

**THE CITY OF MOBILE, ALABAMA  
POLICE AND FIREFIGHTERS RETIREMENT PLAN**

**PERFORMANCE REPORT  
PERIOD ENDING  
MARCH 31, 2016**

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# **CAPITAL MARKET REVIEW**

**First Quarter 2016**

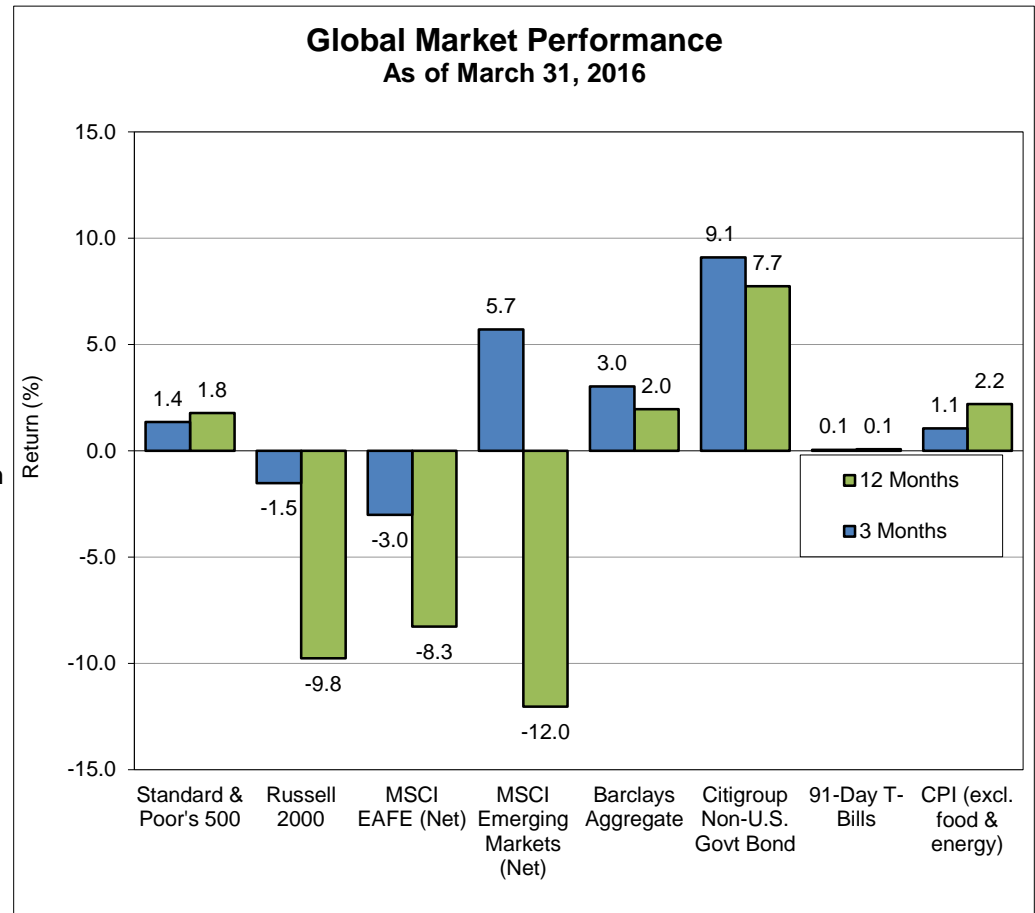
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# CAPITAL MARKET REVIEW

**Headline News:** It was an eventful quarter in headline news as the Federal Reserve put rate hikes on pause, the European Central Bank (ECB) pushed short term rates further into negative territory and pledged to expand their bond purchasing program, the Bank of Japan (BOJ) symbolically pushed their short term rates into negative territory, China took several actions to stem their declining economic growth rate, OPEC looked to open discussions regarding a potential freeze in oil production, and Brazil appeared to be on the verge of impeaching its president. Global equities bore witness to a volatile quarter amidst this global macroeconomic backdrop as equity markets stemmed precipitous declines in the beginning of the quarter with a mid quarter rally that saw U.S. equity markets barely move back into the black while international equities managed to recover enough to hold onto only single digit losses.

Domestic equities outperformed international equities in the quarter with the S&P 500 returning 1.4% and the MSCI EAFE returning -3.0% while the MSCI Emerging Markets stood out with a return of 6% on the back of a rebound in commodities and the pause in short term rate hikes by the Federal Reserve. In the quarter, U.S. equity markets favored mid and large capitalization stocks as well as value over growth. The outperformance of value was a reversal of recent trends driven by the positive performance of the Energy sector as well as the defensive sectors of Telecom, Utilities and Consumer Staples, which tend to hold up better than other sectors in volatile times.

Fixed income led the way across the globe. The domestic investment grade bond return was positive as the Barclays U.S. Aggregate returned 3.0% while sovereign bonds generated an impressive return as the Citi Non-U.S. Govt. Bond returned 9.1%. With rate hikes on pause in the U.S. it appeared investors were given the green light in their global search for yield in addition to the commonly accepted safe haven status of bonds. However, global yields remain at historic lows in the developed world with the majority of countries sovereign 10 year bond yields residing below 2%.



Source: Wilshire 3/31/2016

Indices are not investments, are not managed, and do not incur fees or expenses. It is not possible to invest in an index. The inclusion of these indices is for informational purposes only and should not be used as the basis for making an investment decision.

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# U.S. EQUITY MARKET

Total Returns (%) - Periods Ending March 31, 2016				
	3 Months	1 Year	3 Years	5 Years
Standard & Poor's 500	1.35	1.78	11.82	11.58
Russell 1000	1.17	0.50	11.52	11.35
Russell 1000 Growth	0.74	2.52	13.61	12.38
Russell 1000 Value	1.64	(1.54)	9.38	10.25
Russell Midcap	2.24	(4.04)	10.45	10.30
Russell 2000	(1.52)	(9.76)	6.84	7.20
Russell 2000 Growth	(4.68)	(11.84)	7.91	7.70
Russell 2000 Value	1.70	(7.72)	5.73	6.67
S&P 500 Sector Performance				
	3 Months	1 Year	3 Years	5 Years
Energy	4.02	(15.54)	(4.94)	(2.36)
Materials	3.61	(6.00)	6.75	4.82
Industrials	4.99	3.21	12.62	10.76
Con. Discretionary	1.60	6.75	16.11	17.13
Con. Staples	5.57	11.43	12.84	15.18
Health Care	(5.50)	(5.18)	15.64	17.64
Financials	(5.06)	(4.55)	9.45	8.66
Info Technology	2.60	8.06	17.03	13.76
Telecommunications	16.61	18.74	8.14	10.66
Utilities	15.56	15.96	12.42	13.68

Sources: Wilshire 3/31/2016

Returns are annualized for periods greater than one year.

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**V for Volatility:** The first quarter was a tale of two halves as equity markets experienced an inauspicious beginning to the quarter only to be followed by a relatively strong rebound starting around mid-February. The S&P 500 was down just under 12% through February 11th but, in a V-shaped fashion, recovered lost ground returning 12.6% through the end of the quarter. The recovery was just enough to put the index in the black for the quarter. Recession fears, heightened by tepid global economic growth and the continuous energy and commodity price declines, facilitated the market sell-off in the first half of the quarter. A recovery in oil prices, on the back of statements from OPEC regarding freezing production, as well as continued central bank interventions were cited as reasons for the rebound in the second half of the quarter.

Large Cap equities led Small Cap equities in the quarter but it was Mid Cap equities that were the best performers. In a reversal of the recent trend it was Value style indices outperforming Growth style indices behind the outperformance of Telecom, Utilities, and Consumer Staples, which are commonly referred to as defensive sectors. Market volatility lent to the outperformance of the defensive sectors as investors flocked to dividend yielding investments. The Energy sector, despite being down almost 30% at one point in the quarter, managed to generate a respectable 4% return as oil rose from prices below \$30. The worst performing sectors were Health Care and Financials; both sectors were down over 5%. Health Care was negatively impacted by the performance of biotech stocks while concerns regarding the impacts to bank revenues of a low rate environment and loan defaults negatively impacted Financials.

With volatility continuing into the new year higher quality stocks, not surprisingly, continued their outperformance over lower quality across market capitalizations and investment styles. The relative outperformance of high quality was most pronounced among smaller cap growth stocks as higher quality outpaced lower quality by 800 basis points.

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# U.S. FIXED INCOME MARKET

**Hitting Pause:** After increasing the Federal Funds Rate for the first time in 9 years last December the Federal Reserve refrained from raising the rate again in its March meeting. Fed Chair Janet Yellen cited concerns over the global risks to the economic outlook for the pause in rate increases. Consensus estimates had the Fed increasing the rate at least 4 times in 2016 but those estimates have been reduced to 1 to 2 increases in light of the volatile beginning to the year on global growth concerns. The Fed continues to emphasize that the normalization of rates will be gradual and is "data dependent".

The treasury yield curve flattened in the quarter as yields decreased to a greater extent at the long end of the curve. Yields were down around 50 basis points at the longer end of the curve but were down around 30 basis points at the shorter end. At quarter-end, 2-Year Treasury Notes declined 33 basis points relative to the previous quarter to yield 0.73%, 10-Year Treasury Bonds yielded 1.78% (down 49 basis points since year-end 2015 and down 16 basis points from 1Q15), and 30-Year Treasury Bonds yielded 2.61% (down 40 basis points).

The decline in treasury yields was accompanied by positive returns across the fixed income sectors in the quarter. In such a volatile quarter for equity markets the bond market rallied with the Barclays Long Government Index exhibiting the best performance within the broad U.S. fixed income segments generating a return of 8.1%. Returns in investment grade credit were up 3.9% as credit spreads tightened in the lower quality segment. The high yield sector rebounded from the previous quarter with a return of 3.4%. Spreads tightened among the lower quality high yield segments as well facilitated by a recovery in energy prices.

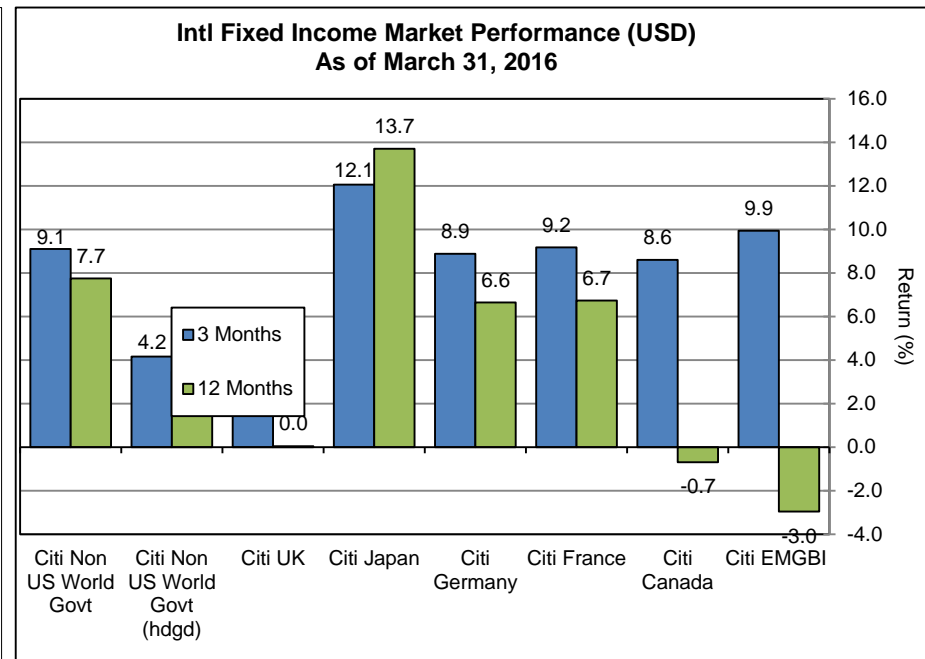
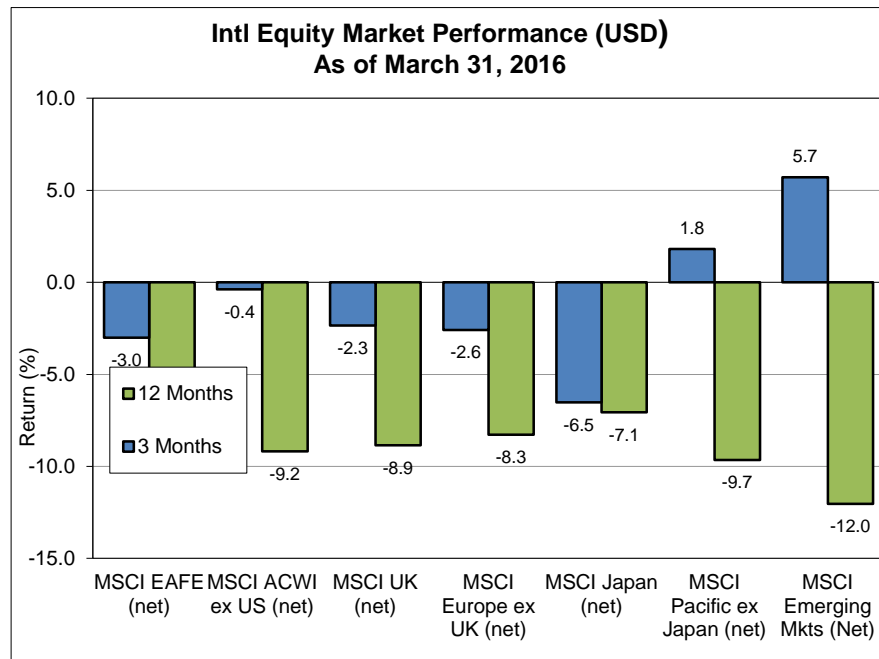
Total Returns (%) - Periods Ending March 31, 2016				
	3 Months	1 Year	3 Years	5 Years
Barclays 1-3 Yr. Govt	0.89	0.93	0.79	0.90
Barclays Intm G/C	2.45	2.06	1.83	3.01
Barclays Aggregate	3.03	1.96	2.50	3.78
Barclays G/C	3.47	1.75	2.42	4.04
Barclays Long Govt	8.06	2.80	6.04	9.52
Barclays Govt	3.12	2.37	2.11	3.42
Barclays Credit	3.92	0.94	2.86	5.00
Barclays Mortgage	1.98	2.43	2.70	3.24
Barclays High Yield	3.35	(3.69)	1.84	4.93
Barclays U.S TIPS	4.46	1.51	(0.71)	3.02
Returns are annualized for periods greater than one year.				
Credit Spreads (in basis points)				
	Dec-15	Mar-16	Change	10-Yr Avg.
Aaa	76	82	6	95
Aa	91	90	(1)	126
A	124	125	1	169
Baa	231	223	(8)	235
Ba	444	444	0	451
B	697	659	(38)	610
Caa	1467	1399	(68)	967
<hr/>				
10 Year Treasury	2.10%	1.78%	-0.32%	---

Source: Barclays Capital 3/31/2016

Returns are annualized for periods greater than one year. Spreads based on yield-to-worst. Indices are not investments, are not managed, and do not incur fees or expenses. It is not possible to invest in an index. The inclusion of these indices is for informational purposes only and should not be used as the basis for making an investment decision.

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# INTERNATIONAL MARKET



Indices are not investments, are not managed, and do not incur fees or expenses. It is not possible to invest in an index. The inclusion of these indices is for informational purposes only and should not be used as the basis for making an investment decision.

Source: MSCI, Citigroup 3/31/2016

**Equities to the Back:** International equity markets took a back seat to fixed income in the quarter as equities sold off on continued concerns surrounding global economic growth. In conjunction with the decline of the U.S. dollar against most major currencies global bonds rose behind their safe haven status. Emerging Market equities stood out as commodity prices moved off their lows and an expected slower pace of rate increases in the U.S. appeared to provide a tailwind.

In Developed Markets, the European Central Bank (ECB) pushed policy rates further into negative territory as deflationary concerns persist while also pledging to expand their bond buying program to include corporate bonds. ECB actions also included increasing the bond purchase amount from €60 billion to €80 billion per month. The negative rate moves contributed to poor performance of financial stocks in the region while the pledge to purchase corporate bonds boosted credit markets. In Japan, the Bank of Japan (BOJ) joined the negative interest rate party as inflation remains persistently low. Equity returns were off by almost 7% as economic growth remained weak and a strengthening yen impacted exports. In similar fashion to Europe, the negative rate move negatively impacted financial stocks. With fear enveloping the equity market Japanese bonds rose considerably in the quarter generating low double digit returns. Japanese inflation currently resides below 1%.

Emerging Market equities benefitted from the pause in rate increases from the U.S. Federal Reserve and rebounding energy prices while fixed income benefitted from the search for higher yielding assets. Equity performance was driven by performance of stocks in the Energy and Materials sectors. In China, the central bank took actions to stem the declining growth rate. Actions included the reduction of bank capital reserves, stabilizing the currency, and injecting further liquidity into the economy via the banking system. In Latin America, Brazilian and Mexican equity markets performed well on news of possible impeachment of President Rouseff in Brazil and a 50 basis point increase in policy rate in Mexico.

# DISCLOSURE

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## Definitions:

**BC (Barclays Capital) Treasury** provides a measure of riskless return.

The **Dow Jones Industrial Averages** contains the stocks of 30 companies that are all major factors in their industries, and their stocks are widely held by individuals and institutional investors. As of December 31, 2008, The Dow® represented 27% of the float-adjusted market capitalization of the Dow Jones U.S. TSM Index, which provides near complete coverage of the U.S. stock market. The DJIA serves the same purpose today for which it was created in 1896 – to provide a clear, straightforward view of the stock market and, by extension, the U.S. economy.

The **S&P 500 Index** is a capitalization weighted index of the 500 largest publicly traded companies in the US and is widely accepted as the overall market proxy. It consists of 400 industrials, 40 utilities, 20 transportation stocks and 40 financial institutions issues when totaled covers approximately 75% of the US equities market.

The **Russell 3000 Index** measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.

The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index representing approximately 8% of the total market capitalization of that index. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership.

The **Russell 1000 Index** is composed of the 1000 largest companies in the Russell 3000 Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index. The average capitalization was approximately \$12.1 billion; the median market capitalization was approximately \$3.8 billion. The smallest company in the index had an approximate market capitalization of \$1350.8 million.

The **Russell Midcap Index** is a subset of the Russell 1000® Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership.

The **Russell Midcap Index** represents approximately 31% of the total market capitalization of the Russell 1000 companies.

The **S&P MidCap 400** provides investors with a benchmark for mid-sized companies. The index covers over 7% of the U.S. equity market, and seeks to remain an accurate measure of mid-sized companies, reflecting the risk and return characteristics of the broader mid-cap universe on an on-going basis.

The **S&P SmallCap 600** covers approximately 3% of the domestic equities market. Measuring the small cap segment of the market that is typically renowned for poor trading liquidity and financial instability, the index is designed to be an efficient portfolio of companies that meet specific inclusion criteria to ensure that they are investable and financially viable.

The **Russell 3000 Growth Index** measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 3000 Value Index** measures the performance of the broad value segment of the U.S. equity universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 2000 Growth Index** measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 2000 Value Index** measures the performance of small-cap value segment of the U.S. equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 1000 Growth Index** is composed of those stocks in the Russell 1000 Index with greater than average growth orientation. The Russell Growth Index represents the universe of stocks from which most growth style money managers typically select.

The **Russell 1000 Value Index** is composed of those stocks in the Russell 1000 Index with less than average growth orientation. The Russell Value Index represents the universe of stocks from which most value style money managers typically select.

The **Barclays U.S. Aggregate Bond Index** is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS. The U.S. Aggregate rolls up into other Barclays Capital flagship indices such as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt. The U.S. Aggregate Index was created in 1986, with index history backfilled to January 1, 1976.

The **Barclays Govt/Credit Index** is the non-securitized component of the U.S. Aggregate Index and was the first macro index launched by Barclays Capital. The U.S. Government/Credit Index includes Treasuries (i.e., public obligations of the U.S. Treasury that have remaining maturities of more than one year), government-related issues (i.e., agency, sovereign, supranational, and local authority debt), and corporates. The U.S. Government/Credit Index was launched on January 1, 1979, with index history backfilled to 1973, and is a subset of the U.S. Aggregate Index.

The **Barclays U.S. Government Index** is comprised of the U.S. Treasury and U.S. Agency Indices. The U.S. Government Index includes Treasuries (public obligations of the U.S. Treasury that have remaining maturities of more than one year) and U.S. agency debentures (publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government). The U.S. Government Index is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.



# DISCLOSURE

The **Barclays US Credit Index** comprises the US Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities. The US Credit Index was called the US Corporate Investment Grade Index until July 2000, when it was renamed to reflect its inclusion of both corporate and non-corporate issuers. Index history is available back to 1973. The US Credit Index is a subset of the US Government/Credit Index and the US Aggregate Index.

The **Barclays Capital U.S. MBS (Mortgage) Index** measures the performance of investment grade fixed-rate mortgage-backed pass-through securities of GNMA, FNMA, and FHLMC.

The **Barclays U.S. Corporate High-Yield Index** measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below. The index excludes emerging market debt. It was created in 1986, with history backfilled to July 1, 1983. The U.S. Corporate High-Yield Index is part of the U.S. Universal and Global High-Yield Indices.

The **Barclays U.S. TIPS** is a part of the Barclays Capital family of global inflation linked bond indices, the Barclays Capital US Government Inflation-linked bond index (US TIPS) measures the performance of the TIPS market. TIPS form the largest component of the Barclays Capital Global Inflation-Linked Bond Index. Inflation-linked indices include only capital indexed bonds with a remaining maturity of one year or more.

The **Barclays US Treasury 1-3yr term index™** measures the performance of short term government bonds issued the US Treasury. The index includes 2-Year and 3-Notes. Term Indices are a new concept in bond indexing developed by Barclays Capital. They have very similar yield, duration and risk/return characteristics to standard maturity based indices but are more compact and more liquid. Term indices use a standard market capitalisation weighting methodology but include only bonds near to their original term rather than selecting all bonds in a maturity range.

The **Barclays Capital Long Government/Credit Index** measures the investment return of all medium and larger public issues of U.S. Treasury, agency, investment-grade corporate, and investment-grade international dollar-denominated bonds with maturities longer than 10 years. The average maturity is approximately 20 years.

The **MSCI EAFE Index(net)** (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. As of May 27, 2010 the MSCI EAFE Index consisted of the following 22 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. The index includes reinvestment of dividends, net of foreign withholding taxes.

The **MSCI ACWI ex U.S. (net)** (All Country World Index excluding the United States) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. As of May 27, 2010 the MSCI ACWI ex. US consisted of 44 country indices comprising 23 developed and 21 emerging market country indices. The developed market country indices included are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom. The emerging market country indices included are: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey. The index includes reinvestment of dividends, net of foreign withholding taxes.

The **MSCI United Kingdom Index** is a free float adjusted market capitalization index that is designed to measure large and mid cap United Kingdom equity market performance. The MSCI United Kingdom Index is member of the MSCI international equity index series and represents the United Kingdom's equity portion of the global benchmark MSCI ACWI (All Country World Index) Index.

The **MSCI Europe Index (net)** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. As of June 2007, the MSCI Europe Index consisted of the following 16 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. The index includes reinvestment of dividends, net of foreign withholding taxes.

**MSCI Europe ex UK Index (net)** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe excluding the United Kingdom. As of June 2007, the MSCI Europe Index consisted of the following 15 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden and Switzerland. The index includes reinvestment of dividends, net of foreign withholding taxes.

The **MSCI Pacific Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in the Pacific region. As of June 2007, the MSCI Pacific Index consisted of the following 5 Developed Market countries: Australia, Hong Kong, Japan, New Zealand, and Singapore

**MSCI Pacific ex Japan Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the Far East, excluding Japan. As of March 2008 the MSCI Pacific ex Japan Index consisted of the following 9 developed and emerging market country indices: China, Hong Kong, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan, and Thailand.

The **MSCI Japan Index** is a free float adjusted market capitalization index that is designed to measure large and mid cap Japanese equity market performance. The MSCI Japan Index is member of the MSCI international equity index series and represents the Japanese equity portion of the global benchmark MSCI ACWI (All Country World Index) Index.

The **MSCI Emerging Markets Index (net)** is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. As of May 27, 2010 the MSCI Emerging Markets Index consisted of the following 21 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey. The index includes reinvestment of dividends, net of foreign withholding taxes.

The **Citigroup World Government Bond Ex-US Index** measures the performance of developed countries' global fixed-income markets invested in debt issues of non-US governmental entities. The World Government Bond Index (WGBI) includes the 23 government bond markets of Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Malaysia, the Netherlands, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States prior to its exclusion.

**Citigroup World Government Bond Ex-US Index hedged** measures the performance of **The Citigroup World Government Bond Ex-US Index** and computing the monthly currency-hedged return by using a rolling one-month forward exchange contract as a hedging instrument.

**Citigroup UK Bond Index** includes the government bond markets of the United Kingdom and satisfies size, credit, and barriers-to-entry requirements.

**Citigroup Japan Bond Index** consists of the government bond market of Japan and satisfies size, credit, and barriers-to-entry requirements.

**Citigroup Germany Bond Index** consists of the government bond market of Germany and satisfies size, credit, and barriers-to-entry requirements.

**Citigroup France Bond Index** consists of the government bond market of France and satisfies size, credit, and barriers-to-entry requirements.

# DISCLOSURE

The **FTSE NAREIT US Real Estate Index** is calculated by FTSE International Limited (FTSE).

The **NCREIF Property Index** reports quarterly and annual returns consisting of income and appreciation components. The index is based on data collected from the voting members of NCREIF. Specific property-type indices include apartment, office, retail, R&D/Office and Warehouse.

**91-Day T-Bills** provide a measure of riskless return.

**Consumer Price Index** is a government-issued index of the retail prices of basic household goods and services.

**Producer Price Index** is an index maintained by the U.S. Bureau of Labor Statistics that tracks the price of wholesale goods and commodities.

The **Dow Jones UBS Commodity Index** measures collateralized returns from a diversified basket of 19 commodity futures contracts from sectors spanning energy, precious metals, industrial metals, grains and livestock.

