

**December 31, 2016**

**DeKalb County, Georgia**



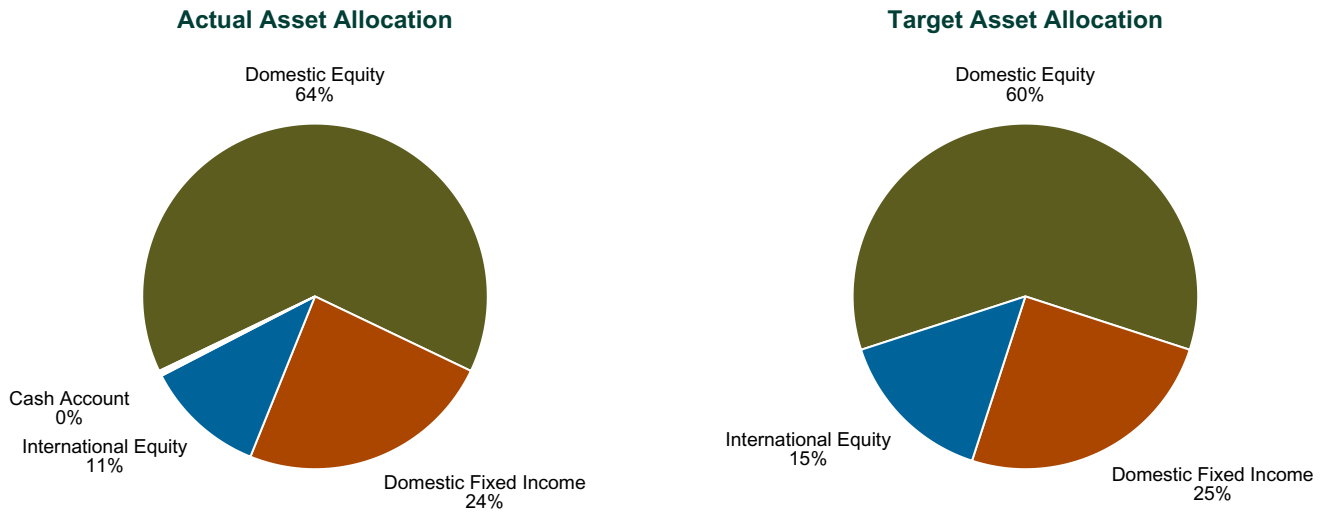
**Investment Measurement Service  
Quarterly Review**

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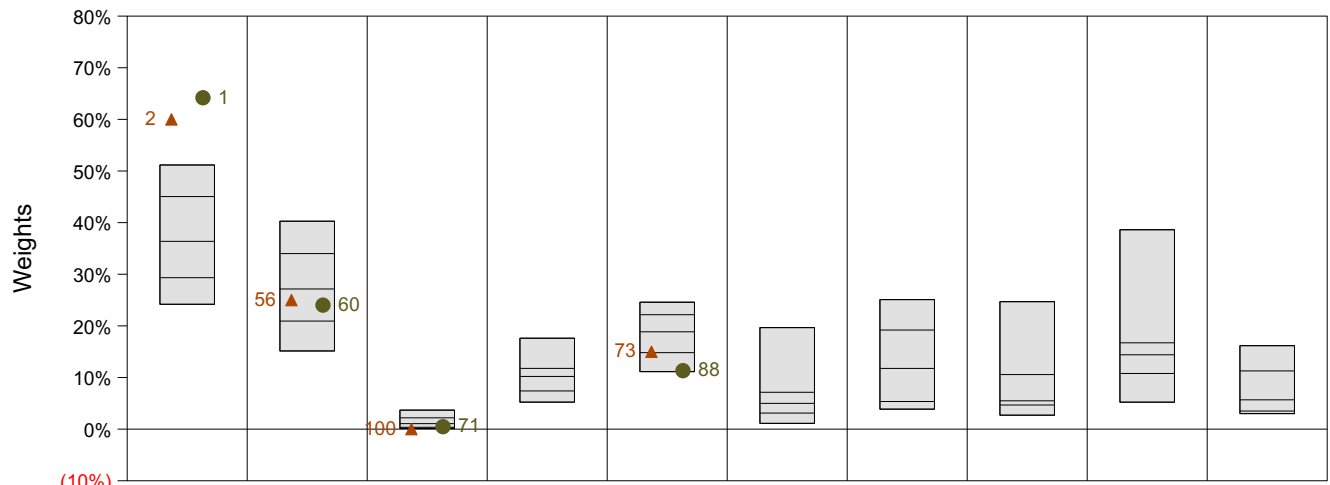
## Actual vs Target Asset Allocation As of December 31, 2016

