

Investment Performance Review  
Period Ending December 31, 2016

# Aurora Retiree Health Insurance Trust Fund

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**AndCo Consulting** | (844) 44-ANDCO | [AndCoConsulting.com](http://AndCoConsulting.com)

*Formerly* The Bogdahn Group

On the cover of your standard quarterly report, and on all documents we will be sending to you going forward, you will notice **your name** comes before ours. That is not by accident. Everything from the services we provide to how we are structured as an organization is designed to ensure that you, our client, comes first.

We take our role as an independent institutional consulting firm and plan fiduciary very seriously, and we believe this approach and philosophy adds real value to our clients. To ensure that the client always comes first in the service equation and that our fiduciary responsibility is never compromised, the important principles of independence, objectivity and transparency are embodied in our mission and vision statements and define who we are as an organization. They are engrained in our culture and corporate values and used to guide our actions every day.

Over the years, the investment environment has grown more complex and we've seen our staff grow and our expertise and services advance to serve our expanding clientele. To strengthen business continuity and meet the needs of our clients, we recently began a program to broaden employee ownership of our firm. Inherently, as we thought about our mission (*To represent the sole interest of our clients by redefining independence*), vision (*To be a transformational organization viewed as the leader in our industry*), and the passion behind our service culture, we wanted to do something significant that would better reflect who we are as an organization and how we never compromise our client-first mentality and service philosophy.

### Why a Company Rebrand?

After more than a decade of growth and original brand equity, why would a company rebrand now? Though client-first consulting has been a cornerstone of our company since its inception, with the milestone of transitioning majority ownership from our founder to the firm's next generation of leadership, it became the perfect opportunity to reintroduce ourselves to the world as AndCo. We have always believed the assets of our firm were the collective body of individuals working together to serve our clients. It has always been bigger than one or even a handful of people. We feel this rebrand is a better reflection of this belief and conviction along with our mission and vision. Our team members could work at other places but they choose to work at AndCo because they believe this approach is better for clients. Business will continue as usual, as the leadership and team you have come to know and trust will not be impacted by this rebrand.

### Why AndCo?

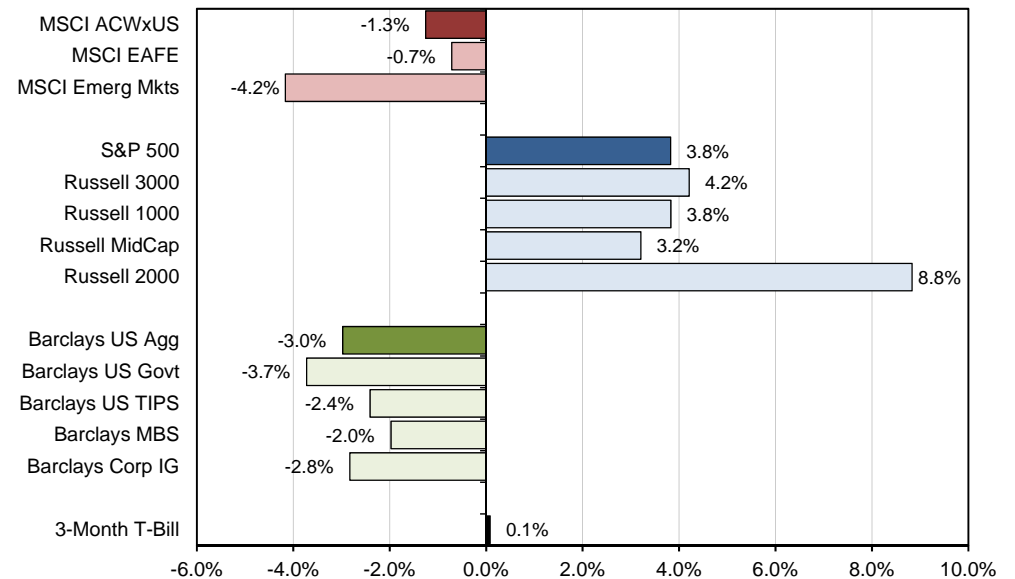
As AndCo, we want your first impression to be our commitment to client-first consulting. Our promise to you spans from our very foundation up to the name on our building. Most importantly, this company rebrand sets the stage for the future of our firm, and your place in it. At AndCo, it is always:

**Our Clients** 

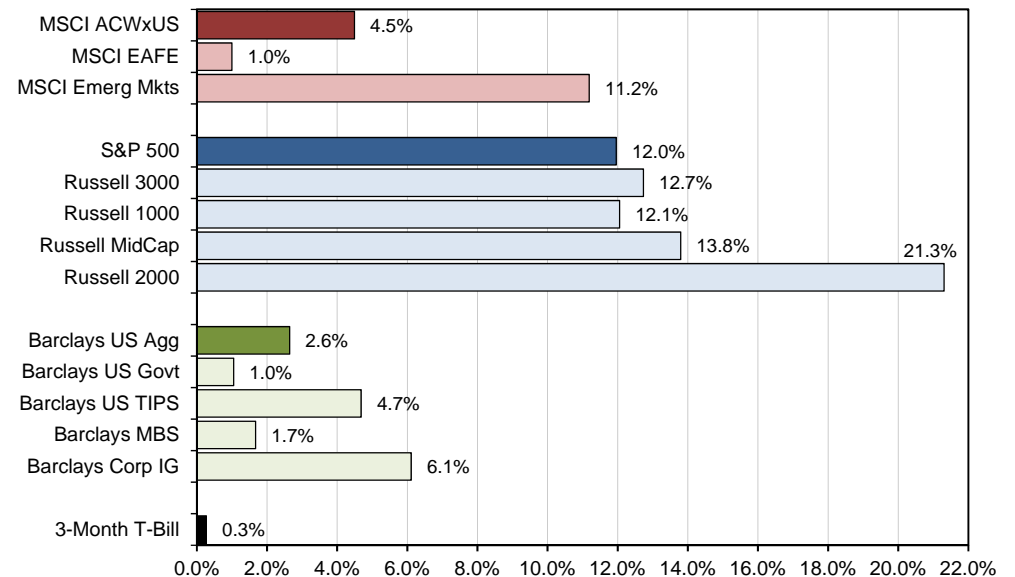


- Broad asset class returns were mixed for the 4<sup>th</sup> quarter. Domestic equity indices posted positive performance for the quarter, while broad international equity and fixed income benchmarks were negative for the period. The quarter's investment cycle was dominated first by the U.S. presidential election, and then by the largely anticipated Federal Reserve (Fed) interest rate hike in December. The uncertainty that drove equity returns lower during the first half of the quarter gave way to a string of positive macroeconomic data and a Trump victory that drove equity benchmarks, particularly in the U.S., higher through the remainder of the quarter. Trump's platform of strengthening infrastructure, deregulation, and lower personal and corporate taxes drove expectations higher for both domestic growth and inflation. The broad market Russell 3000 Index returned 4.2% for the quarter. The small cap Russell 2000 Index more than doubled performance of other capitalization indices with a return of 8.8% for the quarter and a strong 21.3% for the trailing one-year period.
- International equity market benchmarks stumbled during the quarter with the broad market MSCI ACWI ex U.S. Index posting a return of -1.3% for the period in U.S. dollar (USD) terms. Despite the difficult quarter, the broad market index returned a moderate 4.5% for 2016. Developed markets (-0.7%) outperformed emerging markets (-4.2%) for the quarter as developed market economic data was generally positive. However, emerging markets substantially outperformed developed markets for the one-year period with the MSCI Emerging Markets Index returning 11.2% versus a return of 1.0% for the MSCI EAFE Index.
- The quarter's strong economic backdrop led the Federal Open Market Committee (FOMC) to follow through on investors' expectations and raise short-term interest rates for the first time in 2016. The same events that drove domestic equity markets higher were a headwind for fixed income markets. As a result, the U.S. Treasury yield curve rose dramatically during the quarter with modestly elevated rates at shorter maturities and larger increases in mid-to-long-term maturities. All investment grade benchmarks were negative for the quarter, but the mortgage-backed securities sector was down less than other investment grade sectors due to its shorter duration. Although the 4<sup>th</sup> quarter took back some of 2016's earlier gains, investment grade benchmarks finished in positive territory for the year. The Bloomberg Barclays Investment Grade Corporate Bond Index was the best performer over the one-year period, advancing a solid 6.1%. Corporate issues benefited from increased demand for yield which led to credit spread compression, especially in lower quality issues.

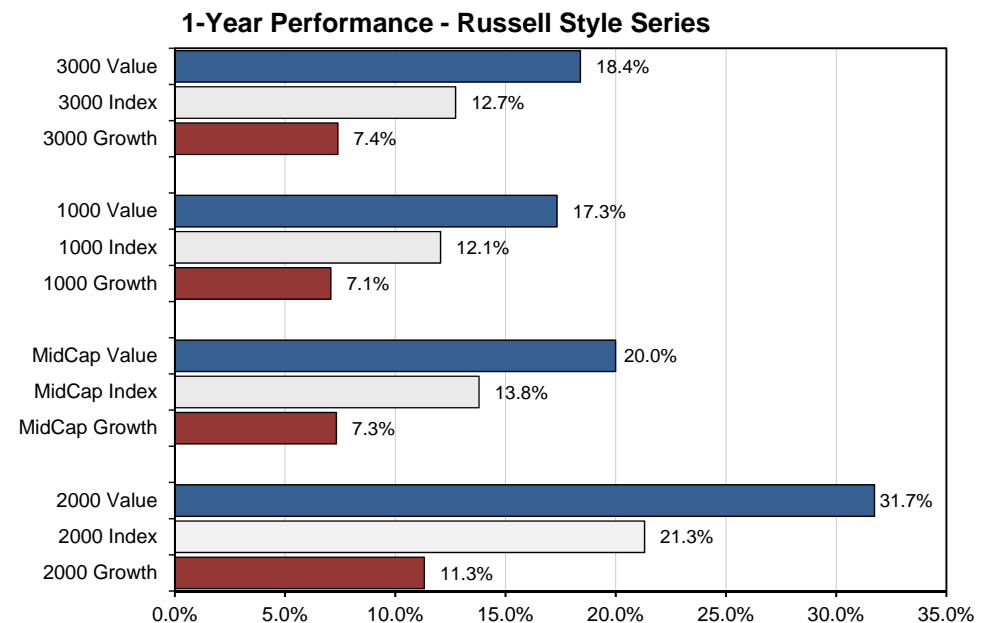
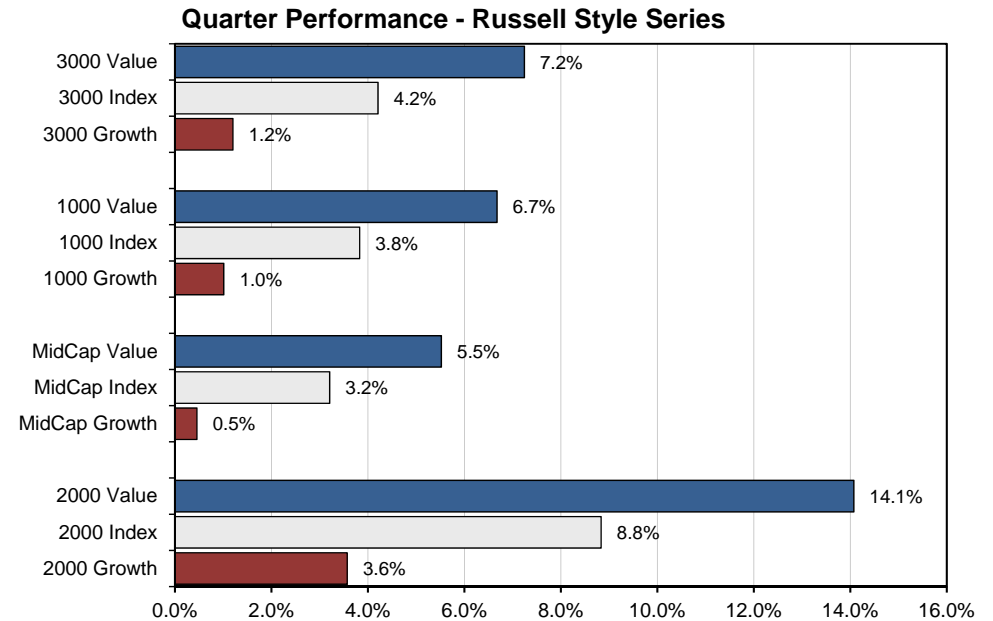
### Quarter Performance



### 1-Year Performance



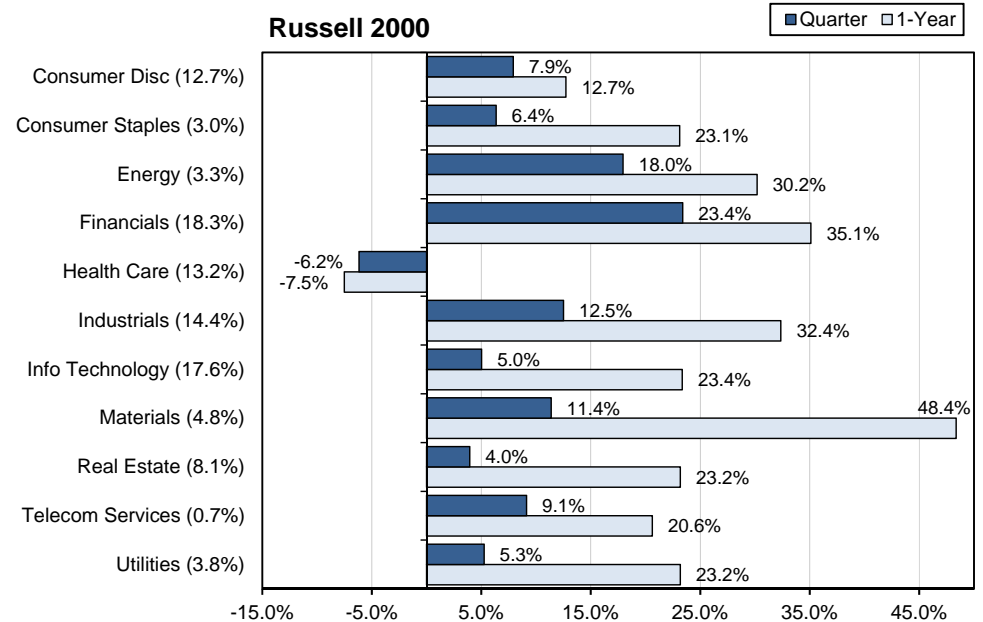
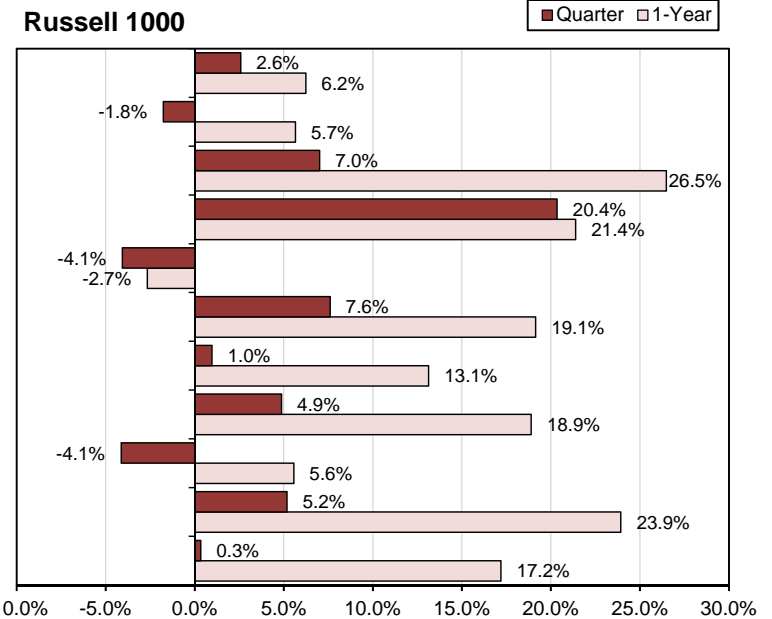
- U.S. equity index returns were positive across the style and capitalization spectrum for the 4<sup>th</sup> quarter as well as for calendar year 2016. During the quarter, index returns were driven by encouraging economic data including improvements in GDP growth, employment, housing, and consumer confidence being reported throughout the period. Domestic markets continued to rally after the November presidential election with several domestic indices hitting new highs on expectations resulting from Trump's "market-friendly" policy objectives. While the Fed did increase interest rates in December, the market reaction was relatively tame as the rate hike was widely expected.
- Small cap benchmarks posted the quarter's strongest performance for both value and growth issues. At the core, the small cap Russell 2000 Index returned a robust 8.8% for the quarter and a stellar 21.3% for the year. Although still positive, the core large cap Russell 1000 Index returned a lower 3.8% for the quarter and 12.1% for the year. This dispersion is not totally outside of the norm as small cap stocks generally outperform large cap stocks during "risk-on" market expansions. Interestingly, mid cap stocks finished behind both small and large cap issues for the quarter. This is partially due to the Russell Midcap Index's higher allocations to the real estate and utilities sectors, which were two of the worst performing sectors for the quarter.
- Value benchmarks more than doubled their comparable growth benchmarks across the capitalization spectrum for both the quarter and one-year periods. Unlike prior quarters where value index outperformance was driven by exposure to higher yielding "bond proxy" sectors, this quarter's returns were led by exposure to cyclical sectors, particularly financials. Value-style outperformance persists over the one-year period with double-digit returns ranging from an impressive 31.7% for the Russell 2000 Value Index to a still strong 17.3% for the Russell 1000 Value Index. In contrast, growth index performance lagged value results substantially, returning 11.3% and 7.1% for the Russell 2000 Growth and Russell 1000 Growth respectively.
- Domestic equity valuations appear stretched relative to historical levels based on Forward Price/Earnings ratios (P/E), with even the cheapest relative indices trading marginally above historical valuations. The large and midcap growth indices have valuation levels near their respective historical averages, while the remaining indices fall between 110% and 137% of their 15-year averages.



- Large cap sector performance spanned a range of nearly 25% during the 4<sup>th</sup> quarter, with results in five of eleven economic sectors outpacing the Russell 1000 Index return, and eight of eleven sectors posting gains for the period. Financials were the clear leader during the quarter, posting a strong return of 20.4%, which nearly tripled the result of any other sector. Financials benefited from expectations for potential deregulation as well as the impact of higher interest rates on future profitability. The industrials (7.6%) and materials (4.9%) sectors also outperformed for the period as Trump’s promise for increased investment in U.S. infrastructure brightened the outlook for both sectors. The energy sector (7.0%) also posted a solid gain for the quarter as oil prices rose following an OPEC agreement to cut supply in November. Prices rose further after several non-OPEC countries indicated they would also reduce production. The real estate and health care sectors were the weakest performers for the quarter, both posting -4.1% for the period. Real estate and other “bond proxy” sectors such as consumer staples and utilities were impacted by higher interest rates, reducing the demand for more defensive equity issues. The health care sector’s weak performance was more symptomatic of the uncertainty surrounding the future of health care regulation under a new Administration determined to repeal the Affordable Care Act. Despite some divergence in the 4<sup>th</sup> quarter, sector performance over the one-year period was robust with ten of eleven sectors posting positive results and seven putting up double-digit gains.

- Small cap sector results were roughly in-line with large caps for the 4<sup>th</sup> quarter, with five of eleven economic sectors outpacing the Russell 2000 Index return for the quarter and ten of eleven sectors posting positive results for the period. Most of the trends observable in large cap index sector performance also impacted the small cap sectors, but to a larger, positive degree. Similar to large cap issues, higher yielding, defensive sectors lagged the more cyclical, economically sensitive sectors. Over the trailing one-year period the materials, financials, industrials, and energy sectors each posted returns in excess of 30%. The sole negative small cap sector for the year was health care with a return of -7.5%.

- Using S&P 500 sector valuations as a proxy for the market, Forward P/E ratios for five GICS sectors were below their long-term averages at quarter-end. The technology and health care sectors were trading at the largest discount to their long-term average P/E ratios. In contrast, the energy and utilities sector valuations were the most extended relative to their historical P/E ratios.



