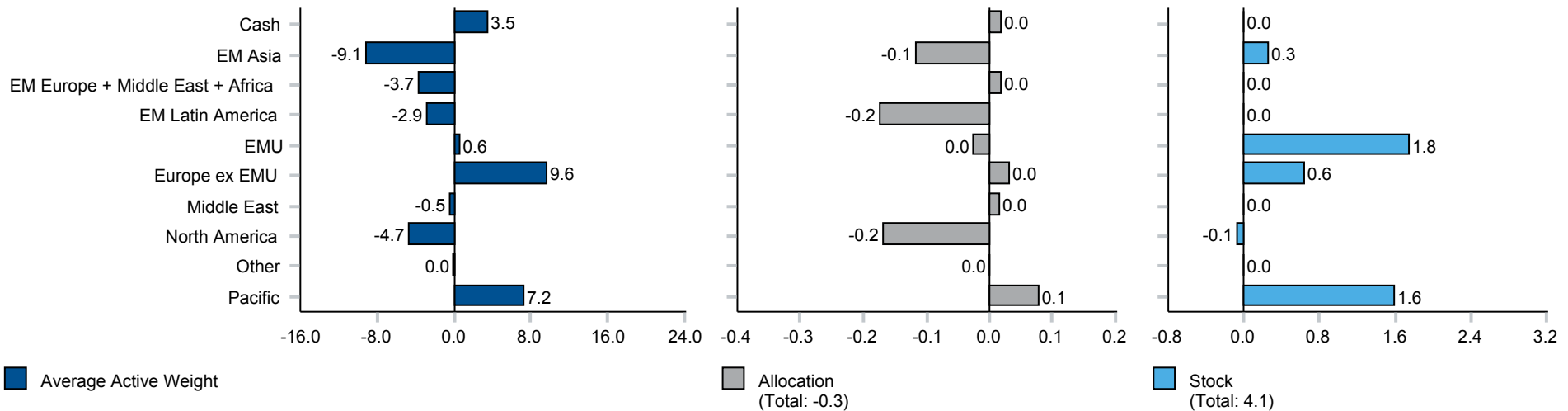
Walter Scott Int'l (Dreyfus) vs. MSCI AC World ex USA (Net)

1 Quarter Ending June 30, 2016

Total Attribution



Performance Attribution



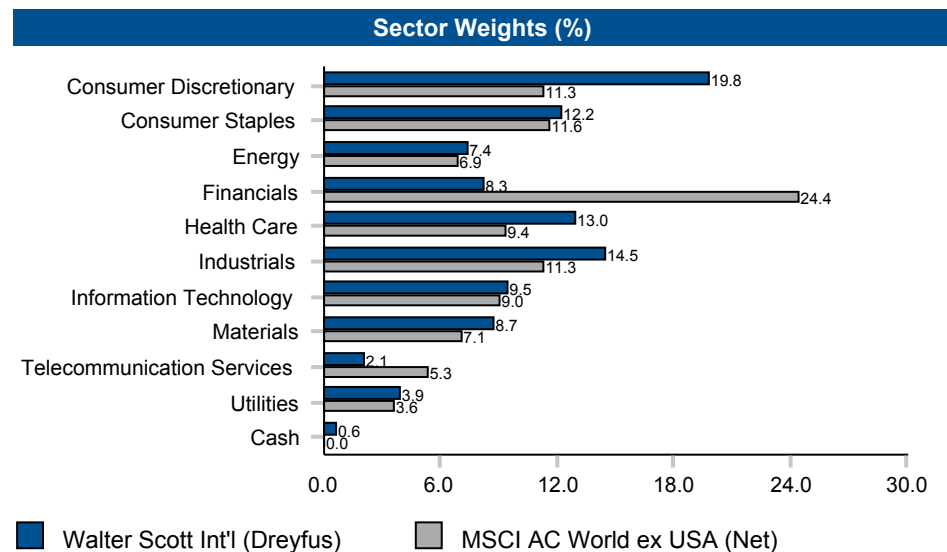
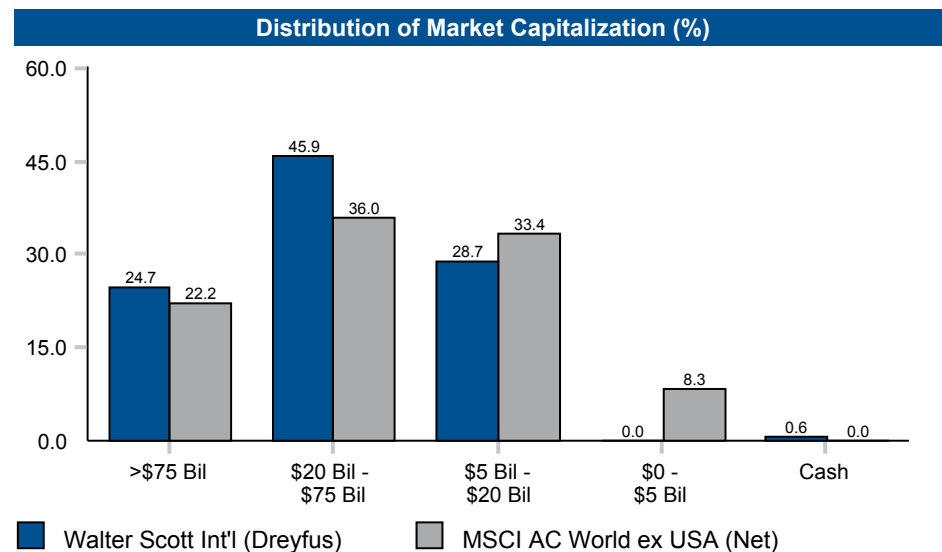
Manager Evaluation

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

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	58,711	51,174
Median Mkt. Cap (\$M)	30,295	6,714
Price/Earnings ratio	21.4	14.7
Price/Book ratio	3.3	2.3
5 Yr. EPS Growth Rate (%)	5.5	6.1
Current Yield (%)	2.5	3.4
Debt to Equity	0.4	1.2
Number of Stocks	55	1,859
Beta (5 Years, Monthly)	0.82	1.00
Consistency (5 Years, Monthly)	55.00	1.00
Sharpe Ratio (5 Years, Monthly)	0.24	0.08
Information Ratio (5 Years, Monthly)	0.40	-
Up Market Capture (5 Years, Monthly)	85.45	-
Down Market Capture (5 Years, Monthly)	74.72	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Keyence Corp	2.9	0.2	2.7	23.1
Reckitt Benckiser Group PLC	2.7	0.4	2.4	4.8
Daito Trust Construction Co Ltd	2.7	0.1	2.7	13.7
CSL Ltd	2.5	0.2	2.3	6.7
Compass Group PLC	2.5	0.2	2.3	8.5
Experian Plc	2.5	0.1	2.4	6.9
Industria De Diseno Textil Inditex SA	2.4	0.2	2.2	-0.3
Taiwan Semiconductor Manufacturing Co	2.4	0.8	1.6	3.9
SAP AG Systeme Anwendungen	2.4	0.4	1.9	-6.4
Givaudan AG Vernier	2.3	0.1	2.2	1.9
% of Portfolio	25.4	2.7		



Manager Evaluation

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

As of June 30, 2016

	Walter Scott Int'l (Dreyfus)	MSCI AC World ex USA (Net)
Australia	3.5	5.1
Hong Kong	7.7	2.3
Japan	22.3	16.4
New Zealand	0.0	0.1
Singapore	0.0	1.0
Pacific	33.4	24.9
Austria	0.0	0.1
Belgium	0.0	1.0
Finland	2.2	0.7
France	12.2	6.8
Germany	4.6	6.1
Ireland	0.0	0.4
Italy	0.0	1.4
Netherlands	0.0	2.2
Portugal	0.0	0.1
Spain	2.4	2.1
EMU	21.3	20.8
Denmark	3.0	1.4
Norway	0.0	0.5
Sweden	1.5	2.0
Switzerland	14.5	6.6
United Kingdom	17.0	13.9
Europe ex EMU	36.1	24.2
Canada	2.0	6.8
United States	0.0	0.2
Israel	0.0	0.5
Middle East	0.0	0.5
Developed Markets	92.9	77.4

	Walter Scott Int'l (Dreyfus)	MSCI AC World ex USA (Net)
Brazil	0.0	1.6
Cayman Islands	0.0	0.0
Chile	0.0	0.3
Colombia	0.0	0.1
Mexico	0.0	0.9
Peru	0.0	0.1
Virgin Islands	0.0	0.0
EM Latin America	0.0	3.0
China	4.1	5.8
India	0.0	1.9
Indonesia	0.0	0.6
Korea	0.0	3.3
Malaysia	0.0	0.7
Philippines	0.0	0.4
Taiwan	2.4	2.7
Thailand	0.0	0.5
EM Asia	6.5	15.8
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	1.7
Turkey	0.0	0.3
United Arab Emirates	0.0	0.2
EM Europe + Middle East + Africa	0.0	3.7
Emerging Markets	6.5	22.6
Frontier Markets	0.0	0.0
Cash	0.6	0.0
Other	0.0	0.0
Total	100.0	100.0

Manager Evaluation

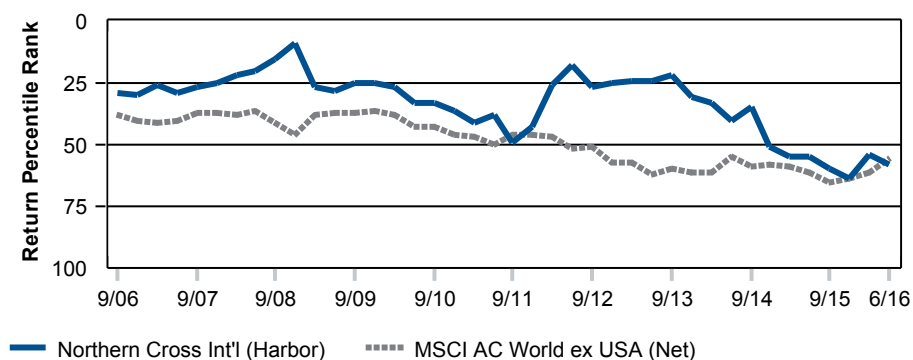
Northern Cross Int'l (Harbor) vs. MSCI AC World ex USA (Net)

As of June 30, 2016

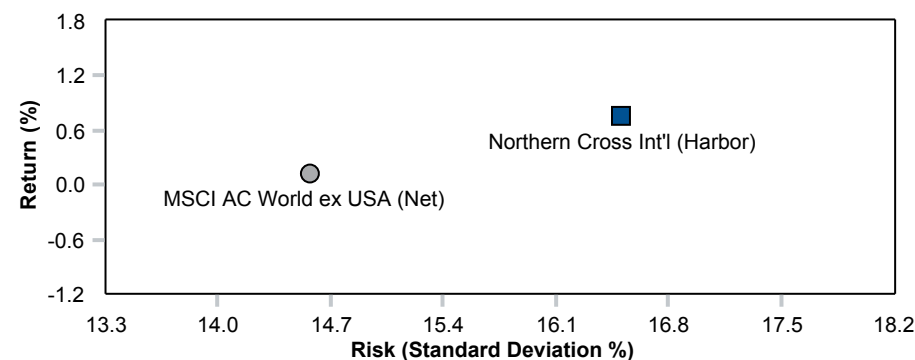
Historical Performance

	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)	-1.6	-1.1	-11.5	1.0	0.7	3.6	-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)	-0.6	-1.0	-10.2	1.2	0.1	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	-0.1	-0.9	-9.9	1.6	0.7	2.3	-2.8	-4.5	17.4	18.6	-14.9	12.9	36.4	-46.1	13.2	26.2
Northern Cross Int'l (Harbor) Rank	73	52	68	58	51	28	55	76	52	30	20	55	45	27	26	19

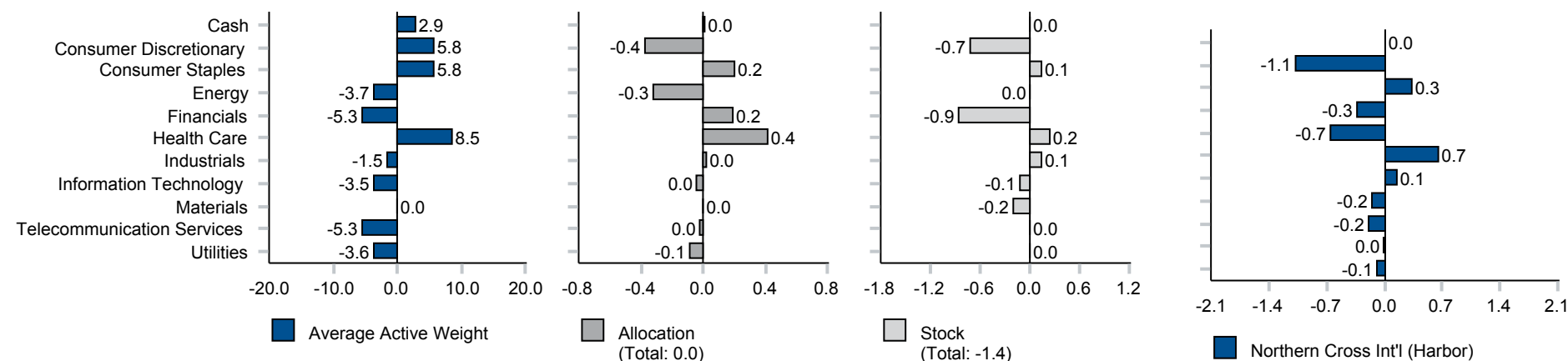
Three Year Rolling Percentile Ranking



Risk and Return (Jul - 2011 - Jun - 2016)



Buy and Hold Attribution



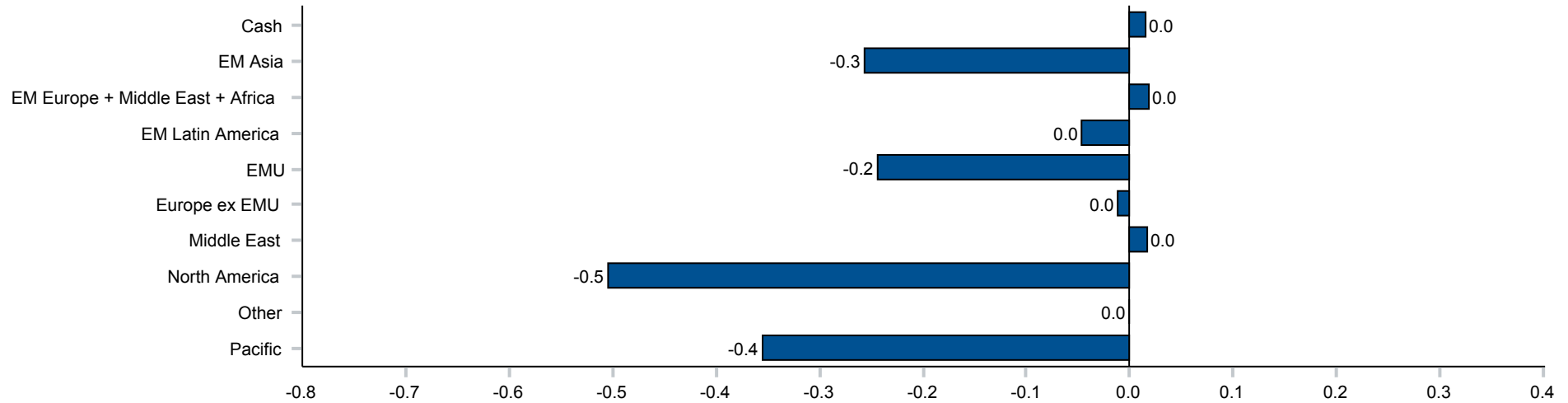
Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

Manager Evaluation

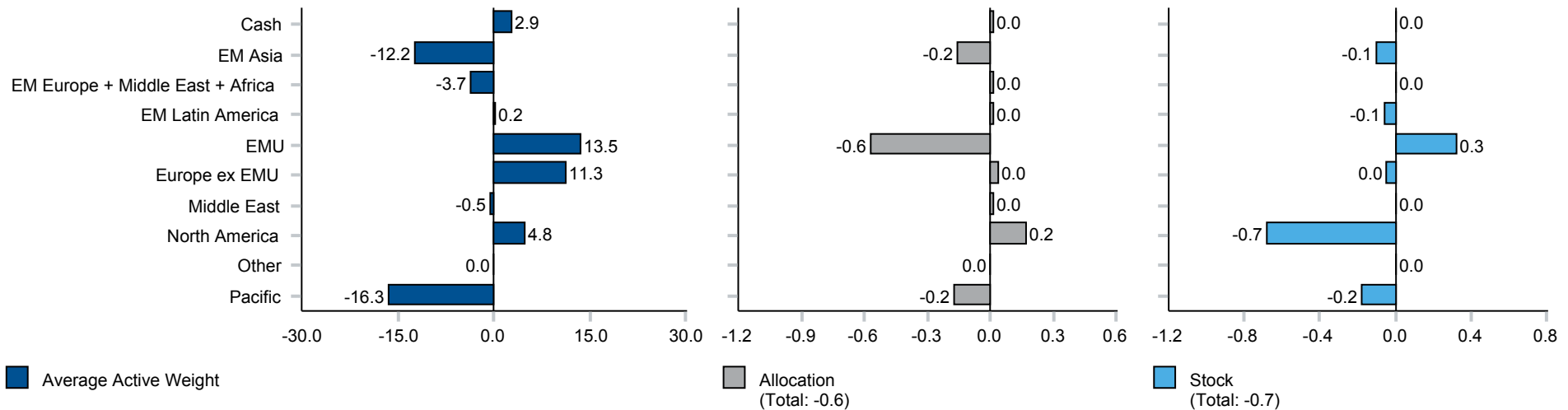
Northern Cross Int'l (Harbor) vs. MSCI AC World ex USA (Net)

1 Quarter Ending June 30, 2016

Total Attribution



Performance Attribution



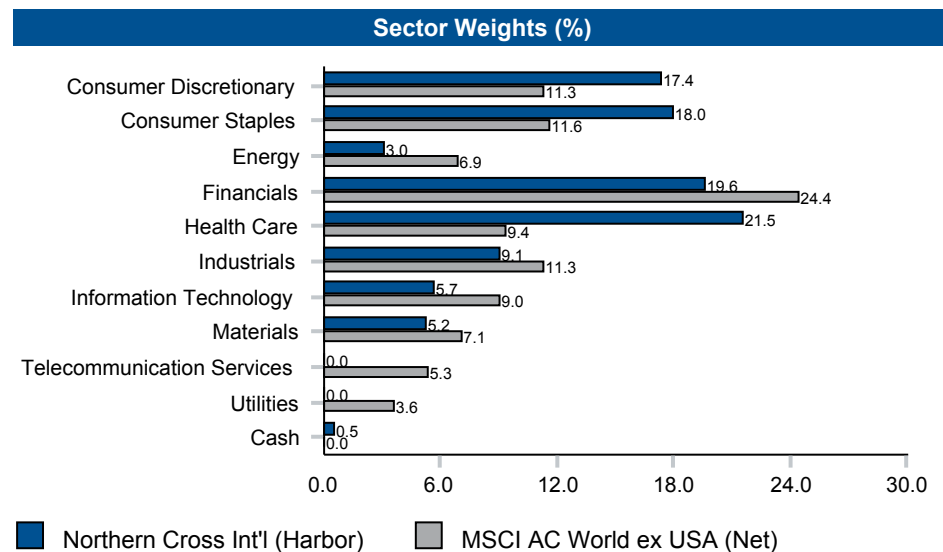
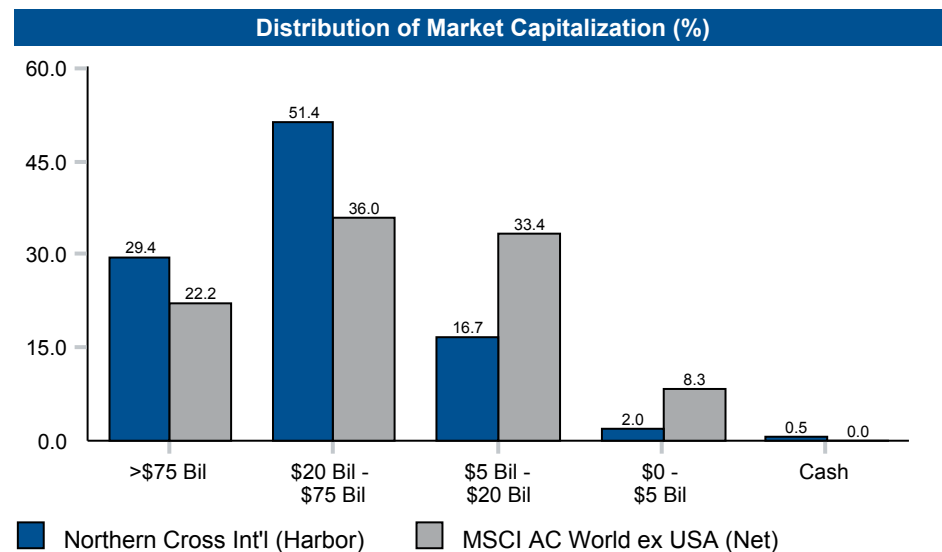
Manager Evaluation

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

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	68,430	51,174
Median Mkt. Cap (\$M)	28,071	6,714
Price/Earnings ratio	19.0	14.7
Price/Book ratio	3.0	2.3
5 Yr. EPS Growth Rate (%)	4.8	6.1
Current Yield (%)	2.8	3.4
Debt to Equity	-2.8	1.2
Number of Stocks	70	1,859
Beta (5 Years, Monthly)	1.01	1.00
Consistency (5 Years, Monthly)	48.33	1.00
Sharpe Ratio (5 Years, Monthly)	0.12	0.08
Information Ratio (5 Years, Monthly)	0.20	-
Up Market Capture (5 Years, Monthly)	102.42	-
Down Market Capture (5 Years, Monthly)	98.98	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Las Vegas Sands Corp	4.2	0.0	4.2	-14.5
Novo Nordisk A/S	3.9	0.6	3.3	-0.8
Roche Holding AG	3.4	1.1	2.3	6.3
Shire PLC	3.2	0.3	2.8	9.0
Wynn Resorts Ltd	3.1	0.0	3.1	-2.4
Schlumberger Ltd	3.1	0.0	3.1	7.9
Novartis AG	3.0	1.1	1.8	13.0
CIE Generale D""Optique Essilor Int'l	2.9	0.2	2.8	7.8
Unibail Rodamco	2.8	0.2	2.7	-5.8
Alibaba Group Holding Ltd	2.7	0.5	2.2	0.6
% of Portfolio	32.2	4.0		



Manager Evaluation

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

As of June 30, 2016

	Harbor International Fund	MSCI AC World ex USA
Australia	0.0	5.1
Hong Kong	0.1	2.3
Japan	8.5	16.4
New Zealand	0.0	0.1
Singapore	0.0	1.0
Pacific	8.5	24.9
Austria	1.1	0.1
Belgium	2.5	1.0
Finland	0.0	0.7
France	17.6	6.8
Germany	9.4	6.1
Ireland	0.0	0.4
Italy	0.0	1.4
Netherlands	3.9	2.2
Portugal	0.0	0.1
Spain	1.4	2.1
EMU	35.9	20.8
Denmark	3.9	1.4
Norway	0.0	0.5
Sweden	3.5	2.0
Switzerland	14.2	6.6
United Kingdom	14.9	13.9
Europe ex EMU	36.5	24.2
Canada	0.6	6.8
United States	12.0	0.2
Israel	0.0	0.5
Middle East	0.0	0.5
Developed Markets	93.6	77.4

	Harbor International Fund	MSCI AC World ex USA
Brazil	0.3	1.6
Cayman Islands	0.0	0.0
Chile	0.0	0.3
Colombia	3.0	0.1
Mexico	0.0	0.9
Peru	0.0	0.1
Virgin Islands	0.0	0.0
EM Latin America	3.3	3.0
China	2.6	5.8
India	0.0	1.9
Indonesia	0.0	0.6
Korea	0.0	3.3
Malaysia	0.0	0.7
Philippines	0.0	0.4
Taiwan	0.0	2.7
Thailand	0.0	0.5
EM Asia	2.6	15.8
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	1.7
Turkey	0.0	0.3
United Arab Emirates	0.0	0.2
EM Europe + Middle East + Africa	0.0	3.7
Emerging Markets	5.9	22.6
Frontier Markets	0.0	0.0
Cash	0.5	0.0
Other	0.0	0.0
Total	100.0	100.0

Manager Evaluation

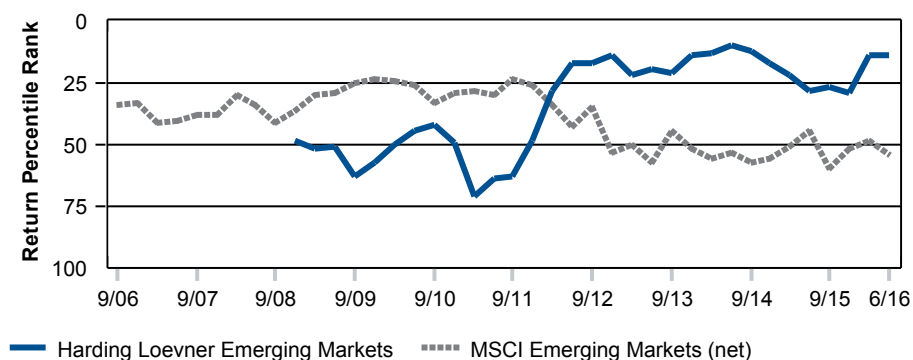
Harding Loevner Emerging Markets vs. MSCI Emerging Markets (net)

As of June 30, 2016

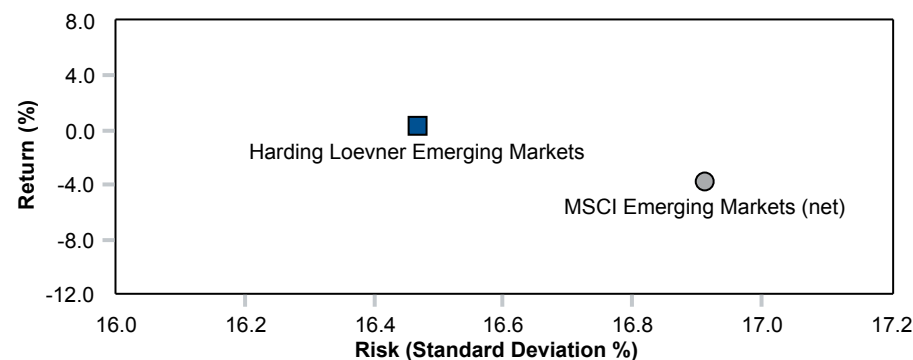
Historical Performance

	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	3.5	10.4	-6.1	1.4	0.2	4.8	-13.5	-1.9	4.3	22.5	-17.0	20.8	64.0	-52.5	36.3	30.1
MSCI Emerging Markets (net)	0.7	6.4	-12.1	-1.6	-3.8	3.5	-14.9	-2.2	-2.6	18.2	-18.4	18.9	78.5	-53.3	39.4	32.2
IM Emerging Markets Equity	2.1	6.0	-10.3	-1.4	-3.5	3.2	-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	23	15	16	14	9	19	43	41	21	17	21	31	82	38	55	67

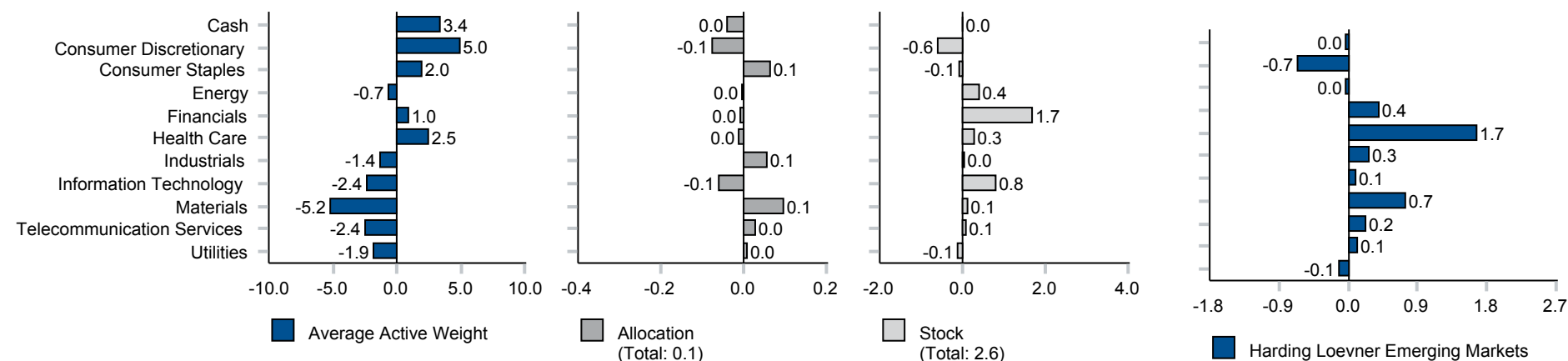
Three Year Rolling Percentile Ranking



Risk and Return (Jul - 2011 - Jun - 2016)



Buy and Hold Attribution



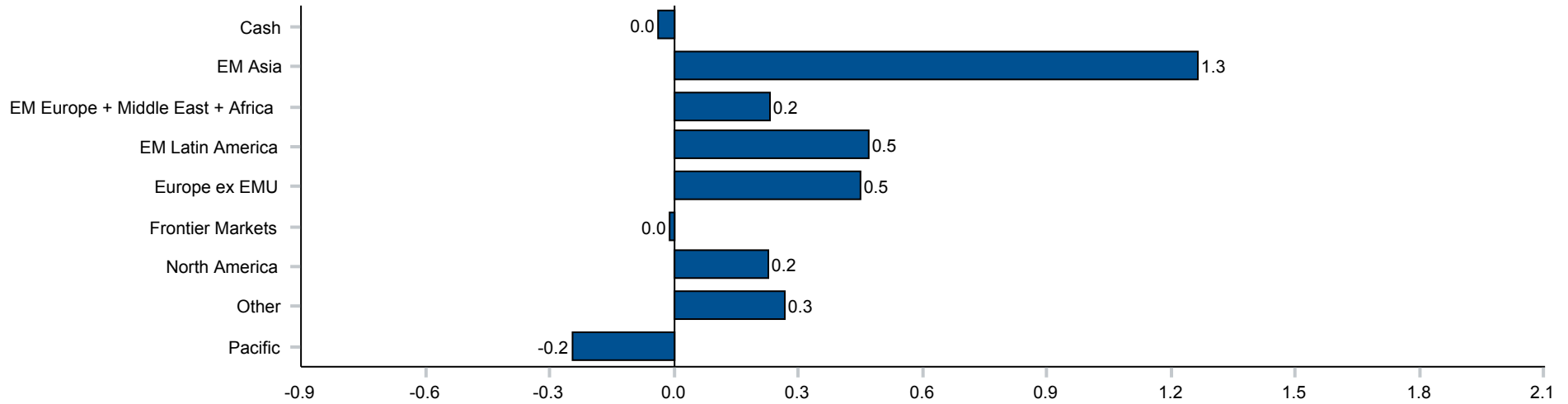
Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

Manager Evaluation

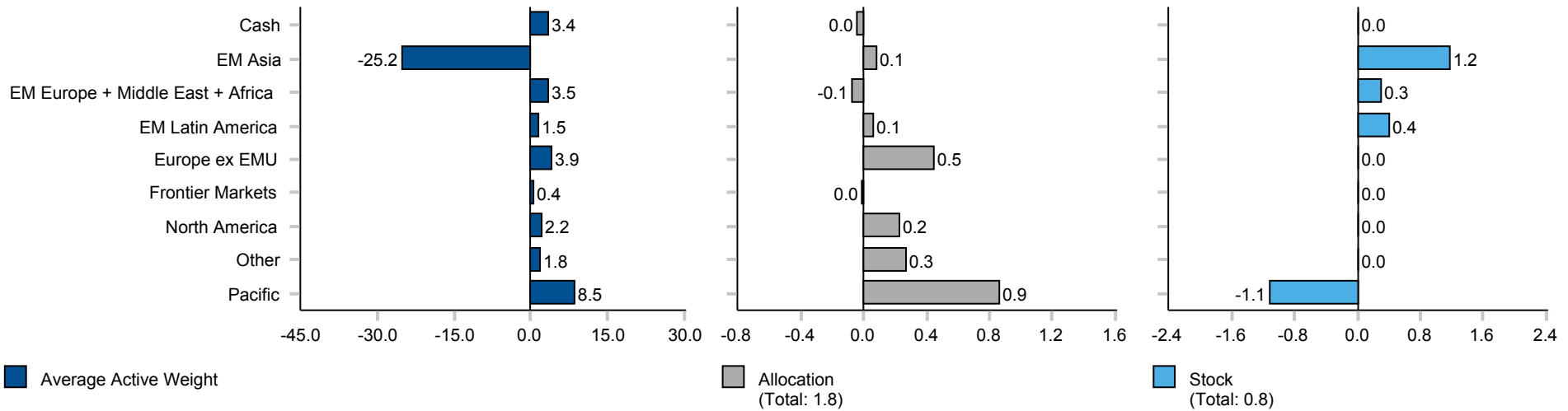
Harding Loevner Emerging Markets vs. MSCI EM (net)

1 Quarter Ending June 30, 2016

Total Attribution



Performance Attribution



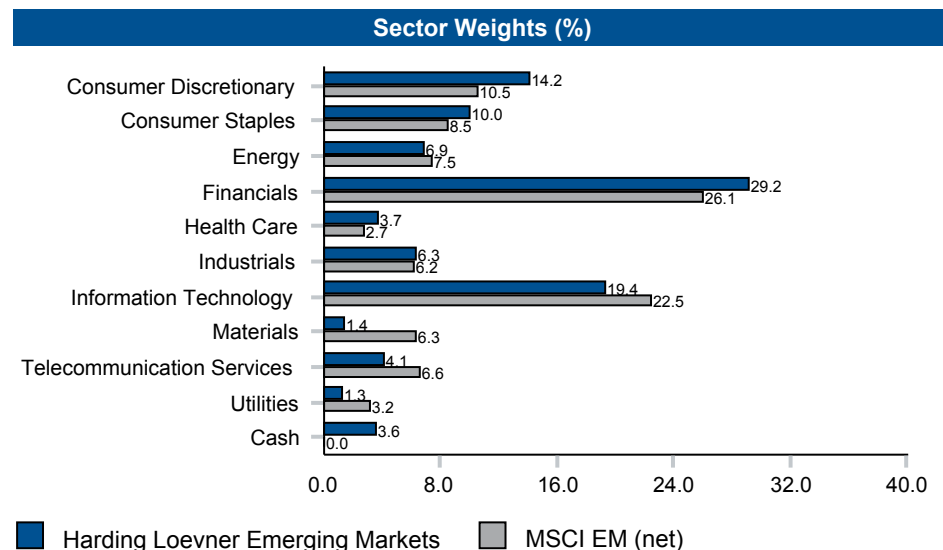
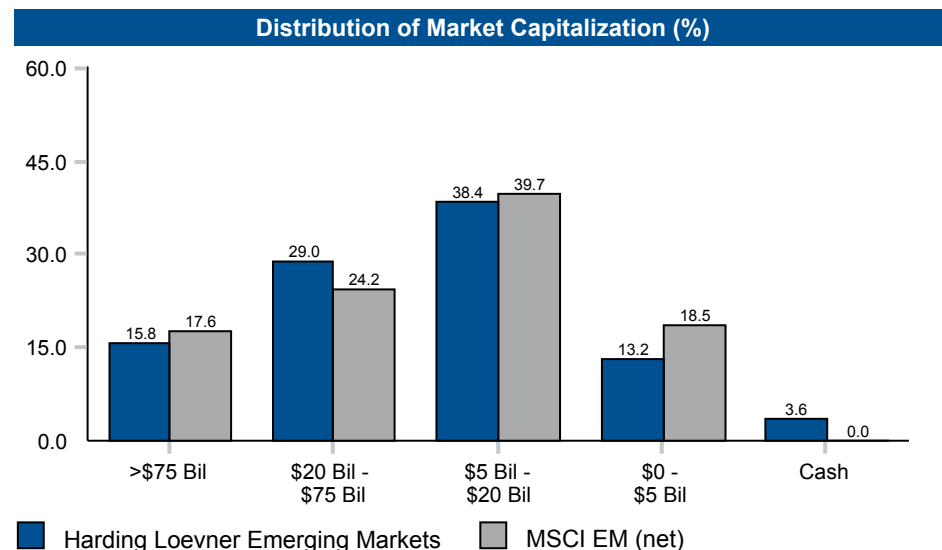
Manager Evaluation

