



June 30, 2016

# St Ambrose Financial Services, Inc.

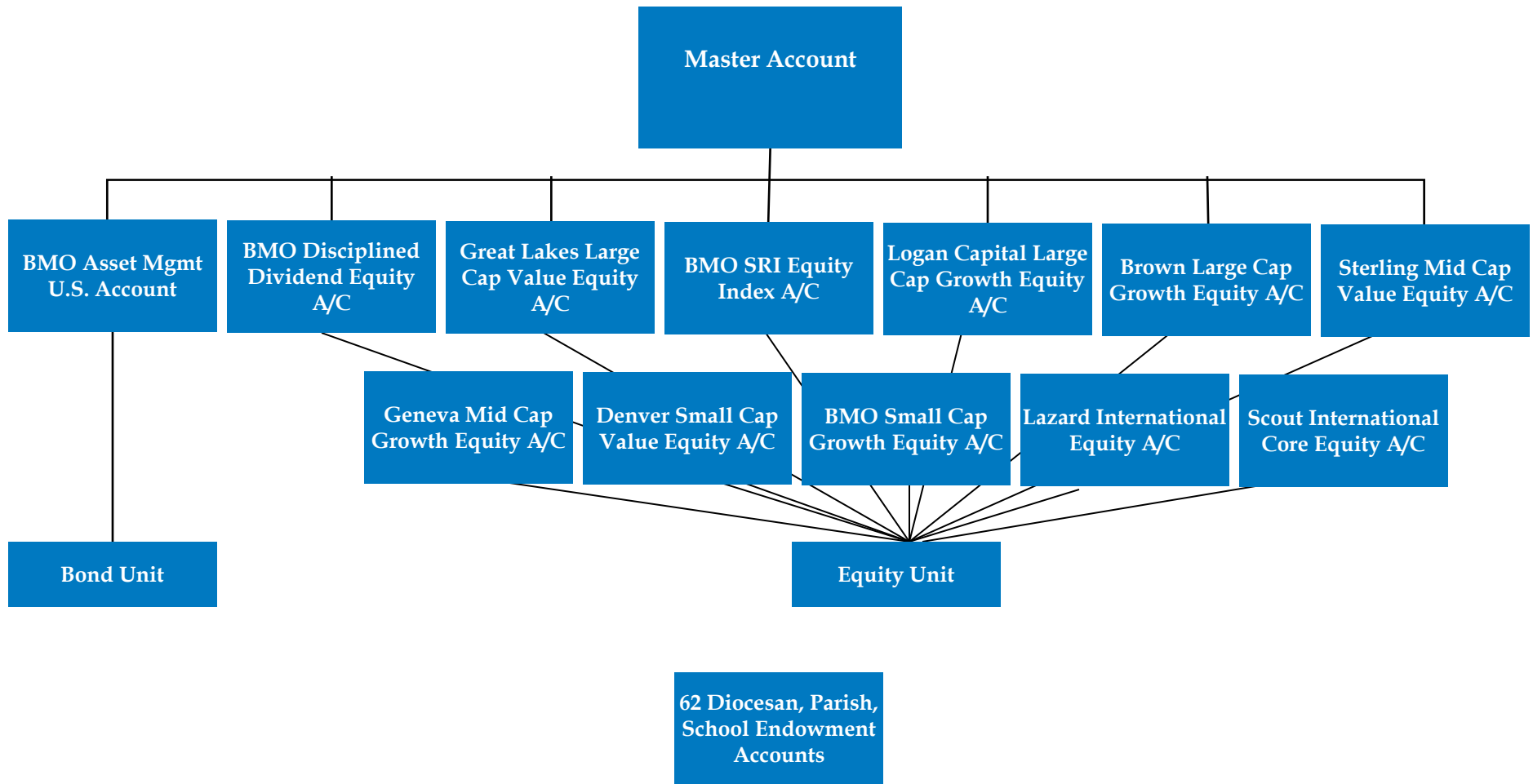
## Master Trust Overview

Presented by:

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- In Fall 2007, the Diocese of La Crosse retained M&I Portfolio Advisory Services (now part of BMO Global Asset Management) as investment consultant for the Diocesan Retirement Plans and Endowment Trust investment portfolios.
- BMO Global Asset Management recommended, and the Diocese subsequently hired, new equity investment managers who began managing funds effective January, 2008. International investment managers were introduced into the portfolio at that time.
- BMO Asset Management U.S. serves as the Fixed Income (Bond) asset manager and manages a Small Cap Growth, Large Cap Dividend and Large Cap Index strategy.
- BMO Harris Bank, NA provides all custody and recordkeeping services.
- Assets are invested per Diocese of La Crosse Investment Policy Statement and its Statement of Moral, Ethical and Social Principles.