The top left chart shows the Fund's asset allocation as of December 31, 2016. The top right chart shows the Fund's target asset allocation as outlined in the investment policy statement. The bottom chart ranks the fund's asset allocation and the target allocation versus the CAI Public Fund Sponsor Database.



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Domestic Equity	812,076	64.2%	60.0%	4.2%	52,995
Domestic Fixed Income	303,897	24.0%	25.0%	(1.0%)	(12,387)
International Equity	143,226	11.3%	15.0%	(3.7%)	(46,544)
Cash Account	5,936	0.5%	0.0%	0.5%	5,936
<b>Total</b>	<b>1,265,134</b>	<b>100.0%</b>	<b>100.0%</b>		

### Asset Class Weights vs CAI Public Fund Sponsor Database



	Domestic Equity	Domestic Fixed Income	Cash Account	Real Estate	International Equity	Intl Fixed-Inc	Alternative	Global Balanced	Global Equity Broad	Real Assets
10th Percentile	51.17	40.27	3.68	17.61	24.59	19.66	25.09	24.69	38.62	16.17
25th Percentile	45.05	34.00	2.19	11.77	22.16	7.14	19.20	10.57	16.72	11.28
Median	36.38	27.15	1.07	10.21	18.85	4.99	11.76	5.49	14.40	5.68
75th Percentile	29.33	20.93	0.36	7.40	14.81	3.11	5.35	4.68	10.78	3.50
90th Percentile	24.18	15.14	0.14	5.23	11.14	1.12	3.87	2.70	5.22	3.01
<b>Fund</b>	<b>64.19</b>	<b>24.02</b>	<b>0.47</b>	<b>-</b>	<b>11.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Target</b>	<b>60.00</b>	<b>25.00</b>	<b>0.00</b>	<b>-</b>	<b>15.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
% Group Invested	98.88%	97.75%	69.10%	62.92%	97.75%	12.92%	49.16%	17.98%	20.79%	6.74%

\* Current Quarter Target = 50.0% S&P 500 Index, 20.0% Blmbg Aggregate Idx, 15.0% MSCI EAFE, 10.0% Russell 2000 Index and 5.0% ML IG Conv.

## Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of December 31, 2016, with the distribution as of September 30, 2016. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

