



City of Annapolis Pension Plan

Performance Analysis
December 31, 2014

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Overview

U.S. stocks generated a solid performance once again in the fourth quarter of 2014, with the S&P 500 Index returning +4.9% to cap off a sixth consecutive year of gains. Through year-end, the Index had risen more than 200% from its lows in March of 2009. Even small cap stocks got into the act in the fourth quarter, rallying just shy of double digits to finish the year in the black. Bonds also posted another positive quarter, continuing to buck conventional wisdom holding that interest rates are poised to rise. The headline gains for stocks and bonds, however, belied market conditions that were anything but calm throughout the quarter. Stocks suffered two separate swoons, first in October and again in December, only to be resurrected in each case by dovish commentary from different central banks around the globe promising various forms of additional monetary stimulus. In the bond market, prices on high yield issues conspicuously decoupled from other bonds and from equities during the fourth quarter, a development that raised eyebrows among seasoned market watchers as a sign of potential market instability.

The quarter also witnessed the strengthening of two notable market trends begun in the third quarter that have impacted certain asset classes and heightened market anxiety: appreciation of the U.S. dollar relative to foreign currencies, which negatively impacts international stock returns experienced by U.S. investors; and the precipitous decline in oil prices, as depicted in the chart to the right. The rapidity and magnitude of oil's collapse, believed to be the confluence of both supply and demand factors, caught markets by surprise and left investors scrambling to interpret the fallout. While consumers will enjoy lower gas prices, countervailing ramifications include potential reductions in employment and capital spending in the energy sector.



Elsewhere across the U.S. economic landscape, certain data reported in the fourth quarter boosted hopes that the U.S. Federal Reserve's multi-year monetary stimulus and zero-interest-rate policy have finally spurred the economy to a faster growth rate. Of note, 3Q GDP rose at a hefty 5.0% pace, manufacturing survey readings indicated expansion conditions and monthly payroll gains averaged 290,000. Critics, however, noted that 3Q GDP was boosted by likely one-time increases in defense and healthcare spending and cited other labor market data reflecting stagnant wage levels and 35-year lows in the workforce participation rate. Further, continued mixed readings on housing, consumer spending and industrial production leave lingering shadows of doubt about the pace of economic growth.

Less debatable is the relative condition of the U.S. economy versus other regions around the globe. Sustained growth in the eurozone has proven elusive as the region is once again flirting with recession and trying to stave off deflation. Further east, China's economic growth continues to decelerate and the jury is still out on Japan's much-ballyhooed efforts to stoke inflation and faster economic growth. Meanwhile, certain emerging market economies (e.g., Russia, Brazil) are suffering the effects of depressed global demand for commodities. These global growth concerns are the impetus behind the aforementioned efforts by central banks in Japan, China and Europe to undertake further monetary easing steps in late 2014 and early 2015, which will be closely watched by market observers for their effects on economies and markets.

Market Returns

Index	12/31/2014				
	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
Global Equity					
MSCI All-Country World (\$, net)	0.4%	4.2%	14.1%	9.2%	6.1%
U.S. Equity					
S&P 500	4.9%	13.7%	20.4%	15.4%	7.7%
Russell 2000	9.7%	4.9%	19.2%	15.5%	7.8%
Non-U.S. Equity					
MSCI EAFE (\$, net)	-3.6%	-4.9%	11.0%	5.3%	4.4%
MSCI Emerging Markets (\$, net)	-4.5%	-2.2%	4.0%	1.8%	8.4%
Fixed Income					
Barclays Aggregate	1.8%	6.0%	2.7%	4.4%	4.7%
Real Assets					
Bloomberg Commodity ⁽¹⁾	-12.1%	-17.0%	-9.4%	-5.5%	-1.9%
NAREIT U.S. Equity Real Estate	12.9%	28.0%	16.3%	16.9%	8.3%

Source: MSCI, Standard & Poor's, Russell, Barclays, Bloomberg, NAREIT

- U.S. stocks generated solid returns in 4Q 2014. Large cap stocks (S&P 500 Index) returned +4.9%, capping off a sixth consecutive year of gains. Small cap stocks (Russell 2000 Index) staged an impressive 4Q rally of +9.7% to finish the year in positive territory. International equities (MSCI EAFE Index, MSCI Emerging Markets Index) posted losses, due to depreciating international currencies relative to the U.S. dollar.
- The yield curve flattened further during the quarter as short-term interest rates rose and longer-term rates declined, resulting in another positive performance for bonds (Barclays Aggregate Index, +1.8%).
- Commodities suffered another weak quarter, furthering a slide that began in the first half of the year, with the broad Bloomberg Commodity Index declining -12.1%. REITs rebounded strongly on the back of declining long-term interest rates.

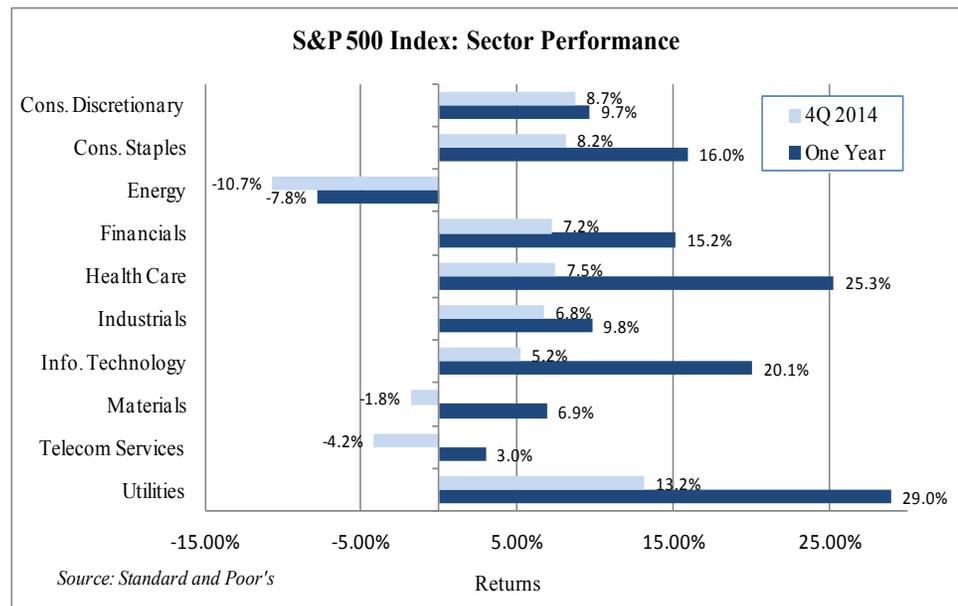
(1) Formerly the DJ-UBS Commodity Index

U.S. Equities

- The S&P 500 Index once again hit new all-time highs in 4Q 2014 and capped off another solid year with an eighth consecutive quarterly gain. As in the third quarter, however, the headline return for the Index belied a choppy tone in the markets. Stocks swooned twice, in October and early December, only to be supported in each case by dovish commentary from various central banks.
- Small cap stocks roared back with a particularly strong quarter (Russell 2000 Index, +9.7%) to finish in positive territory for the year after having been in the red after the first three quarters. Despite their strong 4Q performance, however, small caps trailed large caps on a full-year basis. While there was a wide gap between large and small caps for the year, there was little difference in performance patterns among value and growth stock styles.
- On a sector basis, utilities led the pack in the fourth quarter and full year with gains of +13.2% and 29.0%, respectively. Sporting relatively attractive and consistent dividend yields, utilities are often considered fixed income proxies and thus benefit in periods of declining interest rates. At the other end of the spectrum, energy stocks slumped in the quarter and over the full year as investors retreated from the sector in the face of the crashing oil prices.
- The dramatic decline in oil prices has significantly depressed expectations for energy companies' 4Q 2014 financial results. At the start of the quarter, Wall St. brokerage analysts expected companies in the sector to post 4Q year-over-year sales and earnings growth rates of 1.7% and 8.1%, respectively, but as of early January these estimates had declined to -15.1% and -19.1%, respectively. These declines have impacted the aggregate 4Q earnings growth estimate for all S&P 500 companies, which fell from 8.4% to 1.1% over the same period. To be sure, earnings estimates have declined for each of the other nine sectors represented in the Index also – albeit at rates far lesser than that seen among energy companies – partly due to anticipated detrimental foreign exchange impacts on overseas earnings as a result of the stronger dollar compared to the prior year.

Indices (\$, net, annualized ≥ 1 year)	Quarter	1 Year	3 Year	5 Year
Russell 3000	5.2%	12.6%	20.5%	15.6%
S&P 500	4.9%	13.7%	20.4%	15.4%
Russell 1000	4.9%	13.2%	20.6%	15.6%
Russell 1000 Value	5.0%	13.5%	20.8%	15.4%
Russell 1000 Growth	4.8%	13.0%	20.2%	15.8%
Russell 2000	9.7%	4.9%	19.2%	15.5%
Russell 2000 Value	9.4%	4.2%	18.2%	14.2%
Russell 2000 Growth	10.1%	5.6%	20.1%	16.8%

Source: Standard and Poor's, Russell



International Equities

- For the second consecutive quarter international stocks recorded negative returns in U.S. dollar terms across all areas of the globe. As in the third quarter, losses were driven by declining foreign exchange rates for most global currencies relative to the U.S. dollar. (Weaker foreign currencies negatively affect the un-hedged returns experienced by U.S. investors as local currency returns are translated into U.S. dollars).

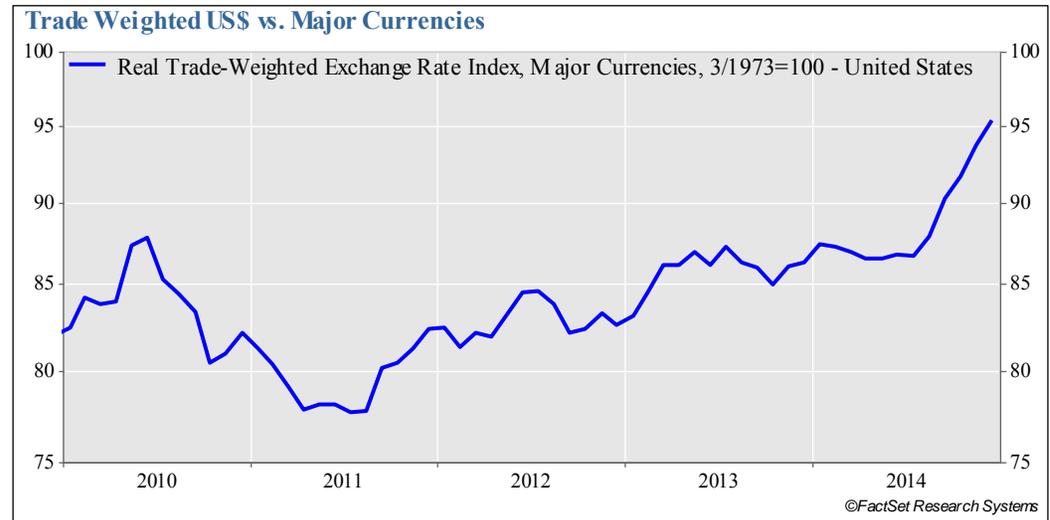
Indices (\$, net, annualized ≥ 1 year)	Quarter	1 Year	3 Year	5 Year
MSCI All Country World, ex USA	-3.9%	-3.9%	9.0%	4.4%
MSCI EAFE ⁽¹⁾	-3.6%	-4.9%	11.0%	5.3%
MSCI Emerging Markets	-4.5%	-2.2%	4.0%	1.8%
MSCI AC Europe Index	-5.0%	-7.2%	11.0%	4.8%
MSCI AC Asia Pacific Index	-1.4%	0.0%	9.3%	5.4%

Source: MSCI

- As indicated in the chart below, the value of the U.S dollar rose appreciably in the second half of 2014 relative to a basket of major currencies, which had a measurable effect on international stock index returns in U.S. dollar terms (assuming currency movements were not hedged). For instance, in local currency terms, the MSCI EAFE Index returned +1.8% in the fourth quarter, but returns fell to -3.6% when translated into U.S. dollars. Likewise, the MSCI Emerging Markets Index was flat in local currency terms, but down -4.5% in U.S. dollar terms.
- For the third consecutive quarter, stocks in the Asia-Pacific region bested those in Europe, as investors reacted to unfavorable trends in the pace of economic growth in the latter region. The currency effect discussed above was seen in both of these regions, as reflected in the local currency and U.S. dollar returns for their respective MSCI Indices:

	Return in Local Currency	Return in U.S. Dollars
MSCI AC Europe	-0.1%	-5.0%
MSCI AC Asia-Pacific	+4.0%	-1.4%

- In Europe, concerns reappeared about so-called peripheral countries such as Greece, Portugal and Italy, which fell -28.8%, -23.0% and -13.4%, respectively, in the quarter.



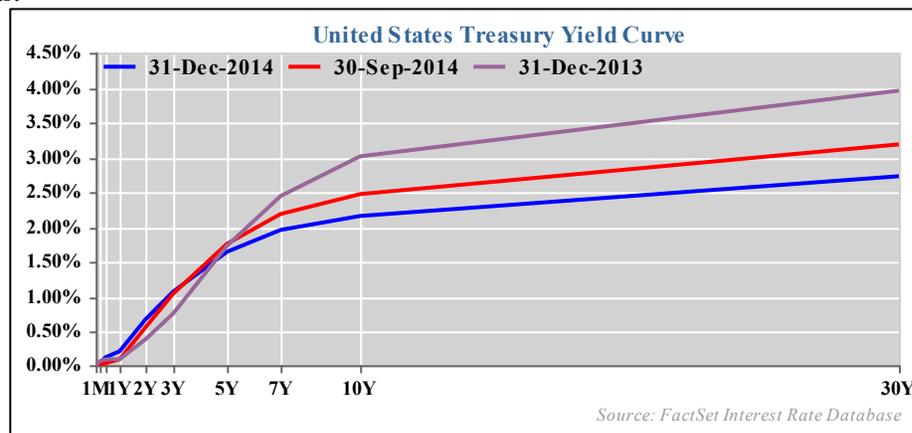
⁽¹⁾ EAFE = Europe, Australasia, Far East

Global Fixed Income

- At the beginning of 2014, conventional wisdom held that interest rates were poised to rise in response to a strengthening U.S. economy and anticipated moves by the Federal Reserve to begin normalizing monetary policy. Treasuries with maturities inside of five years followed the script during the year, rising to reflect the market's expectation that the date of Fed-orchestrated increases in short-term rates was drawing nearer. Yields on longer-dated issues, however, unexpectedly fell throughout the year, resulting in a flattened yield curve and a 10-year Treasury note yield of 2.17%, compared to 3.04% at the start of the year. Key factors suppressing yields included lesser issuance resulting from the narrowing U.S. budget deficit and persistent demand from foreign investors seeking higher yields than those available overseas.
- With rates declining in the fourth quarter, the Barclays Aggregate Index posted a respectable +1.8% gain; returns were comparable across the government, corporate and mortgage-backed sectors, as reflected in the chart above. Notably diverging, however, was the high yield sector (Barclays High Yield Index, -1.7%), which saw outflows from investors fearful of the impact falling oil prices would have on energy-related issues, which comprise approximately 15% of the sector.
- Another notable trend in 2014 was the decline in investors' longer-term inflation outlook for the U.S. economy, as reflected in the decrease of the 10-year TIPS breakeven spread (the difference in yields between 10-year Treasuries and 10-year TIPS) from 2.26% to 1.68% over the second half of the year.

Indices (\$, net, annualized ≥ 1 year)	Quarter	1 Year	3 Year	5 Year
Barclays Global Aggregate	-1.0%	0.6%	0.7%	2.6%
Barclays Aggregate	1.8%	6.0%	2.7%	4.4%
Barclays Government	1.9%	4.9%	1.4%	3.7%
Barclays Corporate	1.8%	7.5%	5.1%	6.5%
Barclays Mortgage-Backed (MBS)	1.8%	6.1%	2.4%	3.7%
Barclays Asset-Backed (ABS)	0.5%	1.9%	1.7%	3.2%
Barclays Commercial Mortgage-Backed (CMBS)	1.5%	4.2%	4.7%	8.1%
Barclays High Yield	-1.0%	2.5%	8.4%	9.0%
Barclays Emerging Markets	-1.7%	4.8%	5.8%	7.4%
Barclays TIPS	0.0%	3.6%	0.4%	4.1%
Barclays Municipal	1.4%	9.1%	4.3%	5.2%

Source: Barclays



Bond Spreads (bp)	Dec-14	Sep-14	Jun-14
Yield Curve (10yr - 2yr)	150	193	207
Inflation (10yr - TIPS)	168	194	226
Investment Grade Corporate	131	112	99
Agency MBS	28	30	24
ABS	58	56	48
CMBS	103	104	91
High Yield Corporate	483	424	337
Emerging Markets	388	305	272

Source: Federal Reserve, Barclays

Commercial Real Estate, Commodities, and Marketable Alternatives

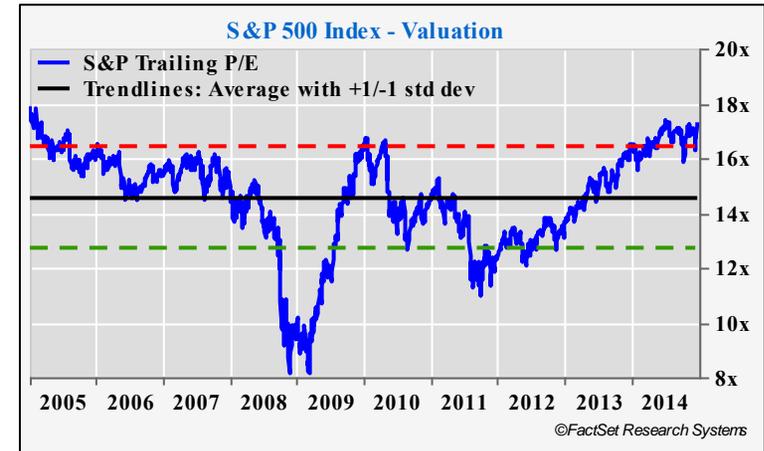
- REITs rebounded from a disappointing third quarter with strong fourth quarter returns (NAREIT U.S. Equity Index, +12.9%, NAREIT U.S. Mortgage Index, +4.6%), capping off a banner year for the asset class. Keying REIT's healthy gains were the continued downdraft in interest rates (since REITs carry relatively high distribution yields) and the upward movement in U.S. equity markets. While commercial real estate assets often are subject to unique business cycles, research indicates that the returns of REIT securities nonetheless maintain a fairly high correlation to stocks overall.
- Commodities suffered another poor quarter, indicated by the second consecutive quarterly decline in the Bloomberg Commodity Index of approximately -12%. Rebounds in some of the soft commodities (Bloomberg Agriculture Sub-Index, +5.6%, Bloomberg Grains Sub-Index, +16.7%) were swamped by the dramatic decline in energy commodities (Bloomberg Energy Sub-Index, -36.6%) on the back of plummeting global oil prices: the price of a barrel of crude oil fell from \$91.16 to \$53.27 during the quarter. Meanwhile, industrial metals were challenged by concerns about the pace of growth in global economies, particularly China, which has been a significant consumer of industrial metals over the past decade.
- Hedge funds as a group recorded another muted performance in the fourth quarter, as indicated by the +0.7% return for the HFRI Fund-Weighted Composite Index. For the second consecutive quarter the standout segment was global macro funds (HFRI Macro Index, +3.1%), which place bets on expected price trends for a wide range of instruments and markets. Such funds had posted disappointing returns in recent years but enjoyed more favorable market conditions in 2014, such as the re-emergence of consistent price trends among certain currencies and commodities. Lagging the pack in the fourth quarter and the full year was the event-driven category of funds, as gains among corporate activist funds were offset by losses in funds that invest in distressed securities.

Indices (\$, net, annualized \geq 1 year)	Quarter	1 Year	3 Year	5 Year
Real Estate				
NAREIT U.S. Equity Real Estate Index	12.9%	28.0%	16.3%	16.9%
NAREIT U.S. Mortgage Real Estate Index	4.6%	17.9%	11.5%	10.6%
Commodities				
Bloomberg Commodity Index	-12.1%	-17.0%	-9.4%	-5.5%
Bloomberg Agriculture Sub-Index	5.6%	-9.2%	-6.8%	-0.8%
Bloomberg Grains Sub-Index	16.7%	-9.4%	-3.8%	-0.1%
Bloomberg Energy Sub-Index	-36.6%	-39.3%	-16.7%	-15.3%
Bloomberg Industrial Metals Sub-Index	-6.2%	-6.9%	-6.8%	-6.5%
Bloomberg Precious Metals Sub-Index	-3.9%	-6.7%	-11.8%	0.5%
Bloomberg Softs Sub-Index	-12.0%	-10.1%	-16.6%	-4.4%
Alternatives				
HFRI Fund-Weighted Composite	0.7%	3.6%	6.3%	4.7%
HFRI Equity Hedge	0.4%	2.3%	7.9%	4.9%
HFRI Event-Driven	-1.4%	1.1%	7.4%	6.0%
HFRI Macro	3.1%	6.4%	1.9%	1.9%
HFRI Relative Value	-0.4%	4.5%	7.4%	6.7%
HFRI Funds of Funds Composite	0.8%	3.2%	5.6%	3.3%

Source: NAREIT, Bloomberg and HFRI

Outlook

Over the past six years, U.S. stocks have been swept higher on the back of unprecedented monetary stimulus measures by the Federal Reserve, driving valuations to levels above historical averages (as indicated in the chart to the right, depicting the trailing P/E ratio of the S&P 500 over the last ten years). At such levels, stocks are more vulnerable to troubling economic, financial and/or global developments. In that regard, there is no shortage of challenges confronting markets heading into 2015, including weak economic growth rates globally, the detrimental impact of the strengthening dollar on U.S. exports, declining corporate earnings estimates, expected increases in interest rates orchestrated by the Fed and the recent end to quantitative easing (bond purchases) by the Fed. Of course, extended valuations alone don't necessarily foreshadow an imminent collapse in stock prices, and accurately predicting short-term market movements is notoriously difficult. In addition, stronger economic growth –



if recent optimistic economic reports are accurate harbingers – may provide underpinning for current valuations, and recent additional monetary stimulus actions by central banks outside of the U.S. could spark additional stock gains worldwide in the short-to-intermediate term. Nonetheless, we maintain our stance that stocks possess a smaller “margin of safety” at the present time and that investors should expect more muted returns in forthcoming years.

We noted one year ago that small cap stocks were trading at elevated valuations relative to large caps stocks, but with the outperformance of large caps in 2014 this relationship is now more consistent with long-term averages, indicating neither capitalization range appears to offer more attractive returns versus the other. Current relative valuations between U.S. and developed non-U.S. equities indicate the latter offer greater value at the present time, and emerging markets continue to trade at compelling valuation ratios. The direction of interest rates is another trend notoriously difficult to predict, a reality reinforced by the erroneous conventional wisdom in recent times calling for rising interest rates. In that context, we do not offer any short-term predictions for interest rates and bond returns, but continue to note that historically low levels of interest rates combined with thin spreads on corporate bonds continue to pose risks to bonds' long-term return prospects. Fears about inflation have been replaced for the time being by concerns about deflation in the midst of continued weak global economies, reflected in the weak results for commodities in recent years. Nonetheless, given the significant expansion of global monetary supplies in recent years investors are wise to continue scanning the global landscape for signs of inflation, against which commodities still would be expected to possess hedging benefits.

Given ever-present uncertainties, risk and return prospects, we believe it is critical to maintain a broadly diversified portfolio engineered to meet long-term goals. We advocate a disciplined approach to investing: reconciling long-term strategic investments with short-term tactical opportunities, favoring active governance over passive disengagement, and emphasizing risk identification and risk reduction via comprehensive diversification. Specifically, diversify risks across different asset classes and investments (i.e., capital diversification), across different systematic and idiosyncratic risk factors (i.e., risk factor diversification), and across different economic regimes (i.e., economic factor diversification).

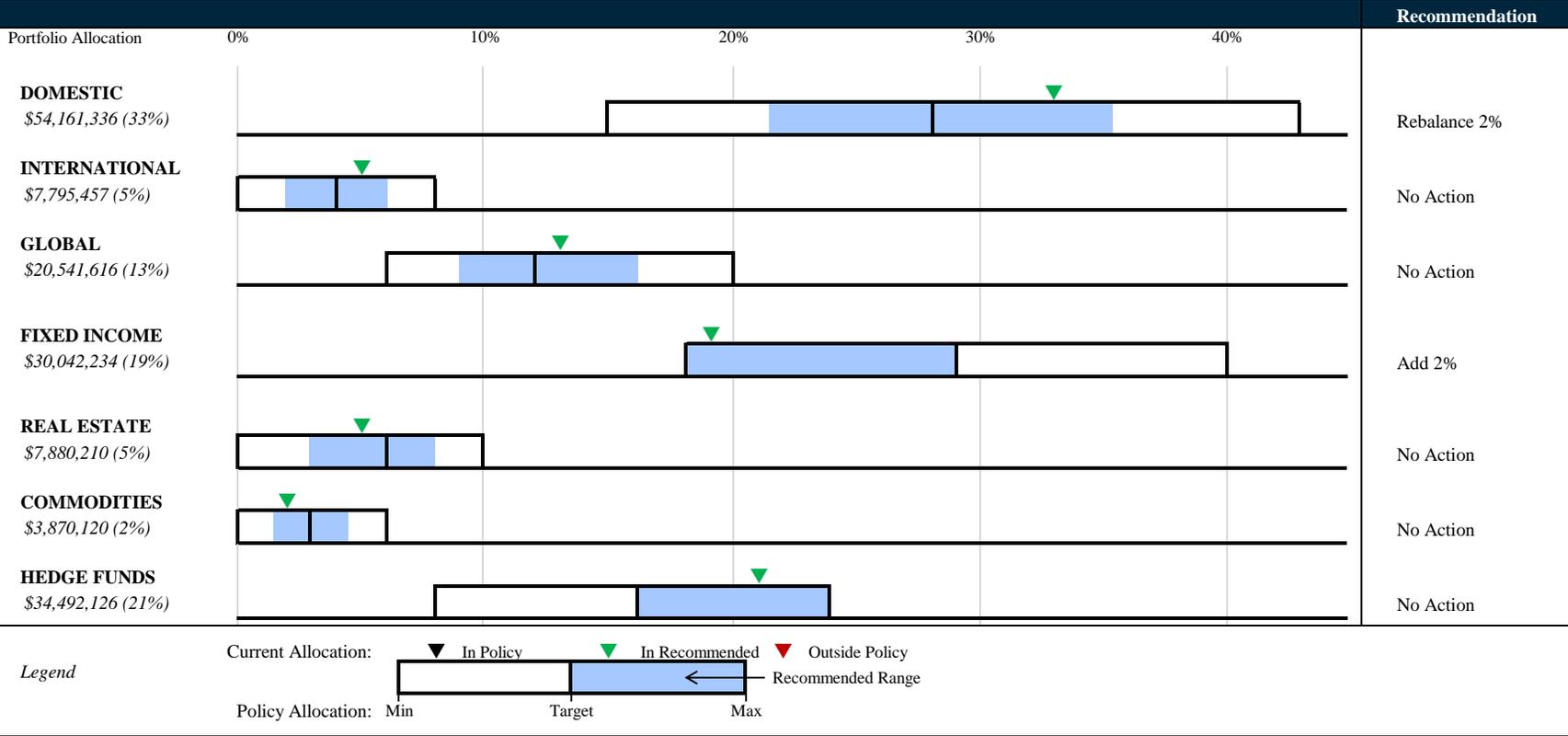
Gallagher Fiduciary Advisors remains committed to meeting the needs of its clients and looks forward to discussing any concerns you may have.

Given the current market characteristics and valuation metrics, we have developed tactical recommendations for portfolios by asset class. These are short-term recommendations intended to complement our long-term (10-year) Capital Market Assumptions. The recommendations that follow represent general guidelines for many portfolios, however, the unique investment and operational characteristics of each institution should be carefully considered before implementing any change in portfolio or investment strategy.

<u>Asset Class</u>	<u>Recommended Allocation</u>			<u>Explanation</u>
	<u>Underweight</u>	<u>Neutral</u>	<u>Overweight</u>	
U.S. Equity				The U.S. equity market appears slightly overpriced, based on the long-term price-to-earnings ratio, but domestic economic growth and the relative strength of the U.S. dollar appear to warrant the premium valuation.
International Equity				International equity market appears reasonably priced, based on the long-term price-to-earnings ratio, while opportunities in emerging markets remain. Economic uncertainty, however, could cause international markets to continue trading at a discount to the U.S.
Real Estate				Publicly traded REITs continue to look attractive versus bonds but unattractive versus stocks, but recent strong performance offers an opportunity to rebalance. Private real estate has recovered, but future opportunities depend on location and property type.
Commodities				The long-term outlook for commodities remains muted due to low interest rates, falling inflation expectations and slow global growth. Unexpected events, however, can have a short-term impact on commodity prices, which supports a neutral allocation.
Hedge Funds				Given the strong capital market performance over the last several years, investors should consider shifting their portfolios toward skill-based investment strategies that can hedge overall market (beta) risks, including equity long/short.
Private Equity				Investors cannot tactically manage private equity exposure, but market conditions can create unique opportunities, including specialty strategies in real estate, credit and opportunistic funds.
Fixed Income				Interest rates unexpectedly declined throughout much of 2014, and low rates will limit future returns. Investors should consider opportunistic strategies to complement traditional exposure.

**City of Annapolis
As of December 31, 2014**

TOTAL PORTFOLIO: \$161,887,618



City of Annapolis
As of December 31, 2014

Manager	Performance		Recommendation	Comments	
	Period	vs. Benchmark			vs. Peer Group
Loomis Sayles	1 yr:	-	-	Retain	The fund outperformed during the quarter as stock selection in the information technology and industrials sectors contributed to performance. While the fund lagged the benchmark during the year, long-term historical performance remains strong.
	3 yr:	+	+		
Edgar Lomax	1 yr:	+	+	Retain	The fund underperformed during the quarter as the quality bias and focus on dividends detracted from performance. The fund has outperformed its benchmark and peer group median over both trailing one- and five-year periods. The trailing three-year performance continues to be negatively impacted by 2012, when the fund trailed by 9%.
	3 yr:	-	-		
Cooke & Bieler	1 yr:	-	-	Watch	The fund slightly underperformed during the quarter, but lagged significantly during the year. Performance during the year was hurt by an overweight to small-cap stocks and underweight to utilities and REITs. Long-term performance remains near the benchmark and in line with the peer group median.
	3 yr:	-	-		
Loomis Sayles	1 yr:	+	+	Retain	The fund underperformed the benchmark and peer group median during the quarter as an overweight to energy and underweight to financials weighed on the portfolio. Short-term performance continues to be strong relative to both the benchmark and peer group median.
	3 yr:	+	+		
Wellington	1 yr:*	+	+	Retain	The fund outperformed by 3.7% during the quarter as performance was predominately boosted by security selection in health care, industrials and materials as well as an underweight to energy. Overall the global allocation lagged during the year despite the shift to a more diversified strategy.
	3 yr:*	+	+		
Aberdeen	1 yr:	-	+	Retain	The fund underperformed the benchmark during the quarter, failing to protect during a down market. Performance was negatively impacted by an underweight to China and negative stock selection in financials. Long-term performance remains strong relative to both the benchmark and peer group.
	3 yr:*	+	+		
UBS-TPI	1 yr:	+	N/A	Retain	The fund slightly underperformed during the quarter as holdings in the industrial sector lagged the broader market. The portfolio remains overweight to apartments.
	3 yr:	-	N/A		
UBS-TPF	1 yr:	+	N/A	Retain	The fund outperformed during the quarter and remains broadly diversified. The fund completed 8 acquisition transactions during the quarter, the fund's share of the gross purchase price totaling \$333.7 million.
	3 yr:	-	N/A		

* Composite History

City of Annapolis
As of December 31, 2014

Manager	Performance		Recommendation	Comments	
	Period	vs. Benchmark			vs. Peer Group
Gresham	1 yr:	-	-	Retain	The fund underperformed the index and peer group median. Since inception, the fund has outperformed the benchmark by 3.0%.
	3 yr:	+	+		
Goldman Sachs - Com.	1 yr:	+	N/A	Watch	The portfolio outperformed during the quarter as short positions in energy performed well while the broader index reversed. The fund outperformed by over 20.0% during the year driven by positions in agriculture and energy.
Grosvenor	1 yr:	+	+	Retain	The fund slightly underperformed the index as commodities and event driven strategies weighed on performance. Long-term the fund ranks in the top quartile of the peer group over the trailing one-, three, and five-year periods.
	3 yr:	+	+		
Entrust	1 yr:	N/A	N/A	Retain	The fund has drawn near 84% of committed capital. During the quarter, the fund had its first distribution to shareholders. Since inception, the fund has an IRR greater than 15.0% on called capital, trailing the objective of 20.0%.
	3 yr:	N/A	N/A		
Lazard	1 yr:	-	-	Retain	The fund slightly underperformed its benchmark during the quarter. The fund ranks in the top half of the peer group over the trailing three- and five-year periods.
	3 yr:	+	+		
Goldman Sachs - FI	1 yr:	-	-	Retain	The fund significantly underperformed during the quarter as the portfolio's negative duration continued to detract from performance as interest rates fell. Performance remains strong relative to the benchmark and peer group over the trailing three years, ranking in the top 1%.
	3 yr:	+	+		

City of Annapolis
As of December 31, 2014

	Quarter	Year to Date	One Year	Two Years	Three Years	Five Years	Ten Years
Large Cap Equity							
Loomis Sayles	5.55	11.90	11.90	N/A	N/A	N/A	N/A
Russell 1000 Growth Index	4.78	13.05	13.05	22.84	20.26	15.81	8.49
Edgar Lomax	3.72	15.63	15.63	24.03	18.48	16.06	8.35
S&P 500 Value	4.78	12.36	12.36	21.78	20.40	14.86	6.74
Large Cap Equity Composite	4.78	13.48	13.48	24.93	19.45	15.57	8.50
S&P 500 Index	4.93	13.69	13.69	22.68	20.41	15.45	7.67
Mid Cap Equity							
Cooke & Bieler	5.86	5.53	5.53	N/A	N/A	N/A	N/A
Russell Midcap Value Index	6.05	14.75	14.75	23.75	21.98	17.43	9.43
Small Cap Equity							
Loomis Sayles*	6.11	7.63	7.63	20.89	21.39	16.67	7.67
Russell 2000 Index	9.73	4.89	4.89	20.67	19.21	15.55	7.77
Global Equity							
Wellington**	4.17	2.66	2.66	19.41	N/A	N/A	N/A
MSCI AC World Index (Net)	0.41	4.16	4.16	13.10	14.10	9.17	6.09
Aberdeen	-5.59	-2.45	-2.45	-5.00	4.42	N/A	N/A
MSCI Emerging Markets (Net)	-4.50	-2.19	-2.19	-2.39	4.05	1.78	8.43
Real Estate							
UBS-TPF	3.02	11.67	11.67	10.28	9.81	11.40	6.96
UBS-TPI	2.44	11.31	11.31	9.70	9.88	12.36	8.04
NCREIF Fund Index-ODCE	3.01	11.44	11.44	12.17	11.37	12.85	6.11
Real Estate Composite	2.72	11.49	11.49	10.25	10.11	13.07	6.79

