

# Davie Police Pension Plan

Performance Review  
September 2017

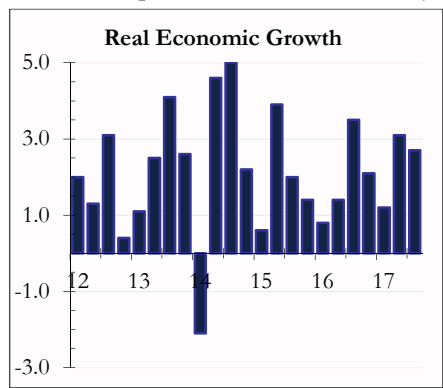


**DAHAB ASSOCIATES**  
New York   Massachusetts   Pennsylvania   Florida

## ECONOMIC ENVIRONMENT

### Three Devastating Hurricanes

This summer brought destruction and uncertainty to the South and Puerto Rico, with Hurricanes Harvey, Irma, and Maria all causing major damage. The full impact of those storms may be years in the unfolding. In spite of the damage and uncertainty, the US economy was surprisingly strong. Annualized Q3 GDP (advance estimate) rose 3.0% and the most recent manufacturing statistics were at or near record highs. Domestic employment gains surged until September, when the hurricanes dampened service jobs. Consumer confidence was high, especially for the months ahead. Finally, the Fed announced an end to quantitative easing, beginning in October. Investors liked what they heard, sending equity markets higher.



- Q3 GDP increased at an annualized 3.0%, following a 3.1% expansion in Q2. There were substantial gains in personal consumption; corporate investment; decelerating imports; and federal government spending. Losses stemmed from lower homeowner investment, declining state and local government spending, and decelerating exports.
- Jobs-wise, there were 172,000 hires per month over the 12-months ending in August. However, in September, the hurricanes essentially stopped third quarter job growth in its tracks, resulting in a loss of 33,000 jobs for the month. At the same time, the September unemployment rate dipped to 4.2% as The Bureau of Labor Statistics included the same service employees as if they were still employed. Average earnings are also on the rise and have grown almost 3% for the year ended August.
- Home prices advanced 6.9%, year-over-year through August. Utah (+11.2%) and Washington (+13%) were the two hottest markets in

the country. Only West Virginia experienced price drops. The best-performing metropolitan markets were Las Vegas (+8.4), Denver (+8.3%), San Francisco (+7.7%), and San Diego (+7.4%).

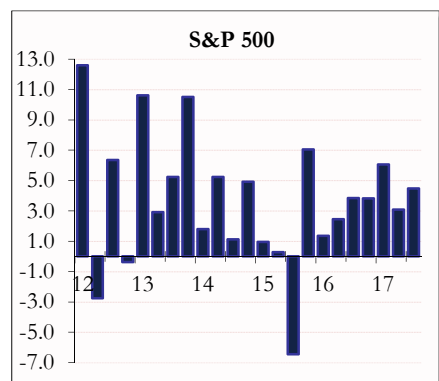
- Manufacturing was an economic leader in the third quarter, as the ISM Manufacturing Index expanded for the 100<sup>th</sup> consecutive month! The September index reading was 60.8% (greater than 50% indicates growth), up 2% from August. Seventeen of the eighteen manufacturing industries reported growth. Only furniture and related products contracted.
- The September ISM Services Index climbed for the 93<sup>rd</sup> consecutive month (59.8%), up 4.5% from August. Further, 15 of the service industries gained momentum. Arts/entertainment and mining services were the only two declining sectors.
- Consumer confidence was near the high in September, posting 119.8 (where 100 is the base).
- Buoyed by higher oil prices and metals demand, the Q3 Commodities Index was up 2.5%. Excluding energy, however, the index was essentially flat. Petroleum products, including unleaded gas, rose a whopping 15%. Metals, such as nickel and zinc, enjoyed double-digit gains, reflecting Chinese and EU demand. Yet prices of agricultural products, especially grains, fell 9.5% in sync with abundant supply. Overall, commodity prices continue their volatility.
- After remaining virtually flat in the 2<sup>nd</sup> quarter, all-item seasonally adjusted CPI ticked up 1% during the 3<sup>rd</sup> quarter, bringing the trailing 12-month rise to 2.2%. Much of this was due to Hurricane Harvey's impact on energy supplies, as the energy CPI saw a sharp rise of 9.0% during the quarter.
- In a momentous move, the Fed announced that it will begin withdrawing the \$4.5 trillion it purchased since the 2008 financial crisis. This decision was based on the Fed's expectation for continued GDP growth and low unemployment. In other words, the Fed believes that the economy has emerged from the crisis. The \$10 billion per month in expected bond sales should induce somewhat higher interest rates. In addition, there is an expectation of one more

increase in the Fed Funds rate this December. As a footnote, Chair Yellen noted that the ongoing low inflation rate (under 2% per year) remains a mystery. The Fed strongly prefers a 2% rate to ensure against disinflation.

## DOMESTIC EQUITIES

### Stocks Again Hit Record Levels

The Q3 stock market continued to defy logic. Amidst the US political uncertainty, environmental disasters, terrorism here and abroad, and a stock



market that has already climbed so high for so long, how did stocks continue their ascent? The answer includes strong corporate earnings, healthy consumer and government spending, and business confidence. As a result, all of the major US indices advanced. The broad market Russell 3000 was up 4.6%. The S&P 500 gained 4.5%. The DJIA added 5.6%, with dividends. The NASDAQ Tech Index rose

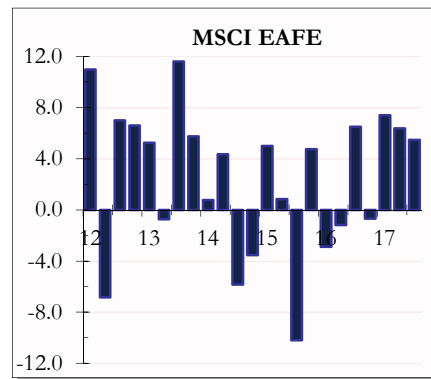
6.1%. As in Q2, growth stocks rose more than cyclicals. For example, among large-cap names, the Growth Index was up 5.9% vs. 3.1% for the Value Index. The style differences were less in the small-cap arena. Small-cap growth stocks were up 6.2% compared to 5.1% for the equivalent value stocks. REITs brought up the rear, with the NAREIT Index gaining only 1.1%.

Each of the S&P sectors added value. Tech gained 6.5% as the likes of Apple and Amazon shares reached record highs. Energy, reflecting the hurricane-related price surge, posted 7.5%. Financial stocks, with stable capital bases and hints of higher interest rates ahead, added 5.3%. The transportation sector trailed, but still rose 2.3%. If all of the positive news suggested the markets were pricey, they were! More than 60% of the stocks had P/E ratios of 20 or more. However, many investors expect upcoming earnings releases to keep pace with the heady prices.

## INTERNATIONAL EQUITIES

### Economic and Political News Spurred Developed Markets Commodity Prices and Tech Sales Drove EM

European economies continued to recover, as corporate earnings accelerated and political uncertainty diminished everywhere, with the sole



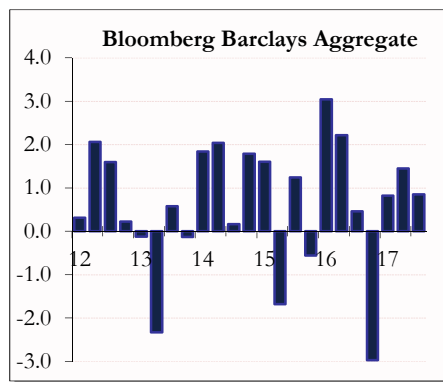
exception of Spain. Asian economies also gained ground. The MSCI EAFE Index of developed countries rose 5.5%. Euro countries generated an 8.1% return vs. 4.2% for the Far East. Within Europe, Italy was the star (+13.9%), as Italian production was at a 6-year high. Portugal was right behind, gaining 13.4%, as that country's sovereign debt was upgraded to investment grade and

tourism is on the uptick. Austria's 12.8% return reflected a more market-friendly government. The two key European players, France and Germany, contributed 8.4% and 7.7%, respectively. Nearby, the UK market rose 5.2%. While its economy was steady, the Brexit overhang remained a dampening factor. Australia (+3.2%) advanced less because of weak telecom services stocks and lower anticipated government infrastructure spending.

Tech stocks performed best in the newly expanding Japanese market, which climbed 4.1%. Hong Kong added 5.1% due in part to casino stock performance. Israel was the only EAFE country market in the red, losing 12.6%. Aside from ongoing political issues, Israeli exports were down and Teva Pharmaceuticals performed poorly. Canada, not part of EAFE, rose 8.1% in sync with rising energy and metals prices. Finally, the Euro, Pound and Yen all strengthened relative to the US dollar.

Emerging markets continued their blistering pace, supported by a weaker dollar. The EM Index scored an 8.0% return, higher than either US or EAFE markets. Collectively, the BRIC country markets delivered a huge 13.9%. Brazil, a typically volatile market, soared 23%. These results were attributable to reduced political uncertainty; higher exports; and stock performance both by banks and heavy hitter Petrobras (+30%). Russian shares climbed 18.1%

on the strength of much higher oil prices, ongoing infrastructure projects and bank stock results. India was the also-ran among the BRICs, rising a relatively low 3%. India is still adjusting to a massive goods and service tax placed on its vast cash economy. China's GDP was robust, close to 7%. In addition, prices of Chinese consumer tech companies Tencent and Alibaba rose to record highs. Overall, the Chinese stock market climbed 14.8%. Building on export growth, Thailand posted a double-digit stock return of 10.6%.



Latin American EM markets delivered very strong results (+15.1%), mainly because of the pickup in mining operations and the spike in copper prices. Accordingly, Chilean prices (+16.9%) and Peruvian prices (+14.1%) advanced smartly. By comparison, Mexico's 1.5% stock market gain was miniscule, as investors were wary of the protracted NAFTA negotiations with the US.

## BOND MARKET

### An Unmoved Yield Curve

The Federal Reserve announced in September that it would finally start to reduce its balance sheet, after nine years, in October. It amassed \$4.5 trillion in assets after the financial crisis, and will drop those assets by \$10 billion per month. Traders also are expecting an increase in the fed funds rate of 0.25% in December, a change from their previous expectations of no new rate rises. However, some uncertainty has entered the dialogue as some contenders to replace Chairwoman Janet Yellen may lack the skill and care to lead the Fed. Pundits are watching for an announcement in November, with fears that the wrong choice could wreak havoc in the bond markets and wider economy.

The yield curve stayed almost completely unchanged at the end of quarter, with short and long-term rates all virtually the same. The Barclays Aggregate

Index returned a modest 0.8% for the quarter, bringing the cumulative year-to-date return up to 3.1%. Agencies were up 0.4% on the whole. ABS rose 0.4%, CMBS up 0.8%, and MBS grew 1.0%. US Corporate bonds rose 2.3% during the quarter, providing a YTD performance of 7.5%. High yield bonds provided modestly stronger returns, as BB stocks rose 2.0%, resulting in a YTD rise of 7.0%.

G-6 countries' sovereign debt outperformed the United States (un-hedged) for the quarter, with a combined return of 1.8%, for a YTD of 6.6%. France, Germany, and Italy led the way for another quarter, with returns of 4.2%, 4.2%, and 4.5% respectively. Canada gained 2.0%, Japan was flat, and the UK returned 2.9%.

## CASH EQUIVALENTS

### No Increases to the Fed Funds Rate

For the first time this year there was no rise to the fed funds rate, as the rate stayed at 1-1.25%, and it looked until the end of the quarter that there would be no more for 2017. However, at the September 20<sup>th</sup> meeting it became apparent that there may be one more in December. The 3-month T-Bill returned 0.3% as cash continues to only provide the most modest of returns.

**MARKET SUMMARY**

**ECONOMIC STATISTICS**

	CURRENT QTR	LAST QTR
GDP	3.0	3.1
Unemployment	4.2	4.4
CPI All Items Year/Year	2.20	1.60
Fed Funds Rate	1.25	1.25
Industrial Capacity	76.0	76.6
US Dollars per Euro	1.18	1.14

**MAJOR INDEX QUARTER RETURNS**

INDEX	PERFORMANCE
Russell 3000	4.6
S&P 500	4.5
Russell Mid	3.5
Russell 2000	5.7
MSCI EAFE	5.5
MSCI Emg Mkts	8.0
NCREIF ODCE	1.9
Aggregate Index	0.8
90 Day Tbills	0.3

**EQUITY RETURN DISTRIBUTIONS**

	QUARTER			TRAILING YEAR		
	VAL	COR	GRO	VAL	COR	GRO
LC	3.1	4.5	5.9	15.1	18.5	21.9
MC	2.1	3.5	5.3	13.4	15.3	17.8
SC	5.1	5.7	6.2	20.5	20.7	20.9

**MARKET SUMMARY**

- \* GDP expanded at a 3% rate in Q3.
- \* Unemployment continued to decrease to 4.2%.
- \* Year over year CPI expanded at a 2.2% rate.
- \* The dollar weakened against the Euro.
- \* Growth stocks were again ahead of value stocks. The spreads between growth and value were widest among large cap stocks. Small cap stocks had the strongest returns last quarter, with mid caps in the rear.

## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan was valued at \$152,641,080, representing an increase of \$4,695,153 from the June quarter's ending value of \$147,945,927. Last quarter, the Fund posted withdrawals totaling \$297,591, which partially offset the portfolio's net investment return of \$4,992,744. Income receipts totaling \$664,645 plus net realized and unrealized capital gains of \$4,328,099 combined to produce the portfolio's net investment return.

For the cumulative period since September 2007, the fund has recorded net contributions totaling \$21.6 million, and recorded net investment gains of \$66.8 million. For the period since September 2007, if the total fund returned its assumed rate of return, it would have been valued at \$170.7 million or \$18.1 million more than the actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the Composite portfolio gained 3.4%, which ranked in the 57th percentile of the Public Fund universe. Over the trailing twelve-month period, the portfolio returned 12.5%, which ranked in the 42nd percentile. Since September 2007, the portfolio returned 6.1% per annum and ranked in the 27th percentile.

### **Large Cap Equity**

For the third quarter, the large cap equity segment returned 4.7%, which was 0.2% above the S&P 500 Index's return of 4.5% and ranked in the 45th percentile of the Large Cap universe. Over the trailing year, this segment returned 19.9%, which was 1.3% greater than the benchmark's 18.6% return, and ranked in the 39th percentile. Since September 2007, this component returned 6.7% on an annualized basis

and ranked in the 80th percentile. The S&P 500 returned an annualized 7.4% over the same time frame.

### **Mid Cap Equity**

In the third quarter, the mid cap equity component returned 2.7%, which was 0.5% less than the S&P 400 Index's return of 3.2% and ranked in the 83rd percentile of the Mid Cap universe. Over the trailing twelve-month period, this component returned 18.2%, which was 0.7% greater than the benchmark's 17.5% return, ranking in the 46th percentile. Since September 2007, this component returned 9.4% per annum and ranked in the 33rd percentile. The S&P 400 returned an annualized 9.0% over the same time frame.

### **Small Cap Equity**

Last quarter, the small cap equity component returned 5.3%, which was 0.4% below the Russell 2000 Index's return of 5.7% and ranked in the 55th percentile of the Small Cap universe. Over the trailing year, this component returned 15.4%, which was 5.3% below the benchmark's 20.7% performance, and ranked in the 90th percentile.

### **International Equity**

For the third quarter, the international equity portion of the portfolio returned 7.9%, which was 2.4% greater than the MSCI EAFE Index's return of 5.5% and ranked in the 28th percentile of the International Equity universe. Over the trailing year, this component returned 26.2%, which was 6.5% greater than the benchmark's 19.7% performance, and ranked in the 17th percentile. Since September 2007, this component returned 2.5% per annum and ranked in the 66th percentile. The MSCI EAFE Index returned an annualized 1.8% over the same period.

## **Real Estate**

During the third quarter, the real estate component returned 2.1%, which was 0.2% above the NCREIF NFI-ODCE Index's return of 1.9%. Over the trailing twelve-month period, this segment returned 9.0%, which was 1.4% greater than the benchmark's 7.6% return.

## **Fixed Income**

The fixed income component gained 0.5% during the third quarter, 0.3% less than the Custom Fixed Income Index's return of 0.8% and ranked in the 99th percentile of the Core Fixed Income universe. Over the trailing twelve months, this component returned 0.4%; that return was 0.3% greater than the benchmark's 0.1% performance, ranking in the 64th percentile. Since September 2007, this component returned 5.3% on an annualized basis and ranked in the 19th percentile. The Custom Fixed Income Index returned an annualized 4.0% over the same period.

## **ASSET ALLOCATION**

At the end of the third quarter, large cap equities comprised 30.7% of the total portfolio (\$46.8 million), while mid cap equities totaled 11.2% (\$17.0 million). The account's small cap equity segment was valued at \$16.0 million, representing 10.5% of the portfolio, while the international equity component's \$14.4 million totaled 9.4%. The real estate segment totaled 11.7% of the portfolio's value and the fixed income component made up 24.9% (\$38.1 million). The remaining 1.6% was comprised of cash & equivalents (\$2.4 million).

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year	Since 09/07
<b>Total Portfolio - Gross</b>	3.4	12.5	7.4	8.6	6.1
<i>PUBLIC FUND RANK</i>	(57)	(42)	(26)	(52)	(27)
<b>Total Portfolio - Net</b>	3.3	11.8	6.8	8.0	5.6
<i>SHADOW INDEX</i>	3.2	11.4	7.7	9.3	5.9
<b>Large Cap Equity - Gross</b>	4.7	19.9	9.1	12.1	6.7
<i>LARGE CAP RANK</i>	(45)	(39)	(73)	(88)	(80)
S&P 500	4.5	18.6	10.8	14.2	7.4
Russell 1000G	5.9	21.9	12.7	15.3	9.1
Russell 1000V	3.1	15.1	8.5	13.2	5.9
<b>Mid Cap Equity - Gross</b>	2.7	18.2	12.4	15.2	9.4
<i>MID CAP RANK</i>	(83)	(46)	(16)	(33)	(33)
S&P 400	3.2	17.5	11.2	14.4	9.0
<b>Small Cap Equity - Gross</b>	5.3	15.4	----	----	----
<i>SMALL CAP RANK</i>	(55)	(90)	----	----	----
Russell 2000	5.7	20.7	12.2	13.8	7.8
<b>International Equity - Gross</b>	7.9	26.2	9.0	10.6	2.5
<i>INTERNATIONAL EQUITY RANK</i>	(28)	(17)	(28)	(31)	(66)
MSCI EAFE	5.5	19.7	5.5	8.9	1.8
<b>Real Estate - Gross</b>	2.1	9.0	11.2	11.6	----
NCREIF ODCE	1.9	7.6	10.8	11.6	5.0
<b>Fixed Income - Gross</b>	0.5	0.4	3.2	2.7	5.3
<i>CORE FIXED INCOME RANK</i>	(99)	(64)	(37)	(30)	(19)
Custom Index	0.8	0.1	2.7	1.9	4.0
Aggregate Index	0.8	0.1	2.7	2.1	4.3
Gov/Credit	0.8	0.0	2.8	2.1	4.3

