



VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

Comprehensive Annual Financial Report

For the fiscal year ended December 31, 2014

(With Independent Auditors' Report Thereon)



Presented by
The Department of Finance

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Table of Contents

	Page
Introductory Section (unaudited):	
Letter of Transmittal	i
Organizational Chart	iv
Principal Officials	v
GFOA Certificate of Achievement for Excellence in Financial Reporting	vi
Financial Section:	
Independent Auditors' Report	1
Management's Discussion and Analysis (unaudited)	3
Basic Financial Statements:	
Statement of Net Position	10
Statement of Revenues, Expenses and Changes in Net Position	11
Statement of Cash Flows	12
Notes to Basic Financial Statements	13
Required Supplementary Information:	
Claims Development Information (unaudited)	21
Note to Required Supplementary Information	22
Statistical Section (unaudited):	23
Financial Trends:	
Net Position (Deficit) by Component	24
Schedule of Revenues, Expenses, and Changes in Net Position	25
Analysis of Average Cost per Active Claimant	26
Schedule of General and Administrative Expenses	27
Revenue Capacity:	
Rates and Assessments	28
Economic and Demographic Information:	
Physicians, Hospitals, and Insurance Companies	29
Virginia Demographic Statistics	30
Virginia Principal Employers	31
Operating Information:	
Number of Admitted, Deceased, and Active Claimants	32
Number of Employees by Identifiable Activities	33
Compliance Section:	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	34

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INTRODUCTORY SECTION



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VIRGINIA BIRTH-RELATED
NEUROLOGICAL INJURY
COMPENSATION PROGRAM

June 11, 2015

The Board of Directors
Virginia Birth-Related Neurological Injury Compensation Program
7501 Boulders View Dr., Suite 210
Richmond, VA 23225

Dear Members of the Board:

The Comprehensive Annual Financial Report (CAFR) of the Virginia Birth-Related Neurological Injury Compensation Program (the Program) for the year ended December 31, 2014, is submitted herewith. This CAFR has been prepared by the Program's Finance Department in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and conforms to the requirements of the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Program. We believe the data, as presented, is accurate in all material respects; that the data is presented in a manner designed to fairly set forth the financial position and results of the operations of the Program as measured by the financial activity of its various accounts; and that all disclosures necessary to enable the reader to gain the maximum understanding of the Program's financial affairs have been included.

This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The Program's MD&A can be found immediately following the independent auditors' report.

A brief history of the Program, its fiscal operations, and selected accomplishments are presented below.

Organization and Function

With soaring medical malpractice insurance rates and insurance companies on the brink of eliminating coverage in the mid-1980s, up to one quarter of the Commonwealth of Virginia's (the Commonwealth) obstetricians were threatened with having to close their office doors. To alleviate this crisis, the Commonwealth worked with stakeholders including physician associations, insurers, lawyers and others to develop an innovative solution; the Virginia Birth-Related Neurological Injury Compensation Program. The Program was a first of its kind nationally.

The Program's legislation presents a very specific definition of a "birth injury", which represents a very small number of births each year. By keeping many of the most expensive cases out of the court system, combined with a medical malpractice award cap, the medical malpractice insurance industry has been reasonably stabilized in the Commonwealth (especially when compared to other states) allowing physicians to do what they do best – treat patients.

Although the Program was created by the General Assembly of the Commonwealth, it operates as a separate organization. A nine member volunteer board appointed by the Governor of the

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A lifetime of help

Commonwealth (the Governor) directs the Program. The Program is regulated by the Code of Virginia, which is very specific in how it operates.

All admissions are through the Virginia Workers' Compensation Commission; the Program itself does not admit claimants. Financial reports are filed annually with the Governor's office, the Virginia Senate and the Virginia House of Delegates. At least every other year, the State Corporation Commission is required to have an actuarial study of the Program conducted.

Entry into the Program does not provide for any pre-determined amount of compensation. The Program operates much like an insurance policy in that it pays for actual medically necessary costs and other legislatively stipulated benefits. Additionally, the Program is the payer of last resort in all situations. There is no cap on the total eligible lifetime costs for a claimant.

No federal or state funds are involved in providing services to claimants. Funding is derived only from legislatively allowed sources including participating physician fees, participating hospital fees, nonparticipating physician assessments and liability insurer assessments.

Major Initiatives

Participating physicians and hospitals are continuing to become more aware of the benefits of participation for themselves as well as their patients. A qualifying birth can occur despite the heroic efforts of everyone involved. When it does happen, entry into the Program is important to both families and health services providers.

During 2014, 715 physicians participated in the Program. Along with the coverage benefits of participation, physicians also receive a reduction or credit on their malpractice insurance premiums. During 2014, 38 hospitals were enrolled in the Program. According to estimates, approximately 90-95% of births are covered by the Program due to participating hospitals and doctors.

The Program covers expenses that insurance and other programs do not. Medically necessary expenses such as doctor and hospital visits, therapy, nursing care, and medical equipment are mandated by the guiding legislation. The Code of Virginia also provides a wage benefit paid to the claimant from age 18 to 65, and payment for legal expenses related to filing the claim. In addition, the Program provides benefits including handicapped accessible vans, handicapped accessible bedroom and bath additions to homes, rental assistance, and allowances for therapeutic toys, medical service dogs and experimental therapies.

The Program's administrative cost as a percentage of total expenses (administrative plus claimant) remain low at 7%.

Philosophy

The Program plays a unique role in the Commonwealth. As previously noted, the Program was established due to a need to improve the tort climate for medical care in the Commonwealth, with the specific purpose of keeping malpractice insurers writing policies. It accomplished the goal immediately. According to studies and anecdotal information from key players in the industry, the Program is still fulfilling this role.

However, over the past years the more publicly visible role has become the Program's contribution to caring for this specific group of children. Here the information also shows that they receive more benefits and greater care than those utilizing the tort system.

In fact, an article written by an actuary who has studied the Program and a similar organization in Florida noted that such approaches are highly efficient as compared to tort remedies. He writes that the vast majority of money involved in the Program is used for claimant care whereas in the tort system substantial percentages of funds go to other purposes.

Along with striving for such efficiency, the Program has worked to assure its financial reserves receive maximum growth with minimum risk. This has been accomplished through careful planning and the use of a sophisticated investment policy and practice.

Financial Controls

The Deputy Director is responsible for establishing and maintaining an adequate internal control structure. In fulfilling this responsibility, estimates and judgments are required to assess the expected benefits and related costs of control procedures. The objectives of the control system are to provide the Program with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and are recorded properly to permit the preparation of financial statements in accordance with U.S. GAAP. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from the implementation. All internal control evaluations occur within this framework.

Independent Audit

The Program's guiding legislation (§38.2-5015B) requires an annual independent audit of the Program's financial records and transactions by an independent certified public accountant selected by the Board of Directors.

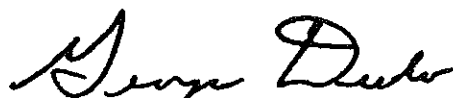
Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Program for its CAFR for the fiscal year ended December 31, 2014. This was the seventh consecutive year that the Program achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental entity must publish an easily readable and efficiently organized CAFR. This report must satisfy both U.S. GAAP and applicable legal requirements.

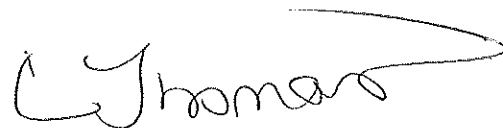
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the requirements of the GFOA Certificate of Achievement and we are submitting it to the GFOA to determine its eligibility for another certificate.

The staff of the Finance Department accomplished the preparation of this CAFR for the year ended December 31, 2014. We would like to express our appreciation to all members of the Finance Department who assisted and contributed to its preparation.

Respectfully submitted,



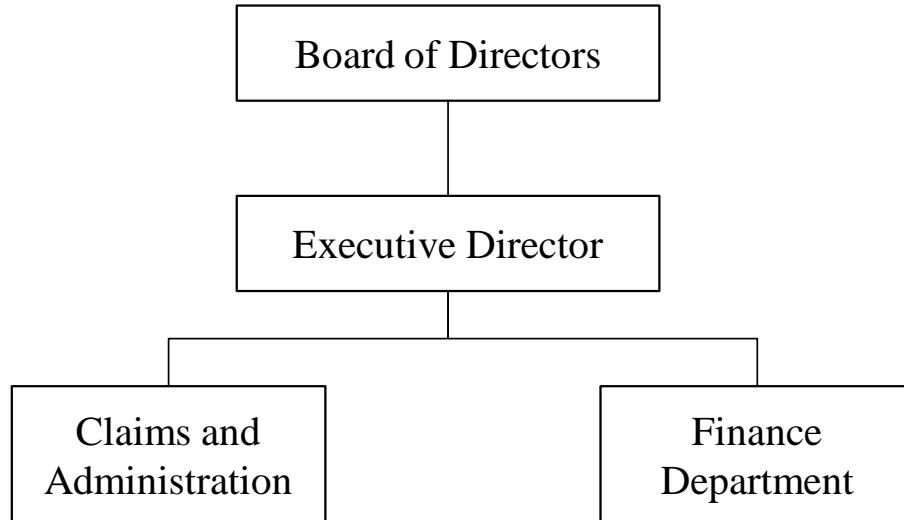
George Deebo
Executive Director



Candace Thomas, CGFM, CICP
Deputy Director

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Organizational Chart



**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Principal Officials

BOARD OF DIRECTORS

David R. Barrett, Chair
Neal C. Schulwolf, Esq., Vice Chair
Lydia Byrd
Vicki Harris, JD
Vanessa S. Rakestraw, Ph.D., CRC
John W. Seeds, MD
Vienne Murray, MD

OTHER OFFICIALS

Executive Director
Deputy Director
Assistant Attorney General

George Deebo
Candace Thomas, CGFM, CICP
Carla Collins, Esq.



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
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Presented to

**Virginia Birth Related
Neurological Injury Compensation
Program**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

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FINANCIAL SECTION



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KPMG LLP
Suite 2000
1021 East Cary Street
Richmond, VA 23219-4023

Independent Auditors' Report

The Board of Directors
Virginia Birth-Related Neurological
Injury Compensation Program:

Report on the Financial Statements

We have audited the accompanying financial statements of the Virginia Birth-Related Neurological Injury Compensation Program (the Program) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Program's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Program as of December 31, 2014 and the changes in its financial position and its cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the Management's Discussion and Analysis on pages 3 through 9 and the Claims Development Information on page 21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Program's basic financial statements. The Introductory and Statistical Sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2015 on our consideration of the Program's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Program's internal control over financial reporting and compliance.

KPMG LLP

June 11, 2015

VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

Management's Discussion and Analysis (unaudited)

December 31, 2014

This section of the Virginia Birth-Related Neurological Injury Compensation Program's (the Program) Comprehensive Annual Financial Report (CAFR) represents our discussion and analysis of the Program's financial performance during the fiscal years ended December 31, 2014 and 2013. Please read it in conjunction with the Program's basic financial statements and accompanying notes.

Financial Highlights

- The 2014 revenue from total fees and assessments increased by \$814,000 or 3.4%. Fees assessed from participating physicians decreased \$10,000 or 0.2%, participating hospitals increased \$324,000 or 9.5%, insurance companies increased \$540,000 or 4.5% and mandated physician fees decreased \$40,000 or 0.9%. (An explanation of significant variances is included later in this report).
- The Program's total net position changed from a deficit of approximately \$81,775,000 in 2013 to approximately \$56,557,000 in 2014. This decrease in the deficit is primarily due to a \$29.3 million increase in operating income from a loss of (\$19.8) million in 2013 to income of approximately \$9.5 million in 2014. In addition, investment income decreased by \$20.8 million. (An explanation of significant variances is included later in this report).
- The Program provided approximately \$9,967,000 in nursing care, \$467,000 in therapy, \$693,000 for 18 handicapped accessible vans, \$1,203,000 for housing benefits, \$252,000 for durable medical equipment and technology, \$97,000 for hospital and physician visits, and \$428,000 for claimant legal fees during 2014.
- During 2014, an additional 6 claimants became eligible to receive the wage benefit for a total of 52 eligible claimants. Eligible claimants may request and receive half of the average weekly wage of workers in the Commonwealth of Virginia in the private nonfarm sector. (See Virginia Code §38.2-5009.2) A total of \$1,295,000 was paid to the 44 eligible claimants requesting the benefit and \$1,275,000 was accrued for the 52 eligible claimants.
- The average cost per active claimant in 2014 and 2013 was approximately \$113,000 and \$107,000, respectively.
- As of December 31, 2014, there were 715 participating physicians, up 10 from 705 physicians in 2013. There were 38 participating hospitals as of December 31, 2014, up 2 from 36 hospitals in 2013.
- Administrative expenses were 7% of the total expenses (administrative plus claimant, excluding change in claims reserve) paid in both 2014 and 2013.
- As of December 31, 2014, 101 families received reimbursement for nursing or attendant care provided by a relative or legal guardian according to Virginia Code §38.2-5009 up 8 from 93 families in 2013. The Program began to reimburse family members for providing care beginning July 1, 2008.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Management's Discussion and Analysis (unaudited)

December 31, 2014

As of December 31, 2014, the Program had a total of 190 admitted claimants, 46 of which are deceased. During the year ended December 31, 2014, 7 claimants were admitted into the Program. Six claimant petitions for admission were pending as of December 31, 2014. See chart below:

	Total December 31, 2013	2014 Activity	Total December 31, 2014
Active	139	5	144
Deceased	44	2	46
Admitted	183	7	190

Overview of the Financial Statements

The Program's CAFR consists of four sections: introductory, financial, statistical, and compliance. The financial section consists of four components; the independent auditors' report, management's discussion and analysis (this component), the basic financial statements, and required supplementary information.

The basic financial statements include the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, the Statement of Cash Flows, and notes to the basic financial statements. The notes to the basic financial statements provide additional details for understanding information presented in the financial statements. The notes are followed by a section of required supplementary information that includes claims development information.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Management's Discussion and Analysis (unaudited)

December 31, 2014

Financial Analysis

Statements of Net Position

The following table reflects the summarized Statements of Net Position of the Program:

Table 1

Summarized Statements of Net Position

December 31, 2014 and 2013

(In millions)

	2014	2013
Current assets	\$ 18.8	24.6
Noncurrent assets	386.8*	359.2*
Total assets	405.6	383.8
Current liabilities	16.7	16.0
Noncurrent unpaid claims reserve:		
Admitted claims, less current portion	303.7	293.6
Incurred but not reported claims	120.2	132.4
Total unpaid claims reserve, noncurrent	423.9	426.0
Total liabilities	440.6	442.0
Total deferred inflows	21.6	23.6
Total liabilities and deferred inflows	462.2	465.6
Unrestricted deficit	(56.6)*	(81.8)*
Total net position	\$ (56.6)*	(81.8)*

* Capital assets and net investment in capital assets are immaterial and are not subdivided.

At December 31, 2014 and 2013, the total assets of the Program were \$405.6 million and \$383.8 million, respectively; total deferred inflows and liabilities were \$462.2 million and \$465.6 million, respectively; and total net position was \$(56.6) million and \$(81.8) million, respectively. The actuarial estimate of future claim payments of children born on or prior to December 31, 2014, plus the actuarial estimate of future claim administration expenses, exceeds the assets of the Program.

The \$27.6 million increase in noncurrent assets from \$359.2 million in 2013 to \$386.8 million in 2014 was primarily due to net investment income of \$15.7 million and additions to the investment portfolio as a result of positive operational cash flows.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Management's Discussion and Analysis (unaudited)

December 31, 2014

The total unpaid claims reserve at December 31, 2014 and 2013 was \$438.9 million and \$440 million, respectively. This represents the estimated cost for claimants currently admitted into the Program and an estimated number of not yet admitted claimants (incurred but not reported, (IBNR)) with birth dates prior to fiscal year-end that will be admitted to the Program subsequent to fiscal year-end. This reserve is based on a bi-annual actuarial study.

A summary of the net change in claims reserve is as follows (in millions):

	2014	2013
Estimated future payments for claimants	\$ 22.5	25.8
Decrease in provision for changes in methodology and assumptions	(23.6)	—
Estimated future payments for new claimants admitted in prior years	21.9	21.6
Estimated claim payments	(21.9)	(18.6)
Net change in claims reserve	\$ (1.1)	28.8

The net change in claims reserve for the years ended December 31, 2014 and 2013 was a decrease of \$(1.1) million and increase of \$28.8 million, respectively. Several factors contribute to the stabilization of the claims reserve and substantial decrease in the Program's deficit as follows:

- Favorable investment performance contributed to larger than expected investment income, which increased the Program's assets thus substantially decreasing the Program's deficit.
- A slight decrease in the assumed inflation rate, which compounded over many years into the future, serves to reduce the present value of liabilities, and thus the deficit as well.
- A leveling off of the increase in benefits payments during calendar years 2012 and 2013 from the \$1.5 million increase seen in 2011.
- A small decrease in projected present value lifetime claimant benefits resulting from both the decrease in the assumed inflation rate and lower than assumed annual benefit payments.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Management's Discussion and Analysis (unaudited)

December 31, 2014

The following table shows the summarized Statements of Revenues, Expenses, and Changes in Net Position of the Program:

Table 2

Summarized Statements of Revenues, Expenses, and Changes in Net Position

Years ended December 31, 2014 and 2013

(In millions)

	Year ended December 31	
	2014	2013
Operating revenues:		
Participating hospitals	\$ 3.8	3.4
Participating physicians	4.2	4.2
Mandated physician fees	4.4	4.5
Insurance fees	12.6	12.0
Total operating revenues	25.0	24.1
Operating expenses:		
Provision for claims, net	15.3	43.7
General and administration	0.2	0.2
Total operating expenses	15.5	43.9
Operating income (loss)	9.5	(19.8)
Nonoperating revenue:		
Net investment income	15.7	36.5
Miscellaneous	—	0.2
Net nonoperating revenue	15.7	36.7
Change in net position	25.2	16.9
Net position at beginning of year	(81.8)	(98.7)
Net position at end of year	\$ (56.6)	(81.8)

Revenues

Revenues consist primarily of legislatively established assessments placed on participating and nonparticipating physicians, hospitals, and insurance companies and net investment income. Nonparticipating physicians pay the mandated physician fee. For the years ended December 31, 2014 and 2013, operating revenue was \$25 million and \$24.1 million, respectively, and nonoperating revenue was \$15.7 million and \$36.7 million, respectively.

Assessments for both 2014 and 2013 for participating and nonparticipating physicians were \$6,200 and \$300, respectively. Participating hospitals are assessed a fee of \$55 per live birth for the prior year, as reported by the

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Management's Discussion and Analysis (unaudited)

December 31, 2014

Department of Health, not to exceed \$200,000. In 2014 and 2013, liability insurers paid one quarter of one percent on the net direct premiums written during the prior year.

Net investment income is \$15.7 million in 2014 and \$36.5 million in 2013, a decrease of \$20.8 million. This is due primarily to net appreciation in fair value of investments of \$22 million in 2013 and net depreciation in fair value of investments of \$10.2 million in 2014. In addition, net realized gain on investments increased \$10.9 million from \$7.9 million to \$18.8 million in 2013 and 2014, respectively.

Expenses

For the years ended December 31, 2014 and 2013, expenses totaled \$15.5 million and \$43.9 million, respectively. The difference is primarily due to the net change in claims reserve which decreased by \$1.1 million in 2014 and increased \$28.8 million in 2013. For further explanation see summary and explanation of claims provision on page 6. Expenses are comprised of general administrative and claims related expenses, the latter of which reflects the increase or decrease in claims reserve and the claims paid during the year.

General administrative expenses include the portion of salaries, rent, cost of office equipment, and all other expenses not directly related to claims. Administrative expenses were 7% of the total expenses (administrative plus claimant, excluding change in claims reserve) for both 2014 and 2013. Management estimates that approximately 80% of the total administrative expenses are directly related to claims administration. Of the total administrative expenses of approximately \$1.2 million in 2014, approximately \$966,000 or 80% is related to claims and approximately \$242,000 is related to program administration. Of the total administrative expenses of approximately \$1.1 million in 2013, approximately \$854,000 or 80% is related to claims and approximately \$213,000 is related to program administration.

Provision for claims includes the portion of general administration expenses related to claims and actual and future expenses related to claims. Claimant expenses include nursing, therapy, physician and hospital visits, prescriptions, housing, transportation, the wage benefit and durable medical equipment. Provision for claims, net has decreased from \$43.7 million 2013 to \$15.3 million in 2014. For further explanation see summary and explanation of claims provision on page 6.

VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

Management's Discussion and Analysis (unaudited)

December 31, 2014

Economic Factors

Strong equity manager performance and a diversified portfolio allowed the Program's funds to gain 4.4% for the year and 1.7% in the fourth quarter. The asset allocation includes 43% stocks, 32% bonds, 20% alternatives and 5% cash. Considering the recent economic challenges the markets have faced, the Board of Directors continues to focus on prudent asset allocations, risk assessment, disciplined rebalancing, manager due diligence, and adherence to a well developed investment policy.

As of December 31, 2014, 26% of the investment portfolio was invested in separate accounts, 52% in mutual funds, 20% in alternative strategies and 2% in real estate held in trust. The Board believes these actions together with the guidance from CapGroup, the Program's investment advisor, have significantly improved the investment strategy and will continue to enhance the financial position of the Program, which is an important factor in reducing the actuarial deficit.

Contacting the Program's Financial Management

This financial report is designed to provide users (e.g., citizens, taxpayers, claimant families, service providers and creditors) with a general overview of the Program's finances and to demonstrate the Program's accountability for the funds it receives. Questions concerning this report or requests for additional information should be directed to the Deputy Director, 7501 Boulders View Dr. Suite 210, Richmond, VA 23225, 804-330-2471 or visit our website at <http://www.vabirthinjury.com>.

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BASIC FINANCIAL STATEMENTS



**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Statement of Net Position

December 31, 2014

Assets

Current assets:	
Cash and cash equivalents	\$ 18,297,113
Accrued interest and dividends	455,168
Total current assets	18,752,281
Noncurrent assets:	
Investments	386,883,474
Capital assets, net	8,392
Total noncurrent assets	386,891,866
Total assets	405,644,147

Liabilities and Deferred Inflows

Current liabilities:	
Accounts payable	1,111,638
Accrued liabilities	552,488
Current portion of unpaid claims reserve	15,000,000
Total current liabilities	16,664,126
Noncurrent liabilities:	
Unpaid claims reserve:	
Admitted claims, less current portion	303,700,000
Incurred but not reported claims	120,200,000
Total unpaid claims reserve	423,900,000
Total noncurrent liabilities	423,900,000
Total liabilities	440,564,126
Deferred inflows of resources – deferred assessment and fee receipts	21,636,839
Total liabilities and deferred inflows	462,200,965

Net Position (Deficit)

Net position, net investment in capital assets	8,392
Unrestricted deficit	(56,565,210)
Total net position (deficit)	\$ (56,556,818)

See accompanying notes to basic financial statements.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Statement of Revenues, Expenses, and Changes in Net Position

Year ended December 31, 2014

Operating revenues:	
Participating hospitals	\$ 3,754,421
Participating physicians	4,207,685
Mandated physician fees	4,412,205
Insurance fees	<u>12,584,222</u>
Total operating revenues	<u>24,958,533</u>
Operating expenses:	
Provision for claims, net	15,232,542
General and administration	<u>241,574</u>
Total operating expenses	<u>15,474,116</u>
Operating income	<u>9,484,417</u>
Nonoperating revenue:	
Net investment income	<u>15,733,399</u>
Net nonoperating revenue	<u>15,733,399</u>
Change in net position	25,217,816
Net position at beginning of year	<u>(81,774,634)</u>
Net position at end of year	<u>\$ (56,556,818)</u>

See accompanying notes to basic financial statements.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Statement of Cash Flows

Year ended December 31, 2014

Cash flows from operating activities:	
Receipts from participating hospitals	\$ 3,685,885
Receipts from participating physicians	3,746,581
Mandated physician fee receipts	4,168,066
Receipts from insurance companies	11,458,707
Payments on behalf of claimants	(15,567,859)
Payments to suppliers of goods and services	(608,328)
Payments to employees	(726,609)
	<u>6,156,443</u>
Net cash provided by operating activities	<u>6,156,443</u>
Cash flows from investing activities:	
Purchase of investments	(259,858,764)
Proceeds from sale and maturity of investments	240,529,306
Earnings on investments	7,359,685
	<u>(11,969,773)</u>
Net cash used in investing activities	<u>(11,969,773)</u>
Net decrease in cash and cash equivalents	(5,813,330)
Cash and cash equivalents:	
Beginning of year	<u>24,110,443</u>
End of year	<u>\$ 18,297,113</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 9,484,417
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	6,569
Decrease in:	
Accounts payable	(201,612)
Accrued liabilities	(133,637)
Deferred inflows of resources	(1,899,294)
Claims reserve	(1,100,000)
	<u>6,156,443</u>
Net cash provided by operating activities	<u>\$ 6,156,443</u>
Noncash investing activities:	
Net depreciation in fair value of investments	\$ (10,239,064)

See accompanying notes to basic financial statements.

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NOTES TO BASIC FINANCIAL STATEMENTS



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VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

Notes to Basic Financial Statements

December 31, 2014

(1) Summary of Significant Accounting Policies

(a) *Nature of Organization*

The Virginia Birth-Related Neurological Injury Compensation Program (the Program) was established under the Virginia Birth-Related Neurological Injury Compensation Act (1987, c.540) (the Act). The Program is a related organization of the Commonwealth of Virginia of which elected officials are accountable as they appoint a voting majority of the Board of Directors (the Board). The Act creates a compensation program that assures lifetime care of infants with severe neurological injuries. The Program is funded through annual assessments of participating physicians and participating hospitals. Liability insurers and nonparticipating physicians contribute to the Program, if necessary, based upon actual experience of the Program. The Program receives no federal or state government funding.

(b) *Basis of Accounting*

The Program operates as an enterprise fund subject to Governmental Accounting Standards Board (GASB) Codification Section Po20 – Public Entity Risk Pools.

The basic financial statements of the enterprise fund are presented on the accrual basis of accounting, using the economic resources measurement focus. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash. The Program distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and collecting fees in connection with the Program's principal ongoing operations.

(c) *Use of Estimates*

The preparation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported financial statement amounts and disclosures. Accordingly, actual results could differ from these estimates.

(d) *Administrative Expenses*

Administrative expenses include salaries and benefits, rent, cost of noncapitalizable office equipment and other expenses not directly related to claims. In 2014, administrative expenses related to claims processing of approximately \$1,208,000 were allocated to provision for claims, net in the amount of approximately \$966,000 and to general and administration expense in the amount of approximately \$242,000.

(e) *Cash Equivalents*

For purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both (a) readily convertible to known amounts of cash and (b) so near maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, the Program considers investments with original maturities of three months or less to be cash equivalents.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Notes to Basic Financial Statements

December 31, 2014

(f) Investments

The Program's investments are stated at fair value based on quoted market prices, if available. The Program's investments consist of various index mutual funds and actively managed investments in separate accounts including large, mid, and small cap equities and fixed income securities. Mutual fund investments are valued at their quoted net asset value on the last trading day of the year. Equity securities are valued at the last reported sale price or, if no sale, the latest available bid price on the last business day of the year. Fixed income investments are valued using market evaluations (evaluated prices) from reputable and approved industry vendors and evaluations are based on available market data. All other investments, excluding real estate held in trust, are valued based on amounts provided by the investment advisor or fund administrator and reviewed by management.

Under guidelines established by the Board, the Program could, up until 1999, approve the purchase or construction of a home for the family of a claimant subject to certain restrictions. The home is held in a trust and remains the property of the Program, subject to use by the claimant's family during the term of the trust and subject to conditions imposed by the trust agreement. The trust expires upon the death or institutionalization of the claimant, and stipulates that during occupancy the family is responsible for the payment of utilities, general maintenance of the home, and certain other similar obligations. Real estate held in trust is carried at fair value based on third party appraisals, tax assessments, or other reasonable methodologies.

(g) Capital Assets

Capital assets with a cost of \$1,000 or more are recorded at cost. The costs of major improvements are capitalized while the cost of maintenance and repairs, which do not improve or extend the life of an asset, are expensed. Depreciation is provided over the assets' estimated useful lives, which is three to seven years for equipment and automobiles, using the straight-line method.

(h) Deferred Inflows of Resources

Deferred inflows represent amounts for which revenue recognition criteria have not been met due to a time requirement. It is the Program's policy to recognize mandated assessments, participating doctor and hospital fees, and insurance fees on a pro-rata basis over the period in which the assessment or coverage is related, which is one year.

(i) Estimated Liability for Unpaid Claims

The liability for unpaid claims represents management's estimate, developed in conjunction with the assistance of the Commonwealth of Virginia's actuary, of the Program's discounted estimated cost of payments for both claimants admitted to the Program and an estimated number of not-yet-admitted claimants with birth dates prior to the date of the statement of net position that will be admitted to the Program subsequent to the date of the statement of net position. Changes in estimates of such costs are recognized in results of operations in the period in which the changes in estimate are made.

The development of liabilities for future benefit requires management to make estimates and assumptions regarding mortality, morbidity, lapse, expense, and investment experience. Such estimates are primarily based on historical experience and future expectations of these assumptions.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Notes to Basic Financial Statements

December 31, 2014

The Program's actual incurred losses may vary significantly from the estimated amount included in the Program's financial statements. Management monitors actual experience and, if circumstances warrant, revises its assumptions and the related future policy benefit estimates.

(2) Deposits and Investments

The Program's deposit and investment portfolio consists of the following at December 31, 2014:

Cash and cash equivalents	\$ 18,297,113
Investments:	
Mutual funds:	
Large cap equity	61,919,128
Small and mid cap equity	9,168,924
Developed international	39,766,680
Emerging markets	12,453,987
Domestic fixed income	58,963,902
Global fixed income	19,758,042
Alternative strategies	79,013,499
Separate accounts:	
Large cap equity	43,445,982
Small and mid cap equity	5,297,506
Domestic fixed income	50,453,089
Real estate held in trust	<u>6,642,735</u>
Total investments	<u>386,883,474</u>
Total cash and cash equivalents and investments	<u>405,180,587</u>

(a) Deposits

All cash of the Program is maintained in accounts collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.2-4400 et. Seq. of the Code of Virginia or covered by federal depository insurance.

(b) Investments

In accordance with the Virginia Birth-Related Injury Compensation Act, Section 38.2-5016 of the Code of Virginia, the Board is given the authority to invest the Program's funds in a careful and prudent manner at the advice of the investment advisor.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Notes to Basic Financial Statements

December 31, 2014

Credit risk: – The Program’s Investment Policy states that no more than 20% of the fair value of the fixed income portfolio shall be rated less than single “A” quality. The Program’s fixed income portfolio at December 31, 2014 is as follows:

		<u>Rating</u>	<u>Fair value 2014</u>	<u>Percent of portfolio (3)</u>	<u>Average maturity (in years)</u>
Mutual funds:					
Vanguard Bond Index	(1)	AA	\$ 19,574,726	5.1%	7.7
Western Asset Core Plus	(1)	BB	20,083,275	5.3%	9.1
Loomis Sayles Global Bond Fund	(1)	A	19,758,042	5.2%	7.8
JP Morgan Strategic Income	(1)	BB	19,305,901	5.1%	2.0
Separate accounts:					
Richmond Capital Management	(2)	AA	<u>50,453,089</u>	13.3%	7.2
Total			<u>\$ 129,175,033</u>		

(1) Average credit quality per Capital Advisory Group, Morning Star and fund company websites.

(2) Average credit quality per Bond Edge Fixed Income Analytic models.

(3) Excludes real estate held in trust.

Interest rate risk: – The Program does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Program mitigates risk through relatively conservative asset allocations and investments.

Foreign currency risk: – The Program manages its risk associated with foreign currency fluctuations with the asset allocations outlined in its Investment Policy that limit its investments in international developed and emerging index funds up to 21% of its overall portfolio. The Program’s investments subjected to foreign currency risk at December 31, 2014 include U.S. publicly traded mutual funds which have an international strategy totaling \$71,978,709.

Custodial credit risk: – Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Program will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Program’s deposits are maintained in accounts collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.2-4400 et. Seq. of the Code of Virginia or covered by federal depository insurance. In addition, it is the Program’s practice, although not a formal policy that the investment accounts are held in the Program’s name. The Program’s investment policy states that all fixed income securities held in the portfolio shall have a Standard & Poor’s and/or equivalent credit quality rating of no less than Investment Grade. No more than 20% of the fair value of the fixed income portfolio shall be rated less than single “A” quality.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Notes to Basic Financial Statements

December 31, 2014

The Program's return on investments for the year ended December 31, 2014 is summarized as follows:

Interest income	\$	1,537,482
Dividend income		6,273,432
Realized gain on investments, net		18,848,989
Net depreciation in fair value of investments		(10,239,064)
Investment fees		(608,069)
Fiduciary fees		(79,371)
Net investment income	\$	15,733,399

(3) Capital Assets

Capital assets at December 31, 2014 and the related changes for the year ended were as follows:

	January 1, 2014	Increases	Decreases	December 31, 2014
Computer equipment	\$ 59,274	—	—	59,274
Office equipment	43,174	—	—	43,174
Automobiles	17,237	—	—	17,237
	119,685	—	—	119,685
Less accumulated depreciation	(104,724)	(6,569)	—	(111,293)
Capital assets, net	\$ 14,961	(6,569)	—	8,392

(4) Estimated Liability for Unpaid Claims

The estimated liability for unpaid claims is the discounted estimated cost of payments for both claimants admitted to the Program and an estimated number of not-yet-admitted claimants with birth dates prior to the date of the statement of net position that will be admitted to the Program subsequent to the date of the statement of net position. This discounted cost represents the amount that would need to be invested, as of the date of the statement of net position, to pay the claimant expenses as they become due. The liability is determined based on an actuarial study, which is mandated to be performed no less frequently than biennially. Eligible costs under the Program are costs not otherwise paid by private insurance or other government programs. Costs include nursing, housing, hospital and physician visits, physical therapy, vans, medical equipment, prescription drugs, various other incidental items, loss of earnings, and claim filing expenses.

In general terms, the estimated liability for unpaid claims is determined as follows:

- (1) The total number of claimants is estimated (actual number of admitted claimants plus estimate of the number of not-yet-admitted claimants born prior to year-end).

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Notes to Basic Financial Statements

December 31, 2014

- (2) Future payments, by category of expense paid for each claimant, are forecasted. These estimates are based on the actual payments made by the Program on behalf of the claimants who had been in the program for three or more years as of December 31, 2014 (taking into consideration each claimant's insurance coverage and eligibility for Medicaid), as well as assumptions regarding future cost of inflation and future increases in the utilization of the benefits and services of the Program.
- (3) Projected future payments to each claimant are adjusted to reflect an assumed life expectancy for each claimant and the time value of money.

The estimated liability for unpaid claims is forecasted based on actual information through the prior fiscal year.

Significant actuarial assumptions for 2014 include:

	2014
Rate of claims inflation (varies based on category of expense)	2.56% - 4.58%
Investment earnings/discount rate	5.25%
Mortality:	
Life expectancy at:	
Birth	28.4 years
Age 3	29.1 years
Estimated number of not-yet-admitted claimants born prior to year end.	47
Estimate is based on review of how long it takes for claimants to be admitted to the Program.	

The total number of claimants (admitted claimants and not-yet-admitted claimants) is estimated to be 241 as of December 31, 2014.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Notes to Basic Financial Statements

December 31, 2014

The following represents changes in the unpaid claims reserves for the Program for the year ended December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Unpaid claims and claim adjustment expenses at beginning of year	\$ 440,000,000	411,200,000
Incurred claims:		
Estimated future payments for new claimants admitted in current year	22,500,000	25,800,000
Estimated future payments for new claimants admitted in prior years	<u>21,900,000</u>	<u>21,600,000</u>
Total incurred claims	<u>44,400,000</u>	<u>47,400,000</u>
Claims payments:		
Estimated claims payments for claimants admitted in current year	(2,000,000)	(1,700,000)
Estimated claims payments for claimants admitted in prior years	<u>(19,900,000)</u>	<u>(16,900,000)</u>
Total estimated claims payments	(21,900,000)	(18,600,000)
Decrease in provision for change in methodology and assumptions	<u>(23,600,000)</u>	<u>—</u>
Unpaid claims and claim adjustment expenses at end of year	<u>\$ 438,900,000</u>	<u>440,000,000</u>

Several factors contribute to the stabilization of the claims reserve as follows:

- Favorable investment performance contributed to larger than expected investment income, which increased the Program's assets thus substantially decreasing the Program's deficit.
- A slight decrease in the assumed inflation rate, which compounded over many years into the future, serves to reduce the present value of liabilities, and thus the deficit as well.
- A leveling off of the increase in benefits payments during calendar years 2012 and 2013 from the \$1.5 million increase seen in 2011.
- A small decrease in projected present value lifetime claimant benefits resulting from both the decrease in the assumed inflation rate and lower than assumed annual benefit payments.

The total undiscounted unpaid claims and claim adjustment expenses amount to \$1,643.9 million at December 31, 2014 and represent unaudited estimates.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Notes to Basic Financial Statements

December 31, 2014

(5) Employee Benefits

The Program pays each employee an amount equal to 27% of his or her salary in lieu of a benefits package. This additional salary is to be used by the employee to acquire certain benefits, if they so choose, and is subject to income and payroll taxes. Additional benefits paid by the Program to its employees includes the 27% of salary, employer paid portion of health insurance, life insurance and long and short term disability insurance and amounted to approximately \$185,000 for the year ending December 31, 2014.

(6) Operating Lease Commitments

The Program leases its office space under an operating lease expiring in September 2018. Rent expense totaled \$55,700 for the year ended December 31, 2014.

Future minimum obligations under this lease are as follows:

2015	55,583
2016	57,255
2017	58,959
2018	45,359

(7) Liquidity

The most recent actuarial study performed for the year ended December 31, 2014, which used claims data as of December 31, 2013, determined that the Program was not actuarially sound. However, the actuarial study did point out that the Program is not in any immediate danger of defaulting on the payment of benefits and that the Program has sufficient assets to continue to pay for claimants' benefits for the subsequent thirty years.

(8) Contingencies

Various pending and threatened lawsuits claim eligibility for program benefits. Management believes the Program's claims reserves based upon actuarial assumptions are adequate to provide for the ultimate resolution of these claims.

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REQUIRED SUPPLEMENTARY INFORMATION



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**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Claims Development Information (unaudited)

December 31, 2014

(In thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
(1) Premiums, investment revenue and miscellaneous: Earned	\$ 26,032	40,292	39,964	(20,801)	60,741	48,392	25,925	55,518	60,907	40,692
(2) Unallocated expenses	183	189	197	188	196	213	268	263	213	242
(3) Estimated losses and expenses, end of birth year: Incurred	21,652	23,000	24,500	23,300	22,300	23,500	23,800	24,800	25,800	22,500
(4) Net paid (cumulative) as of:										
End of birth year	—	—	—	—	68	—	—	—	—	—
One year later	—	157	124	331	303	—	—	—	—	—
Two years later	41	341	369	372	614	267	44	143	—	—
Three years later	88	420	438	895	822	498	395	—	—	—
Four years later	421	574	625	1,133	1,338	723	—	—	—	—
Five years later	437	829	1,019	1,372	1,691	—	—	—	—	—
Six years later	519	1,120	1,270	1,569	—	—	—	—	—	—
Seven years later	797	1,339	1,816	—	—	—	—	—	—	—
Eight years later	1,092	1,718	—	—	—	—	—	—	—	—
Nine years later	1,565	—	—	—	—	—	—	—	—	—
(5) Reestimated ceded losses and expenses	—	—	—	—	—	—	—	—	—	—
(6) Reestimated net incurred losses and expenses:										
End of birth year	21,652	23,000	24,500	23,300	22,300	23,500	23,800	24,800	25,800	22,500
One year later	22,038	22,332	23,372	21,630	22,575	18,136	24,609	24,548	23,768	—
Two years later	21,409	21,273	21,615	21,917	17,485	18,934	24,367	22,594	—	—
Three years later	20,412	19,624	21,918	16,599	18,243	18,696	22,492	—	—	—
Four years later	18,859	19,908	16,325	17,391	18,016	16,844	—	—	—	—
Five years later	19,127	14,658	17,158	17,154	16,260	—	—	—	—	—
Six years later	14,184	15,440	16,909	15,319	—	—	—	—	—	—
Seven years later	14,920	15,206	14,979	—	—	—	—	—	—	—
Eight years later	14,700	13,394	—	—	—	—	—	—	—	—
Nine years later	12,995	—	—	—	—	—	—	—	—	—
(7) Decrease in estimated net incurred losses and expenses from end of birth year	(8,657)	(9,606)	(9,521)	(7,981)	(6,040)	(6,656)	(1,308)	(2,206)	(2,032)	—

See accompanying independent auditors' report and note to required supplementary information.

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Note to Required Supplementary Information

December 31, 2014

(1) Claims Development Information

The table on the preceding page illustrates how the Program's premiums, investment income and miscellaneous income compare to related costs of loss and other expenses assumed by the Program as of the end of each of the previous ten years. The rows of the table are defined as follows: (1) This line shows the total of each year's gross earned premiums and reported investment income and miscellaneous income. (2) This line shows each year's other operating costs of the Program including overhead and loss adjustment expenses not allocable to individual claims. (3) This line shows the Program's gross incurred losses and allocated loss adjustment expense and net incurred losses and loss adjustment expense (both paid and accrued) as originally reported at the end of the year in which the event that triggered coverage occurred (called birth year). (4) This Section of ten rows shows the cumulative net amounts paid as of the end of successive years for each birth year. (5) This line shows the latest re-estimated amount of losses assumed by re-insurers for each birth year. (6) This section of ten rows shows how each birth year's net incurred losses increased or decreased as of the end of successive years. (This annual re-estimation results from new information received on known losses, reevaluation of existing information on known losses, and emergence of new losses not previously known). (7) This line compares the latest re-estimated net incurred losses amount to the amount originally established (line 3) and shows whether this latest estimate of losses is greater or less than originally thought. As data for individual birth years mature, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of net incurred losses currently recognized in less mature birth years. The columns of the table show data for successive birth years.

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STATISTICAL SECTION



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VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

Statistical Section (unaudited)

December 31, 2014

Statistical Section

This Section of the Program's CAFR presents detailed information as a context for understanding what the information in the basic financial statements and required supplementary information indicate about the Program's overall financial health. This information has not been audited by the independent auditors.

Financial Trends

These tables contain trend information to help the reader understand how the Program's financial performance and well-being changed over time.

Table 1	Net Position (Deficit) by Component
Table 2	Schedule of Revenues, Expenses, and Changes in Net Position
Table 3	Analysis of Average Cost per Active Claimant
Table 4	Schedule of General and Administrative Expenses

Revenue Capacity

This table contains information to help the reader assess the Program's significant operating revenues.

Table 5	Rates and Assessments
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Economic and Demographic Information

These tables offer economic and demographic indicators to help the reader understand the environment within which the Program's financial activities take place.

Table 6	Physicians, Hospitals, and Insurance Companies
Table 7	Virginia Demographic Statistics
Table 8	Virginia Principal Employers

Operating Information

These tables contain operating and claimant data to help the reader understand how the information in the Program's financial report relates to the services the Program provides and the activities it performs.

Table 9	Number of Admitted, Deceased, and Active Claimants
Table 10	Number of Employees by Identifiable Activities

Sources: Unless otherwise noted, the information in this Section is derived from the Program's comprehensive annual financial reports for the relevant years.

Table 1

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Net Position (Deficit) by Component

Last ten fiscal years

Year ended December 31	Net investment in capital assets	Unrestricted deficit	Total net position (deficit)
2005	19,755	(125,181,112)	(125,161,357)
2006	16,302	(129,328,796)	(129,312,494)
2007	10,504	(127,646,193)	(127,635,689)
2008 – adjusted for adoption of GASB 52	11,074	(180,804,837)	(180,793,763)
2009	9,130	(146,830,018)	(146,820,888)
2010	14,943	(149,115,714)	(149,100,771)
2011	24,302	(98,678,241)	(98,653,939)
2012	20,537	(98,758,961)	(98,738,424)
2013	14,961	(81,789,595)	(81,774,634)
2014	8,392	(56,565,210)	(56,556,818)

See accompanying independent auditors' report.

Table 2

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Schedule of Revenues, Expenses, and Changes in Net Position

Last ten fiscal years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Operating revenues:										
Participating hospitals	\$ 3,754,421	3,430,238	3,495,915	3,623,350	3,771,265	3,750,364	3,373,339	2,715,783	2,926,900	2,753,450
Participating physicians	4,207,685	4,217,819	4,102,419	3,868,705	3,811,821	3,532,187	3,358,073	3,223,346	2,843,793	2,342,449
Mandated physician fees	4,412,205	4,451,865	4,139,786	4,362,116	4,214,365	4,170,750	3,992,183	3,747,915	3,734,266	3,444,676
Insurance fees	12,584,222	12,044,647	11,842,527	11,861,936	12,273,510	12,620,887	12,830,024	12,641,617	11,945,795	11,314,150
Other	—	—	—	759	8,528	54	71	21,296	136,676	—
Total operating revenues	<u>24,958,533</u>	<u>24,144,569</u>	<u>23,580,647</u>	<u>23,716,866</u>	<u>24,079,489</u>	<u>24,074,242</u>	<u>23,553,690</u>	<u>22,349,957</u>	<u>21,587,430</u>	<u>19,854,725</u>
Operating expenses:										
Provision for claims, net	15,232,542	43,729,663	55,339,703	(24,790,373)	50,458,868	26,572,068	33,458,390	38,009,839	44,254,224	51,853,223
General and administration	241,574	213,457	261,917	268,151	212,856	196,161	188,126	197,353	188,573	183,164
Other	—	—	1,191	—	—	—	—	—	—	—
Total operating expenses	<u>15,474,116</u>	<u>43,943,120</u>	<u>55,602,811</u>	<u>(24,522,222)</u>	<u>50,671,724</u>	<u>26,768,229</u>	<u>33,646,516</u>	<u>38,207,192</u>	<u>44,442,797</u>	<u>52,036,387</u>
Operating income (loss)	9,484,417	(19,798,551)	(32,022,164)	48,239,088	(26,592,235)	(2,693,987)	(10,092,826)	(15,857,235)	(22,855,367)	(32,181,662)
Nonoperating revenue (expense):										
Net investment income (loss) and miscellaneous	15,733,399	36,762,341	31,937,679	2,207,744	24,312,352	36,666,862	(43,065,248)	17,534,040	18,704,230	6,177,754
Change in net position	25,217,816	16,963,790	(84,485)	50,446,832	(2,279,883)	33,972,875	(53,158,074)	1,676,805	(4,151,137)	(26,003,908)
Net position (deficit) at beginning of year	(81,774,634)	(98,738,424)	(98,653,939)	(149,100,771)	(146,820,888)	(180,793,763)	(127,635,689)	(129,312,494)	(125,161,357)	(99,157,449)
Net position (deficit) at end of year	<u>\$ (56,556,818)</u>	<u>(81,774,634)</u>	<u>(98,738,424)</u>	<u>(98,653,939)</u>	<u>(149,100,771)</u>	<u>(146,820,888)</u>	<u>(180,793,763)</u>	<u>(127,635,689)</u>	<u>(129,312,494)</u>	<u>(125,161,357)</u>

See accompanying independent auditors' report.

