



INTEGRITY ASSET MANAGEMENT

*Investment Presentation  
for*

***Bay County Employees'  
Retirement System***

*April 12, 2016*

Adam I. Friedman  
Senior Portfolio Manager & Principal

Andrea E. Leistra  
Director, Institutional Markets

# MISSION STATEMENT

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Our goal is to deliver excellence:

*With integrity*

*In everything*

*At all times*



Daniel G. Bandi, CFA



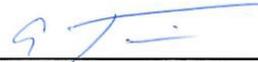
Sean A. Burke



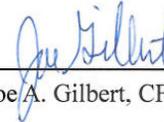
Brian T. Cavalier



Daniel J. DeMonica, CFA



Adam I. Friedman



Joe A. Gilbert, CFA



Patrick J. Kennedy



Mirsat Nikovic, CFA



J. Bryan Tinsley, CFA

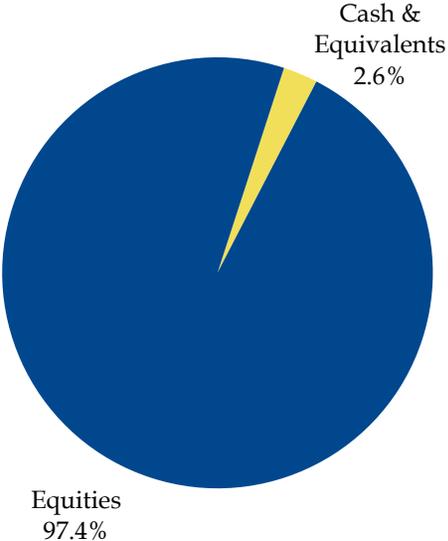


Michael P. Wayton, CFA

# ASSET ALLOCATION

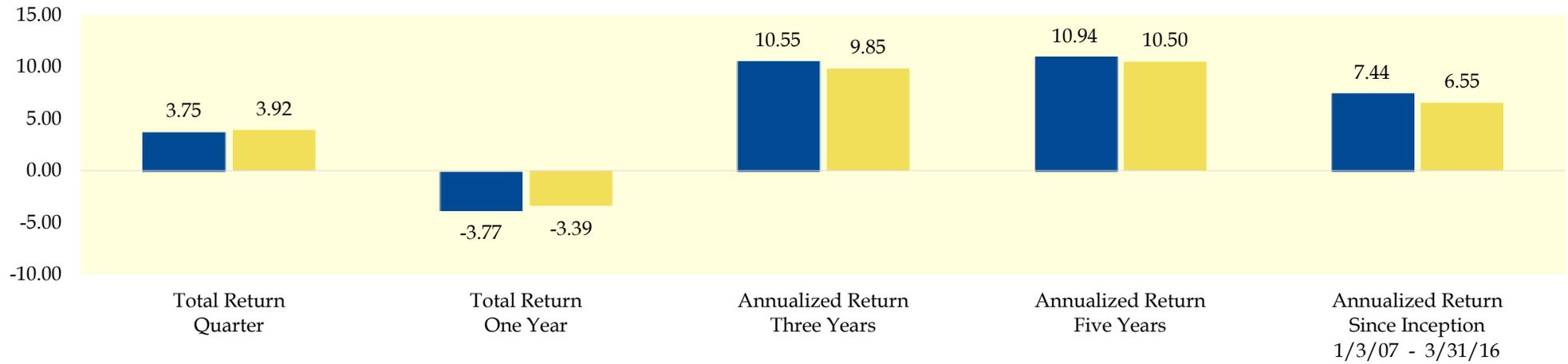
As of 3/31/2016

<u>Asset Class</u>		<u>Market Value</u>	<u>Percent of Assets</u>
Cash & Equivalents	\$	474,351	2.6%
Equities		17,782,906	97.4%
<b>TOTAL</b>	<b>\$</b>	<b>18,257,257</b>	<b>100.0%</b>



# PORTFOLIO PERFORMANCE

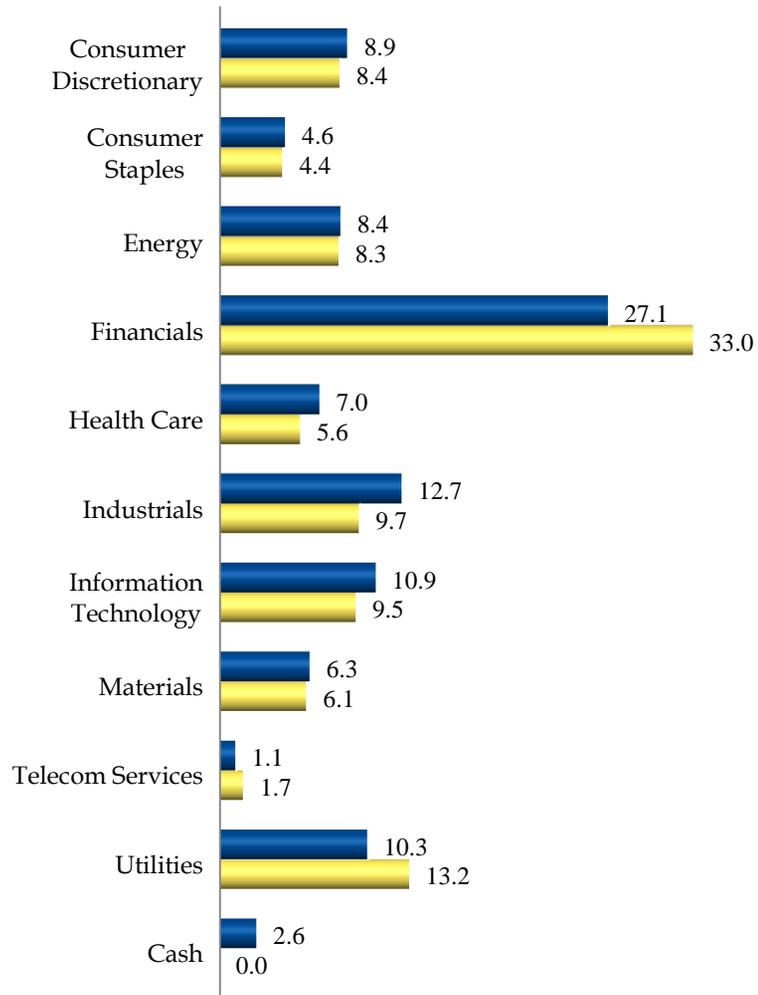
As of 3/31/2016



Portfolio Performance	Total Return Quarter	Total Return One Year	Annualized Return Three Years	Annualized Return Five Years	Annualized Return Since Inception 1/3/07 - 3/31/16
■ Bay County Employees' Retirement System	3.75	-3.77	10.55	10.94	7.44
■ Russell Midcap <sup>®</sup> Value Index	3.92	-3.39	9.85	10.50	6.55
<b>Value Added</b>	<b>-0.17</b>	<b>-0.38</b>	<b>0.70</b>	<b>0.44</b>	<b>0.89</b>

