

AGENDA
Investment Committee Meeting
of the El Camino Hospital Board
Monday, November 14th, 2016, 5:30 p.m.
Conference Room A, (ground floor)
2500 Grant Road, Mountain View, CA 94040

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 Meeting (August 8, 2016) Information: b. CFO – Report Out – Finance Committee Open Session Materials c. Updated 2017 Pacing Plan d. Article of Interest			
5. REPORT ON BOARD ACTIONS ATTACHMENT 5	John Zoglin, Chair		information 5:40 – 5:45
6. EL CAMINO FINANCIAL PERFORMANCE ATTACHMENT 6	Iftikhar Hussain, Chief Financial Officer		information 5:45 – 5:55
7. 2016 BONDS ATTACHMENT 7	Iftikhar Hussain, Chief Financial Officer		information 5:55 – 6:05
8. INVESTMENT COMMITTEE SCORECARD and PERFORMANCE REVIEW a. Investment Committee Scorecard b. Third Quarter Performance Review c. Pre-Pavilion Comparison	Antonio DiCosola and Tom Dodd, Pavilion Advisory Group	<i>public comment</i>	Motion(s) for recommendation required 6:05 – 6:50
9. ADJOURN TO CLOSED SESSION			6:50

A copy of the agenda for the Regular Committee Meeting will be posted and distributed at least seventy-two (72) hours prior to the Meeting. In observance of the Americans with Disabilities Act, please notify us at 650-988-7504 prior to the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations.

AGENDA ITEM	PRESENTED BY		
10. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	John Zoglin, Chair		6:50 – 6:51
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 of the Investment Committee (August 8, 2016) <i>Gov't. Code Section 54957.2</i>	John Zoglin, Chair		motion 6:51 - 6:53
12. RECONVENE OPEN SESSION			6:53
To report any required disclosures regarding permissible actions taken during Closed Session.	John Zoglin, Chair		
13. ADJOURNMENT	John Zoglin, Chair		7:00 pm

Important Dates:

FY 2017 Investment Committee Meetings

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

Semi-Annual Board and All Committee Meetings

- April 26, 2017

**a. Minutes of Investment Committee Meeting (August 8,
2016)**

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

Members Present

John Zoglin, Nicki Boone,
 Brooks Nelson, John Conover,
 Gary Kalbach, and Jeffrey Davis, MD.

Members Absent
Members Excused

A quorum was present at the El Camino Hospital Investment Committee on the 8th day of August, 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 5:31 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.</p> <p>* One revision was noted in the Open Minutes of the May 9, 2016 - item 6a, line 12 to replace “outperformed” with “under performed”.</p> <p><u>Motion:</u> To approve the consent calendar (Open Minutes of the May 9, 2016 Investment Committee Meeting with requested revision).</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 May 9, 2016 Investment Committee Meeting with the noted revision were approved.</i>

Agenda Item	Comments/Discussion	Approvals/Action
5. REPORT ON BOARD ACTIONS	<p>Chair Zoglin briefly reviewed the Board Report as further detailed in the packet and asked the Committee if there were any questions or concerns and discussion ensued.</p>	<p><i>None</i></p>
6. INVESTMENT COMMITTEE SCORECARD AND PERFORMANCE REVIEW	<p>Antonio DiCosola, Pavilion Advisory Group, reviewed the Investment Committee Scorecard and reported the following:</p> <p>a. Scorecard: Mr. DiCosola reported that the 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, which were 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. He further reported that 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, and 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. He concluded the 403(b) balance was not available at the time of production and the balance of \$330.6 million was reflected as of March 31, 2016.</p> <p>Chris Kuhlman, Pavilion Advisory Group, reviewed the Second Quarter Performance Review and reported the following:</p> <p>b. Surplus Cash: Mr. Kuhlman reported that 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.</p>	

Agenda Item	Comments/Discussion	Approvals/Action
	<ul style="list-style-type: none"> • 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 international equity composite returned +1.0%, outperforming the MSCI AC World ex USA Index by 160 bps. Walter Scott was the portfolio's top performer on a relative basis, returning +3.0% and outpacing the benchmark by 360 bps. 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. <p>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.</p> <p><i>*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 recommended rebalancing the equity composite closer to the benchmark, increasing the underlying emerging markets exposure to 8.0%.</i></p> <p>c. Cash Balance Plan: The Cash Balance Plan returned +1.7% during the quarter, and outperformed its benchmark by 20 basis points (bps) due to strong relative performance from the portfolio's international equity and hedge fund of funds managers.</p> <ul style="list-style-type: none"> • 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. 	

Agenda Item	Comments/Discussion	Approvals/Action
	<ul style="list-style-type: none"> • 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. • Mr. Kuhlman further reported that 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. <p>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.</p> <p><i>*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 recommended rebalancing the equity composite closer to the benchmark, increasing the underlying emerging markets exposure to 8.0%. In order to accomplish this, Pavilion recommended adding an investment in the Harding Loevner Emerging Markets Fund.</i></p> <p>d. Hedge Fund:</p> <p>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.</p> <ul style="list-style-type: none"> • The Credit strategy delivered an exceptionally strong return of +4.6%, with strong gains from 	

Agenda Item	Comments/Discussion	Approvals/Action
	<p>Davidson Kempner and Marathon.</p> <ul style="list-style-type: none"> • The Relative Value strategy generated excellent returns of +4.2% with all three managers contributing. • 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. <p>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.</p> <p>Mr. DiCosola and Mr. Kuhlman asked the Committee if they had any questions or concerns and discussion ensued.</p> <p><i>*Discussion item of note included: Do we have sufficient delta in the risk vs. return to warrant the reevaluation of benchmarks and asset allocation.</i></p> <p>Mr. DiCosola further clarified the Sharpe ratio and noted that Hedge Fund recommendations will be submitted in the next few quarters.</p>	
<p>7. COMMITTEE EDUCATION: INVESTMENT STRATEGY IN LOW RETURN ENVIRONMENTS</p>	<p>The Committee received an education session from Pavilion, ECH investment advisors. Mr. DiCosola reviewed Investment Strategy in Low Return Environments with the Committee, as further detailed in the Committee packet, to include the following: Global Equities, Fixed Income of the U.S. Interest Rates and Yield Curve, Fixed Income of Investment Grade Sector Fundamentals, Hedge Funds, Capital Market Assumptions, Asset Allocation targets and proposed, Portfolio Liquidity, Net cash flows, Projected market values w/o debt issuance, Projected market values with debt issuance, Projected days' cash on hand w/o debt issuance, and Projected day's cash on hand with debt issuance.</p> <p>Mr. DiCosola noted that as we enter a low return environment we can increase returns by investing in less liquid investments such as Private Equity.</p>	<p><i>None</i></p>
<p>8. PRIVATE EQUITY OPTIONS</p>	<p>Mr. DiCosola introduced Raelan Lambart, LP Capital Advisors, to the Committee and asked her to present Private Equity Options to the group. Ms. Lambart</p>	

Agenda Item	Comments/Discussion	Approvals/Action
	<p>reviewed the characteristics of Private Equity, Return Expectations, Investor Trends, and How to develop a diversified and manageable Portfolio as further detailed in the packet. Ms. Lambart asked the Committee for feedback and discussion ensued.</p> <p>The Committee considered private equity investment options with Pavilion but did not make any changes to the asset allocation policy. The Committee agreed with the need for further education on this subject at future Investment Committee meetings.</p>	
<p>9. ADJOURN TO CLOSED SESSION</p>	<p><u>Motion:</u> To adjourn to closed session at 7:40pm. <u>Movant:</u> Kalbach <u>Second:</u> Boone <u>Ayes:</u> Boone, Conover, Davis, Kalbach, Nelson, and Zoglin. <u>Abstentions:</u> None <u>Absent:</u> None <u>Excused:</u> None <u>Recused:</u> None</p>	<p><i>A motion to adjourn to closed session at 7:40 p.m. was approved.</i></p>
<p>10. AGENDA ITEM 12 RECONVENE OPEN SESSION/ REPORT OUT</p>	<p><i>Agenda Items 10 through 11 were conducted in closed session.</i></p> <p>Chair Zoglin reported that the Closed Minutes of the May 9, 2016 Investment Committee were approved, and updated the Committee on the upcoming meetings and educational sessions.</p>	<p><i>None</i></p>
<p>11. AGENDA ITEM 13 ADJOURNMENT</p>	<p><u>Motion:</u> To adjourn the Investment Committee meeting at 7:45 pm. <u>Movant:</u> Nelson <u>Second:</u> Conover <u>Ayes:</u> Boone, Conover, Davis, Kalbach, Nelson, and Zoglin. <u>Abstentions:</u> None <u>Absent:</u> None <u>Excused:</u> None <u>Recused:</u> None</p>	<p><i>A motion to adjourn to the Investment Committee meeting at 7:45 pm was approved.</i></p>

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) November 14, 2016
Responsible party:	Iftikhar Hussain, CFO
Action requested:	For Information
Background:	The Finance Committee meets 6 times per year. The Committee last met on September 26, 2016 and meets next on November 28, 2016.
Summary and session objectives:	<p>To update the IC on the work of the Finance Committee.</p> <ul style="list-style-type: none"> • The Committee recommended approval of the 2016 bond financing, consisting of \$300 million in revenue bonds and refinancing \$101 million of General Obligation (G.O.) bonds. The G.O. bonds will provide \$16 million in assessed value savings to District residents over the life of the bonds. • The Committee recommended changes to the FY 2017 budget to reflect the interest expenses and cost of issuance of the 2016 bonds. • The committee had an education session on Medicare payment rule changes for physician and hospital services.
Suggested discussion questions:	None.
Proposed Board motion, if any:	1) Approve the 2016 bond issuance plan
LIST OF ATTACHMENTS:	The Finance Committee Open Session Materials may be accessed by clicking here .

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 14, 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 ▪ CFO Report Out – Open Session Finance Committee Materials 	N/A

Article of Interest

Investor Angst Ratchets Up as Election Nears

Presidential race has drawn closer in past two weeks, and investors are attempting to reassess strategies geared to any outcome

By Nick Timiraos • Updated Nov. 6, 2016 8:50 p.m. ET



ENLARGE

Traders on the floor of the New York Stock Exchange last week. The S&P 500 index has declined nine sessions in a row, amid uncertainty about the presidential election. *Photo: Spencer Platt/Getty Images*

Tighter polls in the run-up to the presidential election are forcing investors to weigh two disparate results: the prospect that Republican Donald Trump might win the White House or Democrat Hillary Clinton might sweep her party to control of Congress.

“Those are the two things markets just cannot price and therefore believe it can’t happen,” said Jim Vogel, market strategist at FTN Financial in Memphis, Tenn.

Mr. Trump’s election, many investors figure, would almost surely spark a rush to haven assets in the U.S. and abroad given the uncertainty over everything from trade policy to major personnel decisions in a Trump administration.

Most investors are still betting that Mrs. Clinton will win and that Democrats may retake the Senate, but not the House of Representatives. A Democratic sweep, prospects for which have faded with Mr. Trump’s recent rebound in the polls, could put pressure on financials, pharmaceuticals, student-loan servicers and private prisons.

Mrs. Clinton has led national polling averages since August, but her lead has narrowed over the past two weeks, particularly after the Federal Bureau of Investigation said Oct. 28 that it was reviewing new emails related to its prior investigation of Mrs. Clinton’s private server. She now leads Mr. Trump by less than two points in the Real Clear Politics average of national polls. FBI Director James Comey said Sunday it had completed the additional review and found nothing to change its previous decision not to recommend legal action against Mrs. Clinton. She now leads Mr. Trump by less than two points in the Real Clear Politics average of national polls.

Market volatility has increased with prediction markets showing greater chances of a Trump win.

November VIX futures,
CBOE Volatility Index



Sources: FactSet (VIX); ElectionBettingOdds.com by Maxim Lott and John Stossel

Probability of winning the Electoral College,
as implied by Internet betting markets



THE WALL STREET JOURNAL.

ENLARGE

Betting markets and other forecasts imply Mrs. Clinton is still twice as likely as Mr. Trump to win next Tuesday, but Mr. Trump's chances roughly doubled in the week after the FBI's Oct. 28 announcement.

"It reminds me of the run-up to Brexit," said Tina Fordham, chief global political analyst at [Citigroup](#) Inc. in London, referring to the U.K.'s vote in June to leave the European Union.

Market volatility in a Trump upset could be particularly turbulent abroad. Europe is uneasy, for example, over Mr. Trump's ambivalence toward the North Atlantic Treaty Organization.

"Even if domestic money managers had figured this out and did have a game plan, overseas investors, who still carry the jangly nerves of the Brexit surprise, are not ready at all," said Mr. Vogel.

Four years ago, markets and boardrooms figured GOP challenger Mitt Romney, a private-equity executive, was more likely to bring tax relief and government-wide restraint on regulation than President Barack Obama. On tax, regulation and health care, Mrs. Clinton has promised to move a step to

the left of Mr. Obama.

But Mr. Trump's resurgence over the past two weeks has sent markets down, not up, a particularly striking result given Wall Street's traditional affinity for Republicans. The S&P 500 has fallen nine consecutive days.

Following the FBI announcement on Sunday afternoon, Dow futures traded up sharply, gaining 200 points, or 1.1%, in the first two hours of trading on Sunday evening.

If Mr. Trump wins, [global markets could decline](#) by 10% to 15%, and the Mexican peso could fall 25%, according to a paper by Justin Wolfers of the University of Michigan and Eric Zitzewitz of Dartmouth College. Mr. Trump has threatened to undo trade pacts and slap tariffs on U.S. companies that move jobs abroad.

Strategists at [Barclays](#) PLC estimate the market will drop 11% to 13% if Mr. Trump wins and rise 2% to 3% if Mrs. Clinton wins based on how stock futures have responded to shifts in polls.

Markets "don't like the Trump ticket," said Lawrence Kudlow, who helped the campaign craft its tax-cut proposal, in a recent radio interview with the Republican nominee's running mate, Indiana Gov. Mike Pence.

"You're going to have to tell me why Wall Street can't figure out why a pro-growth business leader on the national ticket isn't their choice yet," replied Mr. Pence.

Investors said Mr. Trump's unpredictability—underscored by his bellicose rhetoric toward U.S. allies and fellow Republicans or his claim that the Federal Reserve has maintained low interest rates to help Mrs. Clinton—has markets on edge.

“Will he respect the independence of the Fed? Will there be loose talk of defaulting on the debt? These are things markets are not accustomed to hearing from presidential candidates,” said Andy Laperriere, policy strategist at research firm Cornerstone Macro. Mr. Trump has said his expertise restructuring his companies’ debt, in which bondholders took losses, could be helpful in dealing with the national debt.

Personnel uncertainty runs high, too. Questions over who would run key economic posts in both administrations could ripple through markets after the election, but the issue is much more acute for Mr. Trump because he has spurned many in the GOP economic establishment while running to the left of Mrs. Clinton on trade and entitlements.

“Any candidate that comes in completely from the outside shunning the support of people who might be his allies, there’s no basis to figure out what happens next,” said Mr. Vogel. “There’s got to be a lot of work that happens before an outsider’s administration is knowable by the markets.”

If Mrs. Clinton wins “we kind of know who the players are,” said Kevin Grant, chief executive of specialty-finance firm CYS Investments Inc., at a September conference. “A Trump presidency, we really have no idea at this point.”

Senate control could be particularly important for banks. Democratic control of the Senate could embolden the progressive wing of the party to push a more aggressive regulatory agenda against Wall Street, especially in approving nominees.

Continued divided government would require deal making to achieve more incremental policy moves. Prospects for major legislation are slim outside of a possible agreement to overhaul overseas taxes on businesses and use repatriated foreign earnings to pay for infrastructure investment.

Analysts at broker-dealer Height Securities see a Democratic sweep driving a selloff in biotech and pharmaceutical sectors, though they said the reaction would be “unjustified, unwise and likely short-lived” because Democrats would be hard-pressed to succeed in passing “hyperpartisan, aggressive health-care legislation.”

Other sectors at risk include restaurants and retail from the threat of higher minimum wages and financial-services firms from more aggressive regulation. Fears of tighter curbs on guns, conversely, could be positive in the short run for firearms retailers and manufacturers, as people rush to buy weapons and ammunition. Energy stocks, meanwhile, could outperform the market if Mr. Trump wins, as he has pledged to roll back regulations.

Write to Nick Timiraos at nick.timiraos@wsj.com

ATTACHMENT 5

ECH BOARD COMMITTEE MEETING AGENDA ITEM COVER SHEET

Item:	Report on Board Actions Investment Committee Meeting Date: November 14, 2016
Responsible party:	Cindy Murphy, Board Liaison
Action requested:	For Information
Background: IN FY16 we added this item to each Board Committee agenda to keep Committee members informed about Board actions via a verbal report by the Committee Chair. This written report is intended to supplement the Chair's verbal 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 August, September and October 2016 Board Actions	

August, September and October 2016 Board Actions*

1. August 10, 2016 El Camino Hospital Board Approvals
 - a. FY 16 Period 12 Financials (FY16 Budget was met)
 - b. Approved final funding for the following projects:
 - i. Behavioral Health Services Building - \$72,500,000
 - ii. Integrated Medical Office Building - \$247,000,000
 - iii. Central Plant Upgrades (to support new construction) - \$7,500,000
 - c. Appointed two new members to the Finance Committee – Joseph Chow and Boyd Faust
 - d. Disbanded the Board’s iCare Ad Hoc Committee
 - e. Recommended the District Board adopt the following as the highest priority Hospital Board member competencies for FY2017 –
 - i. Understanding of complex market partnerships
 - ii. Long-range strategic planning
 - iii. Healthcare insurance industry experience
 - iv. Finance experience/entrepreneurship
 - v. Experience in clinical integration/continuum of care
2. August 10, 2016 El Camino Healthcare District Board meeting Approvals: Approved final funding for the following projects that exceeded \$25,000,000 in a single transaction.
 - a. Behavioral Health Services Building - \$72,500,000
 - b. Integrated Medical Office Building - \$247,000,000
3. August 27, 2016 – El Camino Hospital Board voted not to renew the CEO’s contract. Ms. Ryba’s last day of employment was October 31, 2016.
4. September 14, 2016 El Camino Hospital Board Actions
 - a. FY 16 Organizational Goal Achievement @ 67% (slightly above target)
 - b. FY17 Organizational Goal Metrics
 - c. ED Gastroenterology and Neurointerventional On Call Panel Agreements
 - d. CEO Search Ad Hoc Committee of the Board
 - e. FY17 Internal Audit Work Plan
 - f. Silicon Valley Medical Development Primary Care Clinic and Physician Contracts
 - g. FY 16 CEO Incentive Plan Payment
 - h. FY 17 CEO Salary Range
5. September 27, 2016 El Camino Hospital Board
 - a. Appointment of Donald C. Sibery as ECH’s Interim CEO
 - b. Delegated Authority to Board Chair Cohen and ECC Chair Lanhee Chen to negotiate a final contract with interim CEO
 - c. Approved CEO’s FY17 Incentive Compensation Bonus

6. October 12, 2016 El Camino Hospital Board
 - a. Approved 2016 Plan of Finance (Revenue Bonds) and related transactions for funding of MV Campus Projects, not to exceed \$325,000,000.
 - b. Approved Revised Budget to allow for interest related to Revenue Bonds
 - c. Approved FY16 Community Benefit Report
 - d. Approved CEO Separation Agreement
 - e. Authorized the CHRO to negotiate a contract with CEO Search Firm Russell Reynolds
 - f. Approved the FY 16 Financial Audit
7. October 18, 2016 District Board Meeting
 - a. Approved FY16 Community Benefit Report
 - b. Approved the FY 16 Financial Audit
 - c. Approved Revised Budget to allow for interest related to Revenue Bonds

*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.

ATTACHMENT 6



El Camino Hospital

THE HOSPITAL OF SILICON VALLEY

Summary of Financial Operations

Fiscal Year 2017 – Period 3
7/1/2016 to 9/30/2016

Dashboard - ECH combined as of September 30, 2016⁽²⁾

	Annual						Month			YTD		
	2013	2014	2015	2016	2017	2017	PY	CY	Bud/Target	PY	CY	Bud/Target
					Proj.	Bud/Target						
Volume												
Licensed Beds	443	443	443	443	443	443	443	443	443	443	443	443
ADC	240	238	246	242	232	245	238	233	242	235	230	237
Adjusted Discharges	22,379	22,206	22,342	22,499	22,784	22,992	1,892	1,849	1,904	5,706	5,696	5,782
Total Discharges	19,970	19,427	19,637	19,367	19,328	19,790	1,591	1,592	1,648	4,822	4,832	4,954
Inpatient Cases												
MS Discharges	13,349	12,883	13,114	13,344	13,204	13,499	1,093	1,090	1,124	3,272	3,301	3,381
Deliveries	5,235	5,140	5,067	4,717	4,832	4,810	386	421	400	1,203	1,208	1,203
BHS	861	857	901	806	768	910	68	42	76	214	192	227
Rehab	525	547	555	500	524	570	44	39	47	133	131	143
Outpatient												
ED	45,525	46,056	49,130	49,927	48,952	51,258	4,141	3,944	4,269	12,344	12,238	12,834
Procedural Cases												
OP Surg	5,911	6,444	6,479	6,053	6,156	6,427	522	508	535	1,590	1,539	1,601
Endo	2,242	2,492	2,520	2,322	2,076	2,479	203	187	207	623	519	621
Interventional	1,507	1,706	1,878	1,970	2,088	2,323	157	164	194	493	522	582
All Other	64,435	69,458	68,052	79,656	83,580	84,566	5,416	3,944	7,044	16,636	20,895	21,173
Financial Performance (\$000s)												
Net Revenues	686,327	721,123	746,645	772,020	792,362	789,585	67,207	66,069	64,009	189,216	198,091	192,232
Operating Expenses	632,353	669,680	689,631	743,044	709,747	764,828	58,233	59,445	61,907	178,846	177,437	185,875
Operating Income \$	69,126	70,305	78,120	52,613	104,387	49,817	10,840	8,451	4,148	16,457	26,097	12,604
Operating Margin	9.9%	9.5%	10.2%	6.6%	12.8%	6.1%	15.7%	12.4%	6.3%	8.4%	12.8%	6.4%
EBITDA \$	124,722	125,254	128,002	108,554	158,808	109,890	15,038	13,012	8,863	29,065	39,702	26,821
EBITDA %	17.8%	16.9%	16.7%	13.6%	19.5%	13.5%	21.8%	19.2%	13.4%	14.9%	19.5%	13.5%
IP Margin ¹	-1.1%	-3.2%	-4.5%	-6.6%	-7.1%	-6.1%	-9.1%	-6.0%	-6.1%	-8.3%	-7.1%	-6.1%
OP Margin ¹	25.9%	25.2%	28.1%	26.1%	31.6%	26.4%	26.7%	29.6%	26.4%	29.0%	31.6%	26.4%
Payor Mix												
Medicare	46.3%	44.6%	46.2%	46.6%	46.9%	46.4%	46.5%	44.5%	46.4%	45.2%	46.9%	46.4%
Medi-Cal	4.9%	6.0%	6.6%	7.4%	6.9%	6.5%	7.4%	7.1%	6.5%	7.8%	6.9%	6.5%
Commercial IP	25.3%	25.4%	24.2%	23.2%	22.9%	24.0%	23.1%	24.9%	24.0%	23.6%	22.9%	24.0%
Commercial OP	16.9%	18.6%	18.7%	18.7%	19.7%	19.0%	19.0%	19.4%	19.0%	19.5%	19.7%	19.0%
Total Commercial	42.2%	44.0%	42.9%	41.9%	42.6%	43.0%	42.1%	44.3%	43.0%	43.1%	42.6%	43.0%
Other	6.6%	5.4%	4.3%	4.1%	3.6%	4.1%	4.0%	4.1%	4.1%	4.1%	3.6%	4.1%
Cost												
Employees	2,289.0	2,435.6	2,452.4	2,542.8	2,470.3	2,517.9	2,548.1	2,473.3	2,554.3	2,511.0	2,470.3	2,517.9
Hrs/APD	29.72	29.31	30.45	30.35	30.45	31.11	29.99	30.95	30.90	30.44	30.45	31.11
Balance Sheet												
Net Days in AR	47.8	50.9	43.6	53.7	50.0	48.0	48.4	50.0	48.0	48.4	50.0	48.0
Days Cash	350	382	401	361	407	266	385	407	266	385	407	266
Debt to Capitalization	14.0%	12.6%	13.6%	13.8%	13.6%	17.3%	14.6%	13.6%	17.3%	14.6%	13.6%	17.3%
MADS	8.0	9.5	8.9	6.1	12.2	9.3	7.3	12.2	9.3	7.3	12.2	9.3
Affiliates - Net Income (\$000s)												
Hosp	88,820	118,906	94,787	43,043	40,937	67,032	(4,496)	7,376	4,877	(11,816)	40,937	14,791
Concern	371	1,862	1,202	1,823	461	2,604	101	(43)	173	749	461	590
ECSC	(317)	(5)	(41)	(282)	(43)	0	(2)	(40)	0	17	(43)	0
Foundation	1,545	3,264	710	982	556	(450)	(308)	(84)	(85)	(619)	556	(175)
SVM	(114)	32	106	156	100	0	(1)	(43)	(4)	(5)	100	(6)

(1) Due to timing of month end costing, In Patient and Out Patient Operating Margin % for FYTD 2017 are one month in arrears

(2) Green - Equal to or better than budget

Yellow - Unfav vs budget by up to 5%

Red - Greater than 5% unfav variance from budget

Inpatient Volume:

- YTD September Inpatient discharges was 2.5% below budget.
- # of Deliveries were lower than budget by 2.1%; GI, Pulmonary medicine, Oncology Surgery and GYN Surgery posted the highest YTD unfavorable budget variance.
- On the other hand, NICU, General Robotic Surgery, HVI, and Hips Ortho Surgery case volume showed increase ranging from 12% to 83% higher than budget.

Outpatient Volume:

- YTD OP Volume was below budget by approximately 3.0%
- Lower cases show in areas of Imaging, General Medicine, OP Urology and OP Neuro and OP Orthopedic cases.
- Infusion Center, OP Cath Lab and Sleep Center cases continue to show an upward trend.

Operating Income:

- Operating margin for September was \$4.3M favorable to budget, \$13.5M favorable year to date. Both revenues and expenses are favorable compared to budget.
- The favorable Net Revenue variance is primarily due to improved rev cycle operations including reduction in denials, Blue Cross rate increase and improvement in charge capture and cash collections.
- Expenses are low in labor by \$1.7M due to favorable productivity and pending PRN rate increase, in addition to positive variances in supplies (+\$357K), leases and rentals costs (+\$88K), and utilities costs (+\$121K).

In September net days in A/R increased slightly from 49.6 in August to 50.0.

Fiscal Year 2017 YTD (7/1/2016-9/30/2016) Waterfall

				Month to Date (MTD)			Year to Date (YTD)		
				Detail	Net Income Impact	% Net Revenue	Detail	Net Income Impact	% Net Revenue
\$ in Thousands									
Net Revenue (FY2017 Budget/FY2017 Actual)				66,055	67,896		198,479	203,534	
Budgeted Hospital Operations FY2017					4,148	6.3%		12,604	6.4%
Net Revenue					1,841	2.7%		5,055	2.5%
	*	IP/OP volumes are slightly decreasing. Rev is higher than expected due to improvement in reve cycle processes mainly reduced denials		1,841			5,055		
Labor and Benefit Expense Change					1,705	2.5%		4,364	2.1%
	*	Flexing to meet volumes. Productive hours currently under budget by 4.2%		1,705			4,364		
Professional Fees & Purchased Services					(165)	-0.2%		1,324	0.7%
	*	Budgeted Medical Director fees/Consultants					939		
	*	Repairs/Software		452			1,174		
	*	Purchased Services		(617)			(790)		
Supplies					357	0.5%		1,530	0.8%
	*	Drug Exp		169			(169)		
	*	Medical Supplies (Volumes)		104			894		
	*	Misc Net Supplies (Food/Volumes)		84			805		
Other Expenses					410	0.6%		609	0.3%
	*	Leases & Rental Fees		88			104		
	*	Utilities & Telephone		122			117		
	*	Other G&A		201			388		
Depreciation & Interest					155	0.2%		612	0.3%
Actual Hospital Operations FY2017					8,451	12.4%		26,097	12.8%

El Camino Hospital (\$000s) ⁽¹⁾

3 month ending 9/30/2016

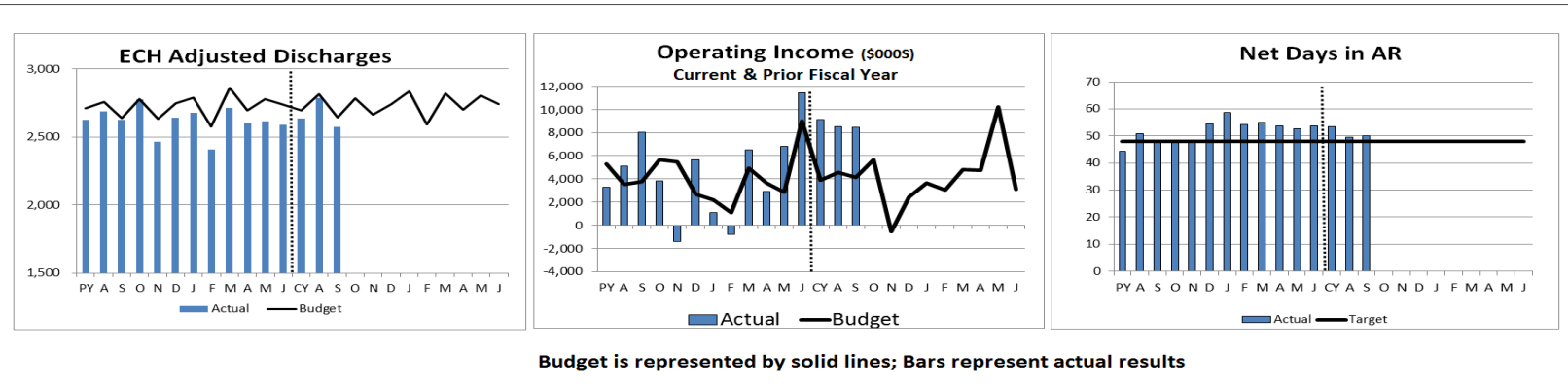
PERIOD 3 FY 2016	PERIOD 3 FY 2017	PERIOD 3 Budget 2017	Variance Fav (Unfav)	Var%
223,532	241,002	237,358	3,643	1.5%
(156,324)	(174,932)	(173,350)	(1,583)	1.0%
67,207	66,069	64,009	2,061	3.2%
1,866	1,827	2,047	(220)	-10.7%
69,073	67,896	66,055	1,841	2.8%
35,828	35,569	37,275	1,705	4.6%
9,564	9,320	9,677	357	3.7%
7,893	8,197	8,032	(165)	-2.1%
3,581	1,798	2,208	410	18.6%
449	468	448	(19)	-4.3%
3,749	4,093	4,267	174	4.1%
61,063	59,445	61,907	2,463	4.0%
8,010	8,451	4,148	4,303	103.7%
(12,506)	(1,076)	729	(1,805)	-247.6%
(4,496)	7,376	4,877	2,499	51.2%
17.7%	19.2%	13.4%	5.7%	
11.6%	12.4%	6.3%	6.2%	
-6.5%	10.9%	7.4%	3.5%	

\$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)

YTD FY 2016	YTD FY 2017	YTD Budget 2017	Variance Fav (Unfav)	Var%
664,907	715,849	712,818	3,031	0.4%
(475,691)	(517,758)	(520,586)	2,827	-0.5%
189,216	198,091	192,232	5,858	3.0%
6,088	5,443	6,247	(804)	-12.9%
195,304	203,534	198,479	5,055	2.5%
105,881	106,838	111,202	4,364	3.9%
29,145	27,598	29,128	1,530	5.3%
22,571	22,658	23,982	1,324	5.5%
8,591	6,737	7,346	609	8.3%
1,349	1,389	1,345	(44)	-3.3%
11,309	12,217	12,873	656	5.1%
178,846	177,437	185,875	8,438	4.5%
16,457	26,097	12,604	13,493	107.1%
(28,274)	14,841	2,187	12,654	578.7%
(11,816)	40,937	14,791	26,147	176.8%
14.9%	19.5%	13.5%	6.0%	
8.4%	12.8%	6.4%	6.5%	
-6.1%	20.1%	7.5%	12.7%	

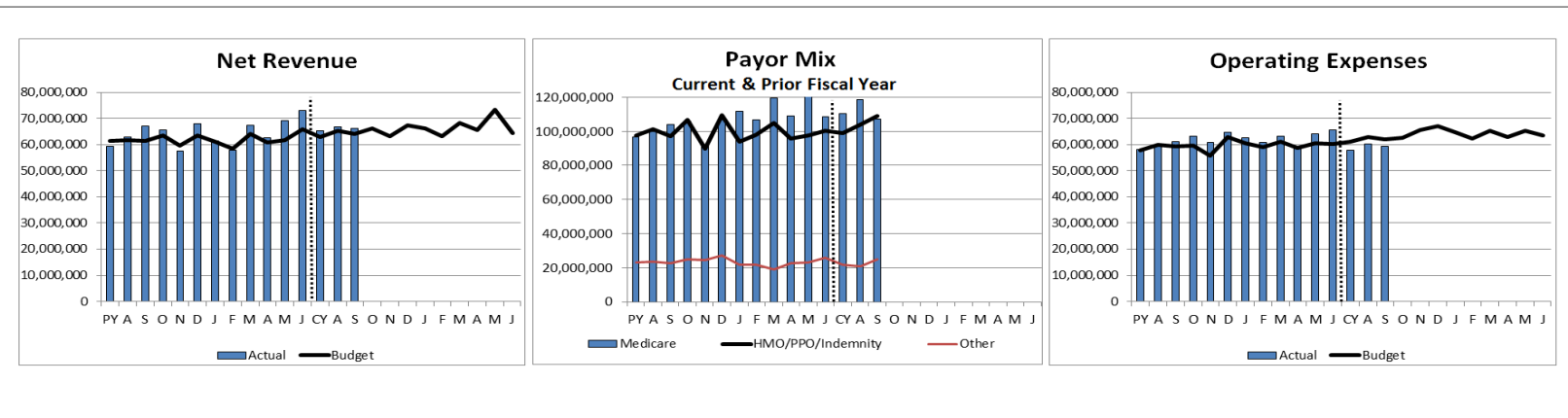
⁽¹⁾ Hospital entity only, excludes controlled affiliates

Monthly Financial Trends



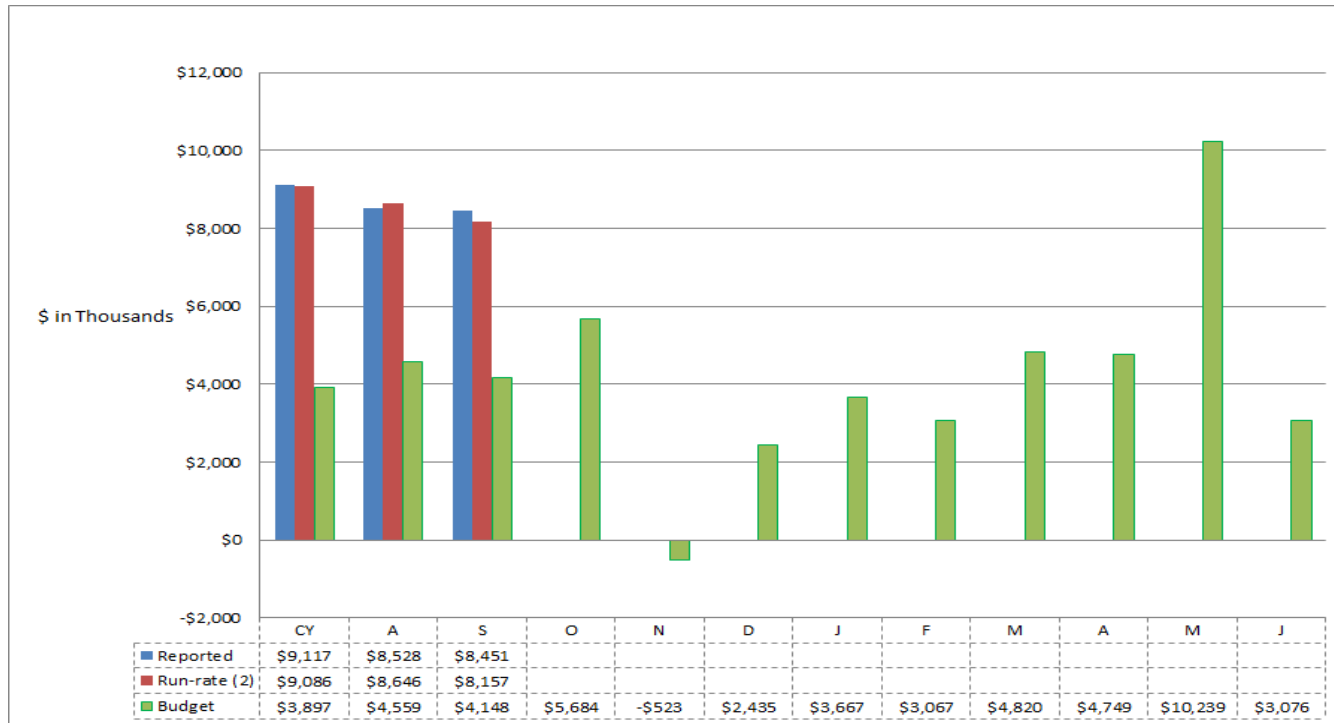
Volume is low mainly in surgeries and endoscopy cases.

AR days increased 0.4 days from August to September.



ECH Operating Margin

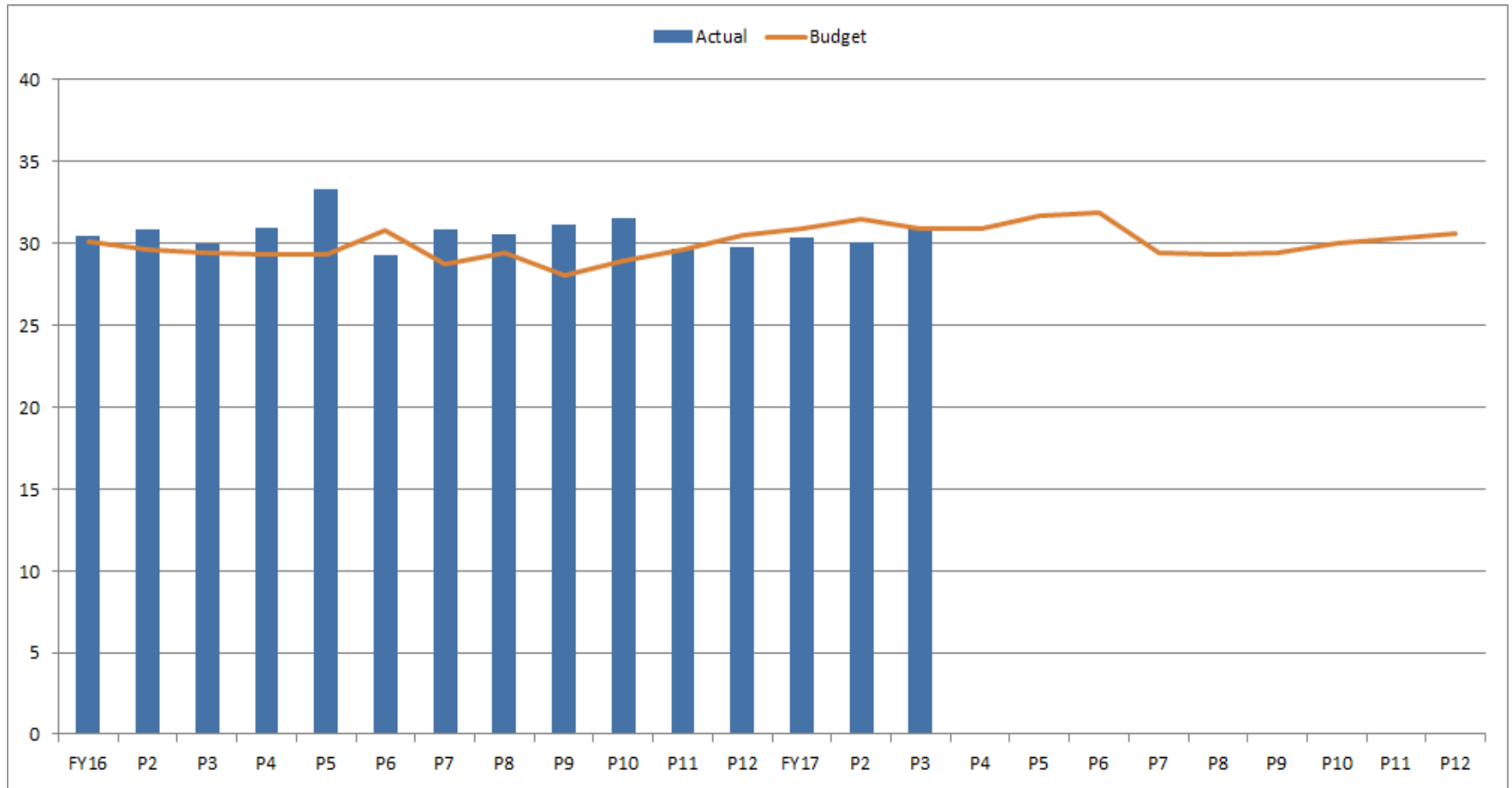
Run rate is booked operating income adjusted for material non-recurring transactions



FY 2017 Actual Run Rate Adjustments (in thousands)

		J	A	S	O	N	D	J	F	M	A	M	J
Revenue Adjustments	RAC Release	\$76	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Insurance Overpayment Release Spine	\$0	\$0	-\$61	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Mcare Settlmt/Appeal/Tent Settlmt/PIP	-\$100	\$158	-\$71	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total	-\$31	\$118	-\$295	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense Adjustments	Pay-For-Performance Bonus	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Actuarial Exp for Workers Comp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Worked Hours per Adjusted Patient Day



Productivity has improved after EPIC go-live and is about equal to target in September .

Summary of Financial Results

\$ in Thousands

	Period 3 - Month			Period 3 - FYTD		
	Actual	Budget	Variance	Actual	Budget	Variance
El Camino Hospital Income (Loss) from Operations						
Mountain View	8,477	3,098	5,379	24,191	9,604	14,588
Los Gatos	(26)	1,050	(1,076)	1,905	3,000	(1,095)
Sub Total - El Camino Hospital, excl. Affiliates	8,451	4,148	4,303	26,097	12,604	13,493
Operating Margin %	12.4%	6.3%		12.8%	6.4%	
El Camino Hospital Non Operating Income						
Investments	508	1,512	(1,004)	16,671	4,535	12,136
Swap Adjustments	308	0	308	238	0	238
Community Benefit	(1,304)	(283)	(1,021)	(1,624)	(850)	(774)
Other	(588)	(499)	(88)	(444)	(1,498)	1,055
Sub Total - Non Operating Income	(1,076)	729	(1,805)	14,841	2,187	12,654
El Camino Hospital Net Income (Loss)	7,376	4,877	2,499	40,937	14,791	26,147
ECH Net Margin %	10.9%	7.4%		20.1%	7.5%	
Concern	(43)	173	(215)	464	590	(125)
ECSC	(40)	0	(40)	(43)	0	(43)
Foundation	(84)	(85)	0	556	(175)	731
Silicon Valley Medical Development	(43)	(4)	(39)	100	(6)	106
Net Income Hospital Affiliates	(210)	84	(294)	1,075	409	666
Total Net Income Hospital & Affiliates	7,166	4,961	2,205	42,012	15,199	26,813

Favorable variance in other due to JV income mainly Pathways.

Smart Growth Summary FY2017 P3 YTD

	Actual YTD	Budget YTD	Diff	Notes
Deliveries	1,215	1,237	(22)	Delivery charge codes based on post date
NICU Level 2 & 3 Days	671	799	(128)	NICU 173 & 174 charge codes by post date
Inpatient Surgeries	1,065	1,173	(108)	Inpatient surgeries by post date
Outpatient Surgeries	1,463	1,622	(159)	Outpatient surgeries by post date (excludes Endo in OR)
OP Cath Lab Cases	495	506	(11)	Charge codes by service date, count # of patients
OP Endo Cases	541	671	(130)	Charge codes by service date, count # of patients
OP Infusion Cases	959	1,022	(63)	Charge codes by service date, count # of patients
OP Intvl Branch Procedures	126	121	5	Select charge codes by post date + EPIC location of Endo room

Description of variances

Deliveries: Altos Oaks purchased by Stanford / loss of 2 physicians in group / one new recruit added another being sought

Endoscopy: 4 independent physicians account for loss of cases / Los Gatos Endo in OR to improve availability, service line administrator assigned to re-capture splitters

Infusion: Anticipated addition of new medical oncologist delayed by independent physician group

General Surgery: 142 of the 195 loss from FY216 is due to a loss of independent general surgeons due to retirement and new alignment to other hospitals

Orthopedic Surgery: Lost 2 surgeons mid-year at Los Gatos / key Mountain View surgeon on vacation in July. New co-management agreements under discussion to renew service line interest

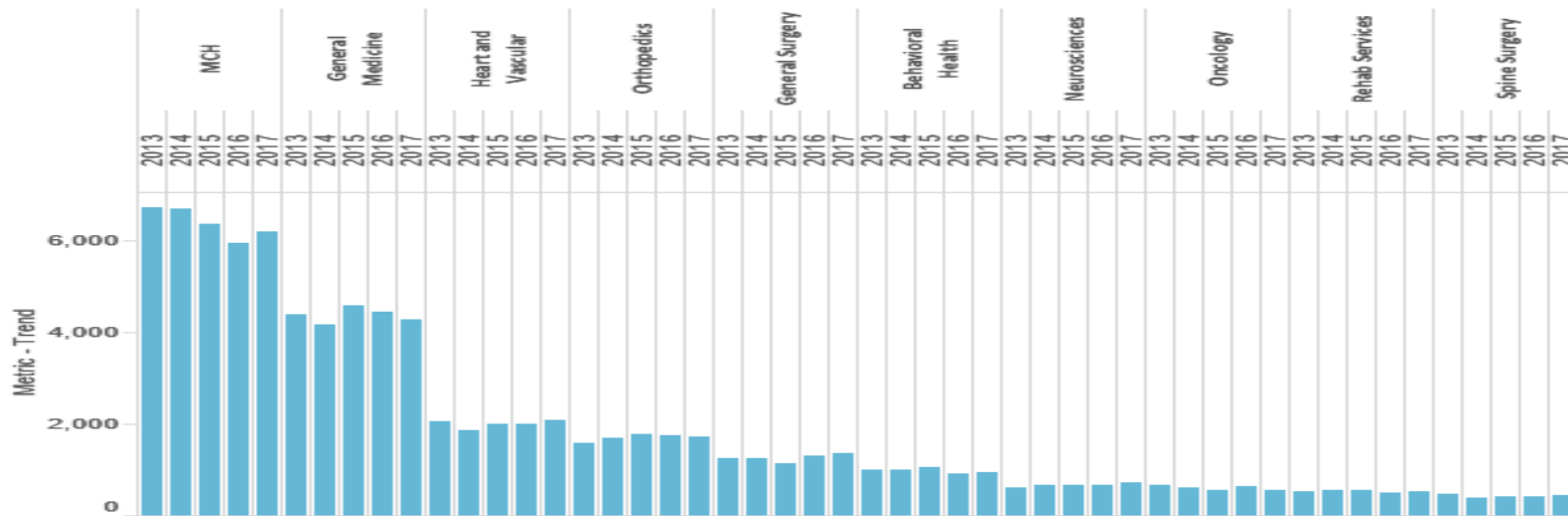
Urology: Work to recapture procedural volume underway, results remain below budget

(1) Hospital entity only, excludes controlled affiliates

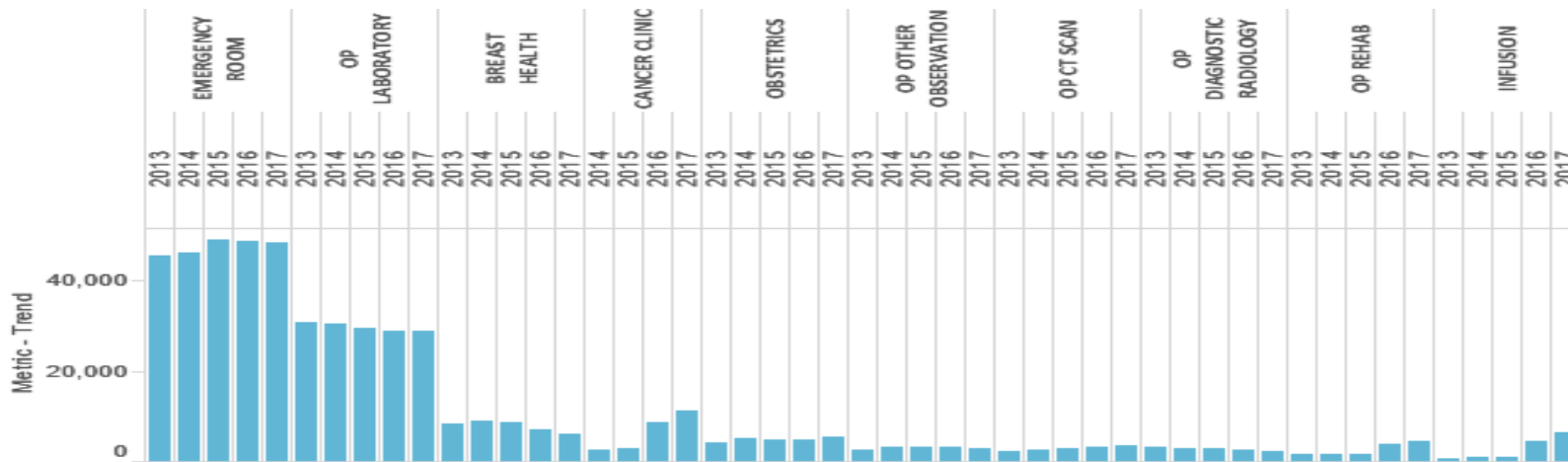
El Camino Hospital Volume Annual Trends

FY 2017 is annualized

IP



OP



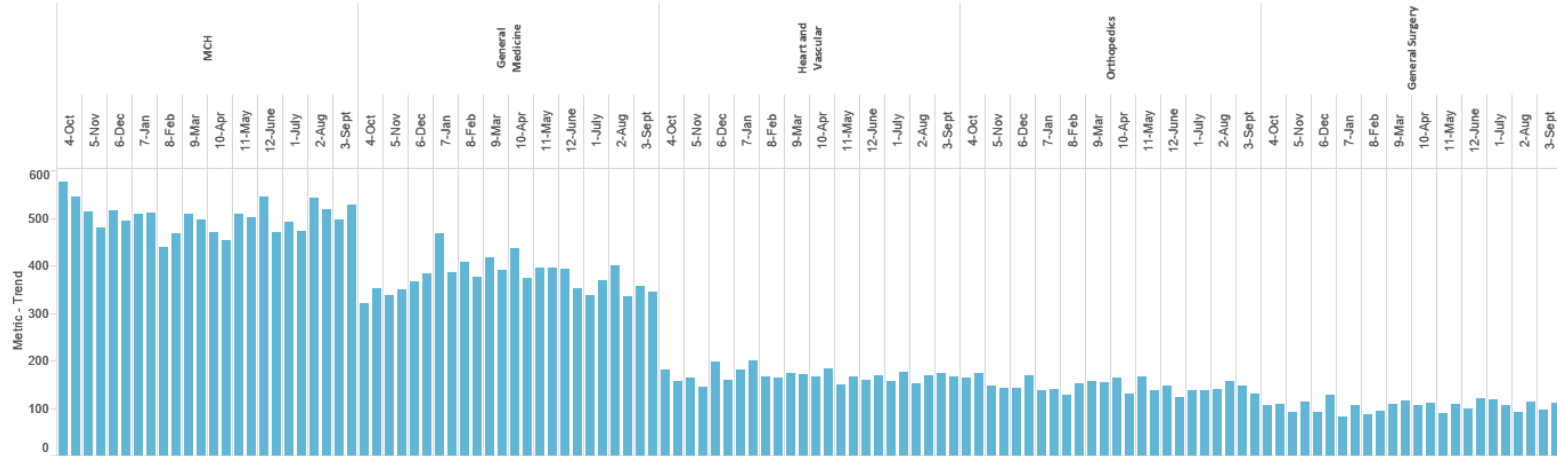
El Camino Hospital Volume Monthly Trends

Prior and Current Fiscal Years

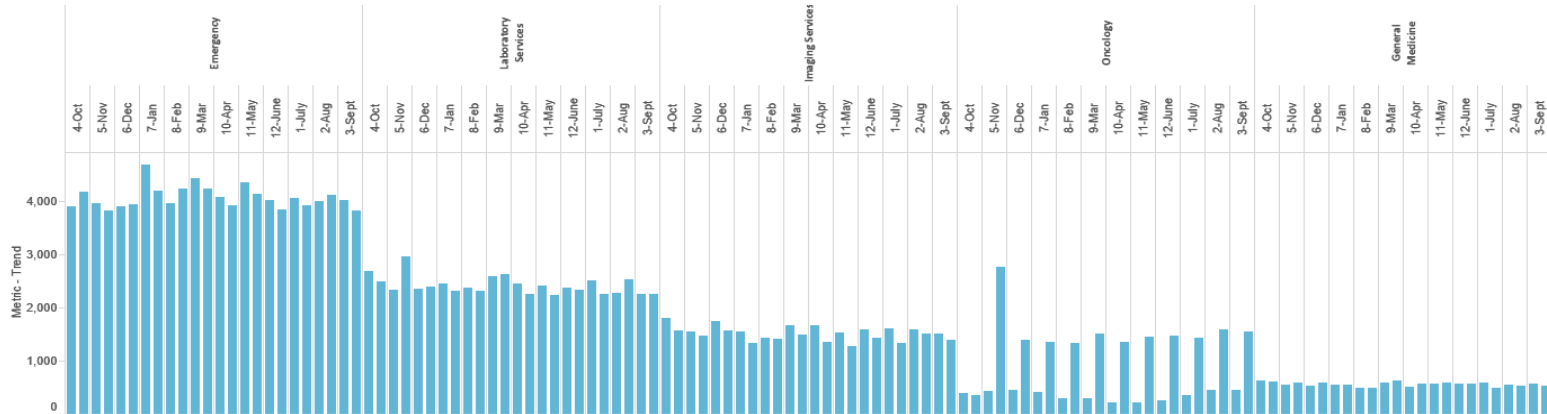
Columns are in PY, CY Order

IP

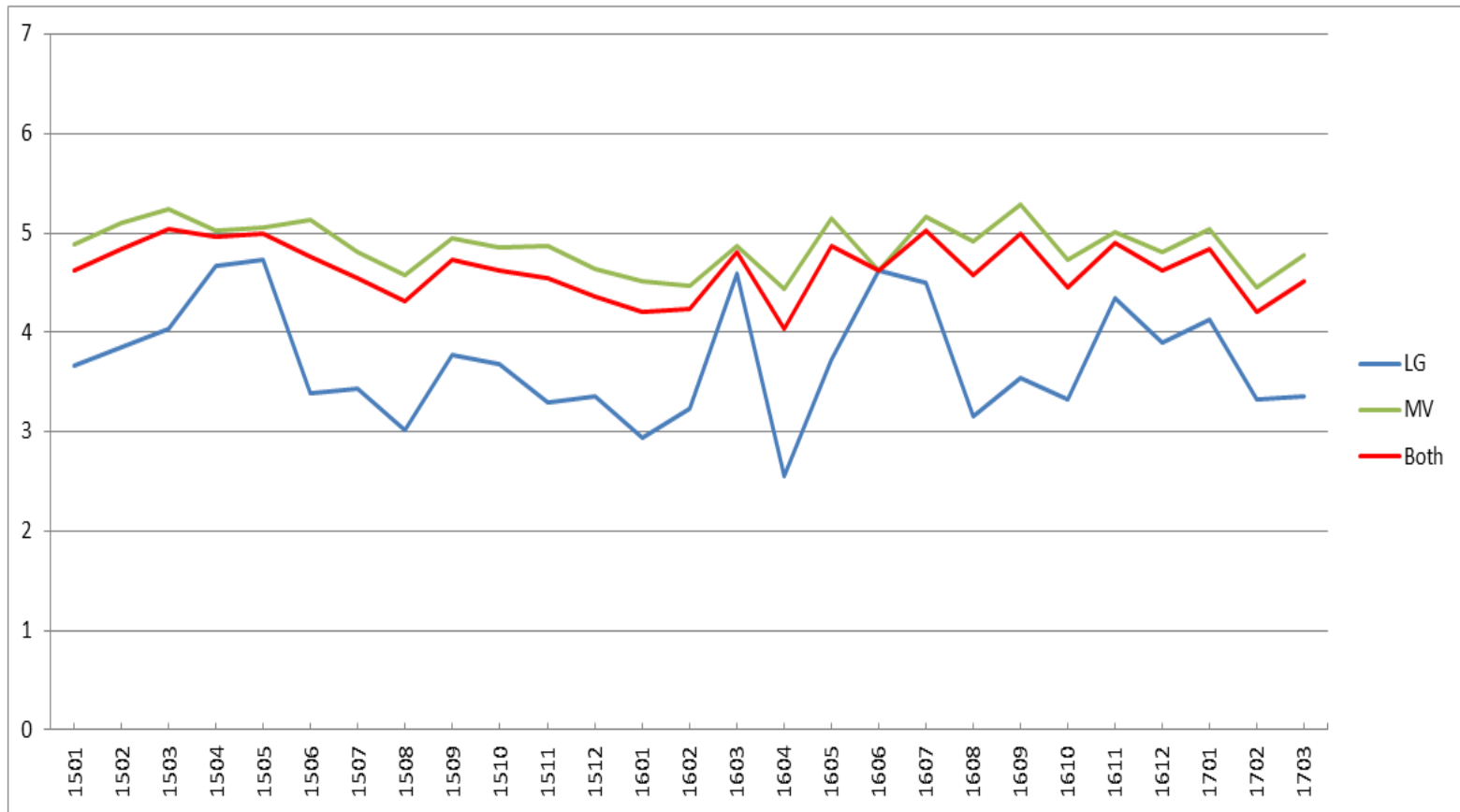
Service Line Trend - clicking on a service line excludes all others. Clicking a second time removes the filter. Filters apply to all graphs below.



OP



Medicare ALOS



- Medicare: Due to DRG reimbursement, financial results usually improve with decreased LOS
- Trend shows improvement in ALOS

El Camino Hospital Investment Committee Scorecard

Updated Quarterly

September 30, 2016

Key Performance Indicator	Status	El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	FY17 Year-end Budget	Expectation Per Asset Allocation
Investment Performance		3Q 2016		Fiscal Year-to-date		Since Inception (annualized)		May 2016	
Surplus cash balance & op. cash (millions)		\$773.2	--	--	--	--	--	\$657.2	--
Surplus cash return		2.7%	2.8%	2.7%	2.8%	4.9%	4.8%	4.0%	5.2%
Cash balance plan balance (millions)		\$228.9	--	--	--	--	--	\$220.6	--
Cash balance plan return		3.5%	3.1%	3.5%	3.1%	7.5%	6.8%	6.0%	5.8%
403(b) plan balance (millions)		\$357.1	--	--	--	--	--	--	--
Risk vs. Return		3-year				Since Inception (annualized)		May 2016	
Surplus cash Sharpe ratio		0.89	0.95	--	--	1.10	1.09	--	0.55
Net of fee return		4.1%	4.4%	--	--	4.9%	4.8%	--	5.2%
Standard deviation		4.6%	4.6%	--	--	4.3%	4.4%	--	8.6%
Cash balance Sharpe ratio		0.91	0.91	--	--	1.24	1.18	--	0.49
Net of fee return		5.5%	5.3%	--	--	7.5%	6.8%	--	5.8%
Standard deviation		6.0%	5.8%	--	--	5.9%	5.7%	--	10.7%
Asset Allocation		3Q 2016							
Surplus cash absolute variances to target		6.2%	< 10%	--	--	--	--	--	--
Cash balance absolute variances to target		5.2%	< 10%	--	--	--	--	--	--
Manager Compliance		3Q 2016							
Surplus cash manager flags		13	< 18	--	--	--	--	--	--
Cash balance plan manager flags		12	< 18	--	--	--	--	--	--

El Camino Hospital

Capital Spending (in millions)

	Category	Detail	Approved	Total Estimated Cost of Project	Total Authorized Active	Spent from Inception	FY 17 Proj Spend	FY 17 YTD Spent
CIP	EPIC Upgrade				6.1	2.0	6.1	2.0
IT Hardware, Software, Equipment*					5.4	0.3	5.4	0.3
Medical & Non Medical Equipment FY 16**					4.3	0.0	4.3	0.0
Medical & Non Medical Equipment FY 17					10.3	1.1	10.3	1.1
Facility Projects								
		1307 LG Upgrades	FY13	17.3	17.3	11.3	6.3	0.5
		1219 LG Spine OR	FY13	4.1	4.1	2.1	3.1	0.9
		1414 Integrated MOB	FY15	275.0	28.0	19.2	100.0	5.4
		1413 North Drive Parking Expansion	FY15	24.5	24.5	1.8	21.5	0.2
		1245 Behavioral Health Bldg	FY16	91.5	19.0	8.7	36.0	1.4
		1248 LG Imaging Phase II (CT & Gen Rad)	FY16	8.8	8.8	1.3	7.8	0.6
	1313/1224	LG Rehab HVAC System & Structural	FY16	3.7	3.7	2.7	1.0	0.9
		1502 Cabling & Wireless Upgrades	FY16	2.8	2.8	2.1	0.6	0.1
		1425 IMOB Preparation Project - Old Main	FY16	3.0	3.0	2.4	1.0	1.7
		1430 Women's Hospital Expansion	FY16	91.0	0.0	0.0	5.0	0.0
		1422 CUP Upgrade	FY16	9.0	1.5	1.1	5.0	0.1
		1503 Willow Pavilion Tomosynthesis	FY16	1.3	1.3	0.1	1.1	0.0
	1519/1314	LG Electrical Systems Upgrade	FY16	1.2	0.0	0.0	0.5	0.0
		1347 LG Central Sterile Upgrades	FY15	3.7	0.2	0.2	2.0	0.0
		1508 LG NICU 4 Bed Expansion	FY16	7.0	0.5	0.1	4.0	0.1
		1520 Facilities Planning Allowance	FY16	0.6	0.0	0.0	0.5	0.0
		1525 New Main Lab Upgrades		1.6	0.4	0.0	1.6	0.0
		1515 ED Remodel Triage/Psych Observation	FY16	1.6	0.0	0.0	0.6	0.0
		Site Signage and Other Improvements		1.0	0.0	0.0	0.2	0.0
		IR Room #6 Development		2.6	0.0	0.0	0.6	0.0
		1602 JW House (Patient Family Residence)		2.5	0.0	0.0	1.5	0.0
		1507 LG IR Upgrades		1.1	0.0	0.0	0.2	0.0
		LG Building Infrastructure Upgrades		1.5	0.0	0.0	1.5	0.0
		LG MOB Improvements (17)		5.0	0.0	0.0	4.0	0.0
		All Other Projects under \$1M		8.6	7.2	4.2	6.0	0.7
				569.9	122.3	57.4	211.5	12.7
GRAND TOTAL					148.4		237.5	16.1

*Excluding EPIC

** Unspent Prior Year routine used as contingency

FY 17 Facility Project Request (in 000s)

	(Board Packet) Budgeted FY 17	(FY 17 Cashflow Projections) Projected FY 17*	Variance
Mountain View Campus Master Plan Projects			
1245 BHS Replacement	\$30,000	\$36,000	(\$6,000)
1413 North Dr. Parking Structure Expansion	\$20,500	\$21,500	(\$1,000)
1414 Integrated Medical Office Building	\$101,500	\$100,000	\$1,500
1422 CUP Upgrades	\$5,000	\$5,000	\$0
1430 Womens Hosp Expansion	<u>\$5,500</u>	<u>\$5,000</u>	<u>\$500</u>
Sub-Total Mountain View Campus Master Plan**	\$162,500	\$167,500	(\$5,000)
Mountain View Capital Projects			
1501 Womens Hosp NPC Closeout	\$327	\$527	(\$200)
1425 IMOB Preparation Project - Old Main	\$1,000	\$990	\$10
1502 Cabling and Wireless upgrades	\$400	\$600	(\$200)
1525 Histology Fume Hood Upgrades	\$1,200	\$1,570	(\$370)
1515 ED Remodel Triage/Psych Observation	\$1,400	\$600	\$800
1415 Signage & Wayfinding	\$300	\$500	(\$200)
1503 Breast Imaging Tomography	\$300	\$1,100	(\$800)
1316 Willow Pavilion FA Sys and Equip Upgrades	\$800	\$200	\$600
Furniture Systems Inventory	\$250	\$500	(\$250)
Site Signage & Other Improvements	\$200	\$200	\$0
MV Equipment & Infrastructure Upgrades	\$300	\$600	(\$300)
IR Room #6 Development	\$500	\$600	(\$100)
1602 JW House (Patient Family Residence)	\$500	\$1,500	(\$1,000)
Facilities Planning Allowance	<u>\$300</u>	<u>\$600</u>	<u>(\$300)</u>
Sub-Total Mountain View Projects	\$7,777	\$10,087	(\$2,310)
Los Gatos Capital Projects			
1219 LG Spine Room Expansion - OR 4	\$3,100	\$3,100	\$0
1313 LG Rehab HVAC Upgrades	\$400	\$1,000	(\$600)
1248 LG Imaging Phase II (CT & Gen Rad)	\$7,250	\$7,750	(\$500)
1307 LG Upgrades - Major	\$7,300	\$6,300	\$1,000
1327 LG Rehab Building Upgrades	\$500	\$655	(\$155)
1507 LG IR Upgrades	\$800	\$200	\$600
1508 LG NICU 4 Bed Expansion	\$5,000	\$4,000	\$1,000
LG Building Infrastructure Improvements	\$1,200	\$1,500	(\$300)
LG MOB Improvements (17)	\$4,000	\$4,000	\$0
LG Facilities Planning	\$500	\$500	\$0
1421 LG MOB Improvements	<u>\$150</u>	<u>\$638</u>	<u>(\$488)</u>
Sub-Total Los Gatos Projects	\$30,200	\$29,643	\$557
Other Strategic Capital Projects			
Primary Care Clinic (TI's Only)	\$1,600	\$1,600	\$0
Urgent Care Clinics (TI's Only)	<u>\$2,400</u>	<u>\$2,400</u>	<u>\$0</u>
Sub-Total Strategic Capital Projects	\$4,000	\$4,000	\$0
Grand Total Facilities Projects	\$204,477	\$211,230	(\$6,753)

*FY 2017 Cashflow based on August 2016 Information

** Board Approved

El Camino Hospital⁽¹⁾

Balance Sheet (Thousands)

ASSETS

	September 30, 2016	Unaudited June 30, 2016
CURRENT ASSETS		
Cash	78,772	59,169
Short Term Investments	113,913	105,284
(1) Patient Accounts Receivable, net	103,252	116,059
Other Accounts and Notes Receivable	3,194	4,369
(2) Intercompany Receivables	1,483	2,200
(3) Inventories and Prepaids	40,395	43,278
Total Current Assets	341,010	330,359
BOARD DESIGNATED ASSETS		
Plant & Equipment Fund	122,134	119,650
(4) Women's Hospital Expansion	8,961	-
Operational Reserve Fund	100,196	100,196
Community Benefit Fund	13,021	13,037
Workers Compensation Reserve Fund	22,548	22,309
Postretirement Health/Life Reserve Fund	18,662	18,256
PTO Liability Fund	22,539	22,984
Malpractice Reserve Fund	1,800	1,800
Catastrophic Reserves Fund	14,773	14,125
Total Board Designated Assets	324,634	312,358
(5) FUNDS HELD BY TRUSTEE	28,177	30,841
LONG TERM INVESTMENTS	213,605	207,597
INVESTMENTS IN AFFILIATES	32,564	31,148
PROPERTY AND EQUIPMENT		
Fixed Assets at Cost	1,176,595	1,171,372
Less: Accumulated Depreciation	(497,411)	(485,856)
Construction in Progress	51,083	46,009
Property, Plant & Equipment - Net	730,266	731,525
DEFERRED OUTFLOWS	26,772	22,518
RESTRICTED ASSETS - CASH	0	0
TOTAL ASSETS	1,697,028	1,666,346

LIABILITIES AND FUND BALANCE

	September 30, 2016	Unaudited June 30, 2016
CURRENT LIABILITIES		
(6) Accounts Payable	18,492	28,519
(7) Salaries and Related Liabilities	15,867	22,992
Accrued PTO	22,539	22,984
Worker's Comp Reserve	2,300	2,300
(8) Third Party Settlements	13,827	11,314
Intercompany Payables	67	105
Malpractice Reserves	1,936	1,936
Bonds Payable - Current	3,635	3,635
(9) Bond Interest Payable	3,177	5,459
Other Liabilities	2,983	2,684
Total Current Liabilities	84,822	101,929
LONG TERM LIABILITIES		
Post Retirement Benefits	18,662	18,256
Worker's Comp Reserve	20,248	20,009
Other L/T Obligation (Asbestos)	3,665	3,637
Other L/T Liabilities (IT/Medl Leases)	-	-
Bond Payable	226,341	226,580
Total Long Term Liabilities	268,916	268,482
FUND BALANCE/CAPITAL ACCOUNTS		
Unrestricted	1,018,656	983,577
Board Designated	324,634	312,358
Restricted	0	0
(10) Total Fund Bal & Capital Accts	1,343,290	1,295,935
TOTAL LIABILITIES AND FUND BALANCE	1,697,028	1,666,346

⁽¹⁾ Hospital entity only, excludes controlled affiliates

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

- (1) The decrease is primarily due to the significant cash payments the Patient Accounts team has brought in during the first quarter, two months in excess of \$70M where the projected budget was approximately \$63M per month.
- (2) The decrease is just a timing issue of intercompany payments from one quarter to another. Normally at a fiscal year end, they are higher due to the books being held open for a longer period of time in preparation for audit.
- (3) The decrease is due to a Prepaid Cash Balance contribution that was on the books the end of June, and subsequently released in July.
- (4) A new item, the District allocated its FY 2014 and FY2015 Capital Appropriation Funds in support of future renovations to the Women's Hospital when the IMOB is completed and those floors become for patient care
- (5) The decrease is due to additional withdraws from the 2015A Project Fund for the renovations at the Los Gatos campus.
- (6) The decrease is due significant General Contractor payments being accrued at year end, that were subsequently relieved during the first quarter of fiscal year 2017.
- (7) The decrease is due to timing of the release of the bi-weekly payroll liabilities, at June 30 there were 12/14's accrual on the books, at September 30 it was down to 6/14's.
- (8) The increase is due to unsettled insurance patient refunds that are being researched.
- (9) The decrease is due a semi-annual 2015A bond interest payment made August 1, 2016.
- (10) The increase is due to this fiscal year's P&L affect (\$26M from Operations and \$15M for Non-Operations – primarily due to unrealized investment gain, and the \$9M transfer from the District in support of the future Women's Hospital renovations.

