

**DAVIE POLICE PENSION PLAN**

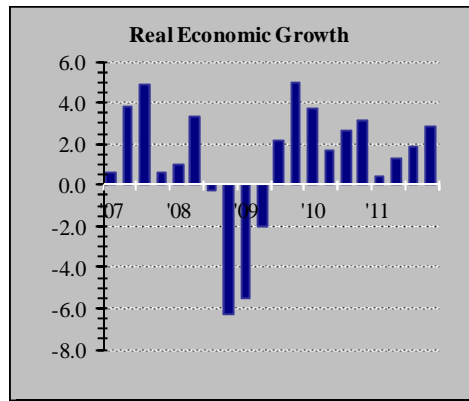
**PERFORMANCE REVIEW  
DECEMBER 2011**



## ECONOMIC ENVIRONMENT

### *Finally some strong positive signals*

Late last year, U.S. economic indicators turned decidedly positive. There were upticks in manufacturing, employment, consumer confidence and GDP. While housing results remained negative, it is possible that housing indicators are bottoming out as well. Commodity prices were mixed as oil prices spiked and gold was down as the year came to a close.



While domestic results were favorable, the Euro zone fiscal crisis remained the “elephant in the room”. Even the best case scenarios will have a global impact if Europe slips into recession as it appears ready to. Still, EU member nations continue to look for workable solutions to address their fiscal woes. Progress was evident with the implementation of a \$640 Billion ECB lending program to help European banks shore up their balance sheets.

According to the Conference Board, fourth quarter domestic GDP grew at an estimated 2.8% rate. This would be a marked improvement over the third quarter’s 1.8% annual rate and the second quarter’s 1.3%. The expansion was driven by construction, exports, plus consumer and federal government spending. Strong auto sales in November, and electronics sales at Christmas, contributed within the consumer area. A high level of imports and a decline in municipal government spending dampened a stronger advance.

Other statistical measures also supported the picture of an economy that is continuing to expand. Economic activity in the manufacturing sector improved for the 29<sup>th</sup> consecutive month. Small business, the backbone of corporate America, also showed promise as the National Federation of Independent Business Sentiment Index rose to 93.8, the highest since

last February. Further, consumer confidence ended the year at 64.5 up 9 points from November on strong holiday sales.

Welcome news came from the Labor Bureau, which announced that the unemployment rate had fallen to a three year low of 8.5% in December. In December, private payrolls climbed by 212,000, strongly offsetting 12,000 municipal layoffs. More encouraging still was the fact that employment increased within every major job category, from construction and manufacturing to service and retail. While a big improvement from the peak unemployment rate of 10.0% in October 2009, an unemployment rate of 8.5% is still quite high relative to the January 2001 rate of 4.2%.

One key economic component continued downward. The S&P/Case-Shiller Home Price Index fell another 1.1% from September to October (latest report available). Home prices were weaker in 19 of the 20 major cities tracked in the index. The Atlanta metro district and the Midwest were the two areas most negatively impacted. Detroit was the exception in the Midwest as home prices there rose from their steep recession lows. Year over year, Las Vegas, Seattle and Tampa saw the sharpest declines. Optimistically, those same low prices, along with low mortgage rates and declining personal debt, could lay the groundwork for a 2012 housing market recovery.

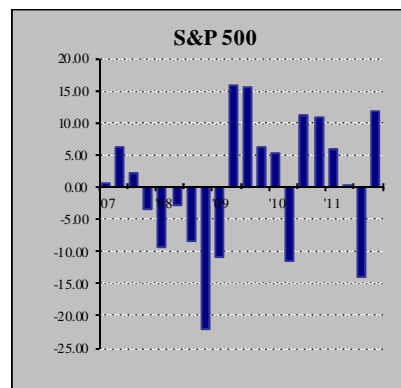
For the year, CPI (all items) increased by 3%, the highest calendar year increase since 2007. The energy index increased by 6.6%, representing a deceleration from the prior year’s 7.7% increase. Food increased by 4.7%, up from a 1.5% increase in 2010. All items, less energy and food, also accelerated from 2010, increasing by 2.2%

While the full year results were neither terrific nor horrible, global investors won’t soon forget the market volatility. The wild swings reflected investors’ loss of confidence in both US and European economies and in their political leaders’ abilities to deal with the problems. China wrestled with its own problems as it tried to tame rampant real estate speculation and contain the drop in its export economy.

## EQUITY MARKET

### *A flat year full of ups and downs*

The US equity market regained momentum during the fourth quarter. This was partially attributable to an investor attitude that “almost nothing else can go wrong.” That spirit, along with excellent corporate earnings and other broad economic statistics buoyed the market. With the sole exception of the NASDAQ (+7.9%), all major indices climbed into the double digits. The bellwether measures set the pace. The DJ Industrials climbed 12.8% and the S&P 500 gained 11.8%. Looking at the total stock market, smaller-capitalization companies bested larger-cap names. The more cyclical value stocks moderately outperformed their growth counterparts. The best index performer was the Russell Small Cap Value, up 16%. The REIT segment, also gained 16%, benefiting from increased capital.



The more economically sensitive S&P sectors performed especially well. Among the winners were consumer durables (+18.3%); energy (+17.8%); and basic industries (+16.3%). By comparison, traditionally defensive sectors advanced at lower rates: consumer non-durables (+11.6%); utility companies (+11.1%); and consumer services (+9.4%). The financial sector bounced back 11.6% from the

prior quarter, while computer technology gained 8.7%. Every sector made a remarkable turnaround from the dismal third quarter, when utilities were the only positive performing group.

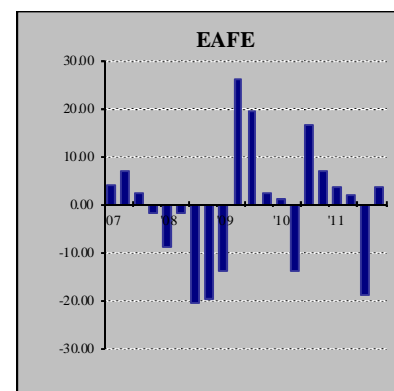
Many domestic stock indices spilled some red ink for the year. The Russell 2000 was down 4.2% and the Midcap was off 1.6%. Large caps fared a bit better, as the Russell 1000 advanced 1.5% and the S&P added 2.1%. There were also some outliers. Overall, flat performance was the order of the day; the broadest market index, the Russell 3000, gained a paltry 1%.

The year-end S&P dividend rate declined slightly to 2.1%, due mainly to the 4<sup>th</sup> quarter upturn in market values. Similarly, the S&P P/E Ratio increased from 16.6 to 17.6.

## INTERNATIONAL EQUITIES

### *Disappointing compared to the US*

International markets staged a mild turnaround, but nothing like the domestic market. The MSCI EAFE Index of developed country markets rose 3.4%.



Within Europe, the negative impact of the Euro crisis was telling. Germany, the most stable of the group, gained 3.9% and France earned 2.8%. However, Greece, Italy, Portugal and Spain suffered terribly. The Greek market's 27.5% decline was symptomatic of investor fears. Italy eked out a positive 0.9%, with a new technocratic Prime Minister in charge.

It was not all bad news abroad. Ireland surprised investors by bouncing back 22.4% as its economy steadily climbed out of its earlier debt crisis. The UK enjoyed a 9.1% gain after instituting an aggressive austerity program in response to its own debt crisis. Australia turned in a solid 7.5%. Still recovering from its March nuclear disaster, Japan dropped 3.9%; a weak economy and an appreciating yen also contributed to its poor performance.

The EAFE countries struggled for much of 2011. Besides Ireland (+14.3% for the year), no major country index was in the black last year. The EAFE Index retreated 11% and its Euro Zone component fell almost 16%. The Greek market was in free fall, plunging 62.7%! Italy and Portugal both gave back approximately 22%. Australia (-10.8%) and Japan (-14.2%) were of no help. The UK declined by a relatively small 2.5%.

The MSCI Emerging Market Index (EM) earned 4.5% last quarter, reflecting sizable gains in Asia and Latin America. Three of the BRIC markets were well into positive territory. China, the dominant component of the index, gained 8.1%; this result was partially attributable to a lowering of its bank reserve requirements. Brazil appreciated 8.9%. Even Russia managed to earn 6.2% despite alleged election fraud and related large street demonstrations. Indian stocks, lost big (-14.3%), due partly to a rapidly falling rupee.

For the full year, emerging markets were generally poor investment choices. The EM Index fell 18.2%, a far greater loss than either the US or EAFE markets. Nonetheless, this investment space has provided significant absolute and relative gains for the latest 10-year period (+14.2% per year). During this same period, the S&P provided only 2.9% and EAFE, 5.1%. Clearly, though, EM investors experienced a lot of volatility along the way.

## BOND MARKET

### *High quality carried the day*

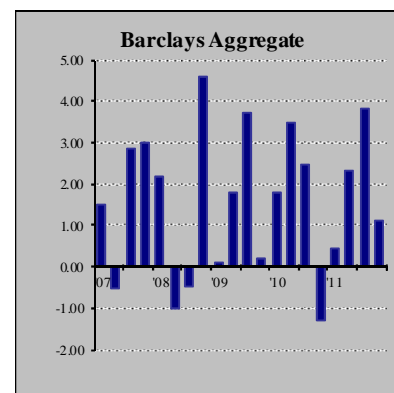
The Barclays Aggregate Index moved ahead a modest 1.1% last quarter. After the phenomenal US Treasury gains during the third quarter, a more modest 4<sup>th</sup> quarter gain was no surprise. Overall, Treasuries advanced 0.9%, with longer maturities gaining 1.9%. TIPS earned more (+2.7%) due to lingering inflation concerns. It's now several months since the S&P downgraded America's credit rating. For all the hand-wringing, defensive investors simply ignored the downgrade and kept buying U.S. paper.

The Barclays Credit Index returned 1.7%. Long maturity bonds climbed a much higher 3.2%, reflecting investor confidence in an improving economy. Industrial and electric/gas utility bonds both advanced in the 2¼% range. Financial institutions performance was a lesser 1.2%, as investors remained skittish about the health of money center banks as well as the activities of the new Consumer Protection Agency.

Corporate high yield bonds experienced a 5.0% advance for 2011. The highest credits, the BAA segment, earned 9.5% year-to-date, while CAA

names gained only 1.2%. Still lower CA-D credits, the names with clear default risk, actually **lost** 12.4% over the last 12 months.

For the full year, the Aggregate index posted a healthy 7.8% gain. Treasuries, comprising 35% of the index, gained 9.8%, while long maturity Treasuries rallied almost 30%! Clearly, US bonds were the favored asset class compared to virtually any equity index. Given the much lower yield curve and potential inflation concerns, it's unlikely that bonds will perform as well in 2012.



As of year-end, the Aggregate Index yielded an extremely low 2.24%, had an average maturity of 7.1 years, and a modified adjusted duration of 4.95-years. Total assets comprising the index are currently valued at \$15.9 trillion. Again this past quarter, the yield, maturity and duration declined and the index value grew due to the continuing gains of long maturity (investment grade) bonds.

Emerging market debt made a comeback in the fourth quarter, turning in a 4.9% return. All of the BRIC country markets were in the black, thereby contributing to the overall sector. Brazil was the best performer, returning 5.1%. Russia added a very respectable 4.2%, after being in the red the prior quarter. China earned 2.8% and India appreciated only 1.4%; Egypt's bond market fell 8% largely due to the political turmoil there.

## CASH EQUIVALENTS

### *Nothing changed*

Echoing prior quarters in 2011, 1 to 3 month Treasury-bills returned literally zero in the 4<sup>th</sup> quarter. The price change was negative 5 basis points, offset by roughly the same in coupon return.

**MARKET SUMMARY**

**ECONOMIC STATISTICS**

	CURRENT QTR	LAST QTR
GDP	2.8	1.8
Unemployment	8.5	9.1
CPI All Items Year/Year	2.96	3.71
Fed Funds Rate	0.25	0.25
Industrial Capacity	78.1	77.4
US Dollars per Euro	1.30	1.36

**MAJOR INDEX QUARTER RETURNS**

INDEX	PERFORMANCE
Russell 3000	12.1
S&P 500	11.8
Russell Mid	12.3
Russell 2000	15.5
MSCI EAFE	3.4
MSCI Emg Mkts	4.4
NCREIF ODCE	2.9
Barclays Agg	1.1
90 Day Tbills	0.0

**EQUITY RETURN DISTRIBUTIONS**

	QUARTER			TRAILING YEAR		
	VAL	COR	GRO	VAL	COR	GRO
LC	13.1	11.9	10.6	0.4	1.5	2.6
MC	13.4	12.3	11.2	-1.4	-1.6	-1.7
SC	16.0	15.5	15.0	-5.5	-4.2	-2.9

**MARKET SUMMARY**

- \* Estimates currently place GDP growth at 2.8%, reflecting expansion in construction, exports, and consumer and government spending.
- \* At 8.5%, unemployment was the lowest in three years.
- \* Equity markets regained momentum as broad economic statistics set a positive tone.
- \* Year-over-year CPI increased by 2.96%.
- \* The US dollar strengthened relative to the euro.

## **INVESTMENT RETURN**

On December 31st, 2011, the Davie Police Pension Plan was valued at \$81,613,016, representing an increase of \$4,897,623 from the September quarter's ending value of \$76,715,393. Last quarter, the Fund posted net contributions equaling \$13,433 plus a net investment gain equaling \$4,884,190. Total net investment return was the result of income receipts, which totaled \$545,842 and net realized and unrealized capital gains of \$4,338,348.

For the cumulative period since December 2006, the fund has recorded net contributions totaling \$12.4 million, and recorded net investment gains of \$12.3 million. For the period since December 2006, if the total fund returned a compounded nominal rate of 7.9% it would have been valued at \$98.1 million or \$16.5 million more than the actual value as of December 31st, 2011.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the fourth quarter, the Composite portfolio gained 6.4%, which ranked in the 19th percentile of the Public Fund universe. Over the trailing twelve-month period, the portfolio returned 1.4%, which ranked in the 42nd percentile. Since December 2006, the portfolio returned 3.3% per annum and ranked in the 16th percentile.

### **Large Cap Equity**

For the fourth quarter, the large cap equity segment returned 10.5%, which was 1.3% below the S&P 500 Index's return of 11.8% and ranked in the 72nd percentile of the Large Cap universe. Over the trailing year, this segment returned 1.1%, which was 1.0% less than the benchmark's 2.1% return, and ranked in the 52nd percentile. Since December 2006, this component returned 1.1% on an

annualized basis and ranked in the 31st percentile. The S&P 500 returned an annualized -0.2% over the same time frame.

### **Mid Cap Equity**

In the fourth quarter, the mid cap equity component returned 13.0%, which was equal to the S&P 400 Index's return of 13.0% and ranked in the 60th percentile of the Mid Cap universe. Over the trailing twelve-month period, this component returned -1.6%, which was 0.1% greater than the benchmark's -1.7% return, ranking in the 54th percentile. Since December 2006, this component returned 3.4% per annum and ranked in the 45th percentile. The S&P 400 returned an annualized 3.3% over the same time frame.

### **Small Cap Equity**

Last quarter, the small cap equity component returned 14.4%, which was 1.1% below the Russell 2000 Index's return of 15.5% and ranked in the 65th percentile of the Small Cap universe. Over the trailing year, this component returned -2.9%, which was 1.3% above the benchmark's -4.2% performance, and ranked in the 57th percentile.

### **International Equity**

For the fourth quarter, the international equity portion of the portfolio returned 3.6%, which was 0.2% greater than the MSCI EAFE Index's return of 3.4% and ranked in the 60th percentile of the International Equity universe. Over the trailing year, this component returned -9.8%, which was 2.0% greater than the benchmark's -11.8% performance, and ranked in the 26th percentile. Since December 2006, this component returned -4.5% per annum and ranked in the 80th percentile. The MSCI EAFE Index returned an annualized -4.3% over the same period.

## **Real Estate**

During the fourth quarter, the real estate component returned 2.8%, which was 0.1% below the NCREIF NFI-ODCE Index's return of 2.9%.

## **Fixed Income**

Last quarter, the fixed income component gained 1.3%, which was 0.2% greater than the Custom Fixed Income Index's return of 1.1% and ranked in the 46th percentile of the Core Fixed Income universe. Over the trailing twelve-month period, this segment's return was 6.2%, which was 1.7% less than the benchmark's 7.9% performance, and ranked in the 75th percentile. Since December 2006, this component returned 7.4% on an annualized basis and ranked in the 26th percentile. For comparison, the Custom Fixed Income Index returned an annualized 6.3% during the same time frame.

## **ASSET ALLOCATION**

On December 31st, 2011, large cap equities comprised 35.7% of the total portfolio (\$29.1 million), while mid cap equities totaled 7.1% (\$5.8 million). The account's small cap equity segment was valued at \$6.1 million, representing 7.5% of the portfolio, while the international equity component's \$8.1 million totaled 9.9%. The real estate segment totaled 2.7% of the portfolio's value and the fixed income component made up 34.7% (\$28.3 million). The remaining 2.5% was comprised of cash & equivalents (\$2.0 million).

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	-----Annualized-----		
			1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	6.4	6.4	1.4	11.7	3.3
<i>PUBLIC FUND RANK</i>	(19)	(19)	(42)	(26)	(16)
<b>Total Net/Fees</b>	6.3	6.3	0.9	11.2	2.9
SHADOW INDEX	6.8	6.8	1.9	11.1	2.3
<b>Large Cap Equity</b>	10.5	10.5	1.1	14.4	1.1
<i>LARGE CAP RANK</i>	(72)	(72)	(52)	(46)	(31)
S&P 500	11.8	11.8	2.1	14.1	-0.2
RUSSELL 1000G	10.6	10.6	2.6	18.0	2.5
RUSSELL 1000V	13.1	13.1	0.4	11.5	-2.6
<b>Mid Cap Equity</b>	13.0	13.0	-1.6	19.6	3.4
<i>MID CAP RANK</i>	(60)	(60)	(54)	(54)	(45)
S&P 400	13.0	13.0	-1.7	19.6	3.3
<b>Small Cap Equity</b>	14.4	14.4	-2.9	----	----
<i>SMALL CAP RANK</i>	(65)	(65)	(57)	----	----
RUSSELL 2000	15.5	15.5	-4.2	15.6	0.2
<b>International Equity</b>	3.6	3.6	-9.8	7.8	-4.5
<i>INTERNATIONAL EQUITY RANK</i>	(60)	(60)	(26)	(68)	(80)
MSCI EAFE	3.4	3.4	-11.8	8.1	-4.3
<b>Real Estate</b>	2.8	2.8	----	----	----
NCREIF ODCE	2.9	2.9	15.9	-1.8	-0.2
<b>Fixed Income</b>	1.3	1.3	6.2	7.2	7.4
<i>CORE FIXED INCOME RANK</i>	(46)	(46)	(75)	(70)	(26)
CUSTOM FX INDEX	1.1	1.1	7.9	6.8	6.3
BARCLAYS AGG	1.1	1.1	7.9	6.8	6.5
GOV/CREDIT	1.2	1.2	8.7	6.6	6.5

**ASSET ALLOCATION**

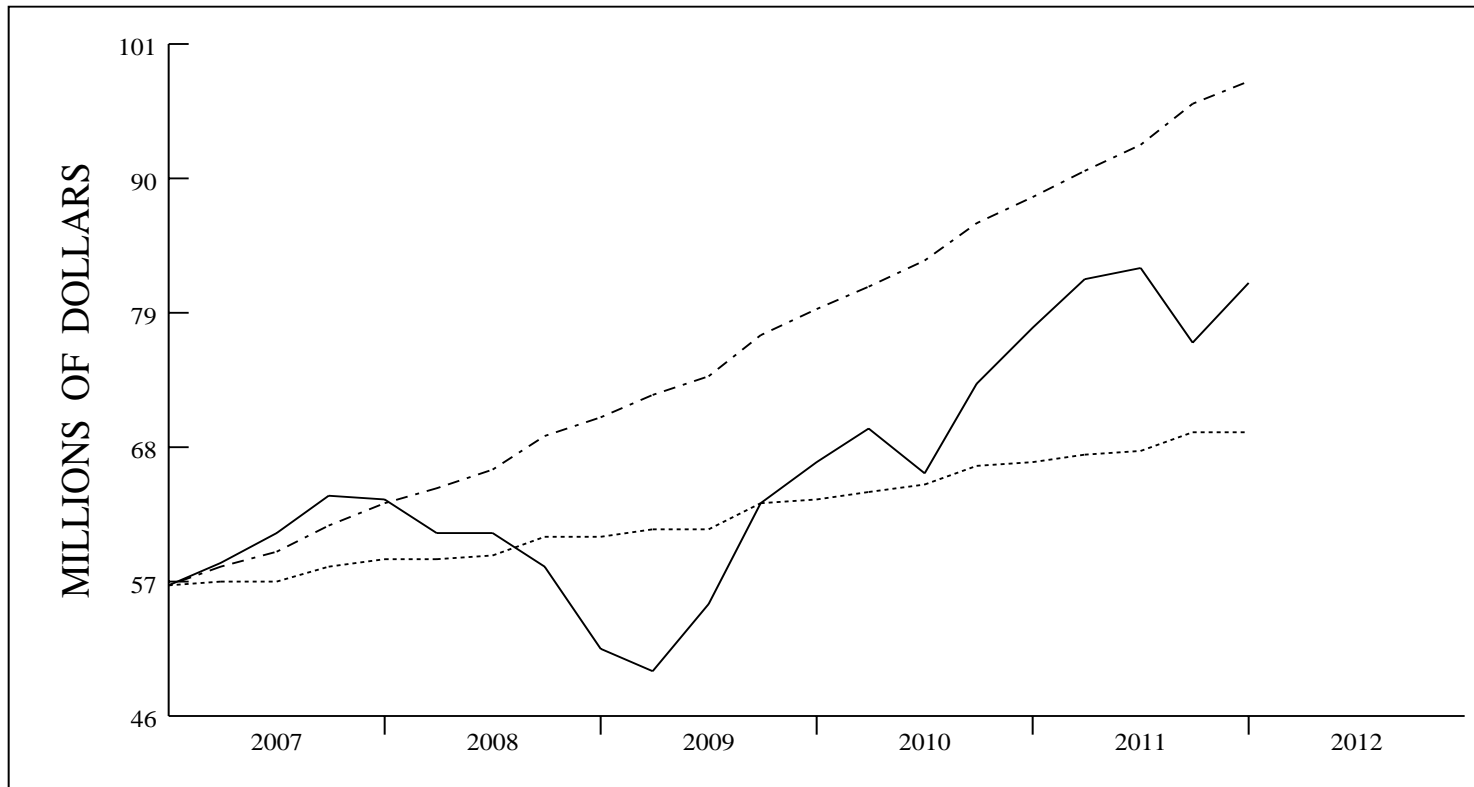
Large Cap Equity	35.7%	\$ 29,100,510
Mid Cap Equity	7.1%	5,830,339
Small Cap	7.5%	6,082,020
Int'l Equity	9.9%	8,053,046
Real Estate	2.7%	2,168,905
Fixed Income	34.7%	28,329,492
Cash	2.5%	2,048,703
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 81,613,016</b>

**INVESTMENT RETURN**

Market Value 9/2011	\$ 76,715,393
Contribs / Withdrawals	13,433
Income	545,842
Capital Gains / Losses	4,338,348
Market Value 12/2011	\$ 81,613,016



**INVESTMENT GROWTH**

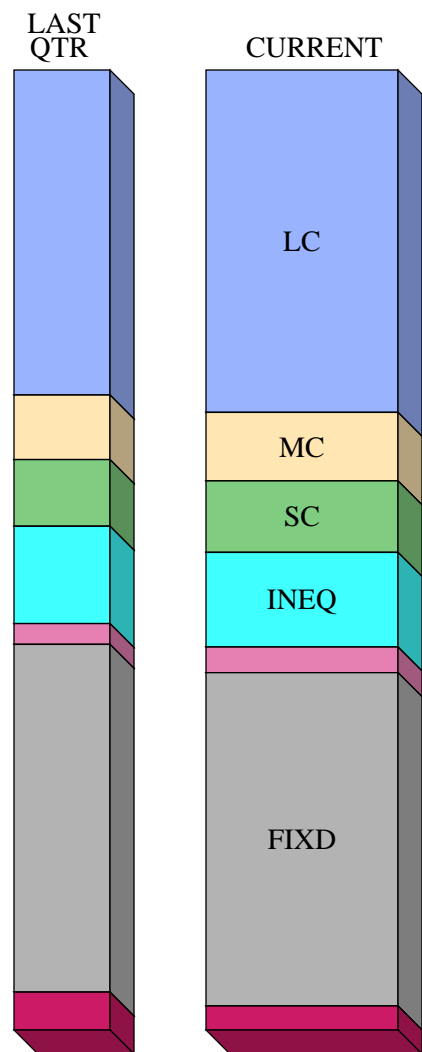


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 98,088,506

	LAST QUARTER	PERIOD 12/06 - 12/11
BEGINNING VALUE	\$ 76,715,393	\$ 56,899,139
NET CONTRIBUTIONS	13,433	12,443,085
INVESTMENT RETURN	4,884,190	12,270,792
ENDING VALUE	\$ 81,613,016	\$ 81,613,016
INCOME	545,842	8,557,151
CAPITAL GAINS (LOSSES)	4,338,348	3,713,641
INVESTMENT RETURN	4,884,190	12,270,792

**ASSET ALLOCATION**



	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>DIFFERENCE</u> <u>+ / -</u>
LARGE CAP EQUITY	\$ 29,100,510	35.7%	35.0%	0.7%
MID CAP EQUITY	5,830,339	7.1%	7.5%	-0.4%
SMALL CAP EQUITY	6,082,020	7.5%	7.5%	0.0%
INTERNATIONAL EQUITY	8,053,046	9.9%	12.5%	-2.6%
REAL ESTATE	2,168,905	2.7%	5.0%	-2.3%
FIXED INCOME	28,329,492	34.7%	32.5%	2.2%
CASH & EQUIVALENT	2,048,703	2.5%	0.0%	2.5%
<u>TOTAL FUND</u>	<u>\$ 81,613,016</u>	<u>100.0%</u>		

## MANAGER PERFORMANCE SUMMARY

Name	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years
Total Portfolio	(Public Fund)	6.4 (19)	6.4 (19)	1.4 (42)	11.7 (26)	3.3 (16)
<i>Shadow Index</i>		<b>6.8</b> ----	<b>6.8</b> ----	<b>1.9</b> ----	<b>11.1</b> ----	<b>2.3</b> ----
Garcia Hamilton Equity	(LC Growth)	10.3 (39)	10.3 (39)	0.1 (53)	16.8 (41)	3.4 (34)
<i>Russell 1000 Growth</i>		<b>10.6</b> ----	<b>10.6</b> ----	<b>2.6</b> ----	<b>18.0</b> ----	<b>2.5</b> ----
Buckhead Equity	(LC Value)	10.8 (90)	10.8 (90)	2.3 (26)	11.8 (64)	-1.4 (36)
<i>Russell 1000 Value</i>		<b>13.1</b> ----	<b>13.1</b> ----	<b>0.4</b> ----	<b>11.5</b> ----	<b>-2.6</b> ----
RhumbLine	(Mid Cap)	13.0 (60)	13.0 (60)	-1.6 (54)	19.6 (54)	3.4 (45)
<i>S&amp;P 400</i>		<b>13.0</b> ----	<b>13.0</b> ----	<b>-1.7</b> ----	<b>19.6</b> ----	<b>3.3</b> ----
TAMRO	(Small Cap)	14.3 (66)	14.3 (66)	-2.9 (57)	----	----
<i>Russell 2000</i>		<b>15.5</b> ----	<b>15.5</b> ----	<b>-4.2</b> ----	<b>15.6</b> ----	<b>0.2</b> ----
Johnston	(Intl Eq)	3.8 (54)	3.8 (54)	-7.9 (17)	----	----
SSgA	(Intl Eq)	3.3 (65)	3.3 (65)	-11.9 (44)	8.0 (67)	-4.4 (79)
<i>MSCI EAFE</i>		<b>3.4</b> ----	<b>3.4</b> ----	<b>-11.8</b> ----	<b>8.1</b> ----	<b>-4.3</b> ----
American Core Realty Fund, LLC		2.8 ----	2.8 ----	----	----	----
<i>NCREIF NFI-ODCE Index</i>		<b>2.9</b> ----	<b>2.9</b> ----	<b>15.9</b> ----	<b>-1.8</b> ----	<b>-0.2</b> ----
Buckhead Fixed	(Core Fixed)	1.1 (72)	1.1 (72)	7.0 (64)	6.4 (82)	7.0 (38)
Garcia Hamilton Fixed	(Core Fixed)	1.5 (28)	1.5 (28)	5.4 (90)	8.0 (65)	7.7 (19)
<i>Custom Fixed Income Index</i>		<b>1.1</b> ----	<b>1.1</b> ----	<b>7.9</b> ----	<b>6.8</b> ----	<b>6.3</b> ----

**MANAGER VALUE ADDED**

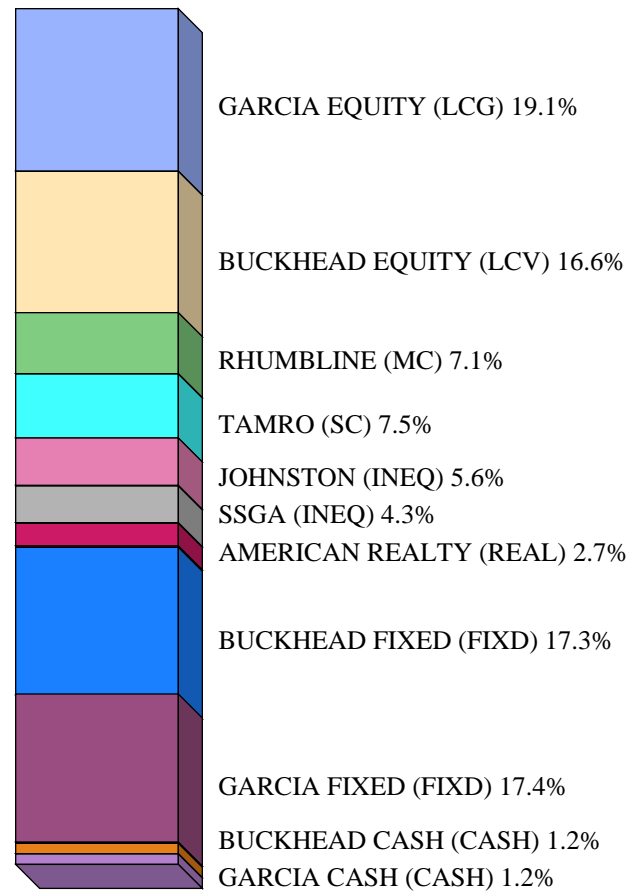
**Most Recent Quarter**

Manager	Benchmark	Value Added Vs. Benchmark
Garcia Equity	Russell 1000G	-0.3
Buckhead Equity	Russell 1000V	-2.3
RhumbLine	S&P 400	0.0
TAMRO	Russell 2000	-1.2
Johnston	MSCI EAFE	0.4
SSgA	MSCI EAFE	-0.1
American Realty	NCREIF ODCE	-0.1
Buckhead Fixed	Custom FX Index	-0.1
Garcia Fixed	Custom FX Index	0.4
<b>Total Portfolio</b>	<b>Shadow Index</b>	<b>-0.4</b>

**Trailing Twelve Months**

Manager	Benchmark	Value Added Vs. Benchmark
Garcia Equity	Russell 1000G	-2.5
Buckhead Equity	Russell 1000V	1.9
RhumbLine	S&P 400	0.1
TAMRO	Russell 2000	1.2
Johnston	MSCI EAFE	3.9
SSgA	MSCI EAFE	-0.1
American Realty	NCREIF ODCE	N/A
Buckhead Fixed	Custom FX Index	-0.9
Garcia Fixed	Custom FX Index	-2.5
<b>Total Portfolio</b>	<b>Shadow Index</b>	<b>-0.5</b>

**MANAGER ALLOCATION SUMMARY**

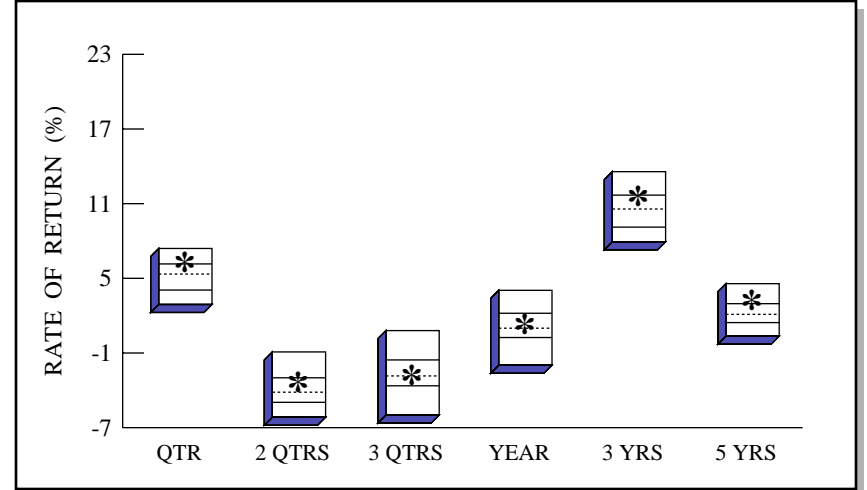
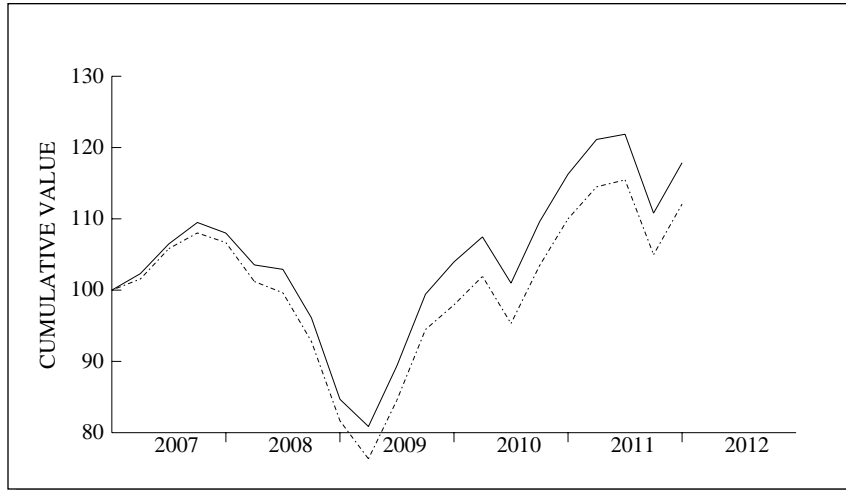


Name	Market Value	Percent
Garcia Equity (LCG)	\$15,553,255	19.1
Buckhead Equity (LCV)	\$13,547,255	16.6
RhumbLine (MC)	\$5,830,339	7.1
TAMRO (SC)	\$6,142,370	7.5
Johnston (INEQ)	\$4,529,903	5.6
SSgA (INEQ)	\$3,523,143	4.3
American Realty (REAL)	\$2,168,905	2.7
Buckhead Fixed (FIXD)	\$14,146,939	17.3
Garcia Fixed (FIXD)	\$14,182,553	17.4
Buckhead Cash (CASH)	\$993,053	1.2
Garcia Cash (CASH)	\$995,300	1.2
Cash Account (CASH)	\$0	0.0
<b>Total</b>	<b>\$81,613,016</b>	<b>100.0</b>

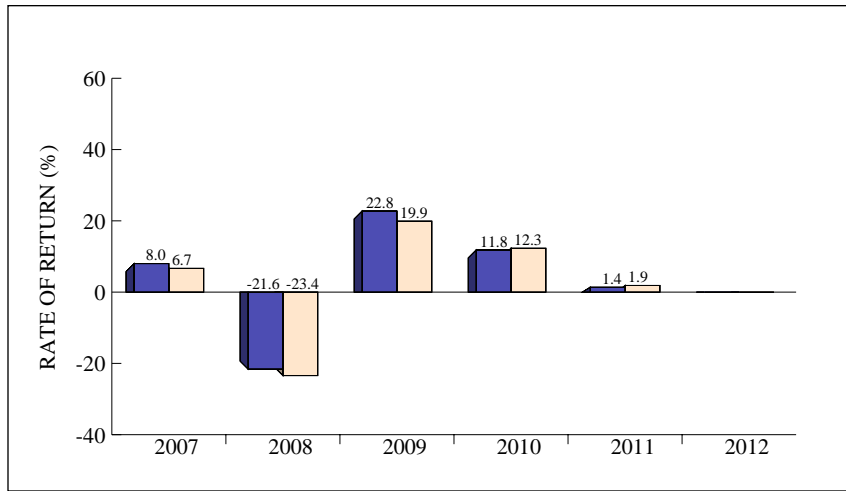
**INVESTMENT RETURN SUMMARY - ONE QUARTER**

<b>Name</b>	<b>Quarter Total Return</b>	<b>Market Value September 30th, 2011</b>	<b>Net Cashflow</b>	<b>Net Investment Return</b>	<b>Market Value December 31st, 2011</b>
Buckhead (BAL)	5.3	27,218,316	24,073	1,444,857	28,687,246
Garcia Hamilton (BAL)	5.7	29,502,662	-439,143	1,667,591	30,731,110
RhumbLine (MC)	13.0	5,161,755	0	668,584	5,830,339
TAMRO (SC)	14.3	5,386,859	-12,103	767,614	6,142,370
Johnston (INEQ)	3.8	4,375,429	-9,472	163,946	4,529,903
SSgA (INEQ)	3.3	3,410,105	0	113,038	3,523,143
American Realty (REAL)	2.8	1,658,267	452,078	58,560	2,168,905
Cash Account (CASH)	---	2,000	-2,000	0	0
<b>Total Fund</b>	<b>6.4</b>	<b>76,715,393</b>	<b>13,433</b>	<b>4,884,190</b>	<b>81,613,016</b>

**TOTAL RETURN COMPARISONS**



Public Fund Universe

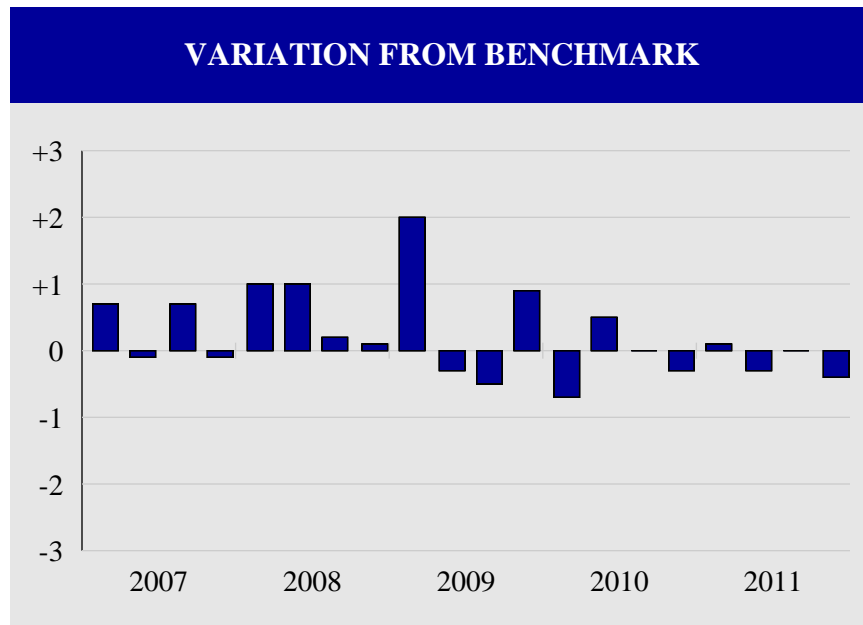


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	6.4	-3.3	-2.7	1.4	11.7	3.3
(RANK)	(19)	(29)	(45)	(42)	(26)	(16)
5TH %ILE	7.4	-0.9	0.8	4.0	13.6	4.6
25TH %ILE	6.2	-3.0	-1.6	2.2	11.7	3.0
MEDIAN	5.3	-4.2	-2.9	1.0	10.6	2.1
75TH %ILE	4.1	-5.0	-3.6	0.2	9.1	1.4
95TH %ILE	2.9	-6.2	-6.0	-2.0	7.9	0.3
<i>Sh Idx</i>	<b>6.8</b>	<b>-3.0</b>	<b>-2.1</b>	<b>1.9</b>	<b>11.1</b>	<b>2.3</b>