# SECTOR ALLOCATION

As of 3/31/2016

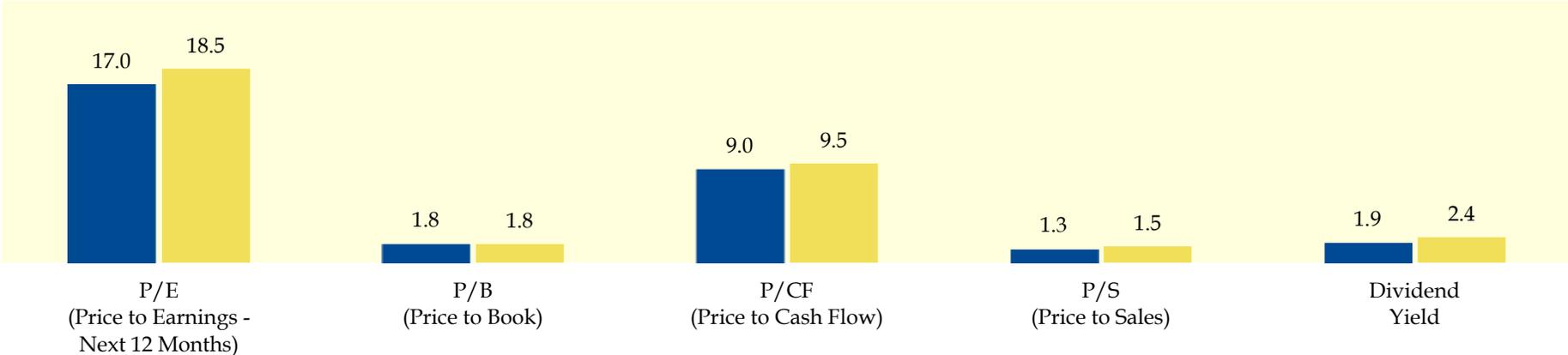


■ Bay County Employees' Retirement System  
■ Russell Midcap® Value Index

Source: FactSet

# EQUITY CHARACTERISTICS

As of 3/31/2016



- Bay County Employees' Retirement System
- Russell Midcap® Value Index

Source: FactSet

# TOP TEN HOLDINGS

As of 3/31/2016

Company	Symbol	Quantity	Price (\$)	Market Value (\$)	Portfolio Weight (%)	Benchmark Weight (%)
Prologis, Inc.	PLD	6,882.00	44.18	304,046.76	1.67	0.76
Zimmer Biomet Holdings, Inc.	ZBH	2,796.00	106.63	298,137.48	1.64	0.56
Boston Scientific Corporation	BSX	15,541.00	18.81	292,326.21	1.60	0.77
Welltower, Inc.	HCN	4,101.00	69.34	284,363.34	1.56	0.44
Pinnacle West Capital Corporation	PNW	3,691.00	75.07	277,083.37	1.52	0.27
Duke Realty Corporation	DRE	12,177.00	22.54	274,469.58	1.51	0.26
Hartford Financial Services Group, Inc.	HIG	5,908.00	46.08	272,240.64	1.49	0.64
PPL Corporation	PPL	6,773.00	38.07	257,848.11	1.41	0.84
Huntington Ingalls Industries, Inc.	HII	1,869.00	136.94	255,940.86	1.40	--
Invesco Ltd.	IVZ	8,179.00	30.77	251,667.83	1.38	0.38

# FIRM OVERVIEW

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- Institutional investment management firm
- Experienced, stable investment team
- Proven investment philosophy and process
- Portfolio strategy offerings:
  - *Micro Cap Value Equity*
  - *Small Cap Value Equity*
  - *Small/Mid Cap Value Equity*
  - *Mid Cap Value Equity*

# INVESTMENT PHILOSOPHY

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- Prudent value:
  - statistically cheap stocks trading below our estimate of intrinsic value
  
- Improving sentiment:
  - identify catalysts that lead to improving investor sentiment
  
- Risk controls:
  - continuous evaluation of risk exposure to deliver consistent long-term performance

# INVESTMENT TEAM

- Team approach

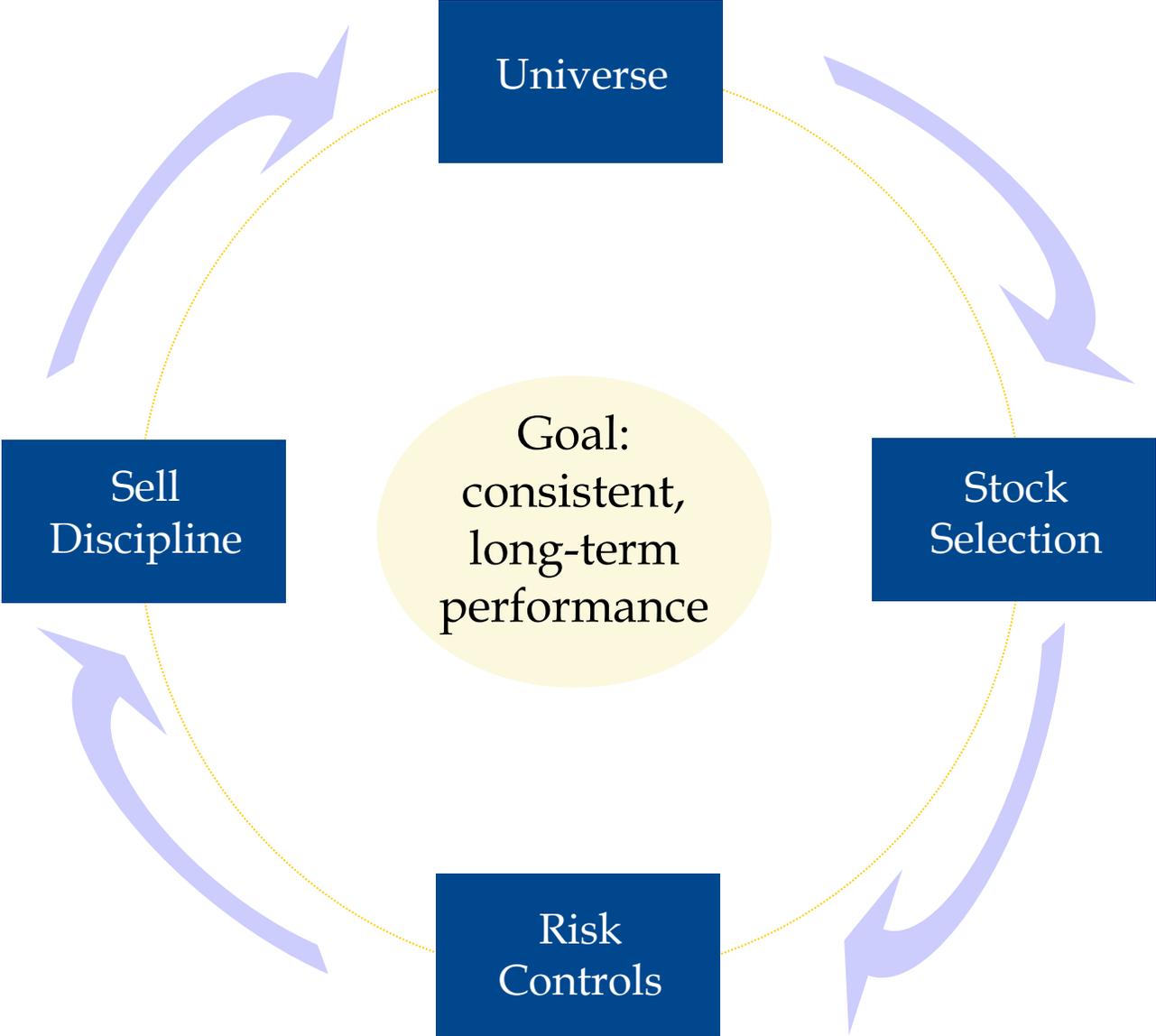
- Sector focus

- Team stability

Portfolio Management & Research		
	Years Experience	Sector Responsibilities
Daniel G. Bandi, CFA <i>Chief Investment Officer &amp; Principal: Small Cap Value Equity Small/Mid Cap Value Equity</i>	24	Financials, Industrials
Daniel J. DeMonica, CFA <i>Senior Portfolio Manager &amp; Principal: Micro Cap Value Equity</i>	20	Consumer Services, Health Care, Telecommunications, & Utilities
Adam I. Friedman <i>Senior Portfolio Manager &amp; Principal: Mid Cap Value Equity</i>	24	Consumer Cyclical & Technology
J. Bryan Tinsley, CFA <i>Portfolio Manager</i>	19	Basic Materials, Energy, & Commercial Services
Joe A. Gilbert, CFA <i>Portfolio Manager</i>	19	Autos & Transportation, Consumer Staples & Insurance
Mirsat Nikovic, CFA <i>Portfolio Manager</i>	18	Financials, Industrials & Quantitative Analysis
Michael P. Wayton, CFA <i>Senior Equity Analyst</i>	15	Consumer Cyclical, Consumer Services, Consumer Staples, & Technology
Sean A. Burke <i>Equity Analyst</i>	9	Generalist & Quantitative Research
Brian T. Cavalier <i>Head Equity Trader</i>	15	Equity Trader
Patrick J. Kennedy <i>Portfolio Specialist</i>	16	Portfolio Specialist

