

Quarterly Report

Prepared by

**Mitchell,
& Vaught
Taylor Inc.**
Investment Advisors

**Hoffman Estates
Firefighters Pension Fund**

1st Quarter 2017

53 West Jackson Suite 905
Chicago, IL 60604
312-922-1717
312-922-1772 fax
mvtinvest.com

Hoffman Estates Firefighters Pension Fund

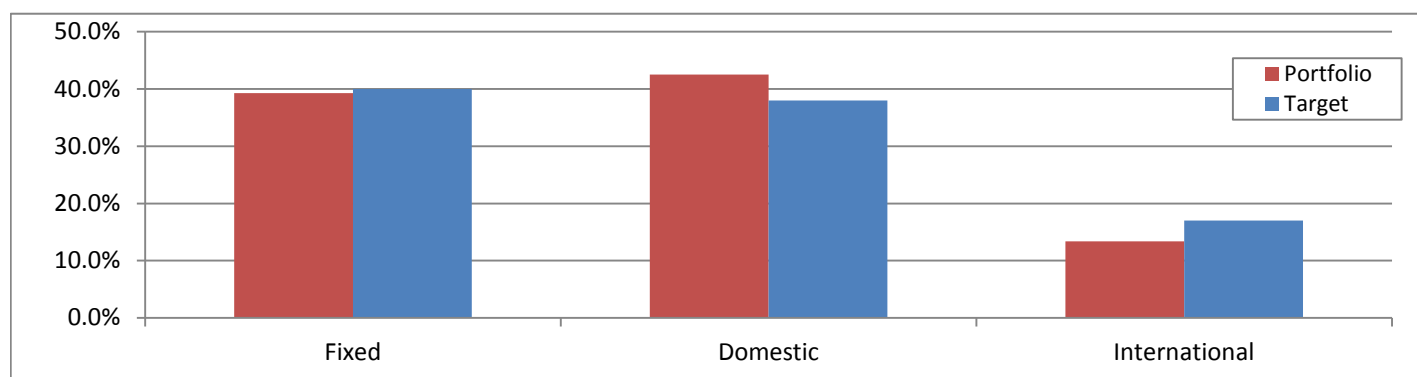
Portfolio Asset Allocation

1st Quarter 2017



<u>Manager Summary</u>	<u>Actual</u>	<u>%</u>	<u>Target</u>	<u>Difference</u>
<u>Fixed</u>	29,965,609	39.3%	40.0%	(539,483)
Wm Blair	21,740,043	28.5%		
MVT Core Government	8,100,611	10.6%		
Schwab Money Market	124,955	0.2%		
<u>Equity</u>	46,297,122	60.7%	60.0%	539,483
<u>Domestic</u>	32,431,164	42.5%	38.0%	3,451,326
Russell 3000 IShare	13,269,630	17.4%		
Rothschild (Large Value)	11,415,014	15.0%		
Vanguard Growth Admiral	3,122,573	4.1%		
Diamond Hill Small Mid Cap Institution	1,440,197	1.9%		
T Rowe Price Health Sciences Fund	1,368,103	1.8%		
Baird Midcap Institutional	1,056,454	1.4%		
T Rowe Price Small Cap Growth	759,192	1.0%		
<u>Real Estate</u>	3,675,118	4.8%	5.0%	(138,018)
Adelante (REIT)	3,675,118	4.8%		
<u>International</u>	10,190,840	13.4%	17.0%	(2,773,825)
Oakmark International	4,127,803	5.4%		
Artisan Intl Value Fund	3,899,299	5.1%		
Oppenheimer Intl Smid Cap Inst	1,380,627	1.8%		
Oppenheimer Developing Markets Instl	783,111	1.0%		

Total Pension Fund 76,262,731



Changes:

No significant changes this period.

Hoffman Estates Firefighters Pension Fund

Executive Summary

1st Quarter 2017

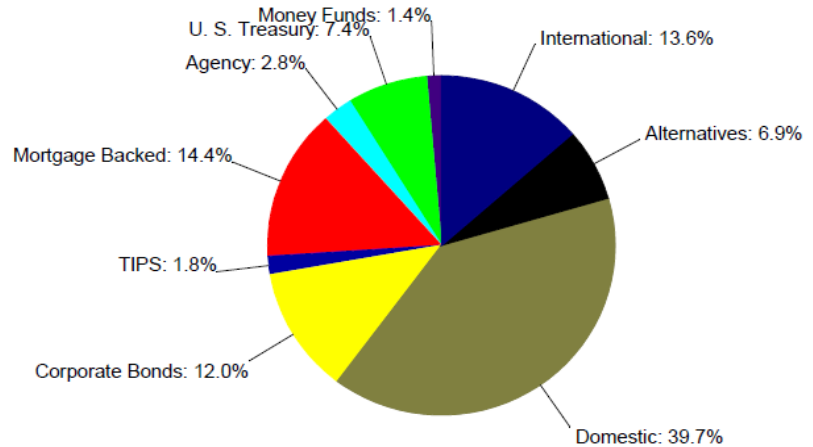


Activity Summary this Quarter

Beginning Value:	\$	73,515,494
Contribute & Withdraw:	\$	-
Net Investment Gain:	\$	2,747,236
Ending Value:	\$	76,262,731
Consulting Fee:	\$	12,376
Income	\$	478,600

Since: 12/31/2012

Cumulative Return:	35.06%
Annualized Net Return:	7.33%
Net Investment Gain:	\$ 21,011,501



Net Performance this Quarter

Fixed Income	0.66%	\$	195,534
Equities	5.82%	\$	2,551,703
Total Fund	3.74%	\$	2,747,236
Target	3.73%		

Portfolio Strengths

- Fixed - In this period, general interest rate levels remained in a pretty tight range, the UST 10 year started the quarter at 2.45% and finished at 2.40%. By sector, Corporate bonds and TIPS helped the most, with a slight advantage to the longer duration bonds versus the shorter, although both remained in positive territory for the quarter.
- Equity - The stronger US dollar helped all of the international managers, but most especially, the developing markets fund. Also, returning back to form, the T Rowe Price Health Care fund had a very good quarter. Domestically, both large and mid cap growth managers added excess returns over the target.

Weaknesses

- Fixed - As noted above, the entire yield curve moved in a very tight range, with the very nearest maturities under-performing by just a bit. Generally, government bonds under-performed the Corporate issues.
- Equity - Higher overall bond yields continue to hurt REIT returns. In this recent high growth environment, the small and mid cap values names trailed their larger, more growth focused, counterparts.

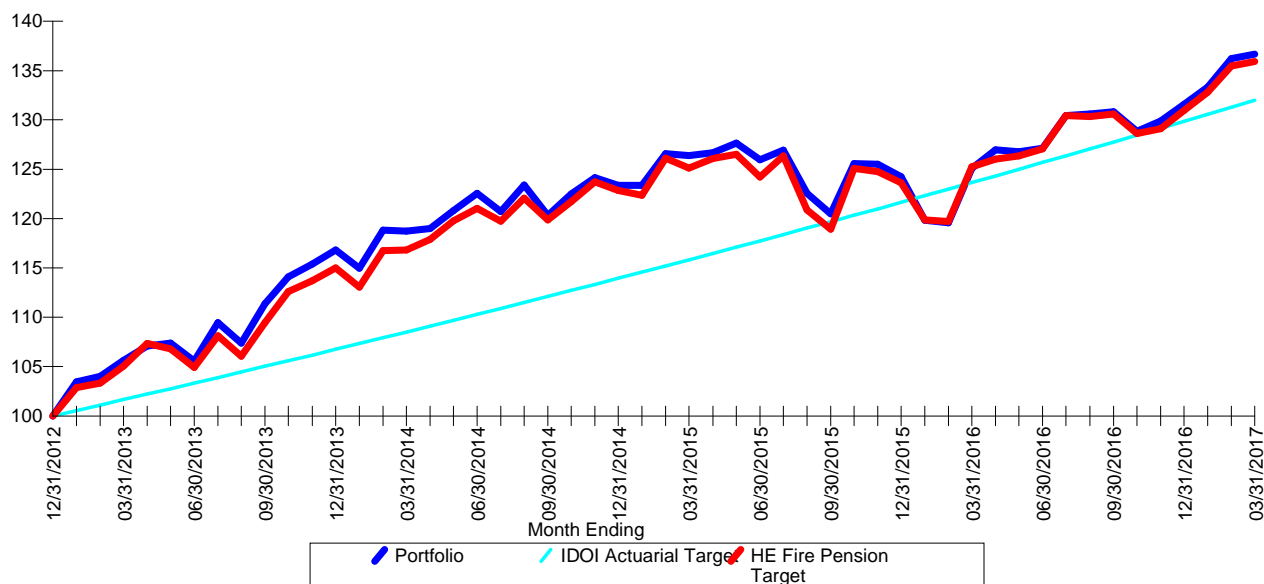
Strategies

- Portfolio - After finishing last year strong, recent domestic economic data seems to be a continuation of that trend. Stronger durable goods, consumer confidence and labor numbers point to a steady upward trajectory. Internationally, a somewhat volatile political climate gives us a bit more cautious outlook, although a strong US\$ will aid those returns. The Federal Reserve expressed their confidence by again raising overnight rates by 25-50 bps, and continue to suggest another 2-3 hikes are coming this year. Furthermore, this most recent data has us continuing our longer term fixed income strategy of a slightly lower than target bond duration and an overweight to higher quality corporate names. In equities, a stronger US economy will have us favoring smaller cap and growth names and underweighting rate sensitive REIT's.