Public Fund Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: SHADOW INDEX**

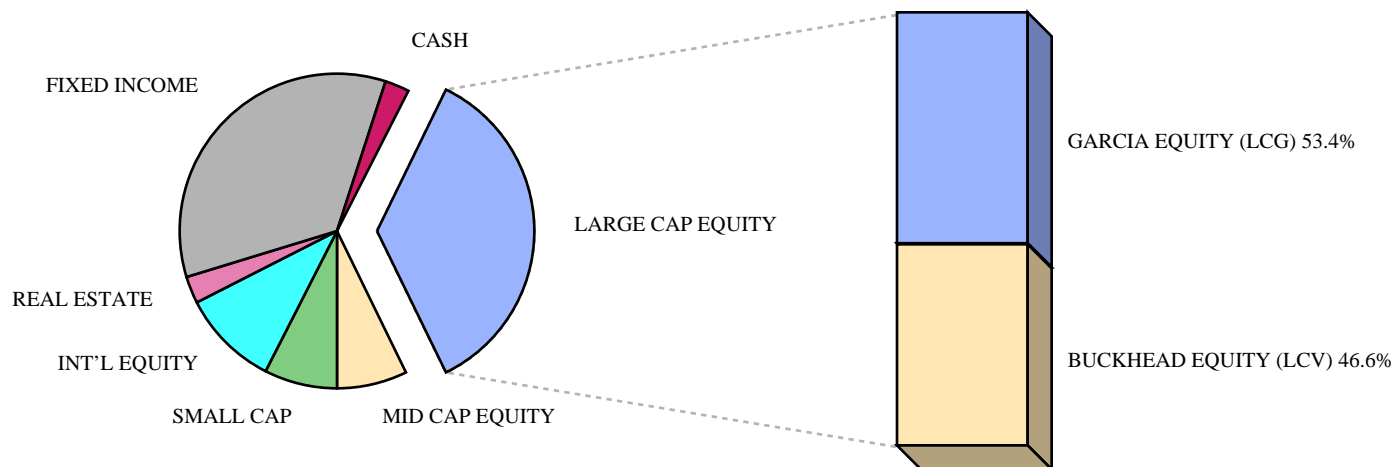


RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	2.3	1.6	0.7
6/07	4.1	4.2	-0.1
9/07	2.8	2.1	0.7
12/07	-1.4	-1.3	-0.1
3/08	-4.1	-5.1	1.0
6/08	-0.6	-1.6	1.0
9/08	-6.6	-6.8	0.2
12/08	-11.9	-12.0	0.1
3/09	-4.5	-6.5	2.0
6/09	10.5	10.8	-0.3
9/09	11.2	11.7	-0.5
12/09	4.6	3.7	0.9
3/10	3.4	4.1	-0.7
6/10	-6.0	-6.5	0.5
9/10	8.5	8.5	0.0
12/10	6.1	6.4	-0.3
3/11	4.2	4.1	0.1
6/11	0.6	0.9	-0.3
9/11	-9.1	-9.1	0.0
12/11	6.4	6.8	-0.4

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>12</b>
<b>Quarters Below the Benchmark</b>	<b>8</b>
<b>Batting Average</b>	<b>.600</b>

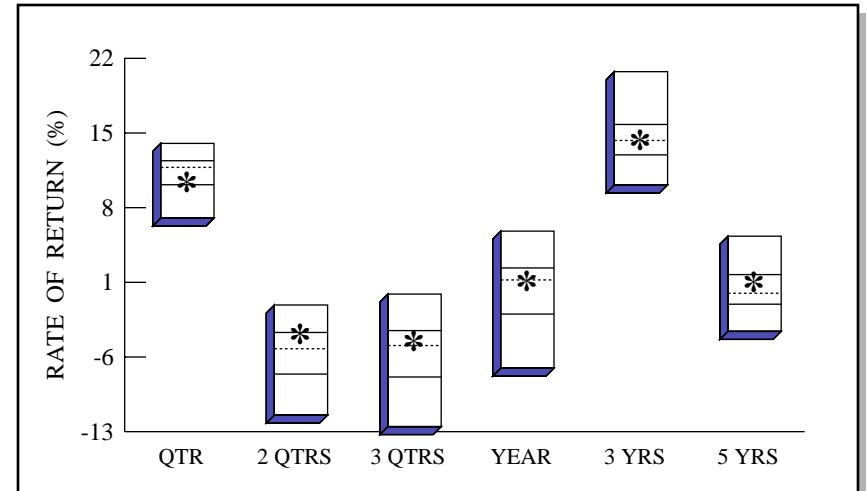
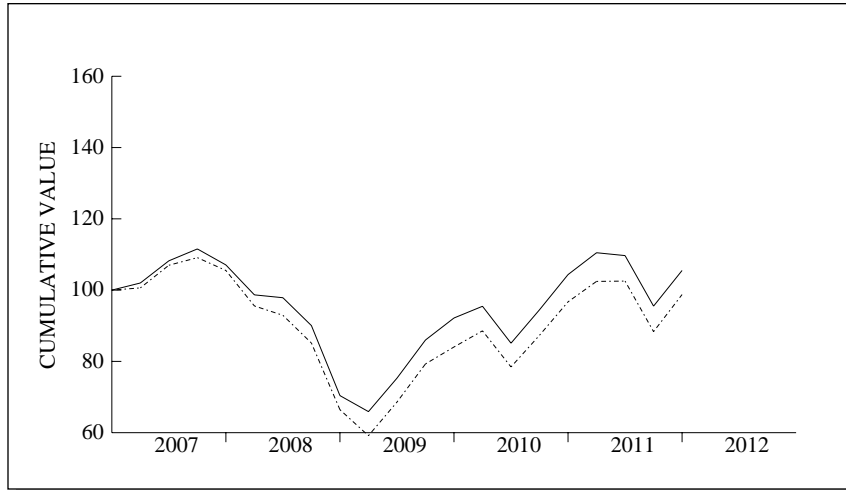


### LARGE CAP EQUITY MANAGER SUMMARY

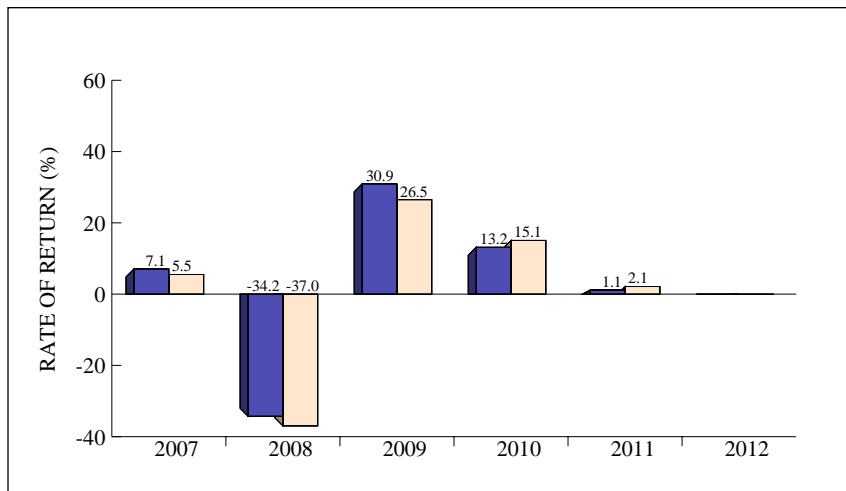


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
GARCIA EQUITY	(Large Cap Growth)	10.3 (39)	10.3 (39)	0.1 (53)	16.8 (41)	3.4 (34)	\$15,553,255
<i>Russell 1000 Growth</i>		<i>10.6 ----</i>	<i>10.6 ----</i>	<i>2.6 ----</i>	<i>18.0 ----</i>	<i>2.5 ----</i>	<i>----</i>
BUCKHEAD EQUITY	(Large Cap Value)	10.8 (90)	10.8 (90)	2.3 (26)	11.8 (64)	-1.4 (36)	\$13,547,255
<i>Russell 1000 Value</i>		<i>13.1 ----</i>	<i>13.1 ----</i>	<i>0.4 ----</i>	<i>11.5 ----</i>	<i>-2.6 ----</i>	<i>----</i>
<b>TOTAL</b>	<b>(Large Cap)</b>	<b>10.5 (72)</b>	<b>10.5 (72)</b>	<b>1.1 (52)</b>	<b>14.4 (46)</b>	<b>1.1 (31)</b>	<b>\$29,100,510</b>
<i>S&amp;P 500</i>		<i>11.8 ----</i>	<i>11.8 ----</i>	<i>2.1 ----</i>	<i>14.1 ----</i>	<i>-0.2 ----</i>	<i>----</i>

**LARGE CAP EQUITY RETURN COMPARISONS**



Large Cap Universe

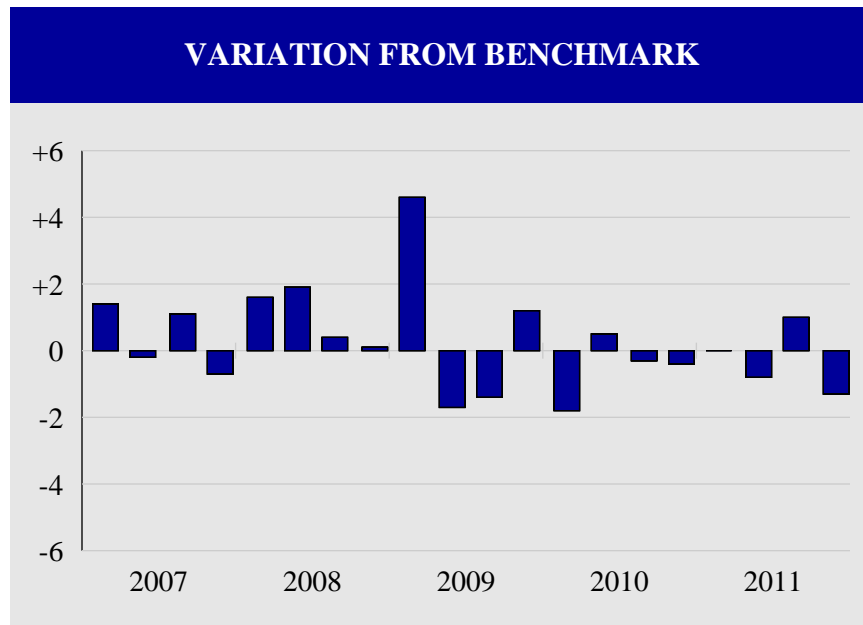


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	10.5	-3.8	-4.5	1.1	14.4	1.1
(RANK)	(72)	(30)	(46)	(52)	(46)	(31)
5TH %ILE	14.0	-1.1	-0.1	5.8	20.8	5.3
25TH %ILE	12.4	-3.7	-3.5	2.4	15.8	1.7
MEDIAN	11.8	-5.2	-4.9	1.2	14.3	0.0
75TH %ILE	10.2	-7.6	-7.9	-2.0	12.9	-1.1
95TH %ILE	7.0	-11.5	-12.5	-7.0	10.1	-3.6
<b>S&amp;P 500</b>	<b>11.8</b>	<b>-3.7</b>	<b>-3.6</b>	<b>2.1</b>	<b>14.1</b>	<b>-0.2</b>

Large Cap Universe

**LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

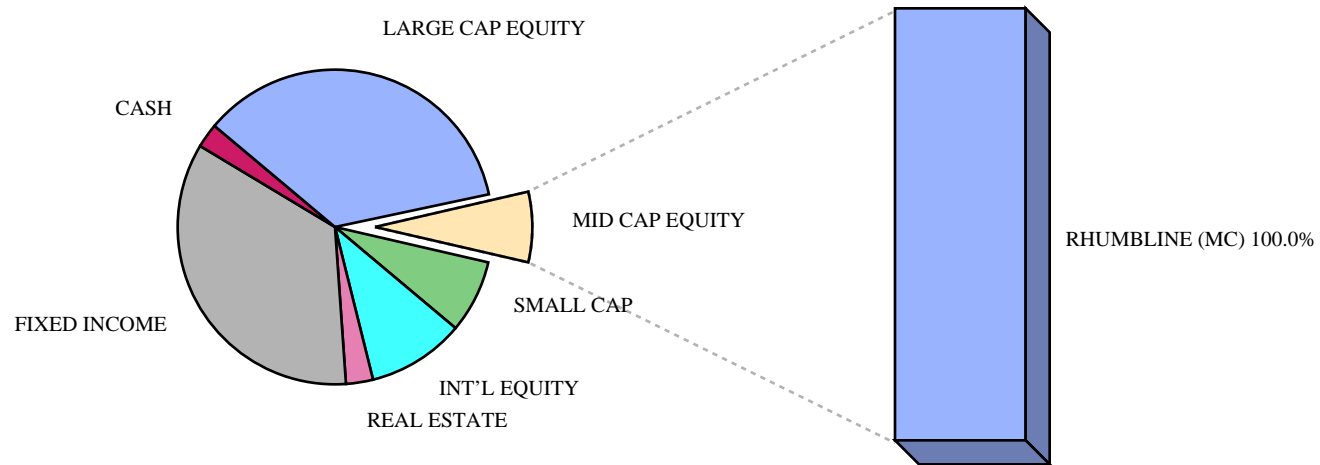
**COMPARATIVE BENCHMARK: S&P 500**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	2.0	0.6	1.4
6/07	6.1	6.3	-0.2
9/07	3.1	2.0	1.1
12/07	-4.0	-3.3	-0.7
3/08	-7.8	-9.4	1.6
6/08	-0.8	-2.7	1.9
9/08	-8.0	-8.4	0.4
12/08	-21.8	-21.9	0.1
3/09	-6.4	-11.0	4.6
6/09	14.2	15.9	-1.7
9/09	14.2	15.6	-1.4
12/09	7.2	6.0	1.2
3/10	3.6	5.4	-1.8
6/10	-10.9	-11.4	0.5
9/10	11.0	11.3	-0.3
12/10	10.4	10.8	-0.4
3/11	5.9	5.9	0.0
6/11	-0.7	0.1	-0.8
9/11	-12.9	-13.9	1.0
12/11	10.5	11.8	-1.3

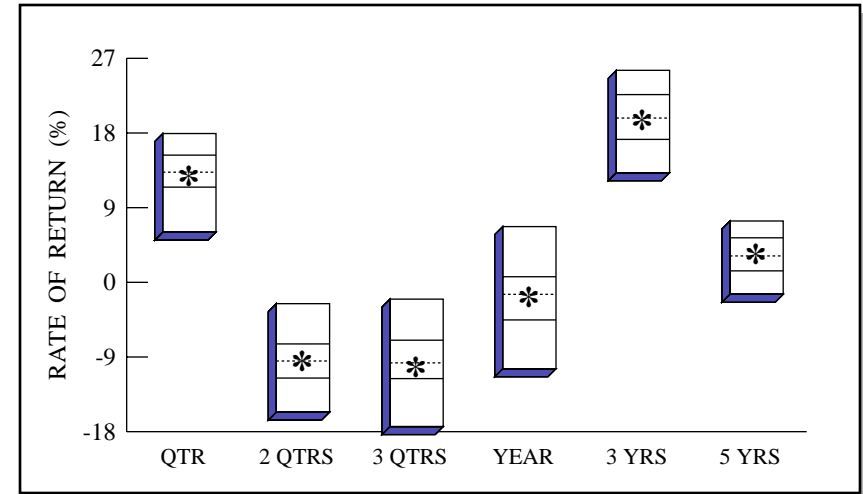
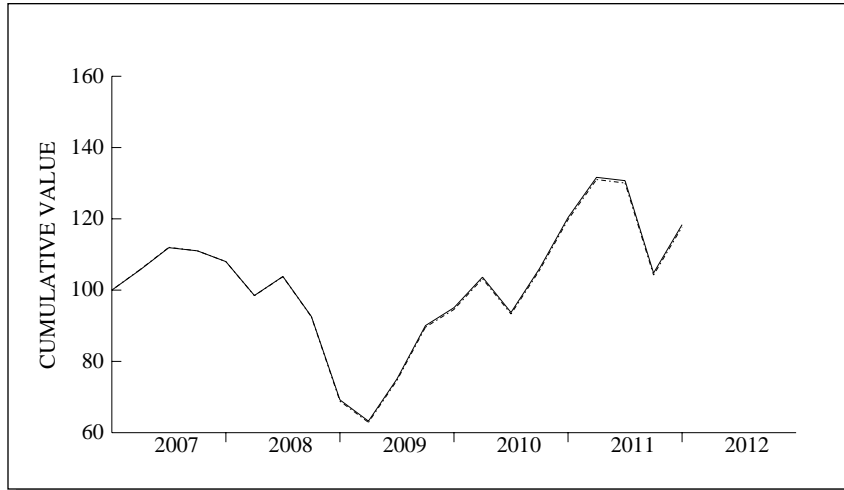
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>9</b>
<b>Batting Average</b>	<b>.550</b>

**MID CAP EQUITY MANAGER SUMMARY**

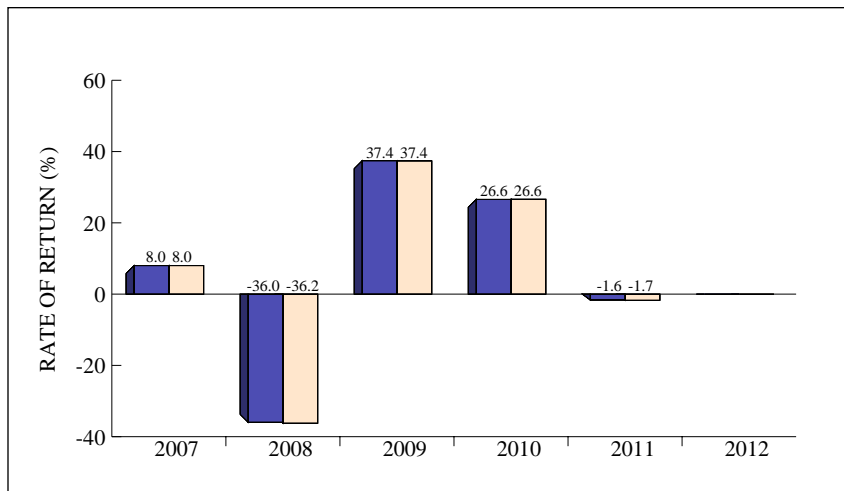


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
RHUMBLINE	(Mid Cap)	13.0 (60)	13.0 (60)	-1.6 (54)	19.6 (54)	3.4 (45)	\$5,830,339
<i>S&amp;P 400</i>		<i>13.0 ---</i>	<i>13.0 ---</i>	<i>-1.7 ---</i>	<i>19.6 ---</i>	<i>3.3 ---</i>	<i>---</i>
<b>TOTAL</b>	<b>(Mid Cap)</b>	<b>13.0 (60)</b>	<b>13.0 (60)</b>	<b>-1.6 (54)</b>	<b>19.6 (54)</b>	<b>3.4 (45)</b>	<b>\$5,830,339</b>
<i>S&amp;P 400</i>		<i>13.0 ---</i>	<i>13.0 ---</i>	<i>-1.7 ---</i>	<i>19.6 ---</i>	<i>3.3 ---</i>	<i>---</i>

MID CAP EQUITY RETURN COMPARISONS



Mid Cap Universe

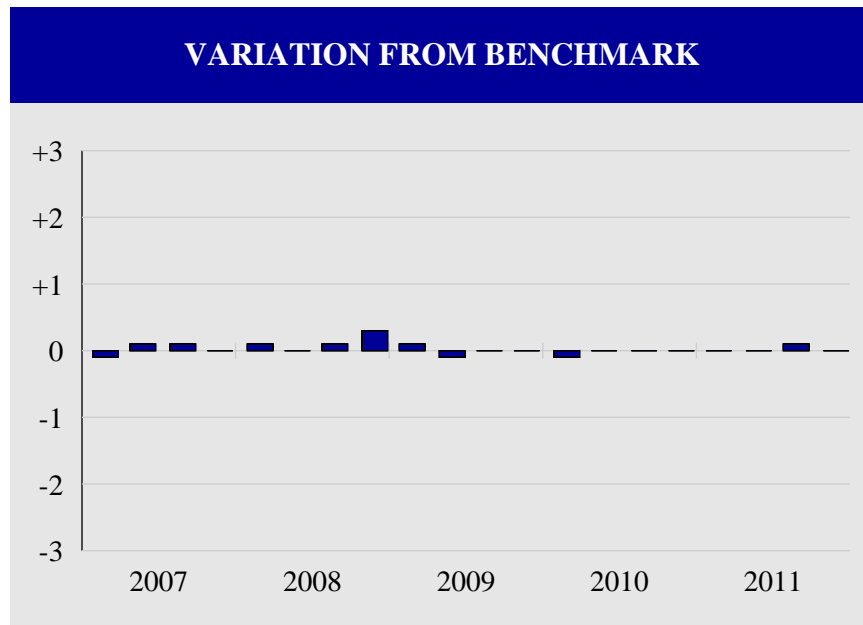


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	13.0	-9.4	-10.1	-1.6	19.6	3.4
(RANK)	(60)	(50)	(56)	(54)	(54)	(45)
5TH %ILE	18.0	-2.6	-2.0	6.7	25.6	7.4
25TH %ILE	15.3	-7.4	-7.0	0.7	22.6	5.4
MEDIAN	13.3	-9.5	-9.7	-1.5	19.8	3.2
75TH %ILE	11.5	-11.6	-11.6	-4.5	17.2	1.4
95TH %ILE	6.1	-15.7	-17.4	-10.4	13.2	-1.5
<b>S&amp;P 400</b>	<b>13.0</b>	<b>-9.5</b>	<b>-10.1</b>	<b>-1.7</b>	<b>19.6</b>	<b>3.3</b>

Mid Cap Universe

**MID CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

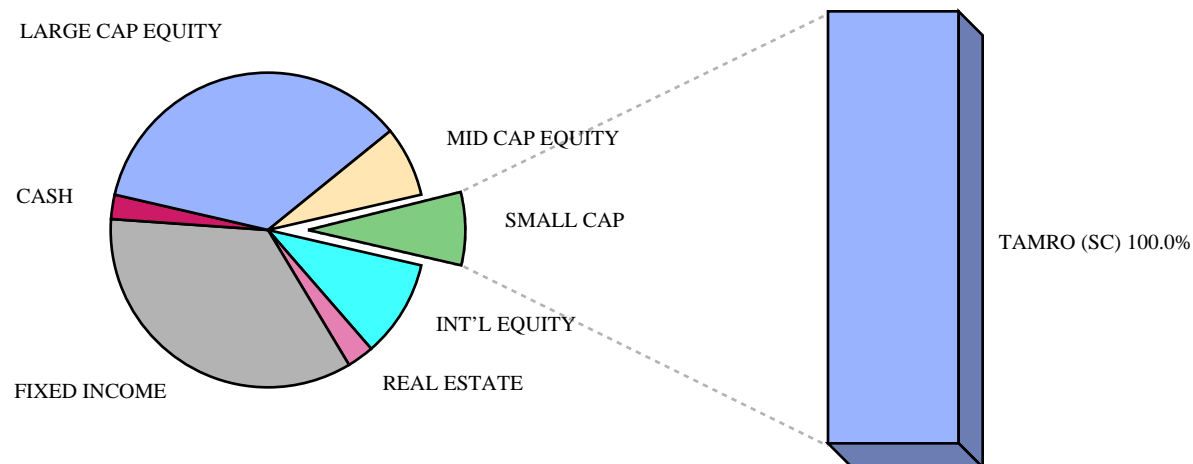
**COMPARATIVE BENCHMARK: S&P 400**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	5.7	5.8	-0.1
6/07	5.9	5.8	0.1
9/07	-0.8	-0.9	0.1
12/07	-2.7	-2.7	0.0
3/08	-8.8	-8.9	0.1
6/08	5.4	5.4	0.0
9/08	-10.8	-10.9	0.1
12/08	-25.3	-25.6	0.3
3/09	-8.6	-8.7	0.1
6/09	18.7	18.8	-0.1
9/09	20.0	20.0	0.0
12/09	5.6	5.6	0.0
3/10	9.0	9.1	-0.1
6/10	-9.6	-9.6	0.0
9/10	13.1	13.1	0.0
12/10	13.5	13.5	0.0
3/11	9.4	9.4	0.0
6/11	-0.7	-0.7	0.0
9/11	-19.8	-19.9	0.1
12/11	13.0	13.0	0.0

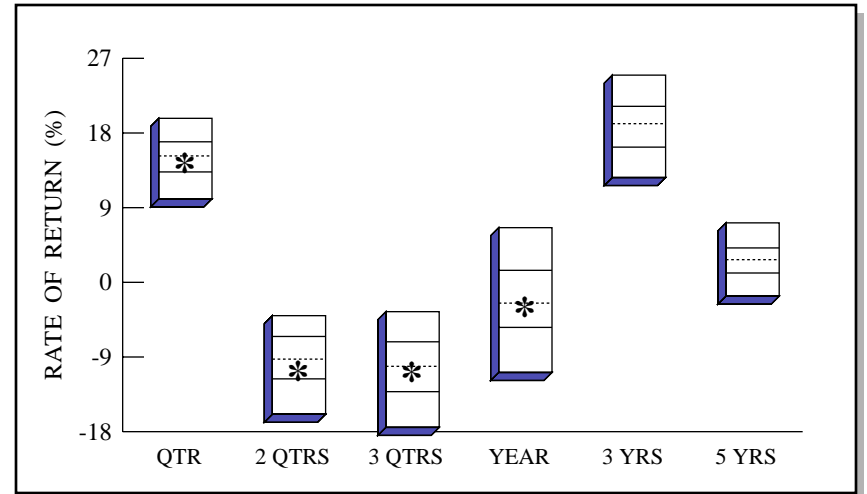
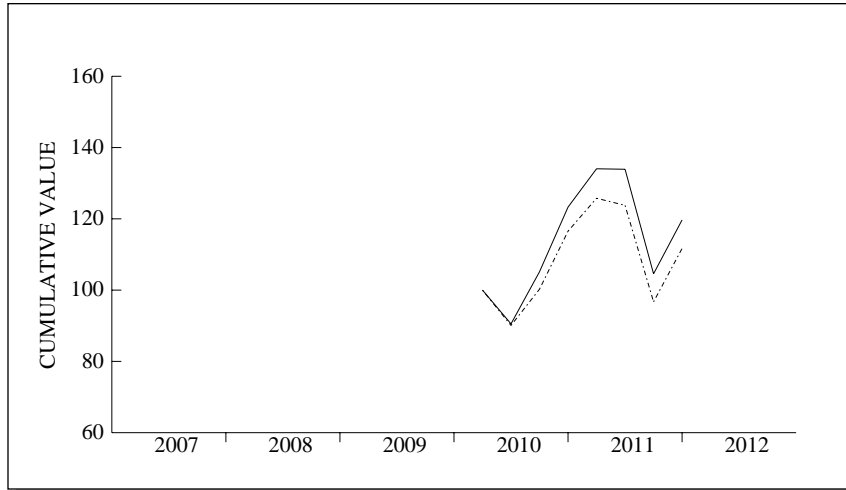
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>17</b>
<b>Quarters Below the Benchmark</b>	<b>3</b>
<b>Batting Average</b>	<b>.850</b>

**SMALL CAP EQUITY MANAGER SUMMARY**

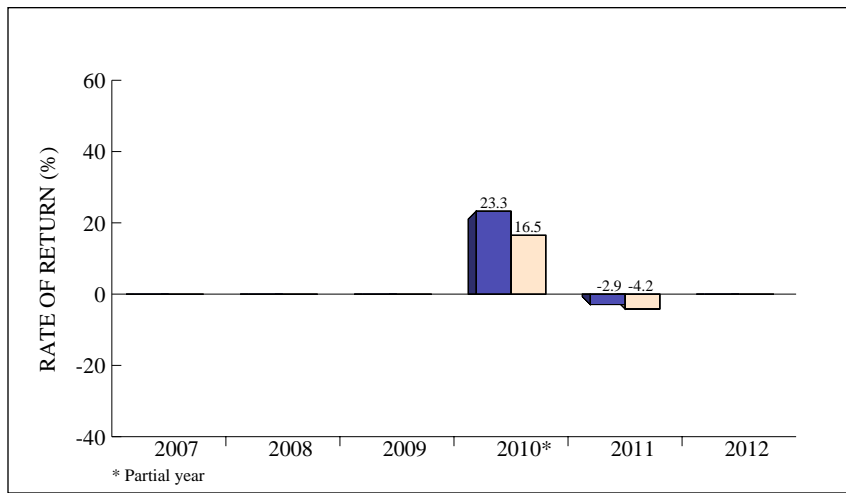


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
TAMRO	(Small Cap)	14.4 (65)	14.4 (65)	-2.9 (57)	----	----	\$6,082,020
<i>Russell 2000</i>		<i>15.5 ----</i>	<i>15.5 ----</i>	<i>-4.2 ----</i>	<i>15.6 ----</i>	<i>0.2 ----</i>	----
<b>TOTAL</b>	<b>(Small Cap)</b>	<b>14.4 (65)</b>	<b>14.4 (65)</b>	<b>-2.9 (57)</b>	<b>----</b>	<b>----</b>	<b>\$6,082,020</b>
<i>Russell 2000</i>		<i>15.5 ----</i>	<i>15.5 ----</i>	<i>-4.2 ----</i>	<i>15.6 ----</i>	<i>0.2 ----</i>	----

**SMALL CAP EQUITY RETURN COMPARISONS**



Small Cap Universe



\* Partial year

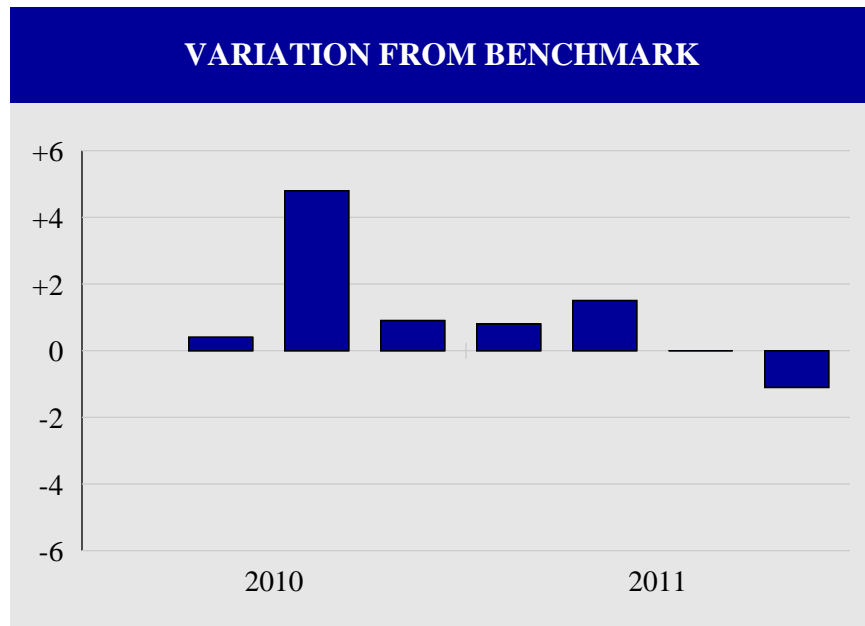
	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	14.4	-10.6	-10.7	-2.9	----	----
(RANK)	(65)	(68)	(57)	(57)	----	----
5TH %ILE	19.8	-4.0	-3.5	6.6	25.0	7.2
25TH %ILE	16.9	-6.5	-7.2	1.5	21.2	4.2
MEDIAN	15.2	-9.3	-10.1	-2.5	19.1	2.7
75TH %ILE	13.3	-11.6	-13.2	-5.4	16.3	1.1
95TH %ILE	10.1	-15.9	-17.5	-10.9	12.6	-1.7
<b>Russ 2000</b>	<b>15.5</b>	<b>-9.8</b>	<b>-11.2</b>	<b>-4.2</b>	<b>15.6</b>	<b>0.2</b>

Small Cap Universe



**SMALL CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

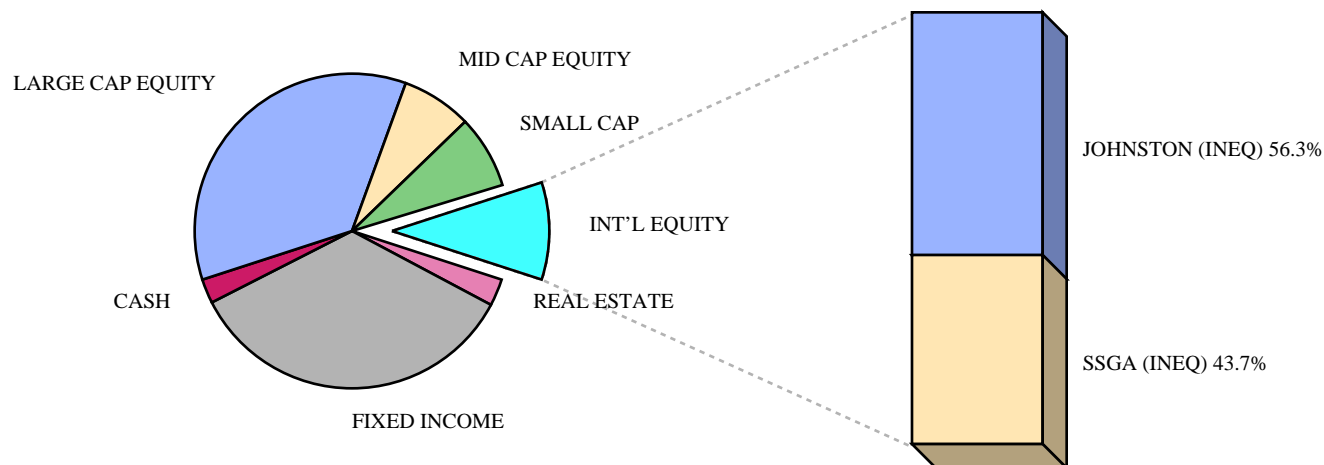
**COMPARATIVE BENCHMARK: RUSSELL 2000**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/10	-9.5	-9.9	0.4
9/10	16.1	11.3	4.8
12/10	17.2	16.3	0.9
3/11	8.7	7.9	0.8
6/11	-0.1	-1.6	1.5
9/11	-21.9	-21.9	0.0
12/11	14.4	15.5	-1.1

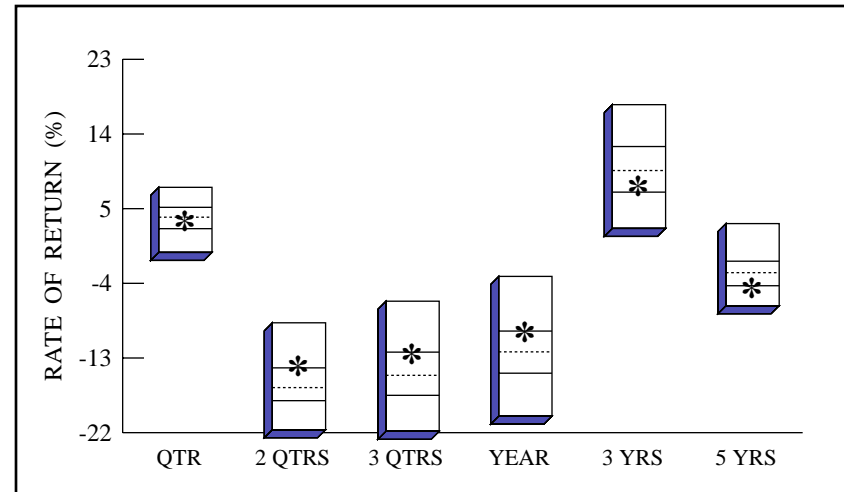
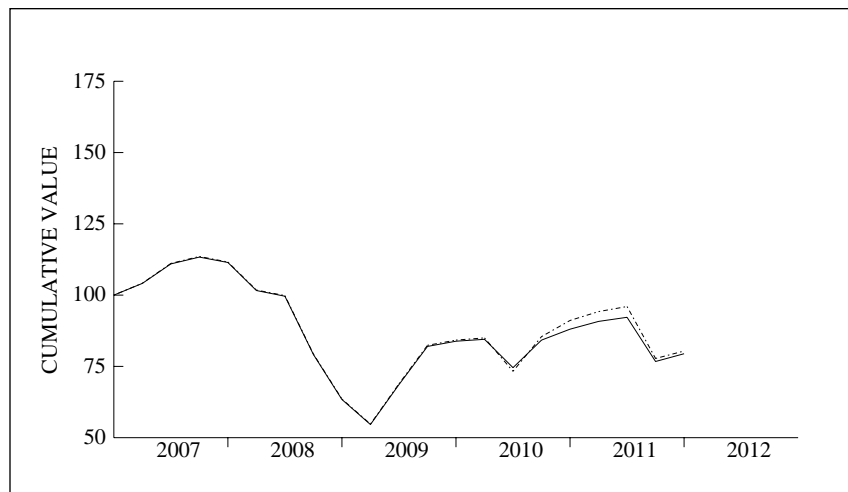
<b>Total Quarters Observed</b>	<b>7</b>
<b>Quarters At or Above the Benchmark</b>	<b>6</b>
<b>Quarters Below the Benchmark</b>	<b>1</b>
<b>Batting Average</b>	<b>.857</b>

**INTERNATIONAL EQUITY MANAGER SUMMARY**

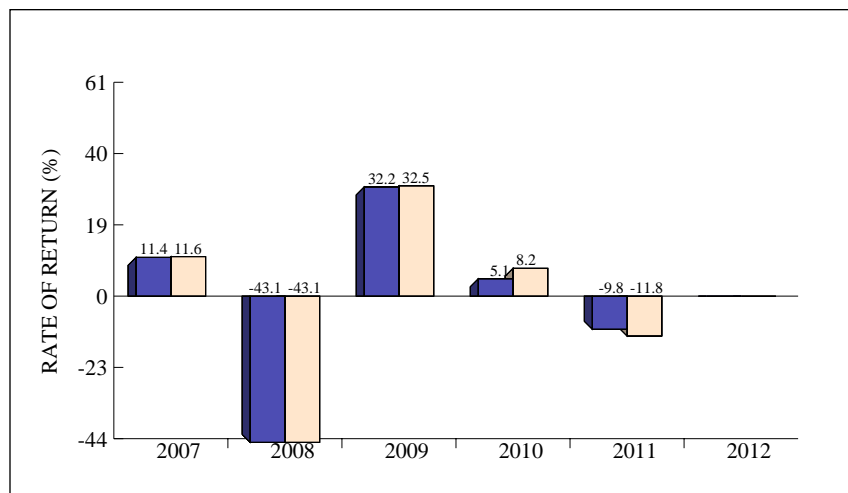


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
JOHNSTON	(International Equity)	3.8 (54)	3.8 (54)	-7.9 (17)	----	----	\$4,529,903
SSGA	(International Equity)	3.3 (65)	3.3 (65)	-11.9 (44)	8.0 (67)	-4.4 (79)	\$3,523,143
<i>MSCI EAFE</i>		<i>3.4</i> ----	<i>3.4</i> ----	<i>-11.8</i> ----	<i>8.1</i> ----	<i>-4.3</i> ----	----
<b>TOTAL</b>	<b>(International Equity)</b>	<b>3.6 (60)</b>	<b>3.6 (60)</b>	<b>-9.8 (26)</b>	<b>7.8 (68)</b>	<b>-4.5 (80)</b>	<b>\$8,053,046</b>
<i>MSCI EAFE</i>		<i>3.4</i> ----	<i>3.4</i> ----	<i>-11.8</i> ----	<i>8.1</i> ----	<i>-4.3</i> ----	----