# INVESTMENT PROCESS

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# UNIVERSE DEFINITIONS

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## Mid Cap Value

**Market Capitalization:**

Within the range of the Russell Midcap®  
Value Index at the time of purchase

**Liquidity Requirement:**

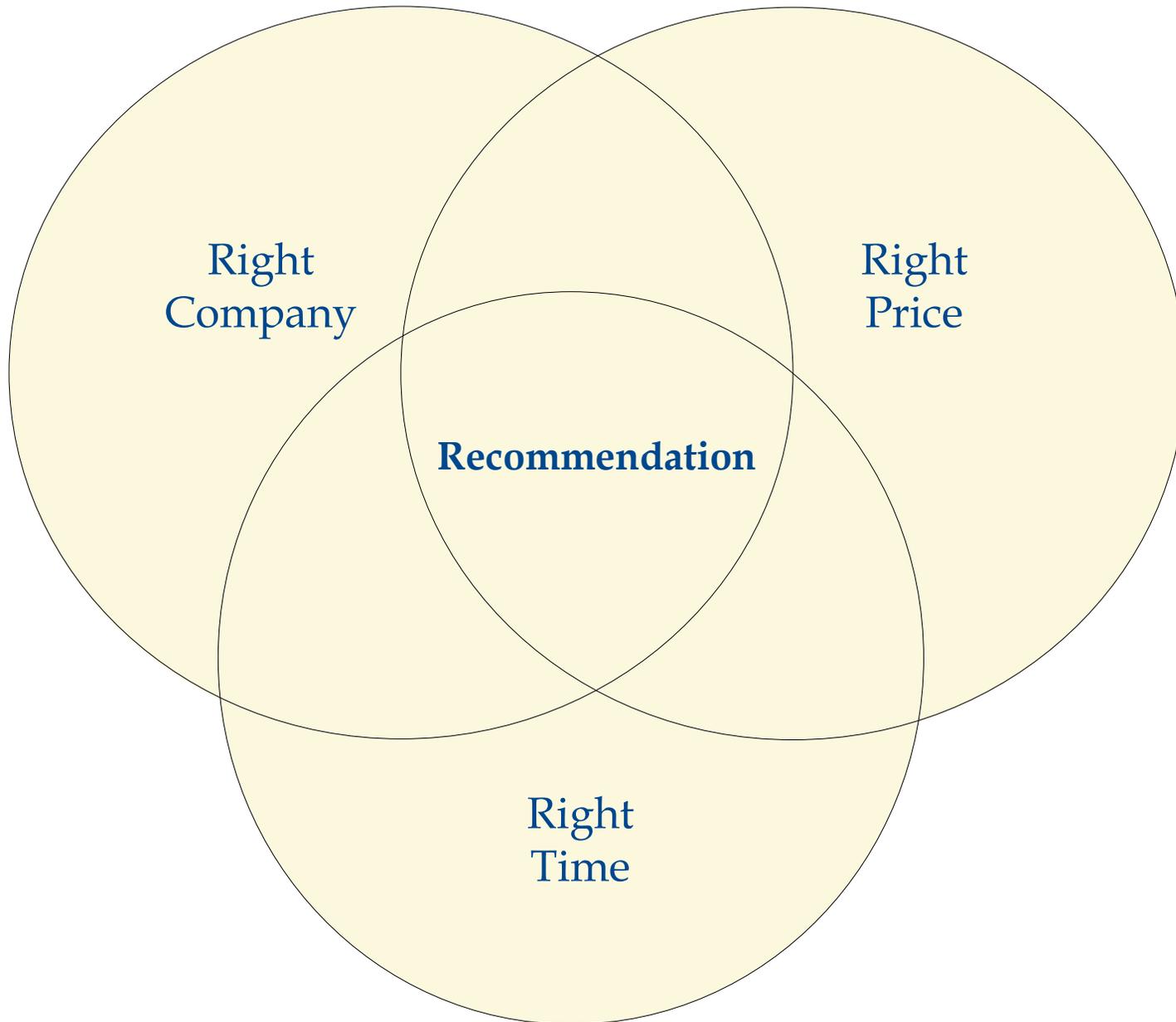
Trading Volume  
of at least  
\$5 million per day

**Resulting Universe:**

Split in half using valuation  
(P/B, P/S, P/CF, P/FCF)

# STOCK SELECTION

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# STOCK SELECTION: **RIGHT COMPANY**

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- **What we look for:**

- Management analysis
  - Economic value added
  - Capital allocation discipline
  - Identify future opportunities and potential problems

- **How we do it:**

- Teamwork
  - Experienced sector specialists
  - Management meetings
  - Company monitoring

# STOCK SELECTION: **RIGHT PRICE**

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- **What we look for:**

- Evaluate statistical cheapness
  - Relative to universe
  - Relative to sector
  - Relative to history
- Determine intrinsic value
  - Model earnings and balance sheet growth
  - Discounted economic value added
  - Dividend discount model
- Balance upside potential with downside risk

- **How we do it:**

- Teamwork
  - Experienced sector specialists
  - Cross-sector information sharing

# STOCK SELECTION: **RIGHT TIME**

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- **What we look for:**

- Identify catalysts
  - Company developments
  - Industry developments
  - Macroeconomic developments

- **How we do it:**

- Teamwork
  - Cross-sector information sharing
  - Customer contact
  - Supplier contact

# RISK CONTROLS

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<u>Portfolio Construction Constraints</u>	
	Mid Cap Value
Maximum Position Size	5.0%
Sector Allocation Constraints	+/- 10% versus index
Cash Allocation Target	0-5%
Number of Holdings	100 +/-
Average Annual Turnover*	70%
Style Purity	Monitor portfolio characteristics weekly

*\*Historically, approximately 50-60% of annual turnover has been the result of position size management (adds, trims). The remaining 40-50% has come from actual name turnover.*

