

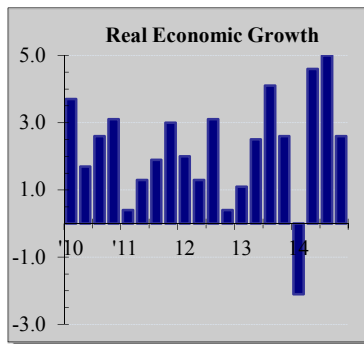
**DAVIE POLICE PENSION PLAN  
PERFORMANCE REVIEW  
DECEMBER 2014**



## ECONOMIC ENVIRONMENT

### Looking Pretty Good

The second half of 2014 was a very bright period for the U.S. economy after a long sluggish recovery. That growth came in spite of several major issues, including economic malaise in both Europe and Japan, the horrific Ebola crisis and Russian intransigence. Rapidly falling oil and gas prices put extra cash into the hands of consumers and made for a better Christmas. The effect of the drop in gasoline prices equated to better than a \$1,200 tax cut for the average American family and was the strongest stimulus since 2009.



Despite these issues (and in part because of them), the US economy expanded at its fastest rate since 1999. Q3 GDP grew at a 5% annual rate and the Q4 advance estimate came in at 2.6%. Growth was attributable to substantial job gains, growth in the manufacturing and service sectors, higher consumer confidence, and steady and reassuring Fed announcements. More details follow:

- Real GDP growth in Q3 increased at a 5% annual rate – higher still than the prior quarter; however, the Q4 growth rate was 2.6%. A key driver was increased federal spending, particularly for defense. Personal consumption expenditures (PCE) also grew. Imports were down while exports were up, further spurring growth.
- December payrolls rose by 252,000, as the unemployment rate fell to 5.6%. Just a year earlier, unemployment was at 6.7%; in fairness, part of the drop reflected those workers who stopped looking for work. For the full year, average job growth was 246,000 per month vs. 194,000 a year earlier. The only, yet important, downside was the data related to hourly wage rates. Wages have risen just 1.7% for the year, while economists had been hoping for a much stronger uptick. Without wage gains, personal consumption and consumer confidence are constrained.
- Housing consultant CoreLogic reported that home prices gained 5.5% for the fiscal year ended November (latest data available).

The five states with the highest year-over-year gains were Michigan (9.0%); Colorado (8.8%); Texas (8.5%); Nevada (7.9%); and North Dakota (7.9%). Nationally, however, prices remain roughly 13% below their April 2006 peak.

- The Institute of Supply Management (ISM) reported continuing advances in both the manufacturing and service sectors of the economy. December marked the 19<sup>th</sup> consecutive month for manufacturing growth. The ISM Manufacturing Index registered 55.5% (greater than 50% represents expansion). Eleven manufacturing industries showed positive growth vs. seven that were contracting. The ISM Non-manufacturing Index (service index) recorded a 56.2% level – up for the 59<sup>th</sup> consecutive month. Twelve service industries experienced positive activity vs. five that contracted.
- Consumer confidence grew modestly from November to December. The Consumer Confidence Index stands at 92.6. This was the highest reading in years, reflecting the consumer's favorable assessment of current economic and labor market conditions. As a result, the so-called Present Situation Index hit 98.6, its highest level since February 2008. Still, consumers remained cautious. For example, 27.7% of those surveyed still thought jobs were hard to find. Importantly, CEO confidence improved a bit in the 4<sup>th</sup> quarter.
- CPI inflation remained low. Abundant agricultural and energy supplies helped to dampen retail prices. In addition, very small increases in real wages curtailed consumer demand. The December CPI actually dipped slightly (-0.6). For the year as a whole, consumer prices only rose 0.8%.
- Certain industrial metals including nickel, zinc, and aluminum were the only commodities in the S&P/Goldman Sachs Commodity Index to advance in 2014 and the combined index slid 33.1% for the year. Most commodities fell dramatically. The steepest declines were in the energy sector, which fell an amazing 43%!
- The Fed made good on its promise to end its bond purchasing program (QE3), designed to help boost lending activity and thereby strengthen the economy.

## DOMESTIC EQUITIES

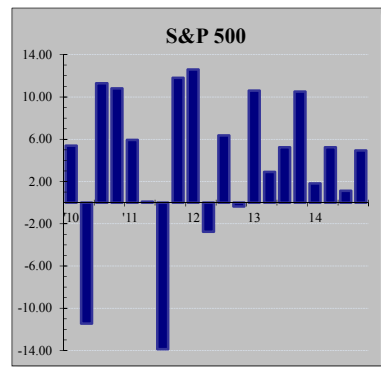
### Positive Quarter and Double Digit Advances for the Year

All of the popular market indices advanced in Q4. The bellwether S&P 500 and DJIA climbed 4.9% and 5.2%, respectively. The tech-laden NASDAQ gained a modestly higher 5.7%. Small caps experienced a strong turnaround, as the Russell 2000 Index added 9.7% and its growth stock component pushed slightly above 10%. Unlike earlier quarters, growth and value stocks marched up together, whether they were large-cap, mid-cap or small-cap. The one exception was in the liquid real estate market (REITs). That sector, viewed as part of the small-cap value space, rocketed up 12.9% in line with the economy's increasing strength. The overall domestic market, represented by the Russell 3000 Index, advanced 5.2%.

For the full year, large and mid-cap stocks gained double-digit returns. The Russell 1000 (large caps) and Russell Midcap Indices each added a healthy 13.2%. However, small-cap stocks trailed considerably, with the Russell 2000 Index posting a much lower 4.9%. Again, real estate was the sector that dazzled investors as the NAREIT Index shot up 28%.

S&P sector returns varied widely. At the top was the small-sized transportation sector where companies earned an average of 13.9%, a clear indicator of economic strength. Consumer service also performed well (+11.8%). Autos and other manufacturing helped propel consumer durables up 10.9%. Financials and tech companies (excluding computer technology) each earned more than 8%. Utilities, which were thought to be fully priced, climbed 6.7% more. Consumer non-durables were mixed, but collectively added 5.9%. Finally, it's no surprise that energy stock prices fell dramatically. The sector dropped 9.1%, after an 8.6% third quarter decline, reflecting pummeled oil prices. While investors grieved, consumers celebrated their good fortune as they filled up for the holiday travel season.

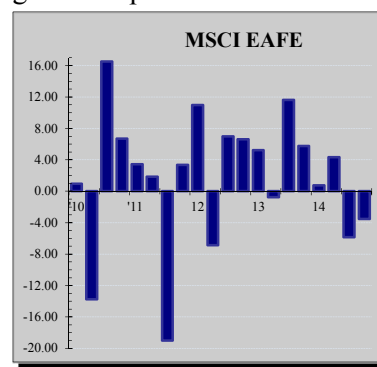
As of year-end, half of the S&P components saw dividend yields of 2% or less and a trailing year price/earnings ratio of 20x or greater. One could argue that the market has become fully priced.



## INTERNATIONAL EQUITIES

### Currency Weakness Offsets Any Local Gains

No surprise that the MSCI EAFE Index fell 3.5% during the fourth quarter, given the perfect storm that was brewing abroad. The stew of bad factors



were (1) the EU is mired in stagnant growth; (2) trading sanctions against Russia have exacerbated the falling price of oil; (3) the commodity-based Australian economy continued to lose steam; and (4) Japan's consumers showed a preference for savings over spending. The euro, pound, ruble and yen all lost value vs. the US dollar. Returns to US investors suffered accordingly. The Euro market fell 5%

for the period. Germany, the largest Euro component, eased back just 0.4%. The high-performing Daimler auto shares helped mitigate the loss. French shares fell 5.8%. The declines in the energy giant Total and drug maker Sanofi contributed to the pullback. Financially-strapped Italy dropped 13.4%. Shares in Spain (-8.2%) and Portugal (-23%) also suffered. Ireland was the sole exception, as its shares rose 1.9%. The UK market fell 4.2%, in spite of a slowly improving economy.

Australian shares gave back 3.6%, reflecting falling commodity prices, reduced exports and the currency factor. Japanese companies lost a relatively modest 2.4%. Recognizing the weak yen, Prime Minister Abe's government and central bank have taken aggressive steps to shore up Japan's economy. Toyota, Fuji Heavy Industries and Sony helped that market, while lower Honda earnings nicked the index. Hong Kong bounced back more than 3% as pro-democracy demonstrations ended and the real estate market stabilized. The tiny Israeli market was also in positive territory, increasing 1.4%. On the flip side, Hong Kong gaming companies continued to hurt and Canadian shares (not an EAFE component) shed 4.6%, hit by falling commodity prices, particularly oil.

EAFE performance for the full year was a disappointing -4.5%. Most individual EAFE markets were also in the red. A few exceptions included Ireland (+2.6%), Hong Kong (+5.1%), and Israel (+23.7%). Aside from falling oil prices, the same economic, currency, and geopolitical factors depressed most countries' returns throughout the year.

Emerging markets dropped sharply (-4.4%) last quarter, affected by falling commodity prices, currency weakness and the near collapse of the Russian economy. While China turned in positive results, virtually every other country return was in negative territory.

The BRIC Index, combining the four largest EM countries, fell 4.1%. Brazil lost almost 15%. That country's performance attribution included currency depreciation, weak economic growth, and investor uncertainty regarding the re-election of President Rouseff. Russian equities also plunged (-32.8%). Predictably, President Putin's military adventure in Ukraine and subsequent western sanctions created major unease, but the plummeting oil price and the ruble's freefall snowballed into a grim economic picture for Russia. India took a pause (-0.7%) after two quarters of strong performance. China, the largest component of the EM Index, advanced a surprising 7.2% due to targeted stimulus measures.

Eastern Europe markets (excluding Russia) swooned on fears of Russia's military. The combined loss in these markets was 14%. Poland fell 13.9% and Hungary declined 12.8%. Greece, swamped by a tidal wave of political unrest and austerity, saw its shares plunge almost 29%.

Turkey recovered from an 11.8% decline in Q3 to advance 11.6% in Q4.

Asian markets showed mixed results. The Philippines and Indonesia each advanced 0.7%, while Taiwan was up 1.7%. However, Thailand slid 6.4%; South Korea fell 7.7%; and Malaysia lost 10.5%, owing its downfall to lost confidence in its airline infrastructure and by implication, its government, after its recent spate of plane crashes and inadequate public relations in the aftermath.

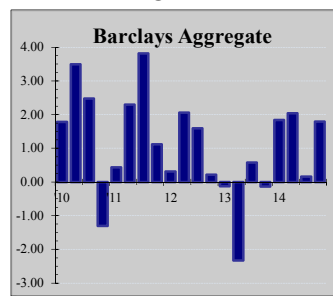
Latin America markets, including Brazil, skidded 13.3%. Mexican shares also fell in the double digits (-12.2%), as the country has had to address peso devaluation, the disappearance of 43 of its college students, falling oil prices, and the struggles of telecom giant America Movil. Progress in disarming the dominant drug cartels proved not enough of an offset.

For the year, EM lost a modest 1.8%. There were several pluses among EM countries. Indonesia surged 27%; Philippines soared 26.4%; and India climbed 23.9%, as all three embraced new leaders who promised economic reforms and growth. Turkey advanced 19%. China, an also-ran by comparison, gained 8.3%. Bringing up the rear with spectacular losses were Russia (-45.9%), Greece (-39.9%) and, to a lesser extent, Brazil (-13.7%). Each had its own problems; but, among the common threads were oil's price drop and weak or dysfunctional governments.

## BOND MARKET

### *Investors Sought Safety in US Treasuries*

Investment grade bonds reversed course from the lackluster 3<sup>rd</sup> quarter.



Still, the fourth quarter turnaround was generally less dramatic than that of the stock market. The Barclays Aggregate Index advanced 1.8%. Treasuries, corporate debt, and mortgage-backed debt performed in line with the aggregate. Asset-backed securities (ABS) were up a fractional 0.6%, while commercial mortgage debt (CMBS) posted +1.3%.

The long maturity Treasury sector was the clear winner as Treasuries with maturities of 20-years and longer turned in an astounding 9.4%.

The Aggregate Index was well into positive territory for the full year, returning 6.0%. This performance beat both 2012 returns (+4.2%) and those of 2013 (-2.0%).

High yield/junk bonds disappointed investors again, as the Barclays High Yield Corporate Index was down 1% for the quarter. Those investors who took on more credit risk by buying lower credit ratings suffered more. BA-rated names, the highest grade of junk bonds, were the best performers, gaining 0.9%, while the lowest-rated CAA-D issues plunged almost 24%. Energy companies that had issued junk bonds were an important part of this market. These energy issues fell a whopping 10.6% due to falling oil prices, thereby hammering the entire junk bond market! For the year, the return for the High Yield Index was a modestly positive 2.5%.

Combined, the G-6 (G-7 x-US) Global Treasuries lost 3.3%. Canada, France, Germany, and Italy sovereign returns were closely packed, all falling between 1% and 2%. Japan's government debt fell more (-6.4%). The UK was the only country to gain ground (+2.6%). Full year return for the G-6 index was -3.5%.

## CASH EQUIVALENTS

### *Zero Return Still Applies*

The Federal Reserve Board's most recent announcement indicates that short-term interest rates will remain in the zero-to-0.25% range.

**MARKET SUMMARY**

**ECONOMIC STATISTICS**

	CURRENT QTR	LAST QTR
GDP	2.6	5.0
Unemployment	5.6	5.9
CPI All Items Year/Year	0.80	1.70
Fed Funds Rate	0.25	0.25
Industrial Capacity	79.7	79.5
US Dollars per Euro	1.21	1.26

**MAJOR INDEX QUARTER RETURNS**

INDEX	PERFORMANCE
Russell 3000	5.2
S&P 500	4.9
Russell Mid	5.9
Russell 2000	9.7
MSCI EAFE	-3.5
MSCI Emg Mkts	-4.4
NCREIF ODCE	3.3
Barclays Agg	1.8
90 Day Tbills	0.0

**EQUITY RETURN DISTRIBUTIONS**

	QUARTER			TRAILING YEAR		
	VAL	COR	GRO	VAL	COR	GRO
LC	5.0	4.9	4.8	13.5	13.2	13.1
MC	6.1	5.9	5.8	14.7	13.2	11.9
SC	9.4	9.7	10.1	4.2	4.9	5.6

**MARKET SUMMARY**

- \* GDP grew by 2.6% in Q4 (advance estimate), following a 5% expansion in Q3.
- \* Unemployment continued to fall to 5.6%.
- \* CPI ticked up by 0.8% year over year.
- \* Domestic markets grew across all styles and cap sizes. Small cap stocks gained at a faster pace, while large cap stocks followed behind mid and small caps in Q4.
- \* The US Dollar strengthened relative to the Euro.

## **INVESTMENT RETURN**

On December 31st, 2014, the Davie Police Pension Plan was valued at \$128,701,666, representing an increase of \$9,269,787 from the September quarter's ending value of \$119,431,879. Last quarter, the Fund posted net contributions equaling \$4,631,271 plus a net investment gain equaling \$4,638,516. Total net investment return was the result of income receipts, which totaled \$581,856 and net realized and unrealized capital gains of \$4,056,660.

For the cumulative period since December 2009, the fund has recorded net contributions totaling \$17.2 million, and recorded net investment gains of \$44.5 million. For the period since December 2009, if the total fund had returned a compounded nominal rate of 7.9% it would have been valued at \$118.4 million or \$10.3 million less than the actual value as of December 31st, 2014.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the fourth quarter, the Composite portfolio gained 3.8%, which ranked in the 2nd percentile of the Public Fund universe. Over the trailing twelve-month period, the portfolio returned 7.8%, which ranked in the 17th percentile. Since December 2009, the portfolio returned 9.8% per annum and ranked in the 50th percentile.

### **Large Cap Equity**

For the fourth quarter, the large cap equity segment returned 4.7%, which was 0.2% below the S&P 500 Index's return of 4.9% and ranked in the 56th percentile of the Large Cap universe. Over the trailing year, this segment returned 12.2%, which was 1.5% less than the benchmark's 13.7% return, and ranked in the 58th percentile. Since December 2009, this component returned 13.4% on an

annualized basis and ranked in the 87th percentile. The S&P 500 returned an annualized 15.4% over the same time frame.

### **Mid Cap Equity**

In the fourth quarter, the mid cap equity component returned 6.3%, which was equal to the S&P 400 Index's return of 6.3% and ranked in the 39th percentile of the Mid Cap universe. Over the trailing twelve-month period, this component returned 9.8%, which was equal to the benchmark's 9.8% return, ranking in the 48th percentile. Since December 2009, this component returned 16.5% per annum and ranked in the 50th percentile. The S&P 400 returned an annualized 16.5% over the same time frame.

### **Small Cap Equity**

Last quarter, the small cap equity component returned 10.2%, which was 0.5% above the Russell 2000 Index's return of 9.7% and ranked in the 19th percentile of the Small Cap universe. Over the trailing year, this component returned 1.6%, which was 3.3% below the benchmark's 4.9% performance, and ranked in the 75th percentile.

### **International Equity**

For the fourth quarter, the international equity portion of the portfolio returned -2.0%, which was 1.5% greater than the MSCI EAFE Index's return of -3.5% and ranked in the 37th percentile of the International Equity universe. Over the trailing year, this component returned -1.6%, which was 2.9% greater than the benchmark's -4.5% performance, and ranked in the 41st percentile. Since December 2009, this component returned 5.6% per annum and ranked in the 69th percentile. The MSCI EAFE Index returned an annualized 5.8% over the same period.

## **Real Estate**

During the fourth quarter, the real estate component returned 1.6%, which was 1.7% below the NCREIF NFI-ODCE Index's return of 3.3%. Over the trailing twelve-month period, this segment returned 10.6%, which was 1.9% less than the benchmark's 12.5% return.

## **Fixed Income**

The fixed income component gained 2.5% during the fourth quarter, 0.7% greater than the Custom Fixed Income Index's return of 1.8% and ranked in the 1st percentile of the Core Fixed Income universe. Over the trailing twelve months, this component returned 6.8%; that return was 1.8% greater than the benchmark's 5.0% performance, ranking in the 21st percentile. Since December 2009, this component returned 5.3% on an annualized basis and ranked in the 26th percentile. The Custom Fixed Income Index returned an annualized 4.3% over the same period.

## **ASSET ALLOCATION**

At the end of the fourth quarter, large cap equities comprised 33.3% of the total portfolio (\$42.9 million), while mid cap equities totaled 9.7% (\$12.4 million). The account's small cap equity segment was valued at \$11.3 million, representing 8.7% of the portfolio, while the international equity component's \$11.0 million totaled 8.5%. The real estate segment totaled 7.5% of the portfolio's value and the fixed income component made up 31.1% (\$40.1 million). The remaining 1.1% was comprised of cash & equivalents (\$1.4 million).

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

	Quarter	FYTD	-----Annualized-----		
			1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	3.8	3.8	7.8	12.0	9.8
<i>PUBLIC FUND RANK</i>	(2)	(2)	(17)	(50)	(50)
<b>Total Net/Fees</b>	3.6	3.6	7.4	11.5	9.3
<i>SHADOW INDEX</i>	3.6	3.6	7.9	12.5	10.3
<b>Large Cap Equity</b>	4.7	4.7	12.2	17.8	13.4
<i>LARGE CAP RANK</i>	(56)	(56)	(58)	(85)	(87)
S&P 500	4.9	4.9	13.7	20.4	15.4
RUSSELL 1000G	4.8	4.8	13.1	20.3	15.8
RUSSELL 1000V	5.0	5.0	13.5	20.9	15.4
<b>Mid Cap Equity</b>	6.3	6.3	9.8	19.9	16.5
<i>MID CAP RANK</i>	(39)	(39)	(48)	(55)	(50)
S&P 400	6.3	6.3	9.8	20.0	16.5
<b>Small Cap Equity</b>	10.2	10.2	1.6	16.0	----
<i>SMALL CAP RANK</i>	(19)	(19)	(75)	(90)	----
RUSSELL 2000	9.7	9.7	4.9	19.2	15.5
<b>International Equity</b>	-2.0	-2.0	-1.6	11.4	5.6
<i>INTERNATIONAL EQUITY RANK</i>	(37)	(37)	(41)	(53)	(69)
MSCI EAFE	-3.5	-3.5	-4.5	11.6	5.8
<b>Real Estate</b>	1.6	1.6	10.6	11.6	----
NCREIF ODCE	3.3	3.3	12.5	12.4	13.9
<b>Fixed Income</b>	2.5	2.5	6.8	4.5	5.3
<i>CORE FIXED INCOME RANK</i>	(1)	(1)	(21)	(6)	(26)
CUSTOM INDEX	1.8	1.8	5.0	2.4	4.3
BARCLAYS AGG	1.8	1.8	6.0	2.7	4.5
GOV/CREDIT	1.8	1.8	6.0	2.8	4.7

**ASSET ALLOCATION**

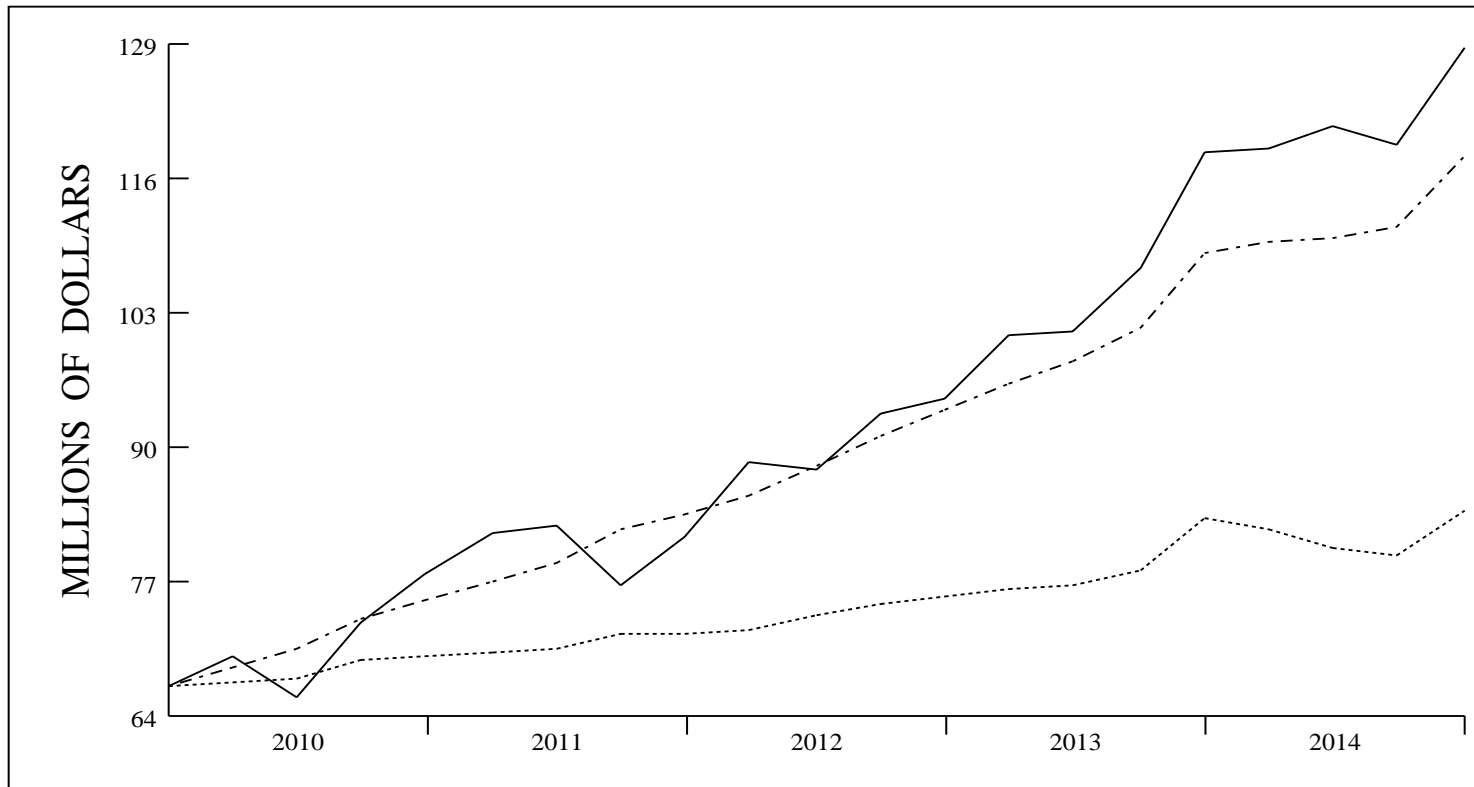
Large Cap Equity	33.3%	\$ 42,871,553
Mid Cap Equity	9.7%	12,444,736
Small Cap	8.7%	11,261,007
Int'l Equity	8.5%	10,994,672
Real Estate	7.5%	9,668,427
Fixed Income	31.1%	40,084,170
Cash	1.1%	1,377,101
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 128,701,666</b>

**INVESTMENT RETURN**

Market Value 9/2014	\$ 119,431,879
Contribs / Withdrawals	4,631,271
Income	581,856
Capital Gains / Losses	4,056,660
Market Value 12/2014	\$ 128,701,666



**INVESTMENT GROWTH**

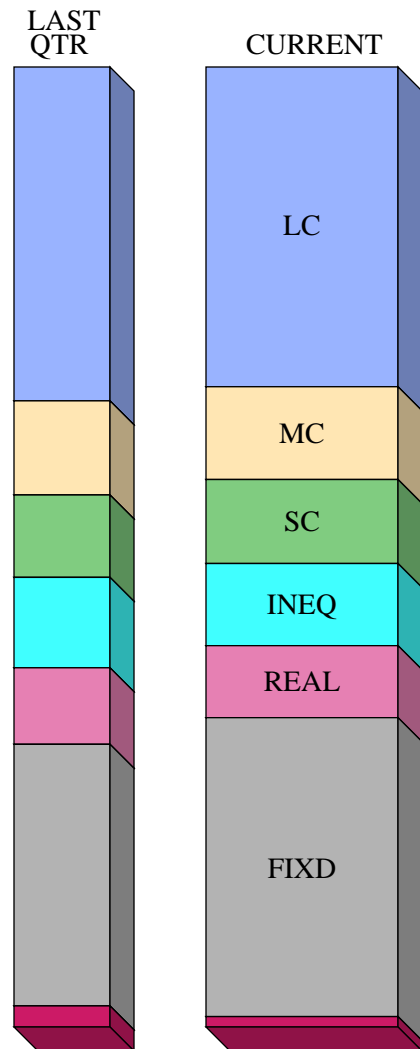


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 118,433,263

	LAST QUARTER	PERIOD 12/09 - 12/14
BEGINNING VALUE	\$ 119,431,879	\$ 66,946,809
NET CONTRIBUTIONS	4,631,271	17,228,132
<u>INVESTMENT RETURN</u>	<u>4,638,516</u>	<u>44,526,724</u>
ENDING VALUE	\$ 128,701,666	\$ 128,701,666
INCOME	581,856	11,586,023
<u>CAPITAL GAINS (LOSSES)</u>	<u>4,056,660</u>	<u>32,940,702</u>
INVESTMENT RETURN	4,638,516	44,526,724

**ASSET ALLOCATION**











	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>DIFFERENCE</u> <u>+ / -</u>
<span style="color: blue;">■</span> LARGE CAP EQUITY	\$ 42,871,553	33.3%	30.0%	3.3%
<span style="color: orange;">■</span> MID CAP EQUITY	12,444,736	9.7%	10.0%	-0.3%
<span style="color: green;">■</span> SMALL CAP EQUITY	11,261,007	8.7%	10.0%	-1.3%
<span style="color: cyan;">■</span> INTERNATIONAL EQUITY	10,994,672	8.5%	12.5%	-4.0%
<span style="color: pink;">■</span> REAL ESTATE	9,668,427	7.5%	7.5%	0.0%
<span style="color: gray;">■</span> FIXED INCOME	40,084,170	31.1%	30.0%	1.1%
<span style="color: maroon;">■</span> CASH & EQUIVALENT	1,377,101	1.1%	0.0%	1.1%
<b>TOTAL FUND</b>	<b>\$ 128,701,666</b>	<b>100.0%</b>		

## MANAGER PERFORMANCE SUMMARY









Name	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years
Total Portfolio	(Public Fund)	3.8 (2)	3.8 (2)	7.8 (17)	12.0 (50)	9.8 (50)
<i>Shadow Index</i>		<b>3.6</b> ----	<b>3.6</b> ----	<b>7.9</b> ----	<b>12.5</b> ----	<b>10.3</b> ----
Vanguard 500	(LC Core)	4.9 (54)	4.9 (54)	13.7 (38)	---- ----	---- ----
<i>S&amp;P 500</i>		<b>4.9</b> ----	<b>4.9</b> ----	<b>13.7</b> ----	<b>20.4</b> ----	<b>15.4</b> ----
Garcia Equity	(LC Growth)	5.6 (35)	5.6 (35)	11.4 (56)	17.7 (86)	13.9 (77)
<i>Russell 1000 Growth</i>		<b>4.8</b> ----	<b>4.8</b> ----	<b>13.1</b> ----	<b>20.3</b> ----	<b>15.8</b> ----
Buckhead Equity	(LC Value)	3.3 (78)	3.3 (78)	12.1 (53)	17.8 (83)	12.6 (93)
<i>Russell 1000 Value</i>		<b>5.0</b> ----	<b>5.0</b> ----	<b>13.5</b> ----	<b>20.9</b> ----	<b>15.4</b> ----
RhumbLine	(Mid Cap)	6.3 (39)	6.3 (39)	9.8 (48)	19.9 (55)	16.5 (50)
<i>S&amp;P 400</i>		<b>6.3</b> ----	<b>6.3</b> ----	<b>9.8</b> ----	<b>20.0</b> ----	<b>16.5</b> ----
TAMRO	(Small Cap)	10.0 (22)	10.0 (22)	1.6 (75)	15.7 (91)	---- ----
<i>Russell 2000</i>		<b>9.7</b> ----	<b>9.7</b> ----	<b>4.9</b> ----	<b>19.2</b> ----	<b>15.5</b> ----
Johnston	(Intl Eq)	-0.7 (20)	-0.7 (20)	0.9 (24)	11.4 (53)	---- ----
SSgA	(Intl Eq)	-3.6 (64)	-3.6 (64)	-4.6 (70)	11.4 (53)	5.6 (68)
<i>MSCI EAFE</i>		<b>-3.5</b> ----	<b>-3.5</b> ----	<b>-4.5</b> ----	<b>11.6</b> ----	<b>5.8</b> ----
American Realty		1.8 ----	1.8 ----	11.6 ----	11.8 ----	---- ----
Intercontinental		0.0 ----	0.0 ----	8.3 ----	---- ----	---- ----
UBS		3.0 ----	3.0 ----	11.6 ----	---- ----	---- ----
<i>NCREIF NFI-ODCE Index</i>		<b>3.3</b> ----	<b>3.3</b> ----	<b>12.5</b> ----	<b>12.4</b> ----	<b>13.9</b> ----
Garcia Fixed	(Core Fixed)	2.4 (1)	2.4 (1)	7.7 (2)	5.8 (1)	6.1 (6)
<i>Custom Fixed Income Index</i>		<b>1.8</b> ----	<b>1.8</b> ----	<b>5.0</b> ----	<b>2.4</b> ----	<b>4.3</b> ----

**MANAGER VALUE ADDED**

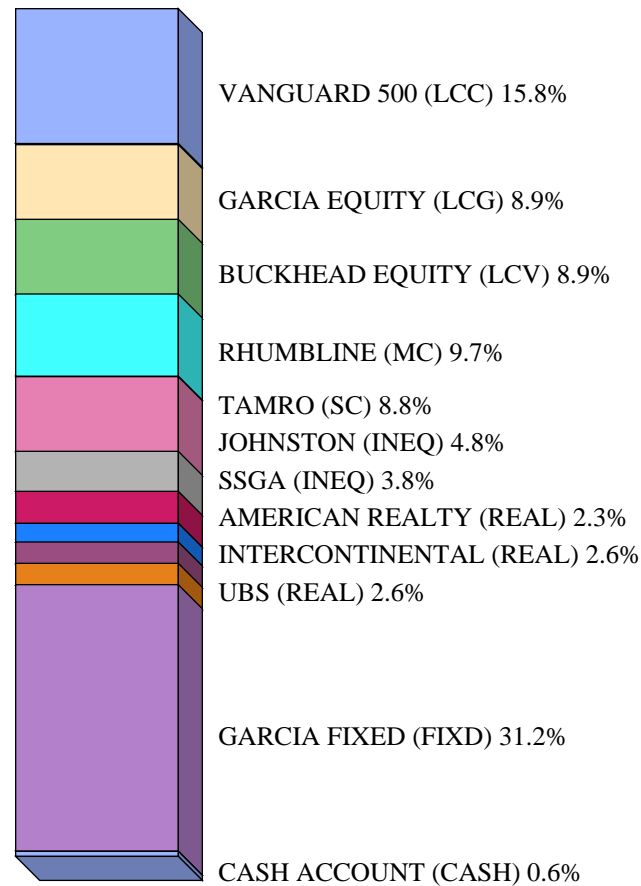
**Most Recent Quarter**

Manager	Benchmark	Value Added Vs. Benchmark
Vanguard 500	S&P 500	0.0
Garcia Equity	Russell 1000G	0.8 
Buckhead Equity	Russell 1000V	 -1.7
RhumbLine	S&P 400	0.0
TAMRO	Russell 2000	0.3 
Johnston	MSCI EAFE	2.8 
SSgA	MSCI EAFE	0.0
American Realty	NCREIF ODCE	 -1.5
Intercontinental	NCREIF ODCE	 -3.3
UBS	NCREIF ODCE	 -0.3
Garcia Fixed	Custom Index	0.6 
<b>Total Portfolio</b>	<b>Shadow Index</b>	0.2

**Trailing Twelve Months**

Manager	Benchmark	Value Added Vs. Benchmark
Vanguard 500	S&P 500	0.0
Garcia Equity	Russell 1000G	 -1.7
Buckhead Equity	Russell 1000V	 -1.4
RhumbLine	S&P 400	0.0
TAMRO	Russell 2000	 -3.3
Johnston	MSCI EAFE	5.4 
SSgA	MSCI EAFE	-0.1
American Realty	NCREIF ODCE	 -0.9
Intercontinental	NCREIF ODCE	 -4.2
UBS	NCREIF ODCE	 -0.8
Garcia Fixed	Custom Index	2.7 
<b>Total Portfolio</b>	<b>Shadow Index</b>	-0.1

**MANAGER ALLOCATION SUMMARY**



Name	Market Value	Percent
Vanguard 500 (LCC)	\$20,366,887	15.8
Garcia Equity (LCG)	\$11,425,582	8.9
Buckhead Equity (LCV)	\$11,448,651	8.9
RhumbLine (MC)	\$12,444,736	9.7
TAMRO (SC)	\$11,369,030	8.8
Johnston (INEQ)	\$6,123,190	4.8
SSgA (INEQ)	\$4,871,482	3.8
American Realty (REAL)	\$2,929,434	2.3
Intercontinental (REAL)	\$3,364,665	2.6
UBS (REAL)	\$3,374,328	2.6
Garcia Fixed (FIXD)	\$40,200,596	31.2
Cash Account (CASH)	\$783,085	0.6
<b>Total</b>	<b>\$128,701,666</b>	<b>100.0</b>

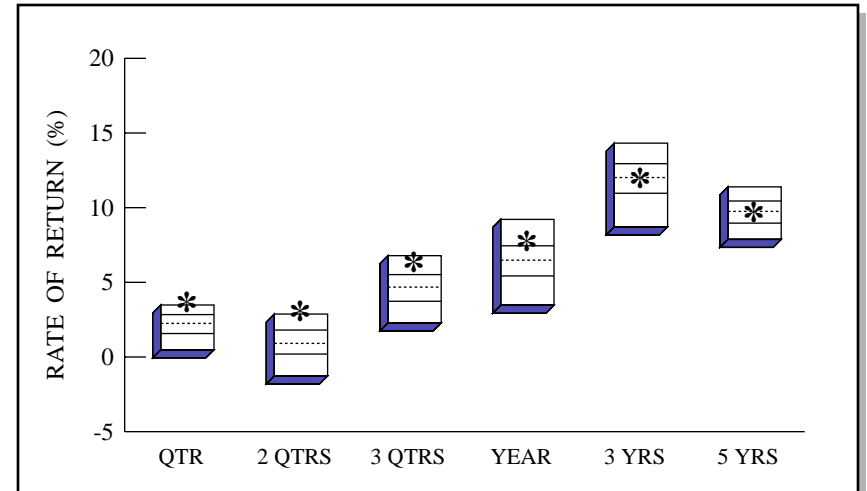
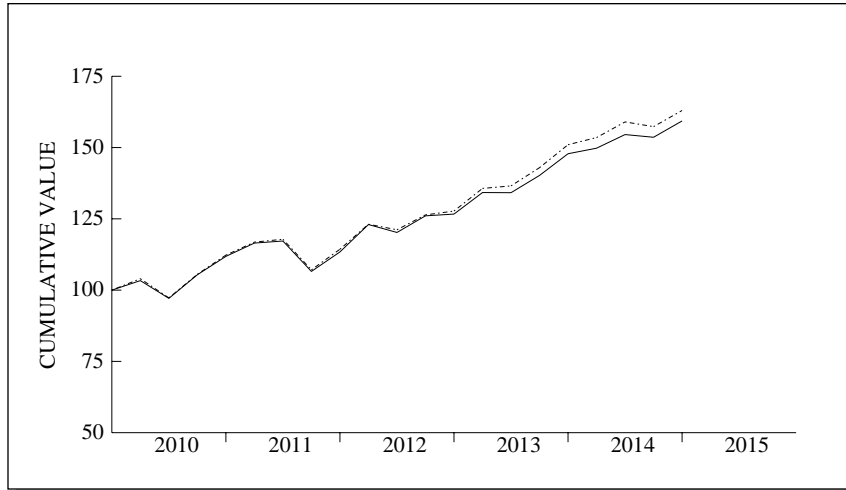
---

**INVESTMENT RETURN SUMMARY - ONE QUARTER**

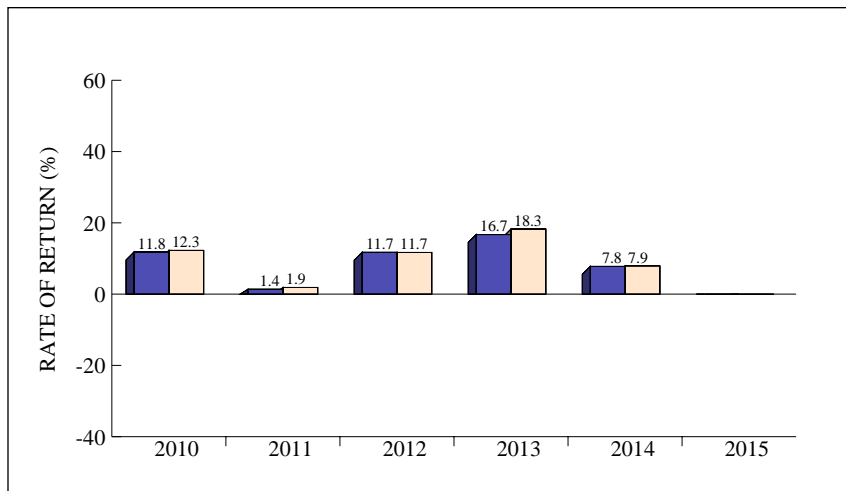
Name	Quarter Total Return	Market Value September 30th, 2014	Net Cashflow	Net Investment Return	Market Value December 31st, 2014
Vanguard 500 (LCC)	4.9	19,408,056	2,194	956,637	20,366,887
Garcia Equity (LCG)	5.6	11,237,072	-435,981	624,491	11,425,582
Buckhead Equity (LCV)	3.3	11,520,727	-445,787	373,711	11,448,651
RhumbLine (MC)	6.3	11,705,735	0	739,001	12,444,736
TAMRO (SC)	10.0	10,358,483	-22,014	1,032,561	11,369,030
Johnston (INEQ)	-0.7	6,181,900	-13,196	-45,514	6,123,190
SSgA (INEQ)	-3.6	5,052,035	0	-180,553	4,871,482
American Realty (REAL)	1.8	2,885,713	-8,078	51,799	2,929,434
Intercontinental (REAL)	0.0	3,364,665	0	0	3,364,665
UBS (REAL)	3.0	3,285,732	-9,825	98,421	3,374,328
Garcia Fixed (FIXD)	2.4	33,390,911	5,821,783	987,902	40,200,596
Cash Account (CASH)	---	1,040,850	-257,825	60	783,085
<b>Total Fund</b>	<b>3.8</b>	<b>119,431,879</b>	<b>4,631,271</b>	<b>4,638,516</b>	<b>128,701,666</b>

---

**TOTAL RETURN COMPARISONS**



Public Fund Universe

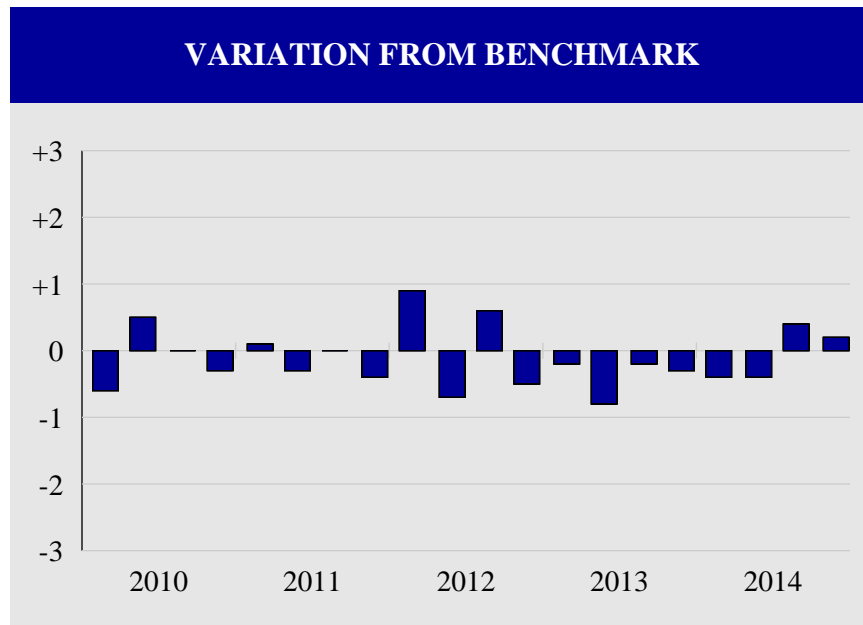


	<u>QTR</u>	<u>2QTRS</u>	<u>3QTRS</u>	<u>YEAR</u>	<u>-----ANNUALIZED-----</u> <u>3 YRS</u>	<u>5 YRS</u>
RETURN	3.8	3.1	6.4	7.8	12.0	9.8
(RANK)	( 2)	( 4)	( 8)	(17)	(50)	(50)
5TH %ILE	3.5	2.9	6.8	9.2	14.3	11.4
25TH %ILE	2.8	1.8	5.5	7.4	13.0	10.5
MEDIAN	2.3	0.9	4.7	6.5	12.0	9.8
75TH %ILE	1.6	0.2	3.7	5.4	11.0	9.0
95TH %ILE	0.5	-1.3	2.3	3.5	8.7	7.9
<i>Shadow Idx</i>	<i>3.6</i>	<i>2.5</i>	<i>6.2</i>	<i>7.9</i>	<i>12.5</i>	<i>10.3</i>