Harding Loevner Emerging Markets vs. MSCI EM (net)

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	43,887	45,553
Median Mkt. Cap (\$M)	12,266	4,993
Price/Earnings ratio	14.9	12.3
Price/Book ratio	2.8	2.3
5 Yr. EPS Growth Rate (%)	8.4	9.5
Current Yield (%)	2.3	2.8
Debt to Equity	0.8	0.9
Number of Stocks	79	836
Beta (5 Years, Monthly)	0.89	1.00
Consistency (5 Years, Monthly)	61.67	1.00
Sharpe Ratio (5 Years, Monthly)	0.09	-0.12
Information Ratio (5 Years, Monthly)	0.80	-
Up Market Capture (5 Years, Monthly)	95.18	-
Down Market Capture (5 Years, Monthly)	80.81	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Samsung Electronics Co Ltd (B)	4.4	3.4	1.1	9.0
Taiwan Semiconductor Manufacturing	4.2	3.3	0.9	3.8
Tencent Holdings LTD	3.0	3.4	-0.4	11.5
Sberbank of Russia OJSC	3.0	0.6	2.4	26.9
AIA Group Ltd	2.7	0.0	2.7	6.7
Uti Bank Ltd	2.2	0.1	2.1	18.0
Cnooc Ltd	2.1	0.6	1.6	11.7
Naspers Ltd	2.1	1.8	0.3	9.2
Grupo Financiero Banorte	2.0	0.4	1.6	-1.8
China Mobile Ltd	2.0	1.9	0.1	5.9
% of Portfolio	27.7	15.4		



Manager Evaluation

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

As of June 30, 2016

	Harding Loevner Emerging Markets	MSCI Emerging Markets (net)
Australia	0.0	0.0
Hong Kong	8.0	0.2
Japan	0.0	0.0
New Zealand	0.0	0.0
Singapore	0.0	0.0
Pacific	8.0	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	2.8	0.0
Europe ex EMU	2.8	0.0
Canada	2.1	0.0
United States	0.0	0.0
Israel	0.0	0.0
Middle East	0.0	0.0
Developed Markets	12.9	0.2

	Harding Loevner Emerging Markets	MSCI Emerging Markets (net)
Brazil	7.3	7.2
Cayman Islands	0.0	0.0
Chile	0.9	1.2
Colombia	1.1	0.5
Mexico	6.4	4.1
Peru	1.1	0.4
Virgin Islands	0.0	0.0
EM Latin America	16.9	13.4
China	12.7	25.6
India	9.6	8.4
Indonesia	2.9	2.7
Korea	9.0	14.6
Malaysia	0.0	2.9
Philippines	0.7	1.6
Taiwan	9.3	12.1
Thailand	1.6	2.3
EM Asia	45.9	70.1
Czech Republic	1.1	0.2
Egypt	0.3	0.2
Greece	0.0	0.3
Hungary	1.2	0.3
Poland	1.2	1.1
Qatar	0.9	0.9
Russia	4.9	3.7
South Africa	6.9	7.3
Turkey	0.9	1.3
United Arab Emirates	0.7	0.9
EM Europe + Middle East + Africa	18.3	16.2
Emerging Markets	81.1	99.8
Frontier Markets	0.4	0.0
Cash	3.6	0.0
Other	2.0	0.0
Total	100.0	100.0

Manager Evaluation

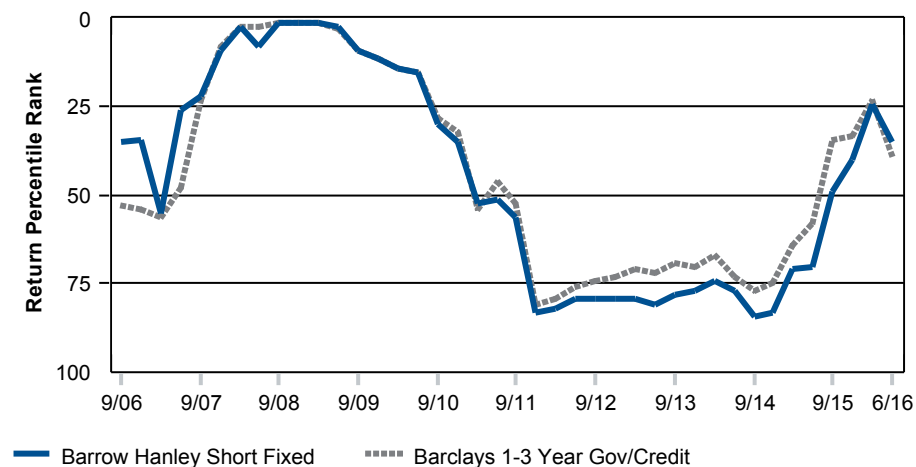
Barrow Hanley Short Fixed vs. Barclays 1-3 Year Gov/Credit

As of June 30, 2016

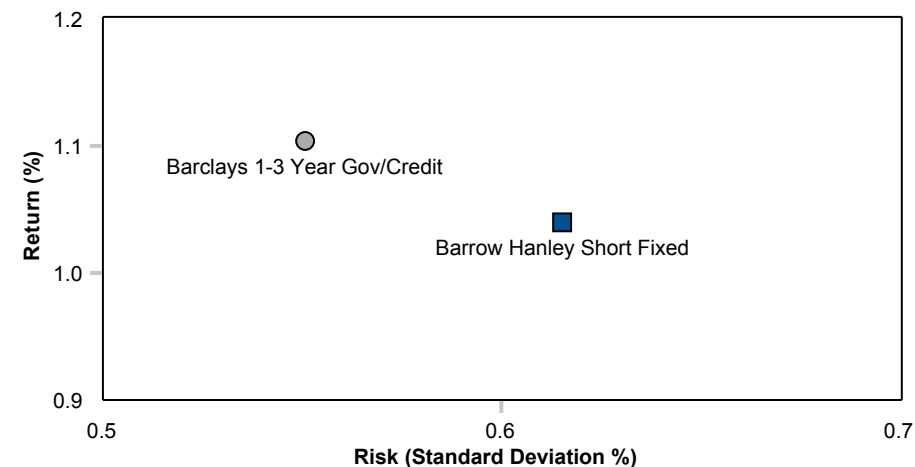
Historical Performance

	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	0.8	1.9	2.0	1.3	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	0.7	1.7	1.6	1.2	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	0.7	1.4	1.1	1.1	1.3	2.5	0.3	0.6	0.5	3.1	1.1	3.5	8.7	-2.8	4.6	4.2
Barrow Hanley Short Fixed Rank	47	26	11	35	64	37	19	51	52	90	34	73	88	4	5	46

Three Year Rolling Percentile Ranking



Risk and Return (Jul-2011 - Jun-2016)



Historical Statistics (Jul-2011 - Jun-2016)

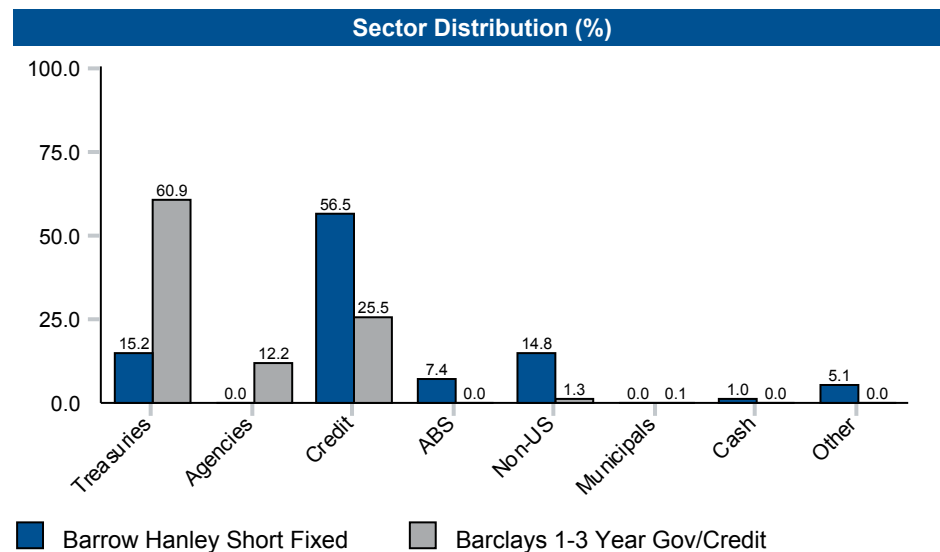
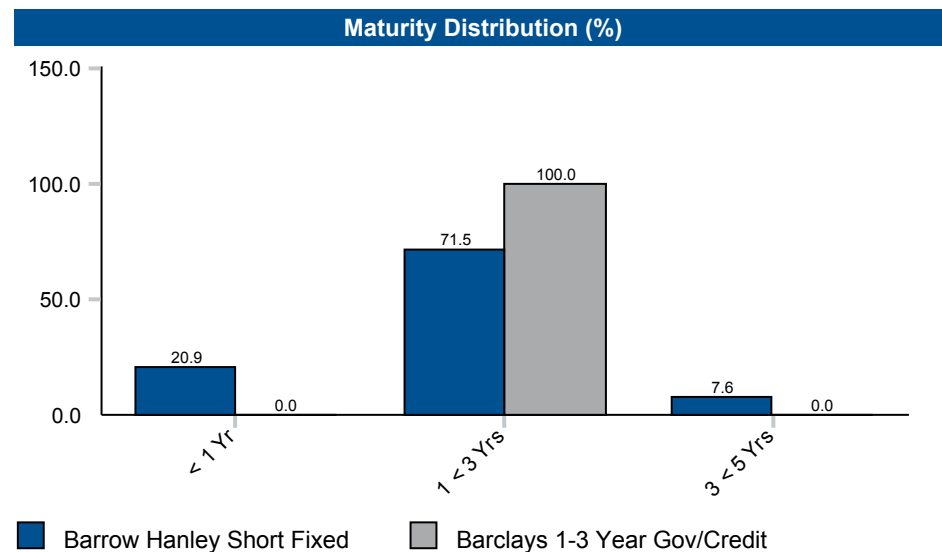
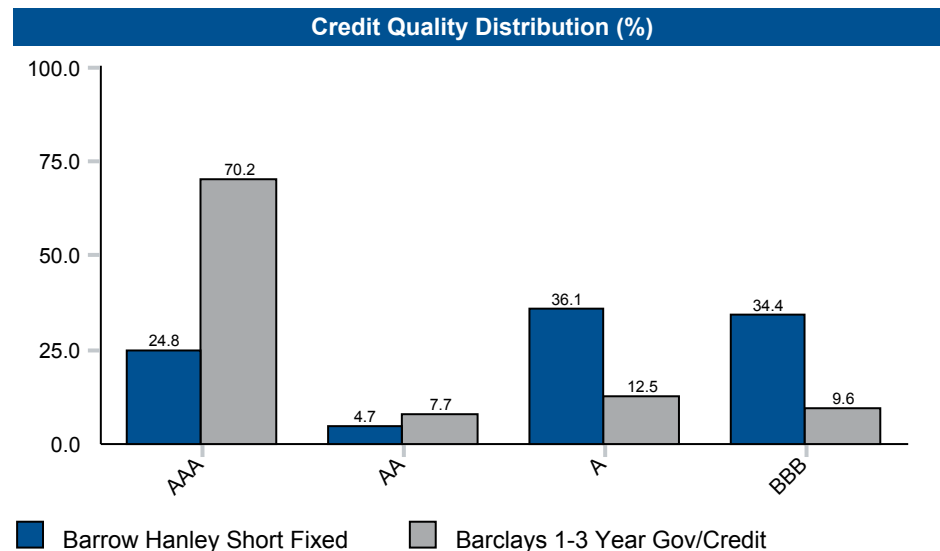
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Barrow Hanley Short Fixed	1.0	0.6	1.0	-0.1	1.1	1.6	0.2	-0.3	0.2	35.0	25y 3m
Barclays 1-3 Year Gov/Credit	1.1	0.6	1.0	0.0	1.0	2.0	0.0	N/A	0.2	0.0	25y 3m

Manager Evaluation

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

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	1.8	1.9
Avg. Maturity	1.9	2.0
Avg. Quality	A	AA+
Yield To Maturity (%)	0.8	0.9



Manager Evaluation

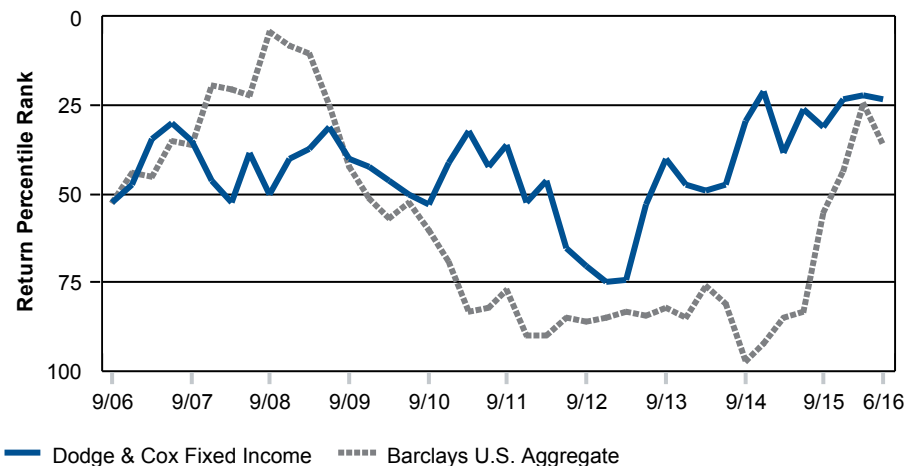
Dodge & Cox Fixed Income vs. Barclays U.S. Aggregate

As of June 30, 2016

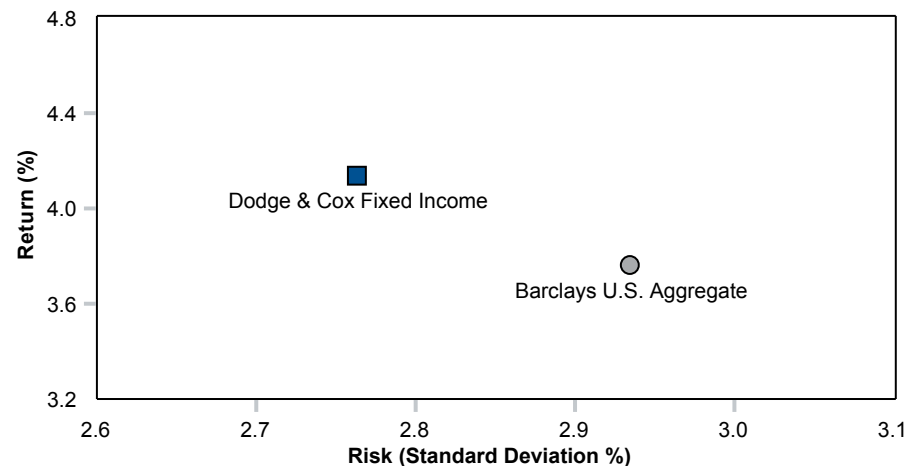
Historical Performance

	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	3.0	5.8	4.9	4.3	4.1	5.6	-0.6	5.9	0.3	8.1	4.8	7.2	16.1	-0.3	4.7	5.3
Barclays U.S. Aggregate	2.2	5.3	6.0	4.1	3.8	5.1	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	5.2	4.5	3.7	4.0	5.5	-0.4	5.3	-1.1	8.2	6.1	8.2	14.2	-2.2	5.5	4.1
Dodge & Cox Fixed Income Rank	21	27	40	23	46	42	61	34	17	54	75	74	33	38	76	17

Three Year Rolling Percentile Ranking



Risk and Return (Jul-2011 - Jun-2016)



Historical Statistics (Jul-2011 - Jun-2016)

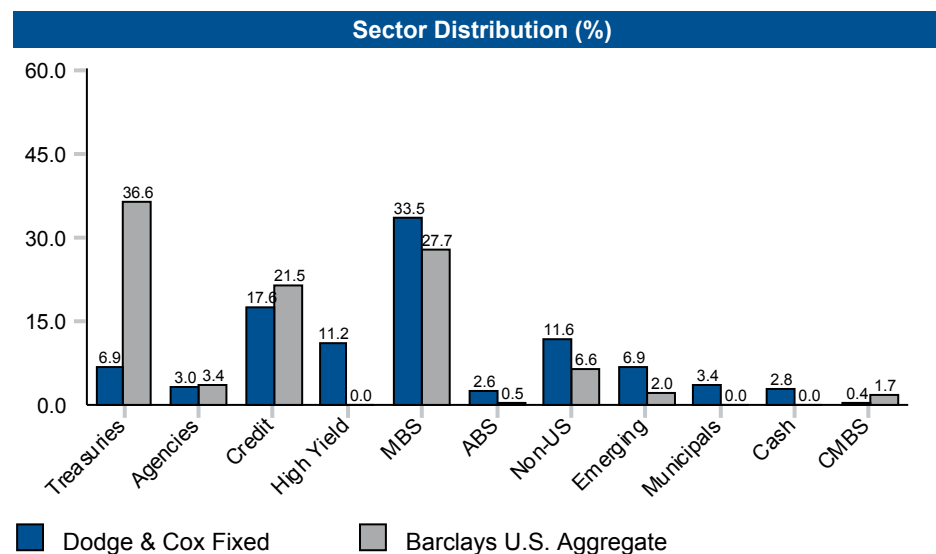
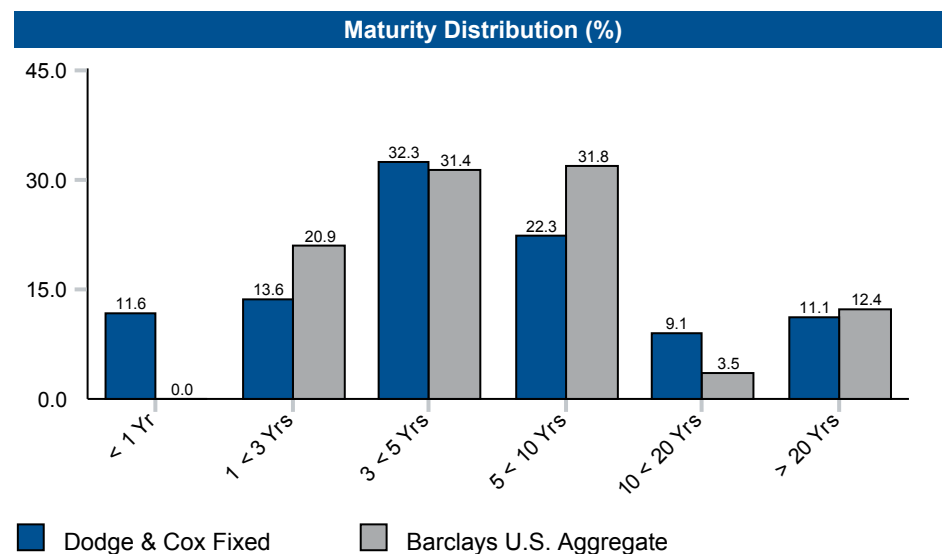
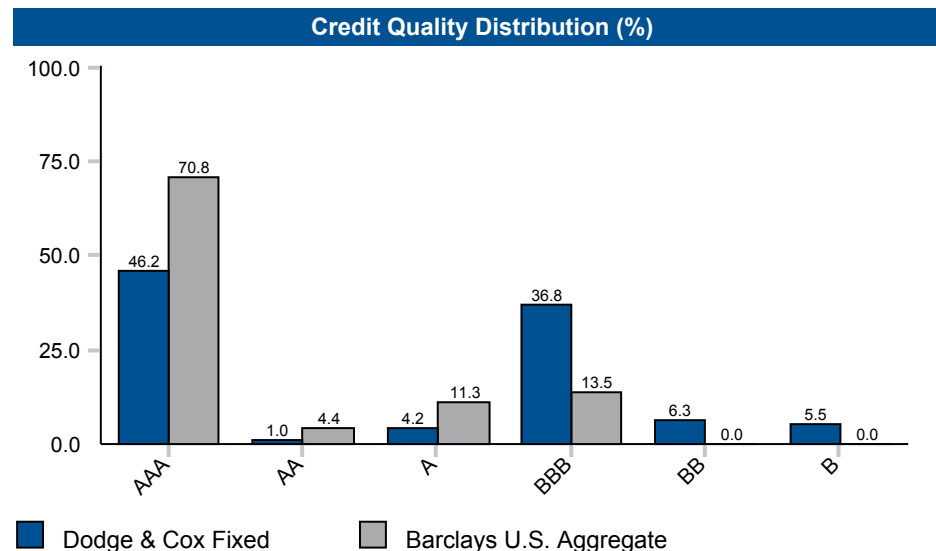
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Dodge & Cox Fixed Income	4.1	2.8	4.0	1.9	0.6	1.5	2.5	0.1	1.2	65.0	27y 6m
Barclays U.S. Aggregate	3.8	2.9	3.7	0.0	1.0	1.3	0.0	N/A	1.3	0.0	27y 6m

Manager Evaluation

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

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	4.4	5.5
Yield To Maturity (%)	3.0	1.9
Avg. Maturity	7.8	7.8
Avg. Quality	A	AA+



Manager Evaluation

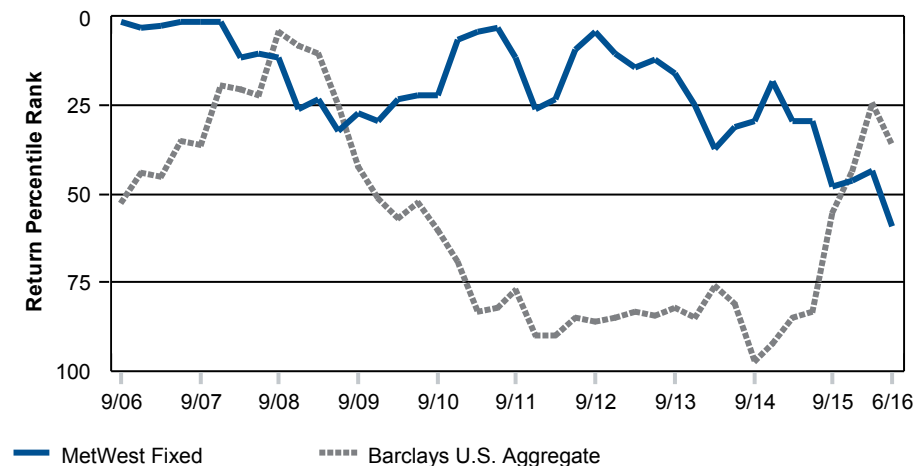
MetWest Fixed vs. Barclays U.S. Aggregate

As of June 30, 2016

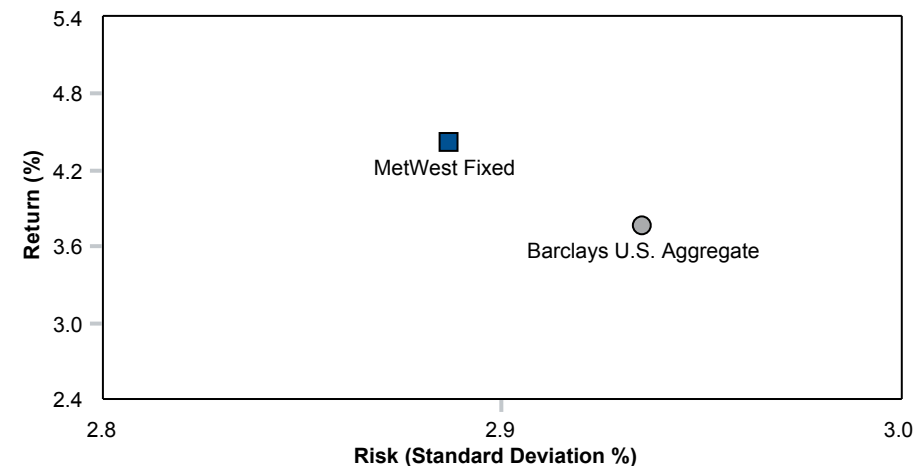
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
MetWest Fixed	2.1	4.6	4.7	3.6	4.4	6.5	0.2	5.6	-1.5	11.0	5.5	11.7	17.3	-1.3	6.5	7.2
Barclays U.S. Aggregate	2.2	5.3	6.0	4.1	3.8	5.1	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	5.2	4.5	3.7	4.0	5.5	-0.4	5.3	-1.1	8.2	6.1	8.2	14.2	-2.2	5.5	4.1
MetWest Fixed Rank	79	67	43	59	30	8	27	42	63	6	65	5	29	41	30	1

Three Year Rolling Percentile Ranking



Risk and Return (Jul-2011 - Jun-2016)



Historical Statistics (Jul-2011 - Jun-2016)

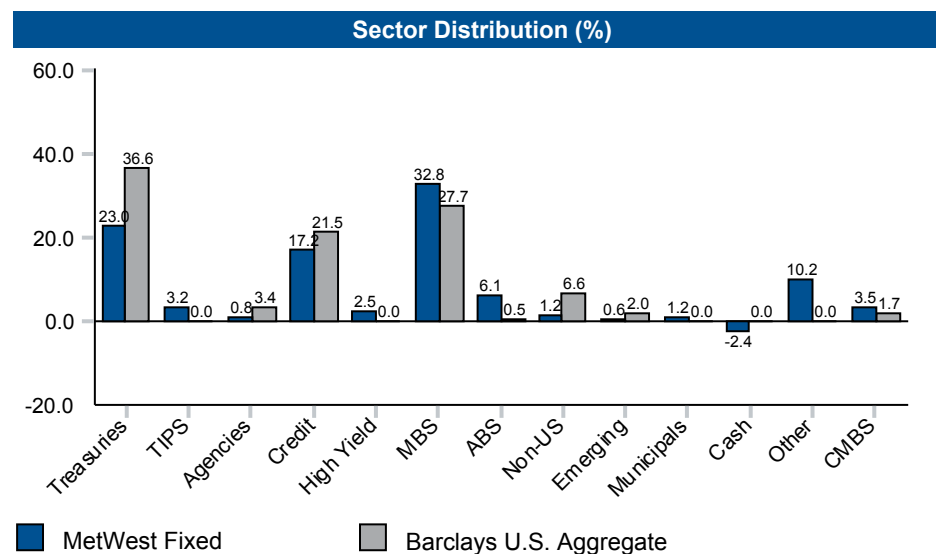
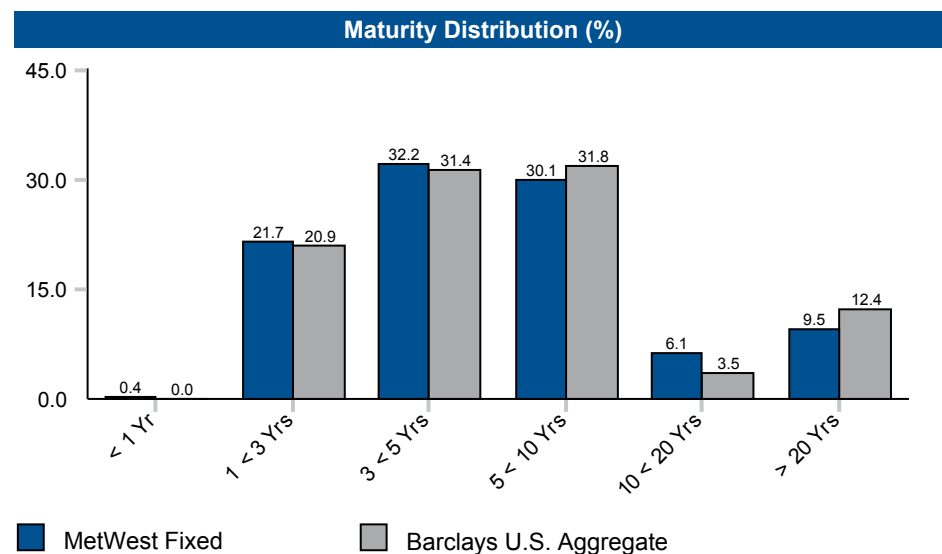
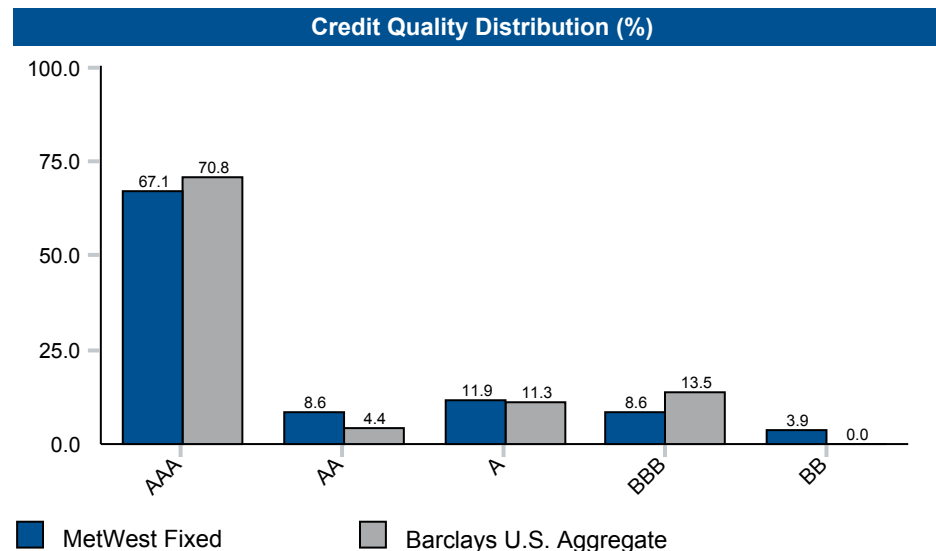
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
MetWest Fixed	4.4	2.9	4.3	1.7	0.7	1.5	2.1	0.3	1.1	50.0	19y 3m
Barclays U.S. Aggregate	3.8	2.9	3.7	0.0	1.0	1.3	0.0	N/A	1.3	0.0	19y 3m

Manager Evaluation

MetWest Fixed vs. Barclays U.S. Aggregate

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	4.8	5.5
Yield To Maturity (%)	2.3	1.9
Avg. Maturity	7.6	7.8
Avg. Quality	AA+	AA+



Manager Evaluation

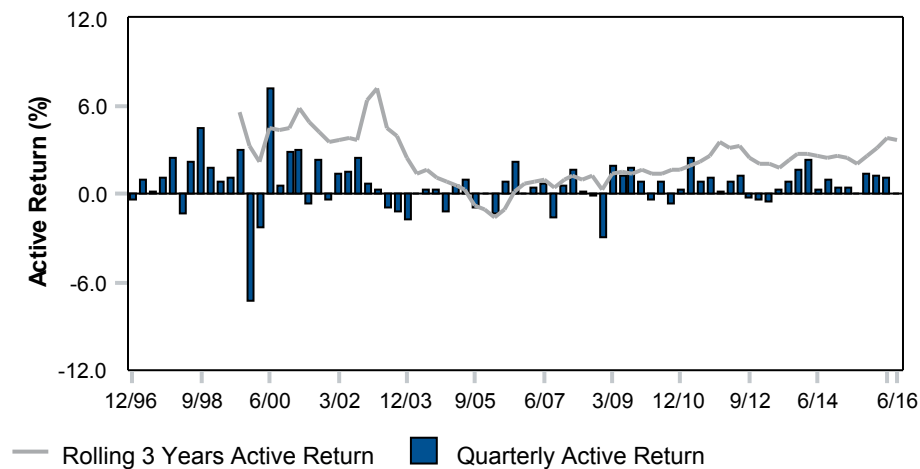
Lighthouse Diversified vs. HFRI Fund of Funds Composite Index

As of June 30, 2016

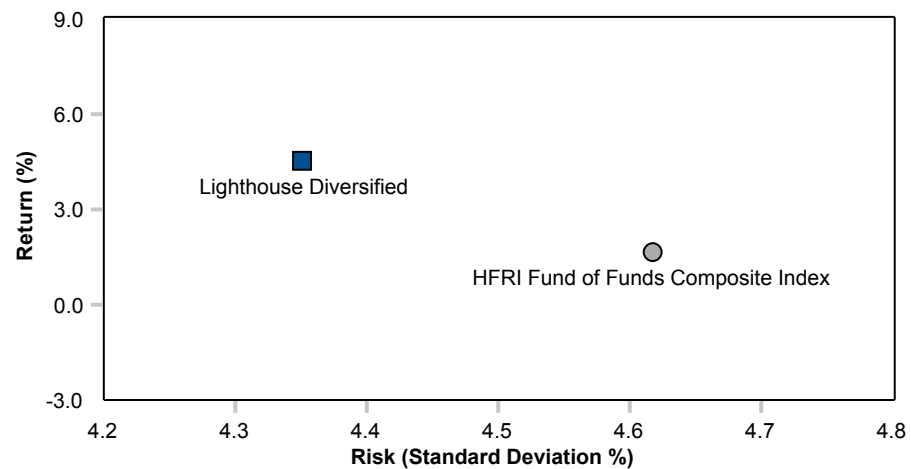
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Lighthouse Diversified	0.7	-1.3	-1.4	5.8	4.5	4.1	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	0.6	-2.6	-5.4	1.9	1.6	1.6	-0.3	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 (Jul-2011 - Jun-2016)



Historical Statistics (Jul-2011 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Lighthouse Diversified	4.5	4.4	4.4	3.0	0.9	1.0	1.4	1.9	2.2	85.0	19y 11m
HFRI Fund of Funds Composite Index	1.6	4.6	1.7	0.0	1.0	0.4	0.0	N/A	3.3	0.0	19y 11m

Manager Evaluation

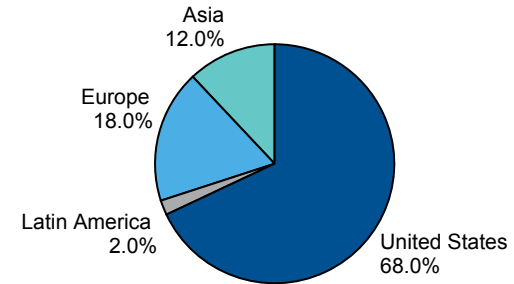
Lighthouse Diversified

As of June 30, 2016

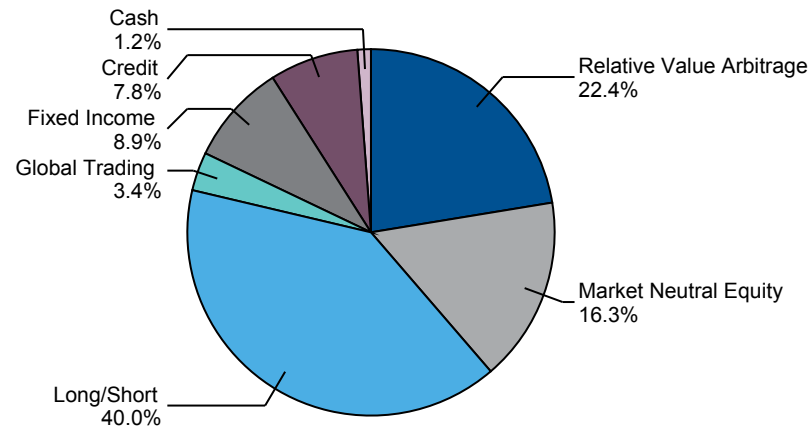
Portfolio Characteristics

	Portfolio
Net Exposure %	48.1
Leverage	1.3
Manager Count	32
# Managers Funded	1
# Managers Redeemed	1