### INTERNATIONAL EQUITY RETURN COMPARISONS



International Equity Universe

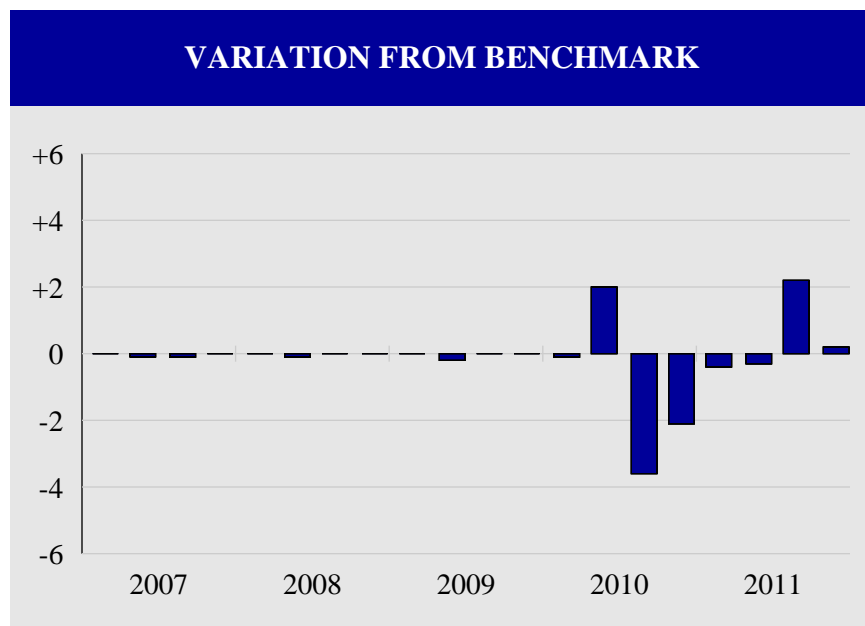


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	3.6	-13.8	-12.5	-9.8	7.8	-4.5
(RANK)	(60)	(23)	(27)	(26)	(68)	(80)
5TH %ILE	7.6	-8.8	-6.1	-3.2	17.5	3.2
25TH %ILE	5.2	-14.2	-12.3	-9.8	12.5	-1.3
MEDIAN	4.0	-16.6	-15.1	-12.3	9.6	-2.7
75TH %ILE	2.6	-18.2	-17.5	-14.8	7.0	-4.3
95TH %ILE	-0.3	-21.7	-21.8	-20.0	2.6	-6.7
<b>MSCI EAFE</b>	<b>3.4</b>	<b>-16.2</b>	<b>-14.7</b>	<b>-11.8</b>	<b>8.1</b>	<b>-4.3</b>

International Equity Universe

**INTERNATIONAL EQUITY QUARTERLY PERFORMANCE SUMMARY**

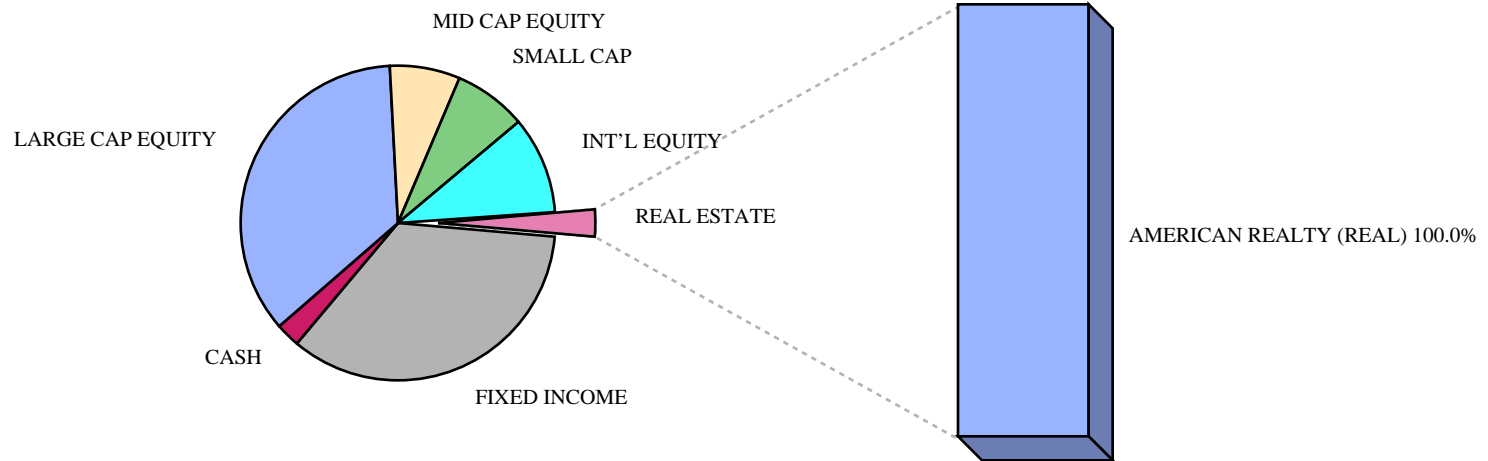
**COMPARATIVE BENCHMARK: MSCI EAFE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	4.1	4.1	0.0
6/07	6.6	6.7	-0.1
9/07	2.1	2.2	-0.1
12/07	-1.7	-1.7	0.0
3/08	-8.8	-8.8	0.0
6/08	-2.0	-1.9	-0.1
9/08	-20.5	-20.5	0.0
12/08	-19.9	-19.9	0.0
3/09	-13.9	-13.9	0.0
6/09	25.7	25.9	-0.2
9/09	19.5	19.5	0.0
12/09	2.2	2.2	0.0
3/10	0.8	0.9	-0.1
6/10	-11.8	-13.8	2.0
9/10	12.9	16.5	-3.6
12/10	4.6	6.7	-2.1
3/11	3.1	3.5	-0.4
6/11	1.5	1.8	-0.3
9/11	-16.8	-19.0	2.2
12/11	3.6	3.4	0.2

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>9</b>
<b>Batting Average</b>	<b>.550</b>

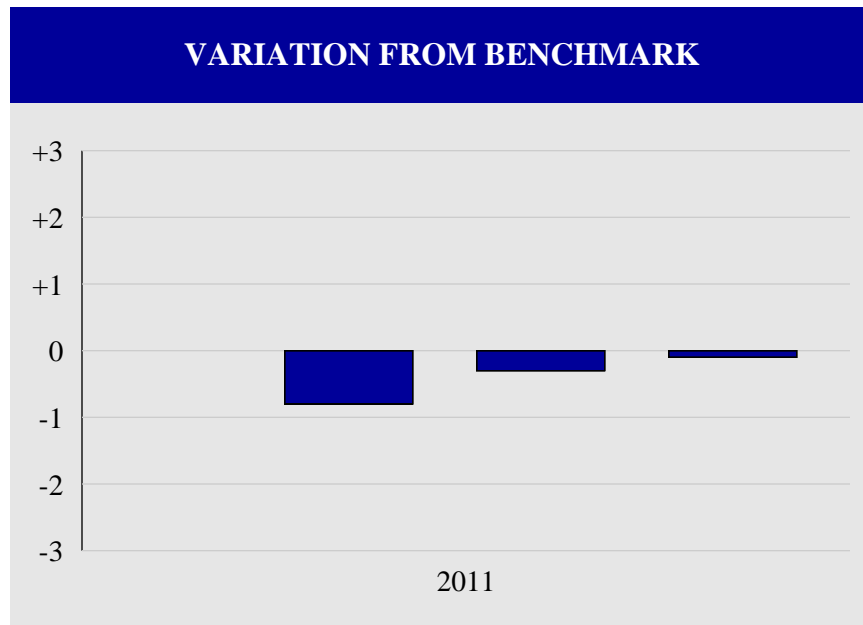
**REAL ESTATE MANAGER SUMMARY**



MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
AMERICAN REALTY		2.8 ---	2.8 ---	--- ---	--- ---	--- ---	\$2,168,905
<i>NCREIF NFI-ODCE Index</i>		<i>2.9 ---</i>	<i>2.9 ---</i>	<i>15.9 ---</i>	<i>-1.8 ---</i>	<i>-0.2 ---</i>	---
<b>TOTAL</b>		<b>2.8 ---</b>	<b>2.8 ---</b>	<b>--- ---</b>	<b>--- ---</b>	<b>--- ---</b>	<b>\$2,168,905</b>
<i>NCREIF NFI-ODCE Index</i>		<i>2.9 ---</i>	<i>2.9 ---</i>	<i>15.9 ---</i>	<i>-1.8 ---</i>	<i>-0.2 ---</i>	---

**REAL ESTATE QUARTERLY PERFORMANCE SUMMARY**

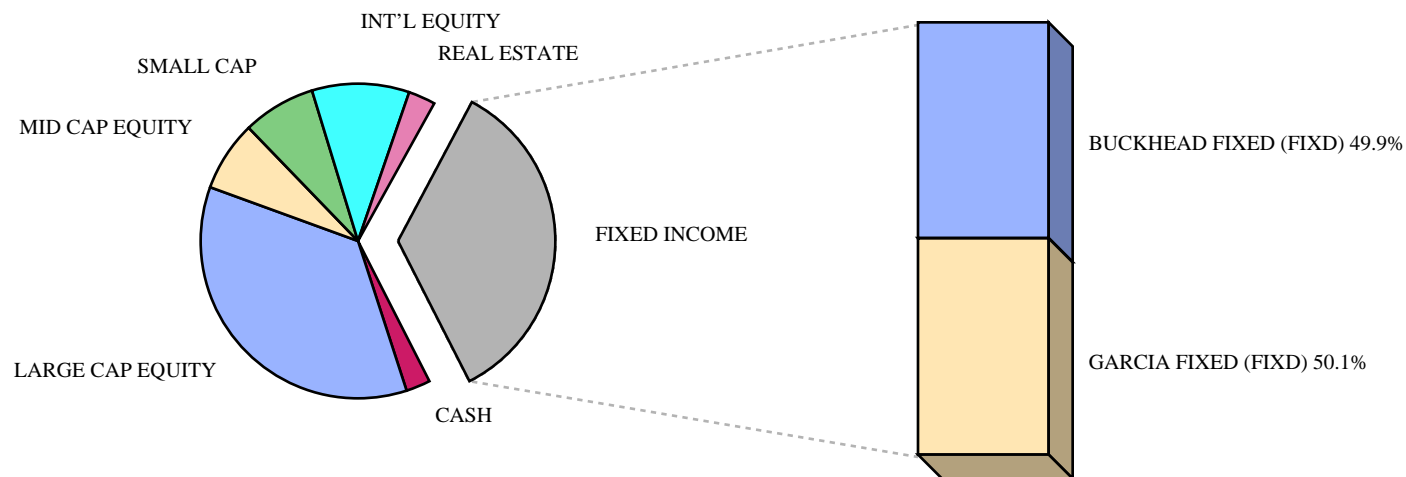
**COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/11	3.8	4.6	-0.8
9/11	3.2	3.5	-0.3
12/11	2.8	2.9	-0.1

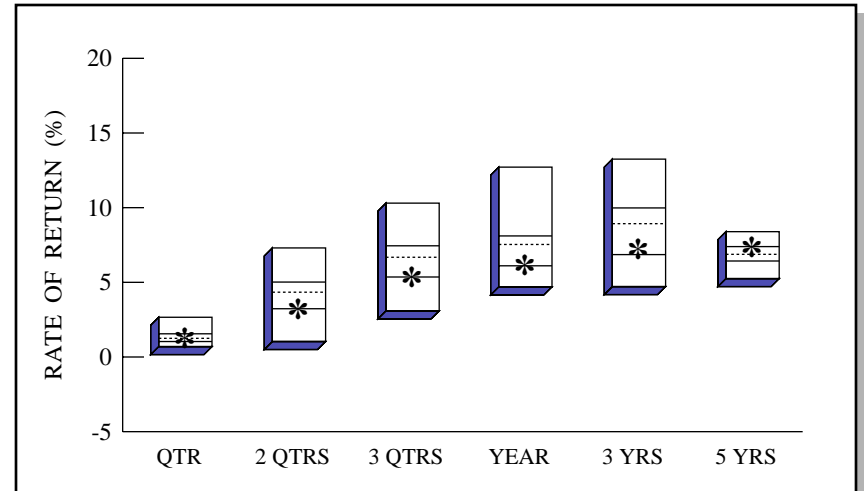
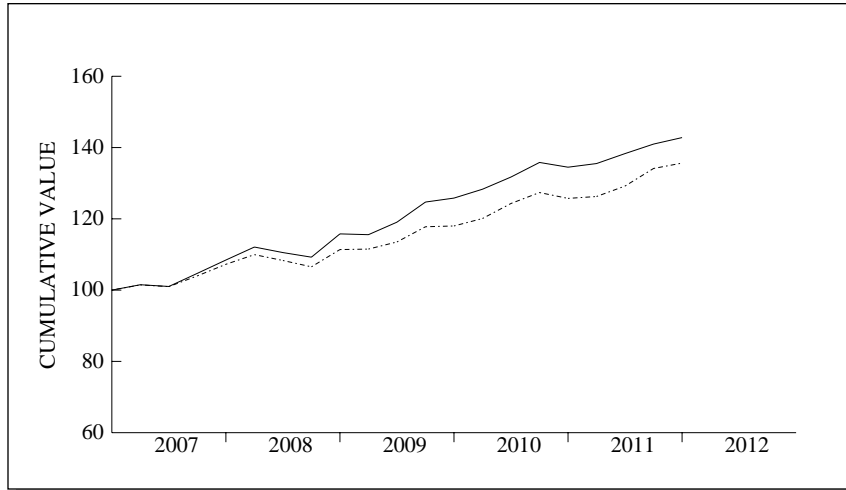
<b>Total Quarters Observed</b>	<b>3</b>
<b>Quarters At or Above the Benchmark</b>	<b>0</b>
<b>Quarters Below the Benchmark</b>	<b>3</b>
<b>Batting Average</b>	<b>.000</b>

**FIXED INCOME MANAGER SUMMARY**

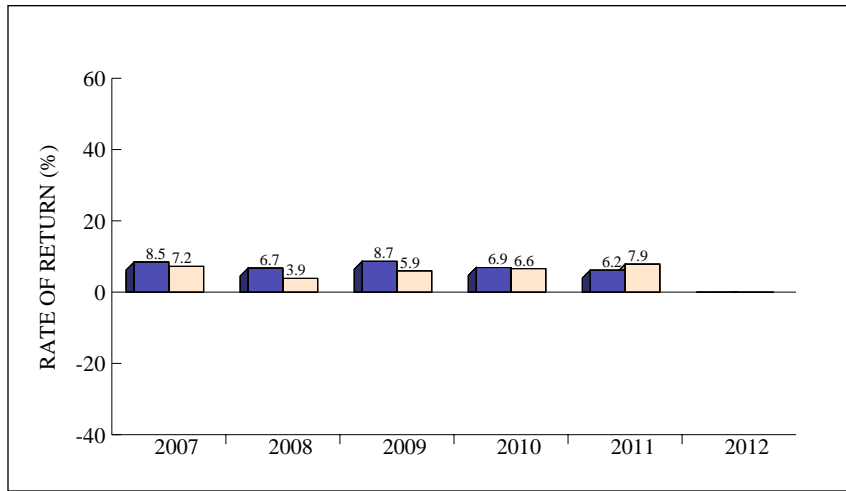


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
BUCKHEAD FIXED	(Core Fixed Income)	1.1 (72)	1.1 (72)	7.0 (64)	6.4 (82)	7.0 (38)	\$14,146,939
GARCIA FIXED	(Core Fixed Income)	1.5 (28)	1.5 (28)	5.4 (90)	8.0 (65)	7.7 (19)	\$14,182,553
<i>Custom Fixed Income Index</i>		<i>1.1 ---</i>	<i>1.1 ---</i>	<i>7.9 ---</i>	<i>6.8 ---</i>	<i>6.3 ---</i>	<i>---</i>
<b>TOTAL</b>	<b>(Core Fixed Income)</b>	<b>1.3 (46)</b>	<b>1.3 (46)</b>	<b>6.2 (75)</b>	<b>7.2 (70)</b>	<b>7.4 (26)</b>	<b>\$28,329,492</b>
<i>Custom Fixed Income Index</i>		<i>1.1 ---</i>	<i>1.1 ---</i>	<i>7.9 ---</i>	<i>6.8 ---</i>	<i>6.3 ---</i>	<i>---</i>

**FIXED INCOME RETURN COMPARISONS**



Core Fixed Income Universe



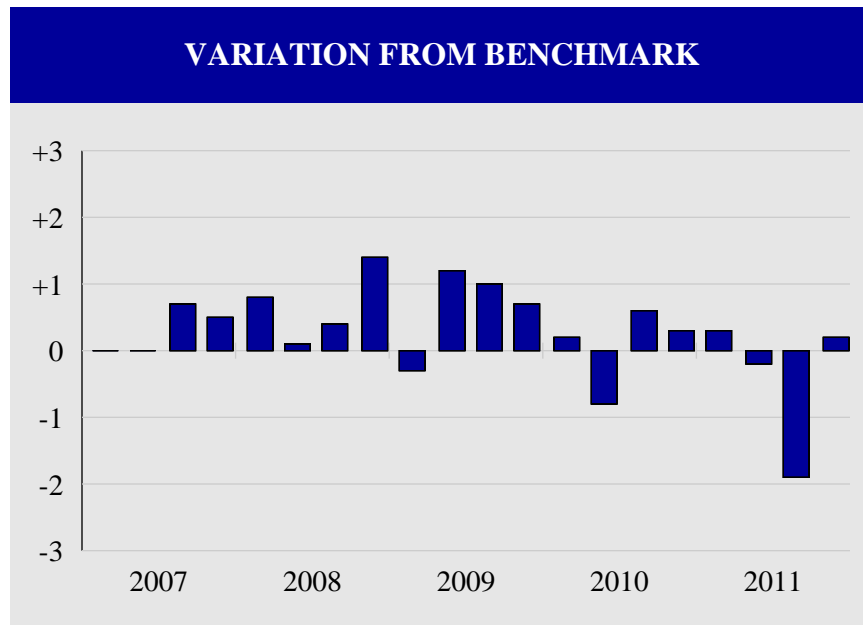
	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	1.3	3.2	5.4	6.2	7.2	7.4
(RANK)	(46)	(74)	(75)	(75)	(70)	(26)
5TH %ILE	2.7	7.3	10.3	12.7	13.3	8.4
25TH %ILE	1.6	5.0	7.4	8.1	10.0	7.4
MEDIAN	1.3	4.3	6.7	7.5	8.9	6.9
75TH %ILE	1.0	3.2	5.4	6.1	6.9	6.4
95TH %ILE	0.7	1.0	3.1	4.7	4.7	5.3
<b>Fixed Idx</b>	<b>1.1</b>	<b>5.0</b>	<b>7.4</b>	<b>7.9</b>	<b>6.8</b>	<b>6.3</b>

Core Fixed Income Universe



**FIXED INCOME QUARTERLY PERFORMANCE SUMMARY**

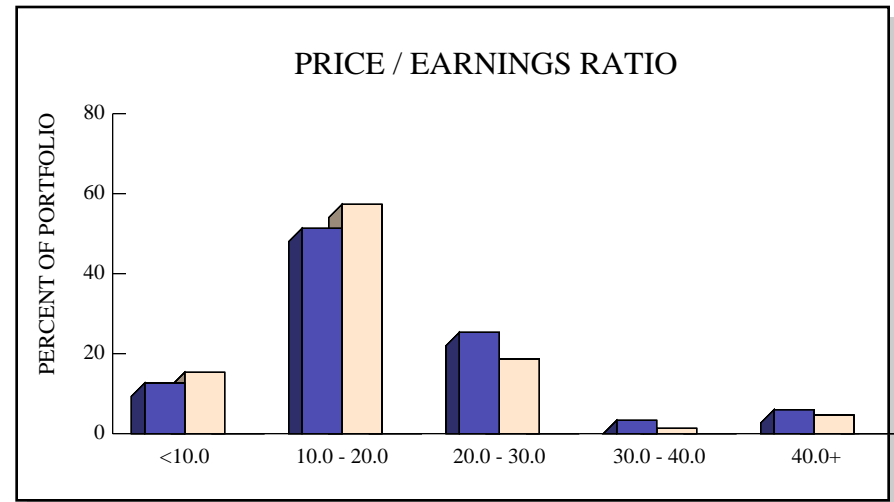
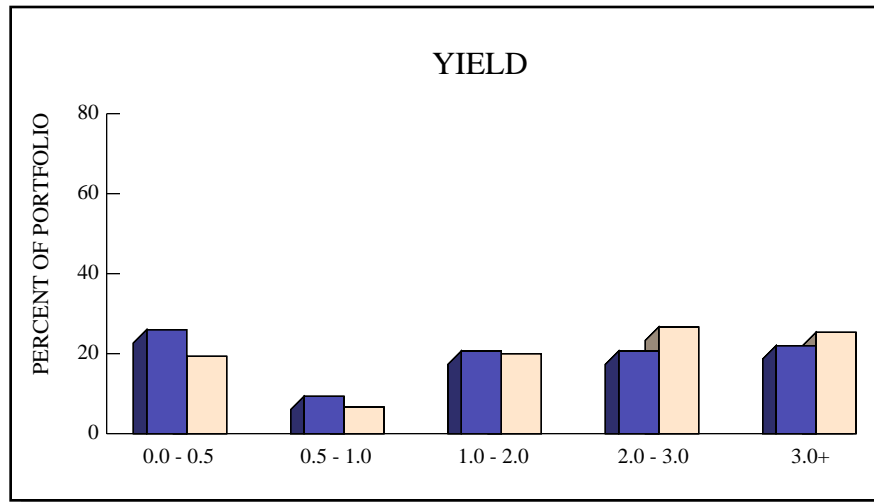
**COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX**



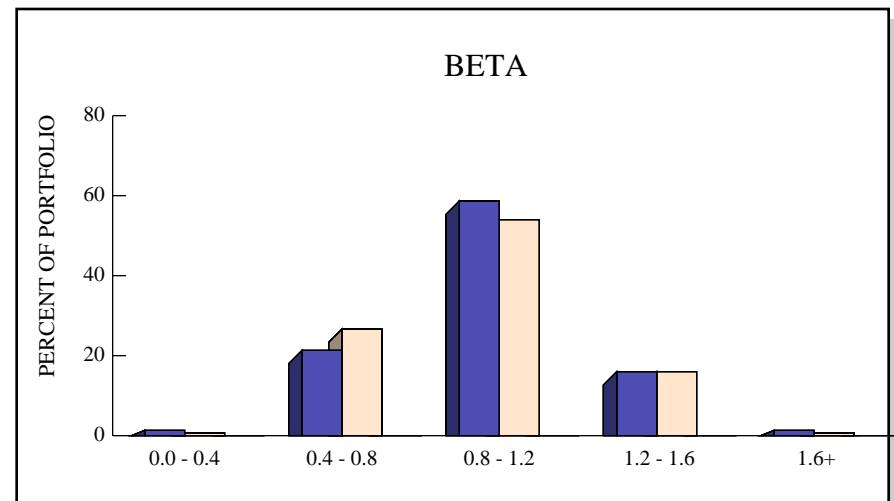
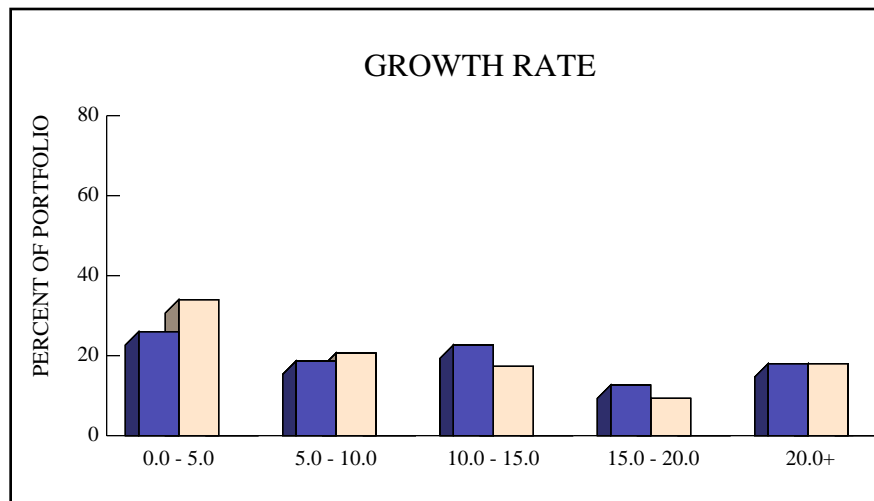
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	1.5	1.5	0.0
6/07	-0.5	-0.5	0.0
9/07	3.7	3.0	0.7
12/07	3.6	3.1	0.5
3/08	3.3	2.5	0.8
6/08	-1.4	-1.5	0.1
9/08	-1.2	-1.6	0.4
12/08	6.0	4.6	1.4
3/09	-0.2	0.1	-0.3
6/09	3.0	1.8	1.2
9/09	4.7	3.7	1.0
12/09	0.9	0.2	0.7
3/10	2.0	1.8	0.2
6/10	2.7	3.5	-0.8
9/10	3.1	2.5	0.6
12/10	-1.0	-1.3	0.3
3/11	0.7	0.4	0.3
6/11	2.1	2.3	-0.2
9/11	1.9	3.8	-1.9
12/11	1.3	1.1	0.2

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>16</b>
<b>Quarters Below the Benchmark</b>	<b>4</b>
<b>Batting Average</b>	<b>.800</b>

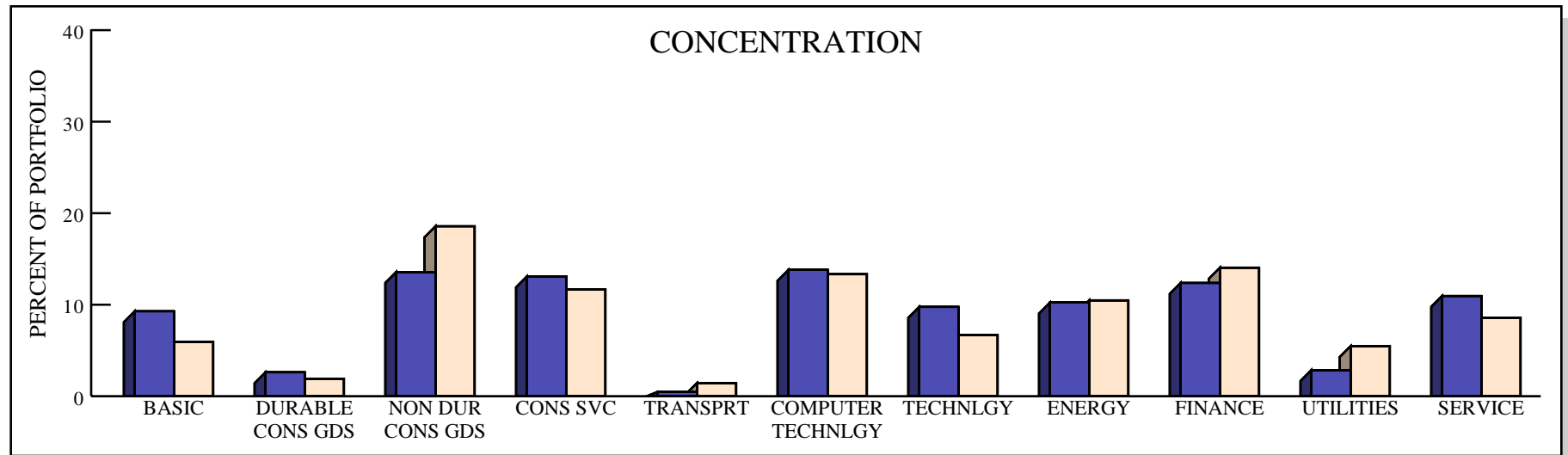
**STOCK CHARACTERISTICS**



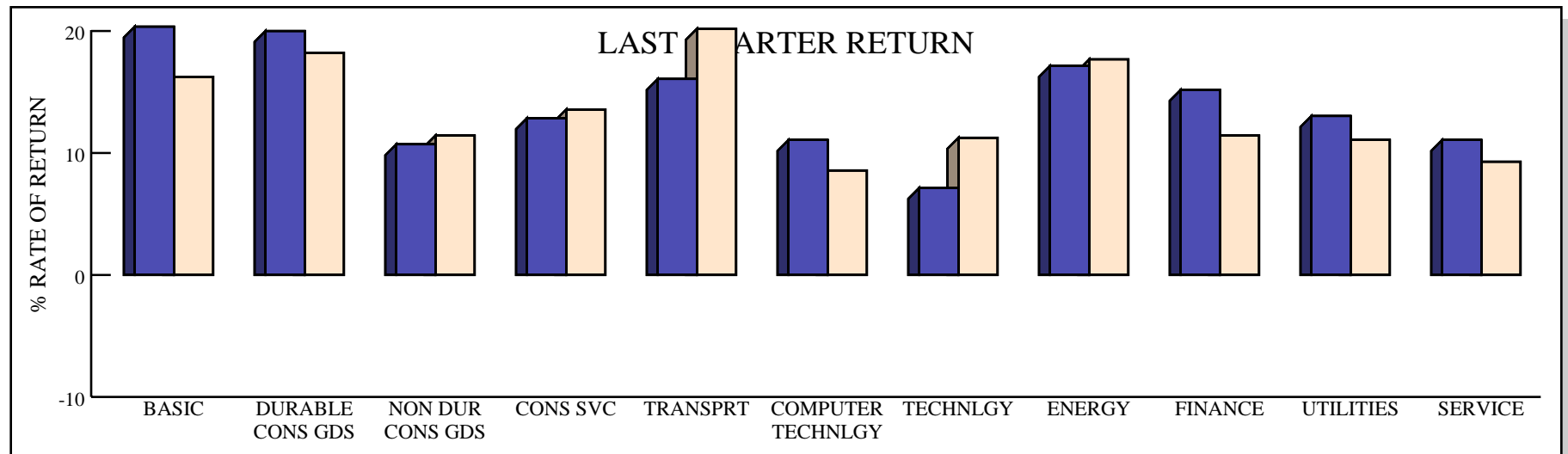
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.9%	11.3%	19.7	0.98
S&P 500	2.1%	10.3%	17.6	1.00



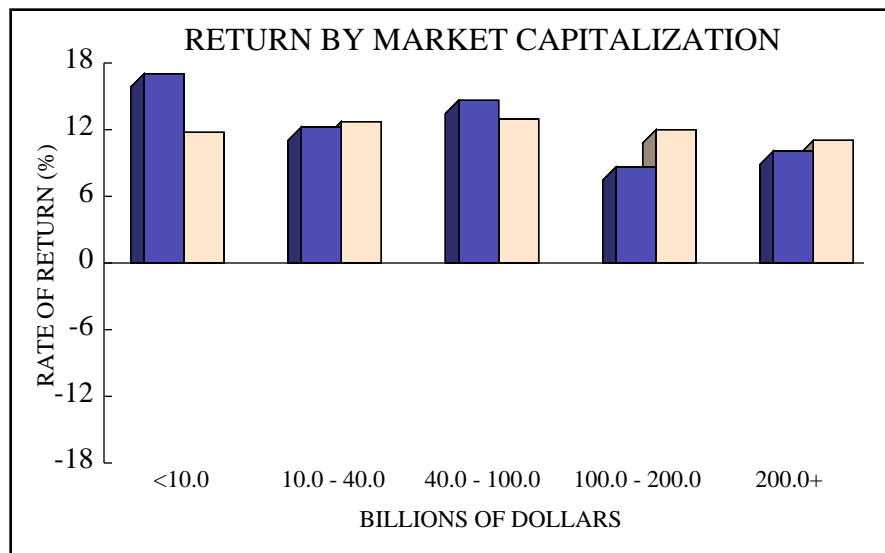
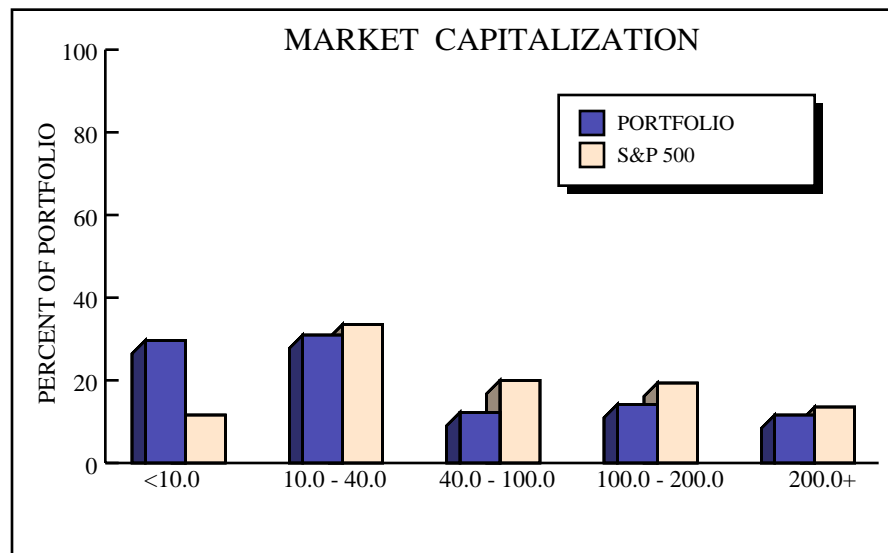
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



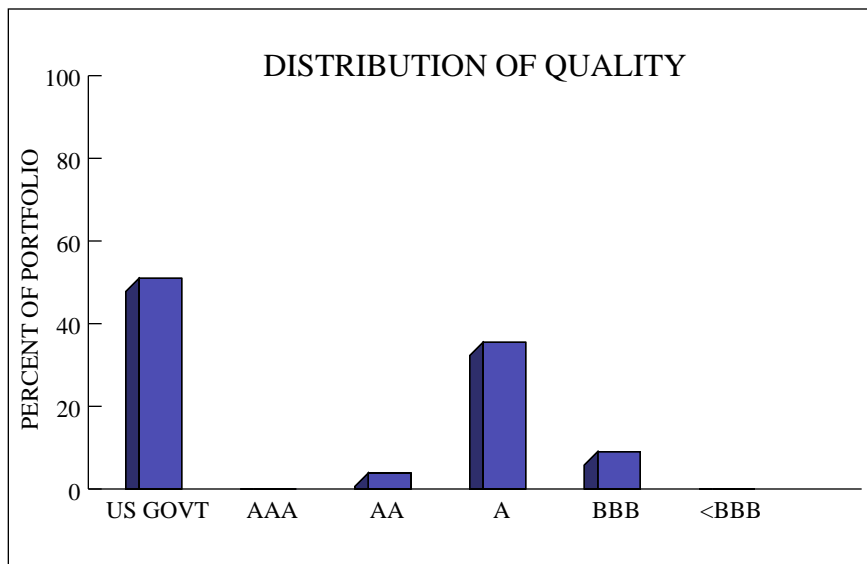
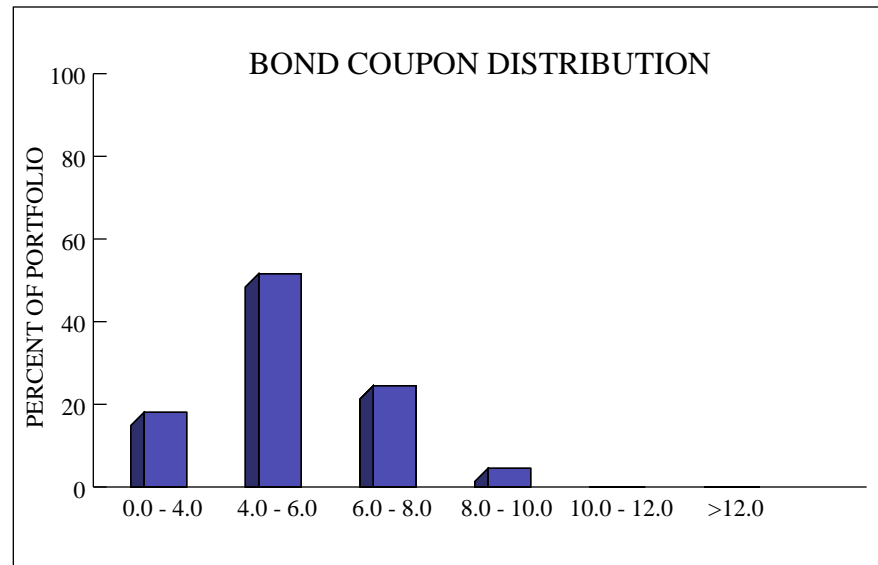
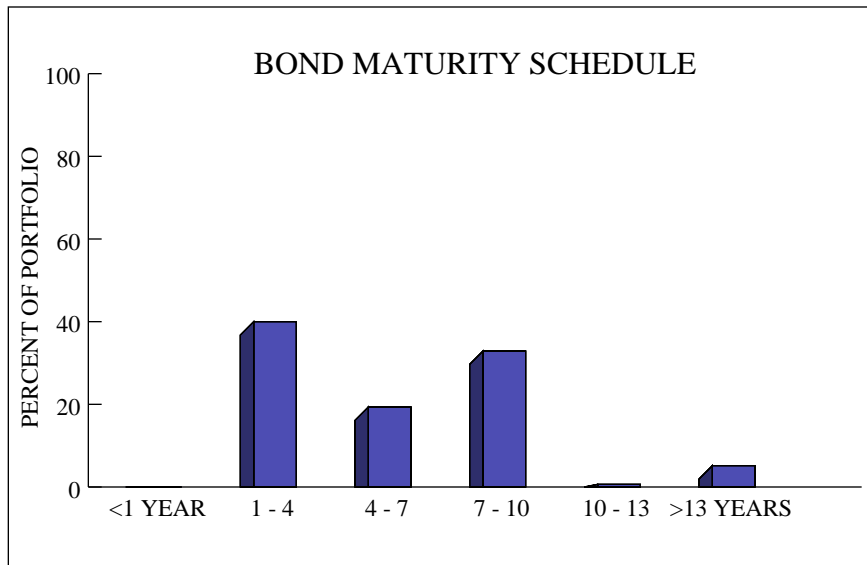
**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	EXXON MOBIL CORP	\$ 1,043,735	2.54%	17.2%	Energy	\$ 406.3 B
2	MICROSOFT CORP	922,489	2.25%	4.9%	Computer Tech	218.4 B
3	APPLE INC	771,525	1.88%	6.3%	Computer Tech	376.4 B
4	INTL BUSINESS MACHINES CORP	700,583	1.71%	5.4%	Service	216.7 B
5	PEPSICO INC	659,983	1.61%	7.9%	NonDur Cons Goods	103.7 B
6	PROCTER & GAMBLE CO/THE	616,400	1.50%	6.3%	NonDur Cons Goods	183.5 B
7	BAXTER INTERNATIONAL INC	588,169	1.43%	-11.2%	Technology	27.9 B
8	ORACLE CORP	577,894	1.41%	-10.5%	Computer Tech	128.9 B
9	CISCO SYSTEMS INC	522,512	1.27%	17.0%	Computer Tech	97.2 B
10	COCA-COLA CO/THE	521,626	1.27%	4.2%	NonDur Cons Goods	158.9 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	135	7,829
Duration	5.33	4.95
YTM	3.11	2.24
Average Coupon	5.33	4.01
Avg Maturity / WAL	6.16	7.13
Average Quality	AAA-AA	USG-AAA

## COMPLIANCE REPORT

Total Fund:

Portfolio Value: \$81,613,016

<i>Performance</i>	<i>Qtr</i>	<i>1 Year</i>	<i>3 Year</i>	<i>5 Year</i>	<i>Compliance</i>
Total Fund	6.4%	1.4%	11.7%	3.3%	-
Shadow Index	6.8%	1.9%	11.1%	2.3%	-
Total Excess	-0.4%	-0.5%	0.6%	1.0%	YES
Large Cap Equity Return	10.5%	1.1%	14.4%	1.1%	-
S&P 500 Index	11.8%	2.1%	14.1%	-0.2%	-
Equity Excess	-1.3%	-1.0%	0.3%	1.3%	YES
Large Cap Equity Rank	(72)	(52)	(46)	(31)	YES
Mid Cap Equity Return	13.0%	-1.6%	19.6%	3.4%	-
S&P 400 Index	13.0%	-1.7%	19.6%	3.3%	-
Equity Excess	0.0%	0.1%	0.0%	0.1%	YES
Mid Cap Equity Rank	(60)	(54)	(54)	(45)	YES
Small Cap Equity Return	14.4%	-2.9%	n/a	n/a	-
Russell 2000 Index	15.5%	-4.2%	15.6%	0.2%	-
Equity Excess	-1.1%	1.3%	n/a	n/a	n/a
Small Cap Equity Rank	(65)	(57)	n/a	n/a	n/a
Int'l Equity Return	3.6%	-9.8%	7.8%	-4.5%	-
EAFE Index	3.4%	-11.8%	8.1%	-4.3%	-
Int'l Equity Excess	0.2%	2.0%	-0.3%	-0.2%	YES
Int'l Equity Rank	(60)	(26)	(68)	(80)	n/a
Real Estate Return	2.8%	n/a	n/a	n/a	-
NCREIF ODCE	2.9%	15.9%	-1.8%	-0.2%	n/a
Real Estate Excess	-0.1%	n/a	n/a	n/a	n/a
Fixed Income Return	1.3%	6.2%	7.2%	7.4%	-
Barclays Aggregate Index	1.1%	7.9%	6.8%	6.3%	-
Fixed Excess	0.2%	-1.7%	0.4%	1.1%	YES
Fixed Rank	(46)	(75)	(70)	(26)	YES

<i>Asset Allocation</i>	<i>Actual</i>	<i>Target</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Compliance</i>
Domestic Equity	50.3%	50.0%	40.0%	60.0%	YES
Int'l Equity	9.9%	12.5%	7.5%	17.5%	YES
Real Estate	2.7%	5.0%	2.5%	7.5%	YES
Fixed	34.7%	32.5%	25.0%	40.0%	YES
Cash	2.5%	-	-	-	-

**COMPLIANCE REPORT**

**Total Fund:**

**Portfolio Value: \$81,613,016**

<i>By manager</i>	<i>Actual</i>	<i>Target</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Compliance</i>
Buckhead Capital Management	35.1%	33.5%	27.0%	40.0%	YES
Garcia Hamilton	37.7%	34.0%	28.0%	40.0%	YES
Rhumblin - Mid Cap	7.1%	7.5%	5.0%	10.0%	YES
TAMRO - Small Cap	7.5%	7.5%	5.0%	10.0%	YES
Johnston	5.6%	7.5%	5.0%	10.0%	YES
SSgA - EAFE Index Fund	4.3%	5.0%	2.5%	7.5%	YES
American Core Realty	2.7%	5.0%	2.5%	7.5%	YES
Cash Account	0.0%	-	-	-	-

<i>Protecting Florida's Investments Act (PFIA)</i>				
<i>List of Prohibited Investments (Scrutinized Companies)</i>				
Manager	Company	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List
SSgA MSCI EAFE Index Fund	ENI SPA	Iran	Italy	September 19, 2007
	Snam Rete Gas	Iran	Italy	September 19, 2007
	Total SA	Iran	France	September 19, 2007

## COMPLIANCE REPORT

Buckhead Capital Management - Balanced, LCV:

Portfolio Value: \$28,687,246

<i>Asset Allocation</i>	<i>Actual</i>	<i>Target</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Compliance</i>
Equity	47.2%	50%	40%	70%	YES
Fixed	49.3%	50%	30%	50%	YES
Cash	3.5%	-	0%	10%	YES

<i>Performance</i>	<i>Qtr</i>	<i>1 year</i>	<i>3 year</i>	<i>5 year</i>	<i>Compliance</i>
Balanced Return	5.3%	4.4%	9.7%	2.5%	-
Equity Return	10.8%	2.3%	11.8%	-1.4%	-
Russell 1000 V Index Return	13.1%	0.4%	11.5%	-2.6%	-
Equity Excess Russell 1000 V	-2.3%	1.9%	0.3%	1.2%	YES
LCV Equity Rank	(90)	(26)	(64)	(36)	YES
Fixed Return	1.1%	7.0%	6.4%	7.0%	-
Barclays Aggregate Index	1.1%	7.9%	6.8%	6.3%	-
Fixed Excess	0.0%	-0.9%	-0.4%	0.7%	YES
Core Fixed Rank	(72)	(64)	(82)	(38)	YES

<i>Guidelines</i>	<i>Limit</i>	<i>Portfolio</i>	<i>Compliance</i>
<i>Equity:</i>			
Listed on national stock exchanges	100%	100%	YES
ADR/Foreign Multinational	10%	1.4%	YES
Risk/Beta	1.3	0.90	YES
5 year operating history	100%	100%	YES
Market Capitalization Minimum	\$.100 B	\$1.670 B	YES
Exelis Inc.	-	-	-
Market Capitalization less than \$5 B	15%	8%	YES
% in one stock	5.0%	3.9%	YES
Cisco Systems Inc	-	-	-
<i>Fixed:</i>			
Corporate bonds	A	A	YES
% in one non-USG bond	5%	2%	YES



**COMPLIANCE REPORT**

Garcia Hamilton - Balanced, LCG:

Portfolio Value: \$30,731,110

<i>Asset Allocation</i>	<i>Actual</i>	<i>Target</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Compliance</i>
Equity	50.6%	50%	40%	70%	YES
Fixed	46.2%	50%	30%	50%	YES
Cash	3.2%	-	0%	10%	YES

<i>Performance</i>	<i>Qtr</i>	<i>1 year</i>	<i>3 year</i>	<i>5 year</i>	<i>Compliance</i>
Balanced Return	5.7%	2.8%	12.9%	5.2%	-
Equity Return	10.3%	0.1%	16.8%	3.4%	-
Russell 1000 G Index Return	10.6%	2.6%	18.0%	2.5%	-
Equity Excess Russell 1000 G	-0.3%	-2.5%	-1.2%	0.9%	YES
LCG Equity Rank	(39)	(53)	(41)	(34)	YES
Fixed Return	1.5%	5.4%	8.0%	7.7%	-
Barclays Aggregate Index	1.1%	7.9%	6.8%	6.3%	-
Fixed Excess	0.4%	-2.5%	1.2%	1.4%	YES
Core Fixed Rank	(28)	(90)	(65)	(19)	YES

<i>Guidelines</i>	<i>Limit</i>	<i>Portfolio</i>	<i>Compliance</i>
<i>Equity:</i>			
Listed on national stock exchanges	100%	100%	YES
ADR/Foreign Multinational	10%	0.0%	YES
Risk/Beta	1.3	1.02	YES
5 year operating history	100%	100%	YES
Market Capitalization Minimum	\$.100 B	\$2.850 B	YES
Carbo Ceramics Inc.	-	-	-
Market Capitalization less than \$5 B	15%	3%	YES
% in one stock	5.0%	5.0%	YES
Apple Inc.	-	-	-
<i>Fixed:</i>			
Corporate bonds	A	A	YES
% in one non-USG bond	5%	5%	YES

## APPENDIX - MAJOR MARKET INDEX RETURNS

<b>Domestic Equity</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Russell 3000	Broad Equity	12.1	12.1	1.0	14.9	0.0
S&P 500	Large Cap Core	11.8	11.8	2.1	14.1	-0.2
Russell 1000	Large Cap Core	11.9	11.9	1.5	14.8	0.0
Russell 1000 Growth	Large Cap Growth	10.6	10.6	2.6	18.0	2.5
Russell 1000 Value	Large Cap Value	13.1	13.1	0.4	11.5	-2.6
Russell Mid Cap	Midcap	12.3	12.3	-1.6	20.2	1.4
Russell Mid Cap Growth	Midcap Growth	11.2	11.2	-1.7	22.0	2.4
Russell Mid Cap Value	Midcap Value	13.4	13.4	-1.4	18.2	0.0
Russell 2000	Small Cap	15.5	15.5	-4.2	15.6	0.2
Russell 2000 Growth	Small Cap Growth	15.0	15.0	-2.9	19.0	2.1
Russell 2000 Value	Small Cap Value	16.0	16.0	-5.5	12.4	-1.9

<b>International Equity</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
MSCI EAFE	Developed Markets Equity	3.4	3.4	-11.8	8.1	-4.3
MSCI EAFE Growth	Developed Markets Growth	3.9	3.9	-11.8	8.8	-2.8
MSCI EAFE Value	Developed Markets Value	2.8	2.8	-11.6	7.4	-5.8
MSCI All Country World Ex US	Foreign Equity	3.7	3.7	-13.3	11.2	-2.5
MSCI Emerging Markets	Emerging Markets Equity	4.4	4.4	-18.2	20.4	2.7

<b>Domestic Fixed Income</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Barclays Aggregate Index	Core Fixed Income	1.1	1.1	7.9	6.8	6.5
Barclays Gov/Credit	Gov/Credit	1.2	1.2	8.7	6.6	6.5
Barclays Capital Gov't Bond	Treasuries	0.8	0.8	9.0	4.0	6.6
Barclays Capital Credit Bond	Corporate Bonds	1.9	1.9	8.2	11.6	7.2
Intermediate Aggregate	Core Intermediate	0.9	0.9	6.0	6.2	6.1
Intermediate Gov/Credit	Gov / Credit Intermediate	0.8	0.8	5.8	5.6	5.9
ML/BoA 1-3 Year Treasury	Short Term Treasuries	0.2	0.2	1.6	1.6	3.7
CSFB High Yield	High Yield Bonds	6.0	6.0	5.5	23.0	7.1

<b>Alternative Assets</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Barclays Global Ex-US	International Treasuries	-0.4	-0.4	3.5	2.1	5.4
NCREIF NFI-ODCE Index	Real Estate	2.9	2.9	15.9	-1.8	-0.2
HFRI FOF Composite	Hedge Funds	0.4	0.4	-4.7	3.4	-0.4
HFRI FOF Conservative Index	Hedge Funds - Conservative	0.1	0.1	-3.3	3.9	0.1

**APPENDIX - DISCLOSURES**

- \* The shadow index is a customized index that matches your portfolio's asset allocation on a quarterly basis.

This index was calculated using the following asset classes and corresponding benchmarks:

Large Cap Equity	S&P 500
Mid Cap Equity	S&P 400
Small Cap Equity	Russell 2000
International Equity	MSCI EAFE
Real Estate	NCREIF NFI-ODCE Index
Fixed Income	Custom Fixed Income Index
Cash & Equivalent	90 Day T Bill

- \* The Custom Fixed Income Index is a hybrid index that is 100% Barclays Gov/Credit through September 2008 and 100% Barclays Aggregate for periods thereafter.
- \* Dahab Associates utilizes data provided by a custodian and other vendors it believes are reliable. However, it cannot assume responsibility for errors and omissions therefrom.
- \* All returns were calculated on a time-weighted basis, and are gross of fees unless otherwise noted.
- \* All returns for periods greater than one year are annualized.
- \* All values are in US dollars.
- \* Performance shown for the Buckhead and Davis Hamilton portfolios for periods prior to September 2007 have been provided by the respective managers and have not been reconciled with custodial data.

DAVIE POLICE PENSION PLAN  
GARCIA HAMILTON  
PERFORMANCE REVIEW  
DECEMBER 2011

## **INVESTMENT RETURN**

On December 31st, 2011, the Davie Police Pension Plan's Garcia Hamilton portfolio was valued at \$30,731,110, representing an increase of \$1,228,448 from the September quarter's ending value of \$29,502,662. Last quarter, the Fund posted withdrawals totaling \$439,143, which offset the portfolio's net investment return of \$1,667,591. Income receipts totaling \$292,817 plus net realized and unrealized capital gains of \$1,374,774 combined to produce the portfolio's net investment return.

For the cumulative period since December 2006, the fund has recorded net withdrawals totaling \$726,026 and posted net investment gains of \$7.4 million. For the period since December 2006, if the total fund returned a compounded nominal rate of 7.9% it would have been valued at \$34.8 million or \$4.0 million more than the actual value as of December 31st, 2011.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the fourth quarter, the Garcia Hamilton portfolio gained 5.7%, which ranked in the 31st percentile of the Balanced Fund universe. Over the trailing twelve-month period, the portfolio returned 2.8%, which ranked in the 43rd percentile. Since December 2006, the portfolio returned 5.2% per annum and ranked in the 32nd percentile.

### **Large Cap Equity**

For the fourth quarter, the large cap equity segment returned 10.3%, which was 0.3% below the Russell 1000 Growth Index's return of 10.6% and ranked in the 39th percentile of the Large Cap Growth universe. Over the trailing year, this segment returned 0.1%, which was 2.5% less than the benchmark's 2.6% return, and ranked in the 53rd percentile. Since December 2006, this component returned

3.4% on an annualized basis and ranked in the 34th percentile. The Russell 1000 Growth returned an annualized 2.5% over the same time frame.

### **Fixed Income**

In the fourth quarter, the fixed income component returned 1.5%, which was 0.4% greater than the Custom Fixed Income Index's return of 1.1% and ranked in the 28th percentile of the Core Fixed Income universe. Over the trailing twelve-month period, this component returned 5.4%, which was 2.5% less than the benchmark's 7.9% return, ranking in the 90th percentile. Since December 2006, this component returned 7.7% per annum and ranked in the 19th percentile. The Custom Fixed Income Index returned an annualized 6.3% over the same time frame.

## **ASSET ALLOCATION**

At the end of the fourth quarter, large cap equities comprised 50.6% of the total portfolio (\$15.6 million), while the portfolio's fixed income component totaled 46.2% (\$14.2 million) and cash & equivalent comprised the remaining 3.2% (\$995,300).

## **ANALYSIS**

### **Equity**

At the end of the last quarter, the equity component of the Garcia Hamilton equity portfolio was invested across ten of eleven industry sectors depicted in our analysis. Relative to the Russell 1000 Growth, the Basic, Durable Consumer Goods, and Service sectors were given slightly more weight, while the Non Durable Consumer Goods and Finance sectors were notably lighter. The Utilities sector was not utilized.

Overall sector performance was superior relative to the benchmark, but the Garcia Hamilton equity portfolio fell just short of the Russell 1000 Growth due to allocation effects. Benchmark-beating performance in the Non Durable Consumer Goods, Transportation, Computer Technology, and Finance sectors were held back due to the portfolio's lack of representation relative to the index. The Technology sector's significant deficit relative to the benchmark did not bode well for the portfolio as well. These factors combined to give the equity portfolio a 30 basis point deficit relative to the Russell 1000 Growth for the quarter.

### **Fixed Income**

*In our bond analysis, we use the S&P rating agency's ratings. Rating agencies can differ slightly causing bonds to be split rated. This portfolio contains the following split rated bonds: American Express, Pitney Bowes, and Citigroup Inc. These bonds are the only BBB rated bonds in our analysis.*

At the end of the quarter, USG rated securities comprised approximately 40% of the bond portfolio, while corporate securities, rated AA through BBB, made up the remainder, giving the portfolio an overall average quality rating of AA. The average maturity of the portfolio was 7.1 years, less than the Barclays Aggregate Index's 7.1-year maturity. The average coupon was 6.3%.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Quarter	FYTD	-----Annualized-----		
			1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	5.7	5.7	2.8	12.9	5.2
<i>BALANCED FUND RANK</i>	(31)	(31)	(43)	(54)	(32)
<b>Total Net/Fees</b>	5.6	5.6	2.3	12.4	4.7
SHADOW INDEX	5.5	5.5	5.2	13.3	4.5
<b>Large Cap Equity</b>	10.3	10.3	0.1	16.8	3.4
<i>LARGE CAP GROWTH RANK</i>	(39)	(39)	(53)	(41)	(34)
RUSSELL 1000G	10.6	10.6	2.6	18.0	2.5
S&P 500	11.8	11.8	2.1	14.1	-0.2
<b>Fixed Income</b>	1.5	1.5	5.4	8.0	7.7
<i>CORE FIXED INCOME RANK</i>	(28)	(28)	(90)	(65)	(19)
CUSTOM FX INDEX	1.1	1.1	7.9	6.8	6.3
BARCLAYS AGG	1.1	1.1	7.9	6.8	6.5
GOV/CREDIT	1.2	1.2	8.7	6.6	6.5

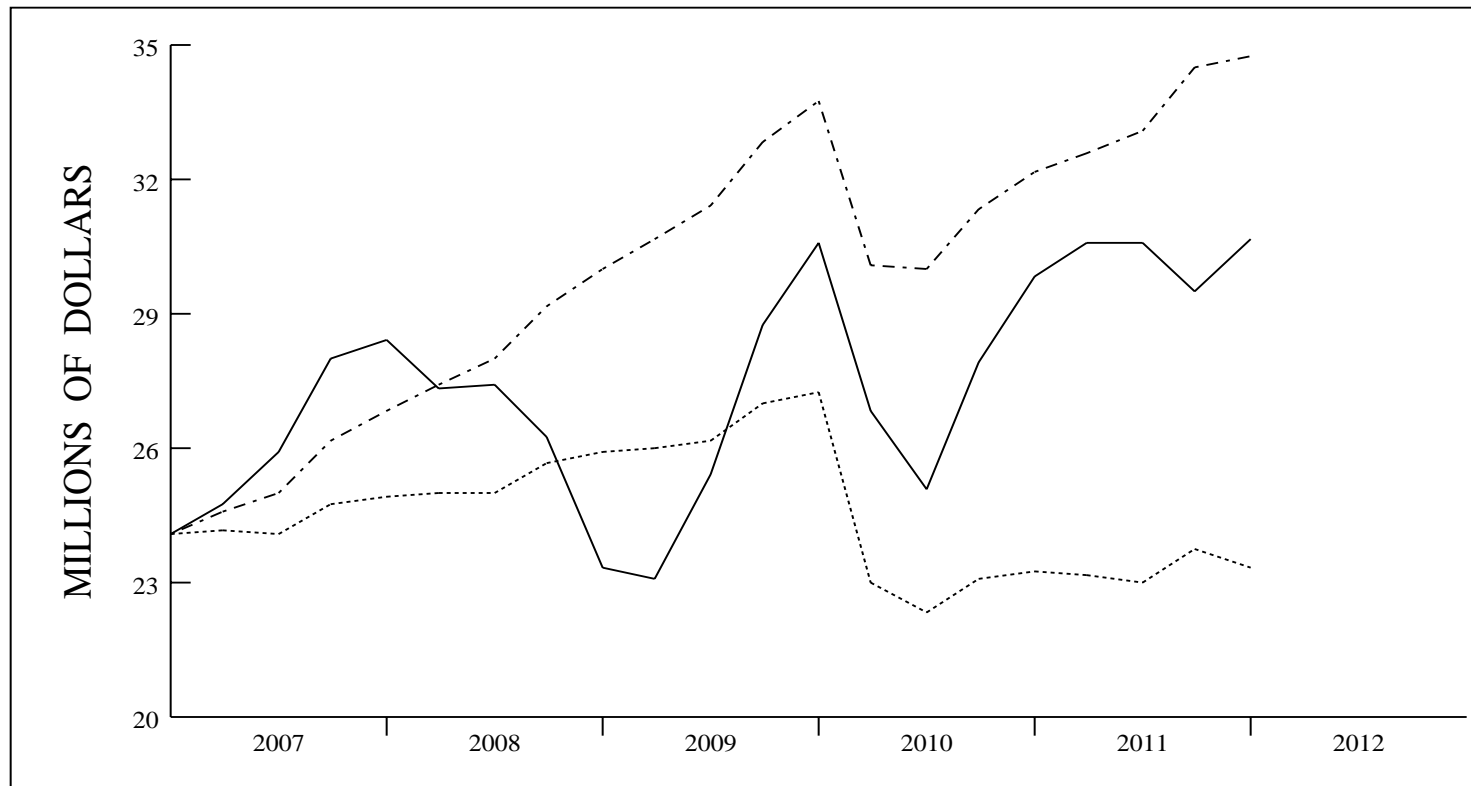
**ASSET ALLOCATION**

Large Cap Equity	50.6%	\$ 15,553,255
Fixed Income	46.2%	14,182,553
Cash	3.2%	995,300
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 30,731,110</b>

**INVESTMENT RETURN**

Market Value 9/2011	\$ 29,502,662
Contribs / Withdrawals	-439,143
Income	292,817
Capital Gains / Losses	1,374,774
Market Value 12/2011	\$ 30,731,110

**INVESTMENT GROWTH**



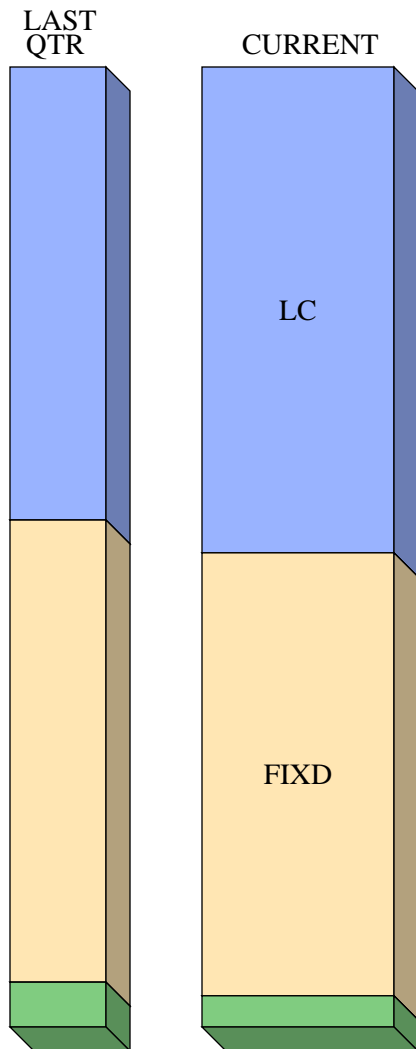
— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 34,766,453

	LAST QUARTER	PERIOD 12/06 - 12/11
BEGINNING VALUE	\$ 29,502,662	\$ 24,099,932
NET CONTRIBUTIONS	-439,143	-726,026
<u>INVESTMENT RETURN</u>	<u>1,667,591</u>	<u>7,357,204</u>
ENDING VALUE	\$ 30,731,110	\$ 30,731,110
INCOME	292,817	3,942,012
CAPITAL GAINS (LOSSES)	<u>1,374,774</u>	<u>3,415,192</u>
INVESTMENT RETURN	1,667,591	7,357,204

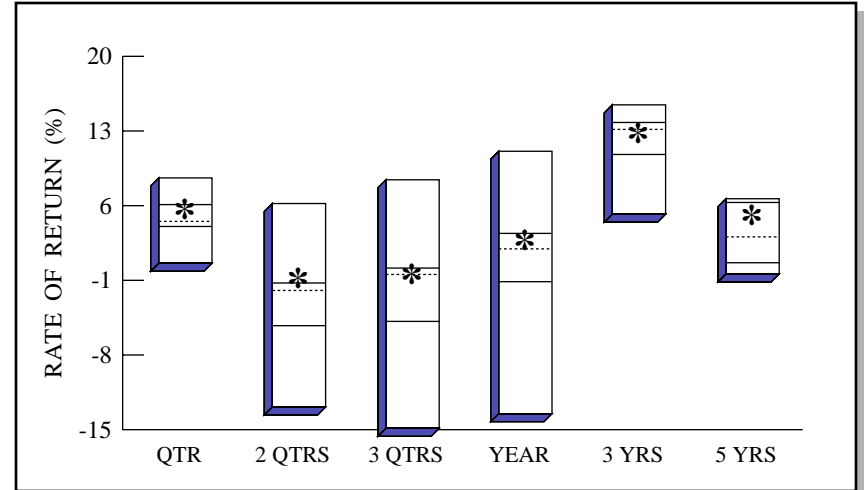
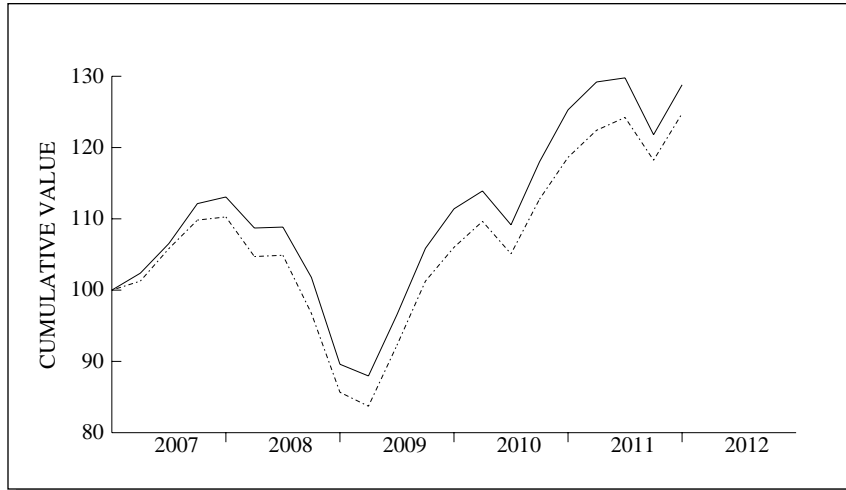


**ASSET ALLOCATION**



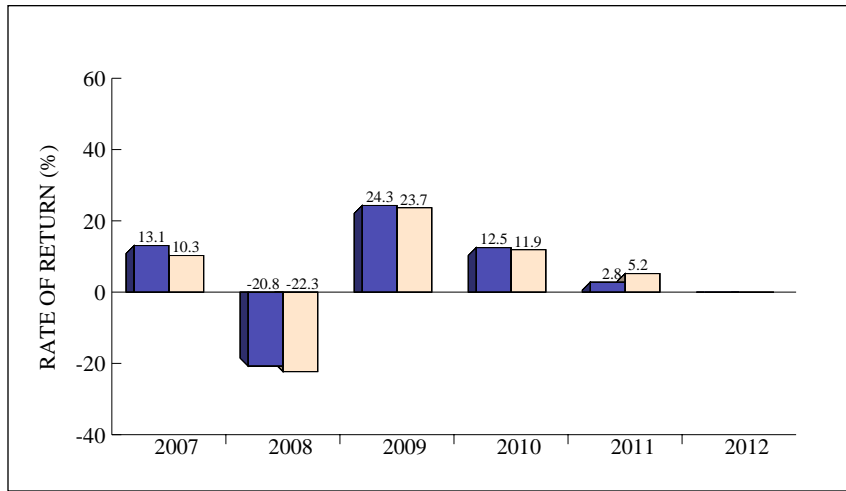
	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>MIN</u>	<u>MAX</u>
LARGE CAP EQUITY	\$ 15, 553, 255	50.6%	50.0%	40.0%	70.0%
FIXED INCOME	14, 182, 553	46.2%	50.0%	30.0%	50.0%
CASH & EQUIVALENT	995, 300	3.2%	0.0%	0.0%	10.0%
<u>TOTAL FUND</u>	<u>\$ 30, 731, 110</u>	<u>100.0%</u>			

**TOTAL RETURN COMPARISONS**



■ ——— PORTFOLIO  
■ - - - - SHADOW INDEX

Balanced Fund Universe

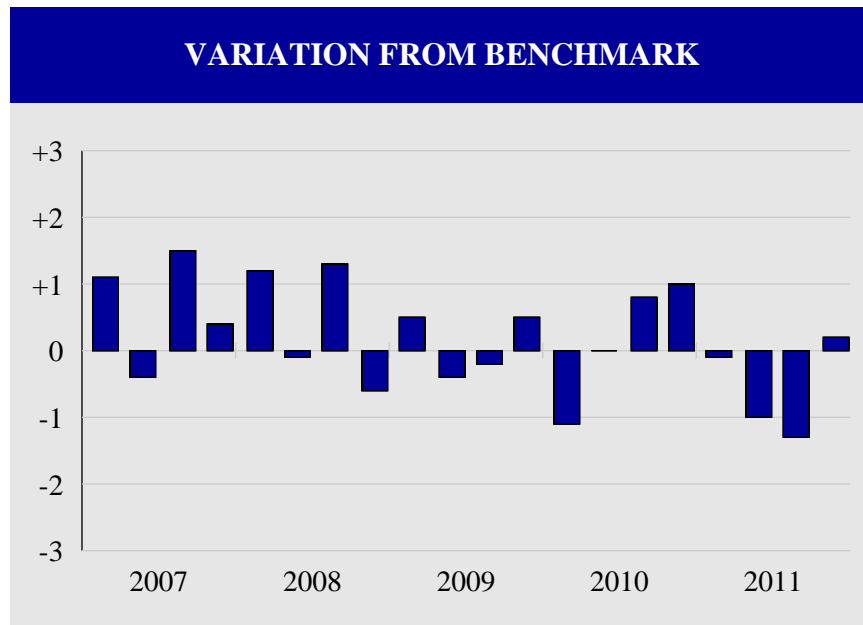


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	5.7	-0.8	-0.3	2.8	12.9	5.2
(RANK)	(31)	(21)	(50)	(43)	(54)	(32)
5TH %ILE	8.6	6.2	8.4	11.1	15.5	6.6
25TH %ILE	6.1	-1.3	0.2	3.4	13.8	6.3
MEDIAN	4.5	-1.9	-0.4	2.0	13.2	3.1
75TH %ILE	4.0	-5.3	-4.8	-1.1	10.8	0.7
95TH %ILE	0.6	-12.9	-14.9	-13.5	5.2	-0.4
<i>Sh Idx</i>	<i>5.5</i>	<i>0.4</i>	<i>1.9</i>	<i>5.2</i>	<i>13.3</i>	<i>4.5</i>

Balanced Fund Universe

## TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

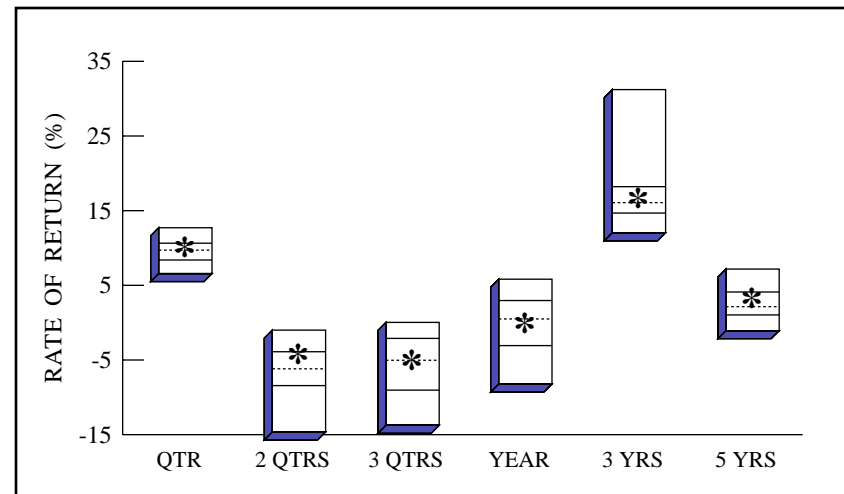
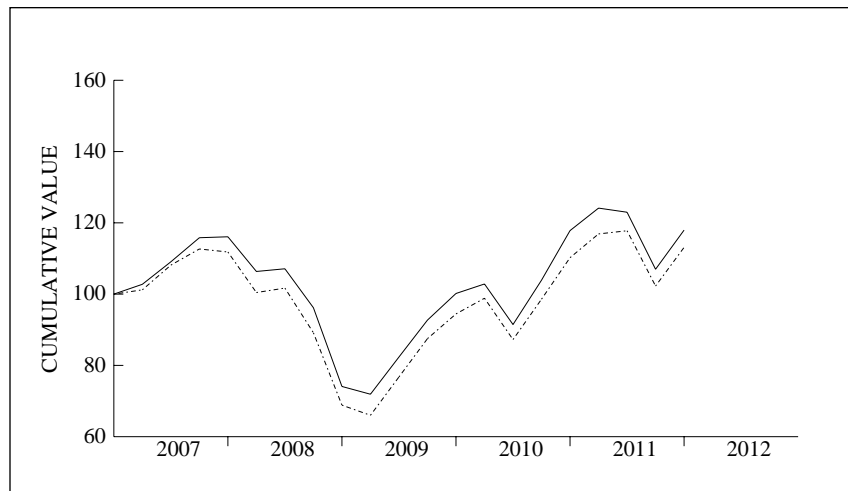
COMPARATIVE BENCHMARK: SHADOW INDEX



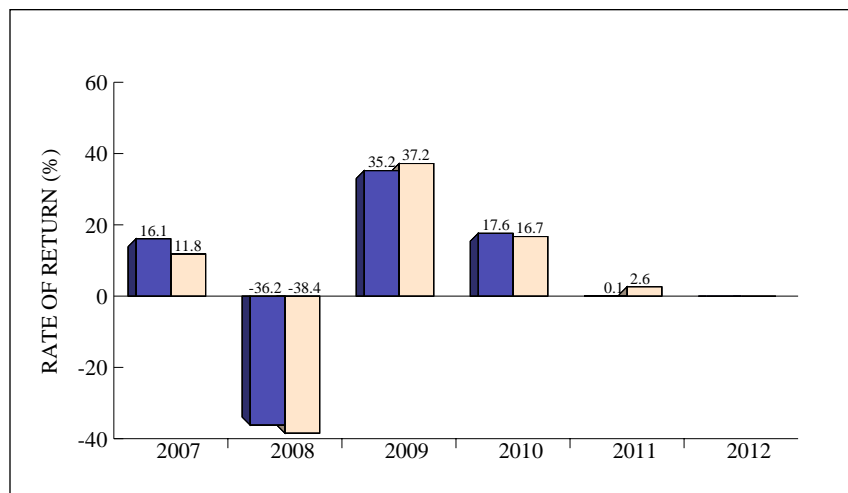
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>9</b>
<b>Batting Average</b>	<b>.550</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	2.4	1.3	1.1
6/07	4.1	4.5	-0.4
9/07	5.3	3.8	1.5
12/07	0.8	0.4	0.4
3/08	-3.8	-5.0	1.2
6/08	0.1	0.2	-0.1
9/08	-6.5	-7.8	1.3
12/08	-12.0	-11.4	-0.6
3/09	-1.8	-2.3	0.5
6/09	9.8	10.2	-0.4
9/09	9.6	9.8	-0.2
12/09	5.2	4.7	0.5
3/10	2.3	3.4	-1.1
6/10	-4.2	-4.2	0.0
9/10	8.1	7.3	0.8
12/10	6.2	5.2	1.0
3/11	3.1	3.2	-0.1
6/11	0.5	1.5	-1.0
9/11	-6.1	-4.8	-1.3
12/11	5.7	5.5	0.2

### LARGE CAP EQUITY RETURN COMPARISONS



Large Cap Growth Universe

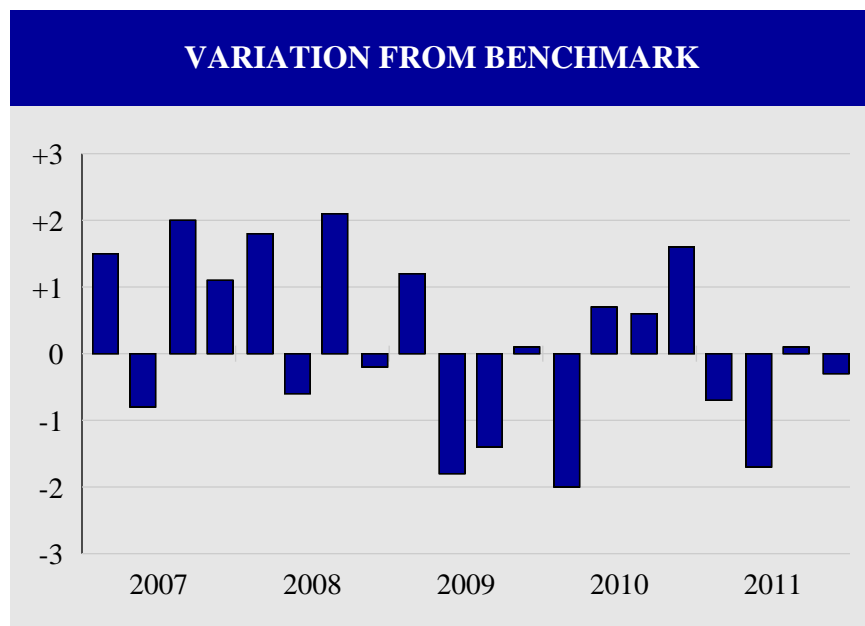


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	10.3	-4.1	-5.0	0.1	16.8	3.4
(RANK)	(39)	(28)	(50)	(53)	(41)	(34)
5TH %ILE	12.7	-1.0	0.0	5.8	31.2	7.2
25TH %ILE	10.7	-3.9	-2.1	3.0	18.2	4.1
MEDIAN	9.7	-6.2	-5.0	0.5	16.1	2.1
75TH %ILE	8.4	-8.4	-9.1	-3.1	14.7	1.0
95TH %ILE	6.6	-14.6	-13.8	-8.2	12.1	-1.1
<b>Russ 1000G</b>	<b>10.6</b>	<b>-3.9</b>	<b>-3.2</b>	<b>2.6</b>	<b>18.0</b>	<b>2.5</b>

Large Cap Growth Universe

## LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

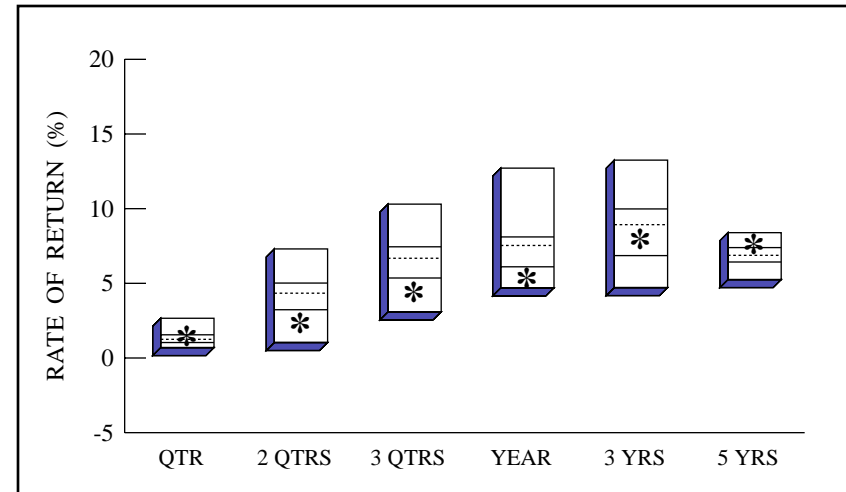
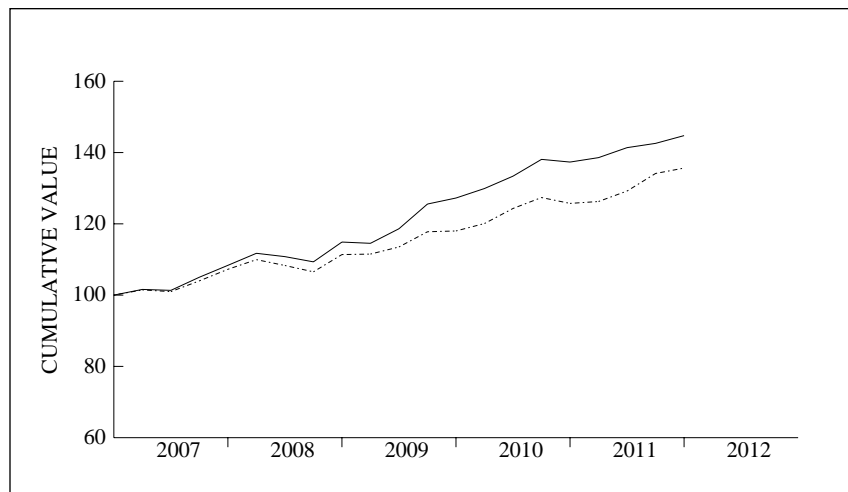
COMPARATIVE BENCHMARK: RUSSELL 1000 GROWTH



