F U N D   E V A L U A T I O N   R E P O R T

UNITE HERE Local 25 and Hotel Association of Washington, D.C. Pension Fund

Investment Review
December 16, 2016

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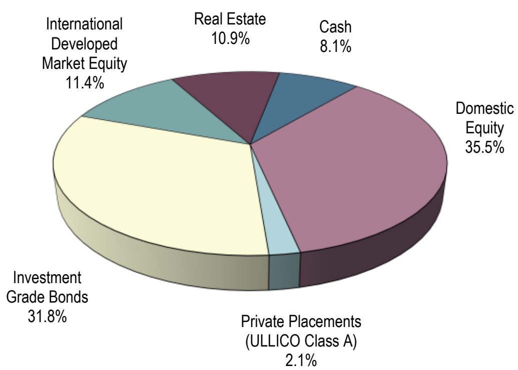
1. **Executive Summary**
2. **Pension Fund Summary as of September 30, 2016**
3. **Pension Fund Detail as of September 30, 2016**
4. **Pension Fund Portfolio Review as of September 30, 2016**
5. **Private Market Update**
6. **Appendices**
   - Interim Update as of October 31, 2016
   - The World Markets in the Third Quarter of 2016
   - Corporate Update
   - Disclaimer, Glossary, and Notes

Executive Summary
As of September 30, 2016

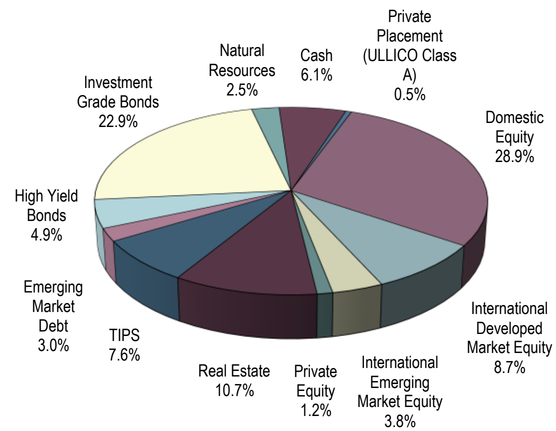
- As of September 30, 2016, the Pension Fund was valued at $184.2 million, an increase of $8.5 million from the end of the second quarter.
- The increase in assets was due to a combination of positive investment performance and net cash inflows.
  - The Pension Fund returned 2.9% for the third quarter, led by emerging market and private equity, which returned 9.1% and 7.4%, respectively.
- At the end of September, all asset classes were within their respective target allocation ranges with the exception of cash. The majority of the cash position has since been invested across the portfolio holdings.
- Over the trailing one-year period, the Pension Fund outperformed the policy benchmark, returning 10.8%, compared to 9.3%. The Pension Fund underperformed the Target Policy benchmark by 0.3%.
- Over the trailing year-to-date and one-year periods, the Pension Fund ranked in the top 11% and 16%, respectively, in the peer universe.
- Since inception in October 2011 to September 30, 2016, the Pension Fund returned 8.1%, trailing the Policy Benchmark and the Target Policy Benchmark by 0.3% each.
- The aggregate investment management fee of the Pension Fund is approximately 0.28%.
- The Pension Fund recently committed $3 million to a new venture capital investment, Silicon Valley Bank Strategic Investors VIII. First capital was called for $60,000 in November.
- The Pension Fund also committed $3 million to DRA Growth & Income Fund IX during the third quarter. We expect the first capital call in early 2017.

Pension Fund Changes

Asset Allocation as of 10/1/11



Asset Allocation as of 9/30/16



New Asset Class	Funding Date	% Return Annualized
TIPS	12/1/11	1.6
Emerging Market Debt	3/1/12	1.3
Emerging Market Equity	4/1/12	0.4
High Yield Bonds	9/1/12	5.8
Natural Resources	9/1/12	-3.8
Private Real Estate	11/1/12	10.4
Floating Rate Debt	2/1/13	5.2
REITs	2/1/13	11.3
Private Equity	4/1/13	29.7

Performance Since Inception (Gross)
As of 9/30/16

	Inception Date	Gross (%)
Total Pension Fund	10/1/2011	8.1
Policy Benchmark		8.4
Target Policy Benchmark		8.4
Total Domestic Equity	10/1/2011	16.3
Russell 3000		16.4
Total International Developed Market Equity	10/1/2011	6.9
MSCI ACWI (ex. U.S.) IMI		6.4
Emerging Market Equity	4/1/2012	0.4
MSCI Emerging Markets		-0.6
Total Investment Grade Bonds	10/1/2011	4.9
Barclays Aggregate		3.1
TIPS	12/1/2011	1.6
Barclays U.S. TIPS		1.4
Emerging Market Debt	3/1/2012	1.3
JPM-GBI-EM Global Diversified (unhedged)		-2.2
High Yield Bonds	9/1/2012	5.8
Barclays High Yield		6.0
Total Real Estate (net)	10/1/2011	10.4
NCREIF ODCE Equal Weighted		12.4
Natural Resources	9/1/2012	-3.8
S&P Global Large Natural Resources		-2.0

Pension Fund Transfers
July 1, 2016 through November 30, 2016

Purpose	Source	To	Amount	Date
Tactical Rebalance	Cash	Vanguard Divided Growth	$760,000	10/21/2016
		ASB Equity Index	$1,600,000	
		Vanguard MidCap Index	$235,000	
		Vanguard Developed Markets Index	$807,000	
		Vanguard Inflation-Protected Securities	$701,000	
		Vanguard Total Bond	$1,600,000	
		Vanguard Intermediate-Term Corp Bond	$329,000	
		AFL-CIO Housing Investment Trust	$195,000	
		Loomis Bank Loan	$297,000	
		Sky Harbor High Yield	$155,000	
		Stone Harbor Emerging Markets Local Currency Debt	$206,000	

Pension Fund Summary

Total Penson Fund

As of September 30, 2016

Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Policy	Policy Range	Within IPS Range?
US Equity	$53,204,524	29%	25%	15% - 35%	Yes
Developed Market Equity	$16,061,628	9%	10%	5% - 20%	Yes
Emerging Market Equity	$6,978,388	4%	7%	0% - 20%	Yes
Investment Grade Bonds	$42,226,948	23%	14%	8% - 25%	Yes
TIPS	$13,942,492	8%	10%	0% - 20%	Yes
Emerging Market Bonds	$4,099,023	2%	7%	0% - 15%	Yes
High Yield Bonds	$8,988,283	5%	5%	0% - 15%	Yes
Private Equity	$2,136,714	1%	5%	0% - 10%	Yes
Real Estate	$19,672,798	11%	12%	0% - 15%	Yes
Natural Resources	$4,626,815	3%	5%	0% - 10%	Yes
Alternative Assets	$965,427	1%	0%	0% - 5%	Yes
Cash	$11,283,939	6%	0%	0% - 5%	No
Total	**$184,186,979**	**100%**	**100%**		

Asset Class Performance Summary

	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Penson Fund	**184,186,979**	**100.0**	**2.9**	**7.9**	**10.8**	**5.3**	**8.1**	**4.8**	**8.1**	**Oct-11**
Total Penson Fund (net)			**2.8**	**7.7**	**10.6**	**5.1**	**7.8**	**4.6**	**7.8**	
Policy Benchmark			*3.4*	*6.2*	*9.3*	*5.7*	*8.4*	*5.1*	*8.4*	*Oct-11*
Target Policy Benchmark			*3.6*	*8.8*	*11.1*	*5.7*	*8.4*	*6.2*	*8.4*	*Oct-11*
Domestic Equity Assets	**53,204,524**	**28.9**	**3.2**	**7.9**	**14.9**	**10.4**	**16.3**	**--**	**16.3**	**Oct-11**
Domestic Equity Assets (net)			**3.2**	**7.8**	**14.7**	**10.3**	**16.1**	**--**	**16.1**	
Russell 3000			*4.4*	*8.2*	*15.0*	*10.4*	*16.4*	*7.4*	*16.4*	*Oct-11*
International Developed Market Equity Assets	**16,061,628**	**8.7**	**6.4**	**5.0**	**9.7**	**0.1**	**6.9**	**--**	**6.9**	**Oct-11**
International Developed Market Equity Assets (net)			**6.4**	**4.9**	**9.5**	**-0.3**	**6.4**	**--**	**6.4**	
MSCI ACWI ex USA IMI			*7.1*	*6.1*	*9.8*	*0.6*	*6.4*	*2.5*	*6.4*	*Oct-11*
Emerging Market Equity Assets	**6,978,388**	**3.8**	**9.1**	**13.0**	**14.1**	**0.3**	**--**	**--**	**0.4**	**Apr-12**
Emerging Market Equity Assets (net)			**8.9**	**12.3**	**13.2**	**-0.5**	**--**	**--**	**-0.4**	
MSCI Emerging Markets			*9.0*	*16.0*	*16.8*	*-0.6*	*3.0*	*3.9*	*-0.6*	*Apr-12*
Investment Grade Bond Assets	**42,226,948**	**22.9**	**0.6**	**8.3**	**7.7**	**5.2**	**4.9**	**--**	**4.9**	**Oct-11**
Investment Grade Bond Assets (net)			**0.6**	**8.2**	**7.6**	**5.0**	**4.6**	**--**	**4.6**	
BBgBarc US Aggregate TR			*0.5*	*5.8*	*5.2*	*4.0*	*3.1*	*4.8*	*3.1*	*Oct-11*
TIPS Assets	**13,942,492**	**7.6**	**1.0**	**7.6**	**6.8**	**2.5**	**--**	**--**	**1.6**	**Dec-11**
TIPS Assets (net)			**1.0**	**7.5**	**6.7**	**2.5**	**--**	**--**	**1.5**	
BBgBarc US Tips TR			*1.0*	*7.3*	*6.6*	*2.4*	*1.9*	*4.5*	*1.4*	*Dec-11*

	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Emerging Market Debt Assets	**4,099,023**	**2.2**	**4.7**	**19.1**	**20.3**	**2.1**	**--**	**--**	**1.3**	**Mar-12**
Emerging Market Debt Assets (net)			**4.5**	**18.5**	**19.5**	**1.3**	**--**	**--**	**0.5**	
JP Morgan GBI EM Global Diversified TR USD			*2.7*	*17.1*	*17.1*	*-2.6*	*0.1*	*5.5*	*-2.2*	*Mar-12*
JP Morgan EMBI Global Diversified			*4.0*	*14.8*	*16.2*	*8.2*	*7.8*	*7.7*	*6.5*	*Mar-12*
High Yield Bonds Assets	**8,988,283**	**4.9**	**4.5**	**10.9**	**8.7**	**4.8**	**--**	**--**	**5.8**	**Sep-12**
High Yield Bonds Assets (net)			**4.3**	**10.4**	**8.1**	**4.2**	**--**	**--**	**5.2**	
BBgBarc US High Yield TR			*5.6*	*15.1*	*12.7*	*5.3*	*8.3*	*7.7*	*6.0*	*Sep-12*
Real Estate Assets	**19,672,798**	**10.7**	**1.6**	**7.1**	**11.1**	**12.0**	**10.4**	**5.2**	**10.4**	**Oct-11**
Real Estate Assets (net)			**1.4**	**6.8**	**10.8**	**11.9**	**10.4**	**4.8**	**10.4**	
NCREIF-ODCE			*2.1*	*6.5*	*10.1*	*12.4*	*12.4*	*6.0*	*12.4*	*Oct-11*
Natural Resources Assets	**4,626,815**	**2.5**	**4.8**	**25.4**	**23.6**	**-4.9**	**--**	**--**	**-3.8**	**Sep-12**
Natural Resources Assets (net)			**4.7**	**25.2**	**23.4**	**-5.1**	**--**	**--**	**-4.0**	
S&P Global Natural Resources Index TR USD			*6.0*	*24.0*	*24.7*	*-3.8*	*0.0*	*1.7*	*-2.0*	*Sep-12*
Private Equity Assets	**2,136,714**	**1.2**	**7.4**	**22.5**	**28.5**	**28.9**	**--**	**--**	**29.7**	**May-13**
Private Equity Assets (net)			**7.4**	**22.5**	**28.5**	**28.9**	**--**	**--**	**29.7**	
Private Placement Assets	**965,427**	**0.5**								
Cash	**11,283,939**	**6.1**								

Total Penson Fund

As of September 30, 2016

Trailing Performance

	Market Value ($)	% of Portfolio	% of Sector	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Penson Fund	**184,186,979**	**100.0**	**--**	**2.9**	**7.9**	**10.8**	**5.3**	**8.1**	**4.8**	**8.1**	**Oct-11**
Policy Benchmark				*3.4*	*6.2*	*9.3*	*5.7*	*8.4*	*5.1*	*8.4*	*Oct-11*
Target Policy Benchmark				*3.6*	*8.8*	*11.1*	*5.7*	*8.4*	*6.2*	*8.4*	*Oct-11*
Domestic Equity Assets	**53,204,524**	**28.9**	**28.9**	**3.2**	**7.9**	**14.9**	**10.4**	**16.3**	**--**	**16.3**	**Oct-11**
Russell 3000				*4.4*	*8.2*	*15.0*	*10.4*	*16.4*	*7.4*	*16.4*	*Oct-11*
ASB Equity Index	30,153,397	16.4	56.7	3.8	7.8	15.4	--	--	--	4.9	Aug-15
S&P 500				*3.9*	*7.8*	*15.4*	*11.2*	*16.4*	*7.2*	*4.9*	*Aug-15*
Vanguard Dividend Growth	15,229,704	8.3	28.6	0.9	6.7	14.1	10.5	--	--	12.7	Feb-13
S&P 500				*3.9*	*7.8*	*15.4*	*11.2*	*16.4*	*7.2*	*13.0*	*Feb-13*
Vanguard MidCap Index	4,728,711	2.6	8.9	5.2	9.0	12.8	--	--	--	2.7	Aug-15
CRSP US Mid Cap TR USD				*5.2*	*8.9*	*12.7*	*10.0*	*16.5*	*8.2*	*2.6*	*Aug-15*
Vanguard Small Cap Index	3,092,712	1.7	5.8	6.2	11.6	15.1	--	--	--	3.0	Aug-15
CRSP US Small Cap TR USD				*6.2*	*11.5*	*14.9*	*7.9*	*16.8*	*8.8*	*2.9*	*Aug-15*
International Developed Market Equity Assets	**16,061,628**	**8.7**	**8.7**	**6.4**	**5.0**	**9.7**	**0.1**	**6.9**	**--**	**6.9**	**Oct-11**
MSCI ACWI ex USA IMI				*7.1*	*6.1*	*9.8*	*0.6*	*6.4*	*2.5*	*6.4*	*Oct-11*
Vanguard Developed Markets Index	16,061,628	8.7	100.0	6.4	4.3	8.4	1.6	--	--	5.3	Jan-13
Spliced Developed (ex. U.S.) Index				*6.7*	*3.2*	*8.2*	*1.1*	*7.8*	*2.0*	*5.0*	*Jan-13*
MSCI EAFE				*6.4*	*1.7*	*6.5*	*0.5*	*7.4*	*1.8*	*4.5*	*Jan-13*

Total Penson Fund

As of September 30, 2016

	Market Value ($)	% of Portfolio	% of Sector	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Emerging Market Equity Assets	**6,978,388**	**3.8**	**3.8**	**9.1**	**13.0**	**14.1**	**0.3**	**--**	**--**	**0.4**	**Apr-12**
MSCI Emerging Markets				*9.0*	*16.0*	*16.8*	*-0.6*	*3.0*	*3.9*	*-0.6*	*Apr-12*
SSgA Emerging Markets	6,978,388	3.8	100.0	9.1	--	--	--	--	--	10.3	Apr-16
MSCI Emerging Markets				*9.0*	*16.0*	*16.8*	*-0.6*	*3.0*	*3.9*	*9.7*	*Apr-16*
Investment Grade Bond Assets	**42,226,948**	**22.9**	**22.9**	**0.6**	**8.3**	**7.7**	**5.2**	**4.9**	**--**	**4.9**	**Oct-11**
BBgBarc US Aggregate TR				*0.5*	*5.8*	*5.2*	*4.0*	*3.1*	*4.8*	*3.1*	*Oct-11*
Vanguard Total Bond Market Index	31,803,819	17.3	75.3	0.4	6.0	5.4	--	--	--	4.1	Oct-14
BBgBarc US Aggregate Float Adjusted TR				*0.4*	*6.0*	*5.3*	*4.0*	*3.1*	*--*	*4.1*	*Oct-14*
Vanguard Intermediate-Term Corporate Bond Index	6,517,926	3.5	15.4	1.3	9.1	8.6	6.2	--	--	4.2	Dec-12
BBgBarc US Credit/Corp 5-10 Yr TR				*1.4*	*9.0*	*8.5*	*6.0*	*5.7*	*6.4*	*4.0*	*Dec-12*
AFL-CIO Housing Investment Trust	3,905,203	2.1	9.2	0.7	5.4	4.8	4.6	3.6	--	3.6	Oct-11
BBgBarc US Aggregate TR				*0.5*	*5.8*	*5.2*	*4.0*	*3.1*	*4.8*	*3.1*	*Oct-11*
BBgBarc US Mortgage TR				*0.6*	*3.7*	*3.6*	*3.6*	*2.6*	*4.7*	*2.6*	*Oct-11*
TIPS Assets	**13,942,492**	**7.6**	**7.6**	**1.0**	**7.6**	**6.8**	**2.5**	**--**	**--**	**1.6**	**Dec-11**
BBgBarc US Tips TR				*1.0*	*7.3*	*6.6*	*2.4*	*1.9*	*4.5*	*1.4*	*Dec-11*
Vanguard Inflation-Protected Securities	13,942,492	7.6	100.0	1.0	7.6	6.8	2.5	--	--	1.8	Dec-11
BBgBarc US Tips TR				*1.0*	*7.3*	*6.6*	*2.4*	*1.9*	*4.5*	*1.4*	*Dec-11*