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

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	2.95%	3.0%	12.5%	Information Technology
Microsoft Corp	2.19%	8.6%	15.1%	Information Technology
Exxon Mobil Corp	1.75%	4.3%	19.9%	Energy
Johnson & Johnson	1.47%	-1.8%	15.3%	Health Care
JPMorgan Chase & Co	1.46%	30.5%	34.6%	Financials
Berkshire Hathaway Inc B	1.43%	12.8%	23.4%	Financials
Amazon.com Inc	1.35%	-10.4%	10.9%	Consumer Discretionary
General Electric Co	1.35%	7.5%	4.6%	Industrials
AT&T Inc	1.22%	6.0%	29.9%	Telecommunication Services
Facebook Inc A	1.20%	-10.3%	9.9%	Information Technology

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Advanced Micro Devices Inc	0.45%	64.1%	295.1%	Information Technology
Microsemi Corp	0.33%	28.6%	65.6%	Information Technology
Webster Financial Corp	0.26%	43.7%	50.0%	Financials
Prosperity Bancshares Inc	0.26%	31.4%	53.5%	Financials
Bank of the Ozarks Inc	0.25%	37.5%	8.0%	Financials
RSP Permian Inc	0.23%	15.1%	82.9%	Energy
Curtiss-Wright Corp	0.23%	8.2%	44.4%	Industrials
EMCOR Group Inc	0.23%	18.8%	48.2%	Industrials
Aspen Technology Inc	0.23%	16.9%	44.8%	Information Technology
PrivateBancorp Inc	0.23%	18.0%	32.2%	Financials

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
CVR Energy Inc	0.00%	91.7%	-27.2%	Energy
CoreCivic Inc	0.01%	79.4%	0.8%	Real Estate
United States Steel Corp	0.02%	75.4%	319.6%	Materials
California Resources Corp	0.00%	70.3%	-8.6%	Energy
NVIDIA Corp	0.25%	56.0%	226.9%	Information Technology
SVB Financial Group	0.04%	55.3%	44.4%	Financials
KeyCorp	0.09%	50.9%	42.1%	Financials
EP Energy Corp A	0.00%	49.5%	49.5%	Energy
Goldman Sachs Group Inc	0.43%	48.9%	34.9%	Financials
SLM Corp	0.02%	47.5%	69.0%	Financials

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Wins Finance Holdings Inc	0.01%	508.7%	1400.0%	Financials
Key Energy Services Inc	0.00%	293.0%	-66.2%	Energy
Peabody Energy Corp	0.00%	222.6%	-34.9%	Energy
Altisource Asset Management Corp	0.00%	189.2%	211.8%	Real Estate
Seventy Seven Energy Inc	0.00%	138.7%	4185.7%	Energy
AK Steel Holding Corp	0.17%	111.4%	355.8%	Materials
Era Group Inc	0.02%	110.8%	52.2%	Energy
NL Industries Inc	0.00%	107.4%	168.1%	Industrials
Fred's Inc	0.03%	106.1%	15.6%	Consumer Discretionary
Pier 1 Imports Inc	0.04%	104.8%	77.9%	Consumer Discretionary

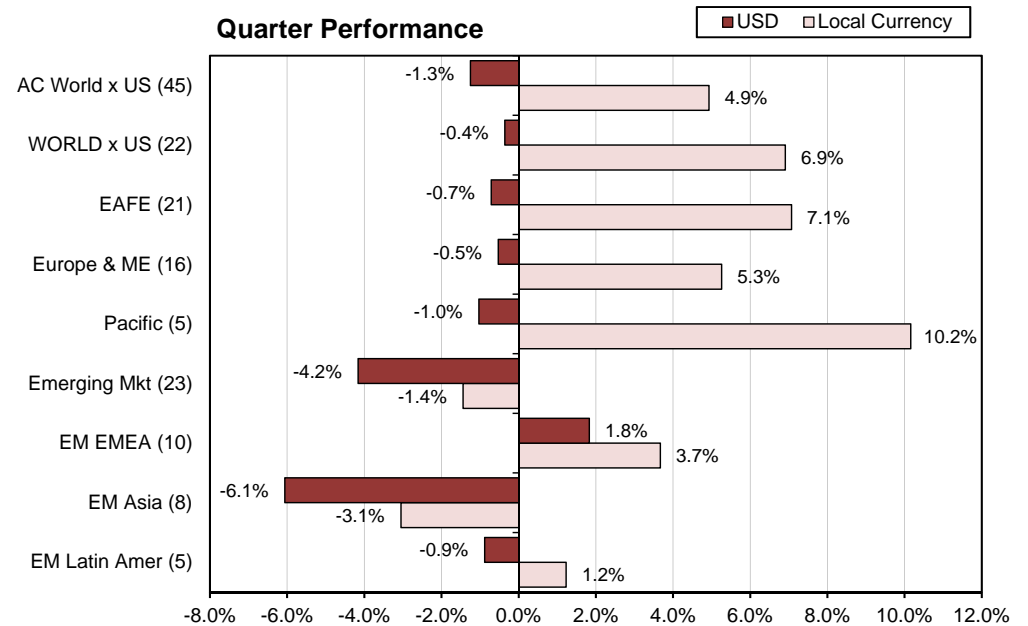
Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Twilio Inc A	0.00%	-55.2%	N/A	Information Technology
Puma Biotechnology Inc	0.00%	-54.2%	-60.8%	Health Care
Community Health Systems Inc	0.00%	-51.6%	-74.5%	Health Care
Fitbit Inc A	0.00%	-50.7%	-75.3%	Information Technology
GoPro Inc A	0.00%	-47.8%	-51.6%	Consumer Discretionary
Hertz Global Holdings Inc	0.01%	-46.3%	-61.8%	Industrials
GNC Holdings Inc	0.00%	-45.1%	-63.0%	Consumer Discretionary
Alnylam Pharmaceuticals Inc	0.01%	-44.8%	-60.2%	Health Care
Juno Therapeutics Inc	0.01%	-37.2%	-57.1%	Health Care
Groupon Inc	0.01%	-35.5%	8.1%	Consumer Discretionary

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Code Rebel Corp	0.00%	-98.0%	-100.0%	Information Technology
Republic Airways Holdings Inc	0.00%	-93.4%	-98.5%	Industrials
Basic Energy Services Inc	0.00%	-92.5%	-97.7%	Energy
Ophthotech Corp	0.01%	-89.5%	-93.8%	Health Care
Cempra Inc	0.01%	-88.4%	-91.0%	Health Care
Violin Memory Inc	0.00%	-88.2%	-98.2%	Information Technology
Adeptus Health Inc Class A	0.01%	-82.3%	-86.0%	Health Care
6D Global Technologies Inc	0.00%	-80.0%	-99.7%	Information Technology
Proteon Therapeutics Inc	0.00%	-79.6%	-87.7%	Health Care
Anthera Pharmaceuticals Inc	0.00%	-79.4%	-86.0%	Health Care

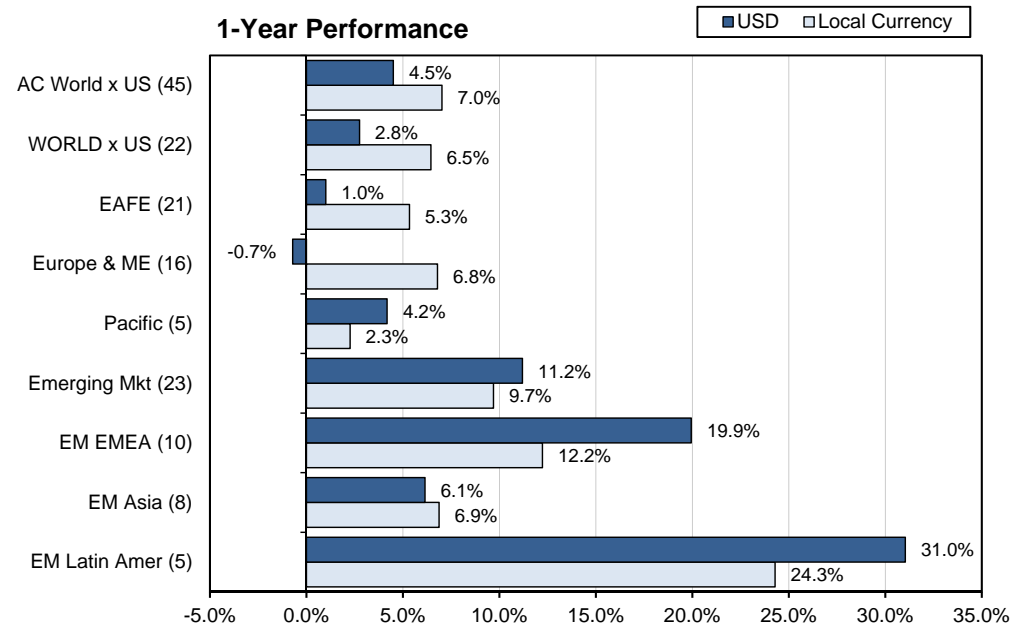


- As the USD versus local currency return charts illustrate, the USD's strength was a major headwind for international index performance during the 4<sup>th</sup> quarter as well as over the trailing one-year period. The primary factor contributing to the return differentials in 2016 was increasing divergence in U.S. monetary policy (tightening) relative to other developed countries (further accommodation). While the U.S. growth prospects support reduced monetary stimulus, economic data in the Eurozone supports a continuation of monetary accommodation to bolster what has been a slow recovery. As such, the European Central Bank (ECB) lengthened its quantitative easing program, originally scheduled to end in March 2017, to December 2017. Although the program was extended, the ECB reduced the size of monthly purchases from \$80 billion euros to \$60 billion euros. This economic divergence was further reinforced after the election as Trump's pro-growth policies and protectionist views on trade, if enacted, favor additional USD strength.
- The 4<sup>th</sup> quarter's USD performance was negative for both developed (-0.7%) and emerging (-4.2%) markets. While emerging market performance (-1.4%) was also negative in local currency terms for the period, the currency impact was more pronounced in developed market results with the MSCI-EAFE Index's local currency return of 7.1% representing a 7.9% spread relative to the benchmark's USD returns. While USD strength is also evident in the one-year performance of developed markets (1.0% USD vs. 5.3% local), USD emerging market performance of 11.2% marginally outpaced the emerging market local currency return of 9.7%. Japanese equities advanced considerably in local currency terms as a weaker yen was viewed as a major tailwind to its export driven economy. The U.K. also posted a solid quarter in local currency terms on the back of a weakening pound sterling and continued stimulus. Despite their local currency return strength, the USD returns of both countries were negative for the quarter with Japan returning -0.2% and the U.K. returning -0.9%.
- While the 4<sup>th</sup> quarter's emerging market results were negatively impacted by rising yields, a stronger USD, and fears surrounding future U.S. trade and foreign policy, one-year performance in emerging markets was more than double the returns posted by developed markets. Although one-year of outperformance does not represent a trend, emerging market investors are hoping for a continuance of 2016's emerging market performance surge after several years of lagging results relative to domestic and developed international equity markets.

**Quarter Performance**



**1-Year Performance**



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

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	12.5%	1.6%	-1.3%
Consumer Staples	11.2%	-10.3%	-2.8%
Energy	5.5%	10.4%	26.8%
Financials	21.2%	9.5%	-1.7%
Health Care	10.7%	-7.8%	-11.8%
Industrials	14.0%	-1.9%	6.7%
Information Technology	5.5%	-3.2%	3.6%
Materials	7.9%	3.4%	24.3%
Real Estate	3.7%	-7.4%	2.6%
Telecommunication Services	4.5%	-6.9%	-7.3%
Utilities	3.4%	-7.4%	-5.5%
<b>Total</b>	<b>100.0%</b>	<b>-0.7%</b>	<b>1.0%</b>

MSCI - ACWIXUS	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	11.5%	-0.9%	-0.6%
Consumer Staples	9.8%	-10.1%	-1.9%
Energy	7.3%	8.3%	31.3%
Financials	23.4%	6.8%	4.0%
Health Care	8.1%	-8.1%	-13.1%
Industrials	11.7%	-2.2%	6.3%
Information Technology	9.3%	-5.0%	10.7%
Materials	8.0%	2.6%	27.6%
Real Estate	3.3%	-7.9%	1.4%
Telecommunication Services	4.7%	-6.7%	-4.1%
Utilities	3.2%	-7.2%	-3.3%
<b>Total</b>	<b>100.0%</b>	<b>-1.3%</b>	<b>4.5%</b>

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	10.3%	-9.5%	0.9%
Consumer Staples	7.2%	-10.5%	0.4%
Energy	7.9%	8.0%	36.5%
Financials	24.4%	-0.7%	15.0%
Health Care	2.5%	-9.6%	-7.5%
Industrials	5.8%	-6.2%	-1.9%
Information Technology	23.3%	-6.3%	16.8%
Materials	7.4%	4.2%	31.4%
Real Estate	2.6%	-10.5%	-1.8%
Telecommunication Services	5.9%	-6.2%	2.0%
Utilities	2.9%	-6.8%	3.2%
<b>Total</b>	<b>100.0%</b>	<b>-4.2%</b>	<b>11.2%</b>

Country	MSCI-EAFE Weight	MSCI-ACWIXUS Weight	Quarter Return	1-Year Return
Japan	24.1%	17.0%	-0.2%	2.4%
United Kingdom	18.3%	12.9%	-0.9%	-0.1%
France	10.2%	7.2%	2.9%	4.9%
Germany	9.3%	6.5%	1.5%	2.8%
Switzerland	8.7%	6.1%	-3.9%	-4.9%
Australia	7.4%	5.2%	0.7%	11.5%
Netherlands	3.3%	2.3%	-2.1%	4.8%
Hong Kong	3.3%	2.3%	-9.0%	2.3%
Spain	3.1%	2.2%	2.2%	-1.0%
Sweden	2.8%	2.0%	-0.8%	0.6%
Italy	2.1%	1.5%	10.8%	-10.5%
Denmark	1.7%	1.2%	-8.7%	-15.8%
Singapore	1.2%	0.9%	-3.6%	1.4%
Belgium	1.2%	0.8%	-11.8%	-7.6%
Finland	1.0%	0.7%	-4.4%	-4.7%
Israel	0.7%	0.5%	-11.3%	-24.9%
Norway	0.7%	0.5%	2.4%	13.3%
Ireland	0.5%	0.3%	0.1%	-7.1%
Austria	0.2%	0.1%	6.5%	11.3%
New Zealand	0.2%	0.1%	-10.9%	18.4%
Portugal	0.2%	0.1%	-2.9%	3.6%
<b>Total EAFE Countries</b>	<b>100.0%</b>	<b>70.3%</b>	<b>-0.7%</b>	<b>1.0%</b>
Canada		7.1%	3.3%	24.6%
<b>Total Developed Countries</b>		<b>77.3%</b>	<b>-0.4%</b>	<b>2.8%</b>
China		6.0%	-7.1%	0.9%
Korea		3.3%	-5.6%	8.8%
Taiwan		2.8%	-2.2%	18.5%
India		1.9%	-8.0%	-1.4%
Brazil		1.7%	2.1%	66.2%
South Africa		1.6%	-4.1%	17.9%
Russia		1.0%	18.6%	54.8%
Mexico		0.8%	-7.9%	-9.2%
Indonesia		0.6%	-7.8%	17.0%
Malaysia		0.6%	-8.4%	-3.9%
Thailand		0.5%	-1.8%	26.6%
Philippines		0.3%	-12.8%	-6.6%
Chile		0.3%	2.2%	15.6%
Poland		0.3%	3.4%	0.1%
Turkey		0.2%	-13.7%	-8.5%
Qatar		0.2%	0.7%	6.3%
United Arab Emirates		0.2%	-1.5%	13.6%
Colombia		0.1%	-2.3%	26.5%
Peru		0.1%	2.5%	55.6%
Greece		0.1%	15.3%	-12.1%
Hungary		0.1%	9.3%	35.4%
Czech Republic		0.0%	-3.4%	-5.0%
Egypt		0.0%	-23.3%	-11.5%
<b>Total Emerging Countries</b>		<b>22.7%</b>	<b>-4.2%</b>	<b>11.2%</b>
<b>Total ACWIXUS Countries</b>		<b>100.0%</b>	<b>-1.3%</b>	<b>4.5%</b>

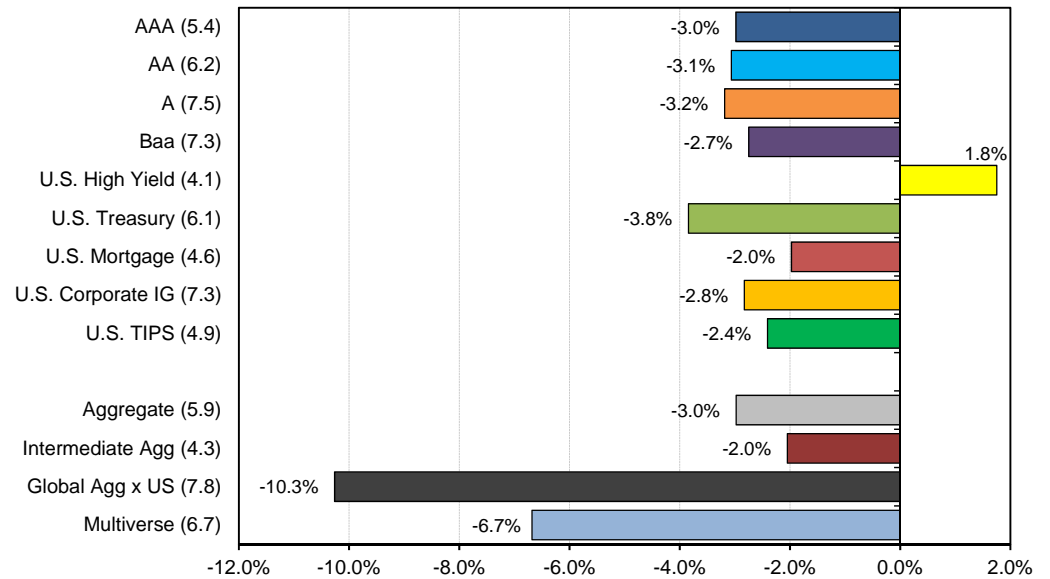
Source: MSCI Global Index Monitor (Returns are Net in USD)



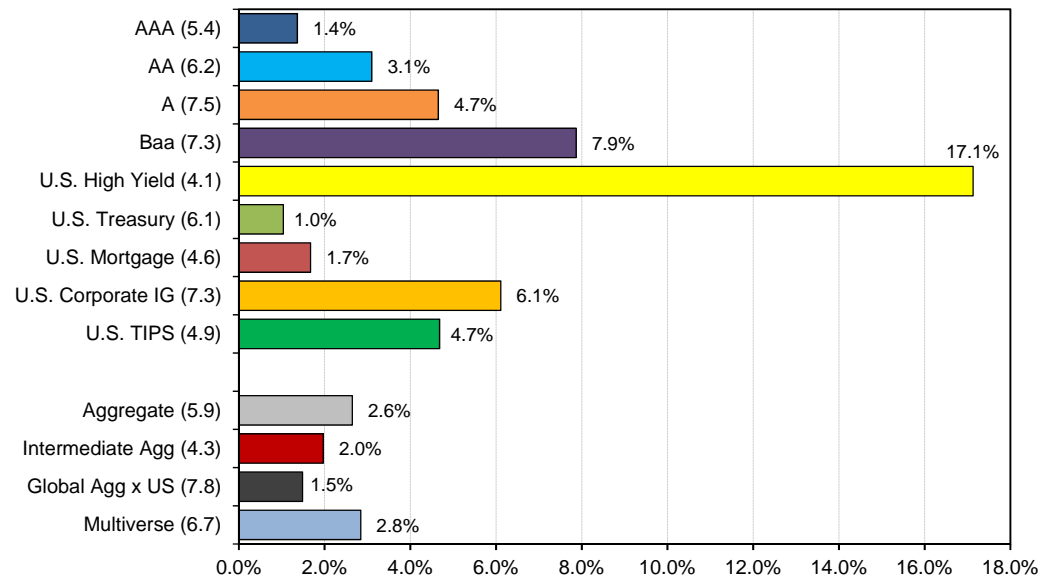


- After defying logic and market expectations with solid positive results for most of 2016, fixed income benchmarks fell across various sectors and quality segments during the 4<sup>th</sup> quarter as the reality of higher interest rates and inflation expectations exerted their powerful impact on yields. On the interest rate front, market rates rose through the quarter as investors prepared for a telegraphed, and ultimately realized, interest rate increase of 25 basis points (bps) by the Fed. The December increase was supported by continued improvement in the U.S. economy, and represented the sole Fed rate increase for 2016. On the inflation front, Donald Trump's victory in the U.S. presidential election also played a role in the quarter's negative fixed income results as market expectations after the victory shifted sentiment toward potentially higher inflation and economic growth.
- Looking through the quality lens, each of the fixed income quality segment benchmarks (with the exception of high yield) finished the 4<sup>th</sup> quarter down roughly -3%. The high yield (lower quality) benchmark was the only index to post a positive result for the quarter with a return of 1.8%. The high yield index benefited from its lower duration (less interest rate sensitivity) as well as a steady compression in credit spreads that offset the impact of generally higher market yields. Extending the comparison to the one-year period, the quality benchmarks all posted positive results with annual returns displaying an inverse relationship with their quality.
- Examining results on a sector basis shows the nominal Treasury sector feeling the largest impact from the yield curve shift with a 4<sup>th</sup> quarter return of -3.8%. The lower-duration TIPS index returned -2.4% for the quarter. The mortgage sector posted the quarter's best relative result with a return of -2.0% benefiting from its lower duration. Given the previously mentioned negative impact of USD strength on foreign investments, the 4<sup>th</sup> quarter was a particularly difficult quarter for global fixed income markets with the Global Aggregate ex-U.S. index returning -10.3%. Despite the 4<sup>th</sup> quarter's negative index results, each sector and global benchmark posted positive results for the trailing one-year period.
- The Fed stated that future rate increases will be implemented at a measured pace and will be based on an ongoing assessment of current economic data. However, future policy action by the new Trump Administration and global economic developments will likely impact the pace of future interest rate increases as well.

**Quarter Performance**

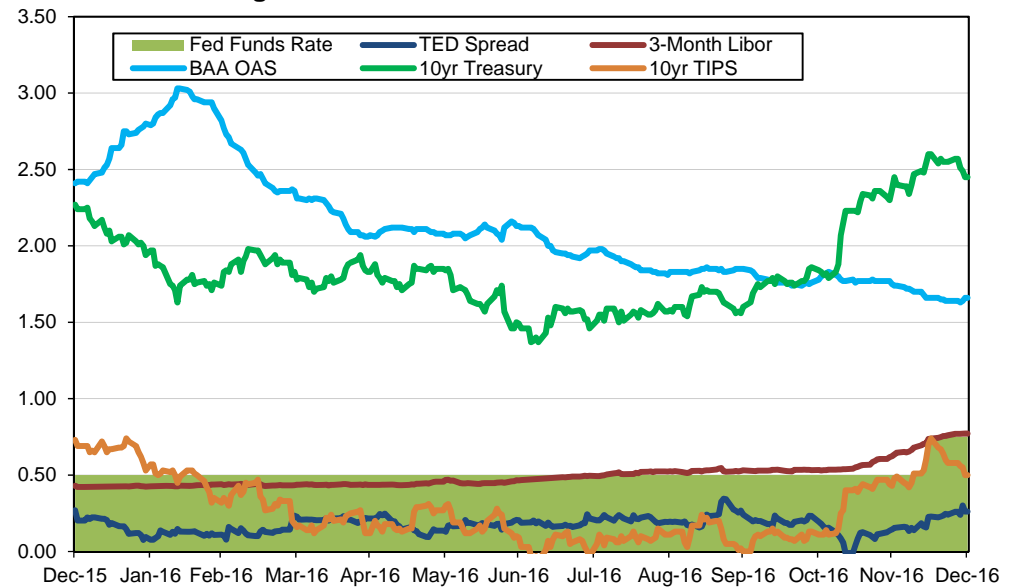


**1-Year Performance**

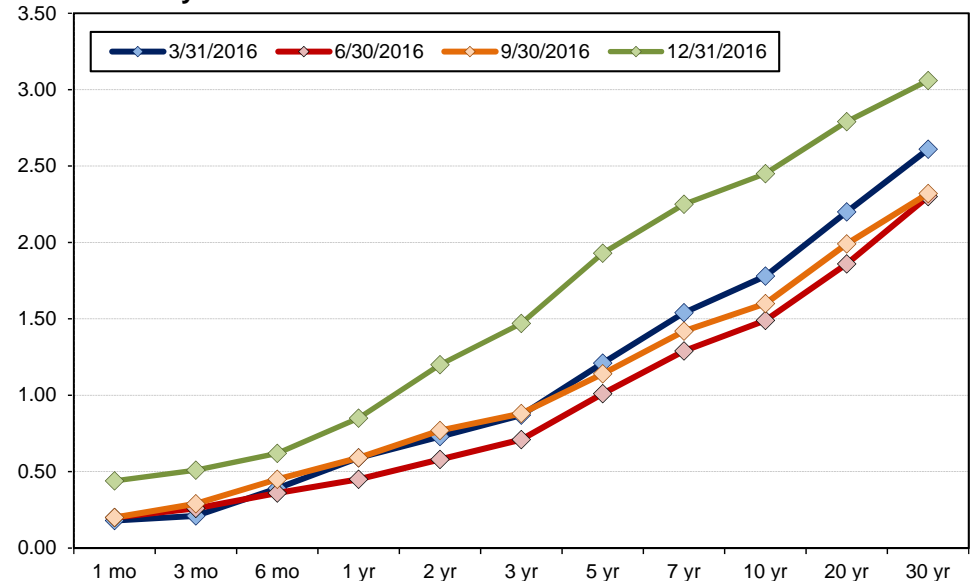


- Much of the index performance detailed in the bar graphs on the previous page is visible on a time series basis by reviewing the line graphs to the right. The '1-Year Trailing Market Rates' chart illustrates that after trading in a tight range for most of the year, the 10-year Treasury yield (green line) rose dramatically over the final months of 2016, closing at a yield (2.45%) near its one-year high. The blue line illustrates changes in the BAA OAS (Option Adjusted Spread). This measure quantifies the additional yield premium that investors require to purchase and hold non-Treasury issues. The steady decline in credit spreads throughout 2016 is equivalent to an interest rate decrease on corporate bonds, which results in a tailwind for corporate bond index returns. While there was some upside momentum in credit spreads early in 2016, they have narrowed by over 1.25% since their high on February 11<sup>th</sup>.
- The lower graph provides a snapshot of the U.S. Treasury yield curve at each of the last four calendar quarters and clearly illustrates the unrest that materialized in Treasury yields during the 4<sup>th</sup> quarter. While each of the last three quarter-end yield curves show a fairly tight distribution, the December 31<sup>st</sup> reading is higher at all maturities with both short- and long-term rates finishing 2016 near the high end of their respective 12-month trading ranges. This upward shift caused yields to rise an average of 22 bps for maturities of less than one-year, 60 bps for the two- to five-year maturity range, and 81 bps for the seven- to thirty-year maturity range. Greater yield increases at the longer end of the curve represent a "steepening" of the yield curve which conveys market anticipation of higher interest rates in the future.
- Given the magnitude of the increase in yields that occurred during the period, it is no surprise that most fixed income indices finished the quarter in negative territory. In a rising rate environment, it is also expected that longer-duration market indices will fall more than equivalent lower-duration benchmarks. Finally, while global benchmarks are impacted by the same yield and duration factors as domestic benchmarks, they have the additional powerful lever of currency impact. This currency effect can either be an offsetting benefit to negative yield and duration factors in a rising rate environment or an exacerbation of negative performance as it was during the 4<sup>th</sup> quarter.