## SELL DISCIPLINE

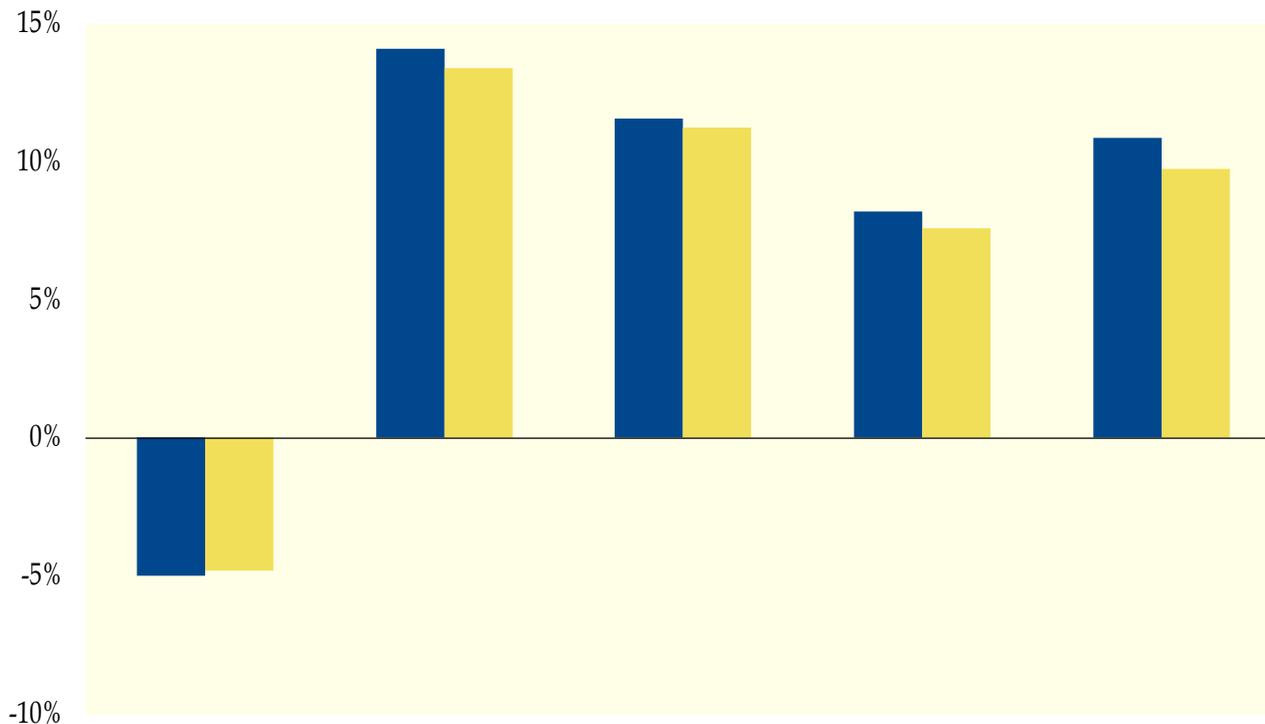
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- Catalyst change
- Negative fundamental development
- Overvaluation

# MID CAP VALUE EQUITY PERFORMANCE

## Composite Annualized Rates of Return Versus Benchmark – Gross of Fees

As of December 31, 2015



■ Integrity Mid Cap Value Equity Composite\*

■ Russell Midcap® Value Index

**Value Added**

**One Year**

**Three Years**

**Five Years**

**Ten Years**

**Since Inception  
(7/2/02)\***

-4.97%

14.09%

11.58%

8.21%

10.87%

-4.78%

13.40%

11.25%

7.61%

9.77%

**-0.19%**

**0.69%**

**0.33%**

**0.60%**

**1.10%**

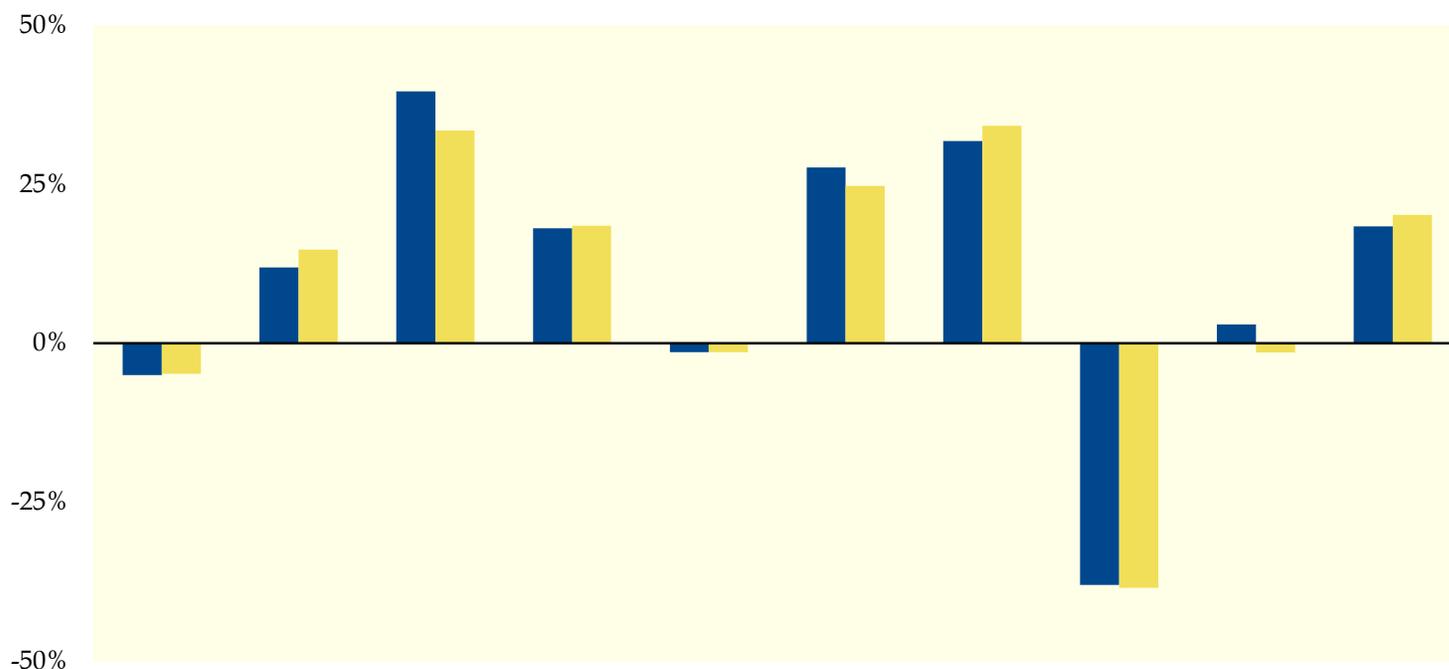
Past performance does not guarantee of future results. The information above cannot be shown without the fully-compliant presentation for the Integrity Mid Cap Value Equity composite, which contains net of fee performance and is located on the last page(s) of the Appendix in this book.

\*The performance data above for the period from July 2, 2002 to June 25, 2003 reflects the performance of Class I Shares of the Armada Small/Mid Cap Value Fund (ARVIX), which was advised and managed by National City Investment Management Company (NCIMC). During that period, various current employees of Integrity Asset Management were employed by NCIMC and participated in the management of the Armada Small/Mid Cap Value Fund. This performance history is gross of all fees charged to investors in the Fund and is derived by compounding the monthly returns as reported by Morningstar. The Armada Small/Mid Cap Value Fund represents the only account managed by the team in the mid cap value strategy while at NCIMC.

