Sacramento Regional Transit District

Agenda

COMBINED QUARTERLY MEETING OF THE RETIREMENT BOARDS FOR THE EMPLOYEES AND RETIREES OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT
9:00 A.M., WEDNESDAY, SEPTEMBER 14, 2016
REGIONAL TRANSIT AUDITORIUM
1400 29TH STREET, SACRAMENTO, CALIFORNIA
Website Address: www.sacrt.com
(29th St. Light Rail Station/Bus 38, 67, 68)

MEETING NOTE: ***This is a joint and concurrent meeting of the five independent Retirement Boards for the pension plans for the employees and retirees of the Sacramento Regional Transit District. This single, combined agenda designates which items will be subject to action by which board(s). Members of each board may be present for the other boards' discussions and actions, except during individual closed sessions.***

ROLL CALL

ATU Retirement Board:	Directors: Li, Morin, Niz, De La Torre Alternates: Jennings, Muniz
IBEW Retirement Board:	Directors: Li, Morin, Ohlson, Burdick Alternates: Jennings, Gallow
AEA Retirement Board:	Directors: Li, Morin, Drake, Devorak Alternates: Jennings, Robison
AFSCME Retirement Board:	Directors: Li, Morin, Mallonee, Hoslett Alternates: Jennings, Kent
MCEG Retirement Board:	Directors: Li, Morin, Lonergan, Thorn Alternates: Jennings, Sanchez-Ochoa

PUBLIC ADDRESSES BOARD ON MATTERS ON CONSENT AND MATTERS NOT ON THE AGENDA

At this time the public may address the Retirement Board(s) on subject matters pertaining to Retirement Board business listed on the Consent Calendar, any Closed Sessions or items not listed on the agenda. Remarks may be limited to 3 minutes subject to the discretion of the Common Chair. Members of the public wishing to address one or more of the Boards may submit a "Public Comment Speaker Card" to the Assistant Secretary. While the Retirement Boards encourage your comments, State law prevents the Boards from discussing items that are not set forth on this meeting agenda. The Boards and staff take your comments very seriously and, if appropriate, will follow up on them.

CONSENT CALENDAR

		ATU	IBEW	AEA	AFSCME	MCEG
1. Motion:	Approving the Minutes for the June 15, 2016 Quarterly Retirement Board Meeting (AEA). (Bonnel)	☐	☐	☒	☐	☐
2. Motion:	Receive and File Administrative Reports for the Quarter Ended June 30, 2016 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Bernegger)	☐	☐	☒	☐	☐

		ATU	IBEW	AEA	AFSCME	MCEG
3. Motion:	Adopting Regional Transit Retirement Boards 2017 Meeting Calendar (AEA). (Bonnel)	☐	☐	☒	☐	☐
4. Motion:	Approving the Minutes for the June 15, 2016 Quarterly Retirement Board Meeting (AFSCME). (Bonnel)	☐	☐	☐	☒	☐
5. Motion:	Receive and File Administrative Reports for the Quarter Ended June 30, 2016 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Bernegger)	☐	☐	☐	☒	☐
6. Motion:	Adopting Regional Transit Retirement Boards 2017 Meeting Calendar (AFSCME). (Bonnel)	☐	☐	☐	☒	☐
7. Motion:	Approving the Minutes for the June 15, 2016 Quarterly Retirement Board Meeting (ATU). (Bonnel)	☒	☐	☐	☐	☐
8. Motion:	Receive and File Administrative Reports for the Quarter Ended June 30, 2016 for the ATU/IBEW Pension Plan (ATU/IBEW). (Bernegger)	☒	☐	☐	☐	☐
9. Motion:	Adopting Regional Transit Retirement Boards 2017 Meeting Calendar (ATU). (Bonnel)	☒	☐	☐	☐	☐
10. Motion:	Approving the Minutes for the June 15, 2016 Quarterly Retirement Board Meeting (IBEW). (Bonnel)	☐	☒	☐	☐	☐
11. Motion:	Receive and File Administrative Reports for the Quarter Ended June 30, 2016 for the ATU/IBEW Pension Plan (ATU/IBEW). (Bernegger)	☐	☒	☐	☐	☐
12. Motion:	Adopting Regional Transit Retirement Boards 2017 Meeting Calendar (IBEW). (Bonnel)	☐	☒	☐	☐	☐
13. Motion:	Approving the Minutes for the June 15, 2016 Quarterly Retirement Board Meeting (MCEG). (Bonnel)	☐	☐	☐	☐	☒
14. Motion:	Receive and File Administrative Reports for the Quarter Ended March 31, 2016 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Bernegger)	☐	☐	☐	☐	☒
15. Motion:	Adopting Regional Transit Retirement Boards 2017 Meeting Calendar (MCEG). (Bonnel)	☐	☐	☐	☐	☒

NEW BUSINESS

		ATU	IBEW	AEA	AFSCME	MCEG
16. Resolution:	Selection of a Common Vice Chair for Retirement Board Meetings (ALL). (Bonnel)	☒	☒	☒	☒	☒
17. Resolution:	Election of Officers of the Management and Confidential Employee Group Retirement Board (MCEG). (Bonnel)	☐	☐	☐	☐	☒
18. Information:	Investment Performance Review by Atlanta Capital for the ATU/IBEW and Salaried Employee Retirement Plans for the Domestic Small Cap Equity Asset Class for the Quarter Ended June 30, 2016 (ALL). (Bernegger)	☒	☒	☒	☒	☒
19. Information:	Investment Performance Review by Robeco Boston Partners for the ATU/IBEW and Salaried Employee Retirement Plans for the Domestic Large Cap Equity Class for the Quarter Ended June 30, 2016 (ALL).	☒	☒	☒	☒	☒

(Bernegger)

20. Motion:	Receive and File the Investment Performance Results for the ATU/IBEW and Salaried Employee Retirement Plans for the Quarter Ended June 30, 2016 (ALL). (Bernegger)	☒	☒	☒	☒	☒
21. Information:	Update on Roles and Responsibilities Related to Pension Administration (ALL). (Bonnel)	☒	☒	☒	☒	☒
22. Resolution:	Approving Service Retirement for Mike Wiley (MCEG). (Bonnel)	☐	☐	☐	☐	☒

REPORTS FROM COMMITTEES
REPORTS, IDEAS AND COMMUNICATIONS
ADJOURN

NOTICE TO THE PUBLIC

It is the policy of the Boards of Directors of the Sacramento Regional Transit District Retirement Plans to encourage participation in the meetings of the Boards of Directors. At each open meeting, members of the public shall be provided with an opportunity to directly address the Board on items of interest to the public that are within the subject matter jurisdiction of the Boards.

This agenda may be amended up to 72 hours prior to the meeting being held. An agenda, in final form, is located by the front door of Regional Transit's building at 1400 – 29th Street and posted to RT's website at www.sacrt.com.

Any person(s) requiring accessible formats of the agenda or assisted listening devices/sign language interpreters should contact the Human Resources Manager at 916-556-0280 or TDD 916/483-4327 at least 72 business hours in advance of the Board Meeting.

Copies of staff reports or other written documentation relating to each item of business referred to on the agenda are on file with the Human Resources Administrative Technician at 916-556-0298 and/or Clerk to the Board of Directors of the Sacramento Regional Transit District and are available for public inspection at 1400 29th Street, Sacramento, CA. Any person who has questions concerning any agenda item may call the Human Resources Administrative Technician of Sacramento Regional Transit District to make inquiry.

Sacramento Regional Transit District
ATU Retirement Board Meeting
Wednesday, June 15, 2016
MEETING SUMMARY

ROLL CALL

The Retirement Board was brought to order at 9:05 a.m. A quorum was present comprised as follows: Directors Wiley, Morin, and De La Torre, and Alternate Muniz were present. Director Niz and Alternate Jennings were absent.

This meeting was held as a common meeting of the five Sacramento Regional Transit District Retirement Boards.

By ATU Resolution No. 16-02-0273 for calendar year 2016, the Governing Board Member in attendance served as Common Chair of this Retirement Board meeting.

PUBLIC ADDRESSES BOARD ON MATTERS ON CONSENT AND MATTERS NOT ON THE AGENDA

None.

Agenda item #27 was moved to ensure the item requiring action would be addressed in case members had to leave resulting in loss of a quorum.

27. Resolution: Approving A Contract with Cheiron to Provide Actuarial Services for ATU, IBEW and Salaried Retirement Plans (ALL). (Bonnel)

Donna Bonnel introduced Valerie Weekly to provide information pertaining to the Cheiron contract and to be available to answer questions.

Director Morin asked if there is a significant change in cost over previous contracts with Cheiron. Ms. Weekly noted that there is an increase in cost due to Cheiron rebuilding the estimator tool currently in use. There is an implementation cost of about $39,000 in the first year of the contract. Ms. Weekly also noted that page attachment #1, page 147 outlines what has been billed by Cheiron thus far and provides a comparison over the potential seven-year contact.

Director Wiley asked why year five of the contract includes an increase in the fixed fee. Ms. Weekly noted that the increase reflects the inclusion of an additional fee for an experience study.

Director Wiley moved to adopt Item 27. Director Morin seconded the motion.

Item 27 was carried unanimously by roll call vote. Ayes: Directors De La Torre, Wiley, Morin and Alternate Muniz. Noes: None.

Director Mike Wiley left at 9:10 a.m. Donna Bonnel noted that the MCEG Retirement Board lost its quorum, thereby suspending the MCEG Retirement Board meeting and

requiring all remaining MCEG items to be held over until another time. However, the other Boards continued in their joint meeting.

Consent Calendar:

9. Motion: Approving the Minutes for the February 19, 2016 Special Retirement Board Meeting (ATU). (Bonnel)

10. Motion: Approving the Minutes for the March 16, 2016 Quarterly Retirement Board Meeting (ATU). (Bonnel)

11. Motion: Approving the Minutes for the April 27, 2016 Special Retirement Board Meeting (ATU). (Bonnel)

Item 12 was pulled off of the Consent Calendar and placed under New Business.

Director De La Torre moved to adopt ATU Retirement Board Items 9 through 11. Alternate Muniz seconded the motion. Items 9 through 11 were carried unanimously by roll call vote: Ayes: De La Torre, Muniz and Morin. Noes: None.

New Business:

The order of New Business items was adjusted to ensure all of the items requiring action would be addressed in case members had to leave resulting in loss of a quorum. The revised order was: 21, 22, 4, 8, 12, 16, 23-24, 28, 25-26, 29-30.

21. Information: Investment Performance Review by Met West for the ATU/IBEW and Salaried Retirement Funds for the Domestic Fixed Income Asset Class for the Quarter Ended March 31, 2016 (ALL). (Bernegger)

Jamie Adelman introduced David Vick and Jamie Franco from Met West to present the results for the Domestic Fixed Income Asset Class for the quarter ended March 31, 2015 and to be available for questions.

22. Motion: Receive and File the Investment Performance Results for the ATU/IBEW and Salaried Employee Retirement Plans for the Quarter Ended March 31, 2016 (ALL). (Bernegger)

Jamie Adelman introduced Uvan Tseng from Callan to present the investment performance results for ATU/IBEW and Salaried Retirement Plans for the quarter ended March 31, 2016.

Mr. Tseng reported that Boston Partners, large cap value manager, has struggled over the last year. Mr. Tseng noted that even with the recent under performance, when looking at long term results, Boston Partners is still ahead of the benchmark. From Callan's perspective, this is the short term. They are at the bottom of their performance cycle right now, but Callan is not very concerned.

Mr. Tseng reported that JP Morgan is down 4% for the quarter and they have been trailing the benchmark for the past year. Mr. Tseng noted that it might be time to revisit JP Morgan and put them on watch. If the Board agrees, Callan can perform a search to compare JP Morgan to other candidates. Mr. Tseng noted that JP Morgan does not have to be replaced, but it may be beneficial to perform a search.

Director Morin asked if direction was needed from the Board to proceed. Mr. Tseng noted that the main direction Callan needs to know is whether the Board would like to keep the index fund in place. If so, they will find something that would be a better compliment to the index fund.

Brent Bernegger noted that Callan's contract allows for five searches and that only one search has been utilized. There would be no additional cost assumed with performing the search.

AEA Director Drake suggested Callan perform the search to see if they can find a manager that is a great fit. The Boards indicated consensus.

Director Morin moved to adopt Item 22. Director De La Torre seconded the motion. Item 22 was carried unanimously by roll call vote. Ayes: Directors De La Torre, Morin and Alternate Muniz. Noes: None.

12. Motion: Receive and File Administrative Reports for the Quarter Ended March 31, 2016 for the ATU/IBEW Pension Plan (ATU/IBEW). (Bernegger)

Director Morin moved to adopt Item 12. Director De La Torre seconded the motion. Item 12 was carried unanimously by roll call vote. Ayes: Directors De La Torre, Morin and Alternate Muniz. Noes: None.

23. Motion: Receive and File Asset Allocation Study Review for the ATU/IBEW and Salaried Employees' Retirement Plans (ALL). (Bernegger)

Jamie Adelman reported that an asset allocation review is presented annually per compliance investment guidelines. Ms. Adelman clarified that attachment #1, page 9 of the Asset Allocation Review compares the old target policy to the new target policy. The old target policy was approved in December 2012, and the new target policy was approved in June 2015. The policy presented today will be reflected in next year's asset allocation review. Ms. Adelman also noted that the asset allocation study was already underway when the Board approved a new assumed rate of return at the April 27, 2016 meeting. There are no changes to the inflation rate assumption of 3.15%. The difference is in the real rate of return, which was dropped from 4.5% to 4.35% for an overall assumed rate of return of 7.5%.

Ms. Adelman introduced Gene Podkaminer from Callan to present the asset allocation review and to be available for questions.

Director Morin moved to adopt Item 23. Director De La Torre seconded the motion. Item 23 was carried unanimously by roll call vote. Ayes: Directors De La Torre, Morin and Alternate Muniz. Noes: None.

24. Resolution: Adopting Revised Statement of Investment Objectives and Policy Guidelines for the Sacramento Regional Transit District Retirement Plans (ALL). (Bernegger)

Jamie Adelman provided information on the revised statement of Investment Objectives and Policy Guidelines for the Sacramento Regional Transit District Retirement Plans.

Director Morin moved to adopt Item 24. Director De La Torre seconded the motion. Item 24 was carried unanimously by roll call vote. Ayes: Directors De La Torre, Morin and Alternate Muniz. Noes: None.

28. Information: Update on Group Trust Agreements (ALL). (Bonnel)

Donna Bonnel introduced Jamie Adelman and Legal Counsel Anne Hydorn with Hanson Bridgett to provide an update on the Group Trust Agreements.

Ms. Hydorn outlined the steps to the IRS compliance process.

AEA Director Drake asked if there will be a cost for State Street to split the Pension Plans' assets for separate accounting. Ms. Adelman replied that there will be no additional cost for this service.

25. Resolution: Adopting Revised Policy for the Allocation of Vendor Costs (ALL). (Bernegger)

Jamie Adelman provided information on the revised policy for the allocation of vendor costs and was available for questions.

Director Mike Wiley returned at 10:15 a.m., allowing the MCEG Retirement Board meeting to resume.

Director Wiley moved to adopt Item 25. Director Morin seconded the motion. Item 25 was carried unanimously by roll call vote. Ayes: Directors De La Torre, Wiley, Morin and Alternate Muniz. Noes: None.

26. Resolution: Adopting Revised Policy for the Allocation of Staff Costs (ALL). (Bonnel)

Donna Bonnel provided information on the revised policy for the allocation of staff costs and was available for questions.

Director Wiley moved to adopt Item 26. Director Morin seconded the motion. Item 26 was carried unanimously by roll call vote. Ayes: Directors De La Torre, Wiley, Morin and Alternate Muniz. Noes: None.

29. Information: Update on Roles and Responsibilities Related to Pension Administration (ALL). (Bonnel)

Donna Bonnel provided an update on the roles and responsibilities of various District staff members and Legal Counsel related to the administration of the Pension Plans.

30. Information: Staff Update on Status of Legal Services Request for Proposals (ALL). (Bonnel)

Donna Bonnel provided an update on the status of legal services Request for Proposals.

REPORTS FROM COMMITTEES

None.

REPORTS, IDEAS AND COMMUNICATIONS

Ms. Bonnel noted that the slated July Special Meeting has been canceled. The Special Meeting will now be held in August. The date is to be determined.

With no further business to discuss, the AEA, AFSCME, ATU, and IBEW Retirement Boards were adjourned by Assistant Secretary Bonnel at 10:17 a.m.

_____
Ralph Niz, Chair

ATTEST:

Corina De La Torre, Secretary

By:_____
Donna Bonnel, Assistant Secretary

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
8	09/14/16	Retirement	Action	08/06/16

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2016 for the ATU/IBEW Pension Plan (ATU/IBEW). (Bernegger)

ISSUE

Receive and File Administrative Reports for the Quarter Ended June 30, 2016 for the ATU/IBEW Pension Plan (ATU/IBEW). (Bernegger)

RECOMMENDED ACTION

Motion: Receive and File Administrative Reports for the Quarter Ended June 30, 2016 for the ATU/IBEW Pension Plan (ATU/IBEW). (Bernegger)

FISCAL IMPACT

None

DISCUSSION

Attached hereto are unaudited financial statements for the quarter and the year-to-date ended June 30, 2016. The financial statements are presented on an accrual basis and consist of a Statement of Plan Net Position (balance sheet) (Attachment 1), a Statement of Changes in Plan Net Position (income statement) for the quarter ended June 30, 2016 (Attachment 2), and a year-to-date Statement of Changes in Plan Net Position (Attachment 3).

The Statement of Plan Net Position includes a summary of fund assets showing the amounts in the following categories: cash, money market, and securities. This statement also provides amounts due from/to the District and Total Fund Equity (net position).

The Statement of Changes in Plan Net Position includes activities in the following categories: investment gains/losses, dividends, interest income, unrealized gains/losses, benefit contributions/payouts, and investment management and administrative expenses.

Asset Rebalancing

Pursuant to Section IV, Asset Rebalancing Policy of the Statement of Investment Objectives and Policy Guidelines for the ATU/IBEW and Salaried Employees' Retirement Funds, the Retirement Boards have delegated authority to manage pension plan assets in accordance with the approved rebalancing policy to the District's Director of Finance/Treasury. The Director is required to report asset rebalancing activity to the Boards at their quarterly meetings. Rebalancing can occur for one or more of the following reasons:

1. The Pension Plan ended the month with an accounts receivable or payable balance due to the District. A payable or receivable is the net amount of the monthly required

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
8	09/14/16	Retirement	Action	08/06/16

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2016 for the ATU/IBEW Pension Plan (ATU/IBEW). (Bernegger)

contribution (required contribution is the percentage of covered payroll determined by the annual actuarial valuation) less the Plan's actual expenses.

2. The Pension Plan hires or removes a Fund Manager, in which case securities must be moved to a new fund manager.
3. The Pension Plan investment mix is under or over the minimum or maximum asset allocation as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 4 is the ATU/IBEW Plan's Schedule of Cash Activities for the three months ended June 30, 2016. The schedule of cash activities includes a summary of Plan activities showing the amounts in the following categories: District's pension contributions to the Plan, payments to retirees, and the Pension Plan's cash expenditures paid. This schedule also lists the rebalancing activity that occurred for the three months ended June 30, 2016. The ATU/IBEW Plan reimbursed $946,734.82 to the District as the result of the net cash activity between the pension plan expenses and the required pension contributions.

Attached hereto as Attachment 5 is the ATU/IBEW Plan's Asset Allocation as of June 30, 2016. This statement shows the ATU/IBEW Plan's asset allocation as compared to targeted allocation percentages as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 6 is a reconciliation between the Callan Performance Report and the ATU/IBEW and Salaried Pension Plans' unaudited financial statements. The reports differ in that the unaudited financial statements reflect both investment activities and the pension fund's inflows and outflows. Callan's report only reflects the investment activities. The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and/or litigation settlements received by the Plans.

Included also as Attachment 7 is a reconciliation between the Callan Performance Report and the Schedule of Cash Activities for payments made from/to the District. Callan's report classifies gains from trades and litigation income as "net new investments." Finance staff classifies gains from trades and litigation income in the Pension Fund's unaudited Statement of Changes in Plan Net Position as "Other Income," which is combined in the category of "Interest, Dividend, & Other Inc".

Attached hereto as Attachment 8 is a schedule reflecting Fund Managers' quarterly investment returns and their investment fees. Additionally, the schedule reflects annual rates of return on investment net of investment fees for the one-year and three-year periods ended June 30, 2016 as compared to their benchmarks.

Attached hereto as Attachment 9 is a schedule reflecting all retirements that occurred, as well as any transfer of employees or plan assets from the ATU/IBEW Plan to the Salaried Plan during the three months ended June 30, 2016.

Sacto Regional Transit District Retirement Plan - Contract
Statement of Fiduciary Net Position
Accrual Basis — As of June 30, 2016

	Jun 30, 16
ASSETS	
Current Assets	
Checking/Savings	
Long-Term Investments	
100000 · Allocated Custodial Assets	168,737,717.48
Total Long-Term Investments	168,737,717.48
Total Checking/Savings	168,737,717.48
Other Current Assets	
1110120 · Prepaids	24,365.00
Total Other Current Assets	24,365.00
Total Current Assets	168,762,082.48
TOTAL ASSETS	**168,762,082.48**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
3110102 · Administrative Expense Payable	44,912.08
3110110 · Other Pay - Due to RT	538,042.09
3110122 · MetWest	41,909.45
3110124 · Boston Partners	36,852.86
3110125 · Callan	6,880.00
3110126 · State Street	14,793.40
3110127 · JP Morgan	26,190.07
3110128 · Atlanta Capital	30,354.97
3110129 · SSgA - S&P Index	3,483.24
3110130 · SSgA - EAFE	3,644.26
Total Accounts Payable	747,062.42
Total Current Liabilities	747,062.42
Total Liabilities	747,062.42
Equity	
3340101 · Retained Earnings	172,106,053.44
Net Income	-4,091,033.38
Total Equity	168,015,020.06
TOTAL LIABILITIES & EQUITY	**168,762,082.48**

Sacto Regional Transit District Retirement Plan - Contract
Statement of Changes in Fiduciary Net Position
Accrual Basis — **April through June 2016**

	Apr - Jun 16	% of Income
Income		
Interest, Dividend, & Other Inc	668,317.23	12.0%
Investment Income	2,218,643.21	40.0%
RT Required Contribution	2,640,775.76	47.6%
6630110 · Employee Contributions	22,651.58	0.4%
Total Income	5,550,387.78	100.0%
Cost of Goods Sold		
8531200 · ATU - Retirement Benefits Paid	2,584,968.57	46.6%
8531201 · IBEW - Retirement Benefits Paid	793,629.06	14.3%
8532001 · Invest Exp - Brandes	0.00	0.0%
8532004 · Invest Exp - Metropolitan West	41,909.45	0.8%
8532011 · Invest Exp - Goldman Sachs	0.00	0.0%
8532013 · Invest Exp - Boston Partners	36,852.86	0.7%
8532020 · Invest Exp - Callan	20,649.51	0.4%
8532021 · Invest Exp - State Street	22,260.64	0.4%
8532023 · Invest Exp - JP Morgan	26,190.07	0.5%
8532024 · Invest Exp - Atlanta Capital	30,354.97	0.5%
8532025 · Invest Exp - S&P Index - SSgA	3,483.24	0.1%
8532026 · Invest Exp - EAFE - SSgA	3,644.26	0.1%
Total COGS	3,563,942.63	64.2%
Gross Profit	1,986,445.15	35.8%
Expense		
8533002 · Admin Exp - EFI	21,743.09	0.4%
8533007 · CALPRS Dues & Courses	0.00	0.0%
8533009 · Admin Exp - Shipping	31.17	0.0%
8533014 · Admin Exp - Fiduciary Insurance	7,159.69	0.1%
8533020 · Admin Exp - Procurement Costs	599.05	0.0%
8533021 · Admin Exp - Hanson Bridgett Leg	32,180.70	0.6%
8533029 · Admin Exp - Administrator	36,715.48	0.7%
8533050 · Miscellaneous	51.23	0.0%
Total Expense	98,480.41	1.8%
Net Income	**1,887,964.74**	**34.0%**

Sacto Regional Transit District Retirement Plan - Contract
Statement of Changes in Fiduciary Net Position
Accrual Basis — **July 2015 through June 2016**

	Jul '15 - Jun 16	% of Income
Income		
Interest, Dividend, & Other Inc	2,537,730.84	25.1%
Investment Income	-2,920,946.97	-28.9%
RT Required Contribution	10,447,189.74	103.2%
6630110 · Employee Contributions	54,714.14	0.5%
Total Income	10,118,687.75	100.0%
Cost of Goods Sold		
8531200 · ATU - Retirement Benefits Paid	10,061,316.85	99.4%
8531201 · IBEW - Retirement Benefits Paid	3,119,557.08	30.8%
8532001 · Invest Exp - Brandes	0.00	0.0%
8532004 · Invest Exp - Metropolitan West	165,270.13	1.6%
8532011 · Invest Exp - Goldman Sachs	0.00	0.0%
8532013 · Invest Exp - Boston Partners	146,695.21	1.4%
8532020 · Invest Exp - Callan	82,952.99	0.8%
8532021 · Invest Exp - State Street	92,193.02	0.9%
8532023 · Invest Exp - JP Morgan	106,183.40	1.0%
8532024 · Invest Exp - Atlanta Capital	116,589.71	1.2%
8532025 · Invest Exp - S&P Index - SSgA	13,619.21	0.1%
8532026 · Invest Exp - EAFE - SSgA	14,697.09	0.1%
Total COGS	13,919,074.69	137.6%
Gross Profit	-3,800,386.94	-37.6%
Expense		
8533002 · Admin Exp - EFI	67,098.51	0.7%
8533003 · Admin Exp - Med Center	1,128.00	0.0%
8533007 · CALPRS Dues & Courses	3,250.00	0.0%
8533009 · Admin Exp - Shipping	31.17	0.0%
8533012 · Admin Exp - Travel	178.00	0.0%
8533014 · Admin Exp - Fiduciary Insurance	28,977.58	0.3%
8533020 · Admin Exp - Procurement Costs	1,031.57	0.0%
8533021 · Admin Exp - Hanson Bridgett Leg	98,404.28	1.0%
8533025 · Admin Exp - Information Service	414.00	0.0%
8533028 · Admin Exp - Staff Training	739.51	0.0%
8533029 · Admin Exp - Administrator	88,954.71	0.9%
8533050 · Miscellaneous	439.11	0.0%
Total Expense	290,646.44	2.9%
Net Income	**-4,091,033.38**	**-40.4%**

Sacramento Regional Transit District
Retirement Fund - ATU/IBEW
Schedule of Cash Activities
For the Three Months Period Ended June 30, 2016

	April 2016	May 2016	June 2016	Quarter Totals
Beginning Balance:				
Due (from)/to District - March 31, 2016	496,033.24	450,701.38	260,204.98	496,033.24
Monthly Activity:				
Deposits				
District Pension Contributions @ 23.51 - 26.51%	848,347.35	894,495.94	897,932.47	2,640,775.76
Employee Pension Contributions	5,974.02	7,286.84	9,390.72	22,651.58
Total Deposits	854,321.37	901,782.78	907,323.19	2,663,427.34
Expenses				
Payout to Retirees:				
ATU	(865,439.26)	(856,950.90)	(862,578.41)	(2,584,968.57)
IBEW	(262,181.94)	(264,203.48)	(267,243.64)	(793,629.06)
Payout to Retirees Subtotal	(1,127,621.20)	(1,121,154.38)	(1,129,822.05)	(3,378,597.63)
Fund Investment Management Expenses:				
Atlanta Capital	(29,863.40)	-	-	(29,863.40)
Metropolitan West	(41,412.01)	-	-	(41,412.01)
Boston Partners	(36,755.16)	-	-	(36,755.16)
JPMorgan	(24,946.63)	-	-	(24,946.63)
SSgA S&P 500 Index	(3,292.07)	-	-	(3,292.07)
SSgA EAFE MSCI	(3,481.01)	-	-	(3,481.01)
Callan	(6,900.62)	(6,887.94)	(6,881.57)	(20,670.13)
State Street	(7,432.93)	(8,120.42)	(7,467.24)	(23,020.59)
Fund Invest. Mgmt Exp. Subtotal	(154,083.83)	(15,008.36)	(14,348.81)	(183,441.00)
Administrative Expenses				
Cheiron	-	(16,163.89)	-	(16,163.89)
Fiduciary Insurance	75.00	62.50	-	137.50
Shipping	(31.17)	-		(31.17)
Hanson Bridgett Legal Services	(10,479.40)	-	(26,229.66)	(36,709.06)
Procurement Costs	-	-	(599.05)	(599.05)
Pension Administration	(12,882.25)	(9,723.73)	(14,109.50)	(36,715.48)
Miscelaneous	-	-	(51.23)	(51.23)
Administrative Exp. Subtotal	(23,317.82)	(25,825.12)	(40,989.44)	(90,132.38)
Total Expenses	(1,305,022.85)	(1,161,987.86)	(1,185,160.30)	(3,652,171.01)
Monthly Net Owed from/(to) District	(450,701.48)	(260,205.08)	(277,837.11)	(988,743.67)
Payment from/(to) the District	(496,033.34)	(450,701.48)	-	(946,734.82)
Ending Balance:				
Due (from)/to the District (=Beginning balance + monthly balance-payment to District)	450,701.38	260,204.98	538,042.09	538,042.09

RT Combined Pension Plans - ATU/IBEW and Salaried
Asset Allocation *
As of 6/30/2016

Asset Class	Net Asset Market Value 06/30/2016	Actual Asset Allocation	Target Asset Allocation	% Variance	$ Variance	Target Market Value
FUND MANAGERS:						
Domestic Equity:						
Large Cap Value - Boston Partners - Z8	$ 38,937,632	15.96%	16.00%	-0.04%	$ (107,492)	
Large Cap Growth - SSgA S&P 500 Index - XH	40,604,552	16.64%	16.00%	0.64%	1,559,427	
Total Large Cap Domestic Equity	**79,542,184**	**32.59%**	**32.00%**	**0.59%**	**1,451,935**	**$ 78,090,249**
Small Cap - Atlanta Capital - XB	**21,950,305**	**8.99%**	**8.00%**	**0.99%**	**2,427,743**	**19,522,562**
International Equity:						
Growth						
JPMorgan - Z9	21,281,757	8.72%	9.50%	-0.78%	(1,901,286)	
Emerging Markets						
DFA - ZA	12,537,203	5.14%	6.00%	-0.86%	(2,104,719)	
Core						
SSgA MSCI EAFE - XG	20,550,876	8.42%				
Value - Brandes - XE	9,226	0.00%				
Total Core	20,560,102	8.43%	9.50%	-1.07%	(2,622,940)	
Total International Equity	**54,379,062**	**22.28%**	**25.00%**	**-2.72%**	**(6,628,945)**	**61,008,007**
Fixed Income:						
Met West - XD	**88,160,477**	**36.13%**	**35.00%**	**1.13%**	**2,749,267**	**85,411,210**
Total Combined Net Asset	$ 244,032,028	100.00%	100.00%	0.00%	$ -	$ 244,032,028

Asset Allocation Policy Ranges*:	Minimum	Target	Maximum
Domestic Equity	**35%**	**40%**	**45%**
Large Cap (50/50 value/growth)	28%	32%	36%
Small Cap	5%	8%	11%
International Equity	**20%**	**25%**	**30%**
Developed Markets	15%	19%	23%
Emerging Markets	4%	6%	8%
Domestic Fixed Income	**30%**	**35%**	**40%**

* Per the Statement of Investment Objectives and Policy Guidelines as of 6/17/2015.

Reconciliation between Callan Report
and
Consolidated Pension Fund Balance Sheet
As of June 30, 2016

Per Both Pension Fund Balance Sheets:	
ATU/IBEW Allocated Custodial Assets	168,737,717
Salaried Allocated Custodial Assets	75,294,311
Total Consolidated Net Asset	244,032,028
Per Callan Report:	
Total Investments	244,029,222
Net Difference	2,806 *

* The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities.

Reconciliation between Callan Report
and
Consolidated Pension Fund Income Statement
For the Quarter Ended June 30, 2016

Per Both Pension Fund Income Statements:	
ATU/IBEW - Interest, Dividends, and Other Income	668,317
ATU/IBEW - Investment Income	2,218,643
Salaried - Interest, Dividends, and Other Income	293,307
Salaried - Investment Income	1,031,211
Total Investment Income	4,211,478
Per Callan Report:	
Investment Returns	4,211,505
Net Difference	(27) **

** The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities.

Reconciliation between Callan Report
and
Consolidated Schedule of Cash Activities
For the Quarter Ended June 30, 2016

	April	May	June	Total
Payments from/(to) the District				
Atlanta Capital - ATU/IBEW	-	(450,701)	-	(450,701)
Metropolitan West - ATU/IBEW	(496,034)	-	-	(496,034)
DFA - Salaried	226,695	35,500	-	262,195
S&P 500 Index - ATU/IBEW	-	-	-	-
S&P 500 Index - Salaried	-	-	-	-
EAFE - ATU/IBEW				-
EAFE - Salaried				-
Total Payments from/(to) the District	(269,339)	(415,201)	-	(684,540)
Transfers In/(Out) of Investment Funds				
Atlanta Capital	-	(450,701)	-	(450,701)
Metropolitan West	(496,034)	-	-	(496,034)
DFA	226,695	35,500	-	262,195
Total Transfers In/(Out) of Investment Funds	(269,339)	(415,201)	-	(684,540)
Variance between Payments and Transfers	-	-	-	-
Per Callan Report:				
Net New Investment/(Withdrawals)				(684,540)
Net Difference				-

Consolidated Schedule of Cash Activities
For the 12-Months June 30, 2016

	3Q15	4Q15	1Q16	2Q16	Total
Payments from/(to) the District					
Atlanta Capital - ATU/IBEW	(243,158)	-	-	(450,701)	(693,859)
Metropolitan West - ATU/IBEW	(364,832)	(266,918)	(639,700)	(496,034)	(1,767,484)
DFA - Salaried	324,198	166,206	189,655	262,195	942,254
S&P 500 Index - ATU/IBEW	(251,113)	(629,754)	-	-	(880,867)
S&P 500 Index - Salaried	-	(85,930)	-	-	(85,930)
Total Payments from/(to) the District	(534,905)	(816,396)	(450,045)	(684,540)	(2,485,886)

Sacramento Regional Transit District
ATU/IBEW and Salaried Retirement Fund
Schedule of Fund Investment Returns and Expenses
06/30/16

	1 Year	%	1 Year Net of Fees Returns	1 Year Bench-Mark Returns	1 Year Favorable/ (Unfavor) Basis Pts	3 Years	%	3 Years Net of Fees Returns	3 Years Bench-Mark Returns	3 Years Favorable/ (Unfavor) Basis Pts
Boston Partners										
Investment Returns	(1,246,253)	100.00%				8,805,224	100.00%			
Investment Expenses	(211,303)	-16.96%				(628,931)	7.14%			
Net Gain/(Loss)	(1,457,556)	116.96%	-3.63%	2.86%	(649.00)	8,176,293	92.86%	7.69%	9.87%	(218.00)
Atlanta Capital										
Investment Returns	1,055,902	100.00%				7,286,975	100.00%			
Investment Expenses	(167,956)	15.91%				(482,618)	6.62%			
Net Gain/(Loss)	887,946	84.09%	4.24%	-6.73%	1097.00	6,804,357	93.38%	11.85%	7.09%	476.00
Metropolitan West										
Investment Returns	4,332,312	100.00%				10,600,836	100.00%			
Investment Expenses	(238,064)	5.50%				(734,425)	6.93%			
Net Gain/(Loss)	4,094,248	94.50%	4.84%	6.00%	(116.00)	9,866,411	93.07%	3.79%	4.06%	(27.00)
Brandes										
Investment Returns	(2,381)	100.00%				(4,439)	100.00%			
Investment Expenses	-	0.00%				-	0.00%			
Net Gain/(Loss)	(2,381)	100.00%	N/A	N/A	N/A	(4,439)	100.00%	N/A	N/A	N/A
JPMorgan										
Investment Returns	(2,893,121)	100.00%				568,804	100.00%			
Investment Expenses	(152,938)	-5.29%				(462,608)	81.33%			
Net Gain/(Loss)	(3,046,059)	105.29%	-12.59%	-10.16%	(243.00)	106,196	18.67%	0.83%	2.06%	(123.00)
S&P 500										
Investment Returns	1,598,299	100.00%				12,395,615	100.00%			
Investment Expenses	(50,965)	3.19%				(88,643)	0.72%			
Net Gain/(Loss)	1,547,334	96.81%	4.05%	3.99%	6.00	12,306,972	99.28%	11.66%	11.66%	0.00
EAFE										
Investment Returns	(2,246,965)	100.00%				969,537	100.00%			
Investment Expense	(21,168)	-0.94%				(61,958)	6.39%			
Net Gain/(Loss)	(2,268,133)	100.94%	-9.95%	-10.16%	21.00	907,579	93.61%	2.26%	2.06%	20.00
DFA										
Investment Returns	(1,053,686)	100.00%				(307,802)	100.00%			
Investment Expense	(77,875)	-7.39%				(220,829)	-71.74%			
Net Gain/(Loss)	(1,131,561)	107.39%	-8.77%	-11.71%	294.00	(528,631)	171.74%	-0.16%	-1.21%	105.00
Total Fund										
Investment Returns	(455,893)	100.00%				40,314,750	100.00%			
Investment Expenses	(920,269)	-201.86%				(2,680,012)	6.65%			
Net Gain/(Loss)	(1,376,162)	301.86%	-0.50%	0.32%	(82.00)	37,634,738	93.35%	5.67%	5.93%	(26.00)
CPI:				1.01%					1.08%	
Core CPI:				2.26%					2.05%	

Sacramento Regional Transit District
Schedule of Transfers and Retirements
For the Time Period: April 1, 2016 to June 30, 2016

Transfers:

Employee #	Transferred From Postion	Tranferred To Position	Transferred From ATU//IBEW	Tranferred To ATU/IBEW	Plan Assets Transferred To/(From) Salaried Plan	Plan Assets Transferred To/(From) ATU/IBEW Plan
None to report						

Retirements:

Employee #	Previous Position	Pension Group	Retirement Date
488	Bus Operator	ATUL	04/26/2016
2490	Bus Operator	IBEW	04/02/2016
3047	Trainer	AFST	04/02/2016
3070	Bus Operator	ATUL	04/01/2016
1555	Term Vested	AEAS	04/01/2016
1430	Supervisor	AFSC	04/02/2016
1125	Director, LR	MCEG	05/02/2016
2115	Facilities Maintenance Mechanic	IBEW	05/02/2016
2888	Transit Officer	ATUL	05/16/2016
610	Bus Operator	ATUL	05/16/2016
764	Bus Operator	ATUL	05/01/2016

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
9	9/14/16	Retirement	Action	9/1/16

Subject: Adoption of the Regional Transit District Retirement Boards 2017 Meeting Calendar (ALL). (Bonnel)

ISSUE

Adoption of the Regional Transit District (RT) Retirement Boards 2017 Meeting Calendar (ALL). (Bonnel)

RECOMMENDED ACTION

Adopt Resolution No. 16-09-___, Adopting the Regional Transit District Retirement Boards 2017 Meeting Calendar.

FISCAL IMPACT

None, as a result of this action.

DISCUSSION

The RT Retirement Boards have Regular meetings quarterly to review the performance of investments in RT's retirement funds by its fund managers and related business. Special meetings typically are called for items which require time for more lengthy discussions.

The proposed dates for Quarterly Retirement Board Meetings for the 2017 calendar year are:

- Wednesday, March 15th
- Wednesday, June 14th
- Wednesday, September 13th
- Wednesday, December 13th

In anticipation of several large projects and decisions coming before the Retirement Boards in 2017, staff is also proposing several tentative Special Meeting dates. If necessary, these dates can be utilized for in-depth discussion of items that require attention in addition or prior to regularly-scheduled Quarterly Retirement Board Meetings.

Approved: Presented:

Final 09/06/2016
Director, Human Resources

Director, Human Resources
J:\Retirement Board\2016\IP's\September 14, 2016\2017 IP Retirement Board Schedule - Resos.doc

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
9	9/14/16	Retirement	Action	9/1/16

Subject: Adopting the Regional Transit Retirement Boards 2017 Meeting Calendar (ALL). (Bonnel)

The proposed dates for tentative Special Meetings for the 2017 calendar year are:

- Wednesday, January 25th
- Wednesday, April 26th
- Wednesday, July 26th
- Wednesday, October 25th

Staff recommends that the Board Members adopt a 9:00 a.m. start time for the 2017 meetings.

Staff recommends approval of the Regional Transit Retirement Boards 2017 Meeting Calendar, marked as Exhibit A.

RESOLUTION NO. 16-09-_____

Adopted by the ATU Retirement Board for the Retirement Plan for RT Employees Who Are Members of ATU Local Union 256 on this date:

September 14, 2016

ADOPTING THE REGIONAL TRANSIT DISTRICT RETIREMENT BOARDS 2017 MEETING CALENDAR

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD FOR THE RETIREMENT PLAN FOR RT EMPLOYEES WHO ARE MEMBERS OF ATU AS FOLLOWS:

THAT, the meeting schedule set out in attached Exhibit A for the meetings of the Regional Transit District ATU Retirement Board for calendar year 2017, is hereby adopted.

_____
Ralph Niz, Chair

A T T E S T:

Corina DelaTorre, Secretary

By: _____
Donna Bonnel, Assistant Secretary

Exhibit A

2017 RETIREMENT BOARD CALENDAR

SACRAMENTO REGIONAL TRANSIT RETIREMENT BOARD
REGIONAL TRANSIT AUDITORIUM (ROOM 114) – 1400 29TH STREET
SACRAMENTO, CALIFORNIA

9:00 AM

Wednesday…..……Regular Meeting……..……March 15, 2017

Wednesday…...…….…....Regular Meeting…..…….……June 14, 2017

Wednesday……...Regular Meeting..……..…..…..September 13, 2017

Wednesday…..…….Regular Meeting.…….……December 13, 2017

Wednesday…..……Special Meeting……..……*January 25, 2017

Wednesday…...…….…....Special Meeting…..…….…..……*April 26, 2017

Wednesday……...Special Meeting..……..…..……..…*July 26, 2017

Wednesday…..…….Special Meeting.…….……*October 25, 2017

**Special Meeting dates are tentative. If necessary, these dates can be utilized for items that require attention prior to the scheduled quarterly Board Meeting.*

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
16	09/14/16	Retirement	Action	09/02/16

Subject: Selection of a Common Vice Chair for Retirement Board Meetings (ALL). (Bonnel)

ISSUE

Selection of a Common Vice Chair to Preside Over Retirement Board Meetings.

RECOMMENDED ACTION

Adopt Resolution 16-09-___, Selecting a Common Vice Chair to Preside Over Retirement Board Meetings.

FISCAL IMPACT

There is no fiscal impact associated with this item.

DISCUSSION

On January 12, 2004, the Sacramento Regional Transit (RT) Governing Board established five separate Retirement Boards to conduct business related to RT's Retirement Plans on behalf of their members. Each of the five Retirement Boards have three officer positions: Chair, Vice Chair and Secretary. This structure remains in effect and serves the Boards well.

To ensure the orderly and efficient manner of all Retirement Board meetings, the majority of which are held as common meetings of all five Retirement Boards, as well as to ensure continuity in execution of the business of the Boards, each of the five Boards collectively selects a Common Chair and Common Vice Chair to preside over their meetings. The selections remain in effect for so long as the Common Chair and Common Vice Chair agree to perform such duties, and for so long as each Board continues to agree on such selections.

The five Retirement Boards previously selected Andy Morin, the RT Governing Board member assigned to the Retirement Boards, to serve as Common Chair for 2016 for purposes of presiding over meetings of any one or more of the five Boards. The Retirement Board also selected Mike Wiley, then RT's General Manager, to serve as Common Vice Chair for 2016 to preside over meetings of any one or more of the five Boards in the absence or other unavailability of the Common Chair.

Approved: Presented:

Final 9/6/2016
Director, Human Resources

Director, Human Resources
J:\Retirement Board\2016\IP's\September 14, 2016\Selection of Common Chair 09.14.16.DOCX

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
16	9/14/16	Retirement	Action	9/2/16

Subject: Selection of a Common Vice Chair for Retirement Board Meetings (ALL). (Bonnel)

Mike Wiley has since retired, and Henry Li has replaced him both as RT's General Manager and as a member of all five Retirement Boards.

Staff recommends the Retirement Boards select Henry Li to serve as Common Vice Chair for the remainder of 2016.

RESOLUTION NO. 16-09-_____

Adopted by the AFSCME Retirement Board for the Retirement Plan for RT Employees Who Are Members of AFSCME on this date:

September 14, 2016

SELECTING A COMMON VICE CHAIR TO PRESIDE OVER RETIREMENT BOARD MEETINGS

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD FOR THE RETIREMENT PLAN FOR RT EMPLOYEES WHO ARE MEMBERS OF AFSCME AS FOLLOWS:

THAT, this Retirement Board hereby selects Henry Li to serve as Common Vice Chair, in which role he shall preside over all regular and special meetings of this Board in the absence or unavailability of the Common Chair; and

THAT, this selection will remain in effect through 2016 or until the Common Vice Chair resigns from such role or until any one of the other four Retirement Boards no longer agrees to such common selection as evidenced by a majority vote of that Board, in which case the Chair and Vice Chair of common meetings of two or more Retirement Boards shall be selected by those Retirement Board Directors present at each such common meeting.

_____
Charles Mallonee, Chair

A T T E S T:

Rob Hoslett, Secretary

By: _____
Donna Bonnel, Assistant Secretary

RESOLUTION NO. 16-09-_____

Adopted by the IBEW Retirement Board for the Retirement Plan for RT Employees Who Are Members of IBEW, Local Union 1245 on this date:

September 14, 2016

SELECTING A COMMON VICE CHAIR TO PRESIDE OVER RETIREMENT BOARD MEETINGS

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD FOR THE RETIREMENT PLAN FOR RT EMPLOYEES WHO ARE MEMBERS OF IBEW, LOCAL UNION 1245 AS FOLLOWS:

THAT, this Retirement Board hereby selects Henry Li to serve as Common Vice Chair, in which role he shall preside over all regular and special meetings of this Board in the absence or unavailability of the Common Chair; and

THAT, this selection will remain in effect through 2016 or until the Common Vice Chair resigns from such role or until any one of the other four Retirement Boards no longer agrees to such common selection as evidenced by a majority vote of that Board, in which case the Chair and Vice Chair of common meetings of two or more Retirement Boards shall be selected by those Retirement Board Directors present at each such common meeting.

_____
Eric Ohlson, Chair

A T T E S T:

Lorrin Burdick, Secretary

By: _____
Donna Bonnel, Assistant Secretary

RESOLUTION NO. 16-09-_____

Adopted by the ATU Retirement Board for the Retirement Plan for RT Employees Who Are Members of ATU, Local Union 256 on this date:

September 14, 2016

SELECTING A COMMON VICE CHAIR TO PRESIDE OVER RETIREMENT BOARD MEETINGS

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD FOR THE RETIREMENT PLAN FOR RT EMPLOYEES WHO ARE MEMBERS OF ATU, LOCAL UNION 256 AS FOLLOWS:

THAT, this Retirement Board hereby selects Henry Li to serve as Common Vice Chair, in which role he shall preside over all regular and special meetings of this Board in the absence or unavailability of the Common Chair; and

THAT, this selection will remain in effect through 2016 or until the Common Vice Chair resigns from such role or until any one of the other four Retirement Boards no longer agrees to such common selection as evidenced by a majority vote of that Board, in which case the Chair and Vice Chair of common meetings of two or more Retirement Boards shall be selected by those Retirement Board Directors present at each such common meeting.

_____
Ralph Niz, Chair

A T T E S T:

Corina De La Torre, Secretary

By: _____
Donna Bonnel, Assistant Secretary

RESOLUTION NO. 16-09-_____

Adopted by the MCEG Retirement Board for the Retirement Plan for RT Employees Who Are Member of MCEG on this date:

September 14, 2016

SELECTING A COMMON VICE CHAIR TO PRESIDE OVER RETIREMENT BOARD MEETINGS

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD FOR THE RETIREMENT PLAN FOR RT EMPLOYEES WHO ARE MEMBERS OF MCEG AS FOLLOWS:

THAT, this Retirement Board hereby selects Henry Li to serve as Common Vice Chair, in which role he shall preside over all regular and special meetings of this Board in the absence or unavailability of the Common Chair; and

THAT, this selection will remain in effect through 2016 or until the Common Vice Chair resigns from such role or until any one of the other four Retirement Boards no longer agrees to such common selection as evidenced by a majority vote of that Board, in which case the Chair and Vice Chair of common meetings of two or more Retirement Boards shall be selected by those Retirement Board Directors present at each such common meeting.

_____
Mark Lonergan, Chair

A T T E S T:

Roger Thorn, Secretary

By: _____
Donna Bonnel, Assistant Secretary

RESOLUTION NO. 16-09-_____

Adopted by the AEA Retirement Board for the Retirement Plan for RT Employees Who are Members of AEA on this date:

September 14, 2016

SELECTING A COMMON VICE CHAIR TO PRESIDE OVER RETIREMENT BOARD MEETINGS

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD FOR THE RETIREMENT PLAN FOR RT EMPLOYEES WHO ARE MEMBERS OF AEA AS FOLLOWS:

THAT, this Retirement Board hereby selects Henry Li to serve as Common Vice Chair, in which role he shall preside over all regular and special meetings of this Board in the absence or unavailability of the Common Chair; and

THAT, this selection will remain in effect through 2016 or until the Common Vice Chair resigns from such role or until any one of the other four Retirement Boards no longer agrees to such common selection as evidenced by a majority vote of that Board, in which case the Chair and Vice Chair of common meetings of two or more Retirement Boards shall be selected by those Retirement Board Directors present at each such common meeting.

_____
James Drake, Chair

A T T E S T:

Russell Devorak, Secretary

By: _____
Donna Bonnel, Assistant Secretary

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
18	09/14/16	Retirement	Information	08/06/16

Subject: Investment Performance Review by Atlanta Capital for the ATU/IBEW and Salaried Retirement Funds for the Domestic Small Cap Equity Asset Class for the Quarter Ended June 30, 2016 (ALL). (Bernegger)

ISSUE

Investment Performance Review by Atlanta Capital for the ATU/IBEW and Salaried Retirement Funds for the Domestic Small Cap Equity Asset Class for the Quarter Ended June 30, 2016 (ALL). (Bernegger)

RECOMMENDED ACTION

Information only.

FISCAL IMPACT

None.

DISCUSSION

Retirement funds are invested consistent with the Statement of Investment Objectives and Policy Guidelines (Policy) adopted by each Retirement Board (Board). The Board shall meet at least every eighteen (18) months with each investment manager to review the performance of its investment, the adherence to the Policy, and any material changes to its organization. The Policy also establishes the Retirement Funds' asset allocation policy and the asset classes in which the Plans funds are invested. The asset classes established by the Policy are (1) Domestic Large Capitalization Equity, (2) Domestic Small Capitalization Equity, (3) International Equity, (4) International Emerging Markets, and (5) Domestic Fixed-Income.

Atlanta Capital is the Retirement Boards' Domestic Small Capital Equity fund manager. Atlanta Capital will be presenting performance results for the quarter ended June 30, 2016, shown in Attachment 1, and answering any questions.

Approved: Presented:

Final 08/26/16

Chief Financial Officer, Acting Senior Accountant

ATLANTA CAPITAL
INVESTMENT MANAGERS

Sacramento Regional Transit District

High Quality Small Cap

Second Quarter 2016
Portfolio Review

September 21, 2016

Michael Jaje, CFA

Vice President & Principal
404-682-2498
michael.jaje@atlcap.com

1075 Peachtree Street NE | Suite 2100 | Atlanta | GA | 30309

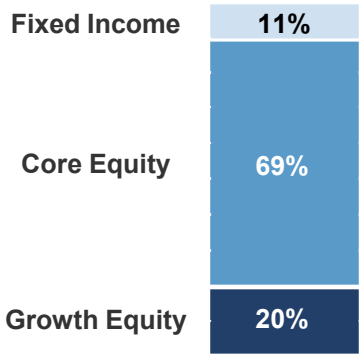
Atlanta Capital Management Co., LLC

As of June 30, 2016

- Founded in 1969 in Atlanta, Georgia
- Singular focus on High Quality stocks and bonds
- Owned by employees & Eaton Vance Corporation
- Employ 43 professionals (20 are equity partners)

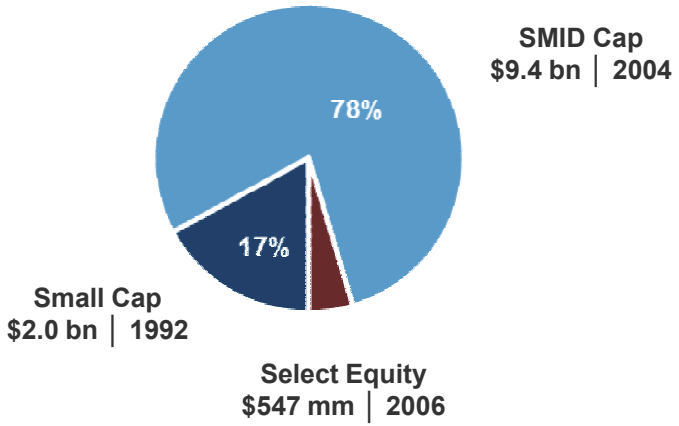
Investment Franchises

($17.3 Billion)



Core Equity Management

($12.0 Billion)



Assets under management | inception date of strategy.

ATLANTA CAPITAL
INVESTMENT MANAGERS

Seasoned & Stable Investment Team

A focused team that combines the benefit of conducting independent fundamental research with the ability to make timely investment decisions.

Portfolio Managers

Chip Reed, CFA
27 Yrs | 1998

Matt Hereford, CFA
21 Yrs | 2002

Bill Bell, CFA
21 Yrs | 1999

Investment Specialist

Michael Jaje, CFA
21 Yrs | 2014

- Portfolio managers are generalists and serve as both research analyst and portfolio manager
- Our team does not rely on a research staff to generate ideas or perform fundamental research
- Each portfolio manager conducts his own research while decisions are made on a consensus basis

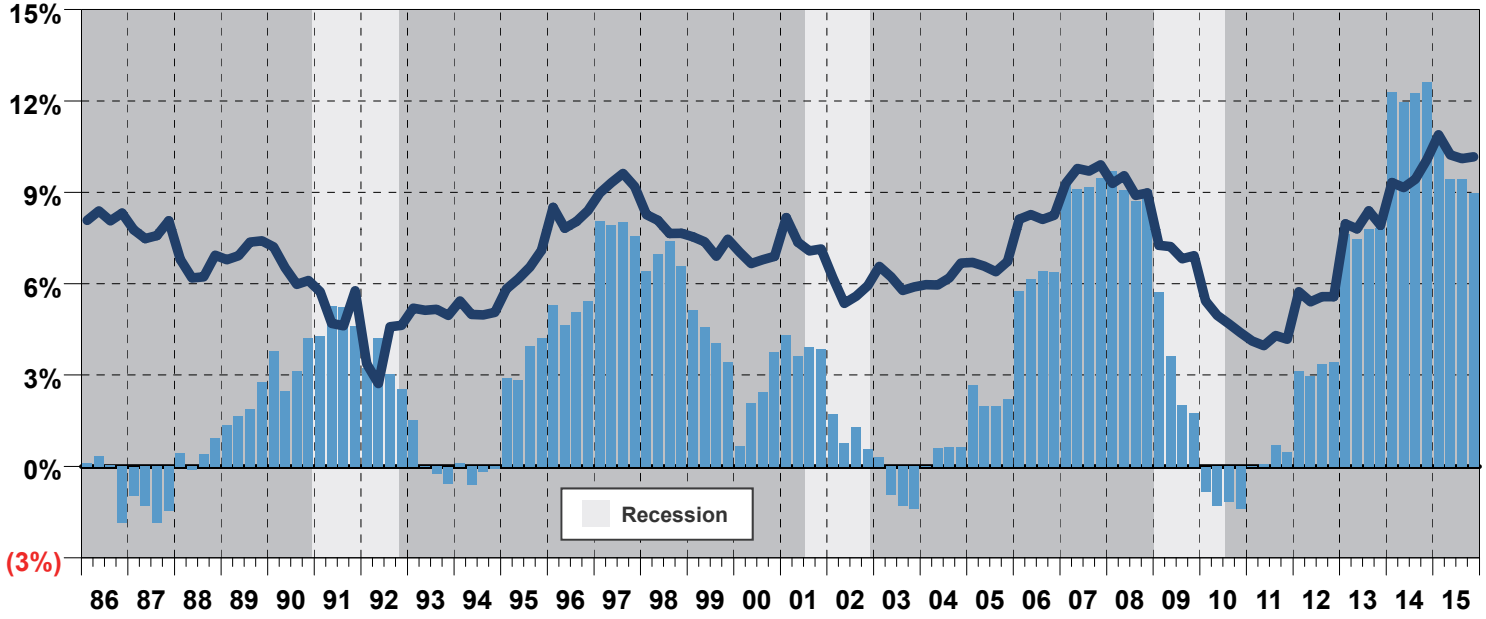
Years industry experience as of 6/30/16 | year joined Atlanta Capital.

ATLANTA CAPITAL
INVESTMENT MANAGERS

Consistent Growth & Stability in Earnings

Key Tenet of Our Investment Philosophy

Five-Year Rolling CAGR of As Reported Earnings
Russell 2000® Index by Earnings Stability



	Earnings Stability	Avg. 5-Year CAGR	Earnings Variability	# Positive Periods	# Negative Periods
	Above-Average	7.0%	1.7%	120 or 100%	0 or 0%
	Below-Average	3.6%	3.6%	100 or 83%	20 or 17%

*Time period: January 1, 1986 – December 31, 2015. The Above-Average Earnings Stability and Below-Average Earnings Stability portfolios are provided to compare the aggregate of all companies in the index with High Quality S&P Rankings (B+ or Better) to those with Low Quality S&P Rankings (B or Below). The Earnings Stability portfolios are model portfolios formed and rebalanced monthly by Atlanta Capital. The universe includes all Russell 2000® Index constituents with S&P Quality Rankings and prices greater than $1. Five-year historical earnings growth rates are calculated using a market capitalization-weighted methodology. The Russell 2000® Index is a widely-accepted measure of the U.S. small cap stock market. Indexes are unmanaged and it is not possible to directly invest in an index. The Above-Average Earnings Stability and Below-Average Earnings Stability portfolios were derived in part from the Russell Index Data and Frank Russell Company remains the source and owner of the Russell Index Data contained or reflected and all trademarks and copyrights. Sources: Russell, Standard & Poor's, Wilshire Atlas, Atlanta Capital. The material is based upon information that Russell, S&P, Wilshire and Atlanta Capital considers to be reliable, but neither Russell, S&P, Wilshire nor Atlanta Capital warrants its completeness, accuracy or adequacy and it should not be relied upon as such. This information should not be considered investment advice. Past performance does not predict or guarantee future results. Reproduction or redistribution of this page in any form without express permission from Atlanta Capital is prohibited.

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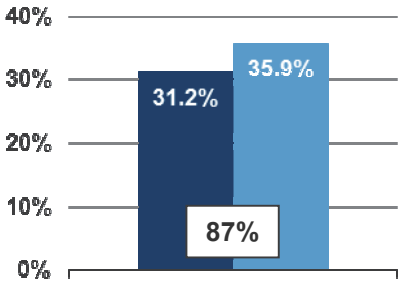
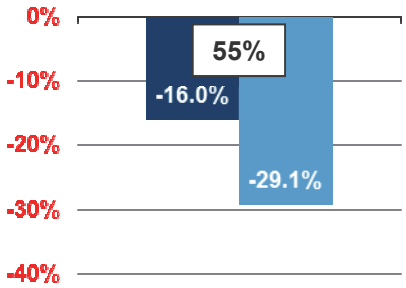
Investment Objective

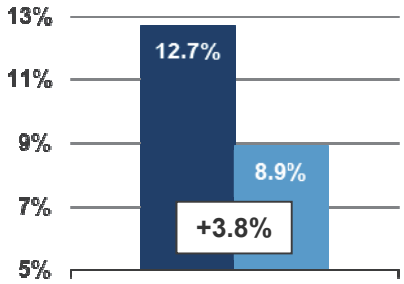
April 1, 1992 – June 30, 2016

We seek to outperform over a full market cycle by participating in rising markets and protecting capital during declining markets…

RISING MARKETS (64 Positive Quarters)		DECLINING MARKETS (33 Negative Quarters)		FULL MARKET CYCLE (97 Total Quarters)
Upside Reward	+	Downside Protection	=	Strong Long-Term Results







Beta	Standard Deviation
HQ Small | R2000®	HQ Small | R2000®
0.72 | 1.00	15.4% | 19.8%

…without the volatility typically associated with small cap investing.

The charts above illustrate the average (annualized) return of the High Quality Small Capitalization Composite during both Rising, Declining & Full market cycles. Rising markets are defined as quarters where the return of the Russell 2000® index was positive. Declining markets are defined as quarters where the return of the Russell 2000® index was negative. Full market cycles include both rising and declining periods. These positive and negative quarters are separated out from the intervening quarters, cumulated across the period, and annualized. Composite performance is shown in US dollars and reflects reinvestment of all income and capital gains. Composite performance is shown gross of investment advisory and custody fees, and a client's return will be reduced by these and other expenses. Composite performance on a net-of-fees basis was 11.8% for the period (after a maximum annual fee of 0.80% accrued monthly). Performance during certain periods reflects strong stock market performance that is not typical and may not be repeated. Individual client returns will vary due to client-imposed investment constraints and client inception date. This material is supplemental to the GIPS® presentation included in the Appendix. Please see the composite presentation for important additional information and disclosure. Past performance does not predict or guarantee future results. Source: eVestment Alliance and Atlanta Capital.

Summary of Guidelines

Sacramento Regional Transit District

Objective

- The objective is to provide small capitalization exposure for the two commingled retirement plans.
- Achieve a net of fee return which exceeds the Russell 2000 Index over a minimum three year period
- Achieve a gross of fee return which places above the median manager in a comparative universe of small capitalization equity managers.

Guidelines

- No more than 5% (at cost) may be invested in a single issuer of the portfolio and/or no more than 5% of a company's total outstanding shares may be purchased.
- The sector weights of the portfolio must not exceed 30% absolute.
- No more than 25% of the market value of the portfolio will be invested in any single industry.
- Unless specifically authorized, the manager must not engage in transactions with stock option derivatives, short sales, purchases on margin, letter stocks, private placements, or commodities
- The manager is permitted to effect transactions in Russell 2000 Index Futures for the purpose of obtaining low cost temporary market exposure.
- No more than 5% (at cost) of the portfolio may invest in American Depository Receipts (ADR's). The use of other non-U.S. equity securities is prohibited.
- Investments in real estate investment trusts (REIT's) is permitted.
- The cash holdings must not exceed 10% of the portfolio's market value.

Trading

- Best execution.

Proxy Voting

- The manager has sole responsibility for voting proxies of shares of companies in the portfolio.

Investment Policy Date: April 8, 2010

Annualized Performance

As of 06/30/16

Sacramento Regional Transit District

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs* (%)	5 Yrs* (%)	7 Yrs* (%)	Since Inception* 04/22/10 (%)	Since Inception* 04/30/10 (%)
High Quality Small Cap (Gross)	4.12	8.20	5.01	12.74	12.94	--	14.33	14.68
High Quality Small Cap (Net)	3.92	7.78	4.18	11.85	12.06	--	N/A	13.78
Russell 2000® Index	3.79	2.22	-6.73	7.08	8.35	--	9.03	9.49

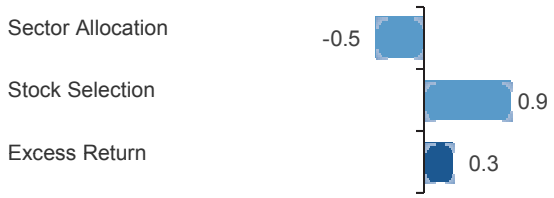
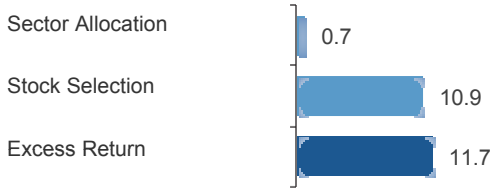
Account Summary

Portfolio Inception Date:	April 22, 2010
Net Investment Contributions:	$6,954,702
Investment Dollars Earned:	$14,995,316
Market Value (06/30/16):	**$21,950,018**

*Time periods greater than one year are annualized.
Performance reflects reinvestment of all income and capital gains (realized and unrealized).
Results are based on the accrual method of accounting as well as trade date valuation.
Returns are gross of fees unless otherwise noted.
Gross of fee returns do not reflect the deduction of management and custodial fees. Net of fee returns reflect the deduction of the management fee accrued on a monthly basis.
Returns are based on the total assets of the client's account, calculated on a daily basis, and geometrically linked to calculate returns for longer periods of time.
The unmanaged indexes shown for comparative purposes do not reflect the subtraction of any fees or transaction costs. It is not possible to directly invest in an index.
Past performance does not guarantee or predict future results.
Gross of fees inception date is 04/22/10. Net of fees inception date is 04/30/10.

Performance Drivers & Detractors

Sacramento Regional Transit District – as of 06/30/16

	Last 3-Mos. Attribution (%)	Last 12-Mos. Attribution (%)
Total Portfolio vs. Russell 2000® Index		
Top Contributors to Relative Results	+ Strong stock selection in Industrials + Strong stock selection in Health Care + Overweight in Consumer Staples	+ Positive stock selection in seven of the eight sectors owned in the portfolio + Strong stock selection in Health Care, Technology, Consumer Discretionary, and Industrials + Underweight in Health Care and Energy, Overweight Staples
Top Detractors from Relative Results	– Negative stock selection in Materials – Negative stock selection in Financials – Lack of exposure to Utilities	– Lack of exposure to Utilities – Underweight in Financials (specifically REITs)

Stock Selection + Sector Allocation = Excess Return

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Portfolio Transactions

Last 3-Months Ending 06/30/16

Sacramento Regional Transit District
High Quality Small Cap

Purchases

Consumer Discretionary

Bright Horizons	Operates child care and early education centers. Stable and predictable revenue and earnings growth along with secular demographic and labor market trends should continue to drive results.

Sales

Information Technology

Jack Henry & Assoc.	Provides value added back office functionality and support for banks and credit unions. We sold the position as strong performance drove the market capitalization to the high end of our threshold.

Sacramento Regional Transit District

High Quality Small Cap – as of 06/30/16

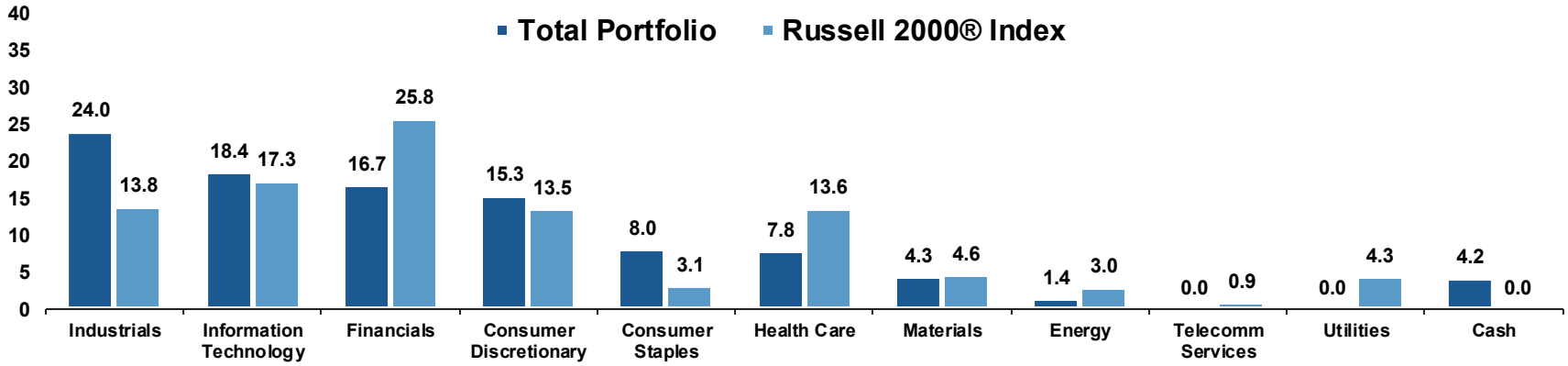
Top Ten Holdings

	%
Manhattan Associates	3.8
Morningstar	3.2
Casey's General Stores	3.2
Blackbaud	3.0
Exponent	2.9
Sally Beauty Hldgs.	2.9
AptarGroup	2.6
Fair Isaac Corp.	2.5
Columbia Sportswear	2.4
CoreLogic	2.1

Portfolio Metrics

Metrics	Russell 2000® Index	Total Portfolio
# of Holdings	2,006	58
Wtd. Avg. Mkt. Cap (billions)	$1.7	$2.9
Historical Earnings Growth	10%	9%
Forecasted Earnings Growth*	13%	11%
Return on Equity	6%	17%
Price/Earnings (NTM)	16.5x	21.3x
Dividend Yield	1.6%	1.0%

Sector Exposure



*First Call estimate. Source: FactSet.

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Current Portfolio Holdings

As of 06/30/16

Sacramento Regional Transit District
High Quality Small Cap

Total Portfolio
Russell 2000® Index

Sector	Ending Weight
Consumer Discretionary	**15.3% vs. 13.5%**
Bright Horizons (BFAM)	1.0%
Choice Hotels Int'l (CHH)	2.0%
Columbia Sportswear (COLM)	2.4%
Dorman Products (DORM)	1.8%
Hibbett Sports (HIBB)	1.1%
Monro Muffler Brake (MNRO)	1.7%
Pool Corp. (POOL)	1.7%
Sally Beauty Hldgs. (SBH)	2.9%
Wolverine World Wide (WWW)	0.8%
Consumer Staples	**8.0% vs. 3.1%**
Casey's General Stores (CASY)	3.2%
Inter Parfums (IPAR)	1.6%
J&J Snack Foods Corp. (JJSF)	1.9%
Lancaster Colony Corp. (LANC)	1.3%
Energy	**1.4% vs. 3.0%**
Dril-Quip (DRQ)	1.4%
Financials	**16.7% vs. 25.8%**
Artisan Partners (APAM)	1.1%
IBERIABANK Corp. (IBKC)	1.4%
Morningstar (MORN)	3.2%
Navigators Group (NAVG)	1.1%
Pinnacle Fin'l Partners (PNFP)	1.5%
Prosperity Bancshares (PB)	1.7%
RLI Corp. (RLI)	1.5%
State Bank Financial (STBZ)	1.5%
Umpqua Holdings Corp. (UMPQ)	1.5%
Universal Health Realty (UHT)	1.0%
Westamerica Bancorp. (WABC)	1.2%
Health Care	**7.8% vs. 13.6%**
Bio-Rad Labs (BIO)	1.9%
Bio-Techne (TECH)	1.9%
VCA (WOOF)	2.0%
West Pharmaceutical (WST)	2.0%
Industrials	**24.0% vs. 13.8%**
AAON (AAON)	0.9%
Advisory Board Co. (ABCO)	1.0%
Beacon Roofing Supply (BECN)	1.3%
CLARCOR (CLC)	2.0%
Exponent (EXPO)	2.9%
Forward Air (FWRD)	1.6%
Graco (GGG)	1.6%
HEICO Corp. A (HEI.A)	1.5%
Huron Consulting Group (HURN)	1.5%
Kirby Corp. (KEX)	1.4%
Knight Transportation (KNX)	2.0%
Landstar System (LSTR)	1.8%
Moog (MOG.A)	1.5%
Raven Industries (RAVN)	0.9%
UniFirst Corp. (UNF)	1.2%
US Ecology (ECOL)	0.7%
Information Technology	**18.4% vs. 17.3%**
Blackbaud (BLKB)	3.0%
Cass Information Sys (CASS)	1.0%
CoreLogic (CLGX)	2.1%
Fair Isaac Corp. (FICO)	2.5%
Manhattan Associates (MANH)	3.8%
Monotype Imaging (TYPE)	1.2%
National Instruments (NATI)	1.2%
Power Integrations (POWI)	0.8%
ScanSource (SCSC)	0.9%
WEX (WEX)	1.9%
Materials	**4.3% vs. 4.6%**
AptarGroup (ATR)	2.6%
Balchem Corp. (BCPC)	0.9%
Stepan Co. (SCL)	0.7%
Telecommunication Services	**0.0% vs. 0.9%**
Utilities	**0.0% vs. 4.3%**
Cash	**4.2% vs. 0.0%**

Source: FactSet.

Investment Outlook & Strategy

High Quality Small Cap – as of 06/30/16

Outlook

- High quality small cap equities have continued to outperform their low quality peers over the last quarter and year.
- Investors' search for yield in this low rate environment has continued to drive the price and valuation for high yielding Utilities and REITs.
- Anemic global growth, historically low interest rates, terrorism, a presidential election, and the recent "Brexit" vote could all lead to periods of increased market volatility. We believe high quality strategies with strong down market protection should benefit in this environment.

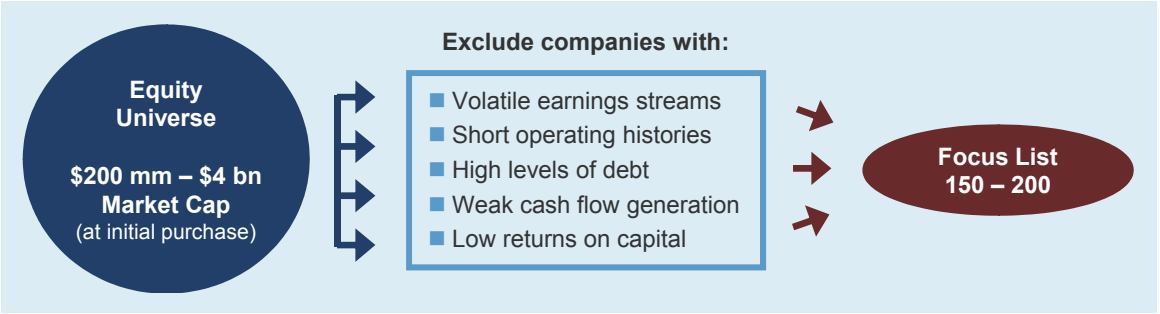
Portfolio Positioning

- Trading activity was modest during the quarter with one new purchase and one sell.
- At quarter end, the portfolio contained 58 positions representing eight of the ten economic sectors in the Russell 2000® Index.
- Relative to the benchmark, the portfolio was overweight Industrials, Consumer Staples, Information Technology, Consumer Discretionary, and Materials.
- The portfolio was underweight Financials, Health Care, and Energy. There were no positions in Utilities and Telecom Services.

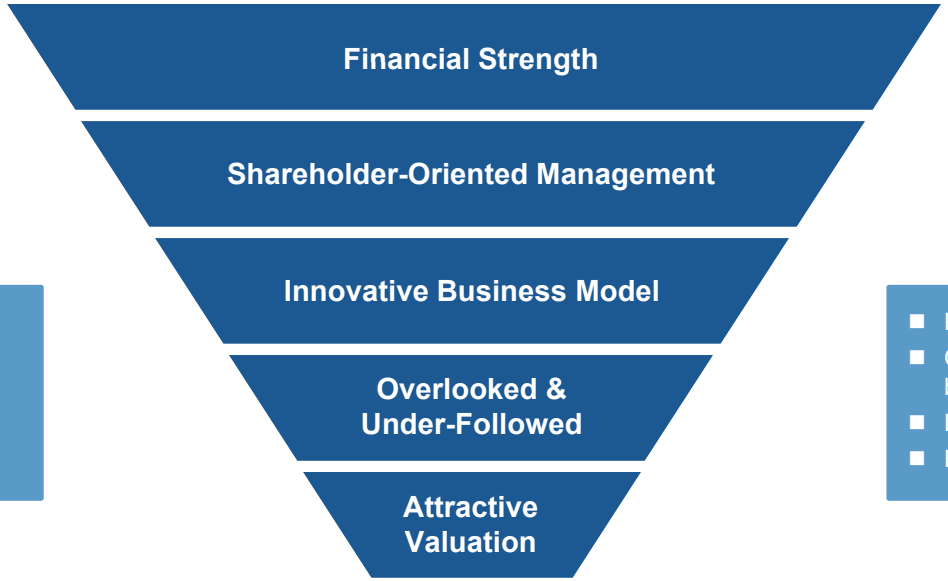
Disciplined Investment Process

High Quality Small Cap Equity

Step 1.
Create a 'Focus List' of High Quality Companies



Step 2.
Conduct Proprietary 'Onsite' Fundamental Research



Step 3.
Construct a Focused Yet Well-Diversified Portfolio

- 60 – 70 holdings
- 5% max position sizes
- 30% absolute sector weights
- 10 – 15% turnover*
- Russell 2000® Index

Step 4.
Monitor Holdings & Review Focus List

- Prudent profit taking
- Change in management or business strategy
- Deterioration of financial quality
- Excessive valuation

* 3-year average based on a single representative client portfolio for the strategy and subject to change. Actual results may vary for each client.

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GIPS® Performance Information and Disclosure

High Quality Small Capitalization Composite (E7)

January 1, 2006 through June 30, 2016

Period	Composite Gross Return (%)	Composite Net Return (%)	Russell 2000® Return (%)	Composite 3-yr Std. Dev. (%)	Russell 2000® 3-yr Std. Dev. (%)	Number of Portfolios	Internal Dispersion (%)	Composite Assets ($mil)	Firm Assets ($mil)
2016(1)	8.24	7.82	2.22	12.91	15.01	53	0.10	1,414	17,263
2015	5.12	4.29	-4.41	12.68	13.96	54	0.16	1,259	16,054
2014	3.60	2.78	4.89	10.52	13.12	56	0.24	1,235	16,707
2013	42.34	41.24	38.82	12.80	16.45	57	0.51	1,294	18,082
2012	12.24	11.36	16.35	16.63	20.20	60	0.22	996	14,235
2011	10.31	9.44	-4.18	21.88	24.99	60	0.25	1,023	11,964
2010	25.98	24.99	26.86	24.41	27.69	49	0.19	737	9,845
2009	27.17	26.18	27.17	21.69	24.83	36	0.34	639	7,748
2008	-19.41	-20.06	-33.79	16.62	19.85	38	0.34	494	6,199
2007	6.77	5.92	-1.57	10.66	13.17	37	0.25	551	8,828
2006	16.20	15.29	18.36	10.85	13.76	40	0.14	678	9,148

(1) Period- 01/01/2016 through 06/30/2016. Past performance does not predict or guarantee future results.

Atlanta Capital Management Company, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. Atlanta Capital Management has been independently verified for the periods January 1, 1999 through December 31, 2015.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The High Quality Small Capitalization Composite has been examined for the periods January 1,1999 through December 31, 2015. The verification and performance examination reports are available upon request.

Composite Description: The investment objective of this style is to seek long-term capital growth. Accounts in this composite invest in common stocks of companies having market capitalizations within the range of companies comprising the Russell 2000®. The portfolios are invested in quality small-cap companies whose stocks are considered to trade at attractive valuations relative to earnings or cash flow per share. A company's quality is determined by analysis of its financial statements and the use of quality rankings provided by nationally recognized rating services. The portfolios are broadly diversified. All fully discretionary accounts that are managed in this style and do not pay a bundled or SMA wrap fee are eligible for inclusion in the composite.

Benchmark: The benchmark for this composite is the Russell 2000® Index. The Index includes the smallest 2000 companies in the Russell 3000® and is a widely accepted measure of the small-cap segment of the U.S. equity universe. The index is unmanaged and does not incur management fees, transaction costs or other expenses associated with managed accounts. It is not possible to directly invest in an index. Prior to July 1, 2005, the composite utilized two indexes as benchmarks, the Russell 2000® and the Russell 2000® Value Index, the rationale being that the portfolio construction process produced both core and value characteristics. Our high quality investment philosophy tends to be defensive in nature and does consider valuation metrics, but it is more consistent with the philosophy and process of a core manager than a value manager. In order to clarify our philosophy and process for potential clients, we determined that it is most appropriate to benchmark our performance results against the Russell 2000® Index only. This change to the composite presentation was made as of July 1, 2005 and did not change the portfolio construction process.

Gross and Net Returns: Performance reflects reinvestment of all income and capital gains. Composite returns and market values are reported in U.S. dollars. Gross-of-fees performance returns are presented before management and custodial fees but after all trading expenses. Returns are presented net of withholding taxes. Net-of-fees performance returns are calculated by deducting the highest management fee of 0.80% from the monthly gross-of-fees returns. Other expenses will reduce a client's returns. The annual fee schedule for this composite is as follows: 0.80% on the first $50 million in assets; 0.70% on the next $50 million in assets; 0.60% on the next $150 million. Actual management fees incurred by clients may vary.

Dispersion: The annual internal composite dispersion is calculated using the asset-weighted standard deviation of annual gross returns of those portfolios that were included in the composite for the entire year. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period.

Notes: The creation date of this composite is July 1992. Effective July 1, 2010, the composite was redefined to include both taxable and tax-exempt institutional accounts. The composite up to that time included only tax-exempt institutional accounts. The change provides increased transparency to prospective clients by reducing the number of separate composites maintained for this strategy. There has been no change in investment objective or management style. Clients or prospective clients should not assume that they will have an investment experience similar to that indicated by past performance results, as shown on the Schedule. Returns may vary based upon differences in account size, timing of transactions and market conditions at the time of investment. Performance during certain time periods reflects the strong stock market performance and/or the strong performance of stocks held during those periods. This performance is not typical and may not be repeated.

Firm Definition: Atlanta Capital Management Company, LLC (Atlanta Capital or the Firm) is an SEC-registered investment adviser located in Atlanta, Georgia. The Firm became a majority-owned subsidiary of Eaton Vance Corp. in 2001. Atlanta Capital operates as an independent subsidiary of Eaton Vance and provides professional investment advisory services to a broad range of institutional and individual clients, and sub-advisory investment management to mutual funds and separately managed sub-advisory account programs. Atlanta Capital includes all discretionary accounts under management in its composites; firm assets include nondiscretionary accounts as well. The Firm's list of composite descriptions and policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request. To request any additional information, please contact the Atlanta Capital Management Performance Department at 404-876-9411 or write to Atlanta Capital Management Company, LLC, 1075 Peachtree Street NE, Suite 2100, Atlanta, Georgia 30309, Attention Performance Department.

	Annualized Returns (%) for Periods Ending 06/30/2016						Cumulative (%)
Atlanta Capital High Quality Small Capitalization Composite	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception*	Since Inception*
Composite Gross of Fees	5.08	12.88	13.12	17.87	11.98	12.73	1726.36
Composite Net of Fees	4.25	12.00	12.23	16.94	11.10	11.83	1405.45
Russell 2000® Index	-6.73	7.09	8.35	13.94	6.20	8.90	690.81

Inception date is April 1, 1992.

07.12.16

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Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
19	09/14/16	Retirement	Information	08/06/16

Subject: Investment Performance Review by Boston Partners for the ATU/IBEW and Salaried Retirement Funds for the Domestic Large Cap Equity Class for the Quarter Ended June 30, 2016 (ALL). (Bernegger)

ISSUE

Investment Performance Review by Boston Partners for the ATU/IBEW and Salaried Retirement Funds for the Domestic Large Cap Equity Class for the Quarter Ended June 30, 2016 (ALL). (Bernegger)

RECOMMENDED ACTION

Information only.

FISCAL IMPACT

None.

DISCUSSION

Retirement funds are invested consistent with the Statement of Investment Objectives and Policy Guidelines (Policy) adopted by each Retirement Board (Board). The Board shall meet at least every eighteen (18) months with each investment manager to review the performance of its investment, the adherence to the Policy, and any material changes to its organization. The Policy also establishes the Retirement Funds' asset allocation policy and the asset classes in which the Plans funds are invested. The asset classes established by the Policy are (1) Domestic Large Capitalization Equity, (2) Domestic Small Capitalization Equity, (3) International Equity, (4) International Emerging Markets, and (5) Domestic Fixed-Income.

Boston Partners is one of the Retirement Boards' Domestic Large Capital Equity fund managers. Boston Partners will be presenting performance results for the quarter ended June 30, 2015, shown in Attachment 1, and answering any questions.

Approved: Presented:

Final 08/26/16

Chief Financial Officer, Acting Senior Accountant

BostonPartners

September 14, 2016

Boston Partners Large Cap Value Equity

Prepared for Sacramento Regional Transit District

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Senior Portfolio Analyst
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Regional Transit

Who We Are

A Focused Investment Organization

- One philosophy and investment process that has been in place for 30 years
- All established disciplines have outperformed their benchmark since inception
- 148 employees: Boston, New York and California

BostonPartners

$78.3 Billion Assets Under Management*

* Data as of June 30, 2016.
Assets Under Management include: Boston Partners ($76.4 B); WPG Partners ($1.4 B); and Redwood ($0.5 B).
Organizational information can be found in the appendix.

