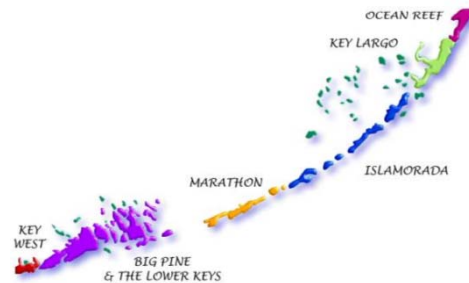




Lower Florida Keys Hospital District



Investment Performance Review For the Quarter Ended March 31, 2017

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Executive Summary

The Lower Florida Keys Hospital District (the “District”) investment portfolio gained 4.82% (net of mutual fund fees) in the 1st quarter of 2017, outperforming its policy benchmark return of 4.76% by 0.06%. Over the prior 12-months, the portfolio returned 11.16%, 0.31% behind its 11.47% benchmark return. Since the inception date of September 1, 2011, the portfolio return of 8.91% annually is outperforming its 8.32% benchmark return by 0.59%. In dollar terms, the portfolio gained \$339,251 over the quarter and \$750,509 over the past 12-months.

Equity markets extended rallies from 2016 during the first quarter on the back of solid employment data and positive economic and market sentiments due to prospects of the Trump administration’s proposed tax and regulatory reforms. The factors aiding performance relative to benchmarks for the quarter include an overweight to equities, an underweight to fixed income, manager selection in non-U.S. equities and favoring corporate and high yield bonds over U.S. Treasuries in fixed income during a rising interest rate environment.

Uncertainty remains relatively high in the Eurozone given a number of upcoming elections and political events. We are also watching the Fed with the expectation of continued gradual rate hikes. The portfolio is currently positioned for continued U.S. economic growth and slowly rising rates. The asset allocation is in compliance with the District’s Board approved investment policy guidelines, and expected to help achieve the District’s long-term investment goals and objectives.



Executive Summary

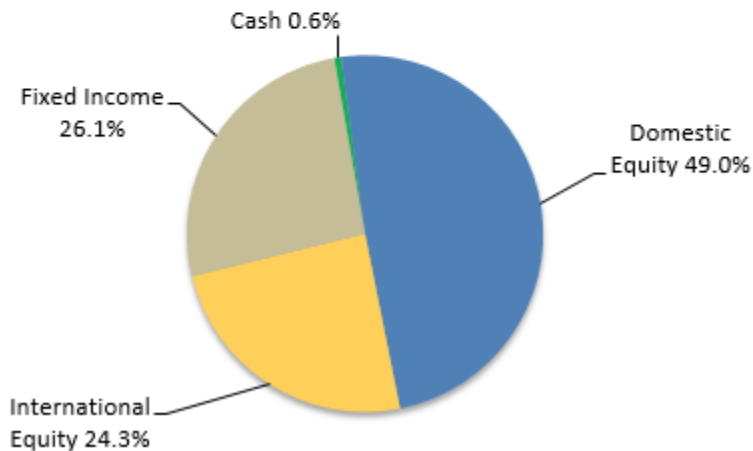
Current Asset Allocation

Asset Class	Market Value	Pct (%)
Cash	\$44,147	0.6%
Domestic Equity	3,613,578	49.0%
International Equity	1,791,465	24.3%
Fixed Income	1,921,044	26.1%
Alternative Investments	-	0.0%
Total	\$7,370,236	100.0%

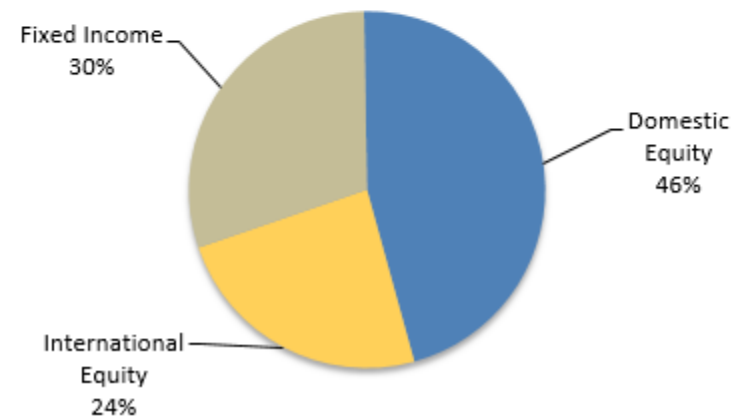
Target Asset Allocation

Asset Class	Market Value	Pct (%)	Range
Cash	\$0	0%	0% - 20%
Domestic Equity	3,390,308	46%	36% - 56%
International Equity	1,768,856	24%	14% - 34%
Fixed Income	2,211,070	30%	10% - 50%
Alternative Investments	-	0%	0% - 15%
Total	\$7,370,236	100%	