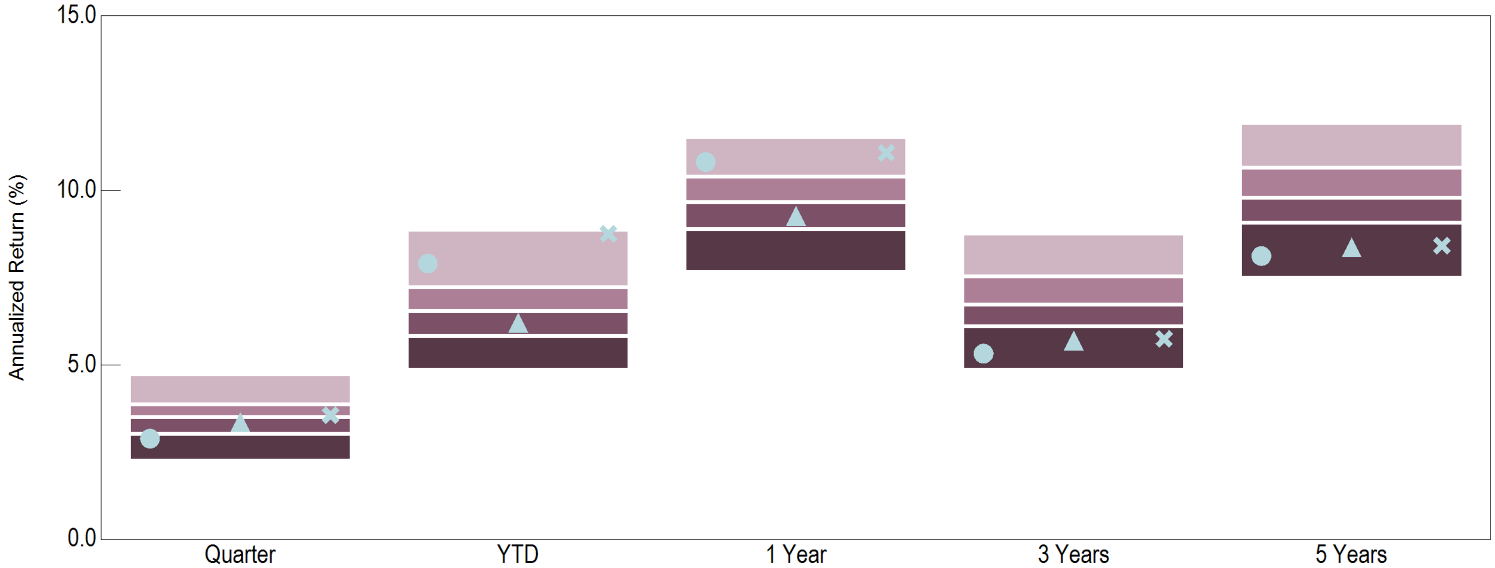
Total Penson Fund

As of September 30, 2016

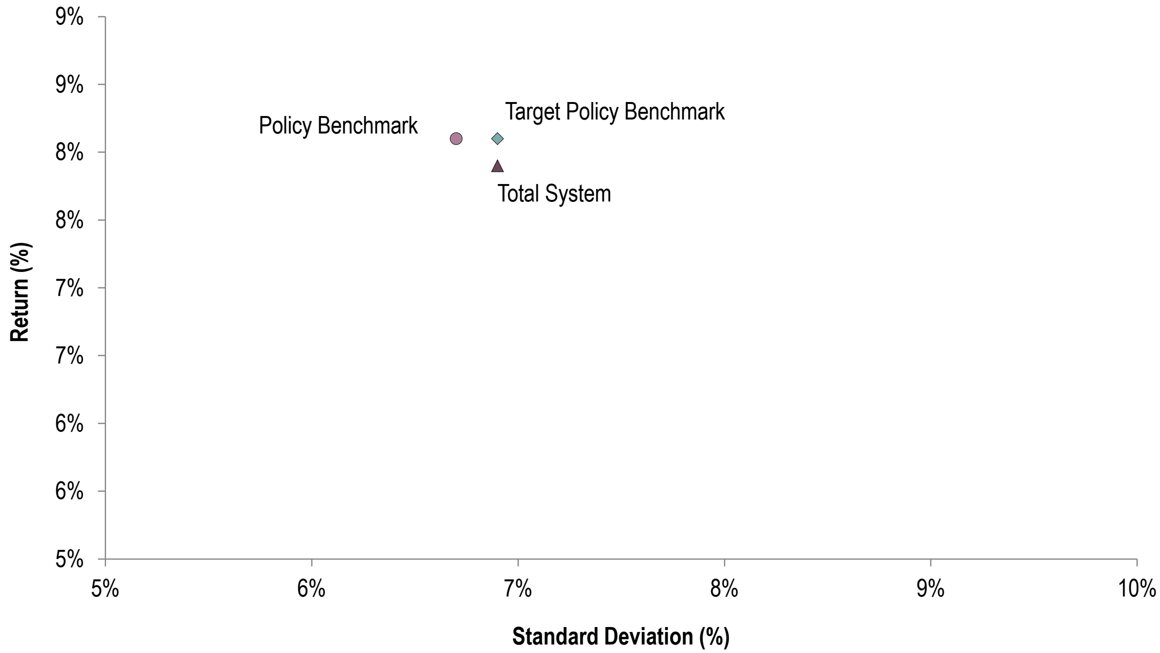
	Market Value ($)	% of Portfolio	% of Sector	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Emerging Market Debt Assets	**4,099,023**	**2.2**	**2.2**	**4.7**	**19.1**	**20.3**	**2.1**	**--**	**--**	**1.3**	**Mar-12**
JP Morgan GBI EM Global Diversified TR USD				*2.7*	*17.1*	*17.1*	*-2.6*	*0.1*	*5.5*	*-2.2*	*Mar-12*
JP Morgan EMBI Global Diversified				*4.0*	*14.8*	*16.2*	*8.2*	*7.8*	*7.7*	*6.5*	*Mar-12*
Stone Harbor Emerging Markets Debt	4,099,023	2.2	100.0	4.9	19.2	20.8	7.2	--	--	5.3	Mar-12
JP Morgan EMBI Global Diversified				*4.0*	*14.8*	*16.2*	*8.2*	*7.8*	*7.7*	*6.5*	*Mar-12*
High Yield Bonds Assets	**8,988,283**	**4.9**	**4.9**	**4.5**	**10.9**	**8.7**	**4.8**	**--**	**--**	**5.8**	**Sep-12**
BBgBarc US High Yield TR				*5.6*	*15.1*	*12.7*	*5.3*	*8.3*	*7.7*	*6.0*	*Sep-12*
Loomis Sayles Bank Loan	5,901,515	3.2	65.7	3.9	10.0	7.0	5.0	--	--	5.2	Feb-13
Credit Suisse Leveraged Loans				*3.1*	*7.5*	*5.3*	*3.6*	*5.4*	*4.3*	*3.8*	*Feb-13*
SKY Harbor Broad High Yield Market	3,086,768	1.7	34.3	5.5	12.9	10.7	4.6	--	--	5.9	Sep-12
BBgBarc US High Yield TR				*5.6*	*15.1*	*12.7*	*5.3*	*8.3*	*7.7*	*6.0*	*Sep-12*
Real Estate Assets	**19,672,798**	**10.7**	**10.7**	**1.6**	**7.1**	**11.1**	**12.0**	**10.4**	**5.2**	**10.4**	**Oct-11**
NCREIF-ODCE				*2.1*	*6.5*	*10.1*	*12.4*	*12.4*	*6.0*	*12.4*	*Oct-11*
AFL-CIO Building Investment Trust	12,288,000	6.7	62.5	1.9	6.2	9.6	12.4	12.2	6.1	12.2	Oct-11
NCREIF-ODCE				*2.1*	*6.5*	*10.1*	*12.4*	*12.4*	*6.0*	*12.4*	*Oct-11*
NCREIF Property Index				*1.8*	*6.1*	*9.2*	*11.3*	*11.2*	*7.2*	*11.2*	*Oct-11*
Vanguard REIT Index	3,003,496	1.6	15.3	-1.5	11.9	19.8	14.1	--	--	11.3	Feb-13
MSCI US REIT				*-1.8*	*10.8*	*18.2*	*12.7*	*14.4*	*4.8*	*9.9*	*Feb-13*
TA Associates Realty Fund X	2,278,531	1.2	11.6	3.0	9.3	13.4	12.6	--	--	10.5	Feb-13
DRA Growth & Income Fund VIII	2,102,771	1.1	10.7	2.4	5.1	8.7	--	--	--	7.5	Oct-14

	Market Value ($)	% of Portfolio	% of Sector	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Natural Resources Assets	**4,626,815**	**2.5**	**2.5**	**4.8**	**25.4**	**23.6**	**-4.9**	**--**	**--**	**-3.8**	**Sep-12**
S&P Global Natural Resources Index TR USD				*6.0*	*24.0*	*24.7*	*-3.8*	*0.0*	*1.7*	*-2.0*	*Sep-12*
SSgA S&P Global Large MidCap Natural Resources Index	4,626,815	2.5	100.0	4.8	25.4	23.6	-4.9	--	--	-3.8	Sep-12
S&P Global LargeMidCap Commodity and Resources GR USD				*4.8*	*25.7*	*23.8*	*-4.8*	*-1.3*	*3.2*	*-3.7*	*Sep-12*
Private Equity Assets	**2,136,714**	**1.2**	**1.2**	**7.4**	**22.5**	**28.5**	**28.9**	**--**	**--**	**29.7**	**May-13**
Ridgemont Equity Partners I	2,136,714	1.2	100.0	7.4	22.5	28.5	28.9	--	--	29.7	May-13
Private Placement Assets	**965,427**	**0.5**	**0.5**								
ULLICO Class A	965,427	0.5	100.0								
Cash	**11,283,939**	**6.1**	**6.1**								

InvestorForce TH-DB less than $500 million (gross) Accounts



	Return (Rank)									
5th Percentile	4.7		8.9		11.5		8.8		11.9	
25th Percentile	3.9		7.2		10.4		7.5		10.7	
Median	3.5		6.6		9.7		6.7		9.8	
75th Percentile	3.0		5.8		8.9		6.1		9.1	
95th Percentile	2.3		4.9		7.7		4.9		7.5	
# of Portfolios	215		213		212		191		183	
● **Total Penson Fund**	2.9	(83)	7.9	(11)	10.8	(16)	5.3	(89)	8.1	(90)
▲ **Policy Benchmark**	3.4	(61)	6.2	(63)	9.3	(63)	5.7	(85)	8.4	(87)
✖ **Target Policy Benchmark**	3.6	(48)	8.8	(6)	11.1	(11)	5.7	(84)	8.4	(86)



10/2011 to 10/2016[1]	Standard Deviation (%)	Return (%)
Total System	6.8	7.7
Policy Benchmark	6.6	8.0
Target Policy Benchmark	6.8	8.1

[1] Inception of 10/2011 is when Meketa assumed discretionary authority.

Fund Summary Notes

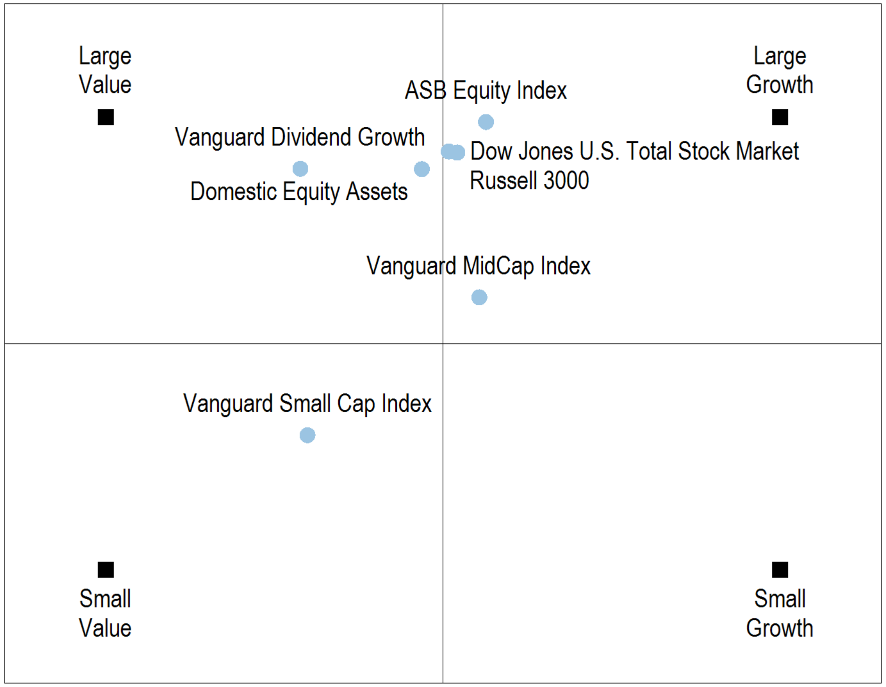
1) Private Placement Assets are as of December 31, 2014, as valued by KPMG.
2) For periods longer than three years, performance is a mix of gross and net due to historical data set.
3) Inception of 10/1/2011 is when Meketa assumed discretionary authority.
4) Policy Benchmark is comprised of 52% MSCI ACWI, 36% Barclays Universal, 12% ODCE Equal Weighted.
5) Target Policy Benchmark: 25% Russell 3000, 14% Barclays Aggregate, 10% Barclays TIPS, 5% Barclays High Yield, 12% ODCE Equal Weighted, 10% MSCI EAFE, 7% MSCI EM, 5% Venture Economics, 5% S&P Global Large MidCap Commodities and Resources, 3.5% JPM GBI-EM Global Diversified (unhedged), 3.5% JPMorgan EMBI Global Diversified.
6) Aggregate real estate performance includes TA Associates Realty Fund X and DRA Growth and Income Fund VIII.
7) The Vanguard Spliced Developed Markets Index reflects the performance of the MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex U.S. Transition Index thereafter. Benchmark returns are adjusted for withholding taxes.

Pension Fund Detail

Asset Allocation on September 30, 2016

	Actual ($)	Actual %
ASB Equity Index	$30,153,397	56.7%
Vanguard Dividend Growth	$15,229,704	28.6%
Vanguard MidCap Index	$4,728,711	8.9%
Vanguard Small Cap Index	$3,092,712	5.8%
Total	**$53,204,524**	**100.0%**

Domestic Equity Assets Style Map
October 01, 2015 - September 30, 2016



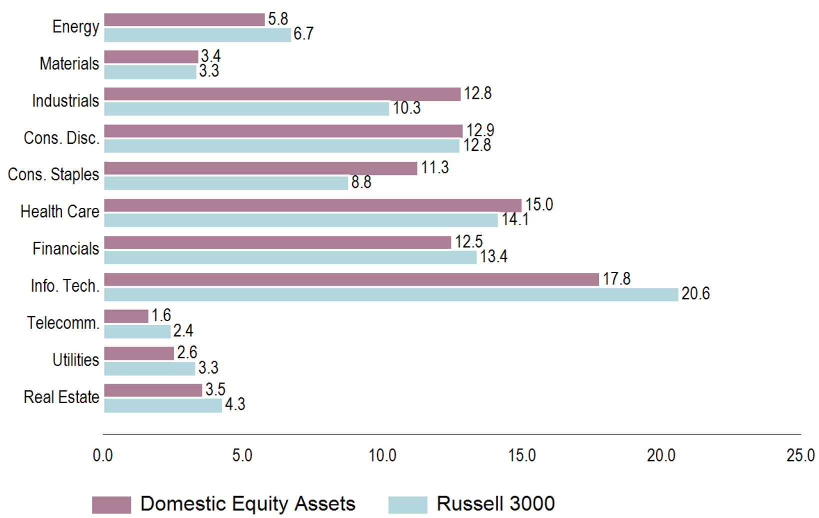
Domestic Equity Assets

As of September 30, 2016

Domestic Equity Assets Characteristics

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Market Value			
Market Value (Mil)	53.2	--	56.4
Number Of Holdings	2022	2955	2053
Characteristics			
Wtg. Avg. Market Cap. (Bil)	109.1	112.3	105.2
Median Market Cap (Bil)	3.7	1.4	3.3
P/E Ratio	23.7	22.9	24.3
Yield	2.1	2.0	2.1
EPS Growth - 5 Yrs.	9.6	9.3	8.4
Price to Book	4.9	3.8	4.8
Beta (holdings; domestic)	1.0	1.0	0.9

Sector Allocation (%) vs Russell 3000



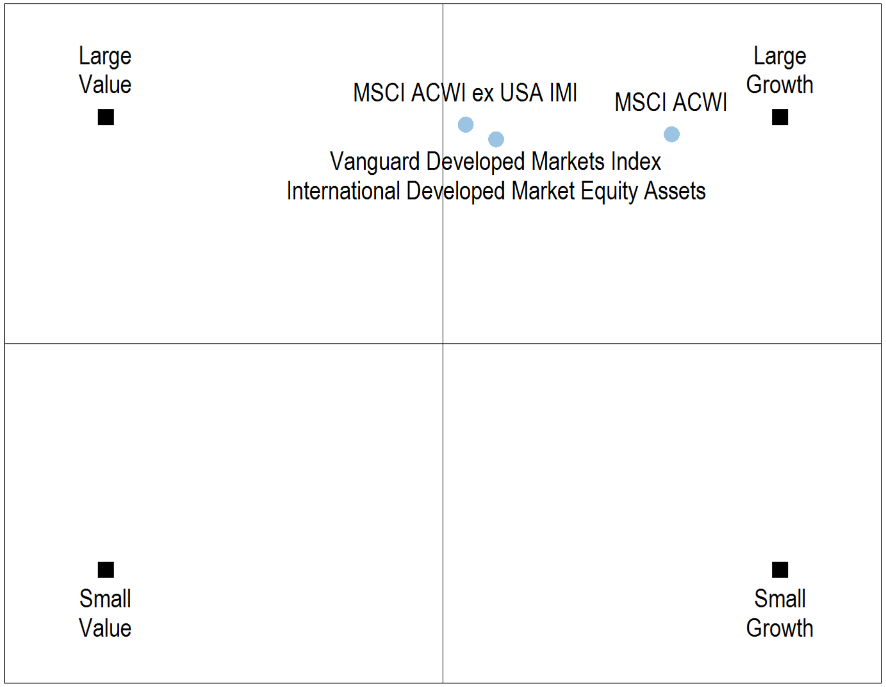
Top 10 Holdings

MICROSOFT	2.4%
APPLE	1.8%
JOHNSON & JOHNSON	1.7%
EXXON MOBIL	1.6%
MEDTRONIC	1.2%
COCA COLA	1.2%
MERCK & COMPANY	1.2%
VISA 'A'	1.1%
NIKE 'B'	1.1%
UNITEDHEALTH GROUP	1.1%
Total	**14.5%**

Asset Allocation on September 30, 2016

	Actual ($)	Actual %
Vanguard Developed Markets Index	$16,061,628	100.0%
Total	**$16,061,628**	**100.0%**

International Developed Market Equity Assets Style Map
October 01, 2015-September 30, 2016

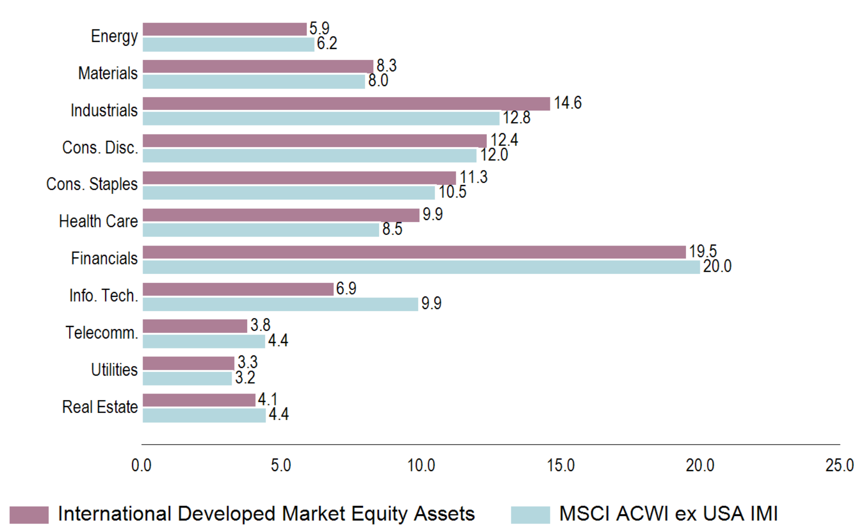


International Developed Market Equity Assets

As of September 30, 2016

International Developed Market Equity Assets Characteristics	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Market Value			
Market Value (Mil)	16.1	--	20.8
Number Of Holdings	3827	6183	3771
Characteristics			
Wtg. Avg. Market Cap. (Bil)	44.2	44.3	43.3
Median Market Cap (Bil)	1.6	1.2	1.5
P/E Ratio	20.4	19.9	19.4
Yield	3.0	2.9	3.2
EPS Growth - 5 Yrs.	6.7	7.2	7.1
Price to Book	3.0	2.5	2.9
Beta (holdings; domestic)	1.0	1.0	1.0

Sector Allocation (%) vs MSCI ACWI ex USA IMI



Top 10 Holdings

NESTLE 'R'	1.5%
NOVARTIS 'R'	1.1%
ROCHE HOLDING	1.1%
TOYOTA MOTOR	1.0%
HSBC HDG. (ORD $0.50)	0.9%
SAMSUNG ELECTRONICS	0.8%
BRITISH AMERICAN TOBACCO	0.7%
BP	0.7%
ROYAL DUTCH SHELL A(LON)	0.6%
ANHEUSER-BUSCH INBEV	0.6%
Total	**9.1%**

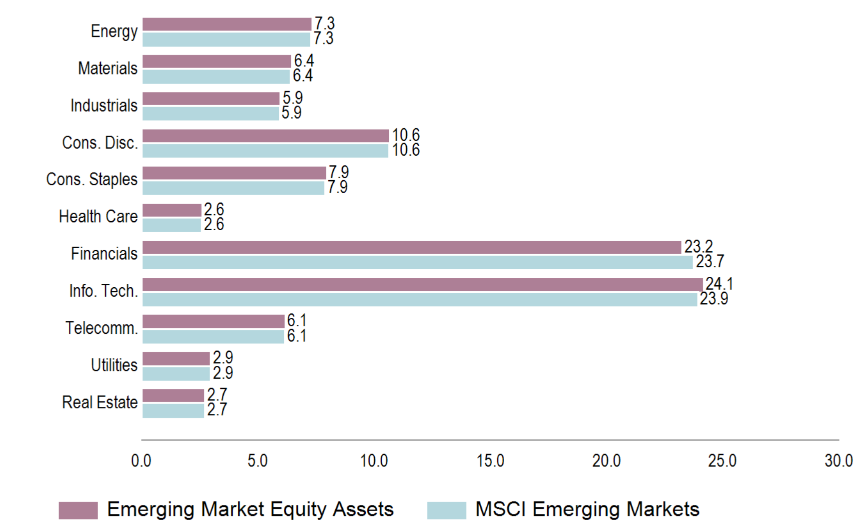
Emerging Market Equity Assets

As of September 30, 2016

Emerging Market Equity Assets Characteristics

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Market Value			
Market Value (Mil)	7.0	--	7.3
Number Of Holdings	851	833	856
Characteristics			
Wtg. Avg. Market Cap. (Bil)	53.5	53.0	43.4
Median Market Cap (Bil)	4.7	4.7	4.6
P/E Ratio	21.7	19.1	19.7
Yield	2.5	2.5	2.7
EPS Growth - 5 Yrs.	13.8	9.2	12.8
Price to Book	3.7	2.8	3.3
Beta (holdings; domestic)	1.1	1.1	1.0

Sector Allocation (%) vs MSCI Emerging Markets



Top 10 Holdings

TENCENT HOLDINGS	3.8%
SAMSUNG ELECTRONICS	3.6%
TAIWAN SEMICON.MNFG.	3.5%
ALIBABA GROUP HLDG.SPN. ADR 1:1	2.9%
NASPERS	1.9%
CHINA MOBILE	1.8%
CHINA CON.BANK 'H'	1.5%
BAIDU 'A' ADR 10:1	1.2%
INDL.& COML.BK.OF CHINA 'H'	1.1%
HON HAI PRECN.IND.	1.0%
Total	**22.4%**

Investment Grade Bond Assets

As of September 30, 2016

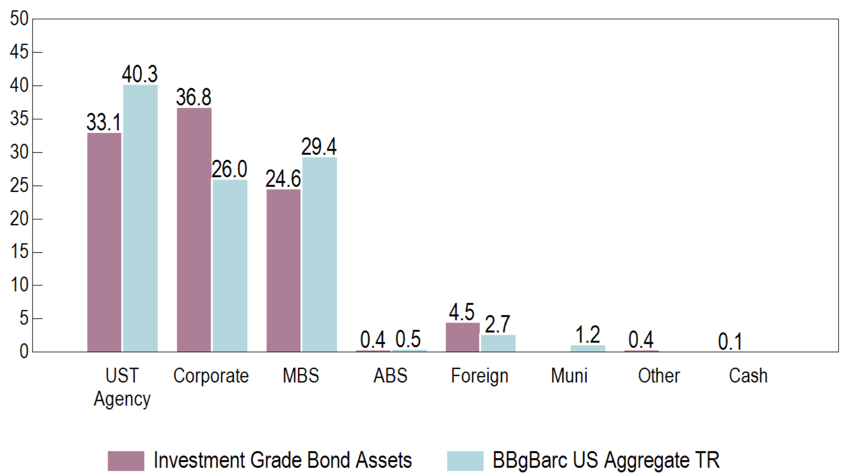
Asset Allocation on September 30, 2016

	Actual ($)	Actual %
AFL-CIO Housing Investment Trust	$3,905,203	9.2%
Vanguard Intermediate-Term Corporate Bond Index	$6,517,926	15.4%
Vanguard Total Bond Market Index	$31,803,819	75.3%
Total	**$42,226,948**	**100.0%**

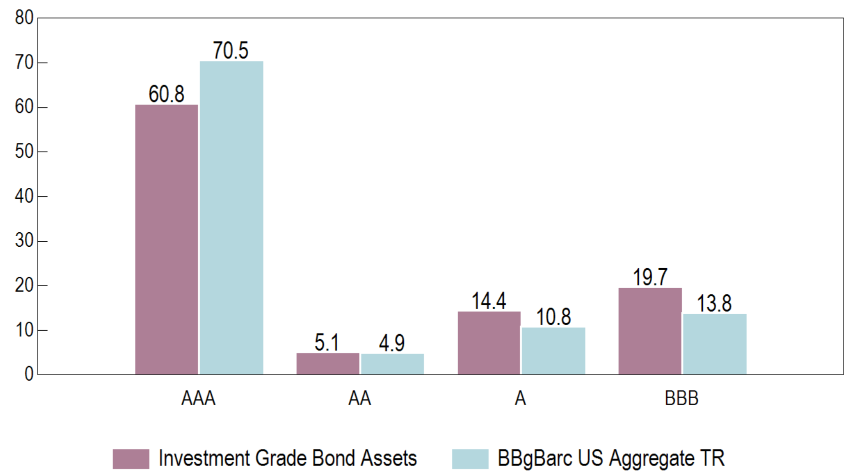
Investment Grade Bond Assets Characteristics vs. BBgBarc US Aggregate TR