Public Fund Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: SHADOW INDEX**

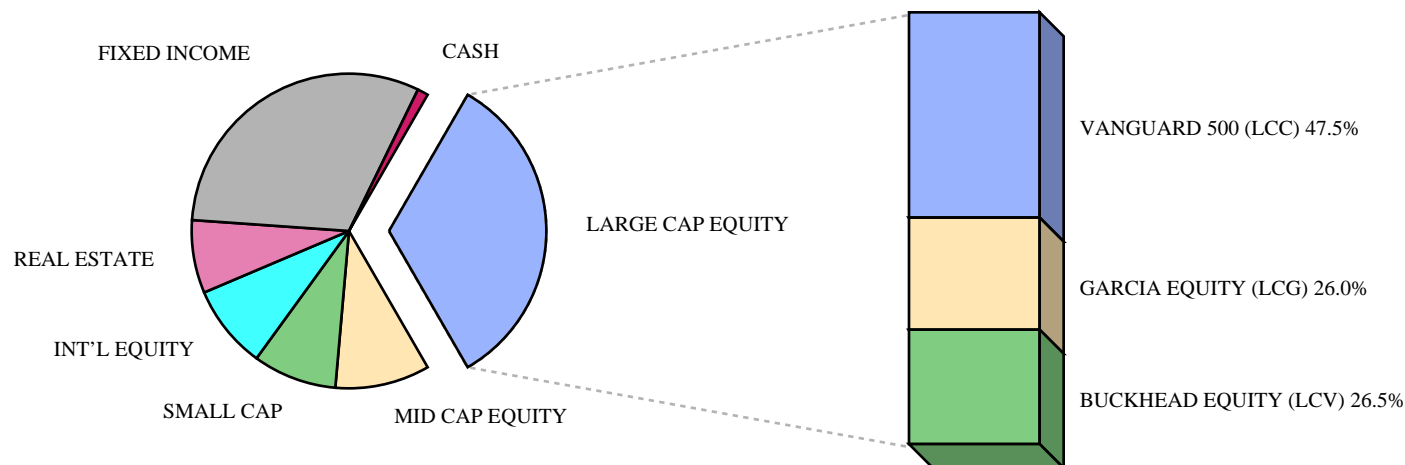


<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>8</b>
<b>Quarters Below the Benchmark</b>	<b>12</b>
<b>Batting Average</b>	<b>.400</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
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	1.3	1.7	-0.4
6/14	3.2	3.6	-0.4
9/14	-0.6	-1.0	0.4
12/14	3.8	3.6	0.2

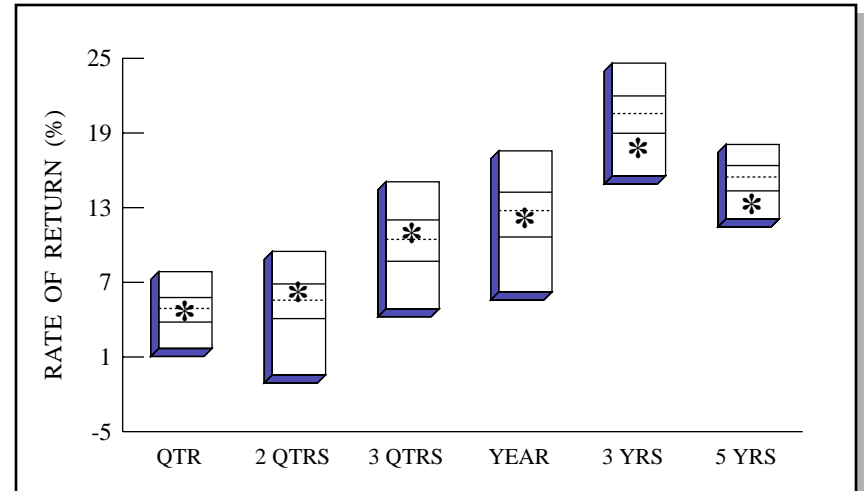
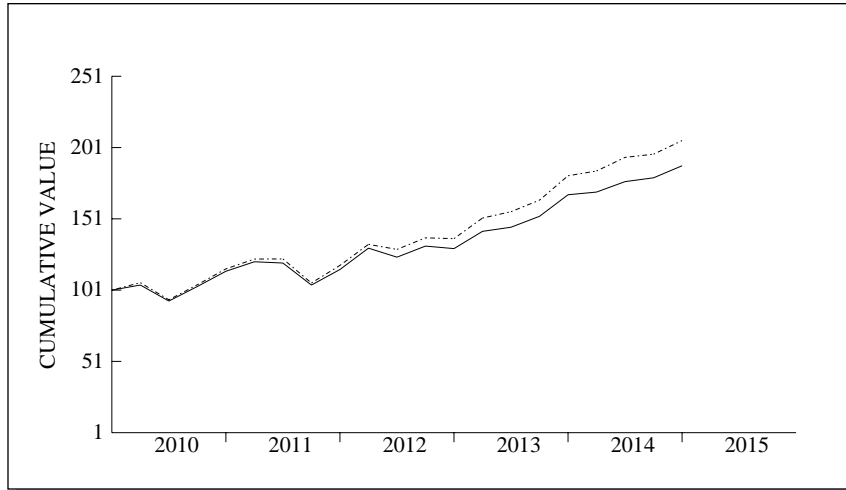


**LARGE CAP EQUITY MANAGER SUMMARY**

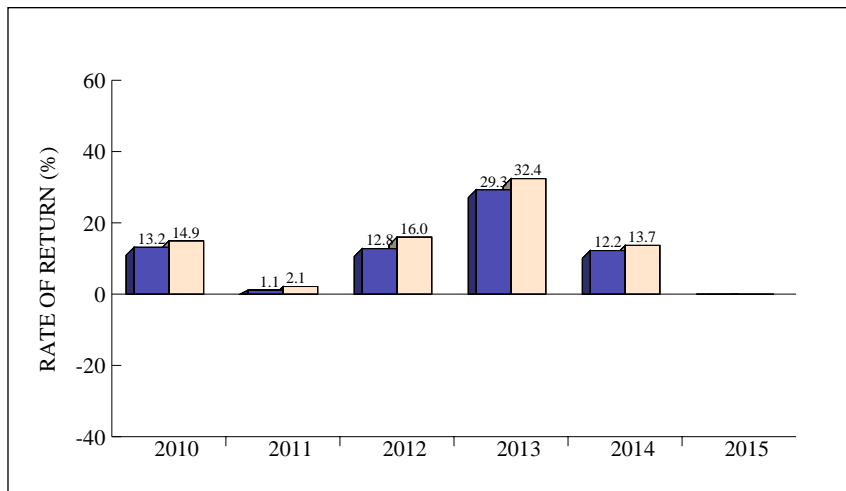


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
VANGUARD 500	(Large Cap Core)	4.9 (55)	4.9 (55)	13.7 (39)	----	----	\$20,364,673
<i>S&amp;P 500</i>		<i>4.9</i> ----	<i>4.9</i> ----	<i>13.7</i> ----	<i>20.4</i> ----	<i>15.4</i> ----	----
GARCIA EQUITY	(Large Cap Growth)	5.8 (30)	5.8 (30)	11.7 (52)	17.8 (84)	14.0 (76)	\$11,151,149
<i>Russell 1000 Growth</i>		<i>4.8</i> ----	<i>4.8</i> ----	<i>13.1</i> ----	<i>20.3</i> ----	<i>15.8</i> ----	----
BUCKHEAD EQUITY	(Large Cap Value)	3.4 (77)	3.4 (77)	12.2 (52)	17.8 (83)	12.7 (93)	\$11,355,731
<i>Russell 1000 Value</i>		<i>5.0</i> ----	<i>5.0</i> ----	<i>13.5</i> ----	<i>20.9</i> ----	<i>15.4</i> ----	----
<b>TOTAL</b>	<b>(Large Cap)</b>	<b>4.7 (56)</b>	<b>4.7 (56)</b>	<b>12.2 (58)</b>	<b>17.8 (85)</b>	<b>13.4 (87)</b>	<b>\$42,871,553</b>
<i>S&amp;P 500</i>		<i>4.9</i> ----	<i>4.9</i> ----	<i>13.7</i> ----	<i>20.4</i> ----	<i>15.4</i> ----	----

### LARGE CAP EQUITY RETURN COMPARISONS



Large Cap Universe

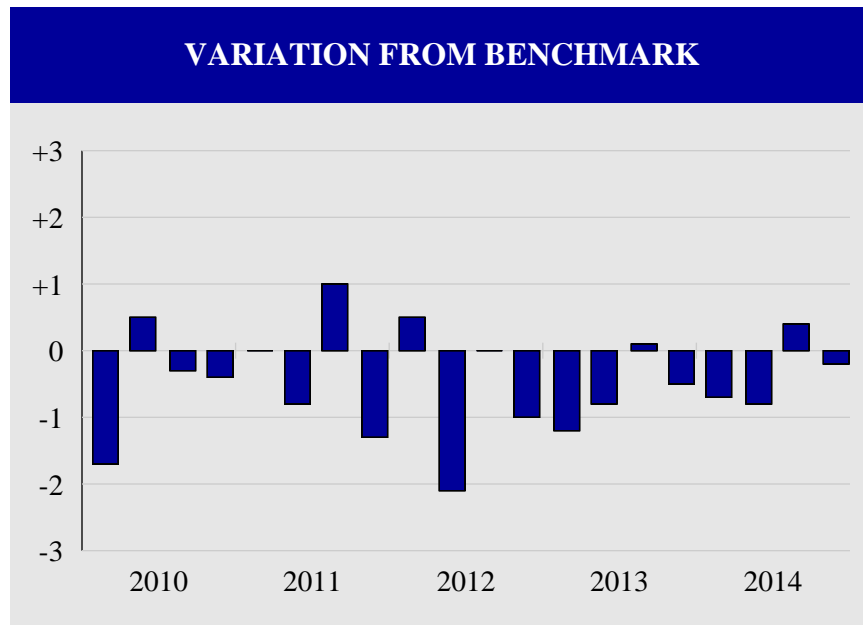


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	4.7	6.3	11.0	12.2	17.8	13.4
(RANK)	(56)	(34)	(42)	(58)	(85)	(87)
5TH %ILE	7.9	9.5	15.1	17.6	24.6	18.1
25TH %ILE	5.8	6.9	12.0	14.3	22.0	16.4
MEDIAN	4.9	5.6	10.5	12.8	20.6	15.5
75TH %ILE	3.8	4.1	8.7	10.6	19.0	14.3
95TH %ILE	1.7	-0.4	4.9	6.2	15.6	12.1
<b>S&amp;P 500</b>	<b>4.9</b>	<b>6.1</b>	<b>11.7</b>	<b>13.7</b>	<b>20.4</b>	<b>15.4</b>

Large Cap Universe

## LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

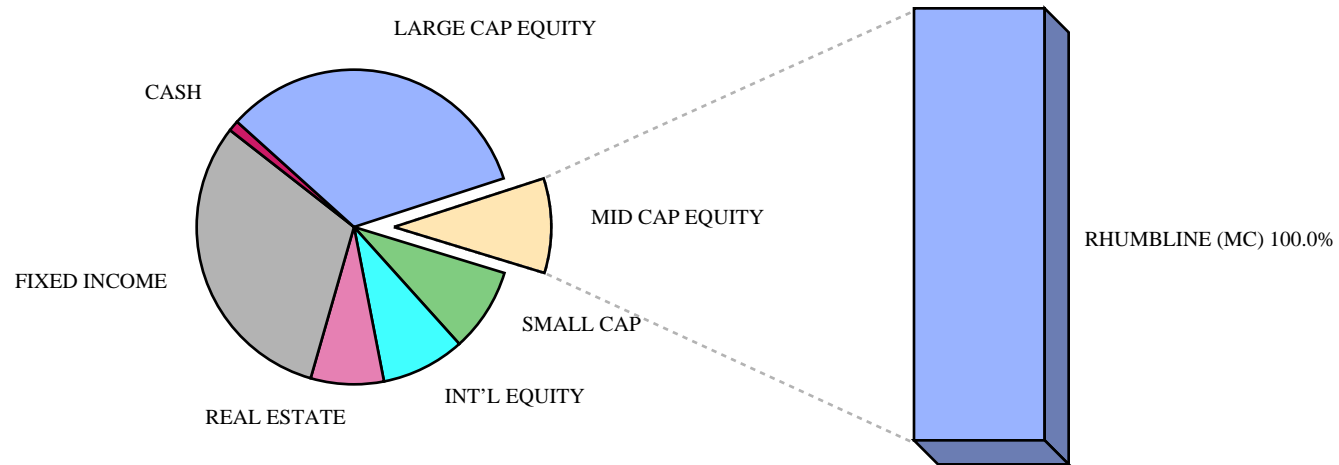
COMPARATIVE BENCHMARK: S&P 500



<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>

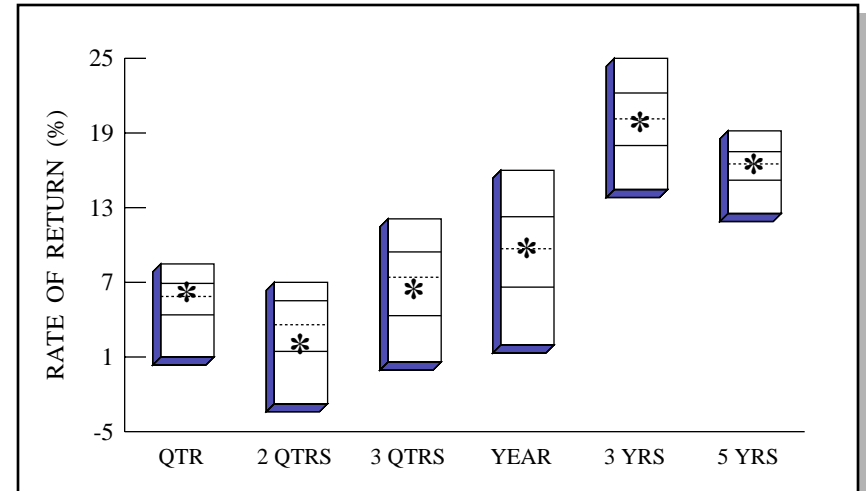
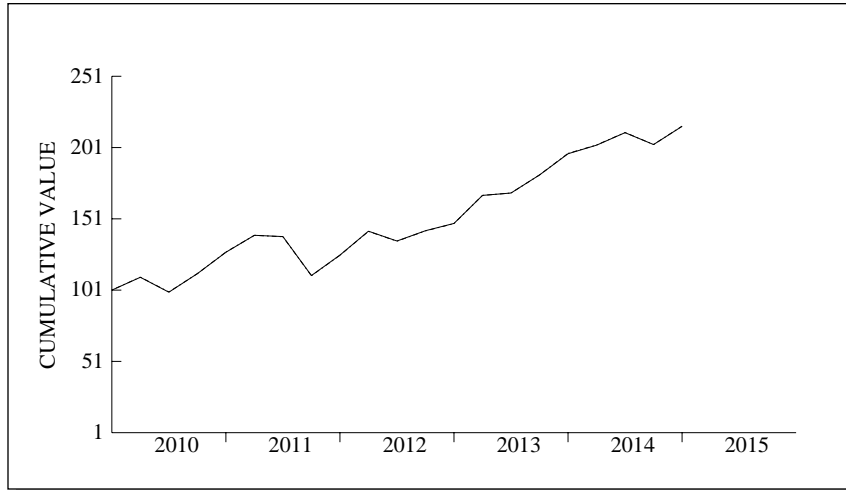
<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
3/10	3.6	5.3	-1.7
6/10	-10.9	-11.4	0.5
9/10	11.0	11.3	-0.3
12/10	10.4	10.8	-0.4
3/11	5.9	5.9	0.0
6/11	-0.7	0.1	-0.8
9/11	-12.9	-13.9	1.0
12/11	10.5	11.8	-1.3
3/12	13.1	12.6	0.5
6/12	-4.9	-2.8	-2.1
9/12	6.3	6.3	0.0
12/12	-1.4	-0.4	-1.0
3/13	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	1.1	1.8	-0.7
6/14	4.4	5.2	-0.8
9/14	1.5	1.1	0.4
12/14	4.7	4.9	-0.2

**MID CAP EQUITY MANAGER SUMMARY**

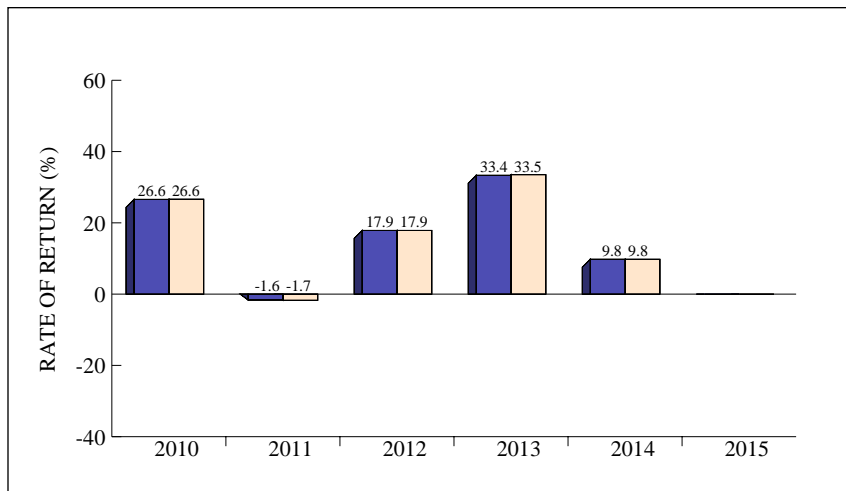


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
RHUMBLINE	(Mid Cap)	6.3 (39)	6.3 (39)	9.8 (48)	19.9 (55)	16.5 (50)	\$12,444,736
<i>S&amp;P 400</i>		<i>6.3 ---</i>	<i>6.3 ---</i>	<i>9.8 ---</i>	<i>20.0 ---</i>	<i>16.5 ---</i>	<i>---</i>
<b>TOTAL</b>	<b>(Mid Cap)</b>	<b>6.3 (39)</b>	<b>6.3 (39)</b>	<b>9.8 (48)</b>	<b>19.9 (55)</b>	<b>16.5 (50)</b>	<b>\$12,444,736</b>
<i>S&amp;P 400</i>		<i>6.3 ---</i>	<i>6.3 ---</i>	<i>9.8 ---</i>	<i>20.0 ---</i>	<i>16.5 ---</i>	<i>---</i>

MID CAP EQUITY RETURN COMPARISONS



Mid Cap Universe

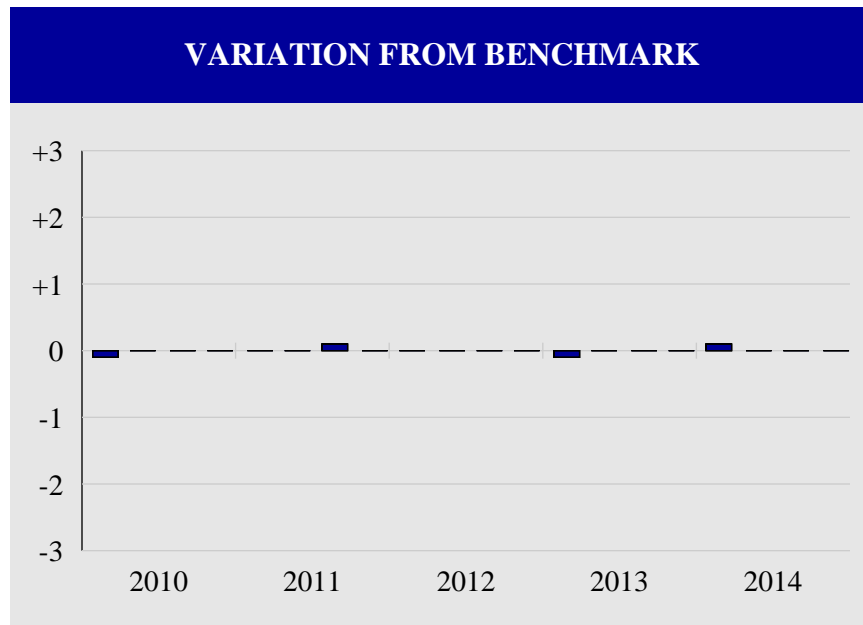


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	6.3	2.1	6.5	9.8	19.9	16.5
(RANK)	(39)	(68)	(60)	(48)	(55)	(50)
5TH %ILE	8.5	7.0	12.1	16.0	25.0	19.2
25TH %ILE	6.9	5.5	9.5	12.3	22.2	17.5
MEDIAN	5.9	3.6	7.4	9.7	20.1	16.5
75TH %ILE	4.4	1.5	4.3	6.6	18.0	15.2
95TH %ILE	1.0	-2.8	0.6	2.0	14.5	12.5
<b>S&amp;P 400</b>	<b>6.3</b>	<b>2.1</b>	<b>6.5</b>	<b>9.8</b>	<b>20.0</b>	<b>16.5</b>

Mid Cap Universe

**MID CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

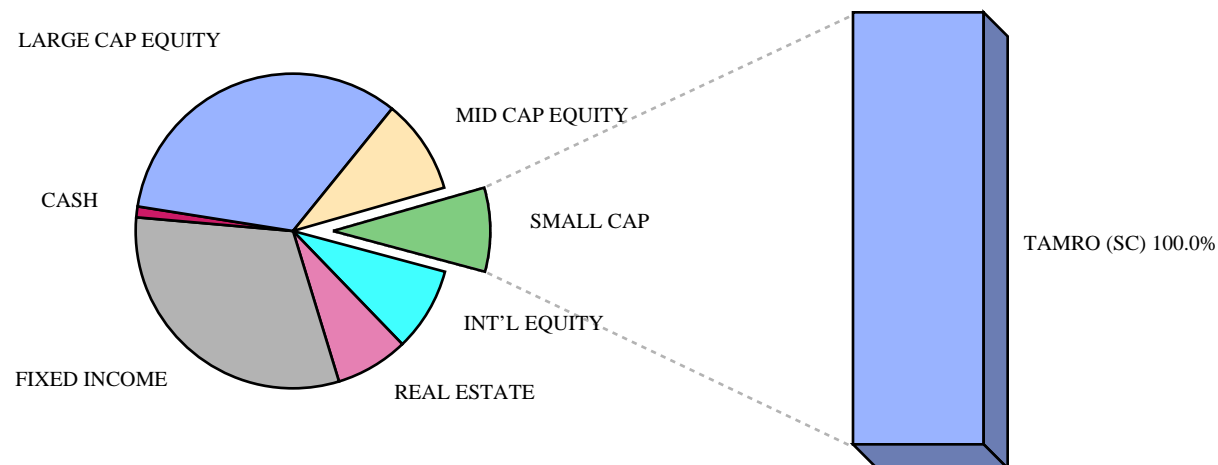
**COMPARATIVE BENCHMARK: S&P 400**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
6/14	4.3	4.3	0.0
9/14	-4.0	-4.0	0.0
12/14	6.3	6.3	0.0

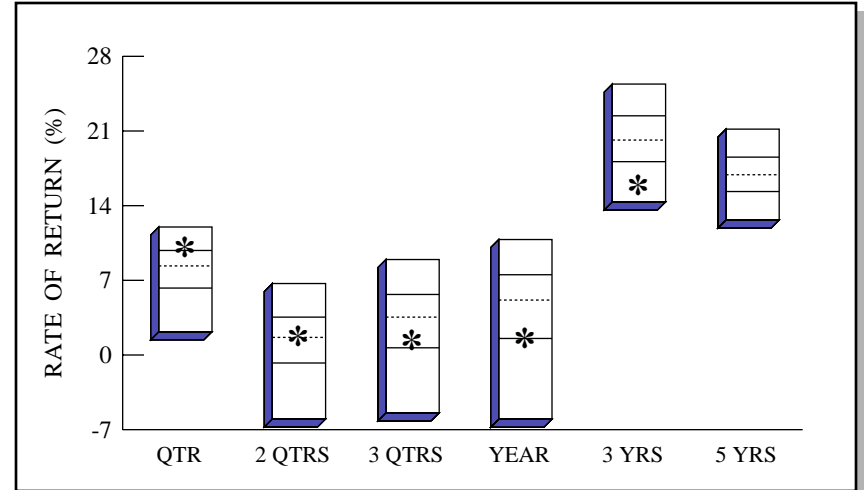
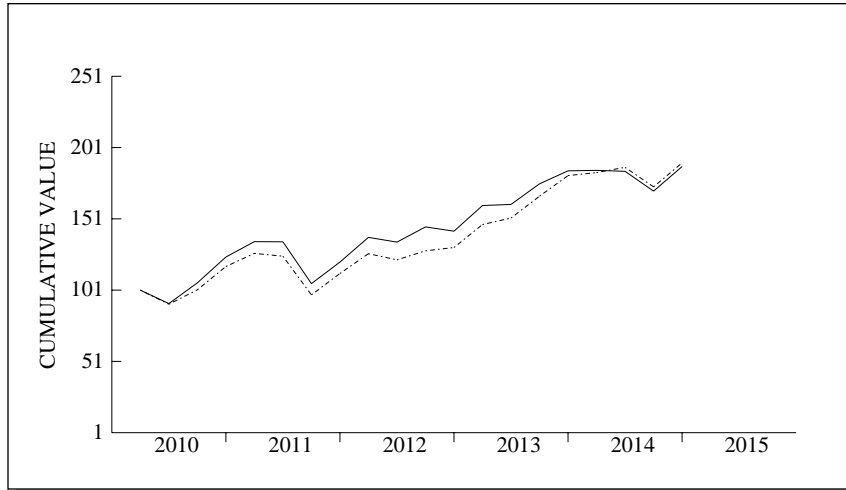
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>18</b>
<b>Quarters Below the Benchmark</b>	<b>2</b>
<b>Batting Average</b>	<b>.900</b>

**SMALL CAP EQUITY MANAGER SUMMARY**

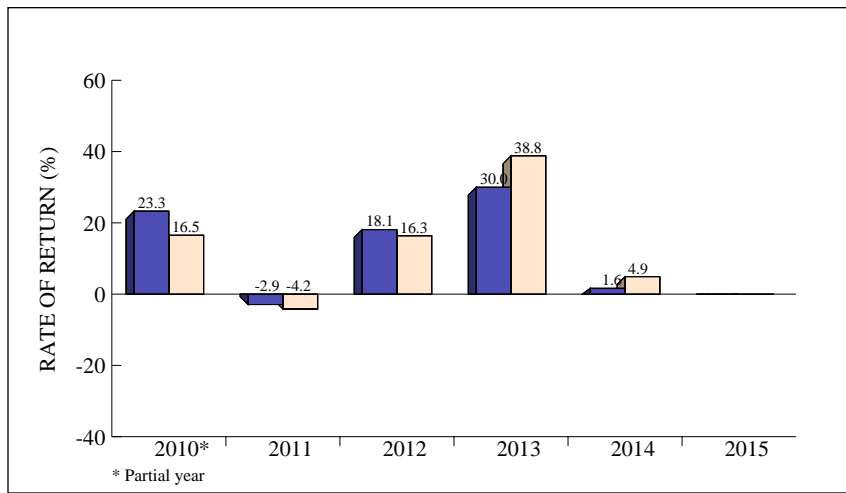


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
TAMRO	(Small Cap)	10.2 (19)	10.2 (19)	1.6 (75)	16.0 (90)	----	\$11,261,007
<i>Russell 2000</i>		<i>9.7 ----</i>	<i>9.7 ----</i>	<i>4.9 ----</i>	<i>19.2 ----</i>	<i>15.5 ----</i>	<i>----</i>
<b>TOTAL</b>	<b>(Small Cap)</b>	<b>10.2 (19)</b>	<b>10.2 (19)</b>	<b>1.6 (75)</b>	<b>16.0 (90)</b>	<b>----</b>	<b>\$11,261,007</b>
<i>Russell 2000</i>		<i>9.7 ----</i>	<i>9.7 ----</i>	<i>4.9 ----</i>	<i>19.2 ----</i>	<i>15.5 ----</i>	<i>----</i>

**SMALL CAP EQUITY RETURN COMPARISONS**



Small Cap Universe



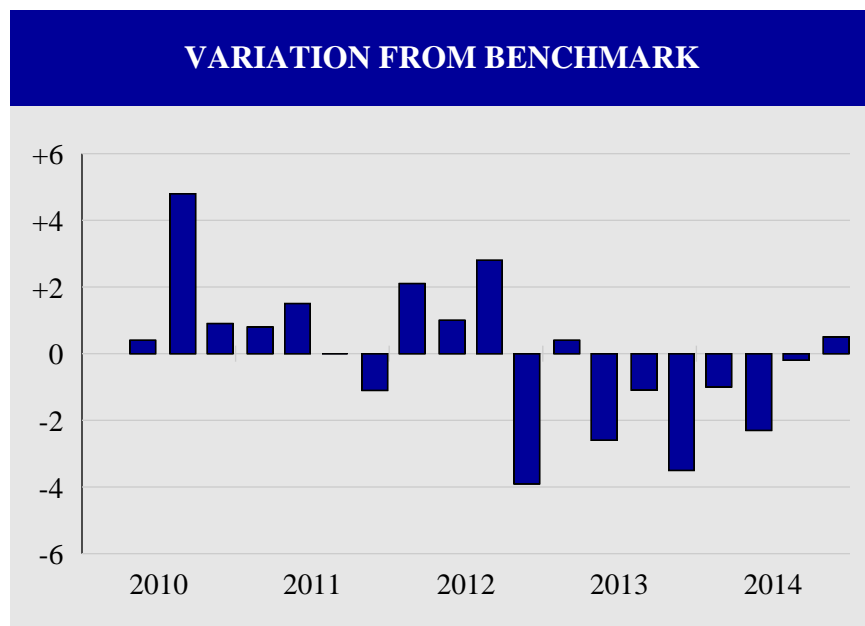
	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	10.2	1.8	1.5	1.6	16.0	----
(RANK)	(19)	(47)	(70)	(75)	(90)	----
5TH %ILE	12.0	6.7	9.0	10.8	25.4	21.2
25TH %ILE	9.8	3.5	5.7	7.5	22.4	18.6
MEDIAN	8.4	1.6	3.6	5.2	20.1	16.9
75TH %ILE	6.3	-0.8	0.7	1.6	18.1	15.3
95TH %ILE	2.2	-6.0	-5.4	-6.0	14.4	12.7
<b>Russ 2000</b>	<b>9.7</b>	<b>1.7</b>	<b>3.7</b>	<b>4.9</b>	<b>19.2</b>	<b>15.5</b>

Small Cap Universe



**SMALL CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

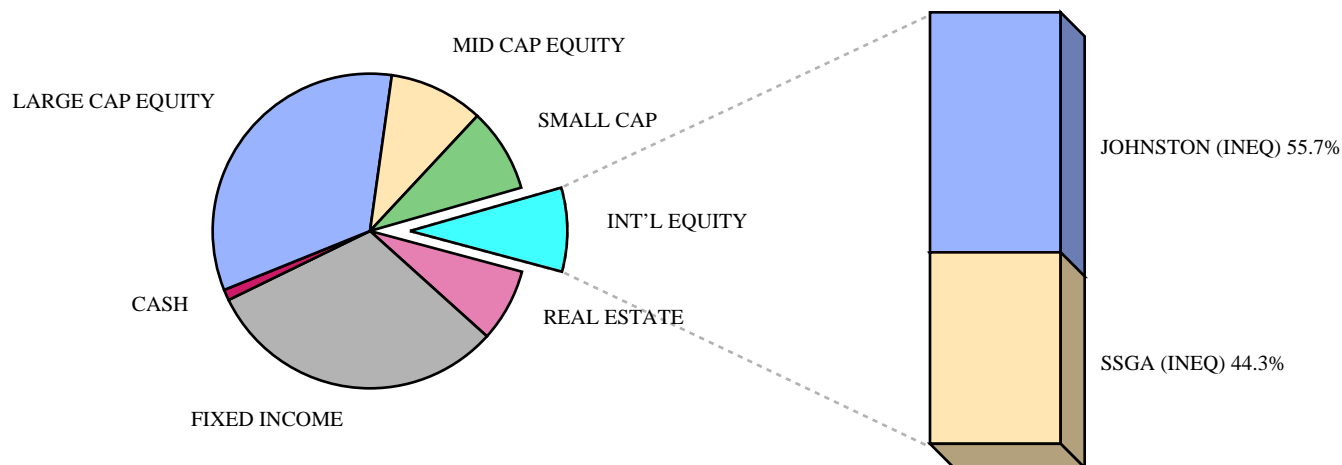
**COMPARATIVE BENCHMARK: RUSSELL 2000**



<b>Total Quarters Observed</b>	<b>19</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>8</b>
<b>Batting Average</b>	<b>.579</b>

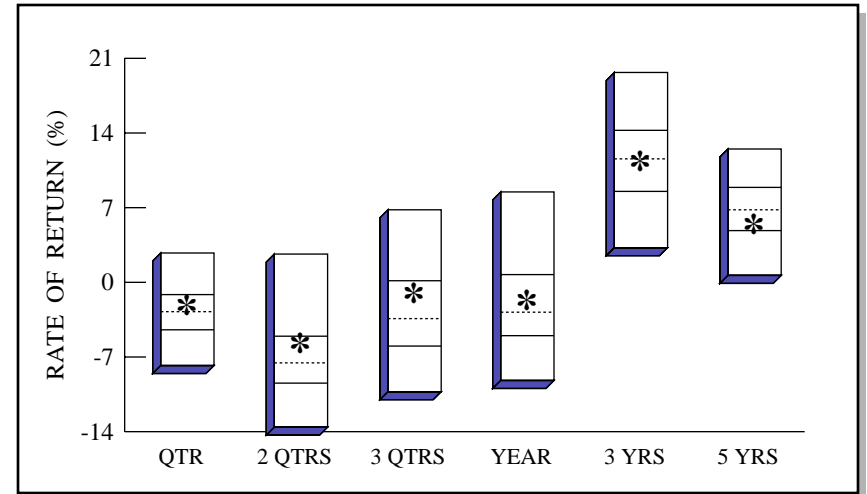
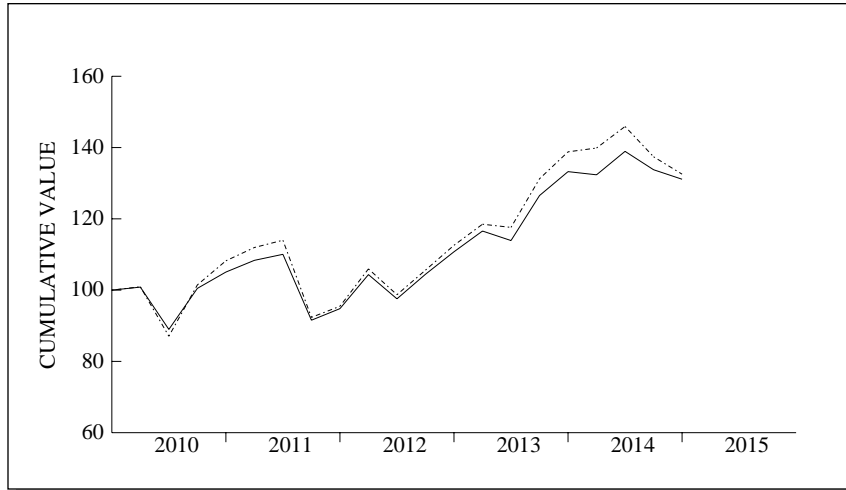
<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
6/10	-9.5	-9.9	0.4
9/10	16.1	11.3	4.8
12/10	17.2	16.3	0.9
3/11	8.7	7.9	0.8
6/11	-0.1	-1.6	1.5
9/11	-21.9	-21.9	0.0
12/11	14.4	15.5	-1.1
3/12	14.5	12.4	2.1
6/12	-2.5	-3.5	1.0
9/12	8.0	5.2	2.8
12/12	-2.1	1.8	-3.9
3/13	12.8	12.4	0.4
6/13	0.5	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
6/14	-0.3	2.0	-2.3
9/14	-7.6	-7.4	-0.2
12/14	10.2	9.7	0.5

**INTERNATIONAL EQUITY MANAGER SUMMARY**

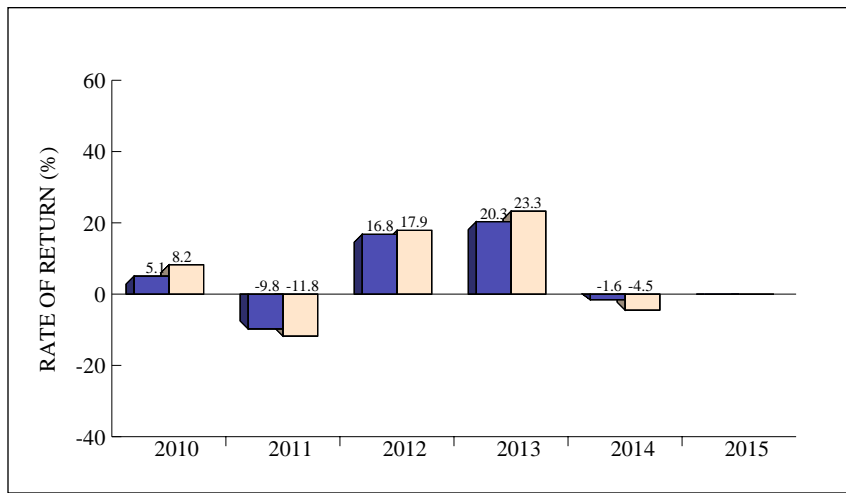


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
JOHNSTON	(International Equity)	-0.7 (20)	-0.7 (20)	0.9 (24)	11.4 (53)	----	\$6,123,190
SSGA	(International Equity)	-3.6 (64)	-3.6 (64)	-4.6 (70)	11.4 (53)	5.6 (68)	\$4,871,482
<i>MSCI EAFE</i>		-3.5 ----	-3.5 ----	-4.5 ----	11.6 ----	5.8 ----	----
<b>TOTAL</b>	<b>(International Equity)</b>	<b>-2.0 (37)</b>	<b>-2.0 (37)</b>	<b>-1.6 (41)</b>	<b>11.4 (53)</b>	<b>5.6 (69)</b>	<b>\$10,994,672</b>
<i>MSCI EAFE</i>		-3.5 ----	-3.5 ----	-4.5 ----	11.6 ----	5.8 ----	----

INTERNATIONAL EQUITY RETURN COMPARISONS



International Equity Universe

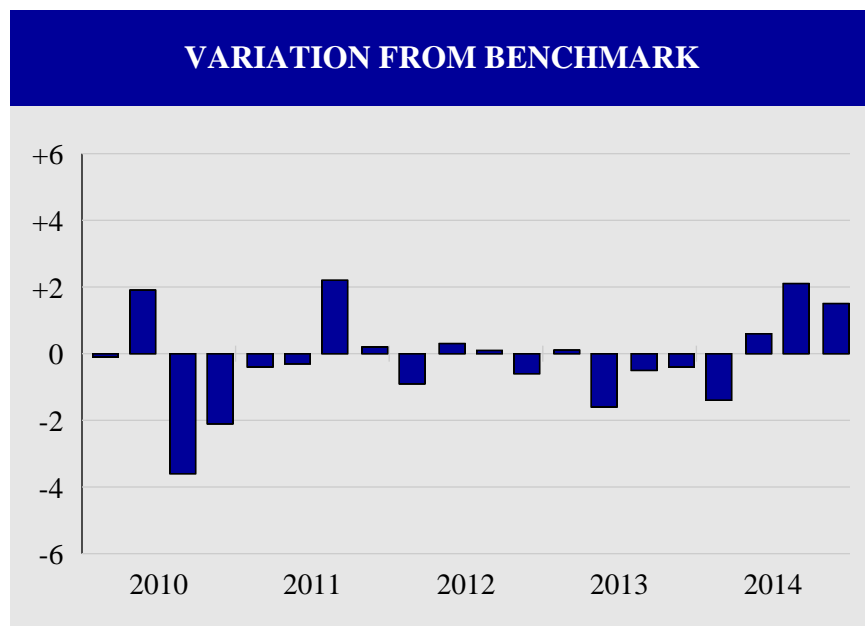


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-2.0	-5.6	-1.0	-1.6	11.4	5.6
(RANK)	(37)	(28)	(32)	(41)	(53)	(69)
5TH %ILE	2.7	2.6	6.8	8.5	19.7	12.5
25TH %ILE	-1.1	-5.1	0.2	0.7	14.3	8.9
MEDIAN	-2.8	-7.6	-3.4	-2.8	11.6	6.8
75TH %ILE	-4.5	-9.4	-6.0	-5.0	8.5	4.9
95TH %ILE	-7.8	-13.6	-10.3	-9.2	3.2	0.7
<b>MSCI EAFE</b>	<b>-3.5</b>	<b>-9.2</b>	<b>-5.2</b>	<b>-4.5</b>	<b>11.6</b>	<b>5.8</b>

International Equity Universe

**INTERNATIONAL EQUITY QUARTERLY PERFORMANCE SUMMARY**

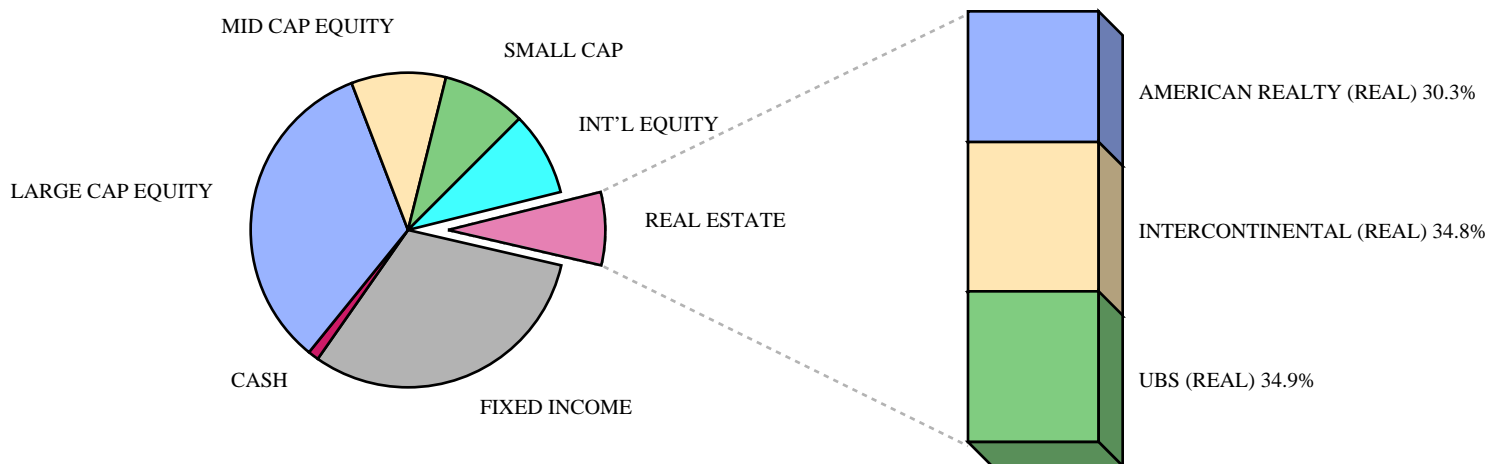
**COMPARATIVE BENCHMARK: MSCI EAFE**



<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
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
6/14	4.9	4.3	0.6
9/14	-3.7	-5.8	2.1
12/14	-2.0	-3.5	1.5