Current Asset Allocation



Target Asset Allocation



Financial Markets Review



QUARTERLY MARKET SUMMARY

Market Index Performance

As of March 31, 2017

	QTD	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
DOMESTIC EQUITY								
S&P 500	6.07%	6.07%	17.17%	9.21%	10.37%	13.30%	12.94%	7.51%
Russell 3000 Index	5.74%	5.74%	18.07%	8.47%	9.76%	13.18%	12.89%	7.54%
Russell 1000 Value Index	3.27%	3.27%	19.22%	8.34%	8.67%	13.13%	12.18%	5.93%
Russell 1000 Growth Index	8.91%	8.91%	15.76%	8.94%	11.27%	13.32%	13.68%	9.13%
Russell Midcap Index	5.15%	5.15%	17.03%	5.97%	8.48%	13.09%	13.15%	7.94%
Russell 2500 Index	3.76%	3.76%	21.53%	6.13%	7.43%	12.60%	12.73%	7.71%
Russell 2000 Index	2.47%	2.47%	26.22%	6.72%	7.22%	12.35%	12.27%	7.12%
Russell 2000 Value Index	-0.13%	-0.13%	29.37%	9.26%	7.62%	12.54%	11.59%	6.09%
Russell 2000 Growth Index	5.35%	5.35%	23.03%	4.14%	6.72%	12.10%	12.88%	8.06%
INTERNATIONAL EQUITY								
MSCI EAFE (net)	7.25%	7.25%	11.67%	1.21%	0.50%	5.83%	4.72%	1.05%
MSCI AC World Index (net)	6.91%	6.91%	15.04%	4.91%	5.08%	8.37%	7.81%	4.00%
MSCI AC World ex USA (Net)	7.86%	7.86%	13.13%	1.36%	0.56%	4.36%	3.82%	1.35%
MSCI AC World ex USA Small Cap (Net)	8.78%	8.78%	12.26%	5.63%	2.46%	6.68%	6.26%	3.04%
MSCI EM (net)	11.44%	11.44%	17.21%	1.55%	1.18%	0.81%	1.69%	2.72%
ALTERNATIVES								
FTSE NAREIT Equity REIT Index	1.16%	1.16%	3.56%	3.99%	10.26%	9.99%	12.25%	4.84%
FTSE EPRA/NAREIT Developed Index	2.30%	2.30%	1.86%	1.57%	6.18%	8.18%	8.97%	1.85%
Bloomberg Commodity Index Total Return	-2.33%	-2.33%	8.69%	-6.50%	-13.92%	-9.54%	-5.94%	-6.22%
FIXED INCOME								
Bloomberg Barclays Aggregate	0.82%	0.82%	0.44%	1.20%	2.68%	2.34%	3.48%	4.27%
Bloomberg Barclays U.S. Government/Credit	0.96%	0.96%	0.54%	1.14%	2.69%	2.46%	3.71%	4.34%
Bloomberg Barclays Intermediate U.S. Gov/Credit	0.78%	0.78%	0.42%	1.24%	2.01%	1.88%	2.86%	3.76%
Bloomberg Barclays U.S. Treasury: 1-3 Year	0.27%	0.27%	0.24%	0.58%	0.73%	0.64%	0.91%	2.01%
Bloomberg Barclays US Corp: High Yield	2.70%	2.70%	16.39%	5.87%	4.56%	6.82%	7.81%	7.46%
Credit Suisse Leveraged Loan index	1.20%	1.20%	9.74%	4.18%	3.72%	4.88%	5.02%	4.24%
BofA Merrill Lynch Global HY Constrained (USD)	3.06%	3.06%	13.81%	6.28%	3.25%	6.31%	7.23%	7.25%
Bloomberg Barclays Global Aggregate Ex USD	2.48%	2.48%	-3.93%	1.24%	-2.68%	-1.13%	0.89%	2.58%
JPM EMBI Global Diversified	3.87%	3.87%	8.92%	6.53%	6.23%	5.83%	6.94%	7.04%
CASH EQUIVALENT								
90-Day U.S. Treasury Bill	0.10%	0.10%	0.30%	0.19%	0.14%	0.11%	0.11%	0.66%

Source: Investment Metrics. Returns are expressed as percentages. Please refer to the last page of this document for important disclosures relating to this material.



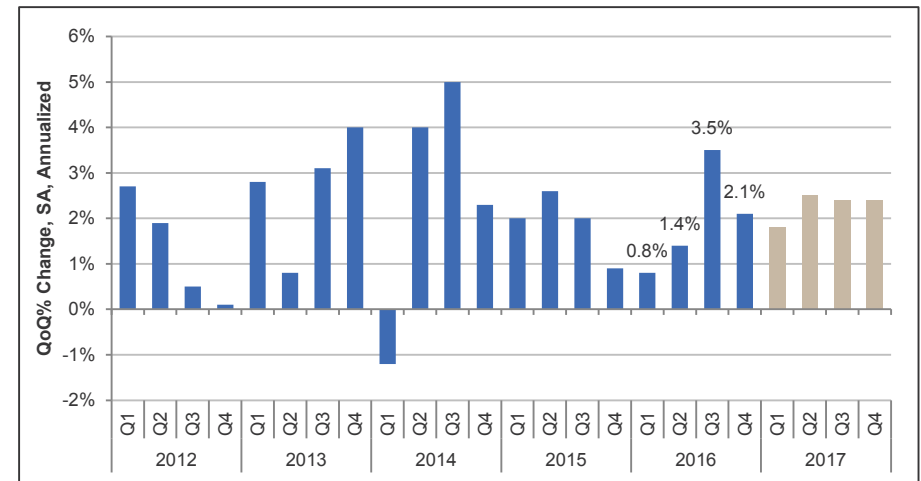
QUARTERLY MARKET SUMMARY

THE ECONOMY

- The third and final reading of fourth quarter U.S. Gross Domestic Product (GDP) released at the end of March came in at an annualized rate of 2.1%. While this fell from a strong third quarter, the final reading was revised up from the first revision of 1.9% and topped forecasts of 2.0%. Consumer spending continued to be a major driver of growth outpacing expectations by increasing 2.4% for the quarter. Corporate profits rose 0.3% from the third quarter and 9.3% year-over-year (YoY). As expected, trade hindered growth by subtracting 1.8%, the most since 2004. With the fourth quarter reading finalized, the economy grew at a 2.0% clip in 2016.
- Equity markets extended rallies from 2016 during the first quarter on the back of solid employment data and positive economic and market sentiment. Despite a weak March reading (released in April), employment data continued to be strong during the quarter as nonfarm payrolls increased 533,000 and the unemployment rate finished March at 4.5%. While strong employment indicators impacted market gains, rallies were largely sustained by positive sentiment surrounding expected tax cuts, tax reform and regulatory reform among other pro-growth policies proposed by the Trump administration.
- The Federal Reserve (Fed) chose to raise the Federal Funds target rate by 0.25% during their March meeting. The decision was based on expectations for rising inflation and the prospect of stronger growth. The latest reading for Core PCE, the Fed's choice measure of inflation, measured in at 1.8%, nearing the Fed target of 2.0%. While the market fully expected a hike in the days leading up to the meeting, this was not the case even just weeks before. Market expectations of a rate hike shot up following President Trump's first joint address before Congress and were further cemented by hawkish sentiment released by Fed governors in addition to the strong March employment reading.
- The global political landscape was eventful during the quarter. In March, as expected, the United Kingdom (U.K.) Prime Minister Theresa May triggered Article 50, officially beginning the two-year negotiation process of the nation's historic exit from the European Union (EU). The Netherlands held general elections in March resulting in the current center-right party soundly defeating the nationalistic, anti-EU party in a closely watched race. Elsewhere, North Korea made headlines during the quarter with a series of ballistic missile tests. The tests, which directly conflict with United Nation (UN) orders, have raised concern among global leaders.

