

# Southfield Employees Retirement System

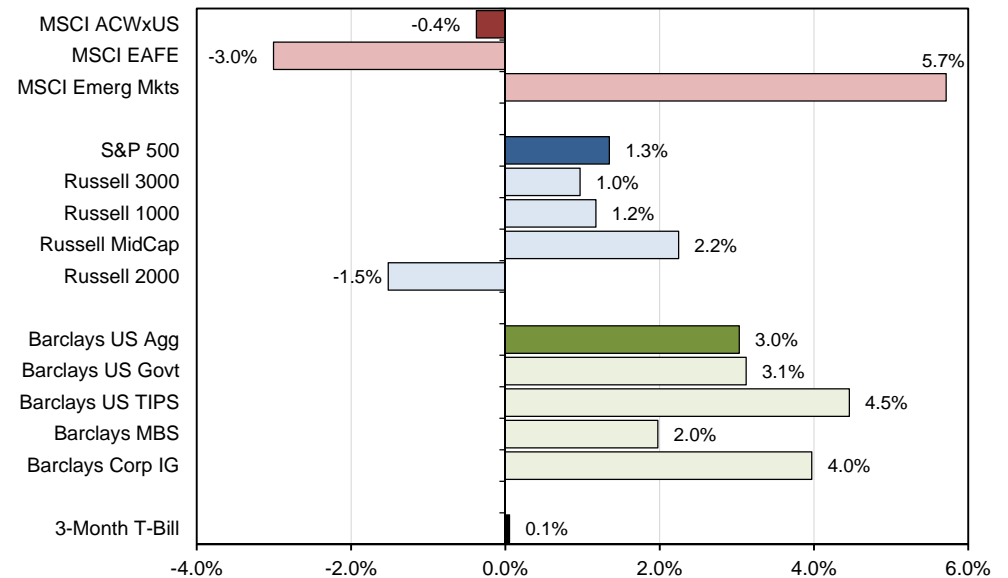
Investment Performance Review  
Period ended March 31, 2016



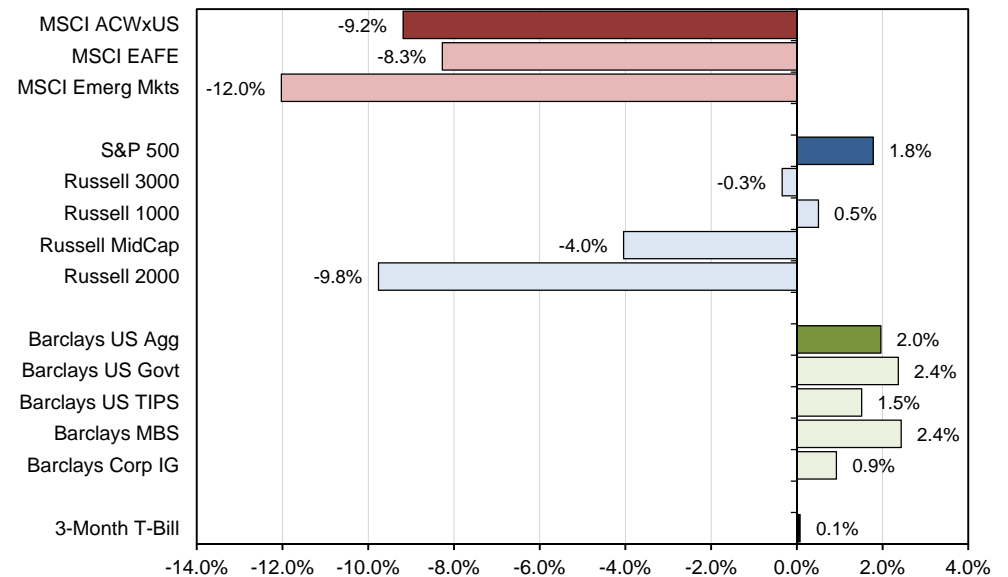
# 1st Quarter 2016 Market Environment

- The 1st quarter of 2016 proved volatile as broad equity markets declined significantly through the first half of the period due to global economic growth concerns, low and falling energy prices, and the prospect of rising interest rates in the U.S. At its lowest point on February 11, 2016, the S&P 500 had fallen by -10.3%. However, equity prices recovered through the second half of the quarter as investors reacted to improving economic data, a recovery in commodity prices, and various central bank announcements of continued monetary policy easing. As a result, the S&P 500 appreciated 13.0% through the end of March and finished the quarter with a return of 1.3%.
- Each of the U.S. stock market indices we track followed a similar pattern to the S&P 500 and were modestly positive through the 1st quarter with the exception of the Russell 2000, which returned -1.5% for the period. For the 1-year period, domestic large cap stock indices were the best performers, with the S&P 500 and Russell 1000 returning 1.8% and 0.5%, respectively, while domestic small- (-9.8%) and mid-capitalization (-4.0%) indices posted negative results for the period. In U.S. dollar (USD) terms, the MSCI Emerging Market (EM) Index (net) surged in the back half of the period, returning a solid 5.7% for the quarter. Developed international markets did not fare as well with the MSCI EAFE Index (net) finishing the quarter with a return of -3.0%. Both international benchmarks were weak over the 1-year period with the MSCI EAFE Index returning -8.3% and the MSCI EM Index returning -12.0%.
- The U.S. Treasury yield curve flattened throughout the 1st quarter. The drop in yields was primarily caused by U.S. Federal Reserve (Fed) indications they would likely be slowing their expected pace of future interest rate increases, as well as an increased demand for safe haven assets, as the volatility in the equity markets pushed investors away from risk assets. As a result, U.S. fixed income markets were positive across maturities and qualities for the period. The broad market Barclays U.S. Aggregate Index returned a solid 3.0% during the quarter. This broad market performance was led by investment grade corporates which benefitted from their higher duration as well as interest rate spreads that declined significantly in the second half of the quarter. U.S. Treasury Inflation Protected Securities (TIPS) returned 4.5% for the quarter and were aided by higher inflation expectations (lower TIPS yields) and increased commodity prices. Global fixed income indices outperformed their U.S. counterparts in USD terms with a tailwind from both falling interest rates and a weakening USD.

### Quarter Performance

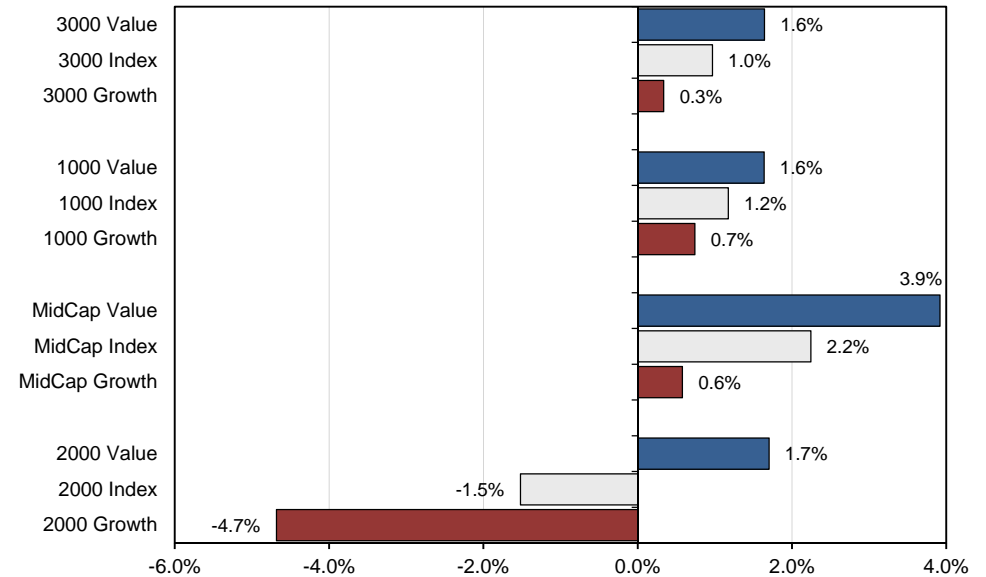


### 1-Year Performance

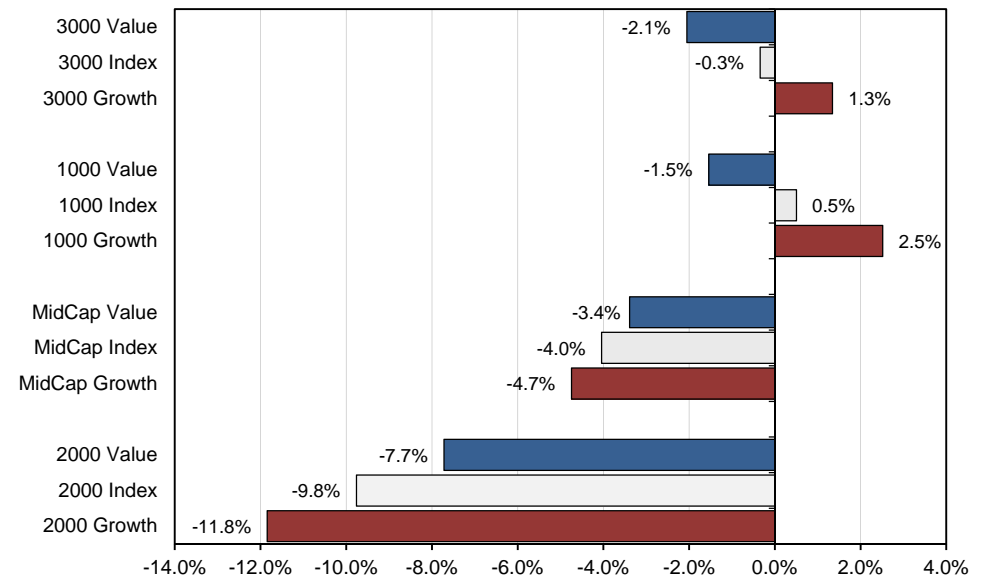


- U.S. macroeconomic data fueled domestic equity returns for the 1st quarter. Early on, concerns about U.S. GDP growth, growing initial jobless claims, weakness in U.S. manufacturing, low oil prices, and the potential for a steady pattern of interest rate hikes resulted in considerable downside momentum for U.S. equity indices. However, as the quarter progressed, employment and income data appeared stronger, moving to a post-recession low, and regional manufacturing surveys showed signs of improvement. In addition, oil prices rebounded from a low of \$26/barrel in February to \$38/barrel at the end of March, and, despite signs of rising inflation, the Fed lowered its median projection for the number of interest rate increases in 2016 from four to only two.
- Domestic equity index performance was largely positive during the 1st quarter. Value stocks outperformed growth stocks across the capitalization spectrum reversing a persistent trend of growth style outperformance. This shift was likely due to investors seeking the relative safety and stability of value stocks given the turbulent start to the year. Mid cap value stocks were the best performers across the value spectrum, returning 3.9% during the period. Small cap value (1.7%) and large cap value (1.6%) benchmarks posted similar results but were up less than half of the MidCap Index's performance. Within the growth spectrum, large cap stocks were the best performers (0.7%), followed by mid cap stocks (0.6%). The Russell 2000 Growth Index was the largest underperformer, returning -4.7% for the quarter, substantially trailing other indices.
- Large cap stocks, as represented by the Russell 1000's return of 0.5%, posted the only positive core index performance over the 1-year period. However, style bias was mixed. The Russell 1000 Growth Index was the best performer, returning 2.5% for the year. In contrast, the growth indices for both mid (-4.7%) and small (-11.8%) cap stocks posted negative results and underperformed their respective value benchmarks.
- Despite their underperformance over the 1-year period, from a valuation perspective, current Price/Earnings ratios (P/E) for value indices appear stretched relative to their long-term (20-year) averages. The mid cap value index appears most expensive at 122% of its long-term average. In contrast, current P/E valuations for the growth indices fall between 90% and 95% of their historical long-term averages.

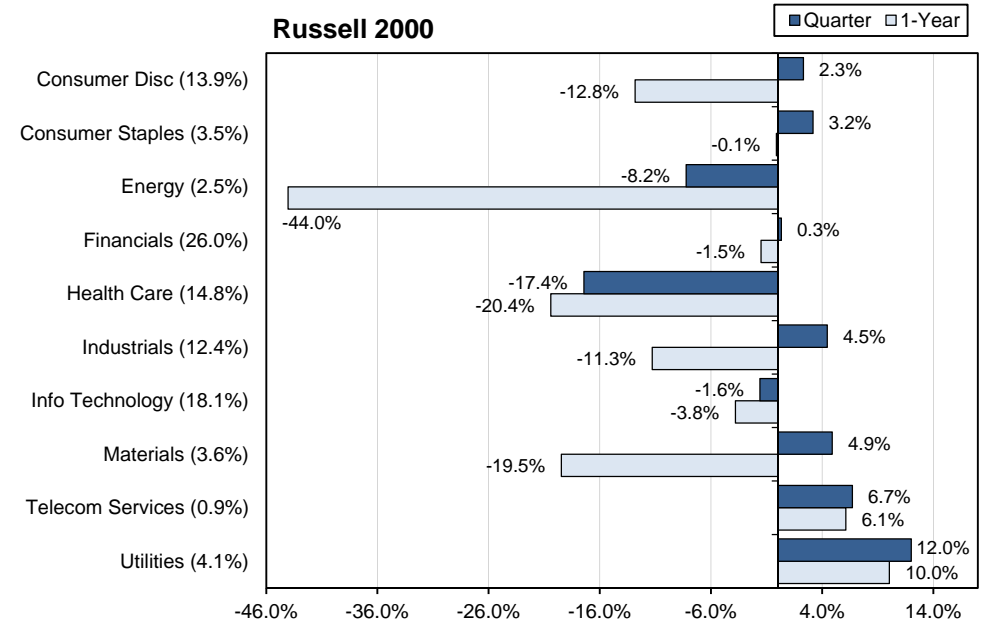
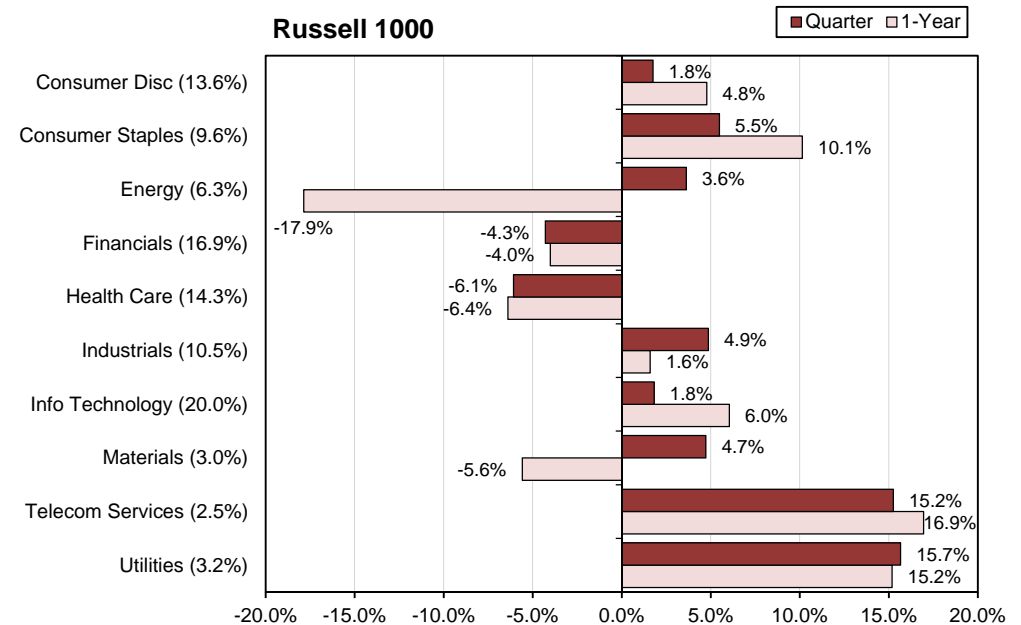
Quarter Performance - Russell Style Series



1-Year Performance - Russell Style Series



- Large cap sector performance was generally positive for the 1st quarter with eight of the ten economic sectors within the Russell 1000 Index posting gains. The Health Care and Financials sectors were the only laggards returning -6.1% and -4.3% respectively. Health Care losses were led by the struggling biotech industry as stock prices reacted to increased political discussion surrounding drug price reform. An increased likelihood of low interest rates in the near-term hurt the earnings outlook for Financials. The strongest performing sectors for the quarter were the relatively defensive Utilities (15.7%), Telecom Services (15.2%) and Consumer Staples (5.5%) sectors. These sectors benefitted from their lower perceived risk and higher dividend yields as investors sought shelter from the quarter's early volatility. Over the 1-year period, six of ten economic sectors in the large cap index had positive performance, with the defensive sectors, largely due to performance in the 1st quarter, posting the strongest returns. On the negative side, the oil price driven Energy sector was the worst performer by a sizable margin returning -17.9% for the period. Health Care (-6.4%), Financials (-4.0%), and Materials (-5.6%) were also negative for the 1-year period.
- Small cap sector returns were, by and large, worse than corresponding large cap sector returns. Similar to large cap sectors, small cap sector performance was largely positive for the quarter. However, in contrast to the large cap benchmark's balanced sector results, only the small cap index's two most defensive sectors, Utilities (10.0%) and Telecom Services (6.1%), managed to post positive returns over the 1-year period. Much like the Russell 1000, the Energy sector posted the Russell 2000's weakest 1-year sector performance, returning -44.0%. Health Care (-20.4%), Materials (-19.5%), Consumer Discretionary (-12.8%), and Industrials (-11.3%) also posted double-digit losses for the period.
- Using the S&P 500 as a proxy, trailing P/E ratios for six GICS sectors were below their 20-year averages at quarter-end. The Telecom Services and Financials sectors were trading at the largest discount to their long-term average P/E ratios. Conversely, Energy and Utilities sector valuations were the most extended relative to their historical P/E ratios.



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

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	3.08%	4.1%	-10.8%	Information Technology
Microsoft Corp	2.19%	0.3%	39.5%	Information Technology
Exxon Mobil Corporation	1.71%	8.2%	1.9%	Energy
Johnson & Johnson	1.47%	6.1%	10.8%	Health Care
General Electric Co	1.47%	2.9%	32.4%	Industrials
Berkshire Hathaway Inc B	1.29%	7.5%	-1.7%	Financials
Facebook Inc A	1.21%	9.0%	38.8%	Information Technology
AT&T Inc	1.17%	15.4%	26.9%	Telecommunication Services
Amazon.com Inc	1.11%	-12.2%	59.5%	Consumer Discretionary
Wells Fargo & Co	1.10%	-10.3%	-8.6%	Financials

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
United States Steel Corp	0.01%	102.5%	-33.2%	Materials
Cliffs Natural Resources Inc	0.00%	89.9%	-37.6%	Materials
3D Systems Corp	0.01%	78.0%	-43.6%	Information Technology
JC Penney Co Inc	0.02%	66.1%	31.5%	Consumer Discretionary
SPX Corp	0.00%	61.0%	-28.3%	Industrials
Freeport-McMoRan Inc	0.06%	52.7%	-44.5%	Materials
Newmont Mining Corp	0.07%	47.9%	23.0%	Materials
Allegheny Technologies Inc	0.01%	45.6%	-44.2%	Materials
Urban Outfitters Inc	0.01%	45.5%	-27.5%	Consumer Discretionary
Kate Spade & Co	0.02%	43.6%	-23.6%	Consumer Discretionary

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
SunEdison Inc	0.00%	-89.4%	-97.7%	Information Technology
Ultra Petroleum Corp	0.00%	-80.1%	-96.8%	Energy
SandRidge Energy Inc	0.00%	-71.9%	-96.8%	Energy
Peabody Energy Corp	0.00%	-69.8%	-96.9%	Energy
Ocwen Financial Corp	0.00%	-64.6%	-70.1%	Financials
Puma Biotechnology Inc	0.00%	-62.5%	-87.6%	Health Care
Alkermes PLC	0.02%	-56.9%	-43.9%	Health Care
California Resources Corp	0.00%	-55.8%	-86.4%	Energy
Endo International PLC	0.03%	-54.0%	-68.6%	Health Care
SolarCity Corp	0.01%	-51.8%	-52.1%	Industrials