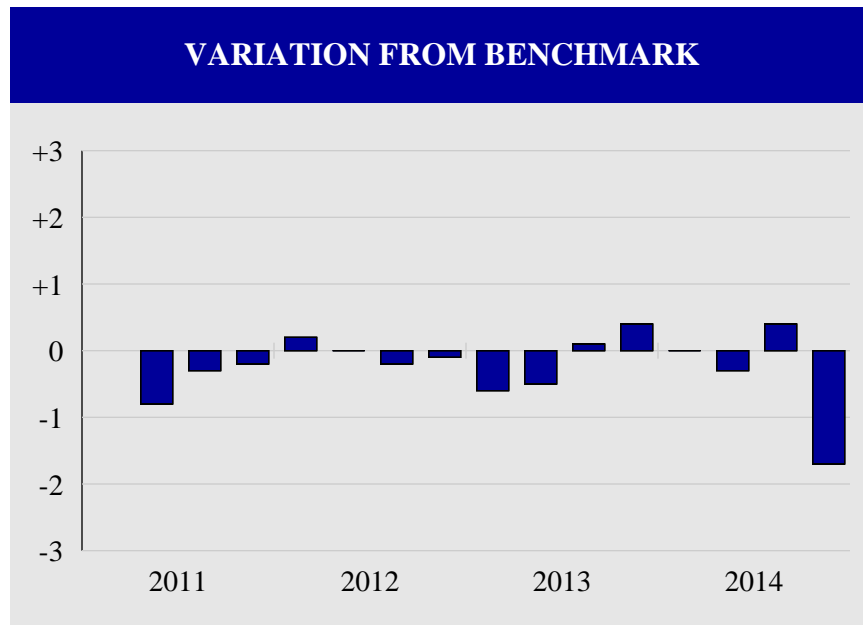
**REAL ESTATE MANAGER SUMMARY**



MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
AMERICAN REALTY		1.8 ---	1.8 ---	11.6 ---	11.8 ---	--- ---	\$2,929,434
INTERCONTINENTAL		0.0 ---	0.0 ---	8.3 ---	--- ---	--- ---	\$3,364,665
UBS		3.0 ---	3.0 ---	11.6 ---	--- ---	--- ---	\$3,374,328
<i>NCREIF NFI-ODCE Index</i>		<i>3.3 ---</i>	<i>3.3 ---</i>	<i>12.5 ---</i>	<i>12.4 ---</i>	<i>13.9 ---</i>	---
<b>TOTAL</b>		<b>1.6 ---</b>	<b>1.6 ---</b>	<b>10.6 ---</b>	<b>11.6 ---</b>	<b>--- ---</b>	<b>\$9,668,427</b>
<i>NCREIF NFI-ODCE Index</i>		<i>3.3 ---</i>	<i>3.3 ---</i>	<i>12.5 ---</i>	<i>12.4 ---</i>	<i>13.9 ---</i>	---

**REAL ESTATE QUARTERLY PERFORMANCE SUMMARY**

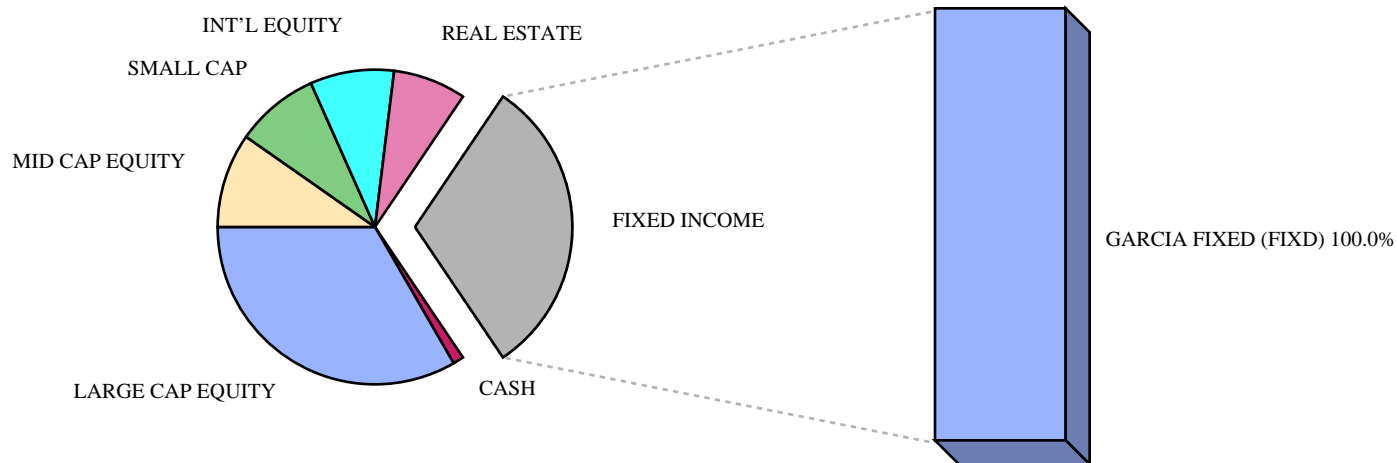
**COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX**



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
6/14	2.6	2.9	-0.3
9/14	3.6	3.2	0.4
12/14	1.6	3.3	-1.7

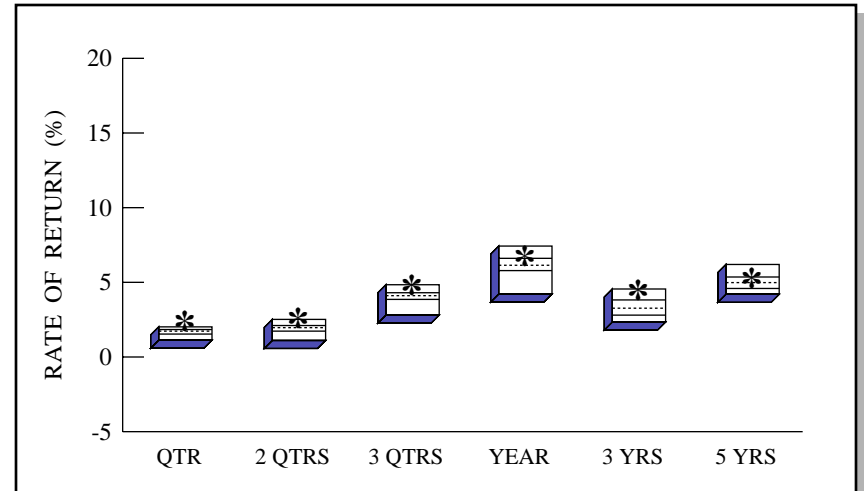
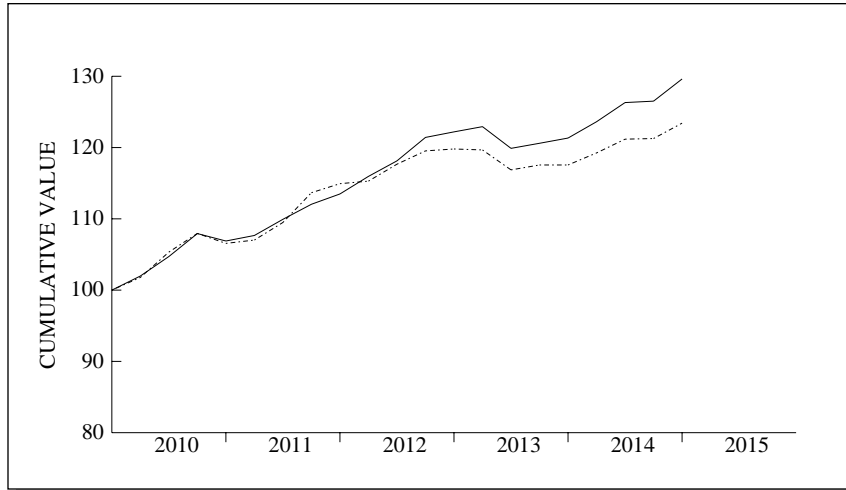
<b>Total Quarters Observed</b>	<b>15</b>
<b>Quarters At or Above the Benchmark</b>	<b>6</b>
<b>Quarters Below the Benchmark</b>	<b>9</b>
<b>Batting Average</b>	<b>.400</b>

**FIXED INCOME MANAGER SUMMARY**

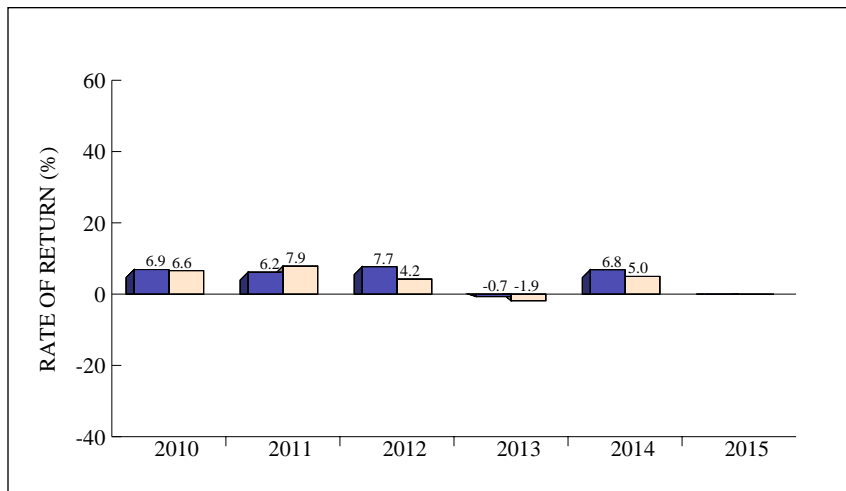


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
GARCIA FIXED	(Core Fixed Income)	2.5 (1)	2.5 (1)	7.8 (2)	5.8 (1)	6.1 (6)	\$40,084,170
<i>Custom Fixed Income Index</i>		<i>1.8 ---</i>	<i>1.8 ---</i>	<i>5.0 ---</i>	<i>2.4 ---</i>	<i>4.3 ---</i>	<i>---</i>
<b>TOTAL</b>	<b>(Core Fixed Income)</b>	<b>2.5 (1)</b>	<b>2.5 (1)</b>	<b>6.8 (21)</b>	<b>4.5 (6)</b>	<b>5.3 (26)</b>	<b>\$40,084,170</b>
<i>Custom Fixed Income Index</i>		<i>1.8 ---</i>	<i>1.8 ---</i>	<i>5.0 ---</i>	<i>2.4 ---</i>	<i>4.3 ---</i>	<i>---</i>

**FIXED INCOME RETURN COMPARISONS**



Core Fixed Income Universe



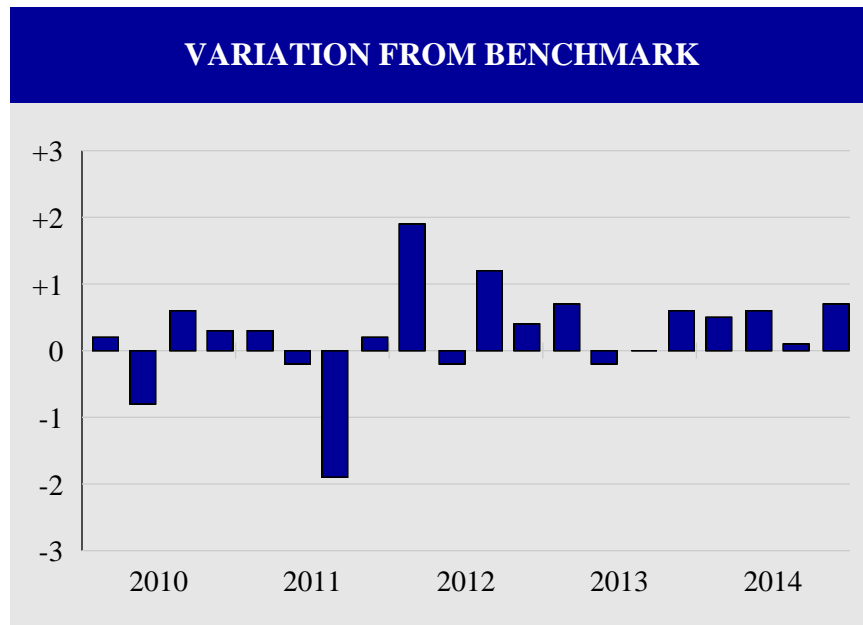
	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	2.5	2.6	4.9	6.8	4.5	5.3
(RANK)	(1)	(5)	(5)	(21)	(6)	(26)
5TH %ILE	2.0	2.5	4.8	7.4	4.6	6.2
25TH %ILE	1.8	2.1	4.3	6.6	3.8	5.4
MEDIAN	1.7	2.0	4.1	6.1	3.3	5.0
75TH %ILE	1.5	1.7	3.9	5.8	2.8	4.6
95TH %ILE	1.1	1.1	2.8	4.2	2.3	4.2
<i>Custom Idx</i>	<i>1.8</i>	<i>1.9</i>	<i>3.5</i>	<i>5.0</i>	<i>2.4</i>	<i>4.3</i>

Core Fixed Income Universe



**FIXED INCOME QUARTERLY PERFORMANCE SUMMARY**

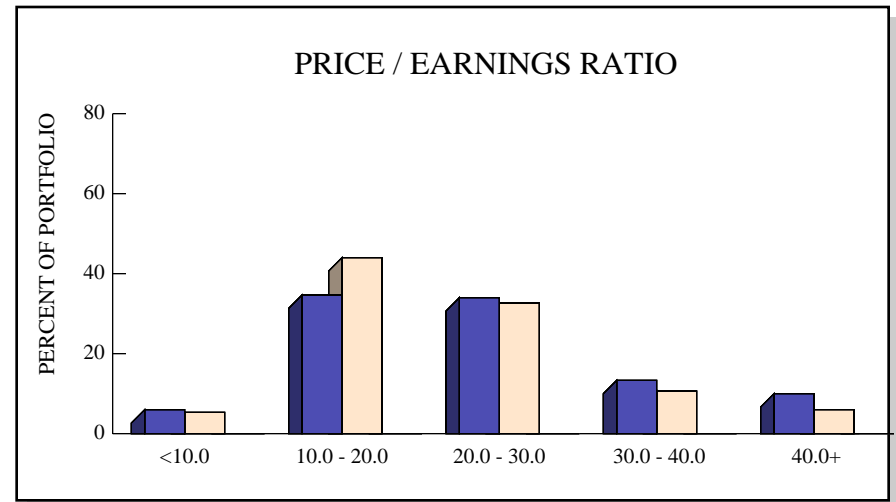
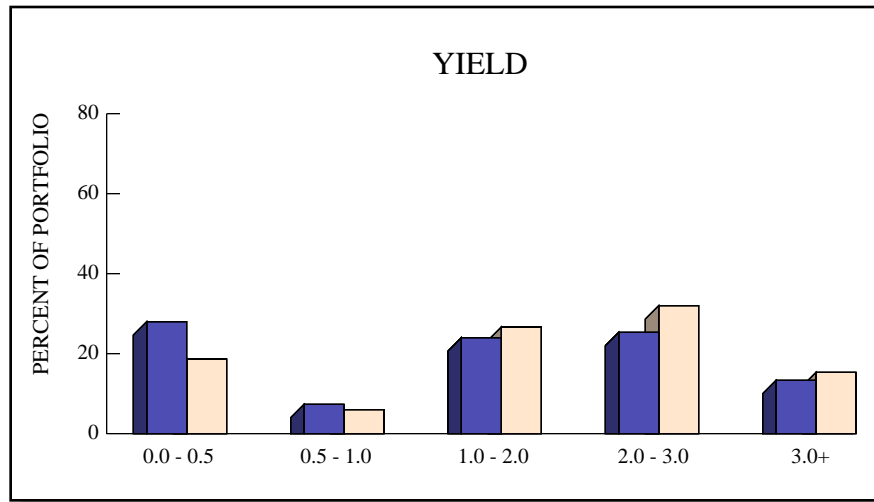
**COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX**



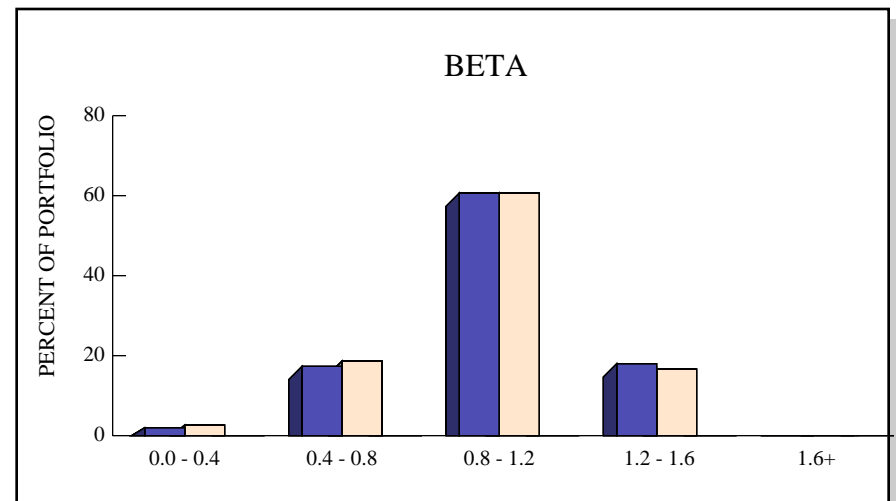
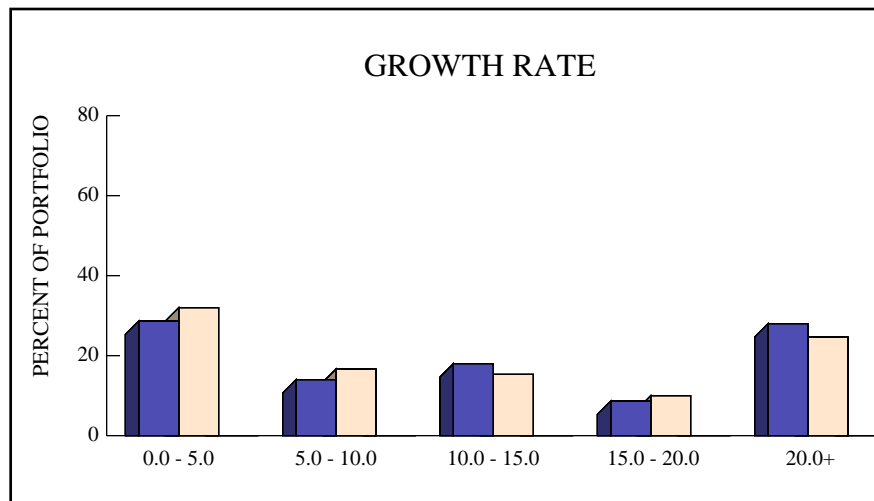
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>15</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.750</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
6/14	2.2	1.6	0.6
9/14	0.2	0.1	0.1
12/14	2.5	1.8	0.7

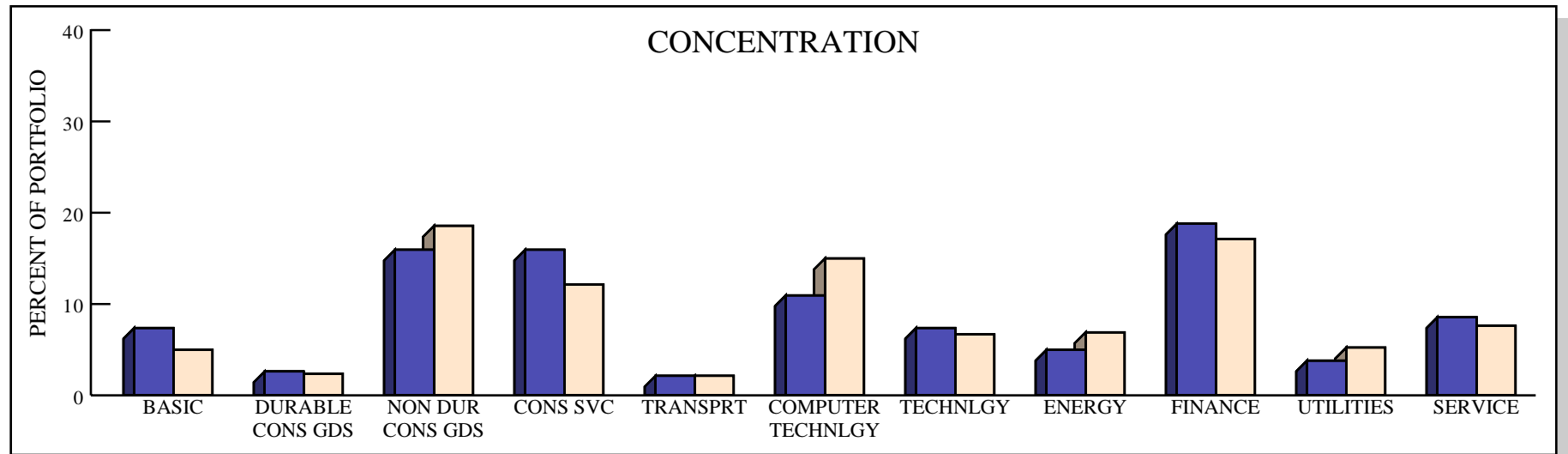
**STOCK CHARACTERISTICS**



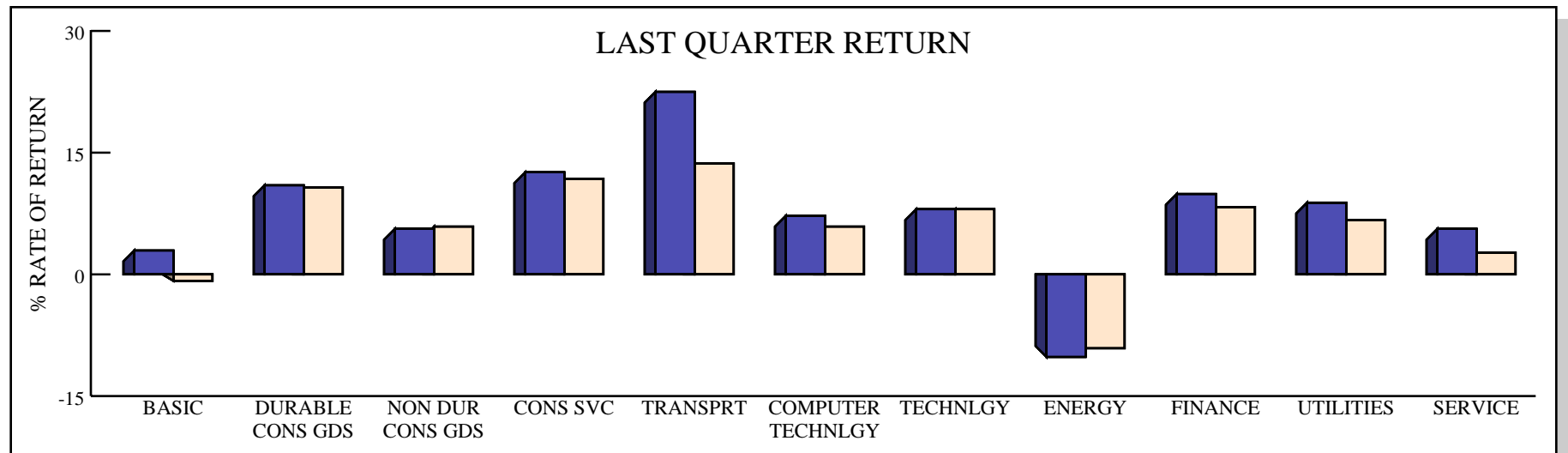
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	955	1.6%	13.1%	24.5	0.98
S&P 500	502	1.9%	11.9%	22.6	1.00



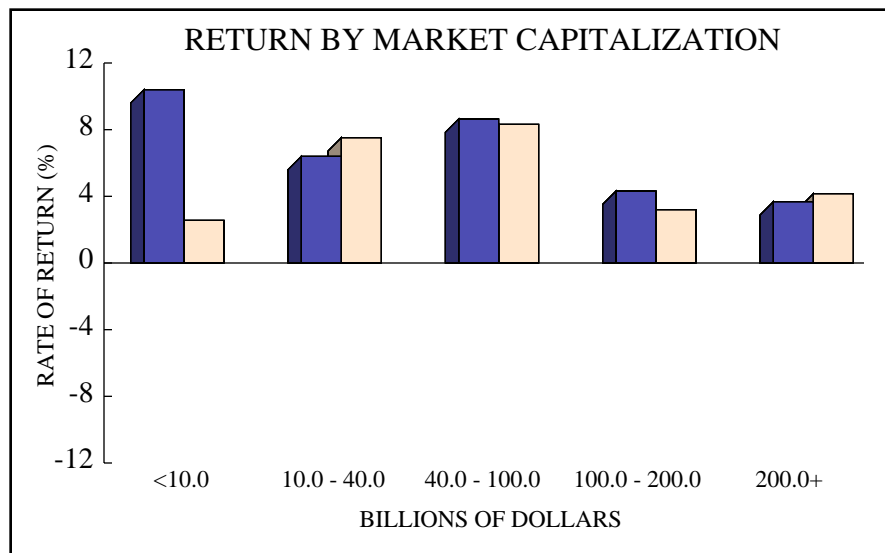
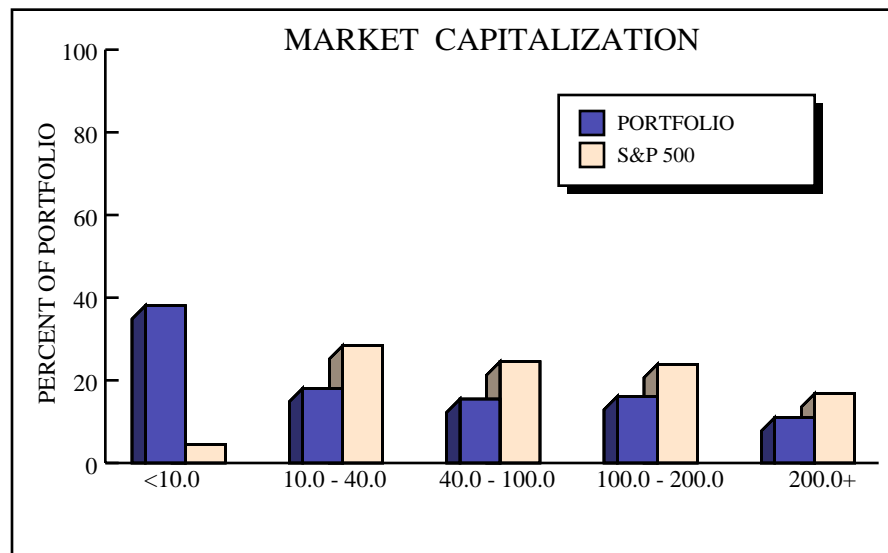
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



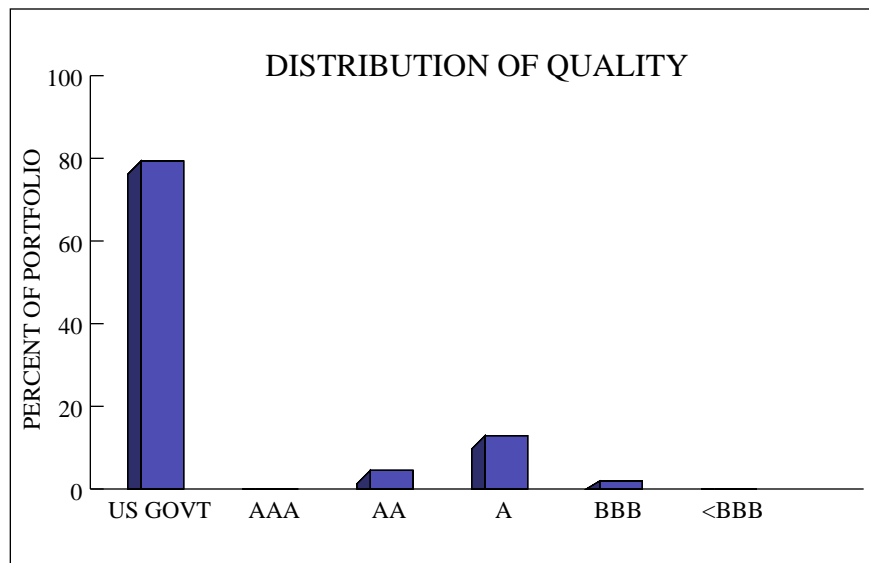
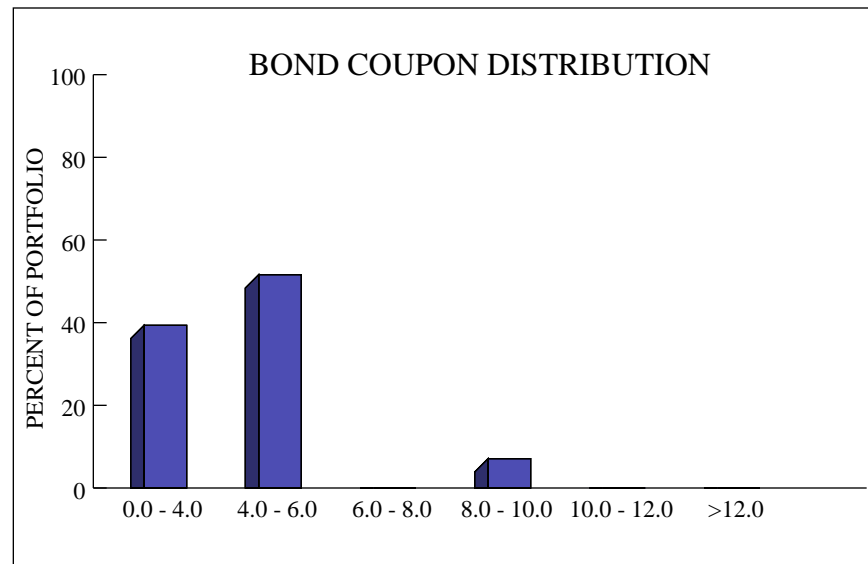
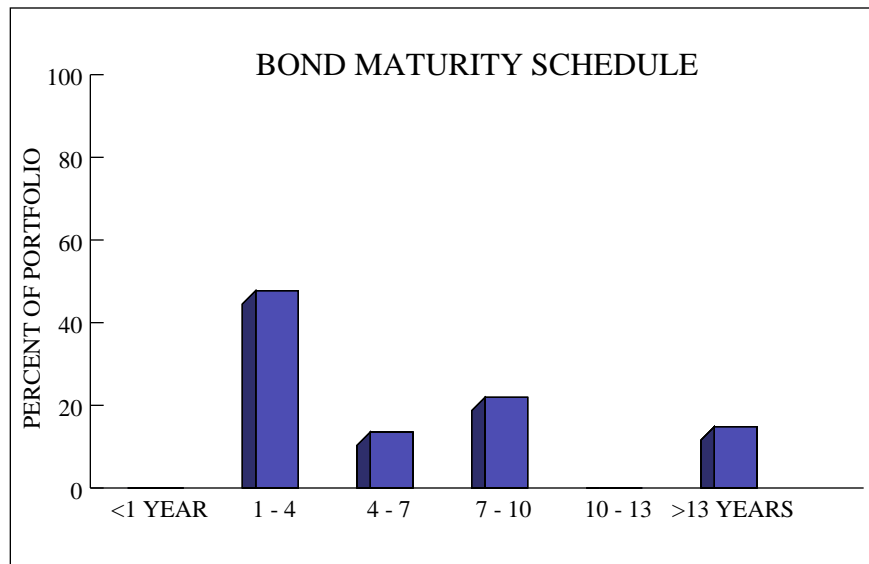
**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 1,437,258	2.16%	10.0%	Computer Tech	\$ 647.4 B
2	EXXON MOBIL CORP	915,070	1.37%	-1.0%	Energy	391.5 B
3	WALT DISNEY CO/THE	814,555	1.22%	6.0%	Consumer Service	159.7 B
4	JOHNSON & JOHNSON	786,994	1.18%	-1.2%	NonDur Cons Goods	292.7 B
5	WELLS FARGO & CO	758,380	1.14%	6.3%	Finance	284.4 B
6	EXPRESS SCRIPTS HOLDING CO	727,908	1.09%	19.9%	Consumer Service	62.1 B
7	MICROSOFT CORP	703,810	1.06%	0.8%	Computer Tech	382.9 B
8	BLACKROCK INC	696,884	1.05%	9.4%	Finance	59.1 B
9	CVS HEALTH CORP	686,112	1.03%	21.3%	Consumer Service	110.4 B
10	GENERAL ELECTRIC CO	654,771	.98%	-0.5%	Basic	253.8 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	38	9,079
Duration	6.25	5.55
YTM	2.06	2.25
Average Coupon	4.31	3.28
Avg Maturity / WAL	7.98	7.69
Average Quality	USG-AAA	USG-AAA

**COMPLIANCE REPORT****Total Portfolio**

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:	NO
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

**COMPLIANCE REPORT**

<i><b>Total Fund Asset Allocation</b></i>	<i><b>Actual</b></i>	<i><b>Target</b></i>	<i><b>Minimum</b></i>	<i><b>Maximum</b></i>	<i><b>Compliance</b></i>
Domestic Equity	51.7%	50.0%	40.0%	60.0%	YES
Int'l Equity	8.5%	12.5%	7.5%	12.5%	YES
Real Estate	7.5%	7.5%	7.5%	12.5%	YES
Fixed	31.1%	30.0%	25.0%	35.0%	YES
Cash	1.1%	---	---	---	---

<i><b>Manager Allocation</b></i>	<i><b>Actual</b></i>	<i><b>Target</b></i>	<i><b>Minimum</b></i>	<i><b>Maximum</b></i>	<i><b>Compliance</b></i>
Vanguard Institutional Index	15.8%	10.0%	5.0%	15.0%	NO
Buckhead Capital - LCV	8.9%	10.0%	5.0%	15.0%	YES
Garcia Hamilton - LVG	8.9%	10.0%	5.0%	15.0%	YES
Rhumblin - Mid Cap	9.7%	10.0%	7.5%	12.5%	YES
TAMRO - Small Cap	8.8%	10.0%	7.5%	12.5%	YES
Johnston	4.8%	7.5%	4.0%	10.0%	YES
SSgA - EAFE Index Fund	3.8%	5.0%	3.0%	7.0%	YES
American Realty	2.3%	2.0%	0.0%	4.0%	YES
Intercontinental	2.6%	2.0%	0.0%	4.0%	YES
UBS	2.6%	3.5%	1.5%	5.5%	YES
Garcia Hamilton - Fixed	31.2%	30.0%	20.0%	40.0%	YES
Cash account	0.6%	---	---	---	---

---

**COMPLIANCE REPORT****Buckhead Capital Management**

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
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



**COMPLIANCE REPORT****Garcia Hamilton**

Equity Portfolio return exceeds the Russell 1000 Growth 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:	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****TAMRO**

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	5.2	5.2	12.6	20.5	15.6
S&P 500	Large Cap Core	4.9	4.9	13.7	20.4	15.4
Russell 1000	Large Cap Core	4.9	4.9	13.2	20.6	15.6
Russell 1000 Growth	Large Cap Growth	4.8	4.8	13.1	20.3	15.8
Russell 1000 Value	Large Cap Value	5.0	5.0	13.5	20.9	15.4
Russell Mid Cap	Midcap	5.9	5.9	13.2	21.4	17.2
Russell Mid Cap Growth	Midcap Growth	5.8	5.8	11.9	20.7	16.9
Russell Mid Cap Value	Midcap Value	6.1	6.1	14.7	22.0	17.4
Russell 2000	Small Cap	9.7	9.7	4.9	19.2	15.5
Russell 2000 Growth	Small Cap Growth	10.1	10.1	5.6	20.1	16.8
Russell 2000 Value	Small Cap Value	9.4	9.4	4.2	18.3	14.3
<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	-3.5	-3.5	-4.5	11.6	5.8
MSCI EAFE Growth	Developed Markets Growth	-2.3	-2.3	-4.1	11.4	6.6
MSCI EAFE Value	Developed Markets Value	-4.8	-4.8	-4.9	11.6	5.0
MSCI All Country World Ex US	Foreign Equity	-3.8	-3.8	-3.4	9.5	4.9
MSCI Emerging Markets	Emerging Markets Equity	-4.4	-4.4	-1.8	4.4	2.1
<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	1.8	6.0	2.7	4.5
Barclays Gov/Credit	Gov/Credit	1.8	1.8	6.0	2.8	4.7
Barclays Capital Gov't Bond	Treasuries	1.9	1.9	4.9	1.4	3.7
Barclays Capital Credit Bond	Corporate Bonds	1.8	1.8	7.5	4.8	6.3
Intermediate Aggregate	Core Intermediate	1.2	1.2	4.1	2.2	3.7
Intermediate Gov/Credit	Gov / Credit Intermediate	0.9	0.9	3.1	2.0	3.5
ML/BoA 1-3 Year Treasury	Short Term Treasuries	0.2	0.2	0.6	0.3	1.0
CSFB High Yield	High Yield Bonds	-1.6	-1.6	1.9	7.9	8.7
<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	-3.1	-2.8	-1.8	-0.7
NCREIF NFI-ODCE Index	Real Estate	3.3	3.3	12.5	12.4	13.9
HFRI FOF Composite	Hedge Funds	0.9	0.9	3.4	5.7	3.3

**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 was 100% Barclays Gov/Credit through December 2008. From December 2008 through October 2013, the index was 100% Barclays Aggregate. From October 2013 through September 2014, the hybrid index was 50% Barclays Gov/Credit and 50% Barclays Aggregate. Since September 2014, this index is 100% 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.

\* In the second quarter of 2014 the balanced Buckhead & Garcia Hamilton accounts were each split into two different custodial accounts. The equity portfolios maintained the original account numbers, while the Fixed Income portfolios were given new account numbers. Fixed income securities stayed in the Equity accounts until they had reached maturity. The custodian shows the proceeds of these maturities in the Equity accounts; however, we have shown these securities as part of the fixed income accounts from the start of the quarter. As a result, the cash balances were adjusted.

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

## **INVESTMENT RETURN**

On December 31st, 2014, the Davie Police Pension Plan's Vanguard Institutional Index Fund was valued at \$20,366,887, representing an increase of \$958,831 from the September quarter's ending value of \$19,408,056. Last quarter, the Fund posted net contributions equaling \$2,194 plus a net investment gain equaling \$956,637. Total net investment return was the result of income receipts, which totaled \$112,393 and net realized and unrealized capital gains of \$844,244.

For the cumulative period since December 2013, the fund has recorded net contributions totaling \$8.0 million, and recorded net investment gains of \$2.0 million. For the period since December 2013, if the total fund had returned a compounded nominal rate of 7.9% it would have been valued at \$19.5 million or \$866,097 less than the actual value as of December 31st, 2014.

## **RELATIVE PERFORMANCE**

In the fourth quarter, the Vanguard Institutional Index Fund gained 4.9%, which was equal to the S&P 500 Index's return of 4.9% and ranked in the 54th percentile of the Large Cap Core universe. Over the trailing year, the portfolio returned 13.7%, which was equal to the benchmark's 13.7% performance, and ranked in the 38th percentile.

## **ASSET ALLOCATION**

At the end of the fourth quarter, large cap equities comprised almost the entirety of the total portfolio (\$20.4 million), while cash & equivalents made up the remainder (\$2,214).