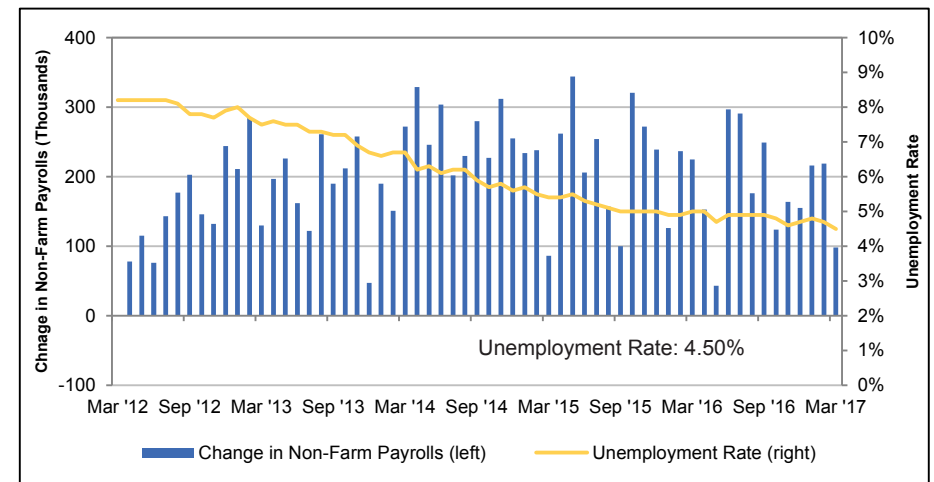
U.S. Real GDP Growth

(Seasonally Adjusted)



Source: Bloomberg. Blue bars indicate actual numbers; taupe bars indicate forecasted estimates.

Change in Non-Farm Payrolls



Source: Bloomberg.

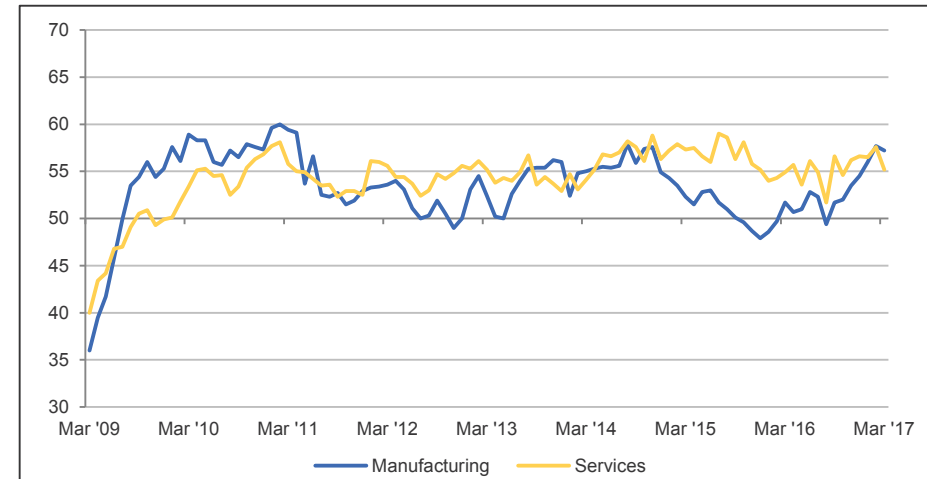


QUARTERLY MARKET SUMMARY

WHAT WE'RE WATCHING

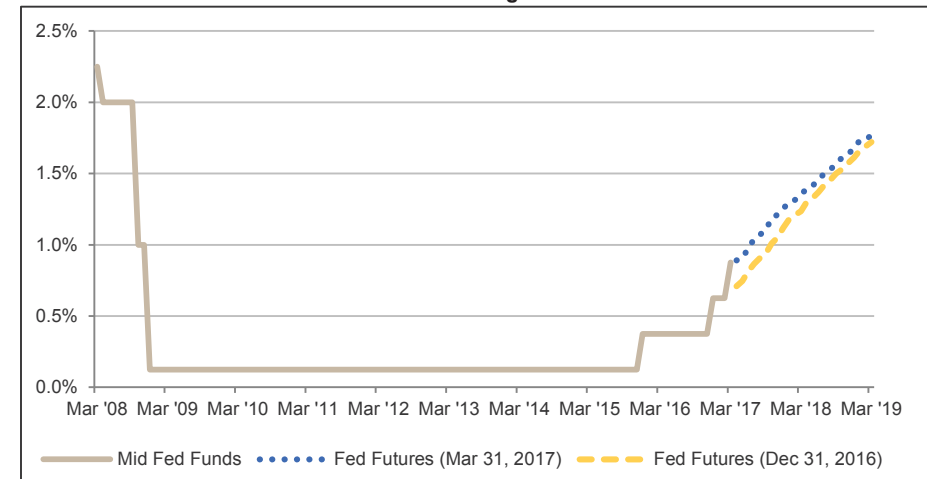
- The Fed decided to raise the Fed Fund Rate for the second time in their last three meetings in March and they may not be finished for 2017. Inflationary expectations continue to rise, growth prospects are strengthening and economic indicators such as manufacturing and services PMI remain solid. As of writing this, based on Fed Funds Futures contracts, markets are pricing in roughly a 2-out-of-3 probability of a hike after the Fed's June meeting. The market will look for an indication of plans following the Fed's meeting in May. The market is roughly split on anywhere between one or two more hikes with an outside possibility of an additional third one for the balance of 2017.
- Markets are closely monitoring a number of upcoming political events in the Eurozone. France's presidential election will take place in the second quarter. The first round of voting in April involves five candidates while the second round, that will be narrowed to two candidates, will more than likely occur in May. The far right, anti-EU candidate, Marine Le Pen, is currently ahead in the first round of polls; however, many pundits believe a more centrist party will take the second round, securing the presidency. Though not until September, German federal elections have already gained attention. While early indicators show current Chancellor Angela Merkel with a clear lead over other candidates, including a nationalistic, anti-EU contender, markets will be on watch for further developments in the key race.
- Positive sentiment was a large driver of markets during the first quarter as markets hit numerous record highs early on due to prospects of Trump administration's proposed tax and regulatory reforms. Following the dismissed American Health Care Act vote, Trump will likely be turning his attention to these policies, which should have a direct impact on businesses and consumers. Developments in this area could cause major market reactions. Contributing to this positive sentiment, preliminary first quarter earnings forecasts have also come in strong. Forecasts for the first quarter have pegged growth to be 9.1% YoY (Factset, as of 3/31/2017), which would represent the largest growth number since late 2011.

ISM Manufacturing & Services PMI



Source: Bloomberg.

Fed Funds Target Rate



Source: Bloomberg.