⁽¹⁾ Hospital entity only, excludes controlled affiliates

APPENDIX

Dashboard - Mountain View

	Annual						Month			YTD		
	2013	2014	2015	2016	2017	2017	PY	CY	Bud/Target	PY	CY	Bud/Target
					Projection	Bud/Target						
Volume												
Licensed Beds	300	300	300	300	300	300	300	300	300	300	300	300
Acute Patient Days	72,245	71,084	73,360	73,010	69,960	72,687	5,893	5,742	5,894	17,501	17,490	17,623
ADC	198	195	201	199	192	199	196	191	196	190	190	192
Adjusted Acute Discharges	18,804	18,465	18,455	18,721	19,118	18,879	1,565	1,552	1,562	4,645	4,779	4,750
Acute Discharges	11,206	10,718	10,825	11,105	11,100	11,082	904	915	923	2,698	2,775	2,776
Inpatient total												
MS Discharges	11,206	10,718	10,825	11,105	11,100	11,082	904	915	923	2,698	2,775	2,776
Deliveries	4,487	4,348	4,386	4,076	4,228	4,171	325	366	347	1,019	1,057	1,044
BHS	861	857	901	806	768	896	68	42	75	214	192	224
Rehab	0	0	0	0	0	0	0	0	0	0	0	0
OP total												
ED	34,920	35,447	38,443	39,005	38,292	40,212	3,231	3,060	3,349	9,638	9,573	10,068
OP Surg	2,808	3,273	3,402	3,189	3,336	3,447	264	265	287	807	834	863
Endo	1979	2,300	2,365	2,231	2,060	2,320	196	185	193	592	515	581
Interventional	1496	1,689	1,856	1,947	2,056	2,302	156	163	192	488	514	576
All Other	59,665	64,061	62,322	72,398	75,552	76,743	4,998	3,294	6,392	15,313	18,888	19,215
Financial Performance (\$000s)												
Net Revenues	557,533	589,420	603,788	632,800	655,660	640,625	54,169	55,399	51,866	152,393	163,915	155,592
Operating Expenses	516,892	550,736	562,790	607,214	578,581	625,093	47,238	48,568	50,598	145,495	144,645	151,601
Operating Income \$	55,324	56,518	59,684	46,918	96,766	38,016	8,553	8,477	3,098	12,336	24,191	9,604
Operating Margin	9.7%	9.3%	9.6%	7.2%	14.3%	5.7%	15.3%	14.9%	5.8%	7.8%	14.3%	6.0%
EBITDA \$	105,938	105,814	103,637	96,770	144,746	90,879	12,254	12,505	7,289	23,500	36,186	22,225
EBITDA %	18.5%	17.4%	16.6%	14.8%	21.4%	13.7%	22.0%	21.9%	13.6%	14.9%	21.4%	13.8%
Payor Mix												
Medicare	42.0%	44.0%	46.4%	46.2%	46.5%	45.0%	45.5%	45.3%	45.0%	44.5%	46.5%	45.0%
Medi-Cal	5.4%	6.5%	7.1%	7.9%	7.3%	8.3%	8.2%	7.4%	8.3%	8.5%	7.3%	8.3%
Commercial IP	28.6%	25.7%	24.2%	23.6%	23.3%	23.6%	23.6%	24.7%	23.6%	23.8%	23.3%	23.6%
Commercial OP	19.2%	18.9%	18.4%	18.6%	19.6%	19.1%	19.0%	19.4%	19.1%	19.4%	19.6%	19.1%
Total Commercial	47.8%	44.6%	42.6%	42.2%	43.0%	42.7%	42.6%	44.1%	42.7%	43.1%	43.0%	42.7%
Other	4.8%	4.9%	3.9%	3.7%	3.2%	4.0%	3.6%	3.3%	4.0%	3.8%	3.2%	4.0%
Cost												
Employees	1,901.0	2,027.6	2,029.9	2,163.0	2,054.0	2,123.0	2,122.2	2,052.8	2,124.9	2,081.5	2,054.0	2,094.5
Hrs/APD	29.58	30.16	29.60	30.97	30.76	31.92	29.96	31.34	31.64	30.95	30.76	31.92

Dashboard - Los Gatos

	Annual						Month			YTD		
	2013	2014	2015	2016	2017 Projection	2017 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	42	43	45	43	41	46	41	42	46	44	40	45
Adjusted Acute Discharges	3,578	3,740	3,888	3,778	3,664	4,113	476	298	343	1,061	916	1,032
Acute Discharges	2,143	2,165	2,289	2,239	2,104	2,417	275	175	201	574	526	605
Inpatient total												
MS Discharges	2,143	2,165	2,289	2,239	2,104	2,417	189	175	201	574	526	605
Deliveries	748	792	681	641	604	639	61	55	53	184	151	159
BHS	0	0	0	0	0	14	0	0	1	0	0	3
Rehab	525	547	555	500	524	570	44	39	47	133	131	143
OP total												
ED	10,605	10,609	10,687	10,922	10,660	11,046	910	884	920	2,706	2,665	2,766
OP Surg	3,103	3,171	3,077	2,864	2,820	2,980	258	243	248	783	705	738
Endo	263	192	155	91	16	159	7	2	13	31	4	40
Interventional	11	17	22	23	32	21	1	1	2	5	8	5
All Other	4,770	5,397	5,730	7,258	8,028	7,823	418	650	652	1,323	2,007	1,959
Financial Performance (\$000s)												
Net Revenues	128,794	131,702	142,858	139,221	136,703	148,960	13,039	10,671	12,143	36,823	34,176	36,640
Operating Expenses	115,461	118,944	126,841	135,830	131,166	139,735	10,995	10,876	11,310	33,352	32,792	34,274
Operating Income \$	13,802	13,787	18,436	5,695	7,622	11,801	2,287	-26	1,050	4,121	1,905	3,000
Operating Margin	10.7%	10.4%	12.7%	4.0%	5.5%	7.8%	17.2%	-0.2%	8.5%	11.0%	5.5%	8.0%
EBITDA \$	18,784	19,440	24,365	11,784	14,062	19,011	2,783	507	1,574	5,565	3,516	4,596
EBITDA %	14.5%	14.6%	16.8%	8.3%	10.1%	12.5%	21.0%	4.7%	12.7%	14.9%	10.1%	12.3%
Payor Mix												
Medicare	45.5%	44.0%	46.1%	48.2%	49.1%	47.5%	50.9%	40.7%	47.5%	48.0%	49.1%	47.5%
Medi-Cal	2.9%	3.5%	4.3%	5.1%	4.7%	4.7%	3.8%	6.0%	4.7%	4.5%	4.7%	4.7%
Commercial IP	25.3%	25.9%	23.8%	21.4%	20.7%	22.2%	20.9%	25.9%	22.2%	23.1%	20.7%	22.2%
Commercial OP	17.0%	19.1%	20.0%	19.4%	20.2%	20.2%	19.0%	19.4%	20.2%	19.8%	20.2%	20.2%
Total Commercial	42.3%	45.0%	43.8%	40.8%	40.9%	42.4%	40.0%	45.3%	42.4%	42.9%	40.9%	42.4%
Other	9.3%	7.5%	5.8%	5.9%	5.4%	5.5%	5.4%	8.1%	5.5%	4.7%	5.4%	5.5%
Cost												
Employees	388.0	408.1	422.6	421.8	416.3	423.4	425.9	420.5	429.4	429.5	416.3	423.4
Hrs/APD	29.13	27.65	28.00	29.34	28.96	27.68	30.12	29.19	27.30	28.26	28.96	27.68

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

3 month ending 9/30/2016

PERIOD 3 FY 2016	PERIOD 3 FY 2017	PERIOD 3 Budget 2017	Variance Fav (Unfav)	Var%
182,633	198,553	193,387	5,166	2.7%
(128,464)	(143,154)	(141,521)	(1,633)	1.2%
54,169	55,399	51,866	3,532	6.8%
1,622	1,647	1,830	(183)	-10.0%
55,791	57,045	53,696	3,350	6.2%
29,781	29,596	31,035	1,439	4.6%
7,936	7,616	7,941	325	4.1%
6,502	7,010	6,777	(233)	-3.4%
2,148	318	653	334	51.2%
449	468	448	(19)	-4.3%
3,253	3,560	3,743	183	4.9%
50,069	48,568	50,598	2,029	4.0%
5,722	8,477	3,098	5,379	173.6%
(12,506)	(1,076)	729	(1,805)	-247.6%
(6,784)	7,401	3,827	3,574	93.4%
14.7%	19.7%	11.2%	8.5%	
10.3%	14.9%	5.8%	9.1%	
-12.2%	13.0%	7.1%	5.8%	

\$000s	YTD FY 2016	YTD FY 2017	YTD Budget 2017	Variance Fav (Unfav)	Var%
OPERATING REVENUE					
Gross Revenue	541,525	594,217	580,134	14,083	2.4%
Deductions	(389,132)	(430,302)	(424,542)	(5,760)	1.4%
Net Patient Revenue	152,393	163,915	155,592	8,323	5.3%
Other Operating Revenue	5,438	4,922	5,613	(692)	-12.3%
Total Operating Revenue	157,831	168,837	161,205	7,631	4.7%
OPERATING EXPENSE					
Salaries & Wages	87,728	89,001	92,530	3,530	3.8%
Supplies	23,970	22,932	23,875	943	3.9%
Fees & Purchased Services	18,525	18,696	20,173	1,476	7.3%
Other Operating Expense	4,107	2,021	2,402	381	15.8%
Interest	1,349	1,389	1,345	(44)	-3.3%
Depreciation	9,815	10,606	11,277	671	5.9%
Total Operating Expense	145,495	144,645	151,601	6,956	4.6%
Net Operating Income/(Loss)	12,336	24,191	9,604	14,588	151.9%
Non Operating Income	(28,274)	14,851	2,187	12,664	579.1%
Net Income(Loss)	(15,937)	39,042	11,791	27,252	231.1%
EBITDA	12.5%	19.2%	11.5%	7.8%	
Operating Margin	7.8%	14.3%	6.0%	8.4%	
Net Margin	-10.1%	23.1%	7.3%	15.8%	

⁽¹⁾ Hospital only, excludes controlled affiliates

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

3 month ending 9/30/2016

PERIOD 3 FY 2016	PERIOD 3 FY 2017	PERIOD 3 Budget 2017	Variance Fav (Unfav)	Var%
40,899	42,449	43,972	(1,523)	-3.5%
(27,860)	(31,778)	(31,829)	51	-0.2%
13,039	10,671	12,143	(1,472)	-12.1%
243	180	217	(37)	-17.2%
13,282	10,851	12,360	(1,509)	-12.2%
6,046	5,973	6,239	266	4.3%
1,628	1,704	1,736	32	1.9%
1,391	1,187	1,255	68	5.4%
1,433	1,480	1,556	76	4.9%
0	0	0	0	0.0%
496	533	524	(9)	-1.7%
10,995	10,876	11,310	434	3.8%
2,287	(26)	1,050	(1,076)	-102.4%
0	0	0	0	0.0%
2,287	(26)	1,050	(1,076)	-102.4%
30.4%	16.2%	22.8%	-6.7%	
17.2%	-0.2%	8.5%	-8.7%	
17.2%	-0.2%	8.5%	-8.7%	

\$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)

YTD FY 2016	YTD FY 2017	YTD Budget 2017	Variance Fav (Unfav)	Var%
123,382	121,632	132,684	(11,052)	-8.3%
(86,559)	(87,456)	(96,044)	8,588	-8.9%
36,823	34,176	36,640	(2,465)	-6.7%
650	521	633	(112)	-17.7%
37,473	34,697	37,274	(2,577)	-6.9%
18,153	17,838	18,671	834	4.5%
5,176	4,666	5,253	587	11.2%
4,045	3,962	3,809	(153)	-4.0%
4,484	4,716	4,945	228	4.6%
0	0	0	0	0.0%
1,494	1,610	1,596	(14)	-0.9%
33,352	32,792	34,274	1,482	4.3%
4,121	1,905	3,000	(1,095)	-36.5%
0	(10)	0	(10)	0.0%
4,121	1,895	3,000	(1,105)	-36.8%
25.0%	20.9%	22.4%	-1.5%	
11.0%	5.5%	8.0%	-2.6%	
11.0%	5.5%	8.0%	-2.6%	

⁽¹⁾ Hospital only, excludes affiliates

El Camino Hospital Capital Spending (in thousands) FY 2012 – FY 2016

Category	2012	2013	2014	2015	2016
IT Hardware/Software Equipment	7,289	8,019	2,788	4,660	6,483
Medical/Non Medical Equipment	11,203	10,284	12,891	13,340	11,846
Non CIP Land, Land I, BLDG, Additions	7,311	0	22,292	0	30,274

Facilities Projects CIP

0101 - Hosp Replace	313	0	0	0	0
0317 - Melchor TI's	117	0	0	0	0
0701 - Cyberknife	0	0	0	0	0
0704 - 1 South Upgrade	2	0	0	0	0
0802 - Willow Pavillion Upgrades	0	0	0	0	0
0805 - Women's Hospital Finishes	0	0	0	0	0
0809 - Hosp Renovations	0	0	0	0	0
0815 - Orc Pav Water Heater	0	0	0	0	0
0816 - Hospital Signage	0	0	0	0	0
0904 - LG Facilities Upgrade	41	2	0	0	0
0907 - LG Imaging Masterplan	162	244	774	1,402	17
1000 - LG Rehab Building	0	0	0	0	0
1104 - New Main CDU TV's	0	0	0	0	0
9900 - Unassigned Costs	279	734	470	3,717	0
0803 - Park Pav Foundation	270	0	0	0	0
1005 - LG OR Light Upgrd	108	14	0	0	0
1101 - Melchor Pavilion - Genomics	0	0	0	0	0
1102 - LG Joint Hotel	657	0	0	0	0
1106 - SHC Project	2,245	0	0	0	0
1108 - Cooling Towers	932	450	0	0	0
1115 - Womens Hosp TI's	50	0	0	0	0
1118 - Park Pav Roto Care	119	0	0	0	0
1120 - BHS Out Patient TI's	472	66	0	0	0
1122 - LG Sleep Studies	147	7	0	0	0
1129 - Old Main Card Rehab	400	9	0	0	0
0817 - Womens Hosp Upgrds	1,242	645	1	0	0
0906 - Slot Build-Out	0	1,003	1,576	15,101	1,251
1107 - Boiler Replacement	49	0	0	0	0
1109 - New Main Upgrades	589	423	393	2	0
1111 - Mom/Baby Overflow	267	212	29	0	0
1129 - Cardic Rehab Improv	0	0	0	0	0
1132 - Pneumatic Tube Prj	78	0	0	0	0
1204 - Elevator Upgrades	24	25	30	0	0
1210 - Los Gatos VOIP	1	147	89	0	0
0800 - Womens L&D Expansion	129	2,104	1,531	269	0
1116 - LG Ortho Pavillion	44	177	24	21	0
1124 - LG Rehab BLDG	11	49	458	0	0
1128 - LG Boiler Replacement	3	0	0	0	0
1131 - MV Equipment Replace	190	216	0	0	0
1135 - Park Pavilion HVAC	47	0	0	0	0
1208 - Willow Pav. High Risk	0	110	0	0	0
1213 - LG Sterilizers	0	102	0	0	0
1225 - Rehab BLDG Roofing	0	7	241	4	0
1227 - New Main eICU	0	96	21	0	0
1230 - Fog Shop	0	339	80	0	0
1247 - LG Infant Security	0	134	0	0	0
1307 - LG Upgrades	0	376	2,979	3,282	3,511
1308 - LG Infrastructure	0	0	114	0	0
1313 - LG Rehab HVAC System/Structural	0	0	0	0	1,597
1315 - 205 So. Drive TI's	0	0	500	2	0
0908 - NPCR3 Seismic Upgrds	554	1,302	1,224	1,328	240

Category	2012	2013	2014	2015	2016
Facilities Projects CIP cont.					
1125 - Will Pav Fire Sprinkler	9	57	39	0	0
1211 - SIS Monitor Install	0	215	0	0	0
1216 - New Main Process Imp Office	0	19	1	16	0
1217 - MV Campus MEP Upgrades FY13	0	0	181	274	28
1219 - LG Spine OR	0	0	214	323	633
1221 - LG Kitchen Refrig	0	0	85	0	0
1224 - Rehab Bldg HVAC Upgrades	0	11	202	81	14
1245 - Behavioral Health Bldg Replace	0	0	1,257	3,775	1,389
1248 - LG - CT Upgrades	0	0	26	345	197
1249 - LG Mobile Imaging	0	0	146	0	0
1301 - Desktop Virtual	0	0	13	0	0
1304 - Rehab Wander Mgmt	0	0	87	0	0
1310 - Melchor Cancer Center Expansion	0	0	44	13	0
1318 - Women's Hospital TI	0	0	48	48	29
1327 - Rehab Building Upgrades	0	0	0	15	20
1320 - 2500 Hosp Dr Roofing	0	0	75	81	0
1328 - LG Ortho Canopy FY14	0	0	255	209	0
1340 - New Main ED Exam Room TVs	0	0	8	193	0
1341 - New Main Admin	0	0	32	103	0
1344 - New Main AV Upgrd	0	0	243	0	0
1345 - LG Lab HVAC	0	0	112	0	0
1346 - LG OR 5, 6, and 7 Lights Replace	0	0	0	285	53
1347 - LG Central Sterile Upgrades	0	0	0	181	43
1400 - Oak Pav Cancer Center	0	0	0	5,208	666
1403 - Hosp Drive BLDG 11 TI's	0	0	86	103	0
1404 - Park Pav HVAC	0	0	64	7	0
1405 - 1-South Accessibility Upgrades	0	0	0	0	168
1408 - New Main Accessibility Upgrades	0	0	0	7	46
1413 - North Drive Parking Structure Exp	0	0	0	167	1,266
1414 - Integrated MOB	0	0	0	2,009	8,875
1415 - Signage & Wayfinding	0	0	0	0	106
1416 - MV Campus Digital Directories	0	0	0	0	34
1421 - LG MOB Improvements	0	0	0	198	65
1422 - CUP Upgrade	0	0	0	0	896
1423 - MV MOB TI Allowance	0	0	0	0	588
1425 - IMOB Preparation Project - Old Mai	0	0	0	0	711
1429 - 2500 Hospital Dr Bldg 8 TI	0	0	0	101	0
1432 - 205 South Dr BHS TI	0	0	0	8	15
1501 - Women's Hospital NPC Comp	0	0	0	4	0
1502 - Cabling & Wireless Upgrades	0	0	0	0	1,261
1503 - Willow Pavilion Tomosynthesis	0	0	0	0	53
1504 - Equipment Support Infrastructure	0	0	0	61	311
1523 - Melchor Pavilion Suite 309 TI	0	0	0	0	10
1526 - CONCERN TI	0	0	0	0	37
1550 - Land Acquisition	0	0	0	0	24,007
Subtotal Facilities Projects CIP	9,553	9,294	13,753	38,940	48,136
Grand Total	35,357	27,598	51,723	56,940	96,739
Forecast at Beginning of year	47,138	70,503	70,037	65,420	114,025

ATTACHMENT 7

November 14, 2016

Investment Committee Meeting – Series 2016A&B



Executive Summary

- Interest rates have remained very favorable for ECH to access the capital markets
 - Long-term yields are near historical lows
 - Municipal demand continues to outpace supply
- ECH can take advantage of attractive market conditions and scale of economies to efficiently raise new money, preserve liquidity and reduce the District tax levy
- Series 2016 Plan of Finance will include dual tracking financings:
 - New Money Revenue Bonds: \$318 million of tax-exempt proceeds
 - Opportunity to reduce interest cost on Series 2006 General Obligation Bonds
 - Gross Savings over life of the bonds of \$17.6 million that will be passed to the district property owners
- S&P and Moody's reaffirmed ratings
- Timing
 - Pricing
 - Go bonds – 10/26
 - Rev Bonds – 10/27
 - Close – 11/14/2016

El Camino Hospital Financings in the Past Decade

Transaction	Purpose	Par Amount	Call Dates	Original All-in TIC	Actual TIC
General Obligation Bonds					
Series 2006CIB ⁽¹⁾	To construct new District facilities, altering, renovating and improving existing District facilities	\$101,460,000	2/1/2017 @ 100%	4.48%	
Series 2006CAB ⁽²⁾	To construct new District facilities, altering, renovating and improving existing District facilities	\$32,335,000	Non-callable	4.44%	
2016B	To refund the Series 2006 Current Interest Bonds	\$95,680,000	2/1/2027 @ 100% (Expected)	3.26%	3.21%
Revenue Bonds					
Series 2007ABC (defeased)	To refinance or reimburse the Corporation for certain capital expenditures at facilities owned or operated by the Corporation	\$147,525,000	8/1/2017 @ 100%	5.47%	
Series 2009A	To finance or reimburse the Corporation for certain capital expenditures at facilities owned to operated by the Corporation	\$50,000,000	Any date @ 100%	4.77%	
Series 2015A	To finance and refinance certain capital expenditures at facilities owned or operated by the Corporation and to advance refund the Series 2007ABC Bonds	\$160,455,000	2/1/2025 @ 100%	3.87%	
2016A	To finance certain capital expenditures at facilities owned or operated by the Corporation	\$282,035,000 Proceeds \$318,038,765	2/1/2027 @ 100% (Expected)	3.52%	3.76%

- (1) "CIB" : Current Interest Bonds
 (2) "CAB" : Capital Appreciation Bonds
 (3) Upcoming Series 2016A and B All-in TIC is an estimate

Overview of Financing Group Members

Party	Role in Transaction
Issuer (CHFFA)	Provides financial assistance to the borrower through loans funded by the issuance of tax-exempt bonds.
Borrower (El Camino Hospital)	Receives the proceeds of the bond issuance for financing of certain tax-exempt projects and / or refunding of tax-exempt bonds.
Borrower's Counsel (Buchalter Nemer)	Advises El Camino on the terms of the deal, and gives assurance that they have properly authorized the transactions and agreements and complied with all state and federal laws.
Bond Counsel (Orrick, Herrington & Sutcliffe)	A law firm retained by the Issuer and Borrower to provide a legal opinion that the issuer is authorized to issue the proposed securities, the issuer has met all legal requirements necessary for issuance, and interest on the proposed securities will be exempt from federal, state, and local income taxation. Typically, Bond Counsel prepares the authorizing resolutions of the Issuer and trust indenture. Bond Counsel also prepares the preliminary official and final official statements.
Financial Advisor (Ponder & Co.)	An independent consulting firm that advises El Camino on all financial matters pertaining to a proposed issue. A Financial Advisor does not serve as an Underwriter.
Underwriter (Citigroup Global Markets)	Serves as the dealer, which purchases the bonds from the Issuer through a negotiated sale. The underwriter also provides quantitative and analytical support directly to the Borrower as it relates to the financing and marketing plan and coordinates the working group.
Underwriter's Counsel (Stradling, Yocca Carlson & Rauth)	A law firm who is selected by the Underwriter to draft the bond purchase agreement. Underwriter's Counsel negotiates on behalf of the Underwriter.
Bond Trustee (Wells Fargo)	Manages all bond funds and passes through the Borrower's payments of principal and interest to investors.
Auditor (Moss Adams)	Compiles and examines the Borrower's financial statements and certain portions of Appendix A upon which the Auditor has expressed an opinion. Reports / audits a Borrower's financial position and the results of operations for a set period of time.
Rating Agencies (Moody's and Standard & Poor's)	Independently evaluates the credit quality of bonds. Ratings are intended to measure the probability of the timely repayment of principal and interest on municipal securities. El Camino Hospital's revenue bonds are currently rated 'A1' by Moody's and 'A+' by S&P.

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Investment Committee Scorecard

El Camino Hospital Investment Committee Scorecard

September 30, 2016

Key Performance Indicator	Status	El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	FY17 Year-end Budget	Expectation Per Asset Allocation
Investment Performance		3Q 2016		Fiscal Year-to-date		Since Inception (annualized)			May 2016
Surplus cash balance & op. cash (millions)		\$773.8	--	--	--	--	--	\$657.2	--
Surplus cash return		2.8%	2.9%	2.8%	2.9%	4.9%	4.9%	4.0%	5.2%
Cash balance plan balance (millions)		\$228.9	--	--	--	--	--	\$220.6	--
Cash balance plan return		3.5%	3.2%	3.5%	3.2%	7.5%	6.8%	6.0%	5.8%
403(b) plan balance (millions)		\$357.1	--	--	--	--	--	--	--
Risk vs. Return		3-year				Since Inception (annualized)			May 2016
Surplus cash Sharpe ratio		0.90	0.96	--	--	1.11	1.09	--	0.55
Net of fee return		4.1%	4.4%	--	--	4.9%	4.9%	--	5.2%
Standard deviation		4.6%	4.6%	--	--	4.3%	4.4%	--	8.6%
Cash balance Sharpe ratio		0.91	0.91	--	--	1.24	1.18	--	0.49
Net of fee return		5.5%	5.4%	--	--	7.5%	6.8%	--	5.8%
Standard deviation		6.0%	5.8%	--	--	5.9%	5.7%	--	10.7%
Asset Allocation		3Q 2016							
Surplus cash absolute variances to target		6.2%	< 10%	--	--	--	--	--	--
Cash balance absolute variances to target		5.2%	< 10%	--	--	--	--	--	--
Manager Compliance		3Q 2016							
Surplus cash manager flags		16	< 18	--	--	--	--	--	--
Cash balance plan manager flags		16	< 18	--	--	--	--	--	--

Glossary of Terms for Scorecard

Key Performance Indicator	Definition / Explanation
Investment Performance	
Surplus cash balance (millions)	Investment performance for the Surplus Cash portfolio was in-line with the benchmark for the quarter with a return of +2.8%. The portfolio has performed in-line with the benchmark since inception (Nov. 1, 2012) with a return of +4.9% annualized. The assets within the Surplus Cash account ended the quarter at \$773.8 million, significantly higher than the beginning of the quarter due to strong performance and an increase in cash from operations. With significant capital expenditures in the fiscal year 2017 plan the projected balance at fiscal year end is much lower at \$657.2 million.
Surplus cash return	
Cash balance plan balance (millions)	The Cash Balance Plan's performance was better than its benchmark for the quarter by 30 basis points with a return of +3.5%, and has outperformed its benchmark since inception. The since inception annualized return stands at +7.5%, 70 basis points ahead of its benchmark per year. The assets within the Cash Balance Plan ended the quarter at \$228.9 million. The budgeted amount for fiscal year 2017 is \$220.6 million.
Cash balance plan return	
403(b) plan balance (millions)	The 403(b) balance has risen substantially and now stands at \$357.1 million, an increase of \$26.5 million or 8% over the March 31, 2016 value.
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 well 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 was in-line with 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.

Third Quarter Performance Review

Executive Summary



El Camino Hospital

3rd Quarter 2016

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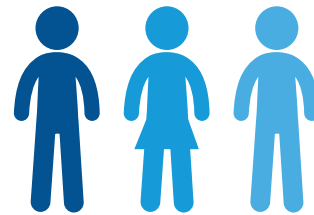
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Pavilion Advisory Group®-at-a-Glance



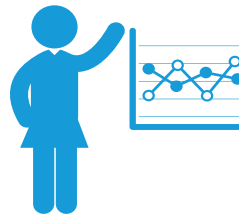
RESEARCH COVERAGE	
	# Staff
CAPITAL MARKETS	3
RISK MANAGEMENT & STRATEGIC ANALYSIS	3
INVESTMENT MANAGERS	
- GLOBAL EQUITIES	8
- GLOBAL FIXED INCOME	5
- MULTI-ASSET, TARGET DATE, LIQUID ALTERNATIVES	4
TOTAL	23



Total Employees
150



Consulting Staff
65



34 CFA® & 15 CAIASM Charterholders



Shareholders
50

PRACTICE AREAS

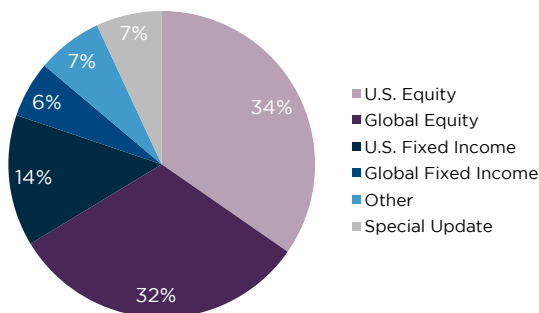
Healthcare

Insurance

Endowments
& Foundations

Retirement
DC & DB

Our manager research team attends approximately
1,300 manager meetings per year
Breakdown of manager meetings by asset classes



Assets under Advisement
\$620 billion



Clients
310



Advising clients since
1982



Office locations
8



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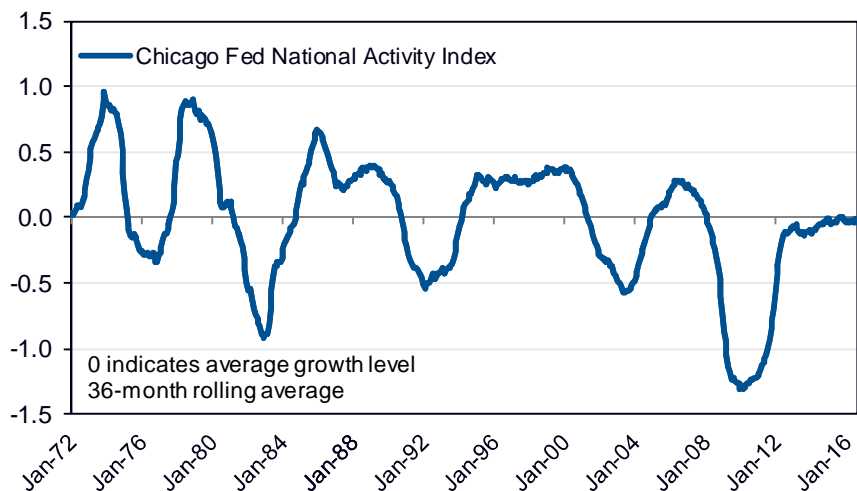


Capital Markets Review & Investment Outlook

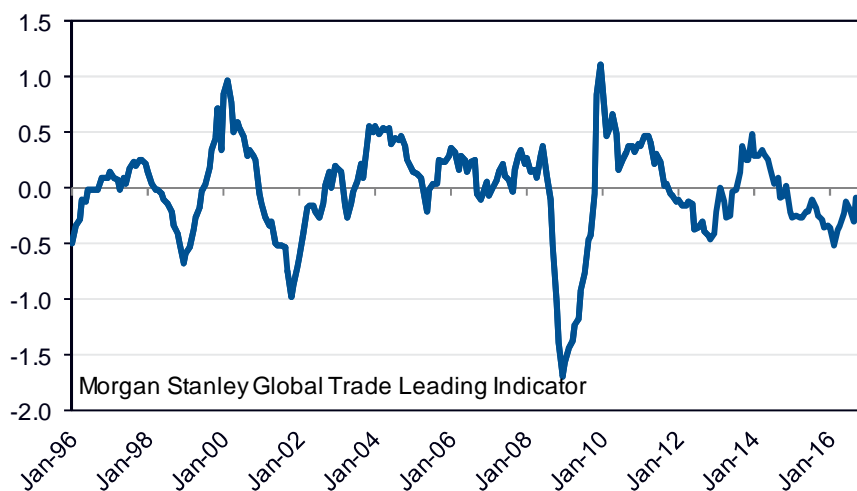
Capital Markets Review

Economy

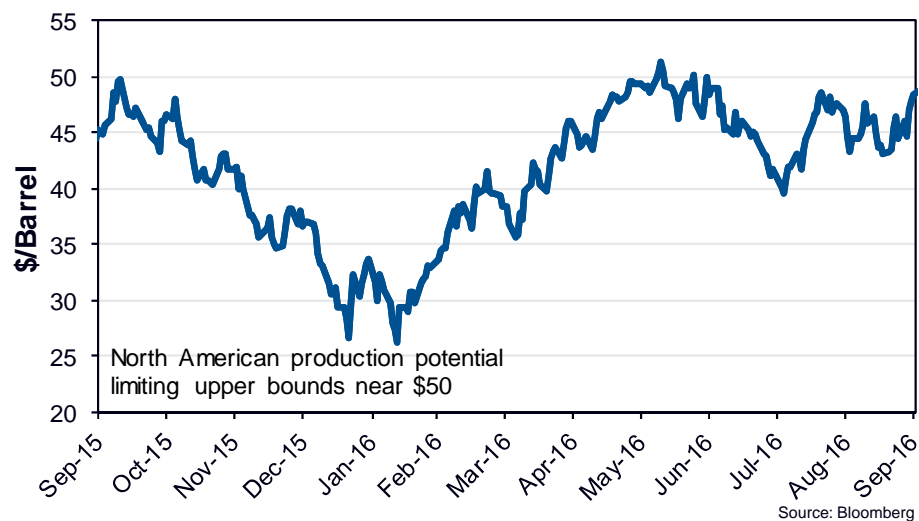
Economic Growth Below Average



Global Trade Contracting



U.S. Crude Oil Prices



Global Economies Still Searching For Growth

§ Oil prices took a round-trip during the quarter to end \$0.09 lower. July saw oil prices plummet in reaction to Brexit, which was an overreaction on the downside. After economic crash fears abated, oil prices began to rebound during August. OPEC's proposed crude oil production cuts again bolstered prices, prompting central banks to raise alarms over future inflation. Even if OPEC cuts production, crude oil prices are unlikely to substantially rise, as U.S. producers have ample spare capacity to minimize any potential shortages. Short of a surge in global economic growth, oil prices are unlikely to deviate markedly from current levels.

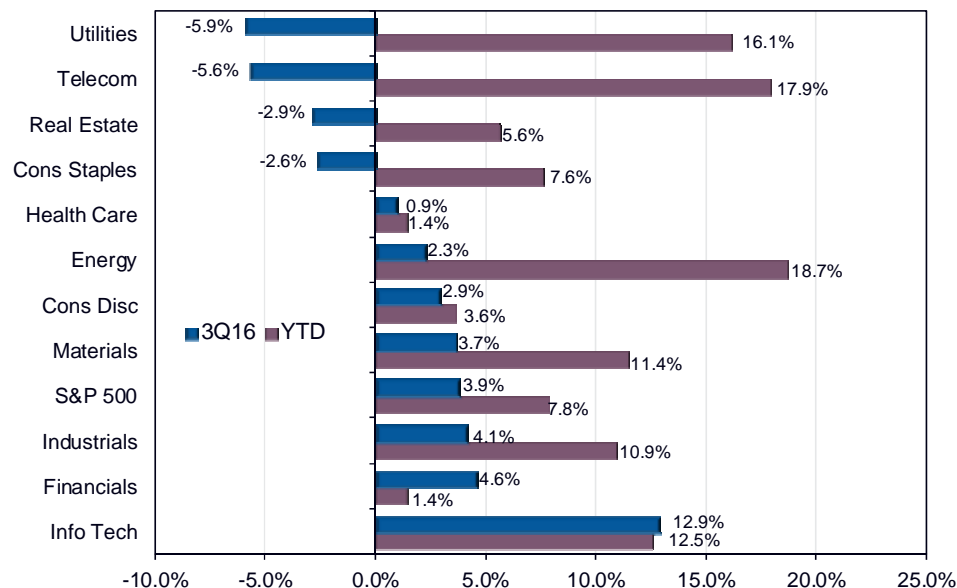
§ The Federal Reserve upped its verbiage regarding interest rate hikes. Though the pattern of Fed activity is similar to 2015, its conviction to raise rates before year-end is not as strong. Employment figures have improved in 2016, inflation remains subdued and growth is tepid. Economic growth has remained below average since the 2008-2009 recession and indicators are not signaling an impending change. The Fed continues to state that its interest rate decisions are dependent upon improving economic conditions, which currently do not appear strong enough to justify rate hikes.

§ Global trade remained weak as economies retrenched and political winds shifted away from globalism. Commodity prices gained in the first half of 2016, though the recent direction was lower as economies were perceived as needing additional stimuli to combat slow growth. Abundant agricultural production further pressured prices, though consumers have benefited from stable-to-declining food prices.

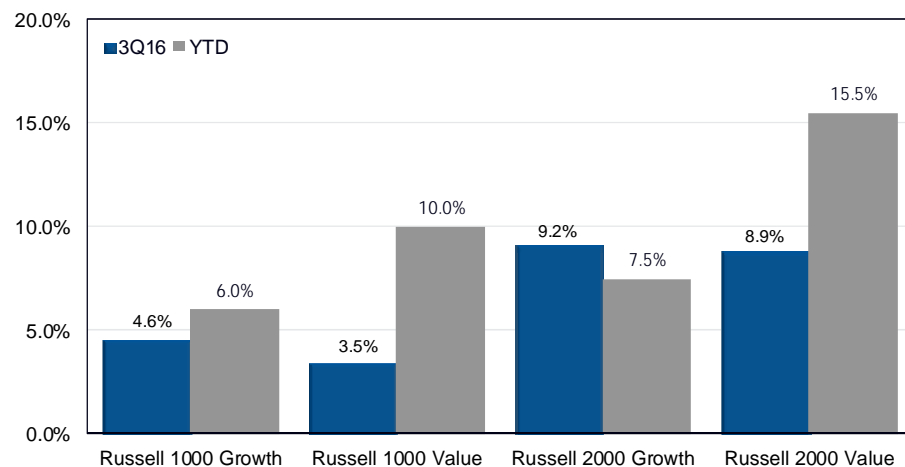
Capital Markets Review

Equities

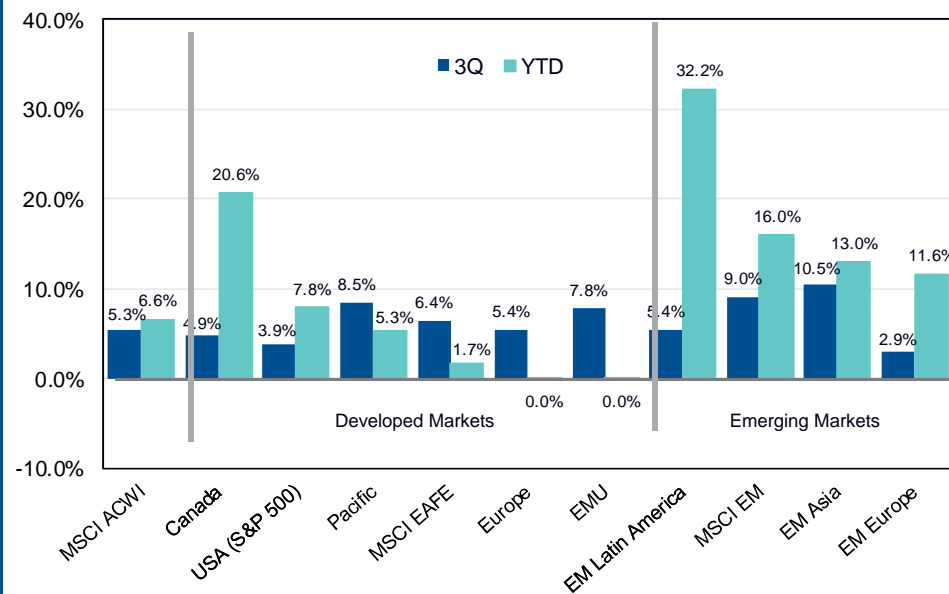
3rd Quarter 2016 and YTD S&P 500 Sector Returns



3rd Quarter 2016 Saw Small Caps Outperform



3rd Quarter and YTD 2016 World Equity Returns



Growth and Cyclical Propel Equity Markets Higher

- § The S&P 500 gained 3.9% during the third quarter, bringing the year to date return to 7.8%. Information Technology was by far the strongest performing sector for the quarter while higher yielding sectors such as Utilities, Telecom, Real Estate, and Consumer Staples experienced a reversal from the first half of the year. Health Care eked out a modest gain as political and regulatory pressure weighed on the sector in the months leading up to the U.S. presidential election.
- § Emerging markets returned 9.0% during the third quarter and 16.0% year to date, outperforming both the U.S. and EAFE. Latin America continued to log gains for the year and remains the best performing equity market year to date. Asian markets, both developed and emerging, had the strongest performance during the quarter.
- § The third quarter saw a reversal in style with growth edging out value; however, value remains solidly ahead of growth year to date. Size was a prominent factor during the quarter, with small-cap stocks performing significantly better than large-cap stocks.

Capital Markets Review

Fixed Income

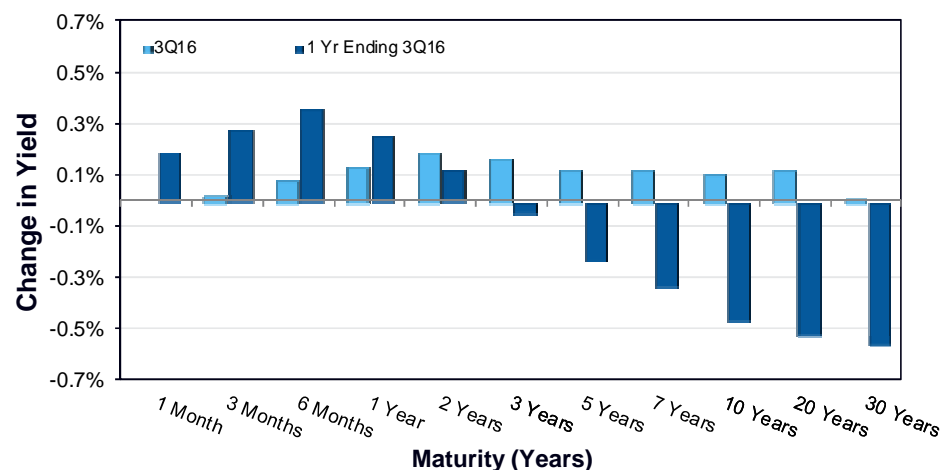
Duration – Adjusted Excess Returns to Treasuries (bps)

	2009	2010	2011	2012	2013	2014	2015	1Q16	2Q16	3Q16
Aggregate	746	171	-114	226	93	10	-53	-4	31	68
Agency	288	77	-25	166	1	10	-133	23	36	44
MBS	495	225	-106	91	98	40	-5	-38	3	64
ABS	2496	169	52	246	24	53	44	16	50	26
CMBS	2960	1501	47	841	97	108	-28	58	37	91
Credit	1990	192	-322	693	226	-18	-169	18	97	155
High Yield	5955	974	-240	1394	923	-112	-577	77	411	576
EMD (USD)	3797	508	-537	1503	-32	-120	3	123	266	354

Best Period Second Best Period Worst Period Second Worst Period

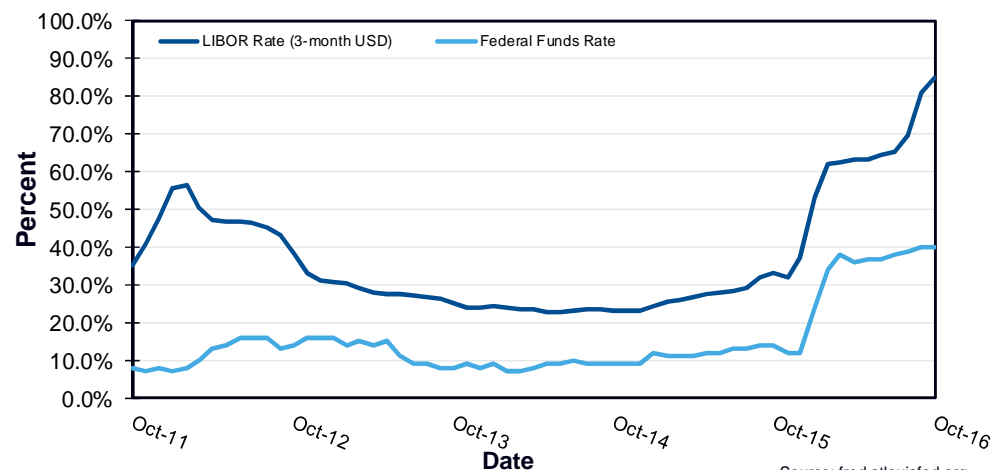
Source: Barclays

U.S. Treasury Yield Curve Change



Source: US Dept. of The Treasury

Trailing Five-Year Lending Rates



Source: fred.stlouisfed.org

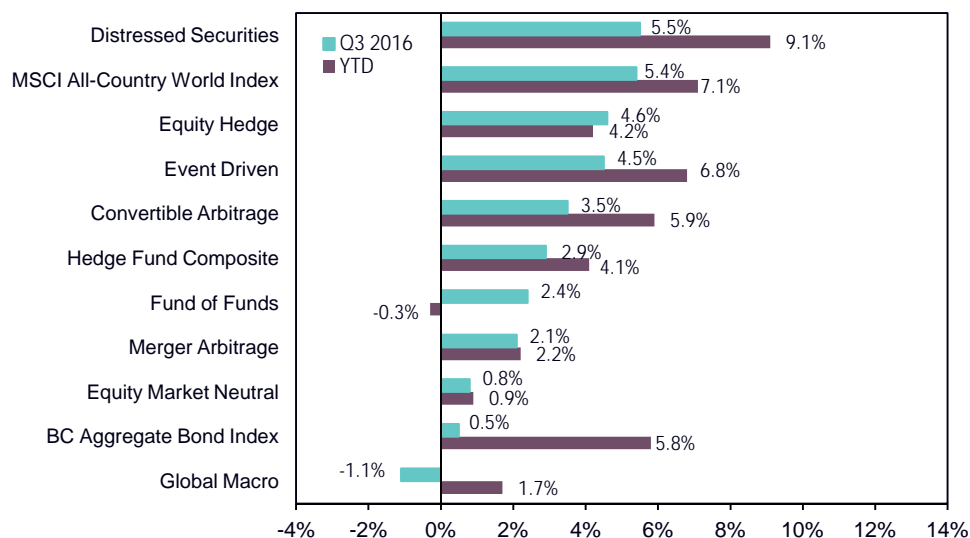
Bonds Rally as Strong Demand Overshadows Rise in Yields

- § Despite hitting record lows in July, Treasury yields ended the third quarter higher across the curve. Amid concerns following the UK's referendum decision to leave the European Union, the 10-year dropped to as low as 1.36% before bouncing back sharply and ending the quarter at 1.60%. Rate volatility slowed during the second half of the quarter as U.S. economic data signaled modest improvement through strong payroll growth. U.S. Treasuries generated their first negative quarterly return since 2015 (-0.28%).
- § In spite of higher yields across the curve, all spread sectors ended the quarter with positive total returns and outpaced Treasuries on a duration-adjusted basis. Investment grade credit spreads tightened 18 bps during the quarter, while high yield spreads tightened 114 bps as the sector returned +5.6%. Strong demand from global investors continued to benefit U.S. corporate credit as the universe of negative yielding sovereign debt reached \$11.7 trillion globally.
- § Three-month LIBOR increased by 19 bps during the quarter despite an unchanged Fed policy rate. The increase in borrowing costs, instead, resulted from the anticipation of new money market regulations requiring a floating NAV for prime funds, which will take effect on October 14th.
- § U.S. dollar-denominated emerging market debt produced strong results (+4.0%) for the quarter as spreads tightened solidly across all regions. Commodity producing countries led the charge with Venezuela standing out with a +28.4% return on the quarter as energy prices stabilized. Mexico (-3.7%) was the largest underperformer.

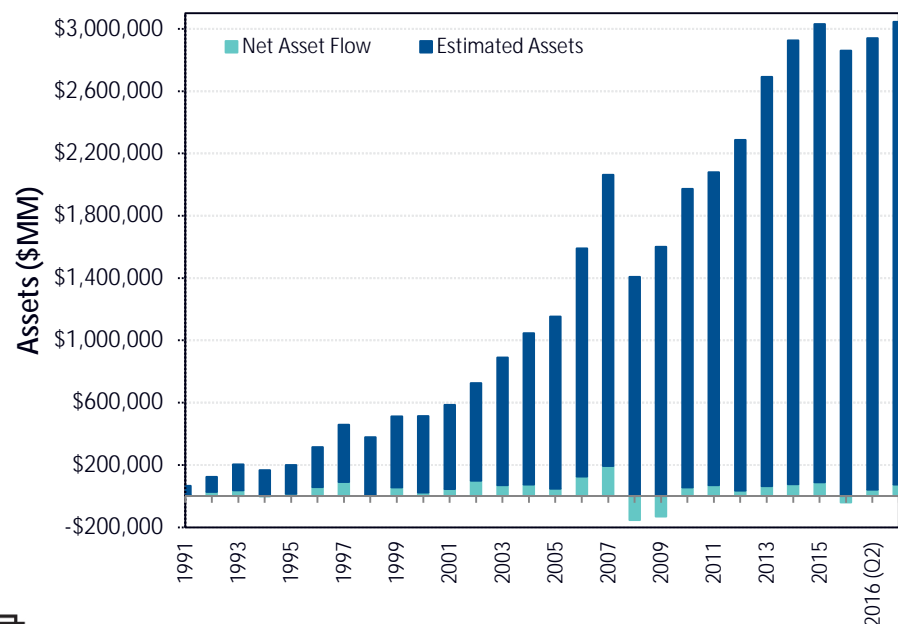
Capital Markets Review

Hedge Funds

HFRI Index Performance | Third Quarter and Year To Date

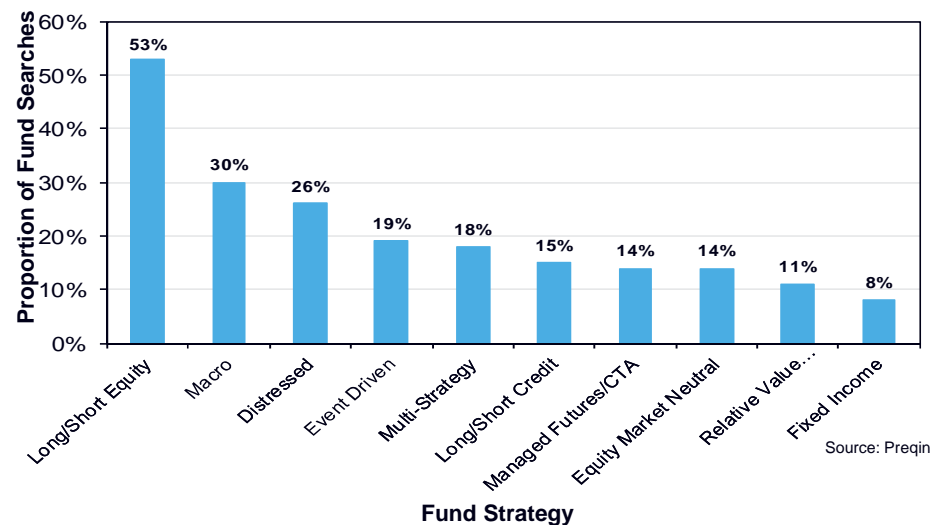


Hedge Fund Assets and Flows



Source: HFR, Inc.

Hedge Fund Strategies Sought by Investors over the Next 12 Months



Performance Rebound Continues for Hedge Funds in Q3

- Hedge funds enjoyed a strong third quarter with all strategies except Global Macro delivering positive returns. The overall Hedge Fund Composite (+2.9%) compared well to the MSCI All-Country World Index which closed the quarter up (+5.4%). The Barclays Capital Aggregate Bond Index posted a modest return of (+0.5%). Fund of Funds (+2.4%) lagged the overall Hedge Fund Composite but nevertheless delivered a solid positive return. Assets with hedge fund managers totaled \$3.0 trillion.
- Distressed Securities (+5.5%) was the top performing strategy for the second quarter in a row delivering excellent returns. Strong performance from energy credits across oil, natural gas and coal drove returns. Shelf Drilling Holdings Ltd and Linn Energy LLC were two stand-out performers.
- Equity Hedge (+4.6%) and Event Driven (+4.5%) generated strong returns as market conditions continued to normalize and investors focused on fundamentals. Within Equity Hedge, alpha from the long side of the portfolio rebounded strongly, more than compensating for moderate negative alpha on the short side. Equity Hedge strategies remain popular with investors.
- Convertible Arbitrage (+3.5%) had another strong quarter while Merger Arbitrage (+2.1%) rebounded from a small loss in Q2. Global Macro (-1.1%) was the only negative strategy with managers struggling to make profits in choppy, low volatility markets.
- According to HFR, hedge fund assets increased by \$73.5 billion through September 2016. Redemptions increased during the quarter with net redemptions of \$28 billion compared to \$8.2 billion in the second quarter. The industry generated net performance gains of \$84 billion for the third quarter.

Capital Markets Review

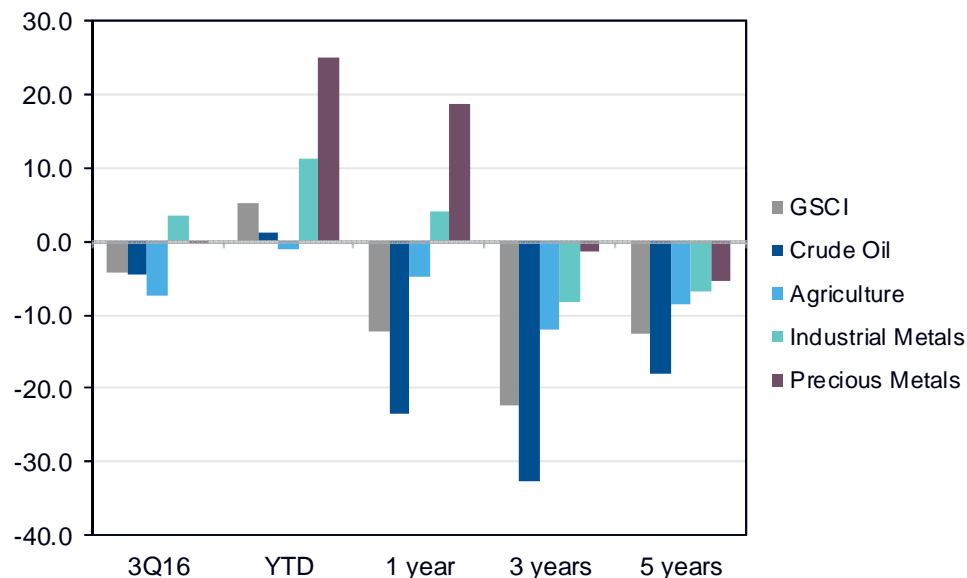
Real Assets

REIT Returns Favorable (Periods Ended September 30, 2016)

	Quarter	YTD	5 Years
Global	1.3%	10.2%	12.3%
U.S.	-1.4%	11.8%	15.9%
Europe	4.8%	1.1%	11.3%
Emerging Markets	7.6%	11.5%	6.3%

Source: NAREIT

Commodity Returns



Source: S&P GSCI

Private Real Estate Returns as of Second Quarter 2016

	3 Mon.	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.
NCREIF	2.0%	10.6%	11.6%	11.5%	7.4%
Apartments	1.9%	9.7%	10.4%	11.0%	6.9%
Industrial	2.9%	13.3%	13.6%	12.8%	7.5%
Office	1.7%	9.3%	10.8%	10.5%	7.1%
Retail	2.2%	12.2%	13.1%	13.1%	8.6%
East	1.7%	8.6%	9.5%	9.7%	6.6%
Midwest	2.0%	9.7%	10.9%	10.8%	6.8%
South	1.8%	10.4%	12.5%	12.3%	7.7%
West	2.5%	13.0%	13.3%	13.0%	8.2%

Source: NCREIF

Private Real Estate Performs Well; Commodities Decline

§ Private real estate returned 2.0% during the second quarter of 2016 and 10.6% for the trailing one year period. NCREIF reports that the quarterly return has been trending down since 2010 as property values have risen faster than income. 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 negative during the third quarter (-1.2%) on concerns over higher interest rates, although year to date returns for U.S. REITs are favorable at +11.8%. While U.S. REITs trade near their NAV levels, cap rates are at historically low levels, so any increase in interest rates is likely to put pressure on prices despite continuing strong fundamentals. Japanese REITs returned -1.3% during the third quarter in local currency terms and +0.0% in U.S. dollar terms as the Yen appreciated. The BOJ's yield curve steepening measures were seen as a negative for REITs. Both U.K. and Developed Europe ex. U.K. REITs were up for the quarter, returning +2.0% and +6.2%, respectively in U.S. dollar terms. Japanese, U.K. and European REITs all look expensive relative to their NAVs. During the third quarter, MSCI and S&P moved REITs out of the financials sector and created an 11th GICs sector. The REIT GICs sector represents approximately 3% of the S&P 500.

§ With the exception of industrial metals, commodity markets retreated during the third quarter (-4.2%), with the agricultural index leading the decline (-7.5%). Year to date, the Goldman Sachs Commodity Index returned 5.3%, with precious metals (+25.0%) driving the year-to-date gain. With the exception of precious metals during the trailing 12 months, commodity returns are negative for the trailing one-, three-, and five-year periods as 2016's small gains could not offset negative returns 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. Oil prices rebounded from 2015 lows but have been volatile depending on expectations for U.S. interest rates and supply conditions.

Capital Markets Review

Index Returns

As of September 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	4.3	8.4	15.3	7.2	10.7	16.3	13.1	7.4
S&P 500	3.9	7.8	15.4	7.1	11.2	16.4	13.2	7.2
Russell 1000 Index	4.0	7.9	14.9	6.9	10.8	16.4	13.2	7.4
Russell 1000 Growth Index	4.6	6.0	13.8	8.3	11.8	16.6	14.1	8.8
Russell 1000 Value Index	3.5	10.0	16.2	5.4	9.7	16.2	12.3	5.9
Russell Midcap Index	4.5	10.3	14.2	6.8	9.7	16.7	14.1	8.3
Russell Midcap Growth Index	4.6	6.8	11.2	6.2	8.9	15.8	13.9	8.5
Russell Midcap Value Index	4.4	13.7	17.3	7.2	10.5	17.4	14.3	7.9
Russell 2000 Index	9.0	11.5	15.5	8.1	6.7	15.8	12.5	7.1
Russell 2000 Growth Index	9.2	7.5	12.1	8.0	6.6	16.1	13.3	8.3
Russell 2000 Value Index	8.9	15.5	18.8	8.1	6.8	15.4	11.6	5.8
International Equity Indices								
MSCI EAFE	6.4	1.7	6.5	-1.4	0.5	7.4	4.2	1.8
MSCI EAFE Growth Index	5.0	2.6	9.5	2.2	2.4	8.7	6.0	3.1
MSCI EAFE Value Index	8.0	0.8	3.5	-4.9	-1.5	6.0	2.4	0.4
MSCI EAFE Small Cap	8.6	5.2	12.3	6.1	5.1	11.1	8.1	4.4
MSCI AC World Index	5.3	6.6	12.0	2.2	5.2	10.6	7.8	4.3
MSCI AC World ex US	6.9	5.8	9.3	-2.0	0.2	6.0	3.7	2.2
MSCI Emerging Markets Index	9.0	16.0	16.8	-2.9	-0.6	3.0	2.3	3.9
Fixed Income Indices								
Blmbg. Barc. U.S. Aggregate	0.5	5.8	5.2	4.1	4.0	3.1	4.1	4.8
Blmbg. Barc. Intermed. U.S. Government/Credit	0.2	4.2	3.5	3.1	2.8	2.4	3.3	4.2
Blmbg. Barc. U.S. Long Government/Credit	1.2	15.7	14.7	8.7	10.1	6.3	8.2	7.8
Blmbg. Barc. U.S. Corp: High Yield	5.6	15.1	12.7	4.3	5.3	8.3	8.8	7.7
BofA Merrill Lynch 3 Month U.S. T-Bill	0.1	0.2	0.3	0.1	0.1	0.1	0.1	0.9
Blmbg. Barc. U.S. TIPS	1.0	7.3	6.6	2.8	2.4	1.9	4.0	4.5
Citigroup Non-U.S. World Government Bond	0.6	14.2	12.6	2.3	1.2	0.2	1.4	3.9
JPM EMBI Global Diversified (external currency)	4.0	14.8	16.2	7.5	8.2	7.8	7.9	7.7
JPM GBI-EM Global Diversified (local currency)	2.7	17.1	17.1	-3.1	-2.6	0.1	2.2	5.5
Real Asset Indices								
Bloomberg Commodity Index Total Return	-3.9	8.9	-2.6	-15.1	-12.3	-9.4	-5.5	-5.3
Dow Jones Wilshire REIT	-1.2	9.7	17.9	14.8	14.3	15.8	15.7	5.9

Returns for periods greater than one year are annualized.

Investment Outlook Dashboard

Fourth Quarter 2016

Market Segment	Valuations	Fundamentals	Sentiment
Growth – Value	Overall valuations between growth and value stocks are average in the U.S., although a wide dispersion remains between the cheapest quintile stocks and the average stock. 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. Economic growth is strong overall in the emerging markets, but 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.	For most of 2016, value stocks have outperformed growth stocks across markets. This follows a strong trend favoring growth stocks for two years in the U.S. and developed international markets. Growth stocks had been in favor since late 2010 in emerging markets, but value stocks have rebounded in 2016.
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. Buybacks are down as is M&A activity for larger and mega cap companies because of increased regulatory pressures. A yield seeking environment favors large cap stocks, but is somewhat countered by a strong U.S. dollar.	Despite rising valuations, sentiment appears relatively neutral.
Global Equities	Emerging markets look cheap relative to U.S. stocks. Developed 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 a favorable 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.

Market Environment

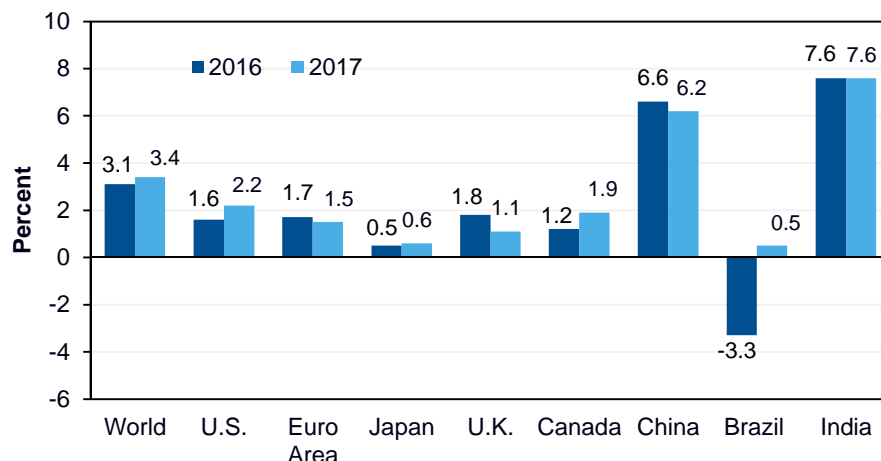
Current Market Environment

- Slow economic growth in Europe and Japan expected to result in continued accommodative monetary policy.
- Interest rates near historic lows and likely to stay low for longer.
- The Federal Reserve may raise interest rates in December by a small amount, and we anticipate that 2017 rate increases if they occur, will be modest.
- The search for yield continues, placing upward pressure on equity valuations.

Implications

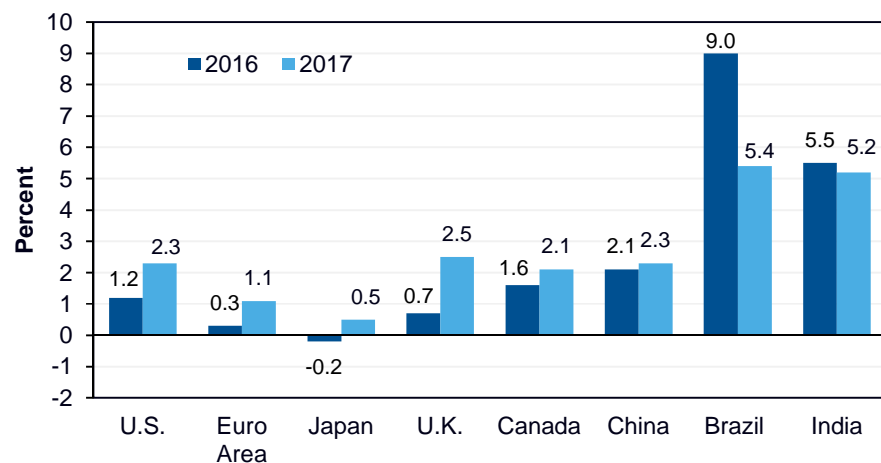
- Risk has increased both in the fixed income and equity markets. Diversification is key.
- Increased volatility across markets – stocks, bonds, currencies and commodities.
- Potential for more frequent rebalancing.

Worldwide GDP Growth Expectations



Source: IMF, October 2016

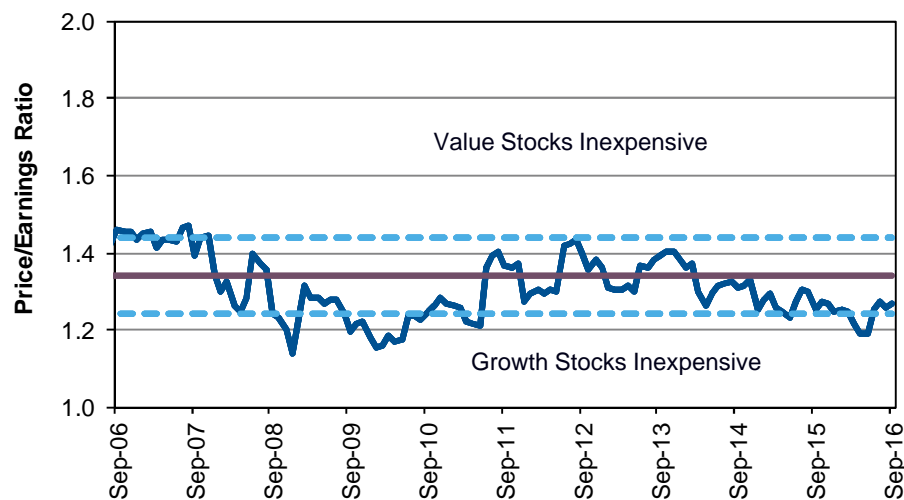
Inflation Expectations



Source: IMF, October 2016

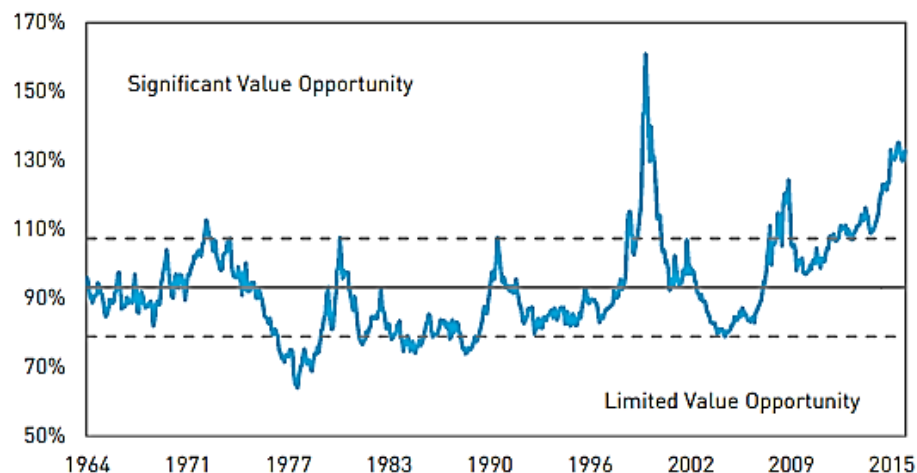
U.S. Large Cap Equities Growth and Value Styles (Move to Neutral)

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



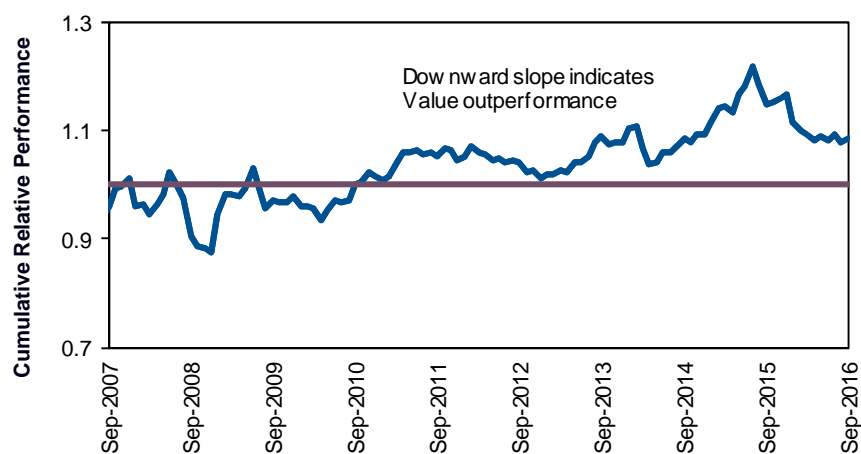
Source: Russell cap-weighted indices

Price/Book: Cheapest Quintile vs. 1000 Stock Universe – Valuation Dispersions of Cheapest Stocks are Significant in the U.S.



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

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



Source: Russell cap-weighted indices

Observations

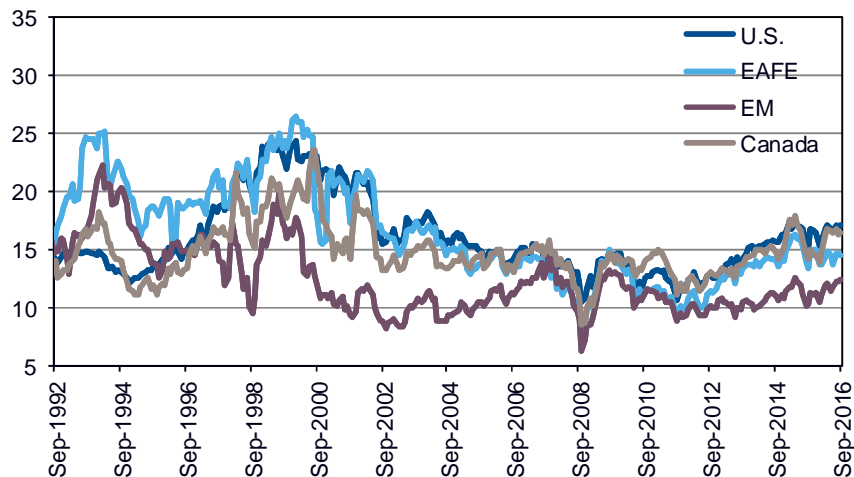
- U.S. large cap growth stocks noticeably outperformed value stocks in 2015, largely as a result of strong performance from Healthcare and IT (traditional growth sectors), and very weak performance from the Energy sector, which makes up a larger portion of the value index. For the prior five years, the performance of growth and value stocks had not been significantly different. Beginning in 2016, value stocks began to outperform growth stocks, but the trend is weakening.
- Overall, valuations between growth and value stocks are average, however, we note that the opportunity within the value style still appears above average. The valuation disparity between the cheapest quintile of 1000 stock universe and the average stock in the universe remains large. Energy, materials, and other cyclical companies had fallen significantly in price, but have rebounded. With the U.S. and world growth outlook remaining subdued, value stocks do not appear to have a performance advantage at this time.

Recommendation

- Move toward a neutral allocation within the U.S.

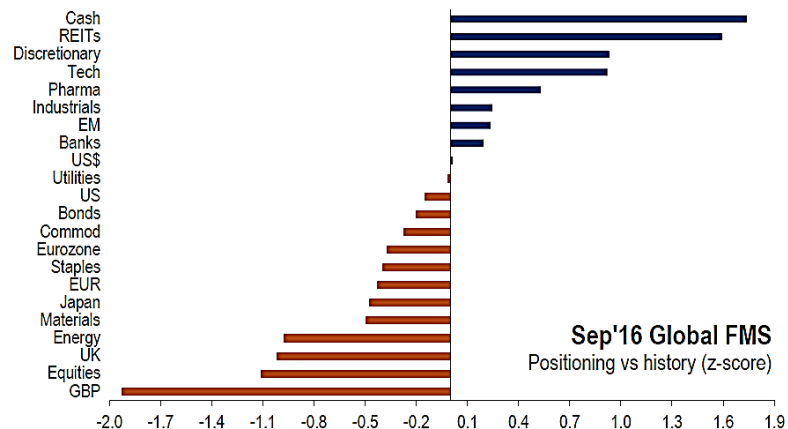
Emerging Market Equities (Rebalance toward Target)

EM Selling at a Discount to Other Markets on Forward P/E



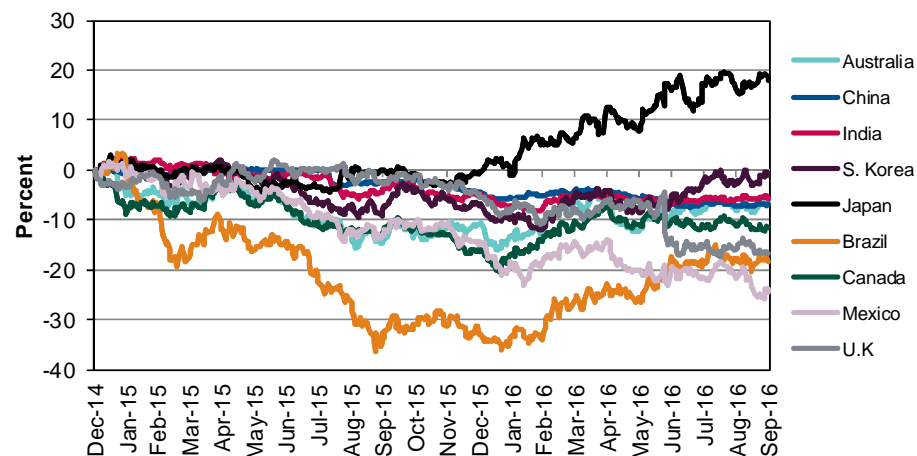
Source: PGM

Sentiment on Emerging Markets Has Shifted Positive



Source: BofA

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



Source: Bloomberg

Observations

- Emerging market equities are trading at above-average prices, however, relative to the U.S. and EAFE, emerging markets look inexpensive.
- Emerging market economic growth appears to be stabilizing while developed market growth remains subdued. The U.S. dollar has appreciated significantly against emerging market currencies and is unlikely to appreciate much more as any rise in U.S. interest rates is likely to be small. 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 September 2016 Global Research Report shows sentiment on emerging markets has shifted from negative to positive.

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 segments and sentiment has turned positive. We recommend rebalancing toward the target allocation.

Presidential Election Cycles and the Stock Market Performance

S&P 500 % Price Changes During the Presidential Cycle										
Data: 12/31/45-12/4/15										
Year of Pres. Cycle	Avg. S&P 500 % Changes (w/o dividends)					Batting Averages (Frequency of Price Gains)				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Year 1	(0.4)	2.6	1.1	3.7	7.6	50%	56%	61%	78%	61%
Year 2	1.2	(2.1)	(0.2)	6.9	5.7	50%	50%	61%	83%	61%
Year 3	7.0	5.0	1.0	2.9	16.1	88%	76%	59%	71%	88%
Year 4	1.2	2.3	0.4	1.7	6.1	59%	65%	53%	76%	76%
All Years	2.2	1.9	0.6	3.8	8.8	61%	61%	59%	77%	71%

Small-Cap % Price Changes During the Presidential Cycle										
Data: 12/31/78-12/4/15										
Year of Pres. Cycle	Avg. Small-Cap % Chgs. (w/o dividends)					Batting Averages (Frequency of Price Gains)				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Year 1	1.2	8.1	2.7	5.8	17.6	56%	100%	67%	78%	89%
Year 2	4.1	(2.5)	(6.7)	2.4	(3.8)	67%	33%	33%	89%	56%
Year 3	9.5	7.9	0.9	1.2	19.3	78%	67%	56%	67%	67%
Year 4	2.8	2.2	3.8	1.5	10.9	67%	67%	67%	67%	78%
All Years	4.5	4.0	0.4	2.6	11.2	66%	66%	57%	74%	71%

Source: S&P Capital IQ. Russell 2000 from 1979-1994, S&P SmallCap 600 thereafter. Past performance is no guarantee of future results.

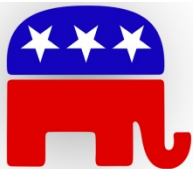
Since 1945 once a president is in office, the average return of the S&P 500 has been:

6.3%

If they're Republican

11.1%

If they're Democrat



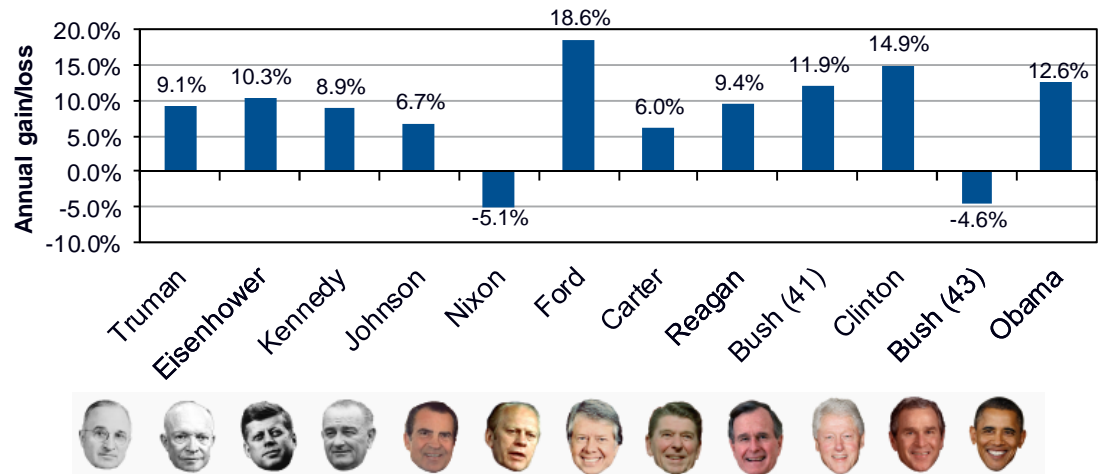
Note: No conclusions should be drawn from this data as a number of factors figure into these results.

Source: S&P Capital IQ

Observations

- Analysis of presidential election cycles suggests that the third year of a presidency tends to be the best year for stock market performance for both large and small cap stocks. Small cap stocks also tend to perform well in the first year of the presidential cycle.
- S&P Capital IQ analyzed how the stock market performs depending on whether the president is a Republican or Democrat. The analysis showed an annual stock market gain of 11.1% for Democratic presidents vs. 6.3% for Republican presidents. Further analysis evaluated stock market performance based on who controls Congress. Since WW II, the best performance was when the U.S. had a Republican president with a Republican-controlled Congress, but was closely followed by a Democratic president with a Republican-controlled or split Congress.
- Performance, however, varies quite a bit when looking at individual presidents and taking into context the economic and market environment. The stock market performed best during the time that Republican Gerald Ford was president, while the stock market had its worst performance under Republican president Richard Nixon.

Stock Market Performance Under U. S. Presidents Since 1945



Source: S&P Capital IQ



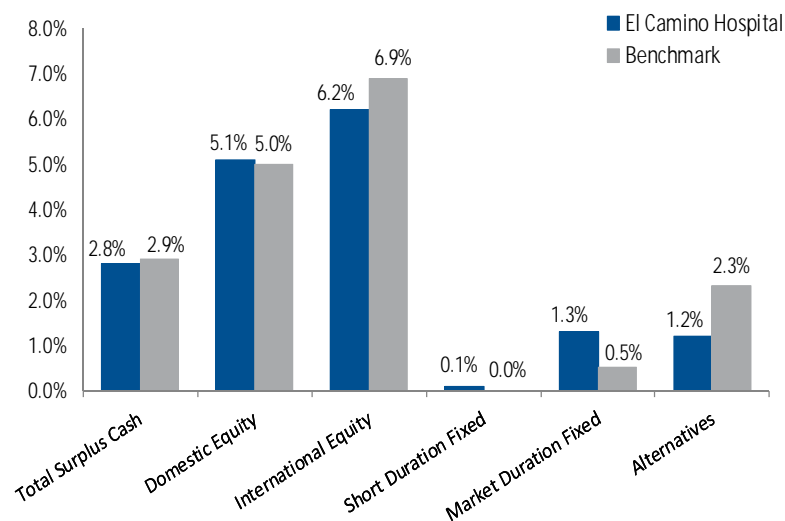
Portfolio Review

Surplus Cash Executive Summary

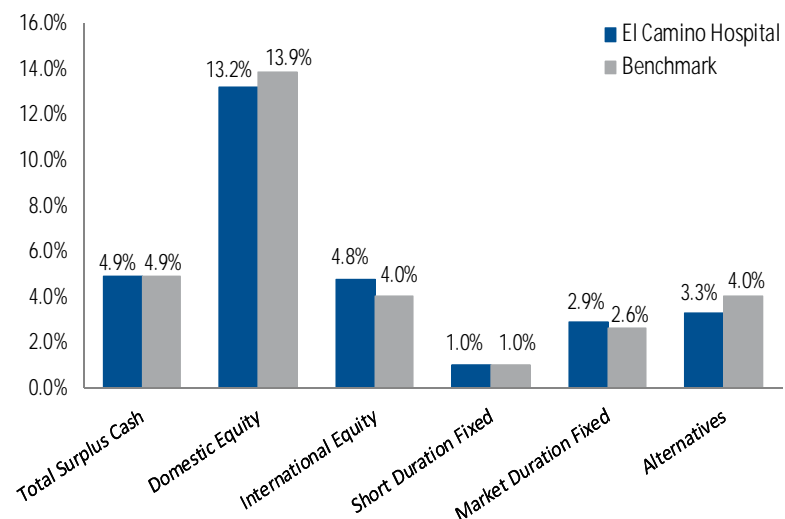
Dashboard

As of September 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	\$184.3	26.6%	25.0%	+ 1.6%	20-30%	Yes
International Equity	\$101.3	14.6%	15.0%	- 0.4%	10-20%	Yes
Short-Duration Fixed	\$ 79.5	11.5%	10.0%	+ 1.5%	8-12%	Yes
Market-Duration Fixed	\$208.1	30.0%	30.0%	+ 0.0%	25-35%	Yes
Alternatives	\$120.1	17.3%	20.0%	- 2.7%	17-23%	Yes
Total (X District)	\$693.3	100.0%				

Portfolio Updates

Manager News/Issues

- Large-cap equity managers Sands and Barrow Hanley outpaced their benchmarks by 570 and 90 basis points, respectively. Sands due to strong stock selection in Consumer Discretionary and Healthcare, while Barrow benefited from stock selection in Financials.
- Small-cap equity managers Wellington and Conestoga underperformed their respective benchmarks by 470 and 270 bps as their bias towards high quality stocks was a headwind during the quarter.
- The International Equity composite trailed the benchmark by 70 bps due to broad manager underperformance.
- Dodge & Cox fixed income outperformed the Barclays U.S. Aggregate Index by 130 basis points due to high yield exposure and an underweight to Treasuries.
- The Direct Hedge Fund portfolio underperformed its benchmark by 80 basis points.