Portfolio Performance Review

Hoffman Estates Firefighters Pension Fund

Graphical Comparative Performance



Total Portfolio	Q1	1 Yr	3 Yrs	Jan	Feb	Mar	Incept
Time Weighted (gross)	3.8	9.2	4.8	1.3	2.2	0.3	7.6
Russell 3000	5.7	18.1	9.8	1.9	3.7	0.1	14.9
MSCI World xUS	7.2	10.1	-2.0	3.5	1.4	2.1	1.3
Barclays Corp A+ 1-5 yr	0.8	1.2	1.9	0.3	0.4	0.0	1.9
Barclays Int Govt	0.5	-0.7	1.6	0.2	0.3	0.1	0.9
IDOI Actuarial Target	1.6	6.7	6.7	0.5	0.5	0.5	6.8
HE Fire Pension Target	3.7	8.6	5.0	1.4	1.9	0.3	7.5
Time Weighted (net)	3.7	8.9	4.5	1.2	2.2	0.3	7.3
Russell 3000	5.7	18.1	9.8	1.9	3.7	0.1	14.9
MSCI World xUS	7.2	10.1	-2.0	3.5	1.4	2.1	1.3
Barclays Corp A+ 1-5 yr	0.8	1.2	1.9	0.3	0.4	0.0	1.9
Barclays Int Govt	0.5	-0.7	1.6	0.2	0.3	0.1	0.9
IDOI Actuarial Target	1.6	6.7	6.7	0.5	0.5	0.5	6.8
HE Fire Pension Target	3.7	8.6	5.0	1.4	1.9	0.3	7.5

Returns for periods exceeding 12 months are annualized

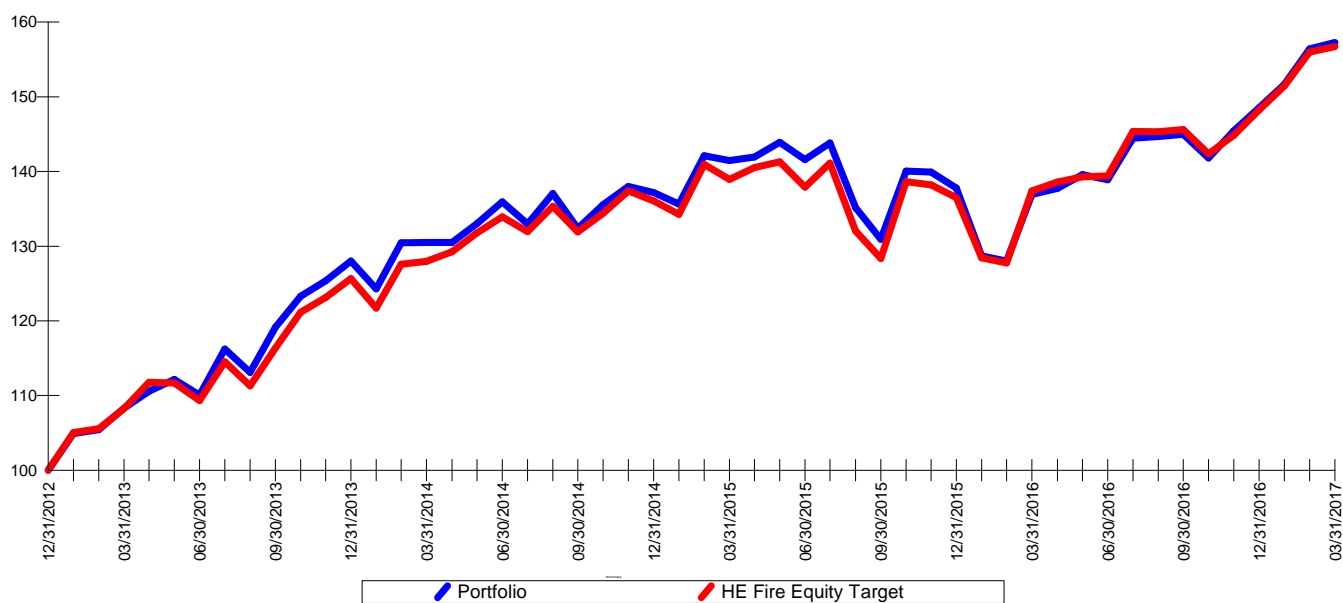
This report includes data currently available to the investment manager. Past performance is no guarantee of future performance. Indices are not available for direct investment. An investment product which attempts to mimic the performance of an index will incur expenses such as management fees and transaction costs which reduce returns.



Portfolio Performance Review

Hoffman Estates Equity

Graphical Comparative Performance



Total Portfolio	Q1	1 Yr	3 Yrs	Jan	Feb	Mar	*Incept
Time Weighted (gross)	5.9	14.8	6.4	2.1	3.1	0.5	11.2
Russell 3000	5.7	18.1	9.8	1.9	3.7	0.1	14.9
S&P 500 Comp. w/ divs	6.1	17.2	10.4	1.9	4.0	0.1	15.1
Russell 1000 Value	3.3	19.2	8.7	0.7	3.6	-1.0	14.1
MSCI World xUS	7.2	10.1	-2.0	3.5	1.4	2.1	1.3
Wilshire US REIT Inde	0.0	2.0	10.2	-0.7	3.6	-2.7	10.0
HE Fire Equity Target	5.8	14.1	6.9	2.2	2.9	0.5	11.2
Time Weighted (net)	5.8	14.5	6.1	2.1	3.1	0.5	11.0
Russell 3000	5.7	18.1	9.8	1.9	3.7	0.1	14.9
S&P 500 Comp. w/ divs	6.1	17.2	10.4	1.9	4.0	0.1	15.1
Russell 1000 Value	3.3	19.2	8.7	0.7	3.6	-1.0	14.1
MSCI World xUS	7.2	10.1	-2.0	3.5	1.4	2.1	1.3
Wilshire US REIT Inde	0.0	2.0	10.2	-0.7	3.6	-2.7	10.0
HE Fire Equity Target	5.8	14.1	6.9	2.2	2.9	0.5	11.2

* Return since inception date of 12/31/2012

Hoffman Estates Equity v. Target - Hoffman Equity

Portfolio
Hoffman Estates Equity

Benchmark
Target - Hoffman Equity

Currency
US Dollar

Attribution Detail 1/1/2017 to 3/31/2017

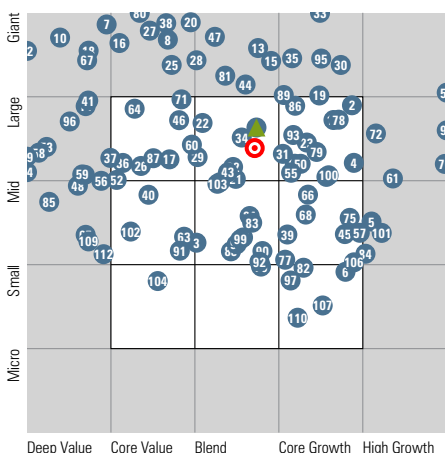
Name	Benchmark	Allocation %			Gross Return %			Contribution %			Attribution Effects %			
		Actual	Policy	+/-	Port	B-mark	+/-	Port	B-mark	+/-	Sector Allocation	Mgr Selection	Mgr B-mark Misfit	Active Ret
Alternative	Wilshire US REIT TR USD	7.92	8.33	-0.41	1.78	0.03	1.74	0.15	0.01	0.14	0.00	0.15	0.00	0.15
Hoffman Estates Fire Adelante	Wilshire US REIT TR USD	7.92	—	—	1.78	0.03	1.74	0.15	0.00	0.15	—	0.15	0.00	0.15
CASH	USTREAS T-Bill Auction Ave 3 Mon	0.27	0.00	0.27	0.15	—	—	0.00	0.00	0.00	-0.02	0.00	0.00	-0.02
USTREAS T-Bill Auction Ave 3 Mon	USTREAS T-Bill Auction Ave 3 Mon	0.27	—	—	0.15	0.15	0.00	0.00	0.00	0.00	—	0.00	0.00	0.00
Domestic	Russell 3000 TR USD	69.84	58.34	11.50	5.59	5.74	-0.15	3.92	3.36	0.57	0.00	0.23	-0.39	-0.16
iShares Russell 3000	Russell 3000 TR USD	28.60	—	—	5.76	5.74	0.01	1.65	0.00	1.65	—	-0.03	0.00	-0.03
Hoffman Estates Fire Rothschild LV	Russell 1000 Value TR USD	24.54	—	—	3.72	3.27	0.45	0.94	0.00	0.94	—	0.11	-0.62	-0.51
Vanguard Growth Index Admiral	Russell 1000 Growth TR USD	6.73	—	—	9.61	8.91	0.70	0.62	0.00	0.62	—	0.04	0.20	0.25
Baird MidCap Inst	Russell Mid Cap Growth TR USD	2.28	—	—	8.89	6.89	2.00	0.20	0.00	0.20	—	0.04	0.03	0.06
Diamond Hill Small-Mid Cap I	Russell Mid Cap Value TR USD	3.10	—	—	2.77	3.76	-1.00	0.09	0.00	0.09	—	-0.04	-0.06	-0.10
T. Rowe Price QM US Small-Cap Gr Eq	Russell 2000 Growth TR USD	1.64	—	—	6.89	5.35	1.55	0.11	0.00	0.11	—	0.02	-0.01	0.02
T. Rowe Price Health Sciences	S&P 1500 Health Care TR	2.95	—	—	11.47	8.45	3.02	0.32	0.00	0.32	—	0.08	0.08	0.15
International	MSCI ACWI Ex USA PR USD	21.97	33.33	-11.36	8.73	7.21	1.52	1.87	2.40	-0.53	-0.18	0.09	0.18	0.09
Oakmark International Investor	MSCI ACWI Ex USA NR USD	8.90	—	—	9.70	7.86	1.84	0.83	0.00	0.83	—	0.14	0.06	0.19
Artisan International Value Investor	MSCI ACWI Ex USA NR USD	8.41	—	—	6.92	7.86	-0.94	0.58	0.00	0.58	—	-0.10	0.05	-0.05
Oppenheimer International Small-Mid C	MSCI World Ex USA SMID NR USD	2.98	—	—	9.68	7.45	2.23	0.28	0.00	0.28	—	0.05	0.01	0.06
Oppenheimer Developing Markets Y	MSCI EM NR USD	1.69	—	—	11.34	11.45	-0.11	0.18	0.00	0.18	—	-0.01	0.07	0.06
Total		100.00	100.00	0.00	5.94	5.76	0.18	5.94	5.76	0.18	-0.19	0.46	-0.21	0.06

Hoffman Estates Domestic

Portfolio Aggregation

Data as of 3/31/2017 **Currency** USD **Risk-Free Rate** USTREAS T-Bill Auction Ave 3 Mon **Benchmark** iShares Russell 3000

Equity Style Box



Style Breakdown	Portfolio %	Benchmark %
Large Value	21.73	23.77
Large Core	25.98	24.66
Large Growth	21.02	24.23
Mid Value	5.92	6.15
Mid Core	9.37	6.48
Mid Growth	8.69	6.12
Small Value	1.93	2.72
Small Core	2.94	2.93
Small Growth	2.42	2.95
Large Cap	68.73	72.66
Mid-Small Cap	31.27	27.34
Value	29.58	32.64
Core	38.29	34.06
Growth	32.13	33.30

● Portfolio ● Portfolio Constituents ▲ Benchmark

Top 10 Constituents

	% Weighting
1 iShares Russell 3000	36.78
2 Vanguard Growth Index Admiral	8.66
3 Diamond Hill Small-Mid Cap I	3.99
4 T. Rowe Price Health Sciences	3.79
5 Baird MidCap Inst	2.93
6 T. Rowe Price QM US Small-Cap Gr Eq	2.10
7 JPMorgan Chase & Co	1.16
8 Bank of America Corporation	1.11
9 Schwab Money Market	1.02
10 AT&T Inc	0.99