Region Allocation



Asset Breakdown



Manager Evaluation

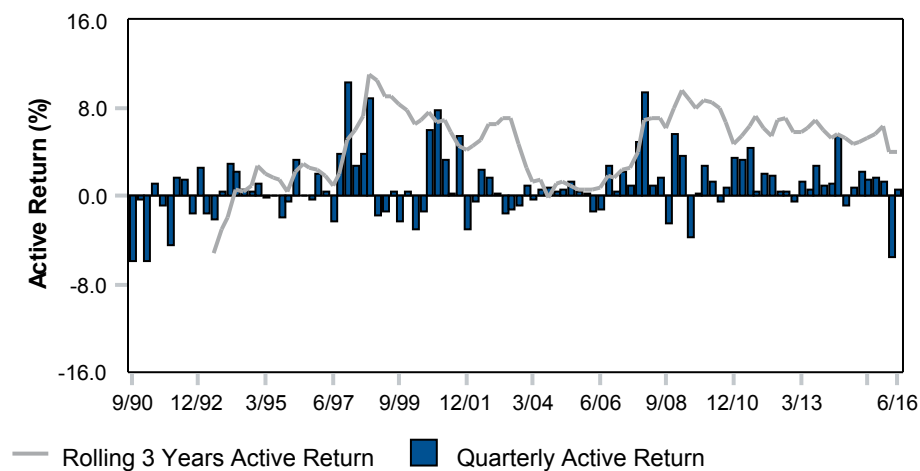
Pointer Offshore LTD vs. HFRI Fund of Funds Composite Index

As of June 30, 2016

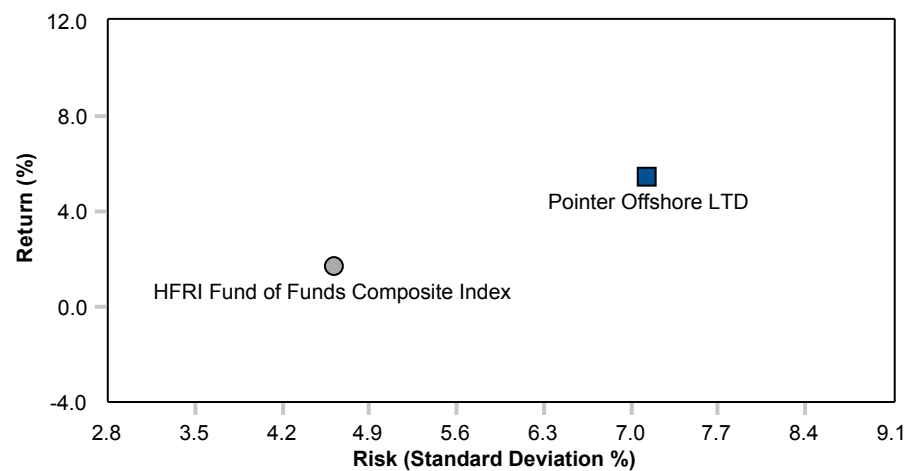
Historical Performance

	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	1.3	-7.4	-7.4	6.0	5.4	7.8	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	0.6	-2.6	-5.4	1.9	1.6	1.6	-0.3	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 (Jul-2011 - Jun-2016)



Historical Statistics (Jul-2011 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Pointer Offshore LTD	5.4	7.1	5.5	3.3	1.3	0.8	3.9	1.0	4.5	85.0	26y
HFRI Fund of Funds Composite Index	1.6	4.6	1.7	0.0	1.0	0.4	0.0	N/A	3.3	0.0	26y

Manager Evaluation

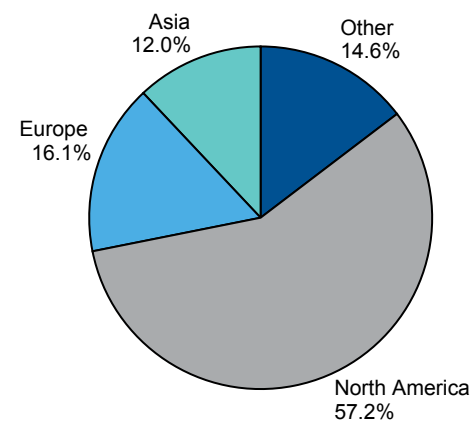
Pointer Offshore LTD

As of June 30, 2016

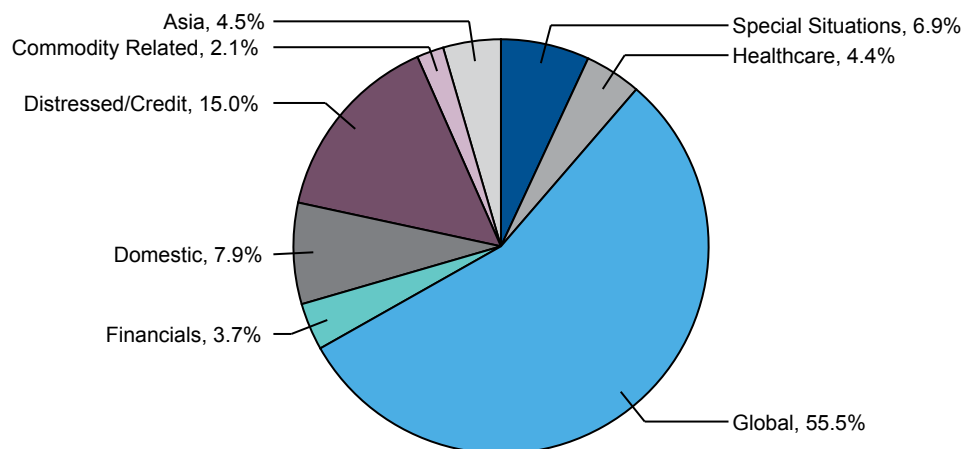
Portfolio Characteristics

	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



Characteristics as of March 31, 2016 as more recent data was unavailable at time of report production.

Manager Evaluation

Oaktree Real Estate Opportunities Fund VI

As of March 31, 2016*

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%

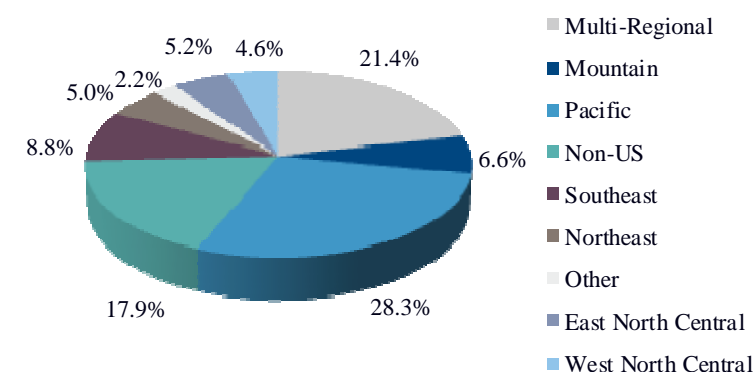
Historical Investment Profile

Investment Category	# of Investments	Net Invested Capital	
		Total (\$)	% of Total
Commercial	51	1479.2	50.2%
Non-US	19	626.5	21.4%
Residential	10	429.0	14.6%
Residential NPLs	15	147.7	5.0%
Commercial NPLs	11	143.7	4.9%
Corporate	2	115.3	3.9%
Total	108	2941.4	100%

Top Ten Holdings

	Asset Type	Property Type	Market Value	%
Bascom Platform	Equity	Multi-Family	\$121.3	3.8%
Genesis Platform	Equity	Residential	\$114.1	3.6%
Philadelphia Marriott	Equity	Hotel/Gaming/Leisure	\$100.0	3.1%
Mark Hopkins InterContinental	Equity	Hotel/Gaming/Leisure	\$93.1	2.9%
Southeast Office Portfolio	Recapitalized Equity	Office	\$89.1	2.8%
Chicago Board of Trade Building	Equity	Office	\$88.4	2.8%
Simply Self Storage	Equity	Self Storage	\$74.3	2.3%
Kauai Lagoons	Recapitalized Equity	Hotel/Gaming/Leisure	\$72.6	2.3%
SoCal Biomedical Parks	Equity	Mixed	\$62.4	2.0%
Northlake	Recapitalized Equity	Residential	\$62.1	1.9%
Total			\$877.4	27.5%

Geographic Exposure



* Characteristics as of June 30, 2016 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 March 31, 2016*

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	83.7%
% Distributed	23%
GP and Affiliates % of the Fund	7.7%

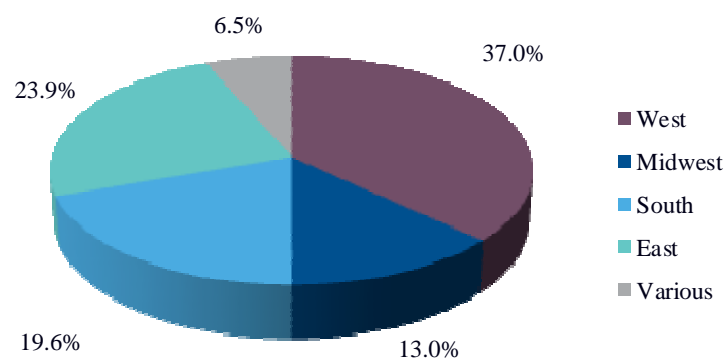
Historical Investment Profile

Investment Category	# of Investments	Invested Capital		Projected Committed Equity
		Total (\$)	% of Total	Total (\$)
Office	16	385.8	35.7%	495.4
Residential	10	183.3	16.9%	189.3
Retail	8	141.9	13.1%	151.3
Hotel	9	276.2	25.5%	295.3
NPLs	1	23.4	2.2%	23.4
Industrial	1	44.0	4.1%	44.3
Senior Housing	1	19.6	1.8%	19.6
Parking Garage	1	7.2	0.7%	7.2
Total	47	1081.4	100%	1225.7

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 Exposure²



* Characteristics as of June 30, 2016 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 Reflects only those holdings with invested equity.

Manager Evaluation

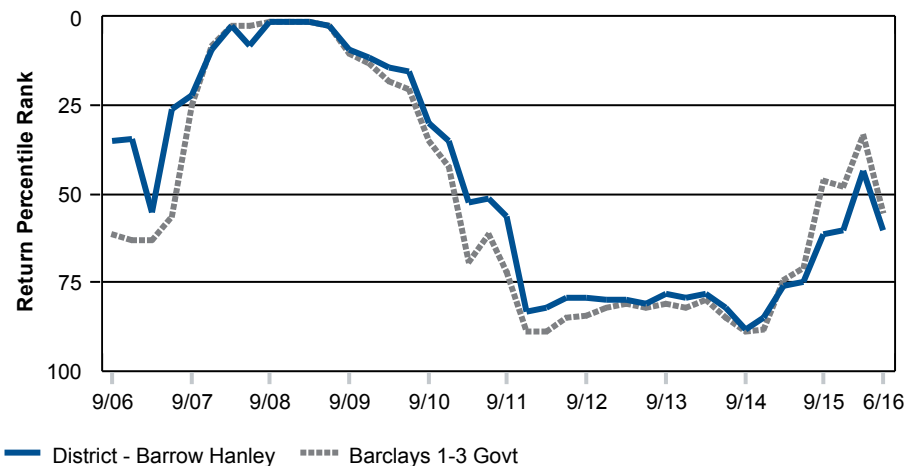
District - Barrow Hanley vs. Barclays 1-3 Govt

As of June 30, 2016

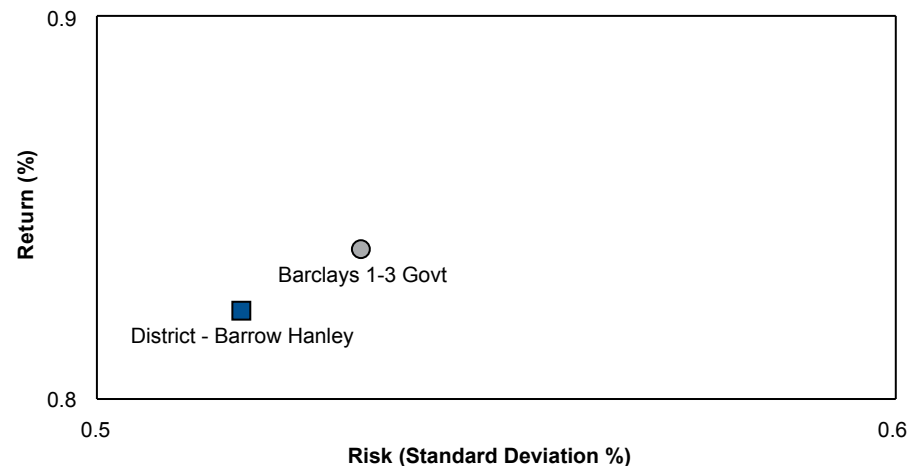
Historical Performance

	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	0.5	1.4	1.3	0.9	0.8	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	0.5	1.4	1.3	1.0	0.8	2.5	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	0.7	1.4	1.1	1.1	1.3	2.5	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>	<i>71</i>	<i>51</i>	<i>36</i>	<i>60</i>	<i>73</i>	<i>41</i>	<i>34</i>	<i>67</i>	<i>63</i>	<i>91</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 (Jul-2011 - Jun-2016)



Historical Statistics (Jul-2011 - Jun-2016)

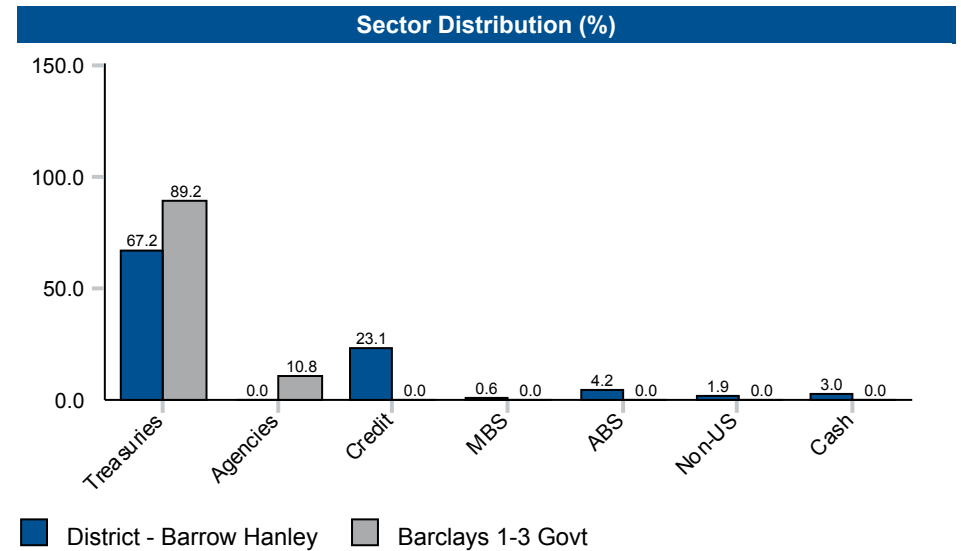
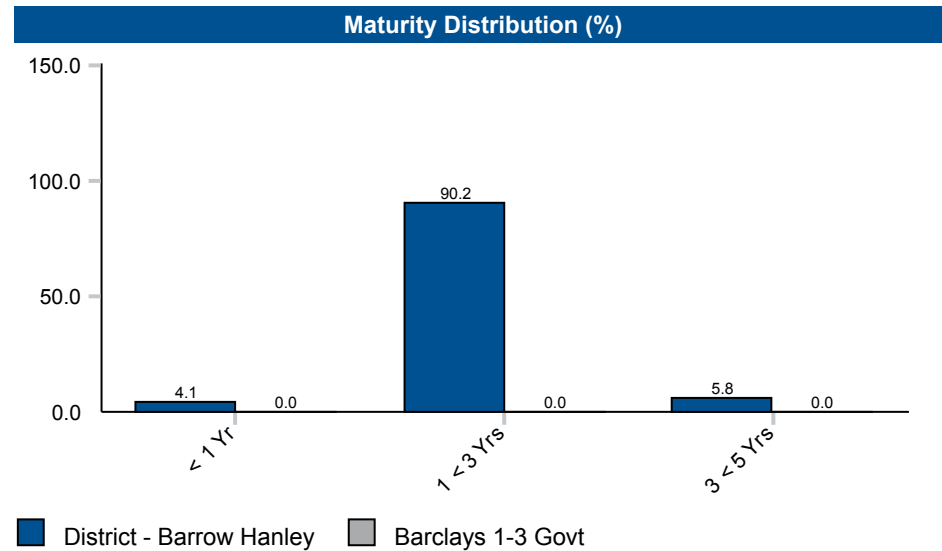
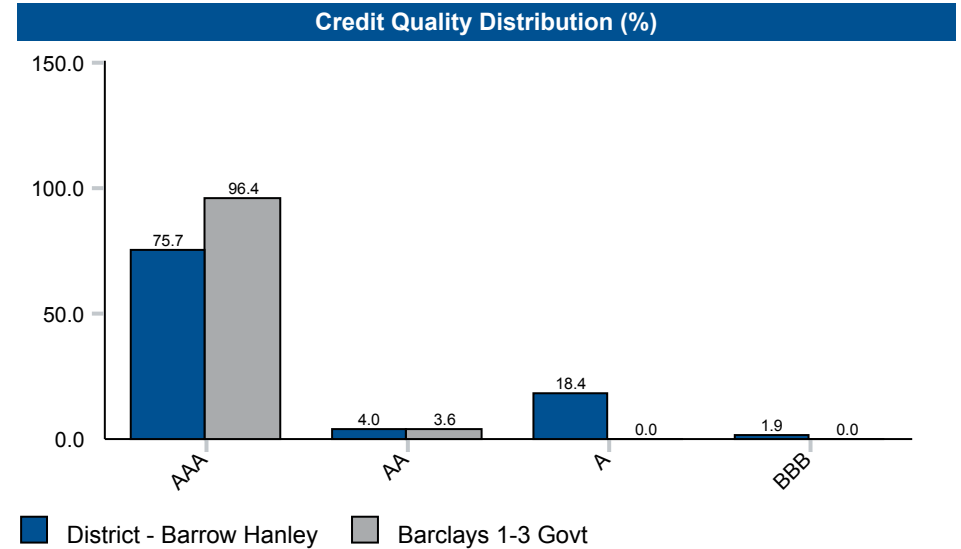
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
District - Barrow Hanley	0.8	0.5	0.8	0.1	0.9	1.5	0.2	-0.1	0.2	35.0	25y 3m
Barclays 1-3 Govt	0.8	0.5	0.8	0.0	1.0	1.5	0.0	N/A	0.2	0.0	25y 3m

Manager Evaluation

District - Barrow Hanley vs. Barclays 1-3 Govt

As of June 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	1.9	1.9
Avg. Maturity	2.0	1.9
Avg. Quality	AA+	AAA
Yield To Maturity (%)	0.8	0.6



Manager Evaluation

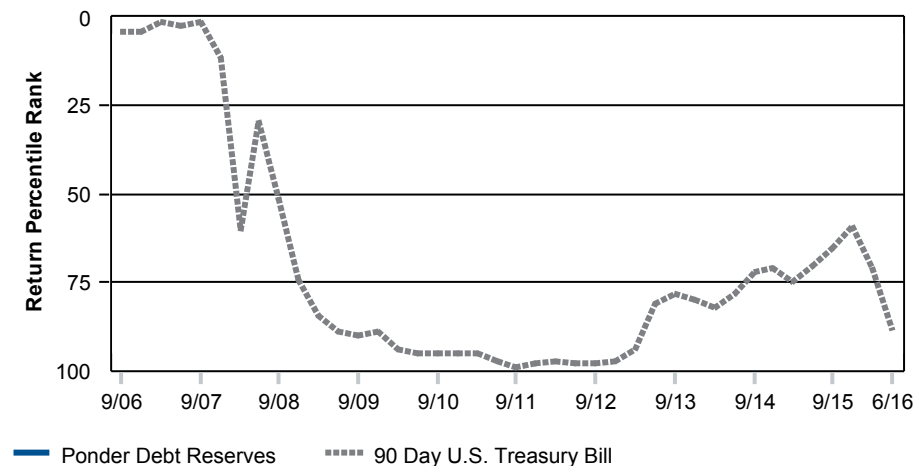
Ponder Debt Reserves vs. 90 Day U.S. Treasury Bill

As of June 30, 2016

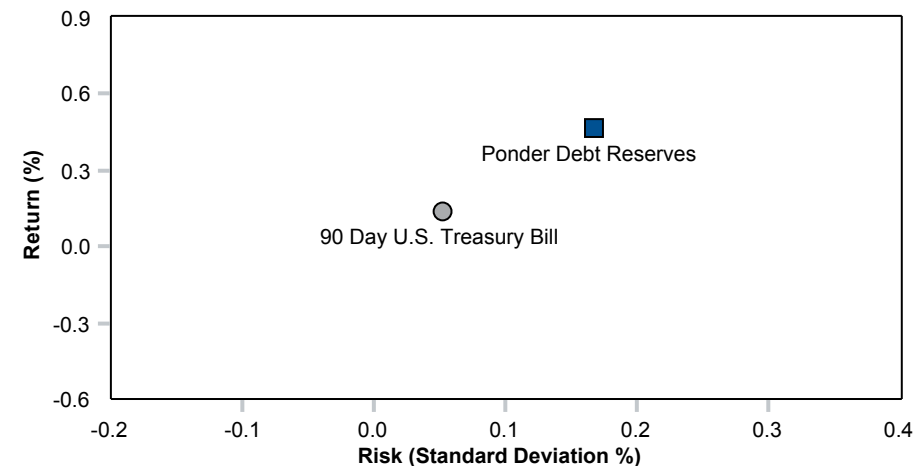
Historical Performance

	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	0.1	0.4	0.5	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	1.0	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	0.5	1.3	1.0	0.8	0.7	2.5	0.2	0.6	-0.6	0.9	1.4	2.4	2.9	4.7	5.8	3.7
Ponder Debt Reserves Rank	88	90	74	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 - Jun-2016)



Historical Statistics (May-2015 - Jun-2016)

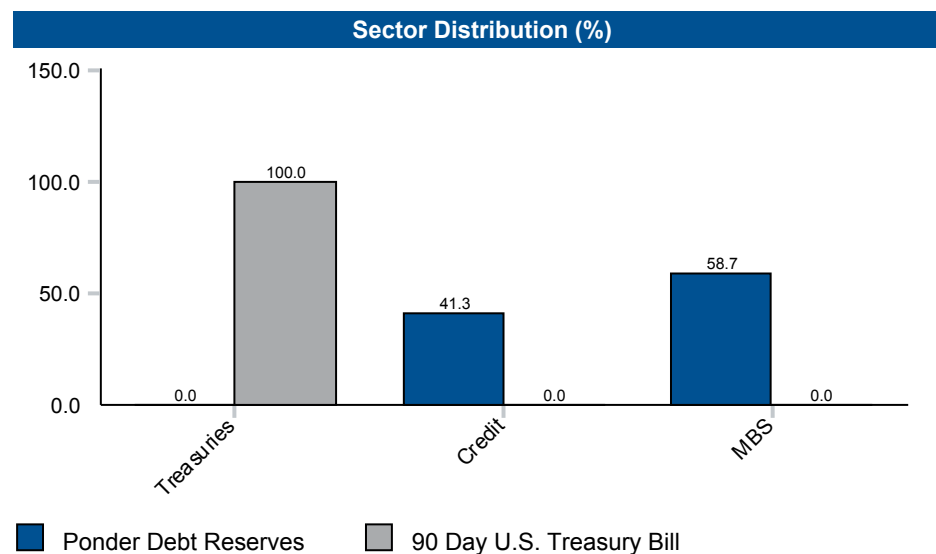
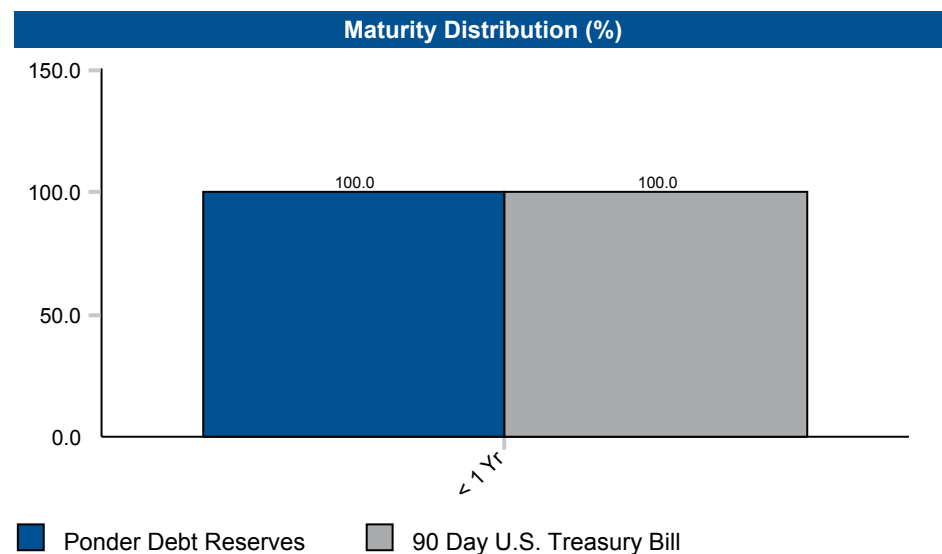
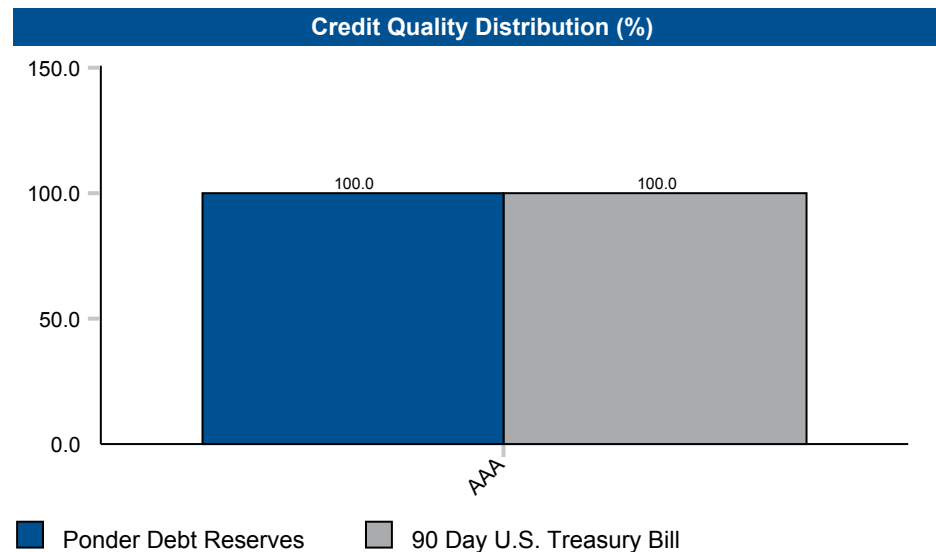
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Ponder Debt Reserves	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1y 2m
90 Day U.S. Treasury Bill	0.1	0.1	0.0	0.0	1.0	N/A	0.0	N/A	0.0	0.0	1y 2m

Manager Evaluation

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

As of June 30, 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



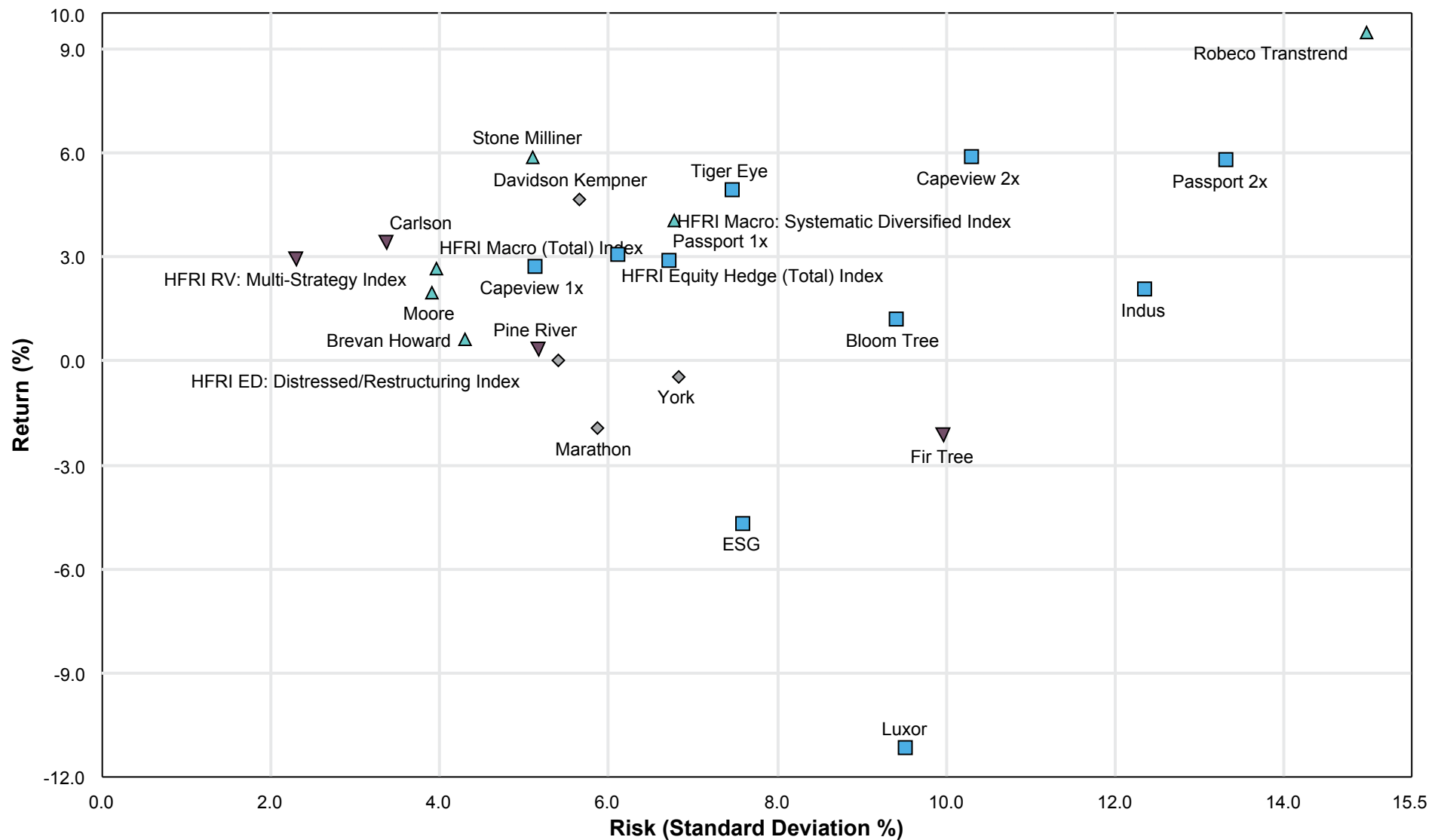


Direct Hedge Fund Manager Review

Risk and Return

Hedge Fund Managers Risk Return (Net of Fees)

3 Years Ending June 30, 2016

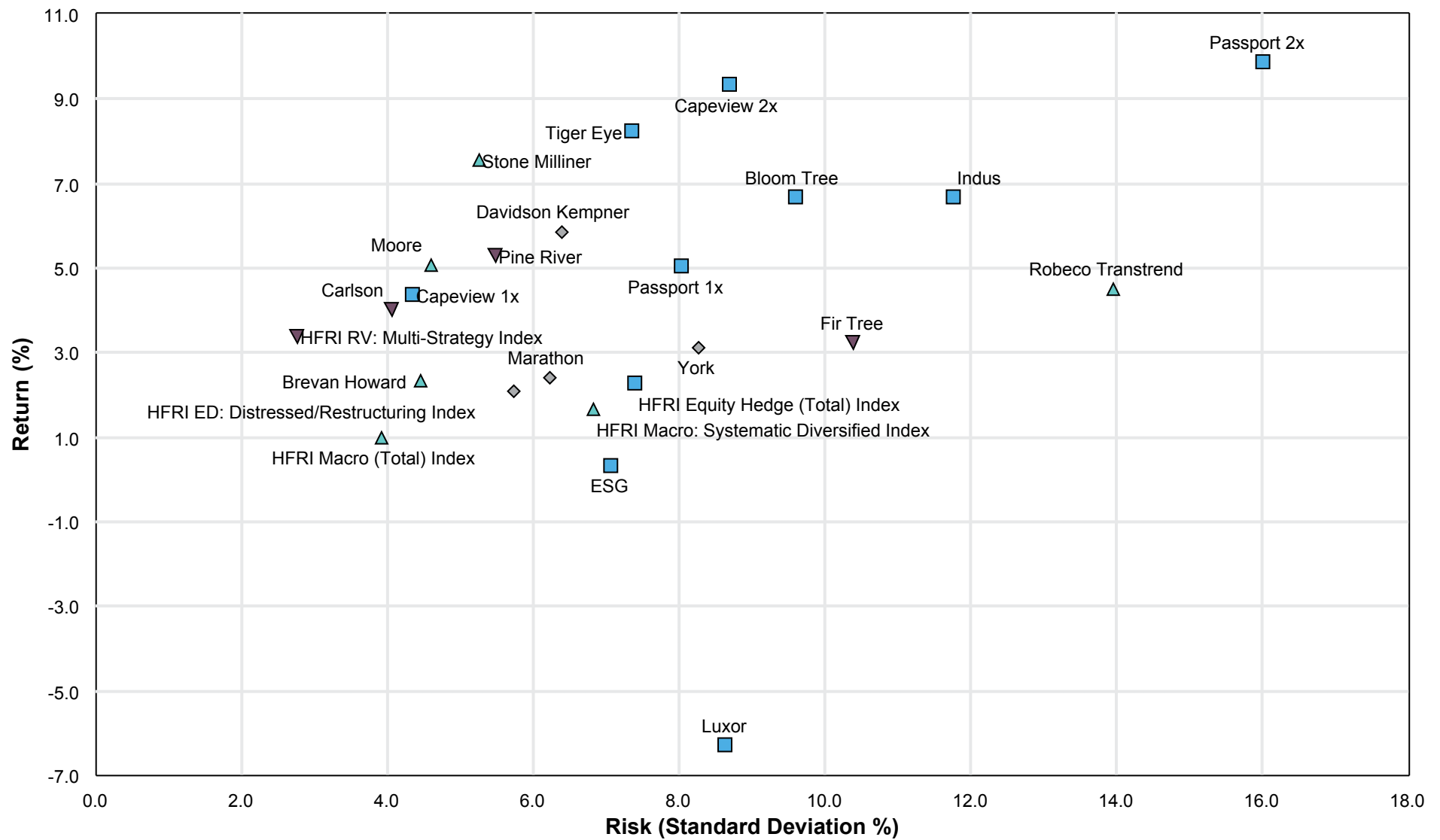


From May 1, 2013, results shown are El Camino Hedge Fund Portfolio returns.

Risk and Return

Hedge Fund Managers Risk Return (Net of Fees)

5 Years Ending June 30, 2016



From May 1, 2013, results shown are El Camino Hedge Fund Portfolio returns.