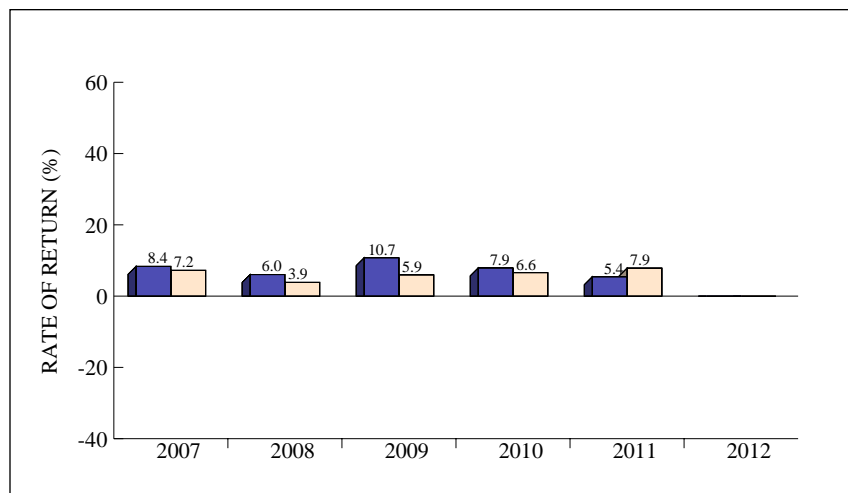
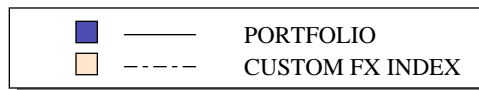
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>9</b>
<b>Batting Average</b>	<b>.550</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	2.7	1.2	1.5
6/07	6.1	6.9	-0.8
9/07	6.2	4.2	2.0
12/07	0.3	-0.8	1.1
3/08	-8.4	-10.2	1.8
6/08	0.7	1.3	-0.6
9/08	-10.2	-12.3	2.1
12/08	-23.0	-22.8	-0.2
3/09	-2.9	-4.1	1.2
6/09	14.5	16.3	-1.8
9/09	12.6	14.0	-1.4
12/09	8.0	7.9	0.1
3/10	2.7	4.7	-2.0
6/10	-11.1	-11.8	0.7
9/10	13.6	13.0	0.6
12/10	13.4	11.8	1.6
3/11	5.3	6.0	-0.7
6/11	-0.9	0.8	-1.7
9/11	-13.0	-13.1	0.1
12/11	10.3	10.6	-0.3

**FIXED INCOME RETURN COMPARISONS**



Core Fixed Income Universe

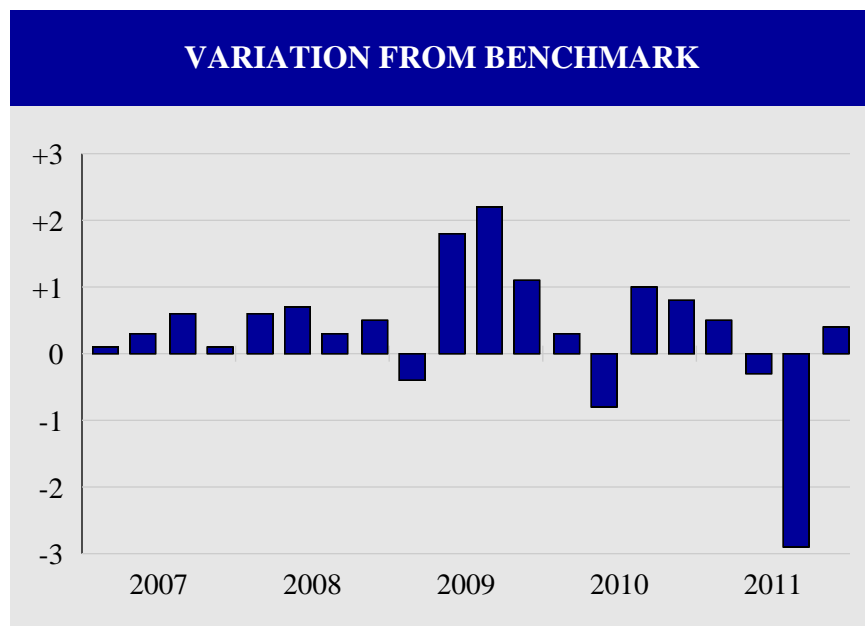


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	1.5	2.4	4.4	5.4	8.0	7.7
(RANK)	(28)	(86)	(86)	(90)	(65)	(19)
5TH %ILE	2.7	7.3	10.3	12.7	13.3	8.4
25TH %ILE	1.6	5.0	7.4	8.1	10.0	7.4
MEDIAN	1.3	4.3	6.7	7.5	8.9	6.9
75TH %ILE	1.0	3.2	5.4	6.1	6.9	6.4
95TH %ILE	0.7	1.0	3.1	4.7	4.7	5.3
<b>Fixed Idx</b>	<b>1.1</b>	<b>5.0</b>	<b>7.4</b>	<b>7.9</b>	<b>6.8</b>	<b>6.3</b>

Core Fixed Income Universe

## FIXED INCOME QUARTERLY PERFORMANCE SUMMARY

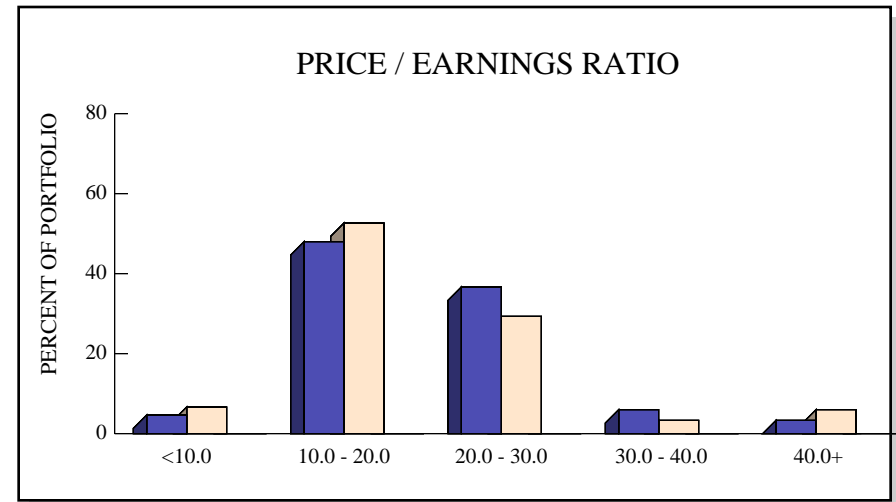
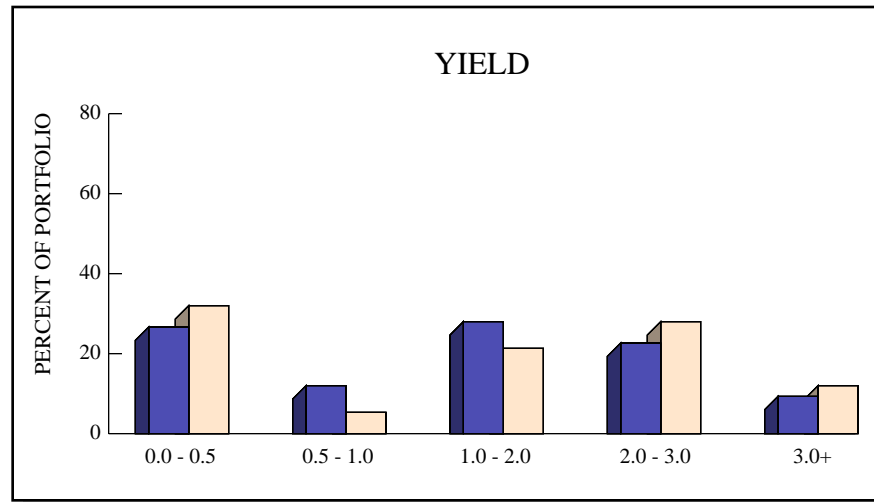
COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX



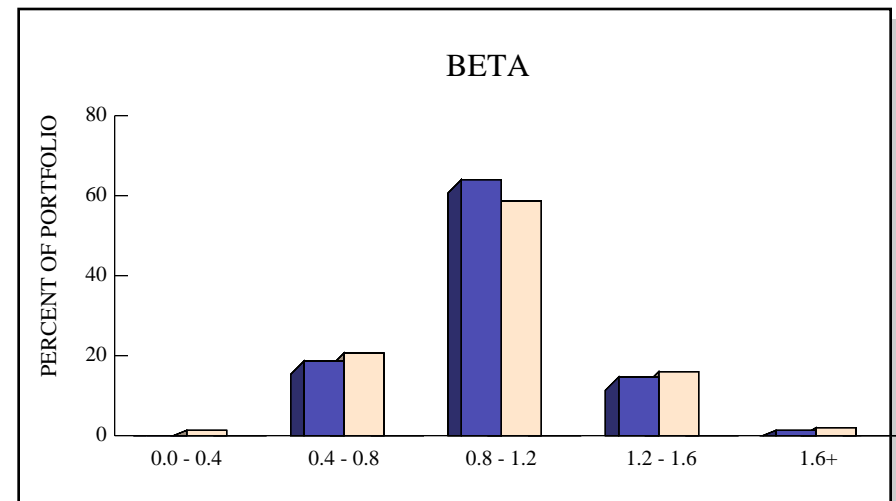
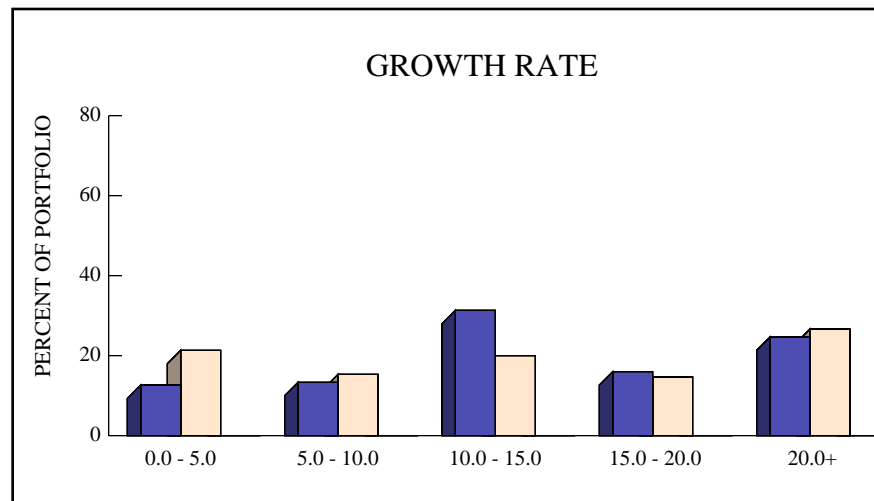
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>16</b>
<b>Quarters Below the Benchmark</b>	<b>4</b>
<b>Batting Average</b>	<b>.800</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	1.6	1.5	0.1
6/07	-0.2	-0.5	0.3
9/07	3.6	3.0	0.6
12/07	3.2	3.1	0.1
3/08	3.1	2.5	0.6
6/08	-0.8	-1.5	0.7
9/08	-1.3	-1.6	0.3
12/08	5.1	4.6	0.5
3/09	-0.3	0.1	-0.4
6/09	3.6	1.8	1.8
9/09	5.9	3.7	2.2
12/09	1.3	0.2	1.1
3/10	2.1	1.8	0.3
6/10	2.7	3.5	-0.8
9/10	3.5	2.5	1.0
12/10	-0.5	-1.3	0.8
3/11	0.9	0.4	0.5
6/11	2.0	2.3	-0.3
9/11	0.9	3.8	-2.9
12/11	1.5	1.1	0.4

**STOCK CHARACTERISTICS**

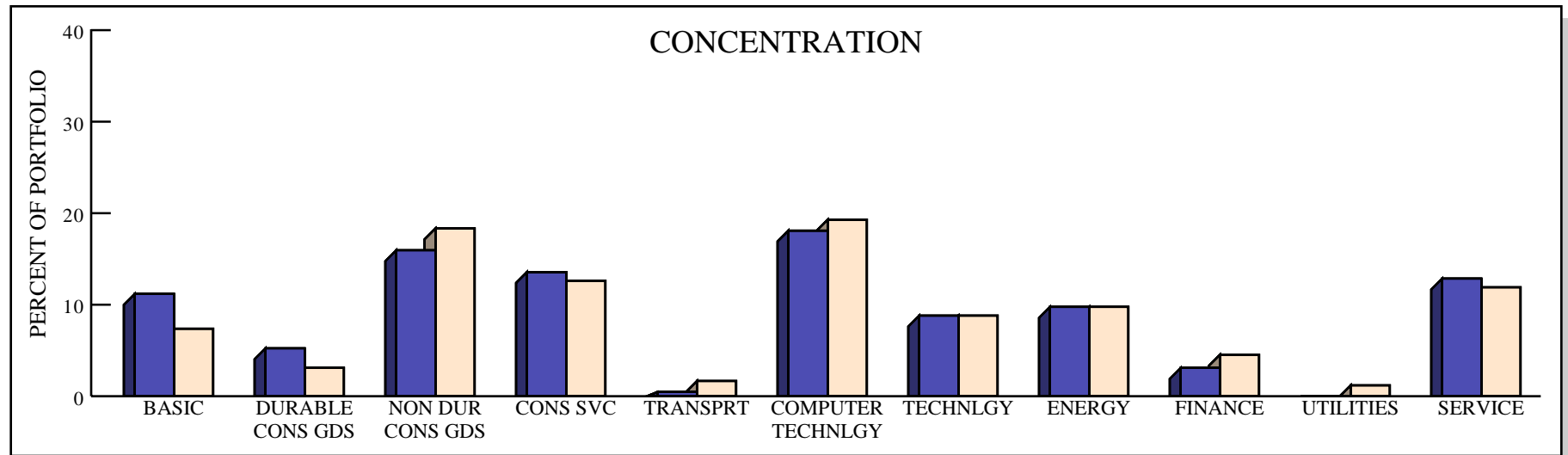


	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.4%	17.0%	21.0	1.02
RUSSELL 1000G	1.5%	16.2%	20.1	1.00

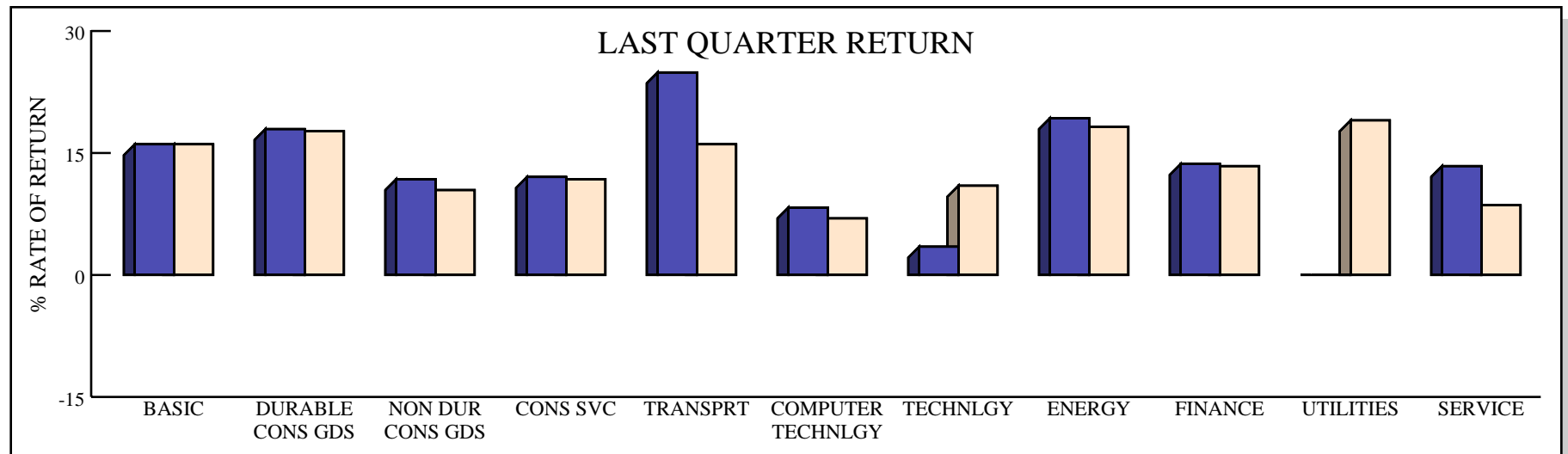




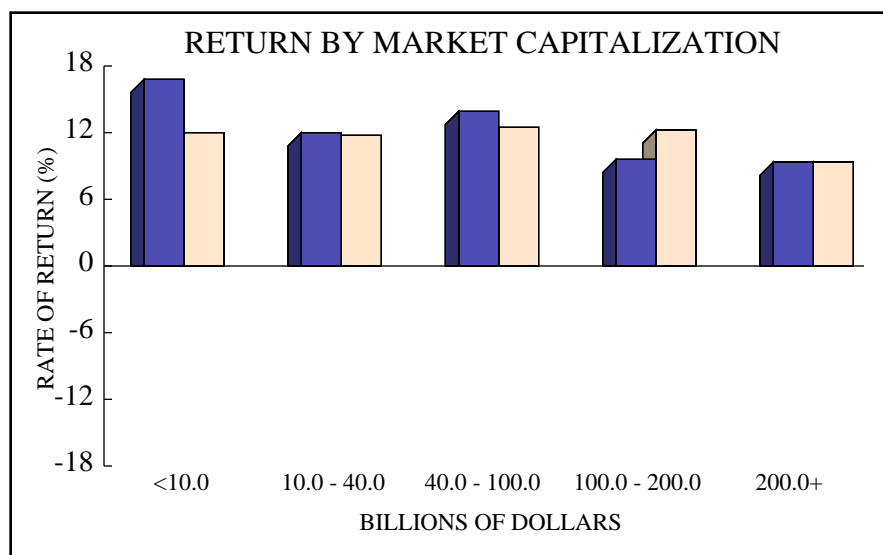
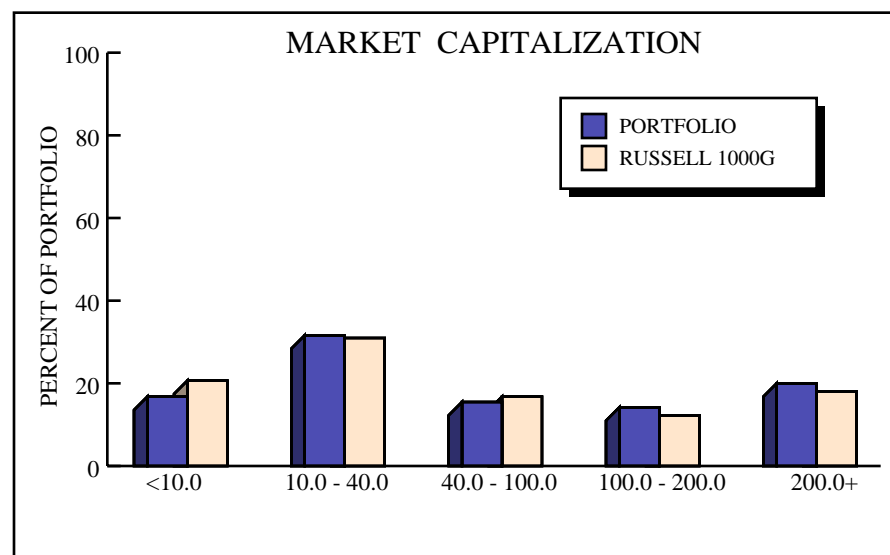
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 GROWTH



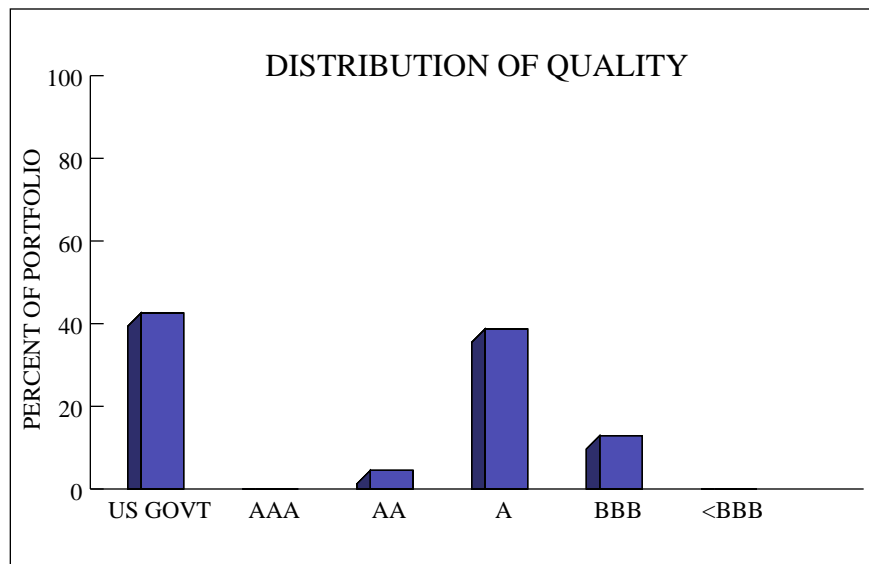
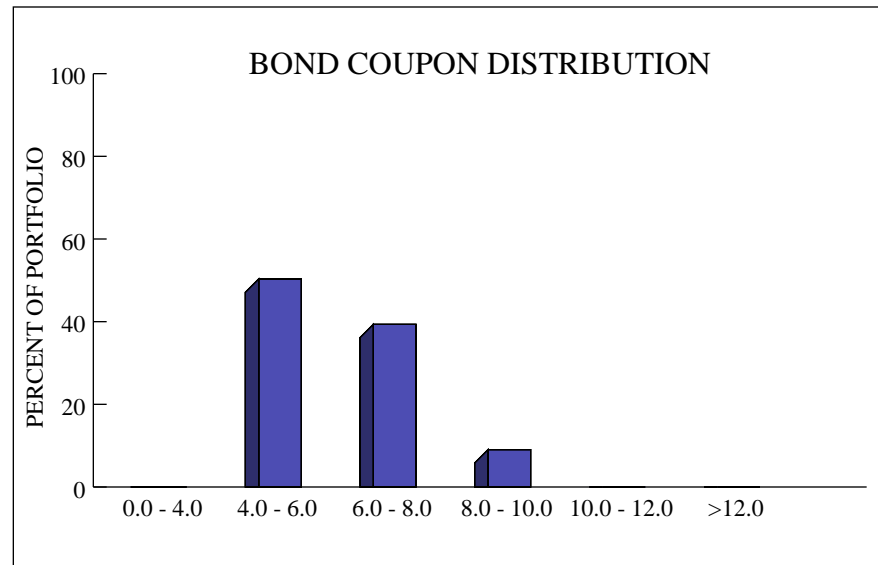
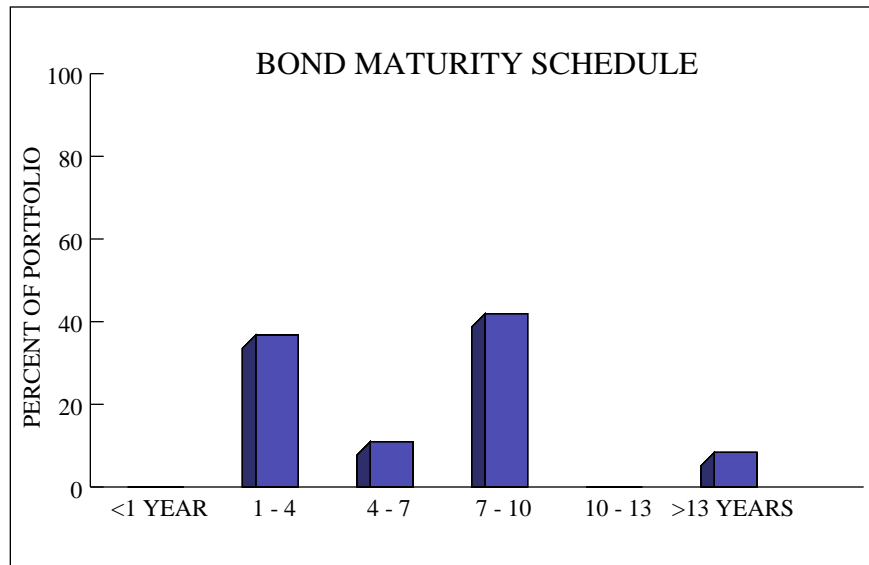
**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 771,525	4.96%	6.3%	Computer Tech	\$ 376.4 B
2	EXXON MOBIL CORP	758,941	4.88%	17.2%	Energy	406.3 B
3	INTL BUSINESS MACHINES CORP	700,583	4.50%	5.4%	Service	216.7 B
4	MICROSOFT CORP	551,780	3.55%	4.9%	Computer Tech	218.4 B
5	COCA-COLA CO/THE	521,626	3.35%	4.2%	NonDur Cons Goods	158.9 B
6	WW GRAINGER INC	497,925	3.20%	25.5%	Service	13.1 B
7	QUALCOMM INC	462,926	2.98%	12.9%	Technology	92.0 B
8	GOOGLE INC-CL A	452,130	2.91%	25.6%	Computer Tech	165.4 B
9	AMERICAN TOWER REIT INC	433,572	2.79%	12.2%	Service	23.6 B
10	MCDONALD'S CORP	431,921	2.78%	14.9%	Consumer Service	102.7 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	29	7,829
Duration	5.24	4.95
YTM	3.58	2.24
Average Coupon	6.30	4.01
Avg Maturity / WAL	7.05	7.13
Average Quality	AA	USG-AAA

**APPENDIX - DISCLOSURES**

\* The shadow index is a customized index that matches your portfolio's asset allocation on a quarterly basis.

This index was calculated using the following asset classes and corresponding benchmarks:

Large Cap Equity	Russell 1000 Growth
Fixed Income	Custom Fixed Income Index
Cash & Equivalent	90 Day T Bill

\* The Custom Fixed Income Index is an index that was constructed as follows:

100% Barclays Aggregate (for all periods after December 2008)

100% Barclays Gov/Credit (for all periods through December 2008)

DAVIE POLICE PENSION PLAN  
BUCKHEAD CAPITAL  
PERFORMANCE REVIEW  
DECEMBER 2011

## **INVESTMENT RETURN**

On December 31st, 2011, the Davie Police Pension Plan's Buckhead Capital portfolio was valued at \$28,687,246, representing an increase of \$1,468,930 from the September quarter's ending value of \$27,218,316. Last quarter, the Fund posted net contributions equaling \$24,073 plus a net investment gain equaling \$1,444,857. Total net investment return was the result of income receipts, which totaled \$211,647 and net realized and unrealized capital gains of \$1,233,210.

For the cumulative period since December 2006, the fund has recorded net contributions totaling \$1.1 million, and recorded net investment gains of \$3.5 million. For the period since December 2006, if the total fund returned a compounded nominal rate of 7.9% it would have been valued at \$36.8 million or \$8.1 million more than the actual value as of December 31st, 2011.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the fourth quarter, the Buckhead Capital portfolio gained 5.3%, which ranked in the 33rd percentile of the Balanced Fund universe. Over the trailing twelve-month period, the portfolio returned 4.4%, which ranked in the 14th percentile. Since December 2006, the portfolio returned 2.5% per annum and ranked in the 59th percentile.

### **Large Cap Equity**

For the fourth quarter, the large cap equity segment returned 10.8%, which was 2.3% below the Russell 1000 Value Index's return of 13.1% and ranked in the 90th percentile of the Large Cap Value universe. Over the trailing year, this segment returned 2.3%, which was 1.9% greater than the benchmark's 0.4% return, and ranked in the 26th percentile. Since December 2006, this component returned

-1.4% on an annualized basis and ranked in the 36th percentile. The Russell 1000 Value returned an annualized -2.6% over the same time frame.

### **Fixed Income**

In the fourth quarter, the fixed income component returned 1.1%, which was equal to the Custom Fixed Income Index's return of 1.1% and ranked in the 72nd percentile of the Core Fixed Income universe. Over the trailing twelve-month period, this component returned 7.0%, which was 0.9% less than the benchmark's 7.9% return, ranking in the 64th percentile. Since December 2006, this component returned 7.0% per annum and ranked in the 38th percentile. The Custom Fixed Income Index returned an annualized 6.3% over the same time frame.

## **ASSET ALLOCATION**

At the end of the fourth quarter, large cap equities comprised 47.2% of the total portfolio (\$13.5 million), while the portfolio's fixed income component totaled 49.3% (\$14.1 million) and cash & equivalent comprised the remaining 3.5% (\$993,053).

## **ANALYSIS**

### **Equity**

At quarter end, the Buckhead equity portfolio was invested across nine of the eleven industry sectors depicted in our analysis. Relative to the Russell 1000 Value, the Consumer Service, Computer Technology, Technology, and Service sectors were most notably overweight. Conversely, the Non Durable Consumer Goods, Finance and Utilities sectors were most notably underweight. The Durable Consumer Goods and Transportation sector were not utilized.

Mixed sector performance coupled with negative allocation effects caused the Buckhead equity portfolio to fall 230 basis points behind the Russell 1000 Value. The overweight Consumer Service, Computer Technology, and Technology sectors all fell short of their respective index counterparts. At the same time the underweight Finance and Utilities sectors proved to be detrimental due the benchmark-beating returns that were achieved by both. Value was found in the Basic sector, but was not enough to lift the portfolio past the benchmark.

### **Fixed Income**

*In our bond analysis, we use the S&P rating agency's ratings. Rating agencies can differ slightly causing bonds to be split rated. This portfolio contains the following split rated bonds: American Express, Pitney Bowes, Citigroup Inc, Goldman Sachs Group, and Hewlett Packard.*

At the end of the quarter, approximately 60% of the total bond portfolio was comprised of USG quality securities. The remainder of the portfolio consisted of corporate securities, rated AA through BBB, giving the portfolio an overall average quality rating of AAA. The average maturity of the portfolio was 5.3 years, less than the Barclays Aggregate Index's 7.1-year maturity. The average coupon was 4.4%.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	-----Annualized-----		
			1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	5.3	5.3	4.4	9.7	2.5
<i>BALANCED FUND RANK</i>	(33)	(33)	(14)	(81)	(59)
<b>Total Net/Fees</b>	5.2	5.2	4.0	9.2	2.1
SHADOW INDEX	6.4	6.4	3.9	9.6	1.6
<b>Large Cap Equity</b>	10.8	10.8	2.3	11.8	-1.4
<i>LARGE CAP VALUE RANK</i>	(90)	(90)	(26)	(64)	(36)
RUSSELL 1000V	13.1	13.1	0.4	11.5	-2.6
S&P 500	11.8	11.8	2.1	14.1	-0.2
<b>Fixed Income</b>	1.1	1.1	7.0	6.4	7.0
<i>CORE FIXED INCOME RANK</i>	(72)	(72)	(64)	(82)	(38)
CUSTOM FX INDEX	1.1	1.1	7.9	6.8	6.3
BARCLAYS AGG	1.1	1.1	7.9	6.8	6.5
GOV/CREDIT	1.2	1.2	8.7	6.6	6.5

**ASSET ALLOCATION**

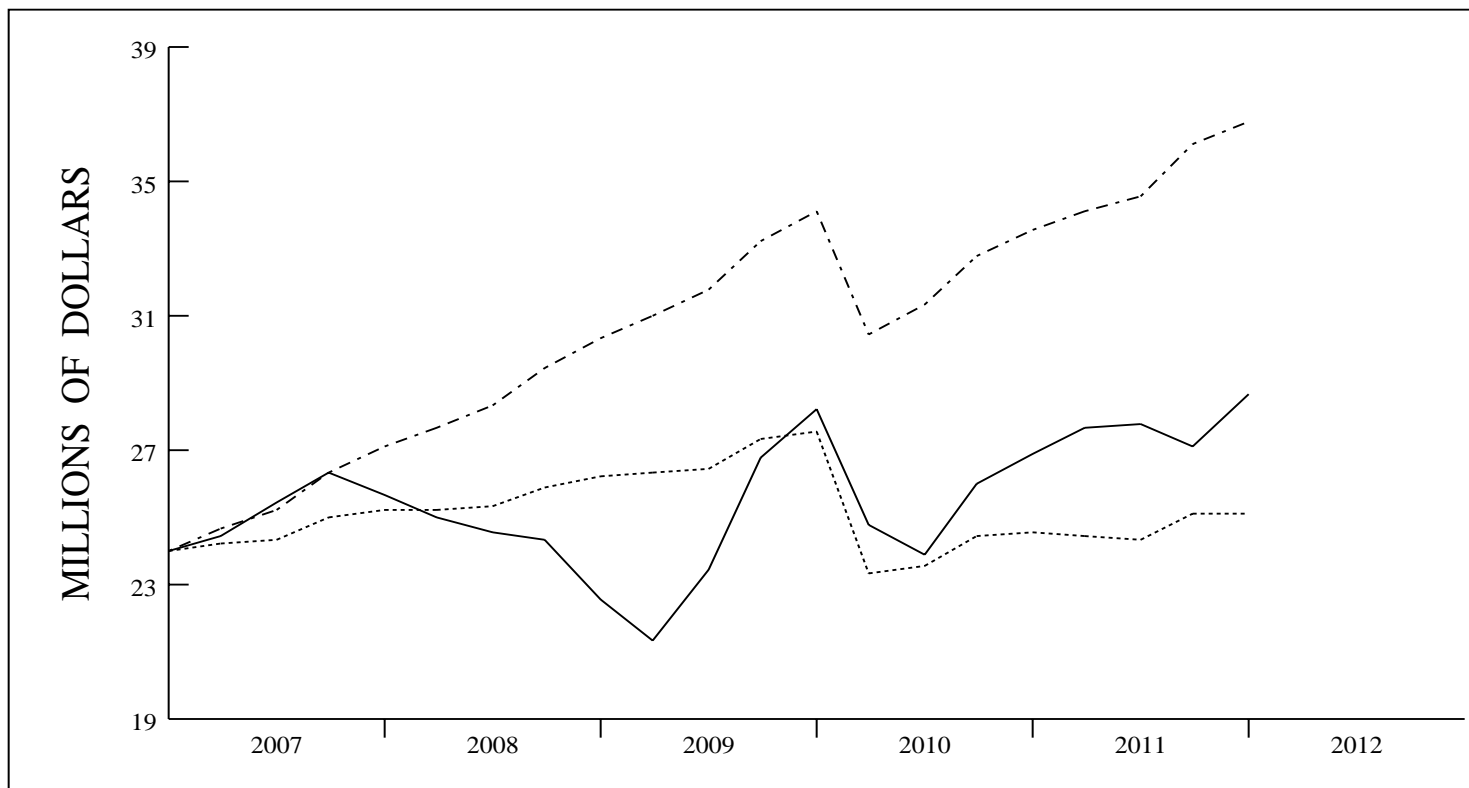
Large Cap Equity	47.2%	\$ 13,547,255
Fixed Income	49.3%	14,146,939
Cash	3.5%	993,053
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 28,687,246</b>

**INVESTMENT RETURN**

Market Value 9/2011	\$ 27,218,316
Contribs / Withdrawals	24,073
Income	211,647
Capital Gains / Losses	1,233,210
Market Value 12/2011	\$ 28,687,246



**INVESTMENT GROWTH**

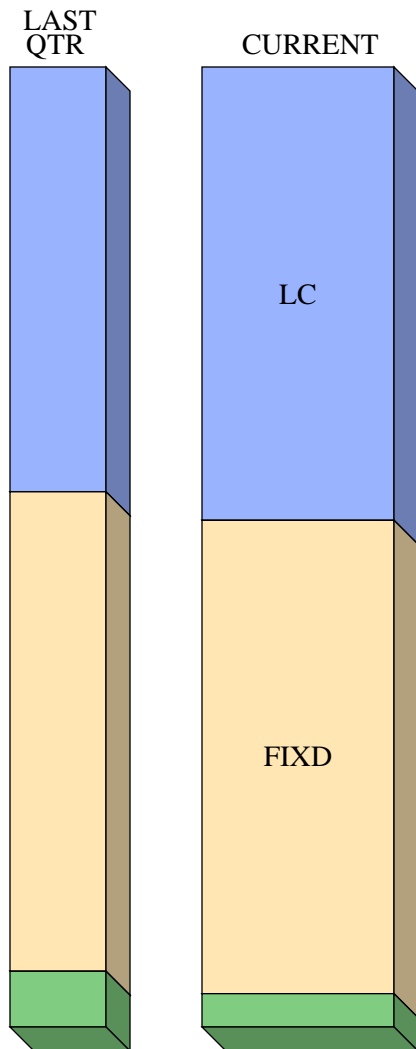


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 36,831,782

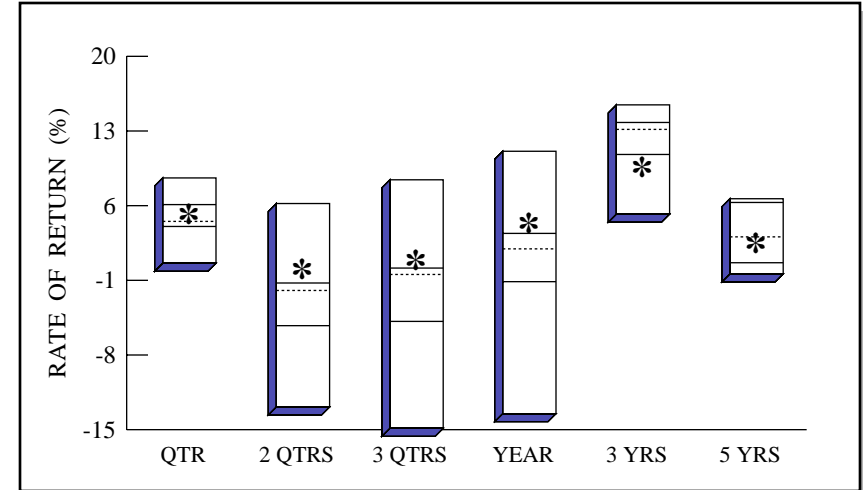
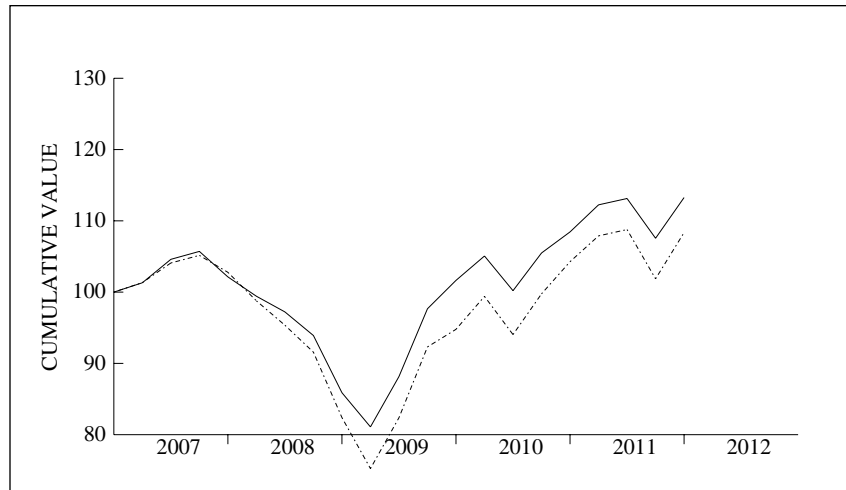
	LAST QUARTER	PERIOD 12/06 - 12/11
BEGINNING VALUE	\$ 27,218,316	\$ 24,056,466
NET CONTRIBUTIONS	24,073	1,124,476
<u>INVESTMENT RETURN</u>	<u>1,444,857</u>	<u>3,506,304</u>
ENDING VALUE	\$ 28,687,246	\$ 28,687,246
INCOME	211,647	4,465,660
<u>CAPITAL GAINS (LOSSES)</u>	<u>1,233,210</u>	<u>-959,356</u>
INVESTMENT RETURN	1,444,857	3,506,304

**ASSET ALLOCATION**



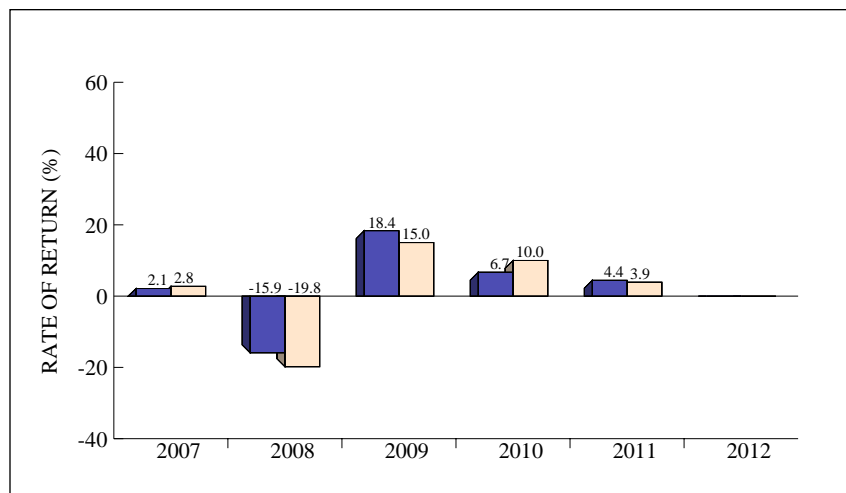
	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>MIN</u>	<u>MAX</u>
LARGE CAP EQUITY	\$ 13, 547, 255	47.2%	50.0%	40.0%	70.0%
FIXED INCOME	14, 146, 939	49.3%	50.0%	30.0%	50.0%
CASH & EQUIVALENT	993, 053	3.5%	0.0%	0.0%	10.0%
<u>TOTAL FUND</u>	<u>\$ 28, 687, 246</u>	<u>100.0%</u>			