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

*Prior to 10/1/2010 Small Cap Equity Composite**Prior to 7/1/2014 Wellington Select Equity

City of Annapolis
As of December 31, 2014

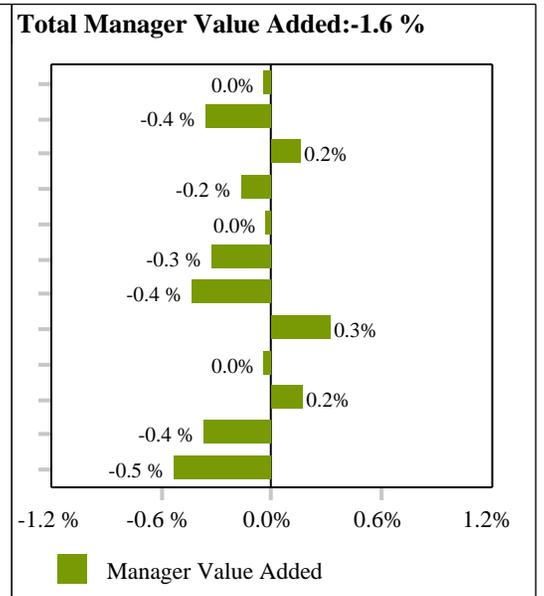
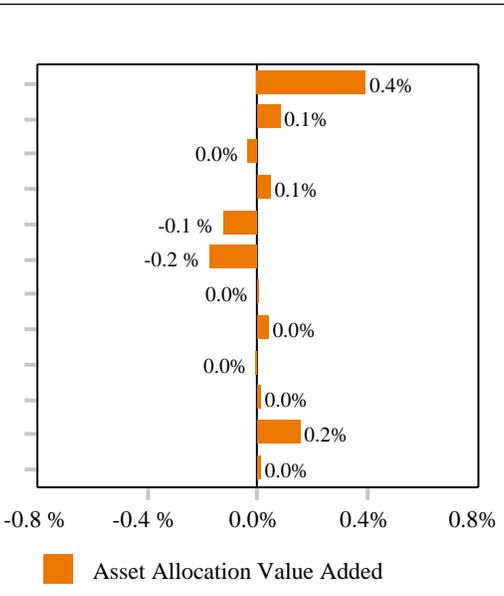
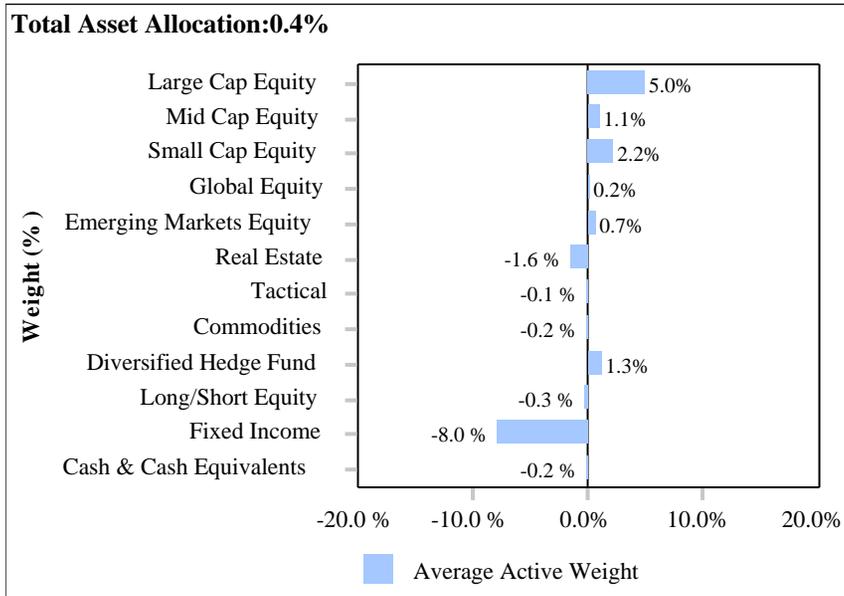
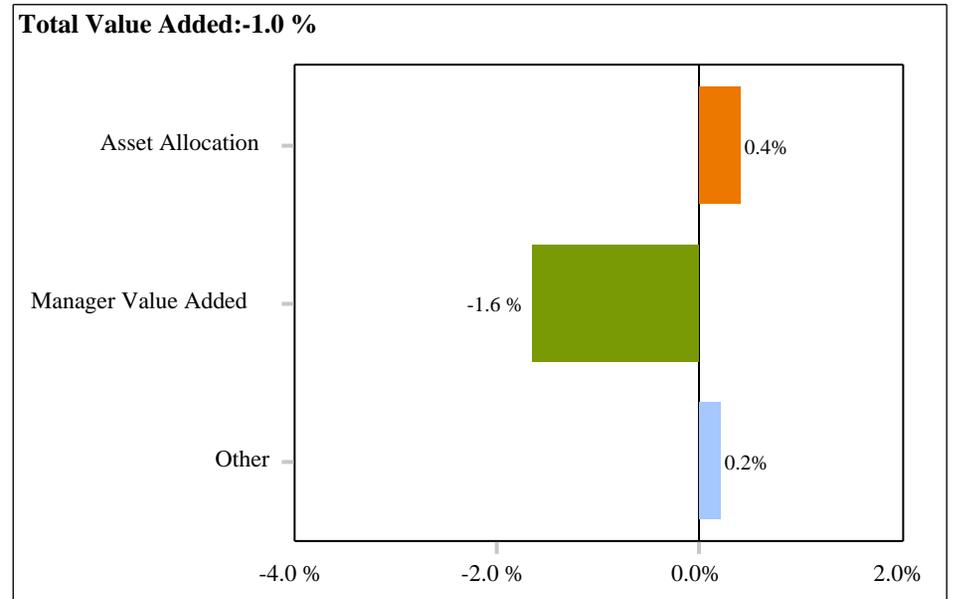
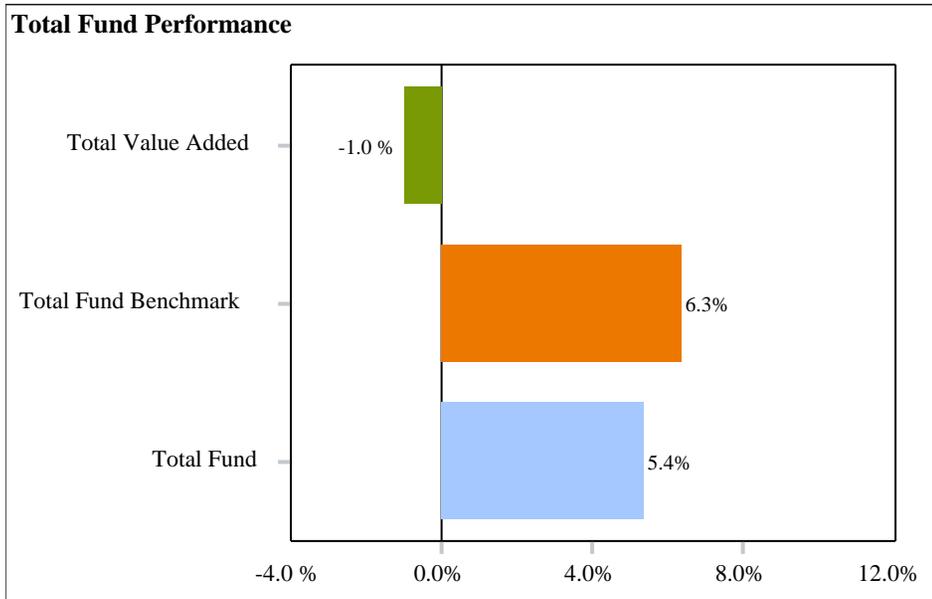
	Quarter	Year to Date	One Year	Two Years	Three Years	Five Years	Ten Years
Alternatives							
Gresham	-13.29	-17.69	-17.69	-12.92	-9.00	-3.71	N/A
Goldman Sachs	1.07	4.19	4.19	N/A	N/A	N/A	N/A
Bloomberg Commodity Index Total Return	-12.10	-17.01	-17.01	-13.35	-9.43	-5.53	-1.86
Grosvenor	0.48	3.08	3.08	8.89	8.74	5.63	N/A
HFRI Fund of Funds Composite Index	0.93	3.34	3.34	6.11	5.67	3.29	3.03
Lighthouse	2.07	4.92	4.92	N/A	N/A	N/A	N/A
HFRI Equity Hedge (Total) Index	-0.06	1.79	1.79	7.85	7.70	4.80	4.66
EnTrust Capital	0.72	8.62	8.62	18.06	16.02	N/A	N/A
S&P 500 Index	4.93	13.69	13.69	22.68	20.41	15.45	7.67
Fixed Income							
Lazard	0.74	3.39	3.39	1.76	3.31	4.30	N/A
Goldman Sachs Strategic Income Fd.	-1.70	-0.50	-0.50	N/A	N/A	N/A	N/A
Barclays Intermediate Aggregate Index	1.20	4.12	4.12	1.51	2.19	3.72	4.34
Administrative Reserve	-0.01	-0.01	-0.01	0.00	0.00	0.03	1.42
90 Day U.S. Treasury Bill	0.00	0.04	0.04	0.04	0.06	0.08	1.50
City of Annapolis Pension (Ex Entrust)	2.19	5.35	5.35	11.04	10.59	8.78	4.97
TMI (ex Entrust)	2.02	6.34	6.34	9.17	9.45	8.23	5.68
City of Annapolis Pension	2.09	5.55	5.55	11.44	10.87	8.95	5.74
TMI	2.14	6.67	6.67	9.95	9.97	8.56	5.80

Returns for periods greater than one year are annualized.

Returns are expressed as percentages.

*Prior to 10/1/2010 Small Cap Equity Composite**Prior to 7/1/2014 Wellington Select Equity

City of Annapolis
City of Annapolis Pension (Ex Entrust) vs. TMI Attribution (Ex Entrust)
1 Year Ending December 31, 2014



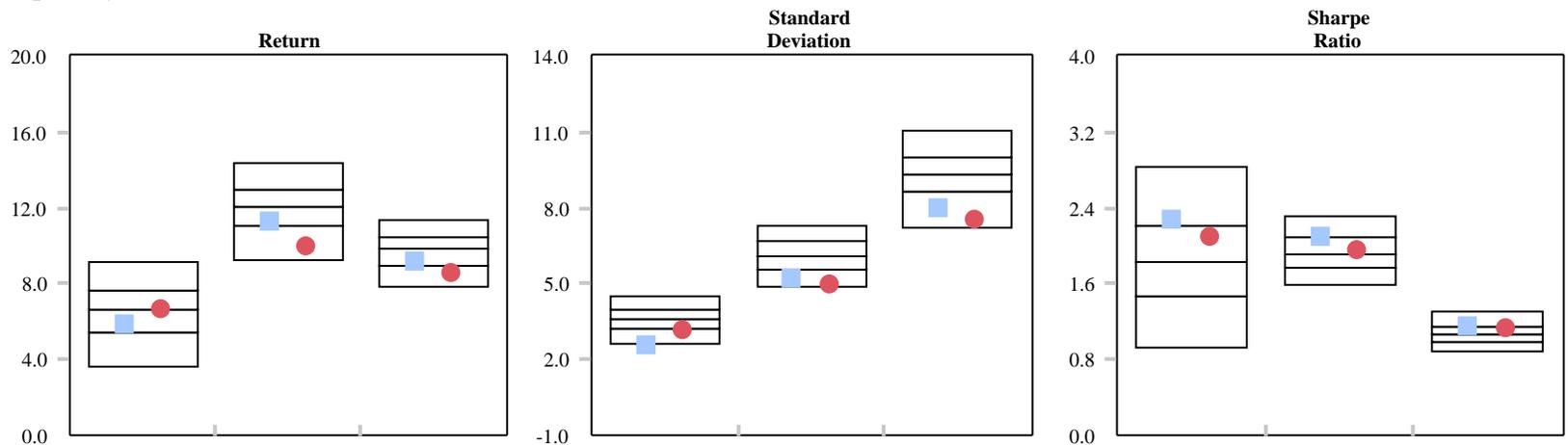
Comparative Performance

	One Quarter	Year To Date	One Year	Three Years	Five Years	Seven Years	Ten Years	Since Inception	Inception Date
City of Annapolis Pension	2.12 (60)	5.87 (69)	5.87 (69)	11.25 (72)	9.17 (69)	4.72 (86)	5.85 (81)	8.99 (N/A)	10/01/1982
TMI	2.14 (59)	6.67 (49)	6.67 (49)	9.97 (90)	8.56 (88)	4.78 (85)	5.80 (84)	10.12 (N/A)	
All Public Plans < \$1B-Total Fund Median	2.37	6.61	6.61	12.09	9.86	5.71	6.45	N/A	
Population	338	335	335	325	306	281	215	N/A	

Calendar Year Performance

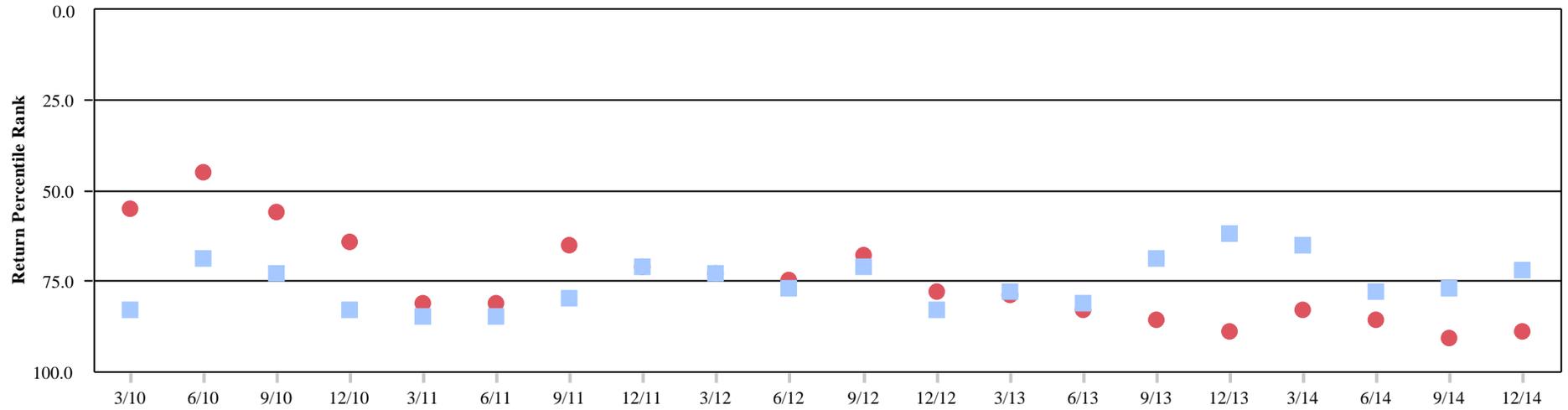
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
City of Annapolis Pension	18.15 (39)	10.08 (90)	0.78 (35)	11.76 (70)	18.00 (65)	-24.54 (62)	5.52 (89)	14.50 (11)	5.81 (58)	10.64 (35)
TMI	13.33 (89)	10.01 (92)	1.53 (19)	11.66 (75)	17.30 (71)	-21.62 (30)	7.47 (57)	12.75 (31)	4.67 (80)	9.43 (54)
All Public Plans < \$1B-Total Fund Median	17.40	12.66	0.07	12.65	19.99	-23.38	7.75	11.36	6.30	9.61
Population	429	446	440	437	420	381	318	243	231	213

Plan Sponsor Peer Group Analysis - Multi Statistics vs. All Public Plans < \$1B-Total Fund



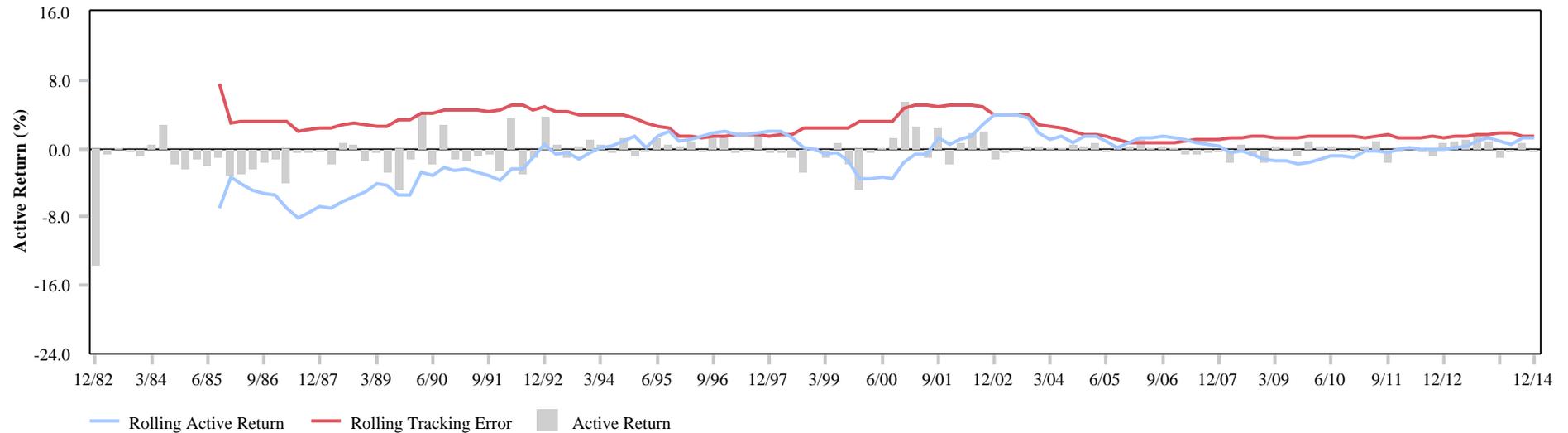
	One Year	Three Years	Five Years	One Year	Three Years	Five Years	One Year	Three Years	Five Years
City of Annapolis Pension	5.87 (69)	11.25 (72)	9.17 (69)	2.52 (96)	5.18 (91)	7.99 (90)	2.27 (20)	2.10 (24)	1.14 (27)
TMI	6.67 (49)	9.97 (90)	8.56 (88)	3.11 (82)	4.94 (94)	7.54 (92)	2.10 (35)	1.96 (42)	1.13 (29)
Median	6.61	12.09	9.86	3.59	6.10	9.30	1.83	1.91	1.06
Population	335	325	306	335	325	306	335	325	306

Rolling 3 Years Percentile Ranking vs. All Public Plans < \$1B-Total Fund - 5 Years



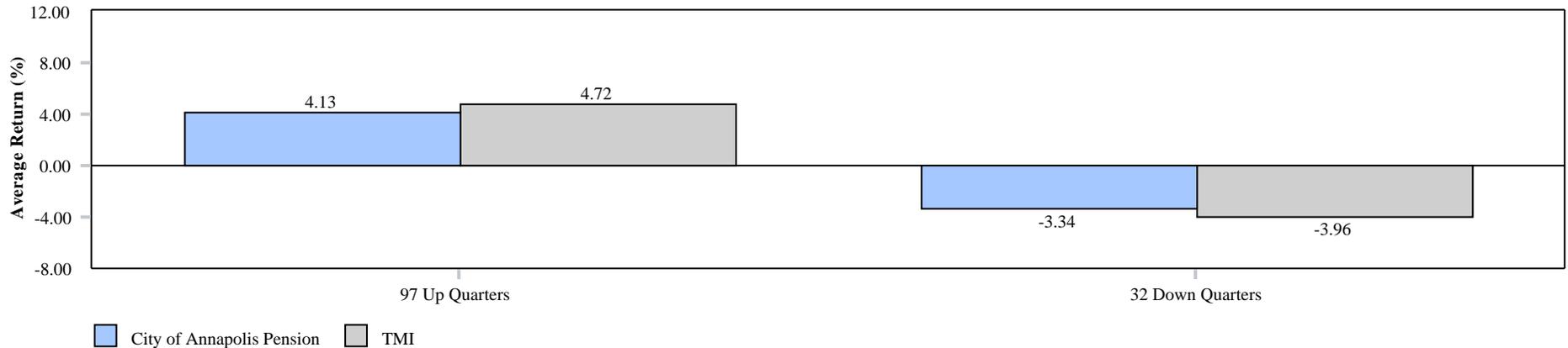
	Total Period	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
City of Annapolis Pension	20	0 (0%)	0 (0%)	9 (45%)	11 (55%)
TMI	20	0 (0%)	1 (5%)	8 (40%)	11 (55%)

Rolling 3 Years Active Return vs. TMI - Since Inception

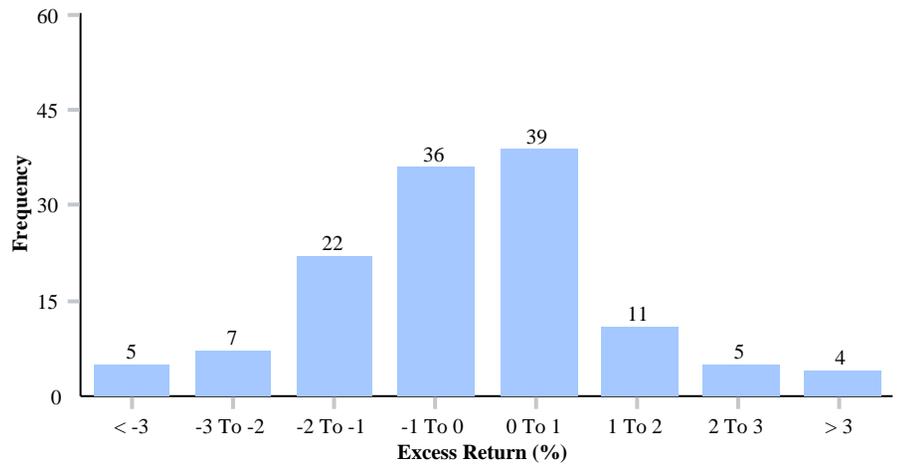


Up/Down Markets vs. TMI - Since Inception

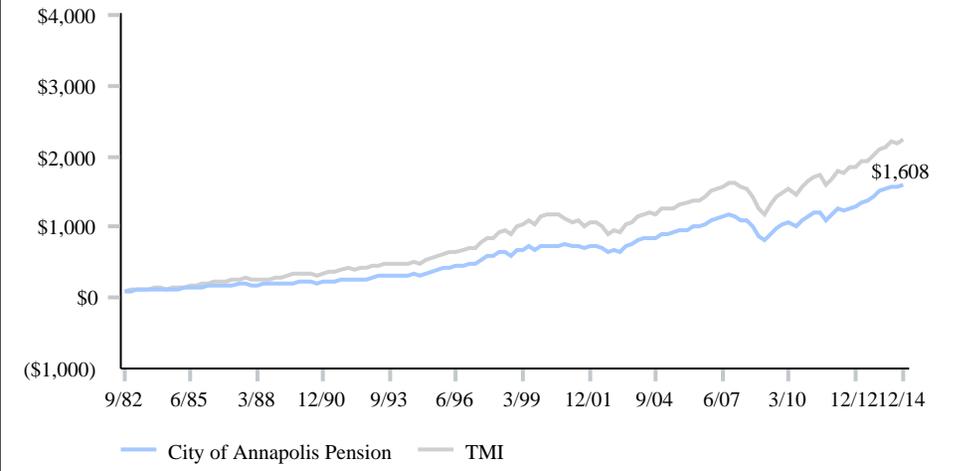
	Full Period Return		Quarters Benchmark Up(97)				Quarters Benchmark Down(32)			
	Portfolio	Benchmark	Portfolio Ahead		Portfolio Behind		Portfolio Ahead		Portfolio Behind	
			No. Quarters	Average Ahead	No. Quarters	Average Behind	No. Quarters	Average Ahead	No. Quarters	Average Behind
City of Annapolis Pension	8.99	10.12	39	0.70	58	-1.45	20	1.67	12	-1.11



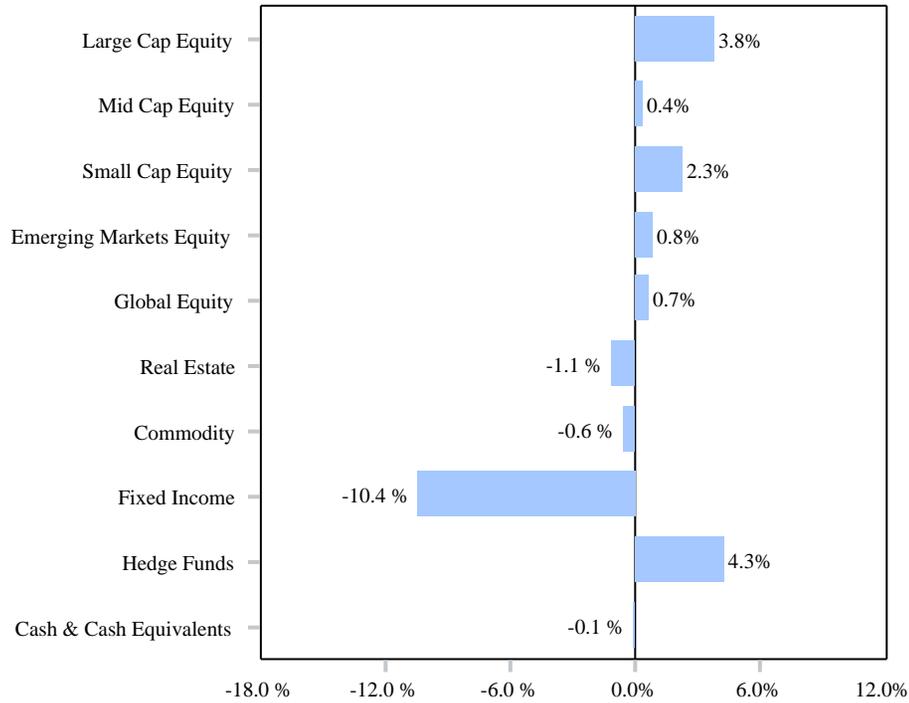
Performance Distribution - Since Inception



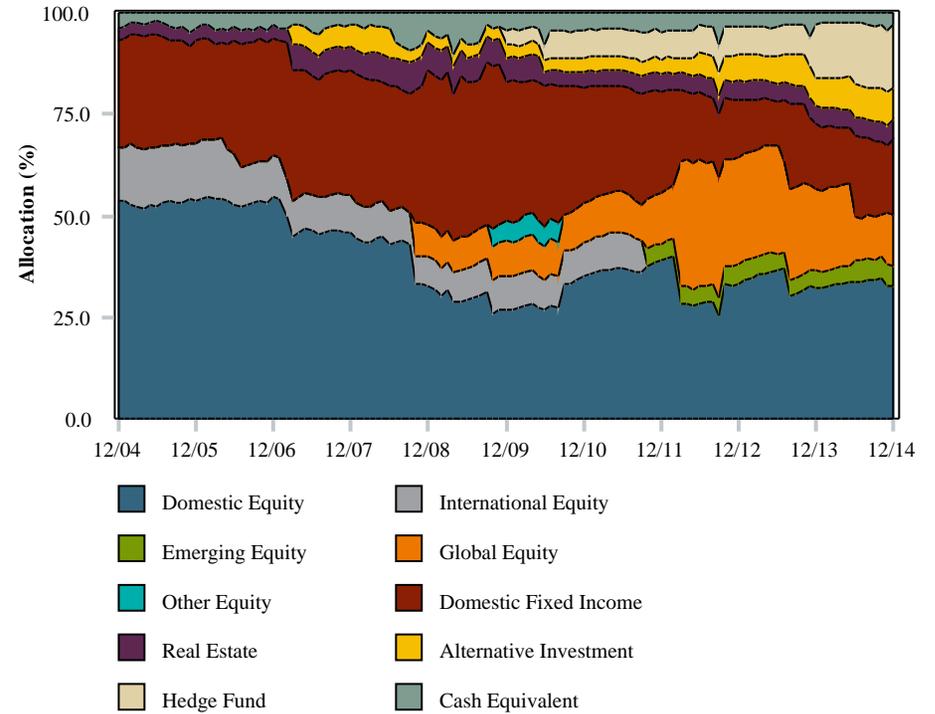
Growth of \$100 - Since Inception



Asset Allocation vs. Target Allocation



Historical Asset Allocation By Segment



Dec - 2014

	Market Value (\$)	Allocation (%)	Target (%)
Large Cap Equity	38,592,053	23.84	20.00
Mid Cap Equity	5,440,706	3.36	3.00
Small Cap Equity	10,128,577	6.26	4.00
Emerging Markets Equity	7,795,457	4.82	4.00
Global Equity	20,541,616	12.69	12.00
Real Estate	7,880,210	4.87	6.00
Commodity	3,870,120	2.39	3.00
Fixed Income	30,042,234	18.56	29.00
Hedge Funds	34,492,126	21.31	17.00
Cash & Cash Equivalents	3,104,518	1.92	2.00
Total Fund	161,887,618	100.00	100.00

Sep-2014

	Market Value (\$)	Allocation (%)	Target (%)
Large Cap Equity	40,534,055	25.33	20.00
Mid Cap Equity	5,989,351	3.74	3.00
Small Cap Equity	9,544,965	5.97	4.00
Emerging Markets Equity	8,257,259	5.16	4.00
Global Equity	16,700,005	10.44	12.00
Real Estate	7,691,707	4.81	6.00
Commodity	4,093,218	2.56	3.00
Fixed Income	30,547,986	19.09	29.00
Hedge Funds	33,714,413	21.07	17.00
Cash & Cash Equivalents	2,942,609	1.84	2.00
Total Fund	160,015,568	100.00	100.00

City of Annapolis
As of December 31, 2014

	Target Allocation (%)	Asset Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Asset Allocation (\$000)
City of Annapolis Pension	100.00	100.00	N/A	N/A	161,888
Large Cap Equity Composite	21.00	23.84	15.00	27.00	38,592
Mid Cap Equity Composite	3.00	3.36	0.00	6.00	5,441
Small Cap Equity Composite	4.00	6.26	0.00	10.00	10,129
Global Equity Composite	12.00	12.69	6.00	20.00	20,542
Emerging Markets Equity Composite	4.00	4.82	0.00	8.00	7,795
Real Estate Composite	6.00	4.87	0.00	10.00	7,880
Commodity Composite	3.00	2.39	0.00	6.00	3,870
Hedge Fund Composite	16.00	21.31	8.00	24.00	34,492
Fixed Income Composite	29.00	18.56	15.00	40.00	30,042
Cash & Cash Equivalents	2.00	1.92	0.00	20.00	3,105

City of Annapolis
Summary of Principal Changes
Quarter Ending December 31, 2014

	Market Value As of 10/01/2014	Net Flows	Net Earnings	Market Value As of 12/31/2014
Loomis Sayles	23,057,486	(2,000,000)	1,284,940	22,342,426
Edgar Lomax	17,476,569	(1,897,348)	670,406	16,249,628
Cooke & Bieler	5,989,351	(899,151)	350,506	5,440,706
Loomis Sayles	9,544,965	-	583,612	10,128,577
Wellington	-	-	-	-
Wellington	16,700,005	3,168,473	673,138	20,541,616
Aberdeen	8,257,259	-	(461,802)	7,795,457
UBS-TPF	3,787,645	(11,326)	114,032	3,890,352
UBS-TPI	3,904,062	(9,414)	95,210	3,989,858
Gresham	1,857,808	-	(246,951)	1,610,857
Goldman Sachs - Commodities	2,235,411	-	23,852	2,259,263
Grosvenor	14,722,945	-	70,547	14,793,492
Lighthouse	7,893,074	-	163,411	8,056,484
Goldman Sachs - Fixed Income	9,611,445	-	(163,418)	9,448,027
Lazard	20,936,542	(500,000)	157,666	20,594,207
Administrative Reserve	2,942,609	162,388	(479)	3,104,518
EnTrust Capital	11,098,394	458,963	84,793	11,642,150
City of Annapolis Pension	160,015,568	(1,527,414)	3,399,464	161,887,618

Investment Manager Detail

Manager Profile

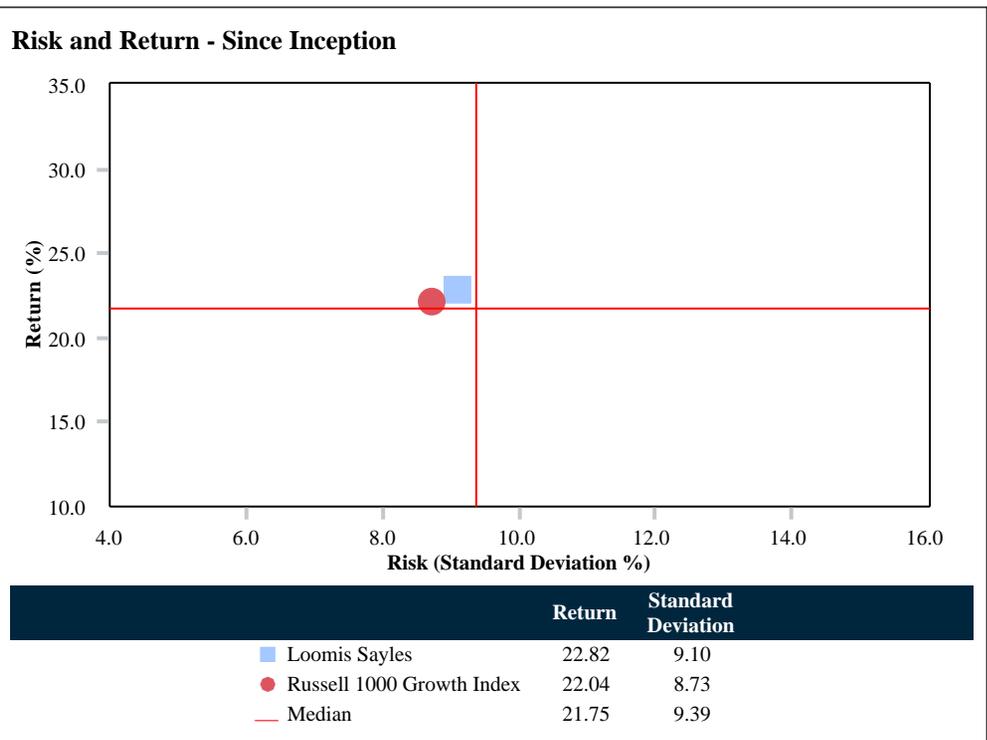
Loomis Sayles - Large Cap Growth

Gain/Loss Summary

	One Quarter	Since Inception	Inception Date
Loomis Sayles			09/01/2013
Beginning Market Value	23,057,486	18,350,180	
Net Contributions	(2,000,000)	(1,837,314)	
Gain/Loss	1,284,940	5,829,560	
Ending Market Value	22,342,426	22,342,426	

Segment Allocation

	Market Value (\$)	Allocation (%)
Domestic Equity	22,064,865	98.76
Cash Equivalent	277,561	1.24