Manager Evaluation

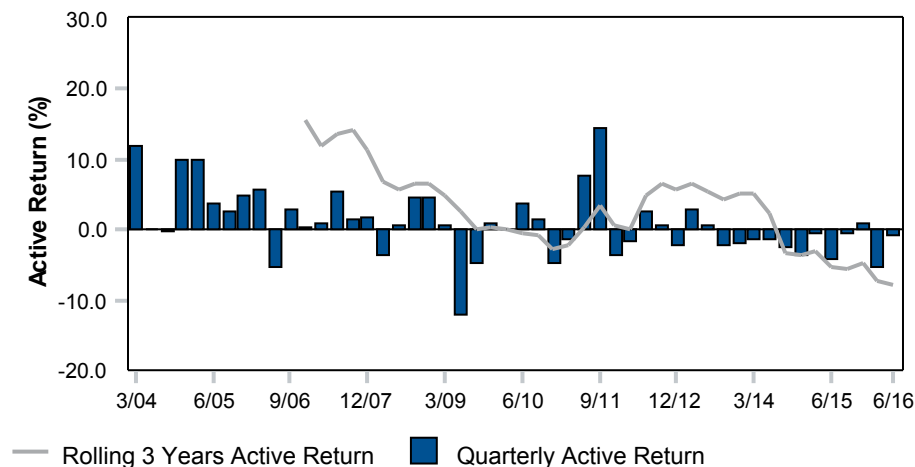
ESG Cross Border Equity Offshore Fund, Ltd. vs. HFRI Equity Hedge (Total) Index

As of June 30, 2016

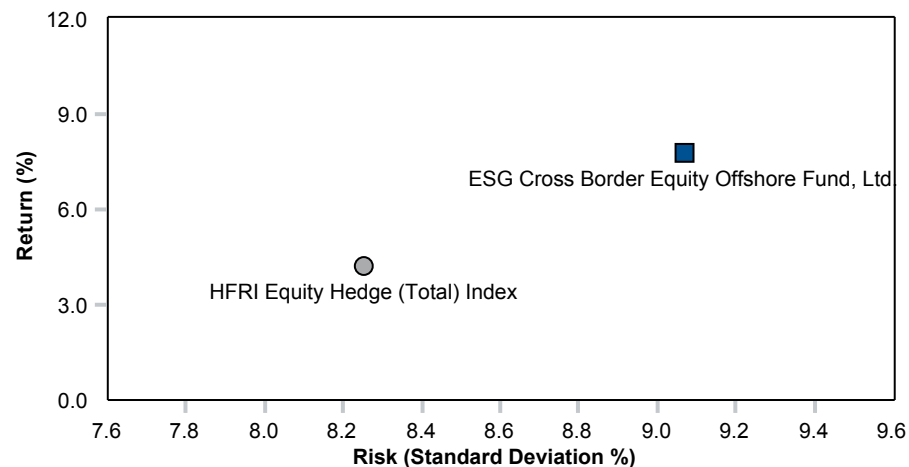
Historical Performance

	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.	0.6	-6.5	-10.6	-4.7	0.3	3.1	-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	1.4	-0.4	-5.0	3.1	2.3	2.9	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI Emerging Markets Index	0.8	6.6	-11.7	-1.2	-3.4	3.9	-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 - Jun-2016)



Historical Statistics (Jan-2004 - Jun-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.	7.7	9.1	6.6	5.9	0.5	0.7	9.2	0.4	5.6	54.7	12y 6m
HFRI Equity Hedge (Total) Index	4.2	8.3	3.2	0.0	1.0	0.4	0.0	N/A	5.8	0.0	12y 6m

Manager Evaluation

ESG Cross Border Equity Offshore Fund, Ltd.

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$3.5 billion
Fund Assets	\$1.6 billion
Gross Exposure	169.7%
Net Exposure	22.3%
Long Exposure	96.0%
Short Exposure	-73.7%

Performance Attribution by Industry*

	Q2 Gross Attribution	YTD Gross Attribution
Basic Materials	-0.2%	0.6%
Business Services	-0.3%	0.7%
Consumer Durables	0.4%	-0.1%
Consumer Non-Durable	3.0%	4.4%
Financials	0.6%	2.7%
Gaming & Leisure	-0.3%	0.1%
Healthcare	-0.5%	-1.1%
Industrial	0.1%	0.1%
Real Estate	0.0%	0.0%
Retail	-0.2%	1.9%
Tech, Media and Telecom	-0.7%	-1.8%
Index	-0.6%	0.5%

* Attribution excludes cost of currency hedging.

Regional Exposure

	Long	Short	Gross	Net
Global	38.7%	-36.3%	76.0%	2.4%
Latin America	9.3%	-3.4%	12.7%	5.9%
EMEA	8.4%	-1.1%	9.5%	7.3%
Asia	20.1%	-16.7%	36.8%	3.4%
Pan EM	19.4%	-16.2%	35.6%	3.2%

Industry Exposure

	Long	Short	Gross	Net
Basic Materials	0.0%	0.0%	0.0%	0.0%
Business Services	1.2%	-4.4%	5.6%	-3.2%
Consumer Durables	0.0%	-4.4%	4.4%	-4.4%
Consumer Non-Durable	41.9%	-7.9%	49.8%	34.0%
Financials	17.6%	-9.7%	27.3%	7.9%
Gaming & Leisure	0.0%	-1.4%	1.4%	-1.4%
Healthcare	9.4%	-4.2%	13.6%	5.2%
Industrial	0.0%	-2.3%	2.3%	-2.3%
Real Estate	0.0%	0.0%	0.0%	0.0%
Retail	8.9%	-10.8%	19.7%	-1.9%
Tech, Media and Telecom	16.9%	-4.0%	20.9%	12.9%
Index	0.0%	-24.7%	24.7%	-24.7%

Manager Evaluation

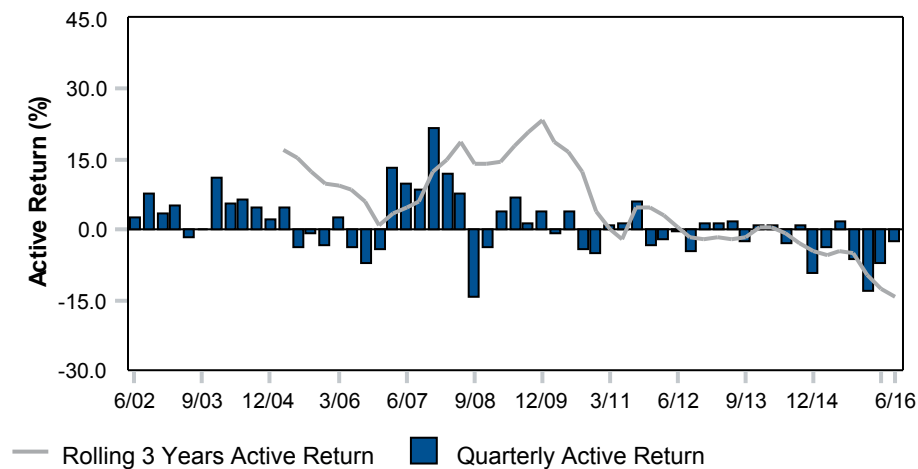
Luxor Capital Partners Offshore, Ltd. vs. HFRI Equity Hedge (Total) Index

As of June 30, 2016

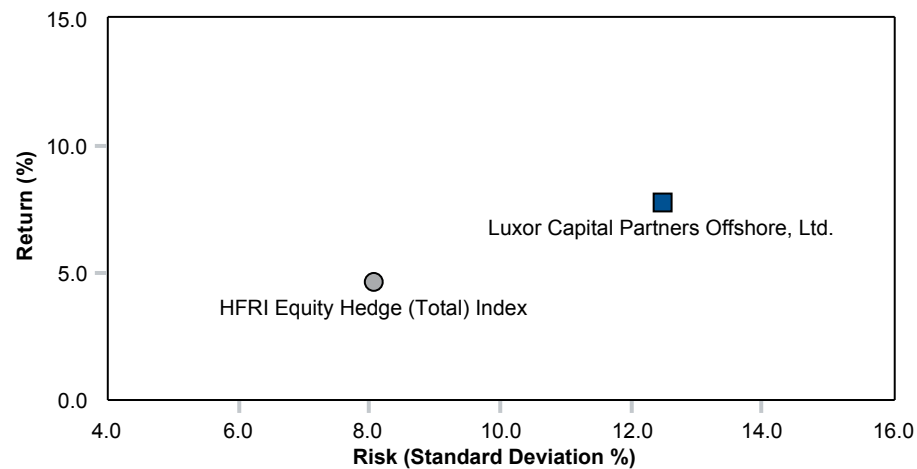
Historical Performance

	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.	-1.1	-9.9	-30.0	-11.2	-6.3	3.1	-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	1.4	-0.4	-5.0	3.1	2.3	2.9	-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	2.1	-2.5	-10.4	0.1	1.3	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 - Jun-2016)



Historical Statistics (Apr-2002 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Luxor Capital Partners Offshore, Ltd.	7.7	12.5	6.9	4.5	0.8	0.6	10.8	0.3	8.2	52.6	14y 3m
HFRI Equity Hedge (Total) Index	4.6	8.1	3.5	0.0	1.0	0.4	0.0	N/A	5.6	0.0	14y 3m

Manager Evaluation

Luxor Capital Partners Offshore, Ltd.

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$3.3 billion
Fund Assets	\$1.2 billion
Gross Exposure	321.9%
Net Exposure	-93.3%
Long Exposure	114.3%
Short Exposure ¹	-207.6%

Performance Attribution by Strategy

	Q2 Gross Attribution	YTD Gross Attribution
Equity	-0.3%	-8.3%
Credit		
Bank Debt and Loans	0.1%	-1.2%
Investment Grade	-0.4%	-1.1%
High Yield	0.8%	3.2%
Convertible Bonds	1.2%	1.4%
Mortgage Backed Securities	0.0%	0.0%
Other	0.0%	0.0%
Commodity and FX Hedges	-1.6%	-0.5%

Regional Exposure

	Long	Short	Gross	Net
North America	71.7%	-72.2%	144.0%	-0.5%
South America	0.0%	0.0%	0.0%	0.0%
Europe	30.7%	-41.3%	71.9%	-10.6%
Asia Pacific / Africa	11.9%	-78.4%	90.3%	-66.6%
Commodity	0.0%	-15.7%	15.7%	-15.7%

Industry Exposure

	Long	Short	Gross	Net
Internet	47.0%	-3.4%	50.5%	43.6%
Real Estate/REITs	11.0%	-2.6%	13.6%	8.4%
Financial Services	7.3%	-1.1%	8.4%	6.2%
Exploration and Production	9.1%	-3.7%	12.8%	5.5%
Media	10.5%	-5.2%	15.8%	5.3%
Mining	3.7%	-0.1%	3.7%	3.6%
Retail	2.8%	-0.2%	3.1%	2.6%
Oil and Gas Services	4.7%	-2.4%	7.1%	2.2%
Software and Technology	2.6%	-0.5%	3.1%	2.0%
Alternative Energy	2.3%	-0.6%	2.9%	1.8%
Utilities	0.7%	-0.2%	0.9%	0.4%
Engineering and Construction	0.0%	-0.2%	0.2%	-0.2%
Communications	0.3%	-0.8%	1.1%	-0.5%
Healthcare and BioTech	0.7%	-1.2%	1.9%	-0.5%
Lodging and Gaming	0.0%	-0.6%	0.7%	-0.6%
Consumer Products	8.3%	-9.9%	18.2%	-1.6%
Chemicals	0.0%	-4.5%	4.5%	-4.5%
Transportation	1.1%	-8.7%	9.8%	-7.5%
Industrial	0.2%	-13.8%	14.0%	-13.7%
Commodity	0.0%	-15.7%	15.7%	-15.7%
Sovereign	1.2%	-27.7%	29.0%	-26.5%
Index ¹	0.6%	-104.3%	105.0%	-103.7%

¹ Short exposure includes short derivatives positions

Manager Evaluation

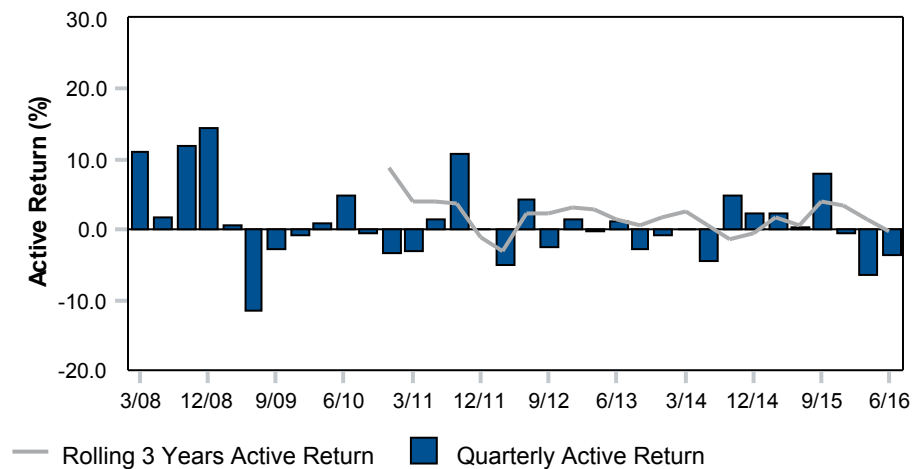
CapeView Azri Fund Limited vs. HFRI Equity Hedge (Total) Index

As of June 30, 2016

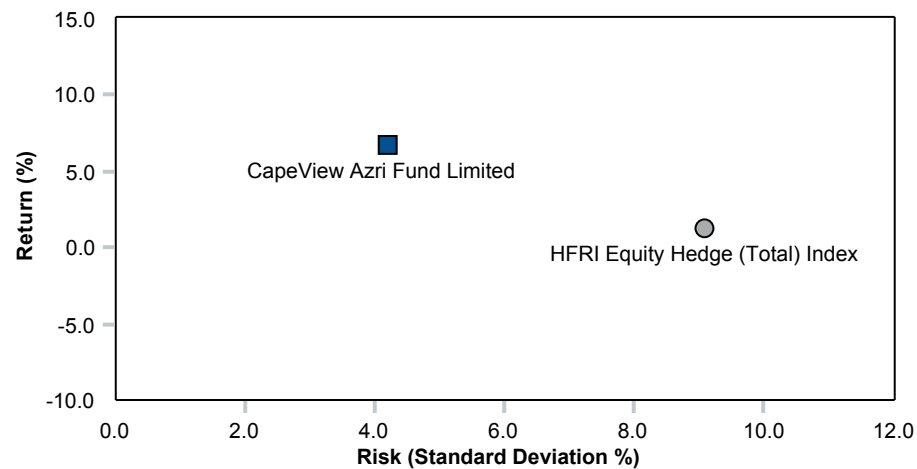
Historical Performance

	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 Limited	-2.2	-10.3	-7.5	2.7	4.4	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	1.4	-0.4	-5.0	3.1	2.3	2.9	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI Europe Index	-2.3	-4.6	-10.7	2.5	1.6	2.1	-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 - Jun-2016)



Historical Statistics (Nov-2007 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
CapeView Azri Fund Limited	6.7	4.2	6.2	6.6	0.1	1.5	9.2	0.5	2.3	50.0	8y 8m
HFRI Equity Hedge (Total) Index	1.2	9.1	1.3	0.0	1.0	0.1	0.0	N/A	6.8	0.0	8y 8m

Manager Evaluation

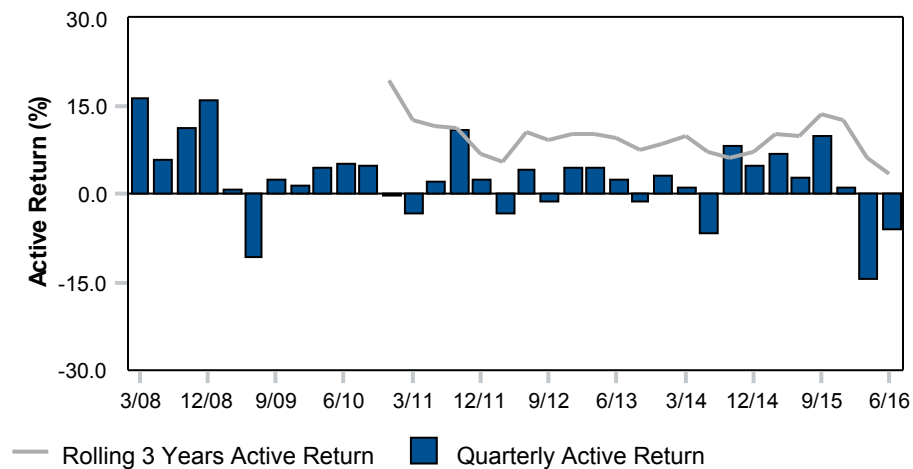
CapeView Azri 2X Fund vs. HFRI Equity Hedge (Total) Index

As of June 30, 2016

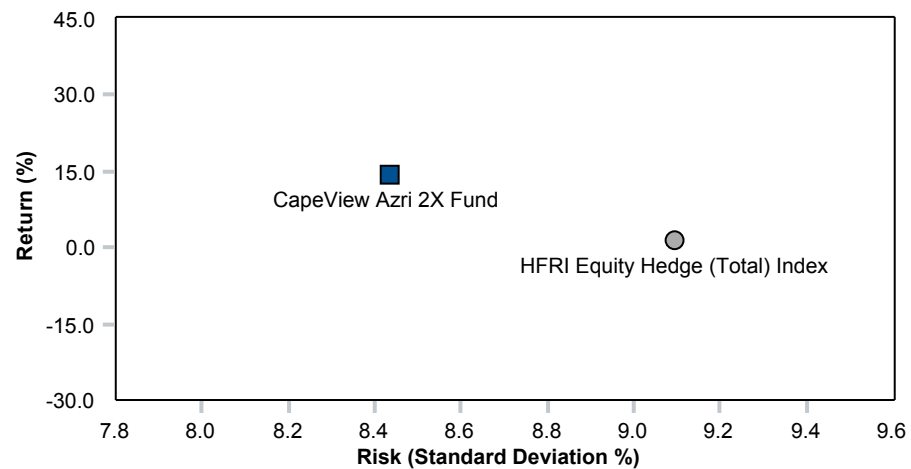
Historical Performance

	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	-4.4	-19.9	-14.6	5.9	9.3	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	1.4	-0.4	-5.0	3.1	2.3	2.9	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI Europe Index	-2.3	-4.6	-10.7	2.5	1.6	2.1	-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 - Jun-2016)



Historical Statistics (Nov-2007 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
CapeView Azri 2X Fund	14.2	8.4	13.3	14.3	0.2	1.6	11.1	1.1	4.6	66.3	8y 8m
HFRI Equity Hedge (Total) Index	1.2	9.1	1.3	0.0	1.0	0.1	0.0	N/A	6.8	0.0	8y 8m

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

Manager Evaluation

CapeView Azri Fund Limited

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$1.7 billion
Fund Assets	\$1.3 billion
Gross Exposure	100.2%
Net Exposure	5.0%
Long Exposure	52.6%
Short Exposure	-47.6%

Regional Exposure

	Long	Short	Gross	Net
Continental Europe	23.0%	-15.5%	38.5%	7.5%
United Kingdom	18.9%	-20.6%	39.5%	-1.7%
United States	3.5%	-4.4%	7.9%	-0.9%
Scandinavia	3.1%	-1.5%	4.6%	1.6%
Ireland	2.4%	0.0%	2.4%	2.4%
Europe (Index)	1.7%	-5.6%	7.3%	-3.9%
Other	0.0%	0.0%	0.0%	0.0%

Industry Exposure

	Long	Short	Gross	Net
Basic Materials	2.7%	-2.0%	4.7%	0.7%
Commodity	0.0%	0.0%	0.0%	0.0%
Communications	6.4%	-2.9%	9.3%	3.5%
Consumer, Cyclical	9.7%	-7.5%	17.2%	2.2%
Consumer, Non-cyclical	4.3%	-8.0%	12.3%	-3.7%
Currency	0.0%	0.0%	0.0%	0.0%
Diversified	0.0%	0.0%	0.0%	0.0%
Energy	1.9%	-1.0%	2.9%	0.9%
Financial	9.7%	-8.9%	18.6%	0.8%
Government	0.0%	0.0%	0.0%	0.0%
Index	5.2%	-7.9%	13.1%	-2.7%
Industrial	4.7%	-5.5%	10.2%	-0.8%
Technology	7.6%	-2.1%	9.7%	5.5%
Utilities	0.4%	-1.8%	2.2%	-1.4%

Manager Evaluation

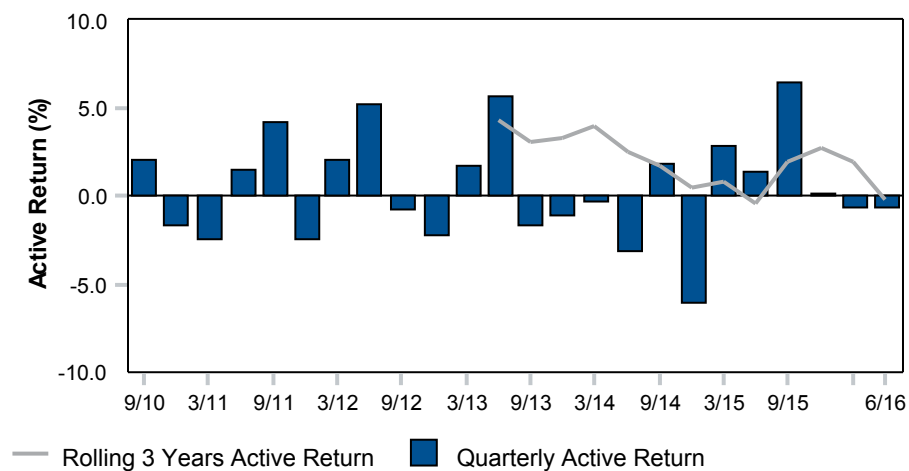
Passport Long Short Fund Ltd. (1x) vs. HFRI Equity Hedge (Total) Index

As of June 30, 2016

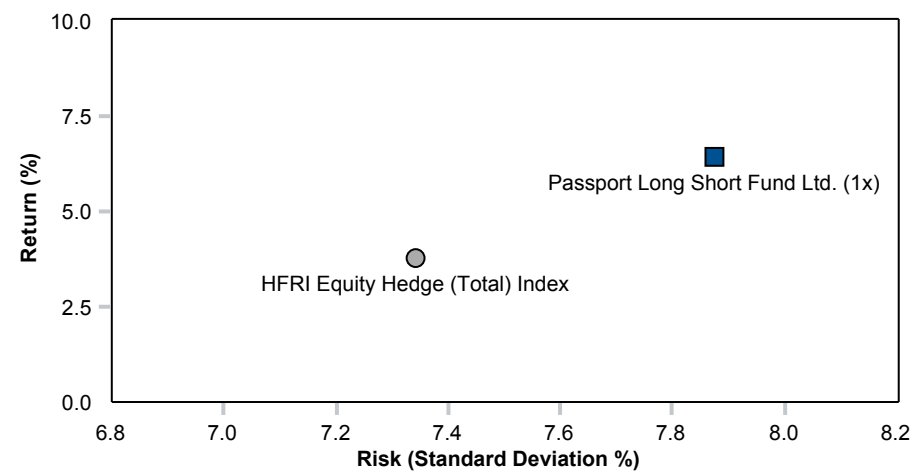
Historical Performance

	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. (1x)	0.7	-1.6	0.5	2.9	5.0	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	1.4	-0.4	-5.0	3.1	2.3	2.9	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI AC World Index	1.2	1.6	-3.2	6.6	6.0	4.8	-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 - Jun-2016)



Historical Statistics (Jun-2010 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Passport Long Short Fund Ltd. (1x)	6.4	7.9	6.5	5.4	0.3	0.8	9.1	0.3	4.8	49.3	6y 1m
HFRI Equity Hedge (Total) Index	3.7	7.3	3.9	0.0	1.0	0.5	0.0	N/A	4.9	0.0	6y 1m

Manager Evaluation

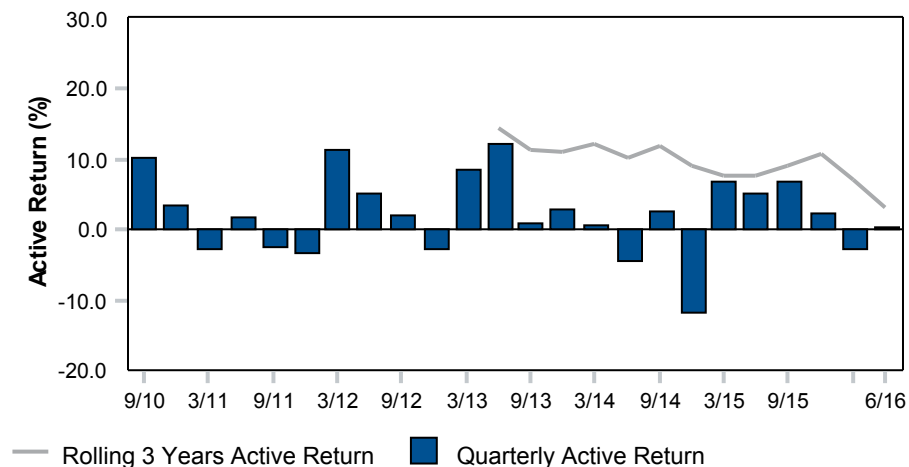
Passport Long Short Fund Ltd. (2x) vs. HFRI Equity Hedge (Total) Index

As of June 30, 2016

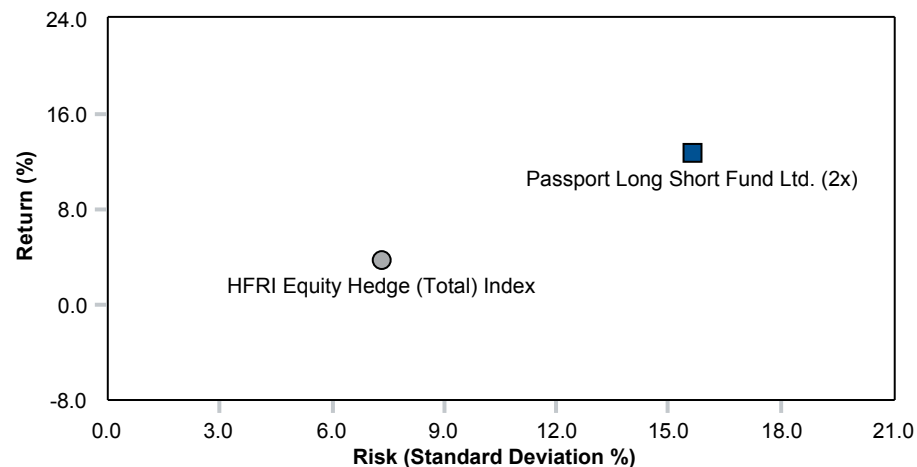
Historical Performance

	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)	1.7	-3.0	1.5	5.8	9.9	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	1.4	-0.4	-5.0	3.1	2.3	2.9	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI AC World Index	1.2	1.6	-3.2	6.6	6.0	4.8	-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 - Jun-2016)



Historical Statistics (Jun-2010 - Jun-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)	12.7	15.7	13.2	11.4	0.6	0.8	15.3	0.6	9.5	54.8	6y 1m
HFRI Equity Hedge (Total) Index	3.7	7.3	3.9	0.0	1.0	0.5	0.0	N/A	4.9	0.0	6y 1m

Prior to January 2013, returns were calculated by doubling the returns of Passport Long Short Fund, Ltd. (1x).

Manager Evaluation

Passport Long Short Fund, Ltd. (1x)

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$4.0 billion
Fund Assets	\$1.0 billion
Gross Exposure	180.0%
Net Exposure	32.0%
Long Exposure	106.0%
Short Exposure	-74.0%

Performance Attribution by Industry

	Q2 Gross Attribution	YTD Gross Attribution
Consumer Discretionary	1.0%	0.6%
Internet / Technology	-1.0%	0.1%
Basic Materials	-1.1%	-1.8%
Diversified	-0.4%	0.2%
Consumer Staple	0.8%	1.2%
Healthcare	1.5%	1.2%
Industrial	0.5%	-0.4%
Energy	0.2%	-0.5%
Utilities	0.4%	0.8%
Middle East / North Africa	-0.1%	-0.5%
Financial	-0.5%	-1.6%
Telecom	0.0%	0.2%

Regional Exposure

	Long	Short	Gross	Net
United States	88.0%	-66.0%	155.0%	22.0%
Europe	4.0%	-5.0%	9.0%	-1.0%
Asia	6.0%	-2.0%	8.0%	4.0%
Canada	5.0%	0.0%	5.0%	5.0%
Middle East / North Africa	3.0%	0.0%	3.0%	3.0%
Australia	0.0%	-1.0%	1.0%	-1.0%
Emerging Markets (Diversified)	0.0%	0.0%	0.0%	0.0%

Industry Exposure

	Long	Short	Gross	Net
Consumer Discretionary	18.0%	-22.0%	40.0%	-4.0%
Internet / Technology	25.0%	-14.0%	39.0%	11.0%
Basic Materials	9.0%	-11.0%	20.0%	-2.0%
Diversified	11.0%	-7.0%	18.0%	4.0%
Consumer Staple	12.0%	-4.0%	16.0%	8.0%
Healthcare	9.0%	-6.0%	15.0%	3.0%
Industrial	7.0%	-5.0%	12.0%	2.0%
Energy	4.0%	-3.0%	7.0%	1.0%
Utilities	4.0%	0.0%	4.0%	4.0%
Middle East / North Africa	3.0%	0.0%	3.0%	3.0%
Financial	1.0%	-2.0%	3.0%	-1.0%
Telecom	3.0%	0.0%	3.0%	3.0%

Manager Evaluation

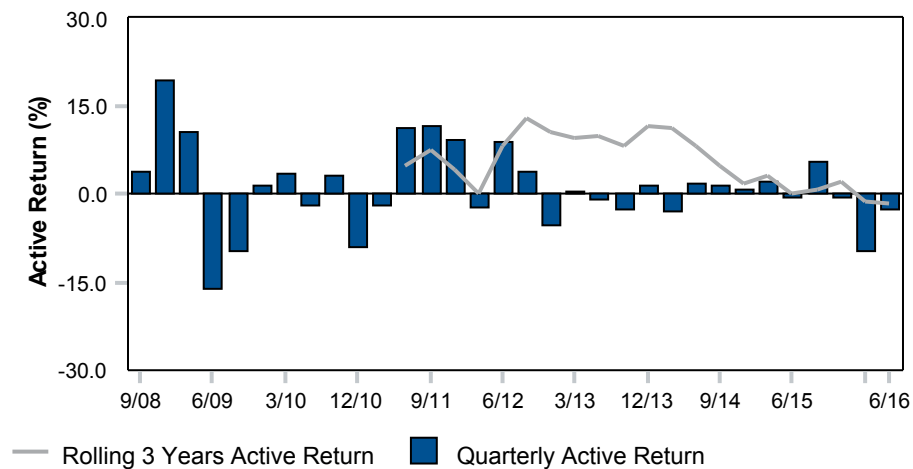
Bloom Tree Offshore Fund, Ltd. vs. HFRI Equity Hedge (Total) Index

As of June 30, 2016

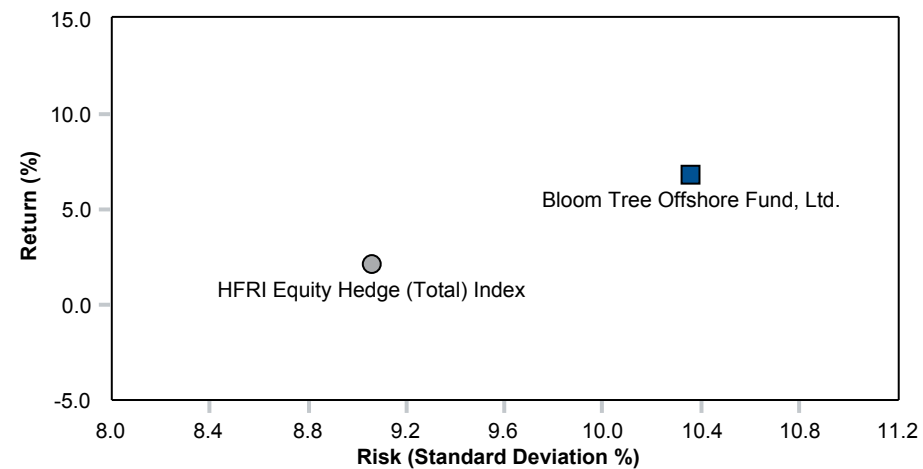
Historical Performance

	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.	-1.2	-12.3	-11.6	1.2	6.7	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	1.4	-0.4	-5.0	3.1	2.3	2.9	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI AC World Index	1.2	1.6	-3.2	6.6	6.0	4.8	-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 - Jun-2016)



Historical Statistics (May-2008 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Bloom Tree Offshore Fund, Ltd.	6.8	10.4	6.9	6.8	0.2	0.7	12.3	0.4	6.4	56.1	8y 2m
HFRI Equity Hedge (Total) Index	2.1	9.1	2.3	0.0	1.0	0.2	0.0	N/A	6.6	0.0	8y 2m

Manager Evaluation

Bloom Tree Offshore Fund, Ltd.

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$1.3 billion
Fund Assets	\$627 million
Gross Exposure	166.5%
Net Exposure	23.0%
Long Exposure	94.8%
Short Exposure	-71.6%

Performance Attribution by Industry

	Q2 Gross Attribution	YTD Gross Attribution
Business Services	0.0%	0.0%
Consumer Discretionary	0.2%	-2.6%
Consumer Staples	0.1%	-0.6%
Energy	-0.5%	-3.8%
Financials	-0.3%	-1.8%
Health Care	1.1%	-0.4%
Industrials	1.0%	-0.1%
Information Technology	2.1%	-0.3%
LED	0.0%	0.0%
Materials	0.1%	0.7%
REIT	0.0%	0.0%
Solar	0.0%	0.0%
Telecommunication Services	0.5%	-0.1%
Utilities	0.0%	-0.8%
Other Assets	0.0%	0.0%
Credit/Risk Arbitrage/Other	0.0%	-0.7%

Industry Exposure

	Long	Short	Gross	Net
Business Services	0.0%	0.0%	0.0%	0.0%
Consumer Discretionary	15.0%	-13.0%	28.0%	2.1%
Consumer Staples	0.0%	-8.0%	8.0%	-8.0%
Energy	1.9%	-4.2%	6.1%	-2.4%
Financials	17.0%	-2.8%	19.8%	14.1%
Health Care	18.1%	-4.3%	22.4%	13.8%
Industrials	7.4%	-11.5%	18.9%	-4.1%
Information Technology	26.3%	-12.5%	38.8%	13.7%
LED	0.0%	0.0%	0.0%	0.0%
Materials	1.4%	-3.1%	4.5%	-1.7%
REIT	0.0%	0.0%	0.0%	0.0%
Solar	0.0%	0.0%	0.0%	0.0%
Telecommunication Services	0.3%	-4.7%	5.0%	-4.5%
Utilities	1.2%	0.0%	1.2%	1.2%
Other Assets	0.0%	0.0%	0.0%	0.0%
Credit/Risk Arbitrage/Other	0.5%	-4.4%	4.8%	-3.9%

Regional Exposure

	Long	Short	Gross	Net
Asia	8.1%	-6.8%	14.9%	1.4%
Emerging Markets (Asia)	0.0%	0.0%	0.0%	0.0%
Emerging Markets (LatAm)	0.0%	0.0%	0.0%	0.0%
Europe	11.8%	-12.4%	24.2%	-0.7%
Japan	0.0%	0.0%	0.0%	0.0%
North America	80.1%	-48.4%	128.6%	31.7%
Pacific Ex Japan	0.0%	-1.2%	1.2%	-1.2%

Manager Evaluation

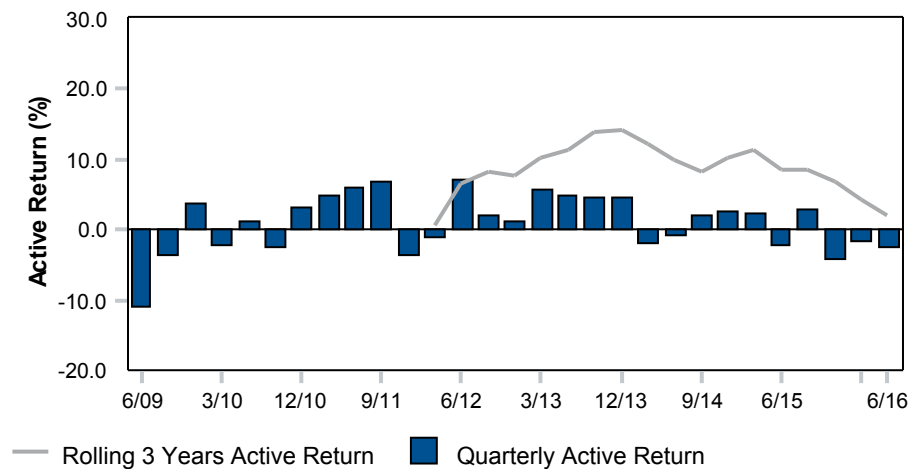
Tiger Eye Fund, Ltd. vs. HFRI Equity Hedge (Total) Index

As of June 30, 2016

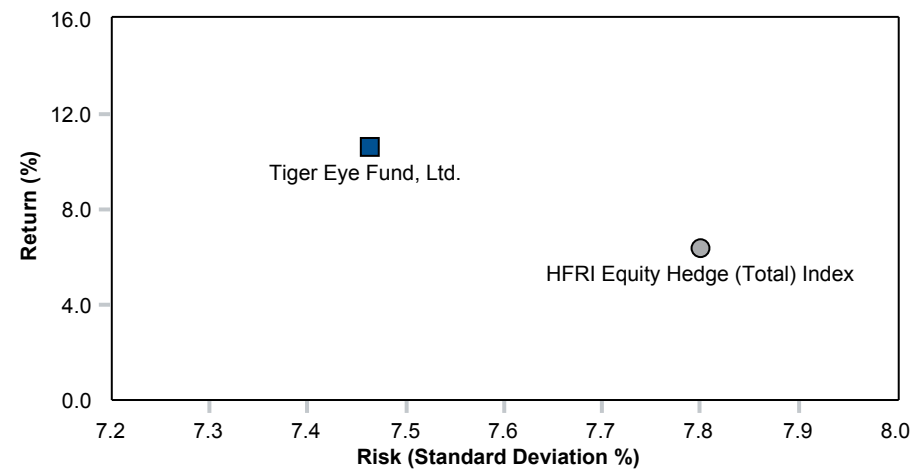
Historical Performance

	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.	-1.0	-4.5	-10.0	4.9	8.2	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	1.4	-0.4	-5.0	3.1	2.3	2.9	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
Russell 3000 Index	2.6	3.6	2.1	11.1	11.6	7.4	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 - Jun-2016)



Historical Statistics (Apr-2009 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Tiger Eye Fund, Ltd.	10.5	7.5	10.3	7.2	0.5	1.4	7.3	0.5	3.4	58.6	7y 3m
HFRI Equity Hedge (Total) Index	6.3	7.8	6.3	0.0	1.0	0.8	0.0	N/A	4.8	0.0	7y 3m

Manager Evaluation

Tiger Eye Fund, Ltd.