**TOTAL RETURN COMPARISONS**



■ ——— PORTFOLIO  
■ - - - - SHADOW INDEX

Balanced Fund Universe

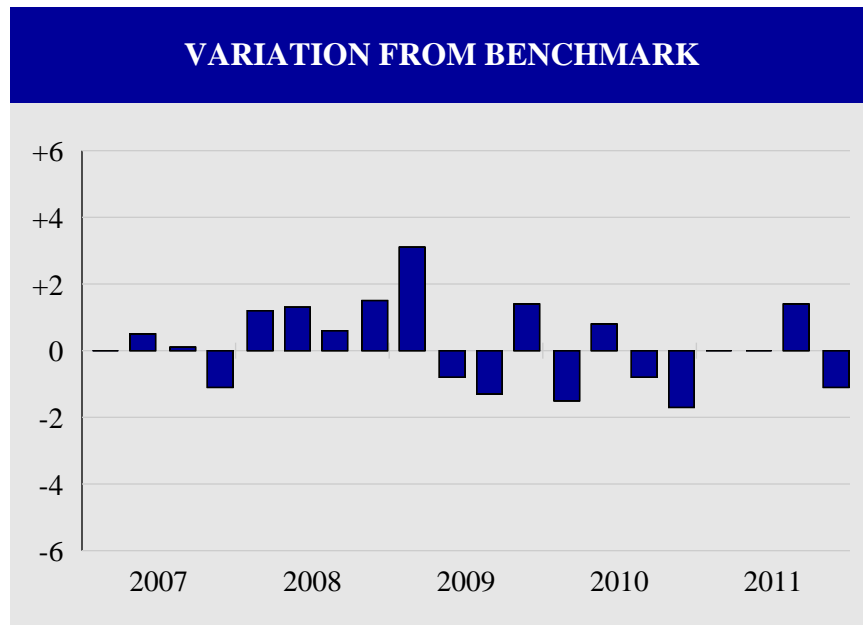


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	5.3	0.1	0.9	4.4	9.7	2.5
(RANK)	(33)	(13)	(19)	(14)	(81)	(59)
5TH %ILE	8.6	6.2	8.4	11.1	15.5	6.6
25TH %ILE	6.1	-1.3	0.2	3.4	13.8	6.3
MEDIAN	4.5	-1.9	-0.4	2.0	13.2	3.1
75TH %ILE	4.0	-5.3	-4.8	-1.1	10.8	0.7
95TH %ILE	0.6	-12.9	-14.9	-13.5	5.2	-0.4
<i>Sh Idx</i>	<b>6.4</b>	<b>-0.4</b>	<b>0.4</b>	<b>3.9</b>	<b>9.6</b>	<b>1.6</b>

Balanced Fund Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

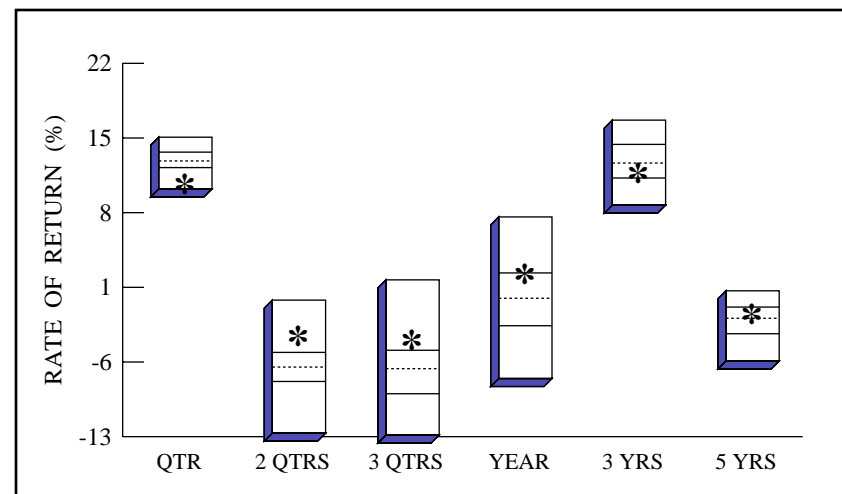
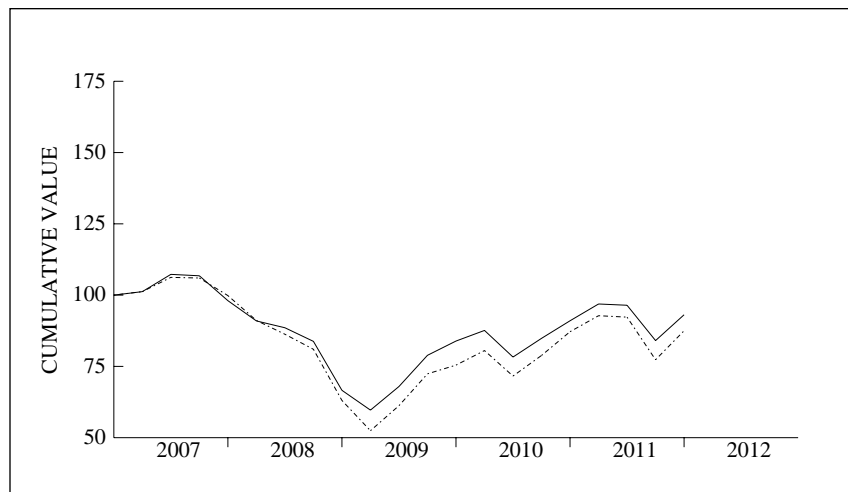
**COMPARATIVE BENCHMARK: SHADOW INDEX**



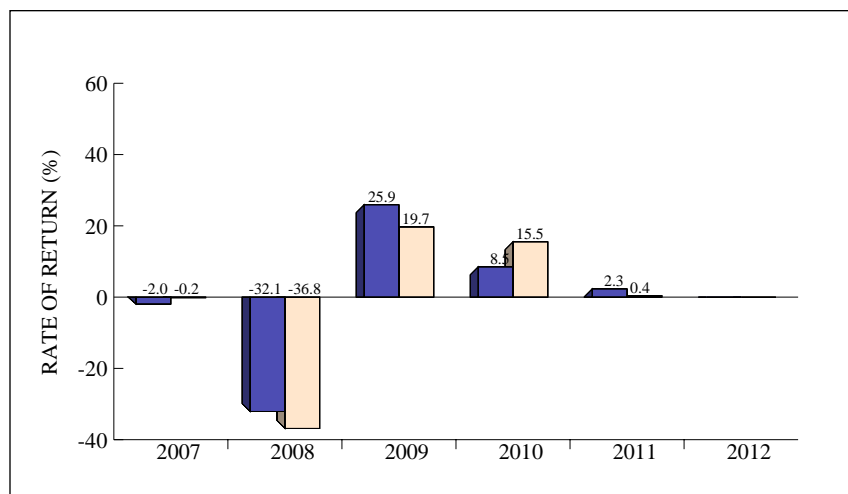
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>13</b>
<b>Quarters Below the Benchmark</b>	<b>7</b>
<b>Batting Average</b>	<b>.650</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
3/07	1.3	1.3	0.0
6/07	3.2	2.7	0.5
9/07	1.1	1.0	0.1
12/07	-3.4	-2.3	-1.1
3/08	-2.7	-3.9	1.2
6/08	-2.2	-3.5	1.3
9/08	-3.4	-4.0	0.6
12/08	-8.5	-10.0	1.5
3/09	-5.6	-8.7	3.1
6/09	8.7	9.5	-0.8
9/09	10.8	12.1	-1.3
12/09	4.1	2.7	1.4
3/10	3.4	4.9	-1.5
6/10	-4.6	-5.4	0.8
9/10	5.3	6.1	-0.8
12/10	2.8	4.5	-1.7
3/11	3.5	3.5	0.0
6/11	0.8	0.8	0.0
9/11	-4.9	-6.3	1.4
12/11	5.3	6.4	-1.1

### LARGE CAP EQUITY RETURN COMPARISONS



Large Cap Value Universe

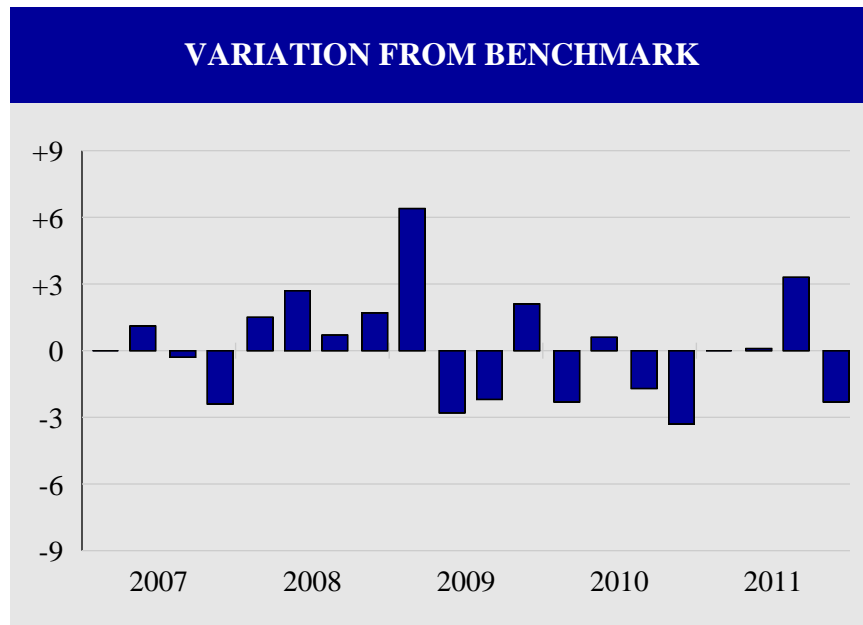


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	10.8	-3.5	-3.9	2.3	11.8	-1.4
(RANK)	(90)	(12)	(16)	(26)	(64)	(36)
5TH %ILE	15.1	-0.2	1.7	7.6	16.7	0.7
25TH %ILE	13.7	-5.1	-4.9	2.4	14.4	-0.9
MEDIAN	12.9	-6.5	-6.6	0.0	12.6	-1.9
75TH %ILE	12.2	-7.8	-9.0	-2.6	11.3	-3.4
95TH %ILE	10.2	-12.7	-12.8	-7.6	8.7	-5.9
<b>Russ 1000V</b>	<b>13.1</b>	<b>-5.2</b>	<b>-5.7</b>	<b>0.4</b>	<b>11.5</b>	<b>-2.6</b>

Large Cap Value Universe

## LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

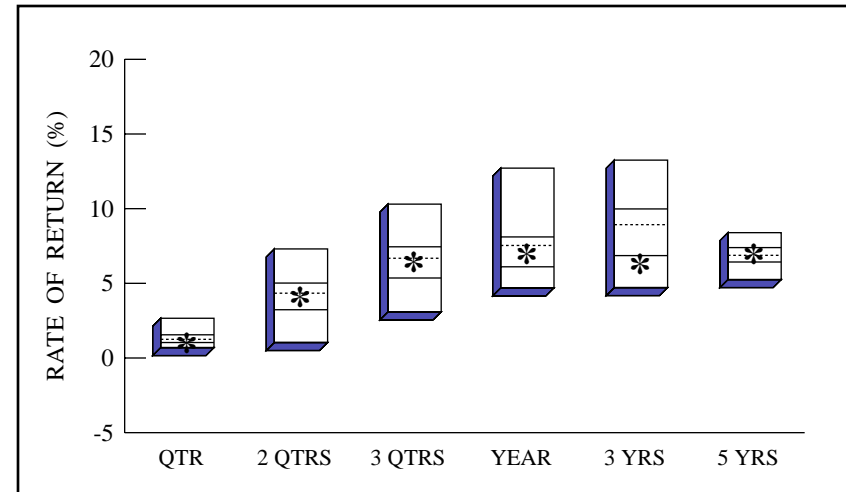
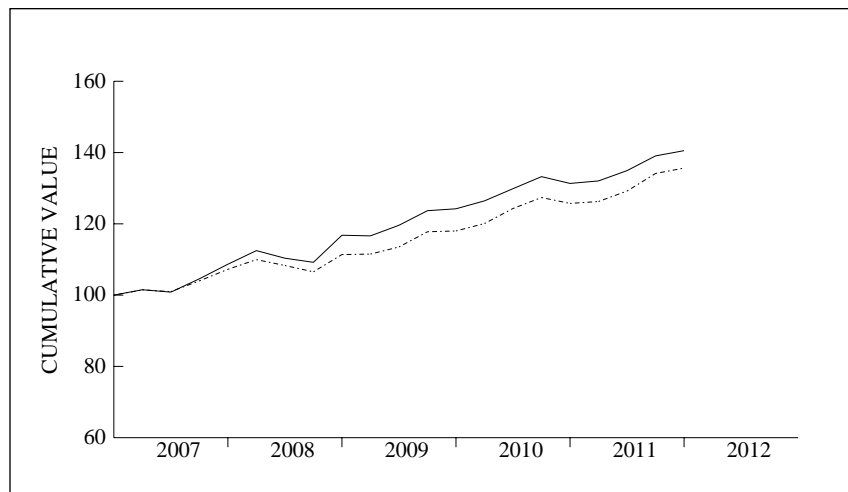
COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE



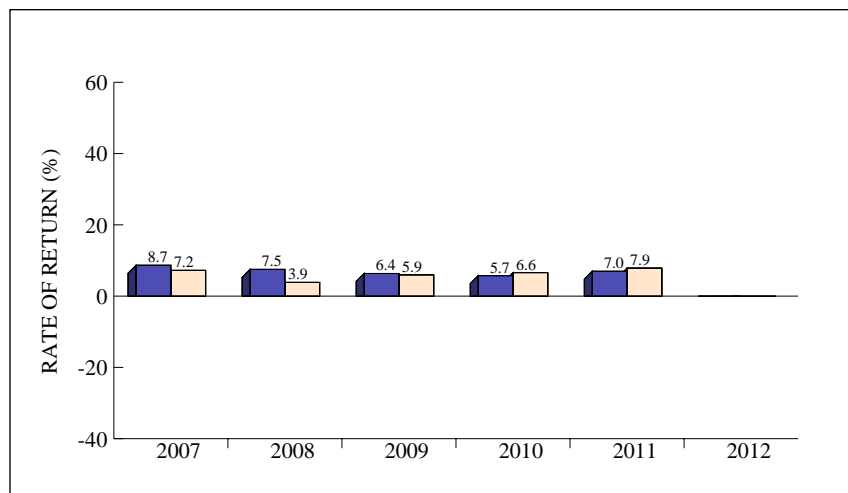
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	1.2	1.2	0.0
6/07	6.0	4.9	1.1
9/07	-0.5	-0.2	-0.3
12/07	-8.2	-5.8	-2.4
3/08	-7.2	-8.7	1.5
6/08	-2.6	-5.3	2.7
9/08	-5.4	-6.1	0.7
12/08	-20.5	-22.2	1.7
3/09	-10.4	-16.8	6.4
6/09	13.9	16.7	-2.8
9/09	16.0	18.2	-2.2
12/09	6.3	4.2	2.1
3/10	4.5	6.8	-2.3
6/10	-10.6	-11.2	0.6
9/10	8.4	10.1	-1.7
12/10	7.2	10.5	-3.3
3/11	6.5	6.5	0.0
6/11	-0.4	-0.5	0.1
9/11	-12.9	-16.2	3.3
12/11	10.8	13.1	-2.3

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>12</b>
<b>Quarters Below the Benchmark</b>	<b>8</b>
<b>Batting Average</b>	<b>.600</b>

**FIXED INCOME RETURN COMPARISONS**



Core Fixed Income Universe

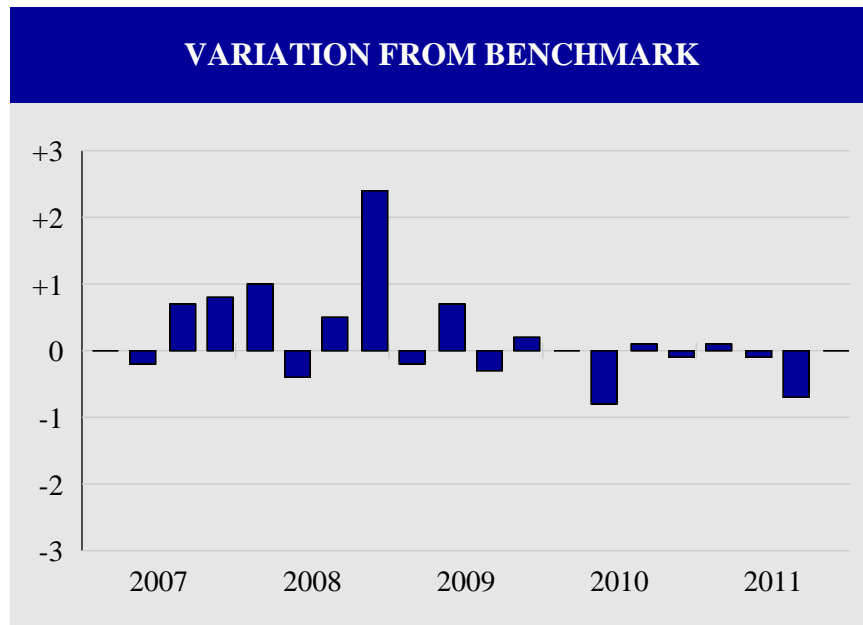


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	1.1	4.2	6.4	7.0	6.4	7.0
(RANK)	(72)	(55)	(58)	(64)	(82)	(38)
5TH %ILE	2.7	7.3	10.3	12.7	13.3	8.4
25TH %ILE	1.6	5.0	7.4	8.1	10.0	7.4
MEDIAN	1.3	4.3	6.7	7.5	8.9	6.9
75TH %ILE	1.0	3.2	5.4	6.1	6.9	6.4
95TH %ILE	0.7	1.0	3.1	4.7	4.7	5.3
<b>Fixed Idx</b>	<b>1.1</b>	<b>5.0</b>	<b>7.4</b>	<b>7.9</b>	<b>6.8</b>	<b>6.3</b>

Core Fixed Income Universe

## FIXED INCOME QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX

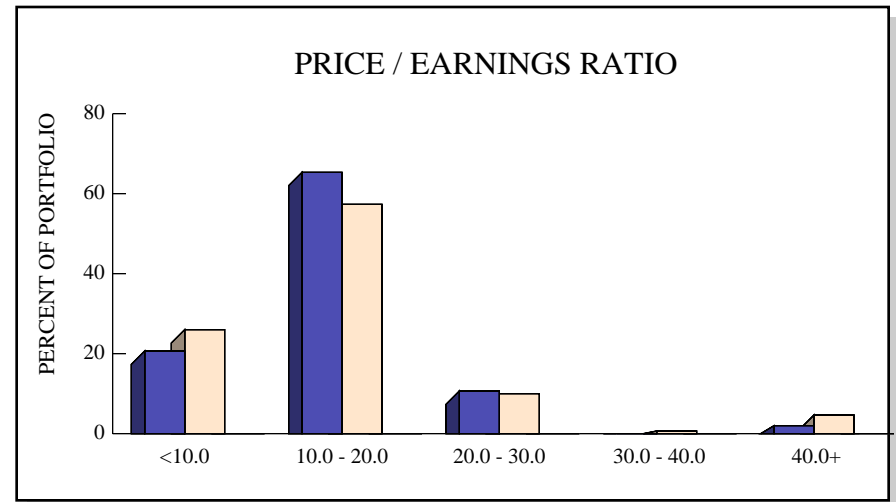
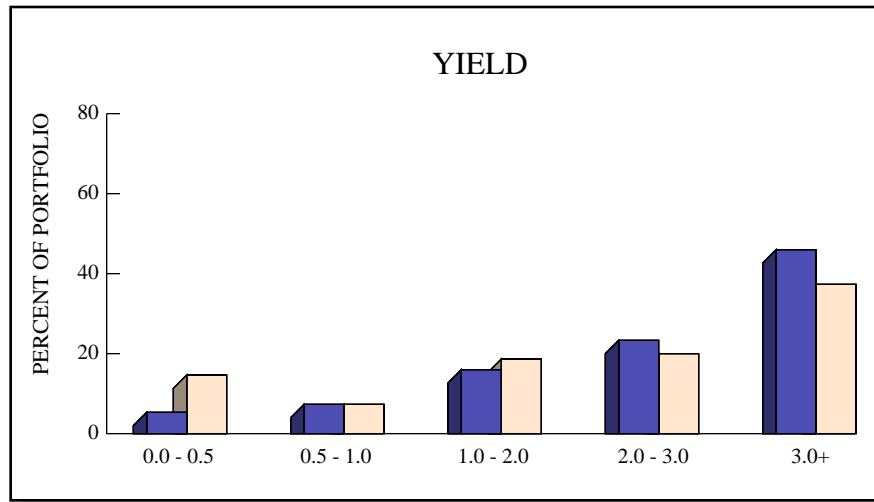


RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	1.5	1.5	0.0
6/07	-0.7	-0.5	-0.2
9/07	3.7	3.0	0.7
12/07	3.9	3.1	0.8
3/08	3.5	2.5	1.0
6/08	-1.9	-1.5	-0.4
9/08	-1.1	-1.6	0.5
12/08	7.0	4.6	2.4
3/09	-0.1	0.1	-0.2
6/09	2.5	1.8	0.7
9/09	3.4	3.7	-0.3
12/09	0.4	0.2	0.2
3/10	1.8	1.8	0.0
6/10	2.7	3.5	-0.8
9/10	2.6	2.5	0.1
12/10	-1.4	-1.3	-0.1
3/11	0.5	0.4	0.1
6/11	2.2	2.3	-0.1
9/11	3.1	3.8	-0.7
12/11	1.1	1.1	0.0

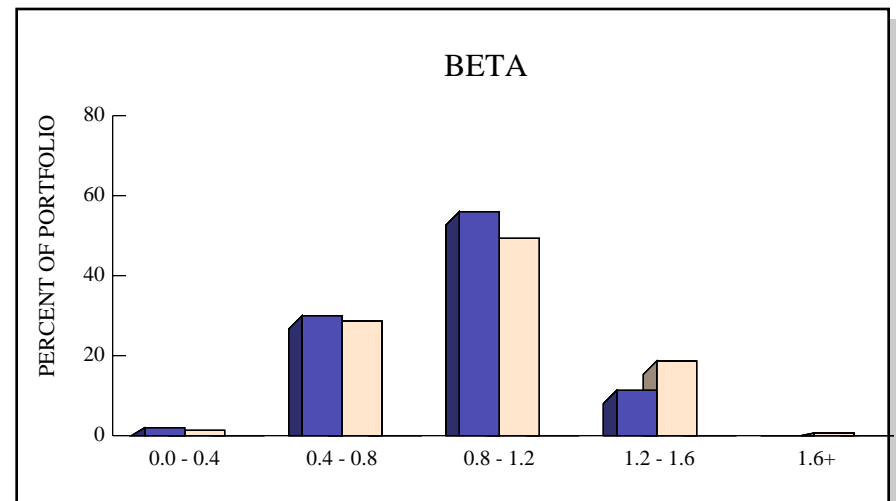
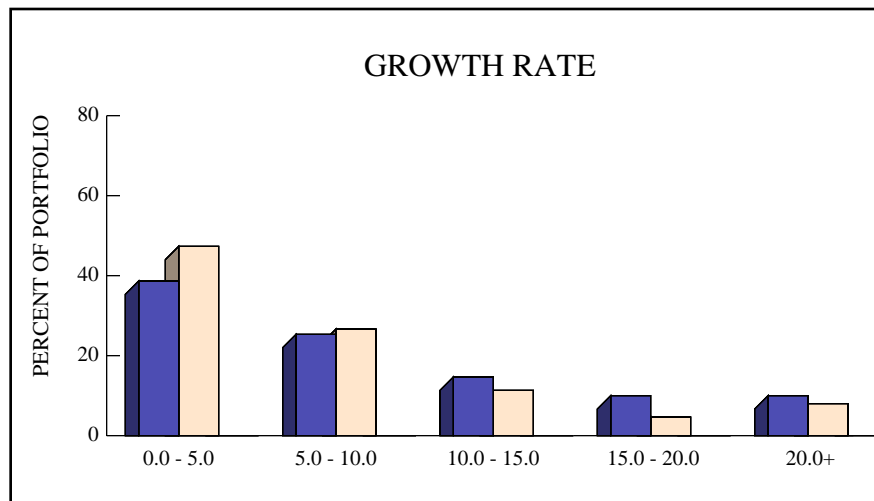
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>12</b>
<b>Quarters Below the Benchmark</b>	<b>8</b>
<b>Batting Average</b>	<b>.600</b>



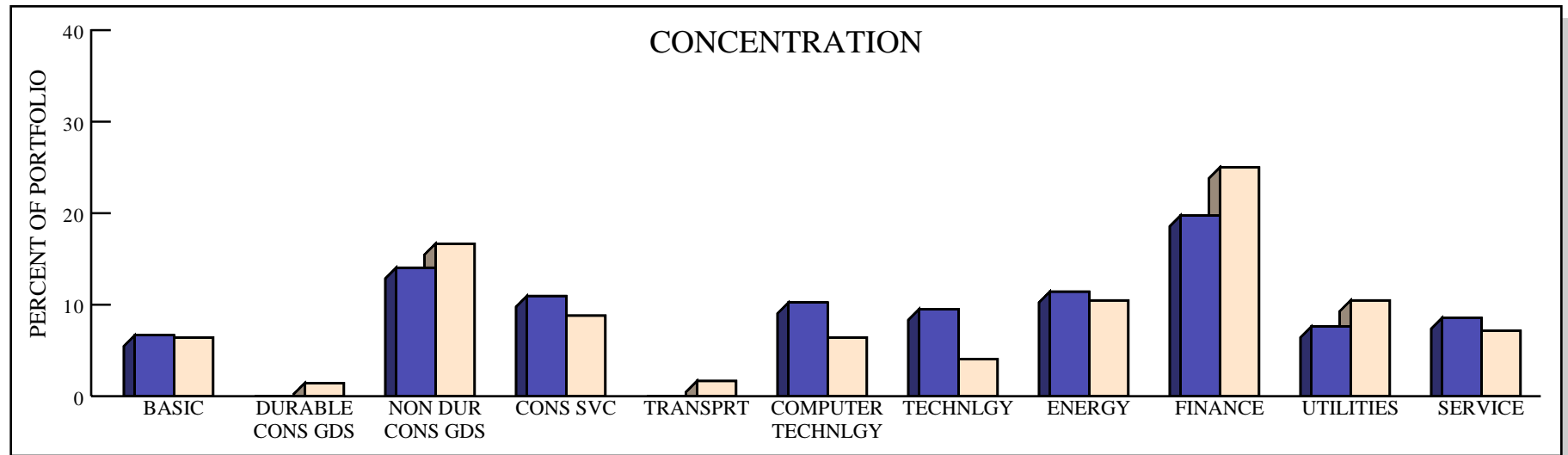
**STOCK CHARACTERISTICS**



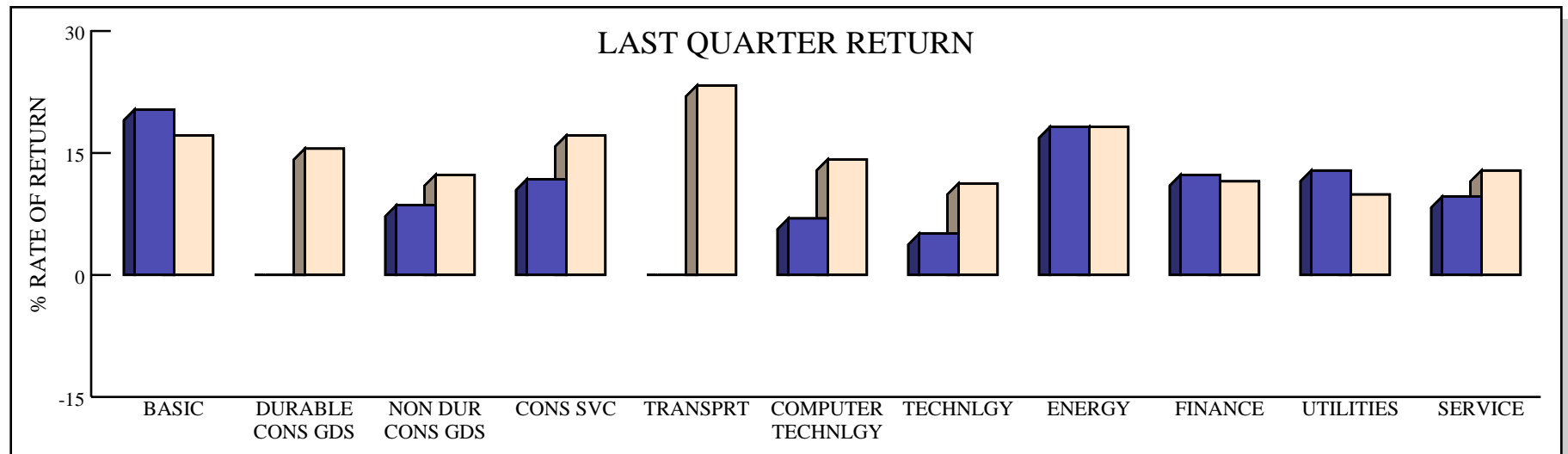
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	3.0%	5.5%	16.0	0.90
RUSSELL 1000V	2.4%	4.1%	15.3	0.98



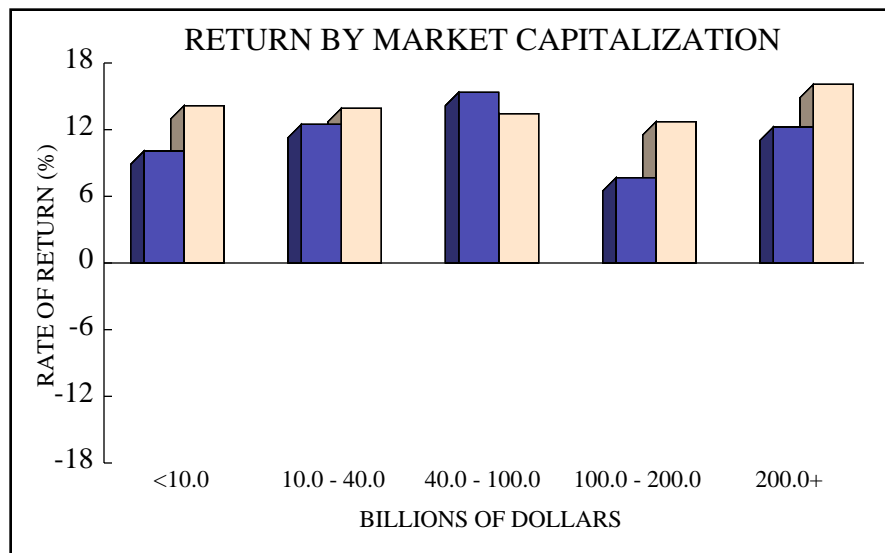
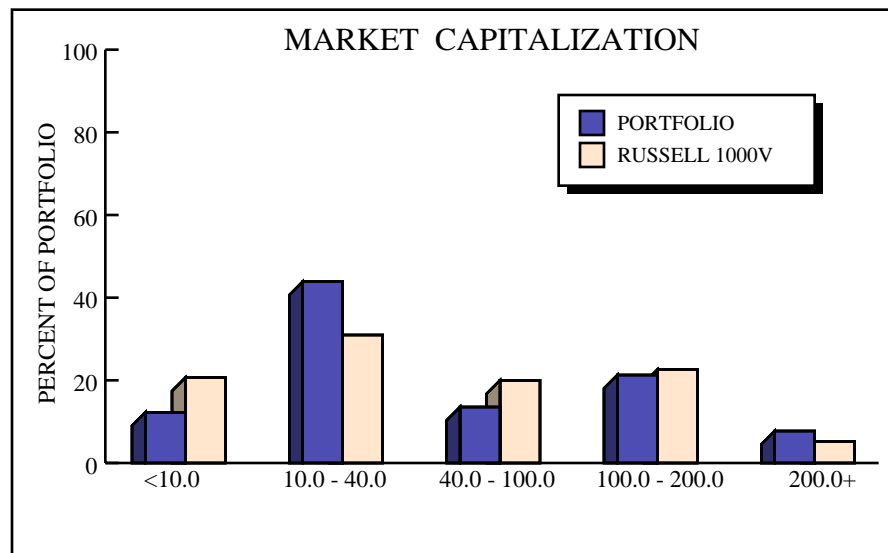
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 VALUE



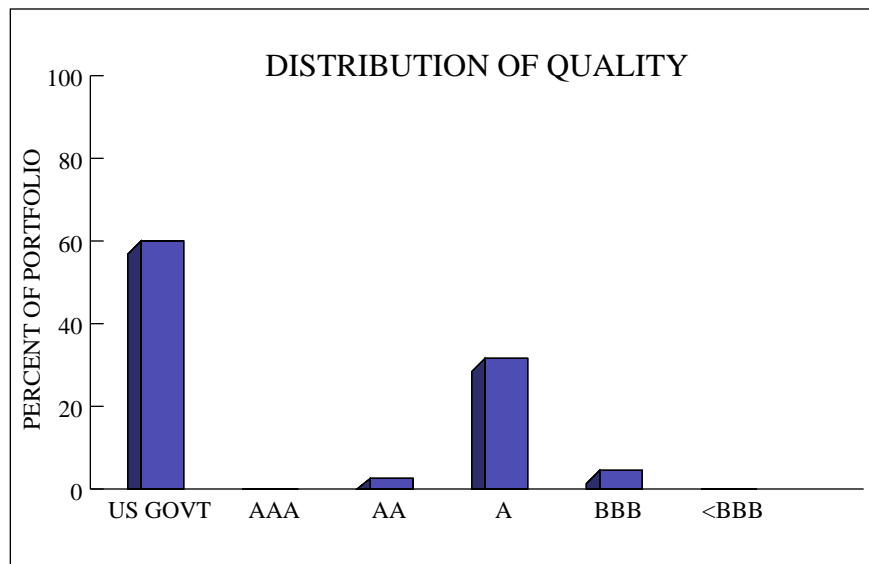
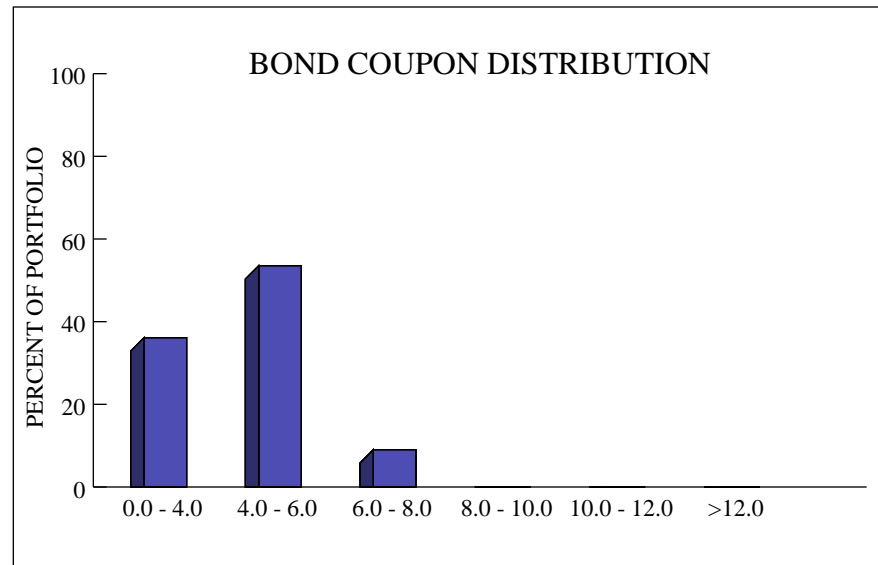
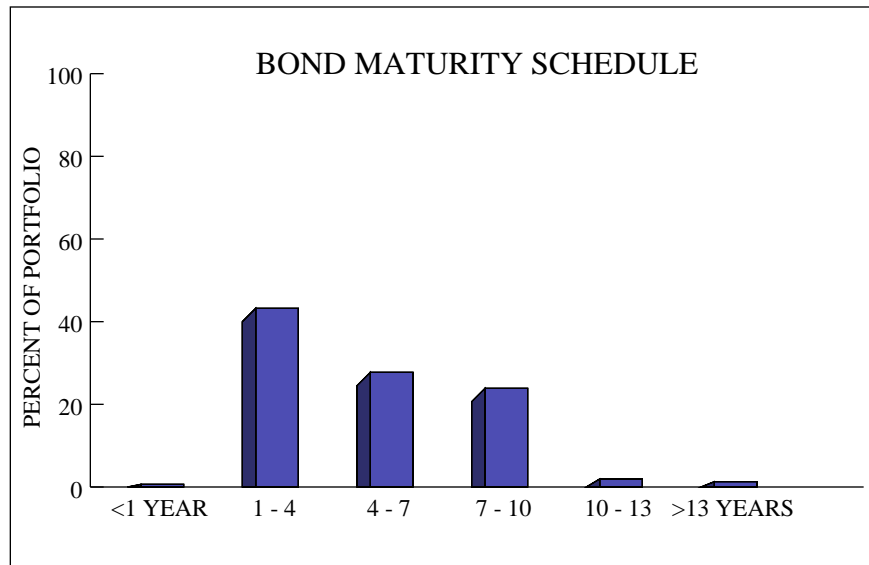
**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	CISCO SYSTEMS INC	\$ 522,512	3.86%	17.0%	Computer Tech	\$ 97.2 B
2	TJX COMPANIES INC	469,924	3.47%	16.7%	Consumer Service	24.3 B
3	LOCKHEED MARTIN CORP	427,152	3.15%	12.3%	Technology	26.2 B
4	JOHNSON & JOHNSON	422,335	3.12%	3.8%	NonDur Cons Goods	179.1 B
5	CHEVRON CORP	416,556	3.07%	15.7%	Energy	211.9 B
6	PEPSICO INC	388,147	2.87%	7.9%	NonDur Cons Goods	103.7 B
7	AT&T INC	379,361	2.80%	7.4%	Service	179.2 B
8	PFIZER INC	371,645	2.74%	23.3%	NonDur Cons Goods	166.3 B
9	MICROSOFT CORP	370,709	2.74%	4.9%	Computer Tech	218.4 B
10	ALLSTATE CORP	354,000	2.61%	16.5%	Finance	13.9 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	106	7,829
Duration	5.48	4.95
YTM	2.39	2.24
Average Coupon	4.35	4.01
Avg Maturity / WAL	5.25	7.13
Average Quality	AAA	USG-AAA

**APPENDIX - DISCLOSURES**

\* The shadow index is a customized index that matches your portfolio's asset allocation on a quarterly basis.

This index was calculated using the following asset classes and corresponding benchmarks:

Large Cap Equity	Russell 1000 Value
Fixed Income	Custom Fixed Income Index
Cash & Equivalent	90 Day T Bill

\* The Custom Fixed Income Index is an index that was constructed as follows:

100% Barclays Aggregat (for all periods after December 2008)

100% Barclays Gov/Credit (for all periods through December 2008)

DAVIE POLICE PENSION PLAN  
RHUMLINE  
PERFORMANCE REVIEW  
DECEMBER 2011

## **INVESTMENT RETURN**

On December 31st, 2011, the Davie Police Pension Plan's RhumbLine portfolio was valued at \$5,830,339, representing an increase of \$668,584 from the September quarter's ending value of \$5,161,755. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$668,584 in net investment returns. Since there were no income receipts for the fourth quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$668,584.