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	2.1	1.9	2.1
Average Duration	5.6	5.5	5.9
Average Quality	AA	AA	AA
Weighted Average Maturity	7.9	13.0	8.1

Sector Allocation



Credit Quality Allocation



TIPS Assets

As of September 30, 2016

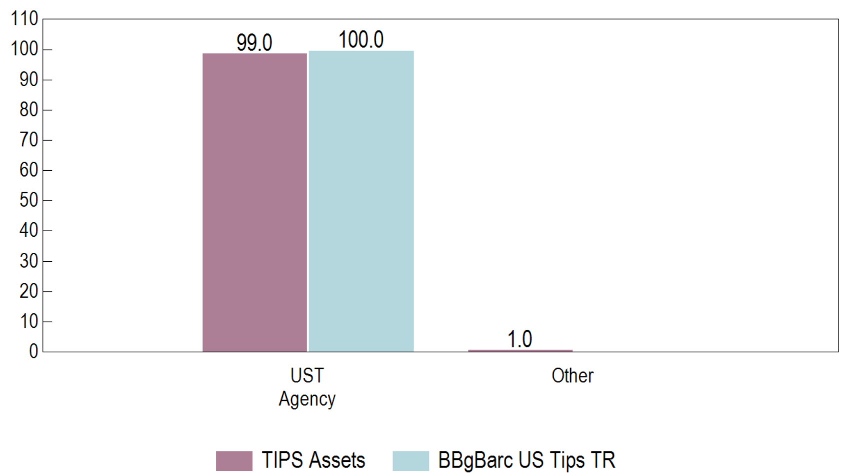
Asset Allocation on September 30, 2016

	Actual ($)	Actual %
Vanguard Inflation-Protected Securities	$13,942,492	100.0%
Total	**$13,942,492**	**100.0%**

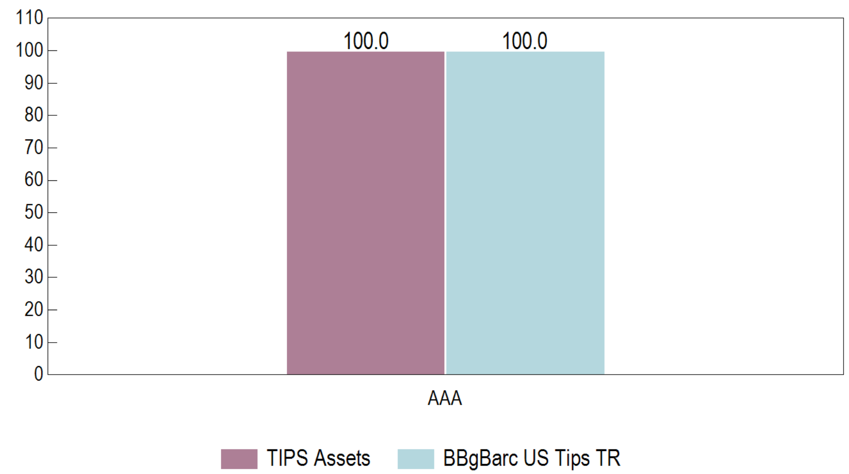
TIPS Assets Characteristics vs. BBgBarc US Tips TR

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	1.6	-0.1	1.5
Average Duration	8.3	6.6	8.4
Average Quality	AAA	AAA	AAA
Weighted Average Maturity	8.8	8.6	8.8

Sector Allocation



Credit Quality Allocation



Emerging Market Debt Assets

As of September 30, 2016

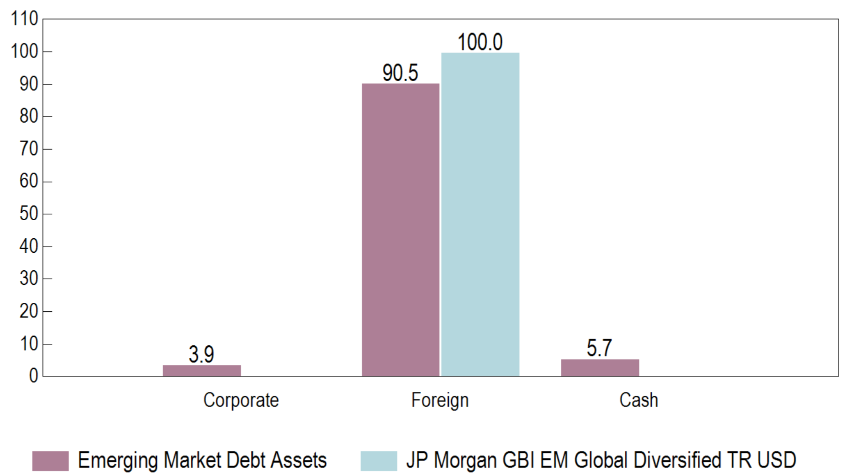
Asset Allocation on September 30, 2016

	Actual ($)	Actual %
Stone Harbor Emerging Markets Debt	$4,099,023	100.0%
Total	**$4,099,023**	**100.0%**

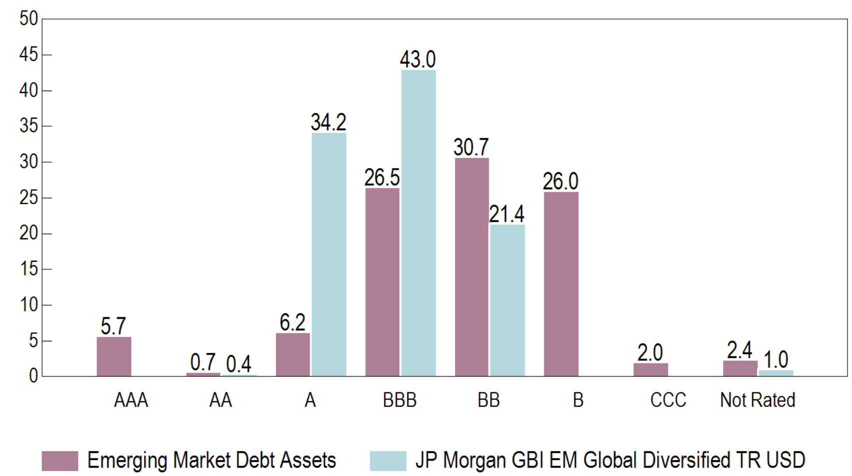
Emerging Market Debt Assets Characteristics vs. JP Morgan GBI EM Global Diversified TR USD

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	5.8	5.9	6.8
Average Duration	6.3	5.0	6.2
Average Quality	BB	BBB	BB
Weighted Average Maturity	10.0	7.0	9.8

Sector Allocation



Credit Quality Allocation



High Yield Bonds Assets

As of September 30, 2016

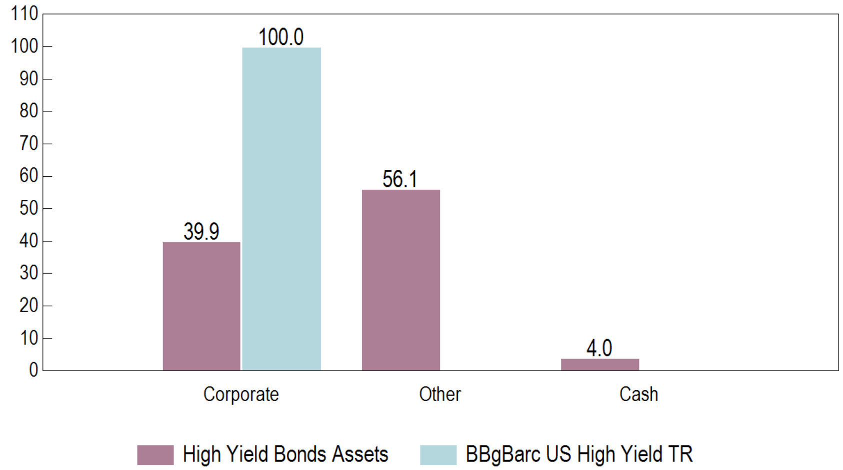
Asset Allocation on September 30, 2016

	Actual ($)	Actual %
Loomis Sayles Bank Loan	$5,901,515	65.7%
SKY Harbor Broad High Yield Market	$3,086,768	34.3%
Total	**$8,988,283**	**100.0%**

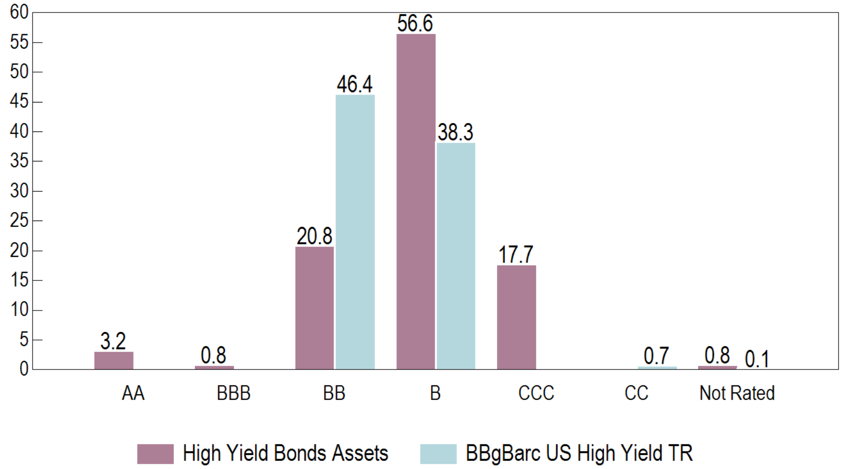
High Yield Bonds Assets Characteristics vs. BBgBarc US High Yield TR

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	6.5	6.7	6.7
Average Duration	1.8	4.1	2.6
Average Quality	B	BB	B
Weighted Average Maturity	5.1	6.3	5.8

Sector Allocation



Credit Quality Allocation



Pension Fund Portfolio Reviews

ASB Equity Index

As of September 30, 2016

Account Information

Account Name	**ASB Equity Index**
Account Structure	**Commingled Fund**
Investment Style	**Passive**
Inception Date	**8/01/15**
Account Type	**US Equity**
Benchmark	**S&P 500**
Universe	**eA US Large Cap Core Equity Gross**

Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
ASB Equity Index	3.8	15.4	--	--	--	4.9	Aug-15
S&P 500	*3.9*	*15.4*	*11.2*	*16.4*	*7.2*	*4.9*	*Aug-15*
eA US Large Cap Core Equity Gross Median	*3.8*	*12.7*	*10.4*	*15.9*	*7.6*	*2.5*	*Aug-15*
eA US Large Cap Core Equity Gross Rank	*50*	*17*	*--*	*--*	*--*	*25*	*Aug-15*

Top 10 Holdings

APPLE	3.2%
MICROSOFT	2.4%
EXXON MOBIL	1.9%
AMAZON.COM	1.7%
JOHNSON & JOHNSON	1.7%
FACEBOOK CLASS A	1.6%
BERKSHIRE HATHAWAY 'B'	1.5%
GENERAL ELECTRIC	1.4%
AT&T	1.3%
JP MORGAN CHASE & CO.	1.3%
Total	**18.0%**

ASB Equity Index Characteristics

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Market Value			
Market Value (Mil)	30.2	--	31.0
Number Of Holdings	507	505	507
Characteristics			
Wtg. Avg. Market Cap. (Bil)	134.9	134.7	127.9
Median Market Cap (Bil)	19.0	18.9	18.1
P/E Ratio	23.2	22.7	23.8
Yield	2.1	2.1	2.2
EPS Growth - 5 Yrs.	9.2	9.0	8.0
Price to Book	4.7	4.5	4.9
Beta (holdings; domestic)	1.0	1.0	0.9
Sector Distribution			
Energy	7.2	7.3	7.4
Materials	2.8	2.9	2.7
Industrials	10.0	9.7	10.2
Consumer Discretionary	12.2	12.5	12.2
Consumer Staples	9.8	9.9	10.5
Health Care	14.6	14.7	14.6
Financials	12.7	12.8	15.7
Information Technology	21.1	21.2	19.7
Telecommunication Services	2.6	2.6	2.9
Utilities	3.3	3.3	3.6
Real Estate	3.0	3.1	0.0

Vanguard Dividend Growth

As of September 30, 2016

Account Information

Account Name	**Vanguard Dividend Growth**
Account Structure	**Mutual Fund**
Investment Style	**Active**
Inception Date	**2/01/13**
Account Type	**US Equity**
Benchmark	**S&P 500**
Universe	**eA US Large Cap Core Equity Gross**

Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Vanguard Dividend Growth	0.9	14.1	10.5	--	--	12.7	Feb-13
S&P 500	*3.9*	*15.4*	*11.2*	*16.4*	*7.2*	*13.0*	*Feb-13*
eA US Large Cap Core Equity Gross Median	*3.8*	*12.7*	*10.4*	*15.9*	*7.6*	*12.6*	*Feb-13*
eA US Large Cap Core Equity Gross Rank	*91*	*35*	*47*	*--*	*--*	*44*	*Feb-13*

Top 10 Holdings

MICROSOFT	3.6%
NIKE 'B'	3.3%
COSTCO WHOLESALE	3.0%
UNITED PARCEL SER.'B'	3.0%
MEDTRONIC	3.0%
HONEYWELL INTL.	2.8%
COLGATE-PALM.	2.8%
ACE	2.8%
ACCENTURE CLASS A	2.8%
UNION PACIFIC	2.6%
Total	**29.8%**

Vanguard Dividend Growth Characteristics

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Market Value			
Market Value (Mil)	15.2	--	17.1
Number Of Holdings	48	505	46
Characteristics			
Wtg. Avg. Market Cap. (Bil)	108.9	134.7	111.3
Median Market Cap (Bil)	75.6	18.9	73.5
P/E Ratio	23.7	22.7	24.7
Yield	2.2	2.1	2.3
EPS Growth - 5 Yrs.	9.4	9.0	8.0
Price to Book	6.2	4.5	6.1
Beta (holdings; domestic)	0.8	1.0	0.8
Sector Distribution			
Energy	3.3	7.3	3.1
Materials	3.3	2.9	3.4
Industrials	18.3	9.7	18.3
Consumer Discretionary	12.8	12.5	11.9
Consumer Staples	17.6	9.9	19.0
Health Care	18.4	14.7	18.5
Financials	11.7	12.8	14.9
Information Technology	11.3	21.2	10.5
Telecommunication Services	0.0	2.6	0.0
Utilities	0.0	3.3	0.0
Real Estate	1.8	3.1	0.0

Vanguard MidCap Index

As of September 30, 2016

Account Information

Account Name	**Vanguard MidCap Index**
Account Structure	**Mutual Fund**
Investment Style	**Passive**
Inception Date	**8/01/15**
Account Type	**US Equity**
Benchmark	**CRSP US Mid Cap TR USD**
Universe	**eA US Mid Cap Equity Gross**

Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Vanguard MidCap Index	5.2	12.8	--	--	--	2.7	Aug-15
CRSP US Mid Cap TR USD	*5.2*	*12.7*	*10.0*	*16.5*	*8.2*	*2.6*	*Aug-15*
eA US Mid Cap Equity Gross Median	*4.7*	*11.1*	*9.0*	*16.1*	*8.9*	*0.6*	*Aug-15*
eA US Mid Cap Equity Gross Rank	*36*	*39*	--	--	--	*36*	*Aug-15*

Top 10 Holdings

ROSS STORES	0.8%
EDWARDS LIFESCIENCES	0.8%
EQUINIX	0.8%
NEWELL RUBBERMAID	0.8%
ELECTRONIC ARTS	0.8%
FISERV	0.7%
NEWMONT MINING	0.6%
CONAGRA FOODS	0.6%
AMPHENOL 'A'	0.6%
CONCHO RESOURCES	0.6%
Total	**7.1%**

Vanguard MidCap Index Characteristics

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Market Value			
Market Value (Mil)	4.7	--	5.5
Number Of Holdings	348	341	345
Characteristics			
Wtg. Avg. Market Cap. (Bil)	12.7	12.7	12.1
Median Market Cap (Bil)	9.6	9.6	9.1
P/E Ratio	26.5	26.6	25.5
Yield	1.5	1.5	1.6
EPS Growth - 5 Yrs.	12.6	12.0	12.1
Price to Book	4.3	4.1	4.0
Beta (holdings; domestic)	1.1	1.1	1.1
Sector Distribution			
Energy	5.3	5.3	5.5
Materials	6.1	6.5	6.1
Industrials	12.2	11.8	12.4
Consumer Discretionary	18.1	18.1	18.1
Consumer Staples	5.4	5.4	5.9
Health Care	9.5	9.5	9.6
Financials	12.7	12.7	18.4
Information Technology	17.6	17.6	16.9
Telecommunication Services	1.1	1.1	1.2
Utilities	5.0	5.0	5.6
Real Estate	6.9	6.9	0.0

Vanguard Small Cap Index

As of September 30, 2016

Account Information

Account Name	**Vanguard Small Cap Index**
Account Structure	**Mutual Fund**
Investment Style	**Passive**
Inception Date	**8/01/15**
Account Type	**US Equity**
Benchmark	**CRSP US Small Cap TR USD**
Universe	**eA US Small Cap Equity Gross**

Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Vanguard Small Cap Index	6.2	15.1	--	--	--	3.0	Aug-15
CRSP US Small Cap TR USD	*6.2*	*14.9*	*7.9*	*16.8*	*8.8*	*2.9*	*Aug-15*
eA US Small Cap Equity Gross Median	*7.6*	*14.4*	*7.5*	*16.9*	*8.4*	*3.2*	*Aug-15*
eA US Small Cap Equity Gross Rank	*76*	*45*	*--*	*--*	*--*	*53*	*Aug-15*

Top 10 Holdings

ARTHUR J GALLAGHER	0.3%
NEWFIELD EXPLORATION	0.3%
REGENCY CENTERS	0.3%
WESTAR ENERGY	0.3%
BROADRIDGE FINL.SLTN.	0.3%
UGI	0.3%
TARGA RESOURCES	0.3%
ATMOS ENERGY	0.3%
PACKAGING CORP.OF AM.	0.3%
VALSPAR	0.3%
Total	**2.7%**

Vanguard Small Cap Index Characteristics

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Market Value			
Market Value (Mil)	3.1	--	2.9
Number Of Holdings	1436	1427	1467
Characteristics			
Wtg. Avg. Market Cap. (Bil)	3.6	3.6	3.5
Median Market Cap (Bil)	1.9	1.9	1.7
P/E Ratio	24.3	23.0	24.3
Yield	1.6	1.5	1.7
EPS Growth - 5 Yrs.	11.2	10.0	11.2
Price to Book	3.6	3.2	3.5
Beta (holdings; domestic)	1.2	1.2	1.2
Sector Distribution			
Energy	4.9	4.9	4.5
Materials	5.5	5.5	5.3
Industrials	15.0	15.0	14.8
Consumer Discretionary	12.2	12.2	12.9
Consumer Staples	3.4	3.4	3.8
Health Care	11.1	11.1	10.6
Financials	13.9	14.0	25.0
Information Technology	17.1	17.1	16.0
Telecommunication Services	0.4	0.4	0.4
Utilities	4.3	4.3	5.4
Real Estate	12.1	12.1	0.0

Vanguard Developed Markets Index

As of September 30, 2016

Account Information

Account Name	**Vanguard Developed Markets Index**
Account Structure	**Mutual Fund**
Investment Style	**Passive**
Inception Date	**1/01/13**
Account Type	**Non-US Stock Developed**
Benchmark	**Spliced Developed (ex. U.S.) Index**
Universe	**eA Non-US Diversified Core Eq Gross**

Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Vanguard Developed Markets Index	6.4	8.4	1.6	--	--	5.3	Jan-13
Spliced Developed (ex. U.S.) Index	*6.7*	*8.2*	*1.1*	*7.8*	*2.0*	*5.0*	*Jan-13*
MSCI EAFE	*6.4*	*6.5*	*0.5*	*7.4*	*1.8*	*4.5*	*Jan-13*
eA Non-US Diversified Core Eq Gross Median	*6.7*	*8.4*	*2.5*	*9.3*	*3.5*	*6.0*	*Jan-13*
eA Non-US Diversified Core Eq Gross Rank	*61*	*51*	*66*	*--*	*--*	*63*	*Jan-13*

Top 10 Holdings

NESTLE 'R'	1.5%
NOVARTIS 'R'	1.1%
ROCHE HOLDING	1.1%
TOYOTA MOTOR	1.0%
HSBC HDG. (ORD $0.50)	0.9%
SAMSUNG ELECTRONICS	0.8%
BRITISH AMERICAN TOBACCO	0.7%
BP	0.7%
ROYAL DUTCH SHELL A(LON)	0.6%
ANHEUSER-BUSCH INBEV	0.6%
Total	**9.1%**

Vanguard Developed Markets Index Characteristics

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Market Value			
Market Value (Mil)	16.1	--	20.8
Number Of Holdings	3827	1417	3771
Characteristics			
Wtg. Avg. Market Cap. (Bil)	44.2	50.2	43.3
Median Market Cap (Bil)	1.6	5.9	1.5
P/E Ratio	20.4	20.2	19.4
Yield	3.0	3.1	3.2
EPS Growth - 5 Yrs.	6.7	5.8	7.1
Price to Book	3.0	2.4	2.9
Beta (holdings; global)	1.0	1.0	1.0
Sector Distribution			
Energy	5.9	4.6	6.1
Materials	8.3	7.8	7.8
Industrials	14.6	14.4	13.9
Consumer Discretionary	12.4	12.5	12.4
Consumer Staples	11.3	12.6	11.7
Health Care	9.9	11.1	10.8
Financials	19.5	18.7	22.6
Information Technology	6.9	6.9	6.5
Telecommunication Services	3.8	4.2	4.1
Utilities	3.3	3.6	3.5
Real Estate	4.1	3.6	0.0

SSgA Emerging Markets

As of September 30, 2016

Account Information

Account Name	**SSgA Emerging Markets**
Account Structure	**Mutual Fund**
Investment Style	**Passive**
Inception Date	**4/01/16**
Account Type	**Non-US Stock Emerging**
Benchmark	**MSCI Emerging Markets**
Universe	**eA Emg Mkts Equity Gross**

Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
SSgA Emerging Markets	9.1	--	--	--	--	10.3	Apr-16
MSCI Emerging Markets	*9.0*	*16.8*	*-0.6*	*3.0*	*3.9*	*9.7*	*Apr-16*
eA Emg Mkts Equity Gross Median	*8.8*	*18.1*	*1.2*	*5.1*	*5.4*	*10.9*	*Apr-16*
eA Emg Mkts Equity Gross Rank	*44*	*--*	*--*	*--*	*--*	*59*	*Apr-16*

