



NEPC, LLC

YOU DEMAND MORE. So do we.SM



Town of Belmont Retirement Plan
Third Quarter 2015 Investment Review

October 29, 2015

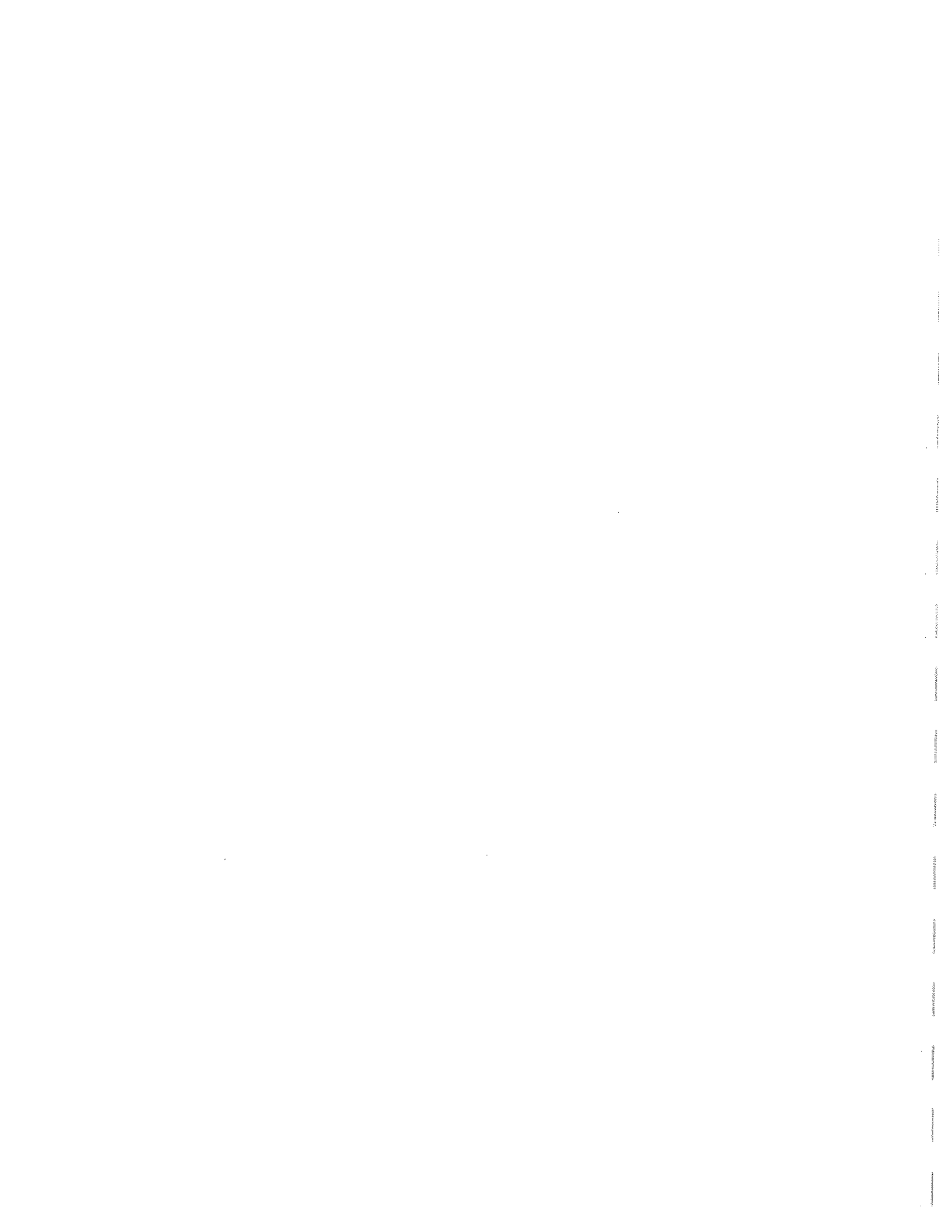
Doug Moseley, Partner
Scott Driscoll, Consultant

255 State Street, Boston, MA 02109 | TEL: 617.374.1300 | FAX: 617.374.1313 | www.nepc.com
BOSTON | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | SAN FRANCISCO

Table of Contents

	<u>Tab</u>
Market Environment	1
October Market Update	2
Belmont Pension Plan Review	3
Manager Detail	4
Appendix	5





Market Environment



NEPC, LLC



Third Quarter 2015 Market Observations

- **A wave of volatility spread across global markets during the quarter**
 - Concerns of an economic slowdown in China sparked a rapid decline in global risk assets with commodities and emerging markets suffering the most
 - A severe global growth downturn remains a low probability tail-risk for capital markets
- **US economy continues to expand albeit at a slow pace**
 - Overall conditions are supportive for growth but a strong US dollar creates challenges
 - Benefits of low oil prices slowly compound for US consumers
- **Fed Funds rate increase...**
 - Timing is less relevant, of importance is the path of Fed policy tightening relative to expectations and long-term policy (L-T policy rate of 2% or 4%)
 - Current Fed willingness to tighten monetary policy balanced between disruptive effects of a stronger dollar and inflation conditions of US economy
- **Accommodative global monetary policies flow through to markets**
 - QE continues to support improving economic conditions in Europe and Japan
 - China policy responses broadly simulative with plenty of dry powder for further easing
- **Cyclical weak growth is not a financial crisis for the emerging markets**
 - Negative returns in EM reflect the economic rebalances and adjustments necessary to generate sustainable growth and economic success
 - Political and economic reform initiatives drive the outlook for improved economic and earnings growth for countries willing to reform



- **Risk-return profile of US high yield is attractive relative to US equities**
 - High yield credit spreads now exceed long-term averages with yields near 2012 levels
 - Make use of dynamic credit strategies as disruptions in credit markets move rapidly
 - Dollar strength is a headwind for equity earnings growth and profit margin expansion
- **Recommend an overweight exposure to developed market equities**
 - Suggest investors opportunistically exploit potential volatility to add to the overweight
 - Long-term opportunity remains as earnings improve off cyclical lows in Europe/Japan
 - Offers a more favorable return outlook with superior valuations relative to US equities
- **Recommend at minimum a market weight exposure to EM equities**
 - Reasonable equity valuations, depressed currencies, and the attractiveness of long-term fundamentals represent a solid investment foundation
 - Volatility likely to continue as falling commodity prices, trade linkages to China, and external debt levels pose idiosyncratic country risks
 - Encourage the use of benchmark agnostic strategies with a bias towards small-cap and consumer focused strategies
- **Inflation expectations at historical lows but value opportunities can be found in inflation-sensitive assets**
 - Encourage patience as volatility and opportunities evolve in commodity markets
 - Private strategies are evolving but provide compelling return opportunities

Index Performance Summary as of 9/30/2015

	2008	2009	2010	2011	2012	2013	2014	Q1	Q2	JUL	AUG	SEPT	Q3	YTD
Barclays Municipal	-2.5%	12.9%	2.4%	10.7%	6.8%	-2.6%	9.1%	1.0%	-0.9%	0.7%	0.2%	0.7%	1.7%	1.8%
Barclays US Agg Interm	4.9%	6.5%	6.1%	6.0%	3.6%	-1.0%	4.1%	1.3%	-0.7%	0.5%	0.0%	0.7%	1.1%	1.7%
Credit Suisse Lev Loan	-28.8%	44.9%	10.0%	1.8%	9.4%	6.2%	2.1%	2.1%	0.8%	0.1%	-0.7%	-0.7%	-1.2%	1.6%
Barclays US Agg Bond	5.2%	5.9%	6.5%	7.8%	4.2%	-2.0%	6.0%	1.6%	-1.7%	0.7%	-0.1%	0.7%	1.2%	1.1%
Barclays US Gov/Cred 1-3Yr	5.0%	3.8%	2.8%	1.6%	1.3%	0.6%	0.8%	0.6%	0.1%	0.1%	-0.1%	0.3%	0.3%	1.0%
Credit Suisse Hedge Fund	-19.1%	18.6%	10.9%	-2.5%	7.7%	9.7%	4.1%	2.5%	-0.5%	0.9%	-2.0%	-1.4%	-2.5%	-0.6%
JPM EMBI Glob Div	-12.0%	29.8%	12.2%	7.3%	17.4%	-5.3%	7.4%	2.0%	-0.3%	0.5%	-0.9%	-1.3%	-1.7%	-0.1%
Citi WGBI	10.9%	2.6%	5.2%	6.4%	1.6%	-4.0%	-0.5%	-2.5%	-1.5%	0.5%	0.5%	0.8%	1.7%	-2.4%
Barclays US Gov/Cred Long	8.4%	1.9%	10.2%	22.5%	8.8%	-8.8%	19.3%	3.4%	-7.6%	2.2%	-0.8%	0.8%	2.2%	-2.4%
Barclays US Corp High Yield	-26.2%	58.2%	15.1%	5.0%	15.8%	7.4%	2.5%	2.5%	0.0%	-0.6%	-1.7%	-2.6%	-4.9%	-2.5%
Barclays US Strips 20+ Yr	59.5%	-36.0%	10.9%	58.5%	3.0%	-21.0%	46.4%	5.5%	-14.3%	5.9%	0.1%	1.5%	7.6%	-2.7%
FTSE NAREIT Equity REITS	-37.7%	28.0%	28.0%	8.3%	18.1%	2.5%	30.1%	4.8%	-10.0%	5.6%	-6.2%	2.9%	2.0%	-3.8%
Barclays US Long Credit	-3.9%	16.8%	10.7%	17.1%	12.7%	-6.6%	16.4%	3.1%	-7.3%	1.5%	-1.3%	0.4%	0.5%	-3.9%
Russell 1000	-37.6%	28.4%	16.1%	1.5%	16.4%	33.1%	13.2%	1.6%	0.1%	1.9%	-6.0%	-2.7%	-6.8%	-5.2%
MSCI EAFE	-43.4%	31.8%	7.8%	-12.1%	17.3%	22.8%	-4.9%	4.9%	0.6%	2.1%	-7.4%	-5.1%	-10.2%	-5.3%
S&P 500	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.0%	0.3%	2.1%	-6.0%	-2.5%	-6.4%	-5.3%
Russell 2500	-36.8%	34.4%	26.7%	-2.5%	17.9%	36.8%	7.1%	5.2%	-0.3%	-0.2%	-5.9%	-4.5%	-10.3%	-6.0%
MSCI ACWI	-42.2%	34.6%	12.7%	-7.3%	16.1%	22.8%	4.2%	2.3%	0.3%	0.9%	-6.9%	-3.6%	-9.5%	-7.0%
Russell 2000	-33.8%	27.2%	26.9%	-4.2%	16.3%	38.8%	4.9%	4.3%	0.4%	-1.2%	-6.3%	-4.9%	-11.9%	-7.7%
JPM GBI-EM Glob Div	-5.2%	22.0%	15.7%	-1.8%	16.8%	-9.0%	-5.7%	-4.0%	-1.0%	-2.6%	-5.4%	-3.0%	-10.5%	-14.9%
MSCI EM	-53.3%	78.5%	18.9%	-18.4%	18.2%	-2.6%	-2.2%	2.2%	0.7%	-6.9%	-9.0%	-3.0%	-17.9%	-15.5%
Bloomberg Commodity	-35.6%	18.9%	16.8%	-13.3%	-1.1%	-9.5%	-17.0%	-5.9%	4.7%	-10.6%	-0.9%	-3.4%	-14.5%	-15.8%
Alerian MLP	-36.9%	76.4%	35.9%	13.9%	4.8%	27.6%	4.8%	-5.2%	-6.1%	-3.2%	-5.0%	-15.3%	-22.1%	-30.7%

Source: Morningstar Direct

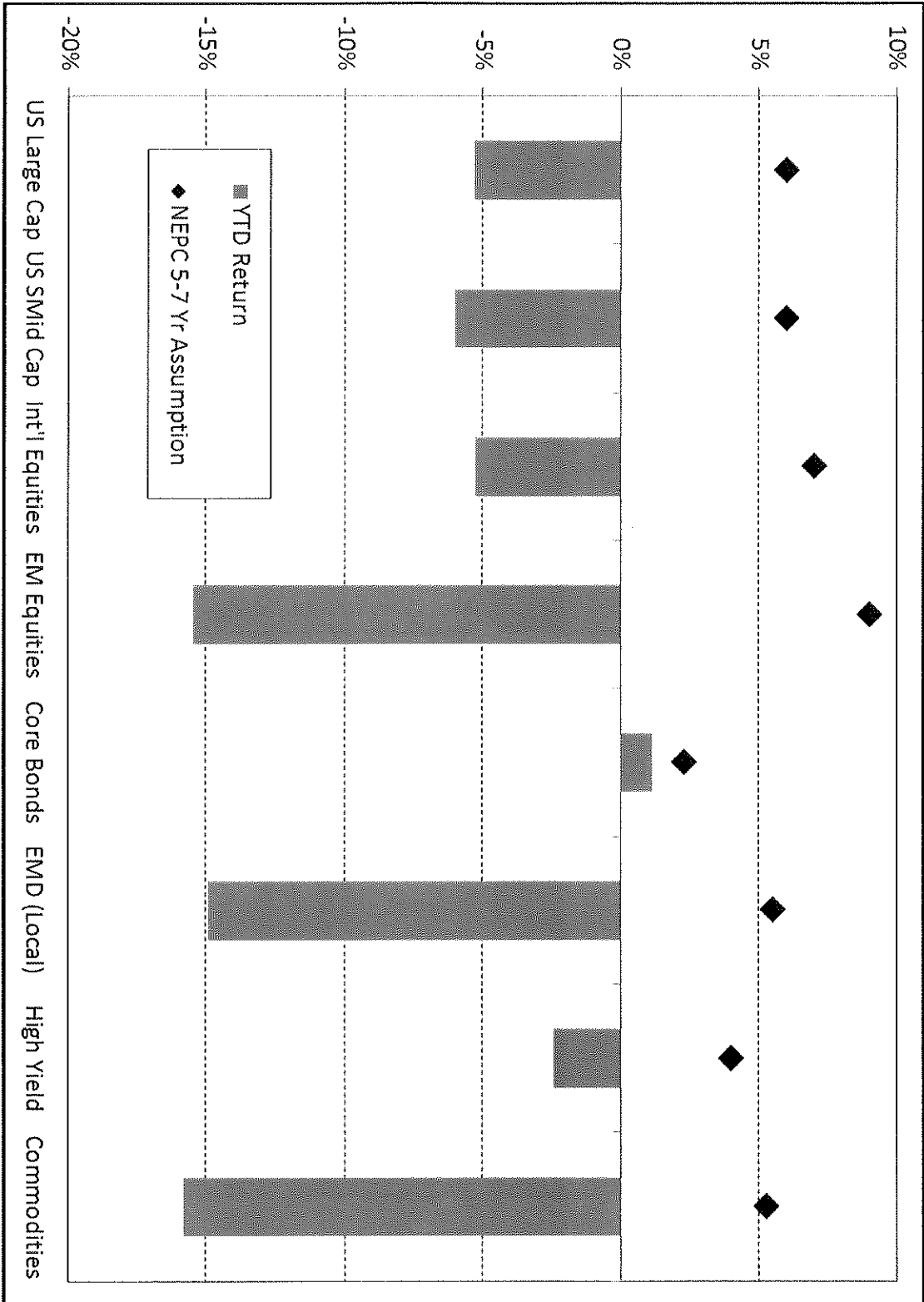


NEPC, LLC

Returns for Key Indices Ranked in Order of Performance

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	1 Year	3 Year	5 Year	10 Year
RUSSELL 2000 GROWTH	34.54	32.17	39.39	5.24	78.51	29.09	7.84	18.22	43.30	13.69	4.04	13.61	14.47	8.09
MSCI EMERGING MARKETS	13.54	26.34	11.81	-28.92	37.21	26.85	2.54	18.05	38.82	13.45	3.17	12.85	13.42	7.67
BC AGGREGATE	7.05	22.25	11.17	-33.79	34.47	24.5	2.11	17.51	34.32	13.24	2.94	12.67	13.34	6.95
RUSSELL 1000 GROWTH	6.27	23.48	7.06	-36.85	31.78	18.88	1.50	17.32	33.48	13.05	1.25	12.40	13.26	6.80
RUSSELL 2000 GROWTH	5.26	18.37	6.97	-37.0	28.43	16.71	0.39	16.42	33.11	5.97	-0.61	11.59	12.29	6.55
S&P 500 GROWTH	4.91	15.8	5.49	-37.6	27.16	16.10	-2.81	16.35	32.53	5.60	-0.61	11.02	11.73	5.71
RUSSELL 1000 VALUE	4.71	15.46	5.49	-38.44	26.46	15.51	-4.18	15.00	32.39	4.89	-1.60	9.18	10.17	5.35
RUSSELL 2000 VALUE	4.55	13.85	-0.17	-38.54	20.58	15.06	-5.50	15.26	22.78	4.22	-4.42	5.63	3.98	4.64
RUSSELL 1000 GROWTH	4.15	9.07	-1.56	-43.38	19.69	7.75	-12.14	14.59	BC AGGREGATE	MSCI EMERGING MARKETS	MSCI EAFE	BC AGGREGATE	MSCI EAFE	MSCI EMERGING MARKETS
BC AGGREGATE	2.43	4.33	-9.78	-53.33	5.93	6.54	-18.42	4.21	MSCI EMERGING MARKETS	MSCI EAFE	MSCI EMERGING MARKETS	BC AGGREGATE	MSCI EAFE	MSCI EMERGING MARKETS
RUSSELL 1000 GROWTH	2.43	4.33	-9.78	-53.33	5.93	6.54	-18.42	4.21	MSCI EMERGING MARKETS	MSCI EAFE	MSCI EMERGING MARKETS	BC AGGREGATE	MSCI EAFE	MSCI EMERGING MARKETS

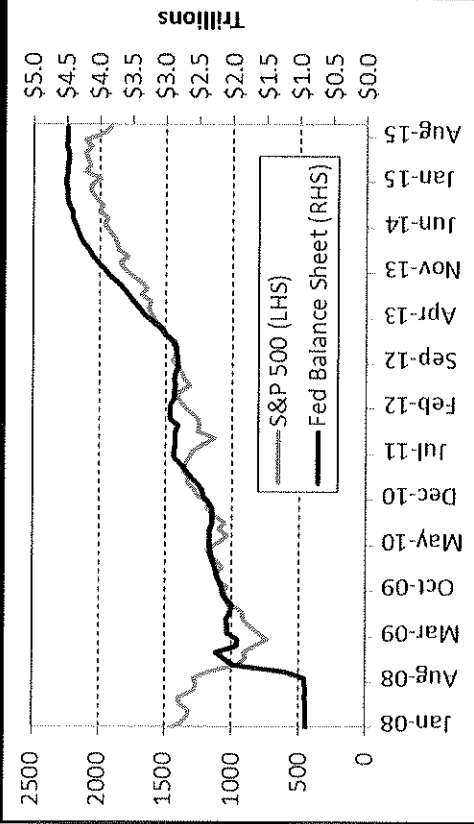
Year to Date Performance – Few Places to Hide