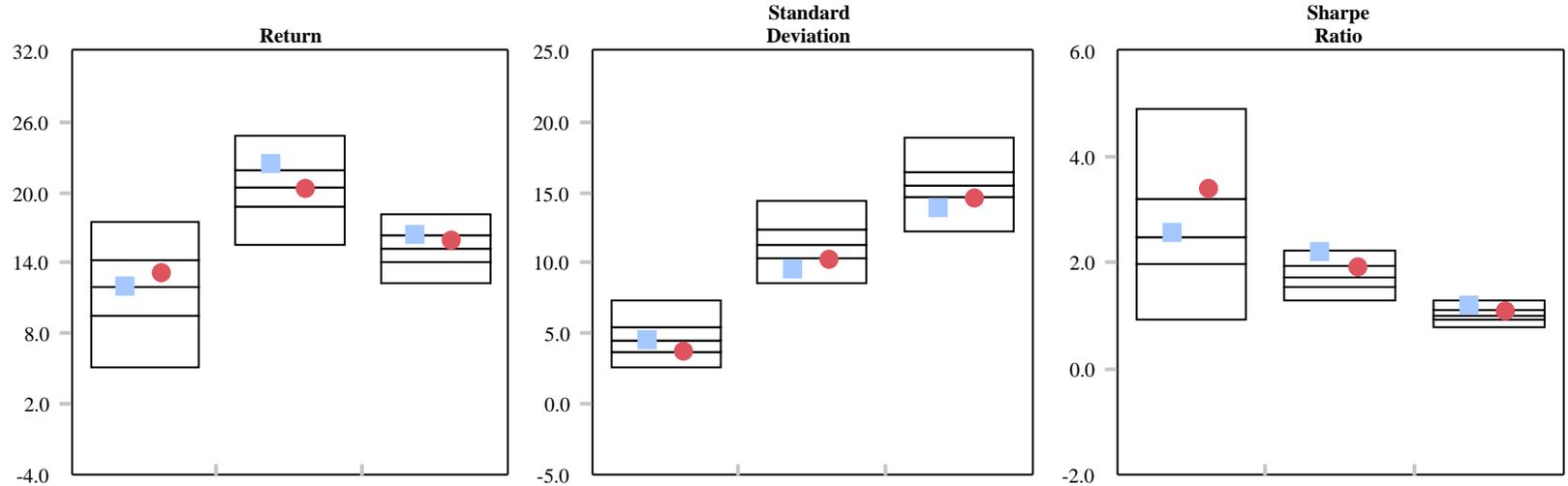
Comparative Performance

	One Quarter	Year To Date	One Year	Three Years	Five Years	Seven Years	Ten Years	Since Inception	Inception Date
Loomis Sayles	5.55 (38)	11.90 (51)	11.90 (51)	N/A	N/A	N/A	N/A	22.82 (37)	09/01/2013
Loomis Sayles - History	5.55 (38)	11.90 (51)	11.90 (51)	22.40 (21)	16.36 (27)	11.69 (2)	N/A	22.82 (37)	
Russell 1000 Growth Index	4.78 (58)	13.05 (37)	13.05 (37)	20.26 (55)	15.81 (40)	8.41 (42)	8.49 (54)	22.04 (48)	
IM U.S. Large Cap Growth Equity (SA+CF) Median	5.13	12.00	12.00	20.49	15.27	7.96	8.58	21.75	
Population	304	304	304	294	281	270	228	302	

Calendar Year Performance

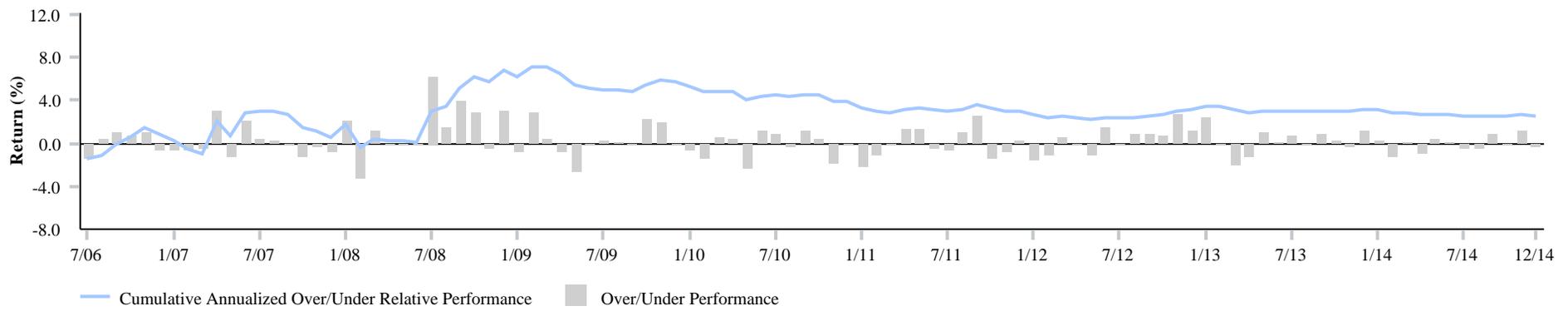
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Loomis Sayles	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loomis Sayles - History	36.81 (31)	19.77 (15)	1.96 (33)	14.10 (67)	41.23 (21)	-28.04 (6)	11.79 (60)	N/A	N/A	N/A
Russell 1000 Growth Index	33.48 (59)	15.26 (50)	2.64 (28)	16.71 (45)	37.21 (34)	-38.44 (49)	11.81 (60)	9.07 (53)	5.26 (69)	6.30 (79)
IM U.S. Large Cap Growth Equity (SA+CF) Median	34.62	15.18	0.08	16.00	34.35	-38.55	13.52	9.45	7.53	9.37
Population	333	347	376	402	437	467	479	485	500	516

Peer Group Analysis - Multi Statistics vs. IM U.S. Large Cap Growth Equity (SA+CF)

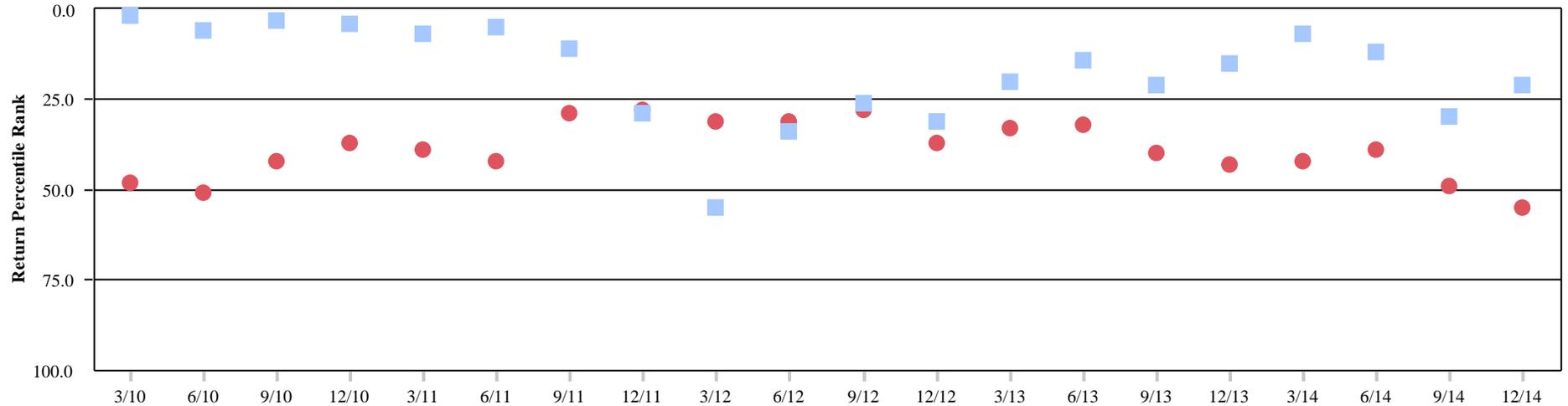


	One Year	Three Years	Five Years	One Year	Three Years	Five Years	One Year	Three Years	Five Years
■ Loomis Sayles - History	11.90 (51)	22.40 (21)	16.36 (27)	4.44 (52)	9.54 (86)	13.83 (85)	2.58 (48)	2.21 (7)	1.18 (15)
● Russell 1000 Growth Index	13.05 (37)	20.26 (55)	15.81 (40)	3.67 (76)	10.20 (79)	14.58 (76)	3.39 (22)	1.89 (28)	1.09 (29)
Median	12.00	20.49	15.27	4.52	11.29	15.54	2.50	1.72	1.00
Population	304	294	281	304	294	281	304	294	281

Relative Performance vs. Russell 1000 Growth Index

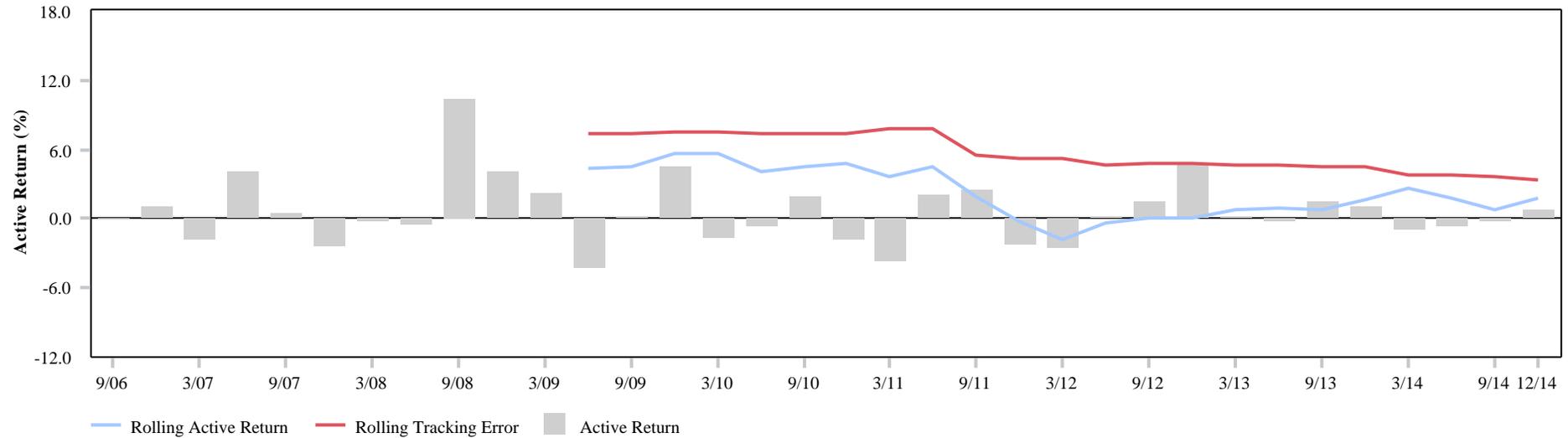


Rolling 3 Year Percentile Ranking vs. IM U.S. Large Cap Growth Equity (SA+CF) - 5 Years



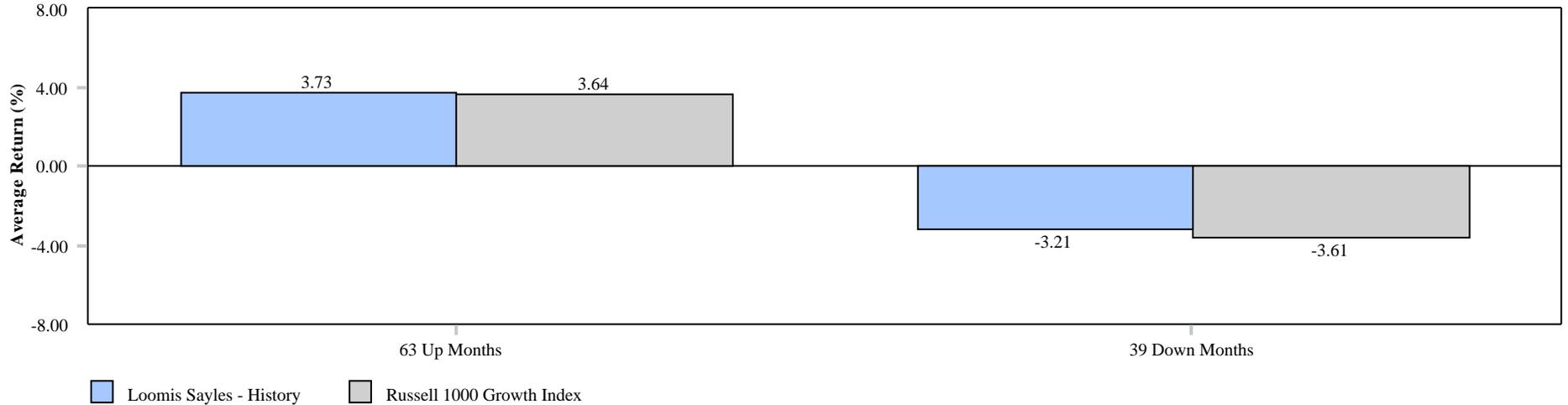
	Total Period	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
■ Loomis Sayles - History	20	14 (70%)	5 (25%)	1 (5%)	0 (0%)
● Russell 1000 Growth Index	20	0 (0%)	18 (90%)	2 (10%)	0 (0%)

Rolling 3 Year Active Return and Tracking Error vs. Russell 1000 Growth Index - Since Inception

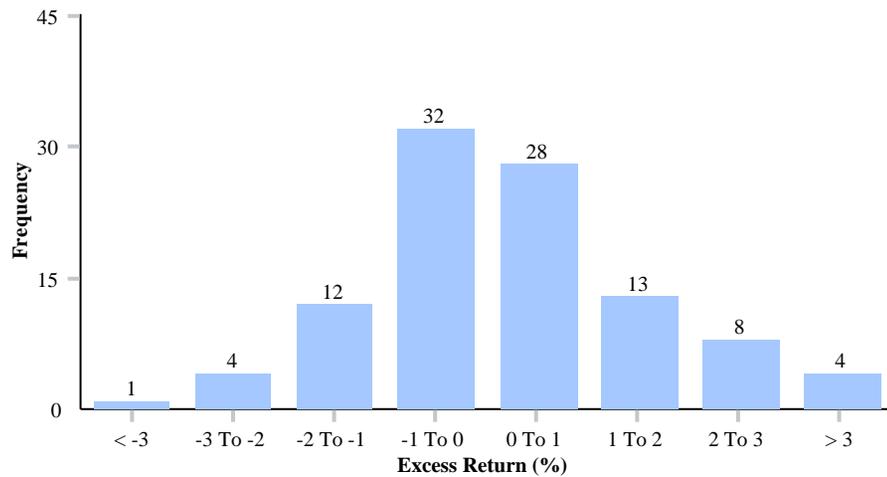


Up/Down Markets vs. Russell 1000 Growth Index - Since Inception

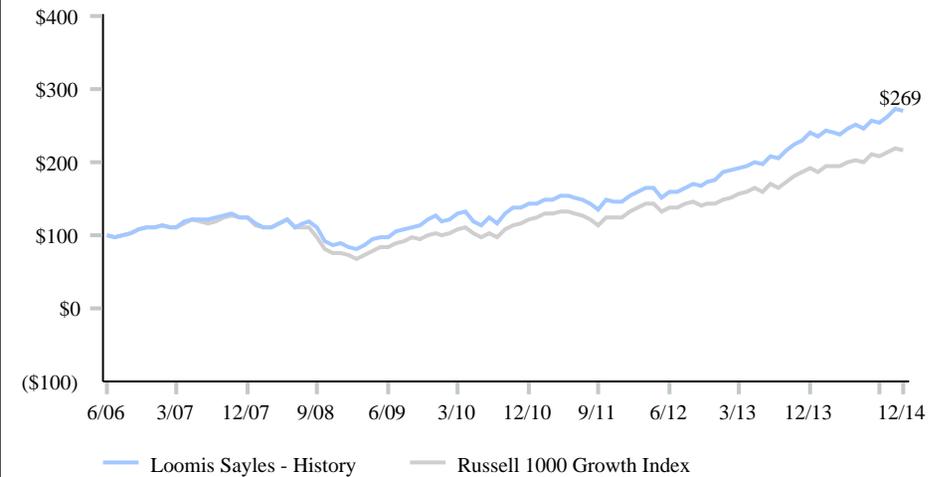
	Full Period Return		Months Benchmark Up(63)				Months Benchmark Down(39)			
	Portfolio	Benchmark	No. Months	Average Ahead	No. Months	Average Behind	No. Months	Average Ahead	No. Months	Average Behind
Loomis Sayles - History	12.35	9.52	33	1.01	30	-0.92	20	1.55	19	-0.82



Performance Distribution - Since Inception



Growth of \$100 - Since Inception



Manager Profile

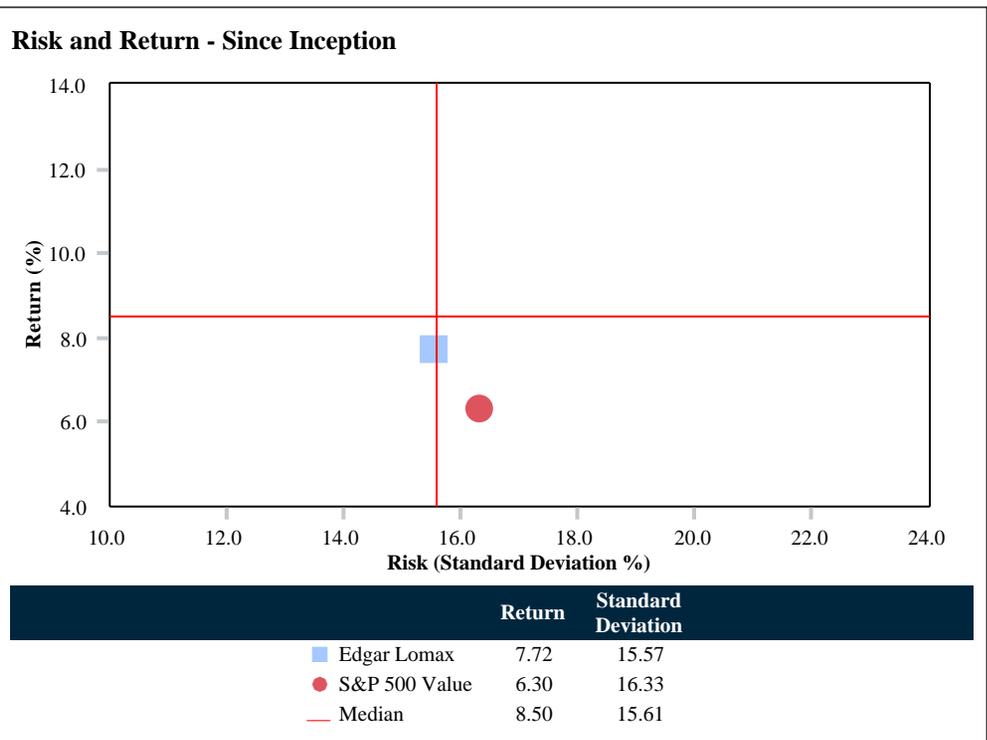
Edgar Lomax - Large Cap Value

Gain/Loss Summary

	One Quarter	Since Inception	Inception Date
Edgar Lomax			10/01/1997
Beginning Market Value	17,476,569	4,958,134	
Net Contributions	(1,897,348)	(8,009,116)	
Gain/Loss	670,406	19,300,610	
Ending Market Value	16,249,628	16,249,628	

Segment Allocation

	Market Value (\$)	Allocation (%)
Domestic Equity	16,064,411	98.86
Cash Equivalent	185,217	1.14



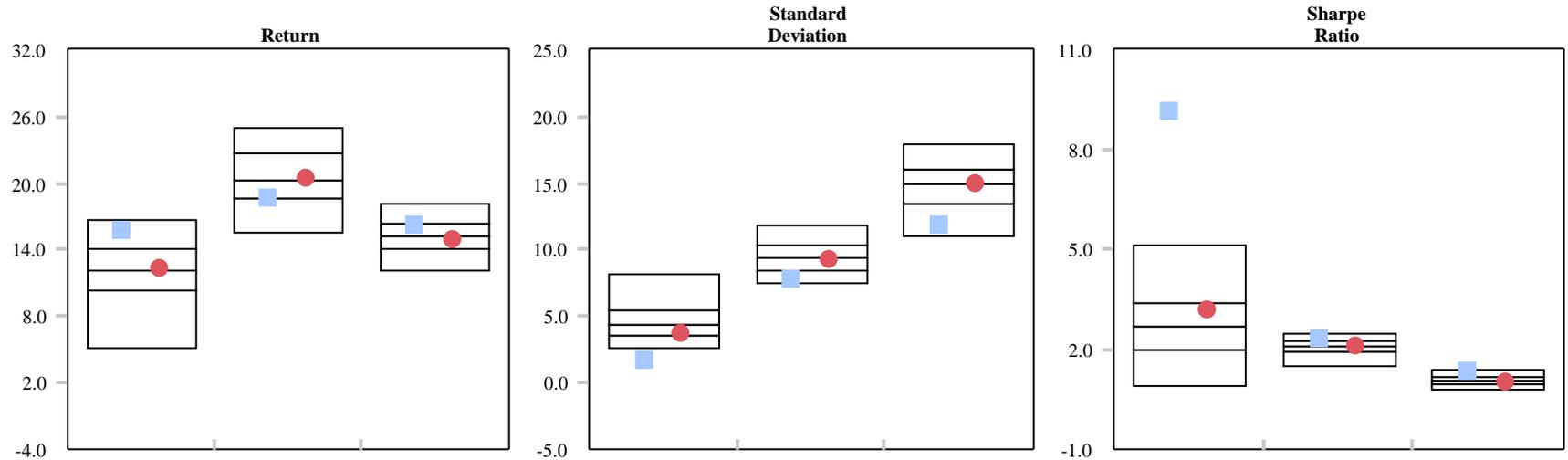
Comparative Performance

	One Quarter	Year To Date	One Year	Three Years	Five Years	Seven Years	Ten Years	Since Inception	Inception Date
Edgar Lomax	3.72 (66)	15.63 (12)	15.63 (12)	18.69 (75)	16.18 (29)	8.02 (38)	8.41 (51)	7.72 (74)	10/01/1997
S&P 500 Value	4.78 (44)	12.36 (48)	12.36 (48)	20.40 (50)	14.86 (60)	5.68 (91)	6.74 (88)	6.30 (94)	
IM U.S. Large Cap Value Equity (SA+CF) Median	4.50	12.10	12.10	20.35	15.26	7.51	8.41	8.44	
Population	333	331	331	321	308	286	246	121	

Calendar Year Performance

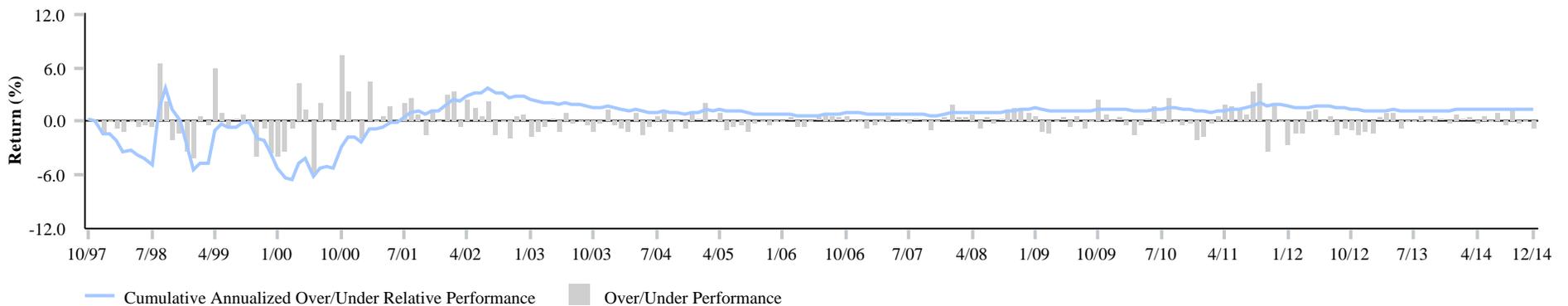
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Edgar Lomax	33.75 (53)	8.11 (97)	10.82 (5)	14.25 (55)	22.66 (65)	-33.93 (38)	0.96 (71)	23.63 (8)	4.66 (81)	12.26 (78)
S&P 500 Value	31.99 (67)	17.68 (29)	-0.48 (58)	15.10 (46)	21.18 (74)	-39.22 (80)	1.99 (65)	20.80 (28)	5.82 (74)	15.71 (45)
IM U.S. Large Cap Value Equity (SA+CF) Median	34.32	15.75	0.47	14.59	25.34	-35.46	3.82	18.86	8.28	15.19
Population	364	392	416	432	456	459	472	485	488	486

Peer Group Analysis - Multi Statistics vs. IM U.S. Large Cap Value Equity (SA+CF)

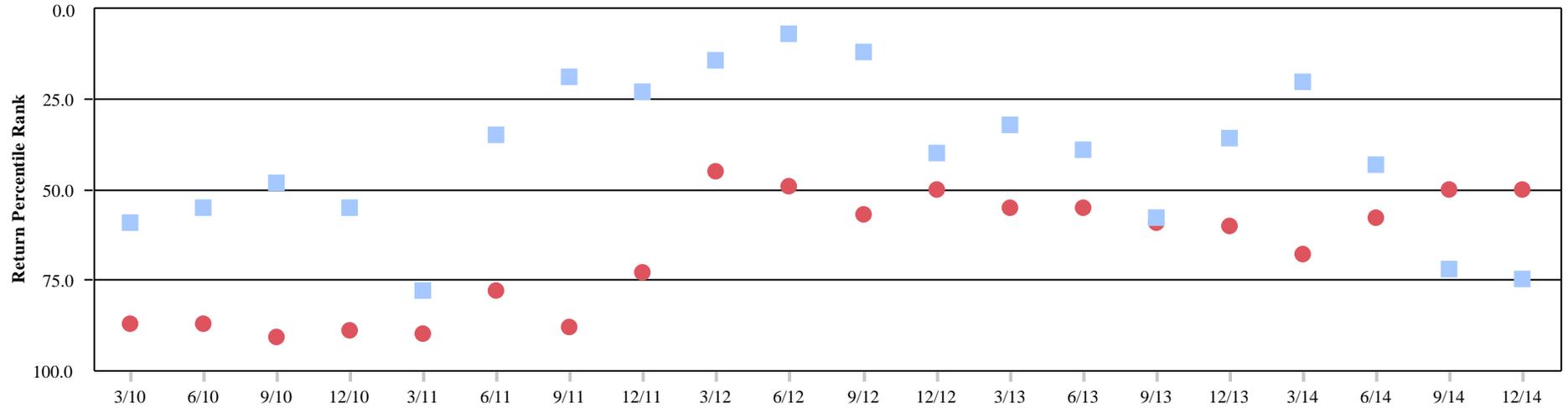


	One Year	Three Years	Five Years	One Year	Three Years	Five Years	One Year	Three Years	Five Years
■ Edgar Lomax	15.63 (12)	18.69 (75)	16.18 (29)	1.61 (99)	7.74 (90)	11.81 (90)	9.14 (1)	2.29 (21)	1.35 (8)
● S&P 500 Value	12.36 (48)	20.40 (50)	14.86 (60)	3.72 (74)	9.24 (54)	15.00 (50)	3.18 (33)	2.09 (54)	1.01 (62)
Median	12.10	20.35	15.26	4.34	9.36	14.96	2.68	2.11	1.05
Population	331	321	308	331	321	308	331	321	308

Relative Performance vs. S&P 500 Value

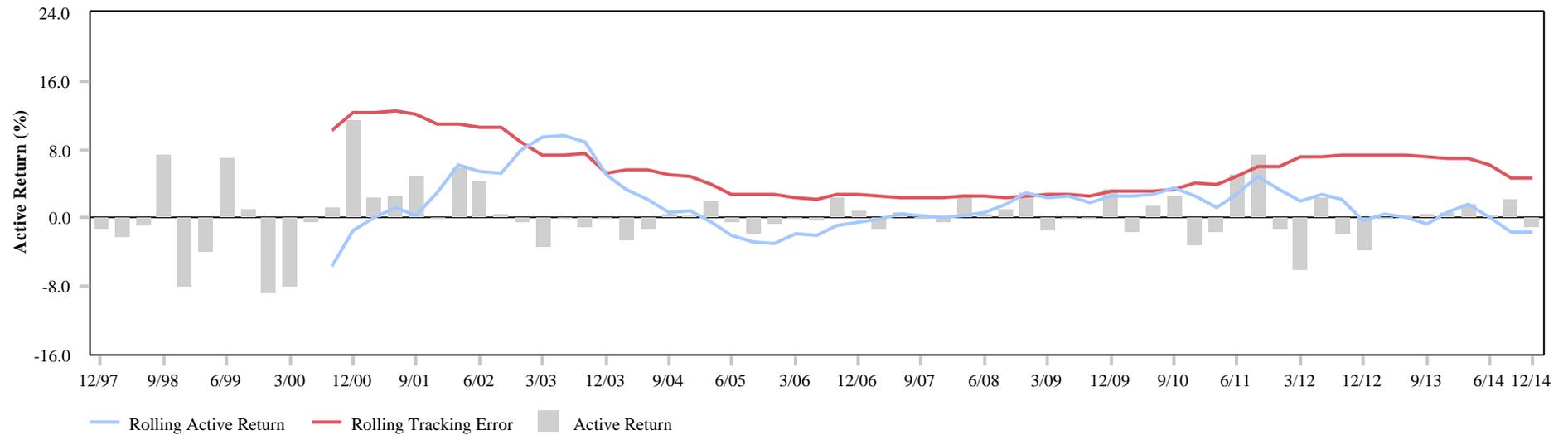


Rolling 3 Year Percentile Ranking vs. IM U.S. Large Cap Value Equity (SA+CF) - 5 Years

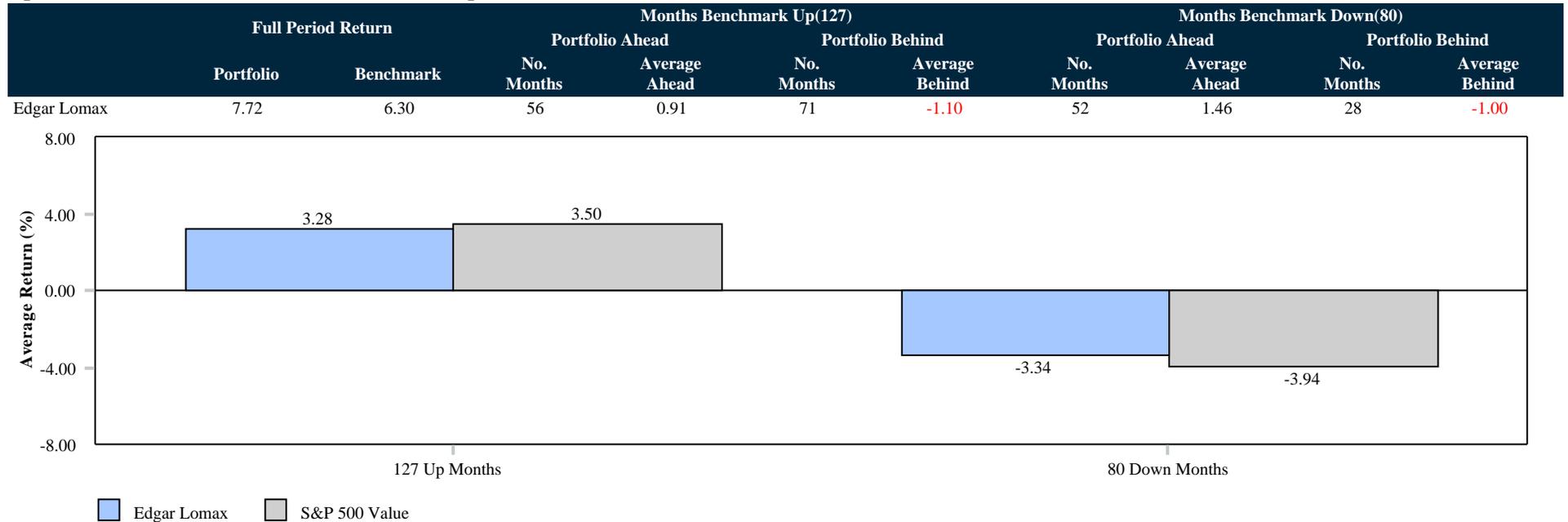


	Total Period	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
Edgar Lomax	20	6 (30%)	7 (35%)	6 (30%)	1 (5%)
S&P 500 Value	20	0 (0%)	5 (25%)	8 (40%)	7 (35%)

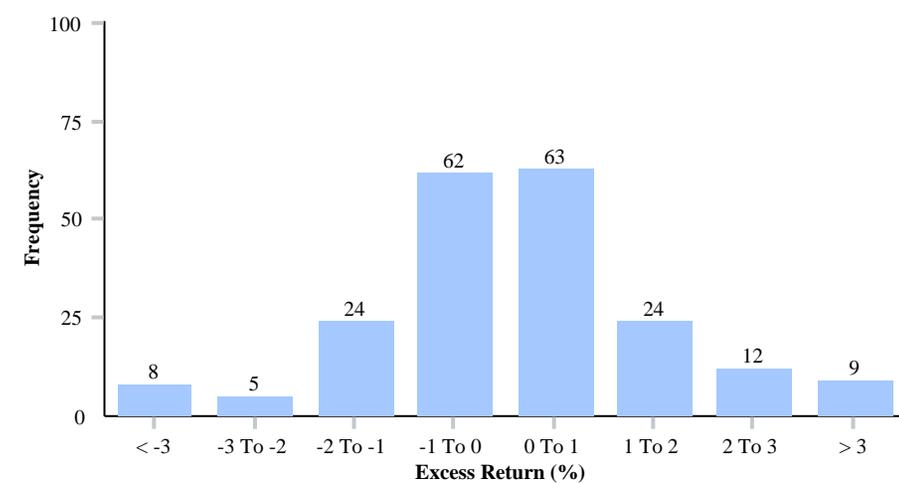
Rolling 3 Year Active Return and Tracking Error vs. S&P 500 Value - Since Inception



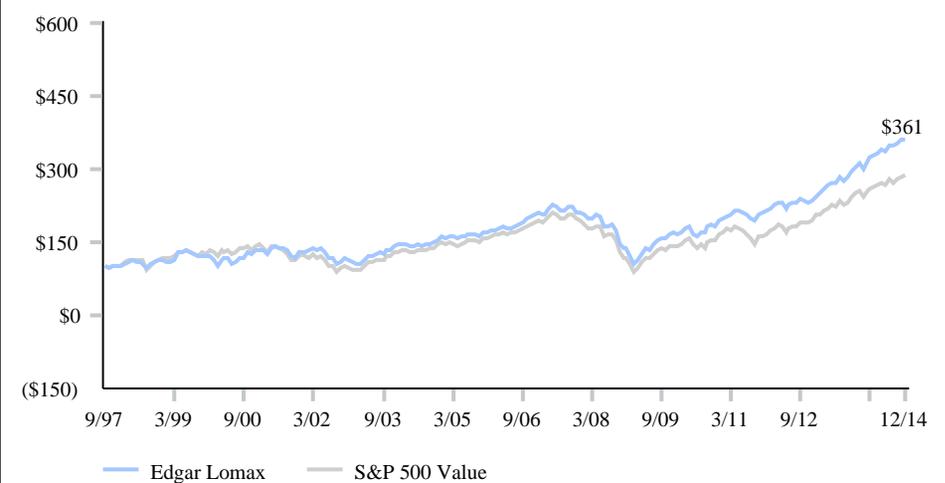
Up/Down Markets vs. S&P 500 Value - Since Inception