1-Year Trailing Market Rates



Treasury Yield Curve



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

<b>1 Quarter</b>	<b>Market Value 10/01/2016</b>	<b>Net Flows</b>	<b>Return On Investment</b>	<b>Market Value 12/31/2016</b>
<b>Total Fund</b>	<b>38,746,540</b>	<b>386,425</b>	<b>280,686</b>	<b>39,413,651</b>
<b>Total Domestic Equity</b>	<b>16,032,377</b>	<b>-400,000</b>	<b>617,044</b>	<b>16,249,421</b>
Diamond Hill	6,950,649	-	416,392	7,367,041
T Rowe Price	7,263,119	-800,000	132,100	6,595,220
Acorn	1,818,609	400,000	68,552	2,287,161
<b>Total International Equity</b>				
MFS	3,987,749	-	-80,963	3,906,786
<b>Real Estate</b>				
Baring/Cornerstone	1,212,895	-3,335	27,736	1,237,296
<b>Total Fixed Income</b>				
Ziegler	15,048,924	400,000	-285,869	15,163,056
Cash	2,464,595	389,760	2,737	2,857,092



<b>Fiscal Year To Date</b>	<b>Market Value 01/01/2016</b>	<b>Net Flows</b>	<b>Return On Investment</b>	<b>Market Value 12/31/2016</b>
<b>Total Fund</b>	<b>35,272,170</b>	<b>2,440,518</b>	<b>1,700,963</b>	<b>39,413,651</b>
<b>Total Domestic Equity</b>	<b>15,913,482</b>	<b>-1,000,000</b>	<b>1,335,940</b>	<b>16,249,421</b>
Diamond Hill	6,709,187	-300,000	957,854	7,367,041
T Rowe Price	7,497,773	-1,100,000	197,446	6,595,220
Acorn	1,706,522	400,000	180,639	2,287,161
<b>Total International Equity</b>				
MFS	3,894,922	-	11,864	3,906,786
<b>Real Estate</b>				
Baring/Cornerstone	1,139,118	-12,949	111,127	1,237,296
<b>Total Fixed Income</b>				
Ziegler	13,328,688	1,600,000	234,368	15,163,056
Cash	995,961	1,853,466	7,665	2,857,092



**Financial Reconciliation**  
**Total Fund**  
**1 Year Ending December 31, 2016**

<b>1 Year</b>				
	<b>Market Value 01/01/2016</b>	<b>Net Flows</b>	<b>Return On Investment</b>	<b>Market Value 12/31/2016</b>
<b>Total Fund</b>	<b>35,272,170</b>	<b>2,440,518</b>	<b>1,700,963</b>	<b>39,413,651</b>
<b>Total Domestic Equity</b>	<b>15,913,482</b>	<b>-1,000,000</b>	<b>1,335,940</b>	<b>16,249,421</b>
Diamond Hill	6,709,187	-300,000	957,854	7,367,041
T Rowe Price	7,497,773	-1,100,000	197,446	6,595,220
Acorn	1,706,522	400,000	180,639	2,287,161
<b>Total International Equity</b>				
MFS	3,894,922	-	11,864	3,906,786
<b>Real Estate</b>				
Baring/Cornerstone	1,139,118	-12,949	111,127	1,237,296
<b>Total Fixed Income</b>				
Ziegler	13,328,688	1,600,000	234,368	15,163,056
Cash	995,961	1,853,466	7,665	2,857,092



Asset Allocation Attributes	Domestic Equity		International Equity		Domestic Fixed Income		Real Estate		Cash Equivalent		Total Fund	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%
<b>Total Fund</b>	<b>16,249,421</b>	<b>41.2</b>	<b>3,906,786</b>	<b>9.9</b>	<b>14,385,925</b>	<b>36.5</b>	<b>1,237,296</b>	<b>3.1</b>	<b>3,634,223</b>	<b>9.2</b>	<b>39,413,651</b>	<b>100.0</b>
Total Domestic Equity	16,249,421	100.0	-	-	-	-	-	-	-	-	16,249,421	41.2
Diamond Hill	7,367,041	100.0	-	-	-	-	-	-	-	-	7,367,041	18.7
T Rowe Price	6,595,220	100.0	-	-	-	-	-	-	-	-	6,595,220	16.7
Acorn	2,287,161	100.0	-	-	-	-	-	-	-	-	2,287,161	5.8
<b>Total International Equity</b>												
MFS	-	-	3,906,786	100.0	-	-	-	-	-	-	3,906,786	9.9
<b>Real Estate</b>												
Baring/Cornerstone	-	-	-	-	-	-	1,237,296	100.0	-	-	1,237,296	3.1
<b>Total Fixed Income</b>												
Ziegler	-	-	-	-	14,385,925	94.9	-	-	777,131	5.1	15,163,056	38.5
Cash	-	-	-	-	-	-	-	-	2,857,092	100.0	2,857,092	7.2

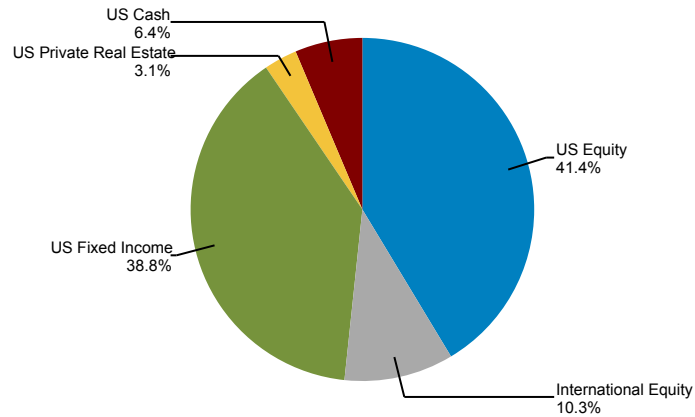


**Asset Allocation By Asset Class**

**Total fund**

**As of December 31, 2016**

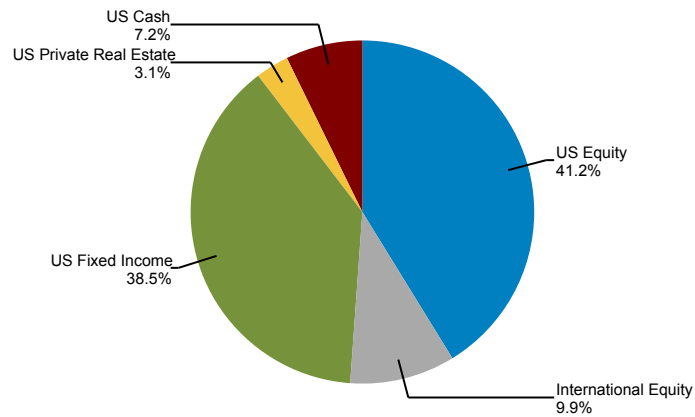
**September 30, 2016 : \$38,746,540**



**Allocation**

	Market Value	Allocation
US Equity	16,032,377	41.4
International Equity	3,987,749	10.3
US Fixed Income	15,048,924	38.8
US Private Real Estate	1,212,895	3.1
US Cash	2,464,595	6.4

**December 31, 2016 : \$39,413,651**



**Allocation**

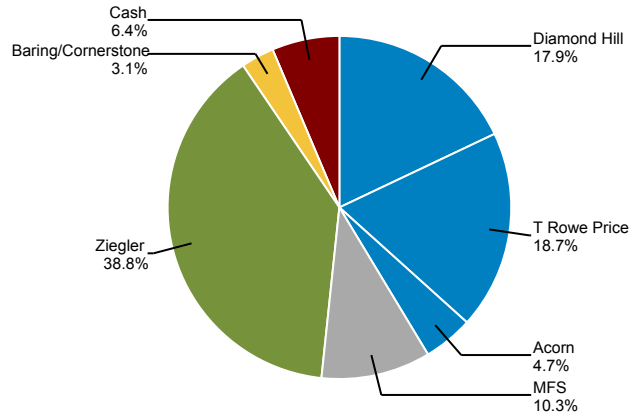
	Market Value	Allocation
US Equity	16,249,421	41.2
International Equity	3,906,786	9.9
US Fixed Income	15,163,056	38.5
US Private Real Estate	1,237,296	3.1
US Cash	2,857,092	7.2



**Asset Allocation By Manager  
Total Fund**

As of December 31, 2016

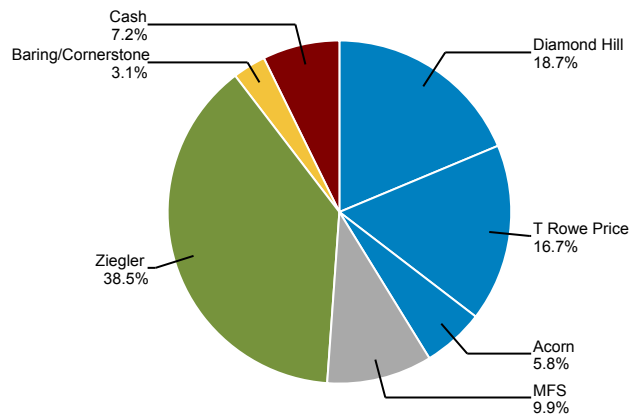
**September 30, 2016 : \$38,746,540**



**Allocation**

	Market Value	Allocation
■ Diamond Hill	6,950,649	17.9
■ T Rowe Price	7,263,119	18.7
■ Acorn	1,818,609	4.7
■ MFS	3,987,749	10.3
■ Ziegler	15,048,924	38.8
■ Baring/Cornerstone	1,212,895	3.1
■ Cash	2,464,595	6.4

**December 31, 2016 : \$39,413,651**



**Allocation**

	Market Value	Allocation
■ Diamond Hill	7,367,041	18.7
■ T Rowe Price	6,595,220	16.7
■ Acorn	2,287,161	5.8
■ MFS	3,906,786	9.9
■ Ziegler	15,163,056	38.5
■ Baring/Cornerstone	1,237,296	3.1
■ Cash	2,857,092	7.2

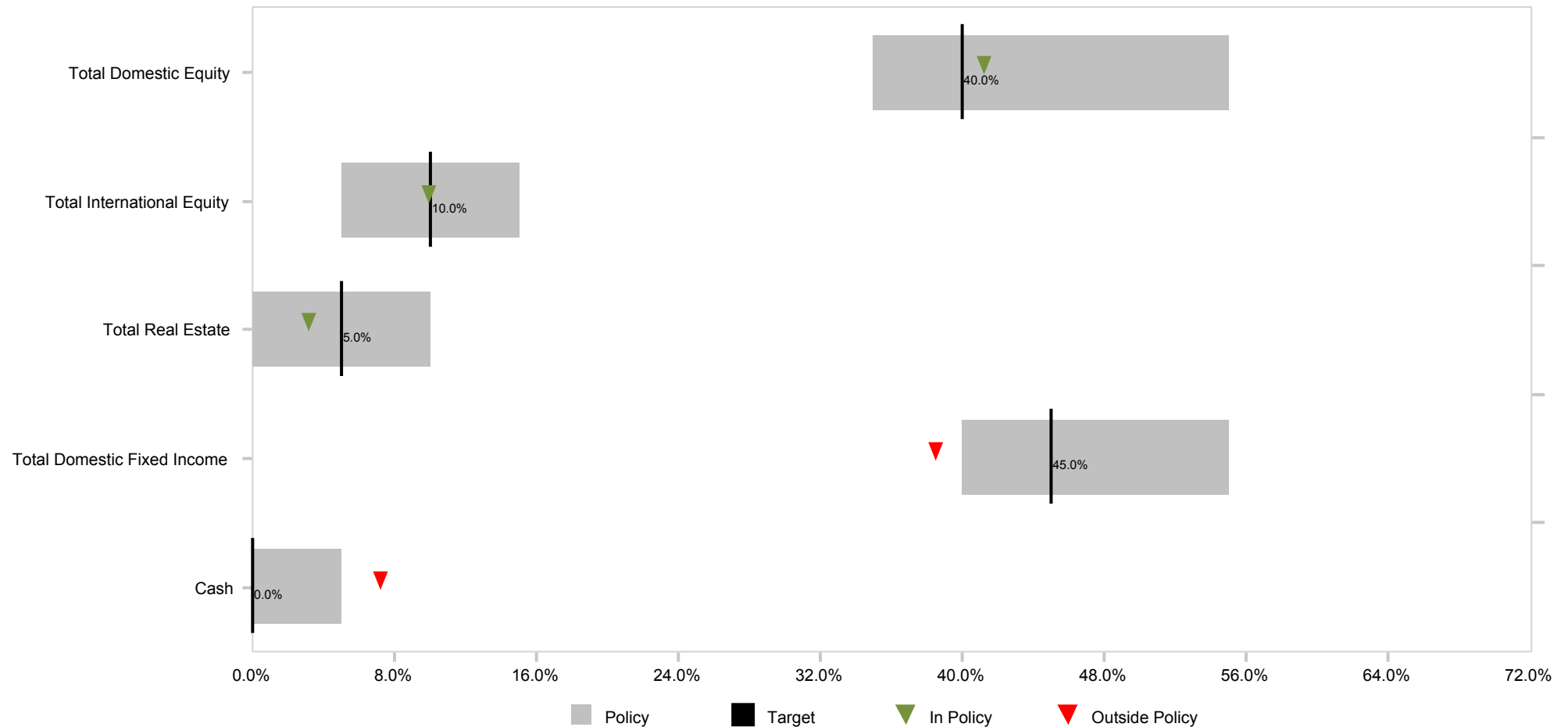




Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Target Allocation (%)	Maximum Allocation (%)	Target Rebal. (\$)	Differences (%)
Total Fund	39,413,651	100.0		100.0		-	0.0
Total Domestic Equity	16,249,421	41.2	35.0	40.0	55.0	-483,961	1.2
Total International Equity	3,906,786	9.9	5.0	10.0	15.0	34,579	-0.1
Total Real Estate	1,237,296	3.1	0.0	5.0	10.0	733,387	-1.9
Total Domestic Fixed Income	15,163,056	38.5	40.0	45.0	55.0	2,573,087	-6.5
Cash	2,857,092	7.2	0.0	0.0	5.0	-2,857,092	7.2

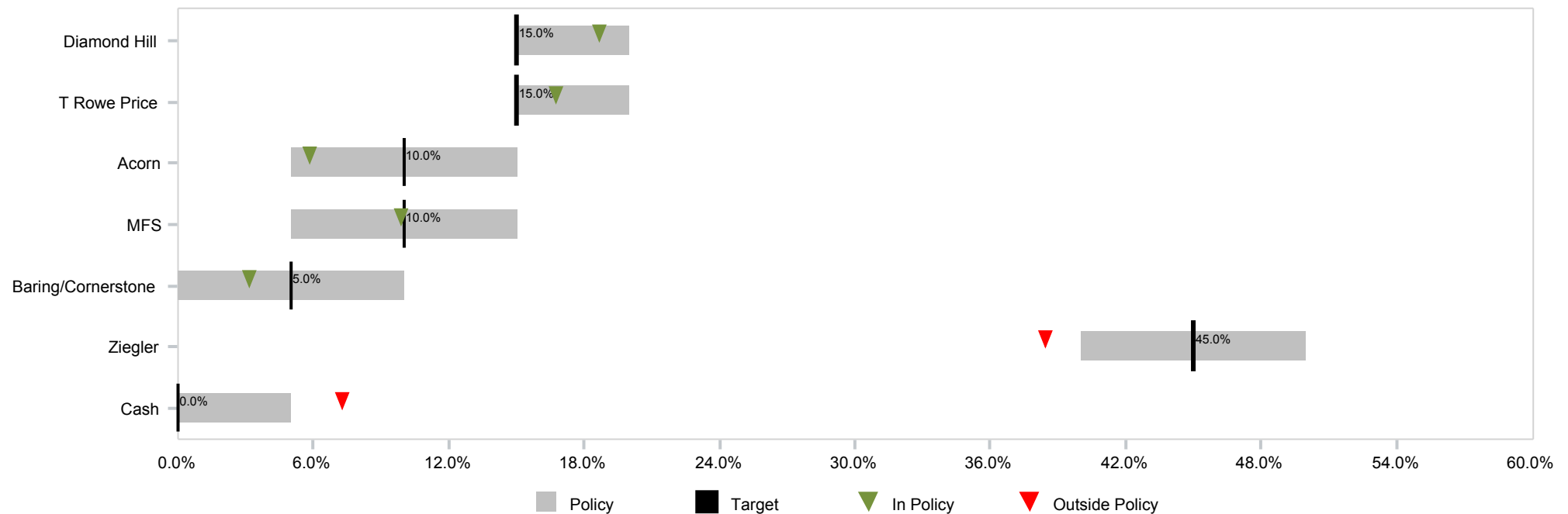
Allocation Summary



Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Target Allocation (%)	Maximum Allocation (%)	Target Rebal. (\$)	Differences (%)
Total Fund	39,413,651	100.0		100.0		-	0.0
Total Fund Without Cash	36,556,559	92.8		100.0		2,857,092	-7.2
Total Equity	20,156,208	51.1		50.0		-449,382	1.1
Total Domestic Equity	16,249,421	41.2		40.0		-483,961	1.2
Diamond Hill	7,367,041	18.7	15.0	15.0	20.0	-1,454,993	3.7
T Rowe Price	6,595,220	16.7	15.0	15.0	20.0	-683,172	1.7
Acorn	2,287,161	5.8	5.0	10.0	15.0	1,654,205	-4.2
Total International Equity	3,906,786	9.9		10.0		34,579	-0.1
MFS	3,906,786	9.9	5.0	10.0	15.0	34,579	-0.1
Total Real Estate	1,237,296	3.1		5.0		733,387	-1.9
Baring/Cornerstone	1,237,296	3.1	0.0	5.0	10.0	733,387	-1.9
Total Fixed Income	15,163,056	38.5		45.0		2,573,087	-6.5
Total Domestic Fixed Income	15,163,056	38.5		45.0		2,573,087	-6.5
Ziegler	15,163,056	38.5	40.0	45.0	50.0	2,573,087	-6.5
Cash	2,857,092	7.2	0.0	0.0	5.0	-2,857,092	7.2