### Asset Distribution Across Investment Managers

	December 31, 2016			Inv. Return	September 30, 2016	
	Market Value	Weight	Net New Inv.		Market Value	Weight
<b>Domestic Equity</b>	<b>\$812,075,500</b>	<b>64.19%</b>	<b>\$(2,655,757)</b>	<b>\$26,394,113</b>	<b>\$788,337,145</b>	<b>62.78%</b>
<b>Large Cap</b>	<b>\$666,068,857</b>	<b>52.65%</b>	<b>\$(2,296,011)</b>	<b>\$16,941,427</b>	<b>\$651,423,441</b>	<b>51.88%</b>
Jennison Associates	159,339,954	12.59%	(305,408)	(1,270,327)	160,915,689	12.82%
Montag & Caldwell	103,918,099	8.21%	(386,800)	(2,077,032)	106,381,931	8.47%
Edgar Lomax	29,515,335	2.33%	(204,048)	1,525,220	28,194,163	2.25%
Gabelli Asset Management	168,892,659	13.35%	(727,976)	11,091,550	158,529,084	12.63%
Southeastern Asset Mgmt.	153,554,519	12.14%	(326,946)	4,283,944	149,597,520	11.91%
Ivy Large Value	50,848,292	4.02%	(344,833)	3,388,072	47,805,054	3.81%
<b>Small Cap</b>	<b>\$146,006,643</b>	<b>11.54%</b>	<b>\$(359,746)</b>	<b>\$9,452,686</b>	<b>\$136,913,703</b>	<b>10.90%</b>
Frontier Capital Management	72,241,375	5.71%	(137,569)	3,024,369	69,354,575	5.52%
EARNEST Partners	73,765,268	5.83%	(222,177)	6,428,317	67,559,128	5.38%
<b>Domestic Fixed Income</b>	<b>\$303,896,894</b>	<b>24.02%</b>	<b>\$(2,612,771)</b>	<b>\$(7,210,298)</b>	<b>\$313,719,963</b>	<b>24.98%</b>
Denver Investment Advisors	154,375,339	12.20%	(1,648,355)	(4,534,594)	160,558,288	12.79%
Income Research & Mgmt	86,383,232	6.83%	(575,864)	(2,822,398)	89,781,495	7.15%
Advent Capital Management	63,138,323	4.99%	(388,551)	146,695	63,380,180	5.05%
<b>International Equity</b>	<b>\$143,225,641</b>	<b>11.32%</b>	<b>\$(1,464,607)</b>	<b>\$(821,218)</b>	<b>\$145,511,466</b>	<b>11.59%</b>
GMO Fund	35,256,958	2.79%	(1,464,607)	28,160	36,693,406	2.92%
T. Rowe Price Inst Intl Core Eq.	107,968,683	8.53%	0	(849,378)	108,818,060	8.67%
<b>Cash Account</b>	<b>\$5,935,675</b>	<b>0.47%</b>	<b>\$(2,176,688)</b>	<b>\$10,219</b>	<b>\$8,102,144</b>	<b>0.65%</b>
<b>Total Fund</b>	<b>\$1,265,133,711</b>	<b>100.0%</b>	<b>\$(8,909,823)</b>	<b>\$18,372,817</b>	<b>\$1,255,670,717</b>	<b>100.0%</b>

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended December 31, 2016. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended December 31, 2016