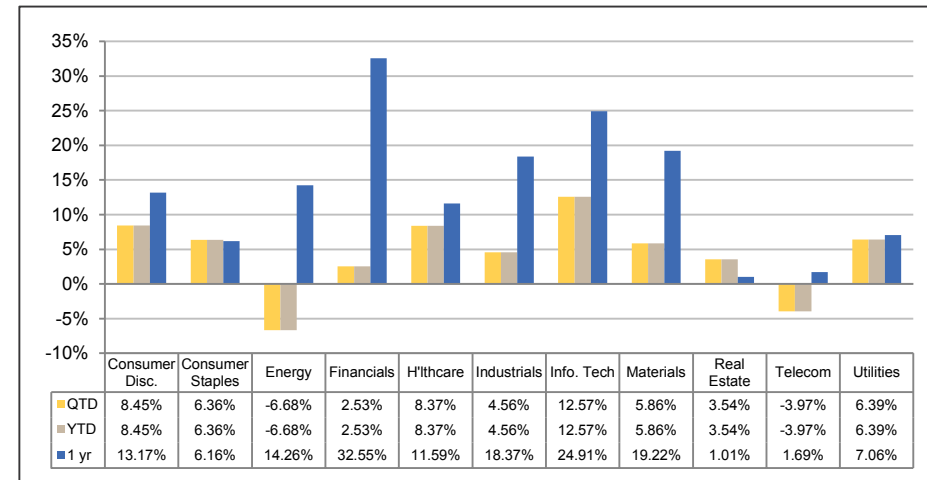
QUARTERLY MARKET SUMMARY

U.S. EQUITY

- Domestic equity markets, as represented by the S&P 500 Index, extended rallies from the latter half of the fourth quarter into the first quarter of 2017. All told, markets rose 6.1% in part due to continued favorable market opinion of President Trump's proposed tax cuts, tax reform, regulatory reform, and increased infrastructure spending among others. While a 6.1% certainly represents a strong quarter, market momentum tailed off during March as markets rose just 0.1%.
- For the second quarter in a row, only two sectors within the S&P failed to finish in the black. Amongst the laggards, Energy led the way, dropping 6.7%, as increased inventories and negative speculation about the efficacy of last year's OPEC deal lowered oil prices, ultimately hindering Energy returns. This weak quarterly finish comes on the heels of a strong 2016 when Energy represented the top-performing sector with a 27.4% return. Telecom was the only other sector to finish in the red for the quarter, dropping 4.0%. Information Technology was the strongest performing sector, rising 12.6%, as strong performance was supported by a 24.6% gain from Apple. Consumer Discretionary (8.5%) and Healthcare (8.4%) rounded out the top three sectors for the quarter.
- By market capitalizations, large-cap stocks (Russell 1000 Index) led the way on the quarter rising 6.0% followed by mid-caps (Russell Mid Cap Index) rising 5.1%. Following a strong 2016, small-caps (Russell 2000 Index) lagged behind rising 2.5%. As was the story with the S&P 500, momentum slowed during March for each index as each stayed roughly neutral.
- Growth-oriented indices outpaced value-oriented indices across all market capitalizations reversing course from the fourth quarter. Relative performance of growth over value ranged from 3 – 5.5% across the different market capitalizations.

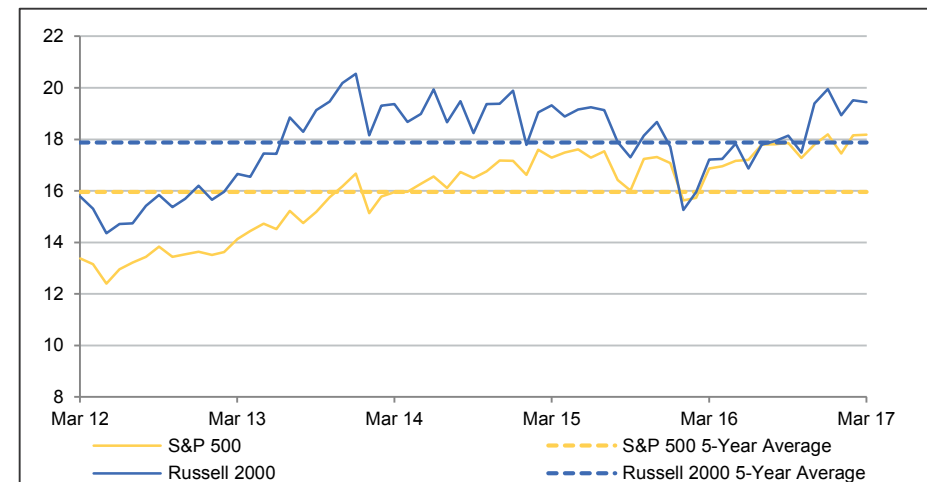
S&P 500 Index Performance by Sector

Periods Ended March 31, 2017



Source: Bloomberg.

P/E Ratios of Major Stock Indices*



Source: Bloomberg.

*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.