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Years	Since 12/13
<b>Total Gross/Fees</b>	4.9	4.9	13.7	----	13.7
<i>LARGE CAP CORE RANK</i>	(54)	(54)	(38)	----	(38)
<b>Total Net/Fees</b>	4.9	4.9	13.6	----	13.6
S&P 500	4.9	4.9	13.7	20.4	13.7
<b>Large Cap Equity</b>	4.9	4.9	13.7	----	13.7
<i>LARGE CAP CORE RANK</i>	(55)	(55)	(39)	----	(39)
S&P 500	4.9	4.9	13.7	20.4	13.7

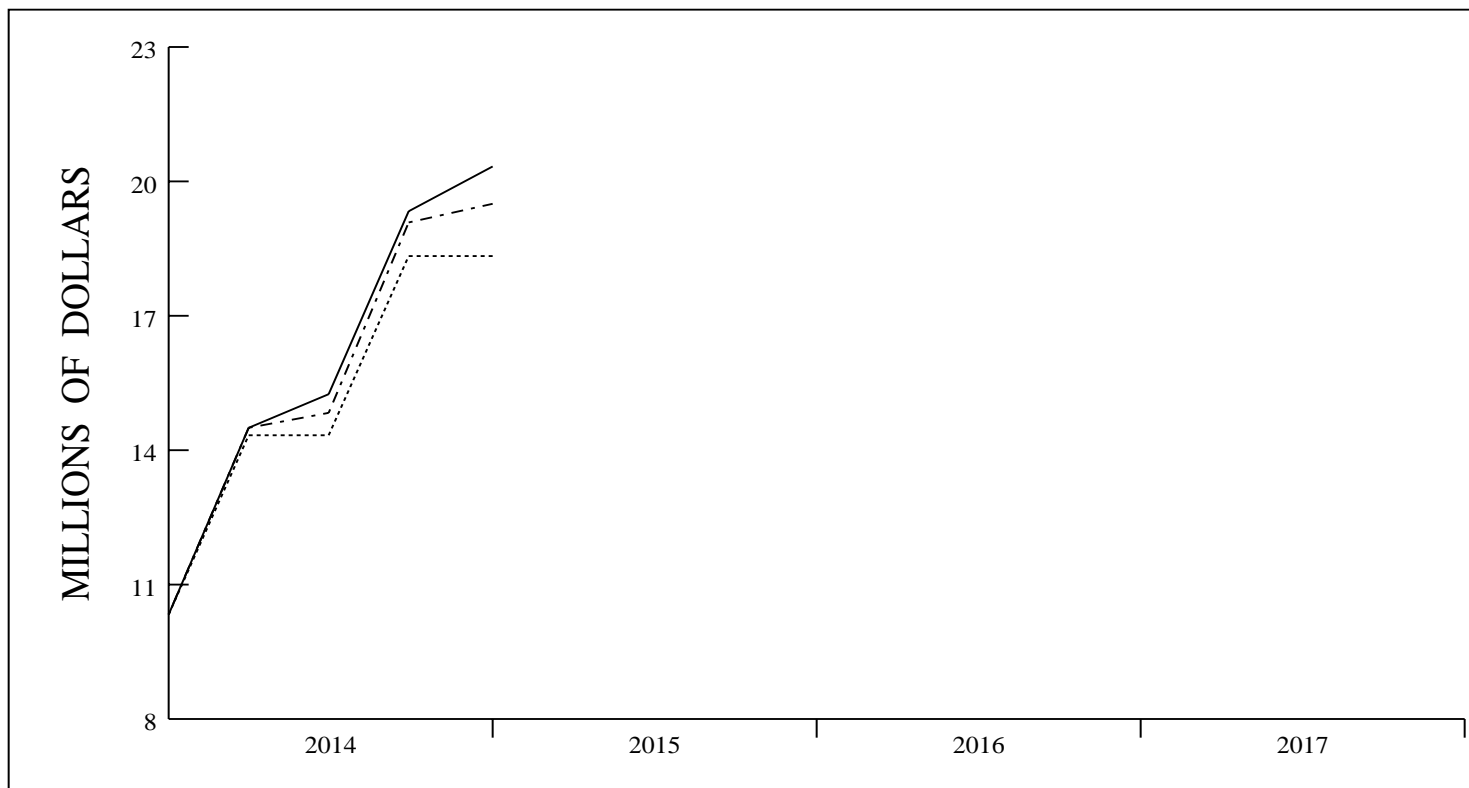
**ASSET ALLOCATION**

Large Cap Equity	100.0%	\$ 20,364,673
Cash	0.0%	2,214
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 20,366,887</b>

**INVESTMENT RETURN**

Market Value 9/2014	\$ 19,408,056
Contribs / Withdrawals	2,194
Income	112,393
Capital Gains / Losses	844,244
<b>Market Value 12/2014</b>	<b>\$ 20,366,887</b>

**INVESTMENT GROWTH**



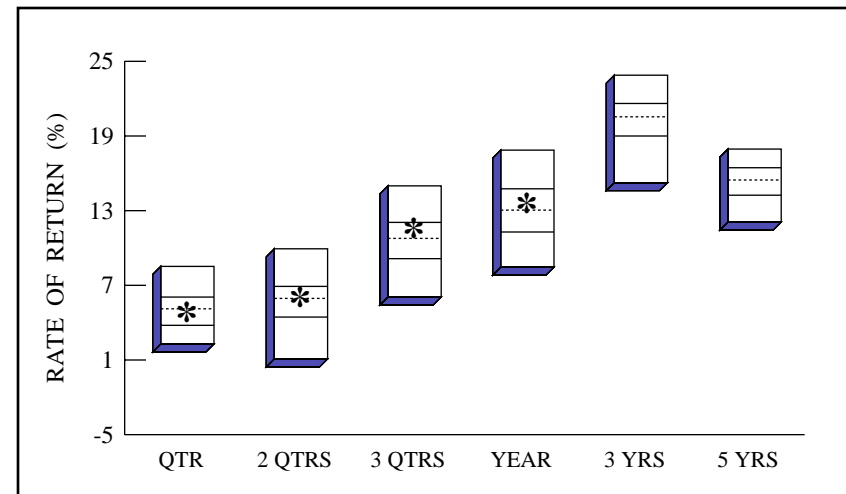
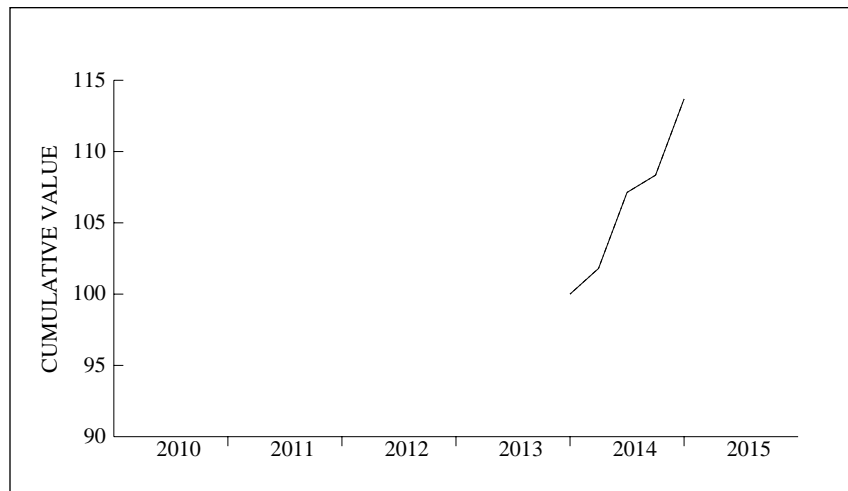
— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 19,500,790

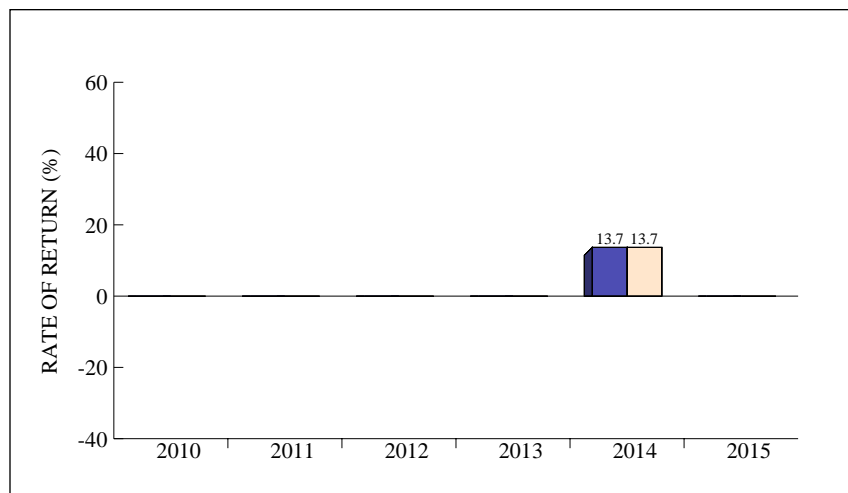
	LAST QUARTER	PERIOD 12/13 - 12/14
BEGINNING VALUE	\$ 19,408,056	\$ 10,343,510
NET CONTRIBUTIONS	2,194	8,002,194
INVESTMENT RETURN	956,637	2,021,183
ENDING VALUE	\$ 20,366,887	\$ 20,366,887
INCOME	112,393	324,411
CAPITAL GAINS (LOSSES)	844,244	1,696,772
INVESTMENT RETURN	956,637	2,021,183



**TOTAL RETURN COMPARISONS**



Large Cap Core Universe

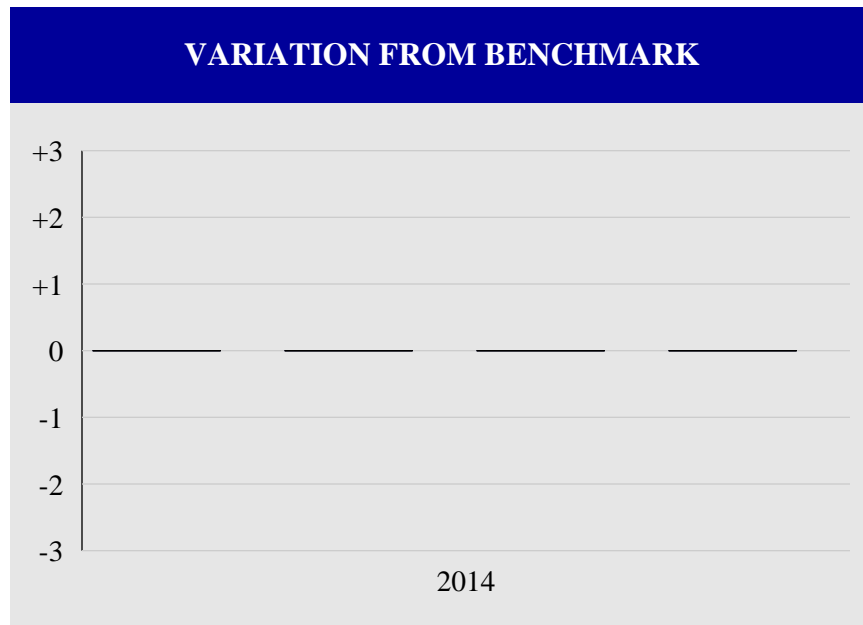


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	4.9	6.1	11.7	13.7	----	----
(RANK)	(54)	(44)	(32)	(38)	----	----
5TH %ILE	8.5	9.9	15.0	17.9	23.9	17.9
25TH %ILE	6.1	6.9	12.1	14.8	21.6	16.5
MEDIAN	5.1	5.9	10.8	13.1	20.5	15.5
75TH %ILE	3.8	4.4	9.1	11.3	19.0	14.3
95TH %ILE	2.3	1.1	6.1	8.5	15.3	12.1
<b>S&amp;P 500</b>	<b>4.9</b>	<b>6.1</b>	<b>11.7</b>	<b>13.7</b>	<b>20.4</b>	<b>15.4</b>

Large Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

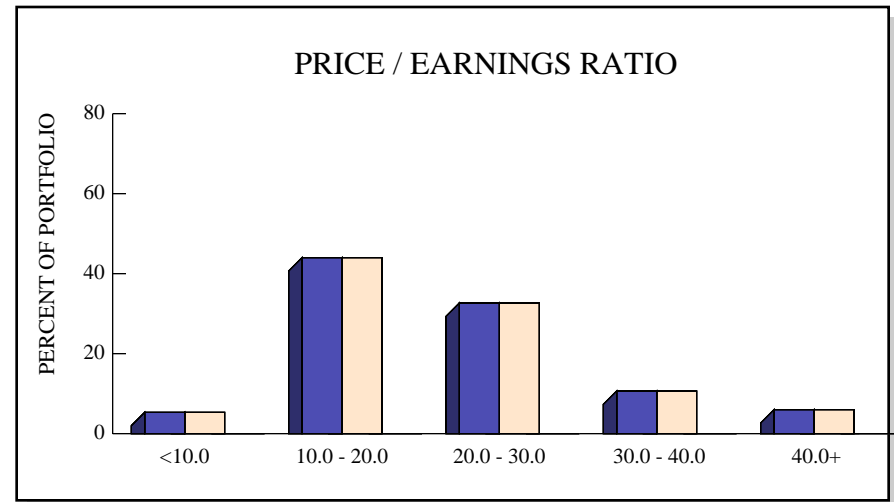
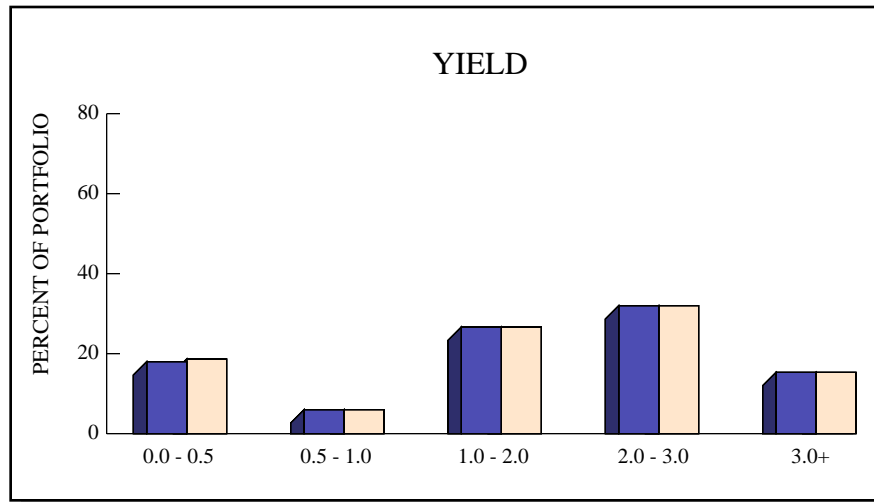
**COMPARATIVE BENCHMARK: S&P 500**



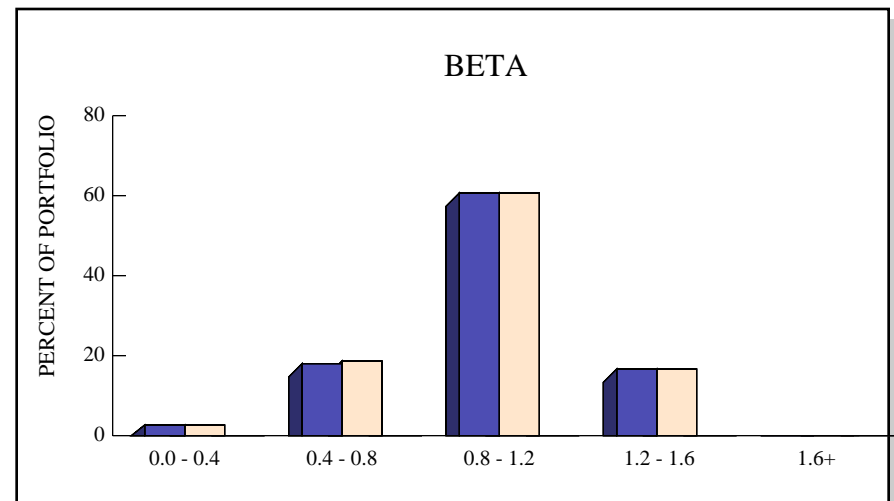
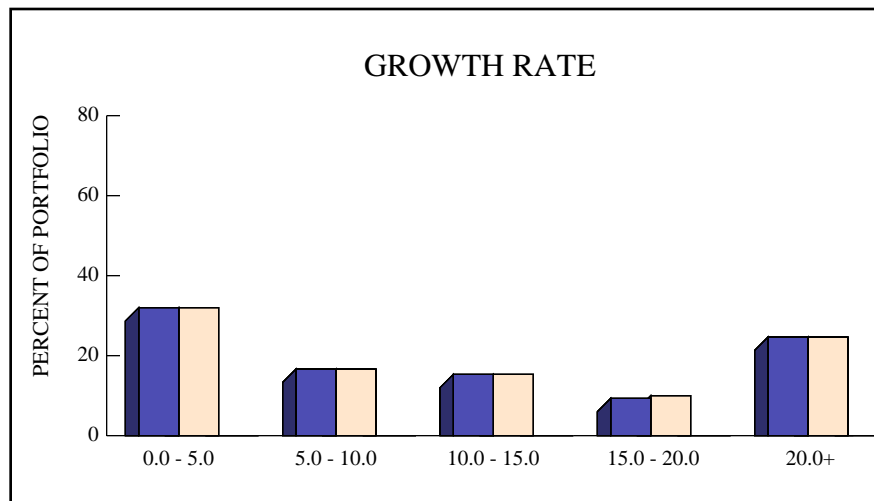
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/14	1.8	1.8	0.0
6/14	5.2	5.2	0.0
9/14	1.1	1.1	0.0
12/14	4.9	4.9	0.0

<b>Total Quarters Observed</b>	<b>4</b>
<b>Quarters At or Above the Benchmark</b>	<b>4</b>
<b>Quarters Below the Benchmark</b>	<b>0</b>
<b>Batting Average</b>	<b>1.000</b>

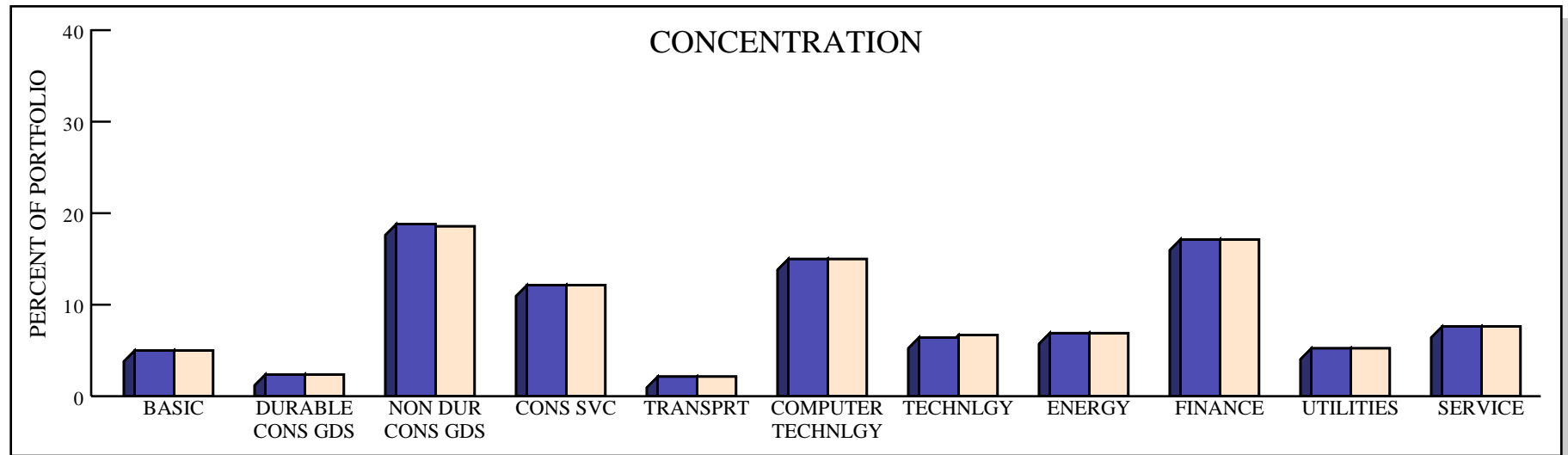
**STOCK CHARACTERISTICS**



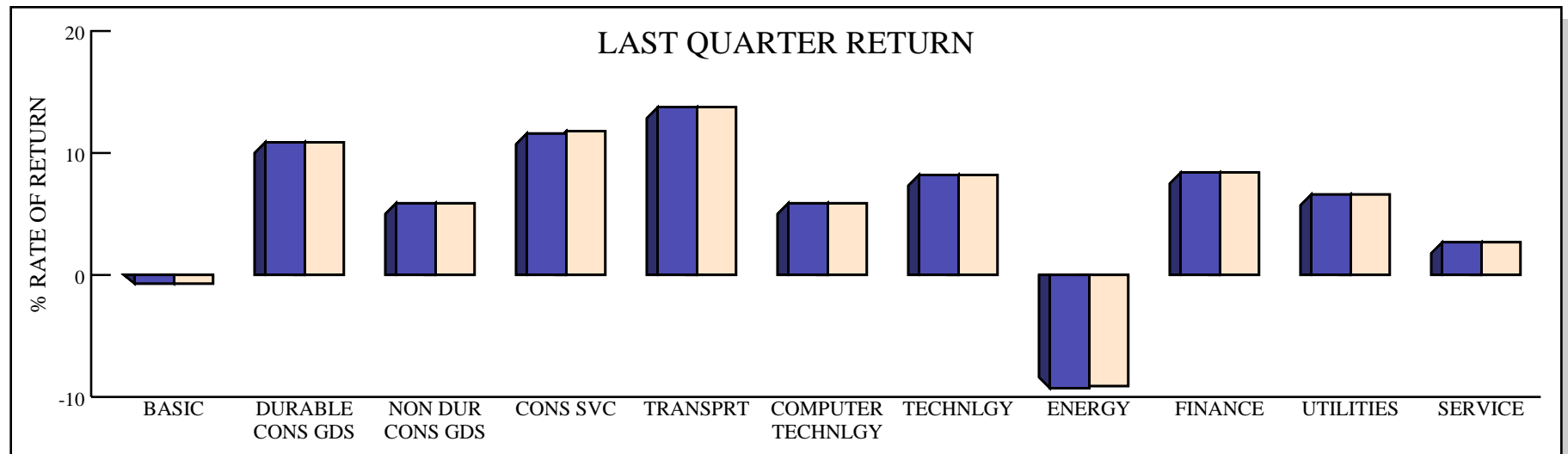
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	502	1.9%	11.9%	22.6	0.97
S&P 500	502	1.9%	11.9%	22.6	1.00



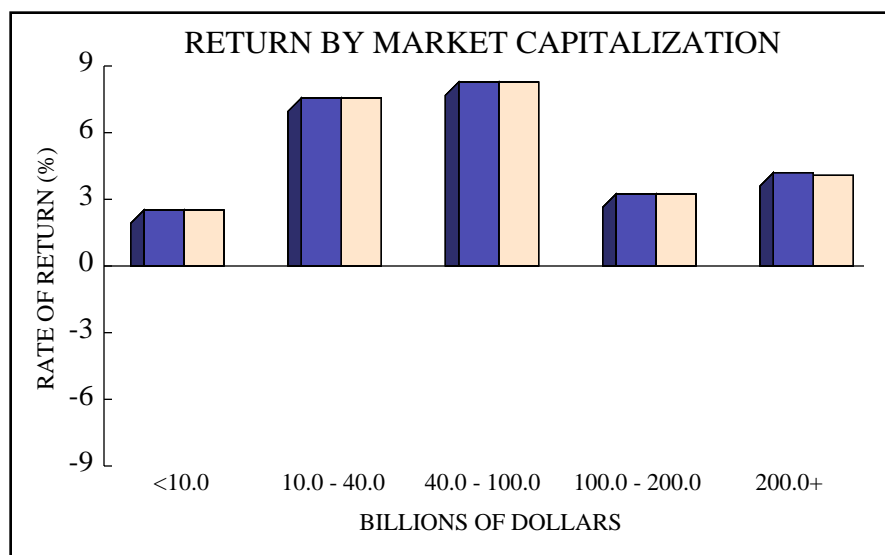
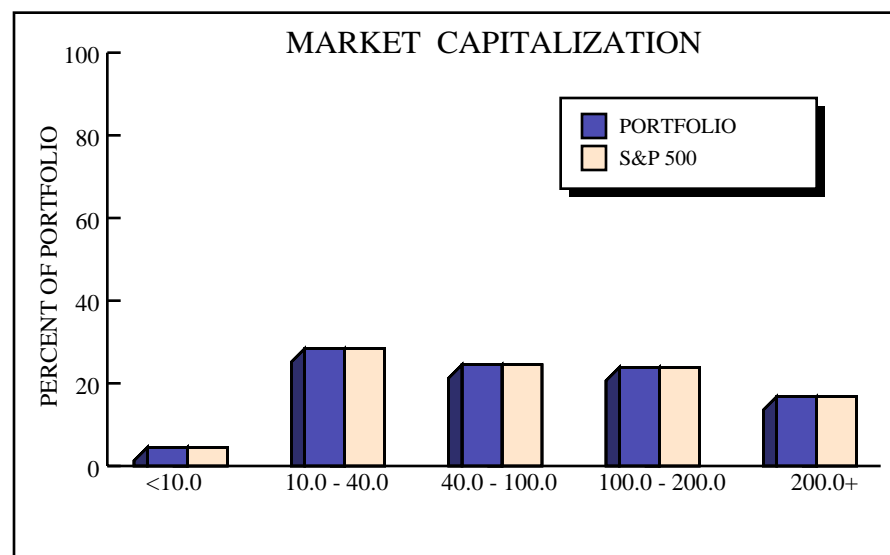
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 699,478	3.43%	10.0%	Computer Tech	\$ 647.4 B
2	EXXON MOBIL CORP	423,051	2.08%	-1.0%	Energy	391.5 B
3	MICROSOFT CORP	413,730	2.03%	0.8%	Computer Tech	382.9 B
4	JOHNSON & JOHNSON	316,324	1.55%	-1.2%	NonDur Cons Goods	292.7 B
5	WELLS FARGO & CO	307,321	1.51%	6.3%	Finance	284.4 B
6	WAL-MART STORES INC	299,120	1.47%	12.9%	Consumer Service	276.8 B
7	GENERAL ELECTRIC CO	274,205	1.35%	-0.5%	Basic	253.8 B
8	PROCTER & GAMBLE CO/THE	265,983	1.31%	9.5%	NonDur Cons Goods	246.1 B
9	JPMORGAN CHASE & CO	252,761	1.24%	4.5%	Finance	233.9 B
10	CHEVRON CORP	229,184	1.13%	-5.1%	Energy	212.1 B

DAVIE POLICE PENSION PLAN  
GARCIA HAMILTON - EQUITY  
PERFORMANCE REVIEW  
DECEMBER 2014

## **INVESTMENT RETURN**

On December 31st, 2014, the Davie Police Pension Plan's Garcia Hamilton Equity Garcia Hamilton Equity portfolio was valued at \$11,425,582, representing an increase of \$188,510 from the September quarter's ending value of \$11,237,072. Last quarter, the Fund posted withdrawals totaling \$435,981, which offset the portfolio's net investment return of \$624,491. Income receipts totaling \$45,630 plus net realized and unrealized capital gains of \$578,861 combined to produce the portfolio's net investment return.

For the cumulative period since December 2009, the fund has recorded net withdrawals totaling \$17.7 million and posted net investment gains of \$11.0 million. For the period since December 2009, if the total fund had returned a compounded nominal rate of 7.9% it would have been valued at \$5.7 million or \$5.7 million less than the actual value as of December 31st, 2014.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the fourth quarter, the Garcia Hamilton Equity Garcia Hamilton Equity portfolio gained 5.6%, which was 0.8% above the Russell 1000 Growth Index's return of 4.8% and ranked in the 35th percentile of the Large Cap Growth universe. Over the trailing year, the portfolio returned 11.4%, which was 1.7% less than the benchmark's 13.1% performance, and ranked in the 56th percentile. Since December 2009, the portfolio returned 13.9% on an annualized basis and ranked in the 77th percentile. For comparison, the Russell 1000 Growth returned an annualized 15.8% over the same period.

## **ASSET ALLOCATION**

On December 31st, 2014, large cap equities comprised 97.6% of the total portfolio (\$11.2 million), while cash & equivalents totaled 2.4% (\$274,433).

## **ANALYSIS**

At the end of the fourth quarter, the Garcia Hamilton portfolio was invested across all eleven industry sectors utilized in our data analysis. Relative to the Russell 1000 Growth index, the portfolio was overweight in the Basic, Durable Consumer Goods, Consumer Service, Technology, and Finance sectors. Conversely the portfolio was underweight in Non-Durable Consumer Goods, Transportation, Computer Technology, Energy, Utilities, and Service.

The portfolio outpaced the benchmark in the fourth quarter due to weighting effects. Though the benchmark beat the portfolio in seven of the eleven invested portfolios, the portfolio received its best performances from its most highly allocated sectors. For example, in the Consumer Service sector the portfolio only slightly beat its benchmark, but because it made up almost a quarter of the portfolio its utility was bolstered. Overall the portfolio outpaced its benchmark by 80 basis points this quarter.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

		-----Annualized-----			
	Quarter	FYTD	1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	5.6	5.6	11.4	17.7	13.9
<i>LARGE CAP GROWTH RANK</i>	(35)	(35)	(56)	(86)	(77)
<b>Total Net/Fees</b>	5.4	5.4	11.0	17.5	13.8
RUSSELL 1000G	4.8	4.8	13.1	20.3	15.8
<b>Large Cap Equity</b>	5.8	5.8	11.7	17.8	14.0
<i>LARGE CAP GROWTH RANK</i>	(30)	(30)	(52)	(84)	(76)
RUSSELL 1000G	4.8	4.8	13.1	20.3	15.8
S&P 500	4.9	4.9	13.7	20.4	15.4

**ASSET ALLOCATION**

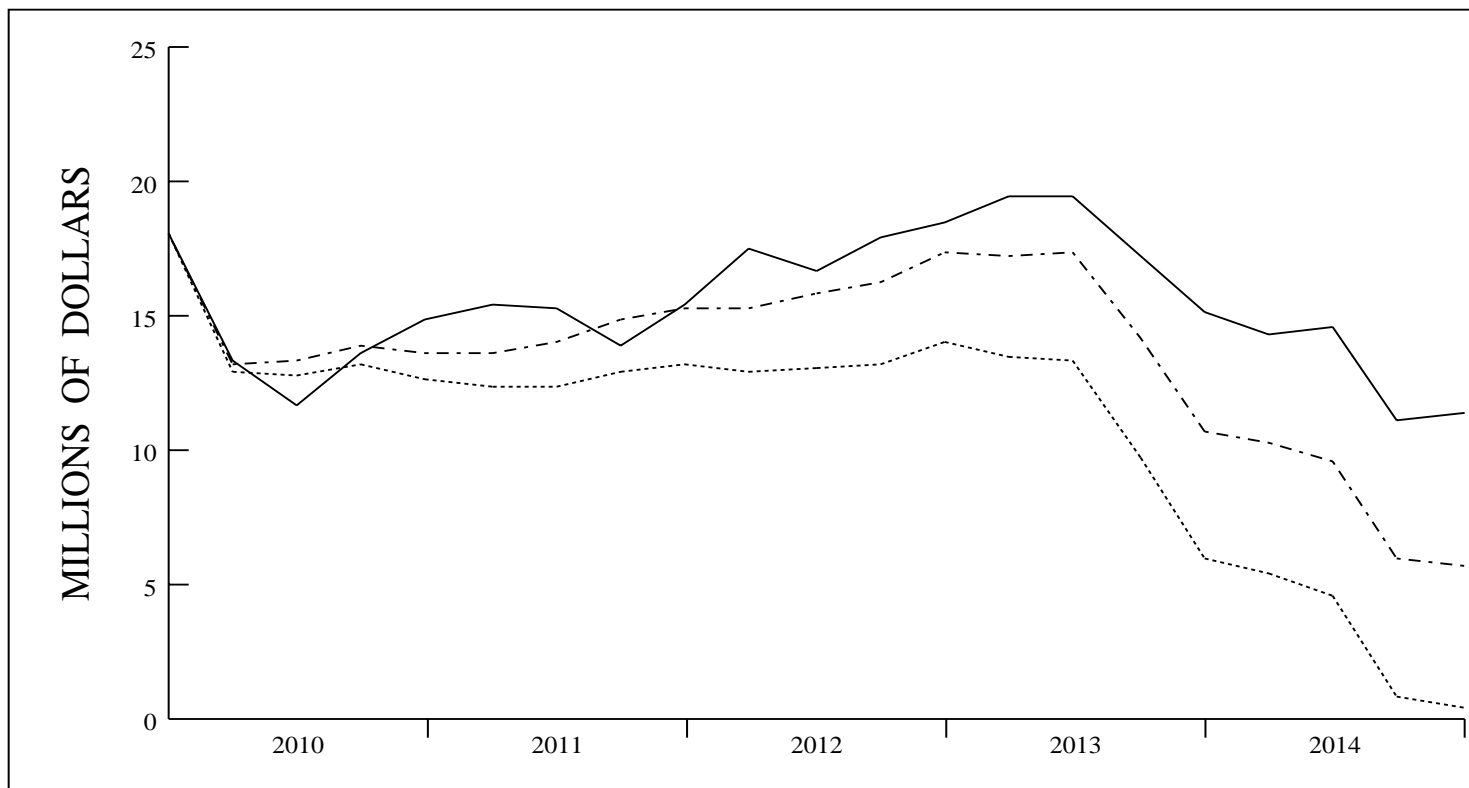
Large Cap Equity	97.6%	\$ 11,151,149
Cash	2.4%	274,433
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 11,425,582</b>

**INVESTMENT RETURN**

Market Value 9/2014	\$ 11,237,072
Contribs / Withdrawals	-435,981
Income	45,630
Capital Gains / Losses	578,861
Market Value 12/2014	\$ 11,425,582



**INVESTMENT GROWTH**

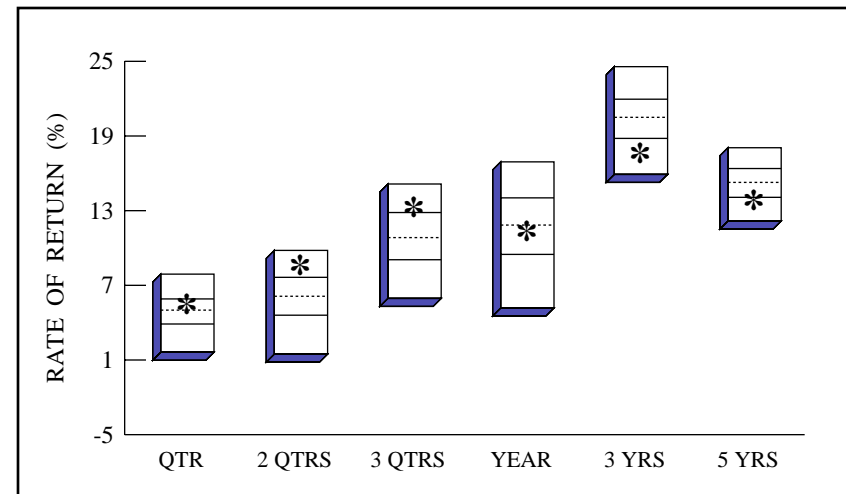
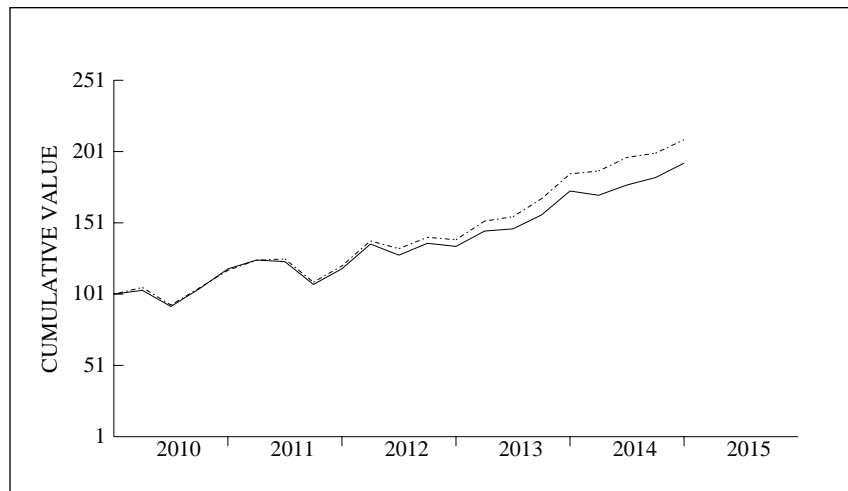


— ACTUAL RETURN  
 - - - 7.9%  
 ..... 0.0%

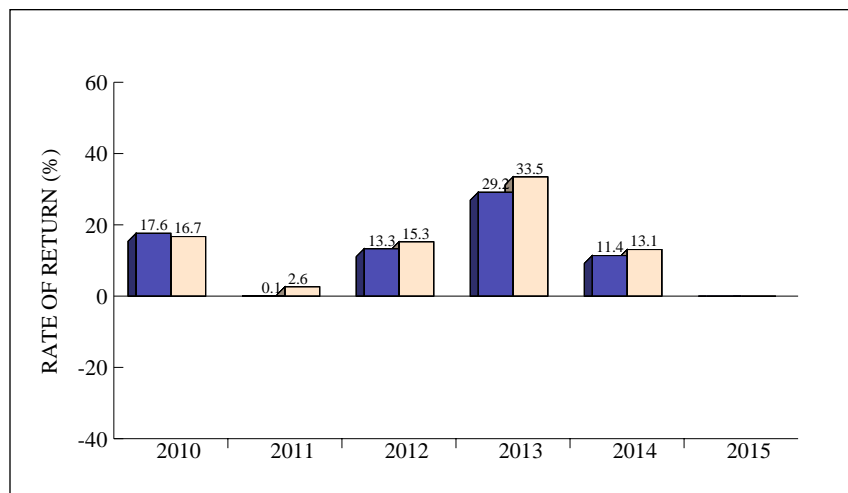
VALUE ASSUMING  
 7.9% RETURN  
 \$ 5,741,994

	LAST QUARTER	PERIOD 12/09 - 12/14
BEGINNING VALUE	\$ 11,237,072	\$ 18,189,913
NET CONTRIBUTIONS	-435,981	- 17,744,369
<u>INVESTMENT RETURN</u>	<u>624,491</u>	<u>10,980,037</u>
ENDING VALUE	\$ 11,425,582	\$ 11,425,582
INCOME	45,630	1,218,683
<u>CAPITAL GAINS (LOSSES)</u>	<u>578,861</u>	<u>9,761,354</u>
INVESTMENT RETURN	624,491	10,980,037

**TOTAL RETURN COMPARISONS**



Large Cap Growth Universe

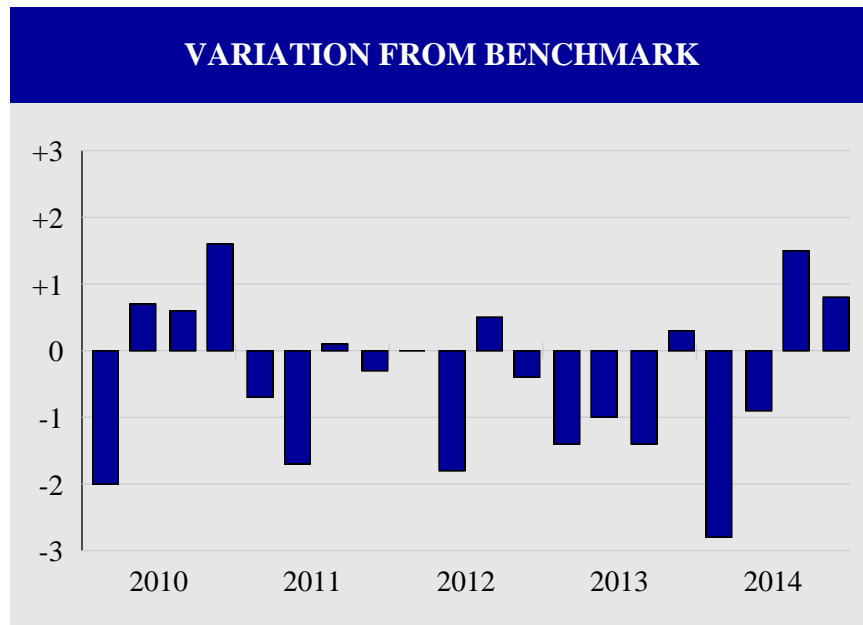


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	5.6	8.7	13.3	11.4	17.7	13.9
(RANK)	(35)	(13)	(20)	(56)	(86)	(77)
5TH %ILE	7.9	9.8	15.2	16.9	24.6	18.1
25TH %ILE	5.9	7.7	12.9	14.0	22.0	16.4
MEDIAN	5.0	6.1	10.8	11.9	20.5	15.3
75TH %ILE	3.9	4.6	9.1	9.5	18.8	14.1
95TH %ILE	1.6	1.5	6.0	5.2	15.9	12.2
<b>Russ 1000G</b>	<b>4.8</b>	<b>6.4</b>	<b>11.8</b>	<b>13.1</b>	<b>20.3</b>	<b>15.8</b>

Large Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

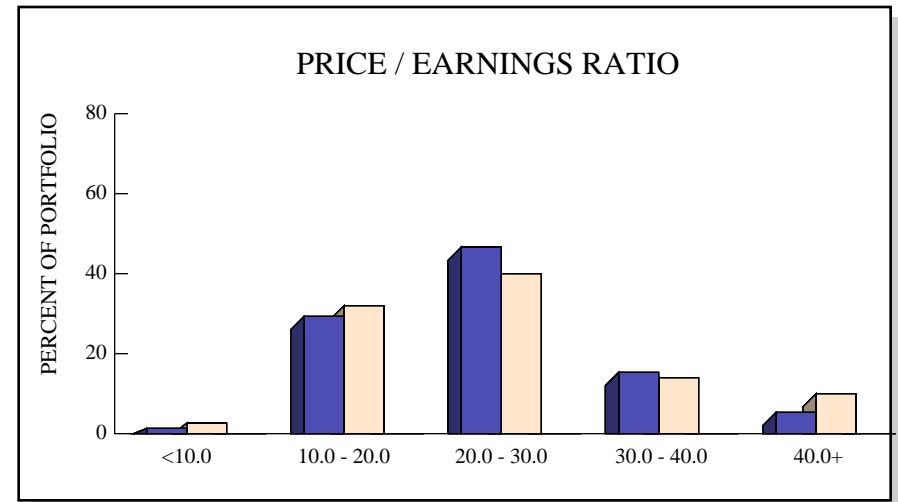
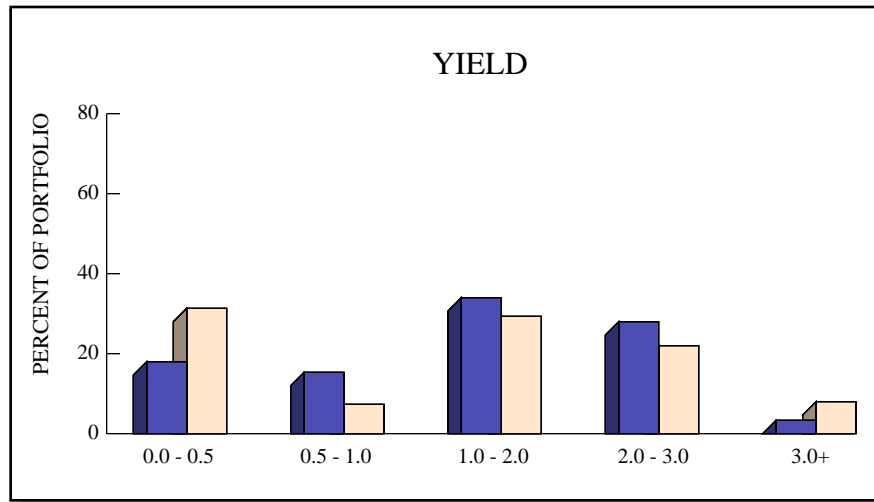
**COMPARATIVE BENCHMARK: RUSSELL 1000 GROWTH**