Portfolio Statistics

Style Box Value Factors	Portfolio	Benchmark
Price/Prospective Earnings	22.91	19.74
Price/Book	3.38	2.66
Price/Sales	3.00	1.91
Price/Cash Flow	13.42	10.77
Dividend Yield %	2.11	2.04

Style Box Growth Factors

Long-Term Earning Growth %	9.79	9.53
Historical Earnings Growth %	11.43	4.21
Book Value Growth %	5.30	3.42
Sales Growth %	2.60	0.40
Cash Flow Growth %	5.23	0.66

Equity Valuation Price Multiples

Price to Earnings	21.63	21.33
Price to Book Value	2.77	2.87
Price to Sales	2.09	1.96
Price to Cash Flow	12.96	12.72

Financial Ratios

ROE %	17.90	19.48
ROA %	5.47	6.33
Net Margin %	14.13	13.25
Debt to Capital %	43.65	42.52

Fixed Income Style

Avg Eff Duration	1.55	—
Avg Eff Maturity	—	—
Avg Credit Quality	BB	—
Avg Wtd Coupon	3.82	—
Avg Wtd Price	—	—

Misc

% Market Value in Top 10 Holdings	62.54	15.48
Average Expense Ratio	0.32	0.20

Portfolio Overview

Composition	Portfolio %	Benchmark %
Cash	1.66	0.27
Stock	98.15	99.73
Bond	0.06	0.00
Other	0.03	0.00
Total	99.91	100.00

World Region Breakdown	Portfolio %	Benchmark %
Americas	98.77	99.21
North America	98.70	99.17
Latin America	0.07	0.04
Greater Europe	0.96	0.37
United Kingdom	0.07	0.04
Europe Developed	0.84	0.31
Europe Emerging	0.00	0.00
Africa/Middle East	0.05	0.01
Greater Asia	0.27	0.42
Japan	0.04	0.00
Australasia	0.00	0.00
Asia Developed	0.00	0.00
Asia emerging	0.23	0.42

Top 10 Country Breakdown	Portfolio %	Benchmark %
United States	98.65	99.10
Switzerland	0.78	0.27
China	0.22	0.40
Other Countries	0.07	0.04
United Kingdom	0.07	0.04
Canada	0.05	0.07
Israel	0.05	0.01
Japan	0.04	0.00
France	0.03	0.00
Ireland	0.02	0.03

Equity Sector Breakdown	Portfolio %	Benchmark %
Cyclical	40.66	35.11
Basic Matls	2.76	3.42
Cons Cyclical	10.18	11.77
Financial Svcs	15.39	16.25
Real Estate	12.33	3.67
Sensitive	33.75	39.79
Comm Svcs	3.90	3.71
Energy	6.22	6.05
Industrials	10.31	11.10
Technology	13.31	18.93
Defensive	25.58	25.10
Cons Defensive	7.18	8.49
Healthcare	15.01	13.52
Utilities	3.39	3.10

Fixed-Income Sector Breakdown	Portfolio %	Benchmark %
Government	0.13	0.00
Municipal	0.00	0.00
Corporate	10.24	48.62
Securitized	6.26	0.00
Cash and Cash Equivalents	83.38	51.38
Derivative	0.00	0.00

Credit Rating Breakdown	Portfolio %	Benchmark %
AAA	26.75	—
AA	8.38	—
A	26.17	—
BBB	17.98	—
BB	7.07	—
B or Below B	1.37	—
Not Rated	12.28	—

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Hoffman Estates Intl

Portfolio Aggregation

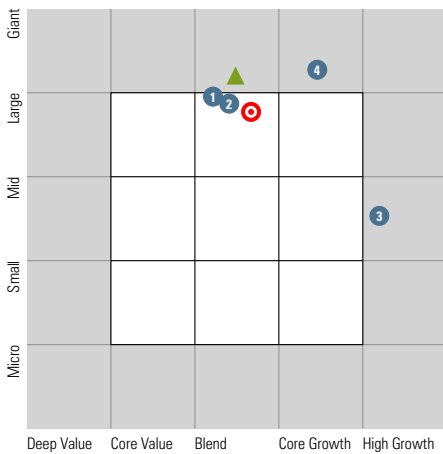
Data as of
3/31/2017

Currency
USD

Risk-Free Rate
USTREAS T-Bill Auction Ave 3 Mon

Benchmark
iShares MSCI ACWI ex US

Equity Style Box



Style Breakdown	Portfolio %	Benchmark %
Large Value	24.46	33.05
Large Core	26.47	33.02
Large Growth	28.34	27.32
Mid Value	3.44	2.38
Mid Core	5.67	2.34
Mid Growth	9.07	1.86
Small Value	0.67	0.04
Small Core	0.49	0.00
Small Growth	1.40	0.00
Large Cap	79.27	93.38
Mid-Small Cap	20.73	6.62
Value	28.57	35.46
Core	32.62	35.36
Growth	38.81	29.18

○ Portfolio ● Portfolio Constituents ▲ Benchmark

Top 10 Constituents

	% Weighting
1 Oakmark International Investor	40.51
2 Artisan International Value Investor	38.26
3 Oppenheimer International Small-Mid Co Y	13.55
4 Oppenheimer Developing Markets Y	7.68

Portfolio Statistics

Style Box Value Factors	Portfolio	Benchmark
Price/Prospective Earnings	16.59	14.59
Price/Book	1.82	1.54
Price/Sales	1.16	1.21
Price/Cash Flow	6.93	4.68
Dividend Yield %	2.93	3.42
Style Box Growth Factors		
Long-Term Earning Growth %	9.56	8.53
Historical Earnings Growth %	2.78	-34.02
Book Value Growth %	1.15	-0.02
Sales Growth %	-0.31	-6.24
Cash Flow Growth %	9.00	1.47

Portfolio Overview

Composition	Portfolio %	Benchmark %
Cash	7.35	0.03
Stock	91.87	99.91
Bond	0.00	0.00
Other	0.78	0.06
Total	100.00	100.00

Equity Sector Breakdown	Portfolio %	Benchmark %
↻ Cyclical	53.55	45.97
🏠 Basic Matls	5.86	8.23
🏠 Cons Cyclical	20.96	11.25
🏠 Financial Svcs	26.31	23.00
🏠 Real Estate	0.42	3.49
🏠 Sensitive	31.56	32.87
🏠 Comm Svcs	1.18	4.82
🏠 Energy	1.56	6.59
🏠 Industrials	15.79	10.94
🏠 Technology	13.03	10.52
→ Defensive	14.89	21.16
🏠 Cons Defensive	8.55	10.20
🏠 Healthcare	6.34	7.99
🏠 Utilities	0.00	2.97

Equity Valuation Price Multiples

	Portfolio	Benchmark
Price to Earnings	12.47	17.21
Price to Book Value	1.80	1.63
Price to Sales	0.58	1.23
Price to Cash Flow	9.64	8.34

Financial Ratios

	Portfolio	Benchmark
ROE %	12.97	13.02
ROA %	5.11	4.74
Net Margin %	8.67	13.10
Debt to Capital %	33.18	33.33

Fixed Income Style

	Portfolio	Benchmark
Avg Eff Duration	—	—
Avg Eff Maturity	—	—
Avg Credit Quality	—	—
Avg Wtd Coupon	—	—
Avg Wtd Price	—	—

Misc

	Portfolio	Benchmark
% Market Value in Top 10 Holdings	100.00	8.79
Average Expense Ratio	1.08	0.33

World Region Breakdown	Portfolio %	Benchmark %
Americas	11.31	10.83
North America	8.23	7.65
Latin America	3.08	3.18
Greater Europe	65.05	47.00
United Kingdom	21.23	12.08
Europe Developed	42.14	30.98
Europe Emerging	0.91	1.55
Africa/Middle East	0.76	2.38
Greater Asia	23.64	42.17
Japan	9.09	16.46
Australasia	1.85	5.44
Asia Developed	3.95	9.65
Asia emerging	8.75	10.63

Top 10 Country Breakdown	Portfolio %	Benchmark %
United Kingdom	21.21	12.08
Switzerland	14.07	6.11
Japan	9.08	16.46
France	8.32	6.62
United States	7.20	0.95
Germany	5.34	6.52
China	4.84	6.66
Netherlands	4.09	2.58
South Korea	3.01	3.53
Italy	2.64	1.23

Fixed-Income Sector Breakdown	Portfolio %	Benchmark %
Government	0.00	0.00
Municipal	0.00	0.00
Corporate	0.10	75.89
Securitized	0.00	0.00
Cash and Cash Equivalents	99.90	24.11
Derivative	0.00	0.00

Credit Rating Breakdown	Portfolio %	Benchmark %
AAA	—	—
AA	—	—
A	—	—
BBB	—	—
BB	—	—
B or Below B	—	—
Not Rated	—	—

April 4, 2017



Buys, Sells, Deposits, Withdrawals

From 01/01/2017 to 03/31/2017

Hoffman Estates Fire Mutual Funds

<u>Portfolio Account Type</u>	<u>Trade Date</u>	<u>Maturity Date</u>	<u>Activity</u>	<u>Security Symbol</u>	<u>Description</u>	<u>Net Amount</u>	<u>Total Fees</u>
Mutual Fun	03/31/2017		Buy	IWV	Russell 3000 IShare	(54,073.02)	0