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
<b>Domestic Equity</b>	<b>3.35%</b>	<b>11.16%</b>	<b>5.56%</b>	<b>13.17%</b>	<b>7.38%</b>
Domestic Equity Benchmark (1)	4.69%	13.53%	8.57%	14.67%	7.02%
Russell 3000	4.21%	12.74%	8.43%	14.67%	7.07%
<b>Large Cap</b>	<b>2.61%</b>	<b>8.89%</b>	<b>4.84%</b>	<b>12.60%</b>	<b>7.40%</b>
S&P 500 Index	3.82%	11.96%	8.87%	14.66%	6.95%
<b>Large Cap Growth</b>	<b>(1.25%)</b>	<b>(0.20%)</b>	<b>6.23%</b>	<b>13.18%</b>	<b>8.18%</b>
Jennison Associates	(0.79%)	0.44%	7.71%	15.28%	8.87%
Montag & Caldwell	(1.95%)	(1.25%)	4.37%	10.77%	7.54%
Russell 1000 Growth	1.01%	7.08%	8.55%	14.50%	8.33%
<b>Large Cap Value</b>	<b>5.29%</b>	<b>15.70%</b>	<b>4.04%</b>	<b>12.28%</b>	<b>6.83%</b>
Edgar Lomax	5.43%	18.02%	9.24%	13.50%	6.88%
Gabelli Asset Management	7.02%	16.97%	4.46%	13.64%	9.61%
Southeastern Asset Mgmt.	2.86%	14.99%	2.01%	10.42%	4.84%
Ivy Large Value	7.12%	12.77%	6.95%	15.06%	-
Russell 1000 Value	6.68%	17.34%	8.59%	14.80%	5.72%
<b>Small Cap</b>	<b>6.91%</b>	<b>23.09%</b>	<b>9.30%</b>	<b>16.13%</b>	<b>7.23%</b>
Russell 2000	8.83%	21.31%	6.74%	14.46%	7.07%
<b>Small Cap Growth</b>					
Frontier Capital Mgmt.	4.37%	21.39%	9.00%	16.63%	-
Russell 2500 Growth	2.60%	9.73%	5.45%	13.88%	8.24%
<b>Small Cap Value</b>					
EARNEST Partners	9.53%	24.79%	9.64%	15.74%	8.17%
Russell 2000 Value	14.07%	31.74%	8.31%	15.07%	6.26%
<b>Domestic Fixed Income</b>	<b>(2.30%)</b>	<b>3.77%</b>	<b>4.28%</b>	<b>4.26%</b>	<b>4.67%</b>
Dom. Fixed Income Benchmark (2)	(1.48%)	4.92%	4.43%	3.76%	4.93%
Denver Investment Advisors	(2.84%)	3.26%	3.42%	2.87%	4.64%
Income Research & Mgmt (5)	(3.15%)	2.19%	3.25%	2.39%	-
Blended Benchmark (3)	(2.98%)	2.65%	3.03%	2.17%	4.12%
Advent Capital Management	0.24%	7.43%	7.94%	10.67%	-
ML Investment Grade Convertibles	4.59%	14.12%	10.32%	12.79%	5.65%
<b>International Equity</b>	<b>(0.54%)</b>	<b>2.58%</b>	<b>(2.32%)</b>	<b>6.26%</b>	<b>-</b>
MSCI EAFE Index	(0.71%)	1.00%	(1.60%)	6.53%	-
GMO Fund (4)	0.21%	1.66%	(3.83%)	5.20%	-
T. Rowe Price Inst Intl Core Eq. (4)	(0.78%)	2.91%	(1.63%)	6.77%	-
MSCI EAFE Index	(0.71%)	1.00%	(1.60%)	6.53%	0.75%
<b>Total Fund</b>	<b>1.46%</b>	<b>8.20%</b>	<b>4.30%</b>	<b>9.91%</b>	<b>6.27%</b>
Total Fund Target*	2.35%	9.55%	6.29%	10.58%	6.55%

\* Current Quarter Target = 50.0% S&P 500 Index, 20.0% Blmbg Aggregate Idx, 15.0% MSCI EAFE, 10.0% Russell 2000 Index and 5.0% ML IG Conv.

(1) 83.3% S&P 500 and 16.7% Russell 2000 through June 30, 2007; 81.8% S&P 500 and 18.2% Russell 2000 through September 30, 2010; 83.3% S&P 500 and 16.7% Russell 2000 through July 31, 2014; 84.6% S&P 500 and 15.4% Russell 2000 through May 31, 2015; 83.3% S&P 500 and 16.7% Russell 2000 thereafter.

(2) 83.3% Blmbg Aggregate and 16.7% ML Investment Grade Convertibles through July 31, 2014, and 80% Blmbg Aggregate and 20% ML Investment Grade Convertibles thereafter.

(3) Blmbg Aggregate through July 31, 2010; Blmbg Gov/Credit Index Intermediate through December 31, 2012; Blmbg Aggregate thereafter.

(4) Mutual Fund returns are net of fees.

Only full quarter manager returns shown.

(5) On November 15, 2016, the JP Morgan account closed and IR&M began transitioning the portfolio. Official performance for IR&M begins on January 1, 2017.