**ASSET ALLOCATION**

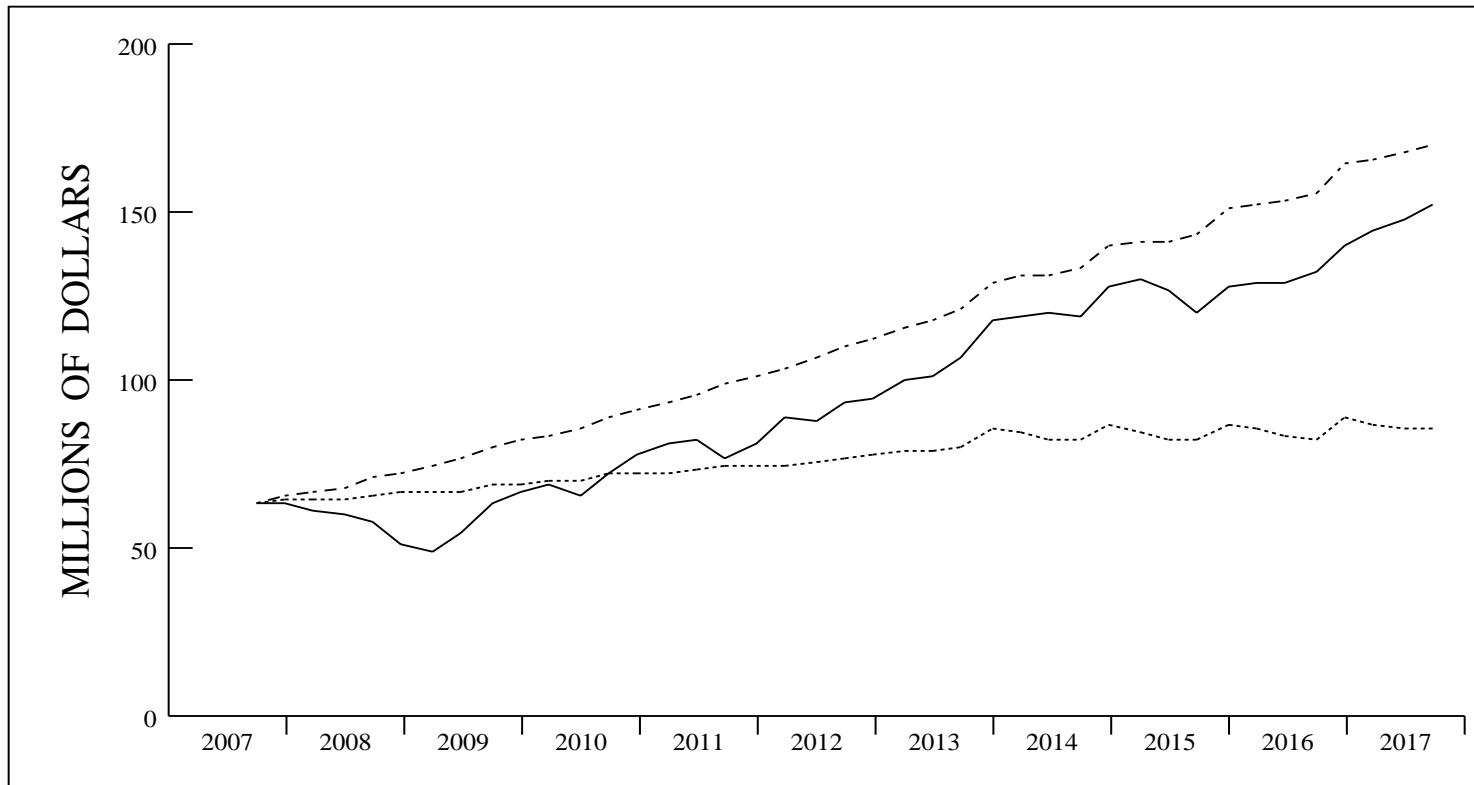
Large Cap Equity	30.7%	\$ 46,801,211
Mid Cap Equity	11.2%	17,031,740
Small Cap	10.5%	16,018,323
Int'l Equity	9.4%	14,375,875
Real Estate	11.7%	17,925,771
Fixed Income	24.9%	38,055,686
Cash	1.6%	2,432,474
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 152,641,080</b>

**INVESTMENT RETURN**

Market Value 6/2017	\$ 147,945,927
Contribs / Withdrawals	-297,591
Income	664,645
Capital Gains / Losses	4,328,099
Market Value 9/2017	\$ 152,641,080



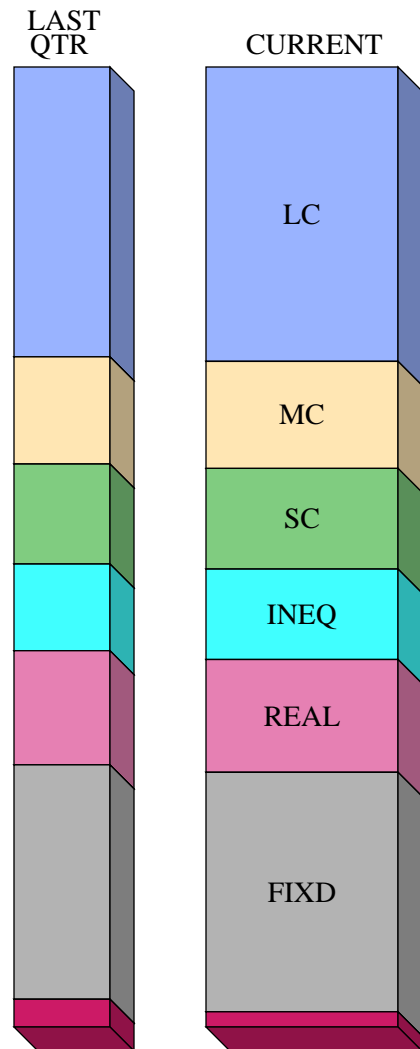
**INVESTMENT GROWTH**



— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

VALUE ASSUMING  
 DAVIE A/R     \$ 170,745,241

	LAST QUARTER	PERIOD 9/07 - 9/17
BEGINNING VALUE	\$ 147,945,927	\$ 64,224,940
NET CONTRIBUTIONS	-297,591	21,569,225
<u>INVESTMENT RETURN</u>	<u>4,992,744</u>	<u>66,846,915</u>
ENDING VALUE	\$ 152,641,080	\$ 152,641,080
INCOME	664,645	22,786,233
<u>CAPITAL GAINS (LOSSES)</u>	<u>4,328,099</u>	<u>44,060,682</u>
INVESTMENT RETURN	4,992,744	66,846,915



	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>DIFFERENCE</u> <u>+ / -</u>
<span style="color: blue;">■</span> LARGE CAP EQUITY	\$ 46,801,211	30.7%	30.0%	0.7%
<span style="color: orange;">■</span> MID CAP EQUITY	17,031,740	11.2%	10.0%	1.2%
<span style="color: green;">■</span> SMALL CAP EQUITY	16,018,323	10.5%	10.0%	0.5%
<span style="color: cyan;">■</span> INTERNATIONAL EQUITY	14,375,875	9.4%	12.5%	-3.1%
<span style="color: pink;">■</span> REAL ESTATE	17,925,771	11.7%	10.0%	1.7%
<span style="color: grey;">■</span> FIXED INCOME	38,055,686	24.9%	27.5%	-2.6%
<span style="color: darkred;">■</span> CASH & EQUIVALENT	2,432,474	1.6%	0.0%	1.6%
<b>TOTAL FUND</b>	<b>\$ 152,641,080</b>	<b>100.0%</b>		

## MANAGER PERFORMANCE SUMMARY

Name	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years
Total Portfolio	(Public Fund)	3.4 (57)	12.5 (42)	12.5 (42)	7.4 (26)	8.6 (52)
<i>Shadow Index</i>		<i>3.2 ----</i>	<i>11.4 ----</i>	<i>11.4 ----</i>	<i>7.7 ----</i>	<i>9.3 ----</i>
Vanguard 500	(LC Core)	4.5 (58)	18.6 (49)	18.6 (49)	10.9 (41)	---- ----
<i>S&amp;P 500</i>		<i>4.5 ----</i>	<i>18.6 ----</i>	<i>18.6 ----</i>	<i>10.8 ----</i>	<i>14.2 ----</i>
Clearbridge LCG	(LC Growth)	5.5 (46)	---- ----	---- ----	---- ----	---- ----
<i>Russell 1000 Growth</i>		<i>5.9 ----</i>	<i>21.9 ----</i>	<i>21.9 ----</i>	<i>12.7 ----</i>	<i>15.3 ----</i>
Lyrical LCV	(LC Value)	4.6 (34)	23.5 (10)	23.5 (10)	---- ----	---- ----
<i>Russell 1000 Value</i>		<i>3.1 ----</i>	<i>15.1 ----</i>	<i>15.1 ----</i>	<i>8.5 ----</i>	<i>13.2 ----</i>
Clearbridge	(MC Core)	2.6 (84)	17.9 (36)	17.9 (36)	---- ----	---- ----
<i>Russell Mid Cap</i>		<i>3.5 ----</i>	<i>15.3 ----</i>	<i>15.3 ----</i>	<i>9.5 ----</i>	<i>14.3 ----</i>
Wedge	(MC Value)	2.7 (78)	18.0 (40)	18.0 (40)	---- ----	---- ----
<i>Russell Mid Cap Value</i>		<i>2.1 ----</i>	<i>13.4 ----</i>	<i>13.4 ----</i>	<i>9.2 ----</i>	<i>14.3 ----</i>
PNC	(SC Core)	6.9 (23)	14.8 (99)	14.8 (99)	---- ----	---- ----
<i>Russell 2000</i>		<i>5.7 ----</i>	<i>20.7 ----</i>	<i>20.7 ----</i>	<i>12.2 ----</i>	<i>13.8 ----</i>
LMCG	(SC Growth)	3.0 (91)	15.2 (89)	15.2 (89)	---- ----	---- ----
<i>Russell 2000 Growth</i>		<i>6.2 ----</i>	<i>20.9 ----</i>	<i>20.9 ----</i>	<i>12.2 ----</i>	<i>14.3 ----</i>
Hardman Johnston	(Intl Eq)	7.9 (28)	24.5 (26)	24.5 (26)	9.8 (21)	10.9 (28)
<i>MSCI EAFE</i>		<i>5.5 ----</i>	<i>19.7 ----</i>	<i>19.7 ----</i>	<i>5.5 ----</i>	<i>8.9 ----</i>
American Realty		1.9 ----	7.5 ----	7.5 ----	10.2 ----	11.0 ----
Intercontinental		2.5 ----	11.8 ----	11.8 ----	13.0 ----	---- ----
UBS		1.5 ----	5.4 ----	5.4 ----	9.0 ----	9.6 ----
<i>NCREIF NFI-ODCE Index</i>		<i>1.9 ----</i>	<i>7.6 ----</i>	<i>7.6 ----</i>	<i>10.8 ----</i>	<i>11.6 ----</i>
Garcia Fixed	(Core Fixed)	0.5 (99)	0.4 (64)	0.4 (64)	3.2 (41)	3.1 (12)
<i>Custom Fixed Income Index</i>		<i>0.8 ----</i>	<i>0.1 ----</i>	<i>0.1 ----</i>	<i>2.7 ----</i>	<i>1.9 ----</i>

**MANAGER VALUE ADDED**

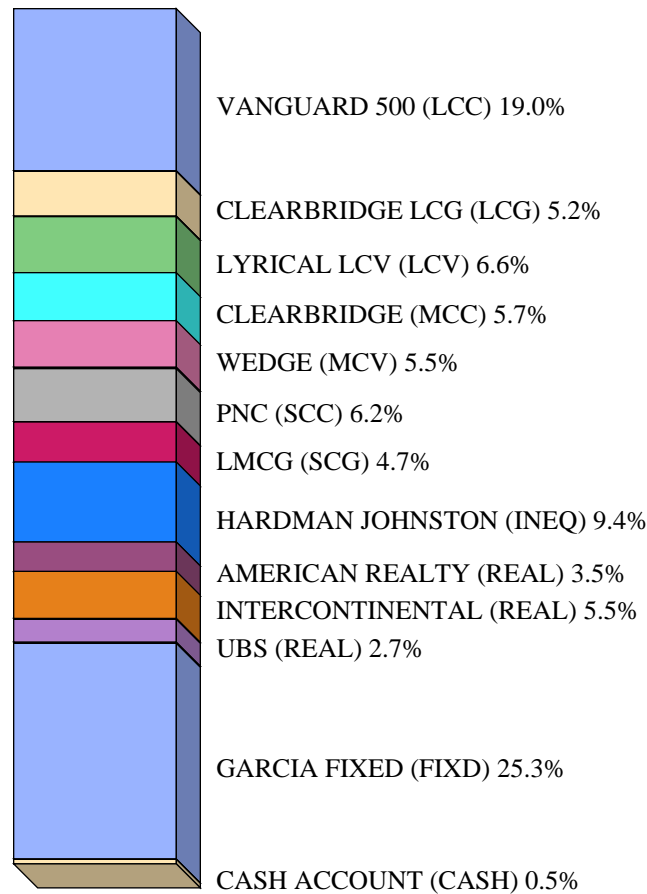
**Trailing Quarter**

Manager	Benchmark	Value Added Vs. Benchmark
Vanguard 500	S&P 500	0.0
Clearbridge LCG	Russell 1000G	-0.4
Lyrical LCV	Russell 1000V	1.5
Clearbridge	Russell Mid	-0.9
Wedge	Russ Mid Val	0.6
PNC	Russell 2000	1.2
LMCG	Russell 2000G	-3.2
Hardman Johnston	MSCI EAFE	2.4
American Realty	NCREIF ODCE	0.0
Intercontinental	NCREIF ODCE	0.6
UBS	NCREIF ODCE	-0.4
Garcia Fixed	Custom Index	-0.3
<b>Total Portfolio</b>	<b>Shadow Index</b>	0.2

**Trailing Year**

Manager	Benchmark	Value Added Vs. Benchmark
Vanguard 500	S&P 500	0.0
Clearbridge LCG	Russell 1000G	N/A
Lyrical LCV	Russell 1000V	8.4
Clearbridge	Russell Mid	2.6
Wedge	Russ Mid Val	4.6
PNC	Russell 2000	-5.9
LMCG	Russell 2000G	-5.7
Hardman Johnston	MSCI EAFE	4.8
American Realty	NCREIF ODCE	-0.1
Intercontinental	NCREIF ODCE	4.2
UBS	NCREIF ODCE	-2.2
Garcia Fixed	Custom Index	0.3
<b>Total Portfolio</b>	<b>Shadow Index</b>	1.1

**MANAGER ALLOCATION SUMMARY**

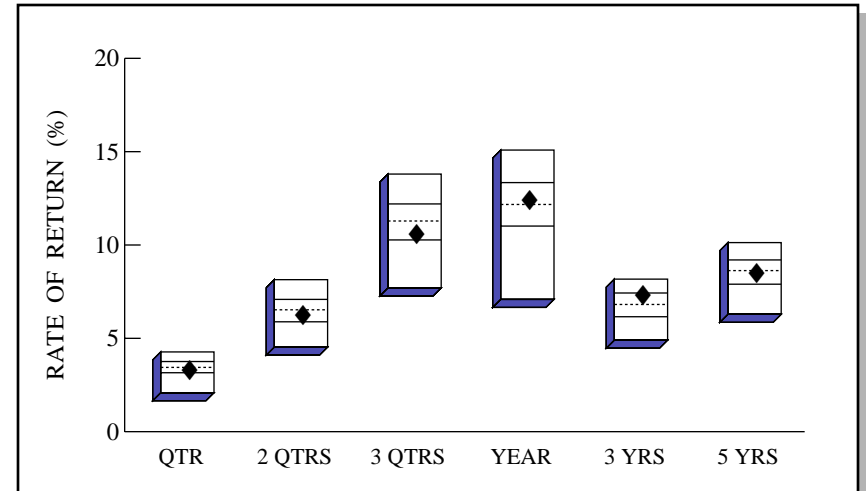
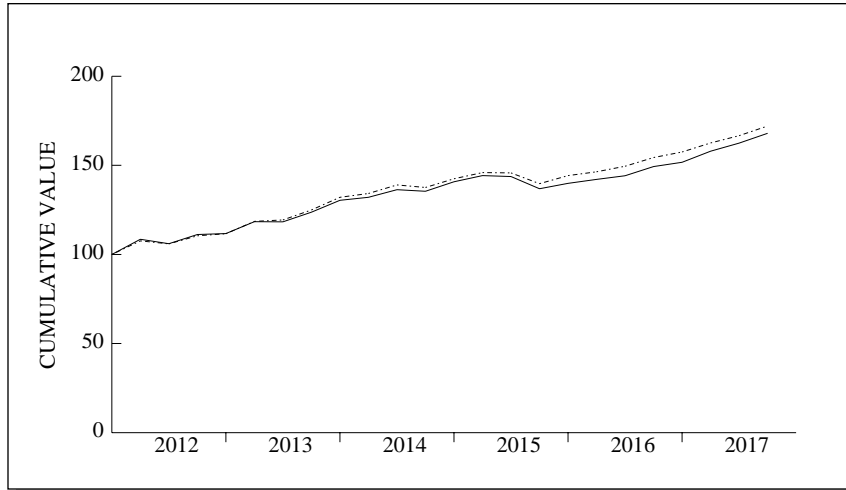


Name	Market Value	Percent
Vanguard 500 (LCC)	\$29,022,188	19.0
Clearbridge LCG (LCG)	\$7,993,918	5.2
Lyrical LCV (LCV)	\$10,131,048	6.6
Clearbridge (MCC)	\$8,697,565	5.7
Wedge (MCV)	\$8,360,050	5.5
PNC (SCC)	\$9,476,244	6.2
LMCG (SCG)	\$7,233,540	4.7
Hardman Johnston (INEQ)	\$14,375,875	9.4
American Realty (REAL)	\$5,373,209	3.5
Intercontinental (REAL)	\$8,442,568	5.5
UBS (REAL)	\$4,109,994	2.7
Garcia Fixed (FIXD)	\$38,595,211	25.3
Cash Account (CASH)	\$829,670	0.5
<b>Total</b>	<b>\$152,641,080</b>	<b>100.0</b>

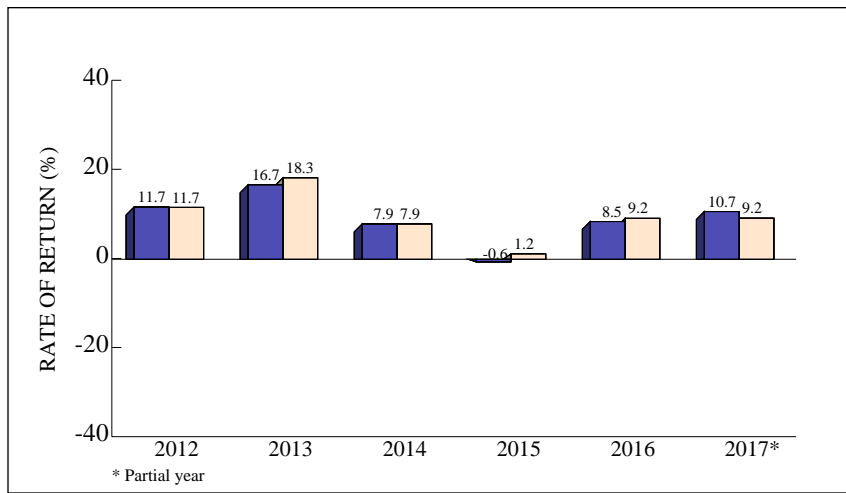
**INVESTMENT RETURN SUMMARY - ONE QUARTER**

<b>Name</b>	<b>Quarter Total Return</b>	<b>Market Value June 30th, 2017</b>	<b>Net Cashflow</b>	<b>Net Investment Return</b>	<b>Market Value September 30th, 2017</b>
Vanguard 500 (LCC)	4.5	27,778,945	0	1,243,243	29,022,188
Clearbridge LCG (LCG)	5.5	7,585,524	-9,278	417,672	7,993,918
Lyrical LCV (LCV)	4.6	9,703,007	-19,290	447,331	10,131,048
Clearbridge (MCC)	2.6	8,491,263	-14,714	221,016	8,697,565
Wedge (MCV)	2.7	8,143,162	0	216,888	8,360,050
PNC (SCC)	6.9	8,878,843	-18,756	616,157	9,476,244
LMCG (SCG)	3.0	7,039,121	-15,576	209,995	7,233,540
Hardman Johnston (INEQ)	7.9	13,346,155	-28,751	1,058,471	14,375,875
American Realty (REAL)	1.9	5,288,451	-14,817	99,575	5,373,209
Intercontinental (REAL)	2.5	8,251,640	-18,045	208,973	8,442,568
UBS (REAL)	1.5	4,060,328	-10,253	59,919	4,109,994
Garcia Fixed (FIXD)	0.5	38,815,746	-412,592	192,057	38,595,211
Cash Account (CASH)	---	563,742	264,481	1,447	829,670
<b>Total Portfolio</b>	<b>3.4</b>	<b>147,945,927</b>	<b>-297,591</b>	<b>4,992,744</b>	<b>152,641,080</b>