Top 10 Holdings

TENCENT HOLDINGS	3.8%
SAMSUNG ELECTRONICS	3.6%
TAIWAN SEMICON.MNFG.	3.5%
ALIBABA GROUP HLDG.SPN. ADR 1:1	2.9%
NASPERS	1.9%
CHINA MOBILE	1.8%
CHINA CON.BANK 'H'	1.5%
BAIDU 'A' ADR 10:1	1.2%
INDL.& COML.BK.OF CHINA 'H'	1.1%
HON HAI PRECN.IND.	1.0%
Total	**22.4%**

SSgA Emerging Markets Characteristics

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Market Value			
Market Value (Mil)	7.0	--	7.3
Number Of Holdings	851	833	856
Characteristics			
Wtg. Avg. Market Cap. (Bil)	53.5	53.0	43.4
Median Market Cap (Bil)	4.7	4.7	4.6
P/E Ratio	21.7	19.1	19.7
Yield	2.5	2.5	2.7
EPS Growth - 5 Yrs.	13.8	9.2	12.8
Price to Book	3.7	2.8	3.3
Beta (holdings; global)	1.0	1.0	1.0
Sector Distribution			
Energy	7.3	7.3	7.4
Materials	6.4	6.4	6.5
Industrials	5.9	5.9	5.9
Consumer Discretionary	10.6	10.6	10.5
Consumer Staples	7.9	7.9	8.4
Health Care	2.6	2.6	2.7
Financials	23.2	23.7	24.5
Information Technology	24.1	23.9	23.0
Telecommunication Services	6.1	6.1	6.7
Utilities	2.9	2.9	3.2
Real Estate	2.7	2.7	0.0

Account Information

Account Name	**Vanguard Total Bond Market Index**
Account Structure	**Mutual Fund**
Investment Style	**Passive**
Inception Date	**10/01/14**
Account Type	**US Fixed Income Investment Grade**
Benchmark	**BBgBarc US Aggregate Float Adjusted TR**
Universe	**eA US Core Fixed Inc Gross**

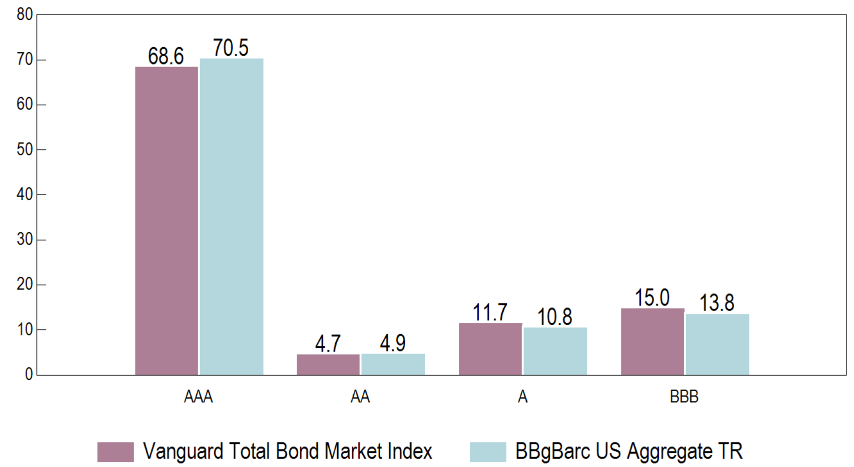
Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Vanguard Total Bond Market Index	0.4	5.4	--	--	--	4.1	Oct-14
BBgBarc US Aggregate Float Adjusted TR	*0.4*	*5.3*	*4.0*	*3.1*	*--*	*4.1*	*Oct-14*
eA US Core Fixed Inc Gross Median	*0.7*	*5.7*	*4.4*	*3.8*	*5.3*	*4.3*	*Oct-14*
eA US Core Fixed Inc Gross Rank	*76*	*63*	*--*	*--*	*--*	*69*	*Oct-14*

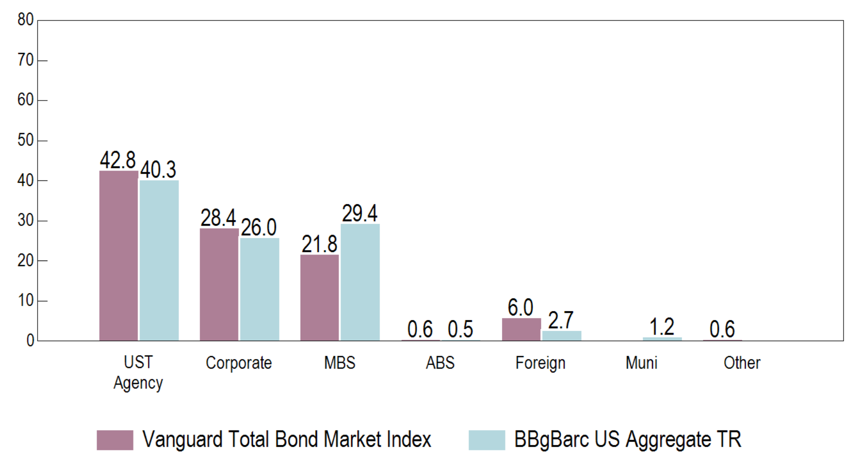
Vanguard Total Bond Market Index Characteristics vs. BBgBarc US Aggregate TR

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	2.0	1.9	1.9
Average Duration	5.5	5.5	5.8
Average Quality	AA	AA	AA
Weighted Average Maturity	7.8	13.0	8.0

Credit Quality Allocation



Sector Allocation



Vanguard Intermediate-Term Corporate Bond Index

As of September 30, 2016

Account Information

Account Name	**Vanguard Intermediate-Term Corporate Bond Index**
Account Structure	**Mutual Fund**
Investment Style	**Passive**
Inception Date	**12/01/12**
Account Type	**US Fixed Income Investment Grade**
Benchmark	**BBgBarc US Credit/Corp 5-10 Yr TR**
Universe	**eA US Core Fixed Inc Gross**

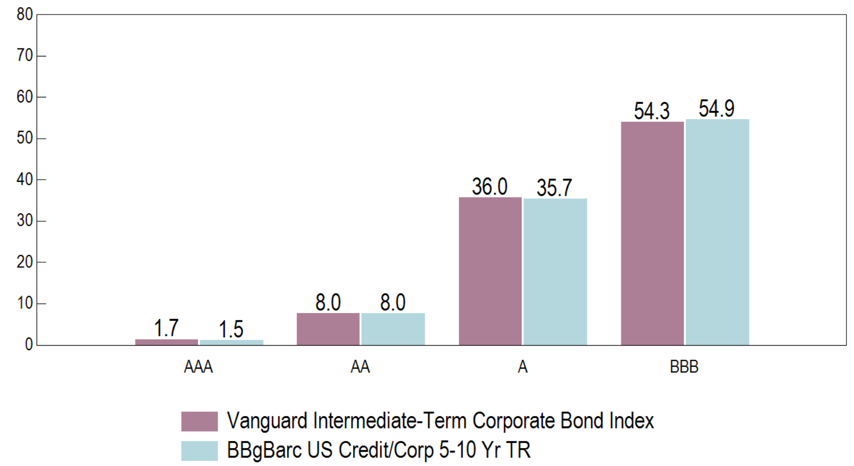
Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Vanguard Intermediate-Term Corporate Bond Index	1.3	8.6	6.2	--	--	4.2	Dec-12
BBgBarc US Credit/Corp 5-10 Yr TR	*1.4*	*8.5*	*6.0*	*5.7*	*6.4*	*4.0*	*Dec-12*
eA US Core Fixed Inc Gross Median	*0.7*	*5.7*	*4.4*	*3.8*	*5.3*	*2.9*	*Dec-12*
eA US Core Fixed Inc Gross Rank	*8*	*2*	*1*	*--*	*--*	*3*	*Dec-12*

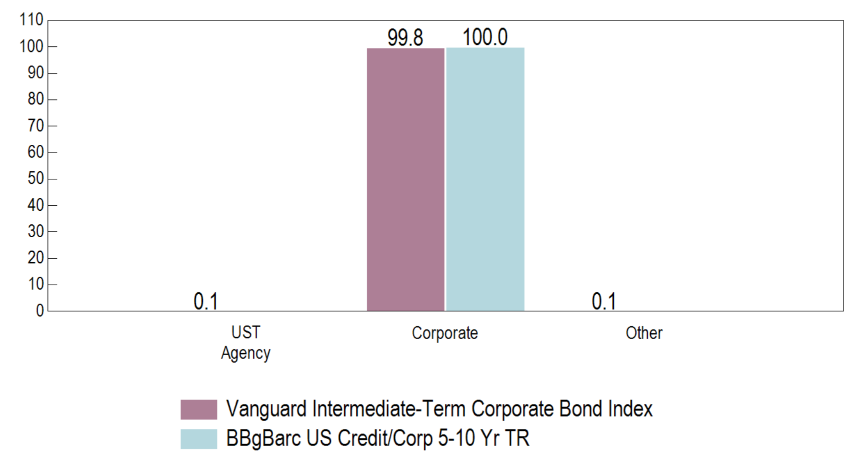
Vanguard Intermediate-Term Corporate Bond Index Characteristics vs. BBgBarc US Credit/Corp 5-10 Yr TR

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	2.8	2.8	2.9
Average Duration	6.5	6.5	6.5
Average Quality	A	A	A
Weighted Average Maturity	7.5	7.5	7.5

Credit Quality Allocation



Sector Allocation



AFL-CIO Housing Investment Trust

As of September 30, 2016

Account Information

Account Name	**AFL-CIO Housing Investment Trust**
Account Structure	**Mutual Fund**
Investment Style	**Active**
Inception Date	**10/01/11**
Account Type	**US Fixed Income Investment Grade**
Benchmark	**BBgBarc US Aggregate TR**
Universe	**eA US Core Fixed Inc Gross**

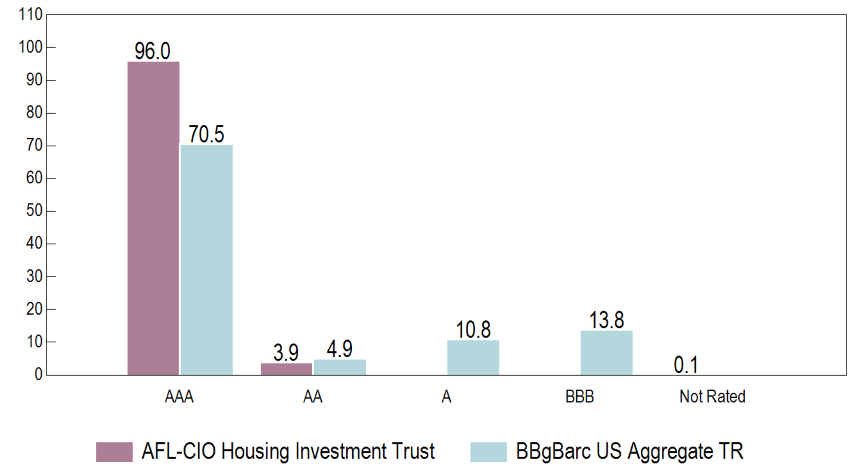
Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
AFL-CIO Housing Investment Trust	0.7	4.8	4.6	3.6	--	3.6	Oct-11
BBgBarc US Aggregate TR	*0.5*	*5.2*	*4.0*	*3.1*	*4.8*	*3.1*	*Oct-11*
BBgBarc US Mortgage TR	*0.6*	*3.6*	*3.6*	*2.6*	*4.7*	*2.6*	*Oct-11*
eA US Core Fixed Inc Gross Median	*0.7*	*5.7*	*4.4*	*3.8*	*5.3*	*3.8*	*Oct-11*
eA US Core Fixed Inc Gross Rank	*52*	*88*	*36*	*63*	*--*	*63*	*Oct-11*

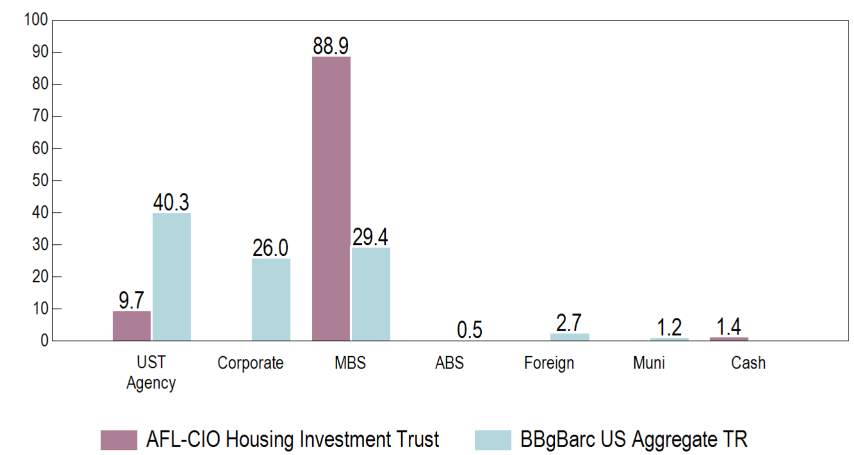
AFL-CIO Housing Investment Trust Characteristics vs. BBgBarc US Aggregate TR

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	2.4	1.9	2.3
Average Duration	5.3	5.5	5.3
Average Quality	AAA	AA	AAA
Weighted Average Maturity	9.6	13.0	9.5

Credit Quality Allocation



Sector Allocation



Vanguard Inflation-Protected Securities

As of September 30, 2016

Account Information

Account Name	**Vanguard Inflation-Protected Securities**
Account Structure	**Mutual Fund**
Investment Style	**Passive**
Inception Date	**12/01/11**
Account Type	**US Inflation Protected Fixed**
Benchmark	**BBgBarc US Tips TR**
Universe	**eA TIPS / Infl Indexed Fixed Inc Gross**

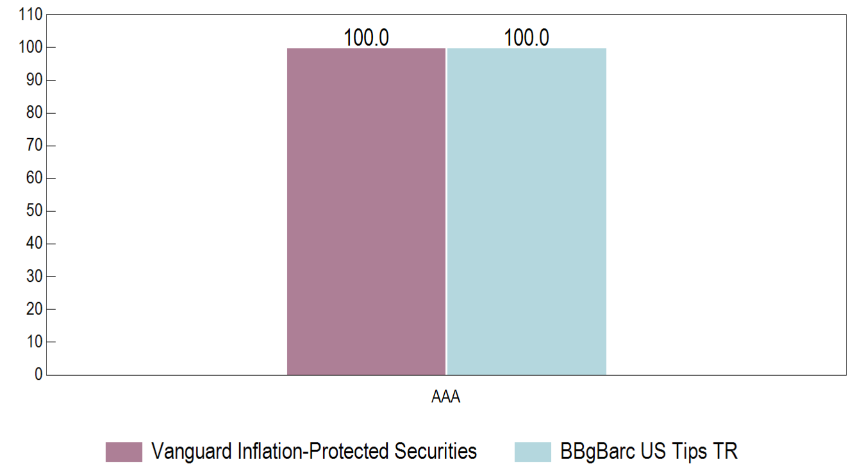
Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Vanguard Inflation-Protected Securities	1.0	6.8	2.5	--	--	1.8	Dec-11
BBgBarc US Tips TR	*1.0*	*6.6*	*2.4*	*1.9*	*4.5*	*1.4*	*Dec-11*
eA TIPS / Infl Indexed Fixed Inc Gross Median	*1.0*	*6.5*	*2.4*	*2.1*	*4.6*	*1.6*	*Dec-11*
eA TIPS / Infl Indexed Fixed Inc Gross Rank	*53*	*36*	*37*	*--*	*--*	*31*	*Dec-11*

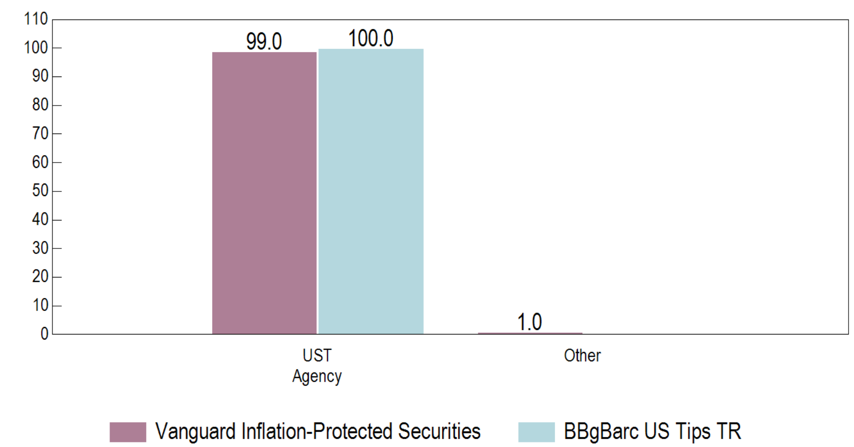
Vanguard Inflation-Protected Securities Characteristics vs. BBgBarc US Tips TR

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	1.6	-0.1	1.5
Average Duration	8.3	6.6	8.4
Average Quality	AAA	AAA	AAA
Weighted Average Maturity	8.8	8.6	8.8

Credit Quality Allocation



Sector Allocation



Stone Harbor Emerging Markets Debt

As of September 30, 2016

Account Information

Account Name	**Stone Harbor Emerging Markets Debt**
Account Structure	**Mutual Fund**
Investment Style	**Active**
Inception Date	**3/01/12**
Account Type	**International Emerging Market Debt**
Benchmark	**JP Morgan EMBI Global Diversified**
Universe	**eA All Emg Mkts Fixed Inc Gross**

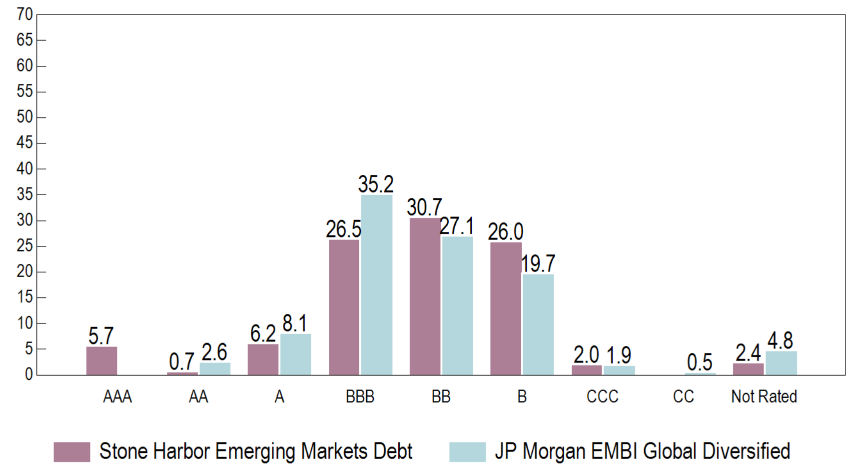
Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Stone Harbor Emerging Markets Debt	4.9	20.8	7.2	--	--	5.3	Mar-12
JP Morgan EMBI Global Diversified	*4.0*	*16.2*	*8.2*	*7.8*	*7.7*	*6.5*	*Mar-12*
eA All Emg Mkts Fixed Inc Gross Median	*3.5*	*16.3*	*5.7*	*6.5*	*7.8*	*4.7*	*Mar-12*
eA All Emg Mkts Fixed Inc Gross Rank	*18*	*5*	*22*	*--*	*--*	*45*	*Mar-12*

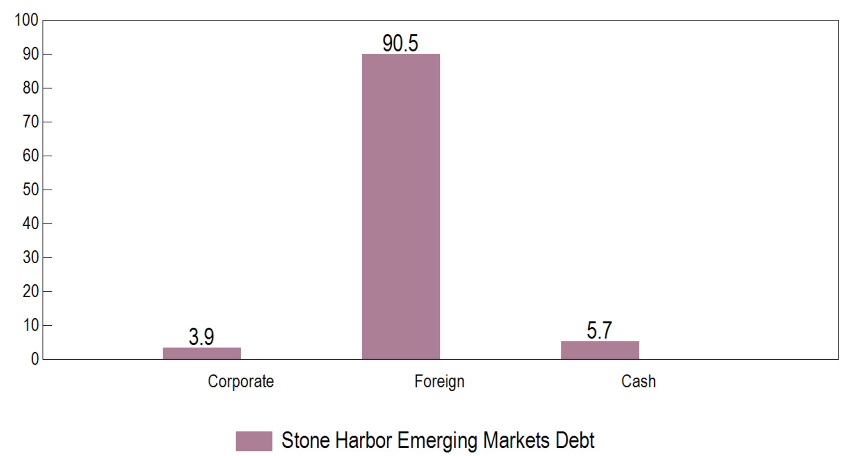
Stone Harbor Emerging Markets Debt Characteristics vs. JP Morgan EMBI Global Diversified

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	5.8	4.8	6.6
Average Duration	6.3	6.9	6.6
Average Quality	BB	BB	BB
Weighted Average Maturity	10.0	10.7	10.6

Credit Quality Allocation



Sector Allocation



Loomis Sayles Bank Loan

As of September 30, 2016

Account Information

Account Name	**Loomis Sayles Bank Loan**
Account Structure	**Mutual Fund**
Investment Style	**Active**
Inception Date	**2/01/13**
Account Type	**US Fixed Income**
Benchmark	**Credit Suisse Leveraged Loans**
Universe	**eA Float-Rate Bank Loan Gross**

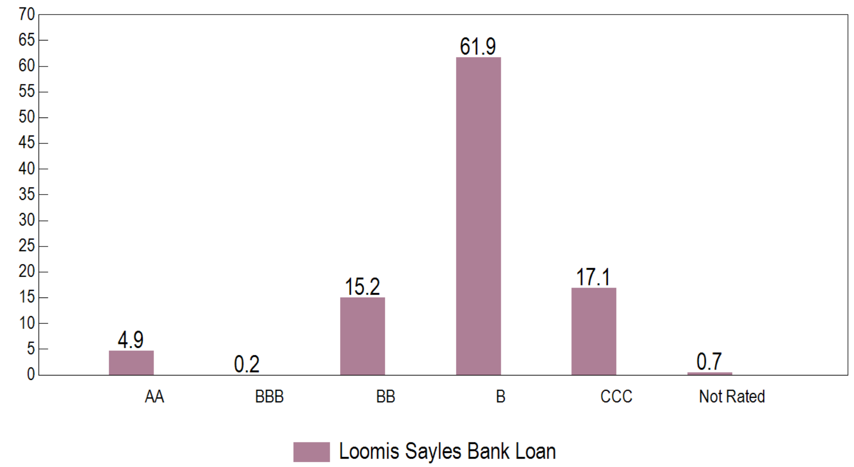
Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Loomis Sayles Bank Loan	3.9	7.0	5.0	--	--	5.2	Feb-13
Credit Suisse Leveraged Loans	*3.1*	*5.3*	*3.6*	*5.4*	*4.3*	*3.8*	*Feb-13*
eA Float-Rate Bank Loan Gross Median	*2.7*	*5.5*	*3.9*	*5.7*	*4.9*	*3.9*	*Feb-13*
eA Float-Rate Bank Loan Gross Rank	*9*	*13*	*5*	*--*	*--*	*3*	*Feb-13*