Performance Distribution - Since Inception



Growth of \$100 - Since Inception



Manager Profile

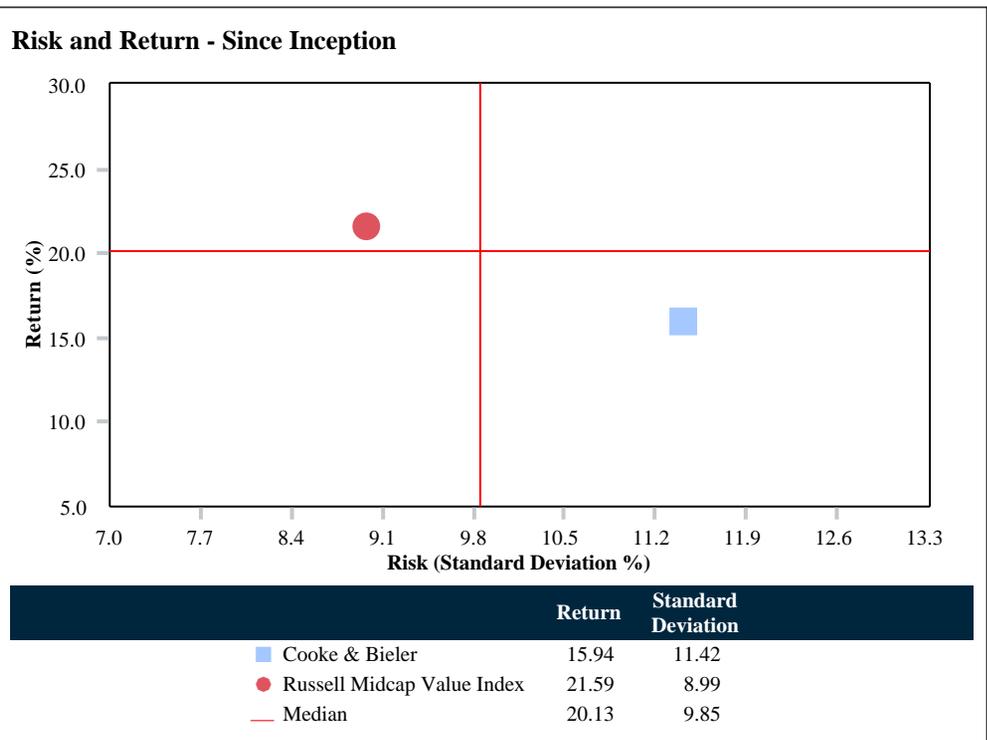
Cooke & Bieler - Midcap Value

Gain/Loss Summary

	One Quarter	Since Inception	Inception Date
Cooke & Bieler			09/01/2013
Beginning Market Value	5,989,351	5,205,453	
Net Contributions	(899,151)	(898,695)	
Gain/Loss	350,506	1,133,948	
Ending Market Value	5,440,706	5,440,706	

Segment Allocation

	Market Value (\$)	Allocation (%)
Domestic Equity	5,220,601	95.95
Cash Equivalent	220,105	4.05



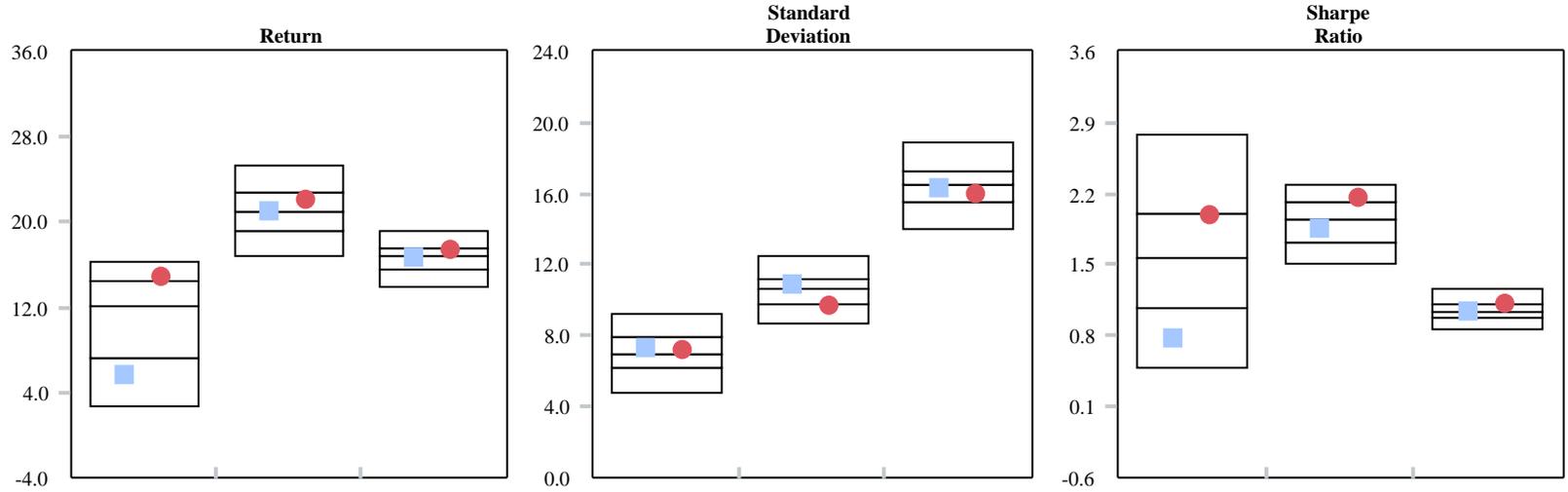
Comparative Performance

	One Quarter	Year To Date	One Year	Three Years	Five Years	Seven Years	Ten Years	Since Inception	Inception Date
Cooke & Bieler	5.86 (44)	5.53 (89)	5.53 (89)	N/A	N/A	N/A	N/A	15.94 (81)	09/01/2013
Cooke & Bieler - History	5.86 (44)	5.53 (89)	5.53 (89)	21.04 (50)	16.60 (59)	9.63 (50)	9.14 (77)	15.94 (81)	
Russell Midcap Value Index	6.05 (39)	14.75 (18)	14.75 (18)	21.98 (38)	17.43 (28)	9.14 (66)	9.43 (68)	21.59 (28)	
IM U.S. Mid Cap Value Equity (SA+CF) Median	5.72	12.13	12.13	20.98	16.86	9.61	10.07	20.13	
Population	63	63	63	62	56	55	42	63	

Calendar Year Performance

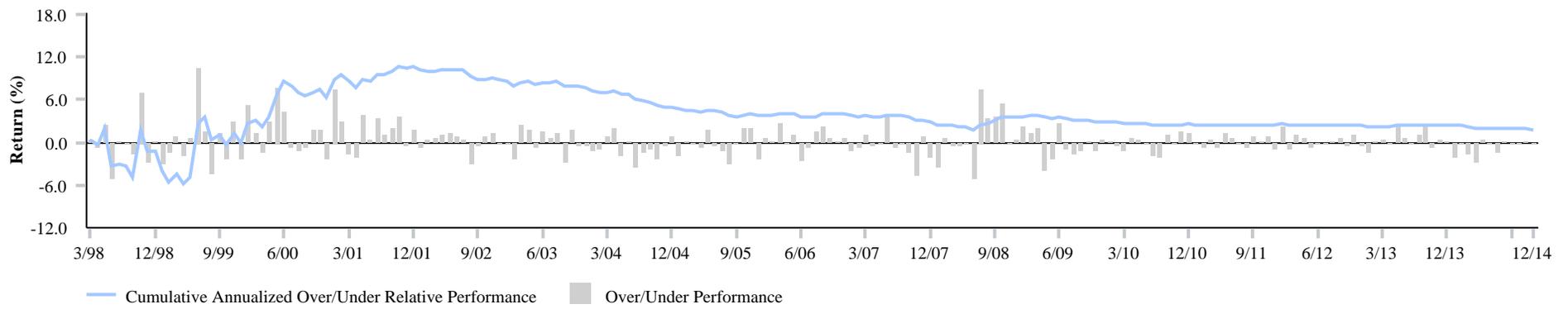
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Cooke & Bieler	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cooke & Bieler - History	39.38 (30)	20.55 (11)	-0.88 (50)	22.65 (46)	30.46 (78)	-32.33 (21)	-7.83 (99)	27.17 (1)	7.48 (84)	12.47 (95)
Russell Midcap Value Index	33.46 (73)	18.51 (30)	-1.38 (58)	24.75 (32)	34.21 (56)	-38.44 (60)	-1.42 (86)	20.22 (18)	12.65 (45)	23.71 (25)
IM U.S. Mid Cap Value Equity (SA+CF) Median	35.46	17.08	-0.90	22.22	34.82	-36.71	2.99	16.82	11.27	20.64
Population	70	75	78	77	82	97	102	102	97	89

Peer Group Analysis - Multi Statistics vs. IM U.S. Mid Cap Value Equity (SA+CF)

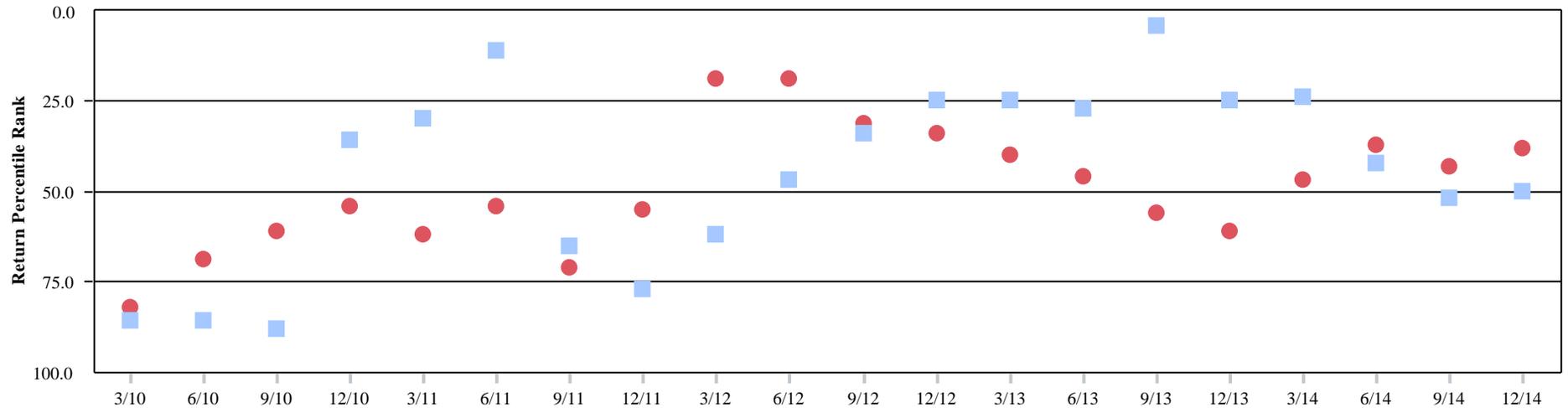


	One Year	Three Years	Five Years	One Year	Three Years	Five Years	One Year	Three Years	Five Years
■ Cooke & Bieler - History	5.53 (89)	21.04 (50)	16.60 (59)	7.29 (44)	10.88 (33)	16.28 (61)	0.77 (84)	1.84 (61)	1.04 (46)
● Russell Midcap Value Index	14.75 (18)	21.98 (38)	17.43 (28)	7.19 (45)	9.66 (82)	15.94 (70)	1.98 (27)	2.15 (20)	1.11 (27)
Median	12.13	20.98	16.86	6.99	10.64	16.49	1.56	1.94	1.03
Population	63	62	56	63	62	56	63	62	56

Relative Performance vs. Russell Midcap Value Index

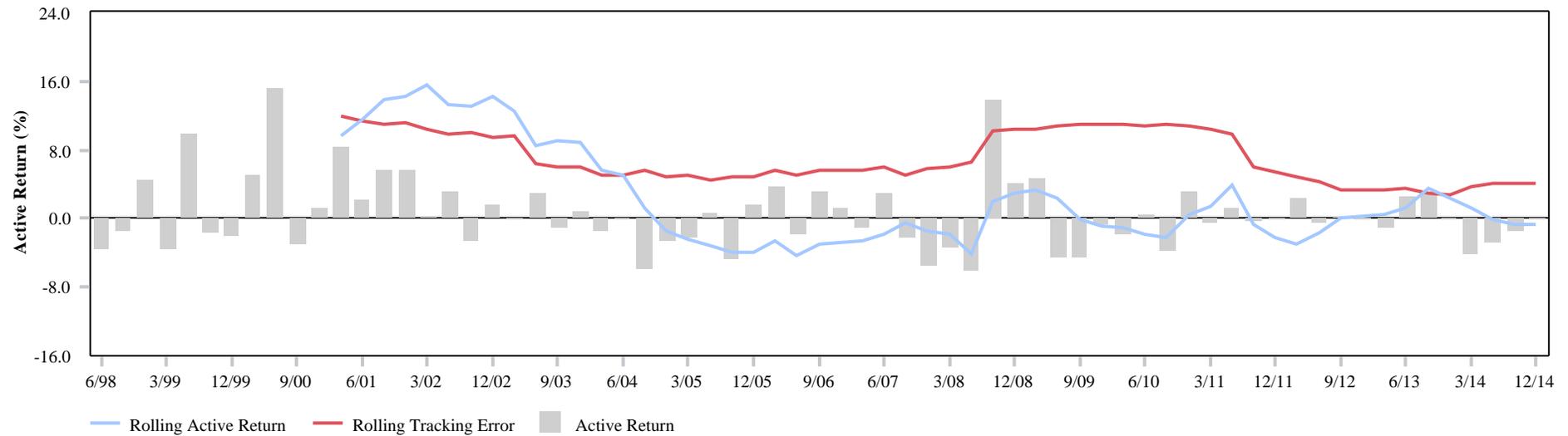


Rolling 3 Year Percentile Ranking vs. IM U.S. Mid Cap Value Equity (SA+CF) - 5 Years



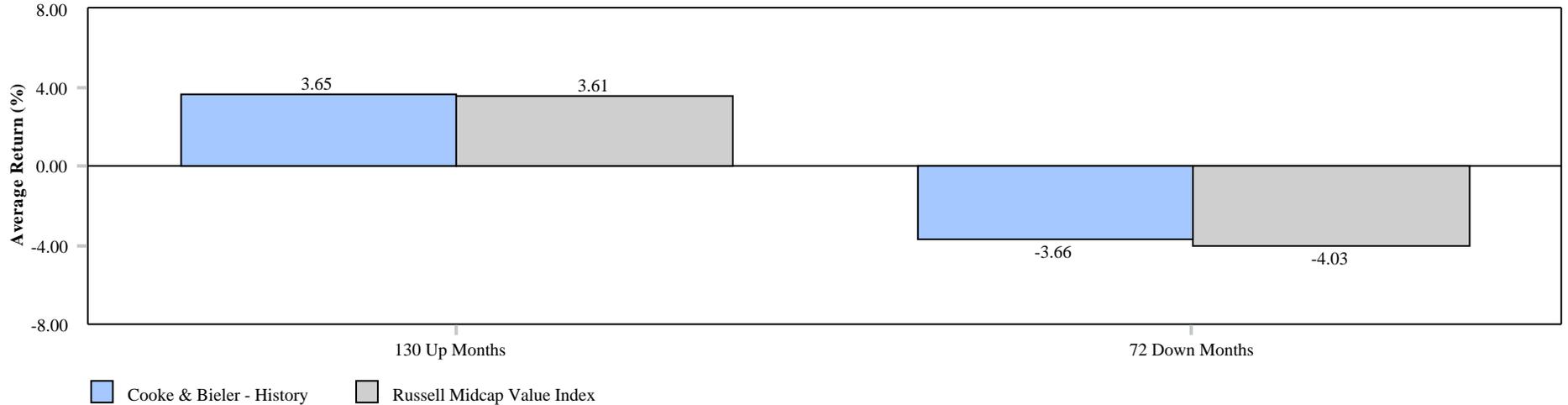
	Total Period	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
■ Cooke & Bieler - History	20	6 (30%)	7 (35%)	3 (15%)	4 (20%)
● Russell Midcap Value Index	20	2 (10%)	8 (40%)	9 (45%)	1 (5%)

Rolling 3 Year Active Return and Tracking Error vs. Russell Midcap Value Index - Since Inception

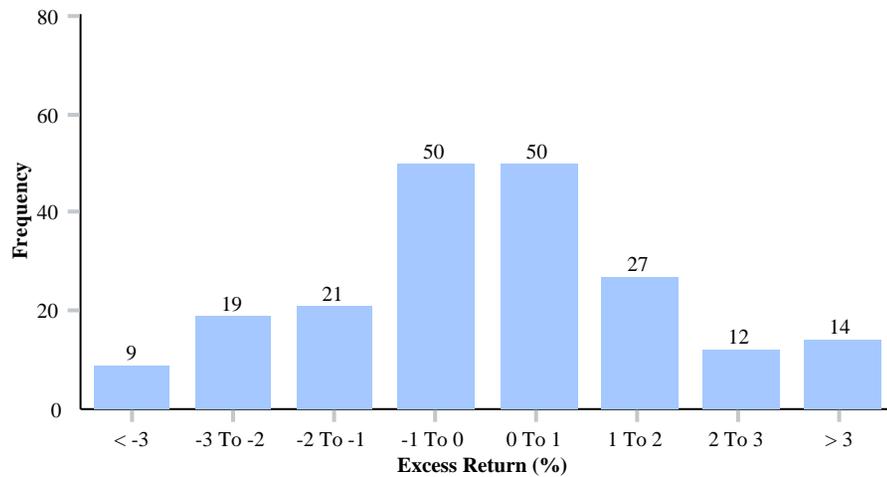


Up/Down Markets vs. Russell Midcap Value Index - Since Inception

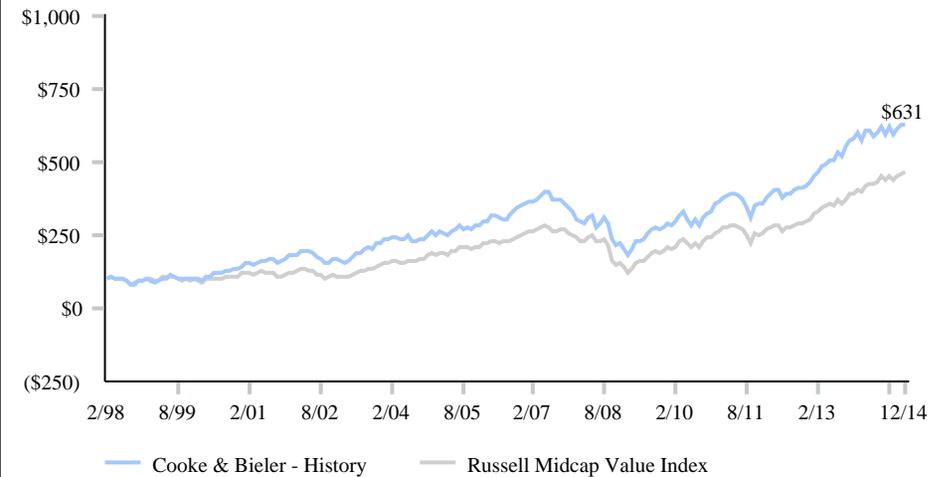
	Full Period Return		Months Benchmark Up(130)				Months Benchmark Down(72)			
	Portfolio	Benchmark	No. Months	Portfolio Ahead Average Ahead	Portfolio Behind No. Months	Average Behind	No. Months	Portfolio Ahead Average Ahead	Portfolio Behind No. Months	Average Behind
Cooke & Bieler - History	11.57	9.56	63	1.51	67	-1.34	40	1.84	32	-1.47



Performance Distribution - Since Inception



Growth of \$100 - Since Inception



Manager Profile

Loomis Sayles - Small Cap Core

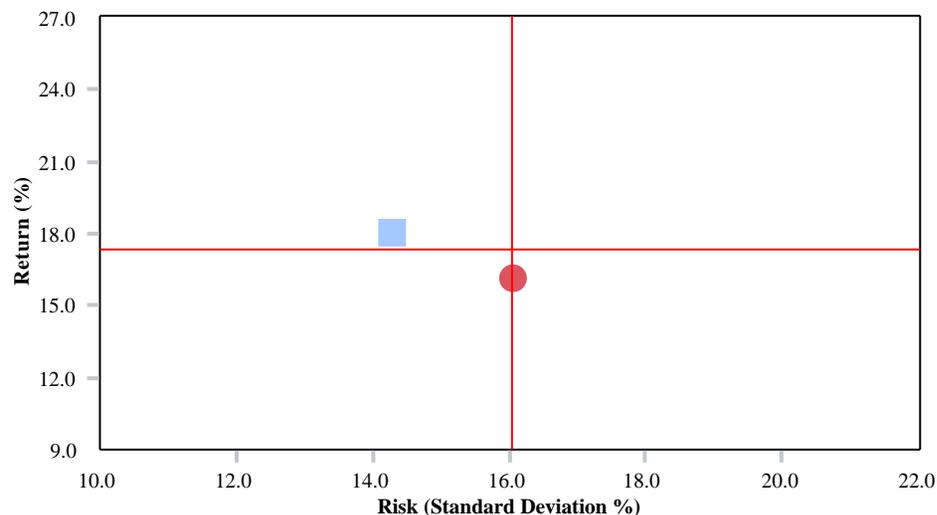
Gain/Loss Summary

	1 Quarter	Since Inception	Inception Date
Loomis Sayles			10/01/2010
Beginning Market Value	9,544,965	6,943,639	
Net Contributions	-	(2,500,000)	
Gain/Loss	583,612	5,684,938	
Ending Market Value	10,128,577	10,128,577	

Segment Allocation

	Market Value (\$)	Allocation (%)
Domestic Equity	9,785,856	96.62
Cash Equivalent	342,722	3.38

Risk and Return - Since Inception



	Return	Standard Deviation
■ Loomis Sayles	18.04	14.29
● Russell 2000 Index	16.12	16.06
— Median	17.38	16.05

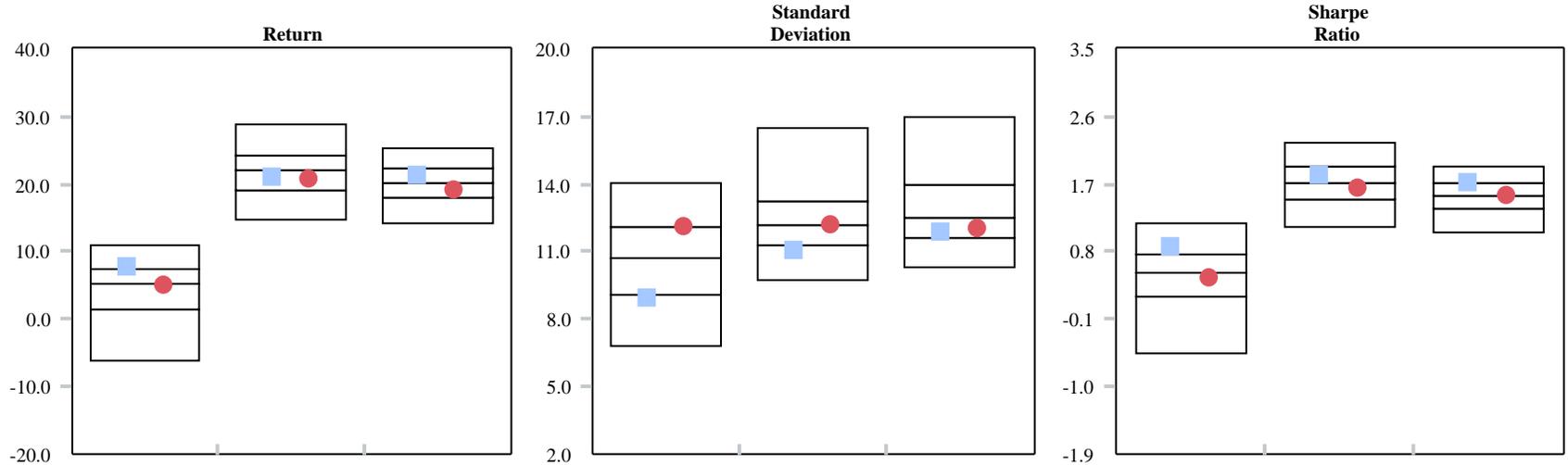
Comparative Performance

	Quarter	Year To Date	One Year	Two Years	Three Years	Since Inception	Inception Date
Loomis Sayles	6.11 (77)	7.63 (24)	7.63 (24)	20.89 (62)	21.39 (35)	18.04 (40)	10/01/2010
Russell 2000 Index	9.73 (27)	4.89 (53)	4.89 (53)	20.67 (63)	19.21 (65)	16.12 (71)	
IM U.S. Small Cap Equity (SA+CF) Median	8.33	5.14	5.14	21.99	20.13	17.38	
Population	637	630	630	622	612	589	

Calendar Year Performance

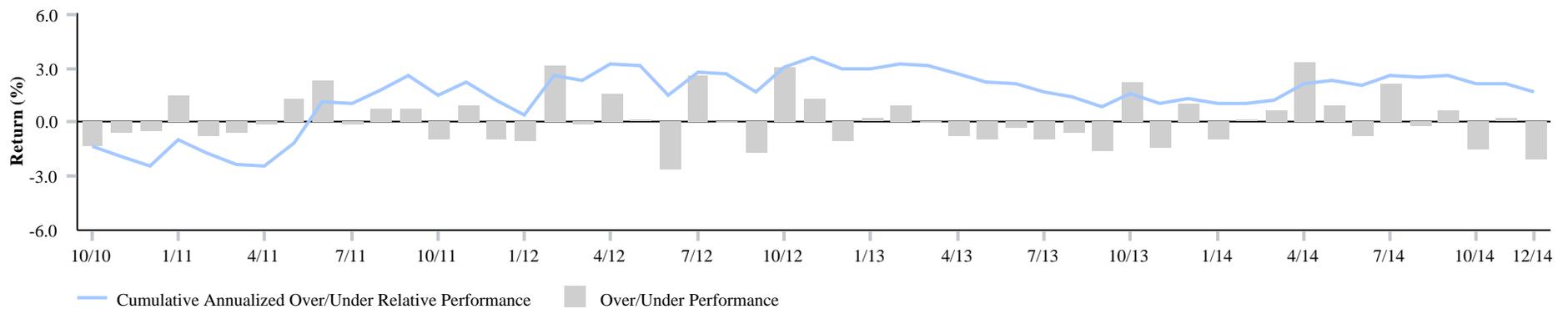
	2013	2012	2011	2010
Loomis Sayles	35.77 (83)	22.40 (14)	-0.27 (36)	N/A
Russell 2000 Index	38.82 (68)	16.35 (53)	-4.18 (66)	26.85 (63)
IM U.S. Small Cap Equity (SA+CF) Median	41.94	16.64	-2.32	28.26
Population	698	726	755	787

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

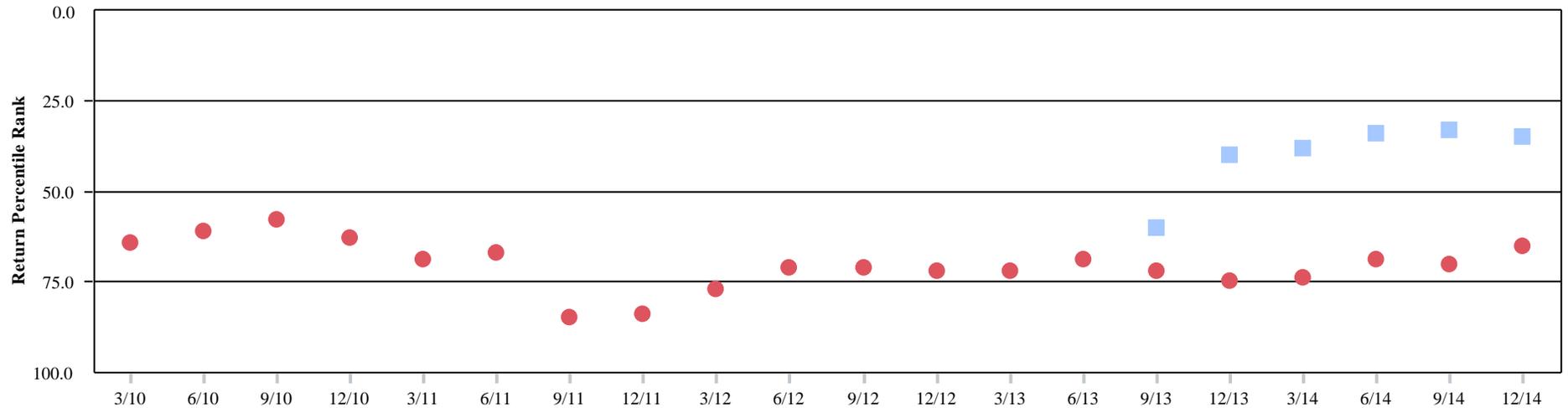


	1 Year	2 Years	3 Years	1 Year	2 Years	3 Years	1 Year	2 Years	3 Years
■ Loomis Sayles	7.63 (24)	20.89 (62)	21.39 (35)	8.94 (77)	11.00 (82)	11.88 (68)	0.87 (16)	1.81 (37)	1.72 (24)
● Russell 2000 Index	4.89 (53)	20.67 (63)	19.21 (65)	12.11 (25)	12.21 (48)	12.03 (63)	0.45 (58)	1.63 (65)	1.55 (52)
Median	5.14	21.99	20.13	10.69	12.15	12.49	0.52	1.73	1.55
Population	630	622	612	630	622	612	630	622	612

Relative Performance vs. Russell 2000 Index

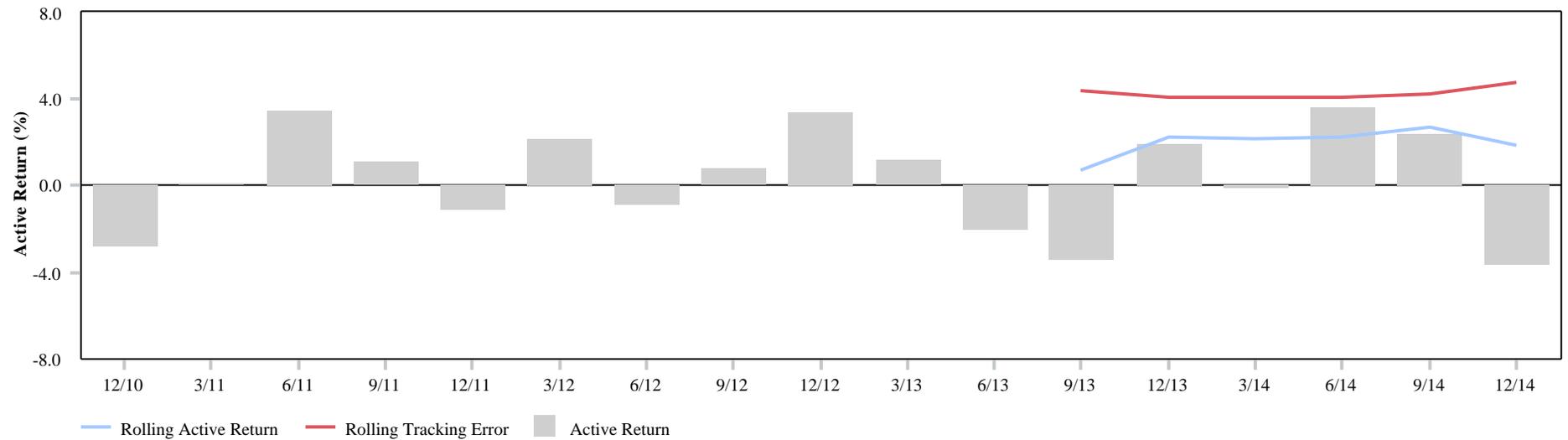


Rolling 1 Year Percentile Ranking vs. IM U.S. Small Cap Equity (SA+CF) - 5 Years



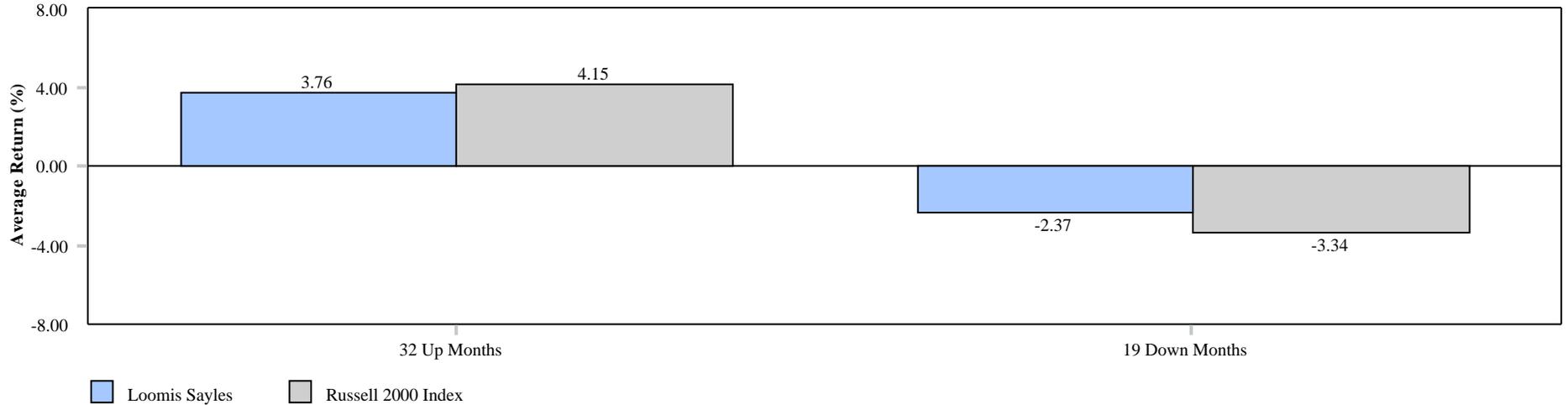
	Total Period	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
■ Loomis Sayles	6	0 (0%)	5 (83%)	1 (17%)	0 (0%)
● Russell 2000 Index	20	0 (0%)	0 (0%)	17 (85%)	3 (15%)

Rolling 3 Years Active Return and Tracking Error vs. Russell 2000 Index - Since Inception