Buys, Sells, Deposits, Withdrawals

From 01/01/2017 to 03/31/2017

Hoffman Estates Fire Rothschild LV

Portfolio Account Type	Trade Date	Maturity Date	Activity	Security Symbol	Description	Net Amount	Total Fees
Managed A	01/04/2017		Sell	MDT	Medtronic Inc	39,750.51	1
Managed A	01/05/2017		Buy	HAL	Halliburton	(22,968.36)	0
Managed A	01/05/2017		Buy	MS	Morgan Stanley	(108,185.77)	0
Managed A	01/05/2017		Sell	BDX	Becton Dickinson & Co	71,499.16	2
Managed A	01/05/2017		Sell	COP	Conoco Phillips	39,313.92	1
Managed A	01/05/2017		Sell	HD	Home Depot Inc	11,409.03	0
Managed A	01/06/2017		Sell	IP	International Paper	26,841.22	1
Managed A	01/09/2017		Sell	WOOF	V C A Antech Inc	105,062.45	2
Managed A	01/10/2017		Buy	WRK	Westrock Co	(54,090.88)	0
Managed A	01/12/2017		Buy	TSN	Tyson Foods CI A	(33,798.60)	0
Managed A	01/12/2017		Sell	HPE	Hewlett Packard Ente	45,829.58	1
Managed A	01/18/2017		Buy	XEL	Xcel Energy Inc	(110,851.84)	0
Managed A	01/18/2017		Sell	WOOF	V C A Antech Inc	42,387.88	1
Managed A	01/27/2017		Buy	DOW	Dow Chemical Company	(41,435.89)	0
Managed A	01/30/2017		Sell	WRK	Westrock Co	24,450.26	1
Managed A	02/01/2017		Sell	AIG	American Int. Group	30,476.76	1
Managed A	02/02/2017		Buy	MSFT	Microsoft Corporation	(52,706.21)	0
Managed A	02/02/2017		Buy	NUE	Nucor Corp	(22,945.82)	0
Managed A	02/02/2017		Sell	IP	International Paper	69,561.64	2
Managed A	02/10/2017		Buy	CELG	Celgene Corp	(134,529.74)	0
Managed A	02/10/2017		Sell	AR	Antero Resouces Corp	28,574.38	1
Managed A	02/10/2017		Sell	INTC	Intel Corporation	50,295.56	1
Managed A	02/13/2017		Sell	WRK	Westrock Co	33,628.64	1
Managed A	02/15/2017		Sell	AIG	American Int. Group	19,356.93	0
Managed A	02/15/2017		Sell	COP	Conoco Phillips	30,174.38	1
Managed A	02/16/2017		Buy	HSY	Hershey Company	(135,647.93)	0
Managed A	02/22/2017		Buy	HRC	Healthsouth Rehabilitati	(56,567.90)	0
Managed A	02/22/2017		Sell	AR	Antero Resouces Corp	33,357.35	1
Managed A	03/06/2017		Sell	AIG	American Int. Group	89,031.84	2
Managed A	03/07/2017		Buy	HPE	Hewlett Packard Ente	(68,867.31)	0
Managed A	03/08/2017		Sell	INTC	Intel Corporation	64,050.06	1
Managed A	03/13/2017		Buy	BAH	Booz Allen Hamilton Hold	(91,596.76)	0
Managed A	03/13/2017		Sell	EOG	E O G Resources	45,762.39	1
Managed A	03/13/2017		Sell	HAL	Halliburton	28,590.94	1
Managed A	03/13/2017		Sell	INTC	Intel Corporation	31,361.02	1
Managed A	03/16/2017		Buy	XEL	Xcel Energy Inc	(29,255.92)	0
Managed A	03/16/2017		Sell	NOC	Northrop Grumman Corp	31,807.35	1
Managed A	03/31/2017		Buy	PWR	Quanta Services Inc	(85,710.75)	0
						(56,586.43)	22



Buys, Sells, Deposits, Withdrawals

From 01/01/2017 to 03/31/2017

Hoffman Estates Fire Adelante

Portfolio Account Type	Trade Date	Maturity Date	Activity	Security Symbol	Description	Net Amount	Total Fees
Managed A	01/10/2017		Buy	AIV	Airport Investment & Man	(1,200.73)	0
Managed A	01/10/2017		Buy	ARE	Alexandria Real Estate	(665.00)	0
Managed A	01/10/2017		Buy	AMT	American Tower	(2,804.97)	0
Managed A	01/10/2017		Buy	CHSP	Chesapeake Lodging Tru	(3,037.22)	0
Managed A	01/10/2017		Buy	SFR	Colony Starwood Homes	(1,706.69)	0
Managed A	01/10/2017		Buy	OFC	Corporate Office Properti	(2,576.95)	0
Managed A	01/10/2017		Buy	DCT	DCT Industrial Trust	(575.64)	0
Managed A	01/10/2017		Buy	DFT	Dupont Fabros Technolo	(4,249.13)	0
Managed A	01/10/2017		Buy	GGP	GGP, Inc.	(1,673.49)	0
Managed A	01/10/2017		Buy	HGV	Hilton Grand Vacatio	(19,716.90)	0
Managed A	01/10/2017		Buy	HLT	Hilton Hotels Corp	(18,398.89)	0
Managed A	01/10/2017		Buy	KRC	Kilroy Realty Corp	(7,502.40)	0
Managed A	01/10/2017		Buy	KIM	Kimco Realty Corp	(2,052.53)	0
Managed A	01/10/2017		Buy	ROIC	Retail Oppty Investments	(942.12)	0
Managed A	01/10/2017		Buy	VNO	Vornado Realty	(18,384.84)	0
Managed A	01/10/2017		Sell	AAT	American Assets TRUST	7,881.82	0
Managed A	01/10/2017		Sell	BXP	Boston Properties	11,292.54	0
Managed A	01/10/2017		Sell	DRE	Duke Realty Corp	321.27	0
Managed A	01/10/2017		Sell	EQIX	Equinix Inc New	3,336.20	0
Managed A	01/10/2017		Sell	EQR	Equity Residential	15,771.14	0
Managed A	01/10/2017		Sell	ESS	Essex Property	34,520.30	1
Managed A	01/10/2017		Sell	EXR	Extra Space Storage Inc	3,498.67	0
Managed A	01/10/2017		Sell	FCPT	Four Corners Property M	685.42	0
Managed A	01/10/2017		Sell	HTA	Healthcare Trust of Ameri	1,849.90	0
Managed A	01/10/2017		Sell	HIW	Highwood Properties Inc	155.70	0
Managed A	01/10/2017		Sell	MAR	Marriott International	4,438.89	0
Managed A	01/10/2017		Sell	NNN	National Retail Pptys	1,630.02	0
Managed A	01/10/2017		Sell	OHI	Omega Hlthcare Invs Inc	1,445.29	0
Managed A	01/10/2017		Sell	PK	Park Hotels & Resort	17,273.32	0
Managed A	01/10/2017		Sell	PLD	Prologis	796.46	0
Managed A	01/10/2017		Sell	PSA	Public Storage	4,755.73	0
Managed A	01/10/2017		Sell	REG	Regency Centers	622.02	0
Managed A	01/10/2017		Sell	SPG	Simon Property Group	4,979.85	0
Managed A	01/10/2017		Sell	SUI	Sun Communities	1,399.97	0
Managed A	01/10/2017		Sell	HCN	Welltower Inc.	20,778.59	0
Managed A	01/30/2017		Buy	AIV	Airport Investment & Man	(397.16)	0
Managed A	01/30/2017		Buy	DCT	DCT Industrial Trust	(3,451.20)	0
Managed A	01/30/2017		Buy	DRE	Duke Realty Corp	(7,544.16)	0
Managed A	01/30/2017		Buy	EQR	Equity Residential	(6,725.38)	0
Managed A	01/30/2017		Buy	ESS	Essex Property	(1,347.64)	0
Managed A	01/30/2017		Buy	EXR	Extra Space Storage Inc	(5,692.56)	0
Managed A	01/30/2017		Buy	GGP	GGP, Inc.	(2,808.84)	0
Managed A	01/30/2017		Buy	HTA	Healthcare Trust of Ameri	(784.89)	0
Managed A	01/30/2017		Buy	HGV	Hilton Grand Vacatio	(6,508.84)	0
Managed A	01/30/2017		Buy	KIM	Kimco Realty Corp	(1,856.63)	0
Managed A	01/30/2017		Buy	MAR	Marriott International	(13,770.23)	0
Managed A	01/30/2017		Buy	NNN	National Retail Pptys	(2,311.74)	0
Managed A	01/30/2017		Buy	OHI	Omega Hlthcare Invs Inc	(95.72)	0

Buys, Sells, Deposits, Withdrawals

From 01/01/2017 to 03/31/2017

Hoffman Estates Fire Adelante

Portfolio Account Type	Trade Date	Maturity Date	Activity	Security Symbol	Description	Net Amount	Total Fees
Managed A	01/30/2017		Buy	PK	Park Hotels & Resort	(35,231.09)	0
Managed A	01/30/2017		Buy	PLD	Prologis	(12,176.10)	0
Managed A	01/30/2017		Buy	PSA	Public Storage	(7,125.02)	0
Managed A	01/30/2017		Buy	ROIC	Retail Oppty Investments	(247.27)	0
Managed A	01/30/2017		Buy	SPG	Simon Property Group	(8,051.09)	0
Managed A	01/30/2017		Buy	VNO	Vornado Realty	(6,430.45)	0
Managed A	01/30/2017		Buy	HCN	Welltower Inc.	(3,781.77)	0
Managed A	01/30/2017		Sell	ARE	Alexandria Real Estate	1,344.49	0
Managed A	01/30/2017		Sell	AAT	American Assets TRUST	126.26	0
Managed A	01/30/2017		Sell	BXP	Boston Properties	10,914.25	0
Managed A	01/30/2017		Sell	CHSP	Chesapeake Lodging Tru	46,978.28	1
Managed A	01/30/2017		Sell	SFR	Colony Starwood Homes	3,921.51	0
Managed A	01/30/2017		Sell	OFC	Corporate Office Properti	4,835.89	0
Managed A	01/30/2017		Sell	DFT	Dupont Fabros Technolo	2,262.62	0
Managed A	01/30/2017		Sell	EQIX	Equinix Inc New	3,465.99	0
Managed A	01/30/2017		Sell	FCPT	Four Corners Property M	2,754.32	0
Managed A	01/30/2017		Sell	HIW	Highwood Properties Inc	775.31	0
Managed A	01/30/2017		Sell	HLT	Hilton Hotels Corp	11,795.22	0
Managed A	01/30/2017		Sell	KRC	Kilroy Realty Corp	6,967.41	0
Managed A	01/30/2017		Sell	REG	Regency Centers	2,074.98	0
Managed A	01/30/2017		Sell	SUI	Sun Communities	1,407.05	0
Managed A	03/10/2017		Buy	AIV	Airport Investment & Man	(261.02)	0
Managed A	03/10/2017		Buy	ARE	Alexandria Real Estate	(59,170.38)	0
Managed A	03/10/2017		Buy	AMT	American Tower	(2,729.52)	0
Managed A	03/10/2017		Buy	SFR	Colony Starwood Homes	(3,671.77)	0
Managed A	03/10/2017		Buy	OFC	Corporate Office Properti	(6,762.28)	0
Managed A	03/10/2017		Buy	EQIX	Equinix Inc New	(9,068.62)	0
Managed A	03/10/2017		Buy	FCPT	Four Corners Property M	(315.08)	0
Managed A	03/10/2017		Buy	GGP	GGP, Inc.	(3,181.69)	0
Managed A	03/10/2017		Buy	HIW	Highwood Properties Inc	(3,524.16)	0
Managed A	03/10/2017		Buy	HLT	Hilton Hotels Corp	(2,188.49)	0
Managed A	03/10/2017		Buy	KIM	Kimco Realty Corp	(4,020.52)	0
Managed A	03/10/2017		Buy	NNN	National Retail Pptys	(633.75)	0
Managed A	03/10/2017		Buy	OHI	Omega Hlthcare Invs Inc	(465.84)	0
Managed A	03/10/2017		Buy	PK	Park Hotels & Resort	(1,851.26)	0
Managed A	03/10/2017		Buy	REG	Regency Centers	(11,713.60)	0
Managed A	03/10/2017		Buy	ROIC	Retail Oppty Investments	(182.57)	0
Managed A	03/10/2017		Buy	SPG	Simon Property Group	(7,587.45)	0
Managed A	03/10/2017		Buy	VNO	Vornado Realty	(1,856.14)	0
Managed A	03/10/2017		Sell	AAT	American Assets TRUST	16,169.76	0
Managed A	03/10/2017		Sell	BXP	Boston Properties	1,961.51	0
Managed A	03/10/2017		Sell	DCT	DCT Industrial Trust	1,926.77	0
Managed A	03/10/2017		Sell	DRE	Duke Realty Corp	4,241.42	0
Managed A	03/10/2017		Sell	DFT	Dupont Fabros Technolo	713.00	0
Managed A	03/10/2017		Sell	EQR	Equity Residential	13,542.20	0
Managed A	03/10/2017		Sell	ESS	Essex Property	1,350.53	0
Managed A	03/10/2017		Sell	EXR	Extra Space Storage Inc	5,651.78	0
Managed A	03/10/2017		Sell	HTA	Healthcare Trust of Ameri	5,750.76	0
Managed A	03/10/2017		Sell	HGV	Hilton Grand Vacatio	85.69	0
Managed A	03/10/2017		Sell	KRC	Kilroy Realty Corp	2,968.54	0
Managed A	03/10/2017		Sell	MAR	Marriott International	1,298.22	0
Managed A	03/10/2017		Sell	PLD	Prologis	1,926.21	0
Managed A	03/10/2017		Sell	PSA	Public Storage	25,823.49	1
Managed A	03/10/2017		Sell	SUI	Sun Communities	2,149.47	0