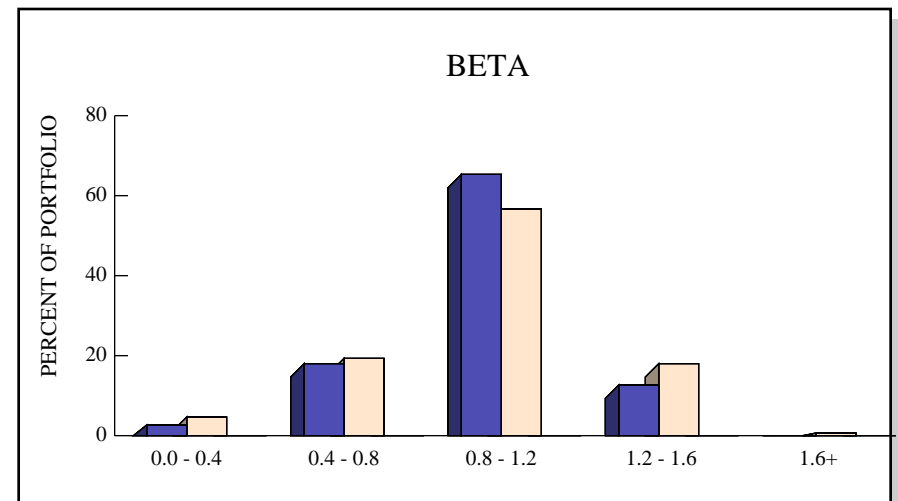
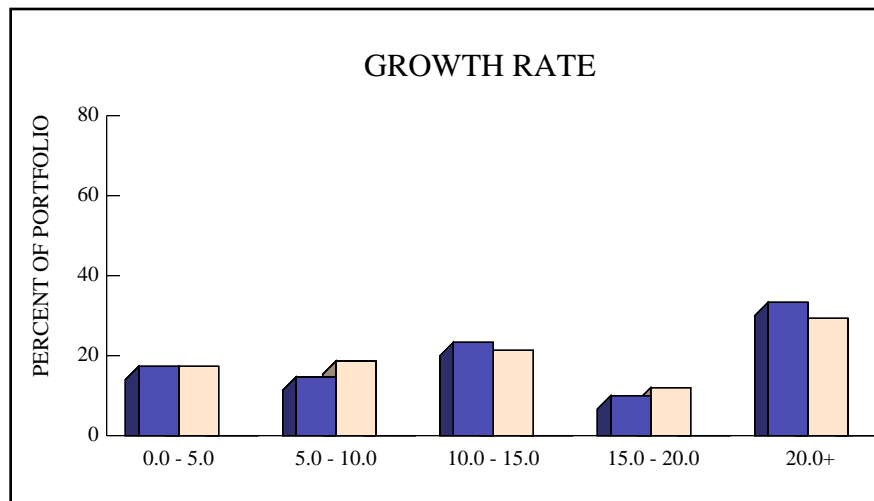
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>9</b>
<b>Quarters Below the Benchmark</b>	<b>11</b>
<b>Batting Average</b>	<b>.450</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
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
6/14	4.2	5.1	-0.9
9/14	3.0	1.5	1.5
12/14	5.6	4.8	0.8

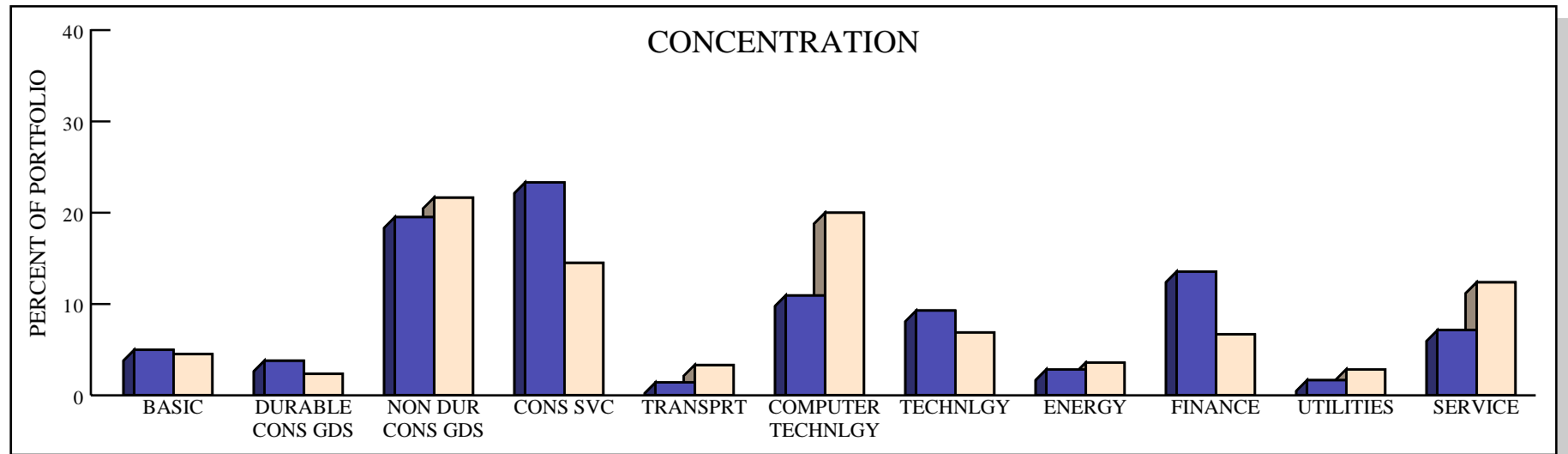
**STOCK CHARACTERISTICS**



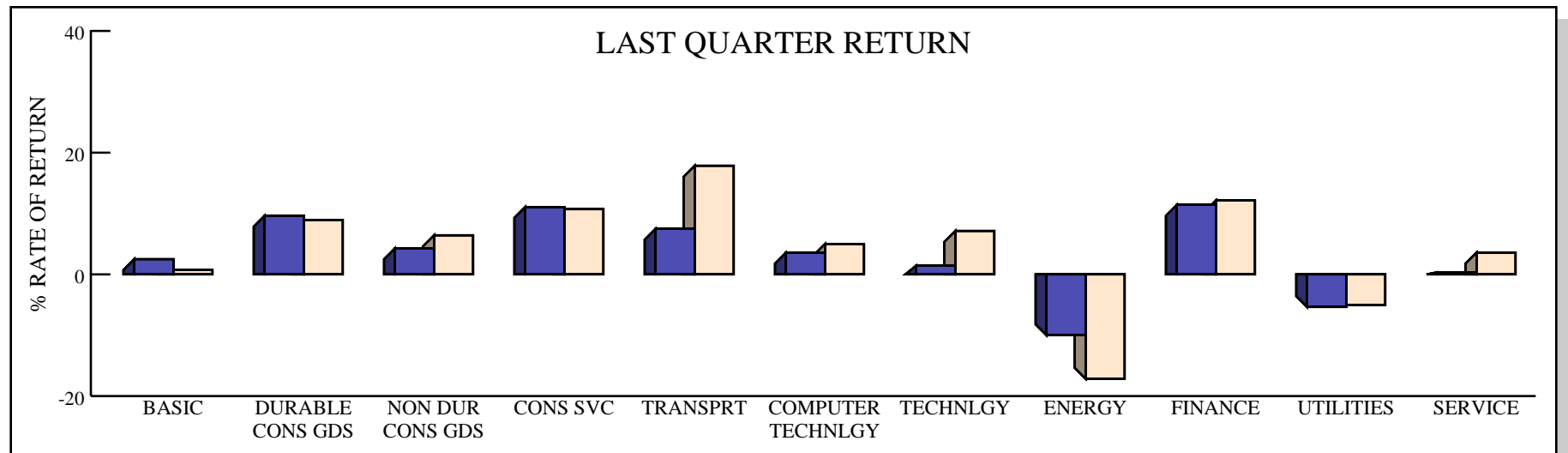
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	64	1.5%	16.6%	25.0	0.96
RUSSELL 1000G	682	1.4%	15.3%	25.3	0.96



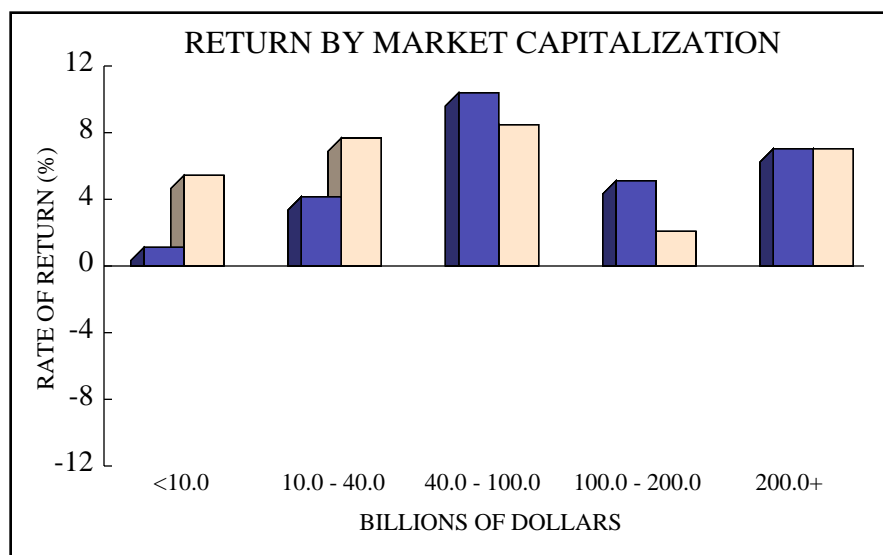
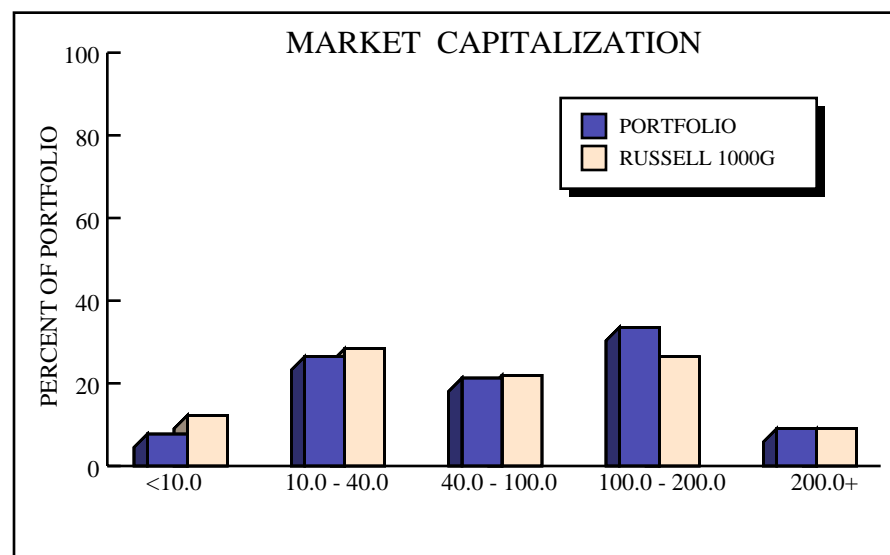
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 GROWTH



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 555,653	4.98%	10.0%	Computer Tech	\$ 647.4 B
2	WALT DISNEY CO/THE	439,020	3.94%	6.0%	Consumer Service	159.7 B
3	BLACKROCK INC	362,923	3.25%	9.4%	Finance	59.1 B
4	GOLDMAN SACHS GROUP INC	331,643	2.97%	5.9%	Finance	84.4 B
5	COCA-COLA CO/THE	325,094	2.92%	-0.3%	NonDur Cons Goods	184.9 B
6	CVS HEALTH CORP	321,194	2.88%	21.3%	Consumer Service	110.4 B
7	HOME DEPOT INC	309,557	2.78%	14.9%	Consumer Service	138.3 B
8	QUALCOMM INC	305,719	2.74%	-0.1%	Technology	123.6 B
9	EXPRESS SCRIPTS HOLDING CO	304,304	2.73%	19.9%	Consumer Service	62.1 B
10	VISA INC-CLASS A SHARES	281,865	2.53%	23.0%	Finance	129.4 B

DAVIE POLICE PENSION PLAN  
BUCKHEAD EQUITY  
PERFORMANCE REVIEW  
DECEMBER 2014

## **INVESTMENT RETURN**

On December 31st, 2014, the Davie Police Pension Plan's Buckhead Equity portfolio was valued at \$11,448,651, a decrease of \$72,076 from the September ending value of \$11,520,727. Last quarter, the account recorded a net withdrawal of \$445,787, which overshadowed the fund's net investment return of \$373,711. Income receipts totaling \$74,477 and realized and unrealized capital gains of \$299,234 combined to produce the portfolio's net investment return.

Since December 2009, the account has recorded net withdrawals totaling \$15.3 million while posting net investment gains totaling \$9.0 million. Since December 2009, if the account earned a compounded nominal rate of 7.9% it would have been valued at \$7.6 million or \$3.8 million less than the actual value as of December 31st, 2014.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the fourth quarter, the Buckhead Equity portfolio gained 3.3%, which was 1.7% below the Russell 1000 Value Index's return of 5.0% and ranked in the 78th percentile of the Large Cap Value universe. Over the trailing twelve-month period, this portfolio returned 12.1%, which was 1.4% less than the benchmark's 13.5% performance, and ranked in the 53rd percentile. Since December 2009, the portfolio returned 12.6% annualized and ranked in the 93rd percentile. The Russell 1000 Value returned an annualized 15.4% over the same time frame.

## **ANALYSIS**

The Buckhead portfolio maintained its strategy, investing in nine of the eleven industry sectors represented in our analysis. Compared to the Russell 1000 Value Index, the portfolio was overweight in the Consumer Service, Technology, Consumer Goods, and Service sectors, while notably lighter in Finance, Computer Technology, and Utilities. Compared to the first quarter, the portfolio scaled back their exposure in the Basic and Energy sectors. Now both sectors have similar concentrations to those of the benchmark. Durable Consumer Goods and Transportation were left void of holdings.

The portfolio's shortfall in the fourth quarter was due to stock selection and allocation decisions. The portfolio's absence in the Durable Consumer Goods and Transportation sectors proved to be a miscalculation; they were two of the benchmark's best performing sectors. One bright spot was in the Utilities sector where the portfolio gained 12.5% unfortunately its relative under allocation held back its value. Overall the portfolio fell behind the benchmark by 1.7% throughout the quarter.



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	-----Annualized-----		
			1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	3.3	3.3	12.1	17.8	12.6
<i>LARGE CAP VALUE RANK</i>	(78)	(78)	(53)	(83)	(93)
<b>Total Net/Fees</b>	3.2	3.2	11.8	17.6	12.5
RUSSELL 1000V	5.0	5.0	13.5	20.9	15.4
<b>Large Cap Equity</b>	3.4	3.4	12.2	17.8	12.7
<i>LARGE CAP VALUE RANK</i>	(77)	(77)	(52)	(83)	(93)
RUSSELL 1000V	5.0	5.0	13.5	20.9	15.4
S&P 500	4.9	4.9	13.7	20.4	15.4

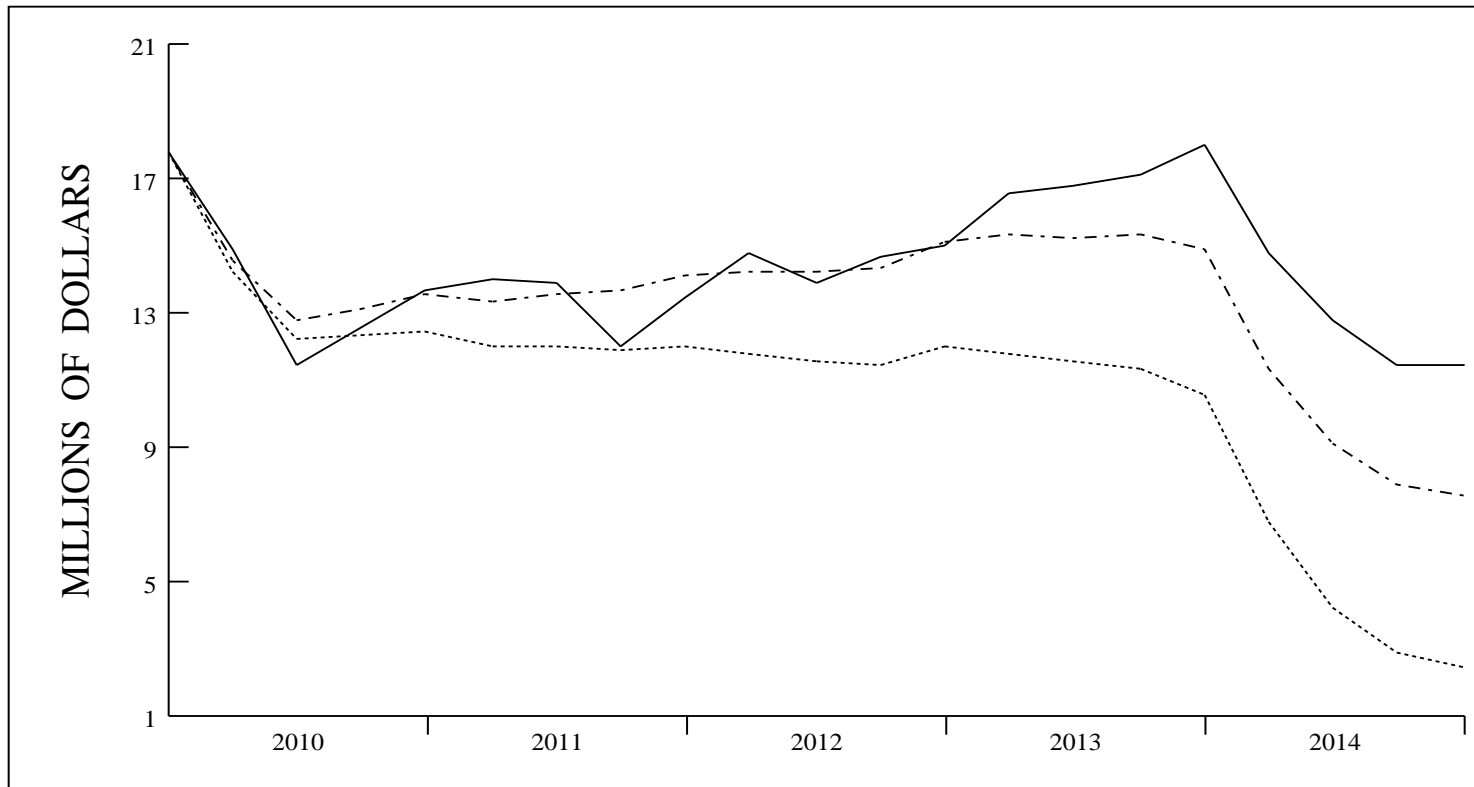
**ASSET ALLOCATION**

Large Cap Equity	99.2%	\$ 11,355,731
Cash	0.8%	92,920
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 11,448,651</b>

**INVESTMENT RETURN**

Market Value 9/2014	\$ 11,520,727
Contribs / Withdrawals	-445,787
Income	74,477
Capital Gains / Losses	299,234
Market Value 12/2014	\$ 11,448,651

**INVESTMENT GROWTH**

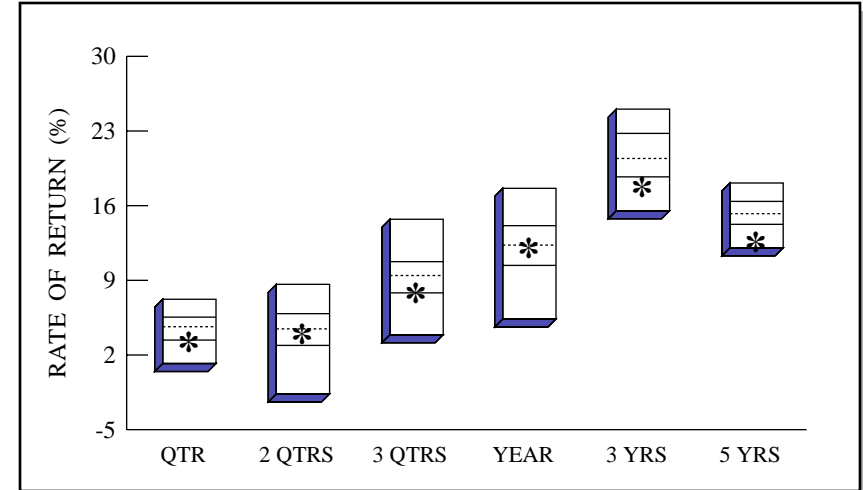
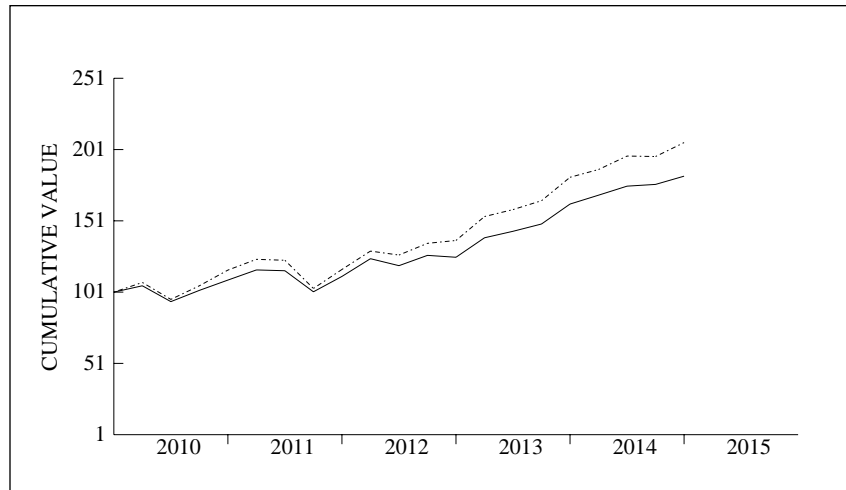


— ACTUAL RETURN  
 - - - 7.9%  
 ..... 0.0%

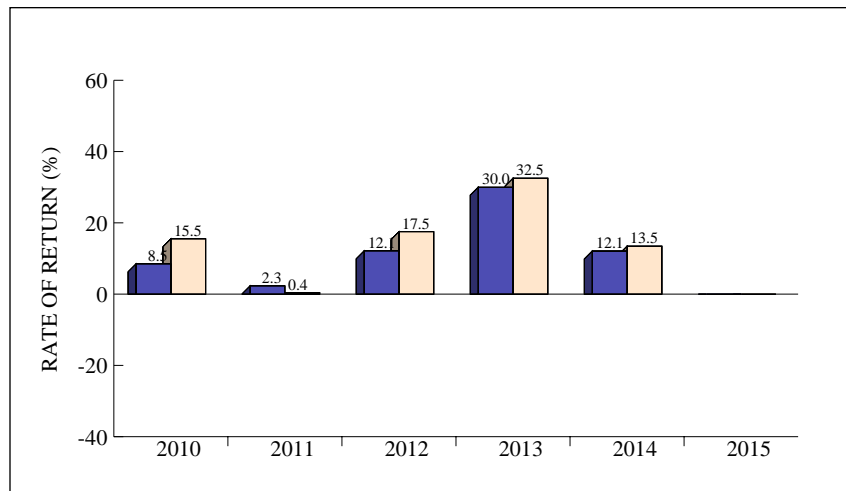
VALUE ASSUMING  
 7.9% RETURN  
 \$ 7,612,952

	LAST QUARTER	PERIOD 12/09 - 12/14
BEGINNING VALUE	\$ 11,520,727	\$ 17,801,306
NET CONTRIBUTIONS	-445,787	- 15,332,636
<u>INVESTMENT RETURN</u>	<u>373,711</u>	<u>8,979,981</u>
ENDING VALUE	\$ 11,448,651	\$ 11,448,651
INCOME	74,477	2,237,638
<u>CAPITAL GAINS (LOSSES)</u>	<u>299,234</u>	<u>6,742,343</u>
INVESTMENT RETURN	373,711	8,979,981

**TOTAL RETURN COMPARISONS**



Large Cap Value Universe

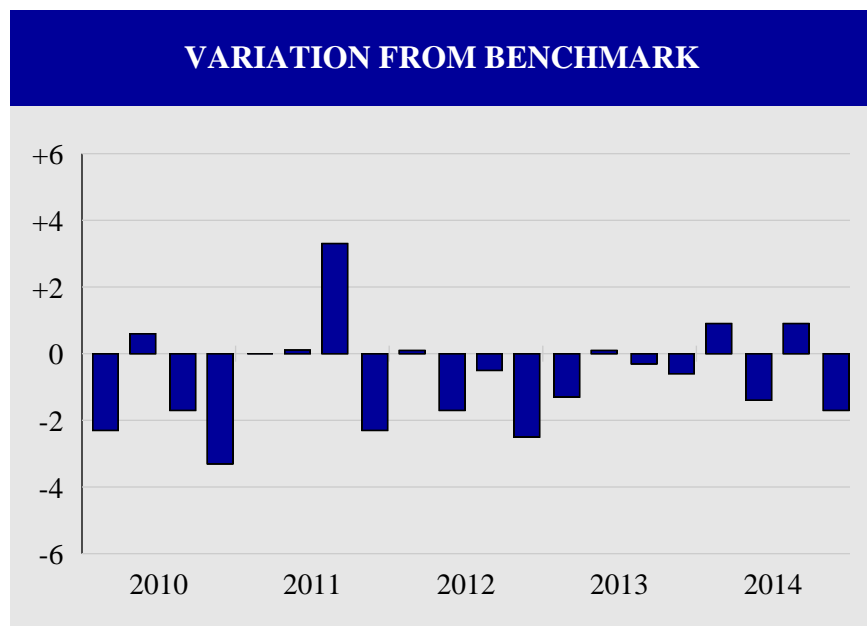


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	3.3	4.0	7.9	12.1	17.8	12.6
(RANK)	(78)	(60)	(74)	(53)	(83)	(93)
5TH %ILE	7.2	8.6	14.7	17.6	25.1	18.1
25TH %ILE	5.6	5.9	10.8	14.1	22.8	16.4
MEDIAN	4.6	4.4	9.5	12.3	20.4	15.3
75TH %ILE	3.4	2.9	7.8	10.4	18.7	14.3
95TH %ILE	1.2	-1.7	3.9	5.4	15.5	12.1
<b>Russ 1000V</b>	<b>5.0</b>	<b>4.8</b>	<b>10.1</b>	<b>13.5</b>	<b>20.9</b>	<b>15.4</b>

Large Cap Value Universe

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

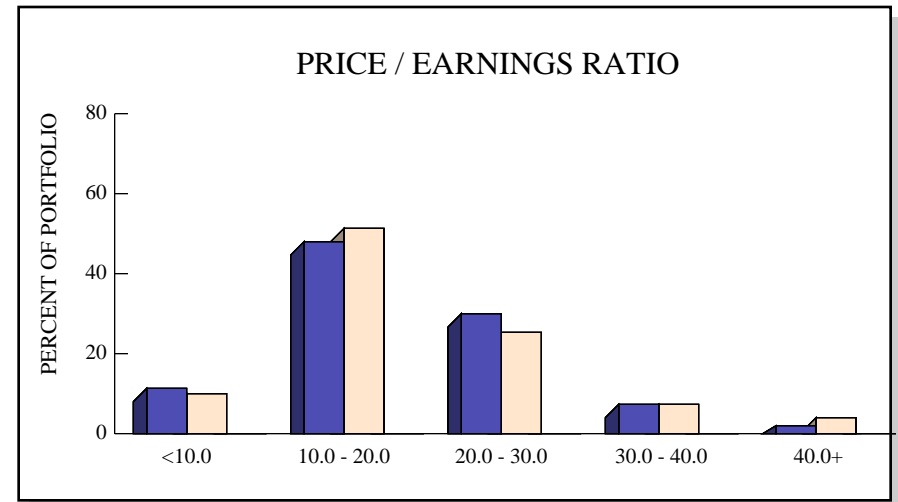
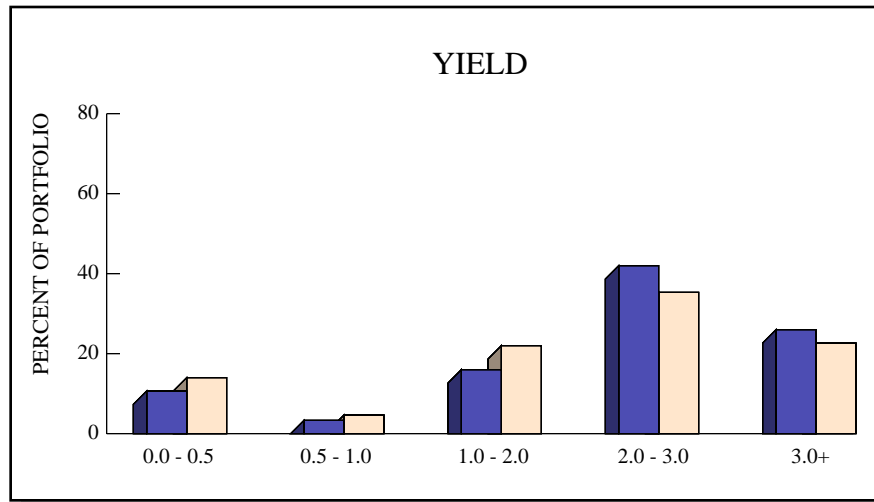
COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE



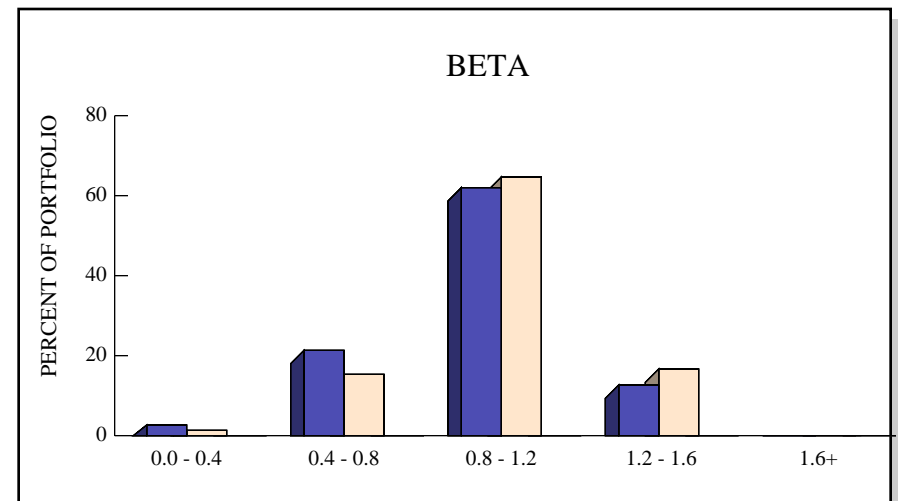
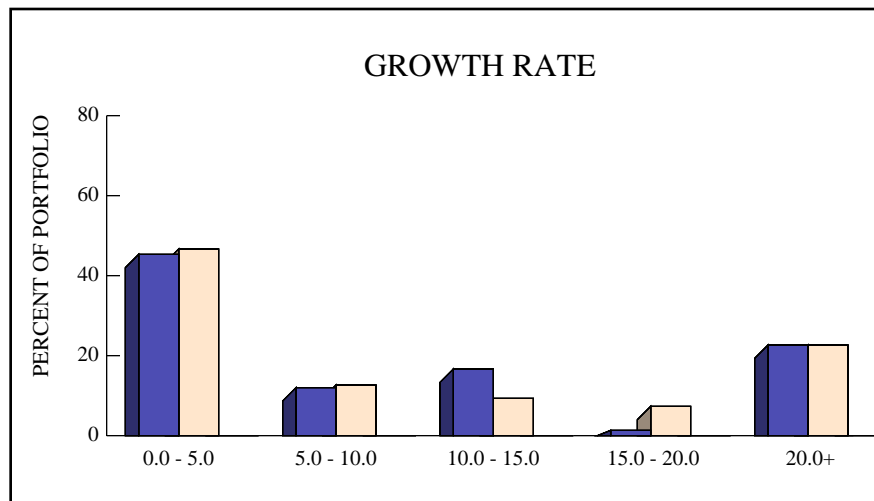
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>8</b>
<b>Quarters Below the Benchmark</b>	<b>12</b>
<b>Batting Average</b>	<b>.400</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
6/14	3.7	5.1	-1.4
9/14	0.7	-0.2	0.9
12/14	3.3	5.0	-1.7

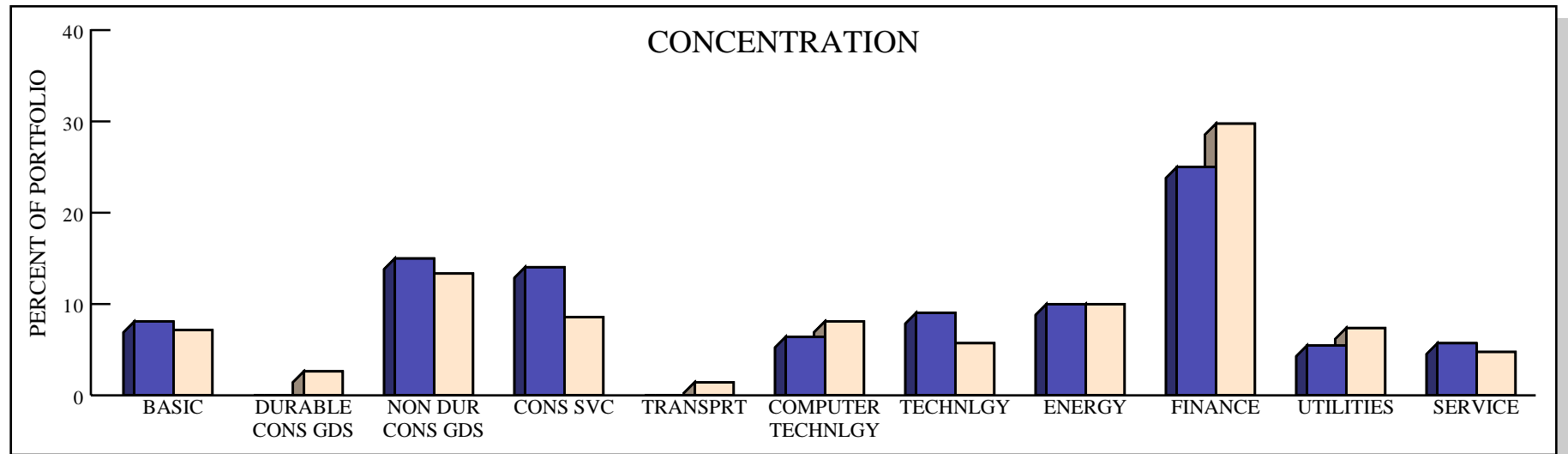
**STOCK CHARACTERISTICS**



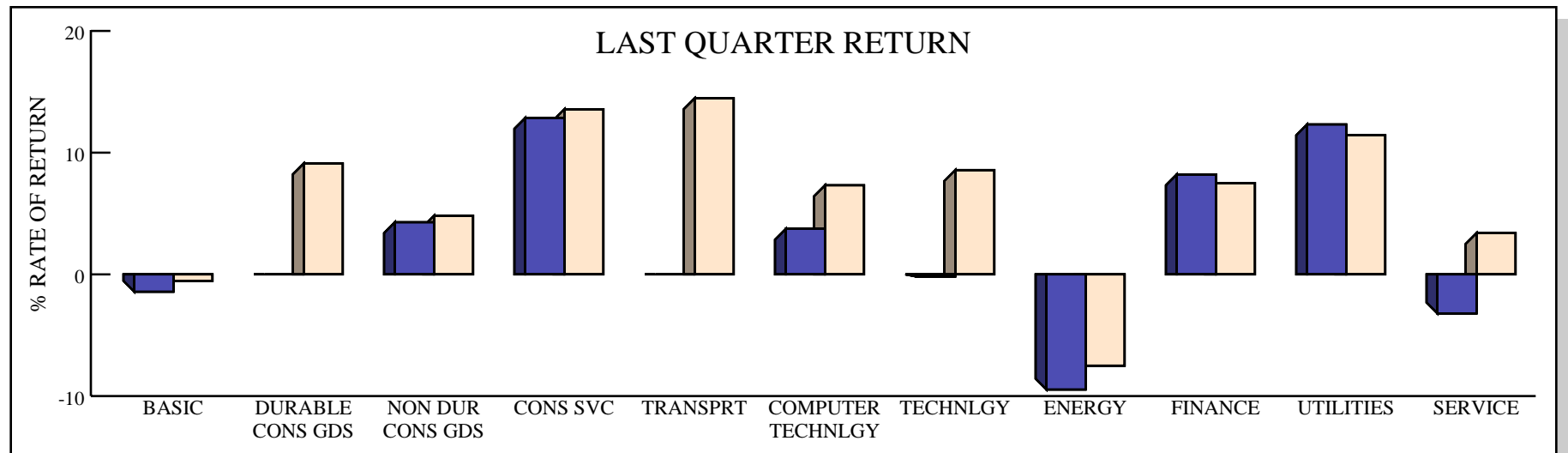
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	51	2.5%	9.1%	18.9	0.94
RUSSELL 1000V	704	2.2%	8.7%	20.0	0.99



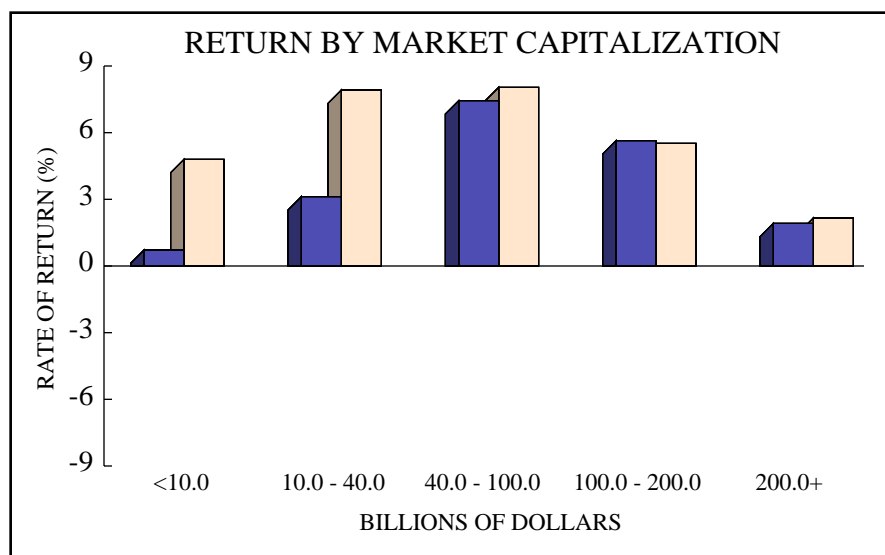
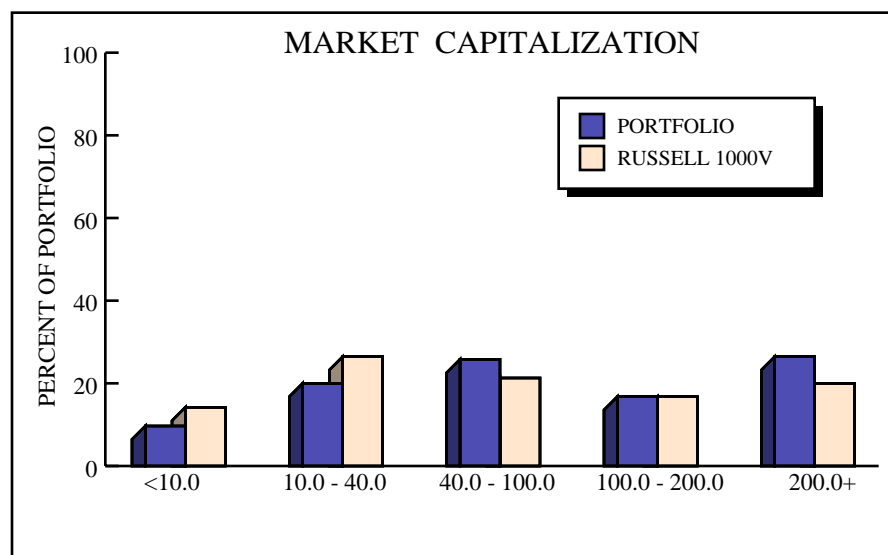
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 VALUE



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	GENERAL ELECTRIC CO	\$ 380,566	3.35%	-0.5%	Basic	\$ 253.8 B
2	EXPRESS SCRIPTS HOLDING CO	356,461	3.14%	19.9%	Consumer Service	62.1 B
3	JOHNSON & JOHNSON	356,061	3.14%	-1.2%	NonDur Cons Goods	292.7 B
4	PROCTER & GAMBLE CO/THE	346,597	3.05%	9.5%	NonDur Cons Goods	246.1 B
5	WELLS FARGO & CO	343,995	3.03%	6.3%	Finance	284.4 B
6	EXXON MOBIL CORP	338,367	2.98%	-1.0%	Energy	391.5 B
7	ANTHEM INC	328,627	2.89%	5.4%	Consumer Service	33.9 B
8	PFIZER INC	318,945	2.81%	6.2%	NonDur Cons Goods	196.3 B
9	US BANCORP	318,696	2.81%	8.0%	Finance	80.4 B
10	CHEVRON CORP	298,960	2.63%	-5.1%	Energy	212.1 B

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



## **INVESTMENT RETURN**

On December 31st, 2014, the Davie Police Pension Plan's RhumbLine S&P Mid-Cap 400 Pooled Index Fund was valued at \$12,444,736, representing an increase of \$739,001 from the September quarter's ending value of \$11,705,735. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$739,001 in net investment returns. Since there were no income receipts for the fourth quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$739,001.

For the cumulative period since December 2009, the portfolio has posted net contributions totaling \$2.6 million, and recorded net investment gains totaling \$5.7 million. For the period since December 2009, if the fund returned a compounded nominal rate of 7.9% it would have been valued at \$9.1 million or \$3.4 million less than the actual value as of December 31st, 2014.