Funding News/Issues

- In July, \$9.0 million was transferred to Barrow Hanley Non District from Barrow Hanley District.
- In August, Walton Street Real Estate Fund VII made a distribution payment of \$1,095,278.
- 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.
- In September, Oaktree Real Estate Opportunities Fund VI made a distribution payment of \$1,441,575.
- In October, \$5.0 million of excess cash was reinvested in the Harding Loevner Emerging Markets Fund (\$3.0 million) and Barrow Hanley Short-Term Fixed Account (\$2.0 million).

Executive Summary

Portfolio Update – September 2016

The Surplus Cash portfolio returned +2.8% for the quarter, in-line with the benchmark return. Over the trailing one year period, the portfolio returned +7.1%, trailing the benchmark return by 40 basis points (bps).

During the quarter, both manager results and the Plan's asset allocation positioning relative to its benchmark had a negligible impact on relative returns. The Large Cap Equity and Market Duration Fixed Income composites outpaced their respective benchmarks, while the Small Cap Equity, International Equity, and Hedge Fund composites trailed. Notable performers included Large Cap Growth Manager Sands (+10.3%), which outperformed the Russell 1000 Growth Index by 570 bps, while Small Cap managers Wellington (+4.2%) and Conestoga (+6.5%) generated strong absolute returns, but trailed their benchmarks by 470 bps and 270 bps, respectively.

Active Manager Impact - 3rd Quarter 2016			
Manager	Comments	Manager	Comments
Sands Capital Management	+ Stock Selection in Consumer Discretionary & Healthcare	Wellington	- Bias towards high quality stocks (out of favor)
Barrow Hanley LCV	+ Stock selection in Financials and underweight to Utilities	Conestoga	- Bias towards high quality stocks (out of favor)
Barrow Hanley Short Fixed	+ Overweight to Credit	Walter Scott	- Underweight to Financials & stock selection in Healthcare
Dodge & Cox	+ High Yield exposure and underweight Duration	Northern Cross	- Overweight to Healthcare
MetWest	+ Issue selection (Financials/ABS/MBS) and underweight Duration	Harding Loevner	- Stock selection in Financials & Consumer Staples

Investment Activity

July

- \$9.0 million was transferred to Barrow Hanley Non District from Barrow Hanley District.

August

- 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.
- Walton Street Real Estate Fund VII made a distribution payment of \$1,095,278.

September

- Oaktree Real Estate Opportunities Fund VI made a distribution payment of \$1,441,575.

October

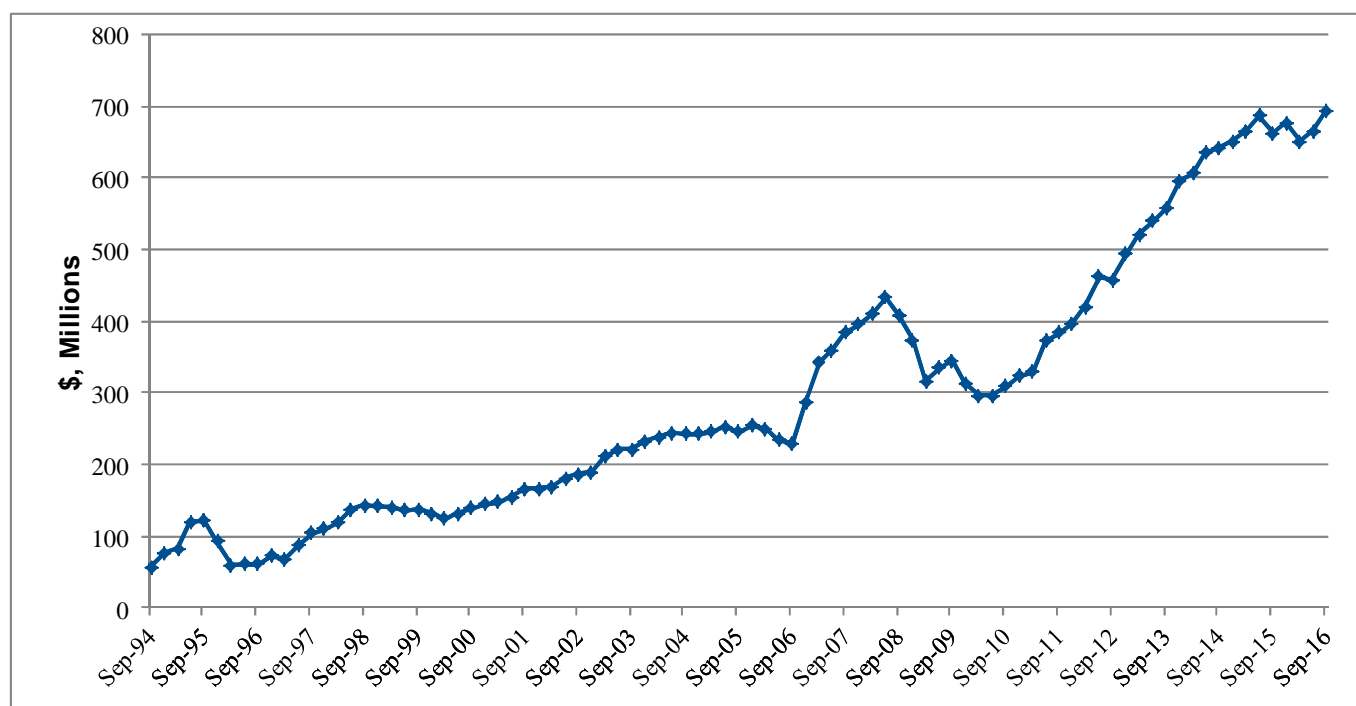
- \$5.0 million of excess cash was reinvested in the Harding Loevner Emerging Markets Fund (\$3.0 million) and Barrow Hanley Short-Term Fixed Account (\$2.0 million).

Surplus Cash Executive Summary

Market Value Reconciliation

As of September 30, 2016

\$ in Millions	2009	2010	2011	2012 ¹	2013	2014	2015	1st Quarter 2016	2nd Quarter 2016	3rd Quarter 2016
Beginning Market Value	\$374.4	\$313.5	\$322.6	\$396.7	\$493.8	\$596.3	\$651.6	\$677.5	\$651.2	\$664.9
Net Cash Flow	(\$91.8)	(\$10.5)	\$55.6	\$67.8	\$55.3	\$27.4	\$27.0	(\$28.2)	\$1.2	\$9.1
Income	n/a	n/a	n/a	n/a	n/a	\$12.3	\$12.6	\$2.7	\$2.7	\$2.8
Realized Gain/(Loss)	n/a	n/a	n/a	n/a	n/a	\$10.4	\$4.4	(\$0.1)	\$3.5	\$0.8
Unrealized Gain/(Loss)	n/a	n/a	n/a	n/a	n/a	\$5.3	(\$18.0)	(\$0.8)	\$6.2	\$15.7
Capital App/(Dep)	\$30.9	\$19.6	\$18.5	\$29.3	\$47.2	\$27.9	(\$1.0)	\$1.8	\$12.4	\$19.3
End of Period Market Value	\$313.5	\$322.6	\$396.7	\$493.8	\$596.3	\$651.6	\$677.5	\$651.2	\$664.9	\$693.3
Return Net of Fees	11.3%	6.4%	5.1%	6.6%	8.8%	4.4%	-0.2%	0.3%	1.9%	2.8%



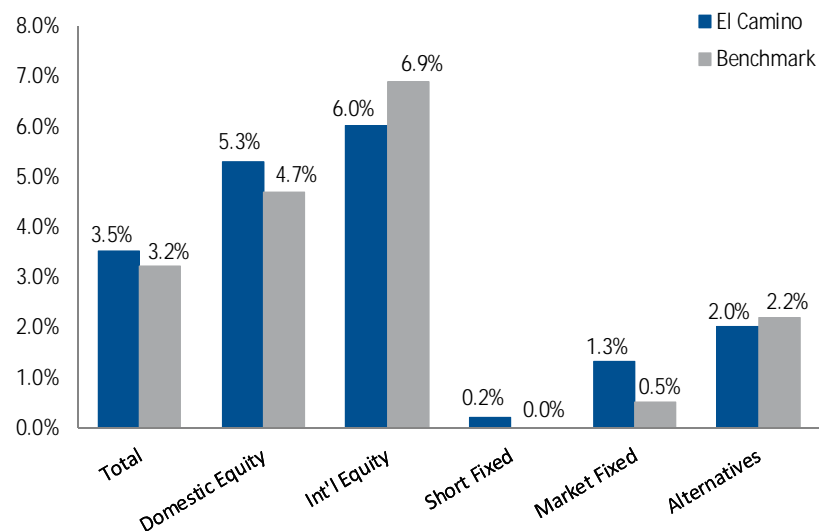
¹ Beginning 8/1/2012, market values represent the Surplus Cash portfolio excluding District assets, with \$13.9 million of District assets shown as a cash outflow in the third quarter of 2012.

Cash Balance Plan Executive Summary

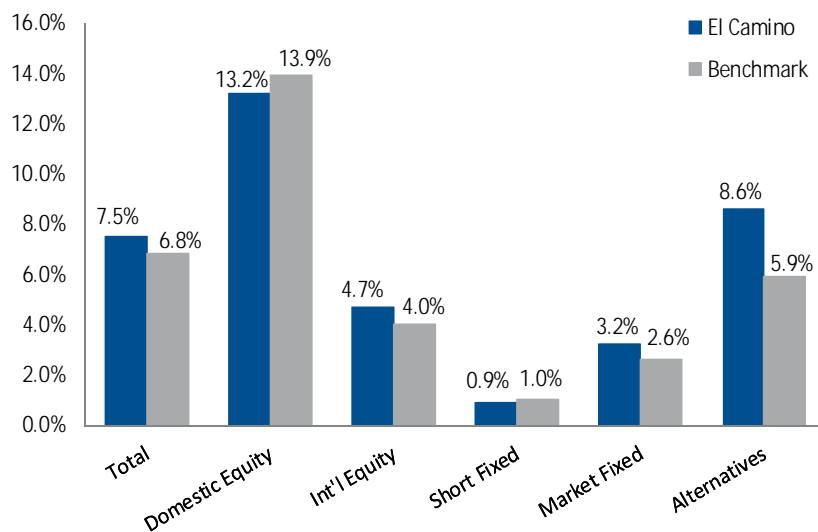
Dashboard

As of September 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	\$ 79.1	34.6%	32.0%	+ 2.6%	27-37%	Yes
International Equity	\$ 39.6	17.3%	18.0%	- 0.7%	15-21%	Yes
Short-Duration Fixed	\$ 10.3	4.5%	5.0%	- 0.5%	0-8%	Yes
Market-Duration Fixed	\$ 56.6	24.7%	25.0%	- 0.3%	20-30%	Yes
Alternatives	\$ 43.4	18.9%	20.0%	- 1.1%	17-23%	Yes
Total	\$228.9	100.0%				

Portfolio Updates

Manager News/Issues

- Large-cap equity managers Sands and Barrow Hanley outpaced their benchmarks by 570 and 90 basis points, respectively. Sands due to strong stock selection in Consumer Discretionary and Healthcare, while Barrow benefited from stock selection in Financials.
- Small-cap equity managers Wellington and Conestoga underperformed their respective benchmarks by 460 and 270 bps as their bias towards high quality stocks was a headwind during the quarter.
- International equity managers Walter Scott and Northern Cross each trailed the benchmark by 90 bps.
- Dodge & Cox fixed income outperformed the Barclays U.S. Aggregate Index by 130 basis points due to high yield exposure and an underweight to Treasuries.

Funding News/Issues

- Employer contribution of \$2.6 million was made in July with the proceeds invested in the Barrow Hanley Short-Term Fixed account.
- In August, Walton Street Real Estate Fund VII made a distribution payment of \$657,167.
- In September, Oaktree Real Estate Opportunities Fund VI made a distribution payment of \$966,000.
- In October, An initial investment of \$5.5 million was made in the Harding Loevner Emerging Markets fund using proceeds from the following liquidations: Vanguard S&P 500 Index (\$2.0 million), Dreyfus (Walter Scott) International (\$1.75 million), and Harbor (Northern Cross) International (\$1.75 million).
- Also in October, a \$2.6 million employer contribution was made. The proceeds, along with \$0.5 million of excess cash, were invested in the Barrow Hanley Short-Term Fixed Account (\$2.1 million), Dodge & Cox Income Fund (\$0.5 million), and MetWest Total Return Fund (\$0.5 million).

Executive Summary

Portfolio Update – September 2016

The Cash Balance Plan returned +3.5% for the quarter, outperforming its benchmark by 30 basis points (bps). Over the trailing one year period, the Plan returned +8.5%, slightly trailing the benchmark by 10 bps.

Outperformance during the quarter was driven by favorable manager results, as the Large Cap Equity, Market Duration Fixed Income, and Hedge Fund of Fund composites outpaced their respective benchmarks. The Small and International Equity composites trailed their respective benchmarks. Notable outperformers included Large Cap Growth Manager Sands (+10.3%), which outperformed the Russell 1000 Growth Index by 570 bps, and Hedge Fund of Fund Pointer (+4.7%), which bested the HFRI Fund of Funds Composite Index by 230 bps. Small Cap managers Wellington (+4.2%) and Conestoga (+6.5%) generated strong absolute returns, but trailed their benchmarks by 460 bps and 270 bps, respectively.

Active Manager Impact - 3rd Quarter 2016			
Manager	Comments	Manager	Comments
Sands Capital Management	+ Stock Selection in Consumer Discretionary & Healthcare	Wellington	- Bias towards high quality stocks (out of favor)
Barrow Hanley LCV	+ Stock selection in Financials and underweight to Utilities	Conestoga	- Bias towards high quality stocks (out of favor)
Barrow Hanley Short Fixed	+ Overweight to Credit	Walter Scott	- Underweight to Financials & stock selection in Healthcare
Dodge & Cox	+ High Yield exposure and underweight Duration	Northern Cross	- Overweight to Healthcare
MetWest	+ Issue selection (Financials/ABS/MBS) and underweight Duration		

Investment Activity

July

- An employer contribution of \$2.6 million was made, with the proceeds invested in the Barrow Hanley Short-Term Fixed account.

August

- Walton Street Real Estate Fund VII made a distribution payment of \$657,167.

September

- Oaktree Real Estate Opportunities Fund VI made a distribution payment of \$966,000

October

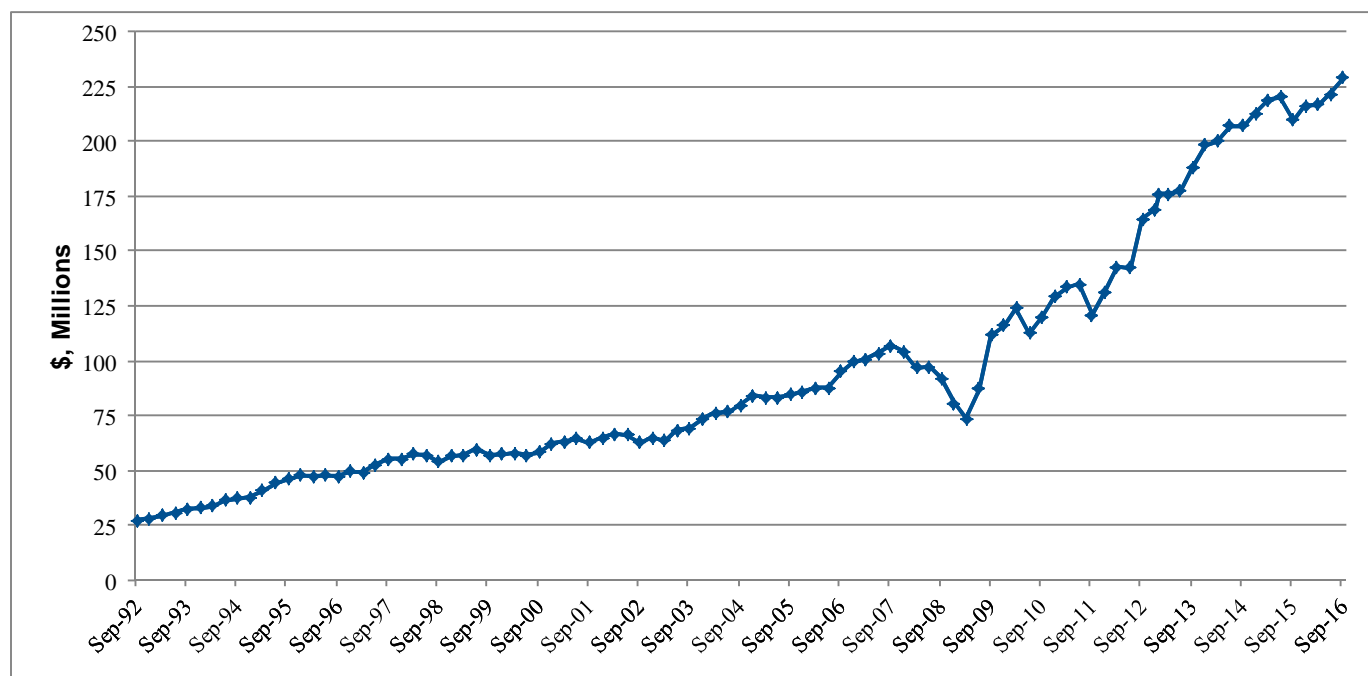
- An initial investment of \$5.5 million was made in the Harding Loevner Emerging Markets Fund using proceeds from the following liquidations: Vanguard S&P 500 Index (\$2.0 million), Dreyfus (Walter Scott) International (\$1.75 million), and Harbor (Northern Cross) International (\$1.75 million).
- A \$2.6 million employer contribution was made. The proceeds, along with \$0.5 million of excess cash, were invested in the Barrow Hanley Short-Term Fixed Account (\$2.1 million), Dodge & Cox Income Fund (\$0.5 million), and MetWest Total Return Fund (\$0.5 million).

Cash Balance Plan Executive Summary

Market Value Reconciliation

As of September 30, 2016

\$ in Millions	2009	2010	2011	2012	2013	2014	2015	1st Quarter 2016	2nd Quarter 2016	3rd Quarter 2016
Beginning Market Value	\$80.5	\$116.1	\$129.2	\$130.9	\$168.8	\$198.3	\$213.7	\$216.8	\$216.6	\$221.6
Net Cash Flow	\$11.8	(\$0.8)	\$2.3	\$14.7	\$2.4	\$3.8	\$0.6	\$0.3	\$1.2	(\$0.5)
Income	n/a	n/a	n/a	n/a	n/a	\$3.4	\$3.3	\$0.7	\$0.7	\$0.7
Realized Gain/(Loss)	n/a	n/a	n/a	n/a	n/a	\$4.7	\$2.0	(\$0.1)	\$0.7	\$0.4
Unrealized Gain/(Loss)	n/a	n/a	n/a	n/a	n/a	\$3.4	(\$2.7)	(\$1.2)	\$2.4	\$6.8
Capital App/(Dep)	\$23.8	\$13.9	(\$0.6)	\$23.2	\$27.2	\$11.5	\$2.5	(\$0.6)	\$3.8	\$7.9
End of Period Market Value	\$116.1	\$129.2	\$130.9	\$168.8	\$198.3	\$213.7	\$216.8	\$216.6	\$221.6	\$228.9
Return Net of Fees	28.2%	11.7%	-0.9%	17.0%	15.8%	5.6%	1.1%	-0.3%	1.7%	3.5%



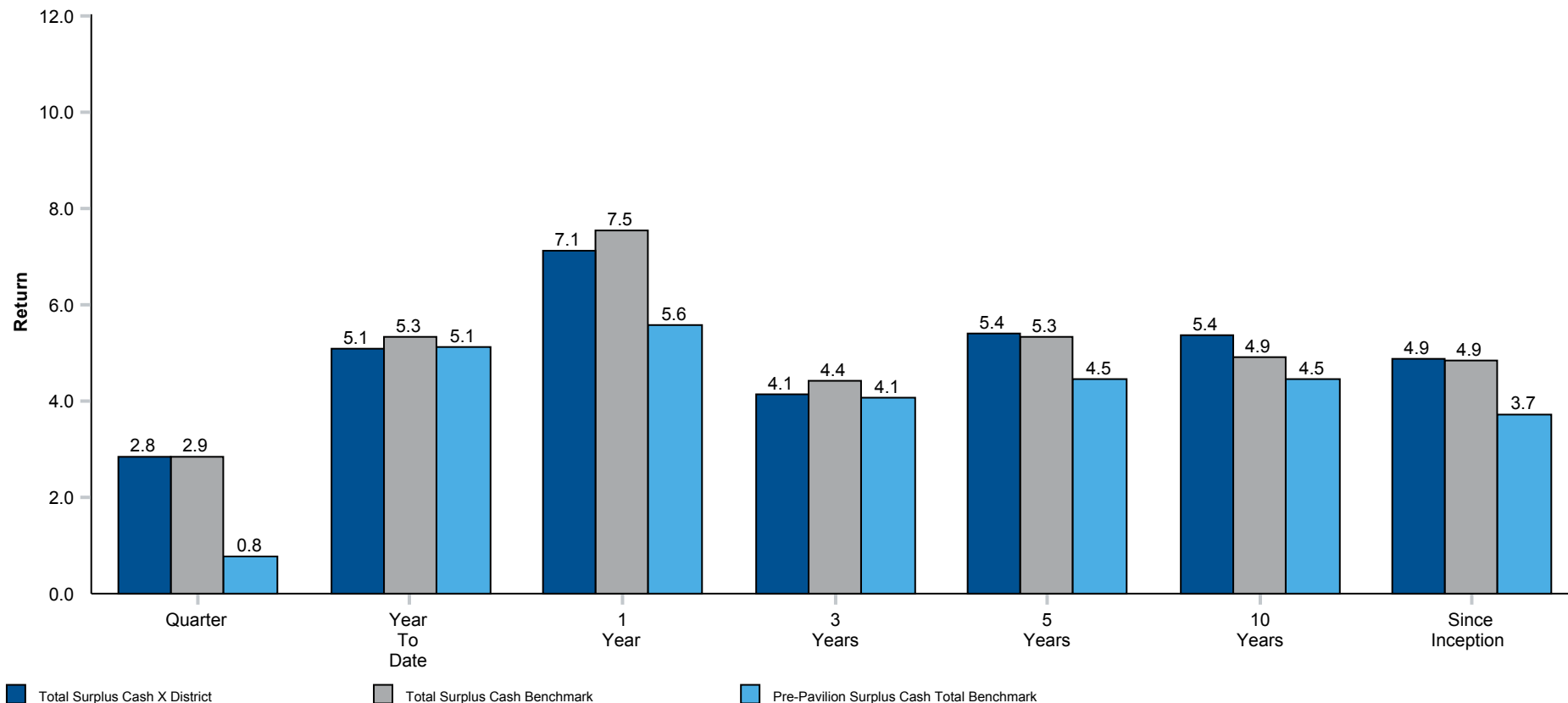


Surplus Cash - Performance Summary

Performance Summary

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

As of September 30, 2016



	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Total Surplus Cash X District	2.8	5.1	7.1	4.1	5.4	5.4	4.9	3y 11m
Total Surplus Cash Benchmark	2.9	5.3	7.5	4.4	5.3	4.9	4.9	
Pre-Pavilion Surplus Cash Total Benchmark	0.8	5.1	5.6	4.1	4.5	4.5	3.7	

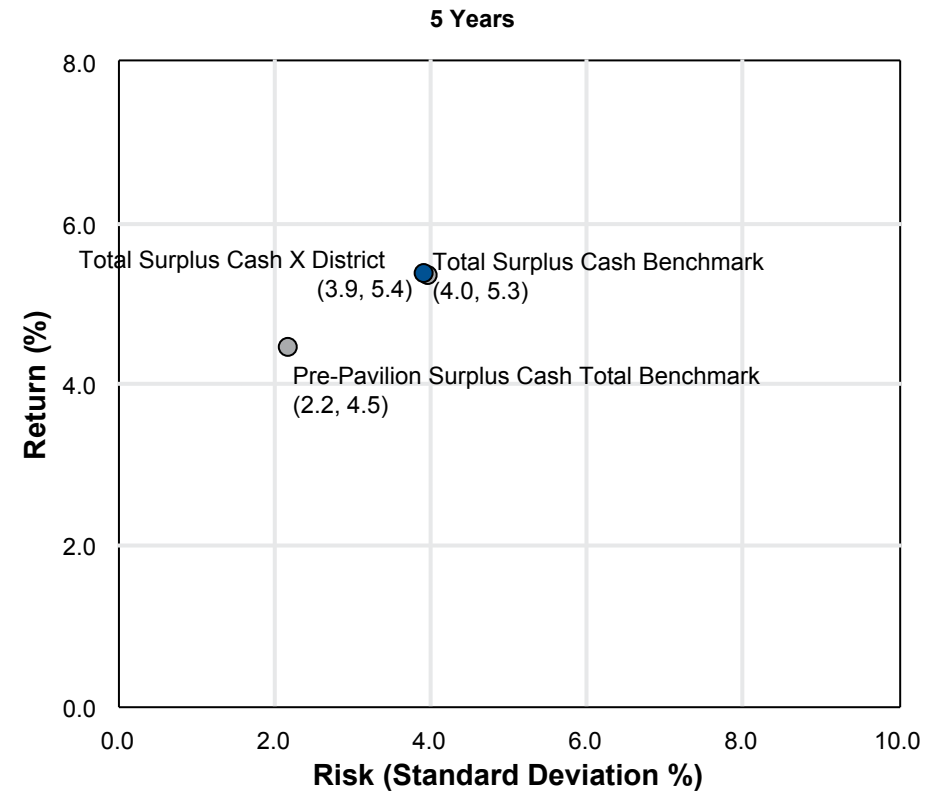
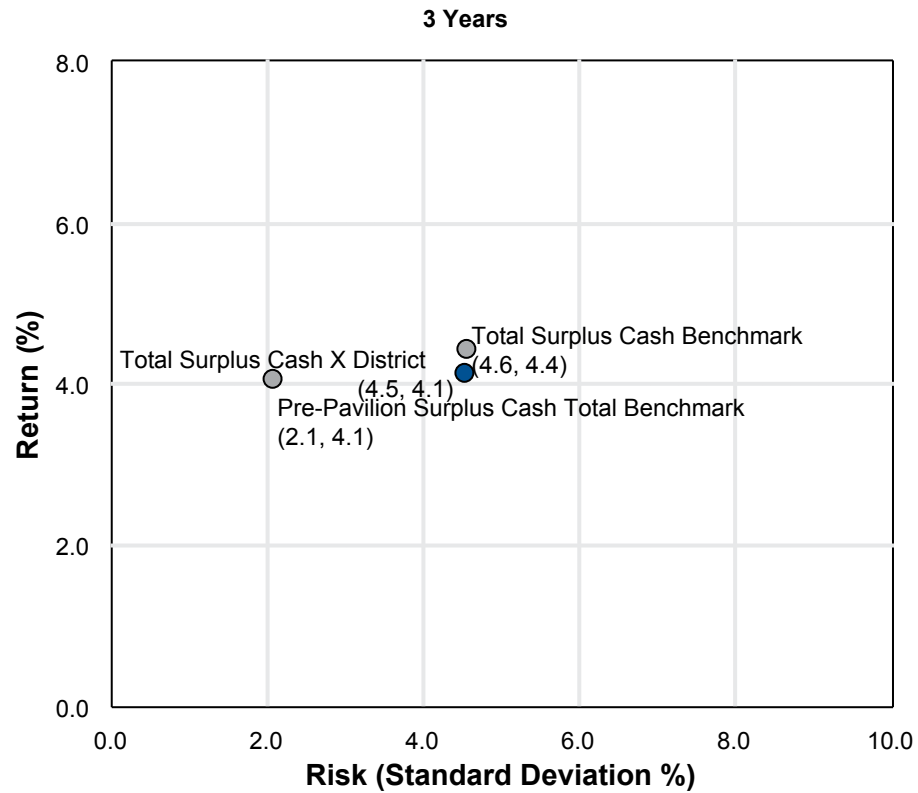
* Returns prior to August 1, 2012 include District assets. All returns are net of investment management fees.

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

Performance Summary

Risk and Return Summary (Net of Fees)

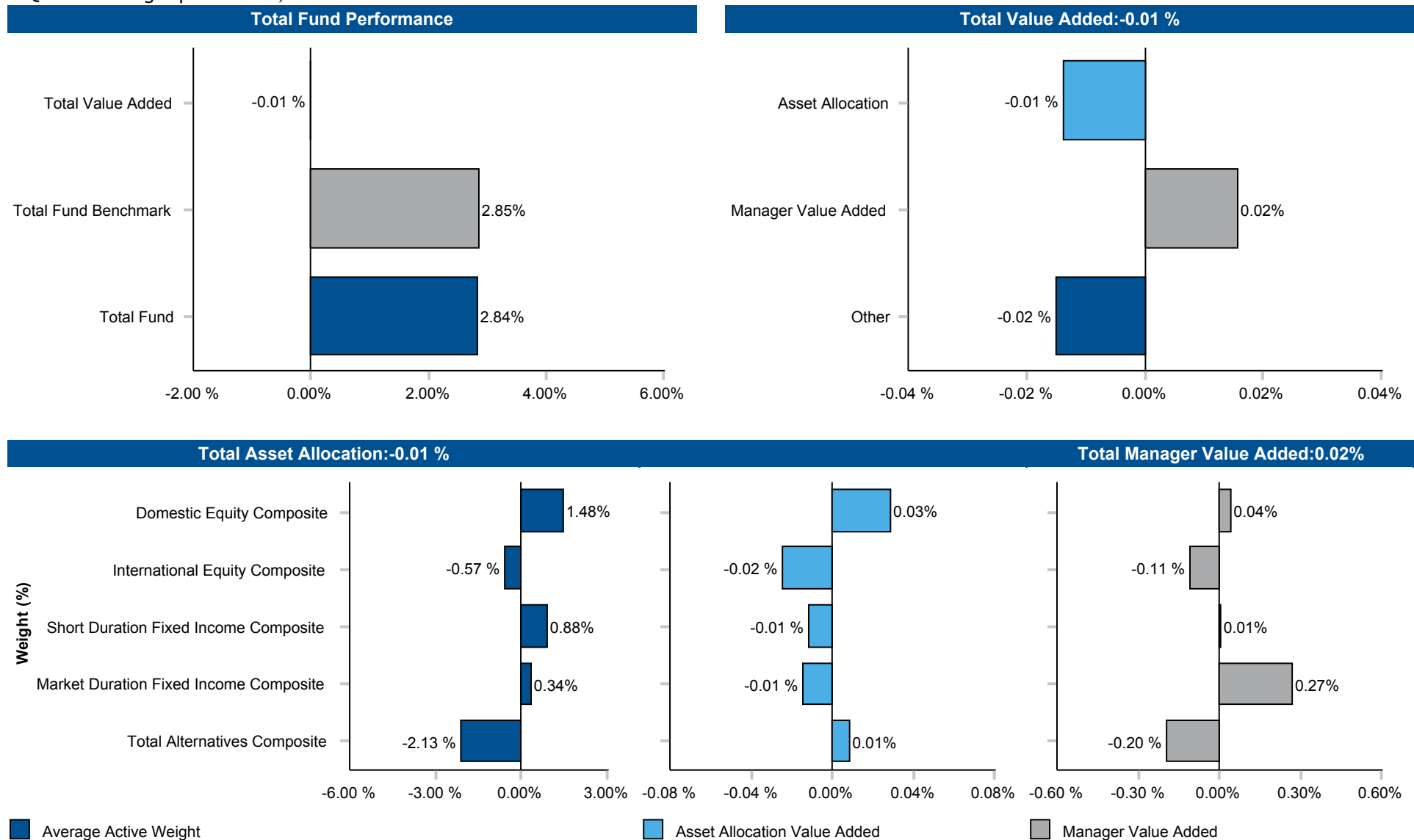
As of September 30, 2016



Performance Summary

Total Surplus Cash X District Attribution

1 Quarter Ending September 30, 2016

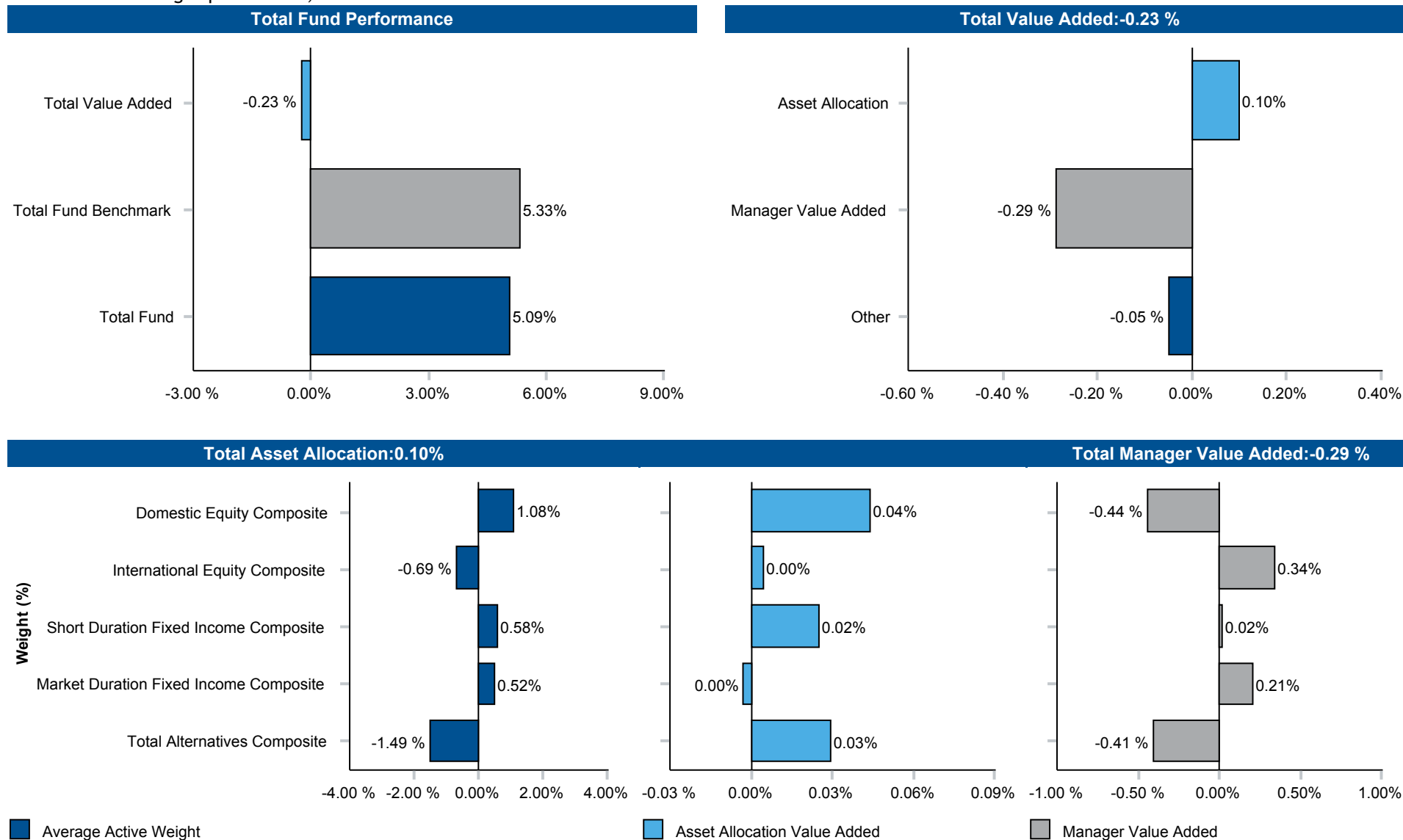


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Total Surplus Cash X District Attribution

Year To Date Ending September 30, 2016

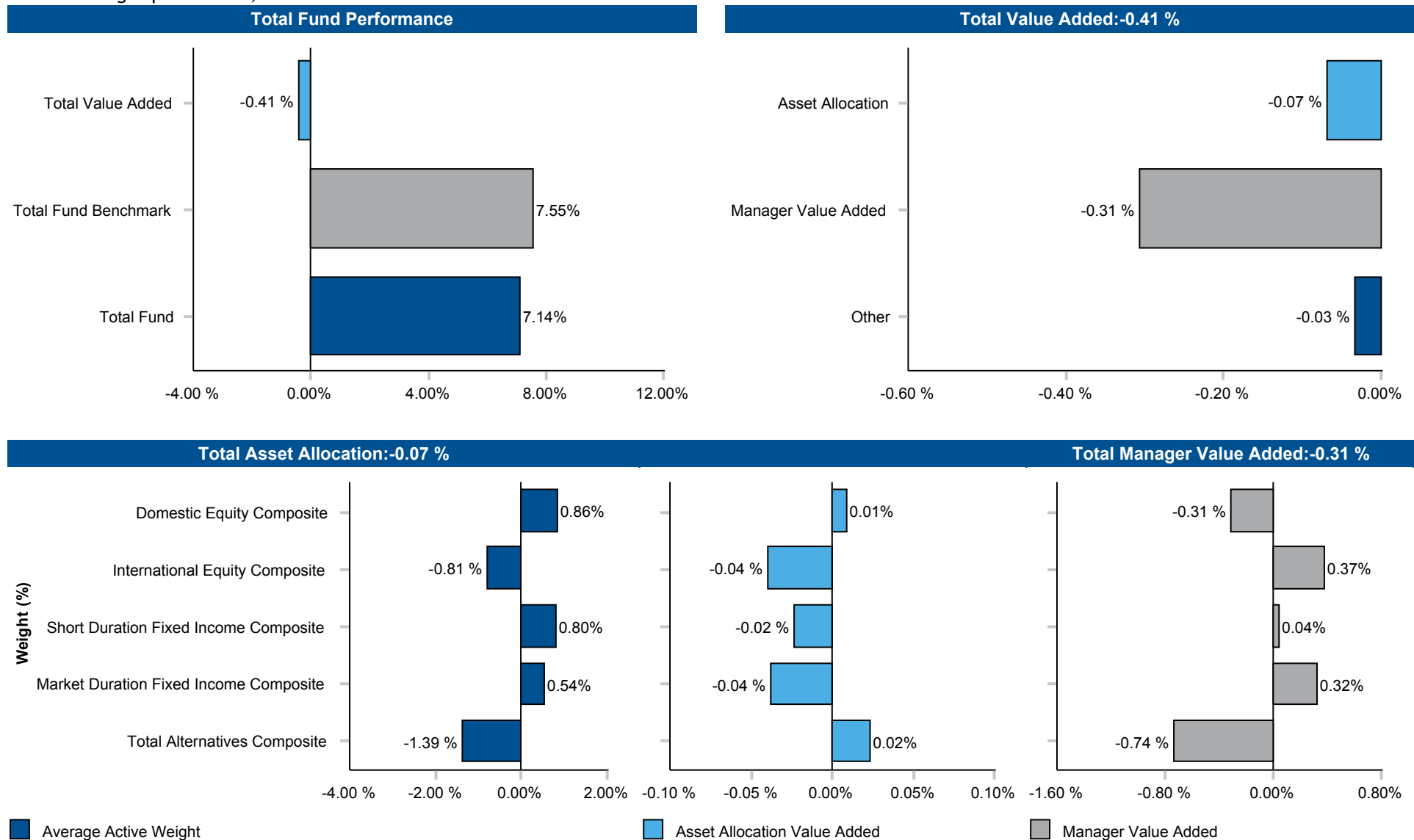


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Total Surplus Cash X District Attribution

1 Year Ending September 30, 2016

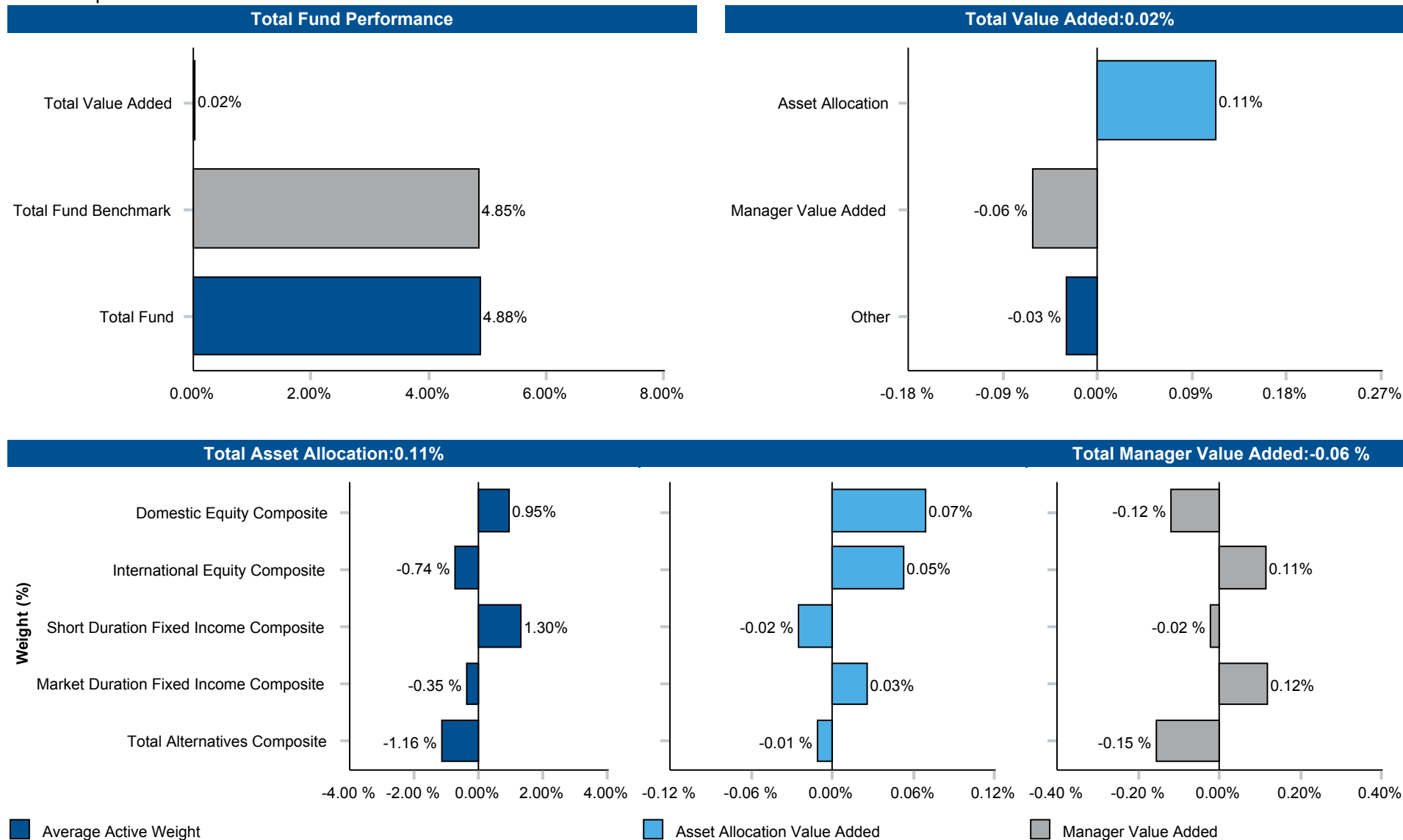


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

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 September 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	693,292,359	100.0	2.8	5.1	7.1	4.1	5.4	5.4	4.9	3y 11m
Surplus Cash Total Benchmark			2.9	5.3	7.5	4.4	5.3	4.9	4.9	
Pre-Pavilion Surplus Cash Total Benchmark			0.8	5.1	5.6	4.1	4.5	4.5	3.7	
Total Surplus Cash X District X Privates	668,512,334	96.4	3.0	5.2	7.2	3.8	5.2	5.3	4.7	3y 11m
Surplus Cash Total Benchmark x Privates			2.9	5.5	7.8	4.4	5.3	4.9	4.9	
Total Equity Composite	285,614,360	41.2	5.5	7.4	13.3	6.1	13.8	5.1	10.5	3y 11m
Total Equity Benchmark - Surplus			5.7	7.6	13.0	6.5	13.9	4.8	10.4	
Domestic Equity Composite	184,338,630	26.6	5.1	6.9	14.0	8.4	15.9	6.1	13.2	3y 11m
Domestic Equity Benchmark - Surplus			5.0	8.6	15.3	10.0	16.7	6.1	13.9	
Large Cap Equity Composite	150,941,318	21.8	5.1	5.9	13.5	9.6	16.3	6.3	13.8	3y 11m
Large Cap Equity Benchmark			3.9	7.9	15.2	11.0	16.8	6.2	14.0	
Small Cap Equity Composite	33,397,312	4.8	5.2	11.5	16.3	4.8	N/A	N/A	11.3	3y 11m
Small Cap Equity Benchmark			9.0	11.5	15.5	6.7	15.8	7.1	13.0	
International Equity Composite	101,275,730	14.6	6.2	8.5	12.2	1.1	N/A	N/A	4.8	3y 11m
MSCI AC World ex USA (Net)			6.9	5.8	9.3	0.2	6.0	2.2	4.0	

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 September 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	287,530,429	41.5	1.0	5.3	5.1	3.4	2.9	4.5	2.4	3y 11m
Total Fixed Income Benchmark - Surplus			0.3	4.8	4.2	3.3	2.6	4.2	2.3	
 Short Duration Fixed Income Composite	 79,466,682	 11.5	 0.1	 1.9	 1.8	 1.2	 1.6	 3.4	 1.0	 3y 11m
Short Duration Fixed Income Benchmark - Surplus			0.0	1.7	1.3	1.1	1.4	3.4	1.0	
 Market Duration Fixed Income Composite	 208,063,747	 30.0	 1.3	 6.5	 6.3	 4.2	 3.9	 N/A	 2.9	 3y 11m
Blmbg. Barc. U.S. Aggregate			0.5	5.8	5.2	4.0	3.1	4.8	2.6	
 Total Alternatives Composite	 120,147,570	 17.3	 1.2	 -0.7	 -1.1	 3.5	 N/A	 N/A	 3.3	 3y 5m
Total Alternatives Benchmark - Surplus			2.3	1.3	2.6	4.3	N/A	N/A	4.0	
 Real Estate Composite	 24,780,025	 3.6	 -0.3	 2.3	 5.1	 12.8	 N/A	 N/A	 12.2	 3y 1m
NCREIF Property Index			1.8	6.1	9.2	11.3	11.2	7.2	11.3	
 Hedge Fund Composite	 95,367,545	 13.8	 1.6	 -1.7	 -2.9	 1.2	 N/A	 N/A	 1.3	 3y 5m
HFRI Fund of Funds Composite Index			2.4	-0.2	0.5	2.2	3.2	1.8	2.2	

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 September 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	93,943,825	13.6	3.8 (51)	7.8 (23)	15.4 (15)	11.1 (8)	16.3 (13)	7.2 (22)	14.0 (11)	3y 11m
S&P 500			3.9 (51)	7.8 (22)	15.4 (15)	11.2 (8)	16.4 (13)	7.2 (22)	14.0 (11)	
IM U.S. Large Cap Core Equity			3.9	6.2	12.8	9.1	15.0	6.4	12.6	
Sands Large Cap Growth (Touchstone)	27,618,479	4.0	10.3 (3)	-1.3 (96)	7.5 (87)	5.5 (98)	15.3 (50)	10.1 (5)	12.6 (71)	3y 11m
Russell 1000 Growth Index			4.6 (71)	6.0 (14)	13.8 (17)	11.8 (16)	16.6 (21)	8.8 (19)	14.8 (22)	
IM U.S. Large Cap Growth Equity			5.8	3.2	10.9	10.0	15.2	7.8	13.6	
Barrow Hanley Large Cap Value	29,379,015	4.2	4.4 (39)	7.1 (49)	13.3 (40)	9.1 (21)	15.7 (17)	6.0 (31)	8.8 (3)	16y 2m
Russell 1000 Value Index			3.5 (64)	10.0 (14)	16.2 (15)	9.7 (10)	16.2 (10)	5.9 (34)	6.7 (34)	
IM U.S. Large Cap Value Equity			4.0	7.0	12.5	7.8	14.5	5.2	6.2	
Small-Cap Equity										
Wellington Small Cap Value	17,844,450	2.6	4.2 (91)	8.7 (84)	14.7 (60)	7.8 (7)	15.9 (20)	8.8 (1)	13.0 (18)	3y 11m
Russell 2000 Value Index			8.9 (28)	15.5 (22)	18.8 (14)	6.8 (24)	15.4 (28)	5.8 (57)	12.1 (34)	
IM U.S. Small Cap Value Equity			7.5	12.5	16.1	5.8	14.3	6.0	11.4	
Conestoga Small Cap Growth	15,552,861	2.2	6.5 (95)	8.8 (56)	18.4 (12)	6.4 (48)	15.2 (59)	9.2 (11)	10.3 (52)	0y 4m
Russell 2000 Growth Index			9.2 (59)	7.5 (73)	12.1 (66)	6.6 (42)	16.1 (41)	8.3 (26)	8.7 (59)	
IM U.S. Small Cap Growth Equity			10.9	9.1	13.2	6.2	15.9	7.1	10.8	
International Equity										
Walter Scott Int'l (Dreyfus)	47,277,354	6.8	6.0 (66)	10.1 (31)	15.3 (23)	1.9 (33)	7.3 (46)	N/A	4.9 (48)	3y 11m
MSCI AC World ex USA (Net)			6.9 (44)	5.8 (48)	9.3 (50)	0.2 (59)	6.0 (64)	2.2 (57)	4.0 (60)	
IM International Equity			6.6	5.4	9.2	0.7	7.0	2.6	4.7	
Northern Cross Int'l (Harbor)	44,143,169	6.4	6.0 (67)	4.7 (54)	7.7 (61)	-0.6 (69)	7.3 (46)	3.8 (30)	4.2 (57)	3y 11m
MSCI AC World ex USA (Net)			6.9 (44)	5.8 (48)	9.3 (50)	0.2 (59)	6.0 (64)	2.2 (57)	4.0 (60)	
IM International Equity			6.6	5.4	9.2	0.7	7.0	2.6	4.7	
Harding Loevner Emerging Markets	9,855,208	1.4	7.8 (52)	18.9 (16)	19.8 (18)	1.9 (17)	6.7 (8)	4.7 (22)	15.0 (20)	1y 1m
MSCI EM (net)			9.0 (27)	16.0 (36)	16.8 (41)	-0.6 (50)	3.0 (57)	3.9 (40)	12.2 (45)	
IM Emerging Markets Equity			7.8	14.0	15.5	-0.6	3.5	3.4	11.5	

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 September 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	73,003,509	10.5	0.1 (86)	2.0 (43)	1.8 (38)	1.2 (41)	1.0 (75)	2.5 (43)	4.9 (17)	25y 6m
Blmbg. Barc. 1-3 Year Gov/Credit			0.0 (90)	1.7 (54)	1.3 (67)	1.1 (47)	1.1 (72)	2.6 (39)	4.4 (23)	
<i>IM U.S. Short Term Investment Grade</i>			0.3	1.8	1.6	1.0	1.5	2.3	4.0	
Cash Composite	6,463,173	0.9	0.1	0.2	0.2	0.2	N/A	N/A	-0.1	3y 11m
90 Day U.S. Treasury Bill			0.1	0.2	0.2	0.1	0.1	0.9	0.1	
Market Duration Fixed Income										
Dodge & Cox Fixed	100,618,681	14.5	1.8 (23)	7.6 (20)	7.6 (11)	4.7 (21)	4.5 (27)	5.4 (41)	3.4 (18)	3y 11m
Blmbg. Barc. U.S. Aggregate			0.5 (100)	5.8 (66)	5.2 (72)	4.0 (49)	3.1 (88)	4.8 (68)	2.6 (56)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			1.3	6.7	6.0	4.0	3.9	5.2	2.7	
MetWest Fixed	94,388,768	13.6	0.9 (81)	5.6 (69)	5.2 (72)	3.9 (52)	4.3 (37)	6.2 (10)	2.6 (55)	3y 11m
Blmbg. Barc. U.S. Aggregate			0.5 (100)	5.8 (66)	5.2 (72)	4.0 (49)	3.1 (88)	4.8 (68)	2.6 (56)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			1.3	6.7	6.0	4.0	3.9	5.2	2.7	
Met West Total Return Bond Plan - CONCERN	13,056,299	1.9	0.8 (87)	5.3 (77)	4.9 (79)	4.1 (46)	4.8 (15)	N/A	4.1 (88)	0y 8m
Blmbg. Barc. U.S. Aggregate			0.5 (100)	5.8 (66)	5.2 (72)	4.0 (49)	3.1 (88)	4.8 (68)	4.4 (82)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			1.3	6.7	6.0	4.0	3.9	5.2	6.1	
Real Estate										
Oaktree Real Estate Opportunities Fund VI	13,386,030	1.9	-0.5	1.0	2.8	10.8	N/A	N/A	10.4	3y 1m
NCREIF Property Index			1.8	6.1	9.2	11.3	11.2	7.2	11.3	
Walton Street Real Estate Fund VII, L.P.	11,393,995	1.6	0.0	4.1	8.2	N/A	N/A	N/A	18.9	2y 11m
NCREIF Property Index			1.8	6.1	9.2	11.3	11.2	7.2	11.3	
Hedge Funds										
Hedge Fund Composite	95,367,545	13.8	1.6	-1.7	-2.9	1.2	N/A	N/A	1.3	3y 5m
HFRI Fund of Funds Composite Index			2.4	-0.2	0.5	2.2	3.2	1.8	2.2	

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 September 30, 2016

	Allocation		Performance(%)							
	Market Value (\$)	%	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Total Plan										
Total Surplus Cash X District	693,292,359	100.0	2.8	5.1	7.1	4.1	5.4	5.4	4.9	3y 11m
Total Surplus Cash Benchmark			2.9	5.3	7.5	4.4	5.3	4.9	4.9	
Pre-Pavilion Total Surplus Cash Benchmark			0.8	5.1	5.6	4.1	4.5	4.5	3.7	

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 September 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	-630 bps	-60 bps	+	-20 bps	+	-80 bps
Three-year ranking > peer group median	+	98th	+	+	+	+	69th
Five year return > benchmark	In Line	-130 bps	-50 bps	+	-90 bps	+	+
Five year ranking > peer group median	+	+	+	+	59th	+	+

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 Executive Summary

Manager Compliance Checklist

As of September 30, 2016

Managers	Harding Loevner	Barrow Hanley Short Fixed	Dodge & Cox Fixed	MetWest Fixed
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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	+	+	+	-10 bps
Three-year ranking > peer group median	+	+	+	52nd
Five year return > benchmark	+	-10 bps	+	+
Five year ranking > peer group median	+	75th	+	+

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 September 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.



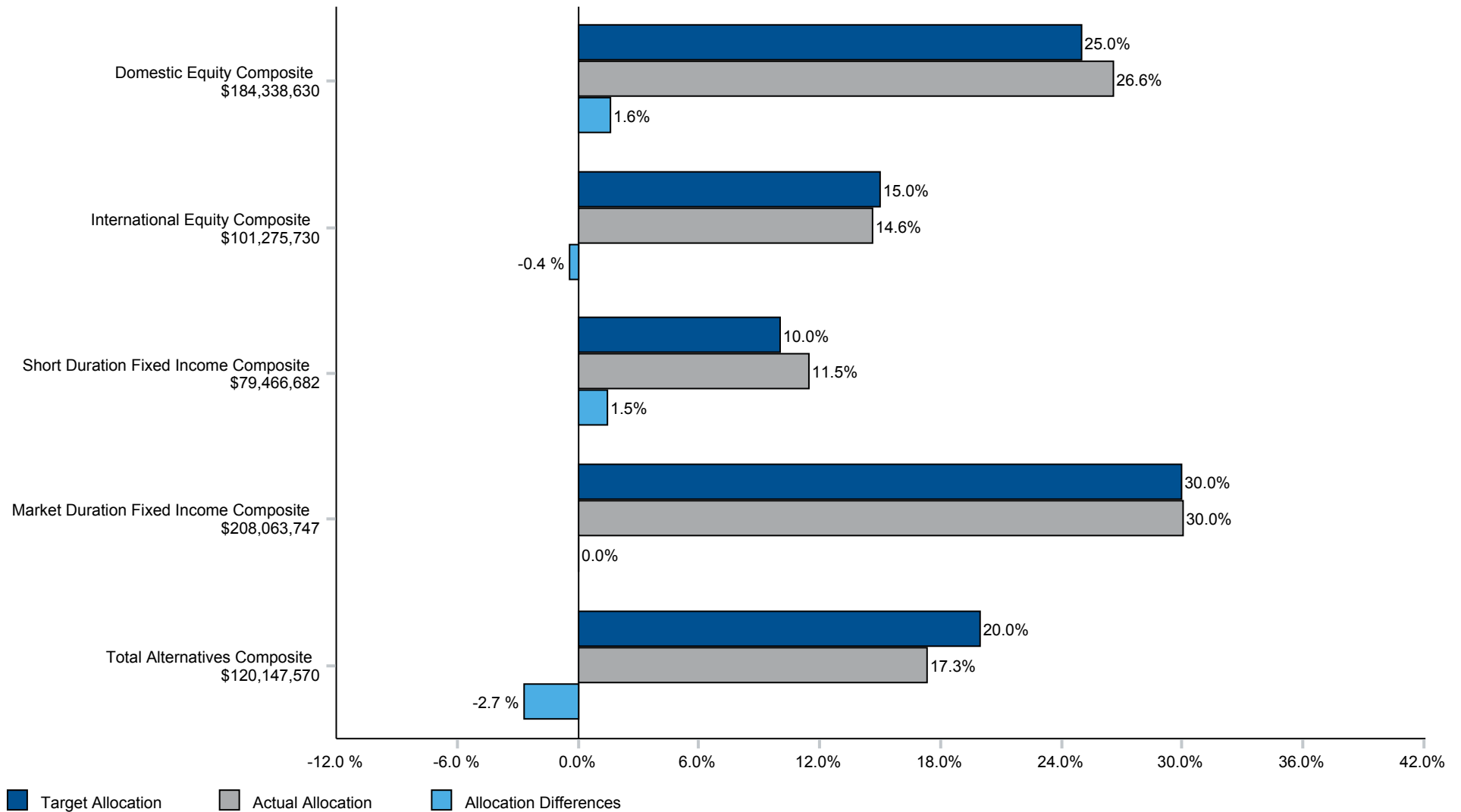
Surplus Cash - Asset Class Diversification

Asset Class Diversification

Total Surplus Cash X District vs. Surplus Cash Target Allocation

As of September 30, 2016

September 30, 2016 : \$693,292,359



Asset Class Diversification

Surplus Cash Investment Program Structure

As of September 30, 2016

Manager	Asset Class/Type	Total Assets (\$ mil.)	Percent of Total	Target Allocation	Weighting Relative to Target	Target Range
Large-Cap Domestic Equity		\$150.9	21.8%	20.0%	+ 1.8%	20-30%
Vanguard S&P 500 Index	Large-Cap Index	\$ 93.9	13.6%	10.0%	+ 3.6%	
Sands	Large-Cap Growth	\$ 27.6	4.0%	5.0%	- 1.0%	
Barrow Hanley	Large-Cap Value	\$ 29.4	4.2%	5.0%	- 0.8%	
Small-Cap Domestic Equity		\$ 33.4	4.8%	5.0%	- 0.2%	
Conestoga	Small-Cap Growth	\$ 15.6	2.2%	2.5%	- 0.3%	
Wellington	Small-Cap Value	\$ 17.8	2.6%	2.5%	+ 0.1%	
International Equity		\$101.3	14.6%	15.0%	- 0.4%	10-20%
Walter Scott	Developed and Emerging	\$ 47.3	6.8%			
Harbor	Developed and Emerging	\$ 44.1	6.4%			
Harding Loevner	Emerging	\$ 9.9	1.4%			
Short-Duration Fixed Income		\$ 79.5	11.5%	10.0%	+ 1.5%	8-12%
Barrow Hanley	Short Duration	\$ 73.0	10.5%			
Cash	Money Market	\$ 6.5	0.9%			
Market-Duration Fixed Income		\$208.1	30.0%	30.0%	+ 0.0%	25-35%
Dodge & Cox	Market Duration	\$100.6	14.5%	15.0%	- 0.5%	
MetWest	Market Duration	\$107.4	15.5%	15.0%	+ 0.5%	
Alternatives		\$120.1	17.3%	20.0%	- 2.7%	17-23%
Oaktree RE Opportunities	Real Estate	\$ 13.4	1.9%	2.5%	- 0.6%	
Walton Street	Real Estate	\$ 11.4	1.6%	2.5%	- 0.9%	
Direct Hedge Fund Composite	Hedge Fund	\$ 95.4	13.8%	15.0%	- 1.2%	
Total (X District)		\$693.3	100.0%			
District Assets - Barrow Hanley	Short Duration	\$ 21.0				
Debt Reserves - Ponder	Short Duration	\$ 28.2				
Total Surplus Cash		\$742.5				

*Totals may not add due to rounding.

Equity Portfolio - Characteristics

Surplus Cash Equity Composite vs. MSCI AC World IMI

As of September 30, 2016

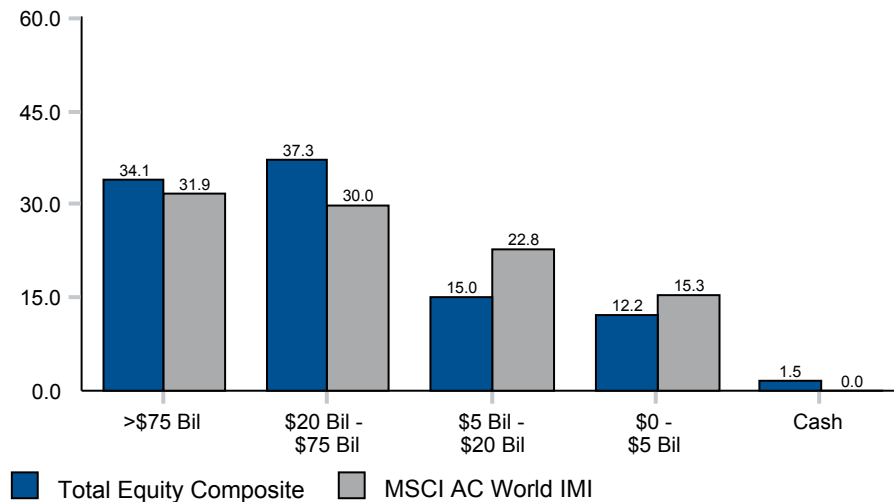
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	92,884	84,455
Median Mkt. Cap (\$M)	15,351	1,439
Price/Earnings ratio	21.5	17.9
Price/Book ratio	3.1	2.7
5 Yr. EPS Growth Rate (%)	7.3	6.6
Current Yield (%)	2.0	2.5
Debt to Equity	0.3	1.1
Number of Stocks	819	8,634
Beta (5 Years, Monthly)	0.88	1.00
Consistency (5 Years, Monthly)	53.33	1.00
Sharpe Ratio (5 Years, Monthly)	1.20	0.95
Information Ratio (5 Years, Monthly)	0.57	-
Up Market Capture (5 Years, Monthly)	96.66	-
Down Market Capture (5 Years, Monthly)	75.11	-

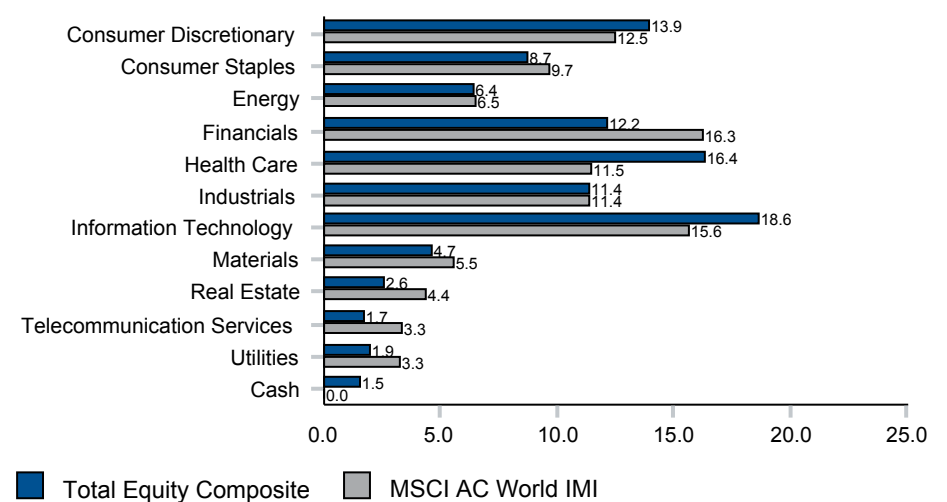
Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Facebook Inc	1.3	0.7	0.6	12.2
Visa Inc	1.2	0.4	0.8	11.7
Amazon.com Inc	1.1	0.8	0.3	17.0
Apple Inc	1.1	1.4	-0.3	18.9
Microsoft Corp	1.1	1.0	0.1	13.3
Alibaba Group Holding Ltd	0.9	0.3	0.6	33.0
Las Vegas Sands Corp	0.9	0.1	0.8	34.0
Johnson & Johnson	0.8	0.8	0.0	-2.0
Schlumberger Ltd	0.8	0.3	0.5	0.1
Alphabet Inc	0.8	0.5	0.3	14.3
% of Portfolio	10.0	6.3		

Distribution of Market Capitalization (%)



Sector Weights (%)



Equity Portfolio - Country/Region Allocation

Surplus Cash Equity Composite vs. MSCI AC World IMI

As of September 30, 2016

	Total Equity Composite	MSCI AC World IMI
Australia	0.6	2.4
Hong Kong	1.6	1.1
Japan	5.3	8.3
New Zealand	0.0	0.1
Singapore	0.0	0.5
Pacific	7.5	12.4
Austria	0.2	0.1
Belgium	0.4	0.5
Finland	0.4	0.4
France	4.8	3.0
Germany	2.1	2.9
Ireland	0.3	0.2
Italy	0.0	0.7
Netherlands	0.6	1.0
Portugal	0.0	0.1
Spain	0.7	1.0
EMU	9.4	9.8
Denmark	0.8	0.6
Norway	0.0	0.3
Sweden	0.7	1.1
Switzerland	4.3	2.8
United Kingdom	5.5	6.3
Europe ex EMU	11.3	11.0
Canada	0.5	3.2
United States	63.6	52.4
Israel	0.4	0.3
Middle East	0.4	0.3
Developed Markets	92.6	89.1

	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	2.4	2.8
India	0.3	1.0
Indonesia	0.1	0.3
Korea	0.3	1.7
Malaysia	0.0	0.3
Philippines	0.0	0.1
Taiwan	0.8	1.4
Thailand	0.1	0.3
EM Asia	4.1	7.9
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	0.8
Turkey	0.0	0.1
United Arab Emirates	0.0	0.1
EM Europe + Middle East + Africa	0.6	1.6
Emerging Markets	5.8	10.9
Frontier Markets	0.0	0.0
Cash	1.5	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 September 30, 2016

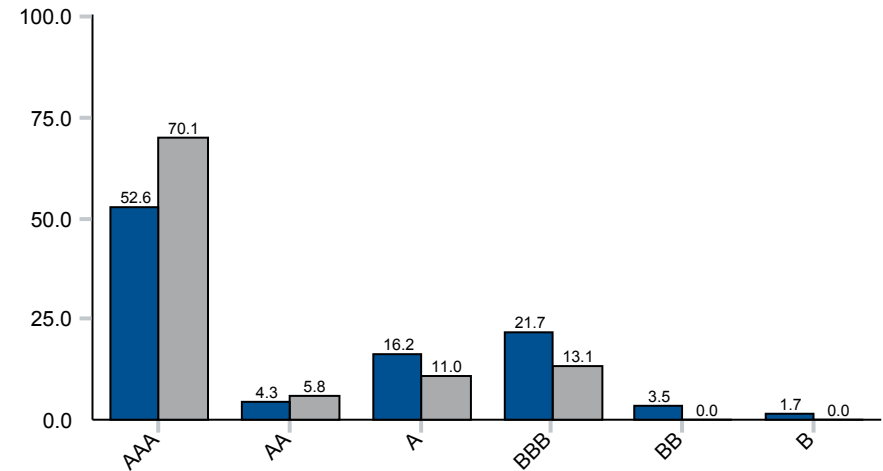
Portfolio Characteristics

	Portfolio	Benchmark
Effective Duration	3.8	4.6
Avg. Maturity	5.9	6.4
Avg. Quality	AA-	AA+
Yield To Maturity (%)	2.1	1.8

Risk Characteristics - 5 Years

	Consistency	Sharpe Ratio	Information Ratio	Up Market Capture	Down Market Capture
Total Fixed Income Composite	56.7	1.6	0.4	95.6	67.7
Total Fixed Income Bmk - Surplus	0.0	1.2	N/A	100.0	100.0

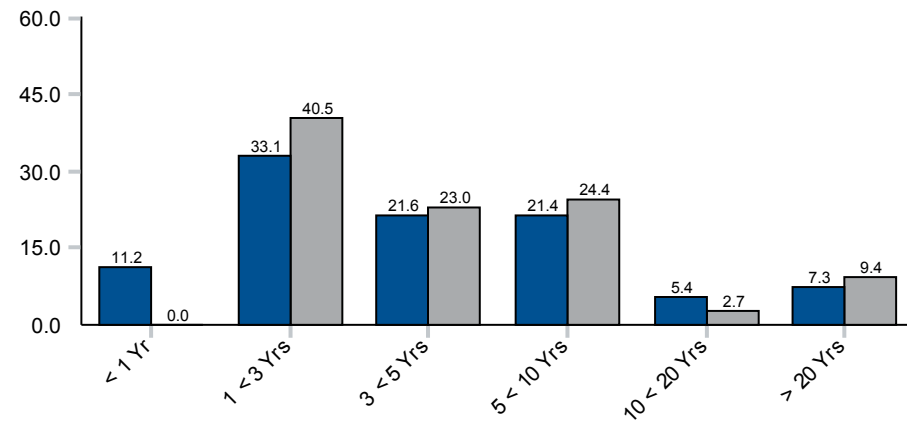
Credit Quality Distribution (%)



■ Total Fixed Income Composite

■ Total Fixed Income Bmk - Surplus

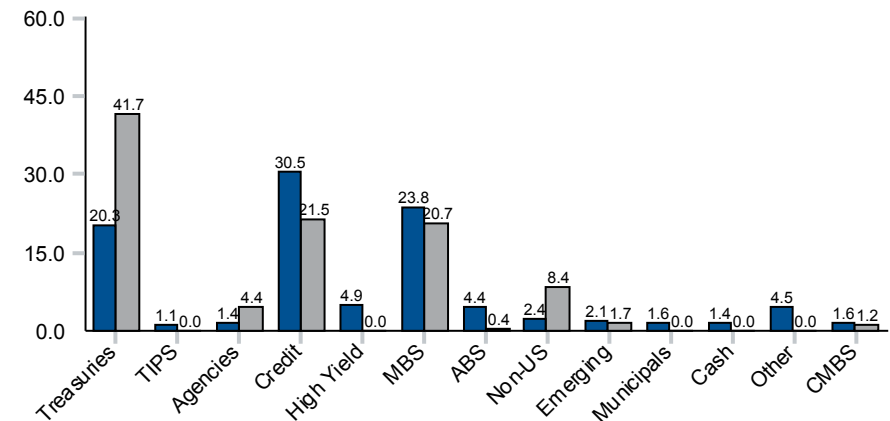
Maturity Distribution (%)



■ Total Fixed Income Composite

■ Total Fixed Income Bmk - Surplus

Sector Distribution (%)



■ Total Fixed Income Composite

■ Total Fixed Income Bmk - Surplus

Performance Summary

Surplus Cash Private Real Estate Investment

As of September 30, 2016 (\$ in Millions)

Partnership	Vintage Year	Fund Type	Committed Capital	Paid-in Capital	Unfunded 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	\$13.4	\$5.4	\$18.8	12.4%	1.3	0.4
Walton Street RE Fund VII	2012	Private RE	\$14.0	\$11.9	\$7.1	\$11.4	\$4.0	\$15.4	18.0%	1.3	0.3

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 - Third Quarter 2016

The Hedge Fund Portfolio returned +1.6% during the third quarter, underperforming the HFRI Fund of Funds Composite Index by 80 basis points. The strong rebound experienced by hedge funds in the second quarter generally continued in the third quarter, with three of the four strategies delivering positive returns. The portfolio's underperformance relative to the benchmark was driven by the Relative Value and Equity segments which lagged their benchmarks by 150 and 390 basis points, respectively. The Credit segment matched the benchmark return while the Macro segment outperformed the index by 100 basis points.

The Credit segment delivered a strong return of +5.3% driven by Marathon (+7.5%) and Davidson Kempner (+6.3%). Robust performance from energy credits across oil, natural gas and coal drove returns. Shelf Drilling Holdings Ltd and Linn Energy LLC were two standout performers. The Credit segment is the best performing strategy YTD for the Portfolio (+7.8%).

The Relative Value strategy generated returns of +1.3%, with two of three managers delivering positive performance. Pine River (+2.9%), which had been a laggard in previous quarters, rebounded with strong gains from their equities and commodities/macro components. Fir Tree made a contribution of +2.2%, with gains coming from a number of strategies which had lagged in previous quarters. The new allocation in BlackRock 32 Capital lost -1.5% for the two-month period as the fund's global small cap and mid horizon strategy sleeves detracted.

The Macro segment generated a small loss of -0.1% and was the only strategy to post a loss in the third quarter. Only one out of the four managers, Stone Milliner, delivered a positive result with a modest gain of +0.2%. BP Transtrend (0.0%) was flat on the quarter, while multi-strategy macro managers Moore and Brevan Howard each suffered small losses (-0.2% and -0.3%, respectively).

The Equity Long / Short segment returned +0.8%, driven by alpha generation from the long side of the managers' portfolios. Bloom Tree (+5.5%) provided the largest contribution, followed by CapeView 2x (+3.9%), which benefited as European markets normalized following the "Brexit" event. Luxor rebounded in Q3 (+3.7%) as some of its larger positions repriced higher. Tiger Eye also provided positive performance (+1.6%) for the Portfolio mostly due to successful positions in energy names. These managers helped balance the negative returns generated by the two Passport funds (-4.1% and -8.1%). Passport suffered poor performance in a number of sectors during the quarter, but notably in basic materials names where the manager is still short. Finally, ESG was flat during the quarter, while Indus (-0.4%) detracted modestly as the Japanese market continued to be challenging.

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 re-investing the proceeds in the following funds:

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

Pavilion will work with El Camino management to approve and implement changes during the coming quarters if agreed upon.