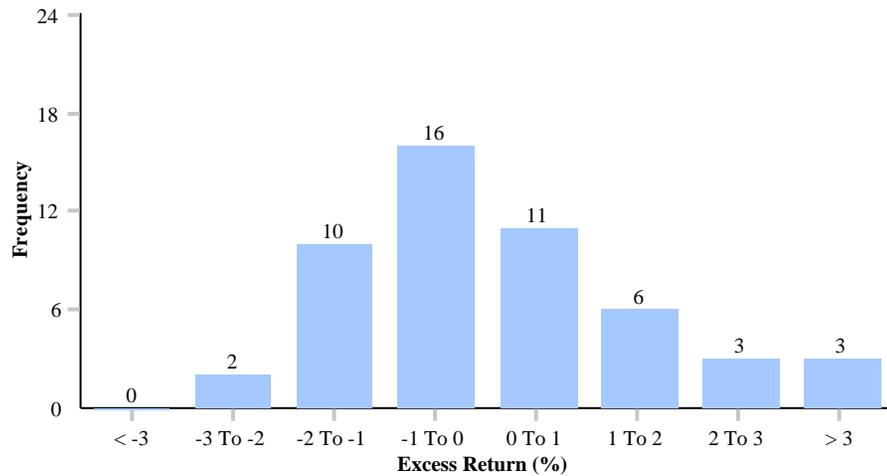


Up/Down Markets vs. Russell 2000 Index - Since Inception

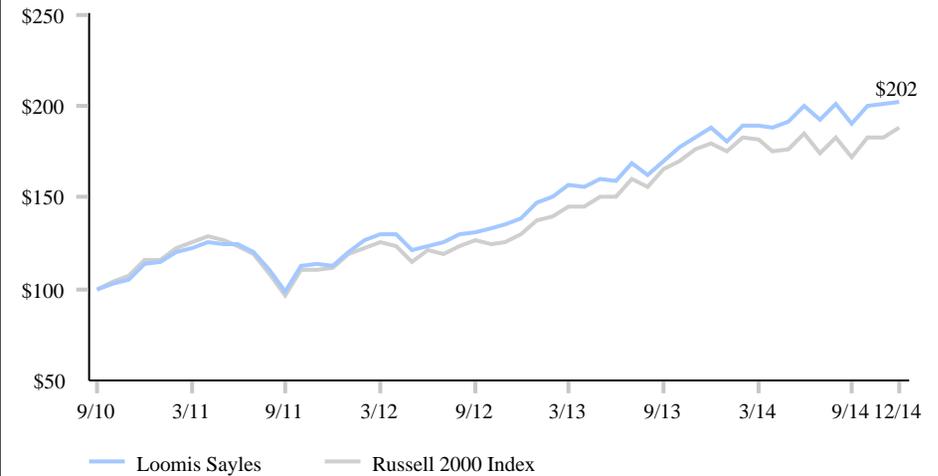
	Full Period Return		Months Benchmark Up(32)				Months Benchmark Down(19)			
	Portfolio	Benchmark	No. Months	Average Ahead	No. Months	Average Behind	No. Months	Average Ahead	No. Months	Average Behind
Loomis Sayles	18.04	16.12	9	1.16	23	-1.00	14	1.51	5	-0.53



Performance Distribution - Since Inception



Growth of \$100 - Since Inception



Manager Profile

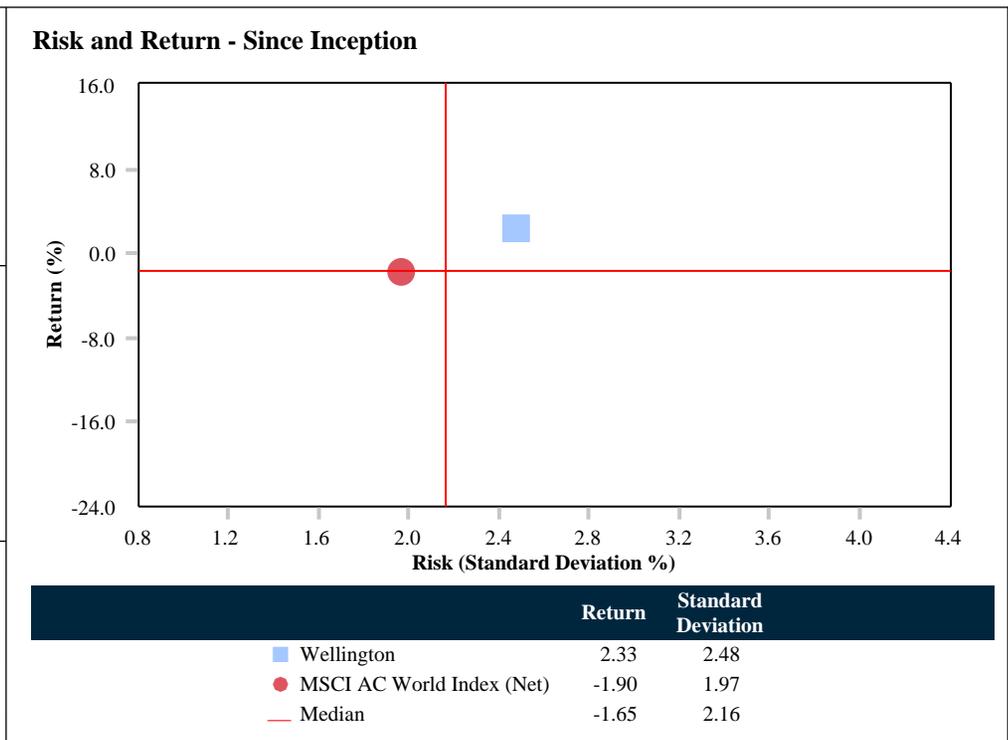
Wellington - Global

Gain/Loss Summary

	One Quarter	Since Inception	Inception Date
Wellington			07/01/2014
Beginning Market Value	16,700,005	17,000,446	
Net Contributions	3,168,473	3,168,473	
Gain/Loss	673,138	372,697	
Ending Market Value	20,541,616	20,541,616	

Segment Allocation

	Market Value (\$)	Allocation (%)
Global Equity	20,541,616	100.00



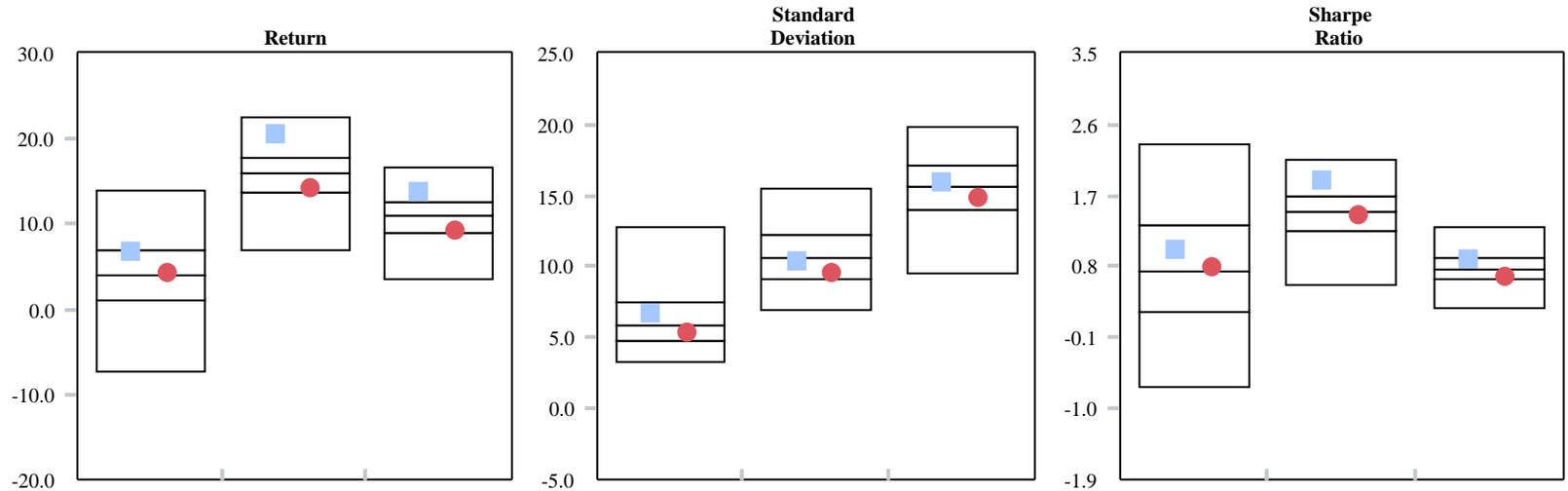
Comparative Performance

	One Quarter	Year To Date	One Year	Three Years	Five Years	Seven Years	Ten Years	Since Inception	Inception Date
Wellington	4.17 (12)	N/A	N/A	N/A	N/A	N/A	N/A	2.33 (15)	07/01/2014
Wellington - History	4.17 (12)	6.60 (29)	6.60 (29)	20.50 (10)	13.61 (16)	6.13 (23)	9.56 (9)	2.33 (15)	
MSCI AC World Index (Net)	0.41 (62)	4.16 (48)	4.16 (48)	14.10 (71)	9.17 (74)	2.72 (76)	6.09 (78)	-1.90 (53)	
IM Global Equity (SA+CF) Median	1.04	3.91	3.91	15.89	10.93	4.38	7.25	-1.65	
Population	441	426	426	386	332	268	169	440	

Calendar Year Performance

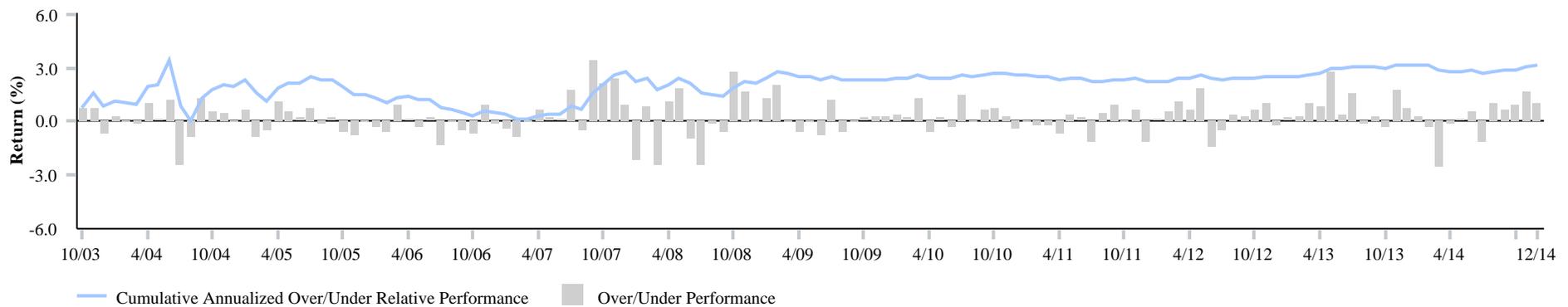
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Wellington	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wellington - History	35.10 (14)	21.50 (16)	-7.89 (60)	17.43 (28)	39.22 (34)	-42.43 (61)	23.44 (16)	18.96 (74)	11.91 (61)	17.03 (51)
MSCI AC World Index (Net)	22.80 (70)	16.13 (58)	-7.35 (56)	12.67 (62)	34.63 (47)	-42.19 (59)	11.66 (53)	20.95 (61)	10.83 (70)	15.23 (65)
IM Global Equity (SA+CF) Median	27.01	16.90	-6.40	14.03	33.73	-40.88	12.03	22.22	13.14	17.03
Population	492	500	497	488	475	448	400	344	299	265

Peer Group Analysis - Multi Statistics vs. IM Global Equity (SA+CF)

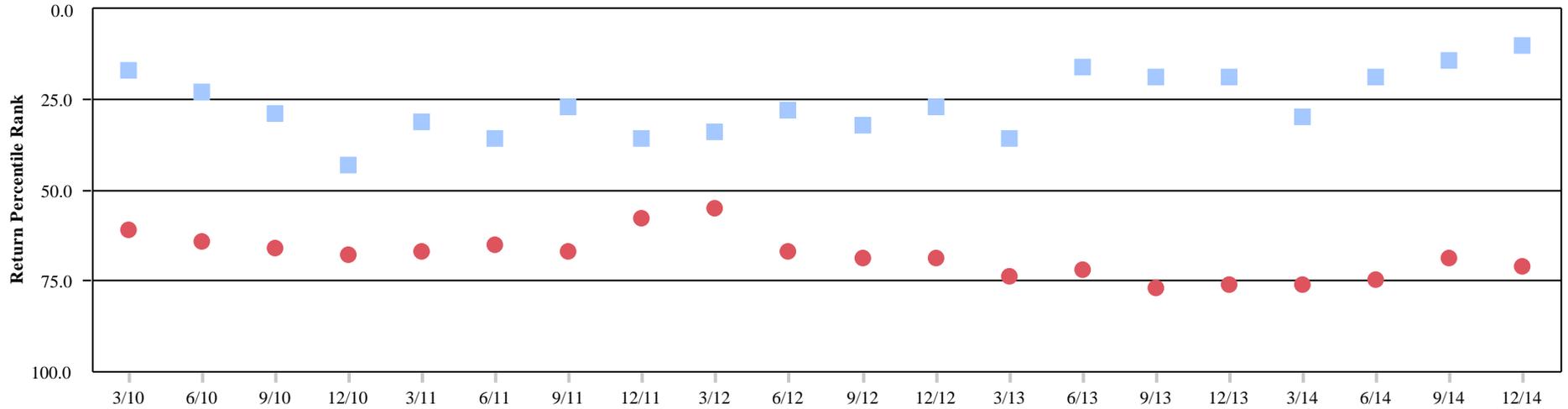


	One Year	Three Years	Five Years	One Year	Three Years	Five Years	One Year	Three Years	Five Years
Wellington - History	6.60 (29)	20.50 (10)	13.61 (16)	6.63 (34)	10.35 (55)	15.97 (44)	1.00 (39)	1.89 (13)	0.89 (27)
MSCI AC World Index (Net)	4.16 (48)	14.10 (71)	9.17 (74)	5.25 (65)	9.55 (67)	14.87 (62)	0.80 (47)	1.44 (57)	0.67 (70)
Median	3.91	15.89	10.93	5.87	10.57	15.64	0.74	1.49	0.77
Population	426	386	332	426	386	332	426	386	332

Relative Performance vs. MSCI AC World Index (Net)

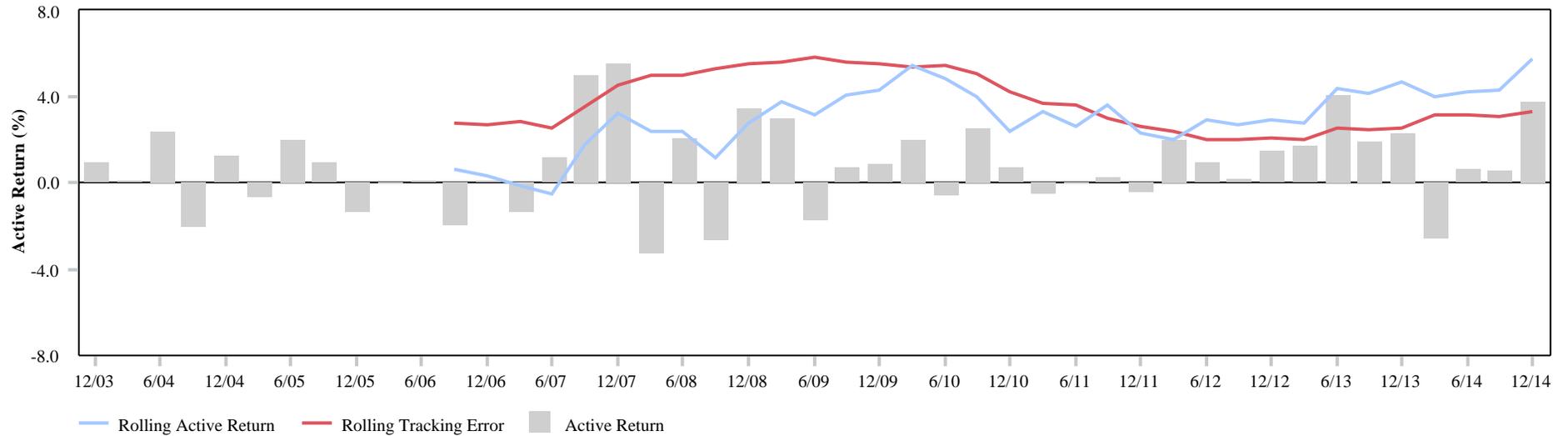


Rolling 3 Year Percentile Ranking vs. IM Global Equity (SA+CF) - 5 Years

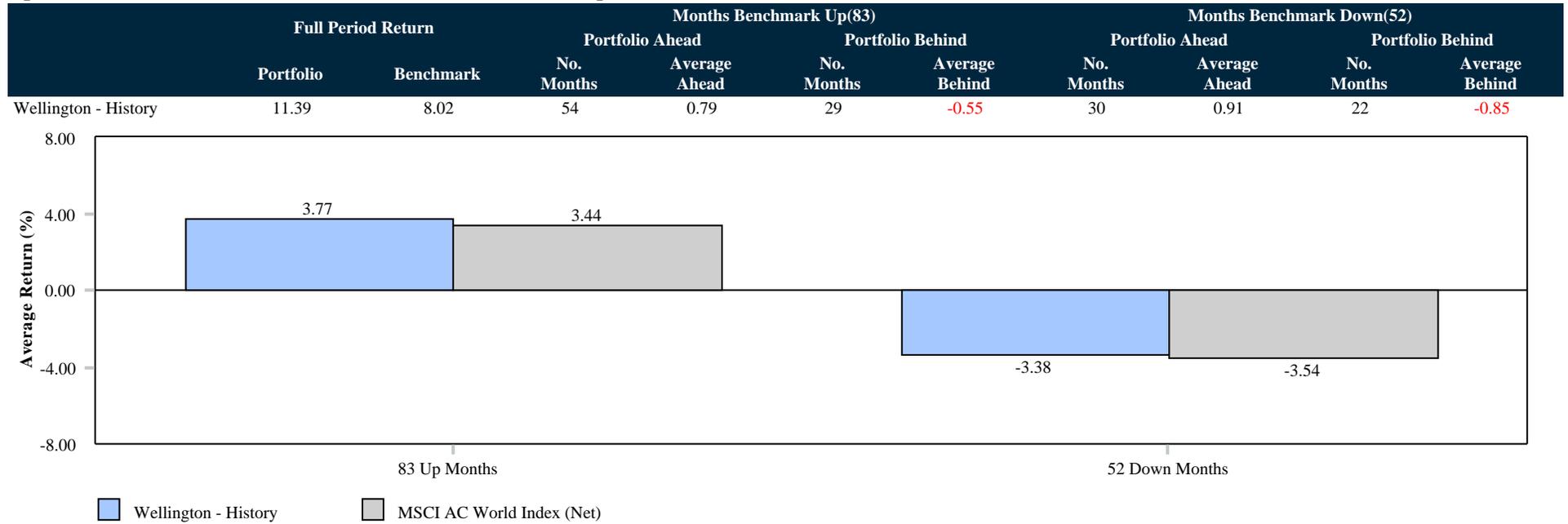


	Total Period	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
Wellington - History	20	8 (40%)	12 (60%)	0 (0%)	0 (0%)
MSCI AC World Index (Net)	20	0 (0%)	0 (0%)	17 (85%)	3 (15%)

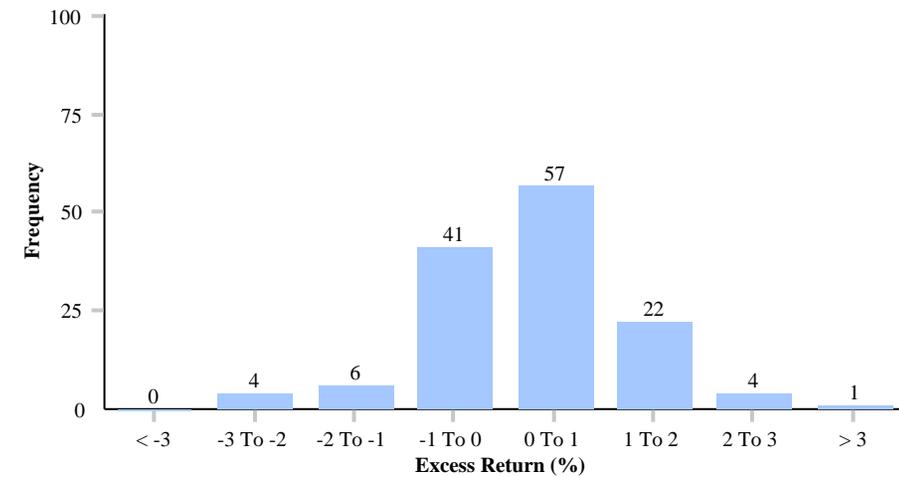
Rolling 3 Year Active Return and Tracking Error vs. MSCI AC World Index (Net) - Since Inception



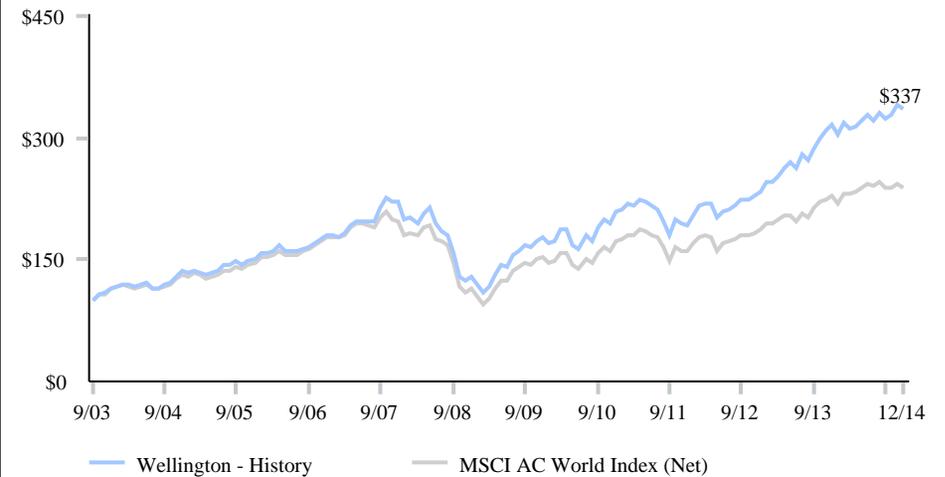
Up/Down Markets vs. MSCI AC World Index (Net) - Since Inception



Performance Distribution - Since Inception



Growth of \$100 - Since Inception



Manager Profile

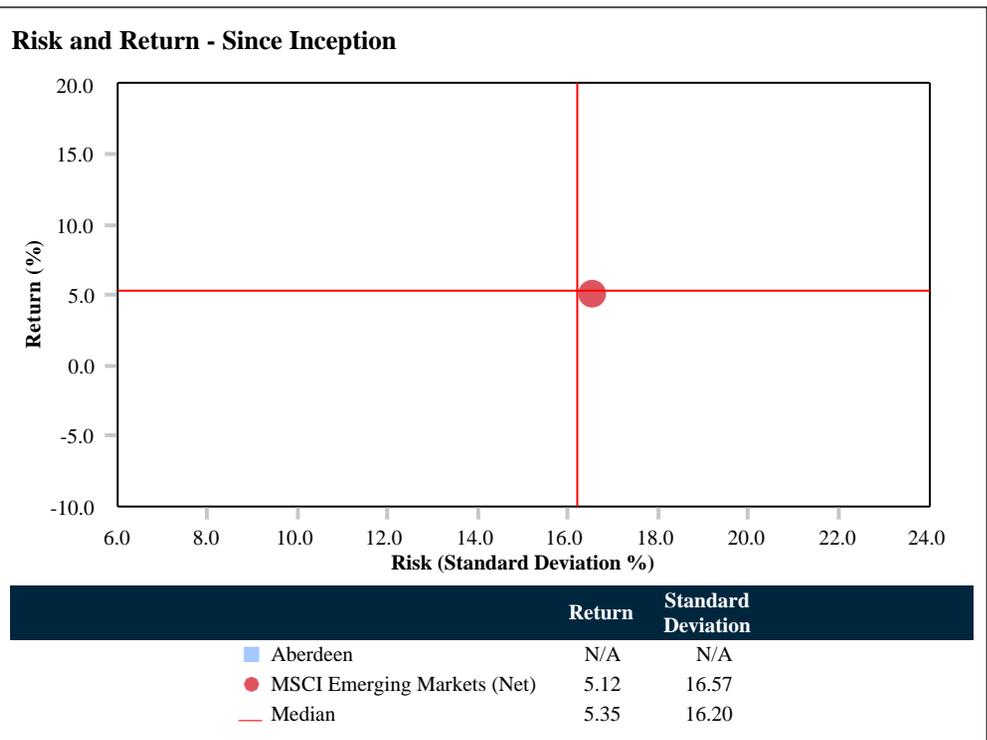
Aberdeen - Emerging Markets

Gain/Loss Summary

	One Quarter	Since Inception	Inception Date
Aberdeen			10/01/2011
Beginning Market Value	8,257,259	5,000,000	
Net Contributions	-	1,800,000	
Gain/Loss	(461,802)	995,457	
Ending Market Value	7,795,457	7,795,457	

Segment Allocation

	Market Value (\$)	Allocation (%)
Emerging Equity	7,795,457	100.00



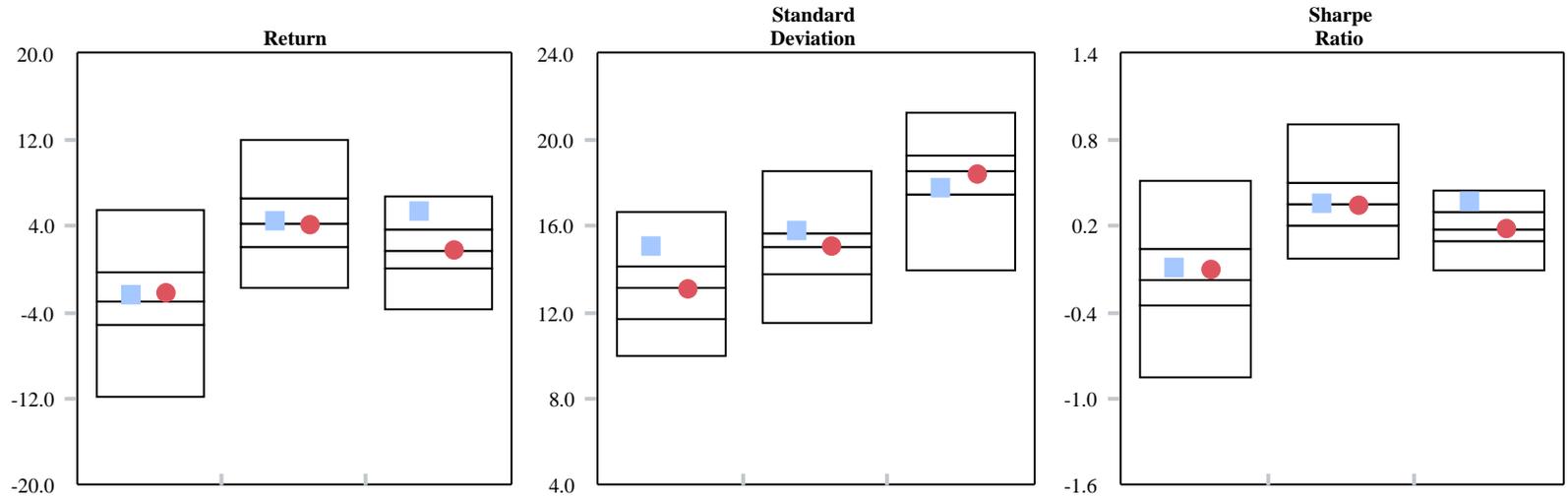
Comparative Performance

	One Quarter	Year To Date	One Year	Three Years	Five Years	Seven Years	Ten Years	Since Inception	Inception Date
Aberdeen	-5.59 (62)	-2.45 (44)	-2.45 (44)	4.42 (48)	N/A	N/A	N/A	N/A	10/01/2011
Aberdeen - History	-5.59 (62)	-2.45 (44)	-2.45 (44)	4.42 (48)	5.26 (13)	4.49 (1)	N/A	5.79 (45)	
MSCI Emerging Markets (Net)	-4.50 (49)	-2.19 (43)	-2.19 (43)	4.05 (55)	1.78 (50)	-1.34 (43)	8.43 (29)	5.12 (55)	
IM Emerging Markets Equity (MF) Median	-4.58	-3.01	-3.01	4.30	1.75	-1.87	7.69	5.35	
Population	822	724	724	513	329	229	150	479	

Calendar Year Performance

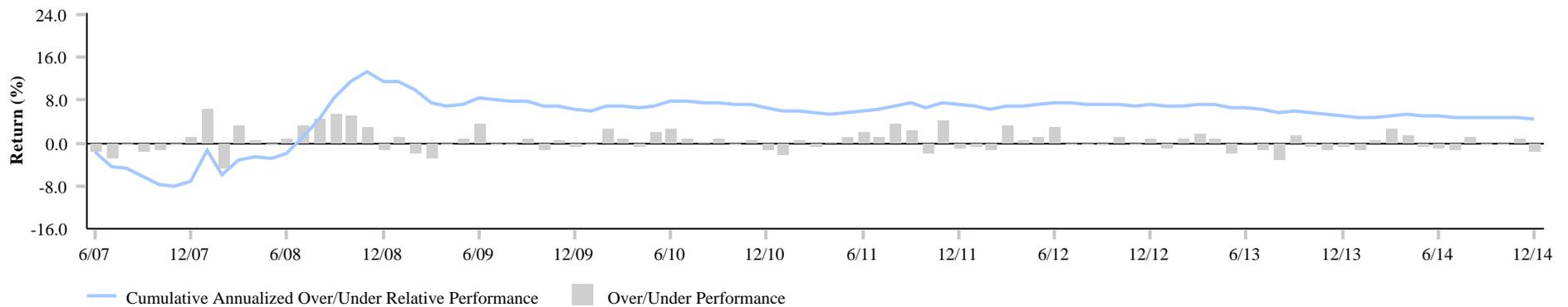
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Aberdeen	-7.49 (93)	26.15 (8)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Aberdeen - History	-7.49 (93)	26.15 (8)	-11.05 (5)	27.58 (7)	76.55 (33)	-40.36 (1)	N/A	N/A	N/A	N/A
MSCI Emerging Markets (Net)	-2.60 (58)	18.23 (56)	-18.42 (36)	18.88 (44)	78.51 (26)	-53.33 (42)	39.38 (39)	32.18 (53)	34.00 (37)	25.55 (33)
IM Emerging Markets Equity (MF) Median	-1.45	18.77	-19.49	18.32	72.85	-54.66	36.94	32.34	32.03	23.40
Population	629	552	449	387	375	305	258	226	201	189

Peer Group Analysis - Multi Statistics vs. IM Emerging Markets Equity (MF)

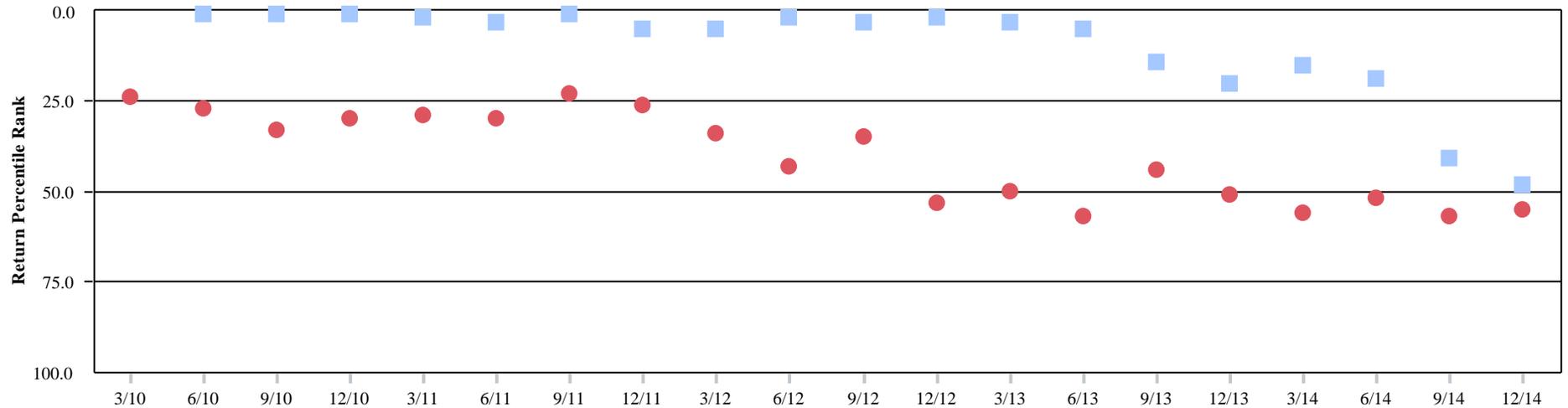


	One Year	Three Years	Five Years	One Year	Three Years	Five Years	One Year	Three Years	Five Years
■ Aberdeen - History	-2.45 (44)	4.42 (48)	5.26 (13)	15.03 (13)	15.75 (25)	17.72 (71)	-0.09 (41)	0.35 (51)	0.37 (14)
● MSCI Emerging Markets (Net)	-2.19 (43)	4.05 (55)	1.78 (50)	13.01 (52)	15.00 (54)	18.39 (60)	-0.11 (43)	0.34 (54)	0.18 (50)
Median	-3.01	4.30	1.75	13.13	15.04	18.60	-0.17	0.35	0.18
Population	724	513	329	724	513	329	724	513	329

Relative Performance vs. MSCI Emerging Markets (Net)