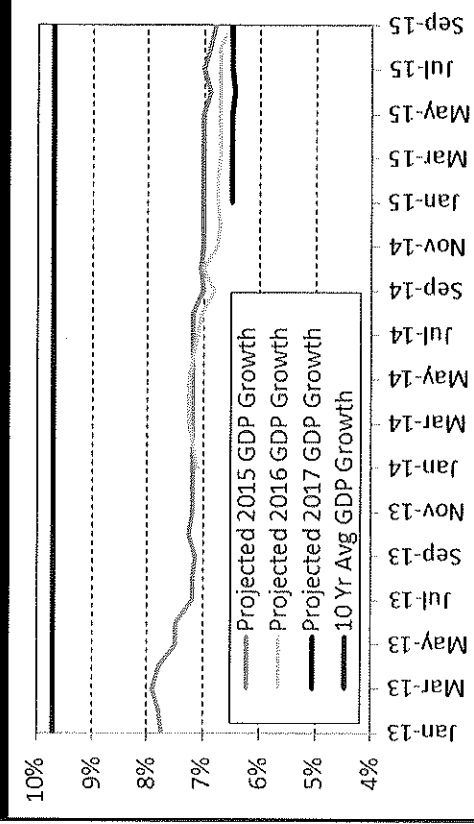
Source: Morningstar Direct, NEPC

Global Risks are Diverse and Unique

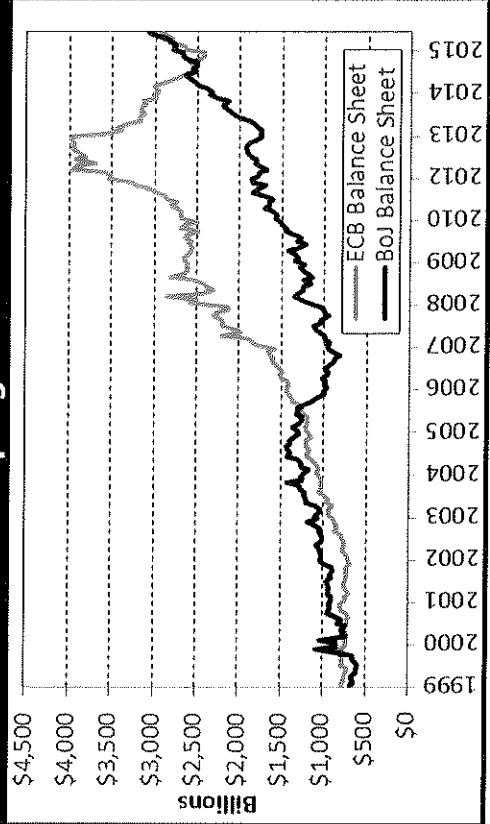
Equities have struggled since end of QE3



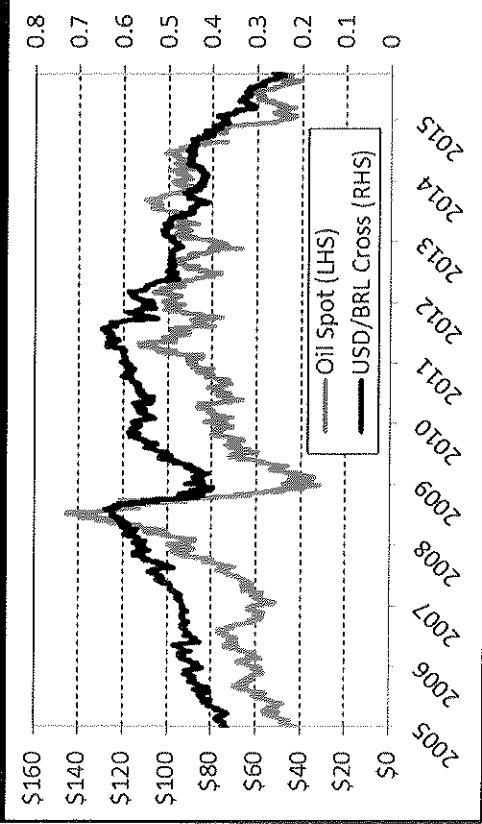
Slowing growth in China



ECB and BoJ in the midst of sizeable easing programs



Commodity glut threatening export reliant Lat Am countries

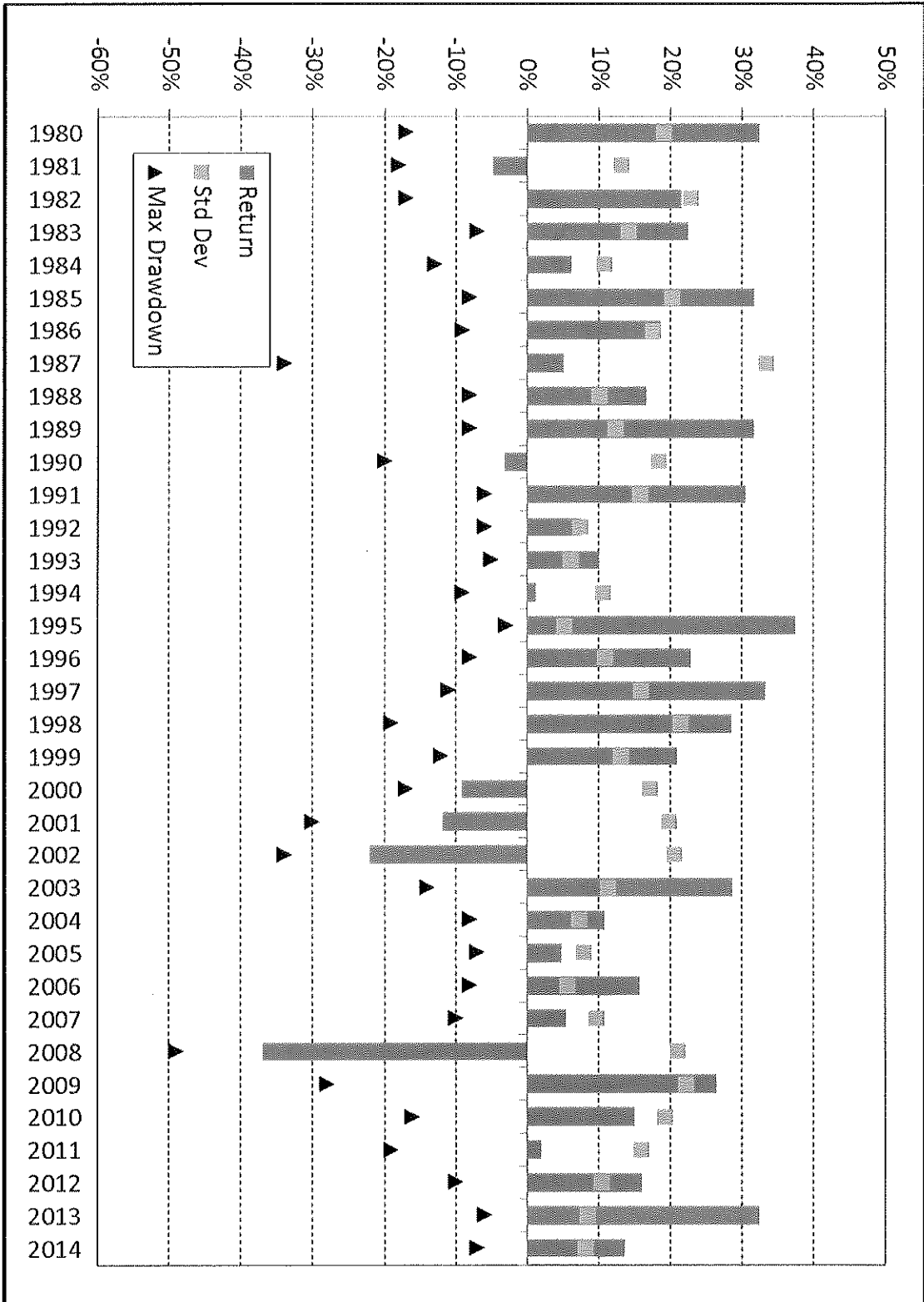


Sources: Standard & Poors, The Federal Reserve, ECB, BoJ, Bloomberg Energy, Bloomberg



NEPC, LLC

S&P 500 Intra-Year Drawdowns of Current Magnitude Relatively Common

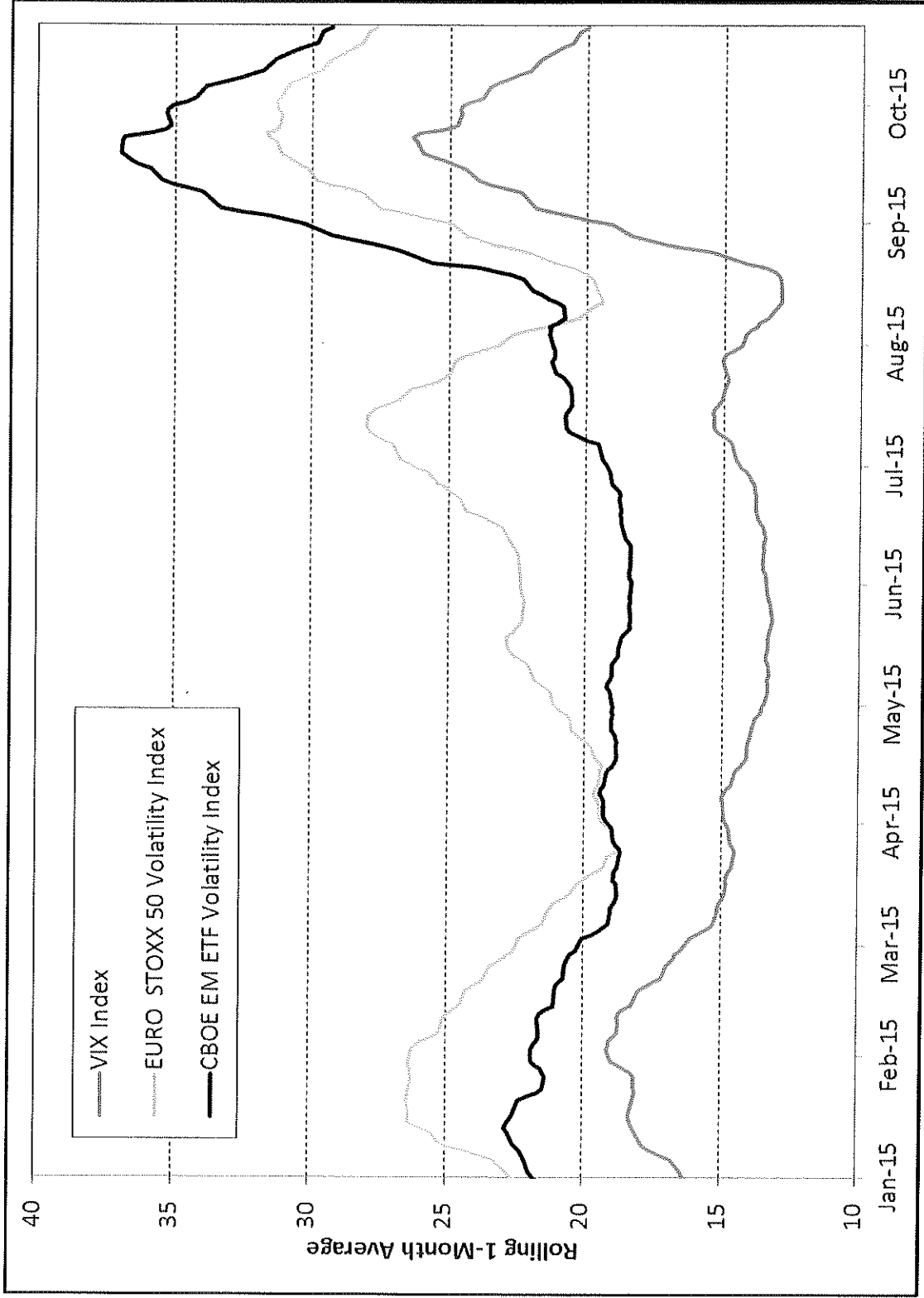


Source: Standard & Poors, Bloomberg



NEPC, LLC

Increase in Global Volatility Finally Caught Up with Equities

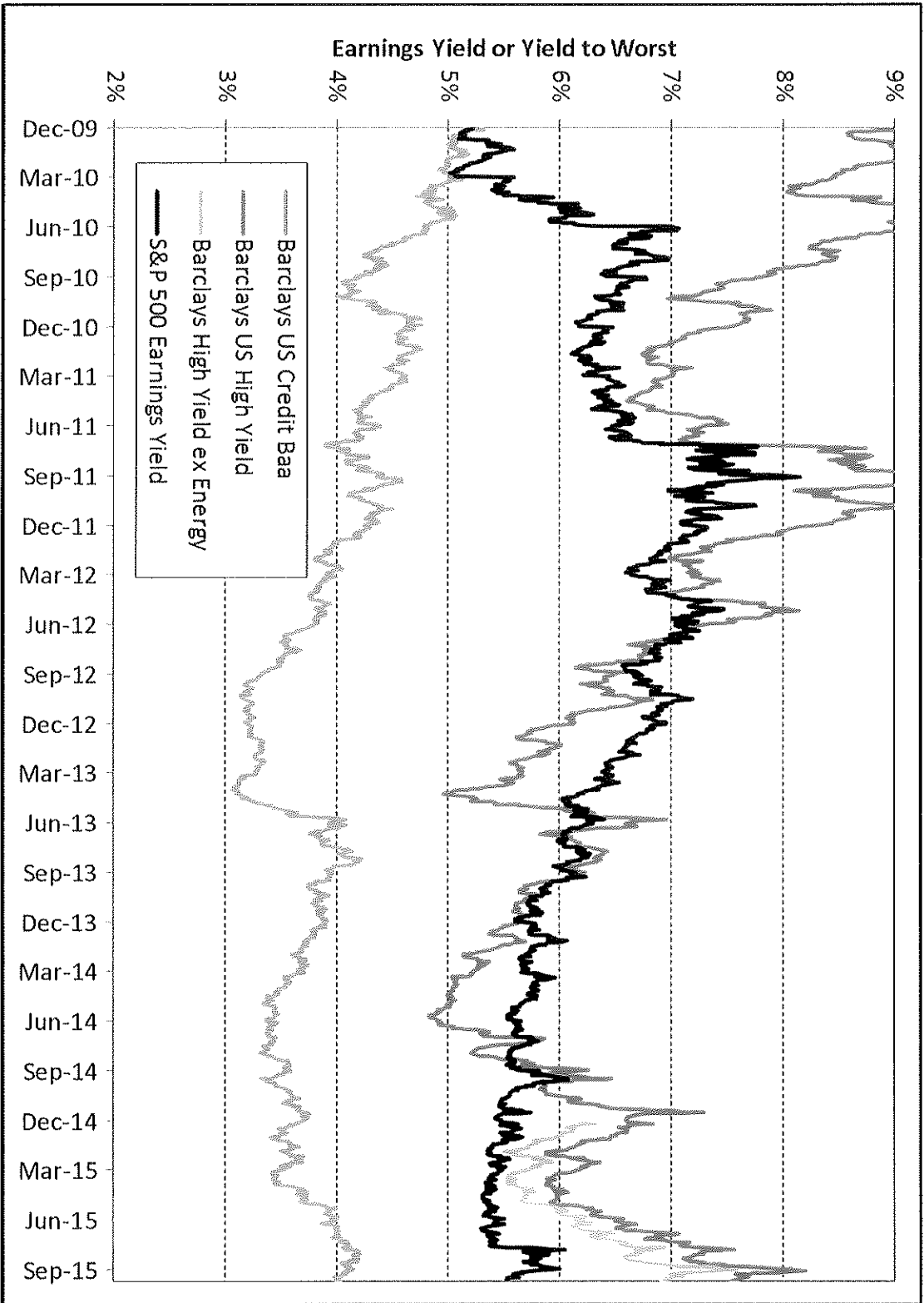


Source: Deutsche Borse, Goldman Sachs, CBOE, Bloomberg



NEPC, LLC

High Yield Issues Now Yielding >7% in Otherwise Low Yield World

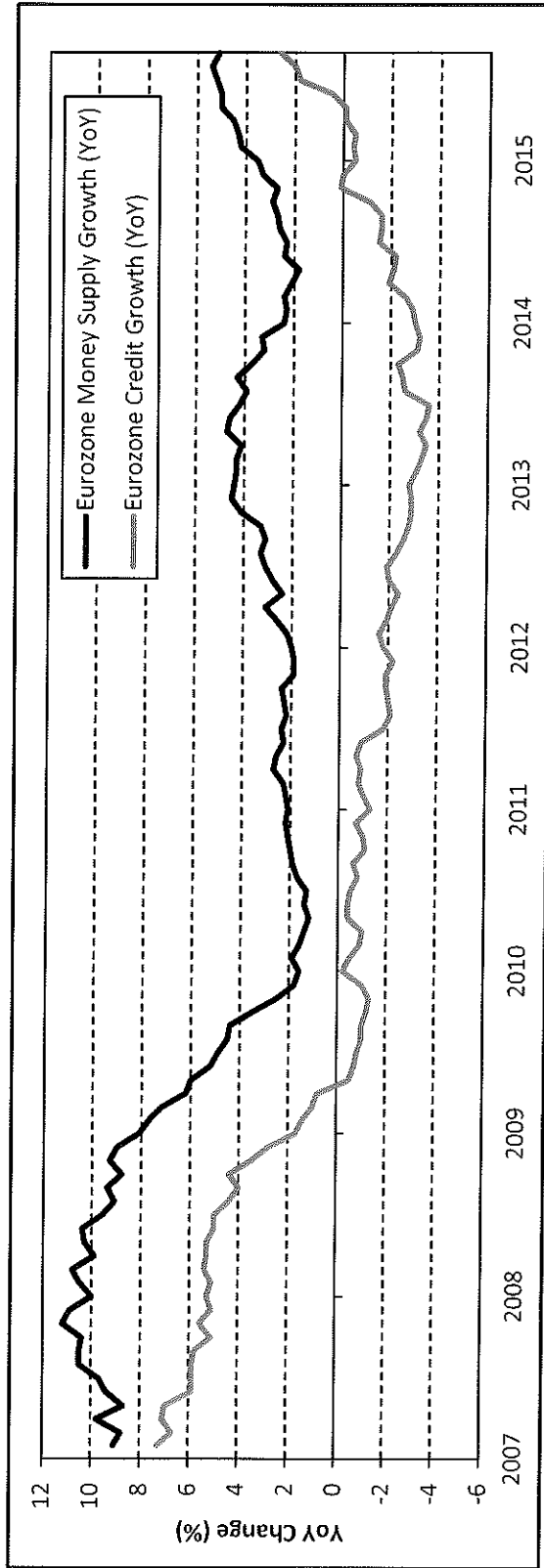
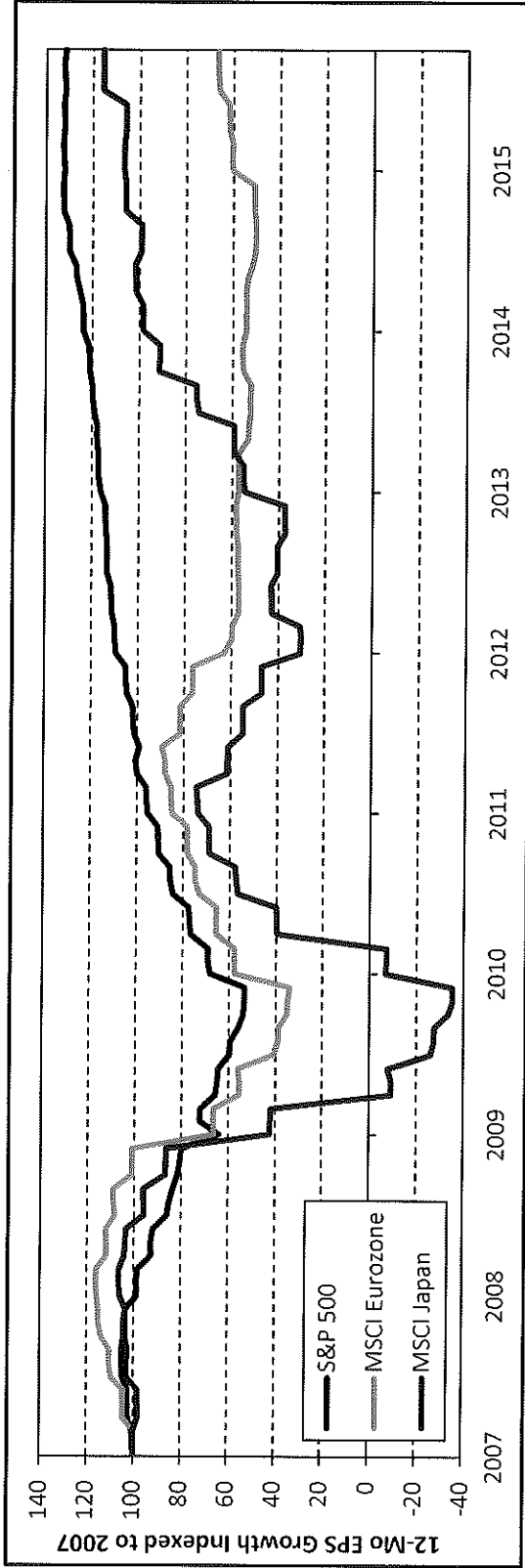