**TOTAL RETURN COMPARISONS**



Public Fund Universe

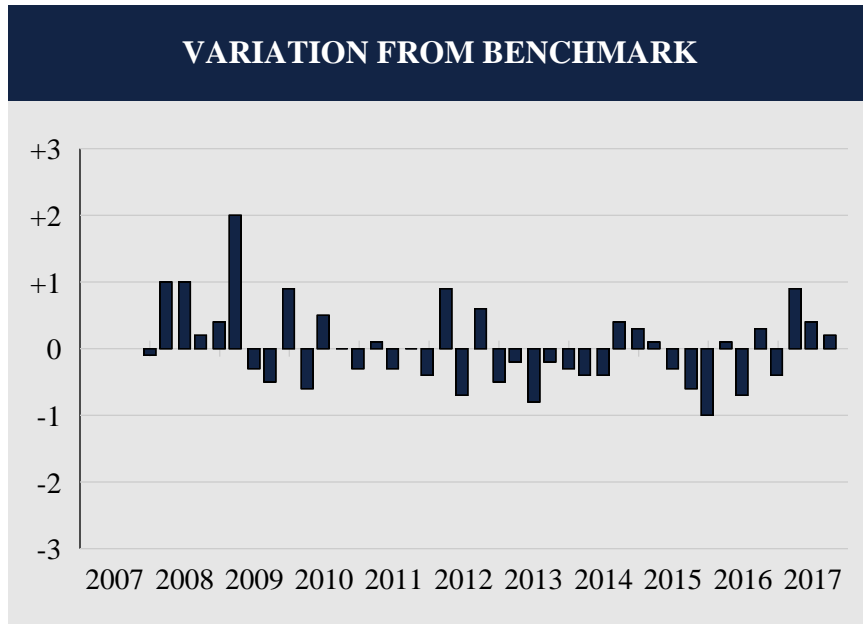


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	3.4	6.3	10.7	12.5	7.4	8.6
(RANK)	(57)	(59)	(66)	(42)	(26)	(52)
5TH %ILE	4.3	8.1	13.8	15.1	8.2	10.1
25TH %ILE	3.8	7.1	12.2	13.3	7.4	9.2
MEDIAN	3.4	6.5	11.3	12.2	6.8	8.6
75TH %ILE	3.2	5.9	10.3	11.0	6.2	7.9
95TH %ILE	2.1	4.5	7.7	7.1	4.9	6.3
<i>Shadow Idx</i>	<i>3.2</i>	<i>5.8</i>	<i>9.2</i>	<i>11.4</i>	<i>7.7</i>	<i>9.3</i>

Public Fund Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: SHADOW INDEX**

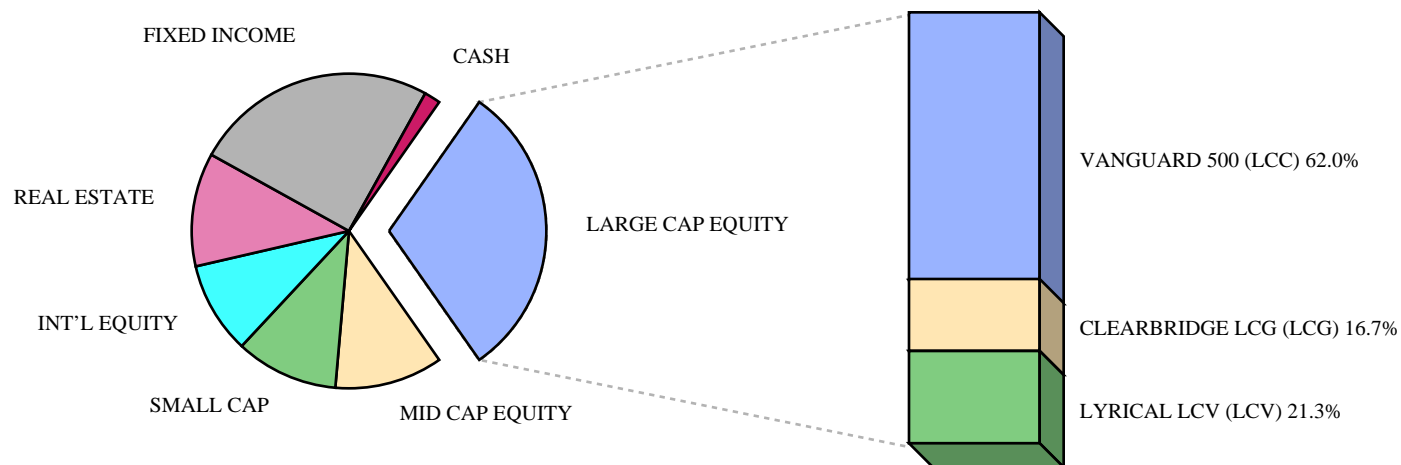


RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/07	-1.4	-1.3	-0.1
3/08	-4.1	-5.1	1.0
6/08	-0.6	-1.6	1.0
9/08	-6.6	-6.8	0.2
12/08	-11.9	-12.3	0.4
3/09	-4.5	-6.5	2.0
6/09	10.5	10.8	-0.3
9/09	11.2	11.7	-0.5
12/09	4.6	3.7	0.9
3/10	3.4	4.0	-0.6
6/10	-6.0	-6.5	0.5
9/10	8.5	8.5	0.0
12/10	6.1	6.4	-0.3
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	3.9	3.6	0.3
3/15	2.5	2.4	0.1
6/15	-0.4	-0.1	-0.3
9/15	-4.8	-4.2	-0.6
12/15	2.2	3.2	-1.0
3/16	1.6	1.5	0.1
6/16	1.4	2.1	-0.7
9/16	3.6	3.3	0.3
12/16	1.6	2.0	-0.4
3/17	4.1	3.2	0.9
6/17	2.9	2.5	0.4
9/17	3.4	3.2	0.2

<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>20</b>
<b>Quarters Below the Benchmark</b>	<b>20</b>
<b>Batting Average</b>	<b>.500</b>

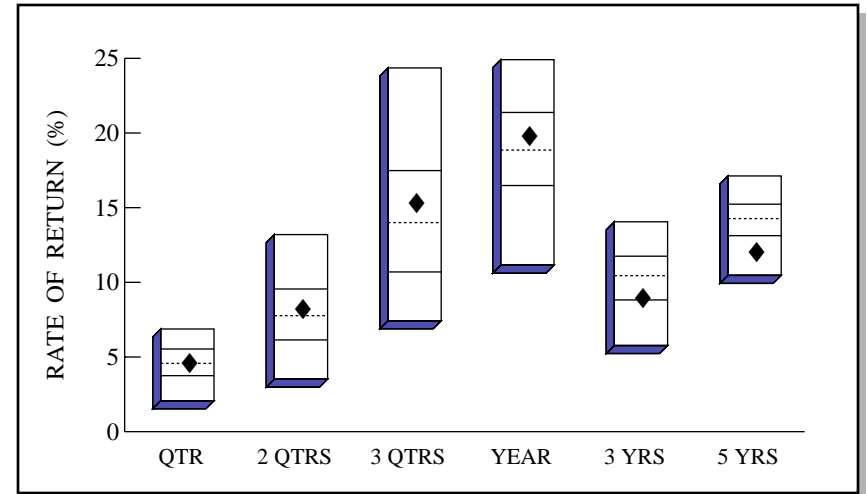
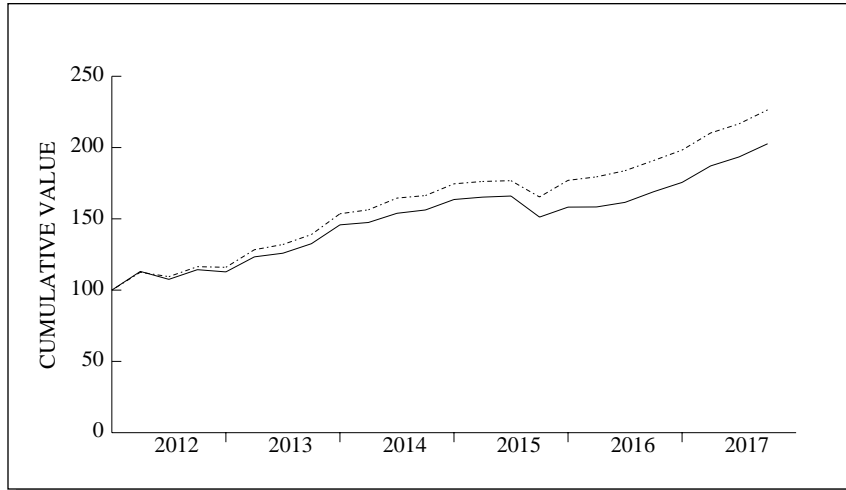


### LARGE CAP EQUITY MANAGER SUMMARY

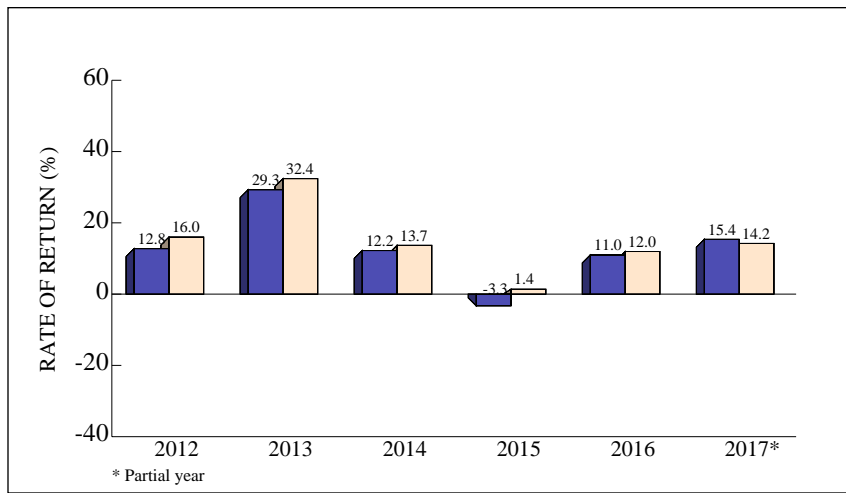


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
VANGUARD 500	(Large Cap Core)	4.5 (58)	18.6 (49)	18.6 (49)	10.9 (41)	----	\$29,019,312
<i>S&amp;P 500</i>		<i>4.5 ----</i>	<i>18.6 ----</i>	<i>18.6 ----</i>	<i>10.8 ----</i>	<i>14.2 ----</i>	----
CLEARBRIDGE LCG	(Large Cap Growth)	5.7 (43)	----	----	----	----	\$7,798,250
<i>Russell 1000 Growth</i>		<i>5.9 ----</i>	<i>21.9 ----</i>	<i>21.9 ----</i>	<i>12.7 ----</i>	<i>15.3 ----</i>	----
LYRICAL LCV	(Large Cap Value)	4.7 (31)	23.9 (8)	23.9 (8)	----	----	\$9,983,649
<i>Russell 1000 Value</i>		<i>3.1 ----</i>	<i>15.1 ----</i>	<i>15.1 ----</i>	<i>8.5 ----</i>	<i>13.2 ----</i>	----
<b>TOTAL</b>	<b>(Large Cap)</b>	<b>4.7 (45)</b>	<b>19.9 (39)</b>	<b>19.9 (39)</b>	<b>9.1 (73)</b>	<b>12.1 (88)</b>	<b>\$46,801,211</b>
<i>S&amp;P 500</i>		<i>4.5 ----</i>	<i>18.6 ----</i>	<i>18.6 ----</i>	<i>10.8 ----</i>	<i>14.2 ----</i>	----

### LARGE CAP EQUITY RETURN COMPARISONS



Large Cap Universe

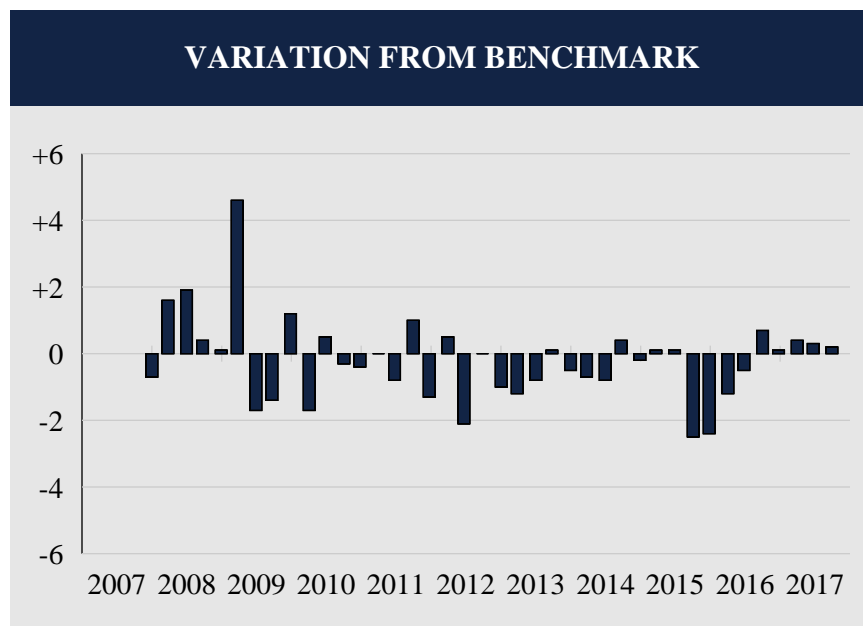


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	4.7	8.3	15.4	19.9	9.1	12.1
(RANK)	(45)	(40)	(36)	(39)	(73)	(88)
5TH %ILE	6.9	13.2	24.4	24.9	14.1	17.1
25TH %ILE	5.5	9.6	17.5	21.4	11.8	15.2
MEDIAN	4.6	7.8	14.0	18.9	10.4	14.3
75TH %ILE	3.8	6.2	10.7	16.5	8.8	13.1
95TH %ILE	2.1	3.5	7.4	11.1	5.8	10.5
<b>S&amp;P 500</b>	<b>4.5</b>	<b>7.7</b>	<b>14.2</b>	<b>18.6</b>	<b>10.8</b>	<b>14.2</b>

Large Cap Universe

## LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: S&P 500

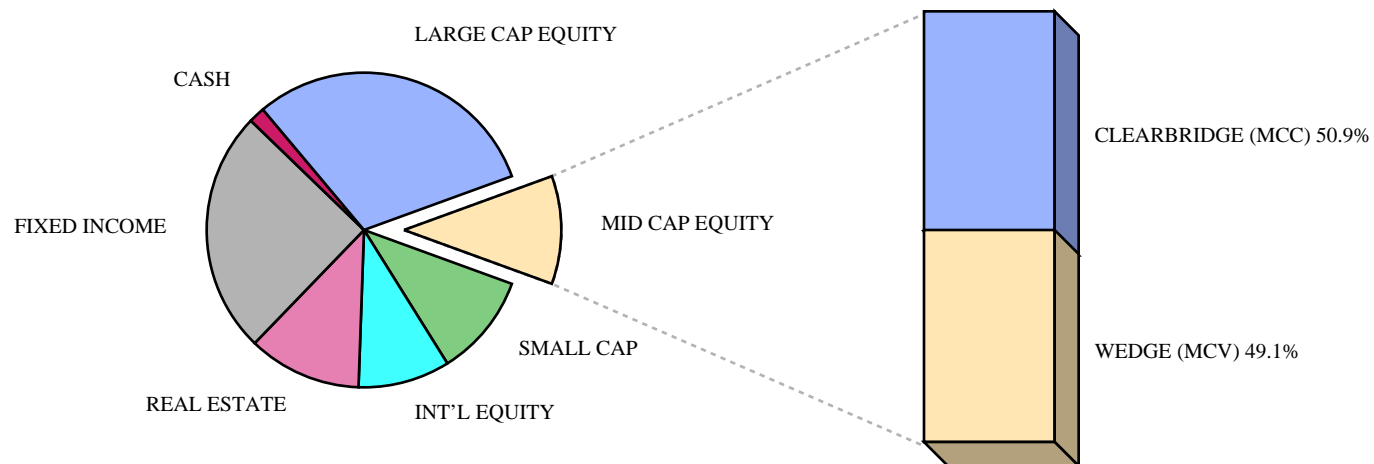


<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>20</b>
<b>Quarters Below the Benchmark</b>	<b>20</b>
<b>Batting Average</b>	<b>.500</b>

### RATES OF RETURN

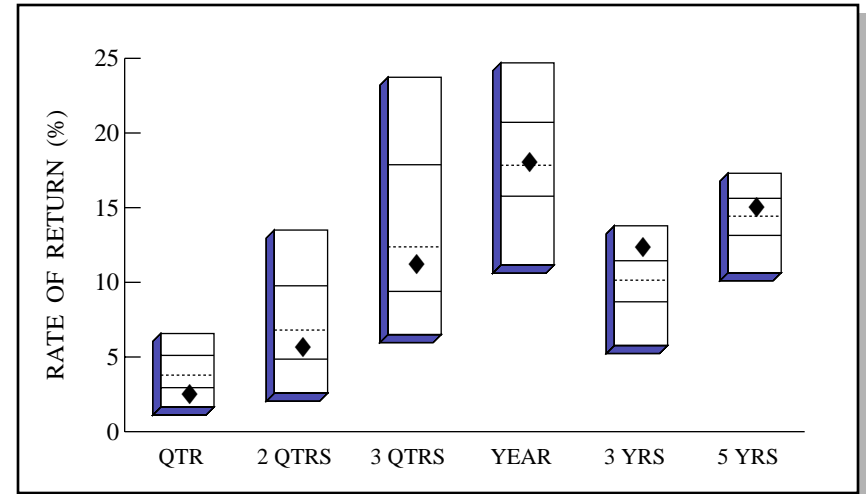
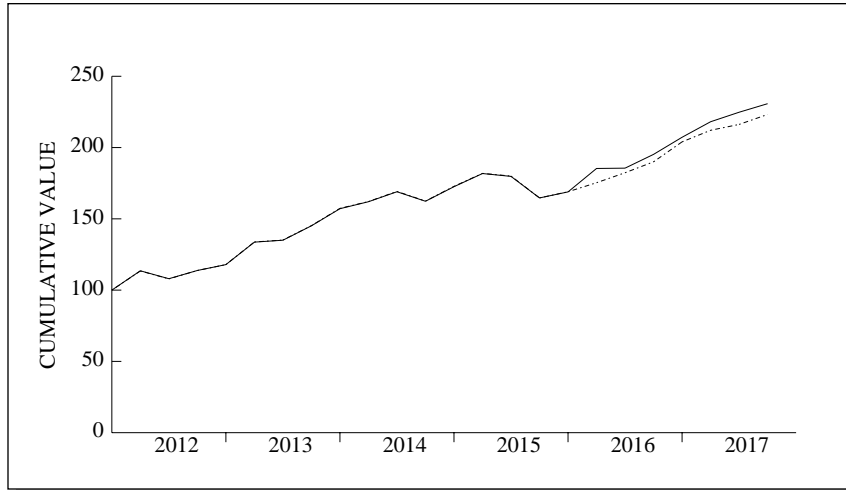
Date	Portfolio	Benchmark	Difference
12/07	-4.0	-3.3	-0.7
3/08	-7.8	-9.4	1.6
6/08	-0.8	-2.7	1.9
9/08	-8.0	-8.4	0.4
12/08	-21.8	-21.9	0.1
3/09	-6.4	-11.0	4.6
6/09	14.2	15.9	-1.7
9/09	14.2	15.6	-1.4
12/09	7.2	6.0	1.2
3/10	3.6	5.3	-1.7
6/10	-10.9	-11.4	0.5
9/10	11.0	11.3	-0.3
12/10	10.4	10.8	-0.4
3/11	5.9	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
3/15	1.0	0.9	0.1
6/15	0.4	0.3	0.1
9/15	-8.9	-6.4	-2.5
12/15	4.6	7.0	-2.4
3/16	0.1	1.3	-1.2
6/16	2.0	2.5	-0.5
9/16	4.6	3.9	0.7
12/16	3.9	3.8	0.1
3/17	6.5	6.1	0.4
6/17	3.4	3.1	0.3
9/17	4.7	4.5	0.2