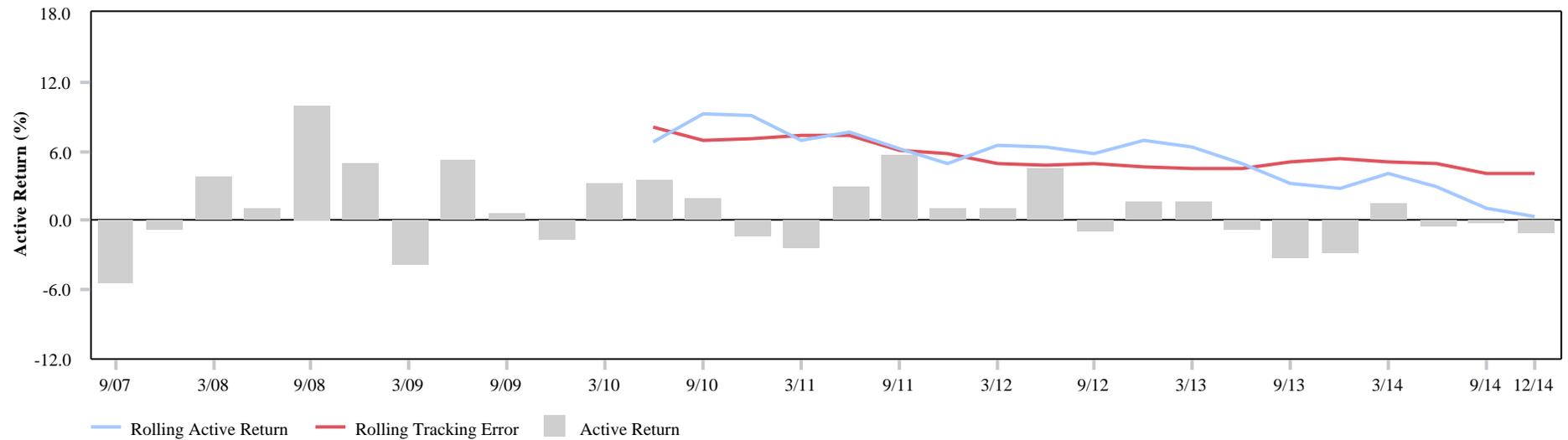


Rolling 3 Year Percentile Ranking vs. IM Emerging Markets Equity (MF) - 5 Years

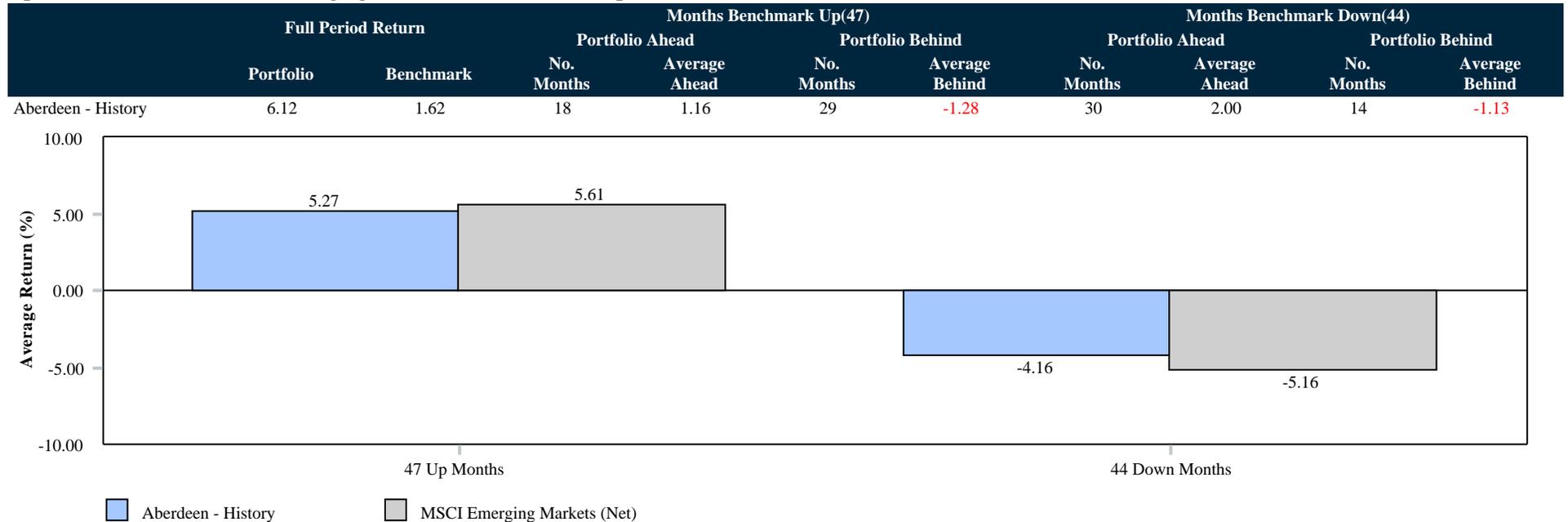


	Total Period	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
■ Aberdeen - History	19	17 (89%)	2 (11%)	0 (0%)	0 (0%)
● MSCI Emerging Markets (Net)	20	2 (10%)	11 (55%)	7 (35%)	0 (0%)

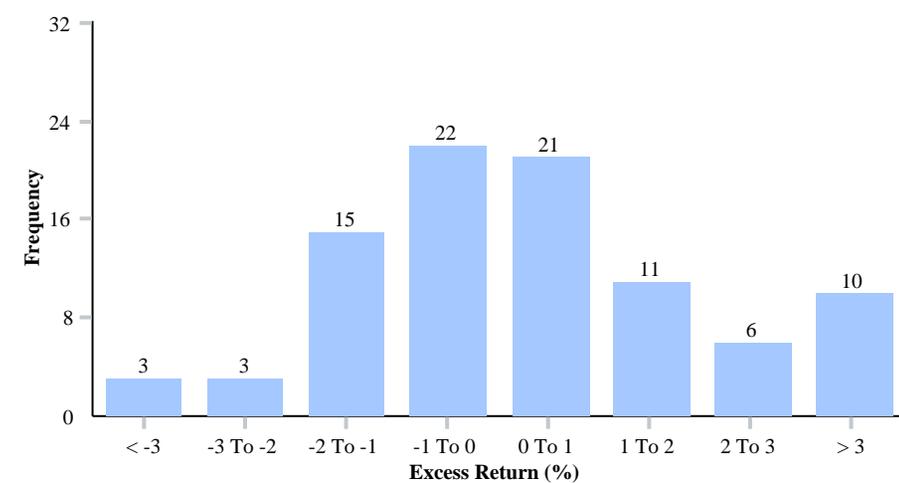
Rolling 3 Year Active Return and Tracking Error vs. MSCI Emerging Markets (Net) - Since Inception



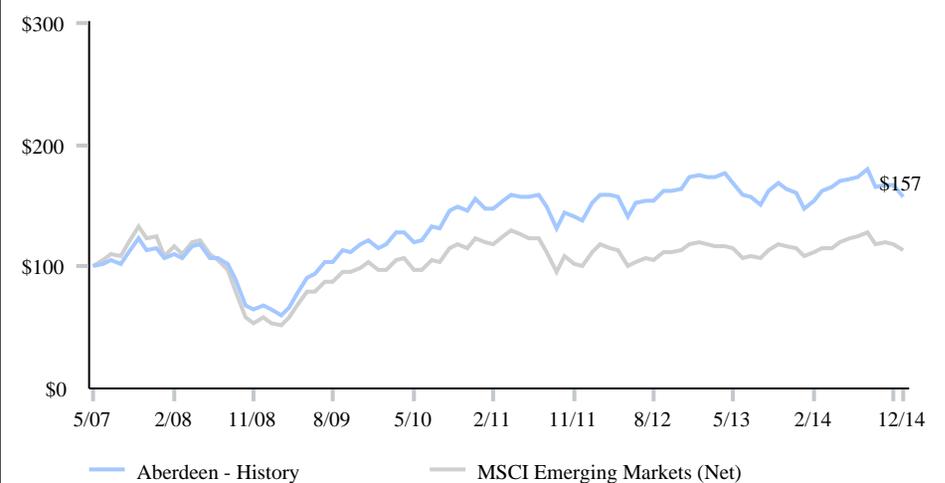
Up/Down Markets vs. MSCI Emerging Markets (Net) - Since Inception



Performance Distribution - Since Inception



Growth of \$100 - Since Inception



Manager Profile

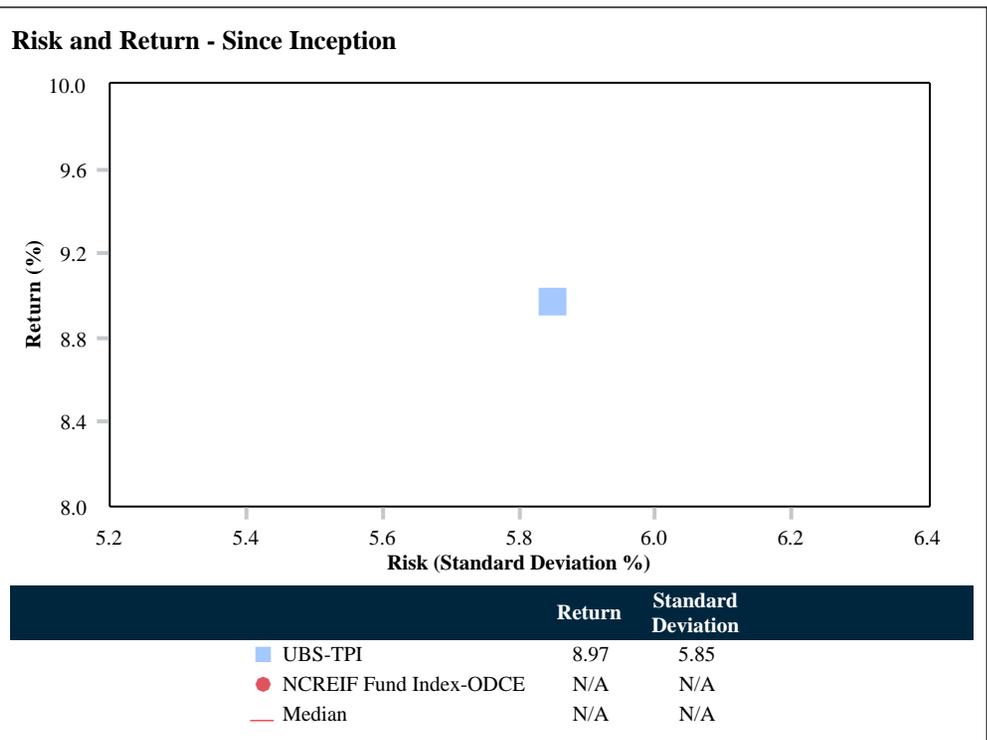
UBS-TPI - Private Real Estate

Gain/Loss Summary

	One Quarter	Since Inception	Inception Date
UBS-TPI			12/01/1982
Beginning Market Value	3,904,062	501,391	
Net Contributions	(9,414)	(1,374,022)	
Gain/Loss	95,210	4,862,489	
Ending Market Value	3,989,858	3,989,858	

Segment Allocation

	Market Value (\$)	Allocation (%)
Real Estate	3,989,858	100.00



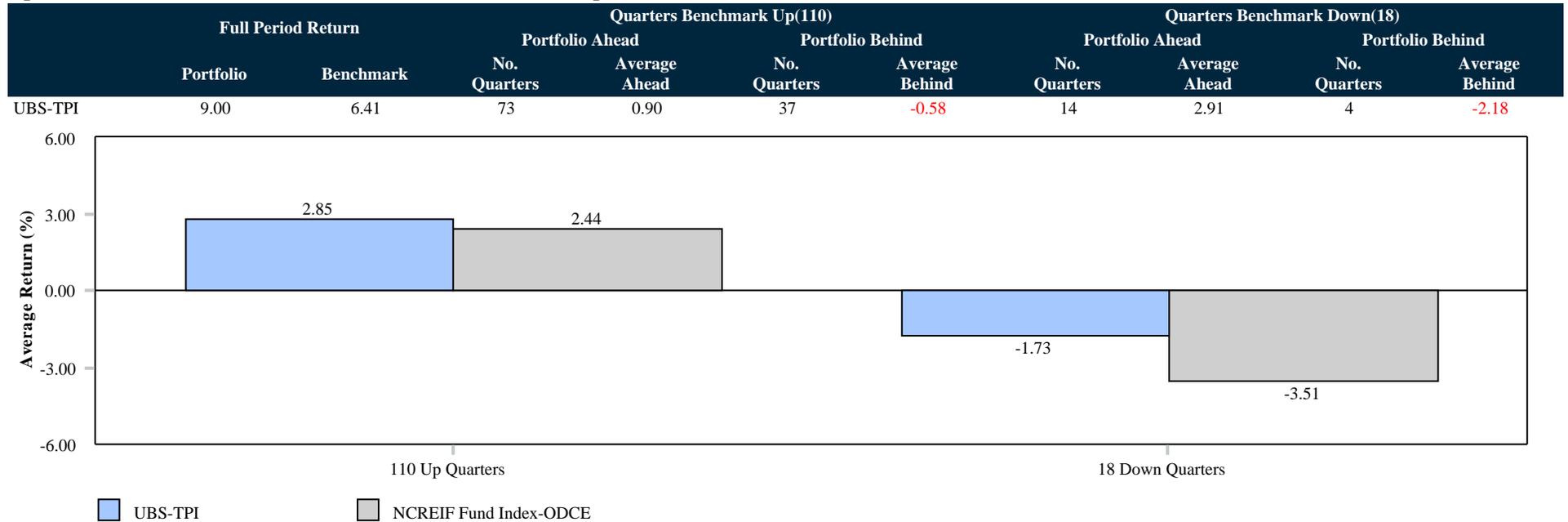
Comparative Performance

	One Quarter	Year To Date	One Year	Three Years	Five Years	Seven Years	Ten Years	Since Inception	Inception Date
UBS-TPI	2.44	11.31	11.31	10.65	13.24	5.93	8.59	8.97	12/01/1982
NCREIF Fund Index-ODCE	3.01	11.44	11.44	11.37	12.85	1.86	6.11	6.38	

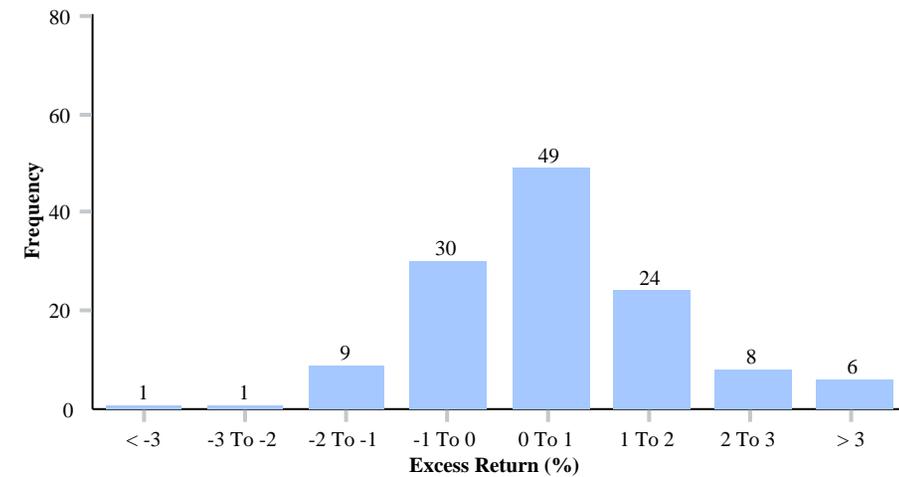
Calendar Year Performance

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
UBS-TPI	9.41	11.23	14.18	20.39	-18.61	-1.27	12.95	16.73	15.57	11.98
NCREIF Fund Index-ODCE	12.90	9.79	14.96	15.26	-30.40	-10.70	14.84	15.27	20.15	12.00

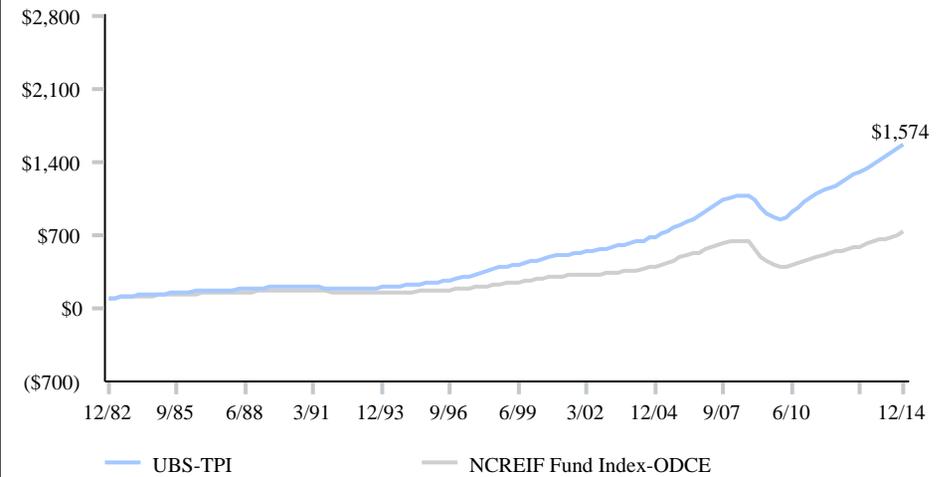
Up/Down Markets vs. NCREIF Fund Index-ODCE - Since Inception



Performance Distribution - Since Inception



Growth of \$100 - Since Inception



Manager Profile

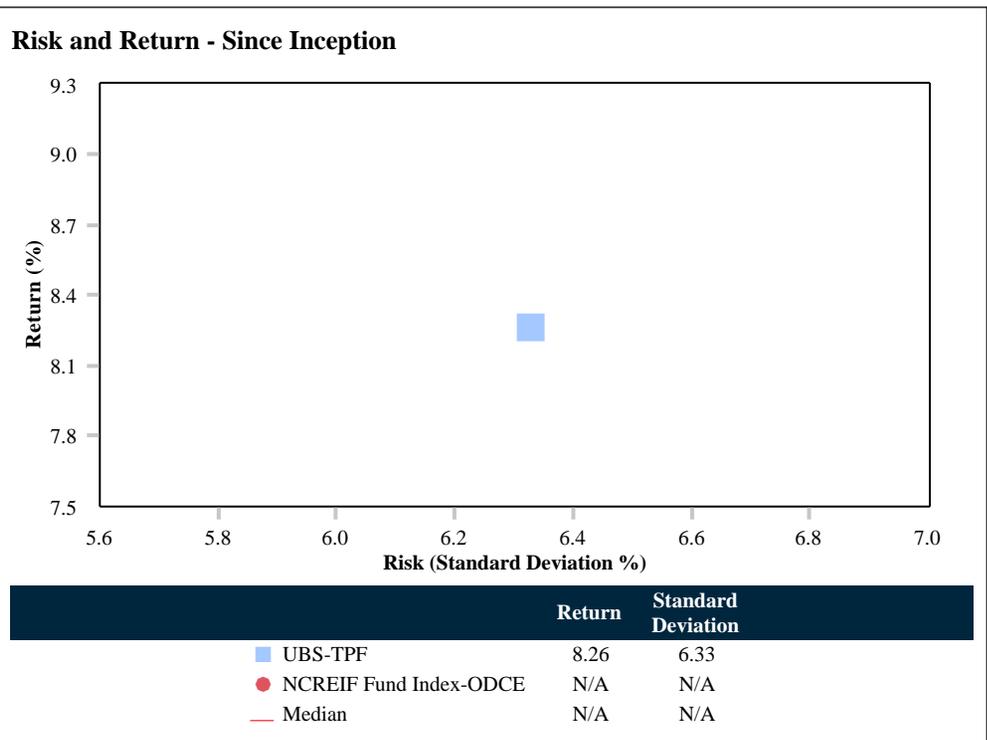
UBS-TPF - Private Real Estate

Gain/Loss Summary

	One Quarter	Since Inception	Inception Date
UBS-TPF			03/01/1983
Beginning Market Value	3,787,645	350,411	
Net Contributions	(11,326)	(1,181,082)	
Gain/Loss	114,032	4,721,023	
Ending Market Value	3,890,352	3,890,352	

Segment Allocation

	Market Value (\$)	Allocation (%)
Real Estate	3,890,352	100.00



Comparative Performance

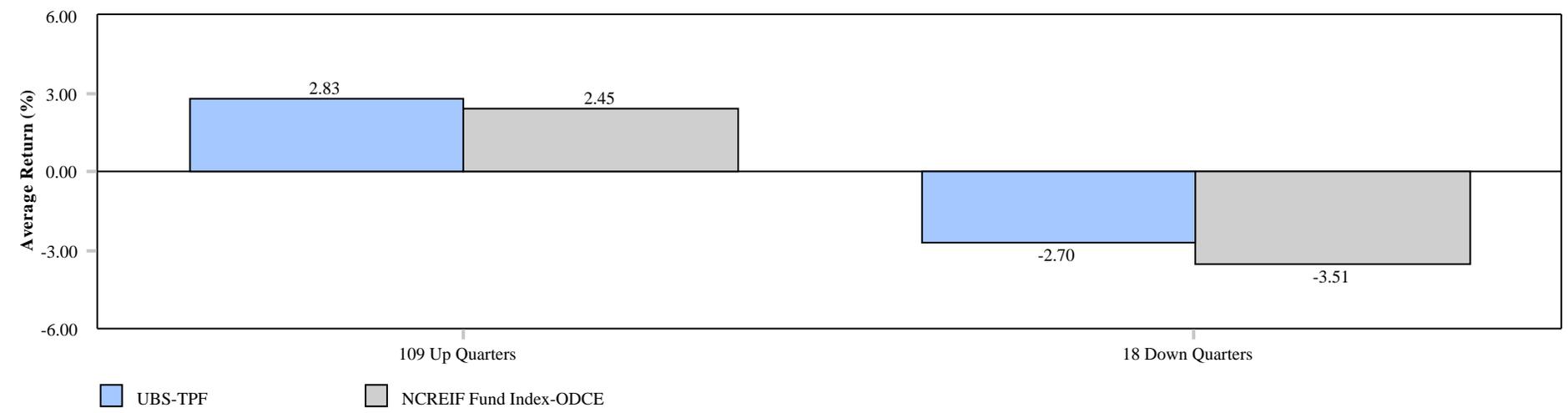
	One Quarter	Year To Date	One Year	Three Years	Five Years	Seven Years	Ten Years	Since Inception	Inception Date
UBS-TPF	3.02	11.67	11.67	10.74	12.43	3.73	7.59	8.26	03/01/1983
NCREIF Fund Index-ODCE	3.01	11.44	11.44	11.37	12.85	1.86	6.11	6.41	

Calendar Year Performance

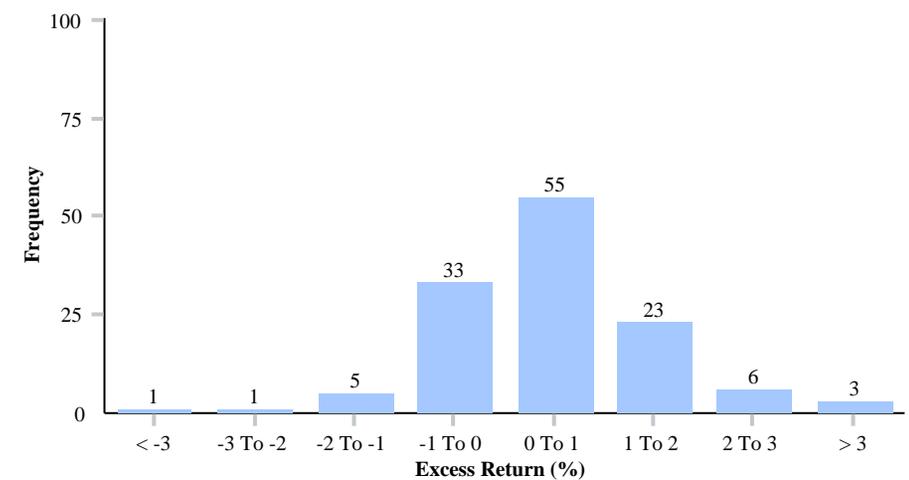
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
UBS-TPF	10.42	10.14	13.19	16.84	-22.27	-7.45	13.90	16.64	21.13	14.54
NCREIF Fund Index-ODCE	12.90	9.79	14.96	15.26	-30.40	-10.70	14.84	15.27	20.15	12.00

Up/Down Markets vs. NCREIF Fund Index-ODCE - Since Inception

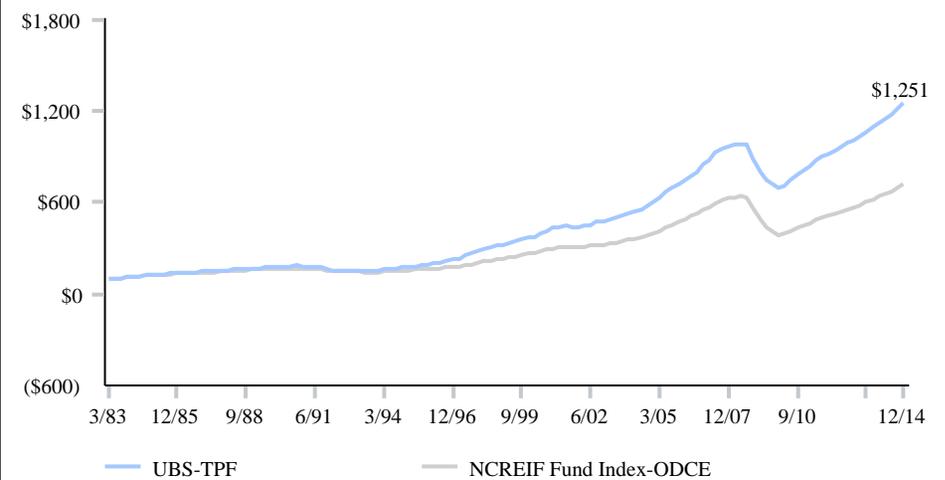
	Full Period Return		Quarters Benchmark Up(109)				Quarters Benchmark Down(18)			
	Portfolio	Benchmark	Portfolio Ahead		Portfolio Behind		Portfolio Ahead		Portfolio Behind	
			No. Quarters	Average Ahead	No. Quarters	Average Behind	No. Quarters	Average Ahead	No. Quarters	Average Behind
UBS-TPF	8.28	6.41	73	0.79	36	-0.45	14	1.73	4	-2.46



Performance Distribution - Since Inception



Growth of \$100 - Since Inception



Manager Profile

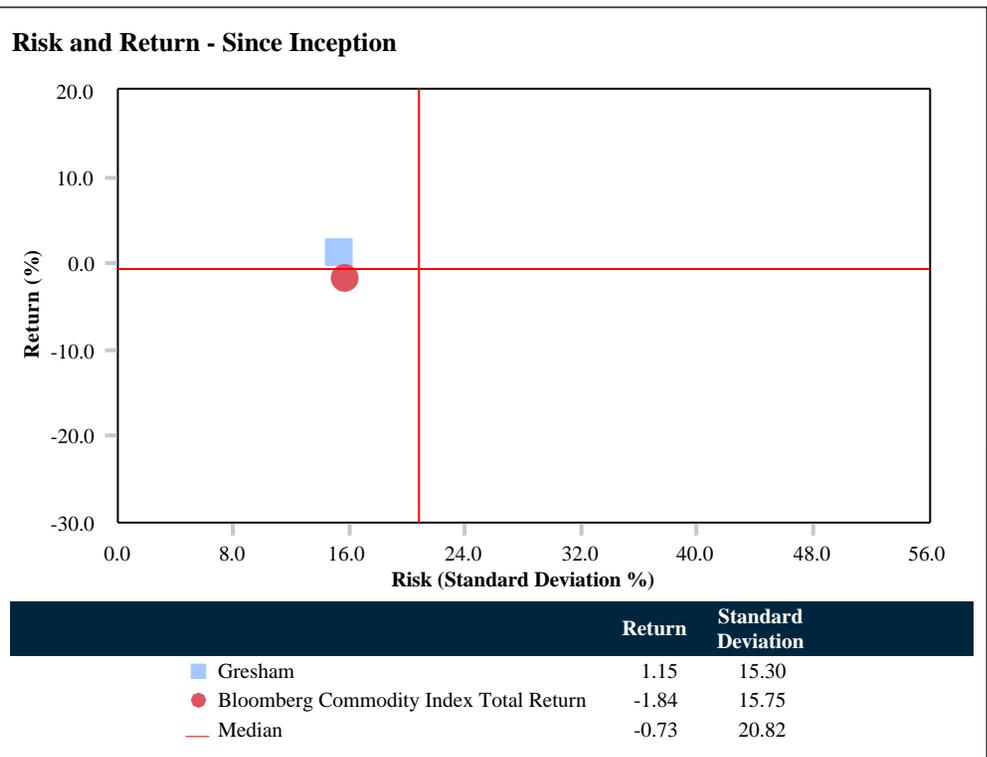
Gresham - Commodities

Gain/Loss Summary

	1 Quarter	Since Inception	Inception Date
Gresham			01/01/2009
Beginning Market Value	1,857,808	3,210,000	
Net Contributions	-	(2,200,000)	
Gain/Loss	(246,951)	600,857	
Ending Market Value	1,610,857	1,610,857	

Segment Allocation

	Market Value (\$)	Allocation (%)
Alternative Investment	1,610,857	100.00



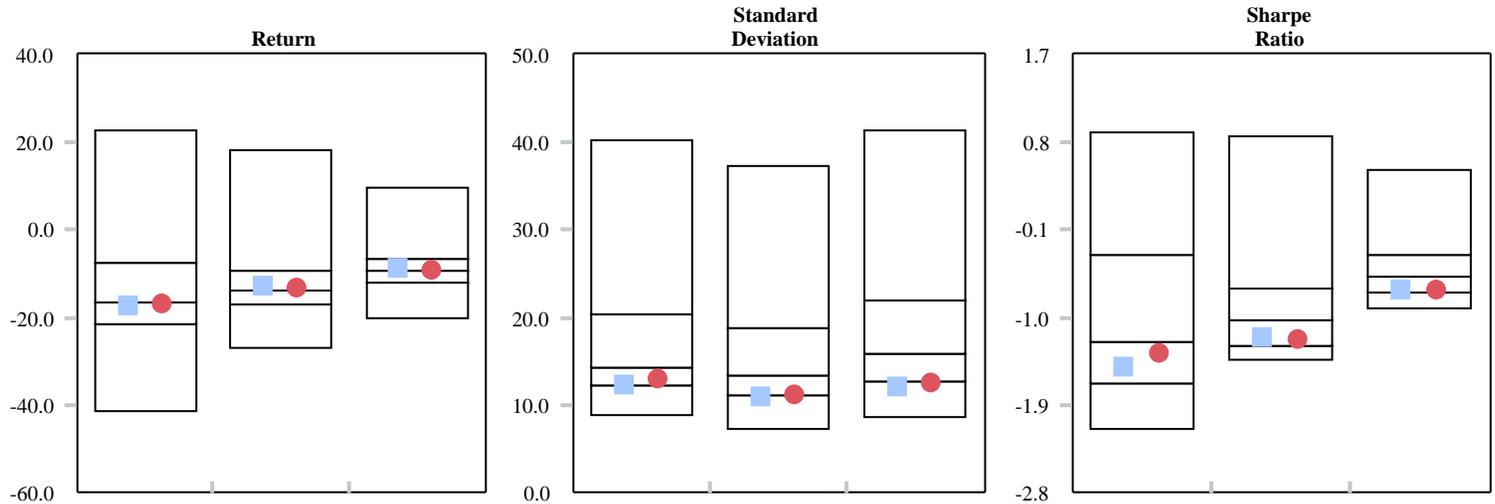
Comparative Performance

	Quarter	One Year	Two Years	Three Years	Four Years	Since Inception	Inception Date
Gresham	-13.29 (64)	-17.69 (59)	-12.92 (39)	-9.00 (45)	-8.71 (33)	1.15 (44)	01/01/2009
Bloomberg Commodity Index Total Return	-12.10 (54)	-17.01 (54)	-13.35 (43)	-9.43 (50)	-10.42 (63)	-1.84 (56)	
IM All Commodities (MF) Median	-11.87	-16.67	-13.97	-9.50	-9.67	-0.73	
Population	277	258	249	211	159	107	

Calendar Year Performance

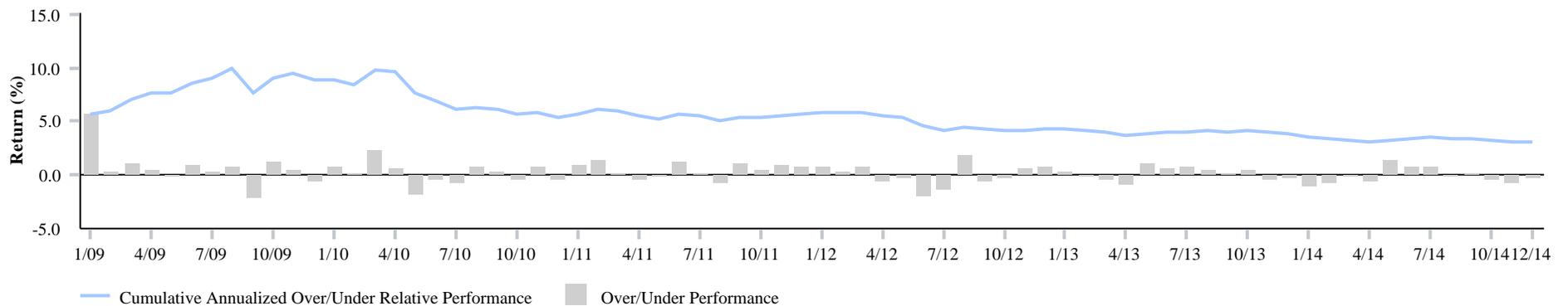
	Year to Date	2013	2012	2011	2010
Gresham	-17.69 (59)	-7.87 (41)	-0.62 (47)	-7.86 (46)	19.20 (35)
Bloomberg Commodity Index Total Return	-17.01 (54)	-9.52 (50)	-1.06 (50)	-13.32 (72)	16.83 (41)
IM All Commodities (MF) Median	-16.67	-9.67	-1.14	-8.27	15.51
Population	258	269	236	181	125

Peer Group Analysis - Multi Statistics vs. IM All Commodities (MF)

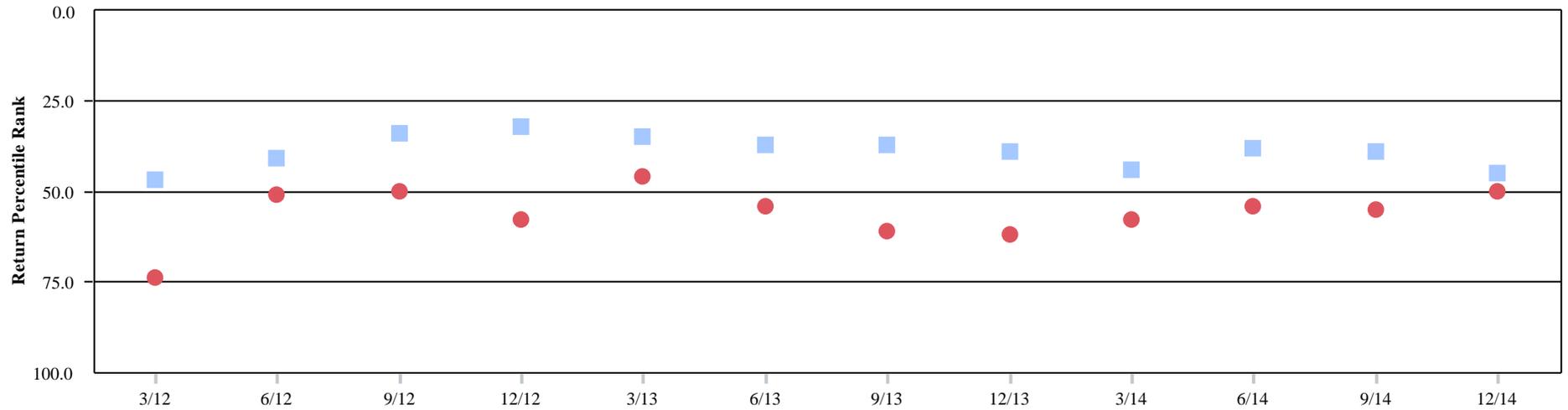


	1 Year	2 Years	3 Years	1 Year	2 Years	3 Years	1 Year	2 Years	3 Years
■ Gresham	-17.69 (59)	-12.92 (39)	-9.00 (45)	12.27 (74)	10.88 (79)	12.06 (85)	-1.51 (66)	-1.21 (65)	-0.72 (71)
● Bloomberg Commodity Index Total Return	-17.01 (54)	-13.35 (43)	-9.43 (50)	12.95 (63)	11.07 (76)	12.49 (79)	-1.37 (57)	-1.23 (66)	-0.73 (72)
Median	-16.67	-13.97	-9.50	14.27	13.25	15.76	-1.25	-1.03	-0.59
Population	258	249	211	258	249	211	258	249	211