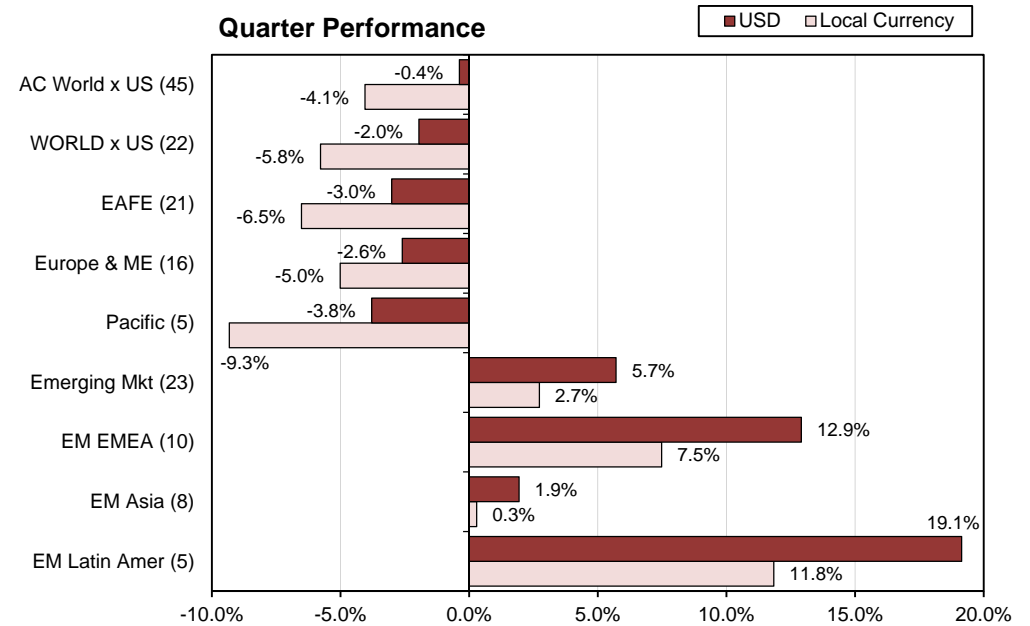
Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
STERIS PLC	0.37%	-5.3%	2.6%	Health Care
CubeSmart	0.34%	9.4%	41.5%	Financials
West Pharmaceutical Services Inc	0.31%	15.4%	16.1%	Health Care
Treehouse Foods Inc	0.30%	10.6%	2.0%	Consumer Staples
Vail Resorts Inc	0.30%	5.1%	32.3%	Consumer Discretionary
Piedmont Natural Gas Co Inc	0.29%	5.5%	66.9%	Utilities
MarketAxess Holdings Inc	0.29%	12.1%	51.9%	Financials
Sovran Self Storage Inc	0.28%	10.8%	29.9%	Financials
Highwoods Properties Inc	0.28%	10.8%	8.7%	Financials
Casey's General Stores Inc	0.27%	-5.7%	26.9%	Consumer Staples

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Vantage Drilling Co	0.00%	551.4%	-94.7%	Energy
American Eagle Energy Corp	0.00%	345.5%	-97.3%	Energy
Walter Energy Inc	0.00%	177.7%	-95.0%	Materials
Ultrapetrol Bahamas Ltd	0.00%	157.1%	-81.4%	Industrials
Coeur Mining Inc	0.05%	126.6%	19.3%	Materials
Bio-Path Holdings Inc	0.00%	107.2%	43.9%	Health Care
EnerNOC Inc	0.01%	94.3%	-34.4%	Information Technology
Cliffs Natural Resources Inc	0.03%	89.9%	-37.6%	Materials
SunCoke Energy Inc	0.03%	87.3%	-54.1%	Materials
Nanoviricides Inc	0.00%	85.6%	-2.7%	Health Care

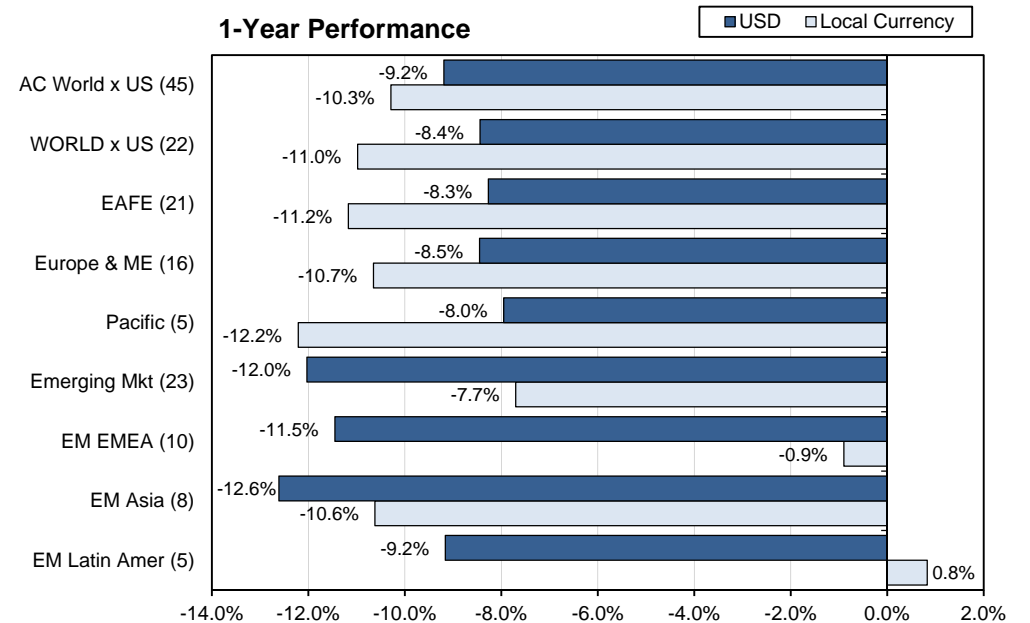
Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
RCS Capital Corp Class A	0.00%	-96.5%	-99.9%	Financials
Horsehead Holding Corp	0.00%	-92.7%	-98.8%	Materials
Eagle Bulk Shipping Inc	0.00%	-89.8%	-95.1%	Industrials
6D Global Technologies Inc	0.00%	-89.7%	-96.2%	Information Technology
Eleven Biotherapeutics Inc	0.00%	-89.4%	-96.4%	Health Care
Speed Commerce Inc	0.00%	-88.9%	-98.9%	Information Technology
CHC Group Ltd	0.00%	-85.0%	-97.6%	Energy
Noranda Aluminum Holding Corp	0.00%	-82.8%	-99.7%	Materials
Midstates Petroleum Co Inc	0.00%	-82.4%	-95.8%	Energy
Carbylan Therapeutics Inc	0.00%	-82.2%	N/A	Health Care

- Like their domestic counterparts, the 1st quarter of the year was very volatile for international stocks. The beginning of the quarter was difficult across markets as investors struggled with uncertainty surrounding central bank policies, global economic growth, and commodity prices. As is usual, this uncertainty caused investors to flee risk assets, putting downward pressure on equity prices. Markets began to recover in the latter half of the quarter as the Bank of Japan (BoJ), People's Bank of China (PBoC), and European Central Bank (ECB) were just a few of those announcing new measures aimed at stimulating their economies. Developed markets struggled throughout the quarter while emerging markets managed to reverse their persistent trend of underperformance as commodity prices rebounded and the USD weakened. The weaker USD provided a boost to local currency returns across major international indices. For the 1-year period, USD performance for each of the international indices we track was negative. Developed markets returned a weak -8.3% for the 1-year period, but emerging markets fared even worse with a return of -12.0%.
- Despite relief from the ECB's announcement of additional monetary policy easing, developed markets in Europe were negative for the quarter. Weak GDP growth, below target inflation, and security concerns stemming from the March terrorist attacks in Brussels all impacted returns. Stress was compounded when the U.K. called for a referendum to review the country's continued membership in the European economic bloc. Within the emerging and developed market indices, Greece and Italy were the worst performers posting USD returns of -12.2% and -11.7%, respectively, for the quarter.
- Japanese equities, the developed market index's largest component, struggled for the quarter posting a return of -6.5% in USD and -12.5% in local currency. Investors weighed ongoing global macroeconomic uncertainty and began to lose faith in the ability of "Abenomics" to lift the country out of its growth malaise. Japanese market returns were also affected by the BoJ's unexpected move to a negative interest rate policy at the end of January, making it the sixth central bank to do so, in an attempt to stimulate economic growth and place upward pressure on inflation. Investors in Chinese markets had an exceptionally difficult start to the year as a new circuit breaking mechanism forced an early market close twice in January. The recent round of market turbulence stemmed from fears of the impending expiration of selling restrictions on major shareholders, which were later extended, and a weakening Chinese yuan.

**Quarter Performance**



**1-Year Performance**



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

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	13.2%	-4.3%	-10.0%
Consumer Staples	12.7%	3.3%	7.3%
Energy	4.7%	4.7%	-10.4%
Financials	23.8%	-9.6%	-16.3%
Health Care	11.5%	-6.5%	-8.0%
Industrials	13.3%	1.7%	-3.7%
Information Technology	5.3%	-4.1%	-6.5%
Materials	6.7%	2.6%	-17.4%
Telecommunication Services	5.1%	0.3%	1.3%
Utilities	3.9%	0.4%	-0.1%
<b>Total</b>	<b>100.0%</b>	<b>-3.0%</b>	<b>-8.3%</b>

MSCI - ACWixUS	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	12.0%	-2.6%	-10.1%
Consumer Staples	11.2%	4.1%	5.2%
Energy	6.4%	9.8%	-10.6%
Financials	25.8%	-5.0%	-14.7%
Health Care	8.8%	-7.5%	-11.3%
Industrials	11.5%	2.3%	-5.7%
Information Technology	8.5%	0.7%	-8.0%
Materials	6.9%	7.2%	-15.4%
Telecommunication Services	5.3%	2.5%	-3.6%
Utilities	3.6%	2.4%	-2.6%
<b>Total</b>	<b>100.0%</b>	<b>-0.4%</b>	<b>-9.2%</b>

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	9.8%	3.1%	-12.1%
Consumer Staples	8.3%	6.3%	-5.3%
Energy	7.7%	14.9%	-7.0%
Financials	27.4%	3.4%	-15.7%
Health Care	2.7%	-0.4%	-11.6%
Industrials	6.8%	3.1%	-15.3%
Information Technology	20.7%	4.9%	-10.0%
Materials	6.6%	15.4%	-7.6%
Telecommunication Services	6.9%	6.6%	-15.4%
Utilities	3.2%	9.2%	-10.7%
<b>Total</b>	<b>100.0%</b>	<b>5.7%</b>	<b>-12.0%</b>

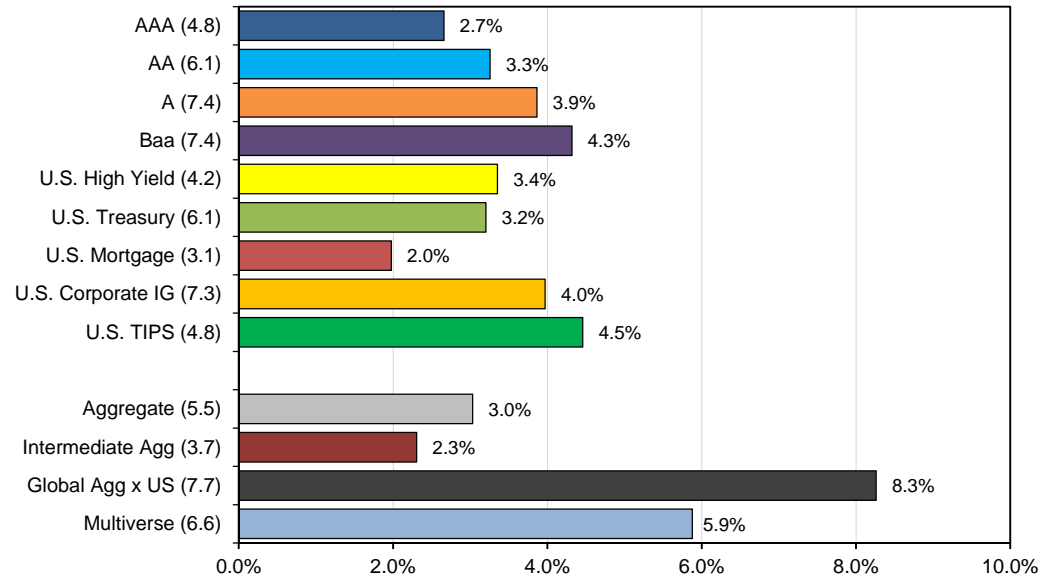
Country	MSCI-EAFE Weight	MSCI-ACWixUS Weight	Quarter Return	1-Year Return
Japan	22.5%	16.1%	-6.5%	-7.1%
United Kingdom	19.3%	13.8%	-2.3%	-8.9%
France	10.0%	7.2%	0.1%	-4.5%
Germany	9.2%	6.6%	-2.5%	-11.7%
Switzerland	9.1%	6.5%	-5.5%	-9.4%
Australia	7.2%	5.1%	2.1%	-10.8%
Hong Kong	3.3%	2.4%	-0.6%	-6.7%
Spain	3.2%	2.3%	-4.1%	-18.6%
Netherlands	3.1%	2.2%	3.4%	-0.2%
Sweden	2.9%	2.1%	-0.2%	-9.9%
Italy	2.2%	1.6%	-11.7%	-15.4%
Denmark	2.0%	1.4%	-1.0%	5.5%
Belgium	1.5%	1.0%	-2.4%	3.2%
Singapore	1.4%	1.0%	5.1%	-11.9%
Finland	1.0%	0.7%	-5.2%	-5.6%
Israel	0.7%	0.5%	-10.2%	-9.0%
Norway	0.6%	0.4%	1.7%	-15.5%
Ireland	0.5%	0.4%	-4.2%	7.8%
Austria	0.2%	0.1%	-0.5%	-0.2%
New Zealand	0.2%	0.1%	11.6%	6.5%
Portugal	0.2%	0.1%	3.2%	-2.9%
<b>Total EAFE Countries</b>	<b>100.0%</b>	<b>71.6%</b>	<b>-3.0%</b>	<b>-8.3%</b>
Canada		6.6%	11.3%	-10.2%
<b>Total Developed Countries</b>		<b>78.2%</b>	<b>-2.0%</b>	<b>-8.4%</b>
China		5.2%	-4.8%	-18.8%
Korea		3.4%	5.1%	-5.9%
Taiwan		2.7%	7.7%	-8.5%
India		1.8%	-2.5%	-13.2%
South Africa		1.6%	13.8%	-17.8%
Brazil		1.4%	28.5%	-11.8%
Mexico		1.0%	8.5%	-5.3%
Russia		0.8%	15.8%	1.7%
Malaysia		0.8%	13.2%	-8.0%
Indonesia		0.6%	11.2%	-12.5%
Thailand		0.5%	16.9%	-12.7%
Turkey		0.3%	21.6%	-1.6%
Philippines		0.3%	7.0%	-9.3%
Poland		0.3%	13.9%	-12.4%
Chile		0.3%	12.9%	-6.9%
Qatar		0.2%	3.8%	-13.7%
United Arab Emirates		0.2%	8.6%	-5.9%
Colombia		0.1%	22.5%	-11.9%
Peru		0.1%	27.0%	-7.7%
Greece		0.1%	-12.2%	-52.0%
Hungary		0.1%	17.3%	40.2%
Czech Republic		0.0%	5.1%	-11.5%
Egypt		0.0%	-5.9%	-29.1%
<b>Total Emerging Countries</b>		<b>21.9%</b>	<b>5.7%</b>	<b>-12.0%</b>
<b>Total ACWixUS Countries</b>		<b>100.0%</b>	<b>-0.4%</b>	<b>-9.2%</b>

Source: MSCI Global Index Monitor (Returns are Net in USD)

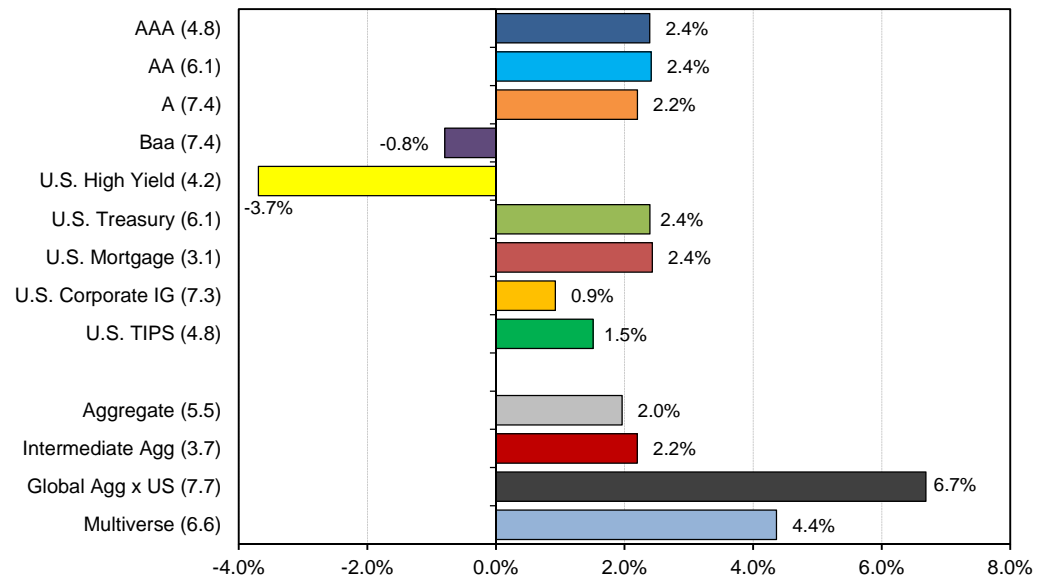


- Due to a steady downward move in interest rates during the 1st quarter, fixed income index performance was positive for the period. Fixed income indices benefitted from Federal Reserve Chair Janet Yellen's dovish comments in February and March, which implied uncertainty underlying the U.S. economic outlook would likely mitigate the pace of future interest rate hikes. This information resulted in a consensus expectation for two rate increases this year versus the prior expectation of four. This rate news, coupled with early quarter volatility in risk assets, fueled investor demand for defensive investments such as U.S. Treasuries. This series of events resulted in yields falling throughout the period, especially at the longer-end of the yield curve. This curve flattening benefited longer duration indices with the 7.3 year duration Barclays U.S. Corporate Investment Grade Index returning a solid 4.0% for the quarter. Over the 1-year period, lower quality issues struggled, with Baa and high yield indices registering losses of -0.8% and -3.7%, respectively, as investors preferred the relative safety of high credit quality issues.
- The Barclays Aggregate benchmark, which is a broad representation of U.S. fixed income markets, posted a return of 3.0% for the quarter. As detailed above, higher duration sectors within the broad Aggregate index outperformed lower duration sectors with investment grade corporates (4.0%) and Treasury securities (3.2%) posting the largest gains. Hurt by its relatively low duration, the Barclays U.S. Mortgage Index returned a lower 2.0% for the quarter. While the sector components of the Aggregate benchmark also posted positive returns for the 1-year period, Treasury and mortgage-backed issues were the strongest performing; each returning 2.4%. The Barclays U.S. Corporate Investment Grade Index returned 0.9%, negatively impacted by widening credit spreads throughout most of the period.
- Due to higher average durations and credit spreads that declined in the second half of the quarter, lower credit quality investment grade securities outperformed higher quality issues during the 1st quarter. A and Baa rated securities returned 3.9% and 4.3%, respectively, versus a 2.7% return for AAA issues. High yield bonds also had a strong quarter with the Barclays U.S. High Yield Index returning 3.4%. As noted, high yield spreads rose dramatically in the first half of the quarter causing the index to trade down by as much as 5.0% through early February but quickly changed course as the quarter progressed to end the period lower than where they began 2016. Despite the strong quarter, the Barclays U.S. High Yield Index returned -3.7% over the 1-year period.