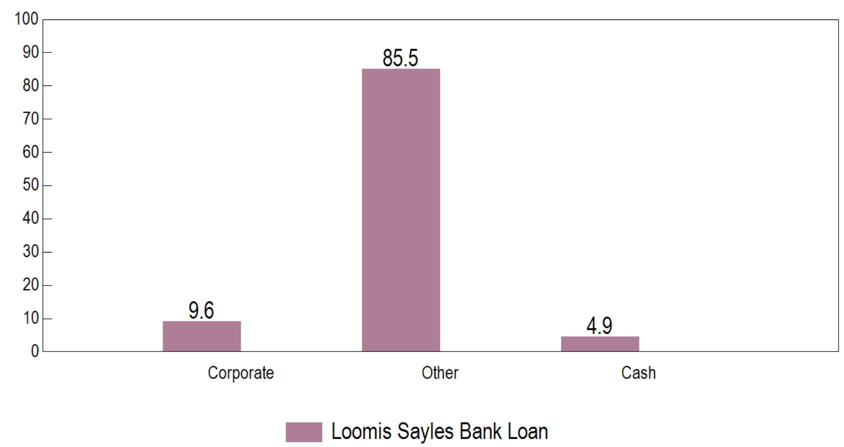
Loomis Sayles Bank Loan Characteristics

	Portfolio Q3-16	Portfolio Q2-16
Fixed Income Characteristics		
Yield to Maturity	6.2	6.5
Average Duration	0.3	0.4
Average Quality	B	B
Weighted Average Maturity	4.6	4.8

Credit Quality Allocation



Sector Allocation



SKY Harbor Broad High Yield Market

As of September 30, 2016

Account Information

Account Name	**SKY Harbor Broad High Yield Market**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**9/01/12**
Account Type	**US Fixed Income High Yield**
Benchmark	**BBgBarc US High Yield TR**
Universe	**eA US High Yield Fixed Inc Gross**

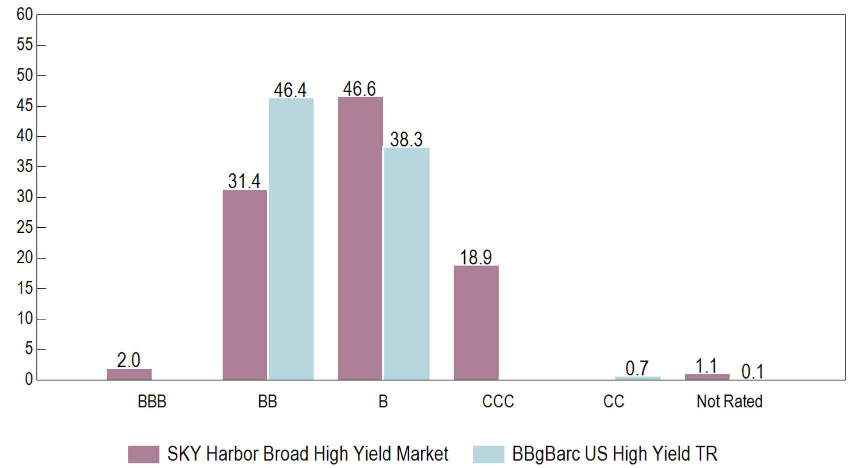
Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
SKY Harbor Broad High Yield Market	5.5	10.7	4.6	--	--	5.9	Sep-12
BBgBarc US High Yield TR	*5.6*	*12.7*	*5.3*	*8.3*	*7.7*	*6.0*	*Sep-12*
eA US High Yield Fixed Inc Gross Median	*4.8*	*10.5*	*5.0*	*8.0*	*7.6*	*5.7*	*Sep-12*
eA US High Yield Fixed Inc Gross Rank	*25*	*43*	*61*	*--*	*--*	*42*	*Sep-12*

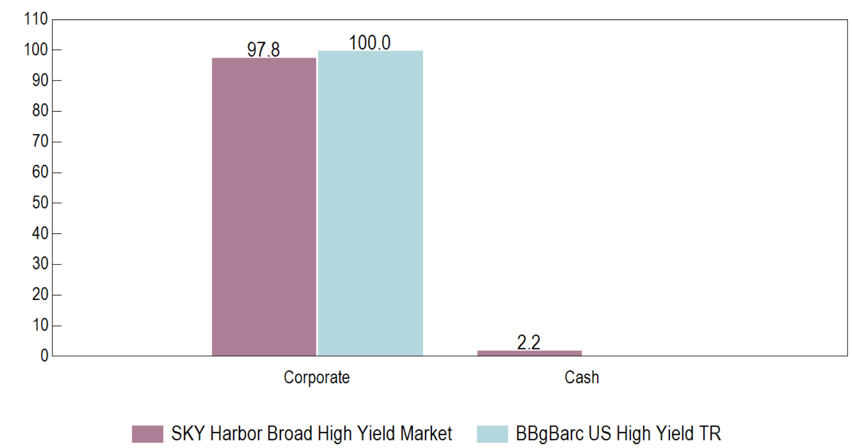
SKY Harbor Broad High Yield Market Characteristics vs. BBgBarc US High Yield TR

	Portfolio Q3-16	Index Q3-16	Portfolio Q2-16
Fixed Income Characteristics			
Yield to Maturity	7.2	6.7	7.9
Average Duration	4.6	4.1	4.7
Average Quality	B	BB	B
Weighted Average Maturity	6.1	6.3	6.2

Credit Quality Allocation



Sector Allocation



AFL-CIO Building Investment Trust

As of September 30, 2016

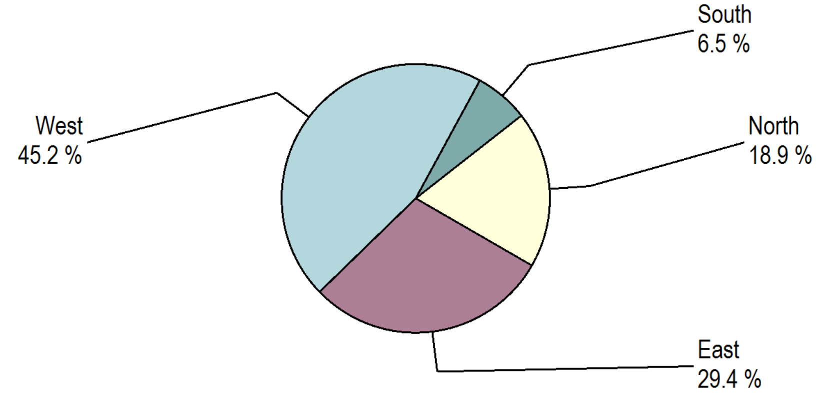
Account Information

Account Name	**AFL-CIO Building Investment Trust**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**10/01/11**
Account Type	**Real Estate**
Benchmark	**NCREIF-ODCE**
Universe	**Real Estate MStar MF**

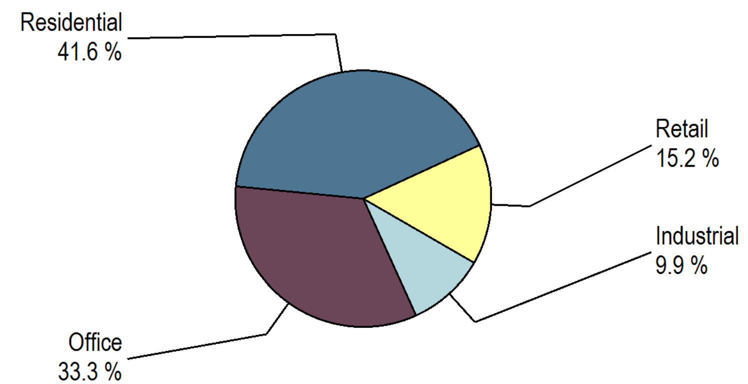
Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
AFL-CIO Building Investment Trust	1.9	9.6	12.4	12.2	6.1	12.2	Oct-11
NCREIF-ODCE	*2.1*	*10.1*	*12.4*	*12.4*	*6.0*	*12.4*	*Oct-11*
NCREIF Property Index	*1.8*	*9.2*	*11.3*	*11.2*	*7.2*	*11.2*	*Oct-11*

Geographic Diversification



Property Type Allocation



Vanguard REIT Index

As of September 30, 2016

Account Information

Account Name	**Vanguard REIT Index**
Account Structure	**Mutual Fund**
Investment Style	**Passive**
Inception Date	**2/01/13**
Account Type	**Real Estate**
Benchmark	**MSCI US REIT**
Universe	**eA US REIT Gross**

Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Vanguard REIT Index	-1.5	19.8	14.1	--	--	11.3	Feb-13
MSCI US REIT	*-1.8*	*18.2*	*12.7*	*14.4*	*4.8*	*9.9*	*Feb-13*
eA US REIT Gross Median	*-1.1*	*18.9*	*14.6*	*16.4*	*7.2*	*11.7*	*Feb-13*
eA US REIT Gross Rank	*84*	*27*	*76*	*--*	*--*	*69*	*Feb-13*

Top 10 Holdings

SIMON PROPERTY GROUP	7.7%
PUBLIC STORAGE	4.0%
PROLOGIS	3.4%
WELLTOWER	3.2%
EQUINIX	3.0%
AVALONBAY COMMNS.	2.9%
VENTAS	2.9%
EQUITY RESD.TST.PROPS. SHBI	2.8%
BOSTON PROPERTIES	2.5%
HCP	2.1%
Total	**34.7%**

Vanguard REIT Index Characteristics

	Portfolio Q3-16	Portfolio Q2-16
Market Value		
Market Value (Mil)	3.0	3.0
Number Of Holdings	150	152
Characteristics		
Wtg. Avg. Market Cap. (Bil)	17.2	18.1
Median Market Cap (Bil)	2.9	2.9
P/E Ratio	35.5	38.0
Yield	3.7	3.6
EPS Growth - 5 Yrs.	21.9	22.6
Price to Book	4.0	4.2
Beta (holdings; domestic)	0.7	0.8

TA Associates Realty Fund X

As of September 30, 2016

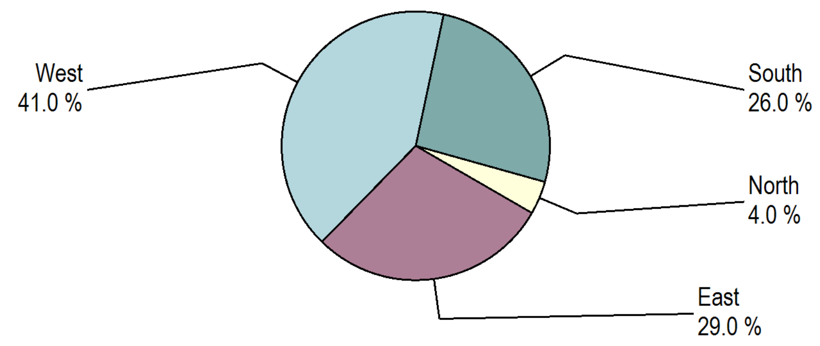
Account Information

Account Name	**TA Associates Realty Fund X**
Account Structure	**Other**
Investment Style	**Active**
Inception Date	**2/01/13**
Account Type	**Real Estate**

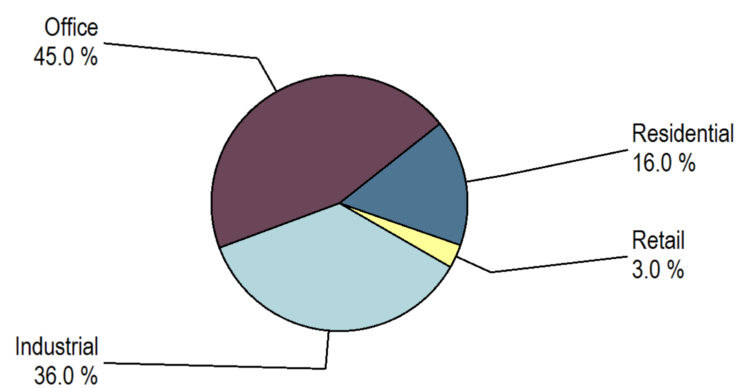
Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
TA Associates Realty Fund X	3.0	13.4	12.6	--	--	10.5	Feb-13

Geographic Diversification



Property Type Allocation



DRA Growth & Income Fund VIII

As of September 30, 2016

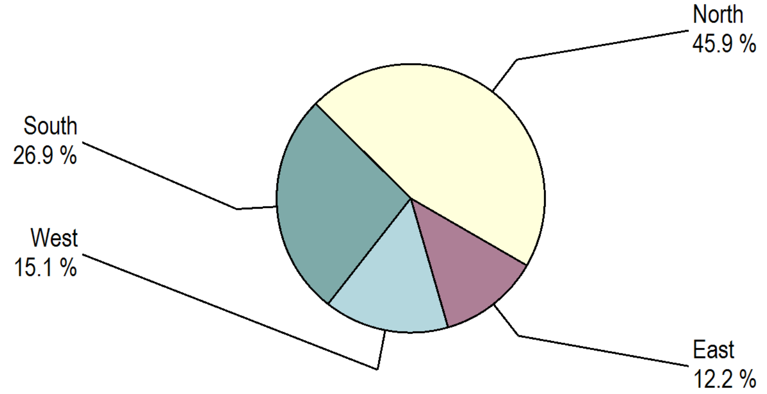
Account Information

Account Name	**DRA Growth & Income Fund VIII**
Account Structure	**Other**
Investment Style	**Active**
Inception Date	**10/01/14**
Account Type	**Real Estate**

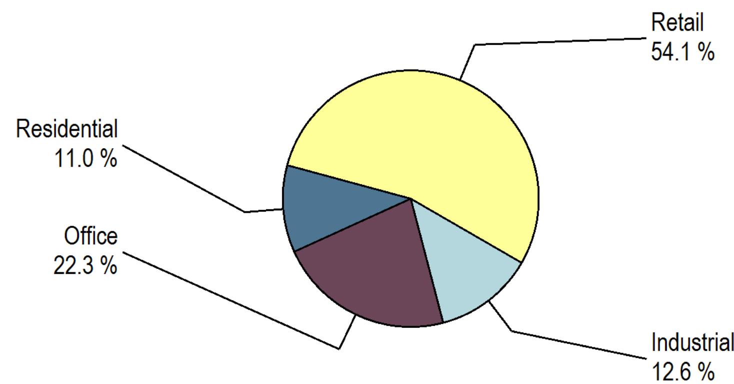
Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
DRA Growth & Income Fund VIII	2.4	8.7	--	--	--	7.5	Oct-14

Geographic Diversification



Property Type Allocation



Characteristics as of 3/31/2016.

SSgA S&P Global Large MidCap Natural Resources Index

As of September 30, 2016

Account Information

Account Name	**SSgA S&P Global Large MidCap Natural Resources Index**
Account Structure	**Commingled Fund**
Investment Style	**Passive**
Inception Date	**9/01/12**
Account Type	**Real Assets**
Benchmark	**S&P Global LargeMidCap Commodity and Resources GR USD**

Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
SSgA S&P Global Large MidCap Natural Resources Index	4.8	23.6	-4.9	--	--	-3.8	Sep-12
S&P Global LargeMidCap Commodity and Resources GR USD	*4.8*	*23.8*	*-4.8*	*-1.3*	*3.2*	*-3.7*	*Sep-12*

Top 10 Holdings

MONSANTO	6.7%
EXXON MOBIL	6.4%
SYNGENTA	6.1%
BHP BILLITON	3.8%
ARCHER-DANLS.-MIDL.	3.7%
CHEVRON	3.4%
RIO TINTO	2.8%
GLENCORE	2.3%
BHP BILLITON	2.2%
TOTAL	2.1%
Total	**39.4%**

SSgA S&P Global Large MidCap Natural Resources Index Characteristics

	Portfolio Q3-16	Portfolio Q2-16
Market Value		
Market Value (Mil)	4.6	4.4
Number Of Holdings	182	182
Characteristics		
Wtg. Avg. Market Cap. (Bil)	58.8	62.4
Median Market Cap (Bil)	8.6	7.7
P/E Ratio	19.3	15.6
Yield	2.7	3.2
EPS Growth - 5 Yrs.	-7.6	-8.1
Price to Book	2.4	2.3
Beta (holdings; domestic)	1.3	1.3
Sector Distribution		
Energy	33.7	34.2
Materials	55.8	56.7
Industrials	0.9	1.0
Consumer Discretionary	0.0	0.0
Consumer Staples	9.6	8.2
Health Care	0.0	0.0
Financials	0.0	0.0
Information Technology	0.0	0.0
Telecommunication Services	0.0	0.0
Utilities	0.0	0.0
Real Estate	0.0	0.0

Ridgemont Equity Partners I, L.P.

Strategy:	Private Equity Middle Market Buyout
Senior Professionals:	Travis Hain Walker L. Poole Trey Sheridan
Location:	Charlotte, North Carolina
Vintage Year:	2010
Fee Schedule:	2.0% Management; 8.0% Preferred Return; Carried Interest: 80/20

Commitment:	$2.0 million
Capital Contributions:	$2.0 million
Outstanding Commitment:	<$0.1 million
Realized Proceeds:	$1.1 million
Total Value:	$2.1 million
Number of Investments:	18
Net IRR[1]:	27%

Investment Strategy:

Ridgemont will typically seek to invest $25 to $75 million per transaction to acquire controlling interests or minority interests with significant influence in new and existing U.S.-based middle market companies. Ridgemont will pursue sector-focused investment themes based on leveraging professionals' industry expertise, historical investing experience, and the partnership's differentiated sourcing model. The fund will seek investments primarily in four key sectors: basic industries and services; energy; healthcare; and telecommunications, media and technology. The fund anticipates investing in two to six deals in each sector, which would ultimately comprise a target of approximately 10% to 35% of the total amount of the fund.

[1] As of 6/30/2016.

Investment Expense Analysis
As Of September 30, 2016

Name	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
ASB Equity Index	0.02% of Assets	$30,153,397	$4,523	0.02%
Vanguard Dividend Growth	0.32% of Assets	$15,229,704	$48,735	0.32%
Vanguard MidCap Index	0.08% of Assets	$4,728,711	$3,783	0.08%
Vanguard Small Cap Index	0.09% of Assets	$3,092,712	$2,783	0.09%
Vanguard Developed Markets Index	0.09% of Assets	$16,061,628	$14,455	0.09%
SSgA Emerging Markets	0.84% of Assets	$6,978,388	$58,618	0.84%
Vanguard Total Bond Market Index	0.07% of Assets	$31,803,819	$22,263	0.07%
Vanguard Intermediate-Term Corporate Bond Index	0.09% of Assets	$6,517,926	$5,866	0.09%
AFL-CIO Housing Investment Trust	0.44% of Assets	$3,905,203	$17,183	0.44%
Vanguard Inflation-Protected Securities	0.07% of Assets	$13,942,492	$9,760	0.07%
Stone Harbor Emerging Markets Debt	0.68% of Assets	$4,099,023	$27,873	0.68%
Loomis Sayles Bank Loan	0.85% of Assets	$5,901,515	$50,163	0.85%
SKY Harbor Broad High Yield Market	0.36% of First $50.0 Mil	$3,086,768	$11,112	0.36%
AFL-CIO Building Investment Trust	1.0% on first $2.0 billion, 0.85% on next $1.0 billion, 0.80% thereafter. 0.10% on cash. Based off of total Trust NAV.	$12,288,000		
Vanguard REIT Index	0.12% of Assets	$3,003,496	$3,604	0.12%
TA Associates Realty Fund X	0.50% in year 1, 0.80% in year 2, 1.1% in year 3, all based upon total committed capital; then 1.2% in year 4, 1.25% in year 5, 1.2% in year 6, 1.0% in year 7, and 0.60% thereafter, all based upon gross investment cost.	$2,278,531		
DRA Growth & Income Fund VIII	0.90% on gross cost during Investment Period, dropping to 0.60% thereafter. 8.0% preferred return.	$2,102,771		
SSgA S&P Global Large MidCap Natural Resources Index	0.15% of Assets	$4,626,815	$6,940	0.15%
Ridgemont Equity Partners I	2.0% Management; 8.0% Preferred Return; Carried Interest: 80/20.	$2,136,714		

The fee for the AFL-CIO Building Investment Trust is based on the total NAV of the fund. Given the current NAV and the size of the Pension Fund's current investment, the fee is estimated to be 0.90%.

Private Market Update

Recent Activity

- DRA Advisors distributed $67,700 during the third quarter.
- TA Realty distributed $300,215 during the same period.

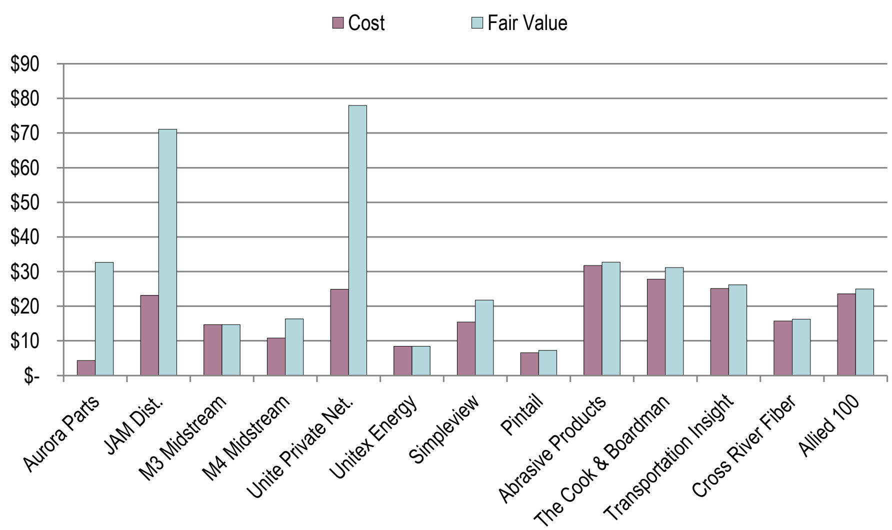
Summary of Private Market Investments[1]

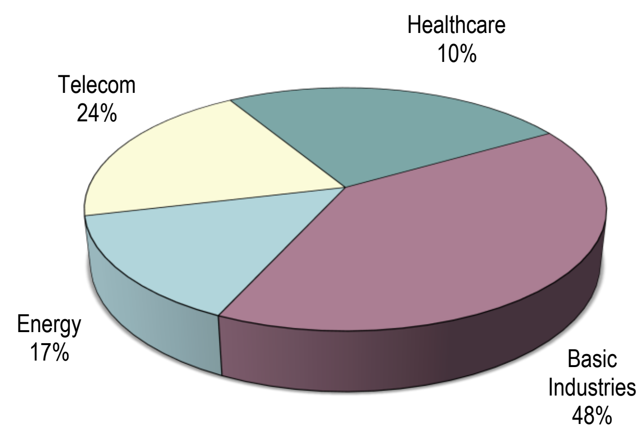
Fund	Asset Class	Commitment ($mm)	Called ($mm)	Distributed ($mm)	Reported Value[2] ($mm)	Internal Rate of Return (IRR%)[3]
Ridgemont Equity	Private Equity	2.0	2.0	1.1	2.1	27.0
TA Realty	Core Plus Real Estate	2.5	2.5	1.0	2.3	13.0
DRA Advisors	Value-Added Real Estate	2.5	2.5	0.6	2.1	14.0

[1] As of September 30, 2016.
[2] Reported value is the June 30, 2016 market value adjusted for subsequent cash flows.
[3] Internal rates of return are net of fees and as of September 30, 2016 with the exception of DRA Advisors which is as of June 30, 2016.