Allocation Summary



Comparative Performance												
	QTR		FYTD		1 YR		3 YR		5 YR		7 YR	
<b>Total Fund</b>	<b>0.73</b>	<b>(44)</b>	<b>4.53</b>	<b>(91)</b>	<b>4.53</b>	<b>(91)</b>	<b>4.12</b>	<b>(58)</b>	<b>7.88</b>	<b>(60)</b>	<b>7.44</b>	<b>(61)</b>
Total Fund Policy	0.87	(39)	6.75	(62)	6.75	(62)	4.90	(34)	8.16	(51)	7.93	(45)
All Master Trust - Total Fund Median	0.57		7.22		7.22		4.37		8.18		7.76	
<b>Total Fund Without Cash</b>	<b>0.77</b>	<b>(43)</b>	<b>4.93</b>	<b>(88)</b>	<b>4.93</b>	<b>(88)</b>	<b>4.37</b>	<b>(51)</b>	<b>8.20</b>	<b>(50)</b>	<b>7.95</b>	<b>(44)</b>
All Master Trust - Total Fund Median	0.57		7.22		7.22		4.37		8.18		7.76	
<b>Total Fund</b>	<b>0.73</b>	<b>(48)</b>	<b>4.53</b>	<b>(96)</b>	<b>4.53</b>	<b>(96)</b>	<b>4.12</b>	<b>(72)</b>	<b>7.88</b>	<b>(72)</b>	<b>7.44</b>	<b>(73)</b>
Total Fund Policy	0.87	(42)	6.75	(65)	6.75	(65)	4.90	(35)	8.16	(65)	7.93	(54)
All Public Plans-Total Fund Median	0.66		7.21		7.21		4.59		8.48		8.01	
<b>Total Domestic Equity</b>	<b>3.87</b>	<b>(56)</b>	<b>8.78</b>	<b>(86)</b>	<b>8.78</b>	<b>(86)</b>	<b>7.21</b>	<b>(64)</b>	<b>13.15</b>	<b>(74)</b>	<b>12.26</b>	<b>(64)</b>
Russell 3000 Index	4.21	(46)	12.74	(44)	12.74	(44)	8.43	(29)	14.67	(36)	12.92	(40)
All Master Trust-US Equity Segment Median	4.12		12.44		12.44		7.73		14.26		12.67	
Diamond Hill	5.99	(73)	14.79	(42)	14.79	(42)	N/A		N/A		N/A	
Russell 1000 Value Index	6.68	(57)	17.34	(22)	17.34	(22)	8.59	(7)	14.80	(14)	12.72	(12)
Russell 1000 Index	3.83	(94)	12.05	(77)	12.05	(77)	8.59	(7)	14.69	(15)	12.90	(10)
IM U.S. Large Cap Value Equity (MF) Median	6.85		14.00		14.00		6.80		13.52		10.93	
T Rowe Price	1.76	(7)	2.87	(40)	2.87	(40)	N/A		N/A		N/A	
Russell 1000 Growth Index	1.01	(16)	7.08	(8)	7.08	(8)	8.55	(8)	14.50	(21)	13.03	(8)
IM U.S. Large Cap Growth Equity (MF) Median	-1.20		1.98		1.98		6.09		12.95		11.13	
Acorn	3.58	(98)	10.39	(96)	10.39	(96)	3.07	(90)	N/A		N/A	
Russell 2500 Index	6.12	(87)	17.59	(68)	17.59	(68)	6.93	(43)	14.54	(35)	13.56	(29)
Russell 2500 Growth Index	2.60	(99)	9.73	(97)	9.73	(97)	5.45	(67)	13.88	(47)	13.52	(30)
IM U.S. SMID Cap Core Equity (MF) Median	8.80		19.67		19.67		6.51		13.65		12.41	
<b>Total International Equity</b>												
MFS	-2.03	(58)	0.30	(62)	0.30	(62)	-1.32	(36)	7.23	(23)	5.47	(16)
MSCI EAFE (Net) Index	-0.71	(27)	1.00	(52)	1.00	(52)	-1.60	(44)	6.53	(36)	3.81	(42)
MSCI AC World ex USA (Net) Index	-1.25	(35)	4.50	(20)	4.50	(20)	-1.78	(48)	5.00	(76)	2.93	(68)
IM International Core Equity (MF) Median	-1.68		1.09		1.09		-1.88		6.16		3.47	
<b>Real Estate</b>												
Baring/Cornerstone	2.29	(54)	9.80	(47)	9.80	(47)	N/A		N/A		N/A	
NCREIF Fund Index-Open End Diversified Core (EW)	2.16	(67)	9.27	(53)	9.27	(53)	12.21	(69)	12.20	(75)	13.28	(73)
IM U.S. Open End Private Real Estate (SA+CF) Median	2.30		9.47		9.47		12.77		13.01		14.12	

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



Comparative Performance

Total Fund

As of December 31, 2016

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR	
<b>Total Fixed Income</b>												
Ziegler	-1.90	(57)	1.88	(84)	1.88	(84)	2.41	(54)	2.36	(47)	3.63	(36)
BB Intermediate Agg Index (as of 3-14) / BB Agg	-2.05	(79)	1.97	(77)	1.97	(77)	2.60	(38)	1.97	(78)	3.44	(44)
IM U.S. Intermediate Duration (SA+CF) Median	-1.84		2.39		2.39		2.46		2.30		3.33	
<b>Cash</b>	<b>0.13</b>		<b>0.38</b>		<b>0.38</b>		<b>0.16</b>		<b>0.13</b>		<b>0.12</b>	
90 Day U.S. Treasury Bill	0.07		0.25		0.25		0.11		0.09		0.10	

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



Comparative Performance

Total Fund

1 Year Ending

Comparative Performance														
	Dec-2016		Dec-2015		Dec-2014		Dec-2013		Dec-2012		Dec-2011		Dec-2010	
<b>Total Fund</b>	<b>4.53</b>	<b>(91)</b>	<b>2.69</b>	<b>(4)</b>	<b>5.16</b>	<b>(67)</b>	<b>15.75</b>	<b>(50)</b>	<b>11.82</b>	<b>(62)</b>	<b>2.62</b>	<b>(21)</b>	<b>10.24</b>	<b>(84)</b>
Total Fund Policy	6.75	(62)	1.28	(14)	6.77	(37)	15.42	(54)	11.09	(73)	3.01	(17)	11.88	(63)
All Master Trust - Total Fund Median	7.22		-0.45		6.11		15.69		12.38		0.36		12.57	
<b>Total Fund Without Cash</b>	<b>4.93</b>	<b>(88)</b>	<b>2.65</b>	<b>(4)</b>	<b>5.55</b>	<b>(60)</b>	<b>16.19</b>	<b>(45)</b>	<b>12.28</b>	<b>(53)</b>	<b>3.06</b>	<b>(17)</b>	<b>11.74</b>	<b>(65)</b>
All Master Trust - Total Fund Median	7.22		-0.45		6.11		15.69		12.38		0.36		12.57	
<b>Total Fund</b>	<b>4.53</b>	<b>(96)</b>	<b>2.69</b>	<b>(3)</b>	<b>5.16</b>	<b>(83)</b>	<b>15.75</b>	<b>(66)</b>	<b>11.82</b>	<b>(70)</b>	<b>2.62</b>	<b>(8)</b>	<b>10.24</b>	<b>(95)</b>
Total Fund Policy	6.75	(65)	1.28	(17)	6.77	(50)	15.42	(71)	11.09	(84)	3.01	(6)	11.88	(72)
All Public Plans-Total Fund Median	7.21		0.03		6.76		16.87		12.58		0.17		12.81	
<b>Total Domestic Equity</b>	<b>8.78</b>	<b>(86)</b>	<b>3.89</b>	<b>(3)</b>	<b>9.04</b>	<b>(79)</b>	<b>30.40</b>	<b>(71)</b>	<b>15.44</b>	<b>(77)</b>	<b>3.71</b>	<b>(8)</b>	<b>16.78</b>	<b>(64)</b>
Russell 3000 Index	12.74	(44)	0.48	(41)	12.56	(20)	33.55	(48)	16.42	(57)	1.03	(35)	16.93	(63)
All Master Trust-US Equity Segment Median	12.44		0.20		11.05		33.37		16.60		0.09		17.79	
Diamond Hill	14.79	(42)	-0.74	(9)	N/A		N/A		N/A		N/A		N/A	
Russell 1000 Value Index	17.34	(22)	-3.83	(52)	13.45	(6)	32.53	(50)	17.51	(25)	0.39	(21)	15.51	(20)
Russell 1000 Index	12.05	(77)	0.92	(5)	13.24	(8)	33.11	(44)	16.42	(38)	1.50	(14)	16.10	(16)
IM U.S. Large Cap Value Equity (MF) Median	14.00		-3.78		10.80		32.47		15.55		-2.46		12.70	
T Rowe Price	2.87	(40)	10.08	(11)	N/A		N/A		N/A		N/A		N/A	
Russell 1000 Growth Index	7.08	(8)	5.67	(50)	13.05	(22)	33.48	(55)	15.26	(47)	2.64	(10)	16.71	(32)
IM U.S. Large Cap Growth Equity (MF) Median	1.98		5.62		10.51		33.94		14.90		-1.79		15.14	
Acorn	10.39	(96)	-1.57	(15)	0.78	(86)	30.69	(90)	N/A		N/A		N/A	
Russell 2500 Index	17.59	(68)	-2.90	(33)	7.07	(31)	36.80	(41)	17.88	(24)	-2.51	(40)	26.71	(34)
Russell 2500 Growth Index	9.73	(97)	-0.19	(4)	7.05	(31)	40.65	(13)	16.13	(43)	-1.57	(26)	28.86	(15)
IM U.S. SMID Cap Core Equity (MF) Median	19.67		-3.89		5.49		35.63		15.22		-3.39		25.54	
<b>Total International Equity</b>														
MFS	0.30	(62)	0.02	(37)	-4.21	(30)	19.47	(62)	23.45	(7)	-9.15	(9)	12.71	(25)
MSCI EAFE (Net) Index	1.00	(52)	-0.81	(46)	-4.90	(42)	22.78	(28)	17.32	(61)	-12.14	(30)	7.75	(69)
MSCI AC World ex USA (Net) Index	4.50	(20)	-5.66	(87)	-3.87	(24)	15.29	(82)	16.83	(68)	-13.71	(51)	11.15	(38)
IM International Core Equity (MF) Median	1.09		-1.04		-5.51		20.69		18.00		-13.66		9.91	
<b>Real Estate</b>														
Baring/Cornerstone	9.80	(47)	14.21	(71)	N/A		N/A		N/A		N/A		N/A	
NCREIF Fund Index-Open End Diversified Core (EW)	9.27	(53)	15.17	(49)	12.28	(81)	13.34	(62)	11.03	(77)	15.96	(44)	16.14	(51)
IM U.S. Open End Private Real Estate (SA+CF) Median	9.47		15.01		13.66		14.63		12.45		15.78		16.28	

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



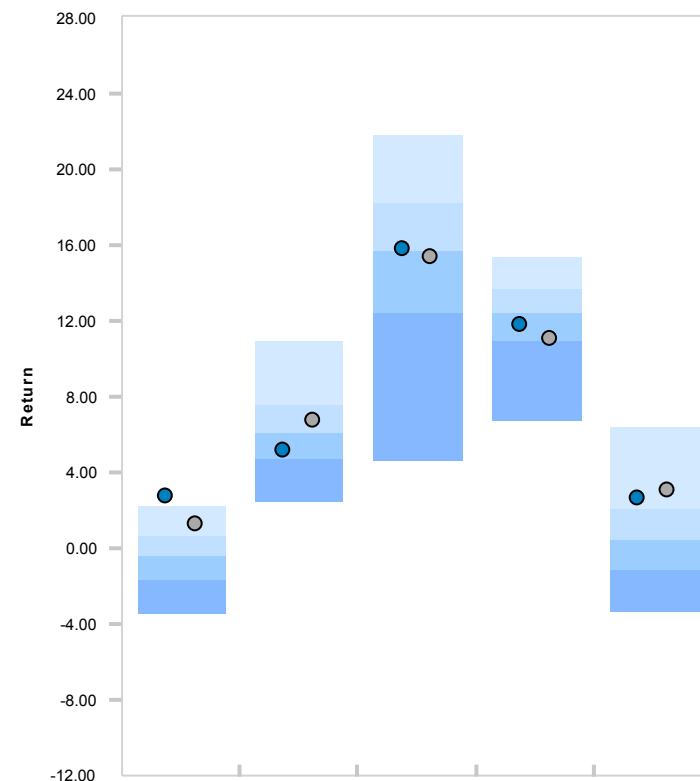
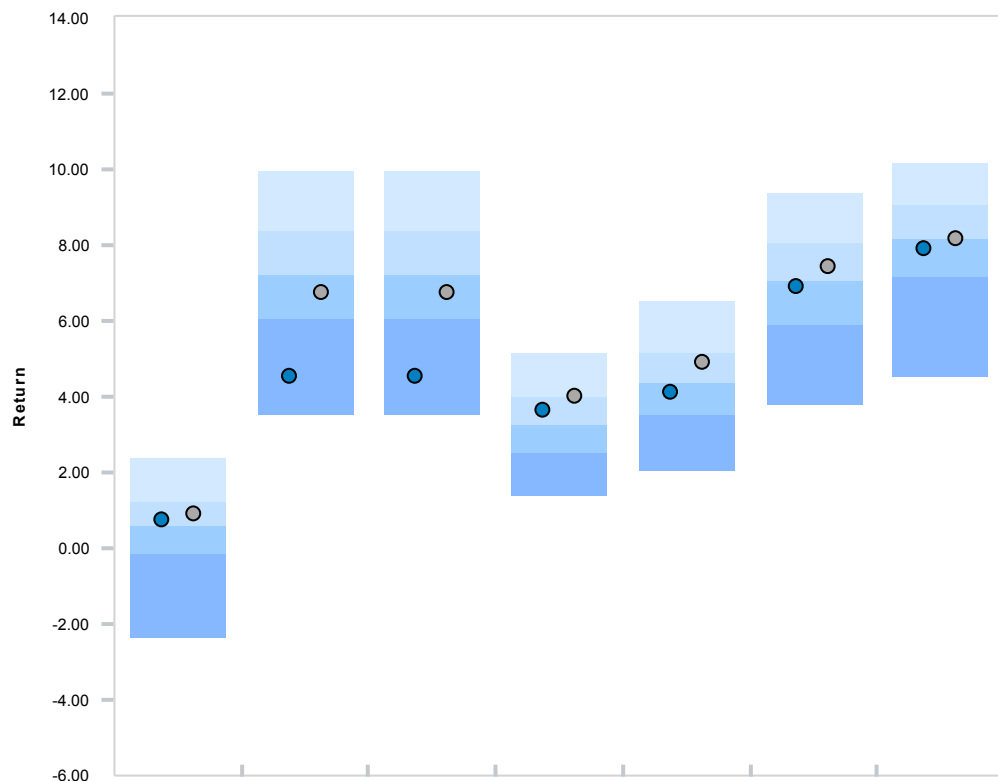
**Comparative Performance**  
**Total Fund**  
**1 Year Ending**

	Dec-2016		Dec-2015		Dec-2014		Dec-2013		Dec-2012		Dec-2011		Dec-2010	
<b>Total Fixed Income</b>														
Ziegler	1.88	(84)	1.23	(60)	4.14	(28)	-1.33	(90)	6.04	(26)	6.47	(19)	7.25	(23)
BB Intermediate Agg Index (as of 3-14) / BB Agg	1.97	(77)	1.21	(63)	4.64	(16)	-2.02	(98)	4.21	(69)	7.84	(4)	6.54	(44)
IM U.S. Intermediate Duration (SA+CF) Median	2.39		1.30		3.56		-0.53		4.95		5.87		6.42	
<b>Cash</b>														
90 Day U.S. Treasury Bill	0.25		0.03		0.04		0.05		0.08		0.08		0.13	

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



Peer Group Analysis - All Master Trust - Total Fund



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Fund	0.73 (44)	4.53 (91)	4.53 (91)	3.61 (40)	4.12 (58)	6.92 (54)	7.88 (60)
● Total Fund Policy	0.87 (39)	6.75 (62)	6.75 (62)	3.98 (26)	4.90 (34)	7.44 (40)	8.16 (51)
Median	0.57	7.22	7.22	3.29	4.37	7.07	8.18

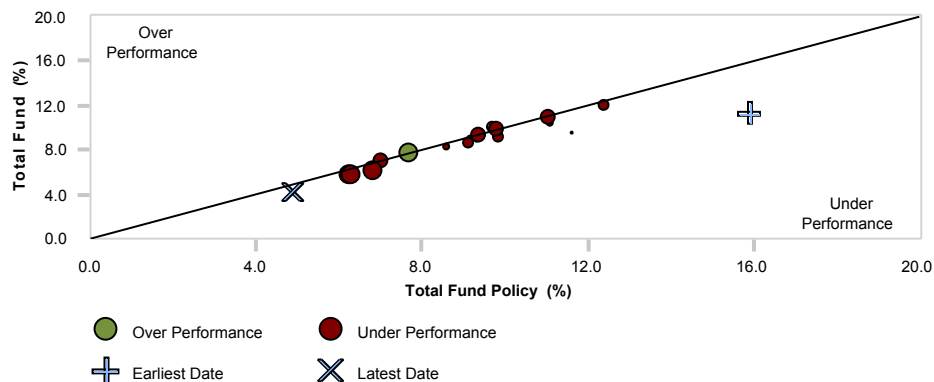
	2015	2014	2013	2012	2011
● Total Fund	2.69 (4)	5.16 (68)	15.75 (50)	11.82 (63)	2.62 (21)
● Total Fund Policy	1.28 (14)	6.77 (38)	15.42 (54)	11.09 (74)	3.01 (17)
Median	-0.45	6.14	15.73	12.42	0.37

Comparative Performance

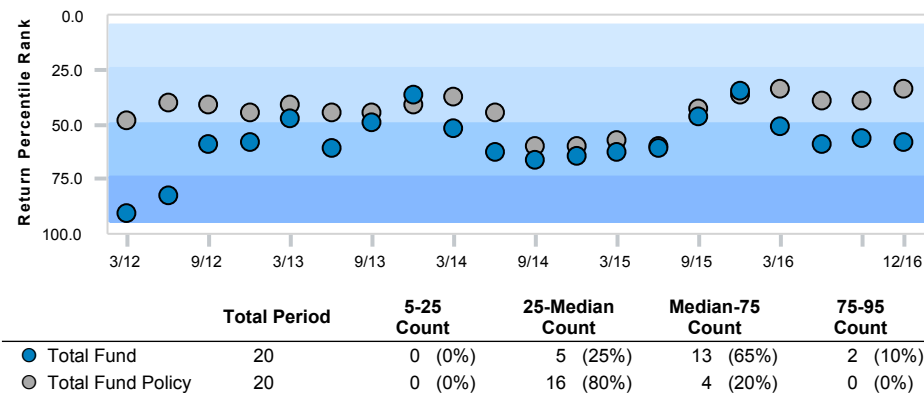
	1 Qtr Ending Sep-2016	1 Qtr Ending Jun-2016	1 Qtr Ending Mar-2016	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015
Total Fund	3.64 (44)	0.83 (94)	-0.69 (96)	3.33 (20)	-3.71 (23)	0.65 (12)
Total Fund Policy	2.75 (79)	1.74 (60)	1.24 (41)	2.67 (44)	-3.45 (20)	-0.05 (49)
All Master Trust - Total Fund Median	3.52	1.89	1.04	2.53	-4.99	-0.08



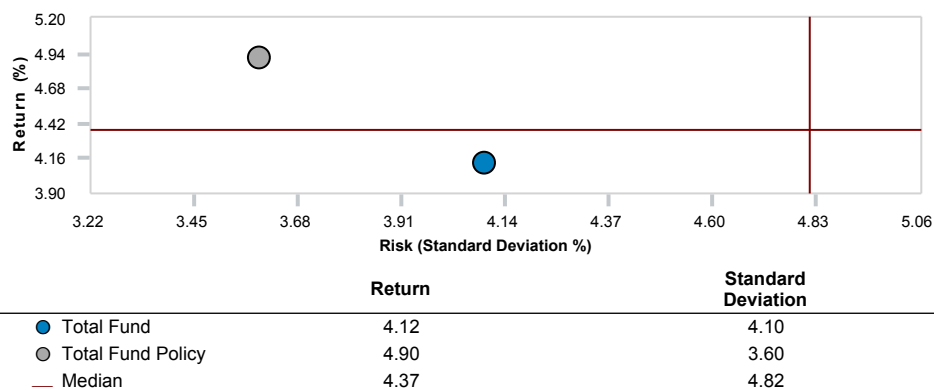
### 3 Yr Rolling Under/Over Performance - 5 Years



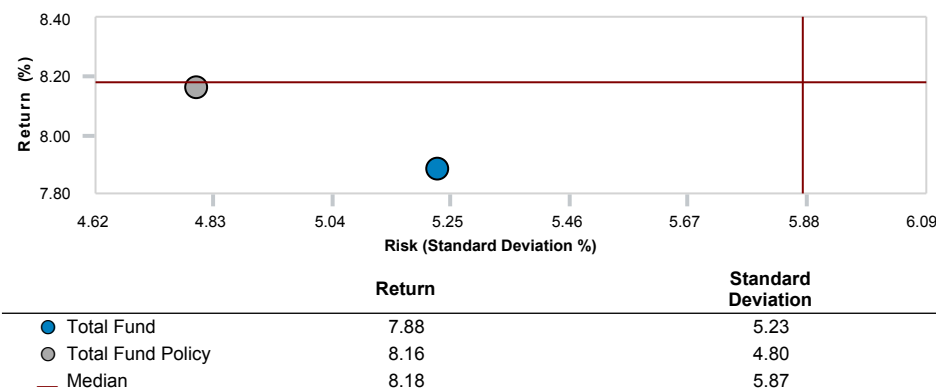
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.66	86.02	89.77	-0.94	-0.44	0.98	1.04	2.22
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.33	1.00	2.04

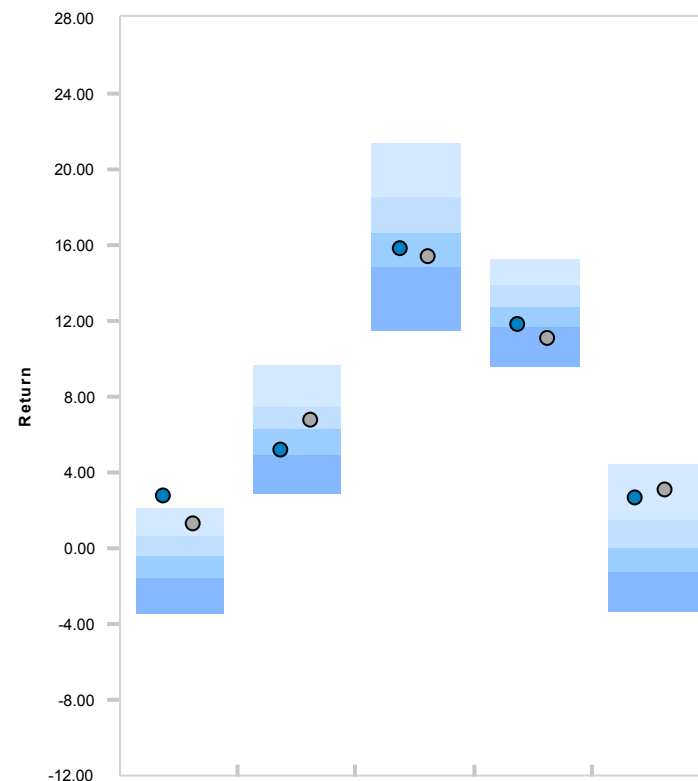
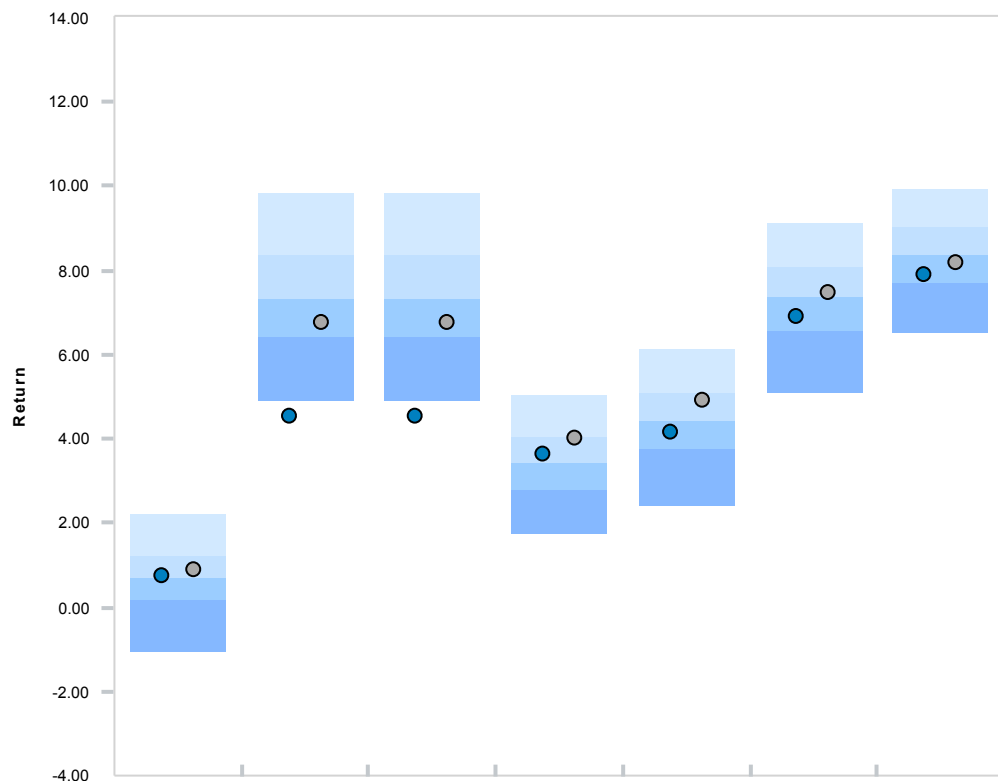
### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.36	95.71	86.36	-0.67	-0.18	1.47	1.05	1.76
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.65	1.00	1.66