**Quarter Performance**

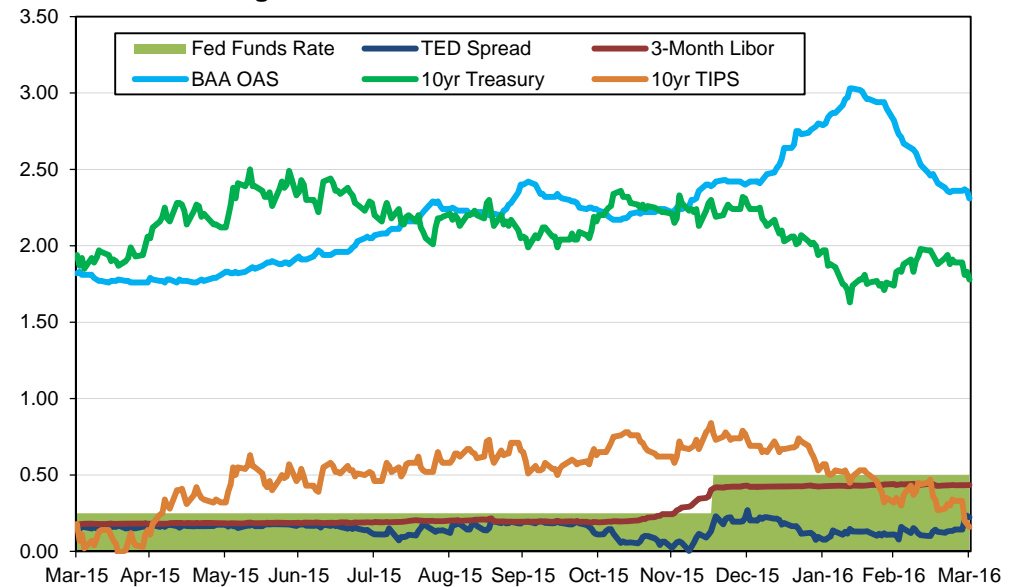


**1-Year Performance**

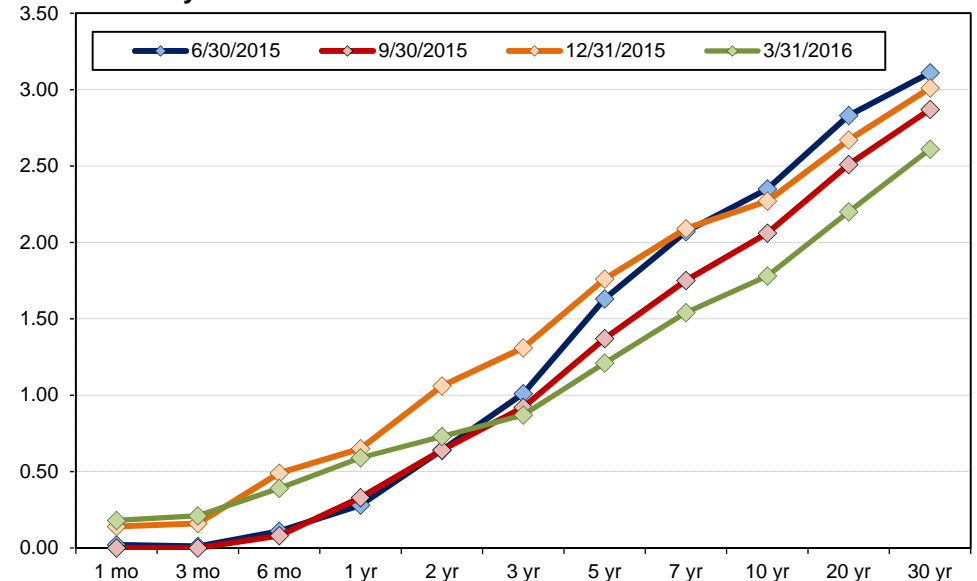


- U.S. TIPS finished the 1st quarter with a solid 4.5% return as inflation expectations rose as the USD weakened and commodity prices started to rebound. TIPS returns for the 1-year period, while positive, were a more modest 1.5%.
- In USD terms, international fixed income indices posted the largest gains for the quarter and 1-year period. Despite the relatively low interest rates in international markets, the Barclays Global Aggregate ex U.S. benchmark returned 8.3% for the quarter. The index benefitted from its higher duration, additional monetary policy easing and the weakening USD. Global bonds were also strong over the 1-year period, posting a return of 6.7%.
- Many of the drivers of the index performance detailed in the bar graphs on the previous page is visible on a time series basis in the line graphs to the right. The '1-Year Trailing Market Rates' graph illustrates that the 10-year Treasury (green line) fell over the quarter, providing a boost to bond performance. The blue line illustrates changes in the BAA OAS (Option Adjusted Spread), which quantifies the additional yield premium that investors demand to purchase and hold non-Treasury issues. When spreads widen (tighten), it is equivalent to an interest rate increase (decrease) on corporate bonds. After falling below 2.0% early in 2015, this spread rose throughout the remainder of the calendar year. There was considerable movement in this spread from the start of 2016, as it widened to near term highs, before falling through the second half of the quarter, ending the period only slightly lower than it began. The interest rate paid on 10-year TIPS (orange line) has fallen since late last year as higher inflation expectations have increased demand for these securities. The bottom graph provides a snapshot of the U.S. Treasury yield curve at each of the last four calendar quarters. While rates stayed relatively flat at the short-end of the curve, maturities beyond 3-years saw yields fall to their lowest quarter-end levels in a year.
- The Fed has stated future rate increases would be implemented at a measured pace and with ongoing assessment of current economic data. Geopolitical events and stimulus programs in other countries should keep demand for U.S. Treasury issues elevated and put downward pressure on how high domestic rates will rise in the short-term.

1-Year Trailing Market Rates



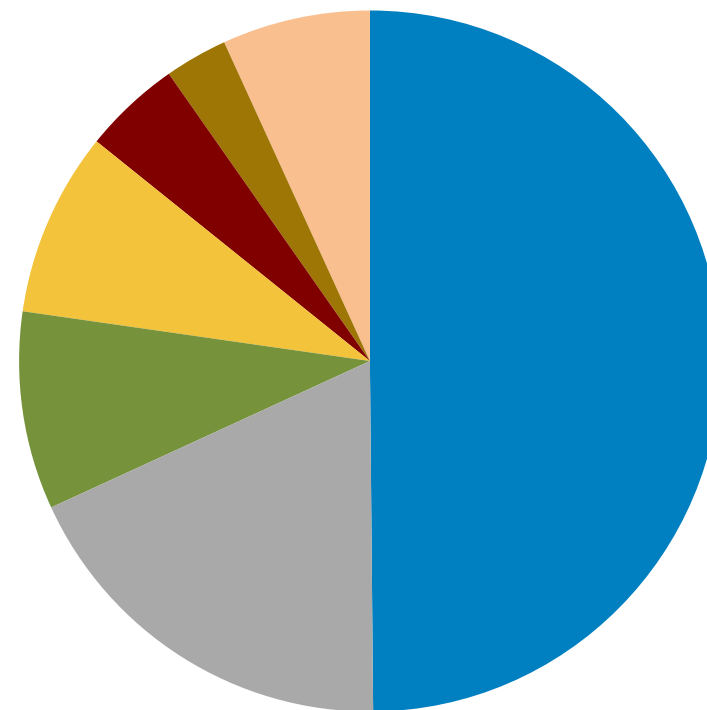
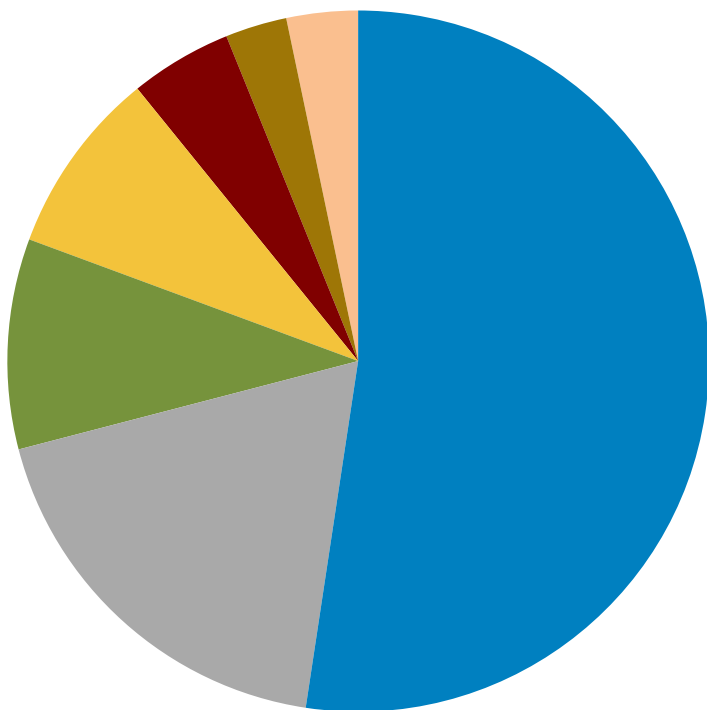
Treasury Yield Curve



Source: US Department of Treasury, FRED (Federal Reserve of St. Louis)

Asset Allocation By Segment as of  
 December 31, 2015 : \$105,826,529

Asset Allocation By Segment as of  
 March 31, 2016 : \$106,399,605



Allocation			Allocation		
Segments	Market Value	Allocation	Segments	Market Value	Allocation
Domestic Equity	55,442,644	52.4	Domestic Equity	53,046,702	49.9
International Equity	19,637,358	18.6	International Equity	19,459,161	18.3
Domestic Fixed Income	10,260,629	9.7	Domestic Fixed Income	9,708,738	9.1
Real Estate	9,022,758	8.5	Real Estate	9,056,148	8.5
Hedge Fund	4,972,228	4.7	Hedge Fund	4,793,113	4.5
Other Illiquid Asset	3,003,468	2.8	Other Illiquid Asset	3,075,599	2.9
Cash Equivalent	3,487,443	3.3	Cash Equivalent	7,260,144	6.8

**Financial Reconciliation**  
**Total Fund**  
**1 Quarter Ending March 31, 2016**

<b>Financial Reconciliation</b>								
	<b>Market Value 01/01/2016</b>	<b>Net Transfers</b>	<b>Contributions</b>	<b>Distributions</b>	<b>Management Fees</b>	<b>Other Expenses</b>	<b>Return On Investment</b>	<b>Market Value 03/31/2016</b>
<b>Total Domestic Equity</b>	<b>57,254,183</b>	<b>-4,000,000</b>	-	-	<b>-66,582</b>	<b>-8,080</b>	<b>1,264,324</b>	<b>54,443,844</b>
Comerica S&P 500 Index Fund	27,712,918	-4,000,000	-	-	-	-3,810	331,021	24,040,130
Victory Mid Cap Equity	12,128,159	-	-	-	-22,741	-1,798	179,275	12,282,895
SouthernSun SC	12,352,560	-	-	-	-31,190	-1,673	641,995	12,961,692
Walhausen & Co. SMID Value	5,060,545	-	-	-	-12,651	-799	112,032	5,159,127
<b>Total International Equity</b>	<b>19,870,231</b>	<b>20,605</b>	-	-	<b>-37,709</b>	<b>-1,543</b>	<b>-224,413</b>	<b>19,627,171</b>
LSV International LCV	10,784,637	20,605	-	-	-20,605	-	-259,323	10,525,314
WCM Focused Growth International	9,085,594	-	-	-	-17,104	-1,543	34,910	9,101,857
<b>Total Fixed Income</b>	<b>10,530,403</b>	<b>-1,050,000</b>	-	-	<b>-8,461</b>	<b>-1,584</b>	<b>345,110</b>	<b>9,815,468</b>
Pacific Fixed Income	10,530,403	-1,050,000	-	-	-8,461	-1,584	345,110	9,815,468
<b>Total Real Estate</b>	<b>6,804,228</b>	-	<b>29,128</b>	<b>-62,277</b>	<b>-15,765</b>	-	<b>115,092</b>	<b>6,870,406</b>
AEW Core Property Trust	5,617,638	-	-	-	-15,765	-	115,092	5,716,965
Metropolitan Real Estate VI	1,186,590	-	29,128	-62,277	-	-	-	1,153,441
<b>Total Timber Funds</b>	<b>3,003,468</b>	-	-	-	-	-	<b>72,131</b>	<b>3,075,599</b>
RMK Timberland US Fund	1,855,830	-	-	-	-	-	5,242	1,861,072
RMK Timberland Intl Fund	1,147,638	-	-	-	-	-	66,889	1,214,527
<b>Total Hedge Fund of Funds</b>	<b>4,972,228</b>	-	-	-	-	-	<b>-179,116</b>	<b>4,793,113</b>
Magnitude Institutional	2,541,803	-	-	-	-	-	-35,103	2,506,700
Titan Masters Int'l Fund	2,430,425	-	-	-	-	-	-144,012	2,286,413
<b>Bloomfield Capital Income Fund II</b>	<b>2,328,398</b>	<b>-49,907</b>	-	-	<b>-59,981</b>	<b>-8,294</b>	<b>83,913</b>	<b>2,294,128</b>
Cash Account	1,063,389	5,079,302	1,008,522	-1,691,557	-	-5,288	25,507	5,479,875
<b>Total Fund</b>	<b>105,826,529</b>	-	<b>1,037,650</b>	<b>-1,753,834</b>	<b>-188,498</b>	<b>-24,789</b>	<b>1,502,548</b>	<b>106,399,605</b>

**Comparative Performance**  
**Trailing Returns**  
As of March 31, 2016

Comparative Performance																		
	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception		Inception Date	
<b>Total Fund</b>	<b>1.47</b>	<b>(23)</b>	<b>-3.29</b>	<b>(93)</b>	<b>-3.03</b>	<b>(84)</b>	<b>6.34</b>	<b>(42)</b>	<b>7.68</b>	<b>(9)</b>	<b>13.75</b>	<b>(1)</b>	<b>6.96</b>	<b>(1)</b>	<b>7.40</b>	<b>(10)</b>	<b>06/01/1997</b>	
Total Fund Policy	1.23	(35)	-1.26	(45)	-1.56	(51)	6.72	(29)	7.30	(18)	12.32	(6)	5.97	(28)	7.73	(3)		
Difference	0.24		-2.03		-1.47		-0.38		0.38		1.43		0.99		-0.33			
All Public Plans-Total Fund Median	0.95		-1.45		-1.53		6.15		6.41		10.71		5.60		6.56			
<b>Total Domestic Equity</b>	<b>2.31</b>		<b>-5.73</b>		<b>-5.13</b>		<b>8.26</b>		<b>9.60</b>		<b>18.21</b>		<b>7.25</b>		<b>8.48</b>		<b>02/01/1992</b>	
Total Domestic Equity Policy	1.32		-3.12		-3.21		9.74		9.75		17.39		6.84		9.89			
Difference	0.99		-2.61		-1.92		-1.48		-0.15		0.82		0.41		-1.41			
<b>Total International Equity</b>	<b>-1.12</b>		<b>-4.38</b>		<b>-2.83</b>		<b>5.28</b>		<b>3.93</b>		<b>11.69</b>		<b>N/A</b>		<b>-0.06</b>		<b>12/01/2007</b>	
Total International Equity Policy	-3.01		-8.83		-8.27		2.23		2.29		9.69		1.80		-1.13			
Difference	1.89		4.45		5.44		3.05		1.64		2.00		N/A		1.07			
<b>Total Fixed Income</b>	<b>3.53</b>	<b>(2)</b>	<b>2.68</b>	<b>(94)</b>	<b>1.03</b>	<b>(97)</b>	<b>2.32</b>	<b>(93)</b>	<b>3.68</b>	<b>(96)</b>	<b>5.11</b>	<b>(69)</b>	<b>N/A</b>		<b>5.19</b>	<b>(70)</b>	<b>03/01/2009</b>	
Total Fixed Income Policy	3.03	(52)	3.71	(49)	1.96	(60)	2.50	(76)	3.78	(87)	4.52	(92)	4.90	(86)	4.67	(92)		
Difference	0.50		-1.03		-0.93		-0.18		-0.10		0.59		N/A		0.52			
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	3.04		3.70		2.06		2.71		4.14		5.46		5.30		5.61			
<b>Total Real Estate #</b>	<b>1.69</b>	<b>(91)</b>	<b>7.37</b>	<b>(99)</b>	<b>11.84</b>	<b>(87)</b>	<b>12.00</b>	<b>(85)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>3.58</b>	<b>(100)</b>	<b>01/01/2012</b>	
Total Real Estate Policy	2.21	(54)	8.44	(94)	11.84	(87)	11.91	(89)	11.93	(89)	9.13	(59)	7.61	(18)	11.51	(87)		
Difference	-0.52		-1.07		0.00		0.09		N/A		N/A		N/A		-7.93			
IM U.S. Open End Private Real Estate (SA+CF) Median	2.41		10.03		13.40		13.79		13.74		9.24		6.69		13.44			
<b>Total Timber Funds #</b>	<b>2.40</b>		<b>-5.10</b>		<b>-4.50</b>		<b>-0.79</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>-0.54</b>		<b>08/01/2012</b>	
Total Timber Policy	-0.26		2.38		2.90		7.71		6.63		3.95		6.65		8.42			
Difference	2.66		-7.48		-7.40		-8.50		N/A		N/A		N/A		-8.96			

\*\* All History prior to 3/31/2015, obtained from prior consultant.\*\*

# LP Real Estate and Timber Funds separate accounts are presented on the IRR page.



**Comparative Performance**  
**Trailing Returns**  
As of March 31, 2016

	<b>QTR</b>	<b>FYTD</b>	<b>1 YR</b>	<b>3 YR</b>	<b>5 YR</b>	<b>7 YR</b>	<b>10 YR</b>	<b>Inception</b>	<b>Inception Date</b>
<b>Total Domestic Equity</b>	<b>2.31</b>	<b>-5.73</b>	<b>-5.13</b>	<b>8.26</b>	<b>9.60</b>	<b>18.21</b>	<b>7.25</b>	<b>8.48</b>	<b>02/01/1992</b>
Total Domestic Equity Policy	1.32	-3.12	-3.21	9.74	9.75	17.39	6.84	9.89	
Difference	0.99	-2.61	-1.92	-1.48	-0.15	0.82	0.41	-1.41	
Comerica S&P 500 Index Fund	1.35 (32)	1.55 (27)	1.82 (26)	11.79 (48)	11.60 (44)	17.01 (40)	7.06 (63)	7.06 (63)	04/01/2006
S&P 500 Index	1.35 (33)	1.50 (29)	1.78 (27)	11.82 (46)	11.58 (46)	16.97 (42)	7.01 (65)	7.01 (65)	
Difference	0.00	0.05	0.04	-0.03	0.02	0.04	0.05	0.05	
IM U.S. Large Cap Core Equity (SA+CF) Median	0.61	-0.52	-0.20	11.67	11.35	16.63	7.31	7.31	
Victory Mid Cap Equity	1.50 (14)	-7.08 (49)	-7.53 (55)	9.25 (65)	9.66 (39)	17.70 (44)	N/A	6.87 (62)	09/01/2007
Russell Midcap Index	2.24 (11)	-2.54 (19)	-4.04 (30)	10.45 (40)	10.30 (26)	19.12 (17)	7.45 (59)	7.13 (57)	
Difference	-0.74	-4.54	-3.49	-1.20	-0.64	-1.42	N/A	-0.26	
IM U.S. Mid Cap Growth Equity (SA+CF) Median	-1.30	-7.16	-7.00	10.02	9.05	17.47	7.63	7.36	
SouthernSun SC	5.22 (1)	-17.02 (99)	-14.64 (97)	0.63 (100)	6.08 (89)	20.86 (16)	N/A	9.43 (54)	04/01/2008
Russell 2000 Index	-1.52 (72)	-10.14 (83)	-9.76 (83)	6.84 (91)	7.20 (83)	16.42 (89)	5.26 (84)	7.71 (85)	
Difference	6.74	-6.88	-4.88	-6.21	-1.12	4.44	N/A	1.72	
IM U.S. Small Cap Core Equity (SA+CF) Median	0.02	-6.78	-6.41	9.62	9.72	18.53	7.10	9.52	
Walthausen & Co. SMID Value	2.23 (50)	N/A	N/A	N/A	N/A	N/A	N/A	3.47 (72)	10/01/2015
Russell 2500 Value Index	3.33 (30)	-3.98 (44)	-5.20 (51)	7.15 (75)	8.33 (70)	17.32 (65)	5.80 (87)	6.20 (37)	
Difference	-1.10	N/A	N/A	N/A	N/A	N/A	N/A	-2.73	
IM U.S. SMID Cap Value Equity (SA+CF) Median	2.19	-4.60	-4.99	8.94	9.26	18.23	7.75	5.14	

\*\* All History prior to 3/31/2015, obtained from prior consultant.\*\*

# LP Real Estate and Timber Funds separate accounts are presented on the IRR page.



**Comparative Performance**  
**Trailing Returns**  
As of March 31, 2016

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception	Inception Date
<b>Total International Equity</b>	<b>-1.12</b>		<b>-4.38</b>		<b>-2.83</b>		<b>5.28</b>		<b>3.93</b>		<b>11.69</b>		<b>N/A</b>		<b>-0.06</b>	<b>12/01/2007</b>
Total International Equity Policy	-3.01		-8.83		-8.27		2.23		2.29		9.69		1.80		-1.13	
Difference	1.89		4.45		5.44		3.05		1.64		2.00		N/A		1.07	
 LSV International LCV	-2.40 (63)		-8.30 (51)		-6.06 (43)		3.87 (36)		3.55 (38)		11.40 (39)		2.41 (71)		3.38 (71)	01/01/2006
MSCI EAFE Index	-2.88 (73)		-8.63 (54)		-7.87 (58)		2.68 (54)		2.76 (52)		10.19 (57)		2.27 (75)		3.12 (76)	
Difference	0.48		0.33		1.81		1.19		0.79		1.21		0.14		0.26	
IM International Large Cap Value Equity (SA+CF) Median	-1.99		-8.29		-7.11		2.90		2.82		10.40		3.15		3.96	
 WCM Focused Growth International	0.40 (19)		0.57 (11)		1.20 (20)		7.01 (21)		N/A		N/A		N/A		8.86 (26)	11/01/2011
MSCI EAFE (net) Index	-3.01 (71)		-8.83 (85)		-8.27 (88)		2.23 (88)		2.29 (87)		9.69 (92)		1.80 (89)		5.03 (89)	
Difference	3.41		9.40		9.47		4.78		N/A		N/A		N/A		3.83	
IM International Growth Equity (SA+CF) Median	-1.98		-5.86		-3.48		3.96		4.23		12.16		4.11		7.08	