Source: Barclays, Standard & Poors, Bloomberg



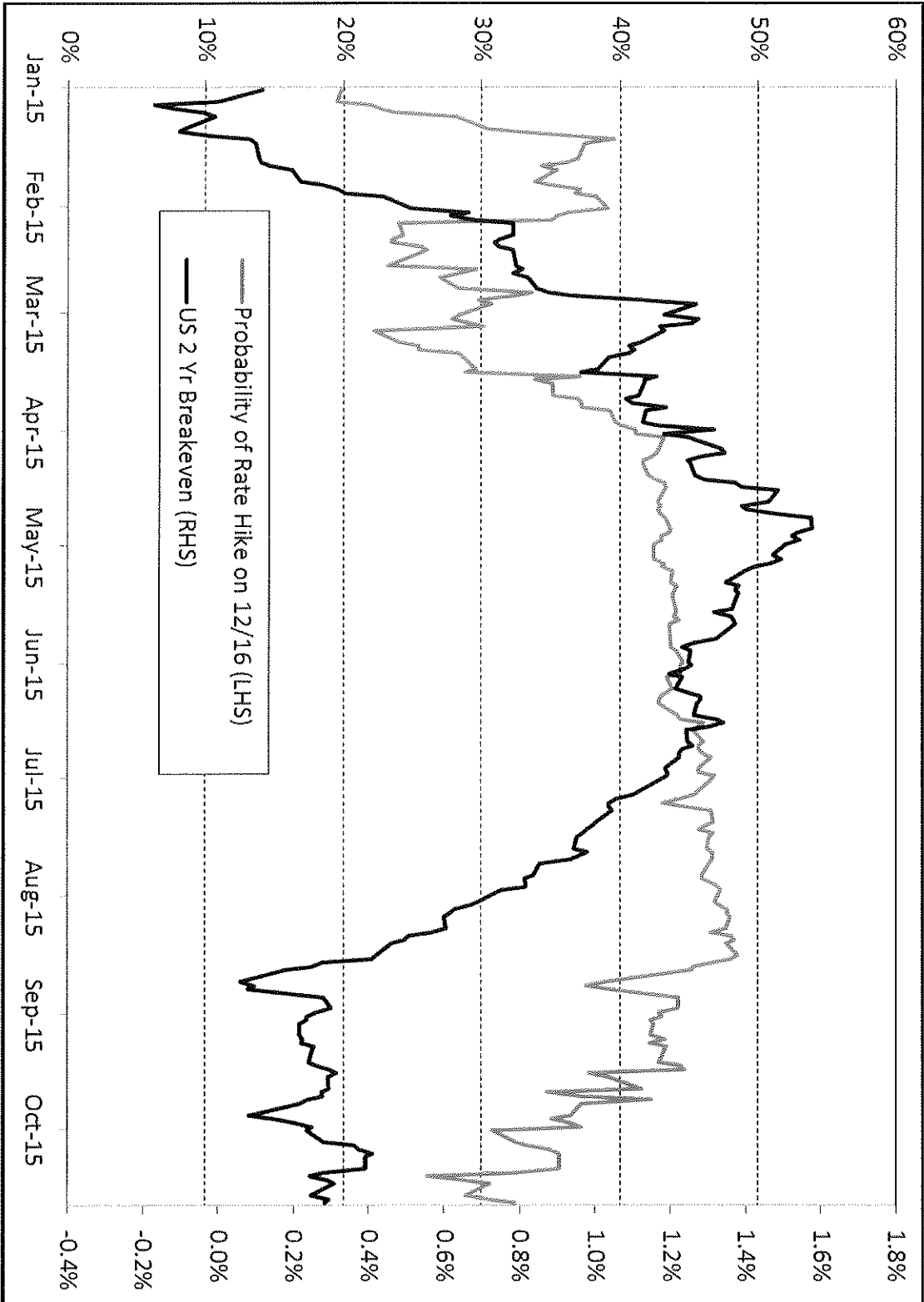
NEPC, LLC

Japan Earnings Recovery is Well Underway, Conditions Supportive for Improvement in Europe



Sources: Standard & Poors, MSCI, Bloomberg

Near Term Inflation Expectations Have Declined as a Rate Hike Has Been Pushed Further Out

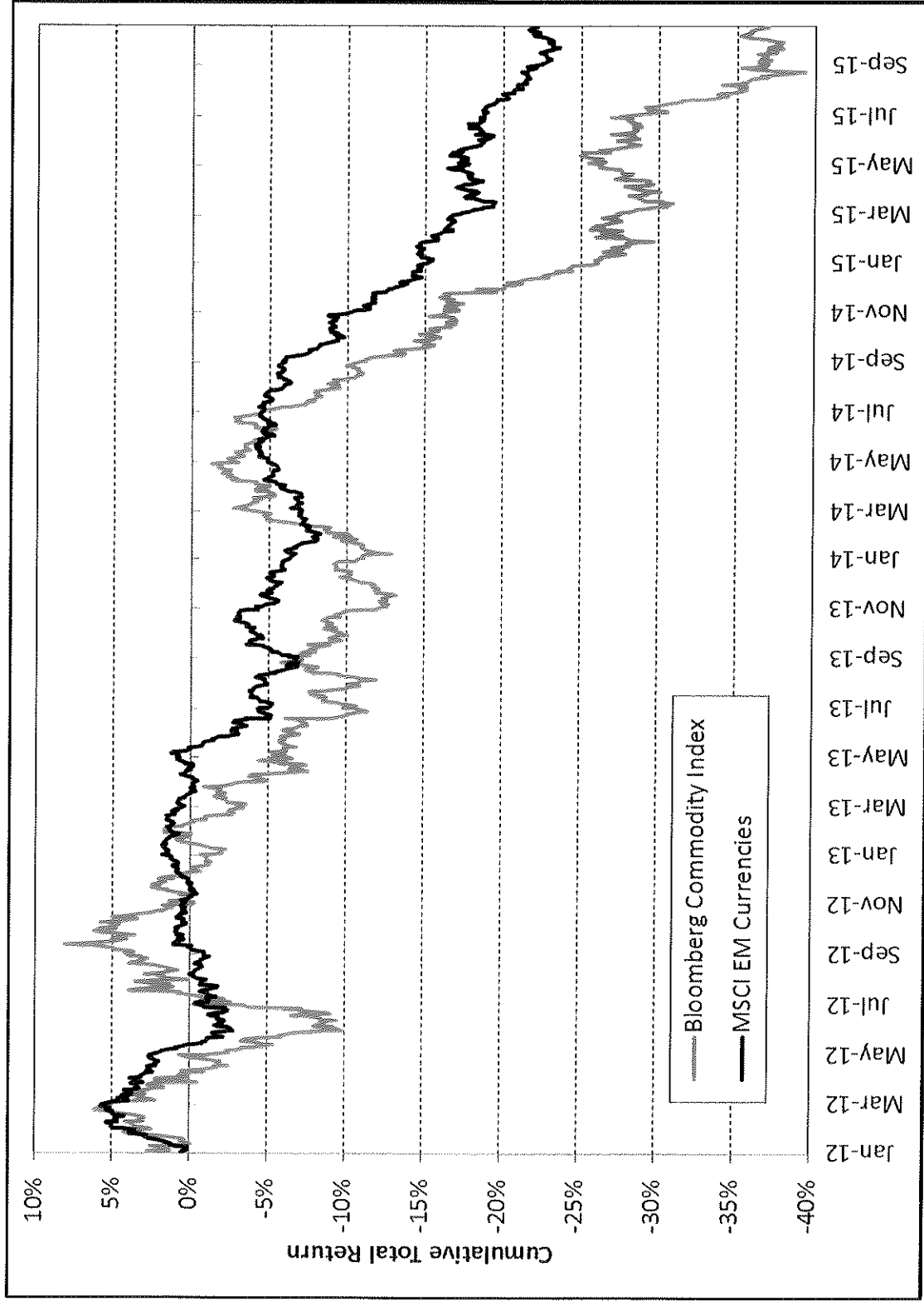


Source: Bloomberg



NEPC, LLC

Commodity Price Weakness Has Been Challenging for EM Currencies

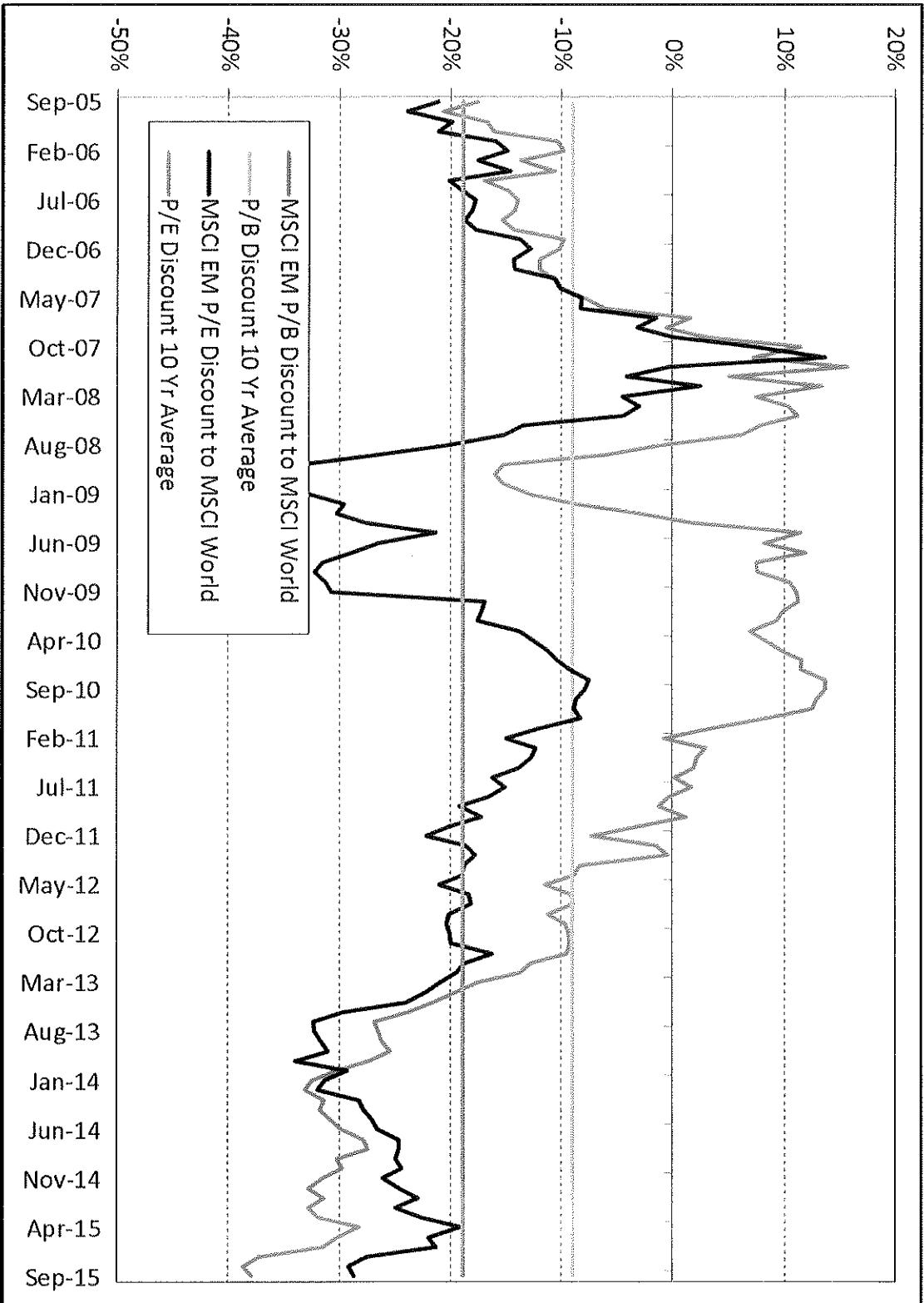


Source: MSCI, Bloomberg



NEPC, LLC

EM Equities Trading at Large Discounts Relative to Developed Equities

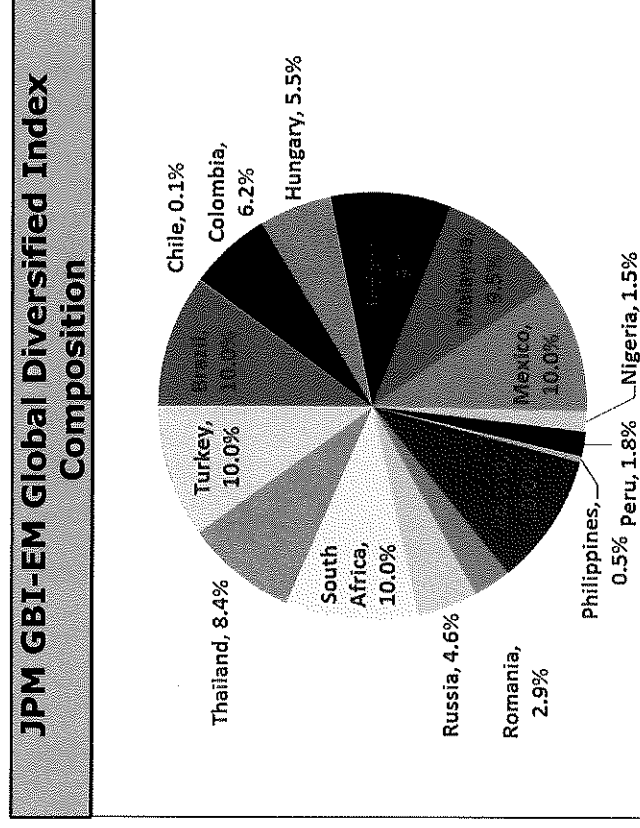
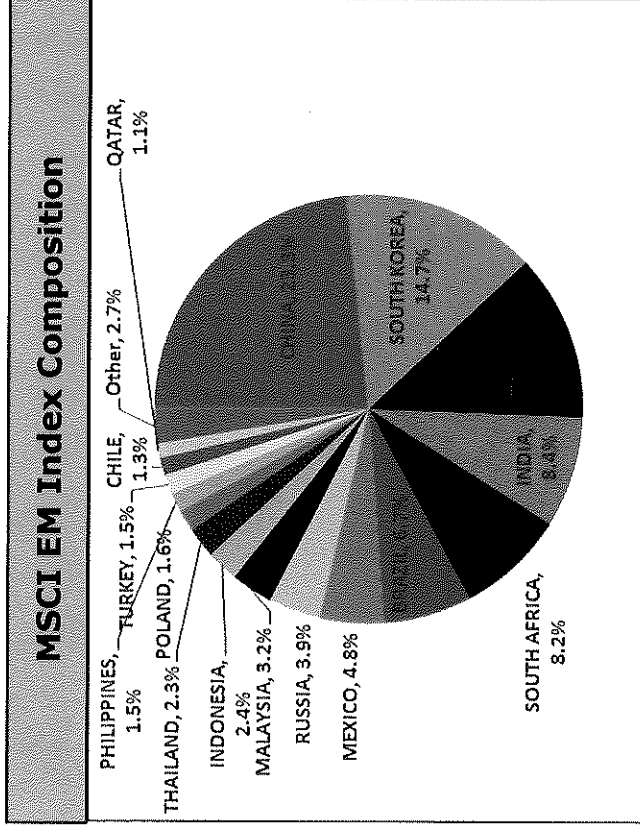


Source: MSCI, Bloomberg



NEPC, LLC

Currency Risks are Not Only Unique by Country but also Vary Across Indices



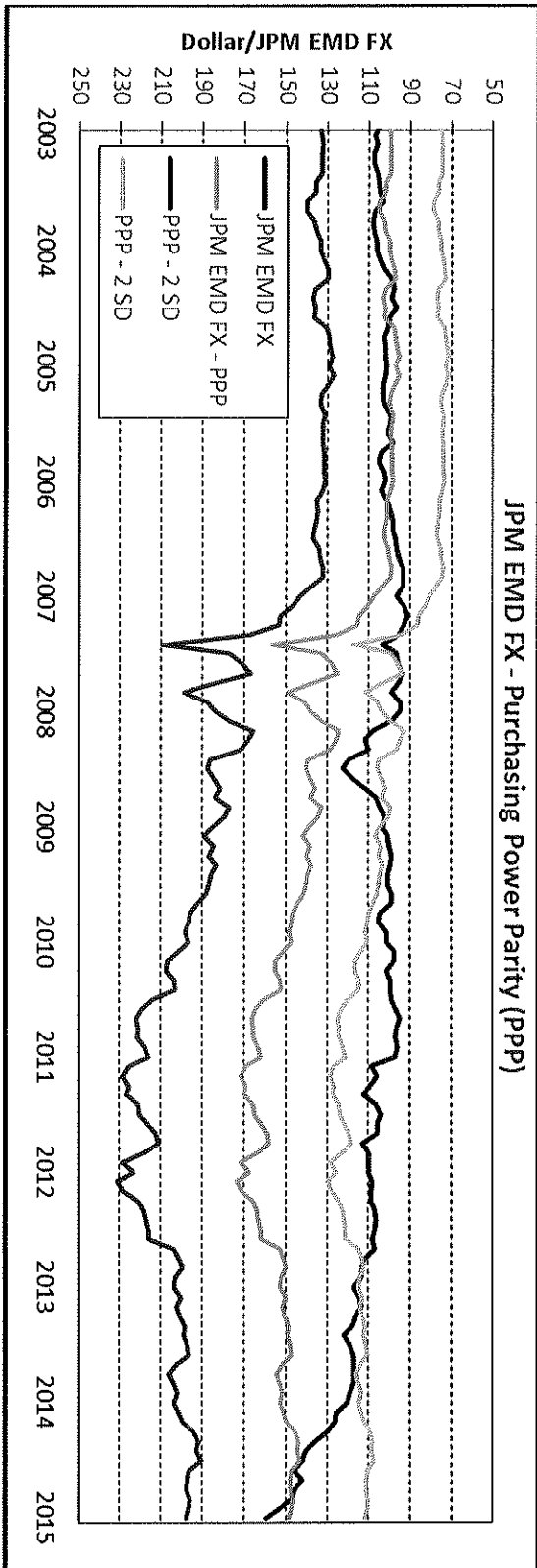
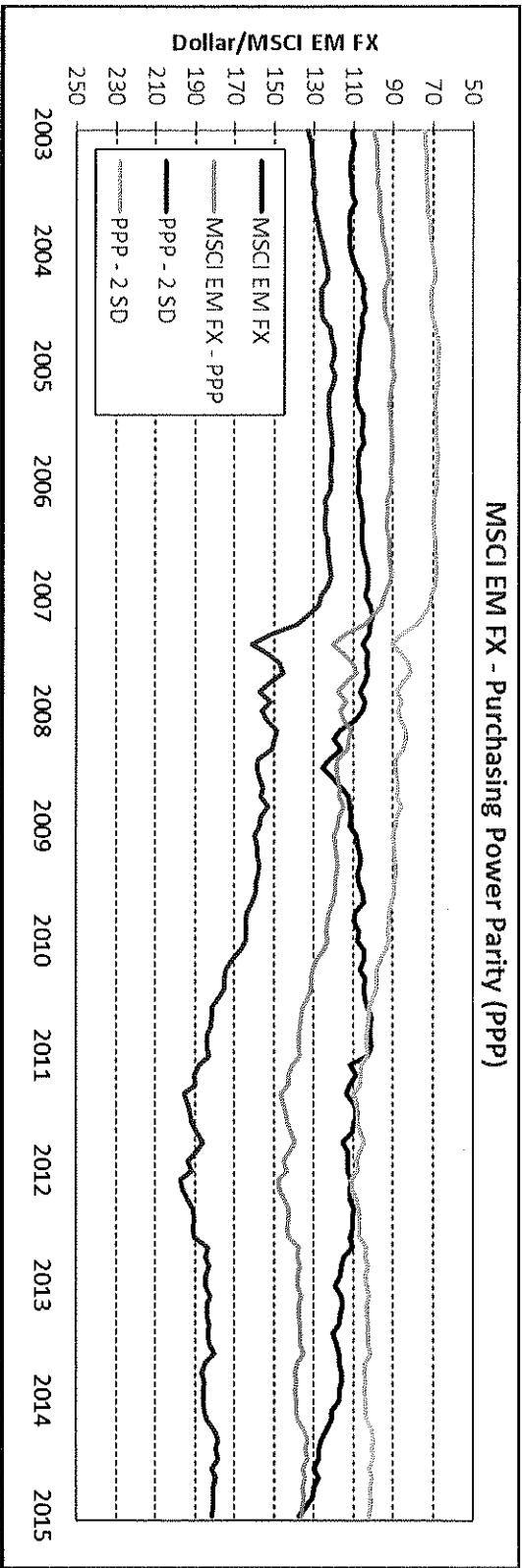
- **MSCI EM Index dominated by Asia**