Moody's Long-Term Obligation Ratings:

**Aaa** Obligations rated **Aaa** are judged to be of the highest quality, with minimal credit risk.

**Aa** Obligations rated **Aa** are judged to be of high quality and are subject to very low credit risk.

**A** Obligations rated **A** are considered upper-medium grade and are subject to low credit risk.

**Baa** Obligations rated **Baa** are subject to moderate credit risk. They are considered medium grade and as such may possess certain speculative characteristics.

**Ba** Obligations rated **Ba** are judged to have speculative elements and are subject to substantial credit risk.

**B** Obligations rated **B** are considered speculative and are subject to high credit risk.

**Caa** Obligations rated **Caa** are judged to be of poor standing and are subject to very high credit risk.

**Ca** Obligations rated **Ca** are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.

**C** Obligations rated **C** are the lowest rated class of bonds and are typically in default, with little prospect for recovery of principal or interest.

**Standard Deviation** is often used by investors to measure the risk of a stock or a stock portfolio. The basic idea is that the standard deviation is a measure of volatility: the more a stock's returns vary from the stock's average return, the more volatile the stock.

**Treasuries:** Treasury Securities are debt financed securities issued by the U.S. government. There are three primary types of treasury securities. They are Treasury Bills, Treasury Notes and Treasury Bonds. Treasury Bills (a.k.a. T-bill) mature in one year or less. Treasury Bills are commonly issued with maturities dates of 91 days, 6 months, or 1 year. **91-Day T-Bills** provide a measure of riskless return. Treasury Notes (a.k.a. T-Note) mature between one and ten years. Treasury notes are commonly issued with maturities dates of 2, 3, 5 or 7 years. Treasury Bonds (a.k.a. T-Bond) are commonly issued with maturity dates of ten and thirty years.

The **federal funds target rate** is determined by a meeting of the members of the Federal Open Market Committee. The **federal funds rate** is the interest rate at which private depository institutions (mostly banks) lend balances (federal funds) at the Federal Reserve to other depository institutions, usually overnight. It is the interest rate banks charge each other for loans.

The **European Central Bank** (ECB) is the institution of the European Union (EU) which administers the monetary policy of the 17 EU Eurozone member states. It is thus one of the world's most important central banks. The bank was established by the Treaty of Amsterdam in 1998, and is headquartered in Frankfurt, Germany.

The **eurozone**, officially the **euro area**, is an economic and monetary union (EMU) of 17 European Union (EU) member states that have adopted the euro currency as their sole legal tender. It currently consists of Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain.

The **euro** (sign: €) is the official currency of the eurozone.

The **pound sterling** (sign: £), commonly called the **pound**, is the official currency of the United Kingdom.

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## OVERVIEW

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### PORTFOLIO EVALUATION

- ♦ The fund's total market value as of March 31, 2016 was \$143.39 million.
- ♦ The Fund had a return of 1.31% for the quarter and a return of - 3.36% for the last twelve months.

### INVESTMENT POLICY AND OBJECTIVES

- ♦ To be actuarially sound to assure that its obligations to Fund members and others will be honored in a timely way.
- ♦ To achieve earnings at a sufficient level that, together with employee, city, and other periodic contributions, will enable it to meet its present and future obligations.
- ♦ To earn the highest total return on invested funds consistent with safety and in accordance with generally accepted investment practices to the extent permitted by law.
- ♦ To achieve a level of performance equal to or greater than the actuarial assumption so that benefits may be increased or enhanced or that contributions may be reduced.
- ♦ To meet all Statutory requirements of the State of Alabama.

### PLAN RECONCILIATION

	<u>Quarter</u>
<b><u>Beginning Market Value</u></b>	<b>141,504,546</b>
Cash Flow In	42,039
Intrafund Transfers	0
Cash Flow Out	<u>0</u>
<b>Net Cash Flow</b>	<b>42,039</b>
<b>Investment Performance</b>	
Income	449,067
Asset Value Changes	<u>1,394,451</u>
<b>Gross Performance</b>	<b>1,843,518</b>
<b><u>Ending Market Value</u></b>	<b><u>143,390,103</u></b>

### RECOMMENDATIONS

# Mobile Police & Firefighters Executive Summary Table Periods Ending March 31, 2016

FYTD - 9/30/15

Name	Value \$(000)	% of Fund	Periods Ending 3/31/16						
			Cur Qtr	FYTD	1 Year	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund	143,390	100.0	1.31	4.25	-3.36	4.89	6.01	10.05	4.69
Net of Fee			1.22	4.10	-3.65	4.61	5.68	9.70	4.41
Mobile P&F Policy Index			1.41	4.62	-1.25	6.89	7.32	12.43	5.91
Total Fund Excluding Alternatives	131,254	91.5	1.57	4.60	-3.16	4.91	6.03	10.62	
Net of Fee			1.49	4.45	-3.44	4.65	5.75	10.33	
Policy Index excluding Alts			1.46	4.96	-1.85	6.85	7.31	12.64	
Total Opportunistic Equity Composite	5,250	3.7	3.11	2.06	-20.76	-10.51			
Net of Fee			2.86	1.57	-21.73	-11.48			
MSCI ACWI (Net)			0.24	5.28	-4.34	5.53			
Energy Opportunities Capital	5,250	3.7	3.11	2.06	-20.76	-10.51			
Net of Fee			2.86	1.57	-21.73	-11.48			
OIH_XLE Blended Index			2.00	1.05	-18.25	-9.23			
Total Domestic Equity Composite	72,534	50.6	1.98	7.03	-2.51	9.19	9.42	16.15	6.31
Net of Fee			1.93	6.93	-2.73	8.96	9.11	15.82	
Domestic Equity Index			1.48	6.62	-2.19	10.10	10.20	17.41	7.00
SSgA Russell 1000 Index Fund	41,432	28.9	1.18	7.77	0.54	11.55	11.37	17.17	7.09
Net of Fee			1.17	7.76	0.52	11.51	11.32	17.12	7.04
Russell 1000			1.17	7.75	0.50	11.53	11.35	17.15	7.06
SSgA S&P 400 MidCap Index Fund	17,510	12.2	3.78	6.49	-3.60				
Net of Fee			3.77	6.48	-3.65				
S&P Midcap 400			3.78	6.49	-3.60				

# Mobile Police & Firefighters Executive Summary Table Periods Ending March 31, 2016

FYTD - 9/30/15

Name	Value \$(000)	% of Fund	Periods Ending 3/31/16						
			Cur Qtr	FYTD	1 Year	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Morgan Dempsey SCV	7,205	5.0	3.49	10.04	-3.83				
Net of Fee			3.21	9.46	-4.87				
Russell 2000 Value			1.70	4.63	-7.72				
SouthernSun SCC	6,386	4.5	4.67	3.32	-14.64				
Net of Fee			4.41	2.81	-15.49				
Russell 2000			-1.52	2.02	-9.76				
Total International Equity Composite	10,205	7.1	-3.05	-0.35	-15.10	-4.28	-1.94	5.78	-0.50
Net of Fee			-3.48	-0.99	-16.02	-4.83	-2.36	5.29	
MSCI ACWI ex US (Net)			-0.38	2.86	-9.19	0.32	0.31	9.18	1.94
Allianz Global Investors	10,205	7.1	-3.05	-0.35	-15.10	-4.28			
Net of Fee			-3.48	-0.99	-16.02	-4.83			
MSCI ACWI ex US (Net)			-0.38	2.86	-9.19	0.32			
Total Fixed Income Composite	36,901	25.7	2.76	2.48	2.34	2.39	3.35	4.87	4.95
Net of Fee			2.74	2.43	2.23	2.27	3.23	4.75	
Barclays Int Govt/Credit			2.45	1.74	2.06	1.83	3.01	3.79	4.34
Orleans	36,901	25.7	2.76	2.48	2.34	2.39	3.35	4.87	4.95
Net of Fee			2.74	2.43	2.23	2.27	3.23	4.75	4.83
Barclays Int Govt/Credit			2.45	1.74	2.06	1.83	3.01	3.79	4.34
Real Estate Composite	3,008	2.1	3.52	7.62	5.97	12.18	11.70	7.41	4.28
Net of Fee			3.32	7.21	5.19	11.17	10.68	6.39	3.38
NCREIF ODCE Fund Index			2.18	5.59	13.66	13.62	13.26	9.06	6.36

# Mobile Police & Firefighters Executive Summary Table Periods Ending March 31, 2016

FYTD - 9/30/15

Name	Value \$(000)	% of Fund	Periods Ending 3/31/16						
			Cur Qtr	FYTD	1 Year	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Guggenheim	3,008	2.1	3.52	7.62	9.13	14.40	14.08	12.47	
Net of Fee			3.32	7.21	8.30	13.41	13.05	11.44	
70% NCREIF / 30% NAREIT			3.28	7.91	10.93	12.46	12.94	13.70	
Private Equity Composite	6,749	4.7	-4.68	-2.28	-14.70	1.89	3.87	6.35	6.57
Net of Fee			-4.68	-2.28	-14.73	1.76	3.41	5.71	5.71
Russell 2500			1.39	5.68	-3.31	12.16	12.59	21.84	10.47
Levine Leichtman Fund III	1,316	0.9	0.00	3.18	3.97	9.89	10.42	10.22	10.34
Net of Fee			0.00	3.18	3.97	9.88	9.92	9.44	9.41
Russell 2500			1.39	5.68	-3.31	12.16	12.59	21.84	10.47
Permal Capital Fund IV	452	0.3	0.00	1.12	-12.93	6.99	5.77	7.01	
Net of Fee			0.00	1.12	-13.21	6.36	5.09	6.20	
Russell 2500			1.39	5.68	-3.31	12.16	12.59	21.84	
Corrum Capital Real Assets Fund, L.P.	1,813	1.3	0.00	-3.70	-24.11				
Net of Fee			0.00	-3.70	-24.11				
LLCP Co-Investment Fund, L.P.	2,673	1.9	0.00	1.98					
Net of Fee			0.00	1.98					
Timber Composite	2,379	1.7	0.63	0.26	1.67	5.28	4.51	4.34	
Net of Fee			0.42	-0.15	0.83	4.41	3.65	3.47	
Timberland Investment Resources	2,379	1.7	0.63	0.26	1.67	5.28	4.51	4.34	
Net of Fee			0.42	-0.15	0.83	4.41	3.65	3.47	
NCREIF Timberland Index			-0.26	1.60	2.90	7.72	6.63	3.95	
Cash Composite	6,365	4.4	0.02	0.02	0.02				
Net of Fee			0.02	0.02	0.02				

# Mobile Police & Firefighters Executive Summary Table Periods Ending March 31, 2016

FYTD - 9/30/15

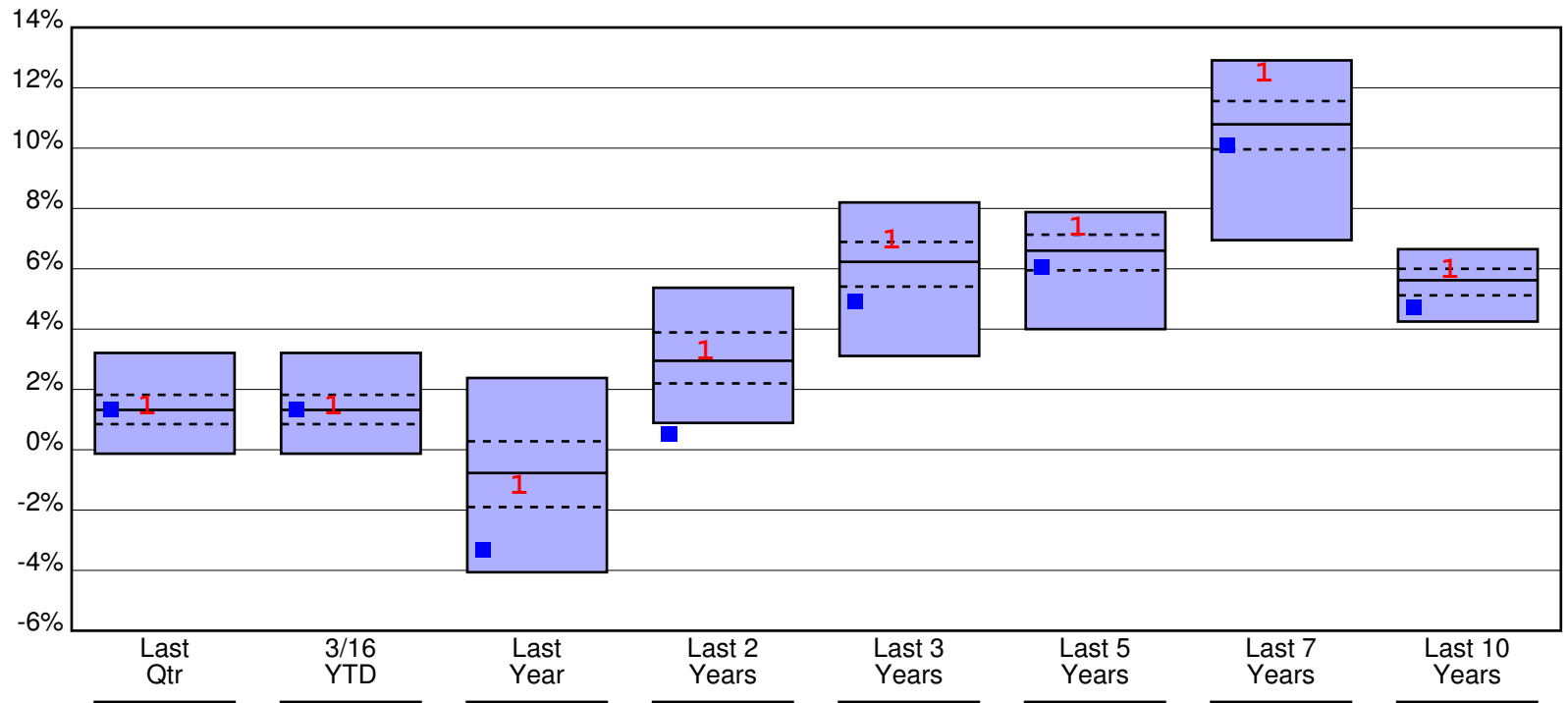
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# Mobile Police & Firefighters

## Cumulative Performance Comparison

### Total Returns of Total Fund Public Sponsors

#### Periods Ending 3/16



5th Percentile  
25th Percentile  
Median  
75th Percentile  
95th Percentile

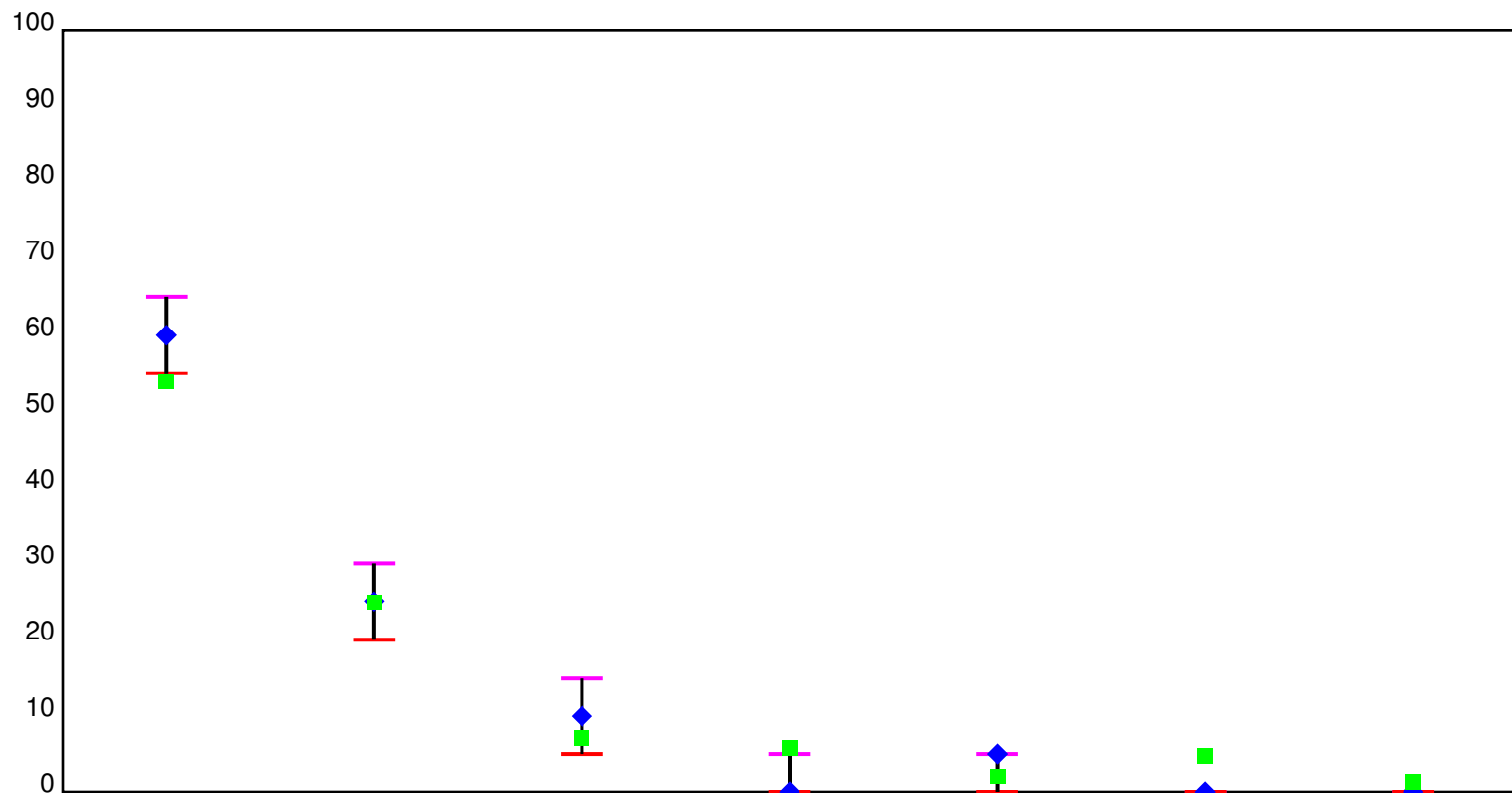
Last Qtr	3/16 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
3.21	3.21	2.38	5.37	8.20	7.88	12.91	6.65
1.82	1.82	0.28	3.89	6.89	7.13	11.56	6.00
1.32	1.32	-0.77	2.95	6.23	6.60	10.79	5.62
0.85	0.85	-1.90	2.20	5.41	5.95	9.96	5.12
-0.13	-0.13	-4.06	0.89	3.11	4.00	6.95	4.25
1.31 (51)	1.31 (51)	-3.36 (92)	0.48 (96)	4.89 (80)	6.01 (72)	10.05 (72)	4.69 (87)
1.41 (40)	1.41 (40)	-1.25 (60)	3.23 (42)	6.89 (25)	7.32 (16)	12.43 (7)	5.91 (30)

■ Total Fund  
1 Mobile P&F Policy Index



# Mobile Police & Firefighters Asset Allocation vs Policy Graph

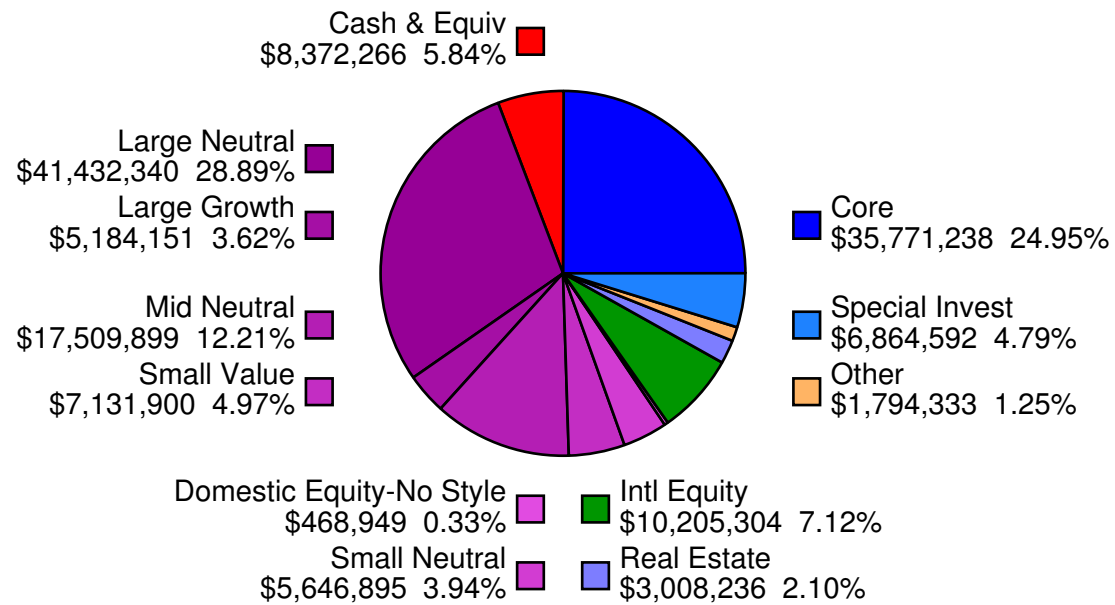
Total Fund  
As of March 31, 2016



Legend		Domestic Equities	Domestic Fixed	International Equities	Cash	Real Estate	Special Investments	Other
◆	Policy	60.0	25.0	10.0	0.0	5.0	0.0	0.0
—	Min	55.0	20.0	5.0	0.0	0.0	0.0	0.0
—	Max	65.0	30.0	15.0	5.0	5.0	0.0	0.0
■	Actual	54.0	24.9	7.1	5.8	2.1	4.8	1.3

# Mobile Police & Firefighters Asset And Policy Allocation Total Fund

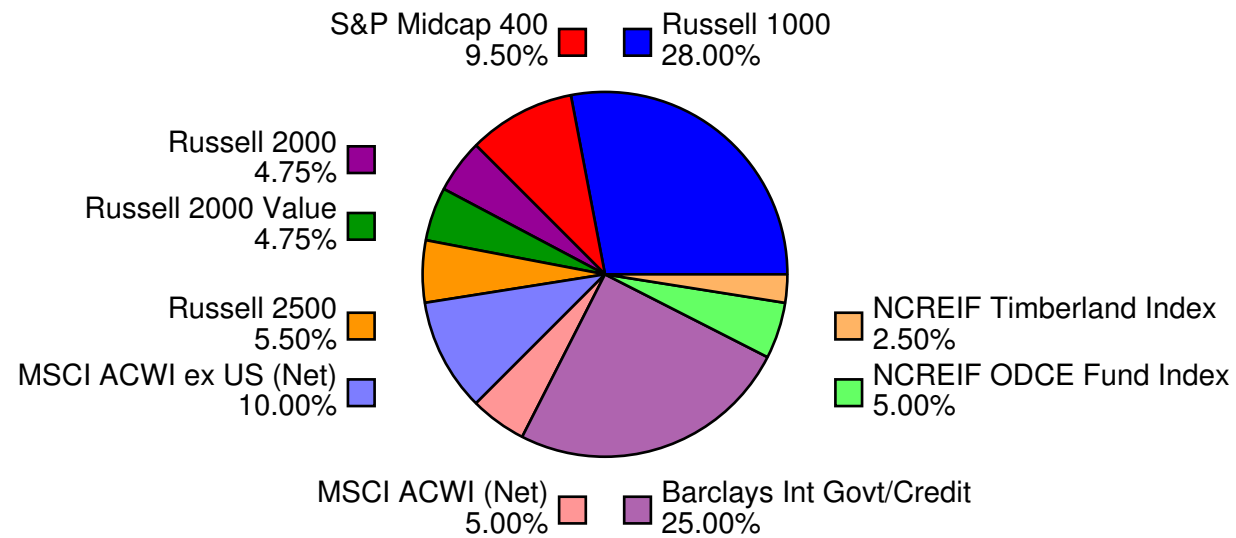
March 31, 2016      \$143,390,103



# Mobile Police & Firefighters Asset And Policy Allocation Total Fund

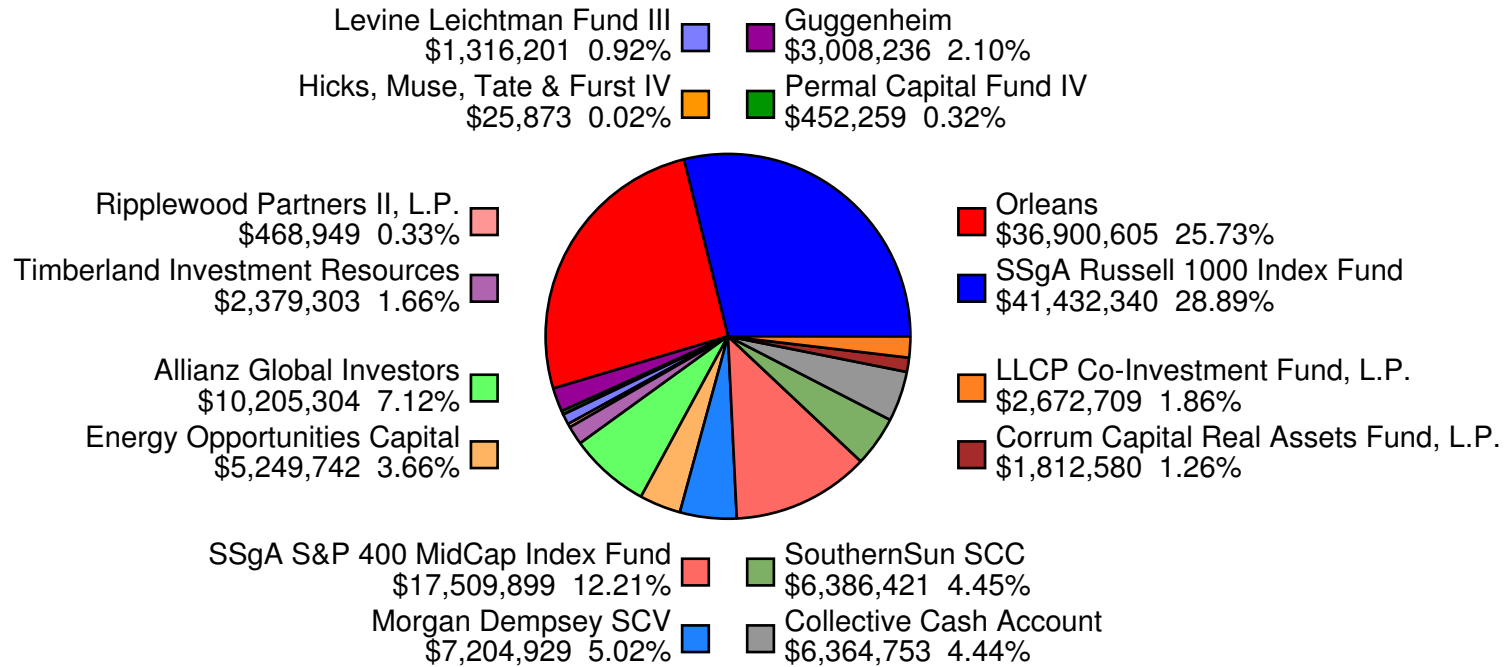
March 31, 2016

Mobile P&F Policy Index



# Mobile Police & Firefighters Total Fund Allocation By Manager Total Fund

March 31, 2016      \$143,390,103



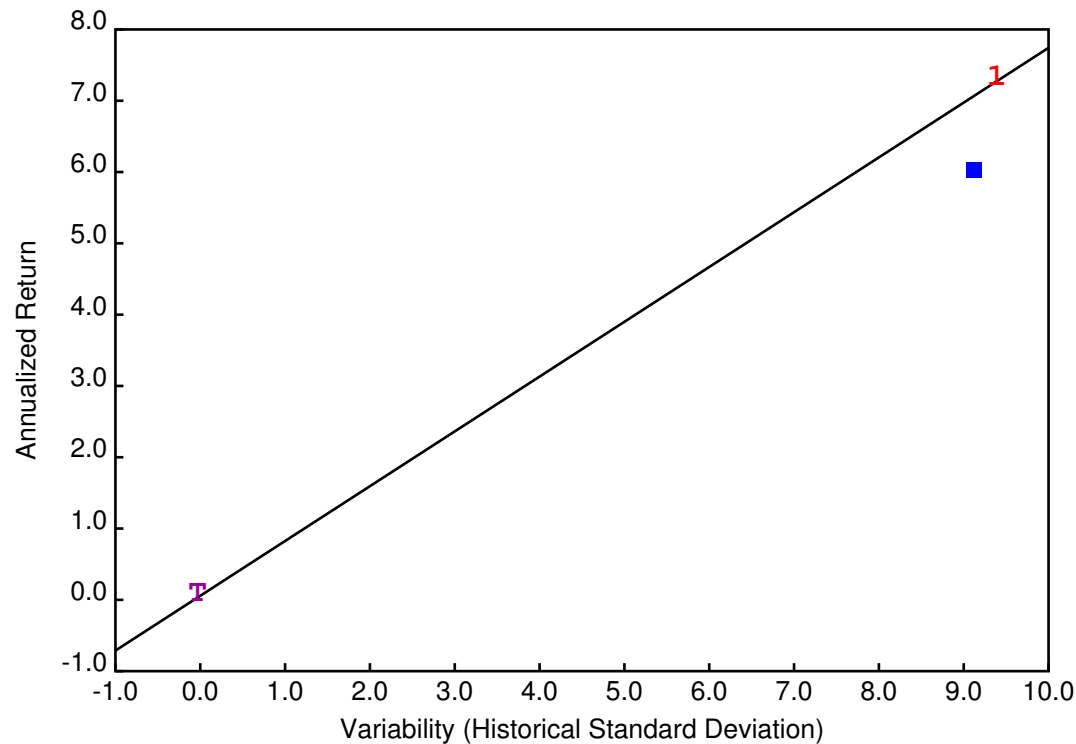
**Mobile Police & Firefighters**  
**Sources of Fund Growth**  
**Total Fund**  
**12/31/15 - 3/31/16**