Ridgemont Equity Partners

- As of September 30, 2016, Ridgemont had invested $535.3 million on behalf of their clients across 18 investments.
- The reported total value[1] of these investments was $1,367 million.
- These investments were primarily in basic industries and telecom businesses.
- The Pension Fund committed $2.0 million to Ridgemont.
- $2.0 million has been called, and $1.1 million has been distributed back to the Fund.
- The current value is $2.1 million.

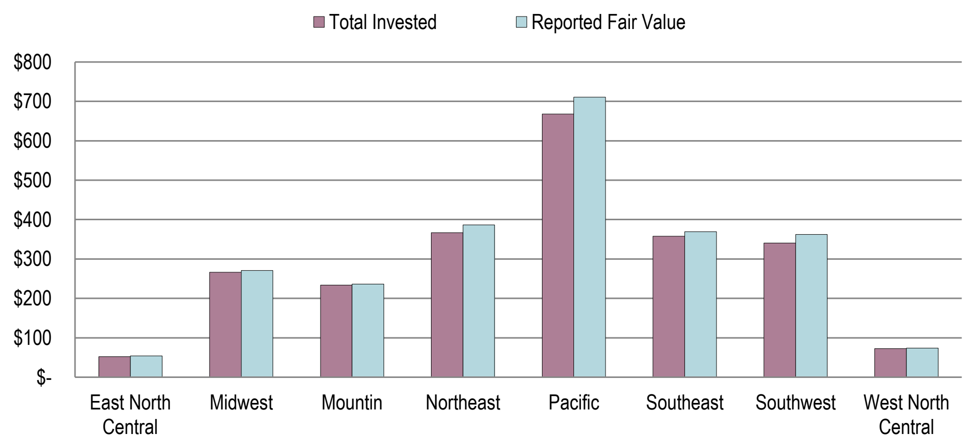


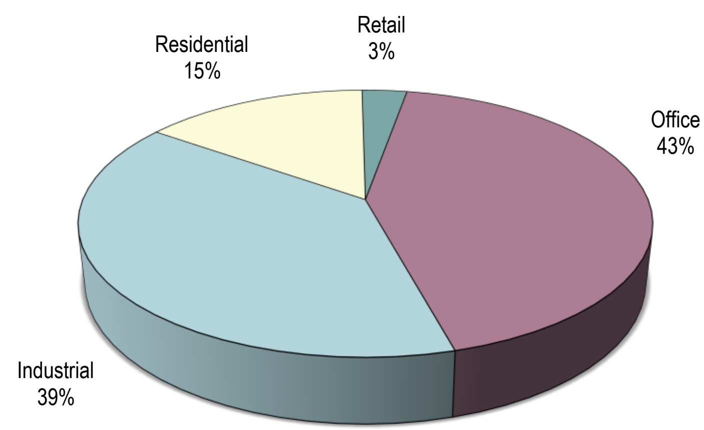


[1] Reported total value is equal to the reported value of the fund ($834.9mm) plus the realized proceeds to date ($532.1mm).

TA Associates Realty Fund X

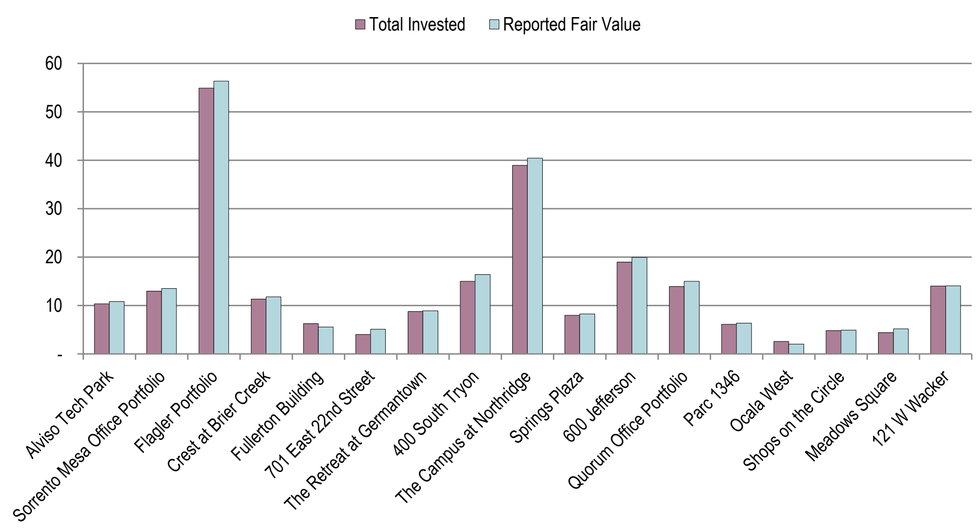
- As of September 30, 2016, TA Realty had invested $2.1 billion in real estate properties on behalf of their clients across 92 investments.
- The reported fair value of these investments was $2.2 billion.
- These investments were primarily in office and industrial properties.
- The Pension Fund committed $2.5 million to TA Associates.
- $2.5 million has been called, and $1.0 million has been distributed back to the Fund.
- The current value is $2.3 million.

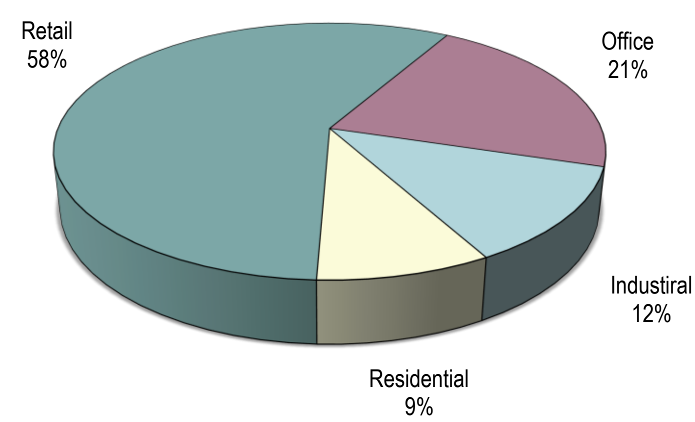




DRA Realty Growth and Income Fund VIII

- As of September 30, 2016, DRA Realty had invested $4.0 billion in 59 investments on behalf of clients.
  - The reported fair value of these investments was $1.2 billion
  - These investments were primarily in retail properties
- The Pension Fund committed $2.5 million to DRA
  - $2.5 million has been called, and just over $600,000 has been distributed.
  - The current value is $2.1 million.





Appendices

Interim Update

As of October 31, 2016

Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Policy	Policy Range	Within IPS Range?
US Equity	$54,470,577	30%	25%	15% - 35%	Yes
Developed Market Equity	$16,487,347	9%	10%	5% - 20%	Yes
Emerging Market Equity	$6,966,510	4%	7%	0% - 20%	Yes
Investment Grade Bonds	$44,010,069	24%	14%	8% - 25%	Yes
TIPS	$14,566,443	8%	10%	0% - 20%	Yes
Emerging Market Bonds	$4,261,203	2%	7%	0% - 15%	Yes
High Yield Bonds	$9,337,232	5%	5%	0% - 15%	Yes
Private Equity	$2,136,714	1%	5%	0% - 10%	Yes
Real Estate	$19,379,545	11%	12%	0% - 15%	Yes
Natural Resources	$4,589,945	3%	5%	0% - 10%	Yes
Alternative Assets	$965,427	1%	0%	0% - 5%	Yes
Cash	$3,617,826	2%	0%	0% - 5%	Yes
Total	**$180,788,839**	**100%**	**100%**		

Asset Class Performance Summary

	Market Value ($)	% of Portfolio	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Penson Fund	**180,788,839**	**100.0**	**-1.3**	**6.5**	**5.0**	**4.0**	**6.6**	**4.4**	**7.7**	**Oct-11**
Total Penson Fund (net)			**-1.3**	**6.4**	**4.8**	**3.8**	**6.3**	**4.3**	**7.4**	
Policy Benchmark			*-1.1*	*5.0*	*3.7*	*4.5*	*6.9*	*4.8*	*8.0*	*Oct-11*
Target Policy Benchmark			*-1.0*	*7.7*	*5.6*	*4.6*	*6.9*	*5.8*	*8.1*	*Oct-11*
Domestic Equity Assets	**54,470,577**	**30.1**	**-2.4**	**5.3**	**4.0**	**8.0**	**13.2**	**--**	**15.4**	**Oct-11**
Domestic Equity Assets (net)			**-2.4**	**5.2**	**3.8**	**7.9**	**13.1**	**--**	**15.3**	
Russell 3000			*-2.2*	*5.8*	*4.2*	*8.1*	*13.4*	*6.8*	*15.6*	*Oct-11*
International Developed Market Equity Assets	**16,487,347**	**9.1**	**-2.3**	**2.5**	**-0.7**	**-1.7**	**4.1**	**--**	**6.3**	**Oct-11**
International Developed Market Equity Assets (net)			**-2.3**	**2.4**	**-0.8**	**-2.0**	**3.6**	**--**	**5.8**	
MSCI ACWI ex USA IMI			*-1.6*	*4.4*	*0.8*	*-1.1*	*4.0*	*1.9*	*5.9*	*Oct-11*
Emerging Market Equity Assets	**6,966,510**	**3.9**	**-0.1**	**12.9**	**7.2**	**-1.2**	**--**	**--**	**0.4**	**Apr-12**
Emerging Market Equity Assets (net)			**-0.2**	**12.1**	**6.4**	**-1.9**	**--**	**--**	**-0.4**	
MSCI Emerging Markets			*0.2*	*16.3*	*9.3*	*-2.0*	*0.5*	*3.5*	*-0.5*	*Apr-12*
Investment Grade Bond Assets	**44,010,069**	**24.3**	**-0.8**	**7.5**	**6.8**	**4.5**	**4.5**	**--**	**4.7**	**Oct-11**
Investment Grade Bond Assets (net)			**-0.8**	**7.4**	**6.6**	**4.3**	**4.2**	**--**	**4.4**	
BBgBarc US Aggregate TR			*-0.8*	*5.0*	*4.4*	*3.5*	*2.9*	*4.6*	*2.9*	*Oct-11*
TIPS Assets	**14,566,443**	**8.1**	**-0.5**	**7.0**	**5.9**	**2.2**	**--**	**--**	**1.4**	**Dec-11**
TIPS Assets (net)			**-0.5**	**6.9**	**5.8**	**2.1**	**--**	**--**	**1.4**	
BBgBarc US Tips TR			*-0.4*	*6.8*	*5.9*	*2.1*	*1.5*	*4.5*	*1.3*	*Dec-11*

	Market Value ($)	% of Portfolio	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Emerging Market Debt Assets	**4,261,203**	**2.4**	**-1.0**	**18.0**	**14.4**	**1.1**	**--**	**--**	**1.1**	**Mar-12**
Emerging Market Debt Assets (net)			**-1.0**	**17.3**	**13.5**	**0.3**	**--**	**--**	**0.3**	
JP Morgan GBI EM Global Diversified TR USD			*-0.8*	*16.1*	*11.0*	*-3.7*	*-1.2*	*4.9*	*-2.3*	*Mar-12*
JP Morgan EMBI Global Diversified			*-1.2*	*13.3*	*11.7*	*6.8*	*6.6*	*7.4*	*6.1*	*Mar-12*
High Yield Bonds Assets	**9,337,232**	**5.2**	**0.6**	**11.6**	**7.9**	**4.5**	**--**	**--**	**5.9**	**Sep-12**
High Yield Bonds Assets (net)			**0.6**	**11.0**	**7.3**	**3.9**	**--**	**--**	**5.3**	
BBgBarc US High Yield TR			*0.4*	*15.6*	*10.1*	*4.6*	*7.2*	*7.6*	*6.0*	*Sep-12*
Real Estate Assets	**19,379,545**	**10.7**								
Real Estate Assets (net)										
NCREIF-ODCE										
Natural Resources Assets	**4,589,945**	**2.5**	**-0.8**	**24.4**	**11.8**	**-6.2**	**--**	**--**	**-3.9**	**Sep-12**
Natural Resources Assets (net)			**-0.8**	**24.2**	**11.7**	**-6.3**	**--**	**--**	**-4.1**	
S&P Global Natural Resources Index TR USD			*0.1*	*24.1*	*13.6*	*-4.8*	*-2.8*	*1.2*	*-1.9*	*Sep-12*
Private Equity Assets	**2,136,714**	**1.2**								
Private Equity Assets (net)										
Private Placement Assets	**965,427**	**0.5**								
Cash	**3,617,826**	**2.0**								

Total Penson Fund

As of October 31, 2016

Trailing Performance

	Market Value ($)	% of Portfolio	% of Sector	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Penson Fund	**180,788,839**	**100.0**	**--**	**-1.3**	**6.5**	**5.0**	**4.0**	**6.6**	**4.4**	**7.7**	**Oct-11**
Policy Benchmark				*-1.1*	*5.0*	*3.7*	*4.5*	*6.9*	*4.8*	*8.0*	*Oct-11*
Target Policy Benchmark				*-1.0*	*7.7*	*5.6*	*4.6*	*6.9*	*5.8*	*8.1*	*Oct-11*
Domestic Equity Assets	**54,470,577**	**30.1**	**30.1**	**-2.4**	**5.3**	**4.0**	**8.0**	**13.2**	**--**	**15.4**	**Oct-11**
Russell 3000				*-2.2*	*5.8*	*4.2*	*8.1*	*13.4*	*6.8*	*15.6*	*Oct-11*
ASB Equity Index	31,185,432	17.2	57.3	-1.8	5.8	4.5	--	--	--	3.1	Aug-15
S&P 500				*-1.8*	*5.9*	*4.5*	*8.8*	*13.6*	*6.7*	*3.1*	*Aug-15*
Vanguard Dividend Growth	15,502,966	8.6	28.5	-3.1	3.4	2.7	8.0	--	--	11.5	Feb-13
S&P 500				*-1.8*	*5.9*	*4.5*	*8.8*	*13.6*	*6.7*	*12.1*	*Feb-13*
Vanguard MidCap Index	4,816,182	2.7	8.8	-3.1	5.7	3.1	--	--	--	0.0	Aug-15
CRSP US Mid Cap TR USD				*-3.1*	*5.6*	*3.1*	*7.6*	*13.1*	*7.4*	*-0.1*	*Aug-15*
Vanguard Small Cap Index	2,965,997	1.6	5.4	-4.1	7.0	4.4	--	--	--	-0.6	Aug-15
CRSP US Small Cap TR USD				*-4.1*	*6.9*	*4.3*	*5.3*	*12.6*	*7.9*	*-0.7*	*Aug-15*
International Developed Market Equity Assets	**16,487,347**	**9.1**	**9.1**	**-2.3**	**2.5**	**-0.7**	**-1.7**	**4.1**	**--**	**6.3**	**Oct-11**
MSCI ACWI ex USA IMI				*-1.6*	*4.4*	*0.8*	*-1.1*	*4.0*	*1.9*	*5.9*	*Oct-11*
Vanguard Developed Markets Index	16,487,347	9.1	100.0	-2.3	1.8	-0.9	-0.2	--	--	4.5	Jan-13
Spliced Developed (ex. U.S.) Index				*-2.2*	*1.0*	*-1.9*	*-0.7*	*5.4*	*1.4*	*4.3*	*Jan-13*
MSCI EAFE				*-2.0*	*-0.4*	*-3.2*	*-1.3*	*5.0*	*1.2*	*3.8*	*Jan-13*

As of October 31, 2016

	Market Value ($)	% of Portfolio	% of Sector	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Emerging Market Equity Assets	**6,966,510**	**3.9**	**3.9**	**-0.1**	**12.9**	**7.2**	**-1.2**	**--**	**--**	**0.4**	**Apr-12**
MSCI Emerging Markets				*0.2*	*16.3*	*9.3*	*-2.0*	*0.5*	*3.5*	*-0.5*	*Apr-12*
SSgA Emerging Markets	6,966,510	3.9	100.0	-0.1	--	--	--	--	--	10.2	Apr-16
MSCI Emerging Markets				*0.2*	*16.3*	*9.3*	*-2.0*	*0.5*	*3.5*	*10.0*	*Apr-16*
Investment Grade Bond Assets	**44,010,069**	**24.3**	**24.3**	**-0.8**	**7.5**	**6.8**	**4.5**	**4.5**	**--**	**4.7**	**Oct-11**
BBgBarc US Aggregate TR				*-0.8*	*5.0*	*4.4*	*3.5*	*2.9*	*4.6*	*2.9*	*Oct-11*
Vanguard Total Bond Market Index	33,141,064	18.3	75.3	-0.8	5.2	4.6	--	--	--	3.6	Oct-14
BBgBarc US Aggregate Float Adjusted TR				*-0.8*	*5.1*	*4.5*	*3.5*	*2.9*	*--*	*3.5*	*Oct-14*
Vanguard Intermediate-Term Corporate Bond Index	6,799,079	3.8	15.4	-0.7	8.4	7.3	5.4	--	--	3.9	Dec-12
BBgBarc US Credit/Corp 5-10 Yr TR				*-0.6*	*8.3*	*7.3*	*5.2*	*5.2*	*6.2*	*3.7*	*Dec-12*
AFL-CIO Housing Investment Trust	4,069,925	2.3	9.2	-0.8	4.6	4.1	4.0	3.4	--	3.3	Oct-11
BBgBarc US Aggregate TR				*-0.8*	*5.0*	*4.4*	*3.5*	*2.9*	*4.6*	*2.9*	*Oct-11*
BBgBarc US Mortgage TR				*-0.3*	*3.4*	*3.3*	*3.3*	*2.6*	*4.5*	*2.6*	*Oct-11*
TIPS Assets	**14,566,443**	**8.1**	**8.1**	**-0.5**	**7.0**	**5.9**	**2.2**	**--**	**--**	**1.4**	**Dec-11**
BBgBarc US Tips TR				*-0.4*	*6.8*	*5.9*	*2.1*	*1.5*	*4.5*	*1.3*	*Dec-11*
Vanguard Inflation-Protected Securities	14,566,443	8.1	100.0	-0.5	7.0	5.9	2.2	--	--	1.6	Dec-11
BBgBarc US Tips TR				*-0.4*	*6.8*	*5.9*	*2.1*	*1.5*	*4.5*	*1.3*	*Dec-11*

	Market Value ($)	% of Portfolio	% of Sector	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Emerging Market Debt Assets	**4,261,203**	**2.4**	**2.4**	**-1.0**	**18.0**	**14.4**	**1.1**	**--**	**--**	**1.1**	**Mar-12**
JP Morgan GBI EM Global Diversified TR USD				*-0.8*	*16.1*	*11.0*	*-3.7*	*-1.2*	*4.9*	*-2.3*	*Mar-12*
JP Morgan EMBI Global Diversified				*-1.2*	*13.3*	*11.7*	*6.8*	*6.6*	*7.4*	*6.1*	*Mar-12*
Stone Harbor Emerging Markets Debt	4,261,203	2.4	100.0	-1.0	18.1	15.1	6.1	--	--	5.0	Mar-12
JP Morgan EMBI Global Diversified				*-1.2*	*13.3*	*11.7*	*6.8*	*6.6*	*7.4*	*6.1*	*Mar-12*
High Yield Bonds Assets	**9,337,232**	**5.2**	**5.2**	**0.6**	**11.6**	**7.9**	**4.5**	**--**	**--**	**5.9**	**Sep-12**
BBgBarc US High Yield TR				*0.4*	*15.6*	*10.1*	*4.6*	*7.2*	*7.6*	*6.0*	*Sep-12*
Loomis Sayles Bank Loan	6,241,299	3.5	66.8	0.8	10.9	7.5	4.9	--	--	5.3	Feb-13
Credit Suisse Leveraged Loans				*0.8*	*8.3*	*6.3*	*3.6*	*5.1*	*4.3*	*3.9*	*Feb-13*
SKY Harbor Broad High Yield Market	3,095,933	1.7	33.2	0.3	13.2	8.7	4.0	--	--	5.9	Sep-12
BBgBarc US High Yield TR				*0.4*	*15.6*	*10.1*	*4.6*	*7.2*	*7.6*	*6.0*	*Sep-12*
Real Estate Assets	**19,379,545**	**10.7**	**10.7**								
NCREIF-ODCE											
AFL-CIO Building Investment Trust	12,288,000	6.8	63.4								
NCREIF-ODCE											
NCREIF Property Index											
Vanguard REIT Index	2,832,293	1.6	14.6	-5.7	5.5	6.8	10.3	--	--	9.3	Feb-13
MSCI US REIT				*-5.7*	*4.4*	*5.3*	*8.9*	*10.1*	*3.6*	*7.9*	*Feb-13*
TA Associates Realty Fund X	2,198,505	1.2	11.3								
DRA Growth & Income Fund VIII	2,060,747	1.1	10.6								