- Invested in Bond and Stock units
- Asset allocation selected by parish, school, etc. up to 60% equities

## Large-Cap Equity

- BMO Asset Management U.S. - Value (Dividend-focused)
- Great Lakes Advisors - Value
- BMO Asset Management U.S. - SRI Core (S&P 500)
- Logan Capital Management - Growth
- Brown Advisory - Growth

## Mid-Cap Equity

- Sterling Capital Management - Value
- Geneva Mid Cap Growth - Growth

## Small Cap Equity

- Denver Investment Advisors - Value
- BMO Asset Management U.S. - Growth

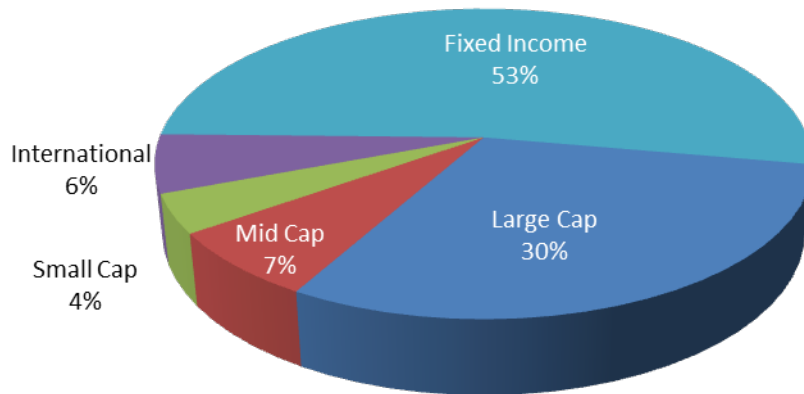
## International Equity

- Scout Investment Advisors - Core
- Lazard Asset Management - Core with Emerging Markets <sup>1</sup>

<sup>1</sup> Replaced Vanguard Total International Index on April 1, 2014.

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## Portfolio Diversification



Equity Class	Range	Target	06/30/16
Large-Cap	50 - 70%	60%	63.9%
Mid-Cap	5 - 20%	15%	14.8%
Small-Cap	5 - 20%	10%	8.5%
International	5 - 20%	15%	12.8%

% Allocation	Managers
<b>30.4%</b>	<b>Large-Cap Equity:</b>
5.3%	BMO Disciplined Dividend
6.2%	Great Lakes Large Cap Value
7.8%	BMO SRI Equity Portfolio
5.8%	Logan Capital Large Cap Growth
5.4%	Brown Advisory Large Cap Growth
<b>7.0%</b>	<b>Mid-Cap Equity:</b>
3.5%	Sterling Mid Cap Value
3.5%	Geneva Mid Cap Growth
<b>4.1%</b>	<b>Small Cap Equity:</b>
2.0%	Denver Small Cap Value
2.0%	BMO Small Cap Growth
<b>6.1%</b>	<b>International Equity:</b>
1.6%	Lazard International
4.5%	Scout International Core Equity
<b>52.4%</b>	<b>Fixed Income:</b>
52.4%	BMO Fixed Income Portfolio

Master Diocesan Perpetual Care Fund → Pays Income To → Individual Perpetual Care Funds

Perpetual Care Funds  
Investment Pool\*  
Managed by  
BMO Asset Management U.S.

Generates Income

Which Is Distributed  
To Participant  
Accounts



- \* Individual Perpetual Care Funds own units of the Investment Pool.
- \* Perpetual Care Fund principal cannot be invaded.

- Previously invested in Diocesan Deposit and Loan Fund which paid 90-Day Treasury Bill rates and expressed no principal fluctuation.
- Current investment allocation is 60% stocks and 40% bonds.
- Current investments:
  - have potential for price appreciation which can help combat inflation over time
  - aim to generate a higher level of income than previous investment program
  - will experience principal fluctuations

- High Dividend Income Strategy is designed to provide a consistent level of income and competitive long-term returns.
  - Professionally managed diversified portfolio of stocks.
  - Disciplined investment philosophy designed to provide favorable risk/reward characteristics.
  - Investment team monitors investments continually.



- Designed to provide high level of income with minimal price fluctuation.
  - Professionally managed diversified portfolio of high quality investment grade bonds.
  - Disciplined investment philosophy designed to provide favorable risk/reward characteristics.
  - Investment team monitors investments continually.

# Perpetual Care Funds Yield Performance

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Perpetual Care Fund Bond Portfolio	2.41%
Perpetual Care Fund Stock Portfolio	3.08%
90-Day Treasury Bill	0.34%