Asset Allocation & Performance

El Camino Hedge Fund Portfolio

As of September 30, 2016

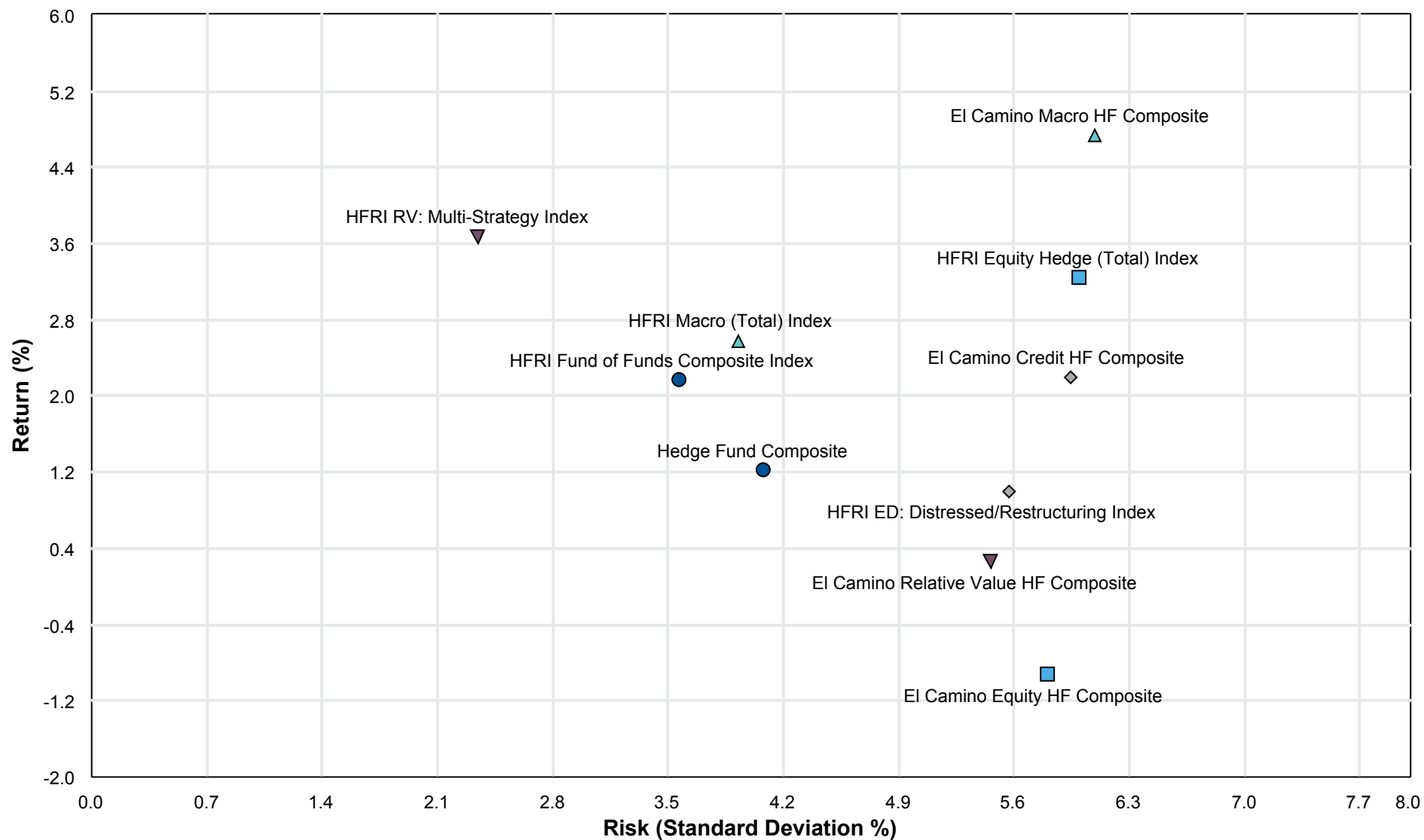
	Allocation		Performance(%)						
	Market Value (\$)	%	Quarter	Year To Date	1 Year	3 Years	5 Years	Since Invested	Inception Period
Hedge Fund Composite	95,367,545	100.0	1.6	-1.7	-2.9	1.2	N/A	1.3	3y 5m
HFRI Fund of Funds Composite Index			2.4	-0.2	0.5	2.2	3.2	2.2	
El Camino HF Composite Benchmark			3.3	4.8	4.8	2.8	4.3	2.9	
Credit HF Composite	20,395,865	21.4	5.3	7.8	2.4	2.2	N/A	3.3	3y 5m
HFRI ED: Distressed/Restructuring Index			5.3	8.9	5.3	1.0	4.9	1.8	
Equity HF Composite	32,882,401	34.5	0.8	-9.0	-9.0	-0.9	N/A	0.1	3y 5m
HFRI Equity Hedge (Total) Index			4.7	4.2	6.0	3.2	5.6	3.9	
Macro HF Composite	24,544,571	25.7	-0.1	1.5	1.8	4.7	N/A	1.8	3y 5m
HFRI Macro (Total) Index			-1.1	1.7	1.5	2.6	0.7	1.0	
Relative Value HF Composite	17,544,707	18.4	1.3	-1.3	-2.8	0.3	N/A	1.1	3y 5m
HFRI RV: Multi-Strategy Index			2.8	4.6	4.8	3.7	4.7	3.4	

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)

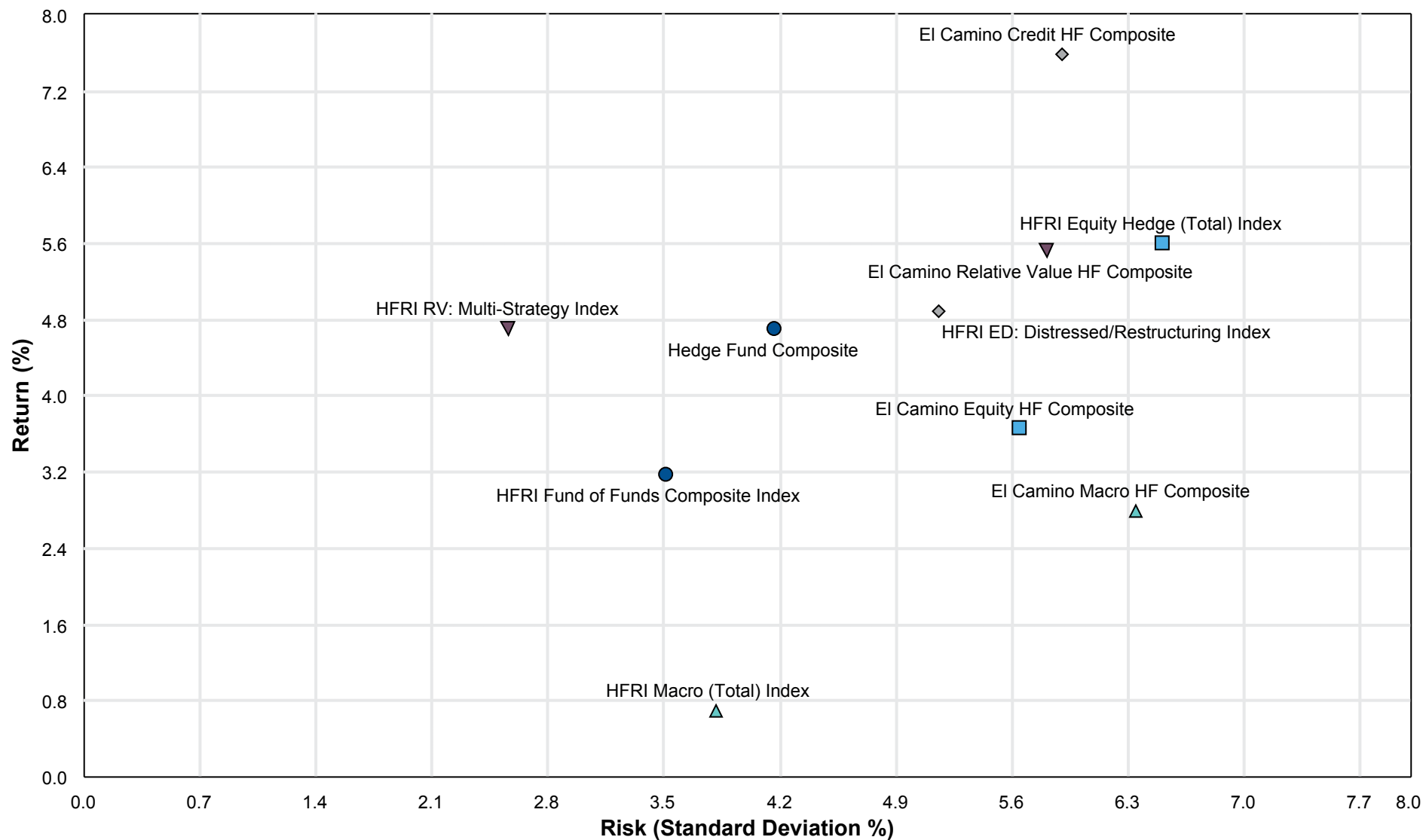
3 Years Ending September 30, 2016



Performance Summary

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

5 Years Ending September 30, 2016



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

El Camino Hedge Fund Portfolio Risk Statistics

As of September 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	4.7	4.2	-9.5	6.0	-5.7	1.1	1.2
HFRI Fund of Funds Composite Index	3.2	3.5	-7.6	3.8	-4.2	0.9	0.8
Equity Long/Short							
El Camino Equity HF Composite	3.7	5.7	-14.3	9.1	-8.1	0.7	0.7
HFRI Equity Hedge (Total) Index	5.6	6.5	-10.3	6.9	-6.3	0.9	0.9
Credit							
El Camino Credit HF Composite	7.6	5.9	-18.5	8.0	-6.6	1.3	1.3
HFRI ED: Distressed/Restructuring Index	4.9	5.2	-17.5	7.4	-6.4	0.9	0.9
Macro							
El Camino Macro HF Composite	2.8	6.3	-7.4	7.9	-4.8	0.5	0.5
HFRI Macro (Total) Index	0.7	3.8	-4.4	5.1	-3.5	0.2	0.2
Relative Value							
El Camino Relative Value HF Composite	5.5	5.8	-13.8	6.9	-8.1	0.9	1.0
HFRI RV: Multi-Strategy Index	4.7	2.6	-4.2	3.8	-2.4	1.8	1.8

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

Asset Class Diversification

Hedge Fund Portfolio

As of September 30, 2016

Manager	Asset Class/Type	Total Assets (\$ mil.)	Percent of Total	Target Allocation	Weighting Relative to Target
Equity Hedge Funds		\$ 32.9	34.5%	40.0%	- 5.5%
ESG	Emerging Market Equity	\$ 4.4	4.6%		
Luxor	Event Driven Equity	\$ 3.7	3.9%		
CapeView 1x	European Equity	\$ 2.8	2.9%		
CapeView 2x	European Equity	\$ 3.1	3.2%		
Passport 1x	US Equity	\$ 2.5	2.6%		
Passport 2x	US Equity	\$ 2.5	2.7%		
Bloom Tree	Global Equity	\$ 4.6	4.9%		
Tiger Eye	US Equity	\$ 4.5	4.7%		
Indus Japan	Japanese Equity	\$ 4.8	5.0%		
Credit Hedge Funds		\$ 20.4	21.4%	20.0%	+ 1.4%
Davidson Kempner	Distressed Credit	\$ 8.9	9.3%		
York	Multi-Strategy Credit	\$ 6.5	6.8%		
Marathon	Multi-Strategy Credit	\$ 5.0	5.2%		
Macro Hedge Funds		\$ 24.5	25.7%	20.0%	+ 5.7%
BP Transtrend	Systematic Macro	\$ 7.4	7.8%		
Brevan Howard	Discretionary Macro	\$ 5.9	6.2%		
Moore	Discretionary Macro	\$ 6.2	6.5%		
Stone Milliner	Discretionary Macro	\$ 5.0	5.2%		
Relative Value Hedge Funds		\$ 17.5	18.4%	20.0%	- 1.6%
BlackRock 32 Capital	Quantitative Market Neutral	\$ 5.4	5.7%		
Fir Tree	Multi-Strategy	\$ 6.2	6.5%		
Pine River	Multi-Strategy	\$ 5.9	6.2%		
Total Hedge Fund Portfolio		\$ 95.4	100.0%		

Totals may not add up due to rounding.

Pro Forma Performance Summary

As of September 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	1.6	-1.7	-2.9	1.2	4.7	1.3	-1.6	2.2	14.0	9.9	-0.9	11.4	3y 5m
<i>HFRI Fund of Funds Composite Index</i>	<i>2.4</i>	<i>-0.2</i>	<i>0.5</i>	<i>2.2</i>	<i>3.2</i>	<i>2.2</i>	<i>-0.3</i>	<i>3.4</i>	<i>9.0</i>	<i>4.8</i>	<i>-5.7</i>	<i>5.7</i>	
Equity Long/Short													
El Camino Equity HF Composite	0.8	-9.0	-9.0	-0.9	3.7	0.1	2.0	-0.4	20.6	7.7	0.0	11.3	3y 5m
<i>HFRI Equity Hedge (Total) Index</i>	<i>4.7</i>	<i>4.2</i>	<i>6.0</i>	<i>3.2</i>	<i>5.6</i>	<i>3.9</i>	<i>-1.0</i>	<i>1.8</i>	<i>14.3</i>	<i>7.4</i>	<i>-8.4</i>	<i>10.5</i>	
ESG Cross Border Equity Offshore Fund, Ltd.	0.0	-6.5	-4.2	-5.3	-0.4	-3.9	-5.1	-7.0	13.4	6.7	9.3	11.0	3y 5m
Luxor Capital Partners Offshore, Ltd.	3.7	-6.7	-17.2	-10.6	-4.7	-8.4	-20.9	-8.4	16.1	1.7	-3.2	4.6	3y 5m
CapeView Azri Fund Limited	1.8	-8.7	-7.5	2.9	4.7	3.1	9.8	4.6	11.4	5.8	1.3	12.8	3y 3m
CapeView Azri 2X Fund	3.9	-16.8	-14.5	6.2	10.2	6.7	21.6	9.8	24.4	12.7	4.3	26.9	3y 3m
Passport Long Short Fund Ltd. (1x)	-4.1	-5.7	-3.9	0.6	5.6	0.3	10.6	-5.7	19.8	12.1	-7.2	N/A	3y 2m
Passport Long Short Fund Ltd. (2x)	-8.1	-10.8	-7.3	1.2	11.1	0.5	21.8	-11.1	43.4	24.4	-14.5	N/A	3y 2m
Bloom Tree Offshore Fund, Ltd.	5.5	-7.5	-6.3	2.4	7.7	1.2	6.3	3.0	12.8	13.7	23.7	5.8	2y 6m
Tiger Eye Fund, Ltd.	1.6	-2.9	-5.2	2.6	9.5	-0.2	-2.0	3.9	37.7	17.7	5.6	10.1	2y 6m
Indus Japan Fund Ltd.	-0.4	-14.8	-12.5	0.2	7.5	-1.6	1.8	6.3	45.0	8.1	-1.6	8.1	2y 10m
Credit													
El Camino Credit HF Composite	5.3	7.8	2.4	2.2	7.6	3.3	-8.2	2.8	18.6	16.2	-2.1	10.8	3y 5m
<i>HFRI ED: Distressed/Restructuring Index</i>	<i>5.3</i>	<i>8.9</i>	<i>5.3</i>	<i>1.0</i>	<i>4.9</i>	<i>1.8</i>	<i>-8.1</i>	<i>-1.4</i>	<i>14.0</i>	<i>10.1</i>	<i>-1.8</i>	<i>12.1</i>	
DK Distressed Opportunities International (Cayman) Ltd.	6.3	15.2	9.7	5.4	9.4	6.6	-6.2	3.2	21.7	13.5	-2.4	10.2	3y 5m
Marathon Special Opportunity Fund Ltd.	7.5	8.8	3.7	-0.2	5.0	-3.7	-11.9	-2.8	19.6	16.5	-4.8	9.1	2y 6m
York Credit Opportunities Unit Trust	2.4	-1.6	-6.9	-0.6	6.1	0.4	-7.9	3.4	15.6	18.9	-1.8	11.4	3y 5m

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 are those of Passport Long Short Fund, Ltd. (1x); returns for CapeView Azri 2x Fund prior to October 2010 are those of CapeView Azri Fund Limited; returns for BP Transtrend Diversified Fund, LLC prior to April 2008 are those of the Transtrend Diversified Trend Program Enhanced Risk (USD) Fund.

Pro Forma Performance Summary

As of September 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	-0.1	1.5	1.8	4.7	2.8	1.8	1.0	7.7	0.7	3.4	-2.9	10.4	3y 5m
<i>HFRI Macro (Total) Index</i>	<i>-1.1</i>	<i>1.7</i>	<i>1.5</i>	<i>2.6</i>	<i>0.7</i>	<i>1.0</i>	<i>-1.3</i>	<i>5.6</i>	<i>-0.4</i>	<i>-0.1</i>	<i>-4.2</i>	<i>8.1</i>	
BP Transtrend Diversified Fund LLC	0.0	9.0	8.0	11.0	5.5	6.1	-1.1	18.9	0.6	1.2	-11.3	18.6	3y 5m
Brevan Howard Multi-Strategy Fund Limited	-0.3	1.4	0.2	0.9	1.3	-0.5	-1.9	1.8	0.8	5.3	6.0	2.3	3y 5m
Moore Macro Managers Fund Ltd.	-0.2	-4.4	-3.2	2.2	4.8	1.2	3.1	5.4	13.4	8.9	-2.6	11.6	2y 6m
Stone Milliner Macro Fund Inc.	0.2	-0.7	1.8	7.3	7.5	1.1	5.7	14.3	11.2	8.1	-1.6	5.9	1y 7m
Relative Value													
El Camino Relative Value HF Composite	1.3	-1.3	-2.8	0.3	5.5	1.1	-4.0	1.6	12.7	14.3	0.2	13.1	3y 5m
HFRI RV: Multi-Strategy Index	2.8	4.6	4.8	3.7	4.7	3.4	0.7	3.4	7.9	8.2	-2.4	13.2	
(BlackRock) The 32 Capital Fund, Ltd.	1.0	-10.1	-10.6	0.7	3.4	-1.5	8.6	-0.3	7.1	8.9	21.1	17.7	0y 2m
<i>HFRI EH: Equity Market Neutral Index</i>	<i>0.8</i>	<i>1.0</i>	<i>2.1</i>	<i>3.6</i>	<i>3.9</i>	<i>0.0</i>	<i>4.3</i>	<i>3.1</i>	<i>6.5</i>	<i>3.0</i>	<i>-2.1</i>	<i>2.9</i>	
Fir Tree International Value Fund (USTE), L.P.	2.2	-1.8	-4.7	-2.7	5.8	-0.9	-8.9	-2.1	17.2	16.9	2.4	16.7	3y 5m
Pine River Fund Ltd.	2.9	-0.5	-1.6	0.5	5.7	-0.4	-2.8	4.7	9.7	21.7	5.7	13.9	2y 6m

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 are those of Passport Long Short Fund, Ltd. (1x); returns for CapeView Azri 2x Fund prior to October 2010 are those of CapeView Azri Fund Limited; returns for BP Transtrend Diversified Fund, LLC prior to April 2008 are those of the Transtrend Diversified Trend Program Enhanced Risk (USD) Fund.

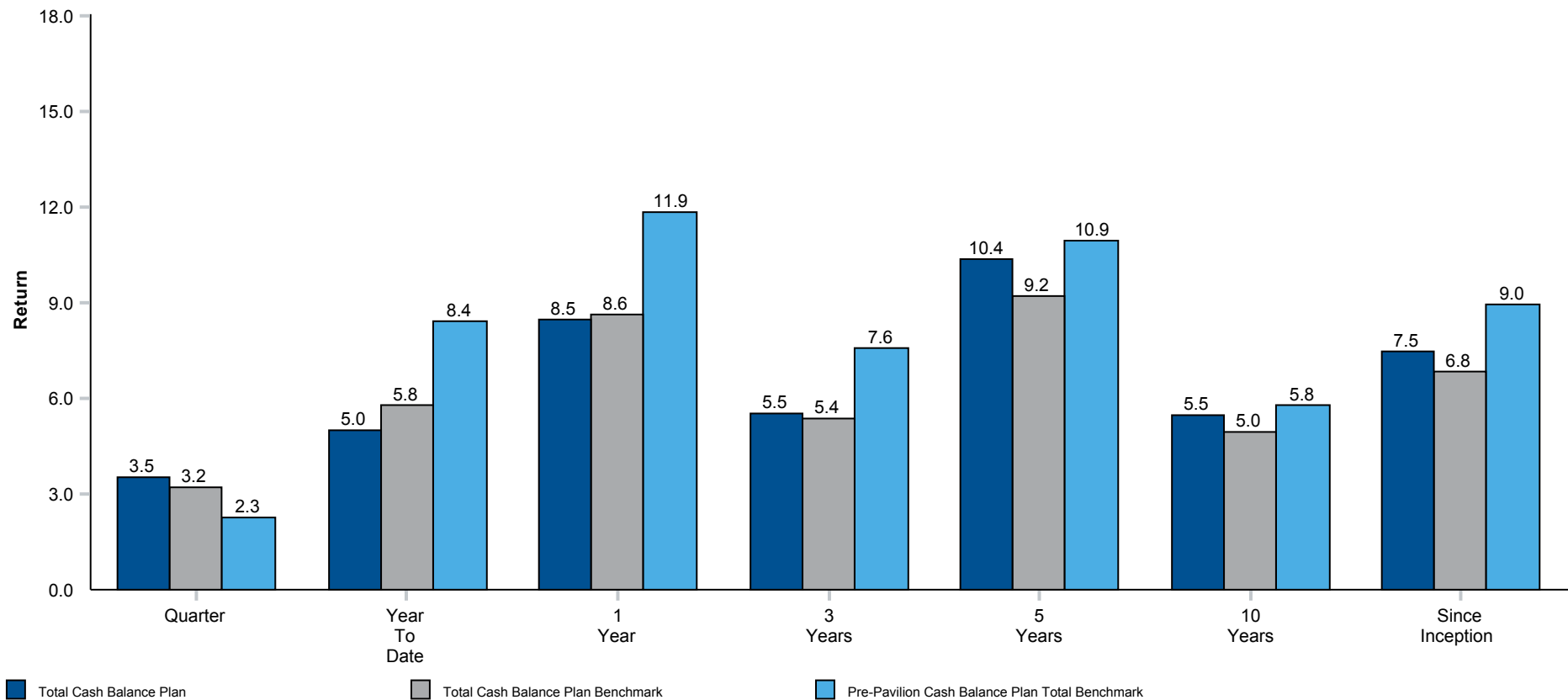


Cash Balance Plan - Performance Summary

Performance Summary

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

As of September 30, 2016



	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Period
Total Cash Balance Plan	3.5	5.0	8.5	5.5	10.4	5.5	7.5	3y 11m
Total Cash Balance Plan Benchmark	3.2	5.8	8.6	5.4	9.2	5.0	6.8	
Pre-Pavilion Cash Balance Plan Total Benchmark	2.3	8.4	11.9	7.6	10.9	5.8	9.0	

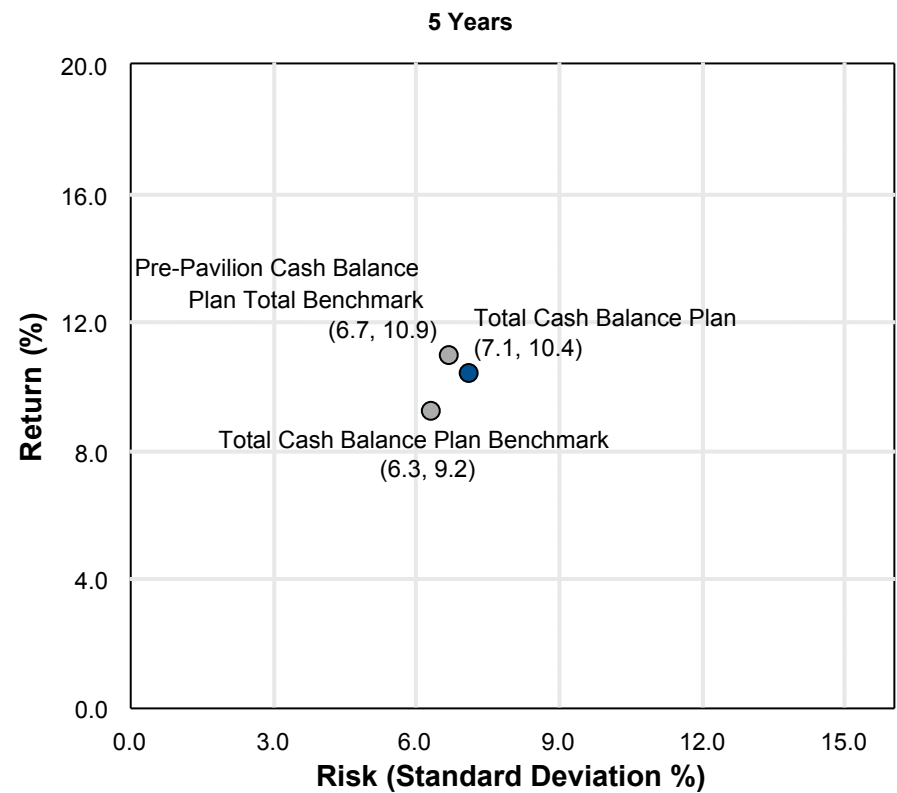
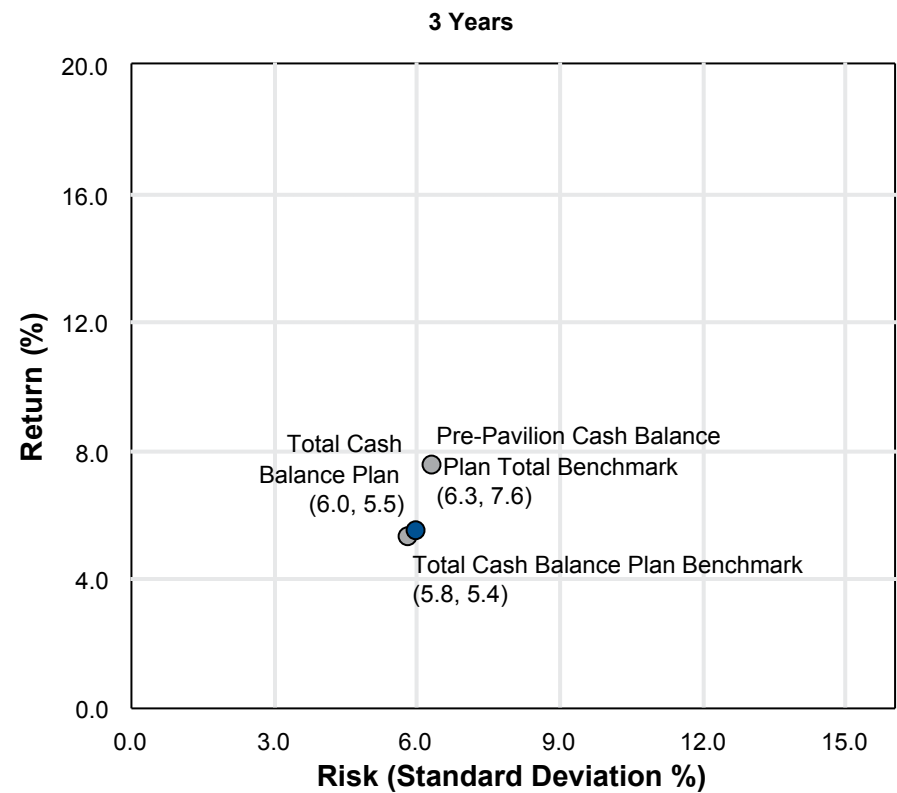
* Returns are net of investment management fees.

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

Performance Summary

Risk and Return Summary (Net of Fees)

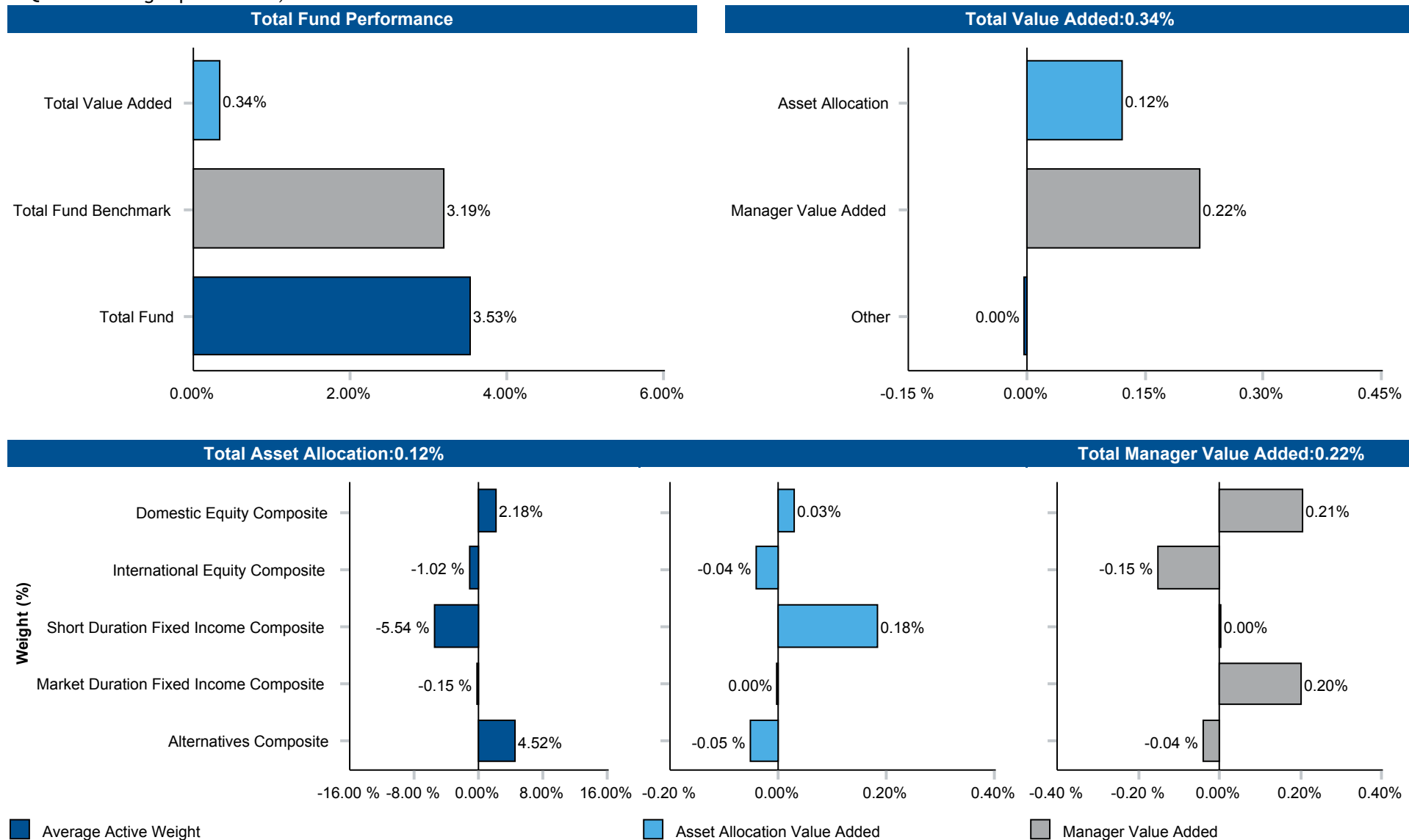
As of September 30, 2016



Performance Summary

Total Cash Balance Plan Attribution

1 Quarter Ending September 30, 2016

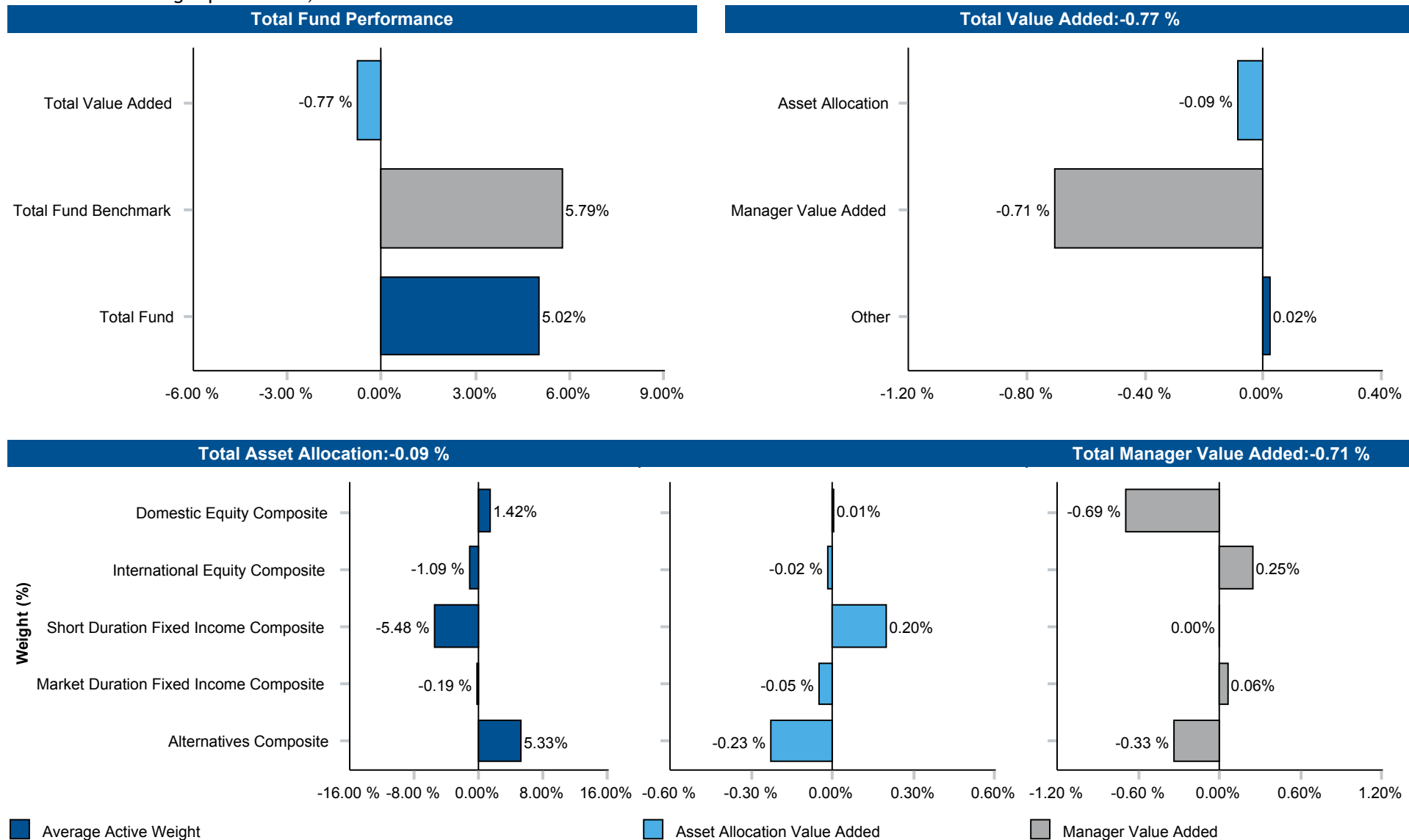


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Total Cash Balance Plan Attribution

Year To Date Ending September 30, 2016

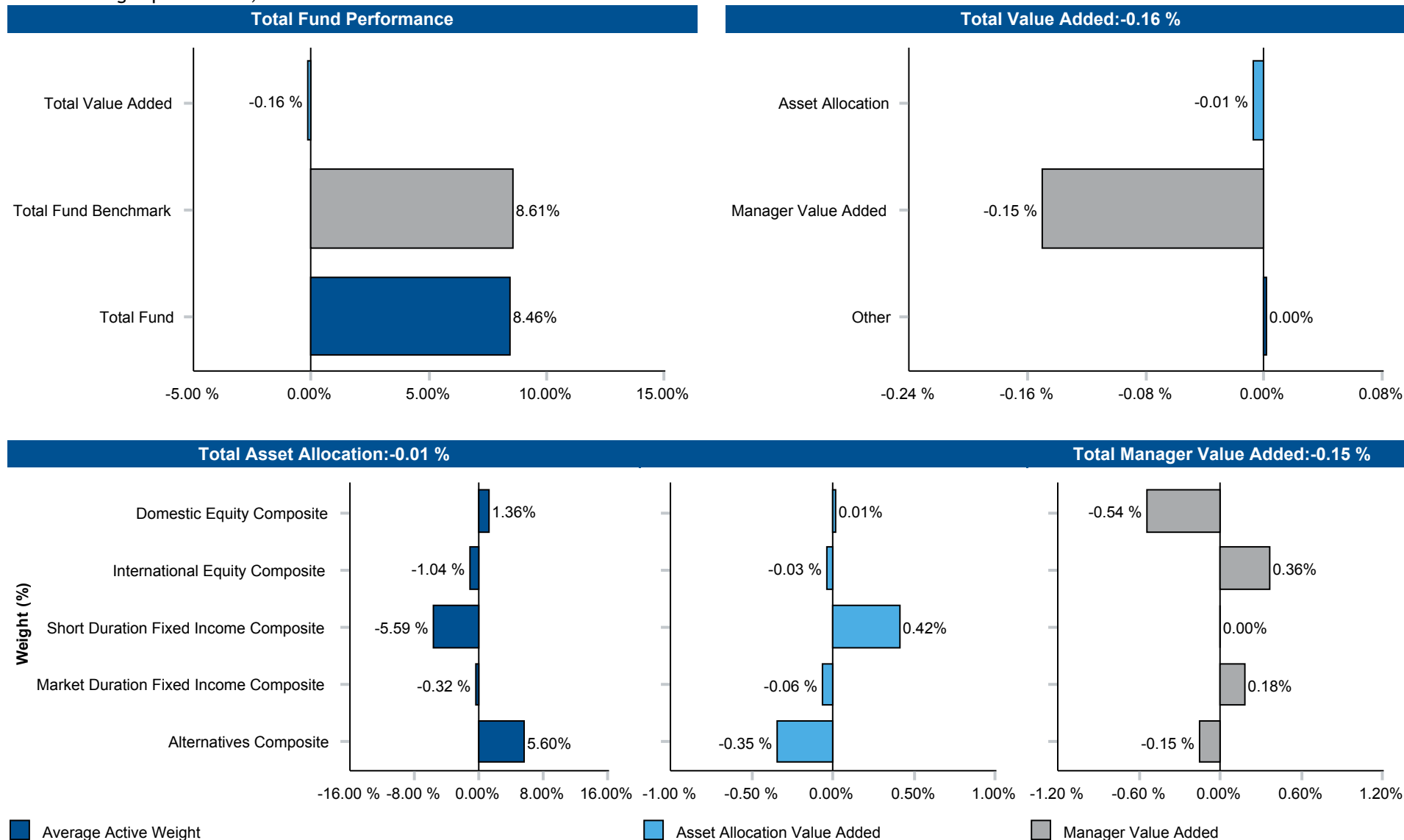


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Performance Summary

Total Cash Balance Plan Attribution

1 Year Ending September 30, 2016

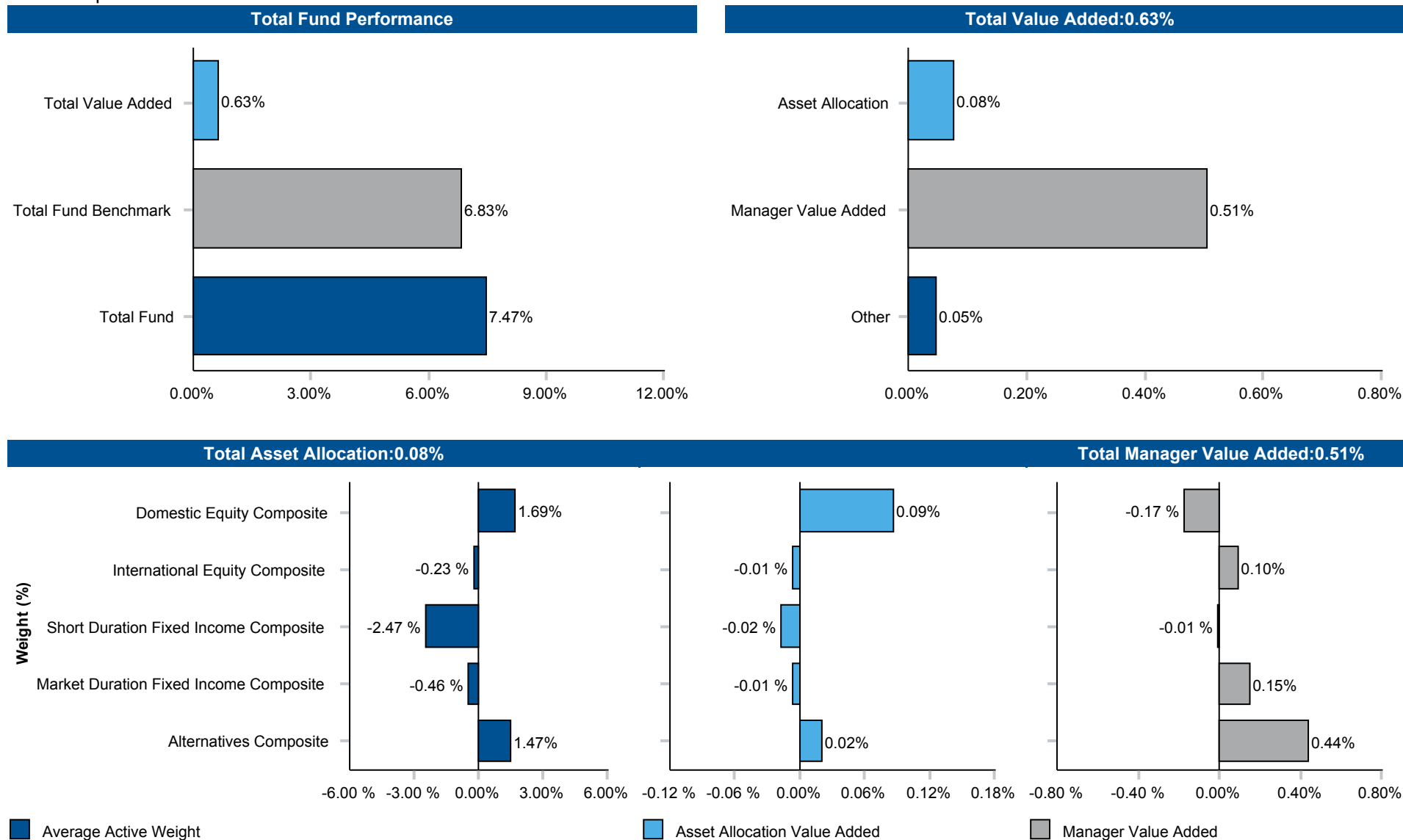


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

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 September 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	228,910,509	100.0	3.5	5.0	8.5	5.5	10.4	5.5	7.5	3y 11m
Total Cash Balance Plan Benchmark			3.2	5.8	8.6	5.4	9.2	5.0	6.8	
Pre-Pavilion Total Cash Balance Plan Benchmark			2.3	8.4	11.9	7.6	10.9	5.8	9.0	
Total Cash Balance Plan X Private Structures	214,047,298	93.5	3.8	5.2	8.7	5.0	10.1	5.3	7.1	3y 11m
Cash Balance Plan Total X Privates Benchmark			3.3	5.8	8.6	5.0	9.0	4.9	6.6	
Total Equity Composite	118,684,547	51.8	5.6	6.7	12.8	5.9	14.2	4.5	10.2	3y 11m
Total Equity Benchmark			5.5	7.5	13.1	6.6	13.9	4.8	10.3	
Domestic Equity Composite	79,131,898	34.6	5.3	6.3	13.5	8.7	16.7	5.6	13.2	3y 11m
Domestic Equity Benchmark			4.7	8.5	15.3	10.4	16.7	6.1	13.9	
Large Cap Equity Composite	67,777,527	29.6	5.3	5.4	13.0	9.4	16.9	5.7	13.6	3y 11m
Large Cap Equity Benchmark			3.9	7.9	15.2	11.0	16.8	6.2	14.0	
Small Cap Equity Composite	11,354,372	5.0	5.3	11.6	16.3	4.8	N/A	N/A	11.3	3y 11m
Small Cap Equity Benchmark			9.0	11.5	15.5	6.7	15.8	7.1	13.0	
International Equity Composite	39,552,649	17.3	6.0	7.5	11.6	0.8	N/A	N/A	4.7	3y 11m
MSCI AC World ex USA (Net)			6.9	5.8	9.3	0.2	6.0	2.2	4.0	

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 September 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	66,860,913	29.2	1.1	5.4	5.3	3.4	3.7	5.4	2.6	3y 11m
Total Fixed Income Benchmark			0.3	4.6	4.1	3.2	2.7	4.6	2.1	
 Short Duration Fixed Income Composite	 10,278,096	 4.5	 0.2	 1.6	 1.4	 1.0	 0.7	 N/A	 0.9	 3y 11m
Short Duration Fixed Income Benchmark			0.0	1.7	1.3	1.1	0.8	1.2	1.0	
 Market Duration Fixed Income Composite	 56,582,818	 24.7	 1.3	 6.1	 5.9	 4.2	 4.3	 5.6	 3.2	 3y 11m
Blmbg. Barc. U.S. Aggregate			0.5	5.8	5.2	4.0	3.1	4.8	2.6	
 Total Alternatives Composite	 43,365,049	 18.9	 2.0	 0.4	 2.7	 8.6	 N/A	 N/A	 8.6	 3y 11m
Total Alternatives Benchmark			2.2	1.9	3.4	5.1	N/A	N/A	5.9	
 Hedge Fund of Fund Composite	 28,501,838	 12.5	 3.0	 -1.3	 0.7	 5.7	 N/A	 N/A	 6.7	 3y 11m
HFRI Fund of Funds Composite Index			2.4	-0.2	0.5	2.2	3.2	1.8	3.4	
 Real Estate Composite	 14,863,211	 6.5	 0.3	 3.0	 5.8	 13.7	 N/A	 N/A	 12.0	 3y 9m
NCREIF Property Index			1.8	6.1	9.2	11.3	11.2	7.2	11.3	

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 September 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	36,567,105	16.0	3.8 (51)	7.8 (23)	15.4 (15)	11.1 (8)	16.3 (13)	7.2 (22)	14.0 (11)	3y 11m
S&P 500			3.9 (51)	7.8 (22)	15.4 (15)	11.2 (8)	16.4 (13)	7.2 (22)	14.0 (11)	
IM U.S. Large Cap Core Equity			3.9	6.2	12.8	9.1	15.0	6.4	12.6	
Sands Large Cap Growth (Touchstone)	14,807,985	6.5	10.3 (3)	-1.3 (96)	7.5 (87)	5.5 (98)	15.3 (50)	10.1 (5)	12.6 (71)	3y 11m
Russell 1000 Growth Index			4.6 (71)	6.0 (14)	13.8 (17)	11.8 (16)	16.6 (21)	8.8 (19)	14.8 (22)	
IM U.S. Large Cap Growth Equity			5.8	3.2	10.9	10.0	15.2	7.8	13.6	
Barrow Hanley Large Cap Value	16,402,437	7.2	4.4 (39)	7.3 (45)	13.5 (38)	9.3 (16)	15.9 (14)	6.1 (27)	13.3 (14)	3y 11m
Russell 1000 Value Index			3.5 (64)	10.0 (14)	16.2 (15)	9.7 (10)	16.2 (10)	5.9 (34)	13.2 (15)	
IM U.S. Large Cap Value Equity			4.0	7.0	12.5	7.8	14.5	5.2	11.7	
Small-Cap Equity										
Wellington Small Cap Value	6,040,385	2.6	4.3 (90)	8.9 (84)	14.7 (59)	7.9 (6)	16.0 (20)	8.8 (1)	13.0 (18)	3y 11m
Russell 2000 Value Index			8.9 (28)	15.5 (22)	18.8 (14)	6.8 (24)	15.4 (28)	5.8 (57)	12.1 (34)	
IM U.S. Small Cap Value Equity			7.5	12.5	16.1	5.8	14.3	6.0	11.4	
Conestoga Small Cap Growth	5,313,987	2.3	6.5 (95)	8.8 (56)	18.4 (12)	6.4 (48)	15.2 (59)	9.2 (11)	10.3 (52)	0y 4m
Russell 2000 Growth Index			9.2 (59)	7.5 (73)	12.1 (66)	6.6 (42)	16.1 (41)	8.3 (26)	8.7 (59)	
IM U.S. Small Cap Growth Equity			10.9	9.1	13.2	6.2	15.9	7.1	10.8	
International Equity										
Walter Scott Int'l (Dreyfus)	20,754,937	9.1	6.0 (66)	10.1 (31)	15.3 (23)	1.9 (33)	7.3 (46)	N/A	4.9 (48)	3y 11m
MSCI AC World ex USA (Net)			6.9 (44)	5.8 (48)	9.3 (50)	0.2 (59)	6.0 (64)	2.2 (57)	4.0 (60)	
IM International Equity			6.6	5.4	9.2	0.7	7.0	2.6	4.7	
Northern Cross Int'l (Harbor)	18,797,711	8.2	6.0 (67)	4.7 (54)	7.7 (61)	-0.6 (69)	7.3 (46)	3.8 (30)	4.2 (57)	3y 11m
MSCI AC World ex USA (Net)			6.9 (44)	5.8 (48)	9.3 (50)	0.2 (59)	6.0 (64)	2.2 (57)	4.0 (60)	
IM International Equity			6.6	5.4	9.2	0.7	7.0	2.6	4.7	

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 September 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	8,330,805	3.6	0.1 (84)	1.8 (48)	1.5 (55)	1.0 (55)	0.9 (76)	2.5 (44)	0.9 (50)	3y 11m
Blmbg. Barc. 1-3 Year Gov/Credit			0.0 (90)	1.7 (54)	1.3 (67)	1.1 (47)	1.1 (72)	2.6 (39)	1.0 (44)	
<i>IM U.S. Short Term Investment Grade</i>			0.3	1.8	1.6	1.0	1.5	2.3	0.9	
Cash Composite	1,947,290	0.9	0.5	0.7	1.7	2.0	1.3	N/A	1.6	3y 11m
90 Day U.S. Treasury Bill			0.1	0.2	0.2	0.1	0.1	0.9	0.1	
Market Duration Fixed Income										
Dodge & Cox Income Fund	28,256,681	12.3	1.8 (23)	6.9 (44)	7.1 (23)	4.3 (36)	4.3 (35)	5.4 (41)	7.0 (33)	27y 9m
Blmbg. Barc. U.S. Aggregate			0.5 (100)	5.8 (66)	5.2 (72)	4.0 (49)	3.1 (88)	4.8 (68)	6.6 (61)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			1.3	6.7	6.0	4.0	3.9	5.2	6.8	
Met West Total Return Fund I	28,326,137	12.4	0.7 (90)	5.2 (81)	4.8 (79)	4.0 (50)	4.8 (13)	6.5 (4)	3.3 (24)	3y 11m
Blmbg. Barc. U.S. Aggregate			0.5 (100)	5.8 (66)	5.2 (72)	4.0 (49)	3.1 (88)	4.8 (68)	2.6 (56)	
<i>IM U.S. Broad Market Core+ Fixed Income</i>			1.3	6.7	6.0	4.0	3.9	5.2	2.7	
Hedge Fund of Funds										
Lighthouse Diversified	15,363,551	6.7	1.5	0.2	2.3	5.4	5.6	3.9	5.9	3y 11m
HFRI Fund of Funds Composite Index			2.4	-0.2	0.5	2.2	3.2	1.8	3.4	
Pointer Offshore LTD	13,138,287	5.7	4.7	-3.0	-1.0	6.1	7.4	8.0	7.5	3y 9m
HFRI Fund of Funds Composite Index			2.4	-0.2	0.5	2.2	3.2	1.8	3.1	
Real Estate										
Oaktree RE Opportunities Fund VI	8,031,618	3.5	0.6	2.1	4.0	12.3	N/A	N/A	11.2	3y 8m
NCREIF Property Index			1.8	6.1	9.2	11.3	11.2	7.2	11.3	
Walton Street Real Estate Fund VII, L.P.	6,831,593	3.0	0.0	4.1	8.2	17.6	N/A	N/A	17.1	3y 3m
NCREIF Property Index			1.8	6.1	9.2	11.3	11.2	7.2	11.3	
Total Plan										
Total Cash Balance Plan	228,910,509	100.0	3.5	5.0	8.5	5.5	10.4	5.5	7.5	3y 11m
Total Cash Balance Plan Benchmark			3.2	5.8	8.6	5.4	9.2	5.0	6.8	
Pre-Pavilion Total Cash Balance Plan Benchmark			2.3	8.4	11.9	7.6	10.9	5.8	9.0	

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 September 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	-630 bps	-40 bps	+	-20 bps	+	-80 bps
Three-year ranking > peer group median	+	98th	+	+	+	+	69th
Five year return > benchmark	In Line	-130 bps	-30 bps	+	-90 bps	+	+
Five year ranking > peer group median	+	+	+	+	59th	+	+
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 September 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	+	In Line	+	+
Three-year ranking > peer group median	55th	+	+	N/A	N/A
Five year return > benchmark	-20 bps	+	+	+	+
Five year ranking > peer group median	76th	+	+	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.



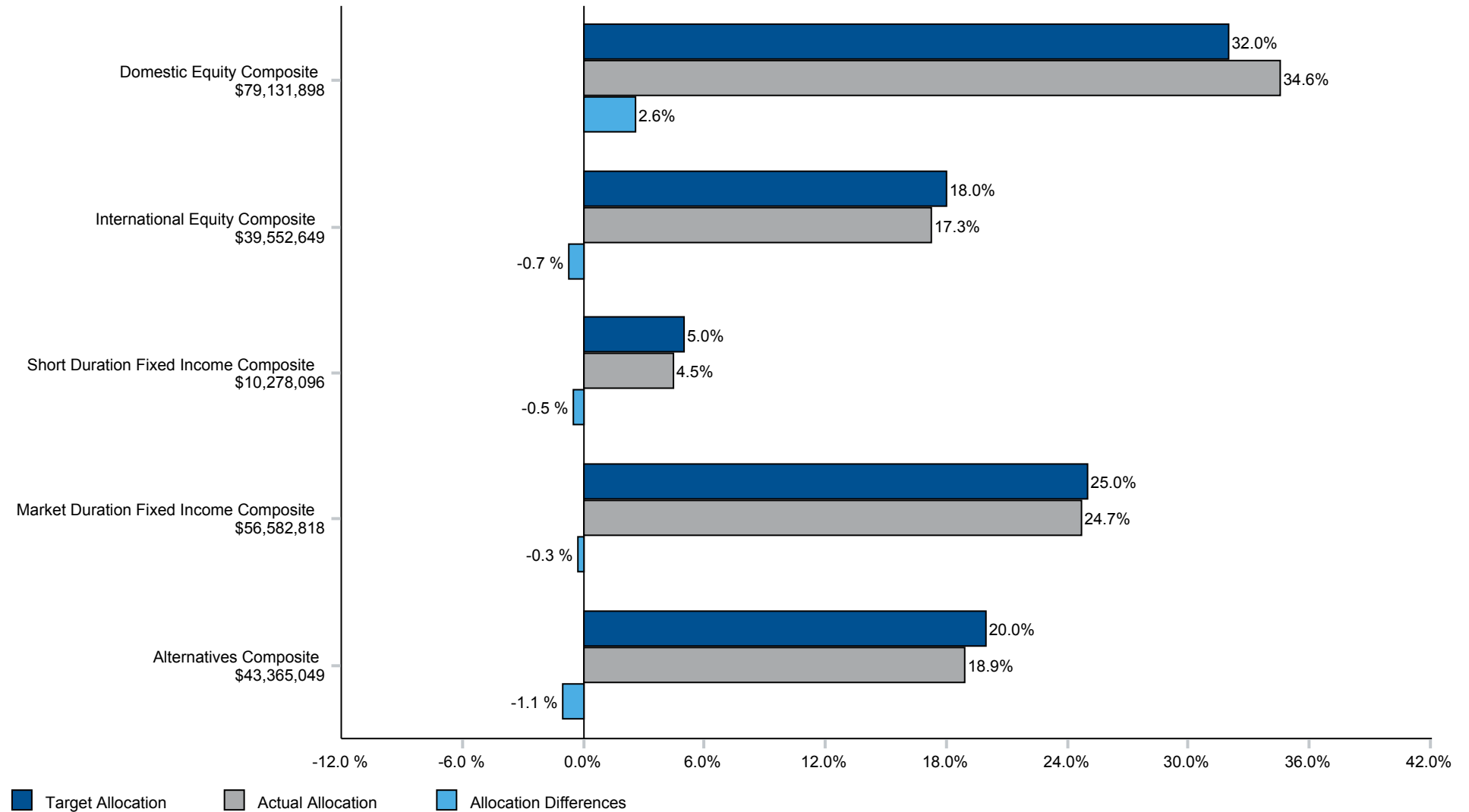
Cash Balance Plan - Asset Class Diversification

Asset Class Diversification

Total Cash Balance Plan vs. Cash Balance Plan Target Allocation

As of September 30, 2016

September 30, 2016 : \$228,910,509



Asset Class Diversification

Cash Balance Plan Investment Program Structure

As of September 30, 2016

Manager	Asset Class/Type	Total Assets (\$ mil.)	Percent of Total	Target Allocation	Weighting Relative to Target	Target Range
Large-Cap Domestic Equity		\$ 67.8	29.6%	27.0%	+ 2.6%	27-37%
Vanguard S&P 500 Index	Large-Cap Index	\$ 36.6	16.0%	13.5%	+ 2.5%	
Sands	Large-Cap Growth	\$ 14.8	6.5%	6.8%	- 0.3%	
Barrow Hanley	Large-Cap Value	\$ 16.4	7.2%	6.8%	+ 0.4%	
Small-Cap Domestic Equity		\$ 11.4	5.0%	5.0%	- 0.0%	
Conestoga	Small-Cap Growth	\$ 5.3	2.3%	2.5%	- 0.2%	15-21%
Wellington	Small-Cap Value	\$ 6.0	2.6%	2.5%	+ 0.1%	
International Equity		\$ 39.6	17.3%	18.0%	- 0.7%	0-8%
Walter Scott	Developed and Emerging	\$ 20.8	9.1%			
Harbor	Developed and Emerging	\$ 18.8	8.2%			20-30%
Short-Duration Fixed Income		\$ 10.3	4.5%	5.0%	- 0.5%	
Barrow Hanley	Short Duration	\$ 8.3	3.6%			
Cash	Money Market	\$ 1.9	0.9%			17-23%
Market-Duration Fixed Income		\$ 56.6	24.7%	25.0%	- 0.3%	
Dodge & Cox	Market Duration	\$ 28.3	12.3%	12.5%	- 0.2%	
MetWest	Market Duration	\$ 28.3	12.4%	12.5%	- 0.1%	17-23%
Alternatives		\$ 43.4	18.9%	20.0%	- 1.1%	
Lighthouse	HFOF	\$ 15.4	6.7%	5.0%	+ 1.7%	
Pointer	HFOF	\$ 13.1	5.7%	5.0%	+ 0.7%	
Oaktree RE Opportunities	Real Estate	\$ 8.0	3.5%	5.0%	- 1.5%	
Walton Street	Real Estate	\$ 6.8	3.0%	5.0%	- 2.0%	
Total		\$228.9	100.0%			

*Totals may not add due to rounding.

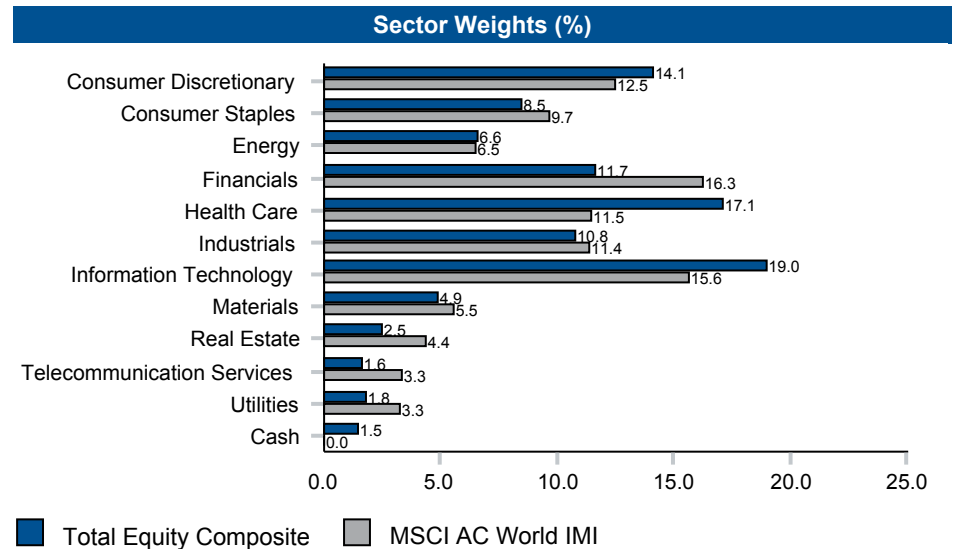
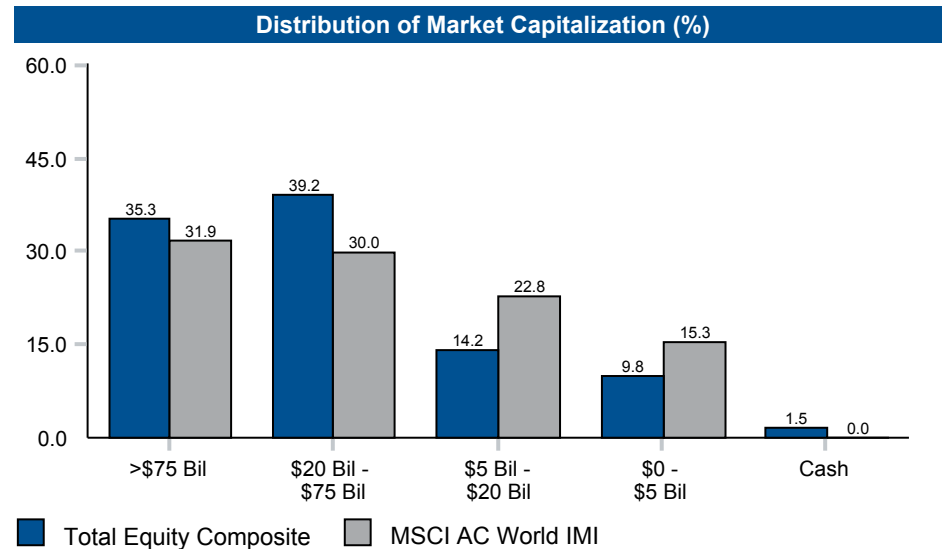
Equity Portfolio - Characteristics

Cash Balance Plan Equity Composite vs. MSCI AC World IMI

As of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	96,777	84,455
Median Mkt. Cap (\$M)	15,697	1,439
Price/Earnings ratio	21.7	17.9
Price/Book ratio	3.2	2.7
5 Yr. EPS Growth Rate (%)	7.5	6.6
Current Yield (%)	2.0	2.5
Debt to Equity	0.3	1.1
Number of Stocks	745	8,634
Beta (5 Years, Monthly)	0.95	1.00
Consistency (5 Years, Monthly)	58.33	1.00
Sharpe Ratio (5 Years, Monthly)	1.19	0.95
Information Ratio (5 Years, Monthly)	1.02	-
Up Market Capture (5 Years, Monthly)	103.45	-
Down Market Capture (5 Years, Monthly)	84.77	-

Top Ten Equity Holdings			
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)
Facebook Inc	1.5	0.7	0.8
Visa Inc	1.4	0.4	1.0
Amazon.com Inc	1.3	0.8	0.5
Microsoft Corp	1.1	1.0	0.1
Alibaba Group Holding Ltd	1.1	0.3	0.8
Apple Inc	1.0	1.4	-0.4
Johnson & Johnson	0.9	0.8	0.1
Schlumberger Ltd	0.9	0.3	0.6
Salesforce.com Inc.	0.9	0.1	0.8
Alphabet Inc	0.9	0.5	0.4
% of Portfolio	11.0	6.3	



Equity Portfolio - Country/Region Allocation

Cash Balance Plan Equity Composite vs. MSCI AC World IMI

As of September 30, 2016

	Total Equity Composite	MSCI AC World IMI
Australia	0.6	2.4
Hong Kong	1.4	1.1
Japan	5.5	8.3
New Zealand	0.0	0.1
Singapore	0.0	0.5
Pacific	7.5	12.4
Austria	0.2	0.1
Belgium	0.4	0.5
Finland	0.4	0.4
France	5.0	3.0
Germany	2.2	2.9
Ireland	0.3	0.2
Italy	0.0	0.7
Netherlands	0.6	1.0
Portugal	0.0	0.1
Spain	0.7	1.0
EMU	9.8	9.8
Denmark	0.9	0.6
Norway	0.0	0.3
Sweden	0.7	1.1
Switzerland	4.4	2.8
United Kingdom	5.6	6.3
Europe ex EMU	11.7	11.0
Canada	0.4	3.2
United States	65.3	52.4
Israel	0.5	0.3
Middle East	0.5	0.3
Developed Markets	95.2	89.1

	Total Equity Composite	MSCI AC World IMI
Brazil	0.0	0.7
Cayman Islands	0.0	0.0
Chile	0.0	0.1
Colombia	0.5	0.0
Mexico	0.0	0.4
Peru	0.0	0.0
Virgin Islands	0.0	0.0
EM Latin America	0.6	1.3
China	2.2	2.8
India	0.0	1.0
Indonesia	0.0	0.3
Korea	0.0	1.7
Malaysia	0.0	0.3
Philippines	0.0	0.1
Taiwan	0.5	1.4
Thailand	0.0	0.3
EM Asia	2.7	7.9
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	0.8
Turkey	0.0	0.1
United Arab Emirates	0.0	0.1
EM Europe + Middle East + Africa	0.0	1.6
Emerging Markets	3.2	10.9
Frontier Markets	0.0	0.0
Cash	1.5	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 September 30, 2016

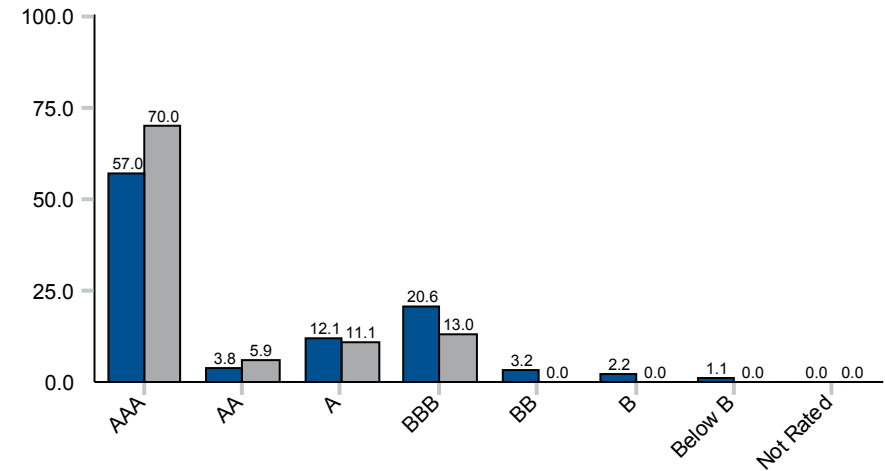
Portfolio Characteristics

	Portfolio	Benchmark
Effective Duration	4.0	4.5
Avg. Maturity	6.7	6.1
Avg. Quality	AA-	AA+
Yield To Maturity (%)	2.3	1.7

Risk Characteristics - 5 Years

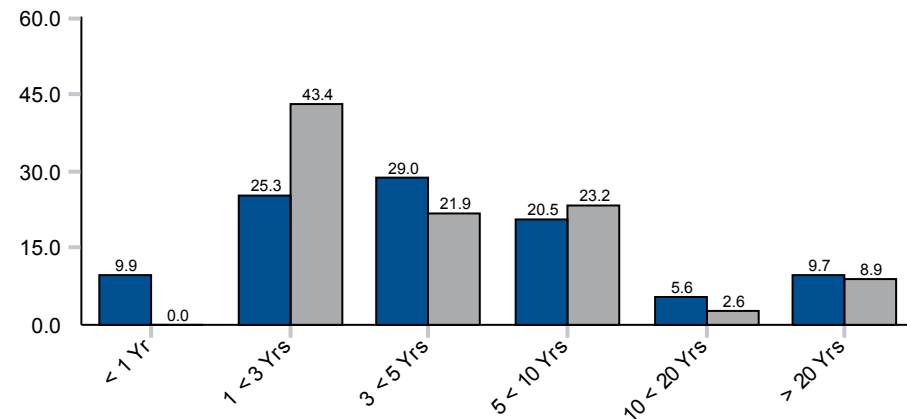
	Consistency	Sharpe Ratio	Information Ratio	Up Market Capture	Down Market Capture
Total Fixed Income Composite	58.3	1.7	0.7	110.6	72.8
Total Fixed Income Benchmark	0.0	1.2	N/A	100.0	100.0

Credit Quality Distribution (%)



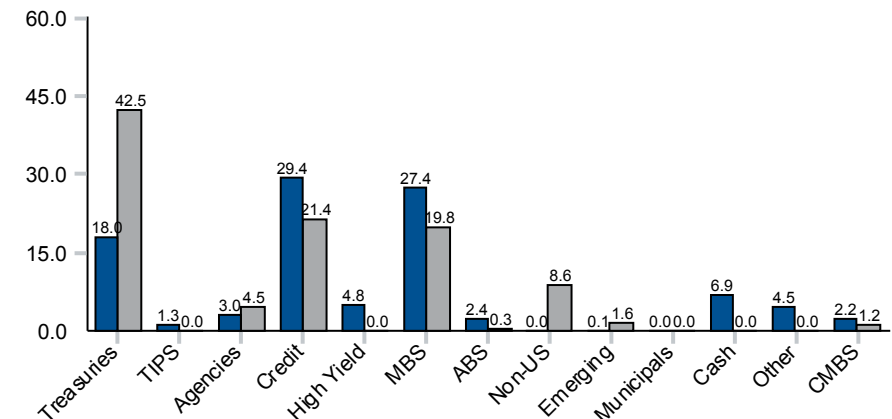
■ Total Fixed Income Composite ■ Total Fixed Income Benchmark

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 September 30, 2016 (\$ in Millions)

Partnership	Vintage Year	Fund Type	Committed Capital	Paid-in Capital	Unfunded 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	\$8.0	\$5.6	\$13.6	11.6%	1.2	0.5
Walton Street RE Fund VII	2012	Private RE	\$8.4	\$7.3	\$4.2	\$6.8	\$0.3	\$7.2	17.6%	1.0	0.0

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.						
July 2016	\$9.0 million was transferred to Barrow Hanley Non-District from Barrow Hanley District.						
August 2016	The Walton Street Real Estate Fund VII made a distribution payment of \$1,095,278.						
September 2016	The Oaktree Real Estate Opportunities Fund VI made a distribution payment of \$1,441,575.						
October 2016	The following additional contributions were funded from excess cash: <table> <tr> <th>Manager</th><th>Amount Funded (millions)</th></tr> <tr> <td>Harding Loevner Emerging Markets</td><td>\$3.0</td></tr> <tr> <td>Barrow Hanley Short-Term Fixed</td><td>\$2.0</td></tr> </table>	Manager	Amount Funded (millions)	Harding Loevner Emerging Markets	\$3.0	Barrow Hanley Short-Term Fixed	\$2.0
Manager	Amount Funded (millions)						
Harding Loevner Emerging Markets	\$3.0						
Barrow Hanley Short-Term Fixed	\$2.0						

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). <p>\$5.6 million and \$7.0 million employer contributions for Plan Year 2012 were made on September 13th and 14th, 2012, respectively.</p> <p>Pavilion recommended, the Investment Committee reviewed, and management approved the following investment lineup:</p> <table><tr><th>Manager</th><th>Asset Class</th><th>Target Allocation</th></tr><tr><td>Vanguard S&P 500 Index</td><td>Domestic Equity</td><td>13.5%</td></tr><tr><td>Sands Large Cap Growth (Touchstone)</td><td>Domestic Equity</td><td>6.75%</td></tr><tr><td>Barrow Hanley Large Cap Value</td><td>Domestic Equity</td><td>6.75%</td></tr><tr><td>Cortina Small Cap Growth</td><td>Domestic Equity</td><td>2.5%</td></tr><tr><td>Wellington Small Cap Value</td><td>Domestic Equity</td><td>2.5%</td></tr><tr><td>Walter Scott Int'l (Dreyfus)</td><td>International Equity</td><td>9.0%</td></tr><tr><td>Northern Cross Int'l (Harbor)</td><td>International Equity</td><td>9.0%</td></tr><tr><td>Barrow Hanley Short Fixed</td><td>Short Fixed Income</td><td>5.0%</td></tr><tr><td>Dodge & Cox Fixed</td><td>Broad Fixed Income</td><td>12.5%</td></tr><tr><td>MetWest Fixed</td><td>Broad Fixed Income</td><td>12.5%</td></tr><tr><td>Pointer*</td><td>Hedge Fund of Funds</td><td>5.0%</td></tr><tr><td>Lighthouse Diversified</td><td>Hedge Fund of Funds</td><td>5.0%</td></tr><tr><td>Oaktree Real Estate*</td><td>Real Estate</td><td>5.0%</td></tr><tr><td>Walton Street*</td><td>Real Estate</td><td>5.0%</td></tr><tr><td>Total</td><td></td><td>100.0%</td></tr></table>	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%
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.								
July 2016	An employer contribution of \$2.6 million was made in July with the proceeds invested in the Barrow Hanley Short-Term Fixed account.								
August 2016	The Walton Street Real Estate Fund VII made a distribution payment of \$657,167.								
September 2016	The Oaktree Real Estate Opportunities Fund VI made a distribution payment of \$966,000.								
October 2016	<p>An initial investment of \$5.5 million was made in the Harding Loevner Emerging Markets fund using proceeds from the following liquidations:</p> <table> <tr> <th>Manager</th><th>Amount Liquidated (millions)</th></tr> <tr> <td>Vanguard S&P 500 Index</td><td>\$2.00</td></tr> <tr> <td>Dreyfus (Walter Scott) International</td><td>\$1.75</td></tr> <tr> <td>Harbor (Northern Cross) International</td><td>\$1.75</td></tr> </table> <p>A \$2.6 million employer contribution was made. The proceeds, along with \$0.5 million of excess cash, were invested in the Barrow Hanley Short-Term Fixed Account (\$2.1 million), Dodge & Cox Income Fund (\$0.5 million), and MetWest Total Return Fund (\$0.5 million).</p>	Manager	Amount Liquidated (millions)	Vanguard S&P 500 Index	\$2.00	Dreyfus (Walter Scott) International	\$1.75	Harbor (Northern Cross) International	\$1.75
Manager	Amount Liquidated (millions)								
Vanguard S&P 500 Index	\$2.00								
Dreyfus (Walter Scott) International	\$1.75								
Harbor (Northern Cross) International	\$1.75								

Appendix

Benchmark Descriptions

As of September 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 September 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 September 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 September 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 September 30, 2016

		Performance(%)									
	Year To Date	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Surplus Cash X District	5.1	-0.2	4.4	8.8	6.6	5.1	6.4	11.3	-1.2	6.3	6.0
Total Surplus Cash Benchmark	5.3	-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	5.1	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	5.2	-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	5.5	-0.3	5.3	7.5	6.0	5.2	7.3	7.7	-2.0	6.0	4.8
Total Equity Composite	7.4	-1.0	4.4	28.8	17.7	2.3	10.8	23.7	-35.3	1.9	14.6
Total Equity Benchmark - Surplus	7.6	-2.2	6.1	27.7	19.0	0.4	15.5	19.7	-36.8	-0.2	22.2
Domestic Equity Composite	6.9	-0.2	9.0	36.7	16.3	2.3	10.8	23.7	-35.3	1.9	14.6
Domestic Equity Benchmark - Surplus	8.6	0.0	11.4	34.3	17.8	0.4	15.5	19.7	-36.8	-0.2	22.2
Large Cap Equity Composite	5.9	0.5	12.2	35.1	16.5	2.3	10.8	23.7	-35.3	1.9	14.6
Large Cap Equity Benchmark	7.9	1.1	13.5	32.7	17.1	0.4	15.5	19.7	-36.8	-0.2	22.2
Small Cap Equity Composite	11.5	-3.4	-0.9	41.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Small Cap Equity Benchmark	11.5	-4.4	5.0	38.9	16.3	-4.2	26.8	27.5	-33.8	-1.7	18.4
International Equity Composite	8.5	-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)	5.8	-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 September 30, 2016

	Year To Date	Performance(%)									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Fixed Income Composite	5.3	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	4.8	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	 1.9	 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	 6.5	 -0.4	 5.8	 -0.6	 6.9	 8.8	 8.1	 12.6	 2.5	 6.9	 N/A
Blmbg. Barc. U.S. Aggregate	5.8	0.5	6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3
 Alternatives Composite	 -0.7	 1.7	 5.1	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A
Total Alternatives Benchmark -Surplus	1.9	4.1	6.1	9.6	N/A	N/A	N/A	N/A	N/A	N/A	N/A
 Real Estate Composite	 2.3	 14.3	 22.8	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A
NCREIF Property Index	6.1	13.3	11.8	11.0	10.5	14.3	13.1	-16.8	-6.5	15.8	16.6
 Hedge Fund Composite	 -1.7	 -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	-0.2	-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 September 30, 2016

