

**DAVIE POLICE PENSION PLAN**

**PERFORMANCE REVIEW  
MARCH 2014**



## ECONOMIC ENVIRONMENT

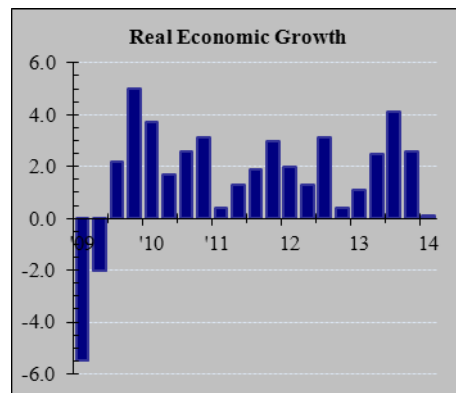
### Key Indicators Remained Encouraging

The latest statistics point to weak economic growth during the past quarter. Estimates for the first quarter real GDP growth rate had been a bit below 2% following the previous quarter's 2.6% figure. However, the preliminary numbers from the Dept. of Commerce indicate an anemic 0.1% figure. The drop off has been attributed to the unusually cold and snowy winter in the East rather than any fundamental weakness.

Nonetheless, job growth averaged 183,000 during the last 12-months. Home prices edged upward during the quarter, increasing by double digits for the fiscal year. Manufacturing and service sector activity were appreciably positive and well above the expansion level. Consumer confidence remained surprisingly healthy. Inflation continued to be low, 0.4% for the quarter and 1.5% for the trailing year.

Below are the first quarter economic highlights:

- The final real GDP growth rate for the fourth quarter was 2.6% vs. 4.1% for the 3<sup>rd</sup> quarter. While lower than the prior quarter, there were gains from consumer spending, net exports and capital spending. Federal Government expenditures continued a multi-year decline. Preliminary economic estimates for Q1 indicate continued positive growth, but at a slower rate.
- The Bureau of Labor Statistics reported a gain of 192,000 jobs in March and a healthy 183,000 average monthly gain during the latest 12-months. The unemployment rate remained at 6.7%. Unfortunately, the number of job seekers remained a relatively high 10.5 million. There were 3.7 million long-term (more than 6-months) unemployed workers in March, down by 837,000 from a year ago.

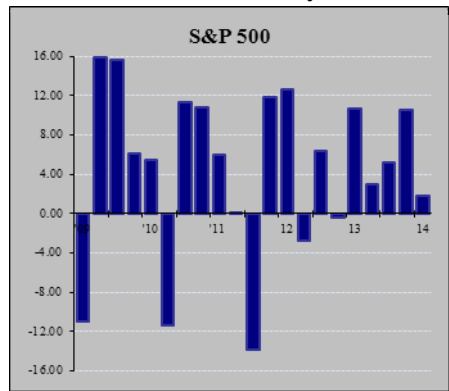


- Home prices rose 0.8% in February and are expected to increase another 0.5% in March. Homeowners feel wealthier, as prices have gained 12.2% during the latest 12-months. Importantly, there have been 24 months of consecutive annual price increases. Still, prices remain 16.9% below their 2006 peak.
- The manufacturing and service sectors expanded briskly in March, continuing a stretch of more than four years of monthly growth. The March ISM manufacturing Index registered 53.7%, with new orders at 55.1% and production rising to 55.9%. (Any percentage above 50% indicates net growth.) Fourteen of eighteen manufacturing industries gained ground. Only apparel, wood products, electrical equipment and a miscellaneous manufacturing category declined. The service index also climbed to 53.1%, as most service industries performed well; only mining, education, rental agencies and health care assistance declined.
- The Consumer Confidence Index rose from 78.1 to 82.3, during the quarter. A consumer poll showed that consumers were satisfied with current salary and job security, but even more optimistic regarding their future prospects. The expectations index climbed from 76.5 in February to 83.5 in March.
- The DJ-UBS Commodity Index posted its best quarterly start since 2008 (+7%). The gain was largely induced by: (1) Russian-Ukrainian tensions, which are expected to spur higher commodity prices; (2) bad weather; (3) livestock disease issues; and (4) a stabilized dollar in the currency markets. Gold climbed 6.8% and energy gained 4.2%, but copper dropped almost 10% on expectations for slower growth in China.
- CPI inflation was remarkably quiescent, given the Fed's tapering program. The March inflation rate was a low 0.2%, producing a 0.4% figure for the quarter and 1.5% for the trailing year.
- Beginning in April, the Fed's mortgage and long maturity Treasury purchases will be reduced to \$55 billion per month from the \$85 billion that was in effect before the taper. The latest reduction reflects the Fed's assessment that the economy and related employment are making cumulative progress. Nonetheless, the Fed believes that the lower bond-buying program will exert enough downward pressure on interest rates to support low home mortgage rates as well as lower corporate loan rates.

## DOMESTIC EQUITY MARKET

### *Quiet Quarterly Results Masked a Volatile Quarter*

US stocks fell in January, but climbed back in February and March.



Combining the three months yielded only modest gains and losses. The broadest market gauge, the Russell 3000, rose 2%, followed by the S&P's 1.8% gain. The tech-laden NASDAQ Composite added only 0.8%, while the DJIA declined slightly (-0.2%). Mid-caps outperformed both large and small-caps. The Russell

Mid-cap Index rose 3.5% vs. 2.1% for the Russell 1000 and 1.1% for the Russell 2000. Value was the clear winner among styles. For example, mid-cap value grew 5.2% vs. a 2% gain for mid-cap growth.

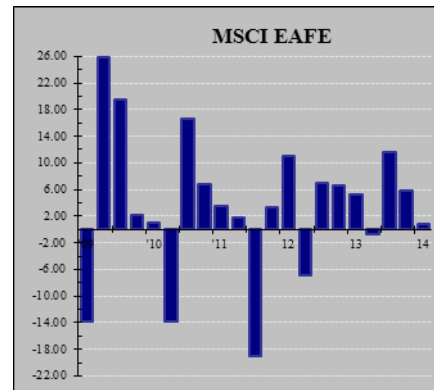
All S&P sectors, except consumer durables, gained ground during the quarter. Utilities saw the biggest advance (6.1%), buoyed by a decline in long maturity interest rates. Technology stocks were a close second (5.1%); this was a reflection of momentum and several big tech IPOs, as opposed to higher earnings. Increased spending helped boost the consumer non-durables sector (3.3%). However, consumer durables lost 0.3% partly due to poor weather conditions. Who feels like buying a new refrigerator when there is a foot of snow outside? The real sleeper was the REIT sub-sector, including mostly non-S&P names; REITs soared almost 10%. Like utilities, REITs benefited from lower interest rates. The REIT performance bounced back smartly from last year when it was ranked dead last among all equity sectors.

## INTERNATIONAL EQUITIES

### *Developed Markets Performed Acceptably*

MSCI EAFE (developed markets) returned a low positive 0.8%. Significant declines in Japan and Hong Kong offset spectacular gains

among the economically hardest-hit European countries. All five of the so-called PIIGS country indices continued to advance sharply.



While Greece is not currently part of the EAFE Index, its market experienced continued expansion. Portugal, Ireland, Italy and Spain showed mid-to-high single digit to double-digit gains. However, concerns about deflationary pressures dampened growth in Germany (-0.3%) and France (+3%), while the UK

also disappointed, dipping 0.8%.

Australian equities posted a strong 6% return due to higher commodity prices and better economic data. Japan, the largest index component, ended the quarter down 5.5%, amid weak economic growth; a strengthening yen (hurting exports); and especially the 3% pending increase in the value added tax. Hong Kong's 3.4% drop mirrored China's declining growth rate. Weak property prices and slow gains in Macau casino revenue were additional negative factors. Two small EAFE markets rose spectacularly; New Zealand, battling its way back from a recent earthquake, soared 16.7%, while Israel's high-tech sector drove an 18.7% surge.

Emerging markets again turned in weak results (-0.4%). Several political factors helped cloud the picture, including the Russian-Ukrainian standoff and vocal opposition to the Venezuelan and Thai governments. Slowing growth in China and concerns about that country's banking system also contributed to the weakness.

Russian shares plummeted 14.5% after the accelerated aggression against the Ukraine. The invasion of Crimea triggered significant economic sanctions against Russia, which, in turn, caused investor uncertainty and a global flight from capital investment. India climbed 8.2%, on the strength of national election fervor and promises of economic reform. Banking problems and slowing, albeit still high growth in China, led to a 5.9% fall in that country's index.

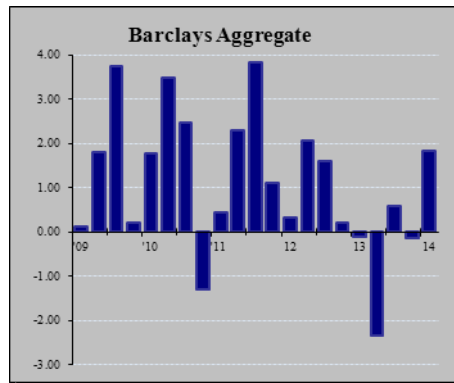
The Indonesian market soared more than 21%, lifted by hopes for reform and improving current account deficits. Despite political opposition, Thailand advanced 7.5% and Turkey gained 4.8%. The election results in Turkey solidified PM Erdogan's power base and reform programs, boosting investor confidence. Recovering from its recent typhoon, the Philippines rose an unexpected 10.3%. Mexico shed 5%, related to disappointing GDP growth and in spite of progress against its infamous drug cartels. Korean shares slid 2% despite rising exports.

Greece again surprised on the upside, surging another 18.1%. This spectacular return was directly attributable to the economic reforms it made in return for successive ECB bailouts; in fact, there has been enough optimism to allow the country to sell new debt in the open market. Finally, investors saw promise in the tiny Egyptian and South African markets; Egypt added 9.2% and South Africa added 4.9%.

## BOND MARKET

### *An Uptick in Bond Returns*

In a reversal from the prior quarter, first quarter bond results benefited



from a "risk off" investor attitude. The yield on the benchmark 10-year Treasury note fell 30 basis points to 2.73%. Thirty year rates fell even further, from 3.94% to 3.56%.

Surprisingly, the continuing wind down of Federal Reserve bond purchases failed to dampen investor interest. The

broad investment grade Barclay's Aggregate Index returned 1.8%, which coincidentally was the same return as the S&P 500.

Investment grade credits (BBB and higher) earned almost 3%. Junk bonds (BA and below) performed quite similarly to their higher quality

cousins. Within the BA to CAA credit quality range, returns varied between 2¾% to 3.3%.

Treasuries, which comprise 36% of the Aggregate Index, gained 1.3%. Investment grade corporates, which comprise 29% of the Aggregate Index, returned 2.9%. The defensive utility sector was the best performer, earning 3.8%. Industrials added 3.3% and financials gained 2.1%. Securitized residential mortgage debt posted a 1.6% gain, while commercial mortgages (CMBS) added a moderately lower 1.3%. Asset-backed instruments, e.g. credit card debt, provided 0.5%.

G-6 Global Treasuries returned 3%. Five of the country sovereign debt returns were positive, with only Canada losing ground due to its weaker currency. Italian Treasuries topped the group, earning 5.2%. French, German, Japanese and UK sovereigns all earned between 2.6% and 3%.

EM bonds, a combination of sovereigns and corporates, earned 2.8%. The best performers were Central American countries. Belize bonds rose 12.6% and Honduran issues rose 9.5%. Among 70 countries in the EM Index, only three experienced losses: Ghana (-2.9%); Russia (-2.1%); and Mongolia (-2.6%). Unexpectedly, the Ukrainian Index generated a low positive 1.8%.

## CASH EQUIVALENTS

### *A Repeat*

Yields on short Treasuries and money market instruments remained at near zero levels during the fourth quarter. Short rates most likely will climb only after the Fed concludes its tapering program and the Fed becomes convinced that the economy has heated up sufficiently.

**MARKET SUMMARY**

**ECONOMIC STATISTICS**

	CURRENT QTR	LAST QTR
GDP	0.1	2.6
Unemployment	6.7	6.7
CPI All Items Year/Year	1.50	1.50
Fed Funds Rate	0.25	0.25
Industrial Capacity	79.2	78.4
US Dollars per Euro	1.38	1.38

**MAJOR INDEX QUARTER RETURNS**

INDEX	PERFORMANCE
Russell 3000	2.0
S&P 500	1.8
Russell Mid	3.5
Russell 2000	1.1
MSCI EAFE	0.8
MSCI Emg Mkts	-0.4
NCREIF ODCE	2.5
Barclays Agg	1.8
90 Day Tbills	0.0

**EQUITY RETURN DISTRIBUTIONS**

	QUARTER			TRAILING YEAR		
	VAL	COR	GRO	VAL	COR	GRO
LC	3.0	2.1	1.1	21.6	22.4	23.2
MC	5.2	3.5	2.0	22.9	23.5	24.2
SC	1.8	1.1	0.5	22.6	24.9	27.2

**MARKET SUMMARY**

- \* Q1 GDP grew at an anemic rate of 0.1%.
- \* The unemployment rate hovered at 6.7%.
- \* CPI increased at a rate of 1.5% year over year.
- \* Domestic equities continued to enjoy upward momentum. Mid Cap stocks posted the strongest returns, while Small Cap stocks lagged behind. Value stocks bested their Growth counterparts across all cap sizes in Q1.
- \* The strength of the US Dollar was relatively flat against the Euro over the first quarter.

## **INVESTMENT RETURN**

On March 31st, 2014, the Davie Police Pension Plan was valued at \$119,137,409, representing an increase of \$592,652 from the December quarter's ending value of \$118,544,757. Last quarter, the Fund posted withdrawals totaling \$879,216, which offset the portfolio's net investment return of \$1,471,868. Income receipts totaling \$690,541 plus net realized and unrealized capital gains of \$781,327 combined to produce the portfolio's net investment return.

For the cumulative period since March 2009, the fund has recorded net contributions totaling \$18.0 million, and recorded net investment gains of \$51.2 million. For the period since March 2009, if the total fund had returned a compounded nominal rate of 7.9% it would have been valued at \$94.4 million or \$24.8 million less than the actual value as of March 31st, 2014.

## **RELATIVE PERFORMANCE**

### **Total Fund**

During the first quarter, the Total Portfolio returned 1.2%, which ranked in the 86th percentile of the Public Fund universe. Over the trailing twelve-month period, the portfolio's return was 11.5%, which ranked in the 74th percentile. Since March 2009, the portfolio returned 14.0% per annum and ranked in the 56th percentile.

### **Large Cap Equity**

The large cap equity segment gained 1.0% in the first quarter, 0.8% below the S&P 500 Index's return of 1.8% and ranked in the 79th percentile of the Large Cap universe. Over the trailing twelve months, this segment returned 19.3%; that return was 2.6% less than the benchmark's 21.9% performance, ranking in the 86th percentile. Since March 2009, this component returned 18.7% per annum and

ranked in the 90th percentile. The S&P 500 returned an annualized 21.1% over the same time frame.

### **Mid Cap Equity**

The mid cap equity assets gained 3.1% during the first quarter; that return was 0.1% greater than the S&P 400 Index's return of 3.0% and ranked in the 35th percentile of the Mid Cap universe. Over the trailing twelve months, this segment returned 21.2%; that return was equal to the benchmark's 21.2% return, and ranked in the 82nd percentile. Since March 2009, this component returned 24.8% per annum and ranked in the 44th percentile. For comparison, the S&P 400 returned an annualized 24.9% during the same period.

### **Small Cap Equity**

The small cap equity portion of the portfolio gained 0.1% in the first quarter; that return was 1.0% less than the Russell 2000 Index's return of 1.1% and ranked in the 76th percentile of the Small Cap universe. Over the trailing twelve months, this segment returned 15.5%; that return was 9.4% less than the benchmark's 24.9% return, ranking in the 99th percentile.

### **International Equity**

The international equity portfolio returned -0.6% in the first quarter, 1.4% less than the MSCI EAFE Index's return of 0.8% and ranked in the 74th percentile of the International Equity universe. Over the trailing twelve-month period, the international equity portfolio returned 13.5%; that return was 4.6% less than the benchmark's 18.1% return, and ranked in the 57th percentile. Since March 2009, this component returned 15.2% per annum and ranked in the 77th percentile. The MSCI EAFE Index returned an annualized 16.5% over the same time frame.

## **Real Estate**

During the first quarter, the real estate segment returned 2.5%, which was equal to the NCREIF NFI-ODCE Index's return of 2.5%. Over the trailing year, this segment returned 13.7%, which was equal to the benchmark's 13.7% return.

## **Fixed Income**

During the first quarter, the fixed income portion of the portfolio gained 1.9%, which was 0.5% greater than the Custom Fixed Income Index's return of 1.4% and ranked in the 64th percentile of the Core Fixed Income universe. Over the trailing twelve-month period, this segment returned 0.6%, which was 1.0% above the benchmark's -0.4% return, ranking in the 37th percentile. Since March 2009, this component returned 6.1% per annum and ranked in the 47th percentile. For comparison, the Custom Fixed Income Index returned an annualized 4.8% during the same time frame.

## **ASSET ALLOCATION**

At the end of the first quarter, large cap equities comprised 36.6% of the total portfolio (\$43.6 million), while mid cap equities totaled 9.8% (\$11.7 million). The account's small cap equity segment was valued at \$11.1 million, representing 9.3% of the portfolio, while the international equity component's \$11.2 million totaled 9.4%. The real estate segment totaled 5.9% of the portfolio's value and the fixed income component made up 26.8% (\$32.0 million). The remaining 2.1% was comprised of cash & equivalents (\$2.5 million).

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

			-----Annualized-----		
	Quarter	FYTD	1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	1.2	6.7	11.5	8.7	14.0
<i>PUBLIC FUND RANK</i>	(86)	(69)	(74)	(57)	(56)
<b>Total Net/Fees</b>	1.2	6.5	11.0	8.2	13.5
SHADOW INDEX	1.7	7.4	13.2	9.5	14.5
<b>Large Cap Equity</b>	1.0	11.0	19.3	12.0	18.7
<i>LARGE CAP RANK</i>	(79)	(79)	(86)	(89)	(90)
S&P 500	1.8	12.5	21.9	14.7	21.1
RUSSELL 1000G	1.1	11.7	23.2	14.6	21.7
RUSSELL 1000V	3.0	13.3	21.6	14.8	21.7
<b>Mid Cap Equity</b>	3.1	11.6	21.2	13.4	24.8
<i>MID CAP RANK</i>	(35)	(48)	(82)	(63)	(44)
S&P 400	3.0	11.6	21.2	13.4	24.9
<b>Small Cap Equity</b>	0.1	5.4	15.5	11.1	----
<i>SMALL CAP RANK</i>	(76)	(94)	(99)	(89)	----
RUSSELL 2000	1.1	9.9	24.9	13.2	24.3
<b>International Equity</b>	-0.6	4.6	13.5	6.9	15.2
<i>INTERNATIONAL EQUITY RANK</i>	(74)	(63)	(57)	(54)	(77)
MSCI EAFE	0.8	6.6	18.1	7.7	16.5
<b>Real Estate</b>	2.5	6.1	13.7	12.3	----
NCREIF ODCE	2.5	5.7	13.7	13.0	7.3
<b>Fixed Income</b>	1.9	2.5	0.6	4.7	6.1
<i>CORE FIXED INCOME RANK</i>	(64)	(26)	(37)	(27)	(47)
CUSTOM INDEX	1.4	1.4	-0.4	3.7	4.8
BARCLAYS AGG	1.8	1.7	-0.1	3.8	4.8
GOV/CREDIT	2.0	1.9	-0.3	4.2	5.1

**ASSET ALLOCATION**

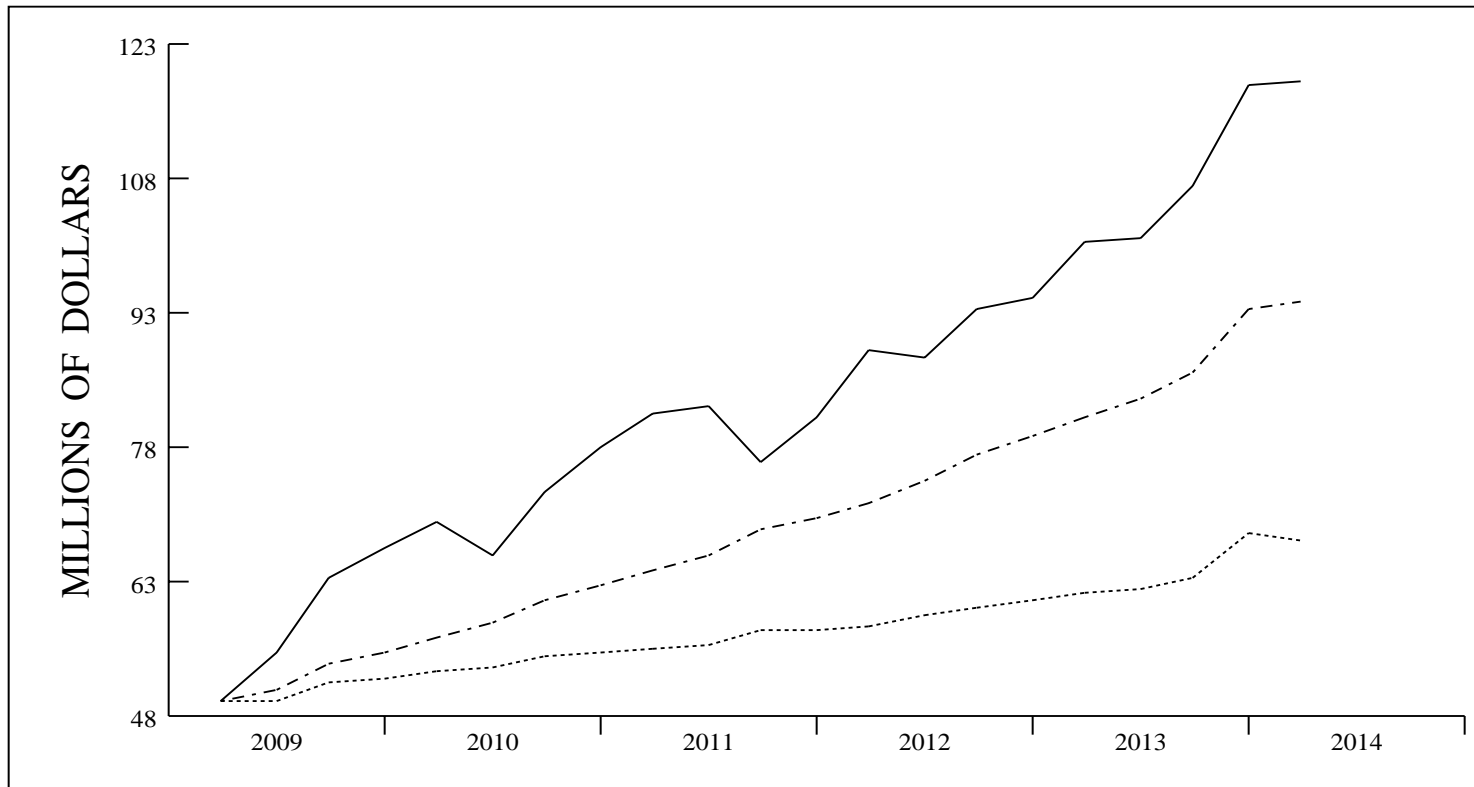
Large Cap Equity	36.6%	\$ 43,635,694
Mid Cap Equity	9.8%	11,682,757
Small Cap	9.3%	11,081,598
Int'l Equity	9.4%	11,151,549
Real Estate	5.9%	7,075,076
Fixed Income	26.8%	31,977,065
Cash	2.1%	2,533,670
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 119,137,409</b>

**INVESTMENT RETURN**

Market Value 12/2013	\$ 118,544,757
Contribs / Withdrawals	-879,216
Income	690,541
Capital Gains / Losses	781,327
Market Value 3/2014	\$ 119,137,409



**INVESTMENT GROWTH**

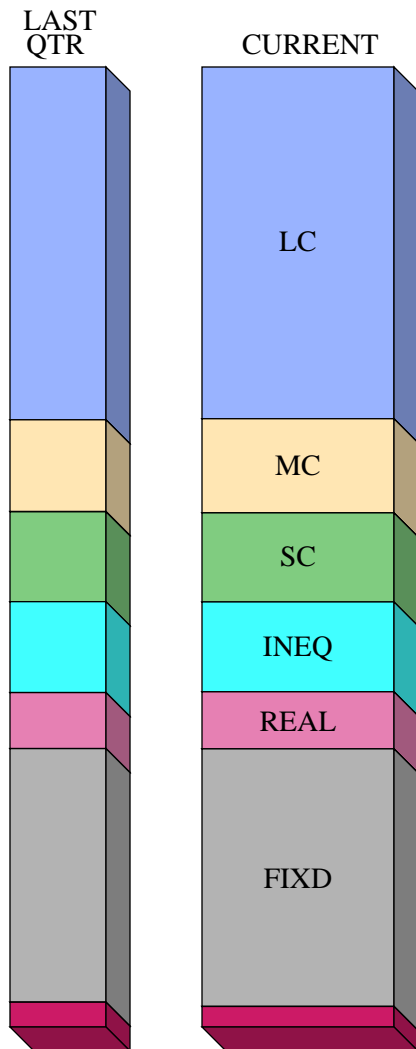


— ACTUAL RETURN  
 - - - 7.9%  
 ..... 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 94,358,370

	LAST QUARTER	PERIOD 3/09 - 3/14
BEGINNING VALUE	\$ 118,544,757	\$ 49,870,469
NET CONTRIBUTIONS	-879,216	18,041,392
<u>INVESTMENT RETURN</u>	<u>1,471,868</u>	<u>51,225,552</u>
ENDING VALUE	\$ 119,137,409	\$ 119,137,409
INCOME	690,541	10,555,751
<u>CAPITAL GAINS (LOSSES)</u>	<u>781,327</u>	<u>40,669,800</u>
INVESTMENT RETURN	1,471,868	51,225,552

**ASSET ALLOCATION**












	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>DIFFERENCE</u> <u>+ / -</u>
<span style="color: blue;">■</span> LARGE CAP EQUITY <span style="color: orange;">■</span> MID CAP EQUITY <span style="color: green;">■</span> SMALL CAP EQUITY <span style="color: cyan;">■</span> INTERNATIONAL EQUITY <span style="color: pink;">■</span> REAL ESTATE <span style="color: grey;">■</span> FIXED INCOME <span style="color: red;">■</span> CASH & EQUIVALENT	\$ 43,635,694 11,682,757 11,081,598 11,151,549 7,075,076 31,977,065 2,533,670	36.6% 9.8% 9.3% 9.4% 5.9% 26.8% 2.1%	30.0% 10.0% 10.0% 12.5% 5.0% 32.5% 0.0%	6.6% -0.2% -0.7% -3.1% 0.9% -5.7% 2.1%
<b>TOTAL FUND</b>	<b>\$ 119,137,409</b>	<b>100.0%</b>		

## MANAGER PERFORMANCE SUMMARY









Name	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years
Total Portfolio	(Public Fund)	1.2 (86)	6.7 (69)	11.5 (74)	8.7 (57)	14.0 (56)
<i>Shadow Index</i>		<i>1.7 ----</i>	<i>7.4 ----</i>	<i>13.2 ----</i>	<i>9.5 ----</i>	<i>14.5 ----</i>
Vanguard	(LC Core)	1.8 (65)	---- ----	---- ----	---- ----	---- ----
<i>S&amp;P 500</i>		<i>1.8 ----</i>	<i>12.5 ----</i>	<i>21.9 ----</i>	<i>14.7 ----</i>	<i>21.1 ----</i>
Garcia Equity	(LC Growth)	-1.7 (96)	8.8 (92)	17.4 (95)	11.0 (95)	18.7 (85)
<i>Russell 1000 Growth</i>		<i>1.1 ----</i>	<i>11.7 ----</i>	<i>23.2 ----</i>	<i>14.6 ----</i>	<i>21.7 ----</i>
Buckhead Equity	(LC Value)	3.9 (16)	13.7 (32)	21.7 (66)	13.3 (74)	18.8 (93)
<i>Russell 1000 Value</i>		<i>3.0 ----</i>	<i>13.3 ----</i>	<i>21.6 ----</i>	<i>14.8 ----</i>	<i>21.7 ----</i>
RhumbLine	(Mid Cap)	3.1 (35)	11.6 (48)	21.2 (82)	13.4 (63)	24.8 (44)
<i>S&amp;P 400</i>		<i>3.0 ----</i>	<i>11.6 ----</i>	<i>21.2 ----</i>	<i>13.4 ----</i>	<i>24.9 ----</i>
TAMRO	(Small Cap)	0.1 (76)	5.1 (95)	15.1 (99)	10.8 (91)	---- ----
<i>Russell 2000</i>		<i>1.1 ----</i>	<i>9.9 ----</i>	<i>24.9 ----</i>	<i>13.2 ----</i>	<i>24.3 ----</i>
Johnston	(Intl Eq)	-1.8 (89)	3.0 (74)	10.3 (64)	6.5 (57)	---- ----
SSgA	(Intl Eq)	0.8 (50)	6.5 (46)	17.9 (39)	7.5 (47)	16.4 (65)
<i>MSCI EAFE</i>		<i>0.8 ----</i>	<i>6.6 ----</i>	<i>18.1 ----</i>	<i>7.7 ----</i>	<i>16.5 ----</i>
American Realty		3.2 ----	5.9 ----	13.2 ----	12.4 ----	---- ----
Intercontinental		1.9 ----	6.5 ----	---- ----	---- ----	---- ----
UBS		2.5 ----	4.9 ----	11.4 ----	---- ----	---- ----
<i>NCREIF NFI-ODCE Index</i>		<i>2.5 ----</i>	<i>5.7 ----</i>	<i>13.7 ----</i>	<i>13.0 ----</i>	<i>7.3 ----</i>
Buckhead Fixed	(Core Fixed)	1.1 (99)	1.1 (99)	-1.1 (99)	3.7 (92)	4.8 (87)
Garcia Fixed	(Core Fixed)	2.4 (14)	3.3 (5)	1.6 (4)	5.5 (4)	7.3 (21)
<i>Custom Fixed Income Index</i>		<i>1.4 ----</i>	<i>1.4 ----</i>	<i>-0.4 ----</i>	<i>3.7 ----</i>	<i>4.8 ----</i>

**MANAGER VALUE ADDED**

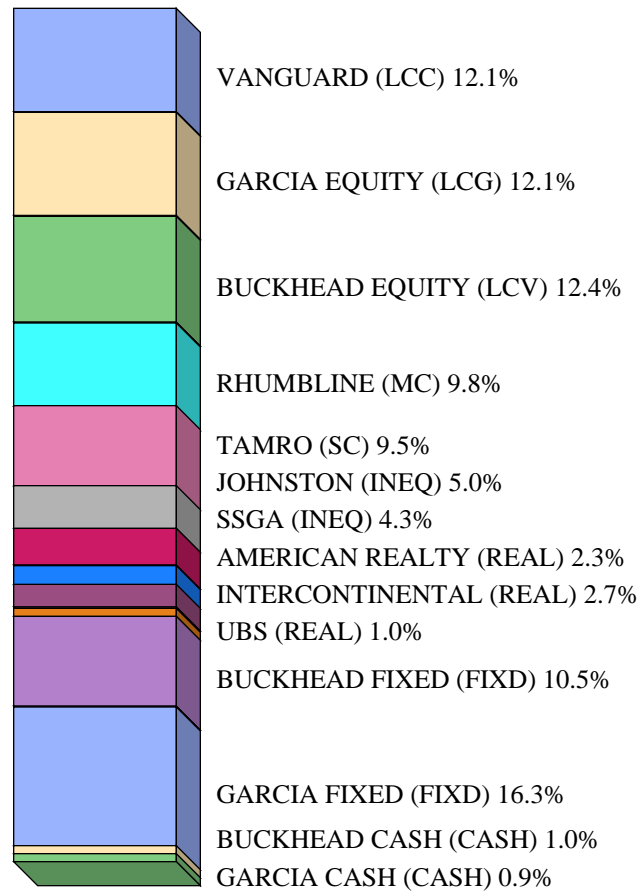
**Most Recent Quarter**

Manager	Benchmark	Value Added Vs. Benchmark
Vanguard	S&P 500	0.0
Garcia Equity	Russell 1000G	 -2.8
Buckhead Equity	Russell 1000V	0.9 
RhumbLine	S&P 400	0.0
TAMRO	Russell 2000	 -1.0
Johnston	MSCI EAFE	 -2.6
SSgA	MSCI EAFE	0.0
American Realty	NCREIF ODCE	0.7 
Intercontinental	NCREIF ODCE	 -0.6
UBS	NCREIF ODCE	0.1
Buckhead Fixed	Custom Index	 -0.4
Garcia Fixed	Custom Index	1.0 
<b>Total Portfolio</b>	<b>Shadow Index</b>	 -0.4

**Trailing Twelve Months**

Manager	Benchmark	Value Added Vs. Benchmark
Vanguard	S&P 500	N/A
Garcia Equity	Russell 1000G	 -5.8
Buckhead Equity	Russell 1000V	0.1
RhumbLine	S&P 400	-0.1
TAMRO	Russell 2000	 -9.8
Johnston	MSCI EAFE	 -7.8
SSgA	MSCI EAFE	-0.2
American Realty	NCREIF ODCE	 -0.5
Intercontinental	NCREIF ODCE	N/A
UBS	NCREIF ODCE	 -2.3
Buckhead Fixed	Custom Index	 -0.7
Garcia Fixed	Custom Index	1.9 
<b>Total Portfolio</b>	<b>Shadow Index</b>	 -1.7

**MANAGER ALLOCATION SUMMARY**



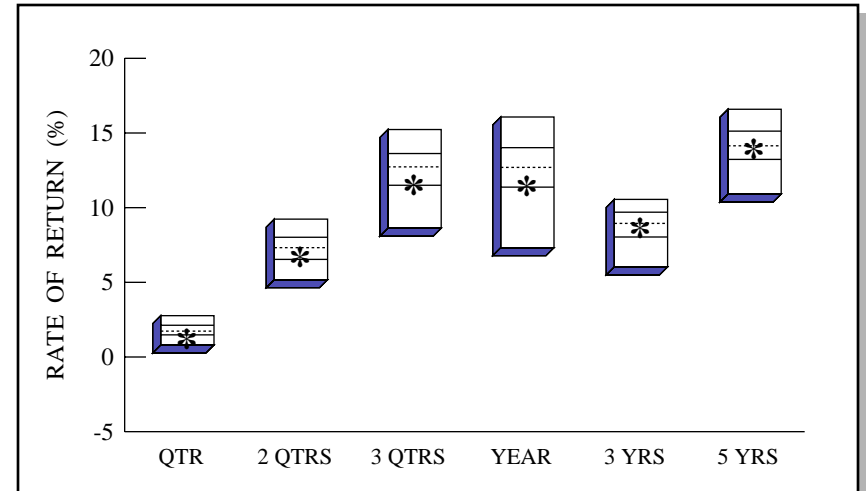
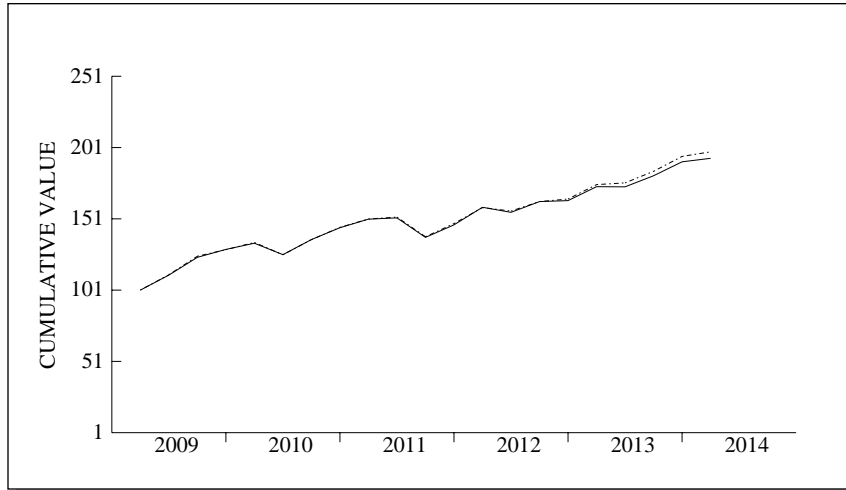
Name	Market Value	Percent
Vanguard (LCC)	\$14,451,594	12.1
Garcia Equity (LCG)	\$14,399,261	12.1
Buckhead Equity (LCV)	\$14,784,838	12.4
RhumbLine (MC)	\$11,682,757	9.8
TAMRO (SC)	\$11,272,403	9.5
Johnston (INEQ)	\$6,005,705	5.0
SSgA (INEQ)	\$5,145,844	4.3
American Realty (REAL)	\$2,731,014	2.3
Intercontinental (REAL)	\$3,181,539	2.7
UBS (REAL)	\$1,162,523	1.0
Buckhead Fixed (FIXD)	\$12,559,229	10.5
Garcia Fixed (FIXD)	\$19,417,836	16.3
Buckhead Cash (CASH)	\$1,175,949	1.0
Garcia Cash (CASH)	\$1,131,299	0.9
<b>Total</b>	<b>\$119,137,409</b>	<b>100.0</b>

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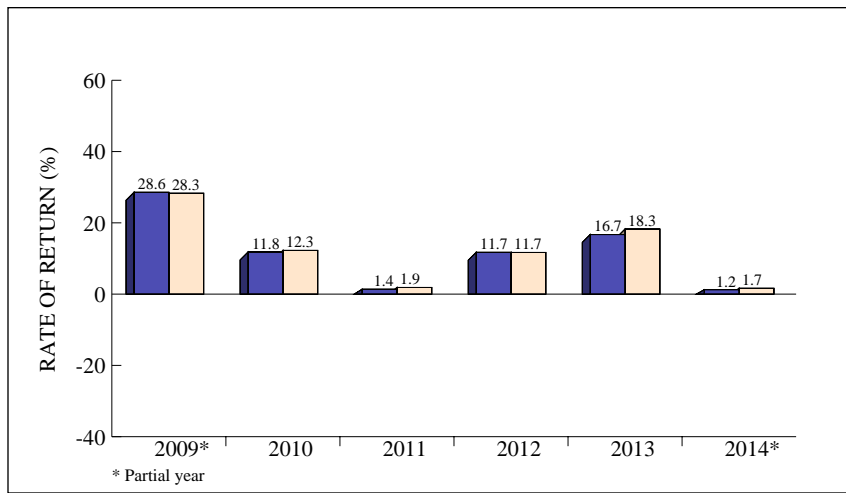
**INVESTMENT RETURN SUMMARY - ONE QUARTER**

Name	Quarter Total Return	Market Value December 31st, 2013	Net Cashflow	Net Investment Return	Market Value March 31st, 2014
Buckhead (BAL)	2.3	31,727,100	-3,901,975	694,891	28,520,016
Garcia Hamilton (BAL)	0.6	35,685,748	-942,349	204,998	34,948,397
Vanguard (LCC)	1.8	10,343,510	4,000,000	108,084	14,451,594
RhumbLine (MC)	3.1	11,336,349	0	346,408	11,682,757
TAMRO (SC)	0.1	11,305,045	-49,438	16,796	11,272,403
Johnston (INEQ)	-1.8	6,119,567	-1,786	-112,076	6,005,705
SSgA (INEQ)	0.8	5,106,096	0	39,748	5,145,844
American Realty (REAL)	3.2	2,653,579	-7,531	84,966	2,731,014
Intercontinental (REAL)	1.9	3,130,586	-8,337	59,290	3,181,539
UBS (REAL)	2.5	1,137,177	-3,415	28,761	1,162,523
Cash Account (CASH)	---	0	35,615	2	35,617
<b>Total Fund</b>	<b>1.2</b>	<b>118,544,757</b>	<b>-879,216</b>	<b>1,471,868</b>	<b>119,137,409</b>

**TOTAL RETURN COMPARISONS**



Public Fund Universe

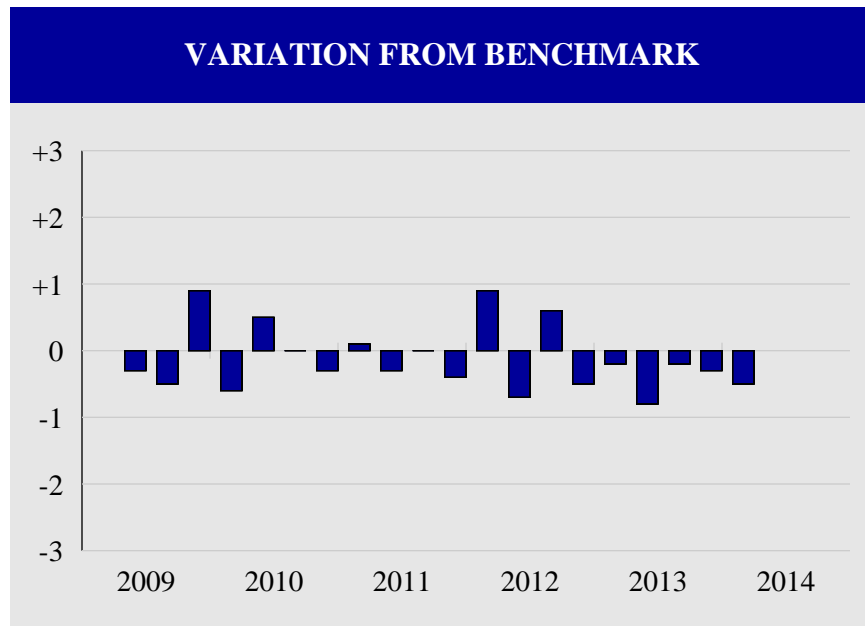


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	1.2	6.7	11.6	11.5	8.7	14.0
(RANK)	(86)	(69)	(75)	(74)	(57)	(56)
5TH %ILE	2.8	9.2	15.2	16.1	10.6	16.6
25TH %ILE	2.1	8.0	13.6	14.0	9.7	15.1
MEDIAN	1.7	7.3	12.7	12.7	9.0	14.2
75TH %ILE	1.5	6.5	11.5	11.4	8.0	13.2
95TH %ILE	0.8	5.2	8.6	7.3	6.0	10.9
<i>Shadow Idx</i>	<i>1.7</i>	<i>7.4</i>	<i>12.4</i>	<i>13.2</i>	<i>9.5</i>	<i>14.5</i>

Public Fund Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: SHADOW INDEX**

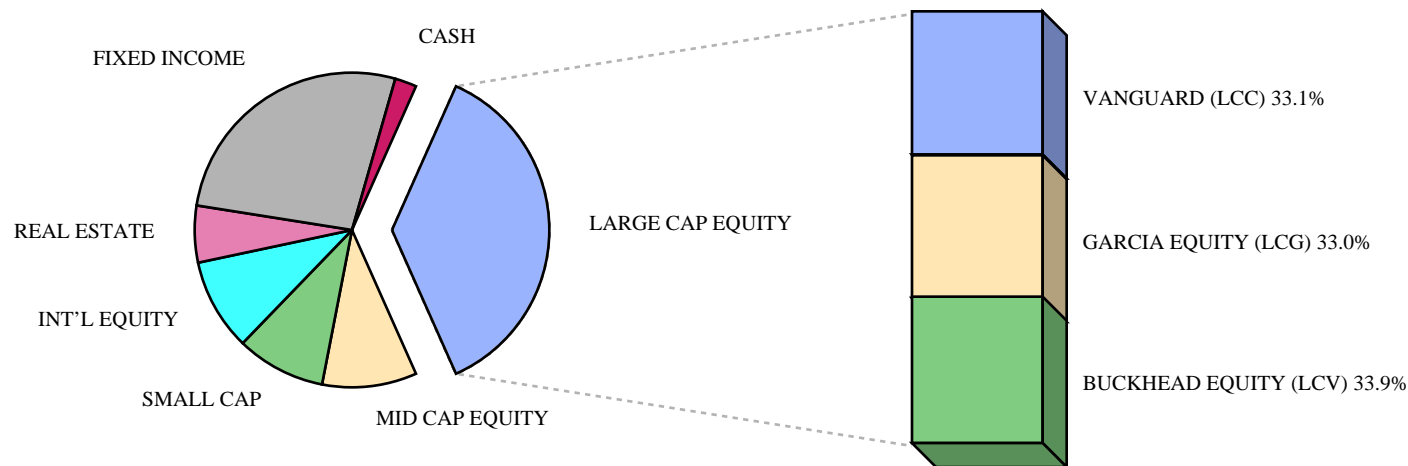


RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/09	10.5	10.8	-0.3
9/09	11.2	11.7	-0.5
12/09	4.6	3.7	0.9
3/10	3.4	4.0	-0.6
6/10	-6.0	-6.5	0.5
9/10	8.5	8.5	0.0
12/10	6.1	6.4	-0.3
3/11	4.2	4.1	0.1
6/11	0.6	0.9	-0.3
9/11	-9.1	-9.1	0.0
12/11	6.4	6.8	-0.4
3/12	8.5	7.6	0.9
6/12	-2.3	-1.6	-0.7
9/12	4.9	4.3	0.6
12/12	0.5	1.0	-0.5
3/13	6.0	6.2	-0.2
6/13	-0.1	0.7	-0.8
9/13	4.5	4.7	-0.2
12/13	5.4	5.7	-0.3
3/14	1.2	1.7	-0.5

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>7</b>
<b>Quarters Below the Benchmark</b>	<b>13</b>
<b>Batting Average</b>	<b>.350</b>

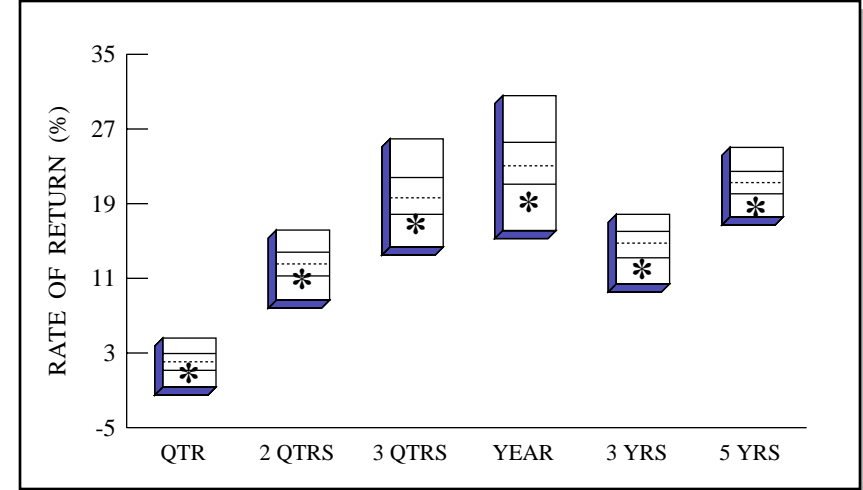
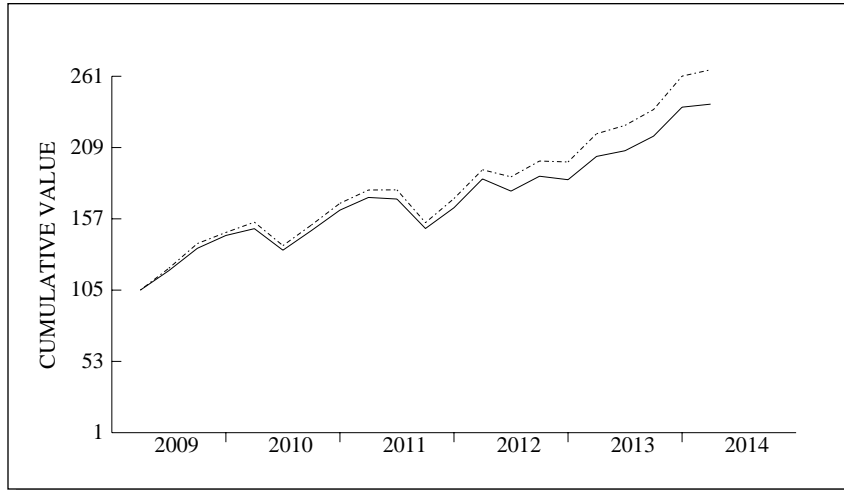