**FOR USE ONLY IN ONE-ON-ONE PRESENTATIONS WITH SEPARATE ACCOUNT INVESTORS.**

# MID CAP VALUE EQUITY PERFORMANCE

## Composite Calendar Rates of Return Versus Benchmark - Gross of Fees



	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
■ Integrity Mid Cap Value Equity Composite*	-4.97%	11.94%	39.60%	18.08%	-1.37%	27.67%	31.82%	-37.99%	2.96%	18.42%
■ Russell Midcap® Value Index	-4.78%	14.75%	33.46%	18.51%	-1.38%	24.75%	34.21%	-38.44%	-1.42%	20.22%
<b>Value Added</b>	<b>-0.19%</b>	<b>-2.81%</b>	<b>6.14%</b>	<b>-0.43%</b>	<b>0.01%</b>	<b>2.92%</b>	<b>-2.39%</b>	<b>0.45%</b>	<b>4.38%</b>	<b>-1.80%</b>

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**FOR USE ONLY IN ONE-ON-ONE PRESENTATIONS WITH SEPARATE ACCOUNT INVESTORS.**

==== APPENDIX =====

# MID CAP VALUE EQUITY PORTFOLIO CHARACTERISTICS

As of December 31, 2015

	Mid Cap Value Equity Portfolio	Russell Midcap <sup>®</sup> Value Index
3-5 Year EPS Growth (projected)*	9.7%	7.7%
3 Year EPS Growth (historical)	9.7%	6.7%
P/E (12 month projected)*	16.2x	17.3x
P/E (12 month trailing ex negative earnings)	19.6x	19.5x
P/B	1.9x	1.7x
P/CF	9.0x	9.2x
P/S	1.3x	1.5x
Dividend Yield	1.8%	2.4%
Weighted Average Market Cap (\$mil)	9,681	11,096
# of holdings	103	559
Cash	1.8%	-
<i>Top Ten Holdings</i>		
Company Name	Portfolio Weight	
Prologis, Inc.	1.7%	
Zimmer Biomet Holdings, Inc.	1.6%	
Boston Scientific Corporation	1.6%	
Pinnacle West Capital Corporation	1.6%	
Welltower, Inc.	1.6%	
Huntington Ingalls Industries, Inc.	1.5%	
Fifth Third Bancorp	1.5%	
Hartford Financial Services Group, Inc.	1.5%	
Duke Realty Corporation	1.5%	
Synovus Financial Corp.	1.4%	
	<b>15.5%</b>	

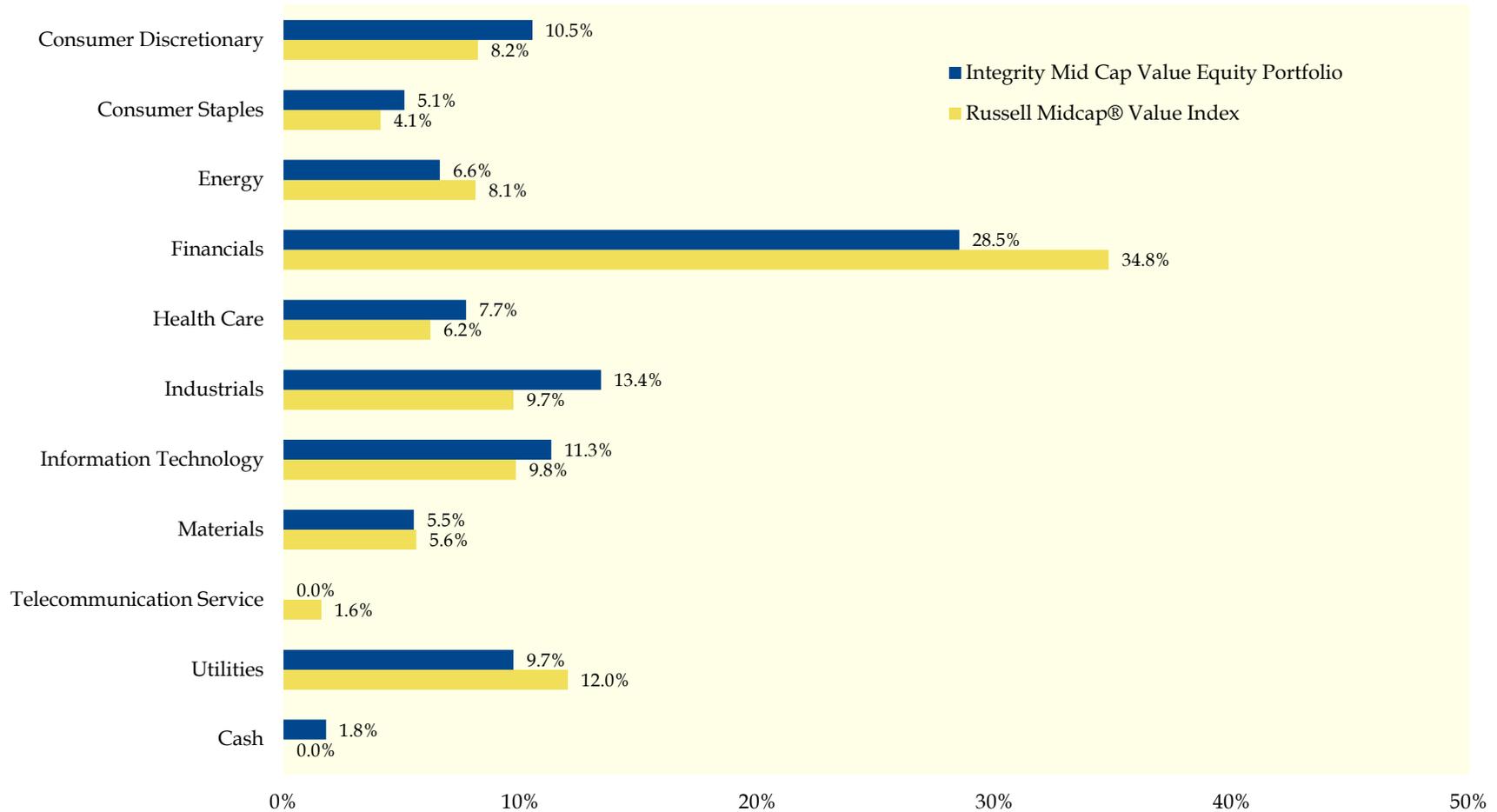
Source: FactSet

\*Projected characteristics are based on information obtained from a third party that is believed to be reliable. Projected characteristics are inherently limited and should not be relied upon as an indicator of future results. The Mid Cap Value Equity portfolio characteristics listed above are based on a representative account and is supplemental to the Mid Cap Value Equity composite information, which is located on the last page(s) in the Appendix of this book. The representative account serves as the model against which each Mid Cap Value Equity account is managed. The representative account is an actual account and the information provided will vary for other accounts. Portfolio holdings should not be considered a recommendation to purchase or sell any security and are subject to change.

# MID CAP VALUE EQUITY PORTFOLIO SECTOR WEIGHTINGS

## Versus Benchmark

As of December 31, 2015



Source: FactSet

The Mid Cap Value Equity portfolio characteristics listed above are based on a representative account and is supplemental to the Mid Cap Value Equity composite information, which is located on the last page(s) in the Appendix of this book. The representative account serves as the model against which each Mid Cap Value Equity account is managed. The representative account is an actual account and the information provided will vary for other accounts. Portfolio holdings should not be considered a recommendation to purchase or sell any security and are subject to change.