Table 3

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Analysis of Average Cost per Active Claimant

Last ten fiscal years

<u>Year</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Claims expense excluding change in claims reserve	\$ 16,332,542	14,929,663	14,039,703	13,109,627	11,858,868	11,372,049	11,658,390	10,209,839	11,054,225	9,453,223
Number of active claimants (note 1)	144	139	134	127	117	113	111	109	96	91
Average expense per claimant	\$ 113,420	107,408	104,774	103,225	101,358	100,638	105,031	93,668	115,148	103,882
Percent increase or decrease from prior year	5.60%	2.50%	1.50%	1.84%	0.72%	(4.18)%	12.13%	(18.65)%	10.84%	24.11%
Breakdown of claims expenses, excluding change in claims reserve, into major categories:										
<u>Category</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Nursing	\$ 9,967,152	9,876,877	9,147,939	8,531,487	7,990,795	7,194,528	6,983,584	6,448,647	6,186,118	5,541,310
Physician/Hospital	96,579	75,476	60,464	77,828	78,057	59,474	68,119	96,123	81,115	63,976
Therapy	466,704	334,026	328,579	339,347	310,829	219,303	254,923	254,876	231,712	197,991
Incidentals	185,802	159,793	167,650	153,112	172,224	139,064	193,317	151,903	179,888	181,039
Prescription	100,374	83,123	93,148	91,233	130,381	151,905	135,239	127,809	115,265	104,329
Housing	1,202,662	553,852	575,319	409,937	423,352	839,436	1,360,826	756,673	1,445,145	937,368
Van	693,035	538,029	762,149	574,437	385,084	351,673	526,513	501,827	863,555	734,953
Medical equipment	251,899	190,707	157,206	158,558	160,510	166,926	211,562	188,897	319,405	162,970
Legal fees – claimant	427,676	465,807	215,190	371,045	165,164	165,654	299,892	283,809	470,204	350,667
Legal fees – attorney general	180,000	180,000	180,000	180,000	170,000	117,500	150,000	150,000	187,500	225,000
Auto/Health insurance	127,468	164,413	143,509	134,082	150,137	141,193	143,283	150,940	120,678	104,718
Mileage reimbursement	81,893	62,003	74,857	67,956	78,081	41,689	73,978	49,276	72,480	32,342
Wage benefit payment	1,274,947	1,082,549	900,614	698,454	501,407	334,207	245,052	97,163	—	—
WCC ordered award	285,750	251,834	156,053	200,000	164,820	595,850	200,000	—	—	—
Claimant related administrative	966,295	853,829	1,047,669	1,072,606	851,426	784,645	752,504	789,413	754,290	732,654
Other (note 2)	24,306	57,345	29,357	49,545	126,601	69,002	59,598	162,483	26,870	83,906
Total claims expense, excluding change in claims reserve	16,332,542	14,929,663	14,039,703	13,109,627	11,858,868	11,372,049	11,658,390	10,209,839	11,054,225	9,453,223
Percent increase or decrease from prior year	9.40%	6.3%	7.1%	10.55%	4.28%	(2.46)%	14.19%	(7.64)%	16.94%	37.73%
Percentage of expense, excluding change in claims reserve, per total claims expense:										
<u>Category</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Nursing	61.03%	66.16%	65.16%	65.08%	67.38%	63.27%	59.90%	63.16%	55.96%	58.62%
Physician/Hospital	0.59	0.51	0.43	0.59	0.66	0.52	0.58	0.94	0.73	0.68
Therapy	2.86	2.24	2.34	2.59	2.62	1.93	2.19	2.50	2.10	2.09
Incidentals	1.14	1.07	1.19	1.17	1.45	1.22	1.66	1.49	1.63	1.92
Prescription	0.61	0.56	0.66	0.70	1.10	1.34	1.16	1.25	1.04	1.10
Housing	7.36	3.71	4.10	3.13	3.57	7.38	11.67	7.41	13.07	9.92
Van	4.24	3.60	5.43	4.38	3.25	3.09	4.52	4.92	7.81	7.77
Medical equipment	1.54	1.28	1.12	1.21	1.35	1.47	1.81	1.85	2.89	1.72
Legal	2.62	3.12	1.53	2.83	1.39	1.46	2.57	2.78	4.25	3.71
Legal fees – attorney general	1.10	1.21	1.28	1.37	1.43	1.03	1.29	1.47	1.70	2.38
Auto/Health insurance	0.78	1.10	1.02	1.02	1.27	1.24	1.23	1.48	1.09	1.11
Mileage reimbursement	0.50	0.42	0.53	0.52	0.66	0.37	0.63	0.48	0.66	0.34
Wage benefit payment	7.81	7.25	6.41	5.33	4.23	2.94	2.10	0.95	—	—
WCC ordered award	1.75	1.69	1.11	1.53	1.39	5.24	1.72	—	—	—
Claimant related administrative	5.92	5.72	7.46	8.18	7.18	6.90	6.45	7.73	6.82	7.75
Other (note 2)	0.15	0.38	0.21	0.38	1.07	0.61	0.51	1.59	0.24	0.89
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Change in claims provision	\$ (1,100,000)	28,800,000	41,300,000	(37,900,000)	38,600,000	15,200,000	21,800,000	27,800,000	33,200,000	42,400,000
Nonclaims related administrative and other	241,574	213,457	263,108	268,151	212,856	196,161	188,126	197,353	188,573	183,164
Total operating expense	\$ 15,474,116	43,943,120	55,602,811	(24,522,222)	50,671,724	26,768,210	33,646,516	38,207,192	44,442,798	52,036,387

Notes:

- Active claimants are the total admitted claimants less deceased.
- Other expenses may include medical review, therapeutic toys, computer equipment, funeral expense and medical service dog.

See accompanying independent auditors' report.

Table 4

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Schedule of General and Administrative Expenses

Last ten fiscal years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Advertising and brochures	\$ —	843	6,385	1,610	1,059	2,177	3,841	1,533	4,260	5,249
Computer services	14,790	6,793	15,958	25,194	11,946	13,065	10,672	10,028	9,558	13,226
Depreciation and amortization	6,569	7,811	7,591	5,960	1,866	5,936	4,299	6,504	8,669	10,528
Office	14,647	14,685	13,552	11,107	10,486	14,409	11,623	7,714	9,460	7,771
Other	82,234	33,298	34,022	26,707	24,419	24,002	22,974	34,130	48,090	55,111
Postage and mailing	5,610	5,721	7,318	6,029	6,263	8,071	11,100	10,292	8,879	9,909
Professional fees	288,222	284,442	458,728	510,241	367,967	280,842	234,935	327,188	282,766	286,744
Rent	58,448	35,067	70,260	66,551	65,365	68,008	62,844	60,957	60,589	59,143
Salaries and benefits	726,609	669,877	688,136	679,781	567,446	556,899	568,263	518,682	502,315	458,511
Telephone	10,740	8,749	7,636	7,577	7,465	7,397	10,079	9,736	8,277	9,625
	<u>1,207,869</u>	<u>1,067,286</u>	<u>1,309,586</u>	<u>1,340,757</u>	<u>1,064,282</u>	<u>980,806</u>	<u>940,630</u>	<u>986,764</u>	<u>942,863</u>	<u>915,817</u>
Less claims administration (allocated)	<u>966,295</u>	<u>853,829</u>	<u>1,047,669</u>	<u>1,072,606</u>	<u>851,426</u>	<u>784,645</u>	<u>752,504</u>	<u>789,411</u>	<u>754,290</u>	<u>732,654</u>
Unallocated expenses	<u>\$ 241,574</u>	<u>213,457</u>	<u>261,917</u>	<u>268,151</u>	<u>212,856</u>	<u>196,161</u>	<u>188,126</u>	<u>197,353</u>	<u>188,573</u>	<u>183,163</u>

See accompanying independent auditors' report.

Table 5

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Rates and Assessments

Last ten fiscal years

Year	Non participating physicians	Hospitals	Insurance companies estimated net direct premiums subject to assessment
2014	\$ 300.00	\$55/live birth not to exceed \$200,000	\$ 5,033,688,800
2013	300.00	\$55/live birth not to exceed \$200,000	4,817,858,800
2012	300.00	\$55/live birth not to exceed \$200,000	4,737,010,800
2011	300.00	\$55/live birth not to exceed \$200,000	4,744,774,400
2010	300.00	\$55/live birth not to exceed \$200,000	4,909,404,000
2009	300.00	\$52.50/live birth not to exceed \$200,000	5,048,354,800
2008	290.00	\$50/live birth not to exceed \$190,000	5,132,009,600
2007	280.00	\$50/live birth not to exceed \$180,000	5,056,646,800
2006	270.00	\$50/live birth not to exceed \$170,000	4,778,318,000
2005	260.00	\$50/live birth not to exceed \$160,000	4,525,660,000

Notes:

Insurance companies pay one quarter of one percent of net direct premiums written in Virginia, however, only the liability portion of the premium is assessable as determined by the Virginia Workers Compensation Commission.

Legislation states (§38.2-5020 E) that if required to maintain the Program on an actuarially sound basis, liability insurers shall pay an assessment to the Program.

The September 2002 actuarial report estimated that the fund was not actuarially sound as of December 31, 2001. Beginning with year 2002 through 2014, the liability insurers were assessed one quarter of one percent of net premiums written.

Legislation states (§38.2-5020 G) that if the Virginia State Corporation Commission determines the Program is actuarially sound it will suspend the assessment on nonparticipating physicians.

The September 2002 actuarial report estimated that the fund was not actuarially sound as of December 31, 2001. Beginning with year 2002 through 2014, nonparticipating physicians were required to pay the assessment.

See accompanying independent auditors' report.

Table 6

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Physicians, Hospitals, and Insurance Companies

Last ten fiscal years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Participating:										
Doctors	715	705	691	665	675	648	653	622	577	536
Residents	—	—	—	—	—	—	88	77	155	147
Total participating physicians	715	705	691	665	675	648	741	699	732	683
Mandatory:										
Total mandatory physicians	14,537	14,998	13,908	14,583	14,055	14,076	13,797	13,817	13,597	13,219
Delinquent:										
Total delinquent physicians	4,516	1,881	2,892	2,030	2,769	2,670	1,893	1,184	621	737
Exempt:										
E1	1,680	2,024	2,043	1,934	1,955	1,856	1,903	1,852	1,733	1,723
E2	1,302	1,140	842	903	954	1,876	2,777	2,739	3,145	2,252
E3	1,478	1,449	1,316	1,349	1,514	1,457	1,547	1,443	1,596	1,458
E4	180	198	154	183	194	195	204	179	168	167
E5	3,503	3,525	3,428	3,770	3,697	3,471	3,789	3,661	4,189	3,982
E6	196	683	536	372	—	—	531	800	546	442
Total exempt physicians	8,339	9,019	8,319	8,511	8,314	8,855	10,751	10,674	11,377	10,024
Total physicians	28,107	26,603	25,810	25,789	25,813	26,249	27,182	26,374	26,327	24,663
Hospitals	38	36	36	68	37	38	38	31	33	32
Insurance companies	559	557	542	521	504	505	503	506	495	496

Notes:

State law allows a physician to be exempt from paying the mandated assessment if one of the five following criteria are met:

- E1. Employed by the Commonwealth of Virginia or federal government and income from professional fees from a source other than the Commonwealth of Virginia or federal government is less than 10% of annual salary.
- E2. Enrolled in a full-time graduate medical education program accredited by the American Council for Graduate Medical Education.
- E3. Retired from active medical practice.
- E4. Engaged in active clinical practice that was limited to the provision of services, voluntary and without compensation, to any patient of any clinic organized in whole or in part for the delivery of health care services without charge.
- E5. Not practicing medicine in Virginia (either not currently practicing or practicing in another state).
- E6. The above exemption numbers are due to undeliverable addresses returned by the Post Office.

Physicians that are delinquent as of year end are turned over to the Virginia State Corporation Commission, Division of Insurance.

Legislation states (§38.2-5020 E) that if required to maintain the Program on an actuarially sound basis, liability insurers shall pay an assessment to the Program.

The September 2002 actuarial report estimated that the fund was not actuarially sound as of December 31, 2001. Beginning with year 2002 through 2014, the liability insurers were assessed one quarter of one percent of net premiums written.

Legislation states (§38.2-5020 G) that if the Virginia State Corporation Commission determines the Program is actuarially sound it will suspend the assessment on nonparticipating physicians.

The September 2002 actuarial report estimated that the fund was not actuarially sound as of December 31, 2001. Beginning with year 2002 through 2014, nonparticipating physicians were required to pay the assessment.

See accompanying independent auditors' report.

Table 7

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Virginia Demographic Statistics

Last ten fiscal years

Year	Population (1)	Number of births (1)	Number of petitions filed (2)	Number of claimants awarded (2)	Total personal income (in thousands) (3)	Per capita personal income (3)	Unemployment rate (4)
2014	N/A	N/A	7	7	N/A	N/A	N/A
2013	8,260,405	100,618	6	5	403,424,740	48,838	4.8%
2012	8,185,867	101,412	11	9	396,005,223	48,377	5.6
2011	8,096,604	101,032	12	14	381,930,403	47,126	6.2
2010	8,001,024	102,934	12	5	355,054,942	44,246	6.7
2009	7,882,590	104,979	10	8	347,630,625	44,129	6.8
2008	7,769,089	106,578	9	8	348,893,800	44,756	4.0
2007	7,712,091	108,417	15	15	321,245,259	41,727	3.0
2006	7,642,884	106,474	10	8	306,918,105	40,234	3.0
2005	7,567,465	104,488	16	14	286,685,185	37,988	3.5

1 Statistics provided by the Virginia Center for Health Statistics

2 Statistics provided by Program management

3 Statistics provided by the Bureau of Economic Analysis

4 Statistics provided by the Local Area Unemployment Statistics Unit and Bureau of Labor Statistics

N/A – not available

See accompanying independent auditors' report.

Table 8

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Virginia Principal Employers

Rank	Name
1	U.S. Department of Defense
2	Walmart
3	Fairfax County Public Schools
4	Huntington Ingalls Industries, Inc.
5	Sentara Healthcare
6	Food Lion
7	County of Fairfax
8	U.S. Postal Service
9	HCA Virginia Health System
10	U.S. Department of Homeland Defense

The Virginia Employment Commission is precluded from disclosing the actual number of employees per the Confidential Information Protection and Statistical Efficiency Act-Title V of Public Law 107-347. All employers have an employment size of 1,000 or more.

See accompanying independent auditors' report.

Table 9

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Number of Admitted, Deceased, and Active Claimants

Last ten fiscal years

Year	Total admitted	Deceased*	Deceased on award**	Total deceased	Active claimants
2014	190	26	20	46	144
Activity	7	1	1		
2013	183	25	19	44	139
Activity	5	—	—		
2012	178	25	19	44	134
Activity	9	1	1		
2011	169	24	18	42	127
Activity	14	1	3		
2010	155	23	15	38	117
Activity	5	—	1		
2009	150	23	14	37	113
Activity	8	4	3		
2008	142	19	11	30	112
Activity	8	2	3		
2007	134	17	8	25	109
Activity	15	1	1		
2006	119	16	7	23	96
Activity	8	3	—		
2005	111	13	7	20	91

Notes:

* Number of children in the Program that became deceased subsequent to their award

** Number of children that were deceased at the time of award of admission into the Program

See accompanying independent auditors' report.

Table 10

**VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM**

Number of Employees by Identifiable Activities

Last ten fiscal years

Year	Executive director	Finance division	Claims and administration
2014	1	2	5
2013	1	2	5
2012	1	2	6
2011	1	3	6
2010	1	3	6
2009	1	3	6
2008	1	3	6
2007	1	2	6
2006	1	2	5
2005	1	2	5

See accompanying independent auditors' report.

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COMPLIANCE SECTION



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KPMG LLP
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Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

The Board of Directors
Virginia Birth-Related Neurological
Injury Compensation Program:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Virginia Birth-Related Neurological Injury Compensation Program (the Program), which comprise the statement of net position as of December 31, 2014, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 11, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Program's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Program's internal control. Accordingly, we do not express an opinion on the effectiveness of the Program's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Program's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results



of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Program's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Program's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

June 11, 2015

Quarterly Investment Analysis Period Ending December 31, 2015

Prepared by:

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CONTENTS

1	Market Performance
4	VBIF Total Fund Overview
14	Domestic Equity
16	Domestic Equity Managers
51	International Equity
53	International Equity Managers
69	Fixed Income
71	Fixed Income Managers
91	Alternatives
93	Alternatives Managers
105	Disclosure Statement

Market Summary

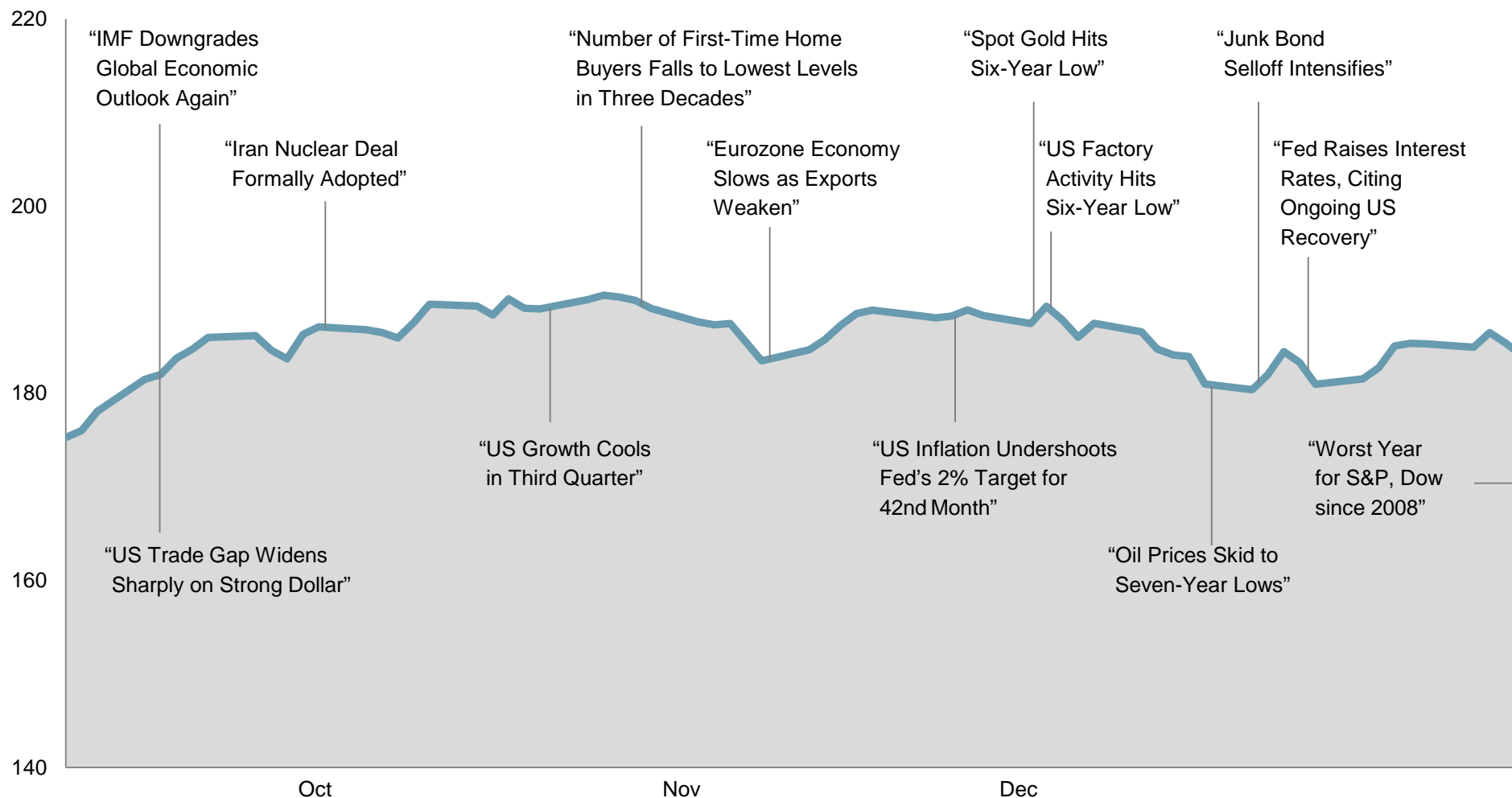
Index Returns

	US Stock Market	International Developed Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US
4Q 2015	STOCKS				BONDS	
	6.27% 	3.91% 	0.66% 	4.89% 	-0.57% 	0.58% 
Since Jan. 2001						
Avg. Quarterly Return	1.7%	1.4%	2.9%	2.8%	1.2%	1.1%
Best Quarter	16.8% Q2 2009	25.9% Q2 2009	34.7% Q2 2009	32.3% Q3 2009	4.6% Q3 2001	5.5% Q4 2008
Worst Quarter	-22.8% Q4 2008	-21.2% Q4 2008	-27.6% Q4 2008	-36.1% Q4 2008	-2.4% Q2 2004	-3.2% Q2 2015

Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Market segment (index representation) as follows: US Stock Market (Russell 3000 Index), International Developed Stocks (MSCI World ex USA Index [net div.]), Emerging Markets (MSCI Emerging Markets Index [net div.]), Global Real Estate (S&P Global REIT Index), US Bond Market (Barclays US Aggregate Bond Index), and Global Bond ex US Market (Citigroup WGBI ex USA 1-30 Years [Hedged to USD]). The S&P data are provided by Standard & Poor's Index Services Group. Russell data © Russell Investment Group 1995-2016, all rights reserved. MSCI data © MSCI 2016, all rights reserved. Barclays data provided by Barclays Bank PLC. Citigroup bond indices © 2016 by Citigroup.

World Stock Market Performance

MSCI All Country World Index with selected headlines from Q4 2015



These headlines are not offered to explain market returns. Instead, they serve as a reminder that investors should view daily events from a long-term perspective and avoid making investment decisions based solely on the news.

Graph Source: MSCI ACWI Index. MSCI data © MSCI 2016, all rights reserved.

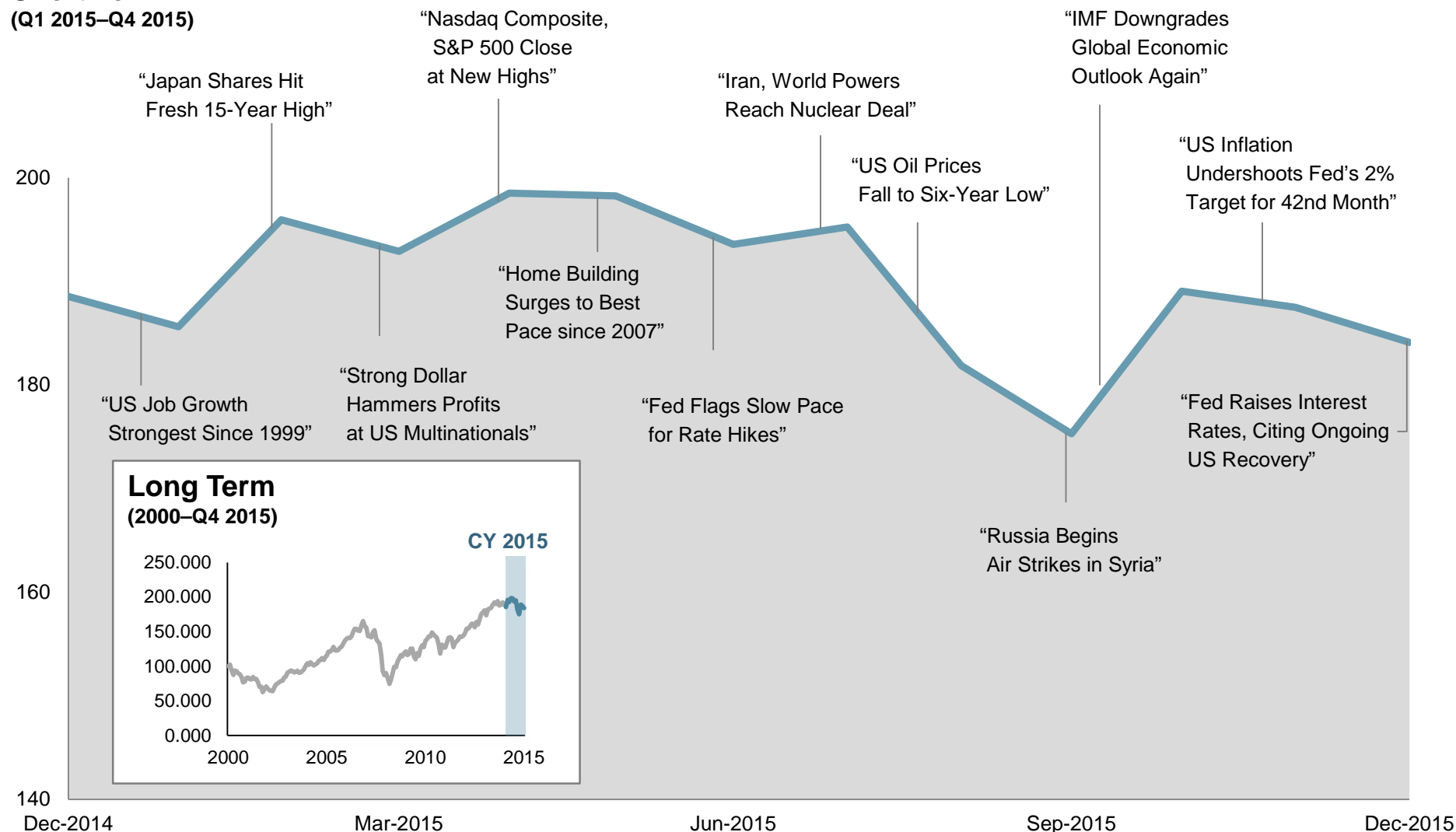
It is not possible to invest directly in an index. Performance does not reflect the expenses associated with management of an actual portfolio. Past performance is not a guarantee of future results.

World Stock Market Performance

MSCI All Country World Index with selected headlines from past 12 months

Short Term

(Q1 2015–Q4 2015)



These headlines are not offered to explain market returns. Instead, they serve as a reminder that investors should view daily events from a long-term perspective and avoid making investment decisions based solely on the news.
 Graph Source: MSCI ACWI Index. MSCI data © MSCI 2016, all rights reserved.

It is not possible to invest directly in an index. Performance does not reflect the expenses associated with management of an actual portfolio. Past performance is not a guarantee of future results.

VBIF Total Fund Overview

Virginia Birth-Related Neurological Injury Compensation Fund

Total Fund Performance

As of December 31, 2015

	% of Portfolio	Market Value 12/31/15 (\$)	3 Mo Net Cash Flows (\$)	Market Value 9/30/15 (\$)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	Return (%)	Since
VBIF Total Fund	100.0	402,220,227	16,871,332	377,188,738	2.1	-1.2	-1.2	4.8	5.2	8.2	5.4	Oct-05
<i>VBIF Index Target</i>					2.2	-0.2	-0.2	5.4	5.1	7.6	5.0	Oct-05
Domestic Equity	31.4	126,239,848	2,732,702	116,213,885	6.3	2.1	2.1	14.6	--	--	--	Oct-05
<i>Russell 3000</i>					6.3	0.5	0.5	14.7	12.2	15.0	7.4	Oct-05
International Equity	12.8	51,526,016	3,000,000	47,067,467	3.1	-7.2	-7.2	1.4	--	--	--	Oct-05
<i>MSCI ACWI ex USA</i>					3.2	-5.7	-5.7	1.5	1.1	7.5	3.3	Oct-05
Fixed Income	38.4	154,623,069	24,459,975	130,893,795	-0.6	-0.4	-0.4	0.9	--	--	--	Oct-05
<i>Barclays Aggregate</i>					-0.6	0.6	0.6	1.4	3.2	4.1	4.5	Oct-05
Alternatives	13.9	55,842,307	-11,206,260	66,913,150	0.0	-3.6	-3.6	0.7	--	--	--	Jan-11
<i>HFRI Fund of Funds Composite Index</i>					0.7	-0.3	-0.3	3.9	2.1	3.9	2.1	Jan-11
Cash & Equivalents	3.5	13,988,987	-2,115,086	16,100,441	0.0	0.1	0.1	0.1	--	--	--	Oct-05
<i>Citi 3mth Treasury Bill</i>					0.0	0.0	0.0	0.0	0.1	0.1	1.2	Oct-05

- VBIF Index Target = 23% S&P 500 / 4% Russell 2000 / 10% MSCI EAFE / 3% MSCI Emerging Markets / 30% Barclays Aggregate / 5% Barclays Global Aggregate / 20% HFRI Fund of Funds Composite Index / 5% 91 Day T-Bills

Virginia Birth-Related Neurological Injury Compensation Fund

Total Fund Performance

As of December 31, 2015

	% of Portfolio	Market Value 12/31/15 (\$)	3 Mo Net Cash Flows (\$)	Market Value 9/30/15 (\$)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	Return (%)	Since
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<i>Russell 3000</i>					6.3	0.5	0.5	14.7	12.2	15.0	7.4	Oct-05
<i>S&P 500</i>					7.0	1.4	1.4	15.1	12.6	14.8	7.3	Oct-05
Large Cap Equity	27.5	110,539,284	1,442,934	102,261,908	6.7	2.5	2.5	15.2	--	--	--	Jan-07
Brown Advisory Growth Equity Fund	3.7	14,903,311	0	13,854,716	7.6	7.0	7.0	--	--	--	7.7	Mar-14
Edgewood Growth Fund	4.2	16,732,616	0	15,268,947	9.6	11.6	11.6	--	--	--	14.8	Mar-14
Vanguard Russell 1000 Growth Index Fund	4.9	19,540,609	500,000	17,744,293	7.3	5.6	5.6	--	--	--	10.0	Mar-14
<i>Russell 1000 Growth</i>					7.3	5.7	5.7	16.8	13.5	17.1	8.9	Mar-14
Vanguard Large Cap Index Fund	3.8	15,121,532	0	14,165,747	6.7	1.1	1.1	15.0	12.4	15.0	7.7	Jul-05
<i>Vanguard Large Cap Spliced Index</i>					6.8	1.1	1.1	15.0	12.4	15.0	7.8	Jul-05
Robeco BP Large Value	5.4	21,908,600	468,482	20,451,769	4.8	-3.9	-3.9	13.8	12.5	--	17.3	Apr-09
Great Lakes Large Cap Value	5.6	22,332,617	474,452	20,776,437	5.2	-1.7	-1.7	13.9	12.1	14.4	7.4	Jul-06
<i>Russell 1000 Value</i>					5.6	-3.8	-3.8	13.1	11.3	13.0	5.8	Jul-06
Small/Mid Cap Equity	3.9	15,700,564	1,289,768	13,951,977	3.4	-0.5	-0.5	10.3	--	--	--	Oct-05
DFA U.S. Small Cap Fund	1.0	3,948,588	0	3,844,310	2.7	-3.3	-3.3	--	--	--	--	Mar-14
PNC Small Cap Fund	1.4	5,827,456	500,000	5,119,963	4.1	4.8	4.8	--	--	--	--	Mar-14
<i>Russell 2000</i>					3.6	-4.4	-4.4	11.7	9.2	14.0	-0.8	Mar-14
Wells Benson Small Cap Value	1.5	5,924,520	789,768	4,987,703	3.2	-3.3	-3.3	--	--	--	--	Feb-14
<i>Russell 2000 Value</i>					2.9	-7.5	-7.5	9.1	7.7	11.7	0.2	Feb-14

-VBIF Index Target = 23% S&P 500 / 4% Russell 2000 / 10% MSCI EAFE / 3% MSCI Emerging Markets / 30% Barclays Aggregate / 5% Barclays Global Aggregate / 5% 91 Day T-Bills / 20% HFRI Fund of Funds Composite

- Vanguard Large Cap Spliced Index = CRSP US Large Cap from Jan 31, 2013 through present; MSCI US Prime Market 750 Gross until Jan 30, 2013.

Virginia Birth-Related Neurological Injury Compensation Fund

Total Fund Performance

As of December 31, 2015

	% of Portfolio	Market Value 12/31/15 (\$)	3 Mo Net Cash Flows (\$)	Market Value 9/30/15 (\$)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	Return (%)	Since
International Equity	12.8	51,526,016	3,000,000	47,067,467	3.1	-7.2	-7.2	1.4	--	--	--	Oct-05
<i>MSCI ACWI ex USA</i>					3.2	-5.7	-5.7	1.5	1.1	7.5	3.3	Oct-05
Developed Markets	10.2	41,126,907	3,000,000	36,509,621	4.4	-4.2	-4.2	3.7	--	--	--	Oct-05
Artisan International Equity Fund	5.2	20,852,948	500,000	19,054,147	6.8	-3.9	-3.9	6.0	6.7	10.8	4.3	Jul-06
<i>MSCI ACWI ex USA</i>					3.2	-5.7	-5.7	1.5	1.1	7.5	2.1	Jul-06
Schroder International Multi-Cap Value Fund	5.0	20,273,959	2,500,000	17,455,475	1.7	--	--	--	--	--	-4.2	Feb-15
<i>MSCI ACWI ex USA Value</i>					1.4	-10.1	-10.1	-0.6	-0.1	6.5	-9.1	Feb-15
Emerging Markets	2.6	10,399,109	0	10,557,846	-1.5	-16.5	-16.5	-6.6	--	--	--	Oct-05
Acadian Emerging Markets Fund	1.2	4,928,341	0	5,020,168	-1.8	-17.3	-17.3	-7.0	-4.5	--	3.8	Jul-09
Eaton Vance TM Emerging Markets Fund	1.4	5,470,768	0	5,537,677	-1.2	-15.8	-15.8	-6.0	-4.0	--	4.1	Jul-09
<i>MSCI Emerging Markets</i>					0.7	-14.9	-14.9	-6.8	-4.8	7.5	3.1	Jul-09
Fixed Income	38.4	154,623,069	24,459,975	130,893,795	-0.6	-0.4	-0.4	0.9	--	--	--	Oct-05
<i>Barclays Aggregate</i>					-0.6	0.6	0.6	1.4	3.2	4.1	4.5	Oct-05
Domestic Fixed Income	33.8	135,863,676	24,459,975	111,932,144	-0.5	0.5	0.5	1.5	--	--	--	Oct-05
iShares 1-3 Yr Treasury Bond ETF	1.1	4,491,326	4,499,967	--								
<i>Barclays 1-3 Yr. Govt.</i>												
Richmond Capital Management	13.0	52,436,585	-39,992	52,717,855	-0.5	1.2	1.2	1.9	4.1	5.2	5.1	Jan-07
Wasmer Schroeder Intermediate Taxable	5.0	20,002,593	20,000,000	--	--	--	--	--	--	--	--	Dec-15
Western Asset Core Plus Bond Fund	5.1	20,341,445	0	20,297,500	0.2	1.3	1.3	2.6	4.5	8.4	5.7	Oct-06
JP Morgan Strategic Income Opp Fund	4.7	18,936,949	0	19,142,858	-1.1	-2.2	-2.2	0.3	--	--	1.4	Jul-12
<i>Barclays Aggregate</i>					-0.6	0.6	0.6	1.4	3.2	4.1	1.8	Jul-12
Vanguard Total Bond Market Index Fund	4.9	19,654,778	0	19,773,930	-0.6	0.4	0.4	1.3	3.2	4.1	4.5	Oct-05
<i>Vanguard Total Bond Spliced Index</i>					-0.6	0.4	0.4	1.4	3.2	4.1	4.5	Oct-05

- Vanguard Total Bond Spliced Index = Barclays US Aggregate Float Adjusted Index from Jan 1, 2010 through present; Barclays Aggregate Bond Index until Dec 31, 2009

Virginia Birth-Related Neurological Injury Compensation Fund

Total Fund Performance

As of December 31, 2015

	% of Portfolio	Market Value 12/31/15 (\$)	3 Mo Net Cash Flows (\$)	Market Value 9/30/15 (\$)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	Return (%)	Since
Global Fixed Income	4.7	18,759,393	0	18,961,651	-1.1	-5.1	-5.1	-2.5	--	--	--	Jul-09
Loomis Sayles Global Bond Fund	4.7	18,759,393	0	18,961,651	-1.1	-5.1	-5.1	-2.5	0.8	--	3.5	Jul-09
<i>Barclays Global Aggregate</i>					-0.9	-3.2	-3.2	-1.7	0.9	2.4	2.3	Jul-09
Alternatives Module	13.9	55,842,307	-11,206,260	66,913,150	0.0	-3.6	-3.6	0.7	1.8	--	1.8	Jan-11
<i>HFRI Fund of Funds Composite Index</i>					0.7	-0.3	-0.3	3.9	2.1	3.9	2.1	Jan-11
Aberdeen Diversified Alternatives Fund	5.7	22,963,321	0	22,859,509	0.5	-3.1	-3.1	--	--	--	--	Mar-14
John Hancock Global Abs Ret Strat Fund	5.1	20,529,772	0	20,274,274	0.8	1.7	1.7	3.5	--	--	3.5	Jan-13
Palmer Square Absolute Return Fund	0.0	0	-11,206,260	11,861,744								
Robeco BP Long Short Research Fund	3.1	12,349,214	0	11,917,623	3.6	1.5	1.5	8.6	--	--	8.6	Jan-13
Cash & Equivalents	3.5	13,988,987	-2,115,086	16,100,441								

- VBIF Index Target = 23% S&P 500 / 4% Russell 2000 / 10% MSCI EAFE / 3% MSCI Emerging Markets / 30% Barclays Aggregate / 5% Barclays Global Aggregate / 20% HFRI Fund of Funds Composite Index / 5% 91 Day T-Bills

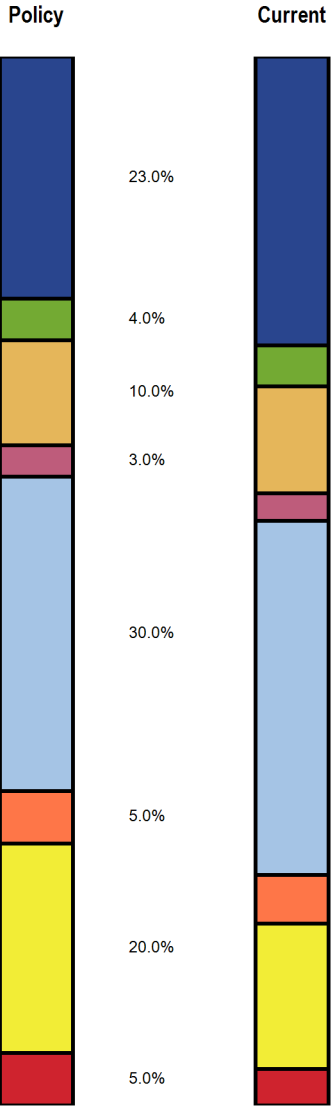
- Vanguard Large Cap Spliced Index = CRSP US Large Cap TR USD

- Vanguard Total Bond Spliced Index = Barclays U.S. Aggregate Float Adjusted

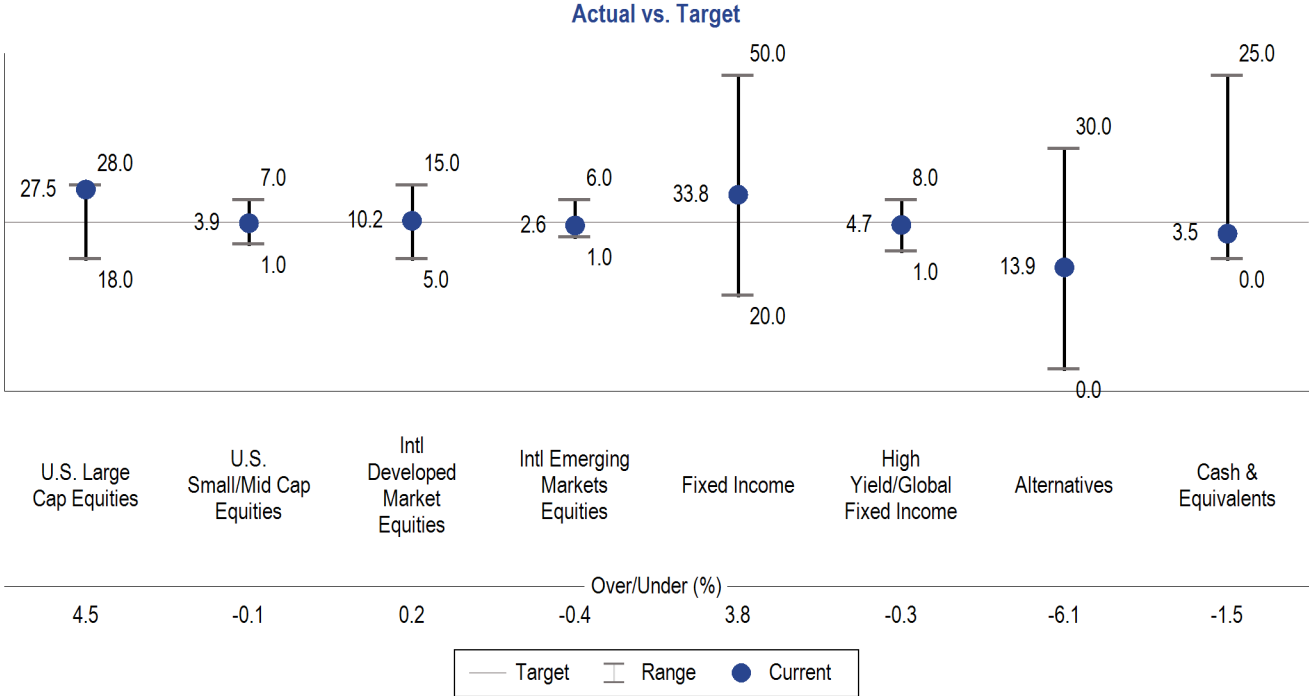
Virginia Birth-Related Neurological Injury Compensation Fund

Total Fund Allocation

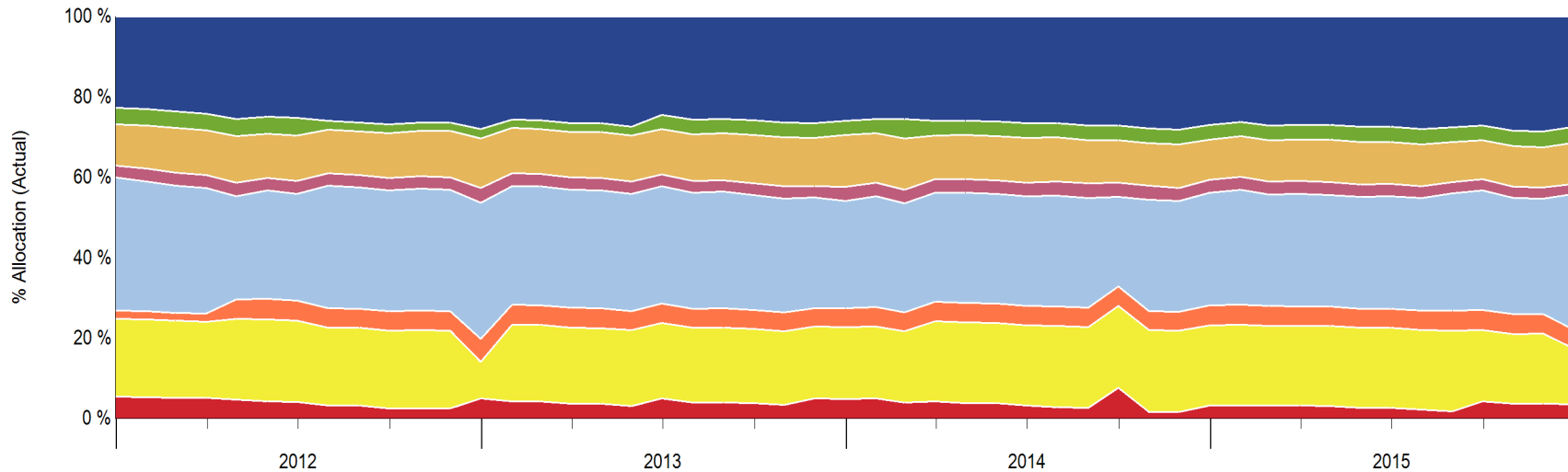
As of December 31, 2015



	Current Balance	Current Allocation	Policy	Policy Range	Difference
U.S. Large Cap Equities	\$110,539,284	27.5%	23.0%	18.0% - 28.0%	4.5%
U.S. Small/Mid Cap Equities	\$15,700,564	3.9%	4.0%	1.0% - 7.0%	-0.1%
Intl Developed Market Equities	\$41,126,907	10.2%	10.0%	5.0% - 15.0%	0.2%
Intl Emerging Markets Equities	\$10,399,109	2.6%	3.0%	1.0% - 6.0%	-0.4%
Fixed Income	\$135,863,676	33.8%	30.0%	20.0% - 50.0%	3.8%
High Yield/Global Fixed Income	\$18,759,393	4.7%	5.0%	1.0% - 8.0%	-0.3%
Alternatives	\$55,842,307	13.9%	20.0%	0.0% - 30.0%	-6.1%
Cash & Equivalents	\$13,988,987	3.5%	5.0%	0.0% - 25.0%	-1.5%
Total	\$402,220,227	100.0%	100.0%		

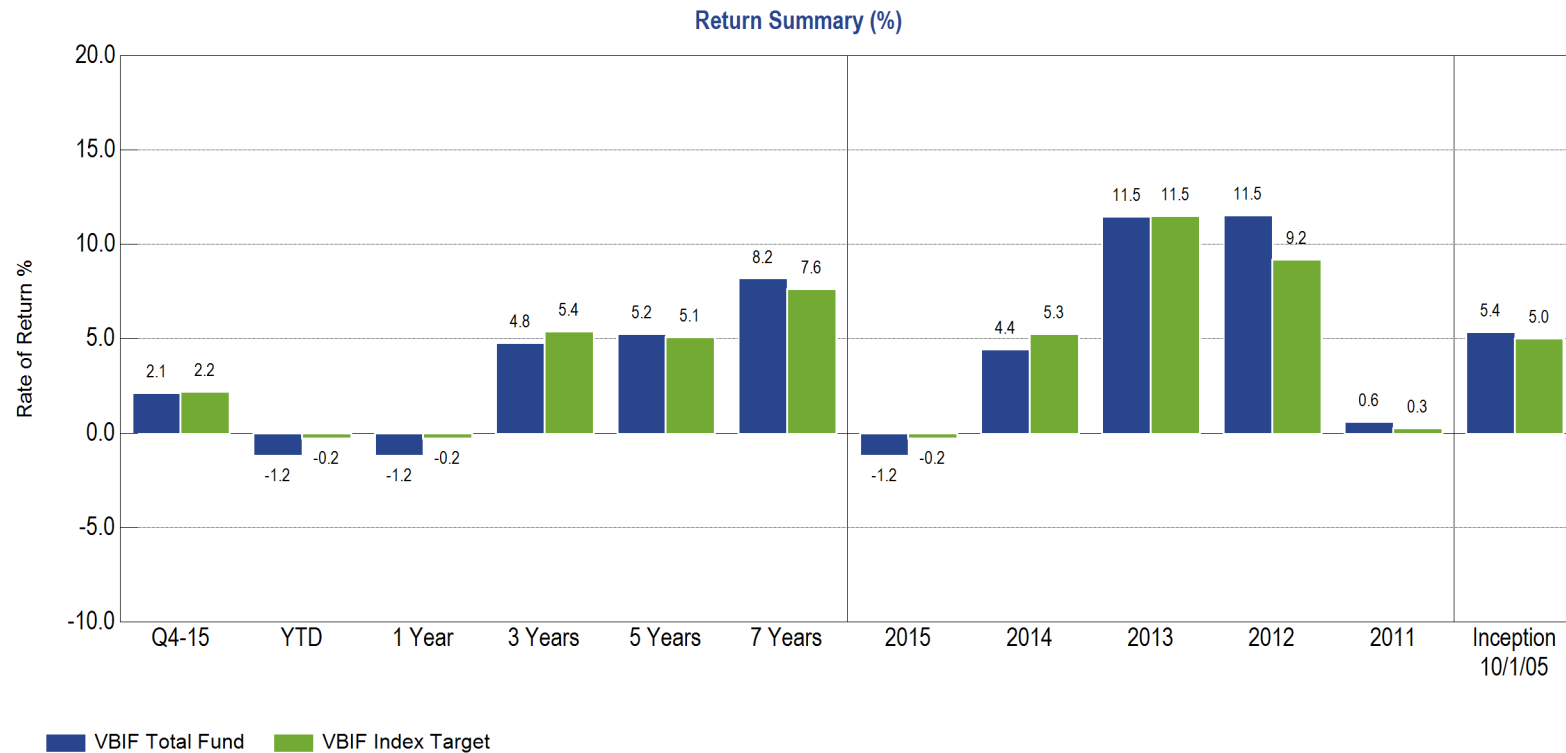


Asset Allocation History
4 Years Ending December 31, 2015



	24.1	25.2	26.8	28.0	26.6	24.6	25.8	26.0	26.0	26.5	27.2	26.9	26.9	27.4	27.1	27.5
	4.2	4.4	2.2	2.3	2.2	3.5	3.7	3.5	3.7	3.7	3.6	3.7	3.8	3.8	3.7	3.9
	11.1	11.3	11.1	12.4	11.2	11.3	12.1	12.8	10.8	11.1	10.7	10.0	10.3	10.4	9.7	10.2
	3.2	3.2	3.2	3.6	3.1	2.9	3.0	3.6	3.3	3.4	3.4	3.1	3.1	3.2	2.8	2.6
	31.3	26.5	30.0	33.9	29.4	29.2	28.5	26.7	27.2	27.2	22.4	28.0	28.0	27.9	29.7	33.8
	2.0	5.0	4.8	5.7	4.9	4.8	4.7	4.7	4.8	4.9	4.8	5.0	4.8	4.8	5.0	4.7
	18.9	20.2	19.4	9.1	19.0	18.8	18.4	17.8	19.9	19.9	20.4	20.0	19.9	19.8	17.7	13.9
	5.2	4.2	2.5	5.0	3.7	4.9	3.9	4.9	4.3	3.2	7.6	3.3	3.2	2.7	4.3	3.5

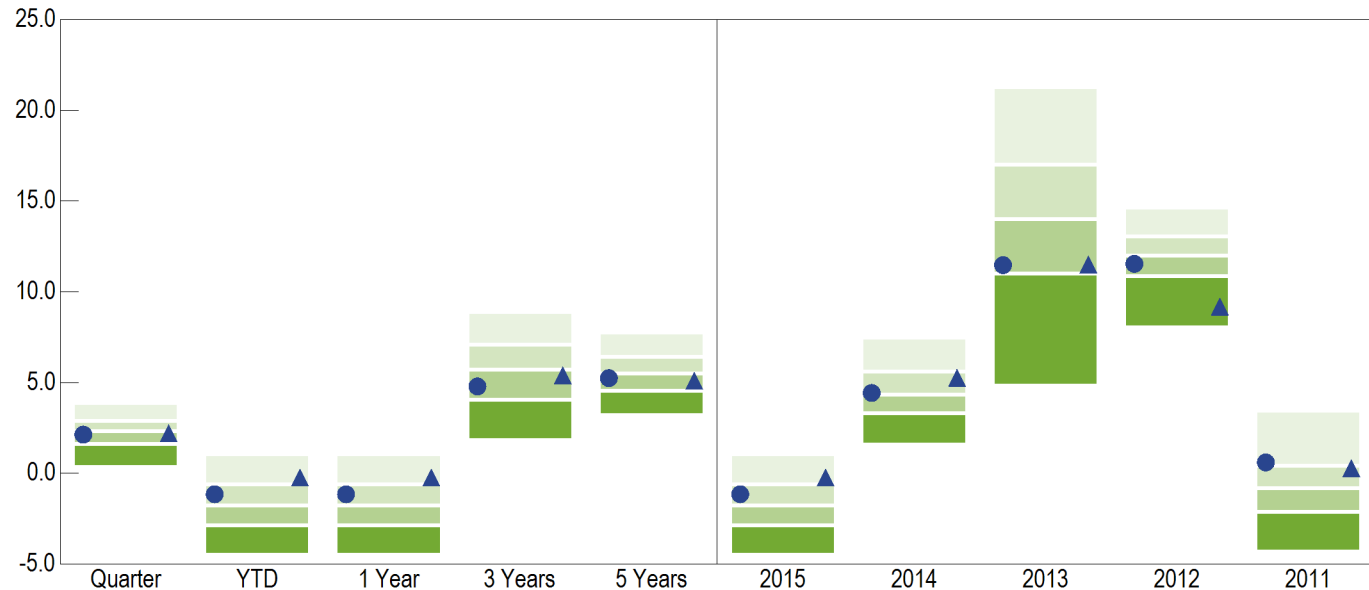
U.S. Large Cap Equities
 Intl Developed Market Equities
 Fixed Income
 Alternatives
 U.S. Small/Mid Cap Equities
 Intl Emerging Markets Equities
 High Yield/Global Fixed Income
 Cash & Equivalents