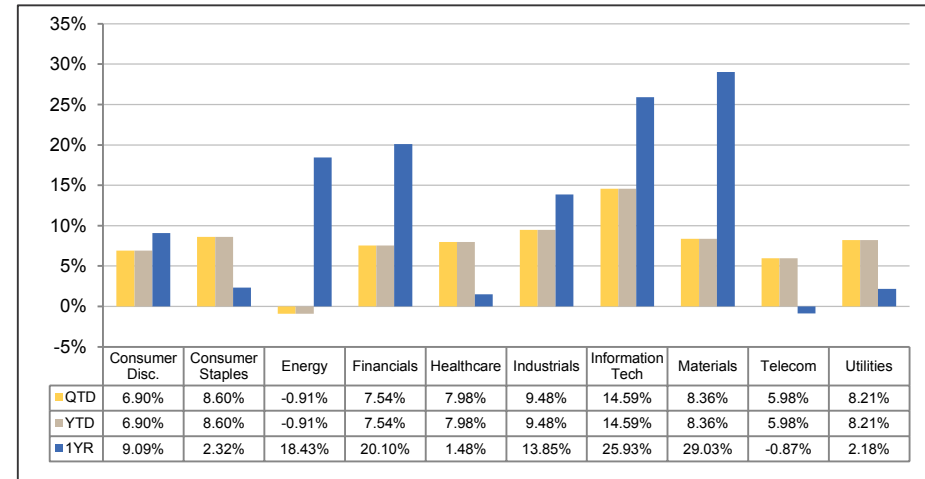
QUARTERLY MARKET SUMMARY

NON-U.S. EQUITY

- Developed markets outside of North America, as measured by the MSCI EAFE Index, increased 7.3% in the first quarter with three consecutive months of solid gains. Following a weak 2016, developed markets were bolstered by stronger-than-expected economic data and cheaper valuations relative to U.S. Equities. Developed country performance was positive. Spain was the strongest performer with a 14.8% gain after a strong GDP reading fell in line with expectations and contributed to a March rally. Singapore (13.5%) and Hong Kong (13.4%) followed while Norway was the biggest laggard (1.4%).
- Emerging markets (EM) started the year off strong with an 11.4% gain that followed a robust 2016. EM equities have been helped by a weaker dollar, cheaper relative valuations and mitigated concerns surrounding the Trump administration's rhetoric on trade and China. Almost all individual EM country performance was positive. Poland was the top performer, rising 17.8% following years of poor performance, aided in part by a stronger currency. Indian, Korean, Mexican, Chilean, Chinese, Taiwanese, Turkish and Brazilian equities all increased substantially during the quarter, rising between 10 and 18 percent. Russia, last quarter's top performer, was the worst performer, falling 4.6% amidst geopolitical concerns. Greece (-3.5%) and Hungary (-0.1%) were the only other countries with negative quarterly performance.
- Within the MSCI All Country World Index (ACWI) ex-U.S., which includes both developed and EM, sector performance was mostly positive. Energy (-0.9%), last quarter's top performer, was the lone negative sector as a positive March was not enough to offset two previous monthly declines. Information Technology saw the biggest gains with a 14.6% increase.
- In both developed and emerging markets for the first quarter, small-cap stocks outperformed large-cap stocks and growth outperformed value in a reversal from last quarter.

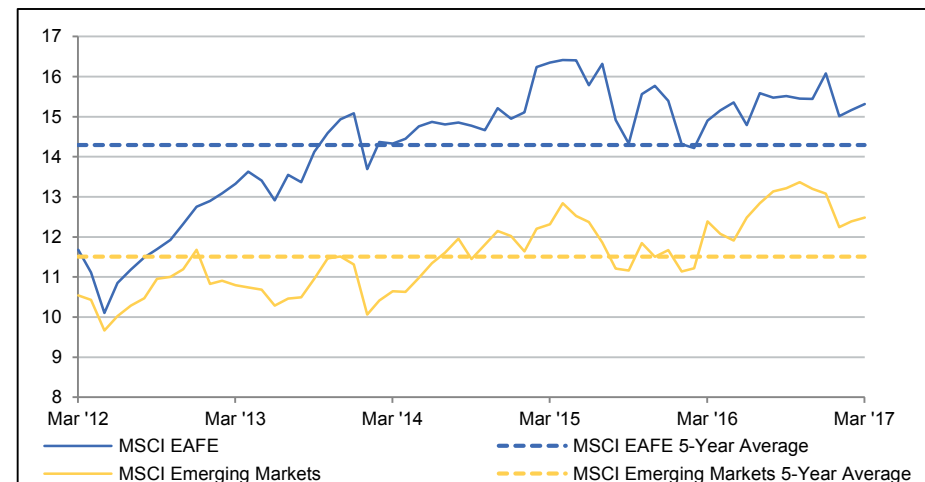
MSCI ACWI ex-US Sectors

Periods Ended March 31, 2017



Source: Bloomberg.

P/E Ratios of MSCI Equity Indices*



Source: Bloomberg.

*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

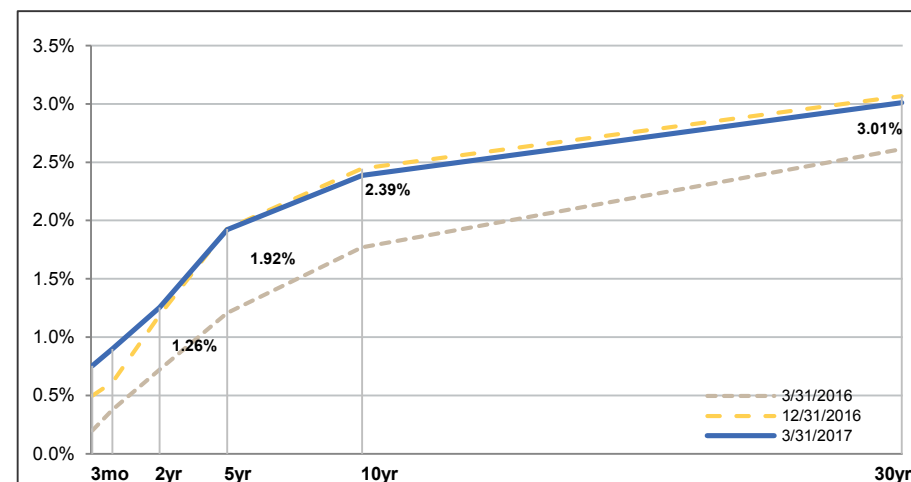


QUARTERLY MARKET SUMMARY

FIXED INCOME

- After two consecutive quarters of increasing yields amongst all U.S. Treasury tenors, yields picked up once again on the short-end of the curve. However, yields stayed roughly flat on the intermediate portion and moderately declined on the long end. Maturities of one year and less all rose between 0.2% and 0.3% while the 10 and 30-year both dropped a moderate six basis points (bps). Short-term rate movements were primarily driven by the Fed. Ultimately this resulted in the curve beginning to see some relative flattening especially in the short-to-intermediate range.
- Investment grade fixed-income returns were positive as intermediate to longer-term yields saw moderate declines. The Bloomberg Barclays (Blmbg BC) U.S. Aggregate Index rose 0.8% on the quarter while the Blmbg BC U.S. Universal Bond Index, which includes a small High Yield allocation, rose 1.1%. Investment-grade credit carried a strong 2016 into the first quarter with a 1.3% gain.
- Within the non-investment grade credit spectrum, high-yield, as represented by the Blmbg BC U.S. Corporate High Yield Index, rose 2.7% as credit spreads ended the month slightly lower. Spreads continued their trend downward which dates back to February of last year while hitting 2017 lows in early March. However, these began to tick up slightly towards the end of the quarter ultimately finishing slightly below where they started the year.
- The fixed-rate mortgage market, as measured by the Blmbg BC U.S. Mortgage-Backed Securities (MBS) Index, rose 0.5% while the Blmbg BC U.S. CMBS Index (measuring commercial MBS) gained 0.9%.
- USD-denominated Emerging Market debt rose 3.3% on the quarter, as measured by the Blmbg BC EM USD Aggregate Index.