**Peer Group Analysis - Master Trust >=45% and <65% Equity**



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Fund	0.73 (48)	4.53 (98)	4.53 (98)	3.61 (44)	4.12 (63)	6.92 (66)	7.88 (70)
● Total Fund Policy	0.87 (43)	6.75 (68)	6.75 (68)	3.98 (29)	4.90 (32)	7.44 (47)	8.16 (60)
Median	0.67	7.31	7.31	3.46	4.45	7.35	8.37

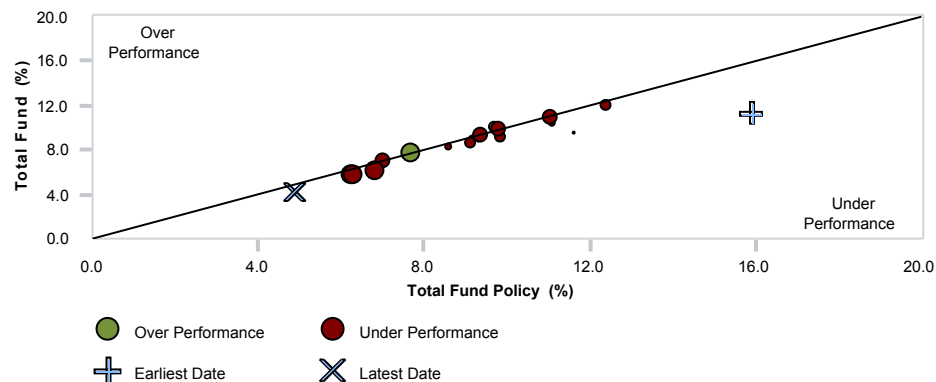
	2015	2014	2013	2012	2011
● Total Fund	2.69 (3)	5.16 (73)	15.75 (63)	11.82 (72)	2.62 (13)
● Total Fund Policy	1.28 (13)	6.77 (41)	15.42 (69)	11.09 (84)	3.01 (10)
Median	-0.38	6.34	16.68	12.75	0.01

**Comparative Performance**

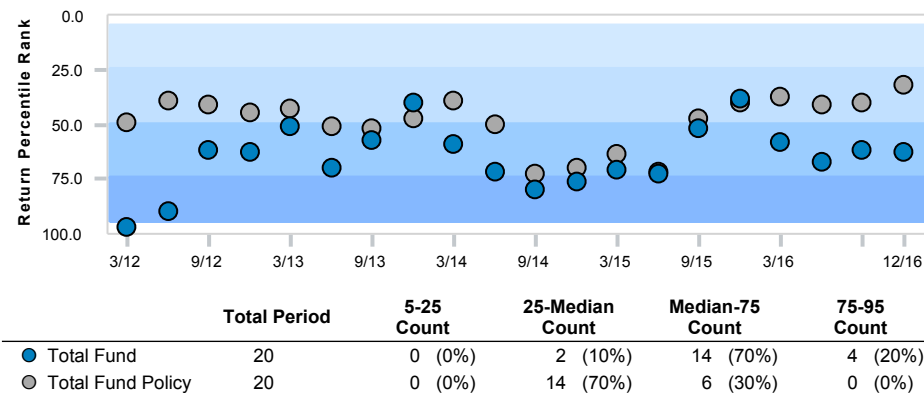
	1 Qtr Ending Sep-2016	1 Qtr Ending Jun-2016	1 Qtr Ending Mar-2016	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015
Total Fund	3.64 (52)	0.83 (96)	-0.69 (97)	3.33 (22)	-3.71 (6)	0.65 (13)
Total Fund Policy	2.75 (90)	1.74 (61)	1.24 (37)	2.67 (57)	-3.45 (4)	-0.05 (54)
Master Trust >=45% and <65% Equity Median	3.66	1.88	0.93	2.80	-5.28	0.00



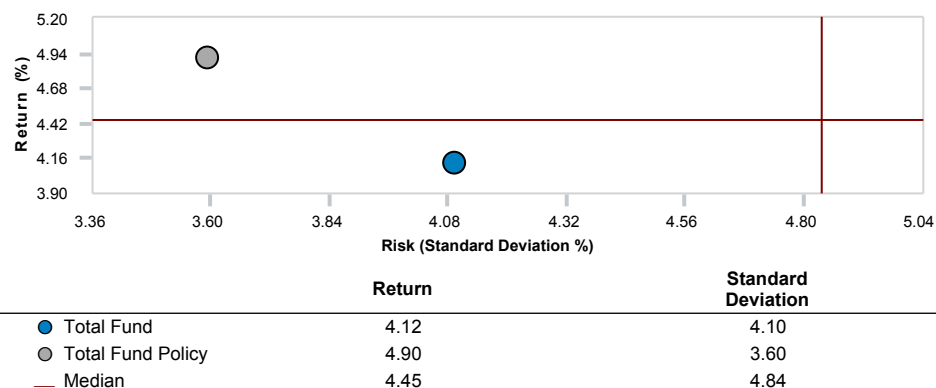
### 3 Yr Rolling Under/Over Performance - 5 Years



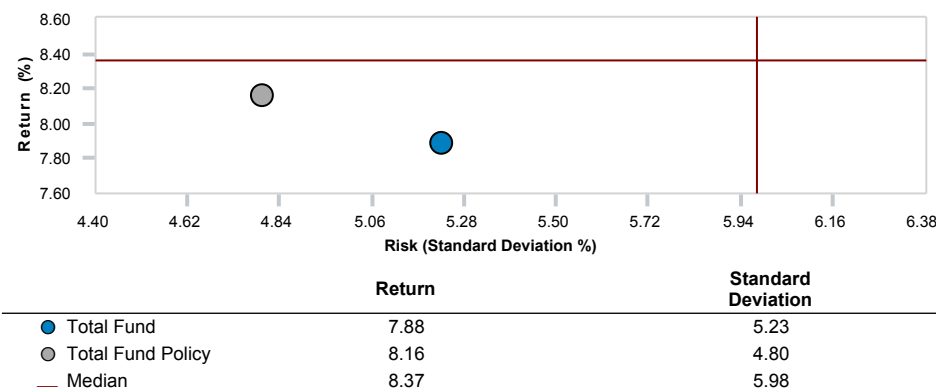
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

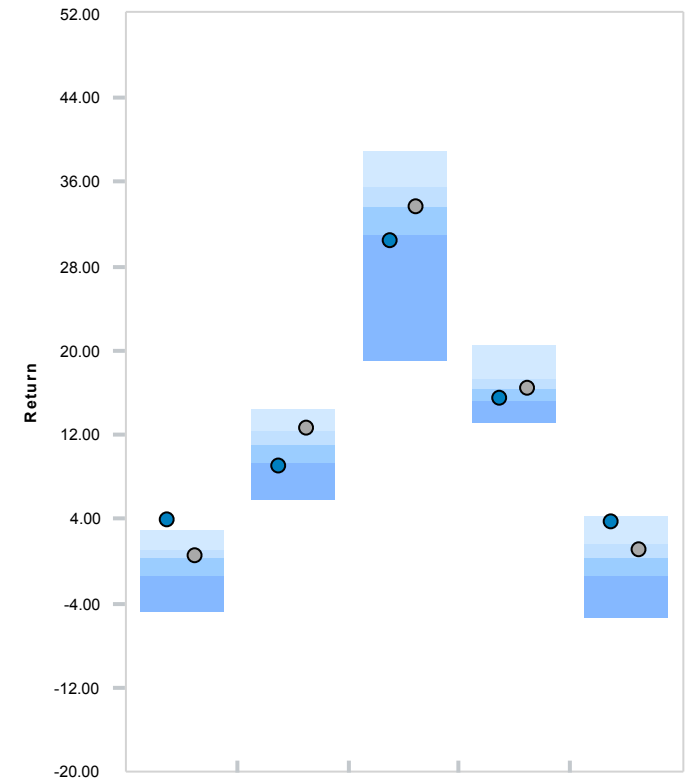
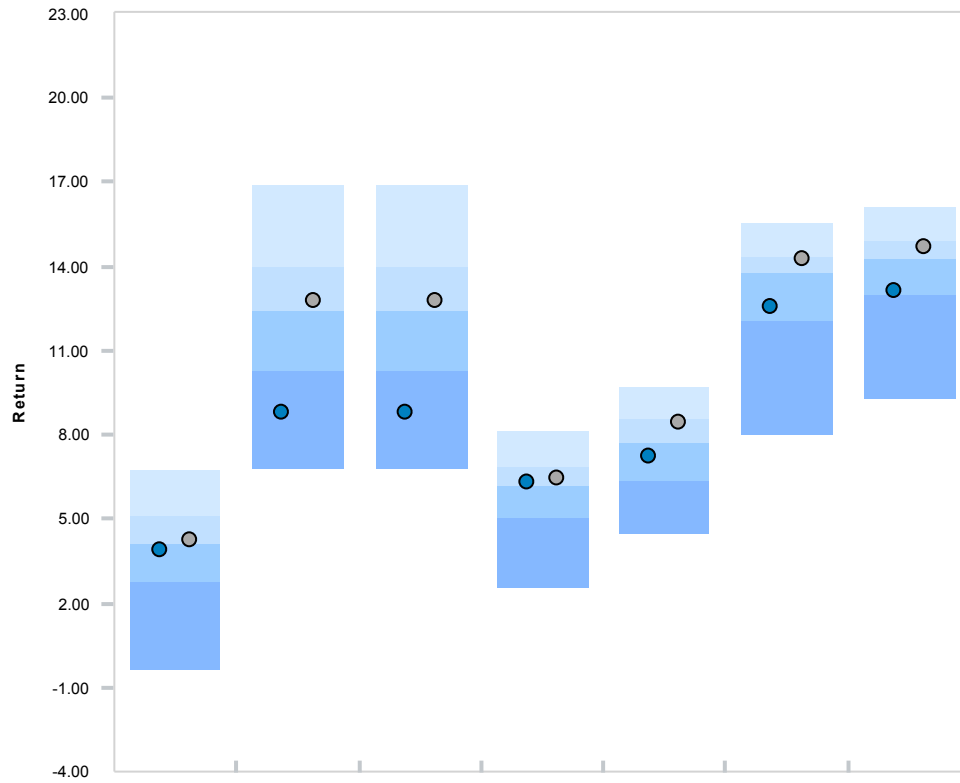
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.66	86.02	89.77	-0.94	-0.44	0.98	1.04	2.22
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.33	1.00	2.04

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.36	95.71	86.36	-0.67	-0.18	1.47	1.05	1.76
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.65	1.00	1.66



Peer Group Analysis - All Master Trust-US Equity Segment



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Domestic Equity	3.87 (56)	8.78 (86)	8.78 (86)	6.31 (46)	7.21 (64)	12.59 (70)	13.15 (74)
● Russell 3000 Index	4.21 (46)	12.74 (44)	12.74 (44)	6.43 (40)	8.43 (29)	14.23 (32)	14.67 (36)
Median	4.12	12.44	12.44	6.18	7.73	13.73	14.26

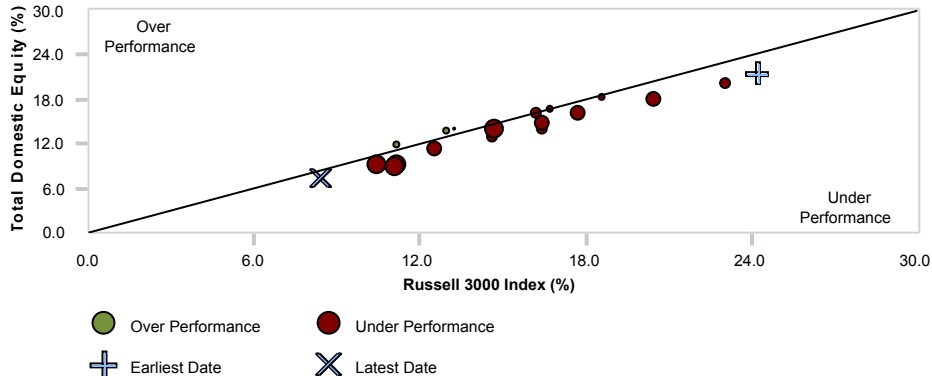
	2015	2014	2013	2012	2011
● Total Domestic Equity	3.89 (3)	9.04 (79)	30.40 (77)	15.44 (73)	3.71 (8)
● Russell 3000 Index	0.48 (41)	12.56 (21)	33.55 (52)	16.42 (52)	1.03 (36)
Median	0.20	11.10	33.66	16.45	0.22

Comparative Performance

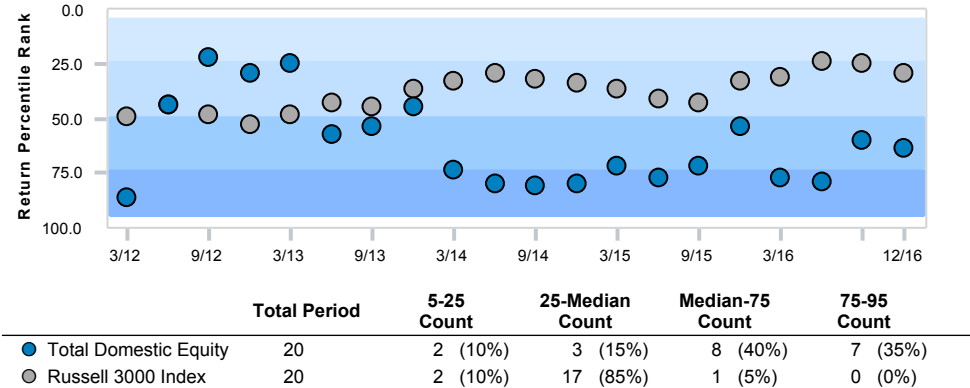
	1 Qtr Ending Sep-2016	1 Qtr Ending Jun-2016	1 Qtr Ending Mar-2016	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015
Total Domestic Equity	6.91 (8)	0.81 (93)	-2.84 (99)	6.88 (10)	-6.83 (31)	1.42 (4)
Russell 3000 Index	4.40 (63)	2.63 (43)	0.97 (43)	6.27 (26)	-7.25 (45)	0.14 (59)
All Master Trust-US Equity Segment Median	4.66	2.52	0.83	5.69	-7.49	0.23



3 Yr Rolling Under/Over Performance - 5 Years



3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

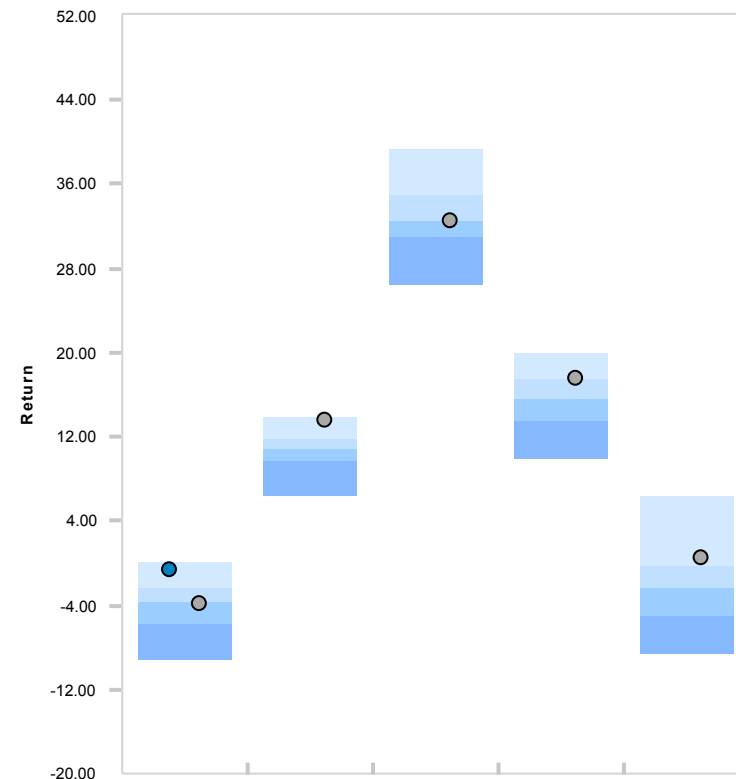
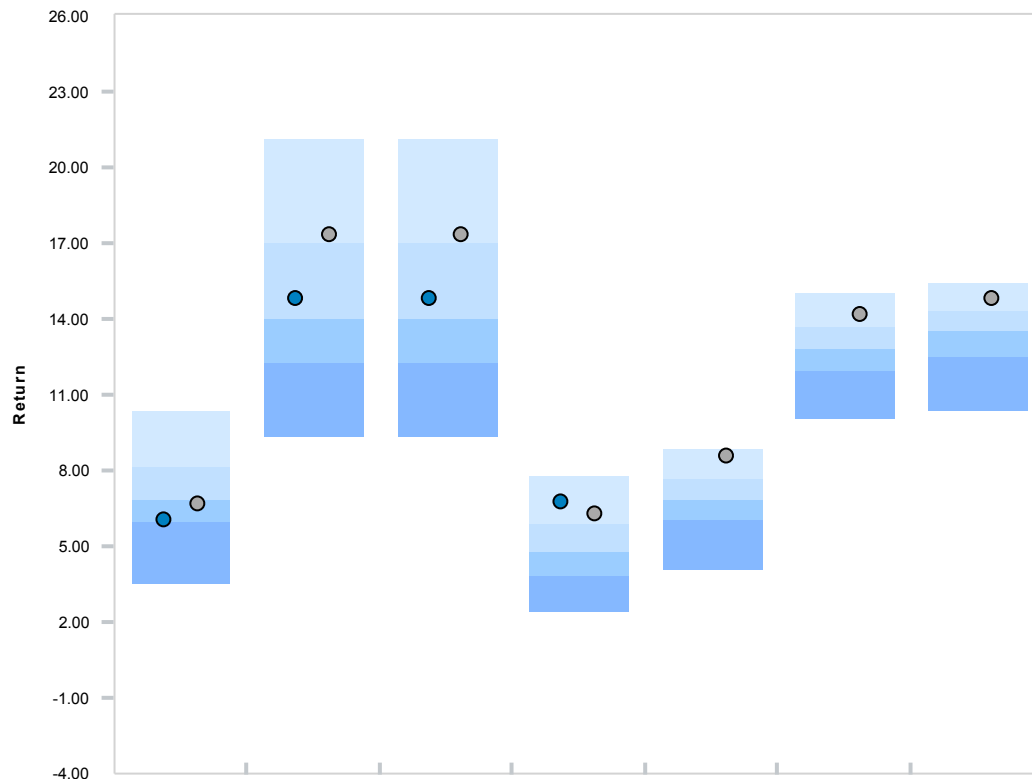
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Domestic Equity	3.22	94.83	100.46	-1.38	-0.32	0.64	1.04	7.12
Russell 3000 Index	0.00	100.00	100.00	0.00	N/A	0.79	1.00	6.20

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Domestic Equity	2.73	94.95	101.16	-1.64	-0.47	1.16	1.03	6.46
Russell 3000 Index	0.00	100.00	100.00	0.00	N/A	1.35	1.00	5.77



**Peer Group Analysis - IM U.S. Large Cap Value Equity (MF)**



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Diamond Hill	5.99 (73)	14.79 (42)	14.79 (42)	6.74 (11)	N/A	N/A	N/A
● R1V Index	6.68 (57)	17.34 (22)	17.34 (22)	6.23 (19)	8.59 (7)	14.13 (17)	14.80 (14)
Median	6.85	14.00	14.00	4.77	6.80	12.81	13.52