- Lots of countries with sensitivity to Chinese growth and competitiveness
- Despite possibility for further depreciation, most currencies appear cheap or reasonably valued

- **Debt indices more concentrated in Latin/South America with exposure to balance of payments challenged countries**

- Currencies of major commodity exporters are sensitive to oil and other commodity price weakness – but also stand to benefit from a rebound
- Structural issues in Turkey and Brazil pose significant challenges but with less contagion risk

Local Currency FX Valuation at Cheapest Levels in Over 10 Years

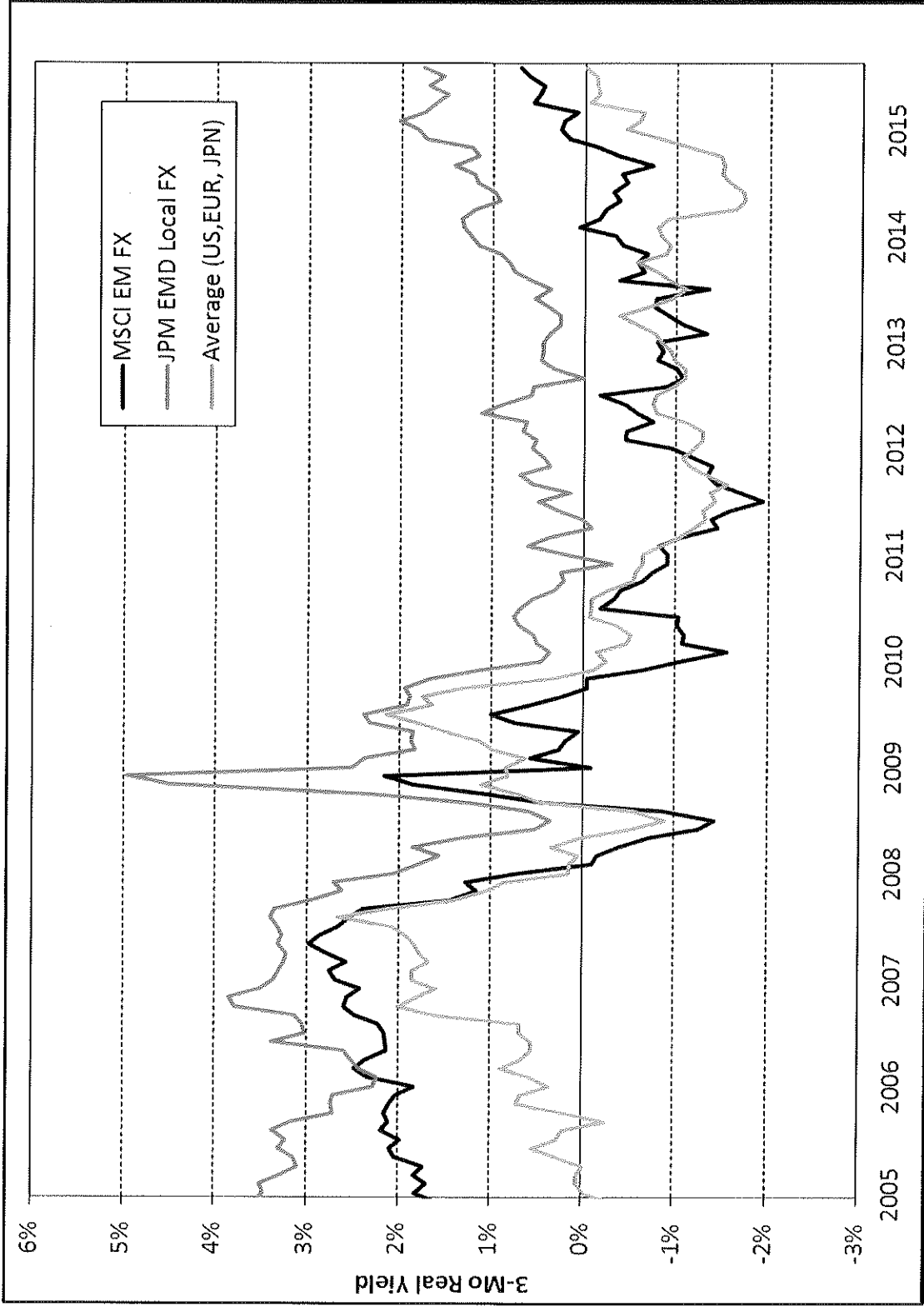


Source: MSCI, JP Morgan, Bloomberg



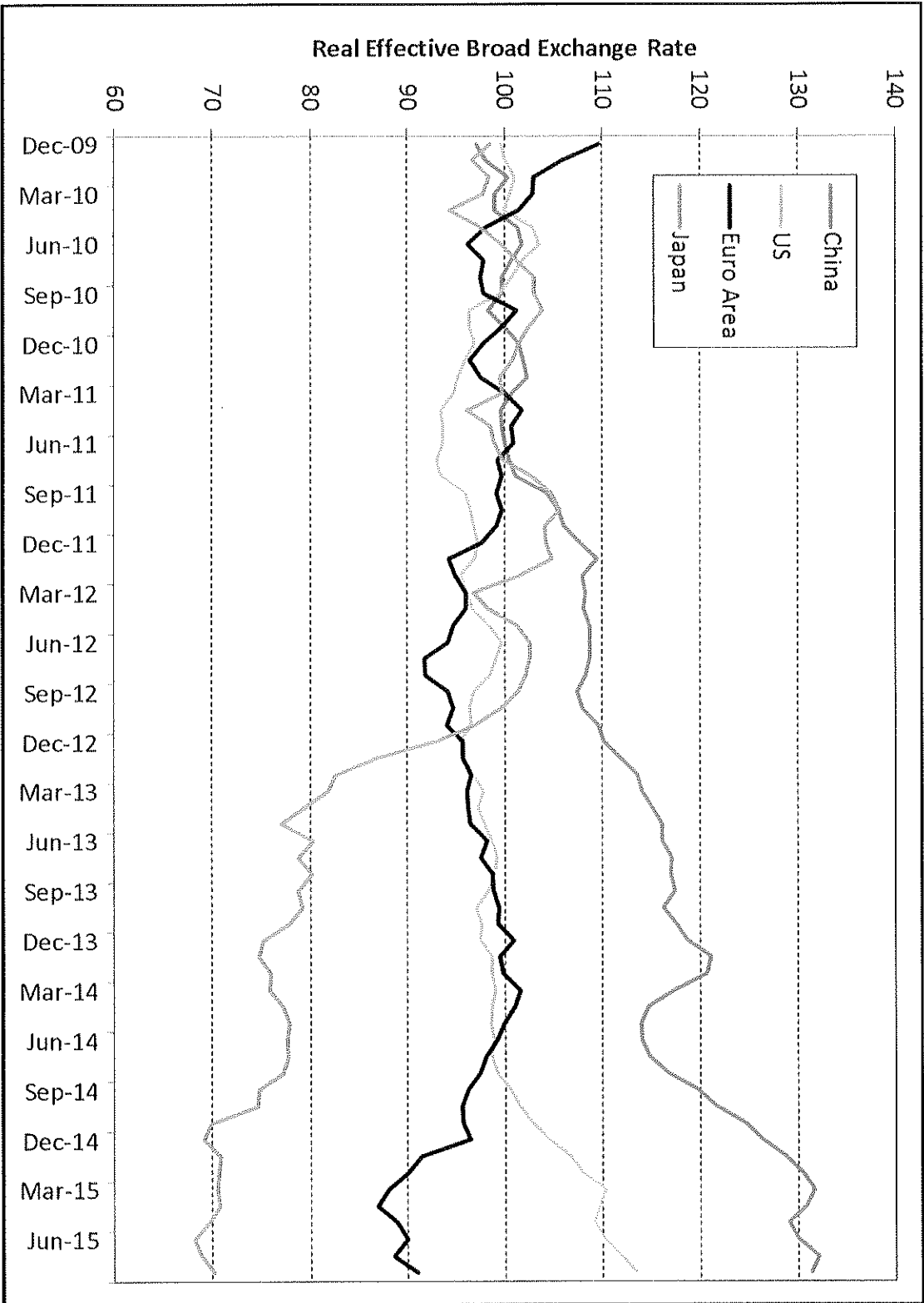
NEPC, LLC

Higher Real Rates Provide a Foundation for Currency Returns



Source: MSCI, JP Morgan, Bloomberg

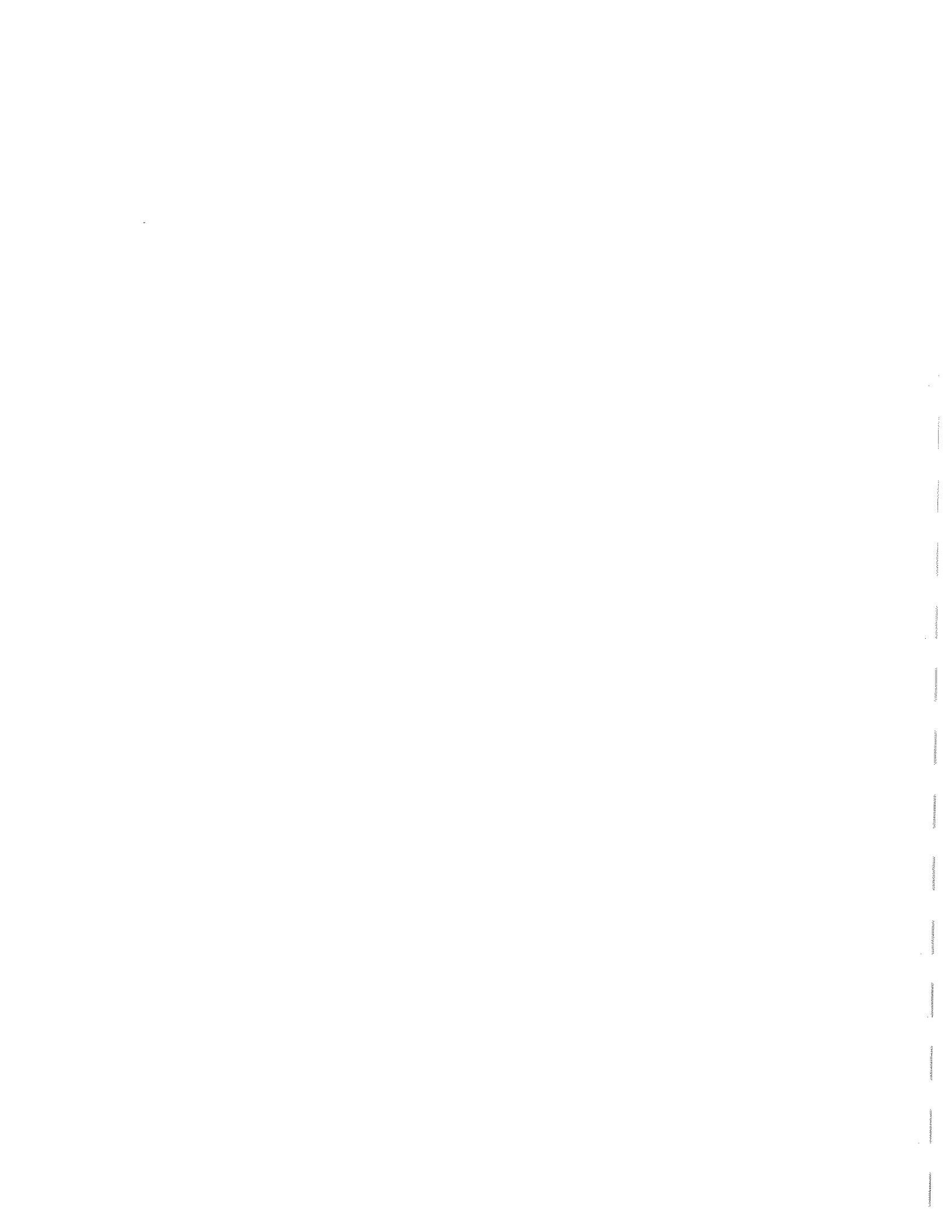
Risk of Further Devaluation of Chinese Yuan Remains



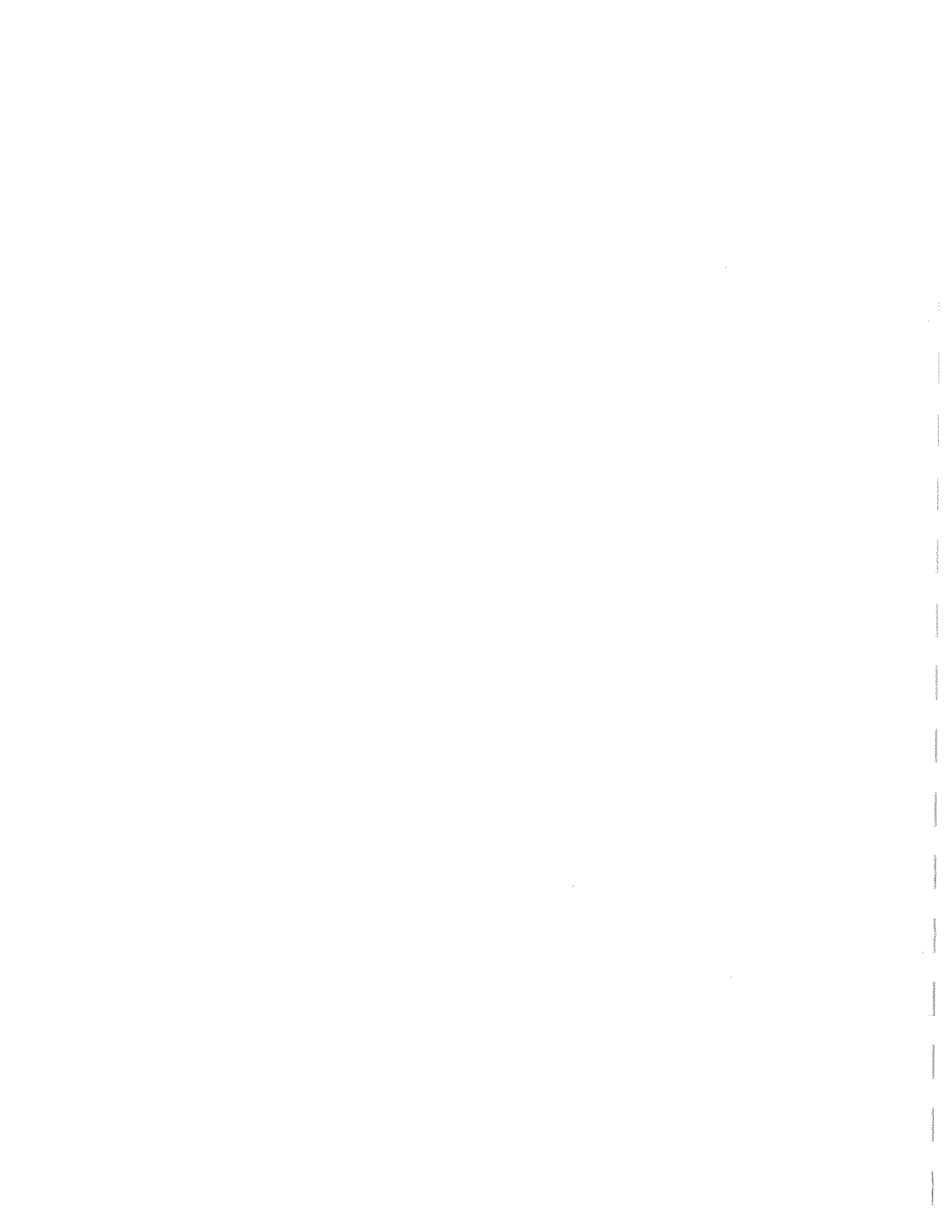
Source: Bank for International Settlements, Bloomberg



NEPC, LLC



October Market Update



Investment Market Update: As of October 23, 2015

Equity Market Indices	Level	1 WK	MTD	QTD	YTD	1 YR	3 YR	5 YR	10 YR
S&P 500	2070.5	2.6%	8.2%	8.2%	2.5%	8.6%	16.1%	14.3%	8.1%
Russell 1000	1148.1	2.3%	7.8%	7.8%	2.2%	8.2%	16.2%	14.3%	8.2%
Russell 1000 Growth	1006.9	2.7%	7.8%	7.8%	6.1%	12.1%	17.6%	15.2%	9.2%
Russell 1000 Value	986.3	1.8%	7.8%	7.8%	-1.8%	4.2%	14.6%	13.3%	7.1%
Russell 2000	1162.5	0.3%	6.0%	6.0%	-2.2%	5.8%	14.2%	12.1%	7.7%
Russell 2000 Growth	712.4	0.2%	5.3%	5.3%	-0.5%	8.7%	16.1%	13.6%	8.9%
Russell 2000 Value	1435.7	0.4%	6.7%	6.7%	-4.0%	2.9%	12.2%	10.7%	6.6%
Russell 3000	1224.3	2.1%	7.7%	7.7%	1.8%	8.0%	16.0%	14.1%	8.2%
MSCI ACWI	412.4	1.7%	8.1%	8.1%	0.5%	3.2%	10.1%	7.7%	5.9%
MSCI EAFE	1777.4	1.4%	8.1%	8.1%	2.4%	2.6%	8.2%	4.8%	4.3%
***MSCI EAFE Hedged	1035.1	3.6%	8.3%	8.3%	7.3%	13.5%	15.3%	8.8%	4.6%
MSCI EAFE SC	318.4	0.5%	5.7%	5.7%	8.5%	10.0%	12.0%	7.7%	5.9%
MSCI Europe	127.5	1.3%	7.6%	7.6%	2.0%	1.8%	8.4%	4.8%	4.6%
MSCI Japan	942.2	1.9%	8.9%	8.9%	9.1%	12.9%	12.3%	6.2%	2.4%
MSCI EM	868.6	0.5%	9.7%	9.7%	-7.2%	-9.4%	-2.1%	-2.3%	6.1%
MSCI EM SC	948.7	0.2%	7.5%	7.5%	-3.0%	-6.3%	1.4%	-1.8%	8.1%
MSCI Frontier Market	521.9	0.6%	1.7%	1.7%	-11.9%	-19.8%	6.8%	1.9%	-2.1%