# Integrity Mid Cap Value Equity Strategy

## Composite Rates of Return

Calendar Year	Total Return (%)		Primary Benchmark (%)	3-Yr St Dev Composite (%)	3-Yr St Dev Benchmark (%)	Composite Portfolios	Dispersion within Composite (%)	Composite Assets (\$ millions)	Franchise Assets (\$ millions) <sup>b</sup>
	Gross	Net							
2014	11.94	11.00	14.75	11.59	9.81	13	0.23	338.27	5,163.75
2013	39.60	38.45	33.46	15.46	13.69	12	0.26	325.38	4,816.19
2012	18.08	17.10	18.51	18.56	16.76	12	0.12	227.19	3,282.82
2011	-1.37	-2.21	-1.38	23.71	22.78	13	0.08	221.64	3,098.55
2010	27.67	26.62	24.75	26.51	27.11	20	0.29	302.07	3,268.56
2009	31.82	30.73	34.21	23.92	25.01	21	0.22	201.52	2,364.11
2008	-37.99	-38.53	-38.44	17.77	18.74	23	0.58	152.91	1,641.29
2007	2.96	2.10	-1.42	9.54	9.13	20	0.45	211.76	2,498.71
2006	18.42	17.43	20.22	8.67	8.65	11	n.m.	141.47	2,496.81
2005	13.69	12.74	12.65	10.70	10.92	≤5	n.m.	53.78	1,407.74

<sup>a</sup> n.m.= not-meaningful

<sup>b</sup> Franchise assets are described below

### Past performance is no guarantee of future results.

Victory Capital Management Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Prior to their acquisition by Victory Capital on October 31, 2014, Munder Capital Management, and its wholly owned subsidiary, Integrity Asset Management has been independently verified for the periods from July 1, 2003 through December 31, 2013. The verification report is available upon request.

The "Total Firm Assets" figure described below has been adjusted to reflect the acquisition of Munder/Integrity by Victory Capital Management. The 12/31/2014 and original 3/31/2015 numbers were understated and have been corrected to reflect the combined firm assets.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Victory Capital Management Inc. is a multi-boutique asset manager comprised of multiple investment teams, referred to as investment franchises, each of which utilizes an independent approach to investing. Victory Capital's investment franchises are: Diversified Equity Management, Expedition Investment Partners, INCORE Capital Management, Integrity Asset Management, Munder Capital Management, NewBridge Asset Management, Sycamore Capital and Trivalent Investments. Each investment franchise utilizes an independent approach to investing and offers one or more investment strategies that specializes in a specific asset class intended primarily for institutional clients. Prior to their acquisition by Victory Capital on October 31, 2014, Munder Capital Management and its wholly owned subsidiary, Integrity Asset Management, were treated as separate entities for GIPS compliance purposes.

Victory Capital Management Inc. firm assets under management as of March 31, 2015 and December 31, 2014 were \$34,310 million and \$33,679 million, respectively. Prior to 10/31/2014 Integrity assets were not included in Victory's firm AUM and are thus Not Applicable. Franchise assets for periods prior to 2014 represent the firm assets of Integrity Asset Management when it was a separate firm for GIPS compliance purposes prior to the acquisition by Victory Capital. Beginning with 2014 and for prospective period's franchise assets represent all assets managed by the Integrity Asset Management franchise within Victory Capital.

# Integrity Mid Cap Value Equity Strategy

## Composite Rates of Return

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The Mid Cap Value Equity composite was created in July 2003, and includes all fee-paying, discretionary portfolios that are managed according to the Mid Cap Value Equity strategy. The strategy focuses on mid-cap companies that are currently trading below our estimate of intrinsic value and are characterized by improving investor sentiment. Please Note: The performance data for the period from July 2, 2002 through June 20, 2003, reflects the performance of a registered investment company managed by the portfolio management team members while at a prior employer. During that period, the portfolio management team members primarily responsible for the Integrity Mid Cap Value Equity strategy were primarily responsible for the management of the registered investment company. This performance history is gross of all fees charged to investors in the registered investment company, with the exception of transaction costs, and is derived by compounding the monthly returns as reported by Morningstar. The registered investment company represents the only account managed by the team in the Mid Cap Value Equity strategy while at their prior employer. For continuity, the Fund's performance has been linked, for the remainder of June 2003, to the performance of the one portfolio managed in the same strategy during this time period by the portfolio managers while at Integrity Asset Management. The Mid Cap Value strategy is managed by Integrity Asset Management, a Victory Capital investment franchise.

All returns reflect the reinvestment of investment income (dividends and/or interest) and capital gains, and are net of non-reclaimable withholding taxes, if any. Valuations and returns are stated in U.S. dollars. The gross returns shown are based on time-weighted rates of return less transaction costs. Effective June 21, 2003, net returns reflect gross performance less model investment management fees, which were derived using the maximum fixed fee rate in effect for the strategy for the respective time period. (For periods prior to June 21, 2003, net returns reflect the deduction of all expenses charged to the fund, including management fees, custodian, audit and other administrative fees.) Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size.

The investment management fee for this strategy is as follows: 0.85% on the first \$15 million; 0.75% on the next \$35 million; 0.65% on the next \$50 million; 0.60% thereafter. (Please note: Non-fee-paying portfolios accounted for 100% of composite assets as of 12/31/2003, and 0% of composite assets for all other annual period ends.)

The benchmark: Russell Midcap® Value Index measures the performance of those Russell Midcap® companies (approximately 800 of the smallest securities in the Russell 1000® Index, which includes the 1,000 largest stocks by market capitalization in the Russell 3000® Index, an index of the top 3,000 U.S. stocks by market capitalization covering 98% of the U.S. equity investable universe) with higher composite value scores. Index performance information was furnished by sources deemed reliable and is believed to be accurate, however, no warranty or representation is made as to the accuracy thereof and the information is subject to correction. You cannot invest directly in an index, securities in the Composite may not match those in the index and performance of the Composite will differ. Although reinvestment of dividend and interest payments is assumed, no expenses are netted against an index's return. The benchmark returns are not covered by the report of the independent verifiers.

Dispersion within the composite is calculated using the asset-weighted standard deviation of annual gross-of-fees returns of those portfolios that were included in the composite for the full year. If less than six portfolios are included in the composite for the full year, no dispersion measure is presented, as it is not considered meaningful.

The three-year annualized ex-post standard deviation measures the volatility of the composite and the benchmark returns over the preceding 36-month time period. The notation "n.a." (not available) will appear for periods where 36 monthly returns are not available for the composite.

Integrity Asset Management's policies for valuing portfolios, calculating performance, and preparing compliant presentations, as well as a complete list of composite descriptions, are available upon request. Please contact Victory Capital at 877-660-4400.

==== ADDENDUM ====

# Portfolio Appraisal

Bay County Employees' Retirement System

Mid Cap Value

March 31, 2016



Ticker	Security Name	Units	Price	Ending Mkt Value	% of Portfolio	Cost	Unrealized Gain/Loss	Accr Income/ Dividends
<b>Equity</b>								
<b>Consumer Discretionary</b>								
BC	Brunswick Corp/DE	3,908	47.98	187,505.84	1.03	138,097.41	49,408.43	0.00
COH	Coach Inc	4,178	40.09	167,496.02	0.92	135,640.44	31,855.58	0.00
DHI	DR Horton Inc	6,494	30.23	196,313.62	1.08	73,853.99	122,459.63	0.00
GT	Goodyear Tire & Rubber Co/The	5,947	32.98	196,132.06	1.07	159,091.56	37,040.50	0.00
MGM	MGM Resorts International	7,300	21.44	156,512.00	0.86	121,019.04	35,492.96	0.00
PVH	PVH Corp	1,215	99.06	120,357.90	0.66	104,222.70	16,135.20	0.00
SBH	Sally Beauty Holdings Inc	4,442	32.38	143,831.96	0.79	120,055.70	23,776.26	0.00
TGNA	Tegna Inc	5,705	23.46	133,839.30	0.73	69,102.28	64,737.02	875.70
WHR	Whirlpool Corp	1,189	180.34	214,424.26	1.17	176,637.58	37,786.68	0.00
WYN	Wyndham Worldwide Corp	1,501	76.43	114,721.43	0.63	34,994.29	79,727.14	0.00
<b>Total Consumer Discretionary</b>				<b>1,631,134.39</b>	<b>8.93</b>	<b>1,132,714.99</b>	<b>498,419.40</b>	<b>875.70</b>
<b>Consumer Staples</b>								
STZ	Constellation Brands Inc	960	151.09	145,046.40	0.79	105,593.91	39,452.49	0.00
HRL	Hormel Foods Corp	3,371	43.24	145,762.04	0.80	108,611.46	37,150.58	0.00
TAP	Molson Coors Brewing Co	1,883	96.18	181,106.94	0.99	155,469.02	25,637.92	0.00
RAD	Rite Aid Corp	21,398	8.15	174,393.70	0.96	127,958.49	46,435.21	0.00
TSN	Tyson Foods Inc	2,912	66.66	194,113.92	1.06	69,640.77	124,473.15	0.00
<b>Total Consumer Staples</b>				<b>840,423.00</b>	<b>4.60</b>	<b>567,273.65</b>	<b>273,149.35</b>	<b>0.00</b>
<b>Energy</b>								
CRZO	Carrizo Oil & Gas Inc	3,656	30.92	113,043.52	0.62	171,647.52	(58,604.00)	0.00
XEC	Cimarex Energy Co	1,650	97.27	160,495.50	0.88	187,118.00	(26,622.50)	0.00
CLR	Continental Resources Inc/OK	866	30.36	26,291.76	0.14	26,372.56	(80.80)	0.00
FANG	Diamondback Energy Inc	2,125	77.18	164,007.50	0.90	162,234.88	1,772.62	0.00
EQT	EQT Corp	2,267	67.26	152,478.42	0.84	167,651.12	(15,172.70)	0.00
NBR	Nabors Industries Ltd	3,669	9.20	33,754.80	0.18	34,654.47	(899.67)	0.00