### MID CAP EQUITY MANAGER SUMMARY

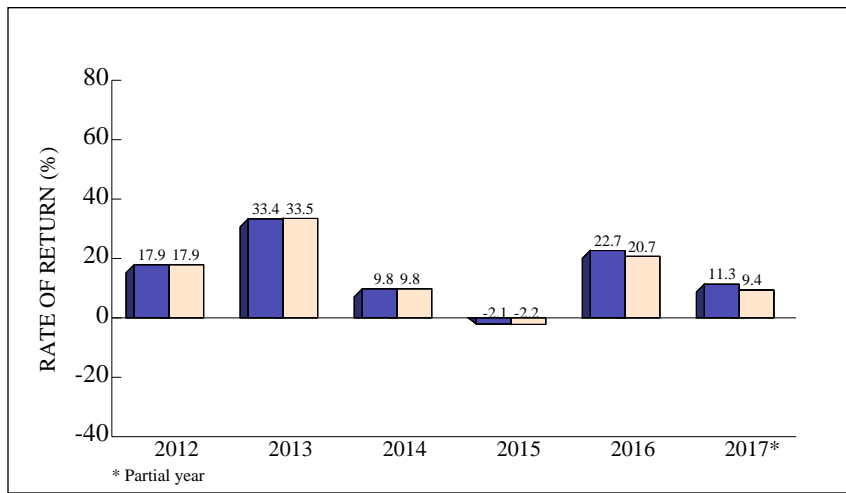


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
CLEARBRIDGE	(Mid Cap Core)	2.6 (84)	18.3 (34)	18.3 (34)	----	----	\$8,671,690
<i>Russell Mid Cap</i>		<i>3.5 ----</i>	<i>15.3 ----</i>	<i>15.3 ----</i>	<i>9.5 ----</i>	<i>14.3 ----</i>	----
WEDGE	(Mid Cap Value)	2.7 (78)	18.0 (40)	18.0 (40)	----	----	\$8,360,050
<i>Russell Mid Cap Value</i>		<i>2.1 ----</i>	<i>13.4 ----</i>	<i>13.4 ----</i>	<i>9.2 ----</i>	<i>14.3 ----</i>	----
<b>TOTAL</b>	<b>(Mid Cap)</b>	<b>2.7 (83)</b>	<b>18.2 (46)</b>	<b>18.2 (46)</b>	<b>12.4 (16)</b>	<b>15.2 (33)</b>	<b>\$17,031,740</b>
<i>S&amp;P 400</i>		<i>3.2 ----</i>	<i>17.5 ----</i>	<i>17.5 ----</i>	<i>11.2 ----</i>	<i>14.4 ----</i>	----

MID CAP EQUITY RETURN COMPARISONS



Mid Cap Universe



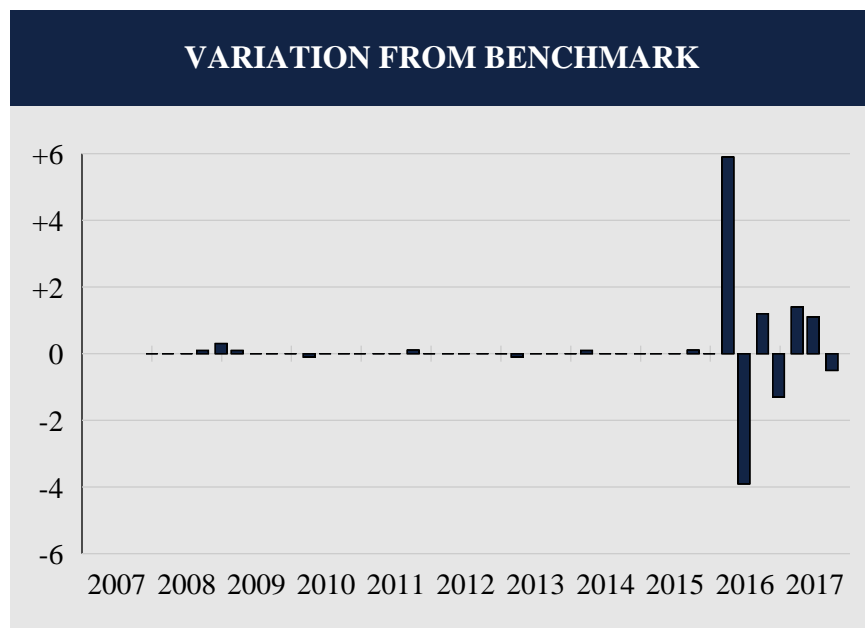
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	2.7	5.8	11.3	18.2	12.4	15.2
(RANK)	(83)	(63)	(56)	(46)	(16)	(33)
5TH %ILE	6.6	13.5	23.7	24.7	13.8	17.3
25TH %ILE	5.1	9.8	17.9	20.7	11.4	15.6
MEDIAN	3.8	6.8	12.4	17.8	10.2	14.4
75TH %ILE	2.9	4.9	9.4	15.8	8.7	13.2
95TH %ILE	1.6	2.6	6.5	11.2	5.8	10.7
<b>S&amp;P 400</b>	<b>3.2</b>	<b>5.3</b>	<b>9.4</b>	<b>17.5</b>	<b>11.2</b>	<b>14.4</b>

Mid Cap Universe

## MID CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

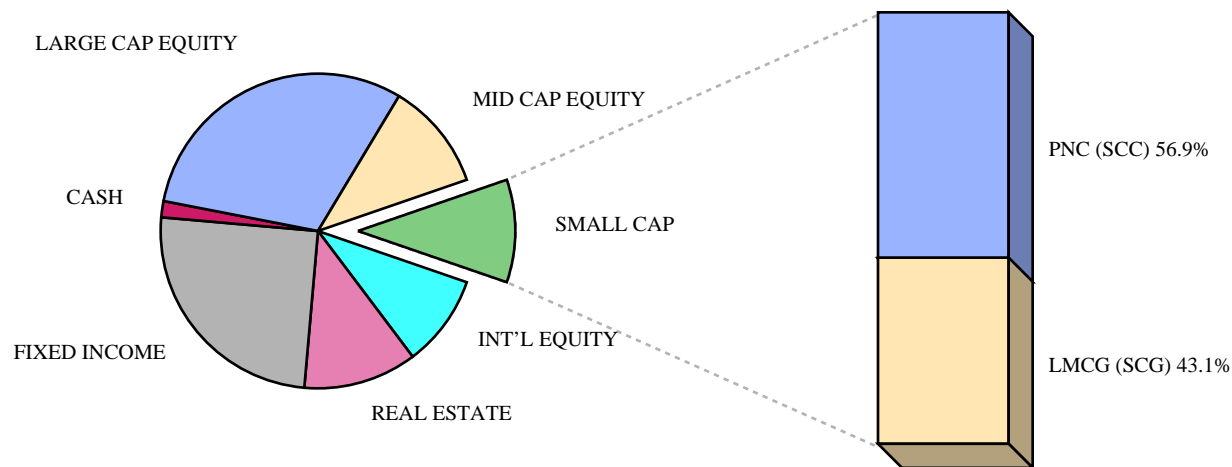
COMPARATIVE BENCHMARK: S&P 400



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/07	-2.7	-2.7	0.0
3/08	-8.8	-8.8	0.0
6/08	5.4	5.4	0.0
9/08	-10.8	-10.9	0.1
12/08	-25.3	-25.6	0.3
3/09	-8.6	-8.7	0.1
6/09	18.7	18.7	0.0
9/09	20.0	20.0	0.0
12/09	5.6	5.6	0.0
3/10	9.0	9.1	-0.1
6/10	-9.6	-9.6	0.0
9/10	13.1	13.1	0.0
12/10	13.5	13.5	0.0
3/11	9.4	9.4	0.0
6/11	-0.7	-0.7	0.0
9/11	-19.8	-19.9	0.1
12/11	13.0	13.0	0.0
3/12	13.5	13.5	0.0
6/12	-4.9	-4.9	0.0
9/12	5.4	5.4	0.0
12/12	3.6	3.6	0.0
3/13	13.4	13.5	-0.1
6/13	1.0	1.0	0.0
9/13	7.5	7.5	0.0
12/13	8.3	8.3	0.0
3/14	3.1	3.0	0.1
6/14	4.3	4.3	0.0
9/14	-4.0	-4.0	0.0
12/14	6.3	6.3	0.0
3/15	5.3	5.3	0.0
6/15	-1.1	-1.1	0.0
9/15	-8.4	-8.5	0.1
12/15	2.6	2.6	0.0
3/16	9.7	3.8	5.9
6/16	0.1	4.0	-3.9
9/16	5.3	4.1	1.2
12/16	6.1	7.4	-1.3
3/17	5.3	3.9	1.4
6/17	3.1	2.0	1.1
9/17	2.7	3.2	-0.5

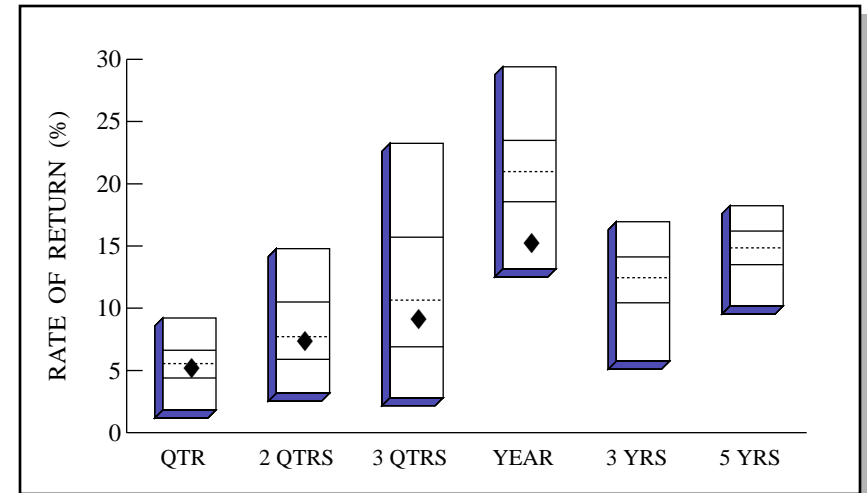
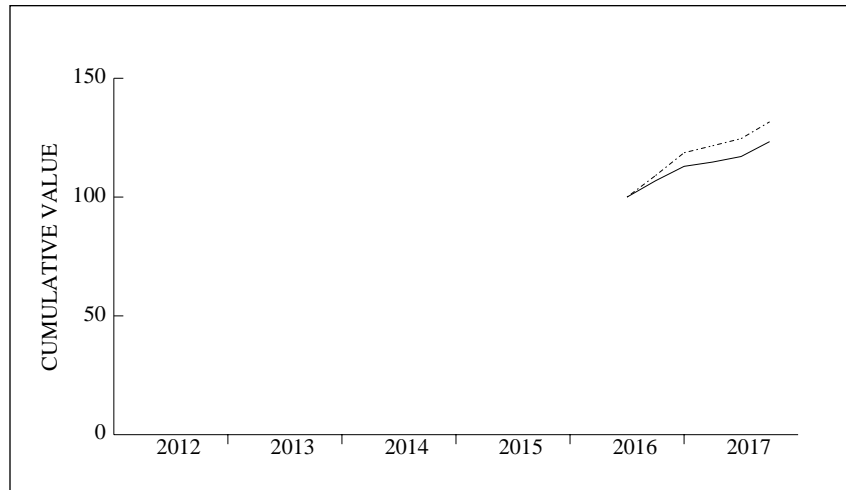
<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>35</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.875</b>

### SMALL CAP EQUITY MANAGER SUMMARY

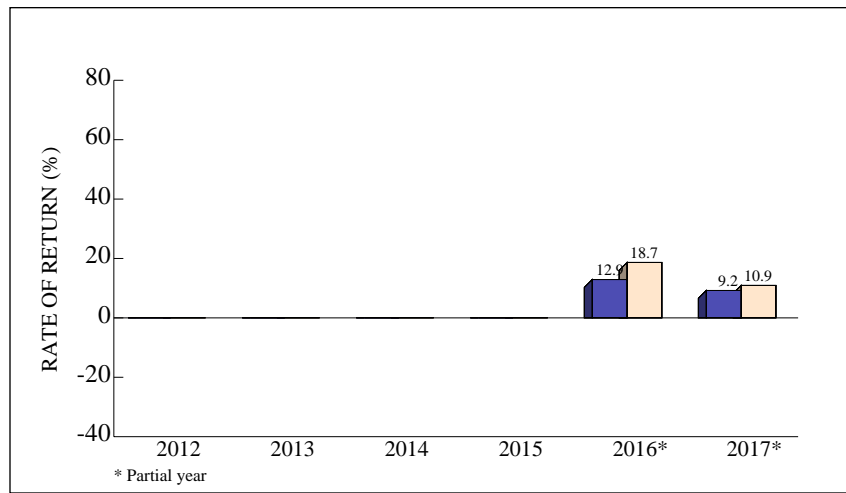


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
PNC	(Small Cap Core)	7.2 (20)	15.3 (96)	15.3 (96)	----	----	\$9,112,170
<i>Russell 2000</i>		5.7 ----	20.7 ----	20.7 ----	12.2 ----	13.8 ----	----
LMCG	(Small Cap Growth)	3.1 (90)	16.0 (85)	16.0 (85)	----	----	\$6,906,153
<i>Russell 2000 Growth</i>		6.2 ----	20.9 ----	20.9 ----	12.2 ----	14.3 ----	----
<b>TOTAL</b>	<b>(Small Cap)</b>	<b>5.3 (55)</b>	<b>15.4 (90)</b>	<b>15.4 (90)</b>	<b>----</b>	<b>----</b>	<b>\$16,018,323</b>
<i>Russell 2000</i>		5.7 ----	20.7 ----	20.7 ----	12.2 ----	13.8 ----	----

### SMALL CAP EQUITY RETURN COMPARISONS



Small Cap Universe



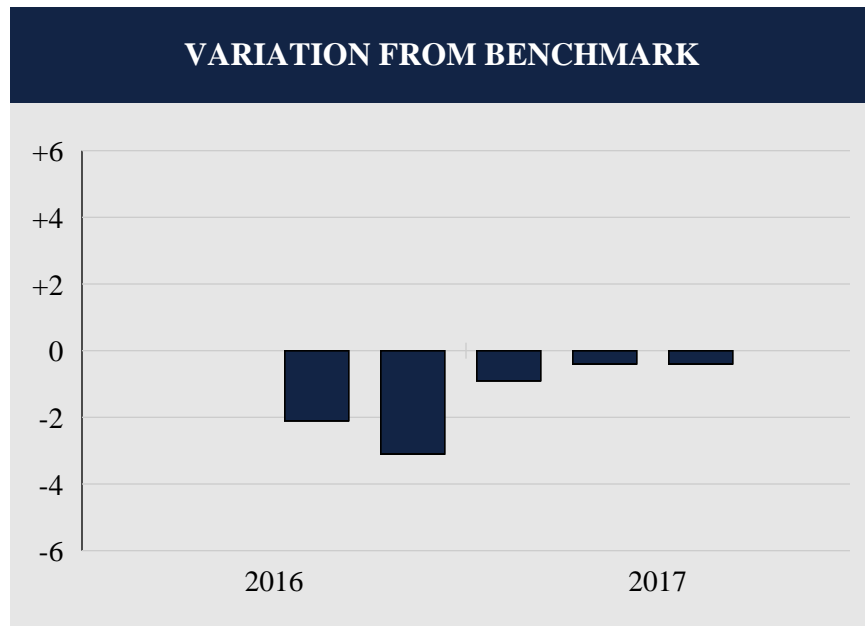
	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	5.3	7.5	9.2	15.4	----	----
(RANK)	(55)	(52)	(59)	(90)	----	----
5TH %ILE	9.2	14.8	23.3	29.4	17.0	18.2
25TH %ILE	6.6	10.5	15.7	23.5	14.1	16.2
MEDIAN	5.6	7.7	10.7	21.0	12.5	14.8
75TH %ILE	4.4	5.9	6.9	18.6	10.4	13.5
95TH %ILE	1.8	3.2	2.8	13.2	5.8	10.2
<b>Russ 2000</b>	<b>5.7</b>	<b>8.3</b>	<b>10.9</b>	<b>20.7</b>	<b>12.2</b>	<b>13.8</b>

Small Cap Universe



**SMALL CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

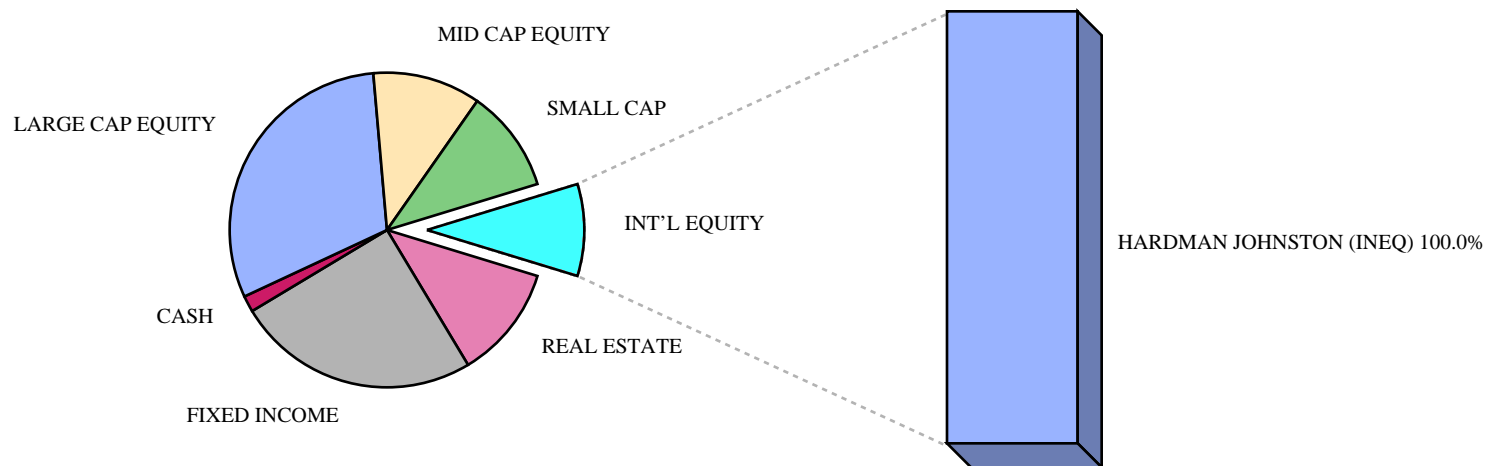
**COMPARATIVE BENCHMARK: RUSSELL 2000**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/16	6.9	9.0	-2.1
12/16	5.7	8.8	-3.1
3/17	1.6	2.5	-0.9
6/17	2.1	2.5	-0.4
9/17	5.3	5.7	-0.4

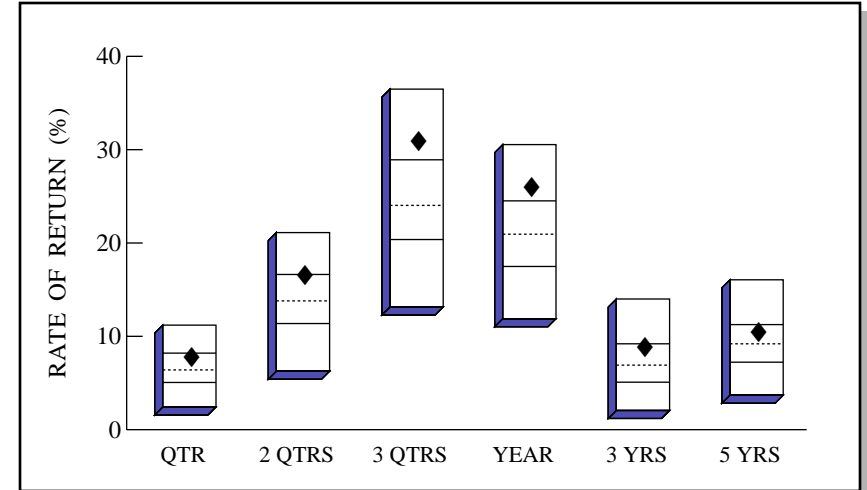
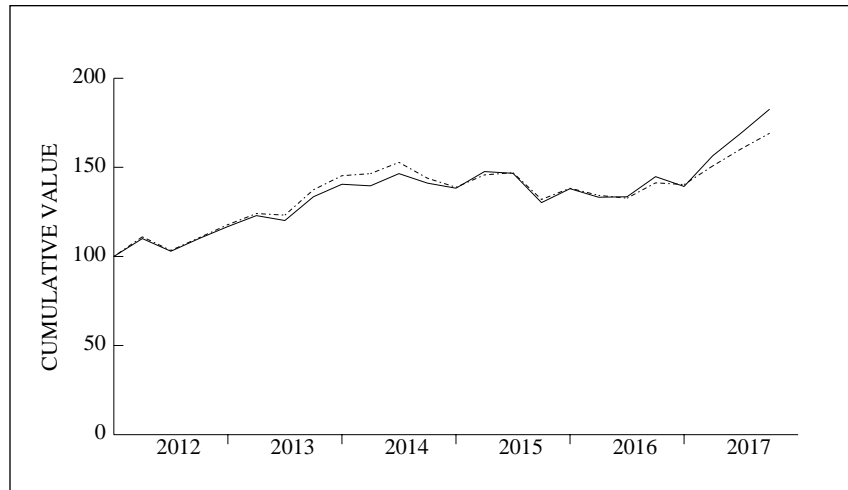
<b>Total Quarters Observed</b>	<b>5</b>
<b>Quarters At or Above the Benchmark</b>	<b>0</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.000</b>