***Representative of local currency



NEPC, LLC

October 23, 2015

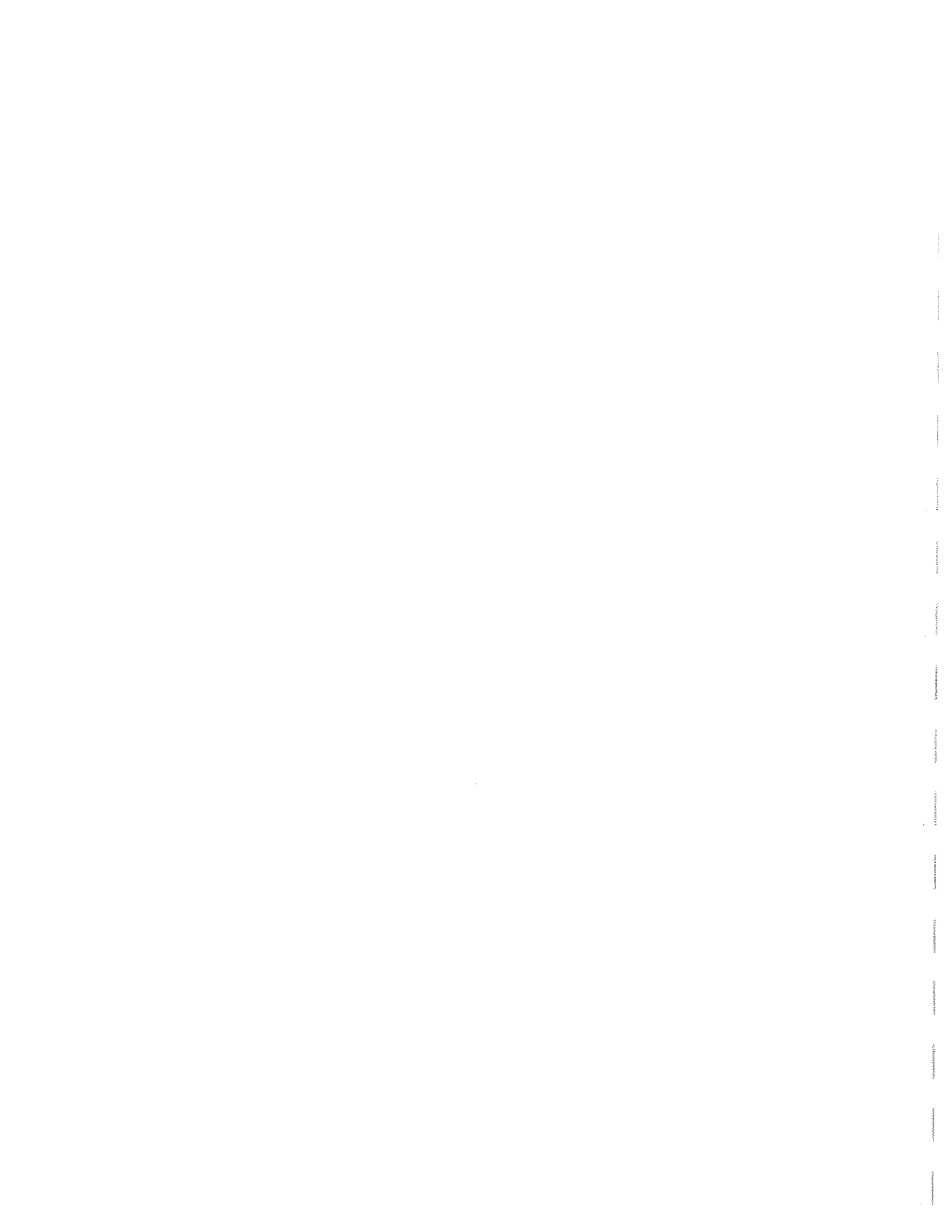
Investment Market Update: As of October 23, 2015

Fixed Income Indices	1 WK	MTD	QTD	YTD	1 YR	3 YR	5 YR	10 YR
BC Agg	-0.1%	0.3%	0.3%	1.5%	2.1%	1.8%	3.1%	4.7%
BC US Agg Treasury	-0.3%	0.0%	0.0%	1.8%	2.5%	1.4%	2.6%	4.4%
BC Credit	0.2%	0.9%	0.9%	0.6%	1.0%	2.1%	4.3%	5.4%
BC MBS	0.0%	0.3%	0.3%	1.9%	2.7%	2.2%	2.9%	4.7%
BC HY	0.9%	2.8%	2.8%	0.3%	-1.8%	4.1%	6.3%	7.6%
BC Municipal	0.0%	0.3%	0.3%	2.0%	2.7%	2.9%	4.2%	4.7%
BC Converts	0.2%	3.5%	3.5%	0.4%	2.3%	11.5%	9.2%	7.8%
BC 1-10 yr TIPS	-0.3%	0.4%	0.4%	0.6%	-1.1%	-1.2%	1.5%	3.6%
BC Long Treasury	-0.5%	0.0%	0.0%	0.2%	5.6%	3.2%	6.8%	7.0%
BC Long Credit	0.4%	1.7%	1.7%	-2.3%	-0.5%	2.0%	6.5%	6.6%
BC US Trs. Strips 20-30	-0.5%	0.2%	0.2%	-2.4%	7.3%	4.0%	10.9%	8.3%
EMBI	0.4%	0.4%	3.0%	2.7%	0.1%	1.0%	4.7%	7.3%
GBI-EM Glob. Div.	-1.5%	4.9%	4.9%	-10.7%	-17.0%	-7.4%	-2.9%	5.1%
ELMI	-0.8%	2.9%	2.9%	-4.8%	-9.9%	-4.3%	-2.6%	2.9%
S&P LSTA Lev Loan	0.1%	-0.1%	-0.1%	1.3%	1.0%	3.1%	4.3%	4.6%
WGBI	-1.6%	-0.1%	-0.1%	-2.4%	-4.7%	-2.6%	-0.4%	3.5%
CPI	N/A	N/A	0.9%	0.6%	0.1%	1.0%	1.7%	1.8%

Belmont Pension Plan Review



NEPC, LLC



Town of Belmont DB

Total Fund Asset Growth Summary

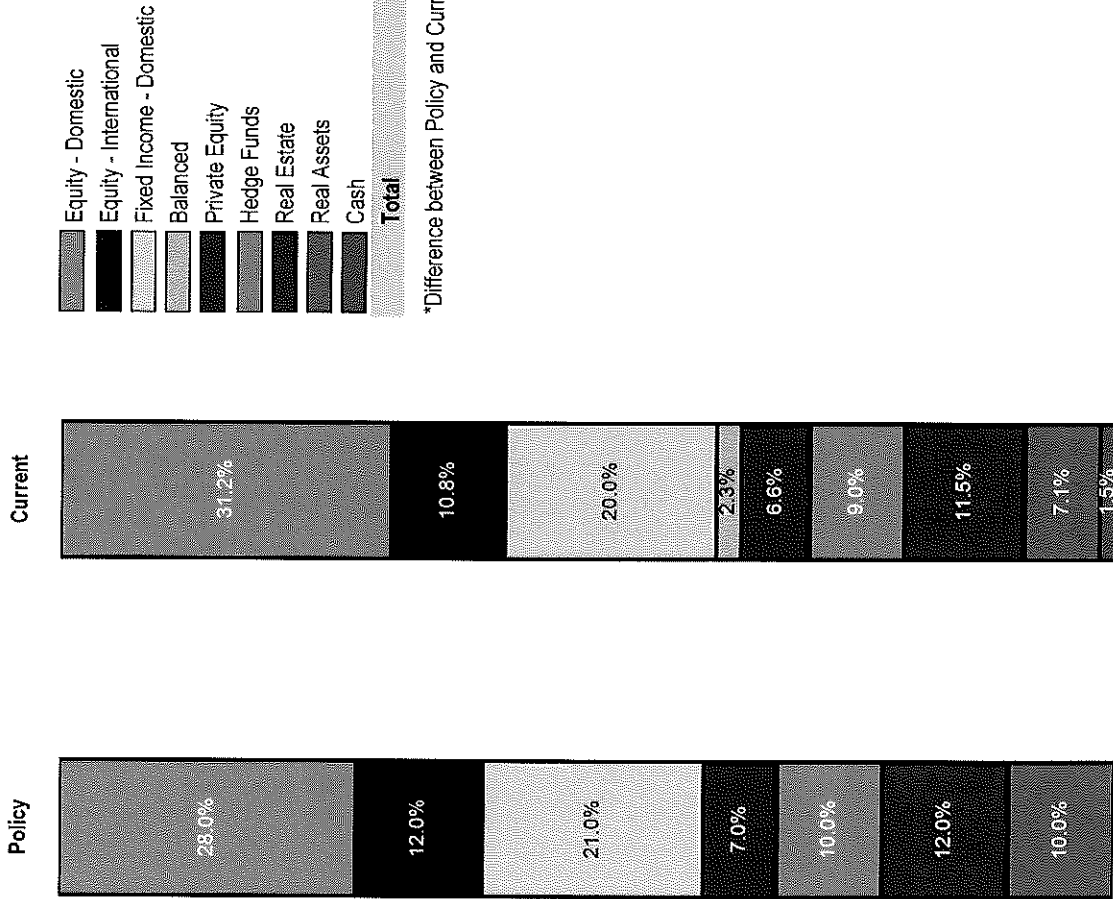
Sources of Portfolio Growth	Summary of Cash Flows			
	Last Three Months	Year-To-Date	One Year	Three Years
Beginning Market Value	\$86,060,999.33	\$83,674,308.76	\$81,877,348.23	\$67,375,203.76
Net Additions/Withdrawals	-\$10,669.86	\$261,964.57	\$177,821.00	-\$2,477,981.92
Investment Earnings	-\$3,672,789.33	-\$1,558,733.19	\$322,370.91	\$17,480,318.30
Ending Market Value	\$82,377,540.14	\$82,377,540.14	\$82,377,540.14	\$82,377,540.14



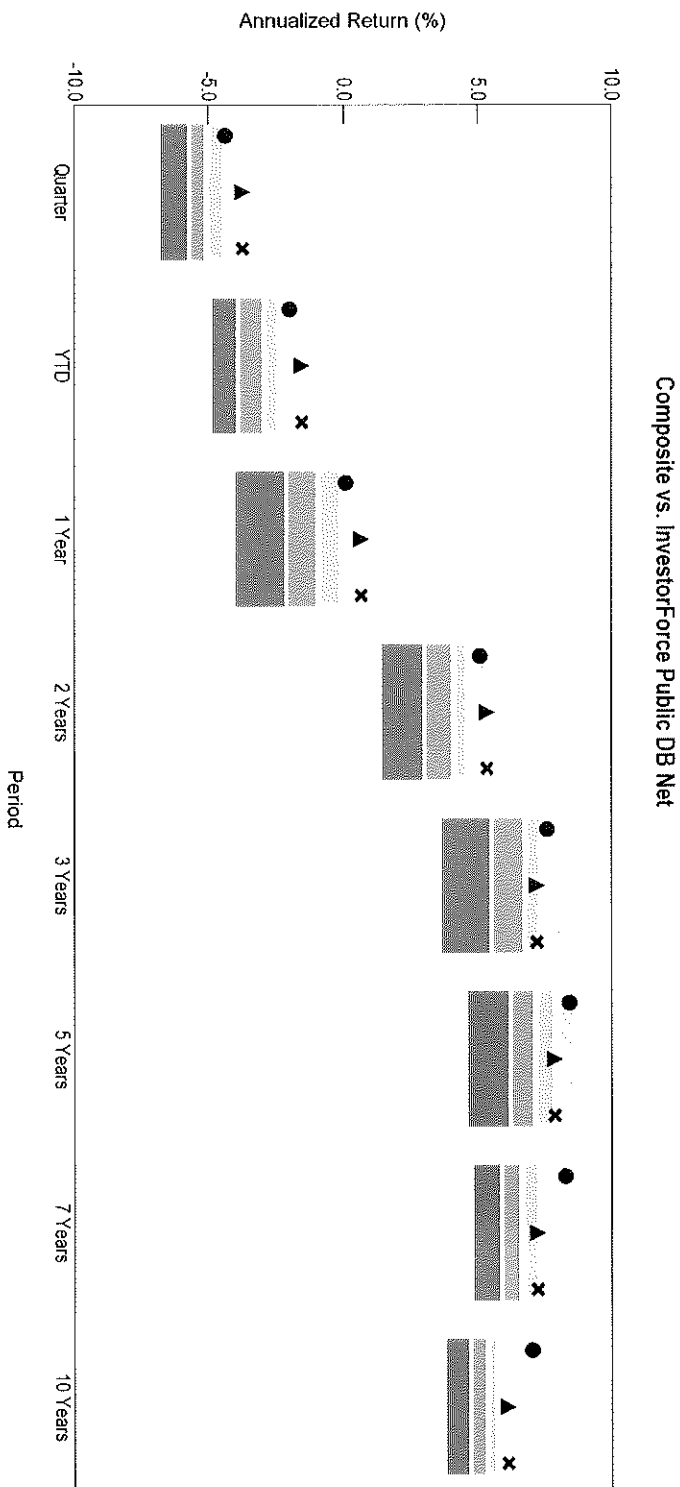
Total Fund Asset Allocation vs. Policy Targets

	Asset Allocation vs. Target		Policy	Current	Difference*
	Current				
Equity - Domestic	\$25,727,558	31.2%	28.0%	31.2%	3.2%
Equity - International	\$8,857,394	10.8%	12.0%	10.8%	-1.2%
Fixed Income - Domestic	\$16,494,728	20.0%	21.0%	20.0%	-1.0%
Balanced	\$1,930,186	2.3%	--	2.3%	2.3%
Private Equity	\$5,400,900	6.6%	7.0%	6.6%	-0.4%
Hedge Funds	\$7,385,551	9.0%	10.0%	9.0%	-1.0%
Real Estate	\$9,463,215	11.5%	12.0%	11.5%	-0.5%
Real Assets	\$5,844,377	7.1%	10.0%	7.1%	-2.9%
Cash	\$1,273,632	1.5%	--	1.5%	1.5%
Total	\$82,377,540		100.0%	100.0%	

*Difference between Policy and Current Allocation



Town of Belmont DB Total Fund Return Summary vs. Peer Universe



Return (Rank)	5th Percentile	25th Percentile	Median	75th Percentile	95th Percentile	# of Portfolios
● Composite	-3.8	-4.4	-5.1	-5.7	-6.8	122
▲ Allocation Index	-4.4	-4.4	-5.1	-5.7	-6.8	122
× Allocation Index	-3.7	-3.7	-3.7	-3.7	-3.7	122

Period	Composite	Allocation Index	Peer Universe
Quarter	-4.4 (23)	-3.7 (3)	-3.7 (3)
YTD	-2.0 (17)	-1.5 (12)	-1.5 (12)
1 Year	0.1 (29)	0.7 (11)	0.7 (11)
2 Years	5.1 (11)	5.4 (4)	5.4 (4)
3 Years	7.6 (15)	7.2 (31)	7.2 (31)
5 Years	8.4 (8)	7.9 (25)	7.9 (25)
7 Years	8.3 (2)	7.2 (27)	7.2 (27)
10 Years	7.0 (1)	6.1 (7)	6.1 (7)

*All rankings and medians are based on preliminary universe data

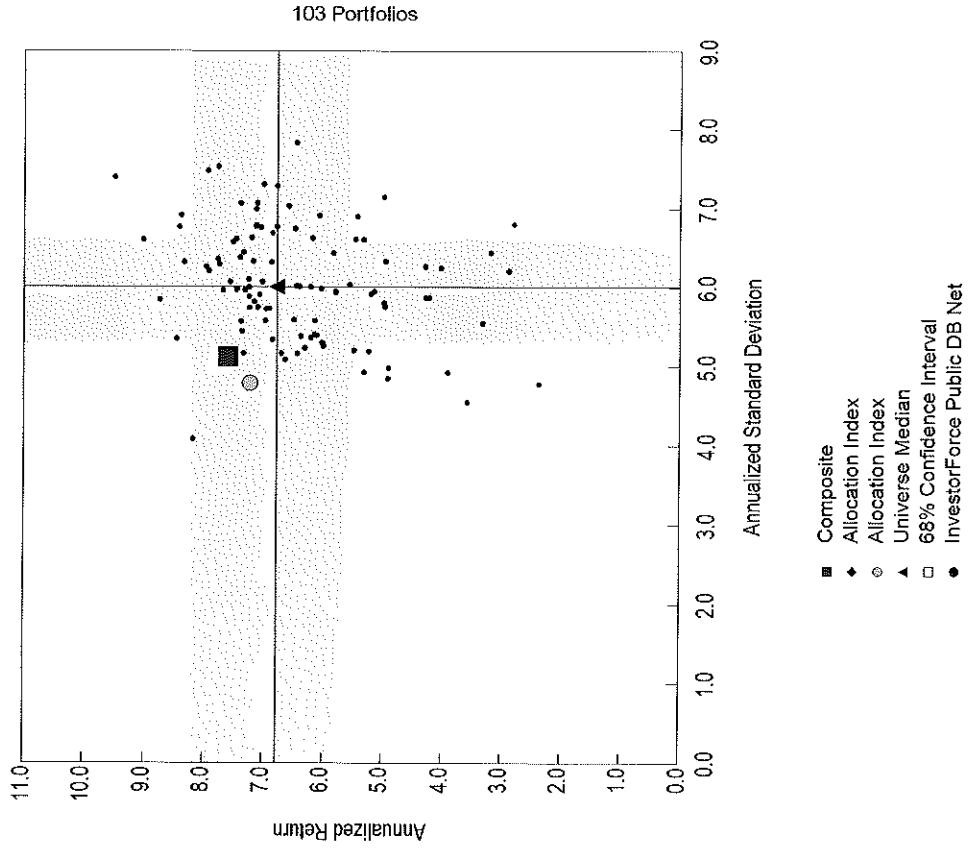


NEPC, LLC

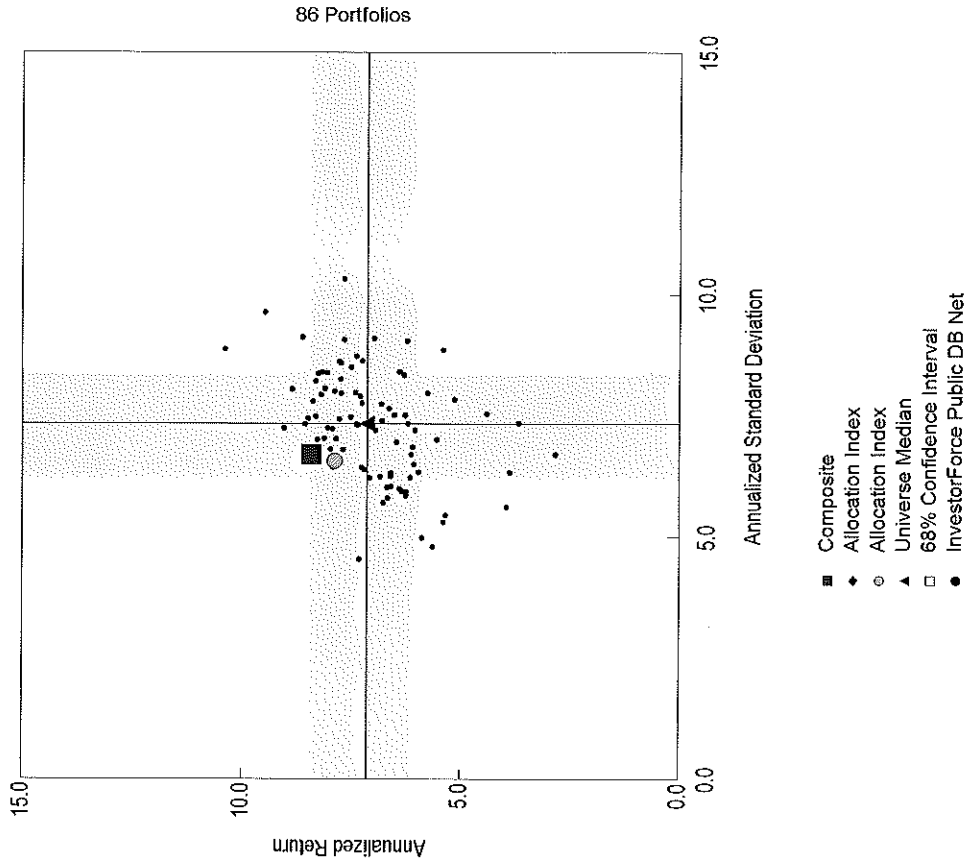
September 30, 2015

Town of Belmont DB
Total Fund Risk/Return

3 Years Ending September 30, 2015



5 Years Ending September 30, 2015



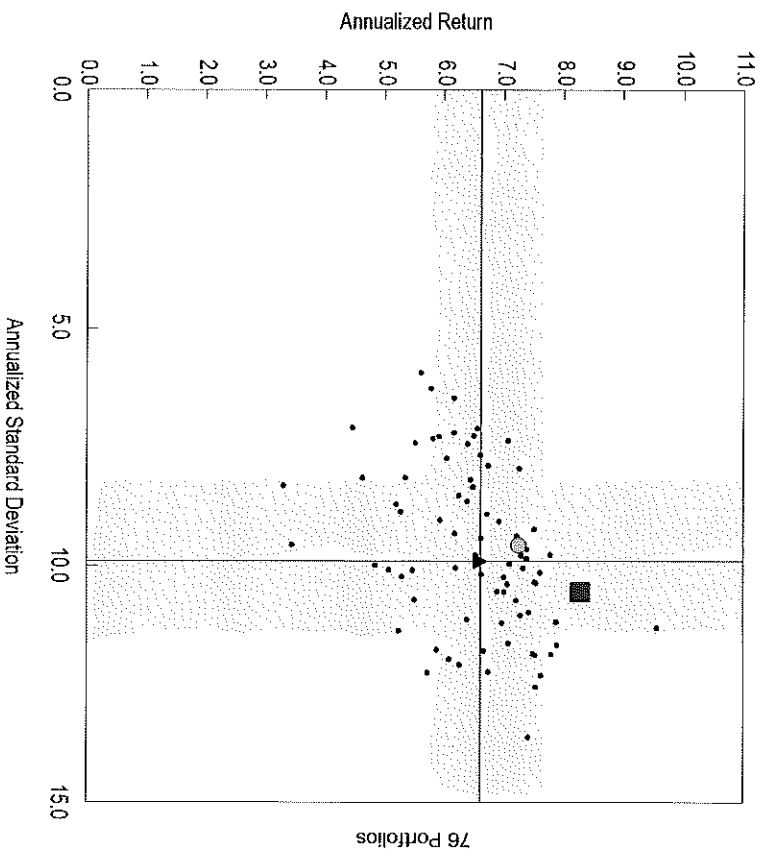
*All rankings and medians are based on preliminary universe data