Buys, Sells, Deposits, Withdrawals
 From 01/01/2017 to 03/31/2017

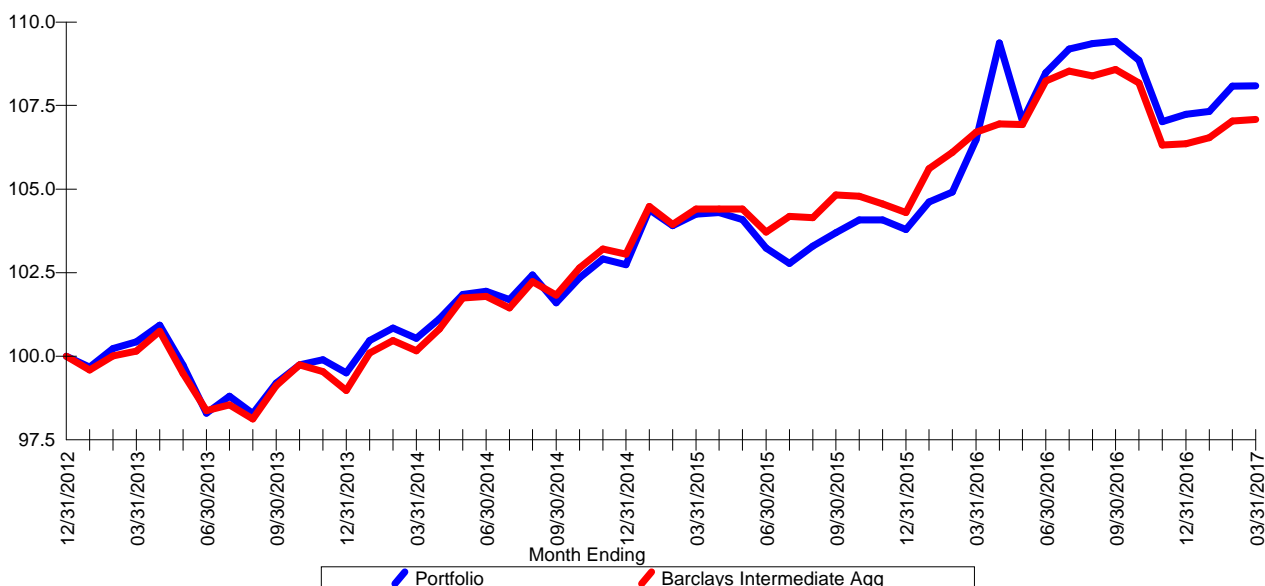
Hoffman Estates Fire Adelante

<u>Portfolio Account Type</u>	<u>Trade Date</u>	<u>Maturity Date</u>	<u>Activity</u>	<u>Security Symbol</u>	<u>Description</u>	<u>Net Amount</u>	<u>Total Fees</u>
Managed A	03/10/2017		Sell	HCN	Welltower Inc.	1,384.44	0
						(7,008.95)	7

Portfolio Performance Review

Hoffman Estates Fixed Income

Graphical Comparative Performance



Total Portfolio	Q1	1 Yr	3 Yrs	Jan	Feb	Mar	Incept
Time Weighted (gross)	0.8	1.5	2.4	0.1	0.7	0.0	1.8
Barclays Government	0.7	-1.3	2.0	0.2	0.5	0.0	1.1
Barclays Corp A+ 1-5 yr	0.8	1.2	1.9	0.3	0.4	0.0	1.9
Barclays Aggregate Bond	0.8	0.4	2.7	0.2	0.7	-0.1	1.8
Barclays Int Govt	0.5	-0.7	1.6	0.2	0.3	0.1	0.9
Barclays Intermediate Agg	0.7	0.4	2.3	0.2	0.5	0.0	1.6
Time Weighted (net)	0.7	1.2	2.1	-0.1	0.7	0.0	1.5
Barclays Government	0.7	-1.3	2.0	0.2	0.5	0.0	1.1
Barclays Corp A+ 1-5 yr	0.8	1.2	1.9	0.3	0.4	0.0	1.9
Barclays Aggregate Bond	0.8	0.4	2.7	0.2	0.7	-0.1	1.8
Barclays Int Govt	0.5	-0.7	1.6	0.2	0.3	0.1	0.9
Barclays Intermediate Agg	0.7	0.4	2.3	0.2	0.5	0.0	1.6

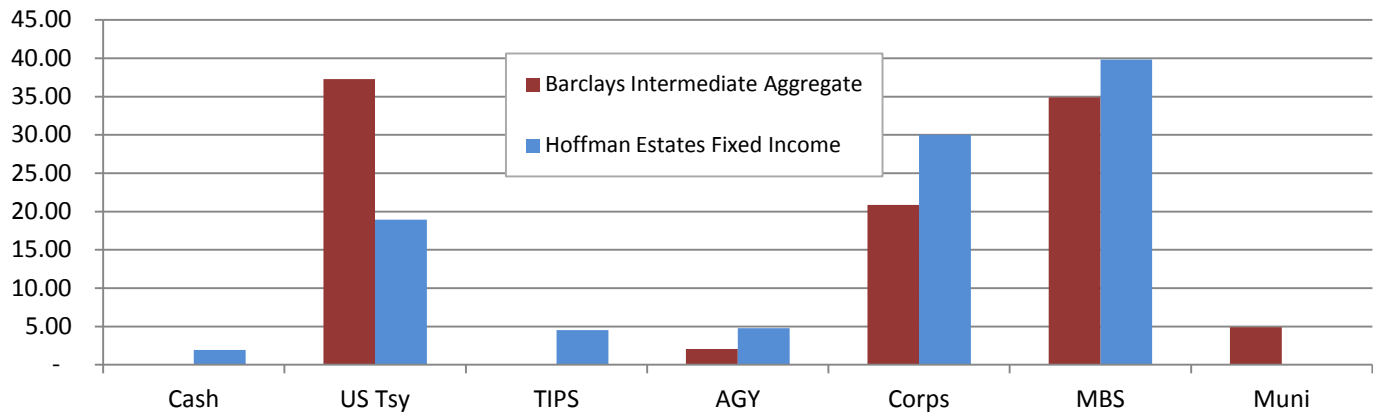
Returns for periods exceeding 12 months are annualized

This report includes data currently available to the investment manager. Past performance is no guarantee of future performance. Indices are not available for direct investment. An investment product which attempts to mimic the performance of an index will incur expenses such as management fees and transaction costs which reduce returns.

Hoffman Estates Firefighters Pension Fund
Fixed Income - All
1st Quarter 2017



	Portfolio	Barclays Int Agg Index
Number of Bonds	127	
Current Yield	3.98	2.75
Maturity	6.67	4.75
Yield to Worst	2.45	2.32
Effective Duration	4.58	4.15
Convexity	0.10	(0.17)



Leading Contributors				
Sector	Weight	Gross	Description	Maturity
CORP	0.50%	6.81	Petro Mexicanos	06/02/41
CORP	0.70%	4.14	Citigroup	01/30/42
CORP	0.70%	3.45	HSBC Holdings	09/17/24
CORP	0.60%	3.00	ERP Partnership	06/01/45
MBS	0.00%	2.97	FNMA	02/01/29
MBS	0.00%	2.96	FNMA	08/01/26
MBS	0.00%	2.94	FNMA	12/01/24
CORP	0.80%	2.90	Masco Corporation	03/15/22
MBS	0.00%	2.87	FNMA	08/01/25
MBS	0.00%	2.81	FNMA	11/01/24

Leading Detractors				
Sector	Weight	Gross	Description	Maturity
CORP	0.60%	(3.53)	Verizon Communications	08/15/46
MBS	0.20%	(1.40)	FHLMC	04/01/40
MBS	0.20%	(1.23)	FNMA	05/01/23
MBS	1.50%	(1.17)	Freddie Mac	10/01/39
MBS	0.30%	(0.97)	FHLMC	06/01/36
MBS	0.90%	(0.89)	FNMA CMO POOL 888555	09/01/21
MBS	0.10%	(0.78)	FNMA	06/01/33
MBS	3.20%	(0.77)	FNMA FN 888703	08/01/37
MBS	1.30%	(0.69)	FNMA	02/01/27
CORP	0.70%	(0.60)	Microsoft Corp	11/03/55