\*\* All History prior to 3/31/2015, obtained from prior consultant.\*\*

# LP Real Estate and Timber Funds separate accounts are presented on the IRR page.

**Comparative Performance**  
**Trailing Returns**  
**As of March 31, 2016**

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception	Inception Date	
<b>Total Fixed Income</b>	<b>3.53</b>	<b>(2)</b>	<b>2.68</b>	<b>(94)</b>	<b>1.03</b>	<b>(97)</b>	<b>2.32</b>	<b>(93)</b>	<b>3.68</b>	<b>(96)</b>	<b>5.11</b>	<b>(69)</b>	<b>N/A</b>	<b>5.19</b>	<b>(70)</b>	<b>03/01/2009</b>	
Total Fixed Income Policy	3.03	(52)	3.71	(49)	1.96	(60)	2.50	(76)	3.78	(87)	4.52	(92)	4.90	(86)	4.67	(92)	
Difference	0.50		-1.03		-0.93		-0.18		-0.10		0.59		N/A		0.52		
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	3.04		3.70		2.06		2.71		4.14		5.46		5.30		5.61		
<b>Pacific Fixed Income</b>	<b>3.53</b>	<b>(2)</b>	<b>2.68</b>	<b>(94)</b>	<b>1.03</b>	<b>(97)</b>	<b>2.30</b>	<b>(94)</b>	<b>3.54</b>	<b>(100)</b>	<b>4.66</b>	<b>(86)</b>	<b>5.24</b>	<b>(60)</b>	<b>5.72</b>	<b>(77)</b>	<b>06/01/1997</b>
Barclays Aggregate Index	3.03	(52)	3.71	(49)	1.96	(60)	2.50	(76)	3.78	(87)	4.52	(92)	4.90	(86)	5.54	(94)	
Difference	0.50		-1.03		-0.93		-0.20		-0.24		0.14		0.34		0.18		
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	3.04		3.70		2.06		2.71		4.14		5.46		5.30		5.92		
<b>Total Real Estate</b>	<b>1.69</b>	<b>(91)</b>	<b>7.37</b>	<b>(99)</b>	<b>11.84</b>	<b>(87)</b>	<b>12.00</b>	<b>(85)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>3.58</b>	<b>(100)</b>	<b>01/01/2012</b>		
Total Real Estate Policy	2.21	(54)	8.44	(94)	11.84	(87)	11.91	(89)	11.93	(89)	9.13	(59)	7.61	(18)	11.51	(87)	
Difference	-0.52		-1.07		0.00		0.09		N/A		N/A		N/A		-7.93		
IM U.S. Open End Private Real Estate (SA+CF) Median	2.41		10.03		13.40		13.79		13.74		9.24		6.69		13.44		
<b>AEW Core Property Trust</b>	<b>2.05</b>	<b>(72)</b>	<b>8.96</b>	<b>(82)</b>	<b>13.56</b>	<b>(46)</b>	<b>12.45</b>	<b>(82)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>12.00</b>	<b>(82)</b>	<b>10/01/2012</b>		
NCREIF Fund Index-ODCE (VW)	2.21	(54)	9.51	(64)	13.70	(44)	13.64	(53)	13.26	(65)	9.07	(60)	6.36	(59)	13.18	(65)	
Difference	-0.16		-0.55		-0.14		-1.19		N/A		N/A		N/A		-1.18		
IM U.S. Open End Private Real Estate (SA+CF) Median	2.41		10.03		13.40		13.79		13.74		9.24		6.69		13.58		
<b>Total Hedge Fund of Funds</b>	<b>-3.60</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>-4.17</b>	<b>08/01/2015</b>	
HFRI FOF: Diversified Index	-2.80		-5.27		-5.45		1.95		1.51		3.46		1.57		-5.73		
Difference	-0.80		N/A		N/A		N/A		N/A		N/A		N/A		1.56		
<b>Magnitude Institutional</b>	<b>-1.38</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>0.27</b>	<b>08/01/2015</b>	
HFRI FOF: Diversified Index	-2.80		-5.27		-5.45		1.95		1.51		3.46		1.57		-5.73		
Difference	1.42		N/A		N/A		N/A		N/A		N/A		N/A		6.00		
<b>Titan Masters Int'l Fund</b>	<b>-5.93</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>-8.54</b>	<b>08/01/2015</b>	
HFRI FOF: Diversified Index	-2.80		-5.27		-5.45		1.95		1.51		3.46		1.57		-5.73		
Difference	-3.13		N/A		N/A		N/A		N/A		N/A		N/A		-2.81		

\*\* All History prior to 3/31/2015, obtained from prior consultant.\*\*

# LP Real Estate and Timber Funds separate accounts are presented on the IRR page.



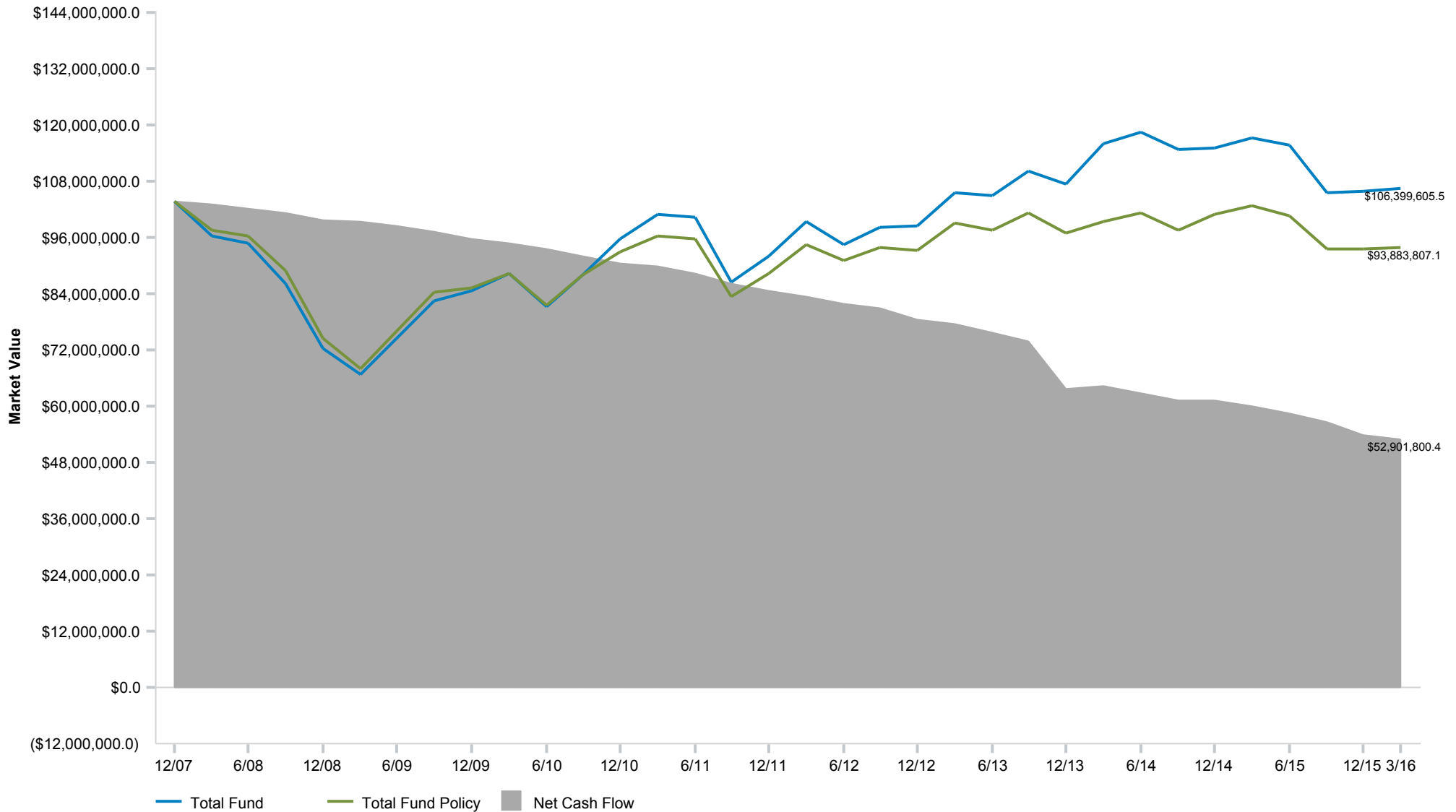


As of March 31, 2016

Comparative Performance - IRR							
	Inception	Since Inception Ending Dec-2015	Since Inception Ending Sep-2015	Since Inception Ending Jun-2015	Since Inception Ending Mar-2015	Since Inception Ending Dec-2014	Inception Date
Bloomfield Capital Income Fund II	8.87	10.38	9.99	5.92	2.81	0.03	12/22/2014
Metropolitan Real Estate VI	7.68	8.37	9.28	10.10	9.22	10.24	11/30/2011
RMK Timberland US Fund	3.50	3.75	6.00	7.29	8.74	9.17	10/31/2012
RMK Timberland Intl Fund	-7.58	-11.01	-12.17	-7.41	-9.89	-6.70	11/21/2012

**Schedule of Investable Assets**  
**Total Fund**  
**10 Years Ending March 31, 2016**

**Schedule of Investable Assets**

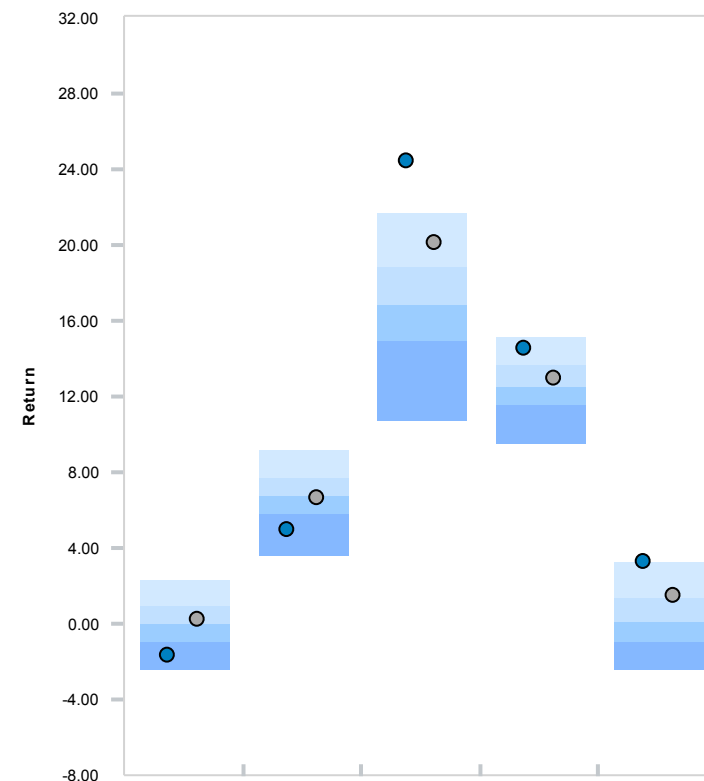
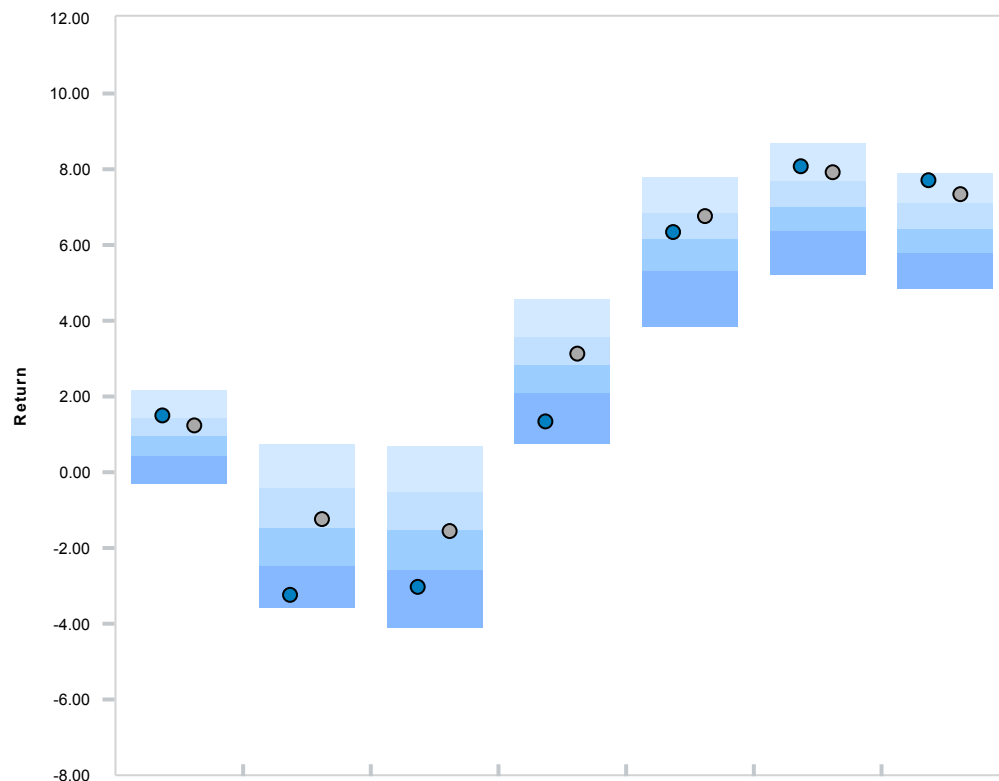


**Schedule of Investable Assets**

Periods Ending	Beginning Market Value \$	Contributions \$	Withdrawals \$	Gain/Loss \$	Net Cash Flow \$	Ending Market Value \$
10 YR	103,654,214	37,277,146	88,029,560	53,497,805	-50,752,414	106,399,605



**Plan Sponsor Peer Group Analysis - All Public Plans-Total Fund**



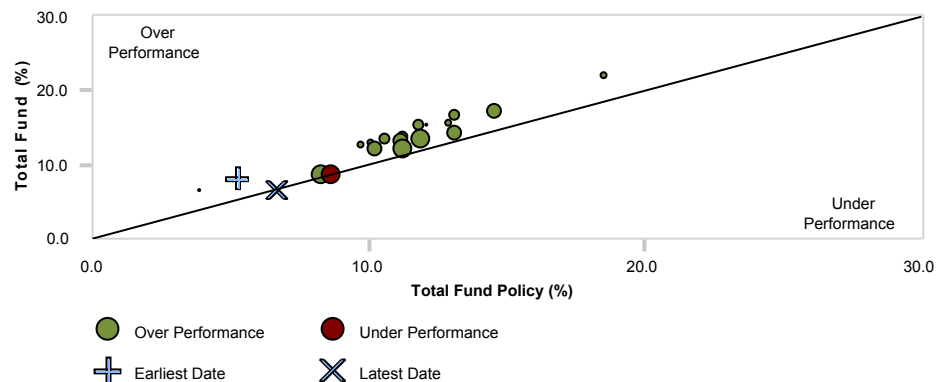
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Fund	1.47 (23)	-3.29 (93)	-3.03 (84)	1.34 (91)	6.34 (42)	8.03 (14)	7.68 (9)
● Total Fund Policy	1.23 (35)	-1.26 (45)	-1.56 (51)	3.09 (43)	6.72 (29)	7.88 (18)	7.30 (18)
Median	0.95	-1.45	-1.53	2.86	6.15	7.00	6.41

	2015	2014	2013	2012	2011
● Total Fund	-1.68 (87)	4.92 (87)	24.38 (1)	14.51 (12)	3.25 (5)
● Total Fund Policy	0.18 (45)	6.66 (53)	20.12 (12)	12.91 (43)	1.46 (22)
Median	-0.01	6.76	16.89	12.58	0.15

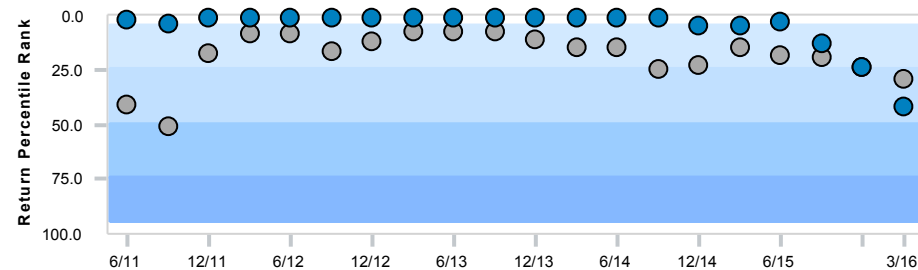
**Comparative Performance**

	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014
Total Fund	3.00 (44)	-7.46 (98)	0.26 (26)	2.88 (20)	1.38 (82)	-1.94 (90)
Total Fund Policy	3.05 (42)	-5.35 (64)	-0.29 (63)	3.02 (13)	3.54 (7)	-2.12 (95)
All Public Plans-Total Fund Median	2.85	-5.03	-0.13	2.43	2.27	-1.14

3 Yr Rolling Under/Over Performance - 5 Years

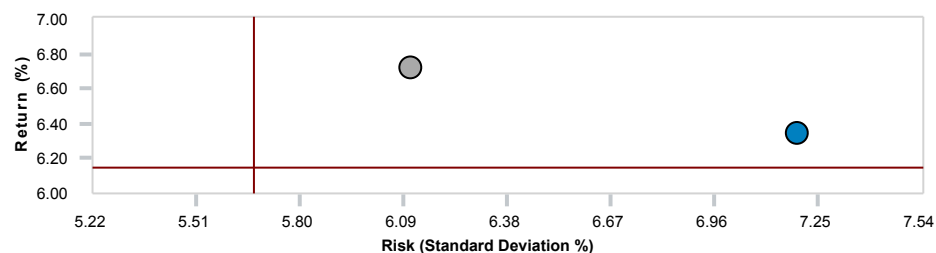


3 Yr Rolling Percentile Ranking - 5 Years



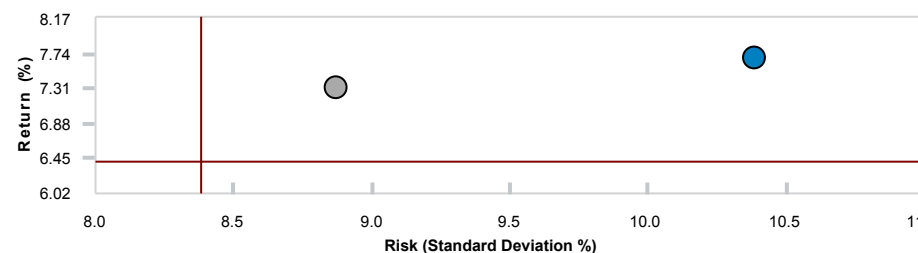
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Fund	20	19 (95%)	1 (5%)	0 (0%)	0 (0%)
Total Fund Policy	20	17 (85%)	2 (10%)	1 (5%)	0 (0%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Fund	6.34	7.19
Total Fund Policy	6.72	6.11
Median	6.15	5.67

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Fund	7.68	10.39
Total Fund Policy	7.30	8.88
Median	6.41	8.38

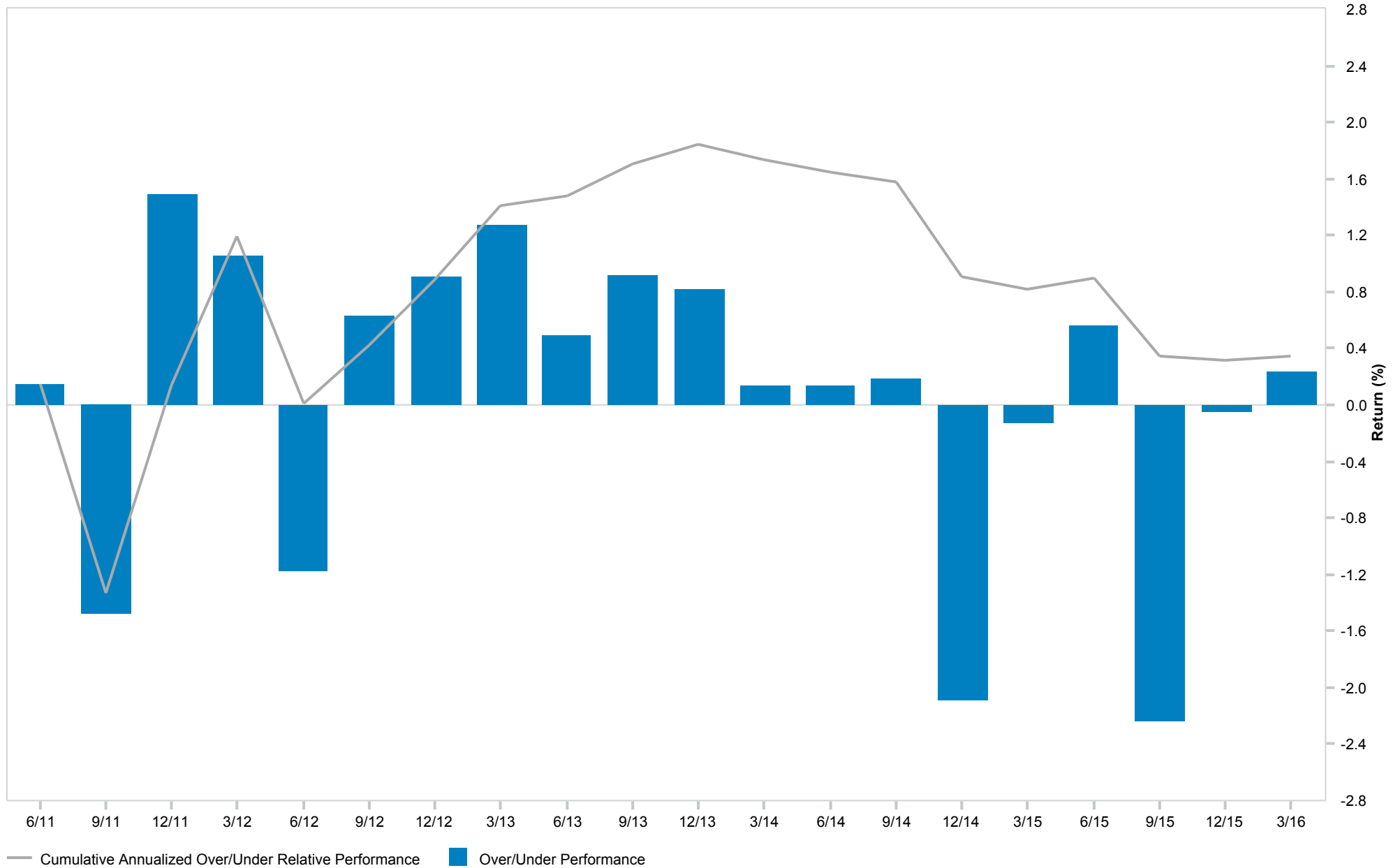
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.96	101.84	117.73	-1.23	-0.15	0.89	1.14	4.45
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.09	1.00	3.33

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	2.07	110.95	118.70	-0.68	0.24	0.77	1.16	6.53
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.84	1.00	5.49

Relative Performance



Calculation based on quarterly periodicity.  
 Benchmark: 65% MSCI ACWi / 35% Barclays Global Agg

**Comerica S&P 500 - Portfolio Description**

- Strategy: S&P 500 Index Fund
- Vehicle: Commingled Fund
- Objective: To replicate the S&P 500
- Annual fees: .10% on first \$5M
- .08% on next \$20M
- .06% on next \$25M
- Benchmark: S&P 500 Index

**Comerica S&P 500 - Strategy Details**

The 500 Index Strategy seeks to provide investment results generally corresponding to the aggregate price and dividend performance of the publicly traded common stocks in the large- capitalization sector of the U.S. equity market. The fund pursues this objective by investing primarily in the 500 common stocks that compose the S&P 500 Index.