**LARGE CAP EQUITY MANAGER SUMMARY**



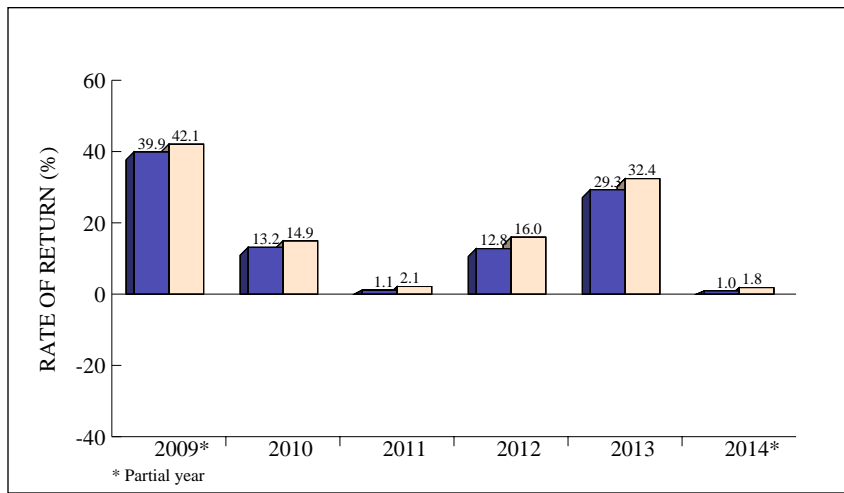
MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
VANGUARD	(Large Cap Core)	1.8 (65)	----	----	----	----	\$14,451,594
<i>S&amp;P 500</i>		<i>1.8</i> ----	<i>12.5</i> ----	<i>21.9</i> ----	<i>14.7</i> ----	<i>21.1</i> ----	----
GARCIA EQUITY	(Large Cap Growth)	-1.7 (96)	8.8 (92)	17.4 (95)	11.0 (95)	18.7 (85)	\$14,399,261
<i>Russell 1000 Growth</i>		<i>1.1</i> ----	<i>11.7</i> ----	<i>23.2</i> ----	<i>14.6</i> ----	<i>21.7</i> ----	----
BUCKHEAD EQUITY	(Large Cap Value)	3.9 (16)	13.7 (32)	21.7 (66)	13.3 (74)	18.8 (93)	\$14,784,838
<i>Russell 1000 Value</i>		<i>3.0</i> ----	<i>13.3</i> ----	<i>21.6</i> ----	<i>14.8</i> ----	<i>21.7</i> ----	----
<b>TOTAL</b>	<b>(Large Cap)</b>	<b>1.0 (79)</b>	<b>11.0 (79)</b>	<b>19.3 (86)</b>	<b>12.0 (89)</b>	<b>18.7 (90)</b>	<b>\$43,635,694</b>
<i>S&amp;P 500</i>		<i>1.8</i> ----	<i>12.5</i> ----	<i>21.9</i> ----	<i>14.7</i> ----	<i>21.1</i> ----	----

**LARGE CAP EQUITY RETURN COMPARISONS**



■ ——— PORTFOLIO  
■ - - - - S&P 500

Large Cap Universe

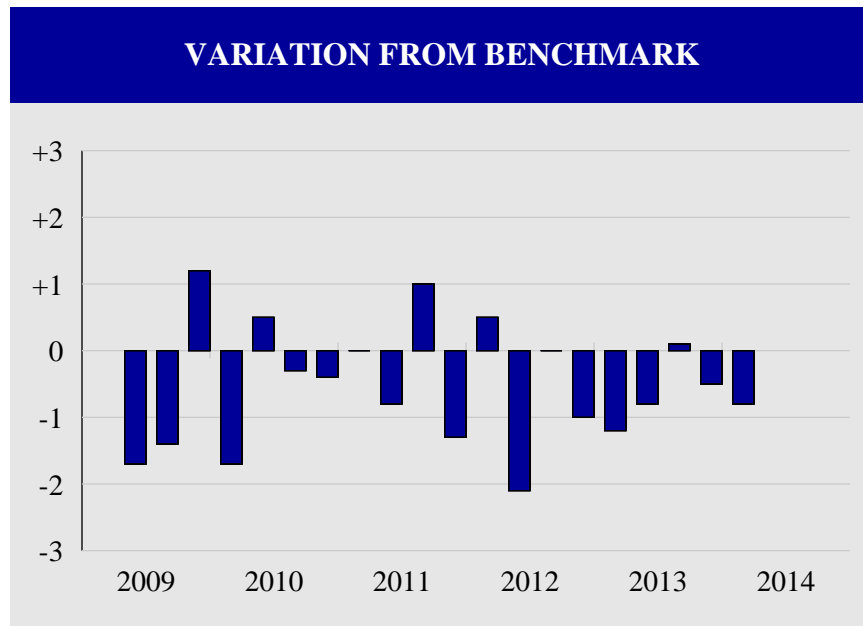


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	1.0	11.0	16.9	19.3	12.0	18.7
(RANK)	(79)	(79)	(84)	(86)	(89)	(90)
5TH %ILE	4.6	16.2	26.0	30.6	17.9	25.0
25TH %ILE	2.9	13.8	21.8	25.6	16.0	22.5
MEDIAN	2.1	12.5	19.6	23.1	14.8	21.3
75TH %ILE	1.1	11.3	17.9	21.1	13.2	20.1
95TH %ILE	-0.7	8.7	14.3	16.1	10.4	17.6
<b>S&amp;P 500</b>	<b>1.8</b>	<b>12.5</b>	<b>18.4</b>	<b>21.9</b>	<b>14.7</b>	<b>21.1</b>

Large Cap Universe

**LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

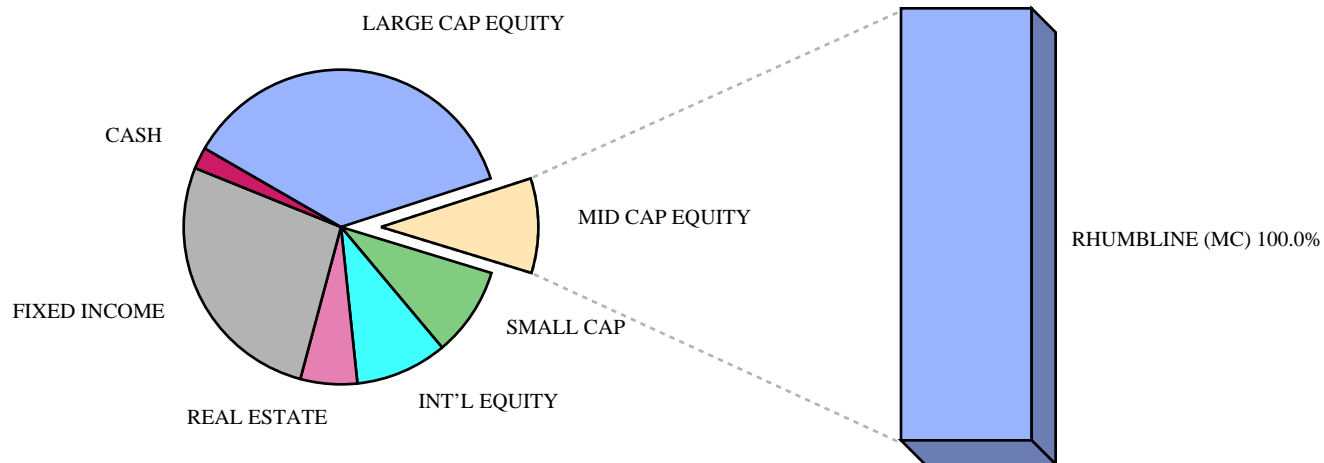
**COMPARATIVE BENCHMARK: S&P 500**



<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>7</b>
<b>Quarters Below the Benchmark</b>	<b>13</b>
<b>Batting Average</b>	<b>.350</b>

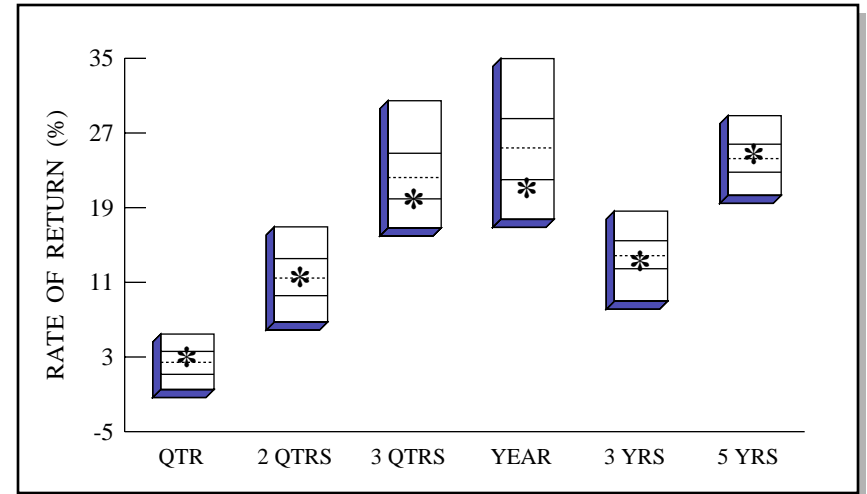
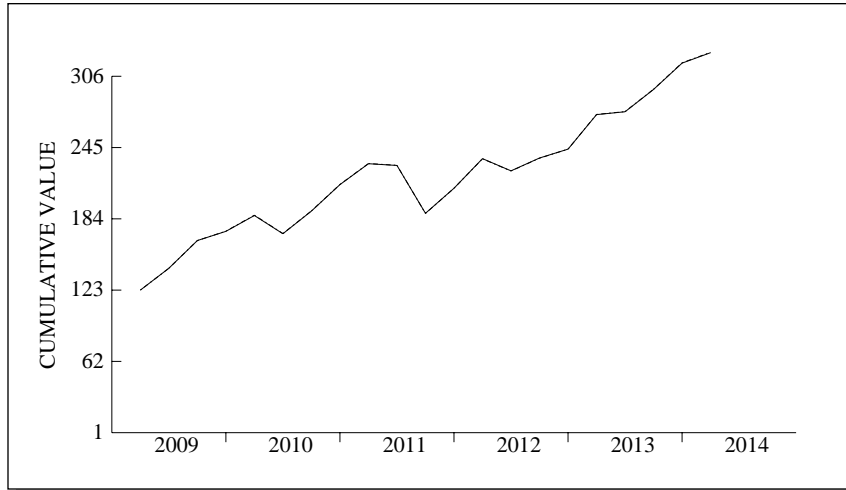
<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
6/09	14.2	15.9	-1.7
9/09	14.2	15.6	-1.4
12/09	7.2	6.0	1.2
3/10	3.6	5.3	-1.7
6/10	-10.9	-11.4	0.5
9/10	11.0	11.3	-0.3
12/10	10.4	10.8	-0.4
3/11	5.9	5.9	0.0
6/11	-0.7	0.1	-0.8
9/11	-12.9	-13.9	1.0
12/11	10.5	11.8	-1.3
3/12	13.1	12.6	0.5
6/12	-4.9	-2.8	-2.1
9/12	6.3	6.3	0.0
12/12	-1.4	-0.4	-1.0
3/13	9.4	10.6	-1.2
6/13	2.1	2.9	-0.8
9/13	5.3	5.2	0.1
12/13	10.0	10.5	-0.5
3/14	1.0	1.8	-0.8

**MID CAP EQUITY MANAGER SUMMARY**

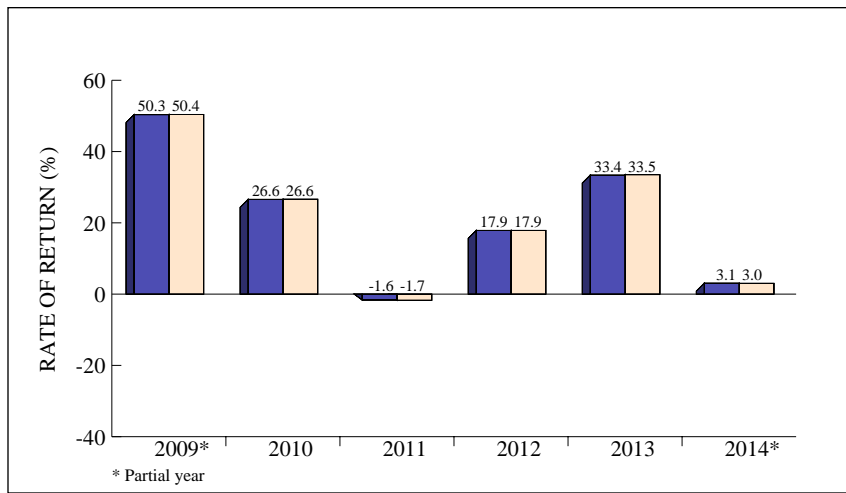


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
RHUMBLINE	(Mid Cap)	3.1 (35)	11.6 (48)	21.2 (82)	13.4 (63)	24.8 (44)	\$11,682,757
<i>S&amp;P 400</i>		<i>3.0 ---</i>	<i>11.6 ---</i>	<i>21.2 ---</i>	<i>13.4 ---</i>	<i>24.9 ---</i>	<i>---</i>
<b>TOTAL</b>	<b>(Mid Cap)</b>	<b>3.1 (35)</b>	<b>11.6 (48)</b>	<b>21.2 (82)</b>	<b>13.4 (63)</b>	<b>24.8 (44)</b>	<b>\$11,682,757</b>
<i>S&amp;P 400</i>		<i>3.0 ---</i>	<i>11.6 ---</i>	<i>21.2 ---</i>	<i>13.4 ---</i>	<i>24.9 ---</i>	<i>---</i>

MID CAP EQUITY RETURN COMPARISONS



Mid Cap Universe

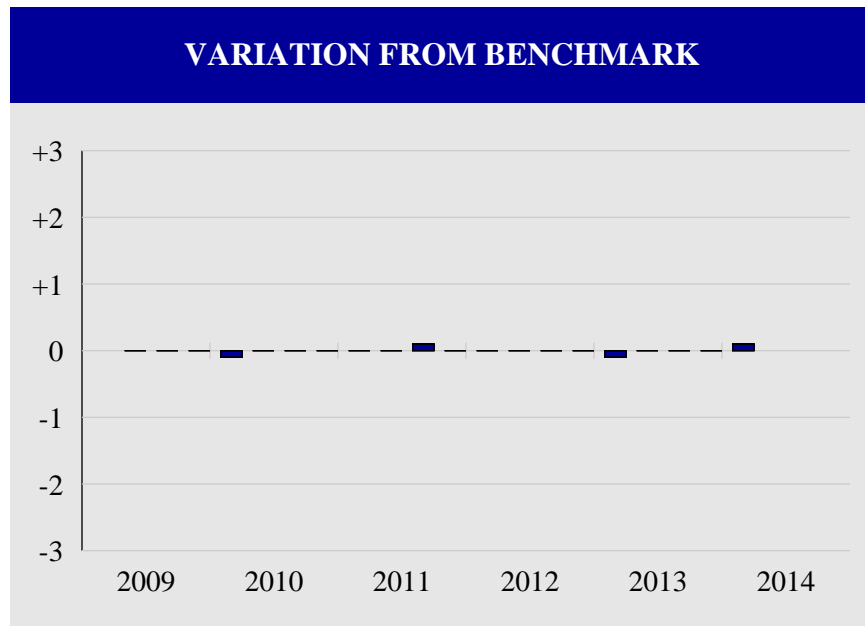


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	3.1	11.6	20.0	21.2	13.4	24.8
(RANK)	(35)	(48)	(75)	(82)	(63)	(44)
5TH %ILE	5.5	16.9	30.5	35.0	18.6	28.9
25TH %ILE	3.6	13.5	24.8	28.5	15.5	25.8
MEDIAN	2.4	11.5	22.2	25.4	13.9	24.3
75TH %ILE	1.1	9.6	19.9	22.0	12.5	22.8
95TH %ILE	-0.5	6.7	16.8	17.7	9.0	20.3
<b>S&amp;P 400</b>	<b>3.0</b>	<b>11.6</b>	<b>20.0</b>	<b>21.2</b>	<b>13.4</b>	<b>24.9</b>

Mid Cap Universe

**MID CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

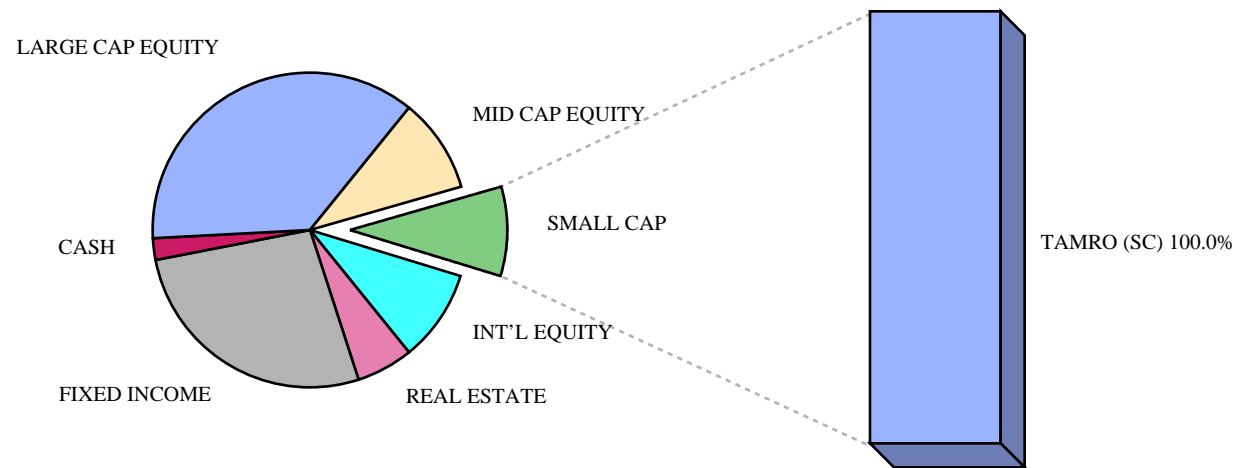
**COMPARATIVE BENCHMARK: S&P 400**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/09	18.7	18.7	0.0
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
3/12	13.5	13.5	0.0
6/12	-4.9	-4.9	0.0
9/12	5.4	5.4	0.0
12/12	3.6	3.6	0.0
3/13	13.4	13.5	-0.1
6/13	1.0	1.0	0.0
9/13	7.5	7.5	0.0
12/13	8.3	8.3	0.0
3/14	3.1	3.0	0.1

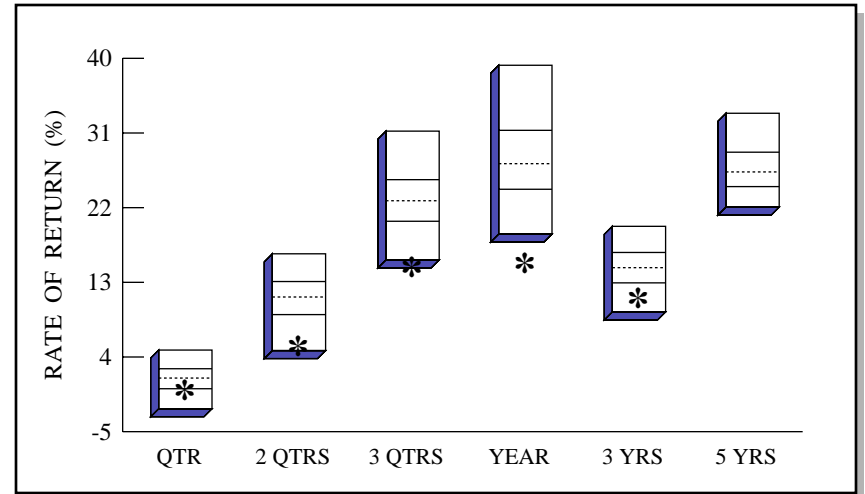
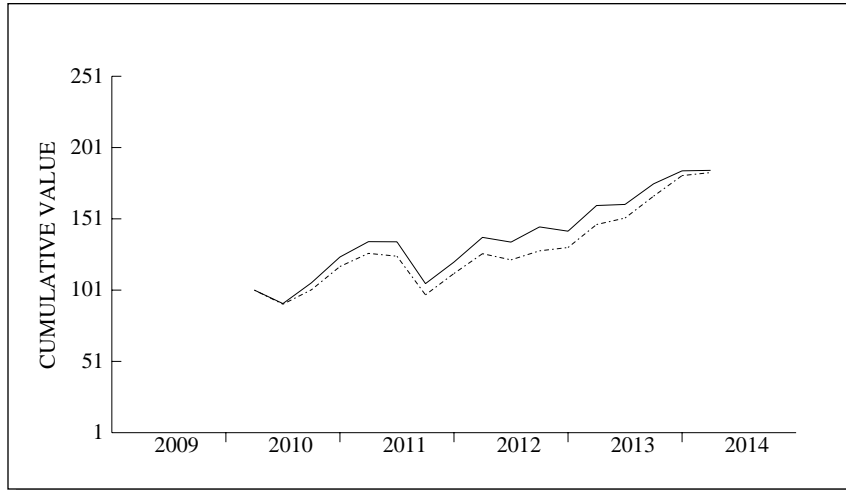
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>18</b>
<b>Quarters Below the Benchmark</b>	<b>2</b>
<b>Batting Average</b>	<b>.900</b>

**SMALL CAP EQUITY MANAGER SUMMARY**

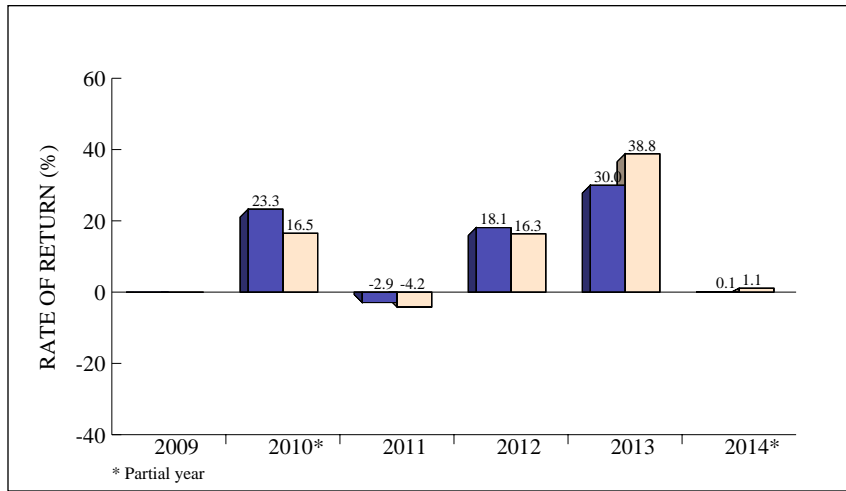


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
TAMRO	(Small Cap)	0.1 (76)	5.4 (94)	15.5 (99)	11.1 (89)	----	\$11,081,598
<i>Russell 2000</i>		<i>1.1 ----</i>	<i>9.9 ----</i>	<i>24.9 ----</i>	<i>13.2 ----</i>	<i>24.3 ----</i>	<i>----</i>
<b>TOTAL</b>	<b>(Small Cap)</b>	<b>0.1 (76)</b>	<b>5.4 (94)</b>	<b>15.5 (99)</b>	<b>11.1 (89)</b>	<b>----</b>	<b>\$11,081,598</b>
<i>Russell 2000</i>		<i>1.1 ----</i>	<i>9.9 ----</i>	<i>24.9 ----</i>	<i>13.2 ----</i>	<i>24.3 ----</i>	<i>----</i>

**SMALL CAP EQUITY RETURN COMPARISONS**



Small Cap Universe



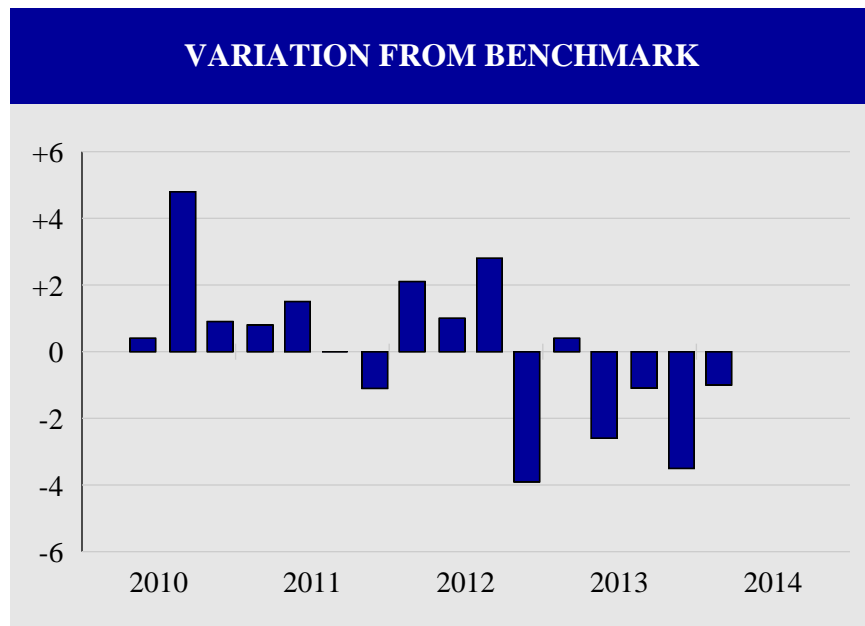
	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.1	5.4	14.9	15.5	11.1	---
(RANK)	(76)	(94)	(97)	(99)	(89)	---
5TH %ILE	4.9	16.5	31.2	39.2	19.8	33.4
25TH %ILE	2.6	13.1	25.4	31.3	16.6	28.7
MEDIAN	1.5	11.2	22.8	27.3	14.8	26.3
75TH %ILE	0.2	9.1	20.4	24.2	12.9	24.5
95TH %ILE	-2.2	4.8	15.7	18.8	9.4	22.1
<b>Russ 2000</b>	<b>1.1</b>	<b>9.9</b>	<b>21.2</b>	<b>24.9</b>	<b>13.2</b>	<b>24.3</b>

Small Cap Universe



**SMALL CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

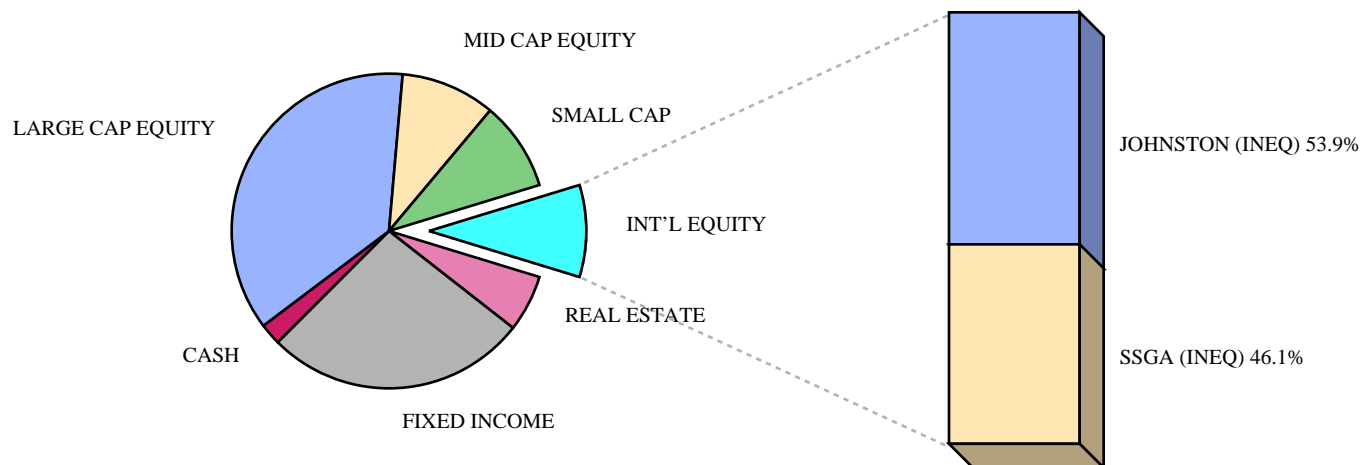
**COMPARATIVE BENCHMARK: RUSSELL 2000**



<b>Total Quarters Observed</b>	<b>16</b>
<b>Quarters At or Above the Benchmark</b>	<b>10</b>
<b>Quarters Below the Benchmark</b>	<b>6</b>
<b>Batting Average</b>	<b>.625</b>

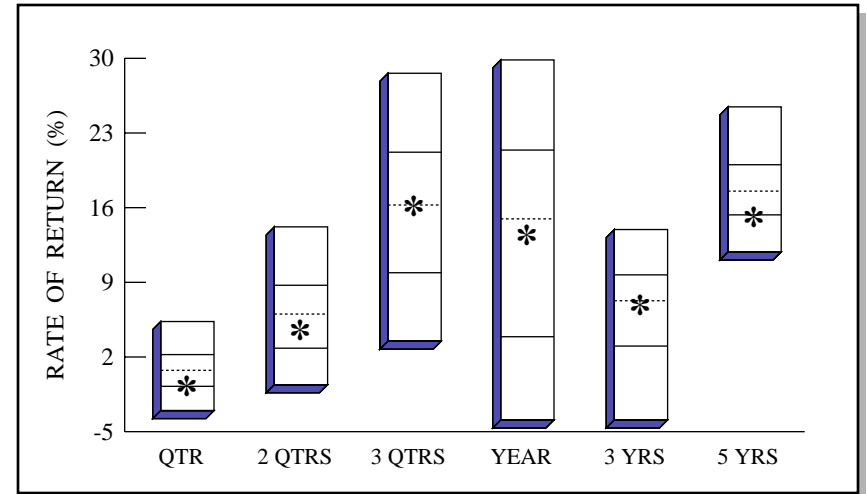
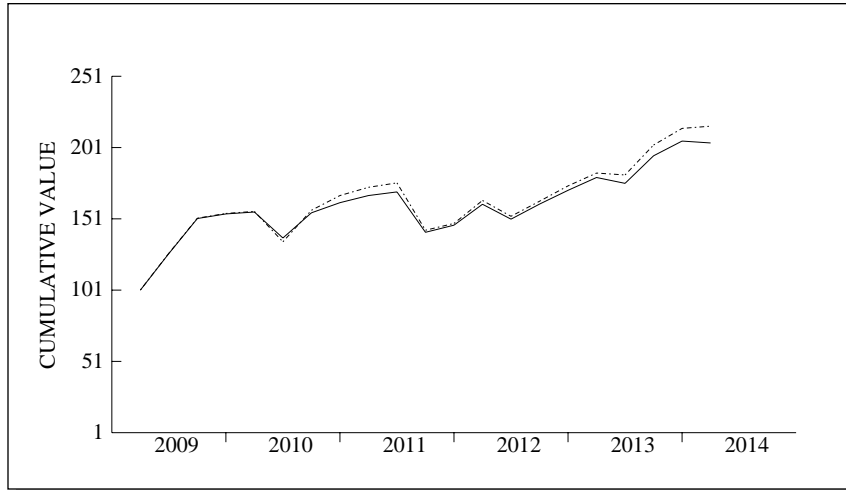
<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
6/10	-9.5	-9.9	0.4
9/10	16.1	11.3	4.8
12/10	17.2	16.3	0.9
3/11	8.7	7.9	0.8
6/11	-0.1	-1.6	1.5
9/11	-21.9	-21.9	0.0
12/11	14.4	15.5	-1.1
3/12	14.5	12.4	2.1
6/12	-2.5	-3.5	1.0
9/12	8.0	5.2	2.8
12/12	-2.1	1.8	-3.9
3/13	12.8	12.4	0.4
6/13	0.5	3.1	-2.6
9/13	9.1	10.2	-1.1
12/13	5.2	8.7	-3.5
3/14	0.1	1.1	-1.0

**INTERNATIONAL EQUITY MANAGER SUMMARY**

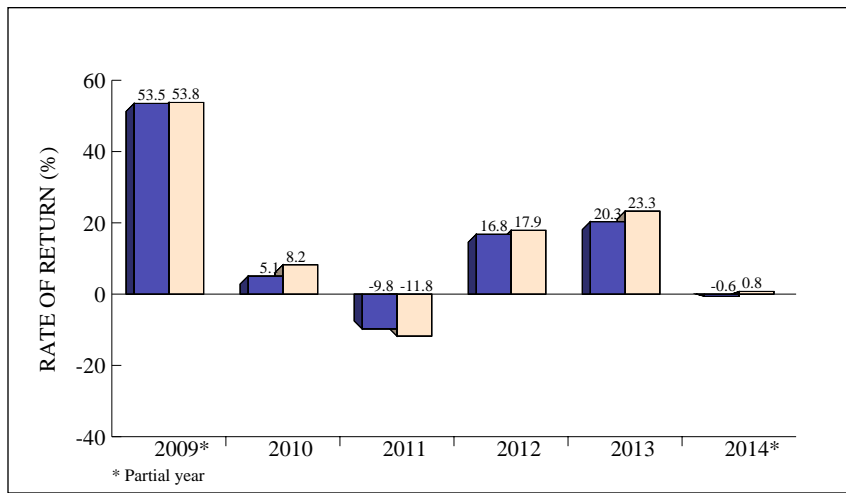


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
JOHNSTON	(International Equity)	-1.8 (89)	3.0 (74)	10.3 (64)	6.5 (57)	----	\$6,005,705
SSGA	(International Equity)	0.8 (50)	6.5 (46)	17.9 (39)	7.5 (47)	16.4 (65)	\$5,145,844
<i>MSCI EAFE</i>		<i>0.8</i> ---	<i>6.6</i> ---	<i>18.1</i> ---	<i>7.7</i> ---	<i>16.5</i> ---	---
<b>TOTAL</b>	<b>(International Equity)</b>	<b>-0.6 (74)</b>	<b>4.6 (63)</b>	<b>13.5 (57)</b>	<b>6.9 (54)</b>	<b>15.2 (77)</b>	<b>\$11,151,549</b>
<i>MSCI EAFE</i>		<i>0.8</i> ---	<i>6.6</i> ---	<i>18.1</i> ---	<i>7.7</i> ---	<i>16.5</i> ---	---

INTERNATIONAL EQUITY RETURN COMPARISONS



International Equity Universe

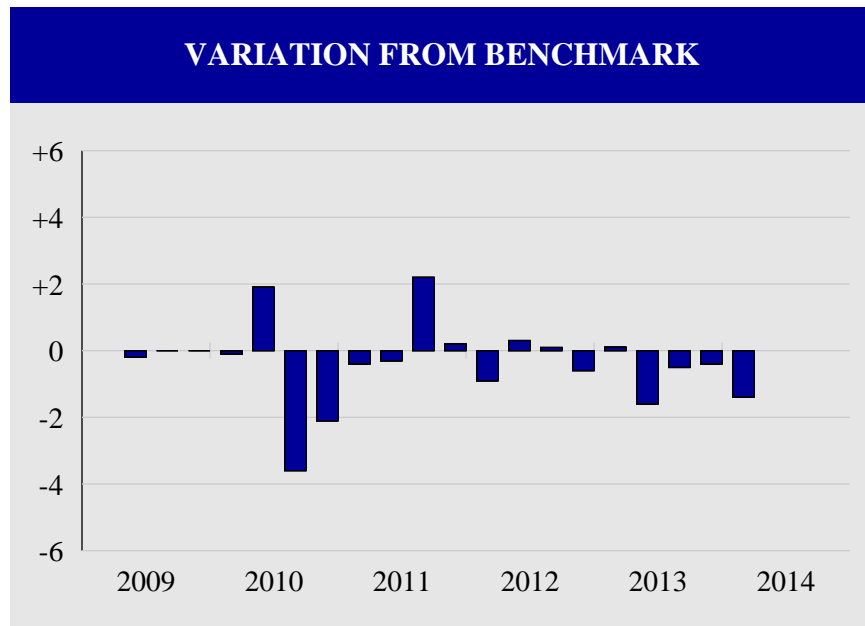


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	-0.6	4.6	16.2	13.5	6.9	15.2
(RANK)	(74)	(63)	(51)	(57)	(54)	(77)
5TH %ILE	5.3	14.2	28.6	29.8	14.0	25.4
25TH %ILE	2.2	8.7	21.2	21.4	9.7	20.0
MEDIAN	0.8	6.0	16.2	15.0	7.3	17.5
75TH %ILE	-0.8	2.8	9.9	3.9	3.0	15.3
95TH %ILE	-3.0	-0.6	3.5	-3.9	-3.9	11.8
<b>MSCI EAFE</b>	<b>0.8</b>	<b>6.6</b>	<b>18.9</b>	<b>18.1</b>	<b>7.7</b>	<b>16.5</b>

International Equity Universe

**INTERNATIONAL EQUITY QUARTERLY PERFORMANCE SUMMARY**

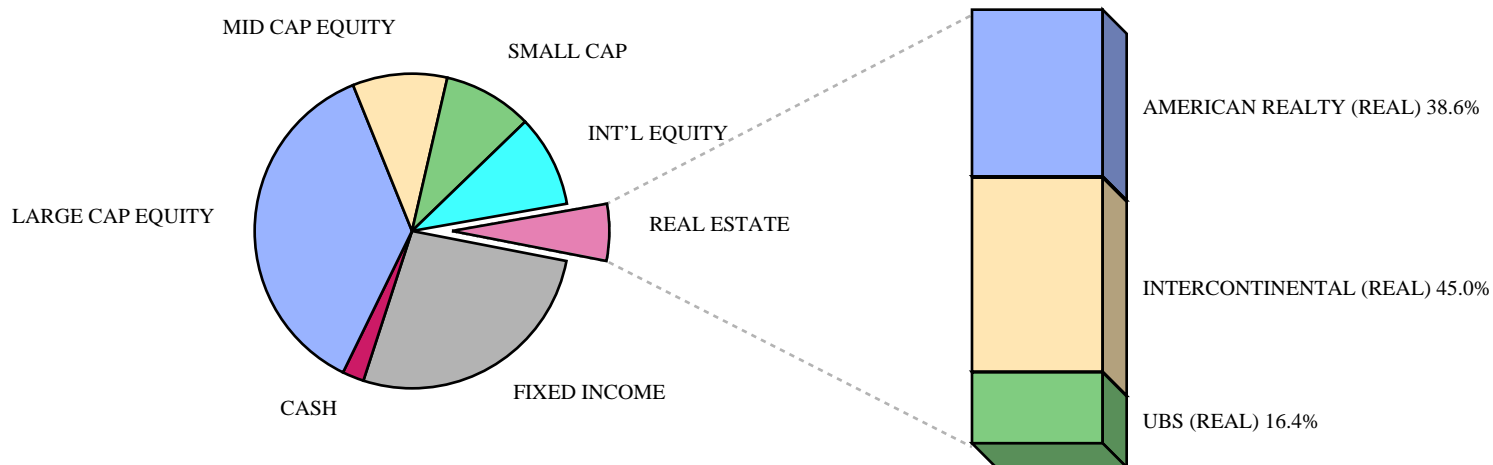
**COMPARATIVE BENCHMARK: MSCI EAFE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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	-13.7	1.9
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
3/12	10.1	11.0	-0.9
6/12	-6.5	-6.8	0.3
9/12	7.1	7.0	0.1
12/12	6.0	6.6	-0.6
3/13	5.3	5.2	0.1
6/13	-2.3	-0.7	-1.6
9/13	11.1	11.6	-0.5
12/13	5.3	5.7	-0.4
3/14	-0.6	0.8	-1.4

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>8</b>
<b>Quarters Below the Benchmark</b>	<b>12</b>
<b>Batting Average</b>	<b>.400</b>

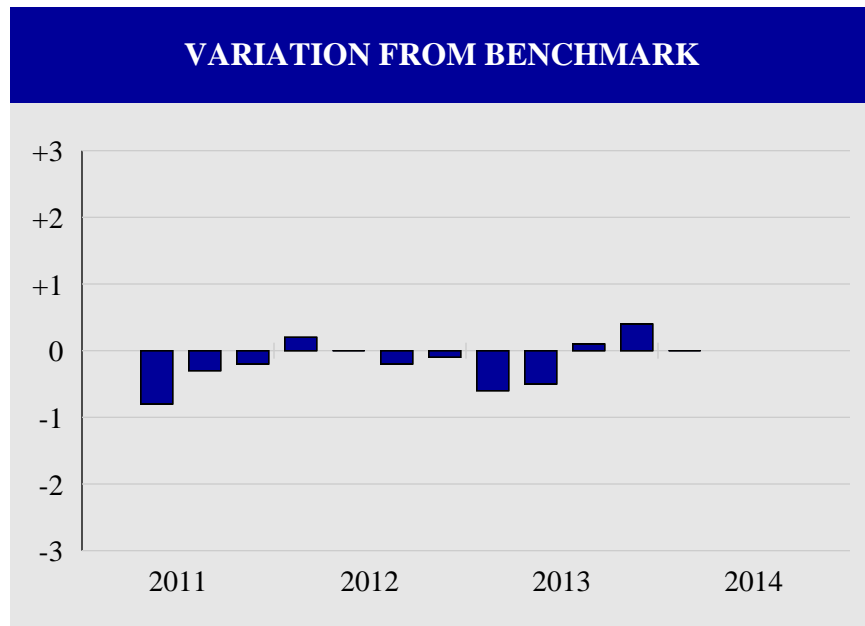
**REAL ESTATE MANAGER SUMMARY**



MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
AMERICAN REALTY		3.2 ---	5.9 ---	13.2 ---	12.4 ---	--- ---	\$2,731,014
INTERCONTINENTAL		1.9 ---	6.5 ---	--- ---	--- ---	--- ---	\$3,181,539
UBS		2.5 ---	4.9 ---	11.4 ---	--- ---	--- ---	\$1,162,523
<i>NCREIF NFI-ODCE Index</i>		<i>2.5 ---</i>	<i>5.7 ---</i>	<i>13.7 ---</i>	<i>13.0 ---</i>	<i>7.3 ---</i>	---
<b>TOTAL</b>		<b>2.5 ---</b>	<b>6.1 ---</b>	<b>13.7 ---</b>	<b>12.3 ---</b>	<b>--- ---</b>	<b>\$7,075,076</b>
<i>NCREIF NFI-ODCE Index</i>		<i>2.5 ---</i>	<i>5.7 ---</i>	<i>13.7 ---</i>	<i>13.0 ---</i>	<i>7.3 ---</i>	---

**REAL ESTATE QUARTERLY PERFORMANCE SUMMARY**

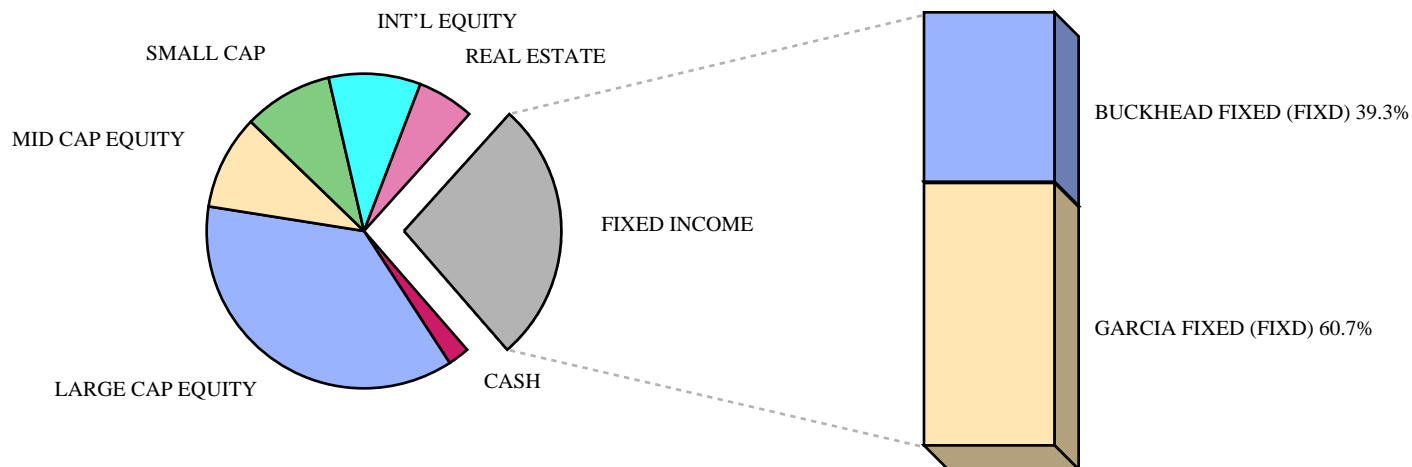
**COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX**



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	3.0	-0.2
3/12	3.0	2.8	0.2
6/12	2.5	2.5	0.0
9/12	2.6	2.8	-0.2
12/12	2.2	2.3	-0.1
3/13	2.1	2.7	-0.6
6/13	3.4	3.9	-0.5
9/13	3.7	3.6	0.1
12/13	3.6	3.2	0.4
3/14	2.5	2.5	0.0