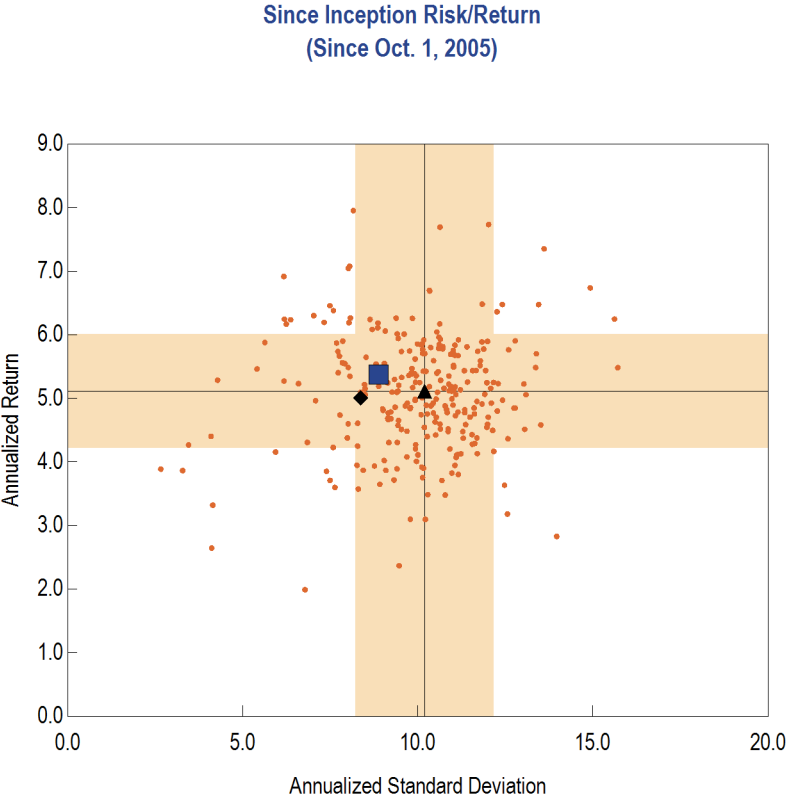
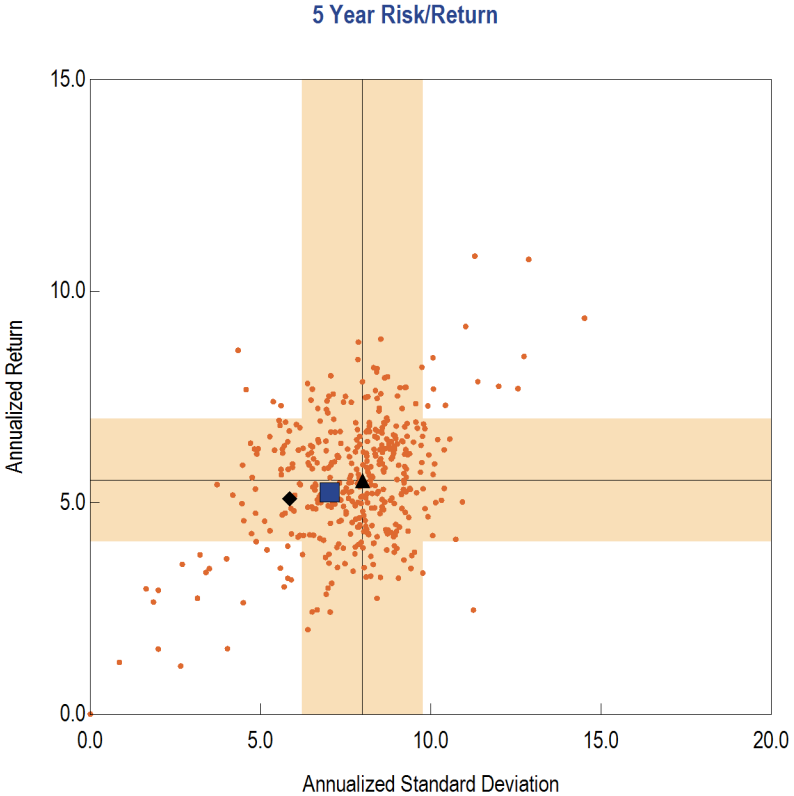
Summary of Cash Flows

Sources of Portfolio Growth	Fourth Quarter	Year-To-Date
Beginning Market Value	\$377,188,738	\$396,059,462
Net Additions/Withdrawals	\$16,871,332	\$10,520,271
Investment Earnings	\$8,160,157	-\$4,359,505
Ending Market Value	\$402,220,227	\$402,220,227

VBIF Total Fund vs. InvestorForce All E&F Net



	Return (Rank)									
5th Percentile	3.8	1.0	1.0	8.9	7.7	1.0	7.5	21.3	14.6	3.4
25th Percentile	2.9	-0.6	-0.6	7.1	6.4	-0.6	5.6	17.0	13.1	0.4
Median	2.3	-1.7	-1.7	5.7	5.5	-1.7	4.4	14.0	12.0	-0.8
75th Percentile	1.6	-2.9	-2.9	4.1	4.6	-2.9	3.3	11.0	10.9	-2.1
95th Percentile	0.4	-4.5	-4.5	1.9	3.2	-4.5	1.6	4.8	8.0	-4.3
# of Portfolios	603	587	587	489	424	587	655	472	459	411
● VBIF Total Fund	2.1 (59)	-1.2 (39)	-1.2 (39)	4.8 (66)	5.2 (59)	-1.2 (39)	4.4 (49)	11.5 (71)	11.5 (63)	0.6 (24)
▲ VBIF Index Target	2.2 (57)	-0.2 (20)	-0.2 (20)	5.4 (57)	5.1 (63)	-0.2 (20)	5.3 (32)	11.5 (71)	9.2 (90)	0.3 (28)

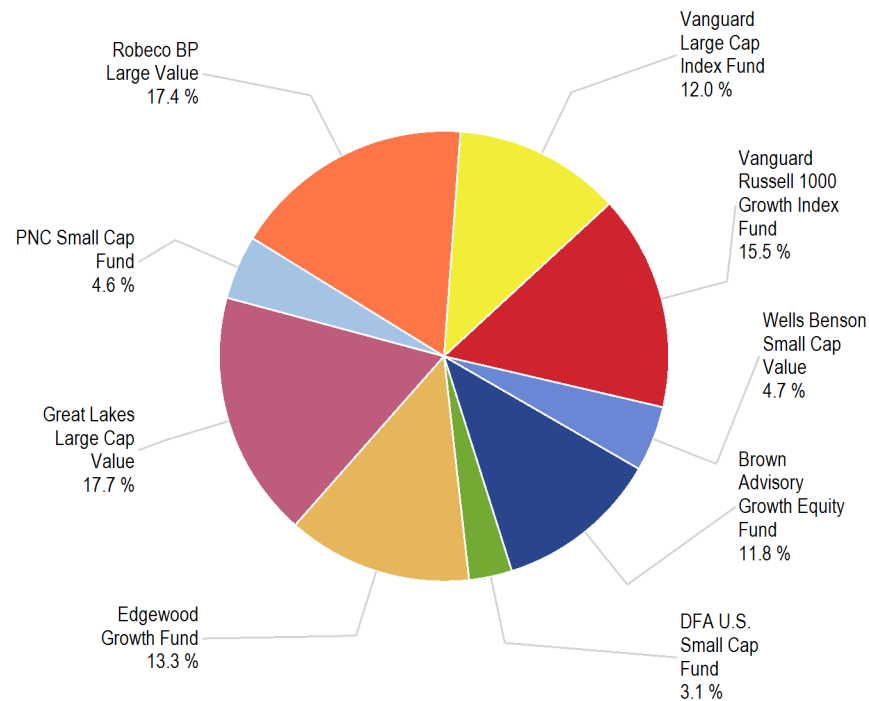


- VBIF Total Fund
- ◆ VBIF Index Target
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce All E&F Net

- VBIF Total Fund
- ◆ VBIF Index Target
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce All E&F Net

Domestic Equity

Current Allocation



Asset Allocation on December 31, 2015

	Actual \$	Actual %
Brown Advisory Growth Equity Fund	\$14,903,311	11.8%
DFA U.S. Small Cap Fund	\$3,948,588	3.1%
Edgewood Growth Fund	\$16,732,616	13.3%
Great Lakes Large Cap Value	\$22,332,617	17.7%
PNC Small Cap Fund	\$5,827,456	4.6%
Robeco BP Large Value	\$21,908,600	17.4%
Vanguard Large Cap Index Fund	\$15,121,532	12.0%
Vanguard Russell 1000 Growth Index Fund	\$19,540,609	15.5%
Wells Benson Small Cap Value	\$5,924,520	4.7%
Total	\$126,239,848	100.0%

Brown Advisory Growth Equity Fund

As of December 31, 2015

Account Information

Account Name	Brown Advisory Growth Equity Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	7/01/99
Account Type	US Stock Large Cap Growth
Benchmark	Russell 1000 Growth
Universe	Large Growth MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Brown Advisory Growth Equity Fund	Russell 1000 Growth
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RETURN SUMMARY STATISTICS

Number of Periods	20	20
Maximum Return	17.35	14.69
Minimum Return	-16.14	-13.14
Annualized Return	11.03	13.53
Total Return	68.76	88.64
Annualized Excess Return Over Risk Free	10.99	13.49
Annualized Excess Return	-2.50	0.00

RISK SUMMARY STATISTICS

Beta	1.12	1.00
Upside Deviation	9.32	8.37
Downside Deviation	12.50	10.15

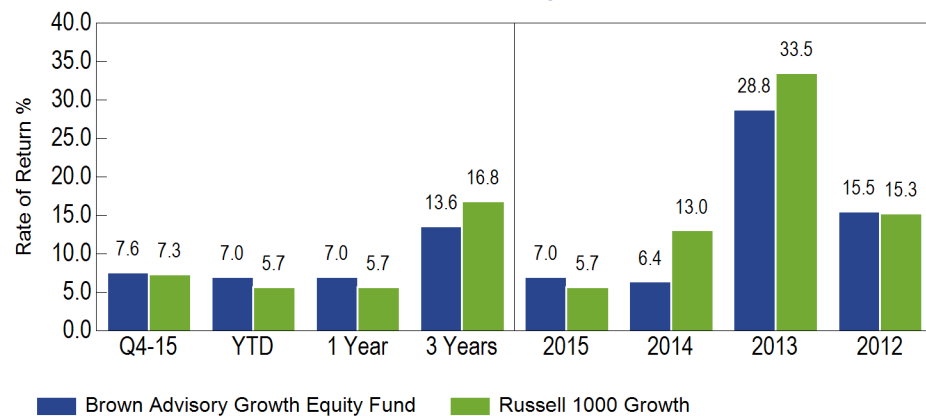
RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	14.63	12.80
Alpha	-0.92	0.00
Sharpe Ratio	0.75	1.05
Excess Return Over Market / Risk	-0.17	0.00
Tracking Error	3.26	0.00
Information Ratio	-0.77	--

CORRELATION STATISTICS

R-Squared	0.96	1.00
Correlation	0.98	1.00

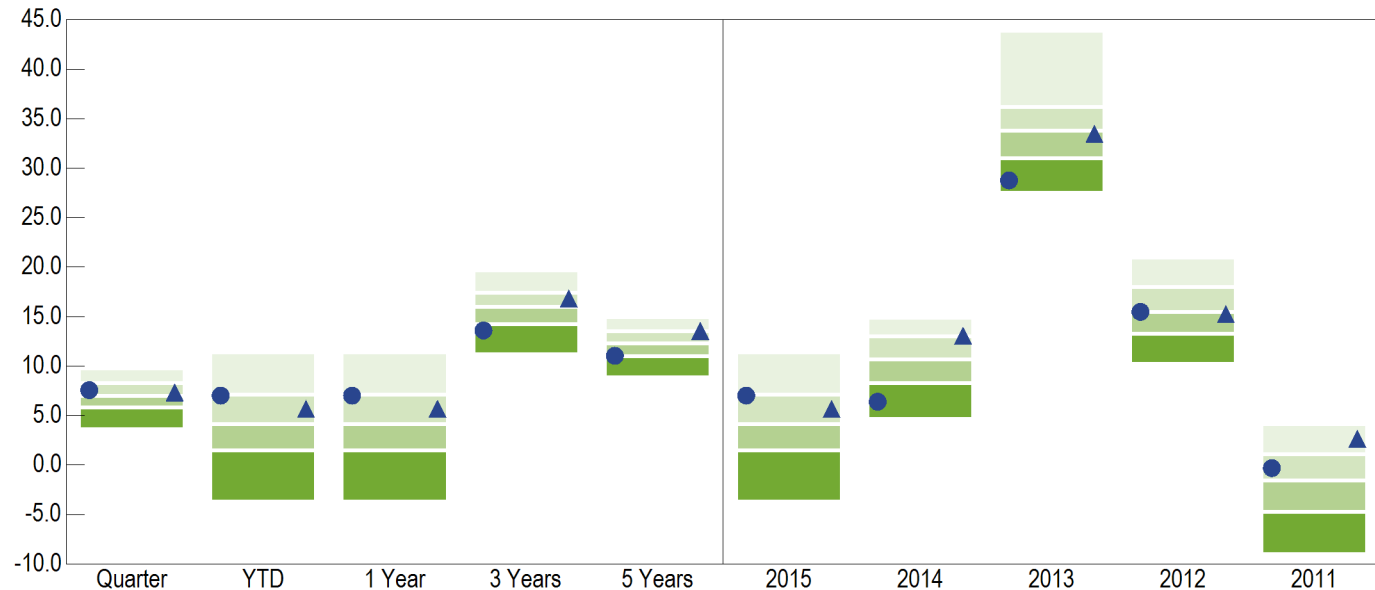
Return Summary



Summary Of Cash Flows

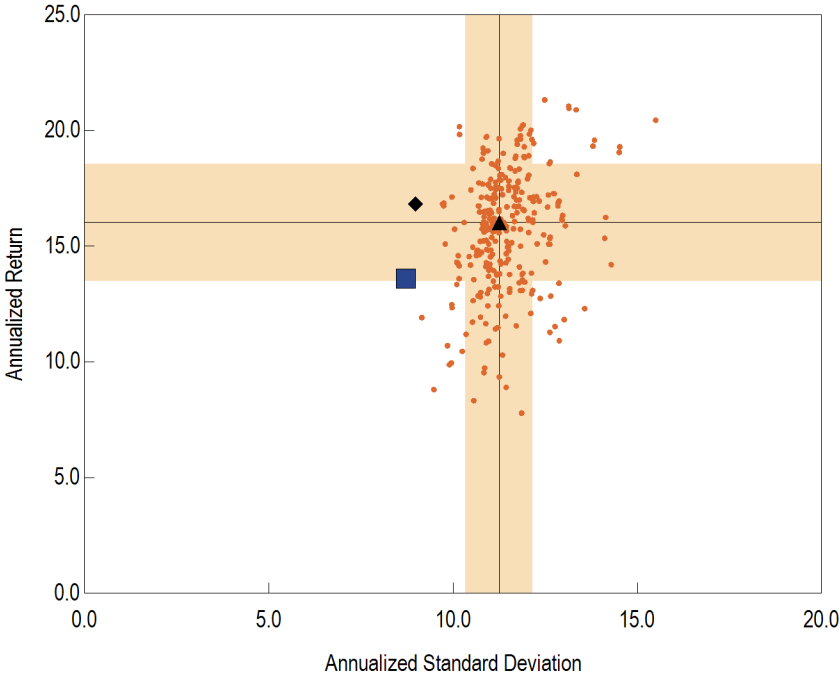
	Fourth Quarter	Year-To-Date
Beginning Market Value	\$13,854,716	\$13,926,540
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	\$1,048,595	\$976,772
= Ending Market Value	\$14,903,311	\$14,903,311

Brown Advisory Growth Equity Fund vs. Large Growth MStar MF



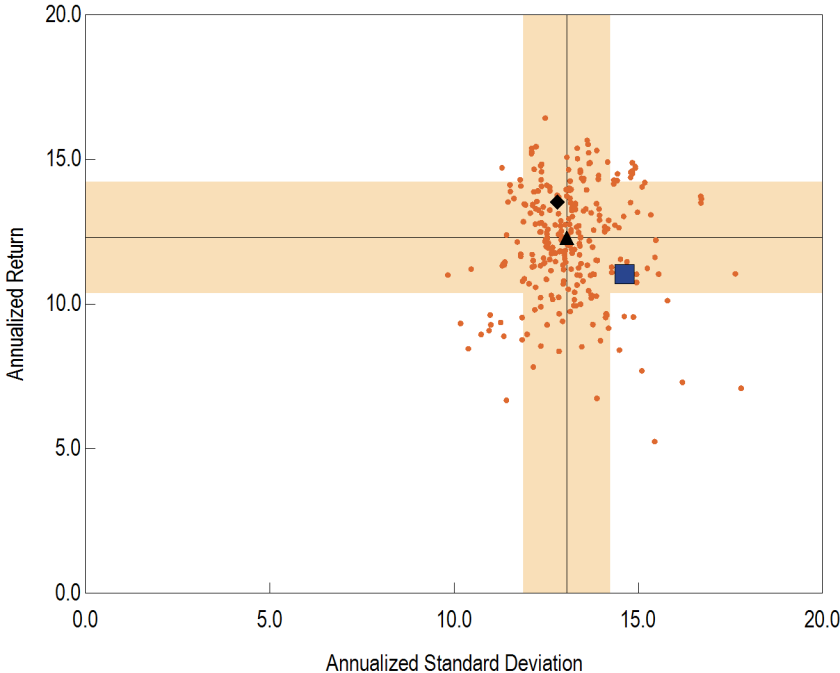
	Return (Rank)									
5th Percentile	9.7	11.4	11.4	19.6	14.9	11.4	14.8	43.8	21.0	4.1
25th Percentile	8.3	7.1	7.1	17.4	13.5	7.1	13.1	36.2	18.0	1.1
Median	7.0	4.2	4.2	16.0	12.3	4.2	10.7	33.8	15.5	-1.5
75th Percentile	5.8	1.5	1.5	14.2	11.0	1.5	8.3	31.0	13.3	-4.7
95th Percentile	3.6	-3.7	-3.7	11.2	8.9	-3.7	4.7	27.5	10.2	-9.0
# of Portfolios	328	317	317	309	281	317	316	316	312	312
● Brown Advisory Growth Equity Fund	7.6 (40)	7.0 (28)	7.0 (28)	13.6 (82)	11.0 (75)	7.0 (28)	6.4 (89)	28.8 (93)	15.5 (51)	-0.3 (36)
▲ Russell 1000 Growth	7.3 (45)	5.7 (41)	5.7 (41)	16.8 (35)	13.5 (26)	5.7 (41)	13.0 (26)	33.5 (56)	15.3 (53)	2.6 (13)

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



- Brown Advisory Growth Equity Fund
- ◆ Russell 1000 Growth
- ▲ Universe Median
- 68% Confidence Interval
- Large Growth MStar MF

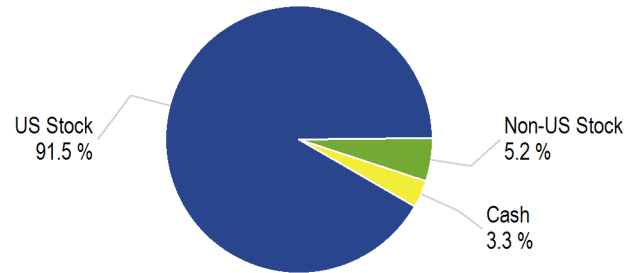
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015



- Brown Advisory Growth Equity Fund
- ◆ Russell 1000 Growth
- ▲ Universe Median
- 68% Confidence Interval
- Large Growth MStar MF

As of December 31, 2015

Mutual Fund Allocation as of 12/31/2015



Fund Information as of 12/31/2015

Fund Name	BROWN ADVISORY GROWTH EQUITY INST
Ticker	BAFGX
Category	Large Growth
Benchmark	Russell 1000 Growth
Expense Ratio	0.72%
Fund Assets (\$mm)	258.40
Share Class Inception Date	10/19/2012
Manager Tenure	17

Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	1.56
Average Market Cap (\$mm)	40,716.72
Price/Earnings	26.24
Price/Book	5.18
Price/Sales	2.72
Price/Cash Flow	18.13
Dividend Yield	0.63
Number of Equity Holdings	35
R-Squared (3 Year)	0.92
Alpha (3 Year)	-0.46%

Top Holdings as of 12/31/2015

AMAZON.COM INC	4.85%
VISA INC CLASS A	4.66%
FACEBOOK INC CLASS A	4.35%
STARBUCKS CORP	4.20%
EXPRESS SCRIPTS HOLDING CO	3.69%
TRIPADVISOR INC	3.57%
DANAHER CORP	3.54%
THE ESTEE LAUDER COMPANIES INC CLASS A	3.49%
BRISTOL-MYERS SQUIBB COMPANY	3.48%
COSTCO WHOLESALE CORP	3.42%

Sector Allocation as of 12/31/2015

BASIC MATERIALS	3.04%
COMMUNICATION SERVICES	0.00%
CONSUMER CYCLICAL	10.69%
CONSUMER DEFENSIVE	9.84%
ENERGY	1.50%
FINANCIAL SERVICES	8.03%
HEALTHCARE	15.20%
INDUSTRIALS	15.11%
REAL ESTATE	0.00%
TECHNOLOGY	33.26%
UTILITIES	0.00%

As of December 31, 2015

Account Information

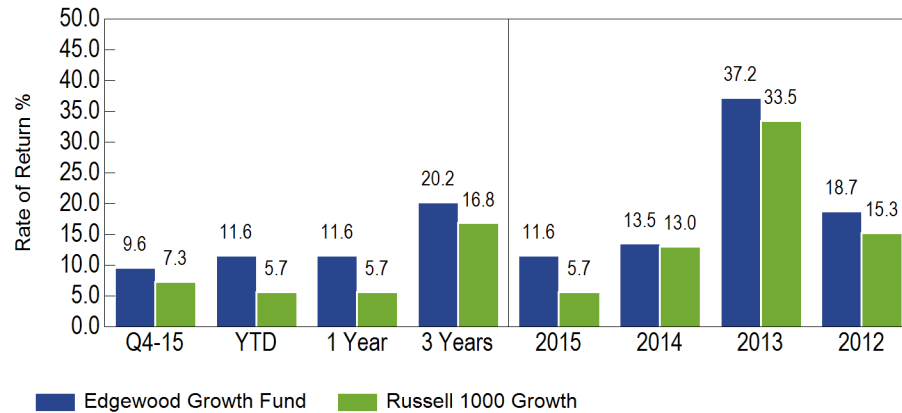
Account Name	Edgewood Growth Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	3/01/06
Account Type	US Stock Large Cap Growth
Benchmark	Russell 1000 Growth
Universe	Large Growth MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Edgewood Growth Fund	Russell 1000 Growth
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	17.12	14.69
Minimum Return	-10.83	-13.14
Annualized Return	16.43	13.53
Total Return	113.98	88.64
Annualized Excess Return Over Risk Free	16.39	13.49
Annualized Excess Return	2.90	0.00

Return Summary



RISK SUMMARY STATISTICS

Beta	1.00	1.00
Upside Deviation	9.65	8.37
Downside Deviation	8.58	10.15

RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	13.27	12.80
Alpha	0.68	0.00
Sharpe Ratio	1.23	1.05
Excess Return Over Market / Risk	0.22	0.00
Tracking Error	3.74	0.00
Information Ratio	0.78	--

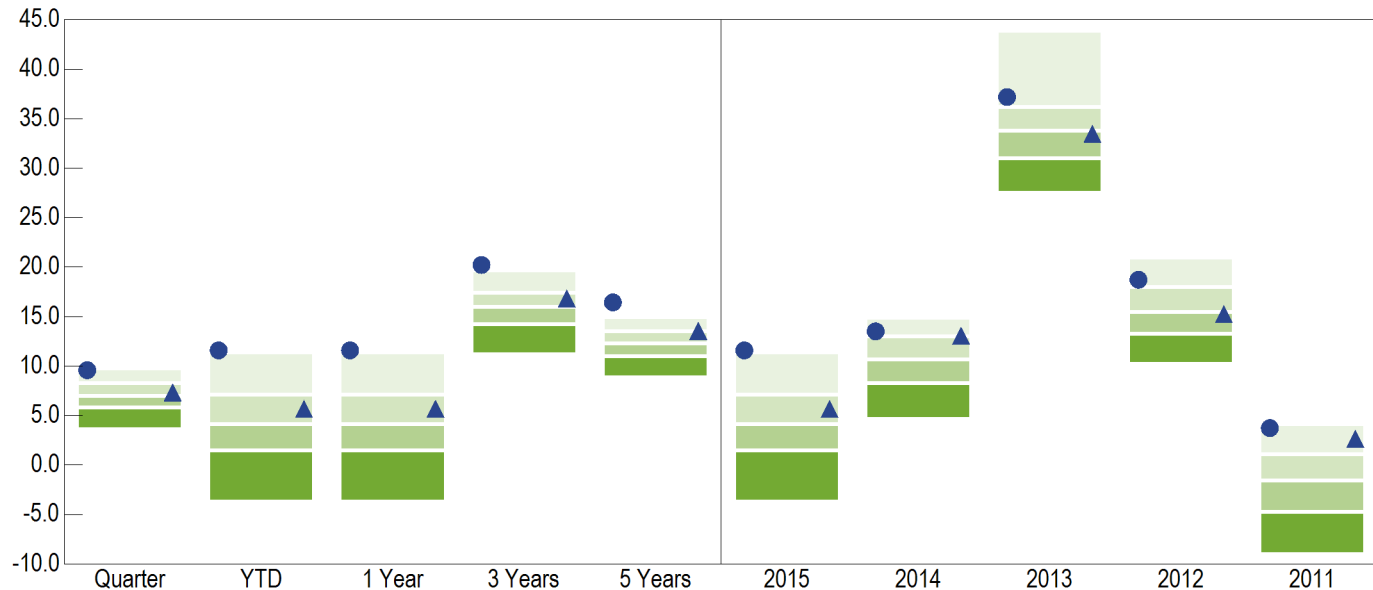
Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$15,268,947	\$14,995,362
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	\$1,463,669	\$1,737,253
= Ending Market Value	\$16,732,616	\$16,732,616

CORRELATION STATISTICS

R-Squared	0.92	1.00
Correlation	0.96	1.00

Edgewood Growth Fund vs. Large Growth MStar MF

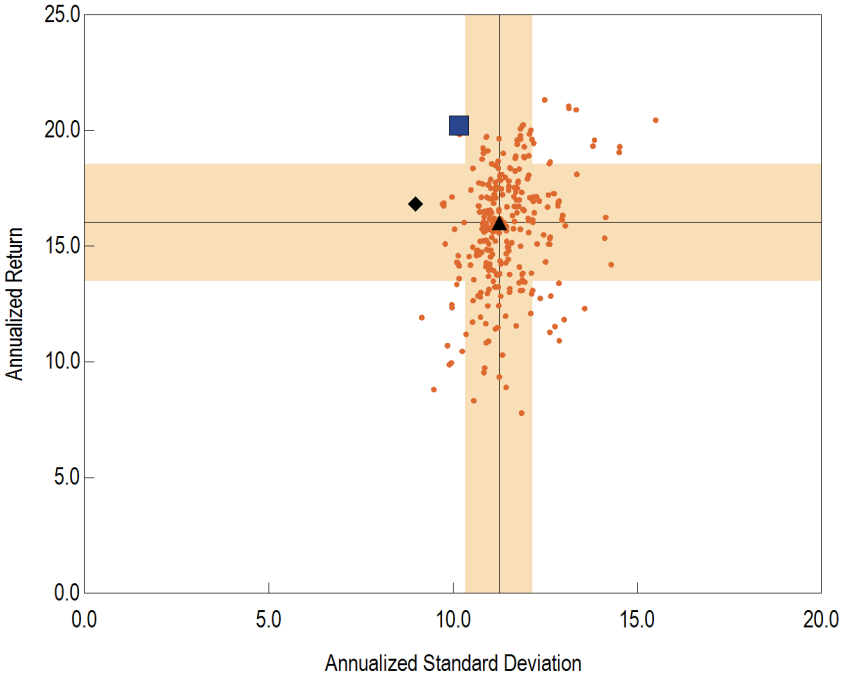


	Return (Rank)									
5th Percentile	9.7	11.4	11.4	19.6	14.9	11.4	14.8	43.8	21.0	4.1
25th Percentile	8.3	7.1	7.1	17.4	13.5	7.1	13.1	36.2	18.0	1.1
Median	7.0	4.2	4.2	16.0	12.3	4.2	10.7	33.8	15.5	-1.5
75th Percentile	5.8	1.5	1.5	14.2	11.0	1.5	8.3	31.0	13.3	-4.7
95th Percentile	3.6	-3.7	-3.7	11.2	8.9	-3.7	4.7	27.5	10.2	-9.0
# of Portfolios	328	317	317	309	281	317	316	316	312	312
● Edgewood Growth Fund	9.6 (7)	11.6 (5)	11.6 (5)	20.2 (2)	16.4 (1)	11.6 (5)	13.5 (21)	37.2 (17)	18.7 (17)	3.7 (8)
▲ Russell 1000 Growth	7.3 (45)	5.7 (41)	5.7 (41)	16.8 (35)	13.5 (26)	5.7 (41)	13.0 (26)	33.5 (56)	15.3 (53)	2.6 (13)

Edgewood Growth Fund

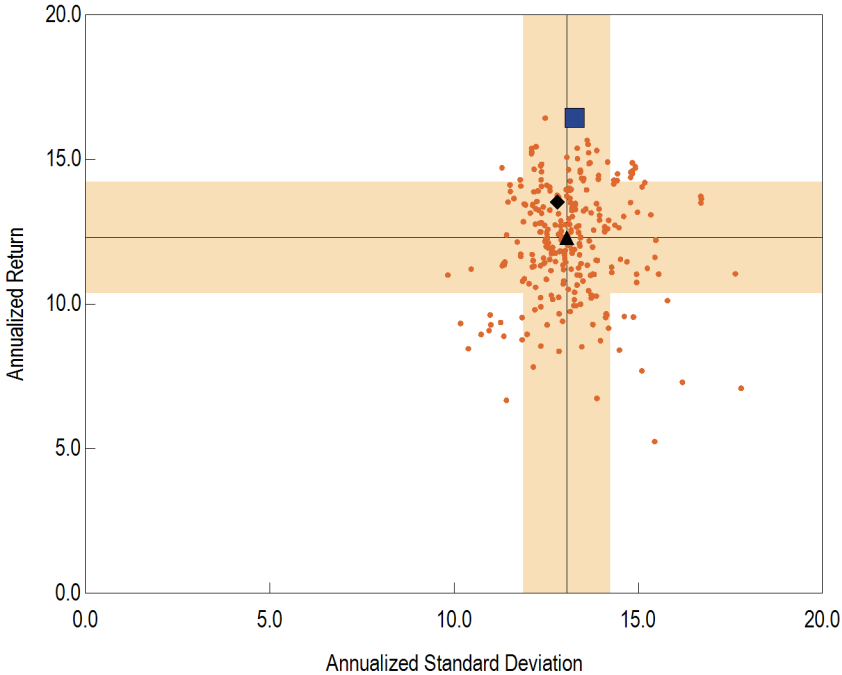
As of December 31, 2015

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



- Edgewood Growth Fund
- ◆ Russell 1000 Growth
- ▲ Universe Median
- 68% Confidence Interval
- Large Growth MStar MF

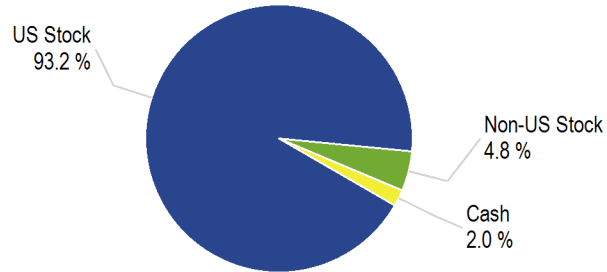
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015



- Edgewood Growth Fund
- ◆ Russell 1000 Growth
- ▲ Universe Median
- 68% Confidence Interval
- Large Growth MStar MF

As of December 31, 2015

Mutual Fund Allocation as of 10/31/2015



Fund Information as of 10/31/2015

Fund Name	Edgewood Growth Fund; Institution
Ticker	EGFIX
Category	Large Growth
Benchmark	Russell 1000 Growth
Expense Ratio	1.00%
Fund Assets (\$mm)	4,749.20
Share Class Inception Date	2/28/2006
Manager Tenure	10

Fund Characteristics as of 10/31/2015

Sharpe Ratio (3 Year)	
Average Market Cap (\$mm)	62,238.16
Price/Earnings	30.39
Price/Book	5.14
Price/Sales	5.19
Price/Cash Flow	17.35
Dividend Yield	0.43
Number of Equity Holdings	23
R-Squared (3 Year)	
Alpha (3 Year)	

Top Holdings as of 10/31/2015

CELGENE CORP	6.75%
GILEAD SCIENCES INC	6.46%
AMAZON.COM INC	6.32%
VISA INC CLASS A	6.32%
PRICELINE GROUP INC	5.53%
COGNIZANT TECHNOLOGY SOLUTIONS CORP CLASS A	5.39%
ALLIANCE DATA SYSTEMS CORP	4.82%
ARM HOLDINGS PLC ADR	4.79%
EQUINIX INC	4.66%
ILLUMINA INC	4.37%

Sector Allocation as of 10/31/2015

BASIC MATERIALS	2.63%
COMMUNICATION SERVICES	4.30%
CONSUMER CYCLICAL	18.98%
CONSUMER DEFENSIVE	0.00%
ENERGY	0.00%
FINANCIAL SERVICES	16.27%
HEALTHCARE	23.19%
INDUSTRIALS	8.60%
REAL ESTATE	4.66%
TECHNOLOGY	19.38%
UTILITIES	0.00%

Vanguard Russell 1000 Growth Index Fund

As of December 31, 2015

Account Information

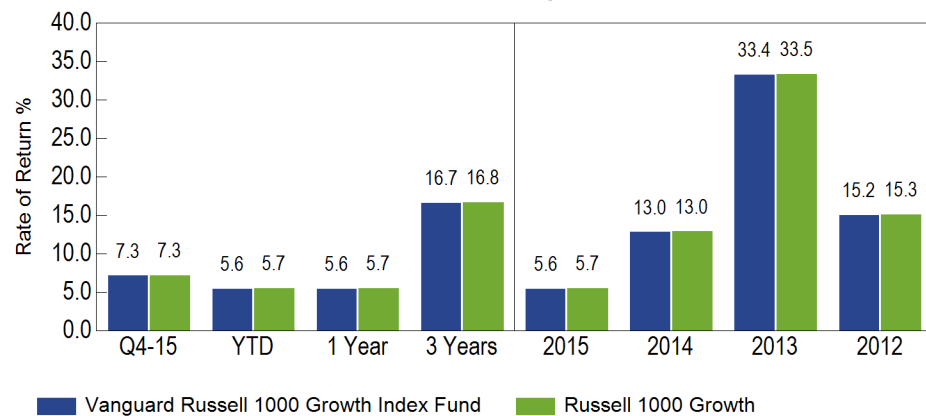
Account Name	Vanguard Russell 1000 Growth Index Fund
Account Structure	Mutual Fund
Investment Style	Passive
Inception Date	10/01/10
Account Type	US Stock Large Cap Growth
Benchmark	Russell 1000 Growth
Universe	Large Growth MStar MF

Risk/Return Statistics

October 01, 2010 Through December 31, 2015

	Vanguard Russell 1000 Growth Index Fund	Russell 1000 Growth
RETURN SUMMARY STATISTICS		
Number of Periods	21	21
Maximum Return	14.66	14.69
Minimum Return	-13.23	-13.14
Annualized Return	15.16	15.28
Total Return	109.86	110.96
Annualized Excess Return Over Risk Free	15.11	15.23
Annualized Excess Return	-0.11	0.00

Return Summary



RISK SUMMARY STATISTICS

Beta	1.00	1.00
Upside Deviation	8.62	8.63
Downside Deviation	10.22	10.15

RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	13.02	13.00
Alpha	-0.03	0.00
Sharpe Ratio	1.16	1.17
Excess Return Over Market / Risk	-0.01	0.00
Tracking Error	0.04	0.00
Information Ratio	-3.00	--

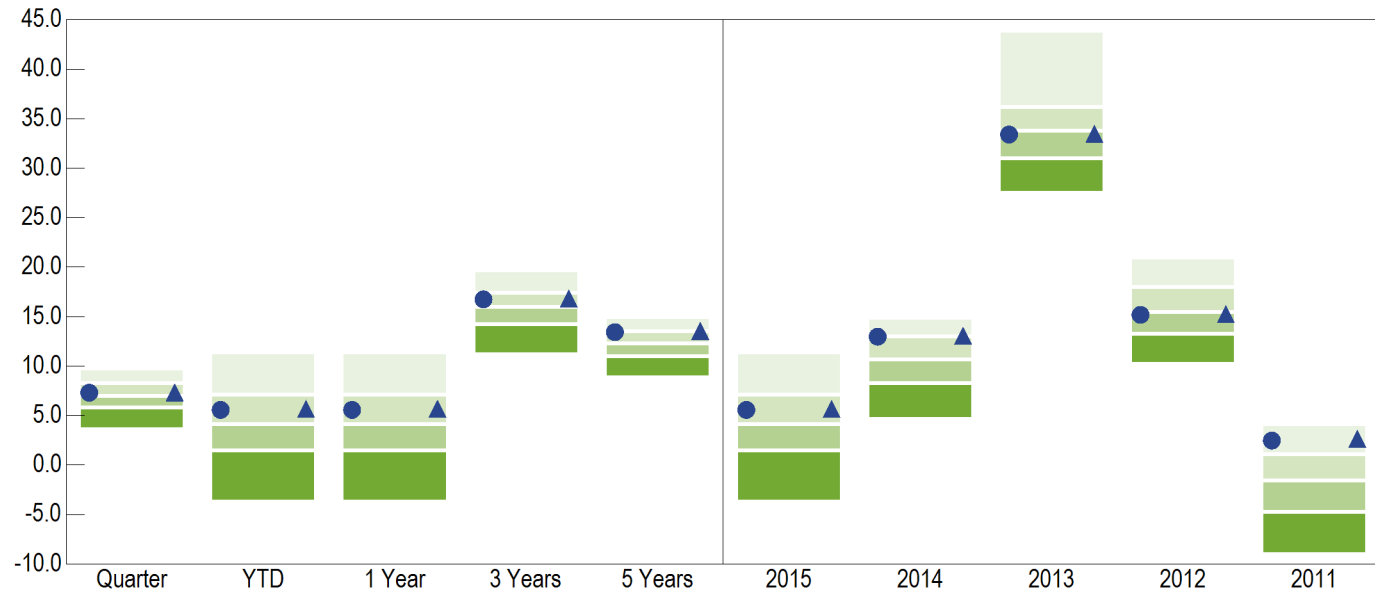
Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$17,744,293	\$18,035,484
- Withdrawals	\$0	\$0
+ Contributions	\$500,000	\$500,000
= Net Cash Flow	\$500,000	\$500,000
+ Net Investment Change	\$1,296,316	\$1,005,125
= Ending Market Value	\$19,540,609	\$19,540,609

CORRELATION STATISTICS

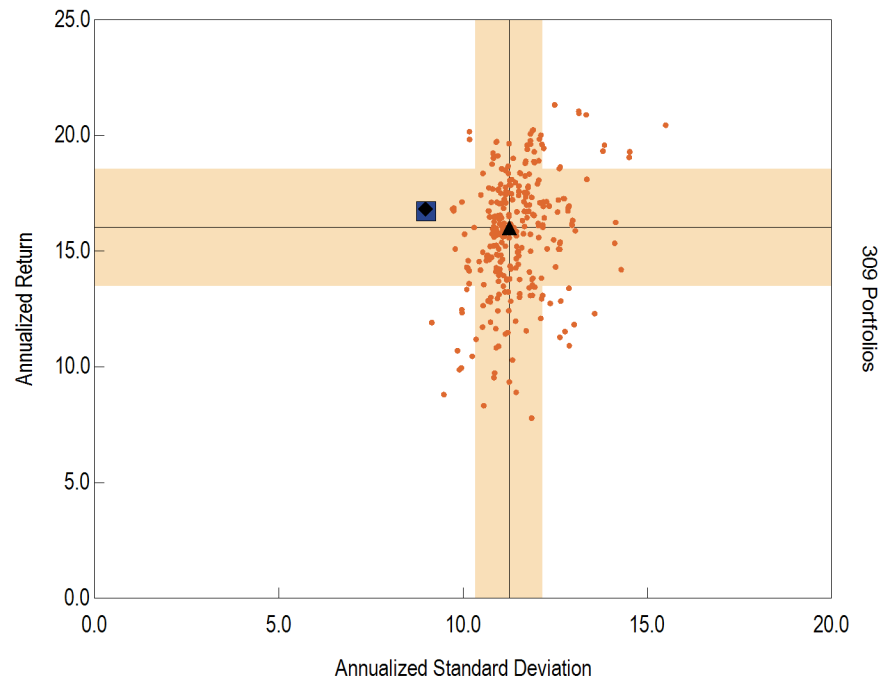
R-Squared	1.00	1.00
Correlation	1.00	1.00

Vanguard Russell 1000 Growth Index Fund vs. Large Growth MStar MF



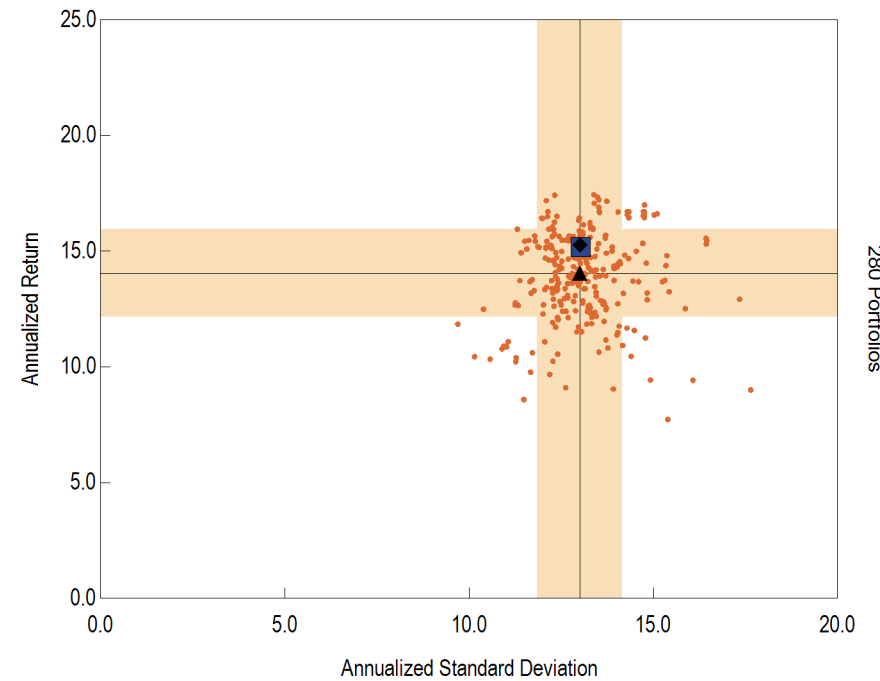
	Return (Rank)									
5th Percentile	9.7	11.4	11.4	19.6	14.9	11.4	14.8	43.8	21.0	4.1
25th Percentile	8.3	7.1	7.1	17.4	13.5	7.1	13.1	36.2	18.0	1.1
Median	7.0	4.2	4.2	16.0	12.3	4.2	10.7	33.8	15.5	-1.5
75th Percentile	5.8	1.5	1.5	14.2	11.0	1.5	8.3	31.0	13.3	-4.7
95th Percentile	3.6	-3.7	-3.7	11.2	8.9	-3.7	4.7	27.5	10.2	-9.0
# of Portfolios	328	317	317	309	281	317	316	316	312	312
● Vanguard Russell 1000 Growth Index Fund	7.3 (47)	5.6 (42)	5.6 (42)	16.7 (37)	13.4 (29)	5.6 (42)	13.0 (27)	33.4 (57)	15.2 (54)	2.5 (15)
▲ Russell 1000 Growth	7.3 (45)	5.7 (41)	5.7 (41)	16.8 (35)	13.5 (26)	5.7 (41)	13.0 (26)	33.5 (56)	15.3 (53)	2.6 (13)

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



- Vanguard Russell 1000 Growth Index Fund
- ◆ Russell 1000 Growth
- ▲ Universe Median
- 68% Confidence Interval
- Large Growth MStar MF

Annualized Return vs. Annualized Standard Deviation
5 Years 3 Months Ending December 31, 2015

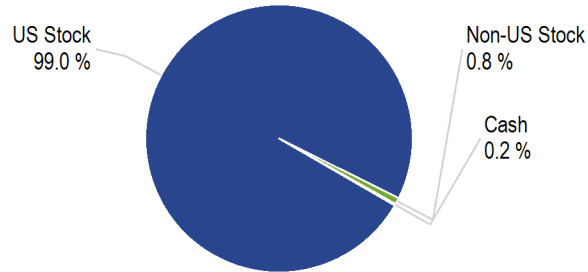


- Vanguard Russell 1000 Growth Index Fund
- ◆ Russell 1000 Growth
- ▲ Universe Median
- 68% Confidence Interval
- Large Growth MStar MF

Vanguard Russell 1000 Growth Index Fund

As of December 31, 2015

Mutual Fund Allocation as of 12/31/2015



Fund Information as of 12/31/2015

Fund Name	VANGUARD RUSSELL 1000 GROWTH INDEX I
Ticker	VRGWX
Category	Large Growth
Benchmark	Russell 1000 Growth
Expense Ratio	0.08%
Fund Assets (\$mm)	1,671.69
Share Class Inception Date	12/6/2010
Manager Tenure	5

Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	1.86
Average Market Cap (\$mm)	59,575.89
Price/Earnings	19.20
Price/Book	4.11
Price/Sales	2.10
Price/Cash Flow	13.69
Dividend Yield	1.63
Number of Equity Holdings	644
R-Squared (3 Year)	1.00
Alpha (3 Year)	-0.02%

Top Holdings as of 12/31/2015

APPLE INC	5.73%
AMAZON.COM INC	2.43%
MICROSOFT CORP	2.40%
FACEBOOK INC CLASS A	2.14%
ALPHABET INC CLASS A	2.12%
ALPHABET INC CLASS C CAPITAL STOCK	2.11%
WALT DISNEY CO	1.69%
VERIZON COMMUNICATIONS INC	1.65%
HOME DEPOT INC	1.62%
COCA-COLA CO	1.59%

Sector Allocation as of 12/31/2015

BASIC MATERIALS	3.07%
COMMUNICATION SERVICES	5.06%
CONSUMER CYCLICAL	19.04%
CONSUMER DEFENSIVE	10.78%
ENERGY	0.52%
FINANCIAL SERVICES	5.22%
HEALTHCARE	17.76%
INDUSTRIALS	12.38%
REAL ESTATE	2.04%
TECHNOLOGY	23.80%
UTILITIES	0.08%

Vanguard Large Cap Index Fund

As of December 31, 2015

Account Information

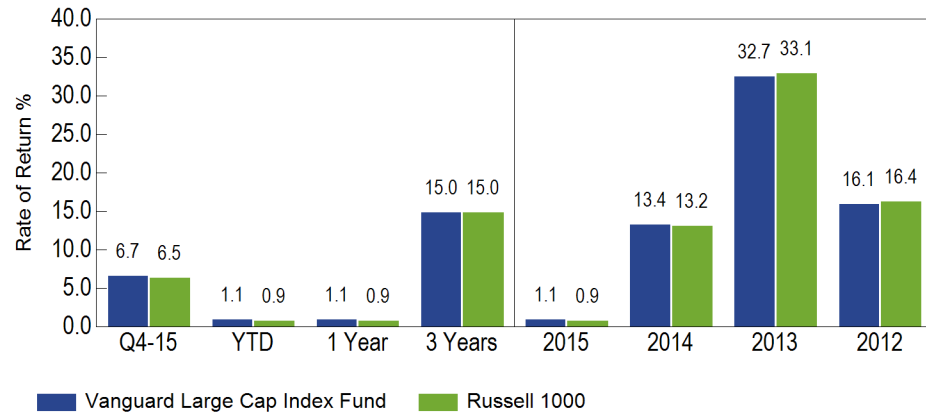
Account Name	Vanguard Large Cap Index Fund
Account Structure	Mutual Fund
Investment Style	Passive
Inception Date	2/01/04
Account Type	US Stock Large Cap Value
Benchmark	Russell 1000
Universe	Large Cap MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Vanguard Large Cap Index Fund	Russell 1000
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	12.89	12.90
Minimum Return	-14.40	-14.68
Annualized Return	12.40	12.44
Total Return	79.37	79.76
Annualized Excess Return Over Risk Free	12.35	12.40
Annualized Excess Return	-0.05	0.00

Return Summary



RISK SUMMARY STATISTICS

Beta	0.99	1.00
Upside Deviation	8.37	8.58
Downside Deviation	12.32	11.81

RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	13.01	13.16
Alpha	0.02	0.00
Sharpe Ratio	0.95	0.94
Excess Return Over Market / Risk	0.00	0.00
Tracking Error	0.35	0.00
Information Ratio	-0.14	--

Summary Of Cash Flows

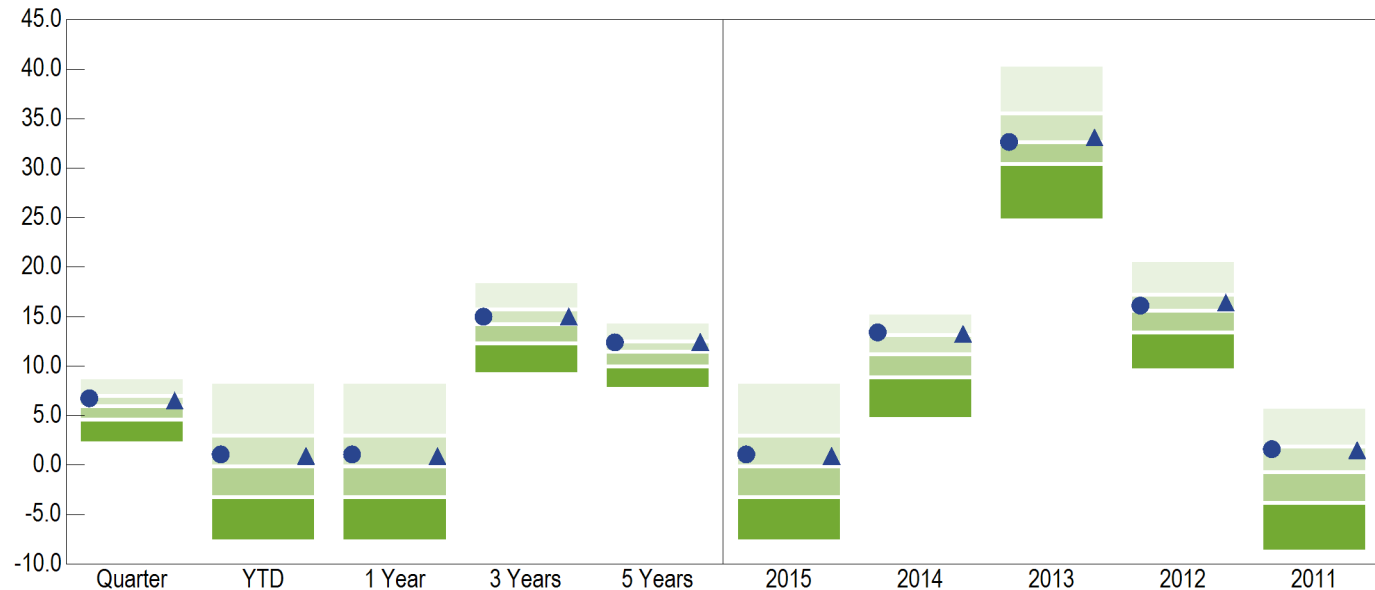
	Fourth Quarter	Year-To-Date
Beginning Market Value	\$14,165,747	\$14,961,742
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	\$955,785	\$159,790
= Ending Market Value	\$15,121,532	\$15,121,532

CORRELATION STATISTICS

R-Squared	1.00	1.00
Correlation	1.00	1.00

- Vanguard Large Cap Spliced Index = CRSP US Large Cap from Jan 31, 2013 through present; MSCI US Prime Market 750 Gross until Jan 30, 2013.