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$887 million
Fund Assets	\$887 million
Gross Exposure	120.1%
Net Exposure	58.3%
Long Exposure	89.2%
Short Exposure	-30.9%

Performance Attribution by Industry

	Q2 Gross Attribution	YTD Gross Attribution
Consumer	-0.1%	-0.5%
Energy	0.5%	0.7%
Financials	-0.2%	-0.5%
Healthcare	-0.3%	-0.4%
Industrials	-0.1%	-0.8%
Materials	-0.2%	0.1%
Real Estate & Lodging	0.4%	0.3%
TMT	-0.6%	-2.4%
Other	-0.4%	-0.8%

Regional Exposure

	Long	Short	Gross	Net
US	81.2%	-28.6%	109.8%	52.6%
Europe	2.3%	-2.1%	4.4%	0.2%
Asia	0.0%	-0.2%	0.2%	-0.2%
Canada	5.7%	0.0%	5.7%	5.7%
South America	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%

Industry Exposure

	Long	Short	Gross	Net
Consumer	20.4%	-5.9%	26.3%	14.4%
Energy	18.2%	-8.7%	26.8%	9.5%
Financials	10.6%	-1.5%	12.1%	9.1%
Healthcare	1.7%	-2.2%	3.8%	-0.5%
Industrials	9.4%	-2.6%	12.0%	6.8%
Materials	0.0%	-1.7%	1.7%	-1.7%
Real Estate & Lodging	14.7%	-2.2%	17.0%	12.5%
TMT	14.2%	-6.1%	20.3%	8.2%
Other	0.0%	0.0%	0.0%	0.0%

Manager Evaluation

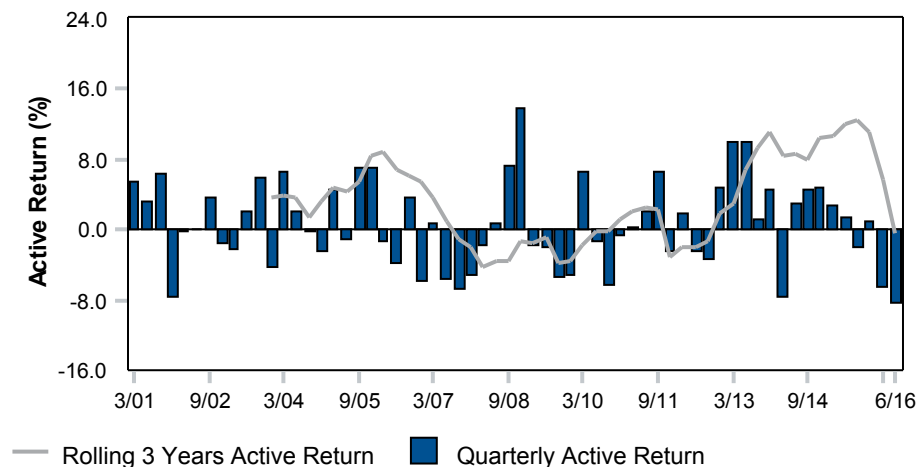
Indus Japan Fund, Ltd. vs. HFRI Equity Hedge (Total) Index

As of June 30, 2016

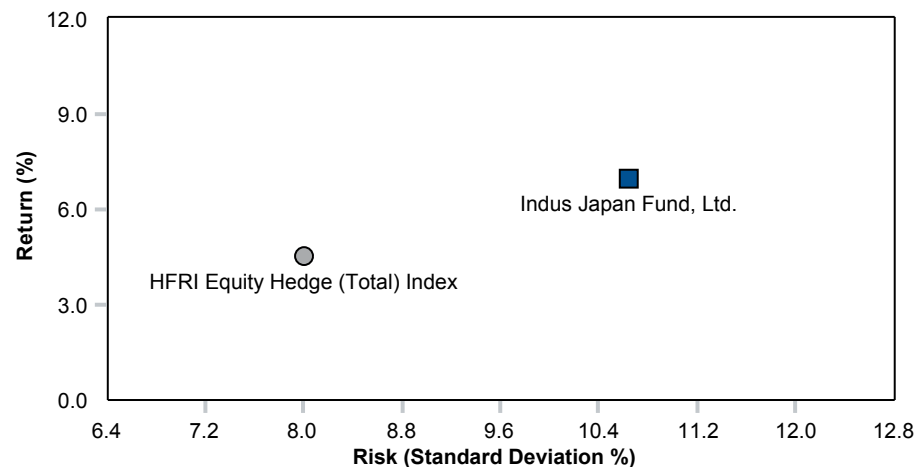
Historical Performance

	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.	-6.9	-14.5	-19.4	2.1	6.7	4.0	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	1.4	-0.4	-5.0	3.1	2.3	2.9	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI Japan Index	1.0	-5.4	-8.6	3.0	4.5	0.3	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 - Jun-2016)



Historical Statistics (Dec-2000 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Indus Japan Fund, Ltd.	6.9	10.7	5.7	4.0	0.7	0.5	9.4	0.3	6.6	52.9	15y 7m
HFRI Equity Hedge (Total) Index	4.5	8.0	3.2	0.0	1.0	0.4	0.0	N/A	5.6	0.0	15y 7m

Manager Evaluation

Indus Japan Fund, Ltd.

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$5.4 billion
Fund Assets	\$1.0 billion
Gross Exposure	137.0%
Net Exposure	47.0%
Long Exposure	92.0%
Short Exposure	-45.0%

Regional Exposure

	Long	Short	Gross	Net
Japan	90.1%	-45.2%	135.3%	44.9%
North America	1.7%	0.0%	1.7%	1.7%

Industry Exposure

	Long	Short	Gross	Net
Real Estate & Construction	16.4%	-0.9%	17.3%	15.5%
Cyclicals	16.4%	-5.8%	22.2%	10.6%
Technology	17.5%	-8.1%	25.6%	9.4%
Consumer	18.6%	-10.6%	29.2%	8.0%
Pharmaceuticals/Healthcare	8.6%	-1.2%	9.8%	7.4%
Telecoms/Media	6.7%	-0.7%	7.4%	6.0%
Finance	2.7%	0.0%	2.7%	2.7%
Banks	2.8%	-1.2%	4.0%	1.6%
Transportation	0.0%	-3.0%	3.0%	-3.0%
Diversified	2.3%	-13.7%	16.0%	-11.4%

Manager Evaluation

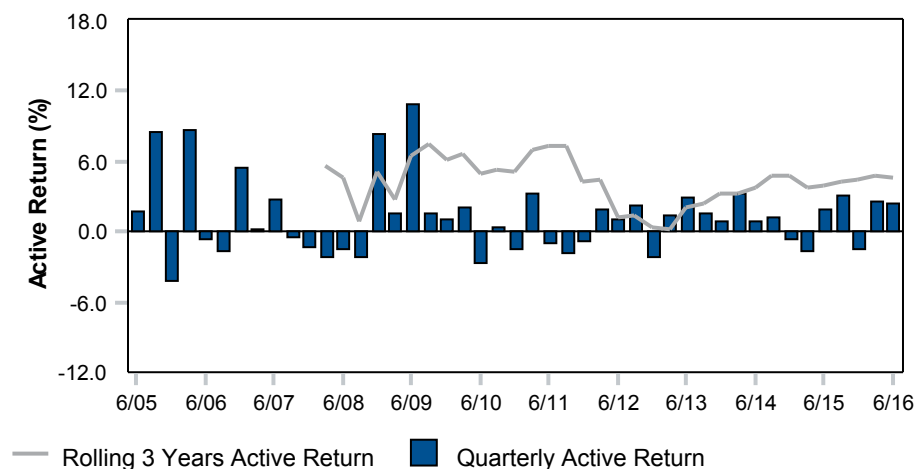
DK Distressed Opportunities International (Cayman) Ltd. vs. HFRI ED: Distressed/Restructuring Index

As of June 30, 2016

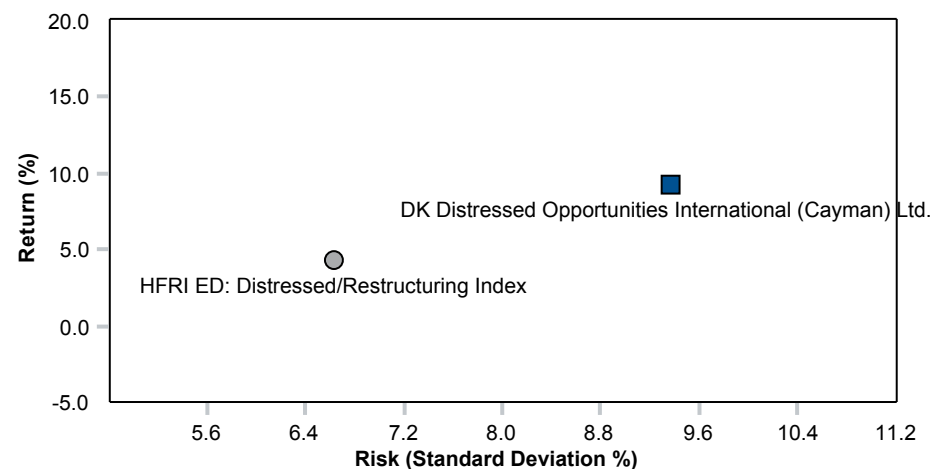
Historical Performance

	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 (Cayman) Ltd.	7.3	8.3	0.8	4.7	5.8	7.5	-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	4.9	3.2	-5.6	0.0	2.1	3.4	-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	4.4	8.7	3.8	4.3	5.7	7.8	-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 - Jun-2016)



Historical Statistics (Apr-2005 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
DK Distressed Opportunities International (Cayman) Ltd.	9.2	9.4	8.0	4.2	1.2	0.8	5.5	0.9	5.3	60.0	11y 3r
HFRI ED: Distressed/Restructuring Index	4.3	6.6	3.1	0.0	1.0	0.5	0.0	N/A	4.7	0.0	11y 3r

Manager Evaluation

Davidson Kempner Distressed Opportunities International (Cayman) Ltd.

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$25.4 billion
Fund Assets	\$1.2 billion
Gross Exposure	85.6%
Net Exposure	74.6%
Long Exposure	80.1%
Short Exposure	-5.5%

Largest Fund Positions

Longs		Shorts	
Lehman Brothers	6.1%	Building Material Hedge	1.6%
MGM Studios	5.7%	Eir Hedge	0.5%
Building Materials	3.8%	Materials #8	0.4%
Eircom	3.5%	US Energy #6	0.4%
Structured Products #4	2.6%	Materials #9	0.3%
Largest 5 Total	21.8%	Largest 5 Total	3.2%
Largest 10 Total	32.2%		
Number of Longs	149	Number of Shorts	23

Regional Exposure*

	Long	Short	Gross	Net
North America	46.3%	-5.6%	51.9%	40.7%
Europe	22.6%	-0.5%	23.1%	22.1%
Asia Pacific/Middle East	11.2%	0.0%	11.2%	11.2%
Other	0.5%	0.0%	0.5%	0.5%

Asset Class Exposure*

	Long	Short	Gross	Net
Common Stock	16.6%	-3.2%	19.8%	13.4%
Corporate Bonds	29.1%	-2.9%	32.0%	26.2%
Liquidations	16.2%	0.0%	16.2%	16.2%
Real Estate	3.4%	0.0%	3.4%	3.4%
Sovereign Credit	0.9%	0.0%	0.9%	0.9%
Structured Credit	12.5%	0.0%	12.5%	12.5%
Other	1.9%	0.0%	1.9%	1.9%

* Data provided as of May 31, 2016

Manager Evaluation

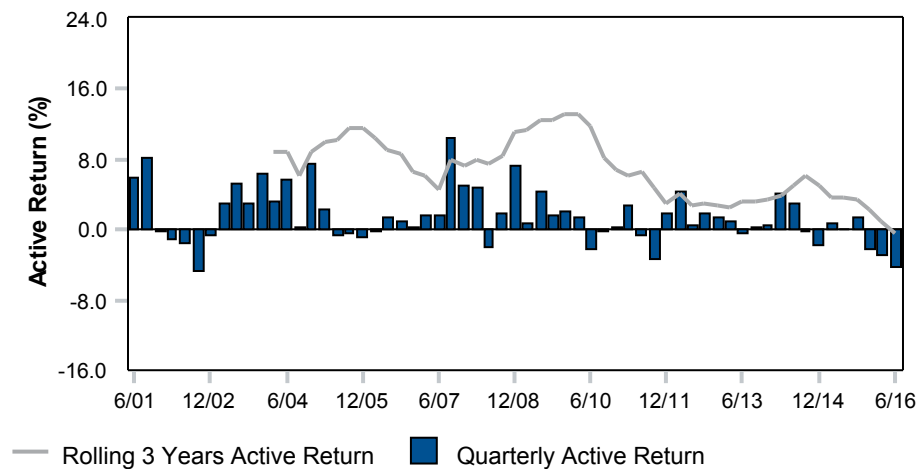
York Credit Opportunities Unit Trust vs. HFRI ED: Distressed/Restructuring Index

As of June 30, 2016

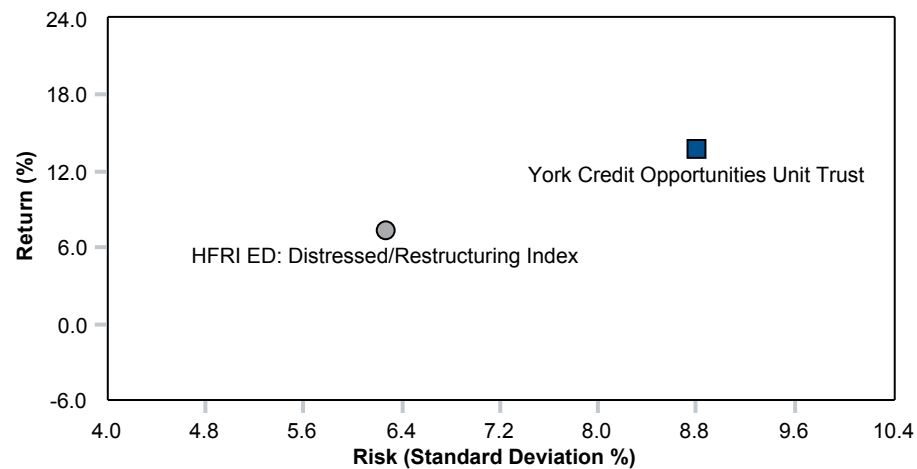
Historical Performance

	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	0.7	-3.9	-12.7	-0.5	3.1	8.4	-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	4.9	3.2	-5.6	0.0	2.1	3.4	-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	4.4	8.7	3.8	4.3	5.7	7.8	-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 - Jun-2016)



Historical Statistics (Feb-2001 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
York Credit Opportunities Unit Trust	13.7	8.8	11.8	5.3	1.1	1.3	5.3	1.2	4.7	63.8	15y 5m
HFRI ED: Distressed/Restructuring Index	7.2	6.3	5.7	0.0	1.0	0.9	0.0	N/A	4.1	0.0	15y 5m

Manager Evaluation

York Credit Opportunities Unit Trust

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$18.3 billion
Fund Assets	\$2.4 billion
Gross Exposure	116.5%
Net Exposure	65.5%
Long Exposure	91.0%
Short Exposure	-25.5%

Regional Exposure

	Long	Short	Gross	Net
North America	33.9%	-8.4%	42.3%	25.5%
Europe	37.4%	-10.5%	47.9%	26.9%
Asia / Australia	12.1%	-1.2%	13.3%	10.9%
Other Regions	7.5%	-5.4%	12.9%	2.1%

Largest Positions

Longs		Shorts	
Greece	6.4%	Utilities - Bonds	-1.4%
TXU	5.4%	Materials - Bonds	-1.0%
Shelf Drilling	3.7%	Consumer Disc - Bonds	-0.6%
Lehman Brothers	3.5%	Materials - CDS	-0.5%
Redcape Property Fund	2.9%	Consumer Disc - CDS	-0.5%
Largest 5 Total	22.0%	Largest 5 Total	-4.0%
Number of Long Positions	75	Number of Short Positions	20

Strategy Exposure

	Long	Short	Gross	Net
Public Equity	4.0%	-1.0%	5.0%	3.0%
Options & Futures	0.0%	-0.1%	0.1%	-0.1%
Bank Debt	9.8%	0.0%	9.8%	9.8%
Bonds	44.3%	-15.0%	59.3%	29.3%
CDS	1.6%	-9.5%	11.1%	-7.9%
Asset Backed	1.1%	0.0%	1.1%	1.1%
Non-Public Equity	30.1%	0.0%	30.1%	30.1%

Manager Evaluation

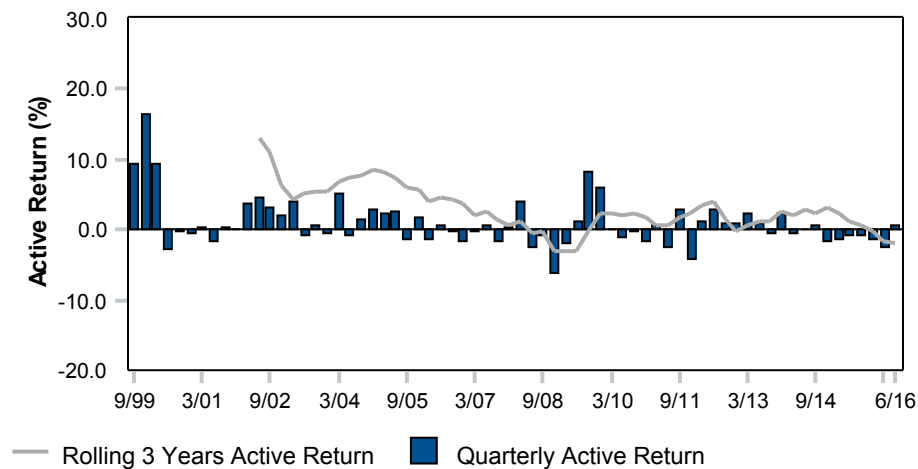
Marathon Special Opportunity Fund Ltd. vs. HFRI ED: Distressed/Restructuring Index

As of June 30, 2016

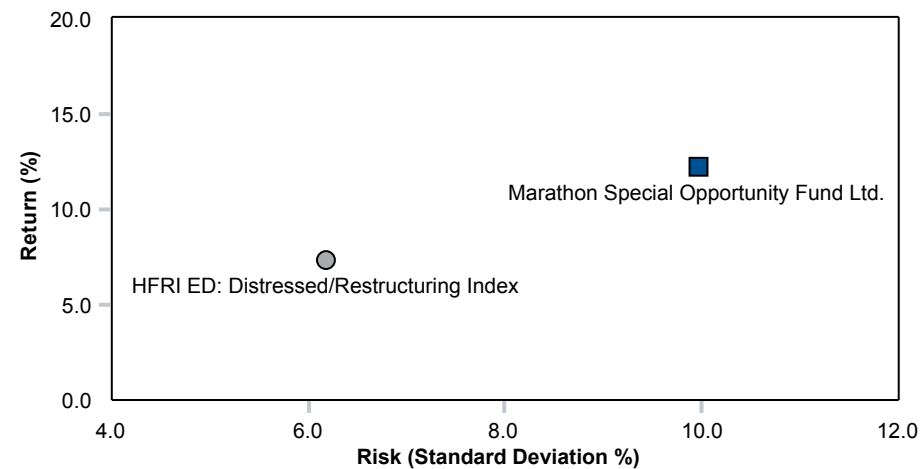
Historical Performance

	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.	5.6	1.2	-9.4	-1.9	2.4	3.3	-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	4.9	3.2	-5.6	0.0	2.1	3.4	-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	4.4	8.7	3.8	4.3	5.7	7.8	-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 - Jun-2016)



Historical Statistics (May-1999 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Marathon Special Opportunity Fund Ltd.	12.2	10.0	10.2	4.4	1.1	1.0	7.4	0.7	5.2	57.3	17y 2m
HFRI ED: Distressed/Restructuring Index	7.3	6.2	5.3	0.0	1.0	0.9	0.0	N/A	4.0	0.0	17y 2m

Manager Evaluation

Marathon Special Opportunity Fund Ltd.

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$12.6 billion
Fund Assets	\$1.1 billion
Gross Exposure	144.7%
Net Exposure	28.9%
Long Exposure	86.8%
Short Exposure	-57.9%

Largest Positions (% of NAV)

Longs		Shorts	
Puerto Rico Electric Power	6.3%	iShares iBoxx \$ High Yield	-11.9%
Caesar's Entertainment Op Co	5.1%	MARKIT CDX.EM Index	-3.9%
San Jose	4.7%	iShares Russell 2000 Index	-2.9%
Canada Government	4.1%	United Rentals Inc	-2.6%
Texas Competitive Electric	3.4%	Royal Bank of Canada	-2.4%
Largest 5 Total	23.6%	Largest 5 Total	-23.7%

Regional Exposure

	Long	Short	Gross	Net
North America	63.9%	-45.5%	109.4%	18.5%
Europe	16.4%	-4.4%	20.8%	12.0%
Latin America	5.1%	-7.2%	12.3%	-2.0%
Asia	0.9%	-0.7%	1.6%	0.2%
Other	0.5%	-0.2%	0.7%	0.3%

Asset Class Exposure

	Long	Short	Gross	Net
Asset Backed Securities	4.8%	0.0%	4.8%	4.8%
Credit Derivatives	0.0%	-11.1%	11.1%	-11.1%
Equities	9.4%	-15.4%	24.8%	-6.0%
Fixed Income	69.8%	-23.1%	92.9%	46.7%
External Fund	0.0%	0.0%	0.0%	0.0%
Futures	0.5%	0.0%	0.5%	0.5%
FX	0.6%	-1.2%	1.8%	-0.6%
Options	1.6%	-7.2%	8.8%	-5.6%
Structured Products	0.0%	0.0%	0.0%	0.0%
Swaps	0.1%	0.0%	0.1%	0.1%

Manager Evaluation

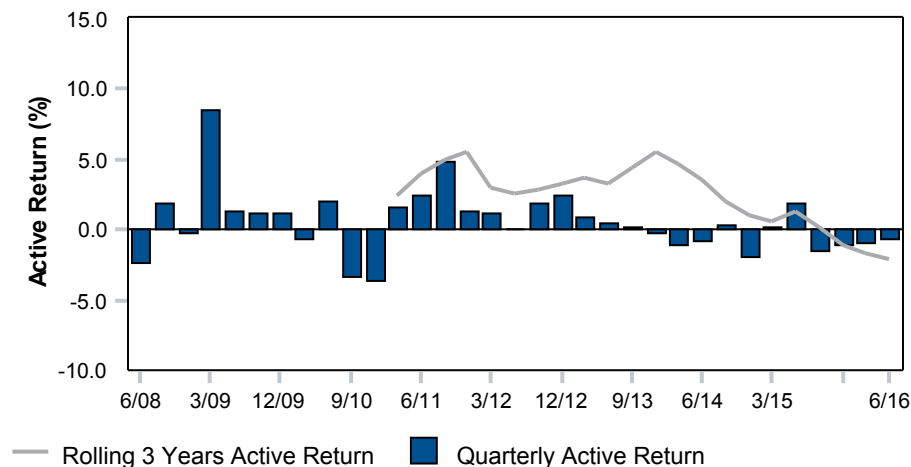
Brevan Howard Multi-Strategy Fund Limited vs. HFRI Macro (Total) Index

As of June 30, 2016

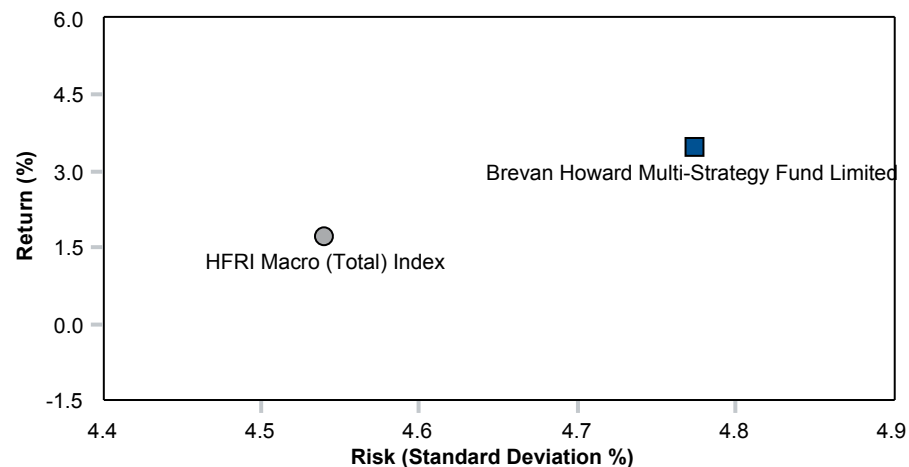
Historical Performance

	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	1.0	1.6	-1.9	0.6	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	1.7	3.3	2.3	2.7	1.0	3.4	-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	0.7	-1.5	-3.9	1.5	3.1	5.7	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 - Jun-2016)



Historical Statistics (Mar-2008 - Jun-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	3.5	4.8	3.3	2.5	0.6	0.7	4.5	0.4	2.9	54.0	8y 4m
HFRI Macro (Total) Index	1.7	4.5	1.5	0.0	1.0	0.3	0.0	N/A	2.8	0.0	8y 4m

Manager Evaluation

Brevan Howard Multi-Strategy Fund Limited

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$19.4 billion
Fund Assets	\$2.0 billion

VaR

Brevan Howard Multi-Strategy Master Fund Limited (% NAV)

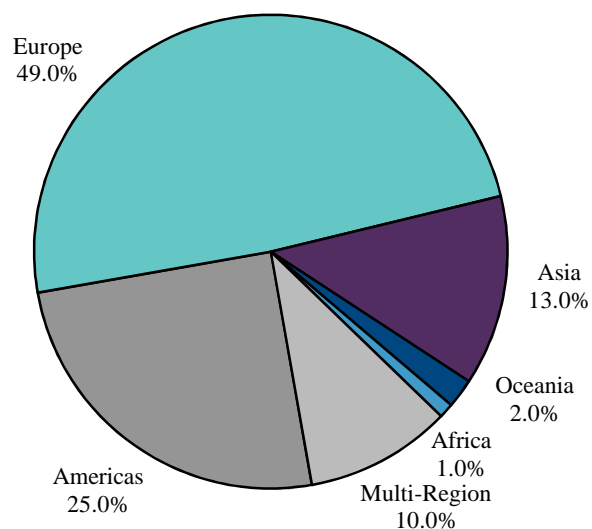
0.32%

Brevan Howard Master Fund Limited	0.29%
Brevan Howard Asia Master Fund Limited	0.14%
Brevan Howard Systematic Trading Master Fund Limited	1.39%
Direct Investment Portfolio	0.38%

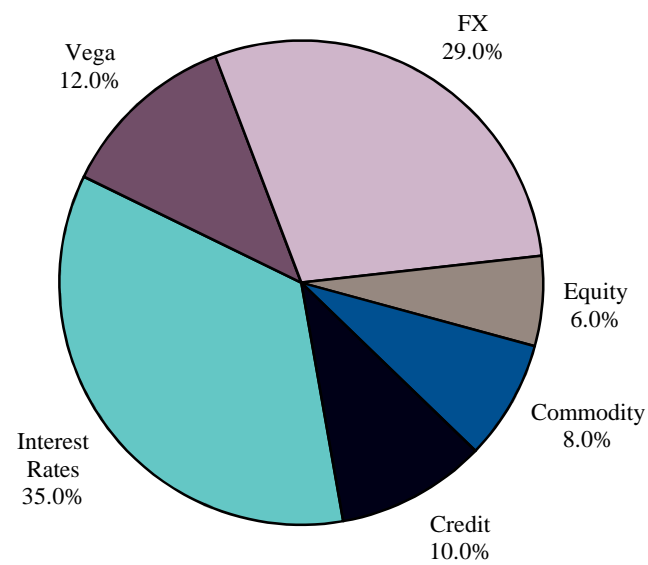
Holding Breakdown

	Q1 (%NAV)	Q2 (%NAV)
Brevan Howard Master Fund Limited	39.4%	31.7%
Brevan Howard Asia Master Fund Limited	11.9%	10.1%
BH-DG Systematic Trading Master Fund Limited	8.9%	7.7%
Direct Investment Portfolio and Treasury	39.8%	50.5%

Regional Exposure



Strategy Exposure



Manager Evaluation

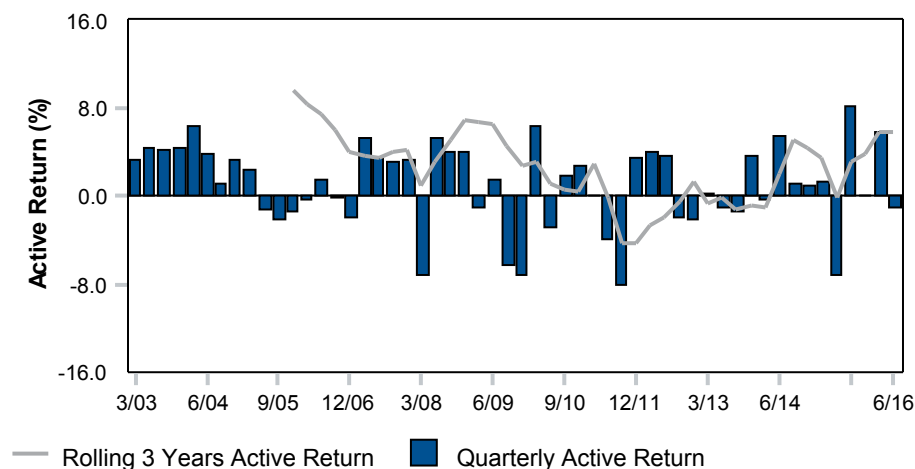
Robeco Transtrend Diversified Fund LLC vs. HFRI Macro: Systematic Diversified Index

As of June 30, 2016

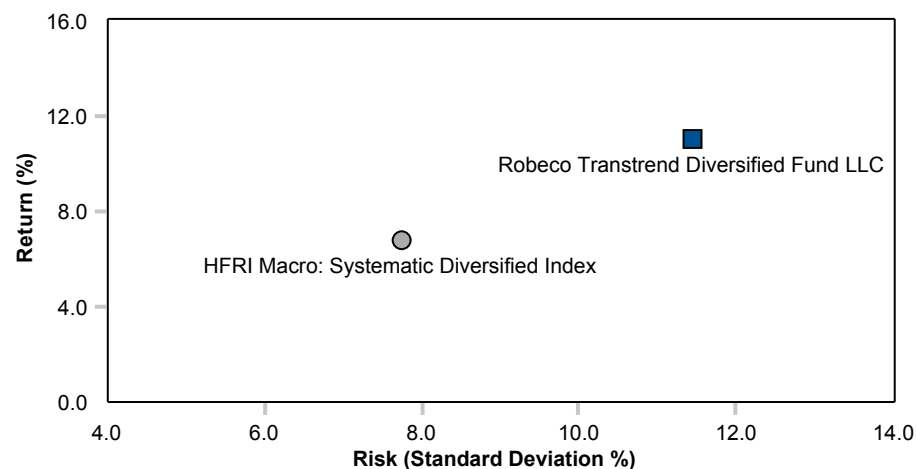
Historical Performance

	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	0.1	9.0	17.2	9.5	4.5	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	1.1	4.1	3.3	4.0	1.7	4.9	-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	-2.2	2.0	5.4	6.5	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 (Jan-2003 - Jun-2016)



Historical Statistics (Jan-2003 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Robeco Transtrend Diversified Fund LLC	11.0	11.5	9.8	3.6	1.1	0.9	7.7	0.6	6.7	55.6	13y 6m
HFRI Macro: Systematic Diversified Index	6.8	7.7	5.6	0.0	1.0	0.7	0.0	N/A	4.2	0.0	13y 6m

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

Manager Evaluation

Robeco Transtrend Diversified Fund LLC

As of June 30, 2016

Portfolio Characteristics

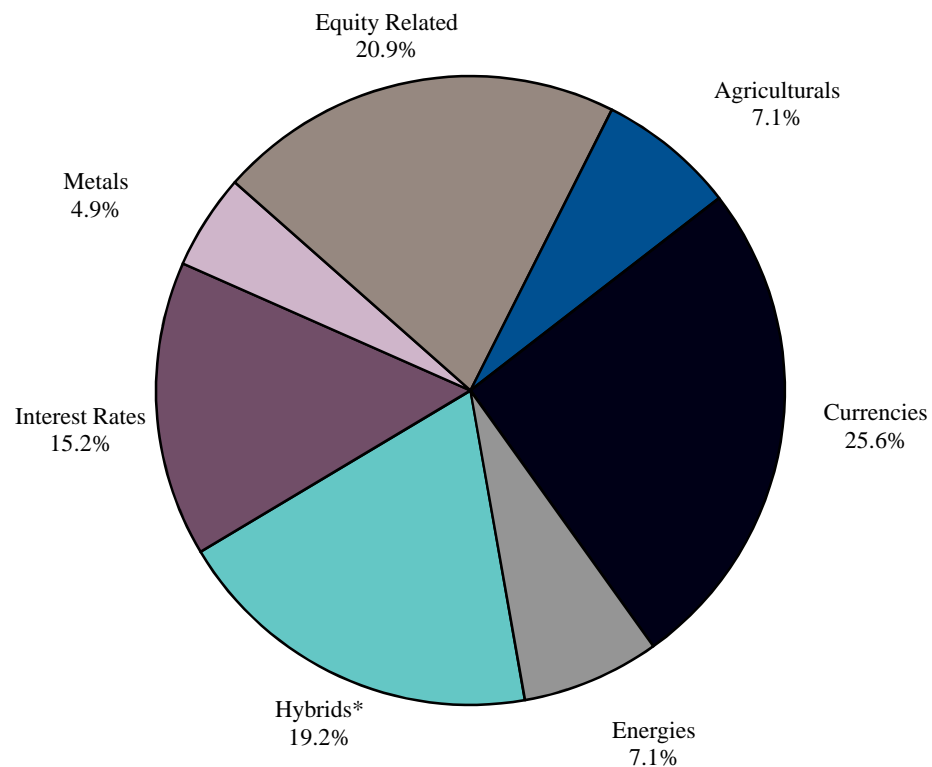
Firm Assets ¹	\$6.0 billion
Fund Assets	\$600 million
Margin / Net Assets	26.1%
Diversified VaR	1.6%

¹ Applicable to Transtrend, including notional funds

Attribution by Strategy

	Q2 Gross Attribution	YTD Gross Attribution
Commodities	-2.0%	-1.6%
Currencies	1.0%	1.4%
Interest Rates	5.8%	16.6%
Equity Related	-3.2%	-3.0%

Strategy Exposure (Risk Allocation)



* Hybrids are combinations of markets from different sectors, i.e., a subset of the synthetic markets.