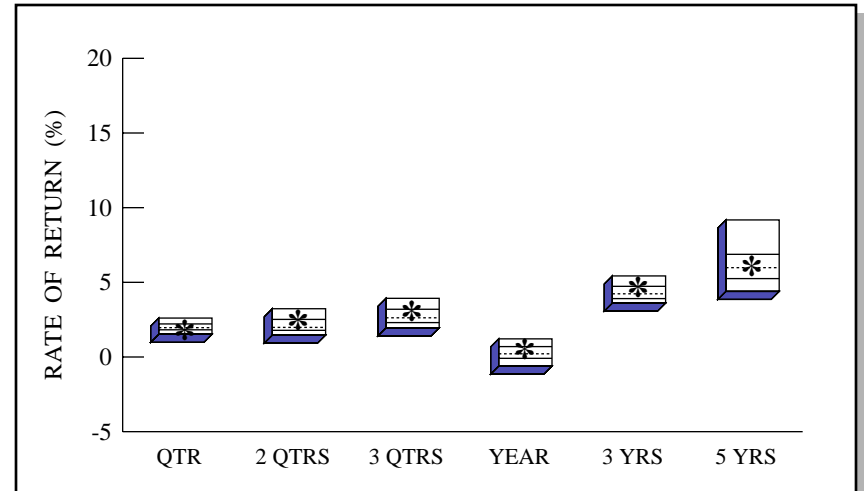
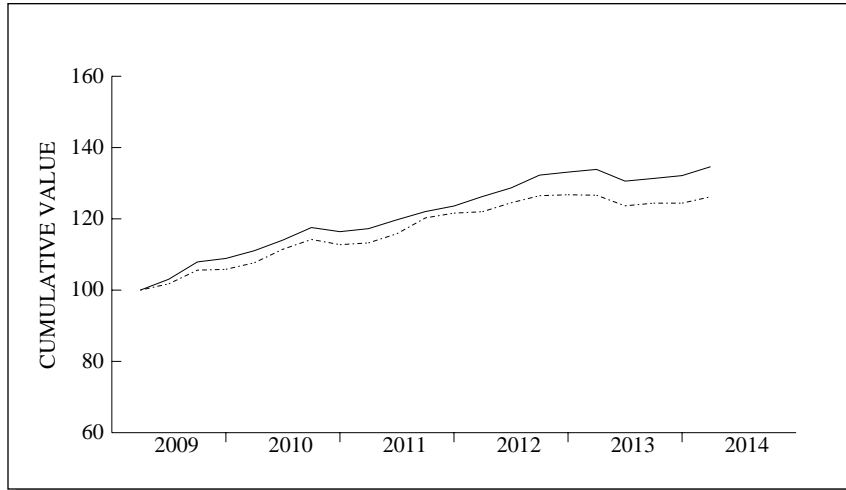
<b>Total Quarters Observed</b>	<b>12</b>
<b>Quarters At or Above the Benchmark</b>	<b>5</b>
<b>Quarters Below the Benchmark</b>	<b>7</b>
<b>Batting Average</b>	<b>.417</b>

**FIXED INCOME MANAGER SUMMARY**

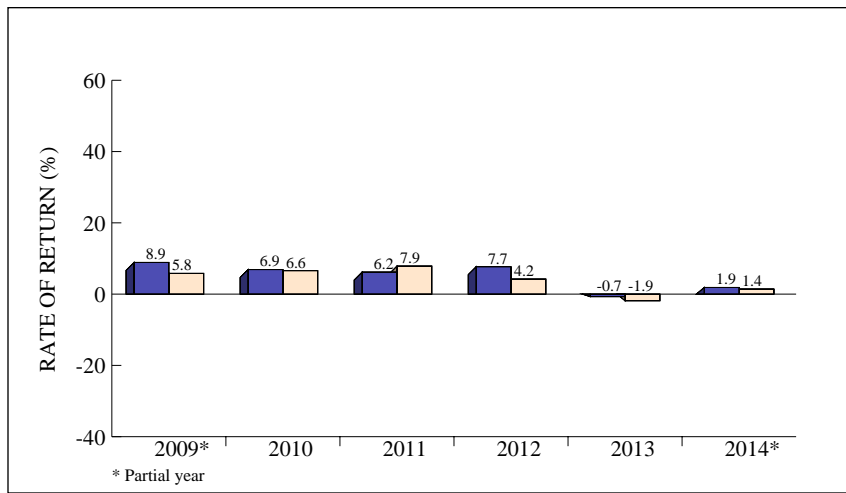


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
BUCKHEAD FIXED	(Core Fixed Income)	1.1 (99)	1.1 (99)	-1.1 (99)	3.7 (92)	4.8 (87)	\$12,559,229
GARCIA FIXED	(Core Fixed Income)	2.4 (14)	3.3 (5)	1.6 (4)	5.5 (4)	7.3 (21)	\$19,417,836
<i>Custom Fixed Income Index</i>		<i>1.4 ---</i>	<i>1.4 ---</i>	<i>-0.4 ---</i>	<i>3.7 ---</i>	<i>4.8 ---</i>	<i>---</i>
<b>TOTAL</b>	<b>(Core Fixed Income)</b>	<b>1.9 (64)</b>	<b>2.5 (26)</b>	<b>0.6 (37)</b>	<b>4.7 (27)</b>	<b>6.1 (47)</b>	<b>\$31,977,065</b>
<i>Custom Fixed Income Index</i>		<i>1.4 ---</i>	<i>1.4 ---</i>	<i>-0.4 ---</i>	<i>3.7 ---</i>	<i>4.8 ---</i>	<i>---</i>

**FIXED INCOME RETURN COMPARISONS**



Core Fixed Income Universe



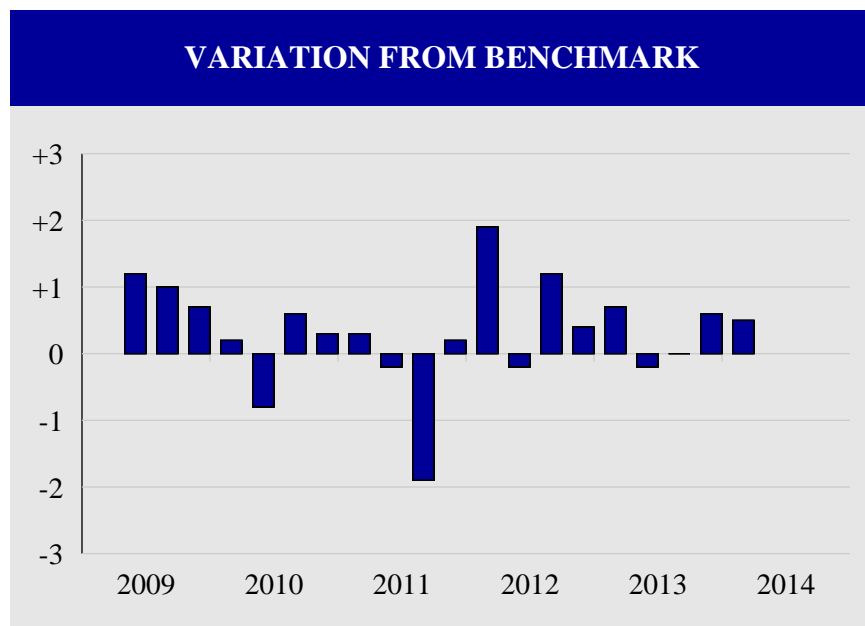
	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	1.9	2.5	3.1	0.6	4.7	6.1
(RANK)	(64)	(26)	(26)	(37)	(27)	(47)
5TH %ILE	2.6	3.2	3.9	1.2	5.4	9.2
25TH %ILE	2.2	2.5	3.2	0.7	4.7	6.9
MEDIAN	2.0	2.0	2.6	0.2	4.2	6.0
75TH %ILE	1.8	1.8	2.3	-0.1	3.9	5.3
95TH %ILE	1.5	1.5	2.0	-0.6	3.6	4.4
<b>Custom Idx</b>	<b>1.4</b>	<b>1.4</b>	<b>2.0</b>	<b>-0.4</b>	<b>3.7</b>	<b>4.8</b>

Core Fixed Income Universe



## FIXED INCOME QUARTERLY PERFORMANCE SUMMARY

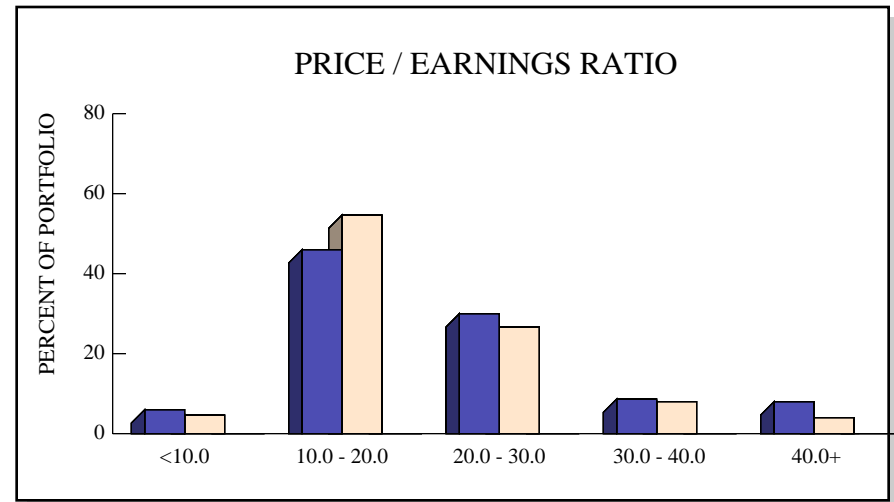
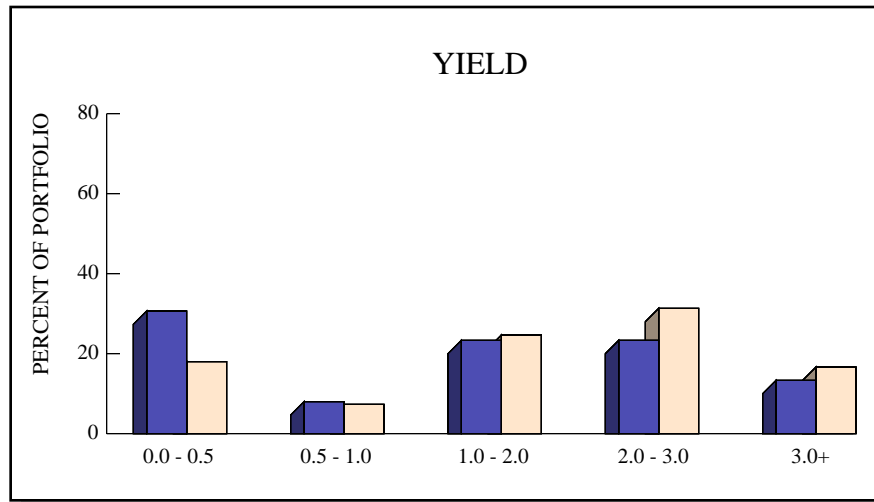
COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX



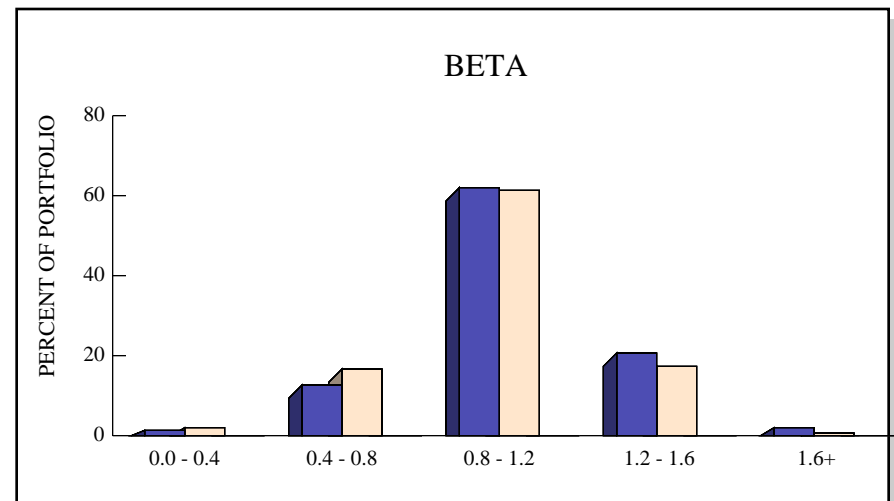
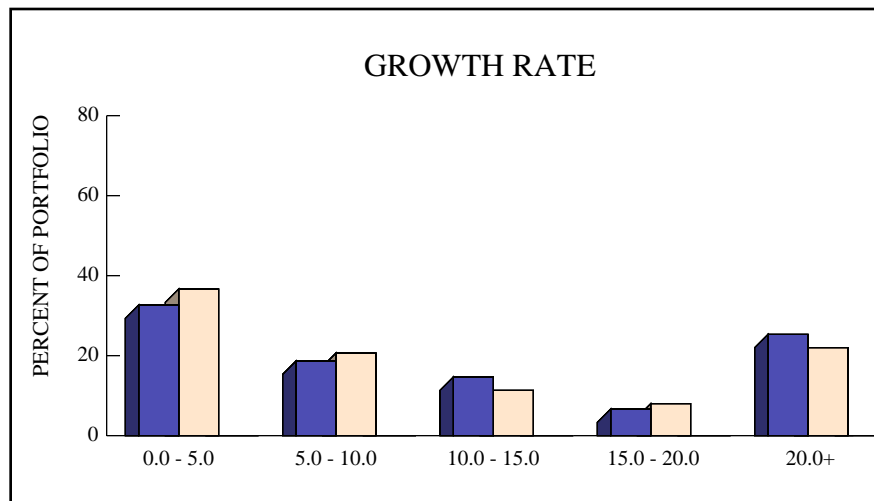
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>15</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.750</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
3/12	2.2	0.3	1.9
6/12	1.9	2.1	-0.2
9/12	2.8	1.6	1.2
12/12	0.6	0.2	0.4
3/13	0.6	-0.1	0.7
6/13	-2.5	-2.3	-0.2
9/13	0.6	0.6	0.0
12/13	0.6	0.0	0.6
3/14	1.9	1.4	0.5

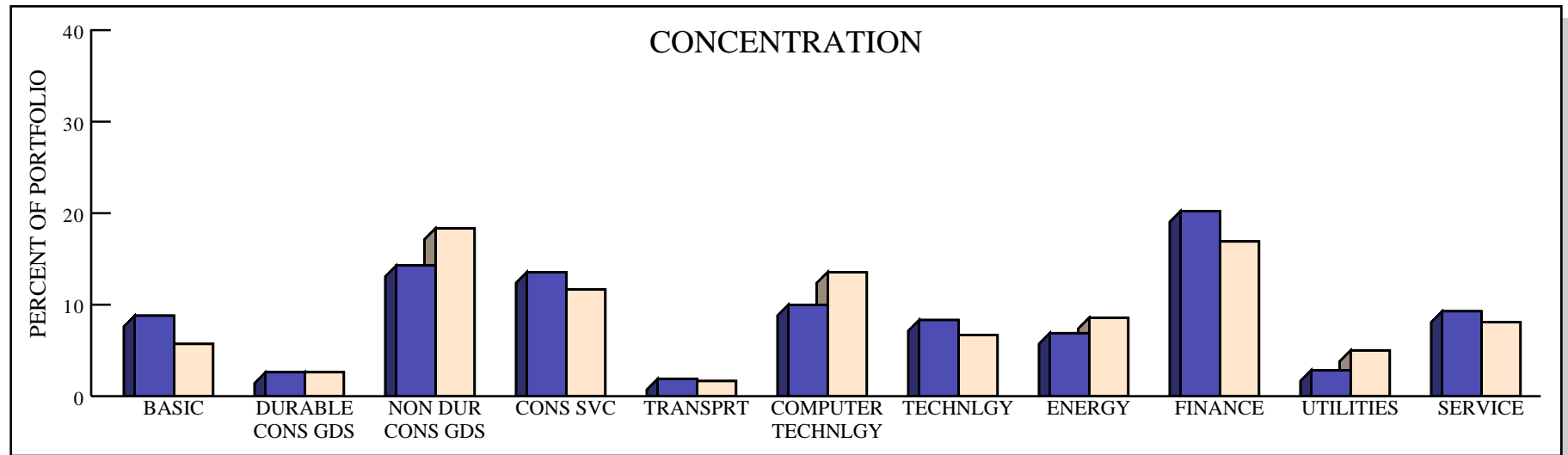
**STOCK CHARACTERISTICS**



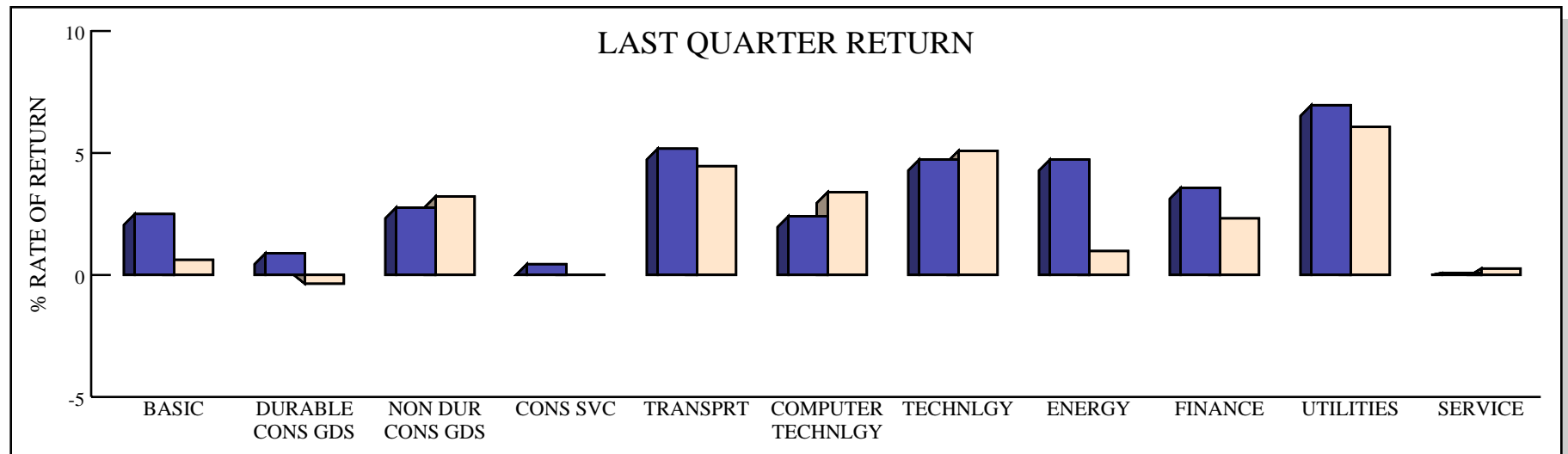
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.6%	11.3%	22.2	1.03
S&P 500	1.9%	9.7%	20.8	1.00



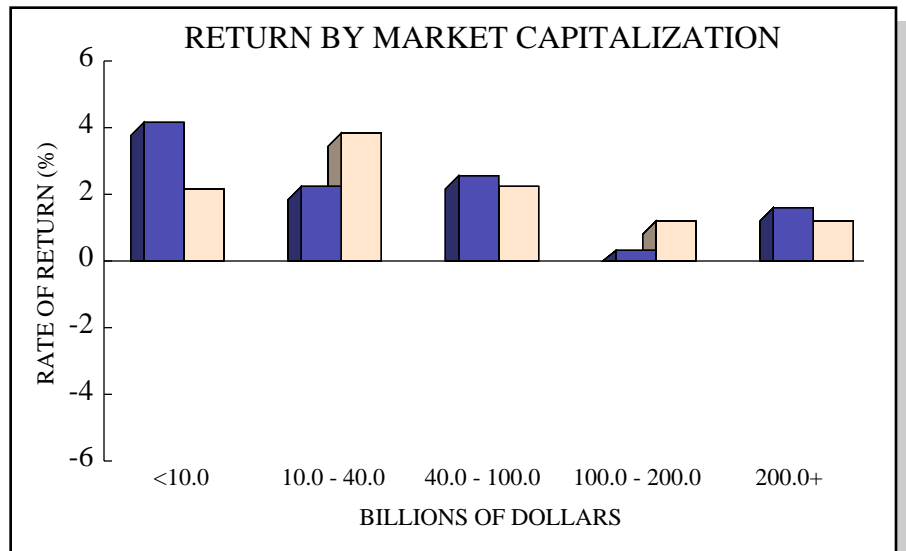
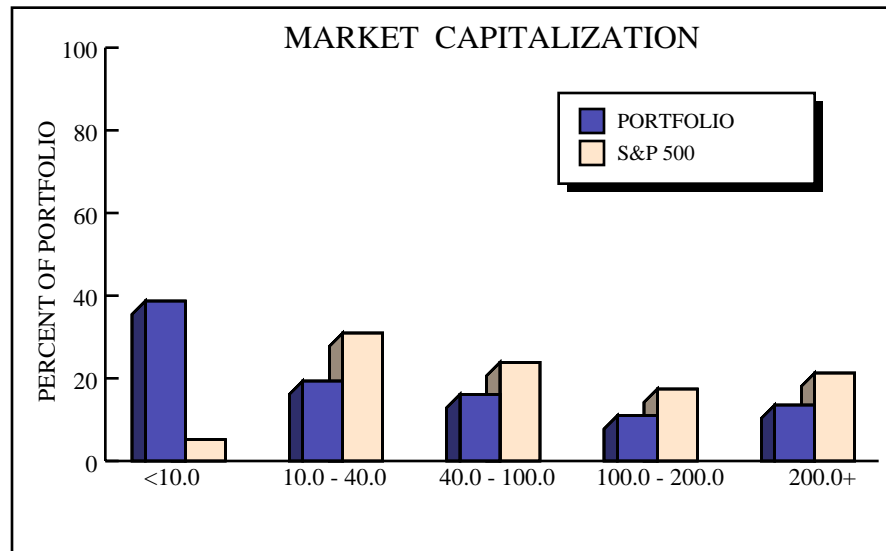
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



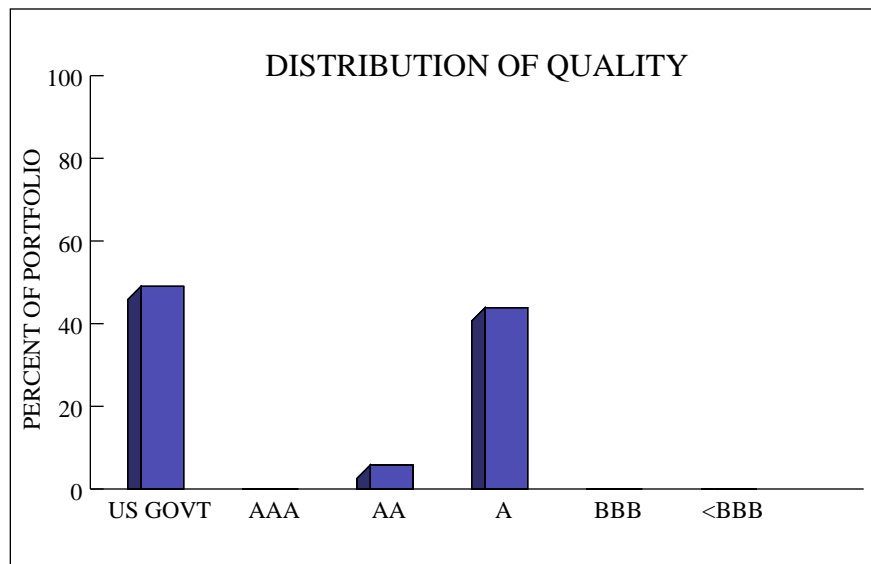
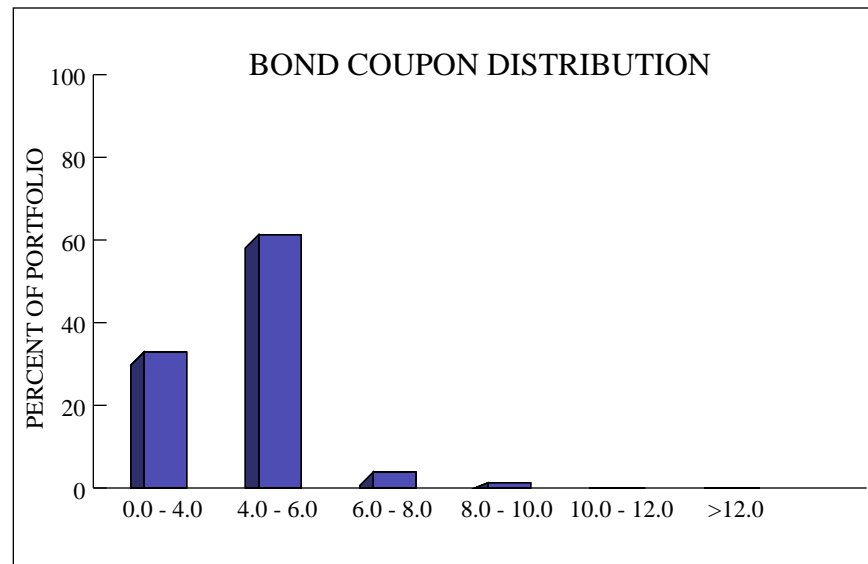
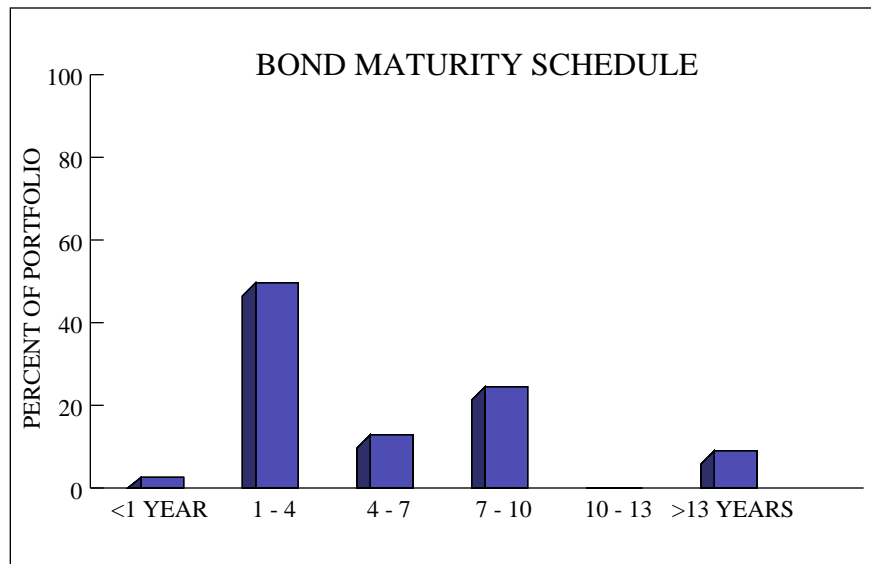
**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 1,384,789	2.09%	-3.8%	Computer Tech	\$ 478.8 B
2	WELLS FARGO & CO	1,048,967	1.58%	10.1%	Finance	261.2 B
3	WALT DISNEY CO/THE	939,541	1.41%	5.1%	Consumer Service	140.3 B
4	EXPRESS SCRIPTS HOLDING CO	937,424	1.41%	6.9%	Consumer Service	58.2 B
5	BLACKROCK INC	924,571	1.39%	-0.1%	Finance	52.7 B
6	EXXON MOBIL CORP	813,186	1.22%	-2.9%	Energy	422.1 B
7	COMCAST CORP-CLASS A	768,865	1.16%	-3.4%	Service	106.9 B
8	GOOGLE INC-CL A	757,867	1.14%	-0.6%	Computer Tech	313.0 B
9	GENERAL ELECTRIC CO	731,470	1.10%	-6.9%	Basic	259.5 B
10	BAXTER INTERNATIONAL INC	721,820	1.09%	6.5%	Technology	39.8 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	147	8,441
Duration	5.13	5.65
YTM	2.36	2.39
Average Coupon	4.35	3.31
Avg Maturity / WAL	6.57	7.70
Average Quality	AAA-AA	USG-AAA

**COMPLIANCE REPORT**

Total Portfolio return exceeds the Shadow Index for the three or five year period:	NO
Large Cap Portfolio return exceeds the S&P 500 Index for the three or five year period:	NO
Large Cap Portfolio rank exceeds the median for the three or five year period:	NO
Mid Cap Portfolio return exceeds the S&P 400 Index for the three or five year period:	NO
Mid Cap Portfolio rank exceeds the median for the three or five year period:	YES
Small Cap Portfolio return exceeds the Russell 2000 Index for the three or five year period:	NO
Small Cap Portfolio rank exceeds the median for the three or five year period:	NO
International Equity Portfolio return exceeds the MSCI EAFE Index for the three or five year period:	NO
International Equity Portfolio rank exceeds the median for the three or five year period:	NO
Fixed Income Portfolio return exceeds the Barclays Aggregate Index for the three or five year period:	YES
Fixed Income Portfolio rank exceeds the median for the three or five year period:	YES

<i>Total Fund Asset Allocation</i>	<i>Actual</i>	<i>Target</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Compliance</i>
Domestic Equity	55.7%	50.0%	40.0%	60.0%	YES
Int'l Equity	9.4%	12.5%	7.5%	17.5%	YES
Real Estate	5.9%	5.0%	2.5%	7.5%	YES
Fixed	26.8%	32.5%	25.0%	40.0%	YES
Cash	2.1%	-	-	-	-

<i>Manager Allocation</i>	<i>Actual</i>	<i>Target</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Compliance</i>
Buckhead Capital - LCV	12.4%	10.0%	7.5%	12.5%	YES
Garcia Hamilton - LVG	12.1%	10.0%	7.5%	12.5%	YES
Vanguard Institutional Index	12.1%	10.0%	7.5%	12.5%	YES
Rhumblin - Mid Cap	9.8%	10.0%	7.5%	12.5%	YES
TAMRO - Small Cap	9.5%	10.0%	7.5%	12.5%	YES
Johnston	5.0%	7.5%	5.0%	10.0%	YES
SSgA - EAFE Index Fund	4.3%	5.0%	2.5%	7.5%	YES
Buckhead Capital - Fixed	10.5%	16.0%	12.0%	20.0%	NO
Garcia Hamilton - Fixed	16.3%	16.5%	12.0%	20.0%	YES
American Realty	2.3%	2.0%	1.0%	4.0%	YES
Intercontinental	2.7%	2.0%	1.0%	4.0%	YES
UBS	1.0%	1.0%	0.0%	2.5%	YES
Cash account	1.9%	---	---	---	---

**COMPLIANCE REPORT**

Buckhead Capital Management

Portfolio Value: \$28,520,016

<i>Asset Allocation</i>	<i>Actual</i>	<i>Target</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Compliance</i>
Equity	51.8%	50.0%	40.0%	60.0%	YES
Fixed	44.0%	50.0%	40.0%	60.0%	YES
Cash	4.1%	--	0.0%	10.0%	YES

Equity Portfolio return exceeds the Russell 1000 Value Index for the three or five year period:	NO
Equity Portfolio rank exceeds the median for the three or five year period:	NO
Fixed Income Portfolio return exceeds the Barclay's Aggregate Index for the three or five year period:	YES
Fixed Income rank exceeds the median for the three or five year period:	NO
All portfolio holdings are listed on national stock exchanges:	YES
Portfolio holdings include a maximum of 10% ADR / foreign multinational companies:	YES
Portfolio Beta does not exceed 1.3:	YES
All portfolio holdings have $\geq 5$ year operating history:	YES
All portfolio holdings have a market capitalization $\geq$ \$.100 B:	YES
No more than 15% of portfolio is comprised of holdings with market caps $<$ \$5 B:	YES
No individual holding comprises more than 5% of the portfolio:	YES
Corporate bonds hold an average rating of at least A:	YES
No more than 5% of Fixed Income holdings are in a single non-USG bond:	YES

**COMPLIANCE REPORT**

Garcia Hamilton

Portfolio Value: \$34,948,397

<i>Asset Allocation</i>	<i>Actual</i>	<i>Target</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Compliance</i>
Equity	41.2%	50.0%	40.0%	60.0%	YES
Fixed	55.6%	50.0%	40.0%	60.0%	YES
Cash	3.2%	--	0.0%	10.0%	YES

Equity Portfolio return exceeds the Russell 1000 Value Index for the three or five year period:	NO
Equity Portfolio rank exceeds the median for the three or five year period:	NO
Fixed Income Portfolio return exceeds the Barclay's Aggregate Index for the three or five year period:	YES
Fixed Income rank exceeds the median for the three or five year period:	YES
All portfolio holdings are listed on national stock exchanges:	YES
Portfolio holdings include a maximum of 10% ADR / foreign multinational companies:	YES
Portfolio Beta does not exceed 1.3:	YES
All portfolio holdings have $\geq 5$ year operating history:	YES
All portfolio holdings have a market capitalization $\geq$ \$.100 B:	YES
No more than 15% of portfolio is comprised of holdings with market caps $<$ \$5 B:	YES
No individual holding comprises more than 5% of the portfolio:	NO
Corporate bonds hold an average rating of at least A:	YES
No more than 5% of Fixed Income holdings are in a single non-USG bond:	YES



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**COMPLIANCE REPORT**

Tamro

Portfolio Value: \$11,272,403

All portfolio holdings are listed on national stock exchanges:	YES
Portfolio holdings include a maximum of 5% ADR / foreign multinational companies:	YES
Portfolio Beta does not exceed 1.3:	YES
All portfolio holdings have a market capitalization $\geq$ \$.100 B:	YES
No individual holding comprises more than 5% of the portfolio:	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	2.0	12.3	22.6	14.6	21.9
S&P 500	Large Cap Core	1.8	12.5	21.9	14.7	21.1
Russell 1000	Large Cap Core	2.1	12.5	22.4	14.8	21.7
Russell 1000 Growth	Large Cap Growth	1.1	11.7	23.2	14.6	21.7
Russell 1000 Value	Large Cap Value	3.0	13.3	21.6	14.8	21.7
Russell Mid Cap	Midcap	3.5	12.2	23.5	14.4	25.5
Russell Mid Cap Growth	Midcap Growth	2.0	10.4	24.2	13.5	24.7
Russell Mid Cap Value	Midcap Value	5.2	14.2	22.9	15.2	26.3
Russell 2000	Small Cap	1.1	9.9	24.9	13.2	24.3
Russell 2000 Growth	Small Cap Growth	0.5	8.7	27.2	13.6	25.2
Russell 2000 Value	Small Cap Value	1.8	11.2	22.6	12.7	23.3

<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	0.8	6.6	18.1	7.7	16.5
MSCI EAFE Growth	Developed Markets Growth	0.2	5.4	15.3	7.6	16.3
MSCI EAFE Value	Developed Markets Value	1.3	7.7	20.9	7.8	16.8
MSCI All Country World Ex US	Foreign Equity	0.6	5.5	12.8	4.6	16.0
MSCI Emerging Markets	Emerging Markets Equity	-0.4	1.5	-1.1	-2.5	14.8

<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	1.8	1.7	-0.1	3.8	4.8
Barclays Gov/Credit	Gov/Credit	2.0	1.9	-0.3	4.2	5.1
Barclays Capital Gov't Bond	Treasuries	1.3	0.6	-1.2	3.2	2.7
Barclays Capital Credit Bond	Corporate Bonds	2.9	4.1	1.5	6.1	9.5
Intermediate Aggregate	Core Intermediate	1.2	1.1	0.0	3.0	4.2
Intermediate Gov/Credit	Gov / Credit Intermediate	1.0	1.0	-0.1	3.1	4.2
ML/BoA 1-3 Year Treasury	Short Term Treasuries	0.1	0.2	0.4	0.6	1.0
CSFB High Yield	High Yield Bonds	3.1	6.6	7.7	8.9	17.5

<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	3.1	1.7	2.1	1.0	2.6
NCREIF NFI-ODCE Index	Real Estate	2.5	5.7	13.7	13.0	7.3
HFRI FOF Composite	Hedge Funds	0.4	4.1	5.8	2.3	4.5

**APPENDIX - DISCLOSURES**

- \* The shadow index is a passive allocation-weighted index that was constructed using actual quarterly allocations and the following 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 through October 2013. Thereafter, the hybrid index is 50% Barclays Gov/Credit and 50% Barclays Aggregate.
- \* 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.

DAVIE POLICE PENSION PLAN  
GARCIA HAMILTON  
PERFORMANCE REVIEW  
MARCH 2014

## **INVESTMENT RETURN**

On March 31st, 2014, the Davie Police Pension Plan's Garcia Hamilton portfolio was valued at \$34,948,397, a decrease of \$737,351 from the December ending value of \$35,685,748. Last quarter, the account recorded a net withdrawal of \$942,349, which overshadowed the fund's net investment return of \$204,998. The fund's net investment return was a result of income receipts totaling \$342,025 and realized and unrealized capital losses totaling \$137,027.

Since March 2009, the account has recorded net withdrawals totaling \$6.9 million while posting net investment gains totaling \$18.8 million. Since March 2009, if the account earned a compounded nominal rate of 7.9% it would have been valued at \$25.9 million or \$9.0 million less than the actual value as of March 31st, 2014.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the first quarter, the Garcia Hamilton portfolio returned 0.6%, which ranked in the 85th percentile of the Balanced Fund universe. Over the trailing year, the portfolio's return was 9.2%, which ranked in the 96th percentile. Since March 2009, the portfolio returned 13.2% on an annualized basis and ranked in the 76th percentile.

### **Large Cap Equity**

The large cap equity component returned -1.7% during the first quarter, 2.8% below the Russell 1000 Growth Index's return of 1.1% and ranked in the 96th percentile of the Large Cap Growth universe. Over the trailing twelve-month period, the large cap equity portfolio returned 17.4%, 5.8% less than the benchmark's 23.2% return, and ranked in the 95th percentile. Since March 2009, this component returned 18.7% on an annualized basis and ranked in the 85th

percentile. The Russell 1000 Growth returned an annualized 21.7% over the same time frame.

### **Fixed Income**

In the first quarter, the fixed income component returned 2.4%, which was 1.0% greater than the Custom Fixed Income Index's return of 1.4% and ranked in the 14th percentile of the Core Fixed Income universe. Over the trailing twelve-month period, this component returned 1.6%, which was 2.0% greater than the benchmark's -0.4% return, ranking in the 4th percentile. Since March 2009, this component returned 7.3% per annum and ranked in the 21st percentile. The Custom Fixed Income Index returned an annualized 4.8% over the same time frame.

## **ASSET ALLOCATION**

At the end of the first quarter, large cap equities comprised 41.2% of the total portfolio (\$14.4 million), while the portfolio's fixed income component totaled 55.6% (\$19.4 million) and cash & equivalent comprised the remaining 3.2% (\$1.1 million).

## **ANALYSIS**

### **Equity**

Last quarter, the Garcia Hamilton equity portfolio was diversified across ten of the eleven industry sectors utilized in our analysis. Relative to the Russell 1000 Growth Index, the portfolio was most notably overweight in the Consumer Service, Technology, and Finance sectors. In contrast, the portfolio was underweight in the Consumer Goods Nondurable, Computer Technology, and Service sectors. The Utilities sector was vacant.

The portfolio was most notably overweight in the Finance sector, which was unfortunately the weakest sector within the Russell 1000 Growth. This sector allocation effect was magnified by subpar sector performance in six of the portfolio's ten sectors, including the Basic, Consumer Goods Durable, Consumer Goods Nondurable, and Transportation sectors, which all sustained losses relative to gains from their benchmark counterparts.

### **Fixed Income**

At the end of the quarter, USG rated securities comprised nearly 55% of the bond portfolio, while corporate securities, rated AA through A, made up the remainder, giving the portfolio an overall average quality rating of AAA-AA. The average maturity of the portfolio was 8.3 years, longer than the Barclays Aggregate Index's 7.7-year maturity. The average coupon was 4.7%.

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

	Quarter	FYTD	-----Annualized-----		
			1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	0.6	5.8	9.2	8.2	13.2
<i>BALANCED FUND RANK</i>	(85)	(94)	(96)	(84)	(76)
<b>Total Net/Fees</b>	0.5	5.6	8.7	7.8	12.8
SHADOW INDEX	1.3	6.3	11.1	9.3	13.8
<b>Large Cap Equity</b>	-1.7	8.8	17.4	11.0	18.7
<i>LARGE CAP GROWTH RANK</i>	(96)	(92)	(95)	(95)	(85)
RUSSELL 1000G	1.1	11.7	23.2	14.6	21.7
S&P 500	1.8	12.5	21.9	14.7	21.1
<b>Fixed Income</b>	2.4	3.3	1.6	5.5	7.3
<i>CORE FIXED INCOME RANK</i>	(14)	(5)	(4)	(4)	(21)
CUSTOM FX INDEX	1.4	1.4	-0.4	3.7	4.8
BARCLAYS AGG	1.8	1.7	-0.1	3.8	4.8
GOV/CREDIT	2.0	1.9	-0.3	4.2	5.1

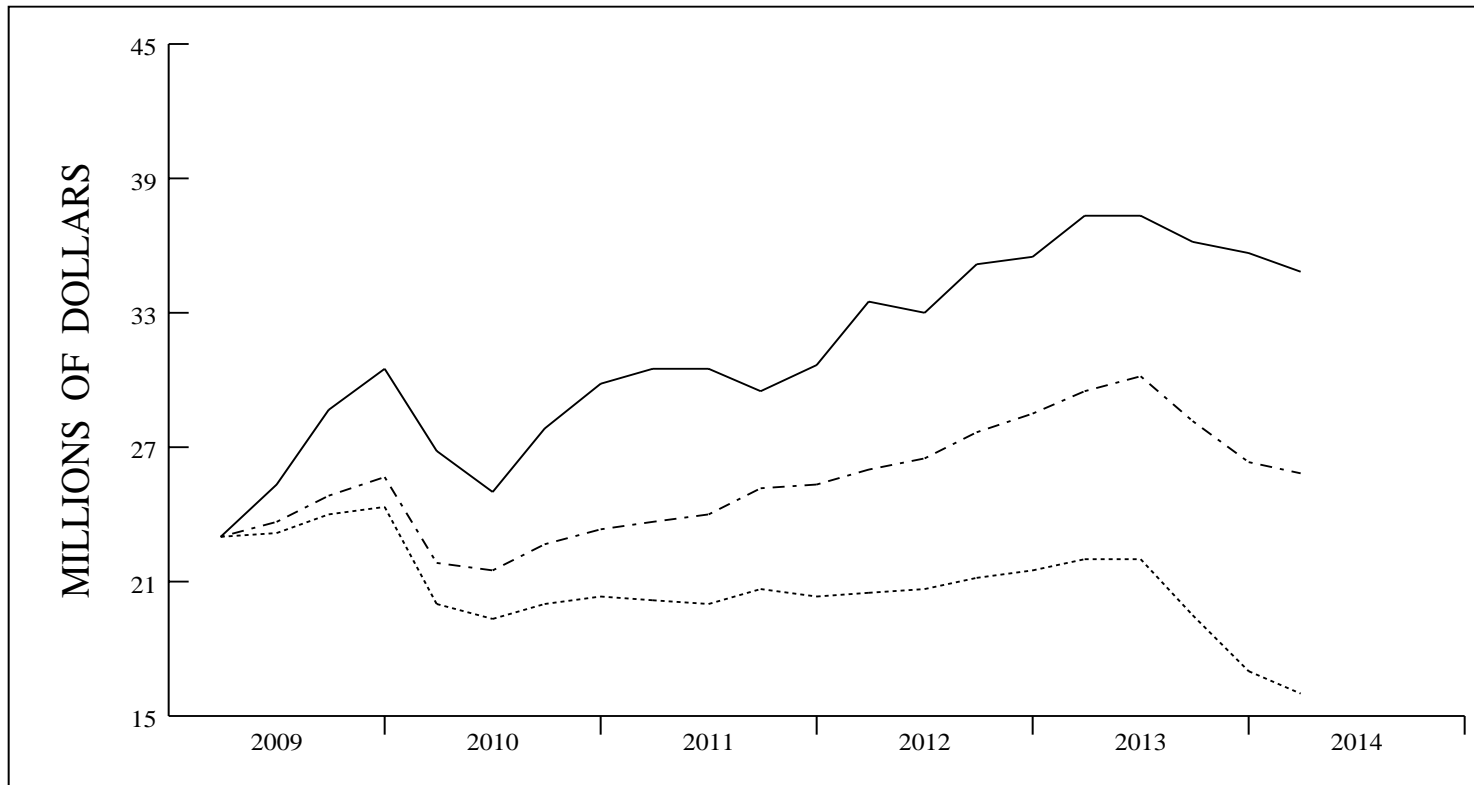
**ASSET ALLOCATION**

Large Cap Equity	41.2%	\$ 14,399,261
Fixed Income	55.6%	19,417,836
Cash	3.2%	1,131,299
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 34,948,397</b>

**INVESTMENT RETURN**

Market Value 12/2013	\$ 35,685,748
Contribs / Withdrawals	-942,349
Income	342,025
Capital Gains / Losses	-137,027
Market Value 3/2014	\$ 34,948,397

**INVESTMENT GROWTH**



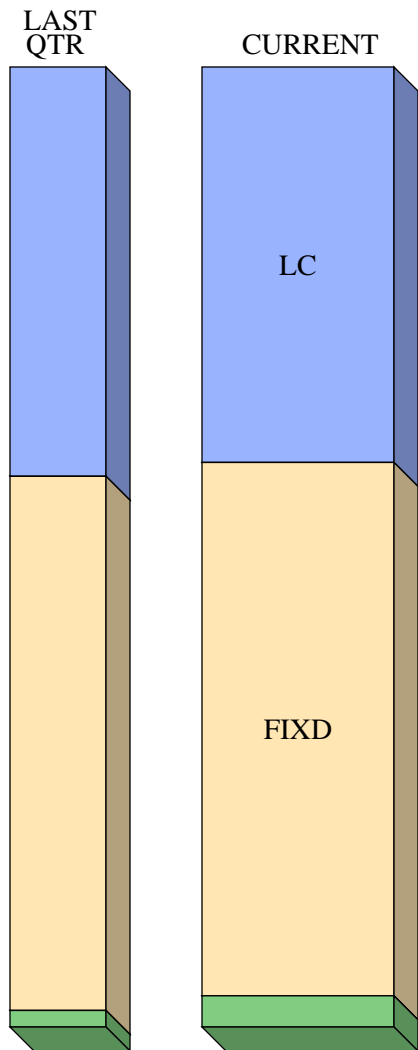
— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 25,900,269

	LAST QUARTER	PERIOD 3/09 - 3/14
BEGINNING VALUE	\$ 35,685,748	\$ 23,089,640
NET CONTRIBUTIONS	-942,349	- 6,934,321
<u>INVESTMENT RETURN</u>	<u>204,998</u>	<u>18,793,078</u>
ENDING VALUE	\$ 34,948,397	\$ 34,948,397
INCOME	342,025	4,838,630
<u>CAPITAL GAINS (LOSSES)</u>	<u>-137,027</u>	<u>13,954,448</u>
INVESTMENT RETURN	204,998	18,793,078