Boston Partners

"Three Circle" Stock Selection Criteria

We buy stocks that exhibit:

- Attractive value characteristics

  and,

- Strong business fundamentals

  and,

- Catalyst for change

We sell stocks based on:

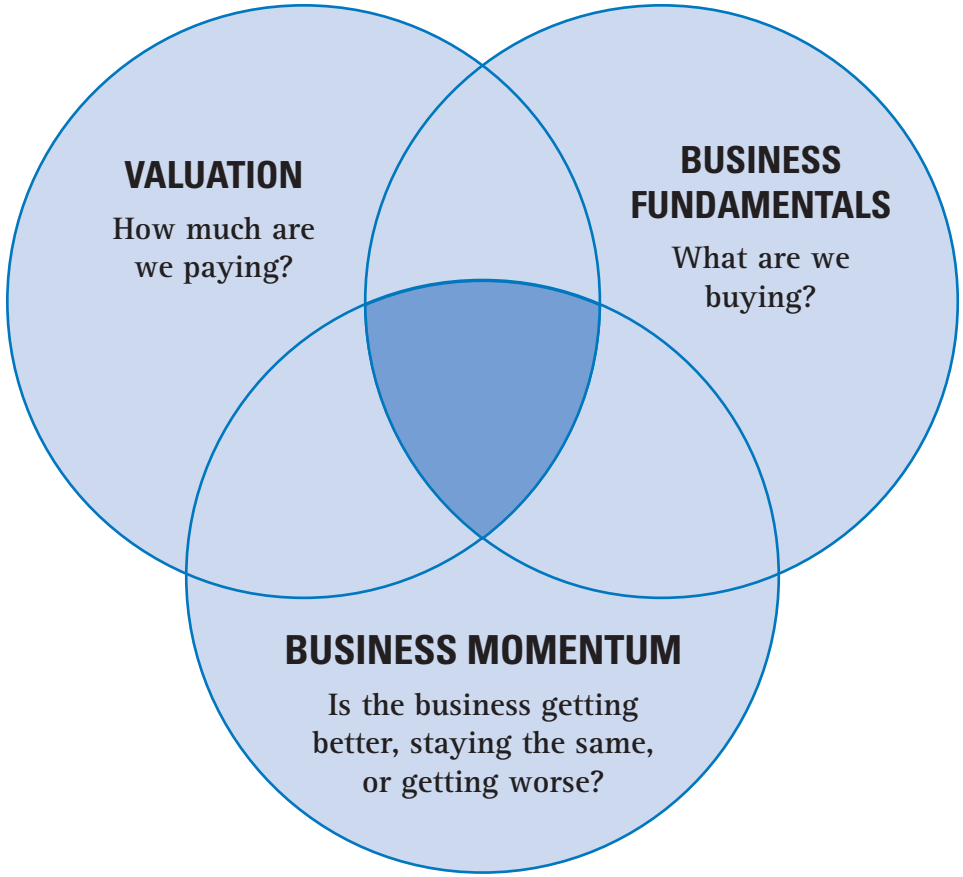
- Valuation: Appreciation to price target

  or

- Weakening business fundamentals

  or

- Reversal of momentum



Portfolios with all three characteristics tend to outperform over time

Sacramento Regional Transit District

Statement of Changes: Since Inception through June 30, 2016

Beginning Assets (6/29/05)	$26.0 M
Net Cash Flows	($19.7) M
Income Earned	$7.4 M
Capital Appreciation	$25.2 M
Ending Assets (6/30/16)	**$38.9 M**

Market Environment

Historic low interest rates distorted financial market returns in 2Q

- 10-Year Treasury bond near historic lows at 1.5%, down 75 bps this year
- Fed rate raising cycle put on hold after the Brexit Vote
- S&P 500 returns a surprisingly strong 2.5% in 2Q despite increased nervousness

Investors are seeking out stability, bidding up low volatility stocks

- Utilities, REITs, and Consumer Non-Durables are leading the market
- "Defensive looks expensive," trading up to 30% premiums relative to history
- Negative sovereign bond yields around the globe, as a result of central bank purchases, are distorting valuations of "bond proxies" in the U.S. Equity Market

U.S Economy still appears slow and steady

- 2016 GDP expected to remain in the 2%-2.5% range of the last 4 years
- Employment outlook continues to improve despite fears
- Construction activity and housing prices rebounding

What are the investment alternatives to equities?

- Bonds: $13 trillion in debt worldwide and one third of developed markets sovereign bonds now have negative yields
- Cash: zero short-term interest rate policy throughout developed world
- Equities: valuation not inexpensive but not at historic highs, dividends growing mid-single digits and signs of a recession not readily apparent

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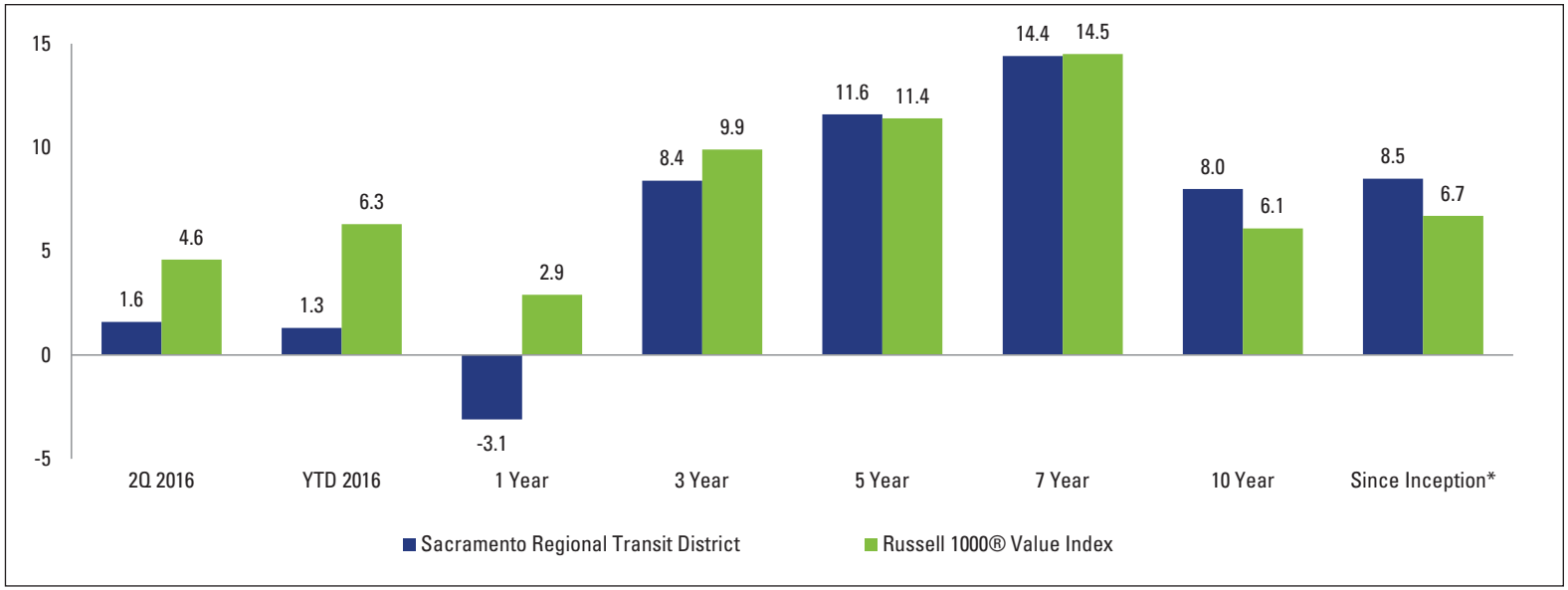
Sacramento Regional Transit District

Investment Performance through June 30, 2016



Annualized Performance (%)

	2Q 2016	YTD 2016	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception*
Sacramento Regional Transit District	**1.6**	**1.3**	**-3.1**	**8.4**	**11.6**	**14.4**	**8.0**	**8.5**
Russell 1000® Value Index	4.6	6.3	2.9	9.9	11.4	14.5	6.1	6.7
Relative Performance	-3.0	-5.0	-6.0	-1.5	0.2	-0.1	1.9	1.8

* Inception date is July 1, 2005.

Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Fund Flows have been to Areas of "Perceived Safety"

	Assets	YTD NCF	TTM NCF	
Equity MF	$5.1 T	-$43.7 B	-$123 B	(Equity index funds are +$5B)
Equity ETF	$982 B	$9.9 B	$80 B*	

Equity ETF Fund Flows as of June 2016

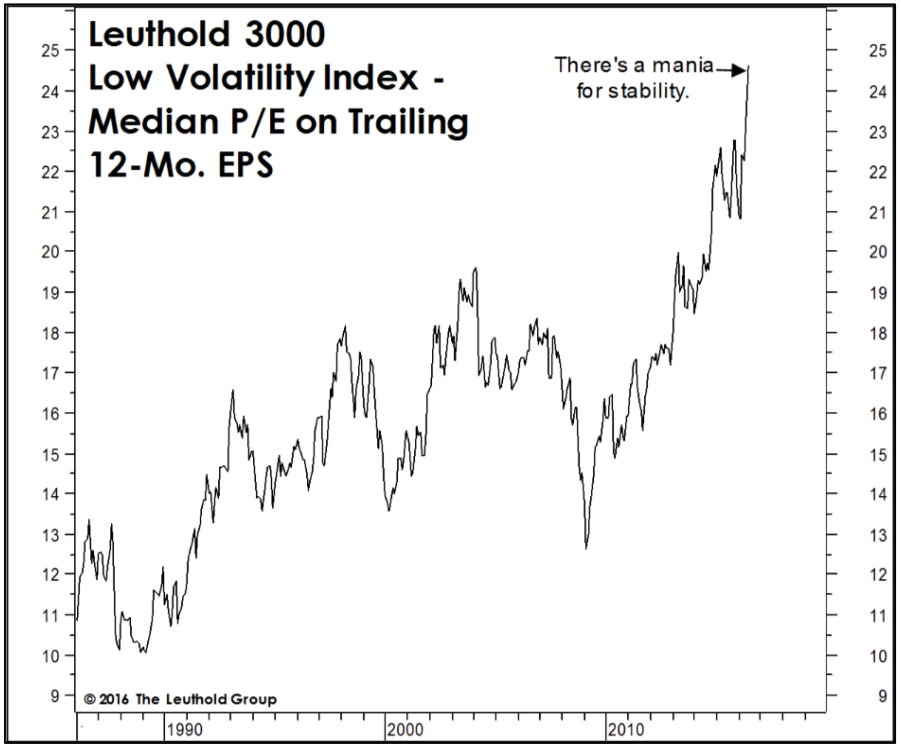
	Estimated Net Flow ($Mil)			
Name	**1-Mo**	**QTD**	**YTD**	**1-Yr**
Vanguard 500 Index Fund	1,154	2,229	4,804	13,058
iShares Edge MSCI Min Vol USA	858	2,684	6,230	8,304
iShares Russell 1000 Value	646	1,095	(90)	2,694
Vanguard Small Cap Value Index Fund	579	1,037	1,310	1,614
iShares Core High Dividend	533	995	1,206	1,033
iShares Select Dividend	423	460	644	47
Vanguard High Dividend Yield Index Fund	421	869	2,043	2,751
SPDR® S&P Dividend ETF	384	92	(488)	(126)
PowerShares S&P 500® High Div Low Vol	317	852	1,351	1,412
SPDR® Dow Jones Industrial Average ETF	272	(463)	(1,191)	672
iShares S&P Mid-Cap 400 Value	252	319	507	583
Schwab US Dividend Equity ETF™	249	519	512	991
Vanguard Dividend Appreciation Index	234	441	919	562
Vanguard Value Index Fund	206	1,308	2,201	2,965
PowerShares S&P 500 Low Volatility Port	205	579	1,247	2,086
First Trust Value Line® Dividend Fund	200	434	726	722
iShares S&P 500 Value	197	339	940	1,809
iShares Core S&P Total US Stock Mkt	182	328	1,037	1,623
Guggenheim S&P 500® Equal Weight ETF	171	383	(384)	(1,374)
Vanguard Small Cap Index Fund	167	546	756	1,541
Vanguard Mid-Cap Value Index Fund	166	277	473	1,020
iShares Core S&P Small-Cap	165	356	285	1,582
Vanguard Large Cap Index Fund	162	815	893	1,510
Schwab US Large-Cap ETF™	160	293	518	1,245
ProShares S&P 500 Dividend Aristocrats	153	531	924	1,203

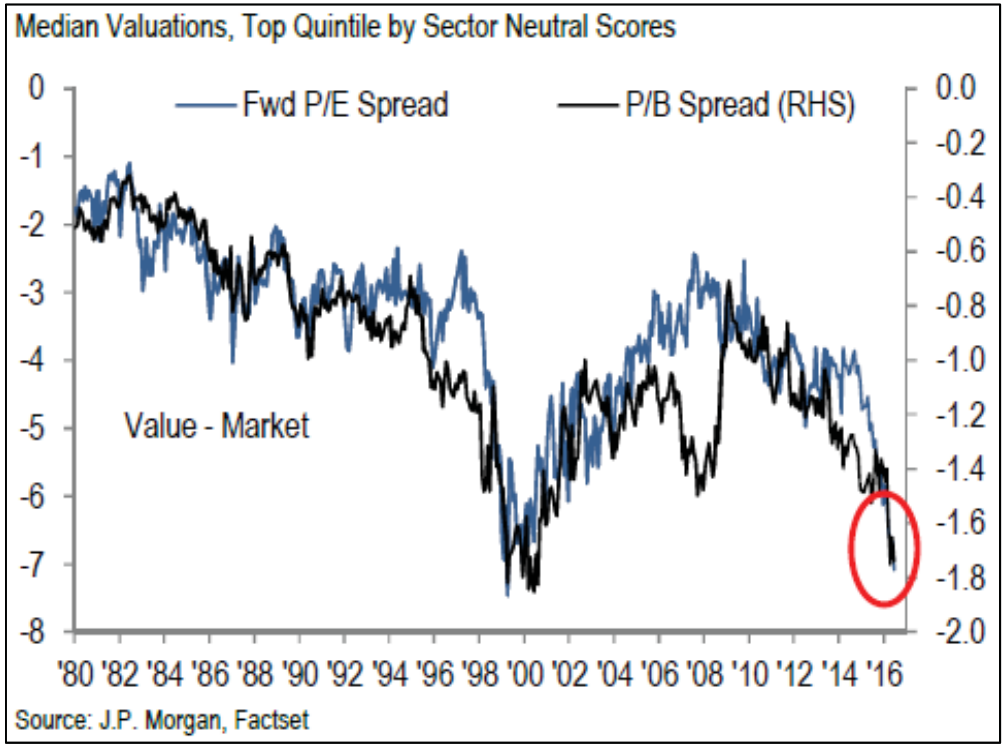
Source: Morningstar, Inc.

Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Low Volatility Bubble?

"Stable" stocks have been bid up to very expensive levels; meanwhile the cheapest quintile of the market trades at the largest discount since the Tech Bubble





Source: The Leuthold Group 2016, J.P. Morgan & Factset Research Systems, Inc.

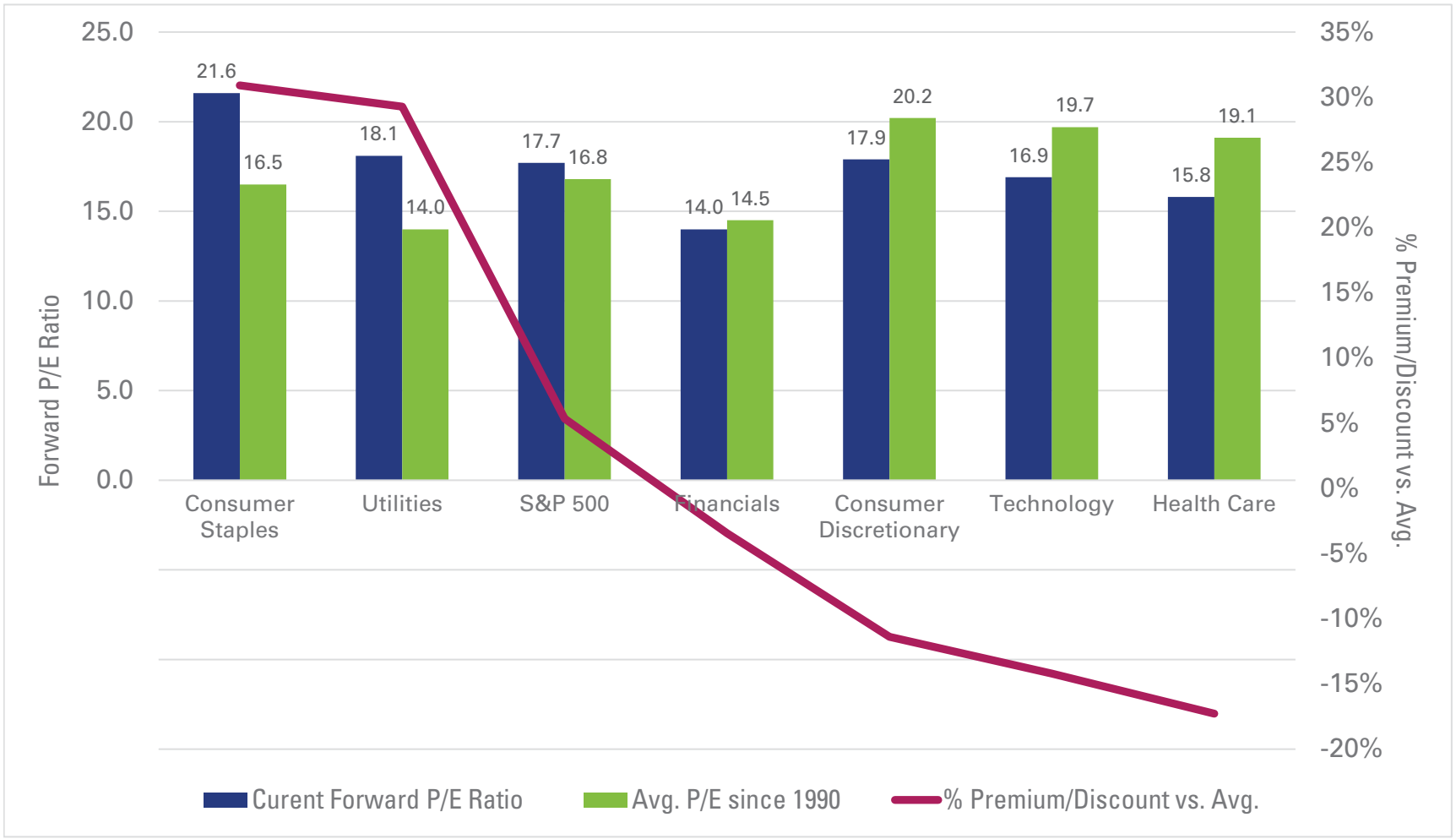
Leuthold 3000 Index is a custom index by The Leuthold Group that includes the largest 3,000 U.S. exchange traded equities, including approximately 2,600 common stocks and 400 ADRs. The Index is weighted by a tiered based system by Leuthold. The Leuthold 3000 Low Volatility Index is the lowest decile (300 stocks) in terms of 12-month standard deviation of returns and is rebalanced monthly.

Market is defined as the S&P 500 in Chart 2.

Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

S&P 500 Sector Valuation

Consumer Staples and Utilities Appear Overvalued



Data as of June 2016.
Source: Fundstrat Global Advisors.

Negative Sales Growth and EPS Growth, but Coca-Cola Stock Moves Higher

	2011	2012	2013	2014	2015
Revenue	$46,542	$48,086	$46,695	$45,953	$43,791
Y/Y Growth		3.3%	-2.9%	-1.6%	-4.7%
P/E TTM	19.0x	18.4x	21.7x	26.4x	25.7x

Source: Factset Research Systems, Inc..

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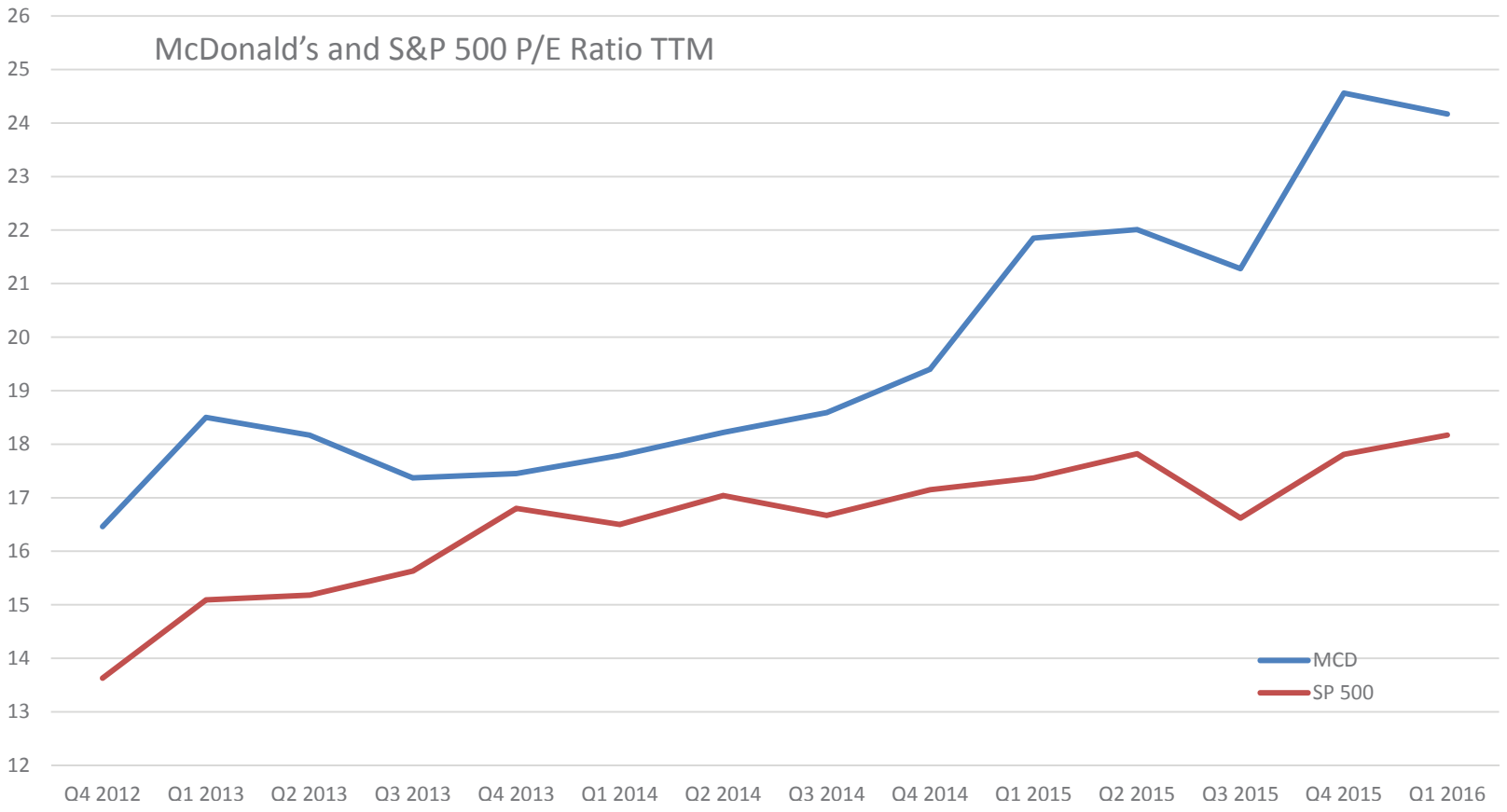
Multiple Expansion is Making the "Defensive Expensive"



	2011	2012	2013	2014	2015
Revenue	27,006	27,567	28,106	27,441	25,413
Y/Y Growth		2.1%	2.0%	-2.3%	-9.7%

Source: Factset Research Systems, Inc..

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Boston Partners Large Cap Value Performance Update

Market Performance: September 1, 2015 – June 30, 2016

Yield

Cohort*	BP Allocation	R1000®V Allocation	R1000®V Return
4.8%+	0.41	9.69	20.33
3.7-4.8%	6.62	16.54	22.39
2.9-3.7%	14.56	17.59	15.43
2.5-2.9%	22.09	16.09	5.79
2.1-2.5%	7.28	8.68	4.72
1.6-2.1%	12.85	7.59	3.36
1.0-1.6%	8.48	7.51	-6.15
0.0-1.0%	26.89	15.99	-1.69

P/E FY1

Cohort*	BP Allocation	R1000®V Allocation	R1000®V Return
40.2+	5.49	5.63	14.48
22.5-39.8	1.85	5.12	15.01
19.0-22.4	0.07	15.05	24.07
17.1-19.0	16.63	15.83	24.35
15.3-17.0	5.51	9.18	10.03
13.1-15.3	14.72	11.28	12.17
11.4-13.1	15.51	8.62	9.77
9.5-11.4	11.78	11.11	-6.71
6.9-9.5	17.60	11.56	-12.54
Less than 6.8	10.40	5.27	-10.56

Source: Factset Research Systems, Inc.
Cohort refers to division lines applied to the portfolio and index.
Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Boston Partners Large Cap Value Performance

September 1, 2015 — June 30, 2016

Dividend Yield

Group	R1000®V Return	BP Relative Weight	Relative Contribution to BP Return
DY > 3%	19.5	-23.4	-2.31
DY < 3%	1.6	+23.4	-1.61
Total	8.9		-3.92

- High dividend yield has led the market

P/E FY1

Group	R1000®V Return	BP Relative Weight	Relative Contribution to BP Return
P/E > 13.1	17.6	-17.1	-1.28
P/E < 13.1	-7.5	+17.1	-2.93
Total	8.9		-4.21

- Low P/E has not been rewarded

Source: Factset Research Systems, Inc.

The information is supplemental to the GIPS® compliant presentation herein. Past performance is not an indication of future results. Please refer to the last appendix for other important disclosures.

With a 3-5 Year Time Horizon, Which Characteristics Would you Prefer to Own?

Profitability, Growth, and Valuation Characteristics

	ROE*	Sales per Share Growth*	Long Term Growth Est.	Dividend Yield	Payout Ratio	P/E FY1
Southern Company	11.0%	-1.1%	3.9%	4.2%	84.4%	18.1x
Coca Cola	26.2%	4.2%	5.7%	3.1%	79.8%	22.1x
Apple	39.0%	28.5%	11.5%	2.3%	23.5%	10.6x
Johnson & Johnson	19.8%	2.7%	6.0%	2.6%	53.9%	17.3x
Dow Chemical	17.2%	-3.2%	6.0%	3.5%	35.5%	12.5x
JP Morgan	10.0%	-0.4%	4.2%	3.0%	34.2%	9.7x

* 5 Year Average.

Source: Factset Research Systems, Inc..

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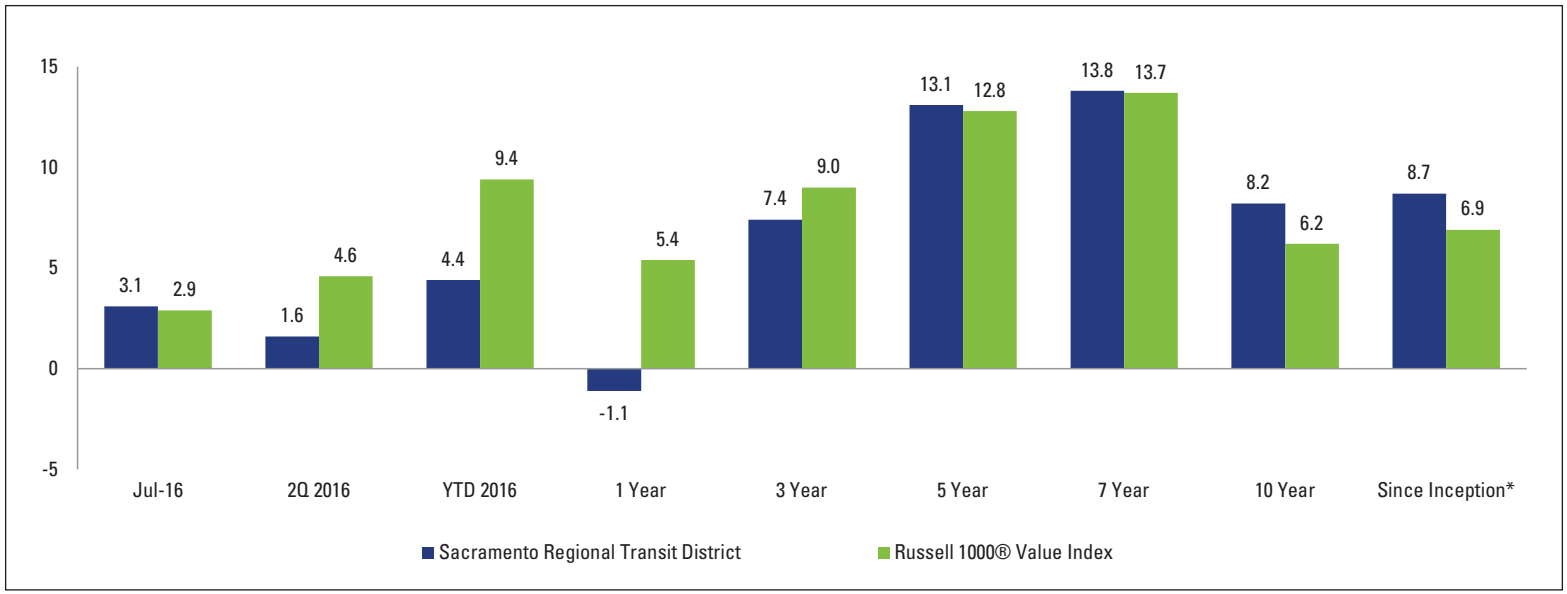
Sacramento Regional Transit District

Investment Performance through July 31, 2016



Annualized Performance (%)

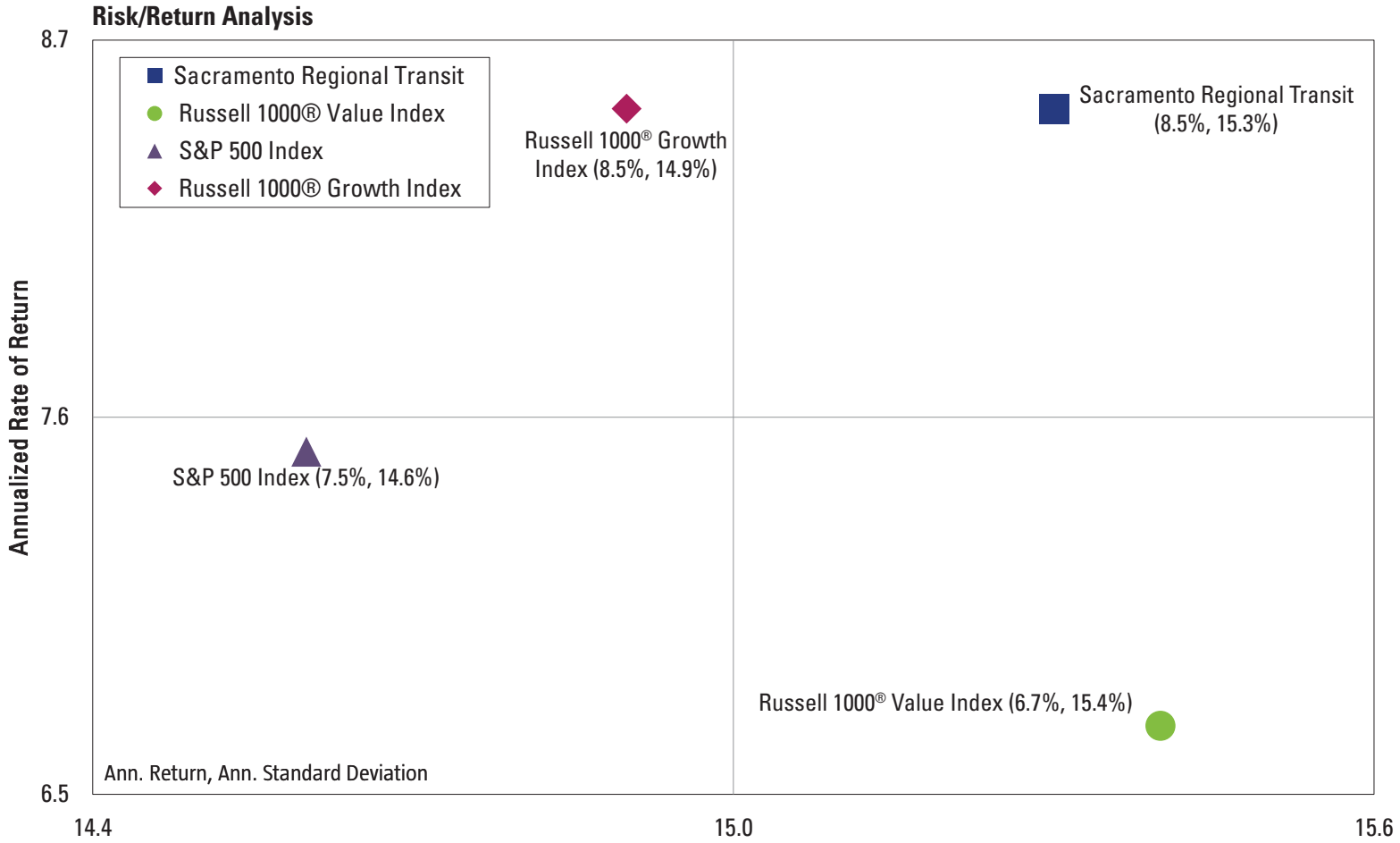
	July 2016	2Q 2016	YTD 2016	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception*
Sacramento Regional Transit District	**3.1**	**1.6**	**4.4**	**-1.1**	**7.4**	**13.1**	**13.8**	**8.2**	**8.7**
Russell 1000® Value Index	2.9	4.6	9.4	5.4	9.0	12.8	13.7	6.2	6.9
Relative Performance	0.2	-3.0	-5.0	-6.5	-1.6	0.3	0.1	2.0	1.8

* Inception date is July 1, 2005.

Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Sacramento Regional Transit District

Attractive Risk Adjusted Performance: Since Inception* as of June 30, 2016



* Inception data is July 1, 2005.

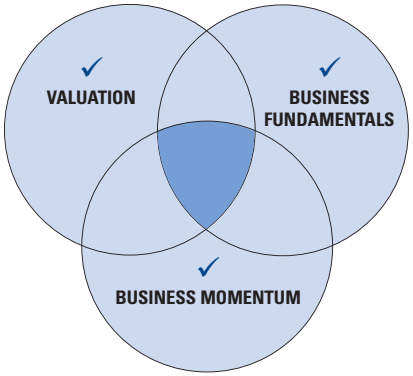
Returns are gross of fees and calculated on a monthly basis. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Sacramento Regional Transit District

Portfolio Characteristics: June 30, 2015

"Three Circles"

An attractive valuation, strong business fundamentals, and positive business momentum. Portfolios with all three characteristics tend to outperform over time.



Valuation

	Sacramento RT	R1000® Value	S&P 500
P/E (FY0)	13.5x	15.9x	17.3x
P/E (FY1)	12.6x	14.5x	15.6x
FCF Yield*	4.1%	3.0%	3.1%

Fundamentals

	Sacramento RT	R1000® Value	S&P 500
OROA (5 Yr)	29.8%	23.3%	37.6%
ROE (5 Yr)	14.2%	10.2%	15.1%
LT EPS Gr. Rt.	15.4%	9.7%	11.9%

Business Momentum

	Sacramento RT
Percent of companies with positive/neutral earnings momentum	77%

* FCF Yield is reported as median excluding financials.

Portfolio characteristics are subject to change. Please refer to the appendix for other important disclosures.

Sacramento Regional Transit District

Portfolio Characteristics: June 30, 2015

Largest Stock Holdings (%)

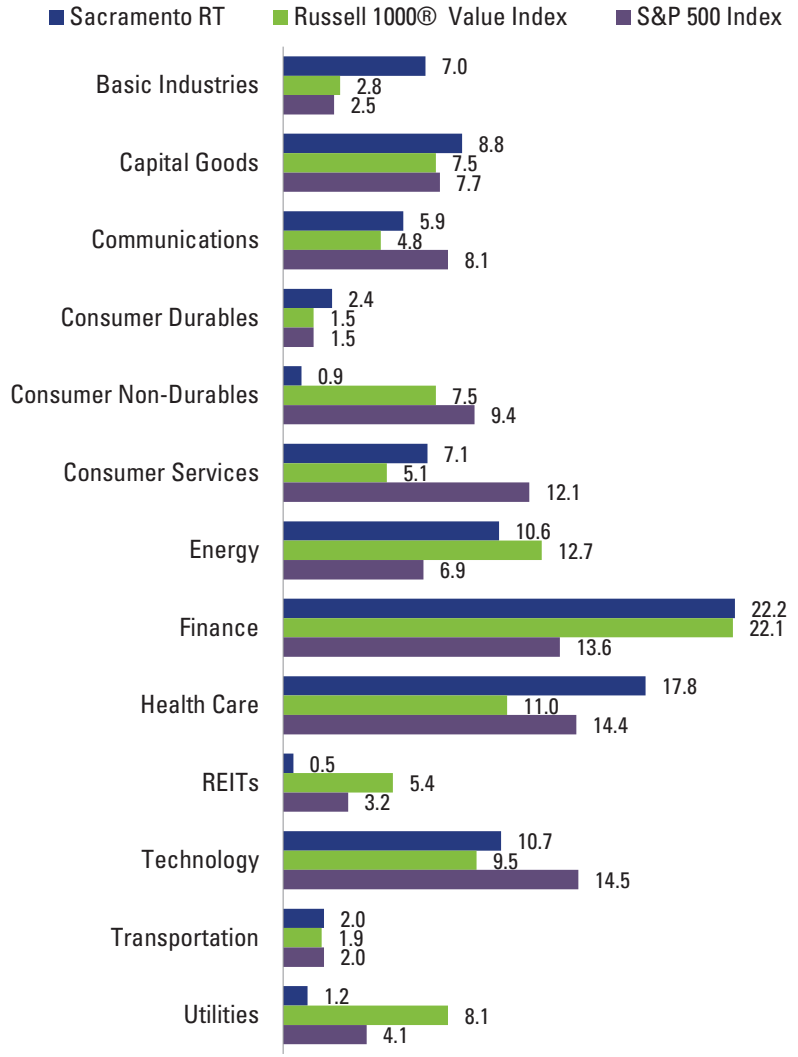
Berkshire Hathaway Inc.	5.0
Johnson & Johnson	5.0
JPMorgan Chase & Co.	4.2
Merck & Co., Inc.	2.6
Occidental Petroleum Corporation	2.3
Verizon Communications Inc.	2.3
McKesson Corporation	2.2
Bank of America Corporation	2.2
Phillips 66 Company	2.1
Raytheon Company	2.1
Total	**30.0%**

Market Capitalization

Weighted Average

Sacramento Regional Transit	$93.9 B
Russell 1000® Value Index	$109.3 B
S&P 500 Index	$127.7 B

Sector Weightings (%)



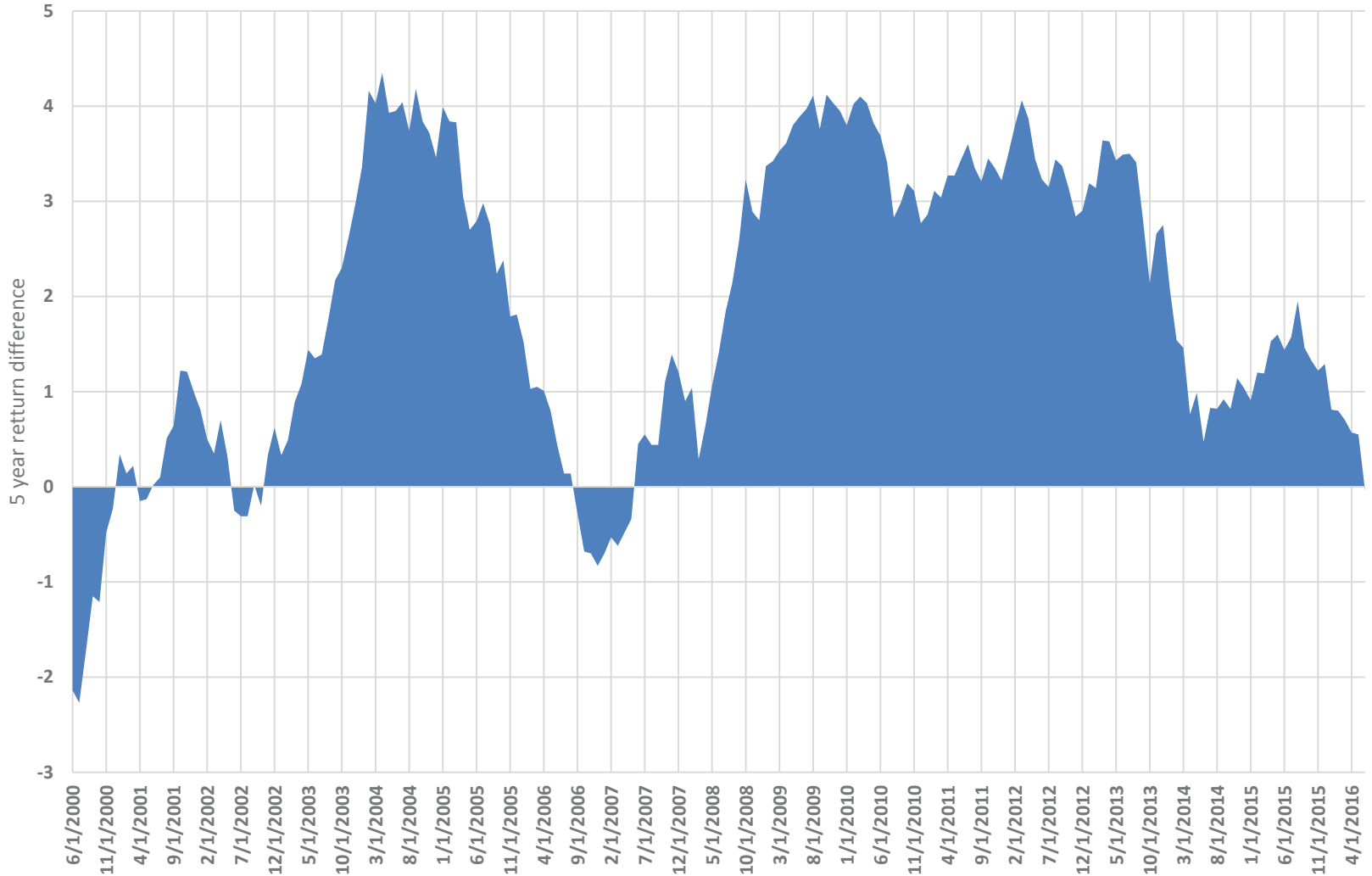
Sector information is included solely for illustrative purposes regarding economic trends and conditions, or investment processes; and the specific securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients. It should not be assumed that investments in these sectors or securities were or will be profitable. Please refer to the appendix for other important disclosures..

Sacramento Regional Transit District

Appendix

Down Periods Create Attractive Entry Points

Boston Partners Large Cap Value Equity versus Russell 1000® Value Index Rolling 5-Year Annualized Return Difference



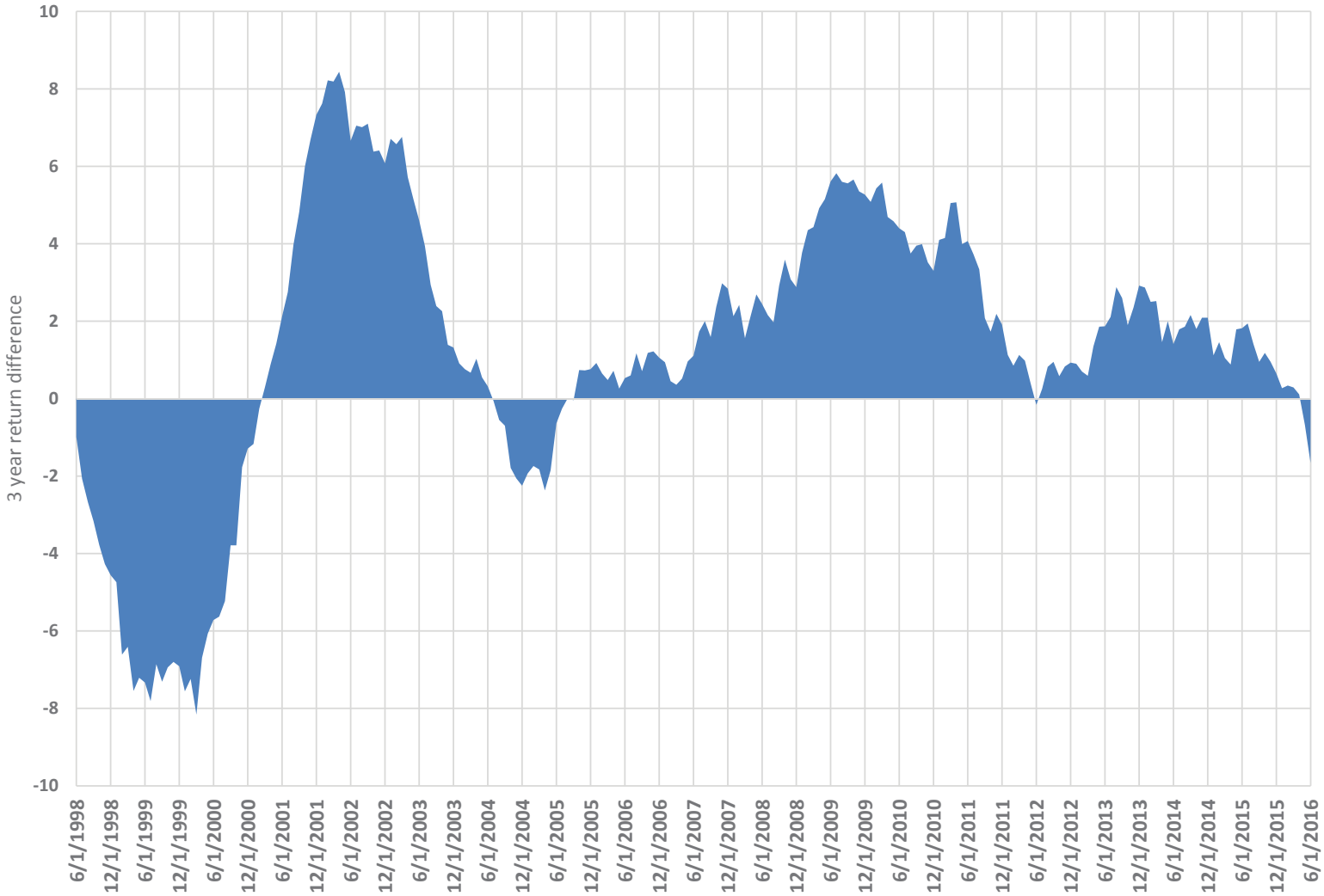
As of June 30, 2016.

Inception date for Boston Partners Large Cap Value Equity is June 1, 1995.

Returns reflect composite results and individual portfolio results may vary. This information is supplemental to the GIPS® compliant presentation herein. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

The Same Holds True on a 3-Year Basis

Boston Partners Large Cap Value Equity versus Russell 1000® Value Index Rolling 3-Year Annualized Return Difference



As of June 30, 2016.

Inception date for Boston Partners Large Cap Value Equity is June 1, 1995.

Returns reflect composite results and individual portfolio results may vary. This information is supplemental to the GIPS® compliant presentation herein. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Boston Partners

Profile: June 30, 2016

Investment Profile

- Value equity expertise founded in the early 1980s*
- Consistent and repeatable investment philosophy across all disciplines
- Integrated bottom-up, fundamental and quantitative research
- Expertise of a boutique with the depth of a global firm

$76.4 Billion Assets Under Management

Disciplines	Assets ($ Millions)
Large Cap Value	$30,022
Premium Equity (All Cap Value)	$10,158
Mid Cap Value	$19,348
Small Cap/Small Cap II/Small-Mid Cap	$3,391
Domestic Long/Short	$8,475
Global/International Equity	$3,396
Global Long/Short	$1,582

* Key investment professionals have worked together since the founding of Boston Partners in 1995 and years before at a prior firm, where the investment philosophy was established.

Boston Partners

Equity Investment Team

Portfolio Management and Portfolio Research

Mark Donovan, CFA
Large Cap Value Equity
35 years experience

David Pyle, CFA
Large Cap Value Equity
21 years experience

Martin MacDonnell, CFA
130/30 Large Cap Value
25 years experience

Duilio Ramallo, CFA
Premium Equity
21 years experience

Steven Pollack, CFA
Mid Cap Value
32 years experience

David Dabora, CFA
Small/SMID Value
29 years experience

George Gumpert, CFA
Small/SMID Value
17 years experience

Robert Jones, CFA
Long/Short Equity
28 years experience

Christopher Hart, CFA
Global, International,
Global Long/Short
25 years experience

Joshua Jones, CFA
Global, International,
Global Long/Short
12 years experience

Harry Rosenbluth, CFA
Senior Advisor
35 years experience

Joseph Feeney, Jr., CFA
Chief Investment Officer
Long/Short Research
31 years experience

Paul Heathwood, CFA
Director of Portfolio Research
23 years experience

Daniel Farren
Senior Portfolio Analyst
22 years experience

John Forelli, CFA
Senior Portfolio Analyst
32 years experience

Carolyn Margiotti, CFA
Senior Portfolio Analyst
22 years experience

Michael McCune, CFA
Portfolio Analyst
22 years experience

Brandon Smith, CFA, CAIA
Portfolio Analyst
10 years experience

Christopher Eagan
Global Markets Analyst
31 years experience

Fundamental and Quantitative Research

Todd Knightly
Director of Fundamental Research

Jessica Ballis
Equity Analyst

Brian Boyden, CFA
Utilities, Healthcare
Therapeutics, Property REITs

Scott Burgess, CFA
Technology

Lawrence Chan, CFA
Internet Services,
Payment Services

David Cohen, CFA
Energy, Engineering &
Construction

Paul Donovan, CFA
Basic Industries

Kevin Duggan, CFA
Financials, Transportation

Trevor Frankel, CFA
Global Generalist

Volkan Gulen, CFA
Consumer Staples, Business
Services, Media & Advertising

David Hinton, CFA
Small Cap Generalist

Tim Horan
Industrials, Home builders &
Construction, Autos

Ross Klein, CFA
Long/Short Generalist

Paul Korngiebel, CFA
Global Generalist

Stephanie McGirr
Health Care Services, Insurance,
Retail & Restaurants

Edward Odre, CFA
Equity Analyst

Patrick Regan, CFA
Long/Short Generalist

Andrew Sherman, CFA
Equity Analyst

Joshua White, CFA
Industrials
Global Generalist

Bruce Wimberly
Long/Short Generalist

Ronald Young, CFA
Aerospace & Defense, Asset
Management, Gaming &
Lodging, Telecom & Cable

Eric Connerly, CFA
Director of Quantitative
Research

Jason Bartlett, CFA
Quantitative Strategies

Leo Fochtman
Quantitative Strategies

Rubina Moin
Quantitative Strategies

Maggy Pietropaolo, CFA
Quantitative Strategies

Joseph Urick
Quantitative Strategies

Carissa Wong, CFA
Quantitative Strategies

Trading

Mark Kuzminskas
Director of Equity Trading

Christopher Bowker
Senior Equity Trader

Thomas Walsh
Senior Equity Trader

Matthew Ender
Equity Trader

Ian Sylvetsky
Equity Trader

Christopher Spaziani
Equity Trading Assistant

Value Equity Investment Philosophy: Three Core Principles

Value Discipline anchored in Three "Fundamental Truths":

- Low valuation stocks outperform high valuation stocks
- Companies with strong fundamentals (high returns on invested capital) outperform companies with poor fundamentals
- Stocks with positive business momentum (improving trends/rising earnings) outperform stocks with negative momentum

"Characteristics-Based" Investment Approach:

- Valuation, fundamentals and momentum are analyzed using a bottom-up blend of qualitative and quantitative inputs

Preservation of Capital:

- Laws of compounding mathematically dictate that protecting capital is the only risk that matters
- "Win by not losing": Keep pace in rising markets, outperform in falling markets and diversify your exposure

Your Boston Partners Team

Biographical and Contact Information for Sacramento Regional Transit District Relationship

David J. Pyle, CFA Portfolio Manager dpyle@boston-partners.com (415) 464-2892	Mr. Pyle is a portfolio manager for Boston Partners Large Cap Value portfolios. Prior to assuming this role, he was a research analyst covering the utility, insurance, leisure & lodging, packaging, publishing, and computer equipment & services sectors. Mr. Pyle joined the firm from State Street Research where he was a research analyst and associate portfolio manager in their equity value group. Prior to that, he spent five years with Price Waterhouse. Mr. Pyle holds a B.S. degree in business administration from California State University, Chico, and an M.B.A. degree from the Kenan-Flagler School of Business at the University of North Carolina. Mr. Pyle holds the Chartered Financial Analyst® designation. He has twenty-one years of investment experience.
Carolyn M. Margiotti, CFA Senior Portfolio Analyst cmargiotti@boston-partners.com (415) 464-2882	Ms. Margiotti is a senior portfolio analyst for Boston Partners and has extensive experience with all of the firm's strategies. She joined the firm in 2005 from PG&E Corporation where she was manager of investments for the company's more than $12 billion in pension, 401(k), and taxable trust assets. Ms. Margiotti holds a B.S. degree from Purdue University and an M.B.A. degree from the University of San Francisco, McLaren School of Business. Ms. Margiotti is a member of the Financial Women's Association of San Francisco and has served as an adjunct professor at the University of San Francisco and as an instructor for the CFA review program. She holds the Chartered Financial Analyst® designation, FINRA licenses 7 and 63, and has twenty-two years of industry experience.
Ruth Neal Client Service Associate rneal@boston-partners.com (213) 687-1654	Ms. Neal is one of Boston Partners' client service associates. Prior to this role she was a reconciliation specialist and portfolio assistant for the firm's Large Cap Value product. Ms. Neal has been with the firm since its inception in 1995. Ms. Neal has forty years of industry experience.

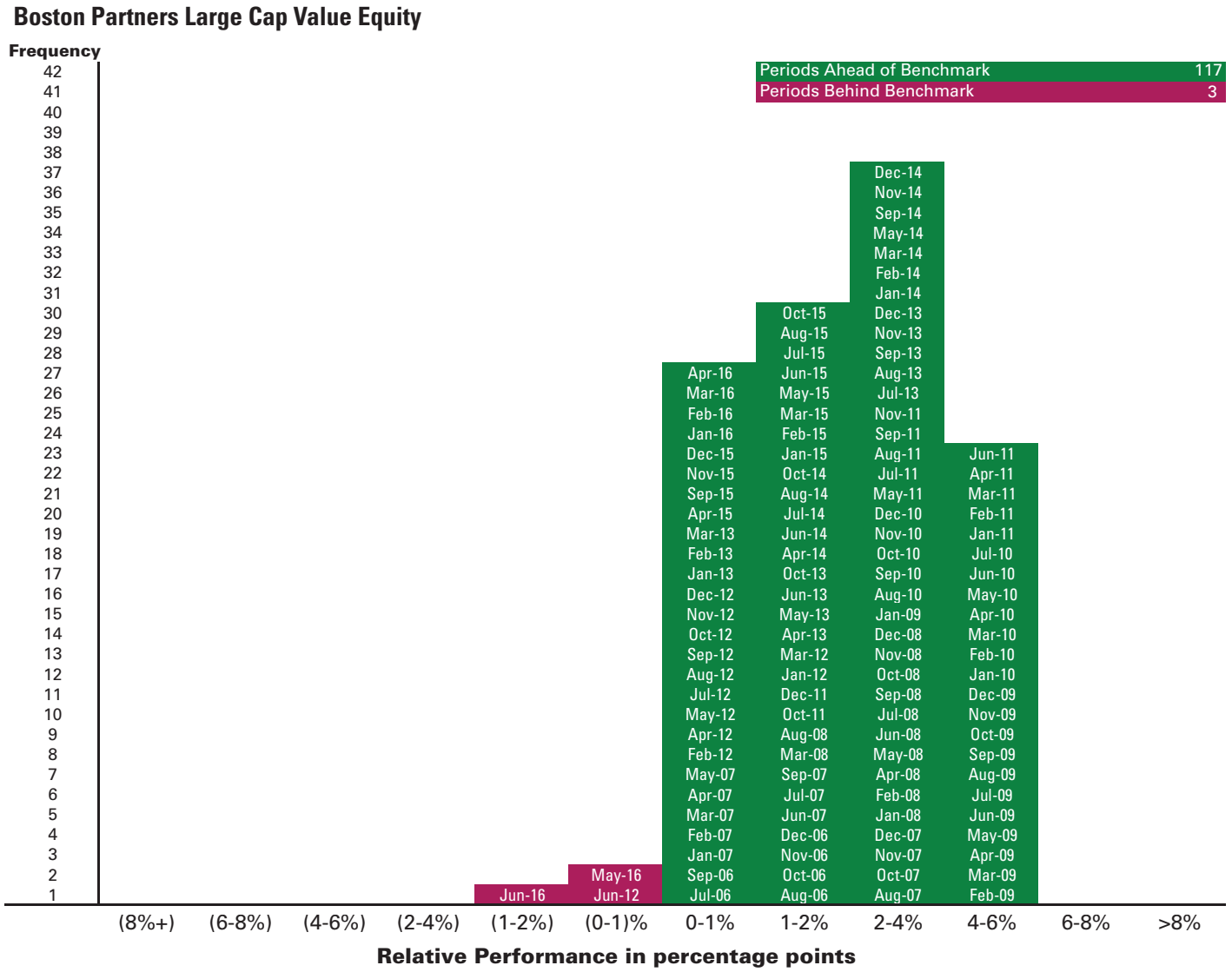
Sacramento Regional Transit District

Investment Guidelines and Objectives

Performance Objectives	✓ Over a minimum time horizon of three years, achieve a net of fee return that exceeds the Russell 1000® Value Index and a gross of fee return that ranks in the top half of a comparative universe of large cap value managers
Guidelines	**Investable Universe** ✓ U.S. equity securities ✓ Foreign equity instruments which trade on U.S.-based exchanges, including ADRs ✓ S&P 500 Stock Index Futures to obtain low cost temporary equity market exposure (not to be used to provide leveraged equity market exposure). Futures transactions must be completed on a major U.S. exchange which guarantees contract compliance ✓ No stock option, short sales, purchases on margin, letter stocks, private placement securities or commodities ✓ No investment in securities issued by companies in the Tobacco Sub-Industry as defined by the Global Industry Classification Standards (GICS), subject to the prudent investor rule as set forth in Article XVI Section 17 of the California Constitution **Diversification** ✓ Investment in the securities of a single issuer shall not exceed 5% (at cost) of the portfolio ✓ Investment in the securities of a single issuer shall not exceed 5% of the company's total outstanding shares ✓ No individual economic sector will represent more than 35% of the portfolio (BP) ✓ No single industry shall represent more than 25% (at cost) of the portfolio market value ✓ Foreign equity instruments and ADR's will not comprise more than 5% of the total portfolio (at cost) ✓ Cash shall not exceed 10% of the portfolio market value

Tilting the Probabilities in Your Favor — The Results

Distribution of Rolling Three-Year Excess Returns as of June 30, 2016



The chart reflects a ten-year time period.

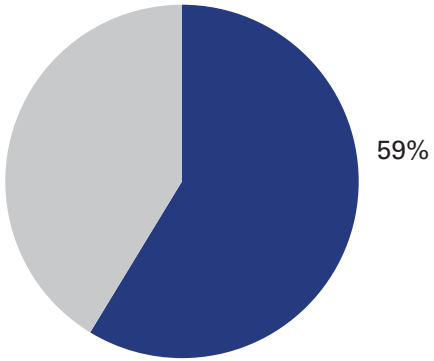
Relative performance of the BP Large Cap Value is versus the Russell 1000® Value Index. Returns reflect composite results and individual portfolio results may vary. This information is supplemental to the GIPS® compliant presentation herein. Past performance is not an indication of future results. Please refer to the last appendix for other important disclosures.

Boston Partners Large Cap Value Equity

Performance Traits throughout the Market's Cycles

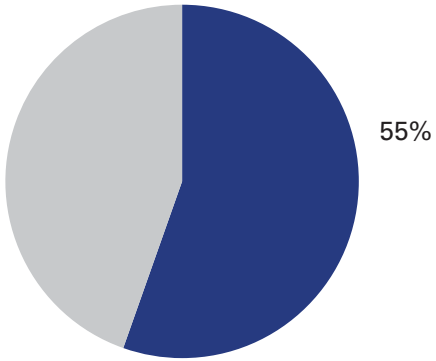
Large Cap Value Equity Has Preserved Capital and Compounded Returns for Favorable 10-Year Performance

"Down" Markets



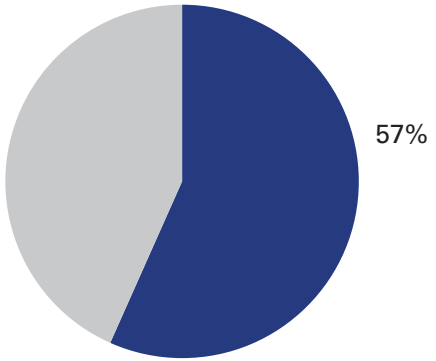
- There have been 46 months in which the market has produced a negative return.
- Composite has outperformed the Index 59% of the time.

"Up" Markets



- There have been 74 months in which the market has produced a positive return.
- Composite has outperformed the Index 55% of the time.

Entire Period



- The entire period is 120 months.
- Composite has outperformed the Index 57% of the time.

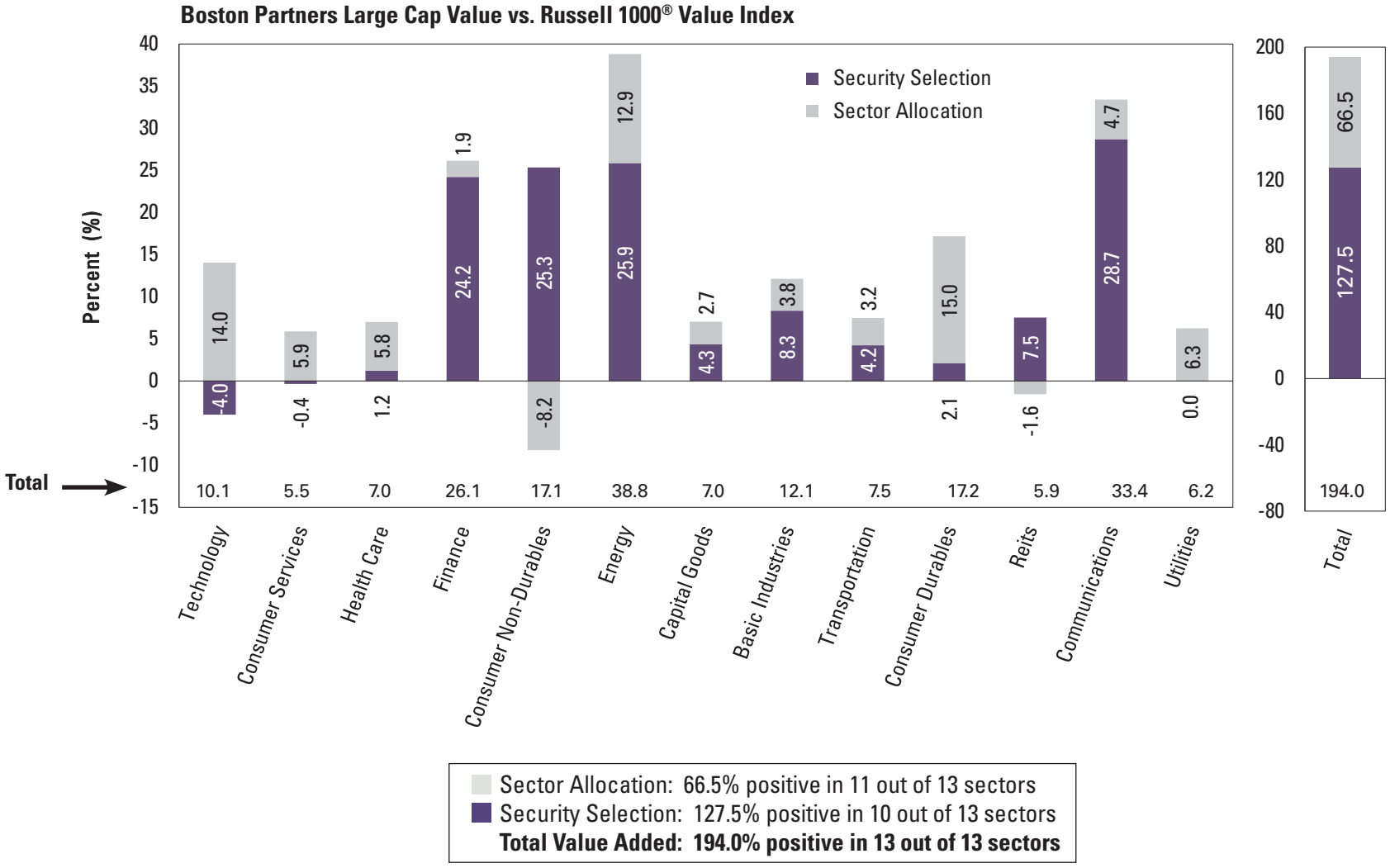
Percentage of the time that Large Cap Value Equity Composite has outperformed the Russell 1000® Value Index

Data as of June 30, 2016 for 10-year period.

Returns reflect composite results and individual portfolio results may vary. This information is supplemental to the GIPS® compliant presentation herein. Past performance is not an indication of future results. Please refer to the last appendix for other important disclosures.

Boston Partners Large Cap Value Equity

Performance Attribution: June 1, 1995 through June 30, 2016



Sectors are sorted from largest (+) overweight sector to largest (–) underweight sector relative to benchmark. Overweights and underweights represent averages over entire attribution period. Attribution is calculated using end of day security prices and returns shown are equity only and exclude cash. Results are from a representative account in the composite and are gross of fees. Individual portfolio results may vary. The information is supplemental to the GIPS® compliant presentation herein. Past performance is not an indication of future results. Please refer to the last appendix for other important disclosures.

Boston Partners Large Cap Value Equity

Investment Performance through June 30, 2016

Annualized Performance (%)

	2Q 2016	YTD 2016	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception*
Large Cap Value - Gross of Fees	**1.66**	**1.41**	**-3.15**	**8.21**	**11.31**	**14.21**	**7.90**	**10.50**
Large Cap Value - Net of Fees	**1.59**	**1.26**	**-3.45**	**7.87**	**10.89**	**13.78**	**7.51**	**10.11**
Russell 1000® Value Index	4.58	6.30	2.86	9.87	11.35	14.50	6.13	9.21
S&P 500 Index	2.46	3.84	3.99	11.66	12.10	14.92	7.42	8.75

Calendar Year Performance (%)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Large Cap Value - Gross of Fees	**-4.08**	**11.85**	**37.14**	**21.27**	**1.29**	**13.75**	**26.75**	**-32.95**	**5.14**	**19.97**
Large Cap Value - Net of Fees	**-4.37**	**11.49**	**36.64**	**20.66**	**0.82**	**13.36**	**26.30**	**-33.17**	**4.80**	**19.60**
Russell 1000® Value Index	-3.83	13.45	32.53	17.51	0.39	15.51	19.69	-36.85	-0.17	22.25
S&P 500 Index	1.38	13.69	32.39	16.00	2.11	15.06	26.46	-37.00	5.49	15.79

* Inception date is June 1, 1995.

Boston Partners has prepared and presented this report in compliance with GIPS®. Returns reflect composite results and individual portfolio results may vary. Past performance is not an indication of future results. Please refer to the last appendix for other important disclosures.

Boston Partners

Equity Investment Performance through June 30, 2016

Performance (%)

	2Q 2016	YTD 2016	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception*	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Large Cap Value - Gross of Fees	**1.66**	**1.41**	**-3.15**	**8.21**	**11.31**	**14.21**	**7.90**	**10.50**	**-4.08**	**11.85**	**37.14**	**21.27**	**1.28**	**13.75**	**26.75**	**-32.95**	**5.14**	**19.97**
Large Cap Value - Net of Fees	**1.59**	**1.26**	**-3.45**	**7.87**	**10.89**	**13.78**	**7.51**	**10.11**	**-4.37**	**11.49**	**36.64**	**20.66**	**0.82**	**13.36**	**26.30**	**-33.17**	**4.80**	**19.60**
Russell 1000® Value Index	4.58	6.30	2.86	9.87	11.35	14.50	6.13	9.21	-3.83	13.45	32.53	17.51	0.39	15.51	19.69	-36.85	-0.17	22.25
S&P 500 Index	2.46	3.84	3.99	11.66	12.10	14.92	7.42	8.75	1.38	13.69	32.39	16.00	2.11	15.06	26.46	-37.00	5.49	15.79
130/30 Large Cap Value - Gross of Fees	**0.80**	**0.39**	**-3.42**	**8.78**	**12.41**	**14.70**	**—**	**7.55**	**-3.69**	**14.52**	**38.71**	**21.67**	**2.06**	**12.90**	**25.46**	**-29.44**	**3.51***	**—**
130/30 Large Cap Value - Net of Fees	**0.74**	**0.28**	**-3.63**	**8.56**	**12.18**	**14.35**	**—**	**7.04**	**-3.90**	**14.31**	**38.46**	**21.40**	**1.82**	**12.37**	**24.24**	**-30.16**	**2.66***	**—**
Russell 1000® Value Index	4.58	6.30	2.86	9.87	11.35	14.50	—	5.06	-3.83	13.45	32.53	17.51	0.39	15.51	19.69	-36.85	0.13*	—
Premium Equity - Gross of Fees	**3.57**	**2.49**	**0.76**	**11.40**	**12.39**	**15.38**	**9.57**	**12.92**	**1.71**	**13.22**	**39.73**	**16.27**	**-1.01**	**14.78**	**33.16**	**-26.62**	**2.49**	**18.62**
Premium Equity - Net of Fees	**3.42**	**2.21**	**0.19**	**10.81**	**11.80**	**14.79**	**9.00**	**12.37**	**1.15**	**12.65**	**39.04**	**15.72**	**-1.55**	**14.18**	**32.45**	**-27.05**	**2.01**	**18.11**
Russell 3000® Value Index	4.57	6.29	2.42	9.58	11.09	14.43	6.05	9.23	-4.13	12.70	32.69	17.55	-0.10	16.23	19.76	-36.25	-1.01	22.34
S&P 500 Index	2.46	3.84	3.99	11.66	12.10	14.92	7.42	8.75	1.38	13.69	32.39	16.00	2.11	15.06	26.46	-37.00	5.49	15.79
Mid Cap Value - Gross of Fees	**3.55**	**3.72**	**3.37**	**13.65**	**13.68**	**18.81**	**11.90**	**13.55**	**2.84**	**14.37**	**41.04**	**19.78**	**1.68**	**24.79**	**42.04**	**-31.84**	**6.24**	**18.78**
Mid Cap Value - Net of Fees	**3.46**	**3.55**	**3.02**	**13.26**	**13.14**	**18.17**	**11.26**	**12.85**	**2.49**	**14.00**	**40.48**	**18.90**	**0.88**	**23.93**	**41.13**	**-32.36**	**5.57**	**18.06**
Russell Midcap® Value Index	4.77	8.87	3.25	11.00	11.70	17.05	7.79	11.38	-4.78	14.75	33.46	18.51	-1.38	24.75	34.21	-38.45	-1.42	20.22
Small/Mid Cap Value - Gross of Fees	**1.36**	**3.94**	**-4.36**	**8.26**	**10.29**	**15.10**	**7.97**	**10.99**	**-3.06**	**5.34**	**35.33**	**23.97**	**-1.57**	**18.07**	**43.89**	**-30.65**	**-6.69**	**15.58**
Small/Mid Cap Value - Net of Fees	**1.19**	**3.57**	**-4.98**	**7.53**	**9.52**	**14.26**	**7.13**	**10.17**	**-3.71**	**4.65**	**34.37**	**23.08**	**-2.31**	**17.05**	**42.69**	**-31.31**	**-7.53**	**14.54**
Russell 2500™ Value Index	4.37	7.84	0.22	8.14	9.59	15.18	6.52	9.86	-5.49	7.11	33.32	19.21	-3.36	24.82	27.67	-31.99	-7.27	20.18
Russell 2500™ Index	3.57	3.98	-3.67	8.61	9.48	15.35	7.32	9.16	-2.90	7.07	36.80	17.88	-2.51	26.71	34.38	-36.79	1.38	16.17

* Inception dates are as follows: Large Cap Value is June 1, 1995; 130/30 Large Cap Value is March 1, 2007; Premium Equity is June 1, 1995; Mid Cap Value is May 1, 1995; and Small/Mid Cap Value is April 1, 1999.

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Boston Partners

Equity Investment Performance through June 30, 2016 (continued)

Performance (%)

	2Q 2016	YTD 2016	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception*	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Small Cap Value - Gross of Fees	**0.70**	**3.45**	**-5.07**	**8.09**	**9.72**	**15.40**	**8.37**	**13.00**	**-3.77**	**4.76**	**35.27**	**22.85**	**-2.13**	**22.50**	**44.74**	**-30.18**	**-5.18**	**14.00**
Small Cap Value - Net of Fees	**0.51**	**3.06**	**-5.82**	**7.24**	**8.84**	**14.47**	**7.48**	**12.09**	**-4.53**	**3.93**	**34.21**	**21.85**	**-2.93**	**21.45**	**43.49**	**-30.82**	**-6.00**	**13.07**
Russell 2000® Value Index	4.31	6.08	-2.58	6.36	8.15	13.53	5.15	9.67	-7.47	4.22	34.52	18.05	-5.50	24.50	20.56	-28.92	-9.78	23.48
Russell 2000® Index	3.79	2.22	-6.73	7.09	8.35	13.94	6.20	8.34	-4.41	4.89	38.82	16.35	-4.18	26.85	27.16	-33.79	-1.56	18.37
Small Cap Value Equity II - Gross of Fees	**2.40**	**4.64**	**-3.29**	**8.84**	**10.73**	**16.00**	**8.48**	**12.25**	**-3.27**	**5.35**	**36.53**	**24.54**	**-2.29**	**20.32**	**49.82**	**-33.80**	**-5.71**	**17.88**
Small Cap Value Equity II - Net of Fees	**2.17**	**4.16**	**-4.21**	**7.82**	**9.68**	**14.86**	**7.38**	**11.07**	**-4.19**	**4.37**	**35.28**	**23.42**	**-3.45**	**19.09**	**48.31**	**-34.53**	**-6.77**	**16.52**
Russell 2000® Value Index	4.31	6.08	-2.58	6.36	8.15	13.53	5.15	7.59	-7.47	4.22	34.52	18.05	-5.50	24.50	20.56	-28.92	-9.78	23.48
Long/Short Equity - Gross of Fees	**1.35**	**10.55**	**13.94**	**7.23**	**9.70**	**16.06**	**13.81**	**13.67**	**1.15**	**7.16**	**10.37**	**15.40**	**8.68**	**29.54**	**85.95**	**-20.03**	**-1.71**	**19.20**
Long/Short Equity - Net of Fees	**1.08**	**9.81**	**12.63**	**6.08**	**8.51**	**14.44**	**11.97**	**10.94**	**0.17**	**6.04**	**9.17**	**14.06**	**7.39**	**26.55**	**81.74**	**-21.71**	**-3.77**	**15.61**
S&P 500 Index	2.46	3.84	3.99	11.66	12.10	14.92	7.42	6.22	1.38	13.69	32.39	16.00	2.11	15.06	26.46	-37.00	5.49	15.79
Long/Short Research - Gross of Fees	**-0.29**	**-0.56**	**0.05**	**7.56**	**8.60**	**9.77**	**8.16**	**7.91**	**3.02**	**8.68**	**19.70**	**14.73**	**5.35**	**9.33**	**18.67**	**-8.46**	**9.85**	**7.00**
Long/Short Research - Net of Fees	**-0.60**	**-1.18**	**-1.19**	**6.23**	**7.26**	**8.42**	**6.82**	**6.58**	**1.74**	**7.34**	**18.23**	**13.32**	**4.05**	**7.98**	**17.22**	**-9.60**	**8.49**	**5.68**
S&P 500 Index	2.46	3.84	3.99	11.66	12.10	14.92	7.42	6.47	1.38	13.69	32.39	16.00	2.11	15.06	26.46	-37.00	5.49	15.79

* Inception dates are as follows: Small Cap Value is July 1, 1995; Small Cap Value Equity II is July 1, 1998; Long/Short Equity is August 1, 1997; and Long/Short Research is April 1, 2002.

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Boston Partners

Equity Investment Performance through June 30, 2016 (continued)

Performance (%)

	2Q 2016	YTD 2016	1 Year	3 Year	5 Year	7 Year	Since Inception[1]	2015	2014	2013	2012	2011	2010	2009	2008
Global Equity USA - Gross of Fees	**0.48**	**0.48**	**-3.82**	**9.26**	**9.26**	**12.96**	**7.00**	**1.89**	**5.54**	**35.12**	**17.25**	**-1.77**	**13.46**	**29.62**	**-30.51**[1]
Global Equity USA - Net of Fees	**0.29**	**0.09**	**-4.56**	**8.44**	**8.43**	**12.09**	**6.17**	**1.11**	**4.74**	**34.11**	**16.37**	**-2.55**	**12.56**	**28.61**	**-30.80**[1]
MSCI World Index	1.21	1.02	-2.19	7.54	7.23	10.88	4.87	-0.32	5.50	27.37	16.53	-5.01	12.34	30.79	-33.52[1]
International Equity - Gross of Fees	**-2.31**	**-5.15**	**-9.33**	**4.72**	**5.25**	**9.56**	**2.76**	**3.54**	**-3.65**	**31.47**	**18.67**	**-6.20**	**10.63**	**27.87**	**-36.51**[1]
International Equity - Net of Fees	**-2.49**	**-5.51**	**-10.01**	**3.94**	**4.47**	**8.73**	**1.98**	**2.77**	**-4.37**	**30.51**	**17.79**	**-6.90**	**9.75**	**26.87**	**-36.79**[1]
MSCI EAFE Index	-1.19	-4.04	-9.72	2.52	2.14	6.45	0.84	-0.39	-4.49	23.29	17.90	-11.75	8.21	32.46	-36.32[1]
Global Long/Short - Gross of Fees	**1.52**	**0.76**	**3.35**	**7.60**	**—**	**—**	**7.60**	**8.73**	**4.36**	**8.96**[1]	**—**	**—**	**—**	**—**	**—**
Global Long/Short - Net of Fees	**1.02**	**-0.24**	**1.30**	**5.61**	**—**	**—**	**5.61**	**6.59**	**2.70**	**8.02**[1]	**—**	**—**	**—**	**—**	**—**
MSCI World Index	1.21	1.02	-2.19	**7.54**	**—**	**—**	7.54	-0.32	5.50	17.08[1]	**—**	**—**	**—**	**—**	**—**
Emerging Markets Long/Short - Gross of Fees	**2.29**	**3.98**	**-0.97**	**—**	**—**	**—**	**0.12**	**-3.67**[1]	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Emerging Markets Long/Short - Net of Fees[2]	**1.82**	**3.03**	**-2.70**	**—**	**—**	**—**	**-1.56**	**-4.95**[1]	**—**	**—**	**—**	**—**	**—**	**—**	**—**
MSCI Emerging Market Index	0.80	6.60	-11.72	**—**	**—**	**—**	-9.33	-17.96[1]	**—**	**—**	**—**	**—**	**—**	**—**	**—**

[1] Inception dates are as follows: Global Equity USA is July 1, 2008; International Equity is July 1, 2008 (Formerly known as International Value Equity) and Global Long/Short Equity is July 1, 2013; and Emerging Markets Long/Short Equity is March 1, 2015.

[2] Net of fees is calculated by application of a model fee of 2.25% annually calculated on a month-end basis.

Boston Partners has prepared and presented this report in compliance with the GIPS®. Returns reflect composite results and individual portfolio results will vary. Returns are shown in USD. Past performance is not an indication of future results. Please refer to the last appendix for other important disclosures.

Boston Partners

Performance Disclosures

Boston Partners Global Investors, Inc. ("BP") is an Investment Adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. BP is a subsidiary of Robeco Groep N.V. ("Robeco"), a Dutch investment management firm headquartered in Rotterdam, the Netherlands. BP updated its firm description as of January 1, 2015 to reflect changes in its divisional structure. BP is comprised of three divisions, Boston Partners, Weiss, Peck & Greer Partners ("WPG"), and Redwood Equity ("Redwood").

BP claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. BP has been independently verified for the periods 2007 through 2014. Verification assesses whether (1) the Firm has complied with all the composite construction requirements of the GIPS® standards on a firm-wide basis and (2) the Firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards.

The composites have been examined per the following periods: BP Large Cap Value Equity,1995 to 2014; BP Alpha Extension Large Cap Value Equity, 2012 to 2014; BP Premium Equity, 1995 to 2014; BP Mid Cap Value Equity, 1995 to 2006 and 2010 to 2014; BP Small/Mid Cap Value Equity, 1999 to 2014; BP Small Cap Value Equity, 1995 to 2014; BP Small Cap Value II Equity, 1998 to 2014; BP Long/Short Research, 2011 to 2014; BP Global Equity II, 2012 to 2014; BP International Equity II, 2008 to 2014; BP Global Long/Short, 2013 to 2014. The verification and performance examination reports are available upon request.

Past performance is not indicative of future results. This document is not an offering of securities nor is it intended to provide investment advice. It is intended for information purposes only.

Composite Construction(s)

Performance results attained at BP have been linked to the results achieved at BPAM beginning on January 1, 2007 in compliance with the GIPS® standards on performance record portability. Composites include all separately managed and commingled vehicles, fully discretionary, fee-paying accounts under management with a similar investment mandate and an account market value greater than $1 million with the exception of BP Small Cap Value Equity and Small Cap Value II Equity which have an account market value greater than $5 million. Prior to January 1, 2007 the minimum account size for inclusion in the composite was $5 million. The composites contain proprietary assets.

The inception and creation date of the BP Large Cap Value Equity composite is June 1, 1995. The strategy is composed of securities with market capitalizations primarily greater than $3 billion and is benchmarked against the S&P 500 Index and the Russell 1000® Value Index. Prior to December 1, 1995, there was no minimum market value requirement for inclusion in the BP Large Cap Value Equity composite. Accounts that did not meet the newly established minimum balance requirement were removed on that date.

The inception date and creation date of the BP Alpha Extension Large Cap Value Equity composite is March 1, 2007. The strategy is an actively managed Large Cap Value strategy that utilized long and short equity position to generate alpha. The strategy is permitted to short 30% of the portfolio and reinvests the proceeds of those shorts into the securities that the manager finds attractive, creating a 130% long portfolio and a 30% short portfolio. The strategy is benchmarked against the Russell 1000® Value Index.

The inception and creation date of the BP Premium Equity composite is June 1, 1995. The strategy is a hybrid of BP's other equity products. It has the flexibility to invest across the capitalization spectrum and to invest in securities with equity-like return and risk profiles. BP Premium Equity is benchmarked against the S&P 500 Index and the Russell 3000® Value Index.

The inception and creation date of the BP Mid Cap Value Equity composite is May 1, 1995. Effective March 1, 2006, the Mid Cap Value Equity strategy is composed of securities primarily in the same market capitalization range, at time of purchase, as the Russell Midcap® Value Index. Effective January 1, 2005 the BP Mid Cap Value composite revised its benchmark from the Russell 2500™ Value Index to the Russell Midcap® Value Index. The Russell Midcap® Value Index has less of a bias toward smaller capitalization stocks and thus more accurately reflects the composition of BP holdings.

The inception and creation date of the BP Small/Mid Cap Value Equity composite is April 1, 1999. The strategy is composed of securities primarily in the $100 million to $10 billion market capitalization range and is benchmarked against the Russell 2500™ Value Index.

The inception and creation date of the BP Small Cap Value Equity composite is July 1, 1995. The strategy is composed of securities primarily in the $100 million to $1.5 billion market capitalization range and is benchmarked against the Russell 2000® Value Index.

The inception date of the BP Small Cap Value II Equity composite is July 1, 1998. The composite was created in 2000. The strategy is composed of securities primarily in the $10 million to $1 billion market capitalization range and is benchmarked against the Russell 2000® Value Index.

The inception date and creation date of the BP Long/Short Equity composite is August 1, 1997. The strategy is an absolute return product that balances long and short portfolio strategies and seeks to achieve stable absolute returns with approximately half the risk of the S&P 500. However, this product is not risk neutral. It is exposed to style, capitalization, sector and short-implementation risks. Use of the S&P 500 Index is for comparative purposes only since investment returns are not correlated to equity market returns. Prior to October 1, 1998, the composite was managed on a non-fee paying basis. Participant results would have been substantially different if fee waivers were not applied. Commencing on October 1, 1998 and continuing each quarter thereafter, the net of fee calculation includes a model fee for each commingled account included in the composite, and when applicable, the actual fees assessed for each separately managed portfolio included in the composite. The model fee, which is comprised of an investment management fee and performance fee, represents the deduction of the highest fee that could have been earned based on actual results during the performance period. In addition, other expenses typically borne by the commingled accounts, as defined in the applicable offering documents, have been applied. However, from time-to-time the commingled accounts may have placed a ceiling on the amount of expenses it had incurred. Although performance fees are paid annually when earned, for presentation of net returns, performance fees, similar to management fees and expenses, are accrued for on a monthly basis. Actual fees may vary. The composite is benchmarked against the S&P 500 Index and the Russell 3000® Value/Russell 3000® Growth for comparative purposes only since the strategy is not correlated to equity market returns.

The inception and creation date of the BP Research Equity composite is April 1, 2002. This strategy is an absolute return product that balances long and short portfolio strategies and seeks to achieve stable absolute returns with approximately half the risk of the S&P 500 Index. The strategy is benchmarked against the S&P 500 Index.

The inception and creation date of the BP Global Equity II composite is July 1, 2008. This strategy is unconstrained and primarily invests in equity securities in the global market without using hedges on currency.

The inception date and creation date of the BP International Equity II composite is July 1, 2008. This strategy is unconstrained and primarily invests in non-us markets without using currency hedges. The strategy is benchmarked against the MSCI EAFE Index. From July 1, 2008 to June 30, 2010 the primary benchmarks was MSCI EAFE Value Index and on July 1, 2010 the primary benchmark change to the MSCI EAFE. This change to the MSCI EAFE Index was made retroactively to July 1, 2008.

Performance Disclosures (continued)

The inception and creation date of the BP Global Long/Short Equity composite is July 1, 2013. The strategy is composed of securities with market capitalizations primarily greater than $50 million and is benchmarked against the MSCI World Index.