**INTERNATIONAL EQUITY MANAGER SUMMARY**

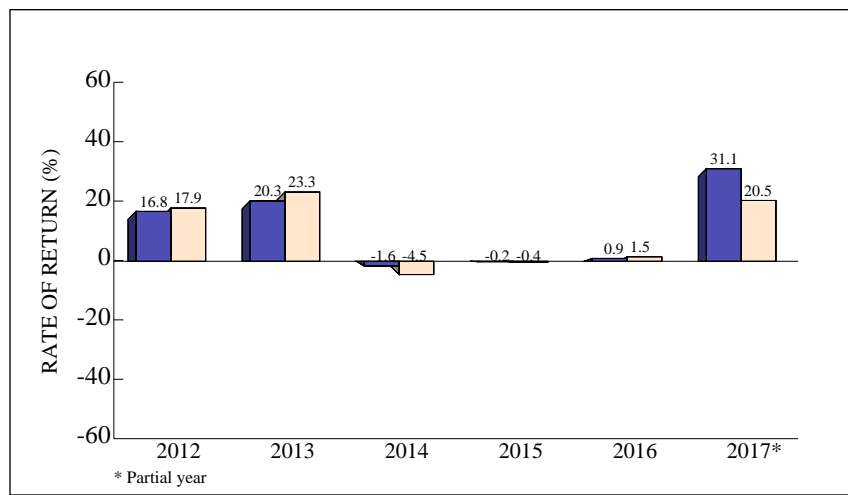


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
HARDMAN JOHNSTON	(International Equity)	7.9 (28)	24.5 (26)	24.5 (26)	9.8 (21)	10.9 (28)	\$14,375,875
<i>MSCI EAFE</i>		<i>5.5 ---</i>	<i>19.7 ---</i>	<i>19.7 ---</i>	<i>5.5 ---</i>	<i>8.9 ---</i>	<i>---</i>
<b>TOTAL</b>	<b>(International Equity)</b>	<b>7.9 (28)</b>	<b>26.2 (17)</b>	<b>26.2 (17)</b>	<b>9.0 (28)</b>	<b>10.6 (31)</b>	<b>\$14,375,875</b>
<i>MSCI EAFE</i>		<i>5.5 ---</i>	<i>19.7 ---</i>	<i>19.7 ---</i>	<i>5.5 ---</i>	<i>8.9 ---</i>	<i>---</i>

## INTERNATIONAL EQUITY RETURN COMPARISONS



International Equity Universe

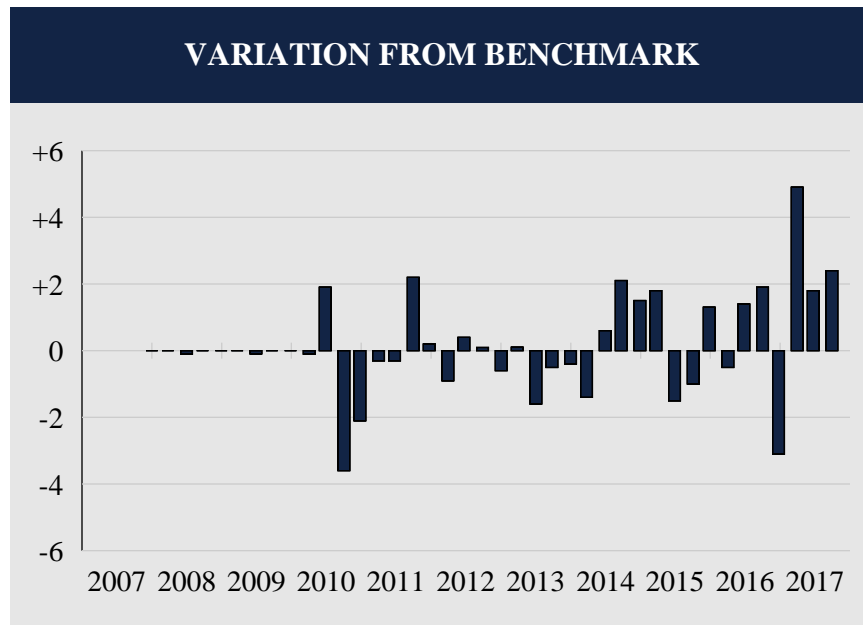


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	7.9	16.8	31.1	26.2	9.0	10.6
(RANK)	(28)	(24)	(17)	(17)	(28)	(31)
5TH %ILE	11.2	21.1	36.5	30.6	14.0	16.1
25TH %ILE	8.2	16.6	28.9	24.5	9.2	11.3
MEDIAN	6.4	13.8	24.0	20.9	6.9	9.2
75TH %ILE	5.1	11.4	20.4	17.5	5.1	7.2
95TH %ILE	2.4	6.3	13.2	11.9	2.1	3.7
<b>MSCI EAFE</b>	<b>5.5</b>	<b>12.2</b>	<b>20.5</b>	<b>19.7</b>	<b>5.5</b>	<b>8.9</b>

International Equity Universe

## INTERNATIONAL EQUITY QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: MSCI EAFE

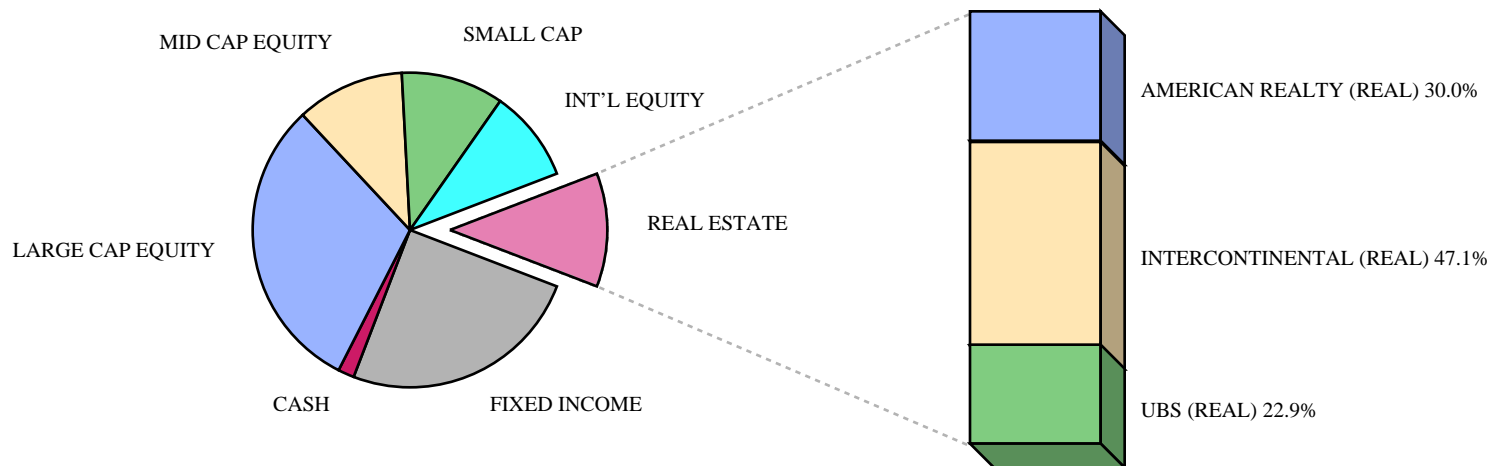


<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>23</b>
<b>Quarters Below the Benchmark</b>	<b>17</b>
<b>Batting Average</b>	<b>.575</b>

### RATES OF RETURN

Date	Portfolio	Benchmark	Difference
12/07	-1.7	-1.7	0.0
3/08	-8.8	-8.8	0.0
6/08	-2.0	-1.9	-0.1
9/08	-20.5	-20.5	0.0
12/08	-19.9	-19.9	0.0
3/09	-13.9	-13.9	0.0
6/09	25.7	25.8	-0.1
9/09	19.5	19.5	0.0
12/09	2.2	2.2	0.0
3/10	0.8	0.9	-0.1
6/10	-11.8	-13.7	1.9
9/10	12.9	16.5	-3.6
12/10	4.6	6.7	-2.1
3/11	3.1	3.4	-0.3
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	-6.9	0.4
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
3/15	6.8	5.0	1.8
6/15	-0.7	0.8	-1.5
9/15	-11.2	-10.2	-1.0
12/15	6.0	4.7	1.3
3/16	-3.4	-2.9	-0.5
6/16	0.2	-1.2	1.4
9/16	8.4	6.5	1.9
12/16	-3.8	-0.7	-3.1
3/17	12.3	7.4	4.9
6/17	8.2	6.4	1.8
9/17	7.9	5.5	2.4

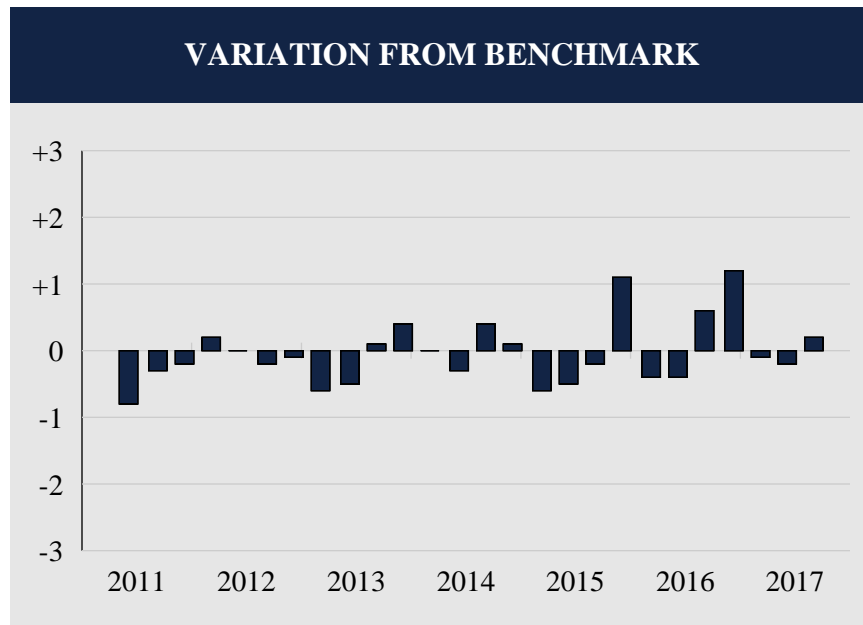
**REAL ESTATE MANAGER SUMMARY**



MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
AMERICAN REALTY		1.9 ---	7.5 ---	7.5 ---	10.2 ---	11.0 ---	\$5,373,209
INTERCONTINENTAL		2.5 ---	11.8 ---	11.8 ---	13.0 ---	---	\$8,442,568
UBS		1.5 ---	5.4 ---	5.4 ---	9.0 ---	9.6 ---	\$4,109,994
<i>NCREIF NFI-ODCE Index</i>		<i>1.9 ---</i>	<i>7.6 ---</i>	<i>7.6 ---</i>	<i>10.8 ---</i>	<i>11.6 ---</i>	---
<b>TOTAL</b>		<b>2.1 ---</b>	<b>9.0 ---</b>	<b>9.0 ---</b>	<b>11.2 ---</b>	<b>11.6 ---</b>	<b>\$17,925,771</b>
<i>NCREIF NFI-ODCE Index</i>		<i>1.9 ---</i>	<i>7.6 ---</i>	<i>7.6 ---</i>	<i>10.8 ---</i>	<i>11.6 ---</i>	---

## REAL ESTATE QUARTERLY PERFORMANCE SUMMARY

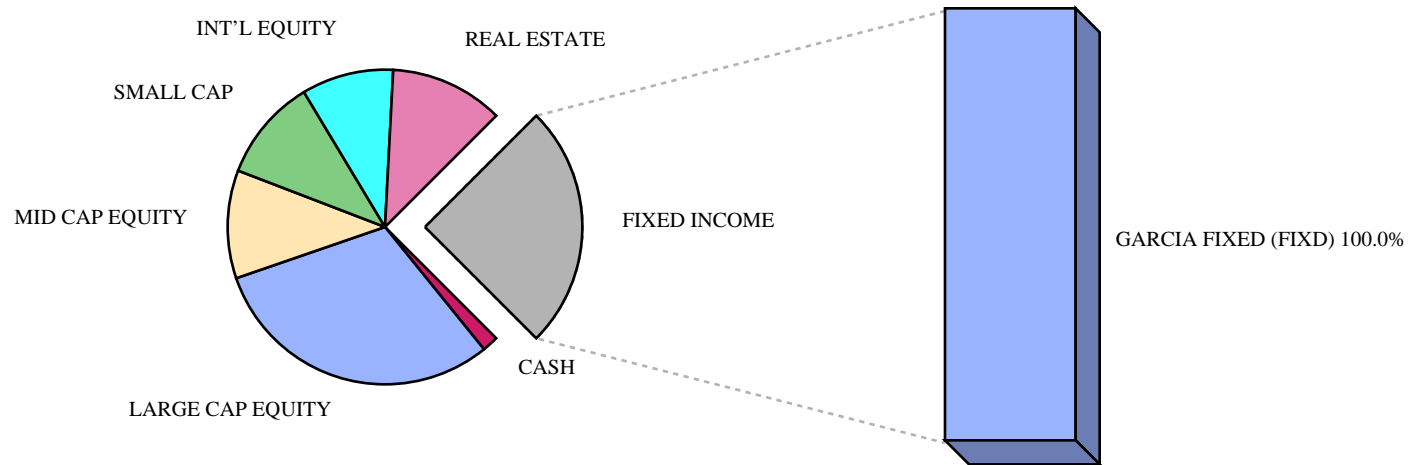
COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX



<b>Total Quarters Observed</b>	<b>26</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>15</b>
<b>Batting Average</b>	<b>.423</b>

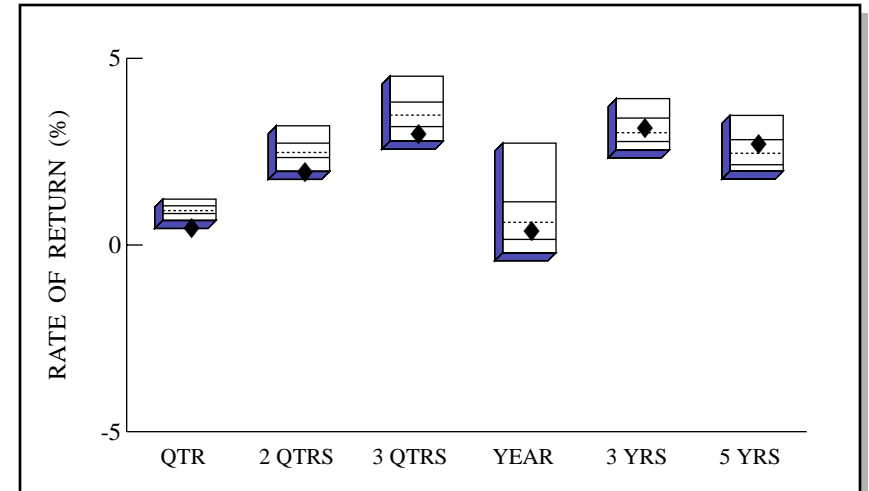
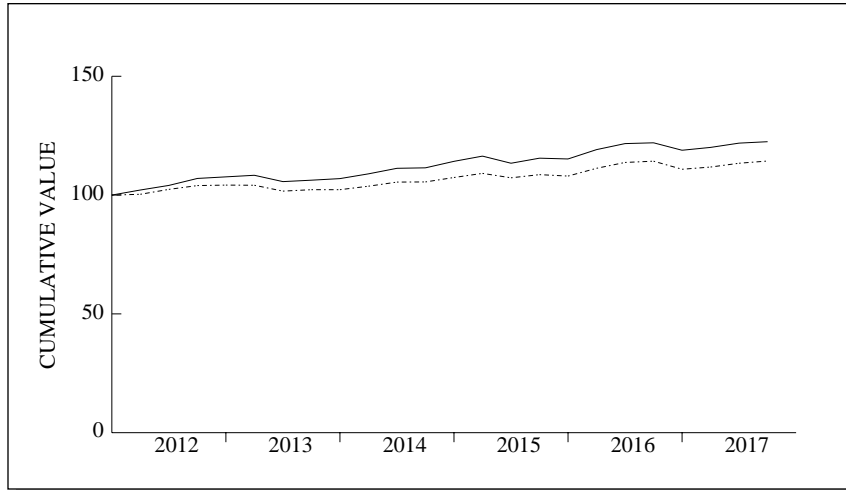
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/11	3.8	4.6	-0.8
9/11	3.2	3.5	-0.3
12/11	2.8	3.0	-0.2
3/12	3.0	2.8	0.2
6/12	2.5	2.5	0.0
9/12	2.6	2.8	-0.2
12/12	2.2	2.3	-0.1
3/13	2.1	2.7	-0.6
6/13	3.4	3.9	-0.5
9/13	3.7	3.6	0.1
12/13	3.6	3.2	0.4
3/14	2.5	2.5	0.0
6/14	2.6	2.9	-0.3
9/14	3.6	3.2	0.4
12/14	3.4	3.3	0.1
3/15	2.8	3.4	-0.6
6/15	3.3	3.8	-0.5
9/15	3.5	3.7	-0.2
12/15	4.4	3.3	1.1
3/16	1.8	2.2	-0.4
6/16	1.7	2.1	-0.4
9/16	2.7	2.1	0.6
12/16	3.3	2.1	1.2
3/17	1.7	1.8	-0.1
6/17	1.5	1.7	-0.2
9/17	2.1	1.9	0.2

**FIXED INCOME MANAGER SUMMARY**

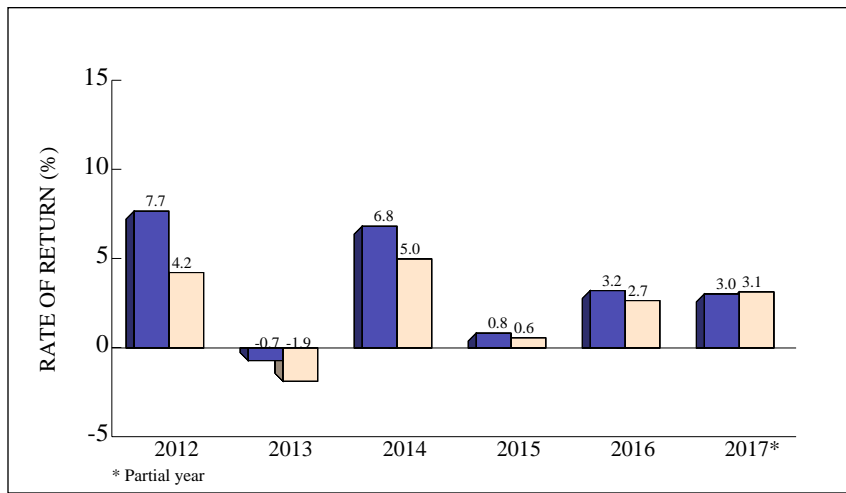
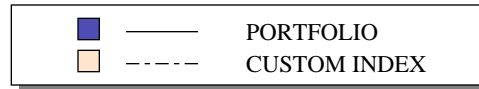


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
GARCIA FIXED	(Core Fixed Income)	0.5 (99)	0.4 (64)	0.4 (64)	3.2 (37)	3.1 (12)	\$38,055,686
<i>Custom Fixed Income Index</i>		<i>0.8 ---</i>	<i>0.1 ---</i>	<i>0.1 ---</i>	<i>2.7 ---</i>	<i>1.9 ---</i>	<i>---</i>
<b>TOTAL</b>	<b>(Core Fixed Income)</b>	<b>0.5 (99)</b>	<b>0.4 (64)</b>	<b>0.4 (64)</b>	<b>3.2 (37)</b>	<b>2.7 (30)</b>	<b>\$38,055,686</b>
<i>Custom Fixed Income Index</i>		<i>0.8 ---</i>	<i>0.1 ---</i>	<i>0.1 ---</i>	<i>2.7 ---</i>	<i>1.9 ---</i>	<i>---</i>