For the cumulative period since December 2006, the portfolio has posted net contributions totaling \$599,884, and recorded net investment gains totaling \$903,345. For the period since December 2006, if the fund had returned a compounded nominal rate of 7.9% it would have been valued at \$7.0 million or \$1.2 million more than the actual value as of December 31st, 2011.

## **RELATIVE PERFORMANCE**

For the fourth quarter, the RhumbLine portfolio returned 13.0%, which was equal to the S&P 400 Index's return of 13.0% and ranked in the 60th percentile of the Mid Cap universe. Over the trailing year, this portfolio returned -1.6%, which was 0.1% above the benchmark's -1.7% return, ranking in the 54th percentile. Since December 2006, the account returned 3.4% on an annualized basis and ranked in the 45th percentile. For comparison, the S&P 400 returned an annualized 3.3% over the same time frame.

## **ASSET ALLOCATION**

The portfolio was fully invested in the S&P Mid-Cap 400 Pooled Index Fund at the end of the quarter.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	5 Years
<b>Total Gross/Fees</b>	13.0	13.0	-1.6	19.6	3.4
<i>MID CAP RANK</i>	(60)	(60)	(54)	(54)	(45)
<b>Total Net/Fees</b>	12.9	12.9	-1.7	19.5	3.3
S&P 400	13.0	13.0	-1.7	19.6	3.3
<b>Mid Cap Equity</b>	13.0	13.0	-1.6	19.6	3.4
<i>MID CAP RANK</i>	(60)	(60)	(54)	(54)	(45)
S&P 400	13.0	13.0	-1.7	19.6	3.3

**ASSET ALLOCATION**

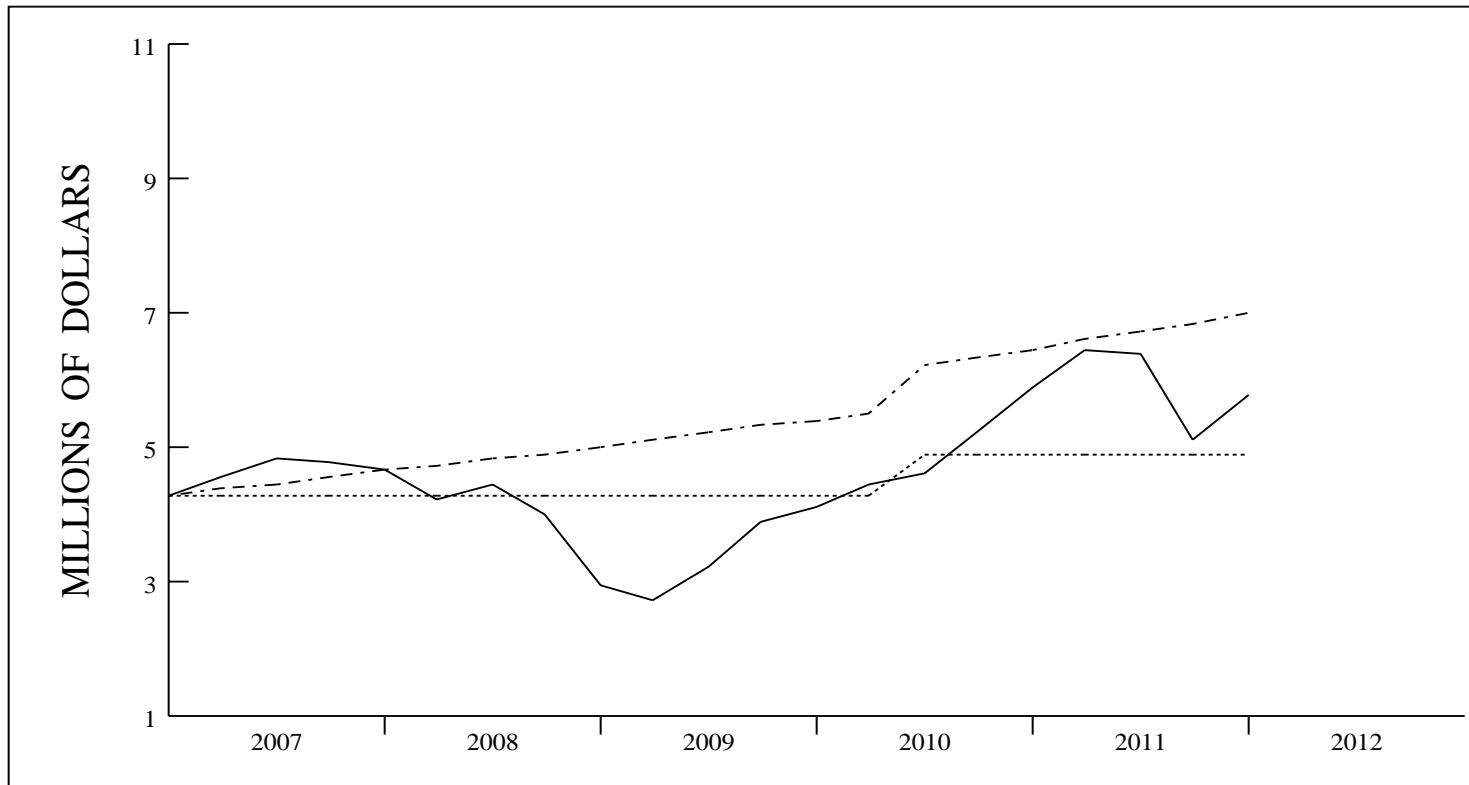
Mid Cap Equity	100.0%	\$ 5,830,339
Total Portfolio	100.0%	\$ 5,830,339

**INVESTMENT RETURN**

Market Value 9/2011	\$ 5,161,755
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	668,584
Market Value 12/2011	\$ 5,830,339



**INVESTMENT GROWTH**

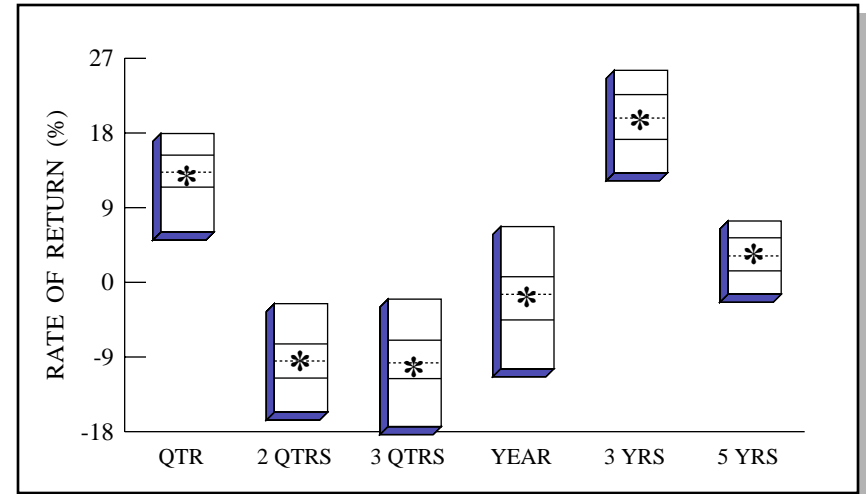
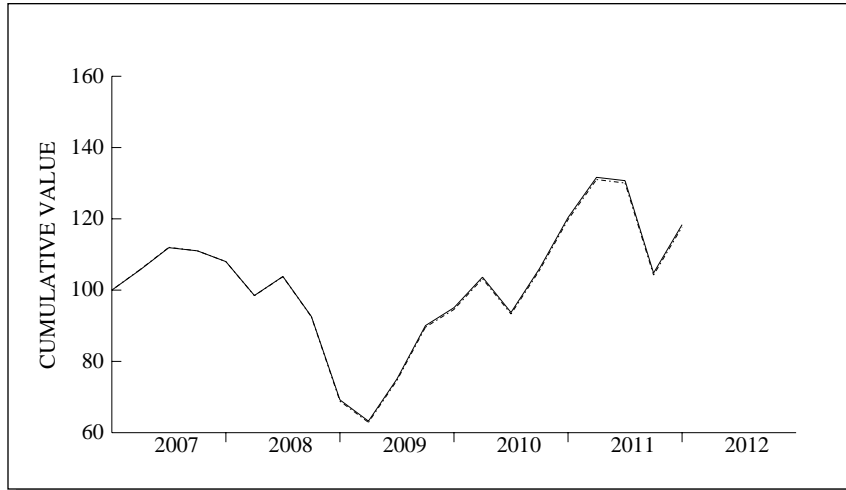


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

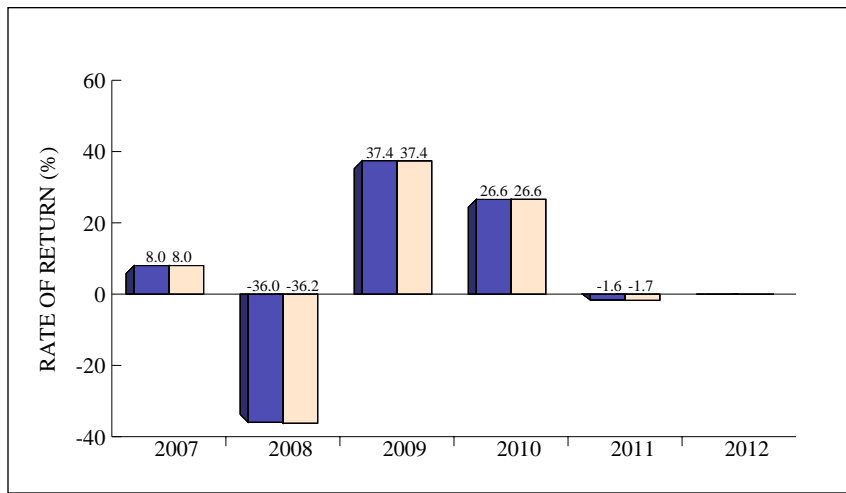
VALUE ASSUMING  
 7.9% RETURN  
 \$ 7,007,351

	LAST QUARTER	PERIOD 12/06 - 12/11
BEGINNING VALUE	\$ 5,161,755	\$ 4,327,110
NET CONTRIBUTIONS	0	599,884
INVESTMENT RETURN	668,584	903,345
<b>ENDING VALUE</b>	<b>\$ 5,830,339</b>	<b>\$ 5,830,339</b>
INCOME	0	0
CAPITAL GAINS (LOSSES)	668,584	903,345
INVESTMENT RETURN	668,584	903,345

**TOTAL RETURN COMPARISONS**



Mid Cap Universe

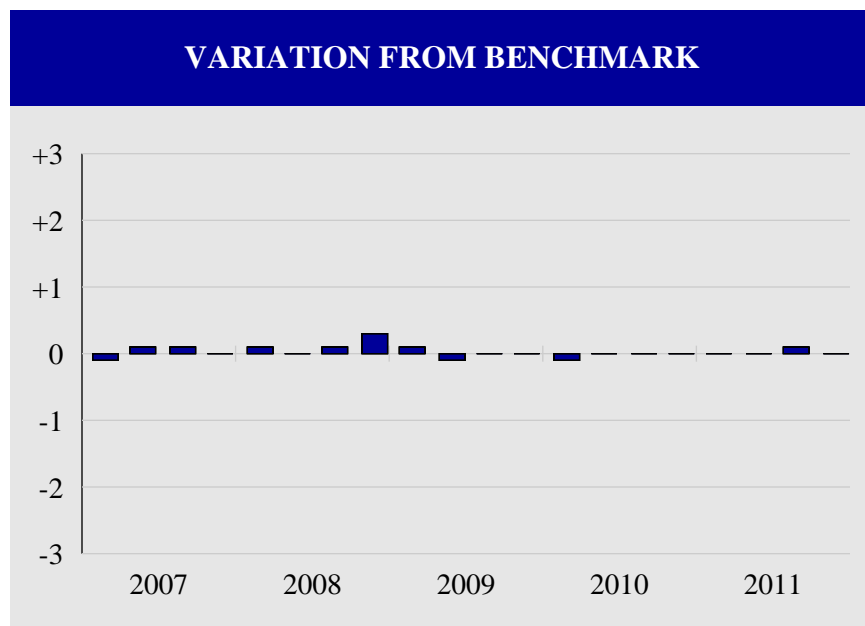


	<u>QTR</u>	<u>2QTRS</u>	<u>3QTRS</u>	<u>YEAR</u>	<u>3 YRS</u>	<u>5 YRS</u>
RETURN	13.0	-9.4	-10.1	-1.6	19.6	3.4
(RANK)	(60)	(50)	(56)	(54)	(54)	(45)
5TH %ILE	18.0	-2.6	-2.0	6.7	25.6	7.4
25TH %ILE	15.3	-7.4	-7.0	0.7	22.6	5.4
MEDIAN	13.3	-9.5	-9.7	-1.5	19.8	3.2
75TH %ILE	11.5	-11.6	-11.6	-4.5	17.2	1.4
95TH %ILE	6.1	-15.7	-17.4	-10.4	13.2	-1.5
<b>S&amp;P 400</b>	<b>13.0</b>	<b>-9.5</b>	<b>-10.1</b>	<b>-1.7</b>	<b>19.6</b>	<b>3.3</b>

Mid Cap Universe

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: S&P 400



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	5.7	5.8	-0.1
6/07	5.9	5.8	0.1
9/07	-0.8	-0.9	0.1
12/07	-2.7	-2.7	0.0
3/08	-8.8	-8.9	0.1
6/08	5.4	5.4	0.0
9/08	-10.8	-10.9	0.1
12/08	-25.3	-25.6	0.3
3/09	-8.6	-8.7	0.1
6/09	18.7	18.8	-0.1
9/09	20.0	20.0	0.0
12/09	5.6	5.6	0.0
3/10	9.0	9.1	-0.1
6/10	-9.6	-9.6	0.0
9/10	13.1	13.1	0.0
12/10	13.5	13.5	0.0
3/11	9.4	9.4	0.0
6/11	-0.7	-0.7	0.0
9/11	-19.8	-19.9	0.1
12/11	13.0	13.0	0.0

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>17</b>
<b>Quarters Below the Benchmark</b>	<b>3</b>
<b>Batting Average</b>	<b>.850</b>

DAVIE POLICE PENSION PLAN  
TAMRO  
PERFORMANCE REVIEW  
DECEMBER 2011

## **INVESTMENT RETURN**

On December 31st, 2011, the Davie Police Pension Plan's TAMRO portfolio was valued at \$6,142,370, representing an increase of \$755,511 from the September quarter's ending value of \$5,386,859. Last quarter, the Fund posted withdrawals totaling \$12,103, which partially offset the portfolio's net investment return of \$767,614. Income receipts totaling \$9,634 plus net realized and unrealized capital gains of \$757,980 combined to produce the portfolio's net investment return.

For the cumulative period since March 2010, the fund has recorded net contributions totaling \$315,519, and recorded net investment gains of \$1.0 million. For the period since March 2010, if the total fund had returned a compounded nominal rate of 7.9% it would have been valued at \$5.8 million or \$295,172 less than the actual value as of December 31st, 2011.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the fourth quarter, the TAMRO portfolio gained 14.3%, which was 1.2% below the Russell 2000 Index's return of 15.5% and ranked in the 66th percentile of the Small Cap universe. Over the trailing year, the portfolio returned -2.9%, which was 1.3% greater than the benchmark's -4.2% performance, and ranked in the 57th percentile. Since March 2010, the portfolio returned 10.6% on an annualized basis and ranked in the 28th percentile. For comparison, the Russell 2000 returned an annualized 6.5% over the same period.

## **ASSET ALLOCATION**

On December 31st, 2011, small cap equities comprised 99.0% of the total portfolio (\$6.1 million), while cash & equivalents totaled 1.0% (\$60,350).

## **ANALYSIS**

At quarter end, the Tamro portfolio was invested across ten of the eleven industry sectors depicted in our analysis. Relative to the Russell 2000, the Consumer Service, Technology, Energy, and Service sectors held larger allocations, while the Durable Consumer Goods, Non Durable Consumer Goods, and Transportation sectors held lighter allocations. The Utilities sector was vacant of holdings.

Superior returns across the Basic, Durable Consumer Goods, and Computer Technology sectors were offset by significant deficits relative to the index in the Non Durable Consumer Goods, Transportation, Energy, and Service sectors. The transportation sector was the most notable by posting a -16.0% return, which came from its lone holding; Overseas Shipholding Group. These factors led to the Tamro portfolio's 120 basis deficit relative to the Russell 2000.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 3/2010
<b>Total Gross/Fees</b>	14.3	14.3	-2.9	----	10.6
<i>SMALL CAP RANK</i>	(66)	(66)	(57)	----	(28)
<b>Total Net/Fees</b>	14.0	14.0	-3.8	----	9.7
RUSSELL 2000	15.5	15.5	-4.2	15.6	6.5
<b>Small Cap Equity</b>	14.4	14.4	-2.9	----	10.8
<i>SMALL CAP RANK</i>	(65)	(65)	(57)	----	(26)
RUSSELL 2000	15.5	15.5	-4.2	15.6	6.5

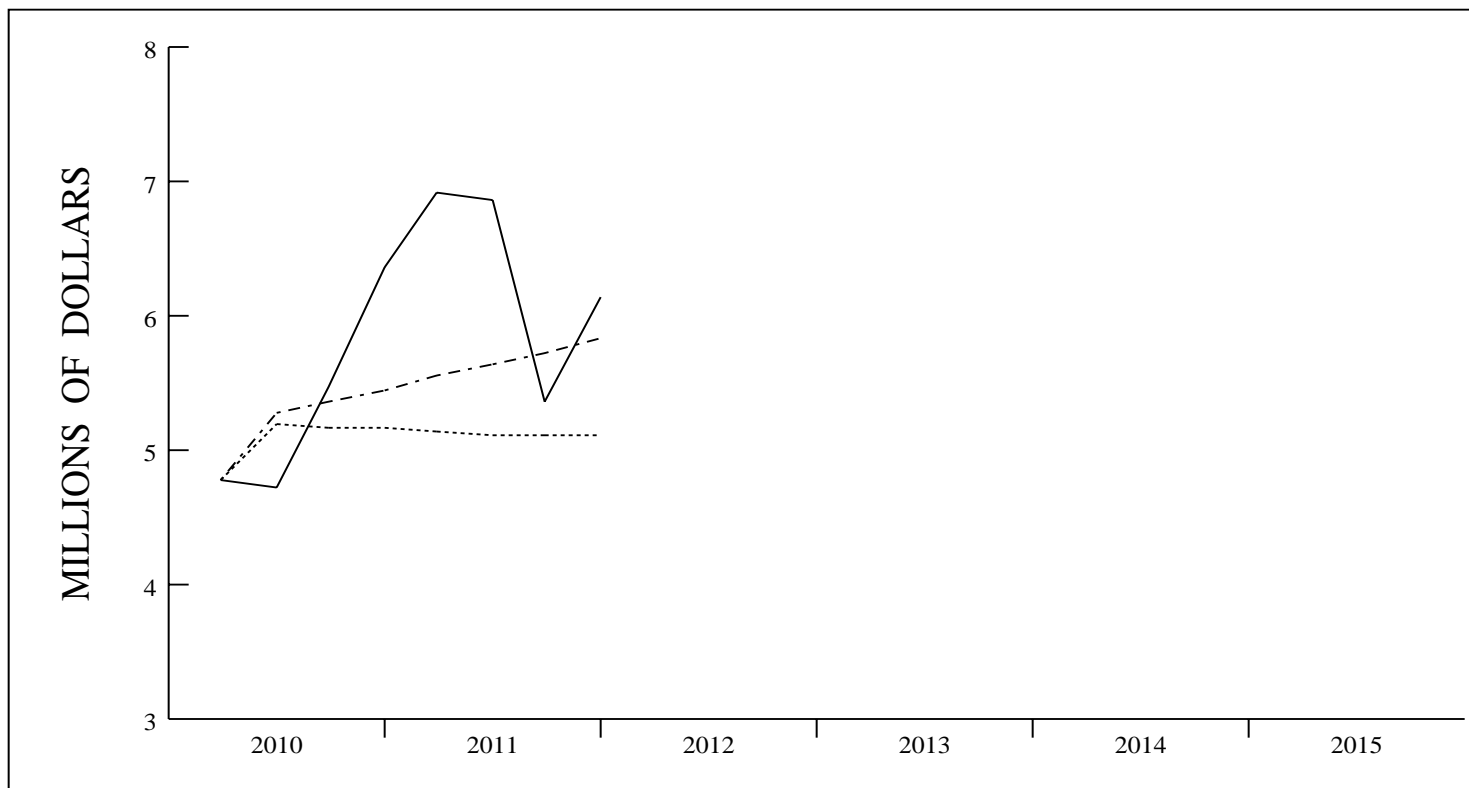
**ASSET ALLOCATION**

Small Cap	99.0%	\$ 6,082,020
Cash	1.0%	60,350
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 6,142,370</b>

**INVESTMENT RETURN**

Market Value 9/2011	\$ 5,386,859
Contribs / Withdrawals	- 12,103
Income	9,634
Capital Gains / Losses	757,980
Market Value 12/2011	\$ 6,142,370

**INVESTMENT GROWTH**

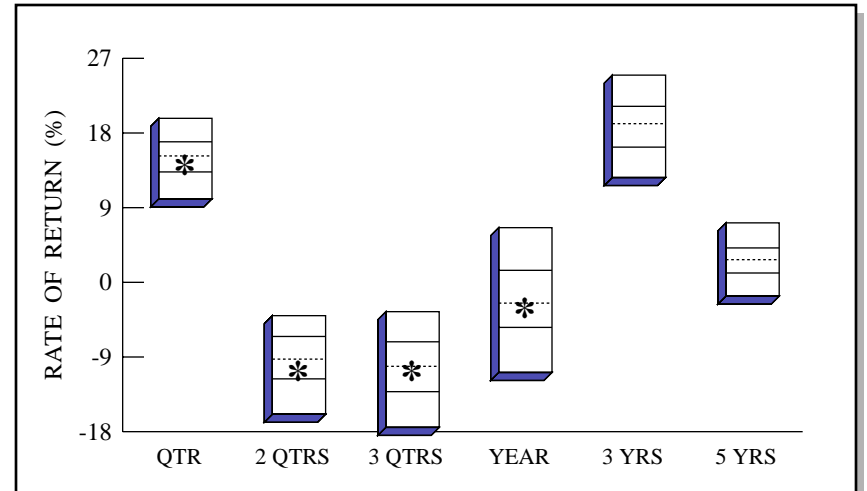
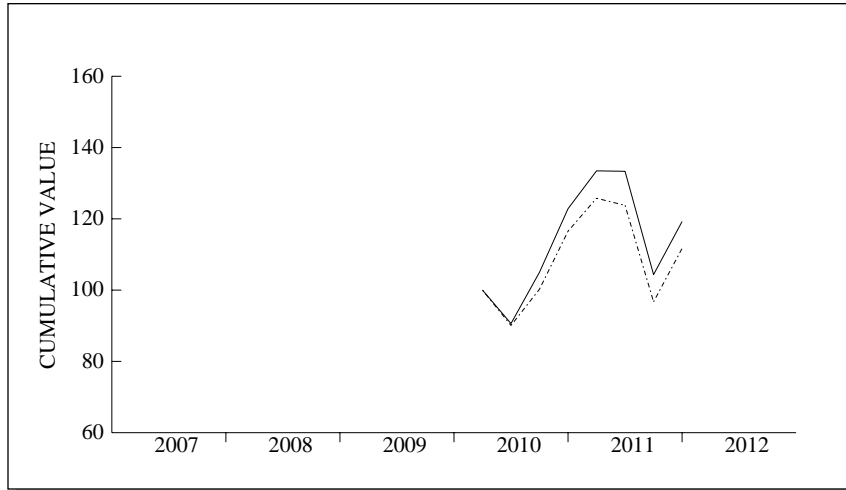


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

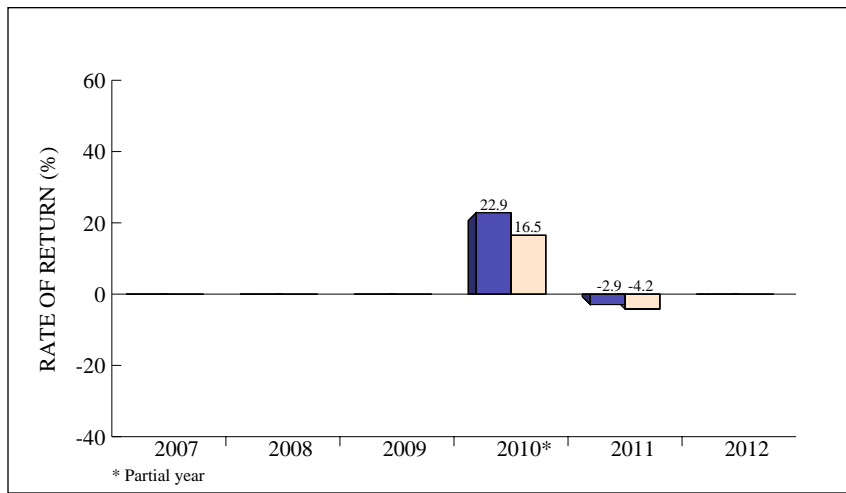
VALUE ASSUMING  
 7.9% RETURN  
 \$ 5,847,198

	LAST QUARTER	PERIOD 3/10 - 12/11
BEGINNING VALUE	\$ 5,386,859	\$ 4,803,861
NET CONTRIBUTIONS	- 12,103	315,519
<u>INVESTMENT RETURN</u>	<u>767,614</u>	<u>1,022,990</u>
ENDING VALUE	\$ 6,142,370	\$ 6,142,370
INCOME	9,634	63,545
CAPITAL GAINS (LOSSES)	<u>757,980</u>	<u>959,445</u>
INVESTMENT RETURN	767,614	1,022,990

**TOTAL RETURN COMPARISONS**



Small Cap Universe



\* Partial year

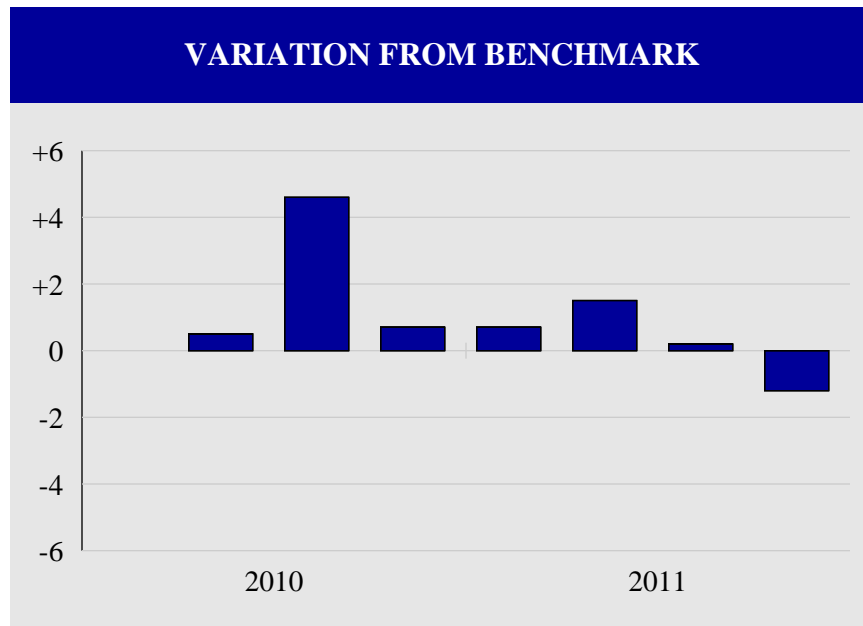
	<u>QTR</u>	<u>2QTRS</u>	<u>3QTRS</u>	<u>YEAR</u>	-----ANNUALIZED-----	
					<u>3 YRS</u>	<u>5 YRS</u>
RETURN	14.3	-10.6	-10.6	-2.9	----	----
(RANK)	(66)	(68)	(56)	(57)	----	----
5TH %ILE	19.8	-4.0	-3.5	6.6	25.0	7.2
25TH %ILE	16.9	-6.5	-7.2	1.5	21.2	4.2
MEDIAN	15.2	-9.3	-10.1	-2.5	19.1	2.7
75TH %ILE	13.3	-11.6	-13.2	-5.4	16.3	1.1
95TH %ILE	10.1	-15.9	-17.5	-10.9	12.6	-1.7
<b>Russ 2000</b>	<b>15.5</b>	<b>-9.8</b>	<b>-11.2</b>	<b>-4.2</b>	<b>15.6</b>	<b>0.2</b>

Small Cap Universe



**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

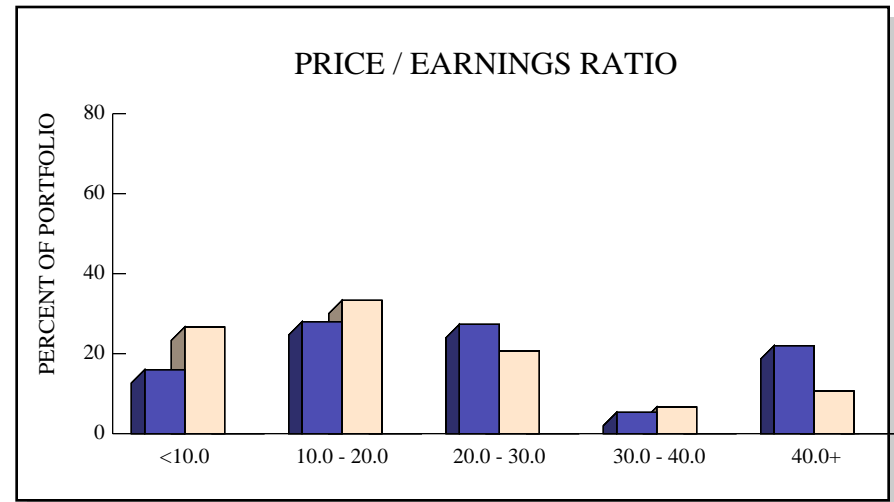
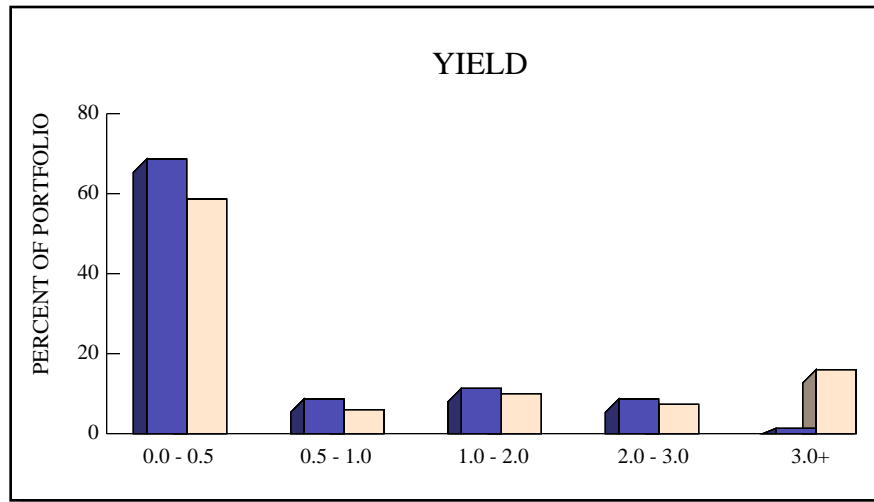
**COMPARATIVE BENCHMARK: RUSSELL 2000**



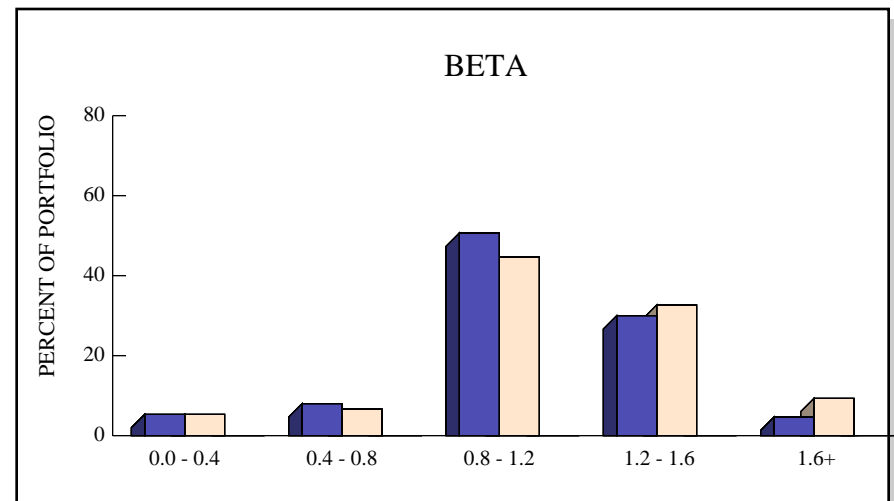
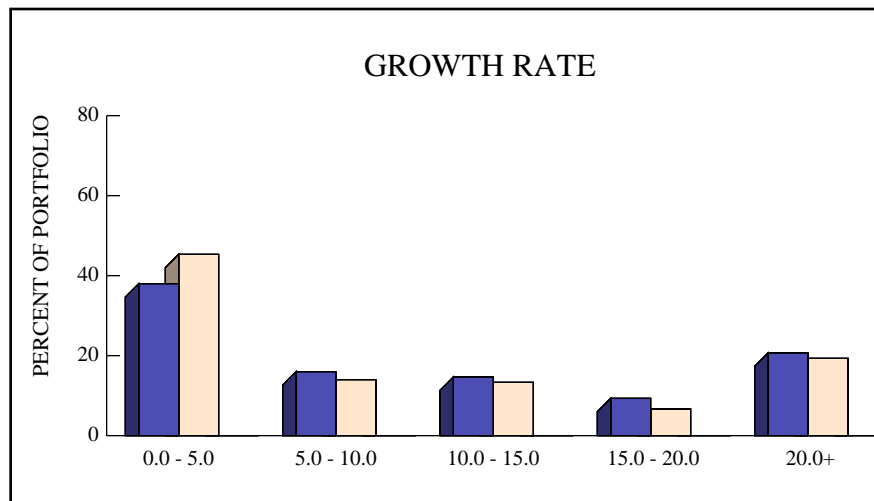
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/10	-9.4	-9.9	0.5
9/10	15.9	11.3	4.6
12/10	17.0	16.3	0.7
3/11	8.6	7.9	0.7
6/11	-0.1	-1.6	1.5
9/11	-21.7	-21.9	0.2
12/11	14.3	15.5	-1.2

<b>Total Quarters Observed</b>	<b>7</b>
<b>Quarters At or Above the Benchmark</b>	<b>6</b>
<b>Quarters Below the Benchmark</b>	<b>1</b>
<b>Batting Average</b>	<b>.857</b>

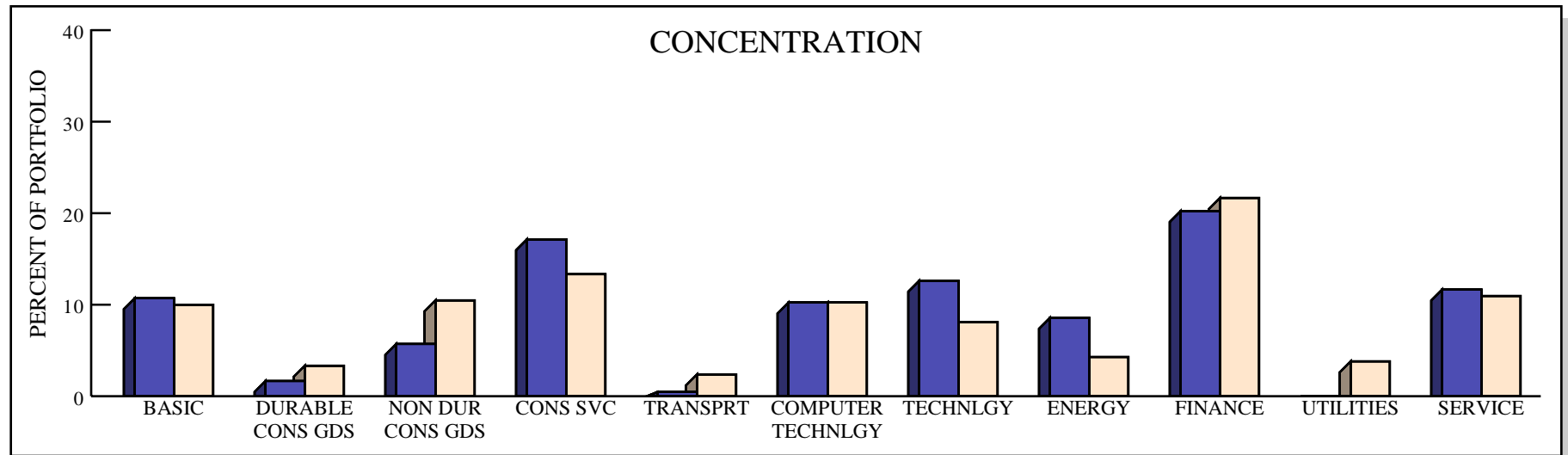
**STOCK CHARACTERISTICS**



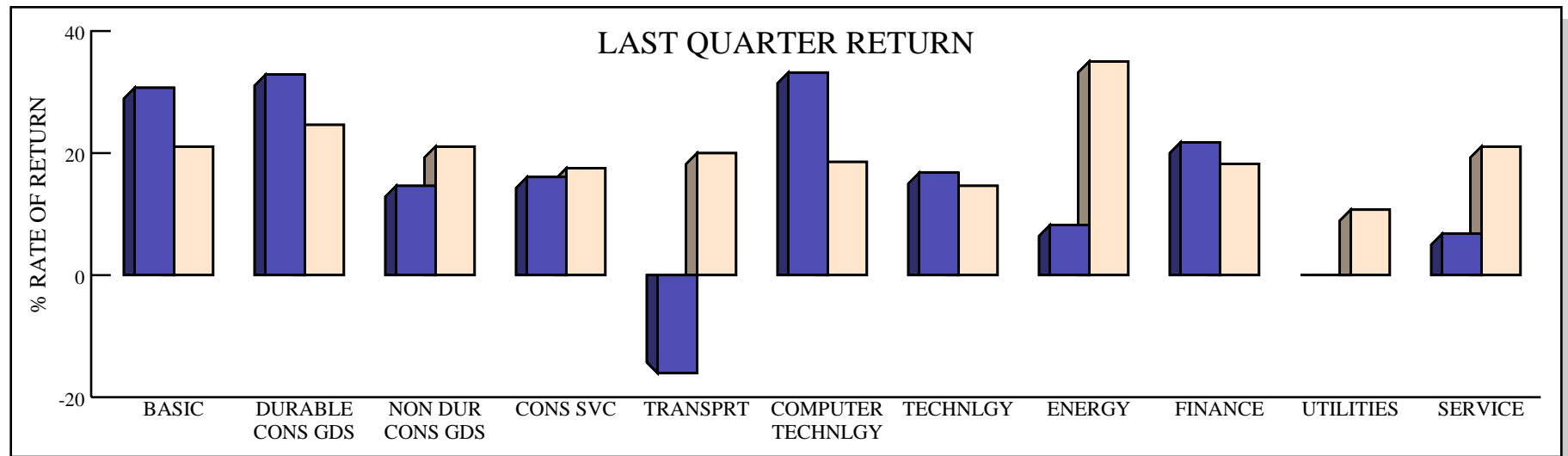
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	0.6%	8.1%	25.1	1.10
RUSSELL 2000	1.4%	6.8%	17.3	1.13



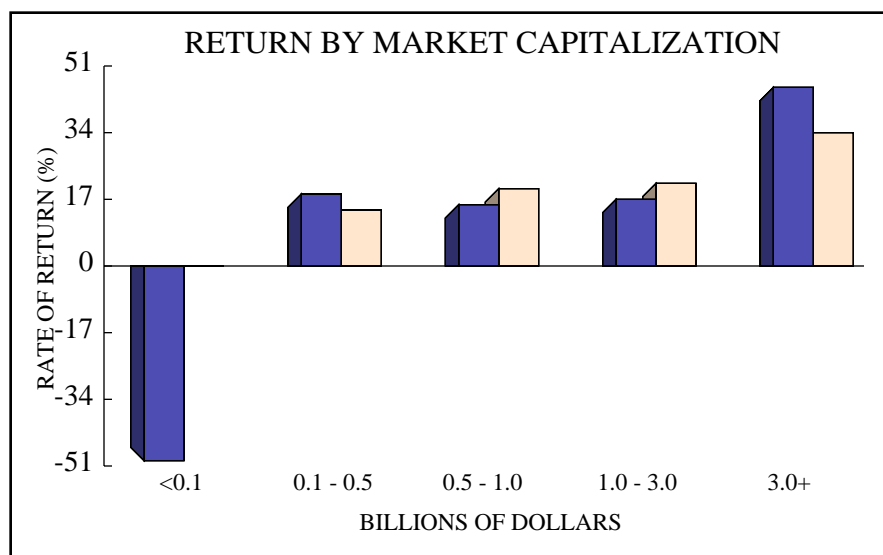
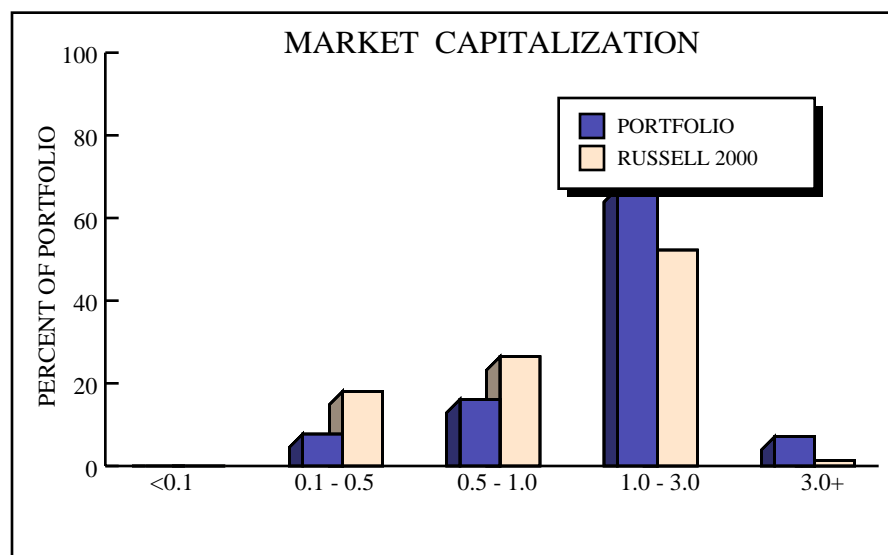
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 2000



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	BANK OF THE OZARKS	\$ 182,847	3.01%	41.9%	Finance	\$ 1.0 B
2	SUCCESSFACTORS INC	178,259	2.93%	73.4%	Computer Tech	3.4 B
3	COLFAX CORP	170,083	2.80%	40.6%	Basic	1.2 B
4	LASALLE HOTEL PROPERTIES	151,409	2.49%	26.5%	Finance	2.0 B
5	TREEHOUSE FOODS INC	149,982	2.47%	5.7%	NonDur Cons Goods	2.3 B
6	ADVISORY BOARD CO/THE	149,756	2.46%	15.0%	Consumer Service	1.2 B
7	COLONIAL PROPERTIES TRUST	147,626	2.43%	15.6%	Finance	1.8 B
8	CORPORATE EXECUTIVE BOARD CO	145,771	2.40%	28.2%	Consumer Service	1.3 B
9	STIFEL FINANCIAL CORP	144,738	2.38%	20.7%	Finance	1.7 B
10	MORNINGSTAR INC	144,404	2.37%	5.4%	Finance	3.0 B

DAVIE POLICE PENSION PLAN  
JOHNSTON  
PERFORMANCE REVIEW  
DECEMBER 2011

## **INVESTMENT RETURN**

On December 31st, 2011, the Davie Police Pension Plan's Johnston portfolio was valued at \$4,529,903, representing an increase of \$154,474 from the September quarter's ending value of \$4,375,429. Last quarter, the Fund posted withdrawals totaling \$9,472, which partially offset the portfolio's net investment return of \$163,946. Since there were no income receipts for the fourth quarter, the portfolio's net investment return figure was the product of net realized and unrealized capital gains totaling \$163,946.