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended December 31, 2016. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended December 31, 2016

	Last 15 Years	Last 20 Years	Last 25 Years
<b>Domestic Equity</b>	<b>7.68%</b>	<b>8.85%</b>	<b>10.18%</b>
Domestic Equity Benchmark (1) Russell 3000	6.78% 7.11%	7.74% 7.86%	9.20% 9.29%
Jennison Associates	7.10%	8.38%	-
Montag & Caldwell	5.67%	6.98%	-
Russell 1000 Growth	6.42%	6.88%	8.14%
Gabelli Asset Management	10.22%	12.06%	12.87%
Southeastern Asset Mgmt. Russell 1000 Value	7.10% 7.41%	9.28% 8.33%	11.34% 10.05%
<b>Domestic Fixed Income</b>	<b>4.85%</b>	<b>5.44%</b>	<b>5.81%</b>
Dom. Fixed Income Benchmark (2)	4.97%	5.57%	5.89%
Denver Investment Advisors	4.82%	5.27%	5.46%
Blended Benchmark (3)	4.43%	5.16%	5.56%
<b>Total Fund</b>	<b>6.57%</b>	<b>7.64%</b>	<b>8.62%</b>
Total Fund Target*	6.42%	7.29%	8.21%

\* Current Quarter Target = 50.0% S&P 500 Index, 20.0% Blmbg Aggregate Idx, 15.0% MSCI EAFE, 10.0% Russell 2000 Index and 5.0% ML IG Conv.

(1) S&P 500 through June 30, 2005; 83.3% S&P 500 and 16.7% Russell 2000 through June 30, 2007; 81.8% S&P 500 and 18.2% Russell 2000 through September 30, 2010; 83.3% S&P 500 and 16.7% Russell 2000 through July 31, 2014; 84.6% S&P 500 and 15.4% Russell 2000 through May 31, 2015; 83.3% S&P 500 and 16.7% Russell 2000 thereafter.

(2) 83.3% Blmbg Aggregate and 16.7% ML Investment Grade Convertibles through July 31, 2014, and 80% Blmbg Aggregate and 20% ML Investment Grade Convertibles thereafter.

(3) Blmbg Aggregate through July 31, 2010; Blmbg Gov/Credit Index Intermediate through December 31, 2012; Blmbg Aggregate thereafter.

Only full quarter manager returns shown.

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended December 31, 2016. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended December 31, 2016