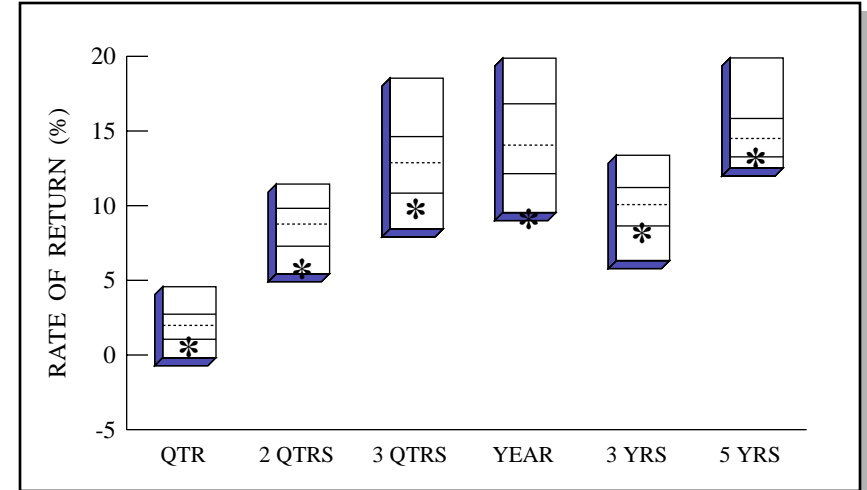
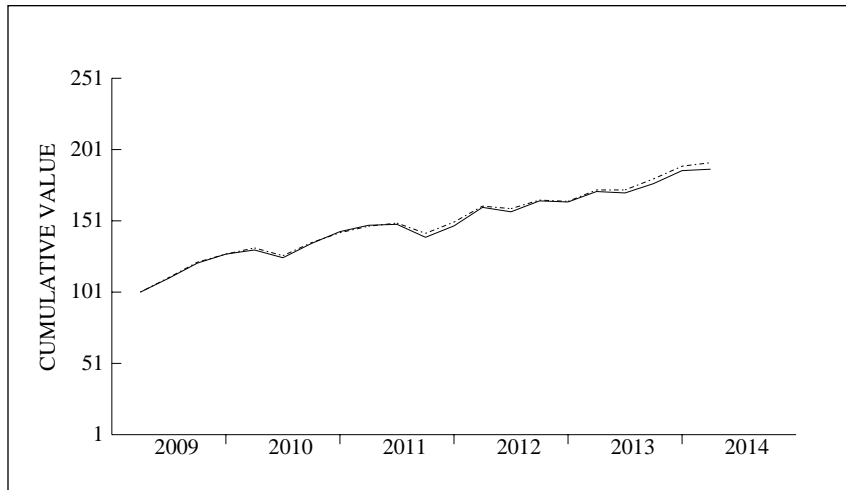


**ASSET ALLOCATION**

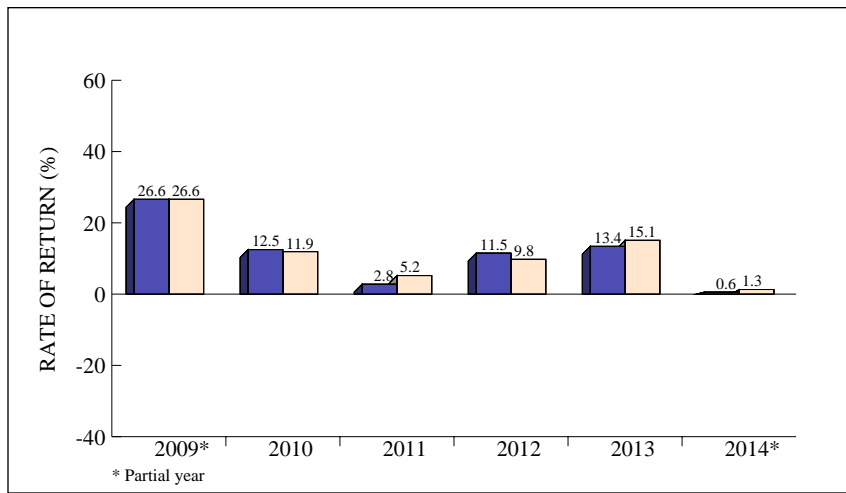


	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>MIN</u>	<u>MAX</u>
<span style="color: blue;">■</span> LARGE CAP EQUITY <span style="color: orange;">■</span> FIXED INCOME <span style="color: green;">■</span> CASH & EQUIVALENT	\$ 14,399,261	41.2%	50.0%	40.0%	60.0%
	19,417,836	55.6%	50.0%	40.0%	60.0%
	1,131,299	3.2%	0.0%	0.0%	10.0%
<hr/> TOTAL FUND	<hr/> \$ 34,948,397	<hr/> 100.0%			

**TOTAL RETURN COMPARISONS**



Balanced Fund Universe



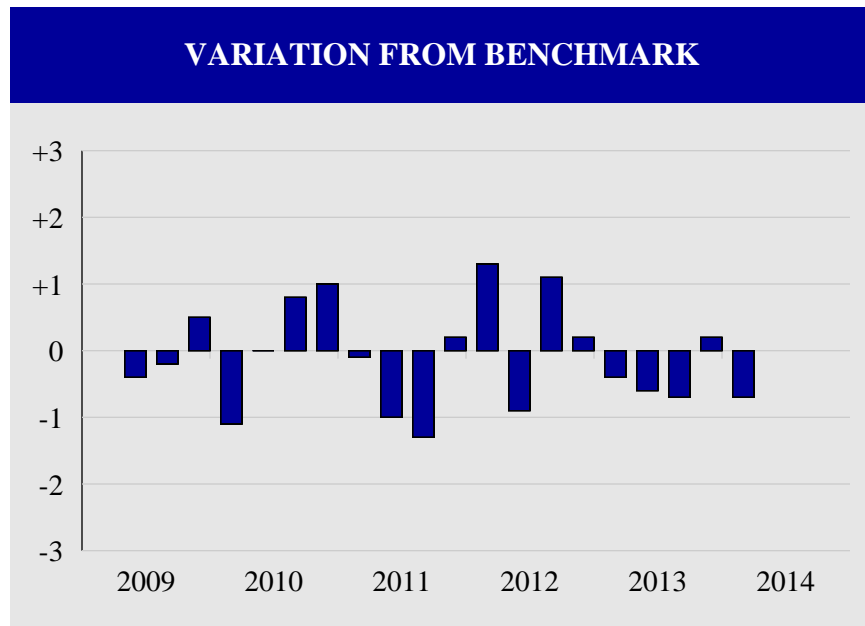
	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	0.6	5.8	9.8	9.2	8.2	13.2
(RANK)	(85)	(94)	(94)	(96)	(84)	(76)
5TH %ILE	4.6	11.5	18.5	19.9	13.4	19.9
25TH %ILE	2.7	9.8	14.6	16.8	11.2	15.8
MEDIAN	2.0	8.8	12.9	14.1	10.1	14.5
75TH %ILE	1.1	7.3	10.8	12.2	8.6	13.3
95TH %ILE	-0.2	5.4	8.4	9.5	6.3	12.5
<i>Shadow Idx</i>	<i>1.3</i>	<i>6.3</i>	<i>11.1</i>	<i>11.1</i>	<i>9.3</i>	<i>13.8</i>

-----ANNUALIZED-----

Balanced Fund Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

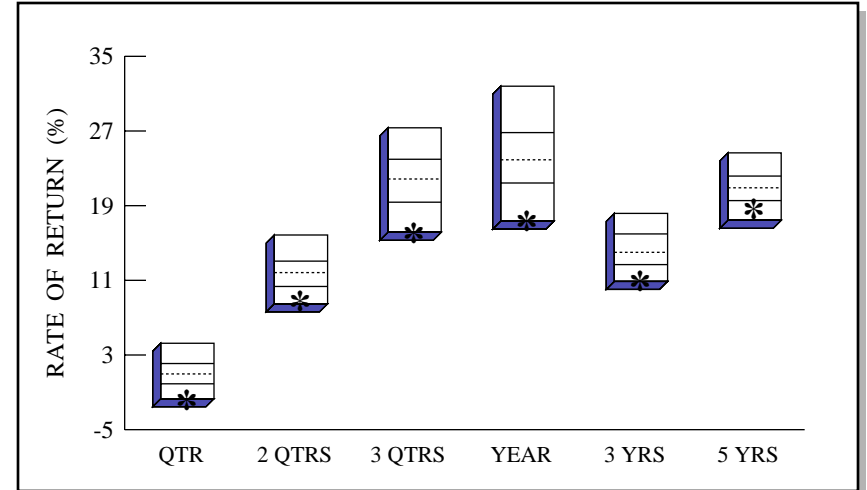
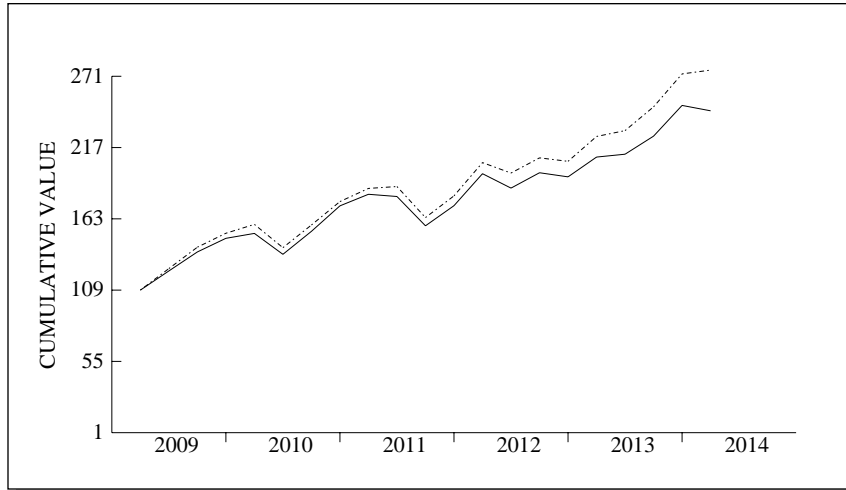
**COMPARATIVE BENCHMARK: SHADOW INDEX**



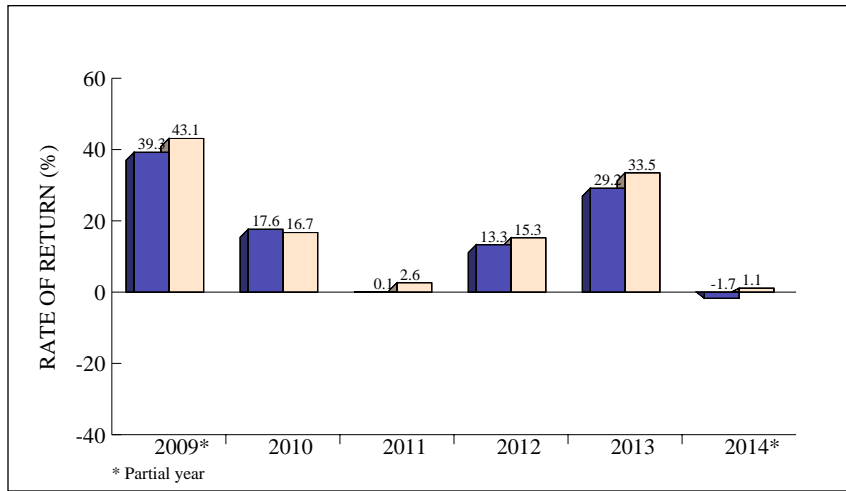
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/09	9.8	10.2	-0.4
9/09	9.6	9.8	-0.2
12/09	5.2	4.7	0.5
3/10	2.3	3.4	-1.1
6/10	-4.2	-4.2	0.0
9/10	8.1	7.3	0.8
12/10	6.2	5.2	1.0
3/11	3.1	3.2	-0.1
6/11	0.5	1.5	-1.0
9/11	-6.1	-4.8	-1.3
12/11	5.7	5.5	0.2
3/12	8.9	7.6	1.3
6/12	-2.0	-1.1	-0.9
9/12	4.9	3.8	1.1
12/12	-0.4	-0.6	0.2
3/13	4.5	4.9	-0.4
6/13	-0.6	0.0	-0.6
9/13	3.8	4.5	-0.7
12/13	5.2	5.0	0.2
3/14	0.6	1.3	-0.7

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>9</b>
<b>Quarters Below the Benchmark</b>	<b>11</b>
<b>Batting Average</b>	<b>.450</b>

### LARGE CAP EQUITY RETURN COMPARISONS



Large Cap Growth Universe

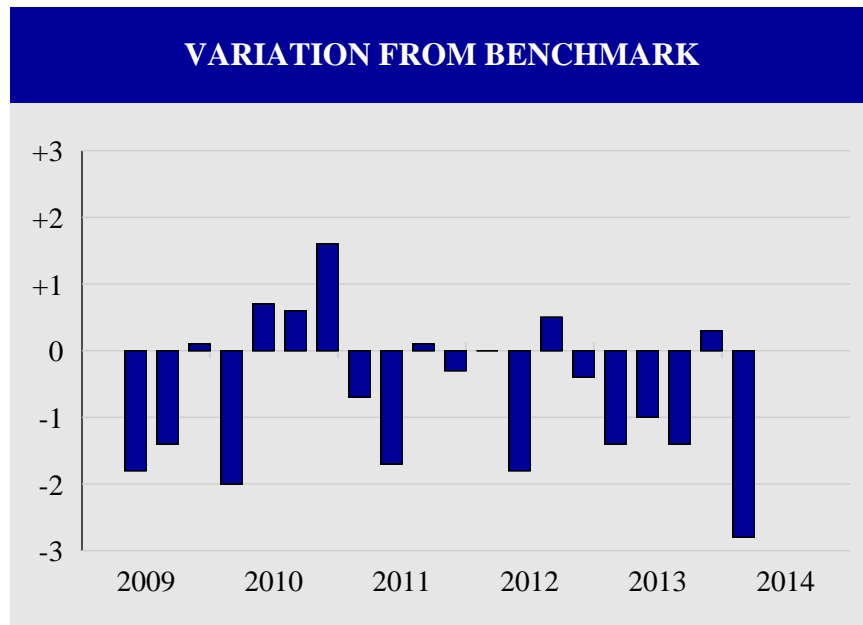


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	-1.7	8.8	16.2	17.4	11.0	18.7
(RANK)	(96)	(92)	(95)	(95)	(95)	(85)
5TH %ILE	4.3	15.9	27.3	31.8	18.2	24.7
25TH %ILE	2.1	13.1	24.0	26.8	16.0	22.2
MEDIAN	1.0	11.8	21.9	23.9	14.0	20.9
75TH %ILE	-0.1	10.3	19.4	21.4	12.7	19.5
95TH %ILE	-1.7	8.5	16.1	17.4	10.9	17.4
<b>Russ 1000G</b>	<b>1.1</b>	<b>11.7</b>	<b>20.7</b>	<b>23.2</b>	<b>14.6</b>	<b>21.7</b>

Large Cap Growth Universe

## LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

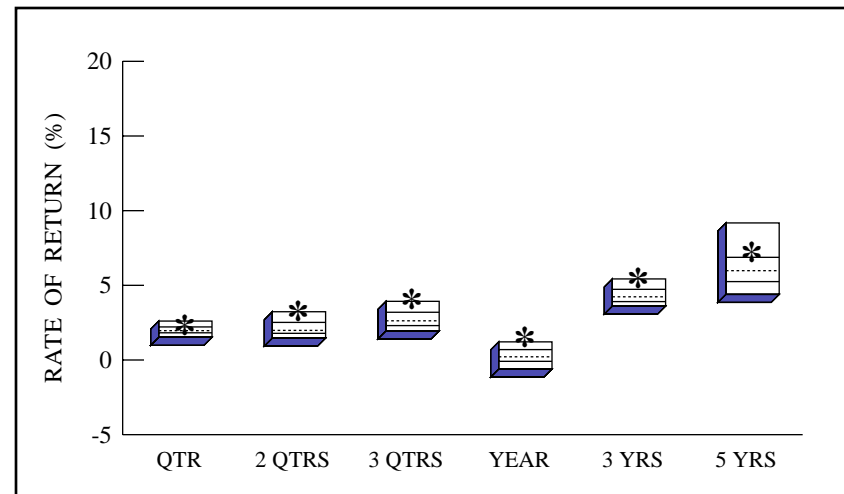
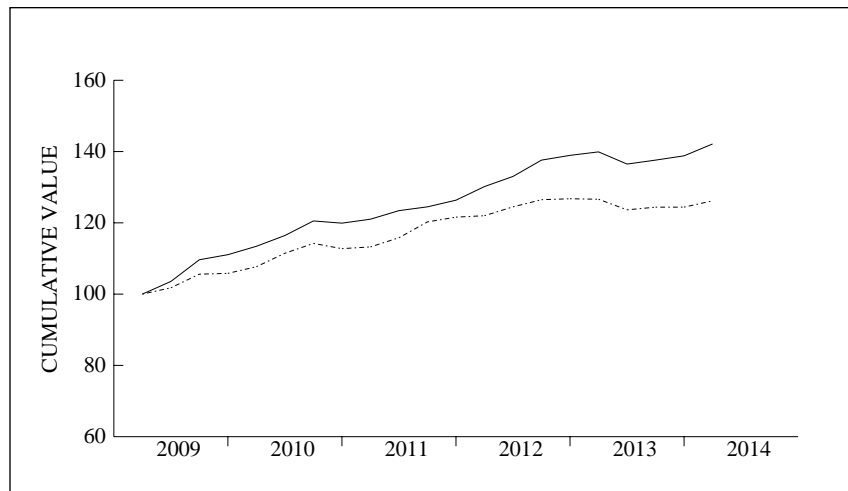
COMPARATIVE BENCHMARK: RUSSELL 1000 GROWTH



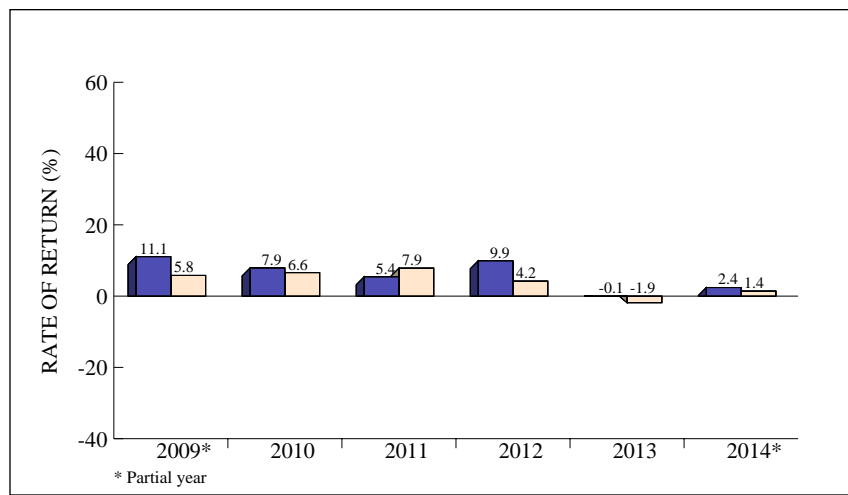
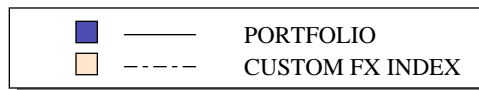
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/09	14.5	16.3	-1.8
9/09	12.6	14.0	-1.4
12/09	8.0	7.9	0.1
3/10	2.7	4.7	-2.0
6/10	-11.1	-11.8	0.7
9/10	13.6	13.0	0.6
12/10	13.4	11.8	1.6
3/11	5.3	6.0	-0.7
6/11	-0.9	0.8	-1.7
9/11	-13.0	-13.1	0.1
12/11	10.3	10.6	-0.3
3/12	14.7	14.7	0.0
6/12	-5.8	-4.0	-1.8
9/12	6.6	6.1	0.5
12/12	-1.7	-1.3	-0.4
3/13	8.1	9.5	-1.4
6/13	1.1	2.1	-1.0
9/13	6.7	8.1	-1.4
12/13	10.7	10.4	0.3
3/14	-1.7	1.1	-2.8

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>8</b>
<b>Quarters Below the Benchmark</b>	<b>12</b>
<b>Batting Average</b>	<b>.400</b>

**FIXED INCOME RETURN COMPARISONS**



Core Fixed Income Universe

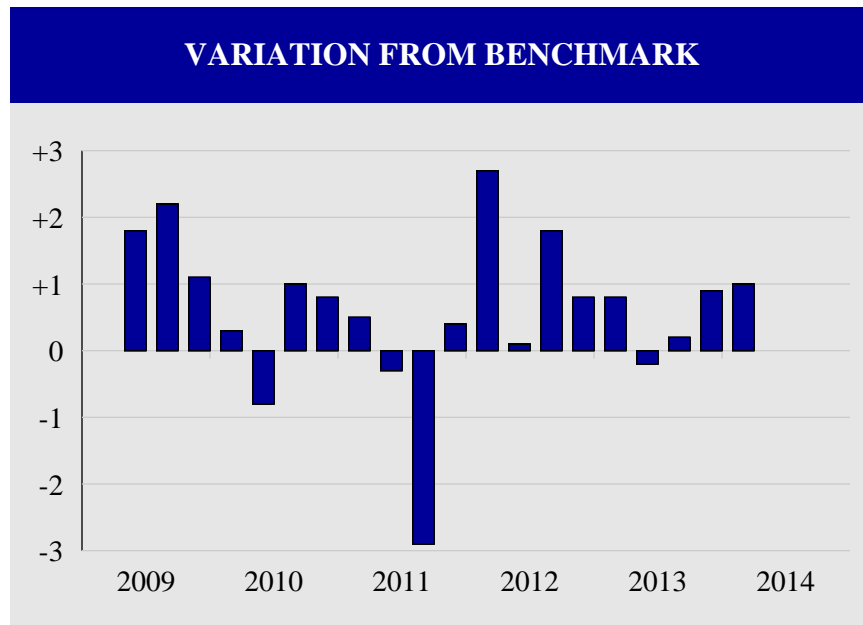


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	2.4	3.3	4.2	1.6	5.5	7.3
(RANK)	(14)	(5)	(4)	(4)	(4)	(21)
5TH %ILE	2.6	3.2	3.9	1.2	5.4	9.2
25TH %ILE	2.2	2.5	3.2	0.7	4.7	6.9
MEDIAN	2.0	2.0	2.6	0.2	4.2	6.0
75TH %ILE	1.8	1.8	2.3	-0.1	3.9	5.3
95TH %ILE	1.5	1.5	2.0	-0.6	3.6	4.4
<b>Fixed Idx</b>	<b>1.4</b>	<b>1.4</b>	<b>2.0</b>	<b>-0.4</b>	<b>3.7</b>	<b>4.8</b>

Core Fixed Income Universe

## FIXED INCOME QUARTERLY PERFORMANCE SUMMARY

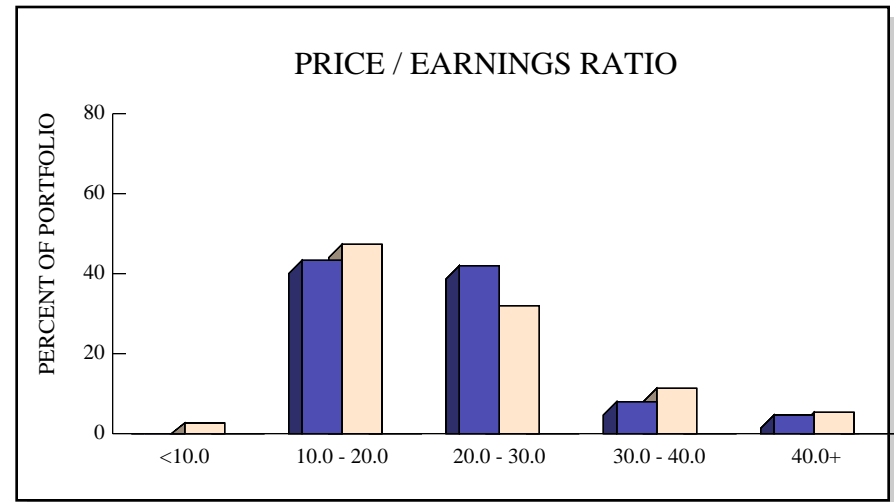
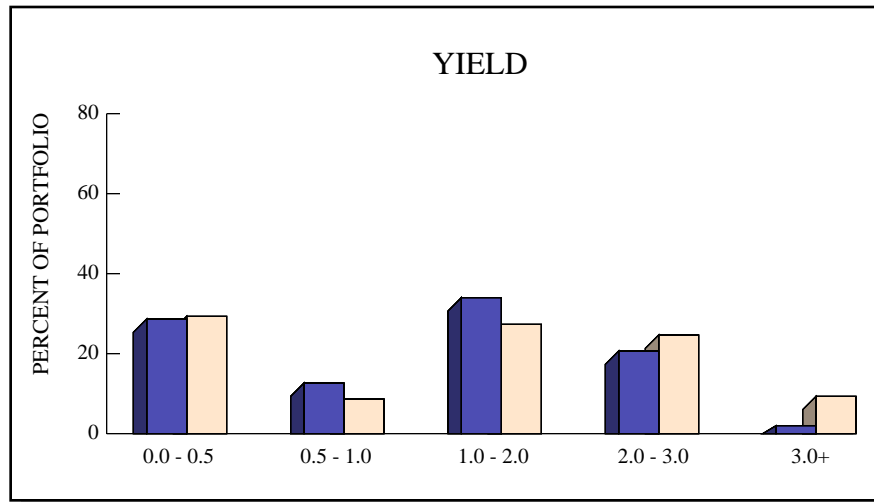
COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX



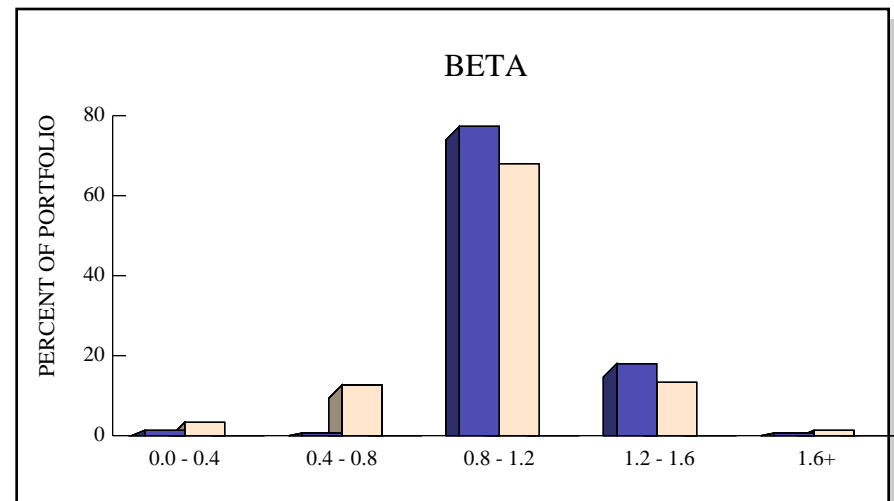
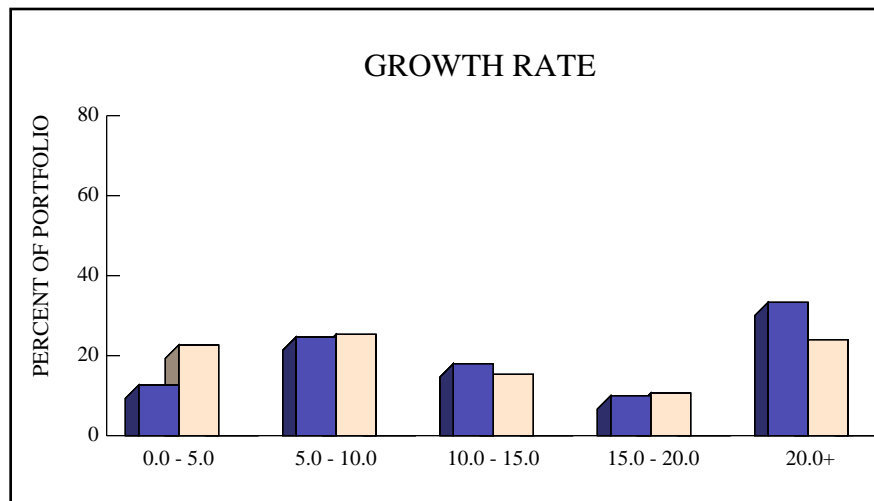
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>16</b>
<b>Quarters Below the Benchmark</b>	<b>4</b>
<b>Batting Average</b>	<b>.800</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
3/12	3.0	0.3	2.7
6/12	2.2	2.1	0.1
9/12	3.4	1.6	1.8
12/12	1.0	0.2	0.8
3/13	0.7	-0.1	0.8
6/13	-2.5	-2.3	-0.2
9/13	0.8	0.6	0.2
12/13	0.9	0.0	0.9
3/14	2.4	1.4	1.0

**STOCK CHARACTERISTICS**

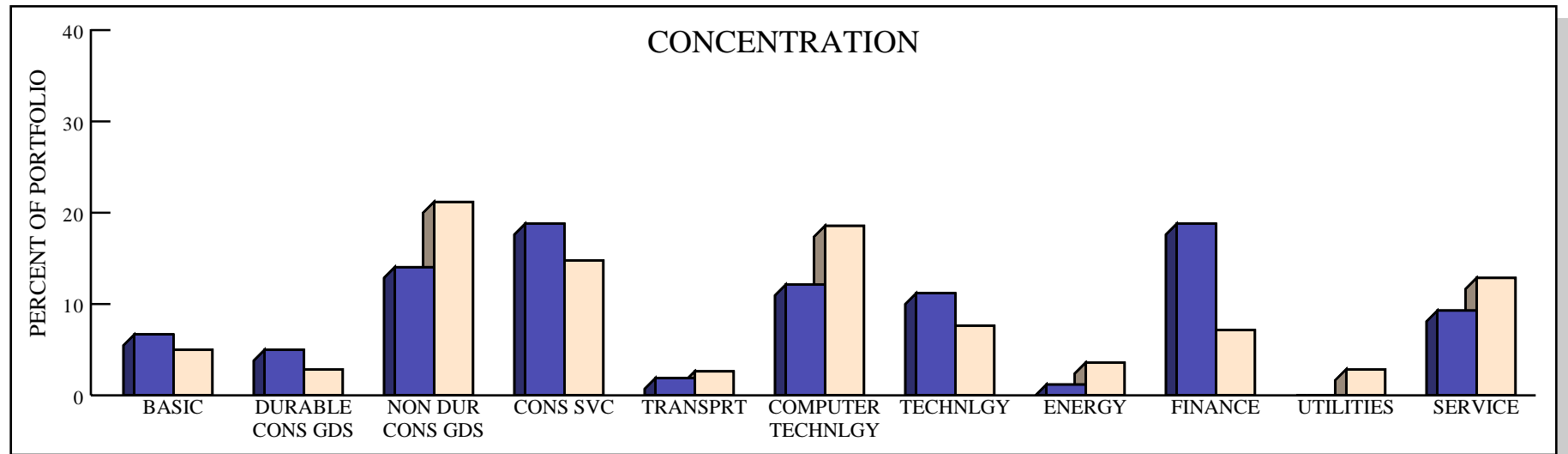


	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.2%	15.7%	23.5	1.04
RUSSELL 1000G	1.5%	12.3%	23.4	0.97

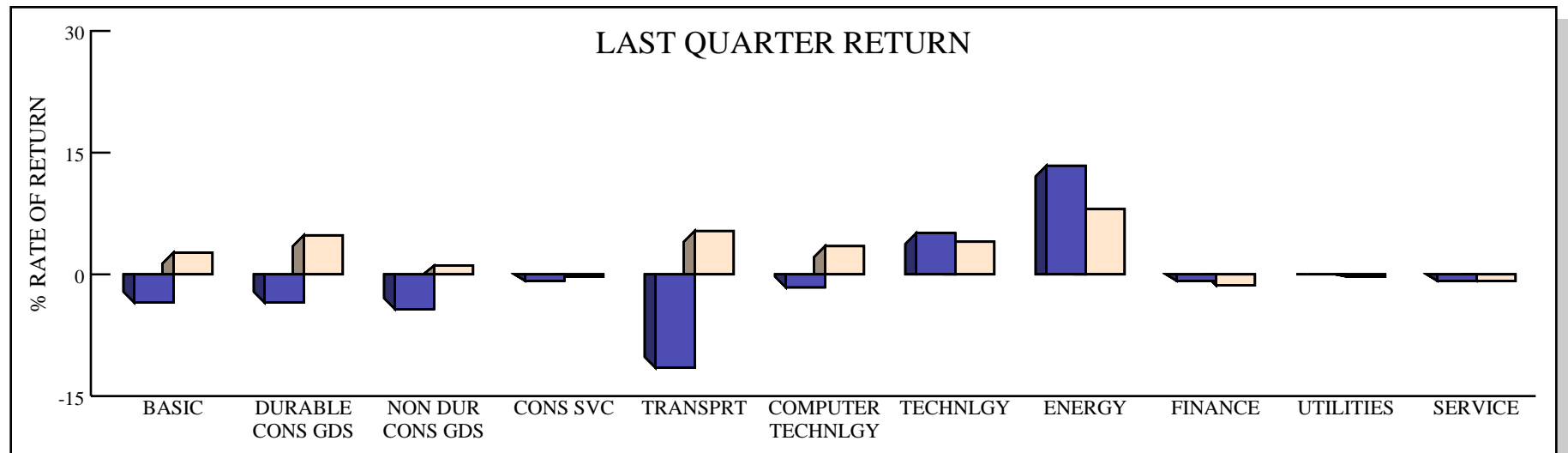




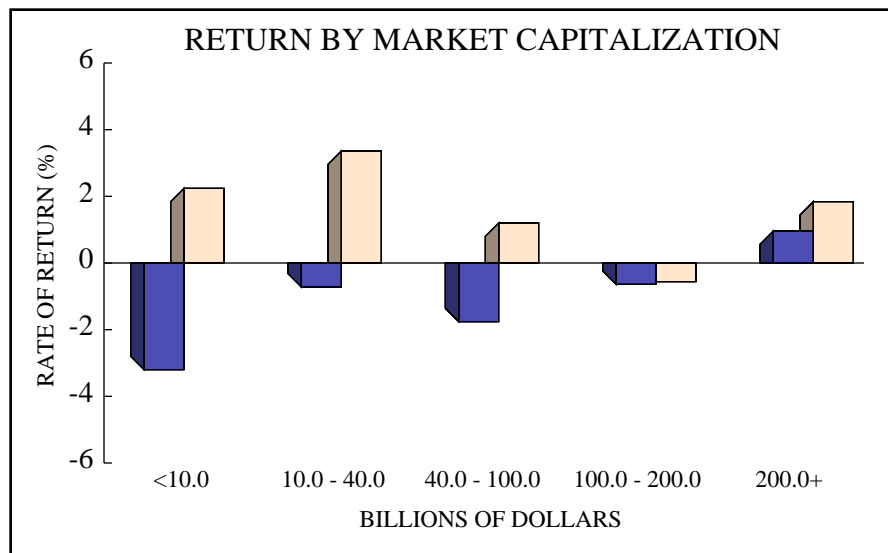
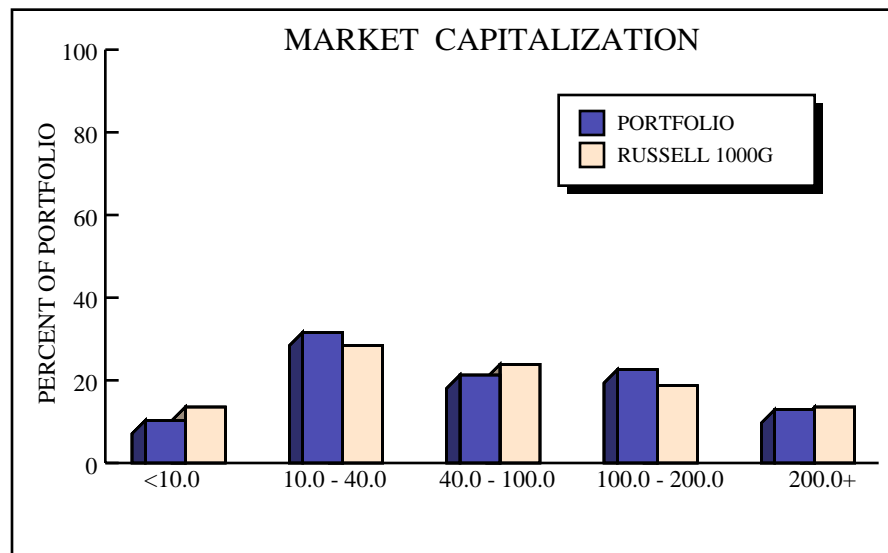
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 GROWTH



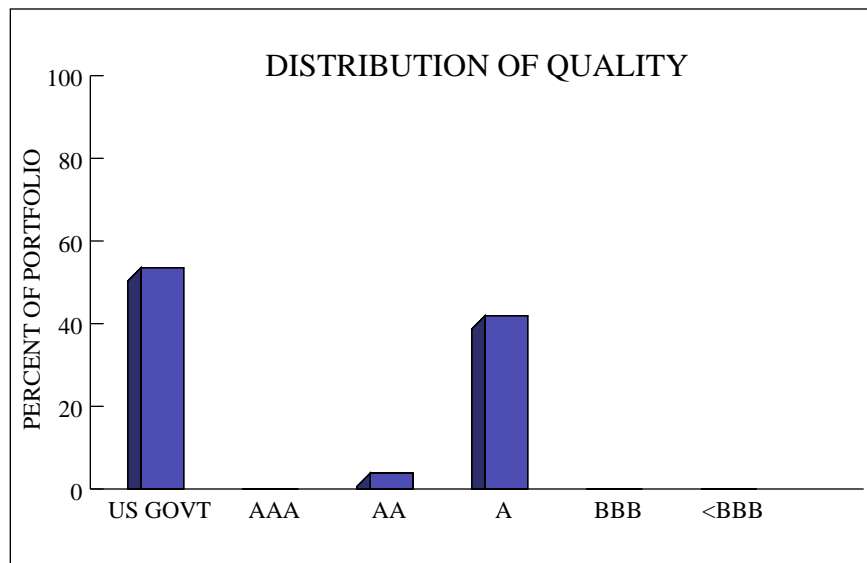
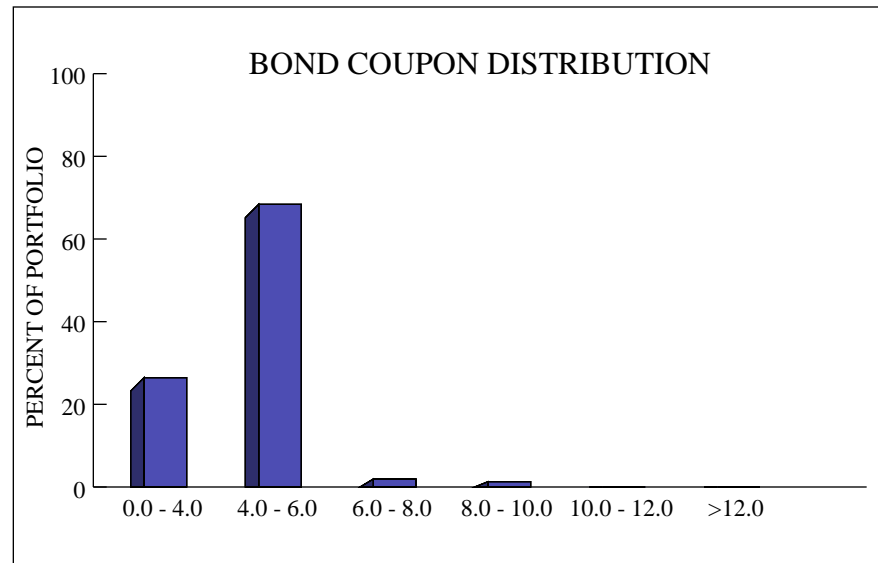
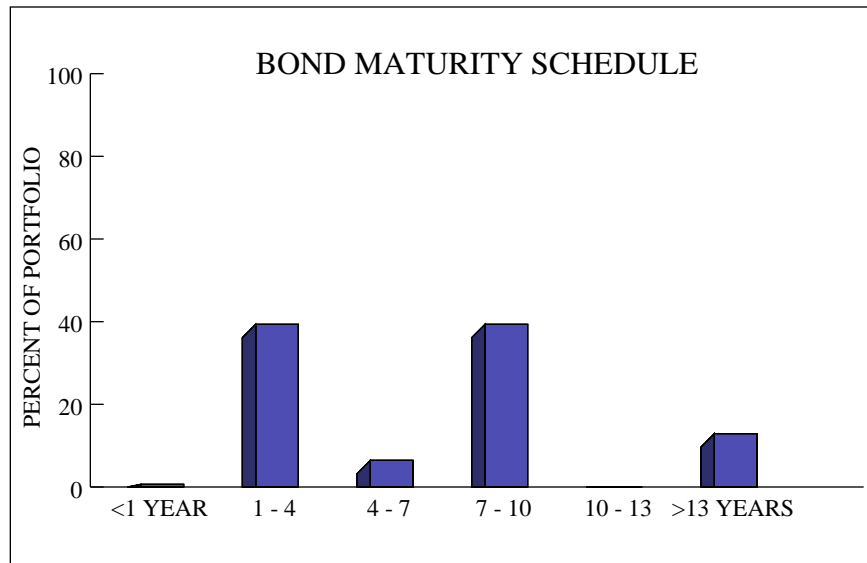
**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 731,577	5.08%	-3.8%	Computer Tech	\$ 478.8 B
2	WALT DISNEY CO/THE	549,360	3.82%	5.1%	Consumer Service	140.3 B
3	AFFILIATED MANAGERS GROUP	539,535	3.75%	-7.8%	Finance	10.7 B
4	GOOGLE INC-CL A	495,957	3.44%	-0.6%	Computer Tech	313.0 B
5	QUALCOMM INC	466,299	3.24%	6.6%	Technology	133.4 B
6	BLACKROCK INC	444,989	3.09%	-0.1%	Finance	52.7 B
7	COCA-COLA CO/THE	432,992	3.01%	-5.7%	NonDur Cons Goods	170.3 B
8	WELLS FARGO & CO	418,562	2.91%	10.1%	Finance	261.2 B
9	BAXTER INTERNATIONAL INC	406,677	2.82%	6.5%	Technology	39.8 B
10	HOME DEPOT INC	399,606	2.78%	-3.4%	Consumer Service	109.3 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	34	8,441
Duration	6.33	5.65
YTM	2.85	2.39
Average Coupon	4.66	3.31
Avg Maturity / WAL	8.32	7.70
Average Quality	AAA-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 Gov/Credit (for all periods through December 2008)

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

DAVIE POLICE PENSION PLAN  
BUCKHEAD CAPITAL  
PERFORMANCE REVIEW  
MARCH 2014

## **INVESTMENT RETURN**

On March 31st, 2014, the Davie Police Pension Plan's Buckhead Capital portfolio was valued at \$28,520,016, a decrease of \$3,207,084 from the December ending value of \$31,727,100. Last quarter, the account recorded a net withdrawal of \$3,901,975, which overshadowed the fund's net investment return of \$694,891. Income receipts totaling \$237,298 and realized and unrealized capital gains of \$457,593 combined to produce the portfolio's net investment return.

Since March 2009, the account has recorded net withdrawals totaling \$8.5 million while posting net investment gains totaling \$15.6 million. Since March 2009, if the account earned a compounded nominal rate of 7.9% it would have been valued at \$22.3 million or \$6.2 million less than the actual value as of March 31st, 2014.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the first quarter, the Buckhead Capital portfolio returned 2.3%, which ranked in the 38th percentile of the Balanced Fund universe. Over the trailing year, the portfolio's return was 9.9%, which ranked in the 91st percentile. Since March 2009, the portfolio returned 11.8% on an annualized basis and ranked in the 98th percentile.

### **Large Cap Equity**

The large cap equity component returned 3.9% during the first quarter, 0.9% above the Russell 1000 Value Index's return of 3.0% and ranked in the 16th percentile of the Large Cap Value universe. Over the trailing twelve-month period, the large cap equity portfolio returned 21.7%, 0.1% greater than the benchmark's 21.6% return, and ranked in the 66th percentile. Since March 2009, this component returned 18.8% on an annualized basis and ranked in the 93rd

percentile. The Russell 1000 Value returned an annualized 21.7% over the same time frame.

### **Fixed Income**

The fixed income segment gained 1.1% in the first quarter, 0.3% below the Custom Fixed Income Index return of 1.4% and ranked in the 99th percentile of the Core Fixed Income universe. Over the trailing twelve months, this segment returned -1.1%; that return was 0.7% less than the benchmark's -0.4% performance, ranking in the 99th percentile. Since March 2009, this component returned 4.8% per annum and ranked in the 87th percentile. The Custom Fixed Income Index returned an annualized 4.8% over the same time frame.

## **ASSET ALLOCATION**

At the end of the first quarter, large cap equities comprised 51.8% of the total portfolio (\$14.8 million), while the portfolio's fixed income component totaled 44.0% (\$12.6 million) and cash & equivalent comprised the remaining 4.1% (\$1.2 million).

## **ANALYSIS**

### **Equity**

Last quarter, the Buckhead equity portfolio was invested across nine of the eleven industry sectors included in our analysis. Compared to the Russell 1000 Value Index, the portfolio was most overweight in the Basic, Consumer Service, and Service sectors. In contrast, the portfolio was most underweight in the Computer Technology, Finance, and Utilities sectors. The Durable Consumer Goods and Transportation sectors were vacant.

Sector allocations had a neutral effect on the portfolio in aggregate, meaning that stock selection was the major driver in last quarter's relatively strong performance. The Basic, Energy, and Finance sectors performed notably well. Wells Fargo (+10.1%) and PNC Financial (+12.6%) were both top performers and highly-weighted securities, which helped the portfolio's total return nicely.