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# Portfolio Appraisal

Bay County Employees' Retirement System

Mid Cap Value

March 31, 2016



Ticker	Security Name	Units	Price	Ending Mkt Value	% of Portfolio	Cost	Unrealized Gain/Loss	Accr Income/ Dividends
NBL	Noble Energy Inc	6,203	31.41	194,836.23	1.07	189,483.12	5,353.11	0.00
OAS	Oasis Petroleum Inc	2,603	7.28	18,949.84	0.10	21,641.87	(2,692.03)	0.00
PBF	PBF Energy Inc	3,576	33.20	118,723.20	0.65	118,713.34	9.86	0.00
RSPP	RSP Permian Inc	688	29.04	19,979.52	0.11	20,055.48	(75.96)	0.00
RICE	Rice Energy Inc	1,795	13.96	25,058.20	0.14	23,153.34	1,904.86	0.00
SPN	Superior Energy Services Inc	8,516	13.39	114,029.24	0.62	174,940.51	(60,911.27)	0.00
SYRG	Synergy Resources Corp	16,730	7.77	129,992.10	0.71	203,567.55	(73,575.45)	0.00
TSO	Tesoro Corp	1,182	86.01	101,663.82	0.56	118,231.10	(16,567.28)	0.00
WPX	WPX Energy Inc	19,914	6.99	139,198.86	0.76	233,473.45	(94,274.59)	0.00
WLL	Whiting Petroleum Corp	3,349	7.98	26,725.02	0.15	30,486.95	(3,761.93)	0.00
	<b>Total Energy</b>			<b>1,539,227.53</b>	<b>8.43</b>	<b>1,883,425.26</b>	<b>(344,197.73)</b>	<b>0.00</b>
<b>Financials</b>								
ALLY	Ally Financial Inc	4,859	18.72	90,960.48	0.50	88,963.98	1,996.50	0.00
ACC	American Campus Communities Inc	4,926	47.09	231,965.34	1.27	183,660.94	48,304.40	0.00
AFG	American Financial Group Inc	2,979	70.37	209,632.23	1.15	103,247.17	106,385.06	0.00
AIV	Apartment Investment & Management Co	4,894	41.82	204,667.08	1.12	189,326.03	15,341.05	0.00
ACGL	Arch Capital Group Ltd	3,092	71.10	219,841.20	1.20	66,473.77	153,367.43	0.00
AIZ	Assurant Inc	2,474	77.15	190,869.10	1.05	187,938.58	2,930.52	0.00
AXS	Axis Capital Holdings Ltd	2,383	55.46	132,161.18	0.72	138,595.93	(6,434.75)	834.05
CNO	CNO Financial Group Inc	9,966	17.92	178,590.72	0.98	178,388.13	202.59	0.00
DRE	Duke Realty Corp	12,177	22.54	274,469.58	1.50	183,880.62	90,588.96	0.00
FNF	FNF Group	5,869	33.90	198,959.10	1.09	95,380.80	103,578.30	0.00
FITB	Fifth Third Bancorp	13,148	16.69	219,440.12	1.20	161,241.28	58,198.84	1,709.24
THG	Hanover Insurance Group Inc/The	1,490	90.22	134,427.80	0.74	120,337.77	14,090.03	0.00
HIG	Hartford Financial Services Group Inc	5,908	46.08	272,240.64	1.49	120,961.17	151,279.47	1,362.48
HST	Host Hotels & Resorts Inc	11,293	16.70	188,593.10	1.03	189,481.52	(888.42)	2,258.60
HBAN	Huntington Bancshares Inc/OH	16,300	9.54	155,502.00	0.85	166,309.80	(10,807.80)	1,250.20

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IVZ	Invesco Ltd	8,179	30.77	251,667.83	1.38	171,020.01	80,647.82	0.00
KEY	Keycorp	11,754	11.04	129,764.16	0.71	66,077.49	63,686.67	0.00
CLI	Mack-Cali Realty Corp	5,751	23.50	135,148.50	0.74	112,453.06	22,695.44	0.00
NRF	Northstar Realty Finance Corp	7,124	13.12	93,466.88	0.51	67,514.13	25,952.75	0.00
PLD	Prologis Inc	6,882	44.18	304,046.76	1.67	218,502.27	85,544.49	0.00
RF	Regions Financial Corp	19,438	7.85	152,588.30	0.84	126,067.55	26,520.75	1,277.88
STI	SunTrust Banks Inc	3,524	36.08	127,145.92	0.70	63,233.95	63,911.97	0.00
SNV	Synovus Financial Corp	5,477	28.91	158,340.07	0.87	130,036.35	28,303.72	720.84
UNM	Unum Group	4,763	30.92	147,271.96	0.81	166,673.75	(19,401.79)	0.00
HCN	Welltower Inc	4,101	69.34	284,363.34	1.56	279,809.85	4,553.49	0.00
ZION	Zions Bancorporation	10,164	24.21	246,070.44	1.35	214,319.18	31,751.26	0.00
<b>Total Financials</b>				<b>4,932,193.83</b>	<b>27.01</b>	<b>3,789,895.08</b>	<b>1,142,298.75</b>	<b>9,413.29</b>
<b>Health Care</b>								
BSX	Boston Scientific Corp	15,541	18.81	292,326.21	1.60	100,701.44	191,624.77	0.00
BRKR	Bruker Corp	5,378	28.00	150,584.00	0.82	115,906.79	34,677.21	0.00
HLS	Healthsouth Corp	2,882	37.63	108,449.66	0.59	54,762.53	53,687.13	662.86
HRC	Hill-Rom Holdings Inc	4,901	50.30	246,520.30	1.35	206,760.49	39,759.81	0.00
WOOF	VCA Inc	3,313	57.69	191,126.97	1.05	92,324.03	98,802.94	0.00
ZBH	Zimmer Biomet Holdings Inc	2,796	106.63	298,137.48	1.63	199,134.38	99,003.10	671.04
<b>Total Health Care</b>				<b>1,287,144.62</b>	<b>7.05</b>	<b>769,589.66</b>	<b>517,554.96</b>	<b>1,333.90</b>
<b>Industrials</b>								
ALK	Alaska Air Group Inc	1,790	82.02	146,815.80	0.80	82,556.01	64,259.79	0.00
BWXT	BWX Technologies Inc	3,948	33.56	132,494.88	0.73	102,201.88	30,293.00	0.00
EME	EMCOR Group Inc	3,132	48.60	152,215.20	0.83	124,719.27	27,495.93	0.00
ENS	EnerSys	1,860	55.72	103,639.20	0.57	120,387.27	(16,748.07)	0.00
HII	Huntington Ingalls Industries Inc	1,869	136.94	255,940.86	1.40	219,318.00	36,622.86	0.00
IR	Ingersoll-Rand PLC	3,154	62.01	195,579.54	1.07	203,967.53	(8,387.99)	0.00