## **RELATIVE PERFORMANCE**

For the fourth quarter, the RhumbLine S&P Mid-Cap 400 Pooled Index Fund returned 6.3%, which was equal to the S&P 400 Index's return of 6.3% and ranked in the 39th percentile of the Mid Cap universe. Over the trailing year, this portfolio returned 9.8%, which was equal to the benchmark's 9.8% return, ranking in the 48th percentile. Since December 2009, the account returned 16.5% on an annualized basis and ranked in the 50th percentile. For comparison, the S&P 400 returned an annualized 16.5% 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>	6.3	6.3	9.8	19.9	16.5
<i>MID CAP RANK</i>	(39)	(39)	(48)	(55)	(50)
<b>Total Net/Fees</b>	6.3	6.3	9.7	19.8	16.4
S&P 400	6.3	6.3	9.8	20.0	16.5
<b>Mid Cap Equity</b>	6.3	6.3	9.8	19.9	16.5
<i>MID CAP RANK</i>	(39)	(39)	(48)	(55)	(50)
S&P 400	6.3	6.3	9.8	20.0	16.5

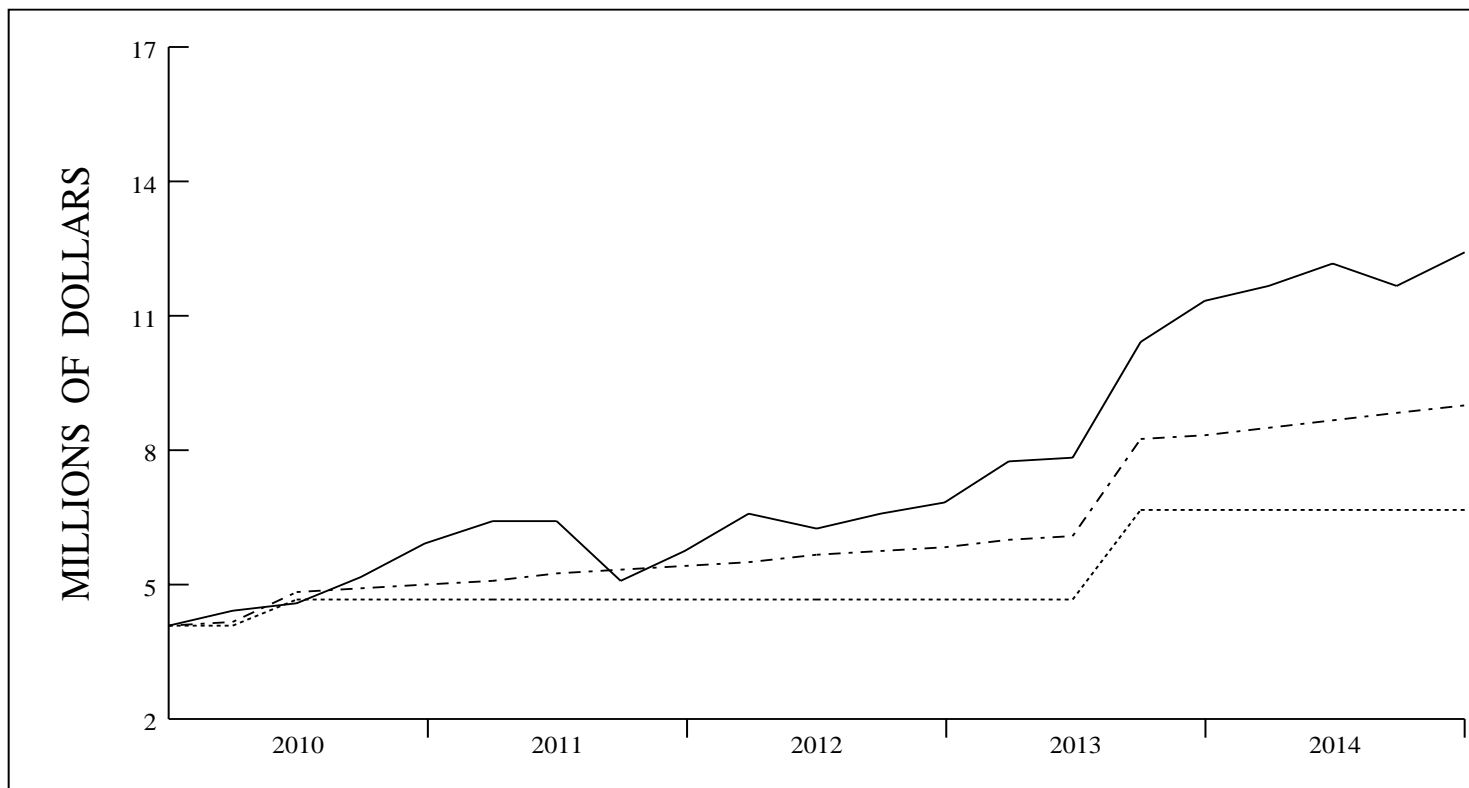
**ASSET ALLOCATION**

Mid Cap Equity	100.0%	\$ 12,444,736
Total Portfolio	100.0%	\$ 12,444,736

**INVESTMENT RETURN**

Market Value 9/2014	\$ 11,705,735
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	739,001
Market Value 12/2014	\$ 12,444,736

**INVESTMENT GROWTH**

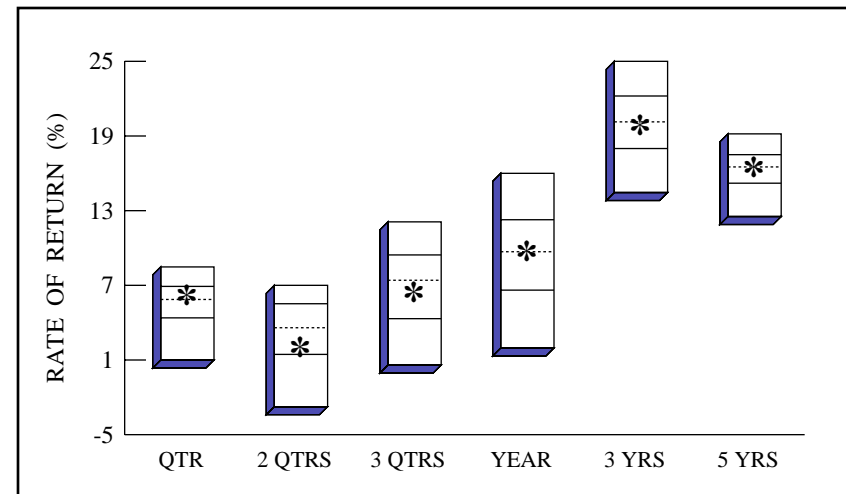
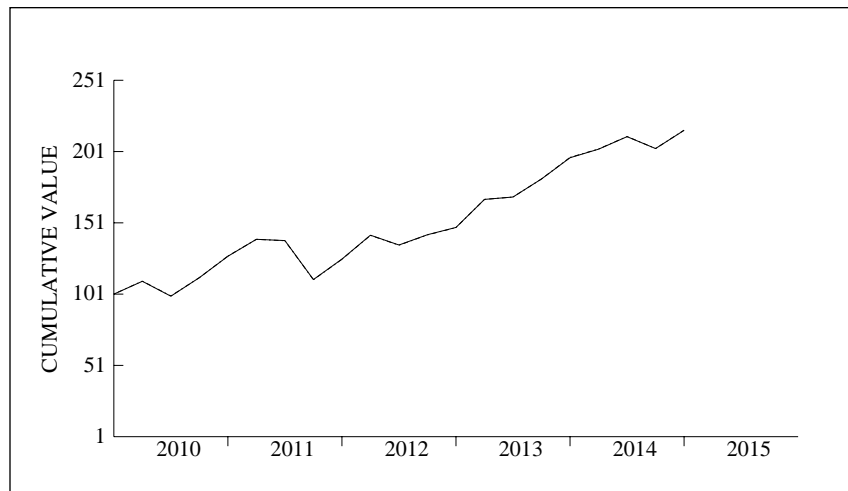


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

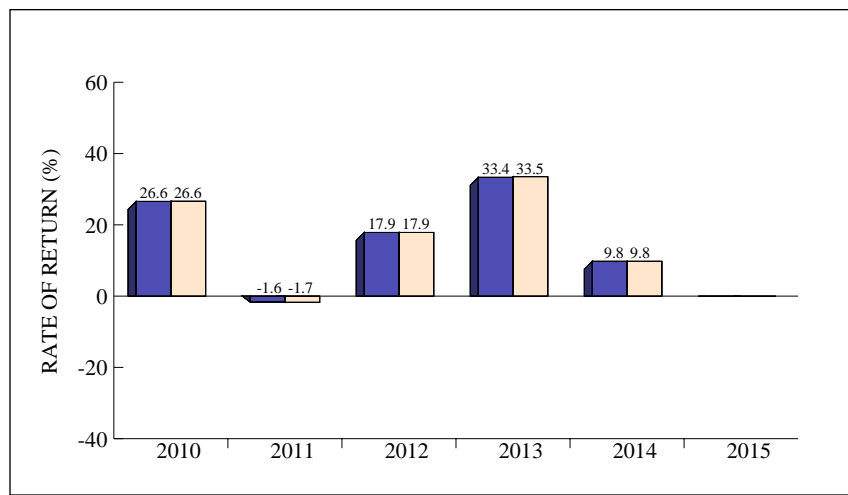
VALUE ASSUMING  
 7.9% RETURN  
 \$ 9,075,181

	LAST QUARTER	PERIOD 12/09 - 12/14
BEGINNING VALUE	\$ 11,705,735	\$ 4,113,448
NET CONTRIBUTIONS	0	2,599,884
<u>INVESTMENT RETURN</u>	<u>739,001</u>	<u>5,731,404</u>
ENDING VALUE	\$ 12,444,736	\$ 12,444,736
INCOME	0	0
CAPITAL GAINS (LOSSES)	<u>739,001</u>	<u>5,731,404</u>
INVESTMENT RETURN	739,001	5,731,404

**TOTAL RETURN COMPARISONS**



Mid Cap Universe

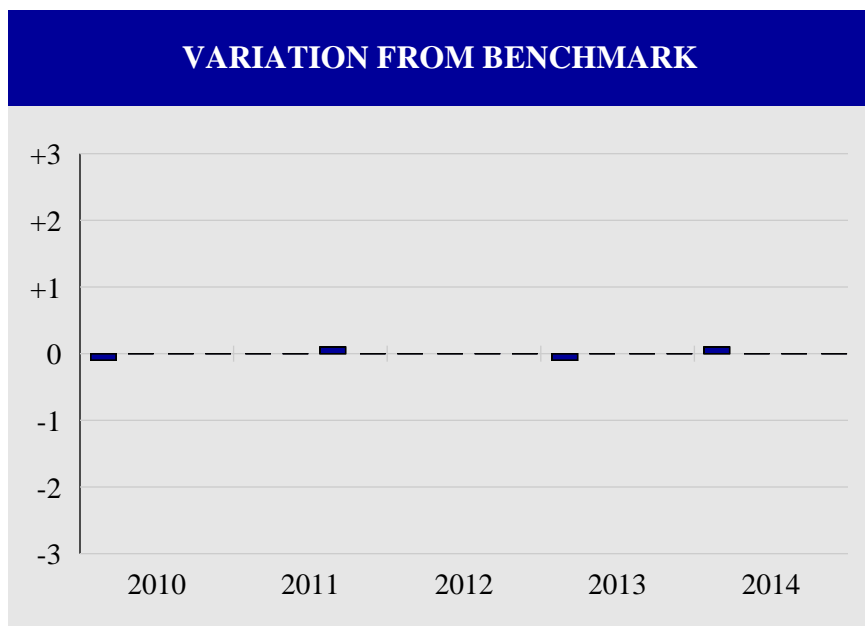


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	6.3	2.1	6.5	9.8	19.9	16.5
(RANK)	(39)	(68)	(60)	(48)	(55)	(50)
5TH %ILE	8.5	7.0	12.1	16.0	25.0	19.2
25TH %ILE	6.9	5.5	9.5	12.3	22.2	17.5
MEDIAN	5.9	3.6	7.4	9.7	20.1	16.5
75TH %ILE	4.4	1.5	4.3	6.6	18.0	15.2
95TH %ILE	1.0	-2.8	0.6	2.0	14.5	12.5
<b>S&amp;P 400</b>	<b>6.3</b>	<b>2.1</b>	<b>6.5</b>	<b>9.8</b>	<b>20.0</b>	<b>16.5</b>

Mid Cap Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

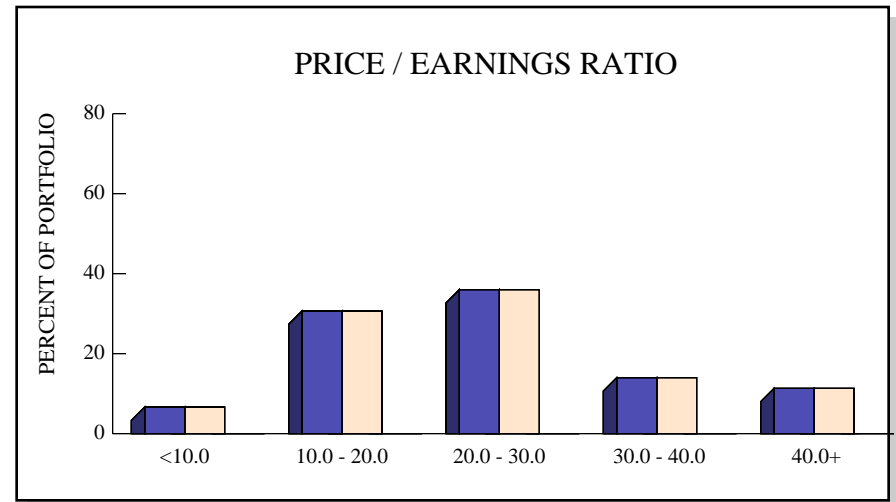
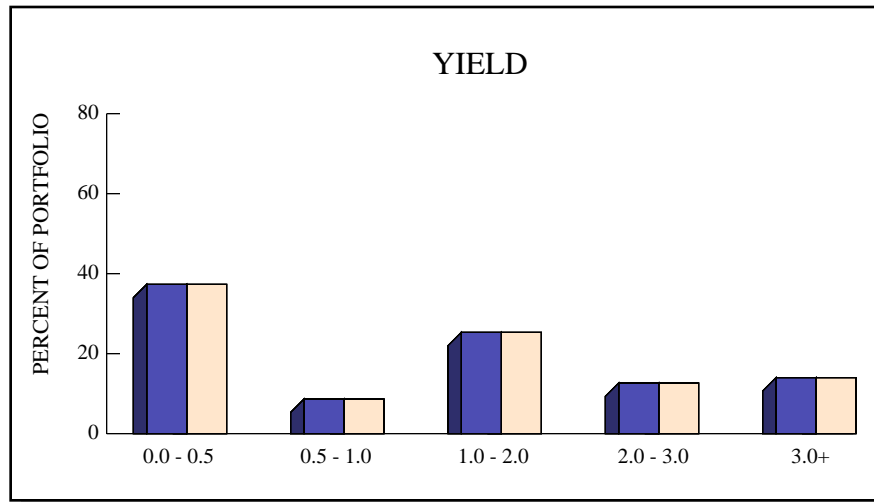
**COMPARATIVE BENCHMARK: S&P 400**



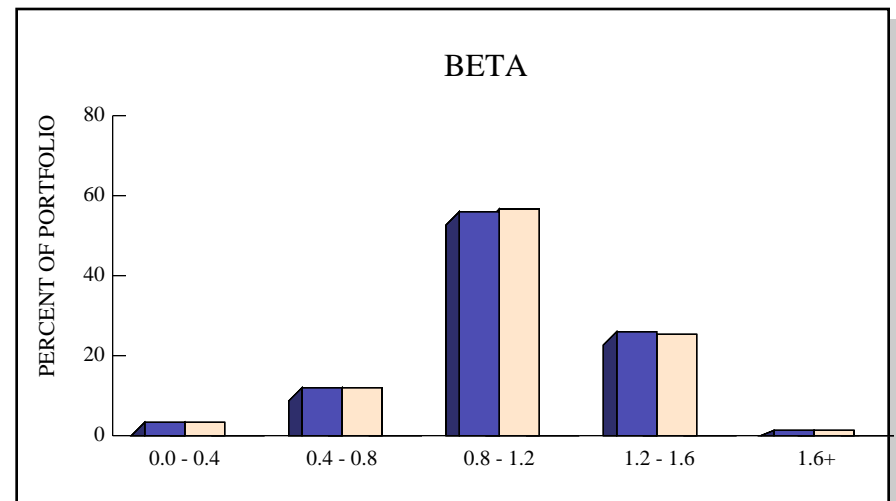
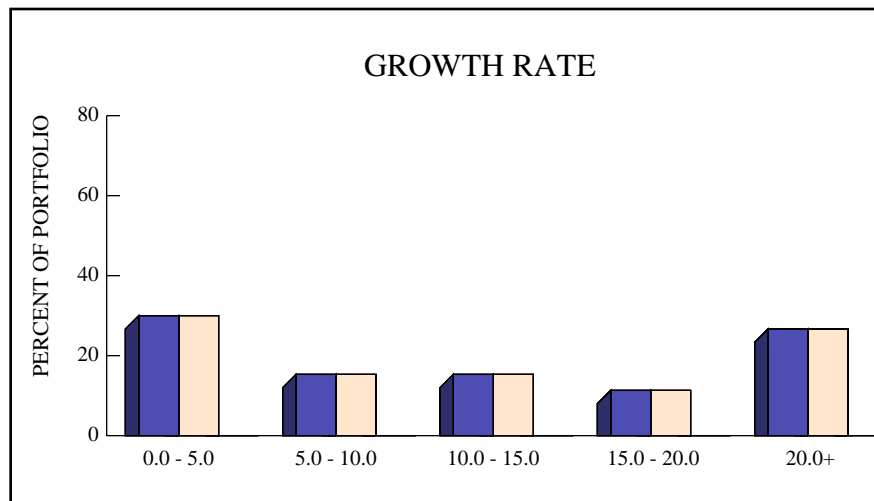
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>18</b>
<b>Quarters Below the Benchmark</b>	<b>2</b>
<b>Batting Average</b>	<b>.900</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
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
6/14	4.3	4.3	0.0
9/14	-4.0	-4.0	0.0
12/14	6.3	6.3	0.0

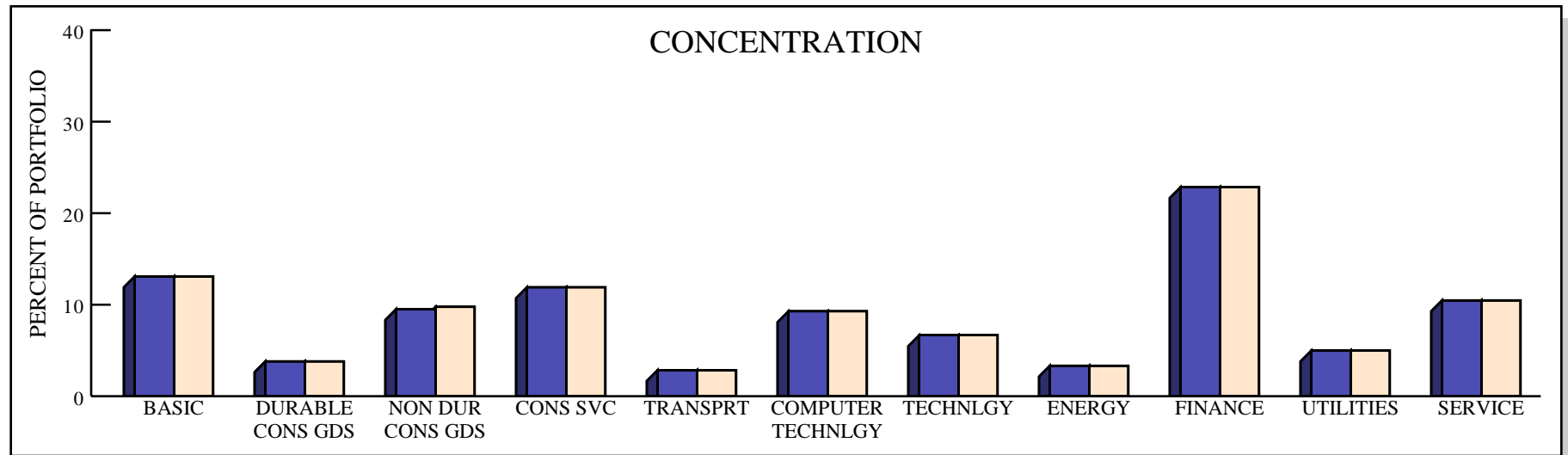
**STOCK CHARACTERISTICS**



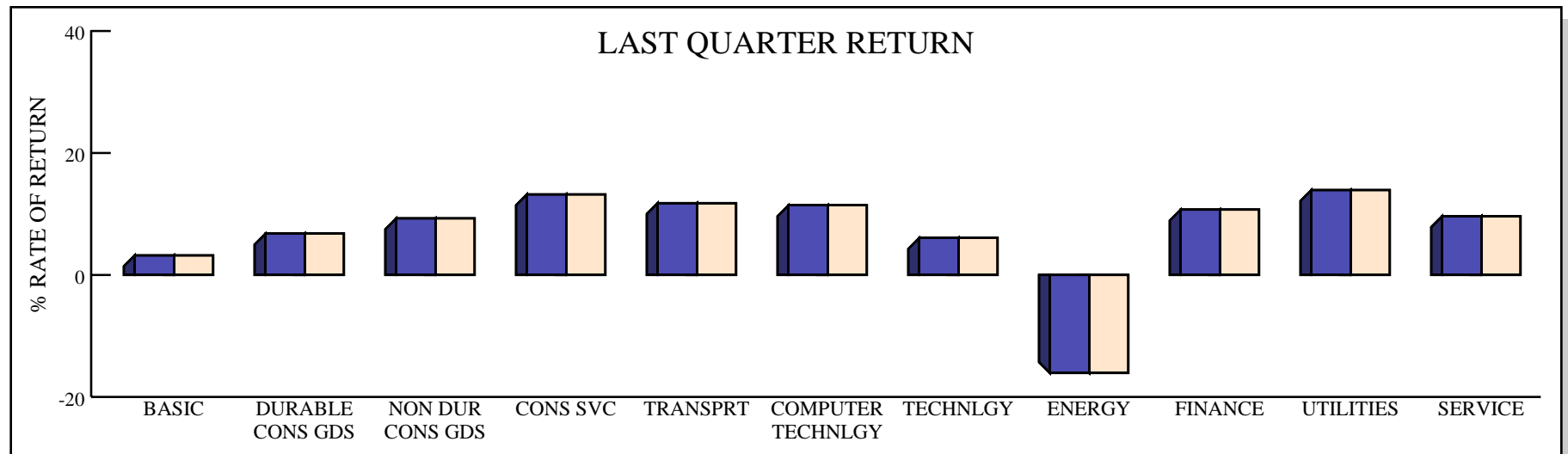
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	400	1.4%	11.7%	24.4	1.02
S&P 400	400	1.4%	11.7%	24.4	1.02



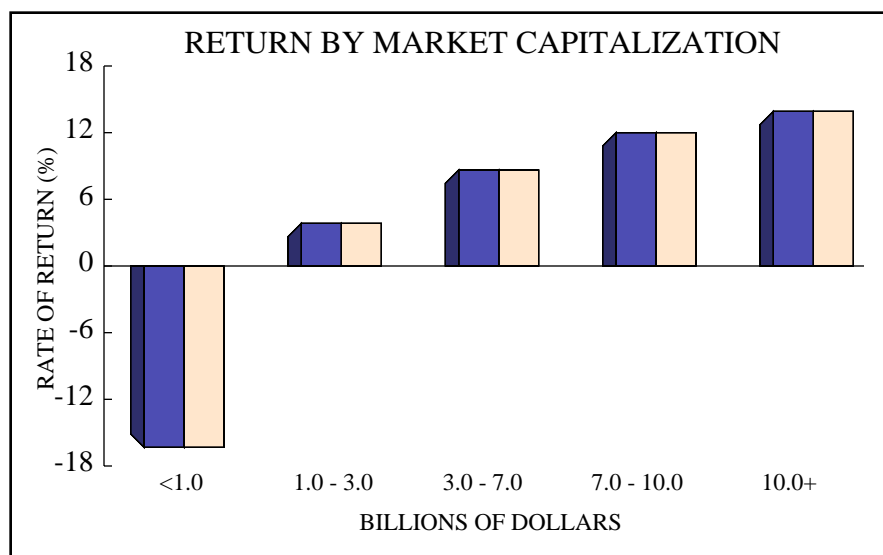
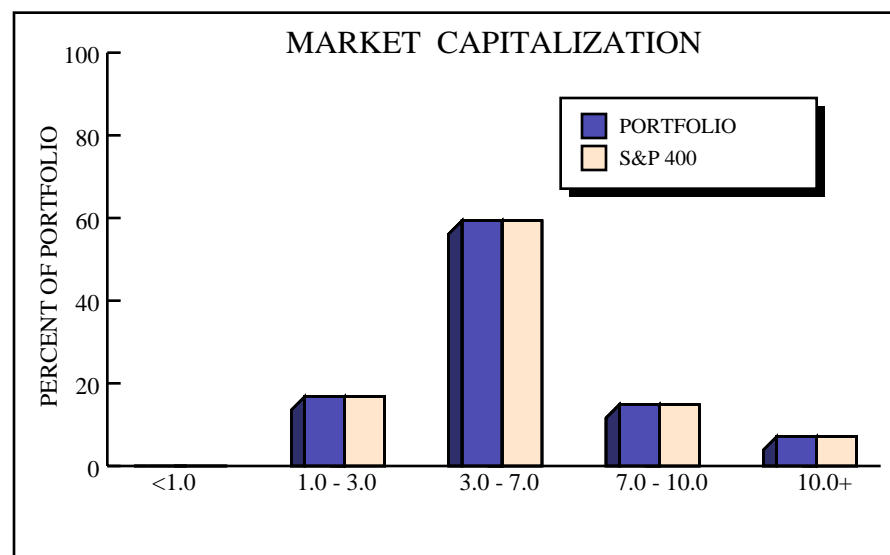
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 400



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	SKYWORKS SOLUTIONS INC	\$ 102,303	.82%	25.3%	Computer Tech	\$ 13.9 B
2	EQUINIX INC	91,826	.74%	10.9%	Utilities	12.5 B
3	ADVANCE AUTO PARTS INC	85,852	.69%	22.3%	Consumer Service	11.6 B
4	SL GREEN REALTY CORP	84,742	.68%	17.9%	Finance	11.5 B
5	HENRY SCHEIN INC	84,549	.68%	16.9%	NonDur Cons Goods	11.5 B
6	HANESBRANDS INC	82,264	.66%	4.1%	NonDur Cons Goods	11.2 B
7	ENDO INTERNATIONAL PLC	81,856	.66%	5.5%	NonDur Cons Goods	11.1 B
8	REALTY INCOME CORP	78,388	.63%	18.1%	Finance	10.6 B
9	SIGNET JEWELERS LTD	77,889	.63%	15.6%	Consumer Service	10.5 B
10	CHURCH & DWIGHT CO INC	77,785	.63%	12.7%	NonDur Cons Goods	10.5 B



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

## **INVESTMENT RETURN**

On December 31st, 2014, the Davie Police Pension Plan's TAMRO Small Cap portfolio was valued at \$11,369,030, representing an increase of \$1,010,547 from the September quarter's ending value of \$10,358,483. Last quarter, the Fund posted withdrawals totaling \$22,014, which partially offset the portfolio's net investment return of \$1,032,561. Income receipts totaling \$22,543 plus net realized and unrealized capital gains of \$1,010,018 combined to produce the portfolio's net investment return.

For the cumulative period since March 2010, the fund has recorded net contributions totaling \$2.1 million, and recorded net investment gains of \$4.5 million. For the period since March 2010, if the total fund had returned a compounded nominal rate of 7.9% it would have been valued at \$9.3 million or \$2.1 million less than the actual value as of December 31st, 2014.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the fourth quarter, the TAMRO Small Cap portfolio gained 10.0%, which was 0.3% above the Russell 2000 Index's return of 9.7% and ranked in the 22nd percentile of the Small Cap universe. Over the trailing year, the portfolio returned 1.6%, which was 3.3% less than the benchmark's 4.9% performance, and ranked in the 75th percentile. Since March 2010, the portfolio returned 13.8% on an annualized basis and ranked in the 80th percentile. For comparison, the Russell 2000 returned an annualized 14.4% over the same period.

## **ASSET ALLOCATION**

On December 31st, 2014, small cap equities comprised 99.0% of the total portfolio (\$11.3 million), while cash & equivalents totaled 1.0% (\$108,023).

## **ANALYSIS**

At the end of the third quarter, the TAMRO portfolio was invested across nine of the eleven industry sectors utilized in our analysis. Relative to the Russell 2000 Index, the portfolio was overweight in the Non-Durable Consumer Goods, Consumer Service, Transportation, and Service sectors. On the other hand, the portfolio was less concentrated than the benchmark in the Basic, Durable Consumer Goods, and Finance sectors, while similarly concentrated in Computer Technology and Technology sectors. The Utilities and Energy sectors were vacant in the portfolio.

In the past quarter, the portfolio outpaced the benchmark due to selection effects. In the overweight Transportation sector, the portfolio outperformed the Russell 2000 by 19.5%. Conversely, in the overweight Non-Durable Goods sector, the fund underperformed by 17.0%. One particularly fortunate event was the portfolio's withdrawal from the Energy sector. While the index lost 27.1%, the portfolio was able to unwind most of its position before the recent collapse. Overall the fund outstripped the benchmark by 30 basis points in the fourth quarter.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

				-----Annualized-----	
	Quarter	FYTD	1 Year	3 Years	Since 03/10
<b>Total Gross/Fees</b>	10.0	10.0	1.6	15.7	13.8
<i>SMALL CAP RANK</i>	(22)	(22)	(75)	(91)	(80)
<b>Total Net/Fees</b>	9.8	9.8	0.8	14.7	12.8
RUSSELL 2000	9.7	9.7	4.9	19.2	14.4
<b>Small Cap Equity</b>	10.2	10.2	1.6	16.0	14.0
<i>SMALL CAP RANK</i>	(19)	(19)	(75)	(90)	(75)
RUSSELL 2000	9.7	9.7	4.9	19.2	14.4

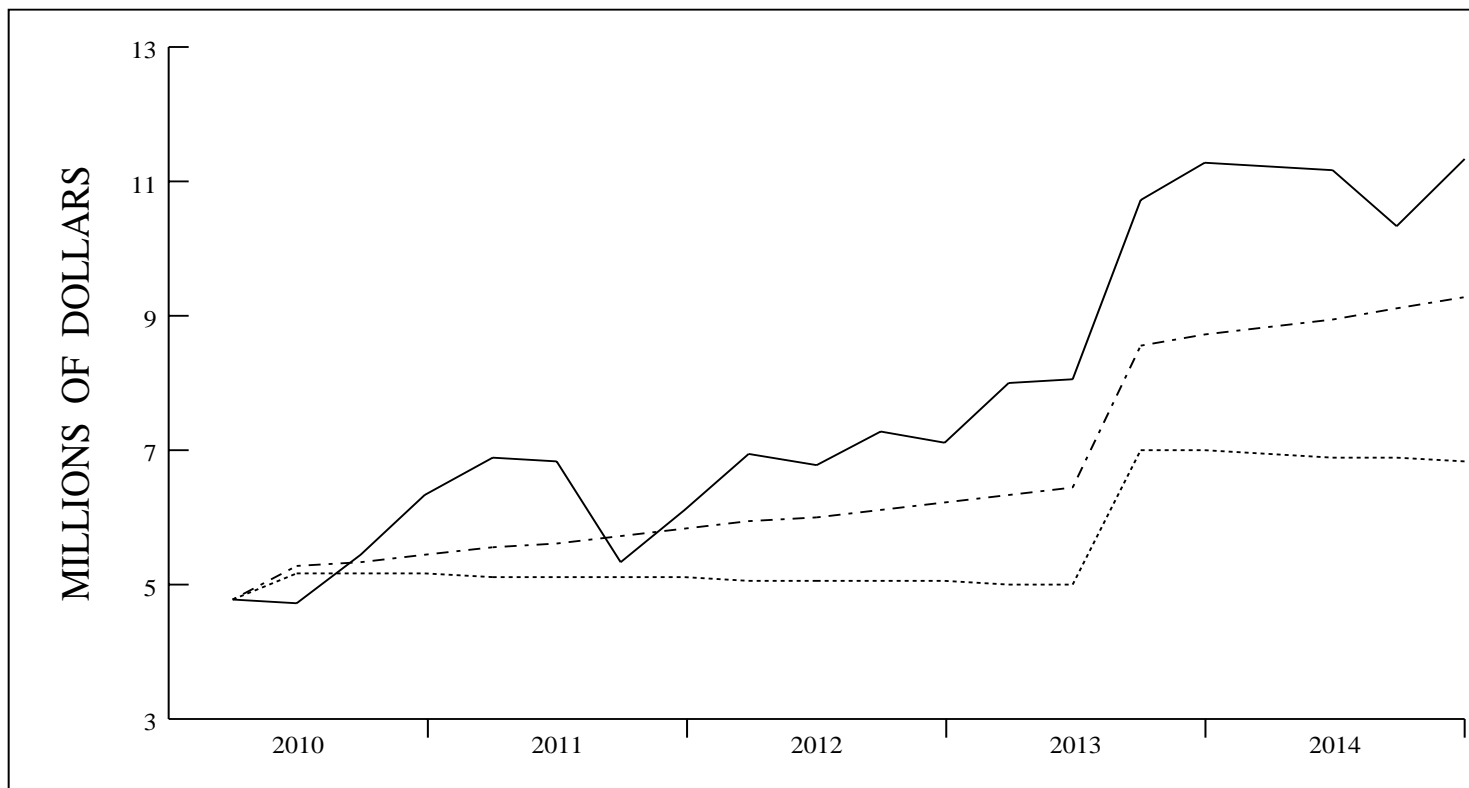
**ASSET ALLOCATION**

Small Cap	99.0%	\$ 11,261,007
Cash	1.0%	108,023
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 11,369,030</b>

**INVESTMENT RETURN**

Market Value 9/2014	\$ 10,358,483
Contribs / Withdrawals	- 22,014
Income	22,543
Capital Gains / Losses	1,010,018
Market Value 12/2014	\$ 11,369,030

**INVESTMENT GROWTH**

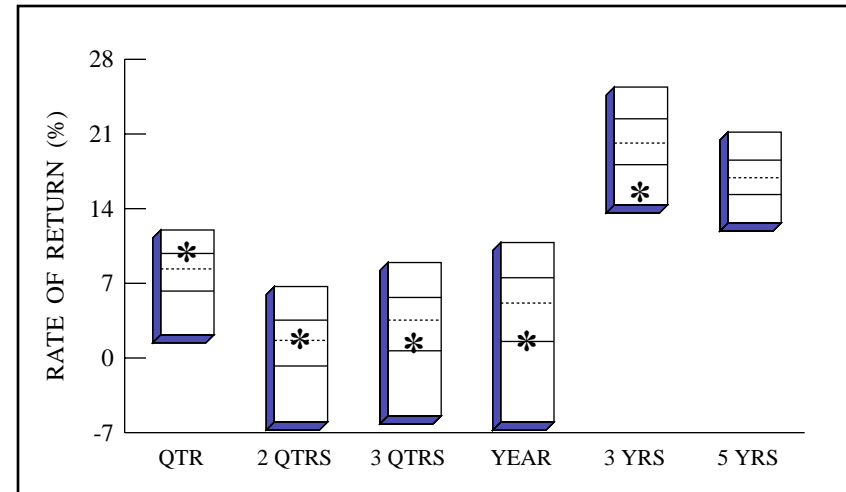
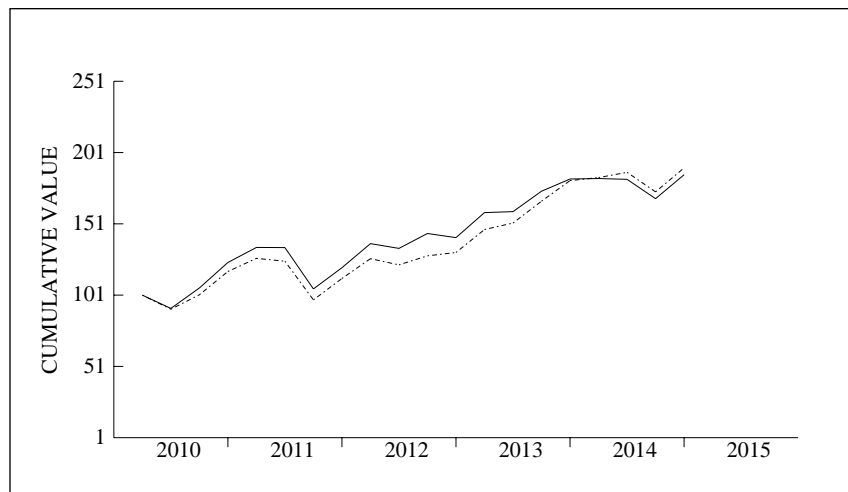


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 9,293,302

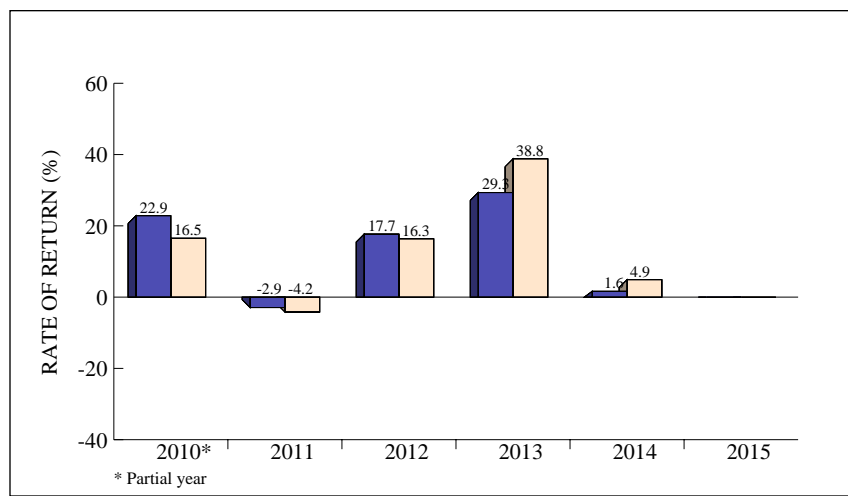
	LAST QUARTER	PERIOD 3/10 - 12/14
BEGINNING VALUE	\$ 10,358,483	\$ 4,803,861
NET CONTRIBUTIONS	- 22,014	2,082,803
<u>INVESTMENT RETURN</u>	<u>1,032,561</u>	<u>4,482,366</u>
ENDING VALUE	\$ 11,369,030	\$ 11,369,030
INCOME	22,543	300,252
<u>CAPITAL GAINS (LOSSES)</u>	<u>1,010,018</u>	<u>4,182,114</u>
INVESTMENT RETURN	1,032,561	4,482,366

**TOTAL RETURN COMPARISONS**



■ ——— PORTFOLIO  
■ - - - - RUSSELL 2000

Small Cap Universe

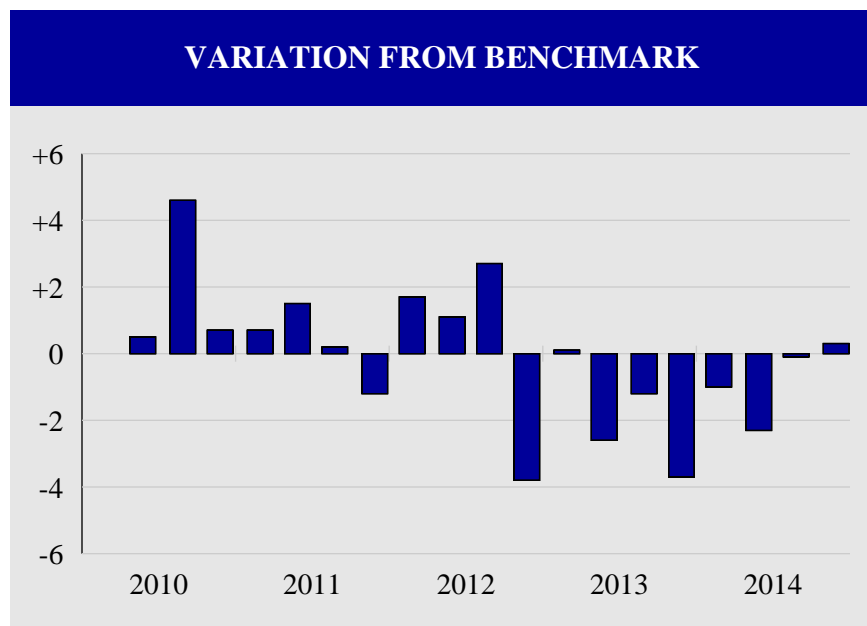


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	10.0	1.8	1.5	1.6	15.7	----
(RANK)	(22)	(48)	(70)	(75)	(91)	----
5TH %ILE	12.0	6.7	9.0	10.8	25.4	21.2
25TH %ILE	9.8	3.5	5.7	7.5	22.4	18.6
MEDIAN	8.4	1.6	3.6	5.2	20.1	16.9
75TH %ILE	6.3	-0.8	0.7	1.6	18.1	15.3
95TH %ILE	2.2	-6.0	-5.4	-6.0	14.4	12.7
<b>Russ 2000</b>	<b>9.7</b>	<b>1.7</b>	<b>3.7</b>	<b>4.9</b>	<b>19.2</b>	<b>15.5</b>

Small Cap Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

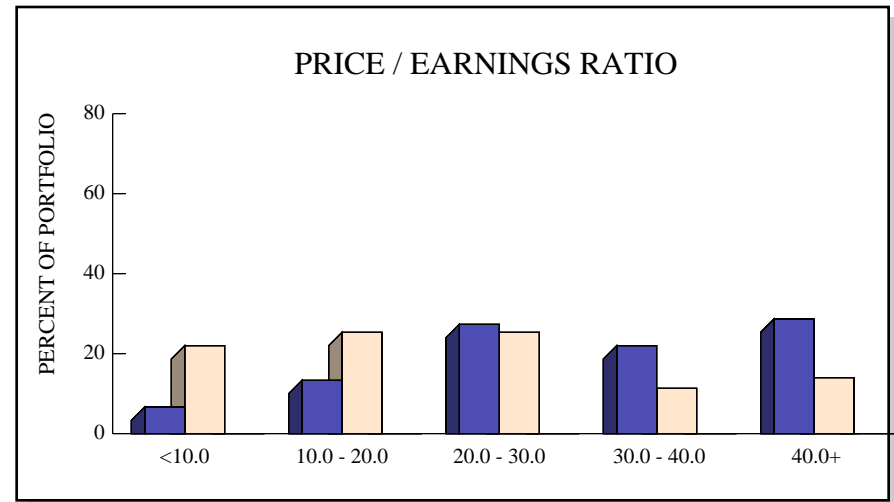
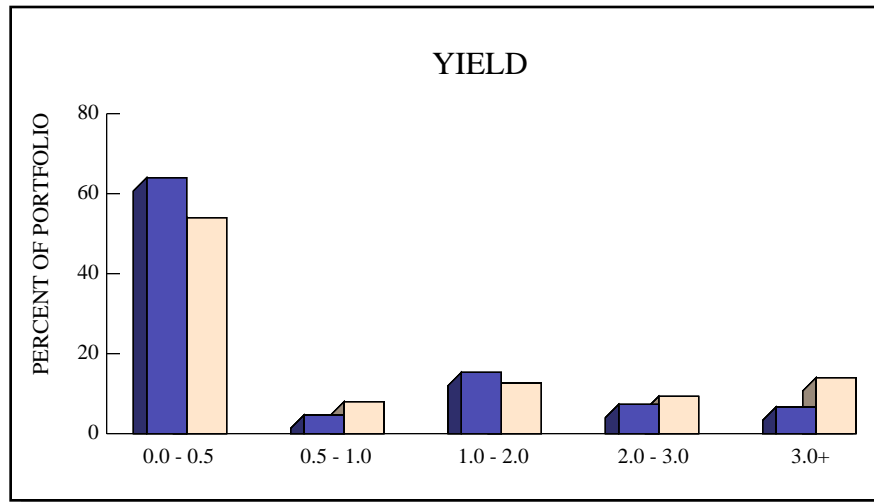
**COMPARATIVE BENCHMARK: RUSSELL 2000**