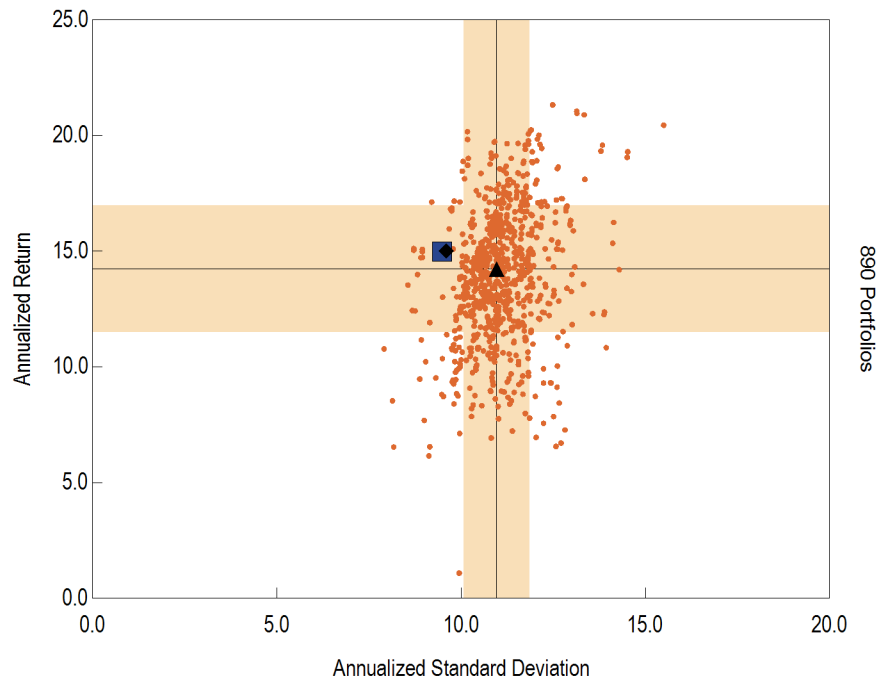
Vanguard Large Cap Index Fund vs. Large Cap MStar MF



	Return (Rank)									
5th Percentile	8.8	8.4	8.4	18.6	14.4	8.4	15.4	40.4	20.7	5.9
25th Percentile	7.0	3.0	3.0	15.8	12.5	3.0	13.2	35.5	17.3	1.9
Median	6.0	-0.1	-0.1	14.2	11.5	-0.1	11.2	32.6	15.6	-0.7
75th Percentile	4.6	-3.2	-3.2	12.3	10.0	-3.2	8.9	30.5	13.4	-3.8
95th Percentile	2.2	-7.7	-7.7	9.2	7.7	-7.7	4.7	24.8	9.6	-8.7
# of Portfolios	989	960	960	890	821	960	924	873	879	879
● Vanguard Large Cap Index Fund	6.7 (33)	1.1 (40)	1.1 (40)	15.0 (34)	12.4 (29)	1.1 (40)	13.4 (21)	32.7 (50)	16.1 (41)	1.6 (28)
▲ Russell 1000	6.5 (39)	0.9 (42)	0.9 (42)	15.0 (34)	12.4 (28)	0.9 (42)	13.2 (24)	33.1 (47)	16.4 (35)	1.5 (30)

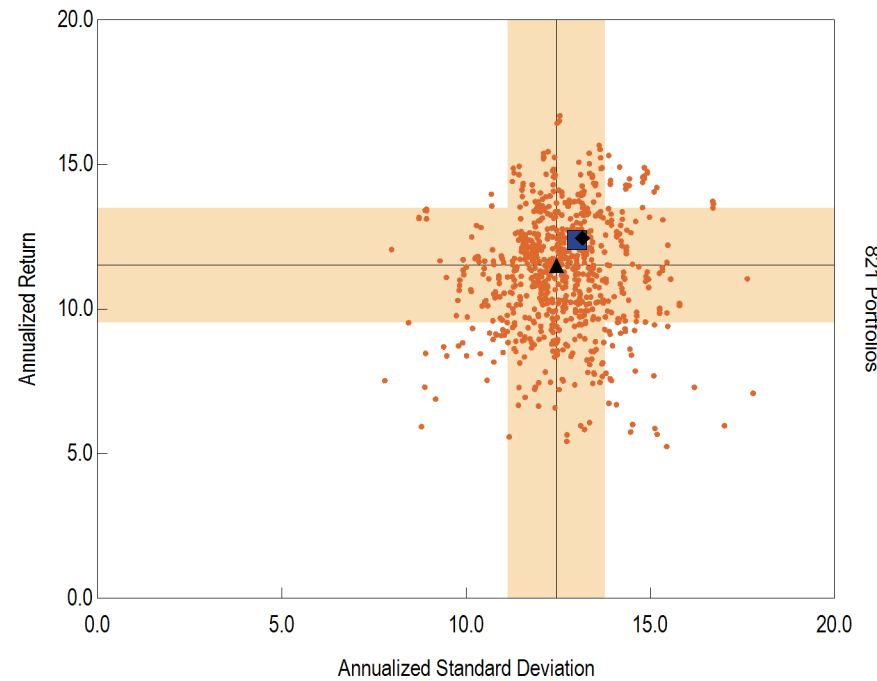
- Vanguard Large Cap Spliced Index = CRSP US Large Cap from Jan 31, 2013 through present; MSCI US Prime Market 750 Gross until Jan 30, 2013.

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



- Vanguard Large Cap Index Fund
- ◆ Russell 1000
- ▲ Universe Median
- 68% Confidence Interval
- Large Cap MStar MF

Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015

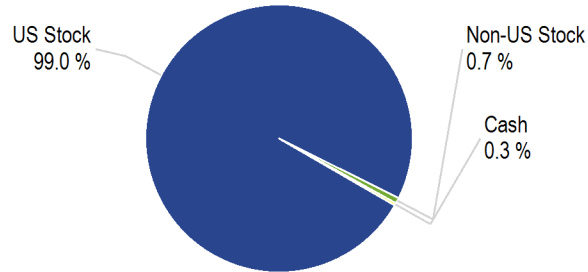


- Vanguard Large Cap Index Fund
- ◆ Russell 1000
- ▲ Universe Median
- 68% Confidence Interval
- Large Cap MStar MF

- Vanguard Large Cap Spliced Index = CRSP US Large Cap from Jan 31, 2013 through present; MSCI US Prime Market 750 Gross until Jan 30, 2013.

As of December 31, 2015

Mutual Fund Allocation as of 12/31/2015



Fund Information as of 12/31/2015

Fund Name	Vanguard Large-Cap Index Fund;In
Ticker	VLISX
Category	Large Blend
Benchmark	Russell 1000
Expense Ratio	0.08%
Fund Assets (\$mm)	793.69
Share Class Inception Date	6/30/2005
Manager Tenure	12

Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	1.58
Average Market Cap (\$mm)	66,143.82
Price/Earnings	17.38
Price/Book	2.35
Price/Sales	1.69
Price/Cash Flow	10.23
Dividend Yield	2.22
Number of Equity Holdings	646
R-Squared (3 Year)	1.00
Alpha (3 Year)	0.04%

Top Holdings as of 12/31/2015

APPLE INC	2.97%
MICROSOFT CORP	2.24%
EXXON MOBIL CORPORATION	1.73%
GENERAL ELECTRIC CO	1.57%
JOHNSON & JOHNSON	1.52%
AMAZON.COM INC	1.35%
BERKSHIRE HATHAWAY INC CLASS B	1.34%
WELLS FARGO & CO	1.33%
JPMORGAN CHASE & CO	1.30%
ALPHABET INC CLASS A	1.21%

Sector Allocation as of 12/31/2015

BASIC MATERIALS	2.77%
COMMUNICATION SERVICES	4.23%
CONSUMER CYCLICAL	11.58%
CONSUMER DEFENSIVE	9.55%
ENERGY	6.42%
FINANCIAL SERVICES	15.10%
HEALTHCARE	15.52%
INDUSTRIALS	10.79%
REAL ESTATE	2.57%
TECHNOLOGY	18.28%
UTILITIES	2.91%

Robeco BP Large Value

As of December 31, 2015

Account Information

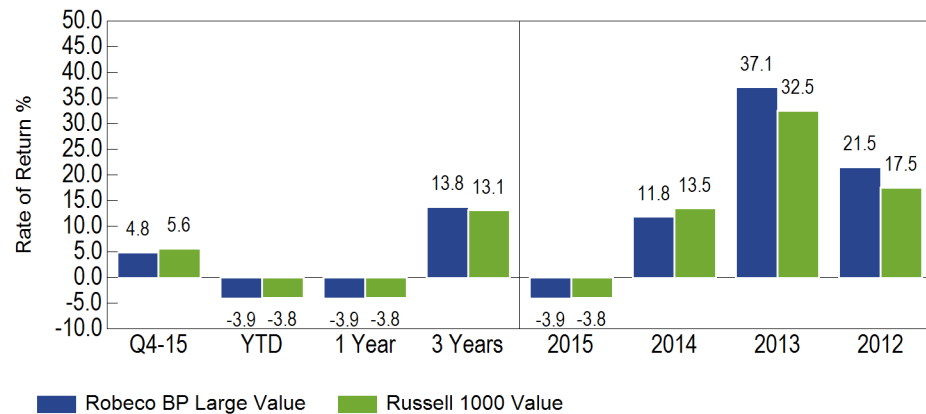
Account Name	Robeco BP Large Value
Account Structure	Separate Account
Investment Style	Active
Inception Date	4/01/09
Account Type	US Stock Large Cap Value
Benchmark	Russell 1000 Value
Universe	US Large Cap Equity -Value

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Robeco BP Large Value	Russell 1000 Value
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	14.85	13.11
Minimum Return	-17.04	-16.20
Annualized Return	12.50	11.27
Total Return	80.17	70.58
Annualized Excess Return Over Risk Free	12.45	11.23
Annualized Excess Return	1.22	0.00

Return Summary



RISK SUMMARY STATISTICS

	Robeco BP Large Value	Russell 1000 Value
Beta	1.06	1.00
Upside Deviation	9.48	8.04
Downside Deviation	13.41	12.84

RISK/RETURN SUMMARY STATISTICS

	Robeco BP Large Value	Russell 1000 Value
Annualized Standard Deviation	14.93	13.89
Alpha	0.15	0.00
Sharpe Ratio	0.83	0.81
Excess Return Over Market / Risk	0.08	0.00
Tracking Error	2.82	0.00
Information Ratio	0.43	--

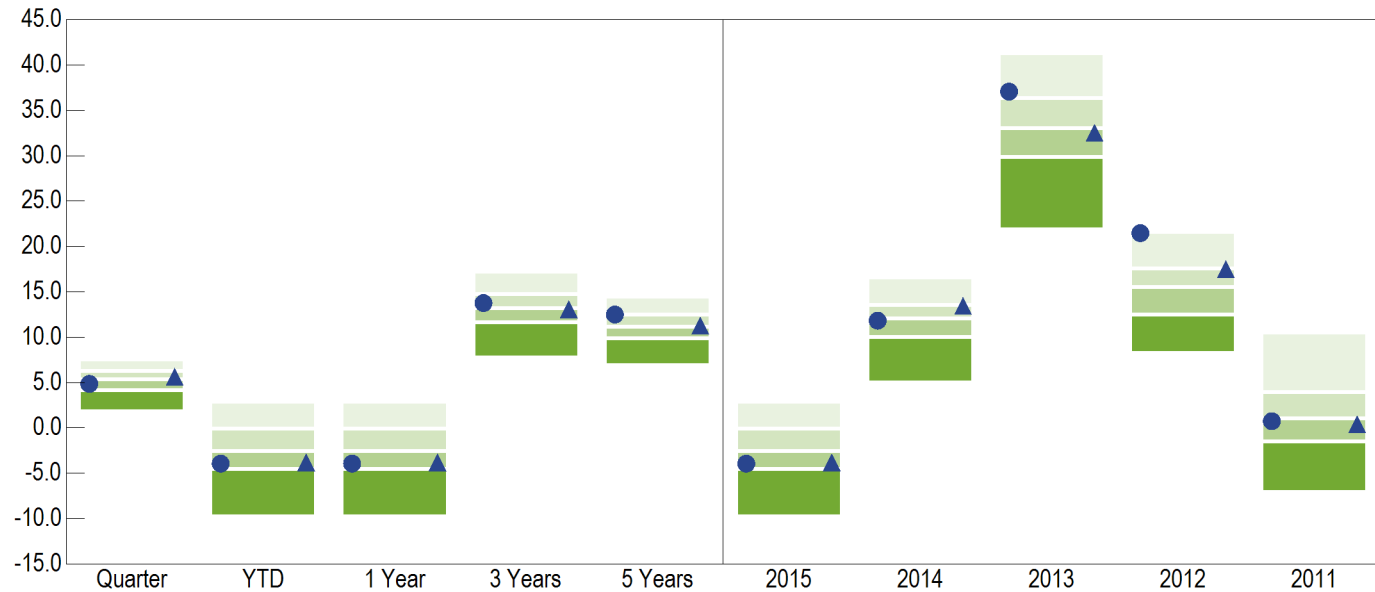
Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$20,451,769	\$22,416,428
- Withdrawals	-\$31,518	-\$129,496
+ Contributions	\$500,000	\$505,431
= Net Cash Flow	\$468,482	\$375,935
+ Net Investment Change	\$988,349	-\$883,763
= Ending Market Value	\$21,908,600	\$21,908,600

CORRELATION STATISTICS

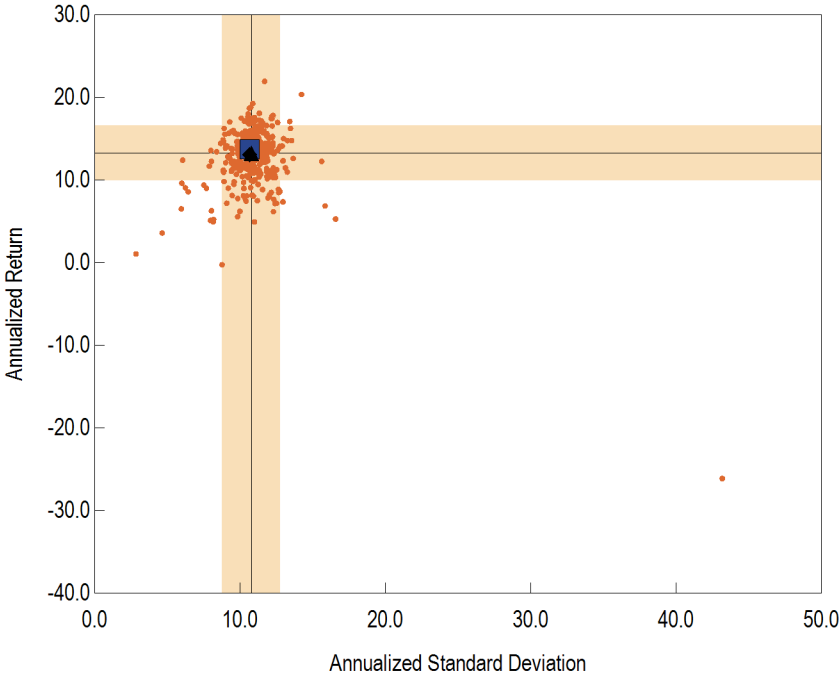
	Robeco BP Large Value	Russell 1000 Value
R-Squared	0.97	1.00
Correlation	0.98	1.00

Robeco BP Large Value vs. US Large Cap Equity -Value



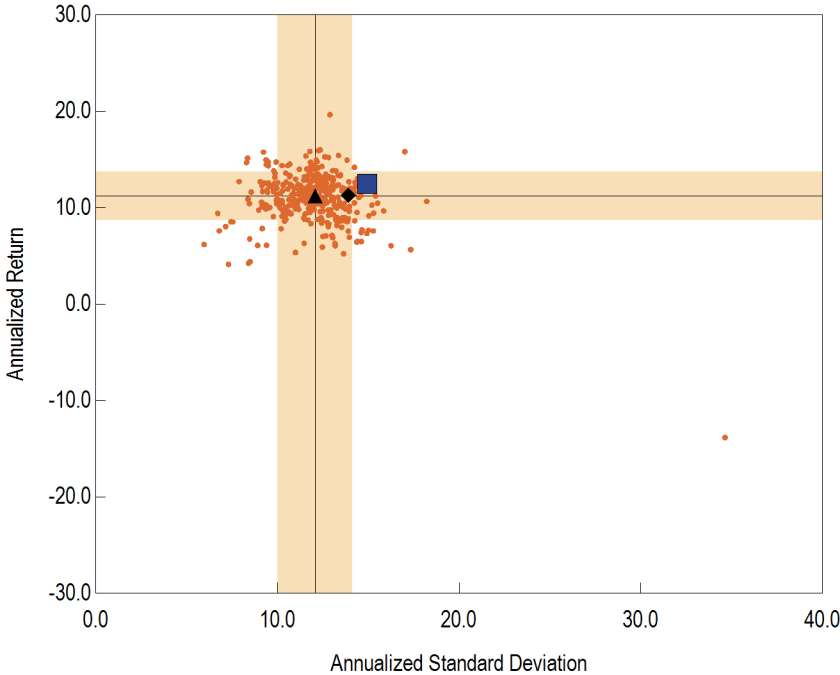
	Return (Rank)									
5th Percentile	7.5	2.9	2.9	17.2	14.5	2.9	16.5	41.3	21.6	10.5
25th Percentile	6.3	0.0	0.0	14.8	12.5	0.0	13.6	36.4	17.6	4.0
Median	5.4	-2.5	-2.5	13.3	11.2	-2.5	12.1	33.1	15.6	1.1
75th Percentile	4.2	-4.5	-4.5	11.7	9.9	-4.5	10.1	29.9	12.5	-1.5
95th Percentile	1.9	-9.7	-9.7	7.8	7.0	-9.7	5.1	21.9	8.3	-7.0
# of Portfolios	484	477	477	451	412	477	446	492	566	504
● Robeco BP Large Value	4.8 (64)	-3.9 (69)	-3.9 (69)	13.8 (42)	12.5 (26)	-3.9 (69)	11.8 (56)	37.1 (20)	21.5 (6)	0.7 (54)
▲ Russell 1000 Value	5.6 (44)	-3.8 (68)	-3.8 (68)	13.1 (56)	11.3 (49)	-3.8 (68)	13.5 (28)	32.5 (56)	17.5 (27)	0.4 (60)

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



- Robeco BP Large Value
- ◆ Russell 1000 Value
- ▲ Universe Median
- 68% Confidence Interval
- US Large Cap Equity -Value

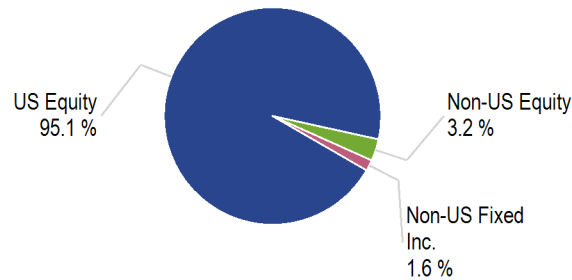
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015



- Robeco BP Large Value
- ◆ Russell 1000 Value
- ▲ Universe Median
- 68% Confidence Interval
- US Large Cap Equity -Value

As of December 31, 2015

Current Allocation



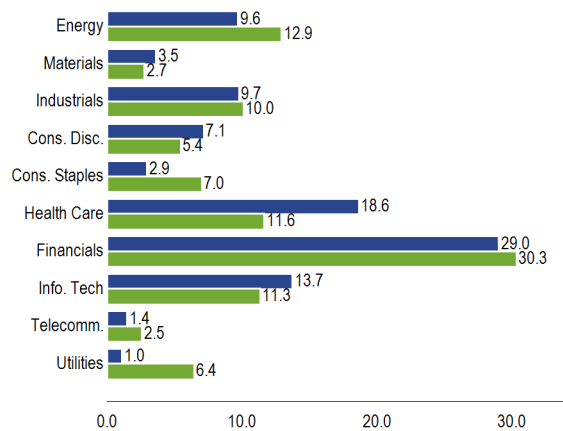
Characteristics

	Portfolio	Russell 1000 Value
Number of Holdings	89	691
Weighted Avg. Market Cap. (\$B)	99.65	105.87
Median Market Cap. (\$B)	25.26	6.85
Price To Earnings	17.45	19.16
Price To Book	3.28	2.23
Price To Sales	2.27	2.50
Return on Equity (%)	14.99	11.40
Yield (%)	2.16	2.60
Beta	0.97	1.00
R-Squared	0.94	1.00

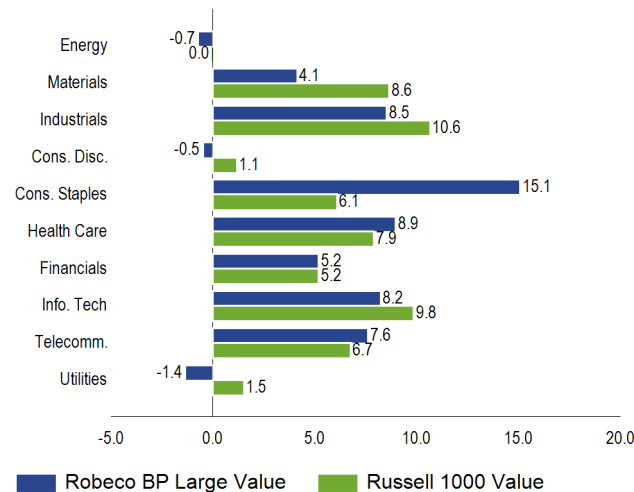
Top Ten Holdings

BERKSHIRE HATHAWAY 'B'	4.54%
JP MORGAN CHASE & CO.	4.45%
WELLS FARGO & CO	3.68%
MICROSOFT	3.20%
JOHNSON & JOHNSON	2.99%
CAPITAL ONE FINL.	2.95%
CITIGROUP	2.92%
OCCIDENTAL PTL.	2.61%
PFIZER	2.53%
CISCO SYSTEMS	2.03%
Total	31.89%

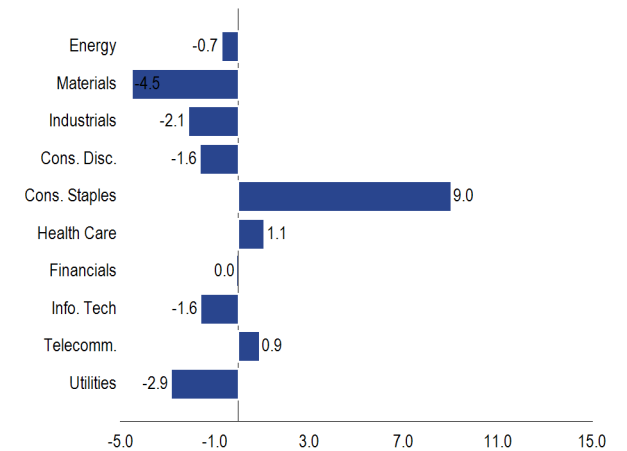
Sector Allocation (%) vs Russell 1000 Value for Separate Accounts
3 Months Ending December 31, 2015



Sector Returns (%) vs Russell 1000 Value for Separate Accounts
3 Months Ending December 31, 2015



Sector Excess Returns (%) vs Russell 1000 Value for Separate Accounts
3 Months Ending December 31, 2015



Great Lakes Large Cap Value

As of December 31, 2015

Account Information

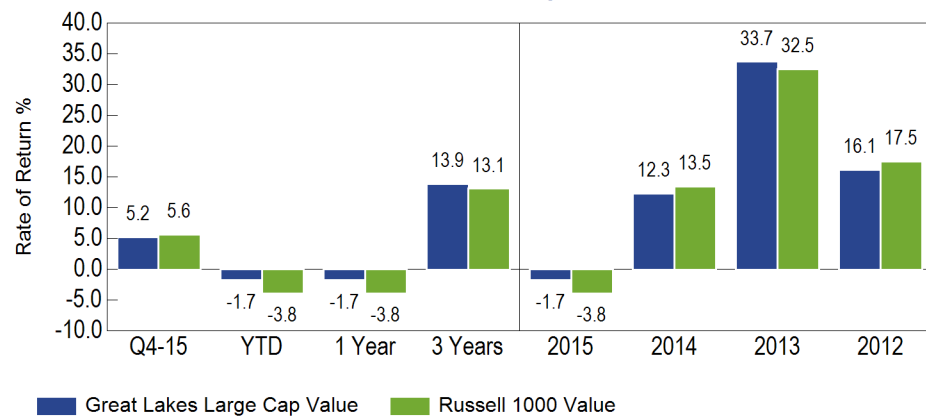
Account Name	Great Lakes Large Cap Value
Account Structure	Separate Account
Investment Style	Active
Inception Date	7/01/06
Account Type	US Stock Large Cap Value
Benchmark	Russell 1000 Value
Universe	US Large Cap Equity -Value

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Great Lakes Large Cap Value	Russell 1000 Value
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	12.68	13.11
Minimum Return	-14.77	-16.20
Annualized Return	12.08	11.27
Total Return	76.84	70.58
Annualized Excess Return Over Risk Free	12.03	11.23
Annualized Excess Return	0.81	0.00

Return Summary



RISK SUMMARY STATISTICS

Beta	0.97	1.00
Upside Deviation	8.65	8.04
Downside Deviation	11.53	12.84

RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	13.68	13.89
Alpha	0.26	0.00
Sharpe Ratio	0.88	0.81
Excess Return Over Market / Risk	0.06	0.00
Tracking Error	2.19	0.00
Information Ratio	0.37	--

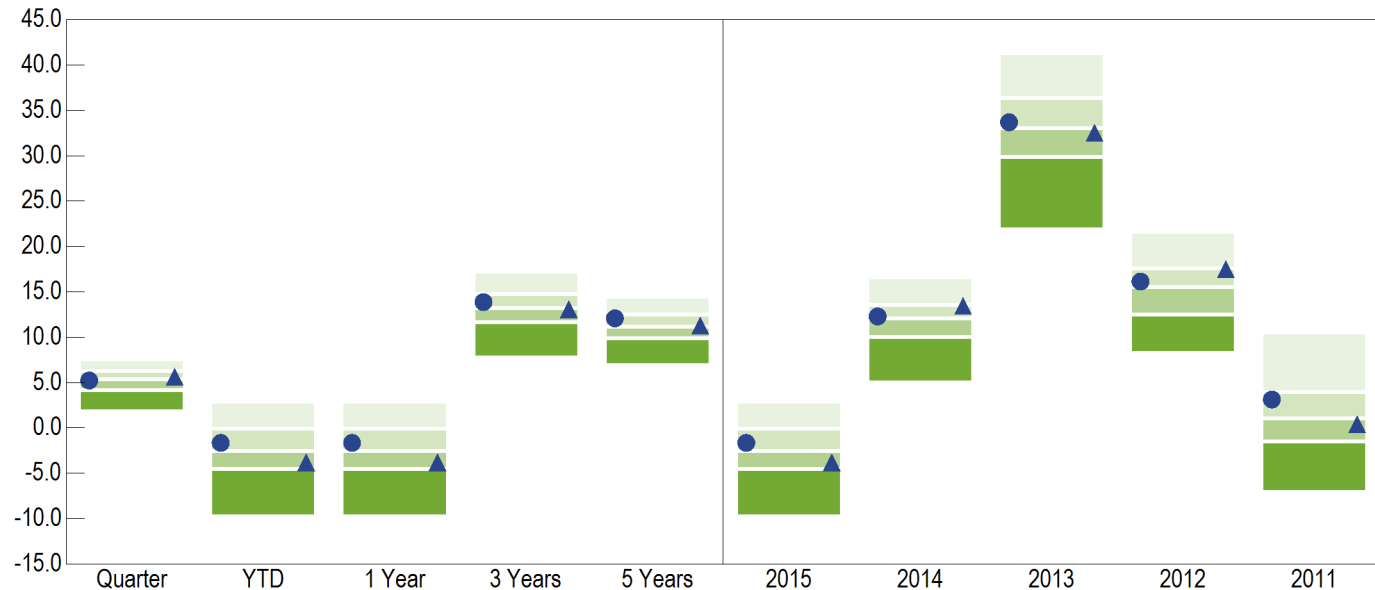
Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$20,776,437	\$22,251,419
- Withdrawals	-\$25,548	-\$107,468
+ Contributions	\$500,000	\$560,481
= Net Cash Flow	\$474,452	\$453,013
+ Net Investment Change	\$1,081,728	-\$371,815
= Ending Market Value	\$22,332,617	\$22,332,617

CORRELATION STATISTICS

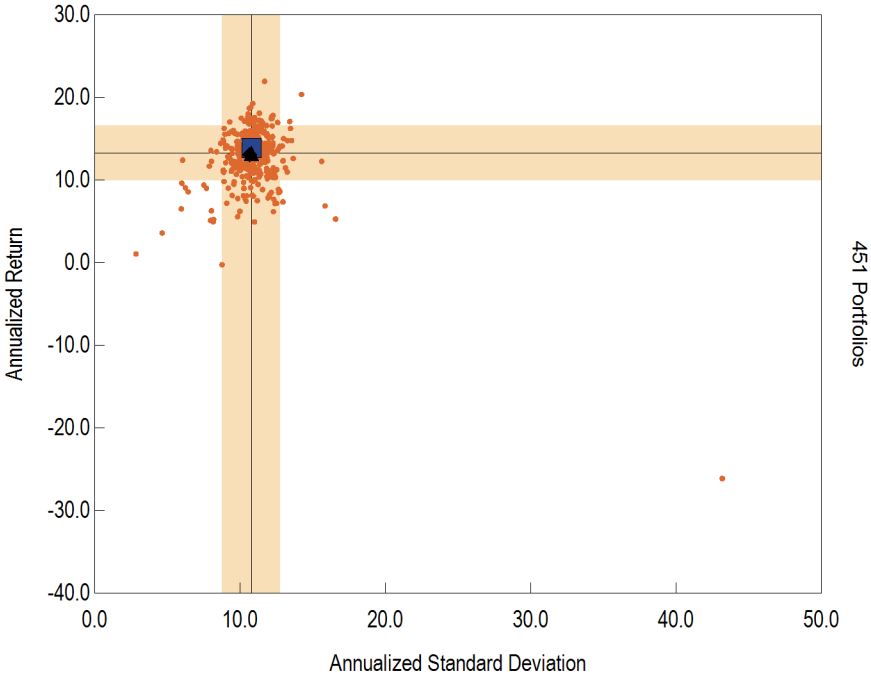
R-Squared	0.98	1.00
Correlation	0.99	1.00

Great Lakes Large Cap Value vs. US Large Cap Equity -Value



	Return (Rank)									
5th Percentile	7.5	2.9	2.9	17.2	14.5	2.9	16.5	41.3	21.6	10.5
25th Percentile	6.3	0.0	0.0	14.8	12.5	0.0	13.6	36.4	17.6	4.0
Median	5.4	-2.5	-2.5	13.3	11.2	-2.5	12.1	33.1	15.6	1.1
75th Percentile	4.2	-4.5	-4.5	11.7	9.9	-4.5	10.1	29.9	12.5	-1.5
95th Percentile	1.9	-9.7	-9.7	7.8	7.0	-9.7	5.1	21.9	8.3	-7.0
# of Portfolios	484	477	477	451	412	477	446	492	566	504
● Great Lakes Large Cap Value	5.2 (56)	-1.7 (42)	-1.7 (42)	13.9 (40)	12.1 (34)	-1.7 (42)	12.3 (48)	33.7 (46)	16.1 (43)	3.1 (33)
▲ Russell 1000 Value	5.6 (44)	-3.8 (68)	-3.8 (68)	13.1 (56)	11.3 (49)	-3.8 (68)	13.5 (28)	32.5 (56)	17.5 (27)	0.4 (60)

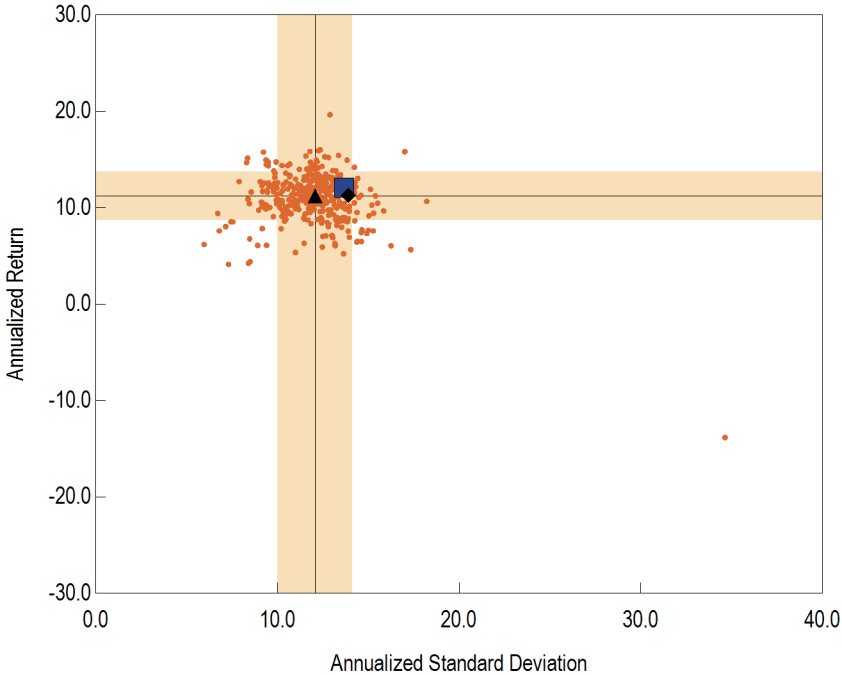
Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



451 Portfolios

- Great Lakes Large Cap Value
- ◆ Russell 1000 Value
- ▲ Universe Median
- 68% Confidence Interval
- US Large Cap Equity -Value

Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015

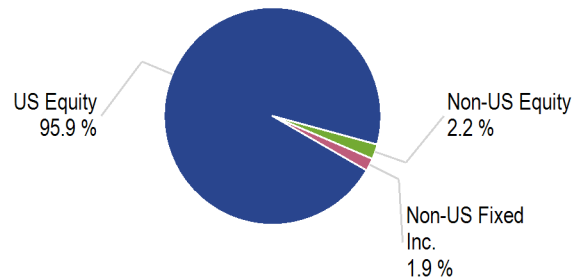


412 Portfolios

- Great Lakes Large Cap Value
- ◆ Russell 1000 Value
- ▲ Universe Median
- 68% Confidence Interval
- US Large Cap Equity -Value

As of December 31, 2015

Current Allocation



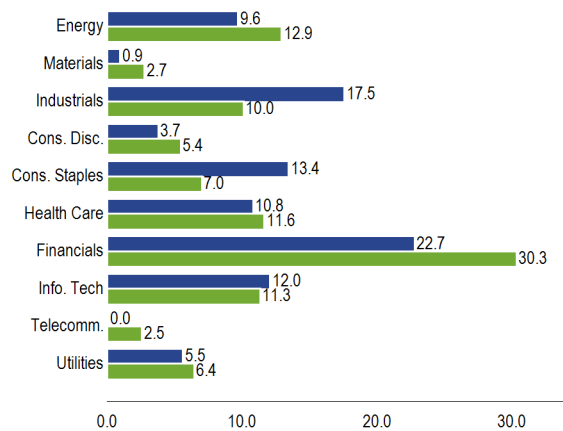
Characteristics

	Portfolio	Russell 1000 Value
Number of Holdings	51	691
Weighted Avg. Market Cap. (\$B)	110.35	105.87
Median Market Cap. (\$B)	66.86	6.85
Price To Earnings	19.43	19.16
Price To Book	3.31	2.23
Price To Sales	2.34	2.50
Return on Equity (%)	16.49	11.40
Yield (%)	2.95	2.60
Beta	0.99	1.00
R-Squared	0.96	1.00

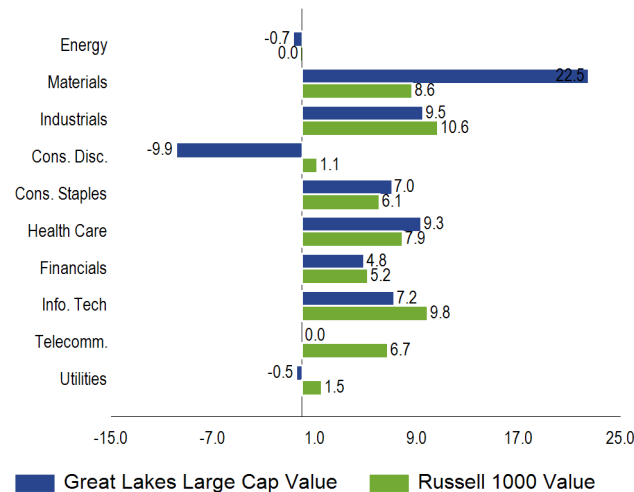
Top Ten Holdings

GENERAL ELECTRIC	3.67%
LOCKHEED MARTIN	3.24%
AMERICAN EXPRESS	3.09%
ACE	2.79%
PHILIP MORRIS INTL.	2.77%
MICROSOFT	2.53%
MONDELEZ INTERNATIONAL CL.A	2.51%
CITIGROUP	2.48%
AETNA	2.47%
BANK OF AMERICA	2.47%
Total	28.01%

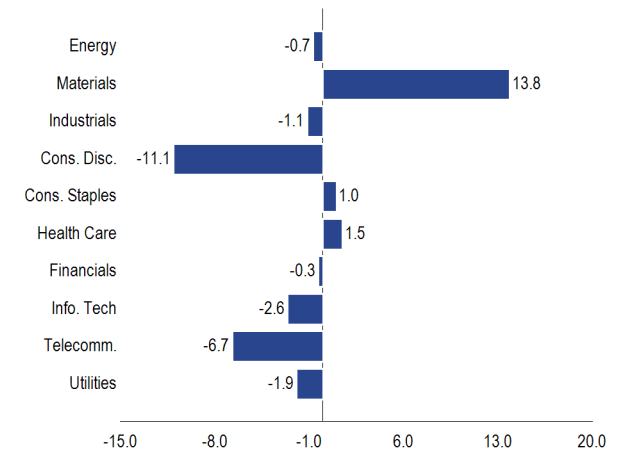
Sector Allocation (%) vs Russell 1000 Value for Separate Accounts
3 Months Ending December 31, 2015



Sector Returns (%) vs Russell 1000 Value for Separate Accounts
3 Months Ending December 31, 2015



Sector Excess Returns (%) vs Russell 1000 Value for Separate Accounts
3 Months Ending December 31, 2015



As of December 31, 2015

Account Information

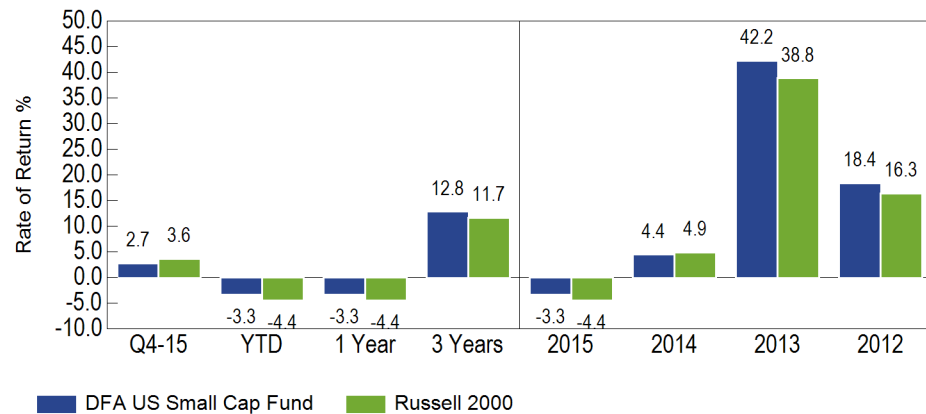
Account Name	DFA US Small Cap Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	4/01/92
Account Type	US Stock Small Cap Core
Benchmark	Russell 2000
Universe	Small Cap MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	DFA US Small Cap Fund	Russell 2000
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	15.56	15.47
Minimum Return	-21.91	-21.87
Annualized Return	10.49	9.19
Total Return	64.70	55.18
Annualized Excess Return Over Risk Free	10.45	9.14
Annualized Excess Return	1.31	0.00

Return Summary



RISK SUMMARY STATISTICS

Beta	0.98	1.00
Upside Deviation	9.52	9.49
Downside Deviation	16.03	16.17

RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	17.66	17.86
Alpha	0.33	0.00
Sharpe Ratio	0.59	0.51
Excess Return Over Market / Risk	0.07	0.00
Tracking Error	1.58	0.00
Information Ratio	0.83	--

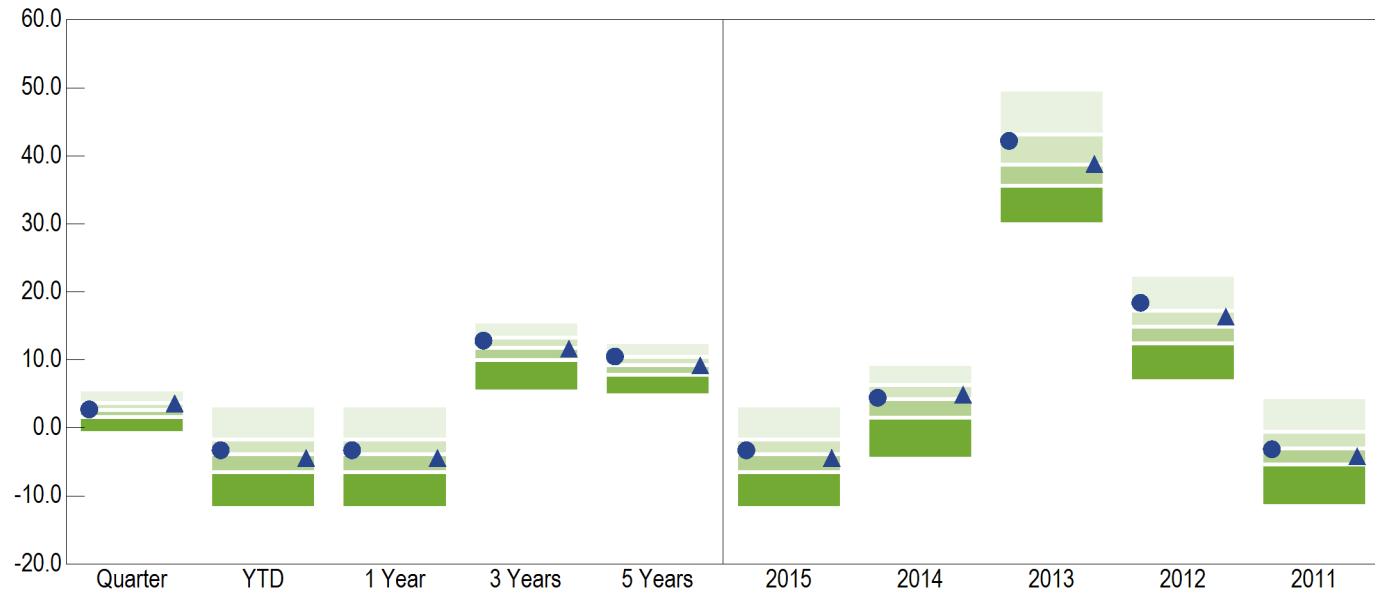
Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$3,844,310	\$4,082,740
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	\$104,277	-\$134,152
= Ending Market Value	\$3,948,588	\$3,948,588

CORRELATION STATISTICS

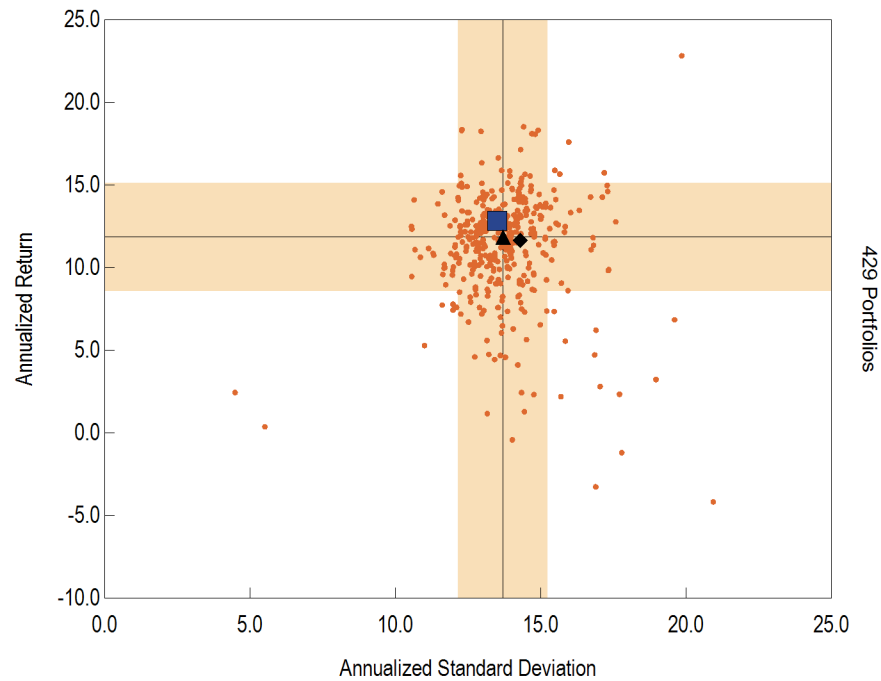
R-Squared	0.99	1.00
Correlation	1.00	1.00

DFA US Small Cap Fund vs. Small Cap MStar MF

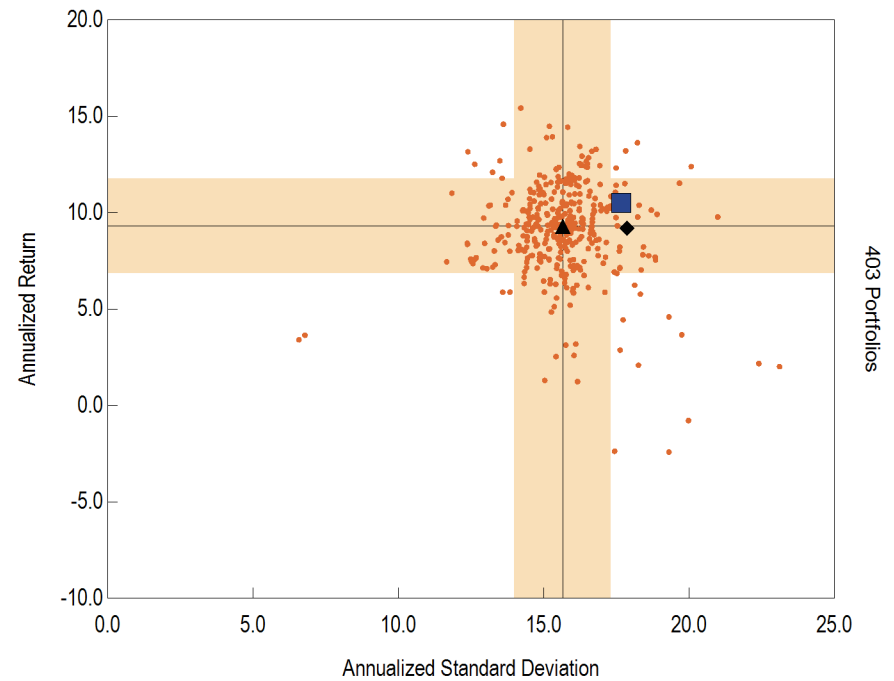


	Return (Rank)										
5th Percentile	5.6	3.2	3.2	15.6	12.5	3.2	9.4	49.7	22.5	4.4	
25th Percentile	3.7	-1.6	-1.6	13.3	10.5	-1.6	6.4	43.2	17.3	-0.6	
Median	2.7	-3.8	-3.8	11.9	9.3	-3.8	4.3	38.7	14.9	-3.0	
75th Percentile	1.6	-6.4	-6.4	10.0	7.8	-6.4	1.5	35.6	12.5	-5.3	
95th Percentile	-0.7	-11.7	-11.7	5.4	4.9	-11.7	-4.4	29.9	6.9	-11.4	
# of Portfolios	496	476	476	429	403	476	444	402	393	372	
● DFA US Small Cap Fund	2.7 (50)	-3.3 (42)	-3.3 (42)	12.8 (32)	10.5 (25)	-3.3 (42)	4.4 (49)	42.2 (32)	18.4 (18)	-3.1 (52)	
▲ Russell 2000	3.6 (29)	-4.4 (58)	-4.4 (58)	11.7 (54)	9.2 (54)	-4.4 (58)	4.9 (45)	38.8 (50)	16.3 (35)	-4.2 (64)	