**FIXED INCOME RETURN COMPARISONS**



Core Fixed Income Universe



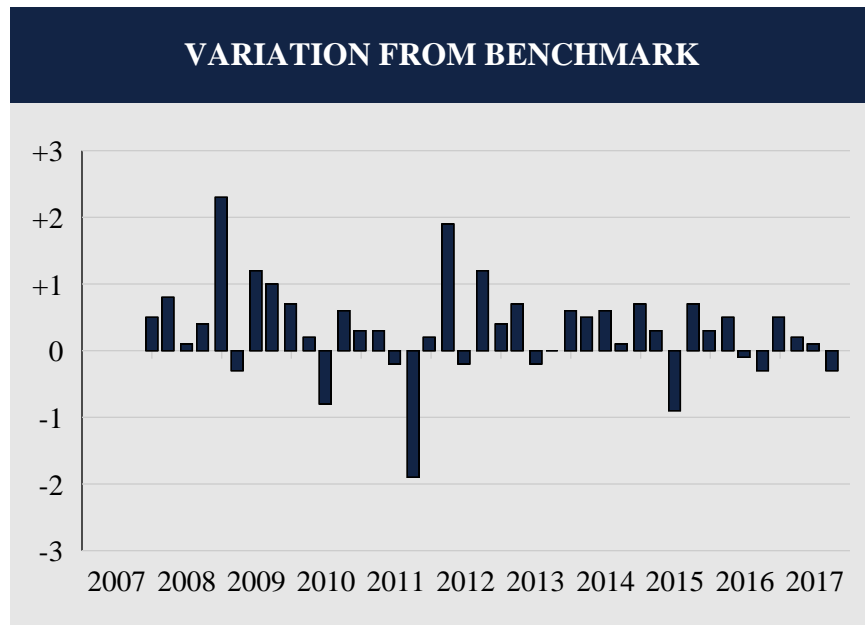
	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.5	2.0	3.0	0.4	3.2	2.7
(RANK)	(99)	(95)	(86)	(64)	(37)	(30)
5TH %ILE	1.2	3.2	4.5	2.7	3.9	3.5
25TH %ILE	1.1	2.7	3.8	1.2	3.4	2.8
MEDIAN	0.9	2.5	3.5	0.6	3.0	2.5
75TH %ILE	0.8	2.3	3.2	0.2	2.8	2.2
95TH %ILE	0.7	2.0	2.8	-0.2	2.6	2.0
<i>Custom Idx</i>	<i>0.8</i>	<i>2.3</i>	<i>3.1</i>	<i>0.1</i>	<i>2.7</i>	<i>1.9</i>

Core Fixed Income Universe



## FIXED INCOME QUARTERLY PERFORMANCE SUMMARY

**COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX**

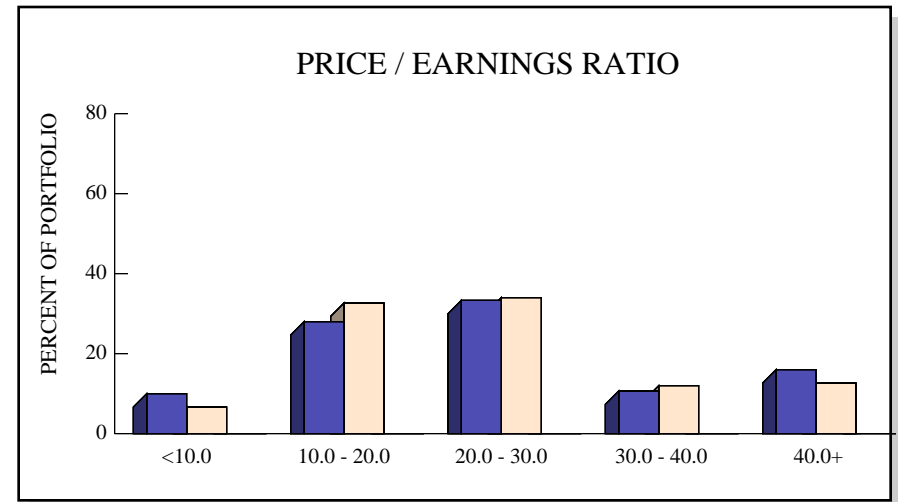
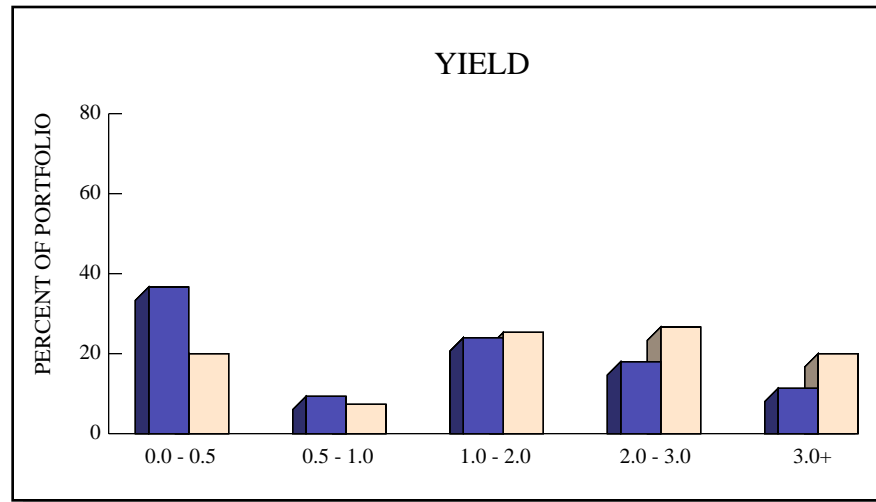


### RATES OF RETURN

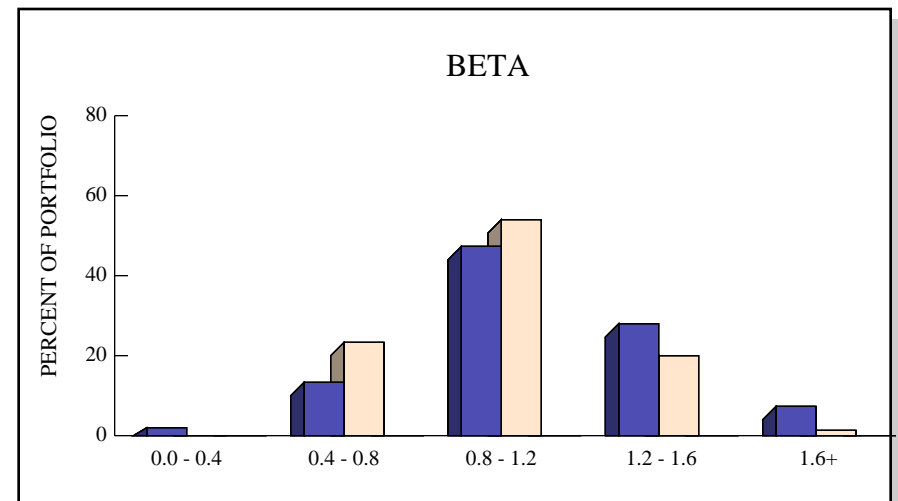
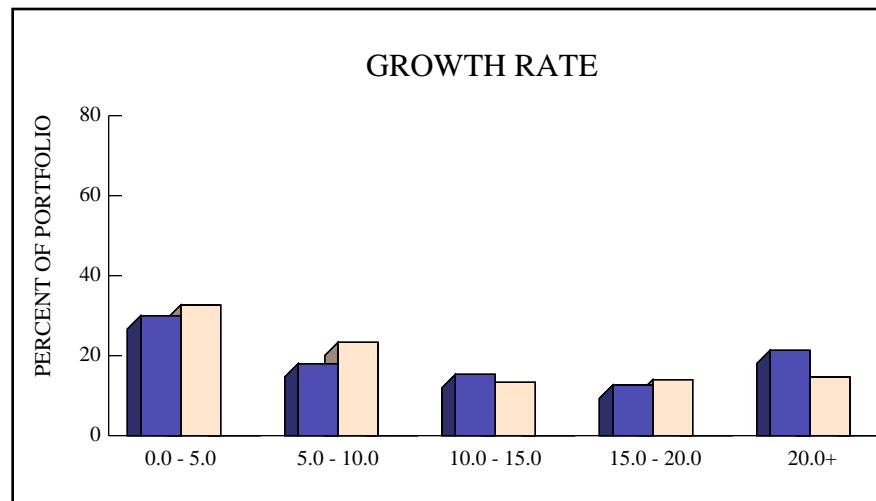
Date	Portfolio	Benchmark	Difference
12/07	3.6	3.1	0.5
3/08	3.3	2.5	0.8
6/08	-1.4	-1.5	0.1
9/08	-1.2	-1.6	0.4
12/08	6.0	3.7	2.3
3/09	-0.2	0.1	-0.3
6/09	3.0	1.8	1.2
9/09	4.7	3.7	1.0
12/09	0.9	0.2	0.7
3/10	2.0	1.8	0.2
6/10	2.7	3.5	-0.8
9/10	3.1	2.5	0.6
12/10	-1.0	-1.3	0.3
3/11	0.7	0.4	0.3
6/11	2.1	2.3	-0.2
9/11	1.9	3.8	-1.9
12/11	1.3	1.1	0.2
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
3/15	1.9	1.6	0.3
6/15	-2.6	-1.7	-0.9
9/15	1.9	1.2	0.7
12/15	-0.3	-0.6	0.3
3/16	3.5	3.0	0.5
6/16	2.1	2.2	-0.1
9/16	0.2	0.5	-0.3
12/16	-2.5	-3.0	0.5
3/17	1.0	0.8	0.2
6/17	1.5	1.4	0.1
9/17	0.5	0.8	-0.3

<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>30</b>
<b>Quarters Below the Benchmark</b>	<b>10</b>
<b>Batting Average</b>	<b>.750</b>

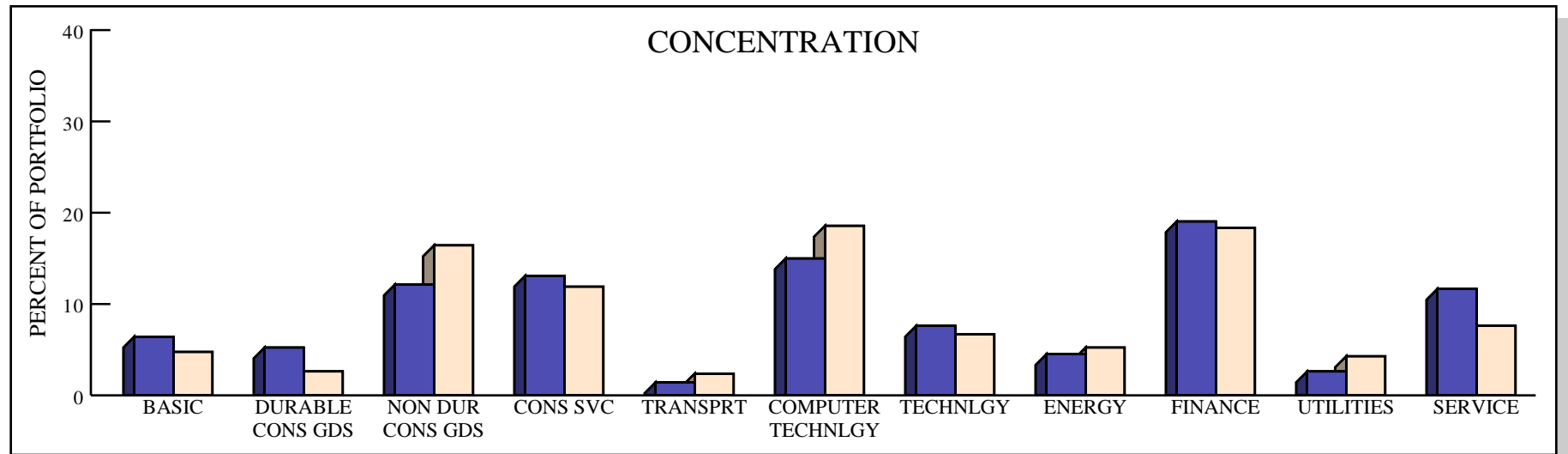
**STOCK CHARACTERISTICS**



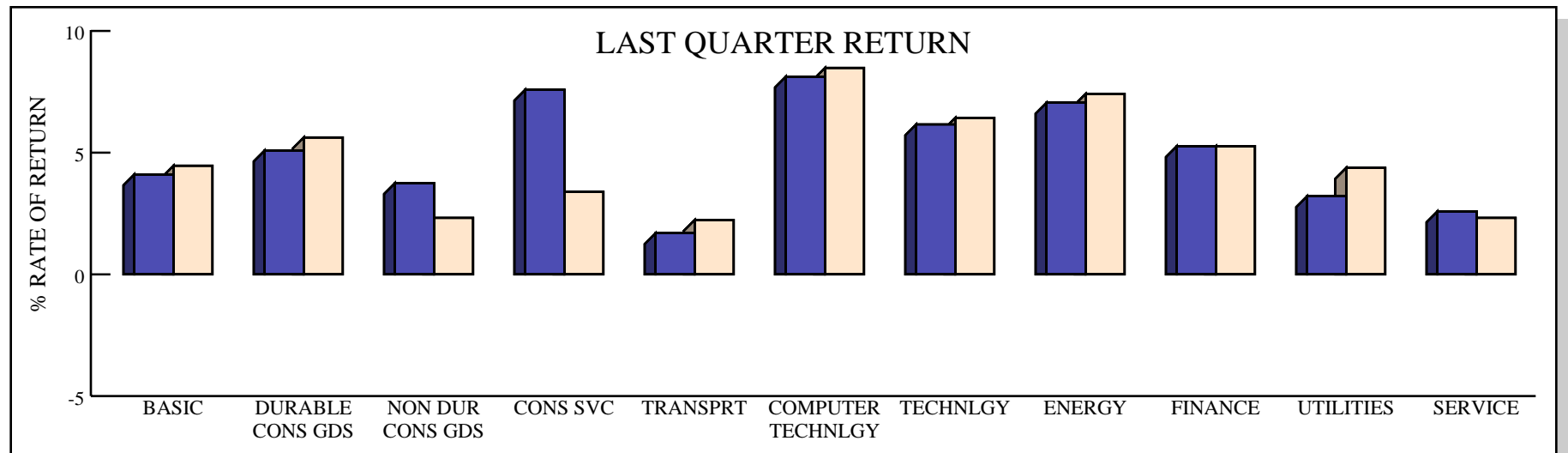
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	666	1.4%	11.0%	24.9	1.10
S&P 500	505	1.9%	9.5%	24.8	1.00



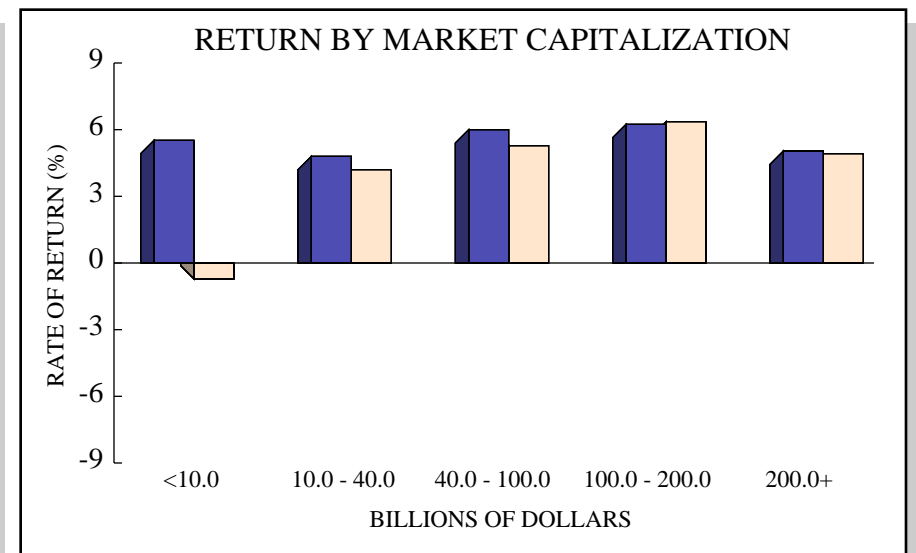
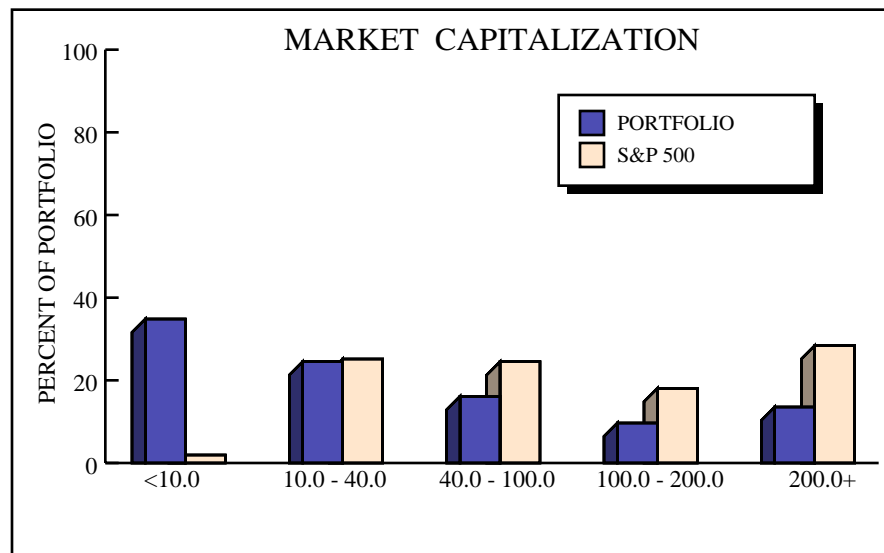
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



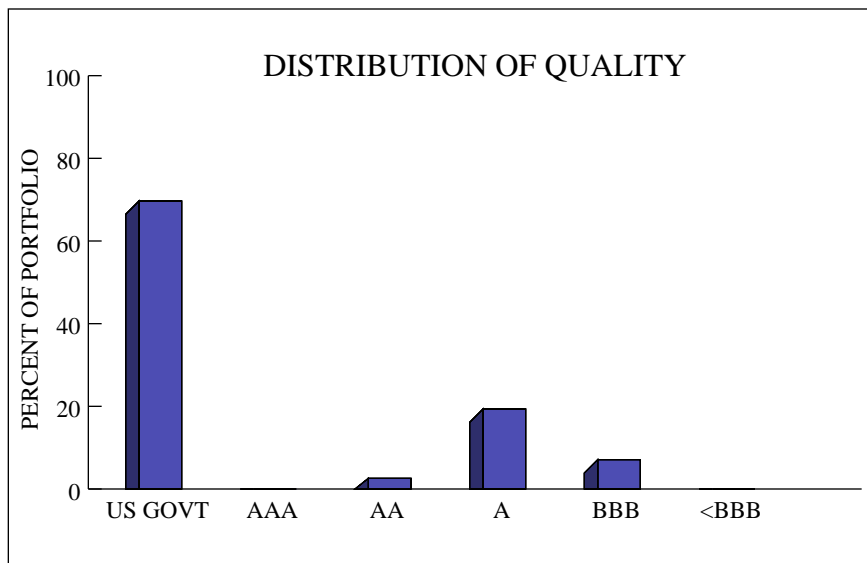
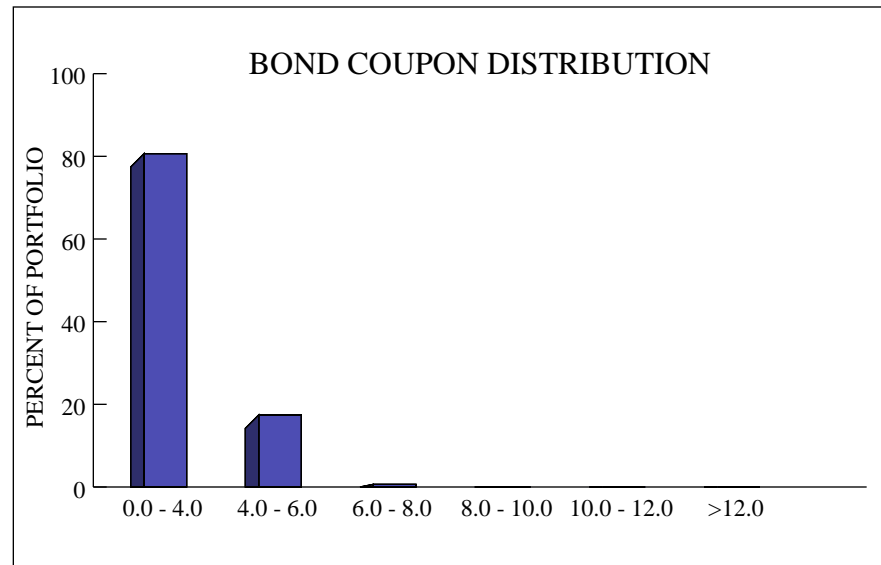
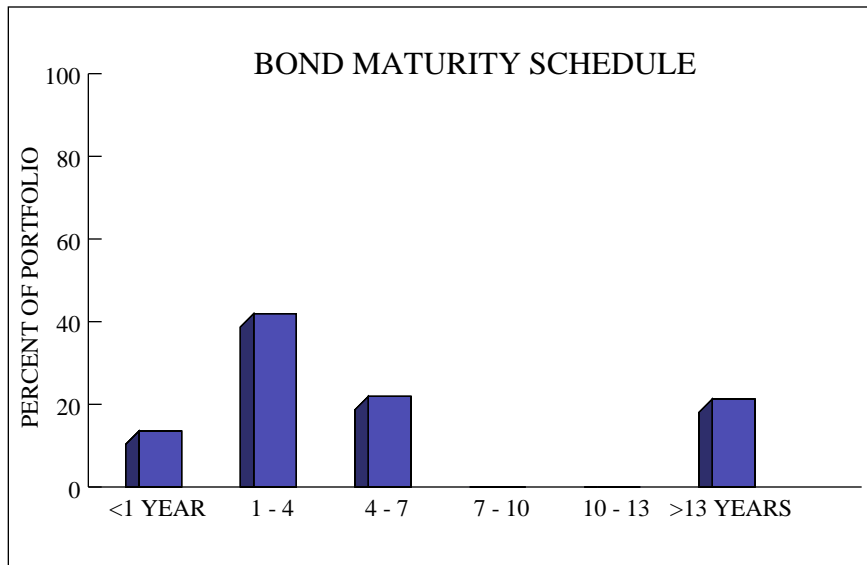
**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 1,184,720	1.66%	7.4%	Computer Tech	\$ 796.1 B
2	MICROSOFT CORP	1,027,739	1.44%	8.6%	Computer Tech	573.7 B
3	AMAZON.COM INC	964,234	1.35%	-0.7%	Consumer Service	461.8 B
4	FACEBOOK INC-A	747,214	1.05%	13.2%	Computer Tech	405.0 B
5	BROADCOM LTD	683,963	.96%	4.4%	Computer Tech	99.0 B
6	ALPHABET INC-CL C	662,745	.93%	5.5%	Computer Tech	333.5 B
7	AETNA INC	606,782	.85%	5.0%	Consumer Service	52.8 B
8	JOHNSON & JOHNSON	582,445	.81%	-1.1%	NonDur Cons Goods	348.9 B
9	ALPHABET INC-CL A	531,651	.74%	4.7%	Computer Tech	290.2 B
10	ANTHEM INC	528,246	.74%	1.3%	Consumer Service	49.9 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>AGGREGATE INDEX</b>
No. of Securities	35	9,547
Duration	4.68	5.96
YTM	1.93	2.55
Average Coupon	2.66	3.06
Avg Maturity / WAL	8.09	8.25
Average Quality	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:	YES
Mid Cap Portfolio rank exceeds the median for the three or five year period:	YES
International Equity Portfolio return exceeds the MSCI EAFE Index for the three or five year period:	YES
International Equity Portfolio rank exceeds the median for the three or five year period:	YES
Real Estate Portfolio return exceeds the NCREIF ODCE Index for the three or five year period:	YES
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	52.3%	50.0%	40.0%	60.0%	YES
Int'l Equity	9.4%	12.5%	7.5%	17.5%	YES
Real Estate	11.7%	10.0%	5.0%	16.0%	YES
Fixed	24.9%	27.5%	20.0%	35.0%	YES
Cash	1.6%	---	---	---	---