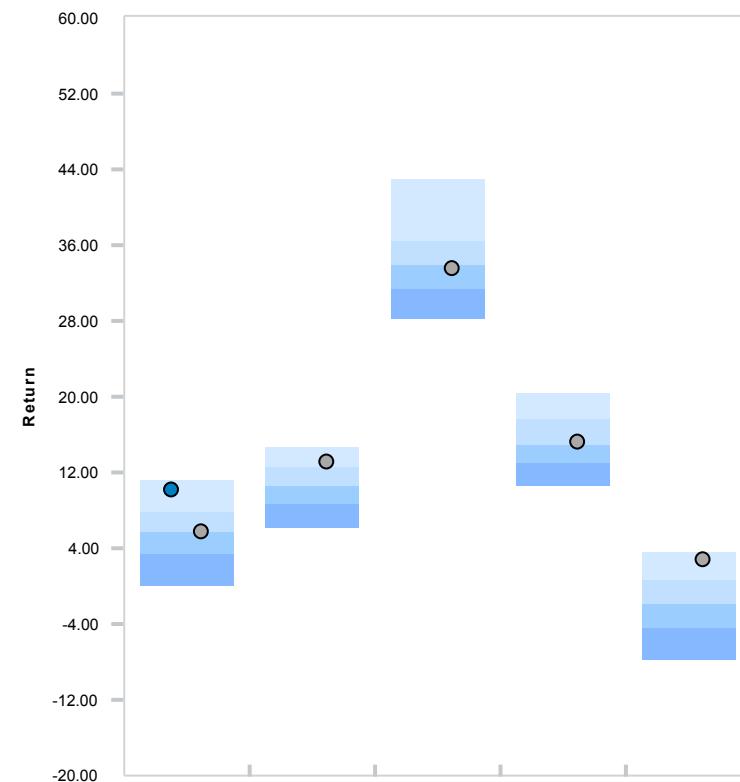
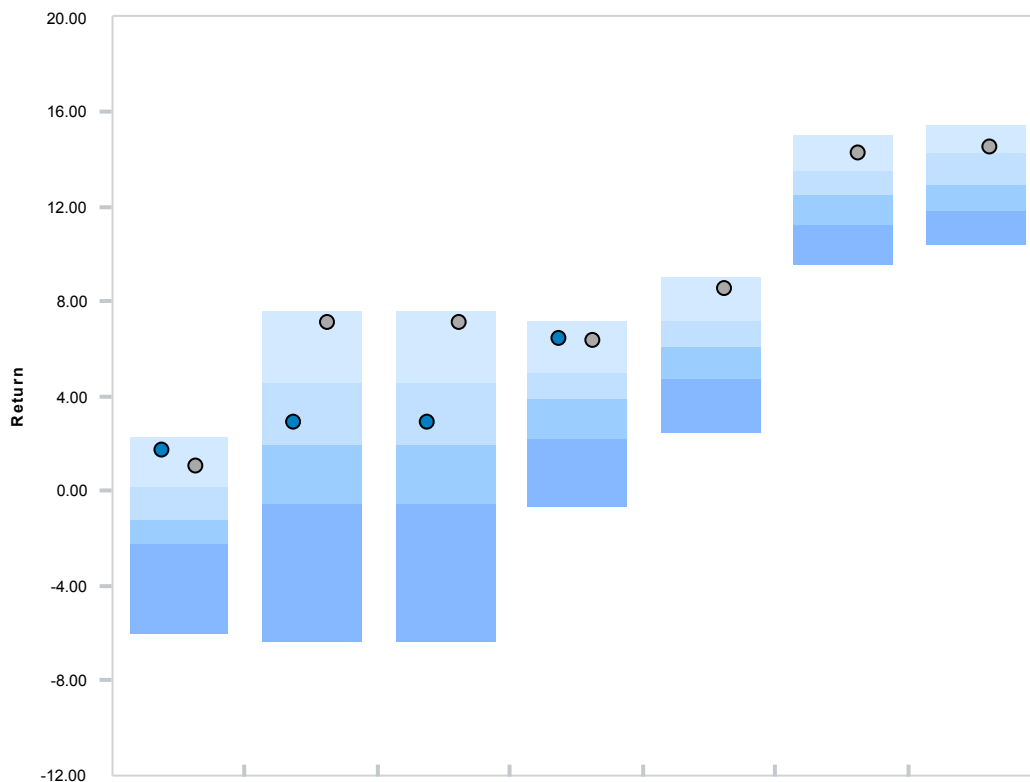
	2015	2014	2013	2012	2011
● Diamond Hill	-0.74 (9)	N/A	N/A	N/A	N/A
● R1V Index	-3.83 (52)	13.45 (6)	32.53 (50)	17.51 (25)	0.39 (21)
Median	-3.78	10.80	32.47	15.55	-2.46

**Comparative Performance**

	1 Qtr Ending Sep-2016	1 Qtr Ending Jun-2016	1 Qtr Ending Mar-2016	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015
Diamond Hill	5.80 (18)	1.19 (85)	1.16 (24)	5.99 (18)	-8.12 (35)	1.79 (11)
Russell 1000 Value Index	3.48 (64)	4.58 (8)	1.64 (17)	5.64 (27)	-8.40 (43)	0.11 (68)
IM U.S. Large Cap Value Equity (MF) Median	4.00	2.53	-0.10	5.11	-8.87	0.54



Peer Group Analysis - IM U.S. Large Cap Growth Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● T Rowe Price	1.76 (7)	2.87 (40)	2.87 (40)	6.41 (11)	N/A	N/A	N/A
● R1G Index	1.01 (16)	7.08 (8)	7.08 (8)	6.37 (11)	8.55 (8)	14.31 (11)	14.50 (21)
Median	-1.20	1.98	1.98	3.94	6.09	12.51	12.95

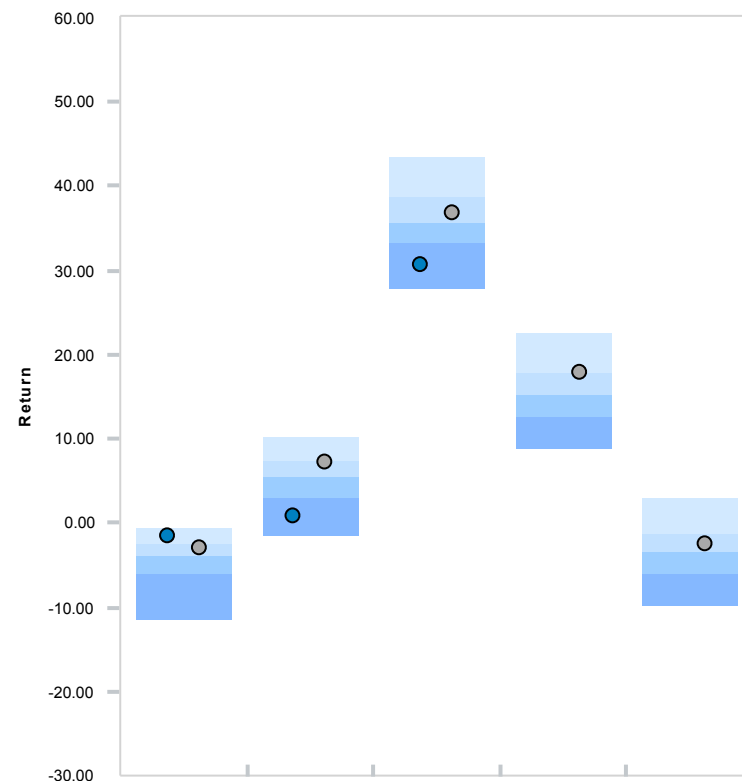
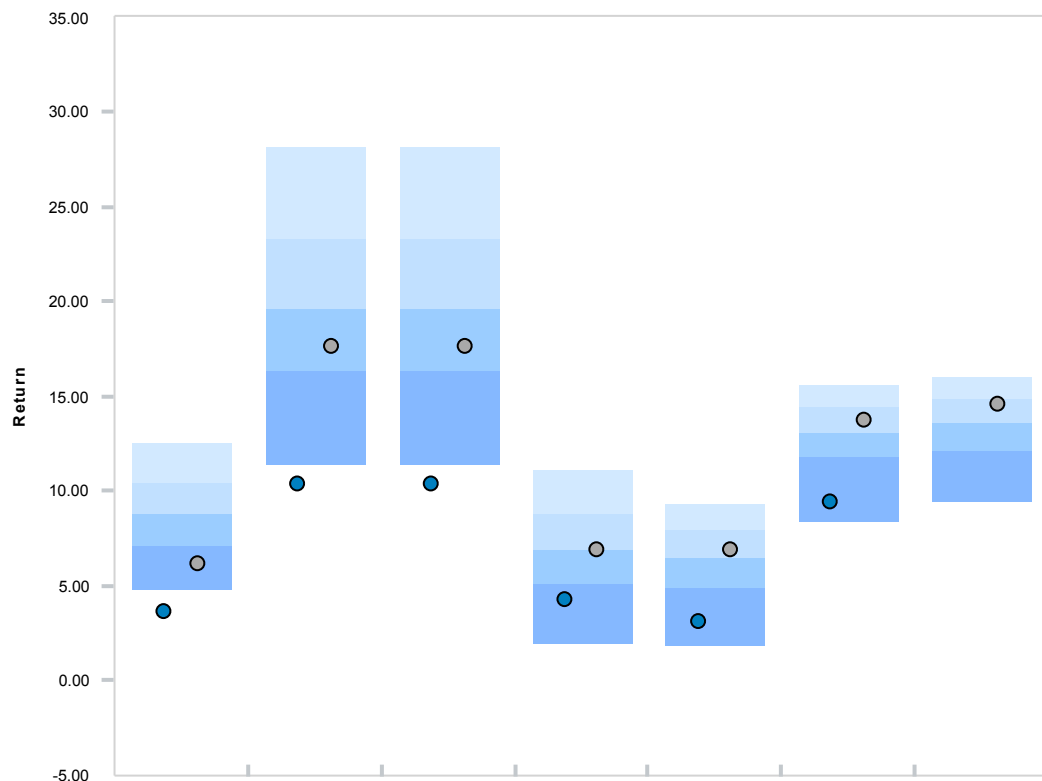
	2015	2014	2013	2012	2011
● T Rowe Price	10.08 (11)	N/A	N/A	N/A	N/A
● R1G Index	5.67 (50)	13.05 (22)	33.48 (55)	15.26 (47)	2.64 (10)
Median	5.62	10.51	33.94	14.90	-1.79

Comparative Performance

	1 Qtr Ending Sep-2016	1 Qtr Ending Jun-2016	1 Qtr Ending Mar-2016	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015
T Rowe Price	8.03 (10)	0.01 (59)	-6.44 (93)	8.81 (21)	-4.86 (22)	0.79 (48)
Russell 1000 Growth Index	4.58 (72)	0.61 (41)	0.74 (6)	7.32 (62)	-5.29 (31)	0.12 (70)
IM U.S. Large Cap Growth Equity (MF) Median	5.82	0.28	-3.00	7.72	-6.06	0.74



Peer Group Analysis - IM U.S. SMID Cap Core Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Acorn	3.58 (98)	10.39 (96)	10.39 (96)	4.24 (84)	3.07 (90)	9.38 (92)	N/A
● R2500 Index	6.12 (87)	17.59 (68)	17.59 (68)	6.85 (51)	6.93 (43)	13.72 (41)	14.54 (35)
Median	8.80	19.67	19.67	6.94	6.51	13.06	13.65

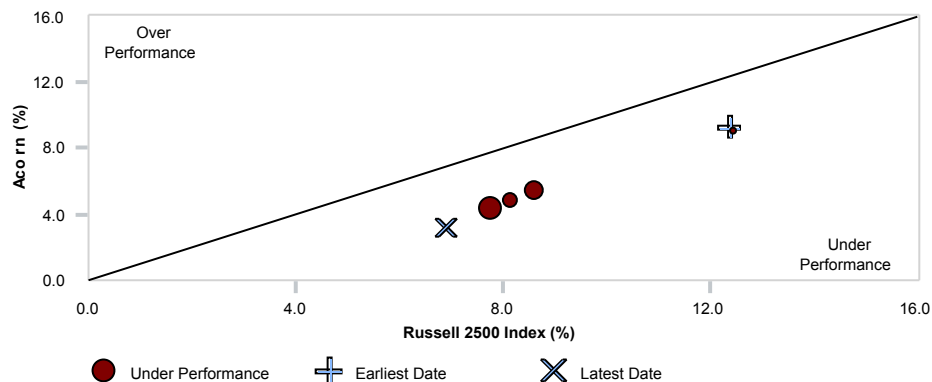
	2015	2014	2013	2012	2011
● Acorn	-1.57 (15)	0.78 (86)	30.69 (90)	N/A	N/A
● R2500 Index	-2.90 (33)	7.07 (31)	36.80 (41)	17.88 (24)	-2.51 (40)
Median	-3.89	5.49	35.63	15.22	-3.39

Comparative Performance

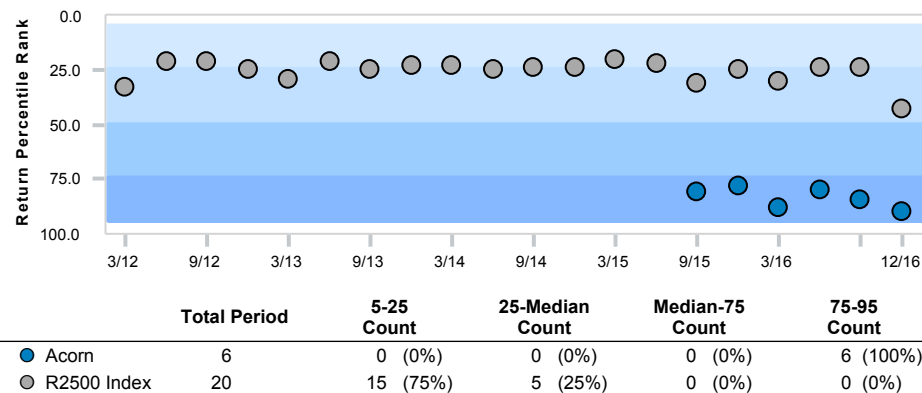
	1 Qtr Ending Sep-2016	1 Qtr Ending Jun-2016	1 Qtr Ending Mar-2016	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015
Acorn	6.76 (36)	2.63 (49)	-2.74 (98)	2.32 (55)	-9.77 (41)	2.54 (3)
Russell 2500 Index	6.56 (40)	3.57 (26)	0.39 (66)	3.28 (28)	-10.30 (56)	-0.34 (52)
IM U.S. SMID Cap Core Equity (MF) Median	6.18	2.55	1.01	2.49	-10.07	-0.29



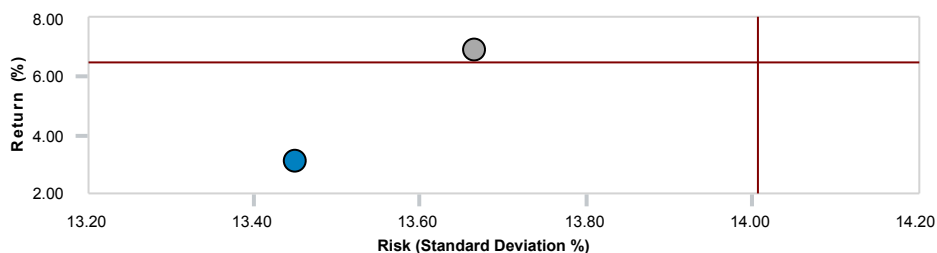
3 Yr Rolling Under/Over Performance - 5 Years



3 Yr Rolling Percentile Ranking - 5 Years

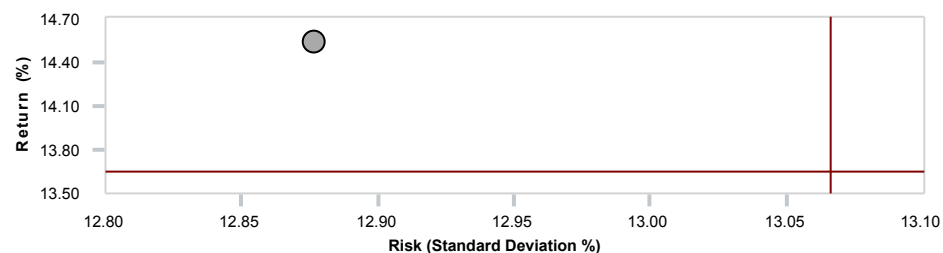


Peer Group Scattergram - 3 Years



	Return	Standard Deviation
● Acorn	3.07	13.45
● R2500 Index	6.93	13.67
— Median	6.51	14.01

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
● Acorn	N/A	N/A
● R2500 Index	14.54	12.88
— Median	13.65	13.07

Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Acorn	2.81	88.60	107.02	-3.38	-1.32	0.28	0.96	8.96
Russell 2500 Index	0.00	100.00	100.00	0.00	N/A	0.55	1.00	8.58

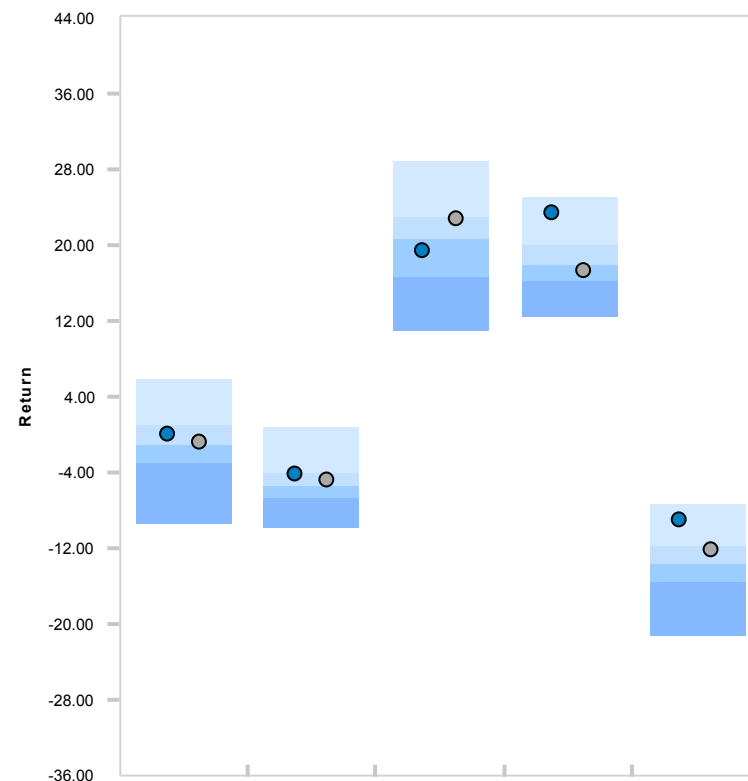
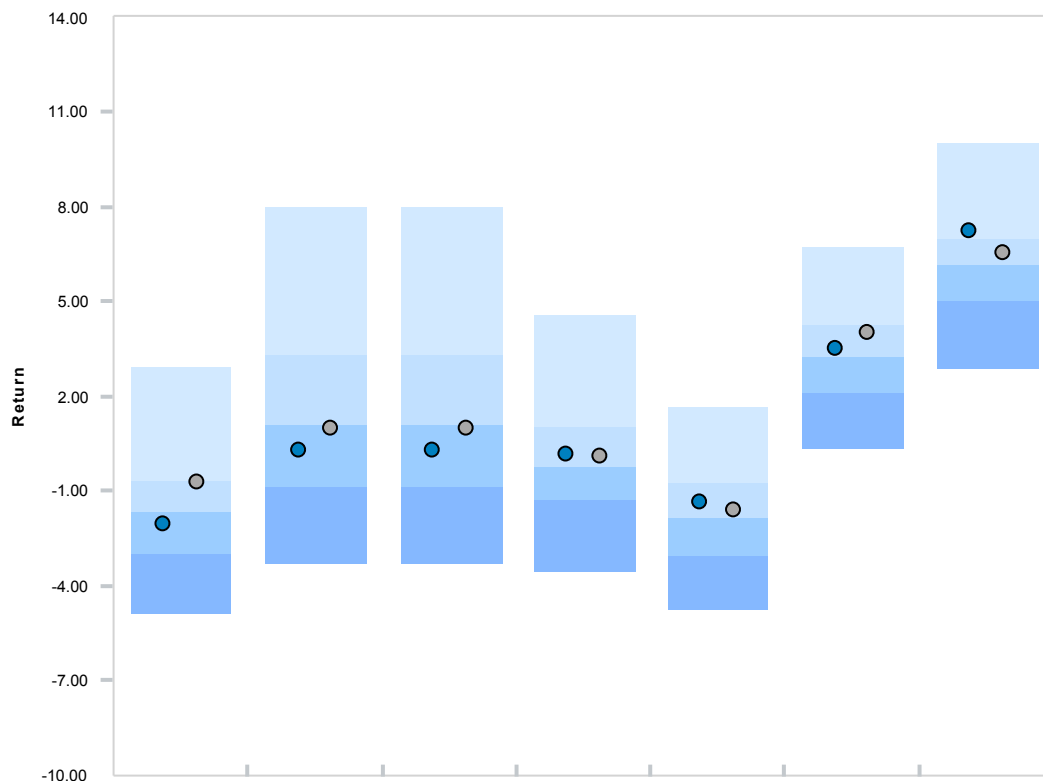
Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Acorn	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 2500 Index	0.00	100.00	100.00	0.00	N/A	1.12	1.00	7.49





Peer Group Analysis - IM International Core Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● MFS	-2.03 (58)	0.30 (62)	0.30 (62)	0.16 (39)	-1.32 (36)	3.51 (42)	7.23 (23)
● EAFE Index	-0.71 (27)	1.00 (52)	1.00 (52)	0.09 (41)	-1.60 (44)	4.00 (31)	6.53 (36)
Median	-1.68	1.09	1.09	-0.24	-1.88	3.26	6.16

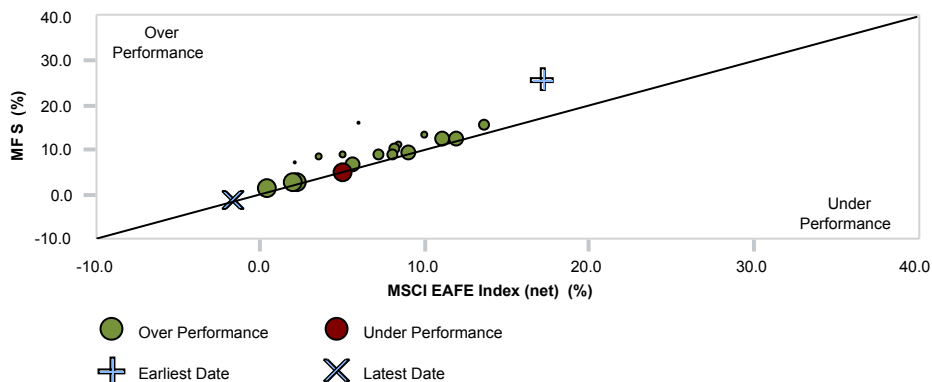
	2015	2014	2013	2012	2011
● MFS	0.02 (37)	-4.21 (30)	19.47 (62)	23.45 (7)	-9.15 (9)
● EAFE Index	-0.81 (46)	-4.90 (42)	22.78 (28)	17.32 (61)	-12.14 (30)
Median	-1.04	-5.51	20.69	18.00	-13.66

Comparative Performance

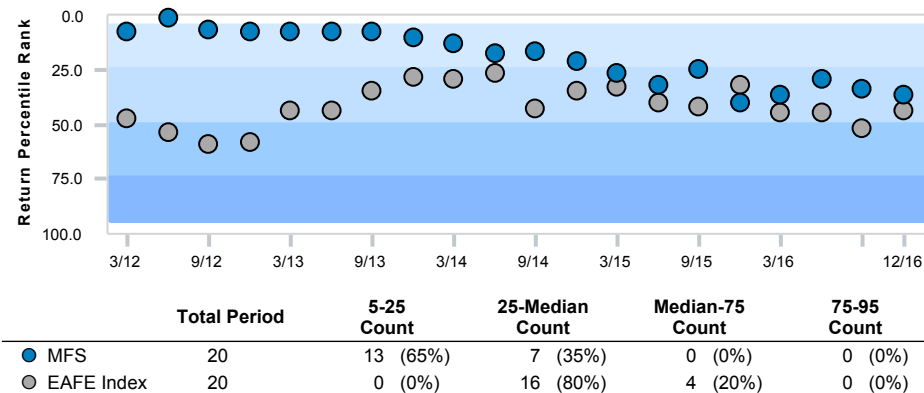
	1 Qtr Ending Sep-2016	1 Qtr Ending Jun-2016	1 Qtr Ending Mar-2016	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015
MFS	6.15 (56)	-1.25 (53)	-2.33 (54)	2.87 (68)	-9.32 (38)	1.04 (57)
MSCI EAFE Index (net)	6.43 (48)	-1.46 (58)	-3.01 (70)	4.71 (16)	-10.23 (56)	0.62 (75)
IM International Core Equity (MF) Median	6.31	-1.15	-2.12	3.42	-10.02	1.22