The inception and creation date of the BP Europe Equity composite is May 1, 2015. This strategy is unconstrained and primarily invests in equity securities in the European market without using hedges on currency.

The Inception and creation of the BP Emerging Markets Long/Short composite is March 1, 2015. The strategy is composed of securities with market capitalizations primarily greater than $25 million and is benchmarked against the MSCI Emerging Markets Index.

Benchmarks

Index returns are provided for comparison purposes only to show how the composite's returns compare to a broad-based index of securities, as the indices do not have costs, fees, or other expenses associated with their performance.

In addition, securities held in either index may not be similar to securities held in the composite's accounts. The S&P 500 Index is an unmanaged index of the common stocks of 500 widely held U.S. companies. All Russell® Indices are registered trademarks of the Frank Russell Company. The Russell® Value Indices typically measure the performance of universes of stocks displaying low price-to-book ratios and low forecasted growth values. The Russell® Growth Indices typically measure the performance of universes of stocks displaying high price-to-book ratios and high forecasted growth values. The Russell 1000® Index measures the performance of the 1,000 largest companies in the Russell 3000® Index. The Russell 3000® Index measures performance of the 3,000 largest U.S. companies based on total market capitalization. The Russell 2500™, and 2000® Indices measure performance of the 2,500 and 2,000 smallest companies in the Russell 3000® Index respectively. The Russell Midcap® Index measures the performance of the 800 smallest companies in the Russell 1000® Index. The MSCI World Index covers the full range of developed, emerging and All Country MSCI International Equity Indices across all size segmentations. MSCI uses a two-dimensional framework for style segmentation in which value securities are categorized using a multi-factor approach, which uses three variables to define the value investment style characteristics and five variables to define the growth investment style characteristics including forward looking variables. The objective of the index design is to divide constituents of an underlying MSCI Equity Index into respective value and growth indices, each targeting 50% of the free float adjusted market capitalization of the underlying market index. The MSCI EAFE Index is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the US & Canada. As of April 2002, the MSCI EAFE Index consisted of the following 21 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and United Kingdom.

The MSCI Europe Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. The MSCI Europe Index consists of the following 15 developed market country indexes: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index consists of the following 23 developed market country indexes: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States (as of April 30, 2015).

MSCI Emerging Markets Standard Index (net return): The MSCI Emerging Markets indices are designed to measure the type of returns foreign portfolio investors might receive from investing in emerging market stocks that are legally and practically available to them. Constituents for the MSCI series are drawn from the MSCI stock universe based on size, liquidity, and their legal and practical availability to foreign institutional investors.

The MSCI World Small Cap Value Index captures small cap securities exhibiting overall value style characteristics across 23 Developed Markets countries. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 2,582 constituents, the index targets 14% coverage of the free float-adjusted market capitalization in each country. Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the U.S. (As of June 30, 2013.)

Calculation Methodology

Account returns are market value weighted and calculated on a total return basis using trade date valuations. Returns reflect the reinvestment of dividends and other earnings, and are net of commissions and transaction costs. Performance is expressed in U.S. Dollars. Short sales are an integral part of the investment strategy and constitute the use of leverage. Accounts are temporarily removed from the composite when a significant cash flow occurs, which is typically defined as a flow that is greater than 10% of the account value that exceeds a threshold of +/- 20 basis points from daily performance of the representative account and a similar account of the same strategy. An account is generally added back to the composite as of the first full month following the significant cash flow. Additional information regarding policies for valuing portfolios, calculating performance, and presenting compliant presentations is available upon request.

Fees and Expenses

Composite returns are provided on a gross and net of fees basis. Account returns will be reduced by any fees and expenses incurred in the management of the account. In general, actual fees may vary depending on the applicable fee schedule and portfolio size. Net of fees returns for commingled vehicles that are members of a composite are calculated using a model fee that is the highest tier in the separate account fee schedule for the strategy. Fees are applied to gross returns at month end.

Returns reflect the reinvestment of dividends and other earnings, and are net of commissions and transaction costs. Performance is expressed in U.S. Dollars. Additional information regarding policies for valuing portfolios, calculating performance, and presenting compliant presentations is available upon request.

Investment advisory fees are listed herein and are fully described in BP's Form ADV, Part II.

Composite Dispersion

The measurement of composite dispersion is calculated by the weighted average standard deviation of the annual account returns within the composite. Dispersion in composites with less than five accounts included for the entire year is not considered meaningful and is denoted with "N/A". Prior to January 1, 2007, the measurement of composite dispersion was calculated by determining the difference between the highest and lowest annual account returns within the composite.

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period.

Boston Partners

Performance Disclosures (continued)

Large Cap Value Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
*2015:	167	$24.6 bn	31%	0.16%
2014:	151	$25.2 bn	34%	0.11%
2013:	129	$16.5 bn	32%	0.62%
2012:	105	$8.6 bn	30%	0.24%
2011:	99	$5.1 bn	24%	0.23%
2010:	89	$4.8 bn	26%	0.15%
2009:	83	$3.5 bn	20%	0.38%
2008:	70	$2.1 bn	18%	0.21%
2007:	68	$3.4 bn	13%	0.14%
2006:	45	$3.4 bn	27%	0.83%

130/30 Large Cap Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
*2015:	2	$933 mm	1%	N/A
2014:	2	$1.2 bn	2%	N/A
2013:	1	$845 mm	2%	N/A
2012:	3	$636 mm	2%	N/A
2011:	3	$463 mm	2%	N/A
2010:	1	$17 mm	0%	N/A
2009:	1	$6 mm	0%	N/A
2008:	1	$5 mm	0%	N/A
2007:	1	$7 mm	0%	N/A

Premium Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
*2015:	35	$3.3 bn	4%	0.09%
2014:	29	$3.1 bn	4%	0.14%
2013:	29	$2.7 bn	5%	0.53%
2012:	26	$2.2 bn	7%	0.17%
2011:	24	$2.0 bn	9%	0.19%
2010:	27	$2.1 bn	12%	0.43%
2009:	26	$2.1 bn	12%	0.49%
2008:	23	$1.3 bn	11%	0.30%
2007:	15	$677 mm	3%	0.12%
2006:	11	$1.7 bn	14%	0.37%

Mid Cap Value Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
*2015:	37	$15.3 b	20%	0.01%
2014:	29	$11.6 b	16%	0.12%
2013:	16	$7.6 b	15%	0.24%
2012:	9	$2.9 b	10%	0.01%
2011:	4	$1.0 b	5%	N/A
2010:	3	$306 mm	2%	N/A
2009:	3	$127 mm	1%	N/A
2008:	3	$85 mm	1%	N/A
2007:	2	$86 mm	0%	N/A
2006:	1	$35 mm	0%	N/A

Small/Mid Cap Value Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
*2015:	13	$814 mm	1%	0.14%
2014:	10	$499 mm	1%	0.08%
2013:	7	$481 mm	1%	0.13%
2012:	7	$367 mm	1%	0.08%
2011:	7	$327 mm	2%	0.10%
2010:	7	$384 mm	2%	0.04%
2009:	7	$350 mm	2%	0.32%
2008:	5	$200 mm	2%	0.18%
2007:	5	$299 mm	1%	0.02%
2006:	4	$343 mm	3%	0.06%

Small Cap Value Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
*2015:	19	$1.0 bn	1%	0.05%
2014:	18	$1.1 bn	2%	0.26%
2013:	16	$1.1 bn	2%	0.56%
2012:	16	$957 mm	3%	0.20%
2011:	17	$923 mm	4%	0.08%
2010:	16	$682 mm	4%	0.16%
2009:	14	$698 mm	4%	0.90%
2008:	14	$560 mm	5%	0.20%
2007:	15	$856 mm	3%	0.10%
2006:	15	$1.1 bn	9%	0.85%

Small Cap Value Equity II:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
*2015:	3	$478 mm	1%	N/A
2014:	4	$444 mm	1%	N/A
2013:	4	$370 mm	1%	N/A
2012:	4	$304 mm	1%	N/A
2011:	5	$272 mm	1%	0.10%
2010:	6	$300 mm	2%	0.24%
2009:	6	$239 mm	1%	0.98%
2008:	7	$161 mm	1%	0.20%
2007:	7	$320 mm	1%	0.06%
2006:	7	$505 mm	4%	0.47%

Long/Short Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
*2015:	2	$687 mm	1%	N/A
2014:	2	$958 mm	1%	N/A
2013:	2	$965 mm	2%	N/A
2012:	2	$829 mm	3%	N/A
2011:	2	$626 mm	3%	N/A
2010:	2	$440 mm	2%	N/A
2009:	2	$189 mm	1%	N/A
2008:	2	$36 mm	0%	N/A
2007:	2	$75 mm	0%	N/A
2006:	3	$156 mm	1%	N/A

Long/Short Research:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
*2015:	1	$7.2 bn	9%	N/A
2014:	1	$6.0 bn	8%	N/A
2013:	1	$2.9 bn	6%	N/A
2012:	1	$492 mm	2%	N/A
2011:	1	$97 mm	0%	N/A
2010:	1	$9 mm	0%	N/A
2009:	1	$5 mm	0%	N/A
2008:	1	$3 mm	0%	N/A
2007:	1	$4 mm	0%	N/A
2006:	1	$3 mm	0%	N/A

Global Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
*2015:	3	$432 mm	1%	N/A
2014:	1	$27 mm	0%	N/A
2013:	2	$66 mm	0%	N/A
2012:	2	$18 mm	0%	N/A
2011:	1	$8 mm	0%	N/A
2010:	1	$9 mm	0%	N/A
2009:	1	$8 mm	0%	N/A
**2008:	1	$6mm	0%	N/A

* 2008 performance period is from July 1.

International Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
*2015:	1	$261 mm	0%	N/A
2014:	2	$33 mm	0%	N/A
2013:	2	$20 mm	0%	N/A
2012:	2	$18 mm	0%	N/A
2011:	1	$6 mm	0%	N/A
2010:	1	$6 mm	0%	N/A
2009:	1	$6 mm	0%	N/A
**2008:	1	$4 mm	0%	N/A

** 2008 performance period is from July 1.

Global Long/Short Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
*2015:	1	$629 mm	1%	N/A
2014:	1	$125 mm	0%	N/A
**2013:	1	$3 mm	0%	N/A

** 2013 performance period is from July 1.

*Data are preliminary and unaudited.

Boston Partners

Performance Disclosures (continued)

Firm Assets:

Year	Assets (mm)	Year	Assets (mm)
***2015:**	$78,363	**2010:**	$18,418
2014:	$73,250	**2009:**	$17,207
2013:	$52,333	**2008:**	$11,540
2012:	$29,023	**2007:**	$26,554
2011:	$21,098	**2006:**	$12,456

*Data are preliminary and unaudited.

2005 through 2006 firm assets represents BPAM assets under management prior to merger into BP.

Other Disclosures

BP has adjusted the S&P and Russell sector classifications to group stocks according to similar business product lines and correlation of stock returns. BP's classifications are similar to the major market indices in terms of breadth but may differ in terms of composition. All product characteristics and sector weightings are calculated using a representative portfolio.

Risk statistics are calculated using composite data. Portfolio composition is subject to change and information contained in this publication may not be representative of the current portfolio. Effective January 1, 2011; BP adopted a significant cash flow policy for this composite in accordance with the Global Investment Performance Standards. If an external cash flow is greater than or equal to 10.0% of the beginning market value of the portfolio on the day of the flow, and greater than or equal to 10.0% of the beginning market value of the composite for that month then the portfolio is removed from the composite for the month that the flow occurred. The portfolio is then placed back into the composite in accordance with Firm's inclusion policies and procedures.

BP changed the names of its composites in August 2016 after the firm changed its name.

BP participates in Initial Public Offerings (IPOs) as described in its Form ADV, Part II. IPO contributions to performance vary from year to year depending on availability and prevailing market conditions. IPO contributions may have a significant positive effect on performance when initially purchased. Such positive performance should not be expected for future performance periods.

Annual Fee Schedules

Large Cap: 70 basis points ("bp") on the first $10 million in assets; 50 bp on the next $40 million; 40 bp on the next $50 million; 30 bp thereafter. **130/30 Large Cap:** 100 basis points ("bp") on the first $10 million in assets; 80 bp on the next $40 million; 70 bp on the next $50 million; 60 bp thereafter. **Premium Equity:** 80 bp on the first $25 million of assets; 60 bp on the next $25 million; 50 bp on the next $50 million; 40 bp thereafter. **Mid Cap:** 80 bp on the first $25 million of assets; 60 bp thereafter. **Small/Mid Cap, Small Cap, and Small Cap II:** 100 bp on the first $25 million of assets; 80 bp thereafter. **Long/Short:** 100 bp on total assets under management; plus 20% profit participation. **Long/Short Research:** 150 basis points.

Global Equity and International Equity are: 75 basis points ("bp") on the first $25 million in assets; 65 bp on the next $25 million; 55 bp on the next $50 million; 50 bp thereafter. **Global Long/Short:** 200 bp on total assets under management. **Europe Equity:** 75 basis points ("bp") on the first $25 million in assets; 65 bp on the next $25 million; 55 bp on the next $50 million; 50 bp thereafter. **Emerging Markets Long/Short:** 225 bp on total assets under management.

Corporate Information

Boston Partners Global Investors, Inc. ("BP" or "Boston Partners") is affiliated with listed corporations through common ownership. Robeco services may be offered in the U.S. through Robeco Institutional Asset Management, U.S., SAM investment services may be offered in the U.S. by RobecoSAM USA, Inc., each an SEC Registered Investment Adviser registered under the Investment Advisers Act of 1940. Transtrend products and Robeco SAM products may be offered in the U.S. through Boston Partners Securities, LLC, member FINRA, SiPC. Harbor Capital Advisers products are distributed by Harbor Funds Distributors, Inc.

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
20	09/14/16	Retirement	Action	08/06/16

Subject: Receive and File Investment Performance Results for the ATU/IBEW and Salaried Employee Retirement Plans for the Quarter Ended June, 2016 (ALL). (Bernegger)

ISSUE

Receive and File Investment Performance Results for the ATU/IBEW and Salaried Employee Retirement Plans for the Quarter Ended June, 2016 (ALL). (Bernegger)

RECOMMENDED ACTION

Motion: Receive and File Investment Performance Results for the ATU/IBEW and Salaried Employee Retirement Plans for the Quarter Ended June, 2016 (ALL). (Bernegger)

FISCAL IMPACT

None.

DISCUSSION

Pension funds are invested consistent with the Statement of Investment Objectives and Policy Guidelines adopted by each Retirement Board. Attached are the two investment performance reports prepared by the Boards' pension investment consultants. The first report is the Second Quarter 2016 Market Update (Attachment 1) and the second is the Investment Measurement Service Quarterly Review as of June 30, 2016 (Attachment 2). These reports provide a detailed analysis of the performance of each of the seven investment managers retained by the Retirement Boards to manage the Retirement Funds for the quarter ended June 30, 2016. The second report compares the performance of each investment manager with benchmark indices, other fund managers of similarly invested portfolios and other indices.

The next investment performance report, being presented at the December Quarterly Retirement Board Meeting, will cover eight managers, including AQR, the newest investment manager retained by the Retirement Boards. Funds were invested in the AQR International Small Cap Equity Fund as of August 1, 2016

Investment Compliance Monitoring

In accordance with the Statement of Investment Objectives and Policy Guidelines for the Sacramento Regional Transit District Retirement Plans (Investment Policy), State Street Bank performs daily investment compliance monitoring on the Plans' three (3) actively managed funds. As of June 30, 2016, there were no compliance warnings or alerts to be reported; therefore, the investments are in compliance with the Investment Policy. The final attached report includes the monitoring summary (Attachment 3).

Approved:	Presented:
Final 08/26/16	
Chief Financial Officer, Acting	Senior Accountant

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
20	09/14/16	Retirement	Action	08/06/16

Subject: Receive and File Investment Performance Results for the ATU/IBEW and Salaried Employee Retirement Plans for the Quarter Ended June, 2016 (ALL). (Bernegger)

The table below provides an overview of the quarter performance, quarter ending June 30, 2016 – gross of investment management fees:

Investment Manager - Description - Benchmark	Benchmark Index	ATU/IBEW & Salaried Fund	Investment Gains/ (Losses)	Pension Fund Contributions/ (Withdrawals)
Boston Partners (large cap value) Russell 1000 Value	4.58%	1.55%	$592,781	-
S&P 500 Index	2.46%	2.44%	$968,538	-
Atlanta Capital (small cap) Russell 2000	3.79%	**4.16%**	$870,693	$(450,701)
Brandes (international equities) MSCI EAFE	-	-	$(2,337)	-
JPMorgan (international equities) MSCI EAFE	(1.46%)	**(0.13%)**	$(28,089)	-
MSCI EAFE Index	(1.46%)	**(1.26%)**	$(262,060)	-
Dimensional Fund Advisors (emerging markets) MSCI EM	0.80%	**2.38%**	$269,169	$262,195
Metropolitan West (fixed income) Barclays Agg.	2.21%	2.09%	$1,802,809	$(496,034)
Totals	1.66%	**1.75%**	$4,211,505	$(684,540)

Bold – fund exceeding respective benchmark

The table below provides an overview of the year to date performance, as of June 30, 2016 – net of investment management fees:

Investment Manager - Description - Benchmark	Benchmark Index	ATU/IBEW & Salaried Fund	Investment Gains/(Loss)	Pension Fund Contributions/ (Withdrawals)
Boston Partners (large cap value) Russell 1000 Value	2.86%	(3.63%)	$(1,457,556)	$-
S&P 500 Index	3.99%	**4.05%**	$1,547,334	$(85,930)
Atlanta Capital (small cap) Russell 2000	(6.73%)	**4.24%**	$887,946	$(693,859)
Brandes (international equities) MSCI EAFE	-	-	$(2,381)	-
JPMorgan (international equities) MSCI EAFE	(10.16%)	(12.59%)	$(3,046,059)	$-
MSCI EAFE Index	(10.16%)	**(9.95%)**	$(2,268,133)	$-
Dimensional Fund Advisors (emerging markets) MSCI EM	(11.71%)	**(8.77%)**	$(1,131,561)	$942,254
Metropolitan West (fixed income) Barclays Agg.	6.00%	4.84%	$4,094,248	$(1,767,484)
Totals	0.32%	(0.50%)	$(1,376,162)	$(2,485,886)

Bold – fund exceeding respective benchmark

Callan

September 14, 2016

Sacramento Regional Transit District

Second Quarter 2016 Market Update

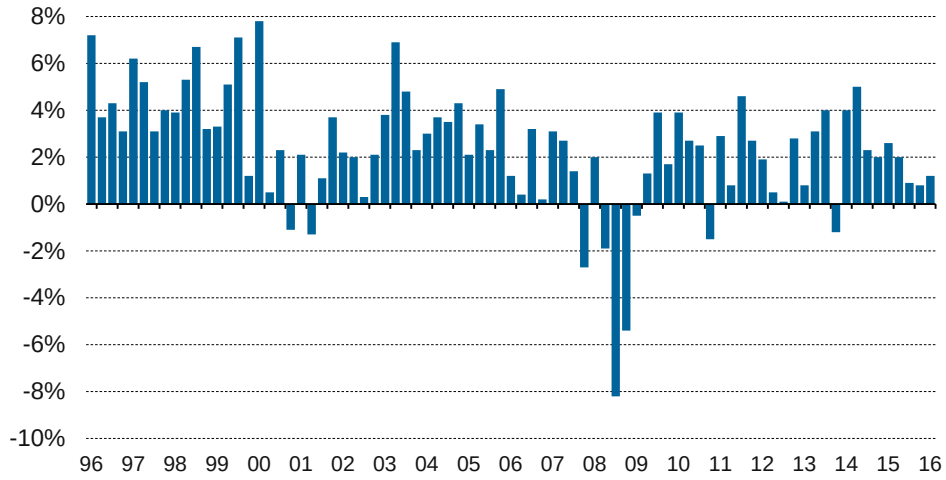
Anne Heaphy
SF Fund Sponsor Consulting

Uvan Tseng, CFA
SF Fund Sponsor Consulting

Economic Commentary

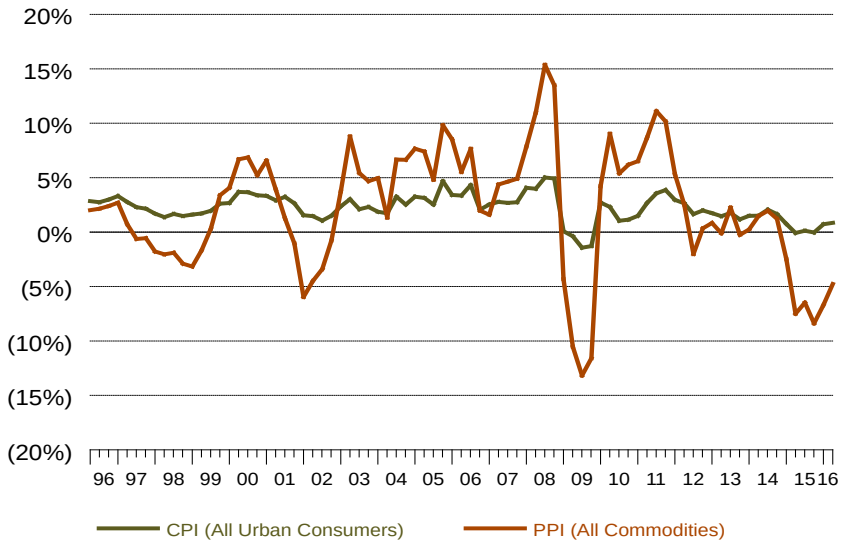
Second Quarter 2016

Quarterly Real GDP Growth (20 Years)



Source: Bureau of Economic Analysis

Inflation Year-Over-Year

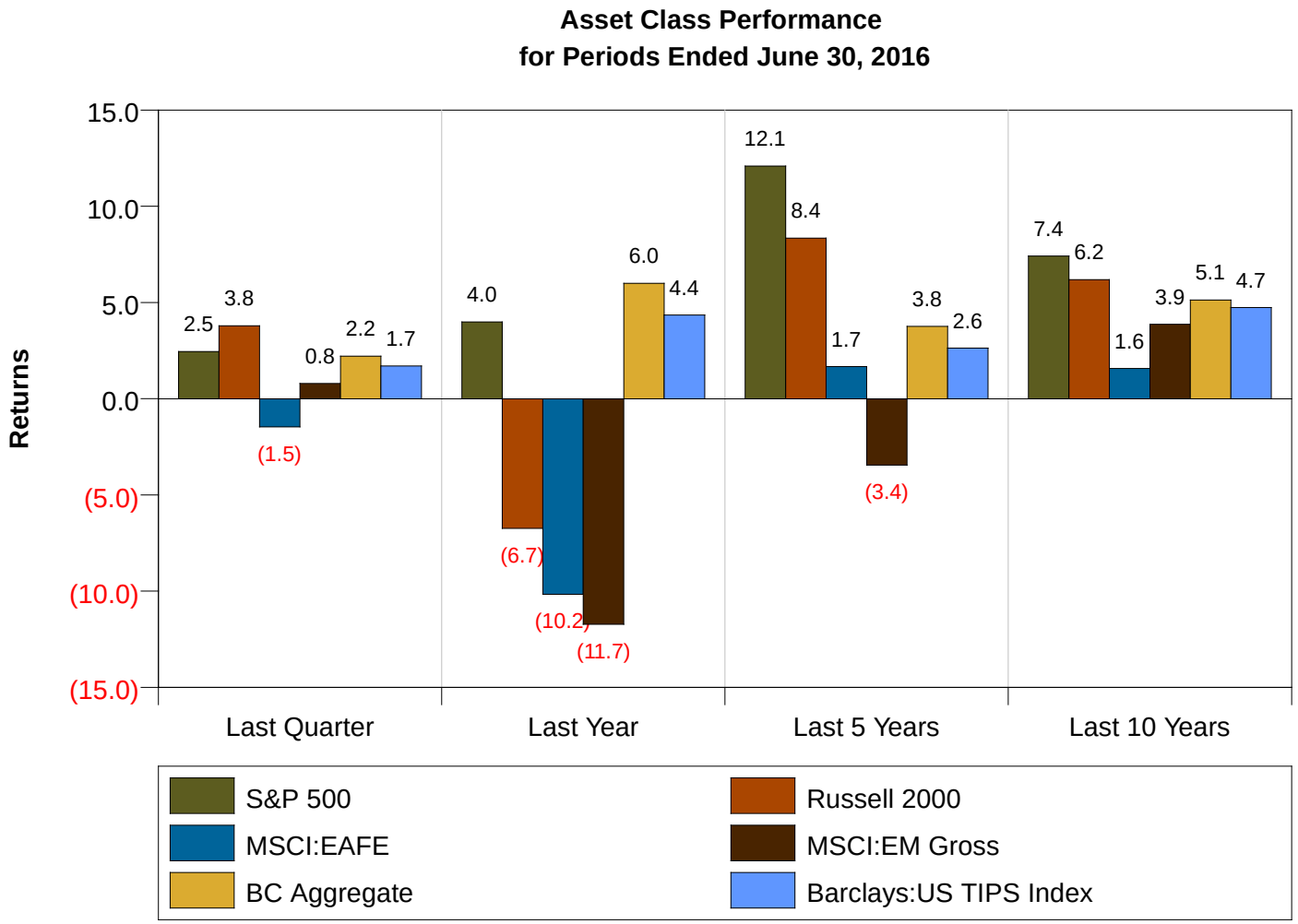


Source: Bureau of Labor Statistics

- The US economy appeared to be carrying on, as indicators pointed toward the strongest growth in consumption in a decade. Unfortunately, the first estimate of second quarter GDP growth was disappointing at just 1.2%, despite consensus expectations for a rate of 2% or higher. The revision to the first quarter result was also disappointing, pulled down from 1.1% to just 0.8%.
- The job market faltered during the second quarter and was likely a primary factor in derailing what looked to be a certain Fed rate hike in June. April job gains slowed to 144,000 after averaging close to 200,000 during the first quarter, and then plummeted to just 11,000 in May, before recovering to 287,000 in June. The unemployment rate remains below 5%, although it bounced up from 4.7% to 4.9%, as more people re-joined the workforce.
- Inflation remains tame. For the trailing 12 months ended June, headline CPI was +1.0%, and Core CPI (excluding food and energy) registered at +2.2%, even with higher energy prices.

Asset Class Performance

Periods Ended June 30, 2016



<u>YTD as of 9/13/16:</u>

S&P 500:

Russell 2000:

MSCI EAFE:

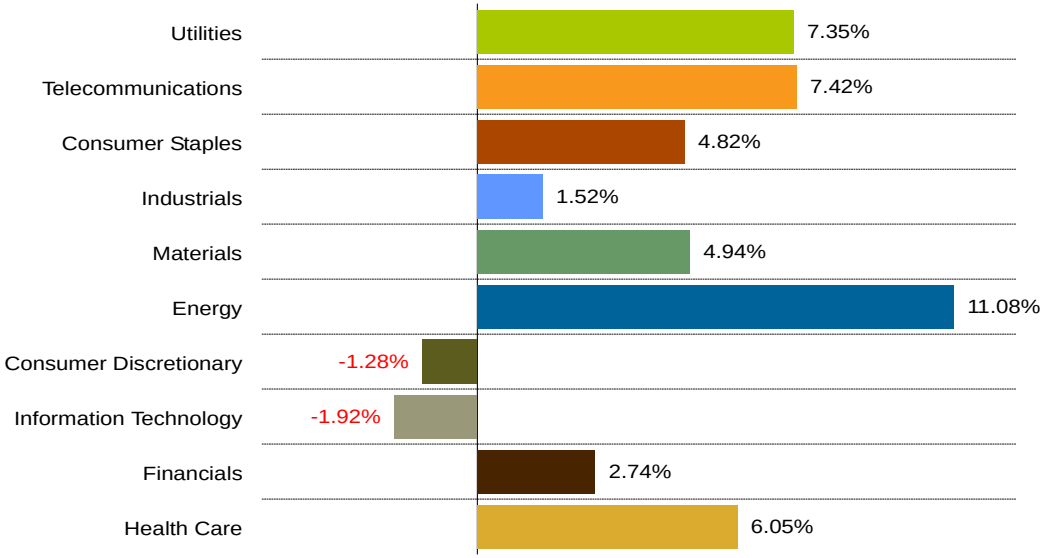
MSCI EM:

BC Aggregate:

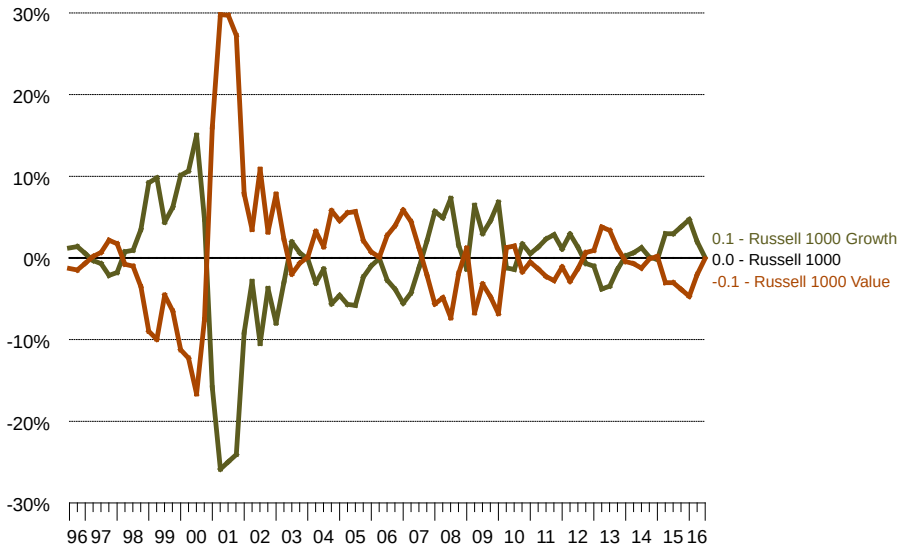
BC TIPS:

U.S. Equity

Second Quarter 2016



Rolling One-Year Relative Returns (versus Russell 1000 Index)



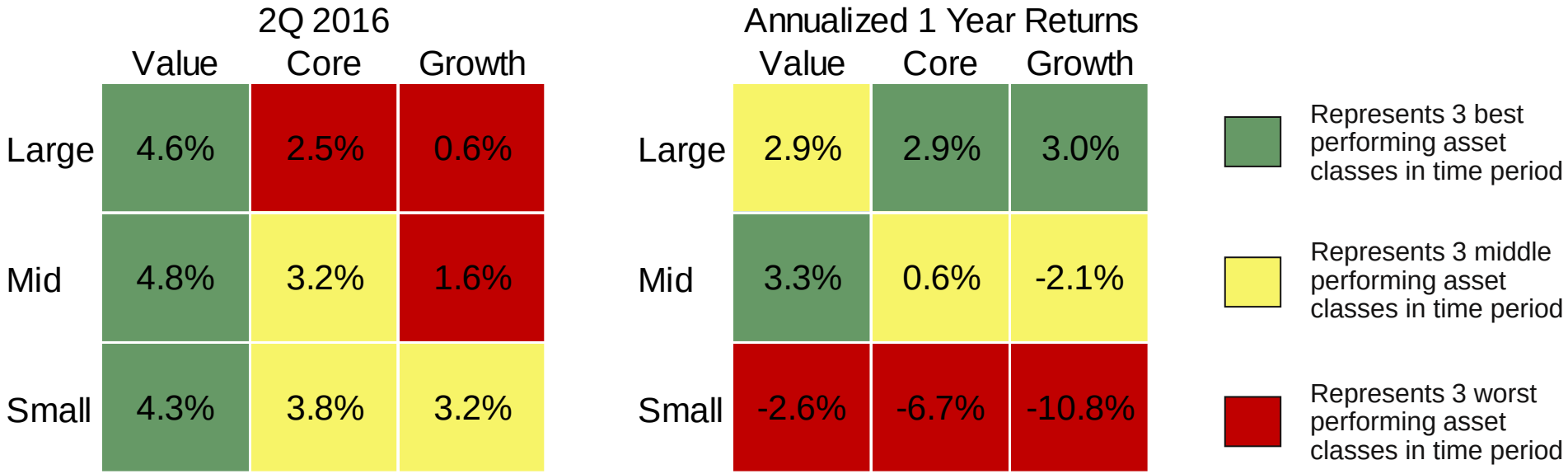
Second Quarter Index Returns

Russell 3000:	2.63%
S&P 500:	2.46%
Russell Mid Cap:	3.18%
Russell 2000:	3.79%

Source: Russell Investment Group

U.S. Equity Style Returns

Periods Ended June 30, 2016



- Last Quarter: Value outperformed growth across the cap spectrum but performance across size was mixed.
- Trailing Year: Large cap stocks generally outperformed small and mid cap stocks across the style spectrum.

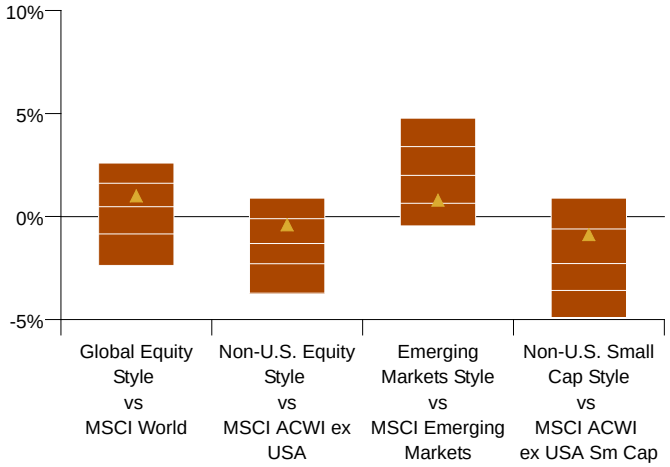
Large Cap Core is represented by the Russell Top 200 Index, Large Cap Value is represented by the Russell Top 200 Value Index and Large Cap Growth is represented by the Russell Top 200 Growth Index. Mid Cap Core is represented by the Russell Mid Cap Index, Mid Cap Value is represented by the Russell Mid Cap Value Index and Mid Cap Growth is represented by the Russell Mid Cap Growth Index. Small Cap Core is represented by the Russell 2000 Index, Small Cap Value is represented by the Russell 2000 Value Index and Small Cap Growth is represented by the Russell 2000 Growth Index.

Non-US Equity

Second Quarter 2016

- Despite the Brexit vote, the MSCI ACWI ex USA (-0.4%) ended the quarter only slightly negative buoyed by dovish central bank policies as well as a strong rebound in commodity prices.
- The MSCI Emerging Markets Index (+0.8%) bested its developed counterparts in the MSCI World ex USA (-1.1%).
- As Brexit dominated the headlines, European equity markets fell sharply only to rally in the final few days and the MSCI Europe Index finished the quarter down -2.7%.

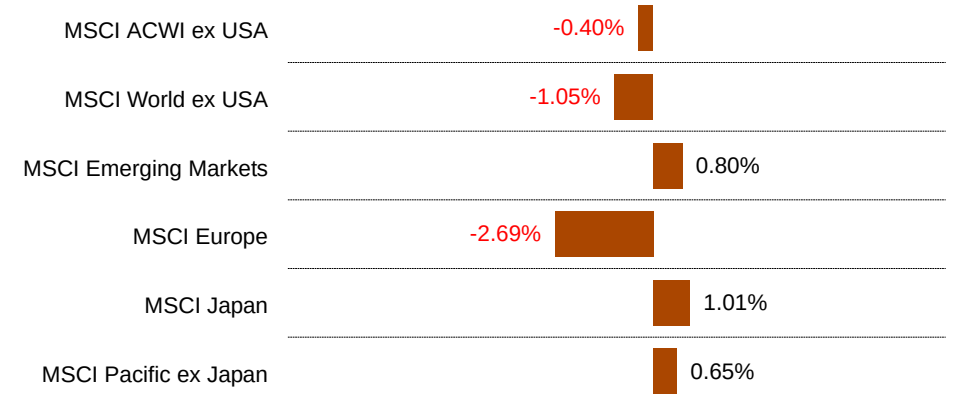
Callan Style Group Quarterly Returns



	Global Equity Style vs MSCI World	Non-U.S. Equity Style vs MSCI ACWI ex USA	Emerging Markets Style vs MSCI Emerging Markets	Non-U.S. Small Cap Style vs MSCI ACWI ex USA Sm Cap
10th Percentile	2.60	0.90	4.78	0.90
25th Percentile	1.62	-0.11	3.40	-0.60
Median	0.48	-1.31	2.00	-2.28
75th Percentile	-0.84	-2.29	0.65	-3.59
90th Percentile	-2.37	-3.72	-0.45	-4.90
Benchmark ▲	1.01	-0.40	0.80	-0.87

Sources: Callan, MSCI

Regional Quarterly Performance (U.S. Dollar)

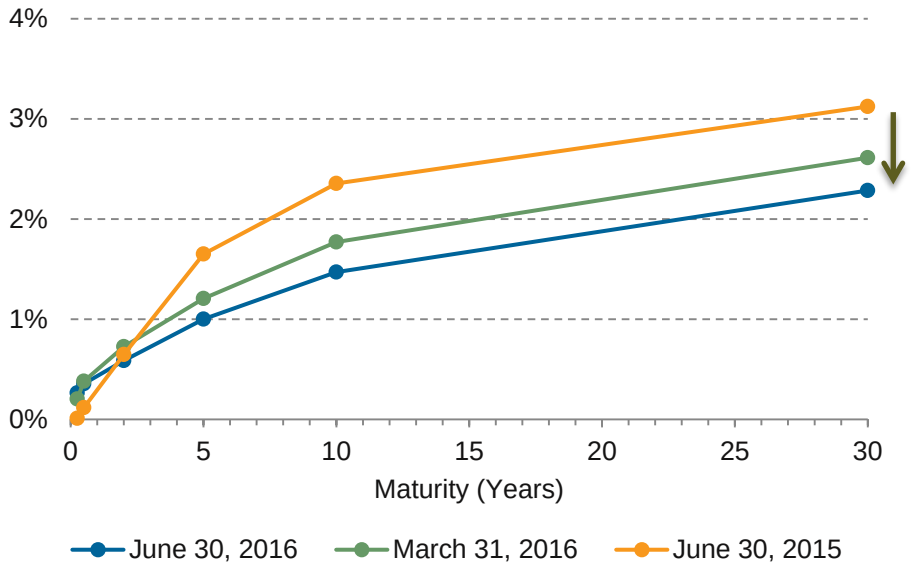


Source: MSCI

Fixed Income

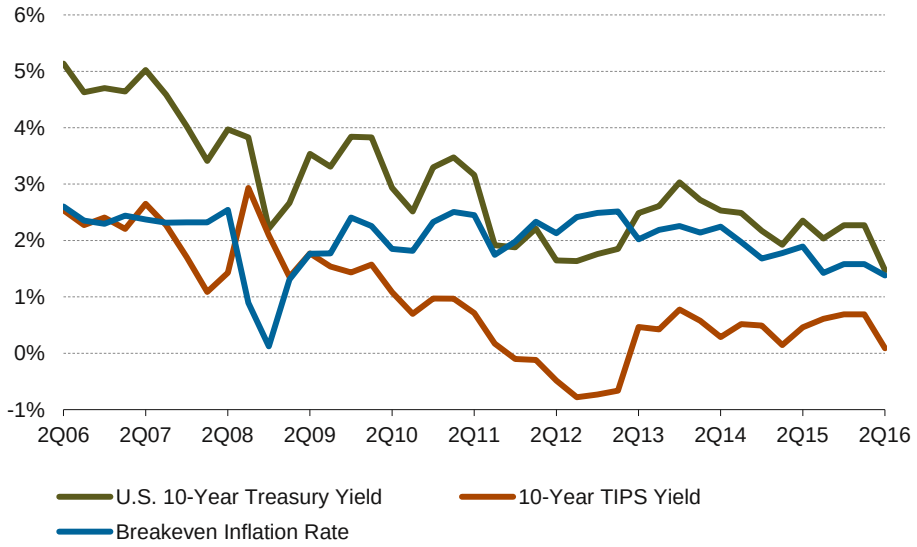
Second Quarter 2016

U.S. Treasury Yield Curves



Source: Bloomberg

Historical 10-Year Yields



Source: Bloomberg

- At its June meeting (prior to the Brexit vote), the FOMC opted to leave rates unchanged given worries over surprisingly weak labor reports and an uncertain global economic picture.
- Treasuries rallied in a flight to quality during the second quarter as US economic data and trepidation surrounding the UK's Brexit dominated activity. The negative yield environment around the globe further contributed to downward pressure on US yields. Yields declined across the maturity spectrum with the 10-year yield closing the quarter at 1.5%, its lowest level in nearly three years.
- TIPS underperformed nominal Treasuries as inflation expectations declined. The 10-year TIPS yield declined to 0.1%.

Callan

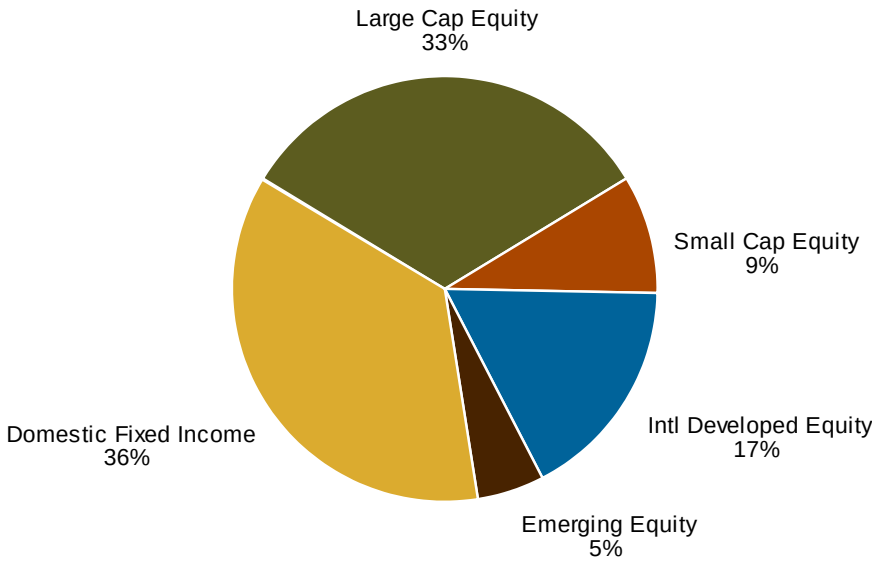
Sacramento Regional Transit District

Total Fund Overview

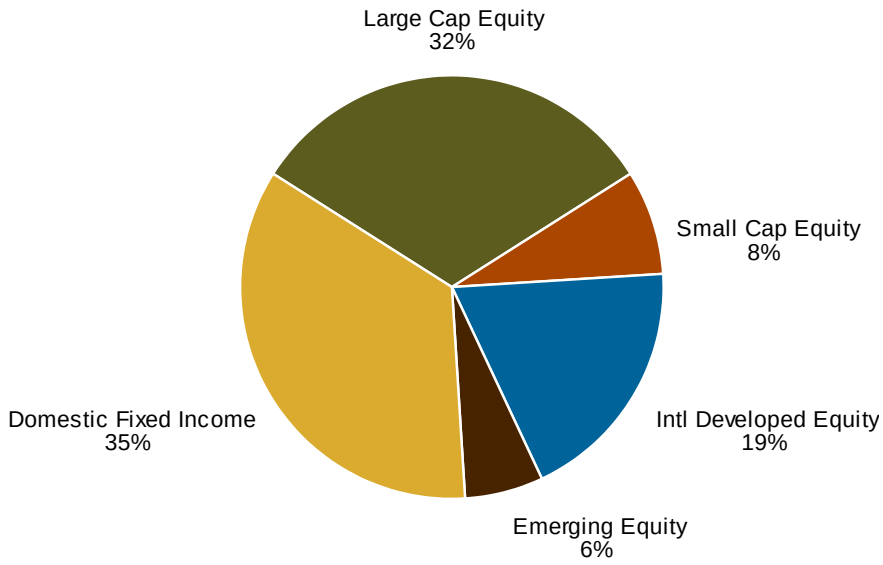
RT Asset Allocation

As of June 30, 2016

Actual Asset Allocation



Target Asset Allocation



Asset Class	$000s Actual	Weight Actual	Target	Percent Difference	$000s Difference
Large Cap Equity	79,539	32.6%	32.0%	0.6%	1,450
Small Cap Equity	21,950	9.0%	8.0%	1.0%	2,428
Intl Developed Equity	41,842	17.1%	19.0%	(1.9%)	(4,524)
Emerging Equity	12,537	5.1%	6.0%	(0.9%)	(2,105)
Domestic Fixed Income	88,160	36.1%	35.0%	1.1%	2,750
Total	244,029	100.0%	100.0%		

Total Fund

Performance Attribution

Relative Attribution Effects for Quarter ended June 30, 2016

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	33%	32%	2.00%	2.46%	(0.15%)	0.00%	(0.15%)
Small Cap Equity	9%	8%	4.16%	3.79%	0.03%	0.02%	0.05%
Domestic Fixed Income	36%	35%	2.09%	2.21%	(0.05%)	0.00%	(0.05%)
International Developed E	18%	19%	(0.69%)	(1.46%)	0.14%	0.03%	0.17%
Emerging Equity	5%	6%	2.38%	0.80%	0.08%	(0.01%)	0.08%
Total			**1.75%**	**= 1.66%**	**+ 0.05%**	**+ 0.04%**	**0.10%**

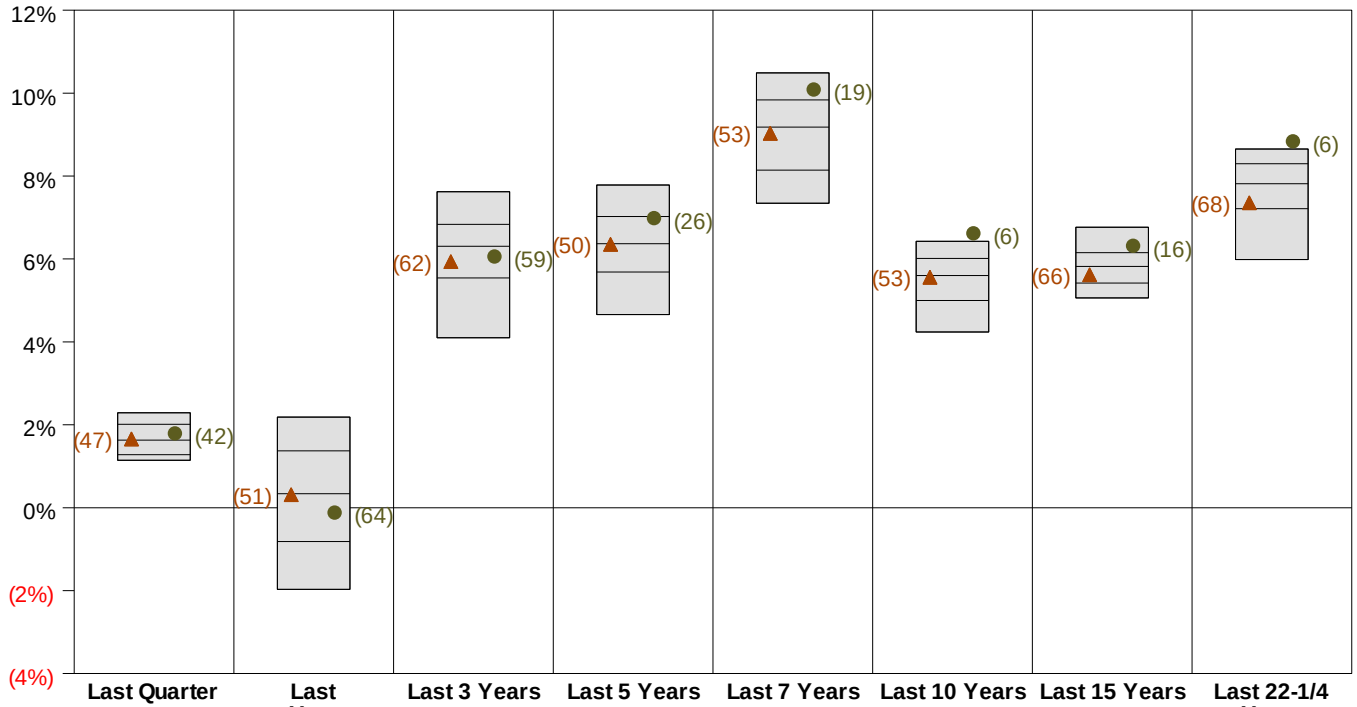
One Year Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	0.47%	3.99%	(1.12%)	(0.02%)	(1.14%)
Small Cap Equity	9%	8%	5.06%	(6.73%)	1.02%	(0.06%)	0.96%
Domestic Fixed Income	36%	35%	5.13%	6.00%	(0.31%)	(0.13%)	(0.43%)
International Developed E	18%	19%	(10.95%)	(10.16%)	(0.17%)	0.04%	(0.13%)
Emerging Equity	5%	6%	(8.20%)	(11.71%)	0.19%	0.09%	0.27%
Total			**(0.16%)**	**= 0.32%**	**+ (0.40%)**	**+ (0.07%)**	**(0.47%)**

Total Fund

Performance as of June 30, 2016

Performance vs CAI Public Fund Sponsor - Mid (100M-1B) (Gross)



	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 15 Years	Last 22-1/4 Years
10th Percentile	2.29	2.18	7.62	7.78	10.49	6.43	6.77	8.65
25th Percentile	2.01	1.37	6.83	7.02	9.84	6.01	6.15	8.30
Median	1.63	0.34	6.31	6.37	9.18	5.60	5.82	7.81
75th Percentile	1.28	(0.81)	5.54	5.69	8.14	5.00	5.42	7.21
90th Percentile	1.15	(1.97)	4.10	4.66	7.35	4.24	5.06	5.99
Total Fund ●	1.75	(0.16)	6.02	6.95	10.05	6.58	6.28	8.80
Target ▲	1.66	0.32	5.93	6.35	9.03	5.56	5.62	7.36

Total Fund

Manager Asset Allocation

	June 30, 2016 Market Value	Net New Inv.	Inv. Return	March 31, 2016 Market Value
Consolidated Plan				
Domestic Equity	**$101,489,682**	**$(450,701)**	**$2,432,012**	**$99,508,371**
Large Cap	**$79,539,377**	**$0**	**$1,561,319**	**$77,978,058**
Boston Partners	38,934,826	0	592,781	38,342,045
SSgA S&P 500	40,604,552	0	968,538	39,636,013
Small Cap	**$21,950,305**	**$(450,701)**	**$870,693**	**$21,530,313**
Atlanta Capital	21,950,305	(450,701)	870,693	21,530,313
International Equity	**$54,379,062**	**$262,195**	**$(23,316)**	**$54,140,183**
International Developed Equity	**$41,841,859**	**$0**	**$(292,486)**	**$42,134,345**
Brandes	9,226	0	(2,337)	11,563
JP Morgan	21,281,757	0	(28,089)	21,309,845
SSgA EAFE	20,550,876	0	(262,060)	20,812,936
Emerging Equity	**$12,537,203**	**$262,195**	**$269,169**	**$12,005,838**
DFA Emerging Markets	12,537,203	262,195	269,169	12,005,838
Fixed Income	**$88,160,477**	**$(496,033)**	**$1,802,809**	**$86,853,701**
Metropolitan West	88,160,477	(496,033)	1,802,809	86,853,701
Total Plan - Consolidated	**$244,029,222**	**$(684,540)**	**$4,211,505**	**$240,502,256**

Total Fund

Manager Returns as of June 30, 2016

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Domestic Equity	**2.45%**	**1.43%**	**10.58%**	**12.26%**	**15.14%**
Custom Benchmark**	2.71%	1.91%	10.83%	11.43%	14.78%
Large Cap Equity	**2.00%**	**0.47%**	**9.99%**	**12.07%**	**-**
Boston Partners	1.55%	(3.10%)	8.28%	11.52%	14.39%
Russell 1000 Value Index	4.58%	2.86%	9.87%	11.35%	14.50%
SSgA S&P 500	2.44%	4.09%	11.71%	-	-
S&P 500 Index	2.46%	3.99%	11.66%	12.10%	14.92%
Small Cap Equity	**4.16%**	**5.06%**	**12.73%**	**13.00%**	**-**
Atlanta Capital	4.16%	5.06%	12.73%	13.00%	-
Russell 2000 Index	3.79%	(6.73%)	7.09%	8.35%	13.94%
International Equity	**(0.04%)**	**(10.38%)**	**1.46%**	**1.16%**	**5.33%**
Custom International Benchmark***	(0.97%)	(10.37%)	1.41%	1.29%	5.68%
International Developed Equity	**(0.69%)**	**(10.95%)**	**1.81%**	**-**	**-**
JP Morgan	(0.13%)	(11.97%)	1.37%	1.90%	6.71%
SSgA EAFE	(1.26%)	(9.86%)	2.31%	-	-
MSCI EAFE Index	(1.46%)	(10.16%)	2.06%	1.68%	5.97%
Emerging Equity	**2.38%**	**(8.20%)**	**0.47%**	**-**	**-**
DFA Emerging Markets	2.38%	(8.20%)	0.47%	-	-
MSCI Emerging Mkts Idx	0.80%	(11.71%)	(1.21%)	(3.44%)	4.14%
Domestic Fixed Income	**2.09%**	**5.13%**	**4.08%**	**4.52%**	**7.18%**
Met West	2.09%	5.13%	4.08%	4.52%	7.18%
BC Aggregate Index	2.21%	6.00%	4.06%	3.76%	4.58%
Total Plan	**1.75%**	**(0.16%)**	**6.02%**	**6.95%**	**10.05%**
Target*	1.66%	0.32%	5.93%	6.35%	9.03%

*Current quarter target = 35% BC Agg, 32% S&P 500, 19% MSCI EAFE, 6% MSCI Emerging Markets Index and 8% Russell 2000

Callan

June 30, 2016

Sacramento Regional Transit District Retirement Plans

Investment Measurement Service Quarterly Review

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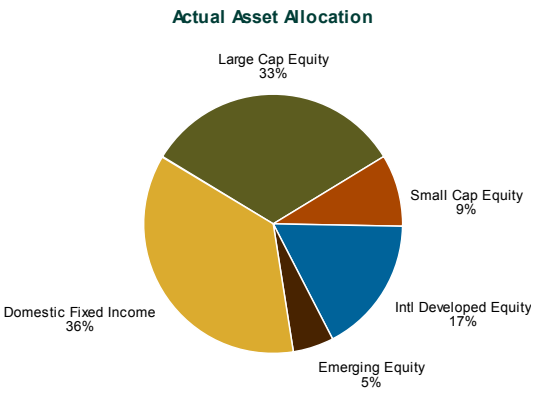
June 30, 2016

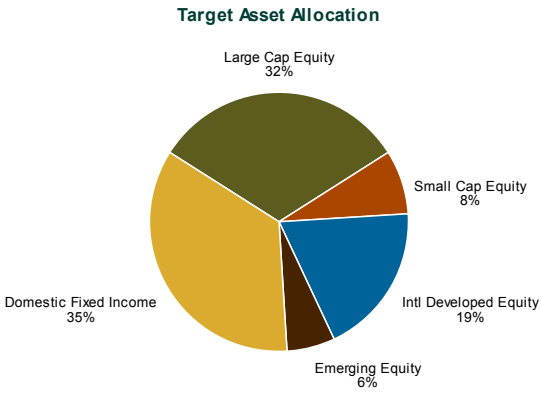
Executive Summary

Sacramento Regional Transit District

Executive Summary for Period Ending June 30, 2016

Asset Allocation





Performance

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Total Plan	**1.75%**	**(0.16%)**	**6.02%**	**6.95%**	**10.05%**
Target*	1.66%	0.32%	5.93%	6.35%	9.03%

Recent Developments

N/A

Organizational Issues

N/A

Manager Performance

	Peer Group Ranking		
Manager	**Last Year**	**Last 3 Years**	**Last 7 Years**
Boston Partners	74	80	31
Atlanta Capital	2	3	[14]
JP Morgan	84	83	70
DFA	44	[25]	[22]
MetWest	94	83	3

Brackets indicate performance linked with manager's composite

Watch List

- JP Morgan

Items Outstanding

N/A

Anne Heaphy
Vice President

Uvan Tseng, CFA
Senior Vice President

*Current quarter target = 35% BC Agg, 32% S&P 500, 19% MSCI EAFE, 6% MSCI Emerging Markets Index and 8% Russell 2000

Capital Markets Review

Callan

Second Quarter 2016

Keep Calm and Carry On

ECONOMY

2 PAGE

Despite global turmoil, all indicators of the U.S. economy pointed toward the strongest growth in consumption in a decade. But a disappointing first read on GDP for the second quarter is likely to give the Fed enough reason to delay a much-anticipated September rate hike.

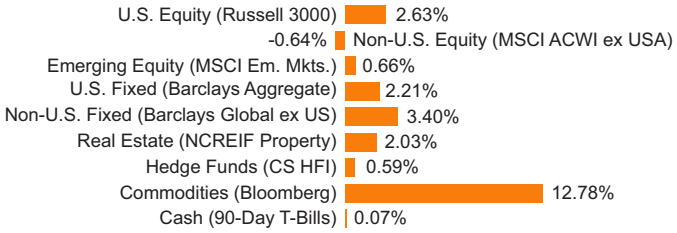
Any Relief in Sight?

FUND SPONSOR

4 PAGE

Corporate funds outperformed all others during the quarter because of their higher exposure to U.S. fixed income investments. But that brought little relief for their funding status, which fell by more than 3 percentage points.

Broad Market Quarterly Returns



Sources: Barclays, Bloomberg, Citigroup, Credit Suisse Hedge Index, Merrill Lynch, MSCI, NCREIF, Russell Investment Group

Greener Grass

U.S. EQUITY

6 PAGE

The **S&P 500** ended the quarter only 1.5% below its all-time high achieved in May 2015, indicating that for investors wary of the turbulence around the world, the grass does appear to be greener in the United States.

Fasten Your Seat Belts

NON-U.S. EQUITY

9 PAGE

Markets around the world ended the quarter relatively stable despite the Brexit vote, with the **MSCI ACWI ex USA Index** down only slightly (-0.64%), and the **MSCI Pacific Index** up a bit (+0.87%). The **MSCI Europe Index**, not surprisingly, finished down more 2.69%.

Rally Across the Board

U.S. FIXED INCOME

12 PAGE

All sectors rallied during the quarter and produced positive returns, with investment-grade corporates leading the way, as investors assessed the broad strength of the U.S. economy and relatively attractive opportunities with the U.S. fixed income markets in the wake of Brexit.

How Low Can Rates Go?

NON-U.S. FIXED INCOME

15 PAGE

Major global bond indices showed positive returns for the quarter, as sovereign yields fell. Most major global currencies weakened against the U.S. dollar; the British pound was hit hardest. Emerging market bonds continued to rebound despite a bumpy ride.

It Really Is Location, Location, Location

REAL ESTATE

17 PAGE

The U.S. real estate market has become increasingly attractive and has captured nearly 30% of global capital allocations in 2016. Investors are flooding into the U.S. due to low government bond yields globally, Brexit uncertainties, and concerns about China's slowing growth.

Sticker Shock

PRIVATE EQUITY

19 PAGE

Fundraising surged in the second quarter, with a large jump in venture capital. The investment pace by funds into companies slowed, but the amount invested into VC companies increased. And IPOs by both buyout-backed and VC-backed firms increased in the quarter.

Caution as Britannia Waives the Rule

HEDGE FUNDS

20 PAGE

Hedge funds eked out modest gains in the second quarter, with convertible arb funds performing best and short bias the worst. Emerging market and fixed income arb funds showed positive returns, making up for losses in the first quarter.

Target Date Funds Continue to Rule

DEFINED CONTRIBUTION

21 PAGE

As usual, target date funds attracted most of the assets during the first quarter, and now command more than a quarter of total DC assets. But the **Callan DC Index** lagged the Age 45 Target Date Fund by 42 bps in the quarter.

Keep Calm and Carry On

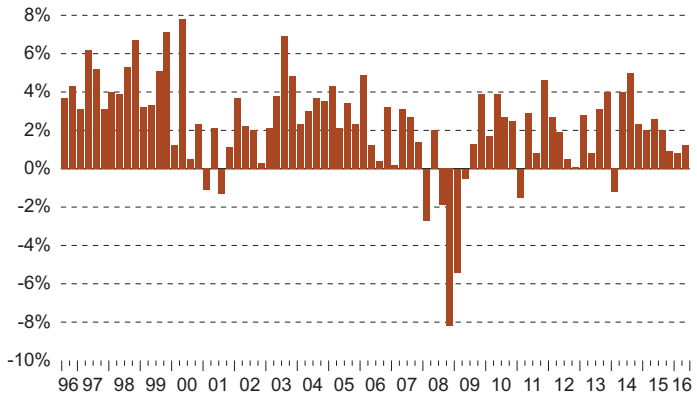
ECONOMY | Jay Kloepfer

Voters in the United Kingdom narrowly approved a referendum to leave the European Union on June 23, and this unexpected result completely overshadowed everything else that happened in the global economy during the second quarter. Global bond yields fell to record lows, the British pound hit a 31-year low versus the U.S. dollar, and global equity markets plunged before quickly bouncing back to regain much of what they lost over a period of just a week.

In the background, the U.S. economy seemed to be calmly carrying on, as all indicators pointed toward the strongest growth in consumption in a decade. The first read of second-quarter gross domestic product (GDP) growth was therefore clearly disappointing at just 1.2%, dashing consensus expectations (or maybe just hopes) for a rate of 2% or higher. The revision to the first-quarter result was disappointing as well, pulled down from 1.1% to just 0.8%. The U.S. economy has now expanded by just 1.2% over the past year, the weakest 12-month gain since the reduction in Federal fiscal stimulus during 2013. Second-quarter growth was fueled by the standout strength in consumer spending, which increased at a robust rate of 4.2%. Gains in employment, disposable income, and home asset values (boosting household wealth)—along with low energy prices, modest inflation, and low interest rates—are providing the tailwind for consumers. Weighing down overall GDP growth is continued retrenchment in non-residential fixed investment, a blip downward in residential investment, and the fourth consecutive quarter of inventory reduction, which subtracted more than 1% from overall GDP growth. This weak GDP growth is likely to give the Federal Reserve sufficient reason to delay a much-anticipated September rate hike.

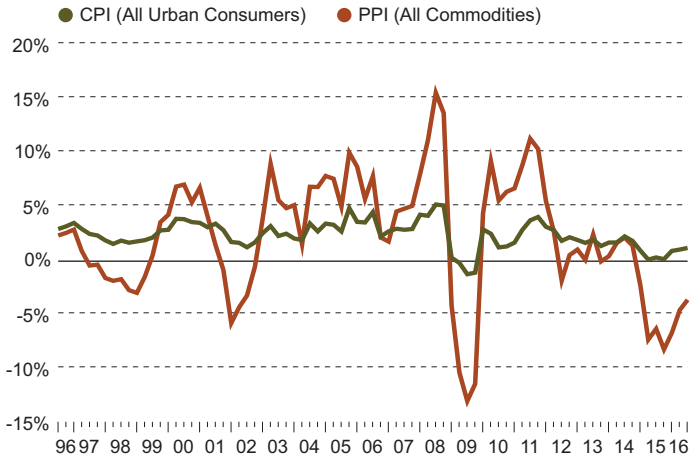
The job market gave quite a scare during the second quarter and was likely a primary factor in derailing what looked to be a certain Fed rate hike in June. April job gains slowed to 144,000 after averaging close to 200,000 during the first quarter, and then plummeted to just 11,000 in May, before recovering to an impressive 287,000 gain in June. The April and May jobs reports spurred fears that the economy was stalling, but the June gain may dispel some of those fears. As the U.S. economy approaches full employment, payroll gains can't grow at 200,000 per month indefinitely, let alone the 250,000 rate achieved in much of 2015. The unemployment rate remains below 5%, although it actually bounced up in June from 4.7% to 4.9% as more people rejoined the workforce. The biggest challenge for the labor market is the mismatch between the strong demand for skilled labor and the ample supply of relatively lower-skilled workers.

Quarterly Real GDP Growth (20 Years)



Source: Bureau of Economic Analysis

Inflation Year-Over-Year



Source: Bureau of Labor Statistics

The conundrum holding back stronger economic growth is the decline in company capital investment in a period of very low interest rates. Non-residential fixed investment fell in both the first and second quarters of 2016, dragged down by the collapse in drilling activity for oil and natural gas. The strong dollar has also hit exports and domestic sales of manufacturing industries exposed to international competition, and weak global growth has suppressed prices for agricultural goods. On a more positive note, the impact of these forces suppressing capital spending has peaked and is fading relative to last year. The Institute for Supply Management's index of manufacturing activity rose back above 50—the line between expansion and contraction—and reached a 16-month high in June, suggesting that manufacturing may have bottomed in the first quarter of the year. Another anomaly impacting GDP growth is the inventory buildup caused by last winter's warm weather. A huge buildup in natural gas stocks was to be expected, but oddly enough, the warm weather spurred excess inventories in wholesalers and retailers, and the correction has slowed demand from manufacturers.

The Brexit vote will likely be a small bump in the road for U.S. trade. U.S. exports of goods and services to the U.K. and the EU constitute just 1% and 3% of GDP, respectively. The damage to U.S. GDP will likely be limited to a few tenths of one percent. The larger impact may come from Brexit's potential to dampen consumer and business confidence and to complicate central governments' attempts to address global economic stagnation.

The European Central Bank (ECB) continued its efforts to stimulate euro-zone economies, where unemployment remains at 10%. The ECB began buying corporate bonds in June, reaching nearly 5 billion euros by the end of the month. The average yield on investment-grade European corporate debt dropped to a record low of less than 1%. Negative-yielding government debt in the euro zone surged to nearly $12 trillion. By comparison, U.S. yields look high, suggesting further downward pressure on seemingly rock-bottom U.S. interest rates is possible. The decline in U.S. rates since the start of the year caught most market participants by surprise. The consensus was for the U.S. to embark on a path to gradually higher rates, starting this year. As expectations for rising rates fade, the fear is that the optimism for growth which would have justified higher rates will fade, too.

The Long-Term View

Index	2016 2nd Qtr	Periods ended December 31, 2015 Year	5 Yrs	10 Yrs	25 Yrs
U.S. Equity					
Russell 3000	2.63	0.48	12.18	7.35	10.03
S&P 500	2.46	1.38	12.57	7.31	9.82
Russell 2000	3.79	-4.41	9.19	6.80	10.50
Non-U.S. Equity					
MSCI EAFE	-1.46	-0.81	3.60	3.03	5.40
MSCI Emerging Markets	0.66	-14.92	-4.80	3.61	–
S&P ex-U.S. Small Cap	-1.30	5.92	5.51	5.33	6.80
Fixed Income					
Barclays Aggregate	2.21	0.55	3.25	4.51	6.15
90-Day T-Bill	0.07	0.05	0.07	1.24	2.93
Barclays Long G/C	6.55	-3.30	6.98	6.45	8.08
Citi Non-U.S. Govt	3.40	-5.54	-1.30	3.05	5.37
Real Estate					
NCREIF Property	2.03	13.33	12.18	7.76	8.05
FTSE NAREIT Equity	6.96	3.20	11.96	7.41	12.13
Alternatives					
CS Hedge Fund	0.59	-0.71	3.55	4.97	–
Cambridge PE*	–	6.69	13.08	11.18	15.74
Bloomberg Commodity	12.78	-24.66	-13.47	-6.43	–
Gold Spot Price	6.88	-10.46	-5.70	7.41	4.02
Inflation – CPI-U	1.22	0.73	1.53	1.86	2.30

*Private equity data is time-weighted return for period. Most recent quarterly data not available.
Sources: Barclays, Bloomberg, Citigroup, Credit Suisse, FTSE, MSCI, NCREIF, Russell Investment Group, Standard & Poor's, Thomson/Cambridge, Bureau of Economic Analysis.

Recent Quarterly Economic Indicators

	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14	3Q14
Employment Cost–Total Compensation Growth	2.3%	1.9%	2.0%	2.0%	2.0%	2.6%	2.2%	2.2%
Nonfarm Business–Productivity Growth	1.9%*	-0.6%	-1.7%	2.0%	3.1%	-0.8%	-1.7%	3.1%
GDP Growth	1.2%	0.8%	0.9%	2.0%	2.6%	2.0%	2.3%	5.0%
Manufacturing Capacity Utilization	75.0%	75.3%	75.4%	75.6%	75.5%	75.5%	76.0%	75.7%
Consumer Sentiment Index (1966=100)	92.4	91.5	91.3	90.8	94.2	95.5	89.8	83.0

*Estimate.
Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve, IHS Economics, Reuters/University of Michigan.

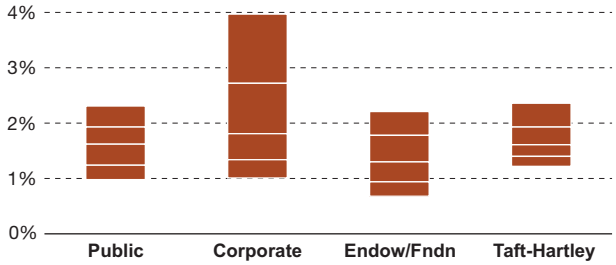
Any Relief in Sight?

FUND SPONSOR | Rufash Lama

A closer look at returns for the quarter from the Callan Fund Sponsor Databases reveals that the median corporate fund bested all other fund types. Corporate funds also had the widest dispersion of returns, and the highest total return as shown by results for funds in the 10th percentile. However, some Taft-Hartley funds outperformed the lowest-performing corporate funds, as shown by returns in the 90th percentile.

The outperformance of corporate funds during the quarter stemmed from their higher exposure to U.S. fixed income, particularly those funds with long duration. At the other end of the spectrum, endowments/foundations lagged all other fund types given their minimal exposure to U.S. fixed income. Higher allocations to non-U.S. equity and hedge funds also dragged down relative performance for endowments/foundations. Over longer time periods (5 and 10 years), compound returns for all fund sponsors have been in the range of 5% to 7%, with endowments/foundations lagging over short- and long-term periods.

Callan Fund Sponsor Returns for the Quarter



	Public	Corporate	Endow/Fndn	Taft-Hartley
10th Percentile	2.31	3.97	2.21	2.36
25th Percentile	1.93	2.72	1.78	1.93
Median	1.62	1.81	1.30	1.61
75th Percentile	1.24	1.34	0.94	1.40
90th Percentile	0.98	1.01	0.68	1.22

Source: Callan

The median funded status of corporate defined benefit plans declined for the quarter, primarily due to the dramatic fall in interest rates. Based on data from actuaries and asset managers, the median and average funded ratio fell by more than 3 percentage points in the quarter, to 76.0% and 76.4%, respectively. Year to date, the median funded status has declined by more than 6 percentage points.

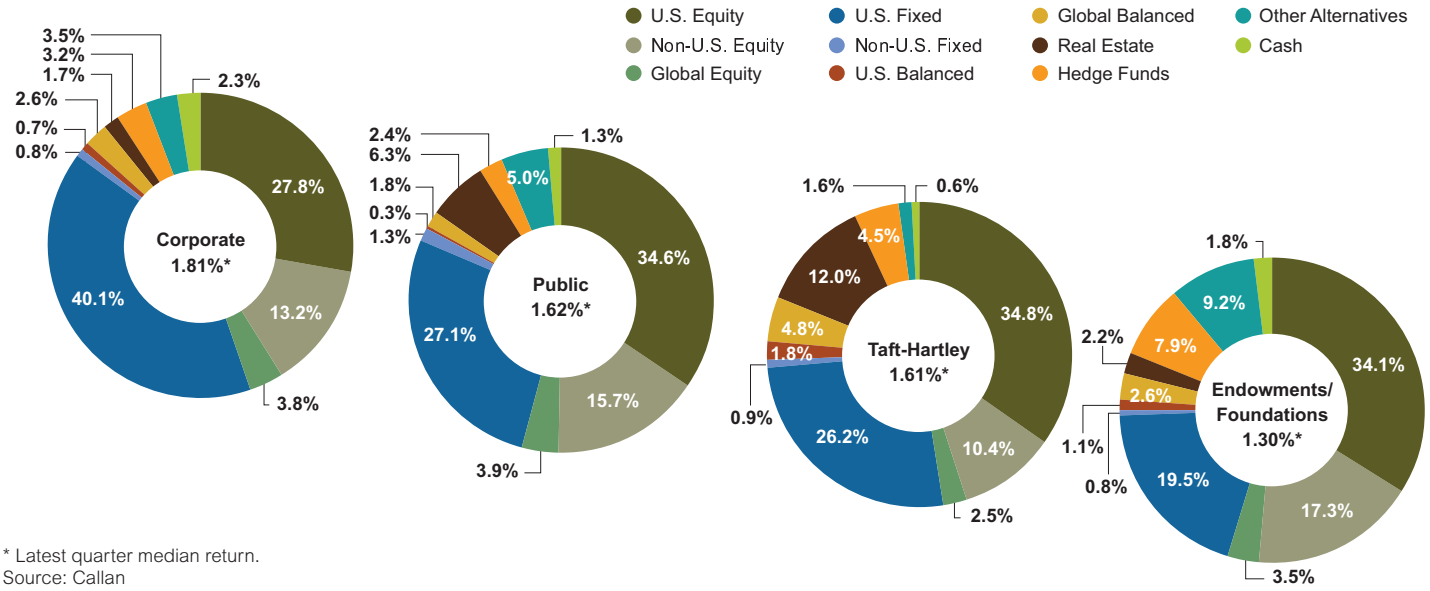
Callan Database Median Returns* for Periods ended June 30, 2016

Fund Sponsor	Quarter	YTD	Year	3 Years	5 Years	10 Years	15 Years
Public Funds	**1.62**	**2.98**	**0.54**	**6.39**	**6.42**	**5.65**	**5.94**
Corporate Funds	**1.81**	**3.88**	**1.66**	**6.59**	**6.62**	**5.85**	**6.00**
Endowments/Foundations	**1.30**	**2.05**	**-1.55**	**5.24**	**5.53**	**5.34**	**5.69**
Taft-Hartley	**1.61**	**2.69**	**0.97**	**7.12**	**6.97**	**5.54**	**5.68**

*Returns less than one year are not annualized.

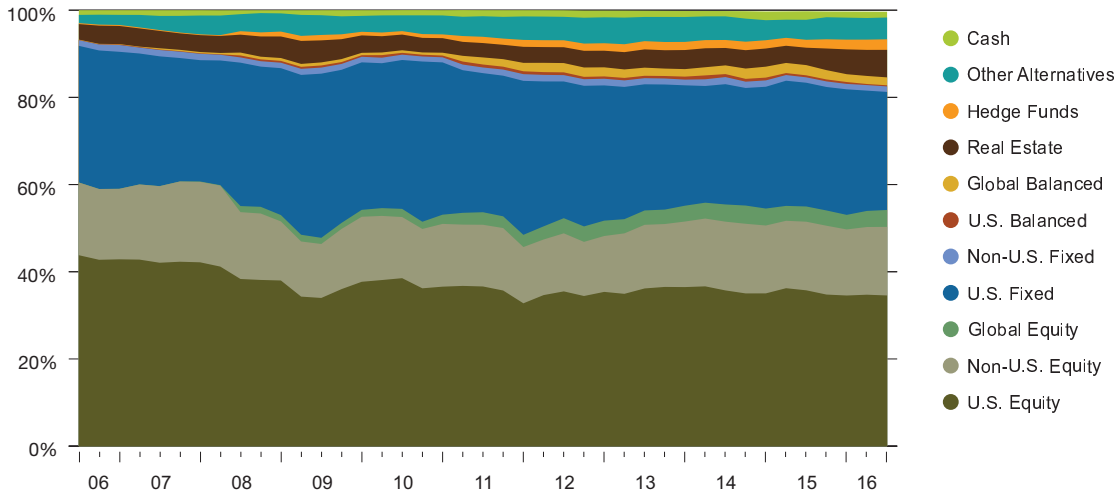
Source: Callan. Callan's database includes the following groups: public defined benefit, corporate defined benefit, endowments/foundations, and Taft-Hartley plans. Approximately 10% to 15% of the database constituents are Callan's clients. All database group returns presented gross of fees. Past performance is no guarantee of future results. Reference to or inclusion in this report of any product, service, or entity should not be construed as a recommendation, approval, affiliation, or endorsement of such product, service, or entity by Callan.

Callan Fund Sponsor Average Asset Allocation



* Latest quarter median return.
Source: Callan

Callan Public Fund Database Average Asset Allocation (10 Years)



Source: Callan. Callan's database includes the following groups: public defined benefit, corporate defined benefit, endowments/foundations, and Taft-Hartley plans. Approximately 10% to 15% of the database constituents are Callan's clients. All database group returns presented gross of fees. Past performance is no guarantee of future results. Reference to or inclusion in this report of any product, service, or entity should not be construed as a recommendation, approval, affiliation, or endorsement of such product, service, or entity by Callan.

Greener Grass

U.S. EQUITY | Lauren Mathias, CFA

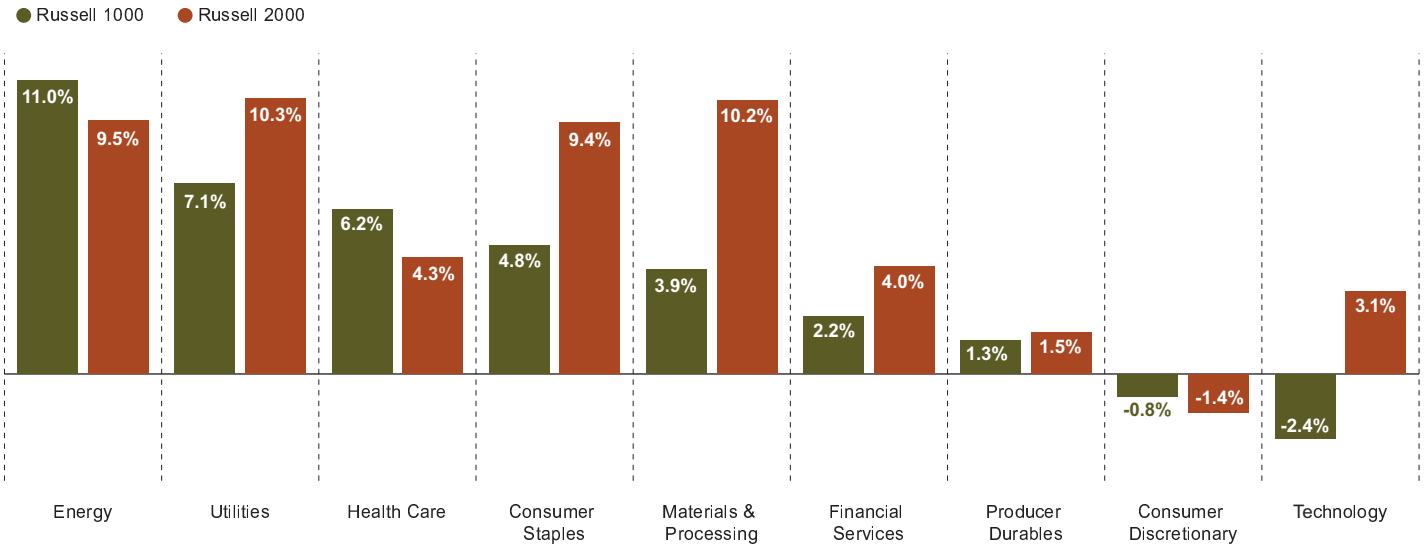
Though the **S&P 500 Index** ended in positive territory (+2.46%), it was subject to substantial volatility during the quarter. The U.K.'s vote to leave the European Union sent global markets reeling in late June; the S&P 500 fell 5.3% in the first two trading days after the vote. Volatility, as measured by VIX, spiked but remained below values posted in January. Despite uncertainty abroad and the steep drop after Brexit, the S&P 500 ended the quarter only 1.5% below its all-time high achieved in May 2015. Amid the global turmoil, it appears the grass is greener in the U.S.

Global markets did not appear to affect domestic production either: Manufacturing activity increased (the ISM Composite Index hit a 16-month high); existing home sales were up 4.5% in May; and retail sales showed strength. But disappointing unemployment figures—4.7% due to a lower labor force participation rate of 62.6%—and low first-quarter GDP prompted the Fed to keep interest rates at current levels.

After another strong quarter, value remained ahead of growth in all capitalizations (**Russell 2000 Value Index:** +4.31% and **Russell 2000 Growth Index:** +3.24%); the difference was most significant within large capitalizations (**Russell 1000 Value Index:** +4.58% and **Russell 1000 Growth Index:** +0.61%). Smaller was better: micro-, small-, and mid-capitalization companies outpaced large-capitalization stocks (**Russell Microcap Index:** +3.97%, **Russell 2000 Index:** +3.79%, **Russell Midcap Index:** +3.18%, and **Russell 1000 Index:** +2.54%).

With economic uncertainty and lower interest rates in the foreseeable future, defensive and yielding areas of the mar-

Economic Sector Quarterly Performance



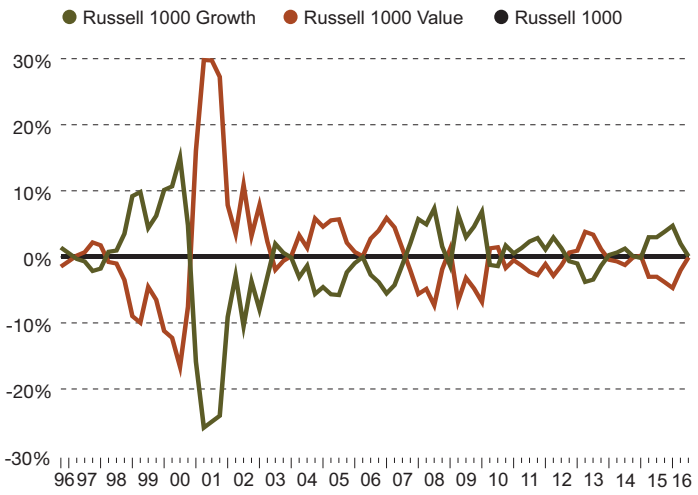
Source: Russell Investment Group

Note: As of the fourth quarter of 2015, the Capital Market Review reports sector-specific returns using the Russell Global Sectors (RGS) classification system rather than the Global Industry Classification Standard (GICS) system. RGS uses a three-tier classification system containing nine sectors; GICS uses a four-tier system containing 10 sectors.

ket did well: Utilities, Telecommunications, Health Care, and Consumer Staples. Factors like low beta and high dividend yield were in favor and boosted the performance of these sectors. After a long period of poor performance, Energy was by far the leading sector, buoyed by an almost 30% increase in oil prices. Financials lagged, mostly due to a tough June—both the Brexit crisis and absent interest rate hike were the culprits. Health Care and Technology, large sectors in the growth benchmark, were dragged down by the pharmaceuticals/biotechnology and hardware and equipment industries, respectively. Stock correlations elevated in June, making it challenging for active management; however, levels remain below those experienced in 2015.

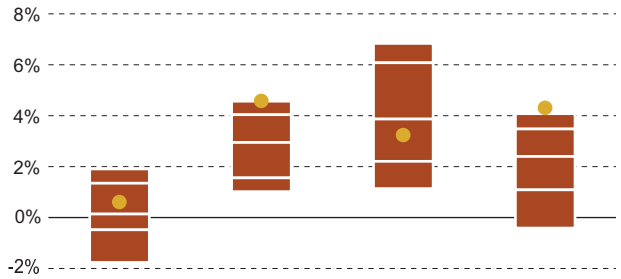
The U.S. equity market managed to escape a tumultuous June with positive results in the full quarter. However, active funds have found it challenging to outpace their respective benchmarks this year—fewer than 50% were able to do so.

Rolling One-Year Relative Returns (vs. Russell 1000)



Source: Russell Investment Group

Callan Style Group Quarterly Returns



	Large Cap Growth Style	Large Cap Value Style	Small Cap Growth Style	Small Cap Value Style
10th Percentile	1.91	4.57	6.84	4.08
25th Percentile	1.35	4.04	6.08	3.48
Median	0.14	2.95	3.87	2.40
75th Percentile	-0.48	1.56	2.21	1.09
90th Percentile	-1.76	1.02	1.14	-0.41
	R1000 Growth	**R1000 Value**	**R2000 Growth**	**R2000 Value**
Benchmark	0.61	4.58	3.24	4.31

Sources: Callan, Russell Investment Group

U.S. Equity Index Characteristics as of June 30, 2016

	S&P 500	Rus 3000	Rus 1000	Rus Midcap	Rus 2500	Rus 2000
Number of Issues	506	3,007	1,000	800	2,507	2,006
% of Russell 3000	82%	100%	92%	27%	17%	7%
Wtd Avg Mkt Cap ($bn)	127.80	106.54	114.81	12.03	3.79	1.70
Price/Book Ratio	2.7	2.6	2.7	2.4	2.1	1.9
Forward P/E Ratio	16.6	17.1	17	18.5	18.4	18.7
Dividend Yield	2.2%	2.1%	2.1%	1.8%	1.7%	1.6%
5-Yr Earnings (forecasted)	11.9%	12.0%	12.0%	10.2%	11.7%	12.9%

Sources: Russell Investment Group, Standard & Poor's.