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015

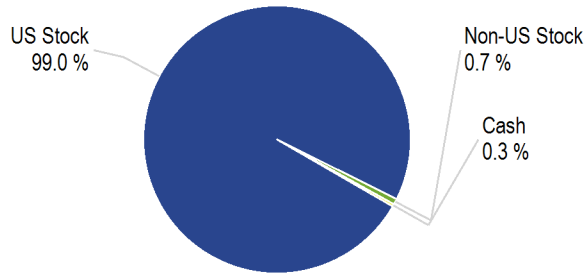


- DFA US Small Cap Fund
- ◆ Russell 2000
- ▲ Universe Median
- 68% Confidence Interval
- Small Cap MStar MF

- DFA US Small Cap Fund
- ◆ Russell 2000
- ▲ Universe Median
- 68% Confidence Interval
- Small Cap MStar MF

As of December 31, 2015

Mutual Fund Allocation as of 11/30/2015



Fund Information as of 11/30/2015

Fund Name	DFA US Small Cap Portfolio;Insti
Ticker	DFSTX
Category	Small Blend
Benchmark	Russell 2000
Expense Ratio	0.37%
Fund Assets (\$mm)	10,949.10
Share Class Inception Date	3/19/1992
Manager Tenure	4

Fund Characteristics as of 11/30/2015

Sharpe Ratio (3 Year)	
Average Market Cap (\$mm)	1,661.34
Price/Earnings	19.87
Price/Book	1.92
Price/Sales	0.93
Price/Cash Flow	8.33
Dividend Yield	1.36
Number of Equity Holdings	2,007
R-Squared (3 Year)	
Alpha (3 Year)	

Top Holdings as of 11/30/2015

MANHATTAN ASSOCIATES INC	0.38%
JETBLUE AIRWAYS CORP	0.36%
PIEDMONT NATURAL GAS CO	0.34%
STANCORP FINANCIAL GROUP INC	0.32%
BANK OF THE OZARKS INC	0.31%
INTEGRATED DEVICE TECHNOLOGY INC	0.31%
EURONET WORLDWIDE INC	0.30%
EPAM SYSTEMS INC	0.28%
HEALTH NET INC	0.28%
PBF ENERGY INC CLASS A	0.28%

Sector Allocation as of 11/30/2015

BASIC MATERIALS	5.76%
COMMUNICATION SERVICES	1.40%
CONSUMER CYCLICAL	16.98%
CONSUMER DEFENSIVE	5.28%
ENERGY	2.82%
FINANCIAL SERVICES	20.12%
HEALTHCARE	8.77%
INDUSTRIALS	17.76%
REAL ESTATE	0.54%
TECHNOLOGY	16.07%
UTILITIES	4.22%

As of December 31, 2015

Account Information

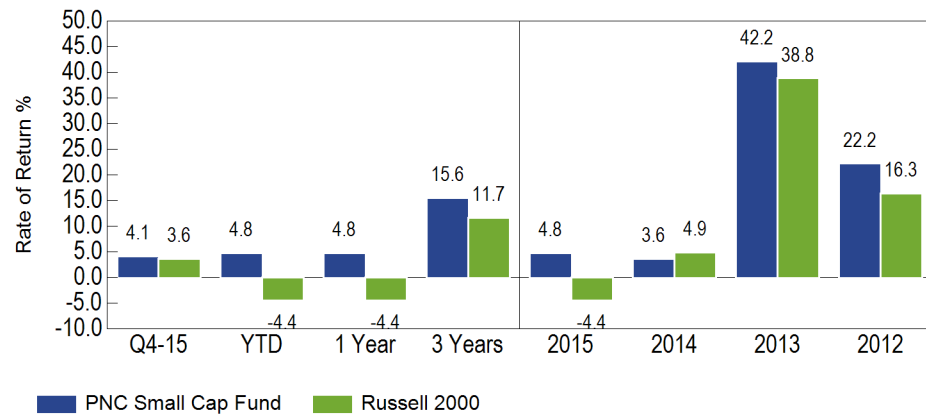
Account Name	PNC Small Cap Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	5/01/04
Account Type	US Stock Small Cap Core
Benchmark	Russell 2000
Universe	Small Cap MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	PNC Small Cap Fund	Russell 2000
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	17.78	15.47
Minimum Return	-18.46	-21.87
Annualized Return	13.94	9.19
Total Return	92.04	55.18
Annualized Excess Return Over Risk Free	13.89	9.14
Annualized Excess Return	4.75	0.00

Return Summary



RISK SUMMARY STATISTICS

	PNC Small Cap Fund	Russell 2000
Beta	0.91	1.00
Upside Deviation	10.34	9.49
Downside Deviation	14.22	16.17

RISK/RETURN SUMMARY STATISTICS

	PNC Small Cap Fund	Russell 2000
Annualized Standard Deviation	16.60	17.86
Alpha	1.26	0.00
Sharpe Ratio	0.84	0.51
Excess Return Over Market / Risk	0.29	0.00
Tracking Error	3.40	0.00
Information Ratio	1.40	--

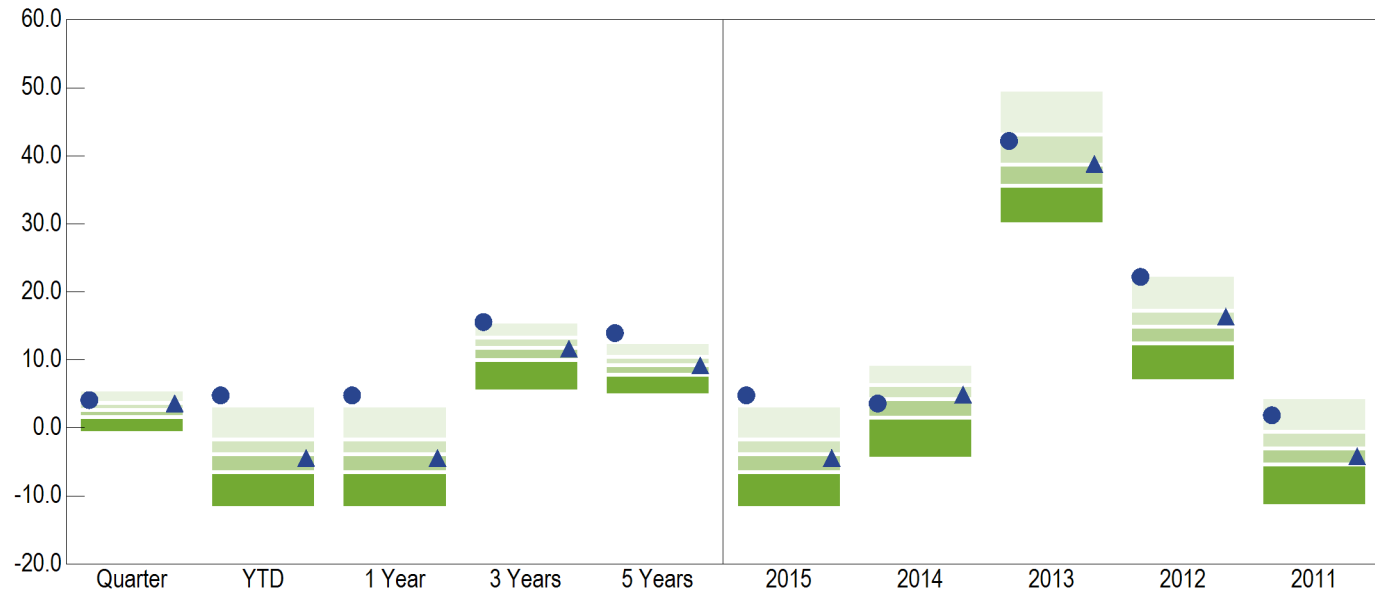
Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$5,119,963	\$5,086,184
- Withdrawals	\$0	\$0
+ Contributions	\$500,000	\$500,000
= Net Cash Flow	\$500,000	\$500,000
+ Net Investment Change	\$207,493	\$241,272
= Ending Market Value	\$5,827,456	\$5,827,456

CORRELATION STATISTICS

	PNC Small Cap Fund	Russell 2000
R-Squared	0.97	1.00
Correlation	0.98	1.00

PNC Small Cap Fund vs. Small Cap MStar MF

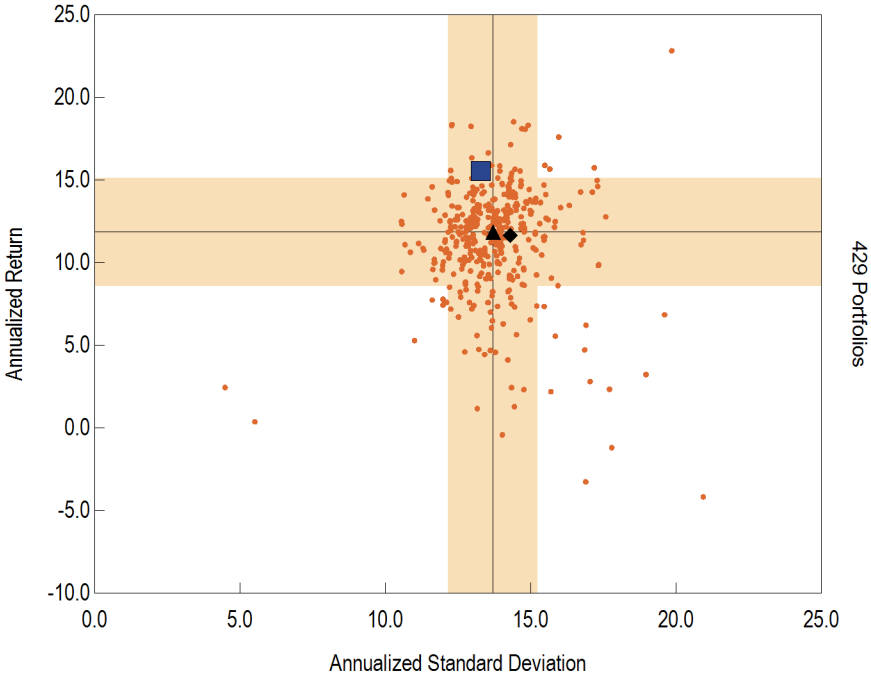


	Return (Rank)										
5th Percentile	5.6	3.2	3.2	15.6	12.5	3.2	9.4	49.7	22.5	4.4	
25th Percentile	3.7	-1.6	-1.6	13.3	10.5	-1.6	6.4	43.2	17.3	-0.6	
Median	2.7	-3.8	-3.8	11.9	9.3	-3.8	4.3	38.7	14.9	-3.0	
75th Percentile	1.6	-6.4	-6.4	10.0	7.8	-6.4	1.5	35.6	12.5	-5.3	
95th Percentile	-0.7	-11.7	-11.7	5.4	4.9	-11.7	-4.4	29.9	6.9	-11.4	
# of Portfolios	496	476	476	429	403	476	444	402	393	372	
● PNC Small Cap Fund	4.1 (20)	4.8 (3)	4.8 (3)	15.6 (6)	13.9 (2)	4.8 (3)	3.6 (59)	42.2 (33)	22.2 (6)	1.8 (11)	
▲ Russell 2000	3.6 (29)	-4.4 (58)	-4.4 (58)	11.7 (54)	9.2 (54)	-4.4 (58)	4.9 (45)	38.8 (50)	16.3 (35)	-4.2 (64)	

PNC Small Cap Fund

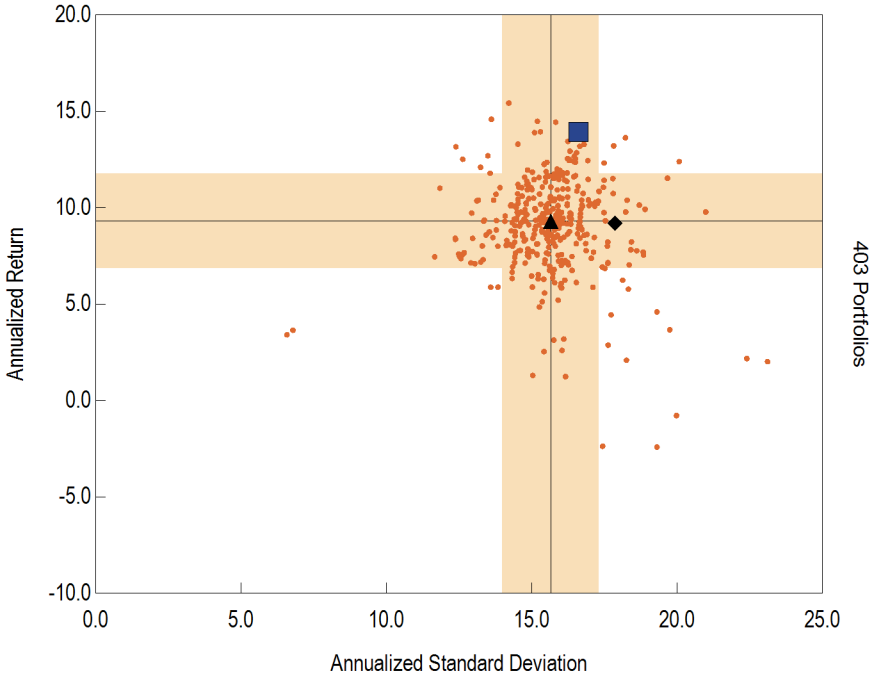
As of December 31, 2015

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



- PNC Small Cap Fund
- ◆ Russell 2000
- ▲ Universe Median
- 68% Confidence Interval
- Small Cap MStar MF

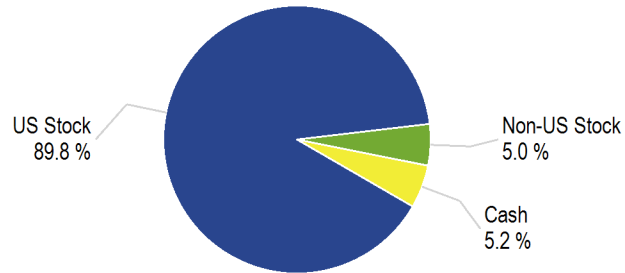
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015



- PNC Small Cap Fund
- ◆ Russell 2000
- ▲ Universe Median
- 68% Confidence Interval
- Small Cap MStar MF

As of December 31, 2015

Mutual Fund Allocation as of 11/30/2015



Fund Information as of 11/30/2015

Fund Name	PNC Small Cap Fund;I
Ticker	PPCIX
Category	Small Growth
Benchmark	Russell 2000
Expense Ratio	0.99%
Fund Assets (\$mm)	723.15
Share Class Inception Date	4/2/2004
Manager Tenure	12

Fund Characteristics as of 11/30/2015

Sharpe Ratio (3 Year)	
Average Market Cap (\$mm)	2,599.60
Price/Earnings	20.48
Price/Book	3.00
Price/Sales	1.16
Price/Cash Flow	10.16
Dividend Yield	0.52
Number of Equity Holdings	46
R-Squared (3 Year)	
Alpha (3 Year)	

Top Holdings as of 11/30/2015

BANK OF THE OZARKS INC	4.53%
MANHATTAN ASSOCIATES INC	4.46%
NATIONAL GENERAL HOLDINGS CORP	4.14%
AMTRUST FINANCIAL SERVICES INC	4.11%
EAGLE BANCORP INC	4.09%
OSI SYSTEMS INC	3.66%
CREDIT ACCEPTANCE CORP	3.41%
PRA GROUP INC	3.37%
NEOGEN CORP	3.23%
PAREXEL INTERNATIONAL CORP	2.75%

Sector Allocation as of 11/30/2015

BASIC MATERIALS	3.76%
COMMUNICATION SERVICES	0.00%
CONSUMER CYCLICAL	15.29%
CONSUMER DEFENSIVE	5.02%
ENERGY	1.95%
FINANCIAL SERVICES	28.22%
HEALTHCARE	5.98%
INDUSTRIALS	16.57%
REAL ESTATE	3.43%
TECHNOLOGY	14.61%
UTILITIES	0.00%

Wells Benson Small Cap Value

As of December 31, 2015

Account Information

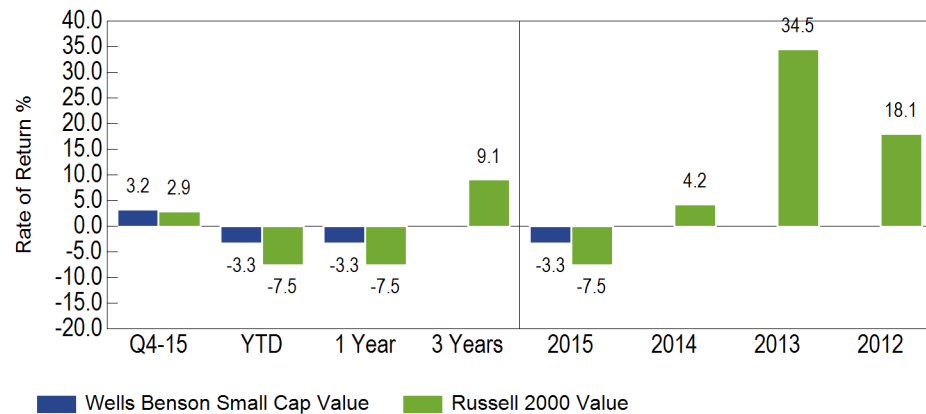
Account Name	Wells Benson Small Cap Value
Account Structure	Separate Account
Investment Style	Active
Inception Date	2/01/14
Account Type	US Stock Small Cap Value
Benchmark	Russell 2000 Value
Universe	US Small Cap Equity -Value

Risk/Return Statistics

April 01, 2014 Through December 31, 2015

	Wells Benson Small Cap Value	Russell 2000 Value
RETURN SUMMARY STATISTICS		
Number of Periods	7	7
Maximum Return	8.44	9.40
Minimum Return	-9.66	-10.73
Annualized Return	2.20	-3.03
Total Return	3.89	-5.25
Annualized Excess Return Over Risk Free	2.17	-3.07
Annualized Excess Return	5.24	0.00

Return Summary



RISK SUMMARY STATISTICS

	Wells Benson Small Cap Value	Russell 2000 Value
Beta	0.87	1.00
Upside Deviation	5.78	7.02
Downside Deviation	6.41	10.00

RISK/RETURN SUMMARY STATISTICS

	Wells Benson Small Cap Value	Russell 2000 Value
Annualized Standard Deviation	12.32	14.01
Alpha	1.19	0.00
Sharpe Ratio	0.18	-0.22
Excess Return Over Market / Risk	0.43	0.00
Tracking Error	2.75	0.00
Information Ratio	1.91	--

Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$4,987,703	\$5,353,661
- Withdrawals	-\$10,232	-\$42,310
+ Contributions	\$800,000	\$800,585
= Net Cash Flow	\$789,768	\$758,275
+ Net Investment Change	\$147,048	-\$187,416
= Ending Market Value	\$5,924,520	\$5,924,520

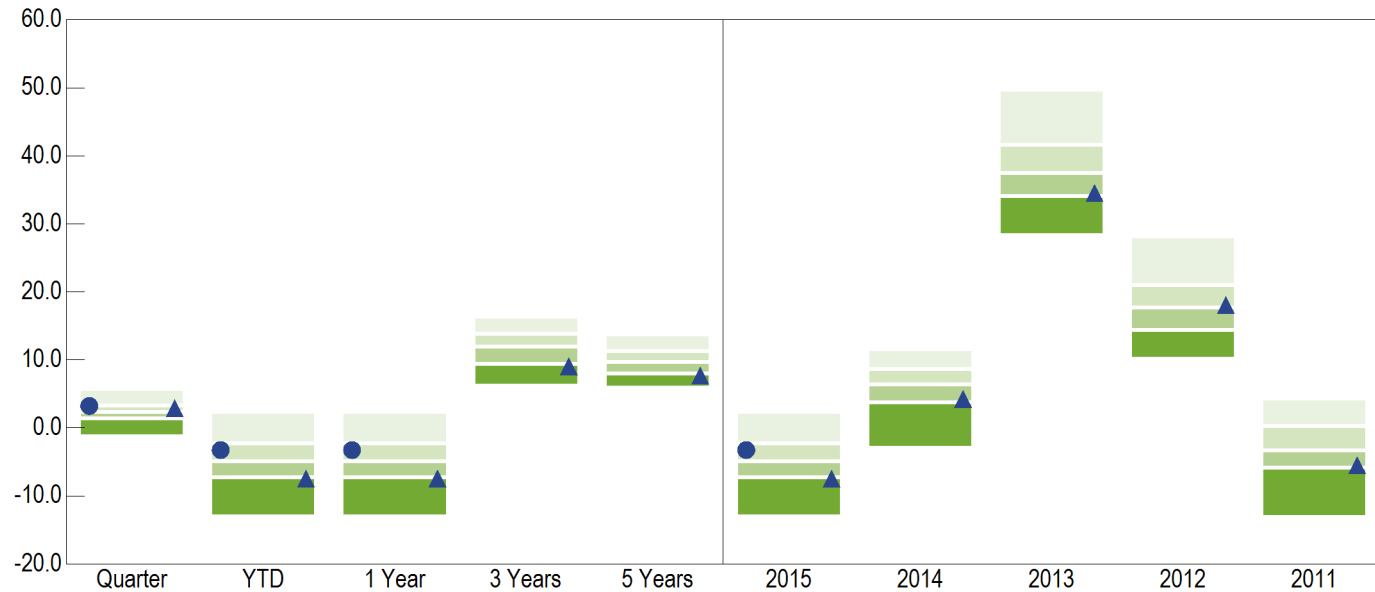
CORRELATION STATISTICS

	Wells Benson Small Cap Value	Russell 2000 Value
R-Squared	0.97	1.00
Correlation	0.99	1.00

Wells Benson Small Cap Value

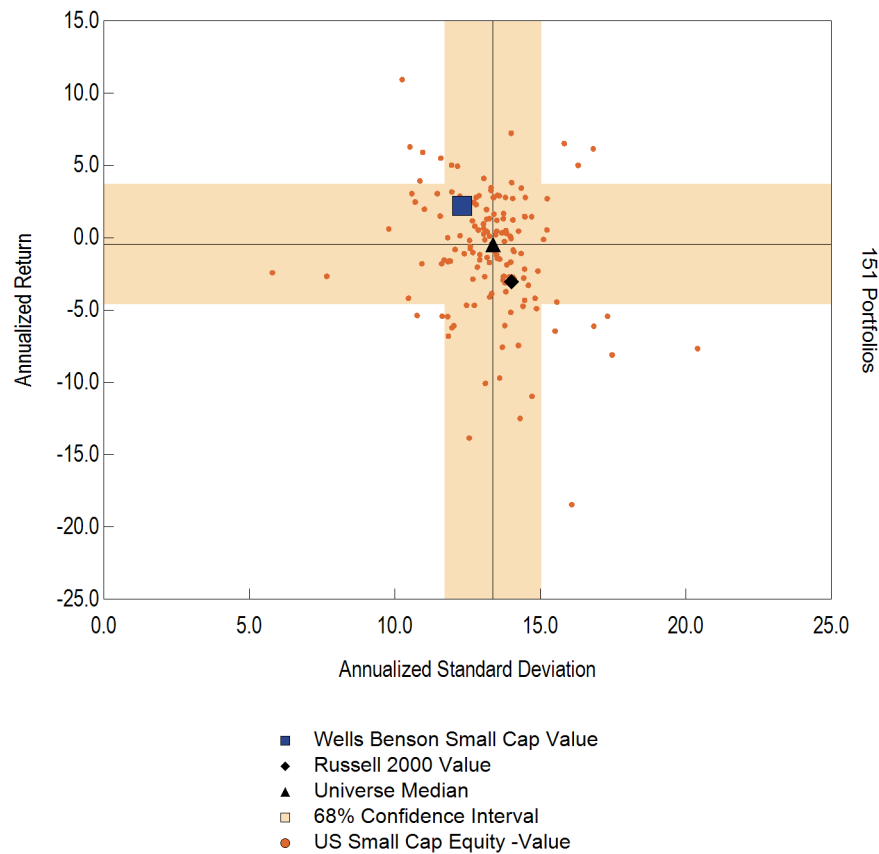
As of December 31, 2015

Wells Benson Small Cap Value vs. US Small Cap Equity -Value



	Return (Rank)										
5th Percentile	5.7	2.3	2.3	16.3	13.7	2.3	11.5	49.7	28.1	4.3	
25th Percentile	3.3	-2.2	-2.2	13.8	11.3	-2.2	8.7	41.6	21.0	0.3	
Median	2.4	-4.8	-4.8	12.0	9.7	-4.8	6.4	37.5	17.8	-3.3	
75th Percentile	1.5	-7.2	-7.2	9.4	8.0	-7.2	3.8	34.1	14.5	-5.8	
95th Percentile	-1.2	-13.0	-13.0	6.3	6.0	-13.0	-2.9	28.4	10.2	-13.1	
# of Portfolios	154	153	153	140	128	153	156	170	218	187	
● Wells Benson Small Cap Value	3.2 (30)	-3.3 (35)	-3.3 (35)	-- (--)	-- (--)	-3.3 (35)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)
▲ Russell 2000 Value	2.9 (38)	-7.5 (80)	-7.5 (80)	9.1 (82)	7.7 (82)	-7.5 (80)	4.2 (75)	34.5 (71)	18.1 (48)	-5.5 (72)	

Annualized Return vs. Annualized Standard Deviation
1 Year 9 Months Ending December 31, 2015

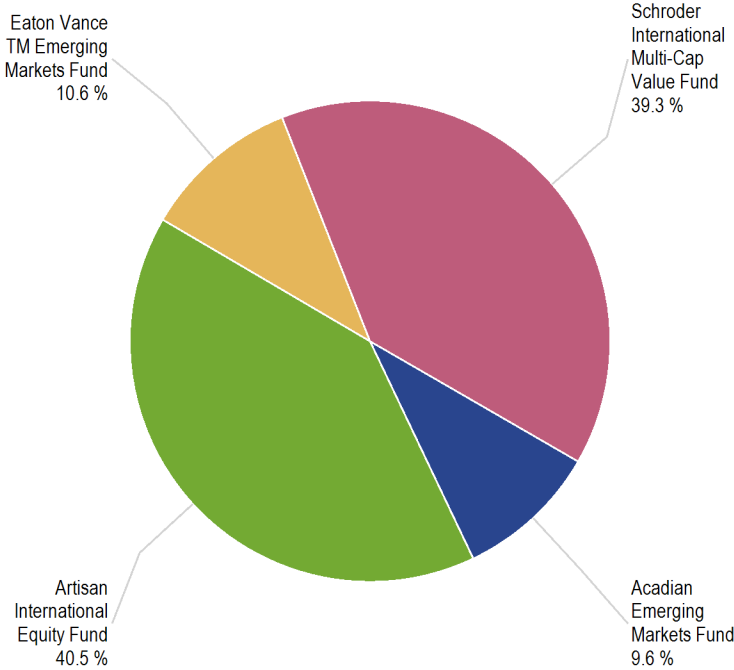


International Equity

Manager Allocation

As of December 31, 2015

Current Allocation



Asset Allocation on December 31, 2015

	Actual \$	Actual %
Acadian Emerging Markets Fund	\$4,928,341	9.6%
Artisan International Equity Fund	\$20,852,948	40.5%
Eaton Vance TM Emerging Markets Fund	\$5,470,768	10.6%
Schroder International Multi-Cap Value Fund	\$20,273,959	39.3%
Total	\$51,526,016	100.0%

As of December 31, 2015

Account Information

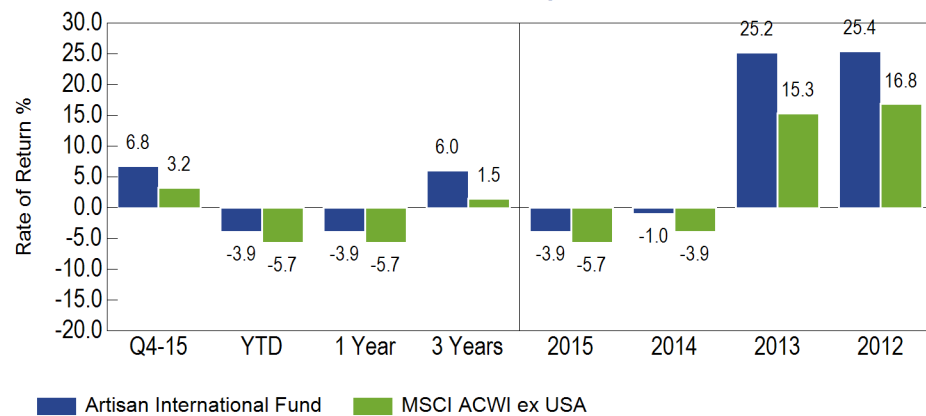
Account Name	Artisan International Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	1/01/96
Account Type	International Large Stocks
Benchmark	MSCI ACWI ex USA
Universe	Foreign Large Blend MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Artisan International Fund	MSCI ACWI ex USA
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	15.48	11.23
Minimum Return	-20.41	-19.85
Annualized Return	6.75	1.06
Total Return	38.60	5.41
Annualized Excess Return Over Risk Free	6.70	1.01
Annualized Excess Return	5.69	0.00

Return Summary



RISK SUMMARY STATISTICS

	Artisan International Fund	MSCI ACWI ex USA
Beta	1.06	1.00
Upside Deviation	7.54	6.61
Downside Deviation	15.20	12.77

RISK/RETURN SUMMARY STATISTICS

	Artisan International Fund	MSCI ACWI ex USA
Annualized Standard Deviation	16.43	15.01
Alpha	1.40	0.00
Sharpe Ratio	0.41	0.07
Excess Return Over Market / Risk	0.35	0.00
Tracking Error	4.40	0.00
Information Ratio	1.29	--

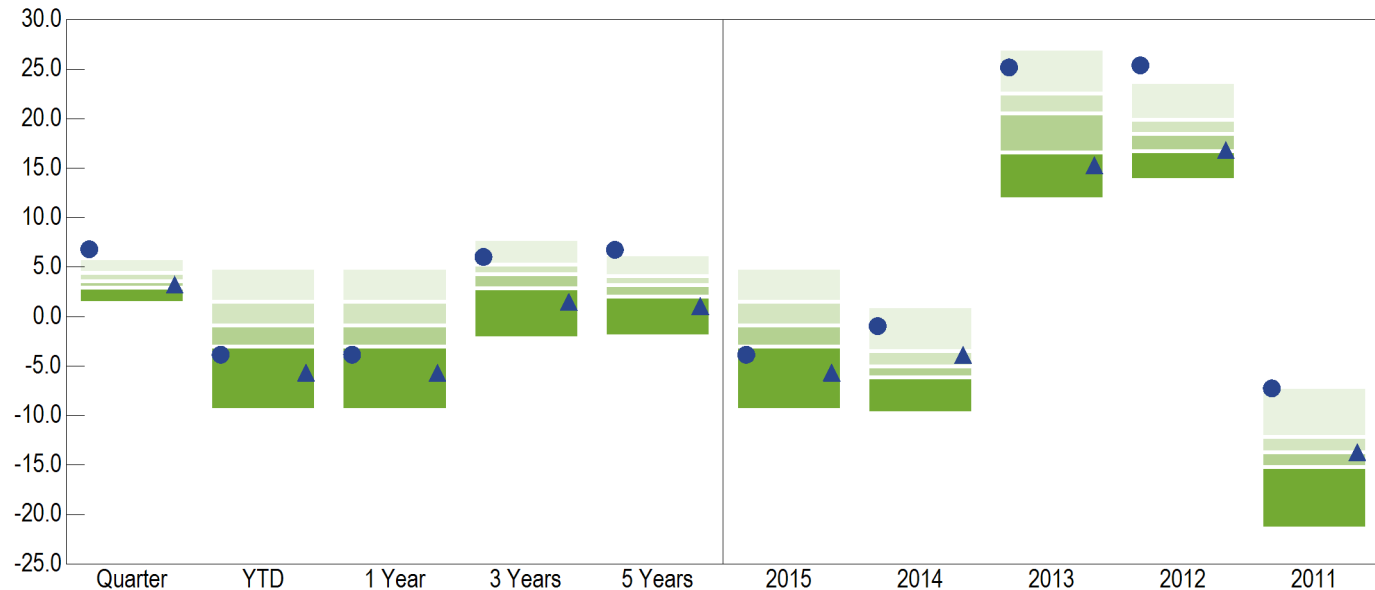
Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$19,054,147	\$21,166,564
- Withdrawals	\$0	\$0
+ Contributions	\$500,000	\$500,000
= Net Cash Flow	\$500,000	\$500,000
+ Net Investment Change	\$1,298,801	-\$813,616
= Ending Market Value	\$20,852,948	\$20,852,948

CORRELATION STATISTICS

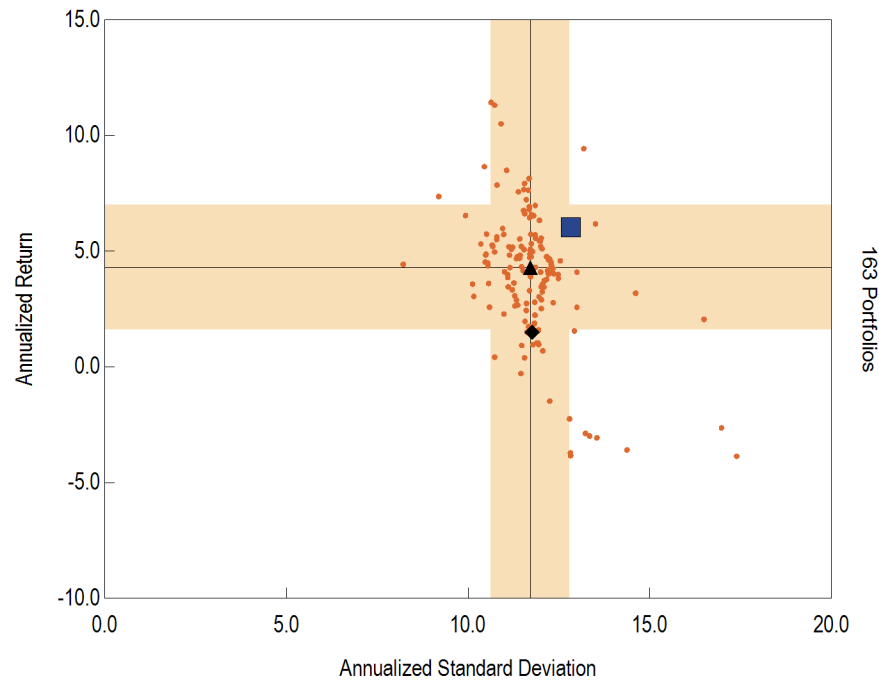
	Artisan International Fund	MSCI ACWI ex USA
R-Squared	0.93	1.00
Correlation	0.96	1.00

Artisan International Fund vs. Foreign Large Blend MStar MF



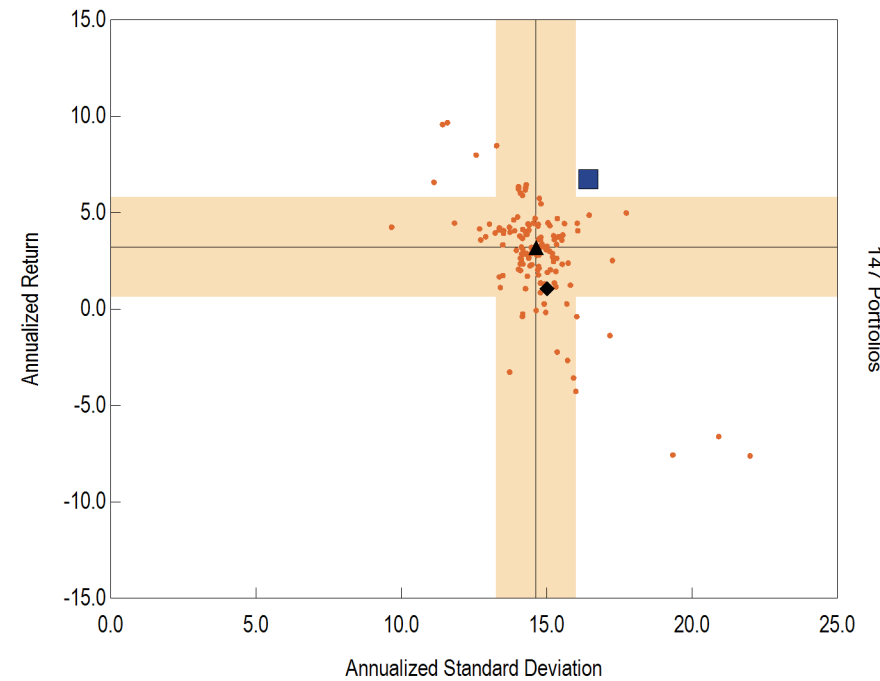
	Return (Rank)										
5th Percentile	5.9	4.9	4.9	7.8	6.3	4.9	1.0	27.1	23.7	-7.2	
25th Percentile	4.4	1.6	1.6	5.3	4.1	1.6	-3.5	22.6	19.9	-12.2	
Median	3.6	-0.9	-0.9	4.3	3.2	-0.9	-5.0	20.6	18.5	-13.7	
75th Percentile	3.0	-3.0	-3.0	2.9	2.1	-3.0	-6.1	16.6	16.8	-15.2	
95th Percentile	1.4	-9.4	-9.4	-2.2	-2.0	-9.4	-9.7	11.9	13.9	-21.4	
# of Portfolios	187	176	176	163	147	176	169	174	159	160	
● Artisan International Fund	6.8 (2)	-3.9 (81)	-3.9 (81)	6.0 (16)	6.7 (3)	-3.9 (81)	-1.0 (12)	25.2 (11)	25.4 (3)	-7.3 (6)	
▲ MSCI ACWI ex USA	3.2 (65)	-5.7 (90)	-5.7 (90)	1.5 (89)	1.1 (88)	-5.7 (90)	-3.9 (29)	15.3 (80)	16.8 (75)	-13.7 (52)	

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



- Artisan International Fund
- ◆ MSCI ACWI ex USA
- ▲ Universe Median
- 68% Confidence Interval
- Foreign Large Blend MStar MF

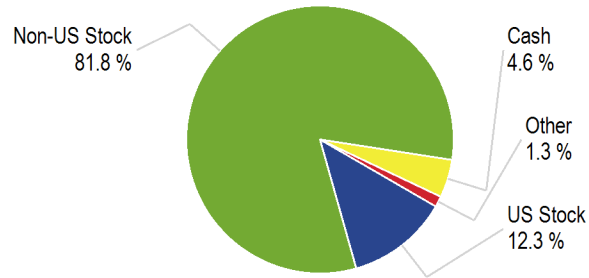
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015



- Artisan International Fund
- ◆ MSCI ACWI ex USA
- ▲ Universe Median
- 68% Confidence Interval
- Foreign Large Blend MStar MF

As of December 31, 2015

Mutual Fund Allocation as of 12/31/2015



Fund Information as of 12/31/2015

Fund Name	Artisan International Mutual Fun
Ticker	ARTIX
Category	Foreign Large Growth
Benchmark	MSCI ACWI ex USA
Expense Ratio	1.17%
Fund Assets (\$mm)	10,297.51
Share Class Inception Date	12/28/1995
Manager Tenure	20

Top Holdings as of 12/31/2015

MEDTRONIC PLC	4.98%
BAYER AG	4.34%
BAIDU INC ADR	3.85%
AIA GROUP LTD	3.63%
NESTLE SA	2.94%
ROCHE HOLDING AG DIVIDEND RIGHT CERT.	2.87%
TENCENT HOLDINGS LTD	2.85%
SYNGENTA AG	2.62%
LIBERTY GLOBAL PLC CLASS C	2.61%
DELPHI AUTOMOTIVE PLC	2.46%

Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	0.47
Average Market Cap (\$mm)	39,775.23
Price/Earnings	19.80
Price/Book	2.91
Price/Sales	2.07
Price/Cash Flow	10.72
Dividend Yield	1.75
Number of Equity Holdings	66
R-Squared (3 Year)	0.89
Alpha (3 Year)	1.12%

Sector Allocation as of 12/31/2015

BASIC MATERIALS	5.56%
COMMUNICATION SERVICES	6.64%
CONSUMER CYCLICAL	13.77%
CONSUMER DEFENSIVE	11.13%
ENERGY	0.00%
FINANCIAL SERVICES	9.34%
HEALTHCARE	21.57%
INDUSTRIALS	6.46%
REAL ESTATE	0.98%
TECHNOLOGY	13.92%
UTILITIES	0.00%

Top Regions as of 12/31/2015

EUROZONE	23.33%
UNITED KINGDOM	17.30%
EUROPE EXEURO	14.35%
UNITED STATES	11.93%
JAPAN	9.26%

Top Countries as of 12/31/2015

United Kingdom	17.30%
Switzerland	12.19%
United States	11.93%
Germany	11.65%
Japan	9.26%
China	6.86%
France	5.16%
Hong Kong	3.63%
Belgium	2.38%
India	2.19%

Schroder Int'l Multi-Cap Value Fund

As of December 31, 2015

Account Information

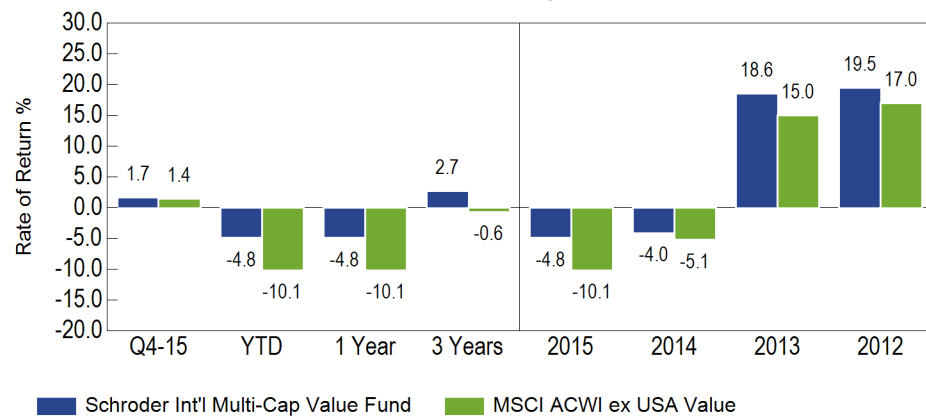
Account Name	Schroder Int'l Multi-Cap Value Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	8/30/06
Account Type	Non-US Stock Developed
Benchmark	MSCI ACWI ex USA Value
Universe	Foreign Value MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Schroder Int'l Multi-Cap Value Fund	MSCI ACWI ex USA Value
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	12.37	11.36
Minimum Return	-19.14	-19.54
Annualized Return	2.53	-0.06
Total Return	13.32	-0.31
Annualized Excess Return Over Risk Free	2.49	-0.11
Annualized Excess Return	2.59	0.00

Return Summary



RISK SUMMARY STATISTICS

	Schroder Int'l Multi-Cap Value Fund	MSCI ACWI ex USA Value
Beta	0.96	1.00
Upside Deviation	7.14	7.17
Downside Deviation	11.70	13.19

RISK/RETURN SUMMARY STATISTICS

	Schroder Int'l Multi-Cap Value Fund	MSCI ACWI ex USA Value
Annualized Standard Deviation	14.99	15.49
Alpha	0.63	0.00
Sharpe Ratio	0.17	-0.01
Excess Return Over Market / Risk	0.17	0.00
Tracking Error	1.80	0.00
Information Ratio	1.44	--

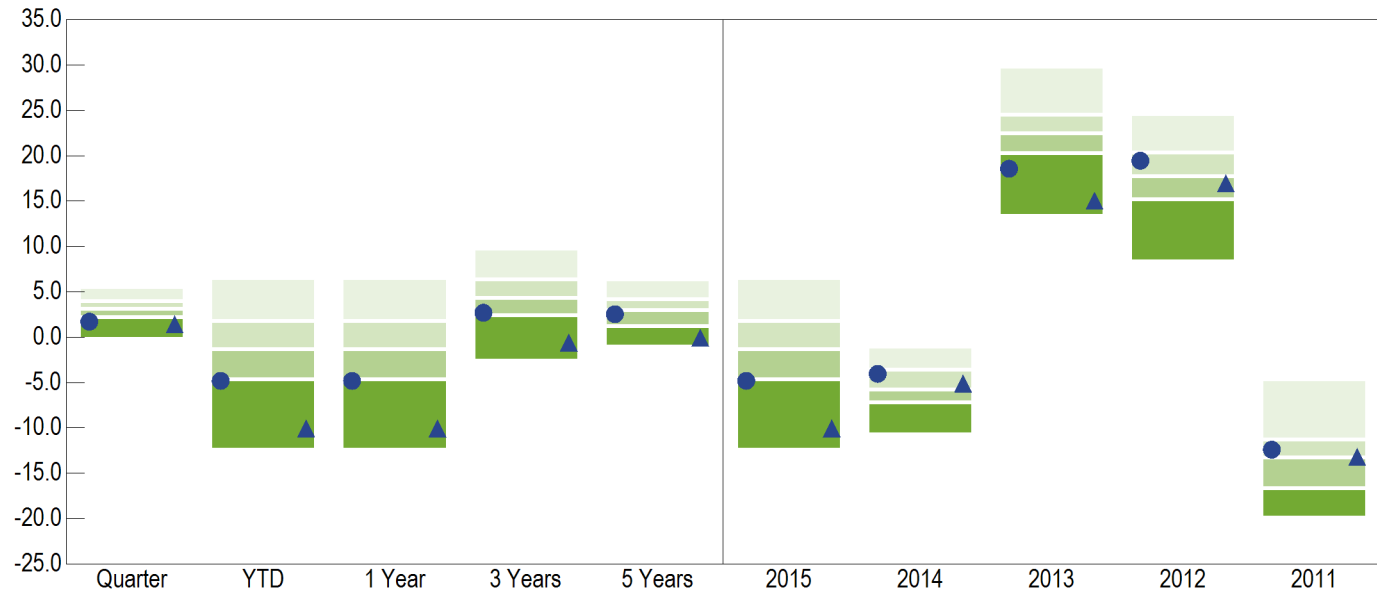
Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$17,455,475	--
- Withdrawals	\$0	\$0
+ Contributions	\$2,500,000	\$21,450,000
= Net Cash Flow	\$2,500,000	\$21,450,000
+ Net Investment Change	\$318,485	-\$1,176,041
= Ending Market Value	\$20,273,959	\$20,273,959

CORRELATION STATISTICS

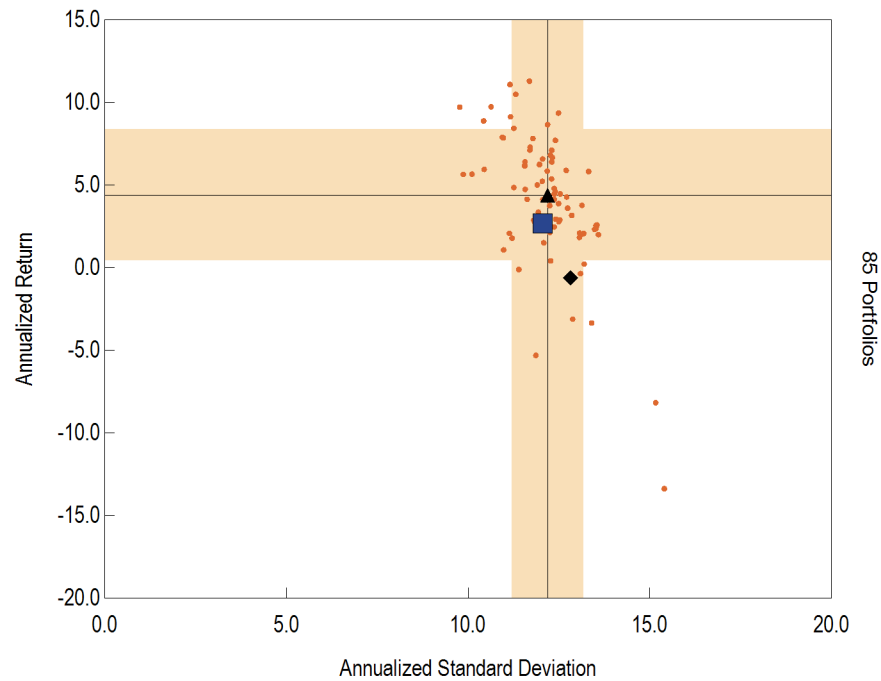
	Schroder Int'l Multi-Cap Value Fund	MSCI ACWI ex USA Value
R-Squared	0.99	1.00
Correlation	0.99	1.00