Manager Name	Beginning Value \$(000)	Net Contrib \$(000)	Invest Fees \$(000)	Invest Gain/Loss \$(000)	Ending Value \$(000)	Gross of Fees Return(%)	Net of Fees Return(%)
SSgA Russell 1000 Index Fund	46,392	-5,000	3	43	41,432	1.18	1.17
Energy Opportunities Capital	5,104	0	12	158	5,250	3.11	2.86
Morgan Dempsey SCV	6,981	0	19	243	7,205	3.49	3.21
SSgA S&P 400 MidCap Index Fund	16,874	0	2	638	17,510	3.78	3.77
SouthernSun SCC	6,117	0	15	285	6,386	4.67	4.41
Equity	81,467	-5,000	50	1,366	77,783		
Allianz Global Investors	10,573	0	45	-323	10,205	-3.05	-3.48
Int'l Equity	10,573	0	45	-323	10,205		
Orleans	31,038	4,900	9	971	36,901	2.76	2.74
Fixed Income	31,038	4,900	9	971	36,901		
Collective Cash Account	6,993	-630	0	1	6,365	0.02	0.02
Short Term	6,993	-630	0	1	6,365		
DLJ	0	0	0	0	0	0.00	0.00
Guggenheim	2,911	0	6	102	3,008	3.52	3.32
Real Estate	2,911	0	6	102	3,008		
Permal Capital Fund IV	452	0	0	0	452	0.00	0.00
Hicks, Muse, Tate & Furst IV	26	0	0	0	26	0.00	0.00
Ripplewood Partners II, L.P.	758	0	0	-289	469	-38.15	-38.15
Timberland Investment Resources	2,369	0	5	15	2,379	0.63	0.42
Corrum Capital Real Assets Fund, L.P.	1,313	500	0	0	1,813	0.00	0.00

**Mobile Police & Firefighters**  
**Sources of Fund Growth**  
**Total Fund**  
**12/31/15 - 3/31/16**

Manager Name	Beginning Value \$(000)	Net Contrib \$(000)	Invest Fees \$(000)	Invest Gain/Loss \$(000)	Ending Value \$(000)	Gross of Fees Return(%)	Net of Fees Return(%)
Special Investments	4,918	500	5	-274	5,139		
Levine Leichtman Fund III	1,379	-62	0	0	1,316	0.00	0.00
LLCP Co-Investment Fund, L.P.	2,224	449	0	0	2,673	0.00	0.00
Other	3,602	387	0	0	3,989		
Total Fund	141,505	157	115	1,844	143,390	1.31	1.22

# Mobile Police & Firefighters Quarterly Total Return Market Line Analysis Periods from 3/11 to 3/16



	Annualized Return	Variability	Reward	Sharpe Ratio
■ Total Fund	6.01	9.20	5.93	0.64
1 Mobile P&F Policy Index	7.32	9.45	7.24	0.77
T 91-Day Treasury Bill	0.08	0.03	0.00	0.00

# City of Mobile Police & Firefighters

## March 31, 2016

Performance Summary Table  
Periods Ending 3/31/16

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
Energy Opportunities Capital							
Total Return	3.11	3.11	-20.76	-20.92	-10.51		
Total Return (Net of Fees)	2.86	2.86	-21.73	-21.81	-11.48		
OIH_XLE Blended Index	2.00	2.00	-18.25	-20.01	-9.23		
Variance	1.11	1.11	-2.51	-0.91	-1.29		

### ENERGY OPPORTUNITIES CAPITAL

#### Opportunistic Equity (Separately Managed)

#### OBJECTIVE

Manager is expected to rank in the top 50% versus their peer group over a minimum three year period.

Investment Performance is expected to exceed the OIH\_XLE Blended Benchmark over a market cycle. (3-5 years)

#### STRATEGY

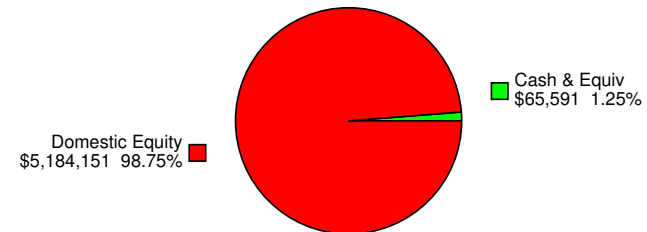
The fundamental goal is to produce returns superior to energy related benchmarks and broad market equity indices by investing in a diversified portfolio of energy company equities designed to capitalize on existing energy supply and demand fundamentals.

The primary thrust of the strategy is to capitalize on the ongoing positive supply and demand fundamentals that exist in energy markets. Among other things, the manager emphasizes those sectors and companies that are beneficiaries of the necessary capital expenditures that will be required to generate the supply required to maintain and support increasing global energy demand and global economic growth.

#### FEE SCHEDULE

1.00% on all assets

Asset Allocation  
Energy Opportunities Capital  
March 31, 2016 \$5,249,742



#### CONCLUSIONS/RECOMMENDATIONS

Energy Opportunities Capital out performed the blended benchmark during the 1st Quarter 2016.



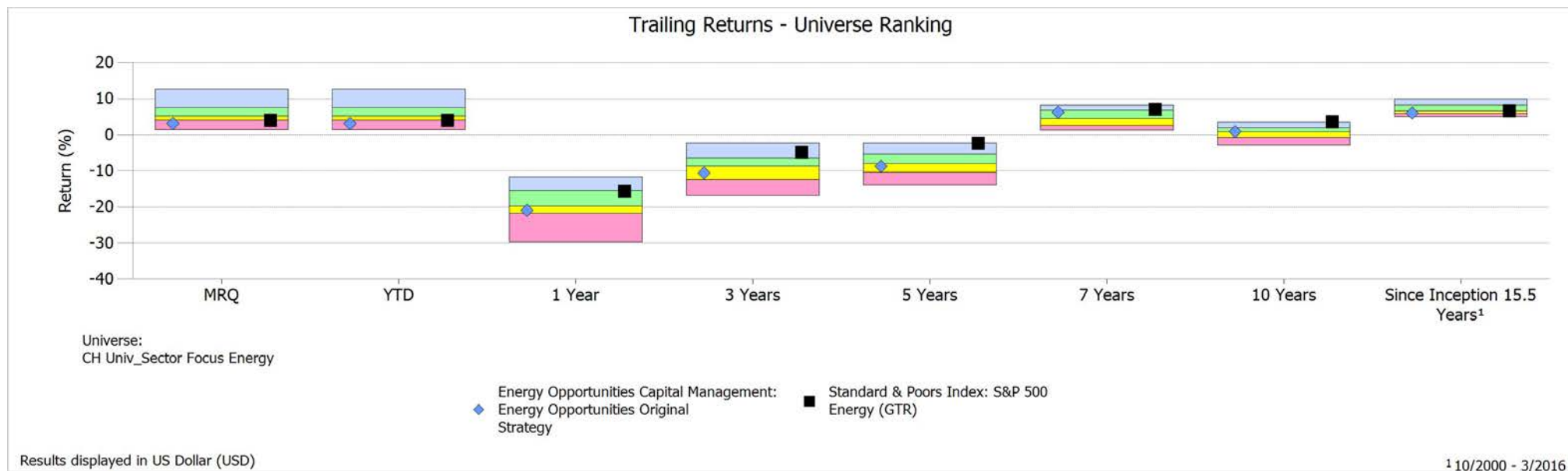
# Energy Opportunities Capital Management

## Energy Opportunities Original Strategy

### S&P 500 Energy (GTR)

3/2016

CH Univ\_Sector Focus Energy



## Trailing Returns

Product Name	Returns MRQ	Rank	Returns YTD	Rank	Returns 1 Year	Rank	Returns 3 Years	Rank	Returns 5 Years	Rank	Returns 7 Years	Rank	Returns 10 Years	Rank	Returns SI 10/00 - 3/16	Rank
Energy Opportunities Original Strategy	3.13	92	3.13	92	-20.94	61	-10.57	69	-8.72	54	6.23	31	0.89	50	6.02	71
S&P 500 Energy (GTR)	4.02	84	4.02	84	-15.54	30	-4.94	8	-2.36	1	7.02	23	3.55	1	6.61	57

## Risk & Efficiency - Trailing 5 Years

Product Name	Energy Opportunities Original Strategy	S&P 500 Energy (GTR)
Std Dev 5 Years	23.4	19.0
Sharpe 5 Years	-0.4	-0.1
TE 5 Years	8.2	0.0
IR 5 Years	-0.8	---
UMC 5 Years	102.3	100.0
DMC 5 Years	118.7	100.0

## Risk & Efficiency - Since Inception

Product Name	Energy Opportunities Original Strategy	S&P 500 Energy (GTR)
Std Dev SI	28.4	20.1
Sharpe SI	0.2	0.3
TE SI	14.3	0.0
IR SI	0.0	---
UMC SI	133.5	100.0
DMC SI	122.5	100.0

Product Inception Date 10/25/00  
 Default Vehicle Type Separate/Segregated Account  
 Default Reporting Method Gross of Fees

Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.

# Energy Opportunities Capital Management

## Energy Opportunities Original Strategy

### S&P 500 Energy (GTR)

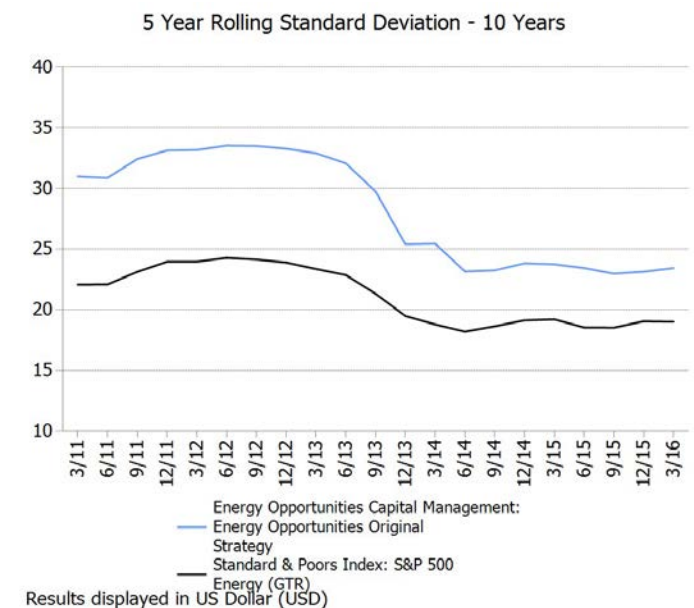
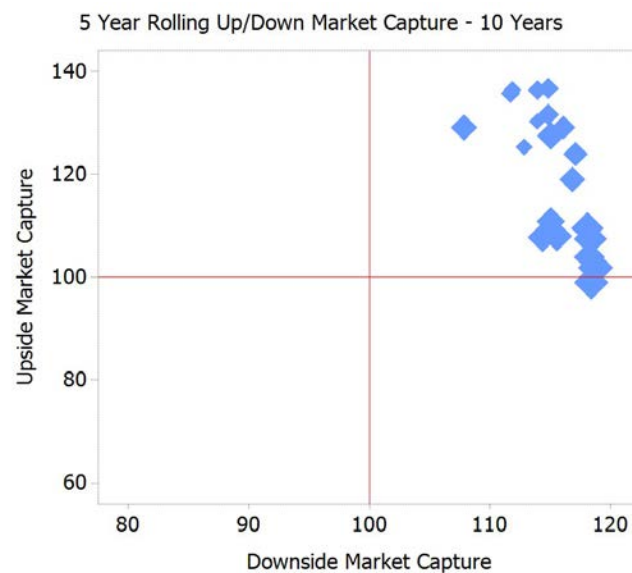
3/2016

CH Univ\_Sector Focus Energy

#### 5 Year Rolling Return & Ranking - 10 Years

Product Name	Returns 5 Years as of 3/2016	Rank	Returns 5 Years as of 12/2015	Rank	Returns 5 Years as of 9/2015	Rank	Returns 5 Years as of 6/2015	Rank	Returns 5 Years as of 3/2015	Rank	Returns 5 Years as of 12/2014	Rank	Returns 5 Years as of 9/2014	Rank	Returns 5 Years as of 6/2014	Rank	Returns 5 Years as of 3/2014	Rank	Returns 5 Years as of 12/2013	Rank	Returns 5 Years as of 9/2013	Rank
Energy Opportunities Original Strategy	-8.72	54	-6.51	46	-1.86	46	6.63	23	3.16	23	3.65	23	9.11	38	16.42	30	19.60	8	19.98	1	6.46	30
S&P 500 Energy (GTR)	-2.36	1	-0.07	7	3.86	1	10.57	1	8.00	1	8.76	1	12.46	7	16.74	15	16.45	54	13.44	47	6.60	23

Product Name	Returns 5 Years as of 3/2016	Rank	Returns 5 Years as of 6/2013	Rank	Returns 5 Years as of 3/2013	Rank	Returns 5 Years as of 12/2012	Rank	Returns 5 Years as of 9/2012	Rank	Returns 5 Years as of 6/2012	Rank	Returns 5 Years as of 3/2012	Rank	Returns 5 Years as of 12/2011	Rank	Returns 5 Years as of 9/2011	Rank	Returns 5 Years as of 6/2011	Rank	Returns 5 Years as of 3/2011	Rank
Energy Opportunities Original Strategy	-8.72	54	-3.75	43	1.51	28	-1.74	42	-0.27	43	-0.16	30	6.43	16	7.35	16	6.46	15	9.85	15	11.51	15
S&P 500 Energy (GTR)	-2.36	1	-0.28	8	3.04	14	-0.44	21	0.99	21	0.93	16	5.03	30	4.68	30	3.40	31	7.87	31	9.81	31



Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.

# City of Mobile Police & Firefighters

## March 31, 2016

Performance Summary Table  
Periods Ending 3/31/16

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
SSgA Russell 1000 Index Fund							
Total Return	1.18	1.18	0.54	6.46	11.55	11.37	7.09
Total Return (Net of Fees)	1.17	1.17	0.52	6.45	11.51	11.32	7.04
Russell 1000	1.17	1.17	0.50	6.44	11.53	11.35	7.06
Variance	0.00	0.00	0.04	0.02	0.02	0.02	0.03

### SSGA

#### Russell 1000 Index Fund (Commingled Fund)

#### OBJECTIVE:

Track the return of the Russell 1000 Index.

#### STRATEGY:

The Fund is managed using a "passive" or "indexing" investment approach, by which SSgA attempts to match, before expenses, the performance of the Index. SSgA will typically attempt to invest in the securities comprising the Index in the same proportions as they are represented in the Index. In some cases, it may not be possible or practical to purchase all of the securities comprising the Index, or to hold them in the same weightings as they represent in the Index. In those circumstances, SSgA may employ a sampling or optimization technique to construct the portfolio in question. The Fund's returns may vary from the returns of the Index.

#### FEE SCHEDULE

3.5 bps on all assets (Min. Fee of \$20,000 per year)

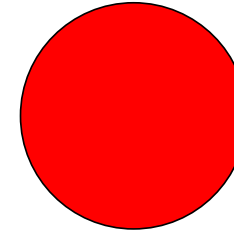
-fee schedule amended in 2014

-assets to be combined w/ Mid Cap Index assets when determining fees

#### Asset Allocation SSgA Russell 1000 Index Fund

March 31, 2016 \$41,432,340

Domestic Equity  
\$41,432,340 100.00%



#### CONCLUSIONS/RECOMMENDATIONS

The SSgA Fund performed in line with the Russell 1000 Index during the quarter.

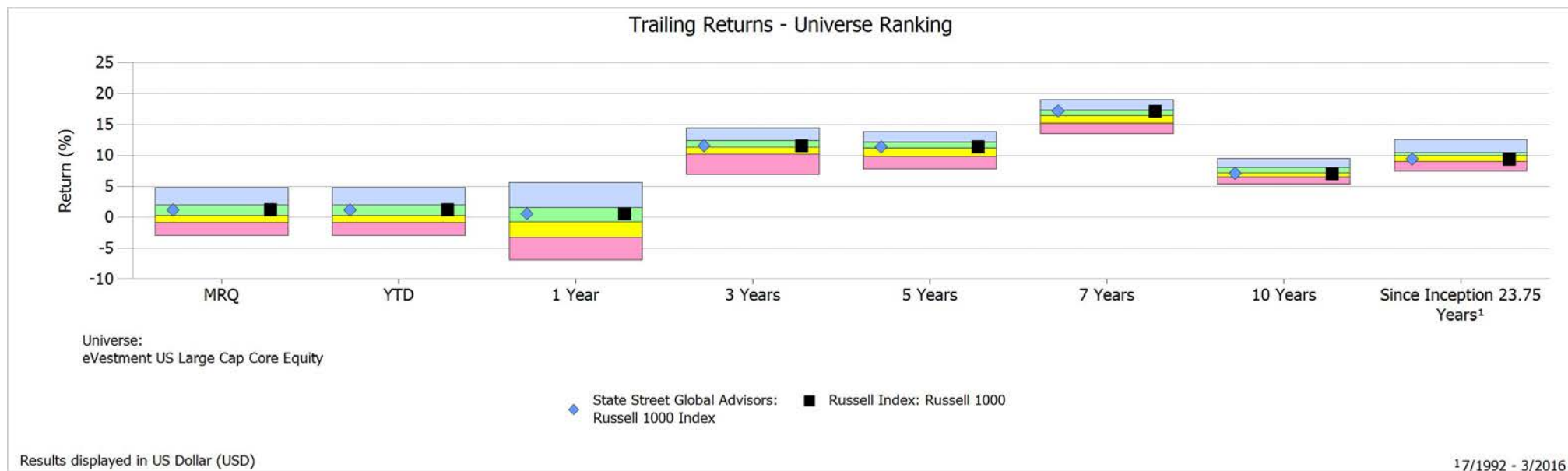
# State Street Global Advisors

Russell 1000 Index

Russell 1000

3/2016

eVestment US Large Cap Core Equity



## Trailing Returns

Product Name	Returns MRQ	Rank	Returns YTD	Rank	Returns 1 Year	Rank	Returns 3 Years	Rank	Returns 5 Years	Rank	Returns 7 Years	Rank	Returns 10 Years	Rank	Returns SI 7/92 - 3/16	Rank
Russell 1000 Index	1.19	36	1.19	36	0.58	35	11.56	44	11.38	43	17.18	30	7.10	56	9.41	66
Russell 1000	1.17	36	1.17	36	0.50	36	11.52	44	11.35	44	17.15	31	7.06	58	9.38	67

## Risk & Efficiency - Trailing 5 Years

Product Name	Russell 1000 Index	Russell 1000
Std Dev 5 Years	12.4	12.4
Sharpe 5 Years	0.9	0.9
TE 5 Years	0.0	0.0
IR 5 Years	1.3	---
UMC 5 Years	100.0	100.0
DMC 5 Years	99.9	100.0

## Risk & Efficiency - Since Inception

Product Name	Russell 1000 Index	Russell 1000
Std Dev SI	14.7	14.7
Sharpe SI	0.5	0.5
TE SI	0.1	0.0
IR SI	0.4	---
UMC SI	100.0	100.0
DMC SI	99.8	100.0

Product Inception Date 07/01/92  
 Default Vehicle Type Separate/Segregated Account  
 Default Reporting Method Gross of Fees

Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.

# State Street Global Advisors

Russell 1000 Index

Russell 1000

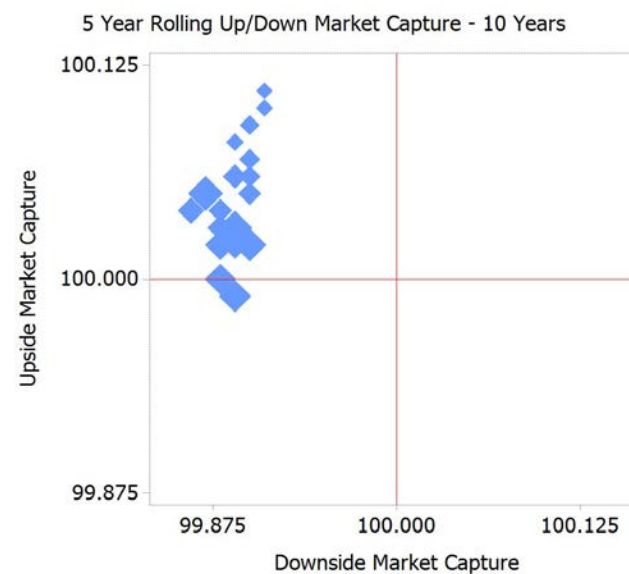
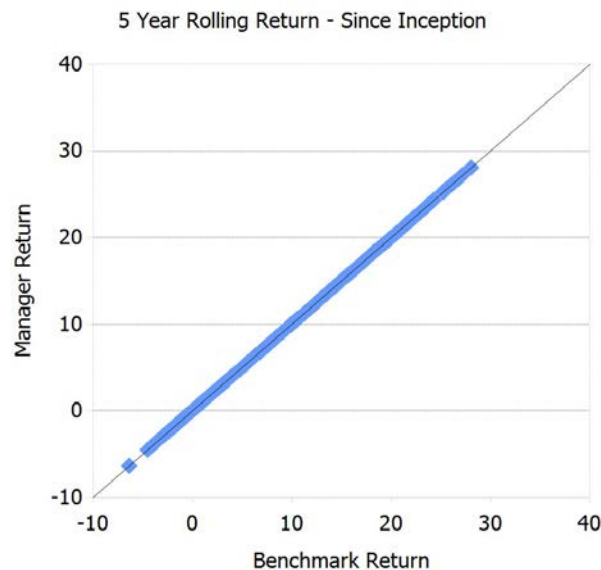
3/2016

eVestment US Large Cap Core Equity

## 5 Year Rolling Return & Ranking - 10 Years

Product Name	Returns 5 Years as of 3/2016	Rank	Returns 5 Years as of 12/2015	Rank	Returns 5 Years as of 9/2015	Rank	Returns 5 Years as of 6/2015	Rank	Returns 5 Years as of 3/2015	Rank	Returns 5 Years as of 12/2014	Rank	Returns 5 Years as of 9/2014	Rank	Returns 5 Years as of 6/2014	Rank	Returns 5 Years as of 3/2014	Rank	Returns 5 Years as of 12/2013	Rank	Returns 5 Years as of 9/2013	Rank
Russell 1000 Index	11.38	43	12.47	47	13.43	46	17.59	46	14.75	45	15.66	43	15.92	40	19.28	37	21.76	31	18.63	37	10.58	41
Russell 1000	11.35	44	12.44	48	13.42	47	17.58	47	14.73	46	15.64	43	15.90	41	19.25	38	21.73	31	18.59	38	10.53	42

Product Name	Returns 5 Years as of 3/2016	Rank	Returns 5 Years as of 6/2013	Rank	Returns 5 Years as of 3/2013	Rank	Returns 5 Years as of 12/2012	Rank	Returns 5 Years as of 9/2012	Rank	Returns 5 Years as of 6/2012	Rank	Returns 5 Years as of 3/2012	Rank	Returns 5 Years as of 12/2011	Rank	Returns 5 Years as of 9/2011	Rank	Returns 5 Years as of 6/2011	Rank	Returns 5 Years as of 3/2011	Rank
Russell 1000 Index	11.38	43	7.17	48	6.20	51	1.96	54	1.27	59	0.44	60	2.24	67	0.04	67	-0.86	64	3.35	67	2.99	66
Russell 1000	11.35	44	7.12	49	6.15	52	1.92	56	1.22	60	0.39	61	2.19	68	-0.02	68	-0.91	66	3.30	68	2.93	68



Results displayed in US Dollar (USD)

Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.