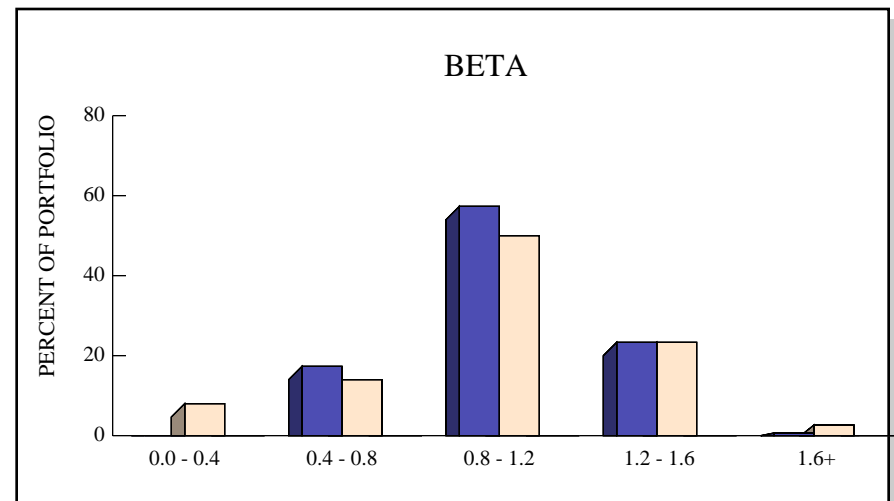
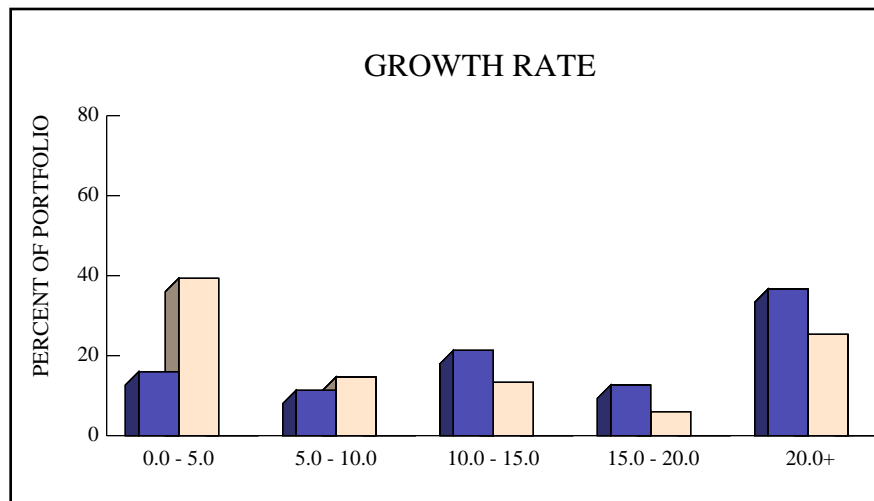
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/10	-9.4	-9.9	0.5
9/10	15.9	11.3	4.6
12/10	17.0	16.3	0.7
3/11	8.6	7.9	0.7
6/11	-0.1	-1.6	1.5
9/11	-21.7	-21.9	0.2
12/11	14.3	15.5	-1.2
3/12	14.1	12.4	1.7
6/12	-2.4	-3.5	1.1
9/12	7.9	5.2	2.7
12/12	-2.0	1.8	-3.8
3/13	12.5	12.4	0.1
6/13	0.5	3.1	-2.6
9/13	9.0	10.2	-1.2
12/13	5.0	8.7	-3.7
3/14	0.1	1.1	-1.0
6/14	-0.3	2.0	-2.3
9/14	-7.5	-7.4	-0.1
12/14	10.0	9.7	0.3

<b>Total Quarters Observed</b>	<b>19</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>8</b>
<b>Batting Average</b>	<b>.579</b>

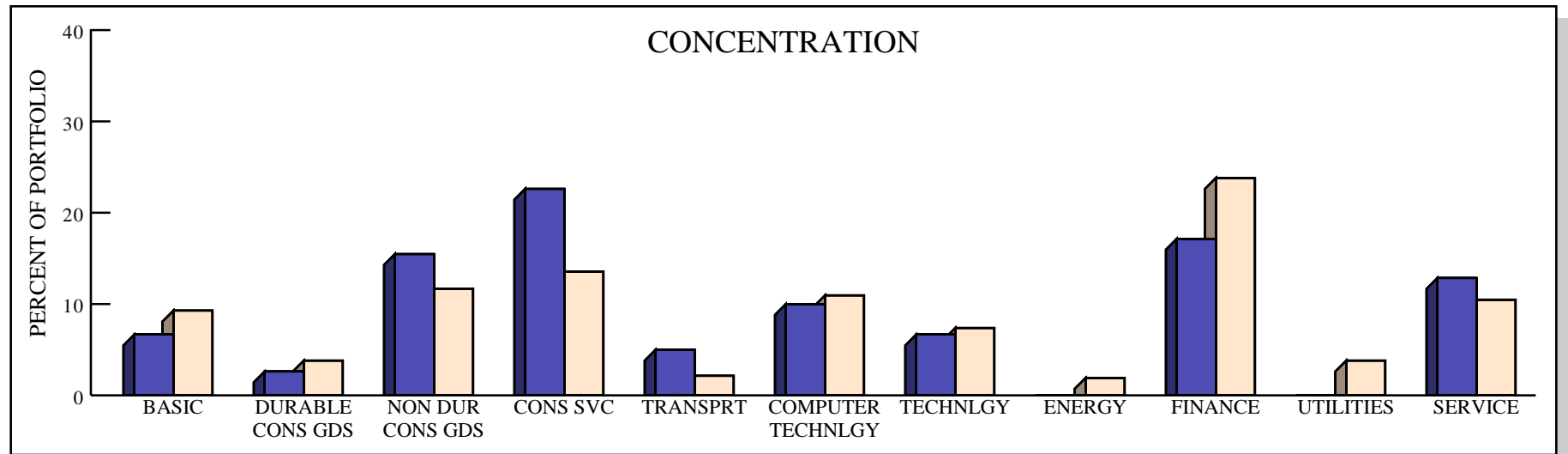
**STOCK CHARACTERISTICS**



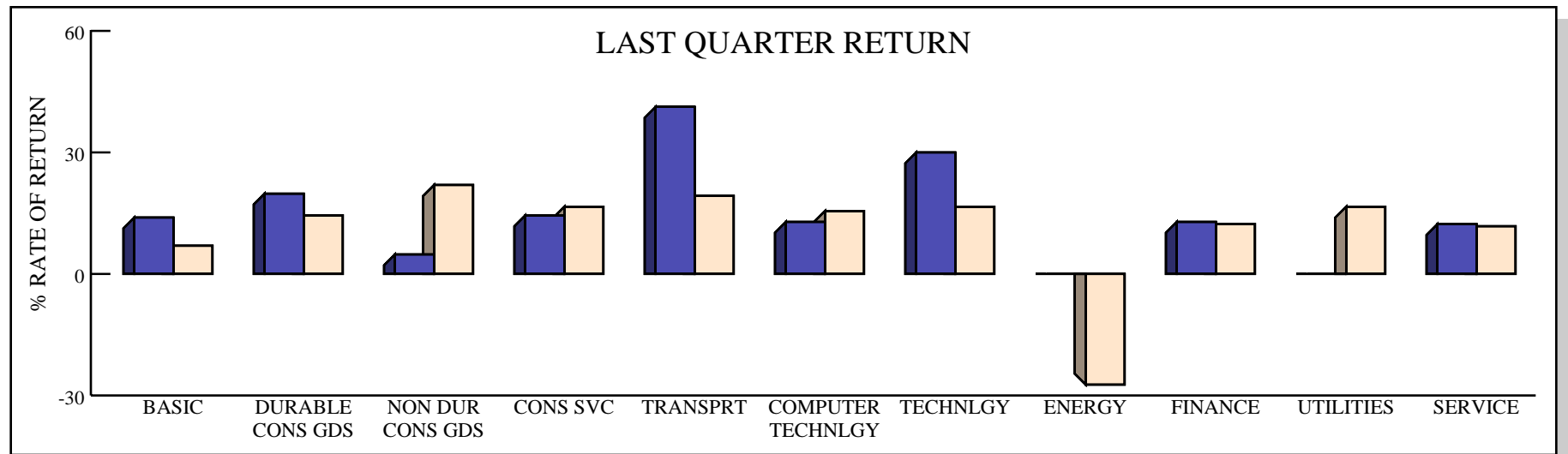
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	57	0.7%	17.2%	33.9	1.02
RUSSELL 2000	2,011	1.3%	11.1%	20.3	0.99



**STOCK INDUSTRY ANALYSIS**

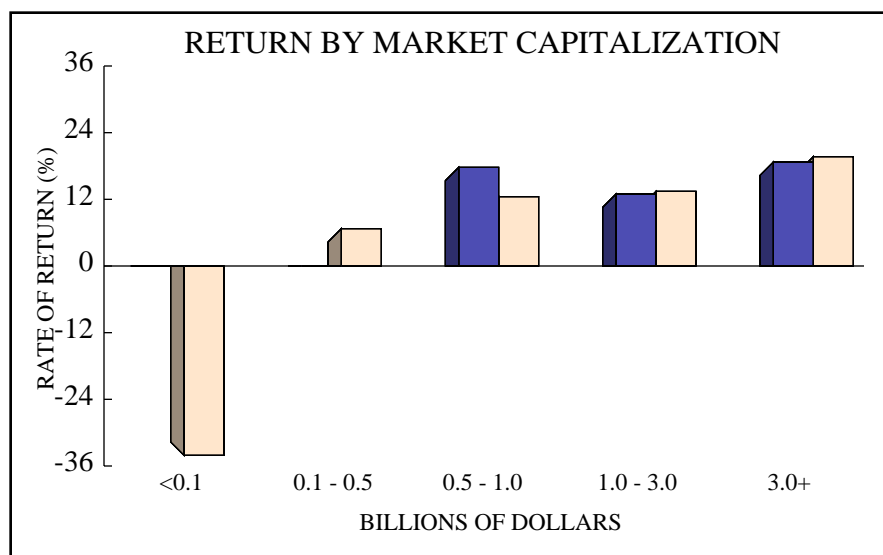
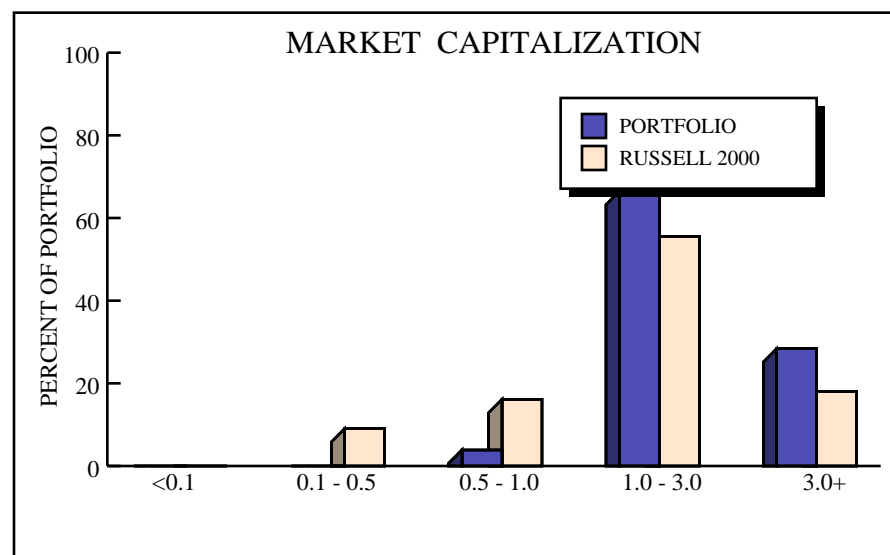


■ PORTFOLIO      ■ RUSSELL 2000





**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	BANK OF THE OZARKS	\$ 328,084	2.91%	20.6%	Finance	\$ 3.0 B
2	DEXCOM INC	309,381	2.75%	37.7%	Technology	4.2 B
3	UNITED NATURAL FOODS INC	280,940	2.49%	25.8%	Service	3.9 B
4	ICONIX BRAND GROUP INC	271,672	2.41%	-8.5%	NonDur Cons Goods	1.6 B
5	MANHATTAN ASSOCIATES INC	268,345	2.38%	21.8%	Computer Tech	3.0 B
6	TYLER TECHNOLOGIES INC	267,143	2.37%	23.8%	Computer Tech	3.6 B
7	GRAND CANYON EDUCATION INC	255,324	2.27%	14.5%	Consumer Service	2.2 B
8	RED ROBIN GOURMET BURGERS	255,189	2.27%	35.3%	Consumer Service	1.1 B
9	CEPHEID INC	253,917	2.25%	23.0%	Technology	3.8 B
10	ADVISORY BOARD CO/THE	251,316	2.23%	5.1%	Consumer Service	1.8 B

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

## **INVESTMENT RETURN**

As of December 31st, 2014, the Davie Police Pension Plan's Johnston International Equity Group Trust account was valued at \$6,123,190, which was a decrease of \$58,710 from the September quarter's ending value of \$6,181,900. Over the last three months, the fund recorded \$13,196 in total net withdrawals in addition to net investment losses totaling \$45,514. Because there were no income receipts during the quarter, the portfolio's net investment losses were the result of capital losses (realized and unrealized).

For the cumulative period since March 2010, the fund has posted net withdrawals totaling \$189,366 and recorded net investment gains of \$1.4 million. For the period since March 2010, if the total portfolio had earned a compounded nominal rate of 7.9% it would have been valued at \$6.8 million or \$663,847 more than the actual value as of December 31st, 2014.

## **RELATIVE PERFORMANCE**

During the fourth quarter, the Johnston International Equity Group Trust portfolio returned -0.7%, which was 2.8% greater than the MSCI EAFE Index's return of -3.5% and ranked in the 20th percentile of the International Equity universe. Over the trailing year, this portfolio returned 0.9%, which was 5.4% above the benchmark's -4.5% performance, ranking in the 24th percentile. Since March 2010, the account returned 5.6% annualized and ranked in the 65th percentile. For comparison, the MSCI EAFE Index returned an annualized 5.9% 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>	-0.7	-0.7	0.9	11.4	5.6
<i>INTERNATIONAL EQUITY RANK</i>	(20)	(20)	(24)	(53)	(65)
<b>Total Net/Fees</b>	-0.9	-0.9	0.1	10.6	4.8
MSCI EAFE	-3.5	-3.5	-4.5	11.6	5.9
<b>International Equity</b>	-0.7	-0.7	0.9	11.4	5.6
<i>INTERNATIONAL EQUITY RANK</i>	(20)	(20)	(24)	(53)	(65)
MSCI EAFE	-3.5	-3.5	-4.5	11.6	5.9

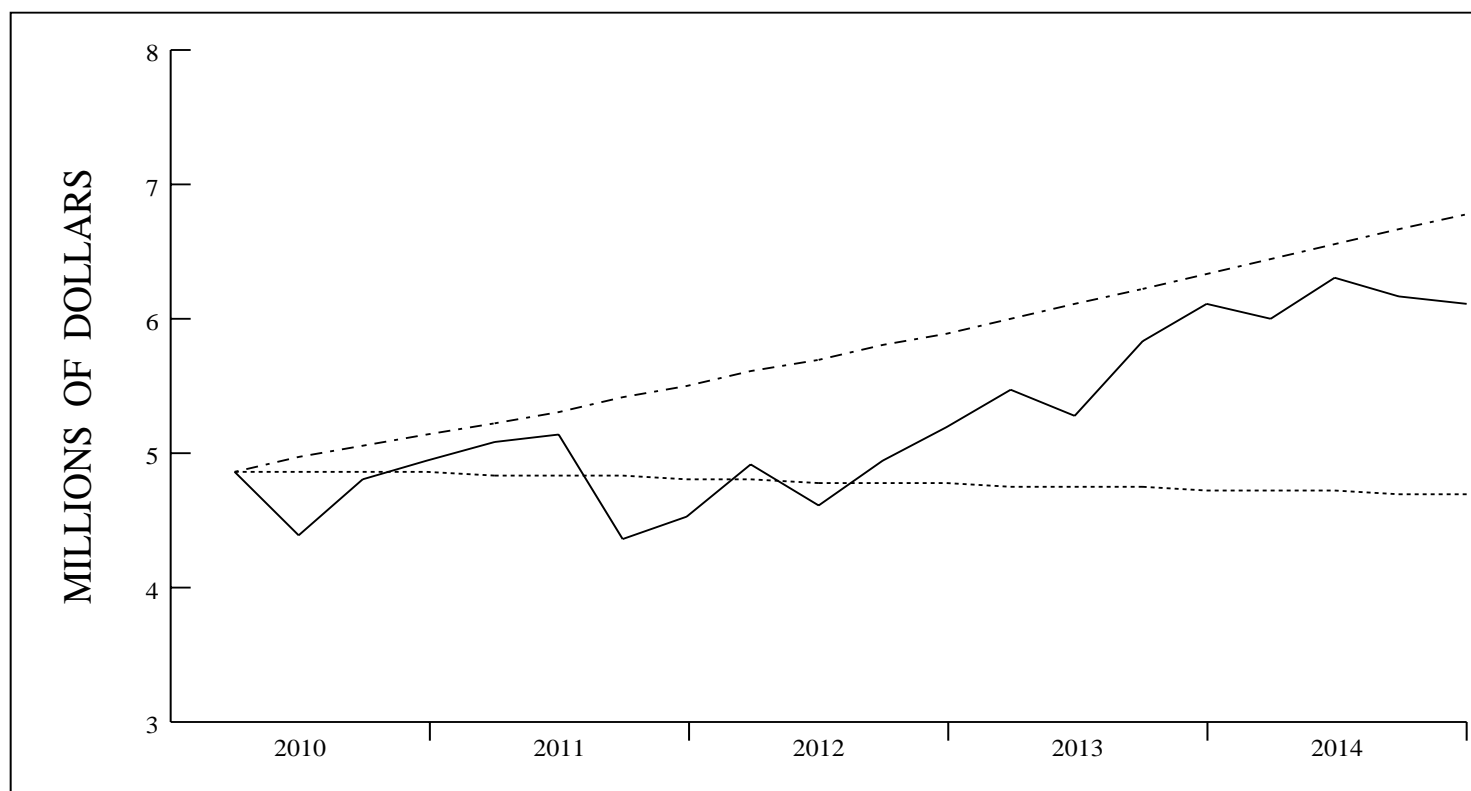
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 6,123,190
Total Portfolio	100.0%	\$ 6,123,190

**INVESTMENT RETURN**

Market Value 9/2014	\$ 6,181,900
Contribs / Withdrawals	- 13,196
Income	0
Capital Gains / Losses	- 45,514
Market Value 12/2014	\$ 6,123,190

**INVESTMENT GROWTH**

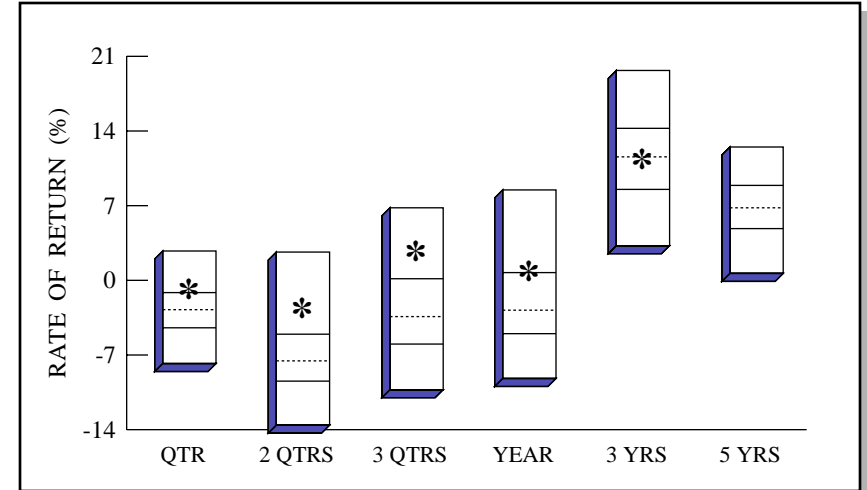
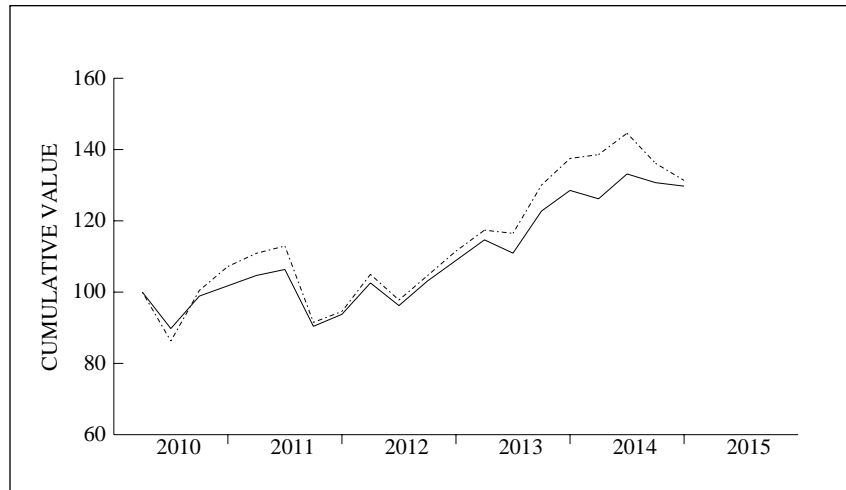


— ACTUAL RETURN  
 - - - 7.9%  
 ..... 0.0%

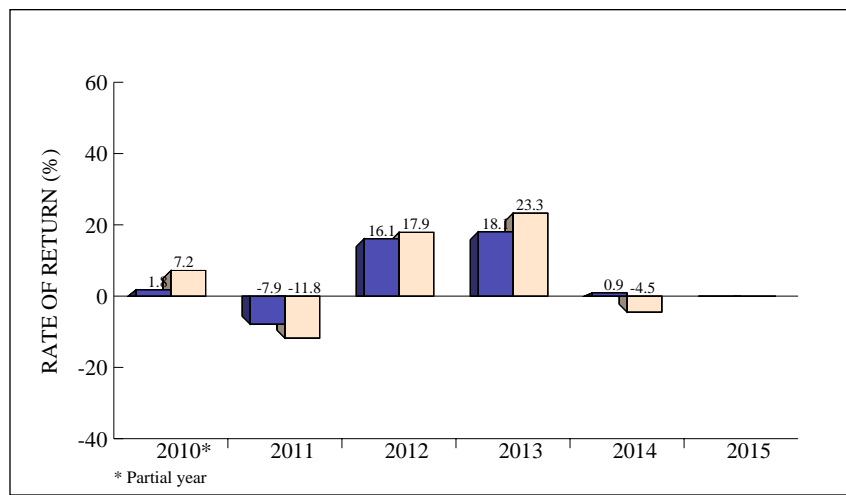
VALUE ASSUMING  
 7.9% RETURN  
 \$ 6,787,037

	LAST QUARTER	PERIOD 3/10 - 12/14
BEGINNING VALUE	\$ 6,181,900	\$ 4,885,384
NET CONTRIBUTIONS	- 13,196	-189,366
<u>INVESTMENT RETURN</u>	<u>- 45,514</u>	<u>1,427,172</u>
ENDING VALUE	\$ 6,123,190	\$ 6,123,190
INCOME	0	0
<u>CAPITAL GAINS (LOSSES)</u>	<u>- 45,514</u>	<u>1,427,172</u>
INVESTMENT RETURN	- 45,514	1,427,172

**TOTAL RETURN COMPARISONS**



International Equity Universe

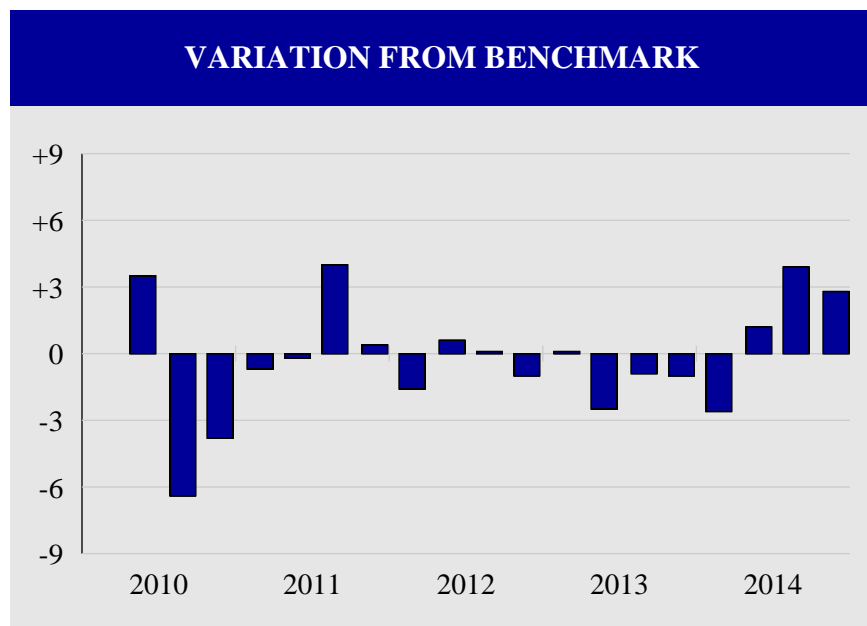


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	-0.7	-2.6	2.8	0.9	11.4	---
(RANK)	(20)	(12)	(13)	(24)	(53)	---
5TH %ILE	2.7	2.6	6.8	8.5	19.7	12.5
25TH %ILE	-1.1	-5.1	0.2	0.7	14.3	8.9
MEDIAN	-2.8	-7.6	-3.4	-2.8	11.6	6.8
75TH %ILE	-4.5	-9.4	-6.0	-5.0	8.5	4.9
95TH %ILE	-7.8	-13.6	-10.3	-9.2	3.2	0.7
<b>MSCI EAFE</b>	<b>-3.5</b>	<b>-9.2</b>	<b>-5.2</b>	<b>-4.5</b>	<b>11.6</b>	<b>5.8</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	4.7	5.7	-1.0
3/14	-1.8	0.8	-2.6
6/14	5.5	4.3	1.2
9/14	-1.9	-5.8	3.9
12/14	-0.7	-3.5	2.8

<b>Total Quarters Observed</b>	<b>19</b>
<b>Quarters At or Above the Benchmark</b>	<b>9</b>
<b>Quarters Below the Benchmark</b>	<b>10</b>
<b>Batting Average</b>	<b>.474</b>

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



## **INVESTMENT RETURN**

On December 31st, 2014, the Davie Police Pension Plan's SSgA MSCI EAFE Index SL Fund was valued at \$4,871,482, a decrease of \$180,553 from the September ending value of \$5,052,035. Last quarter, the account recorded no net contributions or withdrawals, while recording a net investment loss for the quarter of \$180,553. Since there were no income receipts for the fourth quarter, net investment losses were the result of capital losses (realized and unrealized).

Since December 2009, the account has recorded net investment gains of \$1.2 million. Since December 2009, if the total account earned a compounded nominal rate of 7.9% it would have been worth \$5.4 million or \$541,546 more than the actual value as of December 31st, 2014.

## **RELATIVE PERFORMANCE**

During the fourth quarter, the SSgA MSCI EAFE Index SL Fund lost 3.6%, which was 0.1% below the MSCI EAFE Index's return of -3.5% and ranked in the 64th percentile of the International Equity universe. Over the trailing year, the portfolio returned -4.6%, which was 0.1% below the benchmark's -4.5% performance, ranking in the 70th percentile. Since December 2009, the account returned 5.6% on an annualized basis and ranked in the 68th percentile. For comparison, the MSCI EAFE Index returned an annualized 5.8% over the same period.

## **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>	-3.6	-3.6	-4.6	11.4	5.6
<i>INTERNATIONAL EQUITY RANK</i>	(64)	(64)	(70)	(53)	(68)
<b>Total Net/Fees</b>	-3.6	-3.6	-4.8	11.2	5.4
MSCI EAFE	-3.5	-3.5	-4.5	11.6	5.8
<b>International Equity</b>	-3.6	-3.6	-4.6	11.4	5.6
<i>INTERNATIONAL EQUITY RANK</i>	(64)	(64)	(70)	(53)	(68)
MSCI EAFE	-3.5	-3.5	-4.5	11.6	5.8

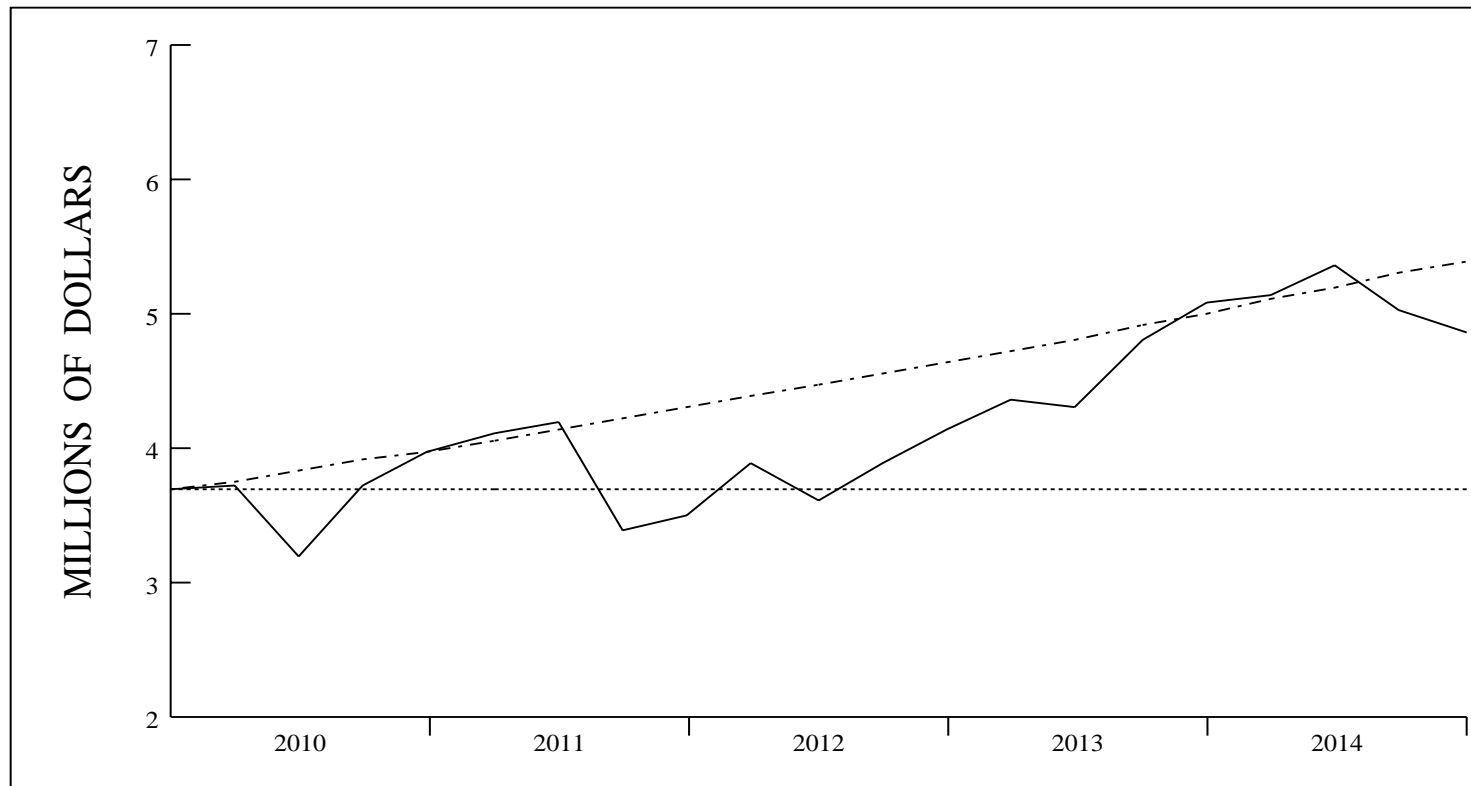
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 4,871,482
Total Portfolio	100.0%	\$ 4,871,482

**INVESTMENT RETURN**

Market Value 9/2014	\$ 5,052,035
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	-180,553
Market Value 12/2014	\$ 4,871,482

**INVESTMENT GROWTH**

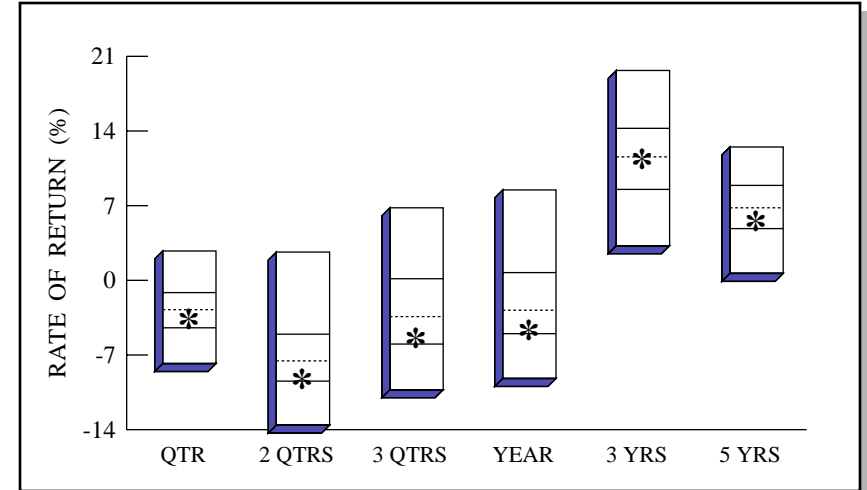
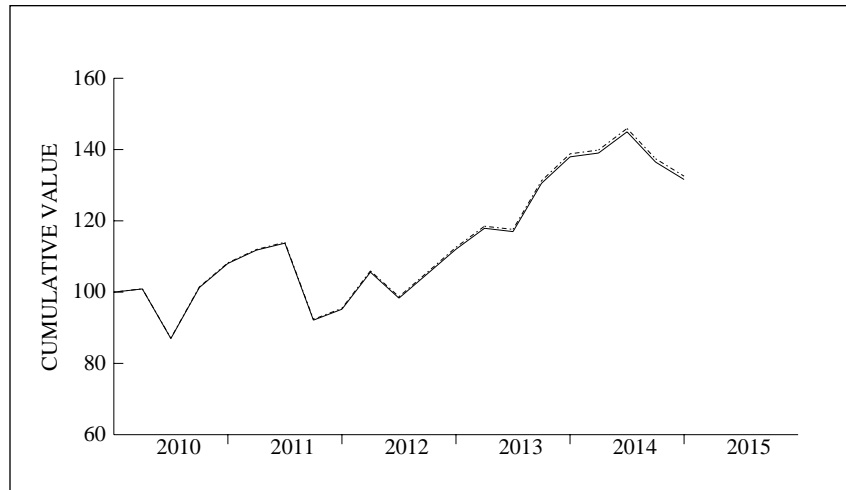


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

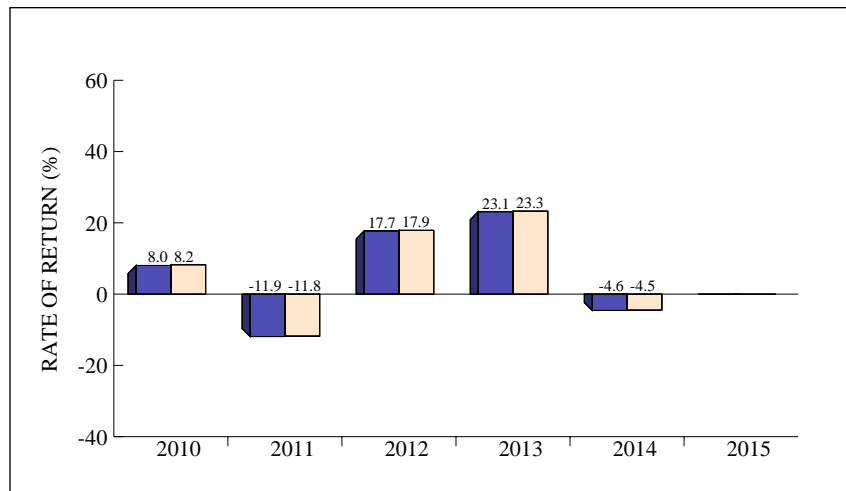
VALUE ASSUMING  
 7.9% RETURN  
 \$ 5,413,028

	LAST QUARTER	PERIOD 12/09 - 12/14
BEGINNING VALUE	\$ 5,052,035	\$ 3,701,115
NET CONTRIBUTIONS	0	0
INVESTMENT RETURN	-180,553	1,170,367
ENDING VALUE	\$ 4,871,482	\$ 4,871,482
INCOME	0	0
CAPITAL GAINS (LOSSES)	-180,553	1,170,367
INVESTMENT RETURN	-180,553	1,170,367

**TOTAL RETURN COMPARISONS**



International Equity Universe

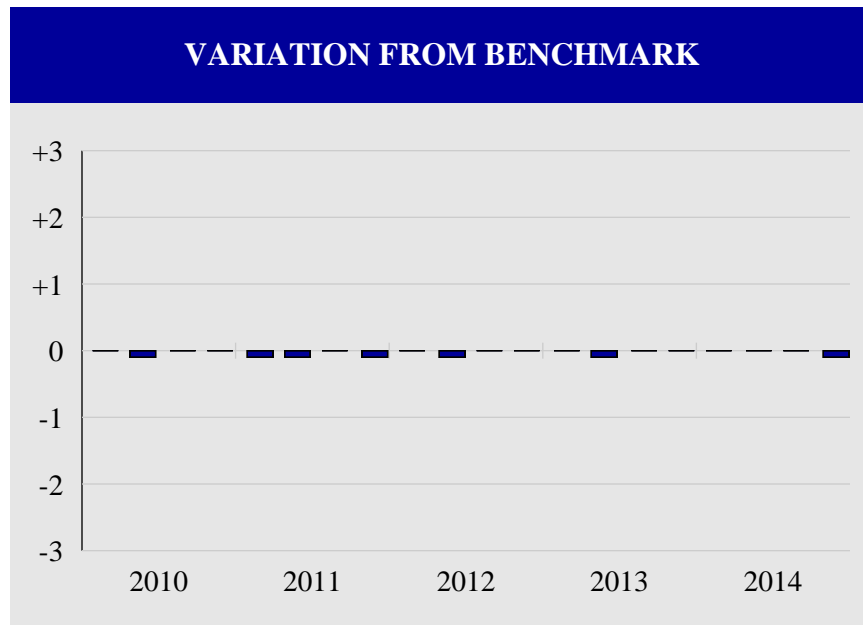


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-3.6	-9.2	-5.3	-4.6	11.4	5.6
(RANK)	(64)	(73)	(70)	(70)	(53)	(68)
5TH %ILE	2.7	2.6	6.8	8.5	19.7	12.5
25TH %ILE	-1.1	-5.1	0.2	0.7	14.3	8.9
MEDIAN	-2.8	-7.6	-3.4	-2.8	11.6	6.8
75TH %ILE	-4.5	-9.4	-6.0	-5.0	8.5	4.9
95TH %ILE	-7.8	-13.6	-10.3	-9.2	3.2	0.7
<b>MSCI EAFE</b>	<b>-3.5</b>	<b>-9.2</b>	<b>-5.2</b>	<b>-4.5</b>	<b>11.6</b>	<b>5.8</b>

International Equity Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: MSCI EAFE**



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

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
3/10	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
6/14	4.3	4.3	0.0
9/14	-5.8	-5.8	0.0
12/14	-3.6	-3.5	-0.1

DAVIE POLICE PENSION PLAN  
AMERICAN REALTY ADVISORS - AMERICAN CORE REALTY FUND  
PERFORMANCE REVIEW  
DECEMBER 2014

## **INVESTMENT RETURN**

On December 31st, 2014, the Davie Police Pension Plan's American Realty Advisors American Core Realty Fund was valued at \$2,929,434, representing an increase of \$43,721 from the September quarter's ending value of \$2,885,713. Last quarter, the Fund posted withdrawals totaling \$8,078, which partially offset the portfolio's net investment return of \$51,799. Income receipts totaling \$43,286 plus net realized and unrealized capital gains of \$8,513 combined to produce the portfolio's net investment return.

For the cumulative period since March 2011, the fund has recorded net contributions totaling \$1.0 million, and recorded net investment gains of \$990,707. 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 \$2.6 million or \$370,663 less than the actual value as of December 31st, 2014.