Schroder Int'l Multi-Cap Value Fund vs. Foreign Value MStar MF



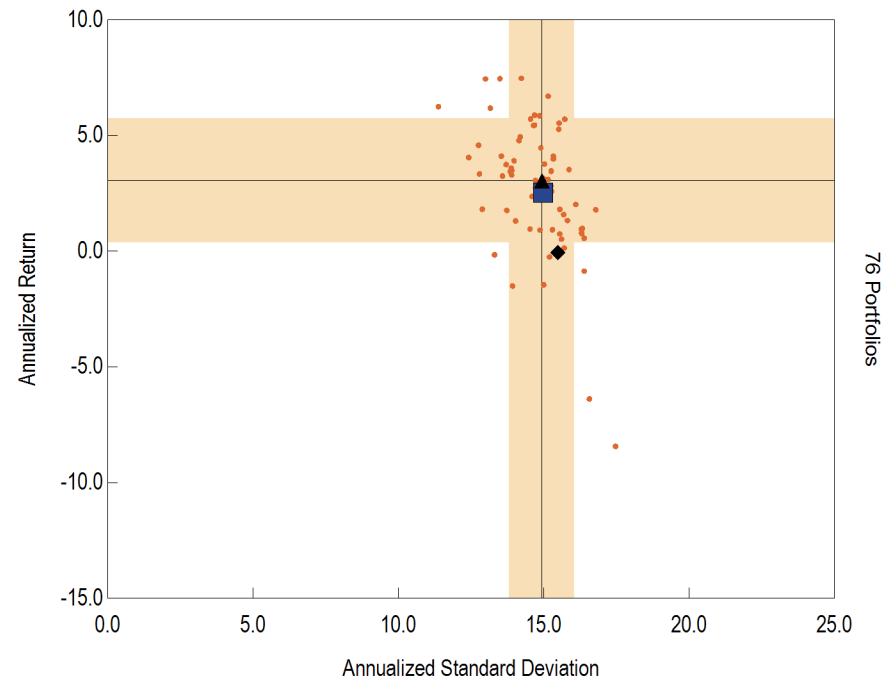
	Return (Rank)									
	Quarter	YTD	1 Year	3 Years	5 Years	2015	2014	2013	2012	2011
5th Percentile	5.5	6.5	6.5	9.7	6.4	6.5	-1.1	29.8	24.5	-4.7
25th Percentile	4.0	1.8	1.8	6.4	4.2	1.8	-3.6	24.6	20.4	-11.3
Median	3.2	-1.3	-1.3	4.4	3.1	-1.3	-5.7	22.5	17.8	-13.2
75th Percentile	2.2	-4.6	-4.6	2.5	1.2	-4.6	-7.1	20.3	15.3	-16.6
95th Percentile	-0.1	-12.4	-12.4	-2.6	-1.0	-12.4	-10.7	13.4	8.4	-19.8
# of Portfolios	99	96	96	85	76	96	89	83	94	91
● Schroder Int'l Multi-Cap Value Fund	1.7 (84)	-4.8 (78)	-4.8 (78)	2.7 (71)	2.5 (62)	-4.8 (78)	-4.0 (30)	18.6 (83)	19.5 (32)	-12.4 (43)
▲ MSCI ACWI ex USA Value	1.4 (86)	-10.1 (94)	-10.1 (94)	-0.6 (95)	-0.1 (92)	-10.1 (94)	-5.1 (44)	15.0 (92)	17.0 (59)	-13.2 (50)

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



- Schroder Int'l Multi-Cap Value Fund
- ◆ MSCI ACWI ex USA Value
- ▲ Universe Median
- 68% Confidence Interval
- Foreign Value MStar MF

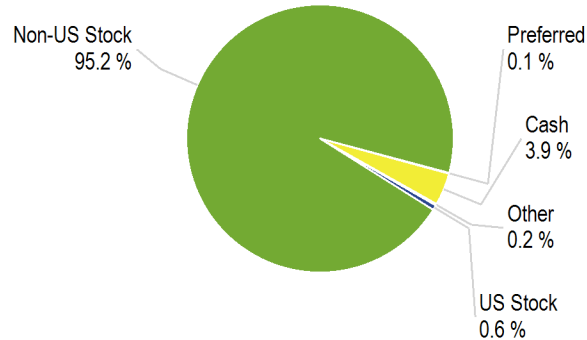
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015



- Schroder Int'l Multi-Cap Value Fund
- ◆ MSCI ACWI ex USA Value
- ▲ Universe Median
- 68% Confidence Interval
- Foreign Value MStar MF

As of December 31, 2015

Mutual Fund Allocation as of 09/30/2015



Fund Information as of 09/30/2015

Fund Name	SCHRODER INTERNATIONAL MULTI-CAP VAL INV
Ticker	SIDNX
Category	Foreign Large Value
Benchmark	MSCI ACWI ex USA Value
Expense Ratio	0.90%
Fund Assets (\$mm)	212.68
Share Class Inception Date	8/30/2006
Manager Tenure	9

Top Holdings as of 09/30/2015

MINI MSCI EAFE DEC 15	2.88%
HSBC HOLDINGS PLC	0.91%
ROYAL DUTCH SHELL PLC CLASS A	0.85%
NESTLE SA	0.78%
GLAXOSMITHKLINE PLC	0.72%
KDDI CORP	0.71%
ROCHE HOLDING AG DIVIDEND RIGHT CERT.	0.69%
BASF SE	0.67%
LAWSON INC	0.67%
STATOIL ASA	0.67%

Fund Characteristics as of 09/30/2015

Sharpe Ratio (3 Year)	0.34
Average Market Cap (\$mm)	8,674.52
Price/Earnings	11.77
Price/Book	1.26
Price/Sales	0.89
Price/Cash Flow	4.40
Dividend Yield	4.59
Number of Equity Holdings	897
R-Squared (3 Year)	0.98
Alpha (3 Year)	0.81%

Sector Allocation as of 09/30/2015

BASIC MATERIALS	9.60%
COMMUNICATION SERVICES	7.87%
CONSUMER CYCLICAL	13.76%
CONSUMER DEFENSIVE	6.40%
ENERGY	6.68%
FINANCIAL SERVICES	15.44%
HEALTHCARE	5.98%
INDUSTRIALS	14.89%
REAL ESTATE	2.99%
TECHNOLOGY	6.74%
UTILITIES	2.56%

Top Regions as of 09/30/2015

EUROZONE	20.23%
UNITED KINGDOM	15.40%
JAPAN	13.86%
EUROPE EXEURO	12.19%
ASIA DEVELOPED	10.35%

Top Countries as of 09/30/2015

United Kingdom	15.40%
Japan	13.86%
France	5.51%
Germany	4.85%
Sweden	4.67%
Switzerland	4.60%
Australia	3.96%
China	3.69%
Taiwan	3.47%
Finland	3.25%

Acadian Emerging Markets Fund

As of December 31, 2015

Account Information

Account Name	Acadian Emerging Markets Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	7/01/93
Account Type	International Emerging Stocks
Benchmark	MSCI Emerging Markets
Universe	Diversified Emerging Mkts MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

Acadian Emerging Markets Fund MSCI Emerging Markets

RETURN SUMMARY STATISTICS

Number of Periods	20	20
Maximum Return	16.72	14.08
Minimum Return	-22.53	-22.56
Annualized Return	-4.51	-4.80
Total Return	-20.62	-21.82
Annualized Excess Return Over Risk Free	-4.56	-4.85
Annualized Excess Return	0.29	0.00

RISK SUMMARY STATISTICS

Beta	1.02	1.00
Upside Deviation	9.84	7.91
Downside Deviation	15.70	15.60

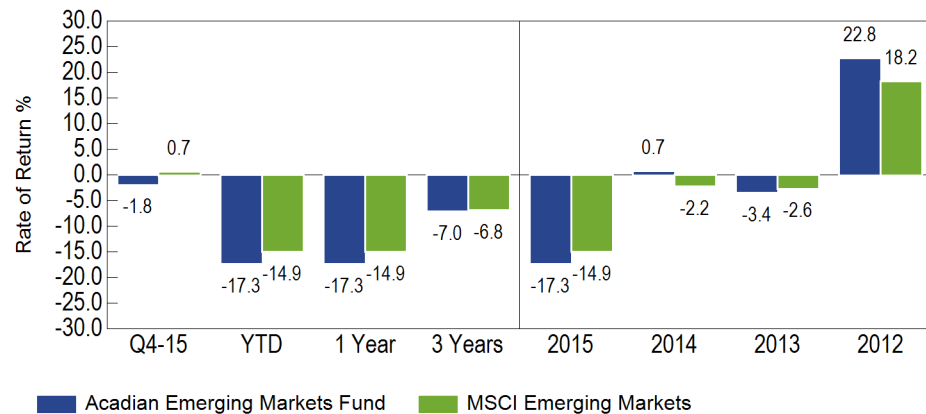
RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	17.69	17.14
Alpha	0.11	0.00
Sharpe Ratio	-0.26	-0.28
Excess Return Over Market / Risk	0.02	0.00
Tracking Error	3.03	0.00
Information Ratio	0.10	--

CORRELATION STATISTICS

R-Squared	0.97	1.00
Correlation	0.99	1.00

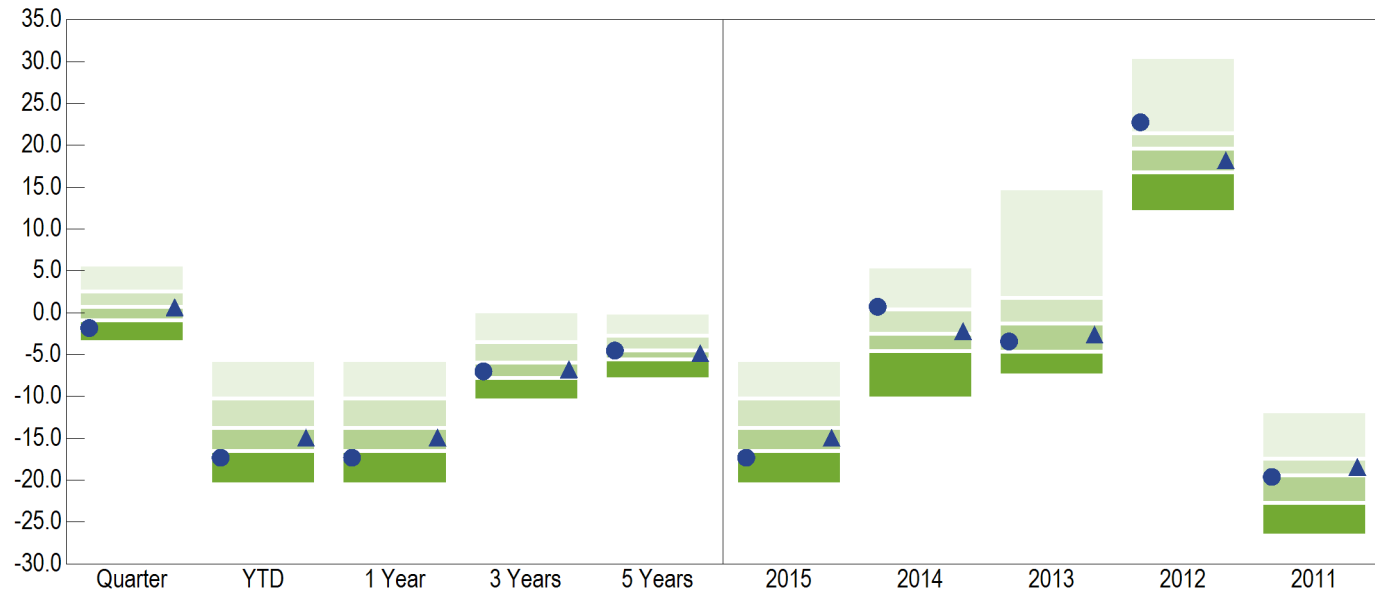
Return Summary



Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$5,020,168	\$5,960,226
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	-\$91,827	-\$1,031,885
= Ending Market Value	\$4,928,341	\$4,928,341

Acadian Emerging Markets Fund vs. Diversified Emerging Mkts MStar MF

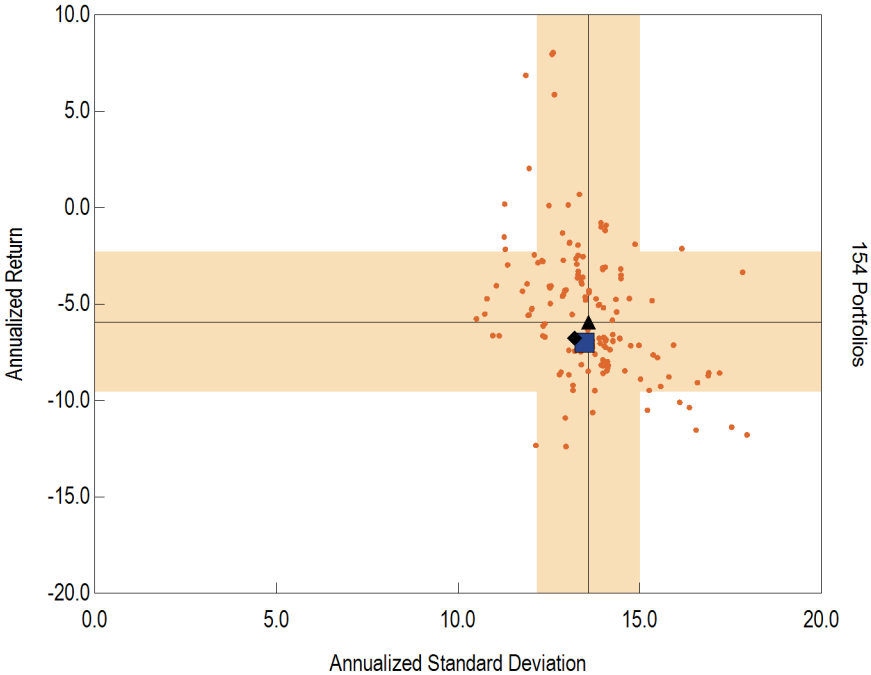


	Return (Rank)									
	Quarter	YTD	1 Year	3 Years	5 Years	2015	2014	2013	2012	2011
5th Percentile	5.7	-5.7	-5.7	0.2	0.0	-5.7	5.5	14.8	30.5	-11.8
25th Percentile	2.6	-10.2	-10.2	-3.5	-2.7	-10.2	0.4	1.8	21.5	-17.4
Median	0.8	-13.7	-13.7	-5.9	-4.4	-13.7	-2.4	-1.3	19.6	-19.4
75th Percentile	-0.8	-16.5	-16.5	-7.7	-5.5	-16.5	-4.5	-4.6	16.8	-22.7
95th Percentile	-3.4	-20.5	-20.5	-10.4	-7.9	-20.5	-10.2	-7.4	12.1	-26.6
# of Portfolios	214	206	206	154	111	206	182	145	123	100
● Acadian Emerging Markets Fund	-1.8 (89)	-17.3 (82)	-17.3 (82)	-7.0 (64)	-4.5 (53)	-17.3 (82)	0.7 (22)	-3.4 (69)	22.8 (18)	-19.6 (53)
▲ MSCI Emerging Markets	0.7 (52)	-14.9 (62)	-14.9 (62)	-6.8 (57)	-4.8 (67)	-14.9 (62)	-2.2 (49)	-2.6 (59)	18.2 (67)	-18.4 (36)

Acadian Emerging Markets Fund

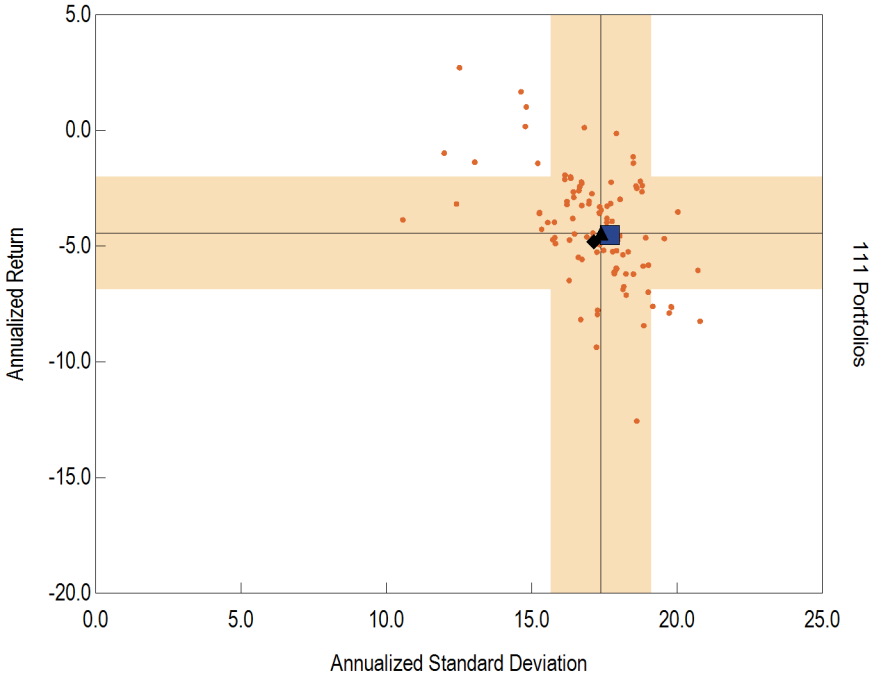
As of December 31, 2015

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



- Acadian Emerging Markets Fund
- ◆ MSCI Emerging Markets
- ▲ Universe Median
- 68% Confidence Interval
- Diversified Emerging Mkts MStar MF

Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015

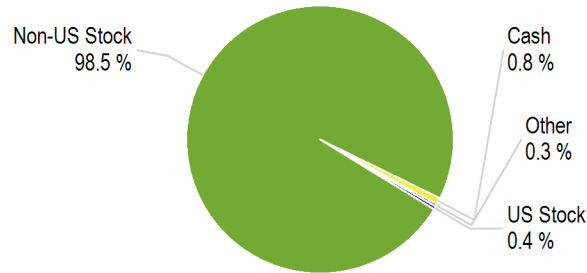


- Acadian Emerging Markets Fund
- ◆ MSCI Emerging Markets
- ▲ Universe Median
- 68% Confidence Interval
- Diversified Emerging Mkts MStar MF

Acadian Emerging Markets Fund

As of December 31, 2015

Mutual Fund Allocation as of 11/30/2015



Fund Information as of 11/30/2015

Fund Name	Acadian Emerging Markets Portfol
Ticker	AEMGX
Category	Diversified Emerging Mkts
Benchmark	MSCI Emerging Markets
Expense Ratio	1.50%
Fund Assets (\$mm)	1,516.62
Share Class Inception Date	6/17/1993
Manager Tenure	23

Top Holdings as of 11/30/2015

SAMSUNG ELECTRONICS CO LTD	5.48%
BANK OF CHINA LTD. H SHARES	2.26%
HON HAI PRECISION IND CO LTD	2.23%
CHINA MOBILE LTD	2.06%
NETEASE INC ADR	1.70%
FIRSTRAND LTD	1.63%
FUBON FINANCIAL HOLDINGS CO LTD	1.58%
CHINA CONSTRUCTION BANK CORP H SHARES	1.54%
PEGATRON CORP	1.51%
TENAGA NASIONAL BHD	1.51%

Fund Characteristics as of 11/30/2015

Sharpe Ratio (3 Year)	
Average Market Cap (\$mm)	11,248.83
Price/Earnings	9.17
Price/Book	1.21
Price/Sales	0.65
Price/Cash Flow	3.59
Dividend Yield	3.45
Number of Equity Holdings	482
R-Squared (3 Year)	
Alpha (3 Year)	

Sector Allocation as of 11/30/2015

BASIC MATERIALS	7.09%
COMMUNICATION SERVICES	9.00%
CONSUMER CYCLICAL	9.83%
CONSUMER DEFENSIVE	5.47%
ENERGY	7.18%
FINANCIAL SERVICES	21.60%
HEALTHCARE	2.99%
INDUSTRIALS	6.42%
REAL ESTATE	1.00%
TECHNOLOGY	22.20%
UTILITIES	6.11%

Top Regions as of 11/30/2015

ASIA EMERGING	40.45%
ASIA DEVELOPED	31.20%
LATIN AMERICA	13.39%
EUROPE EMERGING	7.01%
AFRICA	5.59%

Top Countries as of 11/30/2015

South Korea	19.09%
China	18.97%
India	13.31%
Taiwan	12.12%
Brazil	8.80%
South Africa	5.43%
Turkey	4.18%
Thailand	3.66%
Mexico	3.00%
Malaysia	2.37%

Eaton Vance TM Emerging Markets Fund

As of December 31, 2015

Account Information

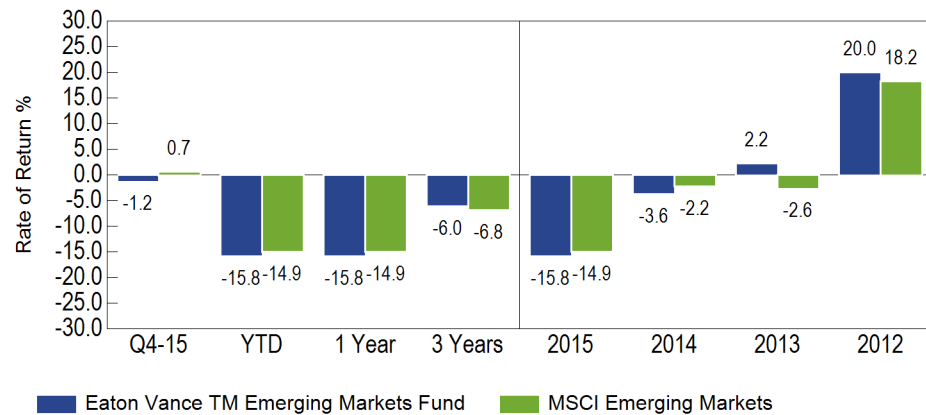
Account Name	Eaton Vance TM Emerging Markets Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	6/30/98
Account Type	Non-US Stock Emerging
Benchmark	MSCI Emerging Markets
Universe	Diversified Emerging Mkts MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Eaton Vance TM Emerging Markets Fund	MSCI Emerging Markets
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	14.78	14.08
Minimum Return	-20.93	-22.56
Annualized Return	-3.97	-4.80
Total Return	-18.35	-21.82
Annualized Excess Return Over Risk Free	-4.02	-4.85
Annualized Excess Return	0.83	0.00

Return Summary



RISK SUMMARY STATISTICS

	Eaton Vance TM Emerging Markets Fund	MSCI Emerging Markets
Beta	0.90	1.00
Upside Deviation	8.32	7.91
Downside Deviation	14.30	15.60

RISK/RETURN SUMMARY STATISTICS

	Eaton Vance TM Emerging Markets Fund	MSCI Emerging Markets
Annualized Standard Deviation	15.82	17.14
Alpha	0.07	0.00
Sharpe Ratio	-0.25	-0.28
Excess Return Over Market / Risk	0.05	0.00
Tracking Error	3.57	0.00
Information Ratio	0.23	--

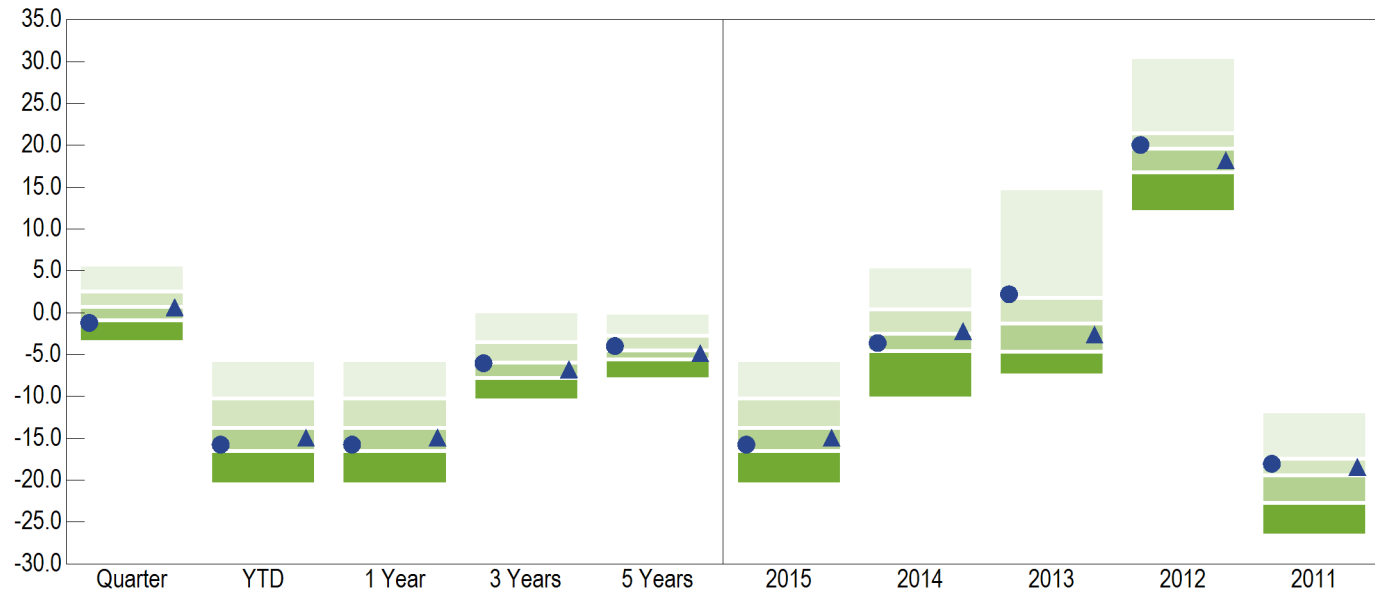
Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$5,537,677	\$6,493,762
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	-\$66,909	-\$1,022,994
= Ending Market Value	\$5,470,768	\$5,470,768

CORRELATION STATISTICS

	Eaton Vance TM Emerging Markets Fund	MSCI Emerging Markets
R-Squared	0.96	1.00
Correlation	0.98	1.00

Eaton Vance TM Emerging Markets Fund vs. Diversified Emerging Mkts MStar MF

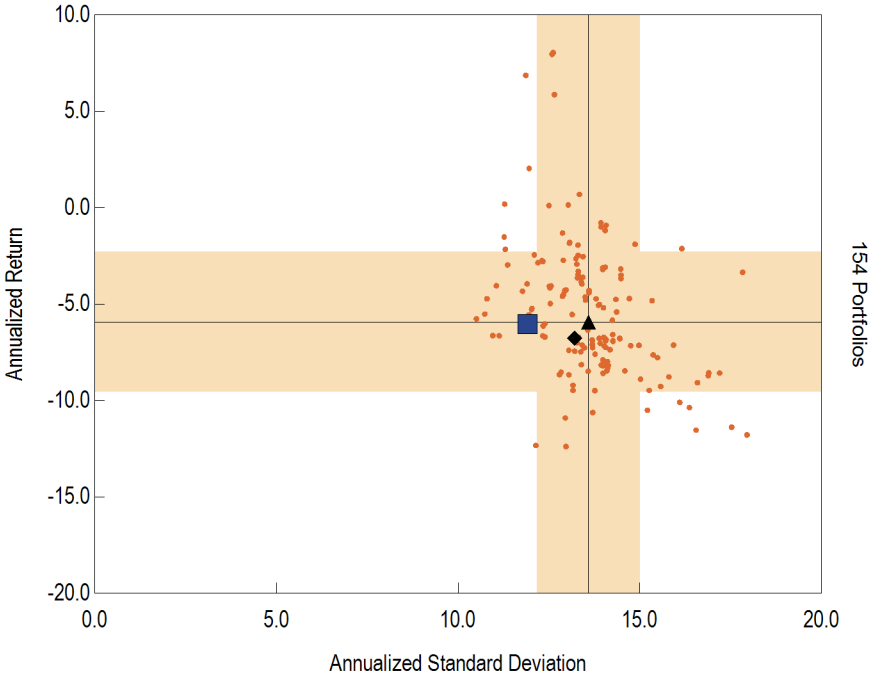


	Return (Rank)									
	Quarter	YTD	1 Year	3 Years	5 Years	2015	2014	2013	2012	2011
5th Percentile	5.7	-5.7	-5.7	0.2	0.0	-5.7	5.5	14.8	30.5	-11.8
25th Percentile	2.6	-10.2	-10.2	-3.5	-2.7	-10.2	0.4	1.8	21.5	-17.4
Median	0.8	-13.7	-13.7	-5.9	-4.4	-13.7	-2.4	-1.3	19.6	-19.4
75th Percentile	-0.8	-16.5	-16.5	-7.7	-5.5	-16.5	-4.5	-4.6	16.8	-22.7
95th Percentile	-3.4	-20.5	-20.5	-10.4	-7.9	-20.5	-10.2	-7.4	12.1	-26.6
# of Portfolios	214	206	206	154	111	206	182	145	123	100
● Eaton Vance TM Emerging Markets Fund	-1.2 (79)	-15.8 (69)	-15.8 (69)	-6.0 (51)	-4.0 (47)	-15.8 (69)	-3.6 (61)	2.2 (23)	20.0 (44)	-18.0 (33)
▲ MSCI Emerging Markets	0.7 (52)	-14.9 (62)	-14.9 (62)	-6.8 (57)	-4.8 (67)	-14.9 (62)	-2.2 (49)	-2.6 (59)	18.2 (67)	-18.4 (36)

Eaton Vance TM Emerging Markets Fund

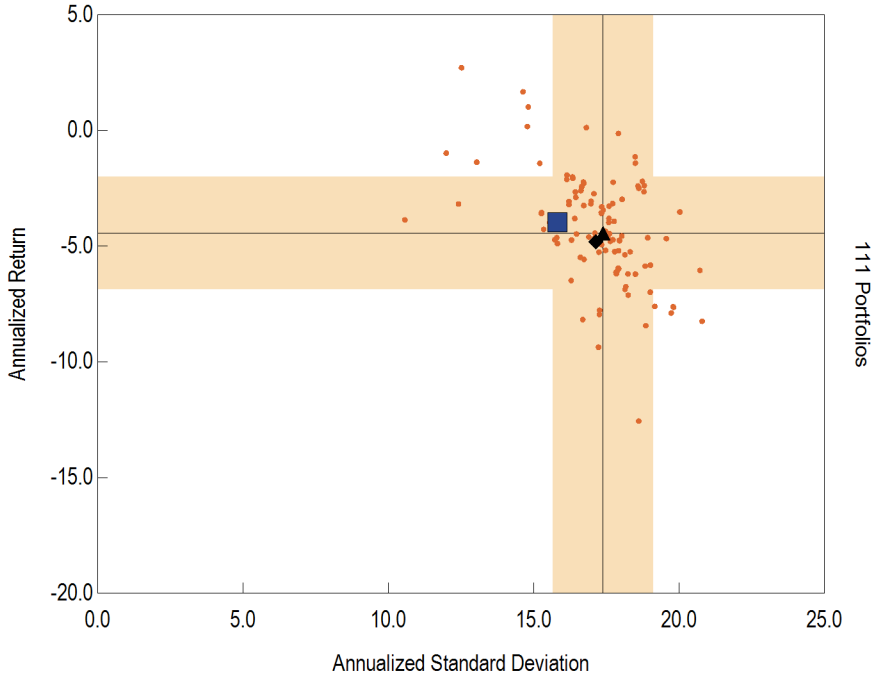
As of December 31, 2015

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



- Eaton Vance TM Emerging Markets Fund
- ◆ MSCI Emerging Markets
- ▲ Universe Median
- 68% Confidence Interval
- Diversified Emerging Mkts MStar MF

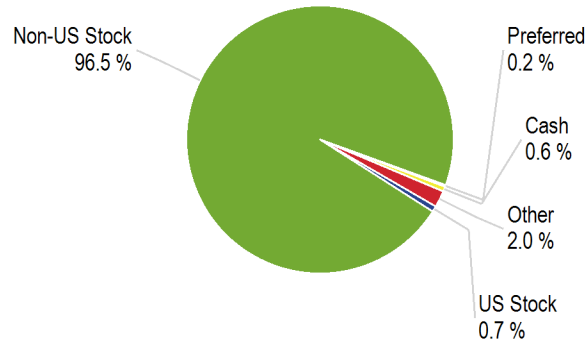
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015



- Eaton Vance TM Emerging Markets Fund
- ◆ MSCI Emerging Markets
- ▲ Universe Median
- 68% Confidence Interval
- Diversified Emerging Mkts MStar MF

As of December 31, 2015

Mutual Fund Allocation as of 11/30/2015



Fund Information as of 11/30/2015

Fund Name	Parametric Tax-Managed Emerg Mkt
Ticker	EITEX
Category	Diversified Emerging Mkts
Benchmark	MSCI Emerging Markets
Expense Ratio	0.95%
Fund Assets (\$mm)	2,928.26
Share Class Inception Date	6/30/1998
Manager Tenure	9

Top Holdings as of 11/30/2015

CHINA MOBILE LTD	1.03%
AMERICA MOVIL SAB DE CV CLASS L	1.01%
NASPERS LTD CLASS N	0.78%
TENCENT HOLDINGS LTD	0.73%
MTN GROUP LTD	0.72%
MAGNIT PJSC	0.66%
OTP BANK PLC	0.65%
GAZPROM PJSC ADR	0.64%
GRUPO TELEVISION SAB CPO TERMS:25 SHS-A- + 35 SHS-L- + 35 SHS-D- + 22 SH-B-	0.63%
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	0.63%

Fund Characteristics as of 11/30/2015

Sharpe Ratio (3 Year)	
Average Market Cap (\$mm)	6,040.04
Price/Earnings	11.70
Price/Book	1.23
Price/Sales	0.89
Price/Cash Flow	4.04
Dividend Yield	3.49
Number of Equity Holdings	1,512
R-Squared (3 Year)	
Alpha (3 Year)	

Sector Allocation as of 11/30/2015

BASIC MATERIALS	10.01%
COMMUNICATION SERVICES	9.60%
CONSUMER CYCLICAL	9.55%
CONSUMER DEFENSIVE	9.79%
ENERGY	8.03%
FINANCIAL SERVICES	20.21%
HEALTHCARE	3.70%
INDUSTRIALS	8.71%
REAL ESTATE	2.41%
TECHNOLOGY	8.39%
UTILITIES	5.70%

Top Regions as of 11/30/2015

ASIA EMERGING	31.10%
LATIN AMERICA	17.02%
EUROPE EMERGING	15.66%
ASIA DEVELOPED	12.13%
AFRICA	10.76%

Top Countries as of 11/30/2015

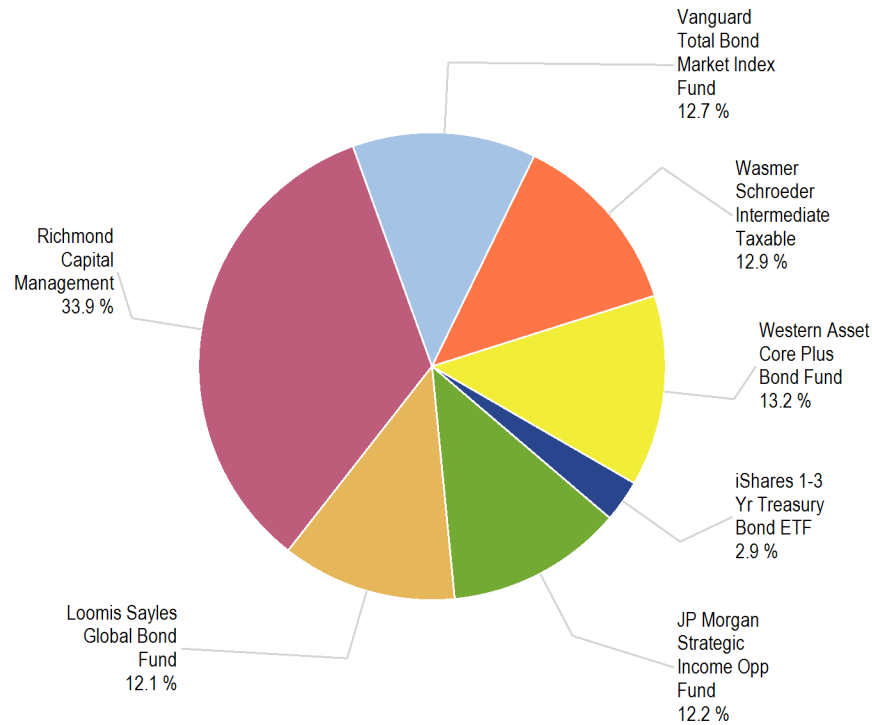
China	9.38%
India	6.31%
Mexico	6.31%
Taiwan	6.08%
South Korea	6.01%
South Africa	5.93%
Russia	5.72%
Brazil	4.94%
Philippines	3.08%
Malaysia	3.03%

Fixed Income

Manager Allocation

As of December 31, 2015

Current Allocation



Asset Allocation on December 31, 2015

	Actual \$	Actual %
iShares 1-3 Yr Treasury Bond ETF	\$4,491,326	2.9%
JP Morgan Strategic Income Opp Fund	\$18,936,949	12.2%
Loomis Sayles Global Bond Fund	\$18,759,393	12.1%
Richmond Capital Management	\$52,436,585	33.9%
Vanguard Total Bond Market Index Fund	\$19,654,778	12.7%
Wasmer Schroeder Intermediate Taxable	\$20,002,593	12.9%
Western Asset Core Plus Bond Fund	\$20,341,445	13.2%
Total	\$154,623,069	100.0%

iShares 1-3 Yr Treasury Bond ETF

As of December 31, 2015

Account Information

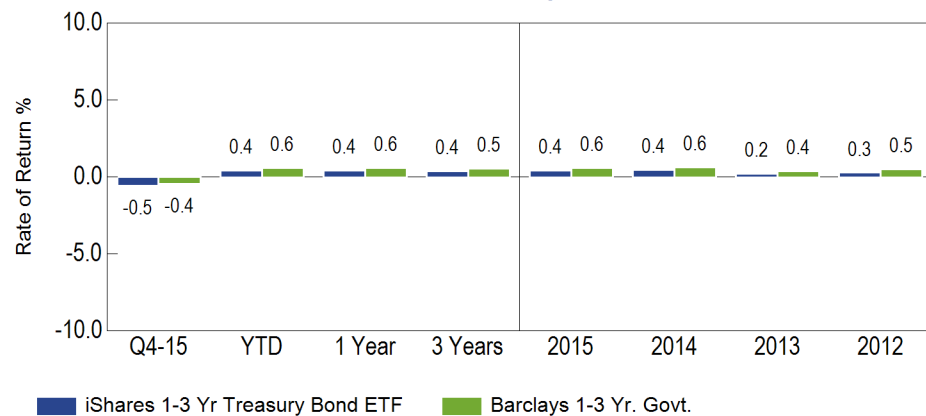
Account Name	iShares 1-3 Yr Treasury Bond ETF
Account Structure	Other
Investment Style	Passive
Inception Date	7/22/02
Account Type	US Fixed Income Treasury
Benchmark	Barclays 1-3 Yr. Govt.
Universe	Short Government MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	iShares 1-3 Yr Treasury Bond ETF	Barclays 1-3 Yr. Govt.
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	0.90	0.81
Minimum Return	-0.55	-0.43
Annualized Return	0.56	0.73
Total Return	2.83	3.70
Annualized Excess Return Over Risk Free	0.51	0.68
Annualized Excess Return	-0.17	0.00

Return Summary



RISK SUMMARY STATISTICS

	iShares 1-3 Yr Treasury Bond ETF	Barclays 1-3 Yr. Govt.
Beta	1.18	1.00
Upside Deviation	0.49	0.40
Downside Deviation	0.41	0.43

RISK/RETURN SUMMARY STATISTICS

	iShares 1-3 Yr Treasury Bond ETF	Barclays 1-3 Yr. Govt.
Annualized Standard Deviation	0.61	0.51
Alpha	-0.07	0.00
Sharpe Ratio	0.85	1.34
Excess Return Over Market / Risk	-0.28	0.00
Tracking Error	0.13	0.00
Information Ratio	-1.32	--

Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	--	--
- Withdrawals	\$0	\$0
+ Contributions	\$4,499,967	\$4,499,967
= Net Cash Flow	\$4,499,967	\$4,499,967
+ Net Investment Change	-\$8,641	-\$8,641
= Ending Market Value	\$4,491,326	\$4,491,326

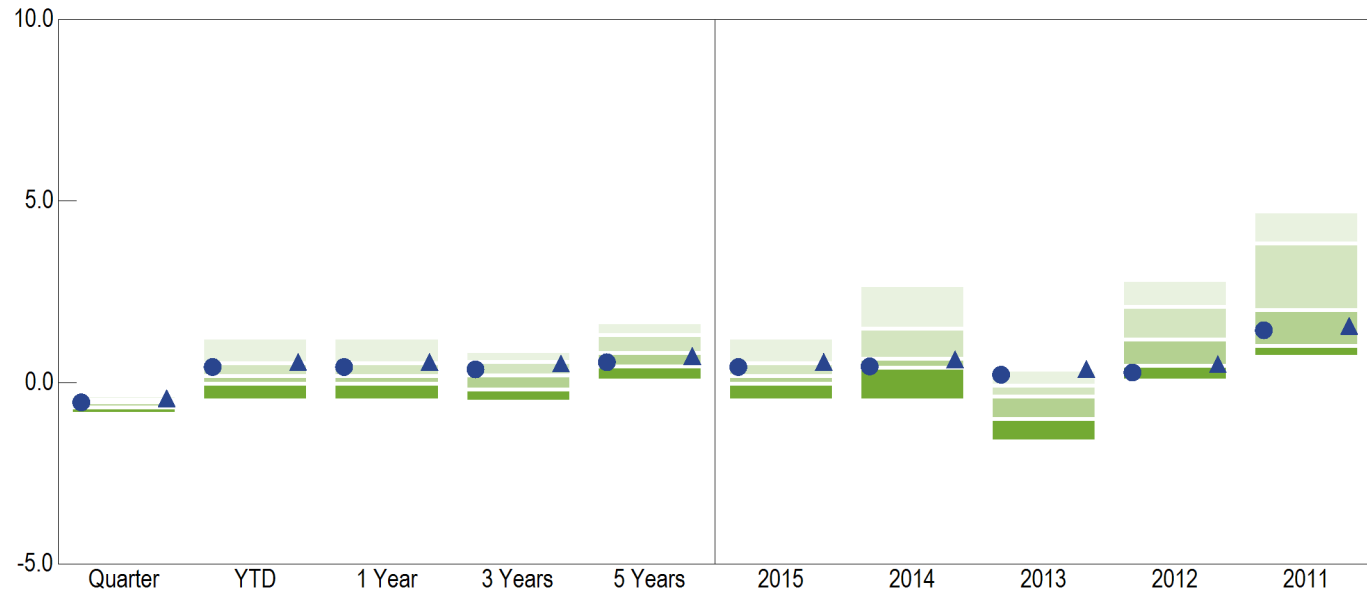
CORRELATION STATISTICS

	iShares 1-3 Yr Treasury Bond ETF	Barclays 1-3 Yr. Govt.
R-Squared	0.98	1.00
Correlation	0.99	1.00

iShares 1-3 Yr Treasury Bond ETF

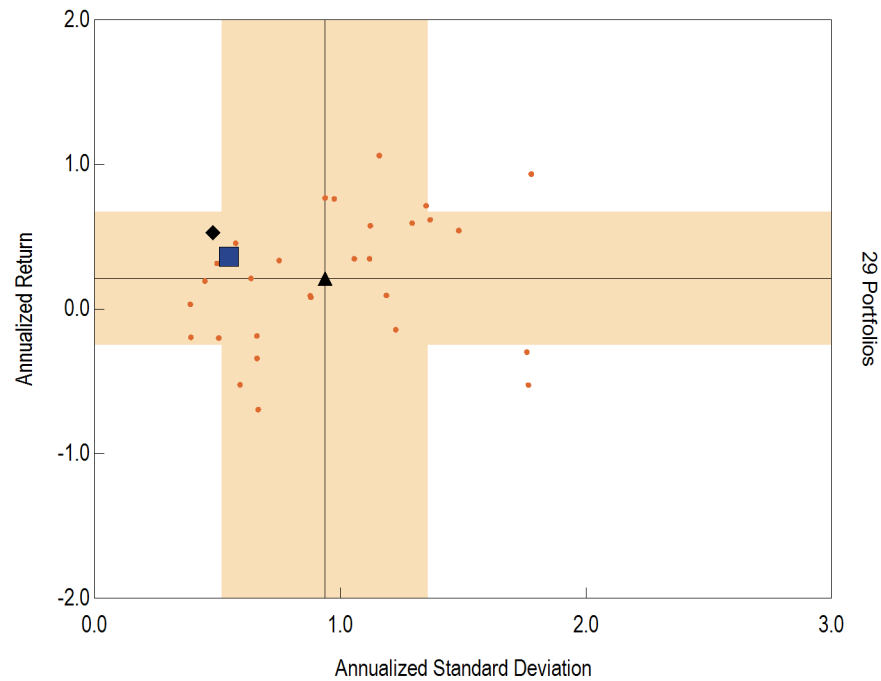
As of December 31, 2015

iShares 1-3 Yr Treasury Bond ETF vs. Short Government MStar MF

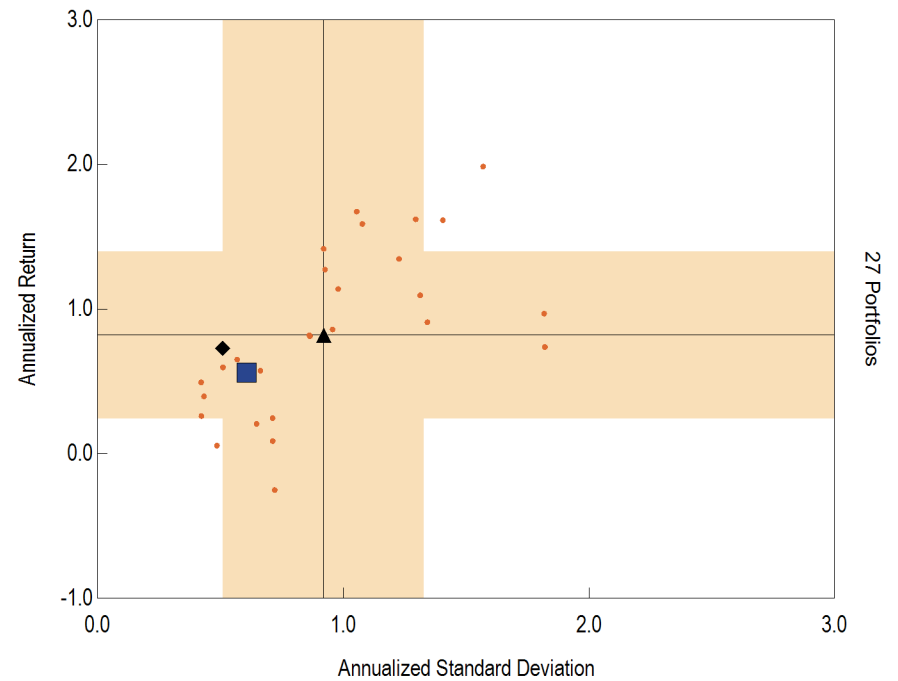


	Return (Rank)									
5th Percentile	-0.4	1.2	1.2	0.9	1.7	1.2	2.7	0.4	2.8	4.7
25th Percentile	-0.5	0.5	0.5	0.6	1.3	0.5	1.5	-0.1	2.1	3.8
Median	-0.5	0.2	0.2	0.2	0.8	0.2	0.7	-0.4	1.2	2.0
75th Percentile	-0.7	0.0	0.0	-0.2	0.4	0.0	0.4	-1.0	0.5	1.0
95th Percentile	-0.9	-0.5	-0.5	-0.5	0.1	-0.5	-0.5	-1.6	0.1	0.7
# of Portfolios	29	29	29	29	27	29	31	36	31	33
● iShares 1-3 Yr Treasury Bond ETF	-0.5 (55)	0.4 (35)	0.4 (35)	0.4 (36)	0.6 (70)	0.4 (35)	0.4 (73)	0.2 (11)	0.3 (85)	1.4 (64)
▲ Barclays 1-3 Yr. Govt.	-0.4 (17)	0.6 (22)	0.6 (22)	0.5 (30)	0.7 (59)	0.6 (22)	0.6 (55)	0.4 (5)	0.5 (74)	1.6 (59)

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015



- iShares 1-3 Yr Treasury Bond ETF
- ◆ Barclays 1-3 Yr. Govt.
- ▲ Universe Median
- 68% Confidence Interval
- Short Government MStar MF

- iShares 1-3 Yr Treasury Bond ETF
- ◆ Barclays 1-3 Yr. Govt.
- ▲ Universe Median
- 68% Confidence Interval
- Short Government MStar MF

As of December 31, 2015

Account Information

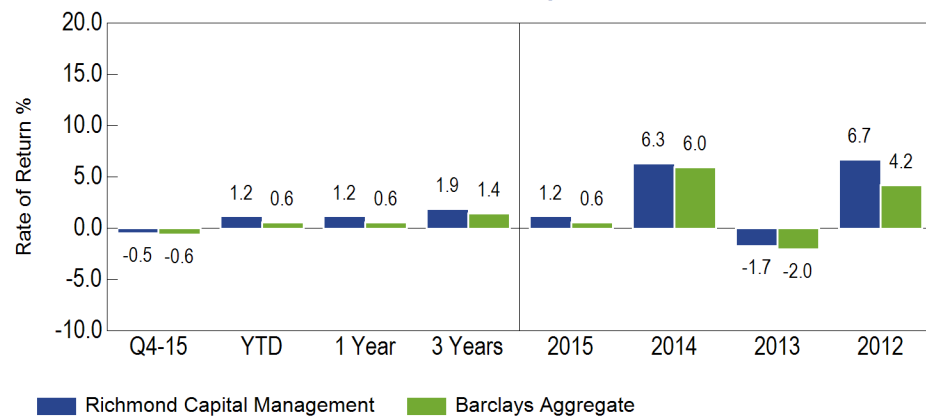
Account Name	Richmond Capital Management
Account Structure	Separate Account
Investment Style	Active
Inception Date	1/01/07
Account Type	US Fixed Income
Benchmark	Barclays Aggregate
Universe	US Core (Gov/Corp/Mtg) Fixed Income