	Year To Date	Performance(%)									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Cash Balance Plan	5.0	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	5.8	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	8.4	-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	5.2	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	5.8	-0.6	5.3	14.0	12.7	3.7	12.4	14.8	-22.0	2.8	14.8
Total Equity Composite	6.7	-1.0	4.6	27.7	23.3	-3.9	14.2	33.0	-43.0	0.3	19.5
Total Equity Benchmark	7.5	-1.8	6.2	26.9	18.9	0.4	15.5	19.7	-36.8	-0.2	22.2
Domestic Equity Composite	6.3	-0.3	10.2	36.3	21.5	-3.9	14.2	33.0	-43.0	0.3	19.5
Domestic Equity Benchmark	8.5	0.3	12.2	33.7	17.5	0.4	15.5	19.7	-36.8	-0.2	22.2
Large Cap Equity Composite	5.4	0.3	12.3	35.4	21.8	-3.9	14.2	33.0	-43.0	0.3	19.5
Large Cap Equity Benchmark	7.9	1.1	13.5	32.7	17.1	0.4	15.5	19.7	-36.8	-0.2	22.2
Small Cap Equity Composite	11.6	-3.4	-0.9	41.1	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Small Cap Equity Benchmark	11.5	-4.4	5.0	38.9	16.3	-4.2	26.8	27.5	-33.8	-1.7	18.4
International Equity Composite	7.5	-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)	5.8	-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 September 30, 2016

	Year To Date	Performance(%)									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Fixed Income Composite	5.4	-0.1	4.3	0.6	7.0	6.4	7.8	17.6	-0.3	4.9	5.4
Total Fixed Income Benchmark	4.6	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	 1.6	 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	 6.1	 -0.1	 5.7	 0.6	 8.0	 5.4	 7.8	 17.6	 -0.3	 4.9	 5.4
Blmbg. Barc. U.S. Aggregate	5.8	0.5	6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3
 Total Alternatives Composite	 0.4	 8.2	 13.1	 11.4	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A
Total Alternatives Benchmark	1.9	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	 -1.3	 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	-0.2	-0.3	3.4	9.0	4.8	-5.7	5.7	11.5	-21.4	10.3	10.4
 Real Estate Composite	 3.0	 14.3	 23.9	 5.0	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A	 N/A
NCREIF Property Index	6.1	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 September 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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A8b.2 - Appendix - 3Q16 El Camino Hospital Manager Book

Manager Book



El Camino Hospital

3rd Quarter 2016

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Manager Review

Manager Evaluation

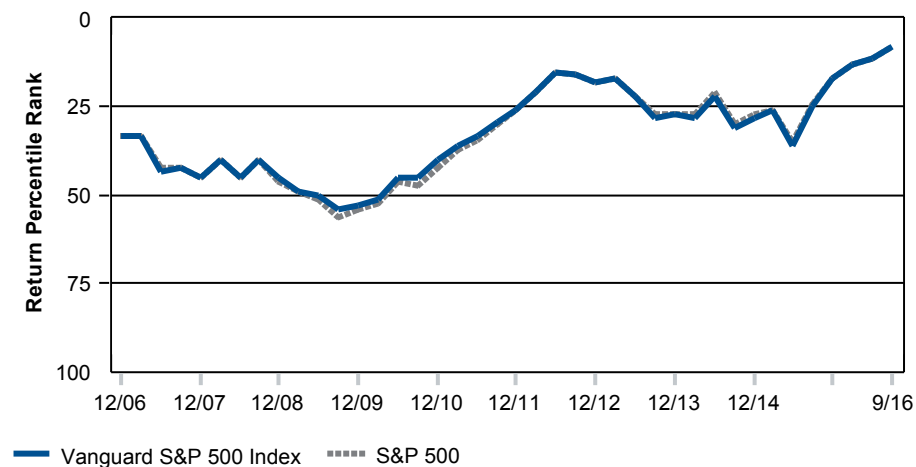
Vanguard S&P 500 Index vs. S&P 500

As of September 30, 2016

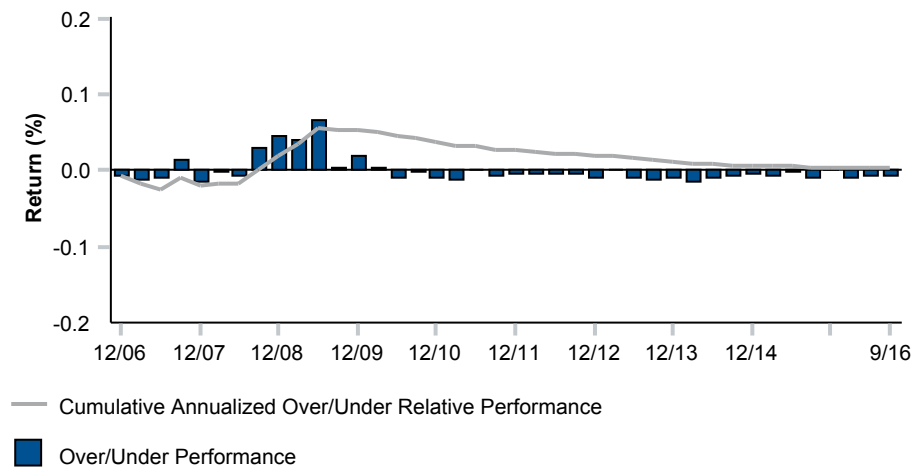
Historical Performance

	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	3.8	7.8	15.4	11.1	16.3	7.2	1.4	13.7	32.3	16.0	2.1	15.0	26.6	-37.0	5.5	15.8
S&P 500	3.9	7.8	15.4	11.2	16.4	7.2	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	3.9	6.2	12.8	9.1	15.0	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	51	23	15	8	13	22	28	16	42	40	24	25	50	48	56	27

Three Year Rolling Percentile Ranking



Relative Performance



Historical Statistics - Monthly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Vanguard S&P 500 Index	16.3	11.0	15.8	0.0	1.0	1.4	0.0	-1.9	5.5	28.3	26y 2m
S&P 500	16.4	11.0	15.8	0.0	1.0	1.4	0.0	N/A	5.5	0.0	26y 2m

Manager Evaluation

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

As of September 30, 2016

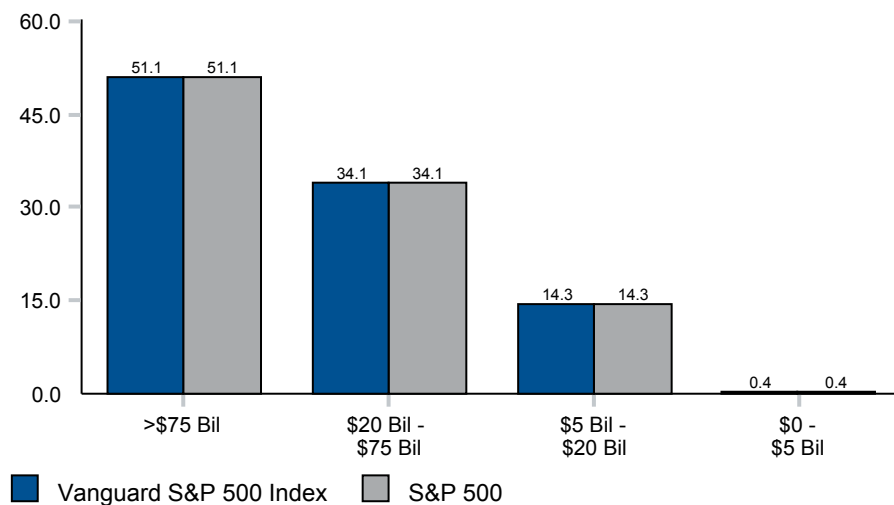
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	144,170	144,118
Median Mkt. Cap (\$M)	19,143	18,964
Price/Earnings ratio	19.7	19.7
Price/Book ratio	3.2	3.2
5 Yr. EPS Growth Rate (%)	7.8	7.8
Current Yield (%)	2.1	2.1
Debt to Equity	1.4	1.4
Number of Stocks	505	505
Beta (5 Years, Monthly)	1.00	1.00
Consistency (5 Years, Monthly)	28.33	1.00
Sharpe Ratio (5 Years, Monthly)	1.43	1.43
Information Ratio (5 Years, Monthly)	-1.86	-
Up Market Capture (5 Years, Monthly)	99.93	-
Down Market Capture (5 Years, Monthly)	100.07	-

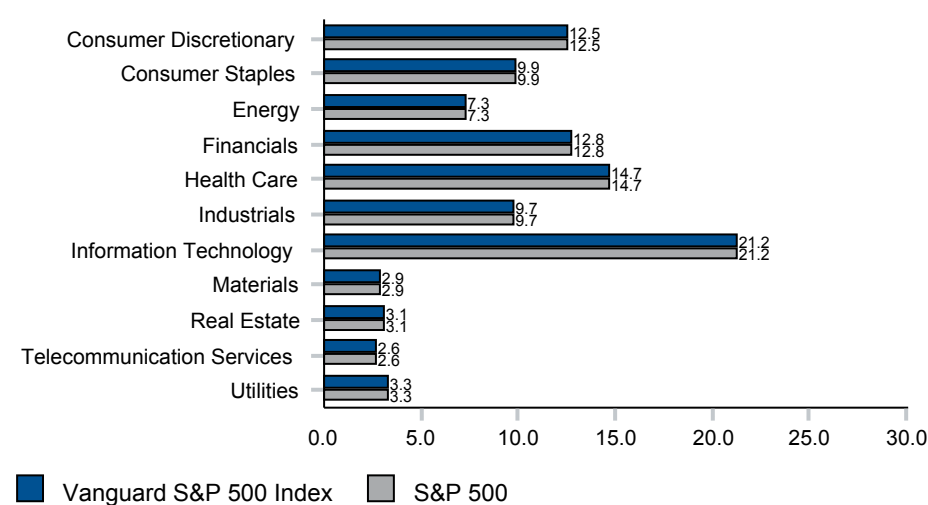
Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Apple Inc	3.3	3.3	0.0	18.9
Microsoft Corp	2.4	2.4	0.0	13.3
Exxon Mobil Corp	1.9	1.9	0.0	-6.1
Amazon.com Inc	1.8	1.8	0.0	17.0
Johnson & Johnson	1.7	1.7	0.0	-2.0
Facebook Inc	1.6	1.6	0.0	12.2
General Electric Co	1.4	1.4	0.0	-5.2
Berkshire Hathaway Inc	1.4	1.5	-0.1	-0.2
AT&T Inc	1.3	1.3	0.0	-5.0
JPMorgan Chase & Co	1.3	1.3	0.0	8.0
% of Portfolio	18.1	18.2		

Distribution of Market Capitalization (%)



Sector Weights (%)



Manager Evaluation

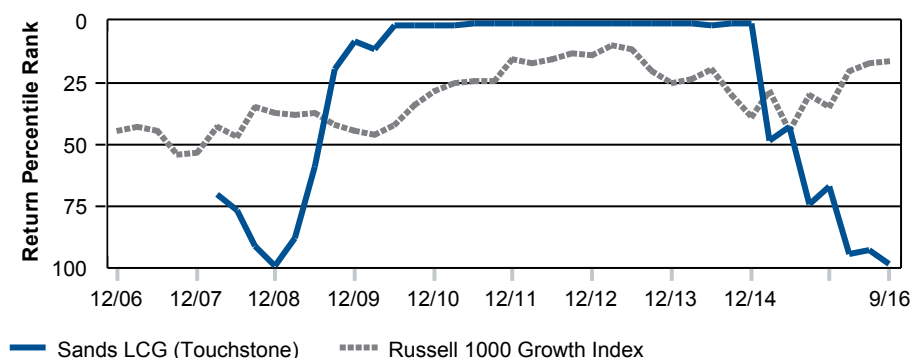
Sands Large Cap Growth (Touchstone) vs. Russell 1000 Growth Index

As of September 30, 2016

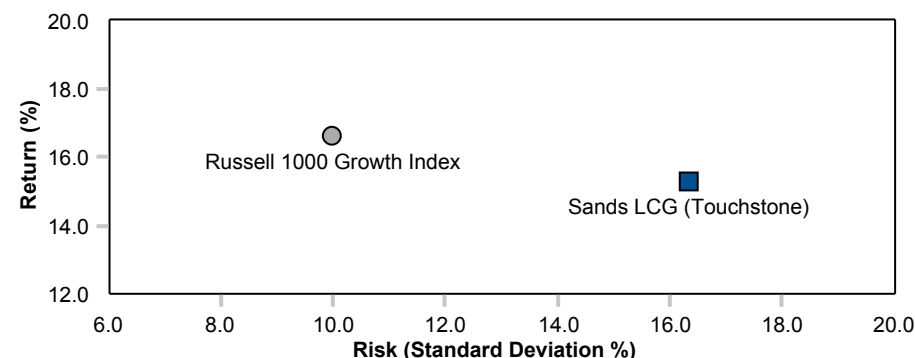
Historical Performance

	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)	10.3	-1.3	7.5	5.5	15.3	10.1	0.2	8.4	41.3	23.8	2.3	26.3	71.1	-48.5	18.7	-5.9
Russell 1000 Growth Index	4.6	6.0	13.8	11.8	16.6	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	5.8	3.2	10.9	10.0	15.2	7.8	5.5	10.5	34.0	14.9	-1.8	15.1	35.1	-39.9	13.8	6.7
Sands LCG (Touchstone) Rank	3	96	87	98	50	5	94	79	7	1	13	2	1	96	23	99

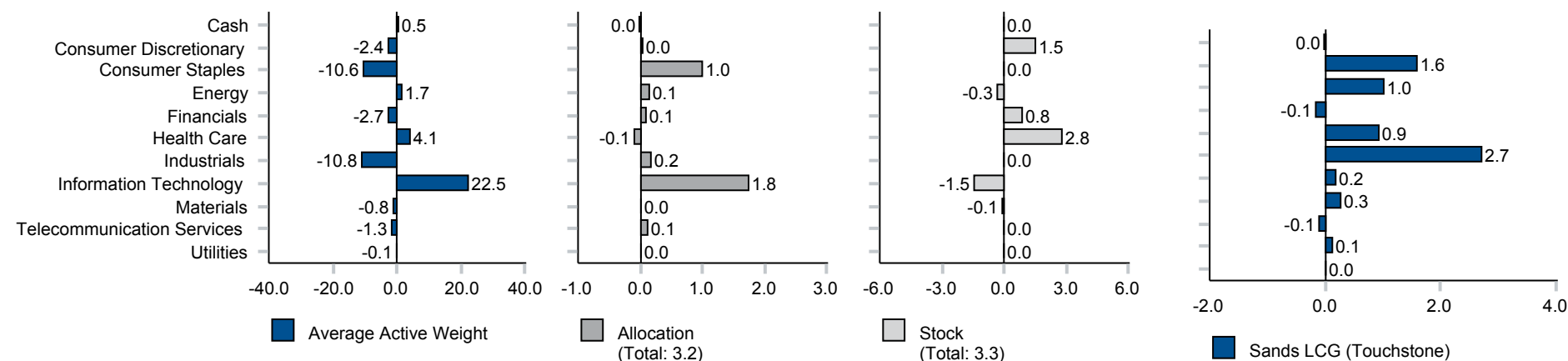
Three Year Rolling Percentile Ranking



Risk and Return (Oct - 2011 - Sep - 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.

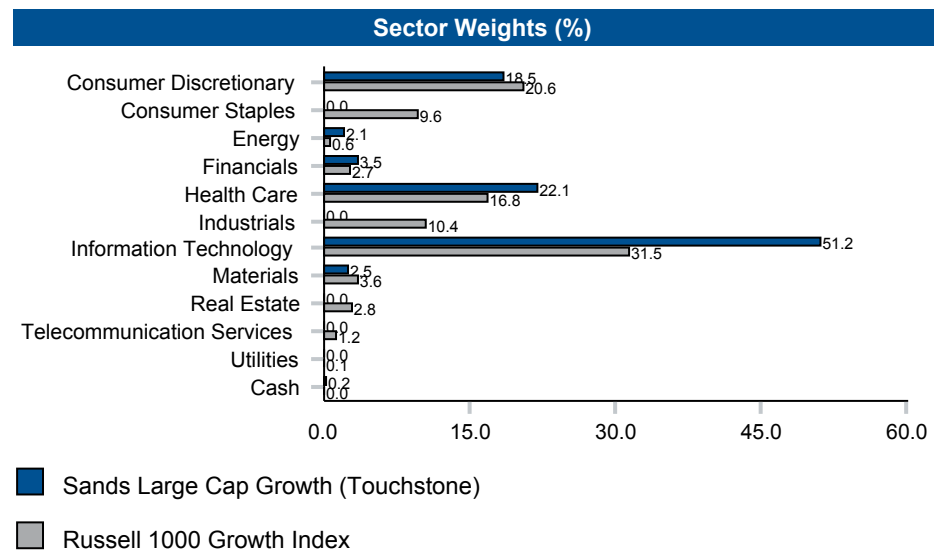
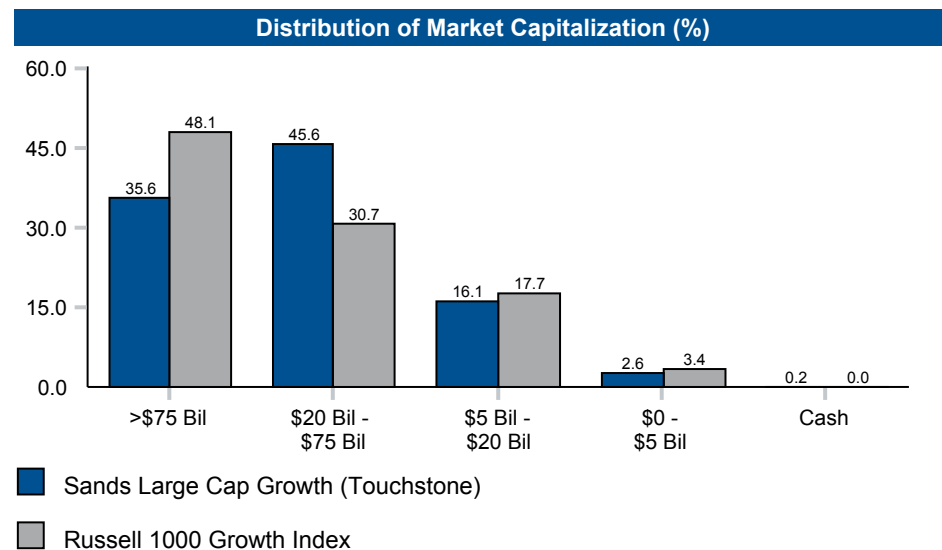
Manager Evaluation

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

As of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	127,434	147,012
Median Mkt. Cap (\$M)	41,562	9,005
Price/Earnings ratio	46.2	23.3
Price/Book ratio	7.1	5.5
5 Yr. EPS Growth Rate (%)	18.8	11.7
Current Yield (%)	0.2	1.5
Debt to Equity	0.5	1.7
Number of Stocks	32	599
Beta (5 Years, Monthly)	1.25	1.00
Consistency (5 Years, Monthly)	45.00	1.00
Sharpe Ratio (5 Years, Monthly)	0.97	1.39
Information Ratio (5 Years, Monthly)	-0.07	-
Up Market Capture (5 Years, Monthly)	113.74	-
Down Market Capture (5 Years, Monthly)	145.76	-

Top Ten Equity Holdings			
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)
Visa Inc	9.6	1.5	8.1
Facebook Inc	7.7	2.7	5.0
Salesforce.com Inc.	6.6	0.4	6.2
Amazon.com Inc	5.9	3.1	2.8
Priceline Group Inc (The)	5.0	0.7	4.3
Adobe Systems Inc	4.6	0.5	4.1
Alibaba Group Holding Ltd	4.5	0.0	4.5
Alphabet Inc	4.3	2.2	2.1
Illumina Inc	3.3	0.3	3.0
Netflix Inc	3.2	0.4	2.8
% of Portfolio	54.7	11.8	



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

Manager Evaluation

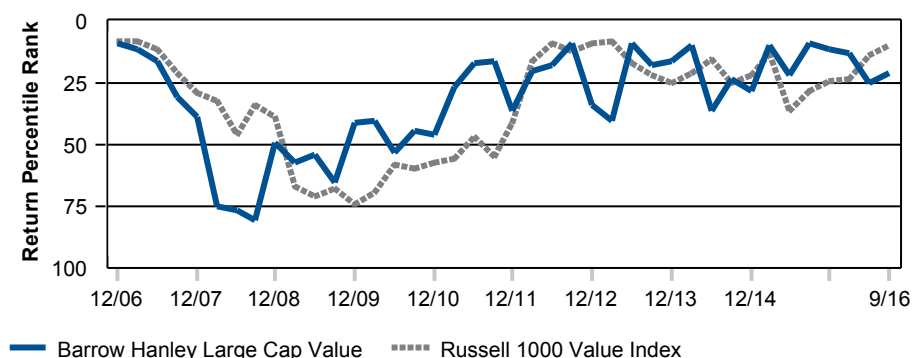
Barrow Hanley Large Cap Value vs. Russell 1000 Value Index

As of September 30, 2016

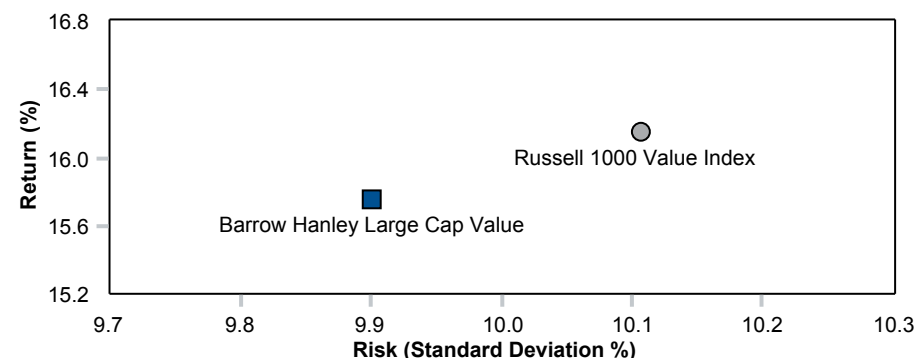
Historical Performance

	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	4.4	7.1	13.3	9.1	15.7	6.0	-2.3	12.8	34.7	15.3	2.3	10.8	23.7	-35.3	1.9	14.6
Russell 1000 Value Index	3.5	10.0	16.2	9.7	16.2	5.9	-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	4.0	7.0	12.5	7.8	14.5	5.2	-3.7	10.9	32.5	15.4	-2.4	12.7	24.1	-36.9	1.7	17.9
Barrow Hanley Large Cap Value Rank	39	49	40	21	17	31	23	15	29	52	15	82	54	31	47	88

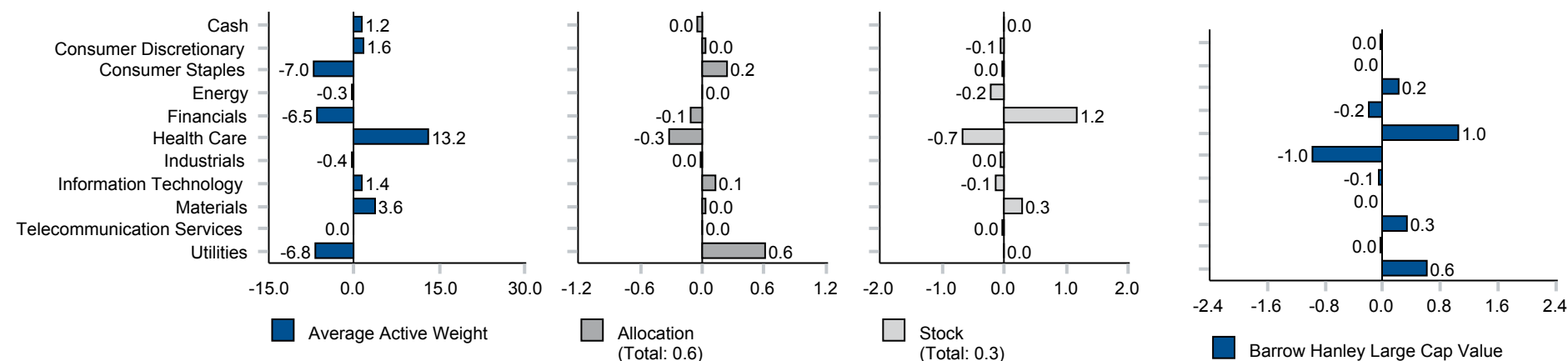
Three Year Rolling Percentile Ranking



Risk and Return (Oct - 2011 - Sep - 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 September 30, 2016

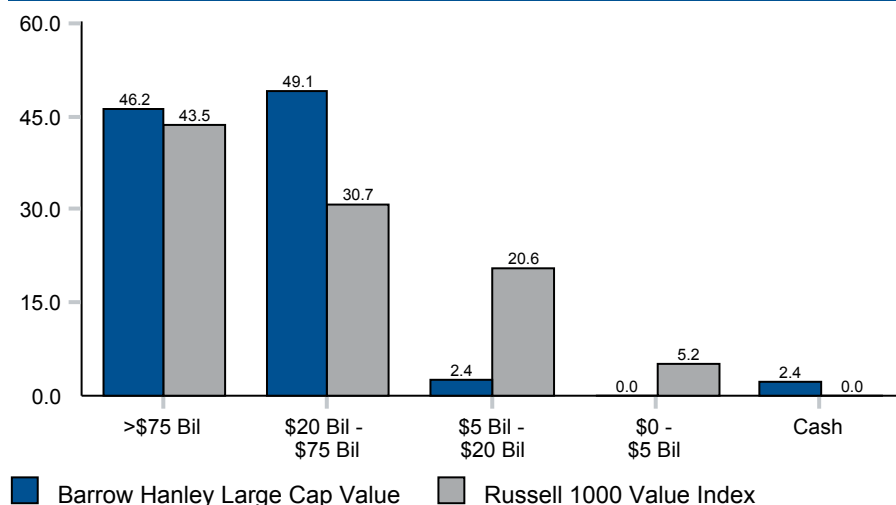
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	109,514	112,505
Median Mkt. Cap (\$M)	54,772	8,044
Price/Earnings ratio	17.1	17.0
Price/Book ratio	2.3	2.1
5 Yr. EPS Growth Rate (%)	3.2	3.8
Current Yield (%)	2.7	2.6
Debt to Equity	1.1	0.8
Number of Stocks	45	687
Beta (5 Years, Monthly)	0.95	1.00
Consistency (5 Years, Monthly)	43.33	1.00
Sharpe Ratio (5 Years, Monthly)	1.39	1.39
Information Ratio (5 Years, Monthly)	-0.16	-
Up Market Capture (5 Years, Monthly)	95.24	-
Down Market Capture (5 Years, Monthly)	91.17	-

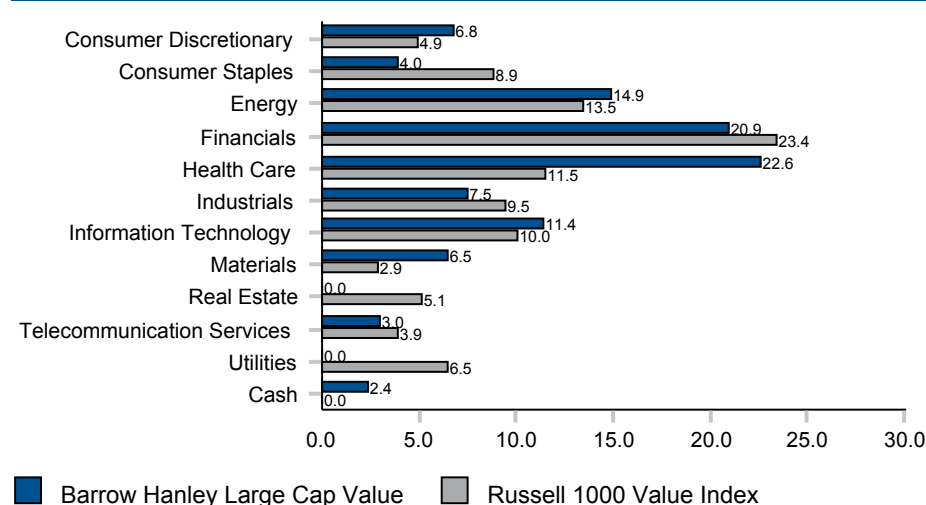
Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Unitedhealth Group Inc	3.2	0.0	3.2	-0.4
JPMorgan Chase & Co	3.1	2.3	0.8	8.0
Phillips 66	3.1	0.3	2.8	2.3
Verizon Communications Inc	3.0	1.0	2.0	-6.0
Air Products and Chemicals Inc.	3.0	0.0	3.0	5.8
Pfizer Inc	3.0	1.8	1.2	-3.0
BP PLC	3.0	0.0	3.0	0.8
Occidental Petroleum Corp	2.9	0.5	2.4	-2.5
Microsoft Corp	2.9	0.0	2.9	13.3
Qualcomm Inc.	2.8	0.8	2.0	28.9
% of Portfolio	30.0	6.7		

Distribution of Market Capitalization (%)



Sector Weights (%)



Manager Evaluation

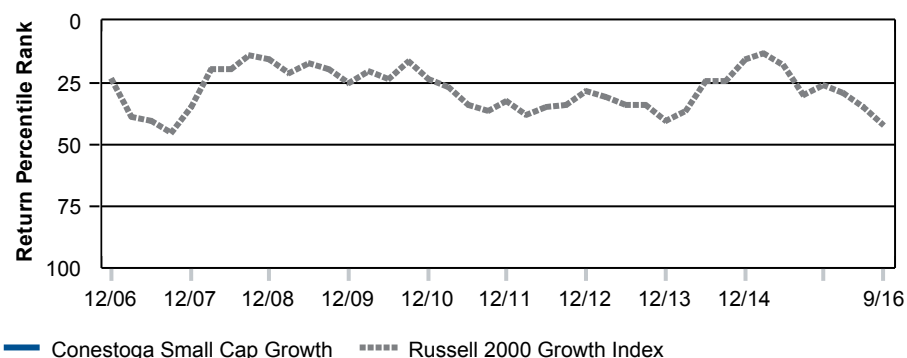
Conestoga Small Cap Growth vs. Russell 2000 Growth Index

As of September 30, 2016

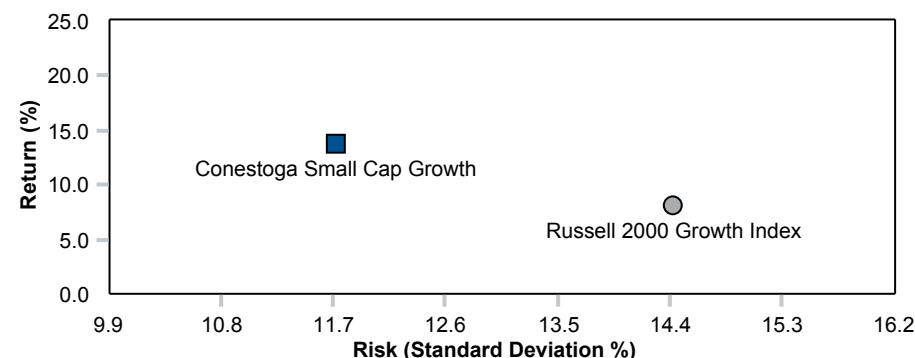
Historical Performance

	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	6.5	8.8	18.4	6.4	15.2	9.2	8.3	-8.0	49.3	11.0	4.6	24.0	29.1	-27.7	6.4	9.2
Russell 2000 Growth Index	9.2	7.5	12.1	6.6	16.1	8.3	-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	10.9	9.1	13.2	6.2	15.9	7.1	-3.3	1.6	42.9	12.0	-4.3	27.0	33.0	-42.6	7.7	9.5
Conestoga Small Cap Growth Rank	95	56	12	48	59	11	1	97	18	61	4	71	71	1	55	53

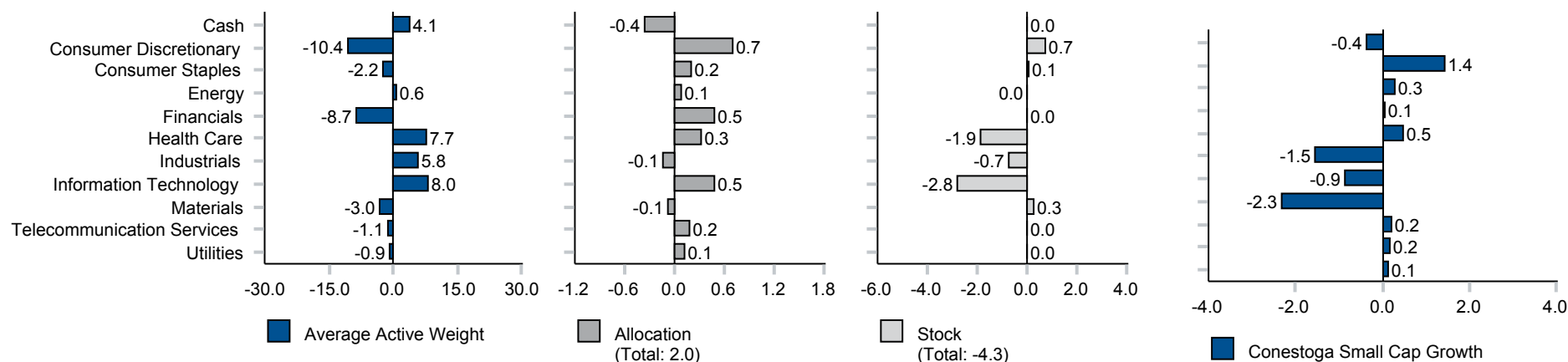
Three Year Rolling Percentile Ranking



Risk and Return (Oct - 2014 - Sep - 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.

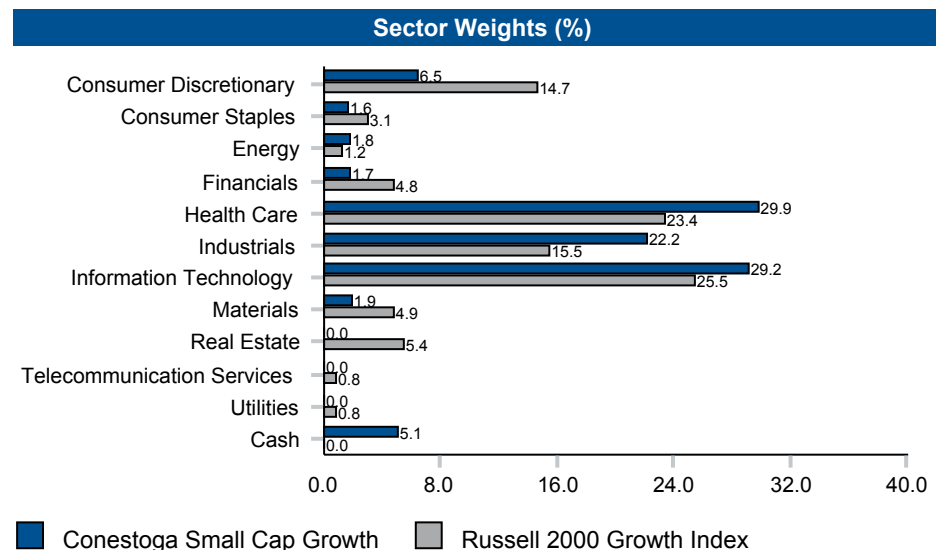
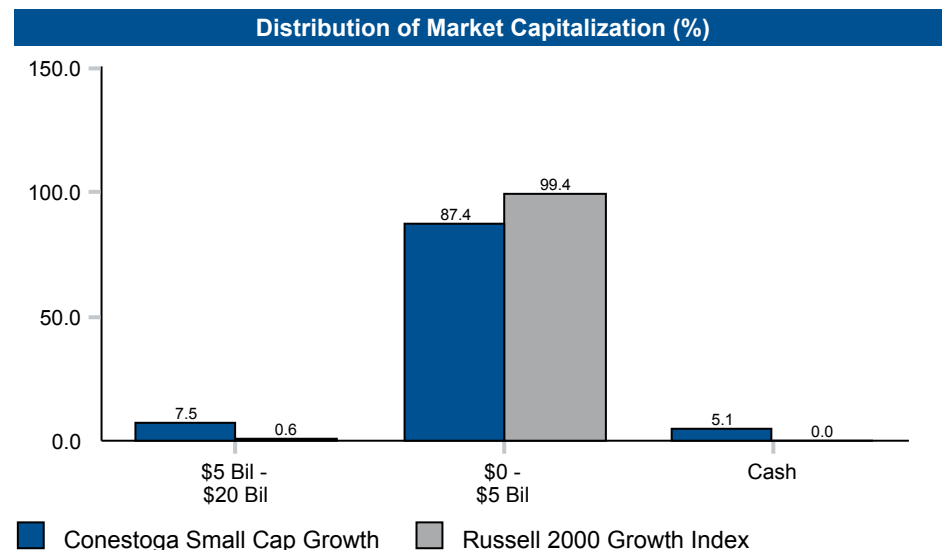
Manager Evaluation

Conestoga Small Cap Growth vs. Russell 2000 Growth Index

As of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	1,963	1,992
Median Mkt. Cap (\$M)	1,567	847
Price/Earnings ratio	38.3	25.4
Price/Book ratio	4.9	3.8
5 Yr. EPS Growth Rate (%)	11.7	12.0
Current Yield (%)	0.6	0.8
Debt to Equity	0.5	0.3
Number of Stocks	49	1,154
Beta (5 Years, Monthly)	0.88	1.00
Consistency (5 Years, Monthly)	55.00	1.00
Sharpe Ratio (5 Years, Monthly)	1.00	1.01
Information Ratio (5 Years, Monthly)	-0.13	-
Up Market Capture (5 Years, Monthly)	91.09	-
Down Market Capture (5 Years, Monthly)	87.32	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Omnicell Inc	3.9	0.2	3.7	11.9
Neogen Corp	3.3	0.2	3.1	-0.6
Cantel Medical Corp.	3.2	0.3	2.9	13.6
SPS Commerce Inc	3.2	0.1	3.1	21.1
Blackbaud Inc	3.0	0.4	2.6	-2.1
Vascular Solutions Inc	3.0	0.1	2.9	15.8
Simpson Manufacturing Co. Inc.	2.8	0.2	2.6	10.5
Mesa Laboratories Inc	2.8	0.0	2.8	-6.9
AAON Inc	2.8	0.1	2.7	4.8
Dorman Products Inc	2.4	0.2	2.2	11.7
% of Portfolio	30.4	1.8		



Manager Evaluation

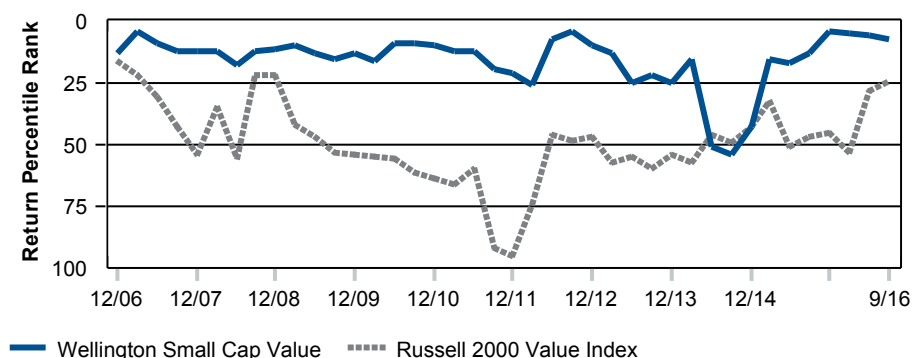
Wellington Small Cap Value vs. Russell 2000 Value Index

As of September 30, 2016

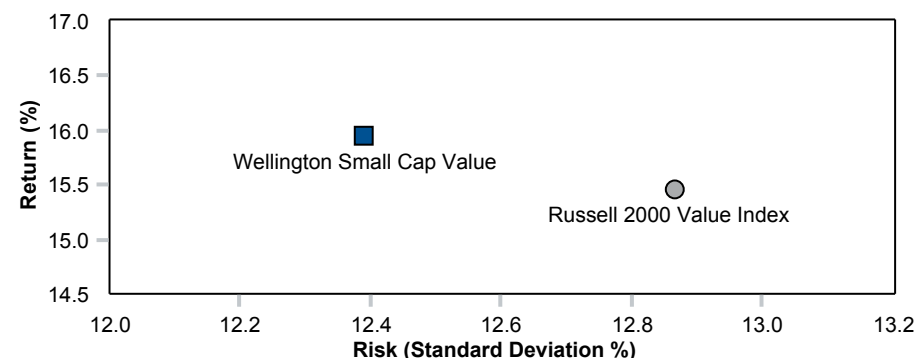
Historical Performance

	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	4.2	8.7	14.7	7.8	15.9	8.8	-0.8	6.8	33.7	15.6	1.2	26.4	31.2	-26.5	-3.0	19.9
Russell 2000 Value Index	8.9	15.5	18.8	6.8	15.4	5.8	-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	7.5	12.5	16.1	5.8	14.3	6.0	-7.5	3.1	35.1	15.9	-4.1	25.3	28.3	-32.3	-5.9	16.9
Wellington Small Cap Value Rank	91	84	60	7	20	1	1	11	65	55	5	34	36	5	24	19

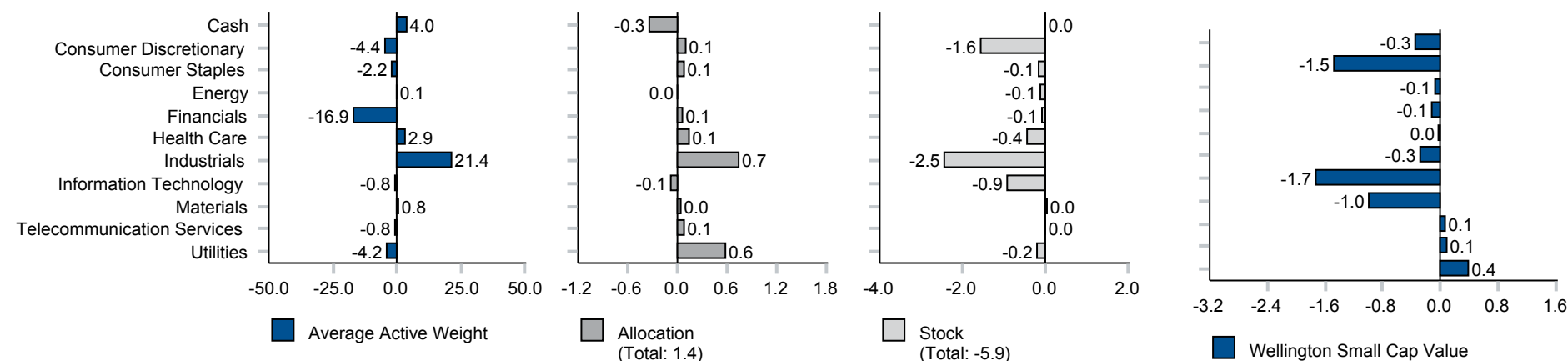
Three Year Rolling Percentile Ranking



Risk and Return (Oct - 2011 - Sep - 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 September 30, 2016

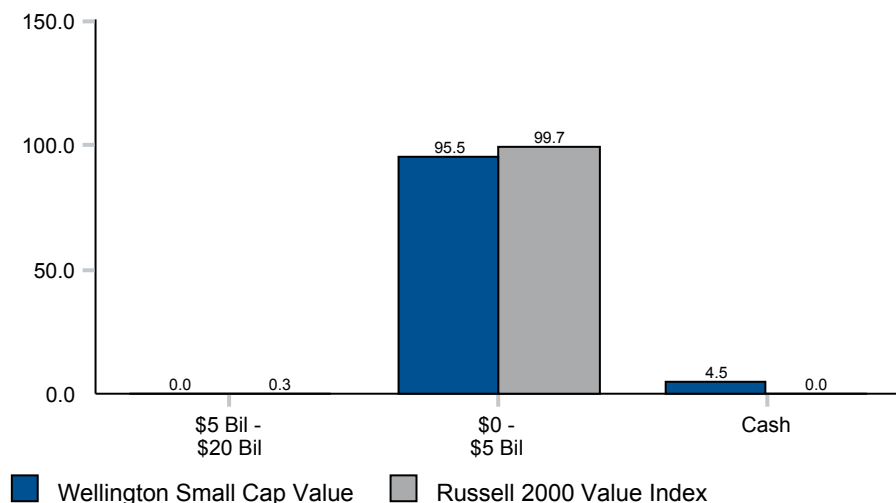
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	1,653	1,746
Median Mkt. Cap (\$M)	1,309	624
Price/Earnings ratio	20.5	17.1
Price/Book ratio	1.9	1.6
5 Yr. EPS Growth Rate (%)	2.2	6.9
Current Yield (%)	1.8	2.1
Debt to Equity	0.8	0.9
Number of Stocks	76	1,338
Beta (5 Years, Monthly)	0.96	1.00
Consistency (5 Years, Monthly)	55.00	1.00
Sharpe Ratio (5 Years, Monthly)	1.13	1.09
Information Ratio (5 Years, Monthly)	0.12	-
Up Market Capture (5 Years, Monthly)	97.57	-
Down Market Capture (5 Years, Monthly)	91.52	-

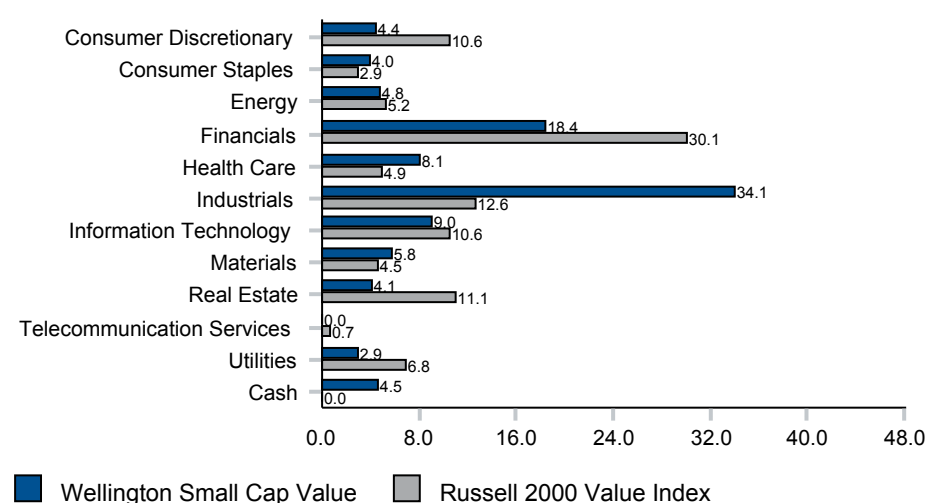
Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
G&K Services Inc	2.8	0.1	2.7	25.2
Mueller Industries Inc.	2.7	0.1	2.6	2.0
Belden Inc	2.7	0.0	2.7	14.4
Webster Financial Corp	2.5	0.4	2.1	12.7
Albany International Corp.	2.3	0.1	2.2	6.6
International Bancshares Corp	2.2	0.2	2.0	15.3
Sensient Technologies Corp	2.2	0.0	2.2	7.1
FTI Consulting Inc.	2.1	0.2	1.9	9.5
Cubic Corp	2.0	0.1	1.9	16.9
Northwest Bancshares Inc	2.0	0.2	1.8	7.0
% of Portfolio	23.5	1.4		

Distribution of Market Capitalization (%)



Sector Weights (%)



Manager Evaluation

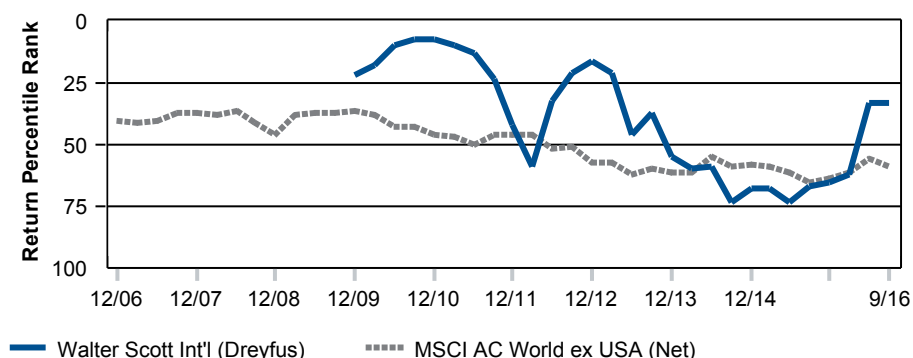
Walter Scott Int'l (Dreyfus) vs. MSCI AC World ex USA (Net)

As of September 30, 2016

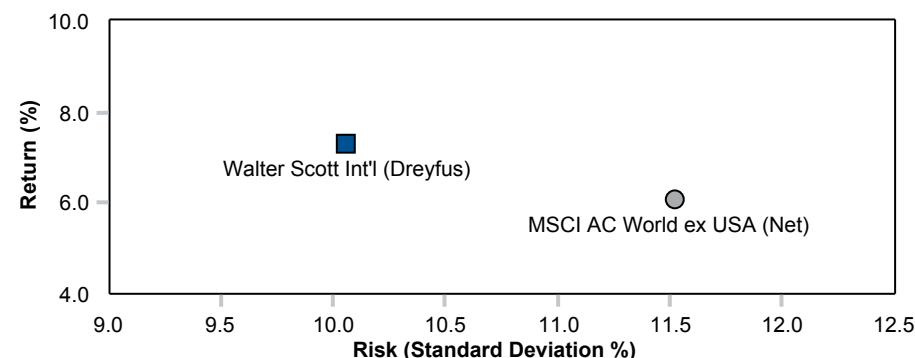
Historical Performance

	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)	6.0	10.1	15.3	1.9	7.3	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)	6.9	5.8	9.3	0.2	6.0	2.2	-5.7	-3.9	15.3	16.8	-13.7	11.2	41.4	-45.5	16.7	26.7
IM International Equity	6.6	5.4	9.2	0.7	7.0	2.6	-2.8	-4.5	17.3	18.6	-14.9	12.9	36.4	-46.0	13.2	26.2
Walter Scott Int'l (Dreyfus) Rank	66	31	23	33	46	N/A	37	49	70	28	14	44	54	3	78	N/A

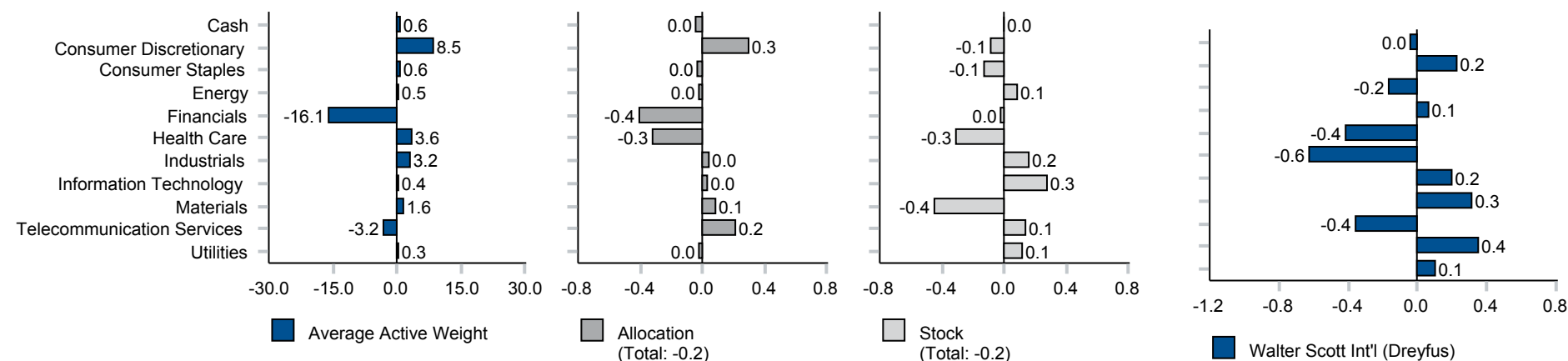
Three Year Rolling Percentile Ranking



Risk and Return (Oct - 2011 - Sep - 2016)



Buy and Hold Attribution



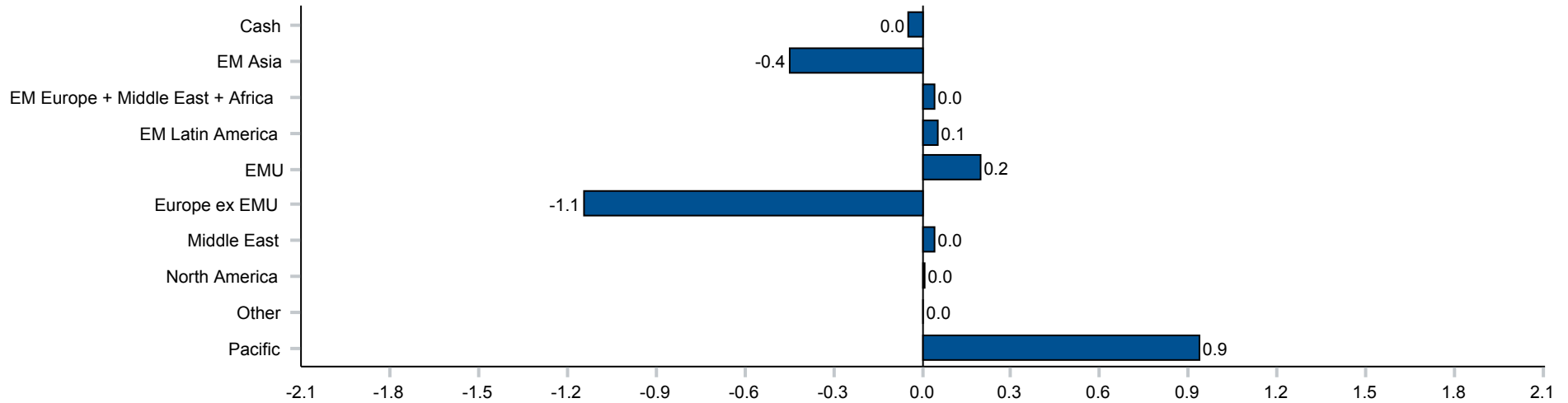
Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

Manager Evaluation

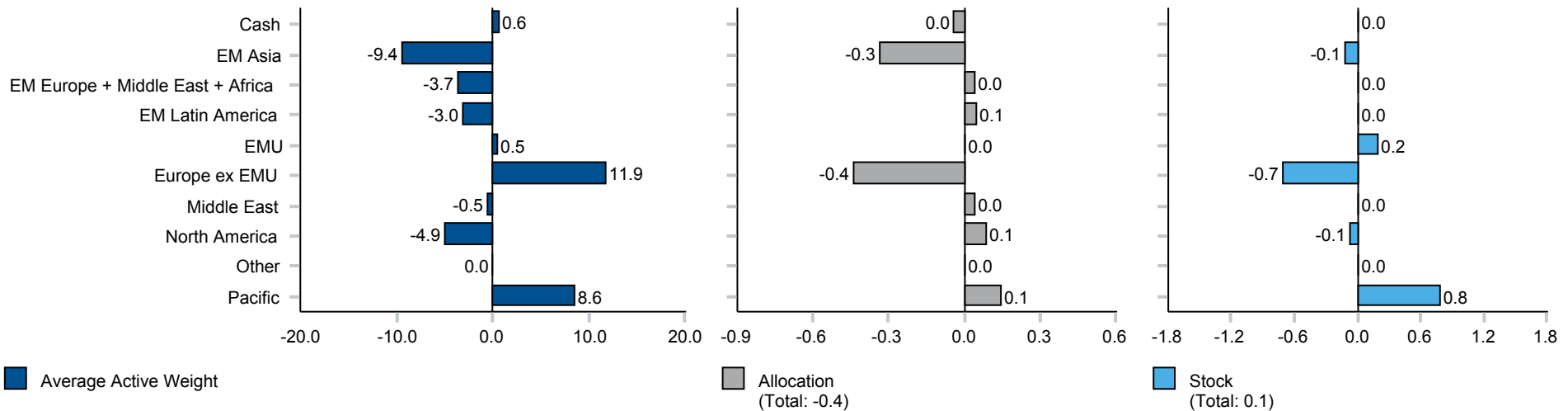
Walter Scott Int'l (Dreyfus) vs. MSCI AC World ex USA (Net)

1 Quarter Ending September 30, 2016

Total Attribution



Performance Attribution



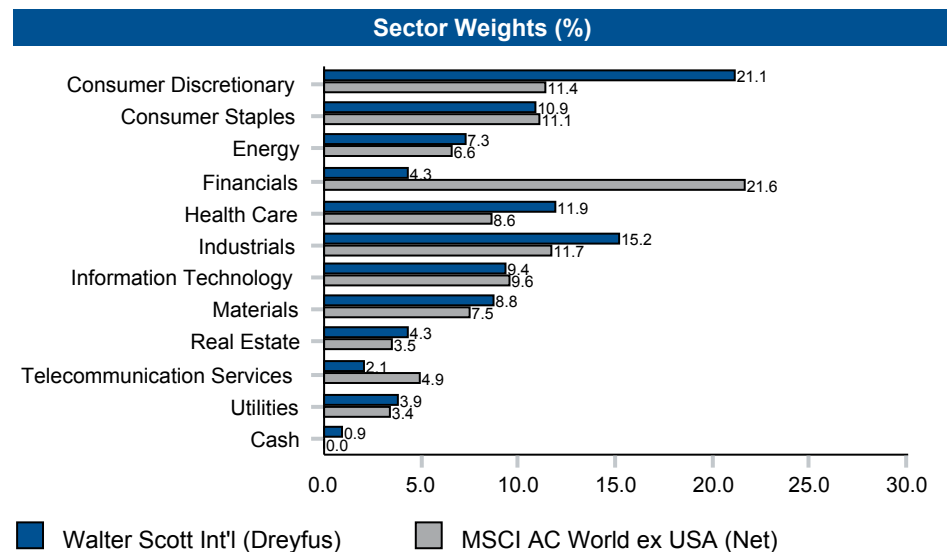
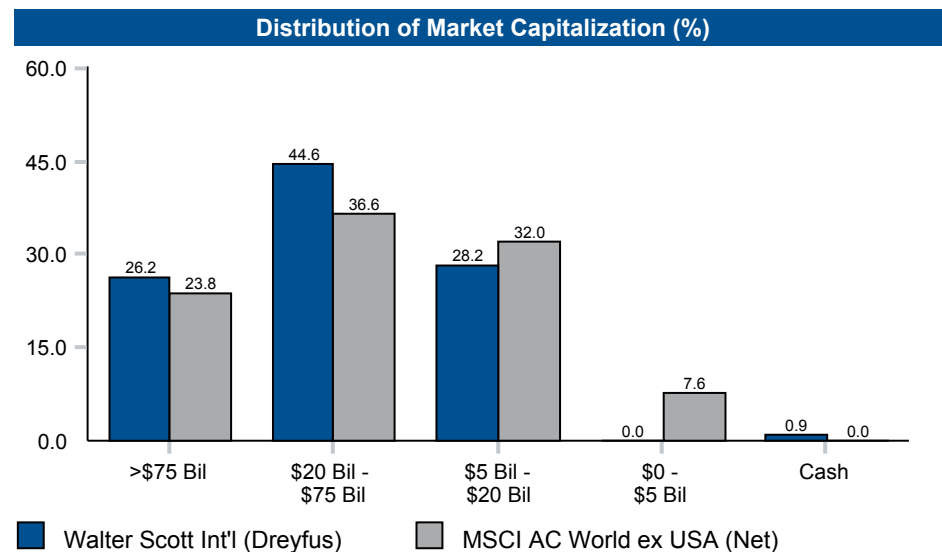
Manager Evaluation

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

As of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	59,803	53,164
Median Mkt. Cap (\$M)	31,358	6,997
Price/Earnings ratio	22.8	15.9
Price/Book ratio	3.3	2.3
5 Yr. EPS Growth Rate (%)	5.9	4.3
Current Yield (%)	2.4	3.1
Debt to Equity	0.5	1.0
Number of Stocks	53	1,853
Beta (5 Years, Monthly)	0.81	1.00
Consistency (5 Years, Monthly)	51.67	1.00
Sharpe Ratio (5 Years, Monthly)	0.64	0.48
Information Ratio (5 Years, Monthly)	0.19	-
Up Market Capture (5 Years, Monthly)	85.59	-
Down Market Capture (5 Years, Monthly)	73.33	-

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Keyence Corp	3.0	0.2	2.8	7.9
SAP AG Systeme Anwendungen	2.8	0.5	2.3	21.9
Taiwan Semiconductor Manufacturing Co	2.7	0.8	1.9	16.6
Industria De Diseno Textil Inditex SA	2.6	0.2	2.4	11.6
Experian Plc	2.6	0.1	2.5	6.3
Daito Trust Construction Co Ltd	2.6	0.1	2.5	0.2
Adidas AG	2.6	0.2	2.4	21.7
Reckitt Benckiser Group PLC	2.5	0.3	2.2	-5.0
Compass Group PLC	2.5	0.2	2.3	2.2
Shin-Etsu Chemical Co Ltd	2.4	0.2	2.2	20.2
% of Portfolio	26.3	2.8		



Manager Evaluation

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

As of September 30, 2016

	Walter Scott Int'l (Dreyfus)	MSCI AC World ex USA (Net)
Australia	3.5	5.1
Hong Kong	7.9	2.4
Japan	24.0	16.7
New Zealand	0.0	0.1
Singapore	0.0	0.9
Pacific	35.4	25.2
Austria	0.0	0.1
Belgium	0.0	1.0
Finland	2.3	0.7
France	12.4	6.8
Germany	5.3	6.3
Ireland	0.0	0.4
Italy	0.0	1.3
Netherlands	0.0	2.3
Portugal	0.0	0.1
Spain	2.6	2.1
EMU	22.7	21.1
Denmark	2.4	1.2
Norway	0.0	0.5
Sweden	1.4	2.0
Switzerland	13.5	6.3
United Kingdom	14.9	13.3
Europe ex EMU	32.3	23.2
Canada	1.9	6.7
United States	0.0	0.1
Israel	0.0	0.5
Middle East	0.0	0.5
Developed Markets	92.4	76.9

	Walter Scott Int'l (Dreyfus)	MSCI AC World ex USA (Net)
Brazil	0.0	1.7
Cayman Islands	0.0	0.0
Chile	0.0	0.3
Colombia	0.0	0.1
Mexico	0.0	0.8
Peru	0.0	0.1
Virgin Islands	0.0	0.0
EM Latin America	0.0	3.0
China	4.1	6.2
India	0.0	2.0
Indonesia	0.0	0.6
Korea	0.0	3.4
Malaysia	0.0	0.6
Philippines	0.0	0.3
Taiwan	2.7	2.8
Thailand	0.0	0.5
EM Asia	6.7	16.5
Czech Republic	0.0	0.0
Egypt	0.0	0.0
Greece	0.0	0.1
Hungary	0.0	0.1
Poland	0.0	0.2
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	3.6
Emerging Markets	6.7	23.1
Frontier Markets	0.0	0.0
Cash	0.9	0.0
Other	0.0	0.0
Total	100.0	100.0

Manager Evaluation

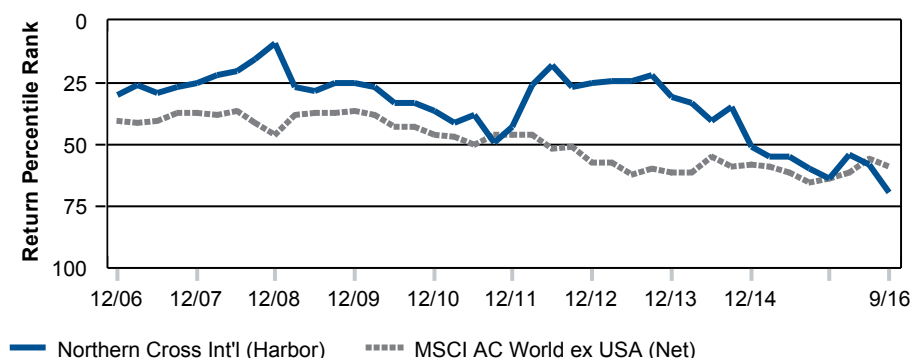
Northern Cross Int'l (Harbor) vs. MSCI AC World ex USA (Net)

As of September 30, 2016

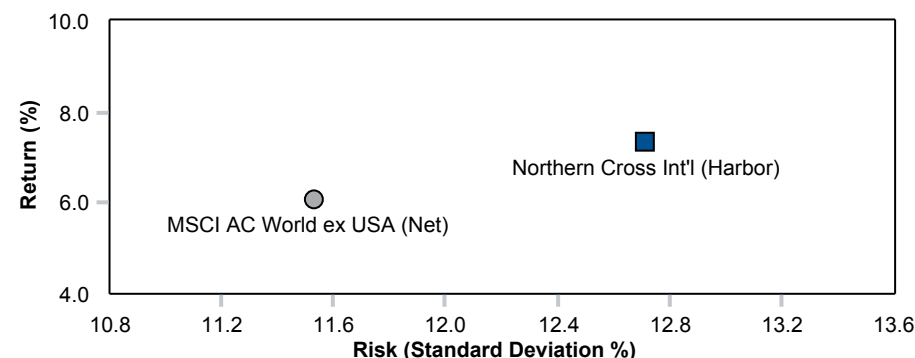
Historical Performance

	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)	6.0	4.7	7.7	-0.6	7.3	3.8	-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)	6.9	5.8	9.3	0.2	6.0	2.2	-5.7	-3.9	15.3	16.8	-13.7	11.2	41.4	-45.5	16.7	26.7
IM International Equity	6.6	5.4	9.2	0.7	7.0	2.6	-2.8	-4.5	17.3	18.6	-14.9	12.9	36.4	-46.0	13.2	26.2
Northern Cross Int'l (Harbor) Rank	67	54	61	69	46	30	55	76	52	30	20	55	45	27	26	19

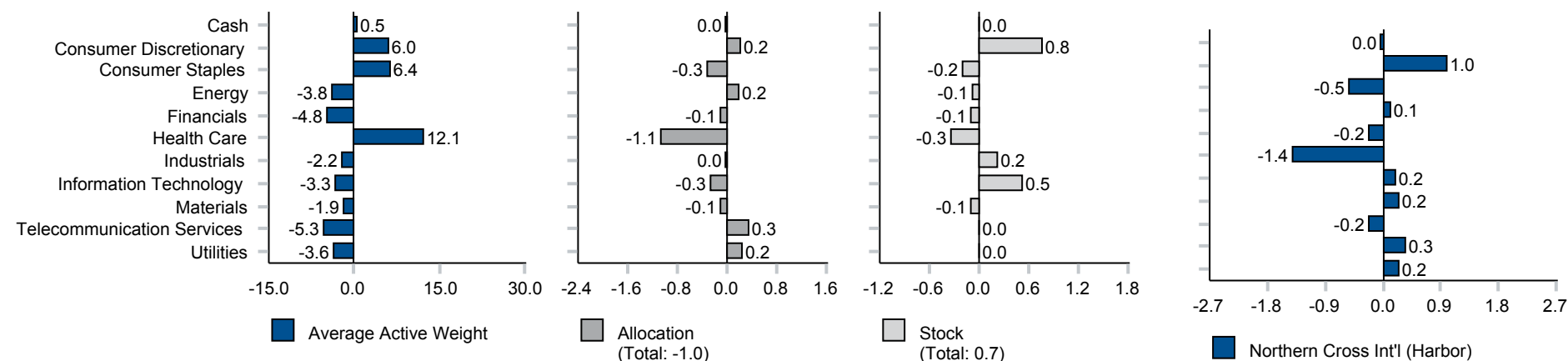
Three Year Rolling Percentile Ranking



Risk and Return (Oct - 2011 - Sep - 2016)



Buy and Hold Attribution



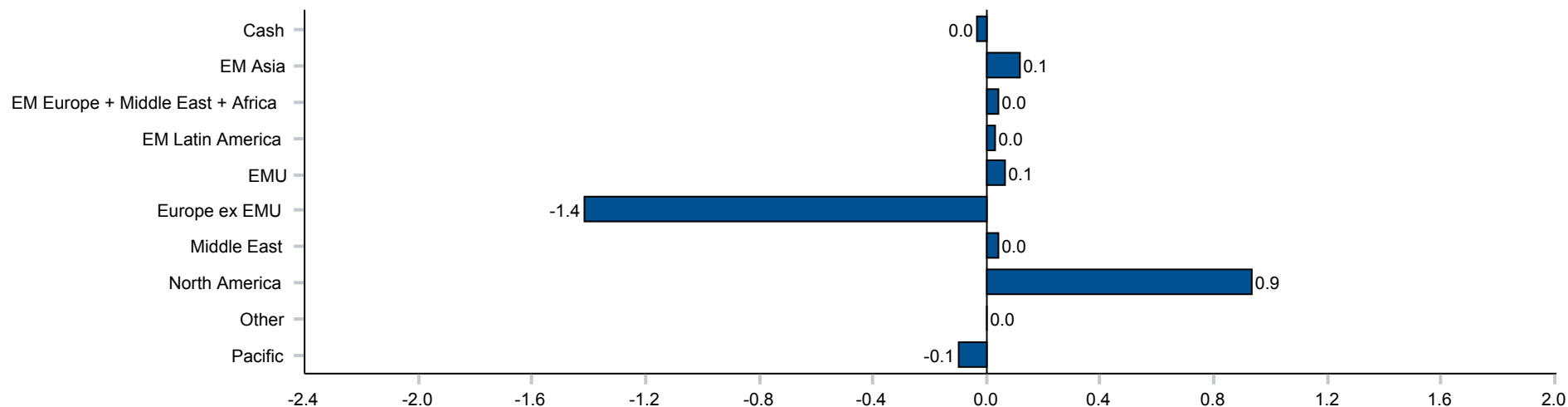
Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

Manager Evaluation

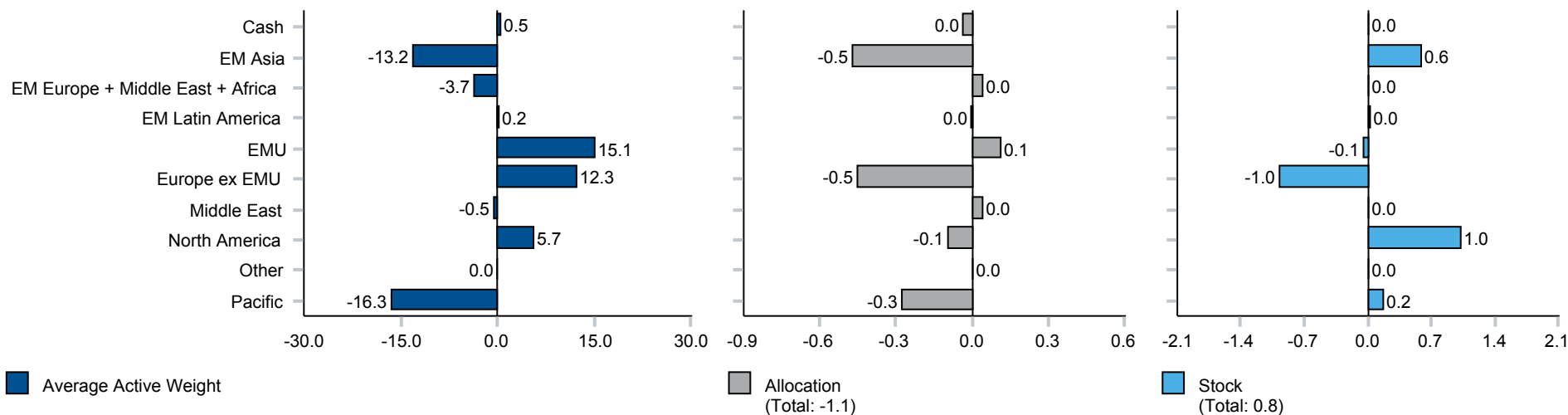
Northern Cross Int'l (Harbor) vs. MSCI AC World ex USA (Net)

1 Quarter Ending September 30, 2016

Total Attribution



Performance Attribution



Manager Evaluation

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

As of September 30, 2016

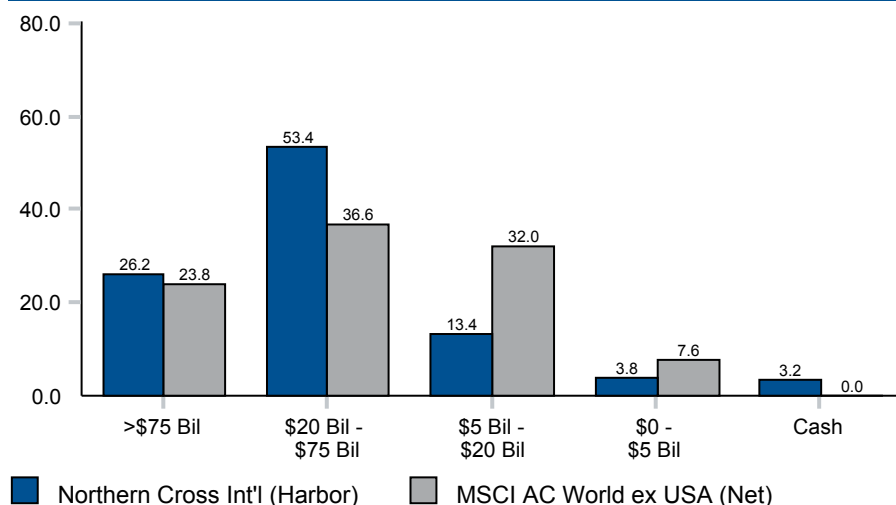
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	67,511	53,164
Median Mkt. Cap (\$M)	31,074	6,997
Price/Earnings ratio	18.9	15.9
Price/Book ratio	2.9	2.3
5 Yr. EPS Growth Rate (%)	4.2	4.3
Current Yield (%)	2.8	3.1
Debt to Equity	-3.0	1.0
Number of Stocks	68	1,853
Beta (5 Years, Monthly)	0.98	1.00
Consistency (5 Years, Monthly)	50.00	1.00
Sharpe Ratio (5 Years, Monthly)	0.56	0.48
Information Ratio (5 Years, Monthly)	0.35	-
Up Market Capture (5 Years, Monthly)	101.46	-
Down Market Capture (5 Years, Monthly)	94.34	-

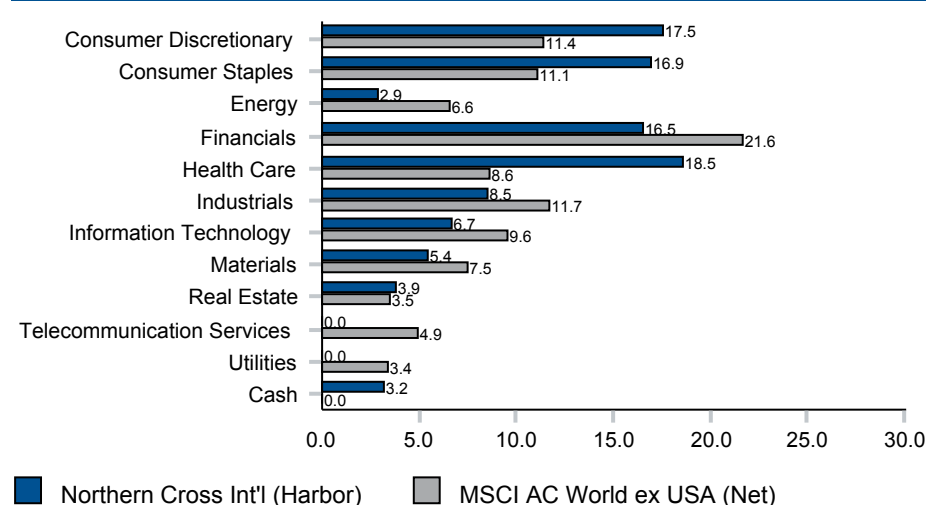
Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Las Vegas Sands Corp	5.6	0.0	5.6	34.0
Alibaba Group Holding Ltd	3.3	0.7	2.6	33.0
Shire PLC	3.1	0.3	2.8	4.7
Roche Holding AG	3.0	1.0	2.0	-5.4
Schlumberger Ltd	2.9	0.0	2.9	0.1
Wynn Resorts Ltd	2.8	0.0	2.8	8.0
Novo Nordisk A/S	2.7	0.5	2.2	-21.5
CIE Generale D""Optique Essilor Int'l	2.7	0.2	2.5	-2.3
Novartis AG	2.7	1.0	1.7	-4.2
Unibail-Rodamco SE	2.4	0.2	2.2	6.1
% of Portfolio	31.2	3.9		

Distribution of Market Capitalization (%)



Sector Weights (%)



Manager Evaluation

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

As of September 30, 2016

	Harbor International Fund	MSCI AC World ex USA
Australia	0.0	5.1
Hong Kong	0.1	2.4
Japan	8.4	16.7
New Zealand	0.0	0.1
Singapore	0.0	0.9
Pacific	8.4	25.2
Austria	1.3	0.1
Belgium	2.4	1.0
Finland	0.0	0.7
France	16.9	6.8
Germany	8.1	6.3
Ireland	0.0	0.4
Italy	0.0	1.3
Netherlands	3.8	2.3
Portugal	0.0	0.1
Spain	1.4	2.1
EMU	33.9	21.1
Denmark	2.7	1.2
Norway	0.0	0.5
Sweden	3.1	2.0
Switzerland	13.0	6.3
United Kingdom	15.2	13.3
Europe ex EMU	34.1	23.2
Canada	0.5	6.7
United States	12.9	0.1
Israel	0.0	0.5
Middle East	0.0	0.5
Developed Markets	89.8	76.9

	Harbor International Fund	MSCI AC World ex USA
Brazil	0.3	1.7
Cayman Islands	0.0	0.0
Chile	0.0	0.3
Colombia	3.3	0.1
Mexico	0.0	0.8
Peru	0.0	0.1
Virgin Islands	0.0	0.0
EM Latin America	3.6	3.0
China	3.3	6.2
India	0.0	2.0
Indonesia	0.0	0.6
Korea	0.0	3.4
Malaysia	0.1	0.6
Philippines	0.0	0.3
Taiwan	0.0	2.8
Thailand	0.0	0.5
EM Asia	3.4	16.5
Czech Republic	0.0	0.0
Egypt	0.0	0.0
Greece	0.0	0.1
Hungary	0.0	0.1
Poland	0.0	0.2
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	3.6
Emerging Markets	7.0	23.1
Frontier Markets	0.0	0.0
Cash	3.2	0.0
Other	0.0	0.0
Total	100.0	100.0

Manager Evaluation

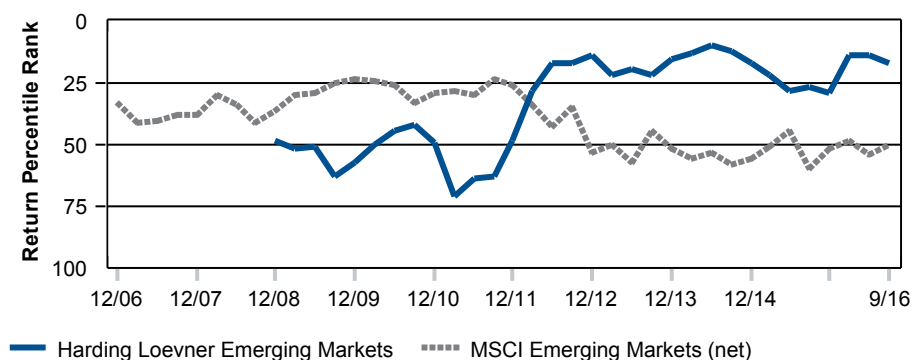
Harding Loevner Emerging Markets vs. MSCI Emerging Markets (net)

As of September 30, 2016

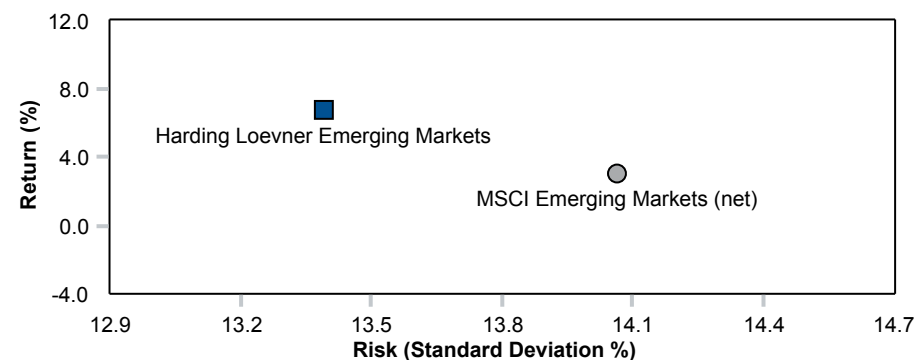
Historical Performance

	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	7.8	18.9	19.8	1.9	6.7	4.7	-13.5	-1.9	4.3	22.5	-17.0	20.8	64.0	-52.5	36.3	30.1
MSCI Emerging Markets (net)	9.0	16.0	16.8	-0.6	3.0	3.9	-14.9	-2.2	-2.6	18.2	-18.4	18.9	78.5	-53.3	39.4	32.2
IM Emerging Markets Equity	7.8	14.0	15.5	-0.6	3.5	3.4	-14.2	-3.0	-1.4	18.8	-19.5	18.3	72.7	-54.6	36.8	32.3
Harding Loevner Emerging Markets Rank	52	16	18	17	8	22	43	41	21	17	21	31	82	38	55	67

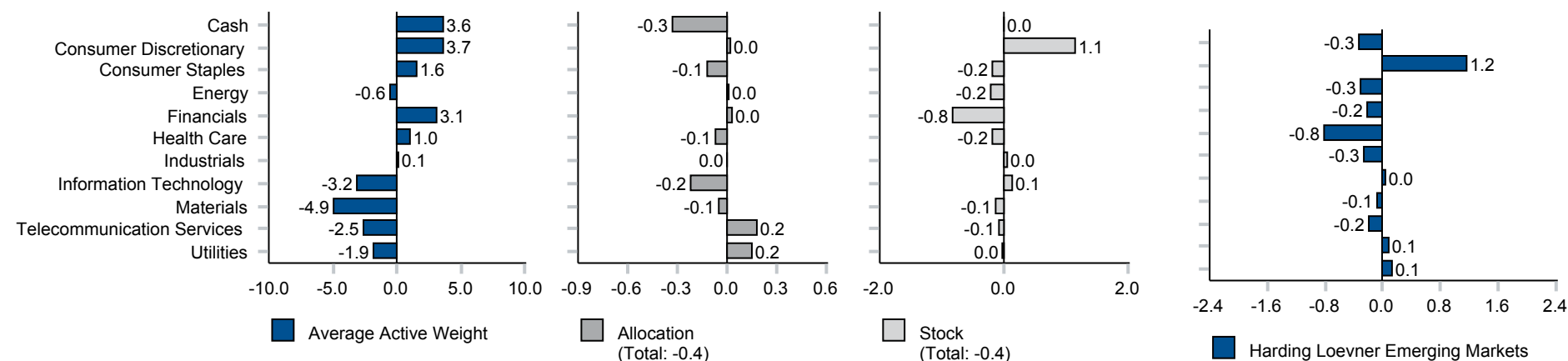
Three Year Rolling Percentile Ranking



Risk and Return (Oct - 2011 - Sep - 2016)



Buy and Hold Attribution



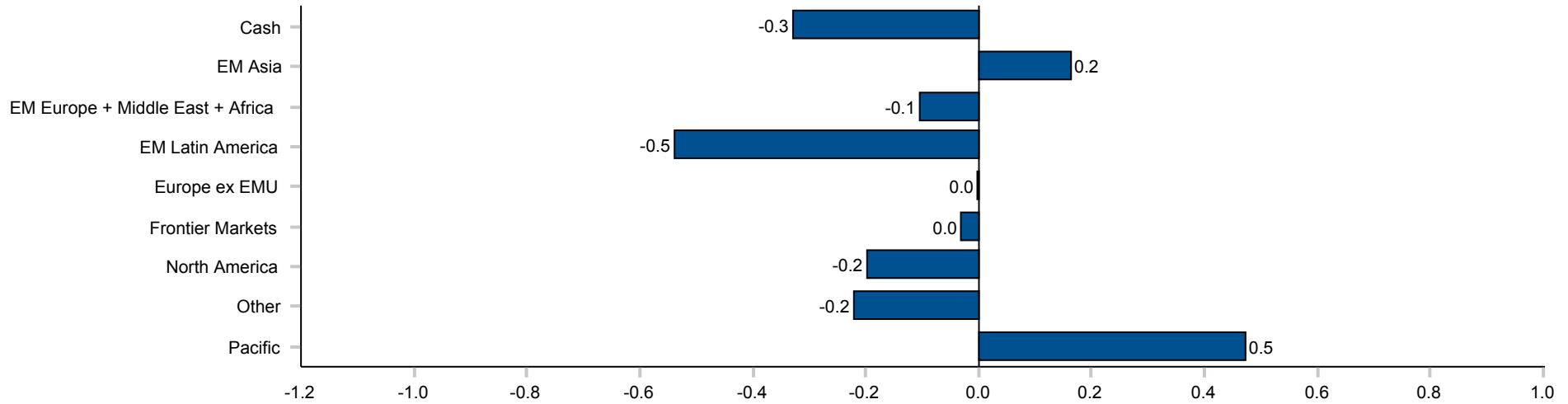
Differences between the manager return and the attribution return are due primarily to the effects of fees and portfolio trading.