# City of Mobile Police & Firefighters

## March 31, 2016

Performance Summary Table  
Periods Ending 3/31/16

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
SSgA S&P 400 MidCap Index Fund							
Total Return	3.78	3.78	-3.60	3.99			
Total Return (Net of Fees)	3.77	3.77	-3.65	3.95			
S&P Midcap 400	3.78	3.78	-3.60	4.00			
Variance	-0.00	-0.00	-0.01	-0.01			

### SSGA S&P 400 MIDCAP INDEX FUND (Commingled Fund)

#### OBJECTIVE:

Track the return of the S&P 400 MidCap Index.

#### STRATEGY:

The Fund is managed using a "passive" or "indexing" investment approach, by which SSgA attempts to match, before expenses, the performance of the Index. SSgA will typically attempt to invest in the securities comprising the Index in the same proportions as they are represented in the Index. In some cases, it may not be possible or practical to purchase all of the securities comprising the Index, or to hold them in the same weightings as they represent in the Index. In those circumstances, SSgA may employ a sampling or optimization technique to construct the portfolio in question. The Fund's returns may vary from the returns of the Index.

#### FEE SCHEDULE

3.5 bps on all assets (Min. Fee of \$20,000 per year)

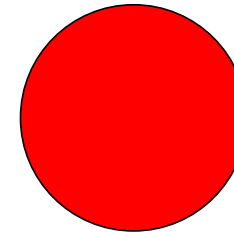
-fee schedule amended in 2014

-assets to be combined w/ Russell 1000 Index assets when determining fees

### Asset Allocation SSgA S&P 400 MidCap Index Fund

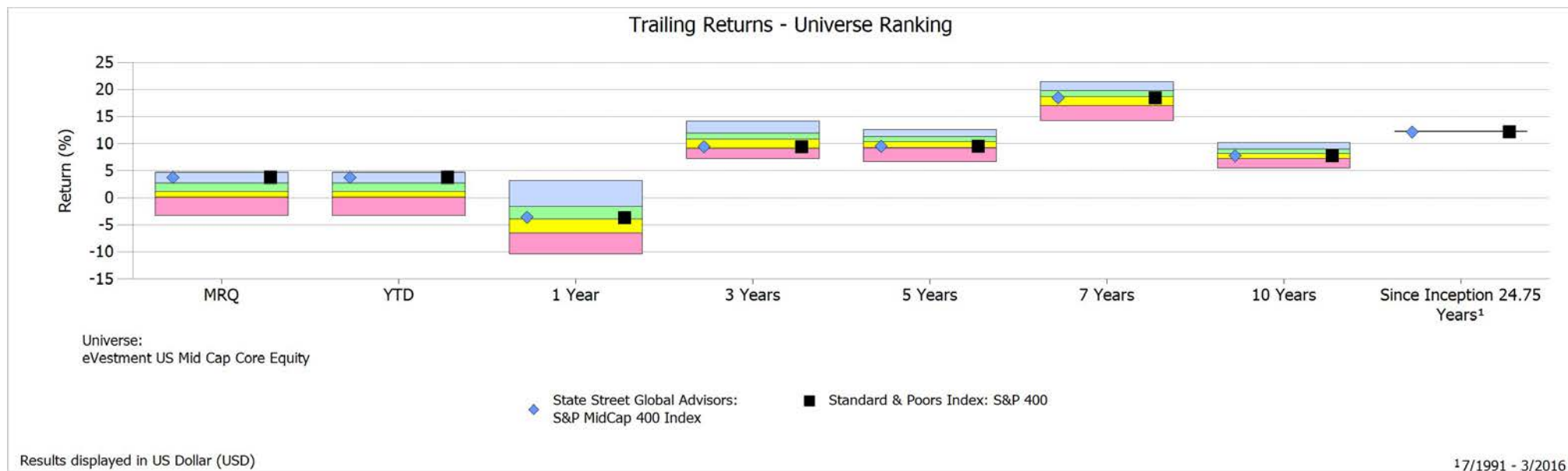
March 31, 2016 \$17,509,899

Domestic Equity  
\$17,509,899 100.00%



### CONCLUSIONS/RECOMMENDATIONS

The SSgA S&P 400 MidCap Index Fund performed in-line with the S&P 400 MidCap Index during the quarter.


**Trailing Returns**

Product Name	Returns MRQ	Rank	Returns YTD	Rank	Returns 1 Year	Rank	Returns 3 Years	Rank	Returns 5 Years	Rank	Returns 7 Years	Rank	Returns 10 Years	Rank	Returns SI 7/91 - 3/16	Rank
S&P MidCap 400 Index	3.78	9	3.78	9	-3.57	45	9.46	70	9.54	69	18.51	52	7.80	61	12.20	100
S&P 400	3.78	9	3.78	9	-3.60	45	9.46	70	9.52	70	18.51	52	7.78	61	12.19	100

**Risk & Efficiency - Trailing 5 Years**

Product Name	S&P MidCap 400 Index	S&P 400
Std Dev 5 Years	14.5	14.5
Sharpe 5 Years	0.7	0.7
TE 5 Years	0.0	0.0
IR 5 Years	0.4	---
UMC 5 Years	99.9	100.0
DMC 5 Years	99.9	100.0

**Risk & Efficiency - Since Inception**

Product Name	S&P MidCap 400 Index	S&P 400
Std Dev SI	16.7	16.7
Sharpe SI	0.6	0.6
TE SI	0.1	0.0
IR SI	0.0	---
UMC SI	99.9	100.0
DMC SI	99.9	100.0

Product Inception Date 07/01/91  
 Default Vehicle Type Separate/Segregated Account  
 Default Reporting Method Gross of Fees

Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.

# State Street Global Advisors

S&P MidCap 400 Index

S&P 400

3/2016

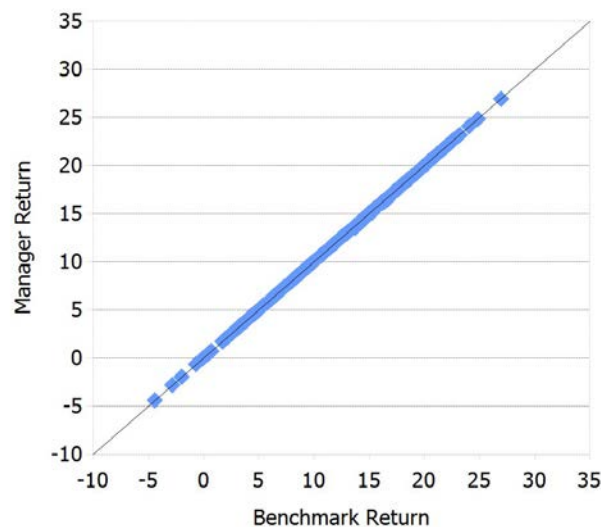
eVestment US Mid Cap Core Equity

## 5 Year Rolling Return & Ranking - 10 Years

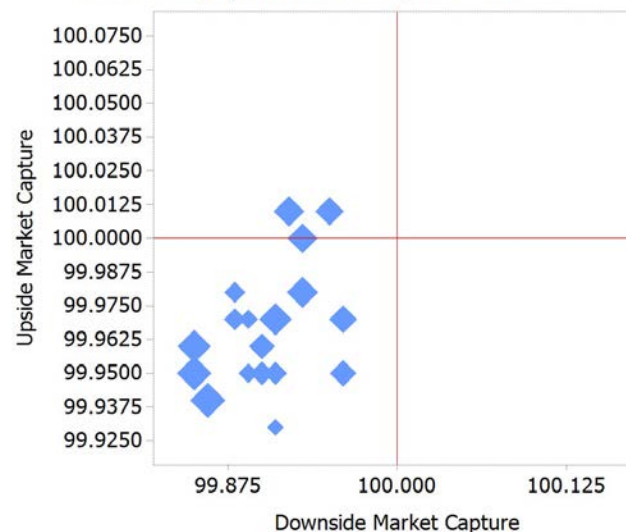
Product Name	Returns 5 Years as of 3/2016	Rank	Returns 5 Years as of 12/2015	Rank	Returns 5 Years as of 9/2015	Rank	Returns 5 Years as of 6/2015	Rank	Returns 5 Years as of 3/2015	Rank	Returns 5 Years as of 12/2014	Rank	Returns 5 Years as of 9/2014	Rank	Returns 5 Years as of 6/2014	Rank	Returns 5 Years as of 3/2014	Rank	Returns 5 Years as of 12/2013	Rank	Returns 5 Years as of 9/2013	Rank
S&P MidCap 400 Index	9.54	69	10.69	75	12.93	70	17.84	64	15.73	64	16.55	59	16.38	57	21.68	45	24.86	40	21.89	47	13.09	45
S&P 400	9.52	70	10.68	75	12.93	69	17.82	64	15.72	64	16.54	59	16.37	57	21.67	45	24.86	40	21.89	47	13.08	45

Product Name	Returns 5 Years as of 3/2016	Rank	Returns 5 Years as of 6/2013	Rank	Returns 5 Years as of 3/2013	Rank	Returns 5 Years as of 12/2012	Rank	Returns 5 Years as of 9/2012	Rank	Returns 5 Years as of 6/2012	Rank	Returns 5 Years as of 3/2012	Rank	Returns 5 Years as of 12/2011	Rank	Returns 5 Years as of 9/2011	Rank	Returns 5 Years as of 6/2011	Rank	Returns 5 Years as of 3/2011	Rank
S&P MidCap 400 Index	9.54	69	8.94	35	9.87	26	5.18	24	3.87	27	2.60	38	4.82	43	3.36	37	2.23	32	6.63	41	6.09	38
S&P 400	9.52	70	8.91	35	9.85	26	5.15	24	3.83	27	2.55	39	4.78	43	3.32	38	2.20	33	6.60	42	6.07	39

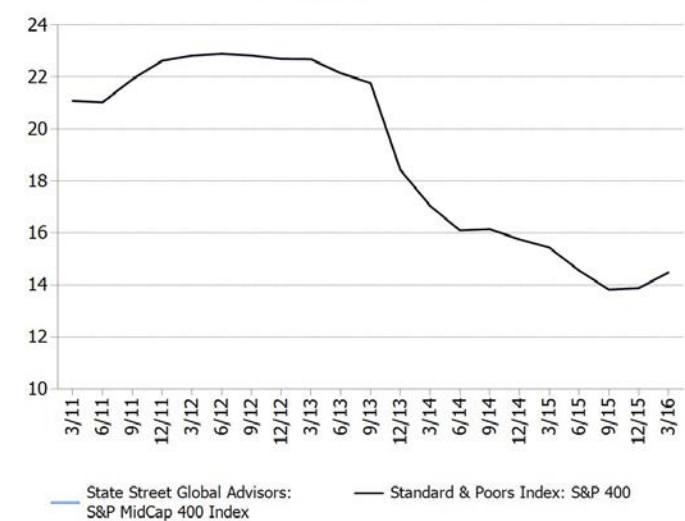
5 Year Rolling Return - Since Inception



5 Year Rolling Up/Down Market Capture - 10 Years



5 Year Rolling Standard Deviation - 10 Years



State Street Global Advisors: S&P MidCap 400 Index — Standard & Poors Index: S&P 400

Results displayed in US Dollar (USD)

Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.



# City of Mobile Police & Firefighters

## March 31, 2016

Performance Summary Table  
Periods Ending 3/31/16

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
Morgan Dempsey SCV							
Total Return	3.49	3.49	-3.83	-4.58			
Total Return (Net of Fees)	3.21	3.21	-4.87	-5.63			
Russell 2000 Value	1.70	1.70	-7.72	-1.84			
Variance	1.79	1.79	3.90	-2.74			

### Morgan Dempsey Capital Management, LLC Small Cap Value Equity Separately Managed Account

#### OBJECTIVE

Manager is expected to rank in the top 50% versus their peer group over a minimum three year period. Investment performance is expected to exceed the Russell 2000 Value Index over a market cycle. (3-5 years)

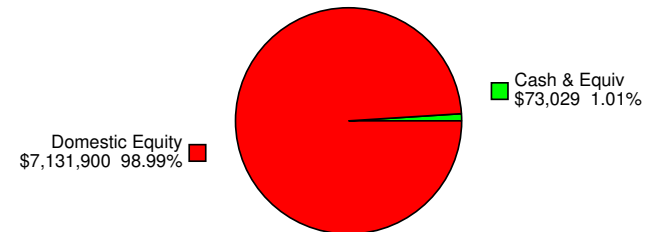
#### STRATEGY

Morgan Dempsey focuses on the area of the market where they can gain a significant advantage through bottom-up fundamental research. Their ability to pursue micro-cap companies in addition to small-cap stocks provides them with opportunities that are off limits to many larger institutional strategies. The firm pursues companies with strong competitive characteristics and equally strong balance sheets that are selling at a big discount to estimated intrinsic value. As a buy-and-hold investor, the firm wants to be a long-term partner with great companies. While they consider themselves value investors, growth is one of the many factors they take into consideration when computing intrinsic value estimates. Morgan Dempsey's value style fosters a capital preservation and risk control philosophy. Their contrarian bias affords them the freedom to be agnostic to benchmark weightings and to instead focus on the best companies in the most promising areas of the market. The portfolio will typically hold between 55-75 companies with diversification across industry sectors.

#### FEE SCHEDULE

1.10% on all assets

Asset Allocation  
Morgan Dempsey SCV  
March 31, 2016 \$7,204,929



#### CONCLUSIONS/RECOMMENDATIONS

Morgan Dempsey out performed the Russell 2000 Value Index (gross of fees) by 179 basis points during the 1st Quarter 2016 and ranked in the top third of the Small Cap Value Universe. Stock selection in the Industrials and Consumer Discretionary sectors were the main contributors to the out performance.

Over the past three years, Morgan Dempsey has under performed the Russell 2000 Index by 59 basis points and ranks in the 84th percentile of the eVestment Small Cap Value Universe for that time period.

When measuring the last 10 yrs of rolling 5 year periods, Morgan Dempsey ranks in the top third of its peer group 11 out of 21 periods measured (8 out of the 11 in the top 10%) and outperforms the index in 15 out of 21 periods measured.

**RECOMMEND ENDING PROBATION EFFECTIVE MAY 26, 2016 MEETING  
AFTER 2 SOLID QUARTERS OF RELATIVE OUTPERFORMANCE**

# City of Mobile Police & Firefighters

## Equity Summary Statistics

### Morgan Dempsey SCV

#### Period Ending 3/16

	Portfolio	Russell 2000 Value	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	69	1,327	Sturm Ruger & Co Inc	513,534	7.21	15.24
Equity Market Value	7,131,900		Marcus Corp	402,555	5.65	0.50
Average Capitalization \$(000)	1,172,471	1,752,402	Granite Constr Inc	402,476	5.65	11.71
Median Capitalization \$(000)	381,291	593,851	Gorman Rupp Co	361,075	5.07	-2.56
Equity Segment Yield	1.62	2.31	J & J Snack Foods Co	320,509	4.50	-6.85
Equity Segment P/E - Average	26.28	31.70	Aptargroup Inc	313,562	4.40	8.41
Equity Segment P/E - Median	17.79	15.30	Msa Safety Inc	262,686	3.69	12.13
Equity Segment Beta	1.07	1.13	Astec Inds Inc	159,471	2.24	14.93
Price/Book Ratio	1.85	1.38	Weis Mkts Inc	151,627	2.13	2.51
Debt/Equity Ratio	20.26	58.63	LSI Inds Inc	149,049	2.09	-3.14
Five Year Earnings Growth	4.42	2.25				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	4.68	4.36	-10.80	-7.36	-0.16	-0.03	-0.19
Materials	8.23	3.14	10.36	10.59	-0.02	0.45	0.44
Industrials	35.07	11.57	5.68	3.32	0.83	0.39	1.22
Consumer Discretionary	21.19	10.10	9.24	0.92	1.76	-0.08	1.68
Consumer Staples	12.26	3.29	-0.61	6.13	-0.83	0.40	-0.43
Health Care	9.72	4.61	-9.87	-8.60	-0.12	-0.52	-0.65
Financials	4.20	43.78	-0.57	0.13	-0.03	0.61	0.58
Information Technology	4.65	10.88	3.74	3.68	0.00	-0.13	-0.12
Telecom. Services	0.00	0.88		0.83	0.00	0.01	0.01
Utilities	0.00	7.39		12.29	0.00	-0.79	-0.79
	100.00	100.00	3.41	1.66	1.44	0.31	1.75

Stock Selection Return Attribution

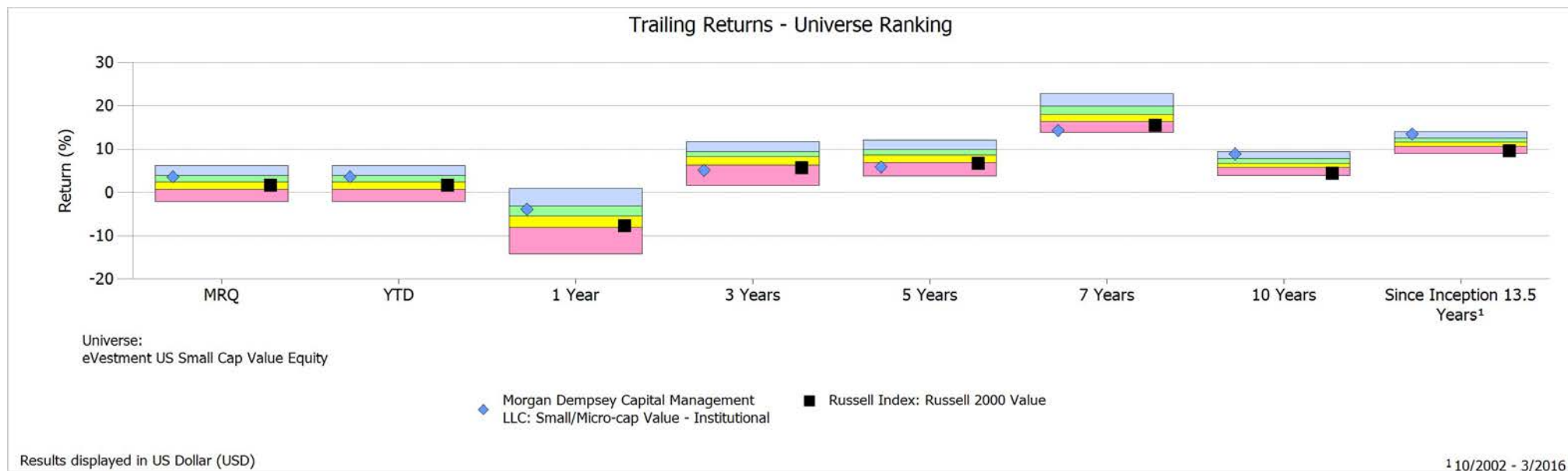
[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

Sector Selection Return Attribution

[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

Trading Effect 0.12%

[ Actual Return 3.53% ] - [ Buy Hold Return 3.41% ]


**Trailing Returns**

Product Name	Returns MRQ	Rank	Returns YTD	Rank	Returns 1 Year	Rank	Returns 3 Years	Rank	Returns 5 Years	Rank	Returns 7 Years	Rank	Returns 10 Years	Rank	Returns SI 10/02 - 3/16	Rank
Small/Micro-cap Value - Institutional	3.62	31	3.62	31	-3.87	30	5.14	84	5.93	85	14.34	92	8.92	10	13.52	9
Russell 2000 Value	1.70	63	1.70	63	-7.72	72	5.73	79	6.67	79	15.54	83	4.42	93	9.56	90

**Risk & Efficiency - Trailing 5 Years**

Product Name	Small/Micro-cap Value - Institutional	Russell 2000 Value
Std Dev 5 Years	14.6	15.9
Sharpe 5 Years	0.4	0.4
TE 5 Years	5.2	0.0
IR 5 Years	-0.1	---
UMC 5 Years	86.8	100.0
DMC 5 Years	91.0	100.0

**Risk & Efficiency - Since Inception**

Product Name	Small/Micro-cap Value - Institutional	Russell 2000 Value
Std Dev SI	16.4	18.7
Sharpe SI	0.7	0.4
TE SI	7.7	0.0
IR SI	0.5	---
UMC SI	93.5	100.0
DMC SI	80.6	100.0

Product Inception Date 10/01/02  
 Default Vehicle Type Separate/Segregated Account  
 Default Reporting Method Gross of Fees

Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.

# Morgan Dempsey Capital Management LLC

Small/Micro-cap Value - Institutional

Russell 2000 Value

3/2016

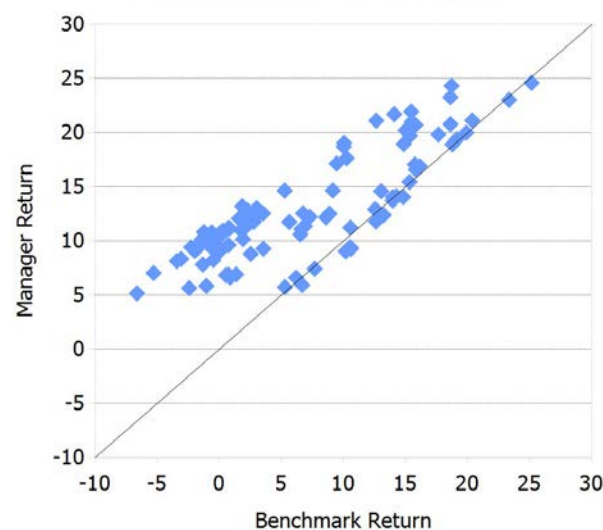
eVestment US Small Cap Value Equity

## 5 Year Rolling Return & Ranking - 10 Years

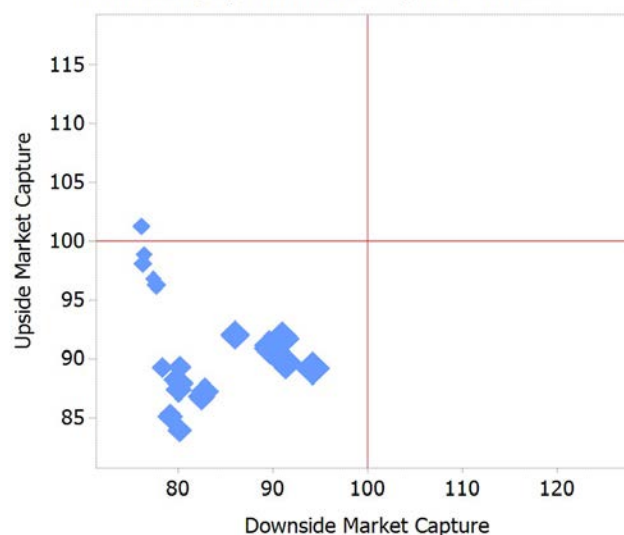
Product Name	Returns 5 Years as of 3/2016	Rank	Returns 5 Years as of 12/2015	Rank	Returns 5 Years as of 9/2015	Rank	Returns 5 Years as of 6/2015	Rank	Returns 5 Years as of 3/2015	Rank	Returns 5 Years as of 12/2014	Rank	Returns 5 Years as of 9/2014	Rank	Returns 5 Years as of 6/2014	Rank	Returns 5 Years as of 3/2014	Rank	Returns 5 Years as of 12/2013	Rank	Returns 5 Years as of 9/2013	Rank
Small/Micro-cap Value - Institutional	5.93	85	7.42	80	9.04	89	14.05	86	12.92	76	14.14	78	14.59	68	20.00	73	23.02	81	19.83	69	14.66	25
Russell 2000 Value	6.67	79	7.67	77	10.17	80	14.81	81	12.54	82	14.26	76	13.03	86	19.88	75	23.33	78	17.64	93	9.13	93

Product Name	Returns 5 Years as of 3/2016	Rank	Returns 5 Years as of 6/2013	Rank	Returns 5 Years as of 3/2013	Rank	Returns 5 Years as of 12/2012	Rank	Returns 5 Years as of 9/2012	Rank	Returns 5 Years as of 6/2012	Rank	Returns 5 Years as of 3/2012	Rank	Returns 5 Years as of 12/2011	Rank	Returns 5 Years as of 9/2011	Rank	Returns 5 Years as of 6/2011	Rank	Returns 5 Years as of 3/2011	Rank
Small/Micro-cap Value - Institutional	5.93	85	12.18	28	12.23	16	9.28	6	6.91	7	5.84	3	9.04	2	9.18	1	8.34	1	12.85	2	11.99	2
Russell 2000 Value	6.67	79	8.59	75	7.29	83	3.55	82	1.35	83	-1.05	86	0.01	90	-1.87	91	-3.08	89	2.24	86	2.23	83

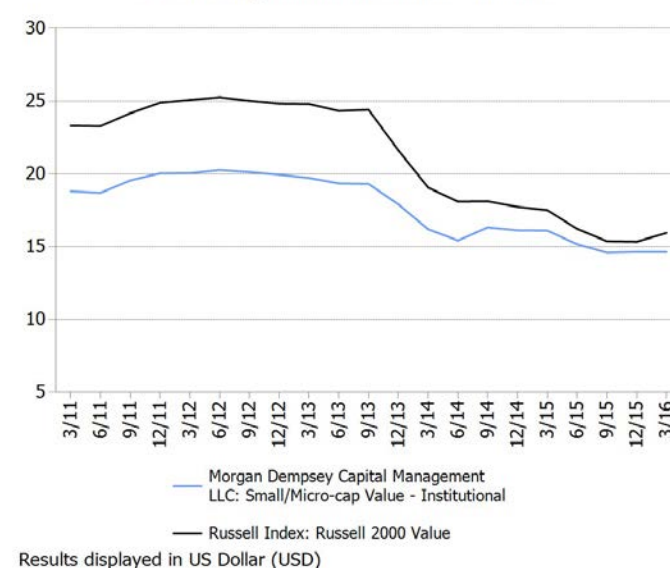
5 Year Rolling Return - Since Inception



5 Year Rolling Up/Down Market Capture - 10 Years



5 Year Rolling Standard Deviation - 10 Years



Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.