<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	19.0%	15.0%	10.0%	20.0%	YES
Clearbridge - LCG	5.2%	7.5%	5.0%	12.5%	YES
Lyrical LCV	6.6%	7.5%	5.0%	12.5%	YES
Clearbridge - MCC	5.7%	5.0%	2.0%	8.0%	YES
Wedge Capital	5.5%	5.0%	2.0%	8.0%	YES
PNC	6.2%	5.0%	2.0%	8.0%	YES
LMCG	4.7%	5.0%	2.0%	8.0%	YES
Hardman Johnston	9.4%	12.5%	7.5%	17.5%	YES
American Realty	3.5%	3.0%	0.0%	6.0%	YES
Intercontinental	5.5%	4.0%	0.0%	7.0%	YES
UBS	2.7%	3.0%	0.0%	6.0%	YES
Garcia Hamilton - Fixed	25.3%	27.5%	20.0%	35.0%	YES
Cash account	0.5%	---	---	---	---

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

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
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

**Clearbridge LCG**

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 1.8:	YES
More than 65% of holdings have a market capitalization $\geq$ \$5 B:	YES
No individual holding comprises more than 5% of the portfolio:	YES



**COMPLIANCE REPORT****Lyrical Capital**

All portfolio holdings are listed on national stock exchanges:	YES
Portfolio holdings include a maximum of 15% ADR / foreign multinational companies:	YES
Portfolio Beta does not exceed 1.3:	YES
More than 65% of holdings have a market capitalization $\geq$ \$5 B:	YES
No individual holding comprises more than 10% of the portfolio:	YES

**Clearbridge MCC**

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 1.8:	YES
No individual holding comprises more than 5% of the portfolio:	YES

**PNC**

All portfolio holdings are listed on national stock exchanges:	YES
Portfolio holdings include a maximum of 15% ADR / foreign multinational companies:	YES
Portfolio Beta does not exceed 1.8:	YES
More than 80% of holdings have a market capitalization $\geq$ \$500mm and $<$ \$15B:	YES
No individual holding comprises more than 5% of the portfolio:	YES

**Davie Police Pension  
Manager Fee Schedules  
September 30, 2017**

<b>Manager</b>	<b>Fee Schedule</b>	<b>September 2017 Balance</b>	<b>Fee Allocation</b>
Vanguard 500	4bps on balance	\$29,022,188	\$11,609
Cleabridge LCG	50bps on balance	\$7,993,918	\$39,970
Lyrical LCV	75bps on balance	\$10,131,048	\$75,983
Clearbridge MCC	65bps on balance	\$8,697,565	\$56,534
Wedge	75bps on balance	\$8,360,050	\$62,700
PNC	80bps on balance	\$9,476,244	\$75,810
LMCG	85bps on balance	\$7,233,540	\$61,485
Hardman Johnston	85bps on first \$10m 75bps on next \$15m 65bps on next \$25m 60bps on remainder	\$14,375,875	\$117,819
American Realty	110 bps on balance	\$5,373,209	\$59,105
Intercontinental	110 bps on balance Preferred Return 8% Carried Interest 20% per annum	\$8,442,568	\$92,868
UBS	95.5bps on first \$10m 82.5bps on next \$15m 80.5bps on next \$25m 79bps on next \$50m 67bps on next \$150m 60bps on next \$150m Incentive fee range from 0% to 0.25%	\$4,109,994	\$39,250
Garcia Hamilton Fixed	25 bps on balance	\$38,595,211	\$96,488
Cash		\$829,670	
<b>Total</b>		<b>\$152,641,080</b>	<b>\$789,622</b>

## APPENDIX - MAJOR MARKET INDEX RETURNS

<b>Economic Data</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Consumer Price Index	Economic Data	0.8	2.2	2.2	1.2	1.3
<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	4.6	18.7	18.7	10.7	14.2
S&P 500	Large Cap Core	4.5	18.6	18.6	10.8	14.2
Russell 1000	Large Cap	4.5	18.5	18.5	10.6	14.3
Russell 1000 Growth	Large Cap Growth	5.9	21.9	21.9	12.7	15.3
Russell 1000 Value	Large Cap Value	3.1	15.1	15.1	8.5	13.2
Russell Mid Cap	Midcap	3.5	15.3	15.3	9.5	14.3
Russell Mid Cap Growth	Midcap Growth	5.3	17.8	17.8	10.0	14.2
Russell Mid Cap Value	Midcap Value	2.1	13.4	13.4	9.2	14.3
Russell 2000	Small Cap	5.7	20.7	20.7	12.2	13.8
Russell 2000 Growth	Small Cap Growth	6.2	20.9	20.9	12.2	14.3
Russell 2000 Value	Small Cap Value	5.1	20.5	20.5	12.1	13.3
<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 All Country World Ex US	Foreign Equity	6.3	20.1	20.1	5.2	7.5
MSCI EAFE	Developed Markets Equity	5.5	19.7	19.7	5.5	8.9
MSCI EAFE Growth	Developed Markets Growth	5.0	16.1	16.1	6.9	9.3
MSCI EAFE Value	Developed Markets Value	5.9	23.2	23.2	4.1	8.4
MSCI Emerging Markets	Emerging Markets Equity	8.0	22.9	22.9	5.3	4.4
<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>
Bloomberg Barclays Aggregate Index	Core Fixed Income	0.8	0.1	0.1	2.7	2.1
Bloomberg Barclays Capital Gov't Bond	Treasuries	0.4	-1.6	-1.6	2.0	1.2
Bloomberg Barclays Capital Credit Bond	Corporate Bonds	1.4	2.0	2.0	3.9	3.2
Intermediate Aggregate	Core Intermediate	0.7	0.2	0.2	2.3	1.7
ML/BoA 1-3 Year Treasury	Short Term Treasuries	0.2	0.2	0.2	0.8	0.5
Citi High Yield BB & B Index	High Yield Bonds	2.0	8.1	8.1	5.3	5.8
<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>
Bloomberg Barclays Global Treasury Ex US	International Treasuries	2.1	-4.4	-4.4	0.4	-1.2
NCREIF NFI-ODCE Index	Real Estate	1.9	7.6	7.6	10.8	11.6
HFRI FOF Composite	Hedge Funds	2.3	6.5	6.5	2.2	3.8

**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.

\* Dahab Associates uses the modified duration measure to present average duration.

\* 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.

\* The Blended Assumption Rate was formulated as follows:

8.0% through December 31, 2009

7.9% through December 31, 2014

7.6% thereafter

DAVIE POLICE PENSION PLAN  
VANGUARD - INSTITUTIONAL INDEX FUND  
PERFORMANCE REVIEW  
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## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan's Vanguard Institutional Index Fund was valued at \$29,022,188, representing an increase of \$1,243,243 from the June quarter's ending value of \$27,778,945. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$1,243,243 in net investment returns. Income receipts totaling \$151,346 plus net realized and unrealized capital gains of \$1,091,897 combined to produce the portfolio's net investment return figure.

For the cumulative period since December 2013, the account has recorded net contributions totaling \$10.4 million, and has recorded net investment gains of \$8.3 million. Since December 2013, if the total account had earned its assumed rate of return, it would have been worth \$26.3 million or \$2.8 million less than the actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

During the third quarter, the Vanguard Institutional Index Fund gained 4.5%, which was equal to the S&P 500 Index's return of 4.5% and ranked in the 58th percentile of the Large Cap Core universe. Over the trailing year, the portfolio returned 18.6%, which was equal to the benchmark's 18.6% performance, ranking in the 49th percentile. Since December 2013, the account returned 10.9% on an annualized basis and ranked in the 43rd percentile. For comparison, the S&P 500 returned an annualized 10.9% over the same period.

## **ASSET ALLOCATION**

The plan was fully invested in the Vanguard Institutional Index Fund (VINIX).

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year	Since 12/13
<b>Total Portfolio - Gross</b>	4.5	18.6	10.9	----	10.9
<i>LARGE CAP CORE RANK</i>	(58)	(49)	(41)	----	(43)
<b>Total Portfolio - Net</b>	4.5	18.6	10.8	----	10.9
S&P 500	4.5	18.6	10.8	14.2	10.9
<b>Large Cap Equity - Gross</b>	4.5	18.6	10.9	----	10.9
<i>LARGE CAP CORE RANK</i>	(58)	(49)	(41)	----	(43)
S&P 500	4.5	18.6	10.8	14.2	10.9

**ASSET ALLOCATION**

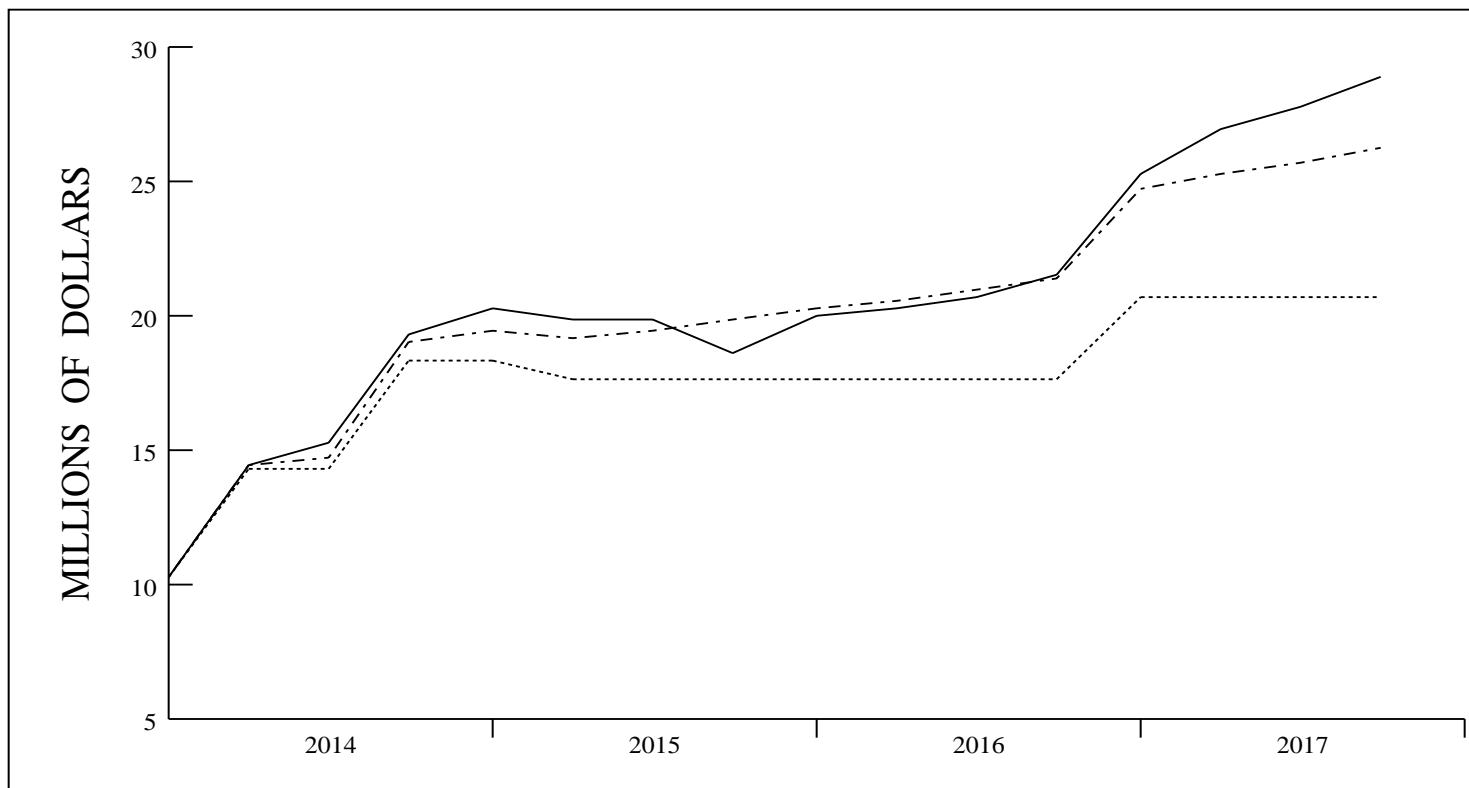
Large Cap Equity	100.0%	\$ 29,019,312
Cash	0.0%	2,876
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 29,022,188</b>

**INVESTMENT RETURN**

Market Value 6/2017	\$ 27,778,945
Contribs / Withdrawals	0
Income	151,346
Capital Gains / Losses	1,091,897
Market Value 9/2017	\$ 29,022,188



**INVESTMENT GROWTH**

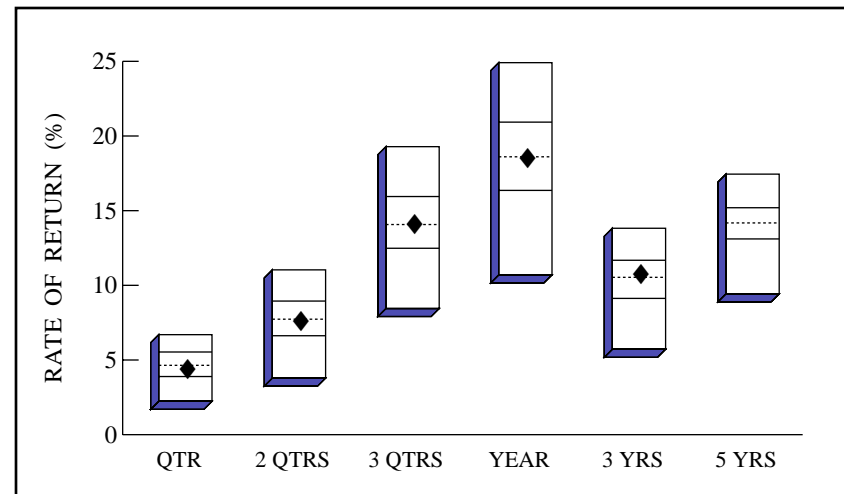
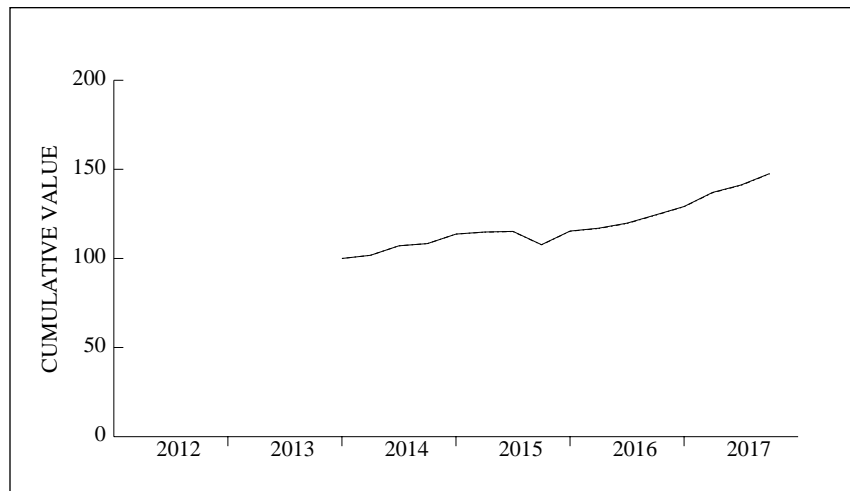


— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

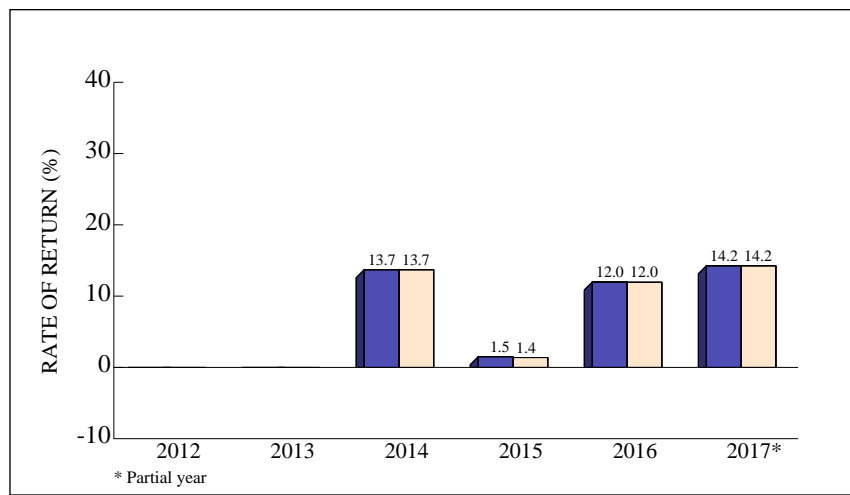
**VALUE ASSUMING**  
 DAVIE A/R     \$ 26,264,215

	LAST QUARTER	PERIOD 12/13 - 9/17
BEGINNING VALUE	\$ 27,778,945	\$ 10,343,510
NET CONTRIBUTIONS	0	10,369,293
INVESTMENT RETURN	<u>1,243,243</u>	<u>8,309,385</u>
ENDING VALUE	\$ 29,022,188	\$ 29,022,188
INCOME	151,346	1,684,413
CAPITAL GAINS (LOSSES)	<u>1,091,897</u>	<u>6,624,972</u>
INVESTMENT RETURN	1,243,243	8,309,385