**Victory MidCap Equity - Portfolio Description**

- Strategy: Mid Cap Core Growth Equity
- Vehicle: Separately Managed Account
- Objective: To outperform the Russell Midcap Index
- Annual fees: .75% on first \$25MM
- .65% on next \$25MM
- .55% on next \$50M
- .45% over \$100M
- Benchmark: Russell Midcap Index

**Victory MidCap Equity - Strategy Details**

Victory's Mid-Cap Growth strategy uses a bottom-up stock selection process focusing on the most attractive growth candidates from the mid-cap segment of the stock market. The team focuses on security selection utilizing both quantitative tools and fundamental research to identify alpha-generating ideas. Their focus is on stock-specific research because security selection is where they have the most confidence in their skills and insights, and through security selection, they strive to repeatedly add value to client portfolios. The team controls risk at the issue, sector and market capitalization levels. Their goal is to exceed our clients' expectations and provide consistently attractive results through bottom-up security selection.

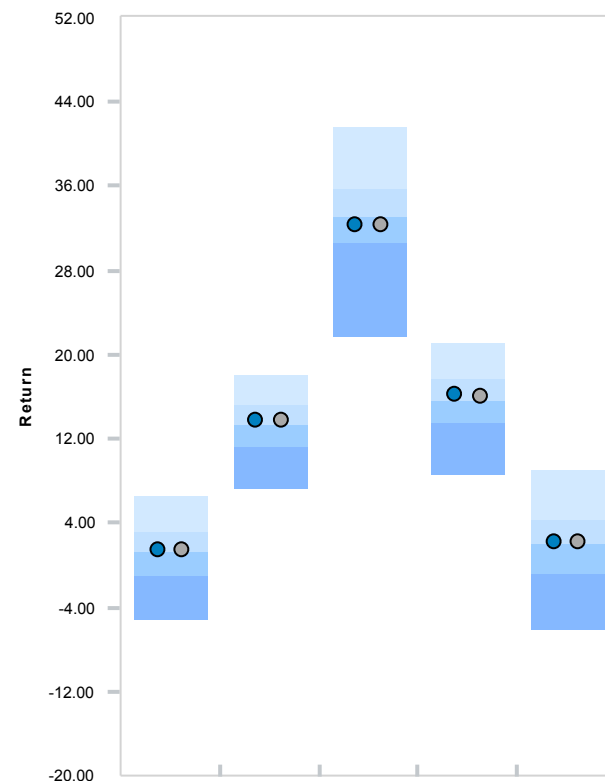
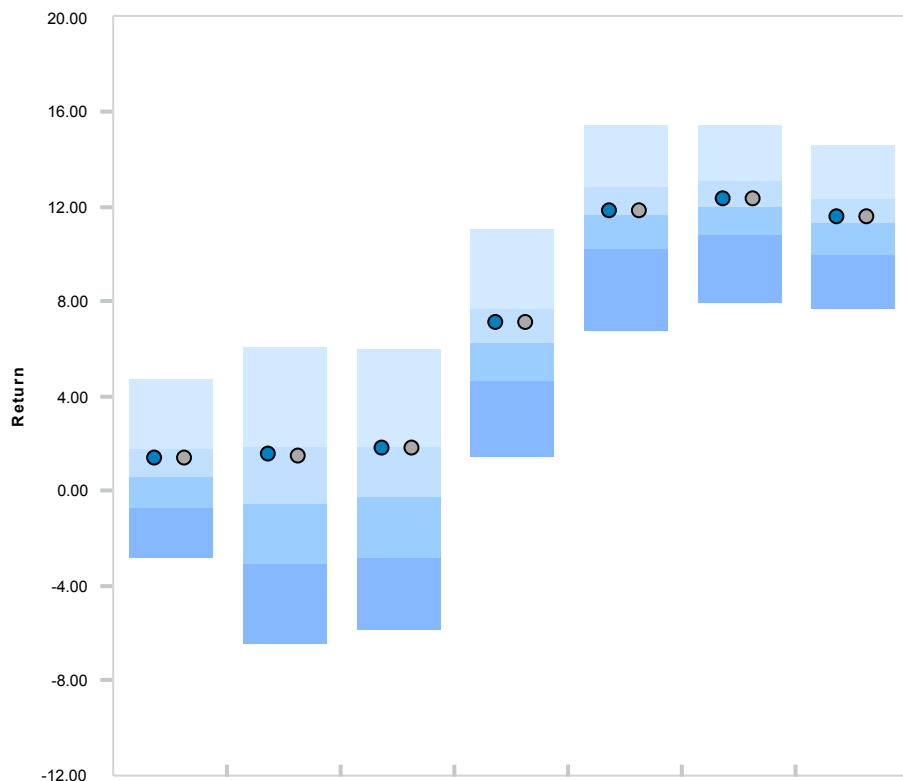
**SouthernSun Smallcap Equity - Portfolio Description**

- Strategy: Small Cap
- Vehicle: Separately Managed Account
- Objective: To outperform the Russell 2000 Index
- Annual fees: 1.00% on first \$15M
- 0.85% over \$15M
- Benchmark: Russell 2000 Index

**SouthernSun Smallcap Equity - Strategy Details**

The Small Cap strategy targets companies with market caps of \$500 million to \$3.5 billion at time of initial purchase. While idea generation may come from traditional screening, new names are often sourced through research on existing portfolio holdings, industry trade publications, and industry conferences. The Investment Team relies almost solely on internally conducted research for idea generation. This strategy is generally closed to new investors.

Peer Group Analysis - IM U.S. Large Cap Core Equity (SA+CF)



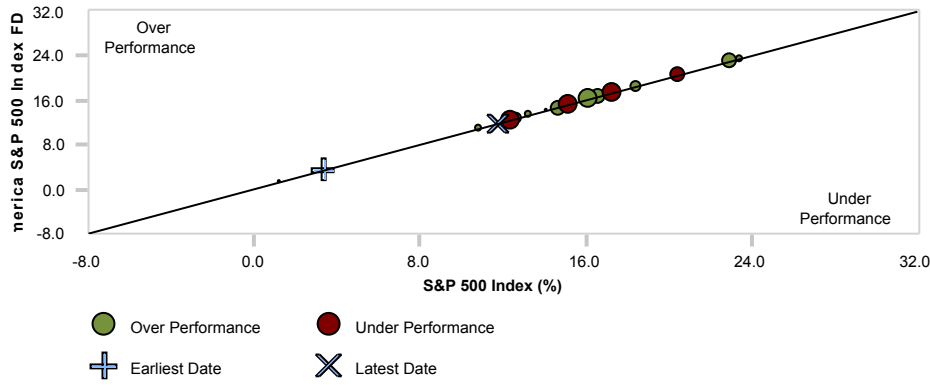
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Comerica S&P 500 Index FD	1.35 (32)	1.55 (27)	1.82 (26)	7.14 (35)	11.79 (48)	12.37 (41)	11.60 (44)
● S&P 500 Index	1.35 (33)	1.50 (29)	1.78 (27)	7.12 (36)	11.82 (46)	12.35 (42)	11.58 (45)
Median	0.61	-0.51	-0.19	6.27	11.66	12.01	11.35

	2015	2014	2013	2012	2011
● Comerica S&P 500 Index FD	1.44 (48)	13.66 (45)	32.30 (61)	16.10 (44)	2.20 (47)
● S&P 500 Index	1.38 (50)	13.69 (44)	32.39 (59)	16.00 (47)	2.11 (49)
Median	1.26	13.41	33.02	15.70	1.95

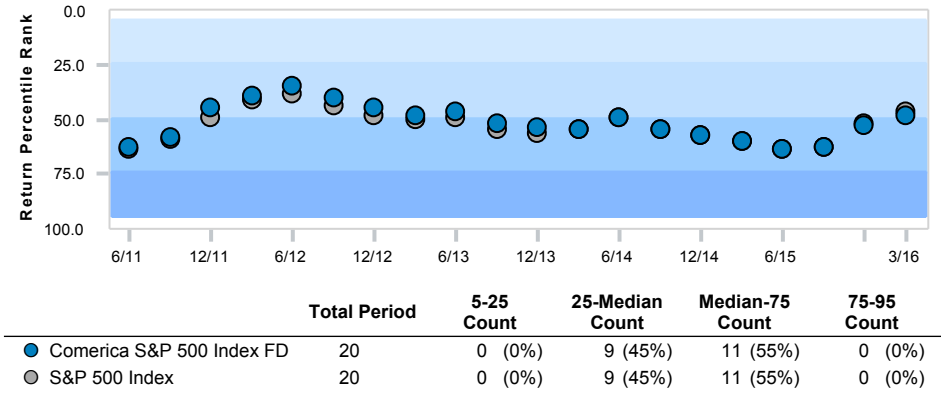
Comparative Performance

	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014
Comerica S&P 500 Index FD	7.05 (25)	-6.40 (43)	0.27 (50)	0.97 (73)	4.92 (53)	1.13 (44)
S&P 500 Index	7.04 (25)	-6.44 (44)	0.28 (49)	0.95 (74)	4.93 (53)	1.13 (44)
IM U.S. Large Cap Core Equity (SA+CF) Median	5.94	-6.65	0.26	1.83	5.02	0.92

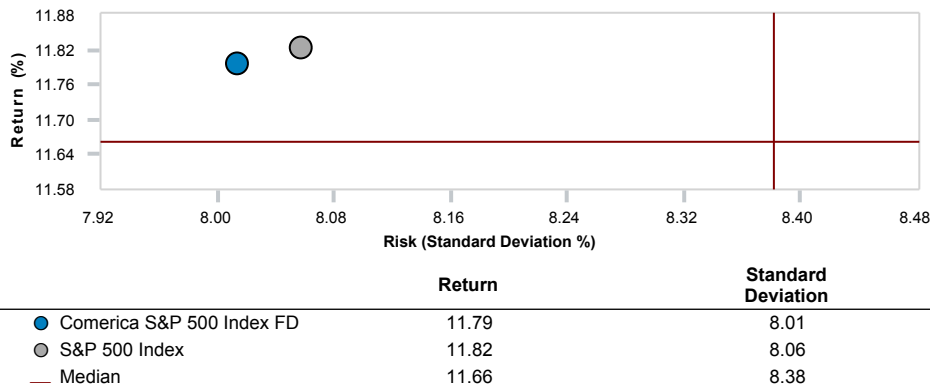
**3 Yr Rolling Under/Over Performance - 5 Years**



**3 Yr Rolling Percentile Ranking - 5 Years**



**Peer Group Scattergram - 3 Years**



**Peer Group Scattergram - 5 Years**



**Historical Statistics - 3 Years**

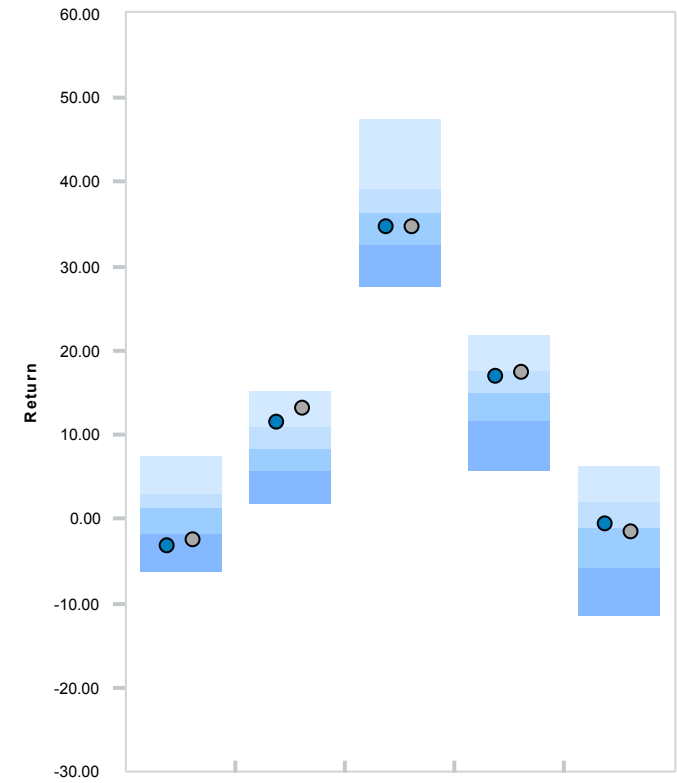
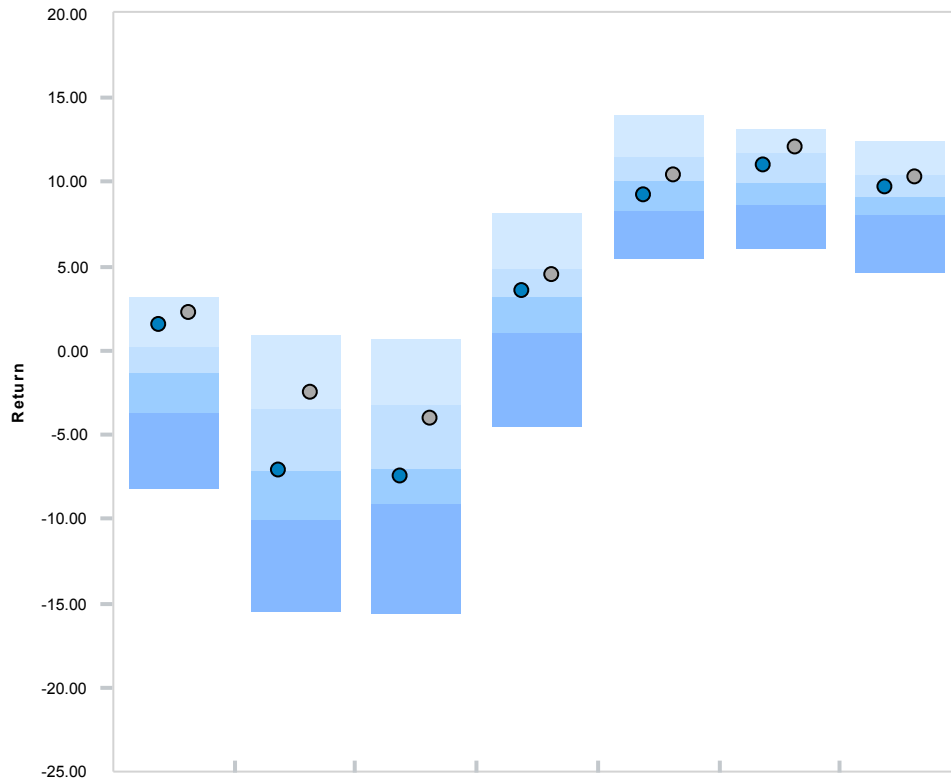
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Comerica S&P 500 Index FD	0.05	99.89	100.01	-0.02	-0.57	1.05	1.00	6.08
S&P 500 Index	0.00	100.00	100.00	0.00	N/A	1.05	1.00	6.08

**Historical Statistics - 5 Years**

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Comerica S&P 500 Index FD	0.05	100.05	99.95	0.02	0.35	0.96	1.00	6.90
S&P 500 Index	0.00	100.00	100.00	0.00	N/A	0.96	1.00	6.90



**Peer Group Analysis - IM U.S. Mid Cap Growth Equity (SA+CF)**



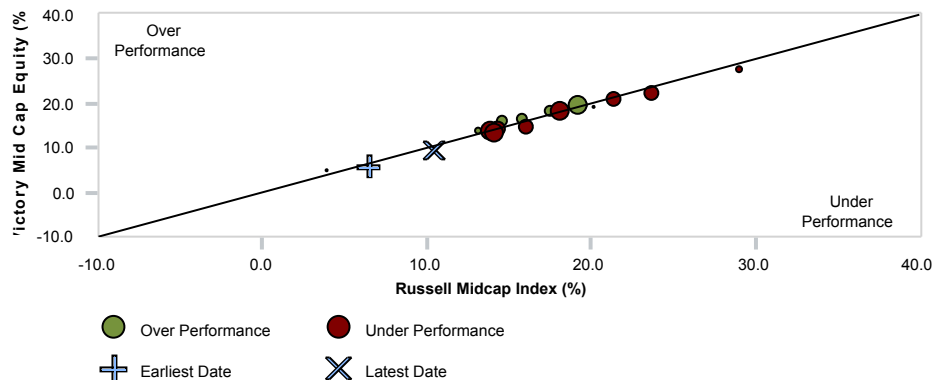
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Victory Mid Cap Equity	1.50 (14)	-7.08 (49)	-7.53 (55)	3.57 (42)	9.25 (65)	10.97 (38)	9.66 (39)
● Russell Midcap Index	2.24 (11)	-2.54 (19)	-4.04 (30)	4.44 (30)	10.45 (40)	12.12 (20)	10.30 (26)
Median	-1.30	-7.16	-7.00	3.18	10.02	9.94	9.05

	2015	2014	2013	2012	2011
● Victory Mid Cap Equity	-3.13 (81)	11.35 (23)	34.71 (64)	17.00 (35)	-0.66 (45)
● Russell Midcap Index	-2.44 (79)	13.22 (12)	34.76 (64)	17.28 (30)	-1.55 (51)
Median	1.17	8.45	36.29	15.03	-1.15

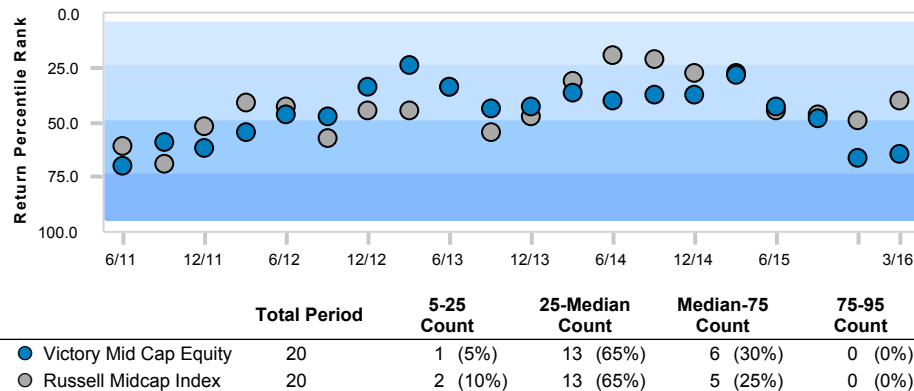
**Comparative Performance**

	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014
Victory Mid Cap Equity	1.67 (80)	-9.95 (72)	-0.49 (70)	6.32 (42)	5.98 (48)	-0.64 (27)
Russell Midcap Index	3.62 (48)	-8.01 (45)	-1.54 (90)	3.95 (85)	5.94 (49)	-1.66 (48)
IM U.S. Mid Cap Growth Equity (SA+CF) Median	3.32	-8.35	0.65	5.83	5.88	-1.75

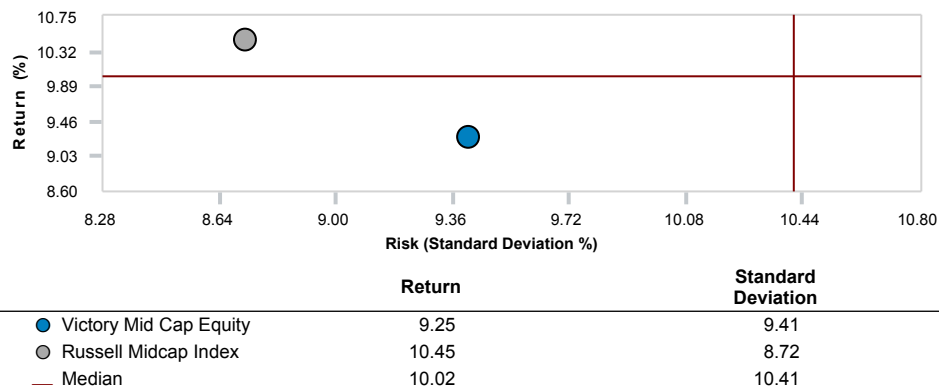
**3 Yr Rolling Under/Over Performance - 5 Years**