NEPC, LLC

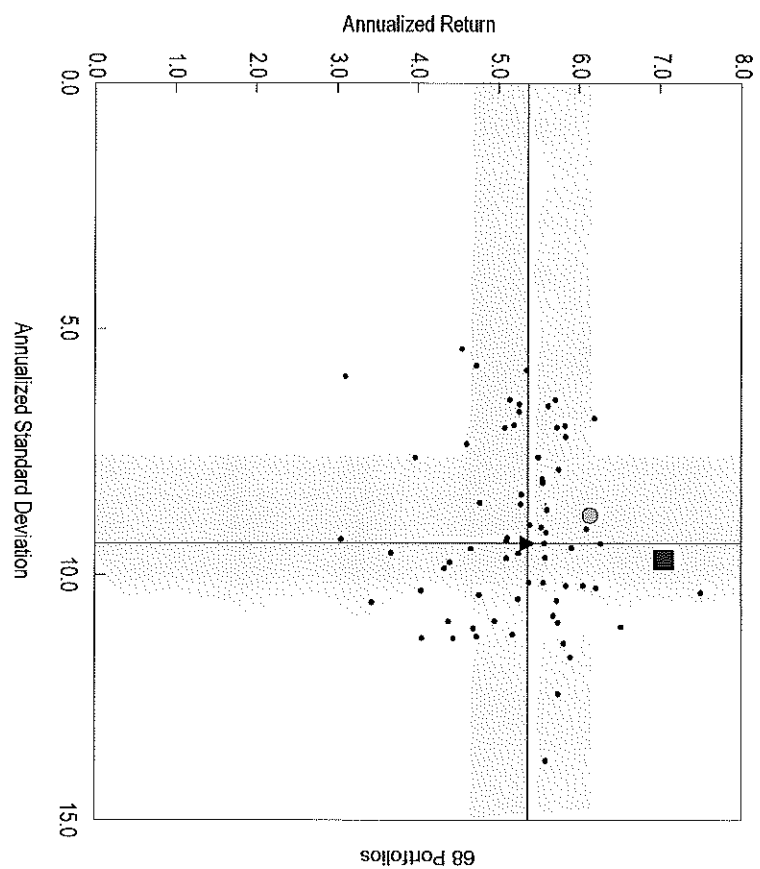
Town of Belmont DB Total Fund Risk/Return

7 Years Ending September 30, 2015



- Composite
- ◆ Allocation Index
- Allocation Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Net

10 Years Ending September 30, 2015



- Composite
- ◆ Allocation Index
- Allocation Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Net

*All rankings and medians are based on preliminary universe data



NEPC, LLC

Town of Belmont DB

Total Fund Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	Ending September 30, 2015										Inception Return (%)			
				3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Rank	Rank	Rank		Rank	Rank	Rank
Composite	82,377,540	100.0	100.0	-4.4	-2.0	0.1	23	7.6	15	8.4	8	8.3	2	7.0	1	6.9	Jan-85
Allocation Index																	
Policy Index																	
InvestorForce Public DB Net Median				-3.7	-1.5	0.7	11	7.2	31	7.9	25	7.2	27	6.1	7	8.9	Jan-85
				-4.0	-1.7	0.2	19	6.5	54	7.5	38	6.5	54	5.4	50	--	Jan-85
				-5.1	-2.9	-1.0		6.8		7.1		6.6		5.4		8.5	Jan-85
Total Equity	34,584,952	42.0	40.0														
Total Domestic Equity	25,727,558	31.2	28.0														
Rothschild	10,675,934	13.0	11.5	-6.7	-6.5	-2.4	29	13.8	16	14.2	9	--	--	--	--	12.5	Dec-09
Russell 1000 Value				-8.4	-9.0	-4.4	55	11.6	50	12.3	41	8.2	62	5.7	69	11.6	Dec-09
eA US Large Cap Value Equity Net Median				-8.6	-7.9	-4.1		11.6		11.7		8.7		6.3		11.2	Dec-09
Atlanta Small Cap	4,666,510	5.7	5.0	-7.4	-0.2	9.6	5	14.1	23	15.2	14	12.9	9	10.6	2	10.8	Jul-01
Russell 2000				-11.9	-7.7	1.2	51	11.0	60	11.7	62	8.6	73	6.5	64	6.9	Jul-01
eA US Small Cap Equity Net Median				-10.6	-6.3	1.4		11.9		12.4		9.9		7.0		8.2	Jul-01
Rhumbline S&P 500	10,378,110	12.6	11.5	-6.4	--	--	--	--	--	--	--	--	--	--	--	-8.3	Jun-15
S&P 500				-6.4	-5.3	-0.6	53	12.4	46	13.3	36	9.8	41	6.8	58	-8.2	Jun-15
eA US Large Cap Core Equity Net Median				-7.2	-5.1	-0.5		12.2		12.8		9.4		6.9		-8.6	Jun-15
Total International Equity	8,857,394	10.8	12.0														
PRIM International Equity	8,857,394	10.8	12.0	-9.7	-3.9	-6.6	47	--	--	--	--	--	--	--	--	6.5	Nov-12
MSCI ACWI ex USA				-12.2	-8.6	-12.2	86	2.3	81	1.8	84	3.2	84	3.0	79	2.3	Nov-12
eA All ACWI ex-US Equity Net Median				-10.4	-4.7	-7.2		5.4		4.4		5.3		4.3		5.3	Nov-12

1. Atlanta Capital has a residual balance of \$7,004
 *All rankings and medians are based on preliminary universe data



Town of Belmont DB

Total Fund Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	Ending September 30, 2015										Inception						
				3 Mo Rank (%)	YTD Rank (%)	1 Yr Rank (%)	3 Yrs Rank (%)	5 Yrs Rank (%)	7 Yrs Rank (%)	10 Yrs Rank (%)	Return (%)	Since								
Total Fixed Income	16,494,728	20.0	21.0																	
Scout Core Plus	8,366,842	10.2	10.0	0.6	36	1.2	21	1.8	52	1.5	89	4.0	50	8.3	10	6.7	8	6.5	Jan-02	
Barclays Aggregate				1.2	5	1.1	26	2.9	11	1.7	76	3.1	87	4.8	90	4.6	79	4.9	Jan-02	
eA US Core Plus Fixed Inc Net Median				0.4		0.6		1.8		2.1		4.0		6.5		5.4		5.7	Jan-02	
Loomis Sayles Multi-sector	8,127,886	9.9	11.0	4.3	94	3.1	93	2.7	93	-	-	-	-	-	-	-	-	-2.0	Jun-14	
Barclays Govt/Credit				1.2	19	0.9	47	2.7	20	1.6	61	3.1	57	5.0	55	4.6	51	2.1	Jun-14	
eA All US Fixed Inc Net Median				0.5		0.8		1.6		1.8		3.4		5.3		4.6		1.3	Jun-14	
Real Assets	5,844,377	7.1	10.0																	
PIMCO All Asset Fund	5,844,377	7.1	10.0	-8.6	-	-8.7	-	-11.3	-	-1.6	-	-	-	-	-	-	-	-	2.8	Oct-11
PIMCO All Asset Index				-1.0	-	-0.2	-	0.5	-	1.9	-	4.2	-	5.7	-	5.2	-	-	4.0	Oct-11
Total Balanced	1,930,186	2.3	0.0																	
Pension Reserves Inv. Trust Fund	1,930,186	2.3	0.0	-3.9	-	-1.6	-	0.3	-	7.8	-	7.8	-	6.2	-	5.6	-	-	8.2	Jul-89
50% MSCI World (Net)/50% CITT WGBI				-3.4	-	-4.1	-	-4.3	-	2.8	-	4.2	-	4.8	-	4.4	-	-	6.5	Jul-89
Total Real Estate	9,463,215	11.5	12.0																	
AEW Partners VI	1,753,388	2.1	3.0	1.5	-	8.8	-	12.9	-	18.5	-	14.3	-	-	-	-	-	-	12.7	Aug-10
PRIM Real Estate Fund	4,100,066	5.0	4.5	2.5	-	7.5	-	13.4	-	12.0	-	-	-	-	-	-	-	-	12.6	Dec-10
NCREIF ODCE				3.7	-	11.3	-	14.9	-	13.4	-	14.0	-	4.2	-	6.7	-	-	14.5	Dec-10
NCREIF Property Index				3.1	-	10.1	-	13.5	-	11.9	-	12.5	-	5.8	-	8.0	-	-	13.0	Dec-10
AEW Core Property Trust	3,609,771	4.4	4.5	0.0	-	6.0	-	9.0	-	8.8	-	-	-	-	-	-	-	-	8.4	Apr-12
Total Hedge Fund	7,385,551	9.0	10.0																	
PRIM Hedge Fund	7,385,551	9.0	10.0	4.5	-	-2.0	-	-0.9	-	6.1	-	4.8	-	4.1	-	3.9	-	-	4.2	Jul-05
HFRI Fund of Funds Composite Index				-3.7	-	-1.1	-	-0.1	-	4.1	-	2.7	-	2.2	-	2.4	-	-	2.8	Jul-05

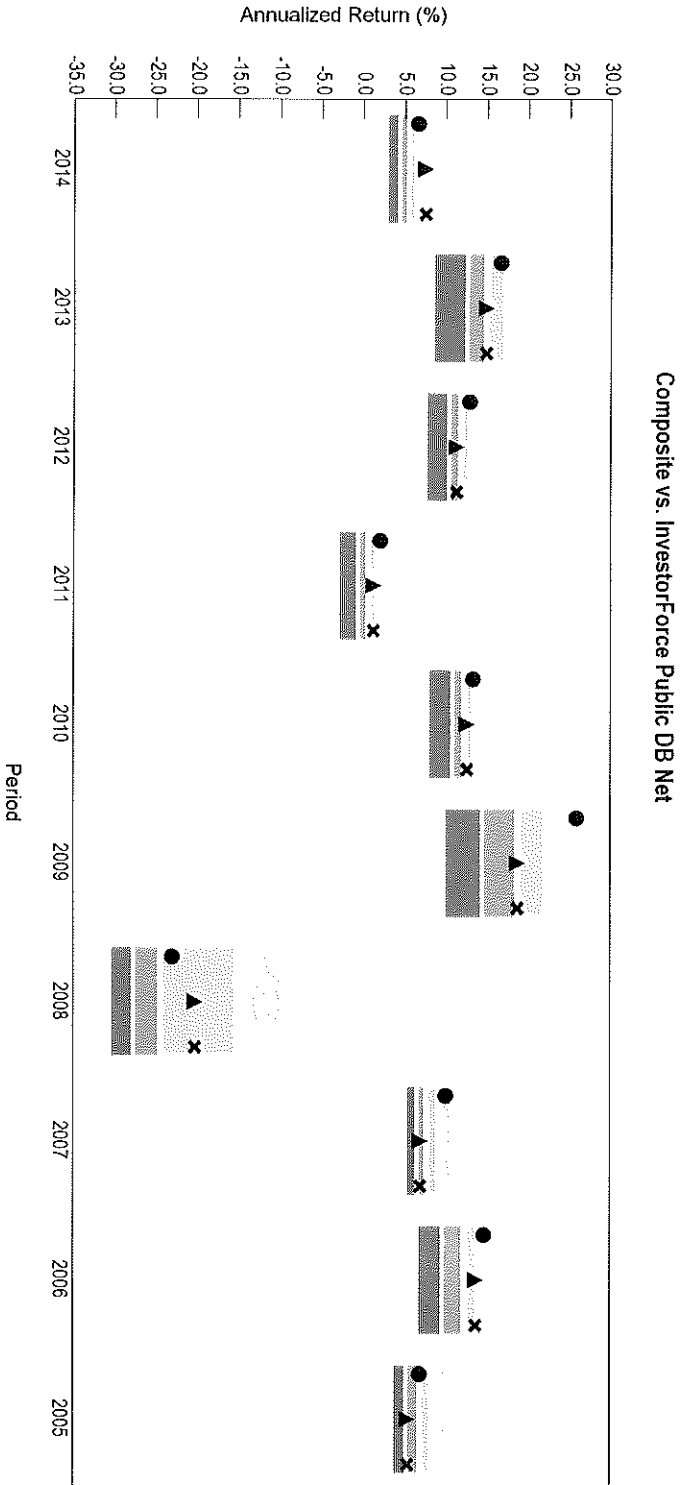
* All rankings and medians are based on preliminary universe data



NEPC, LLC

September 30, 2015

Total Fund Return Summary vs. Peer Universe (Calendar Years)



5th Percentile	25th Percentile	Median	75th Percentile	95th Percentile	# of Portfolios
7.7	7.7	7.7	7.7	7.7	210
6.4	6.4	6.4	6.4	6.4	66
5.5	5.5	5.5	5.5	5.5	7.5
4.4	4.4	4.4	4.4	4.4	7.5
2.7	2.7	2.7	2.7	2.7	7.5

Return (Rank)	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Composite	6.6 (21)	16.7 (30)	14.3	3.6	15.3	26.8	-9.8	10.7	15.4	10.1
Allocation Index	7.5 (7)	14.9 (50)	12.9	1.6	13.4	22.0	-15.2	9.1	14.0	8.2
Allocation Index	7.5 (7)	14.9 (50)	11.3 (60)	1.3 (31)	12.2	18.6	-24.4	7.8	12.3	6.9
Allocation Index	7.5 (7)	14.9 (50)	11.3 (60)	1.3 (31)	10.9	14.5	-27.6	6.7	9.8	5.3
Allocation Index	7.5 (7)	14.9 (50)	7.6	-3.1	7.9	9.9	-30.5	5.2	6.6	3.6
Allocation Index	7.5 (7)	14.9 (50)	159	137	131	128	125	122	115	107

*All rankings and medians are based on preliminary universe data

Town of Belmont DB

Calendar Year Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)	2005 (%)
Composite	82,377,540	100.0	100.0	6.6	16.7	12.9	2.1	13.4	25.9	-22.9	10.1	14.7	6.9
Allocation Index				7.5	14.9	11.3	1.3	12.6	18.8	-20.2	7.0	13.7	5.5
Policy Index				7.6	12.5	11.4	1.5	13.3	19.0	-24.3	7.0	13.0	4.9
Total Equity	34,584,952	42.0	40.0										
Total Domestic Equity	25,727,558	31.2	28.0										
Rothschild	10,675,934	13.0	11.5	13.9	36.8	19.4	1.0	11.2	--	--	--	--	--
Russell 1000 Value				13.5	32.5	17.5	0.4	15.5	19.7	-36.8	-0.2	22.2	7.1
Atlanta Small Cap	4,666,510	5.7	5.0	3.0	41.4	11.3	9.6	25.1	26.1	-19.7	6.2	15.7	5.5
Russell 2000				4.9	38.8	16.3	-4.2	26.9	27.2	-33.8	-1.6	18.4	4.6
Rhumbline S&P 500	10,378,110	12.6	11.5	--	--	--	--	--	--	--	--	--	--
S&P 500				13.7	32.4	16.0	2.1	15.1	26.5	-37.0	5.5	15.8	4.9
Total International Equity	8,857,394	10.8	12.0										
PRIM International Equity	8,857,394	10.8	12.0	-3.7	24.2	--	--	--	--	--	--	--	--
MSCI ACWI ex USA				-3.9	15.3	16.8	-13.7	11.2	41.4	-45.5	16.7	26.7	16.6

1-Alanta Capital has a residual balance of \$7,004
 *All rankings and medians are based on preliminary universe data



Calendar Year Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	Ending September 30, 2015																
				2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)	2005 (%)							
Total Fixed Income	16,494,728	20.0	21.0																	
Scout Core Plus	8,366,842	10.2	10.0	2.3	-0.4	9.8	8.3	10.0	35.2	-9.2	7.8	6.5	2.6							
Barclays Aggregate				6.0	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3	2.4							
Loomis Sayles Multi-Sector				-	-	-	-	-	-	-	-	-	-							
Barclays Govt/Credit	8,127,886	9.9	11.0	6.0	-2.4	4.8	8.7	6.6	4.5	5.7	7.2	3.8	2.4							
Real Assets	5,844,377	7.1	10.0																	
PIMCO All Asset Fund	5,844,377	7.1	10.0	0.8	0.8	15.4	-	-	-	-	-	-	-							
PIMCO All Asset Index				4.9	0.2	8.1	7.6	8.5	16.5	-6.7	7.7	6.0	3.5							
Total Balanced	1,930,186	2.3	0.0																	
Pension Reserves Inv. Trust Fund	1,930,186	2.3	0.0	7.7	14.8	13.6	-0.3	13.2	17.2	-29.9	11.5	16.2	12.2							
50% MSCI World (Net)/ 50% CITI WGBI				2.3	10.4	8.7	0.6	8.9	16.0	-18.0	10.2	13.0	1.1							
Total Real Estate	9,463,215	11.5	12.0																	
AEW Partners VI	1,753,388	2.1	3.0	19.7	15.5	20.4	8.6	-	-	-	-	-	-							
PRIM Real Estate Fund	4,100,056	5.0	4.5	13.9	10.2	13.9	10.8	-	-	-	-	-	-							
NCREIF ODCE				12.5	13.9	10.9	16.0	16.4	-29.8	-10.0	16.0	16.3	21.4							
AEW Core Property Trust	3,609,771	4.4	4.5	10.1	9.3	-	-	-	-	-	-	-	-							
Total Hedge Fund	7,385,551	9.0	10.0																	
PRIM Hedge Fund	7,385,551	9.0	10.0	5.6	12.5	8.4	-2.8	6.3	12.3	-19.2	10.9	10.3	-							
HFRF Fund of Funds Composite Index				3.4	9.0	4.8	-5.7	5.7	11.5	-21.4	10.3	10.4	7.5							