# City of Mobile Police & Firefighters

## March 31, 2016

Performance Summary Table  
Periods Ending 3/31/16

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
SouthernSun SCC							
Total Return	4.67	4.67	-14.64	-10.87			
Total Return (Net of Fees)	4.41	4.41	-15.49	-11.77			
Russell 2000	-1.52	-1.52	-9.76	-1.18			
Variance	6.19	6.19	-4.88	-9.69			

### SOUTHERNSUN ASSET MANAGEMENT

#### Small Cap Core Equity

#### Separately Managed Account

#### OBJECTIVE

Manager is expected to rank in the top 50% versus their peer group over a minimum three year period. Investment performance is expected to exceed the Russell 2000 Index over a market cycle. (3-5 years)

#### STRATEGY

Pinpoint attractively valued companies based on a proprietary calculation and analysis of a company's discretionary cash flow. Analyze company's enterprise value, P/E and P/B ratios, and "break-up" value; and focus on companies with at least a minimal rate of organic growth (3-6%).

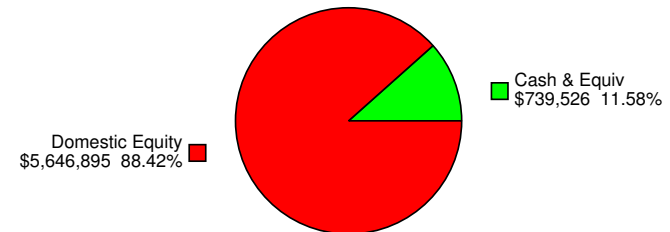
Bottom-up analysis of niche-dominant businesses with financial flexibility and uniquely-suited management teams.

#### FEE SCHEDULE:

1.00% on the first \$50,000,000  
0.95% on the next \$50,000,000  
0.90% on the next \$100,000,000  
0.85% thereafter

### Asset Allocation SouthernSun SCC

March 31, 2016 \$6,386,421



### CONCLUSIONS/RECOMMENDATIONS

SouthernSun out performed the Russell 2000 index during the 1st Quarter 2016, placing them in the top 5% of the eVestment Small Cap Core Universe. The under performance is primarily attributed to stock selection in the Consumer Discretionary, Consumer Staples, and Health Care sectors, as well as an overweighting to the Industrials sector.

Over the past three years, SouthernSun has under performed the Russell 2000 Index by 632 basis points (gross of fees) and ranks in the 99th percentile of the eVestment Small Cap Core Universe for that time period.

When measuring the last 10 yrs of rolling 5 year periods, SouthernSun ranks in the top 10% of its peer group 17 out of 21 periods measured and outperforms the index in 19 out of 21 periods measured.

**RECOMMEND EXTENDING PROBATION THROUGH 6/30/2016 AFTER A STRONG 1ST QUARTER OF RELATIVE OUTPERFORMANCE. RE-EVALUATE PROBATION AFTER ANALYZING 2Q2016 RESULTS.**

# City of Mobile Police & Firefighters Equity Summary Statistics SouthernSun SCC Period Ending 3/16

	Portfolio	Russell 2000	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	21	1,961	Darling Intl Inc	392,795	6.96	25.19
Equity Market Value	5,646,895		Aegion Corp	339,022	6.01	9.22
Average Capitalization \$(000)	3,519,661	1,893,199	Polaris Inds Inc	336,309	5.96	15.27
Median Capitalization \$(000)	2,962,546	661,760	Brinks Co	332,709	5.89	16.78
Equity Segment Yield	1.16	1.57	Amsurg Corp	331,970	5.88	-1.84
Equity Segment P/E - Average	37.91	40.10	Chicago Bridge & Iro	313,393	5.55	-5.98
Equity Segment P/E - Median	15.48	15.30	Centene Corp Del	311,852	5.52	-6.44
Equity Segment Beta	1.43	1.18	AGCO Corp	290,497	5.15	9.81
Price/Book Ratio	1.79	1.95	Oge Energy Corp	290,308	5.14	10.06
Debt/Equity Ratio	81.06	51.84	Sanderson Farms Inc	287,223	5.09	16.65
Five Year Earnings Growth	2.81	6.01				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	1.83	2.68	-17.44	-8.18	-0.17	0.06	-0.11
Materials	3.37	3.61	23.12	4.89	0.61	-0.02	0.60
Industrials	35.99	12.11	3.40	4.47	-0.39	1.46	1.08
Consumer Discretionary	16.20	13.46	15.37	2.29	2.12	0.11	2.23
Consumer Staples	11.35	3.41	21.28	3.18	2.05	0.38	2.44
Health Care	16.78	16.49	-1.37	-17.42	2.69	-0.05	2.65
Financials	3.88	25.60	-46.27	0.32	-1.81	-0.43	-2.24
Information Technology	5.02	18.08	-2.79	-1.59	-0.06	-0.01	-0.07
Telecom. Services	0.00	0.84		6.48	0.00	-0.07	-0.07
Utilities	5.58	3.71	10.06	12.01	-0.11	0.25	0.15
	100.00	100.00	4.98	-1.66	4.95	1.70	6.65

Stock Selection Return Attribution  
 [ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]  
 Sector Selection Return Attribution  
 [ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]  
 Trading Effect 0.57%  
 [ Actual Return 5.55% ] - [ Buy Hold Return 4.98% ]


**Trailing Returns**

Product Name	Returns MRQ	Rank	Returns YTD	Rank	Returns 1 Year	Rank	Returns 3 Years	Rank	Returns 5 Years	Rank	Returns 7 Years	Rank	Returns 10 Years	Rank	Returns SI 1/90 - 3/16	Rank
SouthernSun Small Cap	4.73	5	4.73	5	-14.84	95	0.52	99	5.76	88	20.62	13	7.42	35	12.96	9
Russell 2000	-1.52	74	-1.52	74	-9.76	77	6.84	81	7.20	78	16.42	80	5.26	80	9.01	100

**Risk & Efficiency - Trailing 5 Years**

Product Name	SouthernSun Small Cap	Russell 2000
Std Dev 5 Years	18.3	16.7
Sharpe 5 Years	0.3	0.4
TE 5 Years	8.5	0.0
IR 5 Years	-0.2	---
UMC 5 Years	87.1	100.0
DMC 5 Years	94.1	100.0

**Risk & Efficiency - Since Inception**

Product Name	SouthernSun Small Cap	Russell 2000
Std Dev SI	19.6	19.1
Sharpe SI	0.5	0.3
TE SI	10.8	0.0
IR SI	0.4	---
UMC SI	90.8	100.0
DMC SI	79.2	100.0

Product Inception Date 01/01/90  
 Default Vehicle Type Separate/Segregated Account  
 Default Reporting Method Gross of Fees

Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.

# SouthernSun Asset Management

SouthernSun Small Cap

Russell 2000

3/2016

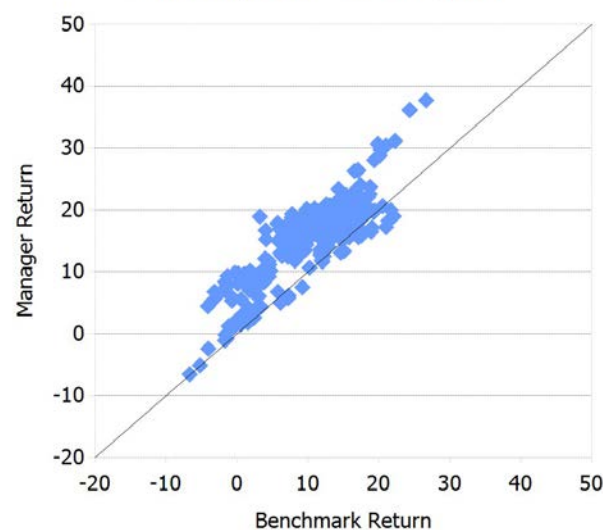
eVestment US Small Cap Core Equity

## 5 Year Rolling Return & Ranking - 10 Years

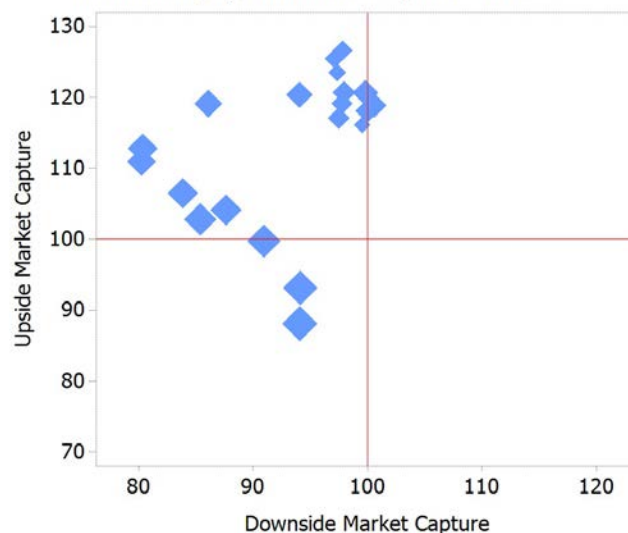
Product Name	Returns 5 Years as of 3/2016	Rank	Returns 5 Years as of 12/2015	Rank	Returns 5 Years as of 9/2015	Rank	Returns 5 Years as of 6/2015	Rank	Returns 5 Years as of 3/2015	Rank	Returns 5 Years as of 12/2014	Rank	Returns 5 Years as of 9/2014	Rank	Returns 5 Years as of 6/2014	Rank	Returns 5 Years as of 3/2014	Rank	Returns 5 Years as of 12/2013	Rank	Returns 5 Years as of 9/2013	Rank
SouthernSun Small Cap	5.76	88	7.50	90	12.74	59	21.73	9	18.29	19	20.72	6	23.38	1	29.74	1	36.16	1	28.82	4	18.60	4
Russell 2000	7.20	78	9.19	75	11.73	74	17.08	68	14.57	74	15.55	71	14.29	78	20.21	73	24.31	71	20.08	81	11.15	84

Product Name	Returns 5 Years as of 3/2016	Rank	Returns 5 Years as of 6/2013	Rank	Returns 5 Years as of 3/2013	Rank	Returns 5 Years as of 12/2012	Rank	Returns 5 Years as of 9/2012	Rank	Returns 5 Years as of 6/2012	Rank	Returns 5 Years as of 3/2012	Rank	Returns 5 Years as of 12/2011	Rank	Returns 5 Years as of 9/2011	Rank	Returns 5 Years as of 6/2011	Rank	Returns 5 Years as of 3/2011	Rank
SouthernSun Small Cap	5.76	88	14.24	7	14.80	3	10.28	3	7.82	6	5.57	10	9.81	2	8.18	2	6.25	3	9.85	9	9.10	8
Russell 2000	7.20	78	8.77	68	8.24	67	3.56	66	2.21	63	0.54	62	2.13	73	0.15	74	-1.02	70	4.08	65	3.35	61

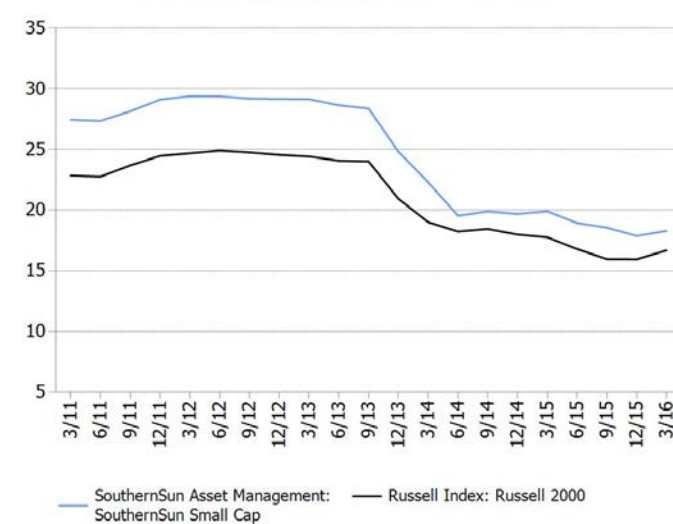
5 Year Rolling Return - Since Inception



5 Year Rolling Up/Down Market Capture - 10 Years



5 Year Rolling Standard Deviation - 10 Years



Results displayed in US Dollar (USD)

Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.



# City of Mobile Police & Firefighters

## March 31, 2016

Performance Summary Table  
Periods Ending 3/31/16

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
Allianz Global Investors							
Total Return	-3.05	-3.05	-15.10	-9.93	-4.28		
Total Return (Net of Fees)	-3.48	-3.48	-16.02	-10.71	-4.83		
MSCI ACWI ex US (Net)	-0.38	-0.38	-9.19	-5.19	0.32		
Variance	-2.67	-2.67	-5.92	-4.75	-4.60		

### ALLIANZ GLOBAL INVESTORS

#### (NFJ Int'l Value Fund)

#### International Equity Portfolio (Commingled Fund)

#### OBJECTIVE:

Manager is expected to rank in the top 50% versus their peer group over a minimum three year period. Investment performance is expected to exceed the MSCI ACWI ex US (Net) Index over a market cycle. (3-5 years)

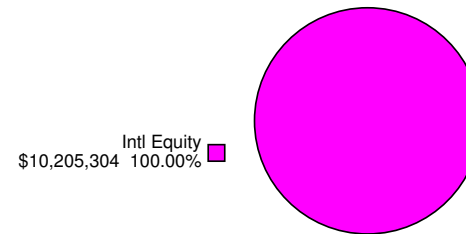
#### STRATEGY:

Allianz's investment process enables them to identify stocks offering attractive valuations and growth potential. Manager believes a diversified portfolio of dividend-paying companies with low relative and absolute valuations will out perform over market cycles. Investment conviction must come from analysis of company fundamentals and disciplined adherence to their investment process. The portfolio is constructed of approximately 40-60 of the most attractive securities, diversified among 40-50 industries. Position sizes of 1% through 4% at market value are established based on assessment of price-to-earnings and price-to-book ratios, as well as dividend yield and positive price momentum.

#### FEE SCHEDULE

0.85% annually on the first \$25 million  
0.75% annually on the next \$25 million  
0.60% annually on the next \$50 million  
0.45% annually thereafter

Asset Allocation  
Allianz Global Investors  
March 31, 2016 \$10,205,304



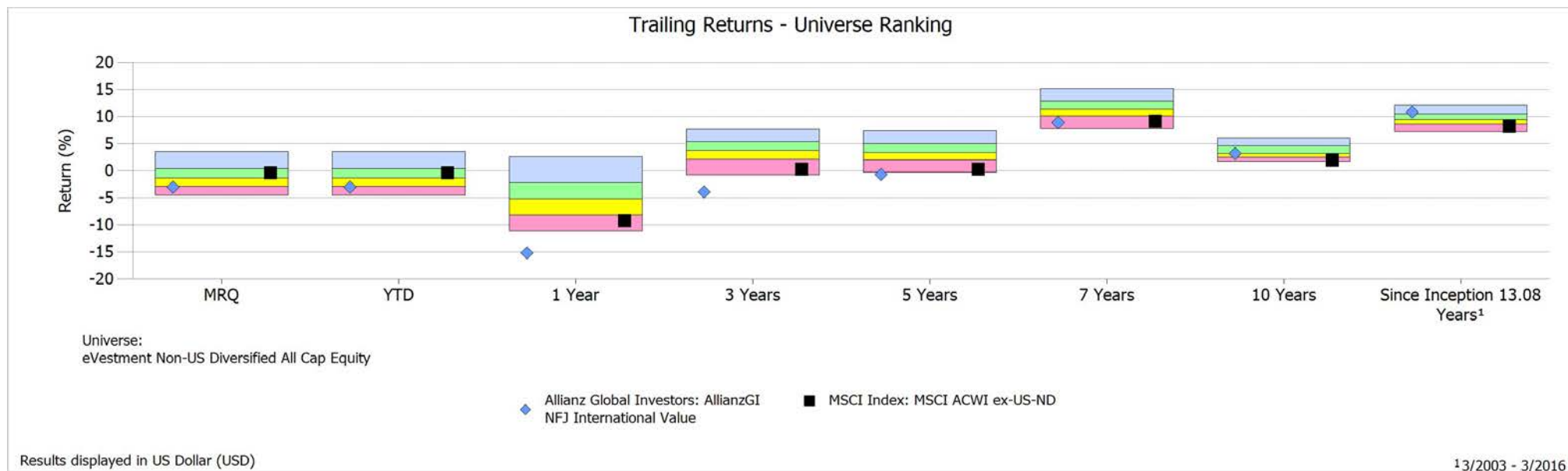
#### CONCLUSIONS/RECOMMENDATIONS

Allianz Global Investors under performed the MSCI ACWI ex US (Net) by 267 bps during the 1st Quarter 2016 and ranked in the 80th percentile of the International All Cap Equity Universe.

Over the past three years, Allianz has under performed the MSCI ACWI ex US (Net) Index by 460 basis points (net of fees) and ranks in the bottom percentile of the eVestment Non-US Diversified All Cap Equity Universe for that time period.

When measuring the last 10 yrs of rolling 5 year periods, Allianz ranks in the bottom half of its peer group 11 out of 21 periods measured but outperforms the index in 18 out of 21 periods measured.

**MANAGER REMAINS ON PROBATION THROUGH 6/30/2016**



### Trailing Returns

Product Name	Returns MRQ	Rank	Returns YTD	Rank	Returns 1 Year	Rank	Returns 3 Years	Rank	Returns 5 Years	Rank	Returns 7 Years	Rank	Returns 10 Years	Rank	Returns SI 3/03 - 3/16	Rank
AllianzGI NFJ International Value	-3.00	80	-3.00	80	-15.14	99	-3.88	100	-0.67	97	8.94	91	3.20	50	10.85	22
MSCI ACWI ex-US-ND	-0.38	33	-0.38	33	-9.19	80	0.32	89	0.31	92	9.18	89	1.94	89	8.16	86

### Risk & Efficiency - Trailing 5 Years

Product Name	AllianzGI NFJ International Value	MSCI ACWI ex-US-ND
Std Dev 5 Years	16.0	15.7
Sharpe 5 Years	0.0	0.0
TE 5 Years	3.0	0.0
IR 5 Years	-0.3	---
UMC 5 Years	100.3	100.0
DMC 5 Years	104.0	100.0

### Risk & Efficiency - Since Inception

Product Name	AllianzGI NFJ International Value	MSCI ACWI ex-US-ND
Std Dev SI	19.3	17.9
Sharpe SI	0.5	0.4
TE SI	4.5	0.0
IR SI	0.6	---
UMC SI	114.7	100.0
DMC SI	102.8	100.0

Product Inception Date 03/01/03  
 Default Vehicle Type Separate/Segregated Account  
 Default Reporting Method Gross of Fees

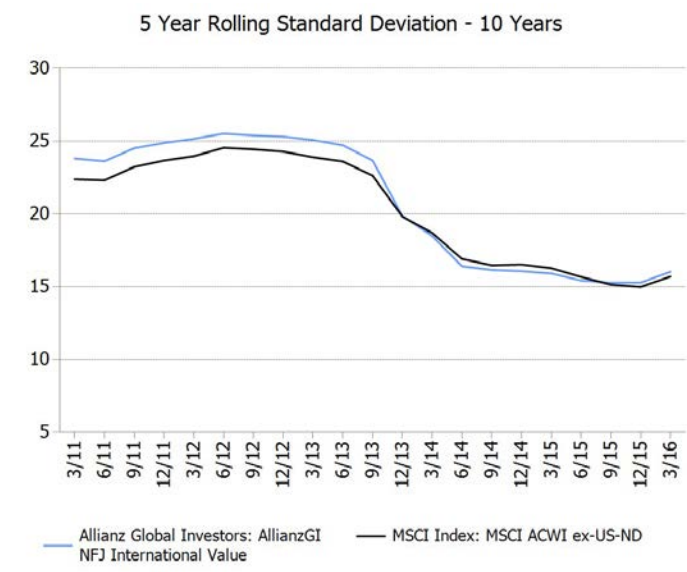
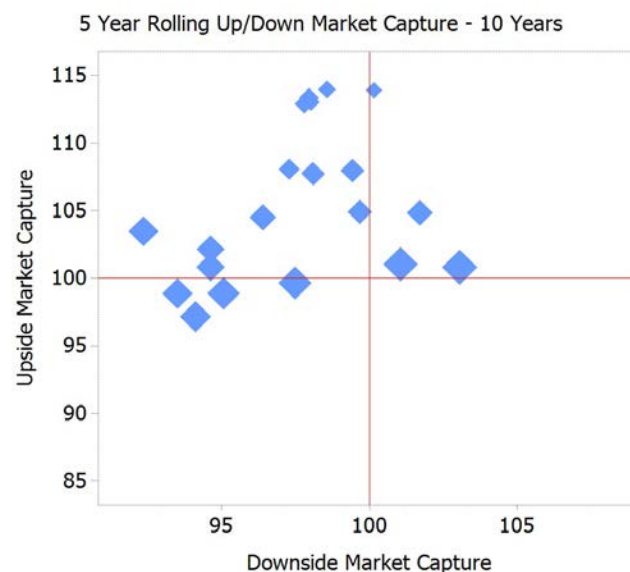
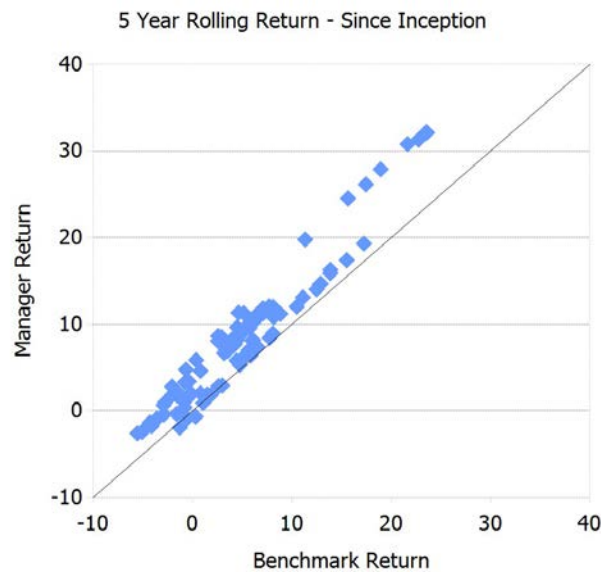
Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.

**5 Year Rolling Return & Ranking - 10 Years**

Product Name	Returns 5 Years as of 3/2016	Rank	Returns 5 Years as of 12/2015	Rank	Returns 5 Years as of 9/2015	Rank	Returns 5 Years as of 6/2015	Rank	Returns 5 Years as of 3/2015	Rank	Returns 5 Years as of 12/2014	Rank	Returns 5 Years as of 9/2014	Rank	Returns 5 Years as of 6/2014	Rank	Returns 5 Years as of 3/2014	Rank	Returns 5 Years as of 12/2013	Rank	Returns 5 Years as of 9/2013	Rank
AllianzGI NFJ International Value	-0.67	97	0.91	93	1.81	94	8.42	86	5.80	81	5.81	74	8.09	56	13.09	60	17.40	54	14.58	47	7.04	69
MSCI ACWI ex-US-ND	0.31	92	1.06	92	1.82	94	7.76	92	4.82	91	4.43	90	6.03	86	11.11	90	15.52	82	12.81	79	6.26	83

Product Name	Returns 5 Years as of 3/2016	Rank	Returns 5 Years as of 6/2013	Rank	Returns 5 Years as of 3/2013	Rank	Returns 5 Years as of 12/2012	Rank	Returns 5 Years as of 9/2012	Rank	Returns 5 Years as of 6/2012	Rank	Returns 5 Years as of 3/2012	Rank	Returns 5 Years as of 12/2011	Rank	Returns 5 Years as of 9/2011	Rank	Returns 5 Years as of 6/2011	Rank	Returns 5 Years as of 3/2011	Rank
AllianzGI NFJ International Value	-0.67	97	0.38	63	1.79	36	-0.43	31	-1.76	31	-1.88	24	2.26	13	0.66	13	1.77	16	7.24	8	7.23	5
MSCI ACWI ex-US-ND	0.31	92	-0.80	85	-0.39	76	-2.89	75	-4.12	71	-4.62	62	-1.56	58	-2.92	55	-1.57	54	3.67	49	3.59	45



Results displayed in US Dollar (USD)

Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.

# City of Mobile Police & Firefighters

## March 31, 2016

Performance Summary Table  
Periods Ending 3/31/16

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>Orleans</b>							
Total Return	2.76	2.76	2.34	3.07	2.39	3.35	4.95
Total Return (Net of Fees)	2.74	2.74	2.23	2.95	2.27	3.23	4.83
Barclays Int Govt/Credit	2.45	2.45	2.06	2.82	1.83	3.01	4.34
Variance	0.32	0.32	0.28	0.25	0.56	0.34	0.61
Barclays U.S. Aggregate	3.03	3.03	1.96	3.82	2.50	3.78	4.90

### ORLEANS

#### Intermediate Fixed Income Portfolio (Separately Managed)

#### OBJECTIVE:

The manager is expected to rank in the top 50% versus their respective peer group over a minimum three year period.

Manager is expected to exceed the Barclays Int Govt/Corp Index over a full market cycle. (3-5 years)

#### STRATEGY:

Sector diversification is actively managed and sectors are significantly under or over weighted versus the benchmark. Consideration is given to supply and demand factors affecting future performance of the sectors as well as to yield relationships between the sectors.

Interest rate exposure is actively managed within a 15% band around the benchmark.

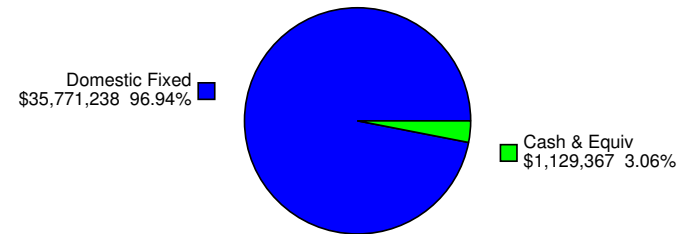
Yield curve exposure is generally kept neutral to the index and portfolios contain a full spectrum of maturities to achieve duration targets.