Callan Style Median and Index Returns* for Periods ended June 30, 2016

Large Cap Equity	Quarter	YTD	Year	3 Years	5 Years	10 Years	15 Years
Large Cap Core Style	**1.73**	**1.44**	**0.33**	**11.02**	**11.74**	**7.68**	**6.31**
Russell 3000	**2.63**	**3.62**	**2.14**	**11.13**	**11.60**	**7.40**	**6.09**
Russell 1000	**2.54**	**3.74**	**2.93**	**11.48**	**11.88**	**7.51**	**6.02**
S&P 500	**2.46**	**3.84**	**3.99**	**11.66**	**12.10**	**7.42**	**5.75**
Large Cap Growth Style	0.14	-1.72	-0.14	12.60	11.60	8.68	5.75
Russell 1000 Growth	0.61	1.36	3.02	13.07	12.35	8.78	5.50
Large Cap Value Style	2.95	3.34	-0.81	9.20	10.97	6.52	7.07
Russell 1000 Value	4.58	6.30	2.86	9.87	11.35	6.13	6.38

Mid Cap Equity	Quarter	YTD	Year	3 Years	5 Years	10 Years	15 Years
Mid Cap Core Style	**1.67**	**3.33**	**-1.67**	**10.90**	**10.64**	**8.25**	**9.24**
Russell Midcap	3.18	5.50	0.56	10.80	10.90	8.07	8.68
Mid Cap Growth Style	**2.31**	**-0.02**	**-5.69**	**9.24**	**8.94**	**8.17**	**7.86**
Russell Midcap Growth	1.56	2.15	-2.14	10.52	9.98	8.12	6.99
Mid Cap Value Style	**3.29**	**4.90**	**-0.82**	**10.13**	**10.67**	**8.17**	**9.91**
Russell Midcap Value	4.77	8.87	3.25	11.00	11.70	7.79	9.50

Small Cap Equity	Quarter	YTD	Year	3 Years	5 Years	10 Years	15 Years
Small Cap Core Style	**2.85**	**2.80**	**-4.76**	**9.34**	**10.24**	**7.92**	**9.43**
Russell 2000	3.79	2.22	-6.73	7.09	8.35	6.20	6.96
Small Cap Growth Style	**3.87**	**-1.57**	**-12.40**	**7.18**	**8.37**	**7.55**	**7.39**
Russell 2000 Growth	3.24	-1.59	-10.75	7.74	8.51	7.14	5.91
Small Cap Value Style	**2.40**	**4.64**	**-2.44**	**8.63**	**9.94**	**7.61**	**10.00**
Russell 2000 Value	4.31	6.08	-2.58	6.36	8.15	5.15	7.73

Smid Cap Equity	Quarter	YTD	Year	3 Years	5 Years	10 Years	15 Years
Smid Cap Broad Style	**2.21**	**2.85**	**-4.23**	**8.86**	**10.29**	**9.49**	**–**
Russell 2500	3.57	3.98	-3.67	8.61	9.48	7.32	8.09
Smid Cap Growth Style	**3.25**	**-0.46**	**-8.43**	**8.00**	**8.70**	**8.35**	**8.01**
Russell 2500 Growth	2.70	-0.03	-7.69	9.06	9.27	7.96	6.76
Smid Cap Value Style	**2.39**	**5.38**	**-4.11**	**8.27**	**9.86**	**7.95**	**10.08**
Russell 2500 Value	4.37	7.84	0.22	8.14	9.59	6.52	8.77

Russell 3000 Sectors	Quarter	YTD	Year	3 Years	5 Years	10 Years	15 Years
Consumer Discretionary	-0.88	0.98	0.99	11.18	14.59	9.98	–
Consumer Staples	4.94	10.42	18.31	15.50	15.49	12.63	–
Energy	10.94	14.41	-8.17	-3.18	-0.85	3.18	–
Financial Services	2.35	-1.03	-1.30	9.00	11.42	0.99	–
Health Care	6.04	-1.44	-5.23	16.22	17.08	11.43	–
Materials & Processing	4.70	10.67	1.01	8.70	6.88	6.17	–
Producer Durables	1.28	6.10	4.35	11.33	10.81	6.76	–
Technology	-2.06	-0.37	2.44	14.67	11.81	9.83	–
Utilities	7.34	23.69	28.37	13.60	12.63	8.50	–

*Returns less than one year are not annualized.
Sources: Callan, Russell Investment Group, Standard & Poor's.

Fasten Your Seat Belts

NON-U.S. EQUITY | Lyman Jung

For the second consecutive quarter, non-U.S. equity markets endured a bout of extreme volatility. After a tepid start to the quarter, markets reacted to the surprise June 23 Brexit referendum to leave the European Union. Global markets lost $2 trillion the day after, but quickly stabilized. In this uncertain environment, we expect volatility to continue.

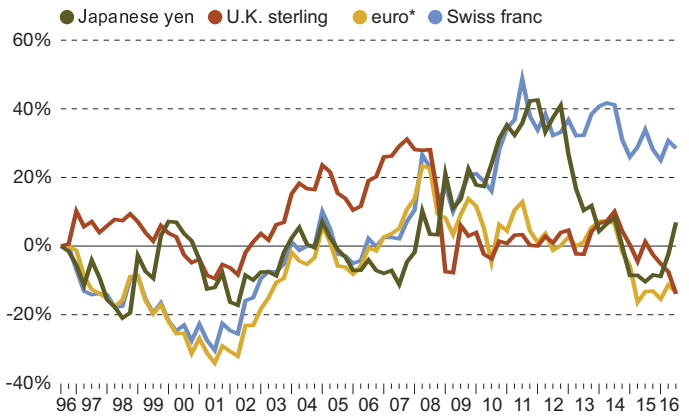
Despite the vote, the **MSCI ACWI ex USA Index** ended the quarter down only slightly (-0.64%), buoyed by accommodative central bank policies and a strong rebound in commodity prices. Energy (+8.05%) led the charge followed by Health Care (+4.29%), as investors favored defensive, dividend-paying stocks amid the turmoil. Economic and interest-rate-sensitive sectors fared worst, with Consumer Discretionary (-6.87%) and Financials (-4.31%) leading the plunge.

Around the broader markets, the **MSCI Emerging Markets Index** (+0.66%) bested its developed counterpart in the **MSCI World ex USA Index** (-1.05%). Without Canada (+3.40%), one of the best-performing countries in developed markets, the **MSCI EAFE Index** was even more depressed (-1.46%). The **MSCI ACWI ex USA Growth Index** continued an eight-quarter trend of outperforming the Value Index. Moreover, the **MSCI ACWI ex USA Small Cap** (-0.87%) topped its developed cousin, the **MSCI World ex USA Small Cap Index** (-1.28%).

As Brexit dominated the headlines, European equity markets fell sharply only to rally in the final few days of the quarter. The **MSCI Europe Index** finished down 2.69%. Amid a general move to safe-haven countries, Switzerland (+2.03%) was a top-performer. Italy (-10.45%) and Spain (-7.67%) were among the worst mainly due to double-digit declines in banks burdened by souring loans and the potential loss of the U.K. as the financial center. Regionally, European sectors performed in line with the rest of the developed world. Energy stocks contributed 12.51% thanks to oil at nearly $50. Conversely, Consumer Discretionary and Financials tumbled 11.10% and 10.82%, respectively, weighed down by recession fears and concerns about a slowdown in finance and investment activity.

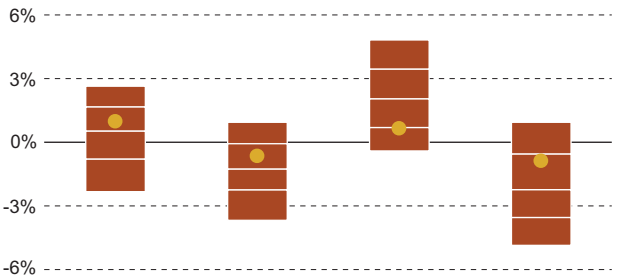
In contrast to Europe, the **MSCI Pacific Index** (+0.87%) fared much better, boosted by Japan (+1.01%) and New Zealand (+5.85%). While Japan was positive on a U.S. dollar-return basis, on a local-return basis it fell 7.80% because the yen

Major Currencies' Cumulative Returns (vs. U.S. Dollar)



*German mark returns before 1Q99
Source: MSCI

Callan Style Group Quarterly Returns



	Global Eq Style	Non-U.S. Eq Style	Emg Mkt Style	Non-U.S. Small Cap Style
10th Percentile	2.60	0.90	4.78	0.90
25th Percentile	1.62	-0.11	3.40	-0.60
Median	0.48	-1.31	2.00	-2.28
75th Percentile	-0.84	-2.29	0.65	-3.59
90th Percentile	-2.37	-3.72	-0.45	-4.90
	MSCI ACWI	MSCI ACWI ex USA	MSCI Emg Mkts	MSCI ACWI ex USA SC
Benchmark	0.99	-0.64	0.66	-0.87

Sources: Callan, MSCI

surged 10% in the quarter—despite operating in a negative interest rate environment. The yen has been bolstered by its re-emergence as a haven currency with an uncertain Europe and also by the dollar's recent weakness after the Federal Reserve pared back expectations of U.S. interest rate increases. New Zealand gained on improved sentiment partly due to a reported trade surplus that was more than double analysts' forecasts.

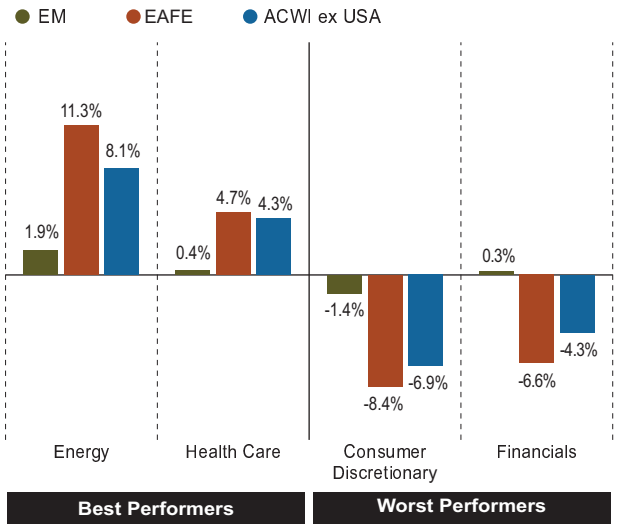
Emerging market countries produced a wide spectrum of returns, but closed out the quarter slightly ahead (MSCI Emerging Market Index: +0.66%). Commodity producers such as Brazil (+13.90%) and Russia (+4.05%) benefited from the rebound in oil prices, continuing their first-quarter rally. The former was also propped up by an impeachment motion against President Dilma Rousseff that sent the equity market into a frenzied rally. Stocks in China ended the quarter nearly flat (+0.11%) thanks to a slower predicted growth of 6.6%, the weakest since the Global Financial Crisis. Further, concerns about the amount of debt on corporate balance sheets and recent policy changes led to questions on how much stimulus the government would provide to sustain growth. Elsewhere, stocks in India (+3.72%) advanced on faster-than-expected growth and earnings of some of its biggest companies, bolstered by optimism about the nation's economic recovery.

Quarterly Return Attribution for Non-U.S. Developed Countries (U.S. Dollar)

Country	Total	Local	Currency	Wtg
Australia	0.46%	3.79%	-3.20%	5.13%
Austria	-9.99%	-7.67%	-2.51%	0.12%
Belgium	2.29%	4.92%	-2.51%	1.05%
Canada	3.40%	3.82%	-0.40%	6.82%
Denmark	-0.58%	1.84%	-2.37%	1.40%
Finland	-2.12%	0.40%	-2.51%	0.69%
France	-4.31%	-1.85%	-2.51%	6.79%
Germany	-5.57%	-3.14%	-2.51%	6.11%
Hong Kong	0.94%	0.96%	-0.02%	2.34%
Ireland	-9.87%	-7.55%	-2.51%	0.33%
Israel	-3.80%	-1.72%	-2.38%	0.55%
Italy	-10.45%	-8.14%	-2.51%	1.38%
Japan	1.01%	-7.80%	9.56%	16.43%
Netherlands	-5.06%	-2.72%	-2.51%	2.24%
New Zealand	5.85%	3.19%	2.58%	0.13%
Norway	2.35%	3.55%	-1.16%	0.45%
Portugal	-2.76%	-0.25%	-2.51%	0.11%
Singapore	0.35%	0.29%	0.05%	0.96%
Spain	-7.67%	-5.29%	-2.51%	2.08%
Sweden	-5.38%	-1.11%	-4.32%	1.95%
Switzerland	2.03%	3.80%	-1.70%	6.55%
U.K.	-0.73%	6.73%	-6.99%	13.83%

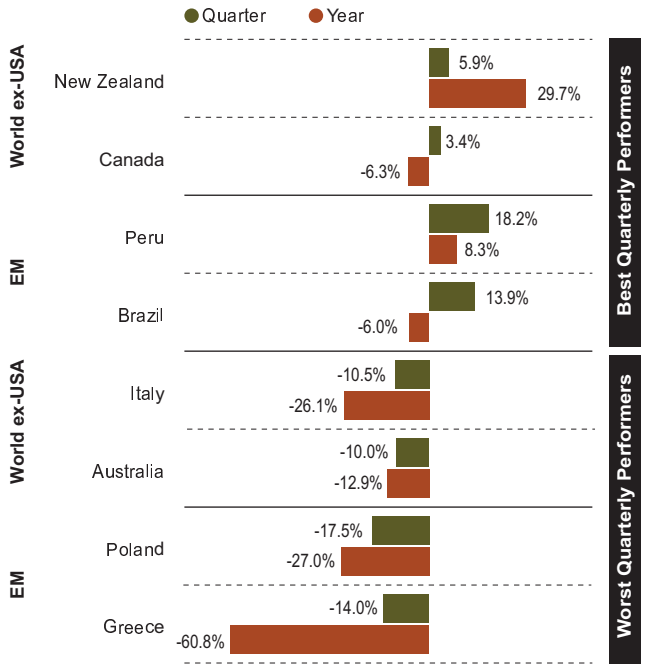
Sources: MSCI, Russell Investment Group, Standard & Poor's.

Quarterly Returns: Strong and Struggling Sectors



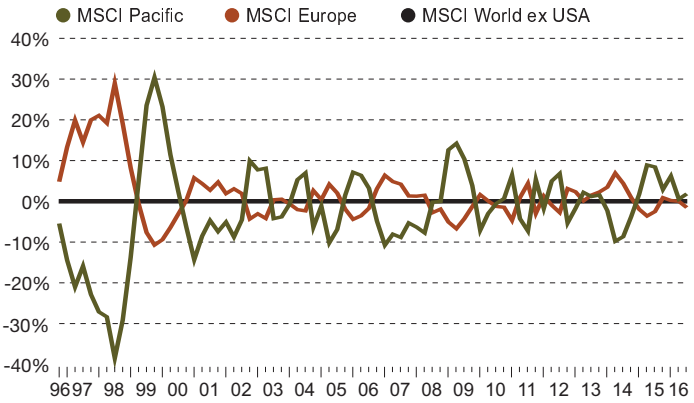
Source: MSCI

Quarterly and Annual Country Performance Snapshot



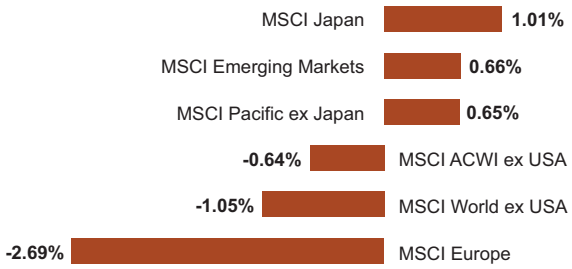
Source: MSCI

Rolling One-year Relative Returns (vs. MSCI World ex USA)



Source: MSCI

Regional Quarterly Performance (U.S. Dollar)



Source: MSCI

Style Median and Index Returns* for Periods ended June 30, 2016

Global Equity	Quarter	YTD	Year	3 Years	5 Years	10 Years	15 Years
Global Equity Style	**0.48**	**-0.92**	**-4.47**	**7.16**	**7.08**	**5.37**	**6.31**
MSCI World	1.01	0.66	-2.78	6.95	6.63	4.43	4.86
MSCI ACWI	0.99	1.23	-3.73	6.03	5.38	4.26	4.98
Non-U.S. Equity	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Non-U.S. Style	**-1.31**	**-3.49**	**-9.43**	**3.27**	**2.83**	**2.91**	**6.25**
MSCI World ex USA	-1.05	-2.98	-9.84	1.88	1.23	1.63	4.47
MSCI ACWI ex USA	-0.64	-1.02	-10.24	1.16	0.10	1.87	4.96
Regional Equity	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
MSCI Europe ex UK	-3.53	-6.02	-10.80	2.58	0.66	1.56	4.52
MSCI Japan	1.01	-5.58	-8.94	2.71	4.21	0.14	2.32
MSCI Japan (local)	-7.80	-19.47	-23.66	3.82	9.31	-0.93	1.00
MSCI Pacific	0.87	-2.94	-8.19	2.16	2.98	1.72	4.10
MSCI Pacific (local)	-4.29	-13.22	-17.85	4.25	7.59	0.59	2.38
MSCI Pacific ex Japan	0.65	2.47	-6.75	1.08	0.86	5.43	8.89
MSCI Pacific ex Japan (local)	2.64	0.47	-5.02	5.64	5.69	5.01	6.69
MSCI United Kingdom	-0.73	-3.05	-12.14	0.67	1.71	1.43	4.22
MSCI United Kingdom (local)	6.73	6.89	3.36	5.00	5.50	4.78	4.57
Emerging/Frontier Markets	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Emerging Market Style	**2.00**	**6.57**	**-8.83**	**-0.07**	**-2.06**	**4.88**	**10.67**
MSCI Emerging Markets	0.66	6.41	-12.05	-1.56	-3.78	3.54	9.12
MSCI Emerging Markets (local)	0.70	3.45	-7.70	3.70	2.02	5.72	9.92
MSCI Frontier Markets	0.47	-0.47	-12.09	1.00	1.45	0.18	–
Global/Non-U.S. Small Cap Equity	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Non-U.S. Small Cap Style	**-2.28**	**-3.11**	**-3.61**	**7.82**	**6.35**	**5.52**	**10.28**
MSCI World Small Cap	1.61	2.29	-3.76	7.60	6.80	5.58	8.51
MSCI ACWI Small Cap	1.51	2.22	-4.72	6.79	5.83	6.00	8.60
MSCI World ex USA Small Cap	-1.28	-0.69	-3.35	6.34	3.61	3.33	8.17
MSCI ACWI ex USA Small Cap	-0.87	-0.20	-5.46	4.93	2.28	4.08	8.71

*Returns less than one year are not annualized.
Sources: Callan, MSCI.

Rally Across the Board

U.S. FIXED INCOME | Nate Wong, CFA

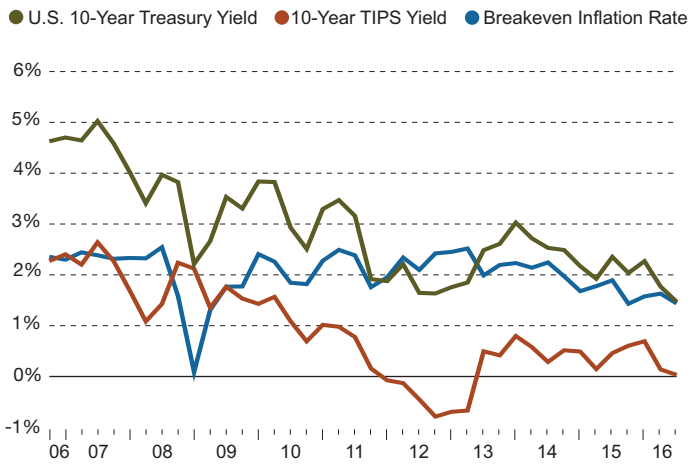
Treasuries rallied in a flight to quality during the second quarter as U.S. economic data and trepidation surrounding the U.K.'s Brexit dominated activity. The Fed changed to a more dovish tone as the quarter ended. The **Barclays U.S. Aggregate Index** increased 2.21% while the **Barclays High Yield Corporate Index** again outpaced it with a 5.52% gain.

The surprising vote in the U.K. to exit the European Union triggered an immediate run on risk assets. The panic was short-lived and credit spreads ended the quarter marginally tighter as more-rational investors assessed the broader strength of the U.S. economy and the relatively attractive opportunities within the U.S. fixed income markets.

Following the Brexit vote, the Fed elected not to make any changes at its June meeting. Its forward-looking dot plot now implies a reduced number of rate hikes from four to three, while the long-term projection for the short-term rate was lowered from 3.25% to 3.0%.

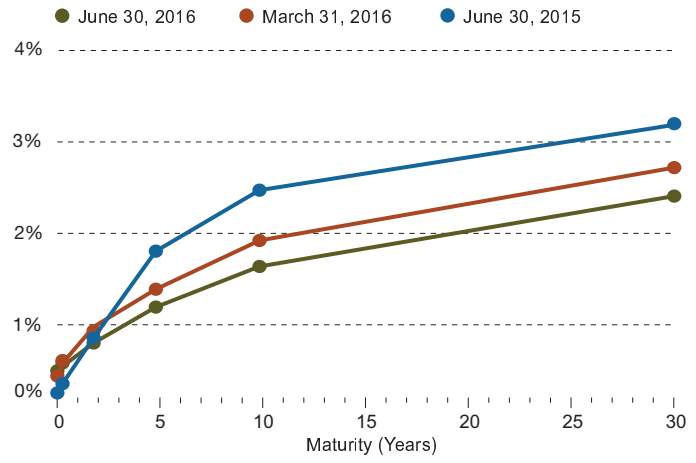
Yields declined across the maturity spectrum with the 10-year yield closing the quarter at 1.47%, its lowest level in nearly three years. Weak economic data and the negative yield environment around the globe contributed to downward pressure on U.S. yields. The 2- to 30-year spread tightened to 170 bps by the end of the quarter. Treasury returns were strong, particularly on the

Historical 10-Year Yields



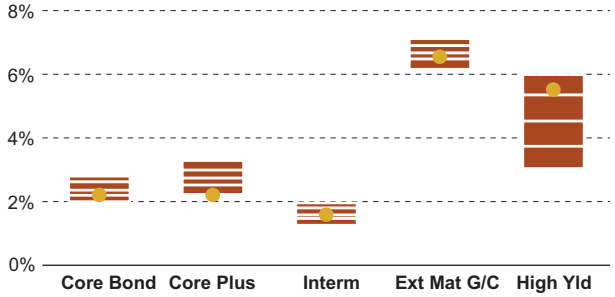
Source: Bloomberg

U.S. Treasury Yield Curves



Source: Bloomberg

Callan Style Group Quarterly Returns



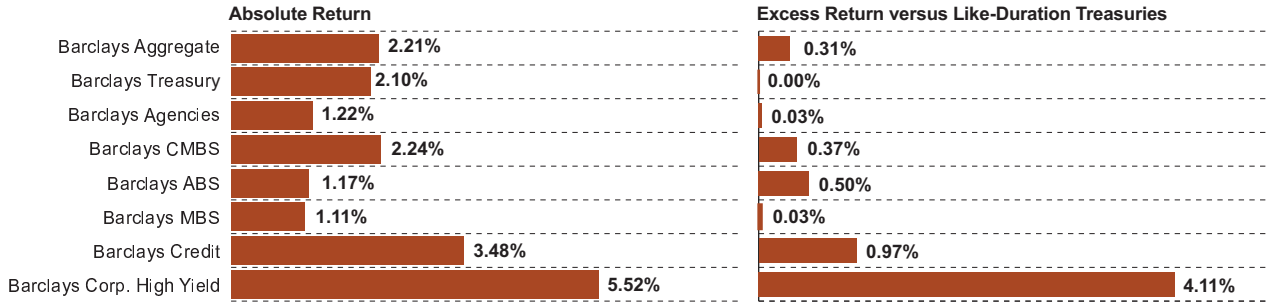
	Core Bond Style	Core Plus Style	Interm Style	Ext Mat G/C Style	High Yld Style
10th Percentile	2.80	3.29	1.96	7.12	5.99
25th Percentile	2.62	2.99	1.80	6.90	5.35
Median	2.36	2.74	1.58	6.67	4.53
75th Percentile	2.20	2.52	1.47	6.48	3.74
90th Percentile	2.00	2.23	1.26	6.16	3.04
	Barclays Agg	Barclays Agg	Barclays Interm	Barclays Long G/C	Barclays High Yld
Benchmark	2.21	2.21	1.59	6.55	5.52

Sources: Barclays, Callan

long end of the curve, with 30-year Treasuries gaining 7.24%. All sectors rallied and produced positive returns, with investment-grade corporates leading the way. Inflation-protected securities trailed their nominal counterparts but continued their strong performance for the year.

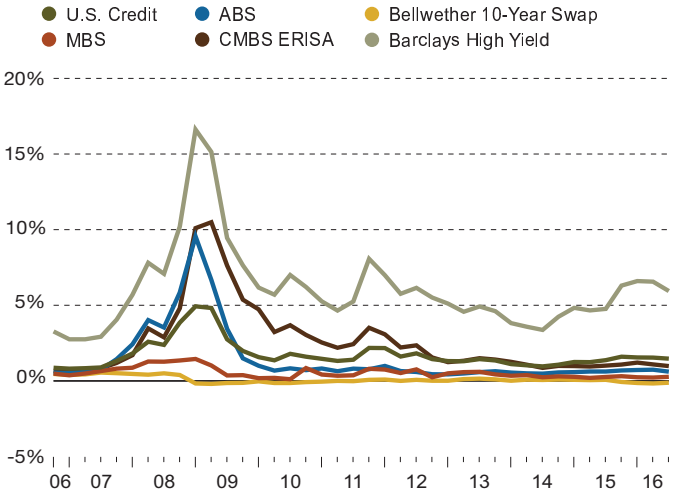
Corporate credit performed well across the quality spectrum, gaining 3.48% and outperforming Treasuries by 97 bps on a duration-adjusted basis. Companies took advantage of low rates, with new issuance of $350 billion during the quarter. On a duration-adjusted basis, industrials outperformed utilities and financials. Corporate spreads were generally flat before experiencing some widening in reaction to the Brexit and ended the quarter at 156 bps. MBS gained 1.11%, outperforming like-duration Treasuries by 3 bps. MBS spreads also widened as the quarter closed on prepayment fears. High-yield bonds continued to rebound, gaining 5.52% and outperforming like-duration Treasuries by 411 bps. New issuance amounted to $84 billion, returning to more normal levels and more than doubling the amount in the prior quarter.

Fixed Income Index Quarterly Returns



Source: Barclays

Effective Yield Over Treasuries



Source: Barclays

U.S. Fixed Income Index Characteristics as of June 30, 2016

Barclays Indices	Yield to Worst	Mod Adj Duration	Avg Maturity
Barclays Aggregate	1.91	5.47	7.77
Barclays Universal	2.42	5.36	7.63
Barclays Govt/Credit	1.85	6.69	8.96
1-3 Year	0.89	1.91	1.98
Intermediate	1.41	4.08	4.44
Long-Term	3.36	15.59	24.36
Barclays Long Credit	4.16	13.99	23.99
Barclays Corp High Yield	7.27	4.26	6.30
Barclays TIPS	1.47	5.26	8.71
Barclays Muni Bond 1-5 Year	0.94	2.67	3.16
Barclays Muni 1-10 Year	1.20	3.97	5.81
Barclays Municipal	1.61	5.55	13.06

Source: Barclays

Callan Style Median and Index Returns* for Periods ended June 30, 2016

Broad Fixed Income	Quarter	YTD	Year	3 Years	5 Years	10 Years	15 Years
Core Bond Style	**2.36**	**5.39**	**6.20**	**4.37**	**4.25**	**5.62**	**5.54**
Core Bond Plus Style	**2.74**	**5.68**	**5.45**	**4.48**	**4.62**	**6.00**	**6.09**
Barclays Aggregate	2.21	5.31	6.00	4.06	3.76	5.13	5.08
Barclays Universal	2.53	5.68	5.82	4.19	4.01	5.30	5.33
Long-Term	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Extended Maturity Credit Style	**6.77**	**14.26**	**14.09**	**9.26**	**9.15**	**8.65**	**--**
Barclays Long Credit	6.65	13.92	13.76	8.70	8.45	8.14	7.78
Extended Maturity Gov/Credit Style	**6.67**	**14.56**	**15.48**	**9.46**	**9.61**	**9.00**	**8.22**
Barclays Long Gov/Credit	6.55	14.33	15.72	9.33	9.18	8.42	7.88
Intermediate-Term	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Intermediate Style	**1.58**	**3.95**	**4.44**	**3.19**	**3.23**	**4.92**	**4.92**
Barclays Intermediate Gov/Credit	1.59	4.07	4.33	2.95	2.90	4.48	4.52
Short-Term	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Defensive Style	**0.72**	**1.76**	**1.95**	**1.57**	**1.49**	**3.13**	**3.30**
Barclays Gov/Credit 1-3 Year	0.67	1.65	1.59	1.22	1.10	2.80	3.03
Bank Loans	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Bank Loan Style	**2.43**	**4.11**	**2.01**	**3.28**	**4.28**	**4.61**	**4.85**
Credit Suisse Leveraged Loans	2.86	4.23	0.93	3.03	3.87	4.10	4.51
High Yield	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
High Yield Style	**4.53**	**7.34**	**1.10**	**4.37**	**5.97**	**7.52**	**7.95**
Barclays Corp High Yield	5.52	9.06	1.62	4.18	5.84	7.56	7.93
Unconstrained	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Unconstrained Fixed Style	**1.50**	**1.74**	**0.92**	**2.11**	**2.77**	**4.68**	**6.31**
90 Day T-Bill + 3%	0.81	1.63	3.19	3.09	3.09	4.04	4.44
Stable Value	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Stable Value Style	**0.45**	**0.91**	**1.81**	**1.79**	**2.14**	**3.03**	**3.82**
iMoneyNet Mutual Fund Avg	0.03	0.05	0.06	0.03	0.03	0.94	–
TIPS	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Inflation-Linked Style	**1.74**	**6.35**	**4.30**	**2.27**	**2.70**	**4.82**	**5.60**
Barclays TIPS	1.71	6.24	4.35	2.31	2.63	4.75	5.49
Municipal	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Short Municipal Style	**0.43**	**0.82**	**1.17**	**0.94**	**1.02**	**1.95**	**2.07**
Barclays Municipal 1-5 Year	0.75	1.55	2.60	2.03	1.93	3.30	3.26
Intermediate Municipal Style	**2.06**	**3.54**	**6.19**	**4.29**	**4.10**	**4.23**	**4.21**
Barclays Municipal 1-10 Year	1.44	2.70	4.88	3.62	3.45	4.33	4.21
Long Municipal Style	**2.63**	**4.42**	**8.10**	**5.93**	**5.76**	**5.43**	**5.42**
Barclays Municipal	2.61	4.33	7.65	5.58	5.33	5.13	5.10

*Returns for less than one year are not annualized.

Sources: Barclays, Callan, Citigroup, Merrill Lynch.

How Low Can Rates Go?

NON-U.S. FIXED INCOME | Kevin Machiz, CFA, FRM

Sovereign yields fell in the second quarter, driven largely by a knee-jerk reaction to Brexit, sentiment to reduce risk, and globally loose monetary policy. That led major global bond indices to show positive returns for the quarter.

In addition, most major global currencies weakened against the U.S. dollar during the quarter. The British pound was hit hardest, plummeting 7% versus the U.S. dollar. While the U.S. dollar broadly strengthened immediately following Brexit, some of those gains were quickly erased over the remainder of the quarter. The Japanese yen took an opposite tack among global currencies during the quarter and soared 10% versus the U.S. dollar by the end of the period. The yen's tendency to strengthen in risk-off environments proved a tailwind to unhedged foreign bond returns for the quarter. The euro was weaker versus the dollar (-2.51%). The ECB maintained its dovish stance, keeping interest rates negative and proceeding with asset purchases announced in March. Interest rates fell across developed markets, leading to strong bond returns. The **Barclays Global Aggregate** gained 2.89% (+2.51% hedged).

In Germany, 10-year yields fell 28 bps and joined the rapidly growing universe of negative-yielding bonds. Similarly, 10-year yields in Japan, which were already negative, fell a further 19 bps as the Bank of Japan maintained its easy monetary policy stance. The 10-year yield in the U.K. led the pack following Brexit, falling 55 bps, though it remained in positive territory by the end of the quarter. Market expectations moved firmly toward relatively easier monetary policy in the U.K.

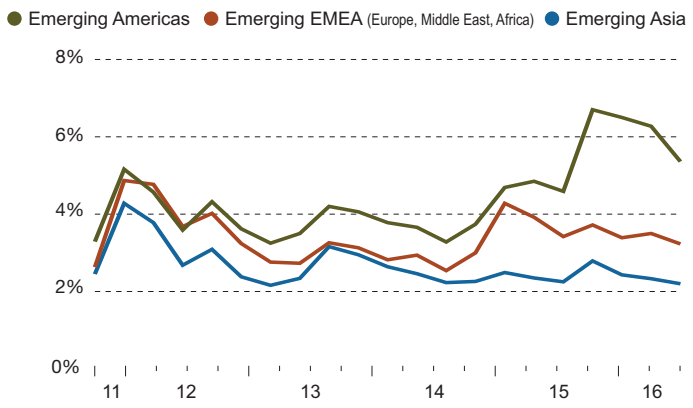
Emerging market bonds continued to rebound in the second quarter despite a bumpy ride. Falling bond yields were a tailwind and narrowing sovereign credit spreads further contributed to returns. The hard currency **JPM EMBI Global Diversified Index** gained 5.02%. Hard currency returns in most countries were positive, led by Venezuela. Bonds there have suffered extreme volatility as markets speculate on the timing of the country's default. The local currency **JPM GBI-EM Global Diversified** returned 2.96%, as local yields in emerging markets generally followed those in developed markets lower. Brazil was the leader for returns in local markets as yields fell and

Quarterly Return Attribution for Non-U.S. Gov't Indices
(U.S. Dollar)

Country	Total	Local	Currency	Wtg
Australia	0.19%	3.51%	-3.20%	2.17%
Austria	-0.02%	2.56%	-2.51%	1.76%
Belgium	0.81%	3.40%	-2.51%	2.90%
Canada	1.58%	1.99%	-0.40%	2.29%
Denmark	1.51%	3.97%	-2.37%	0.79%
Finland	-0.18%	2.39%	-2.51%	0.70%
France	0.32%	2.90%	-2.51%	11.31%
Germany	0.27%	2.85%	-2.51%	8.49%
Ireland	-0.92%	1.63%	-2.51%	0.91%
Italy	-2.08%	0.45%	-2.51%	10.81%
Japan	12.91%	3.06%	9.56%	35.77%
Malaysia	-1.89%	1.38%	-3.22%	0.54%
Mexico	-5.45%	1.79%	-7.11%	0.99%
Netherlands	0.42%	3.01%	-2.51%	2.76%
Norway	-0.08%	1.08%	-1.16%	0.29%
Poland	-5.79%	0.27%	-6.04%	0.67%
Singapore	0.56%	0.51%	0.05%	0.42%
South Africa	5.03%	4.58%	0.43%	0.53%
Spain	-0.33%	2.23%	-2.51%	6.22%
Sweden	-1.65%	2.79%	-4.32%	0.57%
Switzerland	-0.83%	0.88%	-1.70%	0.27%
U.K.	-0.73%	6.74%	-6.99%	8.83%

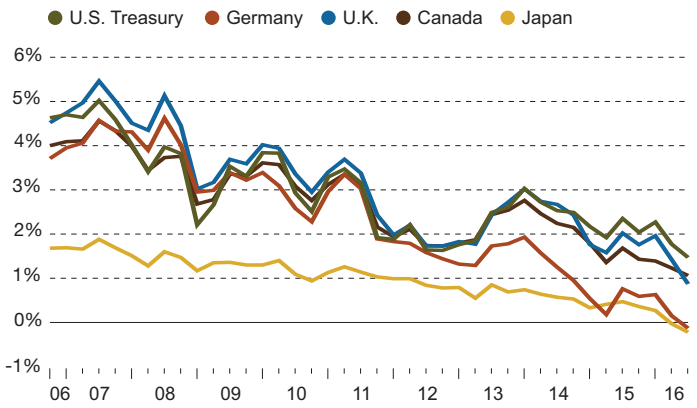
Source: Citigroup

Emerging Spreads Over Developed (By Region)

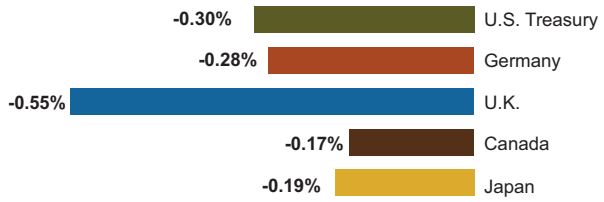


Source: Barclays

10-Year Global Government Bond Yields



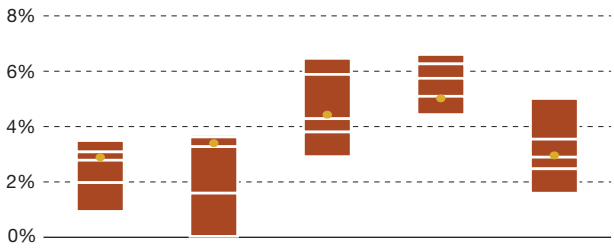
Change in 10-Year Yields from 1Q16 to 2Q16



Source: Bloomberg

the currency strengthened. During the quarter, Brazil's President Dilma Rousseff was suspended from the presidency during her impeachment trial. The market in Brazil has experienced volatility as the political future of the country is being determined.

Callan Style Group Quarterly Returns



	Global Fixed Style	Non-U.S. Fixed Style	Global High Yld	Em Debt USD DB	Em Debt Local
10th Percentile	3.52	3.75	6.49	6.63	5.04
25th Percentile	3.11	3.65	5.91	6.29	3.57
Median	2.81	3.30	4.31	5.77	2.92
75th Percentile	2.00	1.62	3.83	5.12	2.50
90th Percentile	0.96	0.06	2.94	4.46	1.62
	Barclays Gl Agg	Barclays Gl Agg ex US	Barclays High Yld	JPM EMBI Gl Div	JPM GBI-EM Gl Div
Benchmark	2.89	3.40	4.43	5.02	2.96

Sources: Callan, JPMorgan Chase

Callan Style Median and Index Returns* for Periods ended June 30, 2016

Global Fixed Income	Quarter	YTD	Year	3 Years	5 Years	10 Years	15 Years
Global Fixed Income Style	**2.81**	**8.34**	**7.56**	**2.84**	**2.20**	**4.89**	**6.54**
Barclays Global Aggregate	2.89	8.96	8.87	2.80	1.77	4.40	5.50
Global Fixed Income Style (hedged)	**2.67**	**5.87**	**7.22**	**5.49**	**5.29**	**5.60**	**5.83**
Barclays Global Aggregate (hedged)	2.51	5.87	7.37	5.15	4.76	5.03	4.92
High Yield	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Global High Yield Style	**4.31**	**7.39**	**1.29**	**3.03**	**4.96**	**7.20**	**9.08**
Barclays Global High Yield	4.43	8.73	3.76	4.35	5.71	7.80	8.70
Non-U.S. Fixed Income	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Non-U.S. Fixed Income Style	**3.30**	**11.49**	**10.12**	**2.17**	**1.04**	**4.39**	**6.71**
Barclays Global Agg ex US	3.40	11.94	11.24	1.85	0.34	3.83	5.85
Emerging Markets Fixed Income	**Quarter**	**YTD**	**Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**
Emerging Debt Style (US$)	**5.77**	**11.06**	**8.44**	**5.62**	**5.99**	**8.35**	**10.42**
JPM EMBI Global Diversified	5.02	10.31	9.79	7.20	6.46	7.97	9.16
Emerging Debt Style (local)	**2.92**	**13.64**	**1.62**	**-3.12**	**-2.10**	**5.04**	**7.18**
JPM GBI-EM Global Diversified	2.96	14.30	2.24	-3.49	-2.19	5.74	--
Emerging Debt Blend Style	**4.03**	**11.28**	**4.99**	**1.14**	**2.77**	**8.01**	**11.56**
JPM EMBI Gl Div/JPM GBI-EM Gl Div	3.99	12.34	6.11	1.82	2.14	6.94	--
Emerging Debt Corporate Style	**4.45**	**8.60**	**4.93**	**5.71**	**5.32**	**--**	**--**
JPM CEMBI	4.27	9.02	5.78	5.72	5.45	7.45	--

*Returns less than one year are not annualized.
Sources: Barclays, Callan, JPMorgan Chase.

It Really Is Location, Location, Location

REAL ESTATE | Kevin Nagy

The **NCREIF Property Index** gained 2.03% during the second quarter, the lowest return since the first quarter of 2010, recording a 1.19% income return and a 0.84% appreciation return. Industrial (+2.90%) and retail (+2.17%) topped property sector performance for the quarter while hotels (+1.46%) brought up the rear. The West region was the strongest performer, up 2.46%, while the East was the worst at 1.73%. Transaction volume hit $9 billion, which represents a 25% increase over the second quarter of 2015. Appraisal capitalization rates increased to 4.60%, up from an all-time low of 4.55% last quarter. Occupancy rates also increased and hit a 15-year high at 93.2%. All property types have seen occupancy increase for the year, though retail was down 20 bps for the quarter.

The preliminary return for the **NFI-ODCE Index** was 1.91%, comprising a 0.90% income return and a 1.01% appreciation return. This marks a decrease of 5 bps from last quarter's return and a new low since 2010. The U.S. real estate market has become increasingly attractive and has captured nearly 30% of global capital allocations in 2016. Investors are flooding into the U.S. due to low government bond yields globally, uncertainty caused by the Brexit vote in late June, and concerns about China's slowing growth. According to Preqin, which provides data on the alternative assets industry, the amount of dry powder for real estate investing globally increased to $234 billion in the quarter, up 11.4% from year-end 2015.

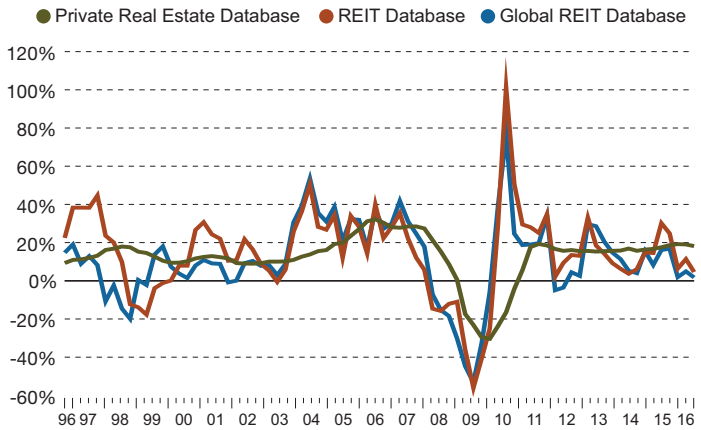
The **FTSE EPRA/NAREIT Developed REIT Index** (USD) overcame the shock of Brexit and gained 3.74%, while U.S. REITs tracked by the **FTSE NAREIT Equity Index** surged ahead 6.96%.

In the U.S., the strong performance of REITs was attributed to investors in search of yield. After the Brexit vote cast doubt on a Fed rate increase, global bond yields compressed 25 bps, making high-yielding REITs more attractive. Data centers (+20.59%), industrial (+15.38%), and infrastructure (+15.33%) were the best-performing sectors. Self-storage (-5.76%) suffered a sharp fall from grace and was the worst performer in the second quarter after being the strongest performer in the first. Strong data center performance was driven by robust tenant demand and less economic sensitivity. Conversely, self-storage assets with more acute economic sensitivity struggled due to fears of slowing growth. As of June 30, U.S. REITs were trading at a 7.1% premium to net asset value (NAV), contrasting sharply with U.K. REITs, which were trading at a 21.6% discount to NAV.

Uncertainty over the Brexit vote—and its surprising result—had a tremendous effect on real estate in the U.K. compared to continental Europe. According to Cushman & Wakefield, investment volume in the U.K. was down 25% year-to-date compared to 2015, versus a 10% increase in the rest of the EU.

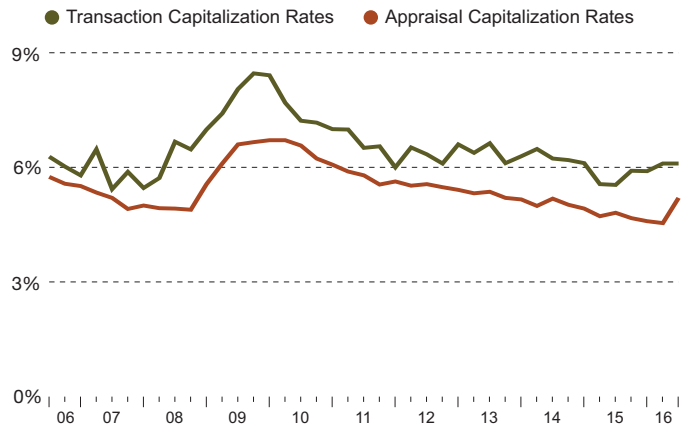
CMBS issuance for the quarter was $10.8 billion, down sharply from the second quarter of 2015 ($26.0 billion) and first quarter of 2016 ($19.3 billion). The decline was attributed to continued concerns over economic instability, including the Brexit vote; only $800 million in CMBS was issued in June.

Rolling One-Year Returns



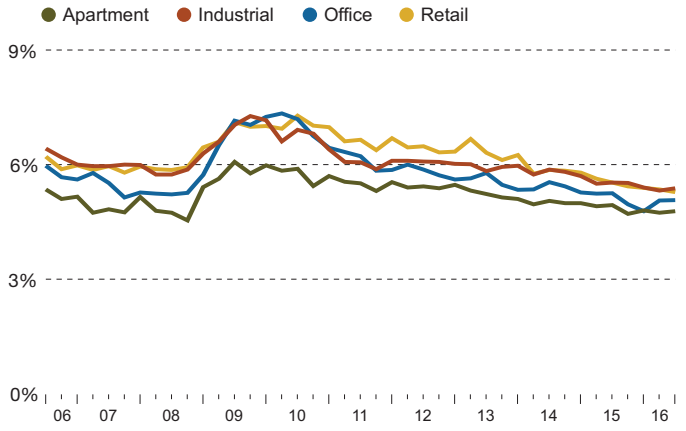
Source: Callan

NCREIF Transaction and Appraisal Capitalization Rates



Source: NCREIF
Note: Transaction capitalization rate is equal-weighted.

NCREIF Capitalization Rates by Property Type



Source: NCREIF
Note: Capitalization rates are appraisal-based.

Callan Database Median and Index Returns* for Periods ended June 30, 2016

Private Real Estate	Quarter	YTD	Year	3 Years	5 Years	10 Years	15 Years
Real Estate Database (net of fees)	**2.17**	**4.38**	**11.86**	**13.09**	**12.23**	**4.89**	**7.36**
NCREIF Property	2.03	4.29	10.64	11.61	11.51	7.40	8.91
NFI-ODCE (value wtd. net)	1.91	3.89	10.80	11.97	11.66	5.19	6.95
Public Real Estate	**Quarter**	**YTD**	**Year**	**3 years**	**5 Years**	**10 Years**	**15 Years**
REIT Database	**5.87**	**11.19**	**23.14**	**13.97**	**13.00**	**8.24**	**12.57**
FTSE NAREIT Equity	6.96	13.38	24.04	13.58	12.60	7.45	11.29
Global Public Real Estate	**Quarter**	**YTD**	**Year**	**3 years**	**5 Years**	**10 Years**	**15 Years**
Global REIT Database	**2.96**	**7.74**	**10.87**	**9.50**	**9.24**	**5.56**	**10.14**
FTSE EPRA/NAREIT Developed REIT	3.74	9.38	12.57	8.95	8.63	5.00	9.81
Global ex U.S. Public Real Estate	**Quarter**	**YTD**	**Year**	**3 years**	**5 Years**	**10 Years**	**15 Years**
Global ex-U.S. REIT Database	**0.46**	**4.08**	**0.47**	**4.98**	**5.41**	**3.12**	**--**
EPRA/NAREIT Dev REITs ex-U.S.	0.68	5.91	1.40	4.26	4.97	3.12	9.31

*Returns for less than one year are not annualized.
All REIT returns are reported gross in USD.
Sources: Callan, NAREIT, NCREIF, The FTSE Group. NCREIF statistics are the product of direct queries and may fluctuate over time.

Sticker Shock

PRIVATE EQUITY | Gary Robertson

In fundraising, *Private Equity Analyst* reports that second-quarter commitments totaled $102.2 billion with 196 new partnerships formed. The number of funds raised increased by only 11% from 177 in the first quarter, but the dollar volume rocketed 92% from $53.2 billion. Distressed debt surged to $13.3 billion from only $2.4 billion in the first quarter of 2016. Venture capital also saw a large jump of $14.6 billion from only $8.9 billion in the first quarter.

According to *Buyouts* newsletter, the investment pace by funds into companies totaled 356 transactions, bringing the first-half total to 816. The deal count is down by 86 transactions (19%) from the first quarter, and 216 transactions (21%) from the first half of 2015. The announced aggregate dollar volume in the second quarter was $37.6 billion, and $95.8 billion for the first half. The announced volume is down by $20.6 billion (35%) from the first quarter, but up $26 billion (27%) year-to-date. Only six deals with announced values of $1 billion or more closed in the second quarter, down from 12 in the first quarter.

According to the National Venture Capital Association, new investments in venture capital companies totaled 961 rounds and $15.3 billion in announced volume. The number of rounds decreased from 1,011 in the first quarter, but the dollar volume jumped from $12.7 billion, primarily due to a $3.5 billion expansion investment in Uber.

Funds Closed January 1 to June 30, 2016

Strategy	No. of Funds	Amt ($mm)	Percent*
Venture Capital	201	23,441	15%
Buyouts	119	102,687	66%
Subordinated Debt	9	2,397	2%
Distressed Debt	11	15,568	10%
Secondary and Other	10	5,513	4%
Fund-of-funds	23	5,767	4%
Totals	**373**	**155,373**	**100%**

Source: Private Equity Analyst
*Totals more than 100% due to rounding.

Regarding exits, *Buyouts* reports that there were 118 private M&A exits of buyout-backed companies, with 35 deals disclosing values totaling $24.6 billion. The M&A exits count was down from 140 in the first quarter, but the announced value increased from $15.6 billion. There were three buyout-backed IPOs floating an aggregate $1.6 billion—a recovery from no IPOs in the first quarter.

Venture-backed M&A exits totaled 64 transactions, with 11 disclosing a total dollar volume of $9.0 billion. The number of private sale exits declined from 91 in the first quarter, but the announced dollar volume increased from the first quarter's $5.2 billion, driven by a single $5.8 billion biotechnology exit. There were 12 VC-backed IPOs in the second quarter with a combined float of $893.9 million. For comparison, the first quarter of 2016 had 6 IPOs and total issuance of $574.5 million.

Private Equity Performance Database (%) (Pooled Horizon IRRs through December 31, 2015*)

Strategy	3 Months	Year	3 Years	5 Years	10 Years	15 Years	20 Years
All Venture	2.1	13.8	22.0	16.5	11.1	4.7	24.3
Growth Equity	3.3	9.2	13.6	11.3	11.8	9.8	14.3
All Buyouts	2.4	8.5	13.3	12.3	11.2	11.8	12.8
Mezzanine	0.5	5.2	9.5	10.7	9.6	7.8	9.5
Distressed	-0.1	1.8	9.2	9.4	9.6	10.7	10.8
All Private Equity	**2.1**	**8.6**	**14.1**	**12.4**	**11.0**	**9.6**	**13.8**
S&P 500 Index	7.0	1.4	15.1	12.6	7.3	5.0	8.2
Russell 3000	6.3	0.5	14.7	12.2	7.4	5.4	8.3

Private equity returns are net of fees.
Sources: Standard & Poor's, Thomson/Cambridge.
*Most recent data available at time of publication.

Note: Transaction count and dollar volume figures across all private equity measures are preliminary figures and are subject to update in subsequent versions of *Capital Market Review* and other Callan publications.

Caution as Britannia Waives the Rule

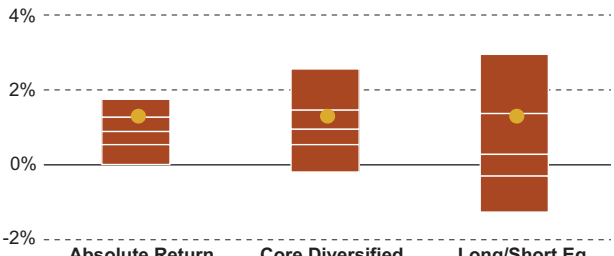
HEDGE FUNDS | Jim McKee

Amid the sudden disorder caused by Brexit, already cautious hedge funds mistrustful of the first quarter's skittishness were relatively unaffected and eked out modest gains, on average. Representing a paper portfolio of hedge fund interests without implementation costs, the **Credit Suisse Hedge Fund Index** (CS HFI) gained 0.59%. The median manager in the **Callan Hedge Fund-of-Funds Database** edged ahead 0.78%, net of all fees.

Returns across underlying strategies, however, were varied. The strongest performers were *Convertible Arb* (+2.65%), *Event-Driven Multi-Strategy* (+2.24%), and *Distressed* (+1.95%), as their credit exposures mended strongly from weakness in the prior quarter. *Emerging Markets* (+1.77%) and *Fixed Income Arb* (+1.02%) also regained ground from first-quarter losses.

Aside from the endangered species of *Short Bias* managers (-6.32%), the quarter's most notable loser was *Equity Market Neutral* (-3.17%), caught flat-footed by shifting risk appetites surrounding Brexit. Suffering from range-bound markets earlier in the quarter, *Managed Futures* lost 2.22% while *Global Macro* salvaged a 0.71% gain. The average *Long/Short Equity* fell 1.21%, trailing the S&P 500 (+2.46%) for the third consecutive quarter.

Callan Style Group Quarterly Returns



	Absolute Return FOF Style	Core Diversified FOF Style	Long/Short Eq FOF Style
10th Percentile	1.75	2.56	2.95
25th Percentile	1.27	1.46	1.37
Median	0.89	0.95	0.28
75th Percentile	0.54	0.54	-0.30
90th Percentile	0.01	-0.19	-1.26
T-Bills + 5%	1.30	1.30	1.30

Sources: Callan, Merrill Lynch

Within Callan's Hedge Fund-of-Funds Database, market movements only marginally affected investment styles in the second quarter. For instance, despite the stock rally at quarter end, the median *Callan Long/Short Equity FOF* (+0.28%) trailed the *Callan Absolute Return FOF* (+0.89%). With exposures to both non-directional and directional styles, the *Core Diversified FOF* gained 0.95%.

Callan Database Median and Index Returns* for Periods ended June 30, 2016

	Quarter	YTD	Year	3 Years	5 Years	10 Years	15 Years
Hedge Fund-of-Funds Database	**0.78**	**-2.18**	**-5.26**	**2.32**	**2.94**	**3.43**	**4.56**
CS Hedge Fund Index	0.59	-1.62	-4.23	2.49	2.88	4.17	5.69
CS Equity Market Neutral	-3.17	-3.52	-1.49	1.02	1.13	-2.43	0.72
CS Convertible Arbitrage	2.65	2.24	0.10	1.16	2.48	3.90	4.52
CS Fixed Income Arbitrage	1.02	-0.21	-0.37	2.37	4.07	3.25	4.17
CS Multi-Strategy	1.24	0.65	1.23	5.90	5.99	5.51	6.68
CS Distressed	1.95	-0.04	-5.25	1.41	3.17	4.08	6.93
CS Risk Arbitrage	0.58	2.71	0.73	1.55	1.46	3.46	3.49
CS Event-Driven Multi-Strategy	2.24	-3.46	-12.43	-0.49	0.32	3.98	5.92
CS Long/Short Equity	-1.21	-5.01	-5.00	4.53	4.00	4.73	5.86
CS Dedicated Short Bias	-6.32	-7.16	4.31	-8.41	-10.15	-9.89	-7.63
CS Global Macro	0.71	-1.54	-3.86	1.54	3.11	5.75	8.15
CS Managed Futures	-2.22	2.03	5.37	6.54	2.34	4.20	5.59
CS Emerging Markets	1.77	0.52	-2.43	2.39	2.21	4.50	7.85

*Returns less than one year are not annualized. Sources: Callan, Credit Suisse.

Target Date Funds Continue to Rule

DEFINED CONTRIBUTION | Tom Szkwarla

In a tumultuous first quarter, the Callan DC Index™ earned just 0.38%, lagging the Age 45 Target Date Fund, which gained nearly 1%. Over the past three years the Index has performed in line with the Age 45 fund; however, since inception, it has trailed with just 5.09% annually versus the Age 45 fund's 5.70% return.

For the quarter, DC plan balances grew 0.85%. Inflows—participant and plan sponsor contributions—added slightly more to total growth (+0.475%) than market performance (+0.375%).

As usual, target date funds attracted the majority of assets during the quarter, approximately 72 cents of every dollar that flowed into DC funds. Target date funds grew to their largest allocation yet, commanding 26.1% of total DC assets in the quarter. The growth seems to be at the expense of U.S. equity, which contracted to 23.4% of total assets.

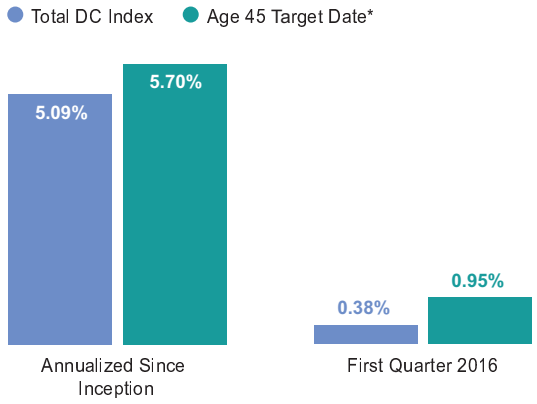
Stable value was the only other asset class with sizable inflows; this asset class typically attracts flows when markets are weak or particularly volatile. Several DC investments saw material net outflows, including U.S. equities (large and small/mid cap), U.S./global balanced, U.S. fixed income, non-U.S. equities, and company stock.

Overall turnover (i.e., net transfer activity levels within DC plans) was on par with last quarter (0.46%) at 0.44%. Turnover has been well below the historical average of 0.64% since mid-2014.

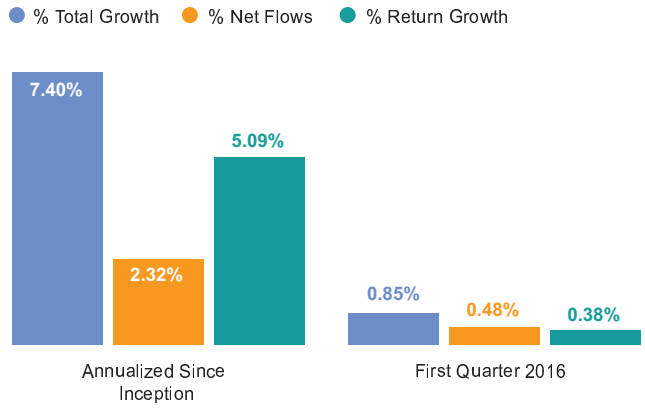
The Callan DC Index's overall equity allocation ended the quarter at 69%. Overall equity allocation has remained fairly static over the past few quarters, modestly above the Index's historical average (67%).

The Callan DC Index is an equally weighted index tracking the cash flows and performance of nearly 90 plans, representing more than one million DC participants and over $135 billion in assets. The Index is updated quarterly and is available on Callan's website, as is the quarterly DC Observer newsletter.

Investment Performance*



Growth Sources*



Net Cash Flow Analysis (First Quarter 2016)*
(Top Two and Bottom Two Asset Gatherers)

Asset Class	Flows as % of Total Net Flows
Target Date Funds	71.60%
Stable Value	15.57%
U.S. Small/Mid Cap	-23.49%
U.S. Large Cap	-29.02%
Total Turnover**	**0.44%**

Source: Callan DC Index
Data provided here is the most recent available at time of publication.

* DC Index inception date is January 2006.

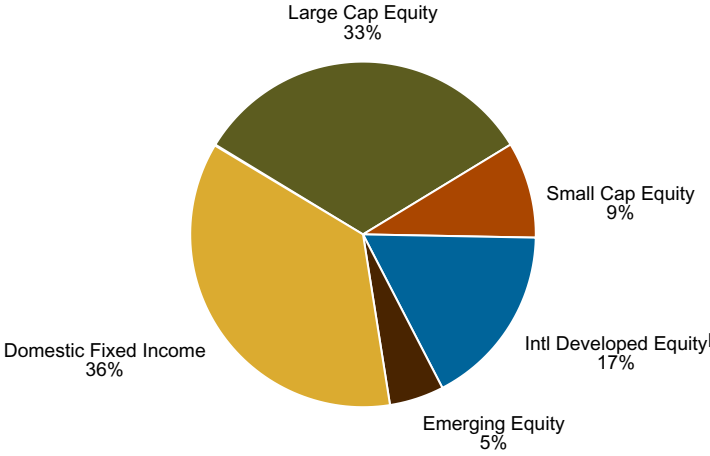
**Total Index "turnover" measures the percentage of total invested assets (transfers only, excluding contributions and withdrawals) that moved between asset classes.

Combined Plan

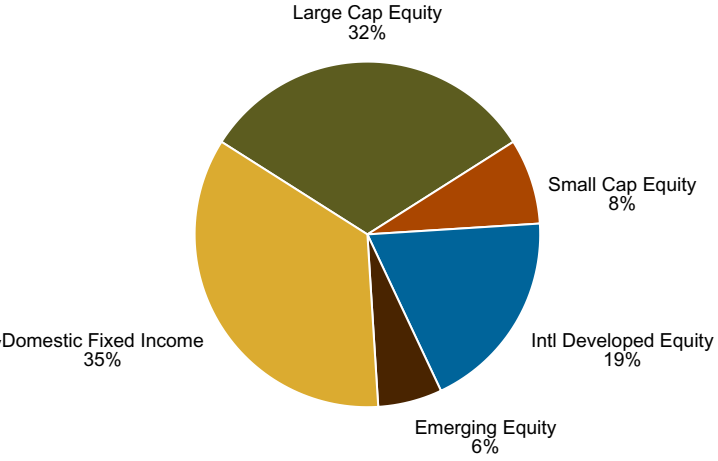
Actual vs Target Asset Allocation
As of June 30, 2016

The top left chart shows the Fund's asset allocation as of June 30, 2016. The top right chart shows the Fund's target asset allocation as outlined in the investment policy statement. The bottom chart ranks the fund's asset allocation and the target allocation versus the CAI Public Fund Sponsor - Mid (100M-1B).

Actual Asset Allocation

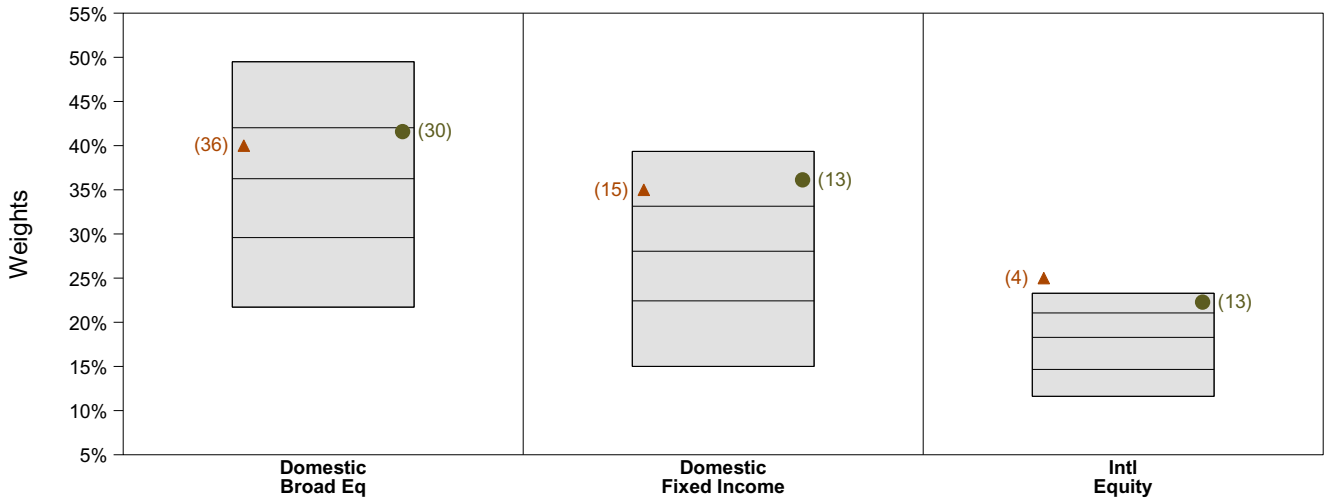


Target Asset Allocation



Asset Class	$000s Actual	Weight Actual	Target	Percent Difference	$000s Difference
Large Cap Equity	79,539	32.6%	32.0%	0.6%	1,450
Small Cap Equity	21,950	9.0%	8.0%	1.0%	2,428
Intl Developed Equity	41,842	17.1%	19.0%	(1.9%)	(4,524)
Emerging Equity	12,537	5.1%	6.0%	(0.9%)	(2,105)
Domestic Fixed Income	88,160	36.1%	35.0%	1.1%	2,750
Total	244,029	100.0%	100.0%		

Asset Class Weights vs CAI Public Fund Sponsor - Mid (100M-1B)



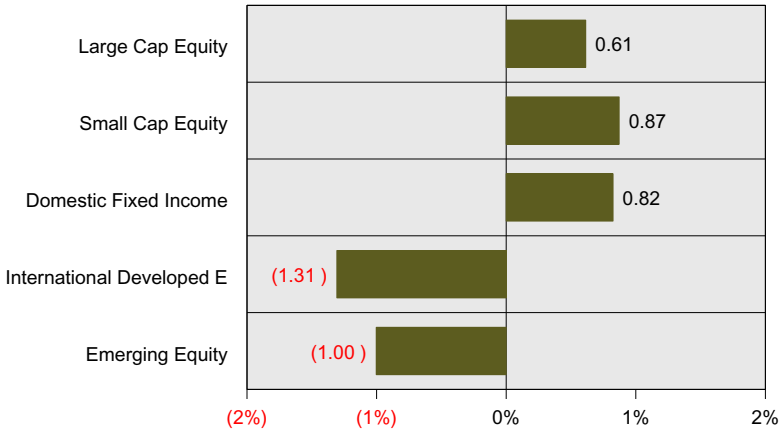
	Domestic Broad Eq	Domestic Fixed Income	Intl Equity
10th Percentile	49.50	39.35	23.28
25th Percentile	42.03	33.14	21.06
Median	36.25	28.04	18.29
75th Percentile	29.59	22.43	14.66
90th Percentile	21.71	15.00	11.62
Fund ●	41.59	36.13	22.28
Target ▲	40.00	35.00	25.00
% Group Invested	97.06%	98.53%	91.18%

* Current Quarter Target = 35.0% Barclays Aggregate Index, 32.0% S&P 500 Index, 19.0% MSCI EAFE, 8.0% Russell 2000 Index and 6.0% MSCI EM Gross.

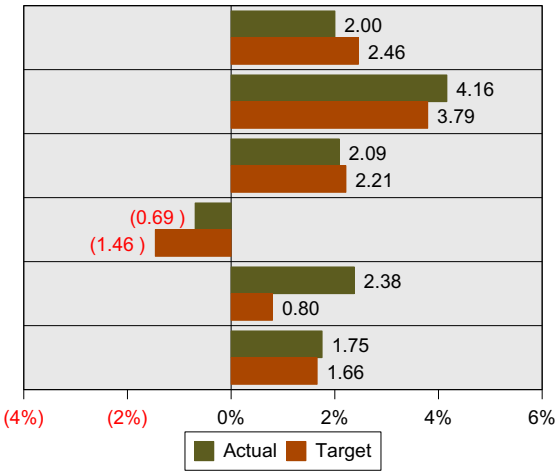
Quarterly Total Fund Relative Attribution - June 30, 2016

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

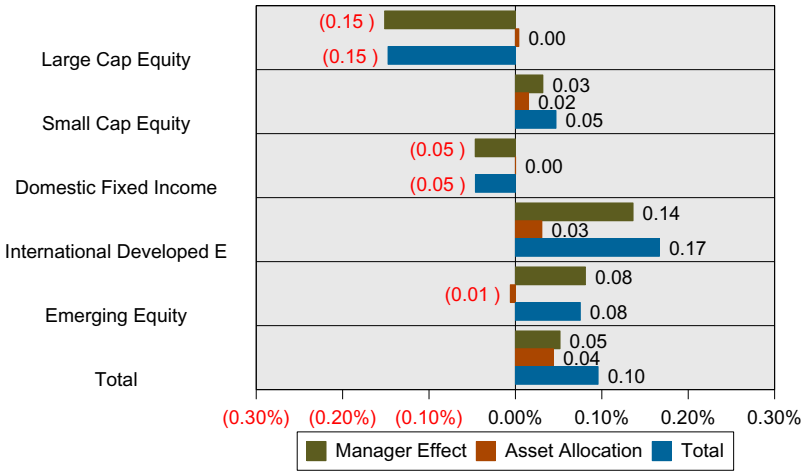
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Quarter ended June 30, 2016

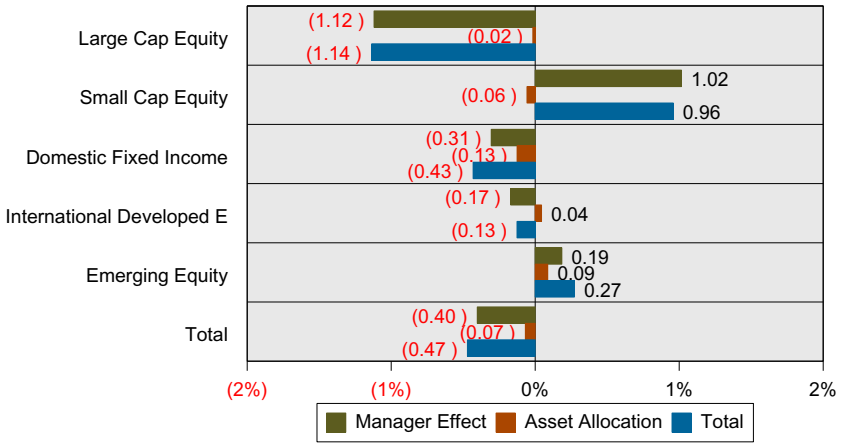
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	33%	32%	2.00%	2.46%	(0.15%)	0.00%	(0.15%)
Small Cap Equity	9%	8%	4.16%	3.79%	0.03%	0.02%	0.05%
Domestic Fixed Income	36%	35%	2.09%	2.21%	(0.05%)	0.00%	(0.05%)
International Developed E	18%	19%	(0.69%)	(1.46%)	0.14%	0.03%	0.17%
Emerging Equity	5%	6%	2.38%	0.80%	0.08%	(0.01%)	0.08%
Total			**1.75%**	**= 1.66%**	**+ 0.05%**	**+ 0.04%**	**0.10%**

* Current Quarter Target = 35.0% Barclays Aggregate Index, 32.0% S&P 500 Index, 19.0% MSCI EAFE, 8.0% Russell 2000 Index and 6.0% MSCI EM Gross.

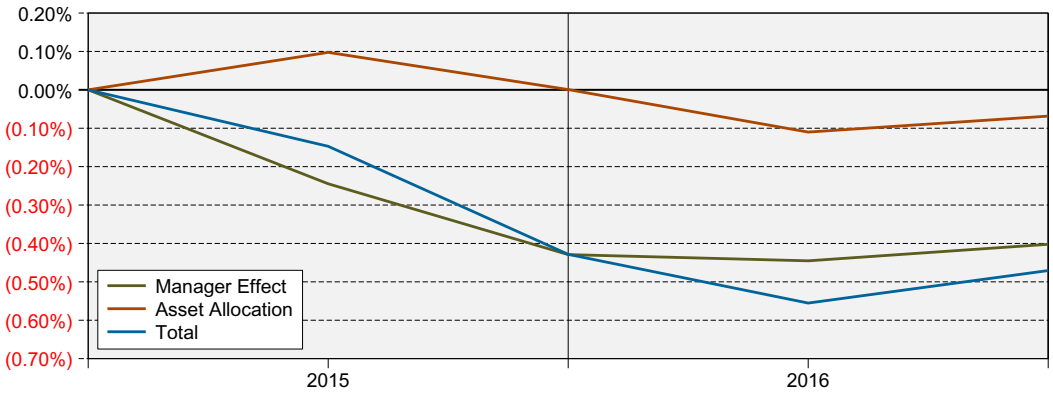
Cumulative Total Fund Relative Attribution - June 30, 2016

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

One Year Relative Attribution Effects



Cumulative Relative Attribution Effects



One Year Relative Attribution Effects

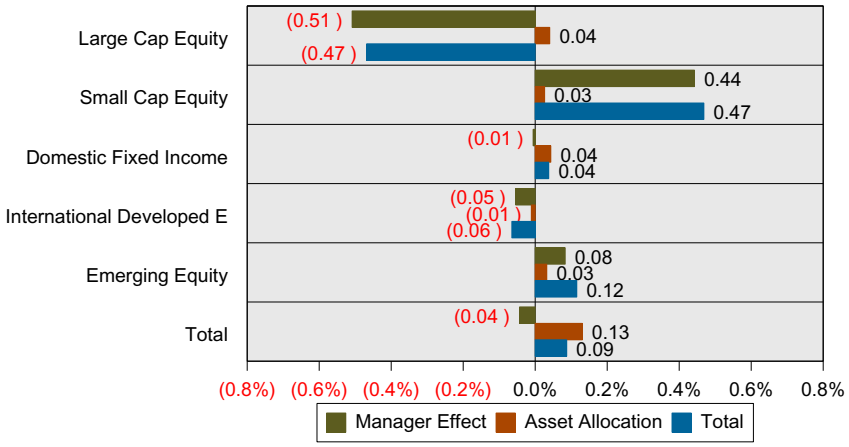
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	0.47%	3.99%	(1.12%)	(0.02%)	(1.14%)
Small Cap Equity	9%	8%	5.06%	(6.73%)	1.02%	(0.06%)	0.96%
Domestic Fixed Income	36%	35%	5.13%	6.00%	(0.31%)	(0.13%)	(0.43%)
International Developed E	18%	19%	(10.95%)	(10.16%)	(0.17%)	0.04%	(0.13%)
Emerging Equity	5%	6%	(8.20%)	(11.71%)	0.19%	0.09%	0.27%
Total			**(0.16%)**	**= 0.32%**	**+ (0.40%)**	**+ (0.07%)**	**(0.47%)**

* Current Quarter Target = 35.0% Barclays Aggregate Index, 32.0% S&P 500 Index, 19.0% MSCI EAFE, 8.0% Russell 2000 Index and 6.0% MSCI EM Gross.

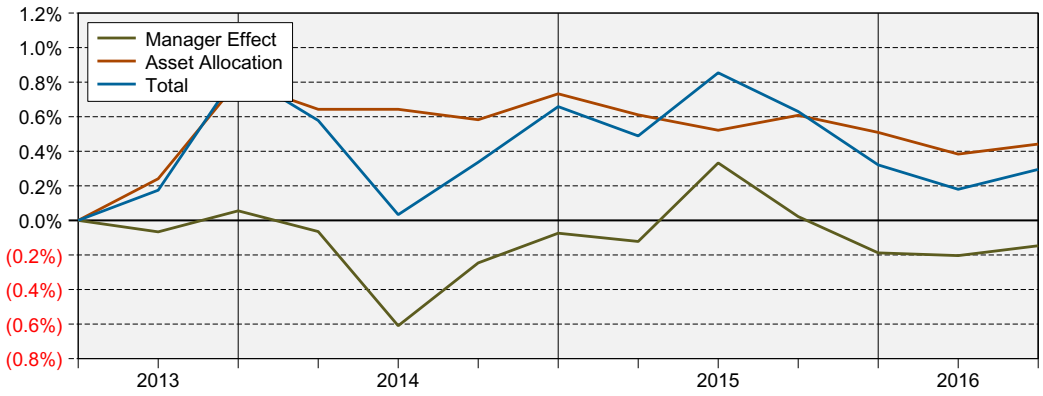
Cumulative Total Fund Relative Attribution - June 30, 2016

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Three Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Three Year Annualized Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	31%	9.99%	11.66%	(0.51%)	0.04%	(0.47%)
Small Cap Equity	8%	7%	12.73%	7.09%	0.44%	0.03%	0.47%
Domestic Fixed Income	37%	38%	4.08%	4.06%	(0.01%)	0.04%	0.04%
International Developed E	18%	18%	1.81%	2.06%	(0.05%)	(0.01%)	(0.06%)
Emerging Equity	5%	5%	0.47%	(1.21%)	0.08%	0.03%	0.12%
Total			**6.02%**	**= 5.93%**	**+ (0.04%)**	**+ 0.13%**	**0.09%**

* Current Quarter Target = 35.0% Barclays Aggregate Index, 32.0% S&P 500 Index, 19.0% MSCI EAFE, 8.0% Russell 2000 Index and 6.0% MSCI EM Gross.

Total Fund
Period Ended June 30, 2016

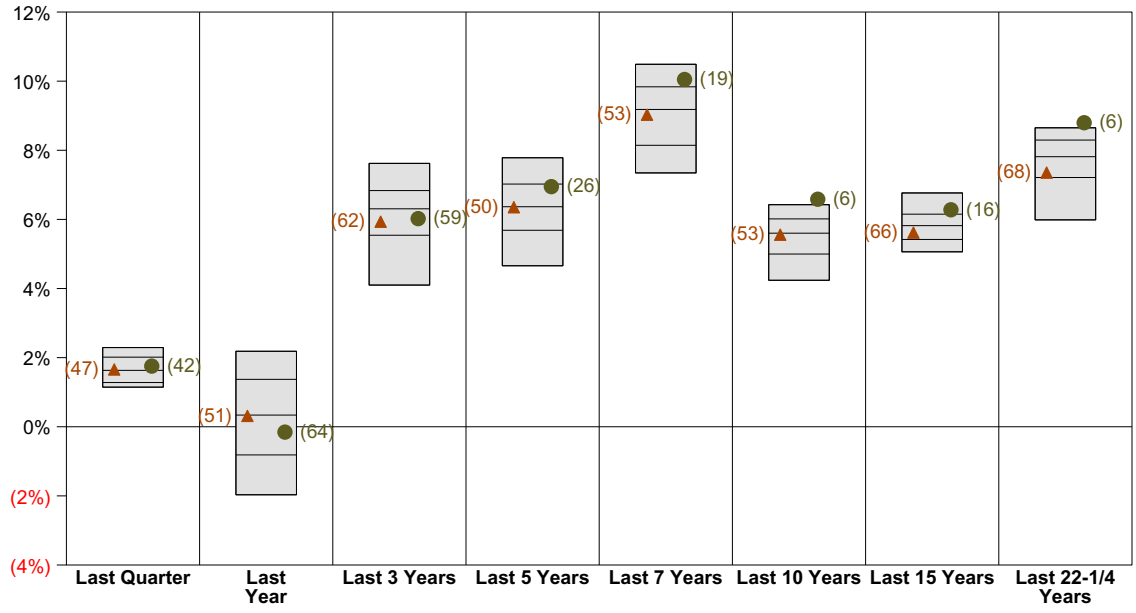
Investment Philosophy

* Current Quarter Target = 35.0% Barclays Aggregate Index, 32.0% S&P 500 Index, 19.0% MSCI EAFE Index, 8.0% Russell 2000 Index and 6.0% MSCI Emerging Mkts Idx.

Quarterly Summary and Highlights

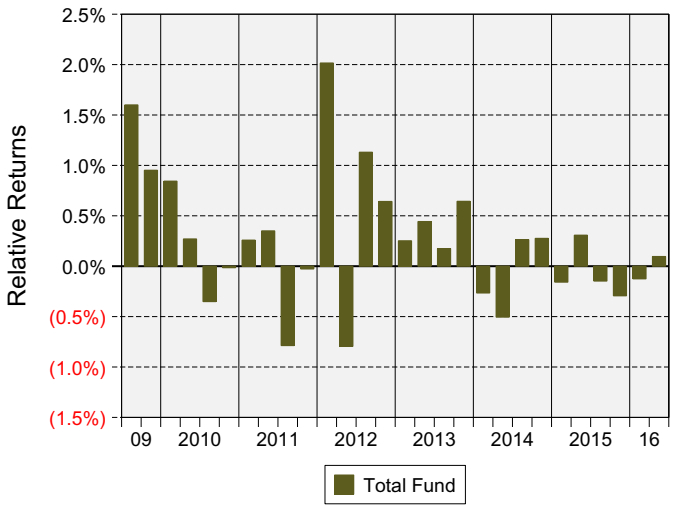
- Total Fund's portfolio posted a 1.75% return for the quarter placing it in the 42 percentile of the CAI Public Fund Sponsor - Mid (100M-1B) group for the quarter and in the 64 percentile for the last year.
- Total Fund's portfolio outperformed the Target by 0.10% for the quarter and underperformed the Target for the year by 0.47%.

Performance vs CAI Public Fund Sponsor - Mid (100M-1B) (Gross)

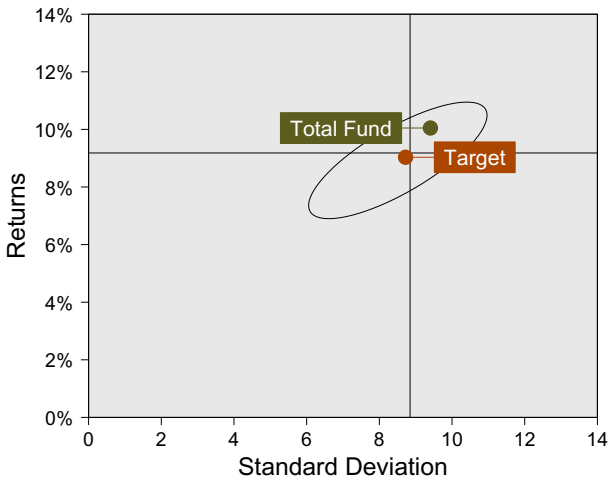


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 15 Years	Last 22-1/4 Years
10th Percentile	2.29	2.18	7.62	7.78	10.49	6.43	6.77	8.65
25th Percentile	2.01	1.37	6.83	7.02	9.84	6.01	6.15	8.30
Median	1.63	0.34	6.31	6.37	9.18	5.60	5.82	7.81
75th Percentile	1.28	(0.81)	5.54	5.69	8.14	5.00	5.42	7.21
90th Percentile	1.15	(1.97)	4.10	4.66	7.35	4.24	5.06	5.99
Total Fund ●	1.75	(0.16)	6.02	6.95	10.05	6.58	6.28	8.80
Target ▲	1.66	0.32	5.93	6.35	9.03	5.56	5.62	7.36

Relative Return vs Target



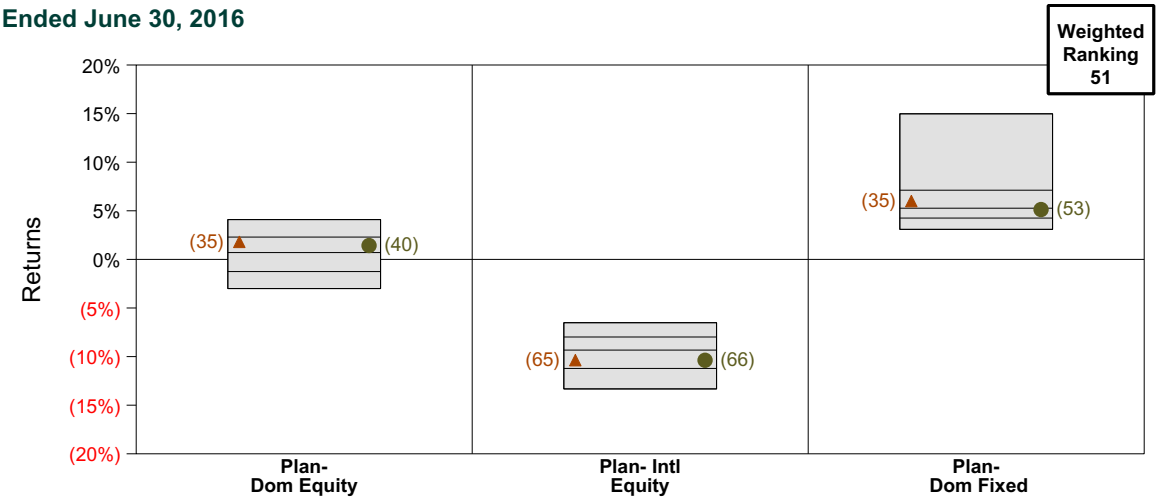
CAI Public Fund Sponsor - Mid (100M-1B) (Gross) Annualized Seven Year Risk vs Return



Asset Class Rankings

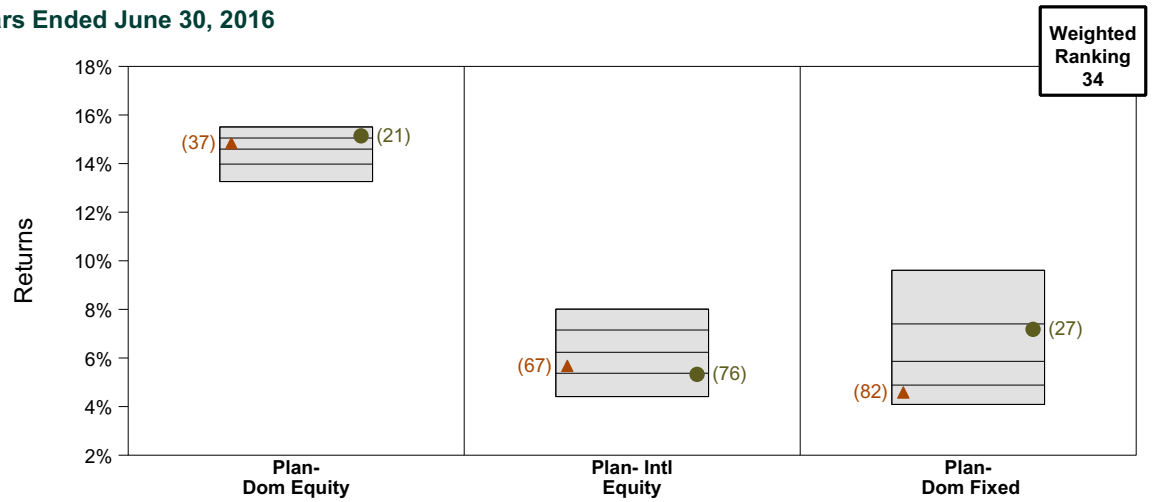
The charts below show the rankings of each asset class component of the Total Fund relative to appropriate comparative databases. In the upper right corner of each graph is the weighted average of the rankings across the different asset classes. The weights of the fund's actual asset allocation are used to make this calculation. The weighted average ranking can be viewed as a measure of the fund's overall success in picking managers and structuring asset classes.