*All rankings and medians are based on preliminary universe data



NEPC, LLC

Town of Belmont DB

Calendar Year Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	Ending September 30, 2015														
				2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)	2005 (%)					
Total Private Equity	5,400,900	6.6	7.0															
Harbourvest Dover Street VII	879,723	1.1	7.0	12.8	11.8	6.2	10.1	31.7	-1.0	-	-	-	-	-	-	-	-	-
Harbourvest Dover Street VII AIV	108,699	0.1		0.9	-5.0	5.7	-	-	-	-	-	-	-	-	-	-	-	-
Harbourvest Dover Street VIII	1,279,947	1.6		19.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PRIT Vintage Year 2001	137,336	0.2		12.5	17.5	10.7	7.2	16.4	-10.0	-8.9	56.1	26.8	28.2	-	-	-	-	-
PRIT Vintage Year 2004	71,942	0.1		24.6	21.5	8.8	30.2	22.6	-3.4	-6.3	30.8	18.8	-	-	-	-	-	-
PRIT Vintage Year 2005	260,132	0.3		15.2	21.1	16.6	14.7	12.9	-10.4	-1.8	25.7	19.3	-	-	-	-	-	-
PRIT Vintage Year 2006	260,836	0.3		19.0	20.7	16.3	16.9	19.6	-12.2	0.6	-	-	-	-	-	-	-	-
PRIT Vintage Year 2007	367,360	0.4		13.7	20.3	17.9	14.6	16.8	-6.8	-19.6	-	-	-	-	-	-	-	-
PRIT Vintage Year 2008	671,794	0.8		23.4	21.0	23.2	19.3	9.6	-22.7	-	-	-	-	-	-	-	-	-
PRIT Vintage Year 2009	163,287	0.2		26.8	21.1	9.8	2.5	-31.6	-	-	-	-	-	-	-	-	-	-
PRIT Vintage Year 2010	406,717	0.5		21.9	20.5	9.9	-22.9	-	-	-	-	-	-	-	-	-	-	-
PRIT Vintage Year 2011	346,360	0.4		21.6	6.2	-5.8	-	-	-	-	-	-	-	-	-	-	-	-
PRIT Vintage Year 2012	227,810	0.3		8.9	6.7	-	-	-	-	-	-	-	-	-	-	-	-	-
PRIT Vintage Year 2013	109,625	0.1		5.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PRIT Vintage Year 2014	86,435	0.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PRIT Vintage Year 2015	22,896	0.0		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1,273,632	1.5	0.0															
Cash	1,273,632	1.5		0.0	0.0	0.0	0.0	0.0	-0.6	2.1	4.7	4.0	2.4					
91 Day T-Bills				0.0	0.0	0.1	0.0	0.1	0.1	1.3	4.4	5.0	3.2					

Notes:

- Returns for periods longer than one year are annualized
- Atlanta Capital was terminated as of 05/31/2015
- PIMCO All Asset Index: 40% BC Aggregate / 30% TIPS / 10% S&P 500 / 10% High Yield / 10% JPMEBBI+
- NCREIF ODCE and NCREIF Property returns only available on a quarterly basis
- AEW Partners VI is final as of 06/30/2015, estimated as of 09/30/2015
- AEW Core Property Trust is estimated as of 06/30/2015
- All Harbourvest funds are estimated as of 09/30/2015

*All rankings and medians are based on preliminary universe data



NEPC, LLC

Manager Detail



NEPC, LLC

Town of Belmont DB Rothschild

Characteristics

	Portfolio	Russell
Number of Holdings	70	689
Weighted Avg. Market Cap. (\$B)	106.0	95.0
Median Market Cap. (\$B)	36.6	6.8
Price To Earnings	17.3	17.9
Price To Book	2.8	2.1
Price To Sales	2.4	2.5
Return on Equity (%)	15.2	11.6
Yield (%)	2.9	2.7
Beta	1.0	1.0
R-Squared	1.0	1.0

Top Positive Contributors

	Relative Contribution %	Return %
JETBLUE AIRWAYS	0.3%	24.1%
CMS ENERGY	0.2%	11.9%
PUBLIC STORAGE	0.2%	15.8%
DTE ENERGY	0.1%	8.7%
PUB.SER. ENTER.GP.	0.1%	8.4%
AMER.ELEC.PWR.	0.1%	8.4%
COCA COLA ENTS.	0.1%	11.9%
PROCTER & GAMBLE	0.1%	-7.3%
NORTHROP GRUMMAN	0.1%	5.1%
PROGRESSIVE OHIO	0.1%	10.1%

Top Negative Contributors

	Relative Contribution %	Return %
MARATHON OIL	-0.4%	-41.3%
MACYS	-0.3%	-23.5%
LYONDELLBASEL INDS.CLA	-0.3%	-18.7%
CONOCOPHILLIPS	-0.3%	-20.8%
MOSAIC	-0.3%	-33.1%
AETNA	-0.2%	-14.0%
METLIFE	-0.2%	-15.2%
EOG RES.	-0.2%	-16.7%
TIME WARNER	-0.2%	-21.0%
AMERIPRISE FINL.	-0.2%	-12.2%

Equity Sector Attribution

	Attribution Effects			Returns	Sector Weights	
	Total Effects	Selection Effect	Allocation Effect		Portfolio	Benchmark
Energy	0.3%	0.1%	0.2%	-17.1%	-17.6%	11.7%
Materials	-0.2%	-0.1%	-0.2%	-20.2%	-18.4%	4.4%
Industrials	1.1%	1.4%	0.0%	4.2%	-9.4%	8.1%
Cons. Disc.	0.0%	0.0%	0.0%	-8.2%	-8.5%	10.6%
Cons. Staples	0.1%	0.3%	-0.1%	-0.3%	-4.3%	5.1%
Health Care	0.2%	0.2%	0.0%	-8.1%	-9.5%	13.9%
Financials	-0.2%	-0.1%	0.0%	-6.8%	-6.4%	27.4%
Info. Tech	0.1%	0.2%	0.0%	-4.3%	-6.2%	9.6%
Telecomm.	0.0%	0.0%	0.0%	-7.0%	-7.6%	1.1%
Utilities	0.4%	0.3%	0.1%	9.3%	4.7%	6.4%
Cash	0.2%	0.0%	0.2%	0.0%	-	2.0%
Portfolio	2.1%	2.2%	0.2%	-6.3%	-8.4%	100.0%



NEPC, LLC

September 30, 2015

Town of Belmont DB Atlanta Small Cap

Characteristics

Number of Holdings	Portfolio	Russell 2000
Weighted Avg. Market Cap. (\$B)	51	1,955
Median Market Cap. (\$B)	2.6	1.8
Price To Earnings	2.3	0.7
Price To Book	28.0	23.1
Price To Sales	5.5	2.8
Return on Equity (%)	3.2	2.9
Yield (%)	18.8	11.1
Beta	1.1	1.3
R-Squared	0.8	1.0

Top Positive Contributors

	Relative Contribution %	Return %
MANHATTAN ASSOCS.	0.2%	4.4%
CASEY'S GENERAL STORES	0.2%	7.7%
MONRO MUFFLER BRAKE	0.2%	8.9%
JACK HENRY & ASSOCS.	0.2%	8.0%
DORMAN PRODUCTS	0.1%	6.8%
LANCASTER COLONY	0.1%	7.8%
APTARGROUP	0.1%	3.9%
RLI	0.1%	4.5%
BALCHEM	0.1%	9.1%
J & J SNACK FOODS	0.1%	3.0%

Top Negative Contributors

	Relative Contribution %	Return %
SALLY BEAUTY HOLDINGS	-0.7%	-24.8%
WEX	-0.5%	-23.8%
MOOG 'A'	-0.4%	-23.5%
FORWARD AIR	-0.4%	-20.4%
CLARCOR	-0.4%	-23.1%
INTER PARFUMS	-0.4%	-26.5%
DRIL-QUIP	-0.4%	-22.6%
ARTISAN PTNS.ASTMGMT.	-0.4%	-23.2%
HIBBETT SPORTS	-0.3%	-24.8%
PROSPERITY BCSSH.	-0.3%	-14.5%

Equity Sector Attribution

	Attribution Effects		Returns		Sector Weights	
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark
Energy	0.6%	0.4%	0.5%	-0.2%	-22.6%	-32.8%
Materials	0.8%	0.8%	0.0%	0.0%	-1.2%	-21.9%
Industrials	0.3%	0.4%	-0.4%	0.3%	-12.5%	-15.6%
Cons. Disc.	0.9%	0.7%	0.0%	0.2%	-7.0%	-11.9%
Cons. Staples	0.6%	0.1%	0.3%	0.2%	-0.9%	-4.7%
Health Care	1.3%	1.7%	0.4%	-0.9%	-6.8%	-17.2%
Financials	-1.0%	-0.7%	-0.5%	0.2%	-8.3%	-5.3%
Info. Tech	1.5%	1.1%	0.1%	0.3%	-3.8%	-10.4%
Telecomm.	-0.1%	-	-0.1%	-	-	-5.8%
Utilities	-0.4%	-	-0.4%	-	-	0.0%
Cash	0.0%	-	-	-	-	0.0%
Portfolio	4.5%	=	-0.1%	+ 0.1%	-7.4%	-11.9%
					100.0%	100.0%



NEPC, LLC

September 30, 2015

Town of Belmont DB Rhumbline S&P 500

Characteristics		Portfolio	S&P 500	Top Positive Relative Contributors in Percentage				Top Negative Contributors			
				Relative		Return %		Relative		Return %	
				Contribution %	Return %	Contribution %	Return %	Contribution %	Return %	Contribution %	Return %
Number of Holdings		504	505								
Weighted Avg. Market Cap. (\$B)		119.74	119.17								
Median Market Cap. (\$B)		16.40	16.64	WEC ENERGY GROUP (WEC)	0.0%	16.7%	SALLY BEAUTY HOLDINGS (SBH)	-0.71%	-24.79%		
Price To Earnings		21.83	20.88	AMAZON.COM (AMZN)	0.0%	17.9%	MOOG A (MOGA)	-0.47%	-23.50%		
Price To Book		4.65	4.10	NEWMONT MINING (NEM)	0.0%	31.1%	WEX (WEX)	-0.46%	-23.80%		
Return on Equity (%)		19.15	18.27	PREC CASTPARTS (PCP)	0.0%	14.9%	CLARCOR (CLC)	-0.46%	-23.14%		
Yield (%)		2.31	2.29	FACEBOOK CLASS A (FB)	0.0%	4.8%	FORWARD AIR (FWRD)	-0.44%	-20.41%		
Beta		1.00	1.00	ALTRIA GROUP (MO)	0.0%	12.4%	INTER PARFUMS (IPAR)	-0.42%	-26.49%		
R-Squared		1.00	1.00	NIKE B (NIKE)	0.0%	14.1%	DRILL-QUIP (DRQ)	-0.37%	-22.63%		
				AES (AES)	0.0%	-25.6%	ARTISAN PTNS.ASTMGMT. (APAM)	-0.36%	-23.18%		
				HOME DEPOT (HD)	0.0%	4.5%	HIBBETT SPORTS (HIBB)	-0.36%	-24.84%		
				LOCKHEED MARTIN (LMT)	0.0%	12.3%	PROSPERITY BCSH. (PB)	-0.29%	-14.49%		

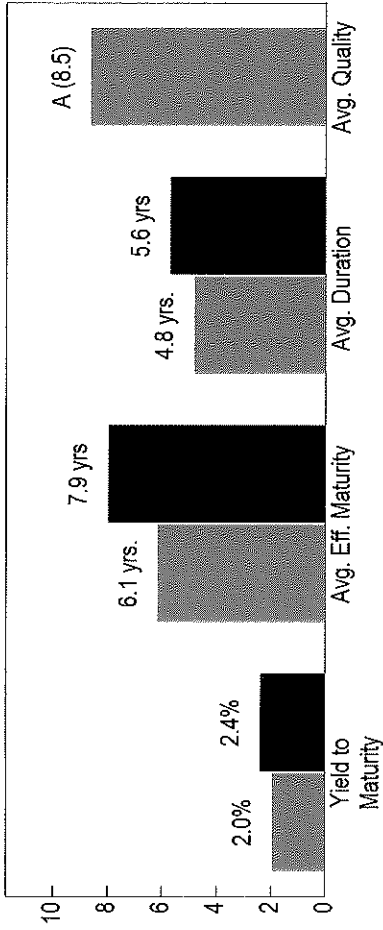
Equity Sector Attribution									
Attribution Effects			Returns			Sector Weights			
Total	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.0%	0.0%	0.0%	-17.3%	-17.3%	8.0%	7.9%		
Materials	0.0%	0.0%	0.0%	-17.2%	-17.2%	3.2%	3.1%		
Industrials	0.0%	0.0%	0.0%	-6.9%	-6.8%	10.2%	10.1%		
Cons. Disc.	0.0%	0.0%	0.0%	-2.7%	-2.7%	12.7%	12.6%		
Cons. Staples	0.0%	0.0%	0.0%	-0.3%	-0.3%	9.3%	9.2%		
Health Care	0.0%	0.0%	0.0%	-10.8%	-10.8%	15.7%	15.5%		
Financials	0.0%	0.0%	0.0%	-6.8%	-6.7%	16.8%	16.7%		
Info. Tech	-0.4%	-0.4%	0.0%	-5.6%	-3.6%	18.4%	19.8%		
Telecomm.	0.0%	0.0%	0.0%	-6.9%	-6.9%	2.3%	2.3%		
Utilities	0.0%	0.0%	0.0%	5.4%	5.3%	2.9%	2.8%		
Cash	0.0%	-	-	-	-	0.0%	0.0%		
Portfolio	-0.4%	-0.4%	0.0%	-6.9%	-6.5%	99.6%	100.0%		



NEPC, LLC

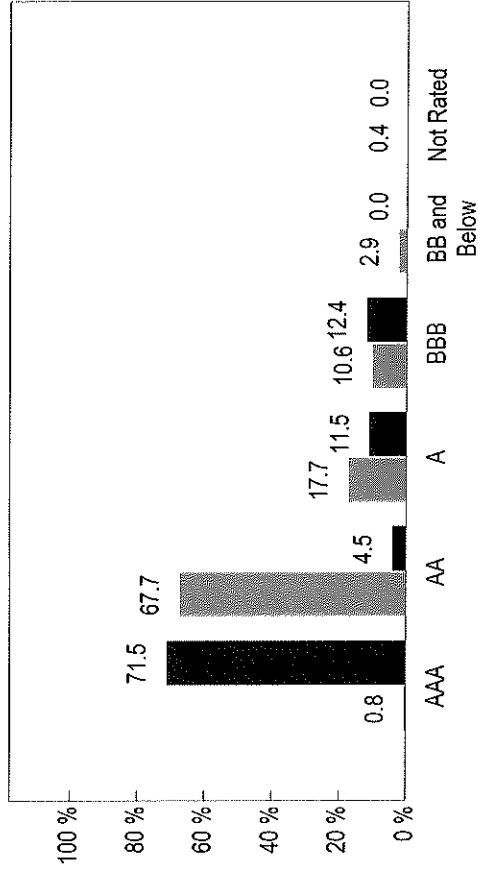
Town of Belmont DB
Scout Core Plus

Characteristics

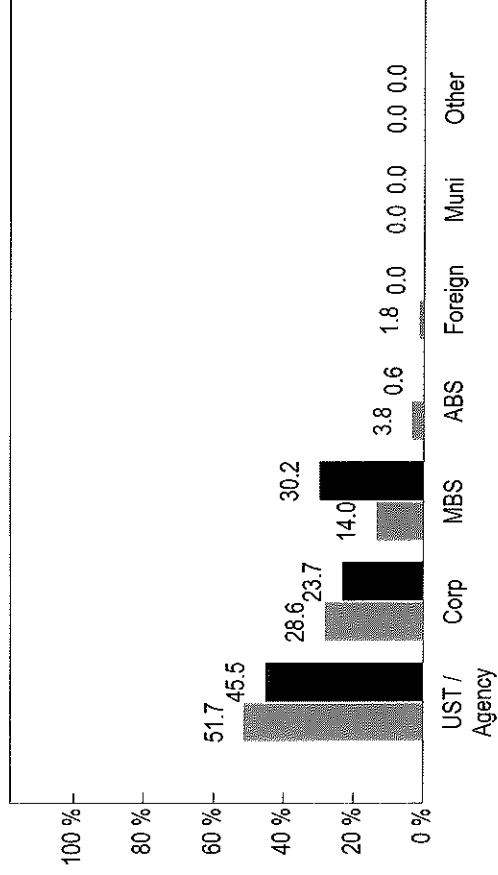


■ Scout Core Plus ■ Barclays Aggregate

Quality Ratings



Sectors



*Data is as of Q2, third quarter data was not available at report production



NEPC, LLC

Town of Belmont DB
Loomis, Sayles & Company Multisector Full Discretion

PERFORMANCE (%)

	CUMULATIVE RETURN		AVERAGE ANNUALIZED RETURN				SINCE INCEPTION
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	
GROSS	-0.70	0.41	-0.57	6.62	8.13	8.02	10.17
NET	-0.78	0.25	-0.88	6.29	7.79	7.67	9.82
BENCHMARK	-2.10	-0.30	1.69	1.76	3.52	4.38	6.67

PORTFOLIO CHARACTERISTICS	
	Composite
Avg maturity	7.79 yrs
Avg duration	5.38 yrs
Avg yield	4.12%
Avg credit quality	Baa2
Number of issues	1,414

CURRENCY DISTRIBUTION (%)

	Composite	Index
US Dollars	86.0	100
Developing Countries	5.5	-
Canadian Dollar	3.7	-
Australia & New Zealand	3.5	-
Non-Euro	0.8	-
British Pound Sterling	0.2	-
Euro Countries	0.1	-

SECTOR DISTRIBUTION (%)

	Composite	Index
High Yield Credit	28.8	-
Inv. Grade Credit	28.7	42.9
Non-US Dollar (ex CAD)	10.6	-
US Treasury	9.9	52.5
Convertibles	7.1	-
ABS/RMBS	4.2	-
Canadian Dollar	3.7	-
Preferred/Equity	2.0	-
CMBS	0.6	-
MUNI	0.2	-
Bank Loans	0.2	-
US Agency	-	4.6
Cash & Equivalents	4.0	-

Source: Loomis Sayles as of Q2



Town of Belmont DB
Loomis, Sayles & Company Multisector Full Discretion

CREDIT QUALITY (%)

	Composite	Index
AAA	17.9	61.7
AA	1.9	4.1
A	16.9	16.4
BAA	29.8	17.8
BA	17.0	-
B	9.7	-
CAA & Lower	2.3	-
Not Rated/Other	0.5	-
Cash & Equivalents	4.0	-

DURATION DISTRIBUTION (%)

	Composite	Index
Less than 1 Yr.	12.3	1.6
1 to 3 Yrs.	20.3	32.7
3 to 5 Yrs.	13.8	22.2
5 to 7 Yrs.	17.1	14.2
7 to 10 Yrs.	17.7	11.3
10 Yrs. or more	14.1	18.1
Cash & Equivalents	4.7	-

MATURITY DISTRIBUTION (%)

	Composite	Index
Less than 1 Yr.	12.2	0.6
1 to 3 Yrs.	17.8	32.4
3 to 5 Yrs.	12.3	20.6
5 to 7 Yrs.	8.7	13.5
7 to 10 Yrs.	21.0	12.9
10 Yrs. or more	23.4	20.1
Cash & Equivalents	4.7	-