### **Fixed Income**

*In our bond analysis, we use quality ratings from Standard & Poors, which can differ from those of other ratings agencies. This event is known as a split rating. The portfolio contains the following split rated bonds: Citigroup Inc. and Goldman Sachs Group. Both securities are rated BBB by S&P, but A or better by other agencies.*

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 AAA-AA. The average maturity of the portfolio was 3.9 years, less than the Barclays Aggregate Index's 7.7-year maturity. The average coupon was 3.9%.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	-----Annualized-----		
			1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	2.3	7.3	9.9	8.1	11.8
<i>BALANCED FUND RANK</i>	(38)	(74)	(91)	(85)	(98)
<b>Total Net/Fees</b>	2.3	7.1	9.5	7.7	11.4
SHADOW INDEX	2.2	7.6	10.5	8.9	13.1
<b>Large Cap Equity</b>	3.9	13.7	21.7	13.3	18.8
<i>LARGE CAP VALUE RANK</i>	(16)	(32)	(66)	(74)	(93)
RUSSELL 1000V	3.0	13.3	21.6	14.8	21.7
S&P 500	1.8	12.5	21.9	14.7	21.1
<b>Fixed Income</b>	1.1	1.1	-1.1	3.7	4.8
<i>CORE FIXED INCOME RANK</i>	(99)	(99)	(99)	(92)	(87)
CUSTOM INDEX	1.4	1.4	-0.4	3.7	4.8
BARCLAYS AGG	1.8	1.7	-0.1	3.8	4.8
INT GOV/CREDIT	1.0	1.0	-0.1	3.1	4.2

**ASSET ALLOCATION**

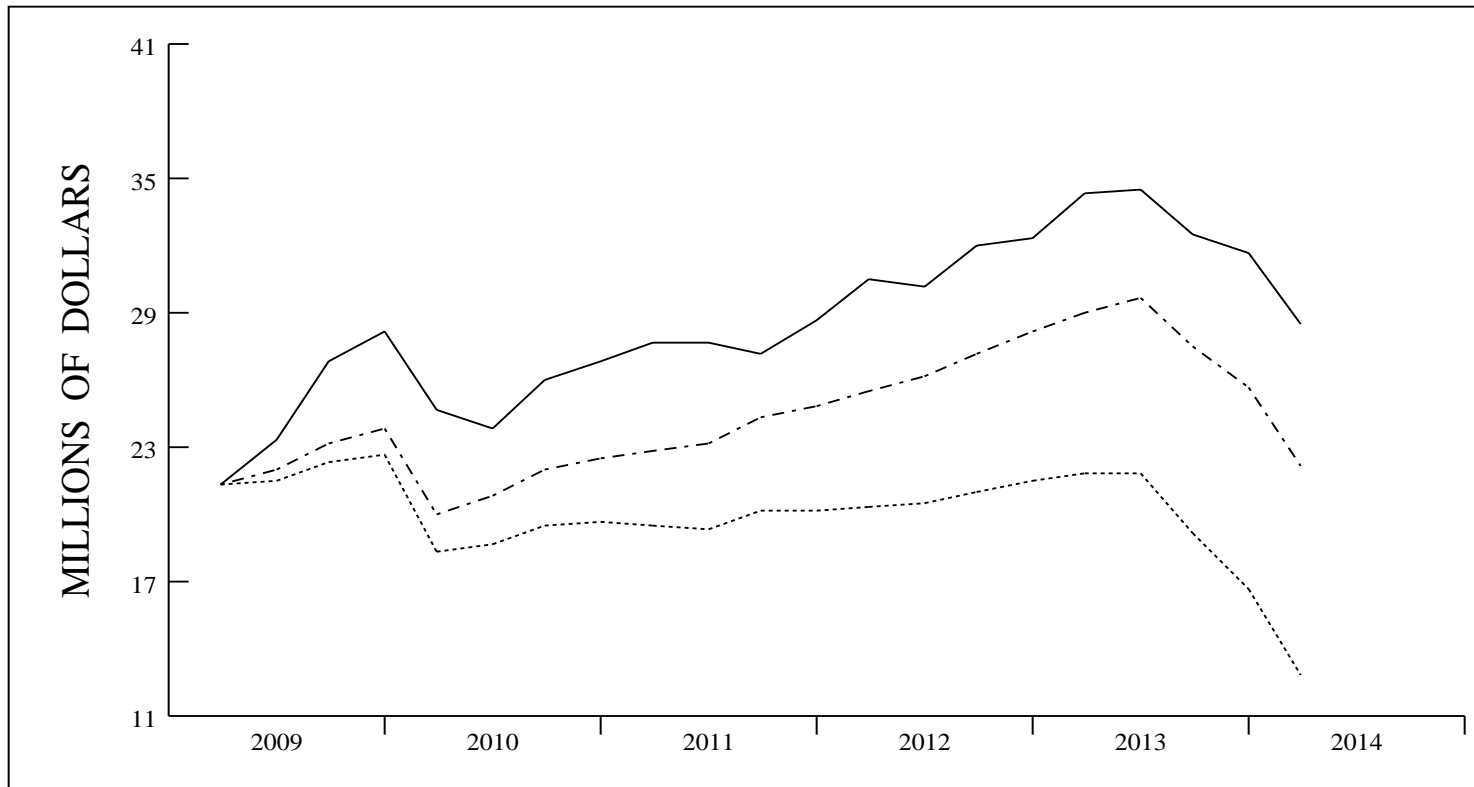
Large Cap Equity	51.8%	\$ 14,784,838
Fixed Income	44.0%	12,559,229
Cash	4.1%	1,175,949
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 28,520,016</b>

**INVESTMENT RETURN**

Market Value 12/2013	\$ 31,727,100
Contribs / Withdrawals	- 3,901,975
Income	237,298
Capital Gains / Losses	457,593
Market Value 3/2014	\$ 28,520,016



**INVESTMENT GROWTH**

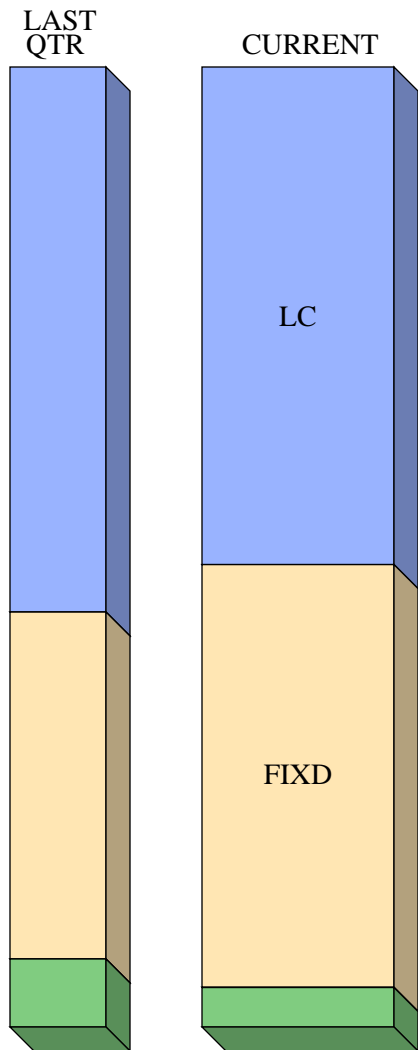


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 22,304,739

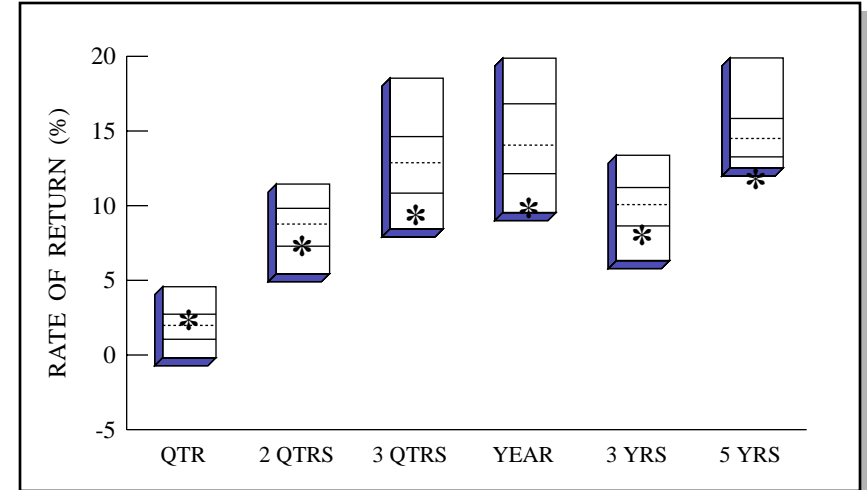
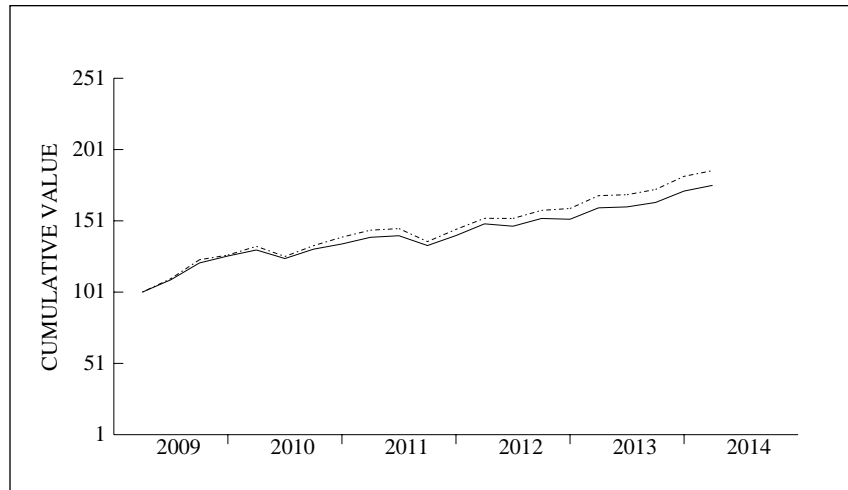
	LAST QUARTER	PERIOD 3/09 - 3/14
BEGINNING VALUE	\$ 31,727,100	\$ 21,442,520
NET CONTRIBUTIONS	- 3,901,975	- 8,535,430
<u>INVESTMENT RETURN</u>	<u>694,891</u>	<u>15,612,926</u>
ENDING VALUE	\$ 28,520,016	\$ 28,520,016
INCOME	237,298	4,913,312
<u>CAPITAL GAINS (LOSSES)</u>	<u>457,593</u>	<u>10,699,614</u>
INVESTMENT RETURN	694,891	15,612,926

**ASSET ALLOCATION**

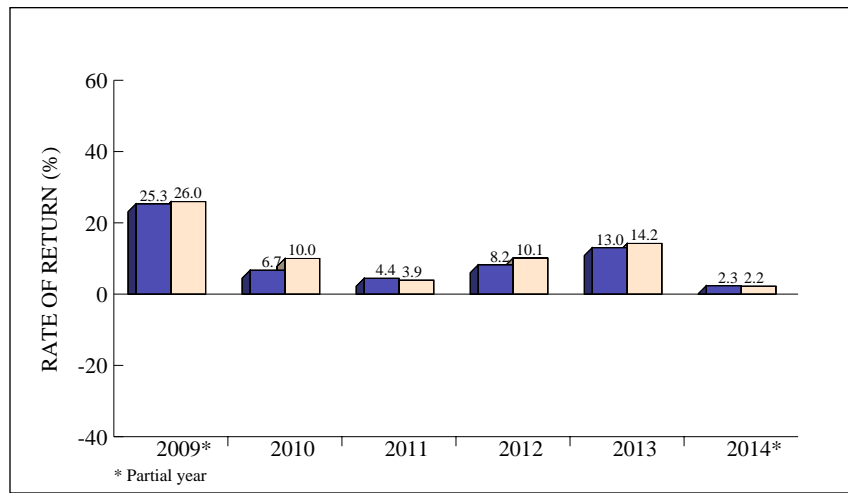


	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>MIN</u>	<u>MAX</u>
■ LARGE CAP EQUITY	\$ 14,784,838	51.8%	50.0%	40.0%	60.0%
■ FIXED INCOME	12,559,229	44.0%	50.0%	40.0%	60.0%
■ CASH & EQUIVALENT	1,175,949	4.1%	0.0%	0.0%	10.0%
<u>TOTAL FUND</u>	<u>\$ 28,520,016</u>	<u>100.0%</u>			

**TOTAL RETURN COMPARISONS**



Balanced Fund Universe

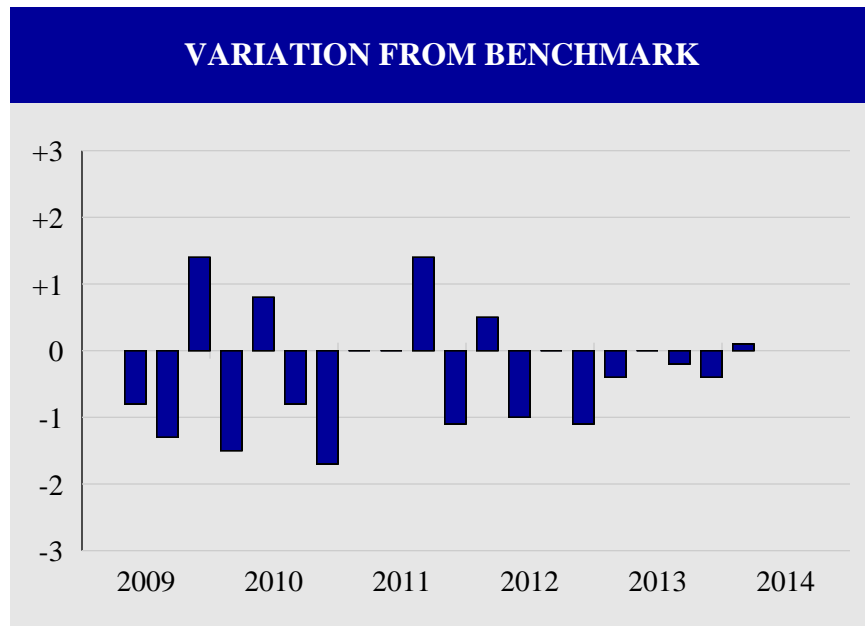


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	2.3	7.3	9.4	9.9	8.1	11.8
(RANK)	(38)	(74)	(94)	(91)	(85)	(98)
5TH %ILE	4.6	11.5	18.5	19.9	13.4	19.9
25TH %ILE	2.7	9.8	14.6	16.8	11.2	15.8
MEDIAN	2.0	8.8	12.9	14.1	10.1	14.5
75TH %ILE	1.1	7.3	10.8	12.2	8.6	13.3
95TH %ILE	-0.2	5.4	8.4	9.5	6.3	12.5
<i>Shadow Idx</i>	<i>2.2</i>	<i>7.6</i>	<i>10.0</i>	<i>10.5</i>	<i>8.9</i>	<i>13.1</i>

Balanced Fund Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

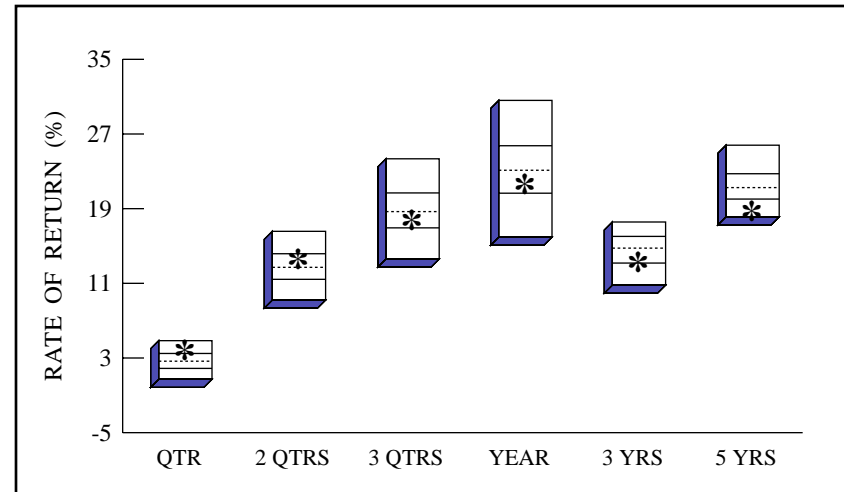
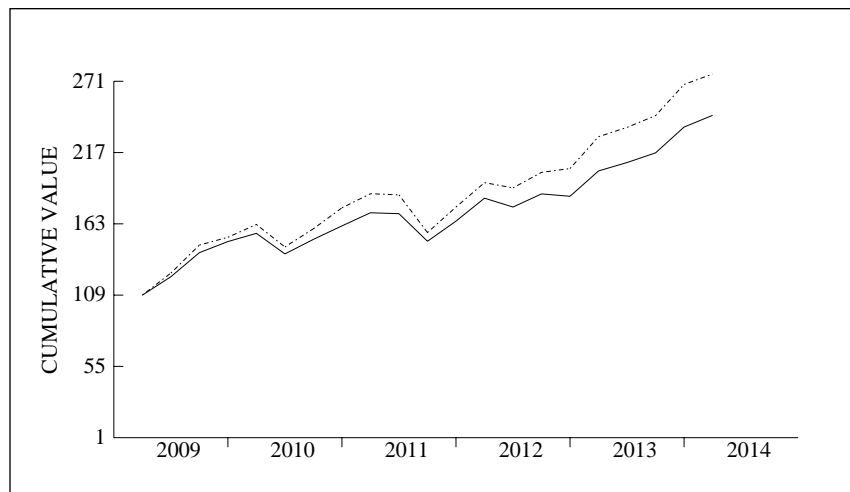
**COMPARATIVE BENCHMARK: SHADOW INDEX**



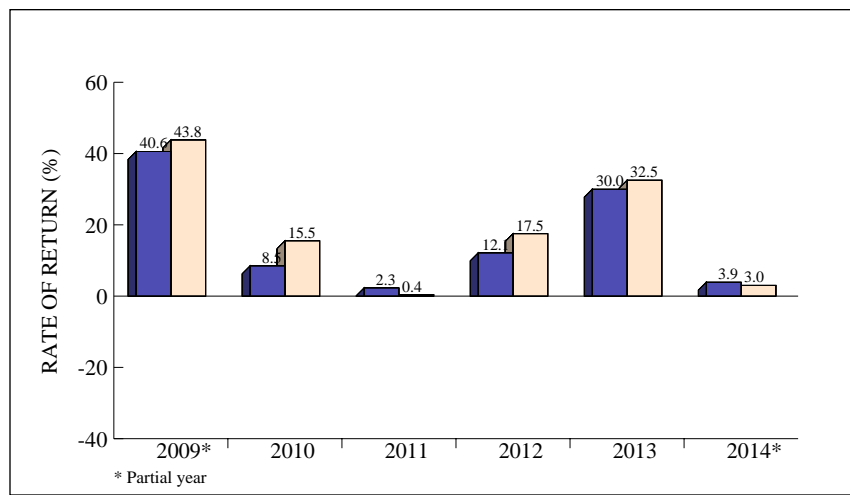
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>9</b>
<b>Quarters Below the Benchmark</b>	<b>11</b>
<b>Batting Average</b>	<b>.450</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
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
3/12	5.9	5.4	0.5
6/12	-1.1	-0.1	-1.0
9/12	3.7	3.7	0.0
12/12	-0.3	0.8	-1.1
3/13	5.3	5.7	-0.4
6/13	0.4	0.4	0.0
9/13	2.0	2.2	-0.2
12/13	4.9	5.3	-0.4
3/14	2.3	2.2	0.1

### LARGE CAP EQUITY RETURN COMPARISONS



Large Cap Value Universe



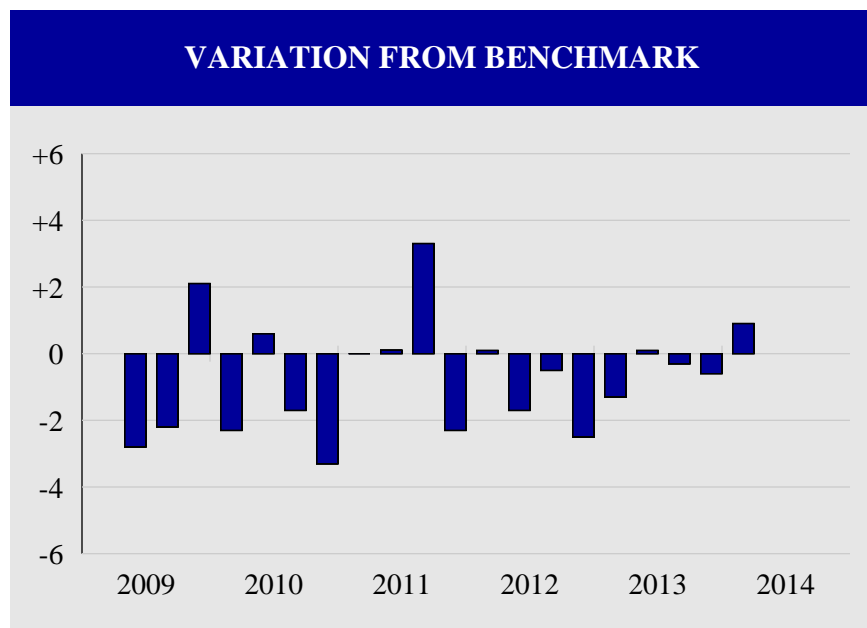
	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	3.9	13.7	17.8	21.7	13.3	18.8
(RANK)	(16)	(32)	(65)	(66)	(74)	(93)
5TH %ILE	4.9	16.6	24.3	30.6	17.6	25.8
25TH %ILE	3.5	14.2	20.7	25.8	16.0	22.7
MEDIAN	2.7	12.7	18.7	23.1	14.8	21.3
75TH %ILE	1.9	11.4	17.0	20.7	13.2	20.0
95TH %ILE	0.7	9.2	13.6	16.0	10.8	18.1
<b>Russ 1000V</b>	<b>3.0</b>	<b>13.3</b>	<b>17.8</b>	<b>21.6</b>	<b>14.8</b>	<b>21.7</b>

-----ANNUALIZED-----

Large Cap Value Universe

## LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

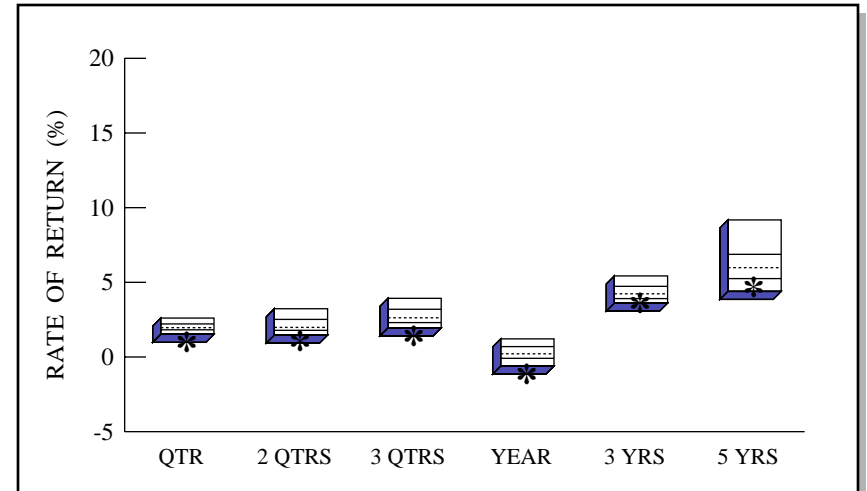
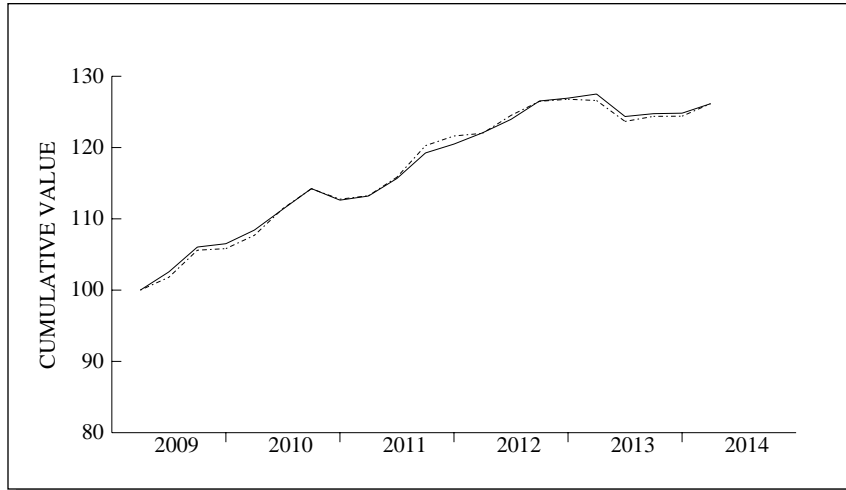
COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE



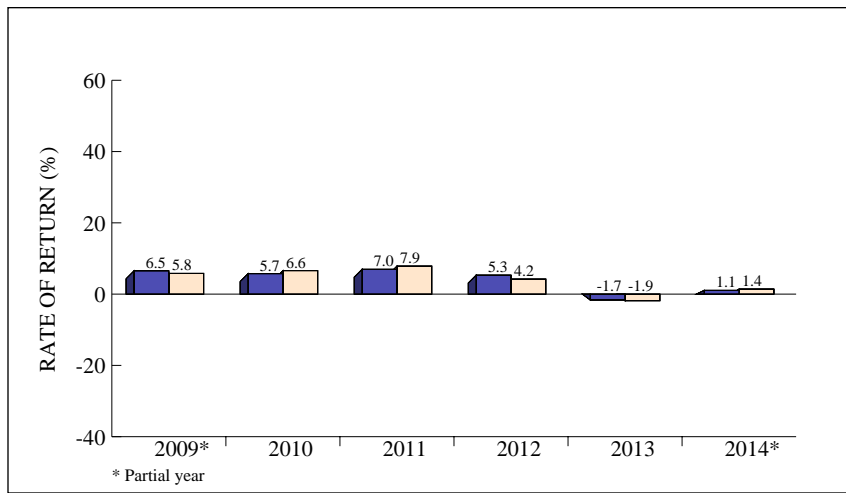
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>8</b>
<b>Quarters Below the Benchmark</b>	<b>12</b>
<b>Batting Average</b>	<b>.400</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
3/12	11.2	11.1	0.1
6/12	-3.9	-2.2	-1.7
9/12	6.0	6.5	-0.5
12/12	-1.0	1.5	-2.5
3/13	11.0	12.3	-1.3
6/13	3.3	3.2	0.1
9/13	3.6	3.9	-0.3
12/13	9.4	10.0	-0.6
3/14	3.9	3.0	0.9

**FIXED INCOME RETURN COMPARISONS**



Core Fixed Income Universe

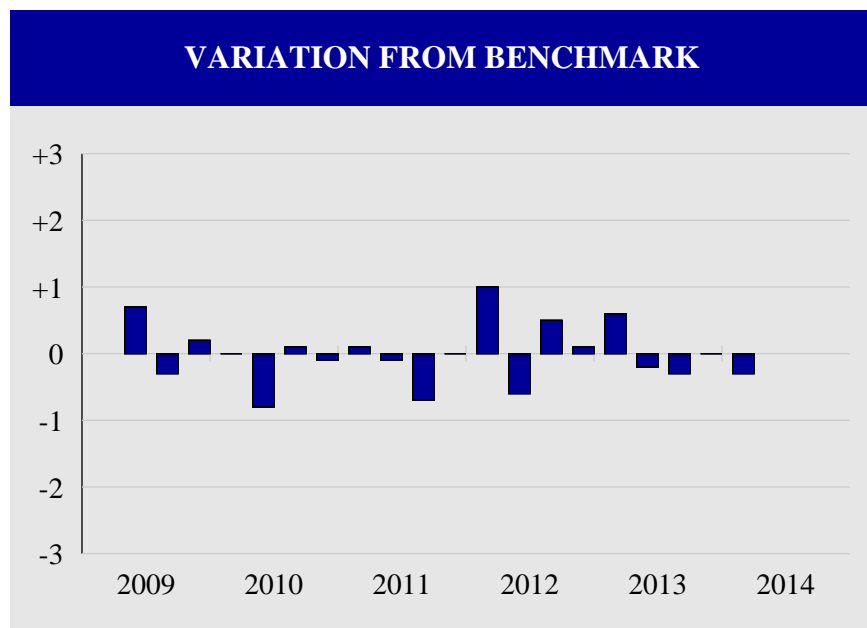


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	1.1	1.1	1.4	-1.1	3.7	4.8
(RANK)	(99)	(99)	(99)	(99)	(92)	(87)
5TH %ILE	2.6	3.2	3.9	1.2	5.4	9.2
25TH %ILE	2.2	2.5	3.2	0.7	4.7	6.9
MEDIAN	2.0	2.0	2.6	0.2	4.2	6.0
75TH %ILE	1.8	1.8	2.3	-0.1	3.9	5.3
95TH %ILE	1.5	1.5	2.0	-0.6	3.6	4.4
<b>Custom Idx</b>	<b>1.4</b>	<b>1.4</b>	<b>2.0</b>	<b>-0.4</b>	<b>3.7</b>	<b>4.8</b>

Core Fixed Income Universe

## FIXED INCOME QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX

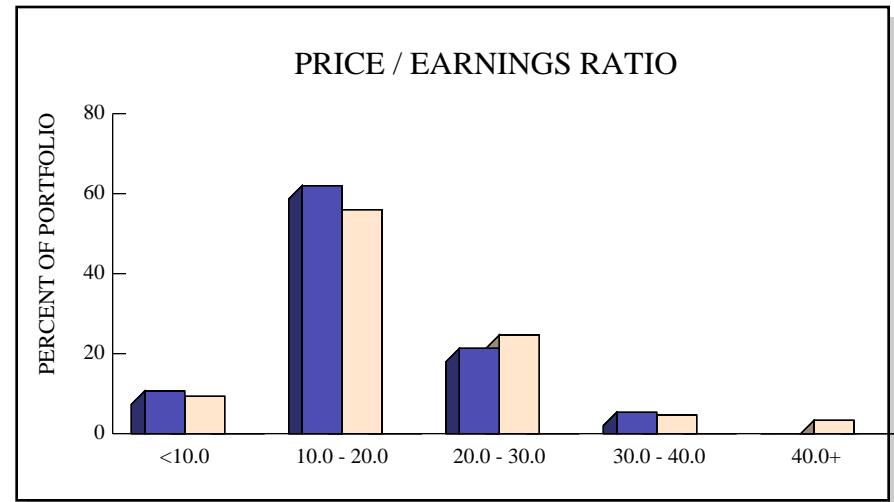
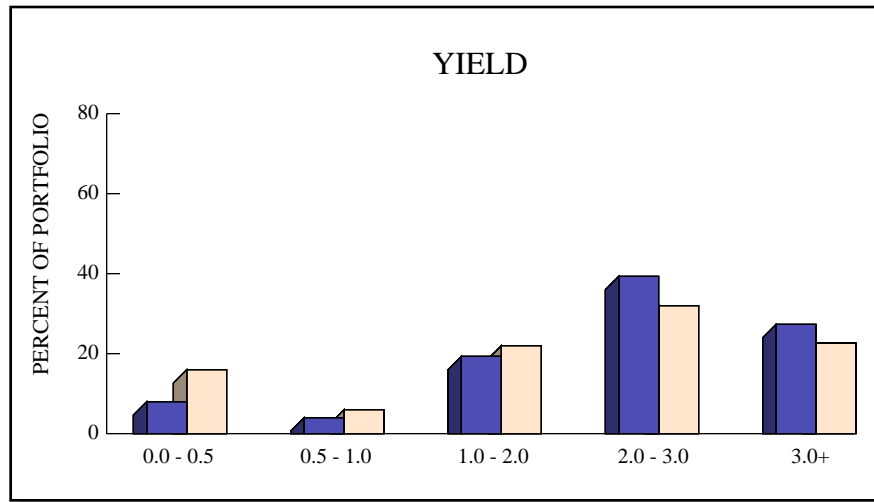


<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>9</b>
<b>Batting Average</b>	<b>.550</b>

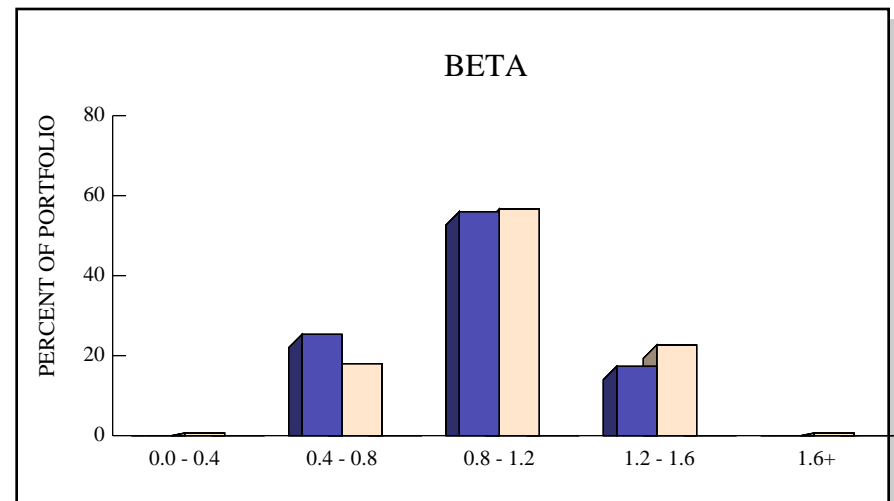
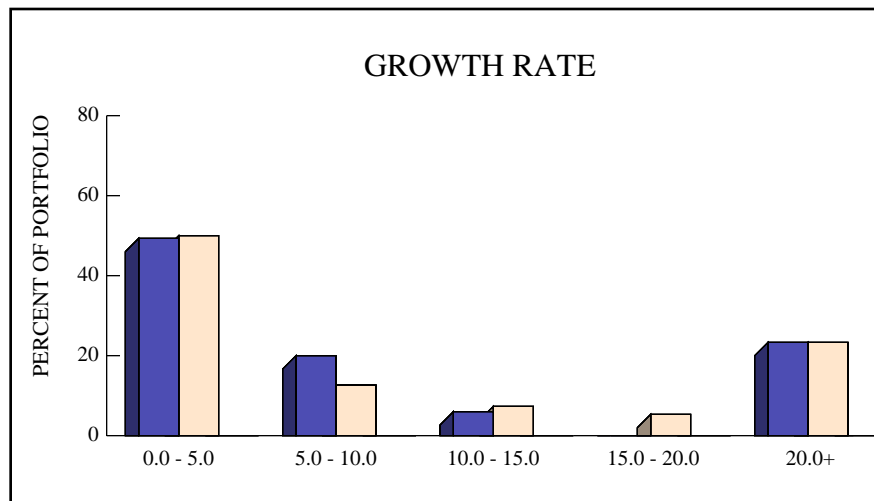
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/09	2.5	1.8	0.7
9/09	3.4	3.7	-0.3
12/09	0.4	0.2	0.2
3/10	1.8	1.8	0.0
6/10	2.7	3.5	-0.8
9/10	2.6	2.5	0.1
12/10	-1.4	-1.3	-0.1
3/11	0.5	0.4	0.1
6/11	2.2	2.3	-0.1
9/11	3.1	3.8	-0.7
12/11	1.1	1.1	0.0
3/12	1.3	0.3	1.0
6/12	1.5	2.1	-0.6
9/12	2.1	1.6	0.5
12/12	0.3	0.2	0.1
3/13	0.5	-0.1	0.6
6/13	-2.5	-2.3	-0.2
9/13	0.3	0.6	-0.3
12/13	0.0	0.0	0.0
3/14	1.1	1.4	-0.3



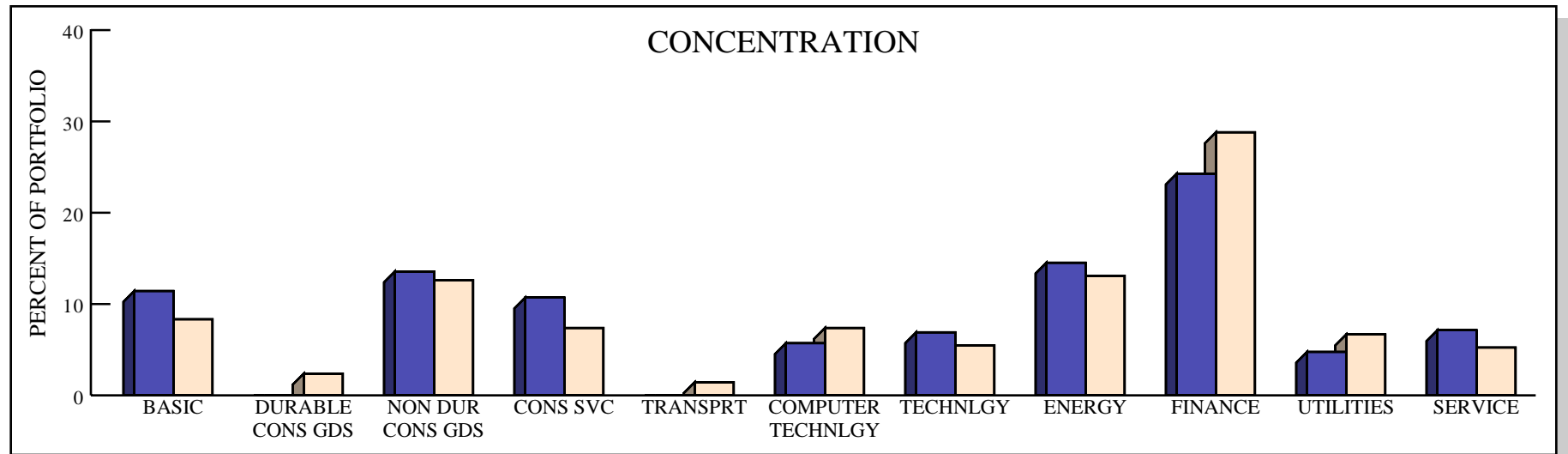
**STOCK CHARACTERISTICS**



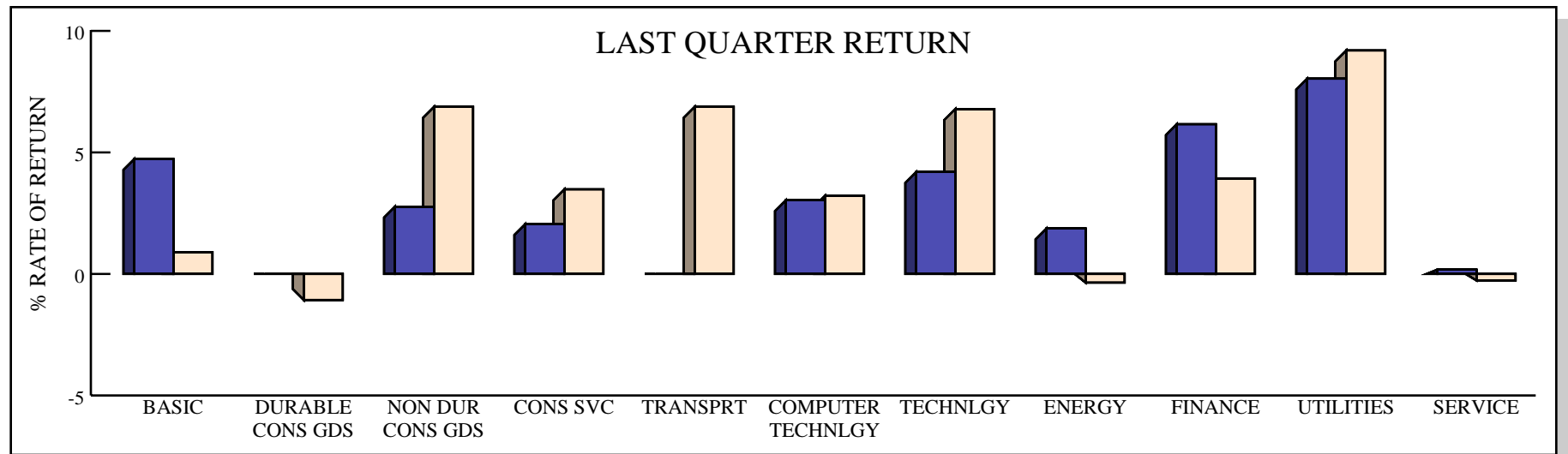
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	2.6%	8.0%	16.5	0.98
RUSSELL 1000V	2.1%	7.9%	18.5	1.02



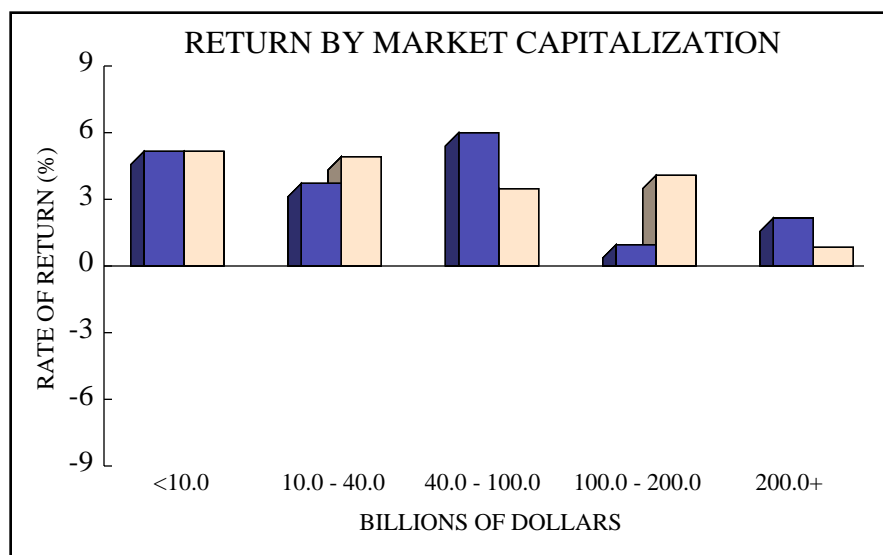
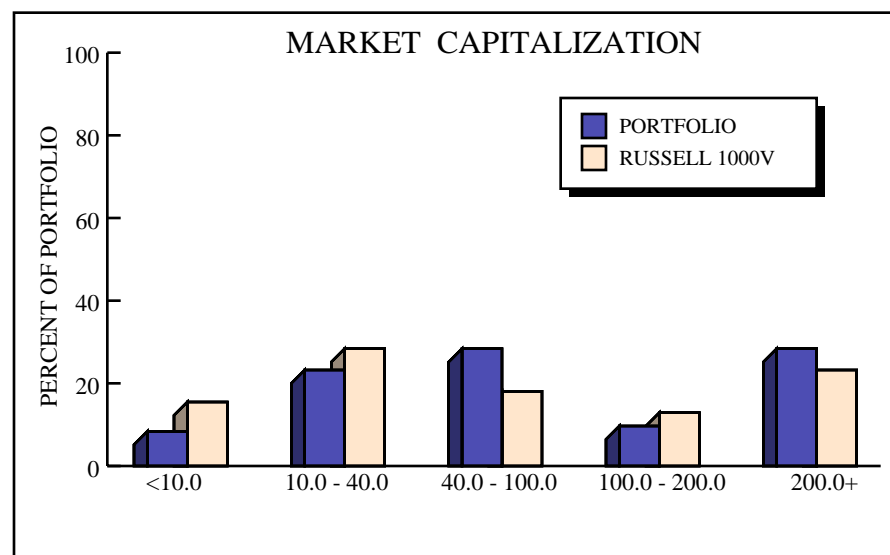
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 VALUE



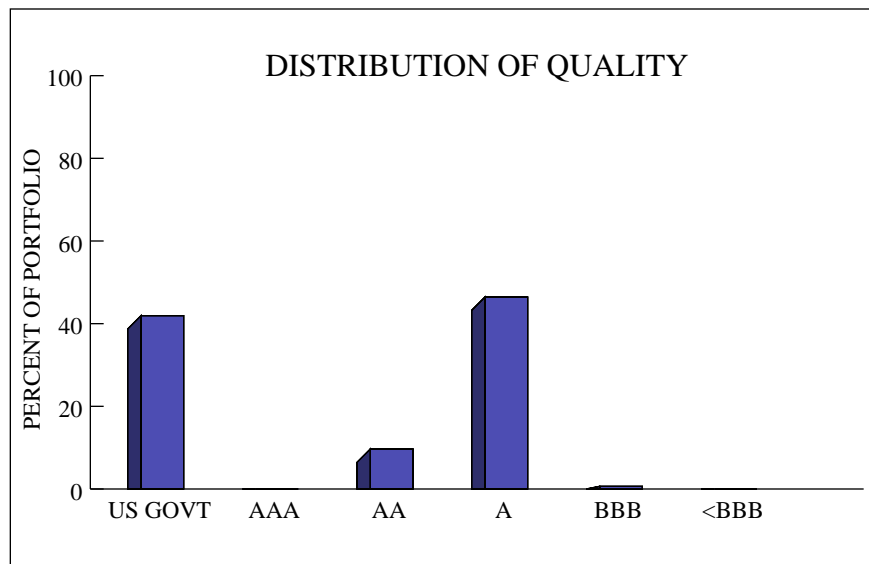
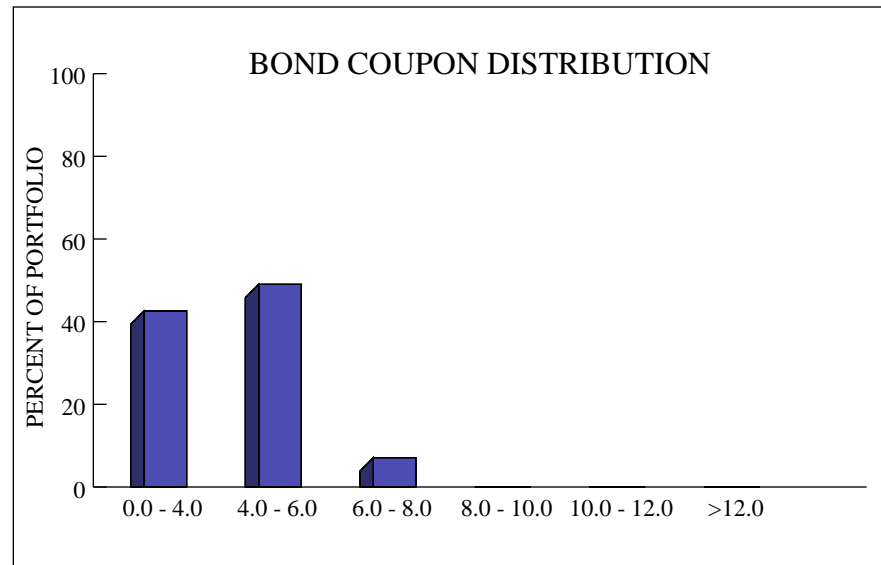
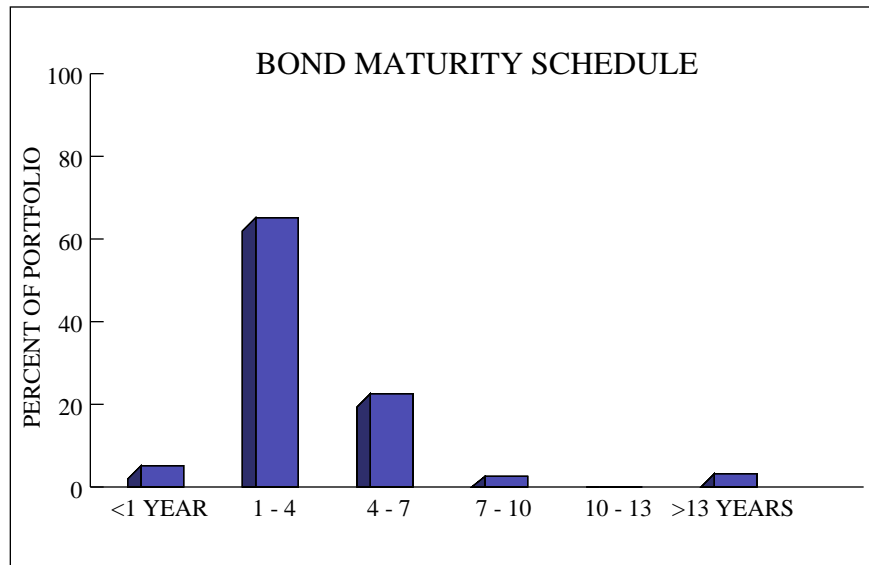
**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	GENERAL ELECTRIC CO	\$ 514,046	3.48%	-6.9%	Basic	\$ 259.5 B
2	EXPRESS SCRIPTS HOLDING CO	491,089	3.32%	6.9%	Consumer Service	58.2 B
3	EXXON MOBIL CORP	459,584	3.11%	-2.9%	Energy	422.1 B
4	BLACKROCK INC	435,555	2.95%	-0.1%	Finance	52.7 B
5	PFIZER INC	433,427	2.93%	5.6%	NonDur Cons Goods	205.4 B
6	WELLS FARGO & CO	411,599	2.78%	10.1%	Finance	261.2 B
7	US BANCORP	400,741	2.71%	6.6%	Finance	78.0 B
8	CONOCOPHILLIPS	384,111	2.60%	0.5%	Energy	86.4 B
9	PNC FINANCIAL SERVICES GROUP	358,440	2.42%	12.6%	Finance	46.5 B
10	NOVARTIS AG-ADR	356,234	2.41%	5.8%	NonDur Cons Goods	230.1 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	113	8,441
Duration	3.24	5.65
YTM	1.60	2.39
Average Coupon	3.88	3.31
Avg Maturity / WAL	3.87	7.70
Average Quality	AAA-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 Value
Fixed Income	Custom Fixed Income Index
Cash & Equivalent	90 Day T Bill

\* The Custom Fixed Income Index is a passive blended index that was constructed as follows:

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

100% Barclays Aggregate for all periods from January 1, 2009 through October 31, 2013

50% BC Aggregate / 50% BC Intermediate Gov/Credit for all periods since November 1, 2013

DAVIE POLICE PENSION PLAN  
VANGUARD - INSTITUTIONAL INDEX FUND  
PERFORMANCE REVIEW  
MARCH 2014

## **INVESTMENT RETURN**

On March 31st, 2014, the Davie Police Pension Plan's Vanguard Institutional Index Fund was valued at \$14,451,594, representing an increase of \$4,108,084 from the December quarter's ending value of \$10,343,510. Last quarter, the Fund posted net contributions equaling \$4,000,000 plus a net investment gain equaling \$108,084. Since there were no income receipts during the quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$108,084.