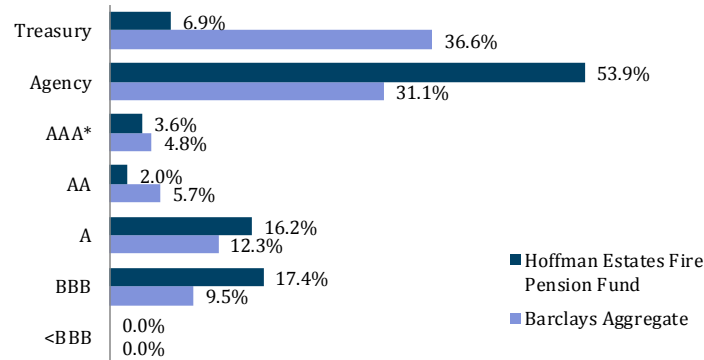
Core Fixed Income

Hoffman Estates Fire Pension Fund – March 31, 2017

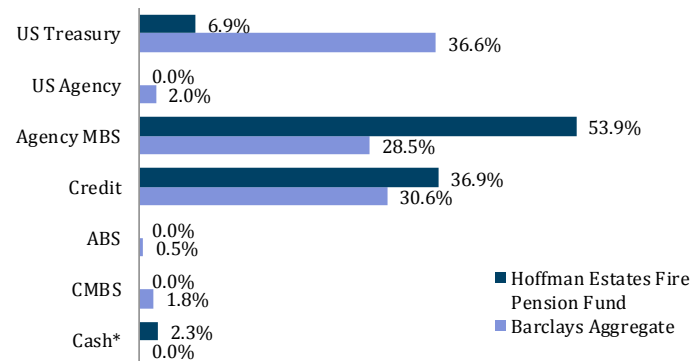
Preliminary Performance	1Q17	1 Year	3 Year	Inception
Hoffman Estates Fire Pension Fund	0.87	2.31	3.08	2.42
Hoffman Estates Fire Pension Fund Benchmark	0.82	0.44	2.51	1.94
Excess Performance	0.05	1.87	0.57	0.48

- During the 1st quarter, gross of fees, the portfolio outperformed the benchmark by 5 bps.
- Since inception, 1/31/13 to 3/31/17, the portfolio has an annualized return of 2.42% , outperforming the benchmark return by 48 bps per annum.
- Hoffman Estates Fire Pension Fund Benchmark is comprised of the Barclays Intermediate Aggregate Index from 1/31/13 to 8/13/14 and the Barclays Aggregate Index thereafter.

Quality Rating Distribution



Sector Weights



Characteristics

	Hoffman Estates Fire Pension Fund	Barclays Aggregate
Effective Duration	5.45	5.82
Convexity	0.39	0.20
Average Yield	2.90%	2.60%

*Includes cash and money market holdings

Inception date 1/31/2013.

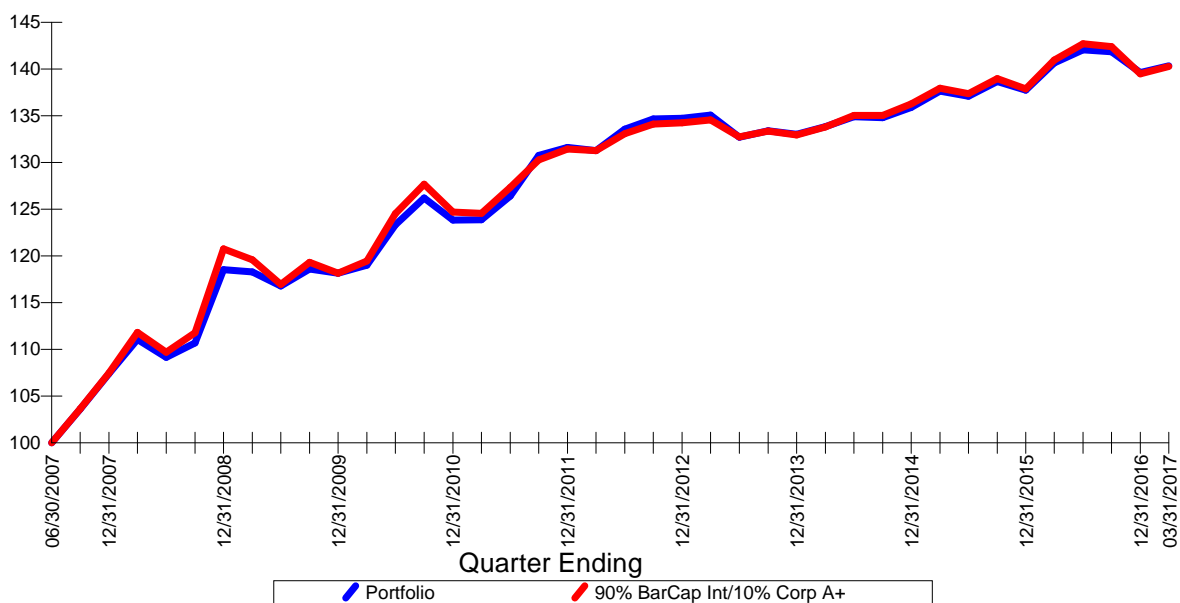
As of 7/1/2015, discretionary investment management of the portfolio is provided by William Blair Investment Management, LLC. Prior to such date, such discretionary investment management was provided by William Blair & Company, L.L.C., an affiliate of William Blair Investment Management, LLC. Past returns are no guarantee of future performance. Performance for periods greater than one year is annualized. The Barclays Intermediate Aggregate Index includes all medium and larger issues of U.S. government, investment-grade corporate, asset-backed securities, mortgage-backed securities, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 10 years and are publicly issued. The Barclays Aggregate Index includes all medium and larger issues of U.S. government, investment-grade corporate, asset-backed securities, mortgage-backed securities, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 30 years and are publicly issued. Characteristics & sector weights source: BlackRock Solutions.



Portfolio Performance Review

Hoffman Estates Firefighters MVT Bonds Fixed Income Acct #: 8153-3379

Graphical Comparative Performance



Total Portfolio	Q1	1 Yr	3 Yrs	5 Yrs	7 Yrs	*Incep
Time Weighted (gross)	0.5	-0.2	1.6	1.4	2.4	3.5
Barclays Int Govt	0.5	-0.7	1.6	1.2	2.2	3.4
Barclays Corp A+ 1-5 yr	0.8	1.2	1.9	2.3		
Barclays Government	0.7	-1.3	2.0	1.6	2.8	3.9
90% BarCap Int/10% Corp	0.6	-0.5	1.6	1.3	2.3	3.5
Time Weighted (net)	0.5	-0.4	1.4	1.2	2.1	3.2
Barclays Int Govt	0.5	-0.7	1.6	1.2	2.2	3.4
Barclays Corp A+ 1-5 yr	0.8	1.2	1.9	2.3		
Barclays Government	0.7	-1.3	2.0	1.6	2.8	3.9
90% BarCap Int/10% Corp	0.6	-0.5	1.6	1.3	2.3	3.5

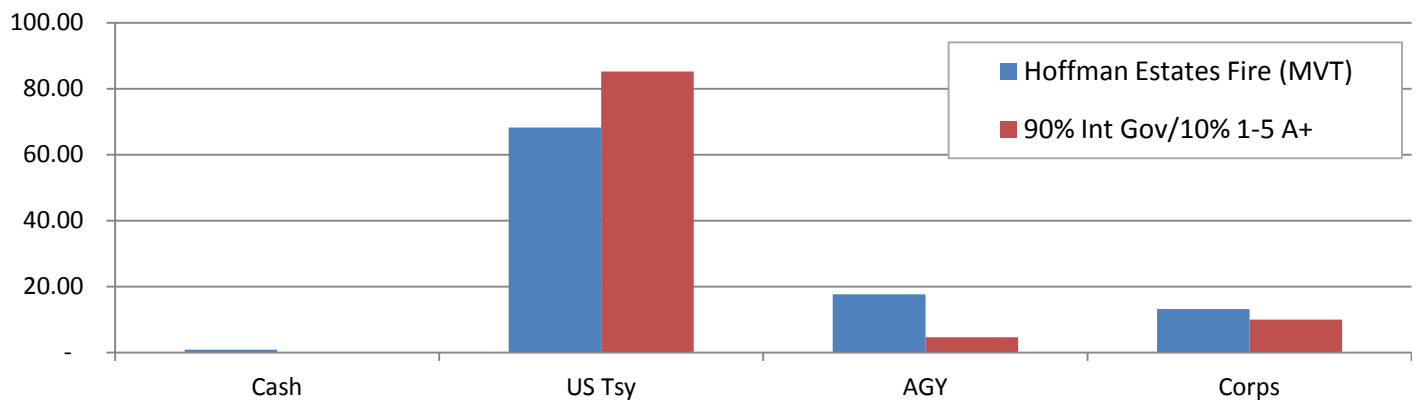
* Return since inception date of 06/30/2007

Returns for periods exceeding 12 months are annualized

Hoffman Estates Firefighters Pension Fund
Fixed Income - MVT
1st Quarter 2017



	Portfolio	90% Int Gov/10% 1-5 A+
Number of Bonds	38	
Current Yield	2.38	1.91
Maturity	2.96	4.02
Yield to Worst	1.59	1.74
Effective Duration	2.83	3.79
Convexity	0.07	0.10



Leading Contributors

Sector	Weight	Gross	Description	Maturity
CORP	0.60%	1.36	JP Morgan Chase Bond	7/22/2020
CORP	0.30%	1.31	Wells Fargo	7/26/2021
CORP	0.30%	1.19	Bank Montreal	8/27/2021
CORP	0.30%	1.11	JP Morgan Chase	6/23/2020
TSY	0.80%	1.02	Treasury Bond	11/15/2024
TSY	1.80%	0.97	US Treasury Note	5/15/2023
TSY	1.10%	0.93	US Treasury Note	10/31/2022
TSY	0.30%	0.90	US Treasury Note	9/30/2022
TSY	0.70%	0.85	Treasury Bond	11/15/2022
TSY	1.00%	0.83	Treasury Bond	8/15/2021

Leading Detractors

Sector	Weight	Gross	Description	Maturity
CORP	0.30%	0.12	Gilead Sciences	4/1/2019
AGY	1.20%	0.13	FNMA 5.375%	6/12/2017
TSY	0.30%	0.14	US Treasury Note	5/31/2018
TSY	0.90%	0.15	Treasury Note	10/31/2017
AGY	1.00%	0.17	FNMA	12/20/2017
CORP	0.00%	0.19	AT&T Inc Corporate Bond	2/15/2017
TSY	1.40%	0.19	Treasury Bond	8/15/2018
AGY	0.90%	0.22	FHLMC 3.75% 3/27/2019	3/27/2019
TSY	0.90%	0.25	Treasury Strip	5/15/2018
TSY	0.80%	0.28	Treasury Note	5/15/2018