Source: Loomis Sayles as of Q2



Town of Belmont DB
PIMCO All Asset

	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016
Second Pillar	10.12%	9.07%	5.42%	5.42%	9.05%	15.65%	13.80%	4.95%	6.15%	6.61%	6.88%	6.81%	6.88%	6.81%
US Core Bonds	2.0%	1.5%	0.6%	0.6%	3.0%	4.8%	4.2%	2.9%	3.1%	3.4%	3.7%	3.4%	3.7%	3.7%
Total Return Fund	0.16%	0.66%	0.53%	0.62%	3.07%	2.37%	2.25%	1.04%	1.39%	1.39%	1.39%	1.39%	1.39%	1.39%
Investment Grade Corporate Bond Fund	2.62%	0.87%	0.25%	0.01%	0.02%	2.02%	2.34%	1.87%	1.78%	1.78%	1.78%	1.78%	1.78%	1.78%
Mortgage-Backed Securities Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GNMA Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
US Long Maturity Bonds	3.8%	6.2%	4.0%	4.2%	4.2%	1.0%	1.0%	2.8%	1.7%	1.7%	1.7%	1.7%	1.7%	1.8%
Long-Term US Government Fund	0.66%	0.50%	0.05%	0.06%	0.27%	5.79%	3.91%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Long Term Credit Fund	3.84%	3.85%	3.82%	4.11%	4.20%	3.35%	1.93%	0.50%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%
Long Duration Total Return Fund	3.08%	2.18%	0.14%	0.04%	0.35%	1.80%	1.86%	0.77%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%
Short Term Bonds	0.1%	0.3%	0.6%	0.6%	1.1%	1.5%	1.5%	1.4%	1.4%	1.4%	1.3%	1.3%	1.3%	1.3%
Low Duration Fund	-	0.83%	0.55%	0.61%	0.94%	0.26%	0.53%	0.24%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%
Low Duration Exchange Traded Fund	-	-	-	-	0.20%	0.21%	0.22%	0.23%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
Short Term Fund	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-
Government Money Market Fund	-	-	-	-	-	-	-	0.80%	0.33%	0.33%	0.33%	0.35%	0.35%	0.35%
Net Short Duration Instruments	-0.25%	-0.02%	0.08%	-0.02%	-0.01%	-0.16%	-0.02%	-0.03%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%

	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016
First Pillar	8.37%	10.68%	12.54%	12.55%	12.24%	13.34%	12.03%	9.76%	8.16%	8.39%	7.92%	7.73%	7.92%	7.73%
US Core Stocks	3.6%	1.6%	1.7%	1.6%	1.7%	1.6%	1.6%	2.8%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
RAE Fundamental PLUS Fund	0.08%	0.09%	0.10%	0.08%	0.03%	0.03%	0.55%	0.20%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
RAE Low Volatility PLUS Fund	-	-	0.02%	0.16%	0.41%	1.72%	2.70%	1.93%	1.74%	1.74%	1.74%	1.74%	1.74%	1.74%
RAE Fundamental PLUS Small Fund	0.67%	0.75%	0.82%	0.83%	0.65%	0.63%	0.74%	0.64%	0.43%	0.43%	0.43%	0.43%	0.43%	0.43%
StocksPLUS® Small Fund	0.15%	0.17%	0.11%	0.07%	0.02%	0.02%	0.02%	-	-	-	-	-	-	-
Fundamental IndexPLUS™	-	-	-	-	-	-	0.00%	0.00%	-	-	-	-	-	-
StocksPLUS® Fund	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-
StocksPLUS® Absolute Return Fund	0.12%	0.13%	0.11%	0.01%	0.01%	0.01%	0.01%	-	-	-	-	-	-	-
Global Stocks	4.4%	8.2%	1.3%	1.3%	1.1%	1.4%	5.0%	1.7%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
RAE Fundamental PLUS Intl Fund	5.28%	6.28%	6.91%	4.01%	3.16%	3.07%	3.01%	1.71%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%
RAE Low Volatility PLUS Intl Fund	-	-	0.02%	3.22%	5.73%	5.65%	3.79%	4.22%	4.13%	4.13%	4.13%	4.13%	4.13%	4.13%
StocksPLUS® International Fund (USD-Hedged)	0.18%	0.19%	0.21%	0.20%	0.01%	0.01%	0.01%	-	-	-	-	-	-	-
StocksPLUS® International Fund (Unhedged)	0.56%	0.63%	0.64%	0.51%	0.02%	0.02%	0.02%	-	-	-	-	-	-	-
EqS Global Dividend Fund	0.10%	0.11%	0.11%	0.12%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
EqS Pathfinder Fund	1.82%	2.32%	3.48%	3.34%	2.19%	2.18%	1.16%	1.04%	-	-	-	-	-	-

Source: PIMCO



NEPC, LLC

PRIM Absolute Return

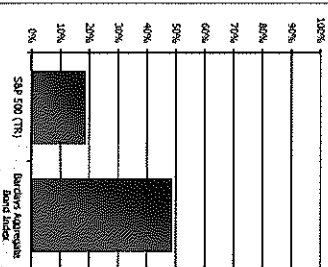
PRIM Hedge Fund (Belmont)
PRIM -Massachusetts Pension Reserves Investment Management



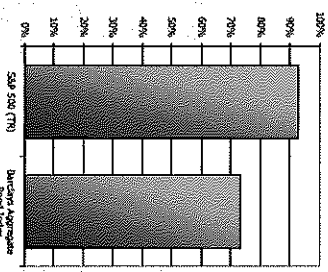
Benchmark 1 (BM1): S&P 500 (TR)
Benchmark 2 (BM2): Barclays Aggregate Bond Index

Year	Monthly Performance (%) Net of Fees												Year
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2015	0.3%	1.9%	0.9%	-0.1%	1.0%	-1.5%	0.5%	-2.5%	-2.4%	-0.7%	1.6%	0.3%	-2.0%
2014	0.1%	2.2%	-0.2%	-0.1%	1.2%	1.3%	-0.5%	0.6%	-0.2%	-0.7%	1.6%	0.3%	-2.0%
2013	2.1%	0.9%	1.5%	1.1%	1.5%	-0.9%	0.9%	-0.5%	1.4%	1.5%	1.6%	0.9%	5.6%
2012	1.8%	1.4%	0.6%	0.1%	-1.0%	-0.2%	0.9%	0.9%	0.6%	0.6%	1.3%	8.4%	12.5%
2011	0.8%	1.0%	0.2%	0.8%	-0.2%	-1.1%	-0.1%	-2.7%	-2.2%	1.3%	-0.3%	-0.3%	-2.8%
2010	0.3%	0.4%	1.3%	0.8%	-1.6%	-0.7%	0.6%	0.4%	1.7%	1.5%	0.2%	1.3%	6.3%
2009	1.3%	0.0%	0.0%	0.4%	1.1%	1.5%	1.2%	1.6%	0.5%	1.0%	0.8%	1.3%	12.3%
2008	-2.4%	1.4%	-2.1%	0.9%	2.0%	0.0%	-2.7%	-1.1%	-5.9%	-5.6%	-2.3%	-1.8%	-19.2%
2007	1.7%	1.1%	1.3%	1.7%	2.3%	0.5%	-0.7%	1.7%	3.0%	3.0%	0.4%	10.9%	10.9%
2006	2.6%	0.7%	1.6%	1.7%	-1.0%	-0.1%	0.0%	-1.2%	1.5%	0.1%	3.3%	10.3%	10.3%

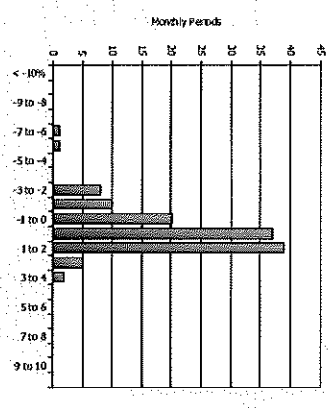
Outperform BM in Up Markets



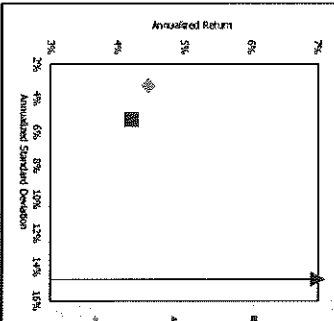
Outperform BM in Down Markets



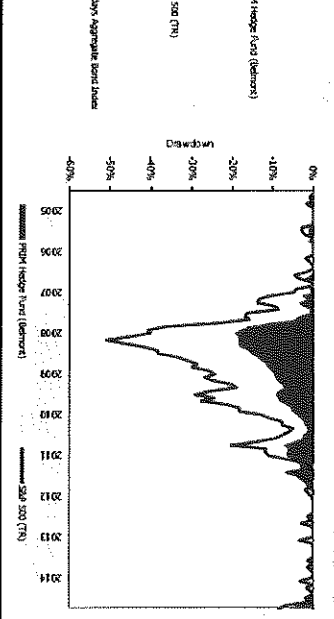
Distribution of Returns



Risk/Return Profile



Underwater Drawdowns



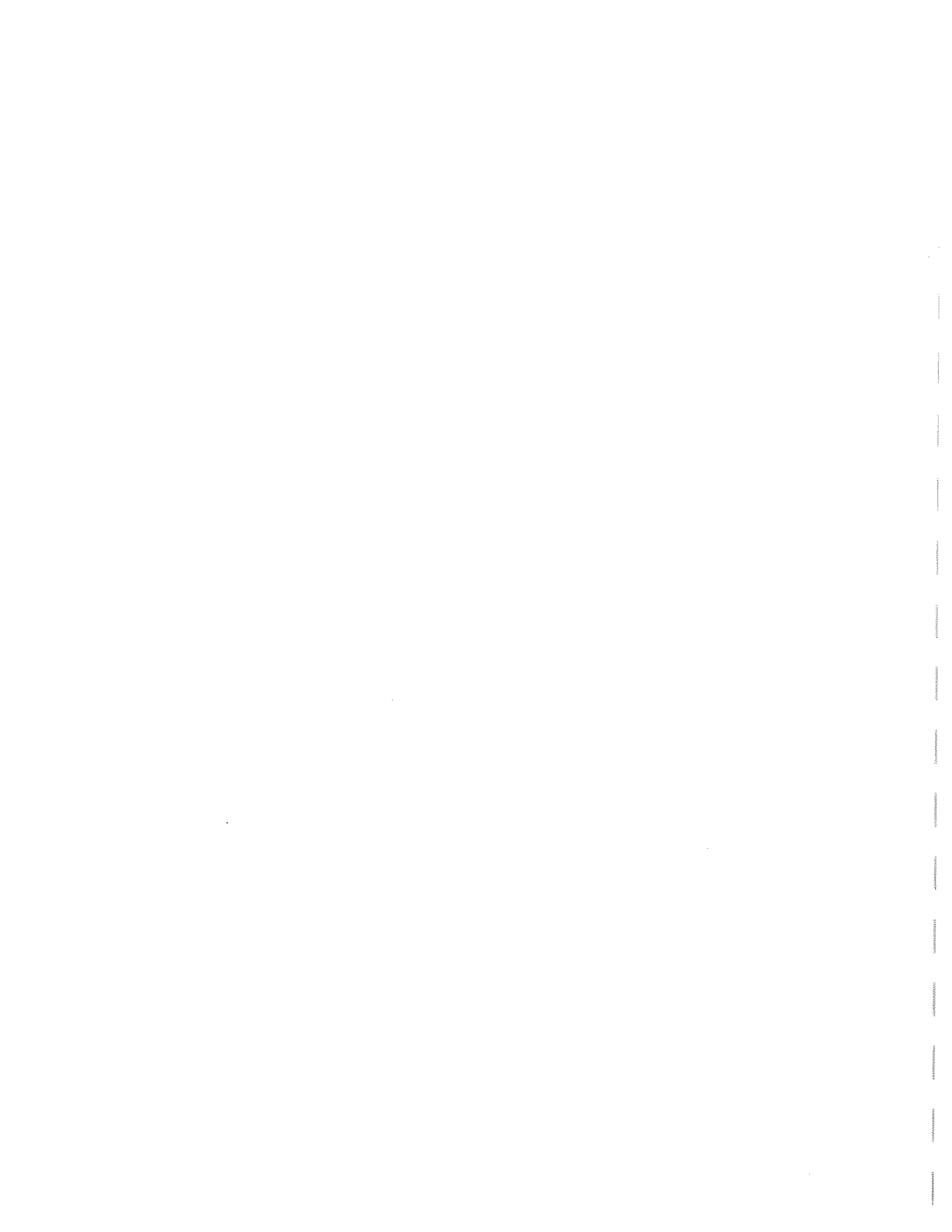
Statistical Analysis

Measure	Fund	BM1	BM2
Annualized Compound ROR	4.2%	7.0%	4.5%
3 Yr Return	6.1%	12.4%	1.7%
5 Yr Return	4.8%	13.3%	3.1%
Best Month	3.3%	10.9%	3.7%
Worst Month	-6.9%	-16.8%	-2.4%
% Positive Months	67.5%	65.0%	66.7%
RISK			
Standard Deviation	5.2%	14.8%	3.3%
3 Yr Standard Deviation	3.9%	9.7%	2.9%
5 Yr Standard Deviation	3.9%	11.5%	2.8%
Sharpe Ratio (3.5%)	0.2	0.3	0.3
Sortino Ratio (7.0%)	-0.6	0.0	-0.9
Downside Deviation (7.0%)	4.6%	11.3%	2.7%
Max Drawdown	-19.5%	-50.9%	-3.8%
Months In Maximum Drawdown	14	16	7
Months To Recover	48	37	2
Comparison To Benchmark(s)			
Monthly Alpha		0.2%	0.4%
Annualized Alpha		2.5%	4.7%
Beta		0.2	(0.1)
Correlation		0.6	(0.0)
R-Squared		41.5%	0.2%
Annual Returns			
2015 (YTD)	-2.0%	-5.3%	1.1%
2014	5.6%	13.7%	5.9%
2013	12.5%	32.4%	-2.0%
2012	8.4%	16.0%	4.2%
2011	-2.8%	2.1%	7.9%
2010	6.3%	15.1%	6.6%
Latest Returns			
Last Month	-2.4%	-2.5%	0.7%
Last 3 Months	-4.5%	-6.4%	1.2%
Last Year	-0.9%	-0.6%	2.9%
2-Year	3.8%	9.1%	3.4%
3-Year	6.1%	12.4%	1.7%
4-Year	6.2%	16.6%	2.6%
5-Year	4.8%	13.3%	3.1%
Drawdown Analysis			
1	-19.6%	-50.9%	-3.8%
2	-5.9%	-8.4%	-3.7%
3	-2.2%	-6.5%	-2.2%
4	-1.5%	-4.7%	-1.8%
5	-1.4%	-3.5%	-1.6%

***Past performance is not indicative of future results. Returns are calculated based on a rollover rate of 1.5%. Actual rates may vary depending on the actual rollover rate and the time.



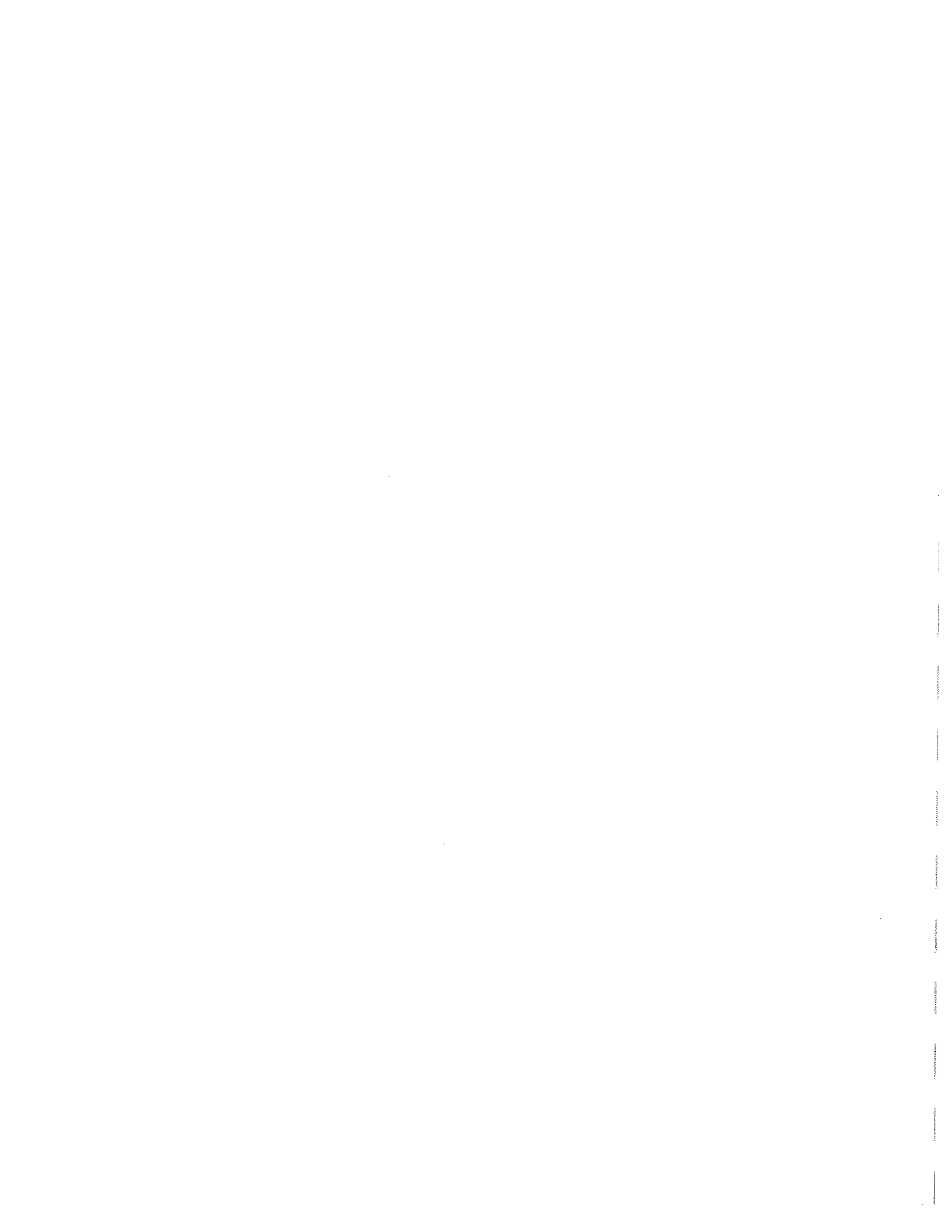
NEP
NEPC, LLC



Appendix



NEPC, LLC



Glossary of Investment Terminology

The calculation methodology for each measure of performance is outlined below.

Measurement	Description	Equation
Policy Target	Measures policy allocation decisions.	= TARGET ASSET WEIGHTS X INDEX RETURNS
Allocation Index	Measures actual allocation decisions. Deviations from the policy target can be derived. (Allocation Index – Policy Index)	= ACTUAL ASSET WEIGHTS X INDEX RETURNS
Composite (Total Return)	Measures actual performance and can derive active management decisions. (Composite – Allocation Index)	= ACTUAL ASSET WEIGHTS X ACTUAL RETURNS

The calculation methodology for each measure of attribution is outlined below.

Measurement	Description	Equation
Allocation Effect	Measure the effects of overweighting or underweighting managers and asset classes.	= (ACTUAL MANAGER WEIGHT – POLICY TARGET WEIGHT) X POLICY INDEX RETURN
Selection Effect	Measures the managers' ability to add excess return relative to the policy index.	= (ACTUAL MANAGER RETURN – INDEX RETURN) X POLICY TARGET WEIGHT
Interaction Effect	Measures the cross correlation of both selection and allocation affects and is often referred to as an "error term".	= (ACTUAL MANAGER RETURN X (ACTUAL MANAGER WEIGHT – POLICY TARGET WEIGHT)) – ((MANAGER WEIGHT – POLICY TARGET WEIGHT) X INDEX RETURN)

Information Disclaimer and Reporting Methodology

Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodian bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- Some index returns displayed in this report or used in calculation of a policy, allocation or custom benchmark may be preliminary and subject to change.
- This report is provided as a management aid for the client's internal use only. Information contained in this report does not constitute a recommendation by NEPC.
- This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC generally reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.