Relative Performance vs. Bloomberg Commodity Index Total Return

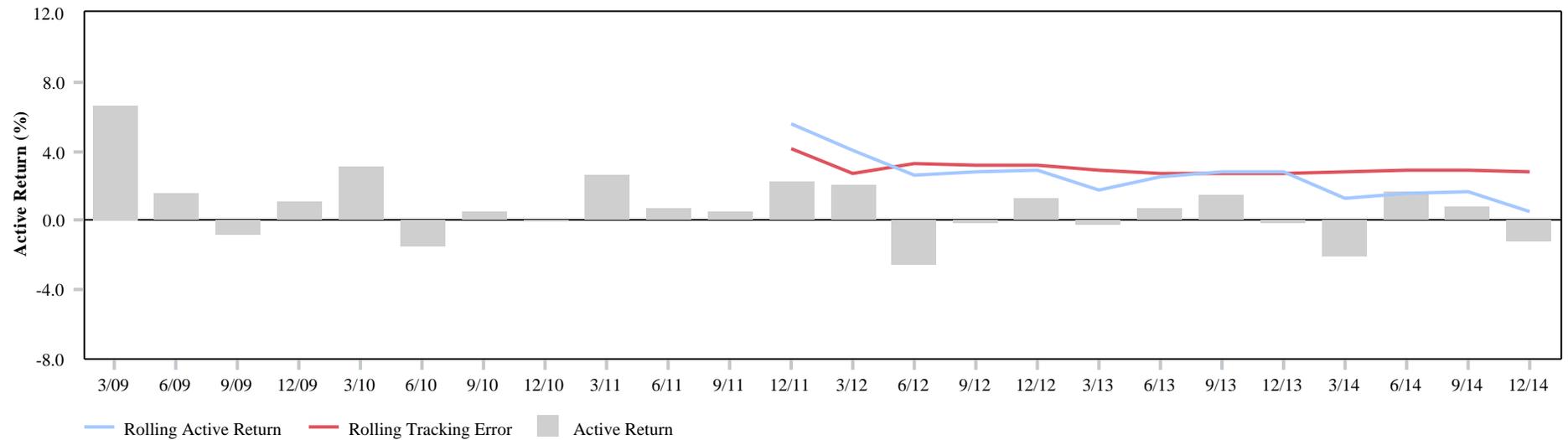


Rolling 3 Year Percentile Ranking vs. IM All Commodities (MF) - 3 Years



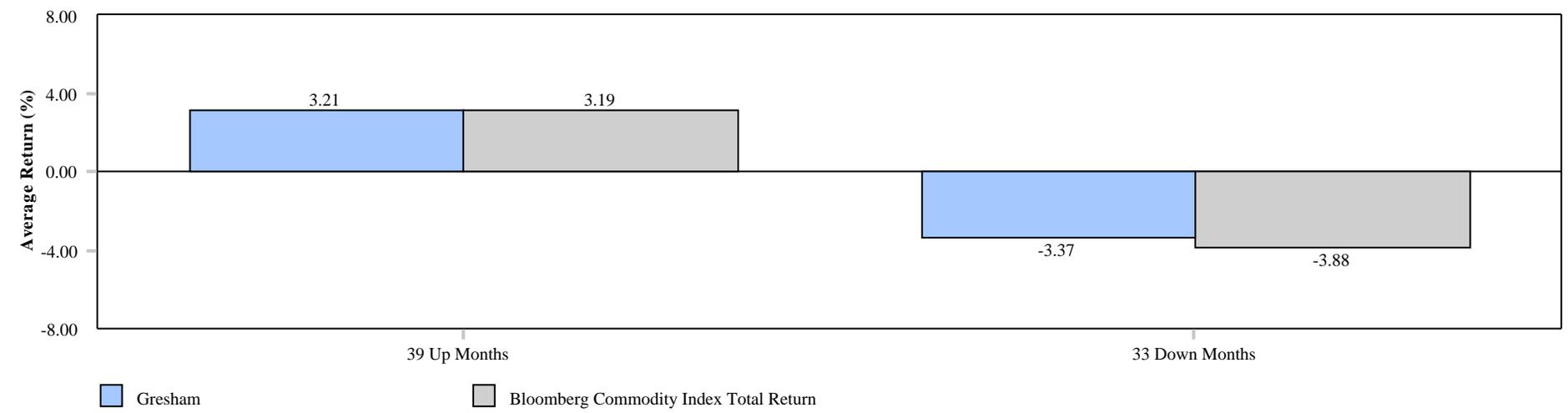
	Total Period	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
Gresham	12	0 (0%)	12 (100%)	0 (0%)	0 (0%)
Bloomberg Commodity Index Total Return	12	0 (0%)	3 (25%)	9 (75%)	0 (0%)

Rolling 3 Years Active Return and Tracking Error vs. Bloomberg Commodity Index Total Return - Since Inception

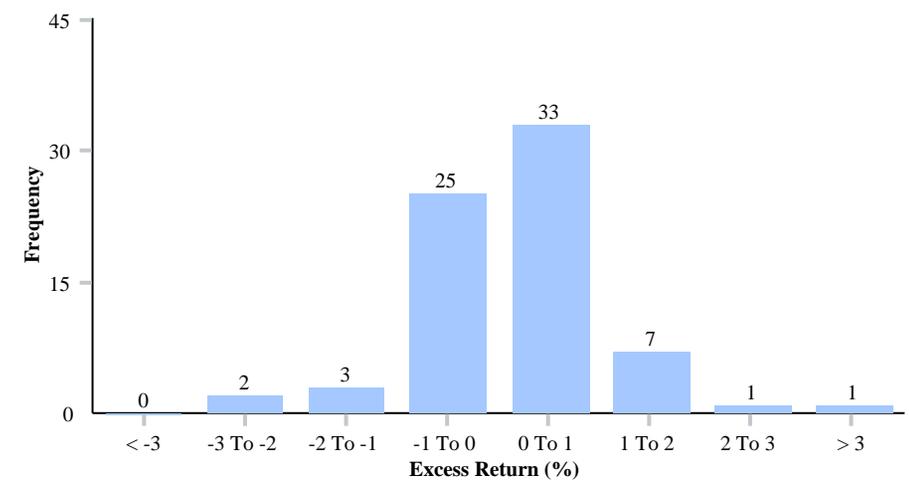


Up/Down Markets vs. Bloomberg Commodity Index Total Return - Since Inception

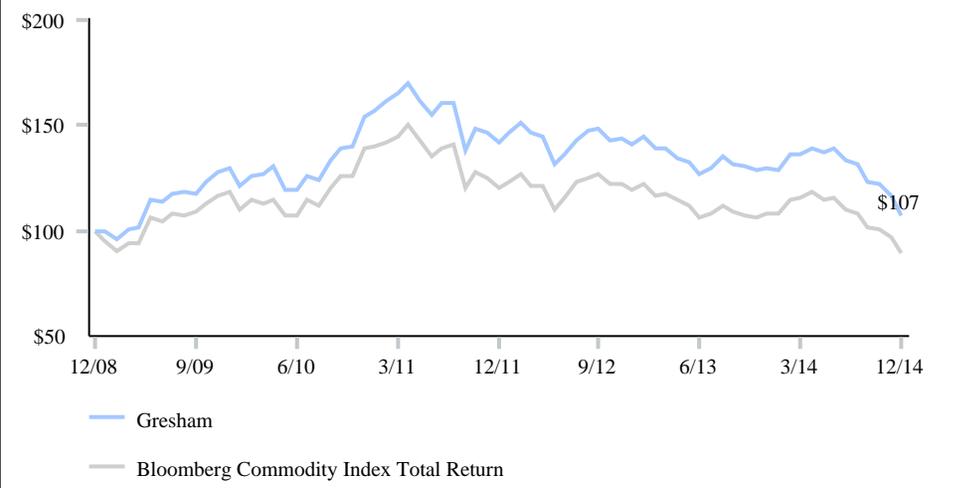
	Full Period Return		Months Benchmark Up(39)				Months Benchmark Down(33)			
	Portfolio	Benchmark	No. Months	Average Ahead	No. Months	Average Behind	No. Months	Average Ahead	No. Months	Average Behind
Gresham	1.15	-1.84	21	0.69	18	-0.75	21	1.05	12	-0.45



Performance Distribution - Since Inception



Growth of \$100 - Since Inception



Manager Profile

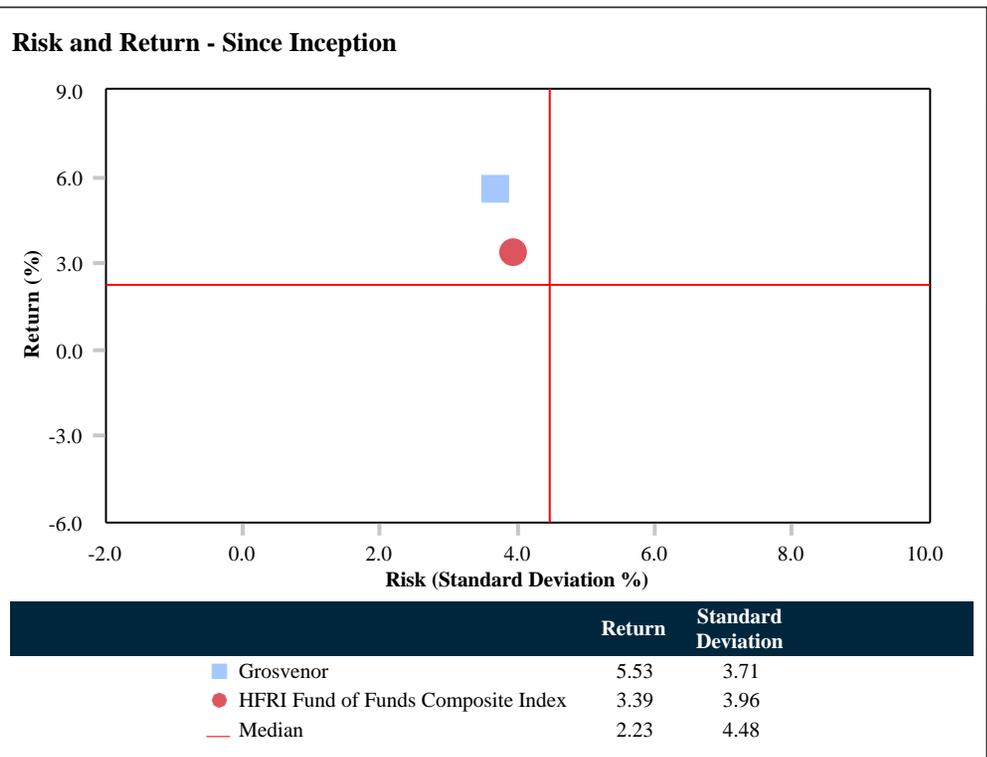
Grosvenor - Multi Strategy Hedge Fund

Gain/Loss Summary

	1 Quarter	Since Inception	Inception Date
Grosvenor			12/01/2009
Beginning Market Value	14,722,945	5,000,000	
Net Contributions	-	6,982,919	
Gain/Loss	70,547	2,810,573	
Ending Market Value	14,793,492	14,793,492	

Segment Allocation

	Market Value (\$)	Allocation (%)
Hedge Fund	14,793,492	100.00



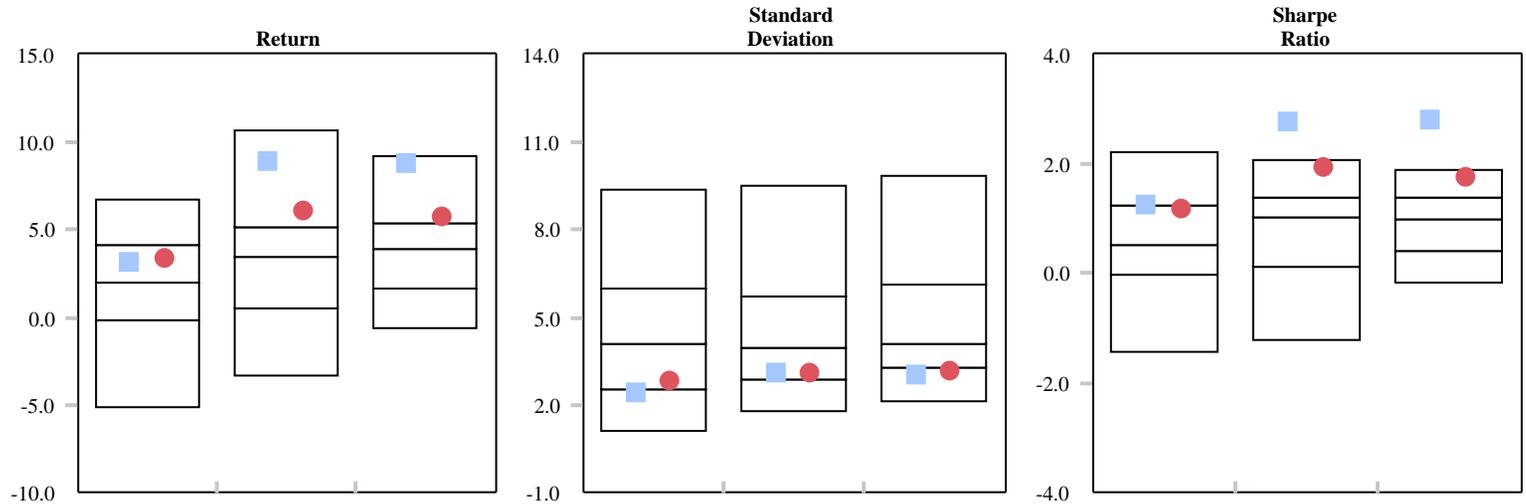
Comparative Performance

	Quarter	One Year	Two Years	Three Years	Four Years	Since Inception	Inception Date
Grosvenor	0.48 (47)	3.08 (36)	8.89 (8)	8.74 (6)	5.42 (4)	5.53 (5)	12/01/2009
HFRI Fund of Funds Composite Index	0.93 (41)	3.34 (35)	6.11 (16)	5.67 (23)	2.70 (41)	3.39 (30)	
IM Absolute Return (MF) Median	0.24	2.04	3.44	3.89	2.04	2.23	
Population	281	256	188	126	86	56	

Calendar Year Performance

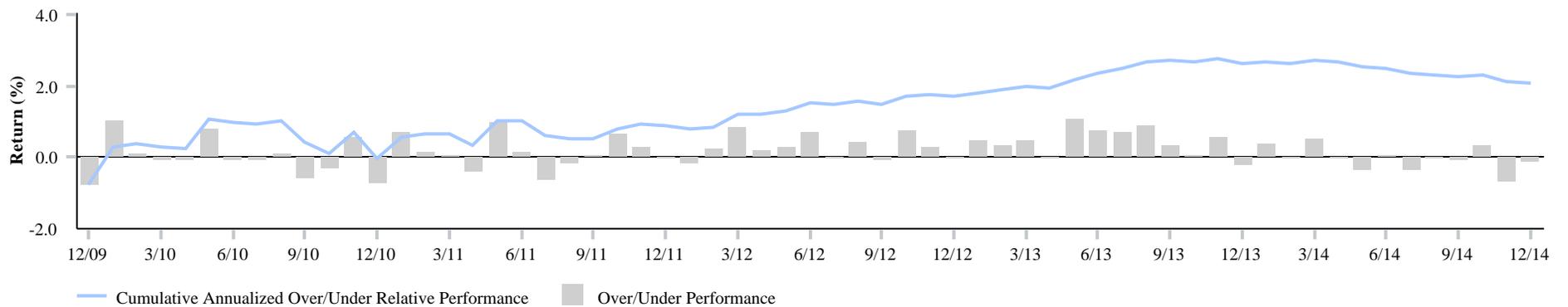
	Year to Date	2013	2012	2011
Grosvenor	3.08 (36)	15.03 (9)	8.42 (11)	-3.94 (64)
HFRI Fund of Funds Composite Index	3.34 (35)	8.96 (19)	4.79 (55)	-5.72 (86)
IM Absolute Return (MF) Median	2.04	4.10	5.14	-2.45
Population	256	200	146	108

Peer Group Analysis - Multi Statistics vs. IM Absolute Return (MF)

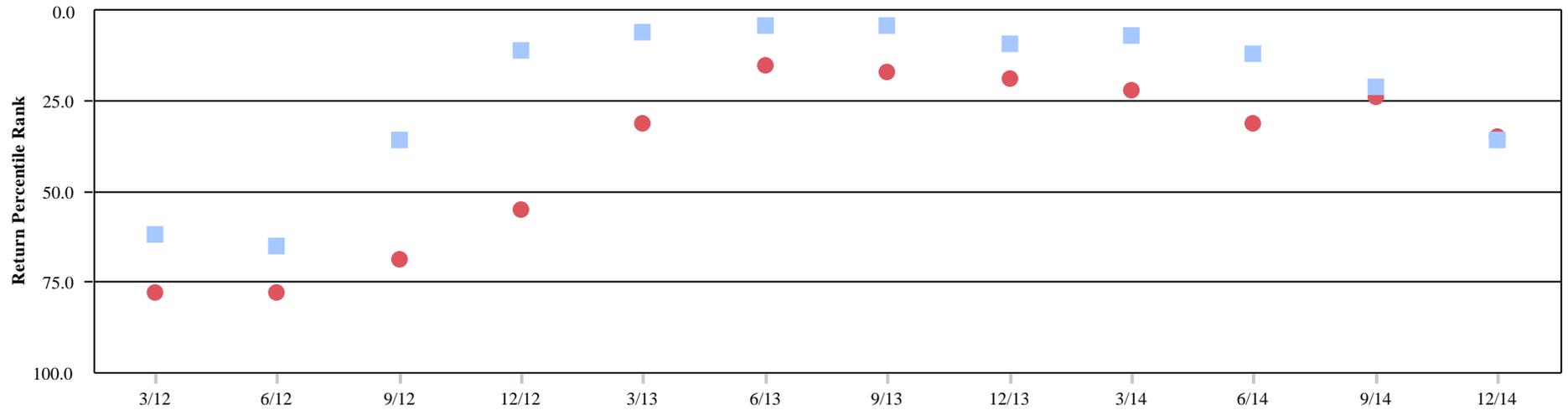


	1 Year	2 Years	3 Years	1 Year	2 Years	3 Years	1 Year	2 Years	3 Years
■ Grosvenor	3.08 (36)	8.89 (8)	8.74 (6)	2.40 (79)	3.07 (66)	2.98 (85)	1.26 (26)	2.78 (1)	2.81 (1)
● HFRI Fund of Funds Composite Index	3.34 (35)	6.11 (16)	5.67 (23)	2.81 (71)	3.09 (65)	3.13 (79)	1.17 (26)	1.92 (6)	1.76 (8)
Median	2.04	3.44	3.89	4.09	3.95	4.06	0.54	1.05	0.98
Population	256	188	126	256	188	126	256	188	126

Relative Performance vs. HFRI Fund of Funds Composite Index

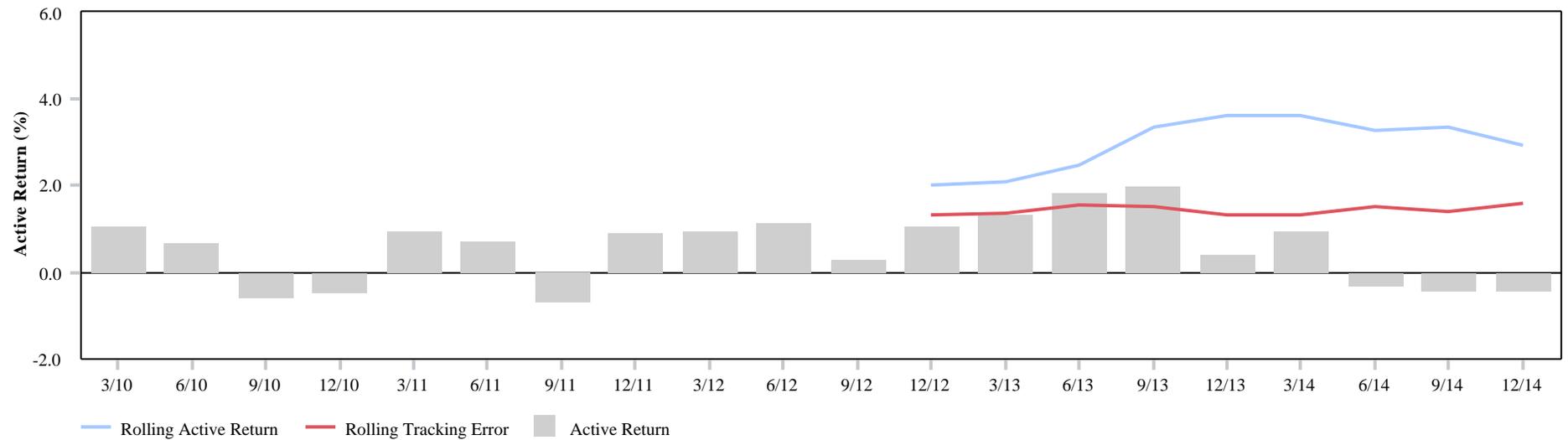


Rolling 1 Year Percentile Ranking vs. IM Absolute Return (MF) - 3 Years



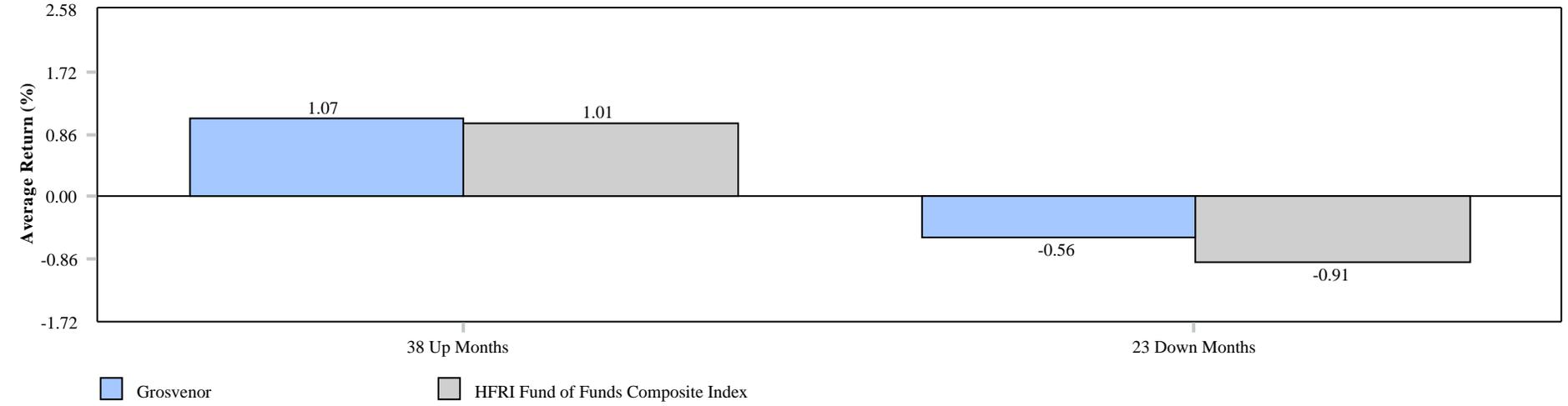
	Total Period	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
■ Grosvenor	12	8 (67%)	2 (17%)	2 (17%)	0 (0%)
● HFRI Fund of Funds Composite Index	12	5 (42%)	3 (25%)	2 (17%)	2 (17%)

Rolling 3 Years Active Return and Tracking Error vs. HFRI Fund of Funds Composite Index - Since Inception

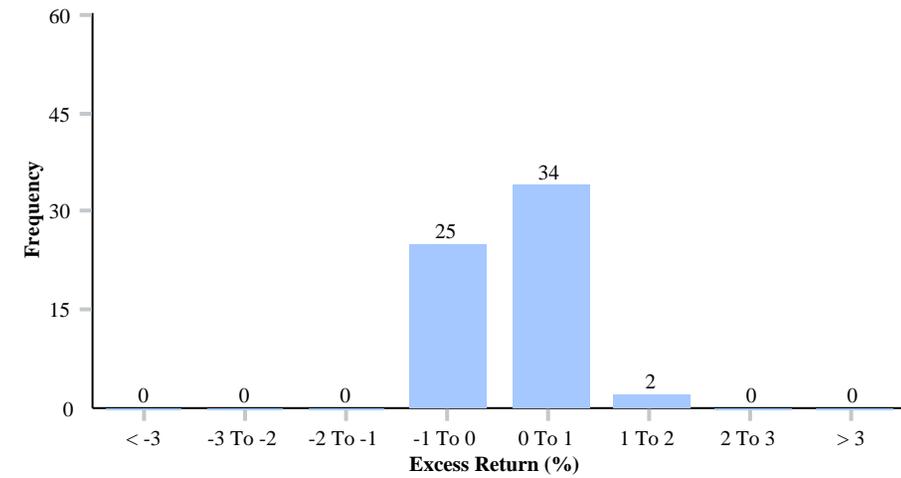


Up/Down Markets vs. HFRI Fund of Funds Composite Index - Since Inception

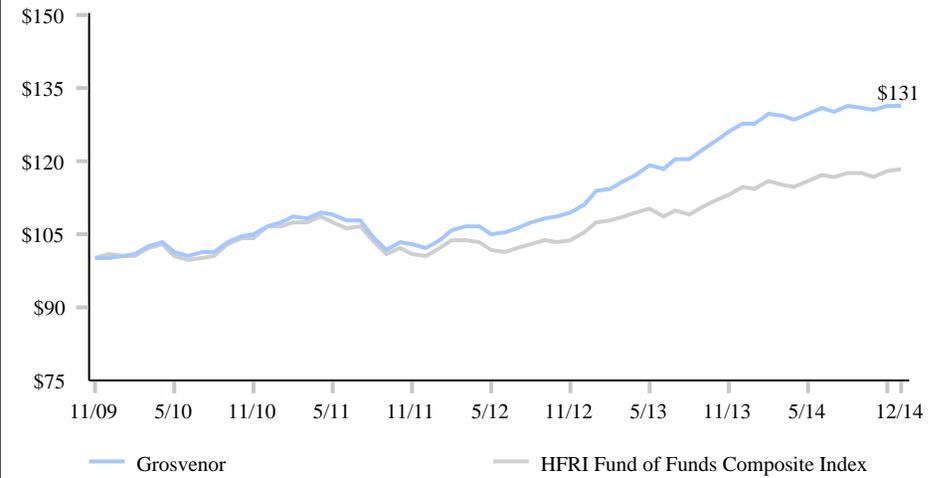
Grosvenor	Full Period Return		Months Benchmark Up(38)				Months Benchmark Down(23)			
	Portfolio	Benchmark	Portfolio Ahead		Portfolio Behind		Portfolio Ahead		Portfolio Behind	
			No. Months	Average Ahead	No. Months	Average Behind	No. Months	Average Ahead	No. Months	Average Behind
	5.53	3.39	19	0.41	19	-0.29	17	0.51	6	-0.11



Performance Distribution - Since Inception



Growth of \$100 - Since Inception



Manager Profile

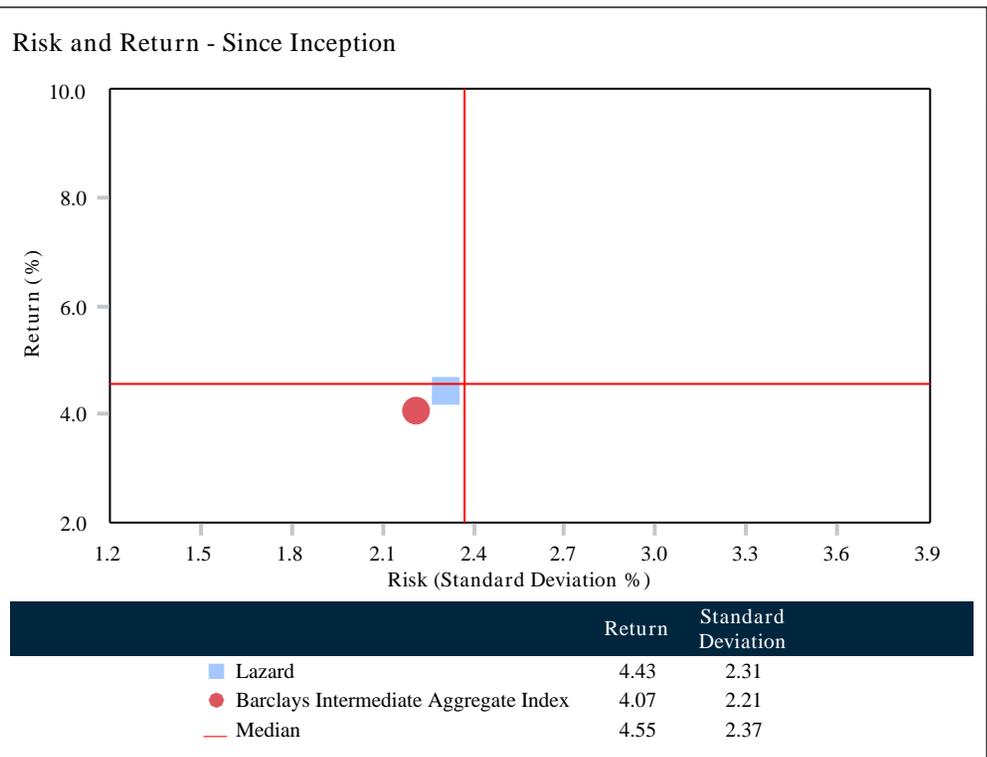
Lazard - Fixed Income

Gain/Loss Summary

	1 Quarter	Since Inception	Inception Date
Lazard			06/01/2009
Beginning Market Value	20,936,542	48,317,836	
Net Contributions	(500,000)	(35,493,425)	
Gain/Loss	157,666	7,769,797	
Ending Market Value	20,594,207	20,594,207	

Segment Allocation

	Market Value (\$)	Allocation (%)
Domestic Fixed Income	20,145,674	97.82
Cash Equivalent	448,534	2.18



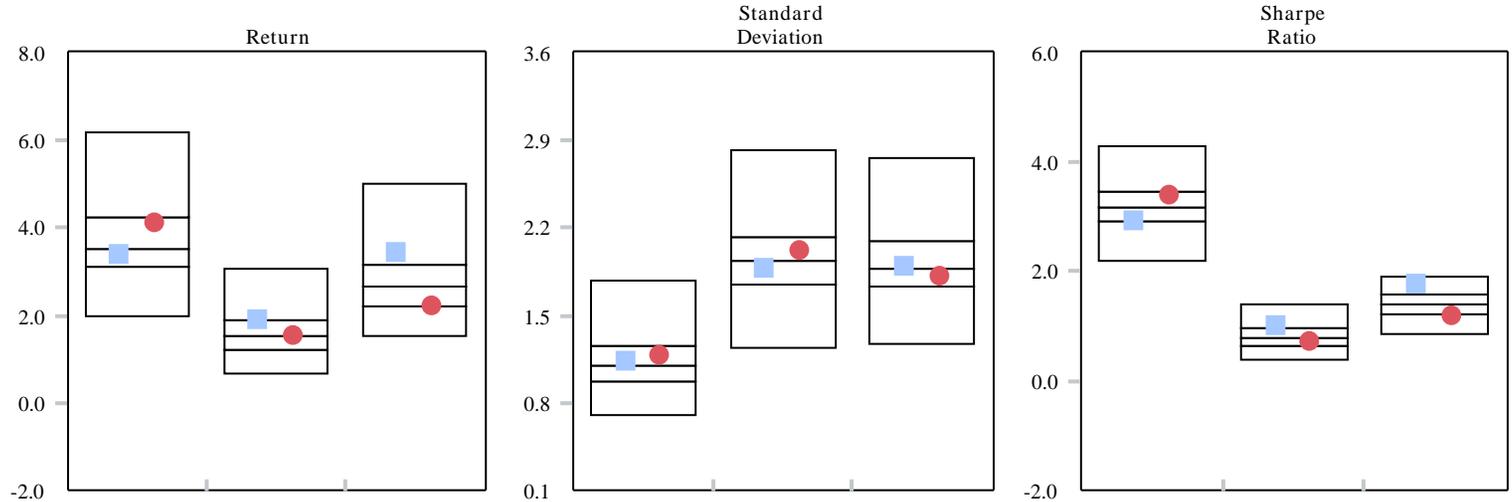
Comparative Performance

	Quarter	One Year	Two Years	Three Years	Five Years	Since Inception	Inception Date
Lazard	0.74 (76)	3.39 (60)	1.90 (25)	3.41 (19)	4.36 (29)	4.43 (55)	06/01/2009
Barclays Intermediate Aggregate Index	1.20 (16)	4.12 (28)	1.51 (53)	2.19 (76)	3.72 (70)	4.07 (75)	
IM U.S. Intermediate Duration (SA+CF) Median	0.90	3.52	1.53	2.65	3.97	4.55	
Population	150	150	146	145	140	135	

Calendar Year Performance

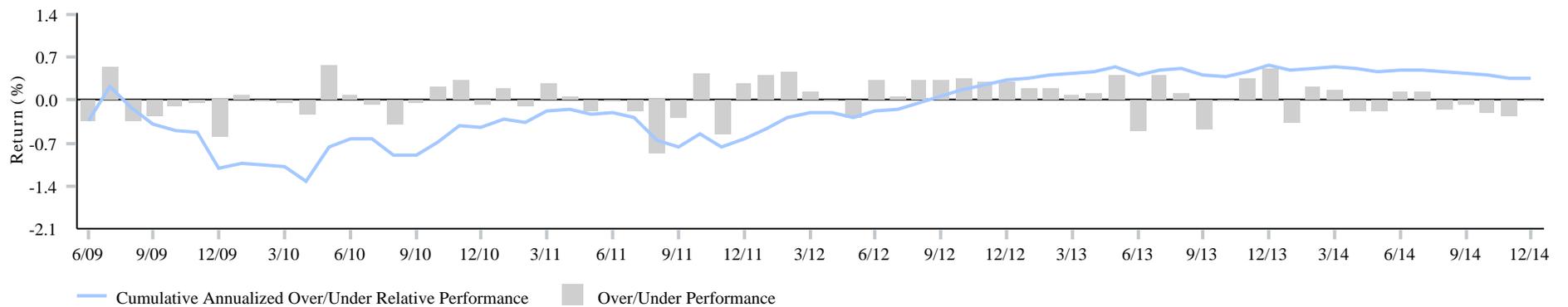
	Year to Date	2013	2012	2011	2010
Lazard	3.39 (60)	0.44 (14)	6.49 (18)	5.00 (76)	6.60 (41)
Barclays Intermediate Aggregate Index	4.12 (28)	-1.02 (81)	3.56 (87)	5.97 (44)	6.15 (65)
IM U.S. Intermediate Duration (SA+CF) Median	3.52	-0.50	4.92	5.84	6.42
Population	150	169	175	178	181