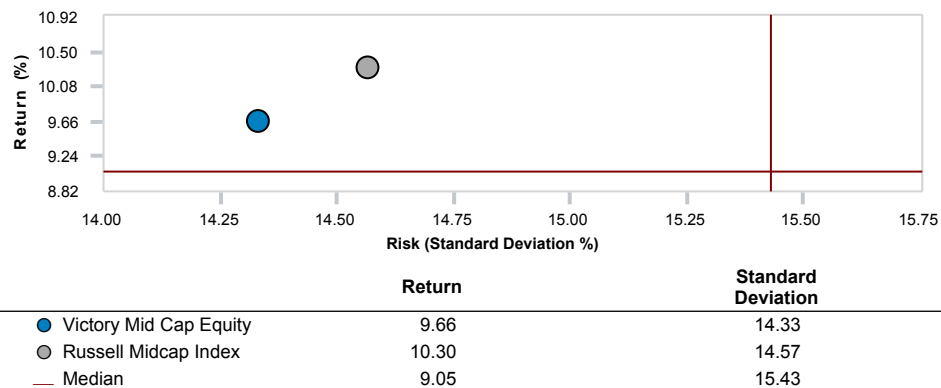
**3 Yr Rolling Percentile Ranking - 5 Years**



**Peer Group Scattergram - 3 Years**



**Peer Group Scattergram - 5 Years**



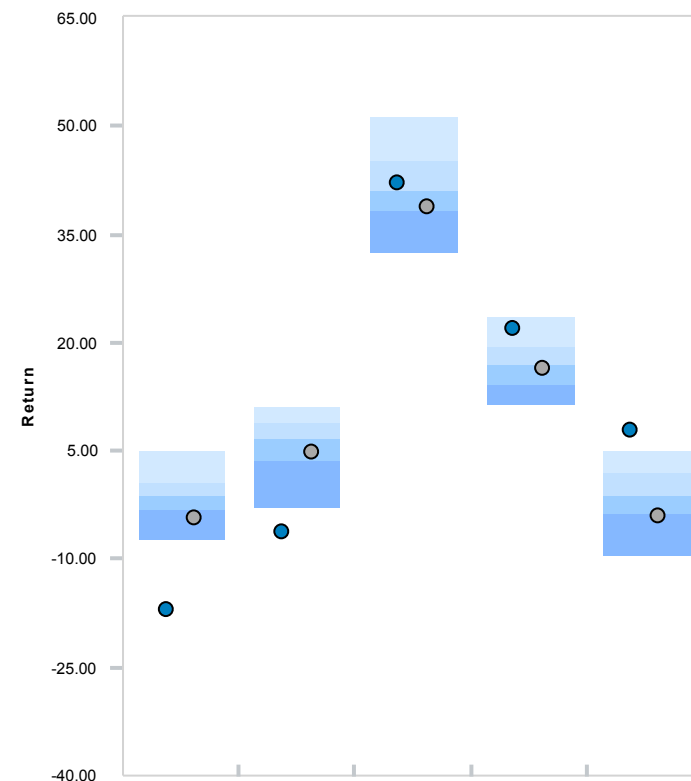
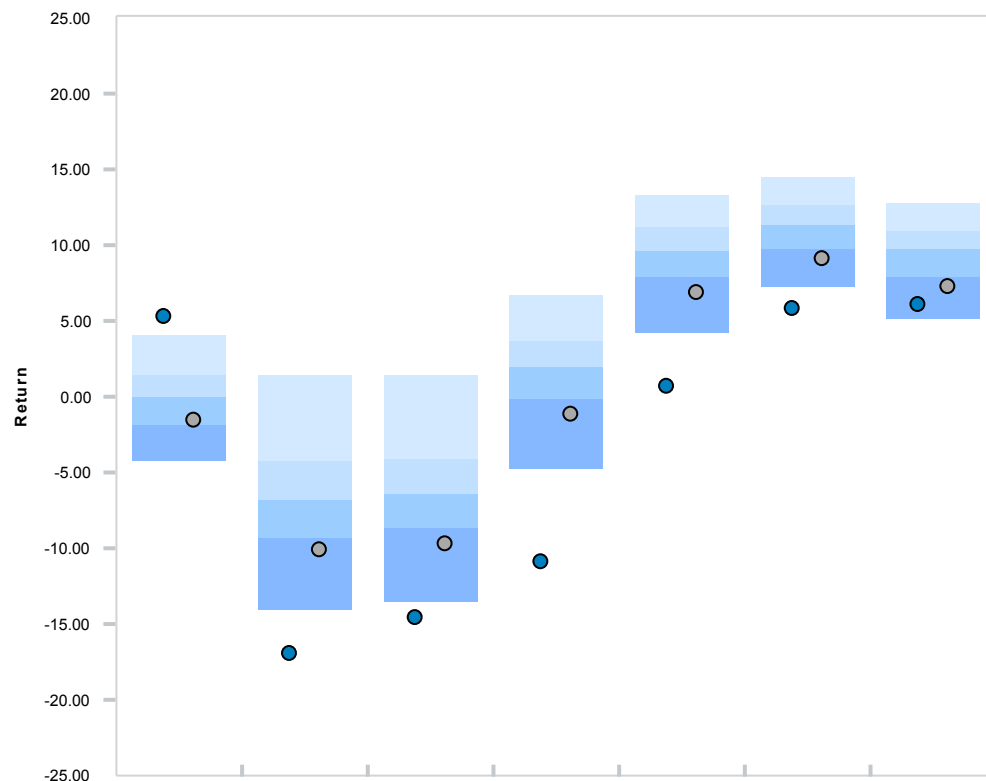
**Historical Statistics - 3 Years**

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Victory Mid Cap Equity	2.49	97.17	103.63	-1.05	-0.43	0.79	1.00	6.91
Russell Midcap Index	0.00	100.00	100.00	0.00	N/A	0.90	1.00	6.61

**Historical Statistics - 5 Years**

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Victory Mid Cap Equity	2.63	98.03	100.46	-0.65	-0.20	0.72	1.01	8.50
Russell Midcap Index	0.00	100.00	100.00	0.00	N/A	0.78	1.00	8.19

Peer Group Analysis - IM U.S. Small Cap Core Equity (SA+CF)



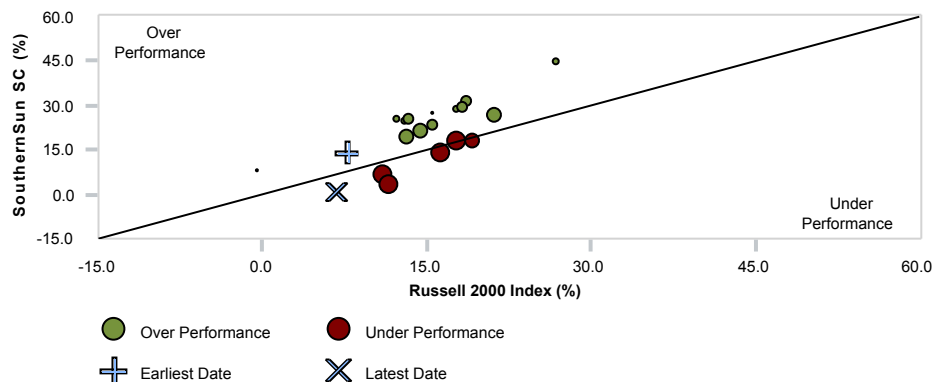
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● SouthernSun SC	5.22 (1)	-17.02 (99)	-14.64 (97)	-10.95 (100)	0.63 (100)	5.76 (98)	6.08 (89)
● Russell 2000 Index	-1.52 (72)	-10.14 (83)	-9.76 (83)	-1.18 (88)	6.84 (91)	9.13 (84)	7.20 (83)
Median	0.02	-6.78	-6.41	1.95	9.62	11.31	9.72

	2015	2014	2013	2012	2011
● SouthernSun SC	-17.16 (100)	-6.30 (99)	42.13 (42)	21.87 (11)	7.93 (2)
● Russell 2000 Index	-4.41 (82)	4.89 (64)	38.82 (71)	16.35 (55)	-4.18 (77)
Median	-1.39	6.57	41.01	16.81	-1.38

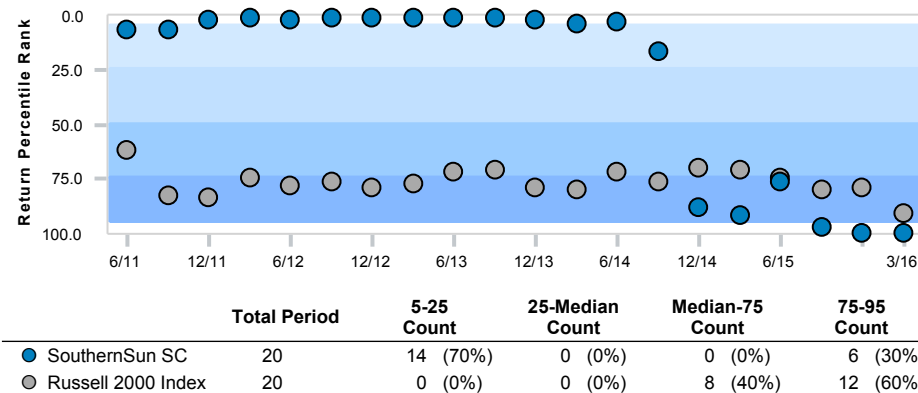
Comparative Performance

	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014
SouthernSun SC	-1.68 (100)	-19.79 (100)	2.87 (6)	2.11 (97)	-4.13 (99)	-8.76 (94)
Russell 2000 Index	3.59 (41)	-11.92 (85)	0.42 (50)	4.32 (67)	9.73 (29)	-7.36 (88)
IM U.S. Small Cap Core Equity (SA+CF) Median	3.31	-9.71	0.40	5.01	8.72	-5.75

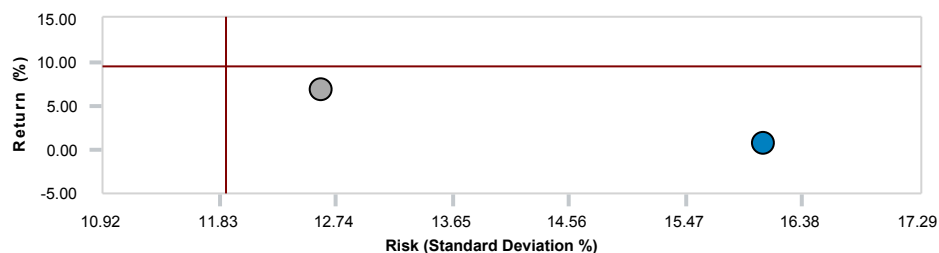
### 3 Yr Rolling Under/Over Performance - 5 Years



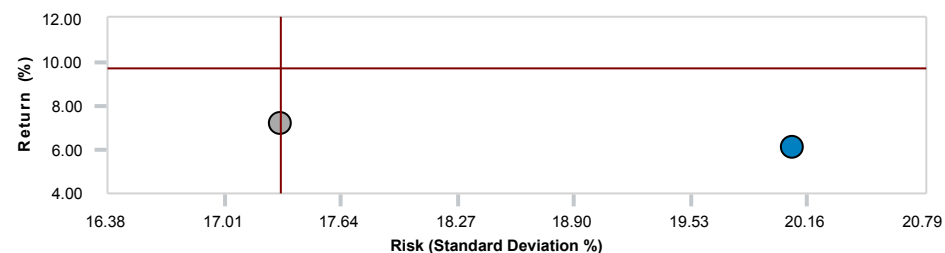
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
SouthernSun SC	9.14	81.41	104.86	-5.05	-0.63	0.12	0.92	11.14
Russell 2000 Index	0.00	100.00	100.00	0.00	N/A	0.51	1.00	9.85

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
SouthernSun SC	8.53	91.37	91.65	-0.58	-0.09	0.41	0.98	11.28
Russell 2000 Index	0.00	100.00	100.00	0.00	N/A	0.50	1.00	10.65

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**LSV International - Portfolio Description**

- Strategy: International Large Cap Value Equity
- Vehicle: Commingled Fund
- Objective: To outperform the MSCI EAFE Index
- Annual fees: .75% on first \$25M  
.65% on next \$25M
- Benchmark: MSCI EAFE Index

**LSV International - Strategy Details**

The International Large Cap Value Equity strategy's primary emphasis is the use of quantitative techniques to select individual securities in what would be considered a bottom-up approach. A risk control discipline limits the over- or under-exposure of the portfolio to industry concentrations. Value factors and security selection dominate sector/industry factors as explanators of performance. The portfolio decision making process is strictly quantitative and driven by (1) a proprietary model which ranks securities based on fundamental measures of value and indicators of near-term appreciation potential and, (2) a risk control process that controls for residual benchmark risk while maximizing the expected return of the portfolio. There is no subjective modification applied to the results of the process. This leads to a high degree of consistency in the practical application of our investment philosophy.

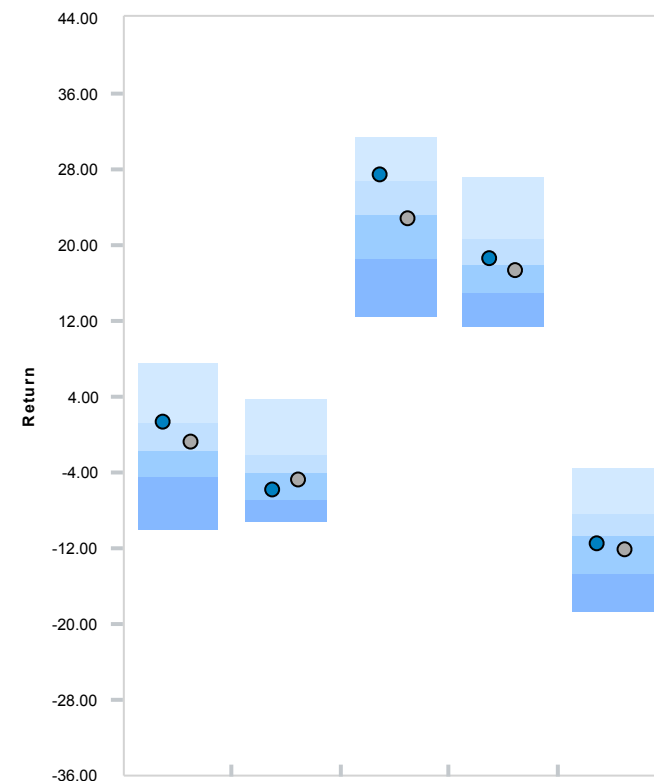
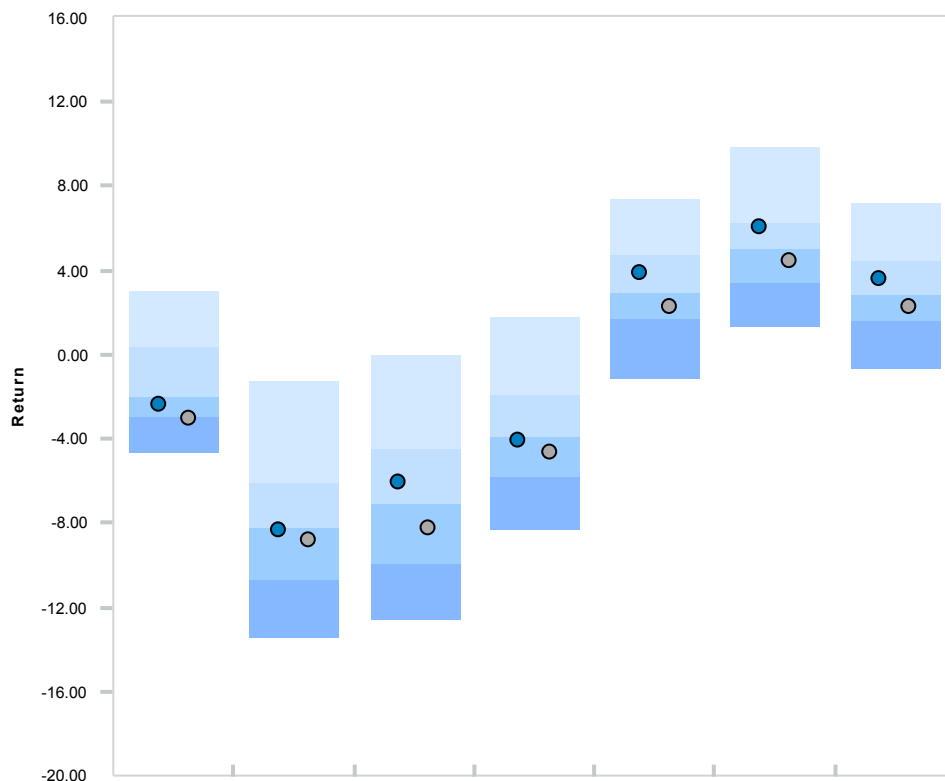
**WCM Intl Growth - Portfolio Description**

- Strategy: Focused Growth International
- Vehicle: Separately Managed Account
- Objective: To outperform the MSCI EAFE Index
- Annual fees: 1.00% on all assets
- Benchmark: MSCI EAFE Index

**WCM Intl Growth - Strategy Details**

This is a concentrated, large cap, quality, international growth product. They are distinct from the broad international indices with a traditional growth bias, seeking select quality growth businesses from conventional growth sectors. That combined with a concentrated focus (between 25-40) means the product will have investment characteristics distinct from any broad international benchmark. The product includes mega-, large- and mid-cap international shares from developed and emerging markets. The investment process includes top-down thematic analysis and bottom-up fundamental stock selection. They focus on each company's business model (economic moat), corporate culture, management, and valuation (using conservative DCF models). Currency hedging is not utilized in this strategy but careful attention is paid to region, country, and currency exposures. The projected annual turnover is 15-35%, suggesting tax efficiency for tax-sensitive clients.

Peer Group Analysis - IM International Large Cap Value Equity (SA+CF)



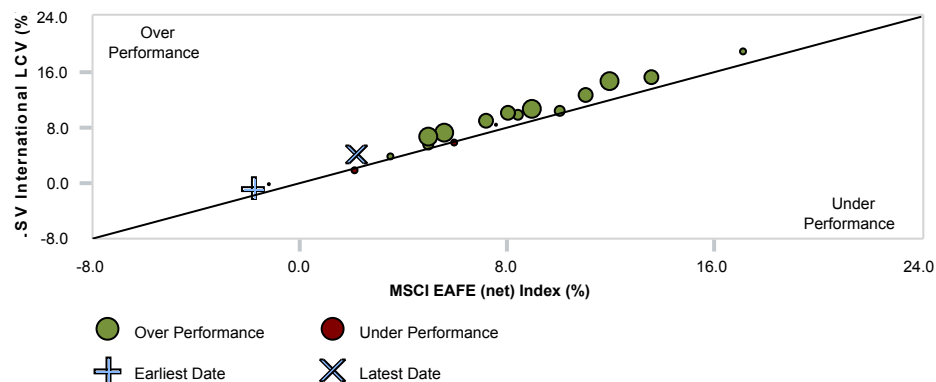
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● LSV International LCV	-2.40 (63)	-8.30 (51)	-6.06 (43)	-4.11 (53)	3.87 (36)	6.07 (28)	3.55 (38)
● MSCI EAFE (net) Index	-3.01 (78)	-8.83 (57)	-8.27 (62)	-4.67 (56)	2.23 (66)	4.42 (60)	2.29 (62)
Median	-1.99	-8.29	-7.11	-3.88	2.90	4.97	2.82

	2015	2014	2013	2012	2011
● LSV International LCV	1.32 (25)	-5.80 (68)	27.30 (19)	18.51 (44)	-11.67 (58)
● MSCI EAFE (net) Index	-0.81 (42)	-4.90 (61)	22.78 (55)	17.32 (55)	-12.14 (60)
Median	-1.58	-4.04	23.25	17.91	-10.74

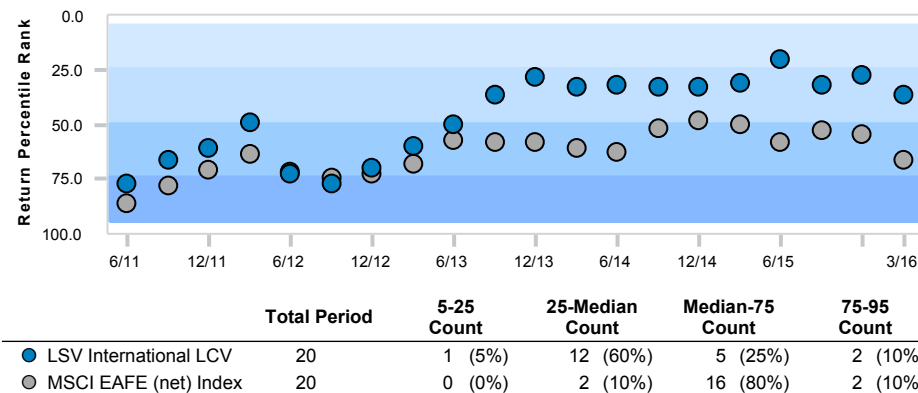
Comparative Performance

	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014
LSV International LCV	6.03 (12)	-11.39 (64)	2.44 (25)	5.27 (28)	-4.89 (74)	-6.57 (79)
MSCI EAFE (net) Index	4.71 (31)	-10.23 (45)	0.62 (70)	4.88 (45)	-3.57 (48)	-5.88 (61)
IM International Large Cap Value Equity (SA+CF) Median	3.96	-10.77	1.35	4.52	-3.85	-5.67