Total Asset Class Performance
One Year Ended June 30, 2016



	Plan- Dom Equity	Plan- Intl Equity	Plan- Dom Fixed
10th Percentile	4.10	(6.51)	14.98
25th Percentile	2.29	(7.98)	7.12
Median	0.70	(9.33)	5.27
75th Percentile	(1.25)	(11.22)	4.25
90th Percentile	(3.00)	(13.33)	3.09
Asset Class Composite ●	1.43	(10.38)	5.13
Composite Benchmark ▲	1.81	(10.37)	6.00

Total Asset Class Performance
Seven Years Ended June 30, 2016



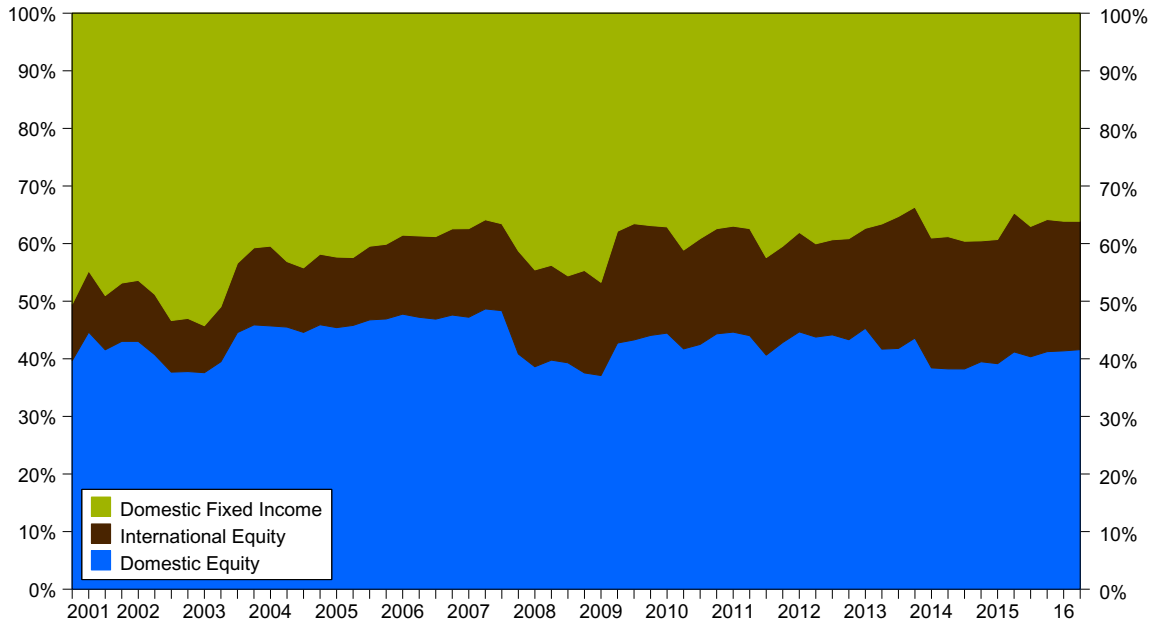
	Plan- Dom Equity	Plan- Intl Equity	Plan- Dom Fixed
10th Percentile	15.51	8.01	9.61
25th Percentile	15.05	7.15	7.40
Median	14.60	6.24	5.86
75th Percentile	13.98	5.37	4.88
90th Percentile	13.26	4.41	4.09
Asset Class Composite ●	15.14	5.33	7.18
Composite Benchmark ▲	14.84	5.68	4.58

* Current Quarter Target = 35.0% Barclays Aggregate Index, 32.0% S&P 500 Index, 19.0% MSCI EAFE, 8.0% Russell 2000 Index and 6.0% MSCI EM Gross.

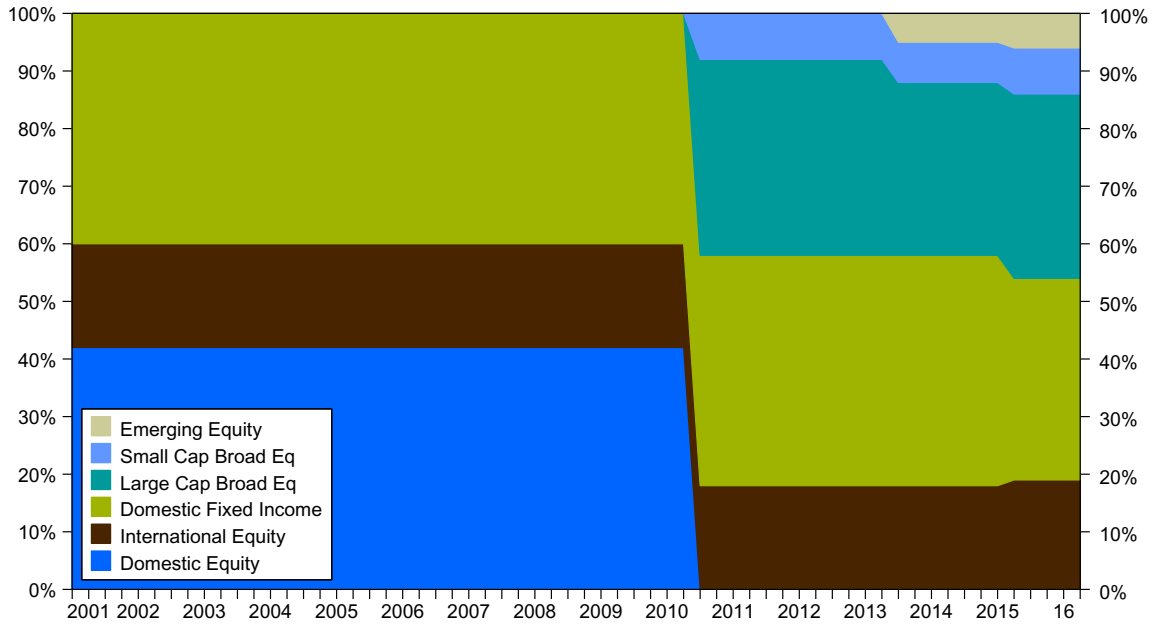
Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, and the fund's historical target asset allocation.

Actual Historical Asset Allocation



Target Historical Asset Allocation



* Current Quarter Target = 35.0% Barclays Aggregate Index, 32.0% S&P 500 Index, 19.0% MSCI EAFE, 8.0% Russell 2000 Index and 6.0% MSCI EM Gross.

Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of June 30, 2016, with the distribution as of March 31, 2016. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Managers

	June 30, 2016 Market Value	Net New Inv.	Inv. Return	March 31, 2016 Market Value
Consolidated Plan				
Domestic Equity	**$101,489,682**	**$(450,701)**	**$2,432,012**	**$99,508,371**
Large Cap	**$79,539,377**	**$0**	**$1,561,319**	**$77,978,058**
Boston Partners	38,934,826	0	592,781	38,342,045
SSgA S&P 500	40,604,552	0	968,538	39,636,013
Small Cap	**$21,950,305**	**$(450,701)**	**$870,693**	**$21,530,313**
Atlanta Capital	21,950,305	(450,701)	870,693	21,530,313
International Equity	**$54,379,062**	**$262,195**	**$(23,316)**	**$54,140,183**
International Developed Equity	**$41,841,859**	**$0**	**$(292,486)**	**$42,134,345**
Brandes	9,226	0	(2,337)	11,563
JP Morgan	21,281,757	0	(28,089)	21,309,845
SSgA EAFE	20,550,876	0	(262,060)	20,812,936
Emerging Equity	**$12,537,203**	**$262,195**	**$269,169**	**$12,005,838**
DFA Emerging Markets	12,537,203	262,195	269,169	12,005,838
Fixed Income	**$88,160,477**	**$(496,033)**	**$1,802,809**	**$86,853,701**
Metropolitan West	88,160,477	(496,033)	1,802,809	86,853,701
Total Plan - Consolidated	**$244,029,222**	**$(684,540)**	**$4,211,505**	**$240,502,256**

Sacramento Regional Transit District
Asset Growth

Ending June 30, 2016 ($ Thousands)	Ending Market Value	=	Beginning Market Value	+	Net New Investment	+	Investment Return
Total Plan							
1/4 Year Ended 6/2016	244,029.2		240,502.3		(684.5)		4,211.5
1/4 Year Ended 3/2016	240,502.3		238,289.7		(450.0)		2,662.6
1/4 Year Ended 12/2015	238,289.7		232,085.4		(816.4)		7,020.7
1/4 Year Ended 9/2015	232,085.4		246,970.5		(534.9)		(14,350.2)
1/4 Year Ended 6/2015	246,970.5		247,920.3		(766.8)		(183.0)
1/4 Year Ended 3/2015	247,920.3		243,017.9		(295.4)		5,197.8
1/4 Year Ended 12/2014	243,017.9		238,642.3		(1,001.3)		5,377.0
1/4 Year Ended 9/2014	238,642.3		241,859.7		(632.5)		(2,584.9)
1/4 Year Ended 6/2014	241,859.7		235,305.8		(752.1)		7,306.0
1/4 Year Ended 3/2014	235,305.8		233,171.6		(781.9)		2,916.1
1/4 Year Ended 12/2013	233,171.6		222,071.8		(913.1)		12,012.9
1/4 Year Ended 9/2013	222,071.8		212,659.5		(1,311.0)		10,723.3
1/4 Year Ended 6/2013	212,659.5		212,527.3		(1,129.6)		1,261.9
1/4 Year Ended 3/2013	212,527.3		202,131.0		(1,047.2)		11,443.5
1/4 Year Ended 12/2012	202,131.0		199,766.3		(1,446.2)		3,810.9
1/4 Year Ended 9/2012	199,766.3		190,468.1		(1,283.9)		10,582.1
1/4 Year Ended 6/2012	190,468.1		196,081.9		(1,011.3)		(4,602.5)
1/4 Year Ended 3/2012	196,081.9		180,738.3		(1,404.0)		16,747.5
1/4 Year Ended 12/2011	180,738.3		171,355.1		(1,398.2)		10,781.4
1/4 Year Ended 9/2011	171,355.1		191,013.6		(1,609.4)		(18,049.0)

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended June 30, 2016. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended June 30, 2016

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Domestic Equity	**2.45%**	**1.43%**	**10.58%**	**12.26%**	**15.14%**
Custom Benchmark**	2.71%	1.91%	10.83%	11.43%	14.78%
Large Cap Equity	**2.00%**	**0.47%**	**9.99%**	**12.07%**	**-**
Boston Partners	1.55%	(3.10%)	8.28%	11.52%	14.39%
Russell 1000 Value Index	4.58%	2.86%	9.87%	11.35%	14.50%
SSgA S&P 500	2.44%	4.09%	11.71%	-	-
S&P 500 Index	2.46%	3.99%	11.66%	12.10%	14.92%
Small Cap Equity	**4.16%**	**5.06%**	**12.73%**	**13.00%**	**-**
Atlanta Capital	4.16%	5.06%	12.73%	13.00%	-
Russell 2000 Index	3.79%	(6.73%)	7.09%	8.35%	13.94%
International Equity	**(0.04%)**	**(10.38%)**	**1.46%**	**1.16%**	**5.33%**
Custom International Benchmark***	(0.97%)	(10.37%)	1.41%	1.29%	5.68%
International Developed Equity	**(0.69%)**	**(10.95%)**	**1.81%**	**-**	**-**
JP Morgan	(0.13%)	(11.97%)	1.37%	1.90%	6.71%
SSgA EAFE	(1.26%)	(9.86%)	2.31%	-	-
MSCI EAFE Index	(1.46%)	(10.16%)	2.06%	1.68%	5.97%
Emerging Equity	**2.38%**	**(8.20%)**	**0.47%**	**-**	**-**
DFA Emerging Markets	2.38%	(8.20%)	0.47%	-	-
MSCI Emerging Mkts Idx	0.80%	(11.71%)	(1.21%)	(3.44%)	4.14%
Domestic Fixed Income	**2.09%**	**5.13%**	**4.08%**	**4.52%**	**7.18%**
Met West	2.09%	5.13%	4.08%	4.52%	7.18%
BC Aggregate Index	2.21%	6.00%	4.06%	3.76%	4.58%
Total Plan	**1.75%**	**(0.16%)**	**6.02%**	**6.95%**	**10.05%**
Target*	1.66%	0.32%	5.93%	6.35%	9.03%

* Current Quarter Target = 35.0% Barclays Aggregate Index, 32.0% S&P 500 Index, 19.0% MSCI EAFE, 8.0% Russell 2000 Index and 6.0% MSCI EM Gross.
** Custom Benchmark = 81% S&P500, 19% Russell 2000
*** Custom International Benchmark = MSCI EAFE until 6/30/2013 when it becomes 78.261% MSCI EAFE, 21.739% MSCI Emerging Markets

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended June 30, 2016. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended June 30, 2016

	Last 10 Years	Last 15 Years	Last 20 Years	Last 22-1/4 Years
Domestic Equity	**8.26%**	**6.77%**	**7.75%**	**-**
Custom Benchmark**	7.24%	6.04%	7.89%	9.24%
Russell 1000 Value Index	6.13%	6.38%	8.46%	9.59%
S&P 500 Index	7.42%	5.75%	7.87%	9.32%
Russell 2000 Index	6.20%	6.96%	7.61%	8.55%
International Equity	**1.45%**	**5.09%**	**8.79%**	**-**
MSCI EAFE Index	1.58%	4.32%	3.96%	4.44%
Domestic Fixed Income	**6.67%**	**6.07%**	**6.42%**	**-**
Met West	6.67%	6.07%	-	-
BC Aggregate Index	5.13%	5.08%	5.67%	5.83%
Total Plan	**6.58%**	**6.28%**	**7.65%**	**8.80%**
Target*	5.56%	5.62%	6.66%	7.36%

* Current Quarter Target = 35.0% Barclays Aggregate Index, 32.0% S&P 500 Index, 19.0% MSCI EAFE, 8.0% Russell 2000 Index and 6.0% MSCI EM Gross.
** Custom Benchmark = 81% S&P500, 19% Russell 2000

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	12/2015-6/2016	2015	2014	2013	2012
Domestic Equity	**3.75%**	**0.06%**	**10.85%**	**36.44%**	**19.19%**
Custom Benchmark**	3.53%	0.30%	12.05%	33.61%	16.08%
Large Cap Equity	**2.57%**	**(1.17%)**	**12.81%**	**34.96%**	**21.29%**
Boston Partners	1.26%	(3.75%)	11.87%	37.52%	21.95%
Russell 1000 Value Index	6.30%	(3.83%)	13.45%	32.53%	17.51%
SSgA S&P 500	3.84%	1.46%	13.77%	32.36%	-
S&P 500 Index	3.84%	1.38%	13.69%	32.39%	16.00%
Small Cap Equity	**8.24%**	**5.14%**	**3.49%**	**41.51%**	**11.96%**
Atlanta Capital	8.24%	5.14%	3.49%	41.51%	11.96%
Russell 2000 Index	2.22%	(4.41%)	4.89%	38.82%	16.35%
International Equity	**(1.38%)**	**(4.17%)**	**(3.72%)**	**16.66%**	**17.28%**
International Developed Equity	**(4.21%)**	**(1.17%)**	**(4.41%)**	**20.27%**	**-**
JP Morgan	(4.25%)	(1.75%)	(4.28%)	18.12%	21.23%
SSgA EAFE	(4.15%)	(0.56%)	(4.55%)	22.80%	-
MSCI EAFE Index	(4.42%)	(0.81%)	(4.90%)	22.78%	17.32%
Emerging Equity	**9.98%**	**(14.33%)**	**(0.28%)**	**-**	**-**
DFA Emerging Markets	9.98%	(14.33%)	(0.28%)	-	-
MSCI Emerging Mkts Idx	6.60%	(14.60%)	(1.82%)	(2.27%)	18.63%
Domestic Fixed Income	**4.65%**	**0.51%**	**6.37%**	**(1.03%)**	**9.48%**
Met West	4.65%	0.51%	6.37%	(1.03%)	9.48%
BC Aggregate Index	5.31%	0.55%	5.97%	(2.02%)	4.21%
Total Plan	**2.90%**	**(0.97%)**	**5.61%**	**17.71%**	**14.80%**
Target*	2.93%	(0.69%)	5.84%	16.00%	11.68%

* Current Quarter Target = 35.0% Barclays Aggregate Index, 32.0% S&P 500 Index, 19.0% MSCI EAFE, 8.0% Russell 2000 Index and 6.0% MSCI EM Gross.
Returns are for annualized calendar years.
** Custom Benchmark = 81% S&P500, 19% Russell 2000

Investment Manager Returns

The table below details the rates of return for the Sponsor's investment managersover various time periods. Negative returns are shown in red, positive returns in black.Returns for one year or greater are annualized. The first set of returns for each asset classrepresents the composite returns for all the fund's accounts for that asset class.

	2011	2010	2009	2008	2007
Domestic Equity	**2.08%**	**15.93%**	**32.93%**	**(36.27%)**	**6.46%**
Custom Benchmark**	0.97%	17.25%	26.65%	(36.35%)	4.14%
Boston Partners	1.27%	13.61%	27.06%	(32.69%)	4.02%
Russell 1000 Value Index	0.39%	15.51%	19.69%	(36.85%)	(0.17%)
S&P 500 Index	2.11%	15.06%	26.47%	(37.00%)	5.49%
Russell 2000 Index	(4.18%)	26.85%	27.17%	(33.79%)	(1.57%)
International Equity	**(10.64%)**	**6.51%**	**28.99%**	**(39.41%)**	**7.68%**
MSCI EAFE Index	(12.14%)	7.75%	31.78%	(43.38%)	11.17%
Domestic Fixed Income	**6.10%**	**12.52%**	**19.88%**	**(3.11%)**	**7.50%**
Met West	6.10%	12.52%	19.88%	(3.11%)	7.50%
BC Aggregate Index	7.84%	6.54%	5.93%	5.24%	6.97%
Total Plan	**1.22%**	**12.70%**	**26.91%**	**(23.45%)**	**7.29%**
Target*	1.52%	11.85%	20.02%	(23.33%)	6.92%

* Current Quarter Target = 35.0% Barclays Aggregate Index, 32.0% S&P 500 Index, 19.0% MSCI EAFE, 8.0% Russell 2000 Index and 6.0% MSCI EM Gross.
Returns are for annualized calendar years.
** Custom Benchmark = 81% S&P500, 19% Russell 2000

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended June 30, 2016. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended June 30, 2016

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Net of Fee Returns					
Domestic Equity	2.35%	-	-	-	-
Large Cap Equity	1.93%	-	-	-	-
Boston Partners	1.41%	(3.63%)	7.69%	10.93%	13.87%
Russell 1000 Value Index	4.58%	2.86%	9.87%	11.35%	14.50%
SSgA S&P 500	2.44%	4.05%	11.66%	-	-
S&P 500 Index	2.46%	3.99%	11.66%	12.10%	14.92%
Small Cap Equity	3.96%	-	-	-	-
Atlanta Capital	3.96%	4.24%	11.85%	12.14%	-
Russell 2000 Index	3.79%	(6.73%)	7.09%	8.35%	13.94%
International Equity	(0.11%)	-	-	-	-
International Developed Equity	(0.79%)	-	-	-	-
JP Morgan	(0.31%)	(12.59%)	0.83%	1.29%	6.05%
SSgA EAFE	(1.28%)	(9.95%)	2.21%	-	-
MSCI EAFE Index	(1.46%)	(10.16%)	2.06%	1.68%	5.97%
Emerging Equity	2.22%	-	-	-	-
DFA Emerging Markets	2.22%	(8.77%)	(0.16%)	-	-
MSCI Emerging Mkts Idx	0.80%	(11.71%)	(1.21%)	(3.44%)	4.14%
Domestic Fixed Income	2.02%	-	-	-	-
Met West	2.02%	4.84%	3.79%	4.23%	6.88%
BC Aggregate Index	2.21%	6.00%	4.06%	3.76%	4.58%
Total Plan	1.67%	(0.50%)	5.67%	6.55%	9.58%
Target*	1.66%	0.32%	5.93%	6.35%	9.03%

* Current Quarter Target = 35.0% Barclays Aggregate Index, 32.0% S&P 500 Index, 19.0% MSCI EAFE, 8.0% Russell 2000 Index and 6.0% MSCI EM Gross.
** Custom International Benchmark = MSCI EAFE until 6/30/2013 when it becomes 78.261% MSCI EAFE, 21.739% MSCI Emerging Markets

Domestic Equity

Domestic Equity
Period Ended June 30, 2016

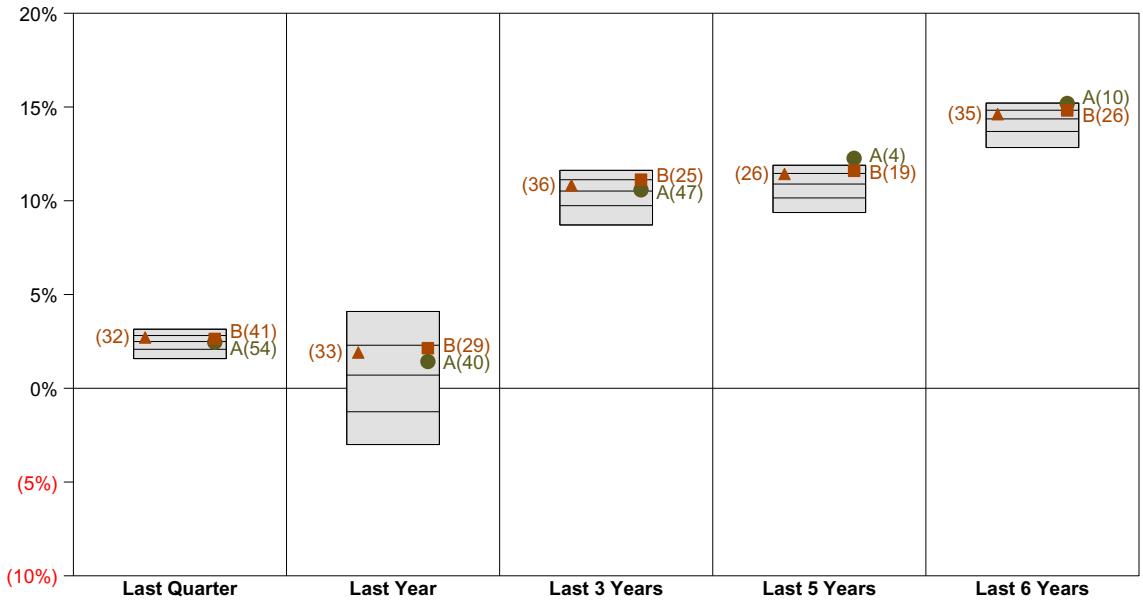
Investment Philosophy

The Custom Benchmark consists of 81.0% S&P 500 index and 19.0% Russell 2000 Index.

Quarterly Summary and Highlights

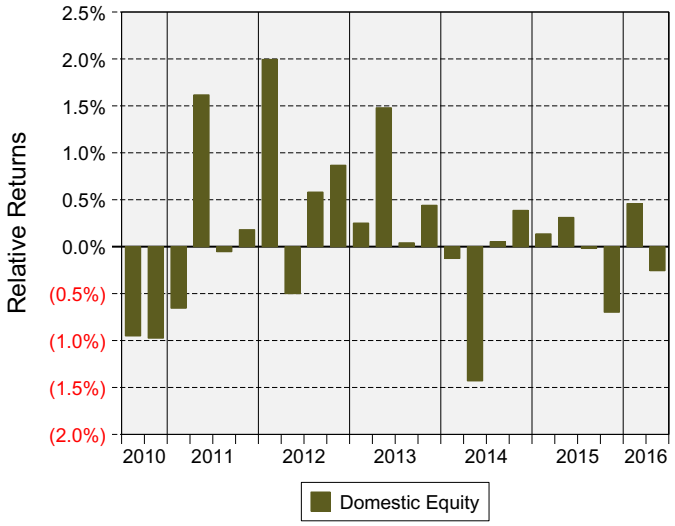
- Domestic Equity's portfolio posted a 2.45% return for the quarter placing it in the 54 percentile of the Fund Spnsr-Domestic Equity group for the quarter and in the 40 percentile for the last year.
- Domestic Equity's portfolio underperformed the Custom Benchmark by 0.26% for the quarter and underperformed the Custom Benchmark for the year by 0.48%.

Performance vs Fund Spnsr- Domestic Equity (Gross)

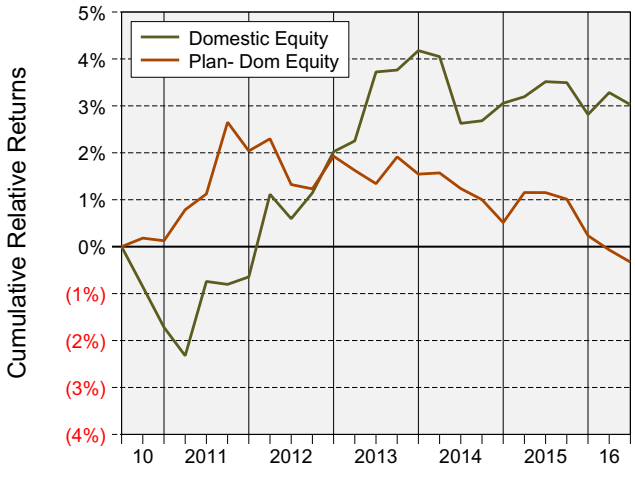


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 6 Years
10th Percentile	3.15	4.10	11.62	11.89	15.21
25th Percentile	2.81	2.29	11.12	11.46	14.83
Median	2.49	0.70	10.52	10.89	14.37
75th Percentile	2.08	(1.25)	9.74	10.15	13.70
90th Percentile	1.58	(3.00)	8.71	9.37	12.84
Domestic Equity ● A	2.45	1.43	10.58	12.26	15.19
Russell 3000 Index ■ B	2.63	2.14	11.13	11.60	14.82
Custom Benchmark ▲	2.71	1.91	10.83	11.43	14.62

Relative Return vs Custom Benchmark



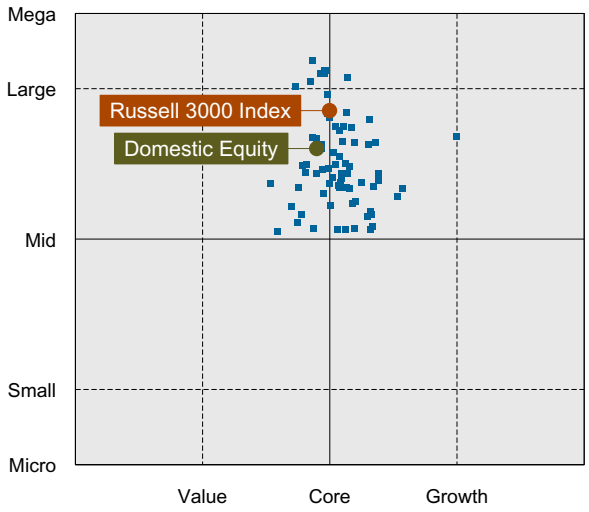
Cumulative Returns vs Custom Benchmark



Current Holdings Based Style Analysis
Domestic Equity
As of June 30, 2016

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

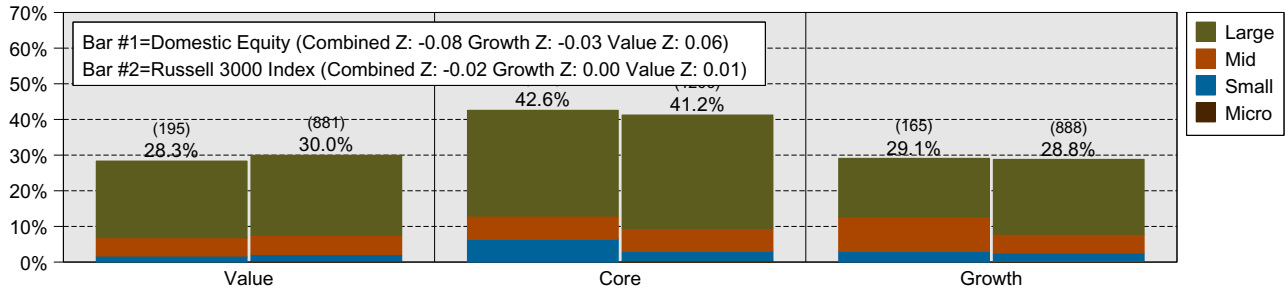
Style Map vs Plan- Dom Equity
Holdings as of June 30, 2016



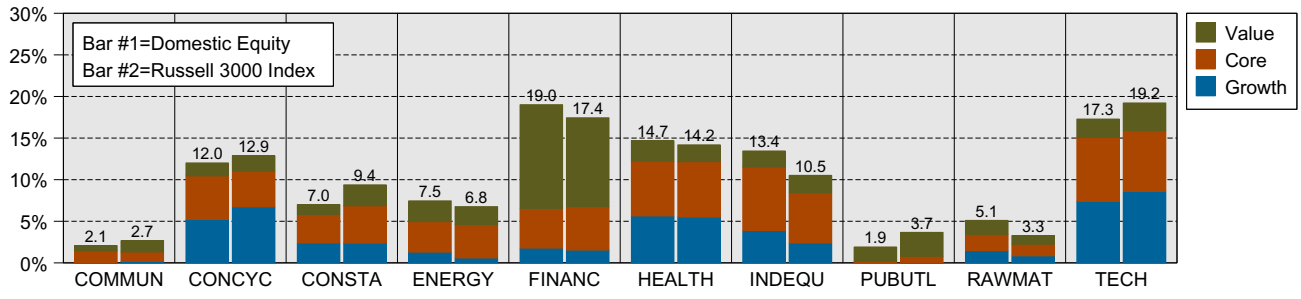
Style Exposure Matrix
Holdings as of June 30, 2016

	Value	Core	Growth	Total
Large	21.5% (97) 22.4% (97)	29.7% (111) 31.7% (114)	16.4% (95) 21.0% (98)	**67.5% (303)** **75.1% (309)**
Mid	5.2% (91) 5.4% (188)	6.5% (85) 6.5% (240)	9.7% (61) 5.3% (190)	**21.4% (237)** **17.2% (618)**
Small	1.7% (7) 1.9% (328)	6.4% (25) 2.7% (493)	3.0% (9) 2.3% (417)	**11.1% (41)** **6.9% (1238)**
Micro	0.0% (0) 0.3% (268)	0.0% (0) 0.3% (359)	0.0% (0) 0.2% (183)	**0.0% (0)** **0.8% (810)**
Total	**28.3% (195)** **30.0% (881)**	**42.6% (221)** **41.2% (1206)**	**29.1% (165)** **28.8% (888)**	**100.0% (581)** **100.0% (2975)**

Combined Z-Score Style Distribution
Holdings as of June 30, 2016



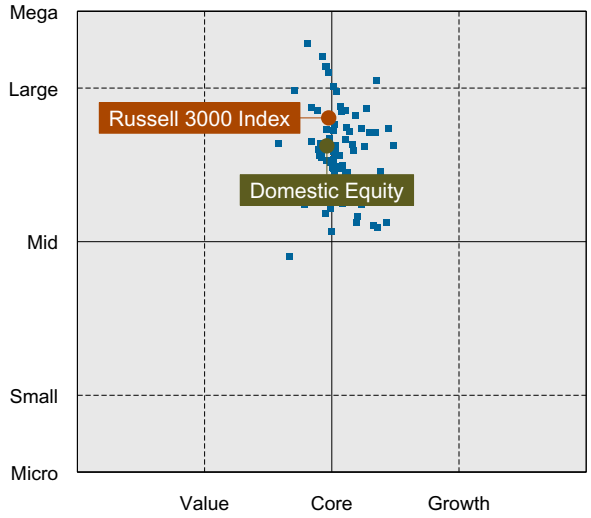
Sector Weights Distribution
Holdings as of June 30, 2016



Historical Holdings Based Style Analysis
Domestic Equity
For Six Years Ended June 30, 2016

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

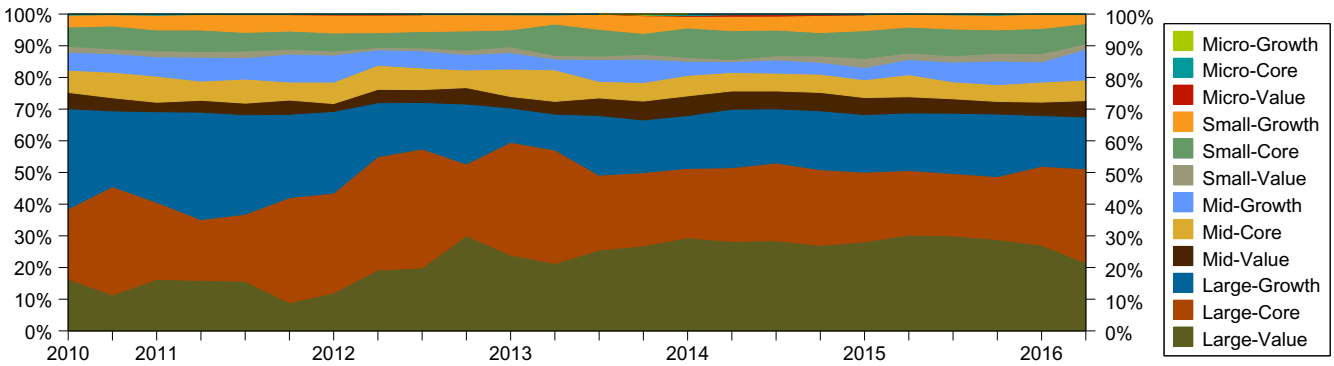
Average Style Map vs Plan- Dom Equity
Holdings for Six Years Ended June 30, 2016



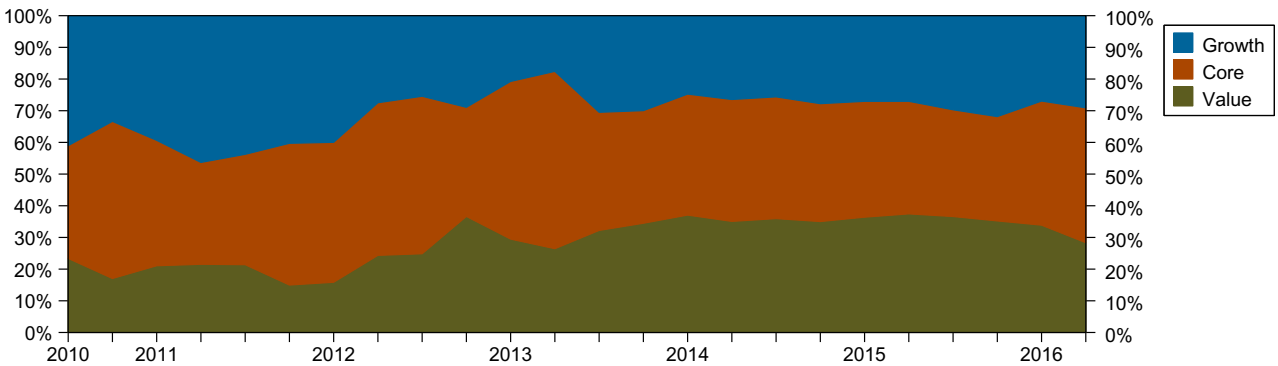
Average Style Exposure Matrix
Holdings for Six Years Ended June 30, 2016

	Value	Core	Growth	Total
Large	22.6% (70) 23.7% (87)	26.2% (86) 25.9% (107)	20.3% (78) 23.6% (104)	**69.2% (234)** **73.2%** (298)
Mid	4.6% (67) 5.4% (176)	6.6% (67) 6.2% (214)	5.9% (48) 6.4% (208)	**17.1% (182)** **18.1%** (598)
Small	1.6% (9) 2.3% (344)	7.1% (26) 3.0% (463)	4.6% (16) 2.4% (388)	**13.4% (51)** **7.6%** (1195)
Micro	0.1% (0) 0.4% (303)	0.2% (1) 0.4% (352)	0.0% (0) 0.3% (210)	**0.3% (1)** **1.1%** (865)
Total	**28.9% (146)** **31.7% (910)**	**40.2% (180)** **35.5% (1136)**	**30.9% (142)** **32.7% (910)**	**100.0% (468)** **100.0%** (2956)

Domestic Equity Historical Cap/Style Exposures



Domestic Equity Historical Style Only Exposures

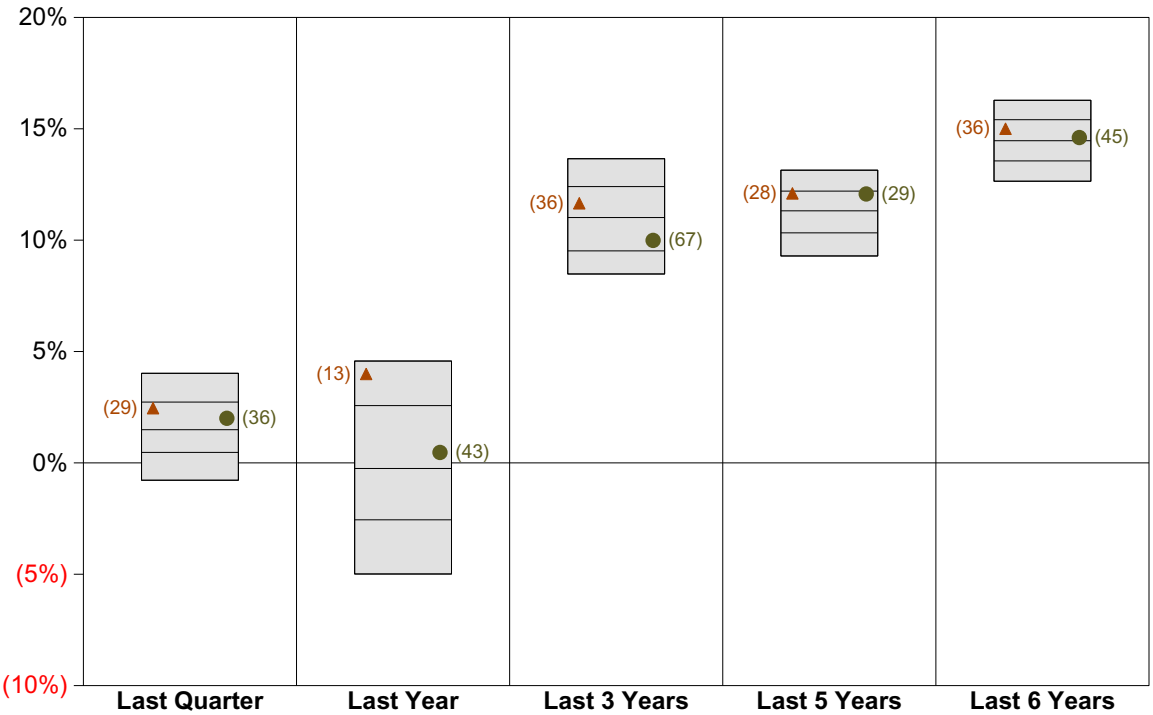


Large Cap
Period Ended June 30, 2016

Quarterly Summary and Highlights

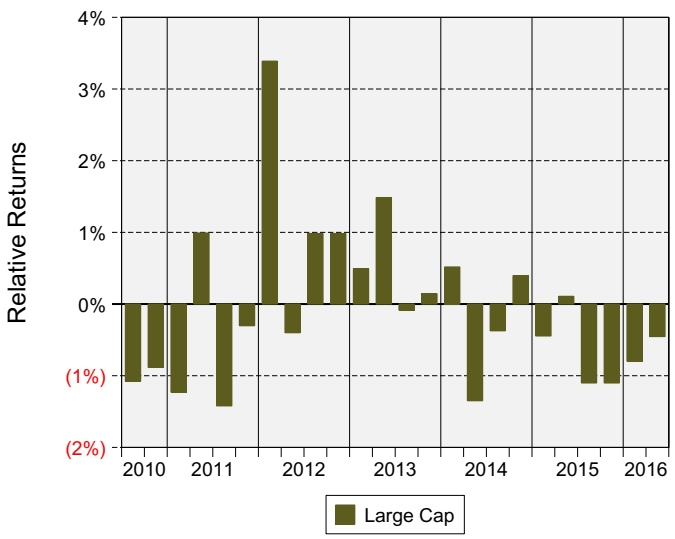
- Large Cap's portfolio posted a 2.00% return for the quarter placing it in the 36 percentile of the CAI Large Capitalization group for the quarter and in the 43 percentile for the last year.
- Large Cap's portfolio underperformed the S&P 500 Index by 0.45% for the quarter and underperformed the S&P 500 Index for the year by 3.52%.

Performance vs CAI Large Capitalization (Gross)

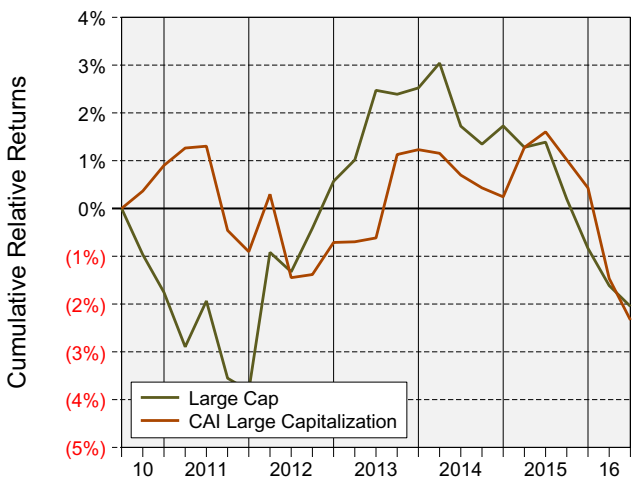


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 6 Years
10th Percentile	4.02	4.57	13.66	13.14	16.28
25th Percentile	2.73	2.57	12.41	12.20	15.41
Median	1.49	(0.25)	11.02	11.32	14.46
75th Percentile	0.47	(2.56)	9.52	10.33	13.56
90th Percentile	(0.78)	(4.99)	8.48	9.29	12.65
Large Cap ●	2.00	0.47	9.99	12.07	14.61
S&P 500 Index ▲	2.46	3.99	11.66	12.10	15.00

Relative Return vs S&P 500 Index



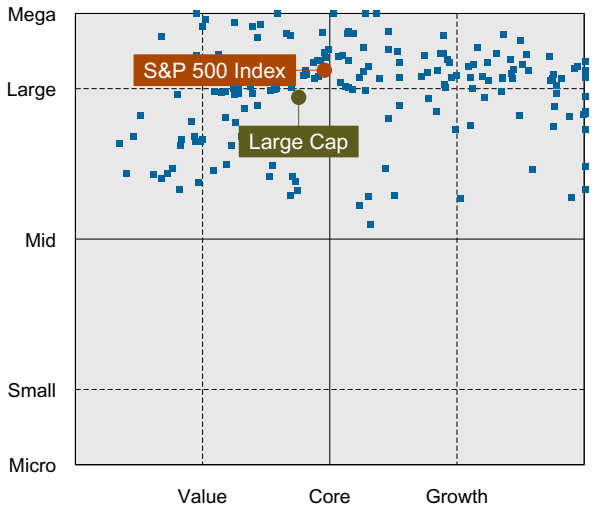
Cumulative Returns vs S&P 500 Index



Current Holdings Based Style Analysis
Large Cap
As of June 30, 2016

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

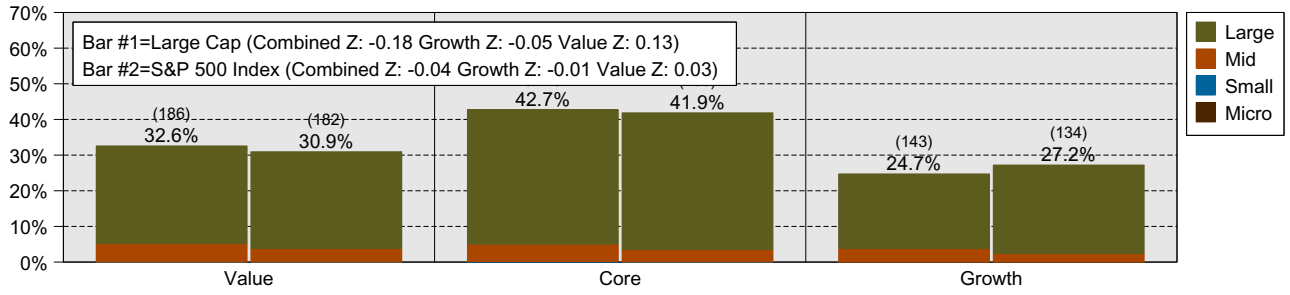
Style Map vs CAI Large Capitalization
Holdings as of June 30, 2016



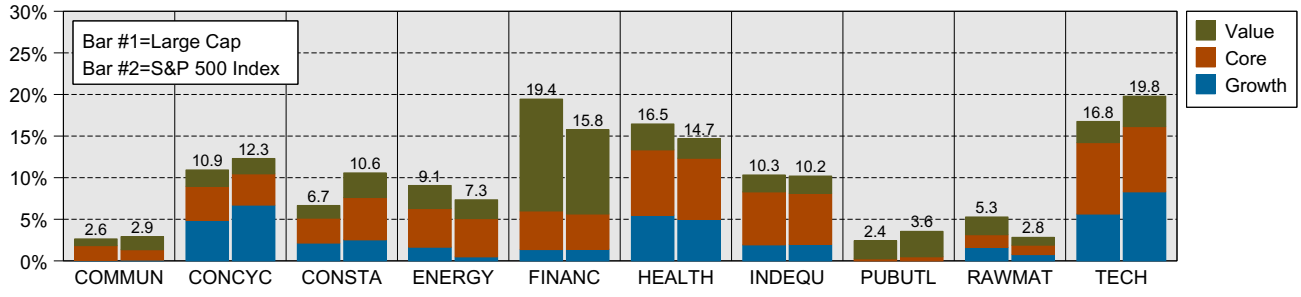
Style Exposure Matrix
Holdings as of June 30, 2016

	Value	Core	Growth	Total
Large	27.3% (97) 27.1% (96)	37.7% (111) 38.3% (111)	20.8% (95) 24.8% (91)	**85.8% (303)** **90.2% (298)**
Mid	5.3% (88) 3.9% (85)	4.8% (79) 3.5% (73)	3.9% (48) 2.4% (43)	**14.0% (215)** **9.7% (201)**
Small	0.0% (1) 0.0% (1)	0.3% (4) 0.0% (4)	0.0% (0) 0.0% (0)	**0.3% (5)** **0.1% (5)**
Micro	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	**0.0% (0)** **0.0% (0)**
Total	**32.6% (186)** **30.9% (182)**	**42.7% (194)** **41.9% (188)**	**24.7% (143)** **27.2% (134)**	**100.0% (523)** **100.0% (504)**

Combined Z-Score Style Distribution
Holdings as of June 30, 2016



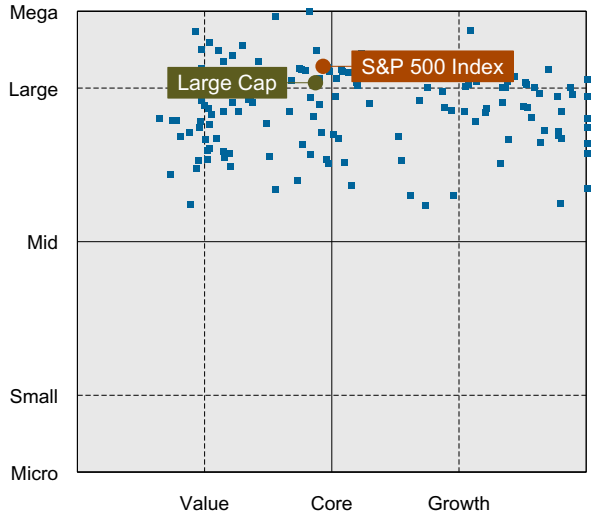
Sector Weights Distribution
Holdings as of June 30, 2016



Historical Holdings Based Style Analysis
Large Cap
For Six Years Ended June 30, 2016

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

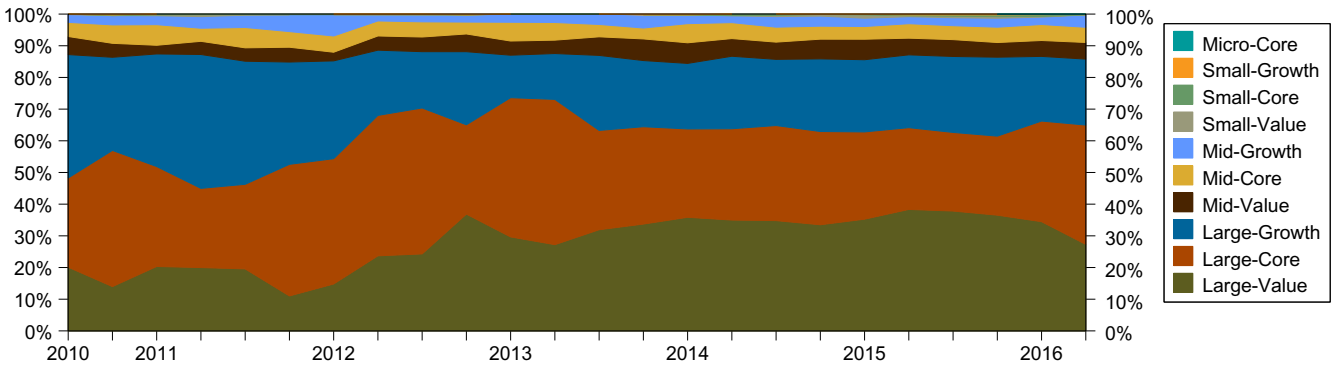
Average Style Map vs CAI Large Capitalization
Holdings for Six Years Ended June 30, 2016



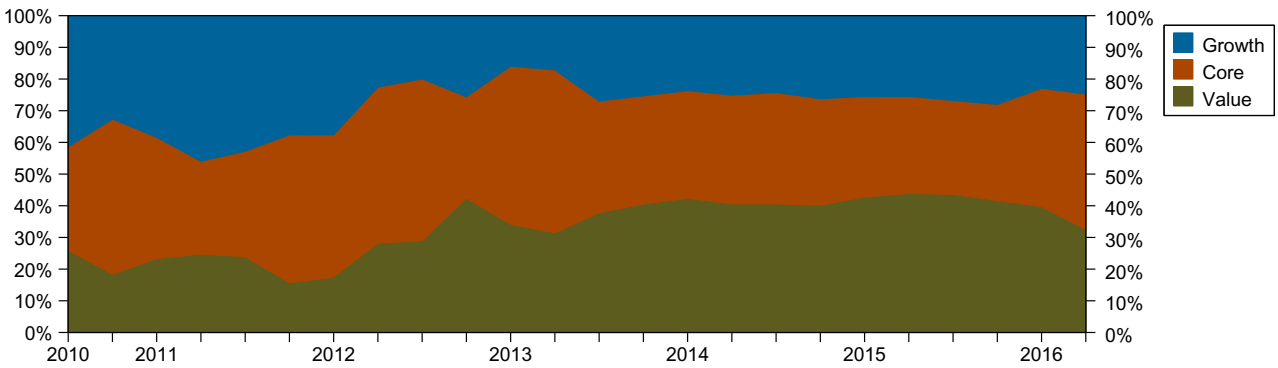
Average Style Exposure Matrix
Holdings for Six Years Ended June 30, 2016

	Value	Core	Growth	Total
Large	28.2% (69) 29.2% (86)	33.1% (87) 31.7% (104)	25.2% (77) 28.2% (94)	**86.5% (233)** **89.1%** (284)
Mid	5.0% (65) 3.9% (82)	4.9% (60) 3.8% (76)	3.1% (41) 3.1% (53)	**13.0% (166)** **10.8%** (211)
Small	0.2% (4) 0.1% (4)	0.2% (2) 0.0% (2)	0.1% (1) 0.0% (1)	**0.5% (7)** **0.1%** (7)
Micro	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	**0.0% (0)** **0.0%** (0)
Total	**33.4% (138)** **33.2% (172)**	**38.2% (149)** **35.5% (182)**	**28.4% (119)** **31.3% (148)**	**100.0% (406)** **100.0%** (502)

Large Cap Historical Cap/Style Exposures



Large Cap Historical Style Only Exposures



SSgA S&P 500
Period Ended June 30, 2016

Investment Philosophy

SSGA believes that their passive investment strategy can provide market-like returns with minimal transaction costs. Returns prior to 6/30/2012 are linked to a composite history.

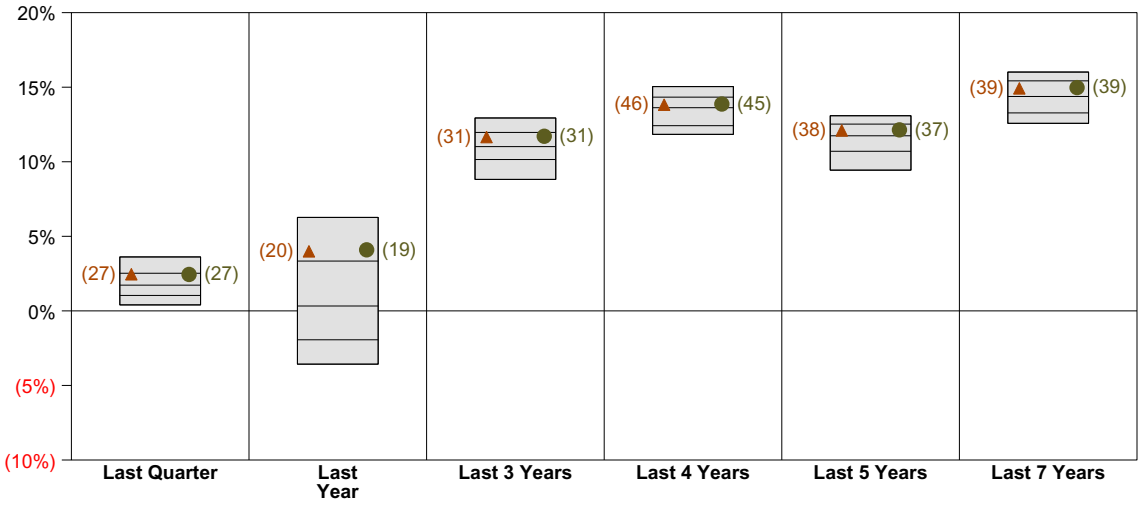
Quarterly Summary and Highlights

- SSgA S&P 500's portfolio posted a 2.44% return for the quarter placing it in the 27 percentile of the CAI Large Cap Core group for the quarter and in the 19 percentile for the last year.
- SSgA S&P 500's portfolio underperformed the S&P 500 Index by 0.01% for the quarter and outperformed the S&P 500 Index for the year by 0.10%.

Quarterly Asset Growth

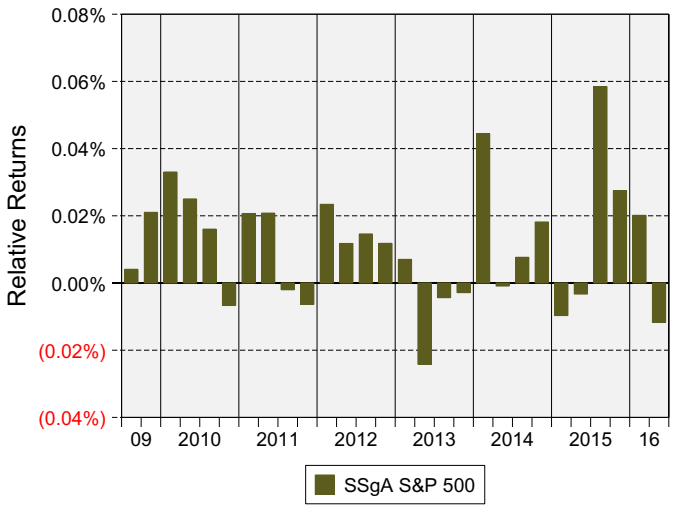
Beginning Market Value	$39,636,013
Net New Investment	$0
Investment Gains/(Losses)	$968,538
Ending Market Value	$40,604,552

Performance vs CAI Large Cap Core (Gross)

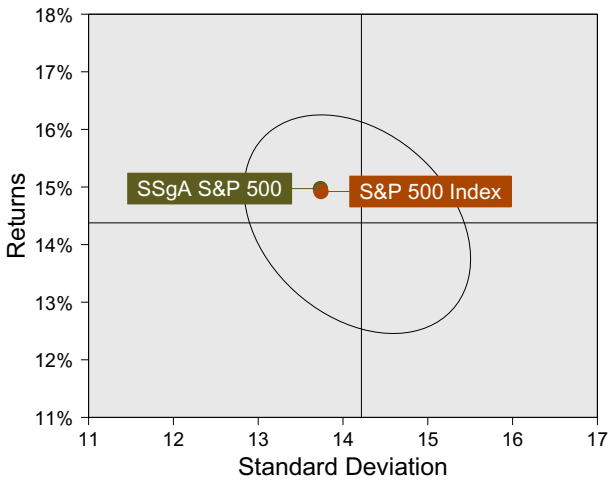


	Last Quarter	Last Year	Last 3 Years	Last 4 Years	Last 5 Years	Last 7 Years
10th Percentile	3.62	6.27	12.94	15.04	13.09	16.02
25th Percentile	2.52	3.34	11.97	14.33	12.52	15.43
Median	1.73	0.33	11.02	13.63	11.74	14.38
75th Percentile	1.03	(1.94)	10.15	12.42	10.70	13.28
90th Percentile	0.40	(3.57)	8.82	11.84	9.44	12.58
SSgA S&P 500 ●	2.44	4.09	11.71	13.87	12.14	14.97
S&P 500 Index ▲	2.46	3.99	11.66	13.83	12.10	14.92

Relative Return vs S&P 500 Index



CAI Large Cap Core (Gross) Annualized Seven Year Risk vs Return

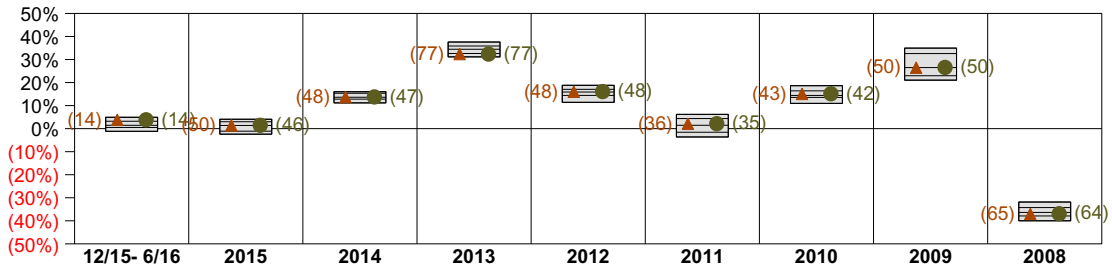


SSgA S&P 500
Return Analysis Summary

Return Analysis

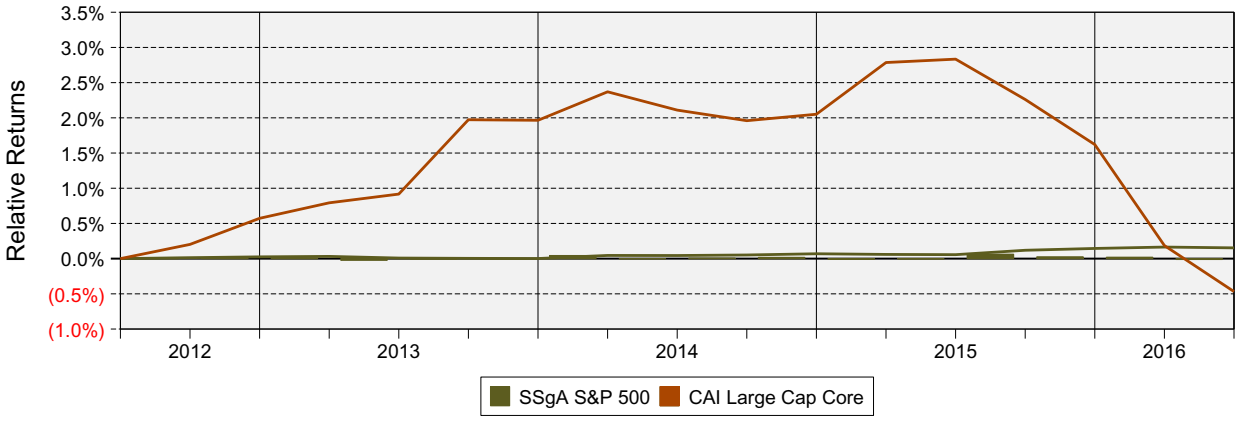
The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

Performance vs CAI Large Cap Core (Gross)

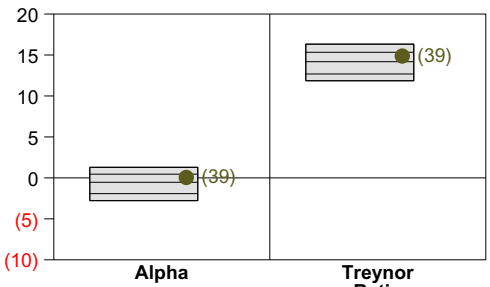


	12/15- 6/16	2015	2014	2013	2012	2011	2010	2009	2008
10th Percentile	4.93	4.08	16.01	37.59	18.81	6.19	18.65	34.96	(31.85)
25th Percentile	3.20	2.99	15.35	35.87	17.06	4.37	16.40	32.58	(34.26)
Median	1.44	1.38	13.63	34.45	15.89	1.46	14.40	26.51	(36.36)
75th Percentile	0.51	(1.10)	12.82	32.62	14.42	(1.56)	13.55	22.96	(37.90)
90th Percentile	(1.17)	(2.41)	11.17	31.15	11.41	(3.63)	10.96	21.05	(40.00)
SSgA S&P 500 ●	3.84	1.46	13.77	32.36	16.07	2.14	15.14	26.57	(36.93)
S&P 500 Index ▲	3.84	1.38	13.69	32.39	16.00	2.11	15.06	26.47	(37.00)

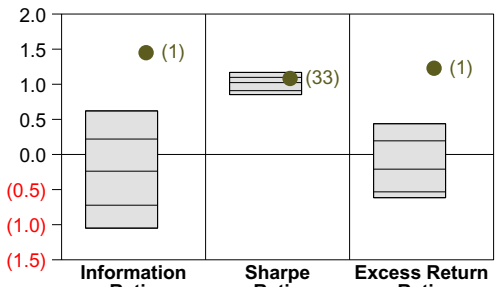
Cumulative and Quarterly Relative Return vs S&P 500 Index



Risk Adjusted Return Measures vs S&P 500 Index
Rankings Against CAI Large Cap Core (Gross)
Seven Years Ended June 30, 2016



	Alpha	Treynor Ratio
10th Percentile	1.29	16.32
25th Percentile	0.45	15.33
Median	(0.54)	14.18
75th Percentile	(1.92)	12.68
90th Percentile	(2.78)	11.86
SSgA S&P 500 ●	0.05	14.87



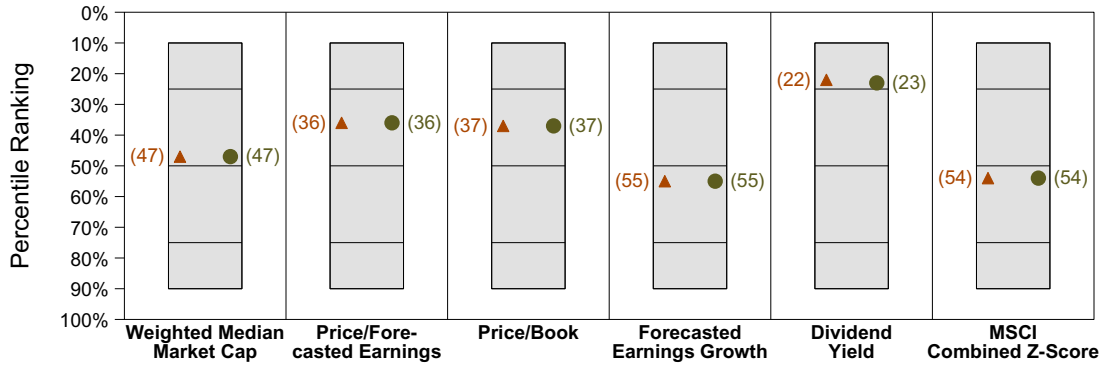
	Information Ratio	Sharpe Ratio	Excess Return Ratio
10th Percentile	0.62	1.17	0.44
25th Percentile	0.22	1.10	0.19
Median	(0.24)	1.02	(0.21)
75th Percentile	(0.72)	0.91	(0.53)
90th Percentile	(1.05)	0.85	(0.62)
SSgA S&P 500 ●	1.45	1.08	1.23

SSgA S&P 500
Equity Characteristics Analysis Summary

Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings
Rankings Against CAI Large Cap Core
as of June 30, 2016

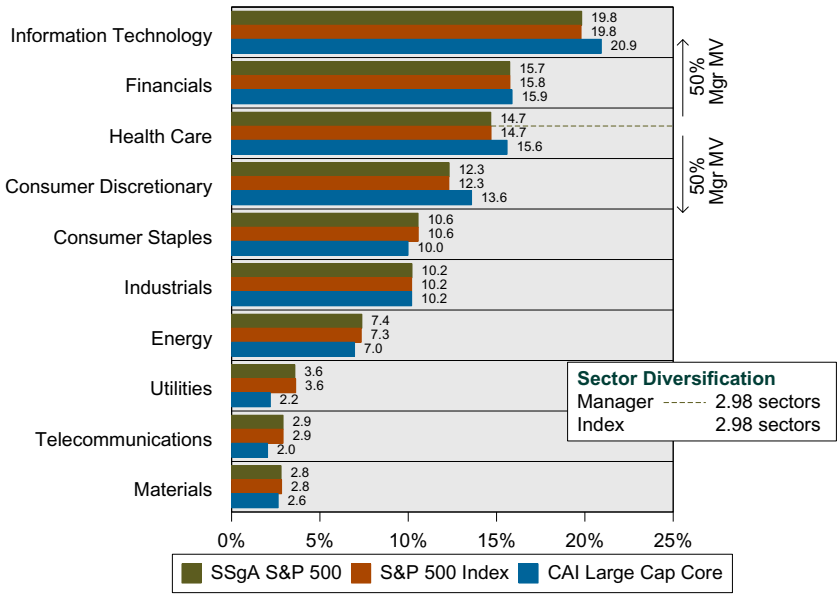


	Weighted Median Market Cap	Price/Fore-casted Earnings	Price/Book	Forecasted Earnings Growth	Dividend Yield	MSCI Combined Z-Score
10th Percentile	112.31	18.16	3.08	15.38	2.30	0.29
25th Percentile	94.01	17.45	2.87	13.87	2.14	0.14
Median	73.52	16.15	2.58	12.12	1.97	(0.01)
75th Percentile	52.59	15.10	2.30	11.01	1.77	(0.15)
90th Percentile	31.01	13.56	2.00	9.41	1.58	(0.29)
SSgA S&P 500 ●	76.52	16.73	2.70	11.91	2.16	(0.04)
S&P 500 Index ▲	76.40	16.75	2.70	11.90	2.17	(0.04)

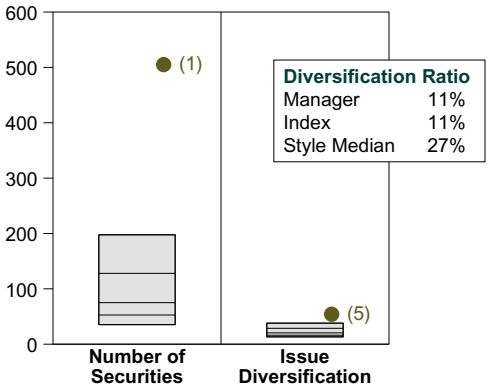
Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

Sector Allocation
June 30, 2016



Diversification
June 30, 2016

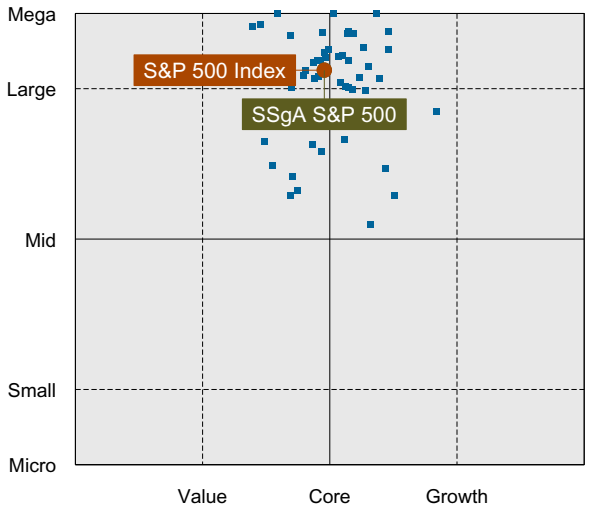


	Number of Securities	Issue Diversification
10th Percentile	198	38
25th Percentile	128	29
Median	75	20
75th Percentile	53	16
90th Percentile	35	13
SSgA S&P 500 ●	505	54
S&P 500 Index ▲	506	54

Current Holdings Based Style Analysis
SSgA S&P 500
As of June 30, 2016

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

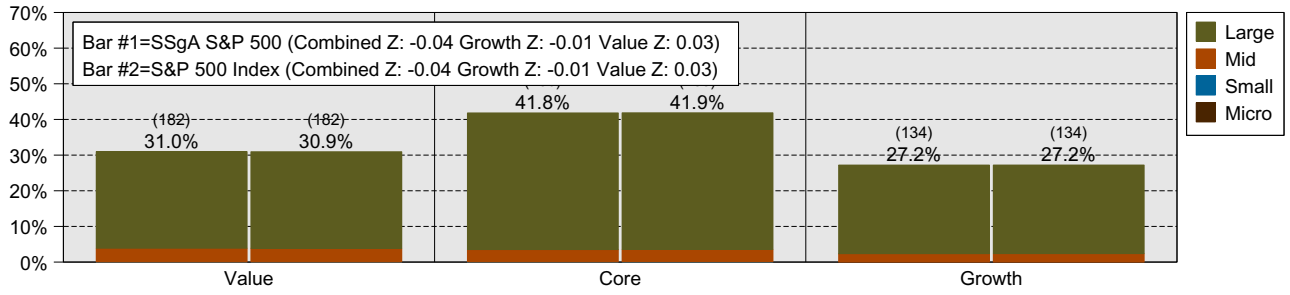
Style Map vs CAI Large Cap Core
Holdings as of June 30, 2016



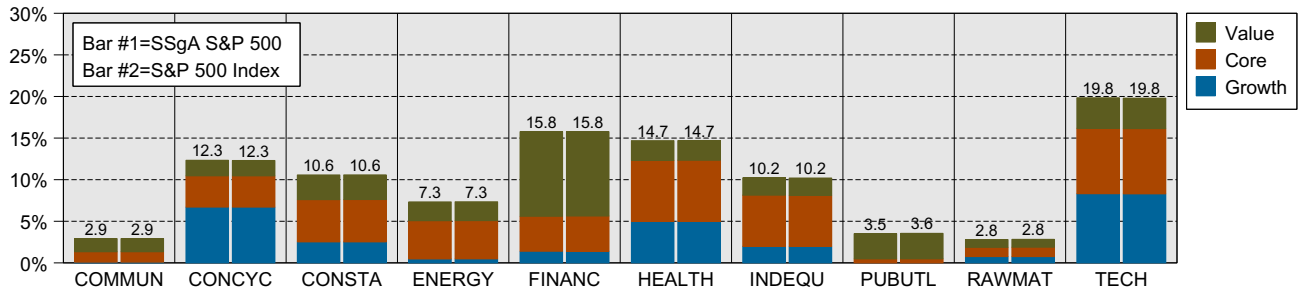
Style Exposure Matrix
Holdings as of June 30, 2016

	Value	Core	Growth	Total
Large	27.1% (96) 27.1% (96)	38.3% (111) 38.3% (111)	24.8% (91) 24.8% (91)	**90.2% (298)** **90.2% (298)**
Mid	3.9% (85) 3.9% (85)	3.5% (73) 3.5% (73)	2.4% (43) 2.4% (43)	**9.7% (201)** **9.7% (201)**
Small	0.0% (1) 0.0% (1)	0.0% (2) 0.0% (4)	0.0% (0) 0.0% (0)	**0.0% (3)** **0.1% (5)**
Micro	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	**0.0% (0)** **0.0% (0)**
Total	**31.0% (182)** **30.9% (182)**	**41.8% (186)** **41.9% (188)**	**27.2% (134)** **27.2% (134)**	**100.0% (502)** **100.0% (504)**

Combined Z-Score Style Distribution
Holdings as of June 30, 2016



Sector Weights Distribution
Holdings as of June 30, 2016



Boston Partners
Period Ended June 30, 2016

Investment Philosophy

Boston Partners attempts to implement a disciplined investment process designed to find undervalued securities issued by companies with sound fundamentals and positive business momentum. Boston Partners was funded 6/27/05. The first full quarter for this portfolio is 3rd quarter 2005.

Quarterly Summary and Highlights

- Boston Partners's portfolio posted a 1.55% return for the quarter placing it in the 75 percentile of the CAI Large Cap Value group for the quarter and in the 74 percentile for the last year.
- Boston Partners's portfolio underperformed the Russell 1000 Value Index by 3.04% for the quarter and underperformed the Russell 1000 Value Index for the year by 5.96%.