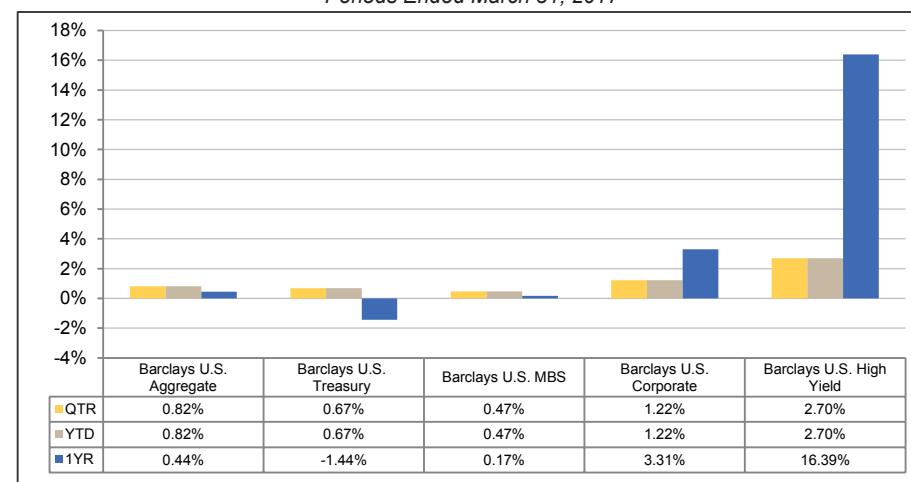
U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments

Periods Ended March 31, 2017



Source: Bloomberg.



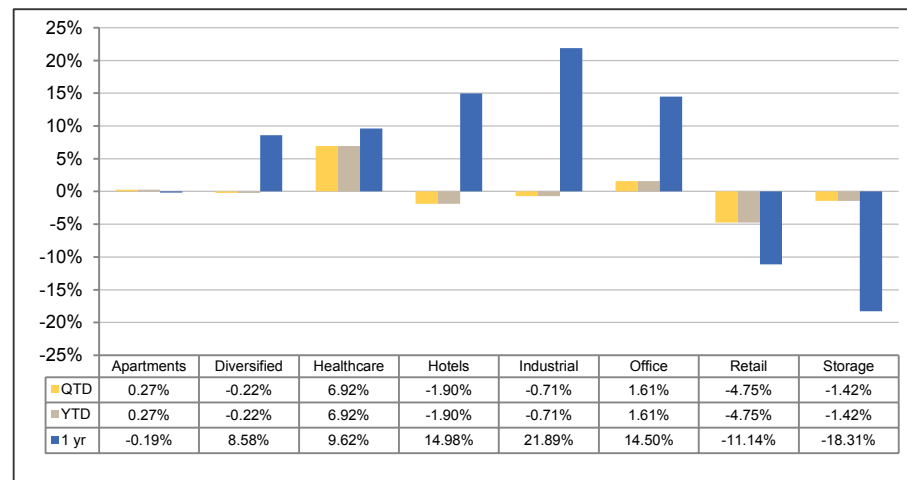
QUARTERLY MARKET SUMMARY

ALTERNATIVES

- U.S. Real Estate Investment Trusts (REITs), as measured by the FTSE NAREIT Equity REIT Index, rose 1.2% following two quarters of declines. After a strong December, REITs were modestly positive in January and February amidst solid economic growth prospects despite lagging behind the broader equity markets. REITs declined with the Fed's rate hike in March but not enough to offset previous gains. Major property sector performance was mixed. Specialty REITs (13.2%) and Data Center REITs (11.5%) were the quarter's top performance. The Healthcare sector also had a strong quarter, rising 6.9% after a considerable decline in the fourth quarter. The Retail sector also saw a substantial decline last quarter and this trend continued in the first quarter with Retail falling 4.8%, more than any other sector.
- Private real estate, as measured by the NCREIF Index of 7,371 commercial properties nationwide, increased 1.73% during the fourth quarter (first quarter data has not yet become available). The 2016 trend continued as income growth of 1.1% outpaced a value appreciation of 0.6%. For the full 2016 year, the index gained 8.0% consisting of an income return of 4.8% and value appreciation of 3.1%.
- Commodities were negative in the first quarter after a strong 2016. Following modest gains in the first two months of the quarter, the Bloomberg Commodity Index of 19 raw materials futures declined alongside oil prices in March, ending the quarter down 2.5%. Commodity-related equities, as measured by the S&P North American Natural Resources Sector Index, also fell during the quarter on the back of an exceptionally strong 2016. The index dropped 4.3%.
- Hedge funds, rose 2.3% in the first quarter. The increase marks the fourth consecutive quarter of gains for the HFRI Fund Weighted Composite Index, a global index of over 2,000 hedge funds.
- Private equity fundraising remained strong to start the year. According to Preqin, 175 funds closed during the first quarter. Although this is down slightly compared with recent quarters, aggregate capital raised was in right in line at \$89 billion. North America continues to be the most popular geography with 99 funds closed and \$62 billion in capital raised focused on the region. While 52 Venture Capital funds were raised during the quarter, representing the largest number of any private equity fund type, Buyout funds raised the most capital at \$38.7 billion. With the strong fundraising environment of the past few years, private equity dry powder, the amount of money private equity funds have yet to invest, continues to increase reaching \$846 billion at the end of the first quarter.

FTSE NAREIT Sectors

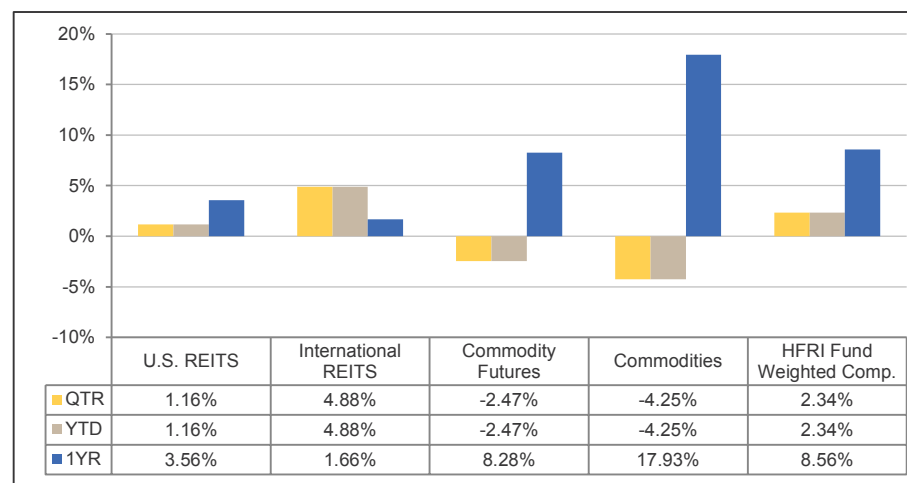
Quarter Ended March 31, 2017



Source: Bloomberg.