Buys, Sells, Deposits, Withdrawals

From 01/01/2017 to 03/31/2017

Hoffman Estates Fixed Income

Portfolio Account Type	Trade Date	Maturity Date	Activity	Security Symbol	Description	Net Amount	Total Fees
Managed A	01/11/2017	10/01/2039	Buy	31335AMP	Freddie Mac	(402,342.70)	10
Managed A	01/12/2017	08/15/2019	Sell	25470DAA	Discovery Communicatio	221,787.25	10
Managed A	01/17/2017	02/01/2027	Buy	3138ERY4	FNMA	(401,916.25)	10
Managed A	01/17/2017	04/01/2024	Sell	31416NSS	FNMA	74,954.70	10
Managed A	01/17/2017	03/01/2024	Sell	31416NAV	FNMA	85,196.92	10
Managed A	01/26/2017	06/15/2022	Buy	29082AAA	Embraer S.A.	(133,127.19)	10
Managed A	01/26/2017	09/15/2019	Sell	760761AB	Republic Services	138,382.22	10
Managed A	02/06/2017	08/10/2026	Buy	91911TAP	Vale Overseas	(161,699.50)	10
Managed A	02/06/2017	11/15/2018	Sell	590188JN	Merrill Lynch	165,075.75	10
Managed A	02/07/2017	10/01/2039	Buy	31335AMP	Freddie Mac	(87,035.87)	10
Managed A	02/13/2017	03/01/2032	Buy	3138ER5T	FNMA	(800,972.24)	10
Managed A	02/13/2017	08/01/2025	Sell	31418WC	FNMA	91,284.94	10
Managed A	02/13/2017	12/01/2024	Sell	31417S5T	FNMA	92,929.62	10
Managed A	02/13/2017	02/01/2029	Sell	3138XJDT	FNMA	116,303.09	10
Managed A	02/13/2017	11/01/2024	Sell	31412QRQ	FNMA	74,074.03	10
Managed A	02/13/2017	08/01/2026	Sell	3138EKEZ	FNMA	430,428.88	10
Fixed Incom	02/15/2017	04/01/2019	Buy	375558AV	Gilead Sciences	(86,078.64)	10
Fixed Incom	02/15/2017	02/15/2017	Sell	00206RBC	AT&T Inc Corporate Bond	85,000.00	0
						(497,754.99)	170

<p>1Q2017</p>	<p>U.S. GDP expanded in the 4th quarter, growing at a 2.1% rate. Personal consumption and corporate profits contributed to growth. Net exports detracted. For all of 2016 GDP came in at a lackluster 1.6%.</p> <p>The Federal Reserve raised their Fed Funds rate target by one quarter percent in March citing a stronger economy and have indicated another two or three may occur in 2017.</p> <p>Amanda Vaught joined our firm in February. She is an attorney with experience in intellectual property law, securities litigation and SEC investigations. Amanda is preparing for the Series 65 Securities Law exam so that she may act as a registered investment advisor representative.</p> <p>Staff members attended the TD Ameritrade national conference to see presentations from David Cameron, former UK Prime Minister and other speakers. Staff members also attended training for cyber-security and regulatory updates.</p> <p>We conducted due diligence with Artisan, Cohen and Steers, Goldman Sachs, T Rowe Price, Clearbridge, Deutsche, USAA and American Funds.</p> <p>MVT staff participated in our annual compliance review to analyze and update our policies and procedures.</p>
<p>4Q2016</p>	<p>The US election produced a somewhat unexpected outcome leading to some volatility in global markets. The Fed raised interest rates another 0.25% for the first time in 2016. GDP for the 3rd quarter came in at 3.5% which was stronger than expected.</p> <p>Partner David Vaught attended and spoke at the AFFI Pension Conference in Lisle.</p> <p>MVT staff attended the IPPAC conference and presented on investment and cyber-security topics.</p> <p>Our Chief Compliance Officer attended the NRS conference and completed his annual CE credits to maintain IACCP designation.</p> <p>MVT went through a cyber security review and audit.</p> <p>We attended the annual Schwab conference and met with managers from several firms.</p> <p>We conducted a due diligence review with Oakmark.</p>
<p>3Q2016</p>	<p>U.S. GDP remained sluggish at 1.4% for the 2nd quarter. Consumer spending accounted for the growth while caution among business and government spending detracted.</p> <p>We conducted due diligence with Goldman Sachs, Cohen and Steers, Queens Road</p>

	<p>and Wisdom Tree.</p> <p>John Mitchell attended the annual conference with American Funds to review strategies and interview portfolio managers.</p> <p>We upgraded the technical capabilities of our BondEdge fixed income analytics platform.</p>
2Q2016	<p>MVT staff members attended the IPPAC conference and gave a presentation on global market events and financial measurements.</p> <p>We had several meetings with the team from Oakmark about their recent poor performance and are recommending trimming some of those positions, while we continue to evaluate their investment thesis and process.</p> <p>We also conducted traditional due diligence meetings with Diamond Hill, Oppenheimer, Artisan, Goldman, and Cohen & Steers.</p> <p>We also met with Queens Road, Turner, Managers, Vanare, Polen, Prudential.</p> <p>We met with the team from Principal Real Estate investors to understand their direct owned real estate separate account. While we understand and appreciate the company, team and approach; the potential lack of liquidity and mark-to-market pricing continues to lead us away from recommending the product at this time.</p> <p>U.S GDP slowed to 0.8% (annualized) in 1q2016 the weakest quarterly rate in 2 years. Businesses cut back on investment while consumer tended to hold wage gains and fuel savings in their pockets. In the U.K, voters cast ballots in favor of leaving the EU. This caused immediate turmoil in global markets, particularly in Europe and the financial sector. Market began to recover within a few days and bond yields fell as investors sought the safety that those provide.</p>
1Q2016	<p>Investment Policy has been updated and sent to the Illinois Department of Insurance.</p> <p>After several quarters of lackluster performance and trailing its peers in the sector, our Investment Committee eliminated the Vanguard Explorer fund. After significant research and discussion, the T Rowe Price Small Cap Growth fund was chosen to replace it across all Illinois Public Pension funds.</p> <p>U.S. 4Q GDP was finally revised to +1.4%, which was below both the 3rd and 2nd quarters. At their March meeting, the Federal Reserve declined to raise the Fed Funds rate.</p> <p>Several staff members attended the TD Ameritrade national conference.</p> <p>We conducted due diligence meetings with Rothschild, Cohen and Steers, American Funds, Goldman Sachs, Diamond Hill, Artisan and DWS.</p>

	<p>On March 24th, the Illinois Supreme Court ruled unconstitutional a Chicago law to reduce COLA and increase employee pension contributions for certain city employees.</p>
4Q2015	<p>The Fed raised interest rates to 0.25% for the first time in over a decade. This action had some impact on the short end of the yield curve and not on longer maturities.</p> <p>MVT staff attended the IPPAC conference and presented on investment topics.</p> <p>Thomas Dugan joined the MVT firm in November, coming over from Morgan Stanley. Tom has many years of experience on trading floors. He will be a fixed income analyst and trader and will attend client board meetings.</p> <p>Our Chief Compliance Officer completed annual CE credits to maintain IACCP designation.</p> <p>We conducted due diligence on funds from Blackrock, TCW, Oppenheimer.</p> <p>MVT has been hired by new clients Washington Police Pension and Stone Park Village Employees Retirement Plan.</p>
3Q2015	<p>Due to extreme global equity volatility caused by the devaluation of the yuan and subsequent crash of the Chinese stock market; in early August we reduced the emerging market weight by about 50% and increased the weight of the domestic Diamond Hill SMID fund.</p> <p>At the September meeting, the Fed held rates at the zero bound. Following the decision to hold, US equity markets dipped on the confirmation of weakness in the global and U.S. economies.</p> <p>Our staff conducted due diligence meetings with T. Rowe Price, Diamond Hill, Cohen and Steers, Deutsche, and Blackrock/iShares.</p> <p>MVT updated a module within Tradeweb to enable the trading and analysis of corporate bonds.</p>
2Q2015	<p>As previously discussed we replaced our previous mid and small cap value managers with a single fund, the Diamond Hill Small/Mid Cap manager (investment detail was provided at the last meeting). Also, due to a manager change and “style drift” we replaced Columbia Acorn International with the Oppenheimer International Small Cap fund (investment detail attached).</p> <p>Attended and spoke at the Illinois Public Pension Advisory Committee’s spring conference.</p> <p>Attended the annual investor conference of Warren Buffet’s Berkshire Hathaway.</p> <p>Met with manager firms Lazard, American Funds, Prudential, Vanguard, iShares</p>

	<p>(Blackrock), Oppenheimer, Columbia, Cohen & Steers, T Rowe Price, Artisan, Baird, Diamond Hill, and Wisdom Tree.</p> <p>Attended due diligence meetings with Schroeder's and Neuberger Berman, at their headquarters.</p> <p>Attended a Registered Investment Advisers Conference.</p> <p>Attended a TD Ameritrade event in Indianapolis, IN.</p> <p>Attended a SEC Compliance conference.</p> <p>Updated our ADV as annually required.</p>
1Q2015	<p>As discussed at the 3rd quarter meeting we terminated the Heartland Value small cap manager and are recommending replacing them with Diamond Hill Small/Mid Cap manager (investment detail enclosed).</p> <p>Attended and spoke at the Illinois Governmental Finance Officers Association (IGFOA) conference in Downers Grove.</p> <p>All members of our firm attended a mandatory internal compliance conference.</p> <p>Emily Agosto passed the final part of the Illinois CPA exam and is awaiting her official designation as a certified public accountant.</p> <p>Met with manager firms R.W. Baird, Diamond Hill, Oakmark, Columbia, Invesco, Putnam, MFS, and WCM.</p> <p>Attended the annual TD Ameritrade conference and met with many of the portfolio managers.</p>
4Q2014	<p>As noted in the Q3 executive summary, we increased the allocation to the T Rowe Price health fund, as well as underweighting the international portion of the portfolio.</p> <p>The Investment Policy, approved at the October meeting, was signed by President Orr and Secretary Fijalkowski. It has been sent to the Illinois Department of Insurance.</p> <p>Per request of Finance Director (and Pension Trustee) Musiala, we provided portfolio information to the Village auditors.</p> <p>Per request of Village Treasurer Helgerson, we provided information about the fees charged by the separate account managers and mutual funds.</p> <p>Attended and spoke at the Illinois Public Pension Advisory Committee conferences in Schaumburg and Hoffman Estates.</p>