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KSU	Kansas City Southern	1,901	85.45	162,440.45	0.89	175,425.55	(12,985.10)	686.73
LLL	L-3 Communications Holdings Inc	1,492	118.50	176,802.00	0.97	169,822.57	6,979.43	0.00
MTW	Manitowoc Co Inc/The	12,577	4.33	54,458.41	0.30	67,096.96	(12,638.55)	0.00
MFS	Manitowoc Foodservice Inc	8,303	14.74	122,386.22	0.67	157,673.81	(35,287.59)	0.00
MAN	Manpower Inc	2,096	81.42	170,656.32	0.93	183,466.56	(12,810.24)	0.00
ODFL	Old Dominion Freight Line Inc	2,126	69.62	148,012.12	0.81	42,722.11	105,290.01	0.00
OC	Owens Corning	3,183	47.28	150,492.24	0.82	127,953.60	22,538.64	626.94
SPR	Spirit Aerosystems Holdings Inc	3,419	45.36	155,085.84	0.85	157,811.99	(2,726.15)	0.00
SWK	Stanley Black & Decker Inc	1,887	105.21	198,531.27	1.09	188,636.94	9,894.33	0.00
<b>Total Industrials</b>				<b>2,325,550.35</b>	<b>12.74</b>	<b>2,123,760.05</b>	<b>201,790.30</b>	<b>1,313.67</b>
<b>Information Technology</b>								
AMAT	Applied Materials Inc	10,427	21.18	220,843.86	1.21	187,655.32	33,188.54	0.00
ARW	Arrow Electronics Inc	3,078	64.41	198,253.98	1.09	110,607.80	87,646.18	0.00
CSRA	CSRA Inc W/I	3,173	26.90	85,353.70	0.47	80,709.38	4,644.32	0.00
CIEN	Ciena Corp	7,310	19.02	139,036.20	0.76	135,054.45	3,981.75	0.00
COMM	CommScope Holding Co Inc	6,668	27.92	186,170.56	1.02	198,983.90	(12,813.34)	0.00
CY	Cypress Semiconductor Corp	19,738	8.66	170,931.08	0.94	196,499.96	(25,568.88)	2,171.18
FLEX	Flextronics International Ltd	11,557	12.06	139,377.42	0.76	119,461.92	19,915.50	0.00
LFUS	Littelfuse Inc	1,022	123.11	125,818.42	0.69	100,748.58	25,069.84	0.00
MRVL	Marvell Technology Group LTD	14,041	10.31	144,762.71	0.79	132,624.06	12,138.65	923.46
MXIM	Maxim Integrated Products Inc	3,271	36.78	120,307.38	0.66	112,175.12	8,132.26	0.00
NVDA	Nvidia Corp	5,094	35.63	181,499.22	0.99	149,308.64	32,190.58	0.00
PTC	PTC Inc	4,866	33.16	161,356.56	0.88	81,126.91	80,229.65	0.00
TER	Teradyne Inc	5,232	21.59	112,958.88	0.62	99,205.00	13,753.88	0.00
<b>Total Information Technology</b>				<b>1,986,669.97</b>	<b>10.88</b>	<b>1,704,161.04</b>	<b>282,508.93</b>	<b>3,094.64</b>
<b>Materials</b>								
AA	Alcoa Inc	7,258	9.58	69,531.64	0.38	73,551.12	(4,019.48)	0.00

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ATI	Allegheny Technologies Inc	1,878	16.30	30,611.40	0.17	32,310.05	(1,698.65)	0.00
ASH	Ashland Inc	1,519	109.96	167,029.24	0.91	175,749.25	(8,720.01)	0.00
AVY	Avery Dennison Corp	2,568	72.11	185,178.48	1.01	136,986.07	48,192.41	0.00
BERY	Berry Plastics Group Inc	4,072	36.15	147,202.80	0.81	135,305.12	11,897.68	0.00
EMN	Eastman Chemical Co	2,203	72.23	159,122.69	0.87	171,689.52	(12,566.83)	1,109.98
GPK	Graphic Packaging Holding Co	10,568	12.85	135,798.80	0.74	127,154.80	8,644.00	578.90
HUN	Huntsman Corp	1,879	13.30	24,990.70	0.14	24,797.87	192.83	0.00
STLD	Steel Dynamics Inc	1,997	22.51	44,952.47	0.25	43,798.80	1,153.67	279.58
X	United States Steel Corp	1,998	16.05	32,067.90	0.18	31,233.34	834.56	0.00
WRK	Westrock Co	3,903	39.03	152,334.09	0.83	231,057.74	(78,723.65)	0.00
<b>Total Materials</b>				<b>1,148,820.21</b>	<b>6.29</b>	<b>1,183,633.68</b>	<b>(34,813.47)</b>	<b>1,968.46</b>
<b>Telecommunication Services</b>								
CTL	Centurylink Inc	6,408	31.96	204,799.68	1.12	169,203.24	35,596.44	0.00
<b>Total Telecommunication Services</b>				<b>204,799.68</b>	<b>1.12</b>	<b>169,203.24</b>	<b>35,596.44</b>	<b>0.00</b>
<b>Utilities</b>								
LNT	Alliant Energy Corp	2,189	74.28	162,598.92	0.89	139,984.83	22,614.09	0.00
ATO	Atmos Energy Corp	2,335	74.26	173,397.10	0.95	135,938.01	37,459.09	0.00
EIX	Edison International	3,344	71.89	240,400.16	1.32	163,299.90	77,100.26	1,605.12
FE	FirstEnergy Corp	5,009	35.97	180,173.73	0.99	163,792.93	16,380.80	0.00
GXP	Great Plains Energy Inc	6,733	32.25	217,139.25	1.19	138,821.46	78,317.79	0.00
PPL	PPL Corp	6,773	38.07	257,848.11	1.41	174,084.67	83,763.44	2,832.14
PNW	Pinnacle West Capital Corp	3,691	75.07	277,083.37	1.52	202,937.74	74,145.63	0.00
UGI	UGI Corp	5,251	40.29	211,562.79	1.16	89,033.65	122,529.14	1,308.35

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WR	Westar Energy Inc	3,361	49.61	166,739.21	0.91	104,499.21	62,240.00	1,398.78
	<b>Total Utilities</b>			<b>1,886,942.64</b>	<b>10.34</b>	<b>1,312,392.40</b>	<b>574,550.24</b>	<b>7,144.39</b>
	<b>Total Securities</b>			<b>17,782,906.22</b>	<b>97.40</b>	<b>14,636,049.05</b>	<b>3,146,857.17</b>	<b>25,144.05</b>
	Cash			449,207.29	2.46			
	Accrued Income/Dividends			25,144.05	0.14			
	<b>Total Market Value</b>			<b>18,257,257.56</b>	<b>100.00</b>			