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Richmond Capital Management	Barclays Aggregate
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	3.94	3.82
Minimum Return	-2.24	-2.32
Annualized Return	4.08	3.25
Total Return	22.15	17.32
Annualized Excess Return Over Risk Free	4.04	3.20
Annualized Excess Return	0.84	0.00

Return Summary



RISK SUMMARY STATISTICS

	Richmond Capital Management	Barclays Aggregate
Beta	0.97	1.00
Upside Deviation	1.89	1.99
Downside Deviation	1.91	1.98

RISK/RETURN SUMMARY STATISTICS

	Richmond Capital Management	Barclays Aggregate
Annualized Standard Deviation	2.83	2.86
Alpha	0.23	0.00
Sharpe Ratio	1.42	1.12
Excess Return Over Market / Risk	0.30	0.00
Tracking Error	0.59	0.00
Information Ratio	1.41	--

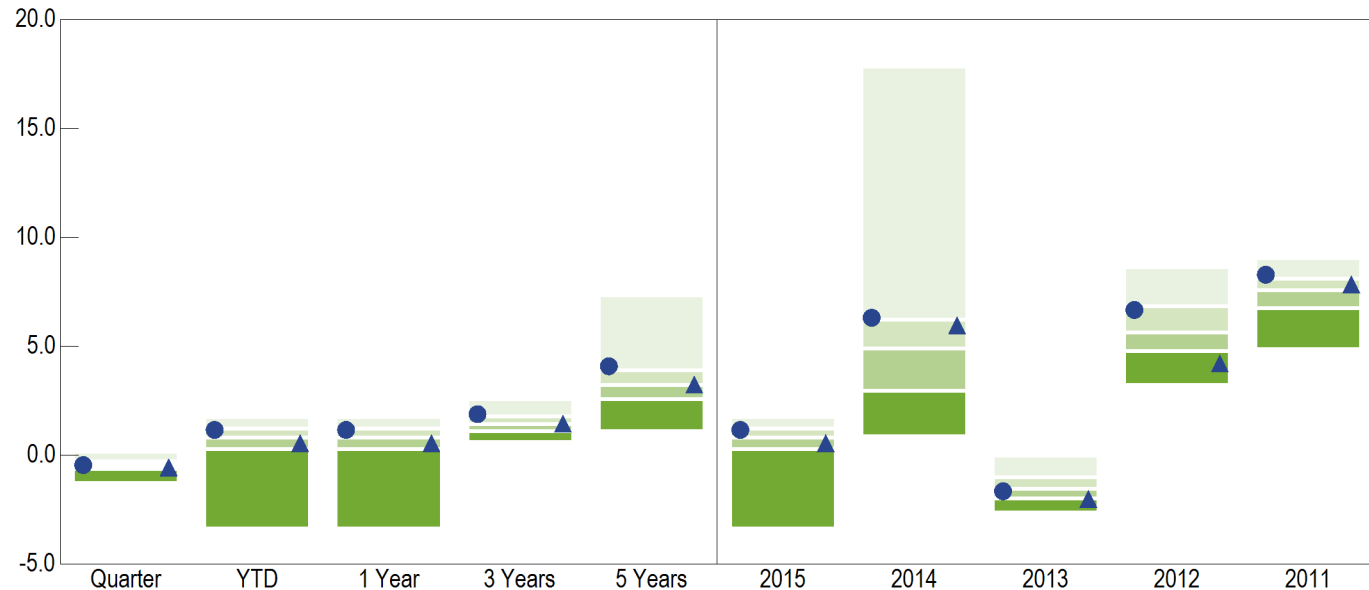
Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$52,717,855	\$51,995,330
- Withdrawals	-\$39,992	-\$160,534
+ Contributions	\$0	\$0
= Net Cash Flow	-\$39,992	-\$160,534
+ Net Investment Change	-\$241,278	\$601,789
= Ending Market Value	\$52,436,585	\$52,436,585

CORRELATION STATISTICS

	Richmond Capital Management	Barclays Aggregate
R-Squared	0.96	1.00
Correlation	0.98	1.00

Richmond Capital Management vs. US Core (Gov/Corp/Mtg) Fixed Income

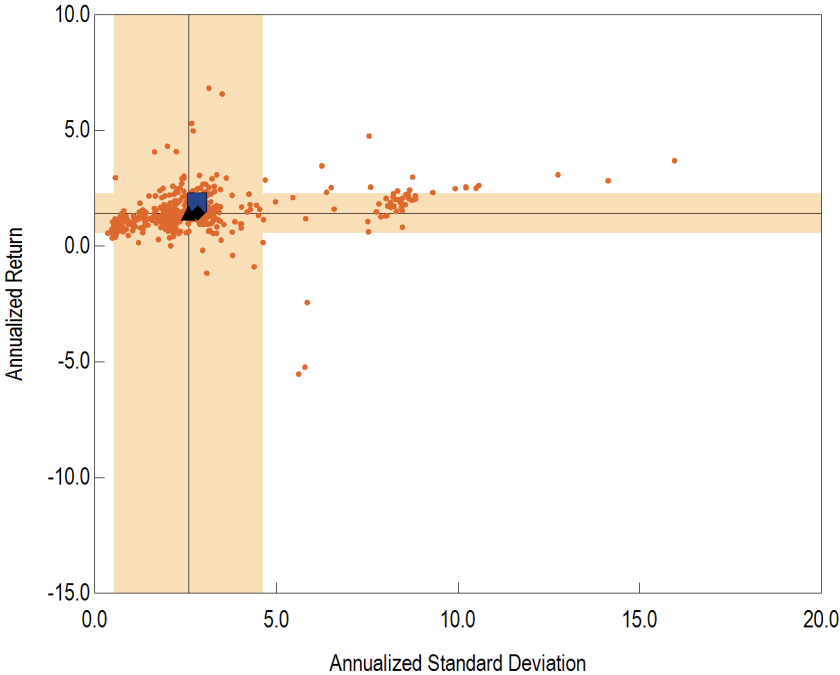


	Return (Rank)									
5th Percentile	0.1	1.7	1.7	2.6	7.3	1.7	17.8	0.0	8.6	9.0
25th Percentile	-0.3	1.2	1.2	1.8	3.9	1.2	6.2	-1.0	6.9	8.1
Median	-0.4	0.8	0.8	1.4	3.2	0.8	4.9	-1.5	5.6	7.6
75th Percentile	-0.6	0.3	0.3	1.1	2.6	0.3	3.0	-2.0	4.8	6.8
95th Percentile	-1.3	-3.4	-3.4	0.6	1.1	-3.4	0.9	-2.6	3.2	4.9
# of Portfolios	615	605	605	579	543	605	565	175	168	160
● Richmond Capital Management	-0.5 (52)	1.2 (31)	1.2 (31)	1.9 (23)	4.1 (22)	1.2 (31)	6.3 (24)	-1.7 (62)	6.7 (26)	8.3 (20)
▲ Barclays Aggregate	-0.6 (67)	0.6 (67)	0.6 (67)	1.4 (50)	3.2 (49)	0.6 (67)	6.0 (34)	-2.0 (79)	4.2 (88)	7.8 (40)

Richmond Capital Management

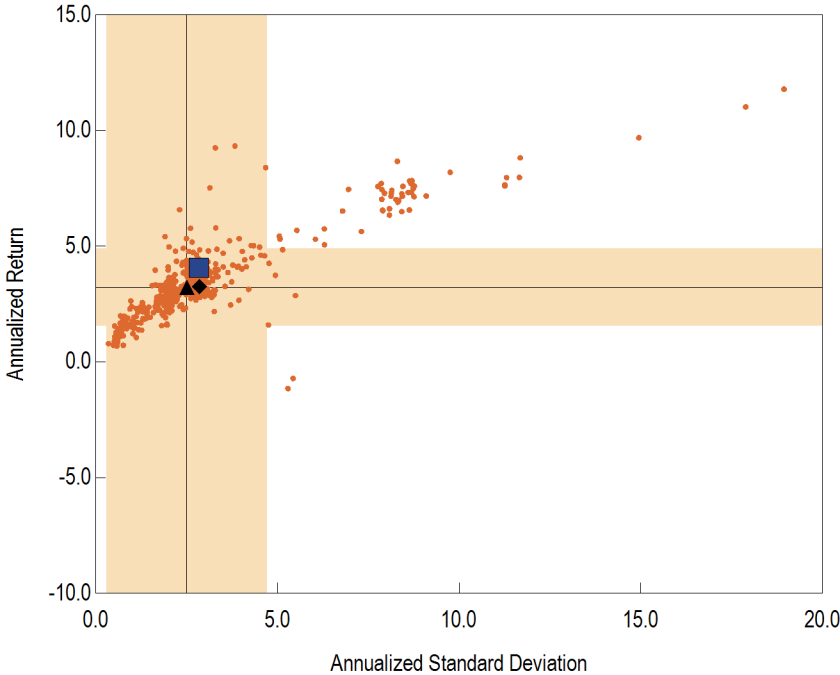
As of December 31, 2015

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



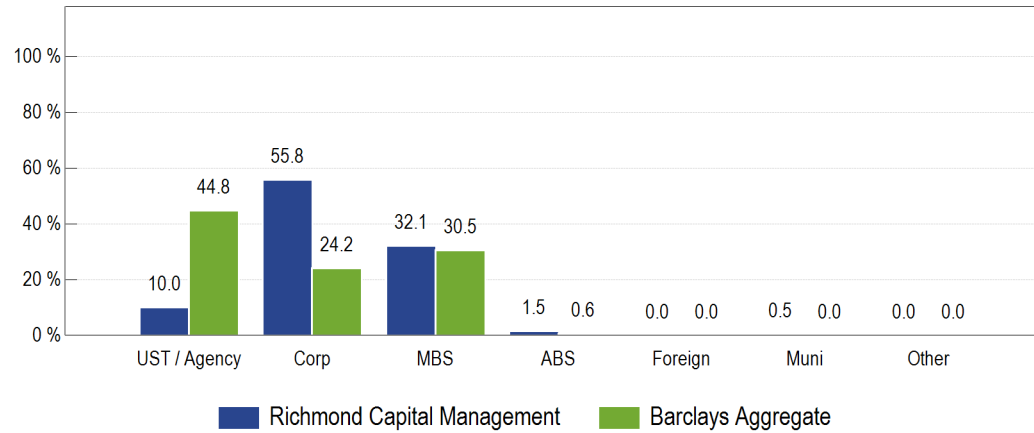
- Richmond Capital Management
- ◆ Barclays Aggregate
- ▲ Universe Median
- 68% Confidence Interval
- US Core (Gov/Corp/Mtg) Fixed Income

Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015

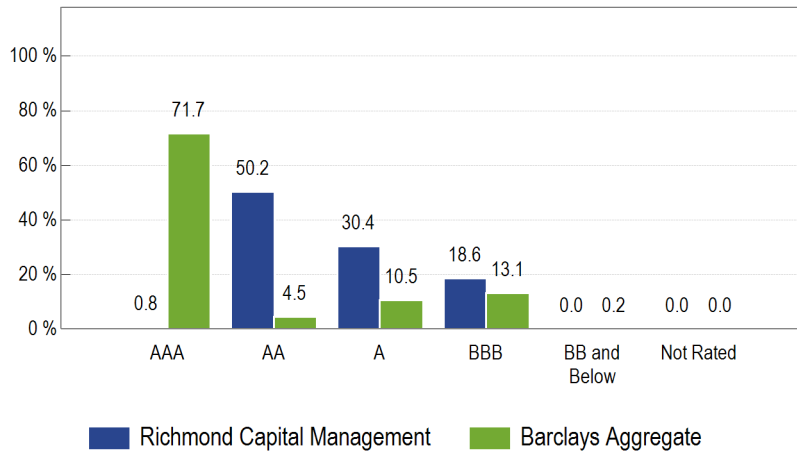


- Richmond Capital Management
- ◆ Barclays Aggregate
- ▲ Universe Median
- 68% Confidence Interval
- US Core (Gov/Corp/Mtg) Fixed Income

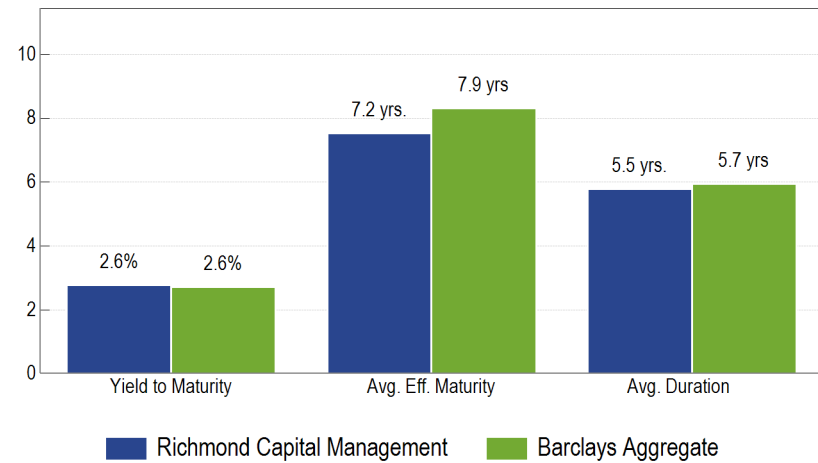
Sectors



Quality Ratings



Characteristics



Wasmer Schroeder Intermediate Taxable

As of December 31, 2015

Account Information

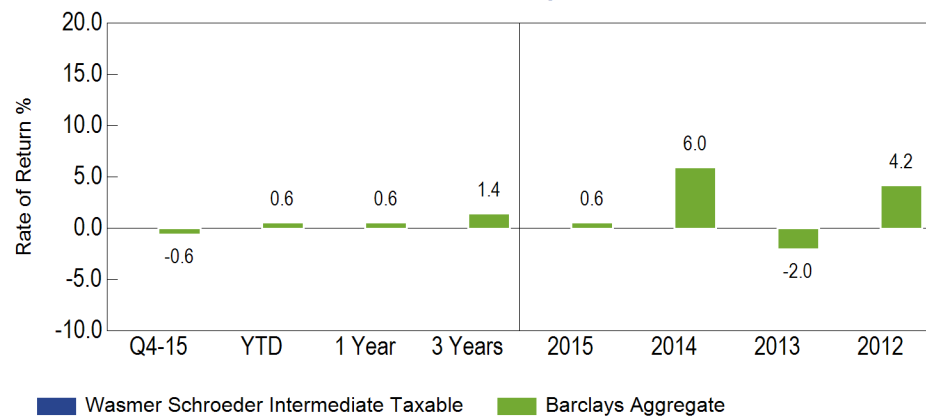
Account Name	Wasmer Schroeder Intermediate Taxable
Account Structure	Separate Account
Investment Style	Active
Inception Date	12/28/15
Account Type	US Fixed Income
Benchmark	Barclays Aggregate
Universe	US Core (Gov/Corp/Mtg) Fixed Income

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Wasmer Schroeder Intermediate Taxable	Barclays Aggregate
RETURN SUMMARY STATISTICS		
Number of Periods	0	20
Maximum Return	--	3.82
Minimum Return	--	-2.32
Annualized Return	--	3.25
Total Return	--	17.32
Annualized Excess Return Over Risk Free	--	3.20
Annualized Excess Return	--	0.00

Return Summary



RISK SUMMARY STATISTICS

	Wasmer Schroeder Intermediate Taxable	Barclays Aggregate
Beta	--	1.00
Upside Deviation	--	1.99
Downside Deviation	--	1.98

RISK/RETURN SUMMARY STATISTICS

	Wasmer Schroeder Intermediate Taxable	Barclays Aggregate
Annualized Standard Deviation	--	2.86
Alpha	--	0.00
Sharpe Ratio	--	1.12
Excess Return Over Market / Risk	--	0.00
Tracking Error	--	0.00
Information Ratio	--	--

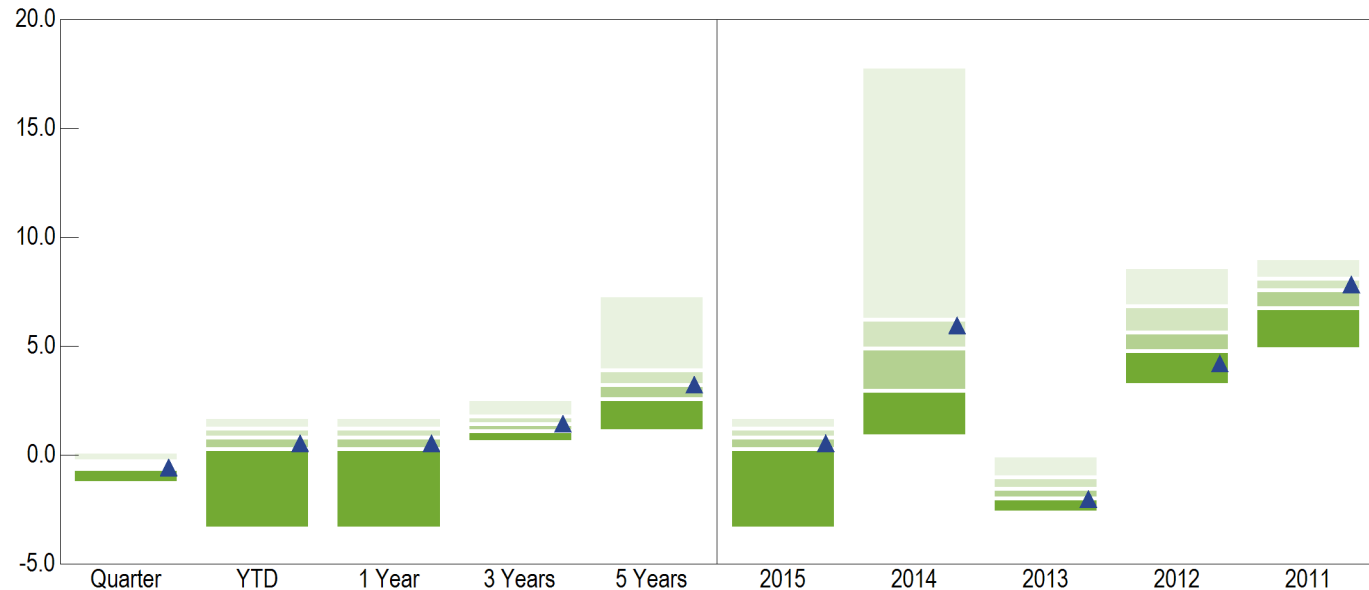
Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	--	--
- Withdrawals	\$0	\$0
+ Contributions	\$20,000,000	\$20,000,000
= Net Cash Flow	\$20,000,000	\$20,000,000
+ Net Investment Change	\$2,593	\$2,593
= Ending Market Value	\$20,002,593	\$20,002,593

CORRELATION STATISTICS

	Wasmer Schroeder Intermediate Taxable	Barclays Aggregate
R-Squared	--	1.00
Correlation	--	1.00

Wasmer Schroeder Intermediate Taxable vs. US Core (Gov/Corp/Mtg) Fixed Income



	Return (Rank)											
5th Percentile	0.1	1.7	1.7	2.6	7.3	1.7	17.8	0.0	8.6	9.0		
25th Percentile	-0.3	1.2	1.2	1.8	3.9	1.2	6.2	-1.0	6.9	8.1		
Median	-0.4	0.8	0.8	1.4	3.2	0.8	4.9	-1.5	5.6	7.6		
75th Percentile	-0.6	0.3	0.3	1.1	2.6	0.3	3.0	-2.0	4.8	6.8		
95th Percentile	-1.3	-3.4	-3.4	0.6	1.1	-3.4	0.9	-2.6	3.2	4.9		
# of Portfolios	615	605	605	579	543	605	565	175	168	160		
● Wasmer Schroeder Intermediate Taxable	--	(--)	--	(--)	--	(--)	--	(--)	--	(--)	--	(--)
▲ Barclays Aggregate	-0.6	(67)	0.6	(67)	0.6	(67)	1.4	(50)	3.2	(49)	0.6	(67)
									6.0	(34)	-2.0	(79)
									4.2	(88)	7.8	(40)

Western Asset Core Plus Bond Fund

As of December 31, 2015

Account Information

Account Name	Western Asset Core Plus Bond Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	7/08/98
Account Type	US Fixed Income
Benchmark	Barclays Aggregate
Universe	Intermediate-Term Bond MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

Western Asset Core Plus Bond Fund Barclays Aggregate

RETURN SUMMARY STATISTICS

Number of Periods	20	20
Maximum Return	2.90	3.82
Minimum Return	-2.64	-2.32
Annualized Return	4.54	3.25
Total Return	24.88	17.32
Annualized Excess Return Over Risk Free	4.50	3.20
Annualized Excess Return	1.30	0.00

RISK SUMMARY STATISTICS

Beta	0.83	1.00
Upside Deviation	1.82	1.99
Downside Deviation	1.19	1.98

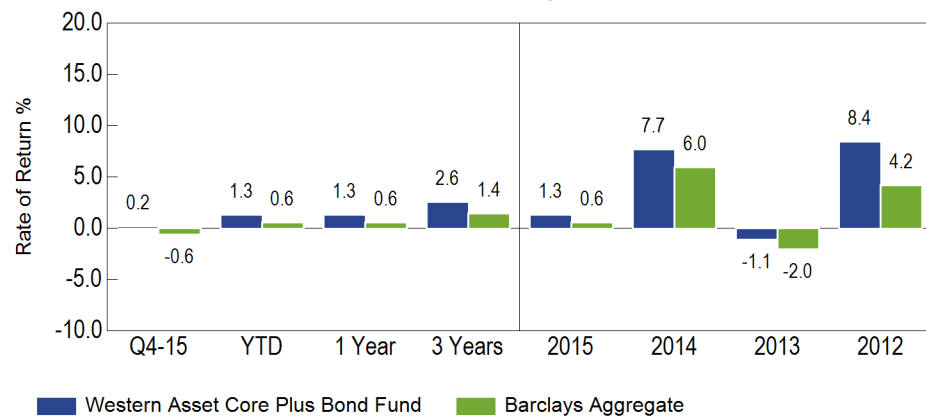
RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	2.88	2.86
Alpha	0.45	0.00
Sharpe Ratio	1.56	1.12
Excess Return Over Market / Risk	0.45	0.00
Tracking Error	1.71	0.00
Information Ratio	0.76	--

CORRELATION STATISTICS

R-Squared	0.68	1.00
Correlation	0.82	1.00

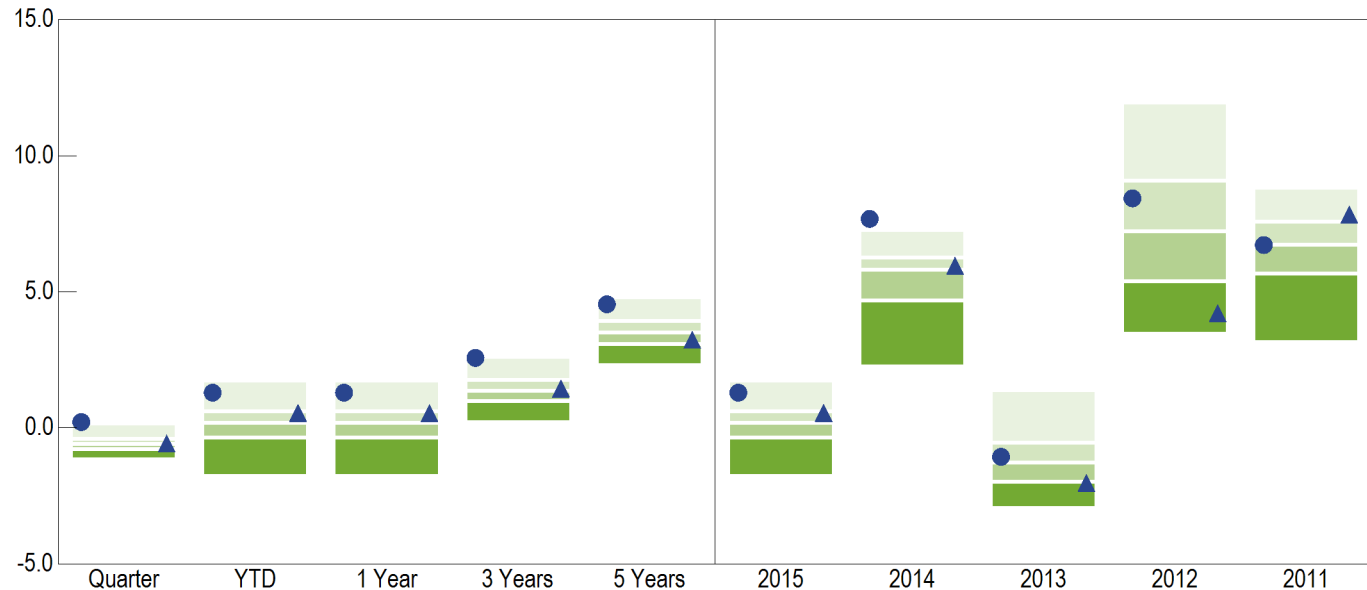
Return Summary



Summary Of Cash Flows

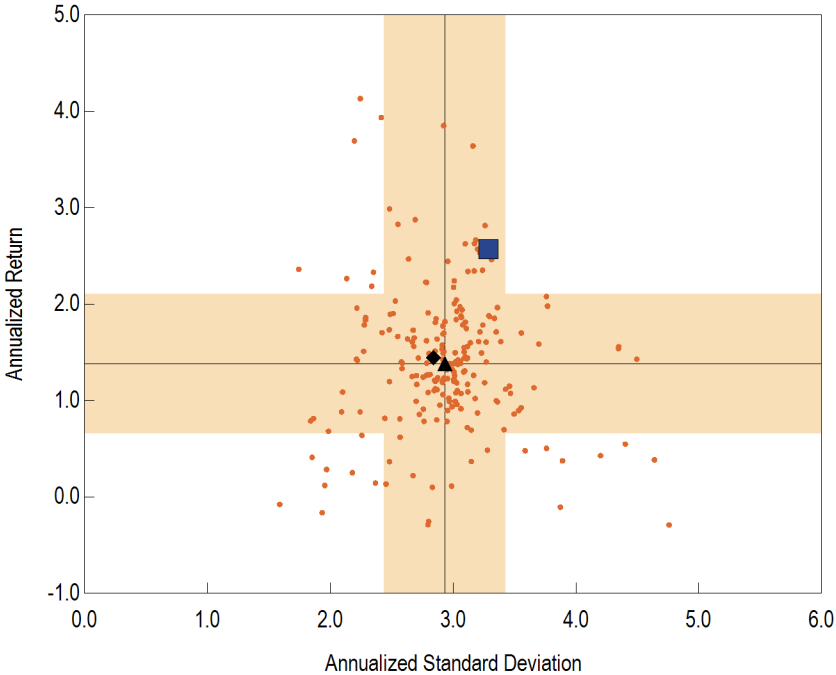
	Fourth Quarter	Year-To-Date
Beginning Market Value	\$20,297,500	\$20,081,891
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	\$43,945	\$259,553
= Ending Market Value	\$20,341,445	\$20,341,445

Western Asset Core Plus Bond Fund vs. Intermediate-Term Bond MStar MF



	Return (Rank)									
5th Percentile	0.2	1.7	1.7	2.6	4.8	1.7	7.3	1.4	12.0	8.8
25th Percentile	-0.4	0.6	0.6	1.8	3.9	0.6	6.3	-0.5	9.1	7.6
Median	-0.6	0.2	0.2	1.4	3.5	0.2	5.8	-1.3	7.2	6.7
75th Percentile	-0.8	-0.3	-0.3	1.0	3.1	-0.3	4.7	-2.0	5.4	5.7
95th Percentile	-1.1	-1.8	-1.8	0.2	2.3	-1.8	2.3	-2.9	3.5	3.2
# of Portfolios	249	244	244	229	219	244	233	228	244	245
● Western Asset Core Plus Bond Fund	0.2 (5)	1.3 (10)	1.3 (10)	2.6 (6)	4.5 (10)	1.3 (10)	7.7 (4)	-1.1 (41)	8.4 (34)	6.7 (52)
▲ Barclays Aggregate	-0.6 (48)	0.6 (29)	0.6 (29)	1.4 (42)	3.2 (68)	0.6 (29)	6.0 (38)	-2.0 (76)	4.2 (86)	7.8 (17)

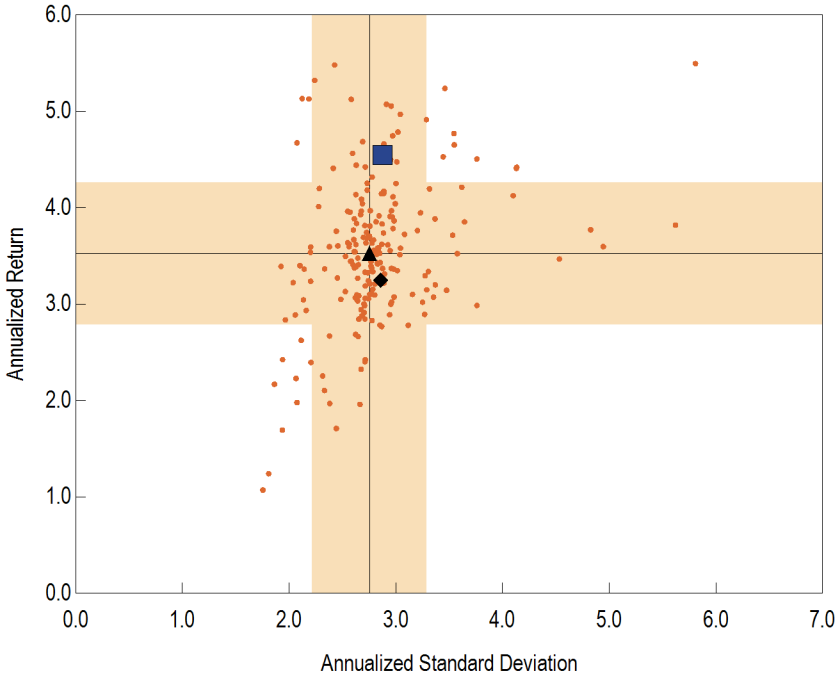
Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



229 Portfolios

- Western Asset Core Plus Bond Fund
- ◆ Barclays Aggregate
- ▲ Universe Median
- 68% Confidence Interval
- Intermediate-Term Bond MStar MF

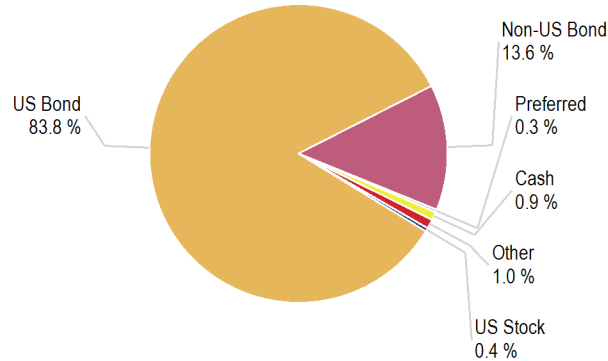
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015



219 Portfolios

- Western Asset Core Plus Bond Fund
- ◆ Barclays Aggregate
- ▲ Universe Median
- 68% Confidence Interval
- Intermediate-Term Bond MStar MF

Mutual Fund Allocation as of 12/31/2015



Fund Information as of 12/31/2015

Fund Name	Western Asset Core Plus Bond Mut
Ticker	WACPX
Category	Intermediate-Term Bond
Benchmark	Barclays Aggregate
Expense Ratio	0.45%
Fund Assets (\$mm)	9,641.33
Share Class Inception Date	7/8/1998
Manager Tenure	17

Top Holdings as of 12/31/2015

US TREASURY NOTE 1.75%	2.80%
US TREASURY BOND 3.375%	2.76%
US TREASURY BOND 3%	2.44%
FED NATL MORT ASSC 3%	1.95%
US TREASURY BOND 3%	1.85%
US TREASURY BOND 3%	1.12%
US TREASURY NOTE 2.375%	1.02%
US TREASURY NOTE 1.375%	1.00%
POLAND(REP OF) 3.25%	0.91%
UNITED MEXICAN STATES 7.62435%	0.89%

Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	0.77
Average Duration	6.68
Average Coupon	3.99%
Average Effective Maturity	12.49
R-Squared (3 Year)	0.91
Alpha (3 Year)	0.24%
Beta (3 Year)	1.11

Maturities as of 12/31/2015

1 to 3 Years	3.80%
3 to 5 Years	8.03%
5 to 7 Years	12.77%
7 to 10 Years	15.02%
10 to 15 Years	6.52%
15 to 20 Years	6.11%
20 to 30 Years	39.01%
Greater than 30 Years	5.06%

Credit Quality as of 12/31/2015

AAA	43.53%
AA	4.40%
A	18.05%
BBB	13.73%
BB	5.47%
B	4.90%
Below B	3.85%
Not Rated	6.08%

Fixed Income Sectors as of 12/31/2015

GOVERNMENT	25.18%
MUNICIPAL	0.11%
CORPORATE	35.17%
SECURITIZED	37.96%
CASH & EQUIVALENTS	6.25%
DERIVATIVE	18.75%

JP Morgan Strategic Income Opp Fund

As of December 31, 2015

Account Information

Account Name	JP Morgan Strategic Income Opp Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	10/10/08
Account Type	Global Fixed Income
Benchmark	Barclays Aggregate
Universe	Multisector Bond MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	JP Morgan Strategic Income Opp Fund	Barclays Aggregate
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	2.72	3.82
Minimum Return	-4.55	-2.32
Annualized Return	1.76	3.25
Total Return	9.10	17.32
Annualized Excess Return Over Risk Free	1.71	3.20
Annualized Excess Return	-1.49	0.00

RISK SUMMARY STATISTICS

Beta	-0.34	1.00
Upside Deviation	1.85	1.99
Downside Deviation	3.38	1.98

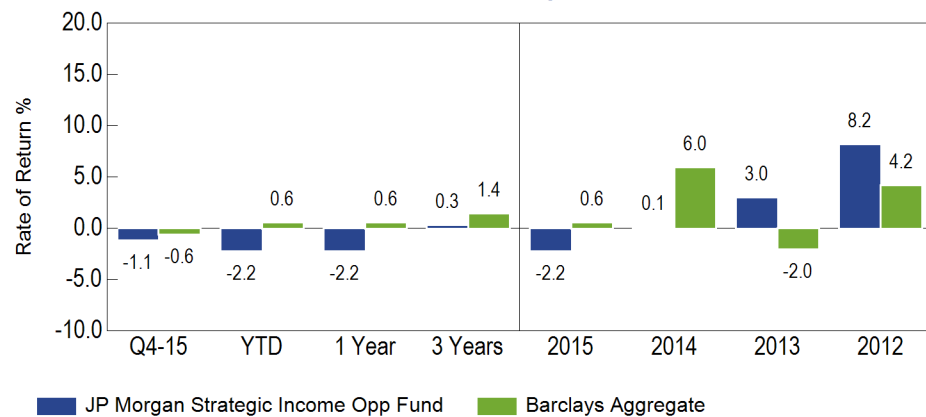
RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	3.39	2.86
Alpha	0.73	0.00
Sharpe Ratio	0.50	1.12
Excess Return Over Market / Risk	-0.44	0.00
Tracking Error	5.03	0.00
Information Ratio	-0.30	--

CORRELATION STATISTICS

R-Squared	0.08	1.00
Correlation	-0.29	1.00

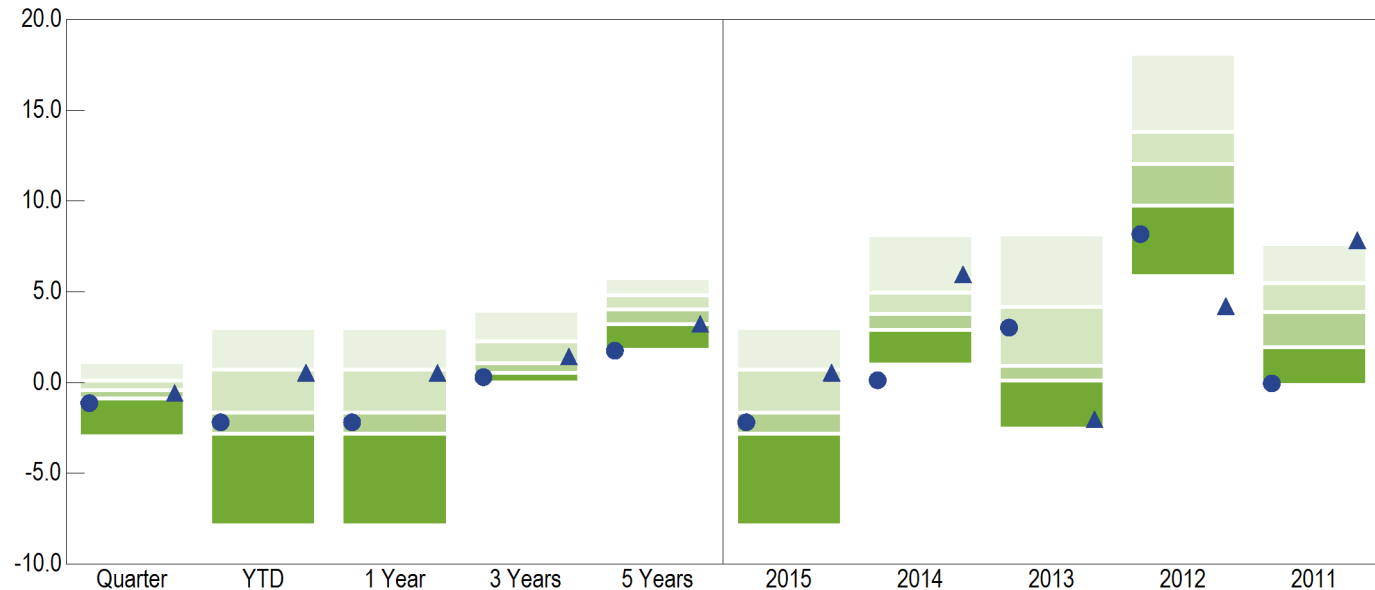
Return Summary



Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$19,142,858	\$19,331,858
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	-\$205,909	-\$394,909
= Ending Market Value	\$18,936,949	\$18,936,949

JP Morgan Strategic Income Opp Fund vs. Multisector Bond MStar MF

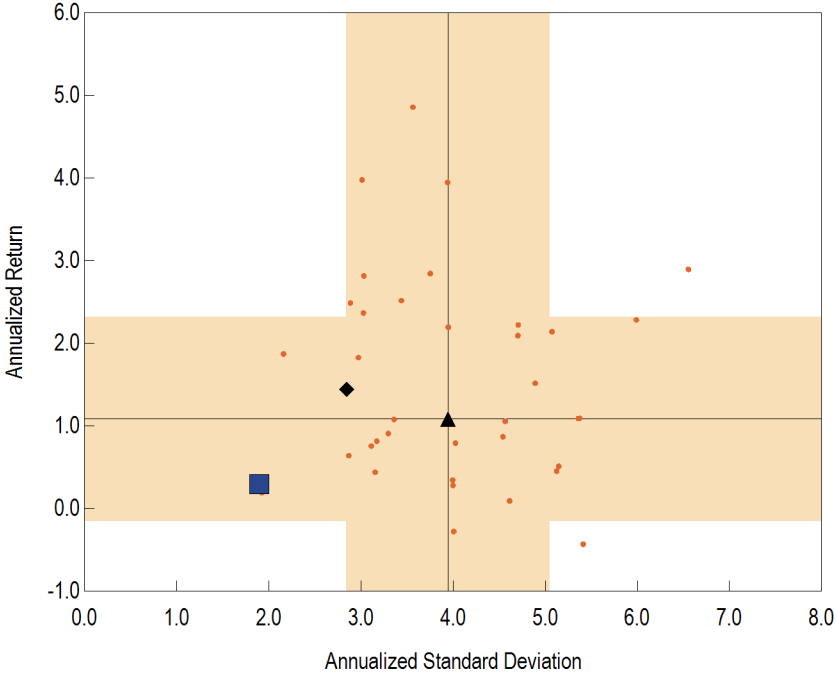


	Return (Rank)									
5th Percentile	1.1	3.0	3.0	4.0	5.7	3.0	8.1	8.2	18.1	7.6
25th Percentile	0.1	0.7	0.7	2.3	4.8	0.7	5.0	4.2	13.8	5.5
Median	-0.4	-1.6	-1.6	1.1	4.0	-1.6	3.8	0.9	12.1	3.9
75th Percentile	-0.9	-2.8	-2.8	0.5	3.2	-2.8	2.9	0.1	9.8	2.0
95th Percentile	-3.0	-7.8	-7.8	0.0	1.8	-7.8	1.0	-2.5	5.9	-0.1
# of Portfolios	54	52	52	38	34	52	47	54	51	39
● JP Morgan Strategic Income Opp Fund	-1.1 (82)	-2.2 (65)	-2.2 (65)	0.3 (86)	1.8 (96)	-2.2 (65)	0.1 (99)	3.0 (32)	8.2 (87)	0.0 (92)
▲ Barclays Aggregate	-0.6 (60)	0.6 (29)	0.6 (29)	1.4 (44)	3.2 (75)	0.6 (29)	6.0 (13)	-2.0 (90)	4.2 (99)	7.8 (3)

JP Morgan Strategic Income Opp Fund

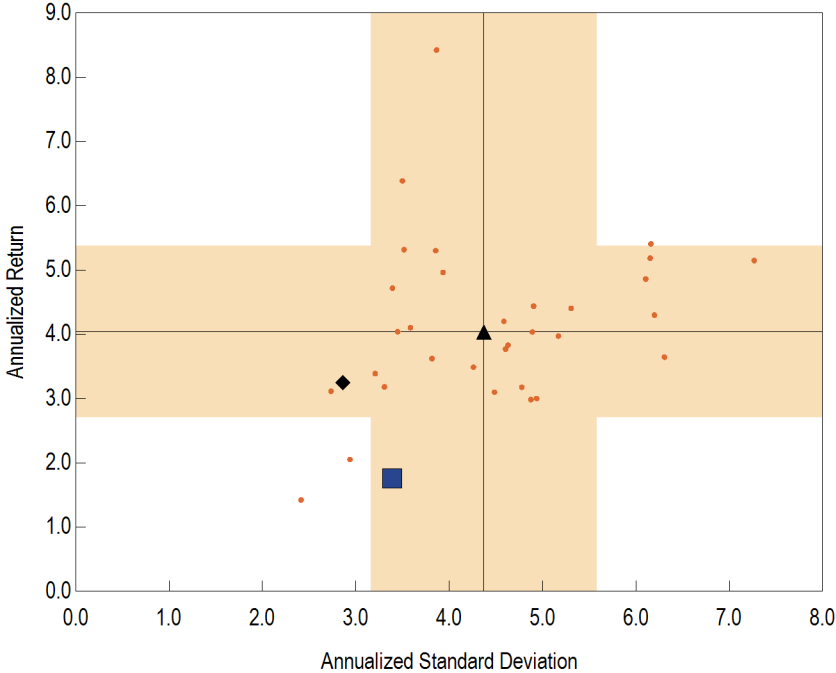
As of December 31, 2015

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



- JP Morgan Strategic Income Opp Fund
- ◆ Barclays Aggregate
- ▲ Universe Median
- 68% Confidence Interval
- Multisector Bond MStar MF

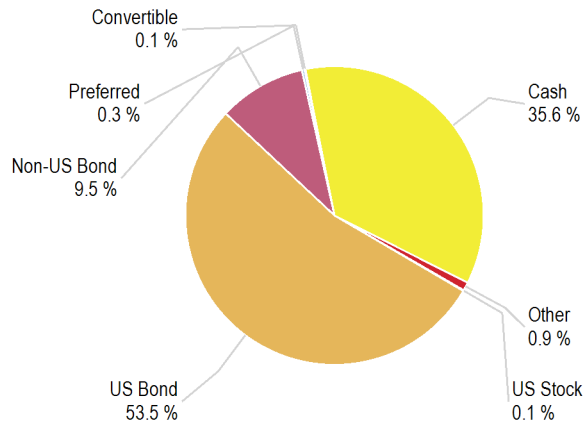
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015



- JP Morgan Strategic Income Opp Fund
- ◆ Barclays Aggregate
- ▲ Universe Median
- 68% Confidence Interval
- Multisector Bond MStar MF

As of December 31, 2015

Mutual Fund Allocation as of 11/30/2015



Fund Information as of 11/30/2015

Fund Name	JPMORGAN STRATEGIC INCOME OPPS SEL
Ticker	JSOSX
Category	Nontraditional Bond
Benchmark	Barclays Aggregate
Expense Ratio	0.76%
Fund Assets (\$mm)	13,315.47
Share Class Inception Date	10/10/2008
Manager Tenure	7

Top Holdings as of 11/30/2015

385 FIRST AVENUE LLC	1.14%
787 11TH FUNDING LLC	1.03%
US TREASURY NOTE 2.25%	0.91%
APPLE FRN	0.64%
SPDR® BARCLAYS HIGH YIELD BOND ETF	0.43%
DOUBLETREE	0.35%
HYATT CENTRIC FUNDING, LLC	0.35%
CHRYSLER GRP LLC / CG CO-ISS 8.25%	0.33%
SPRINT NEXTEL 144A 9%	0.32%
FIRST DATA CORP NEW 144A 5.75%	0.30%

Fund Characteristics as of 11/30/2015

Sharpe Ratio (3 Year)	
Average Duration	1.53
Average Coupon	5.89%
Average Effective Maturity	3.52
R-Squared (3 Year)	
Alpha (3 Year)	
Beta (3 Year)	

Maturities as of 11/30/2015

1 to 3 Years	9.94%
3 to 5 Years	14.03%
5 to 7 Years	15.07%
7 to 10 Years	11.01%
10 to 15 Years	1.67%
15 to 20 Years	2.20%
20 to 30 Years	8.32%
Greater than 30 Years	0.87%

Credit Quality as of 12/31/2015

AAA	29.13%
AA	0.97%
A	5.59%
BBB	1.60%
BB	17.30%
B	24.60%
Below B	20.81%
Not Rated	0.00%

Fixed Income Sectors as of 11/30/2015

GOVERNMENT	1.55%
MUNICIPAL	0.19%
CORPORATE	49.20%
SECURITIZED	12.16%
CASH & EQUIVALENTS	35.63%
DERIVATIVE	0.00%

Vanguard Total Bond Market Index Fund

As of December 31, 2015

Account Information

Account Name	Vanguard Total Bond Market Index Fund
Account Structure	Mutual Fund
Investment Style	Passive
Inception Date	9/18/95
Account Type	US Fixed Income
Benchmark	Vanguard Total Bond Spliced Index
Universe	Intermediate-Term Bond MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Vanguard Total Bond Market Index Fund	Vanguard Total Bond Spliced Index
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	4.02	3.88
Minimum Return	-2.42	-2.31
Annualized Return	3.15	3.25
Total Return	16.79	17.33
Annualized Excess Return Over Risk Free	3.11	3.20
Annualized Excess Return	-0.10	0.00

RISK SUMMARY STATISTICS

Beta	1.02	1.00
Upside Deviation	2.11	2.01
Downside Deviation	2.08	2.03

RISK/RETURN SUMMARY STATISTICS

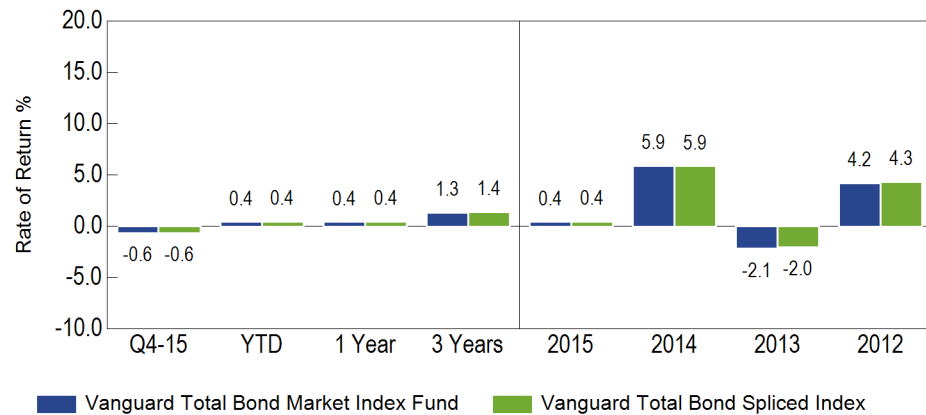
Annualized Standard Deviation	2.96	2.88
Alpha	-0.04	0.00
Sharpe Ratio	1.05	1.11
Excess Return Over Market / Risk	-0.03	0.00
Tracking Error	0.16	0.00
Information Ratio	-0.61	--

CORRELATION STATISTICS

R-Squared	1.00	1.00
Correlation	1.00	1.00

- Vanguard Total Bond Spliced Index = Barclays US Aggregate Float Adjusted Index from Jan 1, 2010 through present; Barclays Aggregate Bond Index until Dec 31, 2009