#### FEE SCHEDULE

15 bps on first \$10MM  
10 bps thereafter

### Asset Allocation Orleans

March 31, 2016 \$36,900,605



### CONCLUSIONS/RECOMMENDATIONS

Orleans out performed the Barclays Int. Govt/Credit Index during the quarter, and ranked in the 41st percentile of the Intermediate Fixed Income Universe during the quarter.

The manager's longer term relative performance is good, with the manager outperforming the benchmark (net of fees) for the 2yr, 3yr, 5yr, and 10 yr periods.

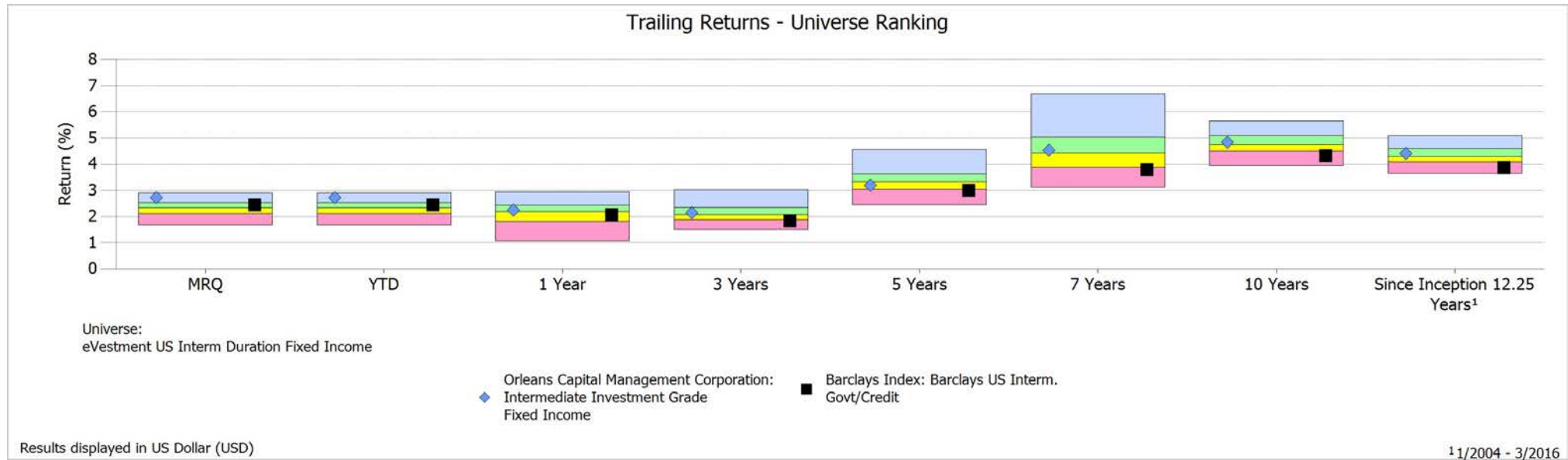
# Orleans Capital Management Corporation

## Intermediate Investment Grade Fixed Income

### Barclays US Intern. Govt/Credit

3/2016

## eVestment US Interm Duration Fixed Income



### Trailing Returns

Product Name	Returns MRQ	Rank	Returns YTD	Rank	Returns 1 Year	Rank	Returns 3 Years	Rank	Returns 5 Years	Rank	Returns 7 Years	Rank	Returns 10 Years	Rank	Returns SI 1/04 - 3/16	Rank
Intermediate Investment Grade Fixed Income	2.72	11	2.72	11	2.24	43	2.14	41	3.19	62	4.53	42	4.84	39	4.41	37
Barclays US Intern. Govt/Credit	2.45	34	2.45	34	2.06	60	1.83	81	3.01	79	3.79	80	4.34	86	3.88	89

### Risk & Efficiency - Trailing 5 Years

Product Name	Intermediate Investment Grade Fixed Income	Barclays US Intern. Govt/Credit
Std Dev 5 Years	2.0	2.1
Sharpe 5 Years	1.6	1.4
TE 5 Years	0.7	0.0
UMR 5 Years	7.6	8.0
DMR 5 Years	-3.0	-4.1
Max Drawdown 5 Years	2.4	2.5

### Risk & Efficiency - Since Inception

Product Name	Intermediate Investment Grade Fixed Income	Barclays US Intern. Govt/Credit
Std Dev SI	2.7	2.8
Sharpe SI	1.1	0.9
TE SI	0.9	0.0
UMR SI	9.4	9.4
DMR SI	-4.9	-6.3
Max Drawdown SI	4.1	4.0

Product Inception Date

---

Default Vehicle Type

Separate/Segregated Account

Default Reporting Method

Gross of Fees

Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.

# Orleans Capital Management Corporation

## Intermediate Investment Grade Fixed Income

### Barclays US Interm. Govt/Credit

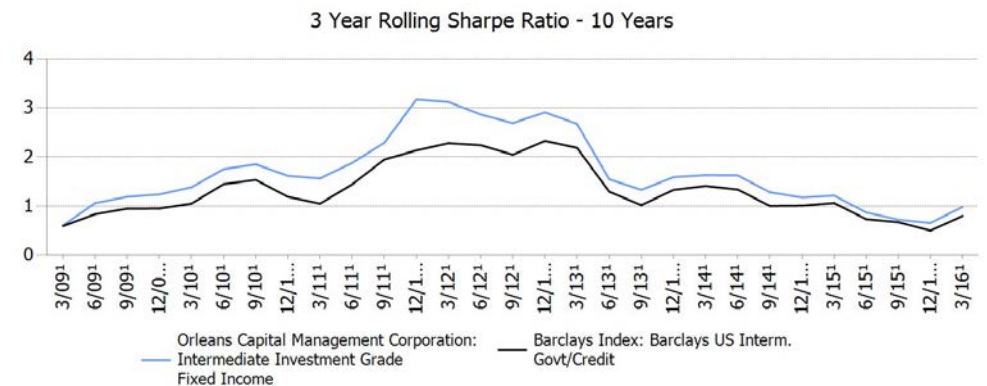
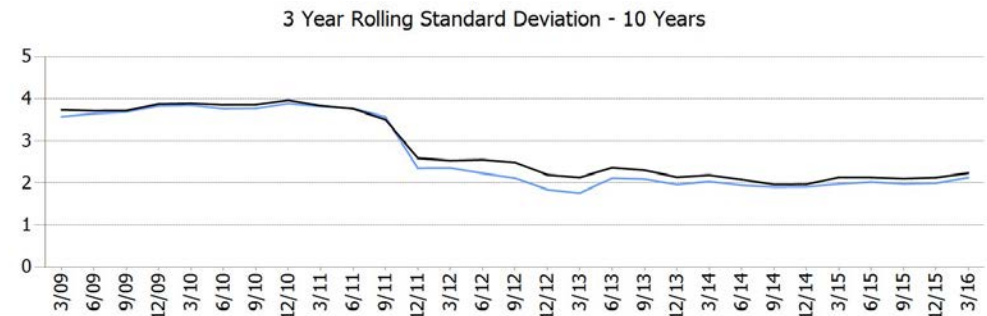
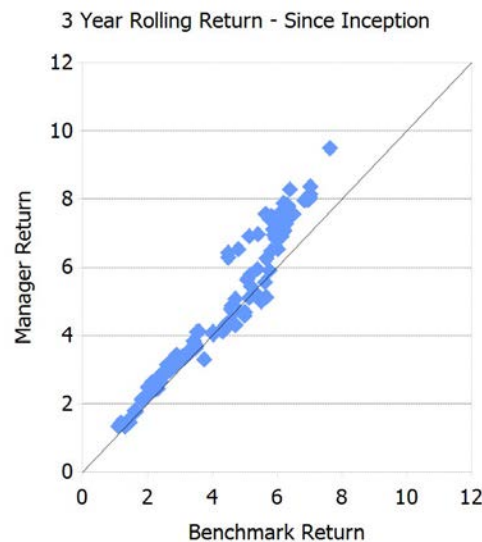
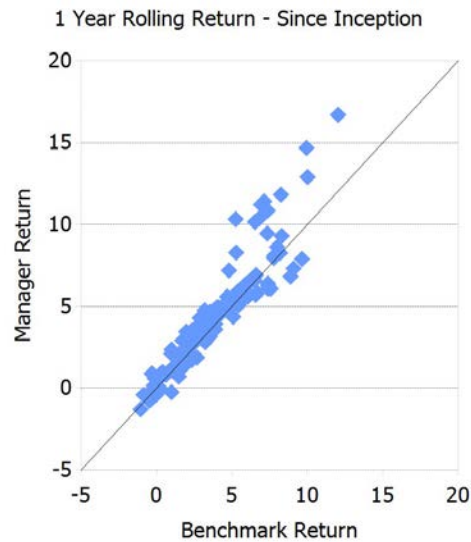
3/2016

## eVestment US Interm Duration Fixed Income

### 3 Year Rolling Return & Ranking - 10 Years

Product Name	Returns 3 Years as of 3/2016	Rank	Returns 3 Years as of 12/2015	Rank	Returns 3 Years as of 9/2015	Rank	Returns 3 Years as of 6/2015	Rank	Returns 3 Years as of 3/2015	Rank	Returns 3 Years as of 12/2014	Rank	Returns 3 Years as of 9/2014	Rank	Returns 3 Years as of 6/2014	Rank	Returns 3 Years as of 3/2014	Rank	Returns 3 Years as of 12/2013	Rank	Returns 3 Years as of 9/2013	Rank	Returns 3 Years as of 6/2013	Rank	Returns 3 Years as of 3/2013	Rank	Returns 3 Years as of 12/2012	Rank	Returns 3 Years as of 9/2012	Rank
Intermediate Investment Grade Fixed Income	2.14	41	1.34	57	1.46	75	1.80	69	2.44	70	2.29	69	2.49	61	3.20	61	3.37	62	3.17	61	2.86	51	3.35	61	4.79	71	5.44	62	5.78	47
Barclays US Interm. Govt/Credit	1.83	81	1.10	88	1.45	76	1.60	80	2.31	77	2.03	81	2.01	85	2.83	81	3.13	76	2.91	78	2.41	82	3.14	77	4.75	73	5.19	74	5.18	75

Product Name	Returns 3 Years as of 3/2016	Rank	Returns 3 Years as of 6/2012	Rank	Returns 3 Years as of 3/2012	Rank	Returns 3 Years as of 12/2011	Rank	Returns 3 Years as of 9/2011	Rank	Returns 3 Years as of 6/2011	Rank	Returns 3 Years as of 3/2011	Rank	Returns 3 Years as of 12/2010	Rank	Returns 3 Years as of 9/2010	Rank	Returns 3 Years as of 6/2010	Rank	Returns 3 Years as of 3/2010	Rank	Returns 3 Years as of 12/2009	Rank	Returns 3 Years as of 9/2009	Rank	Returns 3 Years as of 6/2009	Rank	Returns 3 Years as of 3/2009	Rank
Intermediate Investment Grade Fixed Income	2.14	41	6.48	47	7.45	33	7.57	29	8.37	28	7.42	19	6.43	17	6.97	21	7.98	34	7.99	34	7.11	28	6.95	30	7.01	32	6.90	33	5.57	57
Barclays US Interm. Govt/Credit	1.83	81	5.81	74	5.88	75	5.65	78	7.02	76	5.76	83	4.49	88	5.40	82	6.93	74	6.97	72	5.88	76	5.90	73	6.15	69	6.13	63	5.62	55



Results displayed in US Dollar (USD)

<sup>1</sup>Citigroup 3-Month T-Bill

Universe Ranking Range: 5th-25th Percentile, 25th-50th Percentile, 50th-75th Percentile and 75th-95th Percentile.

Data Frequency: Monthly. Source: eVestment Alliance.

# City of Mobile Police & Firefighters

## March 31, 2016

### **GUGGENHEIM REAL ESTATE PLUS FUND** **Real Estate - Open-ended, Core/Core-Plus Style**

#### **OBJECTIVE**

Return that exceeds the Blended Benchmark (70% NCREIF and 30% NAREIT).

Return that averages in top half of a comparable manager universe.

Achieve performance objectives, comply with Plan investment guidelines, add value to Plan.

#### **STRATEGIES**

Invests in both public (approximately 30% of portfolio) and private (approximately 70% of portfolio real estate)

Public investments consist of 4 separate account REIT strategies (core, large cap, small cap, and absolute return) and an in-house public/private arbitrage portfolio.

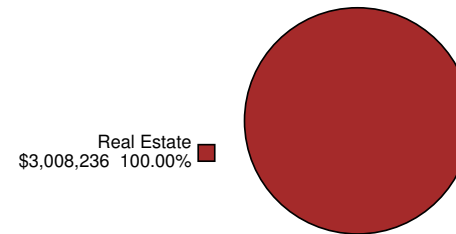
Private investments consist of direct properties (31 investments), mezzanine financing (8 investments), and 7 fund investments (in order to take advantage of market pricing and portfolio diversification).

#### **FEE SCHEDULE**

60 bps base management fee and an incentive fee: 20% of the outperformance over the benchmark, calculated on a rolling four quarters' basis

#### Asset Allocation Guggenheim

March 31, 2016      \$3,008,236



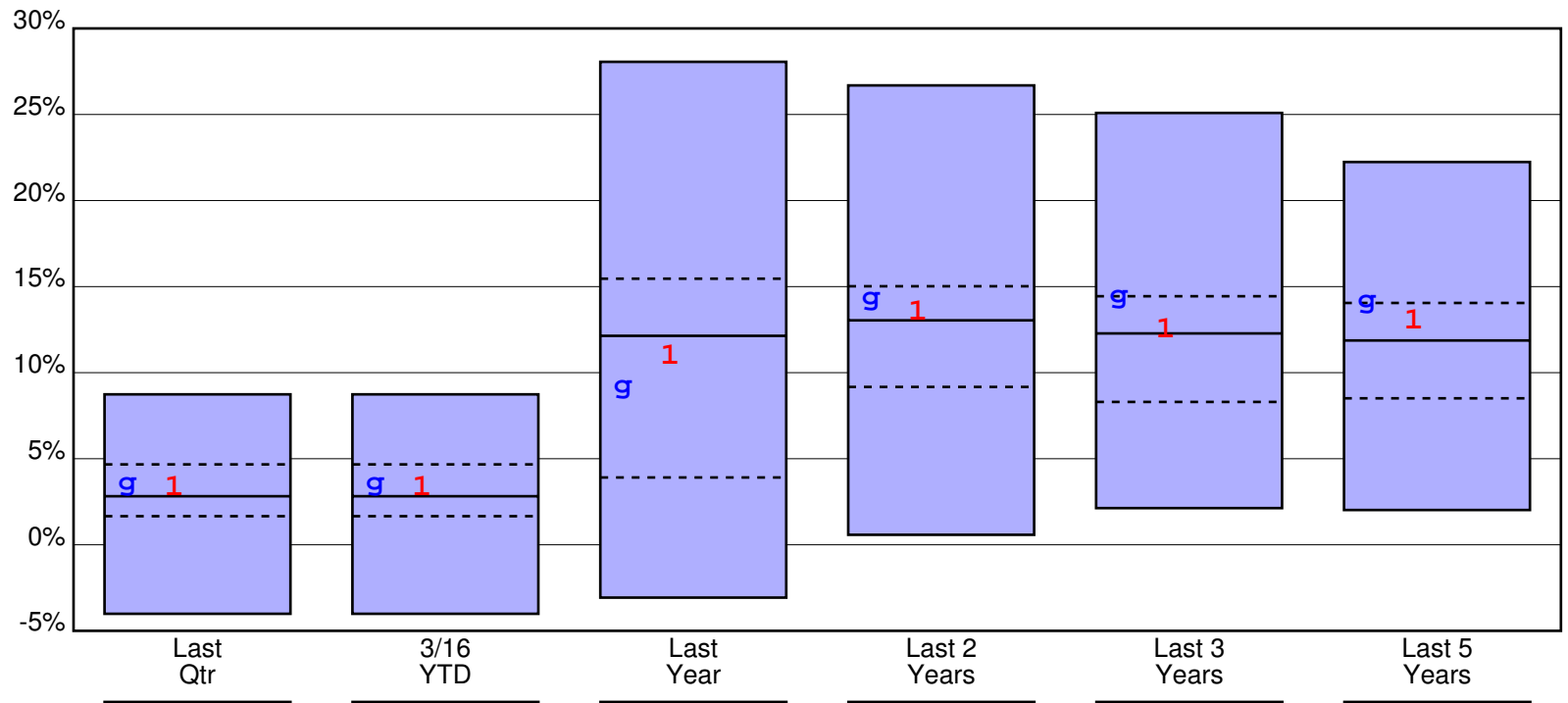
#### **CONCLUSIONS/RECOMMENDATIONS**

Guggenheim out performed the blended benchmark and ranked in the 39th percentile of the Wilshire Real Estate Universe for the quarter.

The manager's longer term relative performance is good, with the manager outperforming the benchmark (net of fees) for all periods measured.

The manager's longer term peer group performance is good, with the manager ranking within the top 50% for all periods measured - with most of those periods ranking in the top quartile.

# City of Mobile Police & Firefighters Cumulative Performance Comparison Total Returns of Real Estate Portfolios Periods Ending 3/16



5th Percentile	8.74	8.74	28.06	26.69	25.09	22.24
25th Percentile	4.67	4.67	15.46	15.02	14.44	14.05
Median	2.82	2.82	12.14	13.04	12.28	11.87
75th Percentile	1.66	1.66	3.91	9.17	8.30	8.51
95th Percentile	-4.01	-4.01	-3.07	0.58	2.13	2.02
<b>g</b> Guggenheim	3.52 (39)	3.52 (39)	9.13 (59)	14.25 (33)	14.40 (25)	14.08 (24)
<b>1</b> 70% NCREIF / 30% NAREIT	3.28 (41)	3.28 (41)	10.93 (56)	13.46 (45)	12.46 (48)	12.94 (40)



# City of Mobile Police & Firefighters

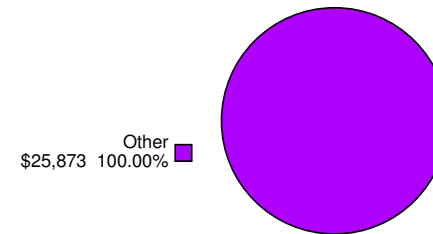
## March 31, 2016

### HICKS, MUSE, TATE & FURST EQUITY FUND IV Private Equity

Initial Closing on August 7, 1998

**Fund Term has expired and HMTF IV is completing disposition final investments.**

Asset Allocation  
Hicks, Muse, Tate & Furst IV  
March 31, 2016      \$25,873



### CONCLUSIONS/RECOMMENDATIONS

**Fund values and performance have not yet been updated through 1Q2016.**

The fund currently has three holdings remaining in its portfolio. Two are currently carried at a fair value above cost, with the remaining holding carried at a fair value significantly below cost. The fund is continuing to work through its remaining positions, though there is currently no estimated time frame for disposition of these positions. The manager is allowed the extra time needed to work out of these illiquid positions, per the fund documents.

This will be the final performance report listing the detail for HMTF IV. The final portion of the investment will continue to be monitored for final distribution.

City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Hicks, Muse, Tate & Furst IV  
March 31, 2016

Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
9/98		930,532	64,711	0	0	0	865,821	0.00	NA
12/98	865,821	23,740	117,833	62,315	0	0	834,043	7.31	NA
3/99	834,043	272,679	64,549	-11,067	0	0	1,031,106	6.16	NA
6/99	1,031,106	156,654	0	74,543	0	0	1,262,303	14.22	NA
9/99	1,262,303	130,492	1,022	73,826	0	0	1,465,599	21.11	20.20
12/99	1,465,599	145,549	260	219,115	0	0	1,830,003	41.82	31.02
3/00	1,830,003	224,133	6,909	137,497	0	22,237	2,162,487	52.56	31.50
6/00	2,162,487	218,195	67,788	55,182	0	0	2,368,076	54.27	27.37
9/00	2,368,076	0	7,976	-302,706	0	0	2,057,394	25.45	11.73
12/00	2,057,394	46,616	41,932	-288,223	0	0	1,773,855	1.59	0.69
3/01	1,773,855	18,215	6,876	-212,750	0	11,515	1,560,929	-14.24	-5.86
6/01	1,560,929	42,818	1,012	234,552	0	0	1,837,287	3.09	1.10
9/01	1,837,287	22,558	484,649	-176,658	0	0	1,198,538	-9.52	-3.23
12/01	1,198,538	11,966	24,115	-269,195	0	0	917,194	-28.37	-9.63
3/02	917,194	27,496	2,811	4,104	0	10,504	935,479	-28.29	-8.96
6/02	935,479	3,470	0	-129,145	0	0	809,804	-37.45	-11.64
9/02	809,804	0	2,393	-19,057	0	0	788,354	-38.96	-11.49
12/02	788,354	0	7,177	-3,518	0	0	777,659	-39.38	-11.00
3/03	777,659	14,731	0	-49,296	0	0	743,094	-43.02	-11.65
6/03	743,094	0	0	82,005	0	0	825,099	-37.32	-9.29
9/03	825,099	0	0	-40,975	0	0	784,124	-40.33	-9.73
12/03	784,124	0	863	76,419	0	0	859,680	-34.94	-7.80
3/04	859,680	8,669	942	-51,378	0	0	816,029	-38.70	-8.45
6/04	816,029	0	73,922	-54,988	0	0	687,119	-42.74	-9.17

City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Hicks, Muse, Tate & Furst IV  
March 31, 2016

Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
9/04	687,119	0	3,421	-54,963	0	0	628,735	-46.90	-9.94
12/04	628,735	0	29,658	89,646	0	0	688,723	-40.56	-7.93
3/05	688,723	4,580	1,084	-1,443	0	0	690,776	-40.85	-7.71
6/05	690,776	1,303	347,240	-56,077	0	0	288,762	-45.24	-8.48
9/05	288,762	0	16,992	104	0	0	271,874	-45.96	-8.36
12/05	271,874	0	0	-30,555	0	0	241,319	-49.05	-8.82
3/06	241,319	4,236	5,806	-7,701	0	0	232,048	-50.37	-8.87
6/06	232,048	0	0	14,941	0	0	246,989	-49.88	-8.48
9/06	246,989	0	81,948	410	0	0	165,451	-50.53	-8.37
12/06	165,451	0	56,426	15,881	0	0	124,906	-49.99	-8.01
3/07	124,906	3,026	0	1,596	0	0	129,528	-50.66	-7.93
6/07	129,528	0	0	6,834	0	0	136,362	-50.84	-7.76
9/07	136,362	0	0	-13,091	0	0	123,271	-52.75	-7.95
12/07	123,271	0	7,965	3,282	0	0	118,588	-53.20	-7.84
3/08	118,588	2,646	0	-8,645	0	0	112,589	-54.72	-7.96
6/08	112,589	0	0	-8,568	0	0	104,021	-56.24	-8.09
9/08	104,021	1,901	0	-4,877	0	0	101,045	-57.43	-8.15
12/08	101,045	0	1,901	-17,717	0	0	81,427	-59.88	-8.48
3/09	81,427	92,836	3,385	-89,451	0	0	81,427	-69.96	-10.78
6/09	81,427	0	3,385	94,278	0	0	172,320	-60.51	-8.25
9/09	172,320	0	0	8,479	0	0	180,799	-60.10	-7.98
12/09	180,799	0	0	4,541	0	0	185,340	-60.07	-7.80
3/10	185,340	6,516	0	3,441	0	0	195,296	-60.12	-7.65
6/10	195,296	0	0	-5,801	0	0	189,496	-61.11	-7.69

City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Hicks, Muse, Tate & Furst IV  
March 31, 2016

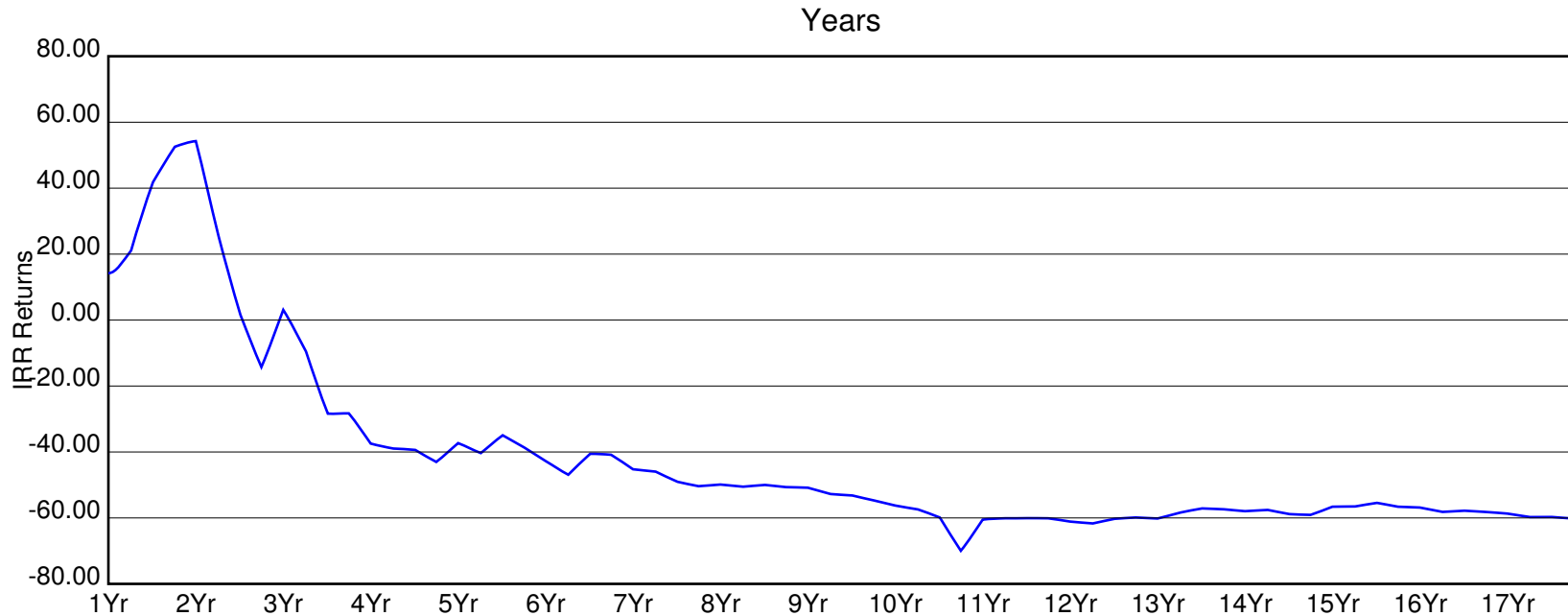
Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
9/10	189,496	0	0	-1,792	0	0	187,704	-61.67	-7.65
12/10	187,704	0	0	16,585	0	0	204,289	-60.27	-7.23
3/11	204,289	0	0	6,870	0	0	211,159	-59.86	-7.02
6/11	211,159	1	0	1	0	0	211,161	-60.18	-6.94
9/11	211,161	0	0	19,727	0	0	230,888	-58.38	-6.50
12/11	230,888	0	0	14,511	0	0	245,399	-57.12	-6.17
3/12	245,399	0	0	11	0	0	245,410	-57.38	-6.10
6/12	245,410	0	0	-2,925	0	0	242,485	-57.95	-6.08
9/12	242,485	0	0	5,848	0	0	248,333	-57.57	-5.92
12/12	248,333	0	0	-9,555	0	0	238,777	-58.84	-6.02
3/13	238,777	0	0	0	0	0	238,777	-59.07	-5.96
6/13	238,777	0	0	24,882	0	0	263,659	-56.60	-5.48
9/13	263,659	0	0	2,661	0	0	266,320	-56.52	-5.38
12/13	266,320	0	0	11,933	0	0	278,252	-55.43	-5.14
3/14	278,252	0	203,193	-7,241	0	0	67,818	-56.60	-5.23
6/14	67,818	0	0	2,090	0	0	69,908	-56.85	-5.18
9/14	69,908	0	0	-7,610	0	0	62,298	-58.17	-5.29
12/14	62,298	0	0	7,334	0	0	69,632	-57.81	-5.16
3/15	69,632	0	33,652	980	0	0	36,960	-58.18	-5.13
6/15	36,960	0	10,800	-16	0	0	26,144	-58.68	-5.12
9/15	26,144	0	0	-4,718	0	0	21,426	-59.74	-5.20
12/15	21,426	0	0	4,447	0	0	25,873	-59.71	-5.12
3/16	25,873	0	0	0	0	0	25,873	-60.19	-5.11
Total		2,415,558	1,784,596	-560,833	0	44,256	25,873	-60.19	-5.11