	<p>Attended and spoke at the Associated Fire Fighters of Illinois Pension Conference in Lisle.</p> <p>Our certified compliance officer attended the annual NRS compliance conference.</p> <p>Met with manager firms Baird and Wisdom Tree</p> <p>Attended custodian training events at TD Ameritrade.</p>																		
3Q2014	<p>Per MVT recommendation and board approval at the Q2 meeting; the following rebalancing took place, starting on July 11th:</p> <table border="0" data-bbox="511 695 1144 1010"> <tr> <td>William Blair (Fixed Income)</td> <td>+1,012,885</td> </tr> <tr> <td>Rothschild (Large Value)</td> <td>+ 856,653</td> </tr> <tr> <td>Artisan Midcap Value Fund</td> <td>(707,007)</td> </tr> <tr> <td>Vanguard Growth Index Signal</td> <td>(672,374)</td> </tr> <tr> <td>Baird Midcap Institutional</td> <td>(780,508)</td> </tr> <tr> <td>Vanguard Explorer Admiral Shares</td> <td>(727,790)</td> </tr> <tr> <td>Adelante (REIT)</td> <td>+ 1,018,140</td> </tr> <tr> <td>UMB Scout International</td> <td>(terminated)</td> </tr> <tr> <td>Artisan Intl Value Fund</td> <td>+ 4,127,405</td> </tr> </table> <p>Per MVT recommendation and board approval at the Q2 meeting; the target for the Blair fixed income portfolio was changed from the Barclays Intermediate Aggregate, to the Barclays Aggregate. The Investment Policy was changed to reflect that amendment.</p> <p>The Investment Policy was amended and is prepared for possible approval.</p> <p>Hosted a pension trustee training conference at U.S. Cellular.</p> <p>Attended and spoke at the Illinois Public Pension Advisory Committee conference in St. Charles.</p> <p>Met with manager firms Artisan, Baird, Neuberger Berman, Nuveen, BMO, Alliance Bernstein, MFS, Pioneer, Wisdom Tree</p> <p>Attended custodian training events at both Schwab and TD Ameritrade.</p>	William Blair (Fixed Income)	+1,012,885	Rothschild (Large Value)	+ 856,653	Artisan Midcap Value Fund	(707,007)	Vanguard Growth Index Signal	(672,374)	Baird Midcap Institutional	(780,508)	Vanguard Explorer Admiral Shares	(727,790)	Adelante (REIT)	+ 1,018,140	UMB Scout International	(terminated)	Artisan Intl Value Fund	+ 4,127,405
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2Q2014	<p>MVT was selected as the consultants for both the Moline Police and Moline Fire Pension funds.</p> <p>Planned for the pension trustee conference on August 16th, at U.S. Cellular.</p> <p>Attended and spoke at the Illinois Public Pension Advisory Committee's spring conference.</p>																		

	<p>Attended and spoke at the Illinois City/County Managers Association conference.</p> <p>Attended the annual investor conference of Warren Buffet’s Berkshire Hathaway.</p> <p>Met with manager firms Baird, Pioneer Funds, Mirae Asset Management, T-Rowe Price, Principal Group, Goldman Sachs, Heartland Advisors, Artisan Partners, Neuberger Berman.</p> <p>Attended due diligence meetings with American Funds,at their headquarters.</p> <p>Attended the Chicago and Champaign, IL - IICLE Annual Estate Planning conferences.</p> <p>Emily Agosto passed another part of the Illinois CPA exam (two down, two to go).</p> <p>Attended a TD Ameritrade event in Indianapolis, IN.</p>
1Q2014	<p>We continued to discuss the investment policy statement with Board attorney, Barbara Bell.</p> <p>We met in our offices with your managers: Heartland Value, Scout International, Vanguard, and Oakmark International.</p> <p>We attended the two-day Morningstar/Ibbotson economic conference; and met with the T.Rowe Price management team.</p> <p>We attended the TD Ameritrade conference in January and met with several managers.</p> <p>We hosted a Woman’s Investment Seminar.</p> <p>All members of our firm attended a mandatory internal compliance conference.</p> <p>Attended the IGFOA conference.</p> <p>Met with managers from Causeway Capital, WisdomTree, Nuveen, Ivy Funds, and Cohen&Steers.</p> <p>We are planning the trustee training event again for US Cellular. The date is currently planned for August 16th and does offer 8 hours of training credit.</p>
4Q2013	<p>The names on all of the accounts have been updated to show President Robert Orr, SecretaryMatthewFijalkowski, Finance Director Rachel Musiala, and Treasurer Stan Helgerson.</p> <p>Our firm has now been verified as “GIPS compliant” by outside accounting firm Ashland Partners.</p>

	<p>We presented at the annual AFFI Pension conference in Bloomington.</p> <p>We presented at the IPPAC seminar.</p> <p>We had due diligence meetings with T.Rowe Price at their headquarters.</p> <p>We attended the Schwab Annual Conference in Washington DC.</p> <p>We had investment presentations from Wisdom Tree, Skyline, Invesco, Ivy Funds, Goldman Sachs, DWS, and Nuveen.</p> <p>Emily Agosto, from our staff, passed the first portion of the CPA exam.</p> <p>Our Compliance Officer, Dwight Ower attended the National Regulatory compliance conference to maintain his certifications.</p>
3Q2013	<p>As per our discussion at the last meeting, we have updated the target allocation to match the state statute of 65% maximum allocation to non-fixed investments and minimum 35% to fixed investments.</p> <p>Due to the management changes at T Rowe Price we sold the remaining half of New America fund and replaced with the Vanguard Growth index fund.</p> <p>We transferred over \$300k to the Village to meet the minimum cash balance in the investment policy.</p> <p>We presented at the St. Charles IPPAC pension conference.</p> <p>We attended a meeting with the regional executives from Charles Schwab.</p> <p>We had discussions with our fixed income analytics product team from Bond Edge.</p> <p>We had due diligence meetings with Artisan and Heartland.</p> <p>We had investment presentations from DWS, Neuberger Berman, Invesco, Goldman Sachs, Van Eck, WisdomTree, and Skyline.</p> <p>Yocius has been named a board member at the Illinois Fire Safety Alliance.</p>
2Q2013	<p>Discussed with Rachel Musiala, the minimum cash requirements for the fund. The monthly pension amount is \$280,000. We agreed that \$600,000 should be the minimum in the cash account and the maximum should be \$1,000,000.</p> <p>We transferred \$4 million from the Blair fixed income account and moved it to the equity account(s) to move closer to our target of 60% equity and 40% fixed.</p> <p>Due to some management changes at T Rowe Price we replaced one-half of the New America fund with a lower cost index fund (Vanguard Growth).</p>

	<p>We moved into the institutional class of funds for Columbia (Acorn International), Heartland (Heartland Value) and Vanguard (Explorer).</p> <p>We sponsored a training event that included speakers from the State of Illinois (John Sinsheimer), Rothschild (Chris Travers), JudsonUniversity (Michelle Kilbourne), Baird (Tom Gavin), Heartland (Jeff Kohl), Goldman Sachs (David Gonzalez) as well as Project CURE and several MVT speakers.</p> <p>We attended the Pioneer annual conference.</p> <p>We had due diligence meetings with Baird, Vanguard, American Funds, T Rowe Price, and Blair.</p> <p>We attended presentations by the portfolio managers for Artisan International fund and the Heartland Value fund.</p> <p>We also had due diligence meetings with potential management teams from Managers Investments and MFS.</p> <p>Attended and presented at the Illinois Public Pension Advisory Committee (IPPAC) conference.</p>
1Q2013	<p>Increased the total equity percent from 52% (end of January) to 56% (now). Strategy is to move overall equity allocation to 65% by investing new tax receipts in equity and moving additional money from the Blair fixed income account.</p> <p>We had due diligence meetings with the management team of your large cap manager Rothschild, at their New York headquarters.</p> <p>We had due diligence meetings with WisdomTree, Clearbridge/Legg Mason, Neuberger Berman, Columbia, and Goldman Sachs in our office.</p> <p>We had a meeting with the senior management of Charles Schwab, your custodian, to discuss some of the concerns we had with the new account and transfer process for Hoffman Estates.</p> <p>We attended the two-day Morningstar/Ibbotson economic conference.</p> <p>We attended the TD Ameritrade conference in January and met with many of your managers.</p> <p>All members of our firm attended a mandatory internal compliance conference.</p> <p>We moved one step closer to GIPS verification of our firm.</p>

	<p>New account performance start dates are as follows: Blair: 1/31/2013 Rothschild: 1/31/2013 Adelante: 1/31/2013</p> <p>Using the current Investment Policy as a guide, the Hoffman Firefighters Target includes 60% Equity Blend plus 40% Barclays Intermediate Aggregate. The Equity blend includes 35% SP500, 20% MSCI EAFE, and 5% Wilshire REIT index.</p>
4Q 2012	<p>As of the end of December, 2012 all of the new accounts have been setup and all former US Bank account positions have been transferred. There are five accounts now established for the Pension fund. Four are separate account managers namely; Mitchell, Vaught & Taylor (fixed income-government), William Blair (fixed income-aggregate), Rothschild (equity-large value), and Adelante (equity-real estate). The remaining account contains all of the allowable equity mutual funds. The balances of each are included in the asset allocation report.</p>

Hoffman Estates Firefighters Pension

Definitions and Disclosures

Timing of Performance Information

It is quite common to have inaccurate information regarding index returns as well as pricing and transaction data from custodians at the end of a reporting period. Often, these inaccuracies are cleared up within the first week or two of the following period. Our pension clients should be aware that quarter-end data reported within the first two weeks of a new quarter has a higher likelihood of inaccuracy. We do our best to weed out these problems, but there may be times when we feel it necessary to leave out the performance for the final month of a quarter.

Index Returns

Index returns are reported directly from Morningstar.

Each portfolio is presented with an index or blend of indexes for performance comparison. Detailed similarities and differences between a style and a particular index are available upon request. No single index will precisely reflect a particular investment style; thus, the performance results of the indices chosen should be used for informational purposes only. In addition, the periods shown are for comparative purposes, and it should not be assumed that performance was identical in other periods not shown. These indices are unmanaged and do not include potential commissions, fees, or other transaction costs. You cannot invest directly in an index.

Per the investment policy, the benchmark for the total portfolio is 40% Barclays Intermediate Aggregate Index and 60% of an Equity Blended Index.

The equity blended index is 58.3% S&P 500, 33.3% MSCI EAFE, and 8.34% Wilshire REIT Index. As of January 1, 2016 the equity blended index was changed to 58.3% Russell 3000, 33.3% MSCI All Country World Index xUSA, and 8.34% Wilshire REIT Index.

The benchmark for the William Blair and Company fixed income managed account was the Barclays Intermediate Aggregate Index from 01/31/2013 (inception) until 08/13/2014. Since then, the benchmark is the Barclays Aggregate Bond Index.

The benchmark for the Mitchell, Vaught & Taylor fixed income managed account is a blend of 90% Barclays Intermediate Government Index and 10% Barclays Corporate A+ 1-5 Year Index.

General Statement

It must be understood that market or economic conditions change often and that these changes, whether anticipated by the manager or having occurred unexpectedly, can have either a positive or a negative effect on the performance of a client's portfolio.

The performance results portrayed reflect the reinvestment of dividends when legal for the client to do so (otherwise, the dividends are paid out in cash), interest and all other cash represent in the account for the time periods specified.

Gross of fee reports do not include advisory fees, trading costs, etc.