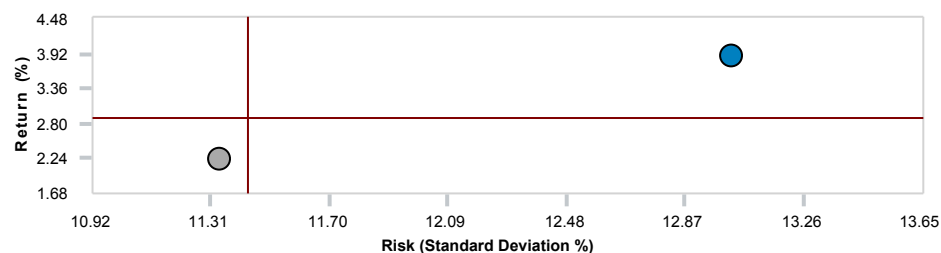
### 3 Yr Rolling Under/Over Performance - 5 Years



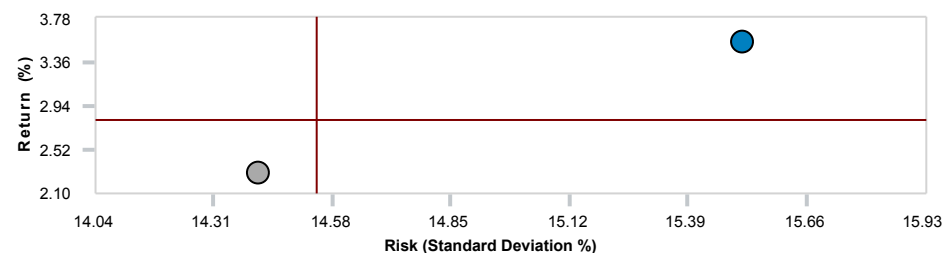
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

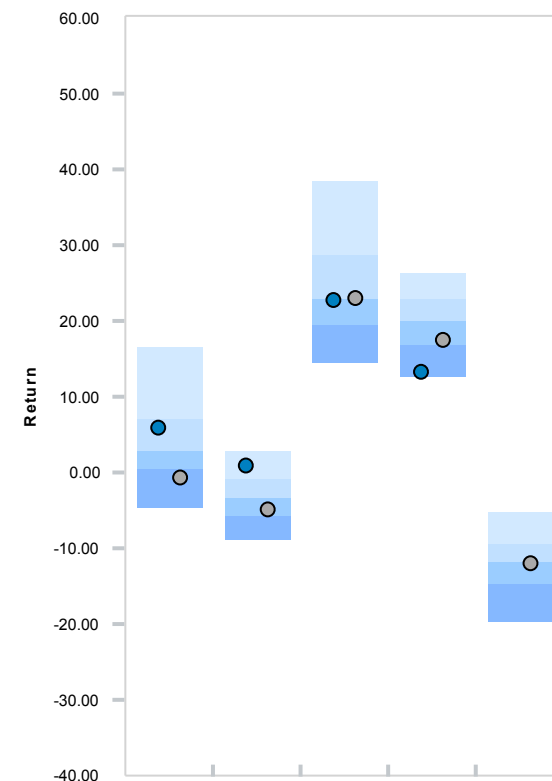
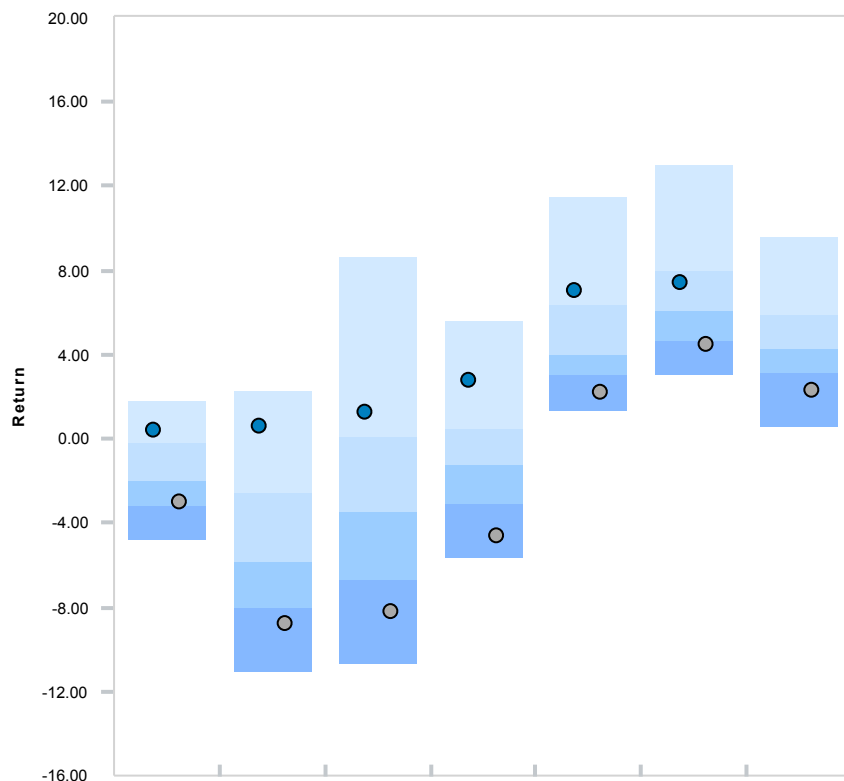
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
LSV International LCV	2.15	106.12	97.39	1.56	0.80	0.33	1.05	8.63
MSCI EAFE (net) Index	0.00	100.00	100.00	0.00	N/A	0.23	1.00	8.56

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
LSV International LCV	2.10	104.90	99.19	1.22	0.61	0.30	1.02	10.58
MSCI EAFE (net) Index	0.00	100.00	100.00	0.00	N/A	0.22	1.00	10.64



Peer Group Analysis - IM International Growth Equity (SA+CF)



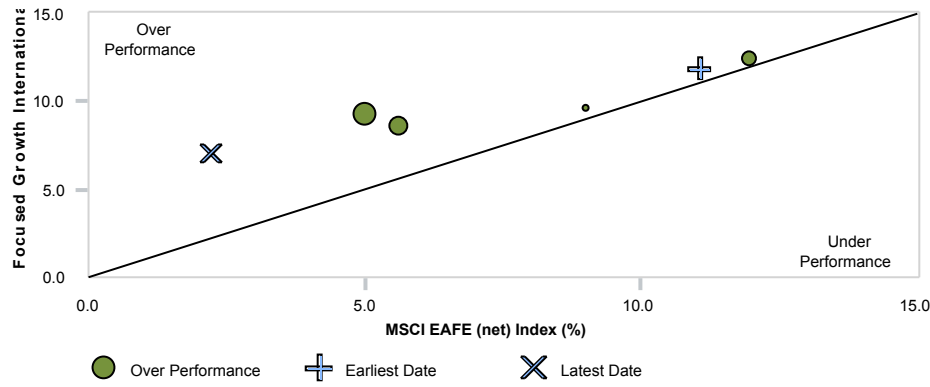
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● WCM Focused Growth International	0.40 (19)	0.57 (11)	1.20 (20)	2.75 (13)	7.01 (21)	7.41 (29)	N/A
● MSCI EAFE (net) Index	-3.01 (71)	-8.83 (85)	-8.27 (88)	-4.67 (90)	2.23 (88)	4.42 (82)	2.29 (87)
Median	-1.98	-5.86	-3.48	-1.19	3.96	6.05	4.23

	2015	2014	2013	2012	2011
● WCM Focused Growth International	5.67 (32)	0.67 (17)	2.74 (52)	3.24 (94)	N/A
● MSCI EAFE (net) Index	0.81 (84)	4.90 (65)	2.78 (52)	7.32 (72)	2.14 (54)
Median	2.95	3.37	2.89	0.09	1.92

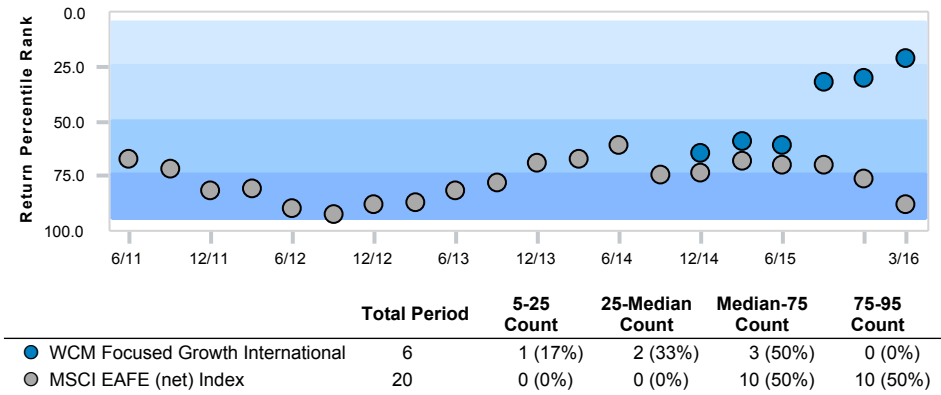
Comparative Performance

	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014
WCM Focused Growth International	7.06 (24)	-6.43 (19)	0.62 (79)	4.83 (59)	0.16 (18)	-4.05 (20)
MSCI EAFE (net) Index	4.71 (70)	-10.23 (70)	0.62 (79)	4.88 (58)	-3.57 (86)	-5.88 (64)
IM International Growth Equity (SA+CF) Median	5.76	-8.90	1.91	5.27	-1.81	-5.28

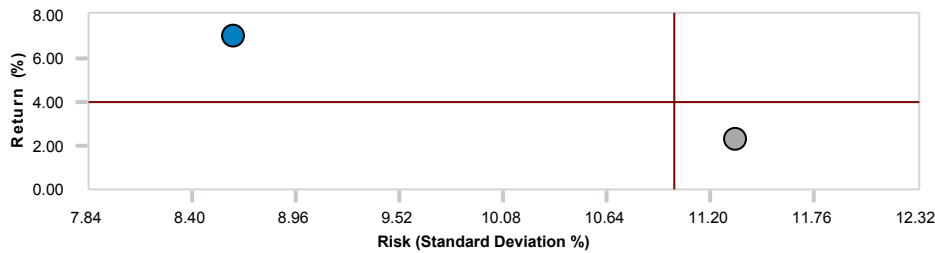
### 3 Yr Rolling Under/Over Performance - 5 Years



### 3 Yr Rolling Percentile Ranking - 5 Years

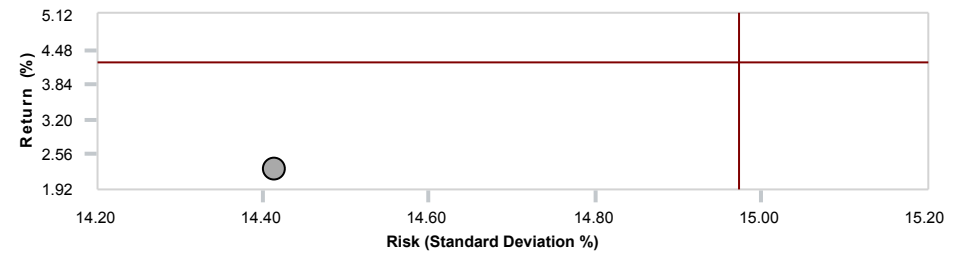


### Peer Group Scattergram - 3 Years



	Return	Standard Deviation
WCM Focused Growth International	7.01	8.63
MSCI EAFE (net) Index	2.23	11.34
Median	3.96	11.01

### Peer Group Scattergram - 5 Years



	Return	Standard Deviation
WCM Focused Growth International	N/A	N/A
MSCI EAFE (net) Index	2.29	14.41
Median	4.23	14.98

### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
WCM Focused Growth International	4.72	92.06	64.90	4.98	0.95	0.60	0.87	7.49
MSCI EAFE (net) Index	0.00	100.00	100.00	0.00	N/A	0.23	1.00	8.56

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
WCM Focused Growth International	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI EAFE (net) Index	0.00	100.00	100.00	0.00	N/A	0.22	1.00	10.64

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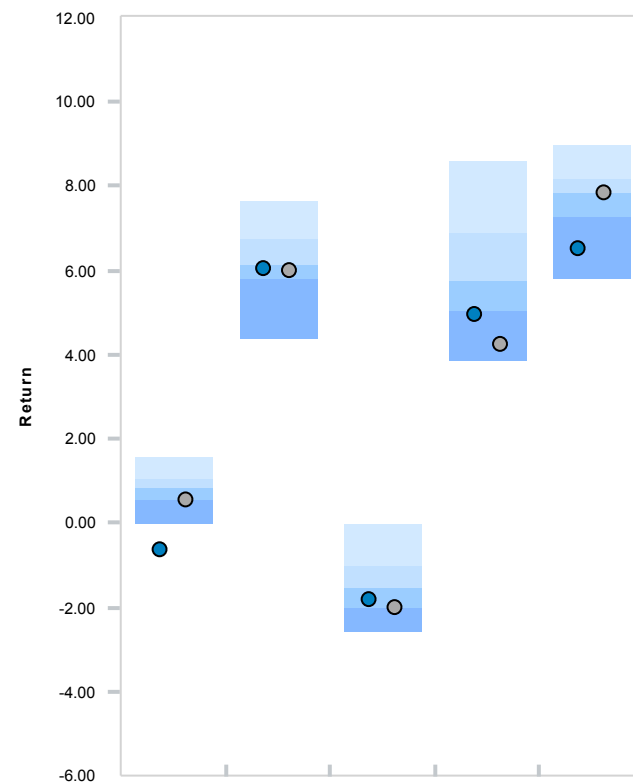
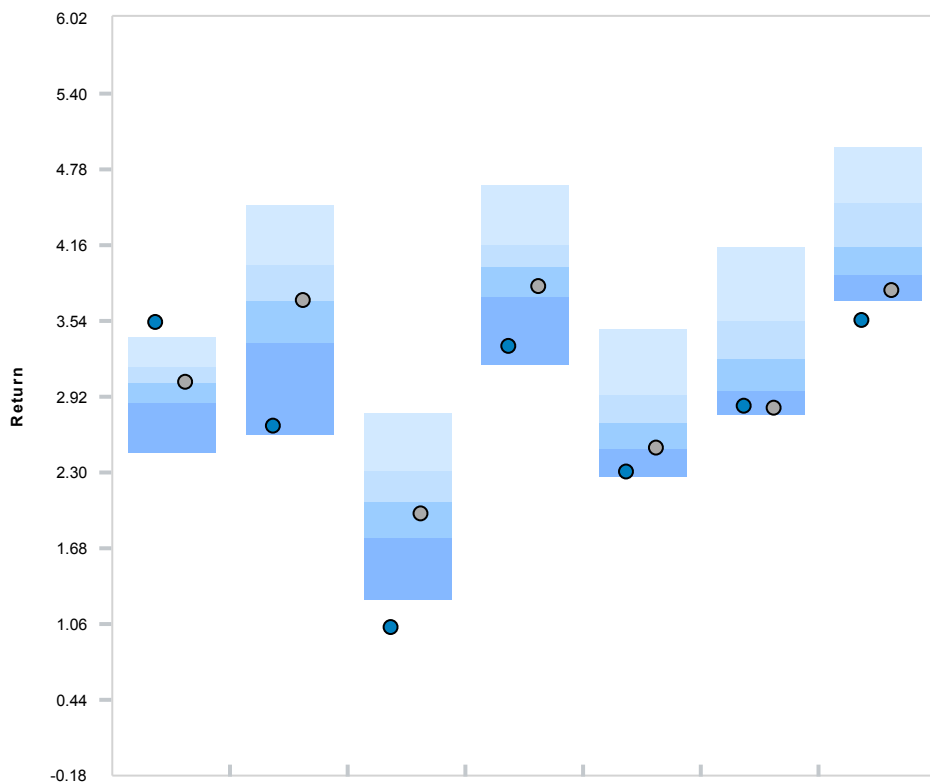
**Pacific Moderate Duration - Portfolio Description**

- Strategy: Moderate Duration
- Vehicle: Separately Managed Account
- Objective: To outperform the Barclays US Aggregate Index
- Annual fees: .30% on all assets
- Benchmark: Barclays US Aggregate Index

**Pacific Moderate Duration - Strategy Details**

The Moderate Duration product is a core bond strategy that seeks to outperform the Barclays Capital Aggregate Index on both an absolute and risk-adjusted basis over a full market cycle. The Moderate Duration product invests in U.S. Government securities, mortgage-backed securities, corporate debt securities and asset-backed securities. The product maintains duration of between 3.0 to 7.0 years and is generally within one year of the index.

Peer Group Analysis - IM U.S. Broad Market Core Fixed Income (SA+CF)



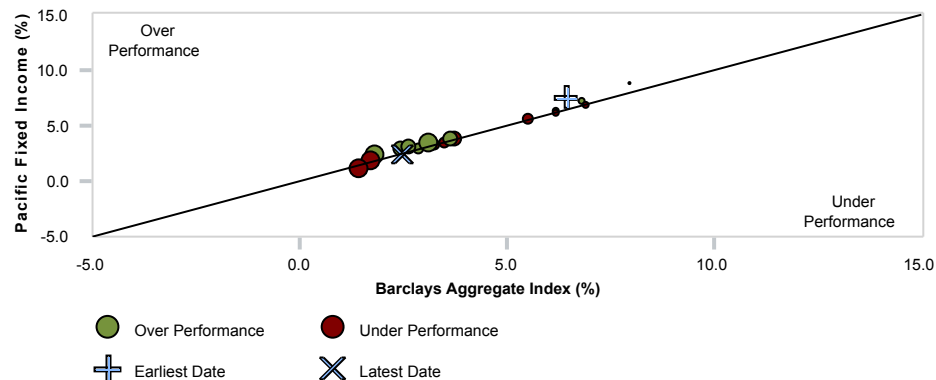
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Pacific Fixed Income	3.53 (2)	2.68 (94)	1.03 (97)	3.32 (92)	2.30 (94)	2.84 (86)	3.54 (100)
● Barclays Aggregate Index	3.03 (52)	3.71 (49)	1.96 (60)	3.82 (67)	2.50 (76)	2.82 (91)	3.78 (87)
Median	3.04	3.70	2.06	3.97	2.71	3.24	4.14

	2015	2014	2013	2012	2011
● Pacific Fixed Income	-0.65 (99)	6.02 (63)	-1.84 (66)	4.93 (77)	6.52 (89)
● Barclays Aggregate Index	0.55 (74)	5.97 (66)	-2.02 (74)	4.21 (90)	7.84 (49)
Median	0.81	6.14	-1.56	5.73	7.83

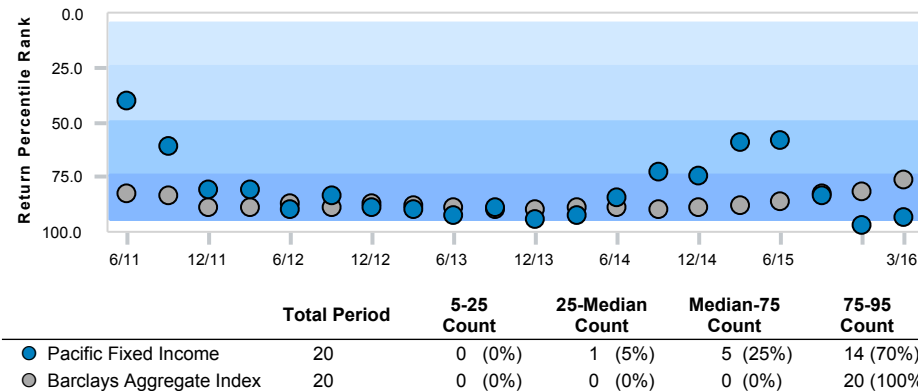
Comparative Performance

	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014
Pacific Fixed Income	-1.28 (100)	0.47 (93)	-1.60 (51)	1.80 (35)	1.25 (91)	0.16 (67)
Barclays Aggregate Index	-0.57 (72)	1.23 (41)	-1.68 (72)	1.61 (74)	1.79 (39)	0.17 (66)
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	-0.45	1.15	-1.60	1.74	1.74	0.21

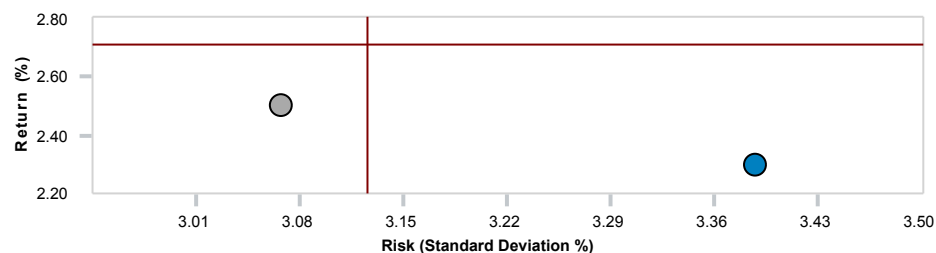
### 3 Yr Rolling Under/Over Performance - 5 Years