Manager Evaluation

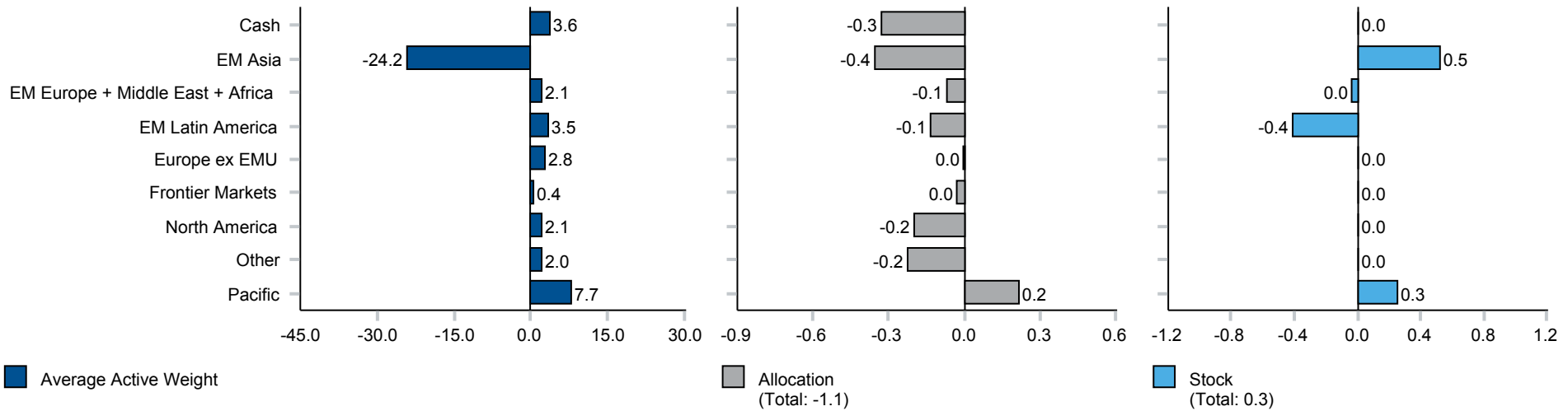
Harding Loevner Emerging Markets vs. MSCI EM (net)

1 Quarter Ending September 30, 2016

Total Attribution



Performance Attribution



Manager Evaluation

Harding Loevner Emerging Markets vs. MSCI EM (net)

As of September 30, 2016

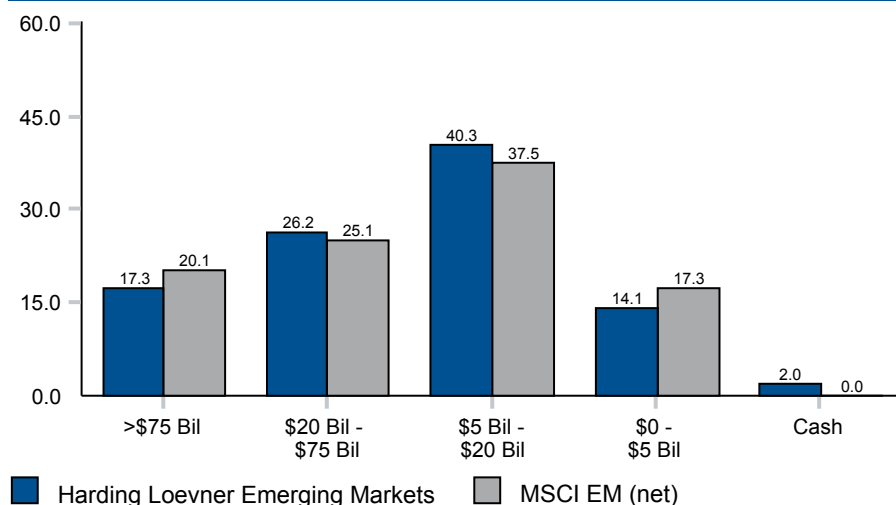
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	38,658	53,564
Median Mkt. Cap (\$M)	12,831	4,828
Price/Earnings ratio	17.6	13.6
Price/Book ratio	3.0	2.4
5 Yr. EPS Growth Rate (%)	5.2	7.0
Current Yield (%)	2.2	2.5
Debt to Equity	0.7	0.9
Number of Stocks	79	833
Beta (5 Years, Monthly)	0.87	1.00
Consistency (5 Years, Monthly)	61.67	1.00
Sharpe Ratio (5 Years, Monthly)	0.49	0.25
Information Ratio (5 Years, Monthly)	0.69	-
Up Market Capture (5 Years, Monthly)	94.55	-
Down Market Capture (5 Years, Monthly)	77.85	-

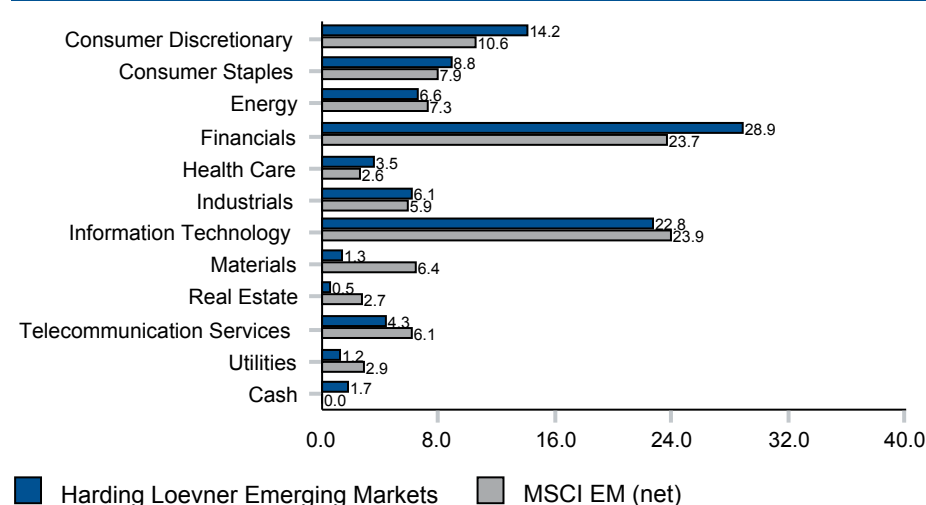
Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Samsung Electronics Co Ltd (B)	4.8	3.6	1.2	16.3
Taiwan Semiconductor Manufacturing	4.5	3.5	1.0	15.6
Tencent Holdings LTD	4.1	3.8	0.3	21.0
Sberbank of Russia OJSC	3.0	0.6	2.4	7.7
AIA Group Ltd	2.8	0.0	2.8	11.7
Largan Precision Co Ltd	2.3	0.3	2.0	34.5
Sands China Ltd	2.2	0.0	2.2	29.7
Uti Bank Ltd	2.1	0.3	1.8	3.8
Oil Co LUKOIL PJSC	2.0	0.5	1.5	20.4
Cnooc Ltd	2.0	0.5	1.5	0.0
% of Portfolio	29.8	13.1		

Distribution of Market Capitalization (%)



Sector Weights (%)



Manager Evaluation

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

As of September 30, 2016

	Harding Loevner Emerging Markets	MSCI Emerging Markets (net)
Australia	0.0	0.0
Hong Kong	8.5	0.3
Japan	0.0	0.0
New Zealand	0.0	0.0
Singapore	0.0	0.0
Pacific	8.5	0.3
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	2.0	0.0
United States	0.9	0.0
Israel	0.0	0.0
Middle East	0.0	0.0
Developed Markets	14.2	0.3

	Harding Loevner Emerging Markets	MSCI Emerging Markets (net)
Brazil	7.1	7.4
Cayman Islands	0.0	0.0
Chile	0.9	1.1
Colombia	1.1	0.5
Mexico	5.4	3.7
Peru	1.1	0.4
Virgin Islands	0.0	0.0
EM Latin America	15.6	13.0
China	13.6	26.7
India	9.4	8.5
Indonesia	3.1	2.7
Korea	10.1	14.9
Malaysia	0.0	2.7
Philippines	0.6	1.3
Taiwan	10.2	12.1
Thailand	1.6	2.2
EM Asia	48.6	71.1
Czech Republic	1.2	0.1
Egypt	0.3	0.2
Greece	0.0	0.3
Hungary	1.3	0.3
Poland	1.3	1.1
Qatar	0.8	0.9
Russia	5.0	3.7
South Africa	5.3	7.1
Turkey	0.9	1.2
United Arab Emirates	1.3	0.8
EM Europe + Middle East + Africa	17.4	15.7
Emerging Markets	81.5	99.7
Frontier Markets	0.9	0.0
Cash	1.7	0.0
Other	1.7	0.0
Total	100.0	100.0

Manager Evaluation

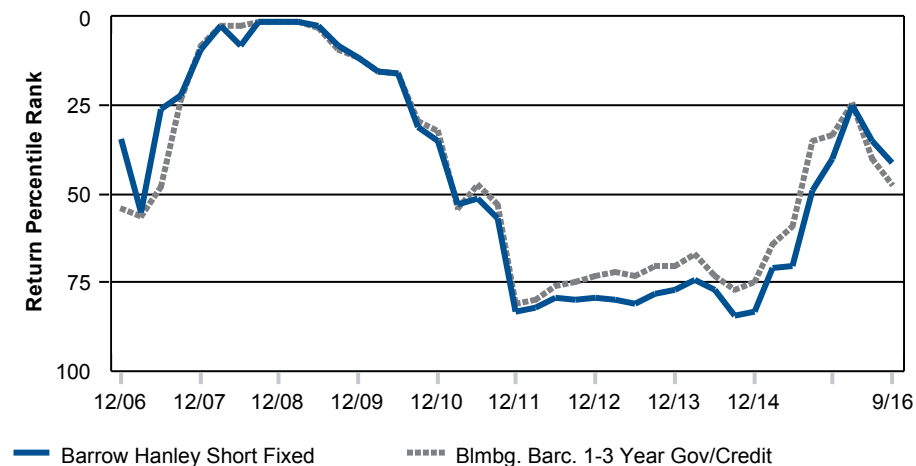
Barrow Hanley Short Fixed vs. Blmbg. Barc. 1-3 Year Gov/Credit

As of September 30, 2016

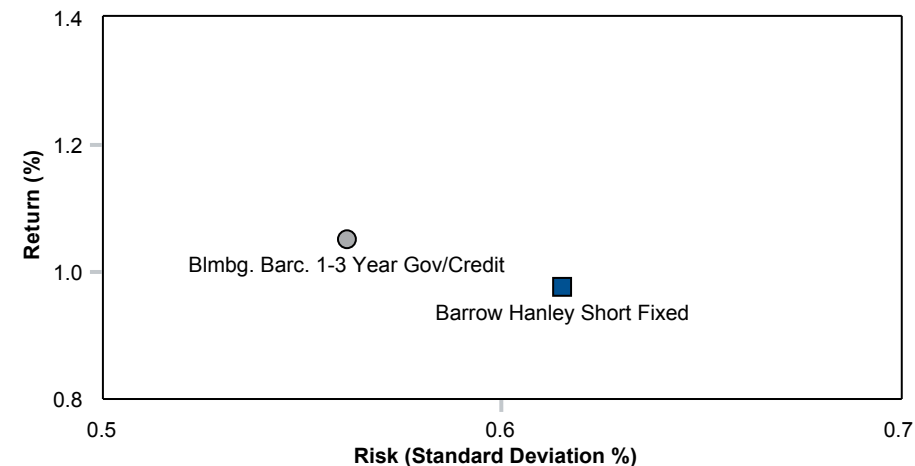
Historical Performance

	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	0.1	2.0	1.8	1.2	1.0	2.5	0.7	0.6	0.4	1.0	1.5	2.4	4.0	4.9	6.8	4.3
Blmbg. Barc. 1-3 Year Gov/Credit	0.0	1.7	1.3	1.1	1.1	2.6	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	0.3	1.8	1.6	1.0	1.5	2.3	0.3	0.7	0.5	3.1	1.1	3.5	8.7	-2.8	4.6	4.2
Barrow Hanley Short Fixed Rank	86	43	38	41	75	43	19	51	52	90	35	73	88	4	5	46

Three Year Rolling Percentile Ranking



Risk and Return (Oct-2011 - Sep-2016)



Historical Statistics - Monthly Periodicity (Oct-2011 - Sep-2016)

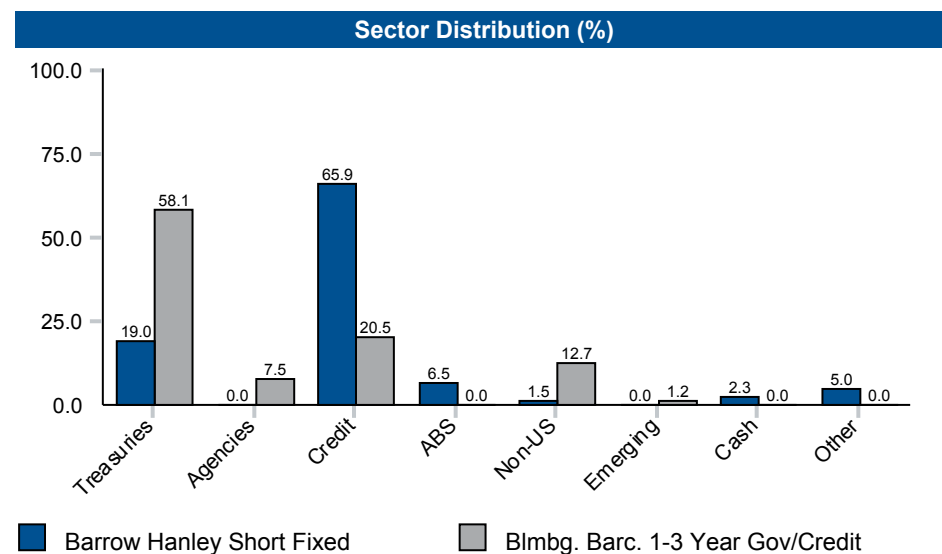
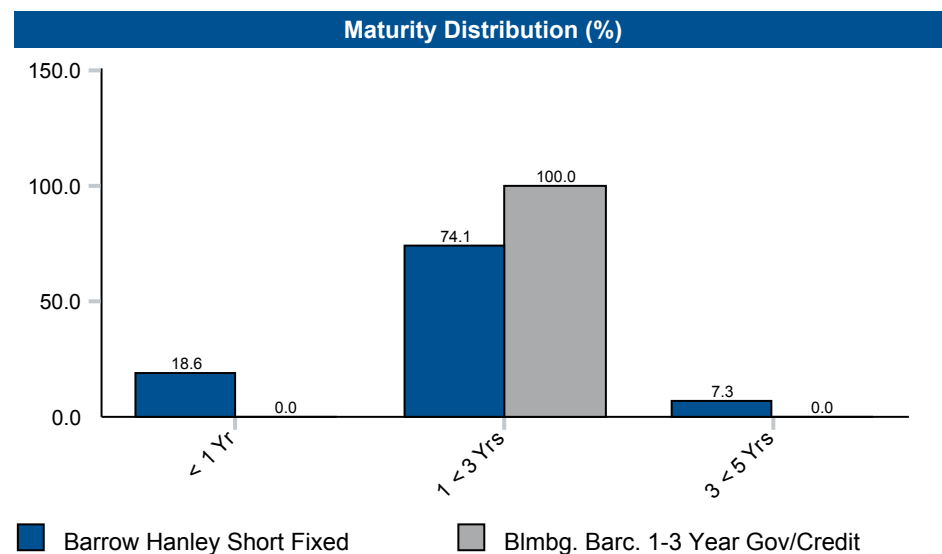
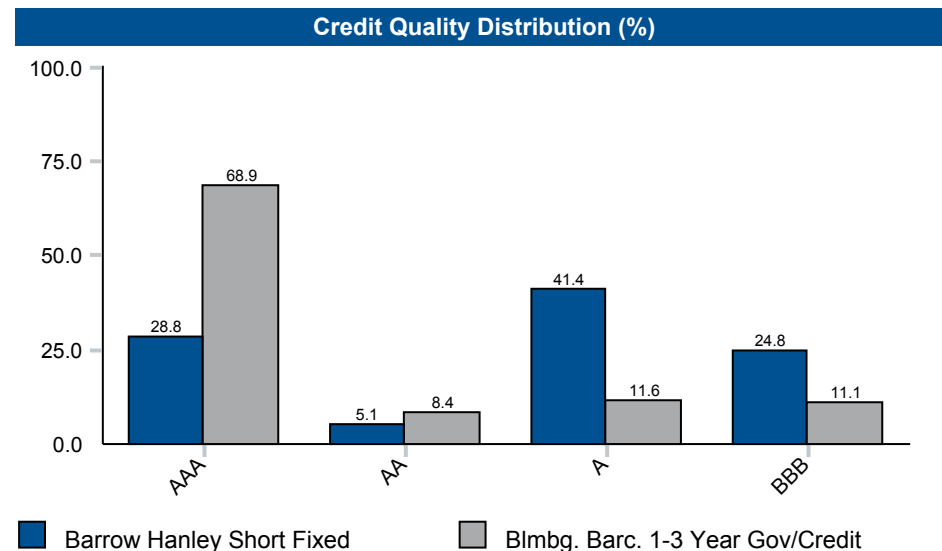
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Barrow Hanley Short Fixed	1.0	0.6	0.9	0.0	0.9	1.5	0.3	-0.3	0.2	38.3	25y 6m
Blmbg. Barc. 1-3 Year Gov/Credit	1.1	0.6	1.0	0.0	1.0	1.6	0.0	N/A	0.2	0.0	25y 6m

Manager Evaluation

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

As of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	1.7	1.9
Avg. Maturity	1.8	2.0
Avg. Quality	A+	AA+
Yield To Maturity (%)	1.3	1.0



Manager Evaluation

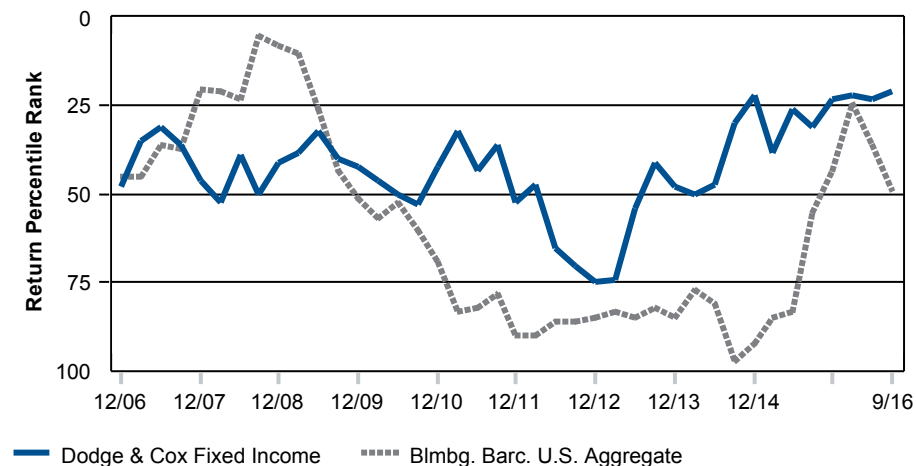
Dodge & Cox Fixed Income vs. Blmbg. Barc. U.S. Aggregate

As of September 30, 2016

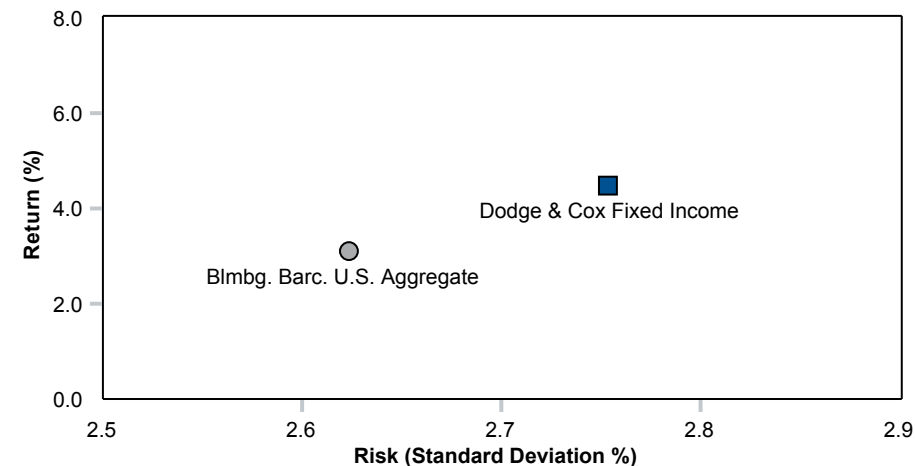
Historical Performance

	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	1.8	7.6	7.6	4.7	4.5	5.4	-0.6	5.9	0.3	8.1	4.8	7.2	16.1	-0.3	4.7	5.3
Blmbg. Barc. U.S. Aggregate	0.5	5.8	5.2	4.0	3.1	4.8	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	1.3	6.7	6.0	4.0	3.9	5.2	-0.4	5.3	-1.1	8.2	6.1	8.2	14.2	-2.2	5.6	4.1
Dodge & Cox Fixed Income Rank	23	20	11	21	27	41	61	35	17	54	75	74	34	38	77	18

Three Year Rolling Percentile Ranking



Risk and Return (Oct-2011 - Sep-2016)



Historical Statistics - Monthly Periodicity (Oct-2011 - Sep-2016)

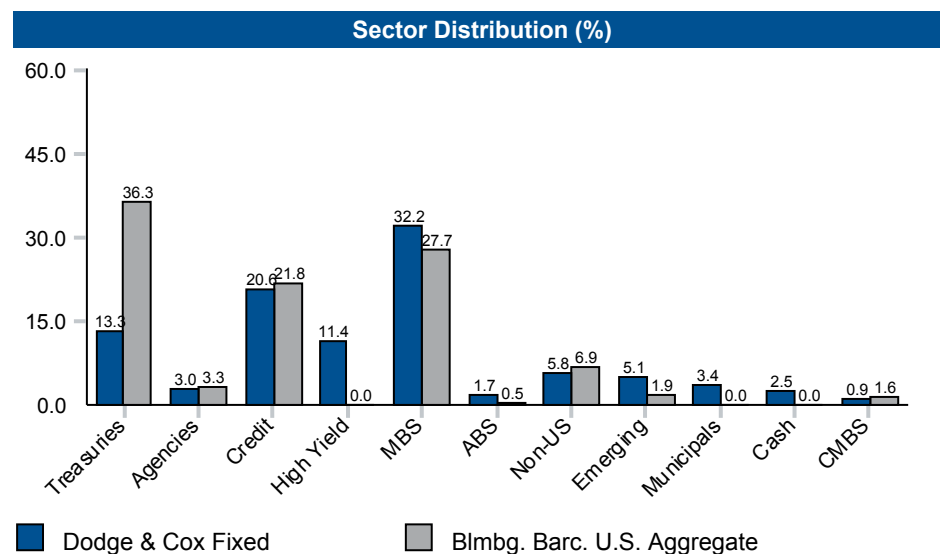
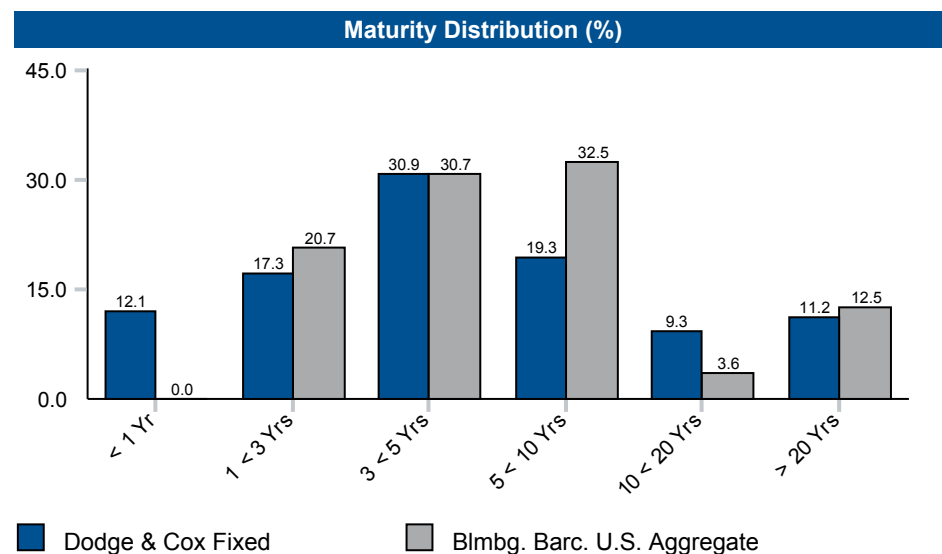
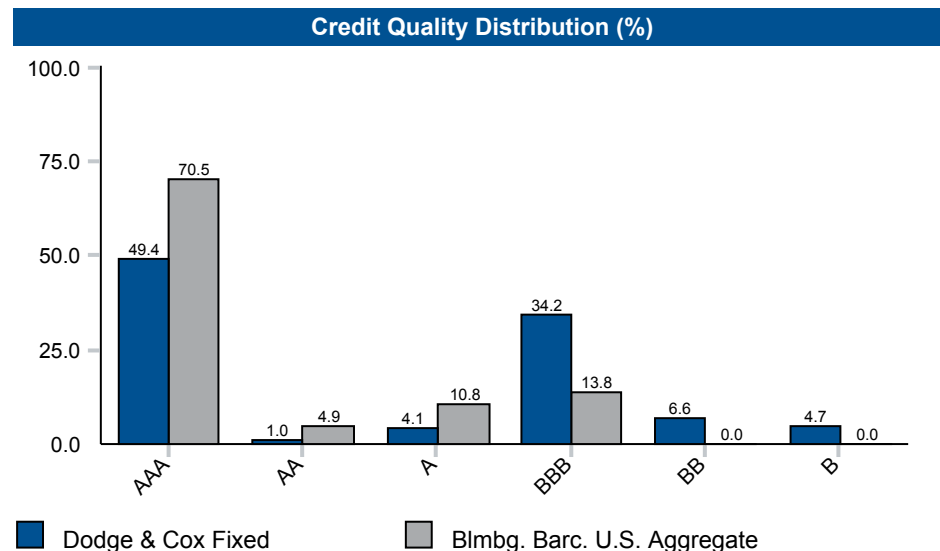
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Dodge & Cox Fixed Income	4.5	2.9	4.3	1.8	0.8	1.5	1.8	0.7	1.4	56.7	27y 9m
Blmbg. Barc. U.S. Aggregate	3.1	2.6	3.0	0.0	1.0	1.1	0.0	N/A	1.4	0.0	27y 9m

Manager Evaluation

Dodge & Cox Fixed vs. Blmbg. Barc. U.S. Aggregate

As of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	4.3	5.5
Yield To Maturity (%)	2.7	2.0
Avg. Maturity	7.7	7.8
Avg. Quality	A+	AA+



Manager Evaluation

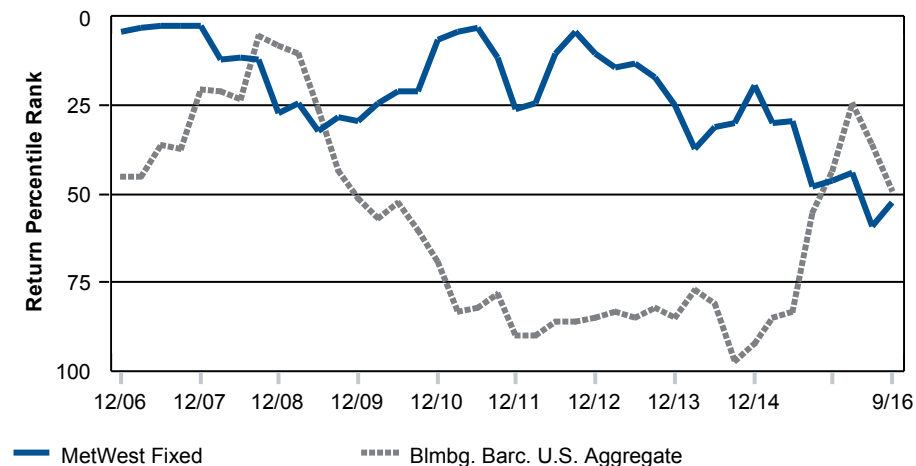
MetWest Fixed vs. Blmbg. Barc. U.S. Aggregate

As of September 30, 2016

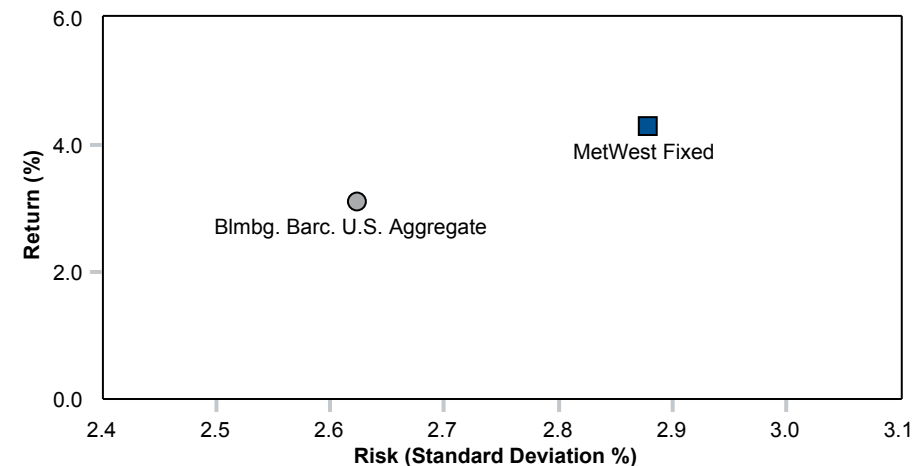
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
MetWest Fixed	0.9	5.6	5.2	3.9	4.3	6.2	0.2	5.6	-1.5	11.0	5.5	11.7	17.3	-1.3	6.5	7.2
Blmbg. Barc. U.S. Aggregate	0.5	5.8	5.2	4.0	3.1	4.8	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	1.3	6.7	6.0	4.0	3.9	5.2	-0.4	5.3	-1.1	8.2	6.1	8.2	14.2	-2.2	5.6	4.1
MetWest Fixed Rank	81	69	72	52	37	10	27	42	63	7	65	5	30	41	31	2

Three Year Rolling Percentile Ranking



Risk and Return (Oct-2011 - Sep-2016)



Historical Statistics - Monthly Periodicity (Oct-2011 - Sep-2016)

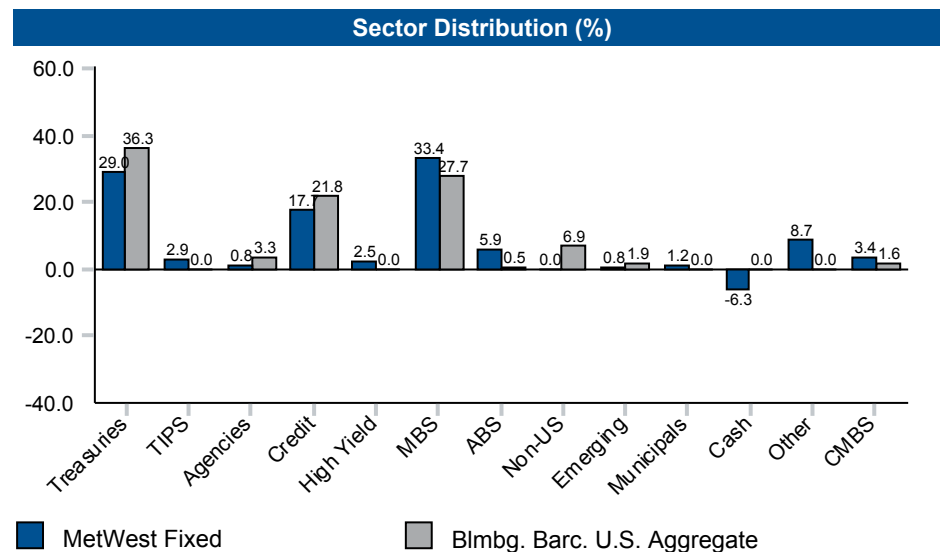
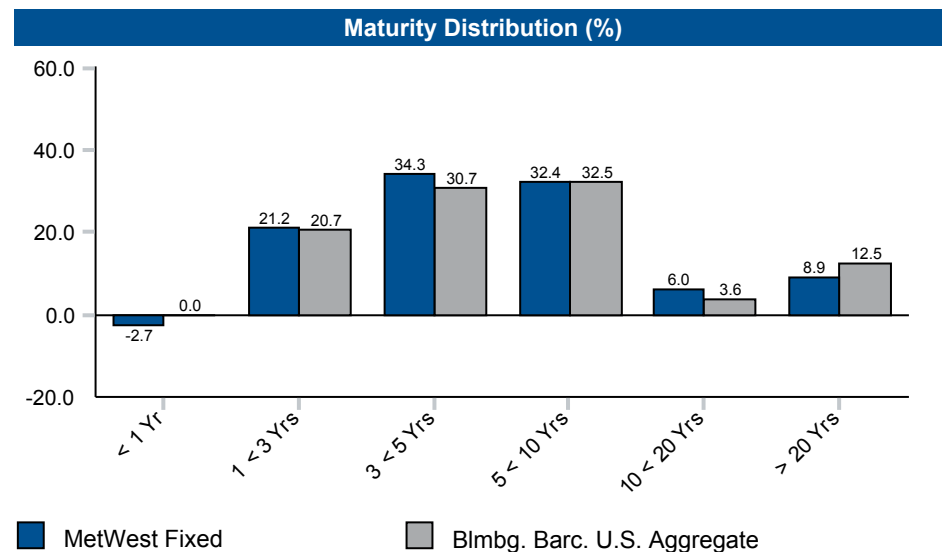
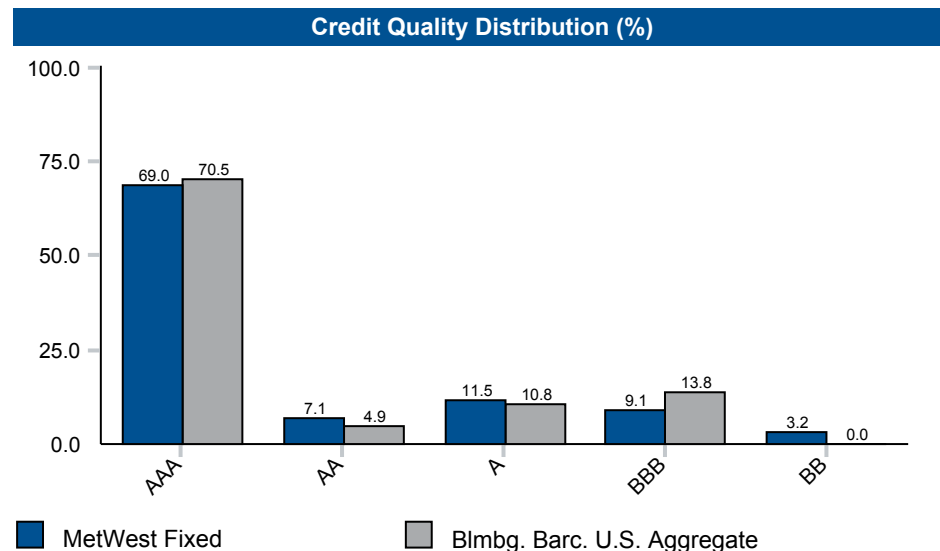
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
MetWest Fixed	4.3	2.4	4.2	1.8	0.8	1.7	1.3	0.9	1.2	55.0	19y 6m
Blmbg. Barc. U.S. Aggregate	3.1	2.6	3.0	0.0	1.0	1.1	0.0	N/A	1.4	0.0	19y 6m

Manager Evaluation

MetWest Fixed vs. Blmbg. Barc. U.S. Aggregate

As of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	4.9	5.5
Yield To Maturity (%)	2.3	2.0
Avg. Maturity	7.5	7.8
Avg. Quality	AA+	AA+



Manager Evaluation

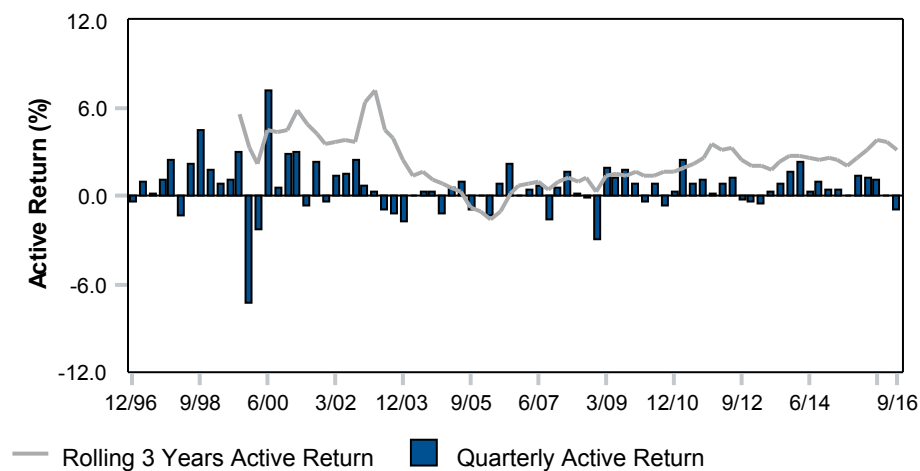
Lighthouse Diversified vs. HFRI Fund of Funds Composite Index

As of September 30, 2016

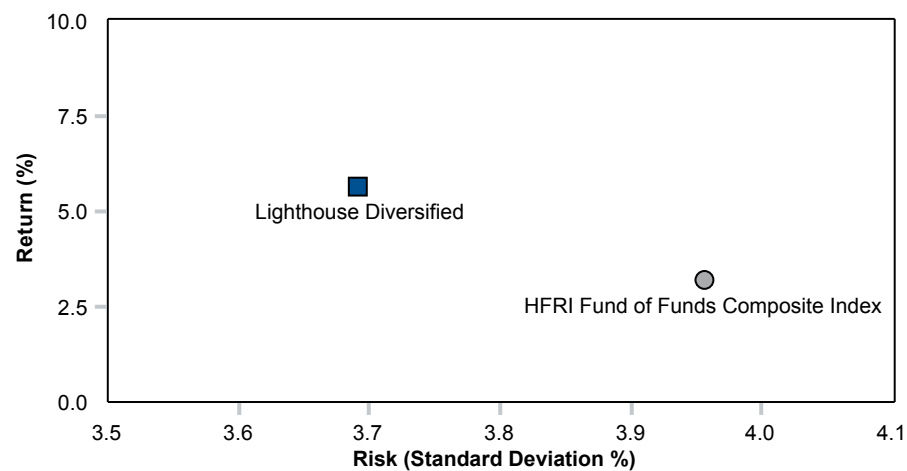
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Lighthouse Diversified	1.5	0.2	2.3	5.4	5.6	3.9	3.1	7.7	11.4	6.4	-1.2	6.0	18.0	-22.6	10.4	12.5
HFRI Fund of Funds Composite Index	2.4	-0.2	0.5	2.2	3.2	1.8	-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 (Oct-2011 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Lighthouse Diversified	5.6	3.7	5.5	2.9	0.9	1.5	1.6	1.5	1.4	80.0	20y 2m
HFRI Fund of Funds Composite Index	3.2	4.0	3.1	0.0	1.0	0.8	0.0	N/A	2.4	0.0	20y 2m

Manager Evaluation

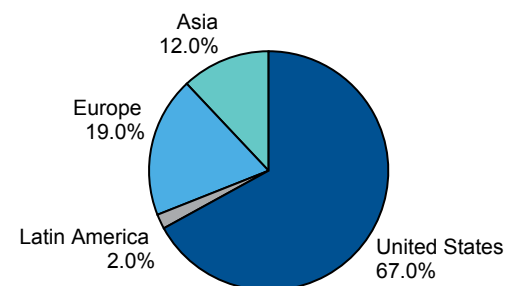
Lighthouse Diversified

As of September 30, 2016

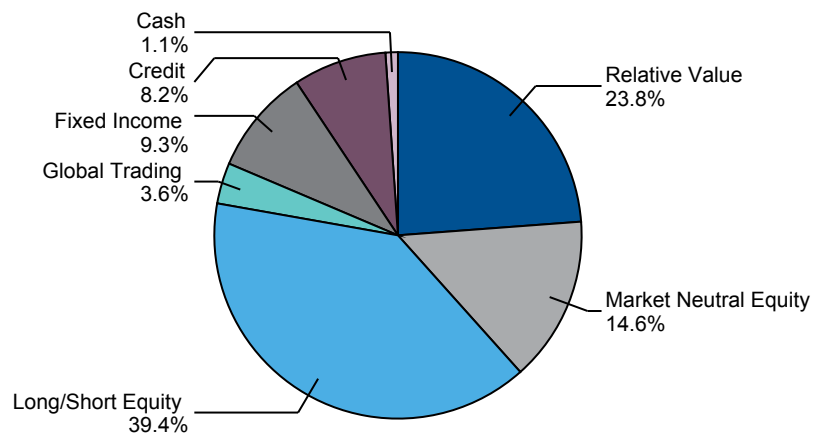
Portfolio Characteristics

	Portfolio
Net Exposure %	44.8
Leverage	1.3
Manager Count	31
# Managers Funded	1
# Managers Redeemed	2

Region Allocation



Strategy Allocation



Manager Evaluation

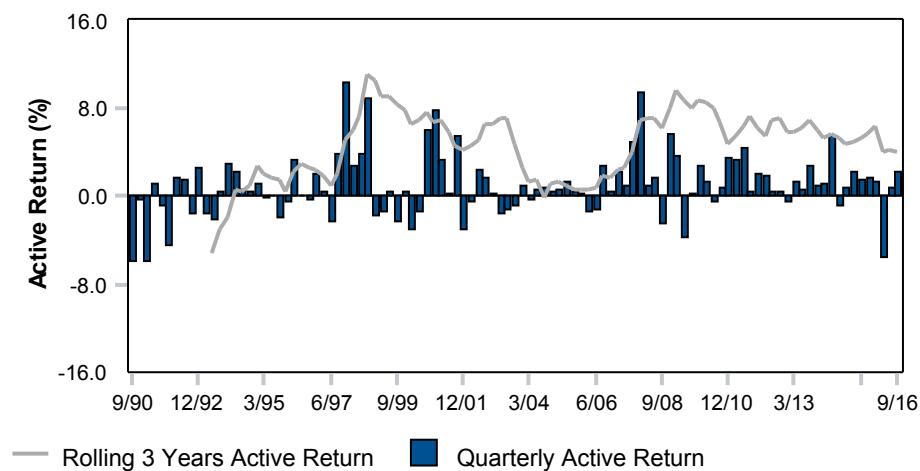
Pointer Offshore LTD vs. HFRI Fund of Funds Composite Index

As of September 30, 2016

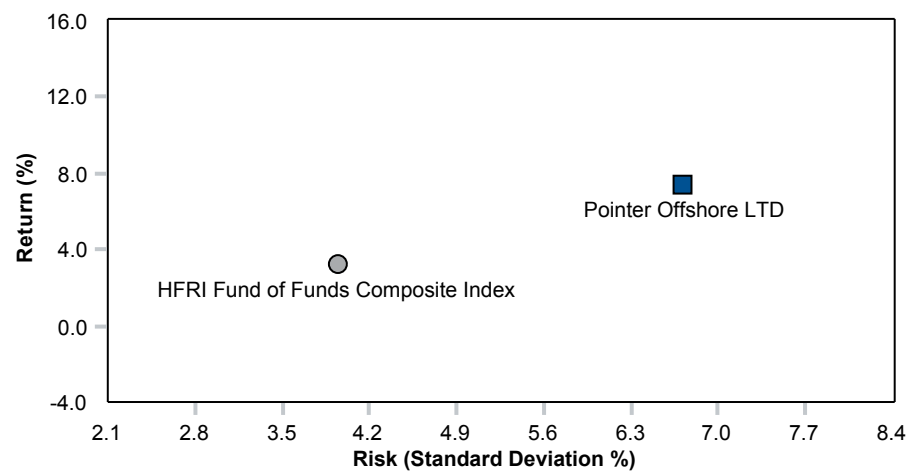
Historical Performance

	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	4.7	-3.0	-1.0	6.1	7.4	8.0	6.7	10.2	15.1	7.0	4.3	11.2	14.8	-16.5	30.4	11.1
HFRI Fund of Funds Composite Index	2.4	-0.2	0.5	2.2	3.2	1.8	-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 (Oct-2011 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Pointer Offshore LTD	7.4	6.7	7.3	2.8	1.4	1.1	4.0	1.1	4.0	85.0	26y 3m
HFRI Fund of Funds Composite Index	3.2	4.0	3.1	0.0	1.0	0.8	0.0	N/A	2.4	0.0	26y 3m

Manager Evaluation

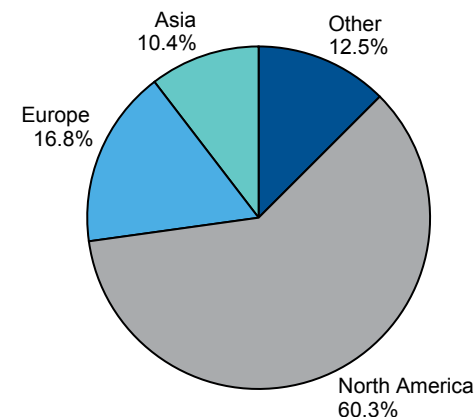
Pointer Offshore LTD

As of September 30, 2016

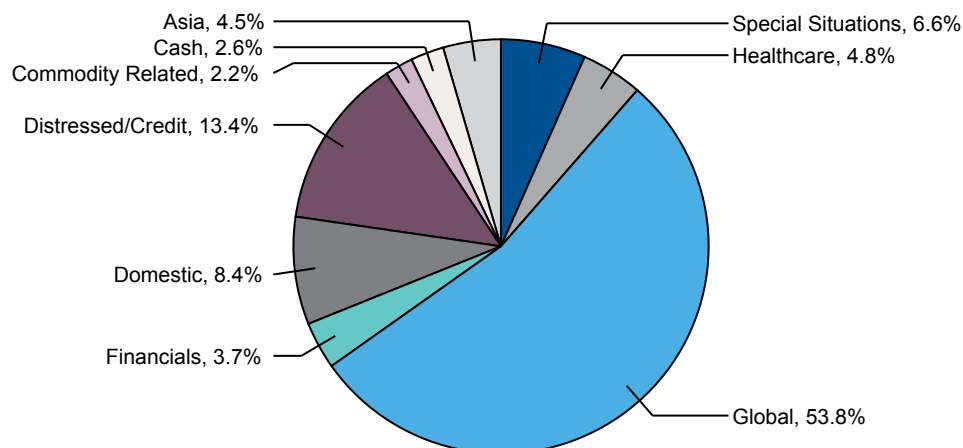
Portfolio Characteristics

	Portfolio
Net Exposure %	45.0
Gross Exposure %	151.0
Gross Long %	98.0
Gross Short %	53.0
Leverage	1.5
Manager Count	26
# Managers Funded	0
# Managers Redeemed	0

Region Allocation



Strategy Allocation



Manager Evaluation

Oaktree Real Estate Opportunities Fund VI

As of June 30, 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	23%
GP and Affiliates % of the Fund	3.0%

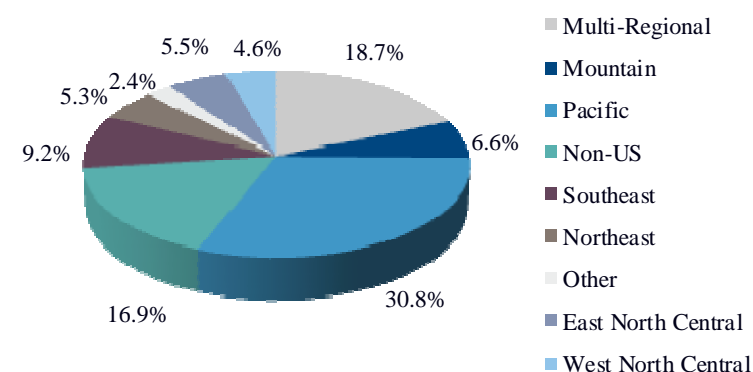
Historical Investment Profile

Investment Category	# of Investments	Net Invested Capital	
		Total (\$)	% of Total
Commercial	51	1514.6	50.4%
Non-US	19	626.5	20.8%
Residential	10	415.2	15.0%
Residential NPLs	15	154.6	5.1%
Commercial NPLs	11	148.3	4.9%
Corporate	2	115.3	3.8%
Total	108	2974.5	100%

Top Ten Holdings

	Asset Type	Property Type	Market Value	%
Bascom Platform	Equity	Multi-Family	\$124.1	4.1%
Genesis Platform	Equity	Residential	\$112.8	3.7%
Philadelphia Marriott	Equity	Hotel/Gaming/Leisure	\$101.0	3.3%
Chicago Board of Trade Building	Equity	Office	\$90.1	3.0%
Kauai Lagoons	Recapitalized Equity	Hotel/Gaming/Leisure	\$86.5	2.8%
Southeast Office Portfolio	Recapitalized Equity	Office	\$83.4	2.7%
Mark Hopkins InterContinental	Equity	Hotel/Gaming/Leisure	\$80.2	2.6%
ETCO Homes Platform	Equity	Mixed	\$70.8	2.3%
Northlake	Recapitalized Equity	Residential	\$65.9	2.2%
Brea Corporate Place	Recapitalized Equity	Office	\$65.2	2.1%
Total			\$880.0	28.8%

Geographic Exposure



* Characteristics as of September 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 June 30, 2016*

Administrative Facts

Commencement of Operations	5/2/2013
Final Closing Date	2/28/2014
Investment Period End Date	11/2/2017
Fund Closing Date ¹	11/2/2023
Fund Type	Closed-end
Total Committed Capital	\$1,278
% Drawn	83.0%
% Distributed	32%
GP and Affiliates % of the Fund	7.7%

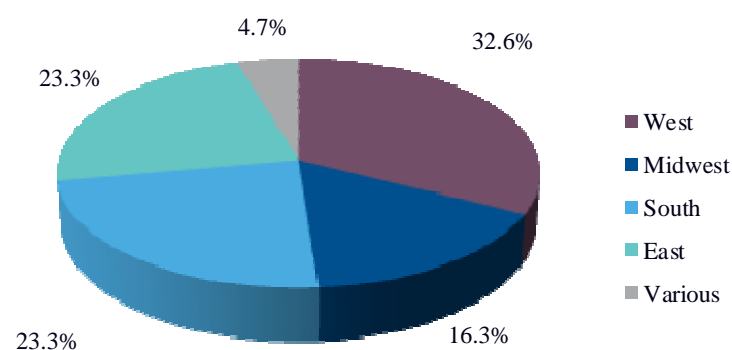
Historical Investment Profile

Investment Category	# of Investments	Invested Capital		Projected Committed Equity
		Total (\$)	% of Total	Total (\$)
Office	14	364.3	34.9%	460.1
Residential	10	183.3	17.6%	189.5
Retail	8	149.5	14.3%	155.2
Hotel	9	283.2	27.1%	295.8
Industrial	1	44.0	4.2%	44.0
Senior Housing	1	19.6	1.9%	19.6
Total	43	1043.9	100%	1164.3

Top Ten Holdings

	Investment Date	Investment Category	Invested Equity	% of Total
237 Park Avenue	Oct-13	Office	\$84.1	7.8%
Legends	Jan-16	Retail	\$65.2	6.0%
European Hotel Portfolio	Oct-15	Hotel	\$58.4	5.4%
Hyatt Regency	Mar-15	Hotel	\$46.0	4.3%
World Trade Center	Aug-15	Office	\$38.7	3.6%
Key West Portfolio	Aug-12	Office	\$38.3	3.5%
Torrey Ridge Science Center	Aug-12	Office	\$37.7	3.5%
Milestone Business Park	Dec-13	Office	\$33.6	3.1%
16550 Via Esprillo	Aug-15	Office	\$30.5	2.8%
Hilton Alexandria	Jun-14	Office	\$30.4	2.8%
Total			\$462.9	42.8%

Geographic Exposure³



* Characteristics as of September 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

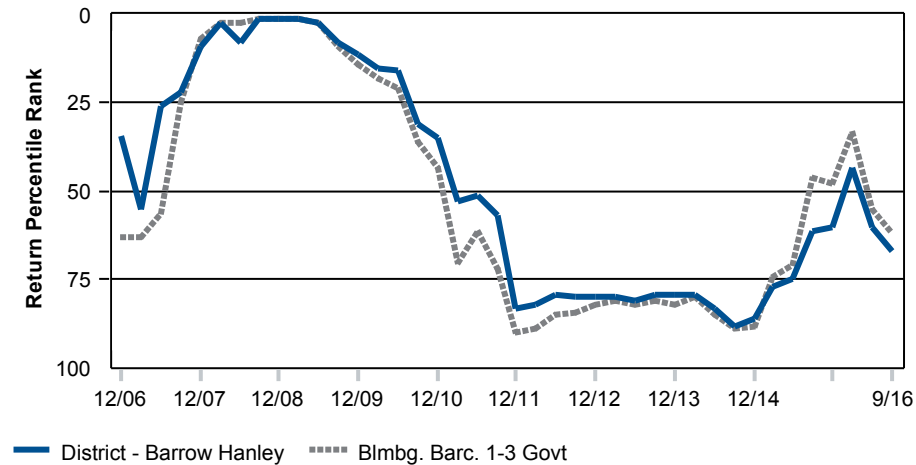
District - Barrow Hanley vs. Blmbg. Barc. 1-3 Govt

As of September 30, 2016

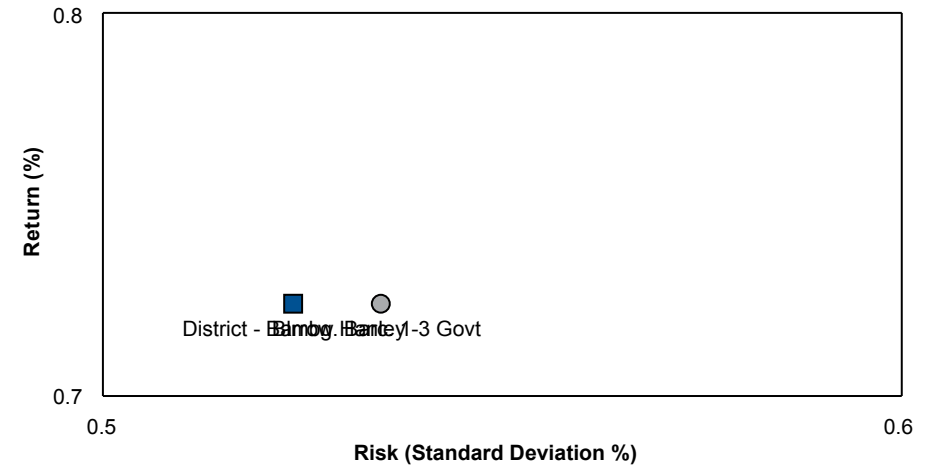
Historical Performance

	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	-0.1	1.3	1.0	0.8	0.7	2.4	0.5	0.4	0.3	0.9	1.5	2.4	4.0	4.9	6.8	4.3
Blmbg. Barc. 1-3 Govt	-0.1	1.3	0.9	0.9	0.7	2.3	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	0.3	1.8	1.6	1.0	1.5	2.3	0.3	0.7	0.5	3.1	1.1	3.5	8.7	-2.8	4.6	4.2
District - Barrow Hanley Rank	96	71	79	67	82	49	34	68	63	91	35	73	88	4	5	46

Three Year Rolling Percentile Ranking



Risk and Return (Oct-2011 - Sep-2016)



Historical Statistics - Monthly Periodicity (Oct-2011 - Sep-2016)

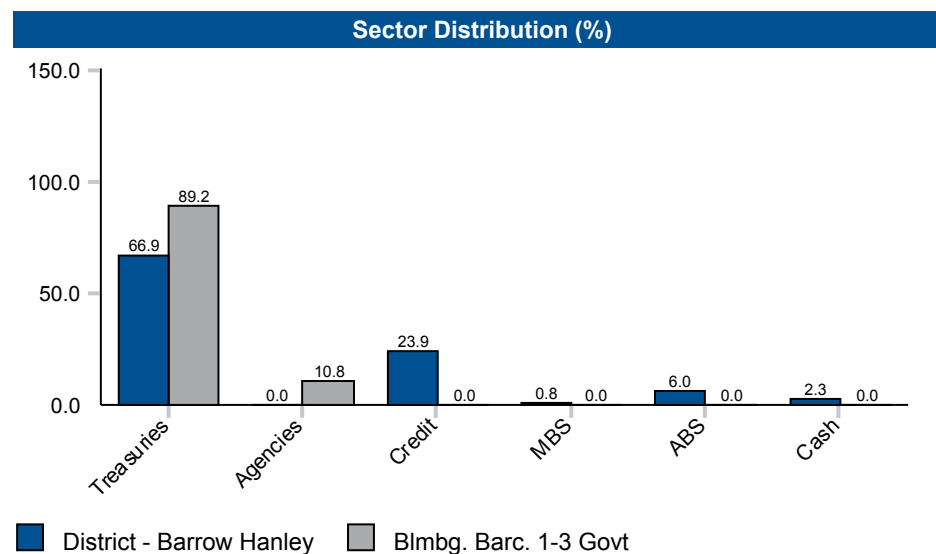
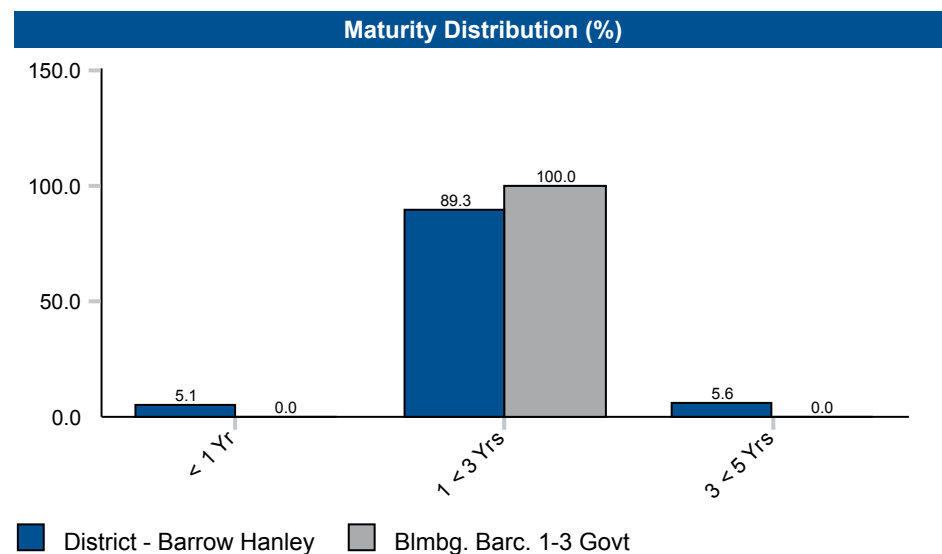
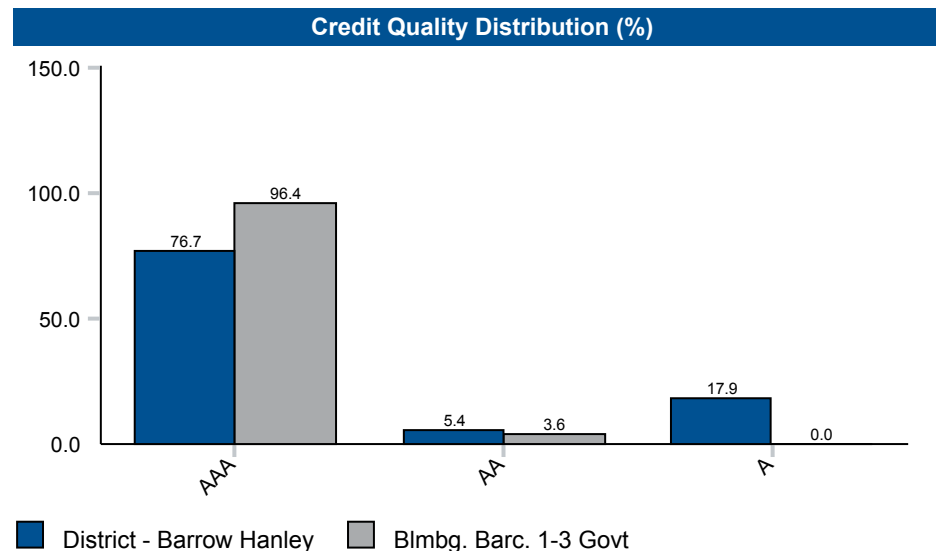
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
District - Barrow Hanley	0.7	0.6	0.6	0.1	0.9	1.2	0.2	0.0	0.2	45.0	25y 6m
Blmbg. Barc. 1-3 Govt	0.7	0.6	0.6	0.0	1.0	1.1	0.0	N/A	0.3	0.0	25y 6m

Manager Evaluation

District - Barrow Hanley vs. Blmbg. Barc. 1-3 Govt

As of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	1.8	1.9
Avg. Maturity	1.8	1.9
Avg. Quality	AA	AAA
Yield To Maturity (%)	0.9	0.6



Manager Evaluation

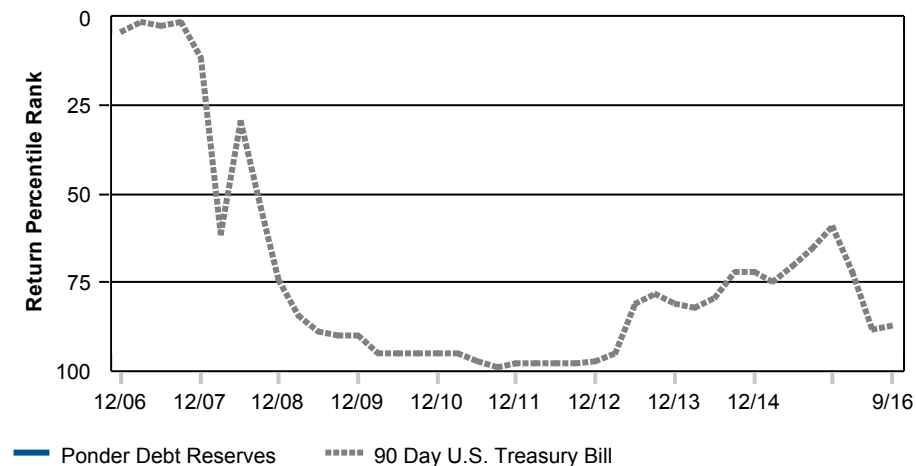
Ponder Debt Reserves vs. 90 Day U.S. Treasury Bill

As of September 30, 2016

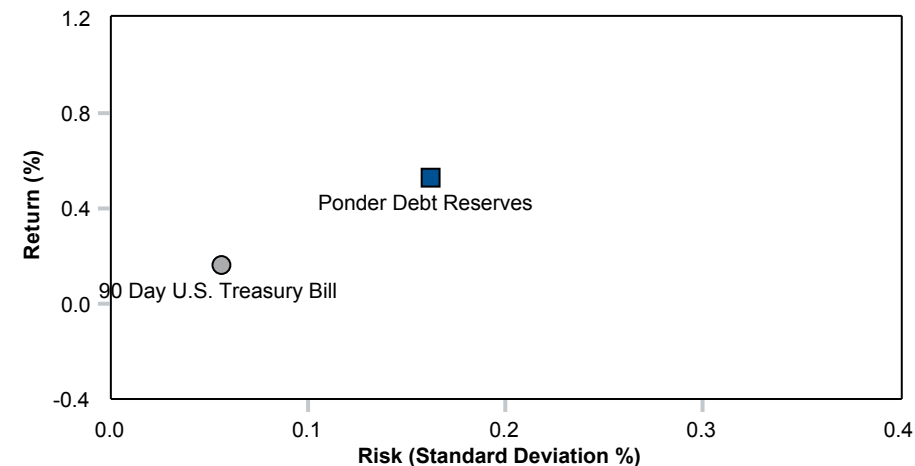
Historical Performance

	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	0.2	0.6	0.6	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	0.2	0.2	0.1	0.1	0.9	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	-0.1	1.3	0.8	0.7	0.6	2.3	0.2	0.6	-0.6	0.9	1.4	2.3	2.8	4.7	5.8	3.7
Ponder Debt Reserves Rank	13	86	65	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 - Sep-2016)



Historical Statistics - Monthly Periodicity (May-2015 - Sep-2016)

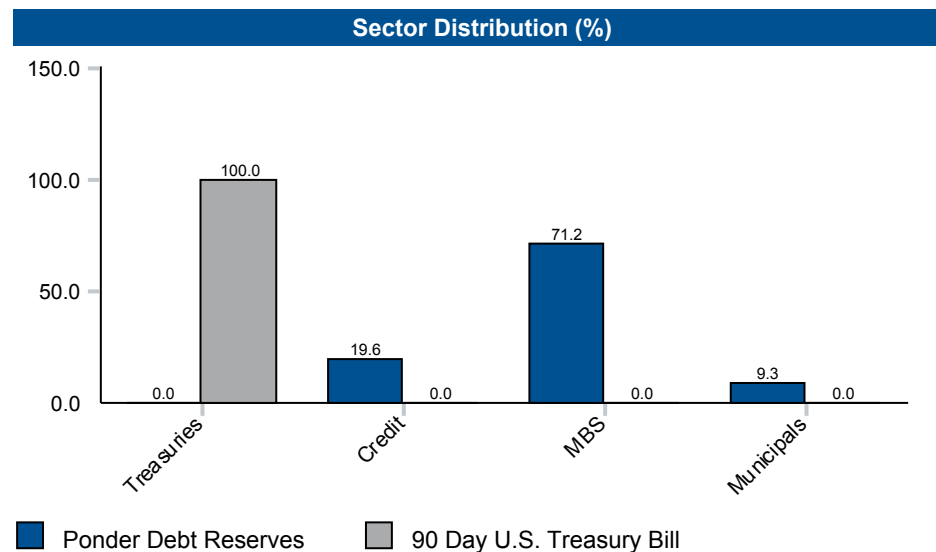
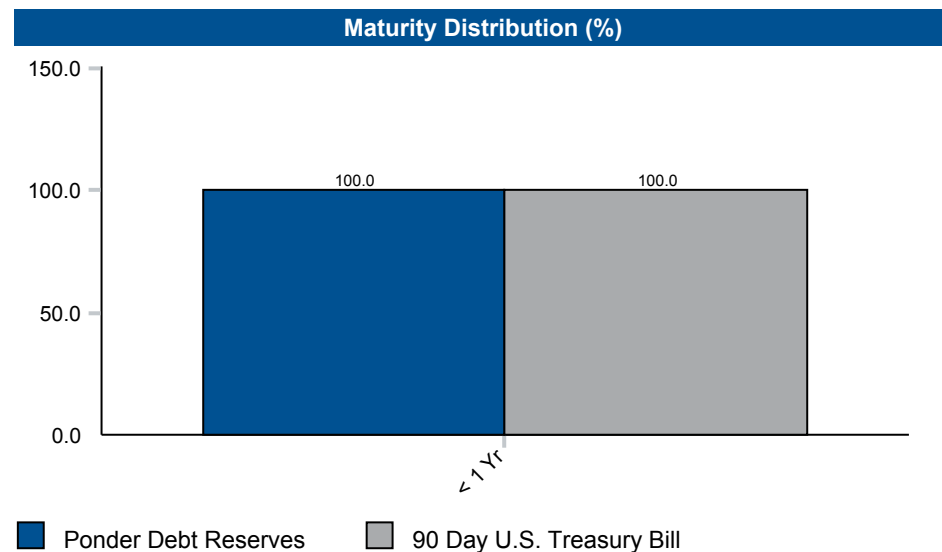
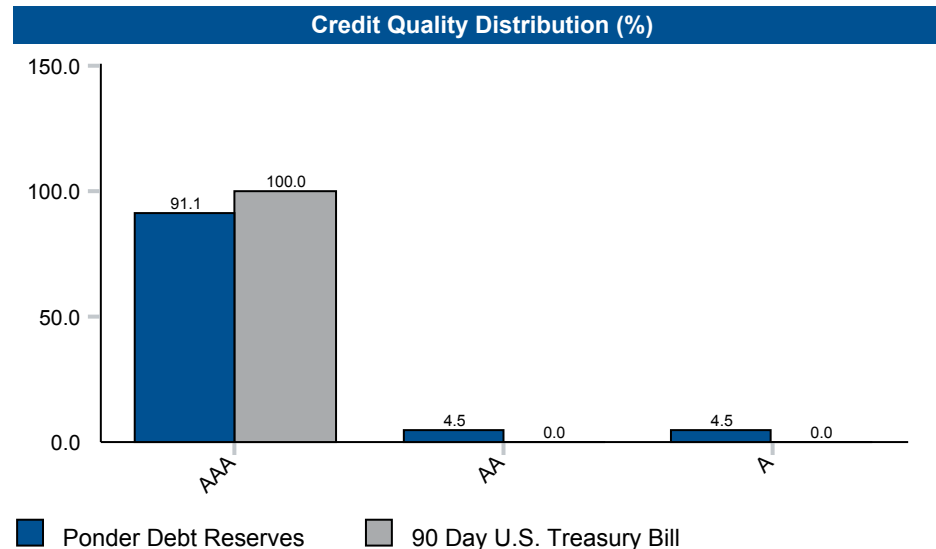
	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Ponder Debt Reserves	0.5	0.1	0.3	0.4	0.7	2.6	0.1	2.6	0.0	82.4	1y 5m
90 Day U.S. Treasury Bill	0.1	0.1	0.0	0.0	1.0	N/A	0.0	N/A	0.0	0.0	1y 5m