## **RELATIVE PERFORMANCE**

During the first quarter, the Vanguard Institutional Index Fund gained 1.8%, which was equal to the S&P 500 Index's return of 1.8% and ranked in the 65th percentile of the Large Cap Core universe.

## **ASSET ALLOCATION**

This account was fully invested in the Vanguard Institutional Index Fund (VINIX) at the end of the quarter.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Years	Since 12/13
<b>Total Gross/Fees</b>	1.8	----	----	----	1.8
<i>LARGE CAP CORE RANK</i>	(65)	----	----	----	(65)
<b>Total Net/Fees</b>	1.8	----	----	----	1.8
S&P 500	1.8	12.5	21.9	14.7	1.8
<b>Large Cap Equity</b>	1.8	----	----	----	1.8
<i>LARGE CAP CORE RANK</i>	(65)	----	----	----	(65)
S&P 500	1.8	12.5	21.9	14.7	1.8

**ASSET ALLOCATION**

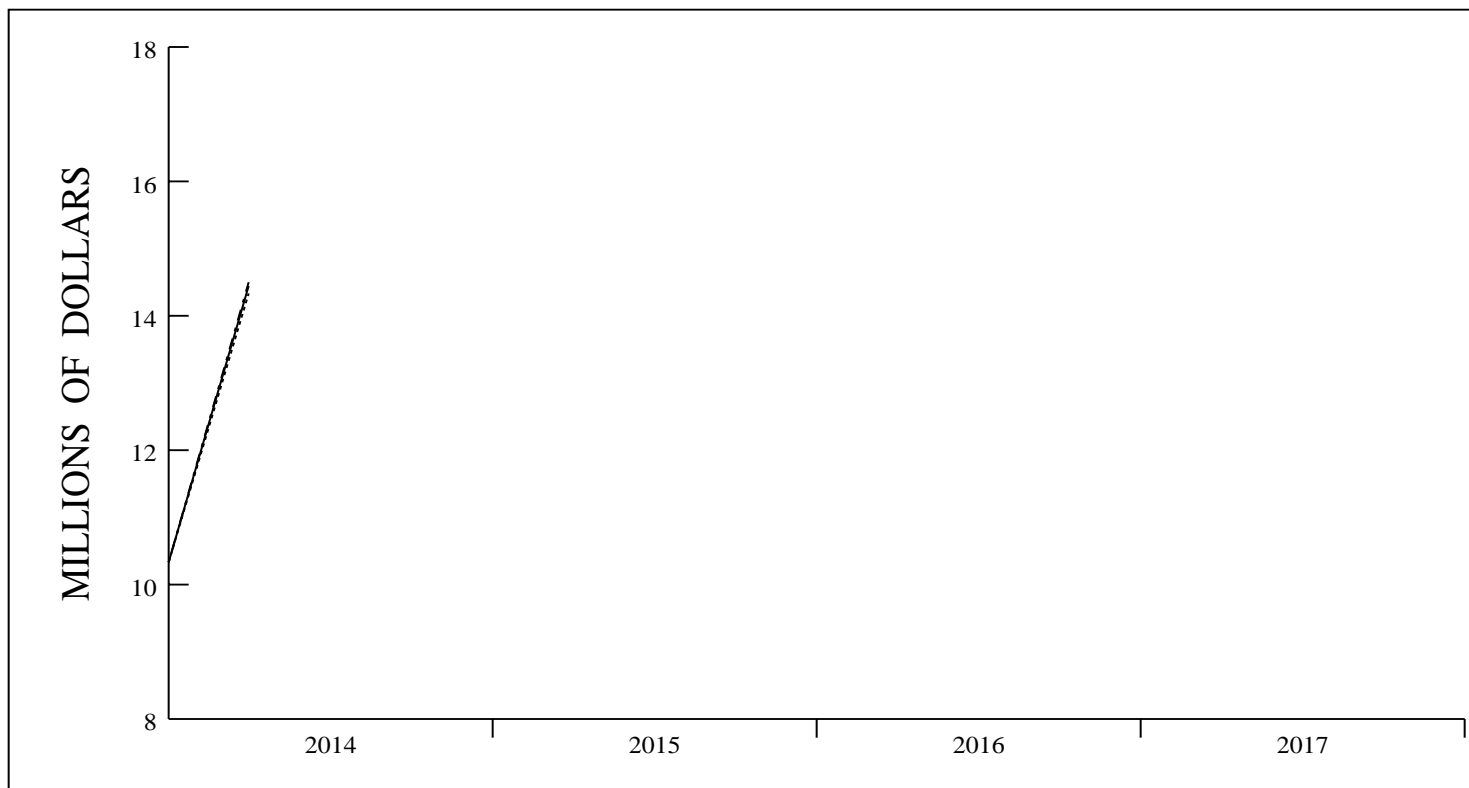
Large Cap Equity	100.0%	\$ 14,451,594
Total Portfolio	100.0%	\$ 14,451,594

**INVESTMENT RETURN**

Market Value 12/2013	\$ 10,343,510
Contribs / Withdrawals	4,000,000
Income	0
Capital Gains / Losses	108,084
Market Value 3/2014	\$ 14,451,594



**INVESTMENT GROWTH**

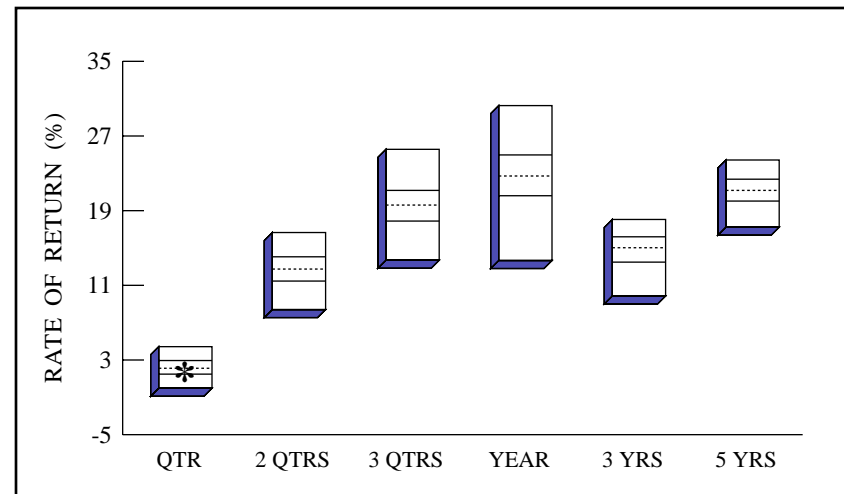
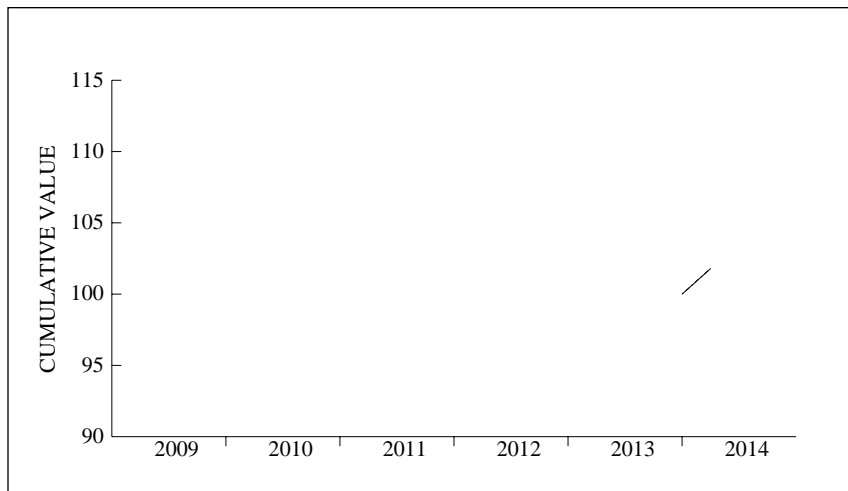


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

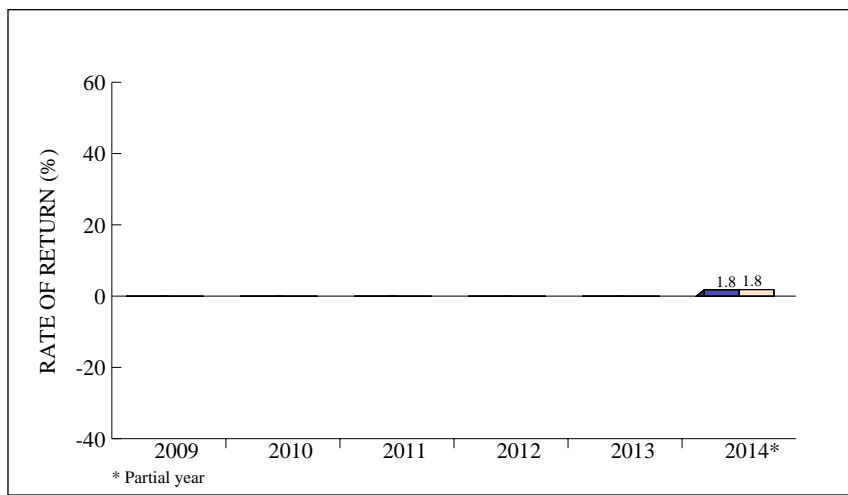
VALUE ASSUMING  
 7.9% RETURN  
 \$ 14,554,720

	LAST QUARTER	PERIOD 12/13 - 3/14
BEGINNING VALUE	\$ 10,343,510	\$ 10,343,510
NET CONTRIBUTIONS	4,000,000	4,000,000
<u>INVESTMENT RETURN</u>	<u>108,084</u>	<u>108,084</u>
ENDING VALUE	\$ 14,451,594	\$ 14,451,594
INCOME	0	0
<u>CAPITAL GAINS (LOSSES)</u>	<u>108,084</u>	<u>108,084</u>
INVESTMENT RETURN	108,084	108,084

**TOTAL RETURN COMPARISONS**



Large Cap Core Universe

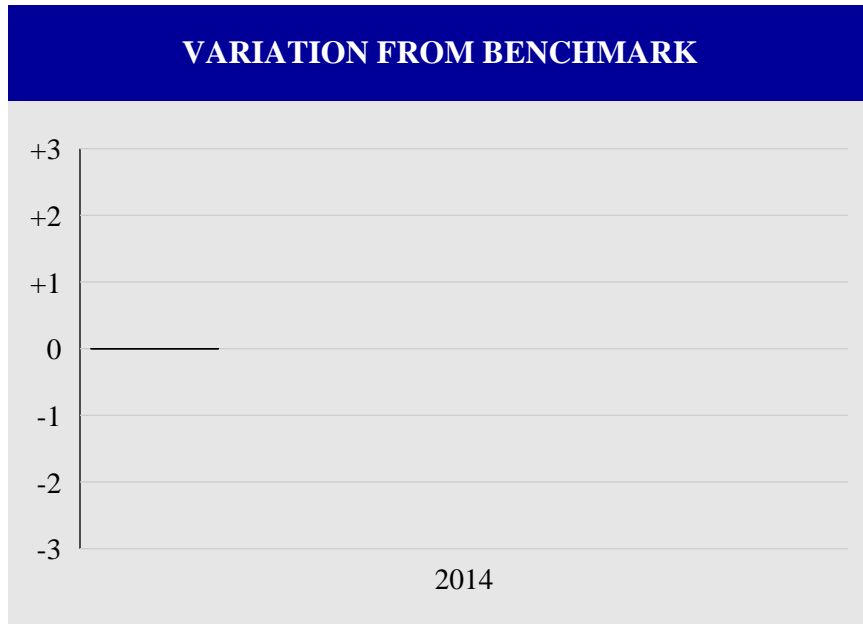


	<u>QTR</u>	<u>2QTRS</u>	<u>3QTRS</u>	<u>YEAR</u>	<u>-----ANNUALIZED-----</u> <u>3 YRS</u>	<u>5 YRS</u>
RETURN	1.8	---	---	---	---	---
(RANK)	(65)	---	---	---	---	---
5TH %ILE	4.4	16.7	25.6	30.3	18.1	24.4
25TH %ILE	2.9	14.1	21.2	25.0	16.2	22.4
MEDIAN	2.1	12.7	19.6	22.7	15.0	21.2
75TH %ILE	1.5	11.5	17.9	20.6	13.5	20.0
95TH %ILE	0.0	8.4	13.7	13.7	9.9	17.2
<b><i>S&amp;P 500</i></b>	<b><i>1.8</i></b>	<b><i>12.5</i></b>	<b><i>18.4</i></b>	<b><i>21.9</i></b>	<b><i>14.7</i></b>	<b><i>21.1</i></b>

Large Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

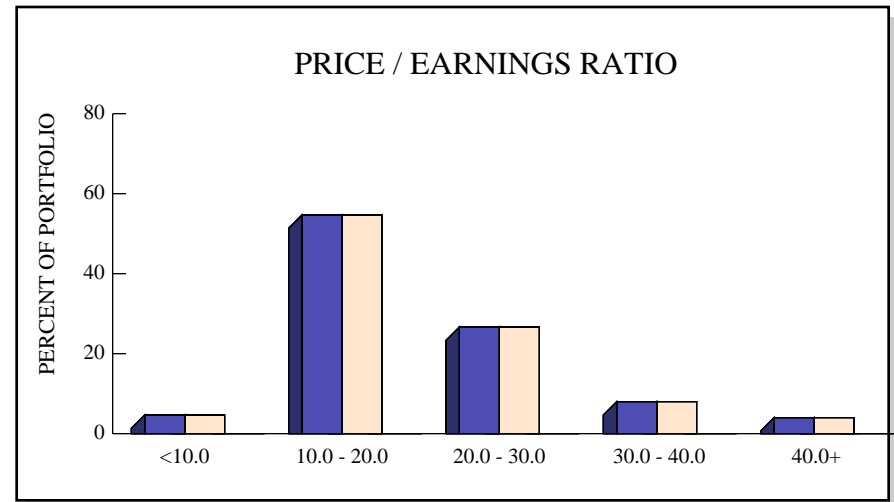
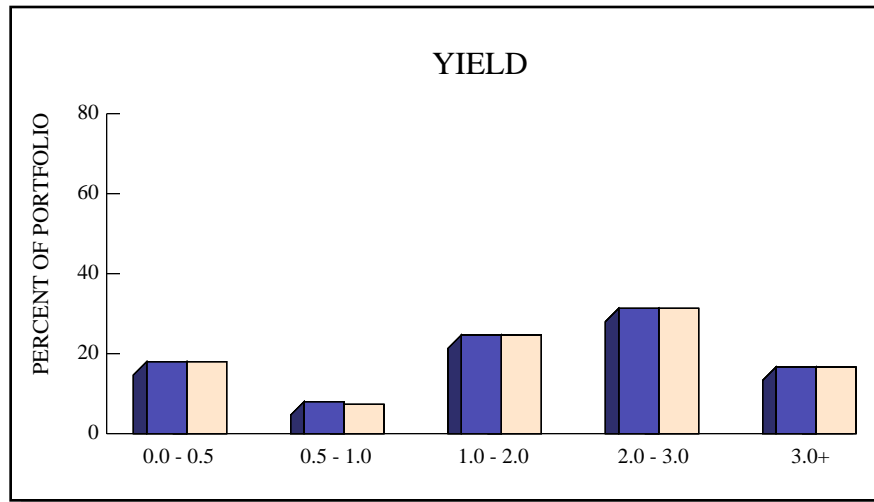
**COMPARATIVE BENCHMARK: S&P 500**



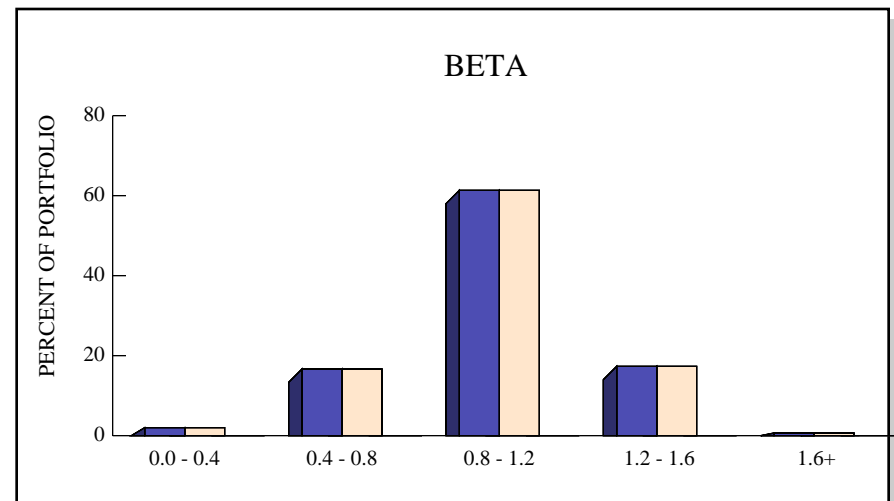
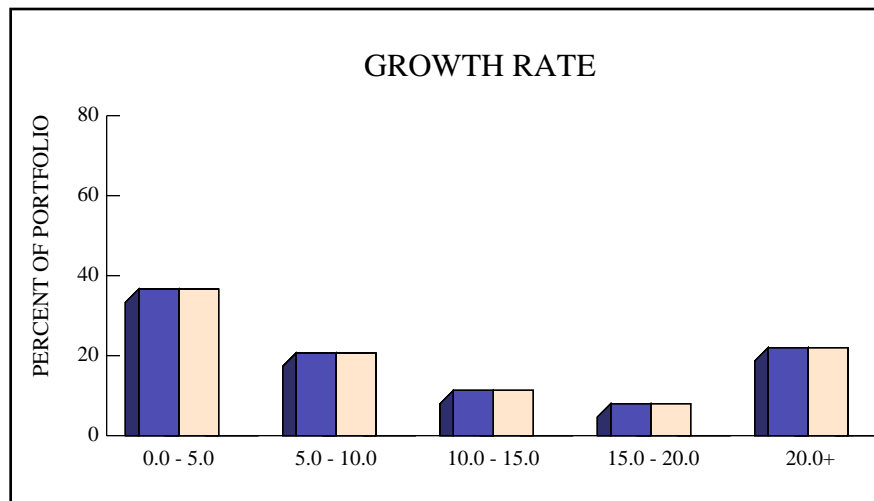
<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
3/14	1.8	1.8	0.0

<b>Total Quarters Observed</b>	<b>1</b>
<b>Quarters At or Above the Benchmark</b>	<b>1</b>
<b>Quarters Below the Benchmark</b>	<b>0</b>
<b>Batting Average</b>	<b>1.000</b>

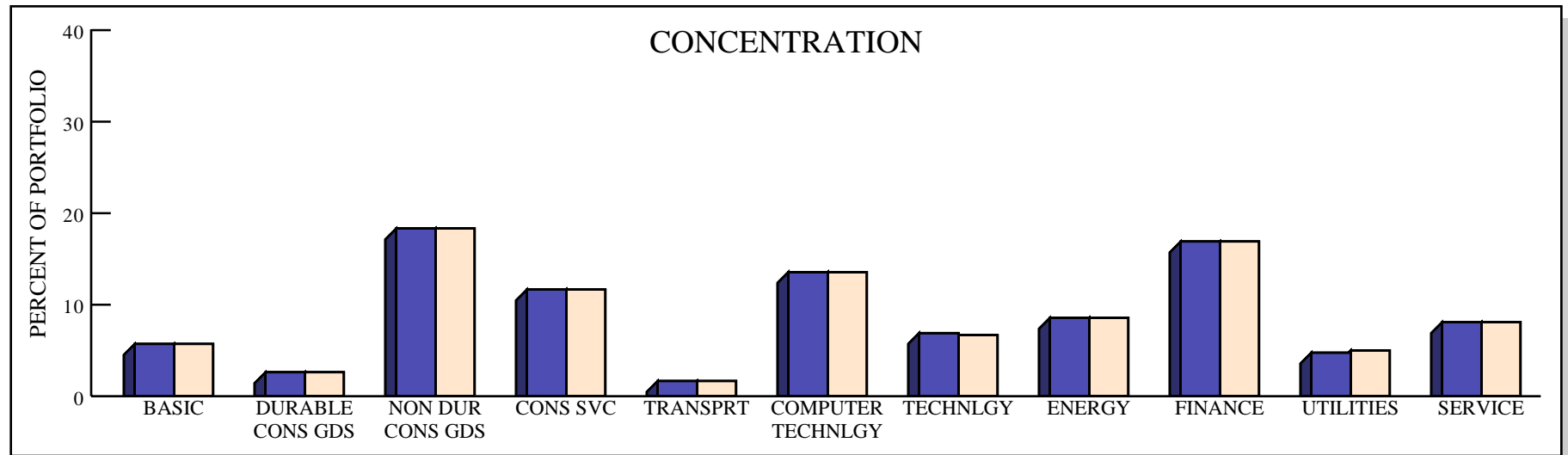
**STOCK CHARACTERISTICS**



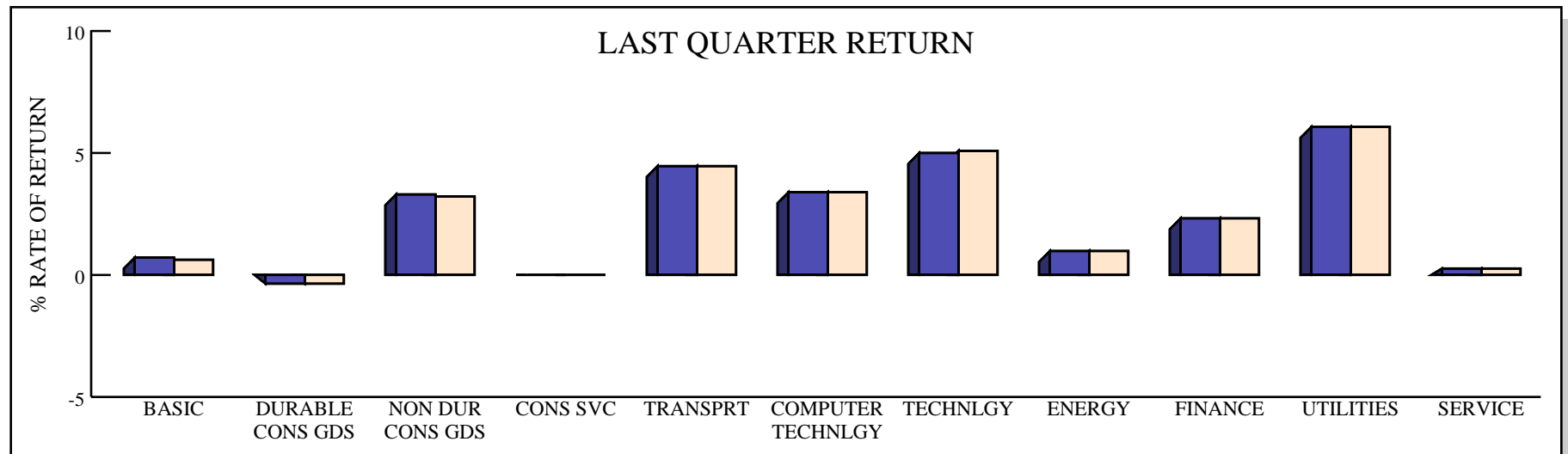
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.9%	9.7%	20.8	0.99
S&P 500	1.9%	9.7%	20.8	1.00



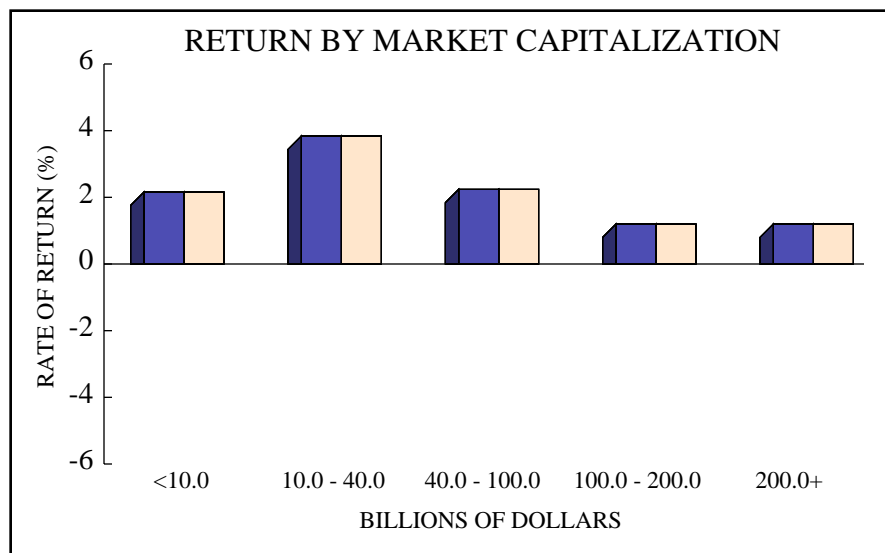
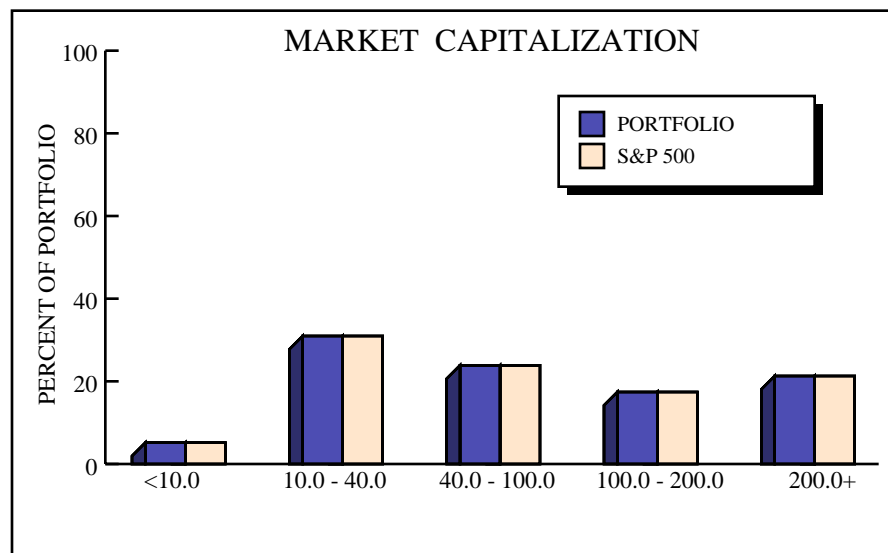
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 400,945	2.77%	-3.8%	Computer Tech	\$ 478.8 B
2	EXXON MOBIL CORP	353,602	2.45%	-2.9%	Energy	422.1 B
3	MICROSOFT CORP	285,044	1.97%	10.1%	Computer Tech	340.2 B
4	GOOGLE INC-CL A	261,910	1.81%	-0.6%	Computer Tech	313.0 B
5	JOHNSON & JOHNSON	232,707	1.61%	7.9%	NonDur Cons Goods	277.8 B
6	WELLS FARGO & CO	218,806	1.51%	10.1%	Finance	261.2 B
7	GENERAL ELECTRIC CO	217,424	1.50%	-6.9%	Basic	259.5 B
8	WAL-MART STORES INC	206,743	1.43%	-2.3%	Consumer Service	246.8 B
9	JPMORGAN CHASE & CO	192,572	1.33%	4.4%	Finance	229.9 B
10	CHEVRON CORP	190,137	1.32%	-4.0%	Energy	227.0 B

DAVIE POLICE PENSION PLAN  
RHUMBLINE - S&P MID-CAP 400 POOLED INDEX FUND  
PERFORMANCE REVIEW  
MARCH 2014

## **INVESTMENT RETURN**

On March 31st, 2014, the Davie Police Pension Plan's RhumbLine S&P Mid-Cap 400 Pooled Index Fund was valued at \$11,682,757, representing an increase of \$346,408 from the December quarter's ending value of \$11,336,349. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$346,408 in net investment returns. Since there were no income receipts for the first quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$346,408.

For the cumulative period since March 2009, the portfolio has posted net contributions totaling \$2.6 million, and recorded net investment gains totaling \$6.3 million. For the period since March 2009, if the fund returned a compounded nominal rate of 7.9% it would have been valued at \$6.9 million or \$4.8 million less than the actual value as of March 31st, 2014.

## **RELATIVE PERFORMANCE**

For the first quarter, the RhumbLine S&P Mid-Cap 400 Pooled Index Fund returned 3.1%, which was 0.1% greater than the S&P 400 Index's return of 3.0% and ranked in the 35th percentile of the Mid Cap universe. Over the trailing year, this portfolio returned 21.2%, which was equal to the benchmark's 21.2% return, ranking in the 82nd percentile. Since March 2009, the account returned 24.8% on an annualized basis and ranked in the 44th percentile. For comparison, the S&P 400 returned an annualized 24.9% over the same time frame.

## **ASSET ALLOCATION**

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



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

		-----Annualized-----			
	Quarter	FYTD	1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	3.1	11.6	21.2	13.4	24.8
<i>MID CAP RANK</i>	(35)	(48)	(82)	(63)	(44)
<b>Total Net/Fees</b>	3.0	11.5	21.1	13.2	24.7
S&P 400	3.0	11.6	21.2	13.4	24.9
<b>Mid Cap Equity</b>	3.1	11.6	21.2	13.4	24.8
<i>MID CAP RANK</i>	(35)	(48)	(82)	(63)	(44)
S&P 400	3.0	11.6	21.2	13.4	24.9

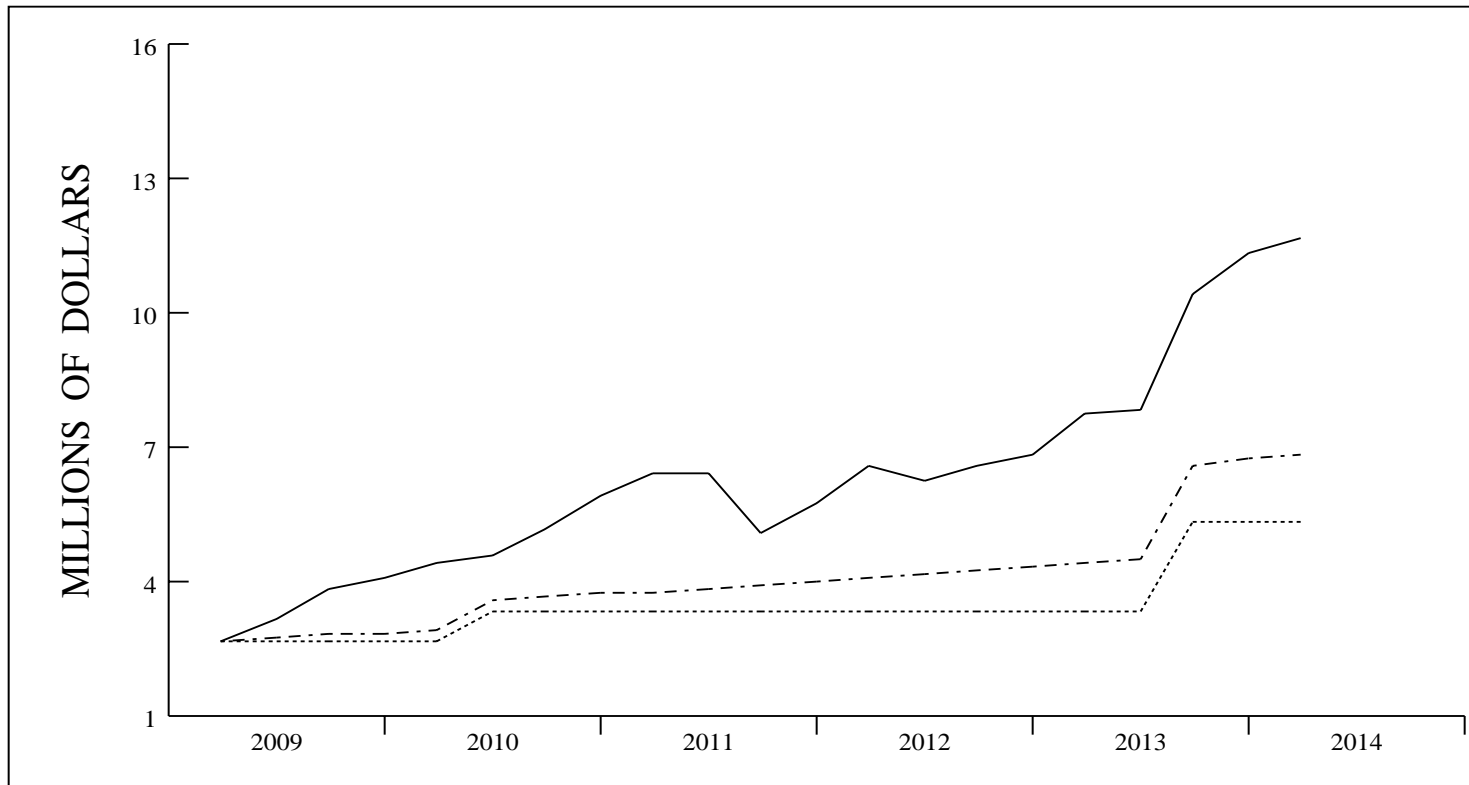
**ASSET ALLOCATION**

Mid Cap Equity	100.0%	\$ 11,682,757
Total Portfolio	100.0%	\$ 11,682,757

**INVESTMENT RETURN**

Market Value 12/2013	\$ 11,336,349
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	346,408
Market Value 3/2014	\$ 11,682,757

**INVESTMENT GROWTH**

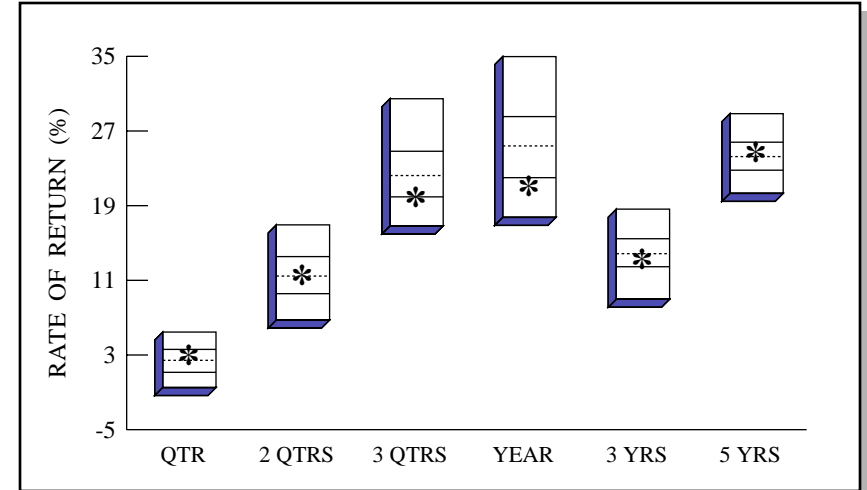
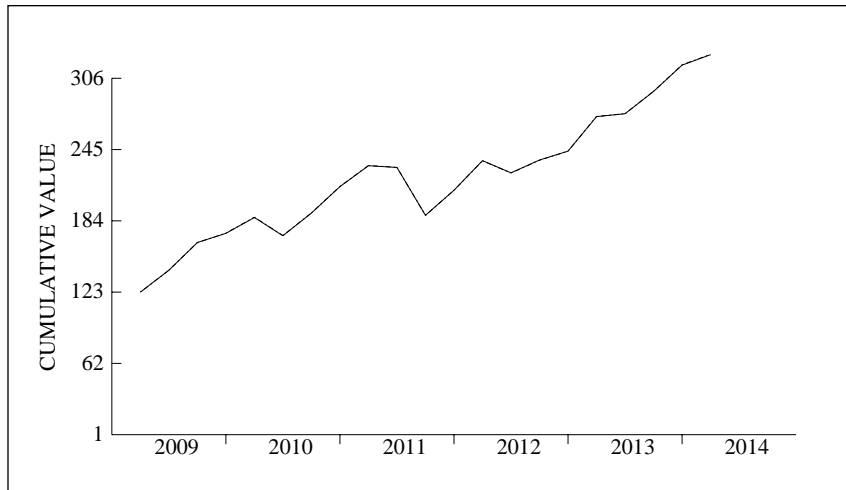


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

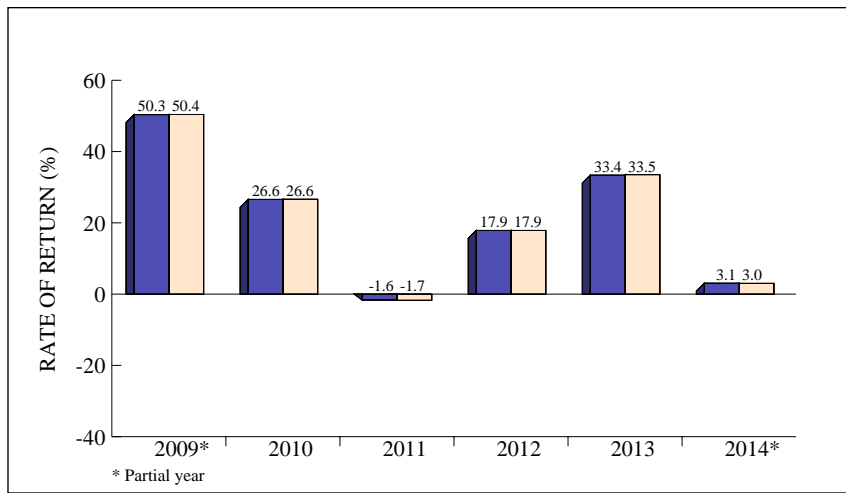
VALUE ASSUMING  
 7.9% RETURN  
 \$ 6,891,261

	LAST QUARTER	PERIOD 3/09 - 3/14
BEGINNING VALUE	\$ 11,336,349	\$ 2,736,151
NET CONTRIBUTIONS	0	2,599,884
INVESTMENT RETURN	346,408	6,346,722
ENDING VALUE	\$ 11,682,757	\$ 11,682,757
INCOME	0	0
CAPITAL GAINS (LOSSES)	346,408	6,346,722
INVESTMENT RETURN	346,408	6,346,722

**TOTAL RETURN COMPARISONS**



Mid Cap Universe

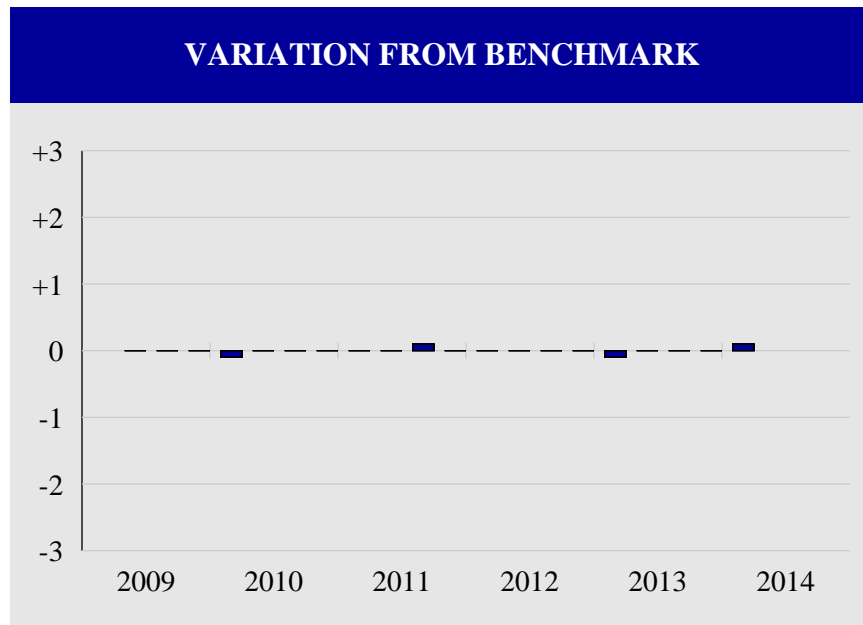


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	3.1	11.6	20.0	21.2	13.4	24.8
(RANK)	(35)	(48)	(75)	(82)	(63)	(44)
5TH %ILE	5.5	16.9	30.5	35.0	18.6	28.9
25TH %ILE	3.6	13.5	24.8	28.5	15.5	25.8
MEDIAN	2.4	11.5	22.2	25.4	13.9	24.3
75TH %ILE	1.1	9.6	19.9	22.0	12.5	22.8
95TH %ILE	-0.5	6.7	16.8	17.7	9.0	20.3
<b>S&amp;P 400</b>	<b>3.0</b>	<b>11.6</b>	<b>20.0</b>	<b>21.2</b>	<b>13.4</b>	<b>24.9</b>

Mid Cap Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

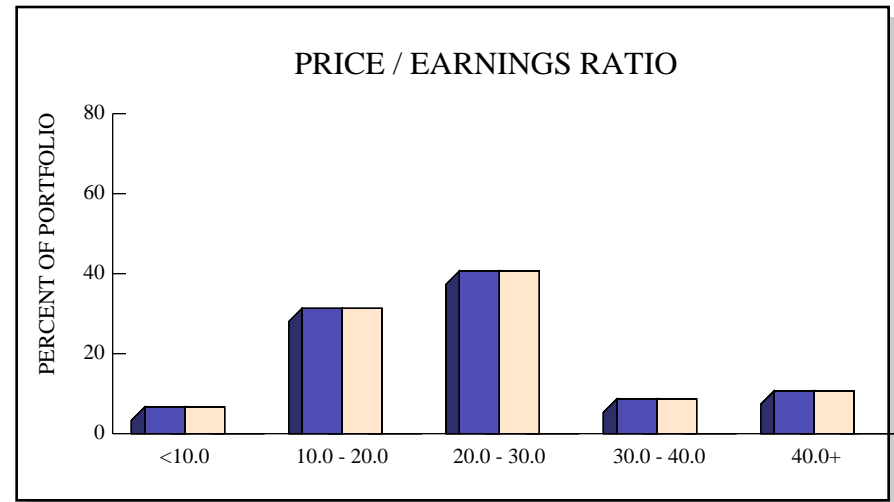
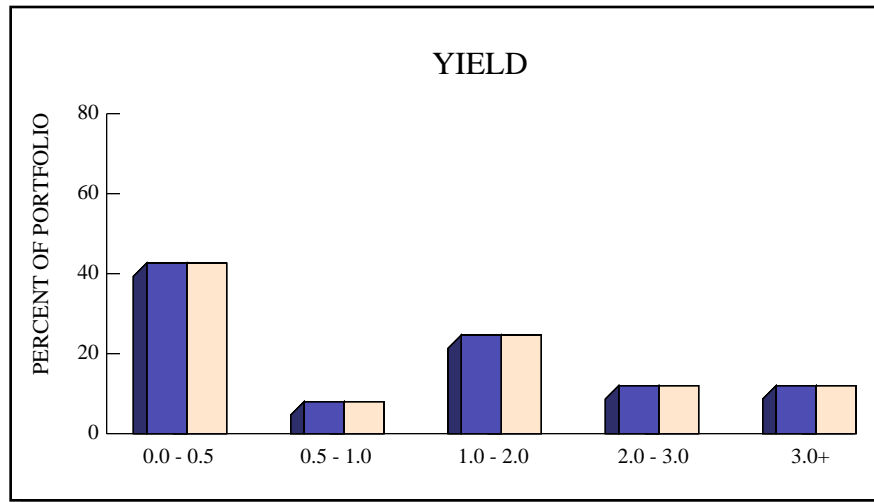
**COMPARATIVE BENCHMARK: S&P 400**



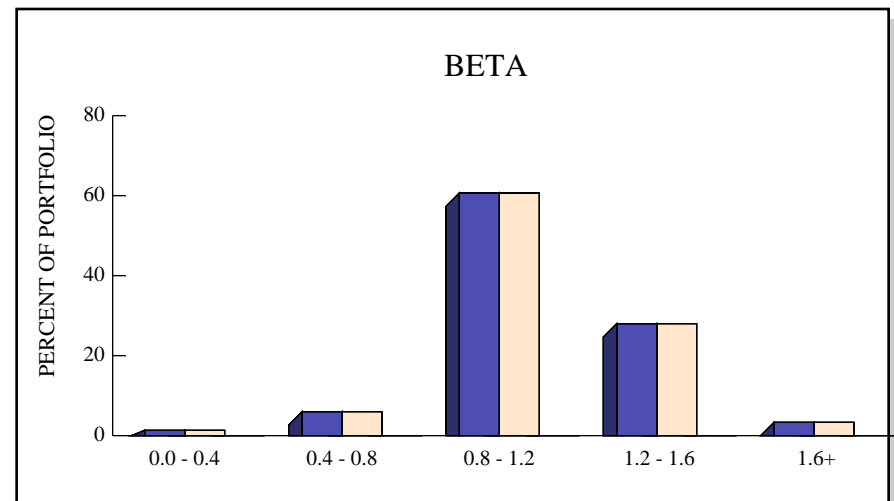
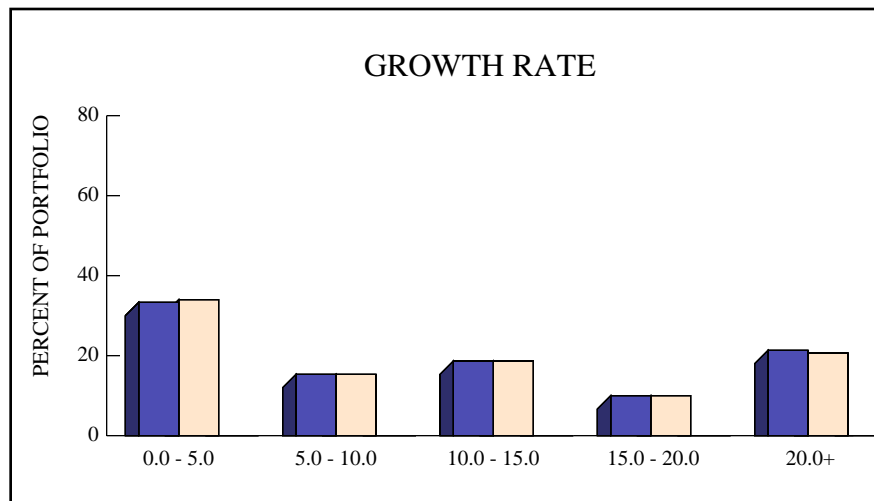
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/09	18.7	18.7	0.0
9/09	20.0	20.0	0.0
12/09	5.6	5.6	0.0
3/10	9.0	9.1	-0.1
6/10	-9.6	-9.6	0.0
9/10	13.1	13.1	0.0
12/10	13.5	13.5	0.0
3/11	9.4	9.4	0.0
6/11	-0.7	-0.7	0.0
9/11	-19.8	-19.9	0.1
12/11	13.0	13.0	0.0
3/12	13.5	13.5	0.0
6/12	-4.9	-4.9	0.0
9/12	5.4	5.4	0.0
12/12	3.6	3.6	0.0
3/13	13.4	13.5	-0.1
6/13	1.0	1.0	0.0
9/13	7.5	7.5	0.0
12/13	8.3	8.3	0.0
3/14	3.1	3.0	0.1