Manager Evaluation

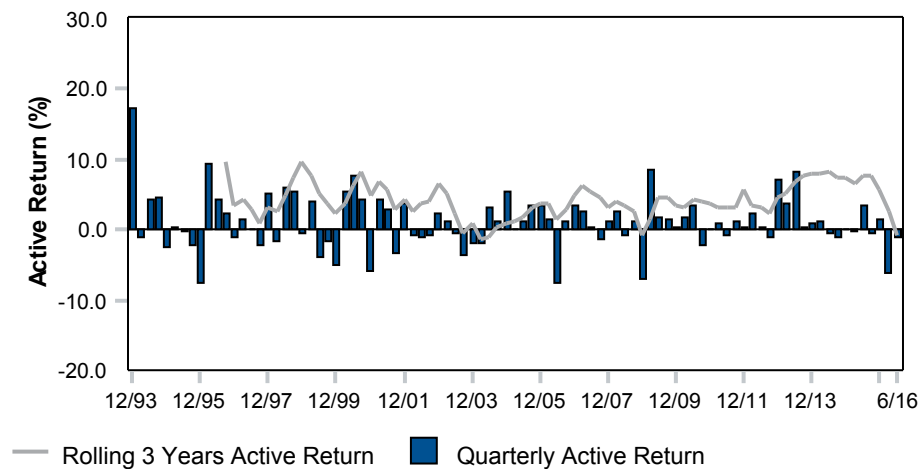
Moore Macro Managers Fund, Ltd. vs. HFRI Macro (Total) Index

As of June 30, 2016

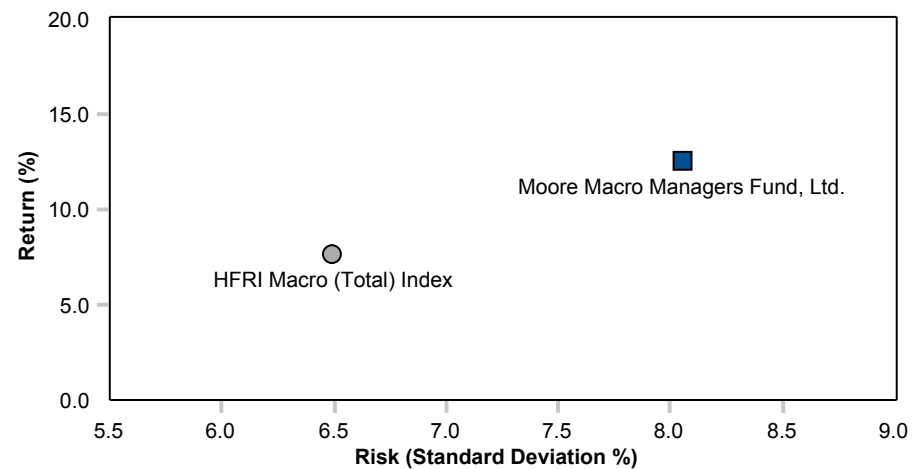
Historical Performance

	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, Ltd.	0.5	-4.3	-4.3	2.0	5.1	7.4	3.1	5.4	13.4	8.9	-2.6	11.6	17.1	0.4	14.4	6.2
HFRI Macro (Total) Index	1.7	3.3	2.3	2.7	1.0	3.4	-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	0.7	-1.5	-3.9	1.5	3.1	5.7	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 - Jun-2016)



Historical Statistics (Aug-1993 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Moore Macro Managers Fund, Ltd.	12.5	8.1	9.5	7.3	0.7	1.2	7.1	0.6	4.1	58.5	22y 11m
HFRI Macro (Total) Index	7.6	6.5	5.0	0.0	1.0	0.8	0.0	N/A	3.2	0.0	22y 11m

Manager Evaluation

Moore Macro Managers Fund, Ltd.

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$12.4 billion
Fund Assets	\$5.0 billion

Risk Factors by Asset Class (1-day std deviation as % of NAV)

Fixed Income (Developed Markets)	0.10%
Credit and Developing Market Rates	0.13%
Equities - Developed Markets	0.03%
Equities - Developing Markets	0.03%
Currencies (vs. USD)	0.06%
Commodities	0.05%
Other Products	0.00%

Risk Factors by Region (1-day std deviation as % of NAV)

U.S. and Canada	0.07%
Developed Europe	0.07%
Developed Asia	0.01%
Developing Asia	0.03%
Latin America	0.14%
Eastern Europe / Developing Europe	0.01%
Other / Multi-Regional / Commodities	0.05%

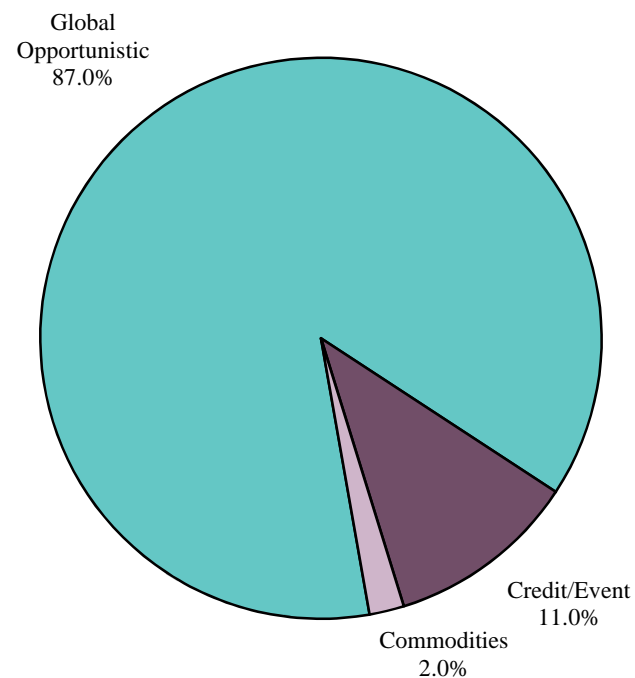
Aggregate Portfolio Risk (Undiversified) 0.38%

Aggregate Portfolio Risk (Diversified) 0.17%

Attribution by Strategy (Gross)

	Q2	YTD
Global Opportunistic	0.8%	-1.6%
Credit/Event	0.2%	-0.1%
Commodities	0.0%	-1.1%
Other	0.0%	0.0%

Strategy Exposure (% of Notional)



Manager Evaluation

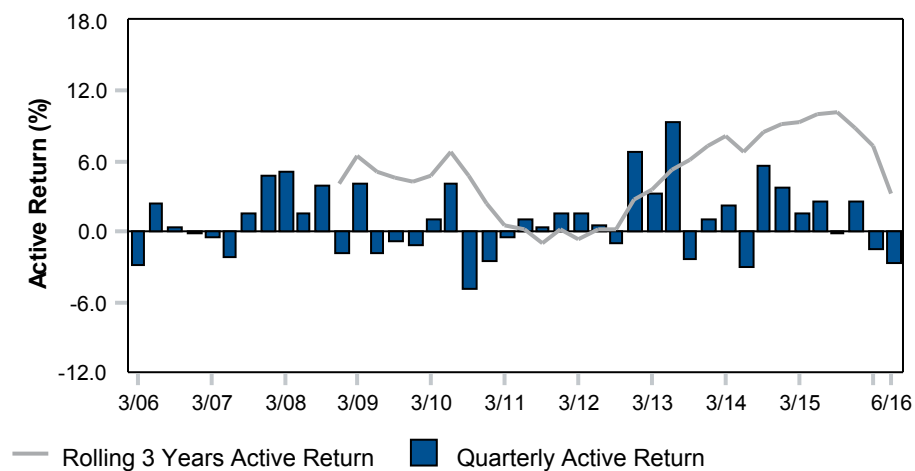
Stone Milliner Macro Fund Inc. vs. HFRI Macro (Total) Index

As of June 30, 2016

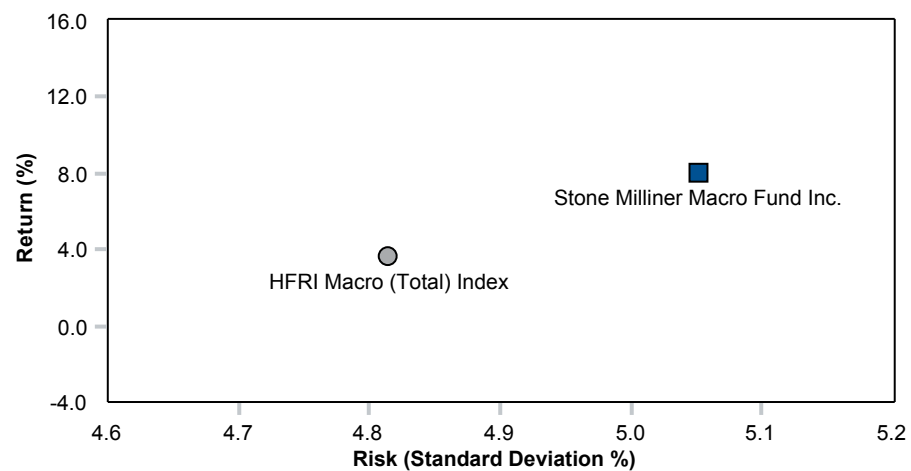
Historical Performance

	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.	-1.0	-0.9	0.7	5.9	7.6	8.0	5.7	14.3	11.2	8.1	-1.6	5.9	4.6	14.3	15.2	8.0
HFRI Macro (Total) Index	1.7	3.3	2.3	2.7	1.0	3.4	-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	0.7	-1.5	-3.9	1.5	3.1	5.7	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 - Jun-2016)



Historical Statistics (Jan-2006 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Stone Milliner Macro Fund Inc.	7.9	5.1	6.6	6.5	0.4	1.3	5.5	0.7	1.7	58.7	10y 6m
HFRI Macro (Total) Index	3.7	4.8	2.5	0.0	1.0	0.5	0.0	N/A	2.6	0.0	10y 6m

Manager Evaluation

Stone Milliner Macro Fund Inc.

As of June 30, 2016

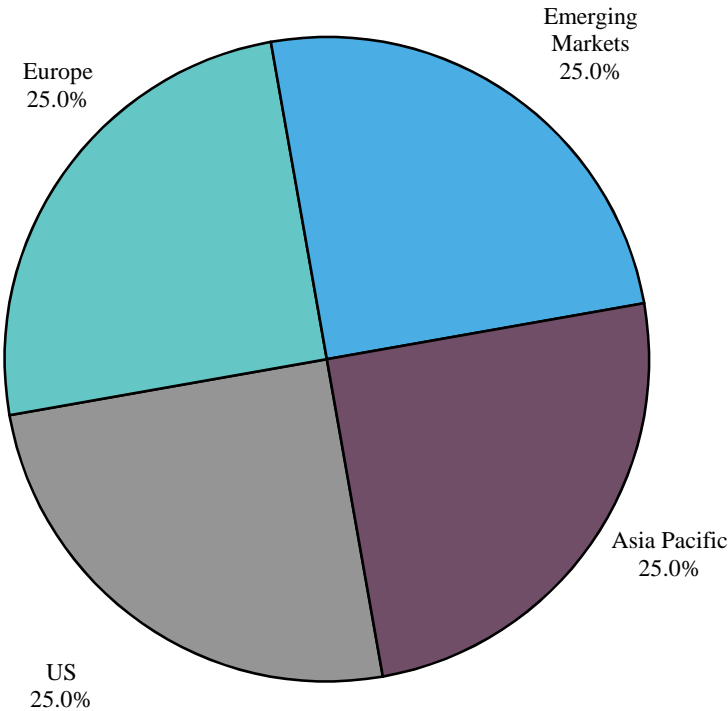
Portfolio Characteristics

Firm Assets	\$5.8 billion
Fund Assets	\$4.1 billion

Attribution by Strategy - Q2

	Gross Attribution
FX	-0.5%
Fixed Income / Interest Rates	0.0%
Equities	0.1%
Commodities	-0.1%

Strategy Exposure



Manager Evaluation

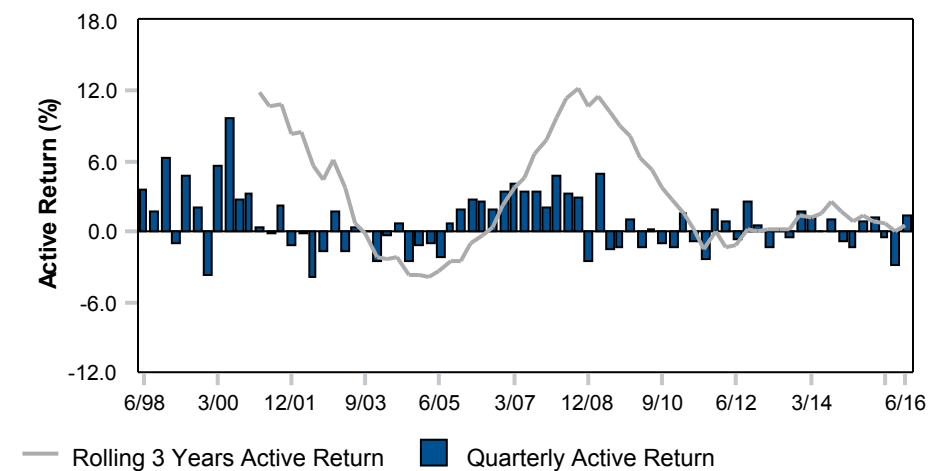
(Carlson) Double Black Diamond Ltd. vs. HFRI RV: Multi-Strategy Index

As of June 30, 2016

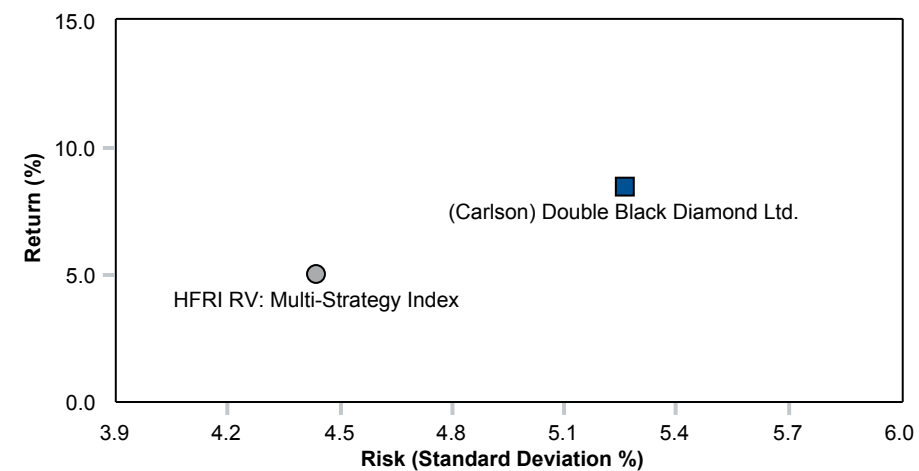
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
(Carlson) Double Black Diamond Ltd.	2.5	-0.3	-1.6	3.4	4.0	6.8	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	1.1	1.3	-0.8	2.9	3.4	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	N/A	N/A	N/A	N/A	N/A	N/A	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 - Jun-2016)



Historical Statistics (Apr-1998 - Jun-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
(Carlson) Double Black Diamond Ltd.	8.4	5.3	6.2	4.6	0.7	1.2	4.2	0.8	3.1	55.7	18y 3m
HFRI RV: Multi-Strategy Index	5.0	4.4	2.9	0.0	1.0	0.6	0.0	N/A	3.2	0.0	18y 3m

Manager Evaluation

(Carlson) Double Black Diamond, Ltd.

As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$8.4 billion
Fund Assets	\$2.8 billion
Gross Exposure	364.2%
Net Exposure	9.9%
Long Exposure	187.0%
Short Exposure	-177.2%

Performance Attribution by Strategy

	Q2 Gross Attribution
Equity Relative Value	0.5%
Equity Long/Short	2.4%
Cross-Asset RV	-0.5%
Credit Long/Short	0.7%
Event-Driven	0.2%
Strategic Investments	-0.1%
Macro Strategies	-0.2%

Regional Exposure

	Long	Short	Gross	Net
North America	141.0%	-132.1%	273.1%	8.8%
Europe	42.8%	-38.3%	81.1%	4.4%
Asia	1.5%	-2.9%	4.4%	-1.4%
Other	1.8%	-3.8%	5.6%	-2.0%

Strategy Exposure

	Long	Short	Gross	Net
Equity Relative Value	53.4%	-55.9%	109.3%	-2.5%
Equity Long/Short	34.4%	-39.1%	73.5%	-4.7%
Cross-Asset RV	29.5%	-42.8%	72.3%	-13.3%
Credit Long/Short	15.6%	-9.0%	24.6%	6.6%
Event-Driven	45.3%	-24.4%	69.7%	20.9%
Strategic Investments	4.6%	-0.4%	5.0%	4.2%
Macro Strategies	4.2%	-5.5%	9.7%	-1.3%

Manager Evaluation

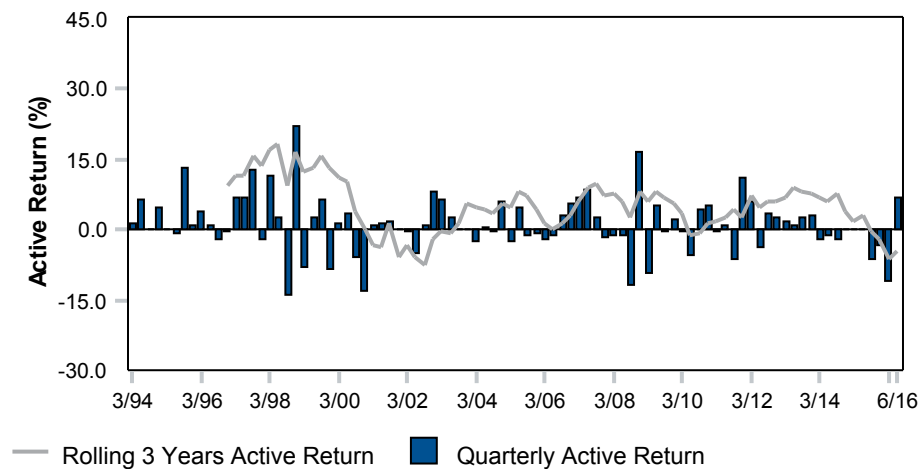
Fir Tree International Value Fund (Non-US), L.P. vs. HFRI RV: Multi-Strategy Index

As of June 30, 2016

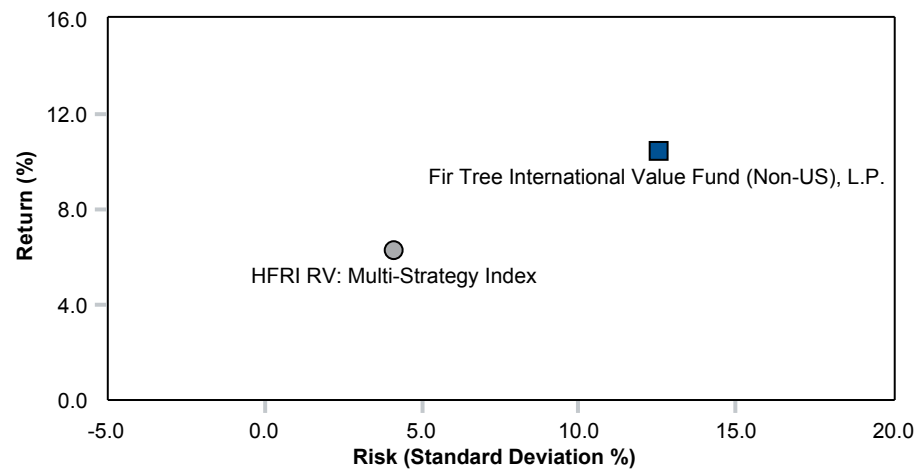
Historical Performance

	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.	7.8	-3.9	-14.6	-2.1	3.2	6.4	-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	1.1	1.3	-0.8	2.9	3.4	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	N/A	N/A	N/A	N/A	N/A	N/A	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 - Jun-2016)



Historical Statistics (Jan-1994 - Jun-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.	10.4	12.6	8.1	2.2	1.4	0.6	11.3	0.4	7.8	56.3	22y 6m
HFRI RV: Multi-Strategy Index	6.3	4.1	3.5	0.0	1.0	0.8	0.0	N/A	2.8	0.0	22y 6m

Manager Evaluation

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

As of May 31, 2016

Portfolio Characteristics

Firm Assets	\$9.9 billion
Fund Assets	\$6.1 billion
Gross Exposure	146.9%
Net Exposure	17.1%
Long Exposure	82.0%
Short Exposure	-64.9%

Performance Attribution by Strategy

	YTD Gross Attribution
Value Equities	-1.6%
Special Situations	-4.7%
Yielding Securities	-4.3%
Corporate Credit	6.0%
Capital Structure Arbitrage	1.2%
Structured/Mortgage Credit	-0.1%
Portfolio Hedges	0.4%
Credit Shorts	-0.9%

Regional Exposure

	Long	Short	Gross	Net
North America	60.1%	-28.5%	88.6%	31.6%
Europe/UK	7.6%	-4.8%	12.4%	2.7%
Asia	2.8%	-24.6%	27.4%	-21.8%
Latin America	11.6%	-5.2%	16.8%	6.4%
Other	0.0%	-1.9%	1.9%	-1.9%

Strategy Exposure

	Long	Short	Gross	Net
Value Equities	10.4%	-11.4%	21.8%	-1.0%
Special Situations	42.6%	-16.0%	58.6%	26.6%
Yielding Securities	4.9%	-1.1%	6.0%	3.8%
Corporate Credit	13.7%	-3.8%	17.5%	9.9%
Capital Structure Arbitrage	7.0%	-3.8%	10.8%	3.2%
Structured / Mortgage Credit	3.1%	0.0%	3.1%	3.1%
Portfolio Hedges	0.4%	-9.5%	9.9%	-9.1%
Credit Shorts	0.0%	-19.3%	19.3%	-19.3%
Non-marketable	2.6%	0.0%	2.6%	2.6%

Manager Evaluation

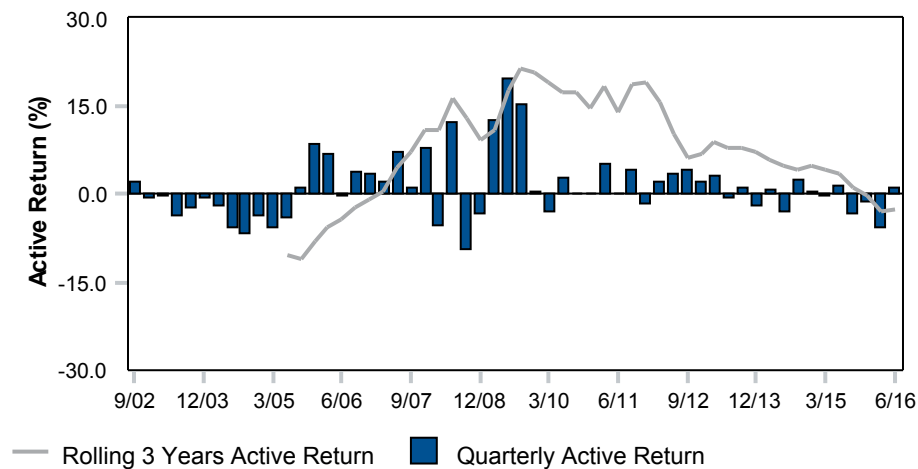
Pine River Fund Ltd. vs. HFRI RV: Multi-Strategy Index

As of June 30, 2016

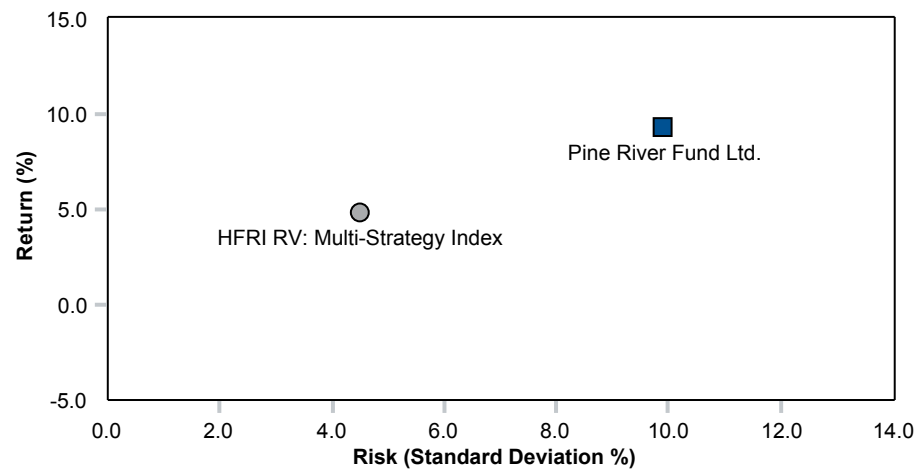
Historical Performance

	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.	2.2	-3.3	-9.7	0.3	5.3	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	1.1	1.3	-0.8	2.9	3.4	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	N/A	N/A	N/A	N/A	N/A	N/A	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 - Jun-2016)



Historical Statistics (Jun-2002 - Jun-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	9.9	8.1	2.3	1.5	0.8	7.6	0.6	6.0	56.8	14y 1m
HFRI RV: Multi-Strategy Index	4.8	4.5	3.5	0.0	1.0	0.8	0.0	N/A	3.3	0.0	14y 1m

Manager Evaluation

Pine River Fund Ltd.

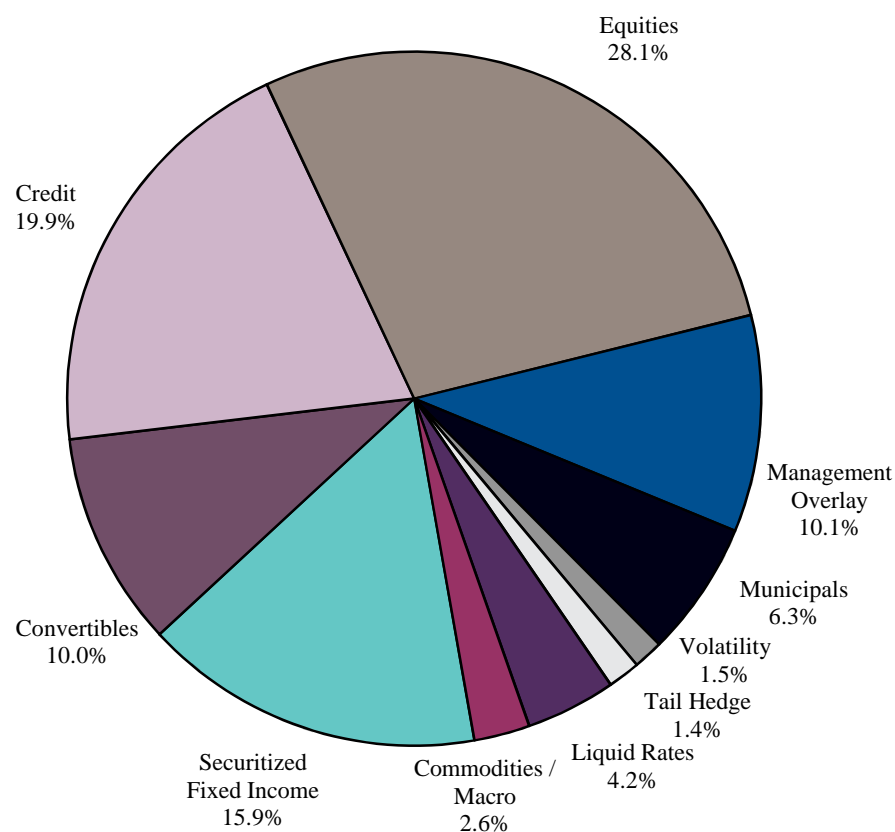
As of June 30, 2016

Portfolio Characteristics

Firm Assets	\$11.5 billion
Fund Assets	\$3.0 billion

Gross Exposure	430.0%
Total Number of Positions	2,720

Strategy Allocation (% of capital)



Performance Attribution by Strategy

	Q2 Net Attribution	YTD Net Attribution
Equities	-0.6%	-2.5%
<i>Event Driven</i>	0.7%	1.6%
<i>Market Neutral</i>	-1.2%	-4.1%
Volatility	0.3%	0.7%
Convertibles	0.8%	0.7%
Credit	1.8%	1.6%
Securitized Fixed Income	-0.6%	-1.2%
Municipals	0.9%	1.0%
Rates	0.1%	0.1%
Commodities/Macro	-0.6%	-0.6%
Tail Hedge	-0.1%	-0.1%
Management Overlay	0.2%	-2.9%
<i>Equities</i>	0.5%	0.3%
<i>Volatility</i>	0.0%	0.0%
<i>Convertibles</i>	0.0%	0.0%
<i>Credit</i>	0.2%	-0.7%
<i>Securitized Fixed Income</i>	0.0%	0.0%
<i>Municipals</i>	0.0%	0.0%
<i>Rates</i>	-0.2%	-0.8%
<i>Commodities/Macro</i>	-0.2%	-1.7%

Regional Allocation (% of capital)

North America	77.5%
Europe	12.2%
Asia	10.3%

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 June 30, 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.

ATTACHMENT 7

Investing in a Low to Moderate Growth Environment

El Camino Hospital
Surplus Cash

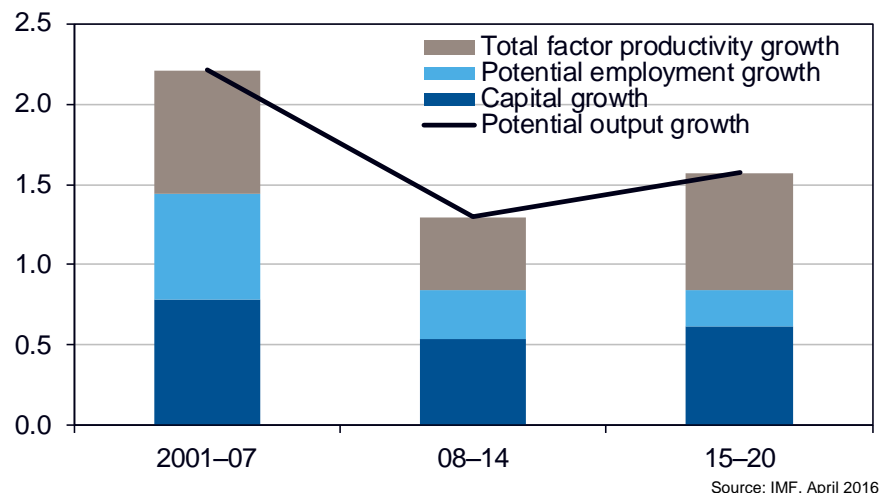
August 2016



Global Equities

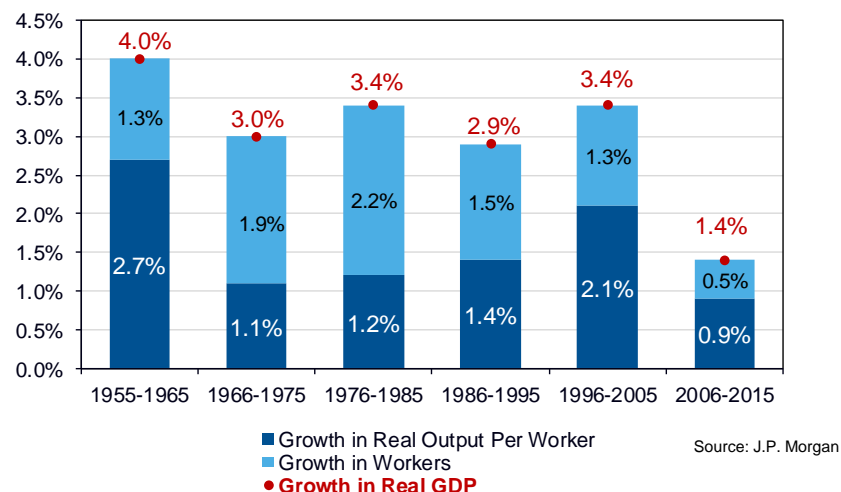
Expectations are for Low to Moderate Global Growth

Potential Output Growth in Advanced Economies Hindered by Aging Population and Lower Employment Growth



Demographics are a Headwind to GDP Growth

Drivers of U.S. GDP Growth – Average YOY Percent Change



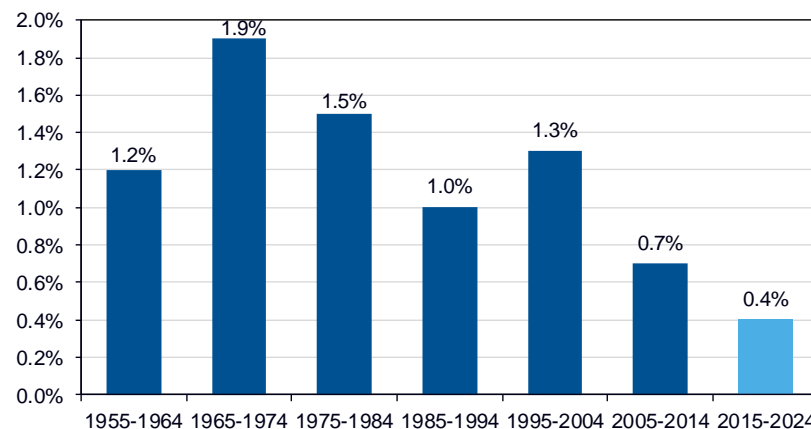
Unemployment Rates Expected to Improve Marginally, Except Brazil Where the Employment Situation is Worsening

	Unemployment		
	2015	2016E	2017E
United States	5.3%	4.9%	4.8%
Euro Area	10.9%	10.3%	9.9%
Japan	3.4%	3.3%	3.3%
United Kingdom	5.4%	5.0%	5.0%
Canada	6.9%	7.3%	7.4%
China	4.1%	4.1%	4.1%
Brazil	6.8%	9.2%	10.2%

National Definitions of Unemployment may vary

Source: IMF, April 2016

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

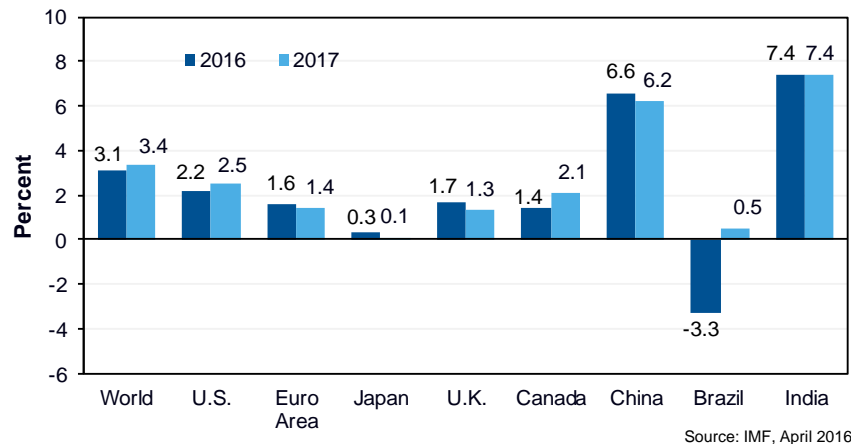


Source: J.P. Morgan

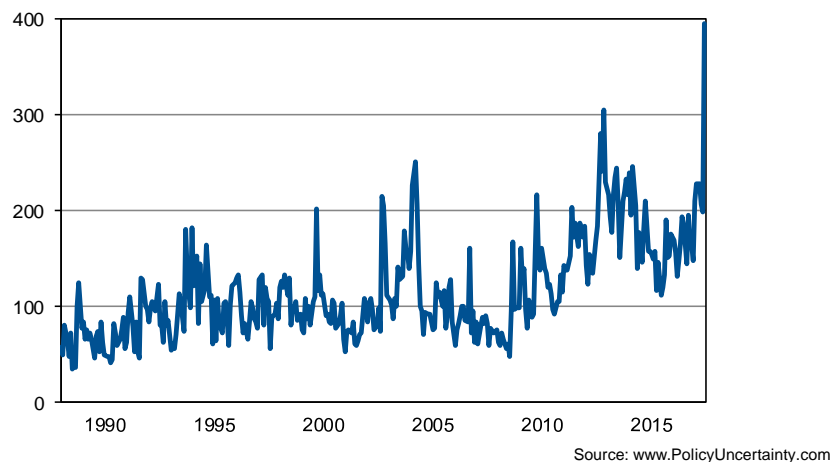
Global Equities

Expectations are for Low to Moderate Global Growth

Worldwide GDP Expected to be About 3.1% in 2016 and 3.4% in 2017 – IMF's Est. Represent Further Declines Relative to Prior Forecasts and are Attributable Mainly to the U.S., U.K., Japan, and Other Developed Markets