Returns for Alternative Assets

Periods Ended March 31, 2017













Sources: Bloomberg and Hedge Fund Research, Inc.



QUARTERLY MARKET SUMMARY

Investment Strategy Overview

For the Second Quarter 2017

Asset Class	PFMAM Investment Preferences	Comments
U.S. EQUITIES		
Large-Caps		<ul style="list-style-type: none"> While uncertainties remain, domestic equities should fare well with the new administration providing an environment for continued corporate profit and economic growth. Small-cap companies are more insulated from risks abroad and should benefit more from domestic growth. Expensive valuations remain a potential headwind along with a relatively hawkish Fed.
Small-Caps		
NON-U.S. EQUITIES		
Developed Markets		<ul style="list-style-type: none"> While political uncertainty remains, valuations have cheapened relative to domestic markets while central banks still appear accommodative. Emerging markets equities still face slowing fundamentals, rising interest rates, a stronger dollar, and increasing political risks. However, cheaper valuations relative to both domestic and developed international markets may help subside some of these concerns.
Non-US Small-Caps		
Emerging Markets		
FIXED INCOME		
Long Duration, Interest-Rate-Sensitive Sectors		<ul style="list-style-type: none"> Interest rates are beginning to pick up and Fed appears to be becoming more hawkish. Tightening may accelerate for the balance of 2017. In a growing economy, credit-sensitive instruments remains an area to capture extra yield.
Credit-Sensitive Sectors		
REAL ESTATE		<ul style="list-style-type: none"> Real estate returns face headwinds from rising interest rates. Still, a healthy economy and modest fundamentals should support moderate NOI (Net Operating Income) growth.
ALTERNATIVES		
Hedge Funds		<ul style="list-style-type: none"> Due to rising assets under management and the proliferation of hedge funds and private equity funds, the relative performance from alternatives is unlikely to significantly outperform publicly traded markets.
Private Equity		

 Current outlook
  Outlook one year ago


QUARTERLY MARKET SUMMARY

DISCLOSURES

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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Plan Performance Summary



Asset Allocation & Performance

	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
TOTAL FUND	7,370,236	100.00	4.82	4.82	11.16	5.20	5.90	8.38	8.91	09/01/2011
<i>Target Policy</i>			4.76	4.76	11.47	4.73	5.54	7.77	8.32	09/01/2011
Domestic Equity										
Vanguard Total Stock Market Index	2,966,617	40.25	5.79	5.79	18.07	8.42	9.69	13.14	13.52	05/01/2012
<i>Russell 3000 Index</i>			5.74	5.74	18.07	8.47	9.76	13.18	13.57	05/01/2012
T. Rowe Price Dividend Growth	287,318	3.90	5.00	5.00	14.66	8.57	9.92	12.87	6.34	12/01/2016
<i>S&P 500</i>			6.07	6.07	17.17	9.21	10.37	13.30	8.16	12/01/2016
Vanguard Small Cap Index	359,643	4.88	3.74	3.74	21.51	6.22	7.41	12.89	10.07	10/01/2016
<i>Russell 2000 Index</i>			2.47	2.47	26.22	6.72	7.22	12.35	11.52	10/01/2016
International Equity										
Vanguard Total International Stock Index	535,941	7.27	8.47	8.47	13.74	2.19	1.10	4.83	6.37	10/01/2016
<i>MSCI AC World ex USA (Net)</i>			7.86	7.86	13.13	1.36	0.56	4.36	6.51	10/01/2016
Vanguard International Value	449,587	6.10	8.06	8.06	13.46	0.68	-0.46	5.20	10.67	05/01/2016
<i>MSCI AC World ex USA (Net)</i>			7.86	7.86	13.13	1.36	0.56	4.36	10.23	05/01/2016
J. O. Hambro International Select	535,502	7.27	7.87	7.87	11.65	-0.76	4.62	9.80	10.64	01/01/2016
<i>MSCI AC World ex USA (Net)</i>			7.86	7.86	13.13	1.36	0.56	4.36	10.04	01/01/2016
Oppenheimer International Small-Mid Company	270,435	3.67	9.40	9.40	11.76	8.61	6.88	14.72	8.61	04/01/2015
<i>MSCI AC World ex USA Smid Cap Index (Net)</i>			8.52	8.52	11.26	4.17	2.16	6.06	4.17	04/01/2015
Fixed Income										
Metropolitan West Total Return	479,421	6.50	0.90	0.90	0.93	1.12	2.57	3.70	3.99	09/01/2011
<i>Blmbg. Barc. U.S. Aggregate</i>			0.82	0.82	0.44	1.20	2.68	2.34	2.48	09/01/2011
Baird Core Plus	635,097	8.62	1.19	1.19	2.82	2.10	3.40	3.44	3.18	05/01/2014
<i>Blmbg. Barc. U.S. Aggregate</i>			0.82	0.82	0.44	1.20	2.68	2.34	2.46	05/01/2014
Vanguard Intermediate-Term Investment Grade	634,221	8.61	1.33	1.33	1.69	2.29	3.46	3.61	3.41	05/01/2012
<i>Blmbg. Barc. U.S. Credit 5-10 Year Index</i>			1.49	1.49	2.62	2.35	3.92	4.11	3.85	05/01/2012
Vanguard High Yield Corporate	172,305	2.34	2.25	2.25	11.22	4.92	4.59	6.18	11.22	04/01/2016
<i>Blmbg. Barc. U.S. Corp. High Yield</i>			2.70	2.70	16.39	5.87	4.56	6.82	16.39	04/01/2016
Cash Equivalent										
First American Government Obligation	44,147	0.60	0.11	0.11	0.15	0.09	0.06	0.04	0.04	09/01/2011

Returns are net of mutual fund fees.
Returns are expressed as percentages.