Manager Evaluation

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

As of September 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 (%)	0.8	0.0



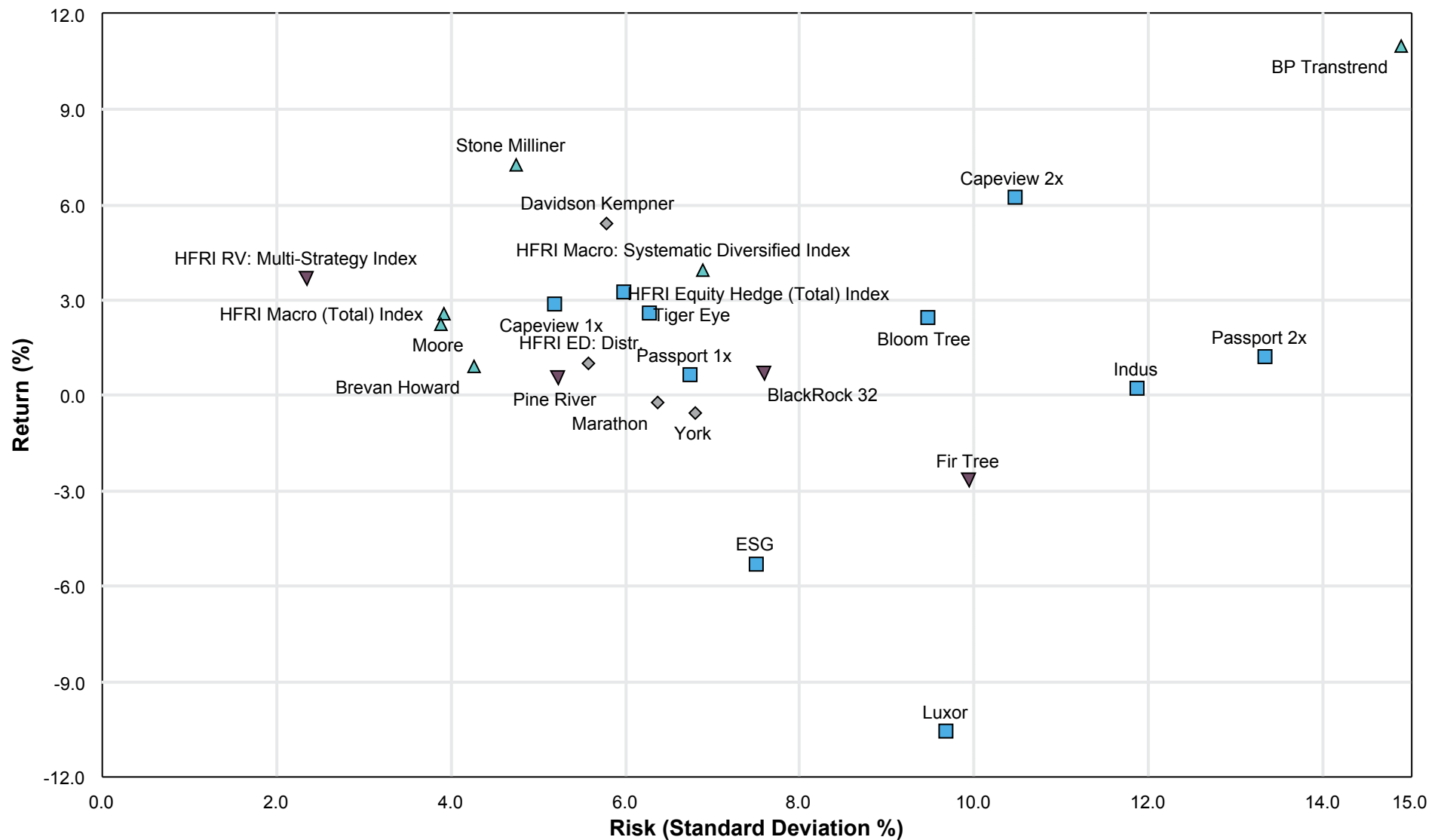


Direct Hedge Fund Manager Review

Risk and Return

Hedge Fund Managers Risk Return (Net of Fees)

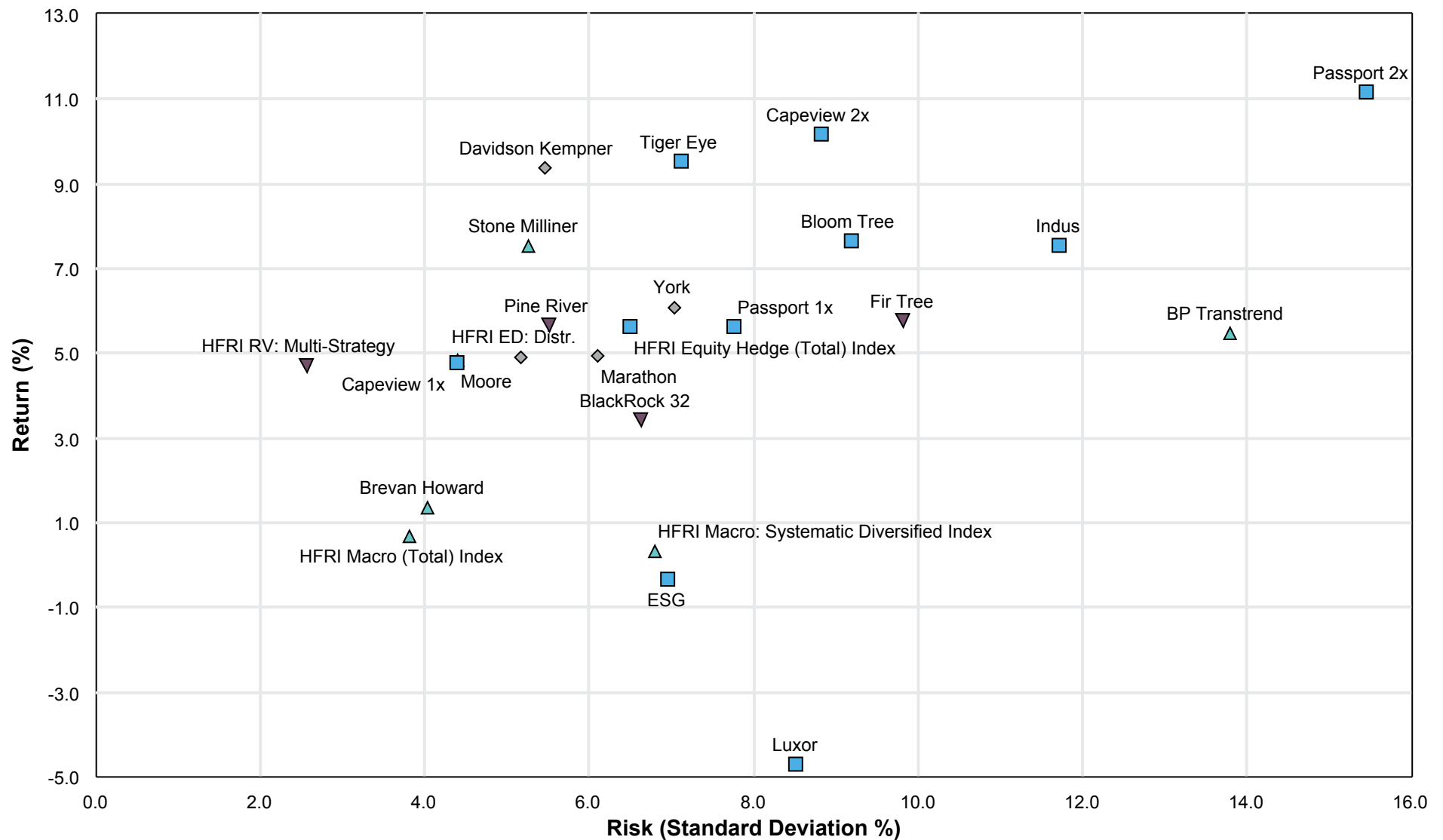
3 Years Ending September 30, 2016



Risk and Return

Hedge Fund Managers Risk Return (Net of Fees)

5 Years Ending September 30, 2016



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

Manager Evaluation

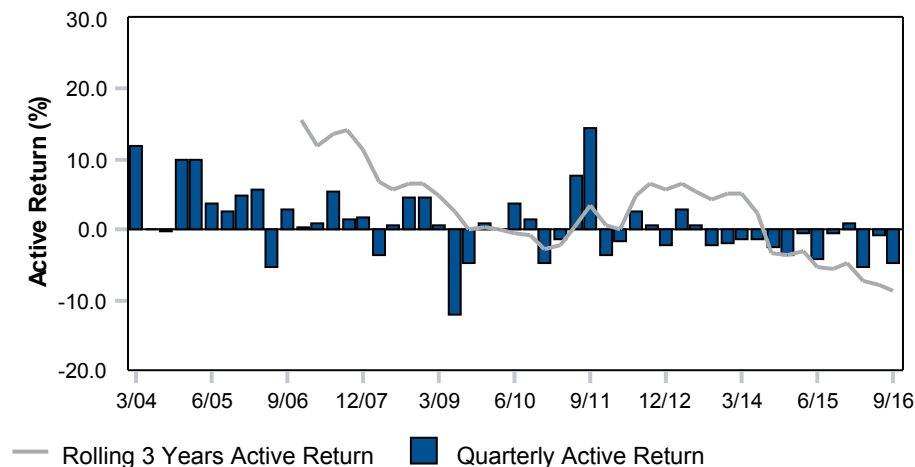
ESG Cross Border Equity Offshore Fund, Ltd. vs. HFRI Equity Hedge (Total) Index

As of September 30, 2016

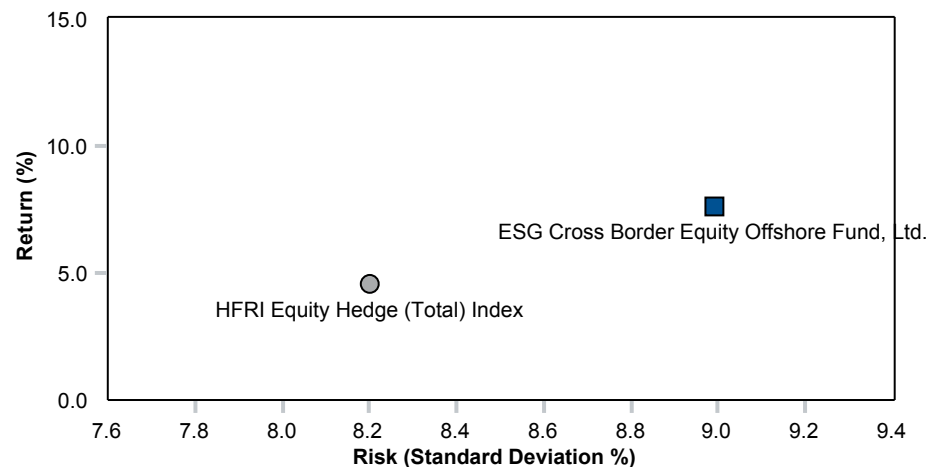
Historical Performance

	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.	0.0	-6.5	-4.2	-5.3	-0.4	2.8	-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	4.7	4.2	6.0	3.2	5.6	3.3	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI Emerging Markets Index	9.2	16.4	17.2	-0.2	3.4	4.3	-14.6	-1.8	-2.3	18.6	-18.2	19.2	79.0	-53.2	39.8	32.6

Comparative Performance and Rolling Return



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



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-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.	-0.4	7.2	-0.2	-5.3	0.9	0.0	4.3	-1.3	5.2	25.0	12y 9m
HFRI Equity Hedge (Total) Index	5.6	6.2	5.6	0.0	1.0	0.9	0.0	N/A	3.6	0.0	12y 9m

Manager Evaluation

ESG Cross Border Equity Offshore Fund, Ltd.

As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$3.6 billion
Fund Assets	\$1.5 billion
Gross Exposure	177.4%
Net Exposure	26.8%
Long Exposure	102.1%
Short Exposure	-75.3%

Performance Attribution by Industry*

	Q3 Gross Attribution	YTD Gross Attribution
Basic Materials	0.0%	0.6%
Business Services	-0.1%	0.9%
Consumer Durables	-0.7%	0.3%
Consumer Non-Durable	1.1%	5.5%
Financials	0.4%	4.9%
Gaming & Leisure	0.0%	0.3%
Healthcare	0.1%	-0.9%
Industrial	-0.2%	0.3%
Real Estate	0.0%	0.0%
Retail	0.2%	4.1%
Tech, Media and Telecom	0.8%	-0.3%
Index	-1.9%	2.3%

* Attribution excludes cost of currency hedging.

Regional Exposure

	Long	Short	Gross	Net
Global	37.2%	-15.1%	52.3%	22.1%
Latin America	9.6%	-2.6%	12.2%	7.0%
EMEA	8.2%	-1.0%	9.2%	7.2%
Asia	18.6%	-15.5%	34.1%	3.1%
Pan EM	28.5%	-14.3%	42.8%	14.2%
Portfolio Hedge	0.0%	-26.7%	26.7%	-26.7%

Industry Exposure

	Long	Short	Gross	Net
Basic Materials	0.0%	0.0%	0.0%	0.0%
Business Services	0.0%	-6.0%	6.0%	-6.0%
Consumer Durables	4.0%	-4.8%	8.8%	-0.8%
Consumer Non-Durable	42.7%	-6.8%	49.5%	35.9%
Financials	17.8%	-9.6%	27.4%	8.2%
Gaming & Leisure	2.5%	-1.1%	3.6%	1.4%
Healthcare	3.8%	-1.5%	5.3%	2.3%
Industrial	0.0%	-2.3%	2.3%	-2.3%
Real Estate	0.0%	0.0%	0.0%	0.0%
Retail	11.6%	-11.1%	22.7%	0.5%
Tech, Media and Telecom	19.7%	-1.9%	21.6%	17.8%
Index	0.0%	-30.2%	30.2%	-30.2%

Manager Evaluation

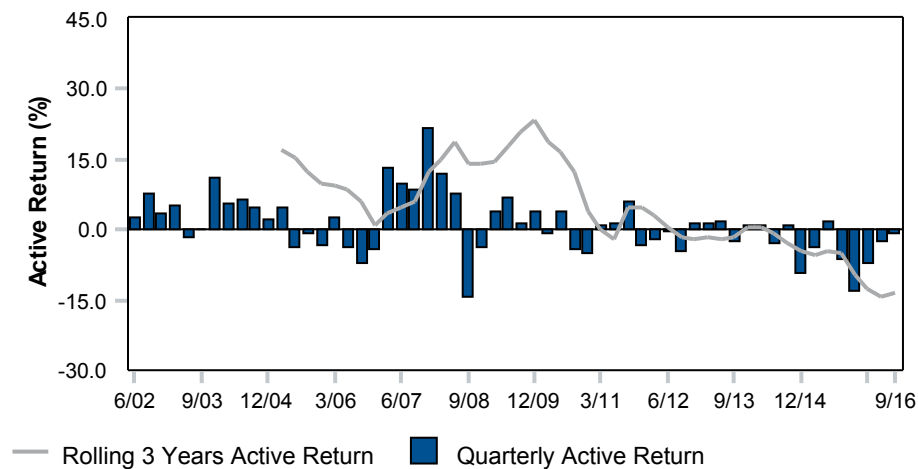
Luxor Capital Partners Offshore, Ltd. vs. HFRI Equity Hedge (Total) Index

As of September 30, 2016

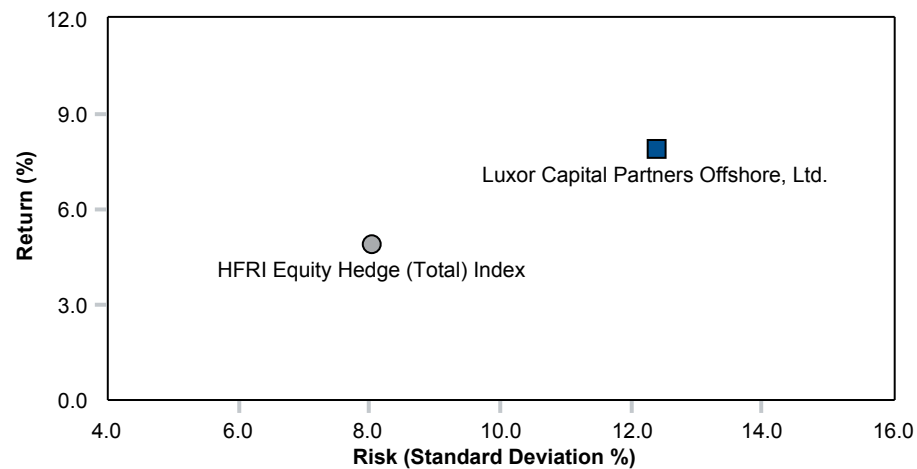
Historical Performance

	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.	3.7	-6.7	-17.2	-10.6	-4.7	4.1	-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	4.7	4.2	6.0	3.2	5.6	3.3	-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	3.0	0.4	-1.9	0.1	4.2	4.0	-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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Luxor Capital Partners Offshore, Ltd.	-4.7	11.0	-4.2	-10.8	1.3	-0.4	7.9	-1.2	9.8	35.0	14y 6m
HFRI Equity Hedge (Total) Index	5.6	6.2	5.6	0.0	1.0	0.9	0.0	N/A	3.6	0.0	14y 6m

Manager Evaluation

Luxor Capital Partners Offshore, Ltd.

As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$3.1 billion
Fund Assets	\$1.2 billion
Gross Exposure	326.0%
Net Exposure	-79.8%
Long Exposure	123.1%
Short Exposure ¹	-202.9%

Performance Attribution by Strategy

	Q3 Gross Attribution	YTD Gross Attribution
Equity	5.1%	-3.5%
Credit		
Bank Debt and Loans	0.3%	-0.9%
Investment Grade	-0.7%	-1.7%
High Yield	-0.5%	2.7%
Convertible Bonds	-0.1%	1.4%
Mortgage Backed Securities	0.0%	0.0%
Other	0.0%	0.0%
Commodity and FX Hedges	0.6%	0.0%

Regional Exposure

	Long	Short	Gross	Net
North America	75.8%	-65.7%	141.6%	10.1%
South America	0.0%	0.0%	0.0%	0.0%
Europe	31.3%	-36.0%	67.3%	-4.7%
Asia Pacific / Africa	15.7%	-78.5%	94.2%	-62.9%
Commodity	0.2%	-15.1%	15.3%	-14.8%

Industry Exposure

	Long	Short	Gross	Net
Internet	33.3%	-0.8%	34.1%	32.5%
Financial Services	14.4%	-0.6%	15.1%	13.8%
Real Estate/REITs	13.9%	-2.4%	16.3%	11.4%
Media	9.6%	-4.2%	13.8%	5.4%
Software and Technology	3.9%	-0.6%	4.5%	3.3%
Mining	2.9%	-0.1%	3.0%	2.9%
Retail	2.5%	-0.2%	2.7%	2.3%
Oil and Gas Services	7.2%	-5.6%	12.8%	1.7%
Healthcare and BioTech	4.2%	-2.7%	6.9%	1.6%
Lodging and Gaming	4.1%	-3.4%	7.4%	0.7%
Utilities	0.8%	-0.7%	1.5%	0.1%
Communications	0.0%	-0.5%	0.5%	-0.5%
Consumer Products	3.0%	-5.6%	8.6%	-2.5%
Chemicals	0.0%	-5.1%	5.1%	-5.1%
Industrial	12.1%	-17.4%	29.5%	-5.2%
Exploration and Production	9.4%	-16.1%	25.5%	-6.7%
Transportation	0.0%	-7.7%	7.7%	-7.7%
Sovereign	1.4%	-17.5%	18.9%	-16.1%
Index	0.1%	-104.1%	104.3%	-104.0%

¹ Short exposure includes short derivatives positions

Manager Evaluation

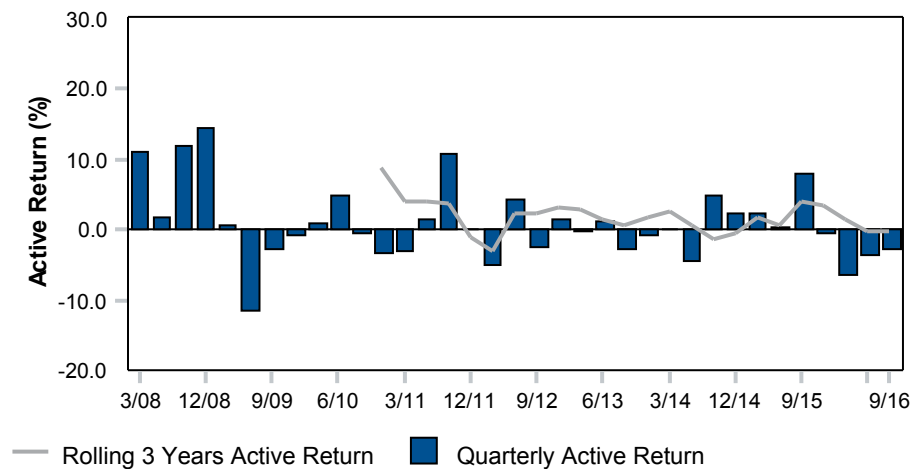
CapeView Azri Fund Limited vs. HFRI Equity Hedge (Total) Index

As of September 30, 2016

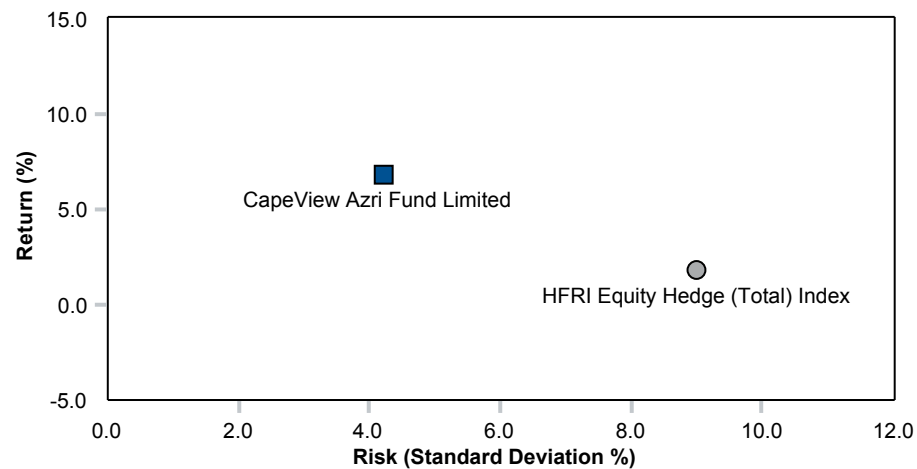
Historical Performance

	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	1.8	-8.7	-7.5	2.9	4.7	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	4.7	4.2	6.0	3.2	5.6	3.3	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI Europe Index	5.4	0.6	3.1	0.0	8.1	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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
CapeView Azri Fund Limited	4.7	5.6	4.7	3.3	0.3	0.8	7.0	-0.1	4.0	50.0	8y 11m
HFRI Equity Hedge (Total) Index	5.6	6.2	5.6	0.0	1.0	0.9	0.0	N/A	3.6	0.0	8y 11m

Manager Evaluation

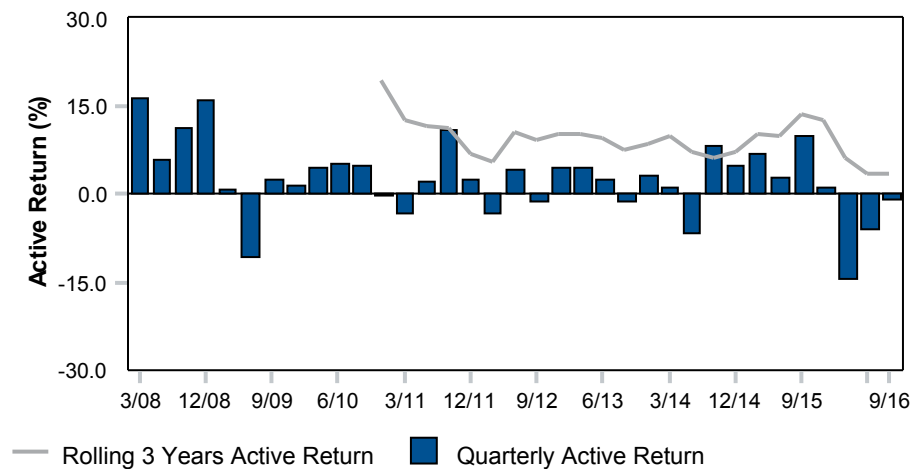
CapeView Azri 2X Fund vs. HFRI Equity Hedge (Total) Index

As of September 30, 2016

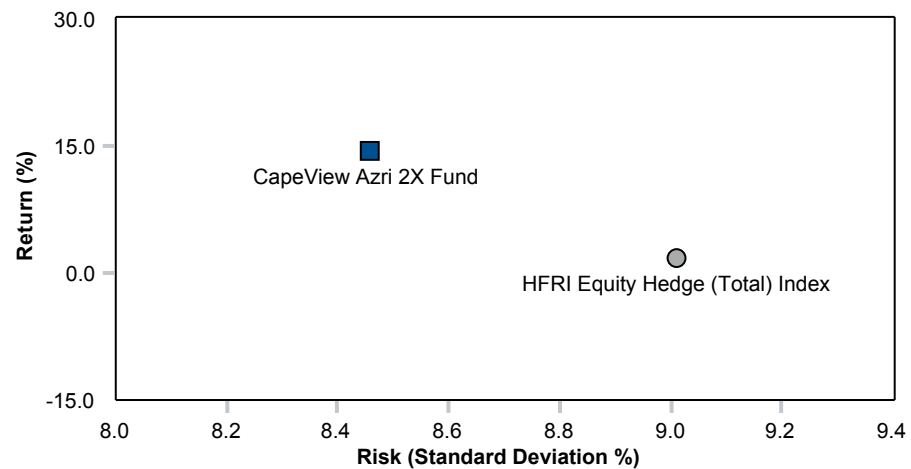
Historical Performance

	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	3.9	-16.8	-14.5	6.2	10.2	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	4.7	4.2	6.0	3.2	5.6	3.3	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI Europe Index	5.4	0.6	3.1	0.0	8.1	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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
CapeView Azri 2X Fund	10.2	11.2	10.4	7.5	0.6	0.9	11.0	0.4	7.8	65.0	8y 11m
HFRI Equity Hedge (Total) Index	5.6	6.2	5.6	0.0	1.0	0.9	0.0	N/A	3.6	0.0	8y 11m

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

Manager Evaluation

CapeView Azri Fund Limited

As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$1.7 billion
Fund Assets	\$1.3 billion
Gross Exposure	112.9%
Net Exposure	21.1%
Long Exposure	67.0%
Short Exposure	-45.9%

Regional Exposure

	Long	Short	Gross	Net
Belgium	0.0%	-0.5%	0.5%	-0.5%
Denmark	3.3%	-1.3%	4.6%	2.0%
Europe (Index)	2.8%	-5.7%	8.5%	-2.9%
Finland	0.9%	-0.4%	1.3%	0.5%
France	17.2%	-4.6%	21.8%	12.6%
Germany	7.5%	-2.6%	10.1%	4.9%
Ireland	1.7%	-1.0%	2.7%	0.7%
Italy	1%	-1%	1.5%	0.3%
Luxembourg	2.4%	-1.8%	4.2%	0.6%
Netherlands	7%	-2%	8.2%	4.8%
Spain	1%	-1%	1.7%	-0.5%
Sweden	0%	-2%	1.5%	-1.5%
Switzerland	3%	-4%	6.7%	-0.9%
United Kingdom	20%	-16%	35.3%	4.1%
United States	1%	-4%	4.4%	-8.1%

Industry Exposure

	Long	Short	Gross	Net
Basic Materials	6.6%	-5.0%	11.6%	1.6%
Commodity	0.0%	0.0%	0.0%	0.0%
Communications	2.6%	-2.7%	5.3%	-0.1%
Consumer, Cyclical	14.0%	-7.4%	21.4%	6.6%
Consumer, Non-cyclical	6.8%	-6.3%	13.1%	0.5%
Currency	0.0%	0.0%	0.0%	0.0%
Diversified	0.0%	0.0%	0.0%	0.0%
Energy	0.8%	-1.2%	2.0%	-0.4%
Financial	8.8%	-6.3%	15.1%	2.5%
Government	0.0%	0.0%	0.0%	0.0%
Index	5.5%	-7.0%	12.5%	-1.5%
Industrial	7.6%	-5.9%	13.5%	1.7%
Technology	11.6%	-1.6%	13.2%	10.0%
Utilities	2.7%	-2.5%	5.2%	0.2%

Manager Evaluation

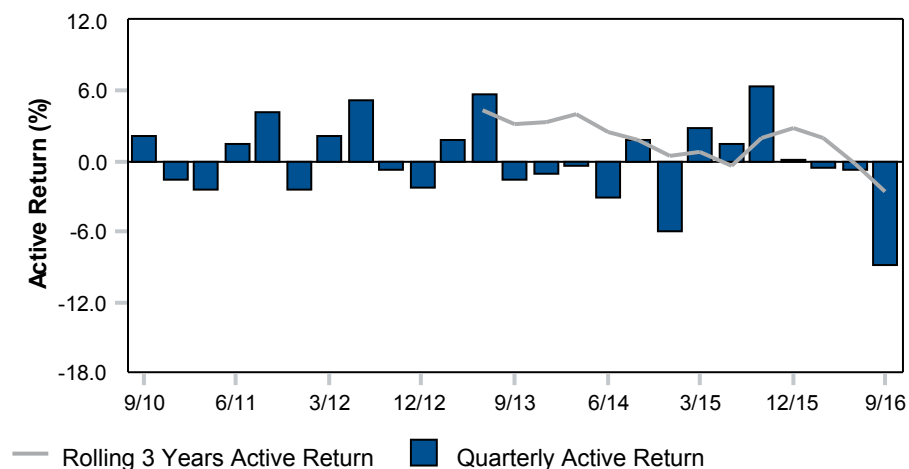
Passport Long Short Fund Ltd. (1x) vs. HFRI Equity Hedge (Total) Index

As of September 30, 2016

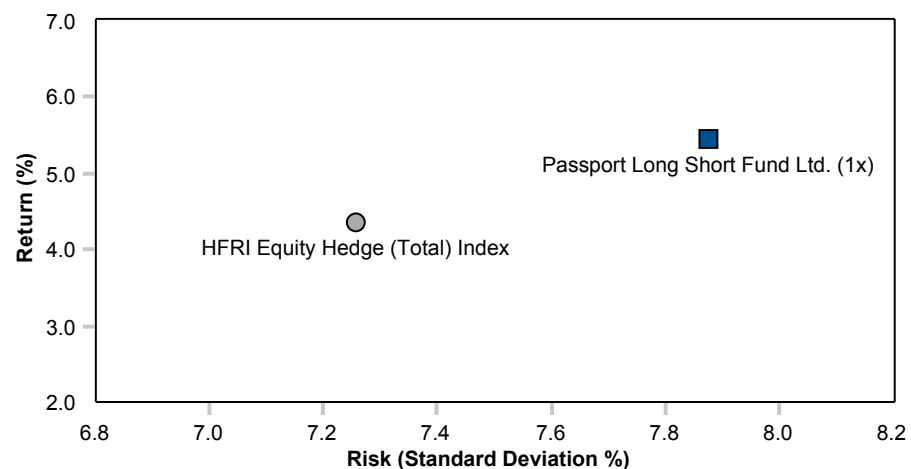
Historical Performance

	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)	-4.1	-5.7	-3.9	0.6	5.6	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	4.7	4.2	6.0	3.2	5.6	3.3	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI AC World Index	5.4	7.1	12.6	5.7	11.2	4.9	-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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-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)	5.6	7.0	5.7	3.2	0.5	0.8	7.3	0.0	3.5	45.0	6y 4m
HFRI Equity Hedge (Total) Index	5.6	6.2	5.6	0.0	1.0	0.9	0.0	N/A	3.6	0.0	6y 4m

Manager Evaluation

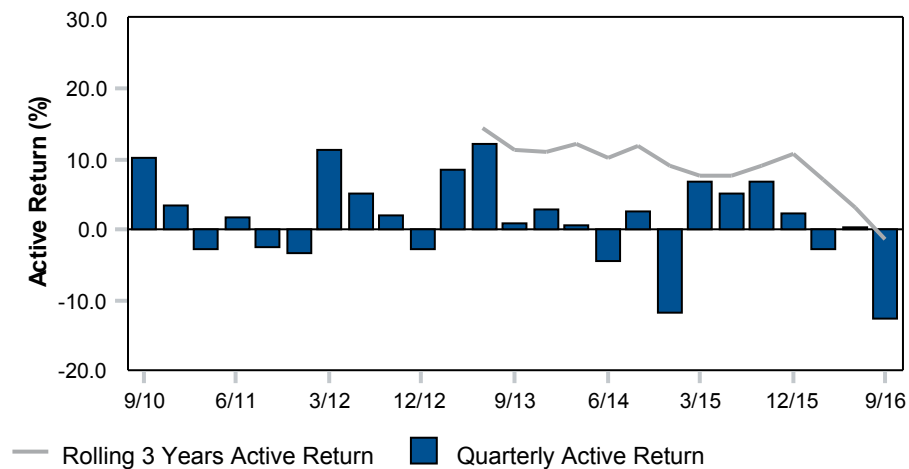
Passport Long Short Fund Ltd. (2x) vs. HFRI Equity Hedge (Total) Index

As of September 30, 2016

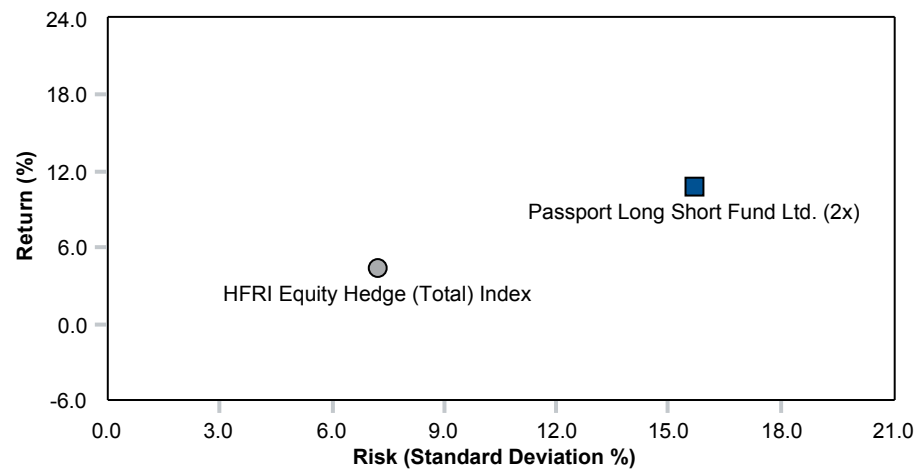
Historical Performance

	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)	-8.1	-10.8	-7.3	1.2	11.1	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	4.7	4.2	6.0	3.2	5.6	3.3	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI AC World Index	5.4	7.1	12.6	5.7	11.2	4.9	-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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-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)	11.1	14.0	11.6	6.6	0.9	0.8	12.9	0.5	6.8	70.0	6y 4m
HFRI Equity Hedge (Total) Index	5.6	6.2	5.6	0.0	1.0	0.9	0.0	N/A	3.6	0.0	6y 4m

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 September 30, 2016

Portfolio Characteristics

Firm Assets	\$3.9 billion
Fund Assets	\$1.0 billion
Gross Exposure	168.0%
Net Exposure	30.0%
Long Exposure	99.0%
Short Exposure	-69.0%

Performance Attribution by Industry

	Q3 Gross Attribution	YTD Gross Attribution
Consumer Discretionary	0.1%	0.7%
Internet / Technology	1.5%	1.6%
Basic Materials	-2.3%	-4.1%
Diversified	-0.9%	-0.7%
Consumer Staple	-0.3%	0.9%
Healthcare	-0.8%	0.4%
Industrial	0.5%	0.1%
Energy	0.3%	-0.2%
Utilities	-0.3%	0.5%
Middle East / North Africa	-0.5%	-1.0%
Financial	-0.8%	-2.4%
Telecom / FX	-0.2%	0.0%

Regional Exposure

	Long	Short	Gross	Net
United States	83.0%	-59.0%	143.0%	24.0%
Europe	6.0%	-7.0%	13.0%	-1.0%
Asia	3.0%	-2.0%	5.0%	1.0%
Canada	4.0%	0.0%	4.0%	4.0%
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	15.0%	-17.0%	32.0%	-2.0%
Internet / Technology	21.0%	-9.0%	30.0%	12.0%
Basic Materials	9.0%	-13.0%	22.0%	-4.0%
Diversified	11.0%	-7.0%	18.0%	4.0%
Consumer Staple	12.0%	-5.0%	17.0%	7.0%
Healthcare	10.0%	-5.0%	15.0%	5.0%
Industrial	5.0%	-5.0%	10.0%	0.0%
Financial	4.0%	-4.0%	8.0%	0.0%
Energy	5.0%	-2.0%	7.0%	3.0%
Utilities	4.0%	-2.0%	6.0%	2.0%
Middle East / North Africa	3.0%	0.0%	3.0%	3.0%
F/X	0.0%	0.0%	0.0%	0.0%

Manager Evaluation

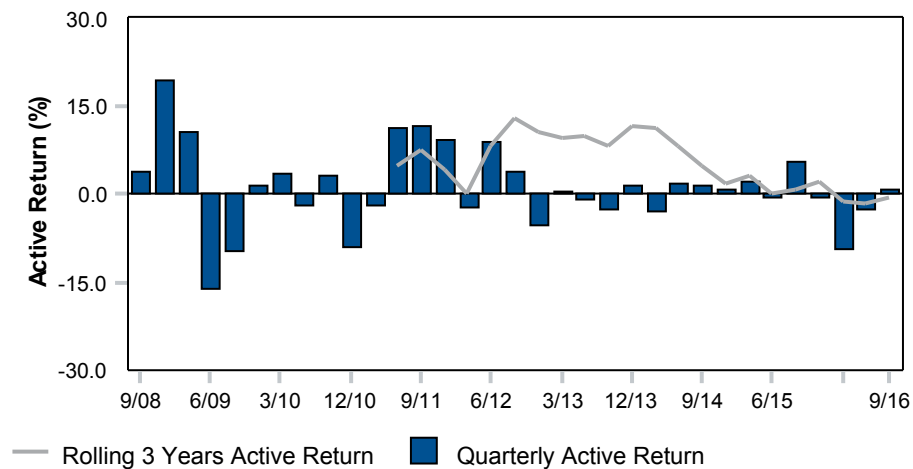
Bloom Tree Offshore Fund, Ltd. vs. HFRI Equity Hedge (Total) Index

As of September 30, 2016

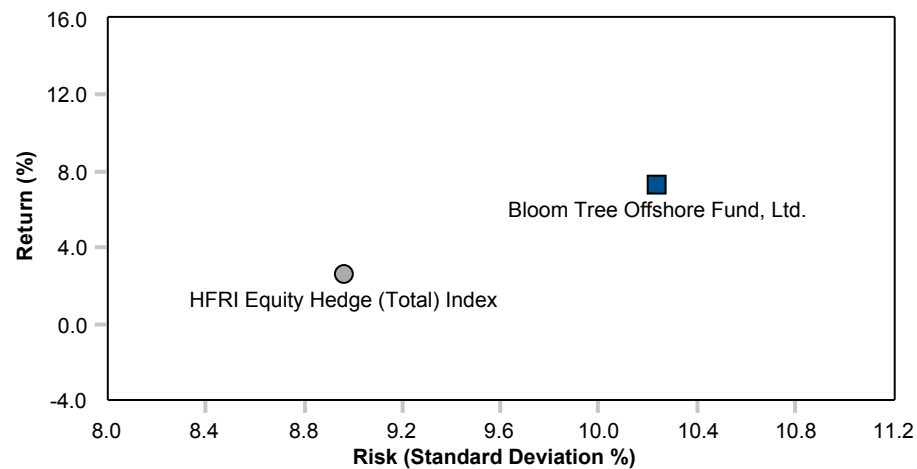
Historical Performance

	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.	5.5	-7.5	-6.3	2.4	7.7	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	4.7	4.2	6.0	3.2	5.6	3.3	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI AC World Index	5.4	7.1	12.6	5.7	11.2	4.9	-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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Bloom Tree Offshore Fund, Ltd.	7.7	9.2	7.8	4.3	0.6	0.8	8.6	0.3	5.3	55.0	8y 5m
HFRI Equity Hedge (Total) Index	5.6	6.2	5.6	0.0	1.0	0.9	0.0	N/A	3.6	0.0	8y 5m

Manager Evaluation

Bloom Tree Offshore Fund, Ltd.

As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$1.3 billion
Fund Assets	\$626 million
Gross Exposure	166.5%
Net Exposure	23.0%
Long Exposure	94.8%
Short Exposure	-71.6%

Performance Attribution by Industry

	YTD Gross Attribution
Business Services	0.0%
Consumer Discretionary	-0.2%
Consumer Staples	-0.4%
Energy	-3.9%
Financials	-0.2%
Health Care	-0.5%
Industrials	0.2%
Information Technology	-0.1%
LED	0.0%
Materials	0.6%
REIT	1.5%
Solar	0.0%
Telecommunication Services	-0.1%
Utilities	-0.8%
Other Assets	0.0%
Credit/Risk Arbitrage/Other	-1.0%

Industry Exposure

	Long	Short	Gross	Net
Business Services	0.0%	0.0%	0.0%	0.0%
Consumer Discretionary	16.0%	-13.1%	29.2%	2.9%
Consumer Staples	0.0%	-7.9%	7.9%	-7.9%
Energy	0.0%	-2.2%	2.2%	-2.2%
Financials	18.5%	-5.0%	23.5%	13.4%
Health Care	16.0%	-5.5%	21.5%	10.5%
Industrials	5.5%	-6.5%	12.0%	-1.0%
Information Technology	29.6%	-20.7%	50.3%	8.9%
LED	0.0%	0.0%	0.0%	0.0%
Materials	2.8%	-1.0%	3.8%	1.8%
REIT	1.0%	-1.0%	2.0%	0.0%
Solar	0.0%	0.0%	0.0%	0.0%
Telecommunication Services	1.5%	-4.9%	6.5%	-3.4%
Utilities	0.0%	0.0%	0.0%	0.0%
Other Assets	0.0%	0.0%	0.0%	0.0%
Credit/Risk Arbitrage/Other	0.0%	-2.9%	2.9%	-2.9%

Regional Exposure

	Long	Short	Gross	Net
Asia	4.5%	-6.3%	10.8%	-1.8%
Emerging Markets (Asia)	0.0%	-1.2%	1.2%	-1.2%
Emerging Markets (LatAm)	0.0%	0.0%	0.0%	0.0%
Europe	10.9%	-11.7%	22.6%	-0.8%
Japan	0.0%	-3.2%	3.2%	-3.2%
North America	79.5%	-44.1%	123.6%	35.4%
Pacific Ex Japan	0.0%	-1.9%	1.9%	-1.9%

Manager Evaluation

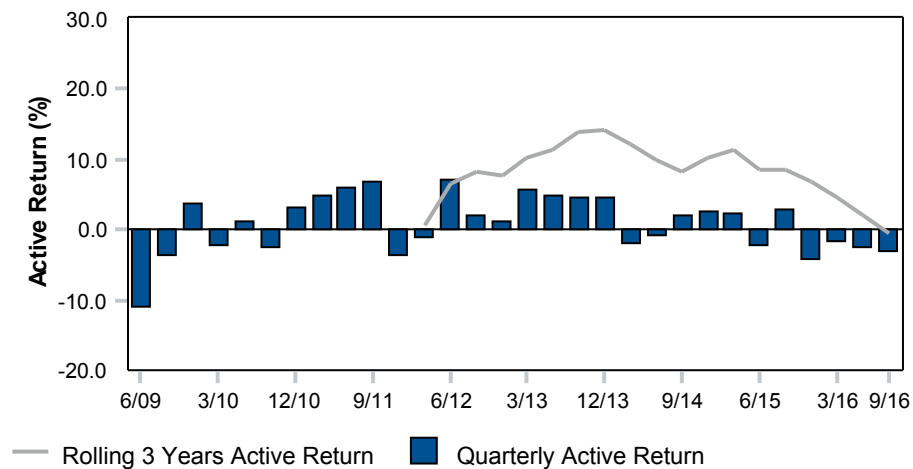
Tiger Eye Fund, Ltd. vs. HFRI Equity Hedge (Total) Index

As of September 30, 2016

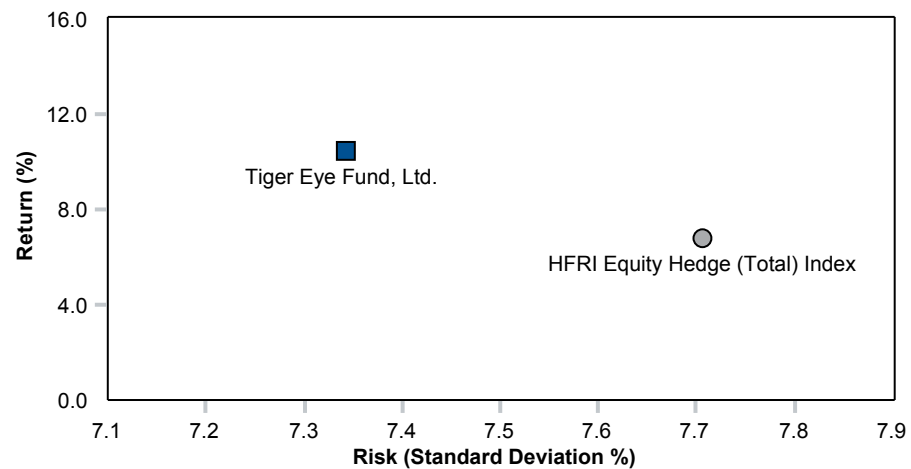
Historical Performance

	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.	1.6	-2.9	-5.2	2.6	9.5	N/A	-2.0	3.9	37.7	17.7	5.6	10.1	N/A	N/A	N/A	N/A
HFRI Equity Hedge (Total) Index	4.7	4.2	6.0	3.2	5.6	3.3	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
Russell 3000 Index	4.4	8.2	15.0	10.4	16.4	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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Tiger Eye Fund, Ltd.	9.5	8.1	9.4	5.1	0.8	1.2	6.6	0.6	2.6	55.0	7y 6m
HFRI Equity Hedge (Total) Index	5.6	6.2	5.6	0.0	1.0	0.9	0.0	N/A	3.6	0.0	7y 6m

Manager Evaluation

Tiger Eye Fund, Ltd.

As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$823 million
Strategy Assets	\$823 million
Gross Exposure	134.6%
Net Exposure	77.8%
Long Exposure	106.2%
Short Exposure	-28.4%

Performance Attribution by Industry

	Q3 Gross Attribution	YTD Gross Attribution
Consumer	0.3%	-0.3%
Energy	0.3%	1.0%
Financials	0.4%	-0.2%
Healthcare	-0.1%	-0.5%
Industrials	0.1%	-0.7%
Materials	-0.1%	0.0%
Real Estate & Lodging	-0.4%	-0.1%
TMT	1.2%	-1.3%
Other	0.0%	0.0%

Regional Exposure

	Long	Short	Gross	Net
US	100.8%	-27.7%	128.5%	73.1%
Europe	0.0%	-0.7%	0.7%	-0.7%
Asia	0.0%	-0.1%	0.1%	-0.1%
Canada	5.4%	0.0%	5.4%	5.4%
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	16.8%	-6.7%	23.5%	10.1%
Energy	22.5%	-3.3%	25.7%	19.2%
Financials	11.9%	-2.1%	14.0%	9.8%
Healthcare	0.0%	-2.4%	2.4%	-2.4%
Industrials	12.3%	-3.1%	15.3%	9.2%
Materials	1.4%	-0.5%	1.8%	0.9%
Real Estate & Lodging	7.9%	-3.7%	11.5%	4.2%
TMT	33.6%	-6.9%	40.5%	26.7%
Other	0.0%	0.0%	0.0%	0.0%

Manager Evaluation

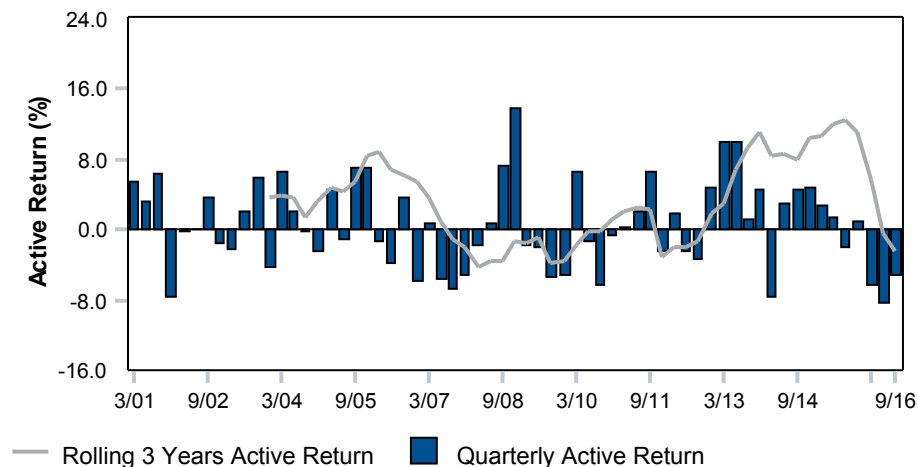
Indus Japan Fund, Ltd. vs. HFRI Equity Hedge (Total) Index

As of September 30, 2016

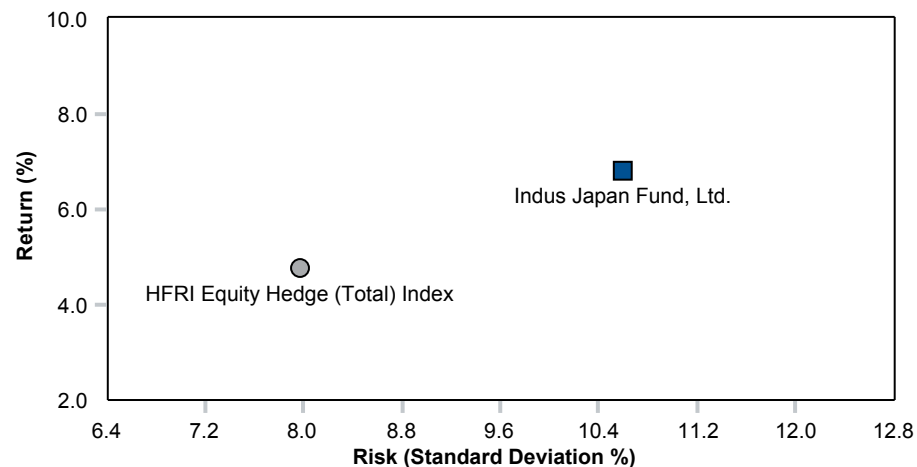
Historical Performance

	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.	-0.4	-14.8	-12.5	0.2	7.5	3.5	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	4.7	4.2	6.0	3.2	5.6	3.3	-1.0	1.8	14.3	7.4	-8.4	10.5	24.6	-26.7	10.5	11.7
MSCI Japan Index	8.8	2.9	12.5	3.7	7.6	1.2	9.9	-3.7	27.3	8.4	-14.2	15.6	6.4	-29.1	-4.1	6.3

Comparative Performance and Rolling Return



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



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Indus Japan Fund, Ltd.	7.5	13.0	8.1	0.6	1.3	0.6	10.2	0.2	7.4	60.0	15y 10m
HFRI Equity Hedge (Total) Index	5.6	6.2	5.6	0.0	1.0	0.9	0.0	N/A	3.6	0.0	15y 10m

Manager Evaluation

Indus Japan Fund, Ltd.

As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$5.7 billion
Fund Assets	\$1.0 billion
Gross Exposure	123.0%
Net Exposure	43.0%
Long Exposure	83.0%
Short Exposure	-40.0%

Regional Exposure

	Long	Short	Gross	Net
Japan	80.5%	-40.1%	120.6%	40.4%
North America	1.7%	0.0%	1.7%	1.7%

Industry Exposure

	Long	Short	Gross	Net
Cyclicals	20.3%	-5.8%	26.1%	14.5%
Consumer	17.2%	-12.0%	29.2%	5.2%
Technology	13.4%	-4.8%	18.2%	8.6%
Real Estate & Construction	13.2%	-1.4%	14.6%	11.8%
Telecoms/Media	5.7%	-0.9%	6.6%	4.8%
Banks	4.7%	-0.1%	4.8%	4.6%
Pharmaceuticals/Healthcare	4.0%	-1.5%	5.5%	2.5%
Finance	2.4%	-0.5%	2.9%	1.9%
Autos & Auto Parts	1.5%	0.0%	1.5%	1.5%
Diversified	0.2%	-11.4%	11.6%	-11.2%
Transportation	0.0%	-1.7%	1.7%	-1.7%

Manager Evaluation

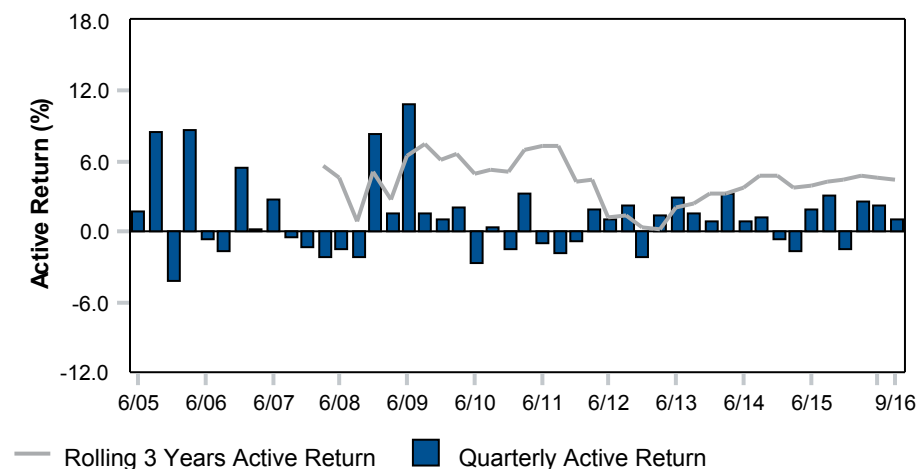
DK Distressed Opportunities International (Cayman) Ltd. vs. HFRI ED: Distressed/Restructuring Index

As of September 30, 2016

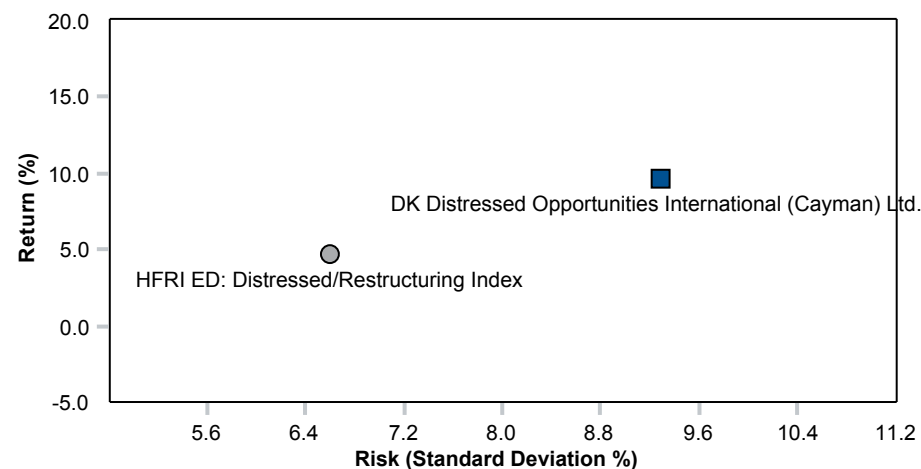
Historical Performance

	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.	6.3	15.2	9.7	5.4	9.4	8.2	-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	5.3	8.9	5.3	1.0	4.9	3.8	-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	5.3	14.5	13.5	5.0	8.6	7.9	-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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-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.	9.4	7.4	9.2	4.2	1.0	1.2	3.1	1.4	3.2	75.0	11y 6m
HFRI ED: Distressed/Restructuring Index	4.9	6.5	4.9	0.0	1.0	0.8	0.0	N/A	3.7	0.0	11y 6m

Manager Evaluation

Davidson Kempner Distressed Opportunities International (Cayman) Ltd.

As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$26.5 billion
Fund Assets	\$1.3 billion
Gross Exposure	83.4%
Net Exposure	75.8%
Long Exposure	79.6%
Short Exposure	-3.8%

Largest Fund Positions (as of June 30, 2016)

Longs		Shorts	
Lehman Brothers	6.1%	Building Material Hedge	-1.5%
MGM Studios	5.7%	Materials #8	-0.4%
Building Materials	3.8%	US Energy #6	-0.4%
Eircom	3.5%	Materials #9	-0.3%
Structured Products #4	2.7%	US Consumer #5	-0.3%
Largest 5 Total	21.9%	Largest 5 Total	-2.9%
Largest 10 Total	32.0%		
Number of Longs	148	Number of Shorts	23

Regional Exposure

	Long	Short	Gross	Net
North America	47.1%	-3.6%	50.7%	43.5%
Europe	22.6%	-0.2%	22.8%	22.4%
Asia Pacific/Middle East	9.5%	0.0%	9.5%	9.5%
Other	0.4%	0.0%	0.4%	0.4%

Asset Class Exposure

	Long	Short	Gross	Net
Corporate Credit	33.3%	-1.8%	35.1%	31.5%
Corporate Equity	13.9%	-1.9%	15.8%	12.0%
Liquidations	15.8%	0.0%	15.8%	15.8%
Real Estate	2.7%	0.0%	2.7%	2.7%
Sovereign Credit	0.6%	0.0%	0.6%	0.6%
Structured Credit	11.7%	0.0%	11.7%	11.7%
Other	1.5%	0.0%	1.5%	1.5%

Manager Evaluation

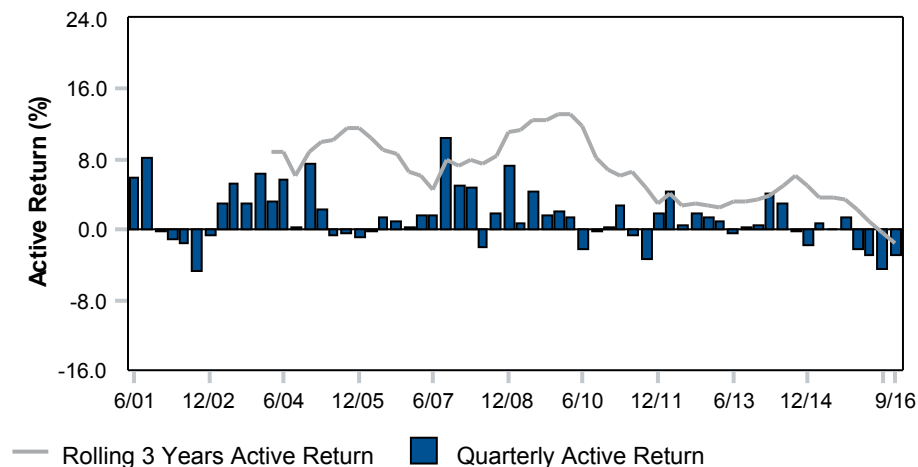
York Credit Opportunities Unit Trust vs. HFRI ED: Distressed/Restructuring Index

As of September 30, 2016

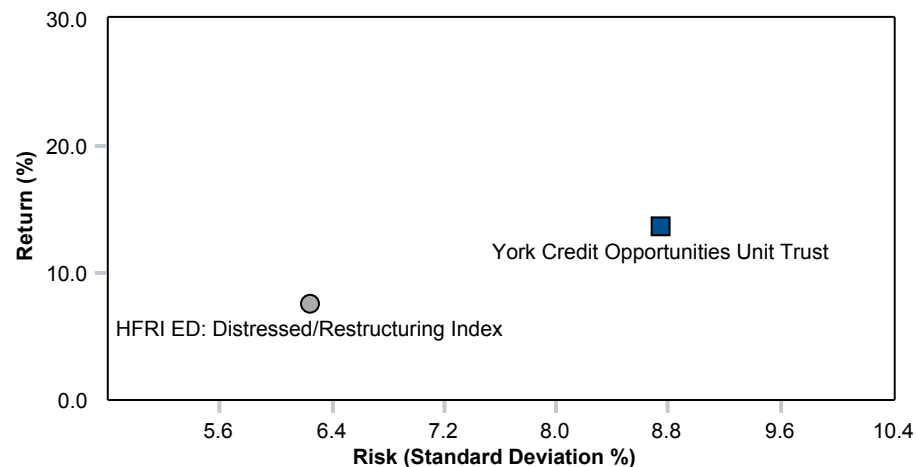
Historical Performance

	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	2.4	-1.6	-6.9	-0.6	6.1	8.3	-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	5.3	8.9	5.3	1.0	4.9	3.8	-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	5.3	14.5	13.5	5.0	8.6	7.9	-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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
York Credit Opportunities Unit Trust	6.1	8.6	6.2	0.6	1.1	0.7	4.5	0.3	4.7	65.0	15y 8m
HFRI ED: Distressed/Restructuring Index	4.9	6.5	4.9	0.0	1.0	0.8	0.0	N/A	3.7	0.0	15y 8m

Manager Evaluation

York Credit Opportunities Unit Trust

As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$17.1 billion
Fund Assets	\$2.2 billion
Gross Exposure	109.3%
Net Exposure	67.9%
Long Exposure	88.6%
Short Exposure	-20.7%

Regional Exposure

	Long	Short	Gross	Net
North America	35.6%	-10.0%	45.6%	25.6%
Europe	32.3%	-7.8%	40.1%	24.5%
Asia / Australia	12.5%	-0.9%	13.4%	11.6%
Other Regions	7.5%	-2.0%	9.5%	5.5%

Largest Positions

Longs		Shorts	
TXU	5.2%	Utilities - Bonds	-1.0%
Greece	4.9%	Materials - Bonds	-0.7%
Shelf Drilling	4.7%	Materials - CDS	-0.6%
Lehman Brothers	3.9%	Consumer Disc - Bonds	-0.6%
GenOn Energy Inc	3.1%	Consumer Disc - CDS	-0.5%
Largest 5 Total	21.7%	Largest 5 Total	-3.5%
Number of Long Positions	68	Number of Short Positions	21

Strategy Exposure

	Long	Short	Gross	Net
Public Equity	4.9%	-2.0%	6.9%	2.9%
Options & Futures	0.0%	-0.1%	0.1%	-0.1%
Bank Debt	10.4%	0.0%	10.4%	10.4%
Bonds	43.9%	-10.1%	54.0%	33.8%
CDS	1.6%	-8.5%	10.1%	-6.9%
Asset Banked	1.1%	0.0%	1.1%	1.1%
Non-Public Equity	26.8%	0.0%	26.8%	26.8%

Manager Evaluation

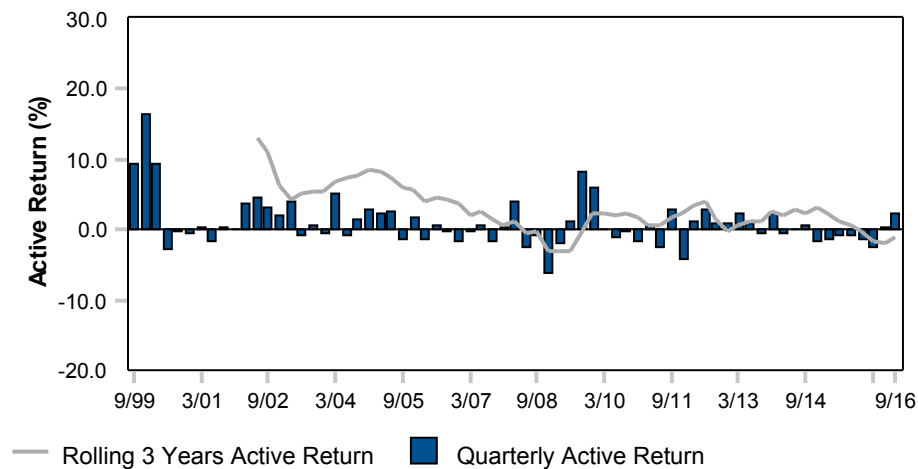
Marathon Special Opportunity Fund Ltd. vs. HFRI ED: Distressed/Restructuring Index

As of September 30, 2016

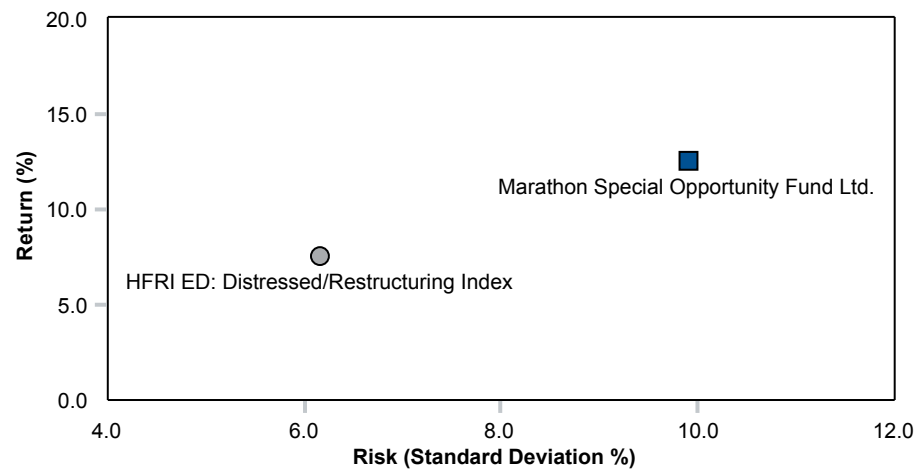
Historical Performance

	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.	7.5	8.8	3.7	-0.2	5.0	3.9	-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	5.3	8.9	5.3	1.0	4.9	3.8	-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	5.3	14.5	13.5	5.0	8.6	7.9	-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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Marathon Special Opportunity Fund Ltd.	5.0	8.5	5.1	-0.8	1.2	0.6	3.5	0.1	4.8	55.0	17y 5m
HFRI ED: Distressed/Restructuring Index	4.9	6.5	4.9	0.0	1.0	0.8	0.0	N/A	3.7	0.0	17y 5m

Manager Evaluation

Marathon Special Opportunity Fund Ltd.