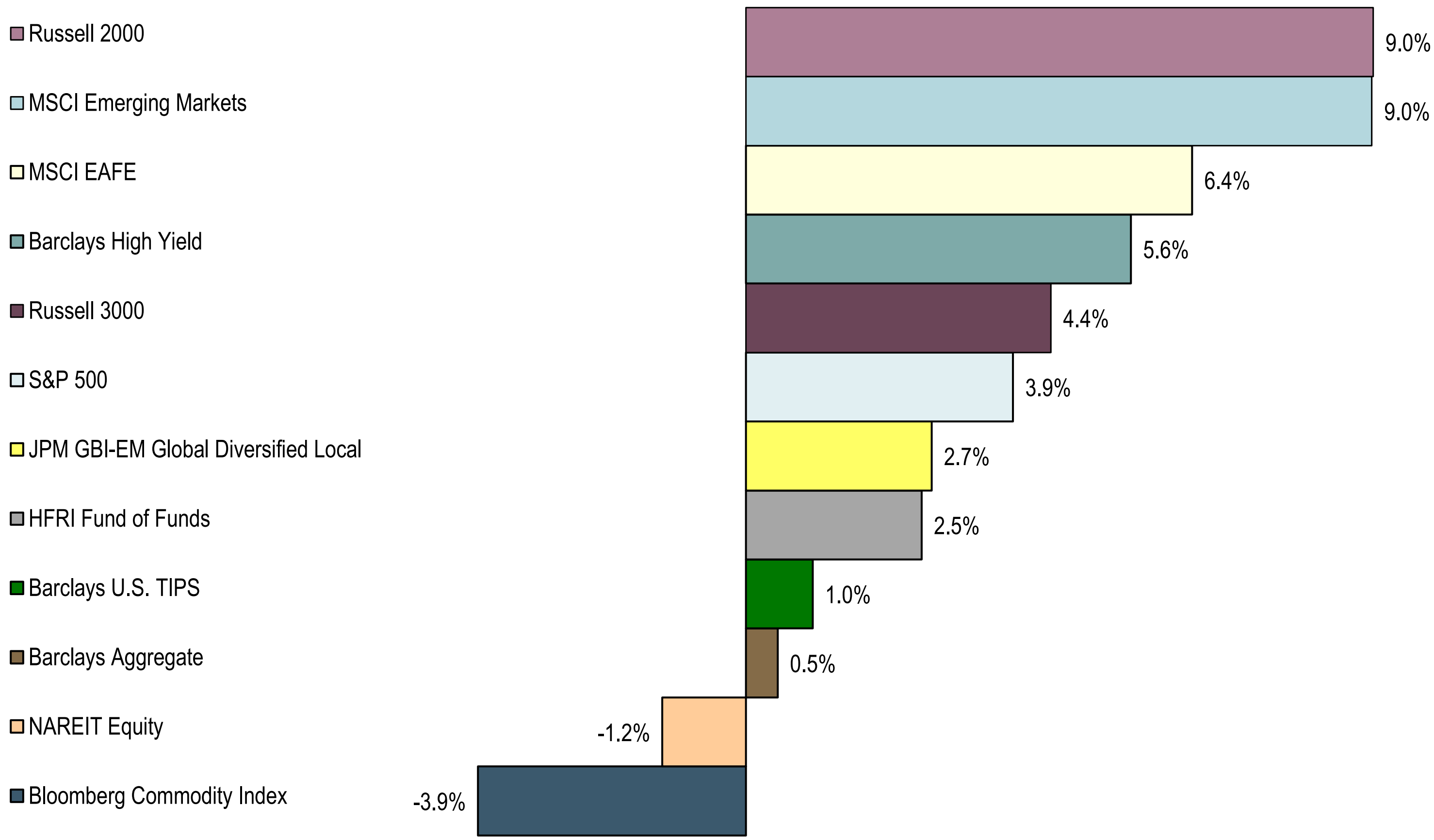
	Market Value ($)	% of Portfolio	% of Sector	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Natural Resources Assets	**4,589,945**	**2.5**	**2.5**	**-0.8**	**24.4**	**11.8**	**-6.2**	**--**	**--**	**-3.9**	**Sep-12**
S&P Global Natural Resources Index TR USD				*0.1*	*24.1*	*13.6*	*-4.8*	*-2.8*	*1.2*	*-1.9*	*Sep-12*
SSgA S&P Global Large MidCap Natural Resources Index	4,589,945	2.5	100.0	-0.8	24.4	11.8	-6.2	--	--	-3.9	Sep-12
S&P Global LargeMidCap Commodity and Resources GR USD				*-0.8*	*24.7*	*12.1*	*-6.1*	*-4.3*	*2.5*	*-3.8*	*Sep-12*
Private Equity Assets	**2,136,714**	**1.2**	**1.2**								
Ridgemont Equity Partners I	2,136,714	1.2	100.0								
Private Placement Assets	**965,427**	**0.5**	**0.5**								
ULLICO Class A	965,427	0.5	100.0								
Cash	**3,617,826**	**2.0**	**2.0**								

Investment Expense Analysis
As Of October 31, 2016

Name	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
ASB Equity Index	0.02% of Assets	$31,185,432	$4,678	0.02%
Vanguard Dividend Growth	0.32% of Assets	$15,502,966	$49,609	0.32%
Vanguard MidCap Index	0.08% of Assets	$4,816,182	$3,853	0.08%
Vanguard Small Cap Index	0.09% of Assets	$2,965,997	$2,669	0.09%
Vanguard Developed Markets Index	0.09% of Assets	$16,487,347	$14,839	0.09%
SSgA Emerging Markets	0.84% of Assets	$6,966,510	$58,519	0.84%
Vanguard Total Bond Market Index	0.07% of Assets	$33,141,064	$23,199	0.07%
Vanguard Intermediate-Term Corporate Bond Index	0.09% of Assets	$6,799,079	$6,119	0.09%
AFL-CIO Housing Investment Trust	0.44% of Assets	$4,069,925	$17,908	0.44%
Vanguard Inflation-Protected Securities	0.07% of Assets	$14,566,443	$10,197	0.07%
Stone Harbor Emerging Markets Debt	0.68% of Assets	$4,261,203	$28,976	0.68%
Loomis Sayles Bank Loan	0.85% of Assets	$6,241,299	$53,051	0.85%
SKY Harbor Broad High Yield Market	0.36% of First $50.0 Mil	$3,095,933	$11,145	0.36%
AFL-CIO Building Investment Trust	1.0% on first $2.0 billion, 0.85% on next $1.0 billion, 0.80% thereafter. 0.10% on cash. Based off of total Trust NAV.	$12,288,000		
Vanguard REIT Index	0.12% of Assets	$2,832,293	$3,399	0.12%
TA Associates Realty Fund X	0.50% in year 1, 0.80% in year 2, 1.1% in year 3, all based upon total committed capital; then 1.2% in year 4, 1.25% in year 5, 1.2% in year 6, 1.0% in year 7, and 0.60% thereafter, all based upon gross investment cost.	$2,198,505		
DRA Growth & Income Fund VIII	0.90% on gross cost during Investment Period, dropping to 0.60% thereafter. 8.0% preferred return.	$2,060,747		
SSgA S&P Global Large MidCap Natural Resources Index	0.15% of Assets	$4,589,945	$6,885	0.15%
Ridgemont Equity Partners I	2.0% Management; 8.0% Preferred Return; Carried Interest: 80/20.	$2,136,714		

The World Markets
Third Quarter of 2016

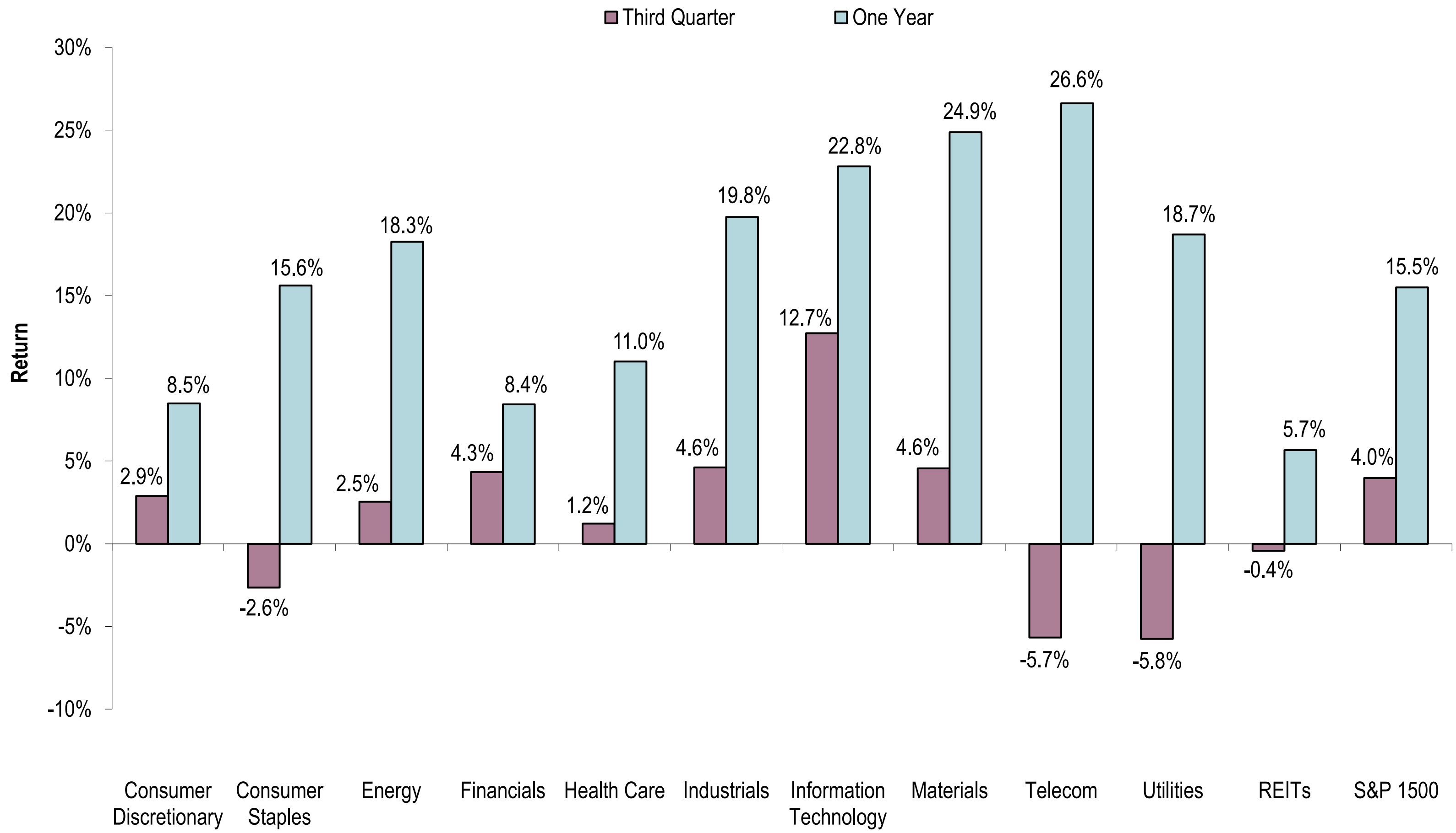
The World Markets
Third Quarter of 2016



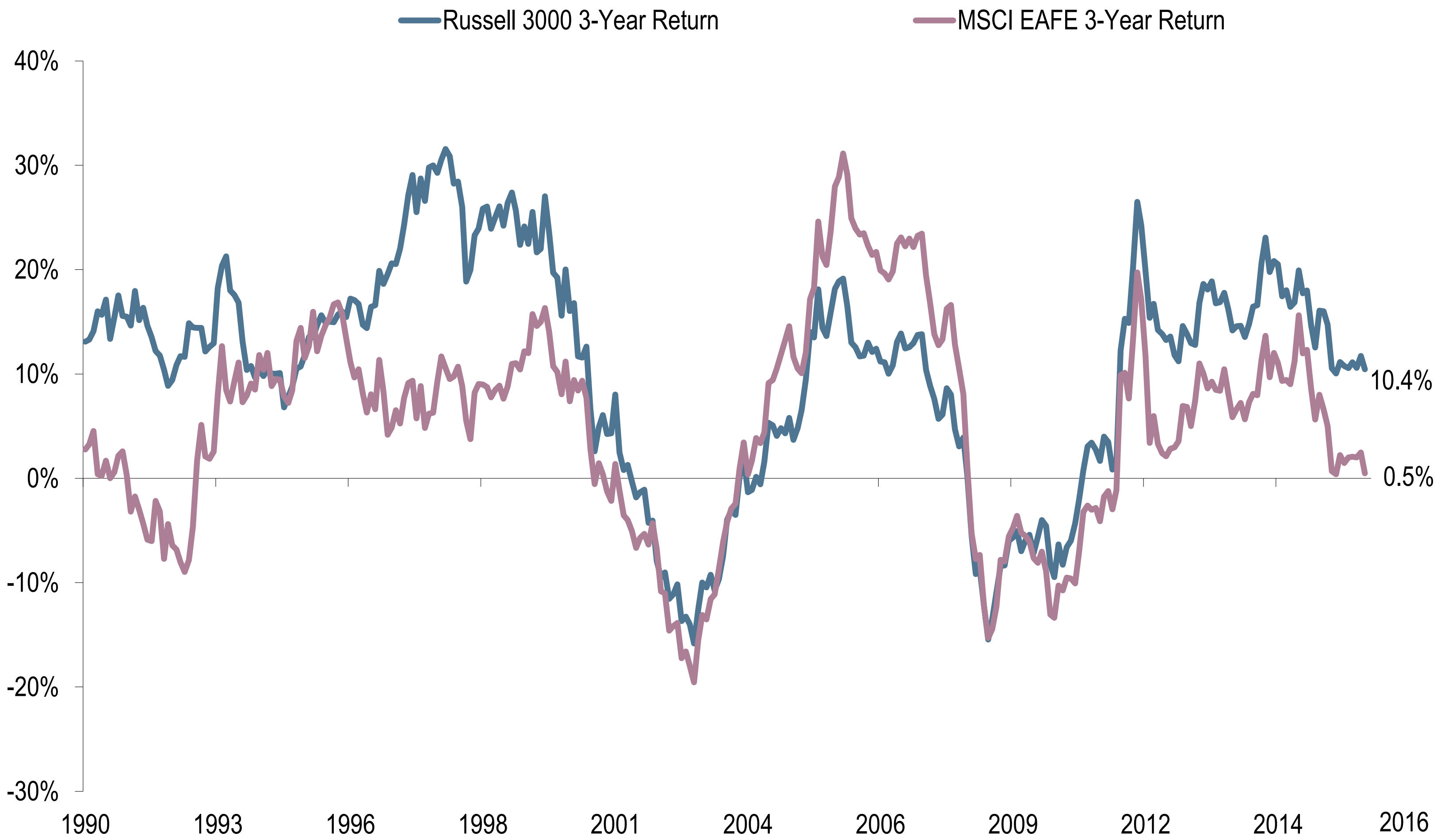
Index Returns

	3Q16 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
Domestic Equity						
Russell 3000	4.4	8.2	15.0	10.4	16.4	7.4
Russell 1000	4.0	7.9	14.9	10.8	16.4	7.4
Russell 1000 Growth	4.6	6.0	13.8	11.8	16.6	8.8
Russell 1000 Value	3.5	10.0	16.2	9.7	16.2	5.9
Russell MidCap	4.5	10.3	14.2	9.7	16.7	8.3
Russell MidCap Growth	4.6	6.8	11.2	8.9	15.8	8.5
Russell MidCap Value	4.4	13.7	17.3	10.5	17.4	7.9
Russell 2000	9.0	11.5	15.5	6.7	15.8	7.1
Russell 2000 Growth	9.2	7.5	12.1	6.6	16.1	8.3
Russell 2000 Value	8.9	15.5	18.8	6.8	15.4	5.8
Foreign Equity						
MSCI ACWI (ex. U.S.)	6.9	5.8	9.3	0.2	6.0	2.2
MSCI EAFE	6.4	1.7	6.5	0.5	7.4	1.8
MSCI EAFE (local currency)	6.0	-1.6	4.6	5.3	11.2	2.2
MSCI EAFE Small Cap	8.6	5.2	12.3	5.1	11.1	4.4
MSCI Emerging Markets	9.0	16.0	16.8	-0.6	3.0	3.9
MSCI Emerging Markets (local currency)	7.6	11.3	13.0	4.3	7.0	5.9
Fixed Income						
Barclays Universal	1.0	6.7	6.1	4.3	3.6	5.0
Barclays Aggregate	0.5	5.8	5.2	4.0	3.1	4.8
Barclays U.S. TIPS	1.0	7.3	6.6	2.4	1.9	4.5
Barclays High Yield	5.6	15.1	12.7	5.3	8.3	7.7
JPMorgan GBI-EM Global Diversified (Local Currency)	2.7	17.1	17.1	-2.6	0.1	5.5
Other						
NAREIT Equity	-1.2	12.3	20.9	13.9	16.0	6.4
Bloomberg Commodity Index	-3.9	8.9	-2.6	-12.3	-9.4	-5.3
HFRI Fund of Funds	2.5	-0.1	0.6	2.2	3.2	1.8

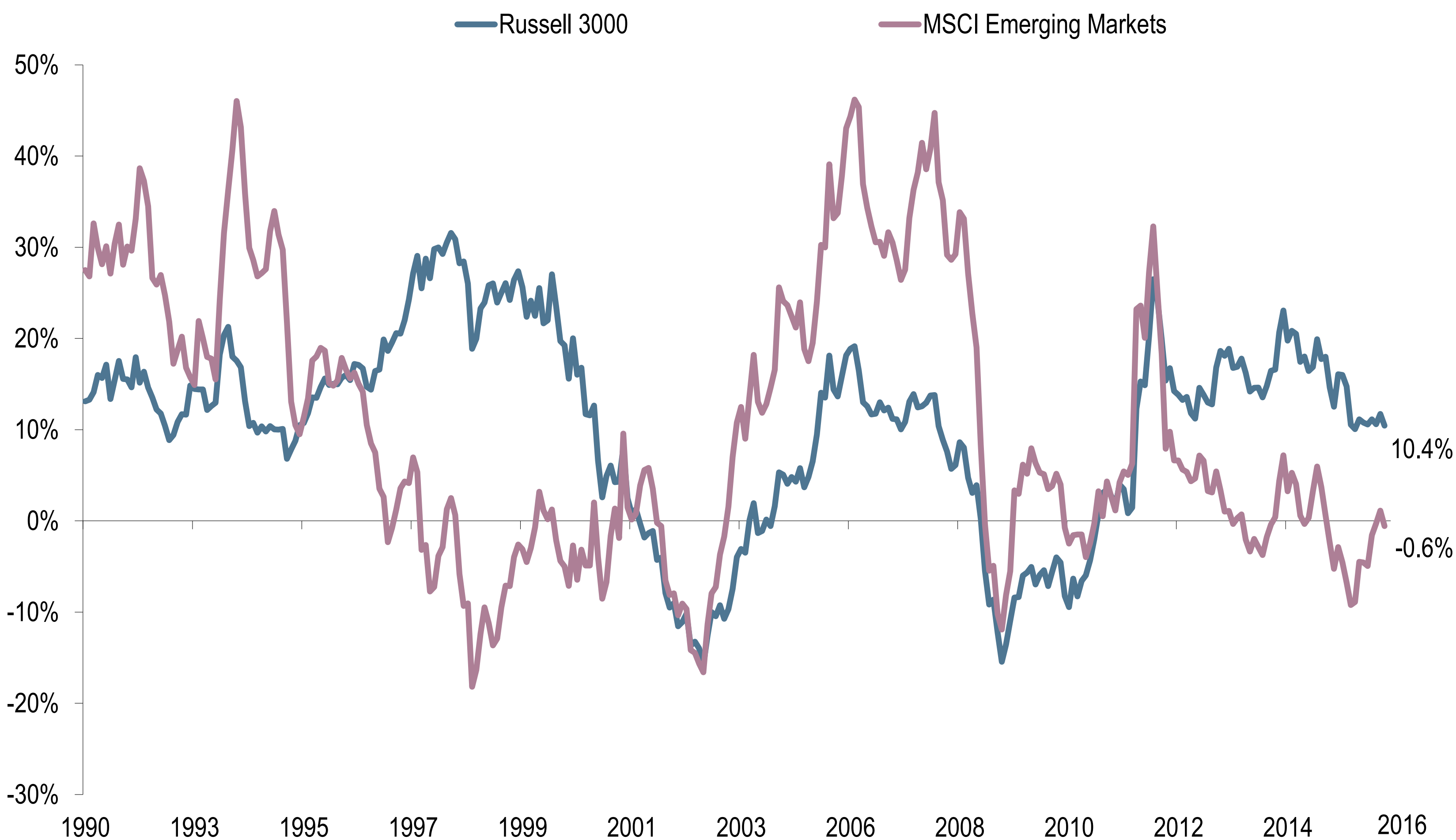
S&P Sector Returns



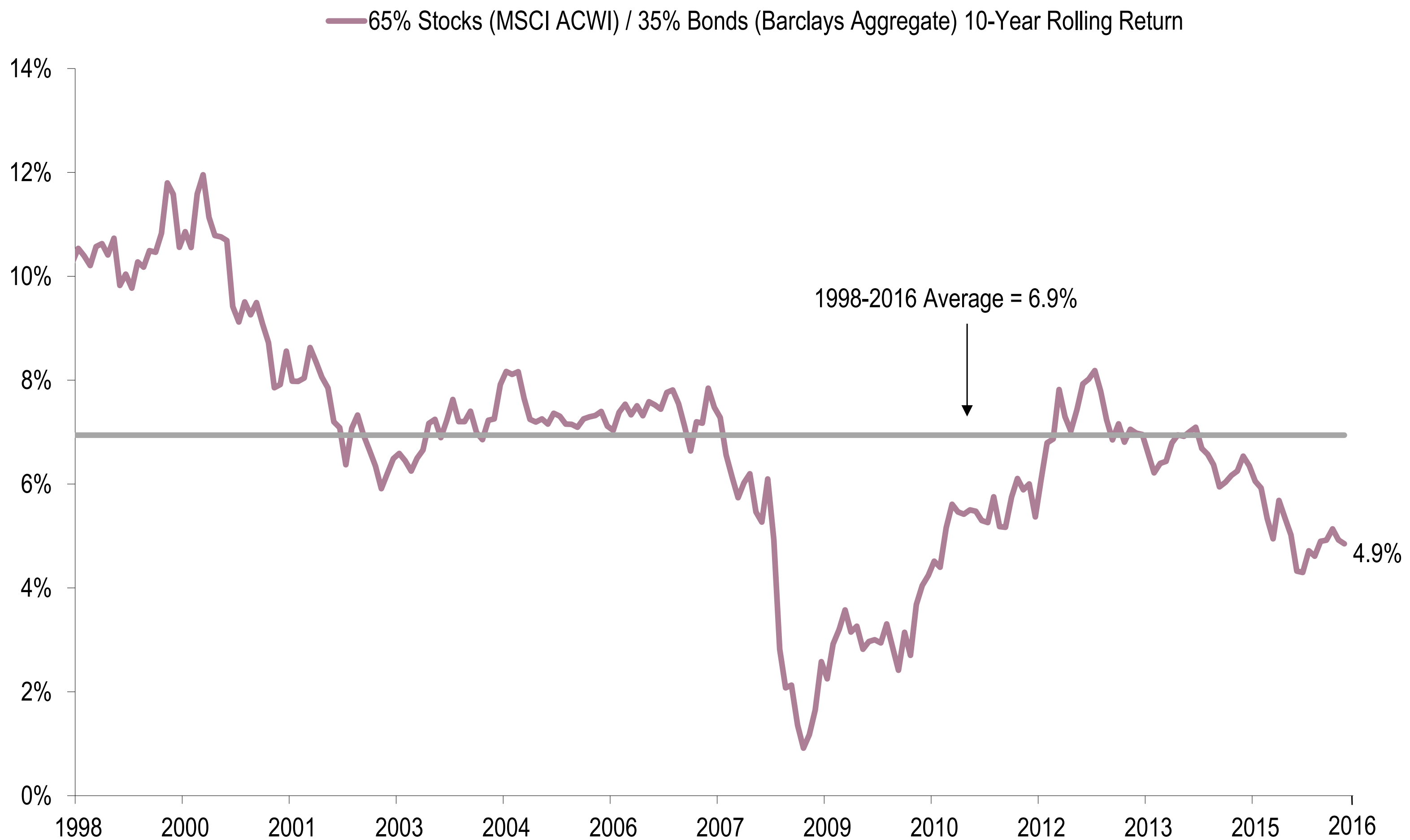
U.S. and Developed Market Foreign Equity Rolling Three-Year Returns