# City of Mobile Police & Firefighters

## J-Curve Graph

### Hicks, Muse, Tate & Furst IV

#### 3/31/99 - 3/31/16



Year	Contribution	Distribution	Expenses	Investment Fees	Ending Value	Cumulative IRR
1	1,383,605	247,093	0	0	1,262,303	14.22
2	718,369	75,979	0	22,237	2,368,076	54.27
3	107,649	57,796	0	11,515	1,837,287	3.09
4	65,490	511,575	0	10,504	809,804	-37.45
5	14,731	9,570	0	0	825,099	-37.32
6	8,669	75,727	0	0	687,119	-42.74
7	5,883	381,403	0	0	288,762	-45.24
8	4,236	22,798	0	0	246,989	-49.88
9	3,026	138,374	0	0	136,362	-50.84
10	2,646	7,965	0	0	104,021	-56.24
11	94,737	8,671	0	0	172,320	-60.51
12	6,516	0	0	0	189,496	-61.11
13	1	0	0	0	211,161	-60.18
14	0	0	0	0	242,485	-57.95
15	0	0	0	0	263,659	-56.60
16	0	203,193	0	0	69,908	-56.85
17	0	44,452	0	0	26,144	-58.68
Total Capital Commitment: 2,000,000						
Total	2,415,558	1,784,596	0	44,256		

## City of Mobile Police & Firefighters March 31, 2016

### **RIPPLEWOOD PARTNERS II** **Private Equity**

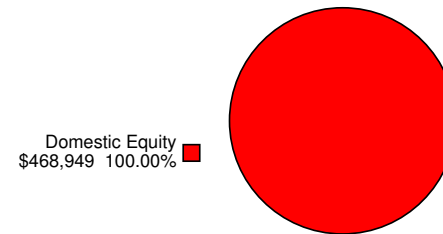
#### **OBJECTIVE**

The manager needs to achieve a return of 400 basis points above the Russell 3000 index on an annual basis.

- Initial closing on Dec. 22, 2000
- Fund scheduled for termination Dec. 22, 2010, but elected to extend the fund by one year.
- Fund still has options for two more one-year extensions.

#### Asset Allocation Ripplewood Partners II, L.P.

March 31, 2016      \$468,949



#### **CONCLUSIONS/RECOMMENDATIONS**

Ripplewood Partners II made its final distribution on June 13, 2014.

One final holding remains in GOGO, and the Pension Fund would need to sell these shares in order to close out this investment.

This will be the final performance report listing the detail for Ripplewood.

City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Ripplewood Partners II, L.P.  
March 31, 2016

Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
9/02	0	57,759	0	0	0	0	57,759	0.00	NA
12/02	57,759	0	0	0	0	0	57,759	0.00	NA
3/03	57,759	0	0	0	0	0	57,759	0.00	NA
6/03	57,759	0	0	0	0	0	57,759	0.00	NA
9/03	57,759	0	0	0	0	0	57,759	0.00	0.00
12/03	57,759	0	0	85,832	0	0	143,591	148.60	101.04
3/04	143,591	0	468	-5,572	0	0	137,551	138.98	75.21
6/04	137,551	0	0	-5,600	0	0	131,951	129.38	58.49
9/04	131,951	165,743	468	19,183	0	12,485	303,924	157.65	58.50
12/04	303,924	0	0	-7,632	0	0	296,292	121.40	41.13
3/05	296,292	45,375	2,760	18,114	0	11,773	345,248	129.43	38.43
6/05	345,248	0	0	-6,170	0	0	339,078	106.26	29.47
9/05	339,078	18,289	0	16,020	0	10,986	362,401	112.66	28.02
12/05	362,401	0	0	-2,599	0	11,988	347,814	100.49	23.41
3/06	347,814	262,091	0	-5,856	0	0	604,049	86.74	19.22
6/06	604,049	13,868	3,400	17,385	0	9,718	622,184	87.45	17.97
9/06	622,184	0	0	-4,589	0	0	617,595	73.69	14.59
12/06	617,595	358,803	0	11,811	0	16,944	971,265	72.45	13.49
3/07	971,265	433,498	0	-5,676	0	0	1,399,087	57.62	10.51
6/07	1,399,087	0	111,639	-8,754	0	5,829	1,272,865	43.33	7.78
9/07	1,272,865	17,524	244,763	125,348	0	0	1,170,974	85.15	12.96
12/07	1,170,974	0	0	-12,855	0	0	1,158,119	72.70	10.84
3/08	1,158,119	51,352	8,878	1,460	0	2,842	1,199,211	67.55	9.73
6/08	1,199,211	0	5,467	3,942	0	0	1,197,686	64.03	8.90

City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Ripplewood Partners II, L.P.  
March 31, 2016

Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
9/08	1,197,686	8,327	0	-15,397	0	8,327	1,182,289	55.75	7.59
12/08	1,182,289	306,214	3,677	-46,221	0	0	1,438,605	40.59	5.55
3/09	1,438,605	398,122	0	-8,211	8,493	0	1,820,023	35.77	4.78
6/09	1,820,023	14,368	8,078	-962	0	8,493	1,816,859	32.57	4.23
9/09	1,816,859	88,397	3,237	231,096	0	7,036	2,126,079	79.18	8.62
12/09	2,126,079	0	31,473	99,310	0	0	2,193,917	94.91	9.56
3/10	2,193,917	225,045	243,602	15,165	0	0	2,190,524	91.46	8.98
6/10	2,190,524	66,838	1,106,699	17,021	0	0	1,167,684	90.04	8.57
9/10	1,167,684	0	8,911	-1,862	0	0	1,156,911	88.93	8.22
12/10	1,156,911	0	84,051	26,888	0	3,138	1,096,610	93.48	8.27
3/11	1,096,610	0	0	161,282	0	0	1,257,892	124.66	9.92
6/11	1,257,892	76,567	264,832	-179	5,494	1,606	1,062,349	125.00	9.65
9/11	1,062,349	0	0	-974	5,531	0	1,055,844	125.13	9.37
12/11	1,055,844	0	0	-1,169	11,497	0	1,043,178	125.30	9.12
3/12	1,043,178	0	0	-87,620	10,805	18,434	926,319	108.75	8.00
6/12	926,319	0	0	-1,364	23,948	0	901,007	109.08	7.81
9/12	901,007	0	0	-270	15,159	0	885,579	109.71	7.64
12/12	885,579	0	39,995	125,535	14,238	0	956,881	135.08	8.64
3/13	956,881	0	0	-9,636	0	0	947,245	134.12	8.39
6/13	947,245	0	37,861	-153,425	0	0	755,959	105.20	6.88
9/13	755,959	0	0	125,707	0	0	881,666	130.74	7.85
12/13	881,666	0	0	254,335	0	0	1,136,001	183.14	9.64
3/14	1,136,001	0	72,717	-182,298	0	0	880,986	147.44	8.15
6/14	880,986	0	3,937	-43,930	0	0	833,119	139.99	7.70



City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Ripplewood Partners II, L.P.  
March 31, 2016

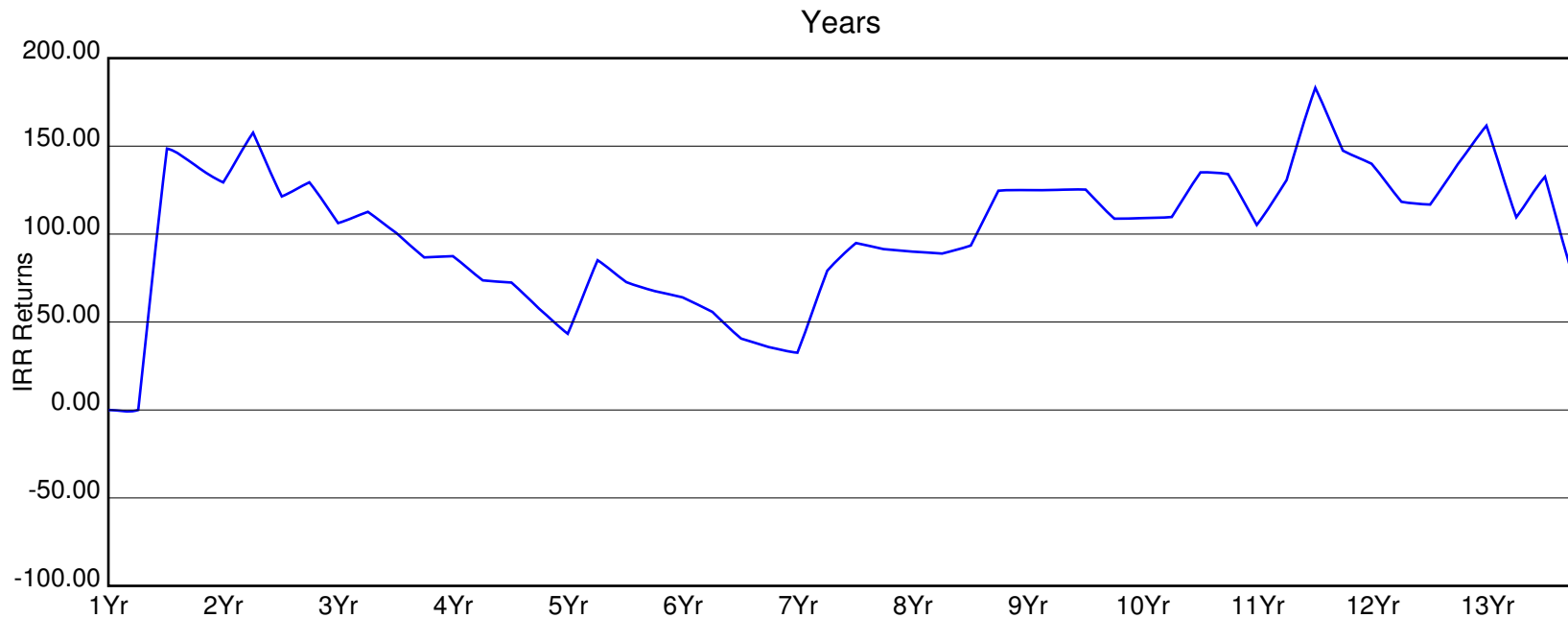
Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
9/14	833,119	0	0	-115,001	0	0	718,118	118.36	6.69
12/14	718,118	0	0	-14,056	0	0	704,062	116.79	6.49
3/15	704,062	0	0	107,760	0	0	811,823	139.69	7.21
6/15	811,823	0	0	100,945	0	0	912,768	161.64	7.80
9/15	912,768	0	0	-261,947	0	0	650,821	109.57	5.83
12/15	650,821	0	0	107,334	0	0	758,155	132.58	6.55
3/16	758,155	0	0	-289,206	0	0	468,949	74.80	4.20
Total		2,608,181	2,286,913	372,443	95,164	129,599	468,949	74.80	4.20

# City of Mobile Police & Firefighters

## J-Curve Graph

### Ripplewood Partners II, L.P.

3/31/03 - 3/31/16



Year	Contribution	Distribution	Expenses	Investment Fees	Ending Value	Cumulative IRR
1	57,759	0	0	0	57,759	0.00
2	0	468	0	0	131,951	129.38
3	211,118	3,228	0	24,258	339,078	106.26
4	294,248	3,400	0	32,692	622,184	87.45
5	792,301	111,639	0	22,773	1,272,865	43.33
6	68,876	259,108	0	2,842	1,197,686	64.03
7	727,032	11,755	8,493	16,820	1,816,859	32.57
8	380,280	1,385,011	0	7,036	1,167,684	90.04
9	76,567	357,793	5,494	4,744	1,062,349	125.00
10	0	0	51,780	18,434	901,007	109.08
11	0	77,856	29,397	0	755,959	105.20
12	0	76,654	0	0	833,119	139.99
13	0	0	0	0	912,768	161.64

Total Capital Commitment: 2,608,121,000,000    2,286,913    Year: 2002    95,164    129,599

# City of Mobile Police & Firefighters

## March 31, 2016

### LEVINE LEICHTMAN CAPITAL PARTNERS III

#### Private Equity

#### OBJECTIVE

The manager needs to achieve a return of 400 basis points above the Russell 3000 index on an annual basis.

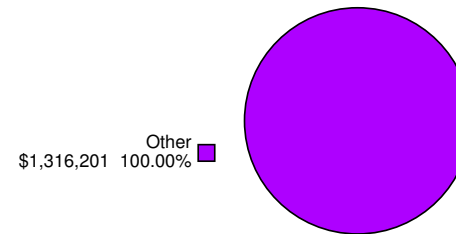
#### STRATEGIES

Levine Leichtman Capital Partners III, L.P. (the "Fund"), a California limited partnership, was established on October 18, 2002. The Fund's principal purpose is to seek out opportunities to invest in the securities of middle market companies located in the United States. The Fund began operations on its effective date, October 18, 2002 and shall continue until the last business day preceding its tenth (10th) anniversary, unless further extended for up to two consecutive one-year periods by the General Partner with the approval of the Limited Partners with at least a 66 2/3% interest.

#### Asset Allocation

##### Levine Leichtman Fund III

March 31, 2016      \$1,316,201



#### CONCLUSIONS/RECOMMENDATIONS

Levine Leichtman Fund III values and performance has not been updated through the First Quarter of 2016. The manager's performance will be included in subsequent reports.

Fund expired on October 18, 2012 and will not be extending the agreement. The General Partner has decided to liquidate Fund III and wind up the affairs of the Partnership. The liquidation process is expected to take up to three years (likely through 2016).

City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Levine Leichtman Fund III  
March 31, 2016

Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
12/03		1,134,255	461,406	-326,677	0	39,051	307,121	-51.54	NA
3/04	307,121	210,315	9,312	21,994	0	21,994	508,124	-45.61	NA
6/04	508,124	0	241,858	-11,361	0	0	254,905	-43.92	NA
9/04	254,905	289,782	4,649	19,700	0	26,250	533,488	-43.65	NA
12/04	533,488	142,889	51,702	128,466	0	0	753,141	-23.18	-22.27
3/05	753,141	23,201	282,564	46,888	0	23,201	517,465	-16.07	-12.67
6/05	517,465	204,000	4,658	-9,933	0	0	706,874	-17.73	-11.89
9/05	706,874	26,250	53,097	-20,046	0	26,250	633,731	-20.07	-11.73
12/05	633,731	51,000	26,010	183,546	0	0	842,267	4.32	2.09
3/06	842,267	26,250	11,854	40,372	0	26,250	870,785	9.61	4.08
6/06	870,785	606,000	14,405	25,913	0	0	1,488,293	12.81	4.86
9/06	1,488,293	204,677	27,545	33,585	0	0	1,699,010	16.04	5.47
12/06	1,699,010	0	115,053	86,027	0	0	1,669,984	24.90	7.57
3/07	1,669,984	37,263	29,447	42,791	0	0	1,720,591	28.55	7.92
6/07	1,720,591	279,009	305,166	-45,351	0	21,009	1,628,074	22.65	5.93
9/07	1,628,074	707,676	182,942	75,039	0	0	2,227,847	29.61	7.07
12/07	2,227,847	21,000	130,012	183,108	0	0	2,301,943	46.32	9.86
3/08	2,301,943	0	0	3,537	0	0	2,305,480	44.83	9.00
6/08	2,305,480	61,331	86,896	258,643	0	23,791	2,514,767	67.84	12.07
9/08	2,514,767	159,048	127,160	187,405	0	27,512	2,706,548	83.51	13.49
12/08	2,706,548	276,909	576,611	-239,850	0	2,243	2,164,753	59.50	9.69
3/09	2,164,753	132,862	41,246	20,748	0	4,555	2,272,561	60.53	9.35
6/09	2,272,561	153,690	156,567	38,060	0	9,691	2,298,053	63.04	9.22
9/09	2,298,053	12,373	44,741	-141,895	0	4,013	2,119,778	49.96	7.24

City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Levine Leichtman Fund III  
March 31, 2016

Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
12/09	2,119,778	45,936	39,809	66,044	0	3,850	2,188,099	55.04	7.52
3/10	2,188,099	15,380	58,311	98,761	0	6,994	2,236,934	62.89	8.06
6/10	2,236,934	80,588	124,359	33,563	0	7,776	2,218,951	65.15	7.97
9/10	2,218,951	60,133	38,419	222,873	0	7,564	2,455,973	83.53	9.34
12/10	2,455,973	11,929	313,708	44,815	0	13,895	2,185,115	86.86	9.27
3/11	2,185,115	40,446	57,598	61,531	0	6,948	2,222,546	92.12	9.36
6/11	2,222,546	19,895	148,327	-1,336	0	19,972	2,072,806	92.14	9.04
9/11	2,072,806	0	0	-37,872	0	0	2,034,933	89.31	8.53
12/11	2,034,933	0	0	135,219	0	13,442	2,156,711	101.13	9.07
3/12	2,156,711	0	0	10,805	0	0	2,167,515	102.44	8.87
6/12	2,167,515	0	93,975	6,930	0	0	2,080,470	103.45	8.66
9/12	2,080,470	0	21,083	333,736	0	13,611	2,379,511	132.68	10.07
12/12	2,379,511	0	11,059	-10,340	0	0	2,358,111	132.46	9.77
3/13	2,358,111	0	22,655	29,949	0	0	2,365,405	135.71	9.66
6/13	2,365,405	0	0	-44,168	0	0	2,321,237	132.58	9.24
9/13	2,321,237	0	0	-19,015	0	0	2,302,223	131.61	8.95
12/13	2,302,223	0	0	123,489	0	1,041	2,424,671	143.06	9.24
3/14	2,424,671	205,677	947,451	45,875	0	0	1,728,772	149.26	9.27
6/14	1,728,772	0	25,537	36,544	0	0	1,739,779	154.66	9.27
9/14	1,739,779	0	30,009	20,799	0	0	1,730,569	158.78	9.20
12/14	1,730,569	0	21,794	198,598	0	0	1,907,373	179.09	9.73
3/15	1,907,373	0	586,204	64,863	0	0	1,386,032	187.99	9.81
6/15	1,386,032	0	19,170	15,199	0	0	1,382,061	193.18	9.76
9/15	1,382,061	0	18,208	-4,666	0	0	1,359,187	196.64	9.65

City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Levine Leichtman Fund III  
March 31, 2016

Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
12/15	1,359,187	0	23,563	42,973	0	0	1,378,597	204.67	9.68
3/16	1,378,597	0	62,396	0	0	0	1,316,201	208.75	9.60
Total		5,239,764	5,648,537	2,075,877	0	350,903	1,316,201	208.75	9.60

# City of Mobile Police & Firefighters

## March 31, 2016

### PERMAL PRIVATE EQUITY HOLDINGS IV Private Equity - Fund of Funds

#### OBJECTIVE

The manager needs to achieve a return of 400 basis points above the Russell 3000 index on an annual basis.

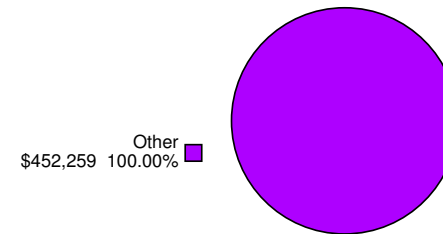
#### STRATEGIES

Private equity fund of funds.

Seek out opportunities to invest in core managers, emerging managers, and secondary opportunities.

Portfolio Composition: - The Fund has finished investing and is allocated 48% to Core Managers, 27% to Emerging Managers and 25% to Secondaries as a percentage of fund size and is broadly diversified across industries consistent with the Fund's investment guidelines

Asset Allocation  
Permal Capital Fund IV  
March 31, 2016 \$452,259



#### CONCLUSIONS/RECOMMENDATIONS

Permal PEH IV values and performance has not been updated through the First Quarter of 2016. The manager's performance will be included in subsequent reports.

Permal has indicated that it does not anticipate calling any additional capital for this investment.

City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Permal Capital Fund IV  
March 31, 2016

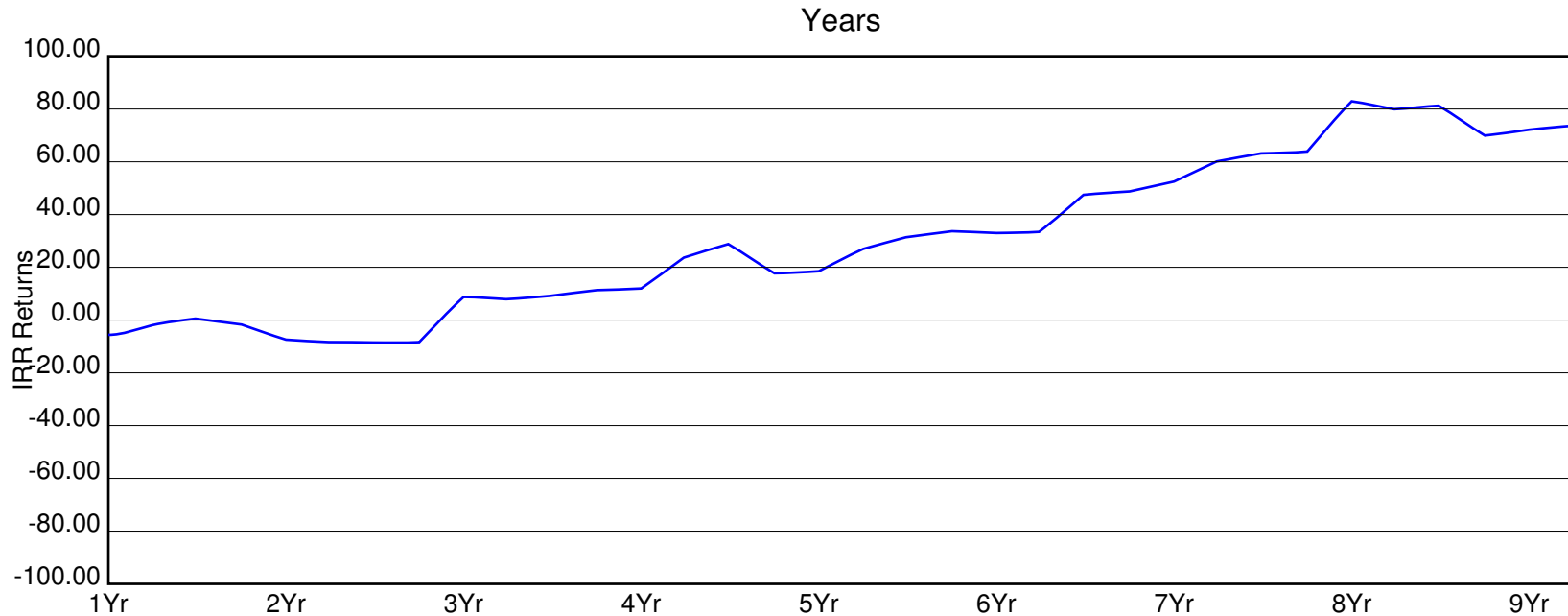
Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
3/07		200,000	0	-1,478	2,444	12,500	183,578	-0.75	NA
6/07	183,578	250,000	0	-16,511	1,648	2,500	412,919	-8.43	NA
9/07	412,919	0	24,666	21,547	682	2,500	406,618	1.23	NA
12/07	406,618	50,000	13,424	-21,562	3,717	2,500	415,415	-5.60	NA
3/08	415,415	80,000	16,540	11,453	2,095	2,500	485,733	-1.89	-1.57
6/08	485,733	0	8,455	8,586	1,375	2,500	481,989	0.55	0.38
9/08	481,989	50,000	10,647	-8,619	2,644	2,500	507,579	-1.70	-1.00
12/08	507,579	80,000	7,552	-23,664	1,949	2,500	551,914	-7.42	-3.86
3/09	551,914	377,956	0	-6,067	0	2,500	921,303	-8.34	-3.87
6/09	921,303	0	0	-5,322	240	2,500	913,241	-8.49	-3.55
9/09	913,241	0	0	-3,052	900	2,500	906,789	-8.36	-3.17
12/09	906,789	0	21,164	93,552	1,363	2,500	975,315	8.74	2.87
3/10	975,315	65,000	44,250	-2,592	942	2,500	990,031	7.91	2.40
6/10	990,031	14,761	22,379	9,762	349	2,500	989,325	9.19	2.58
9/10	989,325	256	0	15,408	734	2,500	1,001,754	11.35	2.94
12/10	1,001,754	0	0	6,135	0	2,500	1,005,389	11.97	2.90
3/11	1,005,389	0	0	77,859	0	2,500	1,080,749	23.67	5.18
6/11	1,080,749	0	0	37,052	0	2,500	1,115,301	28.81	5.84
9/11	1,115,301	70,000	0	-70,535	0	2,500	1,112,265	17.73	3.53
12/11	1,112,265	0	0	8,039	0	2,500	1,117,804	18.51	3.48
3/12	1,117,804	0	0	61,645	0	2,500	1,176,949	26.97	4.69
6/12	1,176,949	0	0	34,393	0	2,312	1,209,030	31.39	5.13
9/12	1,209,030	0	26,858	19,689	0	2,312	1,199,549	33.68	5.21
12/12	1,199,549	0	120,000	-2,929	0	2,312	1,074,307	33.00	4.90



City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Permal Capital Fund IV  
March 31, 2016

Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
3/13	1,074,307	0	0	4,484	0	0	1,078,791	33.43	4.75
6/13	1,078,791	0	40,000	102,574	0	2,139	1,139,226	47.47	6.20
9/13	1,139,226	0	0	10,515	0	0	1,149,740	48.76	6.10
12/13	1,149,740	0	0	28,147	0	2,139	1,175,749	52.51	6.25
3/14	1,175,749	137,797	606,191	51,517	0	0	758,872	60.13	6.75
6/14	758,872	0	53,440	15,377	0	1,979	718,830	63.18	6.78
9/14	718,830	0	24,982	-2,070	0	1,979	689,799	63.89	6.62
12/14	689,799	0	20,000	123,520	0	1,979	791,340	82.93	7.88
3/15	791,340	0	48,021	-28,973	0	1,979	712,367	79.92	7.42
6/15	712,367	0	54,401	0	0	0	657,966	81.27	7.28
9/15	657,966	0	44,856	-85,049	0	1,830	526,231	69.92	6.27
12/15	526,231	0	72,000	5,497	7,469	0	452,259	72.17	6.25
3/16	452,259	0	0	0	0	0	452,259	73.71	6.18
Total		1,375,769	1,279,826	468,327	28,551	83,460	452,259	73.71	6.18

City of Mobile Police & Firefighters  
J-Curve Graph  
Permal Capital Fund IV  
9/30/07 - 3/31/16



Year	Contribution	Distribution	Expenses	Investment Fees	Ending Value	Cumulative IRR
1	500,000	38,090	8,491	20,000	415,415	-5.60
2	210,000	43,194	8,063	10,000	551,914	-7.42
3	377,956	21,164	2,503	10,000	975,315	8.74
4	80,017	66,629	2,025	10,000	1,005,389	11.97
5	70,000	0	0	10,000	1,117,804	18.51
6	0	146,858	0	9,436	1,074,307	33.00
7	0	40,000	0	4,278	1,175,749	52.51
8	137,797	704,613	0	5,937	791,340	82.93
9	0	219,278	7,469	3,809		
Total	1,375,769	1,279,826	28,551	83,460		
Total Capital Commitment:		1,000,000	Vintage Year: 2007			

# City of Mobile Police & Firefighters

## March 31, 2016

### **CORRUM CAPITAL MANAGEMENT** **CORRUM CAPITAL REAL ASSETS FUND, LP**

#### **Private Equity/Real Assets Fund of Funds**

##### **OBJECTIVE**

Corrum Capital Real Assets Fund, LP (the "Fund") is a private equity multi-manager fund targeting approximately \$150 million in capital commitments, which is being formed by Corrum Capital Management LLC ("Corrum Capital" or the "Firm"). The Fund seeks to invest in real assets with a primary focus on energy, other natural resources, and real estate.