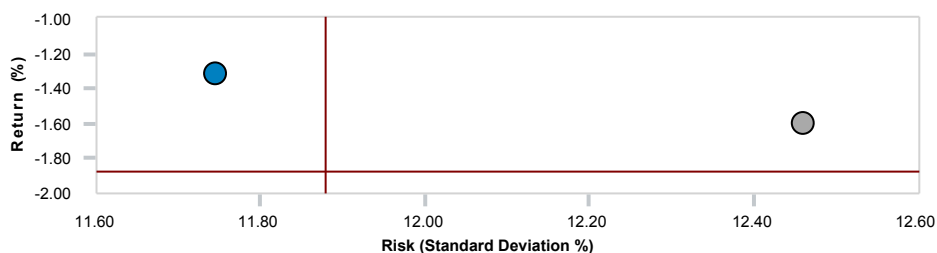
### 3 Yr Rolling Under/Over Performance - 5 Years



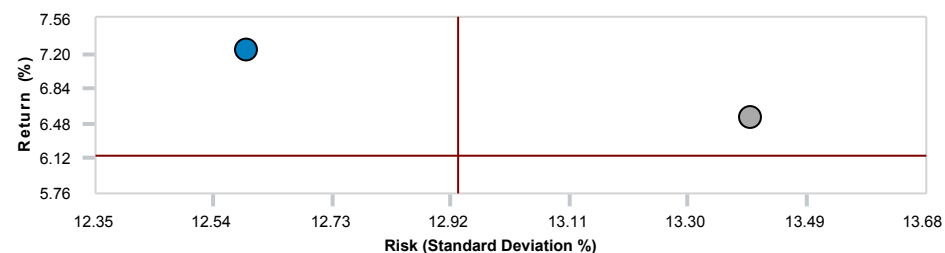
### 3 Yr Rolling Percentile Ranking - 5 Years



### Peer Group Scattergram - 3 Years



### Peer Group Scattergram - 5 Years



### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
MFS	2.79	94.05	93.17	0.14	0.07	-0.06	0.92	8.29
MSCI EAFE Index (net)	0.00	100.00	100.00	0.00	N/A	-0.08	1.00	8.56

### Historical Statistics - 5 Years

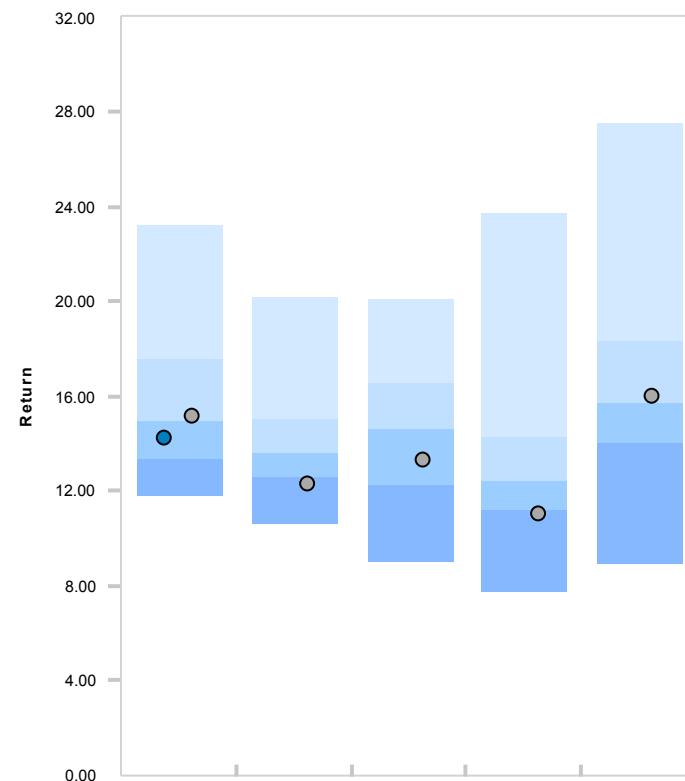
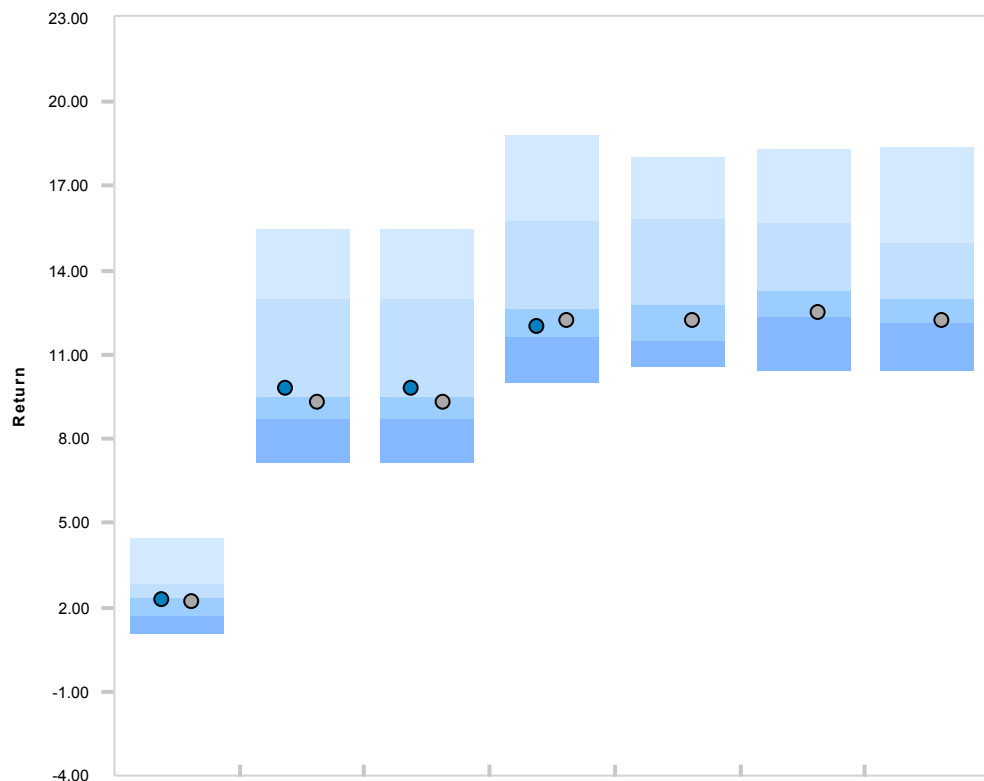
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
MFS	3.30	94.23	87.81	1.20	0.17	0.61	0.91	8.23
MSCI EAFE Index (net)	0.00	100.00	100.00	0.00	N/A	0.53	1.00	8.68



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



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Baring/Cornerstone	2.29 (54)	9.80 (47)	9.80 (47)	11.98 (66)	N/A	N/A	N/A
● ODCE Index	2.16 (67)	9.27 (53)	9.27 (53)	12.18 (57)	12.21 (69)	12.49 (74)	12.20 (75)
Median	2.29	9.47	9.47	12.61	12.77	13.24	13.01

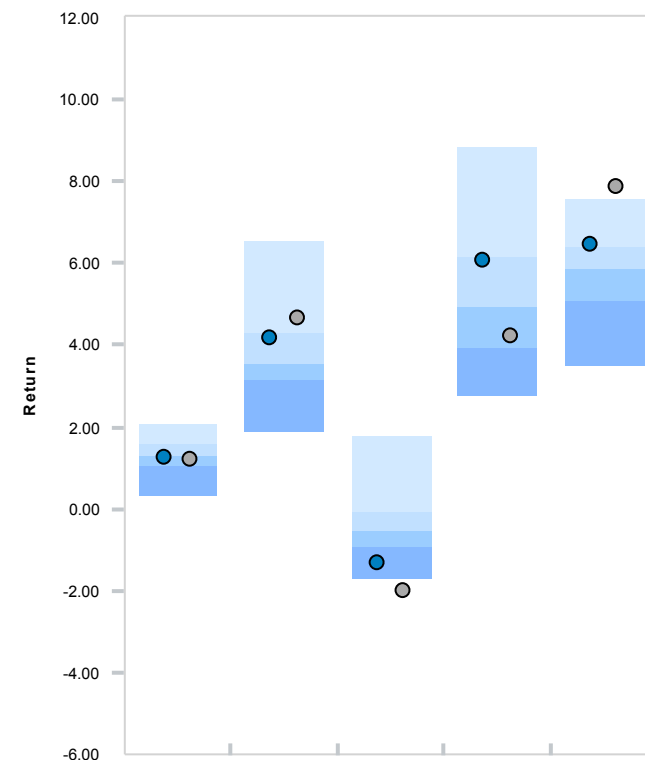
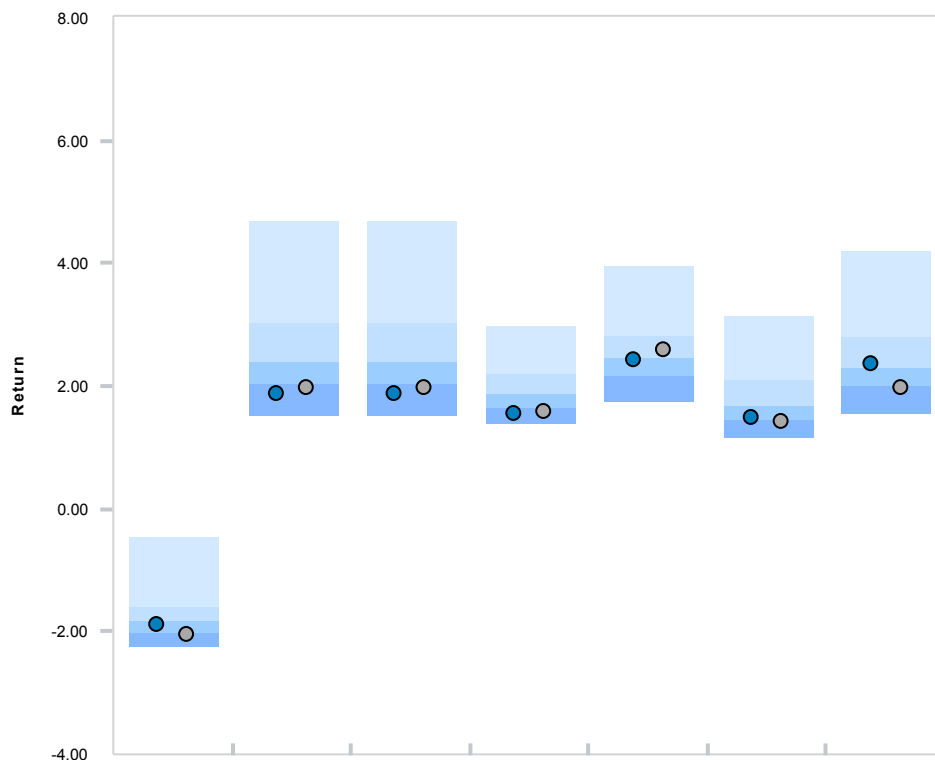
	2015	2014	2013	2012	2011
● Baring/Cornerstone	14.21 (71)	N/A	N/A	N/A	N/A
● ODCE Index	15.17 (49)	12.28 (81)	13.34 (62)	11.03 (77)	15.96 (44)
Median	15.01	13.66	14.63	12.45	15.78

Comparative Performance

	1 Qtr Ending Sep-2016	1 Qtr Ending Jun-2016	1 Qtr Ending Mar-2016	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015
Baring/Cornerstone	2.46 (29)	1.76 (86)	2.95 (37)	3.32 (65)	4.06 (39)	3.31 (65)
NCREIF Fund Index-Open End Diversified Core (EW)	2.18 (47)	2.18 (61)	2.44 (61)	3.43 (57)	3.63 (49)	3.92 (42)
IM U.S. Open End Private Real Estate (SA+CF) Median	2.09	2.50	2.64	3.57	3.56	3.72



Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Ziegler	-1.90 (57)	1.88 (84)	1.88 (84)	1.56 (83)	2.41 (54)	1.47 (75)	2.36 (47)
● BB Int Agg (as of 3-14) / BB Agg	-2.05 (79)	1.97 (77)	1.97 (77)	1.59 (81)	2.60 (38)	1.42 (77)	1.97 (78)
Median	-1.84	2.39	2.39	1.86	2.46	1.67	2.30

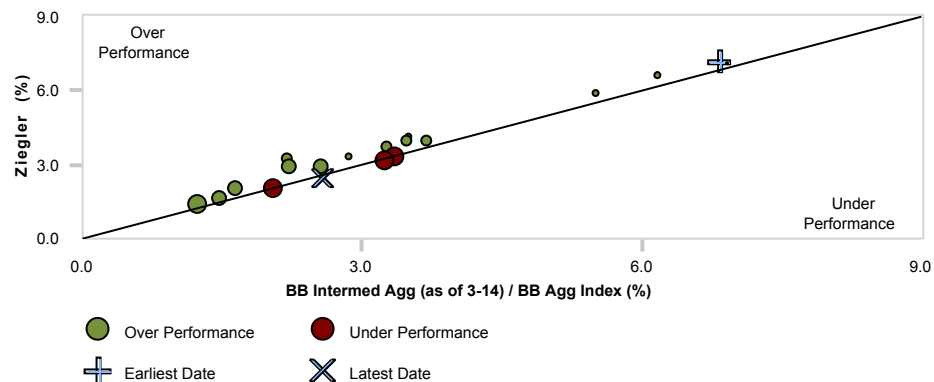
	2015	2014	2013	2012	2011
● Ziegler	1.23 (60)	4.14 (28)	-1.33 (90)	6.04 (26)	6.47 (19)
● BB Int Agg (as of 3-14) / BB Agg	1.21 (63)	4.64 (16)	-2.02 (98)	4.21 (69)	7.84 (4)
Median	1.30	3.56	-0.53	4.95	5.87

Comparative Performance

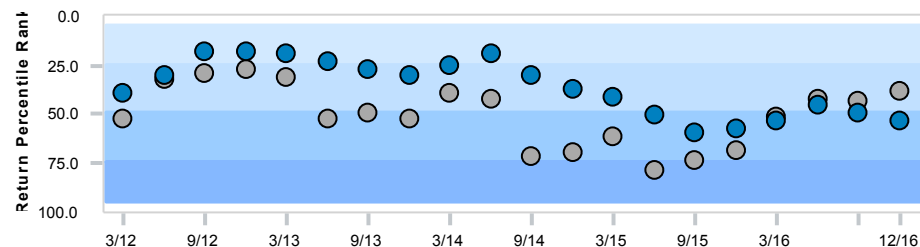
	1 Qtr Ending Sep-2016	1 Qtr Ending Jun-2016	1 Qtr Ending Mar-2016	1 Qtr Ending Dec-2015	1 Qtr Ending Sep-2015	1 Qtr Ending Jun-2015
Ziegler	0.24 (68)	1.39 (76)	2.18 (66)	-0.37 (38)	0.88 (54)	-0.53 (34)
BB Intermed Agg (as of 3-14) / BB Agg Index	0.31 (58)	1.44 (72)	2.31 (54)	-0.51 (64)	1.08 (30)	-0.67 (62)
IM U.S. Intermediate Duration (SA+CF) Median	0.38	1.58	2.33	-0.42	0.92	-0.61



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

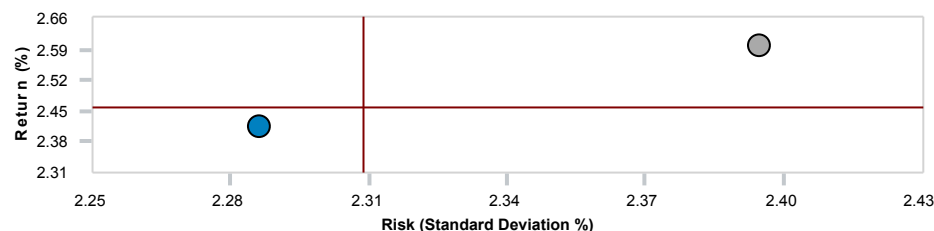


### 3 Yr Rolling Percentile Ranking - 5 Years



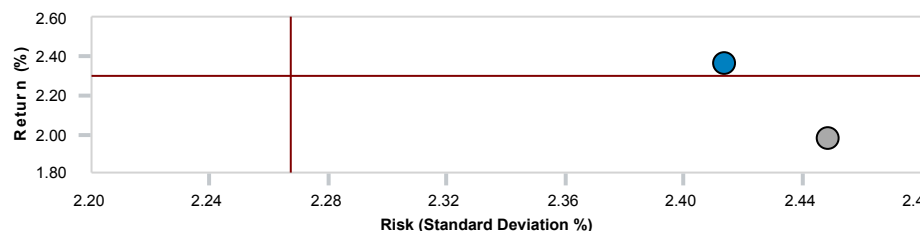
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
● Ziegler	20	6 (30%)	9 (45%)	5 (25%)	0 (0%)
○ BB Int Agg (as of 3-14)/ BB Agg	20	0 (0%)	10 (50%)	9 (45%)	1 (5%)

### Peer Group Scattergram - 3 Years



	Return	Standard Deviation
● Ziegler	2.41	2.29
○ BB Int Agg (as of 3-14)/ BB Agg	2.60	2.39
— Median	2.46	2.31

### Peer Group Scattergram - 5 Years



	Return	Standard Deviation
● Ziegler	2.36	2.41
○ BB Int Agg (as of 3-14)/ BB Agg	1.97	2.45
— Median	2.30	2.27

### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Ziegler	1.10	84.68	72.28	0.35	-0.17	1.14	0.80	1.08
BB Intermid Agg (as of 3-14) / BB Agg Index	0.00	100.00	100.00	0.00	N/A	1.13	1.00	1.20

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Ziegler	0.95	97.08	77.77	0.63	0.40	0.99	0.87	1.39
BB Intermid Agg (as of 3-14) / BB Agg Index	0.00	100.00	100.00	0.00	N/A	0.78	1.00	1.51



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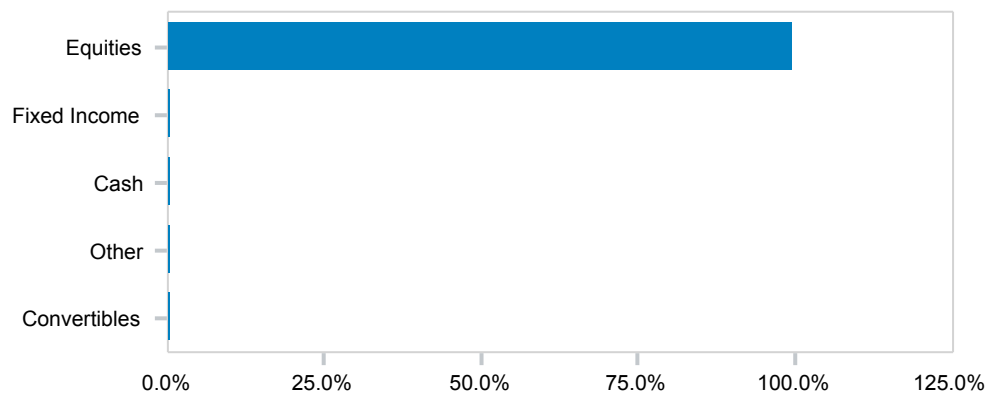
**Fund Information**

Fund Name :	Diamond Hill Funds: Diamond Hill Large Cap Fund; Class Y Shares	Portfolio Assets :	\$4,084 Million
Fund Family :	Diamond Hill Capital Management Inc	Portfolio Manager :	Bath/Welch/Hawley
Ticker :	DHLYX	PM Tenure :	2011--2011--2015
Inception Date :	12/30/2011	Fund Style :	IM U.S. Large Cap Core Equity (MF)
Fund Assets :	\$662 Million	Style Benchmark :	S&P 500 Index
Portfolio Turnover :	20%		

**Fund Investment Policy**

The Fund seeks to provide long-term capital appreciation by investing in common stocks that the Fund's adviser believes are undervalued. The Fund normally invests at least 80% of its assets in large capitalization companies, defined as those companies with a market capitalization of \$5 billion or more.

**Asset Allocation As of 11/30/2016**



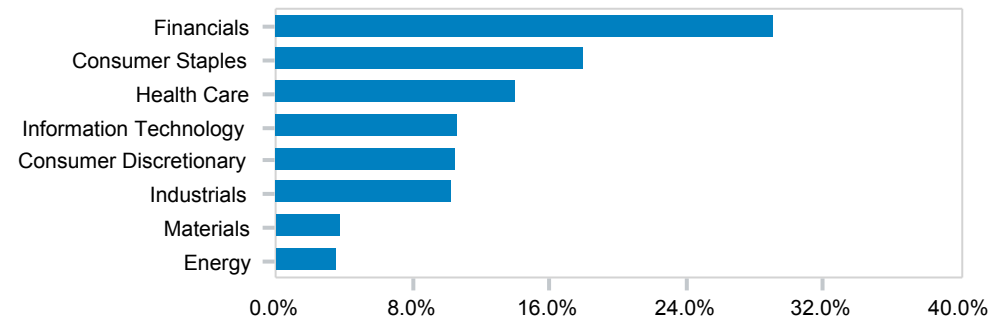
**Top Ten Securities As of 11/30/2016**

Citigroup Inc ORD	4.1 %
Abbott Laboratories ORD	3.6 %
Capital One Financial Corp ORD	3.5 %
United Technologies Corp ORD	3.4 %
Pfizer Inc ORD	3.3 %
Morgan Stanley ORD	3.3 %
JPMorgan Chase & Co ORD	3.3 %
Cisco Systems Inc ORD	2.8 %
Procter & Gamble Co ORD	2.7 %
Marsh & McLennan Companies Inc ORD	2.5 %

**Fund Characteristics As of 11/30/2016**

Total Securities	52
Avg. Market Cap	\$111,669 Million
P/E	22.7
P/B	4.4
Div. Yield	2.2%
Annual EPS	12.5
5Yr EPS	5.8
3Yr EPS Growth	17.7

**Sector/Quality Allocation As of 11/30/2016**





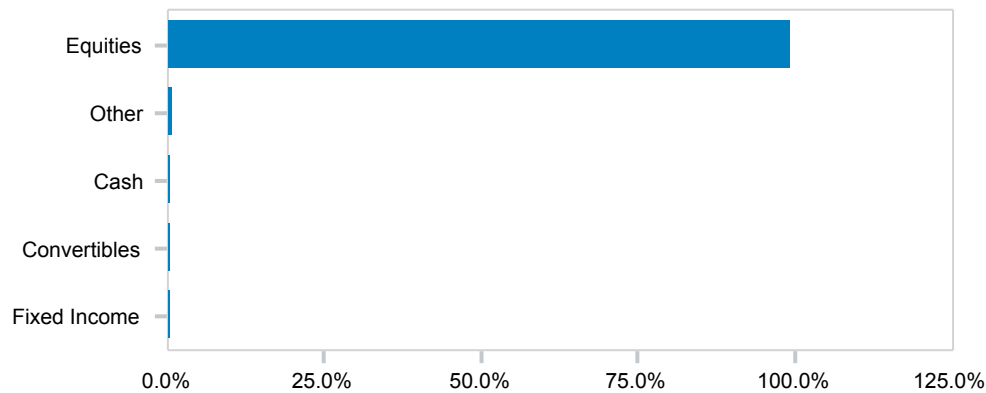
**Fund Information**

Fund Name :	T Rowe Price Institutional Equity Funds, Inc: T Rowe Price Institutional Large-Cap Core Growth Fund	Portfolio Assets :	\$2,358 Million
Fund Family :	T Rowe Price Associates Inc	Portfolio Manager :	Larry J. Puglia
Ticker :	TPLGX	PM Tenure :	2003
Inception Date :	09/30/2003	Fund Style :	IM U.S. Large Cap Growth Equity (MF)
Fund Assets :	\$2,358 Million	Style Benchmark :	Russell 1000 Growth Index
Portfolio Turnover :	33%		

**Fund Investment Policy**

The Fund seeks to provide long-term capital growth through investments in the common stocks of large-cap growth companies. The Fund will normally invest substantially all of its net assets in large-cap companies.