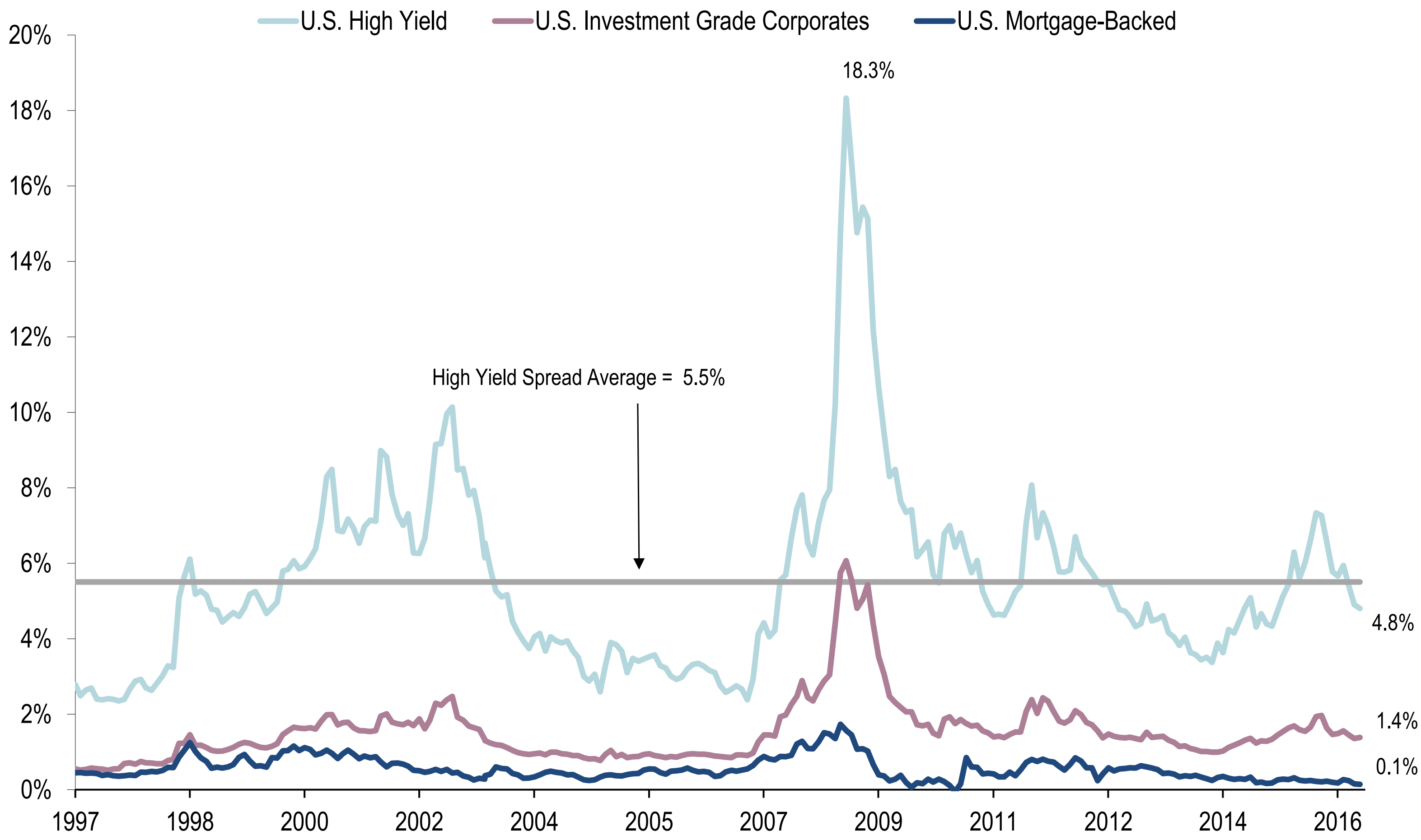
U.S. and Emerging Market Equity Rolling Three-Year Returns



Rolling Ten-Year Returns: 65% Stocks and 35% Bonds

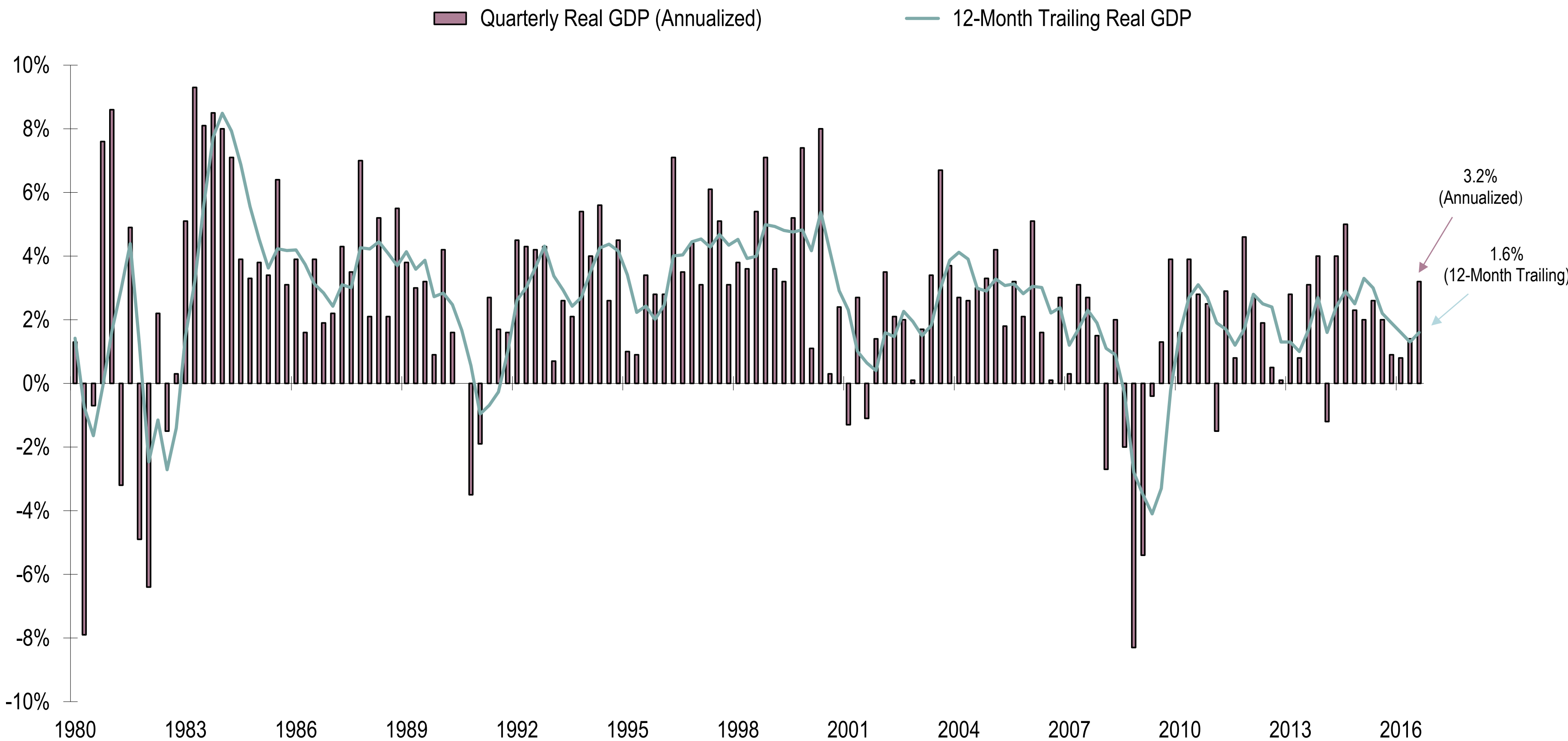


Credit Spreads vs. U.S. Treasury Bonds

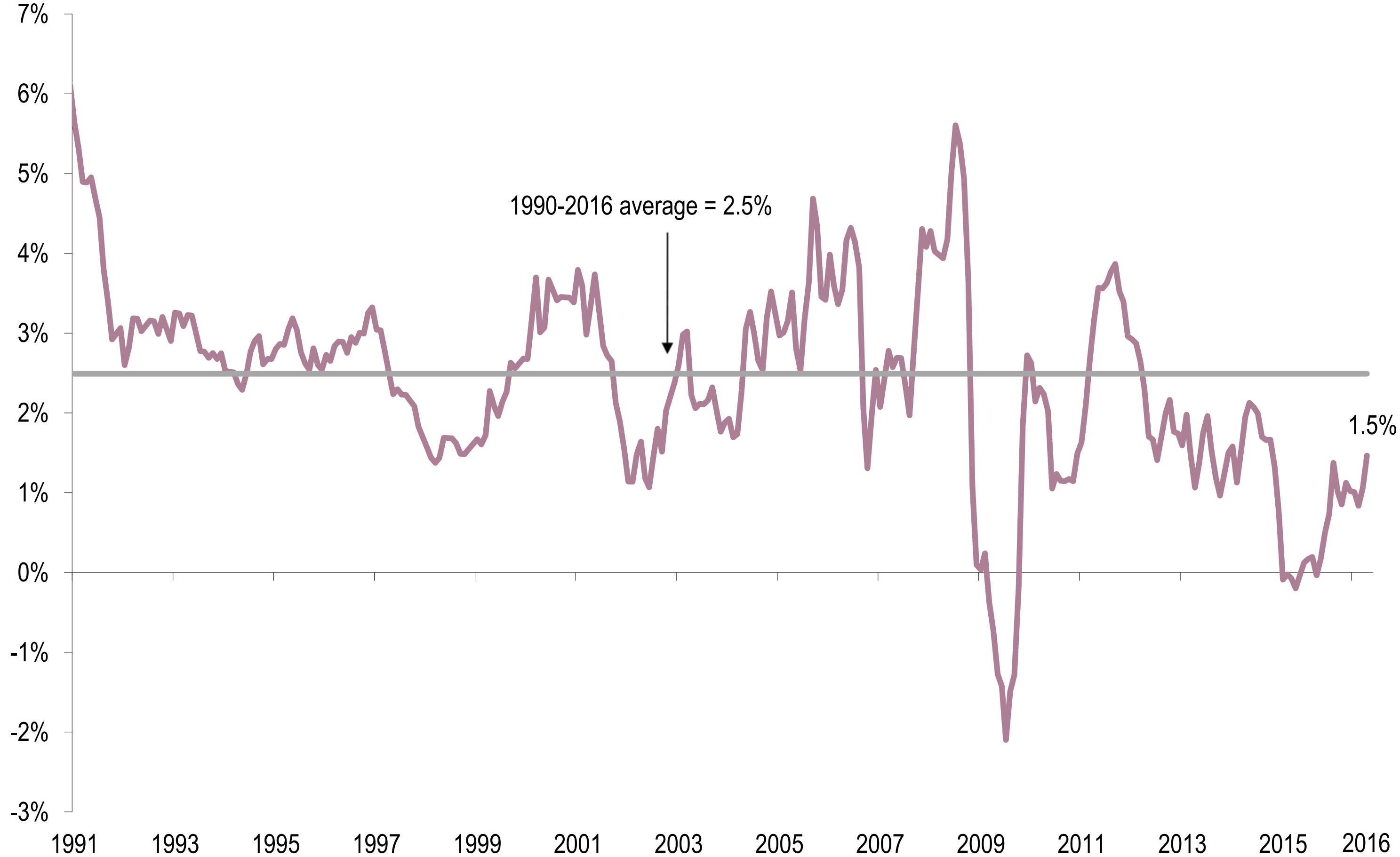


[1] The median high yield spread was 5.1% from 1997-2016.

U.S. Real Gross Domestic Product (GDP) Growth

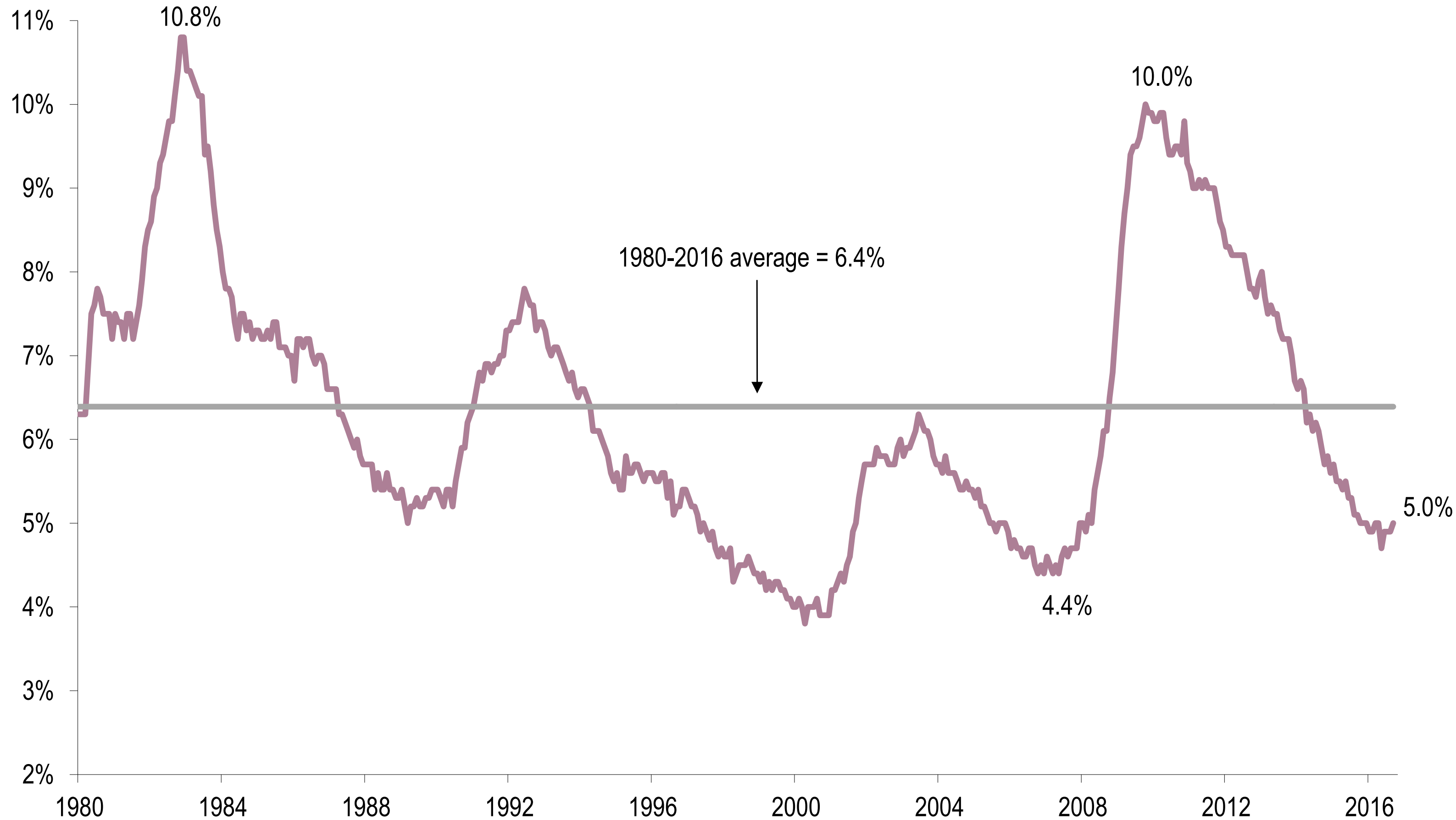


U.S. Inflation (CPI) Trailing Twelve Months[1]



1 Data is non-seasonally adjusted CPI, which may be volatile in the short-term. Data is as of September 30, 2016.

U.S. Unemployment[1]

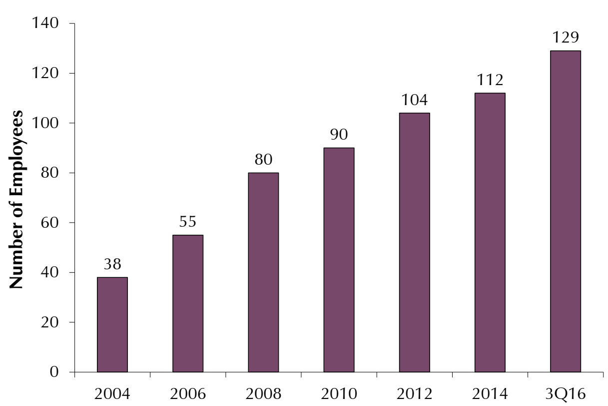


1 Data is as of September 30, 2016.

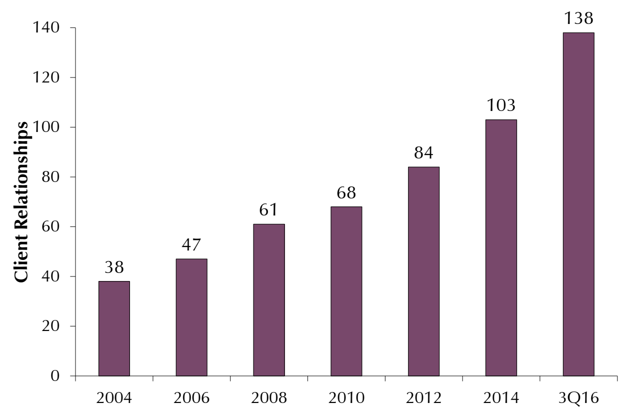
Meketa Investment Group
Corporate Update

- Staff of 129, including 81 investment professionals and 26 CFA Charterholders
- 138 clients, with over 235 funds throughout the United States
- Significant investment in staff and resources
- Offices in Boston, Chicago, Miami, Portland (OR), San Diego, and London
- Clients have aggregate assets of over $870 billion
  - Over $50 billion in assets committed to alternative investments
    - Private Equity
    - Infrastructure
    - Natural Resources
    - Real Estate
    - Hedge Funds
    - Commodities

Employee Growth



Client Growth



Meketa Investment Group is proud to work for 4.9 million American families everyday

Asset Classes Followed Intensively by Meketa Investment Group

Domestic Equities	International Equities	Private Equity	Real Assets	Fixed Income	Hedge Funds
- Passive	- Large Cap Developed	- Buyouts	- Public REITs	- Short-Term	- Long/Short Equity
- Enhanced Index	- Small Cap Developed	- Venture Capital	- Core Real Estate	- Core	- Event Driven
- Large Cap	- Emerging Markets	- Private Debt	- Value Added Real Estate	- Core Plus	- Relative Value
- Midcap	- Frontier Markets	- Special Situations	- Opportunistic Real Estate	- TIPS	- Fixed Income Arbitrage
- Small Cap		- Secondaries	- Infrastructure	- High Yield	- Multi Strategy
- Microcap		- Fund of Funds	- Timber	- Bank Loans	- Market Neutral
- 130/30			- Natural Resources	- Distressed	- Global Macro
			- Commodities	- Global	- Fund of Funds
				- Emerging Markets	- Portable Alpha

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Meketa Investment Group has prepared this report on the basis of sources believed to be reliable. The data are based on matters as they are known as of the date of preparation of the report, and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available.

In general, the valuation numbers presented in this report are prepared by the custodian bank for listed securities, and by the fund manager or appropriate General Partner in the case of unlisted securities. The data used in the market comparison sections of this report are sourced from various databases. These data are continuously updated and are subject to change.

This report does not contain all the information necessary to fully evaluate the potential risks of any of the investments described herein. Because of inherent uncertainties involved in the valuations of investments that are not publicly traded, any estimated fair values shown in this report may differ significantly from the values that would have been used had a ready market for the underlying securities existed, and the differences could be material. Note that for unlisted securities the valuations may be lagged by one or more calendar quarters, or may reflect original cost.

This document may contain certain forward-looking statements, forecasts, estimates, projections, and opinions (“Forward Statements”). No representation is made or will be made that any Forward Statements will be achieved or will prove to be correct. A number of factors, in addition to any risk factors stated in this material, could cause actual future results to vary materially from the Forward Statements. No representation is given that the assumptions disclosed in this document upon which Forward Statements may be based are reasonable. There can be no assurance that the investment strategy or objective of any fund or investment will be achieved, or that the Fund will receive a return of the amount invested.

In some cases, Meketa Investment Group assists the Trustees in handling capital calls or asset transfers among investment managers. In these cases, we do not make any representations as to the managers’ use of the funds, but do confirm that the capital called or transferred is within the amounts authorized by the Trustees.

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about is future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a "basis book." For example, a 5% bond pays $5 a year interest on each $100 par value. To figure its current yield, divide $5 by $95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay $100 for the bond that can be bought now for $95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\%\text{ (discount)}}{5\text{ (yrs. to maturity)}} = \begin{array}{c}1\%\text{ pro rata, plus}\\ 5.26\%\text{ (current yield)}\end{array} = 6.26\%\text{ (yield to maturity)}$$

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991.

Notes

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.