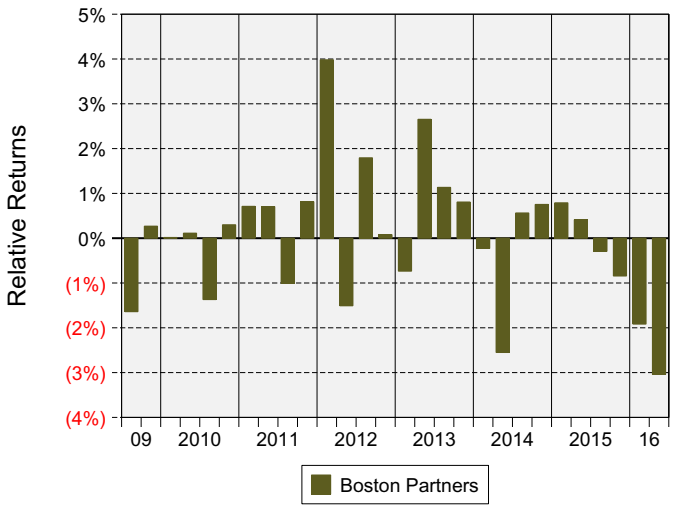
Quarterly Asset Growth

Beginning Market Value	$38,342,045
Net New Investment	$0
Investment Gains/(Losses)	$592,781
Ending Market Value	$38,934,826

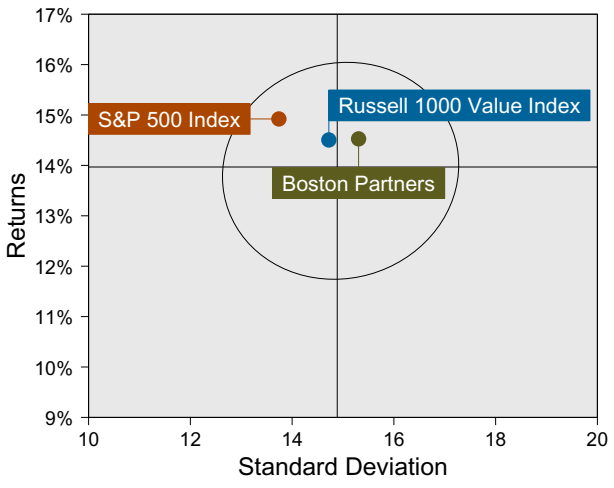
Performance vs CAI Large Cap Value (Gross)

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 11 Years
10th Percentile	4.57	4.08	11.13	12.18	15.42	8.13	8.74
25th Percentile	4.04	2.01	10.16	11.64	14.70	7.37	8.00
Median	2.94	(0.81)	9.20	10.97	13.97	6.52	7.18
75th Percentile	1.55	(3.15)	8.50	10.27	13.25	5.83	6.41
90th Percentile	1.02	(5.03)	6.94	8.82	12.20	4.90	5.14
Boston Partners ● A	1.55	(3.10)	8.28	11.52	14.53	8.00	8.57
S&P 500 Index ■ B	2.46	3.99	11.66	12.10	14.92	7.42	7.53
Russell 1000 Value Index ▲	4.58	2.86	9.87	11.35	14.50	6.13	6.66

Relative Return vs Russell 1000 Value Index



CAI Large Cap Value (Gross) Annualized Seven Year Risk vs Return

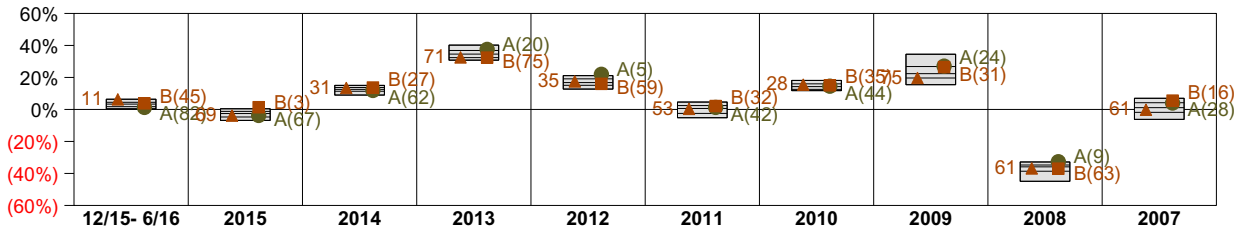


Boston Partners
Return Analysis Summary

Return Analysis

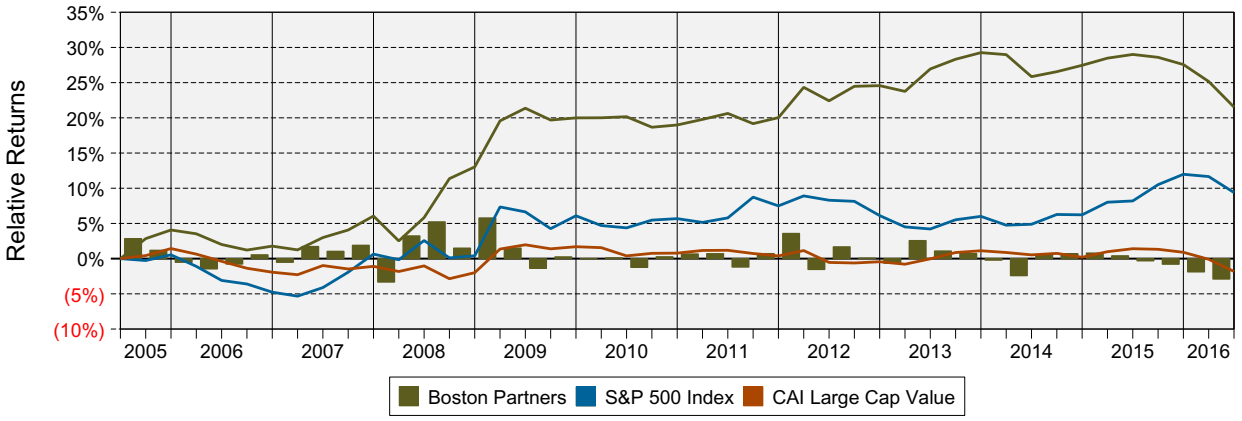
The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

Performance vs CAI Large Cap Value (Gross)

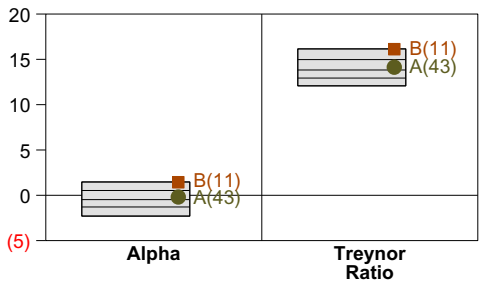


	12/15- 6/16	2015	2014	2013	2012	2011	2010	2009	2008	2007
10th Percentile	6.38	0.42	15.03	40.19	21.13	4.62	18.13	34.50	(32.84)	6.97
25th Percentile	4.47	(1.22)	13.73	36.85	19.12	2.42	16.01	26.82	(34.74)	4.19
Median	3.34	(2.57)	12.54	34.59	16.78	0.61	14.27	22.37	(35.88)	1.12
75th Percentile	1.73	(4.71)	11.36	32.38	15.08	(2.48)	12.55	19.65	(38.61)	(1.81)
90th Percentile	0.38	(6.84)	8.98	30.80	12.71	(5.19)	11.75	15.46	(44.92)	(6.22)
Boston Partners (A)	1.26	(3.75)	11.87	37.52	21.95	1.27	14.54	27.06	(32.69)	4.02
S&P 500 Index (B)	3.84	1.38	13.69	32.39	16.00	2.11	15.06	26.47	(37.00)	5.49
Russell 1000 Value Index	6.30	(3.83)	13.45	32.53	17.51	0.39	15.51	19.69	(36.85)	(0.17)

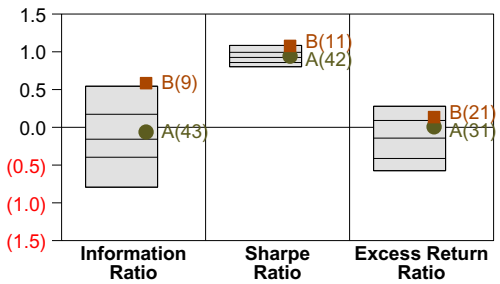
Cumulative and Quarterly Relative Return vs Russell 1000 Value Index



Risk Adjusted Return Measures vs Russell 1000 Value Index
Rankings Against CAI Large Cap Value (Gross)
Seven Years Ended June 30, 2016



	Alpha	Treynor Ratio
10th Percentile	1.47	16.15
25th Percentile	0.53	14.97
Median	(0.48)	13.83
75th Percentile	(1.29)	12.93
90th Percentile	(2.30)	12.07
Boston Partners (A)	(0.19)	14.13
S&P 500 Index (B)	1.44	16.12



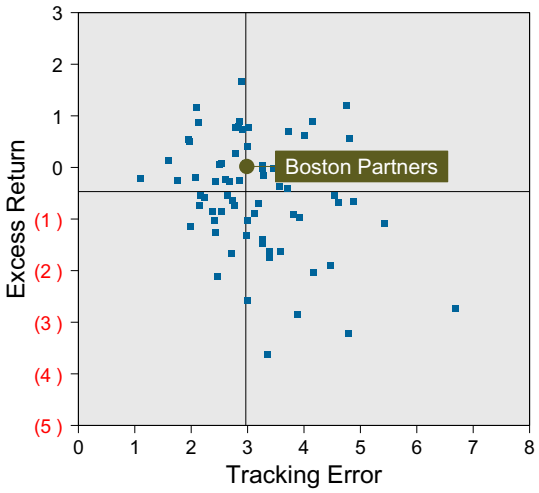
	Information Ratio	Sharpe Ratio	Excess Return Ratio
10th Percentile	0.54	1.08	0.28
25th Percentile	0.17	0.99	0.09
Median	(0.16)	0.93	(0.14)
75th Percentile	(0.40)	0.86	(0.41)
90th Percentile	(0.79)	0.80	(0.57)
Boston Partners (A)	(0.06)	0.94	0.01
S&P 500 Index (B)	0.58	1.08	0.14

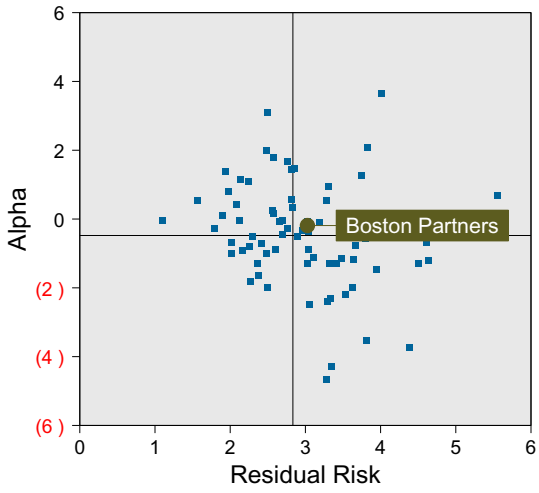
Boston Partners
Risk Analysis Summary

Risk Analysis

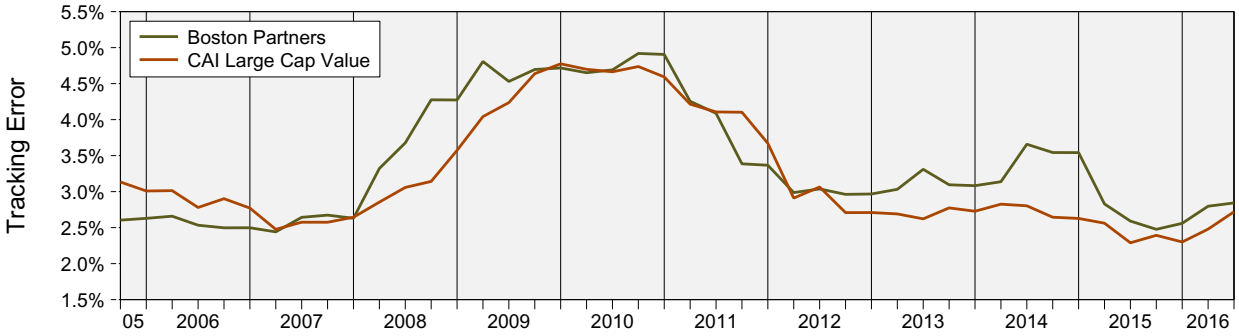
The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

Risk Analysis vs CAI Large Cap Value (Gross)
Seven Years Ended June 30, 2016

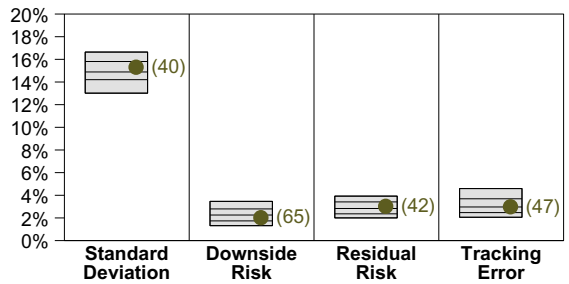




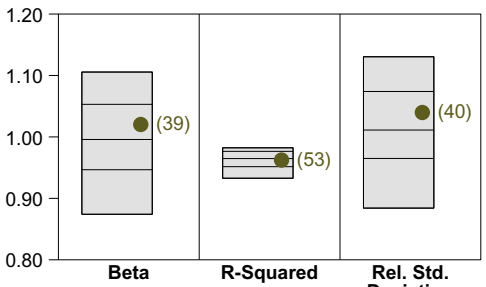
Rolling 12 Quarter Tracking Error vs Russell 1000 Value Index



Risk Statistics Rankings vs Russell 1000 Value Index
Rankings Against CAI Large Cap Value (Gross)
Seven Years Ended June 30, 2016



	Standard Deviation	Downside Risk	Residual Risk	Tracking Error
10th Percentile	16.64	3.46	3.93	4.59
25th Percentile	15.81	2.80	3.42	3.69
Median	14.89	2.26	2.83	2.97
75th Percentile	14.21	1.74	2.36	2.47
90th Percentile	13.02	1.32	2.00	2.06
Boston Partners	15.31	2.02	3.03	2.99



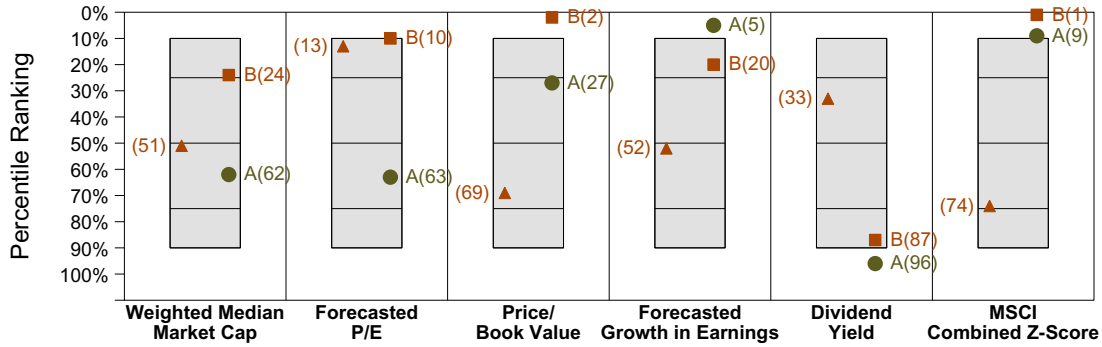
	Beta	R-Squared	Rel. Std. Deviation
10th Percentile	1.11	0.98	1.13
25th Percentile	1.05	0.98	1.07
Median	1.00	0.96	1.01
75th Percentile	0.95	0.95	0.96
90th Percentile	0.87	0.93	0.88
Boston Partners	1.02	0.96	1.04

Boston Partners
Equity Characteristics Analysis Summary

Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings
Rankings Against CAI Large Cap Value
as of June 30, 2016

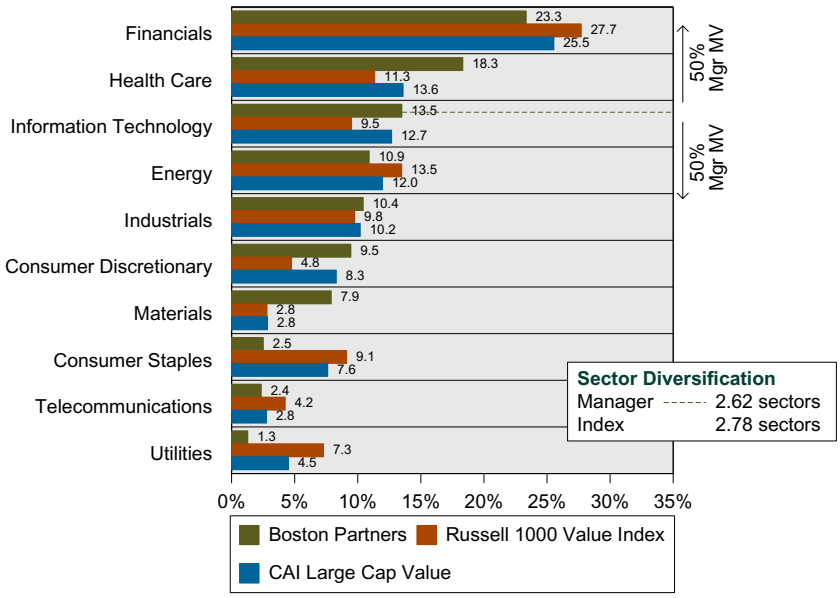


	Weighted Median Market Cap	Forecasted P/E	Price/ Book Value	Forecasted Growth in Earnings	Dividend Yield	MSCI Combined Z-Score
10th Percentile	104.55	16.69	2.37	14.04	3.04	(0.33)
25th Percentile	74.48	15.49	2.04	11.29	2.66	(0.47)
Median	59.09	14.58	1.88	9.87	2.47	(0.60)
75th Percentile	42.52	13.30	1.69	8.79	2.29	(0.73)
90th Percentile	31.44	12.71	1.50	7.71	2.13	(0.90)
Boston Partners ● A	46.12	13.93	2.02	14.80	1.91	(0.32)
S&P 500 Index ■ B	76.40	16.75	2.70	11.90	2.17	(0.04)
Russell 1000 Value Index ▲	57.77	16.06	1.77	9.67	2.61	(0.72)

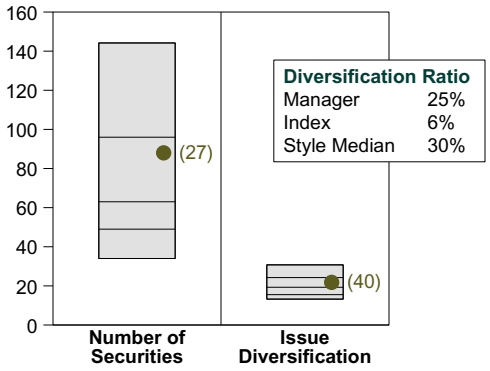
Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

Sector Allocation
June 30, 2016



Diversification
June 30, 2016

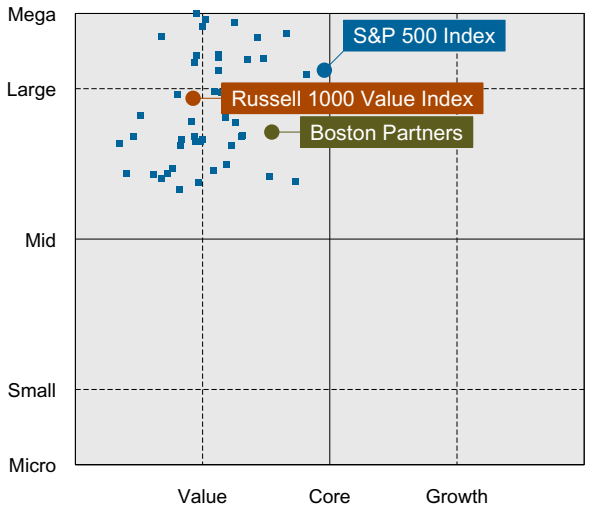


	Number of Securities	Issue Diversification
10th Percentile	144	31
25th Percentile	96	24
Median	63	19
75th Percentile	49	16
90th Percentile	34	13
Boston Partners ●	88	22
Russell 1000 Value Index ▲	691	41

Current Holdings Based Style Analysis
Boston Partners
As of June 30, 2016

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

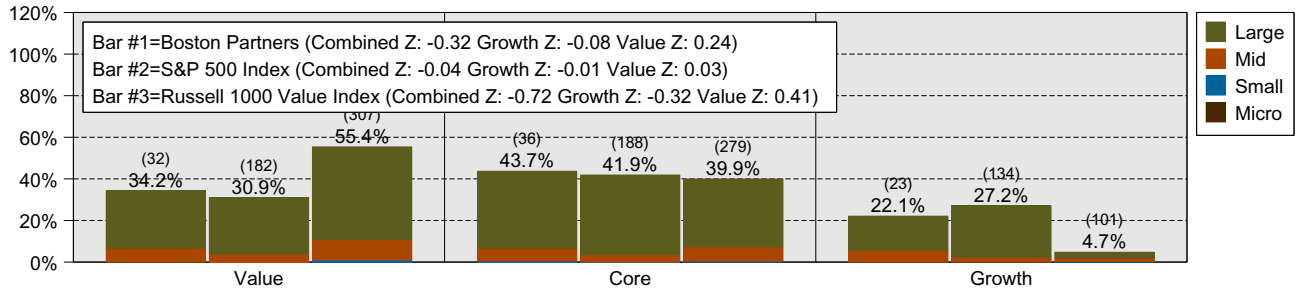
Style Map vs CAI Large Cap Value
Holdings as of June 30, 2016



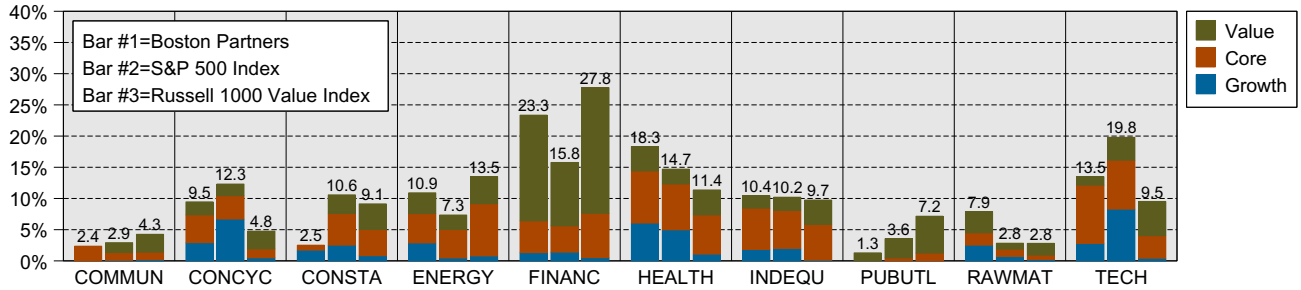
Style Exposure Matrix
Holdings as of June 30, 2016

	Value	Core	Growth	Total
Large	27.5% (21) 27.1% (96) 44.6% (96)	37.0% (24) 38.3% (111) 32.6% (84)	16.5% (15) 24.8% (91) 2.6% (24)	81.1% (60) 90.2% (298) 79.8% (204)
Mid	6.7% (11) 3.9% (85) 9.8% (166)	6.2% (10) 3.5% (73) 6.9% (164)	5.5% (8) 2.4% (43) 1.8% (60)	18.4% (29) 9.7% (201) 18.5% (390)
Small	0.0% (0) 0.0% (1) 1.0% (45)	0.5% (2) 0.0% (4) 0.5% (30)	0.0% (0) 0.0% (0) 0.2% (17)	0.5% (2) 0.1% (5) 1.7% (92)
Micro	0.0% (0) 0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0) 0.0% (1)	0.0% (0) 0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0) 0.0% (1)
Total	34.2% (32) 30.9% (182) 55.4% (307)	43.7% (36) 41.9% (188) 39.9% (279)	22.1% (23) 27.2% (134) 4.7% (101)	100.0% (91) 100.0% (504) 100.0% (687)

Combined Z-Score Style Distribution
Holdings as of June 30, 2016



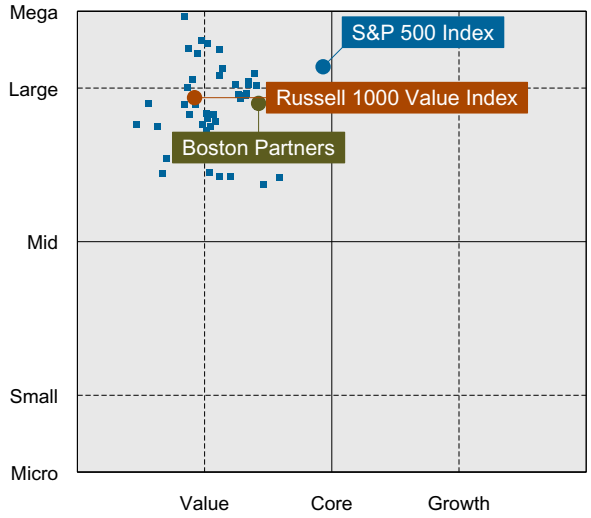
Sector Weights Distribution
Holdings as of June 30, 2016



Historical Holdings Based Style Analysis
Boston Partners
For Three Years Ended June 30, 2016

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

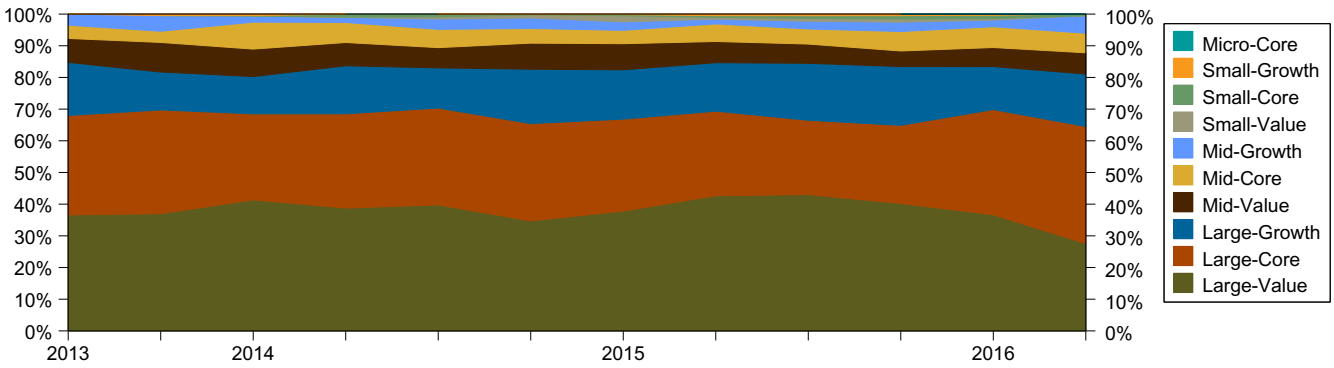
Average Style Map vs CAI Large Cap Value
Holdings for Three Years Ended June 30, 2016



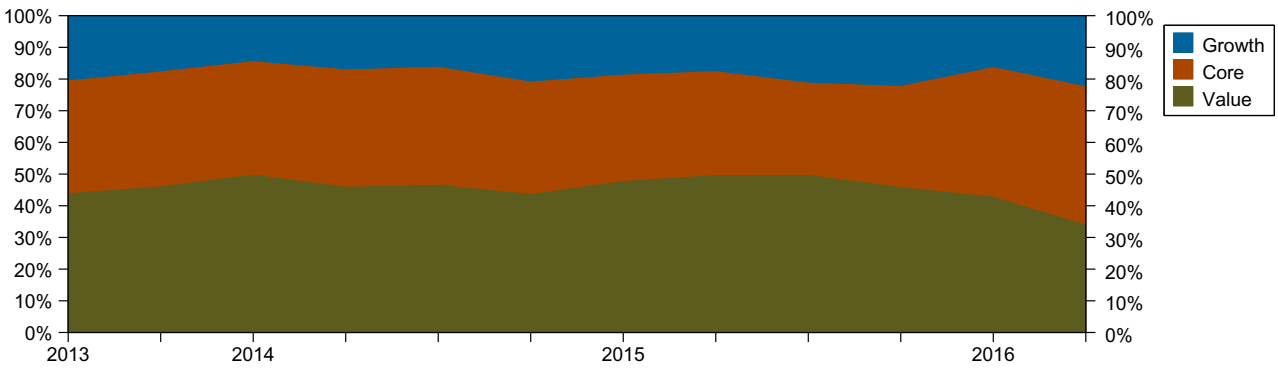
Average Style Exposure Matrix
Holdings for Three Years Ended June 30, 2016

	Value	Core	Growth	Total
Large	38.0% (24) 31.4% (91) 50.1% (87)	29.7% (23) 28.3% (98) 22.8% (72)	15.2% (14) 29.4% (98) 5.6% (32)	**83.0% (61)** **89.1% (287)** **78.5%** (191)
Mid	7.2% (11) 4.3% (87) 10.8% (169)	5.5% (9) 3.7% (74) 6.1% (136)	3.0% (5) 2.9% (50) 2.0% (52)	**15.7% (25)** **10.9% (211)** **18.9%** (357)
Small	0.5% (2) 0.0% (3) 1.5% (63)	0.5% (2) 0.0% (1) 0.9% (50)	0.3% (1) 0.0% (0) 0.2% (13)	**1.4% (5)** **0.1% (4)** **2.6%** (126)
Micro	0.0% (0) 0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0) 0.0% (2)	0.0% (0) 0.0% (0) 0.0% (0)	**0.0% (0)** **0.0% (0)** **0.0%** (2)
Total	**45.7% (37)** **35.7% (181)** **62.4% (319)**	**35.8% (34)** **32.0% (173)** **29.8%** (260)	**18.5% (20)** **32.3% (148)** **7.8%** (97)	**100.0% (91)** **100.0% (502)** **100.0%** (676)

Boston Partners Historical Cap/Style Exposures



Boston Partners Historical Style Only Exposures

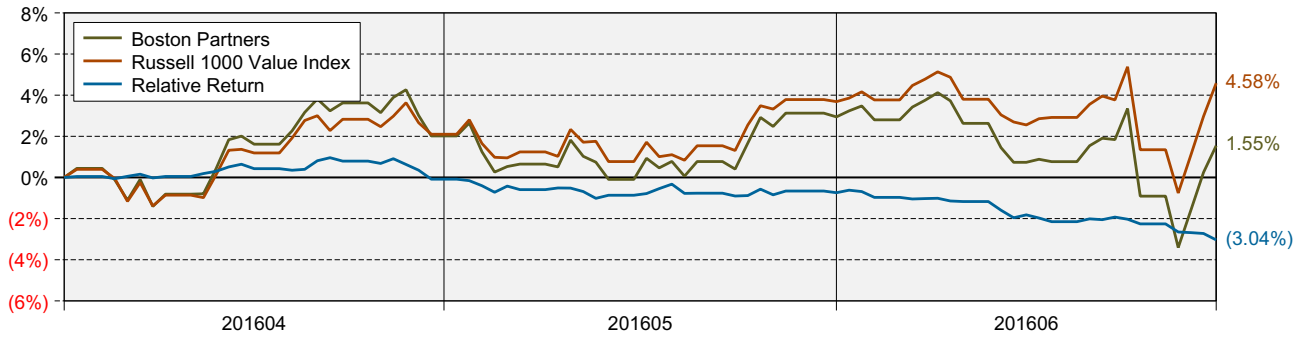


Boston Partners vs Russell 1000 Value Index
Domestic Equity Daily Performance Attribution
One Quarter Ended June 30, 2016

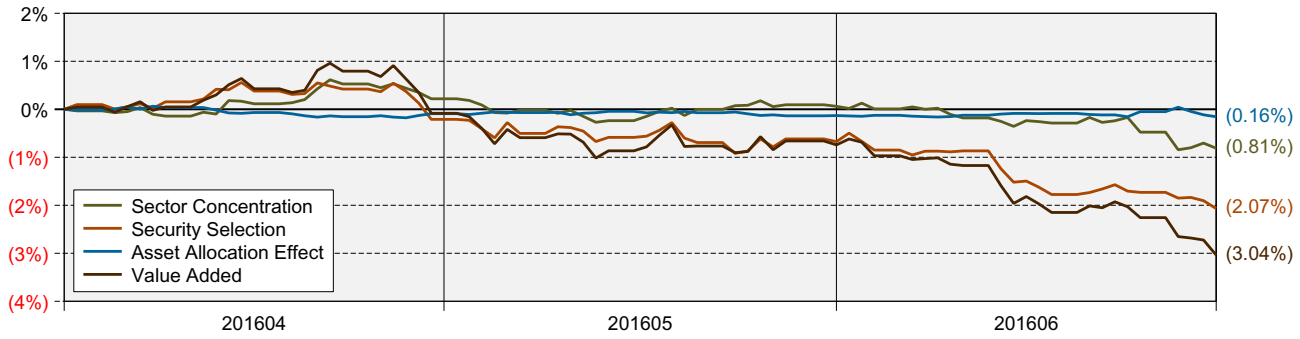
Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

Cumulative Manager and Benchmark Returns



Cumulative Attribution Effects vs. Russell 1000 Value Index



Attribution Effects by Sector vs. Russell 1000 Value Index
One Quarter Ended June 30, 2016

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Consumer Discretionary	10.42%	5.11%	(3.37)%	(5.48)%	(0.55)%	0.24%	-
Consumer Staples	1.91%	7.35%	(4.87)%	6.33%	(0.10)%	(0.19)%	-
Energy	10.60%	13.15%	8.21%	10.92%	(0.13)%	(0.28)%	-
Financials	28.94%	28.56%	1.36%	2.23%	0.03%	(0.24)%	-
Health Care	15.62%	11.76%	7.39%	9.26%	0.16%	(0.29)%	-
Industrials	8.56%	10.20%	(4.95)%	2.30%	0.04%	(0.67)%	-
Information Technology	13.20%	10.95%	(0.39)%	1.26%	(0.12)%	(0.20)%	-
Materials	7.28%	2.88%	2.37%	6.33%	0.04%	(0.31)%	-
Telecommunications	2.31%	3.19%	4.33%	8.74%	(0.05)%	(0.12)%	-
Utilities	1.17%	6.85%	6.81%	7.03%	(0.14)%	(0.00)%	-
Non Equity	3.32%	0.00%	-	-	-	-	(0.16)%
Total	-	-	1.55%	4.58%	(0.81)%	(2.07)%	(0.16)%

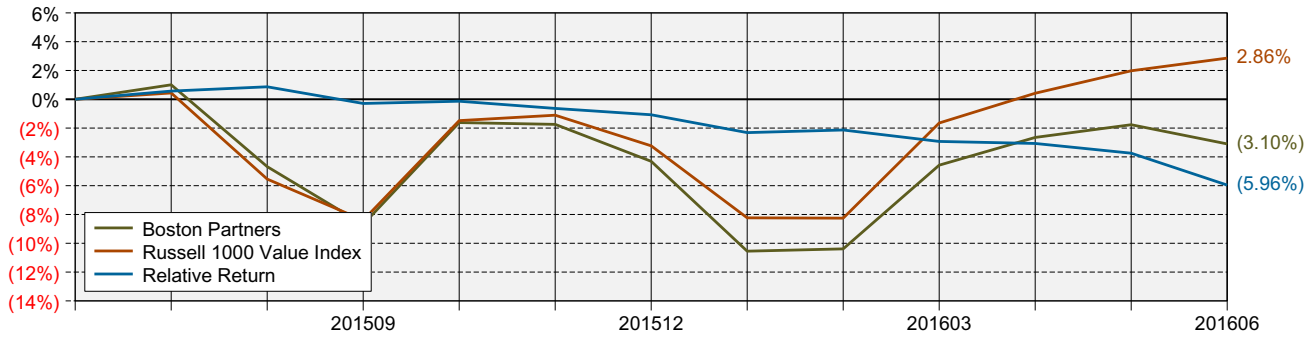
Manager Return	=	Index Return	+	Sector Concentration	+	Security Selection	+	Asset Allocation
1.55%		4.58%		(0.81%)		(2.07%)		(0.16%)

Boston Partners vs Russell 1000 Value Index
Domestic Equity Daily Performance Attribution
One Year Ended June 30, 2016

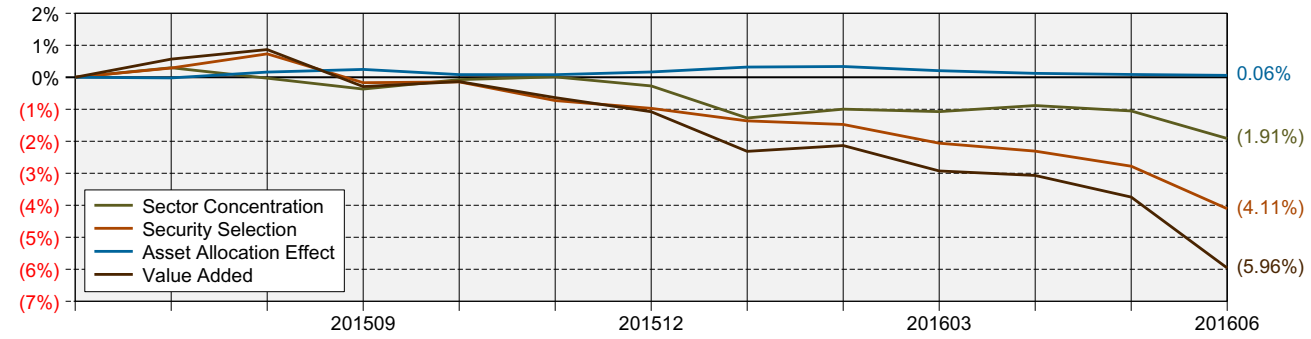
Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

Cumulative Manager and Benchmark Returns



Cumulative Attribution Effects vs. Russell 1000 Value Index



Attribution Effects by Sector vs. Russell 1000 Value Index
One Year Ended June 30, 2016

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Miscellaneous	0.00%	0.00%	(0.06)%	0.00%	(0.00)%	0.00%	-
Consumer Discretionary	9.43%	5.25%	(9.39)%	(9.29)%	(0.60)%	0.03%	-
Consumer Staples	2.49%	7.06%	21.31%	13.55%	(0.46)%	0.20%	-
Energy	10.58%	13.07%	(8.22)%	(4.76)%	0.34%	(0.42)%	-
Financials	29.63%	29.48%	(6.97)%	(4.64)%	0.05%	(0.75)%	-
Health Care	17.02%	11.84%	0.70%	5.02%	0.01%	(0.70)%	-
Industrials	9.08%	10.16%	2.09%	7.95%	(0.02)%	(0.47)%	-
Information Technology	13.64%	11.12%	1.10%	6.84%	0.03%	(0.70)%	-
Materials	5.09%	2.77%	(18.02)%	1.70%	0.21%	(1.00)%	-
Telecommunications	1.95%	2.92%	25.37%	22.46%	(0.14)%	0.01%	-
Utilities	1.10%	6.33%	(1.84)%	31.06%	(1.31)%	(0.31)%	-
Non Equity	2.80%	0.00%	-	-	-	-	0.06%
Total	-	-	(3.10)%	2.86%	(1.91)%	(4.11)%	0.06%

Manager Return	=	Index Return	+	Sector Concentration	+	Security Selection	+	Asset Allocation
(3.10%)		2.86%		(1.91%)		(4.11%)		0.06%

Boston Partners vs Russell 1000 Value Index
Domestic Equity Top 10 Contribution Holdings
One Quarter Ended June 30, 2016

Manager Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Delta Air Lines Inc Del	Industrials	1.85%	91	0.01%	(25.18)%	3.55%	(0.58)%	(0.60)%
Johnson & Johnson	Health Care	4.35%	91	2.68%	12.90%	12.90%	0.54%	0.14%
Computer Sciences Corp	Information Technology	0.89%	91	0.05%	34.07%	45.36%	0.32%	0.20%
United Contl Hldgs Inc Com	Industrials	0.77%	91	0.02%	(31.59)%	(0.05)%	(0.32)%	(0.33)%
Barrick Gold Corp	Materials	0.59%	91	-	57.85%	-	0.30%	0.29%
Occidental Petroleum	Energy	2.30%	91	0.56%	11.54%	11.52%	0.26%	0.13%
Eog Resources	Energy	1.74%	91	0.40%	15.13%	15.18%	0.25%	0.14%
JPMorgan Chase & Co	Financials	4.22%	91	2.32%	5.71%	5.71%	0.23%	0.02%
St Jude Medical	Health Care	0.55%	84	0.08%	39.09%	42.39%	0.19%	0.08%
Microsoft Corp	Information Technology	2.33%	91	1.74%	(6.50)%	(9.13)%	(0.19)%	(0.05)%

Index Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Index Perf	Contrib Excess Return
Exxon Mobil Corp	Energy	-	-	3.64%	-	13.09%	0.46%	(0.29)%
Pfizer	Health Care	-	-	1.98%	-	19.87%	0.36%	(0.28)%
Johnson & Johnson	Health Care	4.35%	91	2.68%	12.90%	12.90%	0.33%	0.14%
At&t Inc	Telecommunications	-	-	2.38%	-	11.68%	0.27%	(0.17)%
Chevron Corp New	Energy	-	-	1.87%	-	11.05%	0.20%	(0.11)%
Microsoft Corp	Information Technology	2.33%	91	1.74%	(6.50)%	(9.13)%	(0.18)%	(0.05)%
Medtronic Plc Shs	Health Care	-	-	1.12%	-	15.69%	0.17%	(0.12)%
Merck & Co Inc	Health Care	1.90%	91	1.38%	9.49%	9.78%	0.13%	0.02%
JPMorgan Chase & Co	Financials	4.22%	91	2.32%	5.71%	5.71%	0.13%	0.02%
Mondelez Intl Inc Cl A	Consumer Staples	-	-	0.69%	-	13.90%	0.09%	(0.06)%

Positions with Largest Positive Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Barrick Gold Corp	Materials	0.59%	91	-	57.85%	-	0.30%	0.29%
Computer Sciences Corp	Information Technology	0.89%	91	0.05%	34.07%	45.36%	0.32%	0.20%
General Electric Co	Industrials	-	-	2.88%	-	(0.23)%	-	0.15%
Eog Resources	Energy	1.74%	91	0.40%	15.13%	15.18%	0.25%	0.14%
Johnson & Johnson	Health Care	4.35%	91	2.68%	12.90%	12.90%	0.54%	0.14%
Occidental Petroleum	Energy	2.30%	91	0.56%	11.54%	11.52%	0.26%	0.13%
McKesson Corp	Health Care	1.13%	91	-	18.08%	-	0.14%	0.11%
Allergan Plc Shs	Health Care	-	-	0.51%	-	(13.78)%	-	0.10%
Wells Fargo & Co New	Financials	2.41%	84	2.31%	(0.41)%	(1.37)%	0.02%	0.10%
Qep Res Inc	Energy	0.50%	91	0.04%	24.89%	24.95%	0.11%	0.09%

Positions with Largest Negative Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Delta Air Lines Inc Del	Industrials	1.85%	91	0.01%	(25.18)%	3.55%	(0.58)%	(0.60)%
United Contl Hldgs Inc Com	Industrials	0.77%	91	0.02%	(31.59)%	(0.05)%	(0.32)%	(0.33)%
Exxon Mobil Corp	Energy	-	-	3.64%	-	13.09%	-	(0.29)%
Pfizer	Health Care	-	-	1.98%	-	19.87%	-	(0.28)%
Phillips 66	Energy	2.17%	91	0.45%	(7.64)%	(7.64)%	(0.17)%	(0.22)%
Gilead Sciences	Health Care	1.43%	91	-	(8.68)%	-	(0.13)%	(0.19)%
At&t Inc	Telecommunications	-	-	2.38%	-	11.68%	-	(0.17)%
Lyondellbasell Industries N Shs - A	Materials	0.77%	91	0.02%	(12.30)%	(0.65)%	(0.10)%	(0.14)%
Alphabet Inc Cl A	Information Technology	1.18%	91	-	(8.08)%	-	(0.09)%	(0.13)%
Liberty Global Inc Com Ser C	Consumer Discretionary	1.04%	91	-	(8.88)%	-	(0.08)%	(0.13)%

Atlanta Capital
Period Ended June 30, 2016

Investment Philosophy

Atlanta believes that high quality companies produce consistently increasing earnings and dividends, thereby providing attractive returns with moderate risk over the long-term. Performance prior to inception on 6/30/2010 is linked to the composite strategy.

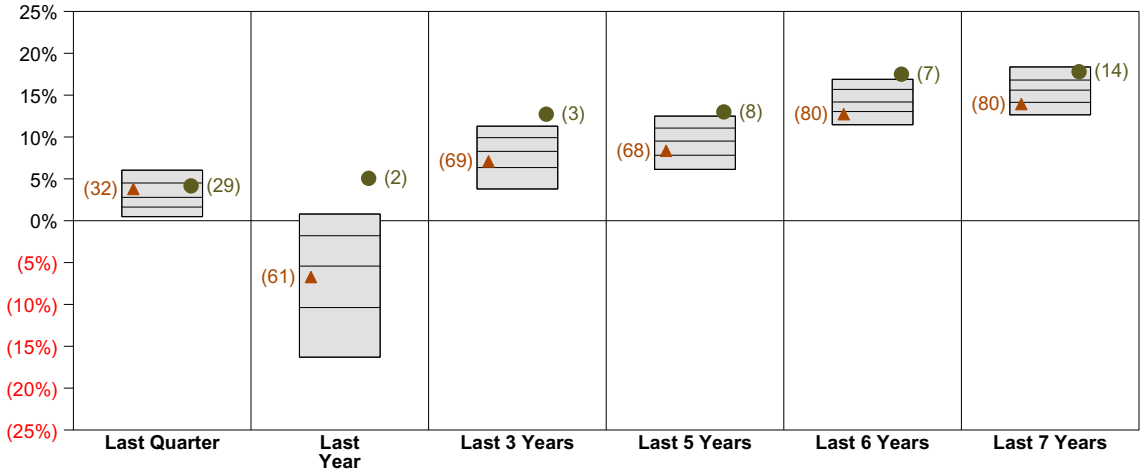
Quarterly Summary and Highlights

- Atlanta Capital's portfolio posted a 4.16% return for the quarter placing it in the 29 percentile of the CAI Small Capitalization group for the quarter and in the 2 percentile for the last year.
- Atlanta Capital's portfolio outperformed the Russell 2000 Index by 0.37% for the quarter and outperformed the Russell 2000 Index for the year by 11.79%.

Quarterly Asset Growth

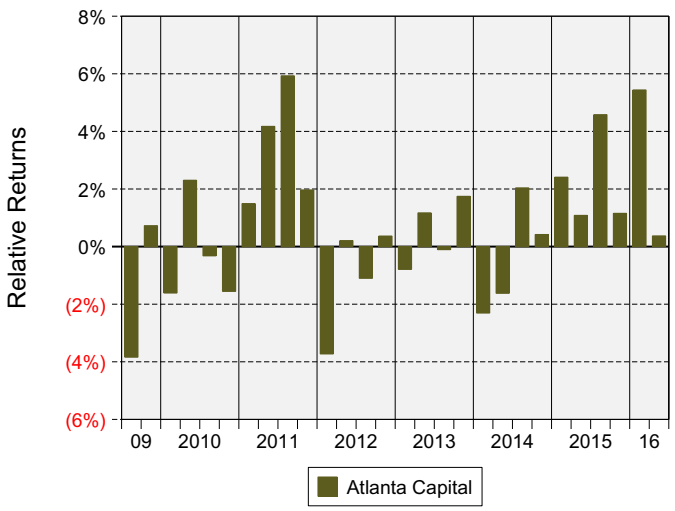
Beginning Market Value	$21,530,313
Net New Investment	$-450,701
Investment Gains/(Losses)	$870,693
Ending Market Value	$21,950,305

Performance vs CAI Small Capitalization (Gross)

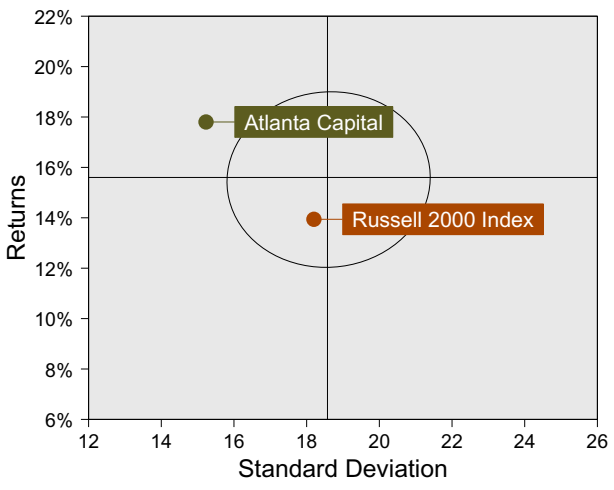


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 6 Years	Last 7 Years
10th Percentile	6.04	0.80	11.30	12.50	16.89	18.37
25th Percentile	4.51	(1.79)	9.92	11.07	15.68	16.80
Median	2.79	(5.42)	8.29	9.51	14.18	15.60
75th Percentile	1.63	(10.37)	6.35	7.82	13.04	14.14
90th Percentile	0.48	(16.30)	3.79	6.14	11.46	12.65
Atlanta Capital ●	4.16	5.06	12.73	13.00	17.50	17.80
Russell 2000 Index ▲	3.79	(6.73)	7.09	8.35	12.73	13.94

Relative Return vs Russell 2000 Index



CAI Small Capitalization (Gross) Annualized Seven Year Risk vs Return

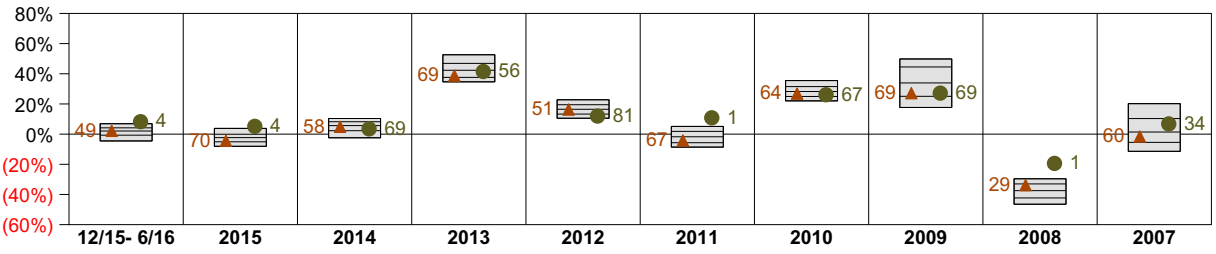


Atlanta Capital
Return Analysis Summary

Return Analysis

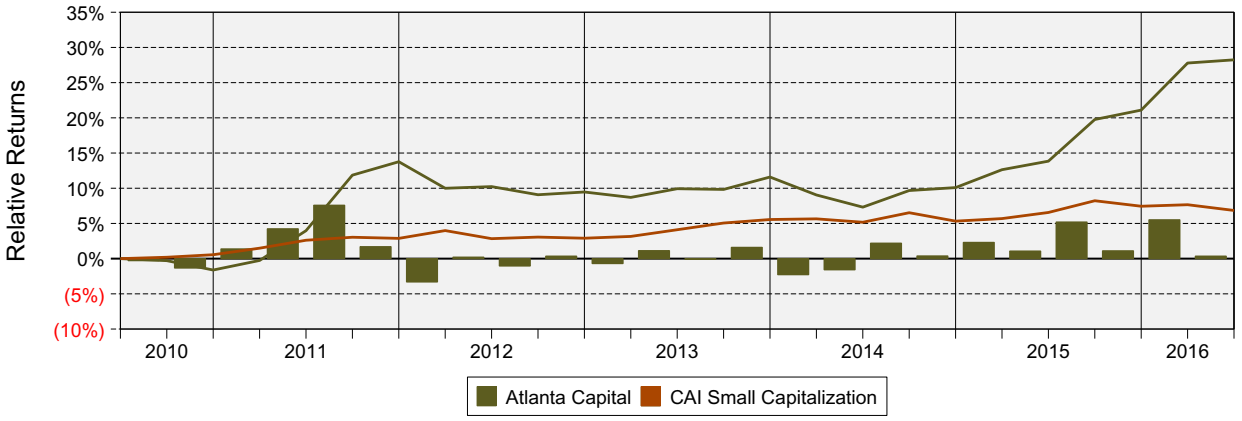
The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

Performance vs CAI Small Capitalization (Gross)

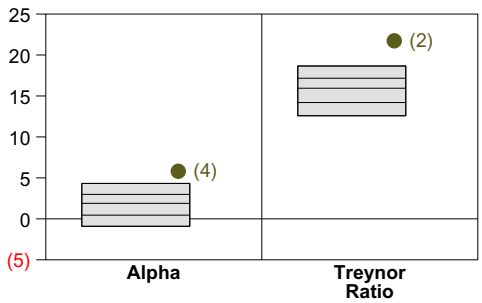


	12/15- 6/16	2015	2014	2013	2012	2011	2010	2009	2008	2007
10th Percentile	6.90	3.80	10.36	52.61	22.77	5.11	35.51	49.83	(29.60)	20.21
25th Percentile	4.16	(0.08)	8.22	46.90	19.49	1.82	31.51	44.51	(33.01)	10.32
Median	2.06	(2.32)	5.65	42.33	16.47	(1.75)	28.25	33.93	(37.46)	1.39
75th Percentile	(0.70)	(5.10)	2.28	37.61	13.28	(5.70)	24.96	25.06	(42.30)	(5.47)
90th Percentile	(4.53)	(8.08)	(2.43)	34.67	10.51	(8.62)	22.04	17.68	(46.47)	(11.41)
Atlanta Capital ●	8.24	5.14	3.49	41.51	11.96	10.81	26.10	27.17	(19.41)	6.76
Russell 2000 Index ▲	2.22	(4.41)	4.89	38.82	16.35	(4.18)	26.85	27.17	(33.79)	(1.57)

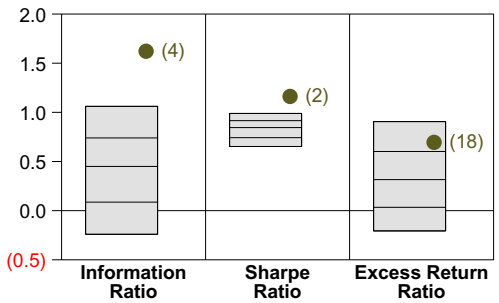
Cumulative and Quarterly Relative Return vs Russell 2000 Index



Risk Adjusted Return Measures vs Russell 2000 Index
Rankings Against CAI Small Capitalization (Gross)
Seven Years Ended June 30, 2016



	Alpha	Treynor Ratio
10th Percentile	4.32	18.66
25th Percentile	2.98	17.16
Median	1.89	15.95
75th Percentile	0.45	14.20
90th Percentile	(0.91)	12.58
Atlanta Capital ●	5.81	21.73



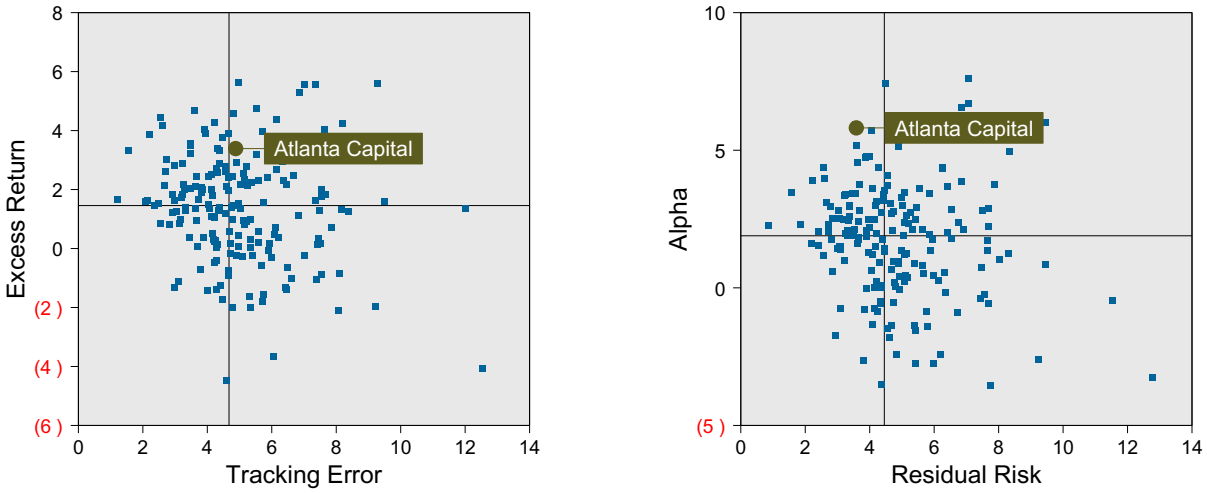
	Information Ratio	Sharpe Ratio	Excess Return Ratio
10th Percentile	1.06	0.99	0.91
25th Percentile	0.74	0.92	0.60
Median	0.45	0.85	0.32
75th Percentile	0.09	0.74	0.03
90th Percentile	(0.24)	0.65	(0.21)
Atlanta Capital ●	1.62	1.16	0.69

Atlanta Capital
Risk Analysis Summary

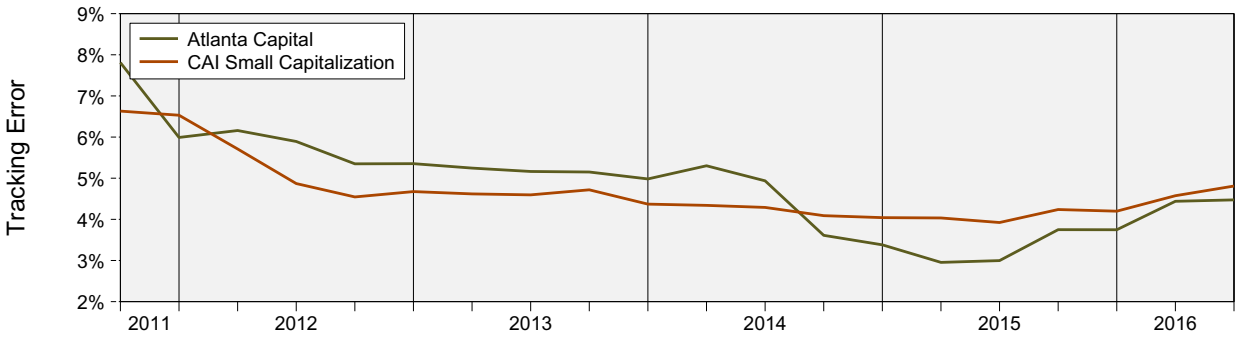
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

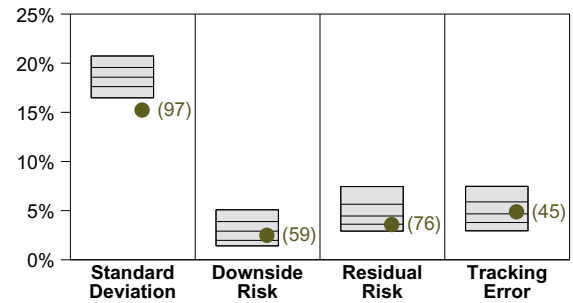
Risk Analysis vs CAI Small Capitalization (Gross)
Seven Years Ended June 30, 2016



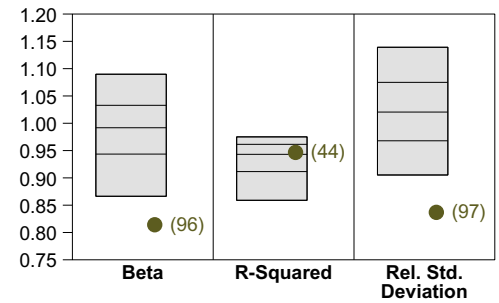
Rolling 12 Quarter Tracking Error vs Russell 2000 Index



Risk Statistics Rankings vs Russell 2000 Index
Rankings Against CAI Small Capitalization (Gross)
Seven Years Ended June 30, 2016



	Standard Deviation	Downside Risk	Residual Risk	Tracking Error
10th Percentile	20.73	5.09	7.45	7.47
25th Percentile	19.56	3.89	5.65	5.89
Median	18.57	2.91	4.45	4.67
75th Percentile	17.62	1.98	3.62	3.79
90th Percentile	16.48	1.42	2.92	2.95
Atlanta Capital ●	15.23	2.49	3.58	4.88



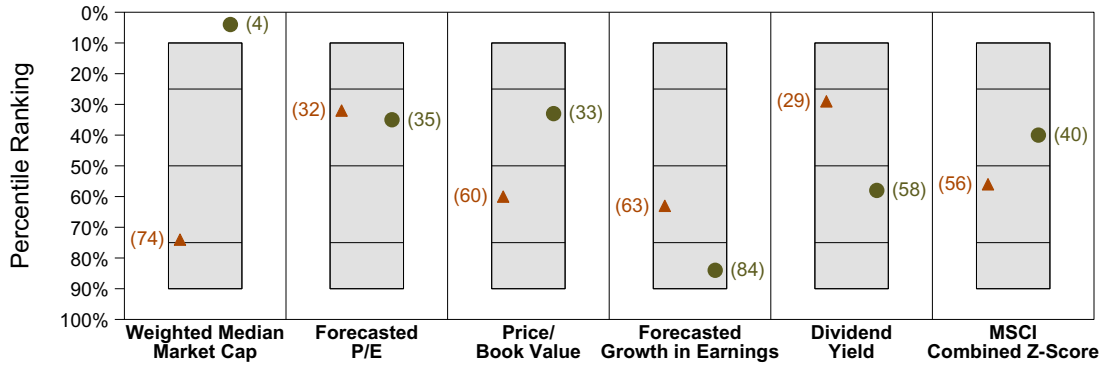
	Beta	R-Squared	Rel. Std. Deviation
10th Percentile	1.09	0.98	1.14
25th Percentile	1.03	0.96	1.07
Median	0.99	0.94	1.02
75th Percentile	0.94	0.91	0.97
90th Percentile	0.87	0.86	0.91
Atlanta Capital ●	0.81	0.95	0.84

Atlanta Capital
Equity Characteristics Analysis Summary

Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings
Rankings Against CAI Small Capitalization
as of June 30, 2016

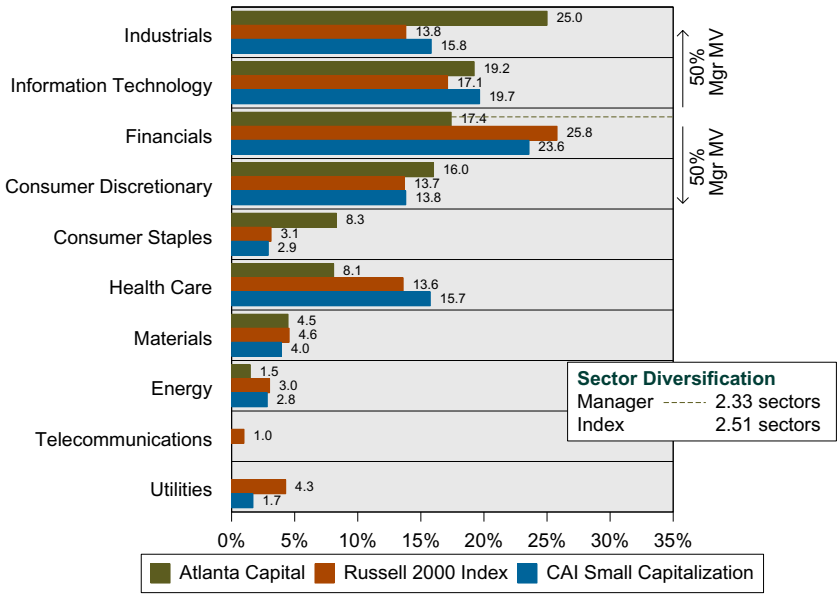


	Weighted Median Market Cap	Forecasted P/E	Price/ Book Value	Forecasted Growth in Earnings	Dividend Yield	MSCI Combined Z-Score
10th Percentile	2.67	30.20	3.76	19.79	2.07	0.85
25th Percentile	2.25	24.46	3.22	17.02	1.63	0.69
Median	1.94	18.25	2.16	14.00	1.26	0.11
75th Percentile	1.54	15.57	1.63	11.30	0.59	(0.26)
90th Percentile	1.24	14.02	1.45	9.17	0.46	(0.50)
Atlanta Capital ●	3.05	21.35	2.92	9.70	1.07	0.28
Russell 2000 Index ▲	1.57	23.18	1.87	12.92	1.57	0.01

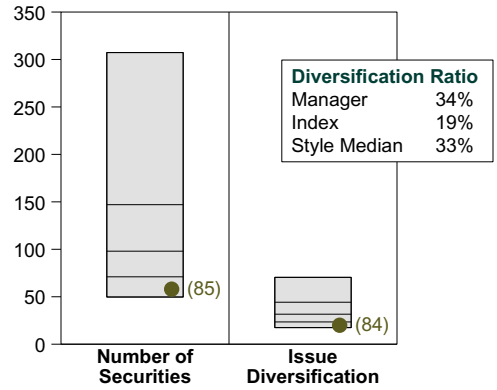
Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

Sector Allocation
June 30, 2016



Diversification
June 30, 2016

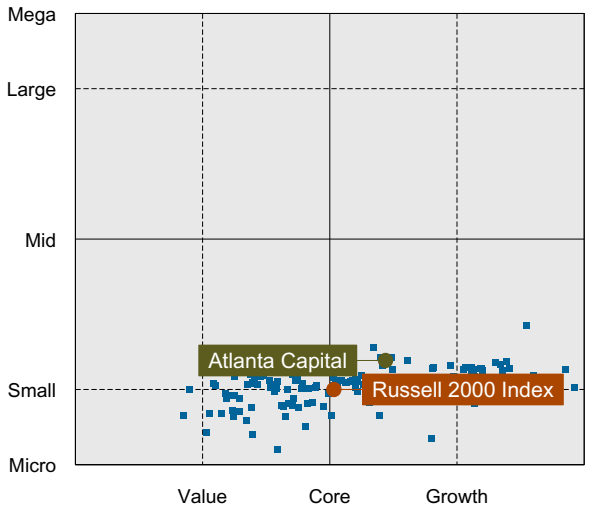


	Number of Securities	Issue Diversification
10th Percentile	307	70
25th Percentile	147	44
Median	98	32
75th Percentile	71	23
90th Percentile	50	17
Atlanta Capital ●	58	20
Russell 2000 Index ▲	2006	378

Current Holdings Based Style Analysis
Atlanta Capital
As of June 30, 2016

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

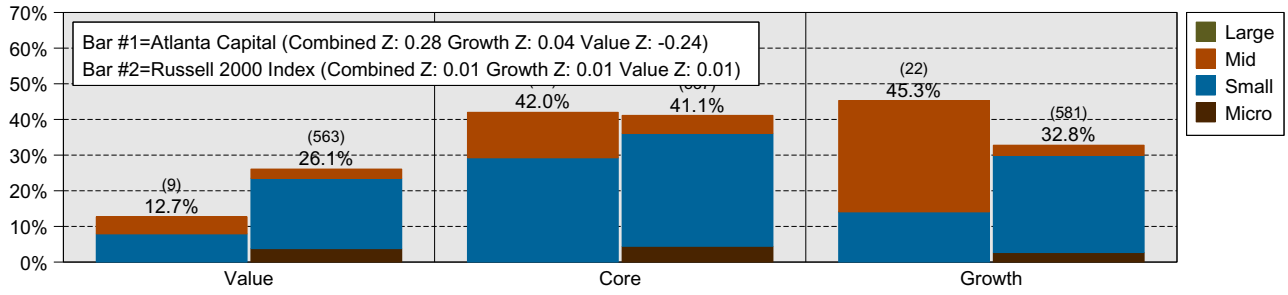
Style Map vs CAI Small Capitalization
Holdings as of June 30, 2016



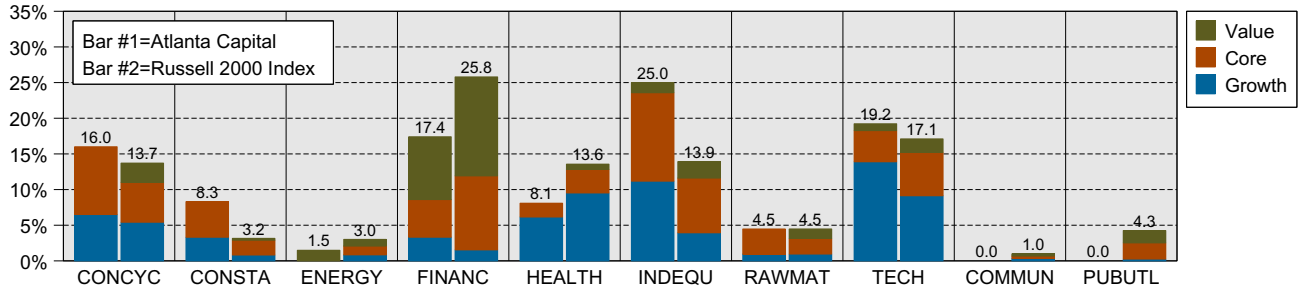
Style Exposure Matrix
Holdings as of June 30, 2016

	Value	Core	Growth	Total
Large	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	**0.0% (0)** **0.0% (0)**
Mid	4.8% (3) 2.6% (13)	12.8% (6) 5.1% (25)	31.2% (13) 2.8% (16)	**48.8% (22)** **10.5% (54)**
Small	7.9% (6) 19.7% (282)	29.2% (21) 31.6% (454)	14.1% (9) 27.3% (383)	**51.2% (36)** **78.7% (1119)**
Micro	0.0% (0) 3.8% (268)	0.0% (0) 4.4% (358)	0.0% (0) 2.7% (182)	**0.0% (0)** **10.9% (808)**
Total	**12.7% (9)** **26.1% (563)**	**42.0% (27)** **41.1% (837)**	**45.3% (22)** **32.8% (581)**	**100.0% (58)** **100.0% (1981)**

Combined Z-Score Style Distribution
Holdings as of June 30, 2016



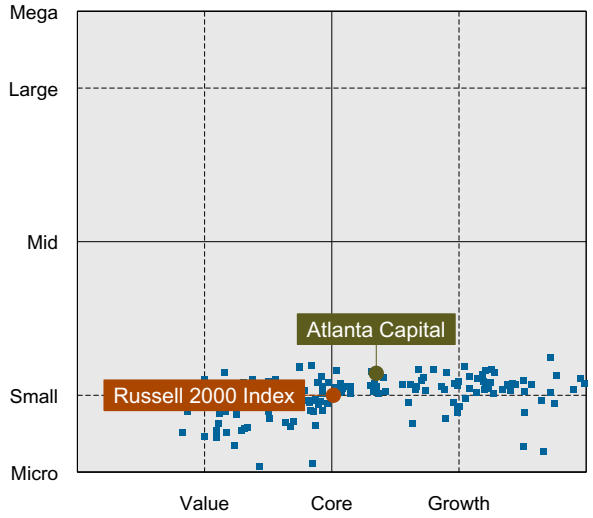
Sector Weights Distribution
Holdings as of June 30, 2016



Historical Holdings Based Style Analysis
Atlanta Capital
For Six Years Ended June 30, 2016

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

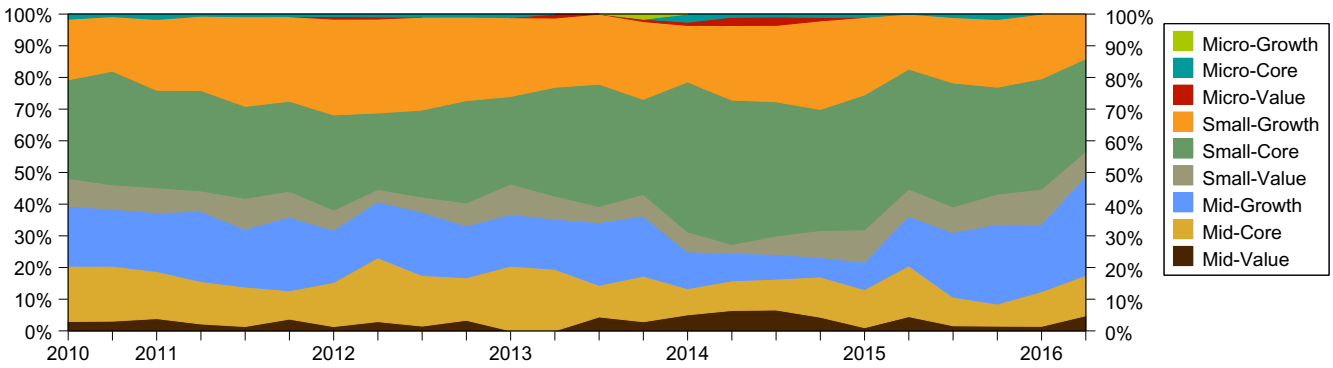
Average Style Map vs CAI Small Capitalization Holdings for Six Years Ended June 30, 2016



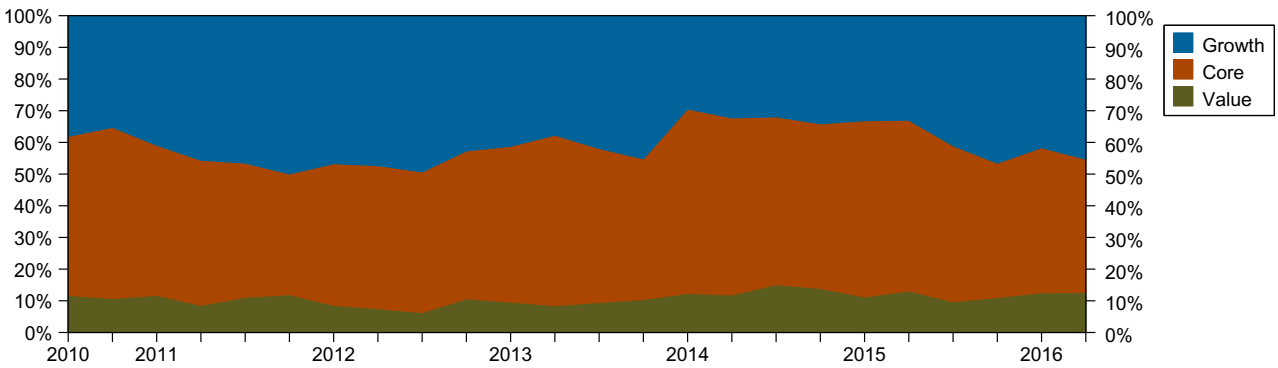
Average Style Exposure Matrix Holdings for Six Years Ended June 30, 2016

	Value	Core	Growth	Total
Large	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	**0.0%** (0) **0.0%** (0)
Mid	3.0% (2) 1.5% (7)	13.3% (7) 2.5% (13)	17.4% (8) 5.3% (26)	**33.7%** (17) **9.3%** (46)
Small	7.5% (6) 20.9% (283)	34.3% (23) 29.8% (405)	23.3% (15) 26.5% (359)	**65.0%** (44) **77.3%** (1047)
Micro	0.5% (0) 4.9% (302)	0.8% (1) 5.2% (351)	0.1% (0) 3.4% (210)	**1.4%** (1) **13.4%** (863)
Total	**10.9%** (8) **27.3%** (592)	**48.4%** (31) **37.5%** (769)	**40.7%** (23) **35.2%** (595)	**100.0%** (62) **100.0%** (1956)

Atlanta Capital Historical Cap/Style Exposures



Atlanta Capital Historical Style Only Exposures

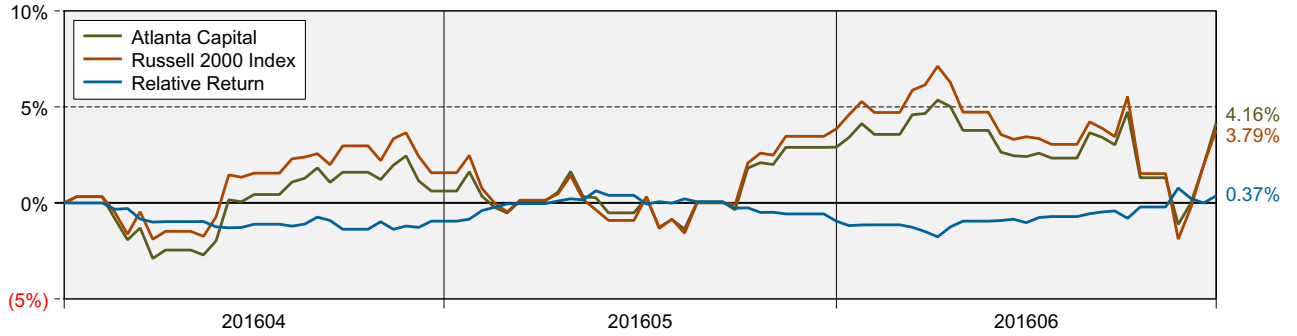


Atlanta Capital vs Russell 2000 Index
Domestic Equity Daily Performance Attribution
One Quarter Ended June 30, 2016

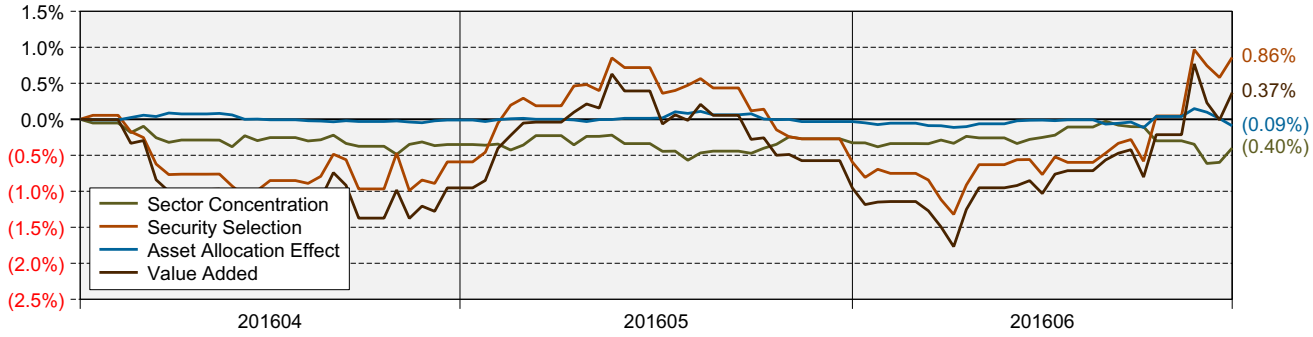
Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

Cumulative Manager and Benchmark Returns



Cumulative Attribution Effects vs. Russell 2000 Index



Attribution Effects by Sector vs. Russell 2000 Index
One Quarter Ended June 30, 2016

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Consumer Discretionary	15.78%	13.59%	(3.18)%	(1.82)%	(0.10)%	(0.21)%	-
Consumer Staples	7.87%	3.54%	9.72%	9.00%	0.24%	0.06%	-
Energy	1.52%	2.78%	(3.83)%	6.92%	(0.03)%	(0.15)%	-
Financials	17.18%	26.18%	1.68%	4.07%	(0.04)%	(0.40)%	-
Health Care	8.12%	14.00%	12.49%	4.63%	(0.03)%	0.62%	-
Industrials	24.46%	13.13%	6.50%	2.86%	(0.10)%	0.88%	-
Information Technology	20.47%	17.58%	5.41%	2.61%	(0.04)%	0.57%	-
Materials	4.61%	4.09%	1.40%	12.63%	0.07%	(0.52)%	-
Telecommunications	0.00%	0.92%	0.00%	13.14%	(0.08)%	0.00%	-
Utilities	0.00%	4.18%	0.00%	10.90%	(0.29)%	0.00%	-
Non Equity	3.00%	0.00%	-	-	-	-	(0.09)%
Total	-	-	4.16%	3.79%	(0.40)%	0.86%	(0.09)%

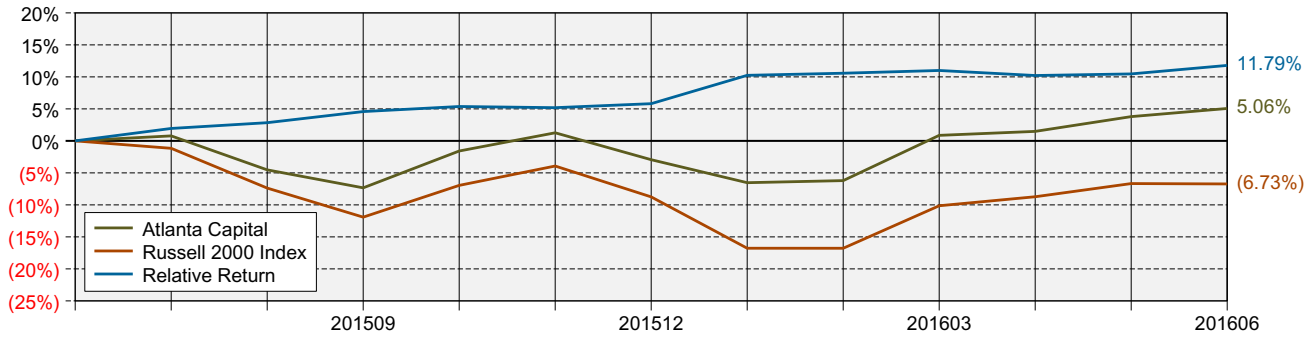
Manager Return	=	Index Return	+	Sector Concentration	+	Security Selection	+	Asset Allocation
4.16%		3.79%		(0.40%)		0.86%		(0.09%)

Atlanta Capital vs Russell 2000 Index
Domestic Equity Daily Performance Attribution
One Year Ended June 30, 2016

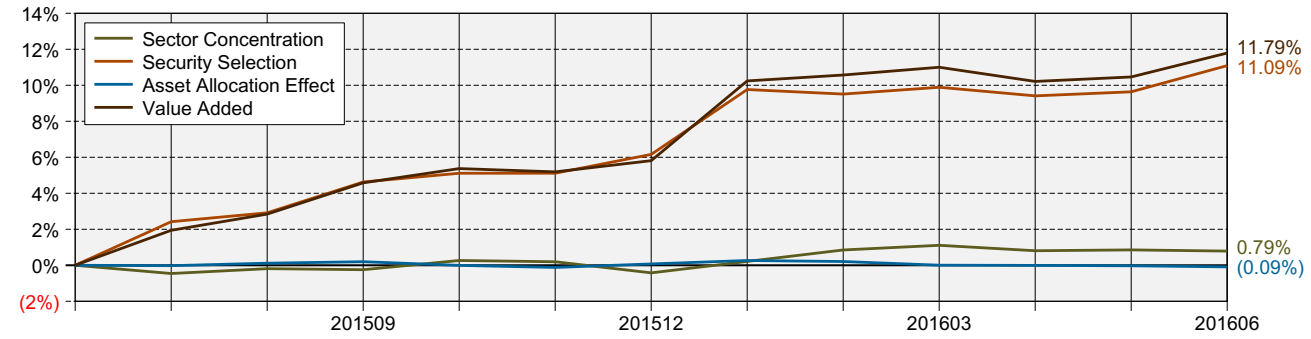
Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

Cumulative Manager and Benchmark Returns



Cumulative Attribution Effects vs. Russell 2000 Index



Attribution Effects by Sector vs. Russell 2000 Index
One Year Ended June 30, 2016

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Consumer Discretionary	15.69%	14.01%	1.22%	(14.23)%	(0.05)%	2.56%	-
Consumer Staples	7.74%	3.41%	21.49%	10.66%	0.76%	0.71%	-
Energy	1.51%	2.94%	(22.60)%	(39.21)%	0.71%	0.29%	-
Financials	17.11%	25.65%	(3.17)%	1.96%	(0.73)%	(0.77)%	-
Health Care	8.34%	15.22%	18.88%	(20.89)%	1.10%	3.33%	-
Industrials	23.71%	12.62%	0.68%	(6.54)%	0.11%	1.68%	-
Information Technology	21.31%	17.58%	9.27%	(3.10)%	0.20%	2.46%	-
Materials	4.59%	3.83%	18.55%	(4.67)%	0.10%	0.82%	-
Telecommunications	0.00%	0.88%	0.00%	19.75%	(0.19)%	0.00%	-
Utilities	0.00%	3.88%	0.00%	30.99%	(1.21)%	0.00%	-
Non Equity	3.07%	0.00%	-	-	-	-	(0.09)%
Total	-	-	5.06%	(6.73)%	0.79%	11.09%	(0.09)%

Manager Return	=	Index Return	+	Sector Concentration	+	Security Selection	+	Asset Allocation
5.06%		(6.73%)		0.79%		11.09%		(0.09%)

Atlanta Capital vs Russell 2000 Index
Domestic Equity Top 10 Contribution Holdings
One Quarter Ended June 30, 2016

Manager Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Manhattan Associates	Information Technology	4.06%	91	0.26%	12.70%	9.25%	0.50%	0.35%
Caseys General Stores	Consumer Staples	3.04%	91	0.25%	16.31%	8.58%	0.47%	0.34%
Exponent Inc	Industrials	2.58%	91	0.08%	14.88%	14.88%	0.38%	0.28%
Vca Inc	Health Care	2.11%	91	-	17.12%	-	0.35%	0.27%
Bio-Techne Corp	Health Care	1.76%	91	-	19.58%	-	0.33%	0.26%
Sally Beauty Hldgs Inc	Consumer Discretionary	2.93%	91	-	(9.17)%	-	(0.26)%	(0.38)%
Moog Inc Cl A	Industrials	1.41%	91	0.11%	18.04%	18.04%	0.24%	0.17%
Choice Hotels Intl Inc	Consumer Discretionary	2.01%	91	-	(11.55)%	-	(0.23)%	(0.32)%
Blackbaud Inc	Information Technology	2.82%	91	0.18%	8.18%	8.18%	0.23%	0.12%
Morningstar Inc	Financials	3.21%	91	-	(7.15)%	-	(0.23)%	(0.35)%

Index Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Index Perf	Contrib Excess Return
Anacor Pharmaceuticals Inc	Health Care	-	-	0.16%	-	85.59%	0.11%	(0.11)%
Advanced Micro Devices Inc	Information Technology	-	-	0.14%	-	80.35%	0.09%	(0.08)%
Olin Corp	Materials	-	-	0.21%	-	44.31%	0.08%	(0.07)%
Cavium Inc	Information Technology	-	-	0.18%	-	(36.89)%	(0.08)%	0.08%
Dreamworks Animation Skg Inc Cl A	Consumer Discretionary	-	-	0.16%	-	63.81%	0.07%	(0.07)%
Demandware Inc	Information Technology	-	-	0.09%	-	91.56%	0.07%	(0.07)%
Tesaro Inc	Health Care	-	-	0.06%	-	90.89%	0.06%	(0.05)%
Synaptics	Information Technology	-	-	0.16%	-	(32.59)%	(0.06)%	0.06%
Abercrombie & Fitch Co A	Consumer Discretionary	-	-	0.11%	-	(42.95)%	(0.06)%	0.06%
Hecla Mng Co	Materials	-	-	0.08%	-	83.56%	0.05%	(0.05)%

Positions with Largest Positive Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Manhattan Associates	Information Technology	4.06%	91	0.26%	12.70%	9.25%	0.50%	0.35%
Caseys General Stores	Consumer Staples	3.04%	91	0.25%	16.31%	8.58%	0.47%	0.34%
Exponent Inc	Industrials	2.58%	91	0.08%	14.88%	14.88%	0.38%	0.28%
Vca Inc	Health Care	2.11%	91	-	17.12%	-	0.35%	0.27%
Bio-Techne Corp	Health Care	1.76%	91	-	19.58%	-	0.33%	0.26%
Moog Inc Cl A	Industrials	1.41%	91	0.11%	18.04%	18.04%	0.24%	0.17%
Iberiabank Corp	Financials	1.38%	91	0.13%	17.19%	17.19%	0.21%	0.15%
Corelogic Inc	Information Technology	1.97%	91	-	10.89%	-	0.21%	0.14%
Heico Corp New Cl A	Industrials	1.55%	91	0.12%	12.82%	6.83%	0.19%	0.13%
J & J Snack Foods Corp	Consumer Staples	1.58%	91	0.09%	10.39%	10.55%	0.19%	0.13%

Positions with Largest Negative Contribution to Excess Return

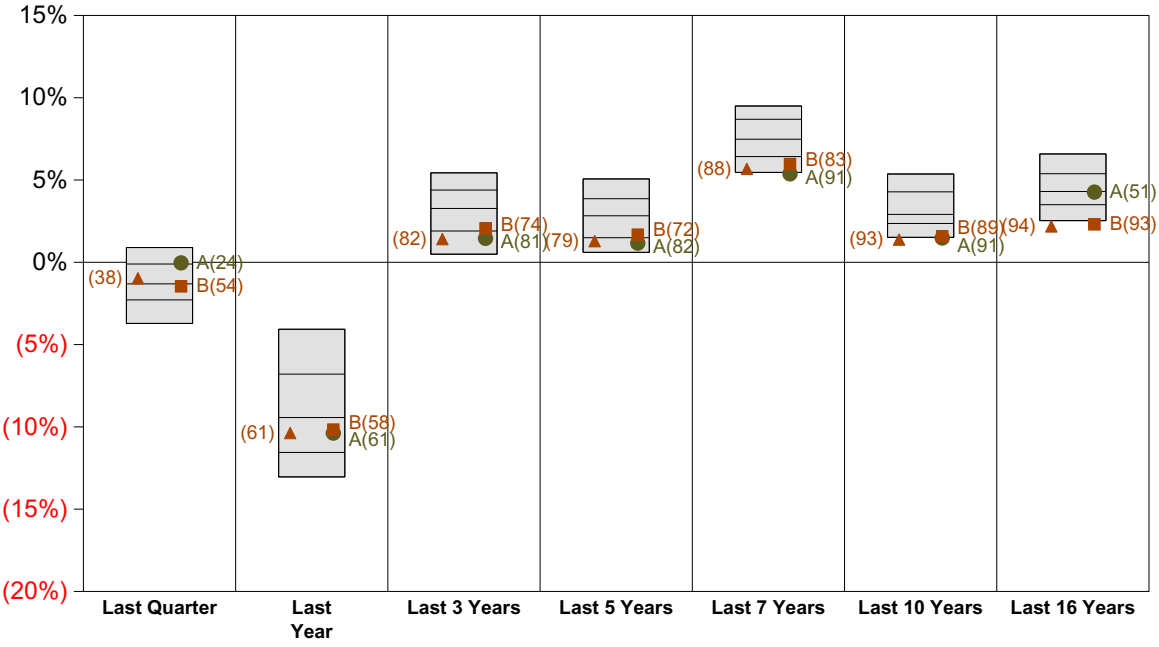
Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Sally Beauty Hldgs Inc	Consumer Discretionary	2.93%	91	-	(9.17)%	-	(0.26)%	(0.38)%
Morningstar Inc	Financials	3.21%	91	-	(7.15)%	-	(0.23)%	(0.35)%
Choice Hotels Intl Inc	Consumer Discretionary	2.01%	91	-	(11.55)%	-	(0.23)%	(0.32)%
Monro Muffler Brake Inc	Consumer Discretionary	1.86%	91	0.13%	(10.82)%	(10.82)%	(0.21)%	(0.27)%
Inter Parfums Inc	Consumer Staples	1.76%	91	0.03%	(7.06)%	(7.06)%	(0.13)%	(0.19)%
Graco Inc	Industrials	1.78%	91	-	(5.53)%	-	(0.10)%	(0.17)%
National Instrs Corp	Information Technology	1.21%	91	-	(8.29)%	-	(0.12)%	(0.16)%
Artisan Partners Asset Mgmt Cl A	Financials	1.28%	91	-	(8.47)%	-	(0.10)%	(0.15)%
Columbia Sportswear Co	Consumer Discretionary	2.12%	91	0.10%	(4.19)%	(3.93)%	(0.05)%	(0.14)%
Scansource	Information Technology	1.14%	91	0.06%	(8.26)%	(8.10)%	(0.09)%	(0.13)%

International Equity
Period Ended June 30, 2016

Quarterly Summary and Highlights

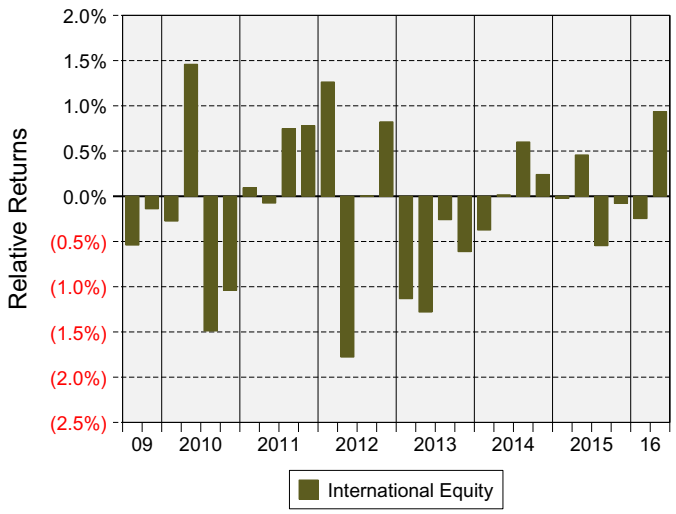
- International Equity's portfolio posted a (0.04)% return for the quarter placing it in the 24 percentile of the CAI Non-U.S. Equity Style group for the quarter and in the 61 percentile for the last year.
- International Equity's portfolio outperformed the Custom International Benchmark by 0.94% for the quarter and underperformed the Custom International Benchmark for the year by 0.00%.