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

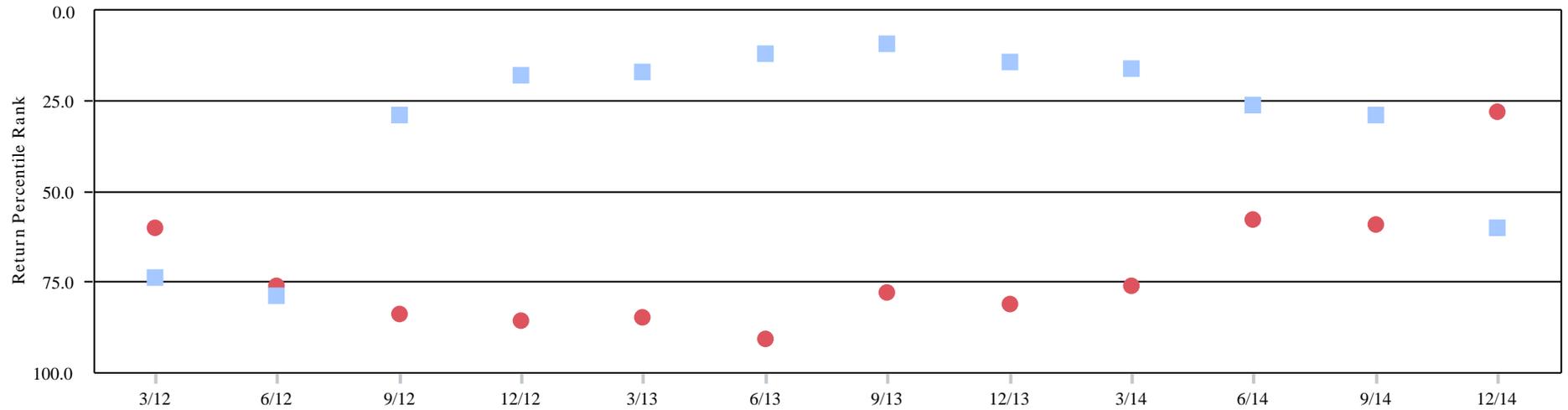


	1 Year	2 Years	3 Years	1 Year	2 Years	3 Years	1 Year	2 Years	3 Years
■ Lazard	3.39 (60)	1.90 (25)	3.41 (19)	1.13 (47)	1.87 (58)	1.89 (48)	2.93 (74)	0.99 (24)	1.76 (11)
● Barclays Intermediate Aggregate Index	4.12 (28)	1.51 (53)	2.19 (76)	1.18 (38)	2.02 (36)	1.81 (62)	3.39 (33)	0.73 (60)	1.18 (78)
Median	3.52	1.53	2.65	1.10	1.94	1.88	3.19	0.77	1.39
Population	150	146	145	150	146	145	150	146	145

Relative Performance vs. Barclays Intermediate Aggregate Index

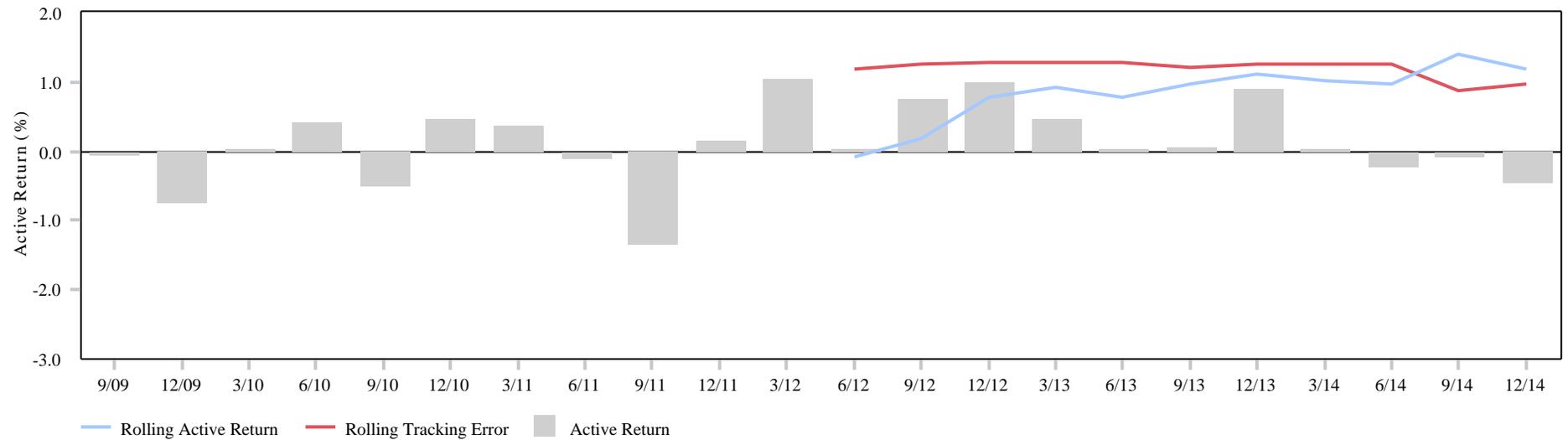


Rolling 1 Year Percentile Ranking vs. IM U.S. Intermediate Duration (SA+CF) - 3 Years



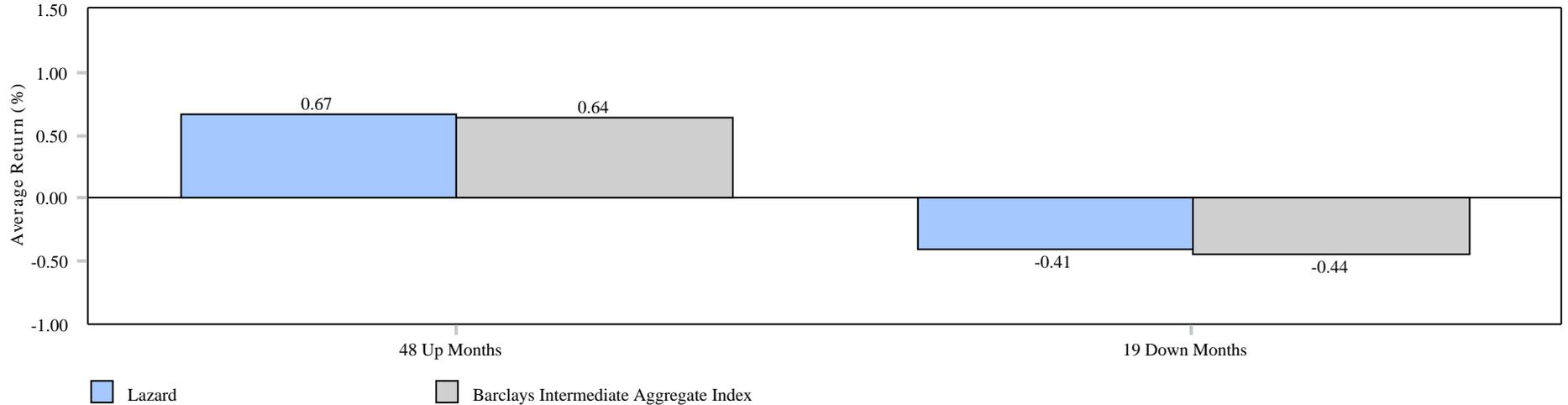
	Total Period	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
■ Lazard	12	6 (50%)	3 (25%)	2 (17%)	1 (8%)
● Barclays Intermediate Aggregate Index	12	0 (0%)	1 (8%)	3 (25%)	8 (67%)

Rolling 3 Years Active Return and Tracking Error vs. Barclays Intermediate Aggregate Index - Since Inception

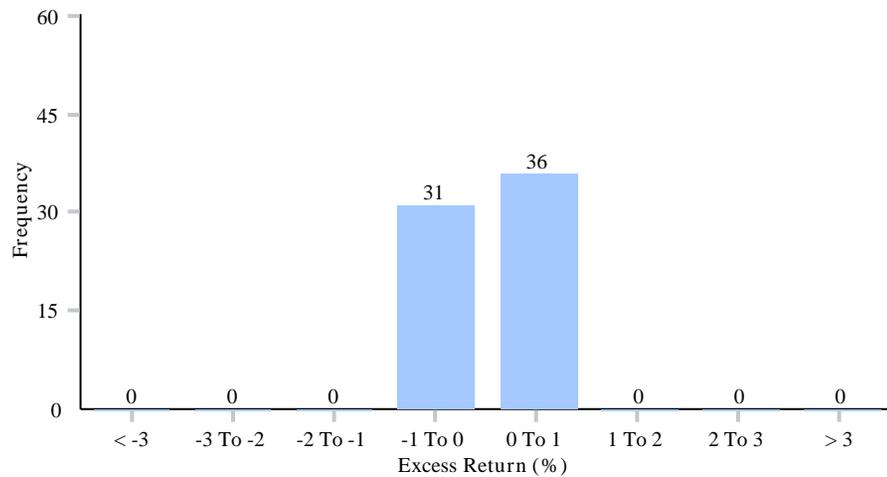


Up/Down Markets vs. Barclays Intermediate Aggregate Index - Since Inception

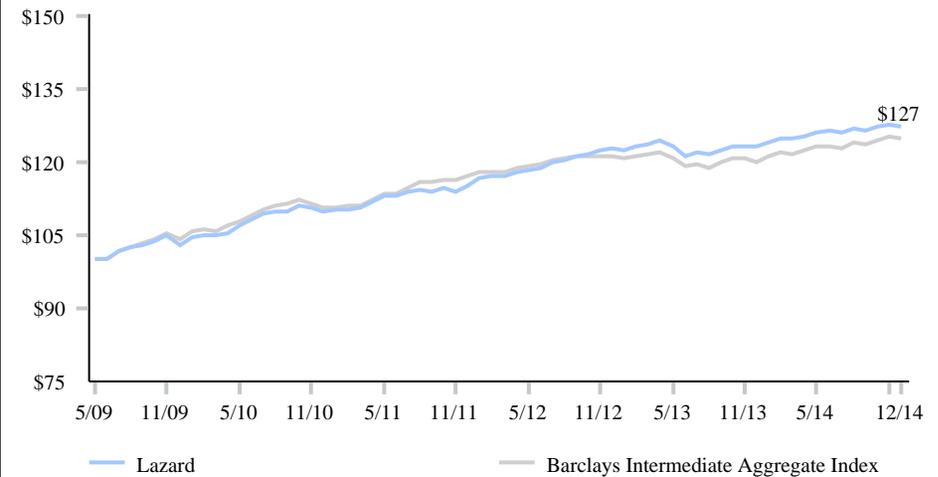
	Full Period Return		Months Benchmark Up(48)				Months Benchmark Down(19)			
	Portfolio	Benchmark	Portfolio Ahead		Portfolio Behind		Portfolio Ahead		Portfolio Behind	
			No. Months	Average Ahead	No. Months	Average Behind	No. Months	Average Ahead	No. Months	Average Behind
Lazard	4.43	4.07	25	0.26	23	-0.23	11	0.24	8	-0.26



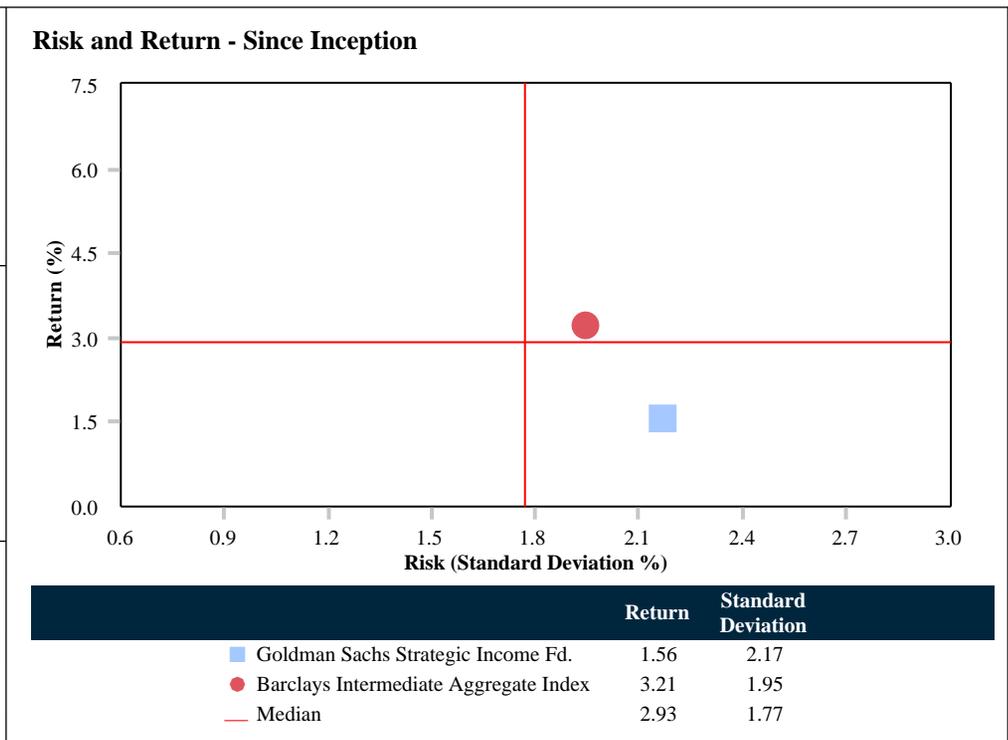
Performance Distribution - Since Inception



Growth of \$100 - Since Inception



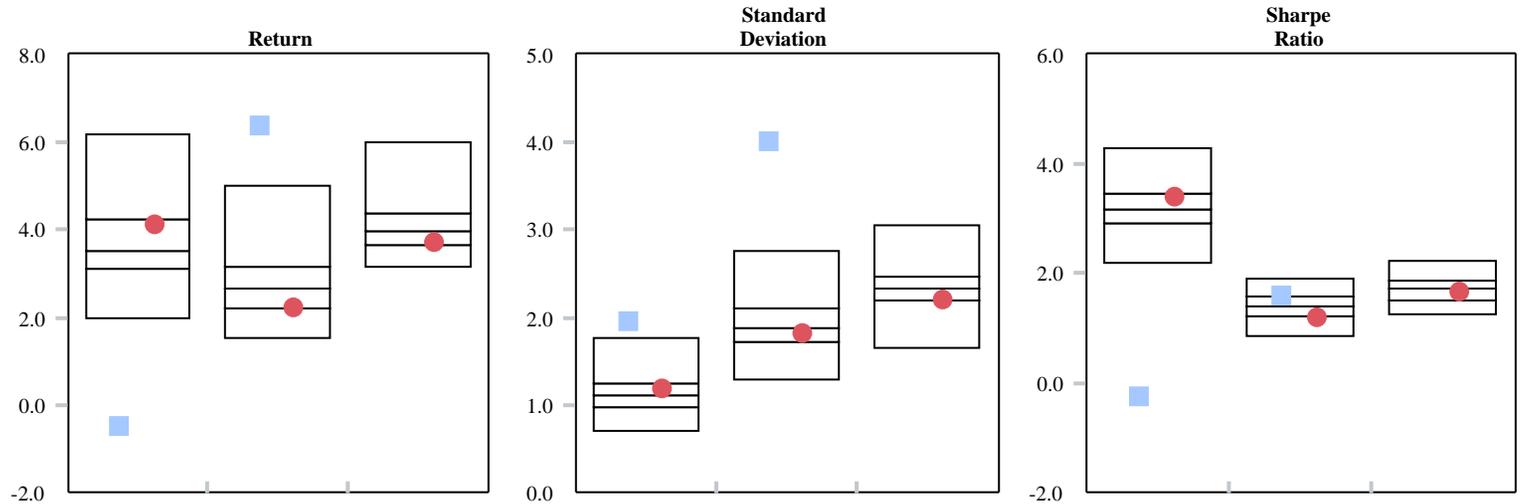
Manager Profile			
Goldman Sachs - Fixed Income			
Gain/Loss Summary			
	One Quarter	Since Inception	Inception Date
Goldman Sachs Strategic Income Fd.			08/01/2013
Beginning Market Value	9,611,445	7,500,000	
Net Contributions	-	1,800,000	
Gain/Loss	(163,418)	148,027	
Ending Market Value	9,448,027	9,448,027	
Segment Allocation			
	Market Value (\$)	Allocation (%)	
Domestic Fixed Income	9,448,027	100.00	



Comparative Performance									
	One Quarter	Year To Date	One Year	Three Years	Five Years	Seven Years	Ten Years	Since Inception	Inception Date
Goldman Sachs Strategic Income Fd.	-1.70 (100)	-0.50 (100)	-0.50 (100)	N/A	N/A	N/A	N/A	1.56 (98)	08/01/2013
Goldman Sachs - History	-1.70 (100)	-0.50 (100)	-0.50 (100)	6.39 (1)	N/A	N/A	N/A	1.56 (98)	
Barclays Intermediate Aggregate Index	1.20 (16)	4.12 (28)	4.12 (28)	2.19 (76)	3.72 (70)	4.27 (78)	4.34 (80)	3.21 (37)	
IM U.S. Intermediate Duration (SA+CF) Median	0.90	3.52	3.52	2.65	3.97	4.67	4.60	2.93	
Population	150	150	150	145	140	134	130	146	

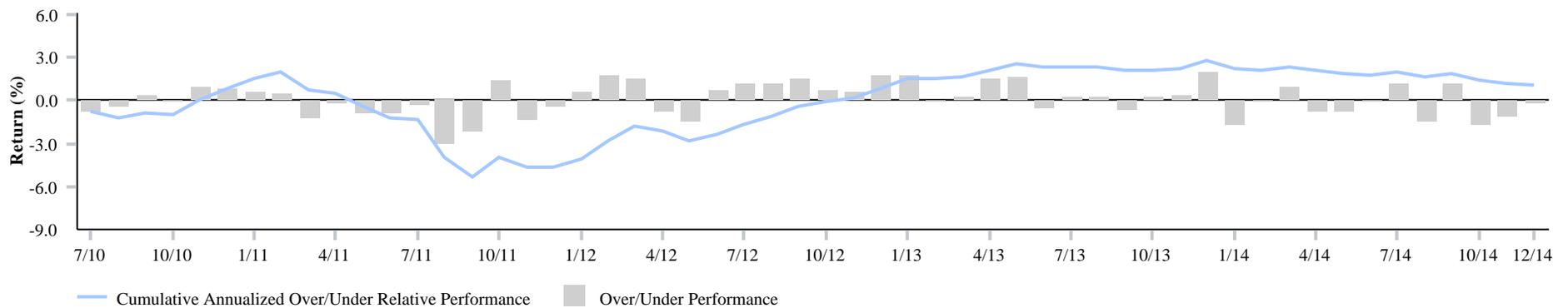
Calendar Year Performance										
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Goldman Sachs Strategic Income Fd.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Goldman Sachs - History	6.43 (1)	13.72 (1)	-2.16 (100)	N/A						
Barclays Intermediate Aggregate Index	-1.02 (81)	3.56 (87)	5.97 (44)	6.15 (65)	6.46 (65)	4.86 (48)	7.02 (56)	4.57 (45)	2.01 (58)	3.75 (27)
IM U.S. Intermediate Duration (SA+CF) Median	-0.50	4.92	5.84	6.42	7.85	4.49	7.21	4.49	2.10	3.35
Population	169	175	178	181	190	199	209	219	221	227

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

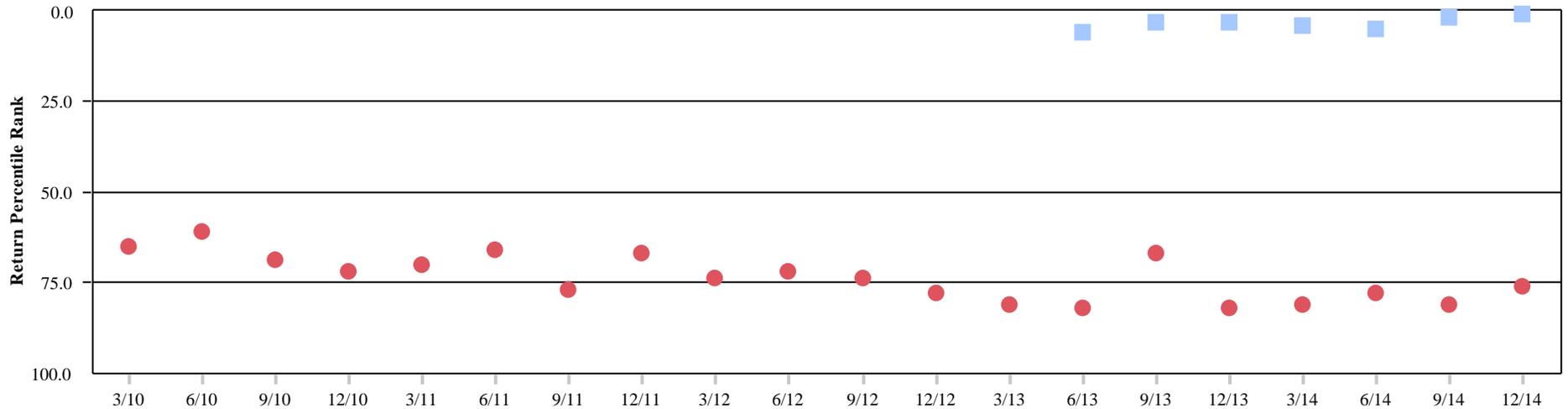


	One Year	Three Years	Five Years	One Year	Three Years	Five Years	One Year	Three Years	Five Years
■ Goldman Sachs - History	-0.50 (100)	6.39 (1)	N/A	1.95 (4)	4.00 (2)	N/A	-0.27 (100)	1.57 (27)	N/A
● Barclays Intermediate Aggregate Index	4.12 (28)	2.19 (76)	3.72 (70)	1.18 (38)	1.81 (62)	2.19 (76)	3.39 (33)	1.18 (78)	1.65 (61)
Median	3.52	2.65	3.97	1.10	1.88	2.33	3.19	1.39	1.73
Population	150	145	140	150	145	140	150	145	140

Relative Performance vs. Barclays Intermediate Aggregate Index

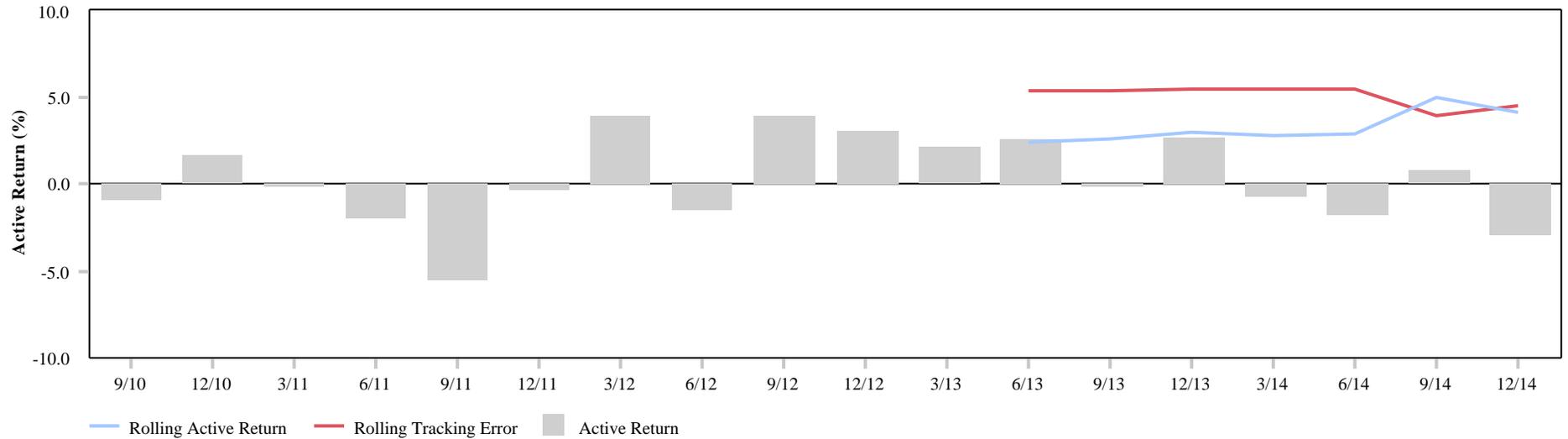


Rolling 3 Year Percentile Ranking vs. IM U.S. Intermediate Duration (SA+CF) - 5 Years

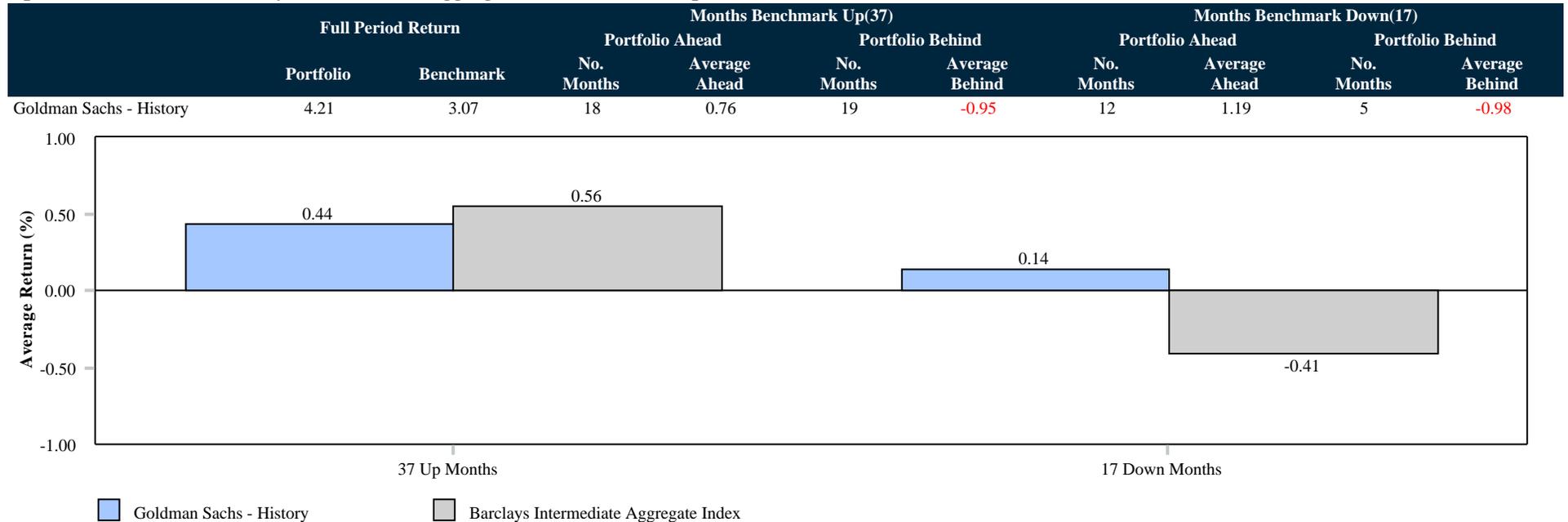


	Total Period	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
■ Goldman Sachs - History	7	7 (100%)	0 (0%)	0 (0%)	0 (0%)
● Barclays Intermediate Aggregate Index	20	0 (0%)	0 (0%)	11 (55%)	9 (45%)

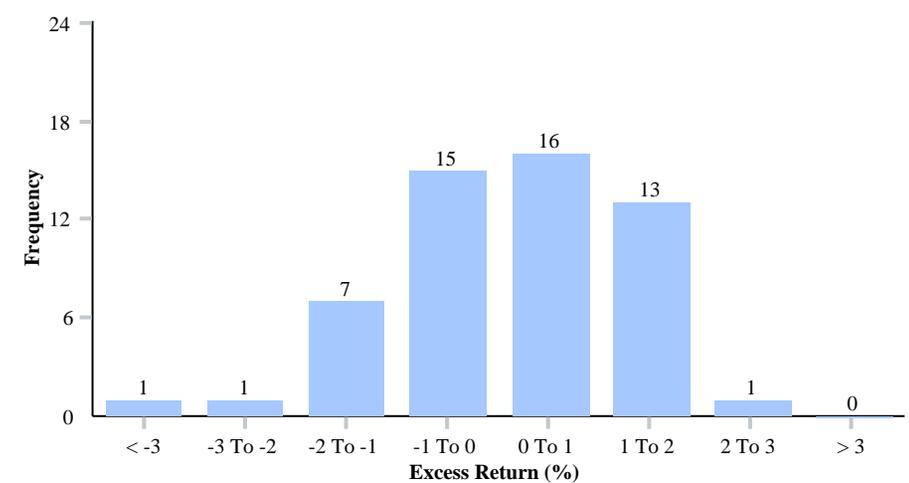
Rolling 3 Year Active Return and Tracking Error vs. Barclays Intermediate Aggregate Index - Since Inception



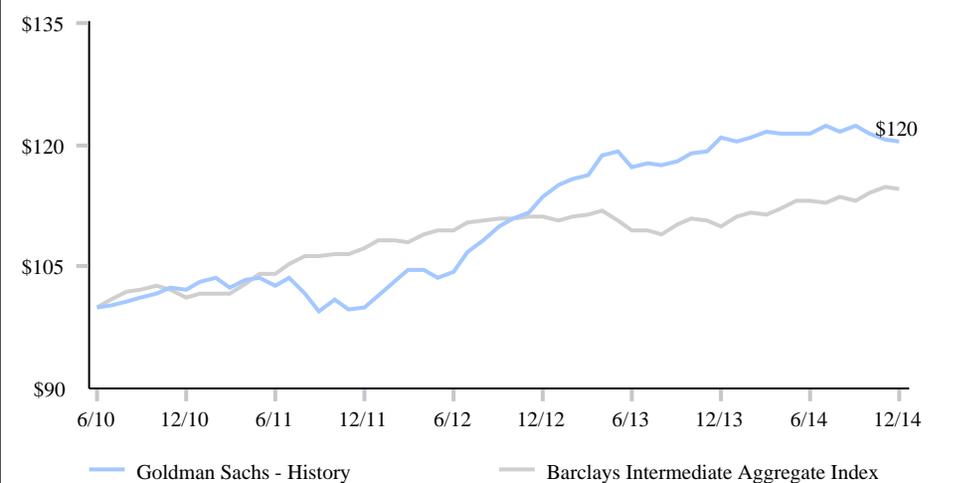
Up/Down Markets vs. Barclays Intermediate Aggregate Index - Since Inception



Performance Distribution - Since Inception

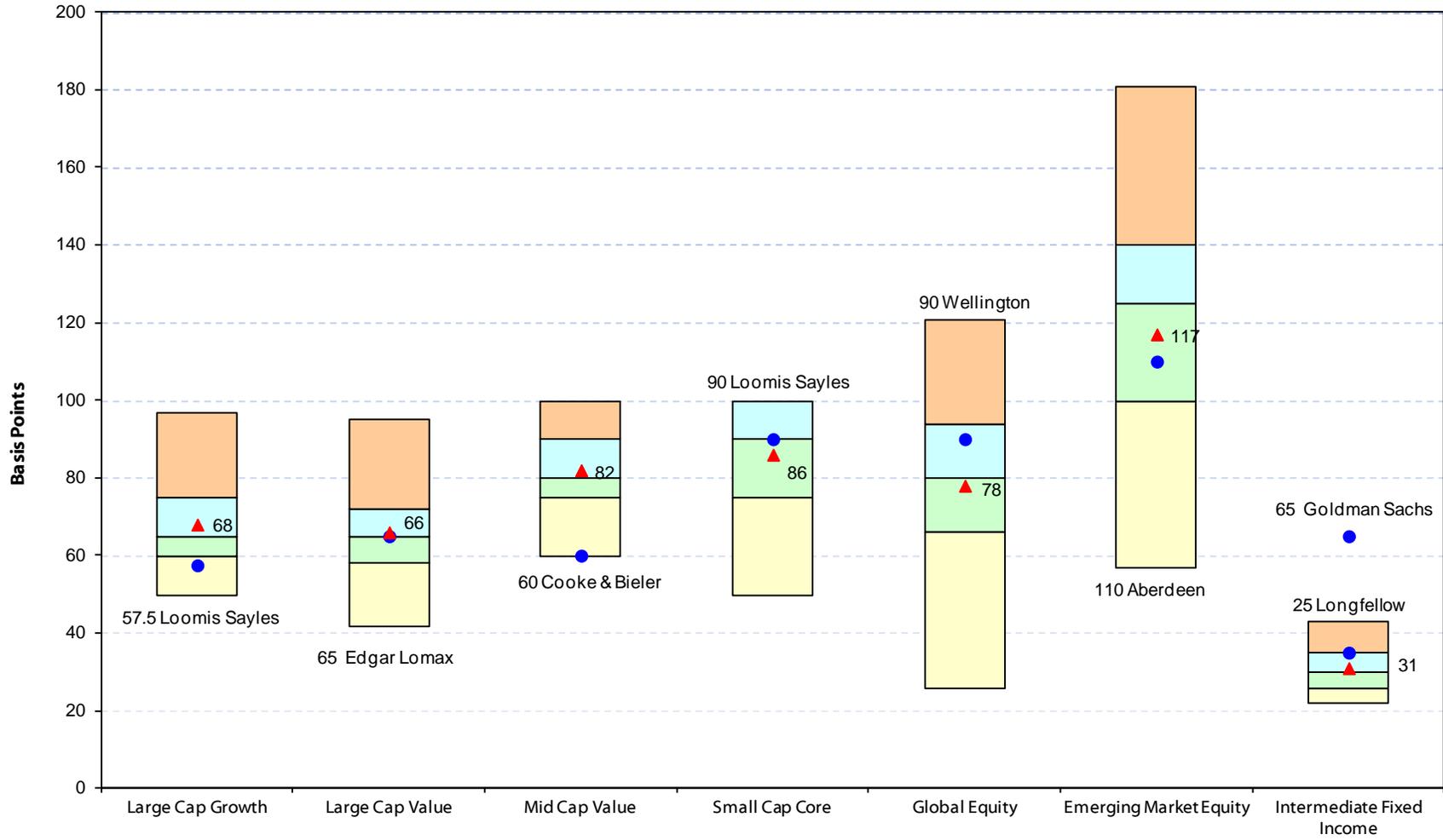


Growth of \$100 - Since Inception



Appendix

**City of Annapolis Pension Plan
Fee Analysis As of December 31, 2014**



Data Sources: eVestment Alliance and Morningstar



Asset Class	Style	Target
Equity	U.S.	27.0%
	Global	12.0%
	Emerging Markets	4.0%
	Total	43.0%
Alternatives	Marketable Alts	11.0%
	Private Real Estate	6.0%
	Commodities	3.0%
	Private Equity	6.0%
	Total	26.0%
Fixed Income	Int Blended IG	29.0%
	Cash	2.0%
	Total	31.0%
Total Portfolio		100.0%

Assumptions	
Return (Geo)	St Dev
7.3%	16.7%
7.5%	17.3%
9.5%	23.0%
6.0%	8.5%
6.0%	11.0%
3.5%	17.9%
9.7%	27.5%
2.2%	5.0%
1.0%	0.6%

	Current
Return (Arith)	6.7%
Return (Geo)	6.2%
Risk	9.9%
Ret (Arith)/Risk	0.67

Wealth Distribution (10 years)

Confidence	Current
5.0%	11.3%
25.0%	8.4%
50.0%	6.2%
75.0%	4.1%
95.0%	1.2%



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Alternative investments sometimes lack liquidity, lack diversification, are not subject to the same regulatory requirements as other traditional investments, may involve complex tax structures and delays in distributing important tax information, and may involve substantial fees. Alternatives may involve leverage, short selling and/or derivatives. These products often execute trades on non-U.S. exchanges. Investing in foreign markets may entail risks that differ from those associated with investments in U.S. markets. These investments may not be appropriate for all investors.

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Unless otherwise noted, the data sources are: Standard & Poor’s, Russell, MSCI Barra, Barclays, Dow Jones, Bloomberg, HFRI, and Investment Metrics