For the cumulative period since March 2010, the account has posted net withdrawals totaling \$60,553, and net investment losses totaling \$294,928. Since March 2010, if the portfolio returned a compounded nominal rate of 7.9% it would have been valued at \$5.5 million or \$986,615 more than its actual value as of December 31st, 2011.

## **RELATIVE PERFORMANCE**

For the fourth quarter, the Johnston portfolio returned 3.8%, which was 0.4% greater than the MSCI EAFE Index's return of 3.4% and ranked in the 54th percentile of the International Equity universe. Over the trailing year, the portfolio returned -7.9%, which was 3.9% above the benchmark's -11.8% performance, ranking in the 17th percentile. Since March 2010, the account returned -3.6% on an annualized basis and ranked in the 74th percentile. For comparison, the MSCI EAFE Index returned an annualized -3.1% over the same period.

## **ASSET ALLOCATION**

This account was fully invested in the Johnston International Equity Group Trust at the end of the quarter.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 3/2010
<b>Total Gross/Fees</b>	3.8	3.8	-7.9	----	-3.6
<i>INTERNATIONAL EQUITY RANK</i>	(54)	(54)	(17)	----	(74)
<b>Total Net/Fees</b>	3.5	3.5	-8.6	----	-4.4
MSCI EAFE	3.4	3.4	-11.8	8.1	-3.1
<b>International Equity</b>	3.8	3.8	-7.9	----	-3.6
<i>INTERNATIONAL EQUITY RANK</i>	(54)	(54)	(17)	----	(74)
MSCI EAFE	3.4	3.4	-11.8	8.1	-3.1

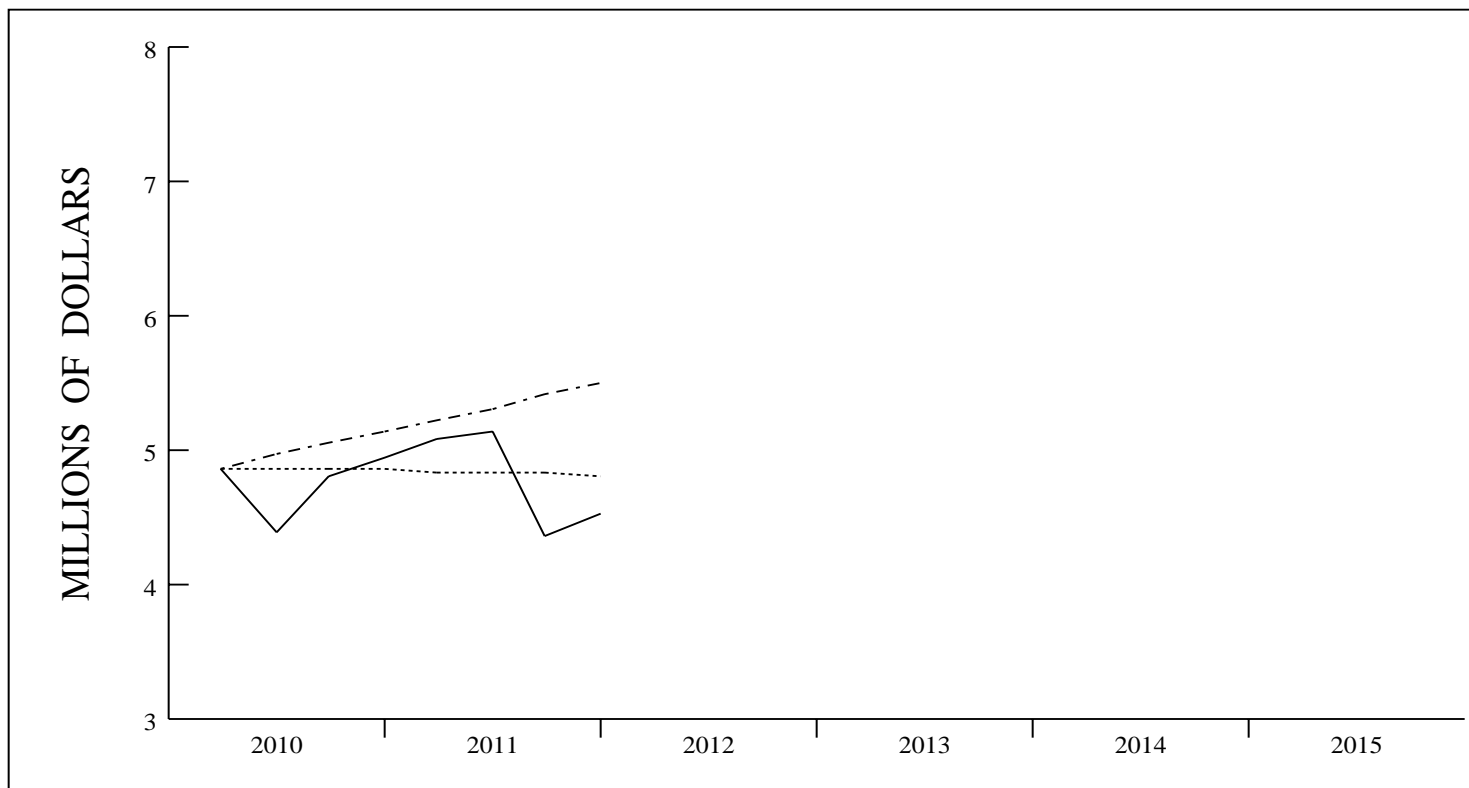
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 4,529,903
Total Portfolio	100.0%	\$ 4,529,903

**INVESTMENT RETURN**

Market Value 9/2011	\$ 4,375,429
Contribs / Withdrawals	- 9,472
Income	0
Capital Gains / Losses	163,946
Market Value 12/2011	\$ 4,529,903

**INVESTMENT GROWTH**



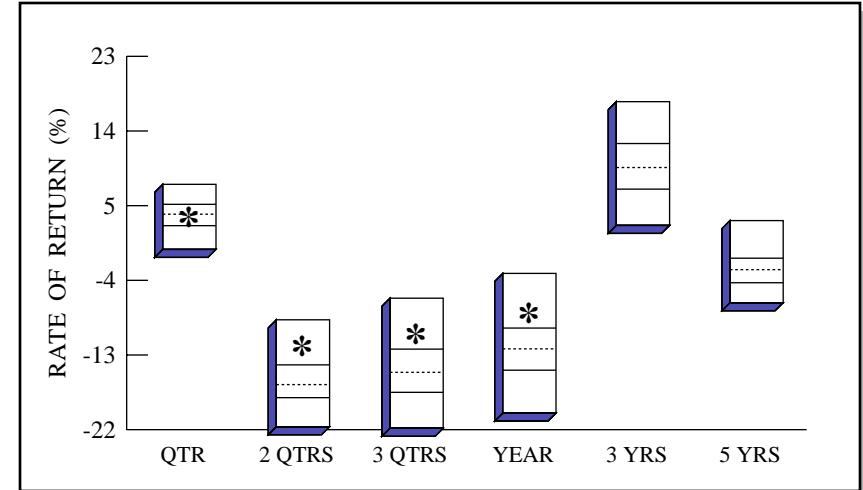
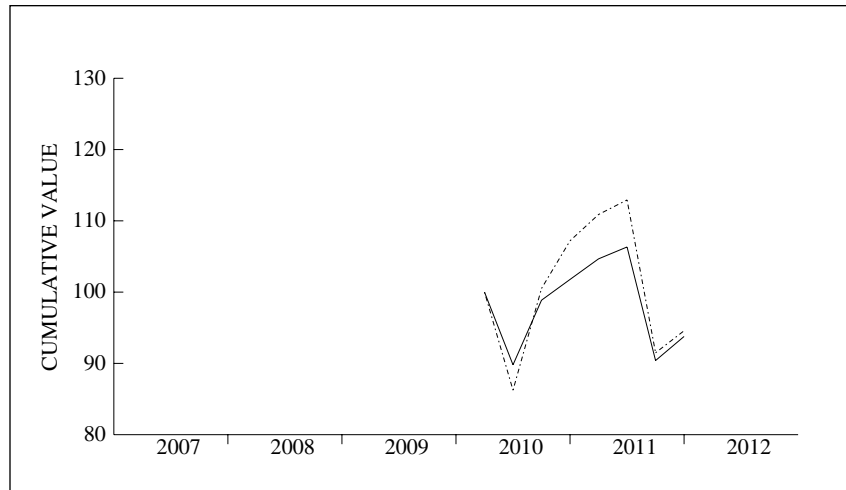
— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 5,516,518

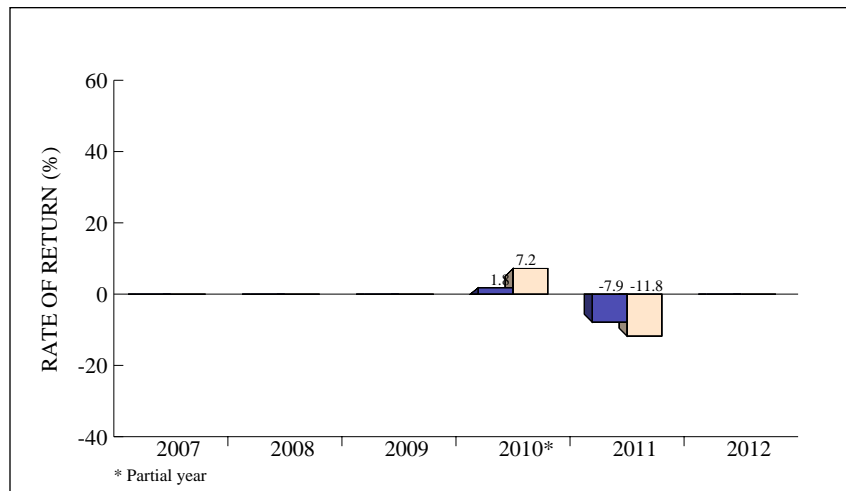
	LAST QUARTER	PERIOD 3/10 - 12/11
BEGINNING VALUE	\$ 4,375,429	\$ 4,885,384
NET CONTRIBUTIONS	- 9,472	- 60,553
<u>INVESTMENT RETURN</u>	<u>163,946</u>	<u>-294,928</u>
ENDING VALUE	\$ 4,529,903	\$ 4,529,903
INCOME	0	0
<u>CAPITAL GAINS (LOSSES)</u>	<u>163,946</u>	<u>-294,928</u>
INVESTMENT RETURN	163,946	-294,928



**TOTAL RETURN COMPARISONS**



International Equity Universe

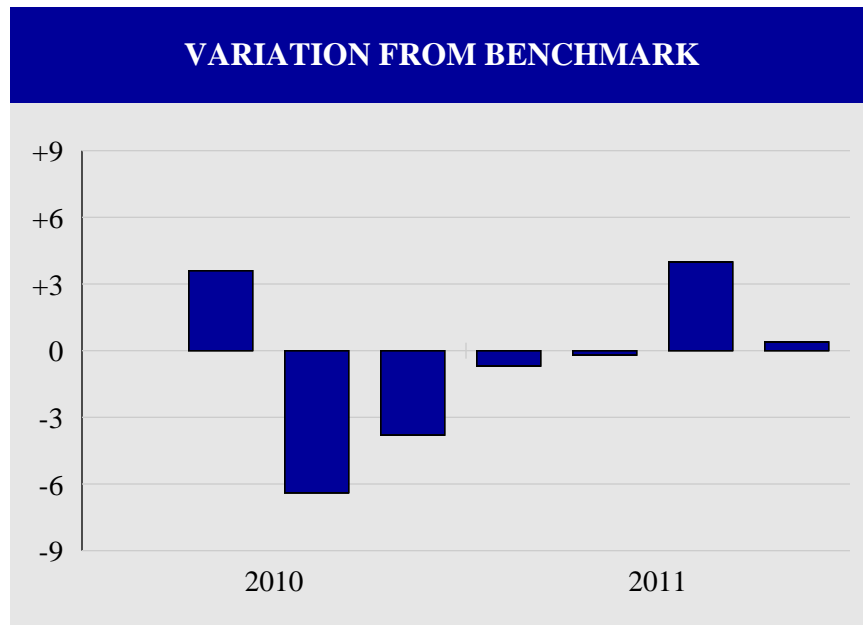


	<u>QTR</u>	<u>2QTRS</u>	<u>3QTRS</u>	<u>YEAR</u>	-----ANNUALIZED-----	
					<u>3 YRS</u>	<u>5 YRS</u>
RETURN	3.8	-11.8	-10.4	-7.9	----	----
(RANK)	(54)	(14)	(17)	(17)	----	----
5TH %ILE	7.6	-8.8	-6.1	-3.2	17.5	3.2
25TH %ILE	5.2	-14.2	-12.3	-9.8	12.5	-1.3
MEDIAN	4.0	-16.6	-15.1	-12.3	9.6	-2.7
75TH %ILE	2.6	-18.2	-17.5	-14.8	7.0	-4.3
95TH %ILE	-0.3	-21.7	-21.8	-20.0	2.6	-6.7
<b>MSCI EAFE</b>	<b>3.4</b>	<b>-16.2</b>	<b>-14.7</b>	<b>-11.8</b>	<b>8.1</b>	<b>-4.3</b>

International Equity Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: MSCI EAFE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/10	-10.2	-13.8	3.6
9/10	10.1	16.5	-6.4
12/10	2.9	6.7	-3.8
3/11	2.8	3.5	-0.7
6/11	1.6	1.8	-0.2
9/11	-15.0	-19.0	4.0
12/11	3.8	3.4	0.4

<b>Total Quarters Observed</b>	<b>7</b>
<b>Quarters At or Above the Benchmark</b>	<b>3</b>
<b>Quarters Below the Benchmark</b>	<b>4</b>
<b>Batting Average</b>	<b>.429</b>

DAVIE POLICE PENSION PLAN  
SSGA  
PERFORMANCE REVIEW  
DECEMBER 2011

## **INVESTMENT RETURN**

On December 31st, 2011, the Davie Police Pension Plan's SSgA portfolio was valued at \$3,523,143, representing an increase of \$113,038 from the September quarter's ending value of \$3,410,105. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$113,038 in net investment returns. Since there were no income receipts for the fourth quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$113,038.

For the cumulative period since December 2006, the portfolio has posted net contributions totaling \$342 and net investment losses totaling \$892,678. For the period since December 2006, if the fund had returned a compounded nominal rate of 7.9% it would have been valued at \$6.5 million or \$2.9 million more than the actual value as of December 31st, 2011.

## **RELATIVE PERFORMANCE**

For the fourth quarter, the SSgA portfolio returned 3.3%, which was 0.1% less than the MSCI EAFE Index's return of 3.4% and ranked in the 65th percentile of the International Equity universe. Over the trailing year, this portfolio returned -11.9%, which was 0.1% below the benchmark's -11.8% return, ranking in the 44th percentile. Since December 2006, the account returned -4.4% on an annualized basis and ranked in the 79th percentile. For comparison, the MSCI EAFE Index returned an annualized -4.3% over the same time frame.

## **ASSET ALLOCATION**

The portfolio was fully invested in the MSCI EAFE Index SL Fund at the end of the quarter.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	-----Annualized-----		
			1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	3.3	3.3	-11.9	8.0	-4.4
<i>INTERNATIONAL EQUITY RANK</i>	(65)	(65)	(44)	(67)	(79)
<b>Total Net/Fees</b>	3.2	3.2	-12.1	7.7	-4.7
MSCI EAFE	3.4	3.4	-11.8	8.1	-4.3
<b>International Equity</b>	3.3	3.3	-11.9	8.0	-4.4
<i>INTERNATIONAL EQUITY RANK</i>	(65)	(65)	(44)	(67)	(79)
MSCI EAFE	3.4	3.4	-11.8	8.1	-4.3

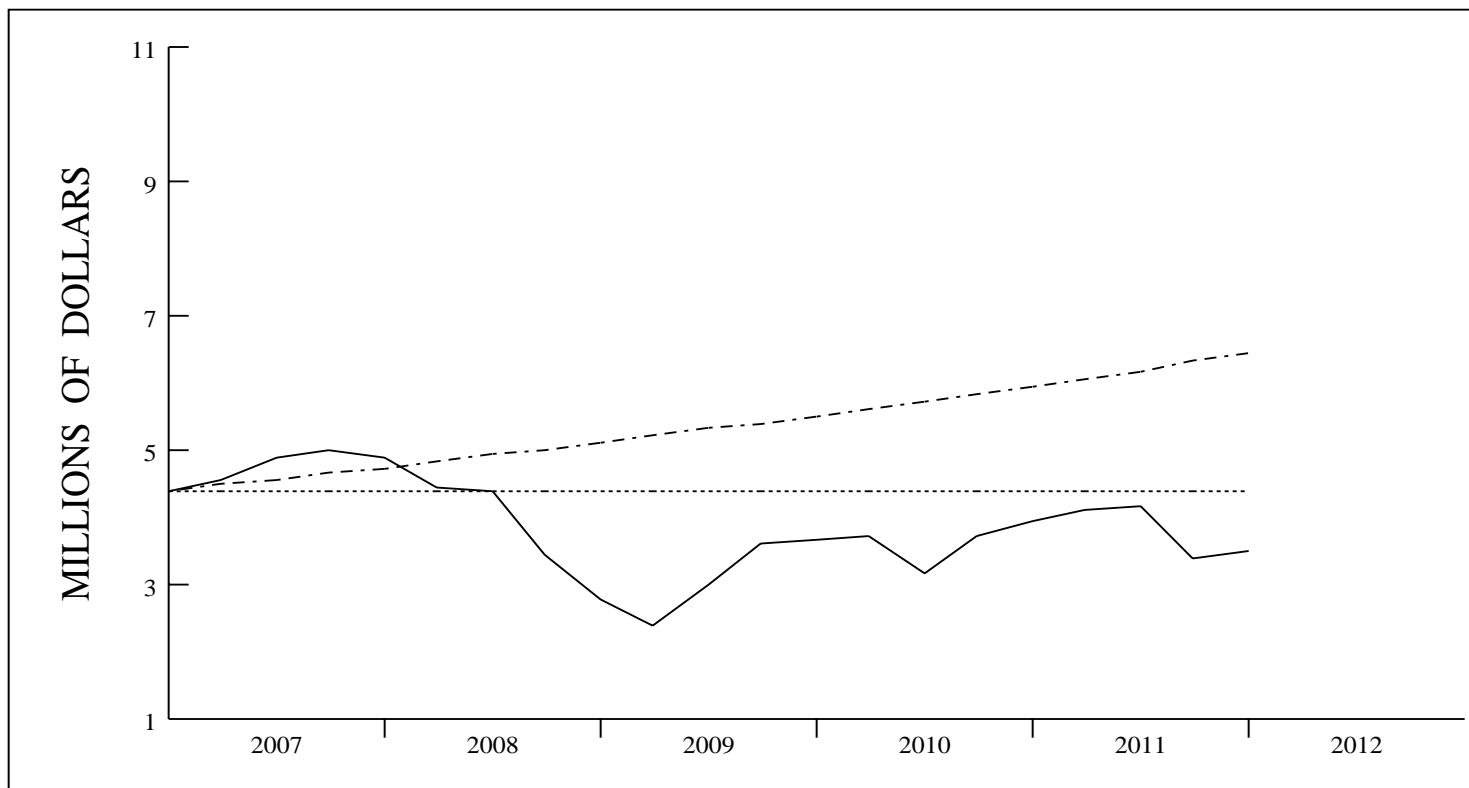
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 3,523,143
Total Portfolio	100.0%	\$ 3,523,143

**INVESTMENT RETURN**

Market Value 9/2011	\$ 3,410,105
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	113,038
Market Value 12/2011	\$ 3,523,143

**INVESTMENT GROWTH**

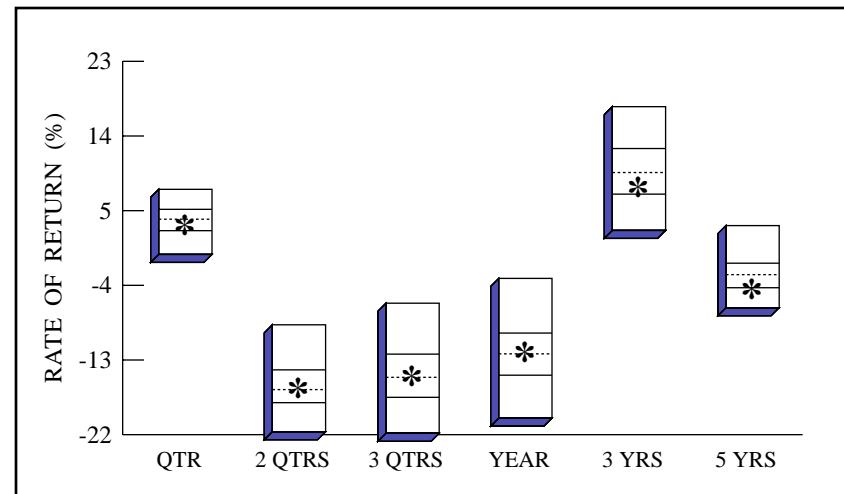
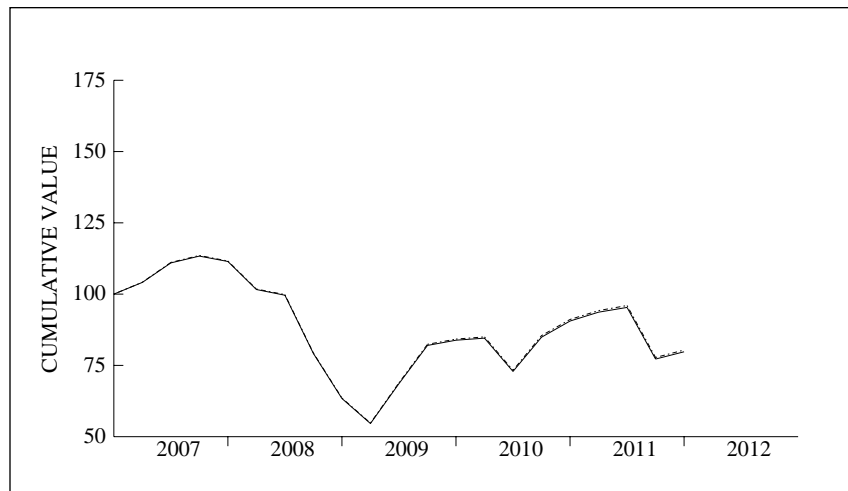


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

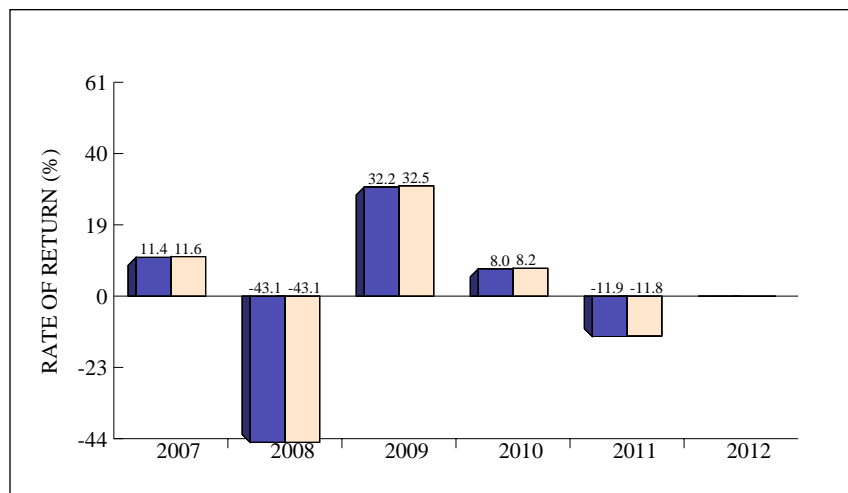
VALUE ASSUMING  
 7.9% RETURN  
 \$ 6,458,242

	LAST QUARTER	PERIOD 12/06 - 12/11
BEGINNING VALUE	\$ 3,410,105	\$ 4,415,479
NET CONTRIBUTIONS	0	342
<u>INVESTMENT RETURN</u>	<u>113,038</u>	<u>-892,678</u>
ENDING VALUE	\$ 3,523,143	\$ 3,523,143
INCOME	0	0
<u>CAPITAL GAINS (LOSSES)</u>	<u>113,038</u>	<u>-892,678</u>
INVESTMENT RETURN	113,038	-892,678

### TOTAL RETURN COMPARISONS



International Equity Universe

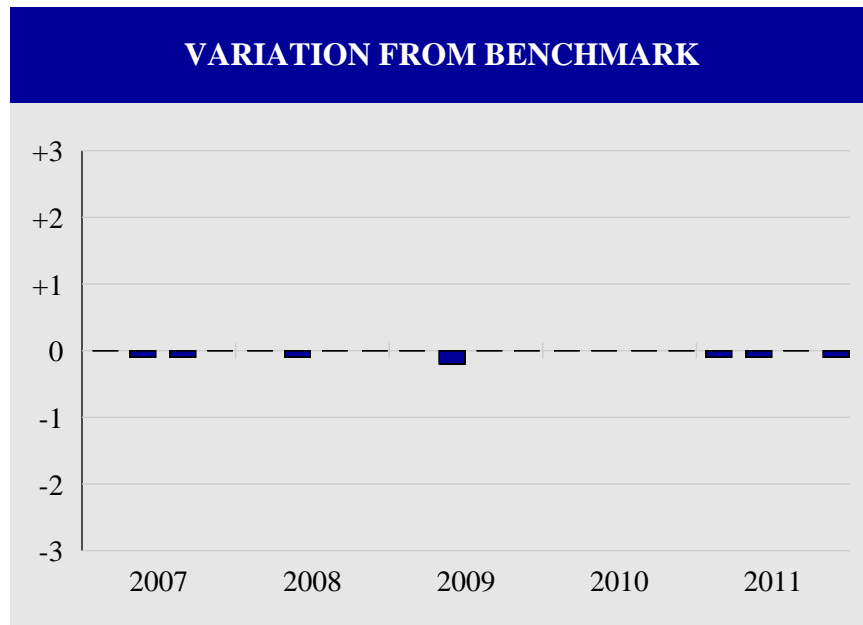


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	3.3	-16.3	-14.8	-11.9	8.0	-4.4
(RANK)	(65)	(45)	(44)	(44)	(67)	(79)
5TH %ILE	7.6	-8.8	-6.1	-3.2	17.5	3.2
25TH %ILE	5.2	-14.2	-12.3	-9.8	12.5	-1.3
MEDIAN	4.0	-16.6	-15.1	-12.3	9.6	-2.7
75TH %ILE	2.6	-18.2	-17.5	-14.8	7.0	-4.3
95TH %ILE	-0.3	-21.7	-21.8	-20.0	2.6	-6.7
<b>MSCI EAFE</b>	<b>3.4</b>	<b>-16.2</b>	<b>-14.7</b>	<b>-11.8</b>	<b>8.1</b>	<b>-4.3</b>

International Equity Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: MSCI EAFE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	4.1	4.1	0.0
6/07	6.6	6.7	-0.1
9/07	2.1	2.2	-0.1
12/07	-1.7	-1.7	0.0
3/08	-8.8	-8.8	0.0
6/08	-2.0	-1.9	-0.1
9/08	-20.5	-20.5	0.0
12/08	-19.9	-19.9	0.0
3/09	-13.9	-13.9	0.0
6/09	25.7	25.9	-0.2
9/09	19.5	19.5	0.0
12/09	2.2	2.2	0.0
3/10	0.9	0.9	0.0
6/10	-13.8	-13.8	0.0
9/10	16.5	16.5	0.0
12/10	6.7	6.7	0.0
3/11	3.4	3.5	-0.1
6/11	1.7	1.8	-0.1
9/11	-19.0	-19.0	0.0
12/11	3.3	3.4	-0.1

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>13</b>
<b>Quarters Below the Benchmark</b>	<b>7</b>
<b>Batting Average</b>	<b>.650</b>



DAVIE POLICE PENSION PLAN  
AMERICAN CORE REALTY FUND, LLC  
PERFORMANCE REVIEW  
DECEMBER 2011

## **INVESTMENT RETURN**

On December 31st, 2011, the Davie Police Pension Plan's American Core Realty Fund, LLC portfolio was valued at \$2,168,905, representing an increase of \$510,638 from the September quarter's ending value of \$1,658,267. Last quarter, the Fund posted net contributions equaling \$452,078 plus a net investment gain equaling \$58,560. Total net investment return was the result of income receipts, which totaled \$31,744 and net realized and unrealized capital gains of \$26,816.

For the cumulative period since March 2011, the fund has recorded net contributions totaling \$1.1 million, and recorded net investment gains of \$145,989. For the period since March 2011, if the total fund had returned a compounded nominal rate of 7.9% it would have been valued at \$2.1 million or \$57,705 less than the actual value as of December 31st, 2011.

## **RELATIVE PERFORMANCE**

In the fourth quarter, the American Core Realty Fund, LLC portfolio gained 2.8%, which was 0.1% less than the NCREIF NFI-ODCE Index's return of 2.9%.

## **ASSET ALLOCATION**

This account was fully invested in the American Core Realty Fund, LLC at the end of the quarter.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Years*	Since 3/2011
<b>Total Gross/Fees</b>	2.8	2.8	----	----	10.1
<b>Total Net/Fees</b>	2.4	2.4	----	----	9.2
NCREIF ODCE	2.9	2.9	15.9	-1.8	11.5
<b>Real Estate</b>	2.8	2.8	----	----	10.1
NCREIF ODCE	2.9	2.9	15.9	-1.8	11.5

\* Annualized Return

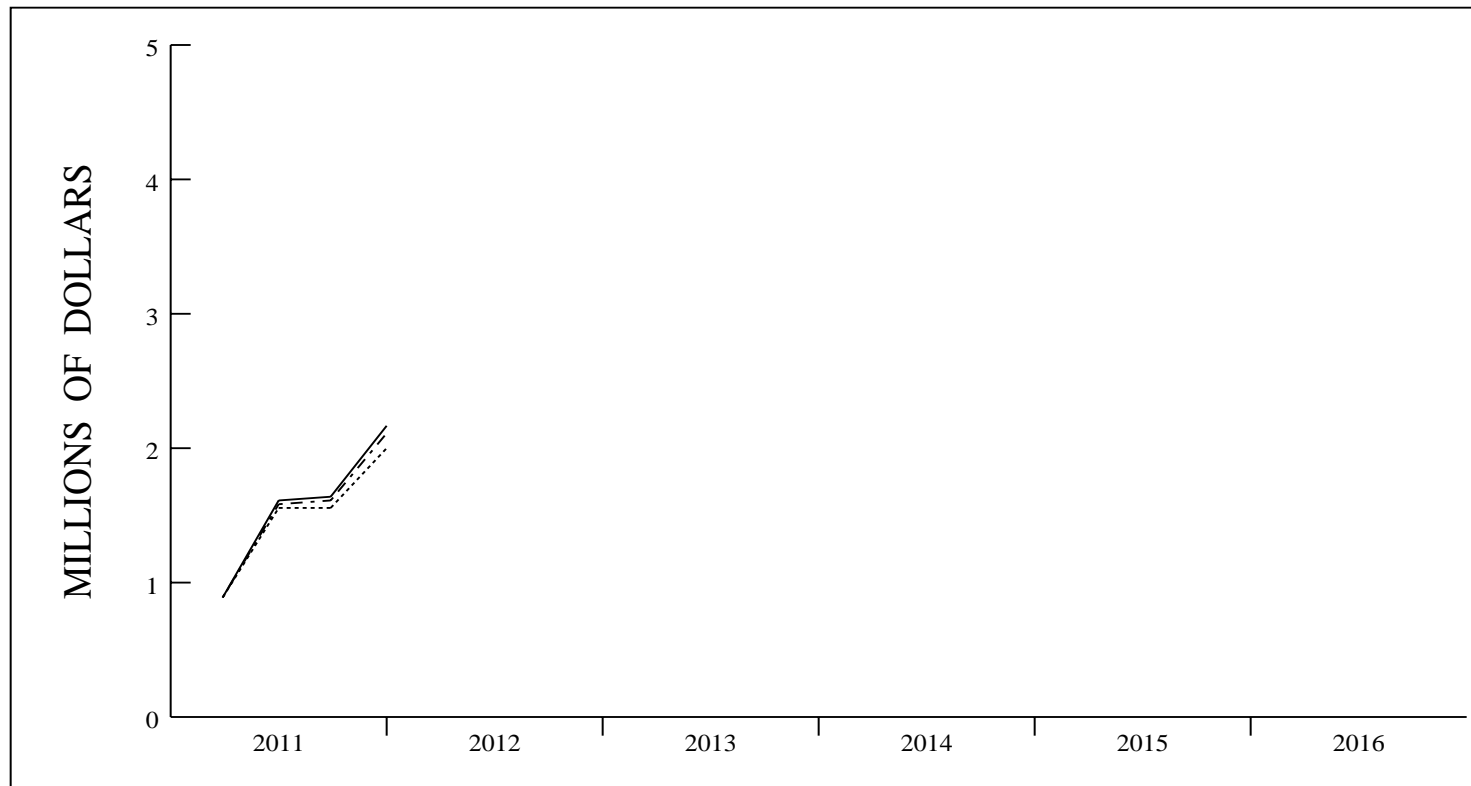
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 2,168,905
Total Portfolio	100.0%	\$ 2,168,905

**INVESTMENT RETURN**

Market Value 9/2011	\$ 1,658,267
Contribs / Withdrawals	452,078
Income	31,744
Capital Gains / Losses	26,816
Market Value 12/2011	\$ 2,168,905

**INVESTMENT GROWTH**



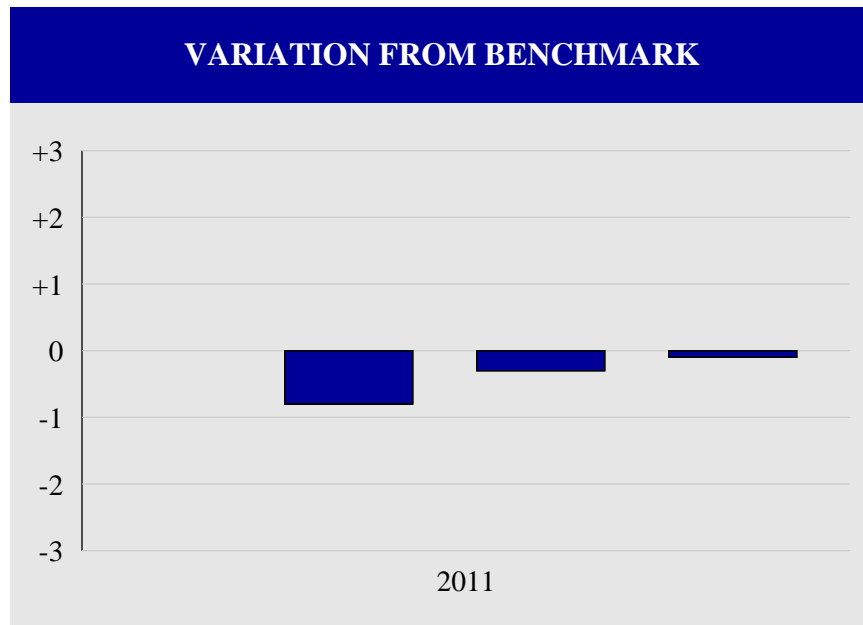
— ACTUAL RETURN  
 - - - 7.9%  
 ..... 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 2,111,200

	LAST QUARTER	PERIOD 3/11 - 12/11
BEGINNING VALUE	\$ 1,658,267	\$ 892,274
NET CONTRIBUTIONS	452,078	1,130,642
INVESTMENT RETURN	58,560	145,989
ENDING VALUE	\$ 2,168,905	\$ 2,168,905
INCOME	31,744	69,859
CAPITAL GAINS (LOSSES)	26,816	76,130
INVESTMENT RETURN	58,560	145,989

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/11	3.8	4.6	-0.8
9/11	3.2	3.5	-0.3
12/11	2.8	2.9	-0.1

<b>Total Quarters Observed</b>	<b>3</b>
<b>Quarters At or Above the Benchmark</b>	<b>0</b>
<b>Quarters Below the Benchmark</b>	<b>3</b>
<b>Batting Average</b>	<b>.000</b>