Performance vs CAI Non-U.S. Equity Style (Gross)

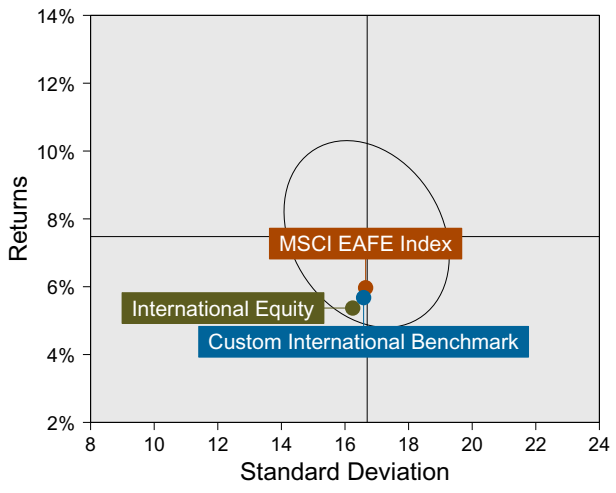


		Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 16 Years
10th Percentile		0.90	(4.07)	5.44	5.06	9.50	5.37	6.58
25th Percentile		(0.10)	(6.80)	4.39	3.86	8.69	4.28	5.38
Median		(1.31)	(9.43)	3.27	2.83	7.48	2.91	4.30
75th Percentile		(2.29)	(11.56)	1.90	1.49	6.42	2.36	3.50
90th Percentile		(3.72)	(13.04)	0.49	0.60	5.46	1.52	2.53
International Equity	A	(0.04)	(10.38)	1.46	1.16	5.37	1.48	4.27
MSCI EAFE Index	B	(1.46)	(10.16)	2.06	1.68	5.97	1.58	2.31
Custom International Benchmark	▲	(0.97)	(10.37)	1.41	1.29	5.68	1.38	2.18

Relative Returns vs Custom International Benchmark



CAI Non-U.S. Equity Style (Gross) Annualized Seven Year Risk vs Return

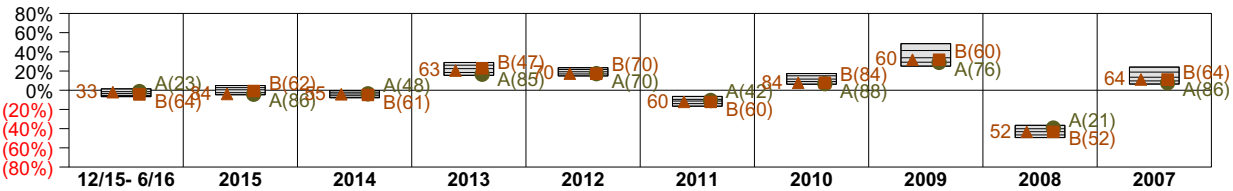


International Equity
Return Analysis Summary

Return Analysis

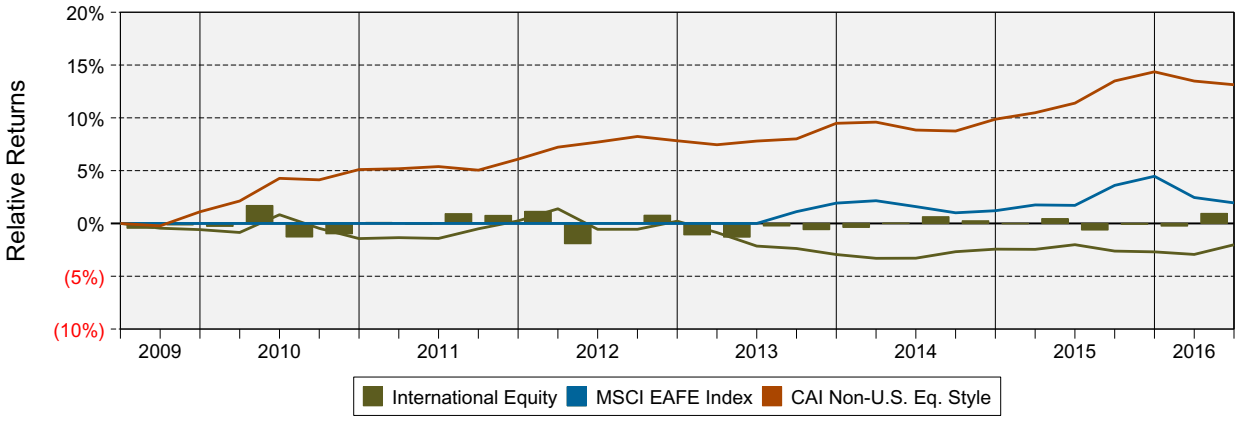
The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

Performance vs CAI Non-U.S. Equity Style (Gross)

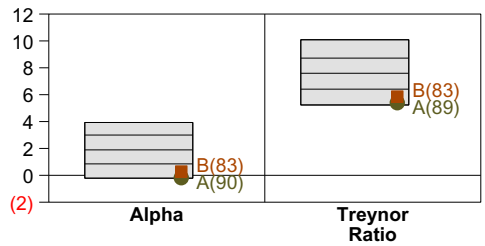


	12/15- 6/16	2015	2014	2013	2012	2011	2010	2009	2008	2007
10th Percentile	1.44	4.92	(0.30)	28.92	23.51	(6.44)	17.43	48.53	(36.56)	24.12
25th Percentile	(1.48)	2.71	(2.06)	26.07	21.64	(9.49)	15.06	41.35	(40.10)	18.89
Median	(3.49)	0.48	(3.88)	22.49	19.25	(11.24)	11.62	33.82	(43.20)	13.55
75th Percentile	(5.41)	(2.53)	(5.71)	18.50	16.97	(13.94)	9.02	29.20	(46.54)	9.73
90th Percentile	(6.68)	(4.70)	(7.81)	15.53	14.91	(16.62)	6.27	25.12	(49.29)	6.45
International Equity ● A	(1.38)	(4.17)	(3.72)	16.66	17.28	(10.64)	6.83	28.99	(39.41)	7.68
MSCI EAFE Index ■ B	(4.42)	(0.81)	(4.90)	22.78	17.32	(12.14)	7.75	31.78	(43.38)	11.17
Custom International Benchmark ▲	(2.06)	(3.91)	(4.23)	20.46	17.32	(12.14)	7.75	31.78	(43.38)	11.17

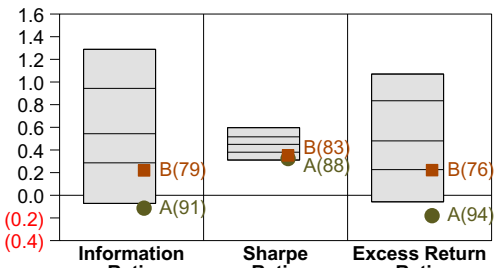
Cumulative and Quarterly Relative Return vs Custom International Benchmark



Risk Adjusted Return Measures vs Custom International Benchmark
Rankings Against CAI Non-U.S. Equity Style (Gross)
Seven Years Ended June 30, 2016



	Alpha	Treynor Ratio
10th Percentile	3.93	10.09
25th Percentile	3.00	8.72
Median	1.89	7.59
75th Percentile	0.85	6.41
90th Percentile	(0.22)	5.23
International Equity ● A	(0.18)	5.40
MSCI EAFE Index ■ B	0.28	5.86

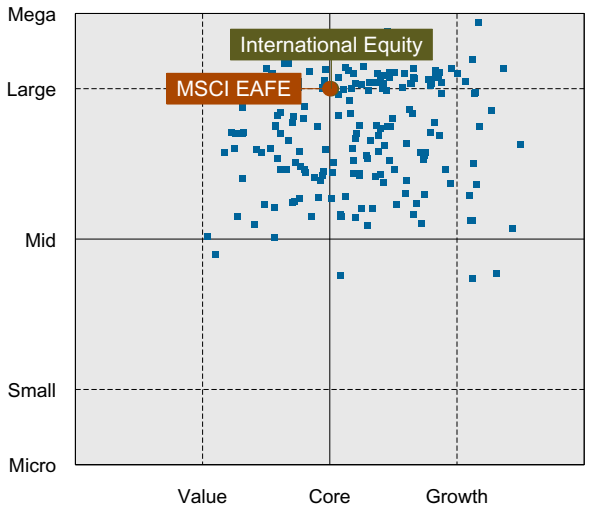


	Information Ratio	Sharpe Ratio	Excess Return Ratio
10th Percentile	1.29	0.60	1.07
25th Percentile	0.94	0.52	0.83
Median	0.54	0.45	0.48
75th Percentile	0.29	0.38	0.23
90th Percentile	(0.07)	0.31	(0.06)
International Equity ● A	(0.11)	0.32	(0.18)
MSCI EAFE Index ■ B	0.22	0.35	0.22

Current Holdings Based Style Analysis
International Equity
As of June 30, 2016

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

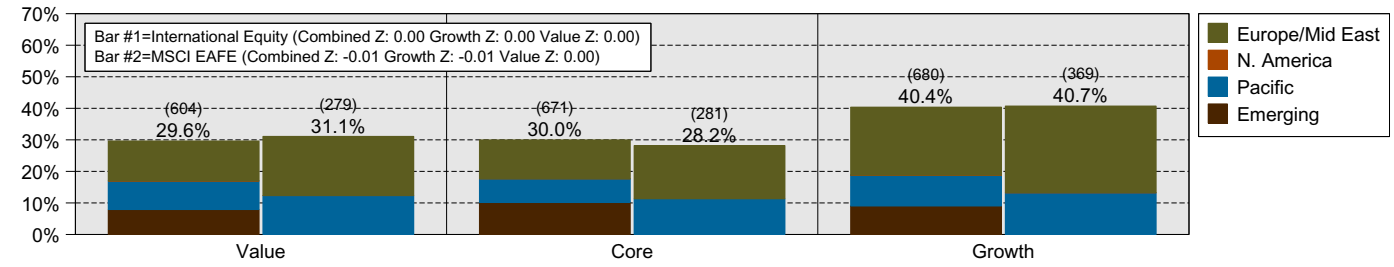
Style Map vs CAI Non-U.S. Eq. Style
Holdings as of June 30, 2016



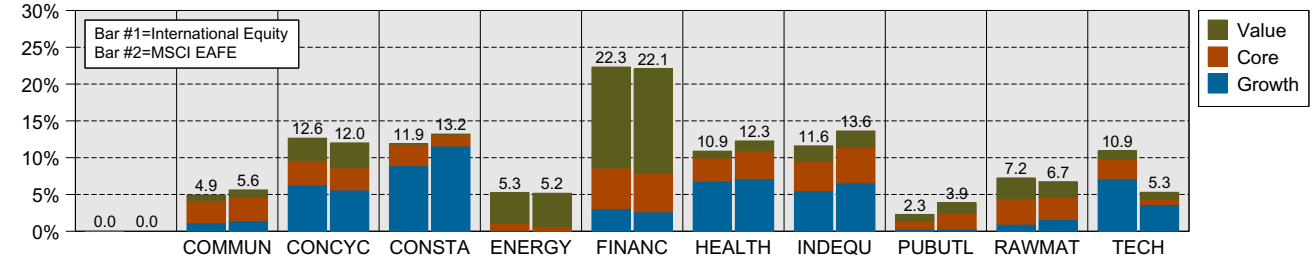
Style Exposure Matrix
Holdings as of June 30, 2016

	Value	Core	Growth	Total
Europe/ Mid East	12.7% (133) 18.7% (132)	12.3% (136) 16.9% (135)	21.5% (190) 27.4% (189)	**46.5% (459)** **63.0% (456)**
N. America	0.0% (1) 0.0% (1)	0.0% (1) 0.0% (0)	0.0% (3) 0.1% (1)	**0.0% (5)** **0.1% (2)**
Pacific	9.1% (147) 12.3% (146)	7.4% (147) 11.3% (146)	9.8% (179) 13.2% (179)	**26.3% (473)** **36.9% (471)**
Emerging	7.9% (323) 0.0% (0)	10.2% (387) 0.0% (0)	9.0% (308) 0.0% (0)	**27.1% (1018)** **0.0% (0)**
Total	**29.6% (604)** **31.1% (279)**	**30.0% (671)** **28.2% (281)**	**40.4% (680)** **40.7% (369)**	**100.0% (1955)** **100.0% (929)**

Combined Z-Score Style Distribution
Holdings as of June 30, 2016



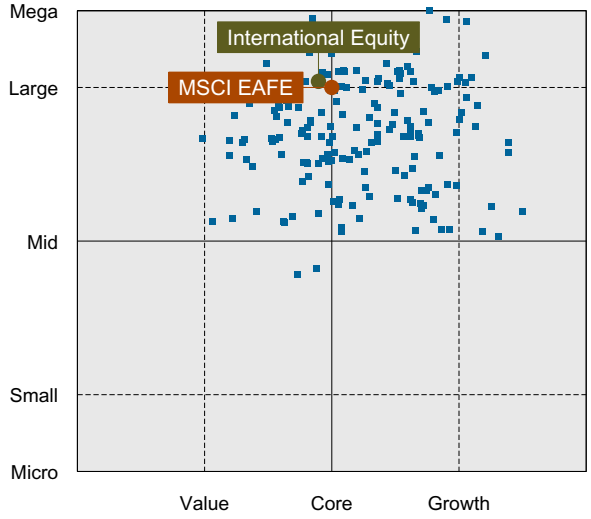
Sector Weights Distribution
Holdings as of June 30, 2016



Historical Holdings Based Style Analysis
International Equity
For Six Years Ended June 30, 2016

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

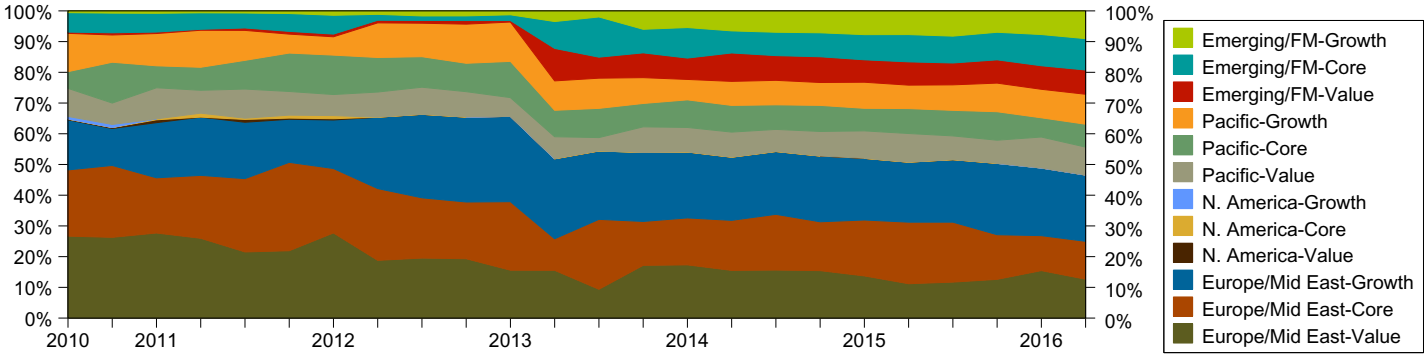
Average Style Map vs CAI Non-U.S. Eq. Style Holdings for Six Years Ended June 30, 2016



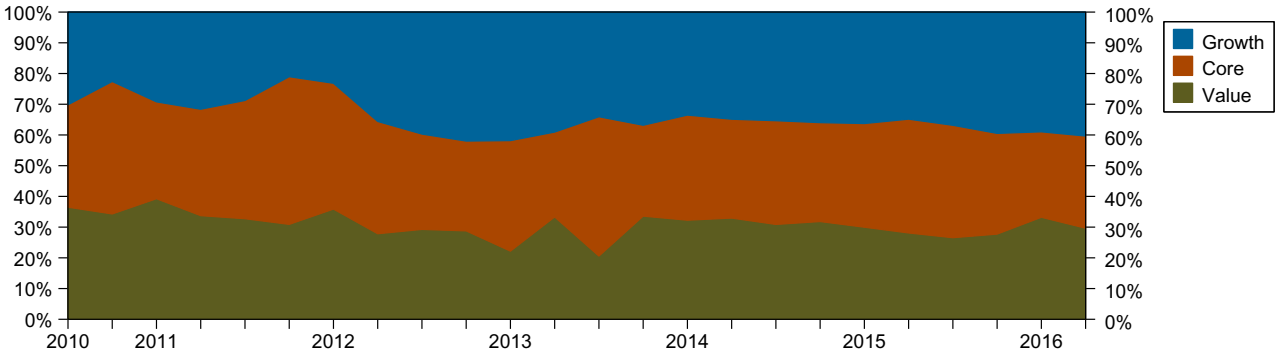
Average Style Exposure Matrix Holdings for Six Years Ended June 30, 2016

	Value	Core	Growth	Total
Europe/ Mid East	18.1% (102) 20.2% (133)	18.7% (103) 19.8% (127)	20.9% (144) 24.8% (194)	**57.7% (349)** **64.8% (454)**
N. America	0.1% (1) 0.0% (0)	0.2% (2) 0.0% (0)	0.1% (0) 0.3% (1)	**0.4% (3)** **0.4% (1)**
Pacific	8.0% (106) 10.3% (137)	9.0% (126) 12.6% (161)	9.3% (128) 11.8% (168)	**26.4% (360)** **34.8% (466)**
Emerging/ FM	4.6% (588) 0.0% (0)	6.9% (806) 0.0% (0)	4.0% (350) 0.0% (0)	**15.5% (1744)** **0.0% (0)**
Total	**30.9% (797)** **30.5% (270)**	**34.8% (1037)** **32.5% (288)**	**34.3% (622)** **37.0% (363)**	**100.0% (2456)** **100.0% (921)**

International Equity Historical Region/Style Exposures



International Equity Historical Style Only Exposures

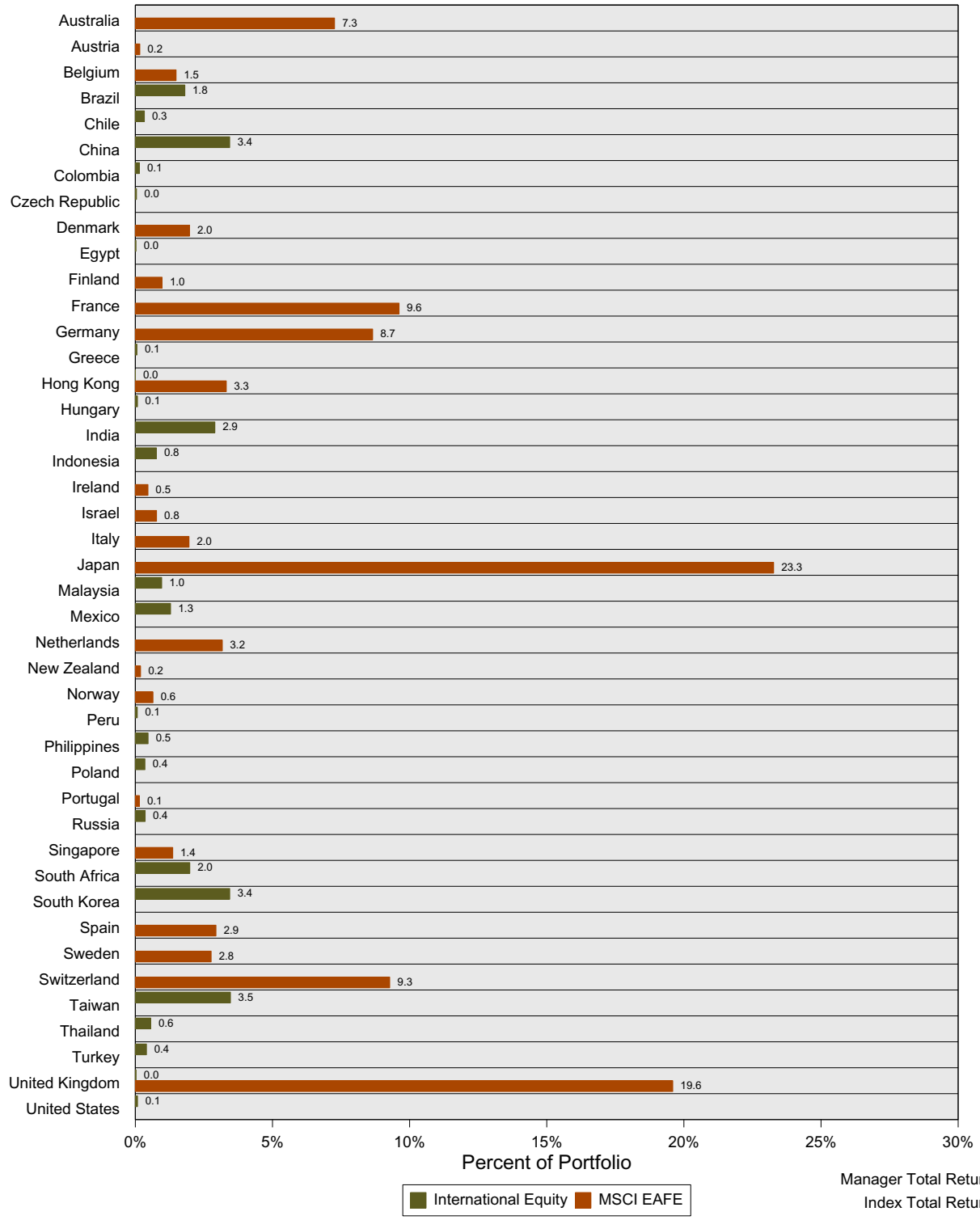


Country Allocation
International Equity VS MSCI EAFE Index (USD Net Div)

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of June 30, 2016. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of June 30, 2016



Index Rtns
0.46%
(9.99%)
2.29%
13.94%
2.51%
0.28%
2.85%
(3.60%)
(0.58%)
0.95%
(2.12%)
(4.31%)
(5.57%)
(13.89%)
0.94%
(4.67%)
3.72%
4.45%
(9.87%)
(3.80%)
(10.45%)
1.01%
(5.93%)
(6.94%)
(5.06%)
5.85%
2.35%
18.19%
5.91%
(17.32%)
(2.76%)
4.19%
0.35%
1.71%
(1.21%)
(7.67%)
(5.38%)
2.03%
1.00%
2.92%
(7.65%)
(0.73%)
1.19%

Manager Total Return:	(0.04%)
Index Total Return:	(1.46%)

SSgA EAFE
Period Ended June 30, 2016

Investment Philosophy

SSGA's objective is to provide the most cost-effective implementation of passive investing with stringent risk control and tracking requirements through a replication method. Returns prior to 6/30/2012 are linked to a composite history.

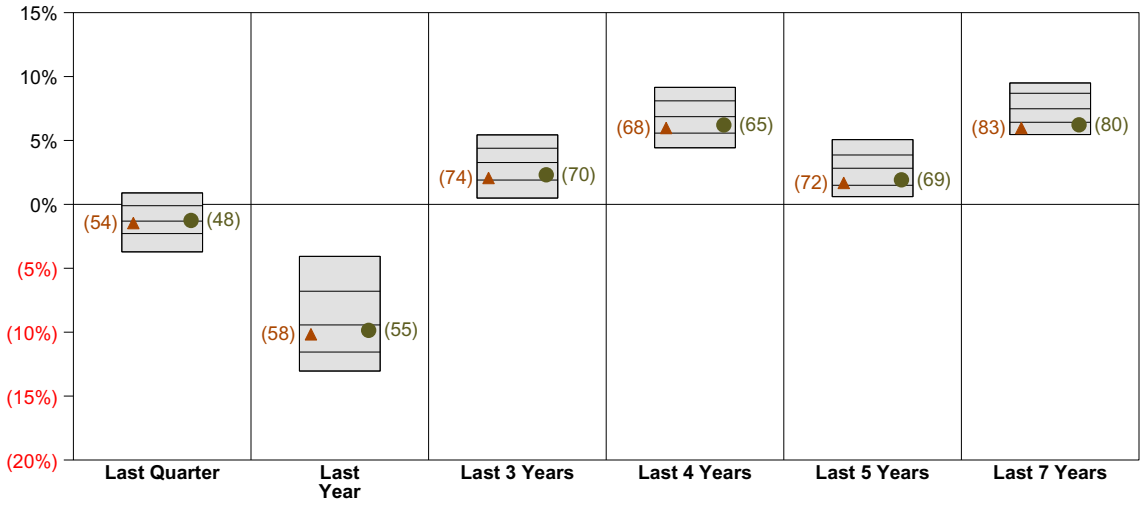
Quarterly Summary and Highlights

- SSgA EAFE's portfolio posted a (1.26)% return for the quarter placing it in the 48 percentile of the CAI Non-U.S. Equity Style group for the quarter and in the 55 percentile for the last year.
- SSgA EAFE's portfolio outperformed the MSCI EAFE by 0.20% for the quarter and outperformed the MSCI EAFE for the year by 0.31%.

Quarterly Asset Growth

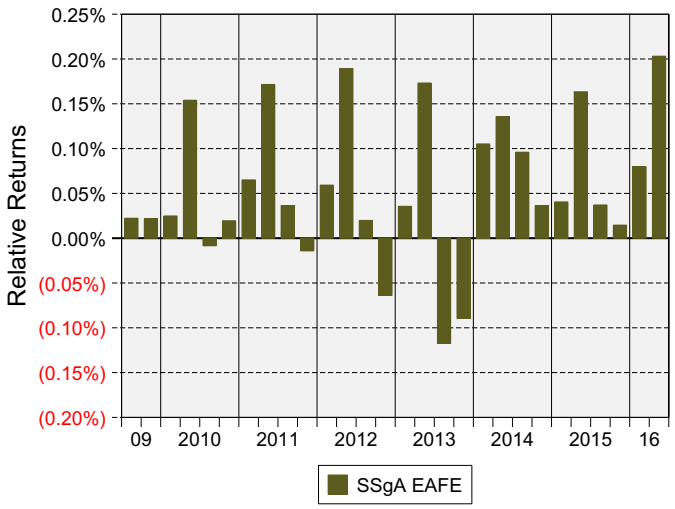
Beginning Market Value	$20,812,936
Net New Investment	$0
Investment Gains/(Losses)	$-262,060
Ending Market Value	$20,550,876

Performance vs CAI Non-U.S. Equity Style (Gross)

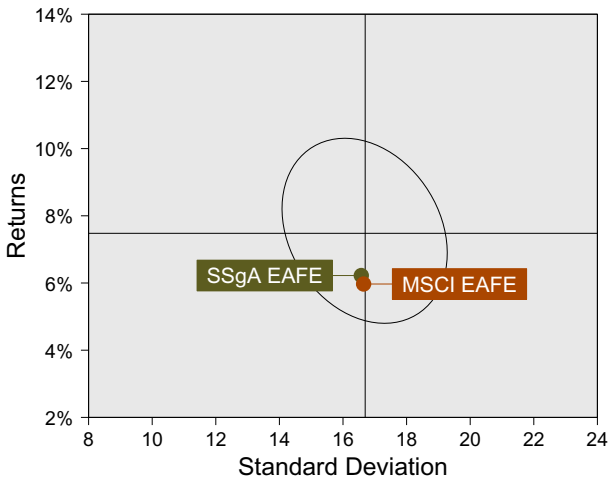


	Last Quarter	Last Year	Last 3 Years	Last 4 Years	Last 5 Years	Last 7 Years
10th Percentile	0.90	(4.07)	5.44	9.15	5.06	9.50
25th Percentile	(0.10)	(6.80)	4.39	8.10	3.86	8.69
Median	(1.31)	(9.43)	3.27	6.86	2.83	7.48
75th Percentile	(2.29)	(11.56)	1.90	5.57	1.49	6.42
90th Percentile	(3.72)	(13.04)	0.49	4.43	0.60	5.46
SSgA EAFE ●	(1.26)	(9.86)	2.31	6.21	1.92	6.22
MSCI EAFE ▲	(1.46)	(10.16)	2.06	5.97	1.68	5.97

Relative Return vs MSCI EAFE



CAI Non-U.S. Equity Style (Gross) Annualized Seven Year Risk vs Return

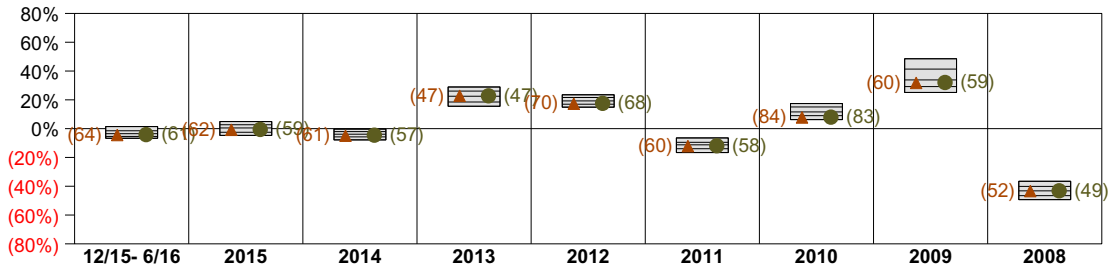


SSgA EAFE
Return Analysis Summary

Return Analysis

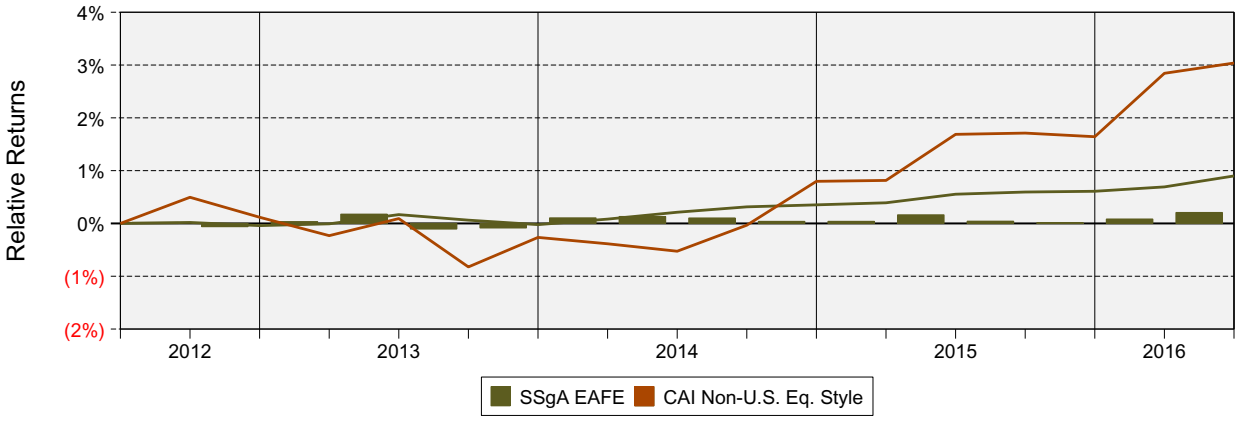
The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

Performance vs CAI Non-U.S. Equity Style (Gross)

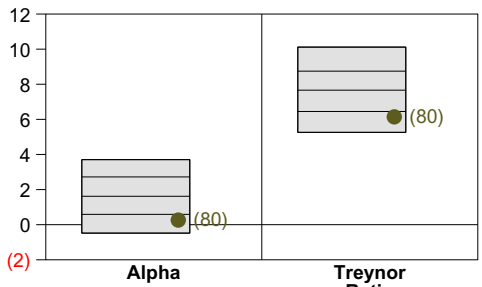


	12/15- 6/16	2015	2014	2013	2012	2011	2010	2009	2008
10th Percentile	1.44	4.92	(0.30)	28.92	23.51	(6.44)	17.43	48.53	(36.56)
25th Percentile	(1.48)	2.71	(2.06)	26.07	21.64	(9.49)	15.06	41.35	(40.10)
Median	(3.49)	0.48	(3.88)	22.49	19.25	(11.24)	11.62	33.82	(43.20)
75th Percentile	(5.41)	(2.53)	(5.71)	18.50	16.97	(13.94)	9.02	29.20	(46.54)
90th Percentile	(6.68)	(4.70)	(7.81)	15.53	14.91	(16.62)	6.27	25.12	(49.29)
SSgA EAFE ●	(4.15)	(0.56)	(4.55)	22.80	17.57	(11.91)	7.98	32.05	(43.15)
MSCI EAFE ▲	(4.42)	(0.81)	(4.90)	22.78	17.32	(12.14)	7.75	31.78	(43.38)

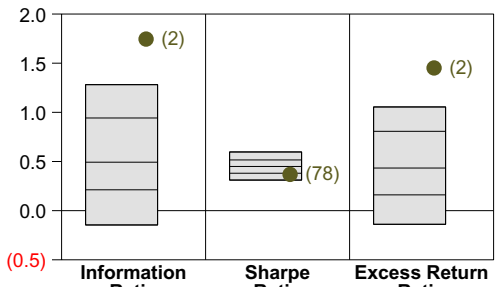
Cumulative and Quarterly Relative Return vs MSCI EAFE



Risk Adjusted Return Measures vs MSCI EAFE
Rankings Against CAI Non-U.S. Equity Style (Gross)
Seven Years Ended June 30, 2016



	Alpha	Treynor Ratio
10th Percentile	3.71	10.12
25th Percentile	2.72	8.75
Median	1.62	7.66
75th Percentile	0.59	6.45
90th Percentile	(0.48)	5.26
SSgA EAFE ●	0.26	6.14



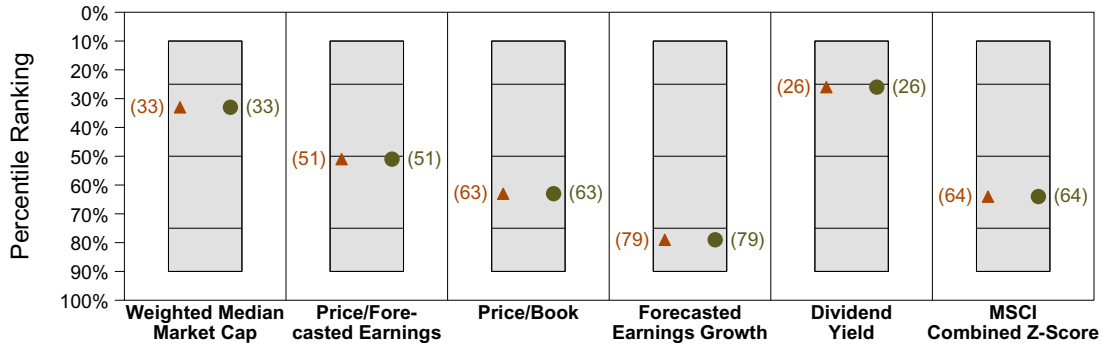
	Information Ratio	Sharpe Ratio	Excess Return Ratio
10th Percentile	1.28	0.60	1.05
25th Percentile	0.94	0.52	0.81
Median	0.49	0.45	0.43
75th Percentile	0.21	0.38	0.16
90th Percentile	(0.15)	0.31	(0.14)
SSgA EAFE ●	1.75	0.37	1.45

SSgA EAFE
Equity Characteristics Analysis Summary

Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings
Rankings Against CAI Non-U.S. Equity Style
as of June 30, 2016

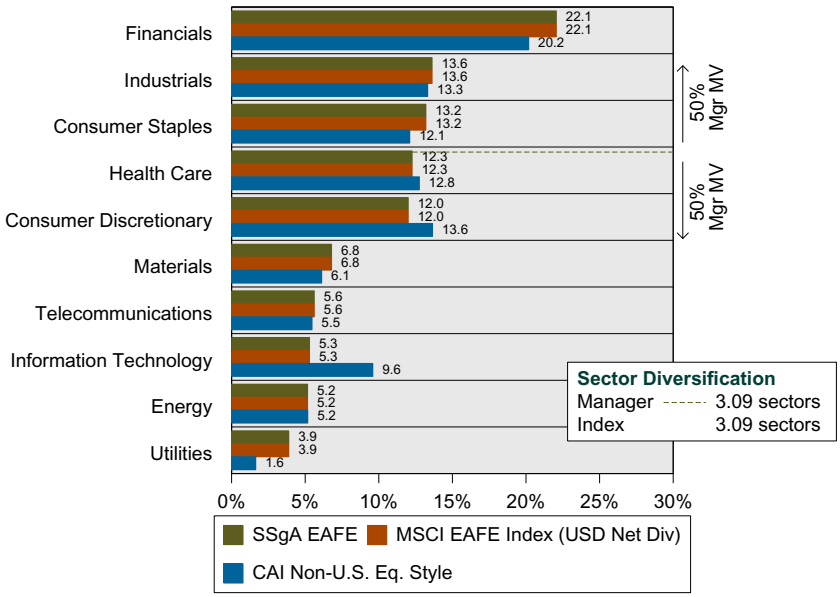


	Weighted Median Market Cap	Price/Forecasted Earnings	Price/Book	Forecasted Earnings Growth	Dividend Yield	MSCI Combined Z-Score
10th Percentile	41.12	17.95	2.66	12.63	3.74	0.79
25th Percentile	33.40	15.72	2.16	11.01	3.45	0.53
Median	24.89	14.12	1.62	9.62	2.96	0.18
75th Percentile	19.10	12.15	1.30	8.34	2.52	(0.24)
90th Percentile	14.08	11.31	1.12	7.29	2.14	(0.42)
SSgA EAFE ●	29.70	14.03	1.47	8.22	3.44	(0.01)
MSCI EAFE Index (USD Net Div) ▲	29.70	14.03	1.47	8.22	3.44	(0.01)

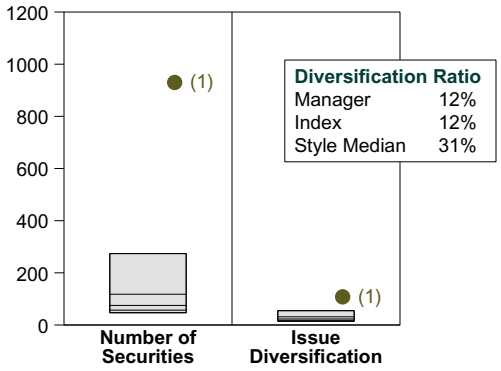
Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

Sector Allocation
June 30, 2016



Diversification
June 30, 2016

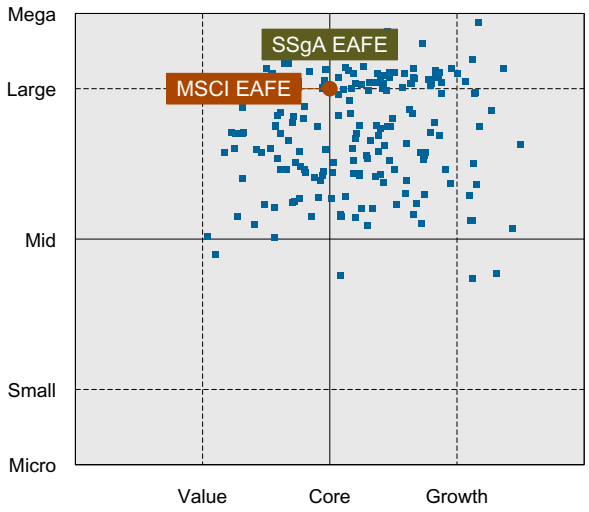


	Number of Securities	Issue Diversification
10th Percentile	274	55
25th Percentile	118	32
Median	75	23
75th Percentile	57	18
90th Percentile	47	14
SSgA EAFE ●	930	108
MSCI EAFE Index (USD Net Div) ▲	930	108

Current Holdings Based Style Analysis
SSgA EAFE
As of June 30, 2016

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

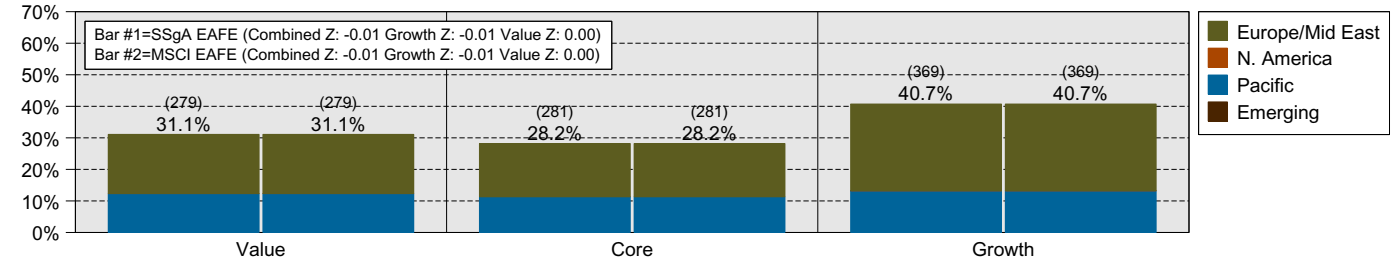
Style Map vs CAI Non-U.S. Eq. Style
Holdings as of June 30, 2016



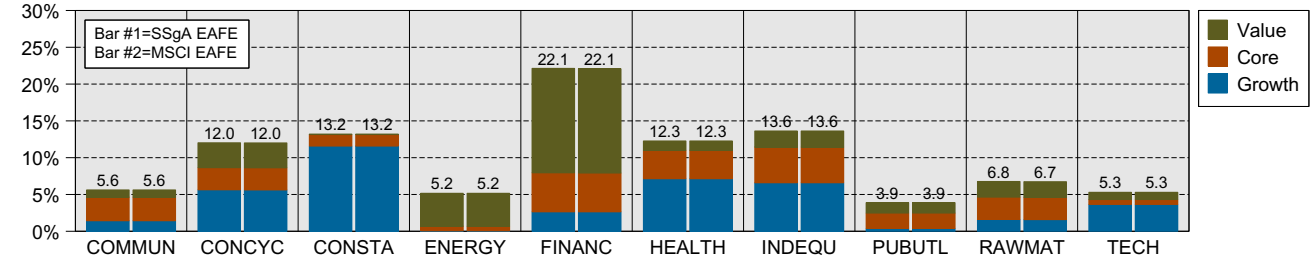
Style Exposure Matrix
Holdings as of June 30, 2016

	Value	Core	Growth	Total
Europe/ Mid East	18.7% (132) 18.7% (132)	16.9% (135) 16.9% (135)	27.4% (189) 27.4% (189)	**63.0% (456)** **63.0% (456)**
N. America	0.0% (1) 0.0% (1)	0.0% (0) 0.0% (0)	0.1% (1) 0.1% (1)	**0.1% (2)** **0.1% (2)**
Pacific	12.3% (146) 12.3% (146)	11.3% (146) 11.3% (146)	13.2% (179) 13.2% (179)	**36.9% (471)** **36.9% (471)**
Emerging	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	**0.0% (0)** **0.0% (0)**
Total	**31.1% (279)** **31.1% (279)**	**28.2% (281)** **28.2% (281)**	**40.7% (369)** **40.7% (369)**	**100.0% (929)** **100.0% (929)**

Combined Z-Score Style Distribution
Holdings as of June 30, 2016



Sector Weights Distribution
Holdings as of June 30, 2016

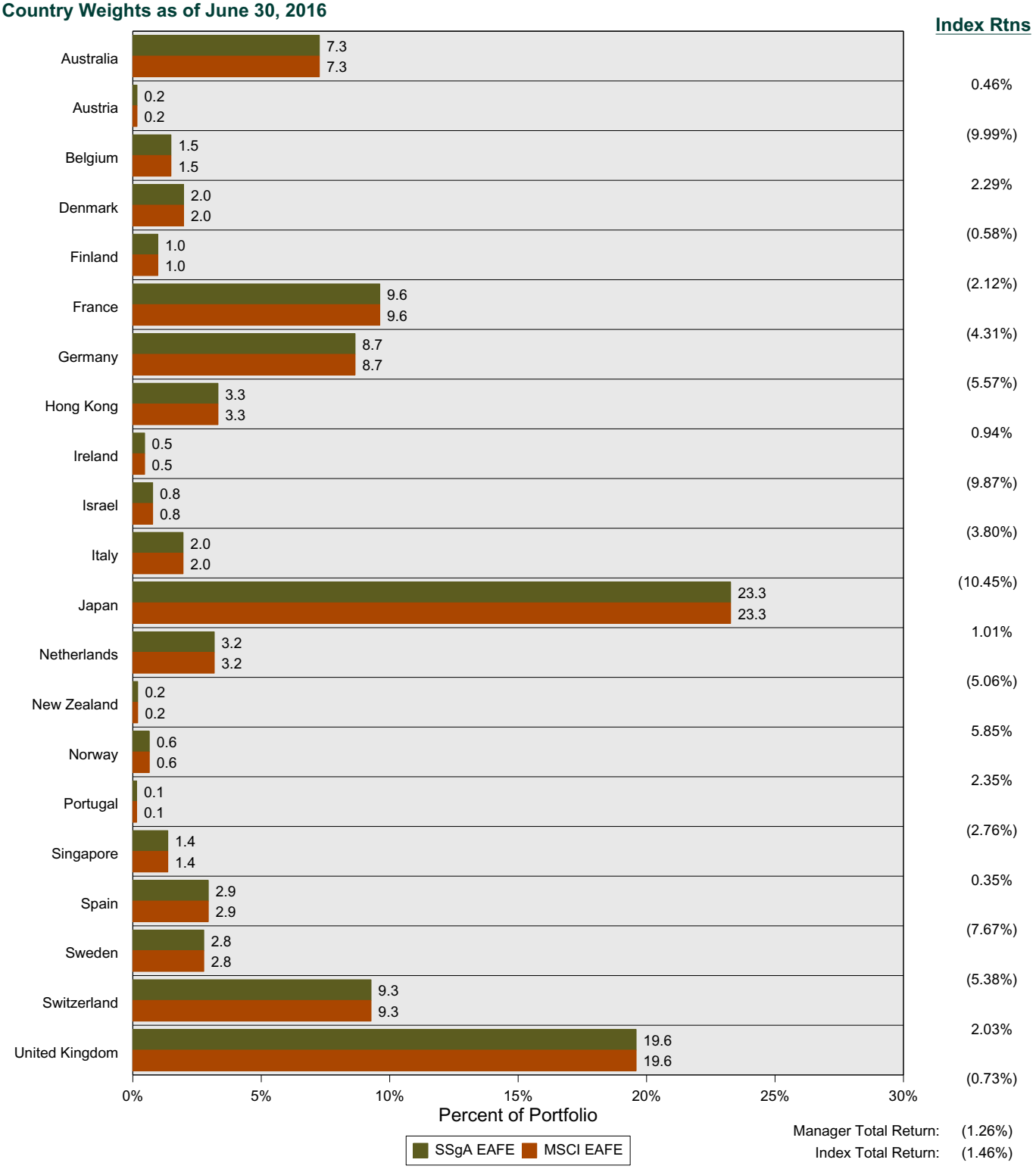


Country Allocation
SSgA EAFE VS MSCI EAFE Index (USD Net Div)

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of June 30, 2016. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of June 30, 2016



SSgA EAFE
Top 10 Portfolio Holdings Characteristics
as of June 30, 2016

10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/ Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Nestle S A Shs Nom New	Consumer Staples	$427,564	2.1%	6.11%	240.07	21.45	2.99%	5.40%
Novartis	Health Care	$325,439	1.6%	13.03%	216.14	16.47	3.37%	7.10%
Roche Hldgs Ag Basel Div Rts Ctf	Health Care	$321,066	1.6%	6.35%	184.69	16.63	3.16%	8.68%
Toyota Motor Corp	Consumer Discretionary	$228,603	1.1%	(5.33)%	164.38	8.69	4.16%	2.24%
Hsbc Holdings (Gb)	Financials	$213,143	1.0%	1.63%	123.40	10.30	7.59%	0.50%
British American Tobacco	Consumer Staples	$209,810	1.0%	10.13%	120.70	19.77	3.18%	8.70%
Royal Dutch Shell A Shs	Energy	$200,301	1.0%	14.87%	118.56	17.53	7.00%	21.10%
Bp Plc Shs	Energy	$188,225	0.9%	18.63%	110.02	19.93	6.19%	22.83%
Total Sa Act	Energy	$185,033	0.9%	7.08%	120.63	13.10	5.62%	(0.30)%
Anheuser-Busch Inbev Sa Shs	Consumer Staples	$182,629	0.9%	6.36%	210.11	28.76	2.26%	6.90%

10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/ Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Fresnillo	Materials	$8,446	0.0%	60.88%	16.19	54.68	0.25%	72.15%
Dainippon Sumitomo Pharma Co Ord	Health Care	$4,766	0.0%	49.37%	6.85	25.74	1.02%	1.73%
Toshiba Corp Shs	Industrials	$18,855	0.1%	38.22%	11.42	11.21	0.00%	7.00%
So-Net M3	Health Care	$11,681	0.1%	37.34%	11.20	68.79	0.25%	22.20%
Allied Mining & Proc.	Materials	$7,053	0.0%	33.40%	8.11	16.92	1.43%	33.40%
Taisho Pharmaceutical Co Ltd Ord	Health Care	$6,574	0.0%	31.75%	9.45	37.44	0.93%	0.78%
Yamazaki Baking Co	Consumer Staples	$6,383	0.0%	31.69%	6.12	35.75	0.56%	(0.23)%
Newcrest Mng Ltd Ord	Materials	$22,820	0.1%	31.27%	13.13	23.75	0.00%	25.18%
Nitori Holdings Co Ltd Shs New	Consumer Discretionary	$16,751	0.1%	31.14%	13.77	24.48	0.53%	14.04%
Aristocrat Leisure Ltd Ord	Consumer Discretionary	$9,674	0.0%	30.19%	6.55	21.41	1.38%	26.05%

10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/ Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Banco Popular Espanol S A Shs New	Financials	$7,419	0.0%	(45.31)%	5.37	(4.70)	5.18%	33.90%
Eutelsat Communications Shs	Consumer Discretionary	$5,740	0.0%	(41.54)%	4.40	12.02	6.40%	(3.17)%
Numericable Group	Consumer Discretionary	$4,785	0.0%	(40.40)%	11.01	12.98	0.00%	12.90%
Mitsubishi Motors Corp Shs New	Consumer Discretionary	$5,472	0.0%	(40.00)%	4.50	(6.81)	3.41%	(6.75)%
Noble Group Ltd Shs	Industrials	$2,263	0.0%	(39.83)%	1.97	4.38	4.75%	(16.43)%
Unicredit Spa Roma Az Post Raggrupp	Financials	$19,297	0.1%	(36.78)%	13.52	4.59	5.84%	12.00%
International Consolidated Air	Industrials	$15,559	0.1%	(36.41)%	10.49	4.24	4.48%	19.00%
PERSImmon Plc Shs	Consumer Discretionary	$10,343	0.1%	(35.45)%	5.96	7.73	7.60%	7.70%
Easyjet Plc Ord Gbp0.2728571	Industrials	$7,017	0.0%	(33.50)%	5.76	7.31	5.08%	12.50%
Qantas Airways Ltd Shs New	Industrials	$7,528	0.0%	(32.93)%	4.33	4.60	0.00%	20.00%

JP Morgan
Period Ended June 30, 2016

Investment Philosophy

JPMorgan adds value by using the best ideas of their regional specialist teams, overlaid by global sector research, combined with the application of disciplined portfolio construction and formal risk control. The first full quarter of performance is 1Q 2008.

Quarterly Summary and Highlights

- JP Morgan's portfolio posted a (0.13)% return for the quarter placing it in the 25 percentile of the CAI Non-U.S. Equity Style group for the quarter and in the 84 percentile for the last year.
- JP Morgan's portfolio outperformed the MSCI EAFE by 1.33% for the quarter and underperformed the MSCI EAFE for the year by 1.80%.

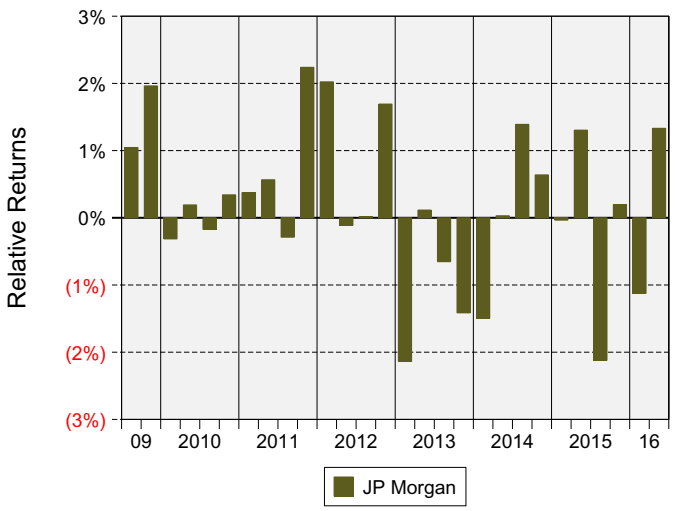
Quarterly Asset Growth

Beginning Market Value	$21,309,845
Net New Investment	$0
Investment Gains/(Losses)	$-28,089
Ending Market Value	$21,281,757

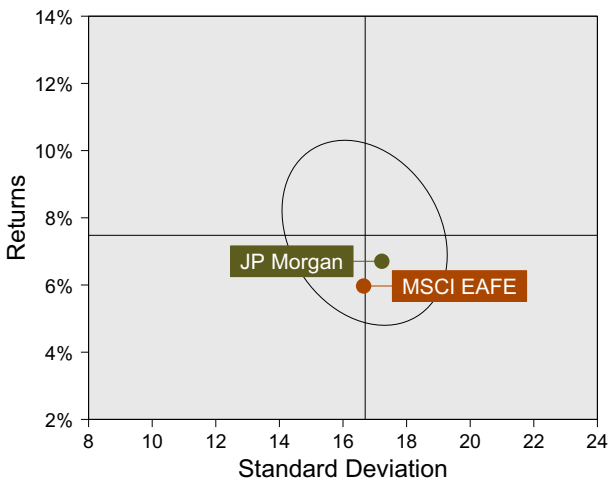
Performance vs CAI Non-U.S. Equity Style (Gross)

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 8-1/2 Years
10th Percentile	0.90	(4.07)	5.44	5.06	9.50	2.67
25th Percentile	(0.10)	(6.80)	4.39	3.86	8.69	1.57
Median	(1.31)	(9.43)	3.27	2.83	7.48	0.27
75th Percentile	(2.29)	(11.56)	1.90	1.49	6.42	(0.63)
90th Percentile	(3.72)	(13.04)	0.49	0.60	5.46	(1.28)
JP Morgan ●	(0.13)	(11.97)	1.37	1.90	6.71	0.18
MSCI EAFE ▲	(1.46)	(10.16)	2.06	1.68	5.97	(1.01)

Relative Return vs MSCI EAFE



CAI Non-U.S. Equity Style (Gross) Annualized Seven Year Risk vs Return

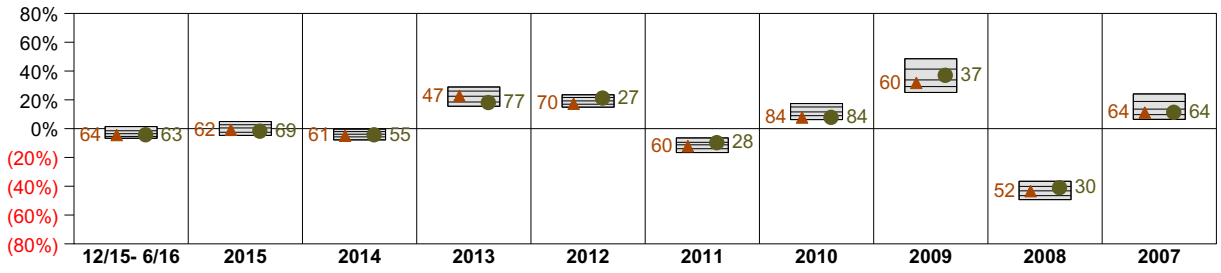


JP Morgan
Return Analysis Summary

Return Analysis

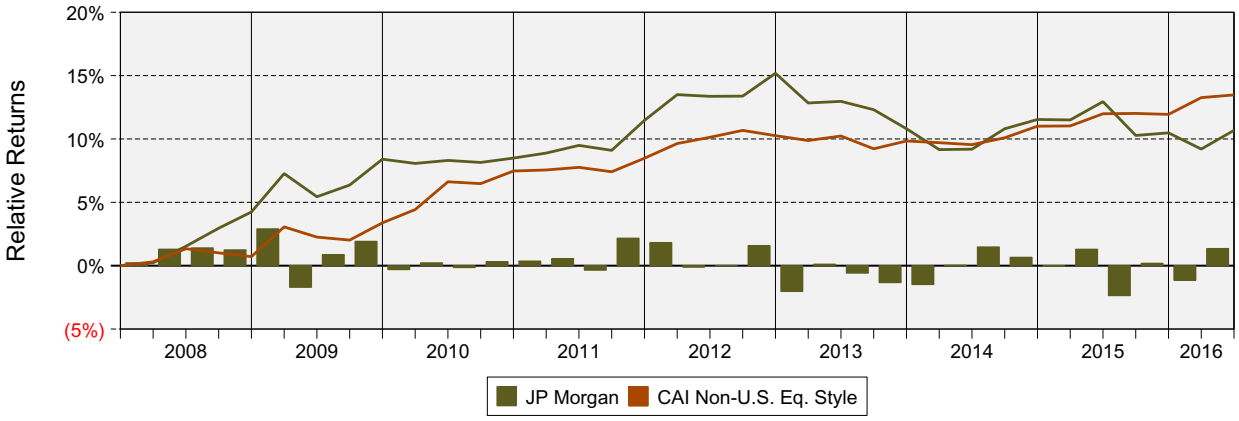
The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

Performance vs CAI Non-U.S. Equity Style (Gross)

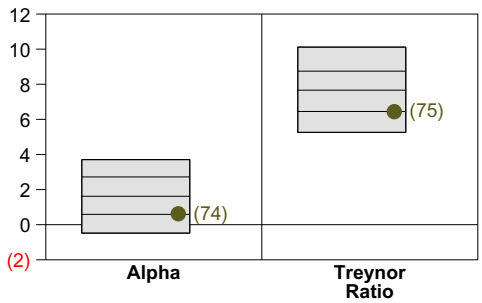


	12/15- 6/16	2015	2014	2013	2012	2011	2010	2009	2008	2007
10th Percentile	1.44	4.92	(0.30)	28.92	23.51	(6.44)	17.43	48.53	(36.56)	24.12
25th Percentile	(1.48)	2.71	(2.06)	26.07	21.64	(9.49)	15.06	41.35	(40.10)	18.89
Median	(3.49)	0.48	(3.88)	22.49	19.25	(11.24)	11.62	33.82	(43.20)	13.55
75th Percentile	(5.41)	(2.53)	(5.71)	18.50	16.97	(13.94)	9.02	29.20	(46.54)	9.73
90th Percentile	(6.68)	(4.70)	(7.81)	15.53	14.91	(16.62)	6.27	25.12	(49.29)	6.45
JP Morgan ●	(4.25)	(1.75)	(4.28)	18.12	21.23	(9.73)	7.84	37.04	(40.98)	11.33
MSCI EAFE ▲	(4.42)	(0.81)	(4.90)	22.78	17.32	(12.14)	7.75	31.78	(43.38)	11.17

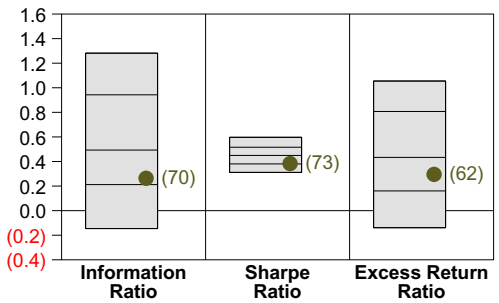
Cumulative and Quarterly Relative Return vs MSCI EAFE



Risk Adjusted Return Measures vs MSCI EAFE
Rankings Against CAI Non-U.S. Equity Style (Gross)
Seven Years Ended June 30, 2016



	Alpha	Treynor Ratio
10th Percentile	3.71	10.12
25th Percentile	2.72	8.75
Median	1.62	7.66
75th Percentile	0.59	6.45
90th Percentile	(0.48)	5.26
JP Morgan ●	0.62	6.44



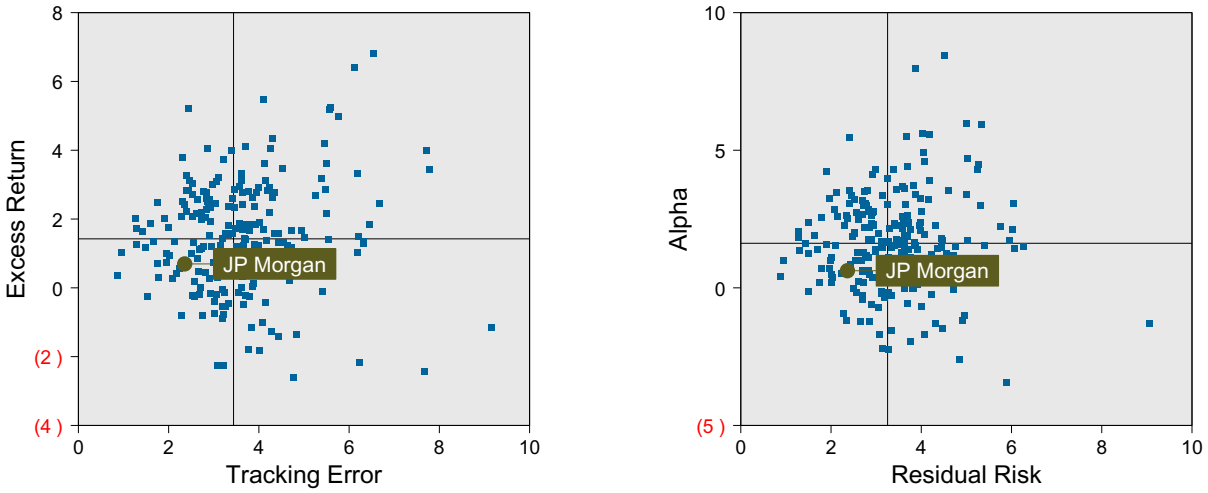
	Information Ratio	Sharpe Ratio	Excess Return Ratio
10th Percentile	1.28	0.60	1.05
25th Percentile	0.94	0.52	0.81
Median	0.49	0.45	0.43
75th Percentile	0.21	0.38	0.16
90th Percentile	(0.15)	0.31	(0.14)
JP Morgan ●	0.26	0.38	0.30

JP Morgan
Risk Analysis Summary

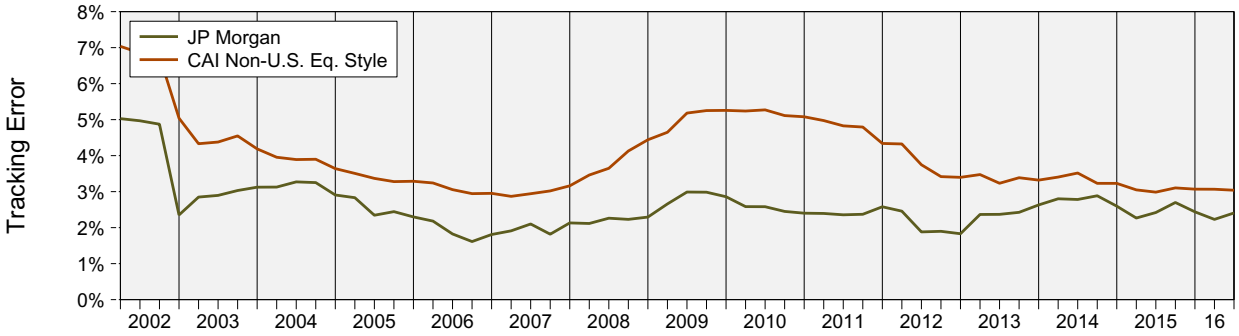
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

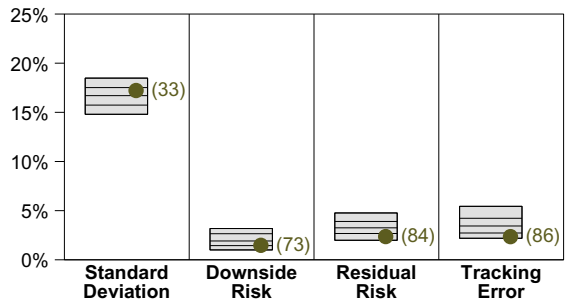
Risk Analysis vs CAI Non-U.S. Equity Style (Gross)
Seven Years Ended June 30, 2016



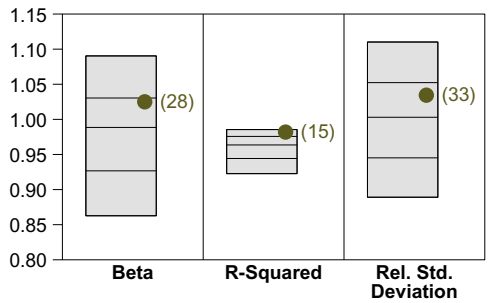
Rolling 12 Quarter Tracking Error vs MSCI EAFE Index (USD Net Div)



Risk Statistics Rankings vs MSCI EAFE Index (USD Net Div)
Rankings Against CAI Non-U.S. Equity Style (Gross)
Seven Years Ended June 30, 2016



	Standard Deviation	Downside Risk	Residual Risk	Tracking Error
10th Percentile	18.48	3.18	4.77	5.44
25th Percentile	17.52	2.65	3.90	4.22
Median	16.70	1.92	3.25	3.44
75th Percentile	15.74	1.44	2.67	2.73
90th Percentile	14.80	1.00	1.99	2.19
JP Morgan ●	17.22	1.47	2.36	2.36



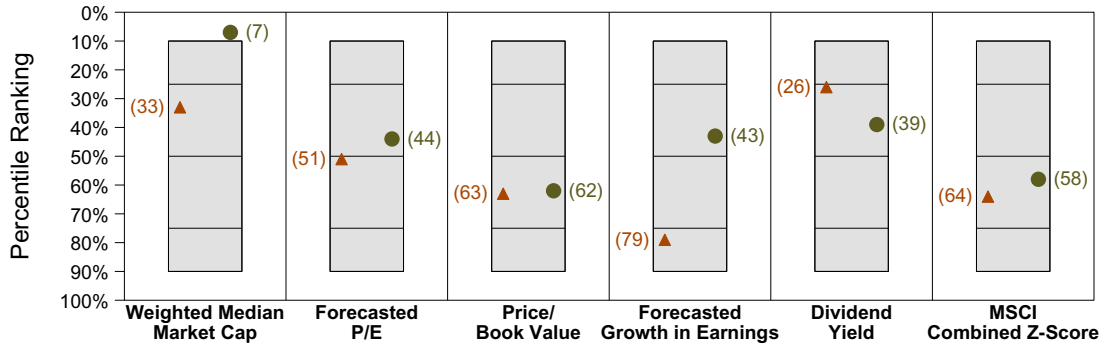
	Beta	R-Squared	Rel. Std. Deviation
10th Percentile	1.09	0.99	1.11
25th Percentile	1.03	0.98	1.05
Median	0.99	0.96	1.00
75th Percentile	0.93	0.94	0.95
90th Percentile	0.86	0.92	0.89
JP Morgan ●	1.02	0.98	1.03

JP Morgan
Equity Characteristics Analysis Summary

Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings
Rankings Against CAI Non-U.S. Equity Style
as of June 30, 2016

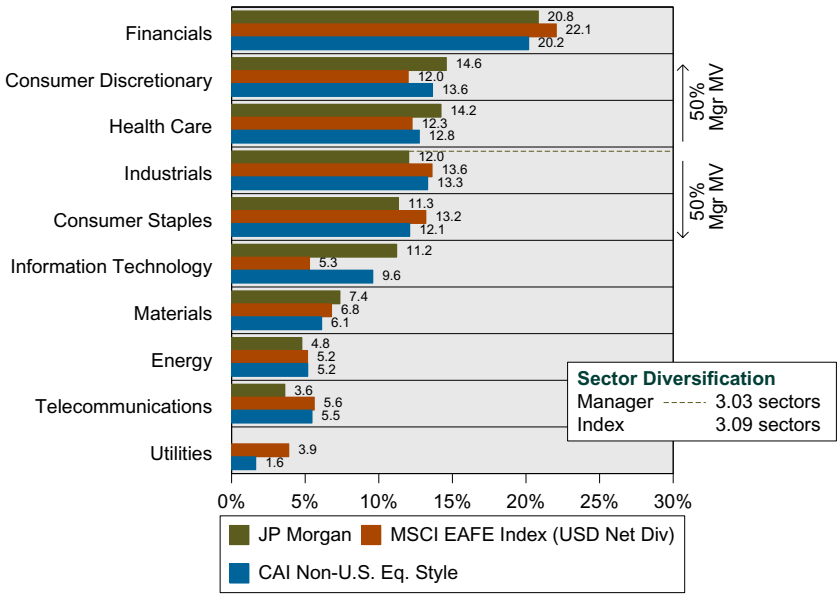


	Weighted Median Market Cap	Forecasted P/E	Price/ Book Value	Forecasted Growth in Earnings	Dividend Yield	MSCI Combined Z-Score
10th Percentile	41.12	17.95	2.66	12.63	3.74	0.79
25th Percentile	33.40	15.72	2.16	11.01	3.45	0.53
Median	24.89	14.12	1.62	9.62	2.96	0.18
75th Percentile	19.10	12.15	1.30	8.34	2.52	(0.24)
90th Percentile	14.08	11.31	1.12	7.29	2.14	(0.42)
JP Morgan ●	42.91	14.41	1.48	10.09	3.13	0.09
MSCI EAFE Index (USD Net Div) ▲	29.70	14.03	1.47	8.22	3.44	(0.01)

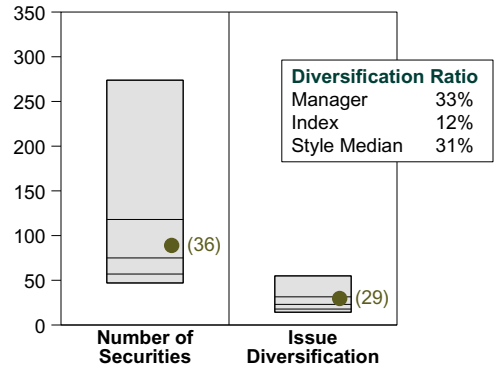
Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

Sector Allocation
June 30, 2016



Diversification
June 30, 2016

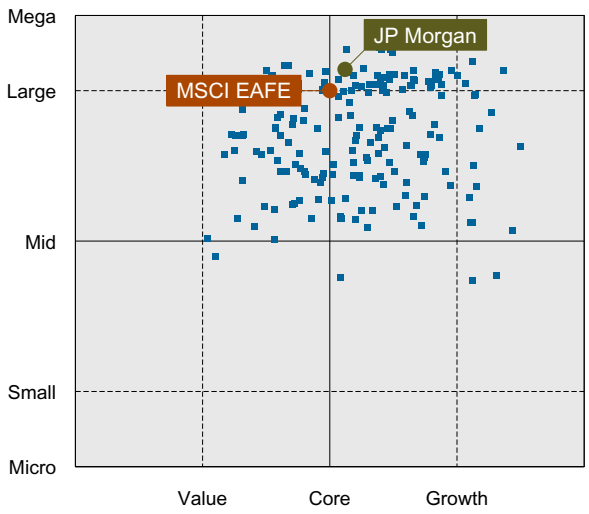


	Number of Securities	Issue Diversification
10th Percentile	274	55
25th Percentile	118	32
Median	75	23
75th Percentile	57	18
90th Percentile	47	14
JP Morgan ●	89	30
MSCI EAFE Index (USD Net Div) ▲	930	108

Current Holdings Based Style Analysis
JP Morgan
As of June 30, 2016

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

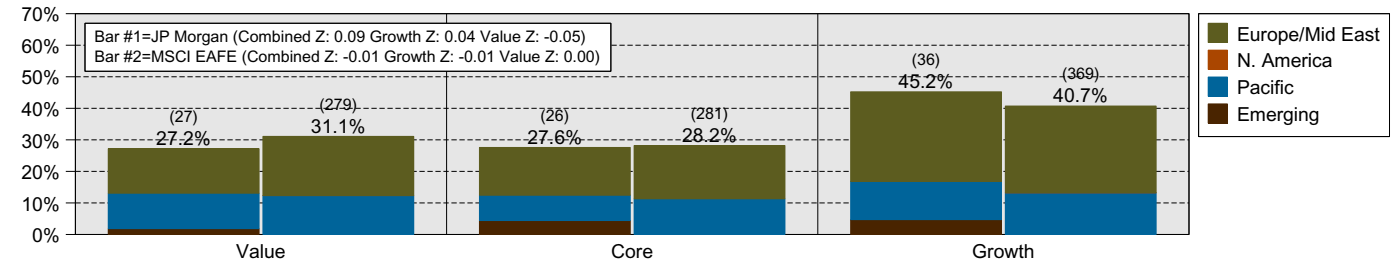
Style Map vs CAI Non-U.S. Eq. Style
Holdings as of June 30, 2016



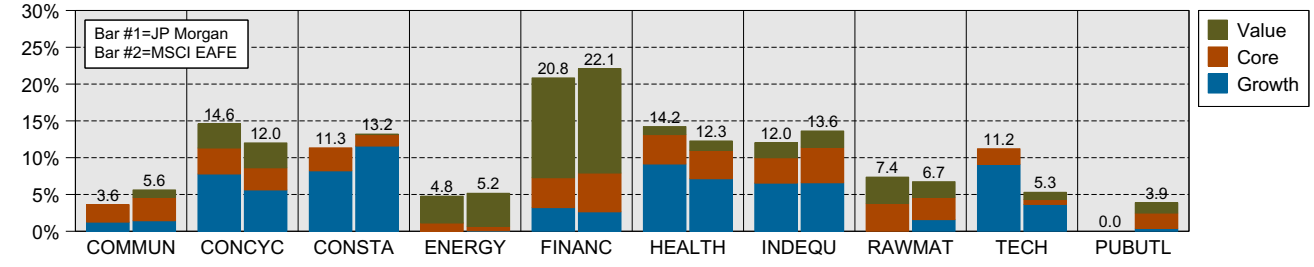
Style Exposure Matrix
Holdings as of June 30, 2016

	Value	Core	Growth	Total
Europe/ Mid East	14.1% (15) 18.7% (132)	15.1% (14) 16.9% (135)	28.4% (22) 27.4% (189)	**57.7% (51)** **63.0% (456)**
N. America	0.0% (0) 0.0% (1)	0.0% (0) 0.0% (0)	0.0% (0) 0.1% (1)	**0.0% (0)** **0.1% (2)**
Pacific	11.2% (10) 12.3% (146)	8.0% (8) 11.3% (146)	12.1% (10) 13.2% (179)	**31.3% (28)** **36.9% (471)**
Emerging	1.8% (2) 0.0% (0)	4.4% (4) 0.0% (0)	4.7% (4) 0.0% (0)	**11.0% (10)** **0.0% (0)**
Total	**27.2% (27)** **31.1% (279)**	**27.6% (26)** **28.2% (281)**	**45.2% (36)** **40.7% (369)**	**100.0% (89)** **100.0% (929)**

Combined Z-Score Style Distribution
Holdings as of June 30, 2016



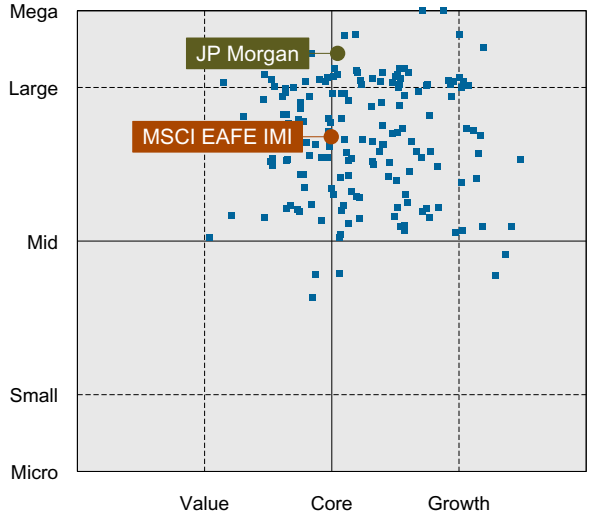
Sector Weights Distribution
Holdings as of June 30, 2016



Historical Holdings Based Style Analysis
JP Morgan
For Three Years Ended June 30, 2016

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

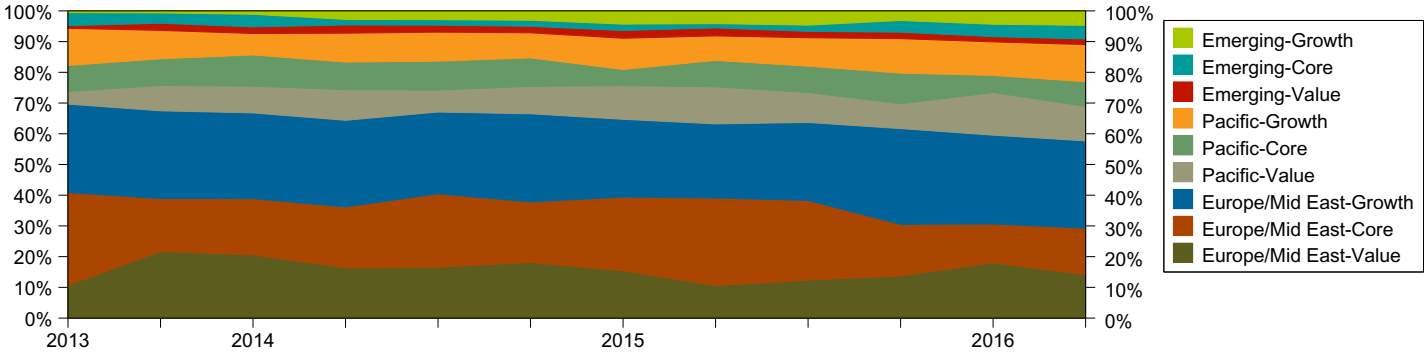
Average Style Map vs CAI Non-U.S. Eq. Style
Holdings for Three Years Ended June 30, 2016



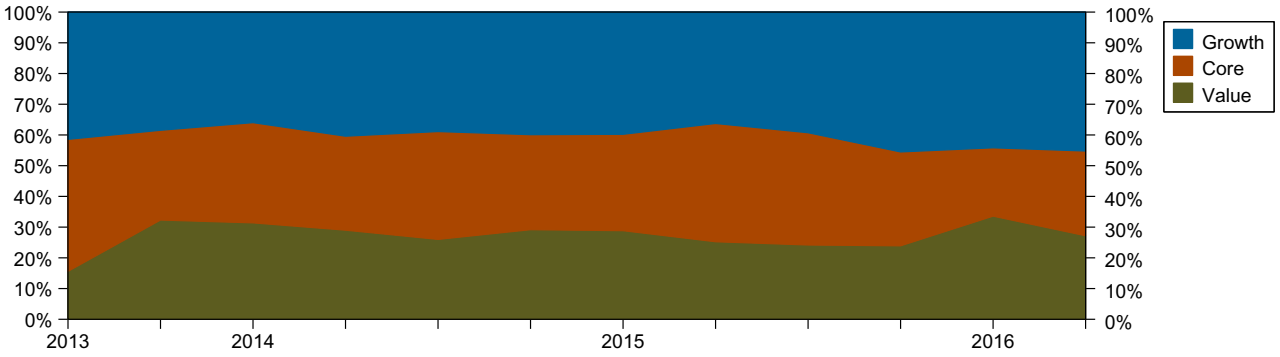
Average Style Exposure Matrix
Holdings for Three Years Ended June 30, 2016

	Value	Core	Growth	Total
Europe/ Mid East	15.7% (12) 18.8% (428)	21.0% (18) 20.7% (487)	27.7% (23) 24.9% (483)	**64.4% (53)** **64.4% (1398)**
N. America	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (1)	0.0% (0) 0.1% (0)	**0.0% (0)** **0.1% (1)**
Pacific	9.4% (8) 11.2% (573)	8.4% (8) 12.6% (586)	9.7% (10) 11.7% (517)	**27.6% (26)** **35.5% (1676)**
Emerging	2.1% (3) 0.0% (0)	2.9% (3) 0.0% (0)	3.0% (4) 0.0% (0)	**8.1% (10)** **0.0% (0)**
Total	**27.2% (23)** **30.0% (1001)**	**32.4% (29)** **33.3% (1074)**	**40.5% (37)** **36.7% (1000)**	**100.0% (89)** **100.0% (3075)**

JP Morgan Historical Region/Style Exposures



JP Morgan Historical Style Only Exposures

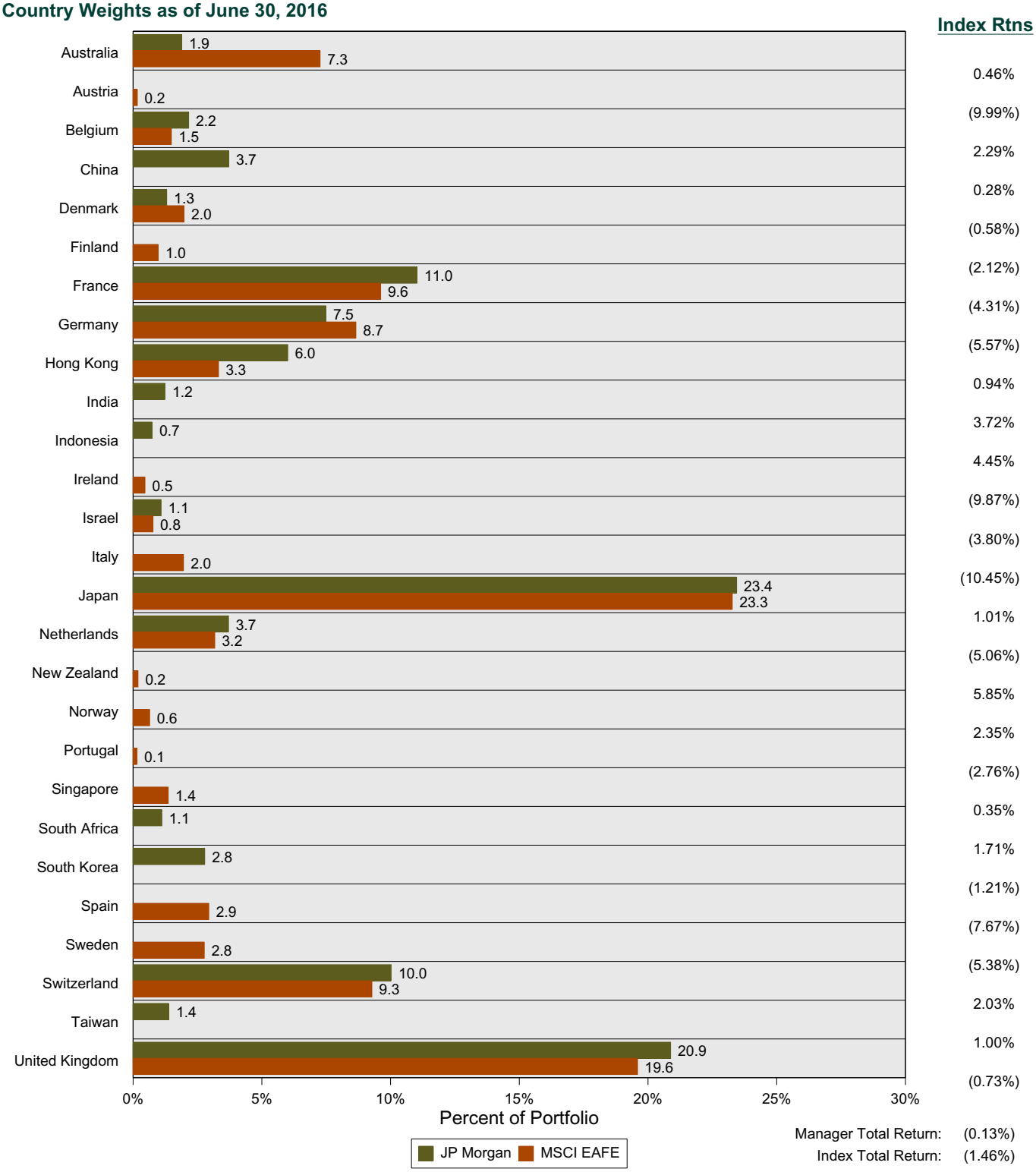


Country Allocation
JP Morgan VS MSCI EAFE Index (USD Net Div)

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of June 30, 2016. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of June 30, 2016



JP Morgan
Top 10 Portfolio Holdings Characteristics
as of June 30, 2016

10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/ Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Roche Hldgs Ag Basel Div Rts Ctf	Health Care	$527,895	2.5%	6.35%	184.69	16.63	3.16%	8.68%
Novartis	Health Care	$495,136	2.3%	13.03%	216.14	16.47	3.37%	7.10%
Vodafone Group Plc New Shs New	Telecommunications	$490,594	2.3%	(0.89)%	80.97	36.63	5.03%	15.51%
Japan Tobacco Inc Ord	Consumer Staples	$452,724	2.1%	(2.68)%	79.99	17.04	2.88%	2.16%
Anheuser-Busch Inbev Sa Shs	Consumer Staples	$445,798	2.1%	6.36%	210.11	28.76	2.26%	6.90%
Samsung Electronics Co Ltd Ord	Information Technology	$437,160	2.1%	7.83%	176.87	9.91	1.47%	11.87%
Prudential	Financials	$408,274	1.9%	(10.14)%	43.34	10.21	3.09%	9.50%
Royal Dutch Shell A Shs	Energy	$395,391	1.9%	14.87%	118.56	17.53	7.00%	21.10%
Hsbc Holdings (Hk)	Financials	$388,732	1.8%	(0.24)%	123.40	10.30	7.59%	0.50%
British American Tobacco	Consumer Staples	$387,494	1.8%	10.13%	120.70	19.77	3.18%	8.70%

10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/ Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Tokyo Electron	Information Technology	$278,192	1.3%	28.37%	13.81	15.94	2.76%	12.92%
Tullow Oil Plc Shs	Energy	$35,152	0.2%	23.85%	3.20	30.52	0.00%	10.00%
Keyence Corp Ord	Information Technology	$298,864	1.4%	23.49%	40.98	27.56	0.29%	7.41%
Astellas Pharma	Health Care	$289,823	1.4%	17.14%	33.59	16.56	2.00%	3.38%
Royal Dutch Shell A Shs	Energy	$395,391	1.9%	14.87%	118.56	17.53	7.00%	21.10%
Zurich Financial Svc Ord	Financials	$278,550	1.3%	14.24%	36.99	10.45	7.10%	(1.15)%
Kddi	Telecommunications	$256,801	1.2%	13.53%	79.52	13.89	2.09%	9.15%
Novartis	Health Care	$495,136	2.3%	13.03%	216.14	16.47	3.37%	7.10%
Nitto Denko Corp Ord	Materials	$80,239	0.4%	12.71%	10.90	15.92	2.18%	10.90%
Henkel Ag & Co Kgaa Inhaber Vorzugsa	Consumer Staples	$287,424	1.4%	12.38%	21.74	20.71	1.34%	6.80%

10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/ Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
PERSImmon Plc Shs	Consumer Discretionary	$46,435	0.2%	(35.45)%	5.96	7.73	7.60%	7.70%
Lloyds Banking Group Plc Shs	Financials	$155,159	0.7%	(23.80)%	51.58	7.58	4.16%	(2.78)%
Travis Perkins	Industrials	$51,880	0.2%	(23.79)%	4.93	10.55	2.79%	8.30%
Credit Suisse Group Ord Cl D	Financials	$56,950	0.3%	(21.61)%	22.12	12.04	6.79%	33.40%
Burberry Group Plc Shs	Consumer Discretionary	$216,466	1.0%	(20.96)%	6.90	16.62	3.19%	4.60%
Ubs Ag Shs New	Financials	$329,407	1.5%	(15.58)%	49.68	9.61	6.76%	5.16%
Continental	Consumer Discretionary	$271,335	1.3%	(15.02)%	37.95	10.75	2.20%	8.60%
Sands China Ltd Usd0.01 Reg's'	Consumer Discretionary	$166,633	0.8%	(14.96)%	26.99	18.48	7.67%	(15.20)%
Ck Hutchison Hldgs Ltd Shs	Industrials	$272,937	1.3%	(14.31)%	42.06	9.86	3.02%	0.82%
Barclays Plc Shs	Financials	$92,083	0.4%	(14.06)%	31.34	9.25	4.69%	13.10%

DFA Emerging Markets
Period Ended June 30, 2016

Investment Philosophy

DFA Performance prior to 6/30/2013 is linked to published fund returns.

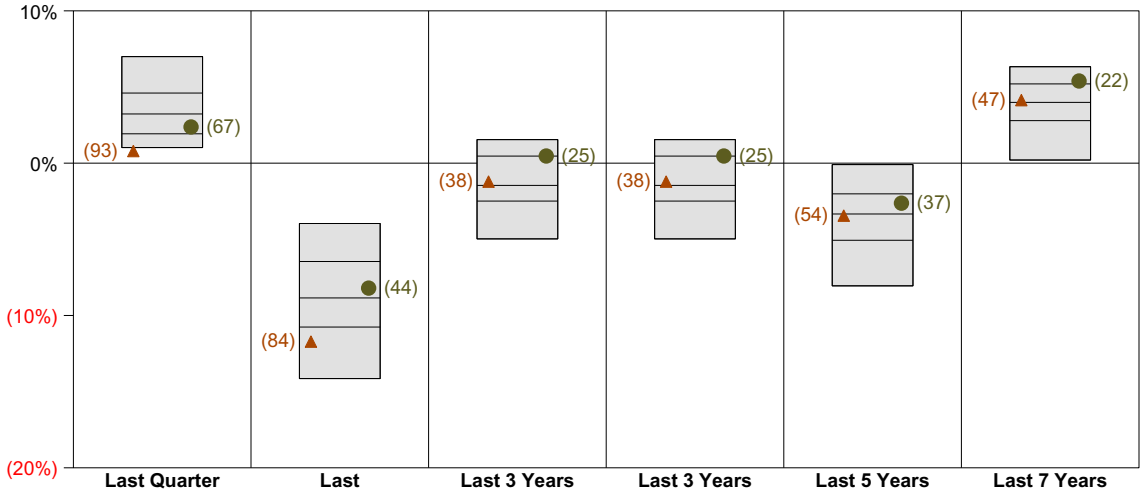
Quarterly Summary and Highlights

- DFA Emerging Markets's portfolio posted a 2.38% return for the quarter placing it in the 67 percentile of the CAI Emerging Markets Equity Mut Funds group for the quarter and in the 44 percentile for the last year.
- DFA Emerging Markets's portfolio outperformed the MSCI EM Gross by 1.58% for the quarter and outperformed the MSCI EM Gross for the year by 3.51%.