##### **STRATEGIES**

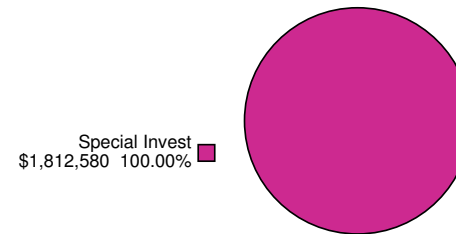
The Fund intends to invest in real assets both through direct limited partnership interests in private equity funds ("Primary Investments") and the acquisition of private equity fund commitments in the secondary market ("Secondaries"), as well as co-investments in investment opportunities ("Co-Investments") alongside private equity fund managers (each, a "Fund Manager"). The Fund is proposing a target allocation of 75% to 85% to North America and 15% to 25% to geographies outside of North America, principally within Europe and Latin America.

The Fund will seek to invest with Fund Managers it regards as top tier who generally possess the following characteristics:

- Clear ability to add value to underlying investments;
- Disciplined underwriting standards;
- Successful and sustainable investment platform;
- Focused, consistent, and achievable investment objectives and strategy;
- Talented team, with senior management experience and industry tenure;
- Aligned economic incentives throughout the organization;
- Relevant and successful track record; and
- Strong administrative, reporting, and back office capabilities.

#### **Asset Allocation** **Corrum Capital Real Assets Fund, L.P.**

March 31, 2016      \$1,812,580



#### **CONCLUSIONS/RECOMMENDATIONS**

Corrum Capital made its capital call on January 20, 2015 and is still in the beginning stages of raising/calling capital.

**Final Commitment Amount: \$5,000,000**

City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Corrum Capital Real Assets Fund, L.P.  
March 31, 2016

Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
3/15		2,728,840	0	290,510	0	0	3,019,350	10.65	NA
6/15	3,019,350	0	1,527,340	-269,202	0	0	1,222,808	1.06	NA
9/15	1,222,808	194,755	0	-54,566	0	0	1,362,997	-1.90	NA
12/15	1,362,997	0	0	-50,417	0	0	1,312,580	-5.07	NA
3/16	1,312,580	500,000	0	0	0	0	1,812,580	-5.14	-4.32
Total		3,423,594	1,527,340	-83,674	0	0	1,812,580	-5.14	-4.32

# City of Mobile Police & Firefighters

## March 31, 2016

### LLCP CO-INVESTMENT FUND, L.P. Private Equity Co-Investment Fund

#### OBJECTIVE

LLCP Co-Investment Fund, L.P. (the "Partnership") is being formed by LLCP Co-Investment Fund GP, LP (the "General Partner") to invest in co-investment opportunities in portfolio companies of the following affiliated investment funds and their respective successors:

- (i) Levine Leichtman Capital Partners V, L.P. ("Fund V");
- (ii) Levine Leichtman Capital Partners SBIC Fund, L.P. ("SBIC Fund"); and
- (iii) Levine Leichtman Capital Partners Private Capital Solutions, L.P. ("PCS,")

LLCP has had considerable co-investment activity in the Underlying Funds. For example, seven of the nine initial investments in these funds have co-investors. The Partnership is targeting limited partner capital commitments aggregating \$250 million and will make investments (pari passu with the Underlying Funds) in opportunities identified by the general partner of each Underlying Fund, to the extent made available to the Partnership.

#### STRATEGIES

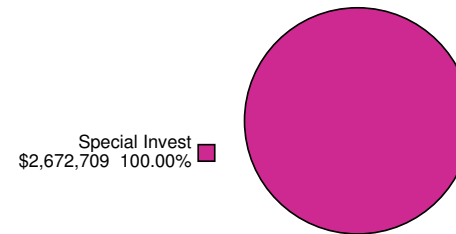
Levine Leichtman Capital Partners V, L.P. generally invests in rapidly growing consumer product, light manufacturing and service companies with revenues in excess of \$50 million with substantially all of the following characteristics: Rapidly growing revenue; High earnings before interest, taxes, depreciation and amortization ("EBITDA") margins (20%+); Minimal capital expenditures and working capital requirements; Experienced management teams that want to retain or increase their equity ownership; Revenues uncorrelated to cyclical end markets or overall U.S. Gross Domestic Product ("GDP")

Levine Leichtman Capital Partners SBIC Fund, L.P. generally invests in rapidly growing consumer product, light manufacturing and service companies with revenues less than \$50 million with substantially all of the following characteristics: Rapidly growing revenue; High EBITDA margins (20%+); Minimal capital expenditures and working capital requirements; Experienced management teams that want to retain or increase their equity ownership; Revenues uncorrelated to cyclical end markets or US GDP; Fits within the definition of a small business under the regulation of the U.S Small Business Administration (the "SBA").

Levine Leichtman Capital Partners Private Capital Solutions, L.P. generally invests in value-oriented companies that demonstrate slower growth characteristics than those suitable for LLCP V or the SBIC Fund with substantially all of the following characteristics: Low EBITDA entry multiples; Stable and consistent revenue; High EBITDA margins (20%+); Minimal capital expenditures and working capital

#### Asset Allocation LLCP Co-Investment Fund, L.P.

March 31, 2016      \$2,672,709



#### CONCLUSIONS/RECOMMENDATIONS

LLCP Co-Investment Fund made its capital call on September 30, 2015 and is still in the beginning stages of raising/calling capital.

**Final Commitment Amount: \$5,000,000**

City of Mobile Police & Firefighters  
Internal Rate of Return Table  
LLCP Co-Investment Fund, L.P.  
March 31, 2016

Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
9/15		2,360,035	0	14,660	0	0	2,374,695	0.62	NA
12/15	2,374,695	0	194,454	43,518	0	0	2,223,759	2.58	NA
3/16	2,223,759	683,483	234,533	0	0	0	2,672,709	2.59	NA
Total		3,043,517	428,987	58,178	0	0	2,672,709	2.59	NA

## City of Mobile Police & Firefighters March 31, 2016

### **TIMBERLAND INVESTMENT RESOURCES - EASTERN TIMBERLAND OPPORTUNITIES FUND Timberland (Special Investments)**

#### **OBJECTIVE**

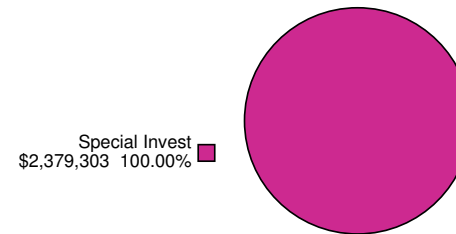
Manager is expected to outperform the NCREIF Timber Index.

#### **STRATEGIES**

Timberland Investment Resources (TIR) aims to achieve above market investment returns by identifying economic and biometric research. Investment opportunities are identified with research coupled with on-the-ground field and market intelligence. Asset allocation and portfolio theory are used to shape the portfolio to meet the risk and return profile of each client. Strategies are designed to meet individual investment objectives and guidelines. TIR provides ongoing active management that is required to realize the full investment potential.

#### **Asset Allocation Timberland Investment Resources**

March 31, 2016      \$2,379,303



#### **CONCLUSIONS/RECOMMENDATIONS**

Timberland Investment Resources has an annualized return since inception of 4.51% through 1st Quarter 2016. Timberland has distributed \$491,486 and has added \$686,301 in appreciated value since inception.

City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Timberland Investment Resources  
March 31, 2016

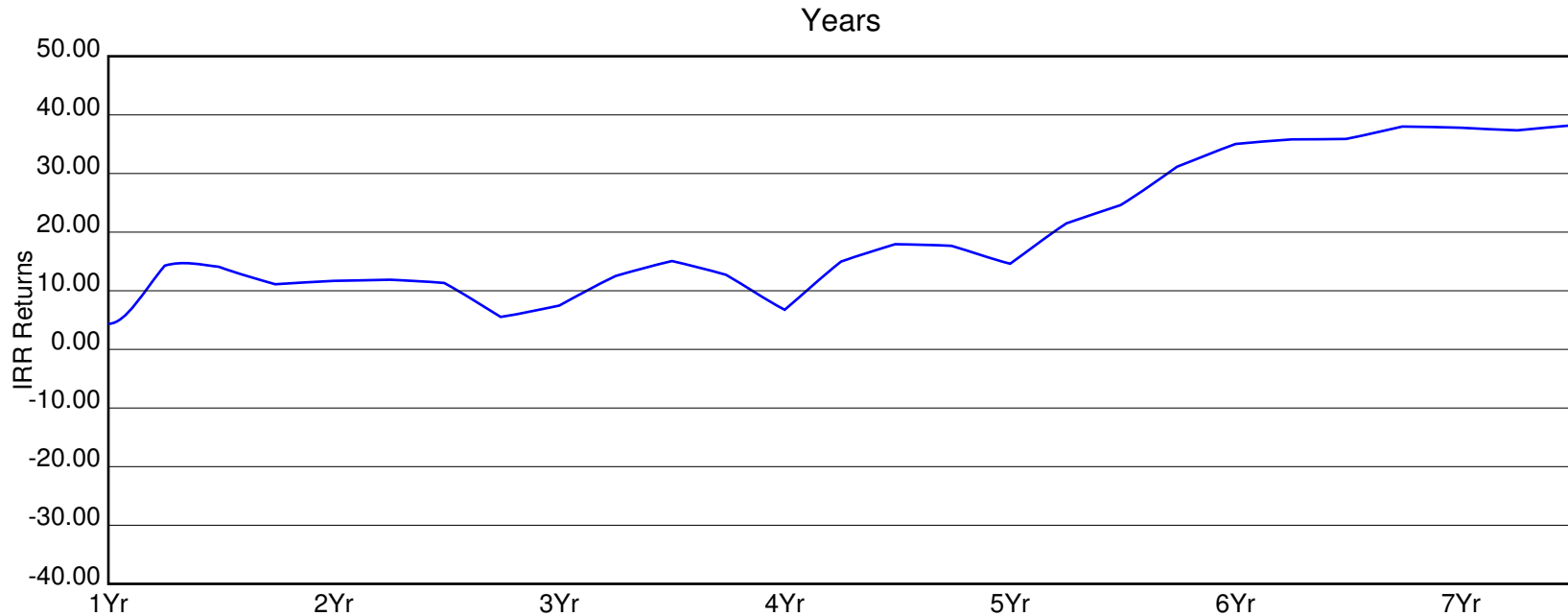
Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
12/08		967,502	0	-401	0	837	966,264	-0.08	NA
3/09	966,264	0	0	44,697	0	2,086	1,008,875	5.21	NA
6/09	1,008,875	0	0	-1,764	0	2,077	1,005,034	4.73	NA
9/09	1,005,034	0	0	-2,469	0	2,068	1,000,497	4.36	NA
12/09	1,000,497	0	0	92,239	0	2,254	1,090,482	14.28	13.13
3/10	1,090,482	0	0	-990	445	2,246	1,086,801	14.08	10.42
6/10	1,086,801	1,039,861	0	-27,269	1,371	2,300	2,095,722	11.11	6.91
9/10	2,095,722	0	0	21,570	4,039	4,609	2,108,644	11.69	6.23
12/10	2,108,644	74,870	0	14,769	2,754	4,569	2,190,960	11.88	5.54
3/11	2,190,960	0	0	3,524	3,332	4,519	2,186,633	11.33	4.72
6/11	2,186,633	264,832	0	-68,025	6,505	4,812	2,372,123	5.54	2.11
9/11	2,372,123	0	0	32,353	5,576	4,948	2,393,952	7.47	2.58
12/11	2,393,952	0	0	80,588	6,744	5,090	2,462,706	12.52	3.90
3/12	2,462,706	0	0	46,261	3,123	5,168	2,500,676	15.07	4.30
6/12	2,500,676	0	0	-30,261	0	5,095	2,465,320	12.72	3.40
9/12	2,465,320	0	0	-92,590	0	4,894	2,367,836	6.76	1.72
12/12	2,367,836	0	0	140,187	0	5,173	2,502,850	14.98	3.48
3/13	2,502,850	0	72,790	54,705	0	5,125	2,479,640	17.94	3.88
6/13	2,479,640	0	0	-402	0	5,113	2,474,125	17.66	3.61
9/13	2,474,125	0	0	-49,215	0	5,001	2,419,909	14.61	2.86
12/13	2,419,909	0	133,102	123,496	0	4,971	2,405,332	21.50	3.90
3/14	2,405,332	0	0	57,154	0	5,079	2,457,407	24.61	4.21
6/14	2,457,407	0	20,797	117,670	0	5,268	2,549,012	31.15	4.98
9/14	2,549,012	0	60,312	71,221	0	5,280	2,554,641	35.04	5.28



City of Mobile Police & Firefighters  
Internal Rate of Return Table  
Timberland Investment Resources  
March 31, 2016

Quarter Ending	Beginning Value	Contribution	Distribution	Appreciation	Expenses	Investment Fees	Ending Value	Cumulative IRR	Annualized IRR
12/14	2,554,641	0	0	16,105	0	5,302	2,565,444	35.82	5.16
3/15	2,565,444	0	145,581	3,019	0	4,997	2,417,885	35.90	4.96
6/15	2,417,885	0	0	37,584	0	5,064	2,450,405	38.01	5.02
9/15	2,450,405	0	57,064	-3,689	0	4,929	2,384,723	37.81	4.81
12/15	2,384,723	0	1,840	-8,562	0	4,897	2,369,424	37.36	4.58
3/16	2,369,424	0	0	14,796	0	4,917	2,379,303	38.24	4.51
Total		2,347,065	491,486	686,301	33,889	128,688	2,379,303	38.24	4.51

City of Mobile Police & Firefighters  
J-Curve Graph  
Timberland Investment Resources  
6/30/09 - 3/31/16



Year	Contribution	Distribution	Expenses	Investment Fees	Ending Value	Cumulative IRR
1	967,502	0	0	7,068	1,000,497	4.36
2	1,039,861	0	5,855	11,409	2,108,644	11.69
3	339,702	0	18,167	18,848	2,393,952	7.47
4	0	0	9,867	20,247	2,367,836	6.76
5	0	72,790	0	20,412	2,419,909	14.61
6	0	214,211	0	20,598	2,554,641	35.04
7	0	202,645	0	20,292	2,384,723	37.81
Total	2,347,065	491,486	33,889	128,688		

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## DEFINITION OF INDICES

### APPENDIX A

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ASSET ALLOCATION	TARGET
Opportunistic Equity	5.00 %
LargeCap Equity	28.00 %
MidCap Equity	9.50 %
Small Cap Core Equity	4.75 %
Small Cap Value Equity	4.75 %
International Equity	10.00 %
Fixed Income	25.00 %
Alternative Investments	13.00 %
Cash & Cash Equivalents	0.00 %

#### Indices used to calculate target and actual benchmarks:

Opportunistic Equity	MSCI ACWI (net) Index
Domestic Equity	Russell 1000 Index, S&P MidCap 400, Russell 2000, Russell 2000 Value
International Equity	MSCI ACWI ex US Index
Fixed Income	Barclays Int Gov't/Credit Index
Alternative Investments	Russell 2500, NCREIF ODCE Index, NCREIF Timberland Index
Cash & Cash Equivalents	Citigroup 3-Month T-Bill

#### COMPOSITE MEDIAN MANAGER

A composite of median manager returns for each asset class weighted by the Target Asset Mix.

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## DEFINITION OF INDICES

### APPENDIX B

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The **Standard & Poor's (S&P ) 500 Index** is a capitalization-weighted index 500 of the largest public companies and is widely accepted as the overall market proxy. It consists of 400 industrial issues, 40 utility stocks, 20 transportation stocks and 40 financial institution issues.

The **Russell 1000 Index** is composed of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index. The average market capitalization was approximately \$12.1 billion; the median market capitalization was approximately \$3.8 billion. The smallest company in the index had an approximate market capitalization of \$1,350.8 million.

The **Russell 1000 Value Index** is composed of those stocks in the Russell 1000 Index (the 1,000 largest US companies by market capitalization, the smallest of which has about \$370 million in market capitalization) with less than average growth orientation. The Russell Value Index represents the universe of stocks from which most value style money managers typically select.

The **Russell 1000 Growth Index** is composed of those stocks in the Russell 1000 Index (the 1,000 largest US companies by market capitalization, the smallest of which has about \$370 million in market capitalization) with greater than average growth orientation. The Russell Growth Index represents the universe of stocks from which most growth style money managers typically select.

The **Morgan Stanley Capital International (MSCI)-Europe, Australia, Far East (EAFE) Index** is made up of approximately 1000 companies representing the stock markets of 20 countries including: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Italy, Ireland, Japan, Malaysia, Netherlands, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom. The average company has a market capitalization of over \$3 billion. The index is presented with net dividends reinvested and in US Dollars.

The **Barclays Aggregate Bond Index** is comprised of the Lehman Government/Corporate Bond Index plus the Lehman Mortgage Index. The Aggregate contains all publicly issued, fixed-rate, non-convertible bonds which have a maturity of more than one year and an outstanding par value of at least \$100 million for US Government issues and \$50 million for all others. The index includes debt issued by the US Government and agencies thereof, domestic corporate issues and foreign dollar-denominated issues. All issues are rate Baa/BBB or better.

The **Barclays Government/Corporate Bond Index** contains all publicly issued, fixed rate, non-convertible, bonds which have a maturity of more than one year and an outstanding par value of at least \$100 million for US Government issues and \$50 Million for all others. The index includes debt issued by the US Government and agencies thereof, domestic corporate issues and foreign dollar-denominated issues. All issues are rate Baa/BBB or better.

The **Salomon Brothers 3 Month TBill** provide a measure of riskless return.

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## DEFINITION OF UNIVERSES

### APPENDIX B

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**US Balanced Universe** consists of balanced composites which utilize both equity and fixed income securities within a relatively stable asset allocation structure. These are balanced, separately managed, fully discretionary, tax-free portfolios whose asset allocation is not actively managed.

The **Broad Equity Manager Universe** is composed of domestic equity composites utilizing either a growth managers who emphasizes on earnings growth-historic earnings growth, future earnings estimates and earnings surprise or a value managers who are bias towards stocks which are out of favor or believed to be severely undervalued-low Price/Earnings, low Price/Book and a strong balance sheet. The universe may utilize a combination of both styles and covers a broad range of market capitalizations.

The **Mid-Large Cap Growth Equity Manager Universe** is composed of equity composites for which the investment process emphasizes earnings growth which includes historic earnings growth, future earnings estimates and earnings surprise. Small capitalization managers are excluded.

The **Mid-Large Cap Value Equity Manager Universe** is composed of equity composites emphasizing a bias towards stocks which are out of favor or believed to be severely undervalued-low Price/Earnings, low Price/Book and a strong balance sheet. Small capitalization managers are excluded.

The **Small Cap Equity Manager Universe** is comprised of an equity composite where the investment process focuses on companies of capitalizations under \$500 million. The universe may utilize a combination of both growth and value style of investment process.

The **International Equity Manager Universe** is an equity composite for which the investment process emphasizes securities of non-US based companies.

The **Fixed Income Manager Universe** is composed of fixed income composites for which the investment process emphasizes either interest rate forecasting (adjusting portfolio's duration), market analysis (sector analysis, issues selection or yield curve analysis) or active core (tied to a benchmark) management. Intermediate, short-term and high yield managers are excluded.

The **Intermediate Fixed Income Manager Universe** is composed of fixed income composites whose investment process emphasizes either active core (tied to a benchmark) management, interest rate forecasting (adjusting portfolios' duration), or market analysis (sector analysis, issue selection, or yield curve analysis) with average portfolio durations in the 3-4 year range. High yield managers are excluded.

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## DEFINITION OF COMMON TERMS

### APPENDIX C

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**Alpha** is a measure of risk-adjusted return which reveals the manager's success (positive alpha) or lack of success (negative alpha) in selecting securities and timing the market. Alpha is the difference between the actual performance of the fund and the performance which should have been achieved given the market's performance and the fund's risk posture.

**Beta** is a measure of the volatility of the fund relative to an index. Funds which are equally volatile as the index will have a beta of 1.00; funds which are half as volatile will have a beta of 0.50; etc. Beta also roughly represents the return on the fund which has typically accompanied a 1 percent move in the market index. The beta coefficient reflects that component of the fund's total risk which cannot be reduced by further diversification.

The **Relative Risk/Reward Ratio** is a measure of risk adjusted return relative to the market's risk adjusted return. It is calculated by first dividing the manager's return for the period by the manager's standard deviation for the period. This quotient is then divided by the quotient of the market's return for the period divided by the market's standard deviation for the period. The measure represents the manager's rate of return per unit of risk relative to the market's rate of return per unit of risk. A ratio above 1.0 indicates positive relative performance and a ratio below 1.0 indicates a negative relative performance.

**R-Squared ( $R^2$ )** is a statistical measure of fund diversification relative to an index. Diversification can be gauged by calculating the portion of the variation in the fund's returns which is attributable to market movements. A completely diversified fund will be perfectly correlated with the market index and will have an R-squared of 100 percent. A non-diversified fund will behave independently of the market and will have an R-squared of 0 percent. An R-squared of 90 percent denotes that 90 percent of the risk is market-related, and 10 percent is unique to the fund.

**Standard Deviation** is a measure of volatility showing how widely dispersed or tightly bunched a set of returns are around their average return. Standard deviations presented in this report are based on quarterly returns and are annualized, unless otherwise indicated.

The **Style** is a description of the investment strategy used to determine the investment decisions within an asset class.

A **Universe** is a group of comparable investment styles. A Broad Universe, such as Broad Equity, refers to all styles in the Equity asset class. Style specific Universes such as Pure Small Cap, includes only styles with a high correlation to a Small Cap index and low correlation to a Large Cap index.

**MARKET SECTOR DIVERSIFICATION**  
**APPENDIX D**

**EQUITIES**

C A P I T A L I Z A T I O N		Style				
		Growth	Core	Value	Quantitative	Index
	Domestic		SSgA Russell 1000			
						SSgA S&P 400
			SouthernSun	Morgan Dempsey		
I n t e r n a t i o n a l	Domestic		Energy Opportunities Capital			
				Allianz		
O t h e r	Private Equity		Permal Corrum LLC		Levine Leichtman	HM Capital
	Real Estate				Guggenheim	DLJ
	Timber		Timberland Investment Resources			

**FIXED INCOME**

	Style				
	Rate	Maturity Differential	Core	Sector Allocation	Index
		Orleans		Orleans	
		Orleans		Orleans	
		Orleans		Orleans	
D o m e s t i c		Orleans		Orleans	
		Orleans		Orleans	