As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$13.0 billion
Fund Assets	\$1.1 billion
Gross Exposure	160.4%
Net Exposure	42.2%
Long Exposure	101.3%
Short Exposure	-59.1%

Largest Positions (% of NAV)

Longs		Shorts	
Puerto Rico Electric Power	7.9%	iShares iBoxx \$ High Yield	-11.1%
San Jose	6.0%	S&P 500	-4.4%
Caesar's Entertainment Op Co	5.0%	MARKIT CDX.EM Index	-4.2%
Canada Government	4.1%	iShares Russell 2000 Index	-3.5%
Arch Coal	3.4%	Royal Bank of Canada	-2.4%
Largest 5 Total	26.4%	Largest 5 Total	-25.6%

Regional Exposure

	Long	Short	Gross	Net
North America	76.7%	47.6%	124.3%	29.1%
Europe	17.3%	1.3%	18.5%	16.0%
Latin America	3.7%	8.0%	11.7%	-4.3%
Asia	1.8%	1.7%	3.4%	0.1%
Other	2.0%	0.6%	2.5%	1.4%

Exposure by Theme

	Long	Short	Gross	Net
Banks	1.2%	0.7%	1.9%	0.5%
Distressed	46.6%	1.3%	47.9%	45.3%
EM	8.5%	11.7%	20.2%	-3.2%
Equity	4.5%	18.9%	23.3%	-14.4%
European	0.0%	0.0%	0.0%	0.0%
Fund	5.0%	0.0%	5.0%	5.0%
HY Long	19.2%	2.7%	21.9%	16.4%
HY Pairs	2.3%	3.8%	6.1%	-1.5%
HY Short	0.9%	10.8%	11.7%	-9.9%
Loan	1.8%	0.0%	1.8%	1.8%
Low Beta Long	2%	1%	2.6%	0.7%
Low Beta Short	6%	8%	14.5%	-1.5%
Other	3%	0%	3.5%	2.8%

Manager Evaluation

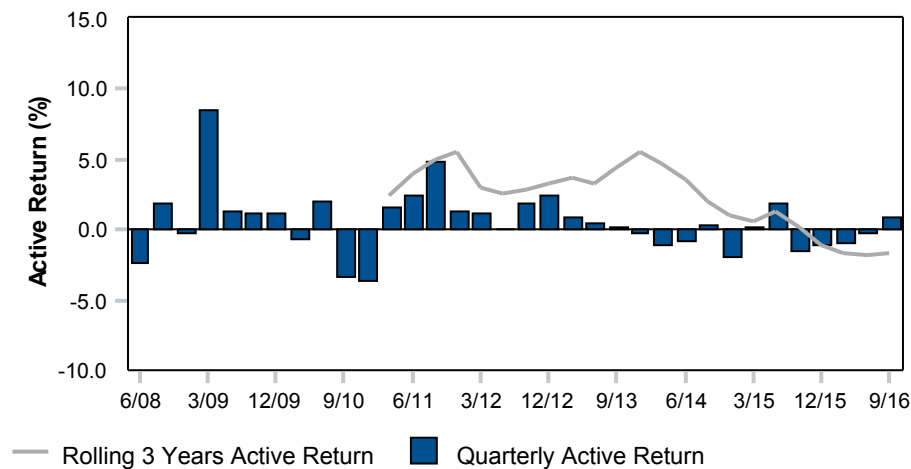
Brevan Howard Multi-Strategy Fund Limited vs. HFRI Macro (Total) Index

As of September 30, 2016

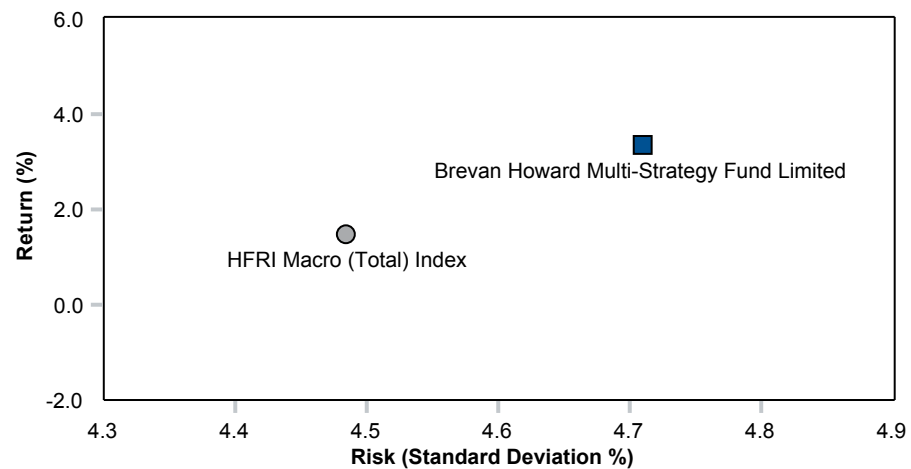
Historical Performance

	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	-0.3	1.4	0.2	0.9	1.3	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	-1.1	1.7	1.5	2.6	0.7	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	0.6	-1.0	-0.4	1.7	2.3	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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-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	1.3	3.5	1.3	0.8	0.8	0.4	2.3	0.3	2.0	55.0	8y 7m
HFRI Macro (Total) Index	0.7	3.5	0.7	0.0	1.0	0.2	0.0	N/A	2.3	0.0	8y 7m

Manager Evaluation

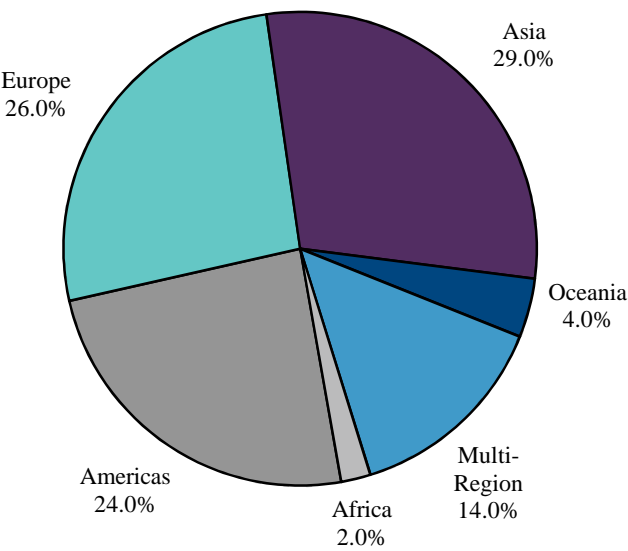
Brevan Howard Multi-Strategy Fund Limited

As of September 30, 2016

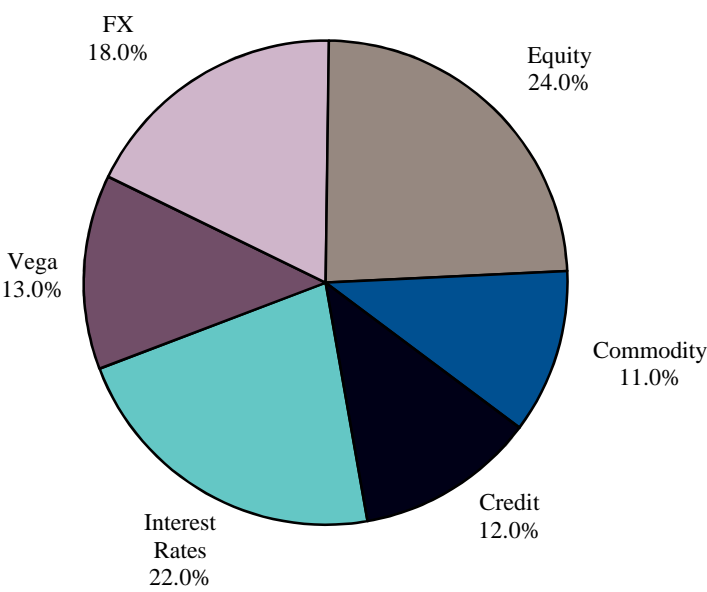
Portfolio Characteristics	
Firm Assets	\$17.3 billion
Fund Assets	\$1.7 billion
	VaR
Brevan Howard Multi-Strategy Master Fund Limited (% NAV)	0.19%
Brevan Howard Master Fund Limited	0.23%
Brevan Howard Asia Master Fund Limited	0.25%
BH-DG Systematic Trading Master Fund Limited	1.30%
Direct Investment Portfolio	0.29%

Holding Breakdown		Q1 (% NAV)	Q2 (% NAV)	Q3 (% NAV)
Brevan Howard Master Fund Limited		39.4%	31.7%	30.5%
Brevan Howard Asia Master Fund Limited		11.9%	10.1%	8.9%
BH-DG Systematic Trading Master Fund Limited		8.9%	7.7%	9.0%
Direct Investment Portfolio and Treasury		39.8%	50.5%	51.7%

Regional Exposure



Strategy Exposure



Manager Evaluation

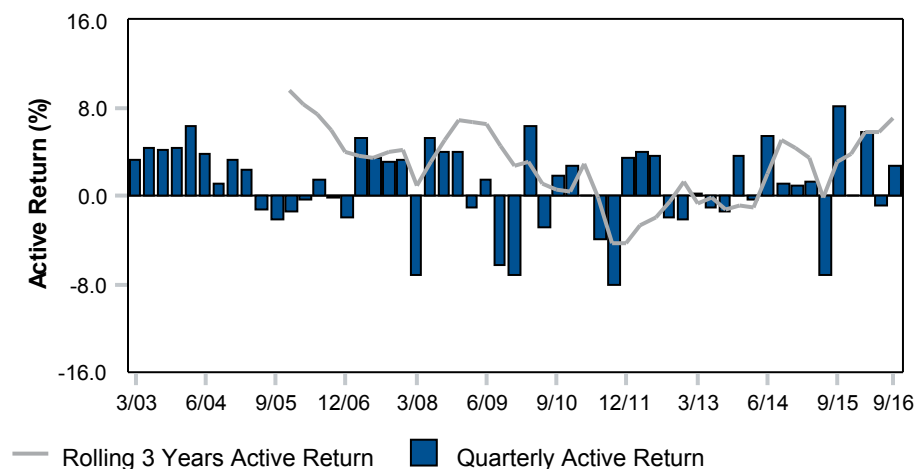
BP Transtrend Diversified Fund LLC vs. HFRI Macro: Systematic Diversified Index

As of September 30, 2016

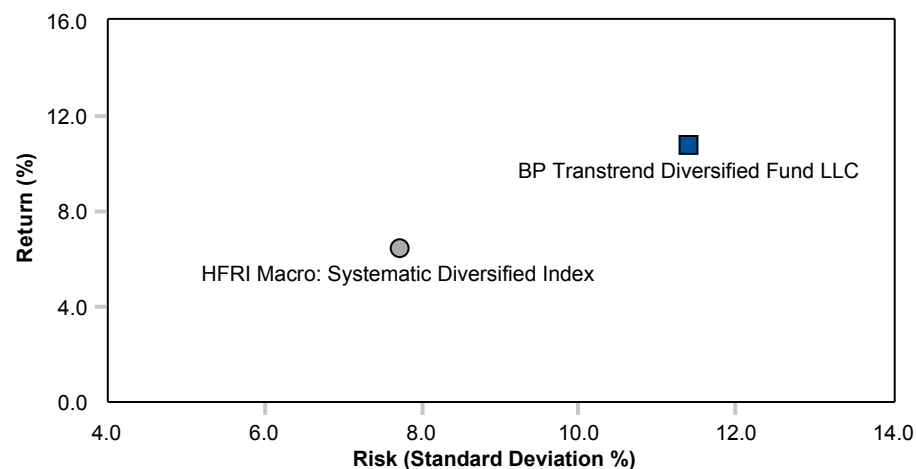
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
BP Transtrend Diversified Fund LLC	0.0	9.0	8.0	11.0	5.5	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	-2.8	1.0	-0.1	4.0	0.3	4.5	-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	-3.2	-1.3	-2.3	6.8	1.0	4.1	-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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
BP Transtrend Diversified Fund LLC	5.5	10.8	5.9	5.3	1.5	0.5	6.7	0.8	6.8	65.0	13y 9m
HFRI Macro: Systematic Diversified Index	0.3	6.0	0.4	0.0	1.0	0.1	0.0	N/A	4.0	0.0	13y 9m

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

Manager Evaluation

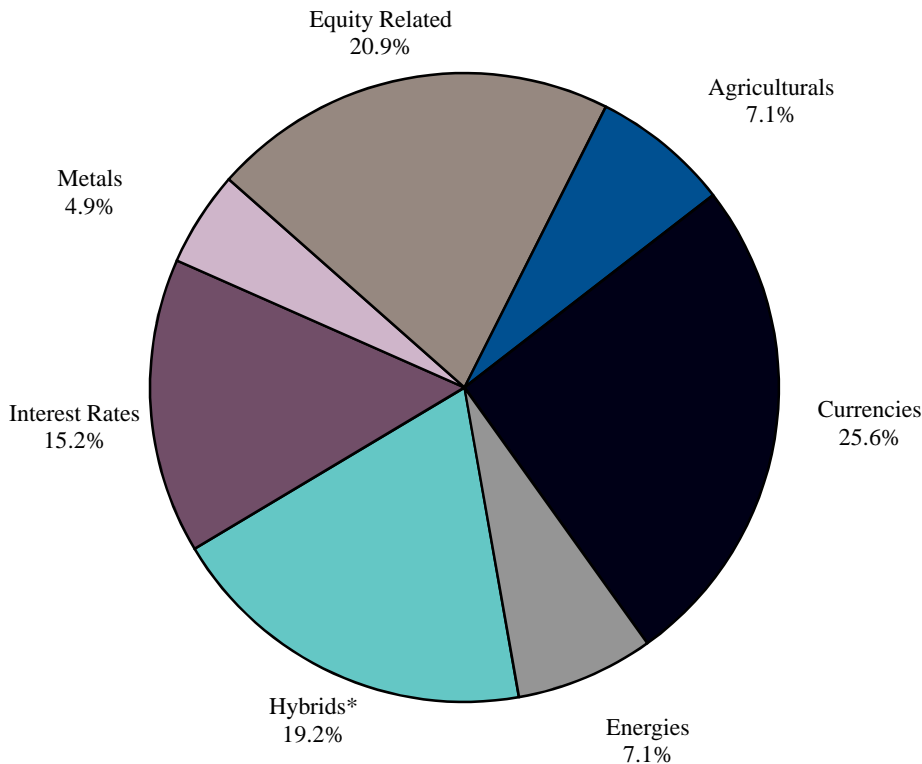
BP Transtrend Diversified Fund LLC

As of September 30, 2016

Portfolio Characteristics		Attribution by Strategy	
Firm Assets ¹	\$5.8 billion		YTD Gross Attribution
Fund Assets	\$557 million		
Margin / Net Assets	33.8%	Commodities	-4.6%
Diversified VaR	2.4%	Currencies	4.3%
		Interest Rates	13.9%
		Equity Related	1.0%

¹ Applicable to Transtrend, including notional funds

Strategy Exposure (Risk Allocation)



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

Manager Evaluation

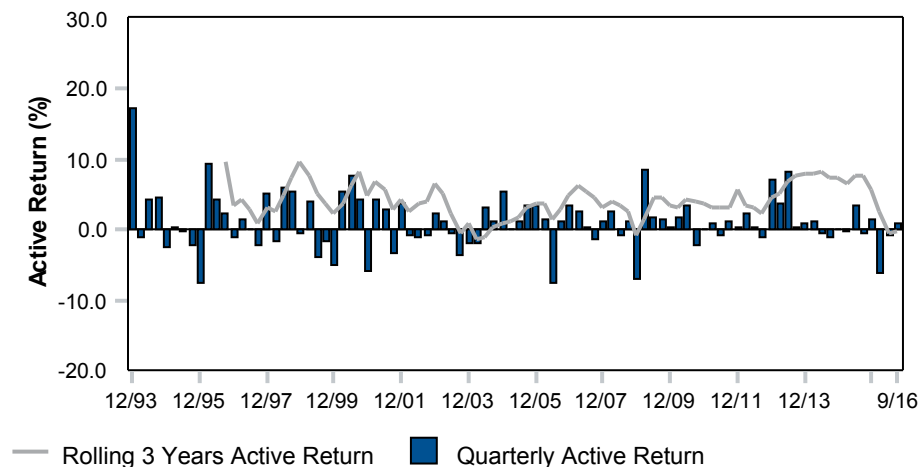
Moore Macro Managers Fund, Ltd. vs. HFRI Macro (Total) Index

As of September 30, 2016

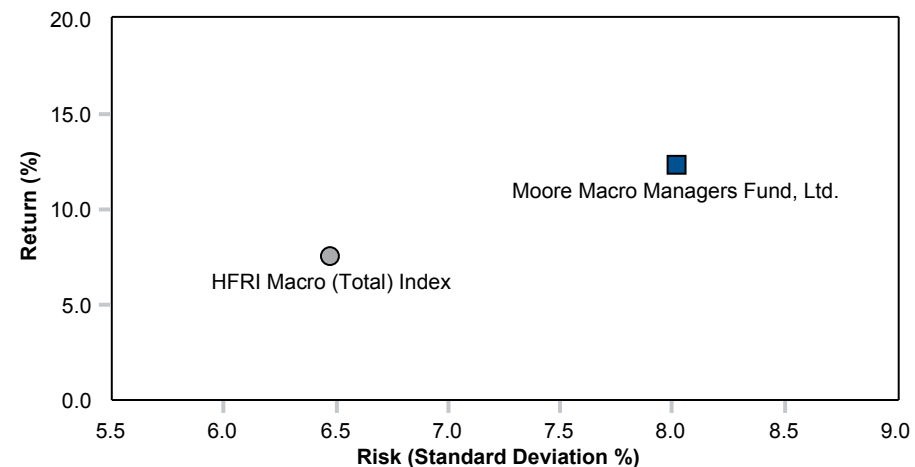
Historical Performance

	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.	-0.2	-4.4	-3.2	2.2	4.8	7.3	3.1	5.4	13.4	8.9	-2.6	11.6	17.1	0.4	14.4	6.2
HFRI Macro (Total) Index	-1.1	1.7	1.5	2.6	0.7	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	0.6	-1.0	-0.4	1.7	2.3	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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Moore Macro Managers Fund, Ltd.	4.8	5.3	4.8	4.8	0.2	0.9	6.0	0.7	2.4	65.0	23y 2m
HFRI Macro (Total) Index	0.7	3.5	0.7	0.0	1.0	0.2	0.0	N/A	2.3	0.0	23y 2m

Manager Evaluation

Moore Macro Managers Fund, Ltd.

As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$11.6 billion
Fund Assets	\$5.8 billion

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

Fixed Income (Developed Markets)	0.21%
Credit and Developing Market Rates	0.08%
Equities - Developed Markets	0.05%
Equities - Developing Markets	0.02%
Currencies (vs. USD)	0.03%
Commodities	0.04%
Other Products	0.00%

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

U.S. and Canada	0.16%
Developed Europe	0.09%
Developed Asia	0.04%
Developing Asia	0.02%
Latin America	0.06%
Eastern Europe / Developing Europe	0.04%
Other / Multi-Regional / Commodities	0.04%

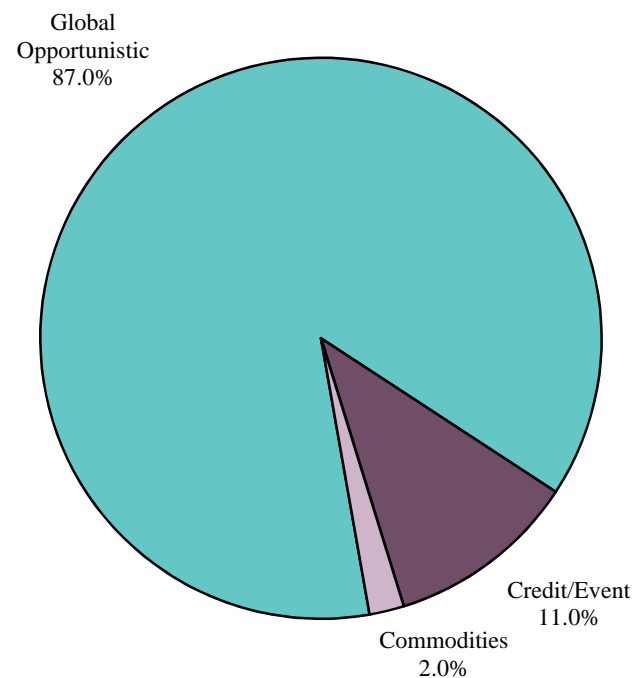
Aggregate Portfolio Risk (Undiversified) 0.41%

Aggregate Portfolio Risk (Diversified) 0.24%

Attribution by Strategy (Gross)

	Q3	YTD
Global Opportunistic	-0.3%	-1.9%
Credit/Event	0.5%	0.4%
Commodities	0.0%	-1.1%
Other	0.0%	0.0%

Strategy Exposure (% of Notional)



Manager Evaluation

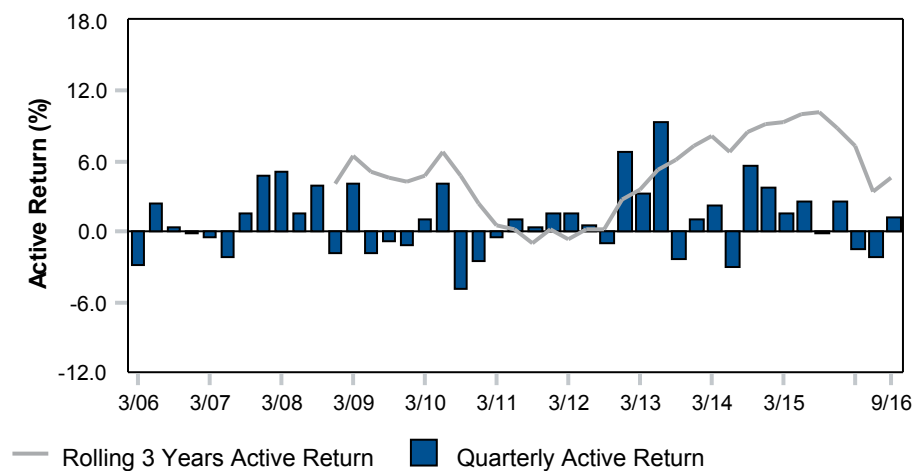
Stone Milliner Macro Fund Inc. vs. HFRI Macro (Total) Index

As of September 30, 2016

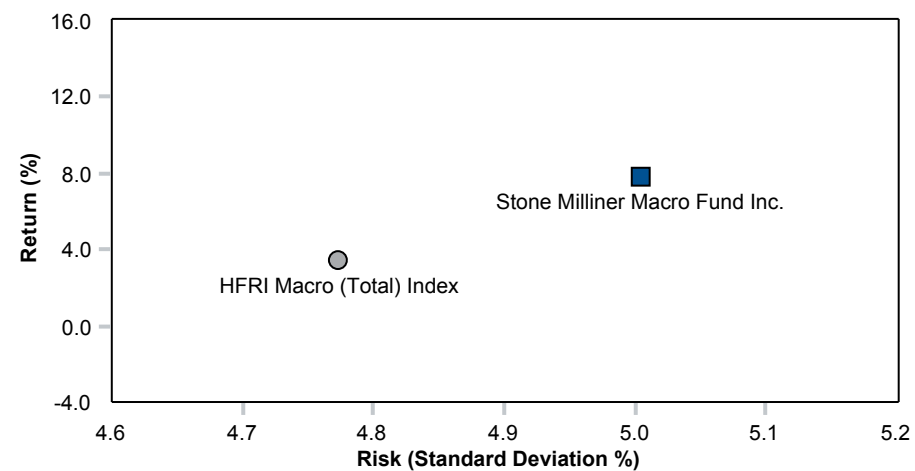
Historical Performance

	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.	0.2	-0.7	1.8	7.3	7.5	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	-1.1	1.7	1.5	2.6	0.7	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	0.6	-1.0	-0.4	1.7	2.3	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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Stone Milliner Macro Fund Inc.	7.5	6.3	7.5	7.2	0.6	1.2	6.1	1.1	2.0	70.0	10y 9m
HFRI Macro (Total) Index	0.7	3.5	0.7	0.0	1.0	0.2	0.0	N/A	2.3	0.0	10y 9m

Manager Evaluation

Stone Milliner Macro Fund Inc.

As of September 30, 2016

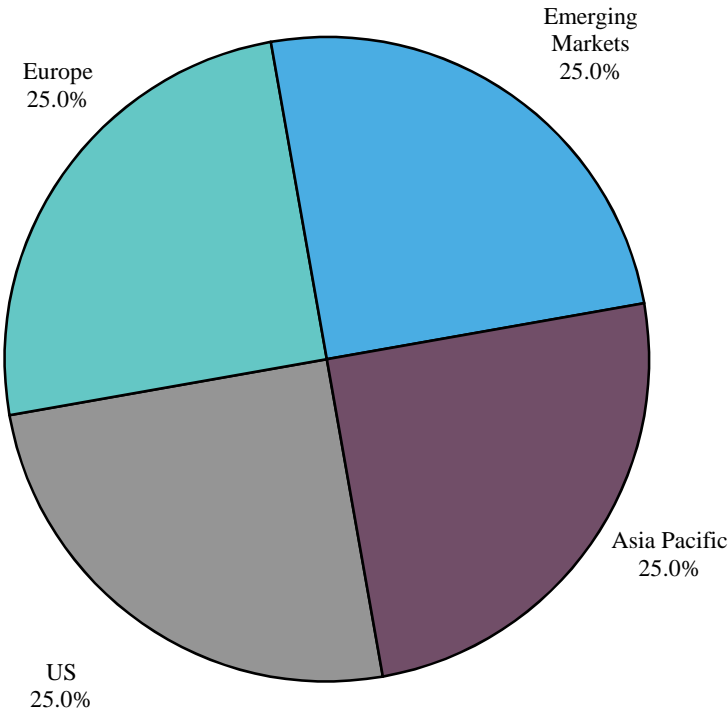
Portfolio Characteristics

Firm Assets	\$5.7 billion
Fund Assets	\$4.1 billion

Attribution by Strategy - Q3

	Gross Attribution
FX	0.4%
Fixed Income / Interest Rates	0.1%
Equities	0.0%
Commodities	-0.1%

Strategy Exposure



Manager Evaluation

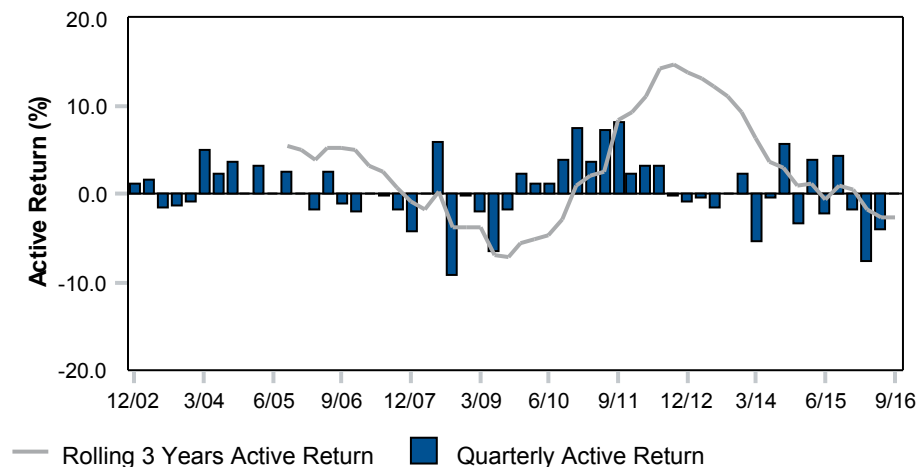
(BlackRock) The 32 Capital Fund, Ltd. vs. HFRI EH: Equity Market Neutral Index

As of September 30, 2016

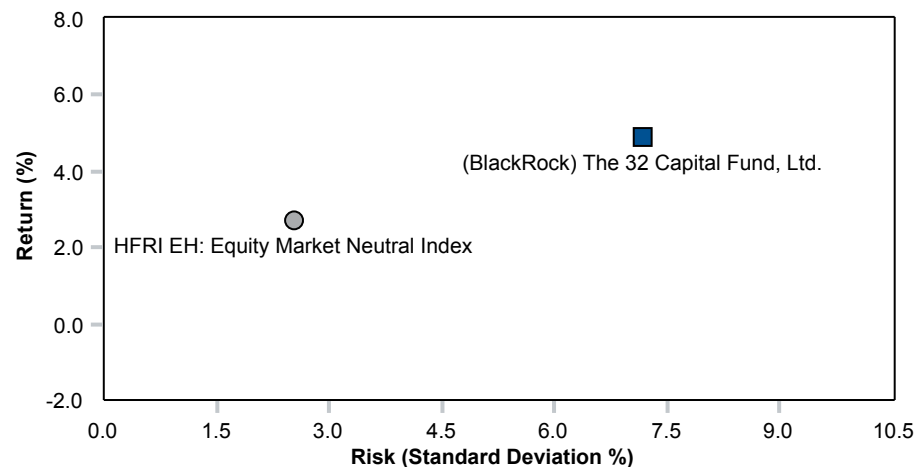
Historical Performance

	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
(BlackRock) The 32 Capital Fund, Ltd.	1.0	-10.1	-10.6	0.7	3.4	3.1	8.6	-0.3	7.1	8.9	21.1	17.7	-6.2	-10.1	-0.9	5.0
HFRI EH: Equity Market Neutral Index	0.8	1.0	2.1	3.6	3.9	2.1	4.3	3.1	6.5	3.0	-2.1	2.9	1.4	-5.9	5.3	7.3
Dow Jones Credit Suisse Equity Market Neutral	1.6	-2.0	-2.0	1.2	2.1	-2.5	1.7	-1.2	9.3	0.8	4.5	-0.8	4.1	-40.3	9.3	11.2

Comparative Performance and Rolling Return



Risk and Return (Aug-2002 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
(BlackRock) The 32 Capital Fund, Ltd.	3.4	7.1	3.6	-3.0	1.7	0.5	6.7	0.0	4.3	45.0	14y 2m
HFRI EH: Equity Market Neutral Index	3.9	1.5	3.8	0.0	1.0	2.5	0.0	N/A	0.4	0.0	14y 2m

Manager Evaluation

(BlackRock) The 32 Capital Fund, Ltd.

As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$5.1 trillion
Fund Assets	\$722 million
Gross Exposure	660.0%
Net Exposure	0.0%
Long Exposure	330.0%
Short Exposure	-330.0%
Number of long positions	4,319
Number of short positions	3,658

Capital Allocation by Segment (% of NAV)

Global Small Cap	30.0%
Mid Horizon	25.0%
Emerging Markets	21.0%
Global Large Cap	24.0%

Performance Attribution by Segment

	Q3 Gross Attribution	YTD Gross Attribution
Global Small Cap	-1.0%	-3.1%
Mid Horizon	0.6%	-1.0%
Emerging Markets	0.4%	-0.2%
Global Large Cap	0.3%	-5.9%

Regional Exposure*

	Long	Short	Gross	Net
North America	126.8%	-134.6%	261.4%	-7.8%
Europe	75.0%	-67.0%	142.0%	8.0%
Asia and Oceania	87.6%	-73.0%	160.6%	14.6%
South America and Africa	8.8%	-9.5%	18.3%	-0.7%
Other	0.2%	-0.2%	0.4%	0.0%

Sector Exposure*

	Long	Short	Gross	Net
Materials	21.8%	-18.3%	40.1%	3.5%
Industrials	50.4%	-48.3%	98.7%	2.1%
Consumer Discretionary	47.2%	-44.4%	91.6%	2.8%
Consumer Staples	23.8%	-19.0%	42.8%	4.8%
Health Care	21.4%	-20.2%	41.6%	1.2%
Financials	50.8%	-59.5%	110.3%	-8.7%
Information Technology	43.4%	-33.5%	76.9%	9.9%
Telecommunication Services	6.7%	-6.4%	13.1%	0.3%
Energy	11.4%	-9.9%	21.3%	1.5%
Utilities	10.7%	-10.8%	21.5%	-0.1%
Conglomerates	0.0%	0.0%	0.0%	0.0%
Broad Market Indices	10.8%	-14.3%	25.1%	-3.5%
Other	0.2%	0.0%	0.2%	0.2%

* As of June 30, 2016. Information as of September 30, 2016 unavailable at this time.

Manager Evaluation

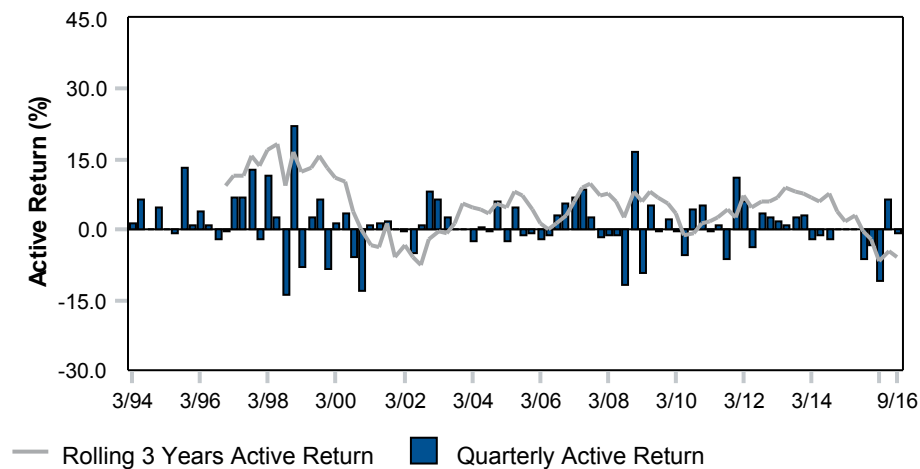
Fir Tree International Value Fund (USTE), L.P. vs. HFRI RV: Multi-Strategy Index

As of September 30, 2016

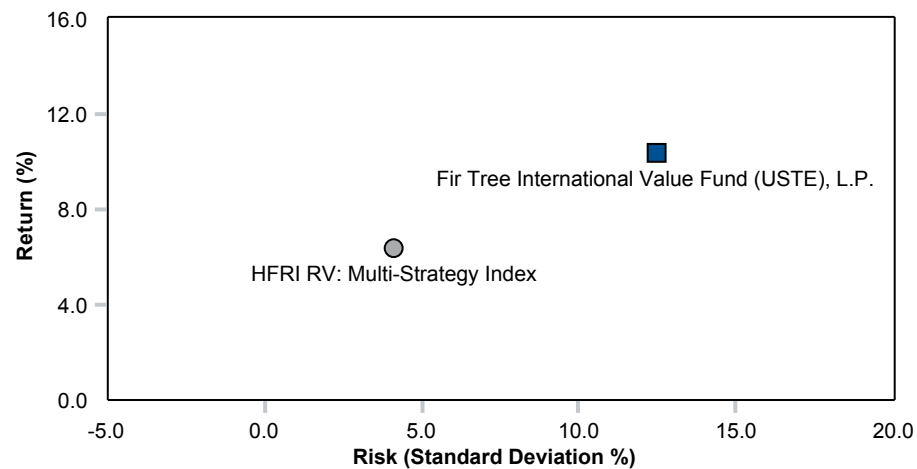
Historical Performance

	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 (USTE), L.P.	2.2	-1.8	-4.7	-2.7	5.8	6.1	-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	2.8	4.6	4.8	3.7	4.7	3.9	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	2.6	3.2	3.7	5.6	6.6	5.5	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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Fir Tree International Value Fund (USTE), L.P.	5.8	10.7	6.1	-3.6	2.1	0.6	9.3	0.2	6.6	45.0	22y 9m
HFRI RV: Multi-Strategy Index	4.7	2.9	4.6	0.0	1.0	1.6	0.0	N/A	1.1	0.0	22y 9m

Manager Evaluation

Fir Tree International Value Fund (USTE), L.P.

As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$9.8 billion
Fund Assets	\$5.9 billion
Gross Exposure	165.6%
Net Exposure	12.1%
Long Exposure	88.9%
Short Exposure	-76.7%

Performance Attribution by Strategy

	Q3 Gross	YTD Gross
Value Equities	0.5%	-1.4%
Special Situations	-0.5%	-5.4%
Yielding Securities	-0.2%	-4.5%
Corporate Credit	3.0%	10.6%
Capital Structure Arbitrage	0.2%	1.6%
Structured/Mortgage Credit	0.0%	-0.1%
Portfolio Hedges	-0.5%	-0.1%
Credit Shorts	0.1%	-1.0%

Regional Exposure

	Long	Short	Gross	Net
North America	62.1%	-34.7%	96.8%	27.5%
Europe/UK	12.0%	-6.8%	18.8%	5.2%
Asia	3.0%	-27.1%	30.1%	-24.1%
Latin America	11.2%	-6.2%	17.4%	5.0%
Other (includes Africa)	0.5%	-2.0%	2.5%	-1.5%

Strategy Exposure

	Long	Short	Gross	Net
Value Equities	11.9%	-13.4%	25.3%	-1.5%
Special Situations	42.2%	-21.7%	63.9%	20.4%
Yielding Securities	3.8%	-1.3%	5.1%	2.5%
Corporate Credit	19.0%	-5.1%	24.1%	13.9%
Capital Structure Arbitrage	6.4%	-5.6%	12.0%	0.8%
Structured / Mortgage Credit	4.0%	0.0%	4.0%	4.0%
Portfolio Hedges	1.1%	-8.5%	9.6%	-7.4%
Credit Shorts	0.5%	-21.1%	21.6%	-20.6%
Non-marketable	3.0%	0.0%	3.0%	3.0%

Manager Evaluation

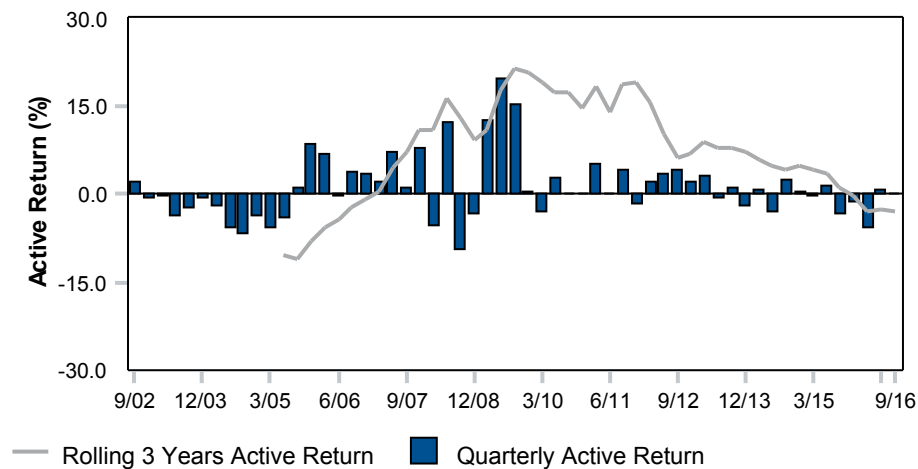
Pine River Fund Ltd. vs. HFRI RV: Multi-Strategy Index

As of September 30, 2016

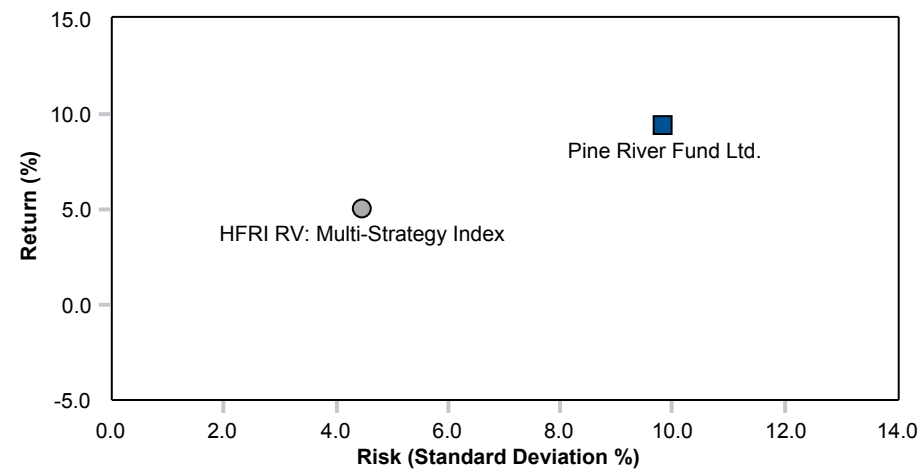
Historical Performance

	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.	2.9	-0.5	-1.6	0.5	5.7	11.4	-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	2.8	4.6	4.8	3.7	4.7	3.9	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	2.6	3.2	3.7	5.6	6.6	5.5	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 - Sep-2016)



Historical Statistics - Quarterly Periodicity (Oct-2011 - Sep-2016)

	Return	Standard Deviation	Excess Return	Alpha	Beta	Sharpe Ratio	Tracking Error	Information Ratio	Downside Risk	Consistency	Inception Date
Pine River Fund Ltd.	5.7	6.6	5.7	-2.1	1.7	0.9	4.9	0.2	3.7	60.0	14y 4m
HFRI RV: Multi-Strategy Index	4.7	2.9	4.6	0.0	1.0	1.6	0.0	N/A	1.1	0.0	14y 4m

Manager Evaluation

Pine River Fund Ltd.

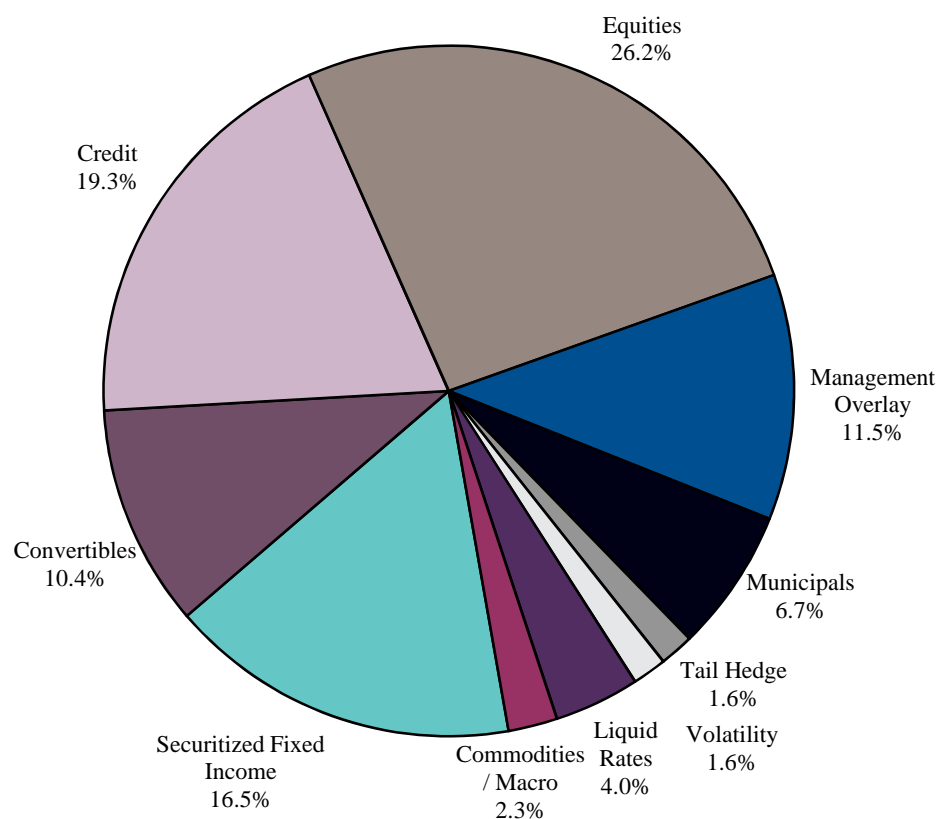
As of September 30, 2016

Portfolio Characteristics

Firm Assets	\$10.7 billion
Fund Assets	\$2.4 billion

Gross Exposure	490.0%
Total Number of Positions	2,106

Strategy Allocation (% of capital)



Performance Attribution by Strategy

	Q3 Net Attribution	YTD Net Attribution
Equities	0.9%	-1.6%
<i>Event Driven</i>	0.0%	1.6%
<i>Market Neutral</i>	0.9%	-3.3%
Volatility	0.0%	0.7%
Convertibles	0.7%	1.4%
Credit	0.9%	2.5%
Securitized Fixed Income	-0.2%	-1.4%
Municipals	0.2%	1.2%
Rates	0.2%	0.3%
Commodities/Macro	0.6%	-0.1%
Tail Hedge	-0.2%	-0.3%
Management Overlay	0.0%	-2.9%
<i>Equities</i>	-0.1%	0.2%
<i>Volatility</i>	0.0%	0.0%
<i>Convertibles</i>	0.0%	0.0%
<i>Credit</i>	0.2%	-0.5%
<i>Securitized Fixed Income</i>	0.0%	0.0%
<i>Municipals</i>	0.0%	0.0%
<i>Rates</i>	0.4%	-0.5%
<i>Commodities/Macro</i>	-0.5%	-2.2%

Regional Allocation (% of capital)

North America	79.7%
Europe	12.6%
Asia	7.7%

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 September 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.

Pre-Pavilion Comparison

Performance Review



El Camino Hospital

3rd 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



Surplus Cash Plan Comparison

Performance Summary

Composite Asset Allocation & Performance

As of September 30, 2016

	Allocation		Performance(%)				
	Market Value (\$)	%	Quarter	Year To Date	1 Year	Since Inception	Inception Period
Total Surplus Cash X District	693,292,359	100.0	2.8 (72)	5.1 (74)	7.1 (65)	4.9 (76)	3y 11m
Pre-Pavilion Surplus Cash Total Benchmark			0.8 (99)	5.1 (74)	5.6 (87)	3.7 (95)	
Surplus Cash Total Benchmark			2.9 (71)	5.3 (71)	7.5 (55)	4.9 (77)	
<i>All Health Care Plans > \$250 million Median*</i>			3.4	5.8	7.8	5.8	
Total Equity Composite	285,614,360	41.2	5.5	7.4	13.3	10.5	3y 11m
Russell 1000 Value Index (Pre-Pavilion)			3.5	10.0	16.2	13.2	
Total Equity Benchmark - Surplus			5.7	7.6	13.0	10.4	
Domestic Equity Composite	184,338,630	26.6	5.1	6.9	14.0	13.2	3y 11m
Russell 1000 Value Index (Pre-Pavilion)			3.5	10.0	16.2	13.2	
Domestic Equity Benchmark - Surplus			5.0	8.6	15.3	13.9	
Large Cap Equity Composite	150,941,318	21.8	5.1	5.9	13.5	13.8	3y 11m
Russell 1000 Value Index (Pre-Pavilion)			3.5	10.0	16.2	13.2	
Large Cap Equity Benchmark			3.9	7.9	15.2	14.0	
Small Cap Equity Composite	33,397,312	4.8	5.2	11.5	16.3	11.3	3y 11m
Small Cap Equity Benchmark			9.0	11.5	15.5	13.0	
International Equity Composite	101,275,730	14.6	6.2	8.5	12.2	4.8	3y 11m
MSCI AC World ex USA (Net)			6.9	5.8	9.3	4.0	
Total Fixed Income Composite	287,530,429	41.5	1.0	5.3	5.1	2.4	3y 11m
Pre-Pavilion Total Fixed Income Benchmark - Surplus			0.3	4.2	3.7	2.0	
Total Fixed Income Benchmark - Surplus			0.3	4.8	4.2	2.3	

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

Peer group percentile ranks are shown in parentheses.

The Pre-Pavilion Surplus Cash Total Benchmark consists of 15% Russell 1000 Value Index, 34% Barcalys U.S. Aggregate Index, 34% Barclays U.S. Intermediate Aggregate, and 17% Barclays 1-3 Year Government Index.

* All Health Care Plans > \$250 Million Median results are gross of fees.

Performance Summary

Composite Asset Allocation & Performance

As of September 30, 2016

	Allocation		Performance(%)				
	Market Value (\$)	%	Quarter	Year To Date	1 Year	Since Inception	Inception Period
Short Duration Fixed Income Composite	79,466,682	11.5	0.1	1.9	1.8	1.0	3y 11m
Pre-Pavilion Short Duration Fixed Income Benchmark - Surplus			0.2	3.2	2.7	1.7	
Short Duration Fixed Income Benchmark - Surplus			0.0	1.7	1.3	1.0	
Market Duration Fixed Income Composite	208,063,747	30.0	1.3	6.5	6.3	2.9	3y 11m
Blmbg. Barc. U.S. Aggregate			0.5	5.8	5.2	2.6	
Total Alternatives Composite	120,147,570	17.3	1.2	-0.7	-1.1	3.3	3y 5m
Total Alternatives Benchmark - Surplus			2.3	1.3	2.6	4.0	
Real Estate Composite	24,780,025	3.6	-0.3	2.3	5.1	12.2	3y 1m
NCREIF Property Index			1.8	6.1	9.2	11.3	
Hedge Fund Composite	95,367,545	13.8	1.6	-1.7	-2.9	1.3	3y 5m
HFRI Fund of Funds Composite Index			2.4	-0.2	0.5	2.2	

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

Peer group percentile ranks are shown in parentheses.

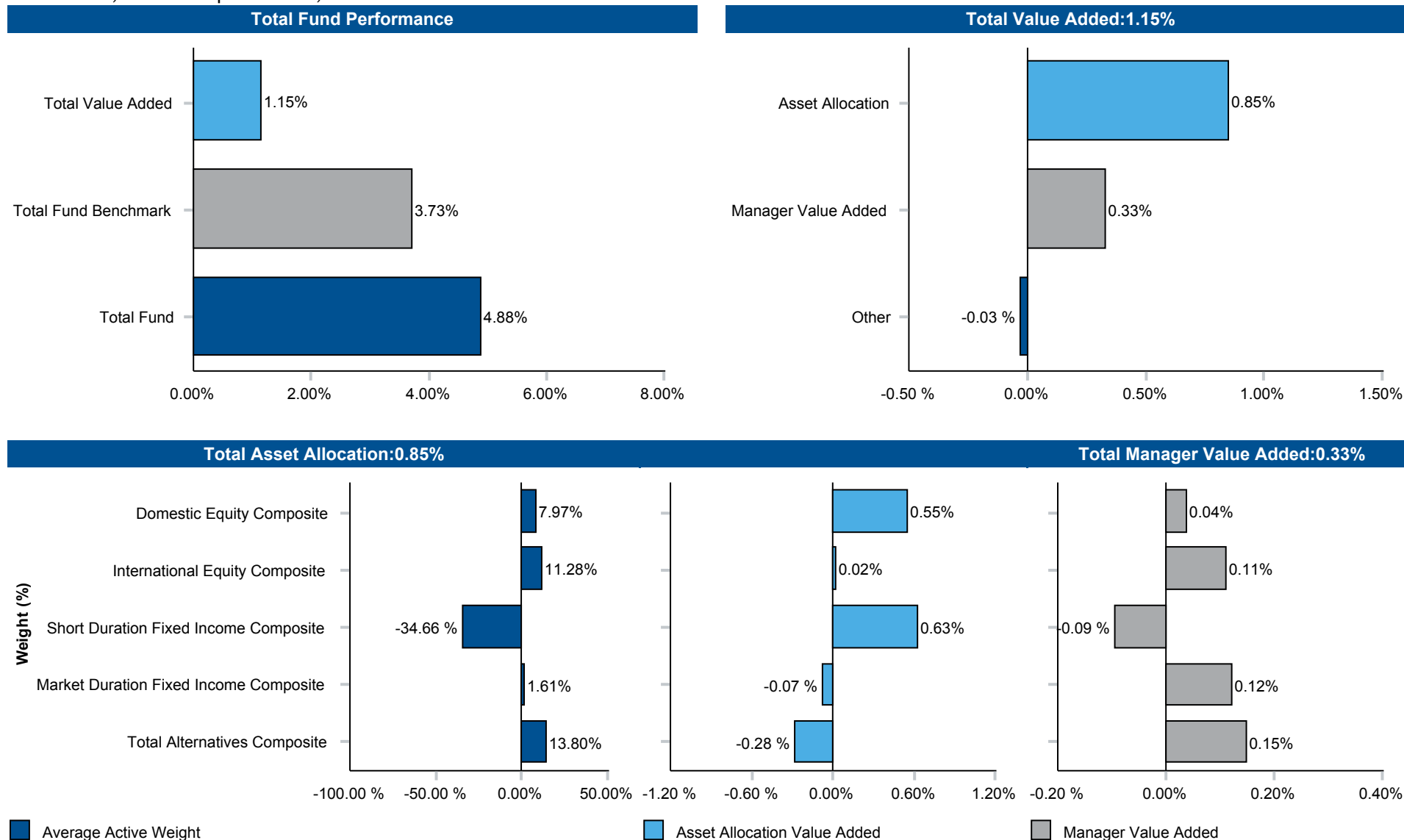
The Pre-Pavilion Surplus Cash Total Benchmark consists of 15% Russell 1000 Value Index, 34% Barcalys U.S. Aggregate Index, 34% Barclays U.S. Intermediate Aggregate, and 17% Barclays 1-3 Year Government Index.

* All Health Care Plans > \$250 Million Median results are gross of fees.

Performance Summary

Total Surplus Cash X District Attribution

November 1, 2012 To September 30, 2016

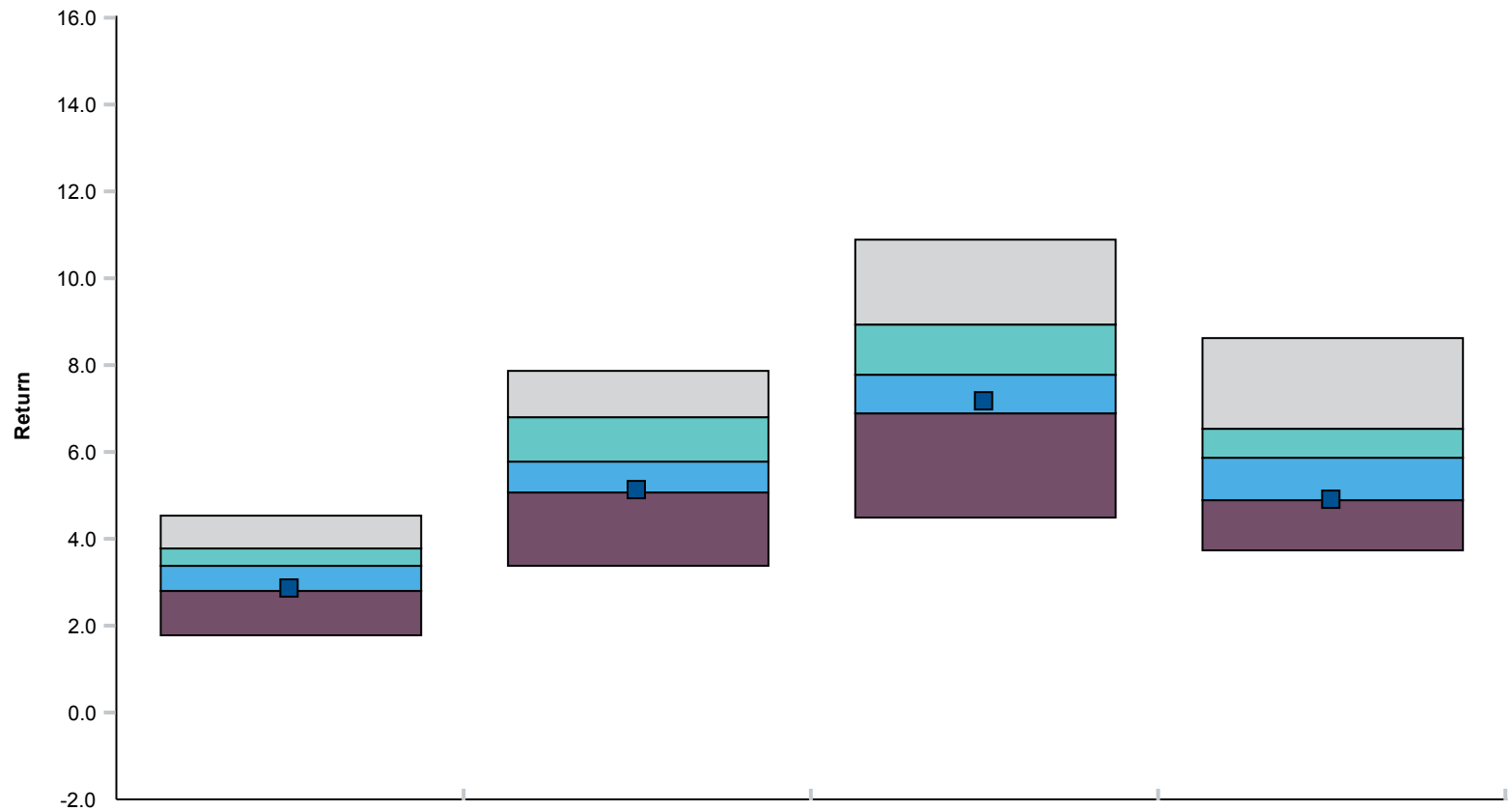


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Plan Sponsor Peer Group Analysis

Total Surplus Cash X District Plan vs. Healthcare Plans - Return Comparison

As of September 30, 2016



■ Total Surplus Cash X District

	Quarter	Year To Date	1 Year	Since Inception
	2.8 (72)	5.1 (74)	7.1 (65)	4.9 (76)
5th Percentile	4.5	7.8	10.9	8.6
1st Quartile	3.8	6.8	8.9	6.5
Median	3.4	5.8	7.8	5.8
3rd Quartile	2.8	5.1	6.9	4.9
95th Percentile	1.8	3.4	4.5	3.7

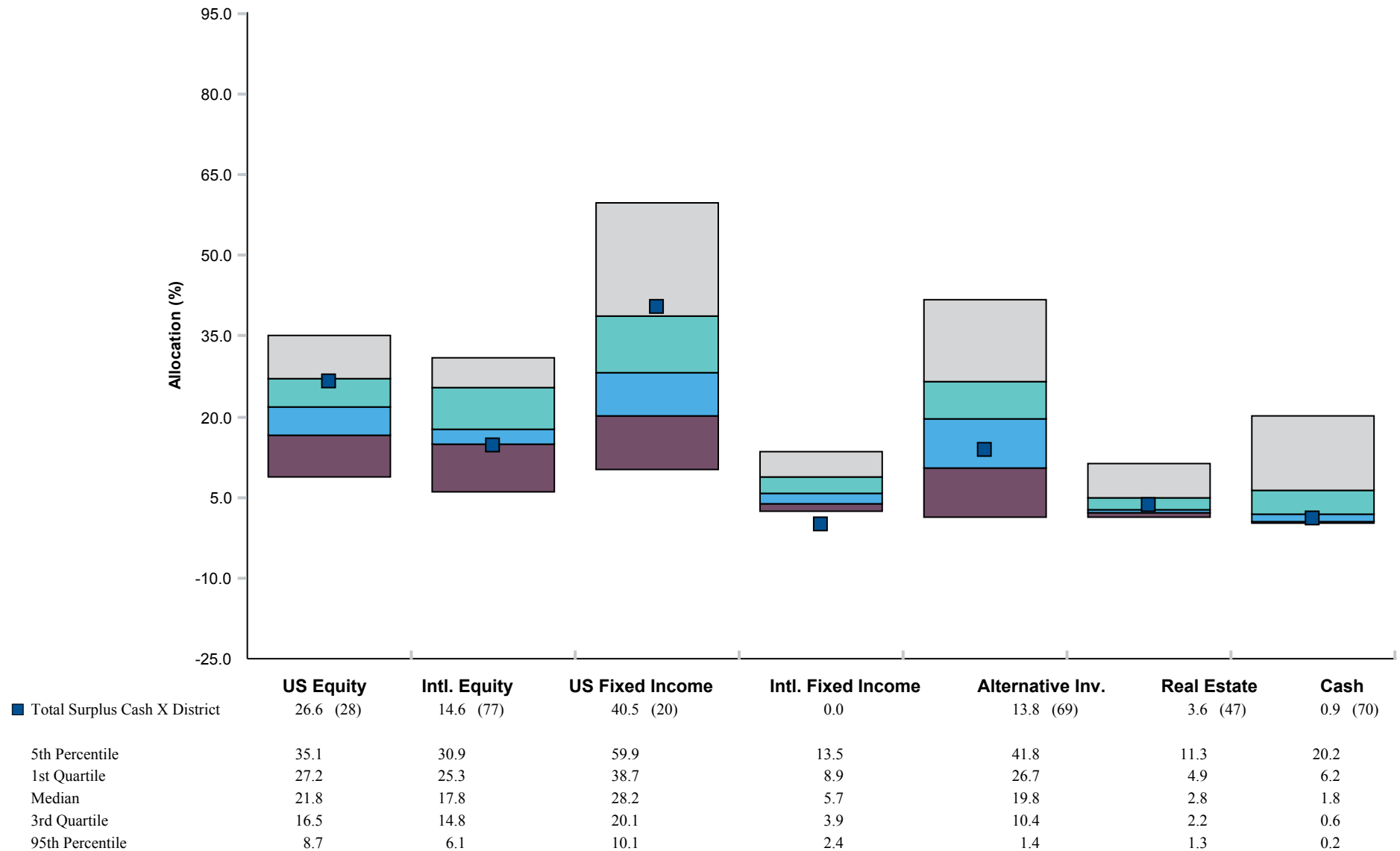
Parentheses contain percentile rankings.

The Healthcare Plans peer group contains 63 members. The information was sourced from BNY Mellon using only healthcare plans.

Plan Sponsor Peer Group Analysis

Total Surplus Cash X District Plan vs. Healthcare Plans - Asset Allocation Comparison

As of September 30, 2016



Parentheses contain percentile rankings.

The Healthcare Plans peer group contains 63 members. The information was sourced from BNY Mellon using only healthcare plans.

Performance Summary

Portfolio Risk Statistics

As of September 30, 2016

	Since Inception Return	Since Inception Standard Deviation	Since Inception Maximum Drawdown	Since Inception Best Quarter	Since Inception Worst Quarter	Since Inception Sharpe Ratio	Since Inception Sortino Ratio	Inception Period
Total Surplus Cash X District	4.9	4.3	-5.8	4.8	-4.0	1.1	1.1	3y 11m
Pre-Pavilion Surplus Cash Total Benchmark	3.7	2.2	-1.7	2.6	-1.4	1.6	5.3	
Surplus Cash Total Benchmark	4.9	4.4	-5.4	4.6	-3.8	1.1	1.1	
Total Equity Composite	10.5	10.6	-11.9	11.4	-9.0	1.0	1.1	3y 11m
Russell 1000 Value Index (Pre-Pavilion)	13.2	10.5	-10.2	12.3	-8.4	1.2	1.2	
Total Equity Benchmark - Surplus	10.4	10.8	-12.9	11.5	-9.4	1.0	1.0	
Domestic Equity Composite	13.2	10.8	-10.0	12.9	-9.2	1.2	1.3	3y 11m
Russell 1000 Value Index (Pre-Pavilion)	13.2	10.5	-10.2	12.3	-8.4	1.2	1.2	
Domestic Equity Benchmark - Surplus	13.9	10.8	-9.1	11.7	-8.2	1.3	1.3	
International Equity Composite	4.8	11.7	-16.2	10.6	-11.0	0.5	0.5	3y 11m
MSCI AC World ex USA (Net)	4.0	12.4	-20.8	11.1	-12.2	0.4	0.4	
Total Fixed Income Composite	2.4	1.9	-2.2	2.3	-1.9	1.2	1.4	3y 11m
Pre-Pavilion Total Fixed Income Benchmark - Surplus	2.0	2.0	-2.5	2.3	-2.2	1.0	1.2	
Total Fixed Income Benchmark - Surplus	2.3	2.2	-2.4	2.5	-2.1	1.0	1.3	
Short Duration Fixed Income Composite	1.0	0.7	-0.4	1.0	-0.3	1.4	1.9	3y 11m
Pre-Pavilion Short Duration Fixed Income Benchmark - Surplus	1.7	1.5	-1.8	1.8	-1.5	1.1	1.3	
Short Duration Fixed Income Benchmark - Surplus	1.0	0.6	-0.4	1.0	-0.4	1.4	2.0	
Market Duration Fixed Income Composite	2.9	2.4	-3.3	2.8	-2.8	1.2	1.2	3y 11m
Blmbg. Barc. U.S. Aggregate	2.6	2.8	-3.7	3.0	-3.2	0.9	1.0	
Total Alternatives Composite	3.3	3.1	-5.8	4.3	-3.8	1.0	1.0	3y 5m
Total Alternatives Benchmark - Surplus	4.0	2.9	-3.7	3.7	-2.6	1.3	1.3	
Real Estate Composite	12.2	6.7	-0.6	6.9	-0.5	1.8	29.1	3y 1m
NCREIF Property Index	11.3	0.6	0.0	3.6	1.8	18.6	N/A	
Hedge Fund Composite	1.3	3.9	-9.5	4.9	-5.7	0.3	0.3	3y 5m
HFRI Fund of Funds Composite Index	2.2	3.6	-7.6	3.7	-4.2	0.6	0.5	



Cash Balance Plan Comparison

Performance Summary

Composite Asset Allocation & Performance

As of September 30, 2016

	Allocation		Performance(%)				
	Market Value (\$)	%	Quarter	Year To Date	1 Year	Since Inception	Inception Period
Total Cash Balance Plan	228,910,509	100.0	3.5 (50)	5.0 (95)	8.5 (87)	7.5 (60)	3y 11m
Pre-Pavilion Total Cash Balance Plan Benchmark			2.3 (93)	8.4 (49)	11.9 (37)	9.0 (23)	
Total Cash Balance Plan Benchmark			3.2 (68)	5.8 (92)	8.6 (87)	6.8 (71)	
<i>All Corporate Plans \$100-500 Million Median*</i>			3.5	8.3	11.2	8.0	
Total Equity Composite	118,684,547	51.8	5.6	6.7	12.8	10.2	3y 11m
Russell 1000 Value Index (Pre-Pavilion)			3.5	10.0	16.2	13.2	
Total Equity Benchmark			5.5	7.5	13.1	10.3	
Domestic Equity Composite	79,131,898	34.6	5.3	6.3	13.5	13.2	3y 11m
Russell 1000 Value Index (Pre-Pavilion)			3.5	10.0	16.2	13.2	
Domestic Equity Benchmark			4.7	8.5	15.3	13.9	
Large Cap Equity Composite	67,777,527	29.6	5.3	5.4	13.0	13.6	3y 11m
Russell 1000 Value Index (Pre-Pavilion)			3.5	10.0	16.2	13.2	
Large Cap Equity Benchmark			3.9	7.9	15.2	14.0	
Small Cap Equity Composite	11,354,372	5.0	5.3	11.6	16.3	11.3	3y 11m
Small Cap Equity Benchmark			9.0	11.5	15.5	13.0	
International Equity Composite	39,552,649	17.3	6.0	7.5	11.6	4.7	3y 11m
MSCI AC World ex USA (Net)			6.9	5.8	9.3	4.0	
Total Fixed Income Composite	66,860,913	29.2	1.1	5.4	5.3	2.6	3y 11m
Barclays U.S. Aggregate (Pre-Pavilion)			0.5	5.8	5.2	2.6	
Total Fixed Income Benchmark			0.3	4.6	4.1	2.1	

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

Peer group percentile ranks are shown in parentheses.

The Pre-Pavilion Total Cash Balance Plan Benchmark consists of 60% Russell 1000 Value Index and 40% Barclays U.S. Aggregate Index.

* All Corporate Plans \$100-500 Million Median returns are gross of fees.

Performance Summary

Composite Asset Allocation & Performance

As of September 30, 2016

	Allocation		Performance(%)				
	Market Value (\$)	%	Quarter	Year To Date	1 Year	Since Inception	Inception Period
Short Duration Fixed Income Composite	10,278,096	4.5	0.2	1.6	1.4	0.9	3y 11m
Short Duration Fixed Income Benchmark			0.0	1.7	1.3	1.0	
Market Duration Fixed Income Composite	56,582,818	24.7	1.3	6.1	5.9	3.2	3y 11m
Barclays U.S. Aggregate (Pre-Pavilion)			0.5	5.8	5.2	2.6	
Total Alternatives Composite	43,365,049	18.9	2.0	0.4	2.7	8.6	3y 11m
Total Alternatives Benchmark			2.2	1.9	3.4	5.9	
Hedge Fund of Fund Composite	28,501,838	12.5	3.0	-1.3	0.7	6.7	3y 11m
HFRI Fund of Funds Composite Index			2.4	-0.2	0.5	3.4	
Real Estate Composite	14,863,211	6.5	0.3	3.0	5.8	12.0	3y 9m
NCREIF Property Index			1.8	6.1	9.2	11.3	

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

Peer group percentile ranks are shown in parentheses.

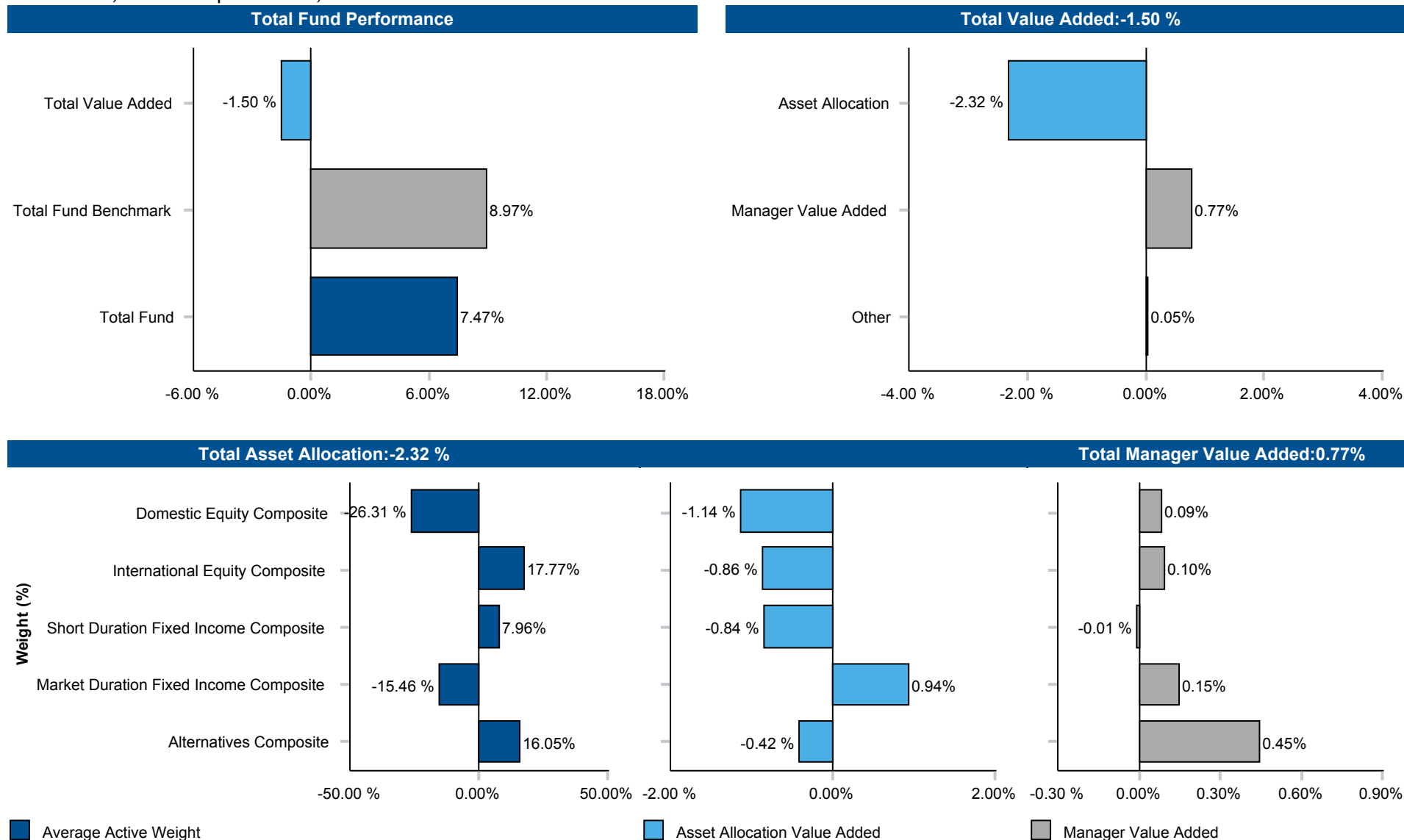
The Pre-Pavilion Total Cash Balance Plan Benchmark consists of 60% Russell 1000 Value Index and 40% Barclays U.S. Aggregate Index.

* All Corporate Plans \$100-500 Million Median returns are gross of fees.

Performance Summary

Total Cash Balance Plan Attribution

November 1, 2012 To September 30, 2016

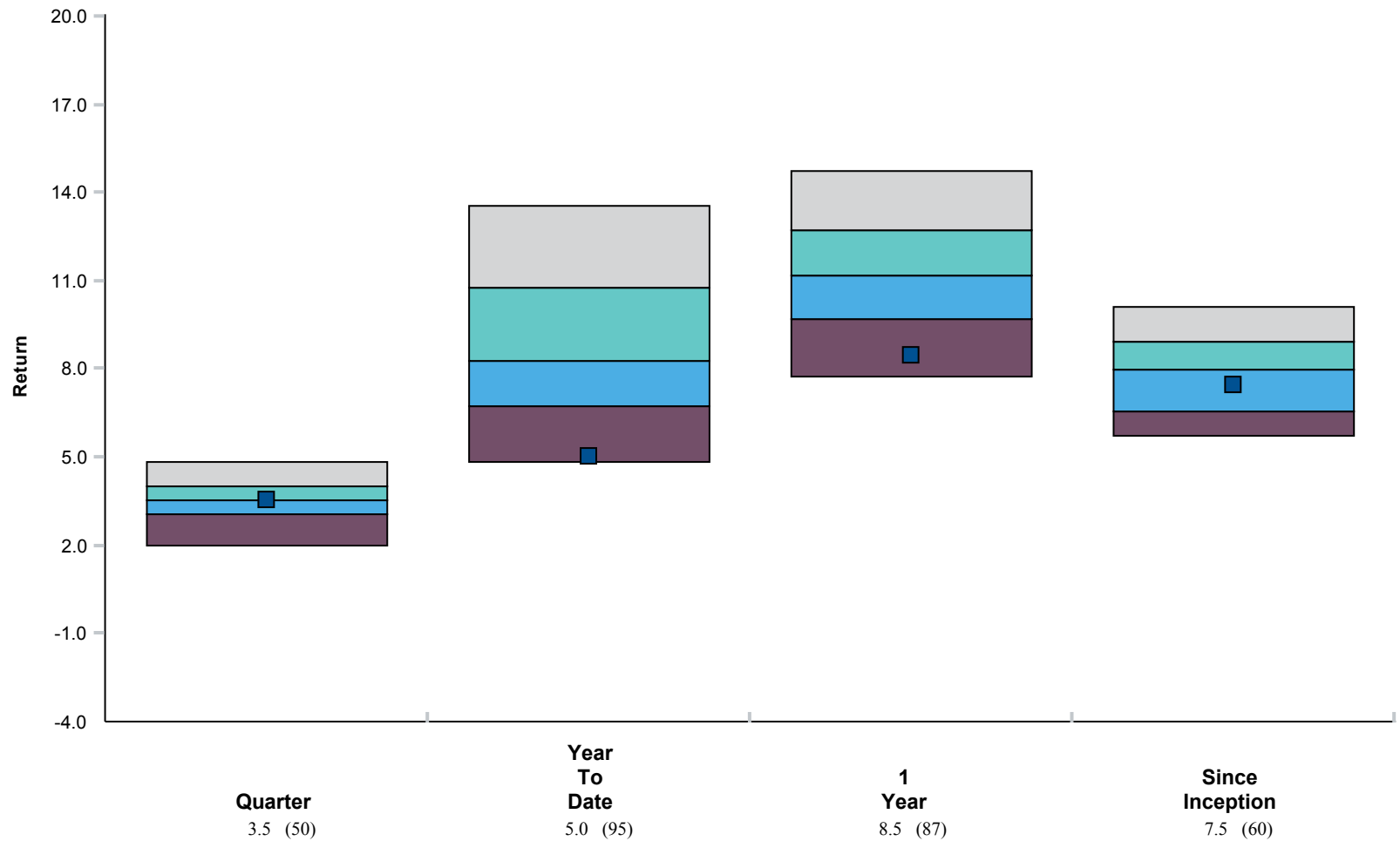


“Other” includes the effects of all other factors on the Fund’s relative return, including rebalancing and other trading activity.

Plan Sponsor Peer Group Analysis

Total Cash Balance Plan vs. Corporate Plans - Return Comparison

As of September 30, 2016



■ Total Cash Balance Plan

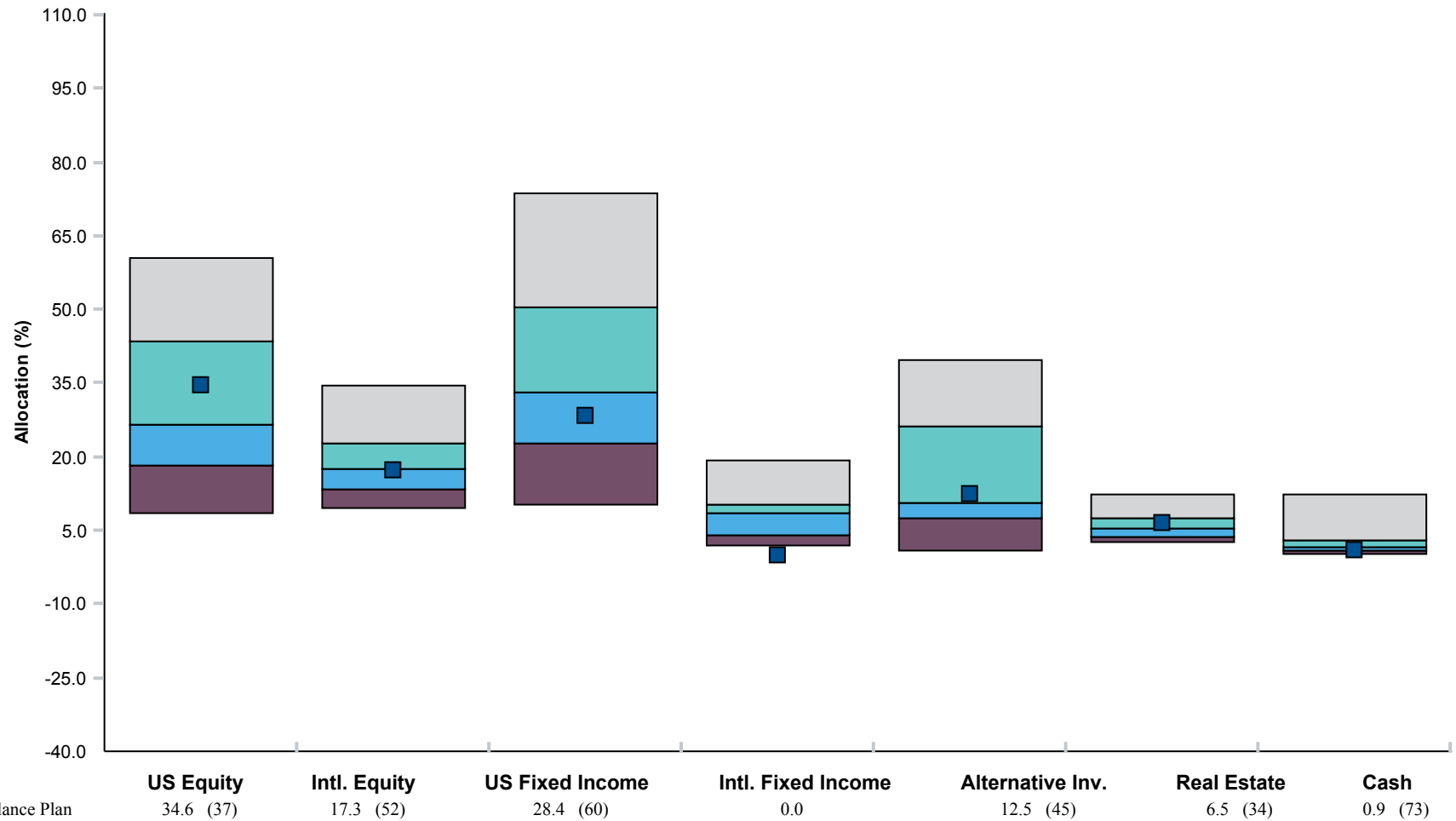
Parentheses contain percentile rankings.

The Corporate Plans peer group contains 25 members. The information was sourced from BNY Mellon using only corporate plans with assets in between \$150-250 million.

Plan Sponsor Peer Group Analysis

Total Cash Balance Plan vs. Corporate Plans - Asset Allocation Comparison

As of September 30, 2016



5th Percentile
1st Quartile
Median
3rd Quartile
95th Percentile

Parentheses contain percentile rankings.

The Corporate Plans peer group contains 25 members. The information was sourced from BNY Mellon using only corporate plans with assets in between \$150-250 million.

Performance Summary

Portfolio Risk Statistics

As of September 30, 2016

	Since Inception Return	Since Inception Standard Deviation	Since Inception Maximum Drawdown	Since Inception Best Quarter	Since Inception Worst Quarter	Since Inception Sharpe Ratio	Since Inception Sortino Ratio	Inception Period
Total Cash Balance Plan	7.5	5.9	-6.3	7.2	-4.8	1.2	1.4	3y 11m
Pre-Pavilion Total Cash Balance Plan Benchmark	9.0	6.3	-6.2	7.2	-4.7	1.4	1.4	
Total Cash Balance Plan Benchmark	6.8	5.7	-6.2	6.5	-4.5	1.2	1.2	
Total Equity Composite	10.2	10.6	-12.1	11.2	-9.0	1.0	1.1	3y 11m
Russell 1000 Value Index (Pre-Pavilion)	13.2	10.5	-10.2	12.3	-8.4	1.2	1.2	
Total Equity Benchmark	10.3	10.7	-12.5	11.4	-9.2	1.0	1.0	
Domestic Equity Composite	13.2	10.9	-10.4	12.9	-9.4	1.2	1.3	3y 11m
Russell 1000 Value Index (Pre-Pavilion)	13.2	10.5	-10.2	12.3	-8.4	1.2	1.2	
Domestic Equity Benchmark	13.9	10.6	-8.9	11.5	-7.9	1.3	1.3	
International Equity Composite	4.7	11.7	-15.9	9.8	-11.0	0.4	0.5	3y 11m
MSCI AC World ex USA (Net)	4.0	12.4	-20.8	11.1	-12.2	0.4	0.4	
Total Fixed Income Composite	2.6	2.0	-2.2	2.4	-1.8	1.3	1.4	3y 11m
Barclays U.S. Aggregate (Pre-Pavilion)	2.6	2.8	-3.7	3.0	-3.2	0.9	1.0	
Total Fixed Income Benchmark	2.1	2.1	-2.7	2.4	-2.3	1.0	1.2	
Short Duration Fixed Income Composite	0.9	0.5	-0.3	0.9	-0.2	1.5	2.0	3y 11m
Short Duration Fixed Income Benchmark	1.0	0.6	-0.4	1.0	-0.4	1.4	2.0	
Market Duration Fixed Income Composite	3.2	2.5	-3.1	2.7	-2.6	1.3	1.3	3y 11m
Barclays U.S. Aggregate (Pre-Pavilion)	2.6	2.8	-3.7	3.0	-3.2	0.9	1.0	
Total Alternatives Composite	8.6	3.5	-3.3	5.2	-2.4	2.3	9.5	3y 11m
Total Alternatives Benchmark	5.9	2.4	-2.5	3.4	-2.0	2.4	8.5	
Hedge Fund of Fund Composite	6.7	4.4	-6.3	6.2	-5.1	1.5	1.4	3y 11m
HFRI Fund of Funds Composite Index	3.4	3.5	-7.6	3.8	-4.2	0.9	0.8	
Real Estate Composite	12.0	6.5	-0.7	6.9	-0.7	1.8	27.8	3y 9m
NCREIF Property Index	11.3	0.5	0.0	3.6	1.8	20.3	N/A	



Appendix

Statistical Definitions

Risk Statistics

As of September 30, 2016

Statistics	Definition
Return	- Compounded rate of return for the period.
Standard Deviation	- A statistical measure of the range of a portfolio's performance, the variability of a return around its average return over a specified time period.
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.
Best Quarter	- The best of rolling 3 months(or 1 quarter) cumulative return.
Worst Quarter	- The worst of rolling 3 months(or 1 quarter) cumulative return.
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.