**Asset Allocation As of 09/30/2016**



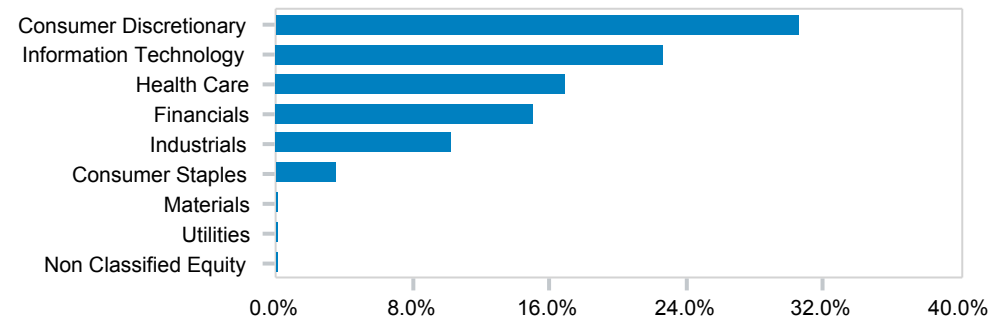
**Top Ten Securities As of 09/30/2016**

Amazon.com Inc ORD	9.2 %
Facebook Inc ORD	5.0 %
Alphabet Inc ORD	4.4 %
Priceline Group Inc ORD	4.1 %
Visa Inc ORD	3.0 %
Microsoft Corp ORD	2.8 %
Mastercard Inc ORD	2.6 %
Alphabet Inc ORD	2.6 %
Danaher Corp ORD	2.4 %
Alibaba Group Holding Ltd DR	2.2 %

**Fund Characteristics As of 09/30/2016**

Total Securities	145
Avg. Market Cap	\$146,598 Million
P/E	34.3
P/B	8.8
Div. Yield	1.5%
Annual EPS	29.1
5Yr EPS	16.9
3Yr EPS Growth	26.0

**Sector/Quality Allocation As of 09/30/2016**



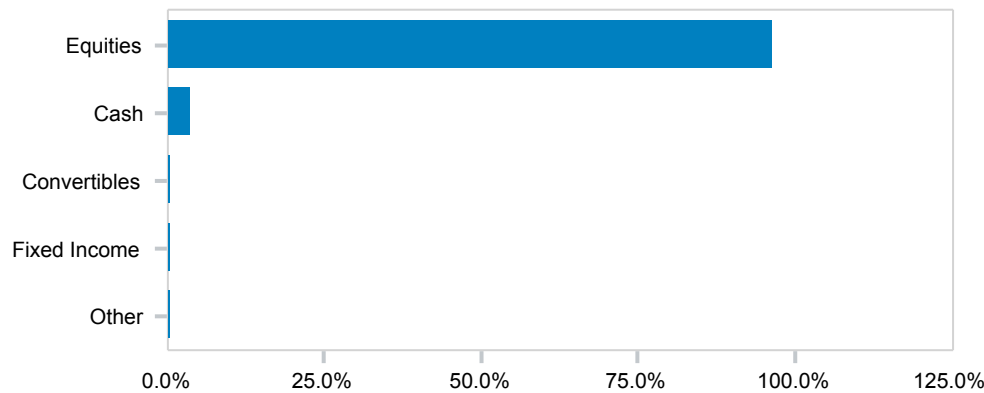
**Fund Information**

Fund Name :	Columbia Acorn Trust: Columbia Acorn Fund; Class Z Shares	Portfolio Assets :	\$4,844 Million
Fund Family :	Columbia Threadneedle Investments	Portfolio Manager :	Egan/Kaegi/Litfin
Ticker :	ACRN	PM Tenure :	1999--2004--2015
Inception Date :	06/10/1970	Fund Style :	IM U.S. SMID Cap Growth Equity (MF)
Fund Assets :	\$3,435 Million	Style Benchmark :	Russell 2500 Growth Index
Portfolio Turnover :	21%		

**Fund Investment Policy**

The Fund seeks long-term capital appreciation. The Fund invests a majority of its net assets in the common stock of small- and mid-sized companies with market capitalizations under \$5 billion at the time of investment. The Fund invests the majority of its assets in U.S. companies.

**Asset Allocation As of 11/30/2016**



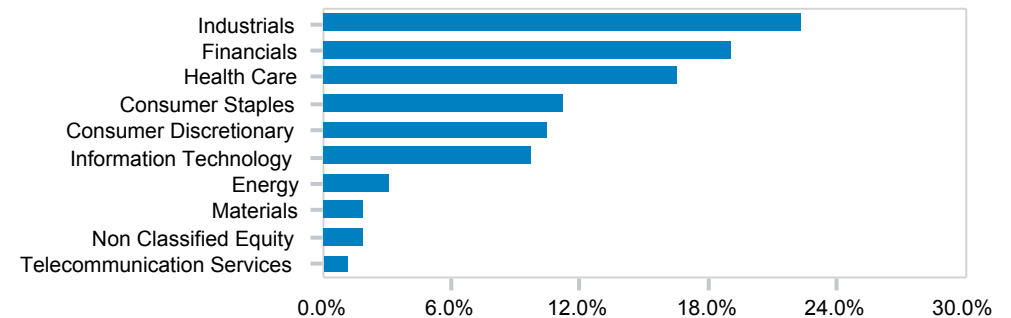
**Top Ten Securities As of 11/30/2016**

Align Technology Inc ORD	2.3 %
WageWorks Inc ORD	1.7 %
Education Realty Trust Inc	1.6 %
Raymond James Financial Inc ORD	1.6 %
HealthSouth Corp ORD	1.5 %
Lazard Ltd ORD	1.5 %
Toro Co ORD	1.4 %
Tenneco Inc ORD	1.3 %
Vantiv Inc ORD	1.3 %
PRA Health Sciences Inc ORD	1.2 %

**Fund Characteristics As of 10/31/2016**

Total Securities	136
Avg. Market Cap	\$5,827 Million
P/E	28.4
P/B	5.4
Div. Yield	1.9%
Annual EPS	12.2
5Yr EPS	16.4
3Yr EPS Growth	19.8

**Sector/Quality Allocation As of 10/31/2016**



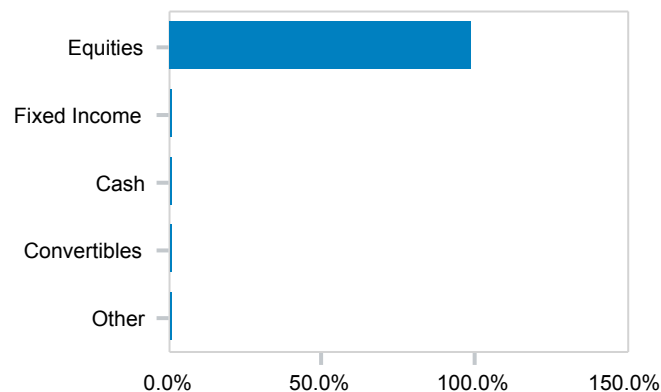
**Fund Information**

Fund Name :	MFS Institutional Trust: MFS Institutional International Equity Fund	Portfolio Assets :	\$7,716 Million
Fund Family :	MFS Investment Management	Portfolio Manager :	Smith/Ling/Benzinho
Ticker :	MIEIX	PM Tenure :	2001--2009--2016
Inception Date :	01/31/1996	Fund Style :	IM International Large Cap Growth Equity (MF)
Fund Assets :	\$7,716 Million	Style Benchmark :	MSCI EAFE Growth
Portfolio Turnover :	12%		

**Fund Investment Policy**

The Fund seeks capital appreciation. The Fund normally invests at least 80% of its net assets in non-U.S. equity securities. The Fund uses a bottom-up investment approach. Stocks are selected primarily based on fundamental analysis of issuers and their potential.

**Asset Allocation As of 11/30/2016**



**Top Ten Securities As of 11/30/2016**

Nestle SA ORD	3.5 %
Bayer AG ORD	3.0 %
WPP PLC ORD	2.9 %
Roche Holding AG Par	2.8 %
Hoya Corp ORD	2.8 %
Compass Group PLC ORD	2.5 %
AIA Group Ltd ORD	2.5 %
UBS Group AG ORD	2.3 %
SAP SE ORD	2.3 %
Taiwan Semiconductor Manufacturing Co Ltd DR	2.3 %

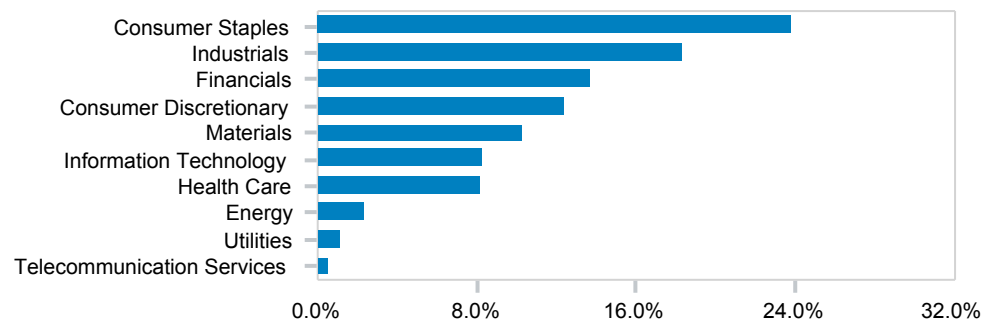
**Top 5 Countries As of 11/30/2016**

United Kingdom	14.5 %
France	14.4 %
Switzerland	13.0 %
Japan	12.9 %
Germany	10.4 %

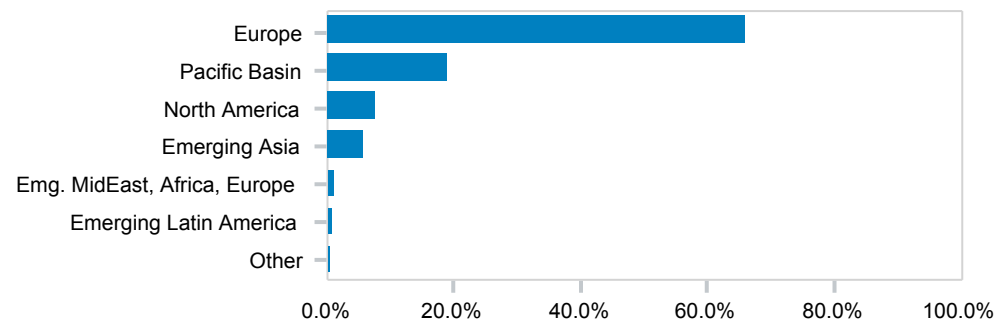
**Fund Characteristics As of 10/31/2016**

Total Securities	80
Avg. Market Cap	\$58,953 Million
P/E	23.4
P/B	4.2
Div. Yield	2.7%
Annual EPS	7.0
5Yr EPS	7.9
3Yr EPS Growth	8.2

**Sector/Quality Allocation As of 10/31/2016**



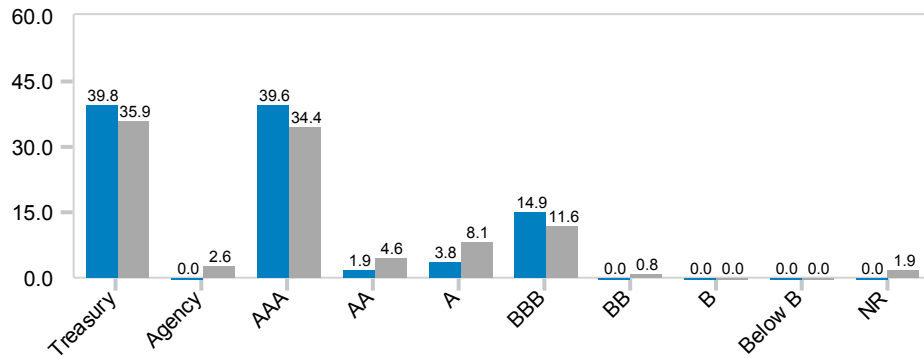
**Regional Allocation As of 11/30/2016**



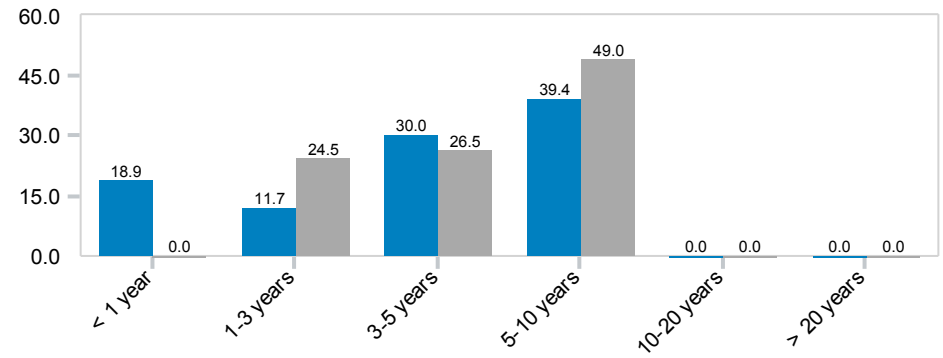
Portfolio Characteristics

	Portfolio	Benchmark
Avg. Maturity	4.32	5.31
Avg. Quality	Aa2	AA2AA1/AA2
Coupon Rate (%)	2.98	2.81
Current Yield	2.92	2.77
Effective Duration	3.60	4.26

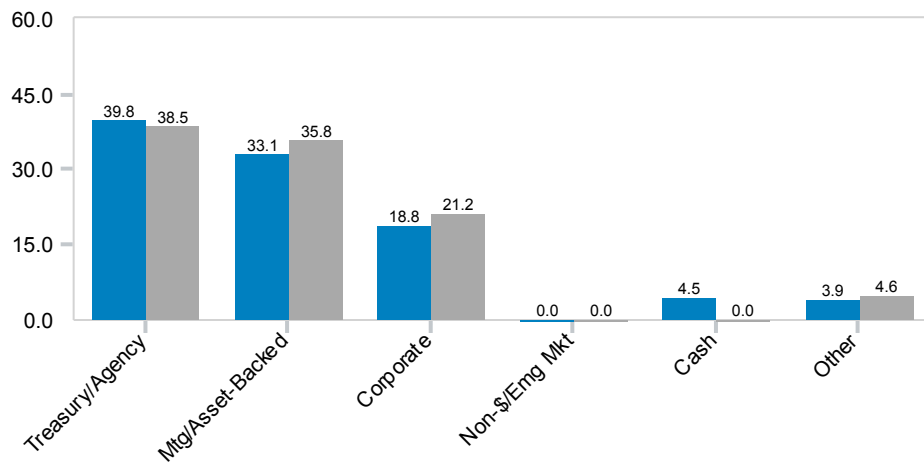
Credit Quality Distribution (%)



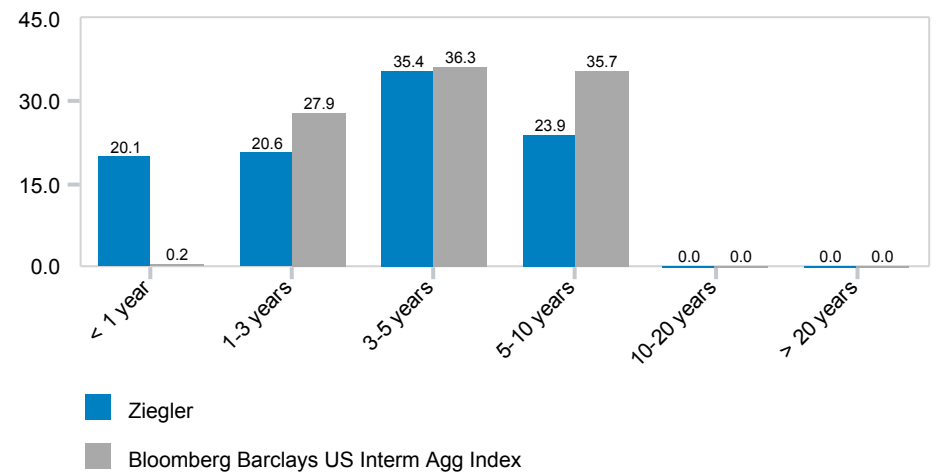
Maturity Distribution (%)



Sector Distribution (%)



Duration Distribution (%)



■ Ziegler  
■ Bloomberg Barclays US Interm Agg Index



**Aurora Retirees Health Care  
Total Fund  
As of December 31, 2016**

	Market Value (\$)	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
<b>Total Fund</b>	39,413,651	0.44	174,953
Diamond Hill	7,367,041	0.65	47,886
T Rowe Price	6,595,220	0.56	36,933
Acorn	2,287,161	0.79	18,069
MFS	3,906,786	0.72	28,129
Baring/Cornerstone	1,237,296	1.10	13,610
Ziegler	15,163,056	0.20	30,326



**Comparative Performance**  
**Total Fund Net**  
As of December 31, 2016

<b>Comparative Performance</b>						
	<b>QTR</b>	<b>FYTD</b>	<b>1 YR</b>	<b>3 YR</b>	<b>5 YR</b>	<b>7 YR</b>
<b>Total Fund</b>	<b>0.70</b>	<b>4.42</b>	<b>4.42</b>	<b>4.00</b>	<b>7.46</b>	<b>7.02</b>
Total Fund Policy	0.87	6.75	6.75	4.90	8.16	7.93
<b>Total Fund Without Cash</b>	<b>0.74</b>	<b>4.81</b>	<b>4.81</b>	<b>4.24</b>	<b>8.07</b>	<b>7.82</b>
<b>Total Domestic Equity</b>	<b>3.87</b>	<b>8.78</b>	<b>8.78</b>	<b>7.15</b>	<b>13.12</b>	<b>12.23</b>
Russell 3000 Index	4.21	12.74	12.74	8.43	14.67	12.92
Diamond Hill	5.99	14.79	14.79	N/A	N/A	N/A
Russell 1000 Value Index	6.68	17.34	17.34	8.59	14.80	12.72
Russell 1000 Index	3.83	12.05	12.05	8.59	14.69	12.90
T Rowe Price	1.76	2.87	2.87	N/A	N/A	N/A
Russell 1000 Growth Index	1.01	7.08	7.08	8.55	14.50	13.03
Acorn	3.58	10.39	10.39	3.07	N/A	N/A
Russell 2500 Index	6.12	17.59	17.59	6.93	14.54	13.56
Russell 2500 Growth Index	2.60	9.73	9.73	5.45	13.88	13.52
<b>Total International Equity</b>						
MFS	-2.03	0.30	0.30	-1.32	6.91	5.02
MSCI EAFE (Net) Index	-0.71	1.00	1.00	-1.60	6.53	3.81
MSCI AC World ex USA (Net) Index	-1.25	4.50	4.50	-1.78	5.00	2.93
<b>Total Real Estate</b>						
Baring/Cornerstone	2.29	9.80	9.80	N/A	N/A	N/A
NCREIF Fund Index-ODCE (EW) (Net)	1.95	8.36	8.36	11.29	11.23	12.31
<b>Total Fixed Income</b>						
Ziegler	-1.95	1.68	1.68	2.21	2.15	3.41
BC Intermediate Agg Index (as of 3-14) / BC Agg	-2.05	1.97	1.97	2.60	1.97	3.44
Cash	0.13	0.38	0.38	0.16	0.13	0.12
90 Day U.S. Treasury Bill	0.07	0.25	0.25	0.11	0.09	0.10

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



<b>Historical Hybrid Composition</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Jan-2009</b>	
Russell 3000 Index	45.00
MSCI EAFE (Net) Index	10.00
Bloomberg Barclays U.S. Aggregate Index	45.00
<b>Mar-2014</b>	
Russell 3000 Index	45.00
MSCI EAFE (Net) Index	10.00
Bloomberg Barclays Intermed Aggregate Index	45.00
<b>Jun-2014</b>	
Russell 1000 Value Index	15.00
Russell 1000 Growth Index	15.00
Russell 2500 Index	10.00
MSCI EAFE (Net) Index	10.00
Bloomberg Barclays Intermed Aggregate Index	45.00
NCREIF Fund Index-ODCE (EW) (Net)	5.00



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<b>Active Return</b>	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
<b>Alpha</b>	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
<b>Beta</b>	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
<b>Consistency</b>	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
<b>Distributed to Paid In (DPI)</b>	- The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.
<b>Down Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
<b>Downside Risk</b>	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
<b>Excess Return</b>	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
<b>Excess Risk</b>	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
<b>Information Ratio</b>	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
<b>Public Market Equivalent (PME)</b>	- Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.
<b>R-Squared</b>	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
<b>Return</b>	- Compounded rate of return for the period.
<b>Sharpe Ratio</b>	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
<b>Standard Deviation</b>	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
<b>Total Value to Paid In (TVPI)</b>	- The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life
<b>Tracking Error</b>	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
<b>Treynor Ratio</b>	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
<b>Up Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.





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AndCo compiled this report for the sole use of the client for which it was prepared. AndCo is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. AndCo uses the results from this evaluation to make observations and recommendations to the client.

AndCo uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. AndCo analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides AndCo with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides AndCo with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause AndCo to believe that the information presented is significantly misstated.

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