### 3 Yr Rolling Percentile Ranking - 5 Years

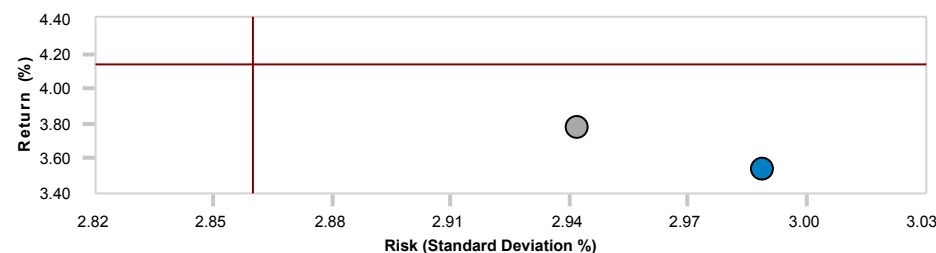


### Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Pacific Fixed Income	2.30	3.39
Barclays Aggregate Index	2.50	3.07
Median	2.71	3.13

### Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Pacific Fixed Income	3.54	2.99
Barclays Aggregate Index	3.78	2.94
Median	4.14	2.86

### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Pacific Fixed Income	1.12	100.34	106.95	-0.17	-0.17	0.73	0.99	1.90
Barclays Aggregate Index	0.00	100.00	100.00	0.00	N/A	0.83	1.00	1.76

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Pacific Fixed Income	0.94	98.02	104.99	-0.05	-0.24	1.25	0.95	1.53
Barclays Aggregate Index	0.00	100.00	100.00	0.00	N/A	1.35	1.00	1.43

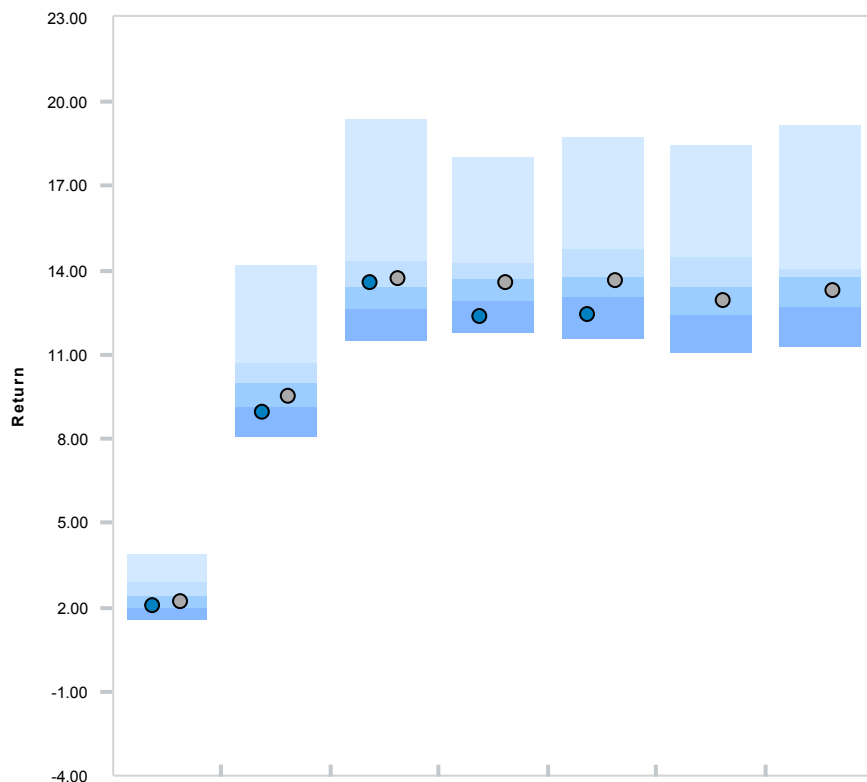
**AEW Core Property - Portfolio Description**

- Strategy: Core Property Trust
- Vehicle: Open Ended Commingled Real Estate Fund
- Objective: To outperform the NCREIF ODCE Index
- Annual fees: 1.10% on all assets
- Benchmark: NCREIF ODCE Index

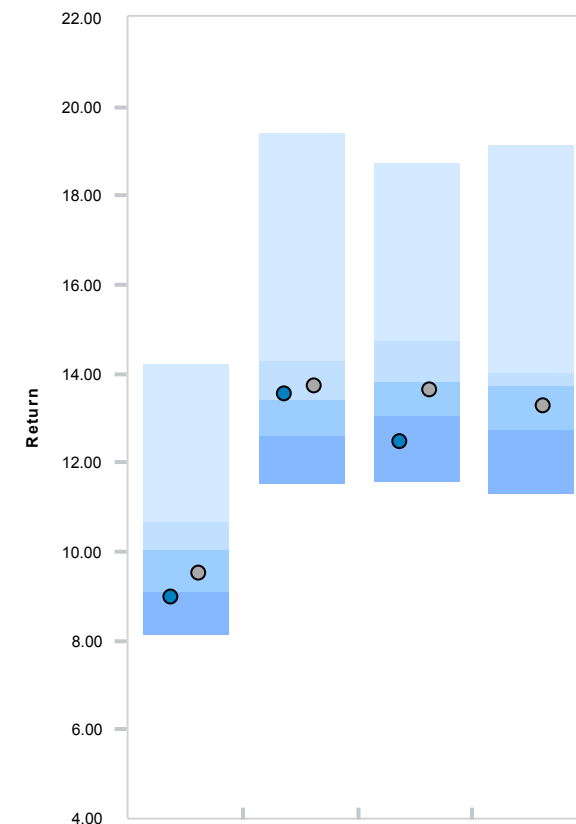
**AEW Core Property - Strategy Details**

The AEW Core Property Trust combines research-driven strategies with on-the-ground market knowledge and experience to construct a diversified portfolio of multifamily, retail, office, industrial and, to a lesser extent, hotel properties. The Fund seeks to acquire primarily well-located, institutional-quality assets in markets throughout the U.S. - investments that are designed to provide durable income streams and appreciation over the mid- to long-term. AEW expects to invest primarily in major metropolitan markets that feature barriers to new supply - whether physical, governmental or economic - as well as solid population and job growth. With limited supply and increasing demand, these markets should provide an opportunity for peak-to-peak rent growth and thus, long-term value creation. The Fund also seeks to exploit America's changing demographics, and the impact they will have on economic growth and demand for real estate. The Fund also focuses on markets and properties that are positively influenced by globalization as it continues to change the nature of U.S. jobs and affect the movement of goods and services and consumer spending. Finally, the Fund's target markets also exhibit economic diversity in terms of the underlying industries that are driving the demand in the marketplace; providing both growth and diversification to the Fund.

**Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)**



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● AEW Core Property Trust	2.05 (72)	8.96 (82)	13.56 (46)	12.35 (90)	12.45 (82)	N/A	N/A
● NCREIF Fund Index-ODCE (VW)	2.21 (54)	9.51 (64)	13.70 (44)	13.57 (52)	13.64 (53)	12.92 (63)	13.26 (65)
Median	2.42	10.03	13.40	13.70	13.79	13.38	13.74



	FYTD	1 YR	3 YR	5 YR
● AEW Core Property Trust	8.96 (82)	13.56 (46)	12.45 (82)	N/A
● NCREIF Fund Index-ODCE (VW)	9.51 (64)	13.70 (44)	13.64 (53)	13.26 (65)
Median	10.03	13.40	13.79	13.74

**Comparative Performance**

	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015	1 Qtr Ending Mar-2015	1 Qtr Ending Dec-2014	1 Qtr Ending Sep-2014
AEW Core Property Trust	3.55 (59)	3.12 (74)	4.22 (37)	2.21 (97)	3.14 (58)	3.03 (75)
NCREIF Fund Index-ODCE (VW)	3.34 (64)	3.68 (46)	3.82 (46)	3.39 (59)	3.26 (55)	3.24 (57)
IM U.S. Open End Private Real Estate (SA+CF) Median	3.65	3.48	3.74	3.56	3.50	3.35



**Bloomfield Income Fund - Portfolio Description**

- Strategy: Bloomfield Capital Income Fund II
- Objective: To provide an absolute return in excess of 9%
- Annual fees: 2.00% on Committed Capital

**Bloomfield Income Fund - Strategy Details**

The Bloomfield Capital Income Fund II is a real estate opportunity fund focused on two primary strategies. 1. Originating senior secured, high yield, interim and bridge loans on income producing real estate in the U.S. and 2. Acquiring a diverse portfolio of commercial mortgage loans, deeds of trust, and other real estate related opportunistic investments. The Fund's objective is to build a diverse portfolio of senior, secured mortgages providing investors with consistent income and superior risk adjusted returns. Bloomfield Capital targets a double-digit yield on secure, risk-mitigated investments. The portfolio management team implements conservative underwriting techniques to provide a margin of safety.

**Metropolitan MREP VI - Portfolio Description**

- Strategy: Metropolitan Real Estate MREP VI Fund
- Vehicle: Real Estate Fund of Funds
- Objective: To outperform the NCREIF Property Index
- Annual fees: 1.35% on first \$5M
- 1.00% on the next \$20M
- Benchmark: NCREIF Property Index

**Metropolitan MREP VI - Strategy Details**

Invest in a diversified portfolio of private real estate funds or other investment vehicles with direct or indirect exposure to real estate. The manager invests in funds with exposure to office, retail, industrials, multi-family, and other types of properties located primarily in the United States. The manager selects value added and opportunistic funds with superior performance track records. The manager diversifies the strategy across property types, geographic markets, managers, and strategies.

**RMK Timber - Portfolio Description**

- Strategy: RMK Global Timberland Resources US Fund  
RMK Global Timberland Resources Intl Alternative Investment
- Objective: To outperform the NCREIF Timberland Index
- Management fees: US Fund: 1.00%  
Intl Fund: 1.25%
- Performance Fee: US Fund: 20% (6% Hurdle)  
Intl Fund: 20% (10% Hurdle)

**RMK Timber - Strategy Details**

The portfolio team develops an investment strategy for the Fund based on the current environment and market forecasts for timberlands, and related end products. RMK utilizes industry contacts to identify attractive acquisition targets that achieve the Fund's investment strategy. Prior to purchasing a tract of land, the team performs rigorous due diligence and develops an asset management plan. The portfolio is actively managed, evaluating the benefits of harvesting the forests, letting the trees further mature, or selling the timberland. The manager will diversify the portfolio by growth stage/maturity of the forests, geographic locations (50% US exposure / 50% International exposure), and species.

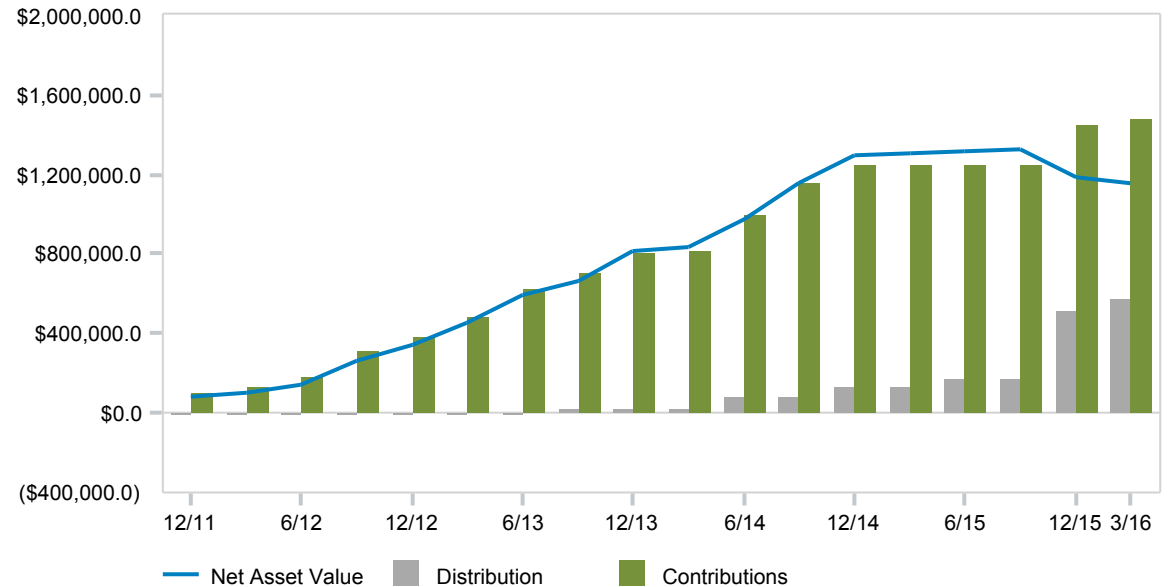
**Fund Information**

<b>Type of Fund:</b>	Fund Of Funds	<b>Vintage Year:</b>	2008
<b>Strategy Type:</b>	Real Estate	<b>Management Fee:</b>	1%
<b>Target IRR:</b>	9%	<b>Inception:</b>	03/19/2008
<b>General Partner:</b>	MREP6, LLC		
<b>Investment Strategy:</b>	Private Equity Real Estate value add/opportunistic multi-manager		

**Cash Flow Summary**

<b>Capital Committed:</b>	\$2,000,000
<b>Capital Invested:</b>	\$1,477,053
<b>Management Fees:</b>	-
<b>Expenses:</b>	-
<b>Interest:</b>	\$1,188
<b>Total Contributions:</b>	\$1,478,241
<b>Remaining Capital Commitment:</b>	\$694,747
<b>Total Distributions:</b>	\$573,221
<b>Market Value:</b>	\$1,153,441
<b>Inception Date:</b>	11/30/2011
<b>Inception IRR:</b>	7.7
<b>TVPI:</b>	1.2

**Cash Flow Analysis**



**Fund Information**

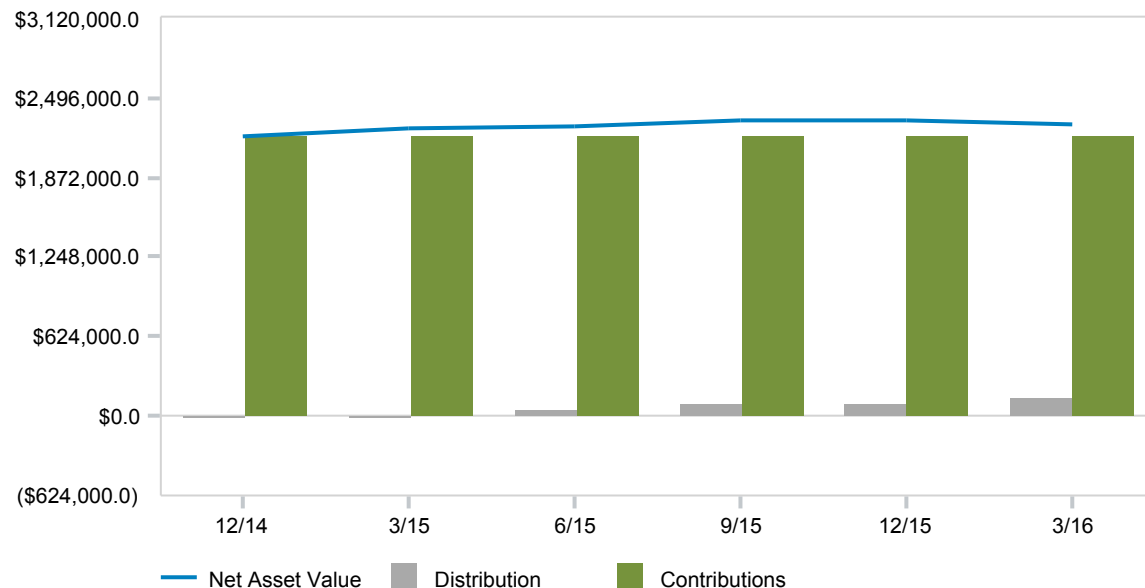
<b>Type of Fund:</b>	Direct	<b>Vintage Year:</b>	2011
<b>Strategy Type:</b>	Other	<b>Management Fee:</b>	2.00%
<b>Target IRR:</b>	9.00%	<b>Inception:</b>	11/13/2011
<b>General Partner:</b>	Bloomfield Capital Partners, LLC		
<b>Investment Strategy:</b>	Bloomfield Capital Income Fund II invests primarily in debt obligations consisting of commercial mortgage loans, deeds of trust and other real estate and/or debt-related investments, with the objective of creating a diversified portfolio producing strong and consistent returns while providing considerable downside protection.		

The Fund's investment strategy has a primary focus on commercial real estate loans and investments collateralized by significant margins of protective collateral such as real estate and other assets including but not limited to cash, marketable securities, equity interests, corporate interests and personal/corporate guarantees.

**Cash Flow Summary**

<b>Capital Committed:</b>	\$2,200,000
<b>Capital Invested:</b>	\$2,200,000
<b>Management Fees:</b>	\$47,476
<b>Expenses:</b>	-
<b>Interest:</b>	-
<b>Total Contributions:</b>	\$2,200,000
<b>Remaining Capital Commitment:</b>	-
<b>Total Distributions:</b>	\$148,093
<b>Market Value:</b>	\$2,294,128
<b>Inception Date:</b>	12/22/2014
<b>Inception IRR:</b>	8.9
<b>TVPI:</b>	1.1

**Cash Flow Analysis**



<b>Total Fund Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1985</b>	
S&P 500 Index	20.50
S&P MidCap 400 Index	16.00
Russell 2000 Index	14.00
MSCI EAFE (net) Index	15.00
Barclays Aggregate Index	30.00
NCREIF Fund Index-ODCE (VW)	4.50

<b>Total Domestic Equity Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1985</b>	
S&P 500 Index	40.00
S&P MidCap 400 Index	32.00
Russell 2000 Index	28.00

<b>Total Fixed Income Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1976</b>	
Barclays Aggregate Index	100.00

<b>Total International Equity Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1970</b>	
MSCI EAFE (net) Index	100.00

<b>Total Real Estate Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-1978</b>	
NCREIF Property Index	100.00

<b>Total Timber Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Apr-1987</b>	
NCREIF Timberland Index	100.00

Plan Disclosures:

- All composite returns (except Timber and Real Estate) prior to March 31, 2015 was obtained from prior consultant.
- Though there was no changes made to any of the composites (except Timber and Real Estate) from 3/31/2015 and back to inception, and are shown as reported by prior consultant, there are changes made to individual portfolios.
- AEW Core Property- obtained all historical statements and built history.
- Bloomfield Capital Income Fund- obtained all historical statements and built history.
- Metropolitan Real Estate VI- obtained all historical statements and built history.
- RMK Timberland Intl Fund- obtained all historical statements and built history.
- RMK Timberland US Fund- obtained all historical statements and built history.
- After rebuilding history for all Real Estate Funds and all Timber funds, recalculated composite returns for each composite.

Southfield Employees Retirement System

Fee Analysis

As of March 31, 2016

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
Comerica S&P 500 Index Fund	0.09	24,040,130	20,632	0.12 % of First \$2 M 0.10 % of Next \$3 M 0.08 % of Next \$20 M 0.06 % of Next \$25 M 0.04 % of Next \$50 M 0.02 % Thereafter
Victory Mid Cap Equity	0.75	12,282,895	92,122	0.75 % of First \$25 M 0.60 % of Next \$25 M 0.55 % of Next \$50 M 0.50 % Thereafter
SouthernSun SC	1.00	12,961,692	129,617	1.00 % of First \$15 M 0.85 % Thereafter
Walhausen & Co. SMID Value	1.00	5,159,127	51,591	1.00 % of Assets
<b>Total Domestic Equity</b>	<b>0.54</b>	<b>54,443,844</b>	<b>293,962</b>	
WCM Focused Growth International	0.85	9,101,857	77,366	0.85 % of Assets
LSV International LCV	0.75	10,525,314	78,940	0.75 % of First \$25 M 0.65 % of Next \$25 M 0.55 % of Next \$50 M 0.45 % Thereafter
<b>Total International Equity</b>	<b>0.80</b>	<b>19,627,171</b>	<b>156,306</b>	
Pacific Fixed Income	0.30	9,815,468	29,446	0.30 % of Assets
<b>Total Fixed Income</b>	<b>0.30</b>	<b>9,815,468</b>	<b>29,446</b>	
AEW Core Property Trust	1.25	5,716,965	71,462	1.25 % of Assets
Bloomfield Capital Income Fund II	2.00	2,294,128	45,883	2.00 % of Assets
Metropolitan Real Estate VI	0.00	1,153,441	-	0.00 % of Assets
<b>Total Real Estate</b>	<b>1.04</b>	<b>6,870,406</b>	<b>71,462</b>	
Magnitude Institutional	1.00	2,506,700	25,067	1.00 % of Assets
Titan Masters Int'l Fund	0.75	2,286,413	17,148	0.75 % of Assets
<b>Total Hedge Fund of Funds</b>	<b>0.88</b>	<b>4,793,113</b>	<b>42,215</b>	
<b>Cash</b>		<b>5,479,875</b>	<b>-</b>	
<b>Total Fund</b>	<b>0.63</b>	<b>106,399,605</b>	<b>673,066</b>	

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<b>Active Return</b>	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
<b>Alpha</b>	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
<b>Beta</b>	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
<b>Consistency</b>	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
<b>Down Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
<b>Downside Risk</b>	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
<b>Excess Return</b>	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
<b>Excess Risk</b>	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
<b>Information Ratio</b>	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
<b>R-Squared</b>	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
<b>Return</b>	- Compounded rate of return for the period.
<b>Sharpe Ratio</b>	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
<b>Standard Deviation</b>	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
<b>Tracking Error</b>	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
<b>Treynor Ratio</b>	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
<b>Up Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

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