Quarterly Asset Growth

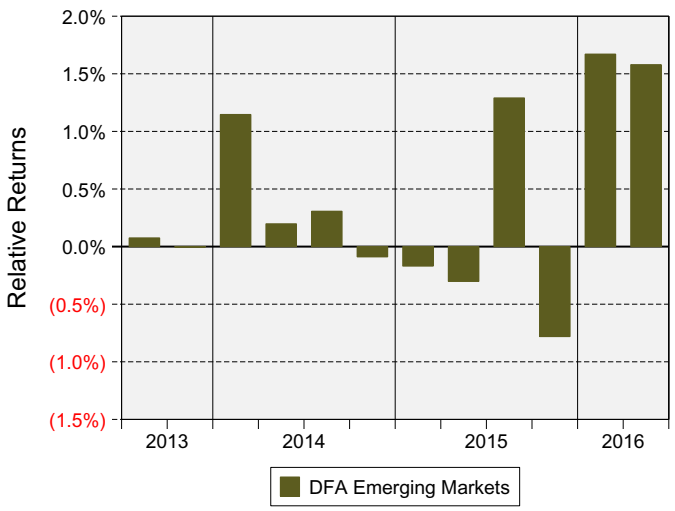
Beginning Market Value	$12,005,838
Net New Investment	$262,195
Investment Gains/(Losses)	$269,169
Ending Market Value	$12,537,203

Performance vs CAI Emerging Markets Equity Mut Funds (Net)

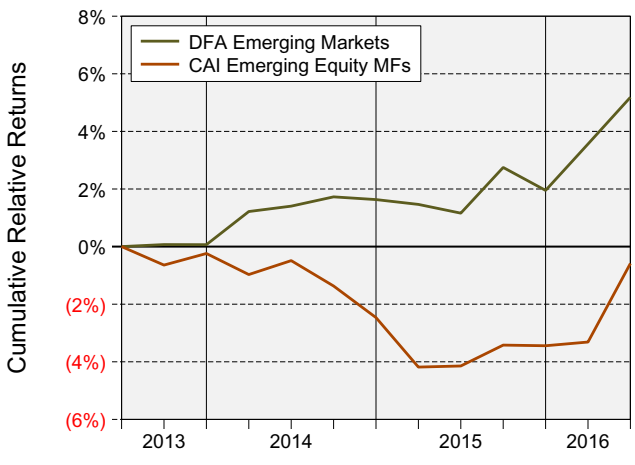


	Last Quarter	Last Year	Last 3 Years	Last 3 Years	Last 5 Years	Last 7 Years
10th Percentile	7.00	(3.96)	1.55	1.55	(0.09)	6.33
25th Percentile	4.60	(6.46)	0.46	0.46	(2.01)	5.20
Median	3.23	(8.85)	(1.46)	(1.46)	(3.34)	3.99
75th Percentile	1.93	(10.76)	(2.49)	(2.49)	(5.06)	2.79
90th Percentile	1.02	(14.14)	(4.97)	(4.97)	(8.05)	0.20
DFA Emerging Markets ●	2.38	(8.20)	0.47	0.47	(2.63)	5.39
MSCI EM Gross ▲	0.80	(11.71)	(1.21)	(1.21)	(3.44)	4.14

Relative Return vs MSCI EM Gross



Cumulative Returns vs MSCI EM Gross

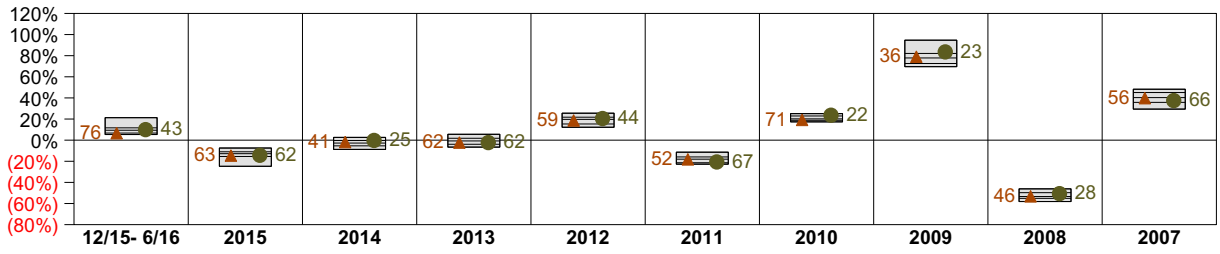


DFA Emerging Markets
Return Analysis Summary

Return Analysis

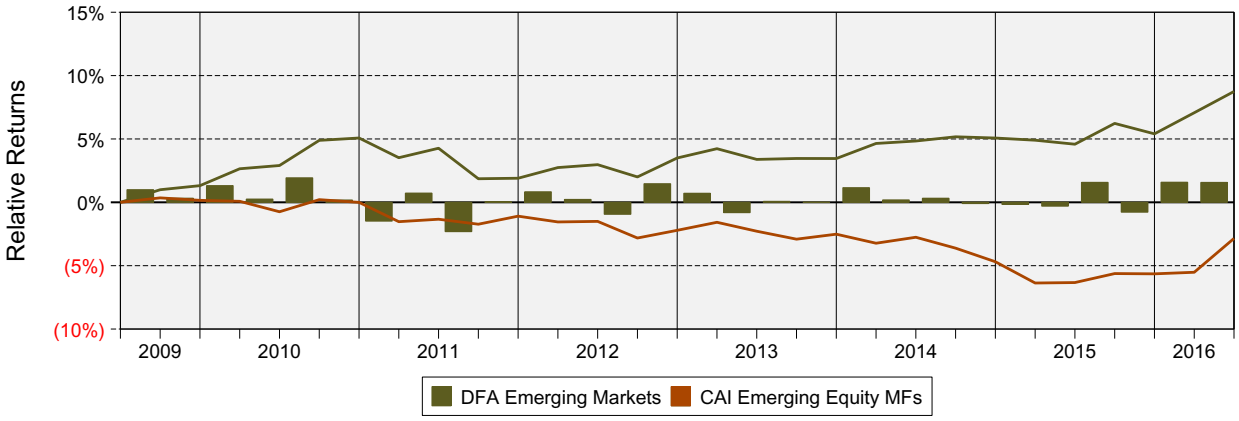
The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

Performance vs CAI Emerging Markets Equity Mut Funds (Gross)

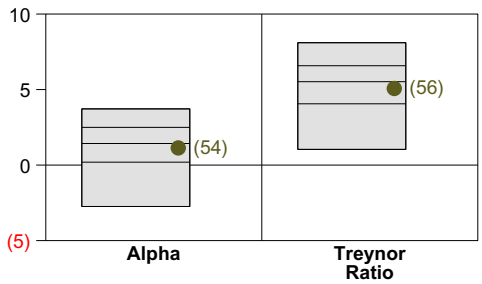


	12/15- 6/16	2015	2014	2013	2012	2011	2010	2009	2008	2007
10th Percentile	21.29	(7.46)	2.62	5.56	25.54	(11.40)	25.12	94.66	(46.12)	48.23
25th Percentile	11.67	(11.01)	(0.31)	1.80	21.75	(15.89)	22.90	82.12	(49.72)	45.09
Median	9.39	(12.79)	(2.75)	(0.74)	19.70	(18.02)	20.15	77.86	(53.38)	40.30
75th Percentile	6.71	(15.45)	(5.38)	(3.90)	15.32	(21.39)	18.81	72.60	(55.10)	35.78
90th Percentile	5.34	(24.74)	(8.77)	(6.59)	12.21	(22.72)	17.32	69.59	(58.13)	29.39
DFA Emerging Markets	9.98	(14.33)	(0.28)	(2.31)	20.49	(20.65)	23.62	83.57	(50.66)	37.47
MSCI EM Gross	6.60	(14.60)	(1.82)	(2.27)	18.63	(18.17)	19.20	79.02	(53.18)	39.78

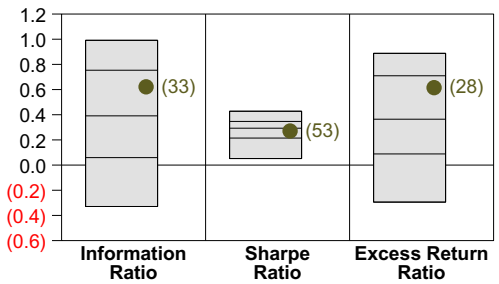
Cumulative and Quarterly Relative Return vs MSCI EM Gross



Risk Adjusted Return Measures vs MSCI EM Gross
Rankings Against CAI Emerging Markets Equity Mut Funds (Gross)
Seven Years Ended June 30, 2016



	Alpha	Treynor Ratio
10th Percentile	3.72	8.10
25th Percentile	2.50	6.58
Median	1.43	5.52
75th Percentile	0.19	4.06
90th Percentile	(2.74)	1.04
DFA Emerging Markets	1.14	5.07



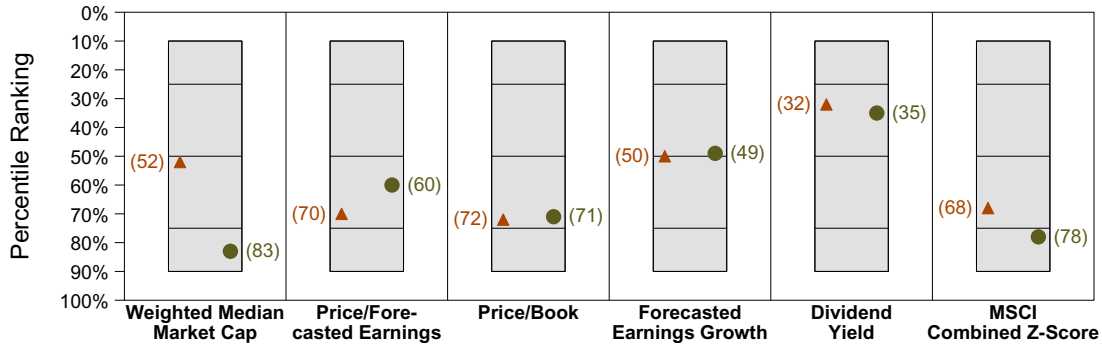
	Information Ratio	Sharpe Ratio	Excess Return Ratio
10th Percentile	0.99	0.43	0.89
25th Percentile	0.75	0.35	0.71
Median	0.39	0.29	0.36
75th Percentile	0.06	0.21	0.09
90th Percentile	(0.33)	0.05	(0.29)
DFA Emerging Markets	0.62	0.27	0.62

DFA Emerging Markets
Equity Characteristics Analysis Summary

Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings
Rankings Against CAI Emerging Markets Equity Mut Funds
as of June 30, 2016

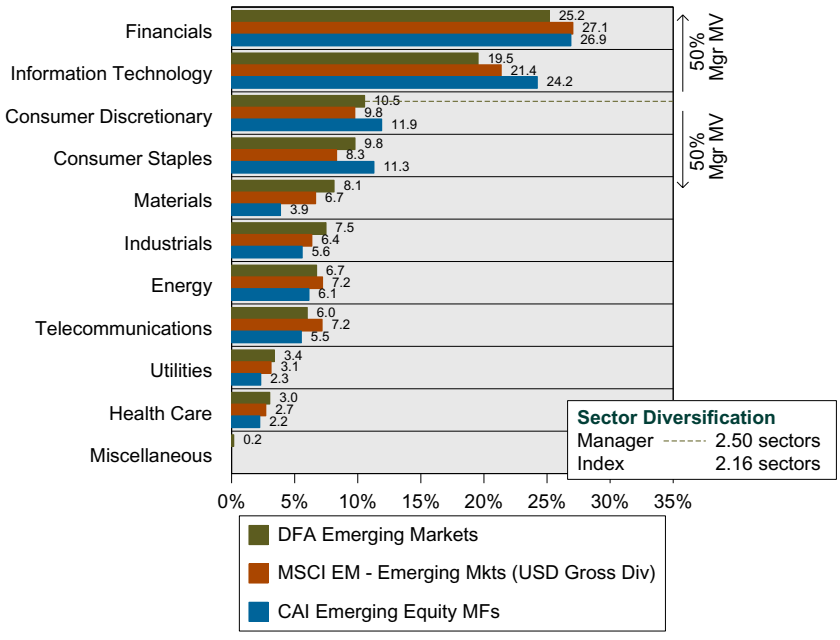


	Weighted Median Market Cap	Price/Fore-casted Earnings	Price/Book	Forecasted Earnings Growth	Dividend Yield	MSCI Combined Z-Score
10th Percentile	28.89	17.98	2.69	17.51	3.24	0.76
25th Percentile	18.88	15.22	2.34	14.12	2.82	0.38
Median	15.05	13.69	1.85	13.12	2.53	0.25
75th Percentile	11.46	11.52	1.44	11.42	2.08	(0.12)
90th Percentile	6.57	10.31	1.04	9.83	1.76	(0.21)
DFA Emerging Markets ●	10.30	12.62	1.48	13.15	2.64	(0.14)
MSCI EM - Emerging Mkts (USD Gross Div) ▲	15.02	11.90	1.45	13.10	2.72	(0.04)

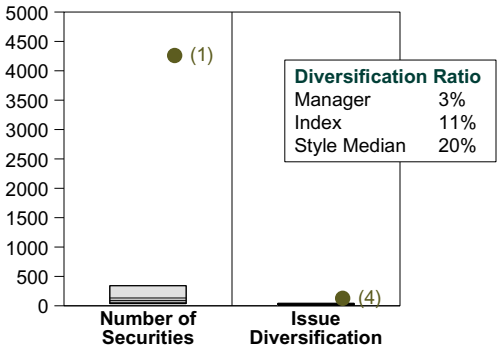
Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

Sector Allocation
June 30, 2016



Diversification
June 30, 2016

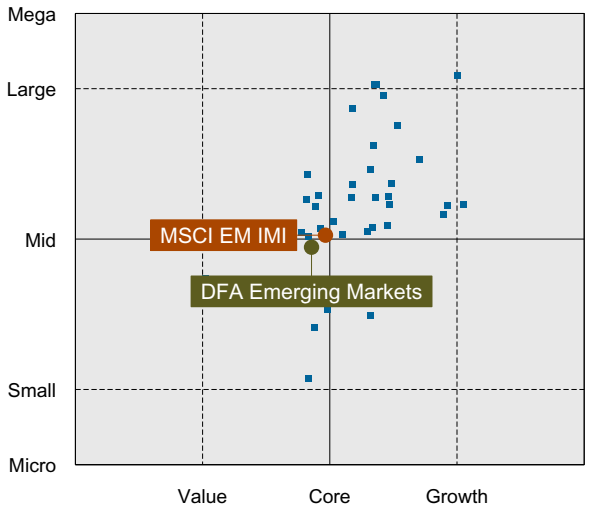


	Number of Securities	Issue Diversification
10th Percentile	342	42
25th Percentile	133	26
Median	92	21
75th Percentile	60	14
90th Percentile	37	8
DFA Emerging Markets ●	4260	128
MSCI EM - Emerging Mkts (USD Gross Div) ▲	829	91

Current Holdings Based Style Analysis
DFA Emerging Markets
As of June 30, 2016

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

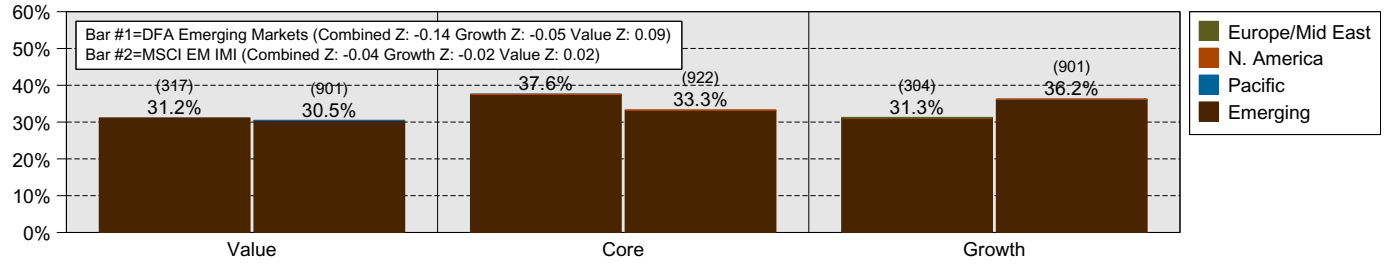
Style Map vs CAI Emerging Equity MFs
Holdings as of June 30, 2016



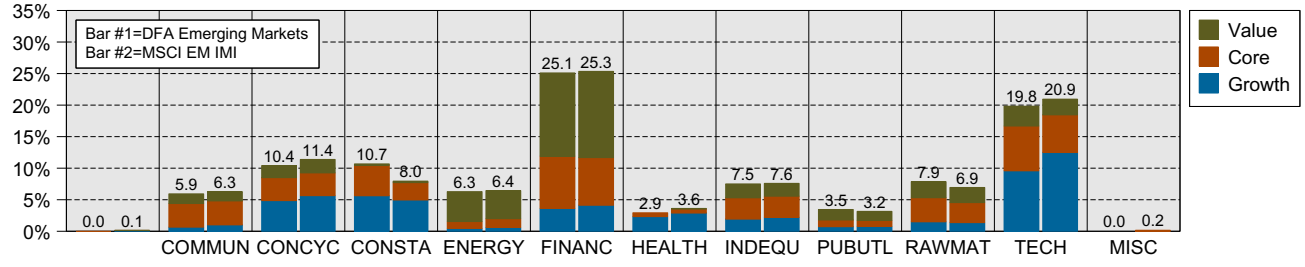
Style Exposure Matrix
Holdings as of June 30, 2016

	Value	Core	Growth	Total
Europe/ Mid East	0.0% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.1% (1) 0.0% (0)	**0.1% (1)** **0.0% (0)**
N. America	0.0% (0) 0.0% (0)	0.0% (1) 0.2% (2)	0.0% (1) 0.0% (1)	**0.0% (2)** **0.2% (3)**
Pacific	0.0% (0) 0.0% (3)	0.0% (1) 0.0% (10)	0.0% (0) 0.0% (5)	**0.0% (1)** **0.1% (18)**
Emerging	31.2% (317) 30.4% (898)	37.6% (393) 33.1% (910)	31.1% (302) 36.2% (895)	**99.9% (1012)** **99.7% (2703)**
Total	**31.2% (317)** **30.5% (901)**	**37.6% (395)** **33.3% (922)**	**31.3% (304)** **36.2% (901)**	**100.0% (1016)** **100.0% (2724)**

Combined Z-Score Style Distribution
Holdings as of June 30, 2016



Sector Weights Distribution
Holdings as of June 30, 2016

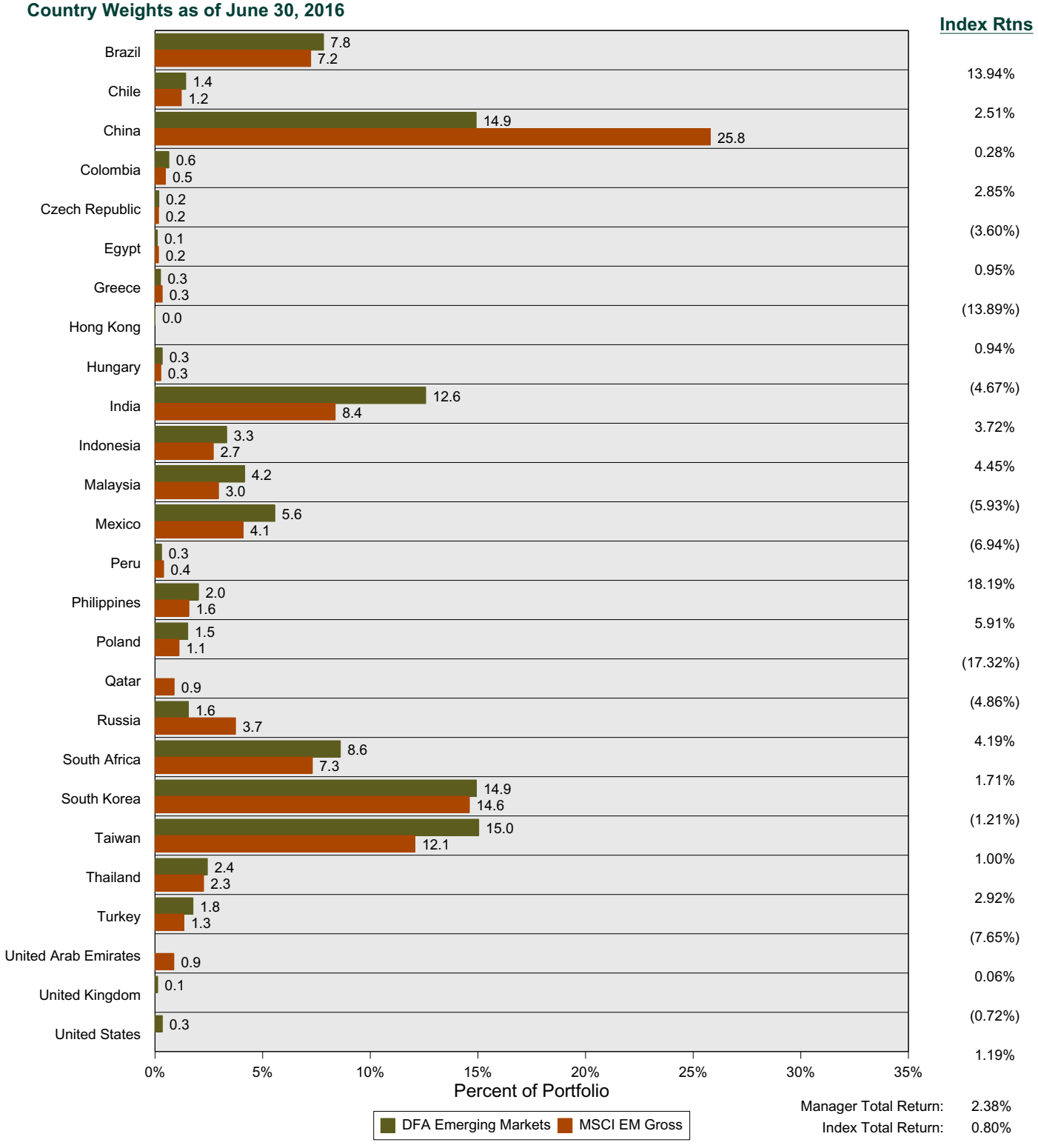


Country Allocation
DFA Emerging Markets VS MSCI EM - Emerging Mkts (USD Gross Div)

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of June 30, 2016. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of June 30, 2016



DFA Emerging Markets
Top 10 Portfolio Holdings Characteristics
as of June 30, 2016

10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/ Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Taiwan Semicond Manufac Co L Shs	Information Technology	$350,182	2.8%	3.94%	130.62	12.86	3.69%	8.52%
Samsung Electronics Co Ltd Ord	Information Technology	$332,175	2.6%	7.83%	176.87	9.91	1.47%	11.87%
Tencent Holdings Limited Shs Par Hkd	Information Technology	$272,595	2.2%	11.48%	213.55	30.27	0.27%	25.00%
Nasionale PERS Beperk Ord Cl H	Consumer Discretionary	$155,546	1.2%	9.15%	66.98	31.30	0.23%	56.30%
China Mobile Limited Sponsored Adr	Telecommunications	$146,720	1.2%	5.84%	233.97	13.56	3.67%	7.82%
China Construction Bank Shs H	Financials	$126,805	1.0%	10.14%	158.67	4.89	6.41%	1.49%
Taiwan Semiconductor Mfg Co Ltd Spon	Information Technology	$121,049	1.0%	3.85%	130.62	12.86	3.69%	8.52%
Hon Hai Precision Inds Ltd Ord	Information Technology	$110,797	0.9%	(2.94)%	39.99	9.38	4.39%	3.37%
Industrial and Comm Bk of Cn Hkd Shs	Financials	$108,704	0.9%	5.19%	48.00	4.81	6.51%	8.84%
Itau Unibanco Holding Sa Pfd Shs	Financials	$102,165	0.8%	7.55%	27.78	8.33	4.58%	(1.25)%

10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/ Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Centrais Eletricas Brasileir Sponsor	Utilities	$1,090	0.0%	121.35%	4.36	6.27	3.11%	329.14%
Centrais Electricas Brasilei Shs	Utilities	$4,065	0.0%	114.25%	4.36	6.27	3.11%	329.14%
Cosan Logistica Sa	Industrials	$551	0.0%	101.01%	0.45	3.53	6.22%	186.46%
Industrias Penoles Cp	Materials	$16,606	0.1%	86.48%	9.38	30.62	0.35%	25.68%
Eletrobras Pnb	Utilities	$4,595	0.0%	85.52%	1.46	16.98	0.56%	330.78%
Centrais Eletricas Brasileir Spon Ad	Utilities	$1,286	0.0%	82.68%	1.46	16.98	0.56%	330.78%
Grana Y Montero S A A Sponsored Adr	Industrials	$1,332	0.0%	78.08%	0.94	28.56	0.99%	(49.29)%
Warderly Intl Holdings Limit Shs	Financials	$2,099	0.0%	77.13%	6.99	55.38	0.35%	-
M Dias Branco Sa I	Consumer Staples	$3,648	0.0%	73.89%	3.74	19.13	1.15%	14.00%
Compania De Minas Buenaventu Sponsor	Materials	$4,606	0.0%	62.36%	2.89	70.07	0.29%	-

10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/ Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Hyundai Engr. & Constr.	Industrials	$11,229	0.1%	(50.00)%	3.22	7.29	1.50%	12.04%
Taihan Electric Wire	Industrials	$495	0.0%	(50.00)%	1.62	(9.19)	0.00%	-
Enersis S A Sponsored Adr	Utilities	$14,458	0.1%	(36.37)%	8.40	10.00	4.10%	5.04%
Casetek Holdings	Information Technology	$3,013	0.0%	(36.02)%	1.18	7.05	6.40%	(2.14)%
Hansae	Consumer Discretionary	$1,870	0.0%	(33.90)%	1.31	11.91	0.66%	23.45%
Cuckoo Electronics	Consumer Discretionary	$106	0.0%	(33.33)%	1.24	14.86	1.44%	-
Sk Global Co.	Industrials	$2,466	0.0%	(33.33)%	1.28	13.91	1.68%	(16.28)%
Muhak	Consumer Staples	$587	0.0%	(33.24)%	0.60	14.37	1.02%	5.72%
Empresa Nacional De Elctrcid Sponsor	Utilities	$11,380	0.1%	(32.20)%	7.58	11.22	2.38%	7.58%
Zaklady Azotowe W Tarnowie Moscicach	Materials	$3,765	0.0%	(32.13)%	1.72	11.23	1.22%	33.18%

Domestic Fixed Income

Metropolitan West
Period Ended June 30, 2016

Investment Philosophy

Metropolitan West Asset Management (MWAM) attempts to add value by limiting duration, managing the yield curve, rotating among bond market sectors and using proprietary quantitative valuation techniques.

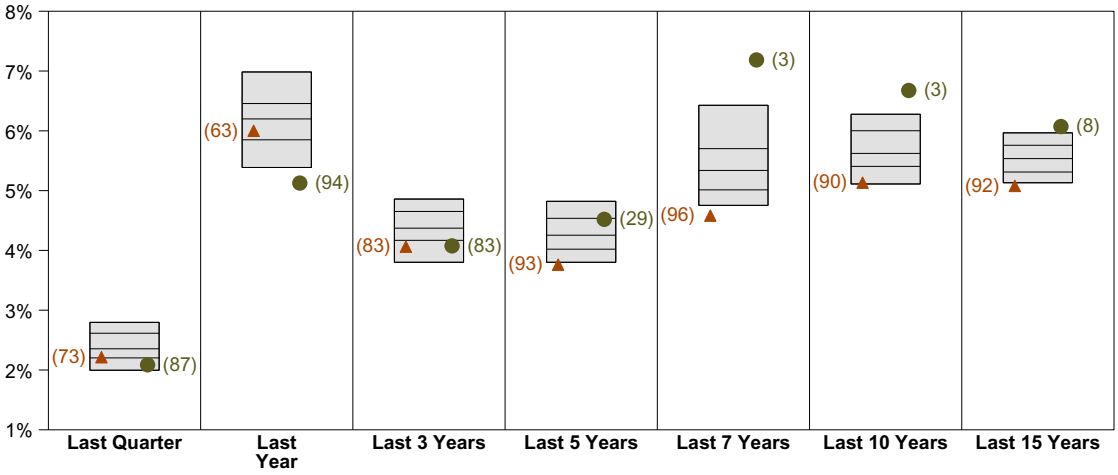
Quarterly Summary and Highlights

- Metropolitan West's portfolio posted a 2.09% return for the quarter placing it in the 87 percentile of the CAI Core Bond Fixed Income group for the quarter and in the 94 percentile for the last year.
- Metropolitan West's portfolio underperformed the Barclays Aggregate Index by 0.13% for the quarter and underperformed the Barclays Aggregate Index for the year by 0.87%.

Quarterly Asset Growth

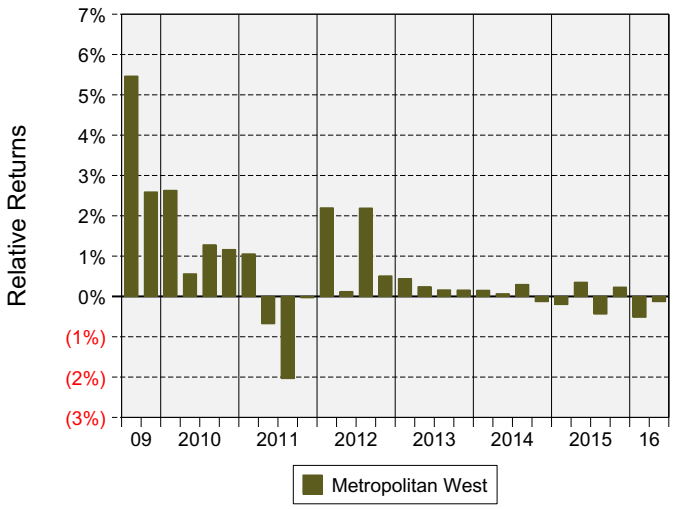
Beginning Market Value	$86,853,701
Net New Investment	$-496,033
Investment Gains/(Losses)	$1,802,809
Ending Market Value	$88,160,477

Performance vs CAI Core Bond Fixed Income (Gross)

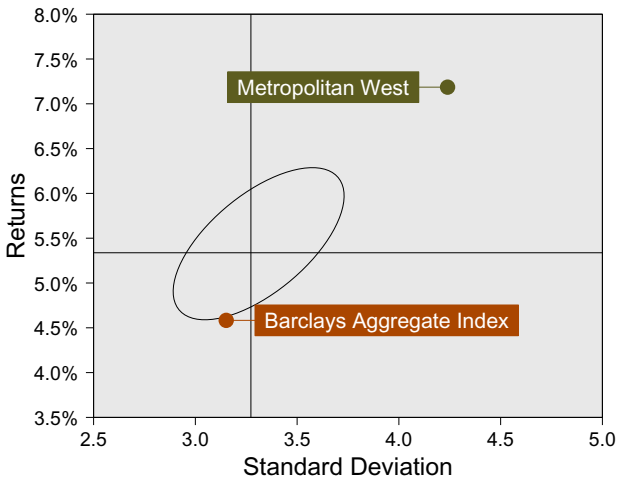


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 15 Years
10th Percentile	2.80	6.98	4.86	4.82	6.43	6.28	5.97
25th Percentile	2.62	6.46	4.65	4.54	5.70	6.00	5.76
Median	2.36	6.20	4.37	4.25	5.34	5.62	5.54
75th Percentile	2.20	5.85	4.17	4.02	5.01	5.41	5.31
90th Percentile	2.00	5.39	3.80	3.80	4.75	5.11	5.13
Metropolitan West	2.09	5.13	4.08	4.52	7.19	6.67	6.07
Barclays Aggregate Index	2.21	6.00	4.06	3.76	4.58	5.13	5.08

Relative Return vs Barclays Aggregate Index



CAI Core Bond Fixed Income (Gross) Annualized Seven Year Risk vs Return

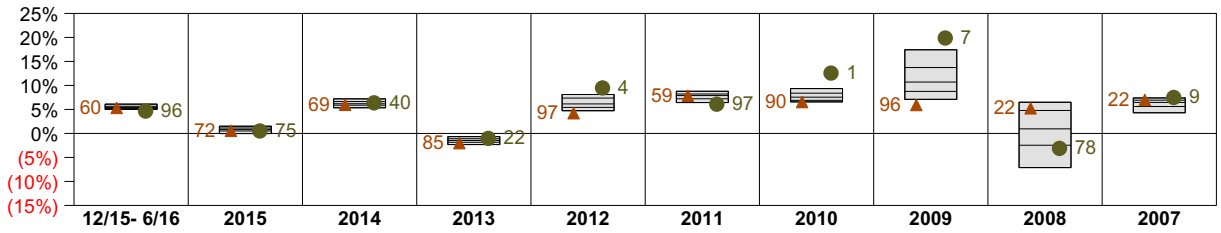


Metropolitan West
Return Analysis Summary

Return Analysis

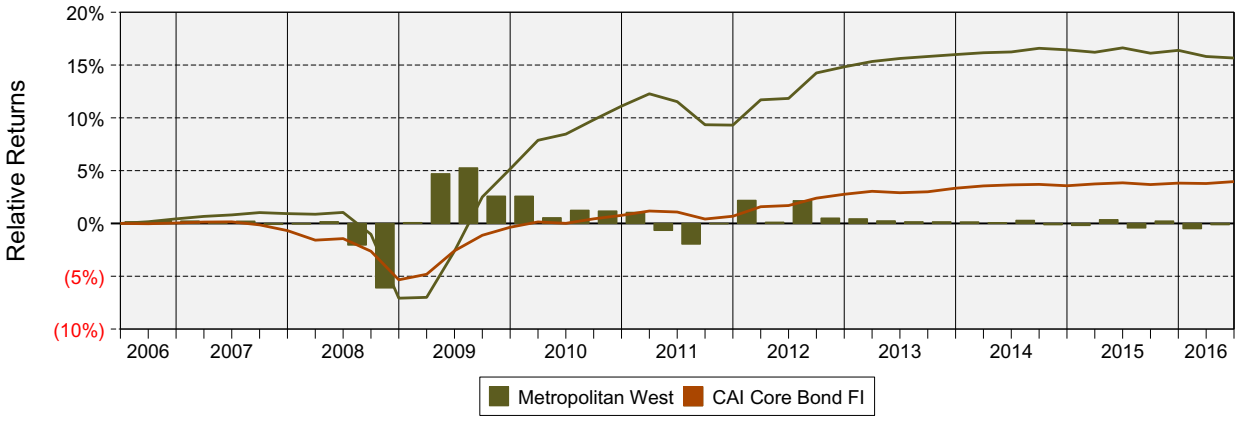
The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

Performance vs CAI Core Bond Fixed Income (Gross)

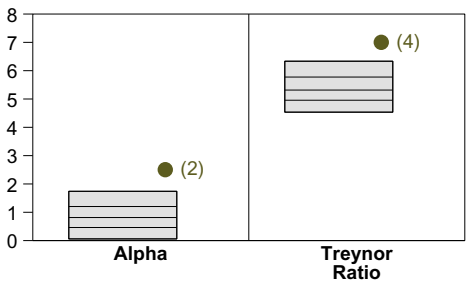


	12/15- 6/16	2015	2014	2013	2012	2011	2010	2009	2008	2007
10th Percentile	6.11	1.51	7.21	(0.66)	8.11	8.78	9.35	17.43	6.50	7.39
25th Percentile	5.65	1.13	6.64	(1.10)	7.37	8.21	8.39	13.73	4.78	6.93
Median	5.39	0.84	6.19	(1.46)	6.15	7.89	7.56	10.71	0.96	6.46
75th Percentile	5.21	0.52	5.88	(1.84)	5.43	7.22	6.89	8.76	(2.45)	5.61
90th Percentile	4.99	(0.03)	5.35	(2.32)	4.74	6.43	6.57	7.10	(7.12)	4.30
Metropolitan West ●	4.65	0.51	6.37	(1.03)	9.48	6.10	12.57	19.88	(3.11)	7.50
Barclays Aggregate Index ▲	5.31	0.55	5.97	(2.02)	4.21	7.84	6.54	5.93	5.24	6.97

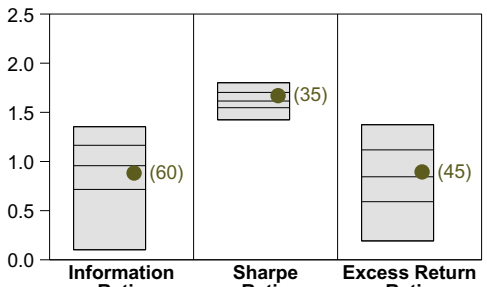
Cumulative and Quarterly Relative Return vs Barclays Aggregate Index



Risk Adjusted Return Measures vs Barclays Aggregate Index
Rankings Against CAI Core Bond Fixed Income (Gross)
Seven Years Ended June 30, 2016



	Alpha	Treynor Ratio
10th Percentile	1.74	6.33
25th Percentile	1.20	5.77
Median	0.81	5.32
75th Percentile	0.46	4.96
90th Percentile	0.06	4.53
Metropolitan West ●	2.50	7.00



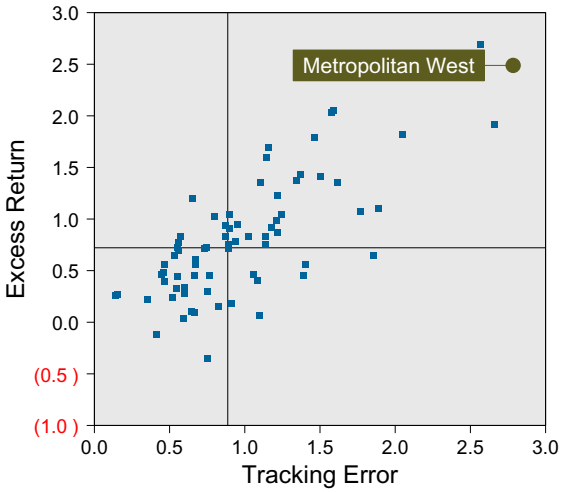
	Information Ratio	Sharpe Ratio	Excess Return Ratio
10th Percentile	1.35	1.80	1.37
25th Percentile	1.16	1.70	1.12
Median	0.96	1.62	0.84
75th Percentile	0.72	1.55	0.59
90th Percentile	0.10	1.42	0.19
Metropolitan West ●	0.88	1.67	0.89

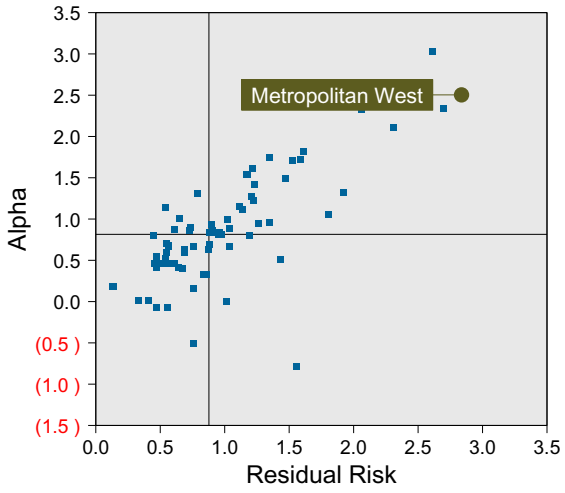
Metropolitan West
Risk Analysis Summary

Risk Analysis

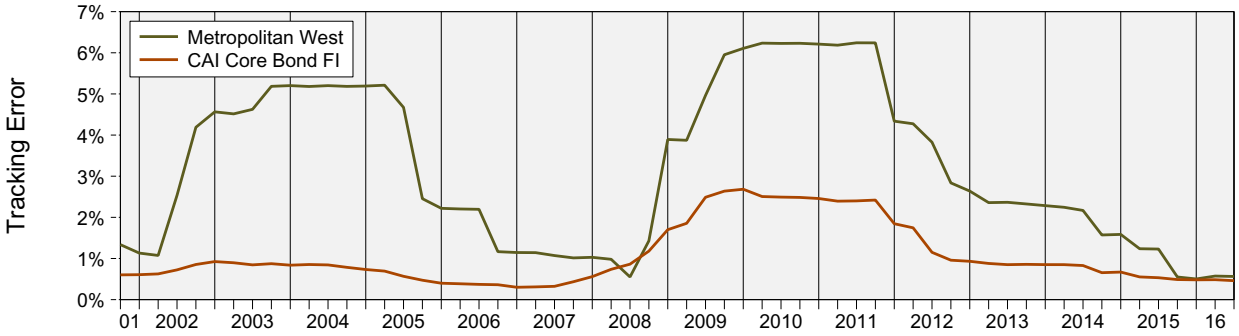
The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

Risk Analysis vs CAI Core Bond Fixed Income (Gross)
Seven Years Ended June 30, 2016

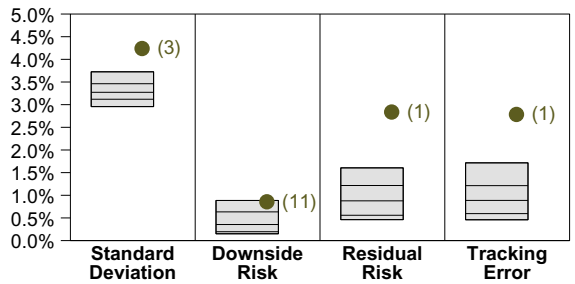




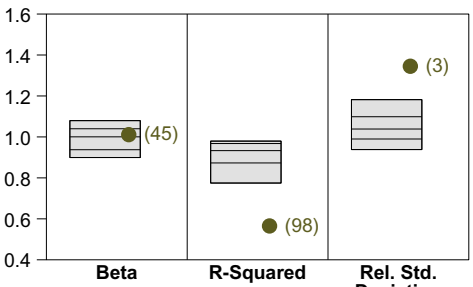
Rolling 12 Quarter Tracking Error vs Barclays Aggregate Index



Risk Statistics Rankings vs Barclays Aggregate Index
Rankings Against CAI Core Bond Fixed Income (Gross)
Seven Years Ended June 30, 2016



	Standard Deviation	Downside Risk	Residual Risk	Tracking Error
10th Percentile	3.73	0.89	1.61	1.72
25th Percentile	3.46	0.63	1.22	1.21
Median	3.27	0.35	0.88	0.89
75th Percentile	3.12	0.20	0.56	0.60
90th Percentile	2.96	0.15	0.46	0.46
Metropolitan West	4.24	0.86	2.84	2.78



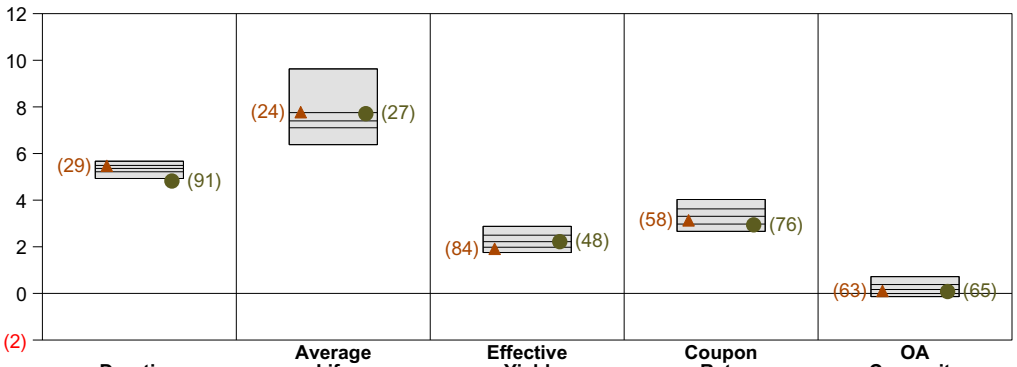
	Beta	R-Squared	Rel. Std. Deviation
10th Percentile	1.08	0.98	1.18
25th Percentile	1.04	0.97	1.10
Median	1.00	0.93	1.04
75th Percentile	0.94	0.87	0.99
90th Percentile	0.90	0.77	0.94
Metropolitan West	1.01	0.57	1.35

Metropolitan West
Bond Characteristics Analysis Summary

Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Fixed Income Portfolio Characteristics
Rankings Against CAI Core Bond Fixed Income
as of June 30, 2016

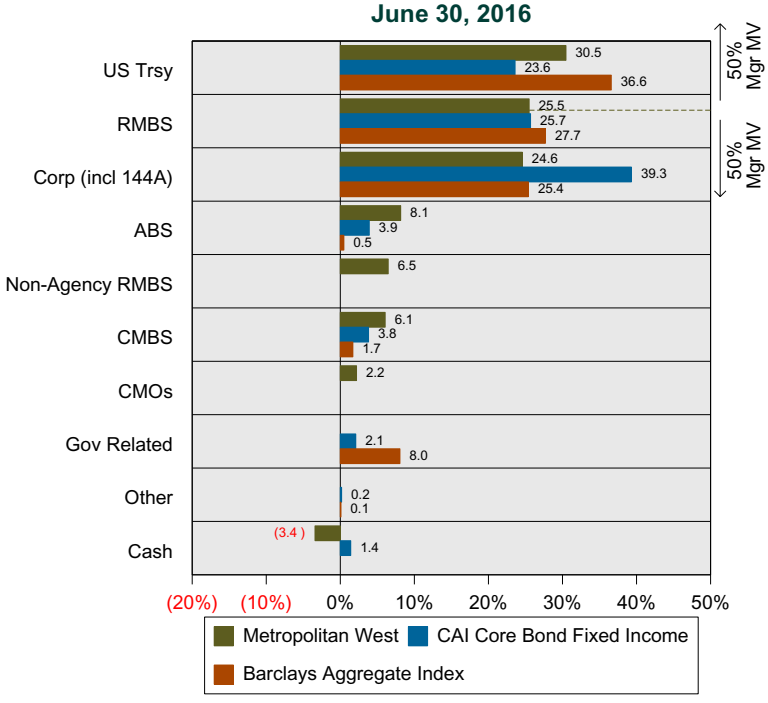


	Duration	Average Life	Effective Yield	Coupon Rate	OA Convexity
10th Percentile	5.67	9.63	2.88	4.03	0.72
25th Percentile	5.49	7.75	2.50	3.62	0.38
Median	5.36	7.40	2.22	3.31	0.17
75th Percentile	5.22	7.11	1.98	2.97	(0.00)
90th Percentile	4.93	6.38	1.75	2.66	(0.14)
Metropolitan West ●	4.82	7.71	2.22	2.94	0.08
Barclays Aggregate Index ▲	5.47	7.77	1.91	3.13	0.10

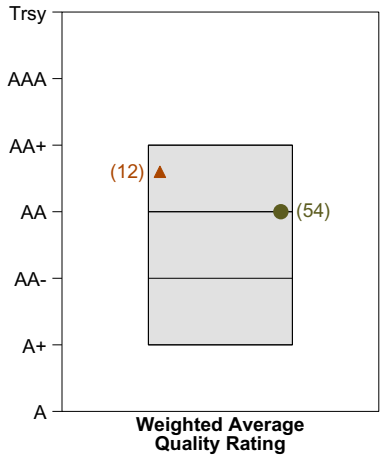
Sector Allocation and Quality Ratings

The first graph compares the manager's sector allocation with the average allocation across all the members of the manager's style. The second graph compares the manager's weighted average quality rating with the range of quality ratings for the style.

Sector Allocation
June 30, 2016



Quality Ratings
vs CAI Core Bond Fixed Income



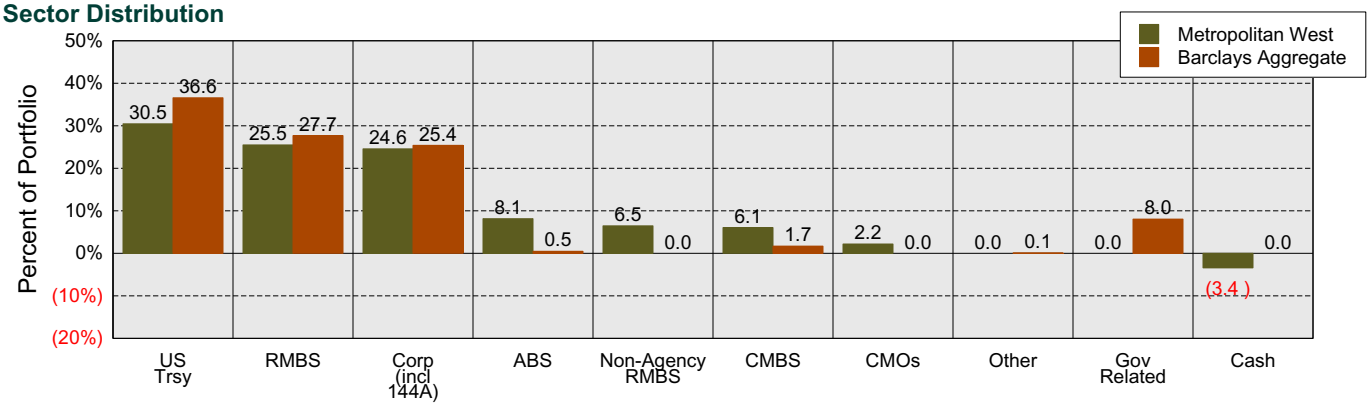
10th Percentile	AA+
25th Percentile	AA
Median	AA
75th Percentile	AA-
90th Percentile	A+
Metropolitan West ●	AA
Barclays Aggregate Index ▲	AA+

Metropolitan West
Portfolio Characteristics Summary
As of June 30, 2016

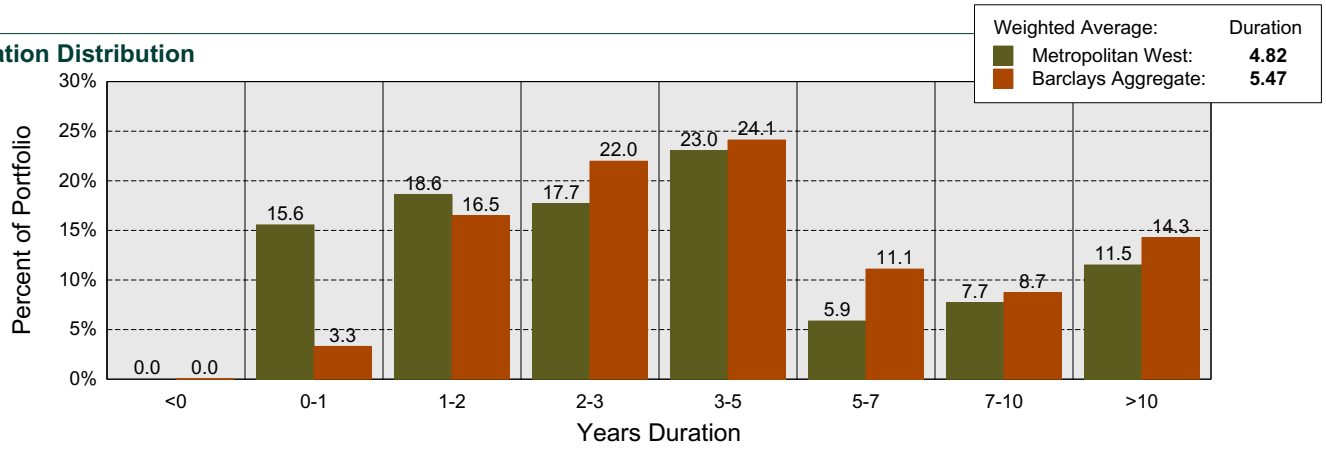
Portfolio Structure Comparison

The charts below compare the structure of the portfolio to that of the index from the three perspectives that have the greatest influence on return. The first chart compares the two portfolios across sectors. The second chart compares the duration distribution. The last chart compares the distribution across quality ratings.

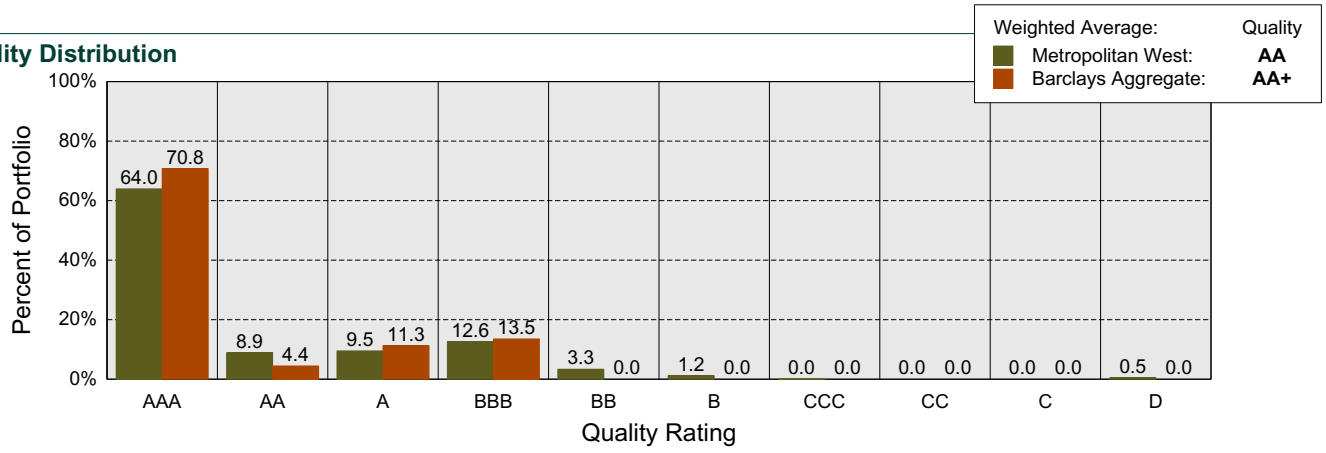
Sector Distribution



Duration Distribution



Quality Distribution



Definitions

Risk/Reward Statistics

The risk statistics used in this report examine performance characteristics of a manager or a portfolio relative to a benchmark (market indicator) which assumes to represent overall movements in the asset class being considered. The main unit of analysis is the excess return, which is the portfolio return minus the return on a risk free asset (3 month T-Bill).

Alpha measures a portfolio's return in excess of the market return adjusted for risk. It is a measure of the manager's contribution to performance with reference to security selection. A positive alpha indicates that a portfolio was positively rewarded for the residual risk which was taken for that level of market exposure.

Beta measures the sensitivity of rates of portfolio returns to movements in the market index. A portfolio's beta measures the expected change in return per 1% change in the return on the market. If a beta of a portfolio is 1.5, a 1 percent increase in the return on the market will result, on average, in a 1.5 percent increase in the return on the portfolio. The converse would also be true.

Downside Risk stems from the desire to differentiate between "good risk" (upside volatility) and "bad risk" (downside volatility). Whereas standard deviation punishes both upside and downside volatility, downside risk measures only the standard deviation of returns below the target. Returns above the target are assigned a deviation of zero. Both the frequency and magnitude of underperformance affect the amount of downside risk.

Excess Return Ratio is a measure of risk adjusted relative return. This ratio captures the amount of active management performance (value added relative to an index) per unit of active management risk (tracking error against the index.) It is calculated by dividing the manager's annualized cumulative excess return relative to the index by the standard deviation of the individual quarterly excess returns. The Excess Return Ratio can be interpreted as the manager's active risk/reward tradeoff for diverging from the index when the index is mandated to be the "riskless" market position.

Information Ratio measures the manager's market risk-adjusted excess return per unit of residual risk relative to a benchmark. It is computed by dividing alpha by the residual risk over a given time period. Assuming all other factors being equal, managers with lower residual risk achieve higher values in the information ratio. Managers with higher information ratios will add value relative to the benchmark more reliably and consistently.

R-Squared indicates the extent to which the variability of the portfolio returns are explained by market action. It can also be thought of as measuring the diversification relative to the appropriate benchmark. An r-squared value of .75 indicates that 75% of the fluctuation in a portfolio return is explained by market action. An r-squared of 1.0 indicates that a portfolio's returns are entirely related to the market and it is not influenced by other factors. An r-squared of zero indicates that no relationship exists between the portfolio's return and the market.

Relative Standard Deviation is a simple measure of a manager's risk (volatility) relative to a benchmark. It is calculated by dividing the manager's standard deviation of returns by the benchmark's standard deviation of returns. A relative standard deviation of 1.20, for example, means the manager has exhibited 20% more risk than the benchmark over that time period. A ratio of .80 would imply 20% less risk. This ratio is especially useful when analyzing the risk of investment grade fixed-income products where actual historical durations are not available. By using this relative risk measure over rolling time periods one can illustrate the "implied" historical duration patterns of the portfolio versus the benchmark.

Residual Portfolio Risk is the unsystematic risk of a fund, the portion of the total risk unique to the fund (manager) itself and not related to the overall market. This reflects the "bets" which the manager places in that particular asset market. These bets may reflect emphasis in particular sectors, maturities (for bonds), or other issue specific factors which the manager considers a good investment opportunity. Diversification of the portfolio will reduce or eliminate the residual risk of that portfolio.

Risk/Reward Statistics

Sharpe Ratio is a commonly used measure of risk-adjusted return. It is calculated by subtracting the "risk-free" return (usually 3 Month Treasury Bill) from the portfolio return and dividing the resulting "excess return" by the portfolio's risk level (standard deviation). The result is a measure of return gained per unit of risk taken.

Sortino Ratio is a downside risk-adjusted measure of value-added. It measures excess return over a benchmark divided by downside risk. The natural appeal is that it identifies value-added per unit of truly bad risk. The danger of interpretation, however, lies in these two areas: (1) the statistical significance of the denominator, and (2) its reliance on the persistence of skewness in return distributions.

Standard Deviation is a statistical measure of portfolio risk. It reflects the average deviation of the observations from their sample mean. Standard deviation is used as an estimate of risk since it measures how wide the range of returns typically is. The wider the typical range of returns, the higher the standard deviation of returns, and the higher the portfolio risk. If returns are normally distributed (ie. has a bell shaped curve distribution) then approximately 2/3 of the returns would occur within plus or minus one standard deviation from the sample mean.

Total Portfolio Risk is a measure of the volatility of the quarterly excess returns of an asset. Total risk is composed of two measures of risk: market (non-diversifiable or systematic) risk and residual (diversifiable or unsystematic) risk. The purpose of portfolio diversification is to reduce the residual risk of the portfolio.

Tracking Error is a statistical measure of a portfolio's risk relative to an index. It reflects the standard deviation of a portfolio's individual quarterly or monthly returns from the index's returns. Typically, the lower the Tracking Error, the more "index-like" the portfolio.

Treynor Ratio represents the portfolio's average excess return over a specified period divided by the beta relative to its benchmark over that same period. This measure reflects the reward over the risk-free rate relative to the systematic risk assumed.

Note: Alpha, Total Risk, and Residual Risk are annualized.

Research and Educational Programs

The Callan Institute provides research that updates clients on the latest industry trends while helping them learn through carefully structured educational programs. Visit www.callan.com/research to see all of our publications, or for more information contact Anna West at 415.974.5060 / institute@callan.com.

New Research from Callan's Experts

Aspiring Managers: Negotiating the Dual Realities Facing Diverse and Emerging Managers | Callan Chairman and CEO Ron Peyton and Callan Connects Manager Lauren Mathias, CFA, provide perspective on the diverse and emerging manager arenas and offer thoughts on how these managers can succeed.

Asset Managers and ESG: Sensing Opportunity, Bigger Firms Lead the Charge | In Callan's ESG survey of asset managers, author Mark Wood, CFA, reveals that the majority of large asset management firms have formal ESG policies, while smaller firms have yet to exhibit widespread adoption. Around one-third of managers with a formal ESG policy expect it will help them achieve higher risk-adjusted returns and improved risk profiles over the long term.

Video: Sustainability in Real Estate Investing | Sarah Angus, CAIA, a consultant in Callan's Real Assets Consulting group, discusses the benefits in using sustainable practices in managing real estate buildings, including higher tenant satisfaction and retention, greater occupancy, and increased values.

Considering Currency Hedging in an Equity Portfolio: 10 Charts to Help Frame a Policy | Callan recommends a measured approach to managing currency, including creating a policy to ensure short-term decisions made during painful times are in line with the long-term strategic goals of the plan. These 10 charts provide context for currency hedging discussions.

Video: The Costs of Closing: Nuclear Decommissioning Trusts | Julia Moriarty, CFA, of Callan's Capital Markets Research group discusses hedging costs, the impact of license extension, and more.

Emerging Markets: Opportunities and Challenges in Public Equity Investing | Callan's global equity investment experts (Andy Iseri, CFA, Ho Hwang, and Lyman Jung) write that despite risks, emerging market equities still can play an important role in well-diversified institutional portfolios.

Real Estate Indicators: Too Hot to Touch or Cool Enough to Handle? | Callan's Real Assets Consulting group identifies seven indicators that have helped signal when the institutional real estate market is overheated or has cooled down.

Periodicals

Private Markets Trends, Spring 2016 | The latest on private equity.

DC Observer, 1st Quarter 2016 | The PPA, 10 years later: DC assets have grown and target date funds have skyrocketed.

Hedge Fund Monitor, 1st Quarter 2016 | The latest on these funds, plus the challenges in the search for above-average managers.

Market Pulse Flipbook, 1st Quarter 2016 | A guide covering investment and fund sponsor trends, the U.S. economy, the capital markets, and Callan's proprietary DC Index.

Capital Market Review, 1st Quarter 2016 | Insights on the economy and recent performance in equities, fixed income, alternatives, real estate, and more.

Inside Callan's Database, 1st Quarter 2016 | A look at performance and risk data from Callan's proprietary database and relevant market indices.

Events

Miss out on a Callan conference or workshop? Event summaries and speakers' presentations are available on our website: https://www.callan.com/education/CII/

Mark your calendars for our fall **Regional Workshop**, October 25 in New York and October 26 in Chicago, and our **National Conference**, January 23–25, 2017, at the Palace Hotel in San Francisco.

For more information about events, please contact Barb Gerraty: 415.274.3093 / gerraty@callan.com

The Center for Investment Training Educational Sessions

The Center for Investment Training, better known as the "Callan College," provides a foundation of knowledge for industry professionals who are involved in the investment decision-making process. It was founded in 1994 to provide clients and non-clients alike with basic- to intermediate-level instruction. Our next session is:

Introduction to Investments

Chicago, October 18–19, 2016

This session familiarizes fund sponsor trustees, staff, and asset management advisors with basic investment theory, terminology, and practices. It lasts one-and-a-half days and is designed for individuals who have less than two years of experience with asset-management oversight and/or support responsibilities. Tuition for the Introductory "Callan College" session is $2,350 per person. Tuition includes instruction, all materials, breakfast and lunch on each day, and dinner on the first evening with the instructors.

Customized Sessions

The "Callan College" is equipped to customize a curriculum to meet the training and educational needs of a specific organization. These tailored sessions range from basic to advanced and can take place anywhere—even at your office.

Learn more at https://www.callan.com/education/college/ or contact Kathleen Cunnie: 415.274.3029 / cunnie@callan.com

Education: By the Numbers

500	Attendees (on average) of the Institute's annual National Conference	**50+**	Unique pieces of research the Institute generates each year
3,500	Total attendees of the "Callan College" since 1994	**1980**	Year the Callan Institute was founded

"We think the best way to learn something is to teach it. Entrusting client education to our consultants and specialists ensures that they have a total command of their subject matter. This is one reason why education and research have been cornerstones of our firm for more than 40 years."

Ron Peyton, Chairman and CEO

Disclosures

Callan

Quarterly List as of June 30, 2016

List of Callan's Investment Manager Clients

Confidential – For Callan Client Use Only

Callan takes its fiduciary and disclosure responsibilities to clients very seriously. We recognize that there are numerous potential conflicts of interest encountered in the investment consulting industry and that it is our responsibility to manage those conflicts effectively and in the best interest of our clients. At Callan, we employ a robust process to identify, manage, monitor and disclose potential conflicts on an on-going basis.

The list below is an important component of our conflicts management and disclosure process. It identifies those investment managers that pay Callan fees for educational, consulting, software, database or reporting products and services. We update the list quarterly because we believe that our fund sponsor clients should know the investment managers that do business with Callan, particularly those investment manager clients that the fund sponsor clients may be using or considering using. Please refer to Callan's ADV Part 2A for a more detailed description of the services and products that Callan makes available to investment manager clients through our Institutional Consulting Group, Independent Adviser Group and Fund Sponsor Consulting Group. Due to the complex corporate and organizational ownership structures of many investment management firms, parent and affiliate firm relationships are not indicated on our list.

Fund sponsor clients may request a copy of the most currently available list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by particular fund manager clients. Per company policy, information requests regarding fees are handled exclusively by Callan's Compliance Department.

Manager Name
1607 Capital Partners, LLC
Aberdeen Asset Management PLC
Acadian Asset Management LLC
AEGON USA Investment Management
Affiliated Managers Group, Inc.
AllianceBernstein
Allianz Global Investors
Allianz Life Insurance Company of North America
American Century Investment Management
Amundi Smith Breeden LLC
Analytic Investors
Angelo, Gordon & Co.
Apollo Global Management
AQR Capital Management
Ares Management LLC
Ariel Investments, LLC
Aristotle Capital Management, LLC
Artisan Holdings
Atlanta Capital Management Co., LLC
Aviva Investors Americas
AXA Investment Managers
Babson Capital Management
Baillie Gifford Overseas Limited
Baird Advisors
Bank of America
Baring Asset Management
Baron Capital Management, Inc.
Barrow, Hanley, Mewhinney & Strauss, LLC
BlackRock
BMO Asset Management, Corp.
BNP Paribas Investment Partners
BNY Mellon Asset Management
Boston Partners
Brandes Investment Partners, L.P.
Brandywine Global Investment Management, LLC
Brown Brothers Harriman & Company
Cambiar Investors, LLC

Manager Name
Capital Group
CastleArk Management, LLC
Causeway Capital Management
Chartwell Investment Partners
ClearBridge Investments, LLC
Cohen & Steers Capital Management, Inc.
Columbia Management Investment Advisers, LLC
Columbus Circle Investors
Corbin Capital Partners, L.P.
Cornerstone Capital Management
Cramer Rosenthal McGlynn, LLC
Crawford Investment Counsel, Inc.
Credit Suisse Asset Management
Crestline Investors, Inc.
DE Shaw Investment Management, LLC
Delaware Investments
DePrince, Race & Zollo, Inc.
Deutsche Asset Management
Diamond Hill Investments
Duff & Phelps Investment Mgmt. Co.
Eagle Asset Management, Inc.
EARNEST Partners, LLC
Eaton Vance Management
Epoch Investment Partners, Inc.
Fayez Sarofim & Company
Federated Investors
Fidelity Institutional Asset Management
Fiera Capital Global Asset Management
First Eagle Investment Management, LLC
First Hawaiian Bank Wealth Management Division
Fisher Investments
Fort Washington Investment Advisors, Inc.
Franklin Templeton Institutional
Fred Alger Management, Inc.
Fuller & Thaler Asset Management, Inc.
GAM (USA) Inc.
GE Asset Management

Manager Name
GMO
Goldman Sachs Asset Management
Grand-Jean Capital Management
Guggenheim Investments
GW&K Investment Management
Harbor Capital Group Trust
Hartford Funds
Hartford Investment Management Co.
Henderson Global Investors
Hotchkis & Wiley Capital Management, LLC
HSBC Global Asset Management
Income Research + Management, Inc.
Insight Investment Management Limited
Institutional Capital LLC
INTECH Investment Management, LLC
Invesco
Investec Asset Management
Janus Capital Management, LLC
Jensen Investment Management
J.P. Morgan Asset Management
KeyCorp
Lazard Asset Management
Legal & General Investment Management America
Lincoln National Corporation
LMCG Investments, LLC
Longview Partners
Loomis, Sayles & Company, L.P.
Lord Abbett & Company
Los Angeles Capital Management
LSV Asset Management
MacKay Shields LLC
Man Investments Inc.
Manulife Asset Management
Martin Currie Inc.
MFS Investment Management
MidFirst Bank
Mondrian Investment Partners Limited
Montag & Caldwell, LLC
Morgan Stanley Investment Management
Mountain Lake Investment Management LLC
MUFG Union Bank, N.A.
Neuberger Berman
Newton Investment Management (fka Newton Capital Management)
Nikko Asset Management Co., Ltd.
Northern Trust Asset Management
Nuveen Investments, Inc.
OFI Global Asset Management
Old Mutual Asset Management
Opus Capital Management Inc.
Pacific Investment Management Company

Manager Name
Parametric Portfolio Associates
Peregrine Capital Management, Inc.
PGIM
PineBridge Investments
Pinnacle Asset Management L.P.
Pioneer Investments
PNC Capital Advisors, LLC
Principal Global Investors
Private Advisors, LLC
Putnam Investments, LLC
QMA (Quantitative Management Associates)
RBC Global Asset Management
Regions Financial Corporation
RidgeWorth Capital Management, Inc.
Rockefeller & Co., Inc.
Rothschild Asset Management, Inc.
Russell Investments
Santander Global Facilities
Schroder Investment Management North America Inc.
Scout Investments
SEI Investments
Smith, Graham & Co. Investment Advisors, L.P.
Smith Group Asset Management
Standard Life Investments Limited
Standish
State Street Global Advisors
Stone Harbor Investment Partners, L.P.
Systematic Financial Management
T. Rowe Price Associates, Inc.
Taplin, Canida & Habacht
The Boston Company Asset Management, LLC
The Hartford
The London Company
The TCW Group, Inc.
Tri-Star Trust Bank
UBS Asset Management
Van Eck Global
Versus Capital Group
Victory Capital Management Inc.
Vontobel Asset Management, Inc.
Voya Financial
Voya Investment Management (fka ING)
Waddell & Reed Asset Management Group
WCM Investment Management
WEDGE Capital Management
Wellington Management Company, LLP
Wells Capital Management
Western Asset Management Company
William Blair & Company

STATE STREET.

Account Compliance Summary

Alerts:	0
Warnings:	0
Passes:	14

A5XB SACRT - ATLANTA CAPITAL MGMT **Production Date: 06/30/2016**

Securities + Cash 21,934,215.67 **Base Currency** USD **Net Assets** 21,950,306

	Rule Name	Limit Type	Limit Value	Result	Result Status
	144A and Private Placem				
1	Private Placements are prohibited. (143653)	Maximum	0.00%	0.00 %	Pass
	Asset Measures				
2	AssetMeasure: AssetMeasure_Funds_Preferred_Denominator (34662)			21,934,215.67 Value	Pass
	Asset_Type				
3	International equity securities which trade on U.S.-based exchanges, including American Depository Receipts (ADRs), shall not exceed 5% of the portfolio at cost (143658)	Maximum	5.00%	0.00 %	Pass
4	Investments in commodities are prohibited (143655)	Maximum	0.00%	0.00 %	Pass
5	Margin Securities are prohibited. (143651)	Maximum	0.00%	0.00 %	Pass
6	Ownership of shares/debt issued limit 5% ex null (143652)	Maximum	5.00%	0.04 %	Pass
7	The Fund may not enter into short sales. (143654)	Maximum	0.00%	0.00 %	Pass
8	The Fund may not hold any Options. (143657)	Maximum	0.00%	0.00 %	Pass
9	The Fund may not hold more than 5% of the shares outstanding of any domestic equity security (143659)	Maximum	5.00%	0.04 %	Pass
	Cash				
10	No more than 10% of the Fund in cash and cash equivalents. (143656)	Maximum	10.00%	4.20 %	Pass
	Exchange				
11	Flag any non-US exchange traded futures (143670)	Maximum	0.00%	0.00 %	Pass
	Industry				
12	Industry Sector GICS - Max 25% at cost (143660)	Maximum	25.00%	8.01 %	Pass
13	The Fund shall not invested in any security issued by a company in the Tobacco Sub-Industry as defined by GICS (143650)	Maximum	0.00%	0.00 %	Pass
	Issuer				
14	Investments in a single domestic equity issuer shall not exceed 5% at cost (143661)	Maximum	5.00%	2.04 %	Pass

STATE STREET.

Account Compliance Summary

Alerts:	0
Warnings:	0
Passes:	8

A5XD SACRT - METWEST **Production Date: 06/30/2016**

Securities + Cash 96,127,428.42 **Base Currency** USD **Net Assets** 88,161,954

	Rule Name	Limit Type	Limit Value	Result	Result Status
	144A and Private Placem				
1	The Fund is not permitted to hold any Private Placements excluding 144a (143666)	Maximum	0.00%	0.00 %	Pass
	Asset Measures				
2	AssetMeasure: AssetMeasure_Funds_Preferred_Denominator (34662)			96,127,428.42 Value	Pass
	Asset_Type				
3	A5XD: Flag all prohibited security types (143665)	Maximum	0.00%	0.00 %	Pass
4	Asset-Backed Commercial Paper - Minimum Quality of A2/P2 (157603)	Maximum	0	0 Num Bkts	Pass
	Credit Quality				
5	Minimum Quality must be at lesst 80% Baa or above (157604)	Minimum	80.00%	93.56 %	Pass
6	No Commercial Paper rated < A2/P2 at time of purchase (143662)	Maximum	0.00%	0.00 %	Pass
7	The Weighted Average Credit Rating of the Fund must be A or better (143663)	Minimum	20	22.96 Rank	Pass
	Industry				
8	The Fund shall not invested in any security issued by a company in the Tobacco Sub-Industry as defined by GICS (143650)	Maximum	0.00%	0.00 %	Pass

STATE STREET.

Account Compliance Summary

Alerts:	0
Warnings:	0
Passes:	14

A5Z8 SACRT - ROBECO **Production Date: 06/30/2016**

Securities + Cash 39,729,308.80 **Base Currency** USD **Net Assets** 38,937,633

	Rule Name	Limit Type	Limit Value	Result	Result Status
	144A and Private Placem				
1	Private Placements are prohibited. (143653)	Maximum	0.00%	0.00 %	Pass
	Asset Measures				
2	AssetMeasure: AssetMeasure_Funds_Preferred_Denominator (34662)			39,729,308.80 Value	Pass
	Asset_Type				
3	International equity securities which trade on U.S.-based exchanges, including American Depository Receipts (ADRs), shall not exceed 5% of the portfolio at cost (143658)	Maximum	5.00%	3.24 %	Pass
4	Investments in commodities are prohibited (143655)	Maximum	0.00%	0.00 %	Pass
5	Margin Securities are prohibited. (143651)	Maximum	0.00%	0.00 %	Pass
6	Ownership of shares/debt issued limit 5% ex null (143652)	Maximum	5.00%	0.01 %	Pass
7	The Fund may not enter into short sales. (143654)	Maximum	0.00%	0.00 %	Pass
8	The Fund may not hold any Options. (143657)	Maximum	0.00%	0.00 %	Pass
9	The Fund may not hold more than 5% of the shares outstanding of any domestic equity security (143659)	Maximum	5.00%	0.01 %	Pass
	Cash				
10	No more than 10% of the Fund in cash and cash equivalents. (143656)	Maximum	10.00%	4.89 %	Pass
	Exchange				
11	Flag any non-US exchange traded futures (143670)	Maximum	0.00%	0.00 %	Pass
	Industry				
12	Industry Sector GICS - Max 25% at cost (143660)	Maximum	25.00%	10.01 %	Pass
13	The Fund shall not invested in any security issued by a company in the Tobacco Sub-Industry as defined by GICS (143650)	Maximum	0.00%	0.00 %	Pass
	Issuer				
14	Investments in a single domestic equity issuer shall not exceed 5% at cost (143661)	Maximum	5.00%	3.30 %	Pass

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
21	09/14/16	Retirement	Information	08/31/16

Subject: Update on Roles and Responsibilities Related to Pension Administration (ALL). (Bonnel)

ISSUE

Presentation regarding the roles and responsibilities of various District staff members and Legal Counsel related to administration of the Pension Plans (ALL). (Bonnel)

RECOMMENDED ACTION

None associated with this matter.

FISCAL IMPACT

None associated with this matter.

DISCUSSION

In March 2014, staff proposed that the Sacramento Regional Transit District create and fill a new position, Pension and Retiree Services Administrator, that would be dedicated to and paid for by the Pension Plans. The position was filled with the hiring of Valerie Weekly in November 2014. The transition of various pension administration duties previously performed by District-funded positions to the new position has been ongoing since that time.

This presentation by Donna Bonnel, Pension Plan Administrator, and the attached documents are provided to ensure the Boards have a greater understanding of the various duties of RT staff and consultants (including the Retirement Boards' Legal Counsel) as related to administration of the Pension Plans.

Attachment A – Pension Administration Staff Roles and Responsibilities
Attachment B – RT Staff Costs (Excluding the Pension and Retiree Services Administrator) Attributable (but Not Charged) to RT Pension Plans
Attachment C – Summary of Legal Services Provided for the Quarter Ending June 30, 2016

Approved: Presented:

Final 9/6/2016

Director, Human Resources Director, Human Resources

J:\Retirement Board\2016\IP's\September 14, 2016\SACRT RB QRBM IPUpdate from Staff on Pension Tasks.DOC

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Pension Administration
Staff Roles and Responsibilities

Attachment A

Plan Administration

Customer Relations:

Task	Primary Responsibility	Back Up Responsibility
Retirement Meetings	Director, Human Resources	Pension and Retirement Services Administrator (PRSA)
Research and address benefit discrepancies	Pension and Retirement Services Administrator (PRSA)	Pension Analyst
Disability Retirements	PRSA	Director, HR
Conduct Educational Sessions	PRSA	Pension Analyst
Respond to all Employee and Retiree inquiries	Pension Analyst	PRSA
Creation of Pension Estimates	Pension Analyst	PRSA
Processing Employee and Retiree Deaths	Pension Analyst	PRSA
Administration of Active and Term Vested Retirement Process, including: • Notifications • Lost Participant Process (TV) • Collection of all required documents • Legal/Compliance Review • Approval by General Manager	Pension Analyst	PRSA
Converting Employees to Retirees in SAP	Pension Analyst	Sr. HR Analyst - HRIS
Lost participant process for returned checks/stubs	Pension Analyst	PRSA
48-Month Salary Calculations	Pension Analyst	Payroll Supervisor and PRSA
Distribution of employee required contributions (per contract or PEPRA): • Send notification • Collect documentation • Lost participant process • Apply interest • Process check	Pension Analyst	PRSA
Conduct Lost Participant Searches	Pension Analyst	PRSA
Administer Retiree Medical	Pension Analyst	Sr. HR Analyst
Managing Stale Dated and Lost Check Replacement	Payroll Analyst and Senior Accountant	Payroll Supervisor
Copies of Retiree Pay Stubs and 1099R's	Payroll Analyst	Payroll Supervisor
Printing, Stuffing, and Mailing Pay Stubs	Payroll Analyst	Payroll Supervisor
Verification of Retiree Wages: gross pay, net wages, no pre-tax	Administrative Technician (HR) and Payroll Analyst	PRSA and/or Payroll Supervisor

deductions, taxes		

Plan Documents:

Task	Primary Responsibility	Back Up Responsibility
Negotiation of Benefits, Provisions	Director, Labor Relations	To be determined
Incorporate Negotiated Benefits/Provisions into Plan Documents	Deputy Chief Counsel, RT	Chief Counsel, RT
Interpretation of Provisions	Pension and Retiree Services Administrator (PRSA) and Deputy Chief Counsel, RT	Chief Counsel, RT
Guidance to Staff regarding legal changes that affect Plans	Pension and Retiree Services Administrator (PRSA) and Deputy Chief Counsel, RT	Chief Counsel, RT

Vendor Administration:

Task	Primary Responsibility	Back Up Responsibility
Legal Services (Hanson Bridgett) Contract Procurement	PRSA and Sr. Accountant	Director, Human Resources and Director, Finance
Actuarial Services (Cheiron) Contract Procurement	PRSA and Sr. Accountant	Director, Human Resources and Director, Finance
Retirement Board Policy Development and Administration	PRSA and Senior Accountant Hanson Bridgett and Cheiron	Director, Human Resources or Director, Finance Hanson Bridgett and Cheiron

Retirement Board Administration:

Task	Primary Responsibility	Back Up Responsibility
Creation of Agenda/IPs	Staff Presenting Issue to Board	n/a
Creation and Distribution of Retirement Board Packages	PRSA	Director, Human Resources
Management of Retirement Board Meetings	Assistant Secretary to the Retirement Boards	PRSA
Training of Staff/Board Members	PRSA	Staff/Vendor SME
New Retirement Board Member Training	PRSA and/or Sr. Accountant	Staff/Vendor SME

Semi-Annual/Annual/Bi-Annual Administration:

Task	Primary Responsibility	Back Up Responsibility
Valuation Study	PRSA and Senior Accountant	Director, Finance and Director, Human Resources
Experience Study	PRSA and Senior Accountant	Director, Finance and Director, Human Resources
Fiduciary Liability Insurance	PSRA	Director, Human Resources
OPEB Valuation Study	PRSA and Senior Accountant	Director, Finance and Director, Human Resources
Responses to Public Records Act Requests	Director, Human Resources	PRSA
Statement of Investment Objectives and Policy Guidelines management	Sr. Accountant	Director, Finance

Contract Administration:

Task	Primary Responsibility	Back Up Responsibility
Adherence to contract provisions	PRSA and/or Sr. Accountant	Director, Human Resources or Director, Finance
Payment of Invoices	Sr. Accountant or Director, Human Resources	Director, Finance
Contract Management, including RFP process	PRSA and/or Sr. Accountant	Director, Human Resources or Director, Finance

Asset Management:

Task	Primary Responsibility	Back Up Responsibility
Asset Rebalancing	Sr. Accountant	Director, Finance
Account Reconciliations	Sr. Accountant	Director, Finance
Cash Transfers	Sr. Accountant	Director, Finance
Fund Accounting	Sr. Accountant	Director, Finance
Investment Management	Sr. Accountant	Director, Finance
Financial Statement Preparation	Sr. Accountant	Director, Finance
Annual Audit	Sr. Accountant	Director, Finance
State Controller's Office Reporting	Sr. Accountant	Director, Finance
U.S. Census Bureau Reporting	Sr. Accountant	Director, Finance
Work with Contractors (Investment advisors (Callan), Custodian (State Street), Fund Managers, Auditors, and Actuary (Cheiron))	Sr. Accountant	Director, Finance
Review Monthly Asset Rebalancing	Director, Finance	CFO

Attachment B

Pension administration costs charged to the Plans

Time Period: March 1, 2016 to June 30, 2016

Sum of Value TranCurr WBS Element	Source object name	Period	Total
SAXXXX.PENATIB	Finance And Treasury / Adelman, Jamie	11	1,275.67
		12	177.19
	Finance And Treasury / Mata, Jennifer	11	140.30
	Human Resources / Weekly, Valerie	10	5,892.61
		11	4,699.17
		12	1,491.80
		9	3,692.21
	Legal / Sanchez, Olga	10	312.58
		12	93.77
SAXXXX.PENATIB Total			**17,775.30**
SAXXXX.PENATU	Human Resources / Montung-Fuller, Mari	12	379.50
	Human Resources / Weekly, Valerie	12	559.46
SAXXXX.PENATU Total			**938.96**
SAXXXX.PENIBEW	Human Resources / Weekly, Valerie	12	559.46
SAXXXX.PENIBEW Total			**559.46**
SAXXXX.PENSALA	Human Resources / Montung-Fuller, Mari	12	379.50
	Human Resources / Weekly, Valerie	10	1,790.16
		11	1,640.98
		12	5,146.71
		9	1,193.44
	Legal / Sanchez, Olga	10	31.26
		12	93.78
SAXXXX.PENSALA Total			**10,275.83**
SAXXXX.PENSION	Board Support / Brooks, Cynthia	10	256.17
		12	402.55
		9	109.79
	Chief Financial Off / Bernegger, Brent	10	341.55
		12	796.95
		9	683.10
	Finance And Treasury / Adelman, Jamie	10	1,541.44
		11	673.27
		12	1,027.63
		9	478.37
	Finance And Treasury / Gardner, Leona	10	130.53
		11	223.77
		12	932.38
		9	167.83
	Finance And Treasury / Mata, Jennifer	10	1,048.75
		11	817.43
		12	807.44
		9	955.23
	Human Resources / Bonnel, Donna	10	3,435.48
		11	954.30
		12	2,576.61
		9	4,771.50
	Human Resources / Humphrey, Isis	10	1,424.32
		11	1,646.87
		12	2,492.56
		9	3,104.57
	Human Resources / Montung-Fuller, Mari	12	9,487.50
	Human Resources / Moua, Geu	10	144.18
	Human Resources / Ung, Elaine	10	302.00
		11	67.12
		12	117.46
		9	83.90
	Human Resources / Weekly, Valerie	10	3,356.55
		11	2,834.42
		12	2,610.65
		9	2,125.82
	Legal / Lonergan, Kathleen	10	100.56
	Legal / Pinkerton, Matthew	10	334.85
	Legal / Sanchez, Olga	10	937.73
	VP Business Serv/CFO / Li, Bo	12	444.90
SAXXXX.PENSION Total			**54,748.03**
Grand Total			**84,297.58**

HansonBridgett

HANSON BRIDGETT LLP &
SACRAMENTO REGIONAL TRANSIT DISTRICT RETIREMENT BOARDS

LEGAL SERVICES SUMMARY

Set forth below is a broad summary report of significant legal matters addressed by Hanson Bridgett LLP for the Sacramento Regional Transit District Retirement Boards during the Quarter ended June 30, 2016.

1. Weekly client conference calls and internal conferences on pending matters, upcoming Board meetings and follow-up from prior Board meetings.
2. Preparation for and participation in Quarterly and Special Retirement Board Meetings, including review and markup of agenda materials and related Board Chair conference calls.
3. Negotiate new actuarial services contract.
4. Provide counsel regarding potential forfeiture of pension funds under PEPRA.
5. Review preliminary valuation and experience study results.
6. Provide legal support for hiring of new international small-cap investment manager and negotiate associated contract.
7. Support update of procedures for processing retirement applications and service retirement application documentation.
8. Coordinate with RT on new development of new Pension Plan trust agreements.
9. Assist with renewal of fiduciary liability insurance.
10. Support compliance with IRS notice requirements related to rollovers.
11. Analyze issues relative to disability retirement benefits.
12. Analyze issues relative to 2012 arbitration decision.
13. Support analysis of plan asset allocations resulting from historic pension transfers.
14. Comment on amendments to Investment Policy.
15. Analyze issues relative to treatment of severance payments.

Respectfully Submitted,

/s/ Shayna M. van Hoften