Comparative Performance

	2016	2015	2014	2013	2012
TOTAL FUND	7.28	0.81	6.60	17.59	13.91
<i>Target Policy</i>	7.85	-0.77	6.55	17.06	11.92
Domestic Equity					
Vanguard Total Stock Market Index	12.66	0.39	12.56	33.52	16.38
<i>Russell 3000 Index</i>	12.74	0.48	12.56	33.55	16.42
T. Rowe Price Dividend Growth	11.62	2.36	12.34	30.35	14.85
<i>S&P 500</i>	11.96	1.38	13.69	32.39	16.00
Vanguard Small Cap Index	18.30	-3.64	7.50	37.81	18.24
<i>Russell 2000 Index</i>	21.31	-4.41	4.89	38.82	16.35
International Equity					
Vanguard Total International Stock Index	4.67	-4.26	-4.17	15.14	18.21
Vanguard International Value	4.46	-6.44	-6.69	22.15	20.18
J. O. Hambro International Select	5.20	-4.05	5.35	38.21	15.48
<i>MSCI AC World ex USA (Net)</i>	4.50	-5.66	-3.87	15.29	16.83
Oppenheimer International Small-Mid Company	-0.24	15.15	0.38	45.26	23.17
<i>MSCI AC World ex USA Smid Cap Index (Net)</i>	3.57	0.44	-3.05	17.79	17.98
Fixed Income					
Metropolitan West Total Return	2.46	0.29	5.99	0.50	11.55
Baird Core Plus	4.73	0.14	6.59	-1.32	7.95
<i>Blmbg. Barc. U.S. Aggregate</i>	2.65	0.55	5.97	-2.02	4.21
Vanguard Intermediate-Term Investment Grade	3.93	1.63	5.91	-1.27	9.25
<i>Blmbg. Barc. U.S. Credit 5-10 Year Index</i>	5.23	0.69	7.38	-2.05	11.26
Vanguard High Yield Corporate	11.30	-1.30	4.69	4.64	14.47
<i>Blmbg. Barc. U.S. Corp. High Yield</i>	17.13	-4.47	2.45	7.44	15.81
Cash Equivalent					
First American Government Obligation	0.06	0.02	0.02	0.01	0.00

Returns are net of mutual fund fees.
Returns are expressed as percentages.



Account Reconciliation

QTR

	Market Value As of 01/01/2017	Net Flows	Return On Investment	Market Value As of 03/31/2017
TOTAL FUND	7,070,984	(39,999)	339,251	7,370,236

YTD

	Market Value As of 01/01/2017	Net Flows	Return On Investment	Market Value As of 03/31/2017
TOTAL FUND	7,070,984	(39,999)	339,251	7,370,236

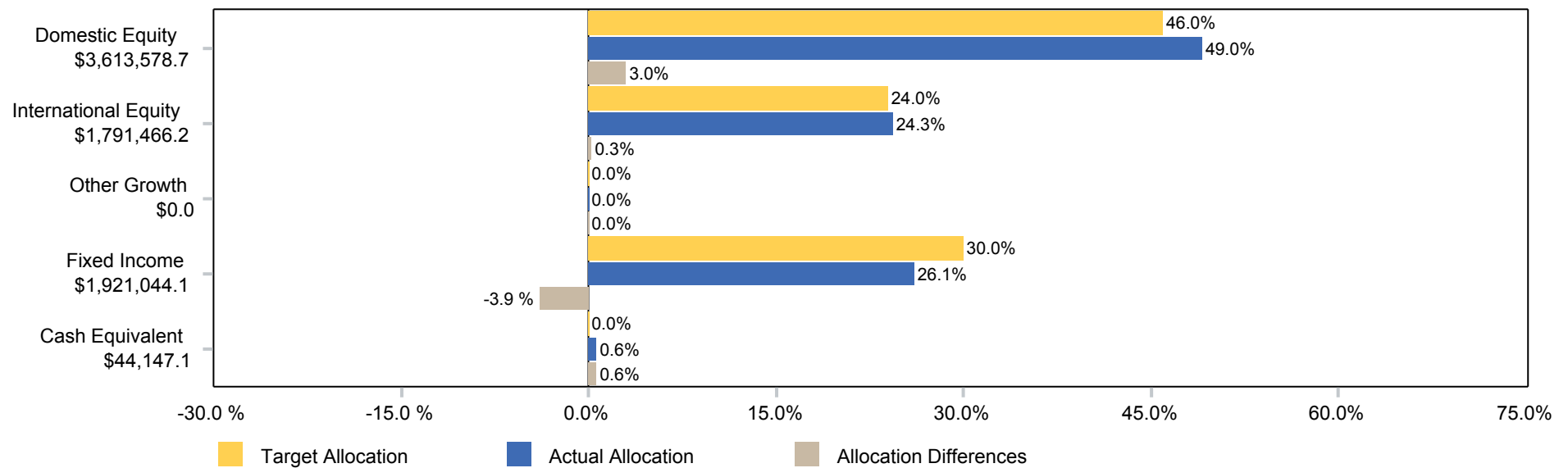
1 Year

	Market Value As of 04/01/2016	Net Flows	Return On Investment	Market Value As of 03/31/2017
TOTAL FUND	6,909,726	(289,999)	750,509	7,370,236



Asset Allocation Summary

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
TOTAL FUND	100.0	100.0	N/A	N/A	0.0
Domestic Equity	49.0	46.0	36.0	56.0	3.0
International Equity	24.3	24.0	14.0	34.0	0.3
Other Growth	0.0	0.0	0.0	15.0	0.0
Fixed Income	26.1	30.0	10.0	50.0	-3.9
Cash Equivalent	0.6	0.0	0.0	20.0	0.6



Historical Hybrid Composition - Target Policy

Allocation Mandate	Weight (%)
Sep-2011	
Russell 3000 Index	33.0
MSCI AC World ex USA (Net)	21.0
FTSE EPRA/NAREIT Developed Index	3.0
Bloomberg Commodity Index Total Return	3.0
Blmbg. Barc. U.S. Aggregate	40.0
Jan-2012	
Russell 3000 Index	38.0
MSCI AC World ex USA (Net)	21.0
FTSE EPRA/NAREIT Developed Index	3.0
Bloomberg Commodity Index Total Return	3.0
Blmbg. Barc. U.S. Aggregate	35.0
May-2012	
Russell 3000 Index	38.0
MSCI AC World ex USA (Net)	21.0
FTSE NAREIT Equity REIT Index	3.0
Bloomberg Commodity Index Total Return	3.0
Blmbg. Barc. U.S. Aggregate	35.0
Mar-2013	
Russell 3000 Index	46.0
MSCI AC World ex USA (Net)	24.0
Blmbg. Barc. U.S. Aggregate	30.0



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