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>18</b>
<b>Quarters Below the Benchmark</b>	<b>2</b>
<b>Batting Average</b>	<b>.900</b>

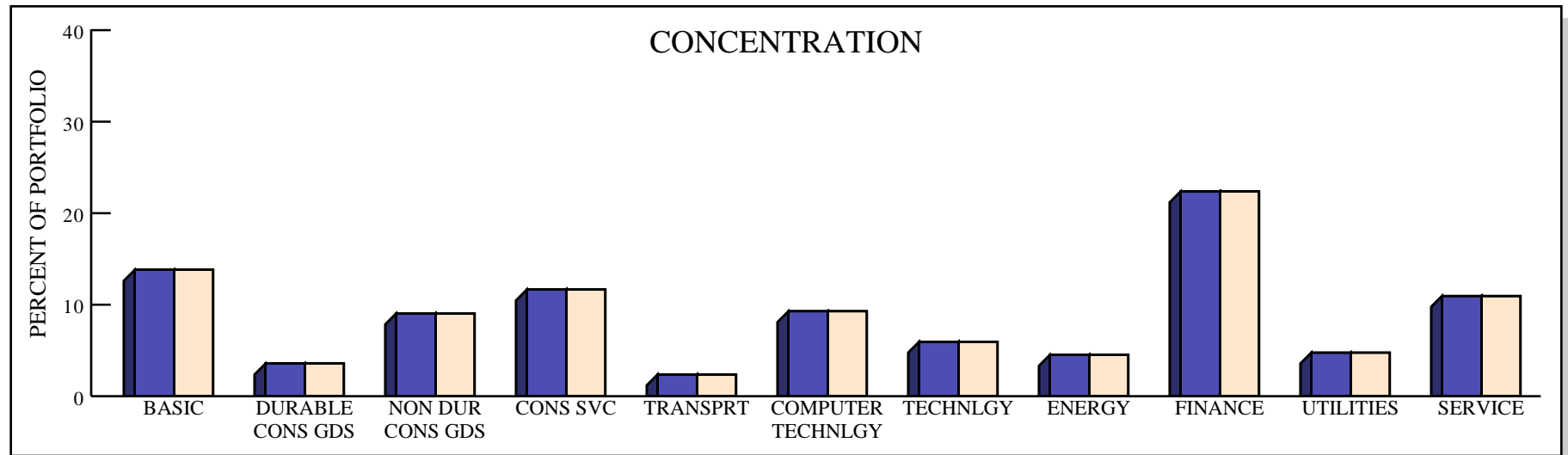
**STOCK CHARACTERISTICS**



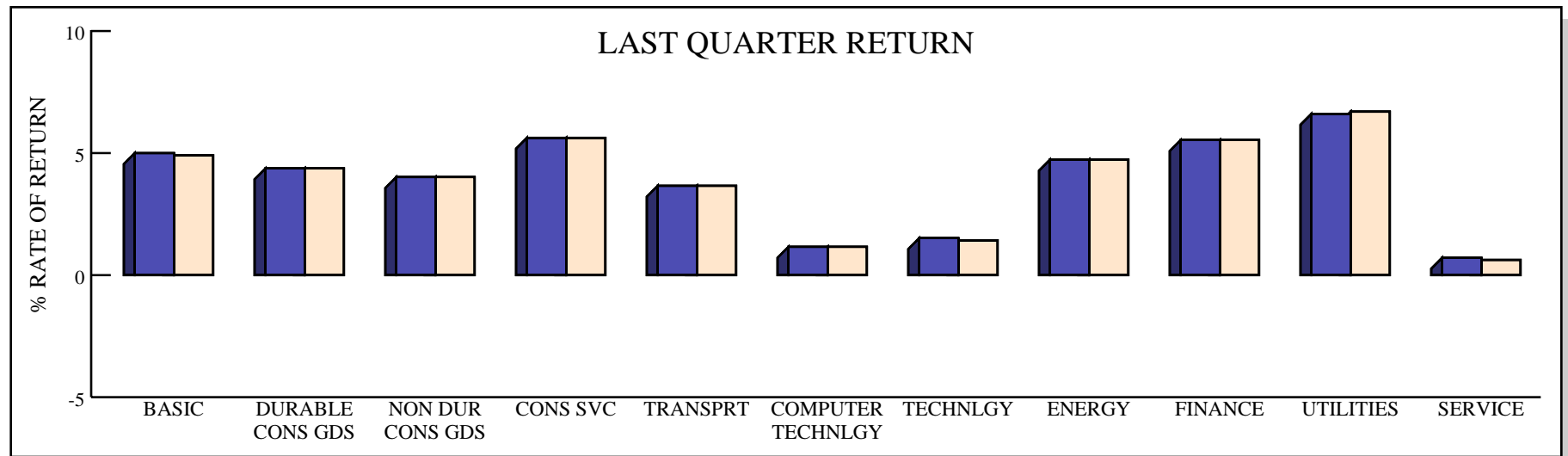
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.3%	10.3%	24.0	1.09
S&P 400	1.3%	10.3%	24.0	1.09



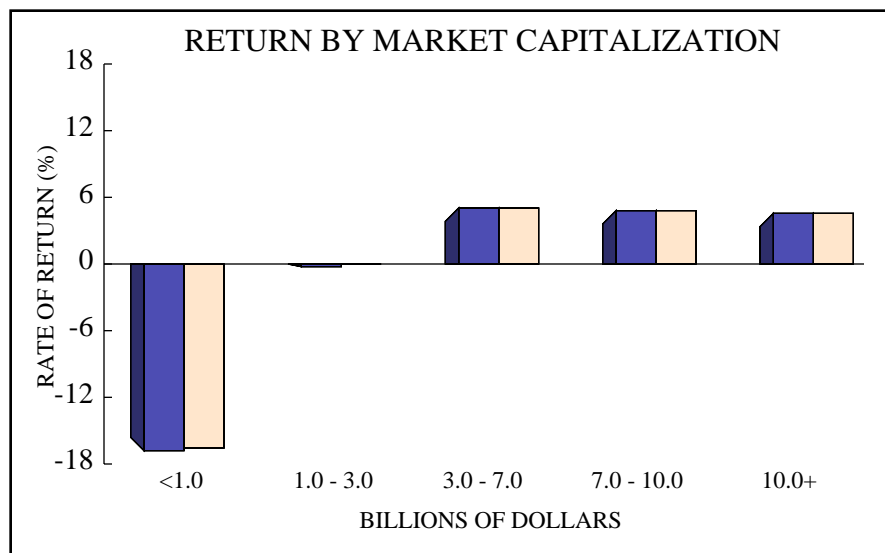
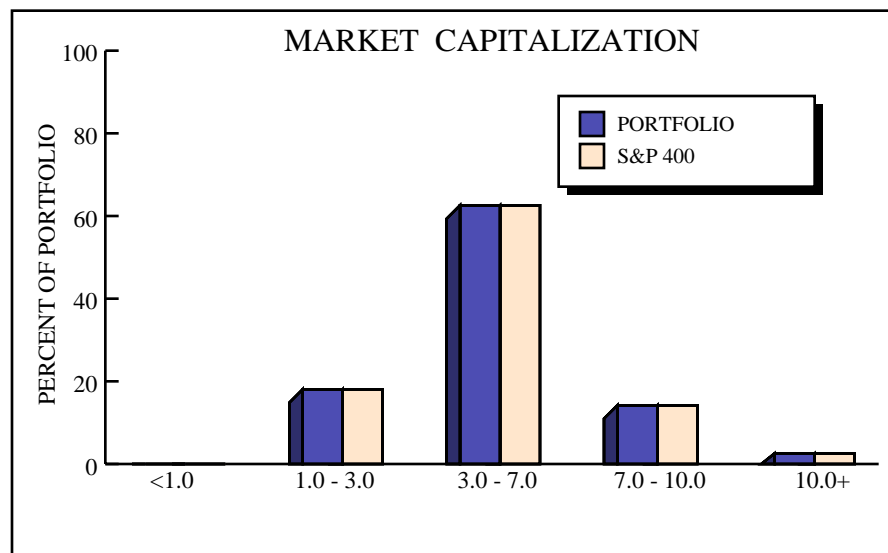
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 400



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	AFFILIATED MANAGERS GROUP	\$ 76,419	.65%	-7.8%	Finance	\$ 10.7 B
2	ENDO INTERNATIONAL PLC	74,691	.64%	1.8%	NonDur Cons Goods	10.4 B
3	CIMAREX ENERGY CO	74,325	.64%	13.7%	Energy	10.4 B
4	HENRY SCHEIN INC	73,054	.63%	4.5%	NonDur Cons Goods	10.2 B
5	TRIMBLE NAVIGATION LTD	72,648	.62%	12.0%	Technology	10.1 B
6	UNDER ARMOUR INC-CLASS A	71,306	.61%	31.3%	Consumer Service	10.0 B
7	SL GREEN REALTY CORP	68,522	.59%	9.3%	Finance	9.6 B
8	CHURCH & DWIGHT CO INC	67,965	.58%	4.6%	NonDur Cons Goods	9.5 B
9	HOLLYFRONTIER CORP	67,849	.58%	-1.5%	Energy	9.5 B
10	ADVANCE AUTO PARTS INC	66,160	.57%	14.3%	Consumer Service	9.2 B

DAVIE POLICE PENSION PLAN  
TAMRO - SMALL CAP  
PERFORMANCE REVIEW  
MARCH 2014



## **INVESTMENT RETURN**

On March 31st, 2014, the Davie Police Pension Plan's TAMRO Small Cap portfolio was valued at \$11,272,403, a decrease of \$32,642 from the December ending value of \$11,305,045. Last quarter, the account recorded a net withdrawal of \$49,438, which overshadowed the fund's net investment return of \$16,796. The fund's net investment return was a result of income receipts totaling \$31,443 and realized and unrealized capital losses totaling \$14,647.

Since March 2010, the account has recorded net contributions totaling \$2.2 million, and generated net investment gains totaling \$4.3 million. Since March 2010, if the account earned a compounded nominal rate of 7.9% it would have been valued at \$8.8 million or \$2.4 million less than the actual value as of March 31st, 2014.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the first quarter, the TAMRO Small Cap portfolio gained 0.1%, which was 1.0% below the Russell 2000 Index's return of 1.1% and ranked in the 76th percentile of the Small Cap universe. Over the trailing twelve-month period, this portfolio returned 15.1%, which was 9.8% less than the benchmark's 24.9% performance, and ranked in the 99th percentile. Since March 2010, the portfolio returned 16.1% annualized and ranked in the 81st percentile. The Russell 2000 returned an annualized 16.2% over the same time frame.

## **ASSET ALLOCATION**

On March 31st, 2014, small cap equities comprised 98.3% of the total portfolio (\$11.1 million), while cash & equivalents comprised the remaining 1.7% (\$190,805).

## **ANALYSIS**

At the end of the quarter, the TAMRO portfolio was invested across ten of the eleven industry sectors utilized in our analysis. Relative to the Russell 2000 Index, the portfolio was most overweight in the Consumer Goods Nondurable, Consumer Service, and Technology sectors. Conversely, the portfolio was most underweight in the Basic, Computer Technology, and Finance sectors.

The Tamro portfolio was overweight in the Consumer Service and Service sectors, which were the weakest performers in the Small cap arena. That, coupled with underperforming stock selections in the Basic, Consumer Goods Nondurable, and Consumer Service sectors yielded last quarter's below-benchmark performance.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

		-----Annualized-----			
	Quarter	FYTD	1 Year	3 Years	Since 03/10
<b>Total Gross/Fees</b>	0.1	5.1	15.1	10.8	16.1
<i>SMALL CAP RANK</i>	(76)	(95)	(99)	(91)	(81)
<b>Total Net/Fees</b>	-0.1	4.7	14.2	9.9	15.2
RUSSELL 2000	1.1	9.9	24.9	13.2	16.2
<b>Small Cap Equity</b>	0.1	5.4	15.5	11.1	16.5
<i>SMALL CAP RANK</i>	(76)	(94)	(99)	(89)	(76)
RUSSELL 2000	1.1	9.9	24.9	13.2	16.2

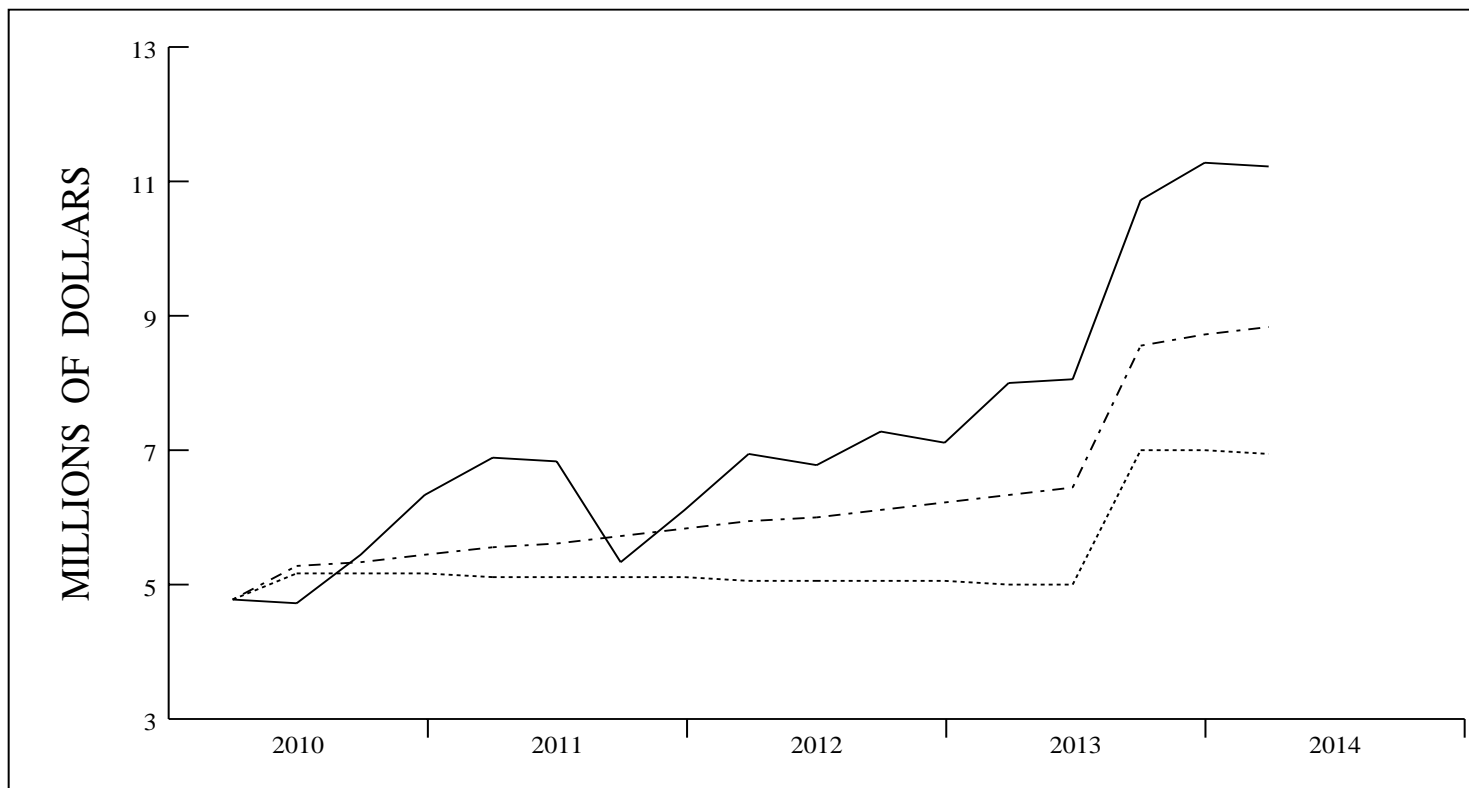
**ASSET ALLOCATION**

Small Cap	98.3%	\$ 11,081,598
Cash	1.7%	190,805
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 11,272,403</b>

**INVESTMENT RETURN**

Market Value 12/2013	\$ 11,305,045
Contribs / Withdrawals	- 49,438
Income	31,443
Capital Gains / Losses	- 14,647
Market Value 3/2014	\$ 11,272,403

**INVESTMENT GROWTH**

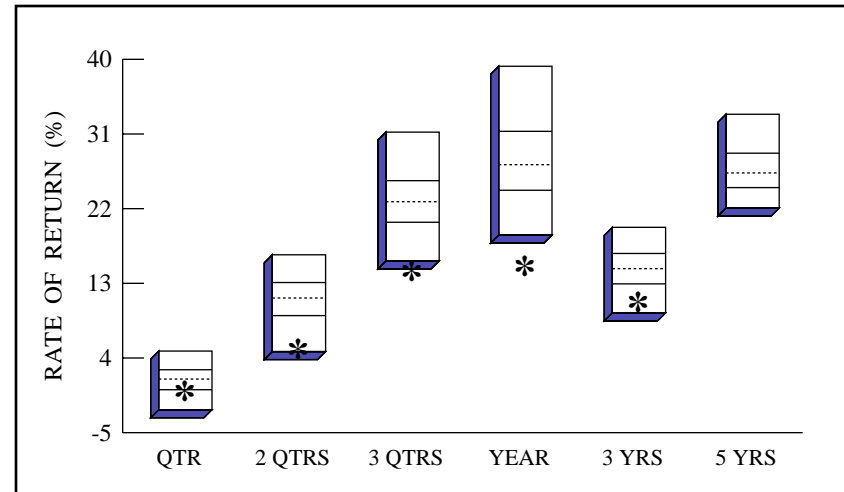
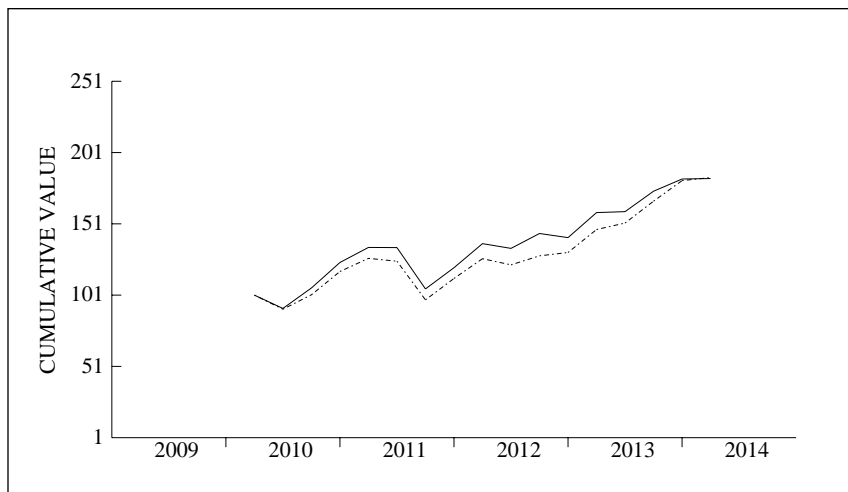


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

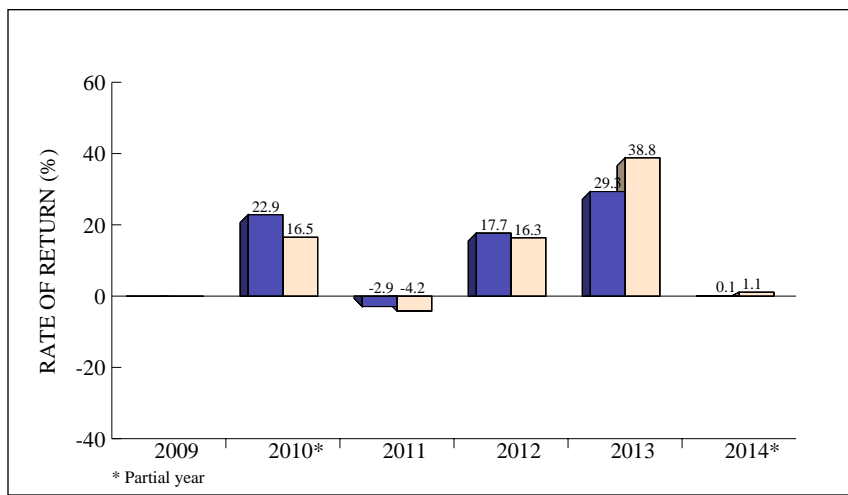
VALUE ASSUMING  
 7.9% RETURN  
 \$ 8,846,033

	LAST QUARTER	PERIOD 3/10 - 3/14
BEGINNING VALUE	\$ 11,305,045	\$ 4,803,861
NET CONTRIBUTIONS	- 49,438	2,152,335
INVESTMENT RETURN	16,796	4,316,207
<u>ENDING VALUE</u>	<u>\$ 11,272,403</u>	<u>\$ 11,272,403</u>
INCOME	31,443	240,787
CAPITAL GAINS (LOSSES)	- 14,647	4,075,420
INVESTMENT RETURN	16,796	4,316,207

TOTAL RETURN COMPARISONS



Small Cap Universe

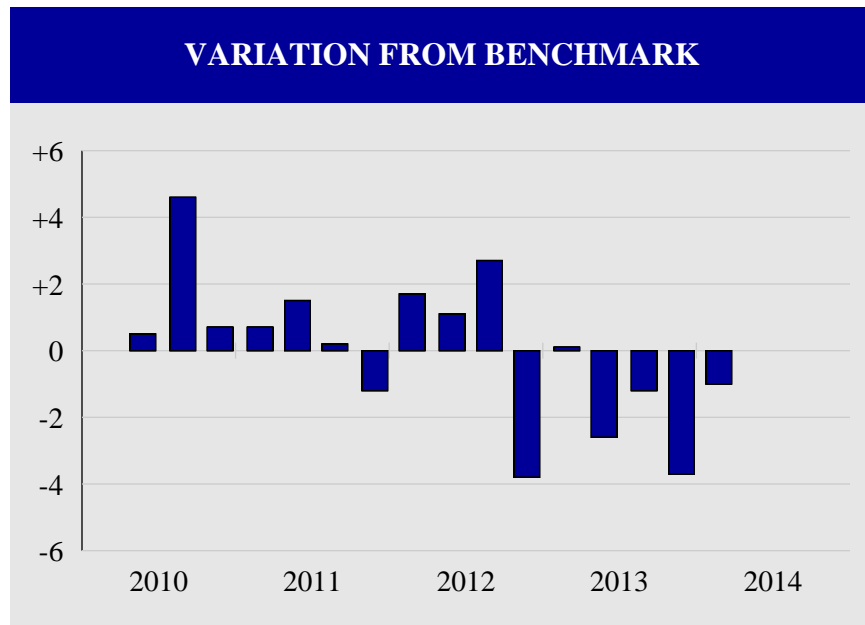


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.1	5.1	14.6	15.1	10.8	----
(RANK)	(76)	(95)	(97)	(99)	(91)	----
5TH %ILE	4.9	16.5	31.2	39.2	19.8	33.4
25TH %ILE	2.6	13.1	25.4	31.3	16.6	28.7
MEDIAN	1.5	11.2	22.8	27.3	14.8	26.3
75TH %ILE	0.2	9.1	20.4	24.2	12.9	24.5
95TH %ILE	-2.2	4.8	15.7	18.8	9.4	22.1
<b>Russ 2000</b>	<b>1.1</b>	<b>9.9</b>	<b>21.2</b>	<b>24.9</b>	<b>13.2</b>	<b>24.3</b>

Small Cap Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

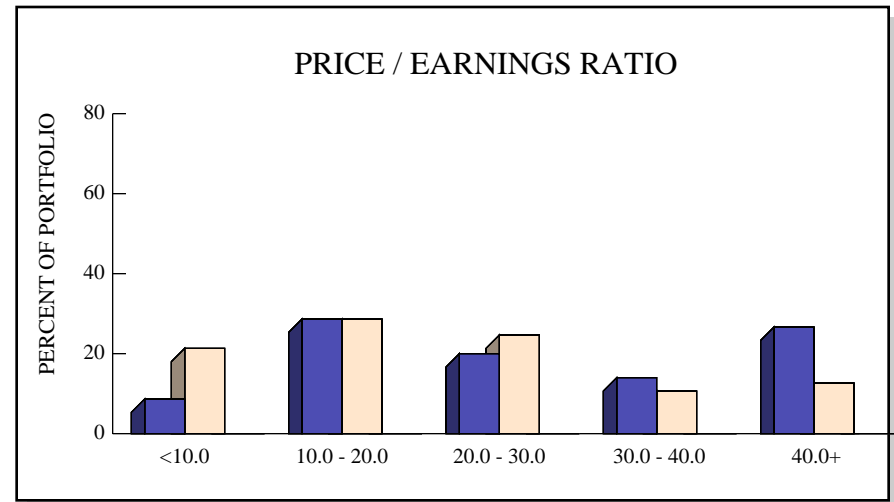
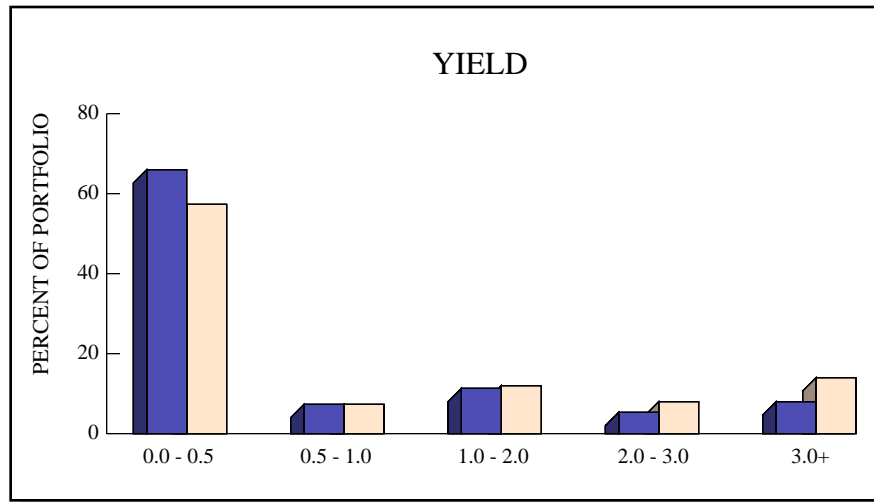
**COMPARATIVE BENCHMARK: RUSSELL 2000**



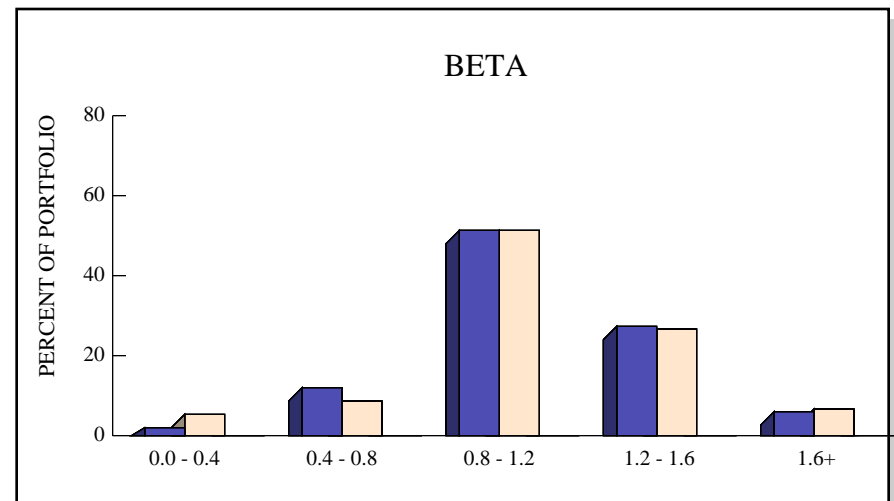
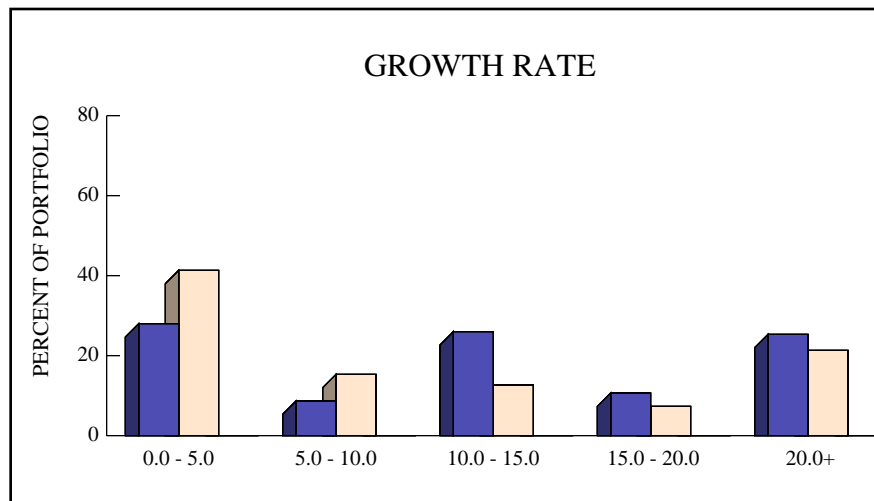
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/10	-9.4	-9.9	0.5
9/10	15.9	11.3	4.6
12/10	17.0	16.3	0.7
3/11	8.6	7.9	0.7
6/11	-0.1	-1.6	1.5
9/11	-21.7	-21.9	0.2
12/11	14.3	15.5	-1.2
3/12	14.1	12.4	1.7
6/12	-2.4	-3.5	1.1
9/12	7.9	5.2	2.7
12/12	-2.0	1.8	-3.8
3/13	12.5	12.4	0.1
6/13	0.5	3.1	-2.6
9/13	9.0	10.2	-1.2
12/13	5.0	8.7	-3.7
3/14	0.1	1.1	-1.0

<b>Total Quarters Observed</b>	<b>16</b>
<b>Quarters At or Above the Benchmark</b>	<b>10</b>
<b>Quarters Below the Benchmark</b>	<b>6</b>
<b>Batting Average</b>	<b>.625</b>

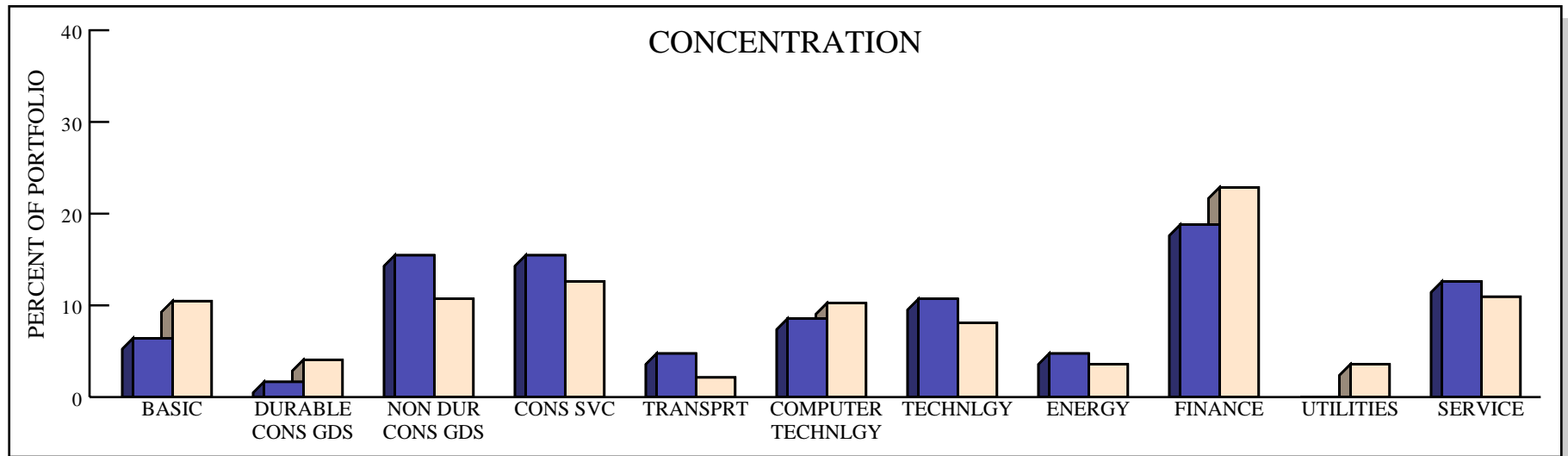
**STOCK CHARACTERISTICS**



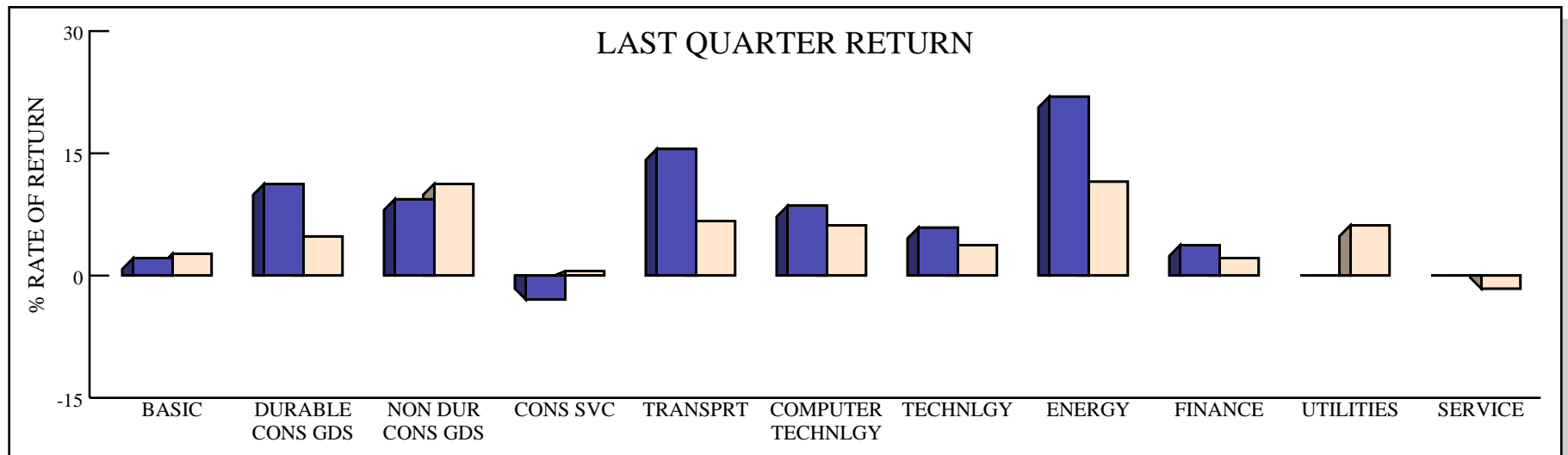
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	0.7%	14.1%	28.7	1.09
RUSSELL 2000	1.3%	9.8%	19.8	1.08



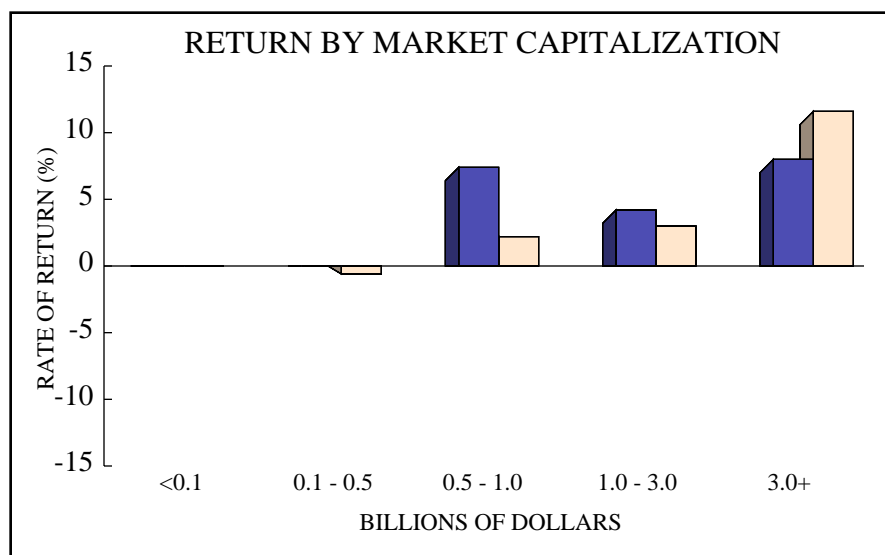
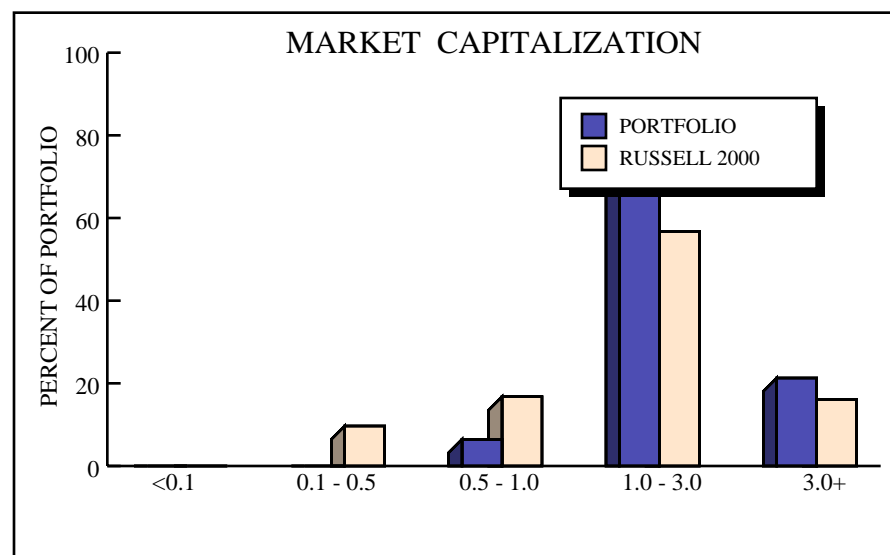
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 2000



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	DEXCOM INC	\$ 371,009	3.35%	16.8%	Technology	\$ 3.0 B
2	BANK OF THE OZARKS	365,976	3.30%	20.5%	Finance	2.5 B
3	CARRIZO OIL & GAS INC	341,161	3.08%	19.4%	Energy	2.4 B
4	UNITED NATURAL FOODS INC	282,367	2.55%	-5.9%	Service	3.5 B
5	STIFEL FINANCIAL CORP	266,150	2.40%	3.8%	Finance	3.2 B
6	AUXILIUM PHARMACEUTICALS INC	264,168	2.38%	31.1%	NonDur Cons Goods	1.4 B
7	LASALLE HOTEL PROPERTIES	263,686	2.38%	2.2%	Finance	3.3 B
8	CEPHEID INC	257,920	2.33%	10.4%	Technology	3.6 B
9	POOL CORP	253,943	2.29%	5.8%	Service	2.8 B
10	CAVIUM INC	253,704	2.29%	26.7%	Computer Tech	2.3 B



DAVIE POLICE PENSION PLAN  
JOHNSTON - INTERNATIONAL EQUITY GROUP TRUST  
PERFORMANCE REVIEW  
MARCH 2014

## **INVESTMENT RETURN**

On March 31st, 2014, the Davie Police Pension Plan's Johnston International Equity Group Trust portfolio was valued at \$6,005,705, a decrease of \$113,862 from the December ending value of \$6,119,567. Last quarter, the account recorded total net withdrawals of \$1,786 in addition to \$112,076 in net investment losses. Because there were no income receipts during the first quarter, the portfolio's net investment losses were entirely made up of capital losses (realized and unrealized).

For the cumulative period since March 2010, the portfolio has posted net withdrawals totaling \$149,274 and recorded net investment gains totaling \$1.3 million. For the period since March 2010, if the fund had returned a compounded nominal rate of 7.9% it would have been valued at \$6.4 million or \$443,409 more than the actual value as of March 31st, 2014.