## **RELATIVE PERFORMANCE**

In the fourth quarter, the American Realty Advisors American Core Realty Fund gained 1.8%, which was 1.5% less than the NCREIF NFI-ODCE Index's return of 3.3%. Over the trailing twelve-month period, the portfolio returned 11.6%, which was 0.9% below the benchmark's 12.5% return. Since March 2011, the account returned 12.1% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 13.1% 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**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 03/11
<b>Total Gross/Fees</b>	1.8	1.8	11.6	11.8	12.1
<b>Total Net/Fees</b>	1.5	1.5	10.4	10.5	10.9
NCREIF ODCE	3.3	3.3	12.5	12.4	13.1
<b>Real Estate</b>	1.8	1.8	11.6	11.8	12.1
NCREIF ODCE	3.3	3.3	12.5	12.4	13.1

**ASSET ALLOCATION**

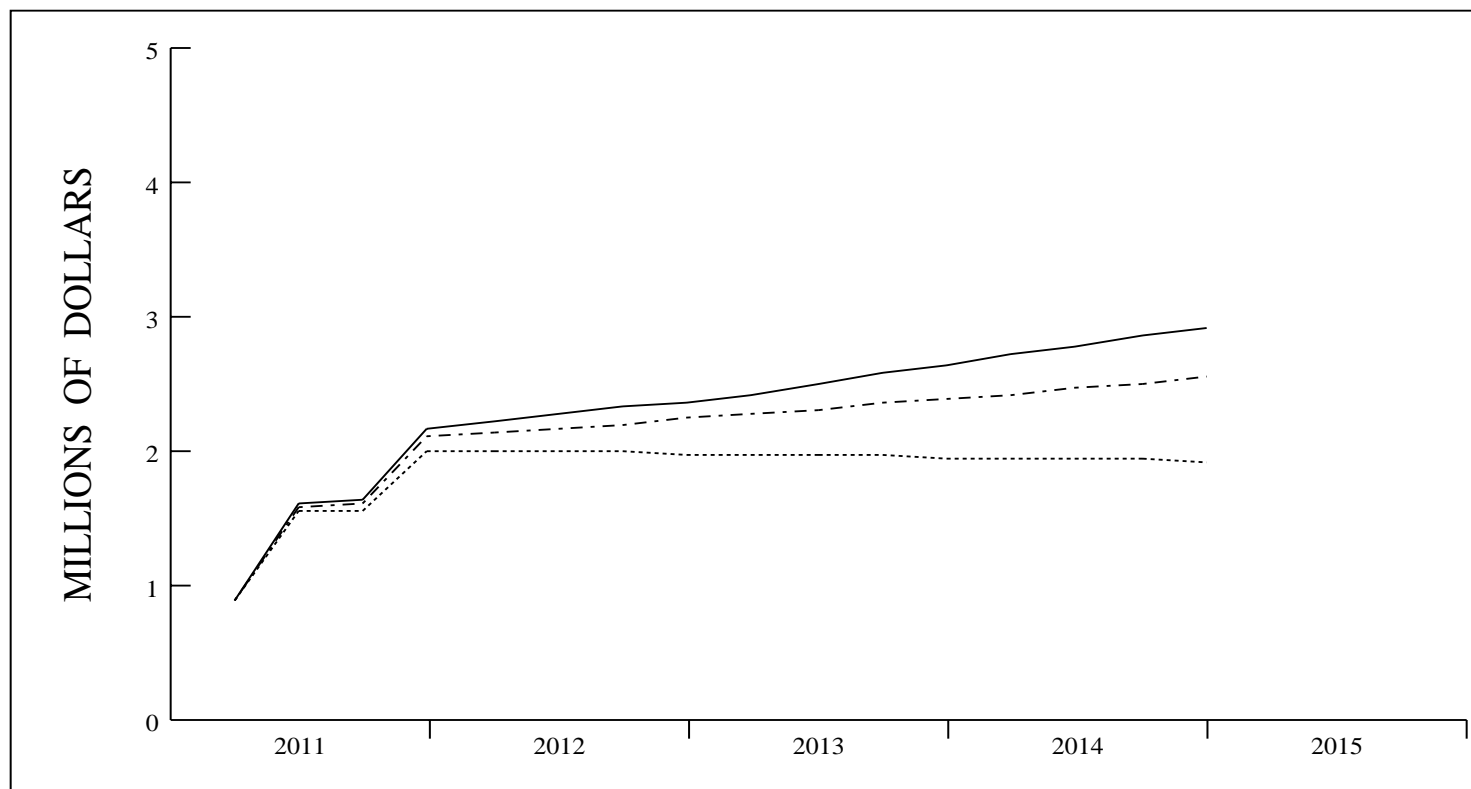
Real Estate	100.0%	\$ 2,929,434
Total Portfolio	100.0%	\$ 2,929,434

**INVESTMENT RETURN**

Market Value 9/2014	\$ 2,885,713
Contribs / Withdrawals	- 8,078
Income	43,286
Capital Gains / Losses	8,513
Market Value 12/2014	\$ 2,929,434



**INVESTMENT GROWTH**



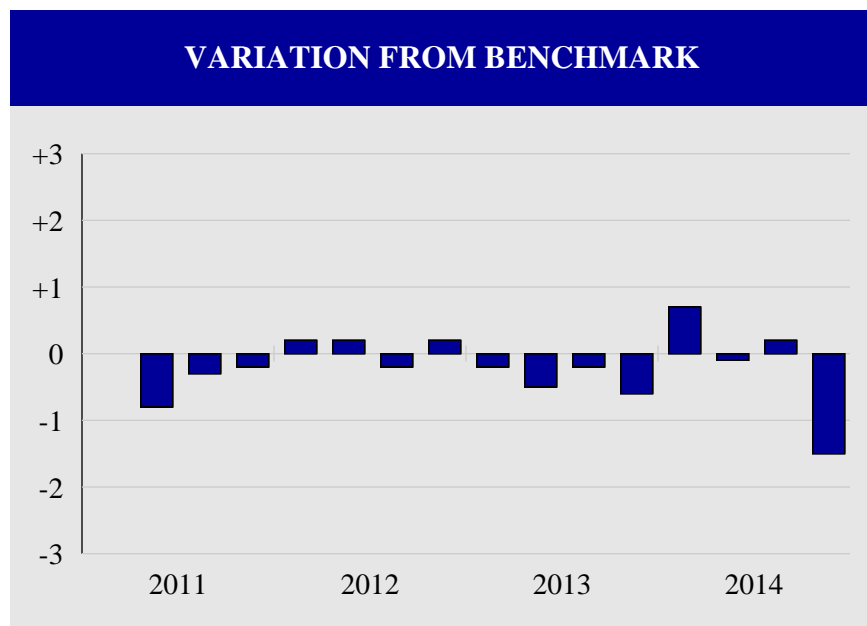
— ACTUAL RETURN  
 - - - 7.9%  
 ..... 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 2,558,771

	LAST QUARTER	PERIOD 3/11 - 12/14
BEGINNING VALUE	\$ 2,885,713	\$ 892,274
NET CONTRIBUTIONS	- 8,078	1,046,453
<u>INVESTMENT RETURN</u>	<u>51,799</u>	<u>990,708</u>
ENDING VALUE	\$ 2,929,434	\$ 2,929,434
INCOME	43,286	507,140
CAPITAL GAINS (LOSSES)	<u>8,513</u>	<u>483,568</u>
INVESTMENT RETURN	51,799	990,708

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX



<b>Total Quarters Observed</b>	<b>15</b>
<b>Quarters At or Above the Benchmark</b>	<b>5</b>
<b>Quarters Below the Benchmark</b>	<b>10</b>
<b>Batting Average</b>	<b>.333</b>

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
6/14	2.8	2.9	-0.1
9/14	3.4	3.2	0.2
12/14	1.8	3.3	-1.5

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

## **INVESTMENT RETURN**

On December 31st, 2014, the Davie Police Pension Plan's Intercontinental Core Plus portfolio was valued at \$3,364,665.

For the cumulative period since September 2013, the portfolio has posted net withdrawals totaling \$63,520 in addition to net investment gains totaling \$395,812. For the period since September 2013, if the total account earned a compounded nominal rate of 7.9% it would have been valued at \$3.3 million or \$97,699 less than the actual value as of December 31st, 2014.

## **RELATIVE PERFORMANCE**

*The fourth quarter report is currently unavailable. A 0.0% return was assumed.*

Over the trailing year, the portfolio returned 8.3%, which was 4.2% less than the benchmark's 12.5% performance. Since September 2013, the Intercontinental Core Plus portfolio returned 10.4% annualized, while the NCREIF NFI-ODCE Index returned an annualized 12.6% over the same time frame.

## **ASSET ALLOCATION**

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

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

<b>Market Value</b>	<b>\$ 3,364,665</b>	Last Appraisal Date: 9/30/2014*	
Initial Commitment	\$ 3,000,000	100.00%	
Paid In Capital	\$ 3,000,000	100.00%	
Net Distributions	\$ 152,942		
Net Gain/(Loss)	\$ 75,134		
Net IRR Since Inception	11.27%		

	<b>Date</b>	<b>Paid In Capital</b>		<b>Gross Income</b>		<b>Reinvested Income</b>	
3Q 2013		\$ 3,000,000	\$	13,848	\$	13,848	
4Q 2013		\$ -	\$	45,706	\$	7,053	
1Q 2014		\$ -	\$	22,646	\$	14,309	
2Q 2014		\$ -	\$	26,601	\$	18,407	
3Q 2014		\$ -	\$	36,627	\$	28,291	
<b>Total</b>		<b>\$ 3,000,000</b>	<b>\$</b>	<b>145,428</b>	<b>\$</b>	<b>81,908</b>	

\*The fourth quarter report is currently unavailable. A 0.0% return was assumed.  
Valuations are provided by Intercontinental, based on current market conditions.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 09/13
<b>Total Gross/Fees</b>	0.0	0.0	8.3	----	10.4
<b>Total Net/Fees</b>	0.0	0.0	7.2	----	8.3
NCREIF ODCE	3.3	3.3	12.5	12.4	12.6
<b>Real Estate</b>	0.0	0.0	8.3	----	10.4
NCREIF ODCE	3.3	3.3	12.5	12.4	12.6

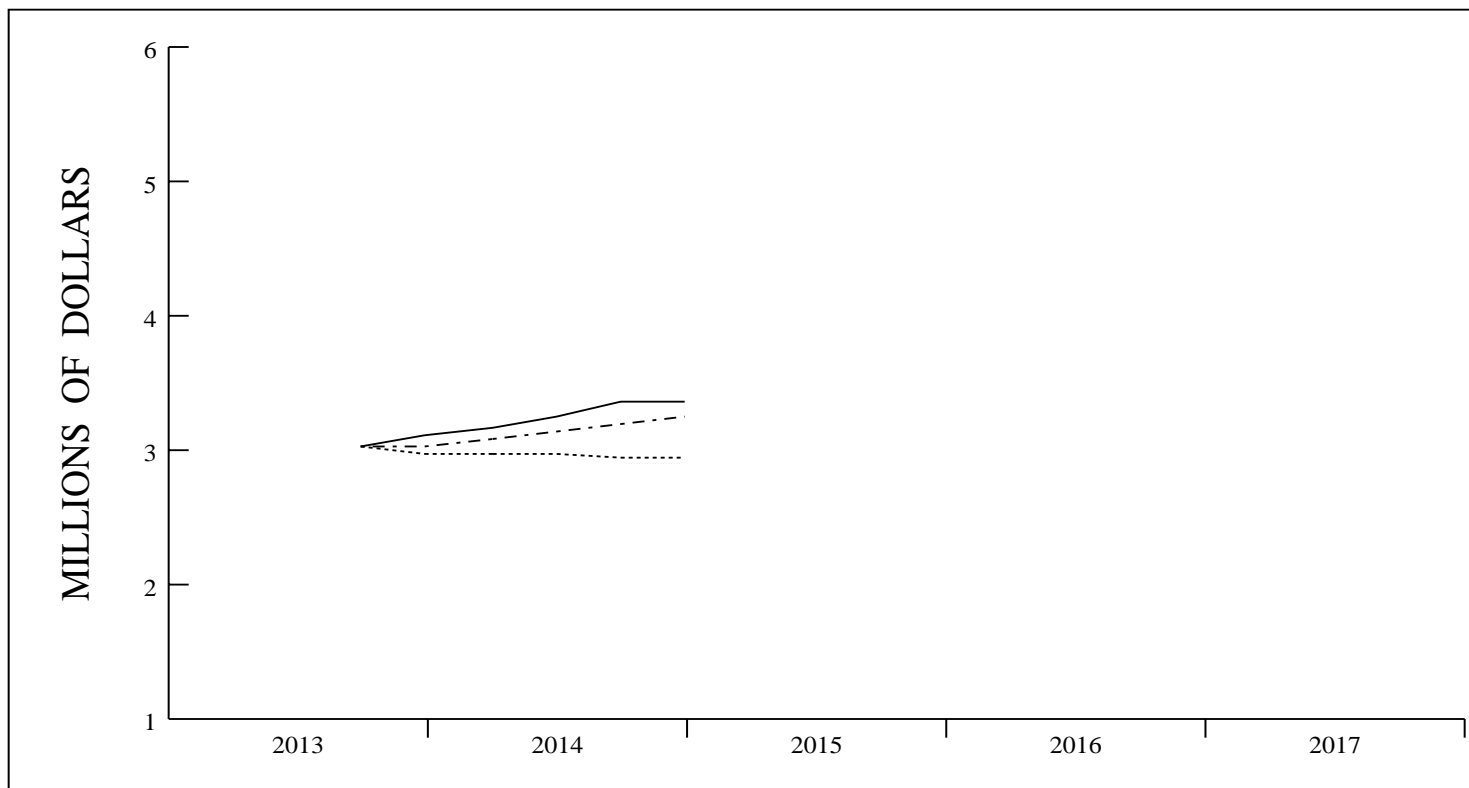
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 3,364,665
Total Portfolio	100.0%	\$ 3,364,665

**INVESTMENT RETURN**

Market Value 9/2014	\$ 3,364,665
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	0
Market Value 12/2014	\$ 3,364,665

**INVESTMENT GROWTH**



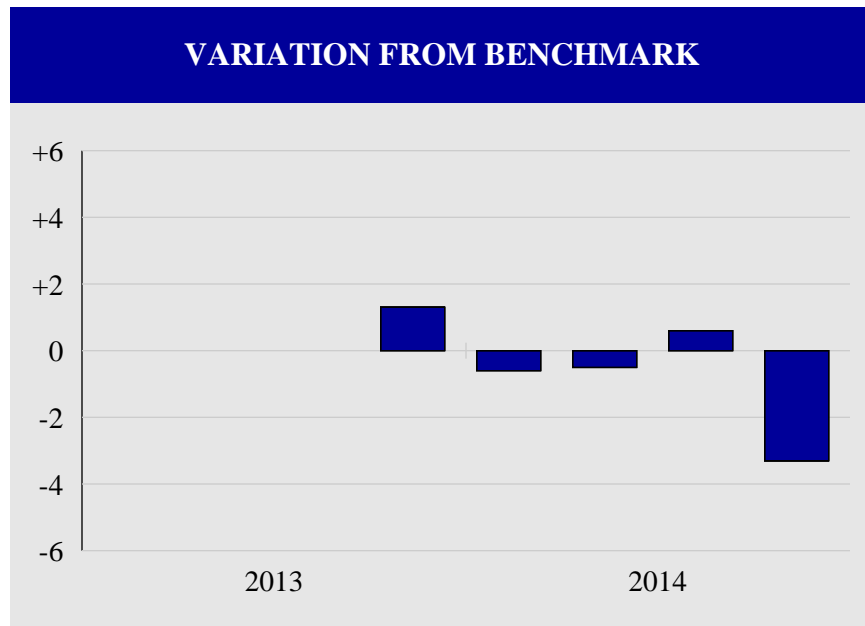
————	ACTUAL RETURN
- - - - -	7.9%
.....	0.0%

VALUE ASSUMING 7.9% RETURN
\$ 3,266,966

	LAST QUARTER	PERIOD 9/13 - 12/14
BEGINNING VALUE	\$ 3,364,665	\$ 3,032,373
NET CONTRIBUTIONS	0	- 63,520
<u>INVESTMENT RETURN</u>	<u>0</u>	<u>395,812</u>
ENDING VALUE	\$ 3,364,665	\$ 3,364,665
INCOME	0	150,419
<u>CAPITAL GAINS (LOSSES)</u>	<u>0</u>	<u>245,393</u>
INVESTMENT RETURN	0	395,812

**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
6/14	2.4	2.9	-0.5
9/14	3.8	3.2	0.6
12/14	0.0	3.3	-3.3

<b>Total Quarters Observed</b>	<b>5</b>
<b>Quarters At or Above the Benchmark</b>	<b>2</b>
<b>Quarters Below the Benchmark</b>	<b>3</b>
<b>Batting Average</b>	<b>.400</b>



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

## **INVESTMENT RETURN**

On December 31st, 2014, the Davie Police Pension Plan's UBS Trumbull Property Fund was valued at \$3,374,328, representing an increase of \$88,596 from the September quarter's ending value of \$3,285,732. Last quarter, the Fund posted withdrawals totaling \$9,825, which partially offset the portfolio's net investment return of \$98,421. Income receipts totaling \$21,287 plus net realized and unrealized capital gains of \$77,134 combined to produce the portfolio's net investment return.

For the cumulative period since June 2012, the fund has recorded net contributions totaling \$2.0 million, and recorded net investment gains of \$404,176. 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 \$3.2 million or \$125,435 less than the actual value as of December 31st, 2014.

## **RELATIVE PERFORMANCE**

In the fourth quarter, the UBS Trumbull Property Fund gained 3.0%, which was 0.3% less than the NCREIF NFI-ODCE Index's return of 3.3%. Over the trailing twelve-month period, the portfolio returned 11.6%, which was 0.9% below the benchmark's 12.5% return. Since June 2012, the account returned 10.7% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 12.7% over the same time frame.

## **ASSET ALLOCATION**

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

**Real Estate Investor Report  
UBS Trumbull Property Fund  
As of December 31st, 2014**

**Market Value** \$ **3,374,328** Last Appraisal Date: 12/31/2014

Initial Commitment \$ 3,000,000 100.00%

Paid In Capital \$ 3,000,000 100.00%

Remaining Commitment \$ - 0.00%

IRR Since Inception 10.21%

<b>Date</b>	<b>Contributions</b>	<b>% of Commitment</b>	<b>Recallable Contributions</b>	<b>% of Commitment</b>	<b>Distributions / Reinvestments</b>
Q3 2012	\$ 1,000,000	33.33%	\$ -	0.00%	\$ -
Q4 2013	\$ -	0.00%	\$ -	0.00%	\$ 7,030
Q1 2013	\$ -	0.00%	\$ -	0.00%	\$ 7,041
Q2 2013	\$ -	0.00%	\$ -	0.00%	\$ 7,617
Q3 2013	\$ -	0.00%	\$ -	0.00%	\$ 7,591
Q4 2013	\$ -	0.00%	\$ -	0.00%	\$ 7,543
Q1 2014	\$ -	0.00%	\$ -	0.00%	\$ 7,543
Q2 2014	\$ -	0.00%	\$ -	0.00%	\$ 8,001
Q3 2014	\$ 2,000,000	66.67%	\$ -	0.00%	\$ 7,967
Q4 2014	\$ -	0.00%	\$ -	0.00%	\$ 21,287
<b>Total</b>	<b>\$ 3,000,000</b>	<b>100.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 81,620</b>

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 06/12
<b>Total Gross/Fees</b>	3.0	3.0	11.6	----	10.7
<b>Total Net/Fees</b>	2.7	2.7	10.5	----	9.6
NCREIF ODCE	3.3	3.3	12.5	12.4	12.7
<b>Real Estate</b>	3.0	3.0	11.6	----	10.7
NCREIF ODCE	3.3	3.3	12.5	12.4	12.7

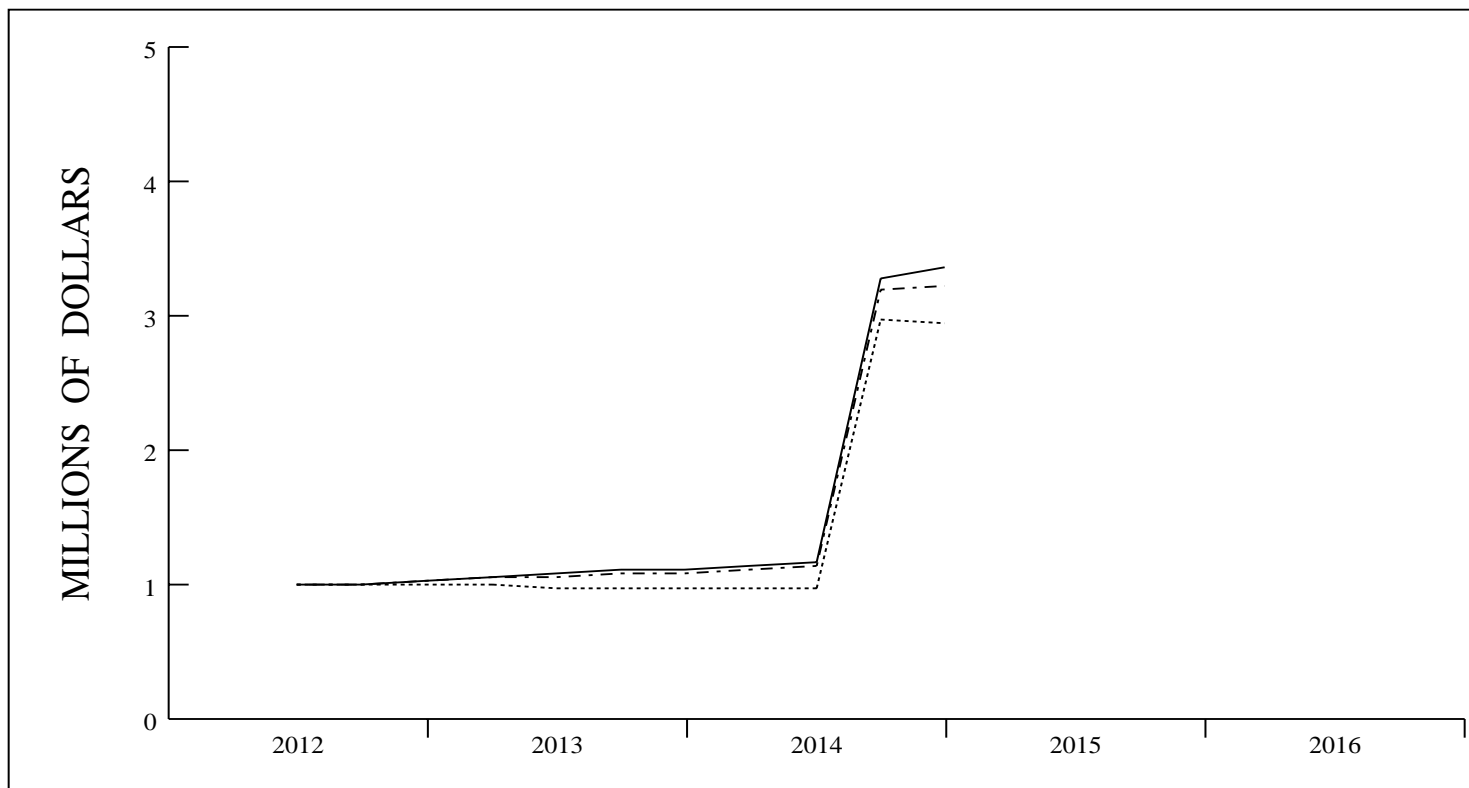
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 3,374,328
Total Portfolio	100.0%	\$ 3,374,328

**INVESTMENT RETURN**

Market Value 9/2014	\$ 3,285,732
Contribs / Withdrawals	- 9,825
Income	21,287
Capital Gains / Losses	77,134
Market Value 12/2014	\$ 3,374,328

**INVESTMENT GROWTH**



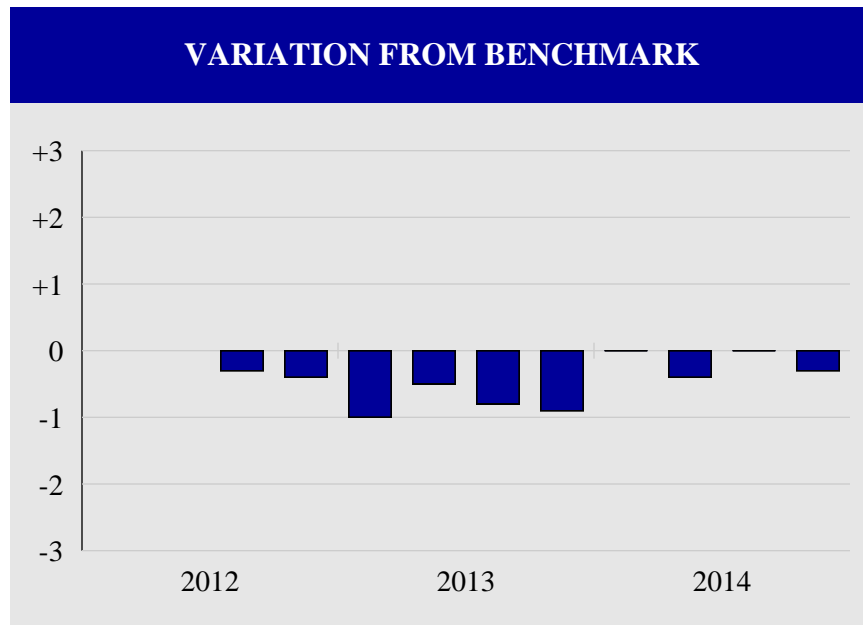
— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

VALUE ASSUMING  
 7.9% RETURN  
 \$ 3,248,893

	LAST QUARTER	PERIOD 6/12 - 12/14
BEGINNING VALUE	\$ 3,285,732	\$ 1,000,000
NET CONTRIBUTIONS	- 9,825	1,970,152
<u>INVESTMENT RETURN</u>	<u>98,421</u>	<u>404,176</u>
ENDING VALUE	\$ 3,374,328	\$ 3,374,328
INCOME	21,287	112,443
CAPITAL GAINS (LOSSES)	<u>77,134</u>	<u>291,733</u>
INVESTMENT RETURN	98,421	404,176

**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
6/14	2.5	2.9	-0.4
9/14	3.2	3.2	0.0
12/14	3.0	3.3	-0.3

<b>Total Quarters Observed</b>	<b>10</b>
<b>Quarters At or Above the Benchmark</b>	<b>2</b>
<b>Quarters Below the Benchmark</b>	<b>8</b>
<b>Batting Average</b>	<b>.200</b>

DAVIE POLICE PENSION PLAN  
GARCIA HAMILTON FIXED - GARCIA HAMILTON FIXED  
PERFORMANCE REVIEW  
DECEMBER 2014

## **INVESTMENT RETURN**

On December 31st, 2014, the Davie Police Pension Plan's Garcia Hamilton Fixed portfolio was valued at \$40,200,596, representing an increase of \$6,809,685 from the September quarter's ending value of \$33,390,911. Last quarter, the Fund posted net contributions equaling \$5,821,783 plus a net investment gain equaling \$987,902. Total net investment return was the result of income receipts, which totaled \$262,186 and net realized and unrealized capital gains of \$725,716.

For the cumulative period since December 2009, the fund has recorded net contributions totaling \$23.9 million, and recorded net investment gains of \$4.7 million. For the period since December 2009, if the total fund returned a compounded nominal rate of 7.9% it would have been valued at \$42.3 million or \$2.0 million more than the actual value as of December 31st, 2014.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the fourth quarter, the Garcia Hamilton Fixed portfolio gained 2.4%, which was 0.6% above the Custom Fixed Income Index's return of 1.8% and ranked in the 1st percentile of the Core Fixed Income universe. Over the trailing year, the portfolio returned 7.7%, which was 2.7% greater than the benchmark's 5.0% performance, and ranked in the 2nd percentile. Since December 2009, the portfolio returned 6.1% on an annualized basis and ranked in the 6th percentile. For comparison, the Custom Fixed Income Index returned an annualized 4.3% over the same period.

## **ASSET ALLOCATION**

On December 31st, 2014, fixed income comprised 99.7% of the total portfolio (\$40.1 million), while cash & equivalents totaled 0.3% (\$116,426).

## **ANALYSIS**

At the end of the quarter, USG rated securities comprised approximately 80% of the bond portfolio, helping to minimize default risk. Corporate securities, rated AA through BBB, made up the remainder, giving the portfolio an overall average quality rating of USG-AAA. The average maturity of the portfolio was 8.0 years, longer than the Barclays Aggregate Index's 7.7-year maturity. The average coupon was 4.3%.



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	-----Annualized-----		
			1 Year	3 Years	5 Years
<b>Total Gross/Fees</b>	2.4	2.4	7.7	5.8	6.1
<i>CORE FIXED INCOME RANK</i>	( 1)	( 1)	( 2)	( 1)	( 6)
<b>Total Net/Fees</b>	2.3	2.3	7.4	5.6	6.0
CUSTOM INDEX	1.8	1.8	5.0	2.4	4.3
<b>Fixed Income</b>	2.5	2.5	7.8	5.8	6.1
<i>CORE FIXED INCOME RANK</i>	( 1)	( 1)	( 2)	( 1)	( 6)
CUSTOM INDEX	1.8	1.8	5.0	2.4	4.3
BARCLAYS AGG	1.8	1.8	6.0	2.7	4.5
GOV/CREDIT	1.8	1.8	6.0	2.8	4.7

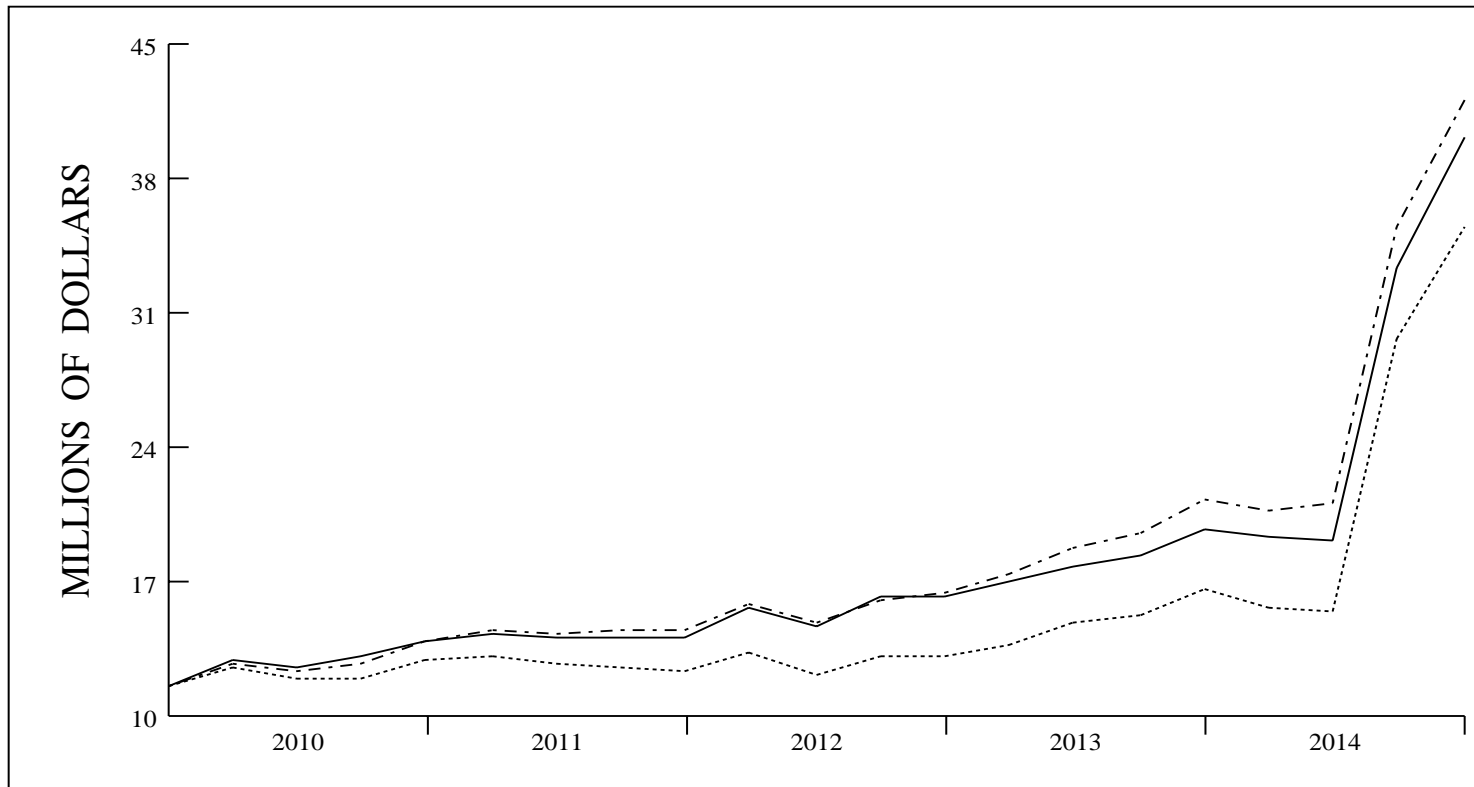
**ASSET ALLOCATION**

Fixed Income	99.7%	\$ 40,084,170
Cash	0.3%	116,426
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 40,200,596</b>

**INVESTMENT RETURN**

Market Value 9/2014	\$ 33,390,911
Contribs / Withdrawals	5,821,783
Income	262,186
Capital Gains / Losses	725,716
Market Value 12/2014	\$ 40,200,596

**INVESTMENT GROWTH**

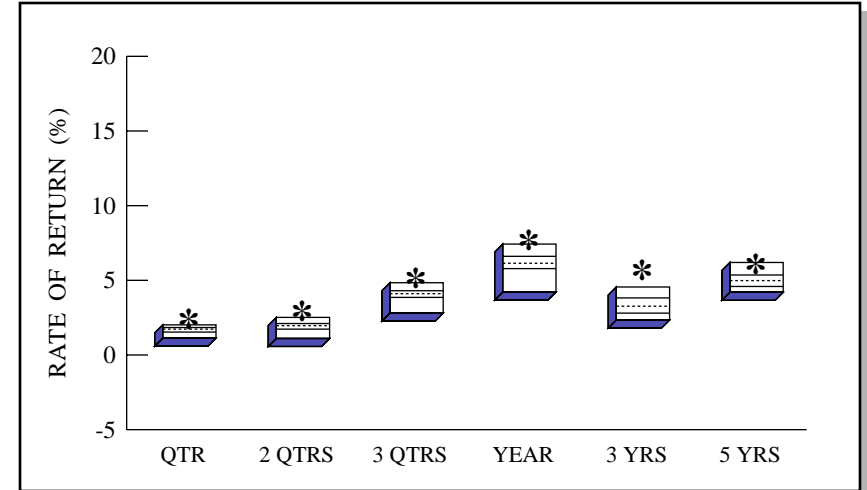
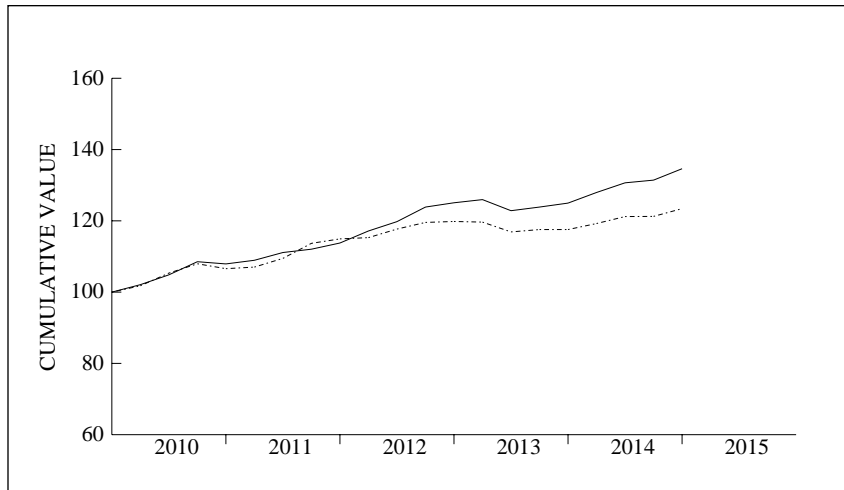


— ACTUAL RETURN  
 - - - 7.9%  
 . . . 0.0%

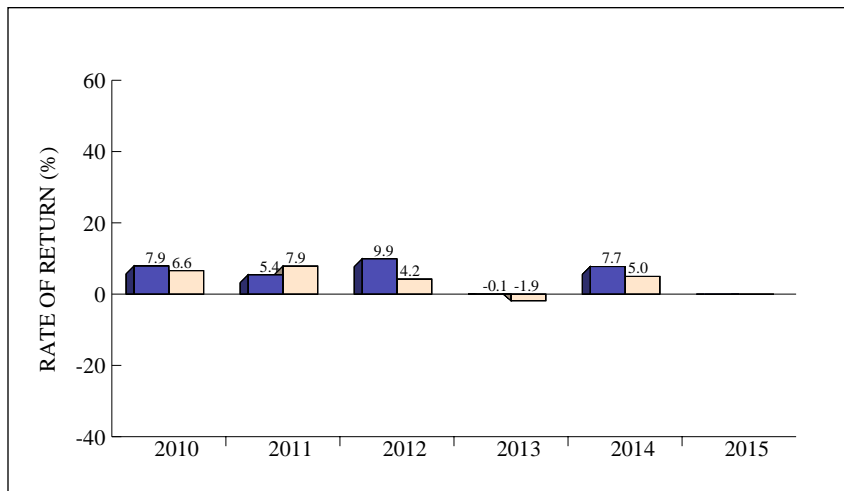
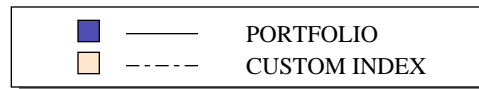
VALUE ASSUMING  
 7.9% RETURN  
 \$ 42,250,228

	LAST QUARTER	PERIOD 12/09 - 12/14
BEGINNING VALUE	\$ 33,390,911	\$ 11,633,884
NET CONTRIBUTIONS	5,821,783	23,881,904
<u>INVESTMENT RETURN</u>	<u>987,902</u>	<u>4,684,810</u>
ENDING VALUE	\$ 40,200,596	\$ 40,200,596
INCOME	262,186	4,109,651
<u>CAPITAL GAINS (LOSSES)</u>	<u>725,716</u>	<u>575,159</u>
INVESTMENT RETURN	987,902	4,684,810

**TOTAL RETURN COMPARISONS**



Core Fixed Income Universe

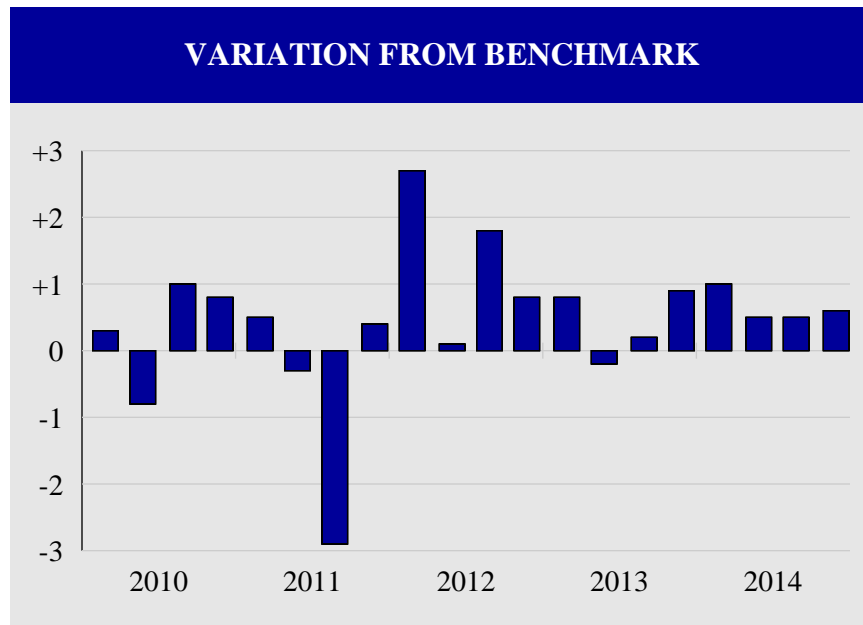


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	2.4	3.0	5.2	7.7	5.8	6.1
(RANK)	(1)	(2)	(2)	(2)	(1)	(6)
5TH %ILE	2.0	2.5	4.8	7.4	4.6	6.2
25TH %ILE	1.8	2.1	4.3	6.6	3.8	5.4
MEDIAN	1.7	2.0	4.1	6.1	3.3	5.0
75TH %ILE	1.5	1.7	3.9	5.8	2.8	4.6
95TH %ILE	1.1	1.1	2.8	4.2	2.3	4.2
<i>Custom Idx</i>	<i>1.8</i>	<i>1.9</i>	<i>3.5</i>	<i>5.0</i>	<i>2.4</i>	<i>4.3</i>

Core Fixed Income Universe

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

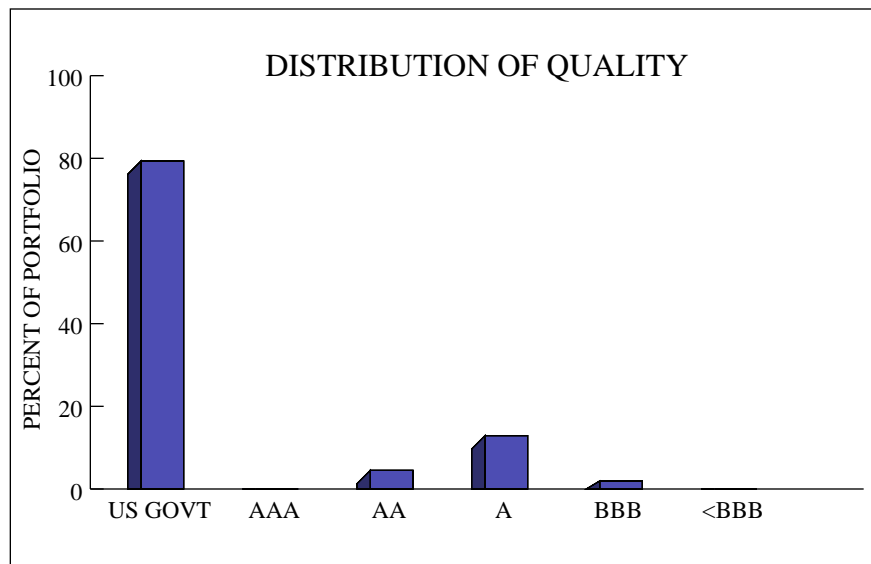
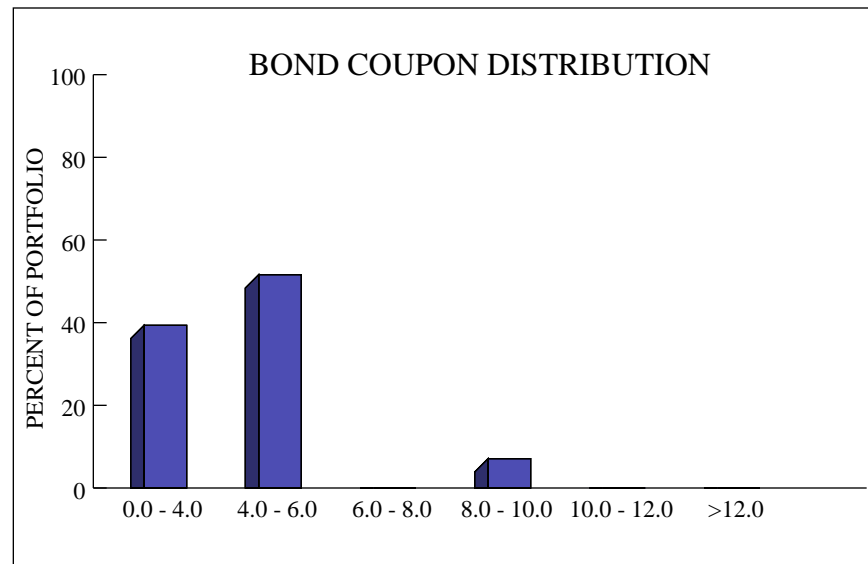
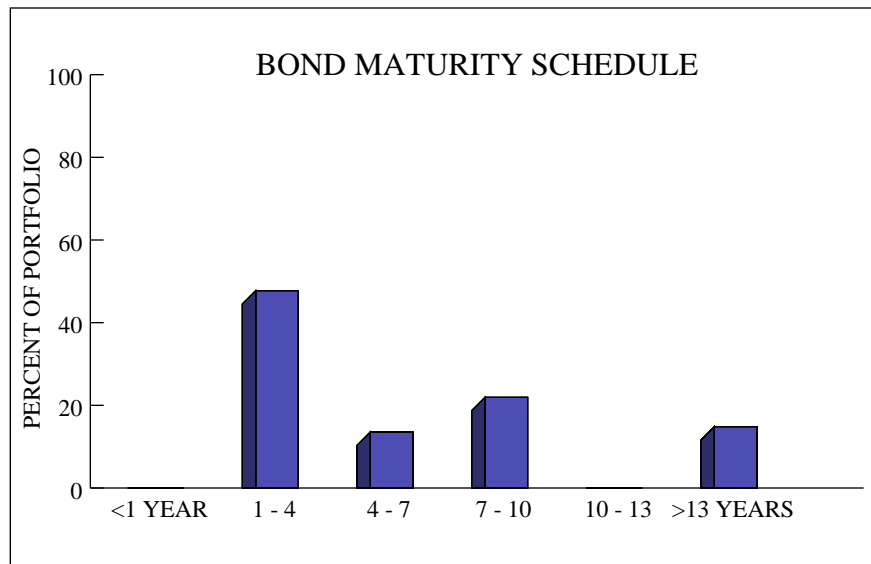
COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX



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

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/10	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
6/14	2.1	1.6	0.5
9/14	0.6	0.1	0.5
12/14	2.4	1.8	0.6

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	38	9,079
Duration	6.25	5.55
YTM	2.06	2.25
Average Coupon	4.31	3.28
Avg Maturity / WAL	7.98	7.69
Average Quality	USG-AAA	USG-AAA