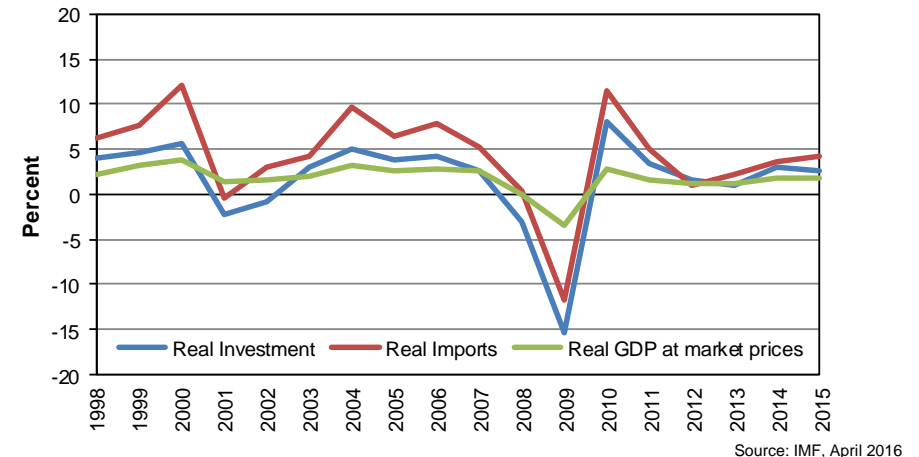


European Policy Uncertainty Index: Global Policy Uncertainty has Spiked to Near Record Levels in Europe. Europe and the U.K. have Driven the Rise, but Policy Uncertainty has Risen Sharply in the U.S. and China too. Uncertainty Tends to Impede Investment and GDP Growth

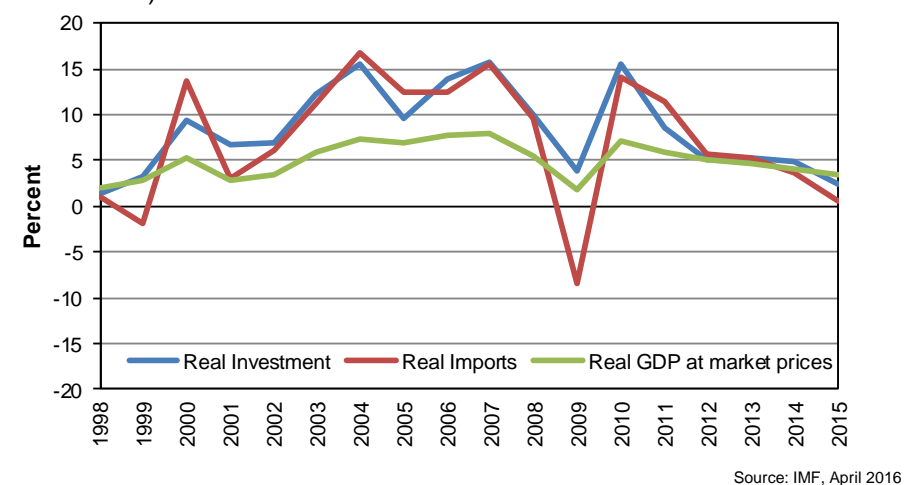


Global Investment Remains Slow in Part due to Slowing Growth and Rebalancing in China, a Slowdown in Commodity Exporting Countries and Growing Economic Uncertainty

Global Investment and Trade Slowdown (Advanced Economies)



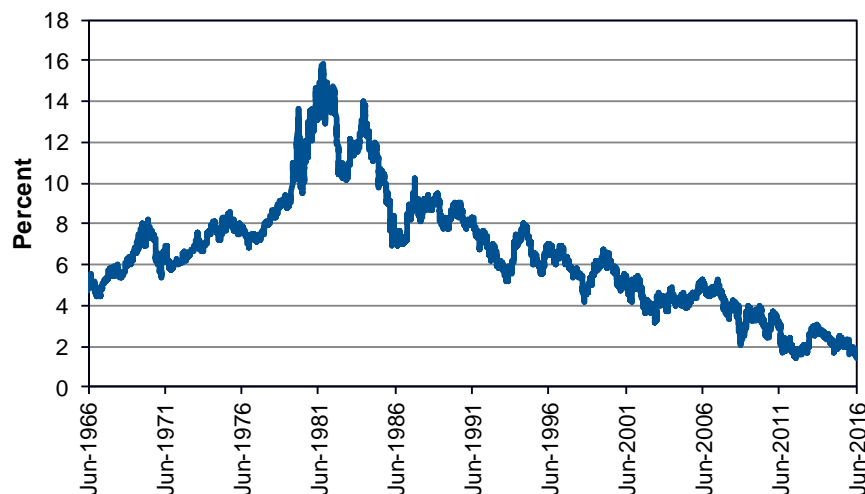
Global Investment and Trade Slowdown (Emerging Market and Developing Economies)



Fixed Income - U.S. Interest Rates and Yield Curve

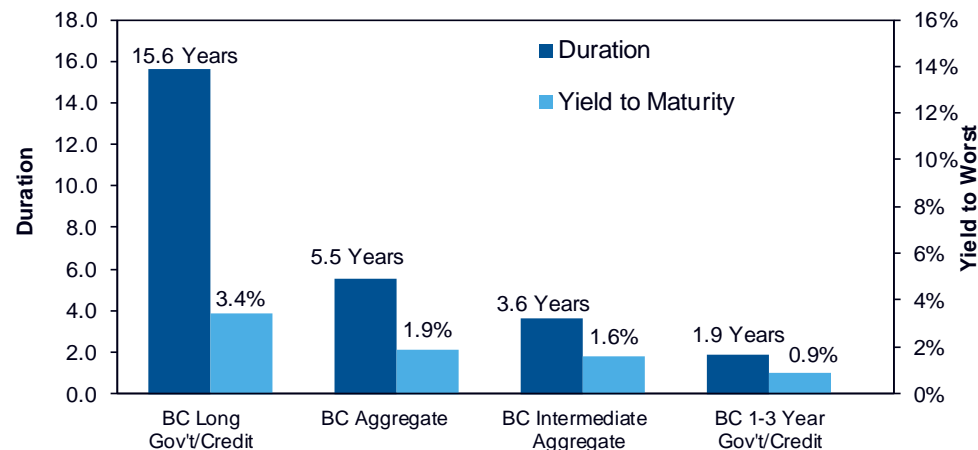
Low Interest Rate Levels in the U.S. Provide Investors with Low Return Potential

10-Year Treasury Yield – Still Near Historic Lows



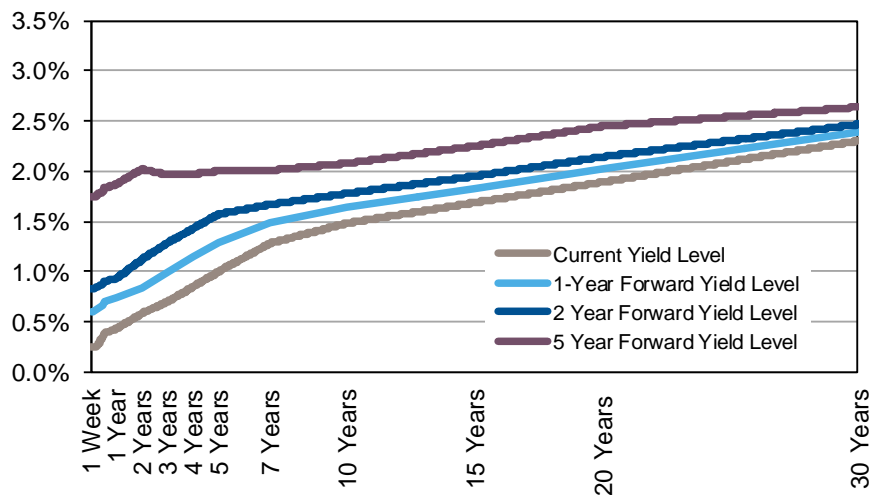
Source: Federal Reserve

Bond Indices - Interest Rate Risk Rises as Yields Fall



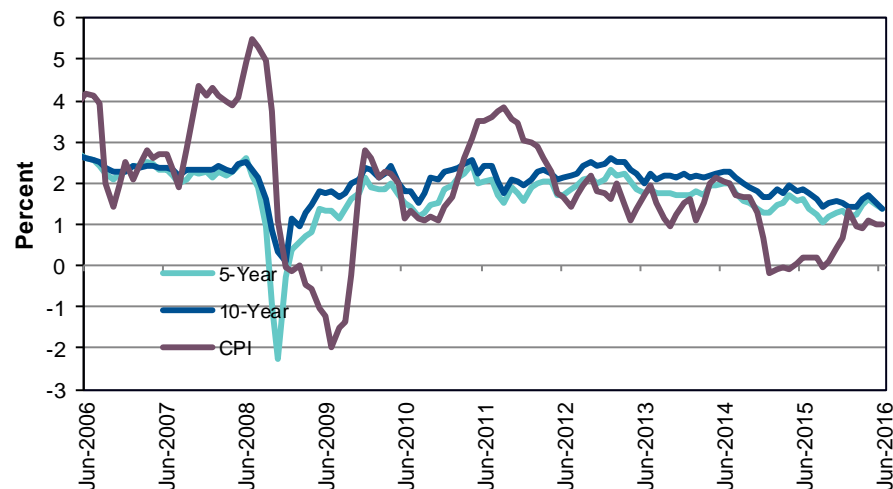
As of June 30, 2016

Forward Curve Flattens Further with Short Rates Rising; Little Change to Long Rates (As of June 30, 2016)



Source: Bloomberg

Breakeven Inflation Inching Lower

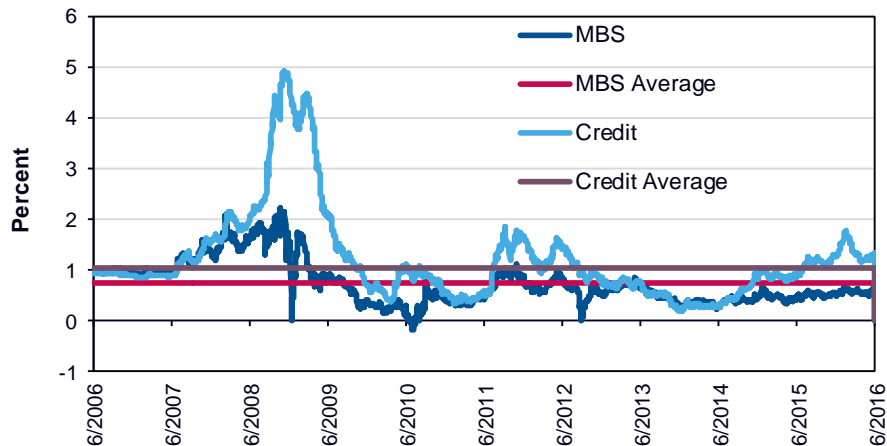


Source: Federal Reserve

Fixed Income - Investment Grade Sector Fundamentals

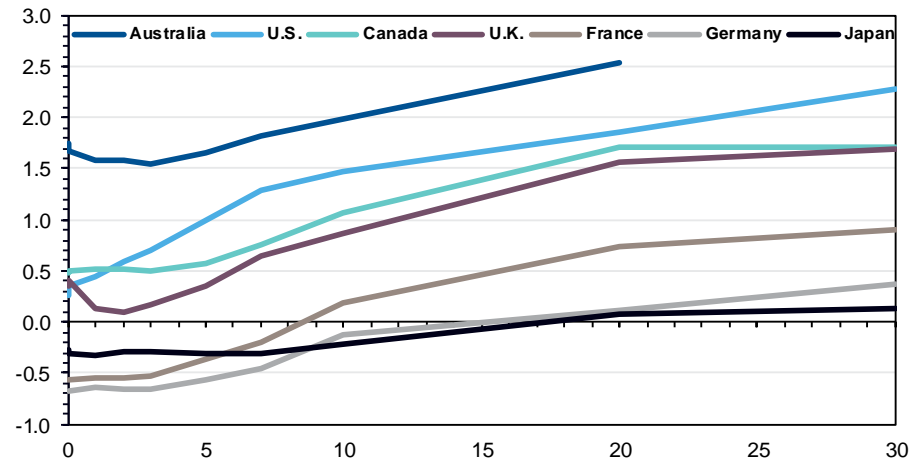
U.S. Sector Spreads Relatively Unchanged; Major Foreign Markets Offer No Yield Advantage

Yield Spreads on Credit are Above Average; Mortgage Spreads are Below Average Levels



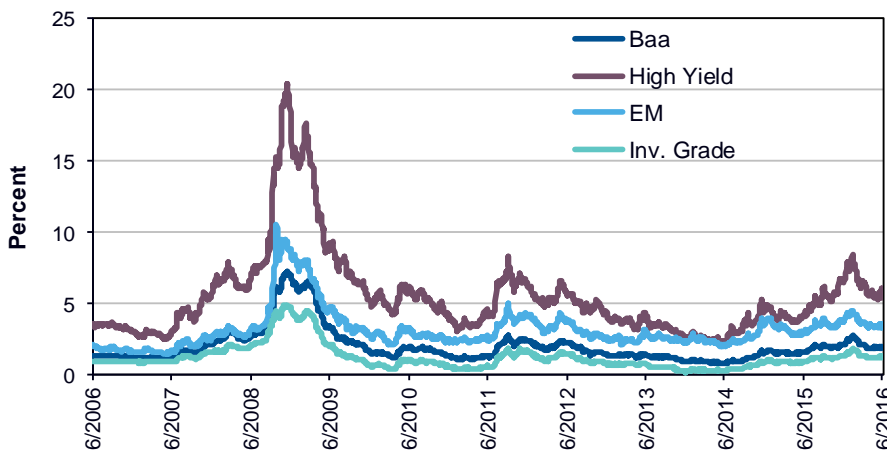
Source: Barclays

U.S. Rates Top Most Developed Markets Rates



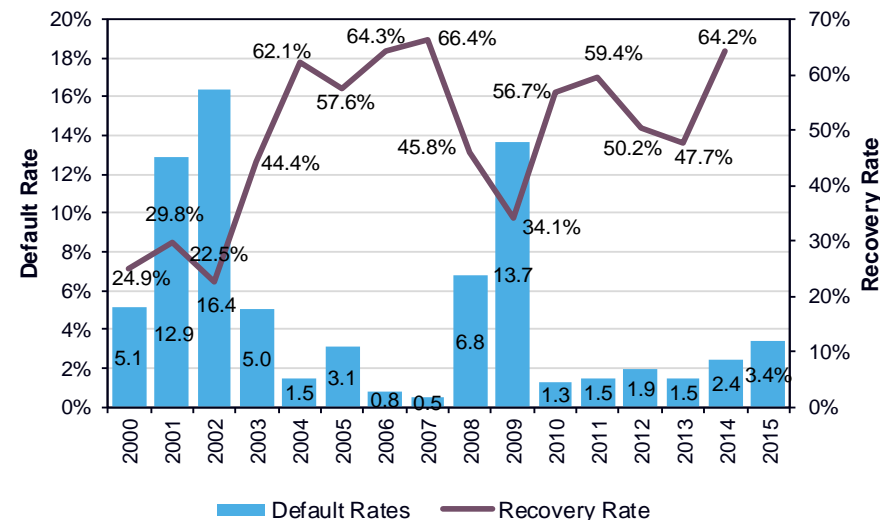
Source: Bloomberg

High Yield and Emerging Market Segments Provide An Increasing Yield Advantage



Source: Barclays

U.S. High Yield Default Rate Climbs to 4.9% TTM at June 30, 2016. Energy Default Rate Was 15% with the E&P Sub Sector at 29%



Source: Fitch U.S. High Yield Default Insight

Hedge Funds

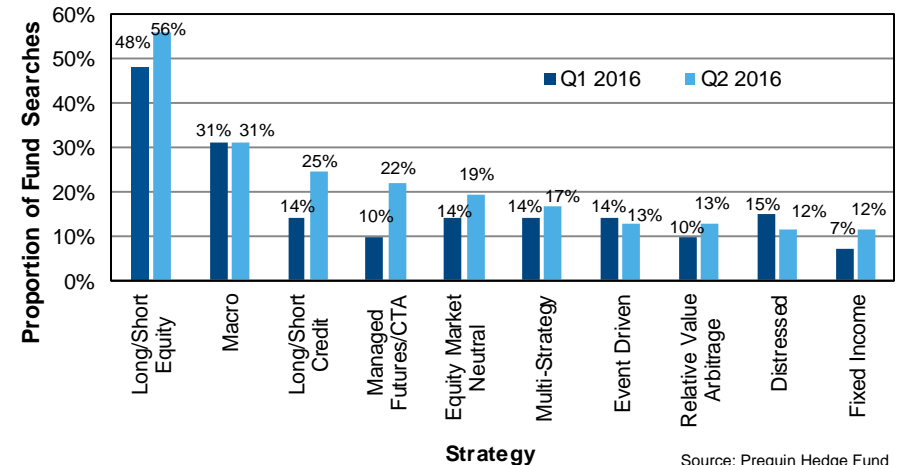
Hedge Funds Delivering on Low Volatility; Returns Prove Disappointing

Performance by Hedge Fund Strategy – Macro Funds Perform Best YTD – Fund of Funds and Long/Short Perform Poorly

2010	2011	2012	2013	2014	2015	YTD 2016
Distressed 12.1%	Multi-Strategy 4.2%	Relative Value 10.0%	Long/Short 14.6%	Macro 6.4%	Multi-Strategy 0.6%	Macro 3.3%
Event Driven 11.9%	Relative Value 0.1%	Distressed 10.3%	Distressed 13.6%	Relative Value 4.5%	Fund of Funds -0.3%	Distressed 3.2%
Relative Value 11.4%	Distressed -1.8%	Multi-Strategy 9.2%	Event Driven 12.5%	Multi-Strategy 3.6%	Relative Value -0.3%	Relative Value 2.4%
Long/Short 10.5%	Event Driven -3.3%	Event Driven 8.5%	Multi-Strategy 11.2%	Fund of Funds 3.2%	Long/Short -0.8%	Event Driven 2.1%
Multi-Strategy 9.3%	Macro -4.2%	Long/Short 7.4%	Fund of Funds 9.0%	Long/Short 2.3%	Macro -1.2%	Multi Strategy 0.1%
Macro 8.1%	Fund of Funds -5.7%	Fund of Funds 5.3%	Relative Value 7.2%	Event Driven 1.1%	Event Driven -3.3%	Long/Short -0.4%
Fund of Funds 5.7%	Long/Short -8.4%	Macro -0.2%	Macro -0.3%	Distressed -1.1%	Distressed -8.0%	Fund of Funds -2.4%

Source: HFRI and Credit Suisse

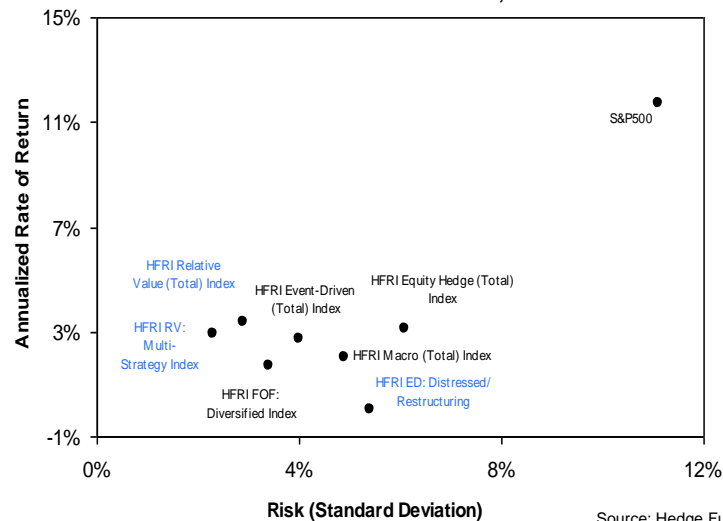
Hedge Fund Strategies Sought by Investors over the Next 12 Months, Searches Issued in Q1 2016 vs. Q2 2016



Source: Prequin Hedge Fund Spotlight, June 2016

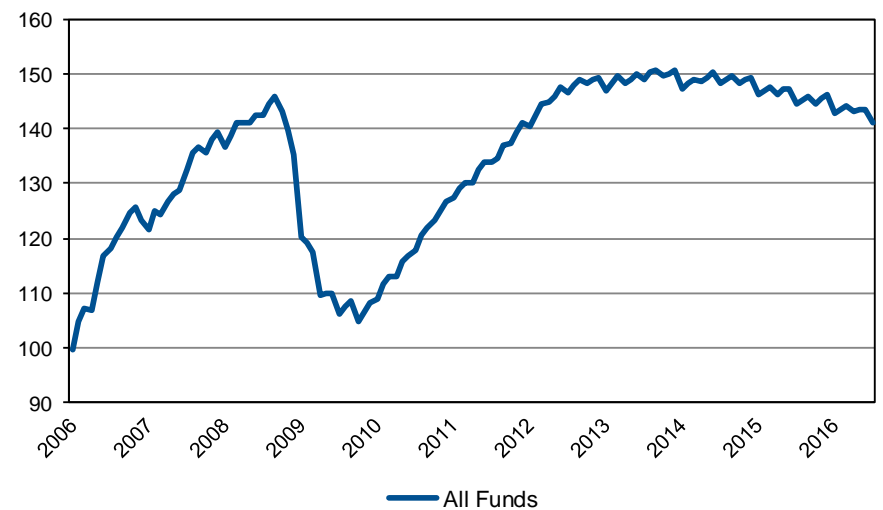
HFRI Index Risk-Return – Volatility of Hedge Fund Returns Remains Favorable. Returns of the Past Three Years are Disappointing

Three Years Ended June 30, 2016



Source: Hedge Fund Research

Hedge Funds – Cumulative Net Monthly Flows to Hedge Funds are Slowing



Source: SS&C GlobeOp Capital Movement Index - July 2016

Pavilion Advisory Group Capital Market Assumptions

	2016			2012	
	Return	Volatility		Return	Volatility
U.S. Large Cap Equity	7.3 %	19.0 %		7.3 %	19.0 %
U.S. Small Cap Equity	6.9 %	23.0 %		7.8 %	23.0 %
International Equity	7.0 %	22.0 %		8.3 %	22.0 %
Market Duration Fixed	1.4 %	7.0 %		3.0 %	7.0 %
Short Duration Fixed	1.7 %	4.0 %		2.2 %	4.0 %
Hedge Funds	5.0 %	7.5 %		7.8 %	9.0 %
Real Estate	6.8 %	14.0 %		6.8 %	12.0 %
Private Equity	11.3 %	30.0 %		9.8 %	35.0 %

2016 Correlations	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.

Asset allocation targets and proposed

Asset Class	2012-2014 Target	2014-2016 Target	2016 Proposed
Equity			
Large Cap	15.0%	20.0%	17.0%
Small Cap	5.0%	5.0%	3.0%
International	10.0%	15.0%	12.5%
Subtotal	30.0%	40.0%	32.5%
Fixed Income			
Market Duration (~5.5 yrs)	40.0%	30.0%	30.0%
Short Duration (~1.9 yrs)	15.0%	10.0%	10.0%
Subtotal	55.0%	40.0%	40.0%
Alternatives			
Hedge Funds	10.0%	15.0%	12.5%
Real Estate	5.0%	5.0%	5.0%
Private Equity	--	--	10.0%
Subtotal	15.0%	20.0%	27.5%
Total	100.0%	100.0%	100.0%
Fixed Income Asset Duration	4.5	4.6	4.6
Total Portfolio Asset Duration	2.5	1.9	1.8
Assumptions at Implementation			
Expected Return	5.6%	5.5%	5.8%
Standard Deviation	7.4%	9.0%	9.9%
Sharpe Ratio ¹	0.57	0.57	0.54
Max 1-yr Loss (99th percentile)	-9.2%	-13.4%	-13.7%
Current Assumptions			
Expected Return	4.4%	5.2%	5.8%
Standard Deviation	6.5%	8.8%	9.9%
Sharpe Ratio ¹	0.60	0.53	0.54
Max 1-yr Loss (99th percentile)	-9.4%	-12.0%	-13.7%

- Historically, the portfolio has targeted expected returns of 5.5% to 6.0% with volatility of 7% to 10%.
- As interest rates continue to decline and global growth has slowed, Pavilion has reduced its expected returns, particularly for fixed income, certain equity segments, and hedge funds.
- The Current Target Allocation has an expected return of 5.2%. El Camino staff inquired to the use of Private Equity as a means to increase the expected return back to previous levels.
- The 2016 Proposed incorporates a 10% allocation to Private Equity and increases the expected return to 5.8%, however, also increases expected volatility from 8.8% to 9.9%.

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

Portfolio liquidity

Asset Class	Current	Change	Proposed
Monthly or better	82.1%	-7.8%	74.2%
Greater than monthly but less than annually	7.6%	-1.3%	6.3%
Greater than annually	10.4%	9.1%	19.5%
Total	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.
- The liquidity terms of the underlying hedge fund portfolio should improve as we are in the process of moving away from some of the longer lockup MultiStrategy hedge funds. This is not reflected in the current analysis.
- Private Equity and Real Estate are assumed to have greater than annual liquidity.

Net cash flows

- 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.

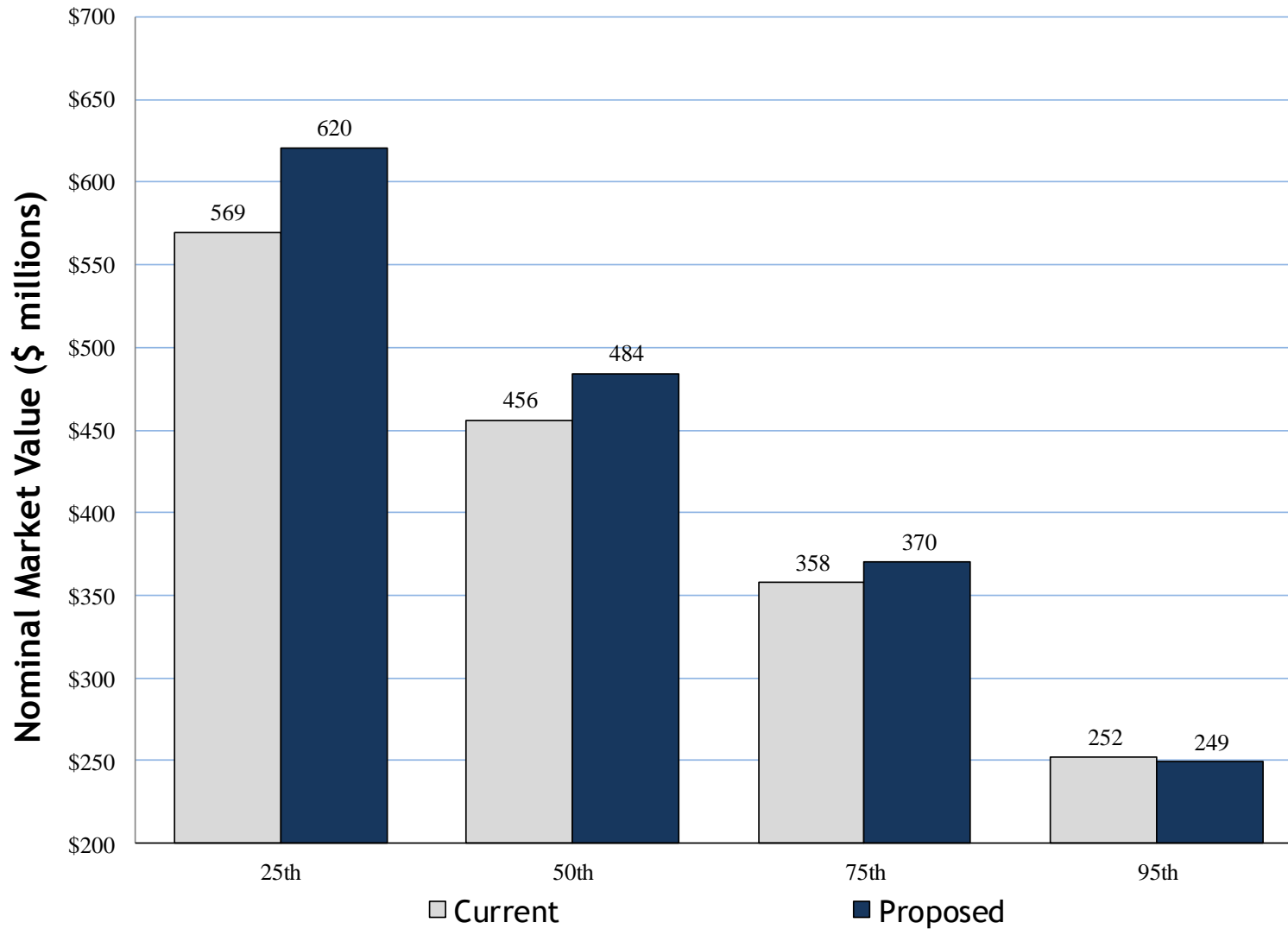
(In Thousands)	PROJECTED 2017	PROJECTED 2018	PROJECTED 2019	PROJECTED 2020	PROJECTED 2021
CASH PROVIDED (USED) PRIOR TO INTEREST INCOME	<u>\$174,544</u>	<u>(\$147,762)</u>	<u>(\$51,010)</u>	<u>(\$4,972)</u>	<u>(\$104,604)</u>

(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 include \$270 million of additional debt that is scheduled to be issued in 2016; however, does not include any additional debt proceeds.

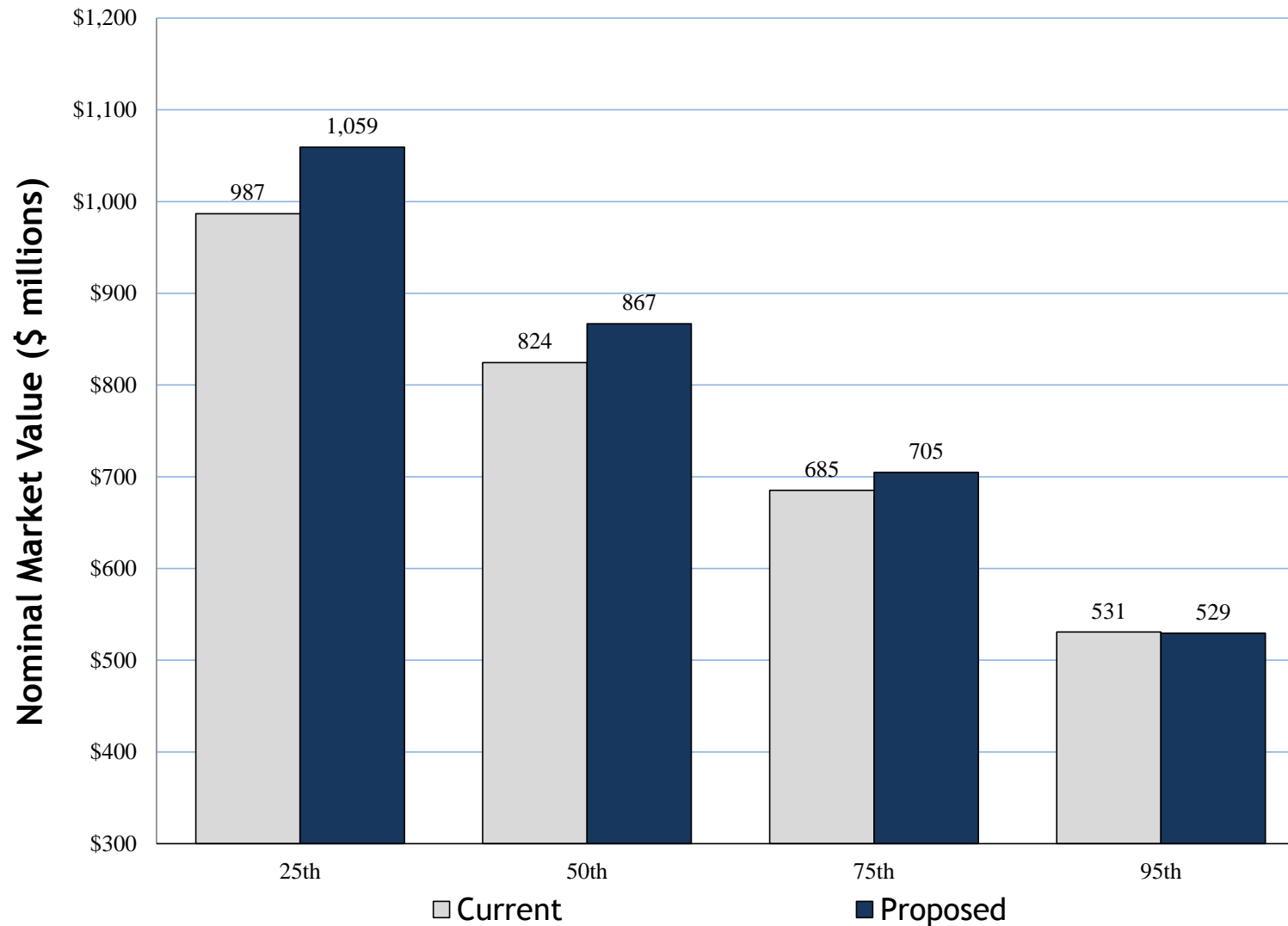
Projected market values w/o debt issuance