## **RELATIVE PERFORMANCE**

For the first quarter, the Johnston International Equity Group Trust portfolio returned -1.8%, which was 2.6% less than the MSCI EAFE Index's return of 0.8% and ranked in the 89th percentile of the International Equity universe. Over the trailing year, this portfolio returned 10.3%, which was 7.8% below the benchmark's 18.1% return, ranking in the 64th percentile. Since March 2010, the account returned 6.0% on an annualized basis and ranked in the 75th percentile. For comparison, the MSCI EAFE Index returned an annualized 8.5% over the same time frame.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

				-----Annualized-----	
	Quarter	FYTD	1 Year	3 Years	Since 03/10
<b>Total Gross/Fees</b>	-1.8	3.0	10.3	6.5	6.0
<i>INTERNATIONAL EQUITY RANK</i>	(89)	(74)	(64)	(57)	(75)
<b>Total Net/Fees</b>	-2.0	2.6	9.4	5.6	5.2
MSCI EAFE	0.8	6.6	18.1	7.7	8.5
<b>International Equity</b>	-1.8	3.0	10.3	6.5	6.0
<i>INTERNATIONAL EQUITY RANK</i>	(89)	(74)	(64)	(57)	(75)
MSCI EAFE	0.8	6.6	18.1	7.7	8.5

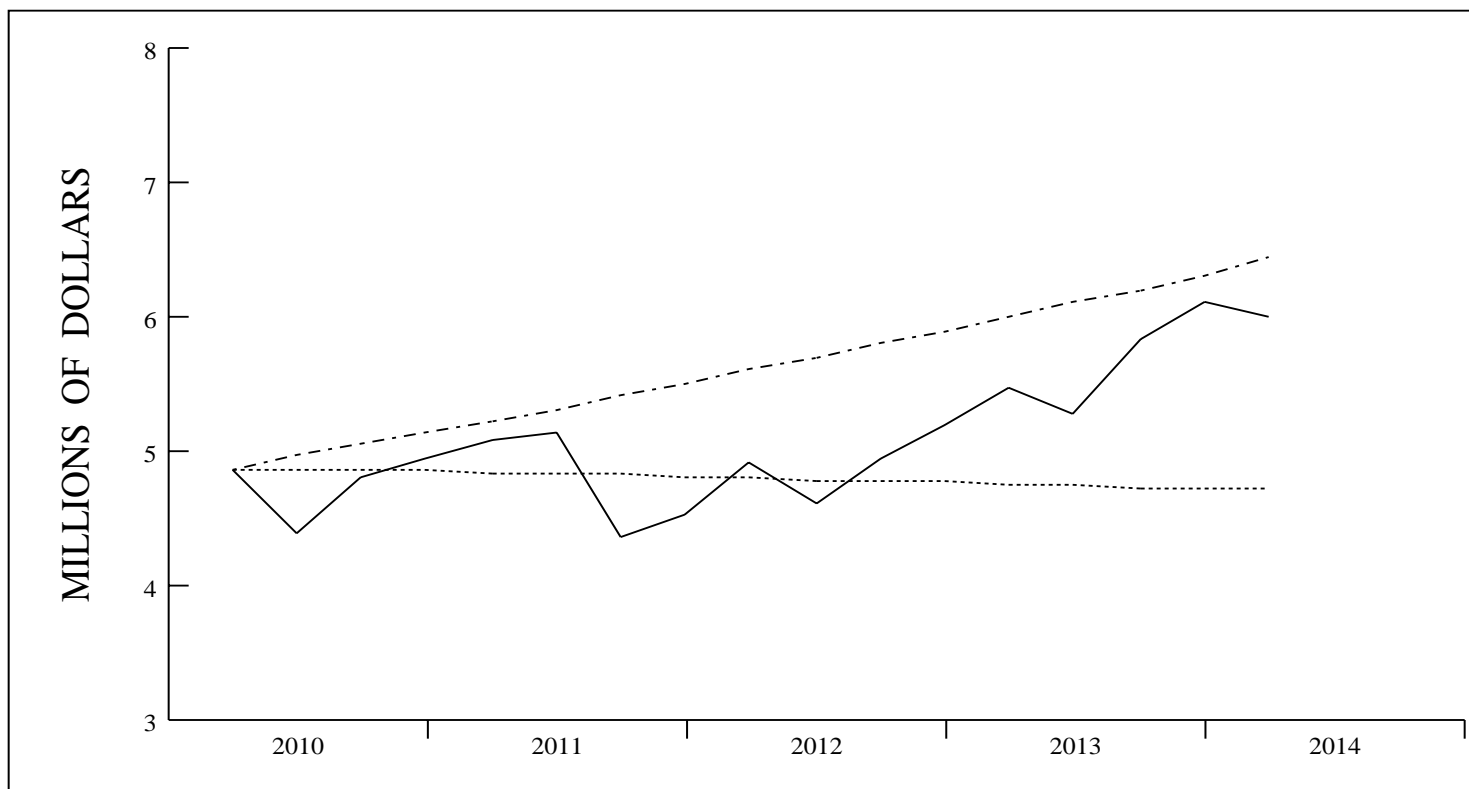
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 6,005,705
Total Portfolio	100.0%	\$ 6,005,705

**INVESTMENT RETURN**

Market Value 12/2013	\$ 6,119,567
Contribs / Withdrawals	- 1,786
Income	0
Capital Gains / Losses	-112,076
Market Value 3/2014	\$ 6,005,705

**INVESTMENT GROWTH**

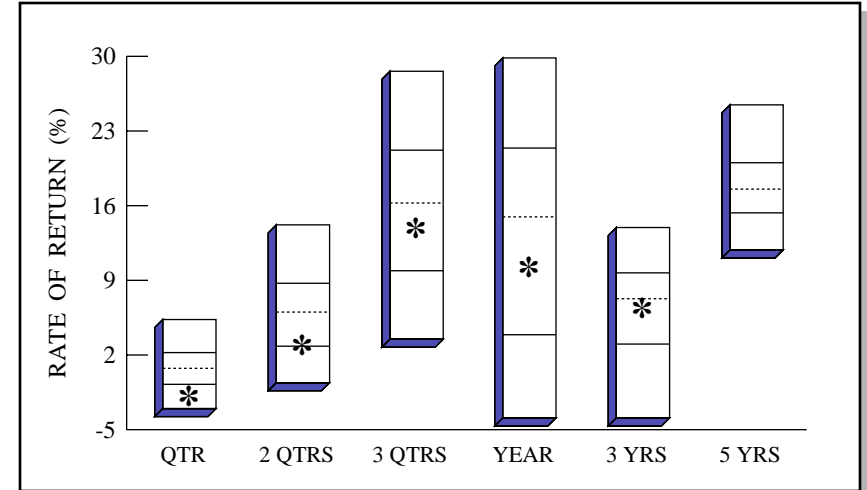
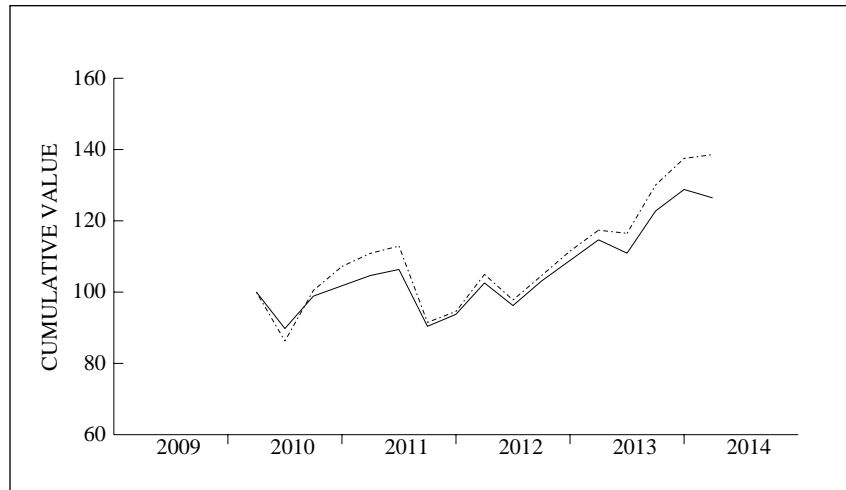


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

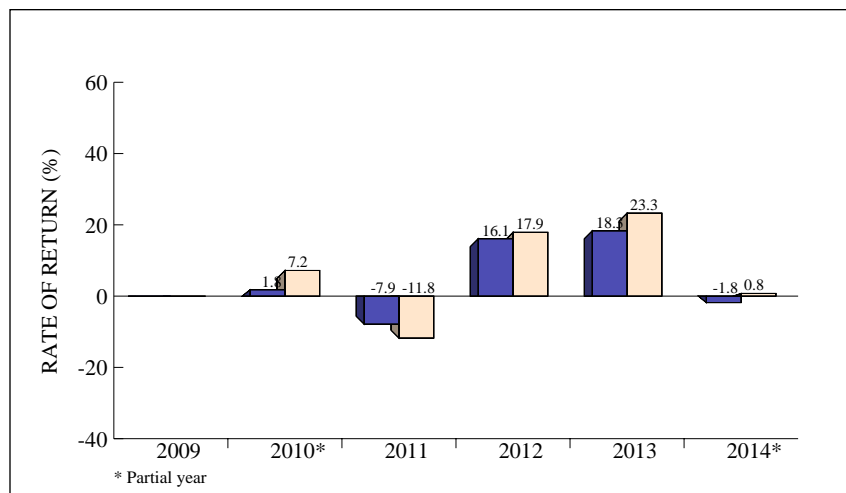
VALUE ASSUMING  
 7.9% RETURN  
 \$ 6,449,114

	LAST QUARTER	PERIOD 3/10 - 3/14
BEGINNING VALUE	\$ 6,119,567	\$ 4,885,384
NET CONTRIBUTIONS	- 1,786	-149,274
<u>INVESTMENT RETURN</u>	<u>-112,076</u>	<u>1,269,595</u>
ENDING VALUE	\$ 6,005,705	\$ 6,005,705
INCOME	0	0
<u>CAPITAL GAINS (LOSSES)</u>	<u>-112,076</u>	<u>1,269,595</u>
INVESTMENT RETURN	-112,076	1,269,595

**TOTAL RETURN COMPARISONS**



International Equity Universe

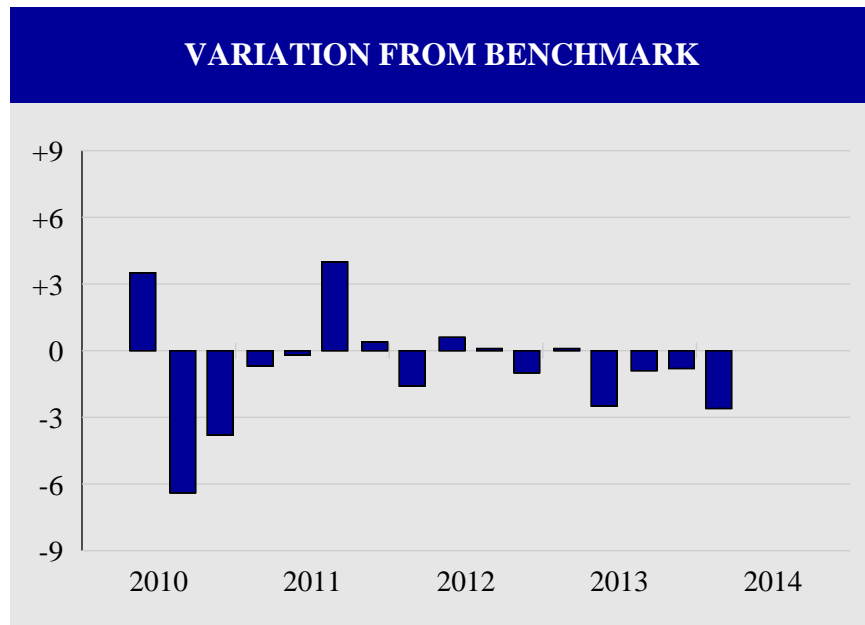


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	-1.8	3.0	14.0	10.3	6.5	---
(RANK)	(89)	(74)	(63)	(64)	(57)	---
5TH %ILE	5.3	14.2	28.6	29.8	14.0	25.4
25TH %ILE	2.2	8.7	21.2	21.4	9.7	20.0
MEDIAN	0.8	6.0	16.2	15.0	7.3	17.5
75TH %ILE	-0.8	2.8	9.9	3.9	3.0	15.3
95TH %ILE	-3.0	-0.6	3.5	-3.9	-3.9	11.8
<b>MSCI EAFE</b>	<b>0.8</b>	<b>6.6</b>	<b>18.9</b>	<b>18.1</b>	<b>7.7</b>	<b>16.5</b>

International Equity Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: MSCI EAFE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/10	-10.2	-13.7	3.5
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
3/12	9.4	11.0	-1.6
6/12	-6.2	-6.8	0.6
9/12	7.1	7.0	0.1
12/12	5.6	6.6	-1.0
3/13	5.3	5.2	0.1
6/13	-3.2	-0.7	-2.5
9/13	10.7	11.6	-0.9
12/13	4.9	5.7	-0.8
3/14	-1.8	0.8	-2.6

<b>Total Quarters Observed</b>	<b>16</b>
<b>Quarters At or Above the Benchmark</b>	<b>6</b>
<b>Quarters Below the Benchmark</b>	<b>10</b>
<b>Batting Average</b>	<b>.375</b>

DAVIE POLICE PENSION PLAN  
SSGA - MSCI EAFE INDEX SL FUND  
PERFORMANCE REVIEW  
MARCH 2014

## **INVESTMENT RETURN**

On March 31st, 2014, the Davie Police Pension Plan's SSgA MSCI EAFE Index SL Fund was valued at \$5,145,844, representing an increase of \$39,748 from the December quarter's ending value of \$5,106,096. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$39,748 in net investment returns. Since there were no income receipts for the first quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$39,748.

For the cumulative period since March 2009, the portfolio has posted net investment gains totaling \$2.7 million. Since March 2009, if the account earned a compounded nominal rate of 7.9% it would have been valued at \$3.5 million or \$1.6 million less than the actual value as of March 31st, 2014.

## **RELATIVE PERFORMANCE**

For the first quarter, the SSgA MSCI EAFE Index SL Fund gained 0.8%, which was equal to the MSCI EAFE Index's return of 0.8% and ranked in the 50th percentile of the International Equity universe. Over the trailing twelve-month period, this portfolio returned 17.9%, which was 0.2% less than the benchmark's 18.1% performance, and ranked in the 39th percentile. Since March 2009, the portfolio returned 16.4% annualized and ranked in the 65th percentile. The MSCI EAFE Index returned an annualized 16.5% over the same time frame.

## **ASSET ALLOCATION**

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



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

		-----Annualized-----			
	Quarter	FYTD	1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	0.8	6.5	17.9	7.5	16.4
<i>INTERNATIONAL EQUITY RANK</i>	(50)	(46)	(39)	(47)	(65)
<b>Total Net/Fees</b>	0.7	6.4	17.7	7.3	16.1
MSCI EAFE	0.8	6.6	18.1	7.7	16.5
<b>International Equity</b>	0.8	6.5	17.9	7.5	16.4
<i>INTERNATIONAL EQUITY RANK</i>	(50)	(46)	(39)	(47)	(65)
MSCI EAFE	0.8	6.6	18.1	7.7	16.5

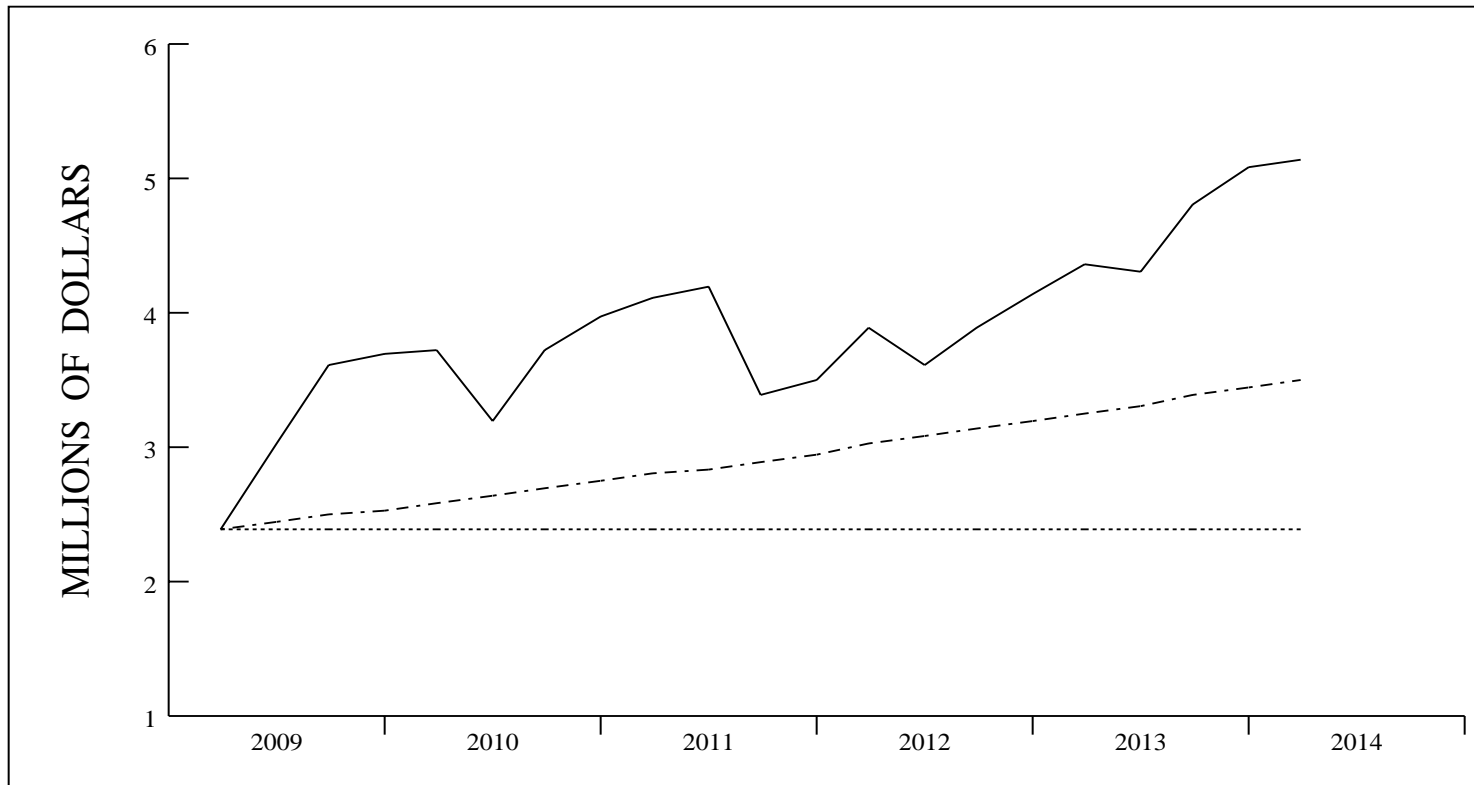
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 5,145,844
Total Portfolio	100.0%	\$ 5,145,844

**INVESTMENT RETURN**

Market Value 12/2013	\$ 5,106,096
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	39,748
Market Value 3/2014	\$ 5,145,844

**INVESTMENT GROWTH**

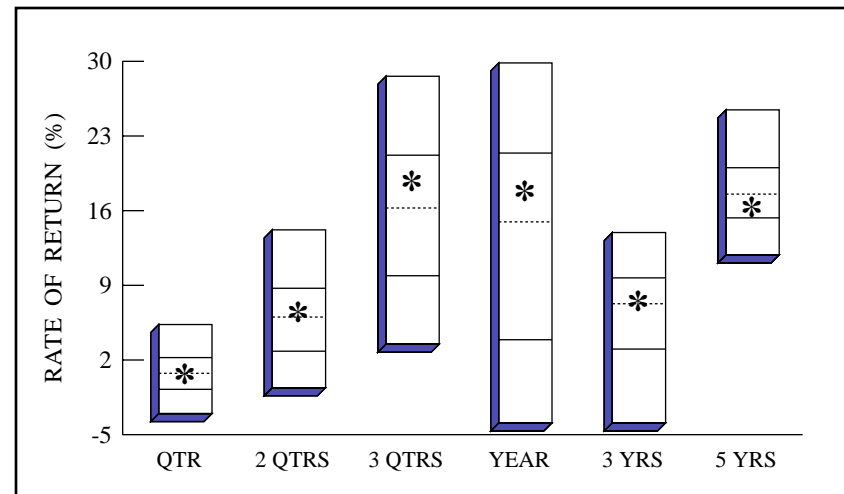
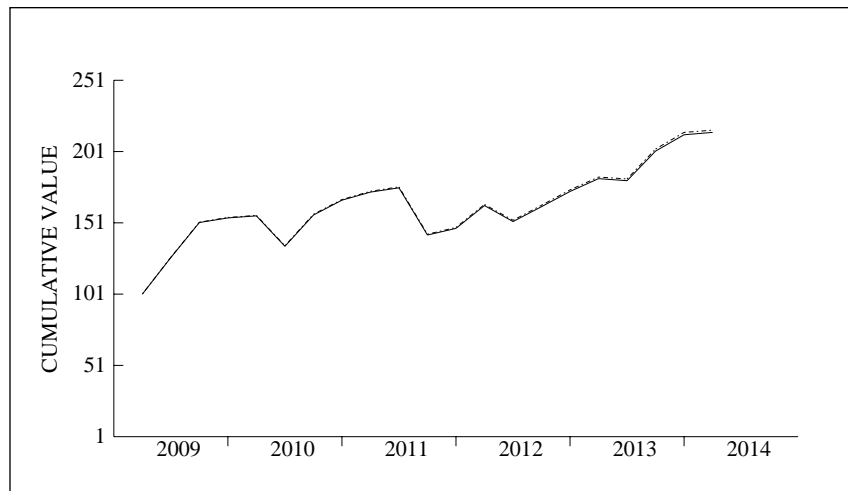


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

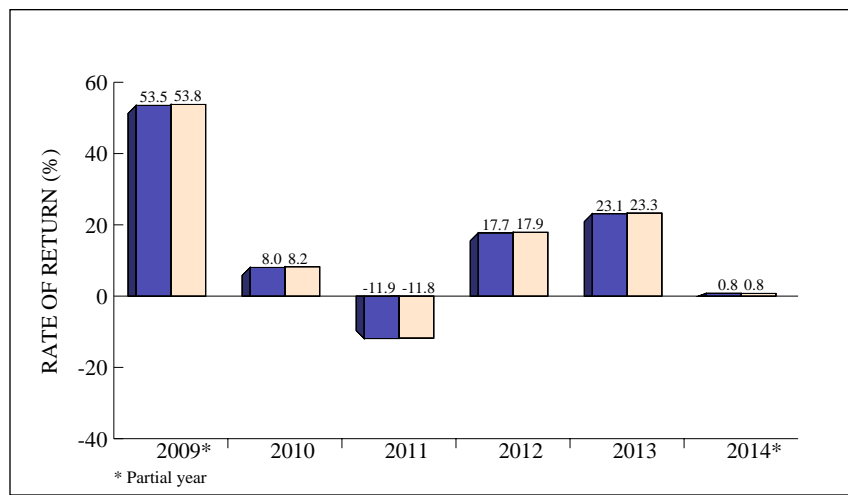
VALUE ASSUMING  
 7.9% RETURN  
 \$ 3,526,475

	LAST QUARTER	PERIOD 3/09 - 3/14
BEGINNING VALUE	\$ 5,106,096	\$ 2,411,199
NET CONTRIBUTIONS	0	0
INVESTMENT RETURN	39,748	2,734,645
ENDING VALUE	\$ 5,145,844	\$ 5,145,844
INCOME	0	0
CAPITAL GAINS (LOSSES)	39,748	2,734,645
INVESTMENT RETURN	39,748	2,734,645

**TOTAL RETURN COMPARISONS**



International Equity Universe



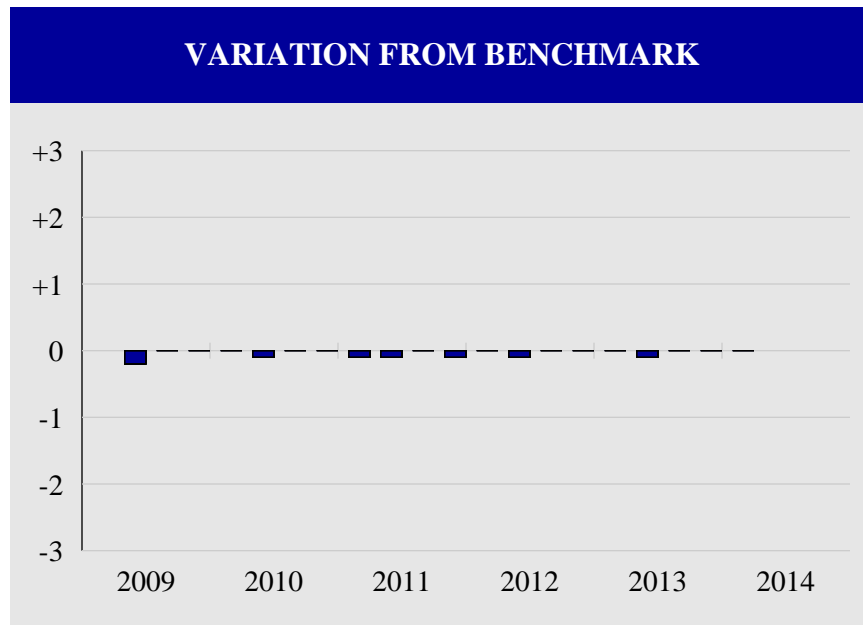
	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	0.8	6.5	18.9	17.9	7.5	16.4
(RANK)	(50)	(46)	(37)	(39)	(47)	(65)
5TH %ILE	5.3	14.2	28.6	29.8	14.0	25.4
25TH %ILE	2.2	8.7	21.2	21.4	9.7	20.0
MEDIAN	0.8	6.0	16.2	15.0	7.3	17.5
75TH %ILE	-0.8	2.8	9.9	3.9	3.0	15.3
95TH %ILE	-3.0	-0.6	3.5	-3.9	-3.9	11.8
<b>MSCI EAFE</b>	<b>0.8</b>	<b>6.6</b>	<b>18.9</b>	<b>18.1</b>	<b>7.7</b>	<b>16.5</b>

-----ANNUALIZED-----

International Equity Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: MSCI EAFE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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	-13.7	-0.1
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
3/12	11.0	11.0	0.0
6/12	-6.9	-6.8	-0.1
9/12	7.0	7.0	0.0
12/12	6.6	6.6	0.0
3/13	5.2	5.2	0.0
6/13	-0.8	-0.7	-0.1
9/13	11.6	11.6	0.0
12/13	5.7	5.7	0.0
3/14	0.8	0.8	0.0

<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 - AMERICAN CORE REALTY FUND, LLC  
PERFORMANCE REVIEW  
MARCH 2014

## **INVESTMENT RETURN**

On March 31st, 2014, the Davie Police Pension Plan's American Core Realty Fund, LLC American Core Realty Fund, LLC portfolio was valued at \$2,731,014, representing an increase of \$77,435 from the December quarter's ending value of \$2,653,579. Last quarter, the Fund posted withdrawals totaling \$7,531, which partially offset the portfolio's net investment return of \$84,966. Income receipts totaling \$39,804 plus net realized and unrealized capital gains of \$45,162 combined to produce the portfolio's net investment return.

For the cumulative period since March 2011, the fund has recorded net contributions totaling \$1.1 million, and recorded net investment gains of \$768,531. 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 \$2.4 million or \$291,139 less than the actual value as of March 31st, 2014.

## **RELATIVE PERFORMANCE**

In the first quarter, the American Core Realty Fund, LLC American Core Realty Fund, LLC portfolio gained 3.2%, which was 0.7% greater than the NCREIF NFI-ODCE Index's return of 2.5%. Over the trailing twelve-month period, the portfolio returned 13.2%, which was 0.5% below the benchmark's 13.7% return. Since March 2011, the account returned 12.4% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 13.0% over the same time frame.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

				-----Annualized-----	
	Quarter	FYTD	1 Year	3 Years	Since 03/11
<b>Total Gross/Fees</b>	3.2	5.9	13.2	12.4	12.4
<b>Total Net/Fees</b>	2.9	5.3	11.9	11.2	11.2
NCREIF ODCE	2.5	5.7	13.7	13.0	13.0
<b>Real Estate</b>	3.2	5.9	13.2	12.4	12.4
NCREIF ODCE	2.5	5.7	13.7	13.0	13.0

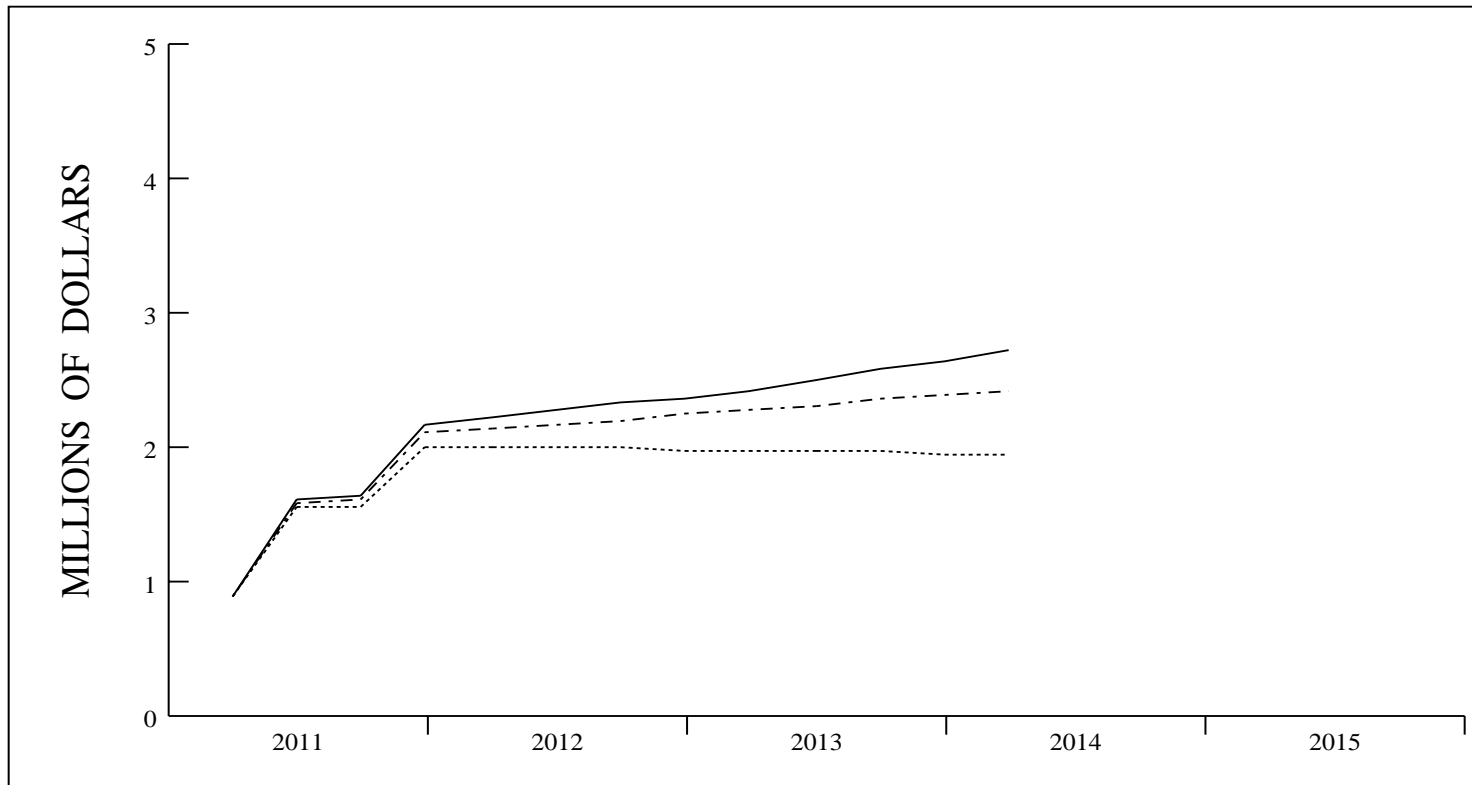
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 2,731,014
Total Portfolio	100.0%	\$ 2,731,014

**INVESTMENT RETURN**

Market Value 12/2013	\$ 2,653,579
Contribs / Withdrawals	- 7,531
Income	39,804
Capital Gains / Losses	45,162
Market Value 3/2014	\$ 2,731,014

**INVESTMENT GROWTH**



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

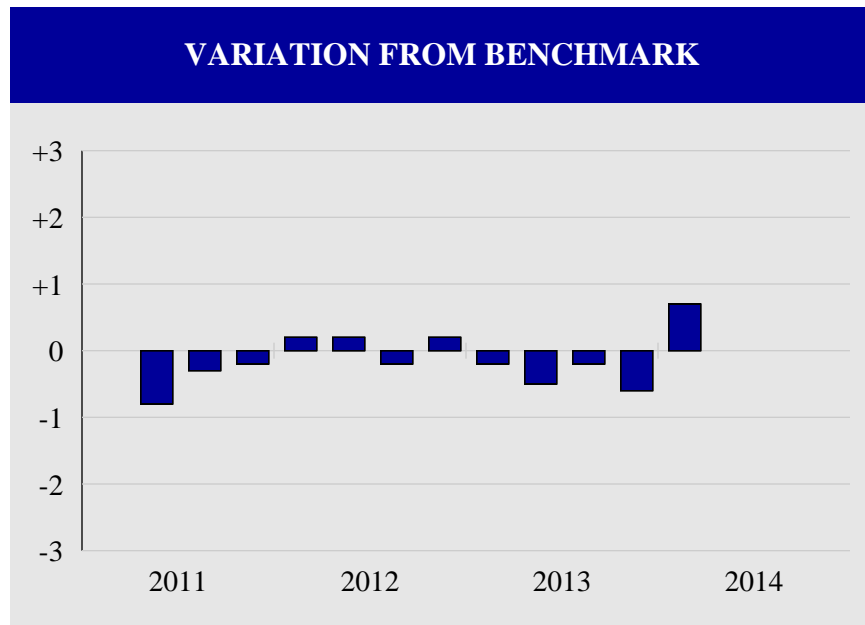
VALUE ASSUMING  
 7.9% RETURN  
 \$ 2,439,875

	LAST QUARTER	PERIOD 3/11 - 3/14
BEGINNING VALUE	\$ 2,653,579	\$ 892,274
NET CONTRIBUTIONS	- 7,531	1,070,209
INVESTMENT RETURN	84,966	768,531
ENDING VALUE	\$ 2,731,014	\$ 2,731,014
INCOME	39,804	393,956
CAPITAL GAINS (LOSSES)	45,162	374,575
INVESTMENT RETURN	84,966	768,531



**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	3.0	-0.2
3/12	3.0	2.8	0.2
6/12	2.7	2.5	0.2
9/12	2.6	2.8	-0.2
12/12	2.5	2.3	0.2
3/13	2.5	2.7	-0.2
6/13	3.4	3.9	-0.5
9/13	3.4	3.6	-0.2
12/13	2.6	3.2	-0.6
3/14	3.2	2.5	0.7

<b>Total Quarters Observed</b>	<b>12</b>
<b>Quarters At or Above the Benchmark</b>	<b>4</b>
<b>Quarters Below the Benchmark</b>	<b>8</b>
<b>Batting Average</b>	<b>.333</b>

DAVIE POLICE PENSION PLAN  
UBS - TRUMBULL PROPERTY FUND  
PERFORMANCE REVIEW  
MARCH 2014

## **INVESTMENT RETURN**

On March 31st, 2014, the Davie Police Pension Plan's UBS Trumbull Property Fund was valued at \$1,162,523, representing an increase of \$25,346 from the December quarter's ending value of \$1,137,177. Last quarter, the Fund posted withdrawals totaling \$3,415, which partially offset the portfolio's net investment return of \$28,761. Income receipts totaling \$7,543 plus net realized and unrealized capital gains of \$21,218 combined to produce the portfolio's net investment return.

For the cumulative period since June 2012, the fund has recorded net withdrawals totaling \$13,087 and posted net investment gains of \$175,610. For the period since June 2012, if the total fund had returned a compounded nominal rate of 7.9% it would have been valued at \$1.1 million or \$33,704 less than the actual value as of March 31st, 2014.

## **RELATIVE PERFORMANCE**

In the first quarter, the UBS Trumbull Property Fund gained 2.5%, which was equal to the NCREIF NFI-ODCE Index's return of 2.5%. Over the trailing twelve-month period, the portfolio returned 11.4%, which was 2.3% below the benchmark's 13.7% return. Since June 2012, the account returned 10.1% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 12.5% over the same time frame.

## **ASSET ALLOCATION**

This account was fully invested in the UBS Trumbull Property Fund at the end of the quarter.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 06/12
<b>Total Gross/Fees</b>	2.5	4.9	11.4	----	10.1
<b>Total Net/Fees</b>	2.2	4.3	10.1	----	9.0
NCREIF ODCE	2.5	5.7	13.7	13.0	12.5
<b>Real Estate</b>	2.5	4.9	11.4	----	10.1
NCREIF ODCE	2.5	5.7	13.7	13.0	12.5

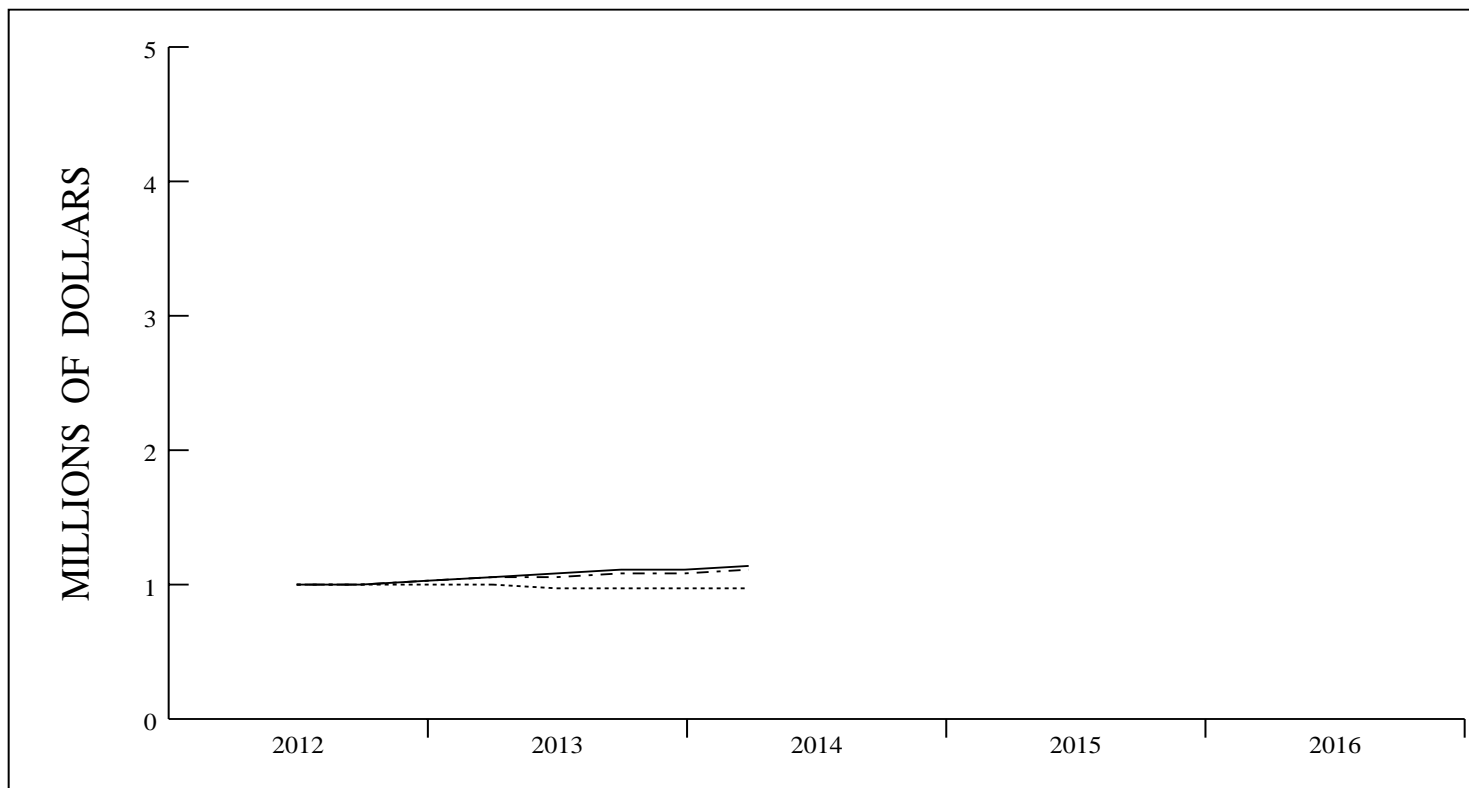
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 1,162,523
Total Portfolio	100.0%	\$ 1,162,523

**INVESTMENT RETURN**

Market Value 12/2013	\$ 1,137,177
Contribs / Withdrawals	- 3,415
Income	7,543
Capital Gains / Losses	21,218
Market Value 3/2014	\$ 1,162,523

**INVESTMENT GROWTH**



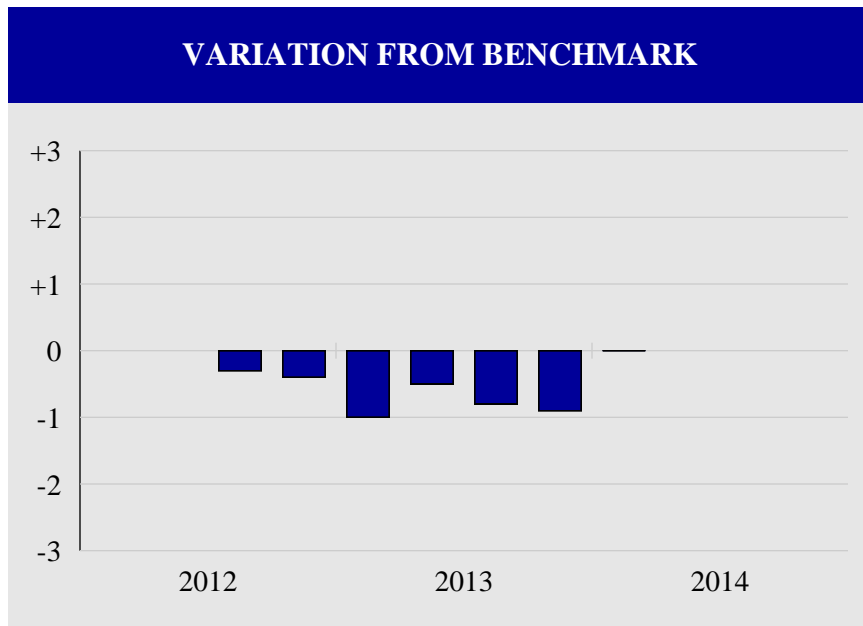
— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 1,128,819

	LAST QUARTER	PERIOD 6/12 - 3/14
BEGINNING VALUE	\$ 1,137,177	\$ 1,000,000
NET CONTRIBUTIONS	- 3,415	- 13,087
<u>INVESTMENT RETURN</u>	<u>28,761</u>	<u>175,610</u>
ENDING VALUE	\$ 1,162,523	\$ 1,162,523
INCOME	7,543	43,541
CAPITAL GAINS (LOSSES)	<u>21,218</u>	<u>132,069</u>
INVESTMENT RETURN	28,761	175,610

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

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



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/12	2.5	2.8	-0.3
12/12	1.9	2.3	-0.4
3/13	1.7	2.7	-1.0
6/13	3.4	3.9	-0.5
9/13	2.8	3.6	-0.8
12/13	2.3	3.2	-0.9
3/14	2.5	2.5	0.0

<b>Total Quarters Observed</b>	<b>7</b>
<b>Quarters At or Above the Benchmark</b>	<b>1</b>
<b>Quarters Below the Benchmark</b>	<b>6</b>
<b>Batting Average</b>	<b>.143</b>



DAVIE POLICE PENSION PLAN  
INTERCONTINENTAL - CORE PLUS  
PERFORMANCE REVIEW  
MARCH 2014



## **INVESTMENT RETURN**

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On March 31st, 2014, the Davie Police Pension Plan's Intercontinental Core Plus portfolio was valued at \$3,181,539, representing an increase of \$50,953 from the December quarter's ending value of \$3,130,586. Last quarter, the Fund posted withdrawals totaling \$8,337, which partially offset the portfolio's net investment return of \$59,290. Income receipts totaling \$32,426 plus net realized and unrealized capital gains of \$26,864 combined to produce the portfolio's net investment return.

For the cumulative period since September 2013, the fund has recorded net withdrawals totaling \$46,990 and posted net investment gains of \$196,156. For the period since September 2013, if the total fund had returned a compounded nominal rate of 7.9% it would have been valued at \$3.1 million or \$79,547 less than the actual value as of March 31st, 2014.

## **RELATIVE PERFORMANCE**

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### **Total Fund**

In the first quarter, the Intercontinental Core Plus portfolio gained 1.9%, which was 0.6% less than the NCREIF NFI-ODCE Index's return of 2.5%.

## **ASSET ALLOCATION**

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The portfolio was fully invested in the Intercontinental Real Estate Investment Fund at the end of the quarter.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Years	Since 09/13
<b>Total Gross/Fees</b>	1.9	6.5	----	----	6.5
<b>Total Net/Fees</b>	1.6	4.7	----	----	4.7
NCREIF ODCE	2.5	5.7	13.7	13.0	5.7
<b>Real Estate</b>	1.9	6.5	----	----	6.5
NCREIF ODCE	2.5	5.7	13.7	13.0	5.7

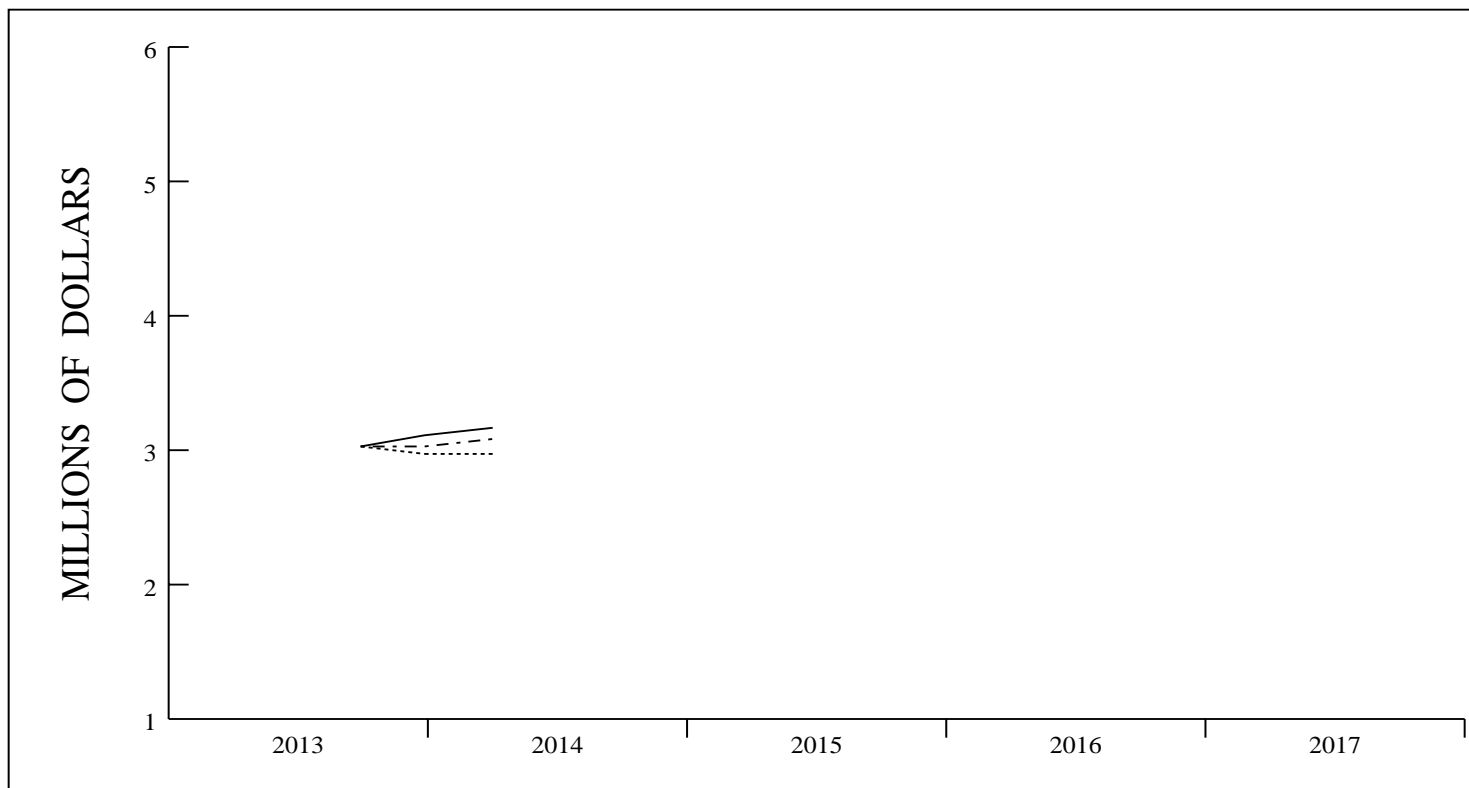
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 3,181,539
Total Portfolio	100.0%	\$ 3,181,539

**INVESTMENT RETURN**

Market Value 12/2013	\$ 3,130,586
Contribs / Withdrawals	- 8,337
Income	32,426
Capital Gains / Losses	26,864
Market Value 3/2014	\$ 3,181,539

**INVESTMENT GROWTH**



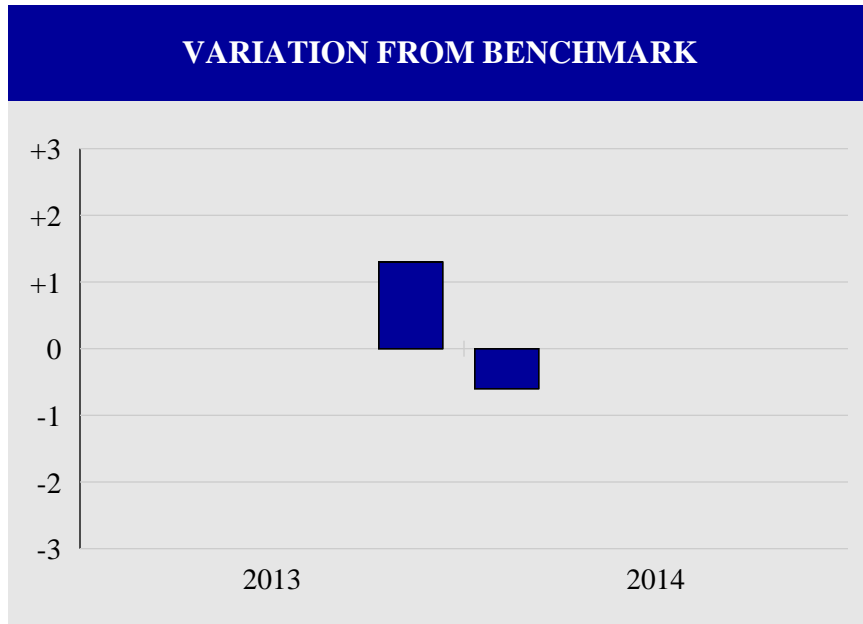
————	ACTUAL RETURN
-----	7.9%
.....	0.0%

VALUE ASSUMING 7.9% RETURN
\$ 3,101,992

	LAST QUARTER	PERIOD 9/13 - 3/14
BEGINNING VALUE	\$ 3,130,586	\$ 3,032,373
NET CONTRIBUTIONS	- 8,337	- 46,990
<u>INVESTMENT RETURN</u>	<u>59,290</u>	<u>196,156</u>
ENDING VALUE	\$ 3,181,539	\$ 3,181,539
INCOME	32,426	60,326
CAPITAL GAINS (LOSSES)	<u>26,864</u>	<u>135,830</u>
INVESTMENT RETURN	59,290	196,156

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

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



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/13	4.5	3.2	1.3
3/14	1.9	2.5	-0.6

<b>Total Quarters Observed</b>	<b>2</b>
<b>Quarters At or Above the Benchmark</b>	<b>1</b>
<b>Quarters Below the Benchmark</b>	<b>1</b>
<b>Batting Average</b>	<b>.500</b>

**Real Estate Investor Report**  
**Intercontinental US Real Estate Investment Fund**  
**As of March 31, 2014**

<b>Market Value*</b>	<b>\$ 3,181,539</b>	Last Appraisal Date:3/31/2014
Initial Commitment	\$ 3,000,000	100.00%
Paid In Capital	\$ 3,000,000	100.00%
Net Distributions	\$ 46,990	
Net Gain/(Loss)	\$ 228,529	
Net IRR Since Inception	6.62%	

<b>Date</b>	<b>Paid In Capital</b>	<b>Gross Distributions</b>	<b>Reinvested Income</b>	<b>Net Distributions</b>	<b>Fees</b>
3Q 2013	\$ 3,000,000	\$ 13,848	\$ (13,848)	\$ -	\$ 2,441
4Q 2013	\$ -	\$ 45,706	\$ (7,053)	\$ 38,653	\$ 44,549
1Q 2014	\$ -	\$ 22,646	\$ (14,309)	\$ 8,337	\$ 8,195
<b>Total</b>	<b>\$ 3,000,000</b>	<b>\$ 82,200</b>	<b>\$ (35,210)</b>	<b>\$ 46,990</b>	<b>\$ 55,185</b>

Valuations are provided by Intercontinental, based on current market conditions.

\*Market Value as of appraisal date, and accounts for any contributions and disbursements that have occurred since.