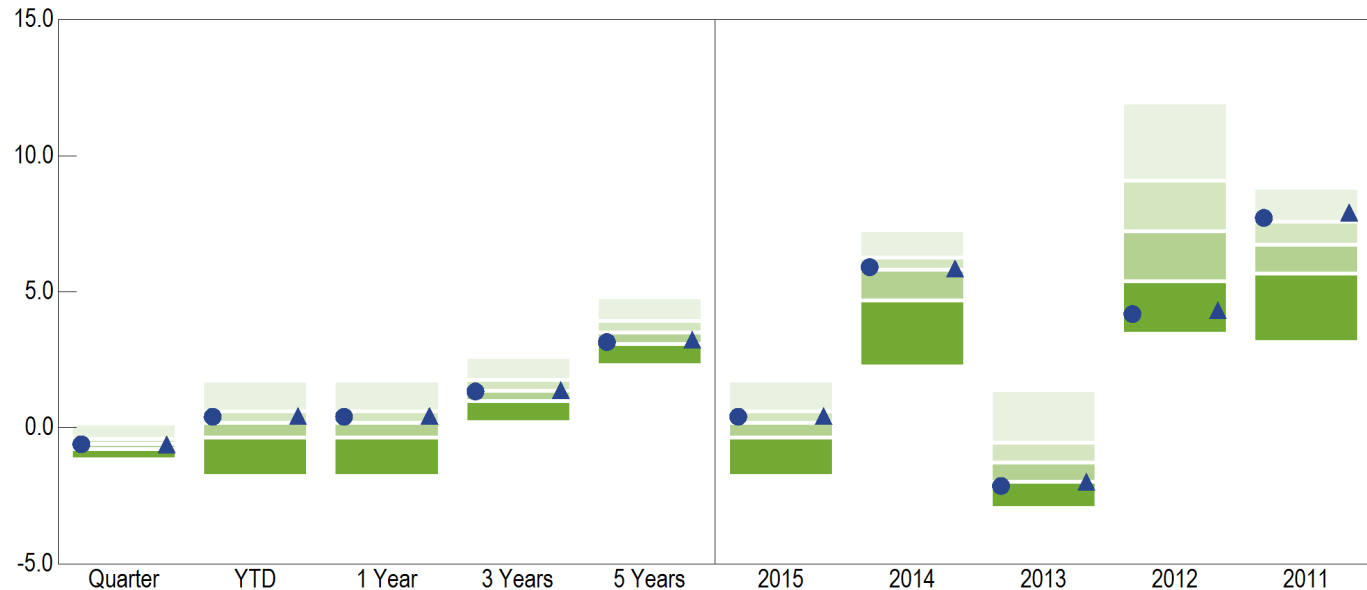
Return Summary



Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$19,773,930	\$19,566,554
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	-\$119,152	\$88,225
= Ending Market Value	\$19,654,778	\$19,654,778

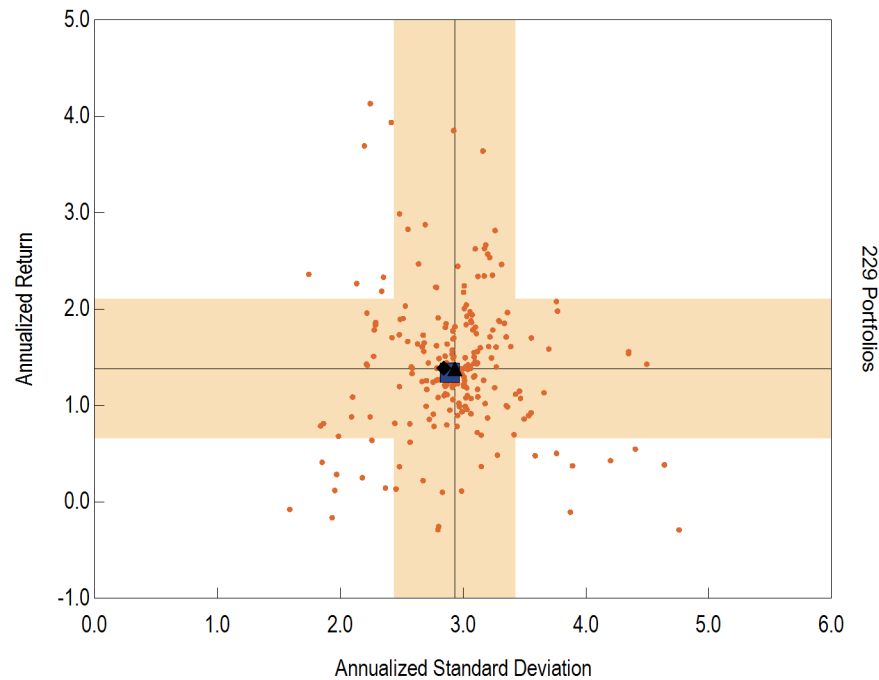
Vanguard Total Bond Market Index Fund vs. Intermediate-Term Bond MStar MF



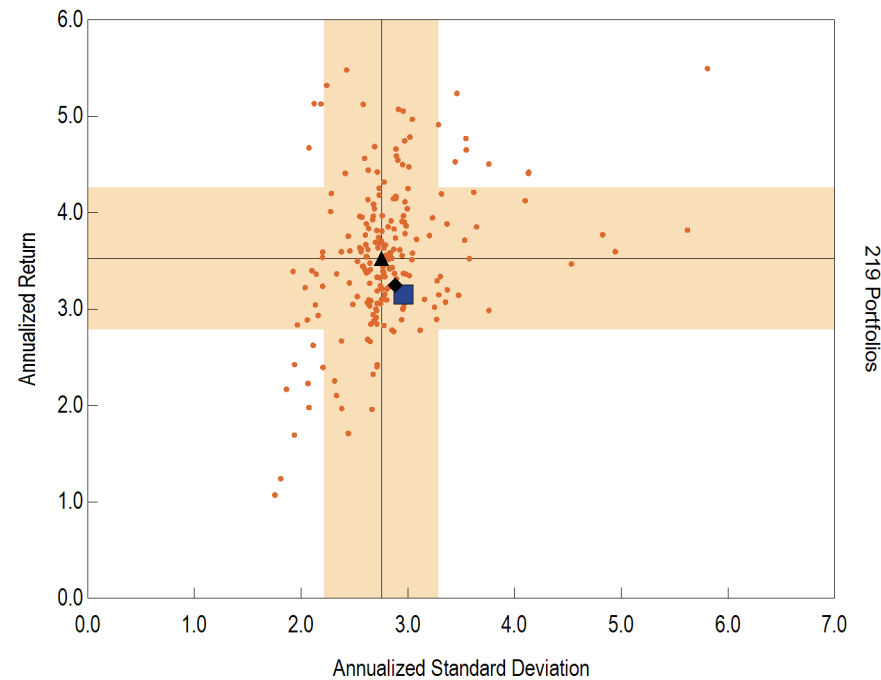
	Return (Rank)									
5th Percentile	0.2	1.7	1.7	2.6	4.8	1.7	7.3	1.4	12.0	8.8
25th Percentile	-0.4	0.6	0.6	1.8	3.9	0.6	6.3	-0.5	9.1	7.6
Median	-0.6	0.2	0.2	1.4	3.5	0.2	5.8	-1.3	7.2	6.7
75th Percentile	-0.8	-0.3	-0.3	1.0	3.1	-0.3	4.7	-2.0	5.4	5.7
95th Percentile	-1.1	-1.8	-1.8	0.2	2.3	-1.8	2.3	-2.9	3.5	3.2
# of Portfolios	249	244	244	229	219	244	233	228	244	245
● Vanguard Total Bond Market Index Fund	-0.6 (54)	0.4 (37)	0.4 (37)	1.3 (52)	3.2 (73)	0.4 (37)	5.9 (42)	-2.1 (78)	4.2 (87)	7.7 (21)
▲ Vanguard Total Bond Spliced Index	-0.6 (55)	0.4 (34)	0.4 (34)	1.4 (49)	3.2 (68)	0.4 (34)	5.9 (47)	-2.0 (75)	4.3 (85)	7.9 (13)

- Vanguard Total Bond Spliced Index = Barclays US Aggregate Float Adjusted Index from Jan 1, 2010 through present; Barclays Aggregate Bond Index until Dec 31, 2009

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015



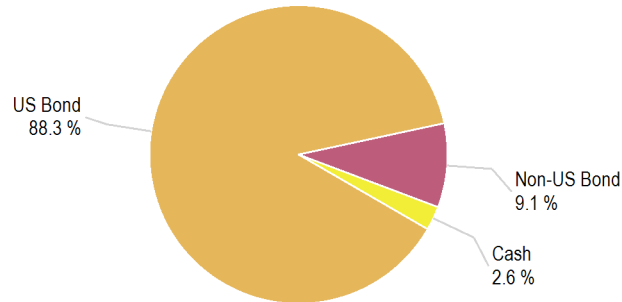
- Vanguard Total Bond Market Index Fund
- ◆ Vanguard Total Bond Spliced Index
- ▲ Universe Median
- 68% Confidence Interval
- Intermediate-Term Bond MStar MF

- Vanguard Total Bond Market Index Fund
- ◆ Vanguard Total Bond Spliced Index
- ▲ Universe Median
- 68% Confidence Interval
- Intermediate-Term Bond MStar MF

- Vanguard Total Bond Spliced Index = Barclays US Aggregate Float Adjusted Index from Jan 1, 2010 through present; Barclays Aggregate Index until Dec 31, 2009

As of December 31, 2015

Mutual Fund Allocation as of 12/31/2015



Fund Information as of 12/31/2015

Fund Name	Vanguard Total Bond Market Index
Ticker	VBTIX
Category	Intermediate-Term Bond
Benchmark	Vanguard Total Bond Spliced Index
Expense Ratio	0.06%
Fund Assets (\$mm)	29,094.99
Share Class Inception Date	9/18/1995
Manager Tenure	3

Top Holdings as of 12/31/2015

GOVT NATL MTG ASSO 3.5%	0.96%
US TREASURY NOTE 2.25%	0.62%
US TREASURY NOTE 2.125%	0.55%
US TREASURY NOTE 1%	0.53%
US TREASURY NOTE 3.625%	0.52%
US TREASURY NOTE 2.5%	0.45%
US TREASURY NOTE 4.75%	0.45%
US TREASURY NOTE 1%	0.43%
US TREASURY NOTE 1.75%	0.43%

Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	0.45
Average Duration	5.79
Average Coupon	3.25%
Average Effective Maturity	8.00
R-Squared (3 Year)	1.00
Alpha (3 Year)	-0.02%
Beta (3 Year)	1.02

Maturities as of 12/31/2015

1 to 3 Years	21.59%
3 to 5 Years	16.18%
5 to 7 Years	11.22%
7 to 10 Years	11.22%
10 to 15 Years	3.96%
15 to 20 Years	3.96%
20 to 30 Years	27.14%
Greater than 30 Years	1.69%

Credit Quality as of 12/31/2015

AAA	69.65%
AA	4.04%
A	11.74%
BBB	14.56%
BB	0.00%
B	0.00%
Below B	0.01%
Not Rated	0.00%

Fixed Income Sectors as of 12/31/2015

GOVERNMENT	43.67%
MUNICIPAL	0.74%
CORPORATE	29.22%
SECURITIZED	23.83%
CASH & EQUIVALENTS	2.54%
DERIVATIVE	0.00%

Loomis Sayles Global Bond Fund

As of December 31, 2015

Account Information

Account Name	Loomis Sayles Global Bond Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	5/10/91
Account Type	Global Fixed Income
Benchmark	Barclays Global Aggregate
Universe	World Bond MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

Loomis Sayles Global Bond Fund Barclays Global Aggregate

RETURN SUMMARY STATISTICS

Number of Periods	20	20
Maximum Return	4.00	3.27
Minimum Return	-3.53	-3.14
Annualized Return	0.77	0.90
Total Return	3.89	4.56
Annualized Excess Return Over Risk Free	0.72	0.85
Annualized Excess Return	-0.13	0.00

RISK SUMMARY STATISTICS

Beta	0.99	1.00
Upside Deviation	2.35	2.21
Downside Deviation	2.36	1.96

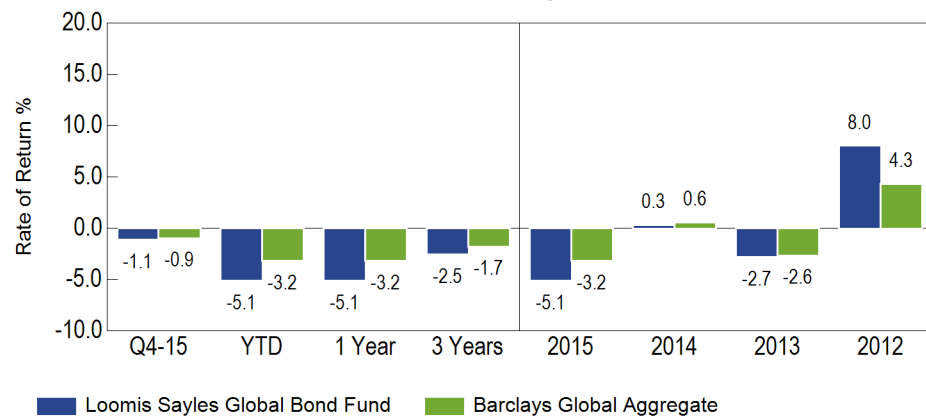
RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	4.72	3.91
Alpha	-0.02	0.00
Sharpe Ratio	0.15	0.22
Excess Return Over Market / Risk	-0.03	0.00
Tracking Error	2.67	0.00
Information Ratio	-0.05	--

CORRELATION STATISTICS

R-Squared	0.68	1.00
Correlation	0.82	1.00

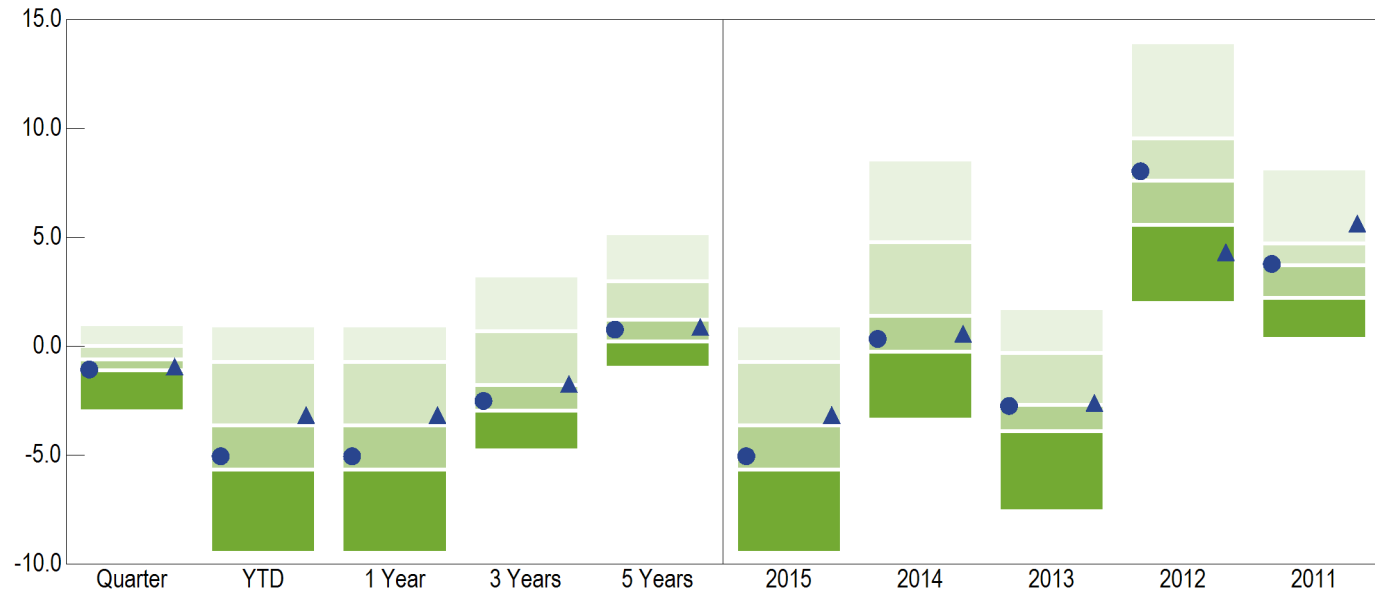
Return Summary



Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$18,961,651	\$19,758,040
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	-\$202,258	-\$998,647
= Ending Market Value	\$18,759,393	\$18,759,393

Loomis Sayles Global Bond Fund vs. World Bond MStar MF

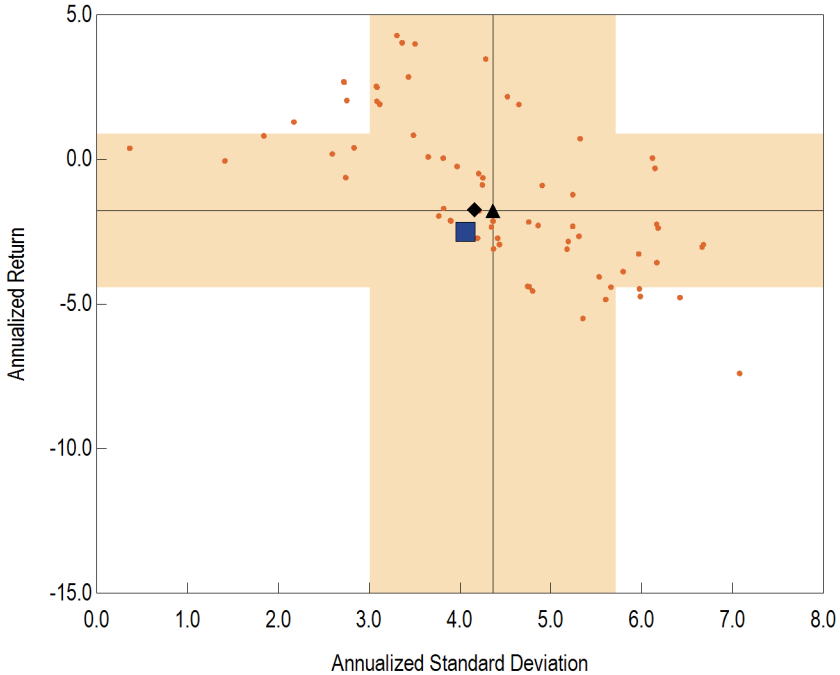


	Return (Rank)									
5th Percentile	1.0	1.0	1.0	3.2	5.2	1.0	8.6	1.7	13.9	8.1
25th Percentile	0.0	-0.7	-0.7	0.7	3.0	-0.7	4.8	-0.3	9.6	4.7
Median	-0.6	-3.6	-3.6	-1.8	1.2	-3.6	1.4	-2.7	7.6	3.7
75th Percentile	-1.1	-5.7	-5.7	-2.9	0.2	-5.7	-0.2	-3.9	5.6	2.2
95th Percentile	-3.0	-9.5	-9.5	-4.8	-1.0	-9.5	-3.4	-7.6	2.0	0.4
# of Portfolios	80	74	74	69	55	74	68	72	57	49
● Loomis Sayles Global Bond Fund	-1.1 (73)	-5.1 (68)	-5.1 (68)	-2.5 (67)	0.8 (63)	-5.1 (68)	0.3 (69)	-2.7 (51)	8.0 (38)	3.8 (48)
▲ Barclays Global Aggregate	-0.9 (63)	-3.2 (41)	-3.2 (41)	-1.7 (50)	0.9 (58)	-3.2 (41)	0.6 (62)	-2.6 (50)	4.3 (88)	5.6 (15)

Loomis Sayles Global Bond Fund

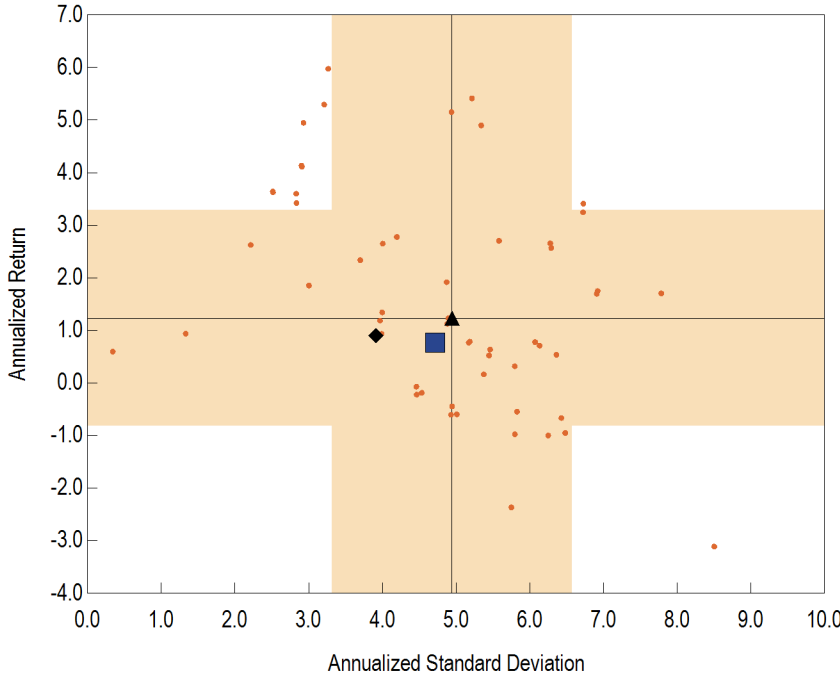
As of December 31, 2015

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2015



- Loomis Sayles Global Bond Fund
- ◆ Barclays Global Aggregate
- ▲ Universe Median
- 68% Confidence Interval
- World Bond MStar MF

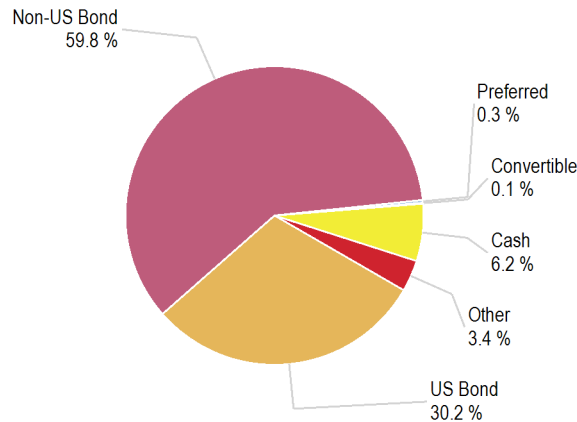
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2015



- Loomis Sayles Global Bond Fund
- ◆ Barclays Global Aggregate
- ▲ Universe Median
- 68% Confidence Interval
- World Bond MStar MF

As of December 31, 2015

Mutual Fund Allocation as of 11/30/2015



Fund Information as of 11/30/2015

Fund Name	Loomis Sayles Global Bond Fund;I
Ticker	LSGBX
Category	World Bond
Benchmark	Barclays Global Aggregate
Expense Ratio	0.75%
Fund Assets (\$mm)	1,253.10
Share Class Inception Date	5/10/1991
Manager Tenure	15

Top Holdings as of 11/30/2015

US 10YR NOTE (CBT)MAR16 XCBT 20160321	8.29%
US 5YR NOTE (CBT) MAR16 XCBT 20160331	6.98%
JAPAN(GOVT OF) 1.3%	6.19%
MEX BONOS DESARR FIX RT BONDS 06/21 6.5	2.52%
FNMA	2.50%
US LONG BOND(CBT) MAR16 XCBT 20160321	2.29%
FNMA 4% TBA	2.11%
QUEENSLAND TREASURY CORP LOCAL GOVT G 144A REGS 07/23 4	1.93%
BONOS Y OBLIG DEL ESTADO SR UNSECURED 144A REGS 01/22 5	1.72%
JAPAN(GOVT OF) 2 1%	1.57%

Fund Characteristics as of 11/30/2015

Sharpe Ratio (3 Year)	
Average Duration	6.47
Average Coupon	3.87%
Average Effective Maturity	8.64
R-Squared (3 Year)	
Alpha (3 Year)	
Beta (3 Year)	

Maturities as of 11/30/2015

1 to 3 Years	4.86%
3 to 5 Years	18.34%
5 to 7 Years	17.00%
7 to 10 Years	17.29%
10 to 15 Years	4.79%
15 to 20 Years	6.86%
20 to 30 Years	15.62%
Greater than 30 Years	7.43%

Credit Quality as of 11/30/2015

AAA	22.40%
AA	11.98%
A	29.28%
BBB	27.51%
BB	7.28%
B	0.67%
Below B	0.00%
Not Rated	0.88%

Fixed Income Sectors as of 11/30/2015

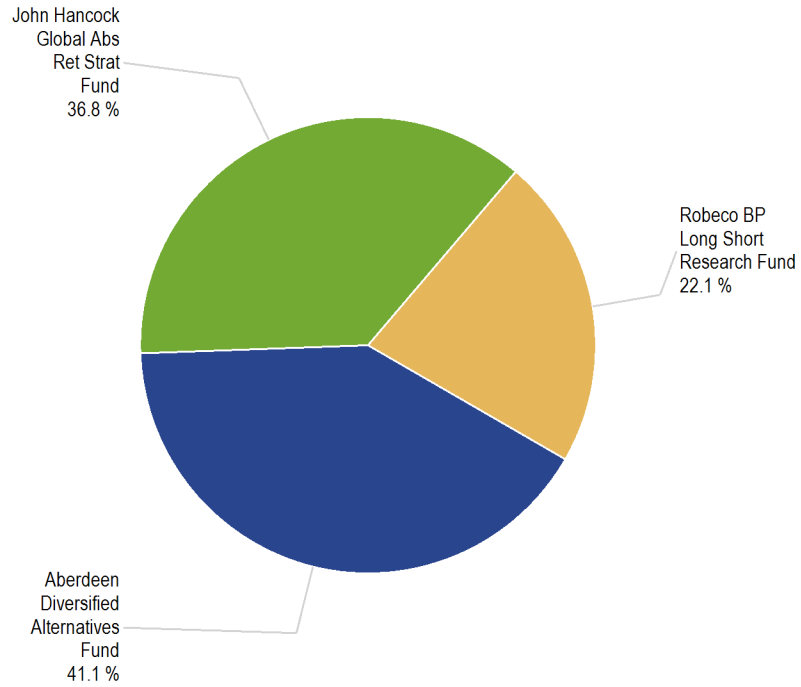
GOVERNMENT	40.92%
MUNICIPAL	0.00%
CORPORATE	43.30%
SECURITIZED	14.87%
CASH & EQUIVALENTS	6.15%
DERIVATIVE	0.00%

Alternatives

Manager Allocation

As of December 31, 2015

Current Allocation



Asset Allocation on December 31, 2015

	Actual \$	Actual %
Aberdeen Diversified Alternatives Fund	\$22,963,321	41.1%
John Hancock Global Abs Ret Strat Fund	\$20,529,772	36.8%
Robeco BP Long Short Research Fund	\$12,349,214	22.1%
Total	\$55,842,307	100.0%

As of December 31, 2015

Account Information

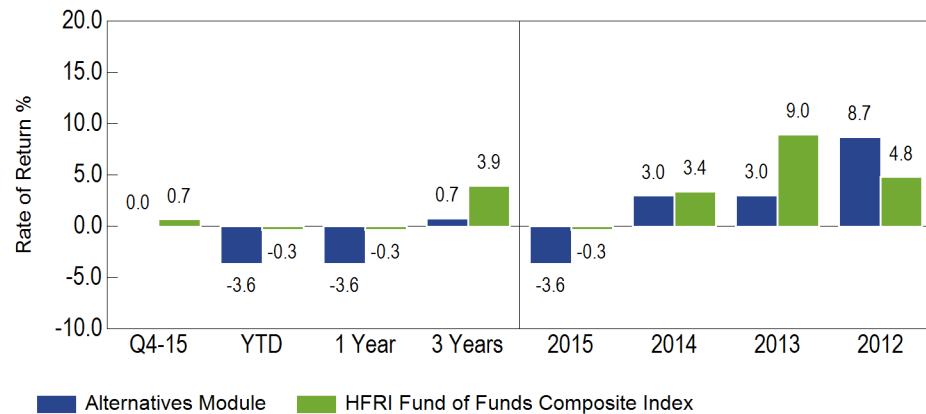
Account Name	Alternatives Module
Account Structure	
Investment Style	Active
Inception Date	1/01/11
Account Type	
Benchmark	HFRI Fund of Funds Composite Index
Universe	

Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Alternatives Module	HFRI Fund of Funds Composite Index
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	4.87	3.67
Minimum Return	-7.32	-4.98
Annualized Return	1.85	2.09
Total Return	9.58	10.89
Annualized Excess Return Over Risk Free	1.80	2.04
Annualized Excess Return	-0.24	0.00

Return Summary



RISK SUMMARY STATISTICS

	Alternatives Module	HFRI Fund of Funds Composite Index
Beta	1.03	1.00
Upside Deviation	2.89	2.45
Downside Deviation	5.07	3.64

RISK/RETURN SUMMARY STATISTICS

	Alternatives Module	HFRI Fund of Funds Composite Index
Annualized Standard Deviation	5.54	4.50
Alpha	-0.06	0.00
Sharpe Ratio	0.32	0.45
Excess Return Over Market / Risk	-0.04	0.00
Tracking Error	3.02	0.00
Information Ratio	-0.08	--

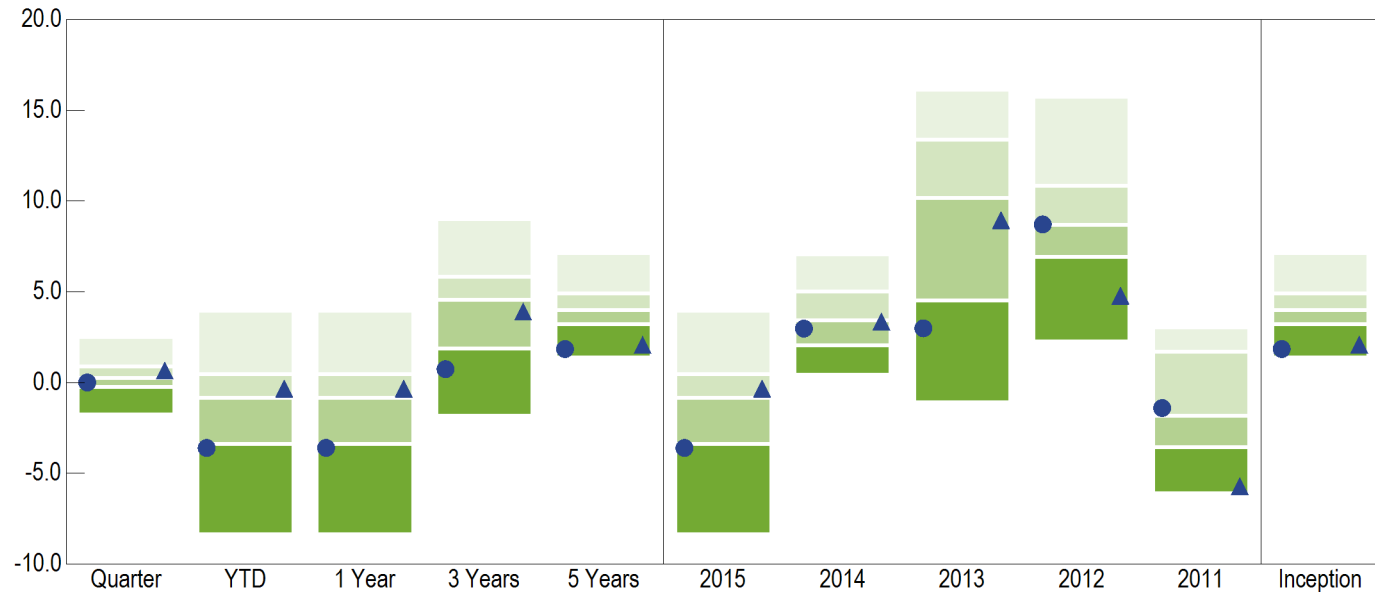
Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$66,913,150	\$79,098,557
- Withdrawals	-\$11,206,260	-\$20,517,380
+ Contributions	\$0	\$0
= Net Cash Flow	-\$11,206,260	-\$20,517,380
+ Net Investment Change	\$135,417	-\$2,738,871
= Ending Market Value	\$55,842,307	\$55,842,307

CORRELATION STATISTICS

	Alternatives Module	HFRI Fund of Funds Composite Index
R-Squared	0.70	1.00
Correlation	0.84	1.00

Alternatives Module vs. InvestorForce All E&F Hedge Funds Net



	Return (Rank)										
5th Percentile	2.5	3.9	3.9	9.0	7.1	3.9	7.1	16.1	15.8	3.0	7.1
25th Percentile	0.9	0.5	0.5	5.8	4.9	0.5	5.0	13.4	10.9	1.7	4.9
Median	0.3	-0.8	-0.8	4.6	4.0	-0.8	3.4	10.2	8.7	-1.8	4.0
75th Percentile	-0.2	-3.4	-3.4	1.9	3.2	-3.4	2.1	4.5	7.0	-3.5	3.2
95th Percentile	-1.7	-8.4	-8.4	-1.8	1.4	-8.4	0.5	-1.1	2.3	-6.1	1.4
# of Portfolios	169	167	167	151	133	167	220	153	176	158	133
● Alternatives Module	0.0 (62)	-3.6 (78)	-3.6 (78)	0.7 (79)	1.8 (93)	-3.6 (78)	3.0 (63)	3.0 (79)	8.7 (50)	-1.4 (48)	1.8 (93)
▲ HFRI Fund of Funds Composite Index	0.7 (37)	-0.3 (42)	-0.3 (42)	3.9 (61)	2.1 (90)	-0.3 (42)	3.4 (51)	9.0 (62)	4.8 (88)	-5.7 (92)	2.1 (90)

Aberdeen Diversified Alternatives Fund

As of December 31, 2015

Account Information

Account Name	Aberdeen Diversified Alternatives Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	7/01/04
Account Type	Global Macro
Benchmark	HFRI Fund of Funds Composite Index
Universe	World Allocation MStar MF

5 Year Risk/Return Statistics

January 01, 2011 Through December 31, 2015

	Aberdeen Diversified Alternatives Fund	HFRI Fund of Funds Composite Index
RETURN SUMMARY STATISTICS		
Number of Periods	20	20
Maximum Return	8.63	3.67
Minimum Return	-15.24	-4.98
Annualized Return	3.66	2.09
Total Return	19.70	10.89
Annualized Excess Return Over Risk Free	3.61	2.04
Annualized Excess Return	1.57	0.00

RISK SUMMARY STATISTICS

Beta	1.73	1.00
Upside Deviation	4.85	2.45
Downside Deviation	11.33	3.64

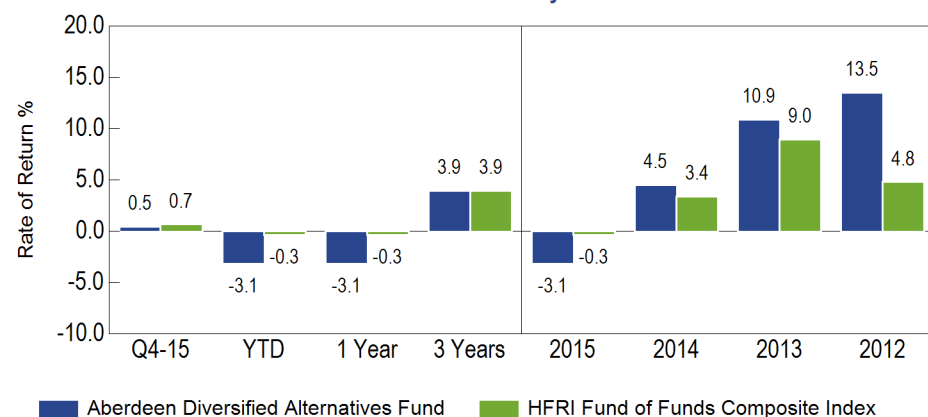
RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	9.68	4.50
Alpha	0.08	0.00
Sharpe Ratio	0.37	0.45
Excess Return Over Market / Risk	0.16	0.00
Tracking Error	6.61	0.00
Information Ratio	0.24	--

CORRELATION STATISTICS

R-Squared	0.65	1.00
Correlation	0.81	1.00

Return Summary

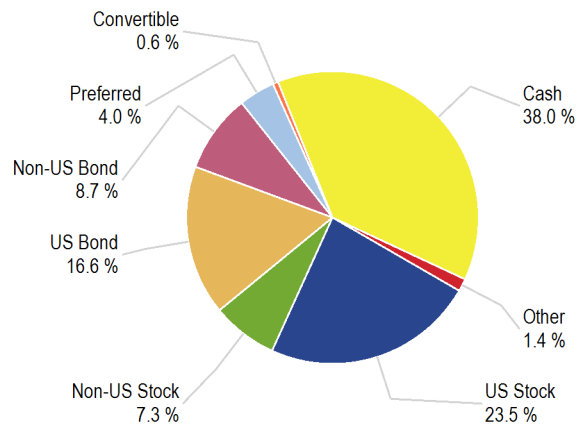


Summary Of Cash Flows

	Fourth Quarter	Year-To-Date
Beginning Market Value	\$22,859,509	\$23,703,196
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	\$103,812	-\$739,875
= Ending Market Value	\$22,963,321	\$22,963,321

As of December 31, 2015

Mutual Fund Allocation as of 12/31/2015



Fund Information as of 12/31/2015

Fund Name	ABERDEEN DIVERSIFIED ALTERNATIVES I
Ticker	GASIX
Category	Multialternative
Benchmark	HFRI Fund of Funds Composite Index
Expense Ratio	1.94%
Fund Assets (\$mm)	89.17
Share Class Inception Date	6/29/2004
Manager Tenure	8

Top Holdings as of 12/31/2015

BOSTON PARTNERS LONG/SHORT RSRCH INSTL	13.98%
GOTHAM NEUTRAL INSTITUTIONAL	13.39%
BLACKROCK GLOBAL LONG/SHORT EQUITY INSTL	12.52%
ABERDEEN EQUITY LONG-SHORT INST	10.91%
NUVEEN PREFERRED SECURITIES I	10.14%
EATON VANCE FLOATING RATE I	9.09%
AQR MANAGED FUTURES STRATEGY I	8.19%
DEUTSCHE X-TRACKERS MSCI JAPAN HEDGED EQ	5.08%
ARBITRAGE EVENT-DRIVEN I	4.10%
FIRST TRUST HEALTH CARE ALPHADEX® ETF	3.19%

Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	0.87
Average Duration	3.15
Average Coupon	4.67%
Average Effective Maturity	4.68
R-Squared (3 Year)	0.82
Alpha (3 Year)	-0.07%
Beta (3 Year)	1.07

Maturities as of 12/31/2015

1 to 3 Years	4.41%
3 to 5 Years	5.68%
5 to 7 Years	3.15%
7 to 10 Years	2.40%
10 to 15 Years	0.54%
15 to 20 Years	0.35%
20 to 30 Years	0.85%
Greater than 30 Years	4.48%

Credit Quality as of 12/31/2015

AAA	18.91%
AA	2.72%
A	4.43%
BBB	19.09%
BB	28.35%
B	23.10%
Below B	1.14%
Not Rated	2.30%

Fixed Income Sectors as of 12/31/2015

GOVERNMENT	9.94%
MUNICIPAL	0.00%
CORPORATE	18.52%
SECURITIZED	0.23%
CASH & EQUIVALENTS	41.15%
DERIVATIVE	5.77%

Virginia Birth-Related Neurological Injury Compensation Fund

John Hancock Global Absolute Return Strategies Fund

As of December 31, 2015

Account Information

Account Name	John Hancock Global Abs Ret Strategies Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	12/16/11
Account Type	Absolute Return
Benchmark	HFRI Fund of Funds Composite Index
Universe	InvestorForce All E&F Hedge Funds Net

Risk/Return Statistics

January 01, 2012 Through December 31, 2015

	John Hancock Global Abs Ret Strategies Fund	HFRI Fund of Funds Composite Index
RETURN SUMMARY STATISTICS		
Number of Periods	16	16
Maximum Return	6.57	3.67
Minimum Return	-2.15	-3.60
Annualized Return	4.59	4.14
Total Return	19.67	17.62
Annualized Excess Return Over Risk Free	4.54	4.09
Annualized Excess Return	0.45	0.00

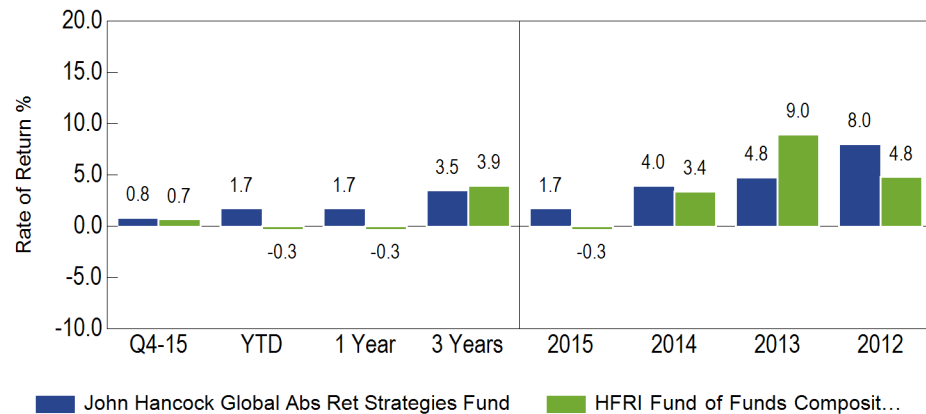
RISK SUMMARY STATISTICS

Beta	0.89	1.00
Upside Deviation	3.64	2.51
Downside Deviation	1.59	1.82

RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	4.54	3.92
Alpha	0.22	0.00
Sharpe Ratio	1.00	1.04
Excess Return Over Market / Risk	0.10	0.00
Tracking Error	2.91	0.00
Information Ratio	0.15	--

Return Summary



Summary Of Cash Flows

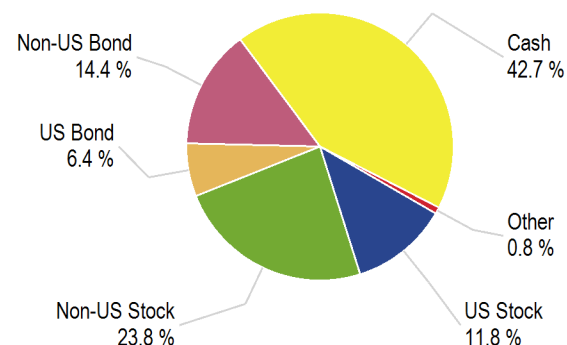
	Fourth Quarter	Year-To-Date
Beginning Market Value	\$20,274,274	\$20,175,520
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	\$255,498	\$354,251
= Ending Market Value	\$20,529,772	\$20,529,772

Virginia Birth-Related Neurological Injury Compensation Fund

John Hancock Global Absolute Return Strategies Fund

As of December 31, 2015

Mutual Fund Allocation as of 11/30/2015



Fund Information as of 11/30/2015

Fund Name	JHANCOCK GLOBAL ABSOLUTE RET STRATS I
Ticker	JHAIX
Category	Multialternative
Benchmark	HFRI Fund of Funds Composite Index
Expense Ratio	1.33%
Fund Assets (\$mm)	5,656.43
Share Class Inception Date	12/16/2011
Manager Tenure	4

Top Holdings as of 11/30/2015

NASDAQ 100 EMINI FT DEC15	8.73%
EURO-BOBL FUT DEC15	6.90%
EURO STOXX 50 FUT DEC15	2.80%
NIKKEI 225 OSE FUT DEC15	2.05%
MEXICO(UTD MEX ST) 6.5%	0.98%
MEXICO(UTD MEX ST) 7.5%	0.97%
UNITED MEXICAN STATES 10%	0.97%
UNITED MEXICAN STATES 7.62435%	0.97%
MORGAN FUT COL USD	0.85%
CITIGROUP INC	0.54%

Fund Characteristics as of 11/30/2015

Sharpe Ratio (3 Year)	
Average Market Cap (\$mm)	32,903.38
Price/Earnings	16.05
Price/Book	1.55
Price/Sales	1.18
Price/Cash Flow	7.10
Dividend Yield	2.48
Number of Equity Holdings	275
R-Squared (3 Year)	
Alpha (3 Year)	

Sector Allocation as of 11/30/2015

BASIC MATERIALS	0.71%
COMMUNICATION SERVICES	1.14%
CONSUMER CYCLICAL	1.85%
CONSUMER DEFENSIVE	1.22%
ENERGY	0.82%
FINANCIAL SERVICES	9.30%
HEALTHCARE	2.09%
INDUSTRIALS	2.18%
REAL ESTATE	0.26%
TECHNOLOGY	1.57%
UTILITIES	0.44%

Top Regions as of 11/30/2015

EUROZONE	7.71%
UNITED STATES	7.16%
UNITED KINGDOM	3.66%
EUROPE EXEURO	2.45%
ASIA EMERGING	0.29%

Top Countries as of 11/30/2015

United States	11.94%
United Kingdom	4.66%
Mexico	4.01%
France	2.39%
Germany	1.51%
Switzerland	1.48%
Italy	1.44%
Netherlands	1.42%
Spain	1.39%
Finland	0.78%

Robeco BP Long/Short Research Fund

As of December 31, 2015

Account Information

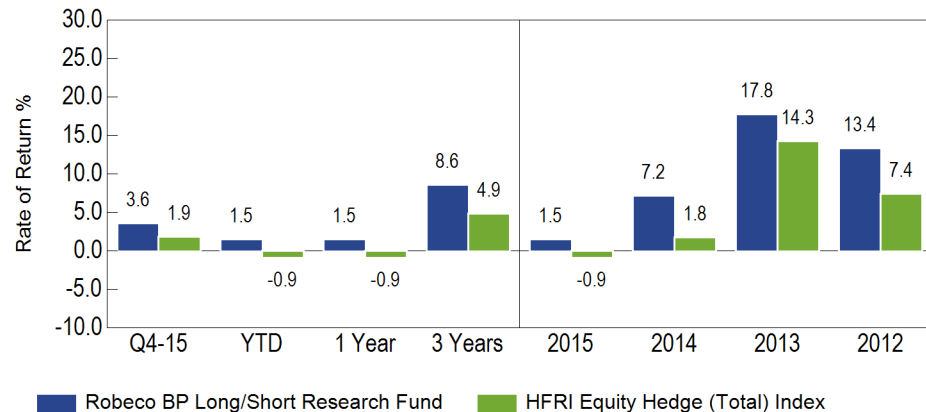
Account Name	Robeco BP Long/Short Research Fund
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	9/30/10
Account Type	Long/Short Equity
Benchmark	HFRI Equity Hedge (Total) Index
Universe	Long-Short MStar MF

Risk/Return Statistics

October 01, 2010 Through December 31, 2015

	Robeco BP Long/Short Research Fund	HFRI Equity Hedge (Total) Index
RETURN SUMMARY STATISTICS		
Number of Periods	21	21
Maximum Return	8.37	6.89
Minimum Return	-9.89	-10.92
Annualized Return	9.44	3.70
Total Return	60.54	21.02
Annualized Excess Return Over Risk Free	9.38	3.65
Annualized Excess Return	5.73	0.00

Return Summary



RISK SUMMARY STATISTICS

Beta	0.92	1.00
Upside Deviation	5.06	3.80
Downside Deviation	7.39	8.06

RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	8.48	8.45
Alpha	1.45	0.00
Sharpe Ratio	1.11	0.43
Excess Return Over Market / Risk	0.68	0.00
Tracking Error	3.45	0.00
Information Ratio	1.66	--

Summary Of Cash Flows

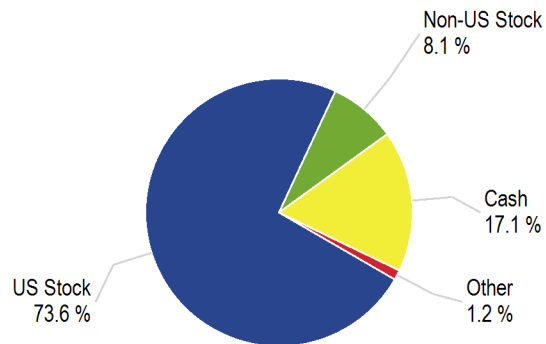
	Fourth Quarter	Year-To-Date
Beginning Market Value	\$11,917,623	\$12,188,659
- Withdrawals	\$0	\$0
+ Contributions	\$0	\$0
= Net Cash Flow	\$0	\$0
+ Net Investment Change	\$431,591	\$160,554
= Ending Market Value	\$12,349,214	\$12,349,214

CORRELATION STATISTICS

R-Squared	0.84	1.00
Correlation	0.92	1.00

As of December 31, 2015

Mutual Fund Allocation as of 09/30/2015



Fund Information as of 09/30/2015

Fund Name	BOSTON PARTNERS LONG/SHORT RSRCH INSTL
Ticker	BPIRX
Category	Long/Short Equity
Benchmark	HFRI Equity Hedge (Total) Index
Expense Ratio	1.38%
Fund Assets (\$mm)	6,682.63
Share Class Inception Date	9/30/2010
Manager Tenure	5

Top Holdings as of 09/30/2015

MICROSOFT CORP	2.05%
APPLE INC	1.87%
EXXON MOBIL CORPORATION	1.73%
ORACLE CORPORATION	1.69%
CITIGROUP INC	1.62%
WELLS FARGO & CO	1.62%
JPMORGAN CHASE & CO	1.61%
CAPITAL ONE FINANCIAL CORP	1.56%
LIBERTY GLOBAL PLC CLASS C	1.54%
FIFTH THIRD BANCORP	1.51%

Fund Characteristics as of 09/30/2015

Sharpe Ratio (3 Year)	1.63
Average Market Cap (\$mm)	21,314.93
Price/Earnings	14.65
Price/Book	1.84
Price/Sales	1.00
Price/Cash Flow	7.46
Dividend Yield	2.08
Number of Equity Holdings	213
R-Squared (3 Year)	0.75
Alpha (3 Year)	1.19%

Sector Allocation as of 09/30/2015

BASIC MATERIALS	4.77%
COMMUNICATION SERVICES	4.56%
CONSUMER CYCLICAL	20.81%
CONSUMER DEFENSIVE	6.77%
ENERGY	13.73%
FINANCIAL SERVICES	32.26%
HEALTHCARE	16.53%
INDUSTRIALS	23.80%
REAL ESTATE	1.48%
TECHNOLOGY	29.47%
UTILITIES	0.55%

Top Regions as of 09/30/2015

UNITED STATES	129.47%
UNITED KINGDOM	9.14%
EUROZONE	4.44%
ASIA EMERGING	3.61%
JAPAN	2.78%

Top Countries as of 09/30/2015

United States	129.47%
United Kingdom	9.14%
China	3.61%
Japan	2.78%
Netherlands	1.82%
Switzerland	1.31%
Germany	1.09%
Canada	0.98%
France	0.96%
Israel	0.85%

IMPORTANT DISCLOSURE INFORMATION

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Information pertaining to The Colony Group's advisory operations, services, and fees is set forth in The Colony Group's current Firm Brochure, a copy of which is available upon request or can be downloaded from www.sec.gov.

Performance calculations provided by InvestorForce, Inc., and Adhesion Wealth Advisor Solutions, Inc. Market index data and peer group universe data provided by InvestorForce, Inc.