Year 2026



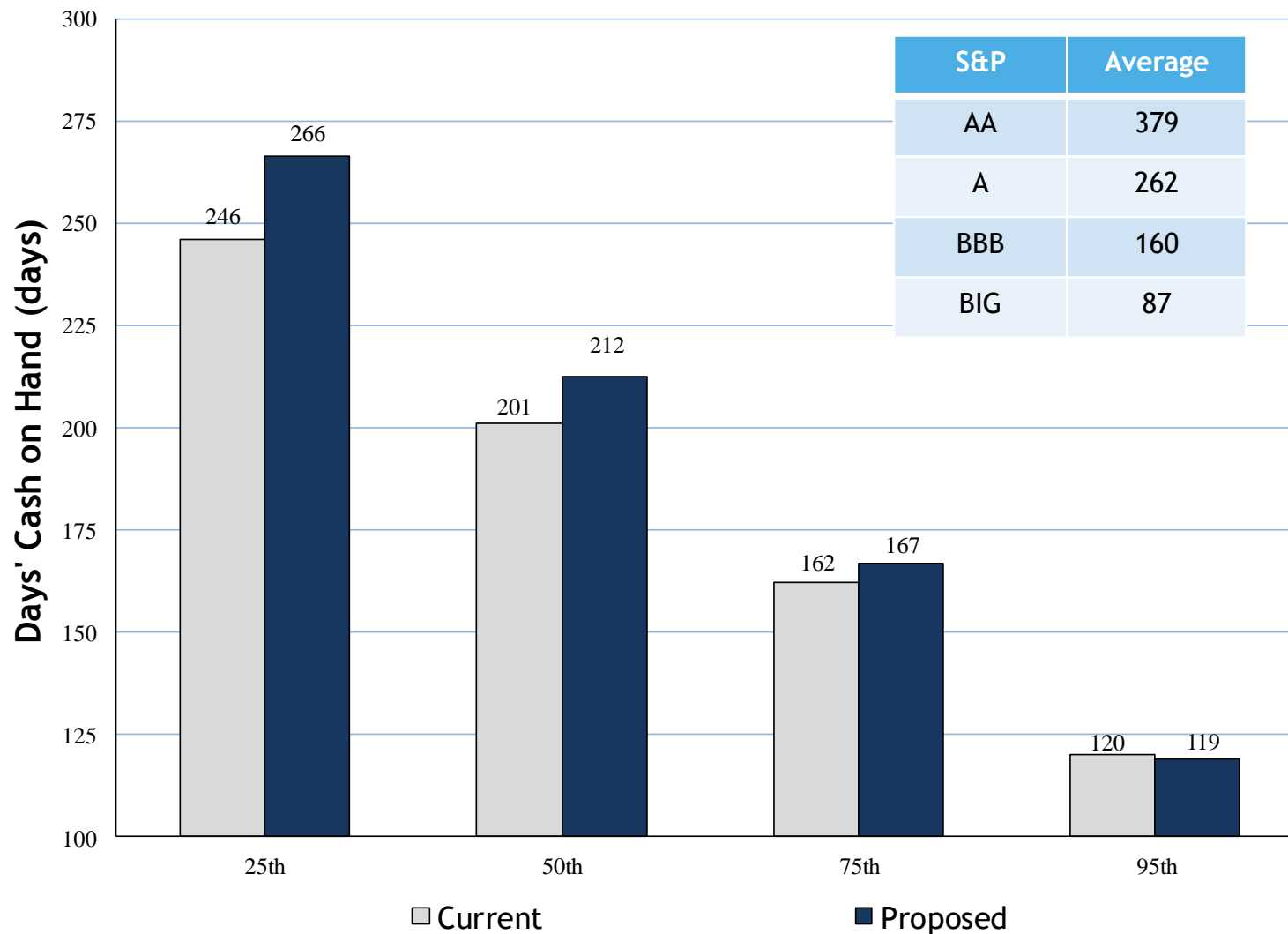
Projected market values with debt issuance

Year 2026



Projected days' cash on hand w/o debt issuance

Year 2026

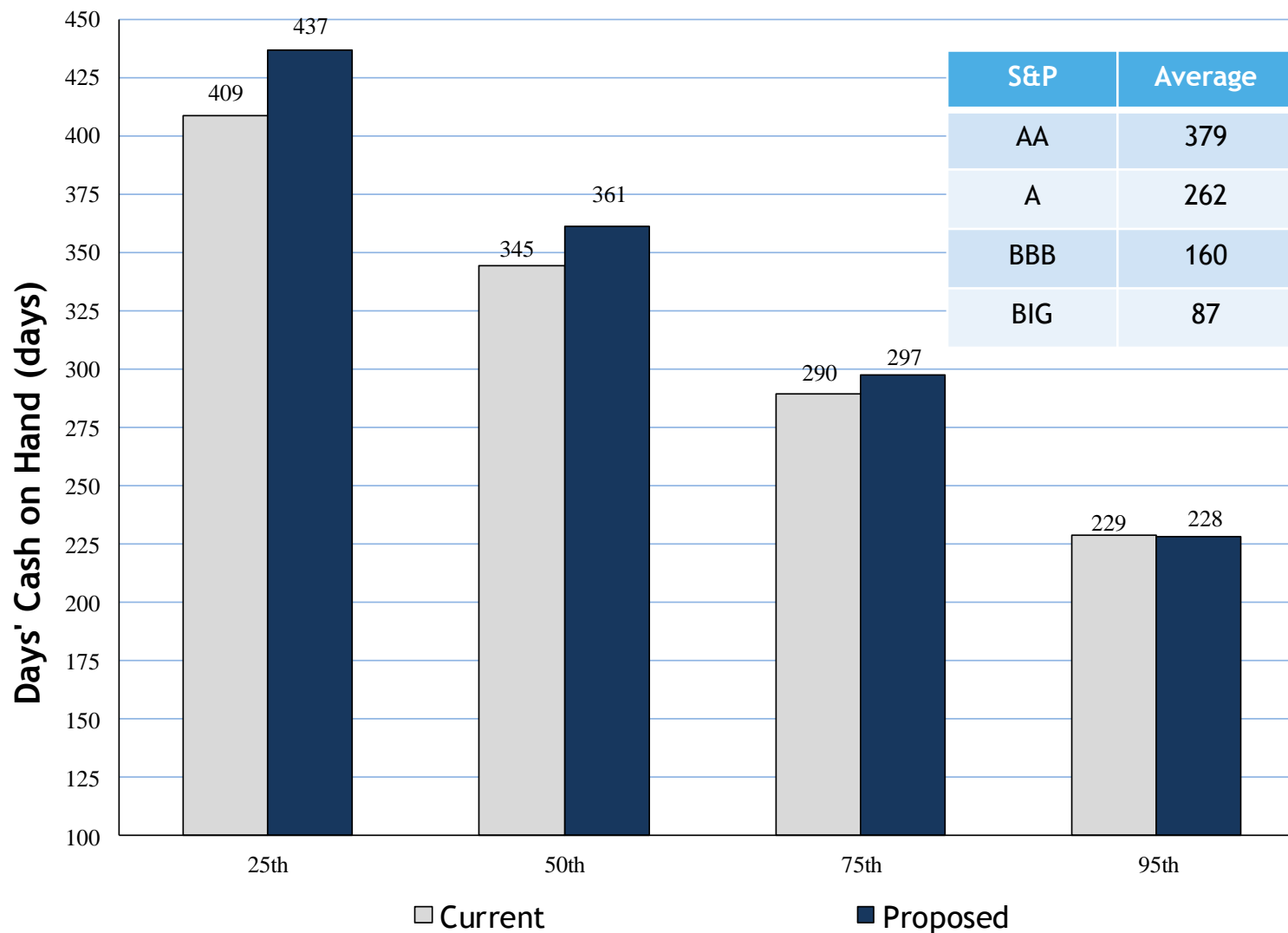


Note: S&P averages based on Standard & Poor's "U.S. Not-For-Profit Health Care Sector Outlook Revised To Stable From Negative, Though Uncertainties Persist" report. Represents fiscal year 2014 audited financial reports for all ratings for Stand-Alone Hospitals.



Projected 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.



PAVILION

ATTACHMENT 8

LP CAPITAL ADVISORS, A PAVILION COMPANY

*Presented to:
El Camino Hospital
August 8, 2016*



Disclaimer

The following presentation relies on information provided by third parties. The analysis included herein is dependent on such information being complete and accurate in all material respects. Additionally, the analysis utilizes forward-looking information that is derived in part from longer-term historical data provided by third-party sources and considerable effort is made to use available information to forecast these returns and cash flow patterns.

In addition, projected results, if any, are based on a number of assumptions, including returns, fund size, economic terms, targeted investment allocation and other factors. Due to various risks and uncertainties, the projections in this presentation may differ materially from actual results or change significantly if any one or more of the assumptions are changed. As such, undue reliance should not be placed on such information.

Nothing herein is intended to serve as investment advice, a recommendation of any particular investment or type of investment, a suggestion of merits of purchasing or selling securities, or an invitation or inducement to engage in investment activity.

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- I. PE Market Overview and Trends**
- II. Proposed Strategy and Approach for El Camino**
- III. Investment Monitoring and Reporting**

Appendices

- Team Bios**
- Firm Overview**

PE Market Overview and Trends

Market Overview

- Characteristics of private equity
 - Higher expected risk-adjusted returns than traditional assets
 - Diversification to traditional assets
 - Privately negotiated transactions / take advantage of market inefficiencies
 - Active management strategy that includes transformative, value-add component
 - Skilled investment managers with financial and operational expertise
 - Wide dispersion of investment manager returns / illiquid assets
- Return expectations
 - Buyout funds have generated higher performance than other sub-strategies, but tend to have lower risk than venture capital and growth strategies since companies are more mature
 - Special situations strategies have generated top quartile and average returns similar to late stage VC and growth strategies
 - Because the dispersion of performance results for private equity managers is wide, manager selection is a critical factor to achieving targeted returns

Investor Trends

- Increasing amounts of capital are flowing into alternatives
 - Allocations to alternatives are increasing as a percent of portfolios
 - Relatively strong exit market over the last several years has created liquidity for LPs
 - Result is that half of market participants are under allocated relative to their targets
- Manager selection and access are more difficult
 - Fundraising market continues to be strong with many funds oversubscribed
 - Requires significant planning and relationship building well in advance of the fundraising
- Fees continue to be a focus
 - Investors are looking to separate accounts, co-investments and other strategies to reduce impact
 - Industry reporting and transparency continues to improve, increased regulatory focus will accelerate

Proposed Strategy and Approach for El Camino Hospital

Strategy Development

We would develop a customized strategy for you based on specific objectives



Portfolio Construction Philosophy

LPCA will work closely with El Camino to build a diversified, manageable portfolio

Managers

Invest in a concentrated and select group of top quartile managers across investment styles

- Proven track record of success across economic cycles
- Focus on value creation and transformational strategies
- Strong alignment and transparency with limited partners

Style

Include a range of underlying strategies to balance opportunities across markets

- Obtain broad exposure to different segments of the market with differing risk / return profiles
- Avoid selecting non top-tier managers to fill allocation

Stage and Sector

Ensure underlying investments include a range of stages and sectors

- Diversify across seed, early, late and mature stage investments in accordance with the target styles
- Consider existing industry exposure within the portfolio when evaluating strategies

Geography

Seek adequate geographic diversification

- Exposure to differing markets can enhance return and reduce risk
- To the extent permitted, international diversification should be achieved through a mix of international managers and domestic managers that focus on international opportunities

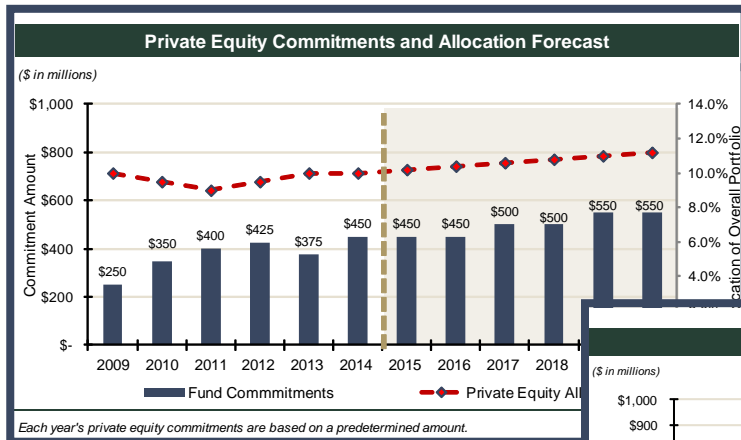
Vintage Year

Invest consistently across vintage years and investment cycles

- Target commitments to achieve adequate long-term diversification across a reasonable number of managers
- Larger investments in fewer funds are preferred to smaller investments in more funds

Pacing and Portfolio Analysis

We utilize a proprietary model to determine pacing, estimate cash flows and NAV



Commitment Pacing

Determine commitment levels necessary to achieve the target allocation

Cash Flow Forecasting

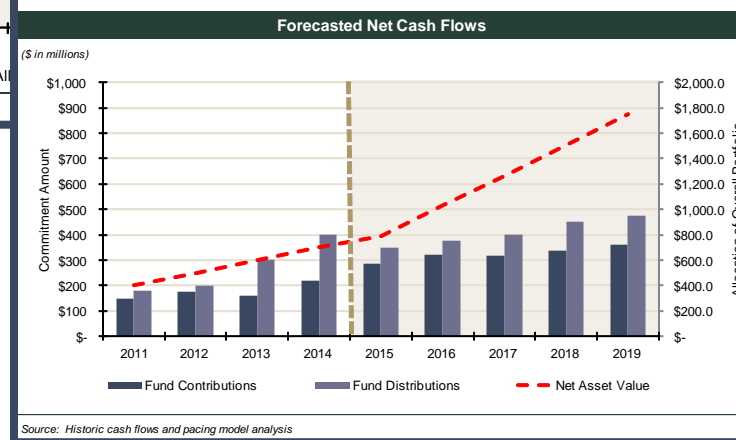
Estimate contributions, distributions and expected net asset values

Scenario Analysis

Project the impact changes to the portfolio on allocation and performance

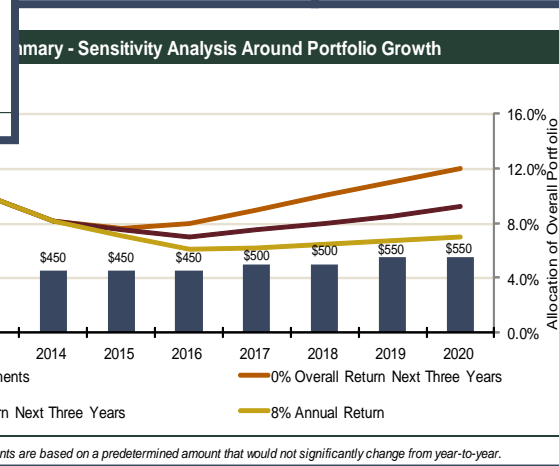
Database

Cash flow models for 7 sectors, developed using historical cash flows and return expectations



Capabilities

- Adjust performance expectations by vintage year
- Customize cash flow pacing to reflect funds in the portfolio
- Automatically adjusts cash flows projections for actual results
- Generates scenarios based on commitment levels, overall plan and private equity performance, co-investments, secondary sales, etc.



Preliminary El Camino Strategy

Proposed strategy subject to your review and feedback

Parameters	Strategy
PE Allocation	<ul style="list-style-type: none"> • 10% target of ~\$650m of total assets
Annual Commitment Range	<ul style="list-style-type: none"> • Approximately \$20m to \$30m per year in the near term • Two to three fund commitments per year
Managers	<ul style="list-style-type: none"> • 10 to 20 managers over time (includes managers where there will be no re-up commitment)
Strategy	<ul style="list-style-type: none"> • VC & Growth*: 10% - 20% • Buyout: 55% - 70% • Special Situations: 15% - 25%
Geography	<ul style="list-style-type: none"> • North America: 60% - 70% • Europe: 15% - 25% • Asia and Emerging Markets: 10% - 20%
Sector	<ul style="list-style-type: none"> • Balance exposure across multiple sectors

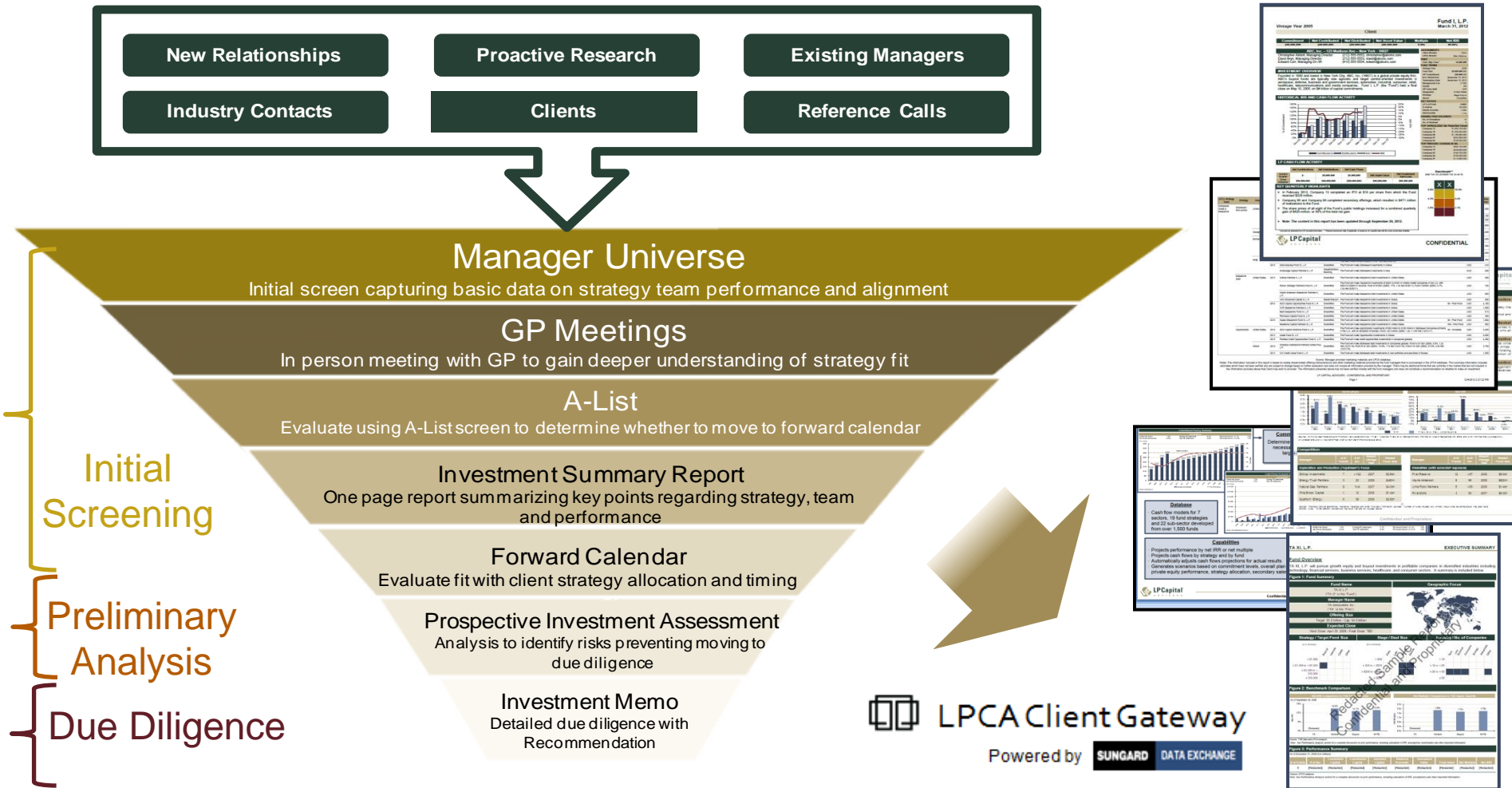
** VC & Growth Equity allocation is expected to primarily be invested in Growth Equity funds with the possibility of opportunistically investing in VC funds.*

Research and Investment Process

Our process focuses on selecting the most attractive investment opportunities for El Camino

Research Process

Deliverables



Select Opportunities by Strategy

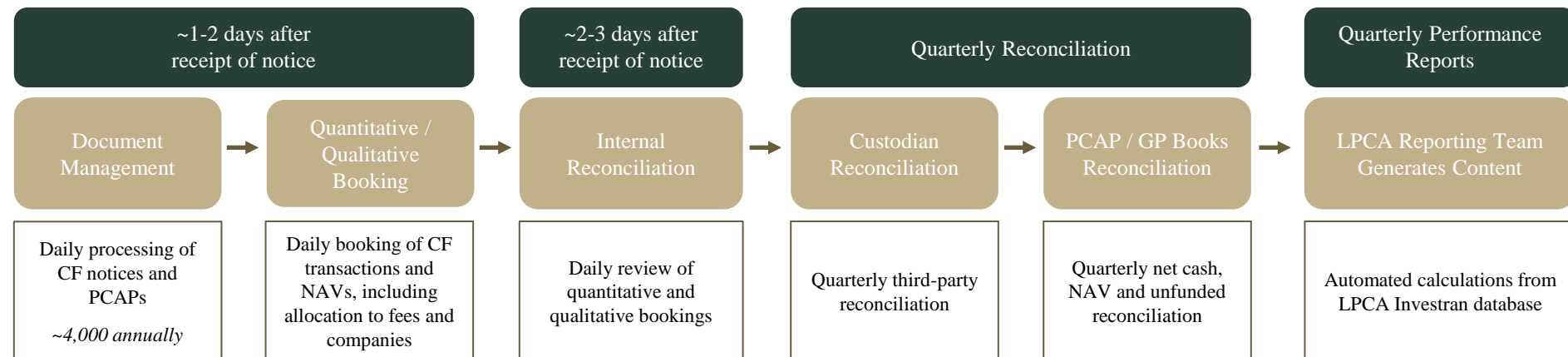
	<i>Description</i>	<i>A-List Funds</i>	<i>Representative Managers (Expected Timing)</i>
Buyout	<ul style="list-style-type: none"> • Buyout – Purchase of a controlling (majority) interest in a company typically by using a combination of equity and debt • Investment targets are typically larger, mature companies that generate strong operating cash flow 	<p>> 140 Total</p> <ul style="list-style-type: none"> • Small Buyout • Middle Market Buyout • Large Buyout • Distressed – Control / Operational Turnaround 	<ul style="list-style-type: none"> • BC European Partners (2016) • Platinum Equity Partners (2016) • Trident / Stone Point (2016) • Affinity Equity (2017) • Riverside (2017) • Hellman & Friedman (2018) • RRJ (2018)
Growth Equity / Venture Capital	<ul style="list-style-type: none"> • Growth Equity – Minority equity investments in established companies in need of expansion capital • Venture Capital – Equity investments in less mature non-public companies to fund the launch, early development or expansion of a business 	<p>> 90 Total</p> <ul style="list-style-type: none"> • Growth Equity • Early/Seed Stage Venture • Late/Multi Stage Venture 	<ul style="list-style-type: none"> • Summit Partners (2016) • Boyu Capital Fund (2016) • Raine Partners (2017) • Riverwood (2017) • JMI Equity (2018) • TA Associates (2018) • TPG Growth (2018)
Special Situations	<ul style="list-style-type: none"> • Special Situations – Secondaries, credit, energy and other opportunistic strategies 	<p>> 75 Total</p> <ul style="list-style-type: none"> • Opportunistic/Credit • Secondary • Energy 	<ul style="list-style-type: none"> • Dyal Capital Partners (2016) • GSO Capital Solutions (2017) • TPG Opportunities (2017) • Blackstone Energy (2018) • EnCap (2018)

Investment Monitoring & Reporting

Investment Reporting Process

Post-commitment, our processes ensure timely and accurate delivery of El Camino's data

- Daily processing of cash flow notices, partner's capital account statements ("PCAPs") and NAVs allows you to access documents and perform analytics in real-time
- Reconciliation by our dedicated Data Controls team at multiple points in the process allows you to have a high level of confidence in the accuracy of the information



- Robust database includes approximately 800 funds with more than 9,000 underlying portfolio companies
- Track up to 150 data fields for each fund and up to 40 data fields for portfolio holdings
- Progress of internal processing is tracked by each step to ensure compliance with service-level agreements
- Fund documents will be available to you via the LPCA Document Vault, powered by Imagio

Investment Monitoring and Reporting

Portfolio status and performance reports would be provided to El Camino

- **Quarterly Portfolio Update**
 - Program description
 - Portfolio performance overview
- **Monthly Cash Flow Reports**
 - Contributions by transaction type
 - Distributions by transaction type
- **Quarterly Performance Reports**
 - Fund Dashboard
 - Attribution by key metrics
 - Underlying holdings
- **Online Access**
 - Fund documents, including legal agreements, cash flow notices, portfolio updates, and other manager communications
 - LPCA-provided deliverables, as cited above

Appendix – Team bios

Team | Key biographies



Donn K. Cox, President & Managing Director

As President and Managing Director of LPCA, Mr. Cox has over 16 years of alternative asset advisory experience and 24 years of consulting and client service experience. Mr. Cox oversees all aspects of Pavilion's alternative asset advisory service platform and oversees relationships with several of the firm's large U.S. clients as well as clients in Canada and the Middle East. Mr. Cox is also actively involved in the firm's research efforts for Asia and Emerging Markets managers and is a member of the Investment Committee. Prior to founding LPCA in 2004, Mr. Cox held investment consulting, research and transaction advisory roles at State Street Corporation, KPMG and Deloitte & Touche. Mr. Cox received a B.S. in Business Administration with an emphasis in accounting from Gonzaga University and is a CPA (inactive).



Allen Waldrop, Managing Director

Allen Waldrop joined the Firm in 2005 and is a Managing Director based in Sacramento, California. Mr. Waldrop has 14 years of alternative asset advisory experience and over 20 years of client service experience. Mr. Waldrop leads our private equity advisory services, which includes overseeing investment research, sourcing, screening and due diligence efforts as well as the delivery of those services to clients. In addition, Mr. Waldrop serves as the lead consultant for several U.S. clients and is a member of LPCA's Investment Committee. Prior, Mr. Waldrop spent nine years at KPMG where he assessed private equity portfolios and investments and provided audit and transaction advisory services. Additionally, he served as technical advisor and project manager to the Private Equity Industry Guidelines Group (PEIGG) and also provided education and technical support to the Institutional Limited Partners Association (ILPA). Mr. Waldrop received a B.S. in Accounting from San Diego State University, is a CFA Charterholder and a CPA (California).



Raelan Lambert, Managing Director

Raelan Lambert joined LPCA in 2005 and has 11 years of alternative asset advisory experience and 18 years of industry experience. Ms. Lambert leads the execution and delivery of the firm's alternatives advisory services across all strategies globally to a variety of clients in the U.S., Canada and Middle East and is also a member of the Investment Committee. Prior to joining the firm, Ms. Lambert worked in New York City, where she spent a year at DoubleClick, a division of Google, developing new business relationships with financial institutions. Prior, Ms. Lambert was a consultant in American Express' strategic technology relationships advisory group, which worked with all divisions of the firm and its top technology partners. Ms. Lambert started her career at Goldman, Sachs & Co., in the finance and wealth management divisions, including assignments in Tokyo and Hong Kong. Ms. Lambert received a B.A. in French Language and Literature from the University of Virginia.

Team | Key biographies



Richard Pugmire, Managing Director

Richard Pugmire joined the Firm in 2008 and is a Managing Director based in Salt Lake City, Utah. Mr. Pugmire has 12 years of alternative asset advisory experience and 15 years of total industry experience. Mr. Pugmire leads the research and fund due diligence efforts related to managers focused on smaller buyout and growth equity opportunities in developed markets and is also a member of the Firm's Investment Committee. Prior to joining LP Capital Advisors in 2008, Mr. Pugmire focused on pension asset management within the treasury group at Ford Motor Company. Prior to joining Ford, Mr. Pugmire spent a year at the University Venture Fund evaluating venture capital investments and three years at Harris Investor Services. Mr. Pugmire received an MBA and a B.S. in Finance (with honors) from the University of Utah and is a CFA Charterholder.



Christopher T. Farrington, Director

Christopher Farrington joined LPCA in 2013 and is a Director based in Boston, Massachusetts. Mr. Farrington has 16 years of alternative asset advisory experience and 20 years of total industry experience. Mr. Farrington is focused on providing a broad range of private equity advisory services and currently serves as the lead consultant for three U.S. clients and is a member of the Firm's investment committee. Prior to joining, Mr. Farrington spent six years as a senior investment professional at Centinela Capital Partners, an emerging manager-focused firm, where he was responsible for sourcing and evaluating fund and co-investment opportunities. Prior to that, Mr. Farrington managed the Domestic Private Equity Program at MetLife Investments for seven years, which included 47 manager relationships and approximately \$2 billion of commitments. Mr. Farrington was with CIBC World Markets, Fleet Bank and Merrill Lynch. Mr. Farrington received a B.A. in Economics from Duke University and a Masters of International Affairs with a concentration in International Finance from Columbia University.



Daniel Fuller, Director

Daniel Fuller joined LPCA in 2008 and is a Director based in Sacramento, California. Mr. Fuller has eight years of alternative asset advisory experience and 14 years of client service experience. Since joining LPCA, Mr. Fuller has served on several client teams providing assistance with investment strategy and pacing, market research, investment sourcing and screening and due diligence on fund investments, co-investments and secondary purchase and sale opportunities. In addition to his client service responsibilities, Mr. Fuller is involved in LPCA's research on venture capital, growth equity and buyout managers. Prior to joining LP Capital Advisors, Mr. Fuller worked as an Associate in the merger and acquisitions unit of a large insurance company and also held various positions with two firms providing credit in the real estate space. Mr. Fuller earned a MSc. in Finance from Indiana University and a B.S. in Business Administration with an emphasis in finance from the University of the Pacific. Mr. Fuller also formerly held various securities licenses as a FINRA-registered representative.

Appendix – Firm Background

LPCA, A Pavilion Company

Broad platform of diverse resources provides deep experience and knowledge-sharing

Pavilion Financial Corporation

An employee owned firm with approximately 170 employees serving institutional and other investors through the business lines described below

Global Investment Consulting and Research

Pavilion Advisory Group®

Traditional Consulting
Defined Contribution, Defined
Benefit, Health Care,
Foundations, Endowments

Implemented Solutions
Wealth Management,
Discretionary Advisory
Solutions

LPCA¹

(Pavilion Alternatives Group)

Alternative Assets
(Private Equity, Real
Assets, Hedge Funds)

Global Markets

Pavilion Global Markets

Macro Research,
Transition Management,
Agency-Only Trading



▪ Alternative Assets Platform:

- Extensive experience in alternative assets and advisory services
- Diverse and complementary backgrounds in finance, accounting, investment banking, auditing, valuation, consulting and transaction services

• Pavilion Advisory Group is a registered trademark of Pavilion Financial Corporation, used under licence by Pavilion Advisory Group Ltd. in Canada and Pavilion Advisory Group Inc. in the United States.

¹ Includes four employees of LPCA affiliates: Pavilion Advisory Group Ltd. and Pavilion Advisory Group Inc. After the acquisition of Altius Associates, which is expected to close in August 2016, combined group to be renamed Pavilion Alternatives Group ("Pavilion Alts").

History - Key milestones

STATE STREET

MetLife



Deloitte

Pre-LPCA
1990's to 2004

M&A, Corporate Advisory,
Public Accounting, Audit,
Investment Banking,
Private Equity



2009
Private Markets:
Co-Investments
Legacy Asset
Management



2012
Real Estate & Real
Assets:
Investment Strategy
Manager Research



2016
Pavilion
Alternatives
Group: Acquisition
of Altius Associates



2014
LPCA, a Pavilion
Company
Alternatives Advisory,
Research, Markets



2010
Real Estate & Real Assets:
Portfolio Management
Investment Reporting &
Accounting



2004
LPCA founded
Private Markets:
Investment Strategy
Manager Research
Portfolio Management
Investment Reporting &
Accounting



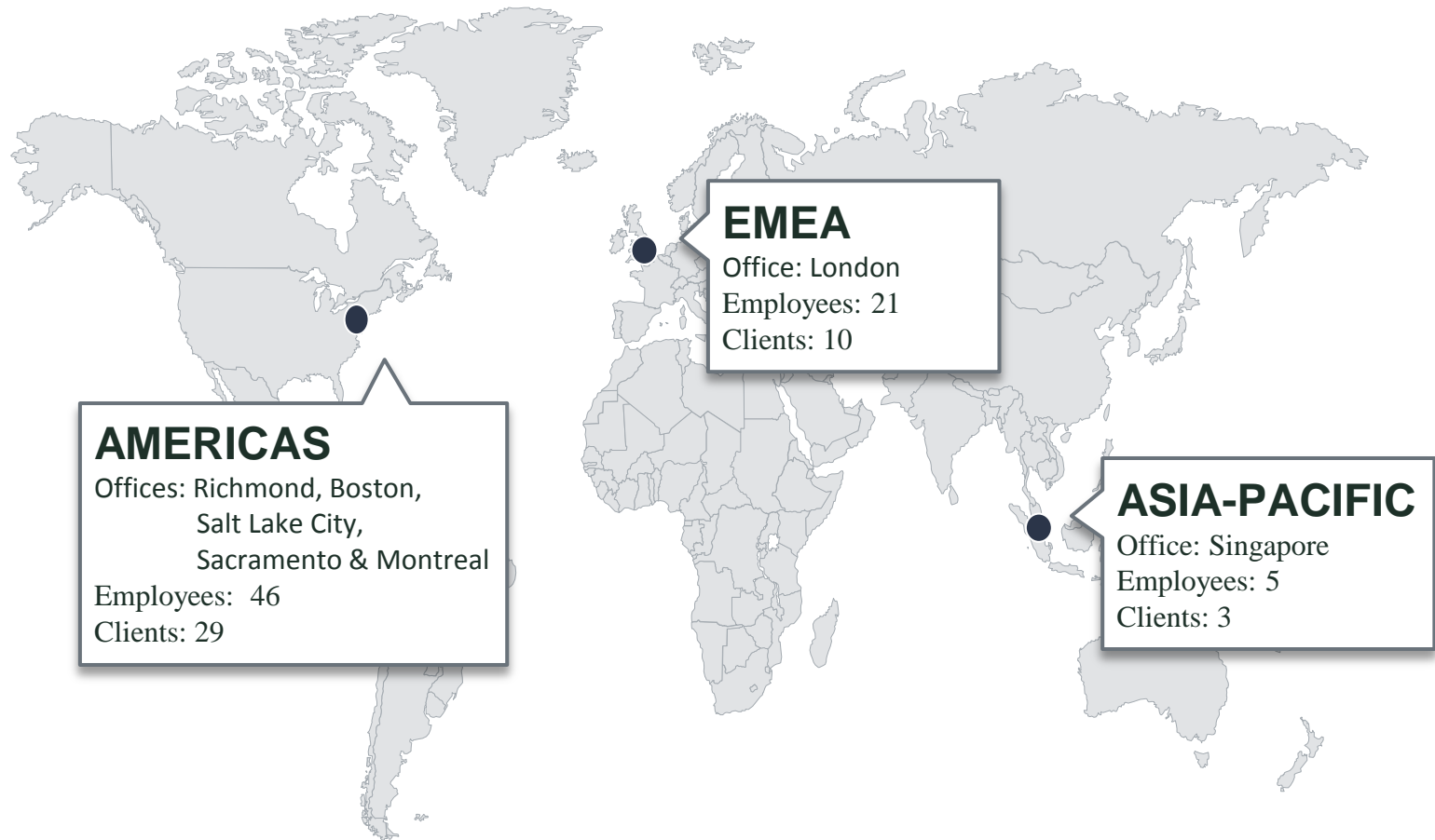
Pending Acquisition - Altius Associates

- On May 27th, Pavilion Financial Corporation (“Pavilion”) signed definitive agreements to acquire Altius Holdings Ltd., a global private markets advisory and separate account management firm
- Altius Associates’ offices are located in London, UK, Richmond, Virginia and Singapore
- Pavilion will combine the operations of Altius Associates with LPCA
- Upon closing, which is expected to occur in Q3 2016, Altius and LPCA will be renamed *Pavilion Alternatives Group* and will comprise a team of approximately 70 dedicated professionals serving a global clientele from offices in London, Singapore and across North America
- On a combined basis, the firm will form an even stronger, world class alternative asset class advisory platform offering consulting services and solutions across private equity, private credit, real assets and hedge funds
- Specifically, Altius’ deep and global research capabilities, dedicated private debt team, additional co-investment / secondary advisory resources and significant real asset resources will complement LPCA’s core service offerings
- Geographically, the merger will provide Pavilion clients with additional resources in North America and significant global reach into Europe, Australia and Asia

Pending Acquisition - Altius Associates

- Clients will have the opportunity to access the broader team at Pavilion offering comprehensive investment advisory services to institutional and other clients, as well as other complementary areas of expertise such as transition management, global macro research, etc.
- Services and solutions will be enhanced without compromising our focus of providing objective and thoughtful advice with a fiduciary mindset

Pavilion Alternatives Group Platform



Pavilion Alternatives Group Platform (2)

- Organizational
 - Approximately \$60bn of assets under advisement across 42 clients
 - Expertise across Private Equity, Private Credit, Real Assets, Real Estate and Hedge Funds
 - 72 professionals across seven offices in the United States, Europe and Asia
- Market Coverage
 - Recommended approximately 700 fund investments totaling \$60bn of commitments globally across all private markets strategies
 - Quarterly investment monitoring and reporting on over 1,000 funds totaling \$78bn of commitments and \$38bn of net asset value
 - Over 2,000 opportunities screened annually and nearly 1,000 annual manager meetings



LP CAPITAL

A D V I S O R S

A Pavilion Company

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