	Last Quarter	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years
<b>Net of Fee Returns</b>					
<b>Domestic Equity</b>	<b>3.23%</b>	<b>9.94%</b>	<b>10.63%</b>	<b>5.06%</b>	<b>12.65%</b>
Russell 3000	4.21%	11.65%	12.74%	8.43%	14.67%
<b>Large Cap</b>	<b>2.49%</b>	<b>8.05%</b>	<b>8.41%</b>	-	-
S&P 500 Index	3.82%	10.47%	11.96%	8.87%	14.66%
<b>Large Cap Growth</b>	<b>(1.34%)</b>	<b>3.62%</b>	<b>(0.56%)</b>	-	-
Jennison Associates	(0.87%)	6.98%	0.09%	7.33%	14.87%
Montag & Caldwell	(2.04%)	(1.08%)	(1.61%)	3.99%	10.38%
Russell 1000 Growth	1.01%	6.29%	7.08%	8.55%	14.50%
<b>Large Cap Value</b>	<b>5.16%</b>	<b>11.14%</b>	<b>15.14%</b>	-	-
Edgar Lomax	5.30%	12.64%	17.44%	8.70%	12.94%
Gabelli Asset Management	6.89%	12.81%	16.40%	3.94%	13.08%
Southeastern Asset Mgmt.	2.74%	8.29%	14.43%	1.50%	9.88%
Ivy Large Value	7.00%	14.30%	12.30%	6.49%	14.58%
Russell 1000 Value	6.68%	15.45%	17.34%	8.59%	14.80%
<b>Small Cap</b>	<b>6.73%</b>	<b>19.48%</b>	<b>22.24%</b>	-	-
Russell 2000 Index	8.83%	23.18%	21.31%	6.74%	14.46%
<b>Small Cap Growth</b>					
Frontier Capital Mgmt.	4.17%	18.48%	20.50%	8.19%	15.77%
Russell 2500 Growth	2.60%	12.73%	9.73%	5.45%	13.88%
<b>Small Cap Value</b>					
EARNEST Partners	9.36%	20.49%	24.01%	8.95%	15.01%
Russell 2000 Value	14.07%	29.54%	31.74%	8.31%	15.07%
<b>Domestic Fixed Income</b>	<b>(2.37%)</b>	<b>1.08%</b>	<b>3.51%</b>	<b>4.02%</b>	<b>4.00%</b>
Denver Investment Advisors	(2.89%)	0.18%	3.06%	3.21%	2.66%
Income Research & Mgmt (2)	(3.21%)	(1.13%)	1.94%	3.00%	2.15%
Blended Benchmark (1)	(2.98%)	(0.37%)	2.65%	3.03%	2.17%
Advent Capital Management	0.14%	6.79%	7.01%	7.51%	10.23%
ML Investment Grade Convertibles	4.59%	12.63%	14.12%	10.32%	12.79%
<b>International Equity</b>	<b>(0.54%)</b>	<b>4.28%</b>	<b>2.58%</b>	<b>(2.32%)</b>	<b>6.26%</b>
GMO Fund	0.21%	3.89%	1.66%	(3.83%)	5.20%
T. Rowe Price Inst Intl Core Eq.	(0.78%)	4.42%	2.91%	(1.63%)	6.77%
MSCI EAFE Index	(0.71%)	4.13%	1.00%	(1.60%)	6.53%
<b>Total Fund</b>	<b>1.37%</b>	<b>6.94%</b>	<b>7.81%</b>	<b>3.92%</b>	<b>9.52%</b>
Total Fund Target*	2.35%	8.67%	9.55%	6.29%	10.58%

\* Current Quarter Target = 50.0% S&P 500 Index, 20.0% Blmbg Aggregate Idx, 15.0% MSCI EAFE, 10.0% Russell 2000 Index and 5.0% ML IG Conv.

(1) Blmbg Gov/Credit Index Intermediate through December 31, 2012; Blmbg Aggregate thereafter.

(2) On November 15, 2016, the JP Morgan account closed and IR&M began transitioning the portfolio. Official performance for IR&M begins on January 1, 2017.

## Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	2016	2015	2014	2013	2012
<b>Domestic Equity</b>	<b>11.16%</b>	<b>(2.46%)</b>	<b>8.48%</b>	<b>34.97%</b>	<b>16.96%</b>
Domestic Equity Benchmark (1)	13.53%	0.44%	12.23%	33.46%	16.07%
Russell 3000	12.74%	0.48%	12.56%	33.55%	16.42%
<b>Large Cap</b>	<b>8.89%</b>	<b>(2.07%)</b>	<b>8.07%</b>	<b>34.31%</b>	<b>16.96%</b>
S&P 500 Index	11.96%	1.38%	13.69%	32.39%	16.00%
<b>Large Cap Growth</b>	<b>(0.20%)</b>	<b>8.91%</b>	<b>10.29%</b>	<b>33.21%</b>	<b>16.29%</b>
Jennison Associates	0.44%	11.08%	11.99%	37.33%	18.66%
Montag & Caldwell	(1.25%)	6.31%	8.29%	28.65%	14.03%
Russell 1000 Growth	7.08%	5.67%	13.05%	33.48%	15.26%
<b>Large Cap Value</b>	<b>15.70%</b>	<b>(8.86%)</b>	<b>6.80%</b>	<b>34.96%</b>	<b>17.39%</b>
Edgar Lomax	18.02%	(4.69%)	15.88%	33.95%	7.89%
Gabelli Asset Management	16.97%	(7.40%)	5.25%	40.75%	18.14%
Southeastern Asset Mgmt.	14.99%	(12.44%)	5.44%	30.55%	18.47%
Ivy Large Value	12.77%	(3.06%)	11.89%	37.76%	19.69%
Russell 1000 Value	17.34%	(3.83%)	13.45%	32.53%	17.51%
<b>Small Cap</b>	<b>23.09%</b>	<b>(4.20%)</b>	<b>10.72%</b>	<b>38.57%</b>	<b>16.74%</b>
Russell 2000	21.31%	(4.41%)	4.89%	38.82%	16.35%
<b>Small Cap Growth</b>					
Frontier Capital Mgmt.	21.39%	(5.65%)	13.07%	40.25%	18.81%
Russell 2500 Growth	9.73%	(0.19%)	7.05%	40.65%	16.13%
<b>Small Cap Value</b>					
EARNEST Partners	24.79%	(2.72%)	8.57%	37.07%	14.97%
Russell 2000 Value	31.74%	(7.47%)	4.22%	34.52%	18.05%
<b>Domestic Fixed Income</b>	<b>3.77%</b>	<b>1.26%</b>	<b>7.92%</b>	<b>2.63%</b>	<b>5.84%</b>
Dom. Fixed Income Benchmark (2)	4.92%	0.84%	7.64%	1.64%	3.89%
Denver Investment Advisors	3.26%	0.90%	6.16%	(0.59%)	4.76%
Income Research & Mgmt (5)	2.19%	1.61%	5.99%	(1.71%)	4.04%
Blended Benchmark (3)	2.65%	0.55%	5.97%	(2.02%)	3.89%
Advent Capital Management	7.43%	1.73%	15.06%	18.30%	11.59%
ML Investment Grade Convertibles	14.12%	1.68%	15.69%	21.51%	11.89%
<b>International Equity</b>	<b>2.58%</b>	<b>(3.70%)</b>	<b>(5.66%)</b>	<b>23.23%</b>	<b>17.96%</b>
MSCI EAFE Index	1.00%	(0.81%)	(4.90%)	22.78%	17.32%
GMO Fund (4)	1.66%	(5.82%)	(7.10%)	25.06%	15.81%
T. Rowe Price Inst Intl Core Eq. (4)	2.91%	(2.75%)	(4.88%)	22.25%	19.25%
MSCI EAFE Index	1.00%	(0.81%)	(4.90%)	22.78%	17.32%
<b>Total Fund</b>	<b>8.20%</b>	<b>(1.88%)</b>	<b>6.87%</b>	<b>24.29%</b>	<b>13.73%</b>
Total Fund Target*	9.55%	0.26%	9.32%	22.25%	12.62%

\* Current Quarter Target = 50.0% S&P 500 Index, 20.0% Blmbg Aggregate Idx, 15.0% MSCI EAFE, 10.0% Russell 2000 Index and 5.0% ML IG Conv.

(1) 83.3% S&P 500 and 16.7% Russell 2000 through July 31, 2014; 84.6% S&P 500 and 15.4% Russell 2000 through May 31, 2015; 83.3% S&P 500 and 16.7% Russell 2000 thereafter.

(2) 83.3% Blmbg Aggregate and 16.7% ML Investment Grade Convertibles through July 31, 2014, and 80% Blmbg Aggregate and 20% ML Investment Grade Convertibles thereafter.

(3) Blmbg Gov/Credit Index Intermediate through December 31, 2012; Blmbg Aggregate thereafter.

(4) Mutual Fund returns are net of fees.

(5) On November 15, 2016, the JP Morgan account closed and IR&M began transitioning the portfolio. Official performance for IR&M begins on January 1, 2017.

Only full quarter manager returns shown.