**TOTAL RETURN COMPARISONS**



Large Cap Core Universe

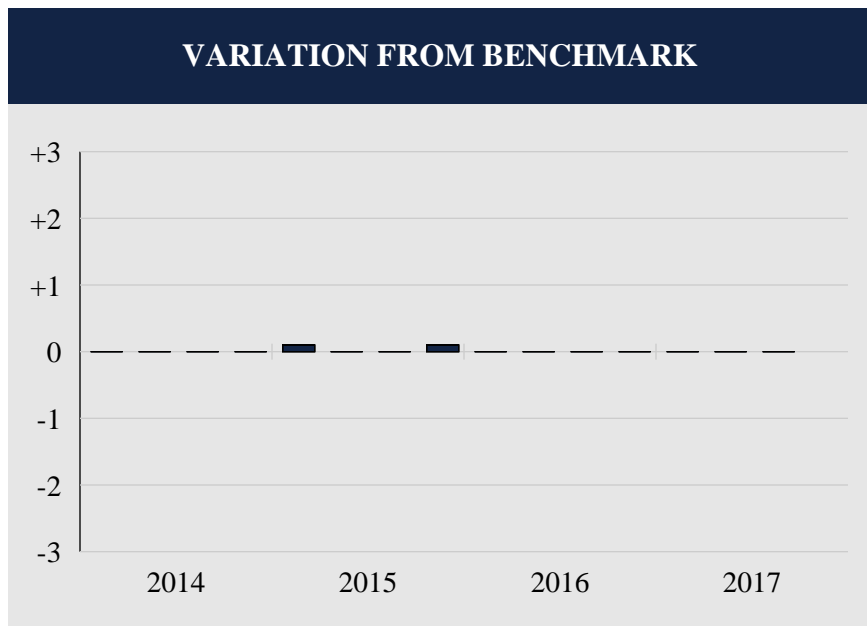


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	4.5	7.7	14.2	18.6	10.9	---
(RANK)	(58)	(51)	(46)	(49)	(41)	---
5TH %ILE	6.7	11.0	19.3	24.9	13.8	17.5
25TH %ILE	5.5	9.0	15.9	20.9	11.7	15.2
MEDIAN	4.7	7.7	14.1	18.6	10.5	14.2
75TH %ILE	3.9	6.6	12.5	16.4	9.1	13.1
95TH %ILE	2.2	3.8	8.4	10.7	5.7	9.4
<b>S&amp;P 500</b>	<b>4.5</b>	<b>7.7</b>	<b>14.2</b>	<b>18.6</b>	<b>10.8</b>	<b>14.2</b>

Large Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

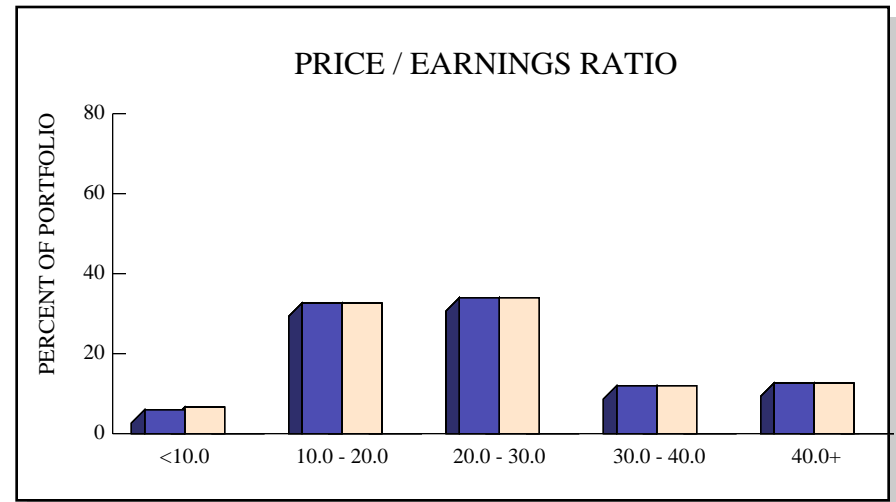
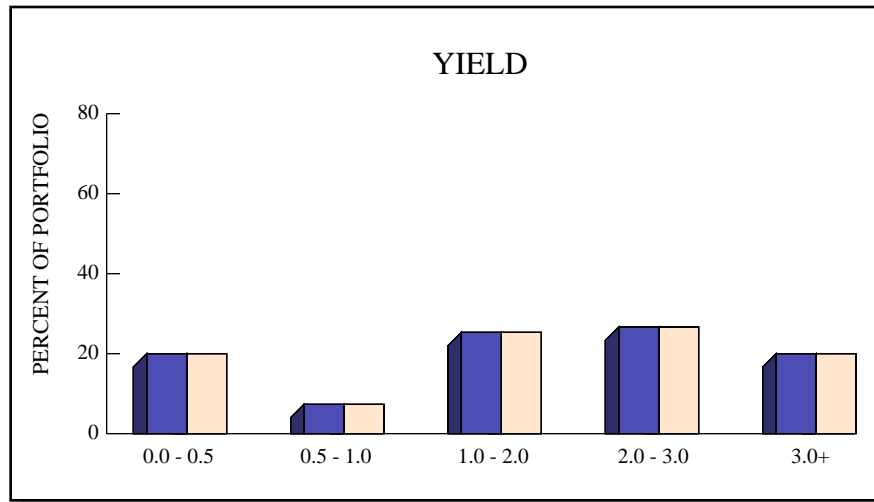
**COMPARATIVE BENCHMARK: S&P 500**



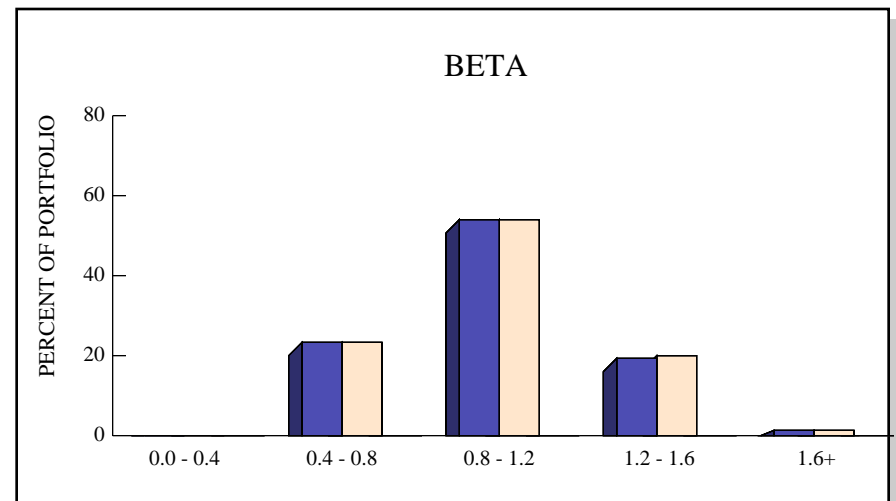
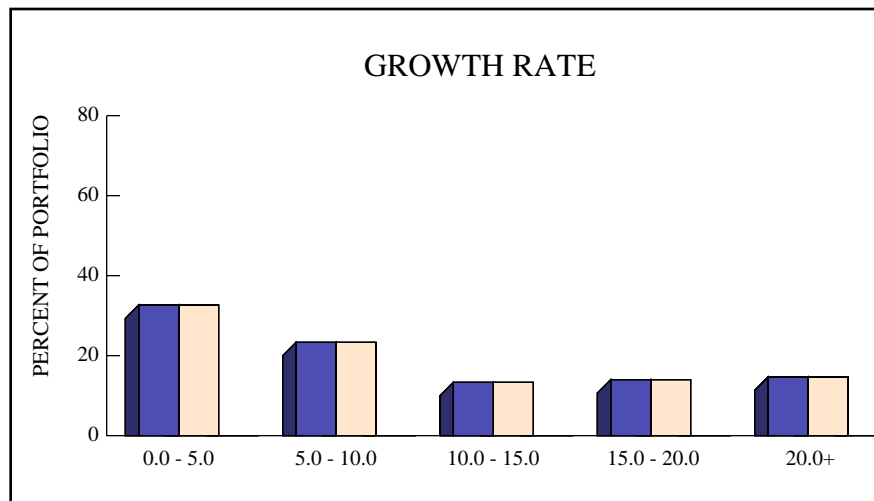
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/14	1.8	1.8	0.0
6/14	5.2	5.2	0.0
9/14	1.1	1.1	0.0
12/14	4.9	4.9	0.0
3/15	1.0	0.9	0.1
6/15	0.3	0.3	0.0
9/15	-6.4	-6.4	0.0
12/15	7.1	7.0	0.1
3/16	1.3	1.3	0.0
6/16	2.5	2.5	0.0
9/16	3.9	3.9	0.0
12/16	3.8	3.8	0.0
3/17	6.1	6.1	0.0
6/17	3.1	3.1	0.0
9/17	4.5	4.5	0.0

<b>Total Quarters Observed</b>	<b>15</b>
<b>Quarters At or Above the Benchmark</b>	<b>15</b>
<b>Quarters Below the Benchmark</b>	<b>0</b>
<b>Batting Average</b>	<b>1.000</b>

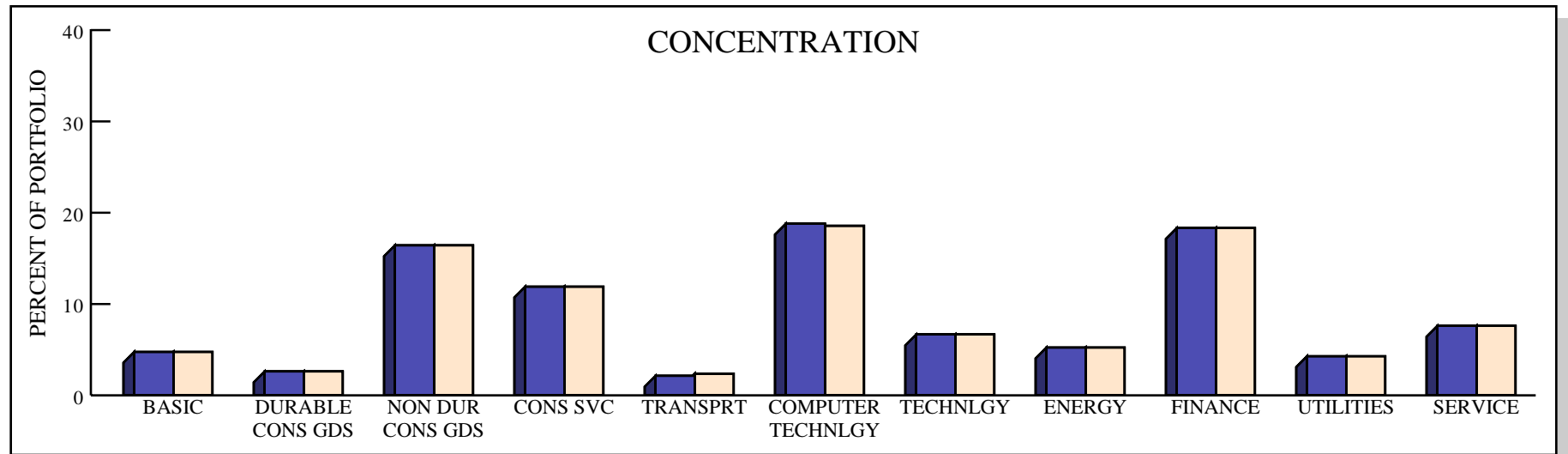
**STOCK CHARACTERISTICS**



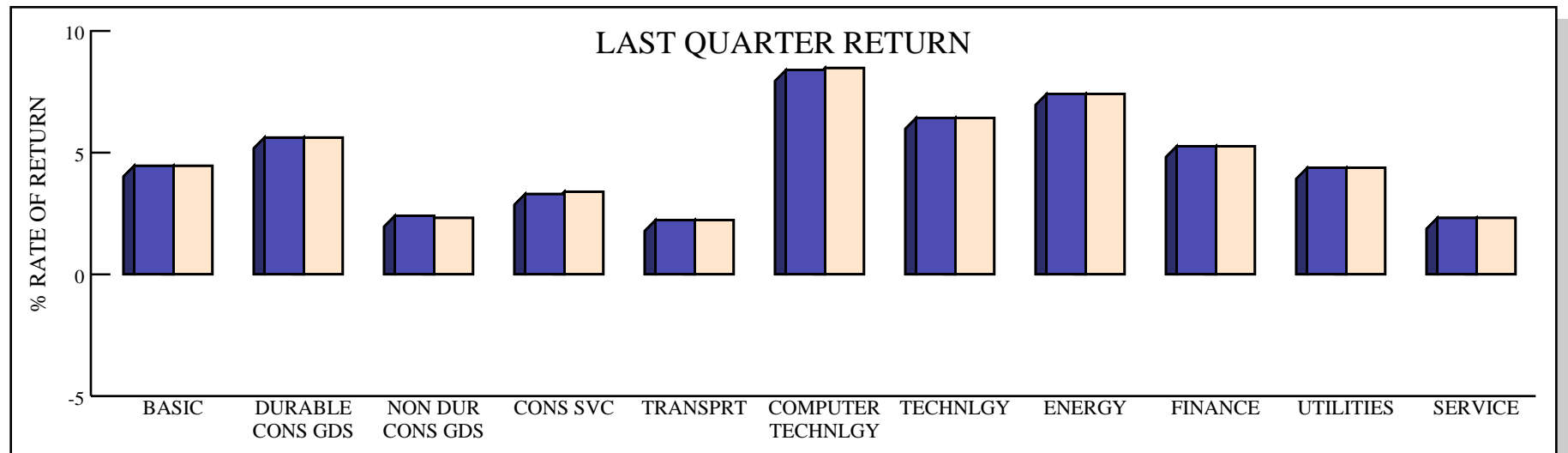
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	505	1.9%	9.5%	24.8	1.02
S&P 500	505	1.9%	9.5%	24.8	1.00



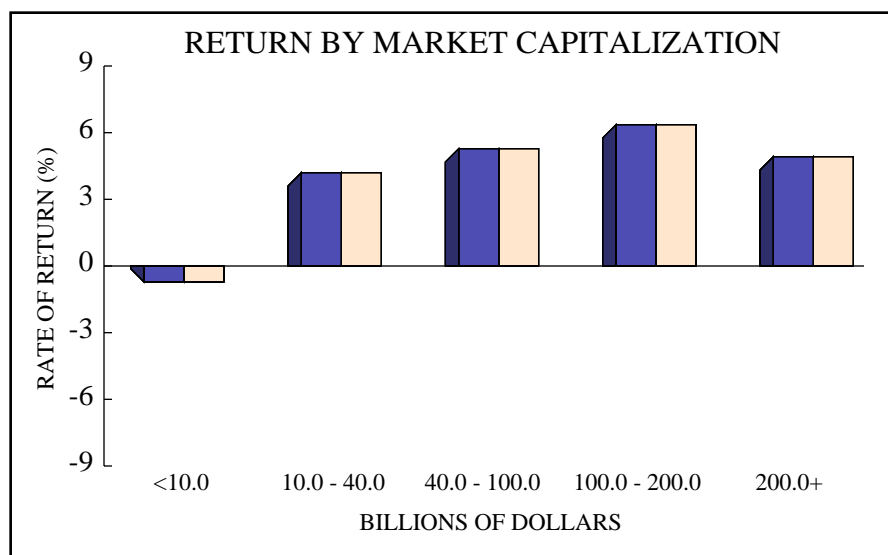
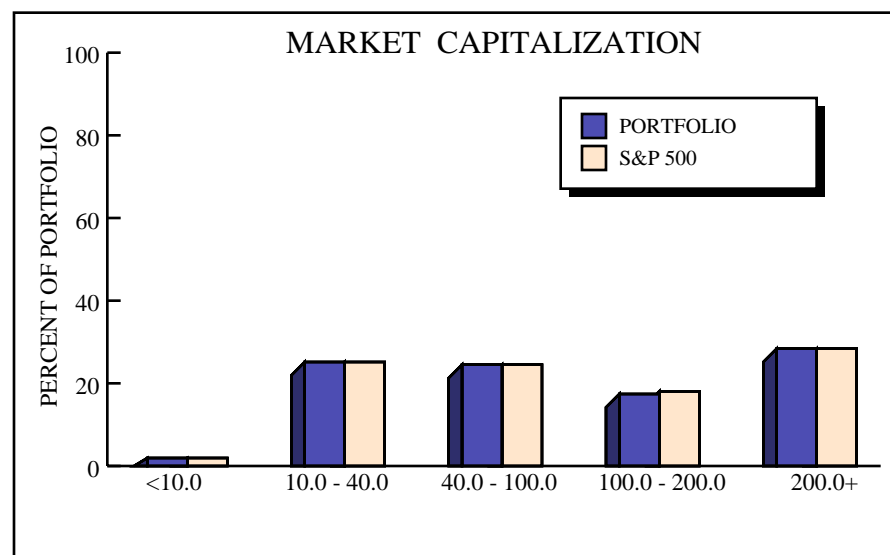
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 1,032,142	3.56%	7.4%	Computer Tech	\$ 796.1 B
2	MICROSOFT CORP	743,932	2.56%	8.6%	Computer Tech	573.7 B
3	AMAZON.COM INC	598,921	2.06%	-0.7%	Consumer Service	461.8 B
4	FACEBOOK INC-A	525,083	1.81%	13.2%	Computer Tech	405.0 B
5	JOHNSON & JOHNSON	452,435	1.56%	-1.1%	NonDur Cons Goods	348.9 B
6	EXXON MOBIL CORP	450,398	1.55%	2.5%	Energy	347.4 B
7	JPMORGAN CHASE & CO	435,812	1.50%	5.0%	Finance	336.1 B
8	ALPHABET INC-CL C	432,559	1.49%	5.5%	Computer Tech	333.5 B
9	ALPHABET INC-CL A	375,856	1.30%	4.7%	Computer Tech	290.2 B
10	WELLS FARGO & CO	354,945	1.22%	0.2%	Finance	273.8 B

DAVIE POLICE PENSION PLAN  
CLEARBRIDGE - LARGE CAP GROWTH  
PERFORMANCE REVIEW  
SEPTEMBER 2017

## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan's Clearbridge Large Cap Growth portfolio was valued at \$7,993,918, representing an increase of \$408,394 from the June quarter's ending value of \$7,585,524. Last quarter, the Fund posted withdrawals totaling \$9,278, which partially offset the portfolio's net investment return of \$417,672. Income receipts totaling \$19,749 plus net realized and unrealized capital gains of \$397,923 combined to produce the portfolio's net investment return.

For the cumulative period since June 2017, the fund has recorded net withdrawals totaling \$9,278 and posted net investment gains of \$417,672. For the period since June 2017, if the total fund had returned its assumed rate of return, it would have been valued at \$7.7 million or \$277,559 less than the actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the Clearbridge Large Cap Growth portfolio gained 5.5%, which was 0.4% below the Russell 1000 Growth Index's return of 5.9% and ranked in the 46th percentile of the Large Cap Growth universe.

## **ASSET ALLOCATION**

On September 30th, 2017, large cap equities comprised 97.6% of the total portfolio (\$7.8 million), while cash & equivalents comprised the remaining 2.4% (\$195,668).

## **ANALYSIS**

At the close of the third quarter, the Clearbridge portfolio was diversified across ten of the eleven industry sectors utilized in our analysis, with the Utilities sector being excluded. Relative to the Russell 1000 Growth index, the portfolio was notably overweight in the Non-Durable Consumer Goods, Energy, Finance, and Service sectors, while underweight in Basic, Computer Technology, and Technology.

In the third quarter the Clearbridge fund managed to fall slightly below the Russell 1000 Growth index. Mixed industry sector returns resulted in five of the ten invested sectors underperforming. Unfortunately the highly allocated Consumer Service, as well as the overweight Energy, Finance, and Service sectors all underperformed. Conversely the Non-Durable Consumer Goods and Computer Technology sectors managed to surpass their counterparts while holding significant portfolio weight, pushing the fund back in line with the index. The most striking sector gain was seen in Transportation, but a low allocation hindered overall impact. Similarly the Basic and Energy sectors fell behind by a significant margin, but their allocations proved beneficial for the total return.



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year
<b>Total Portfolio - Gross</b>	5.5	----	----	----
<i>LARGE CAP GROWTH RANK</i>	(46)	----	----	----
<b>Total Portfolio - Net</b>	5.4	----	----	----
Russell 1000G	5.9	21.9	12.7	15.3
<b>Large Cap Equity - Gross</b>	5.7	----	----	----
<i>LARGE CAP GROWTH RANK</i>	(43)	----	----	----
Russell 1000G	5.9	21.9	12.7	15.3

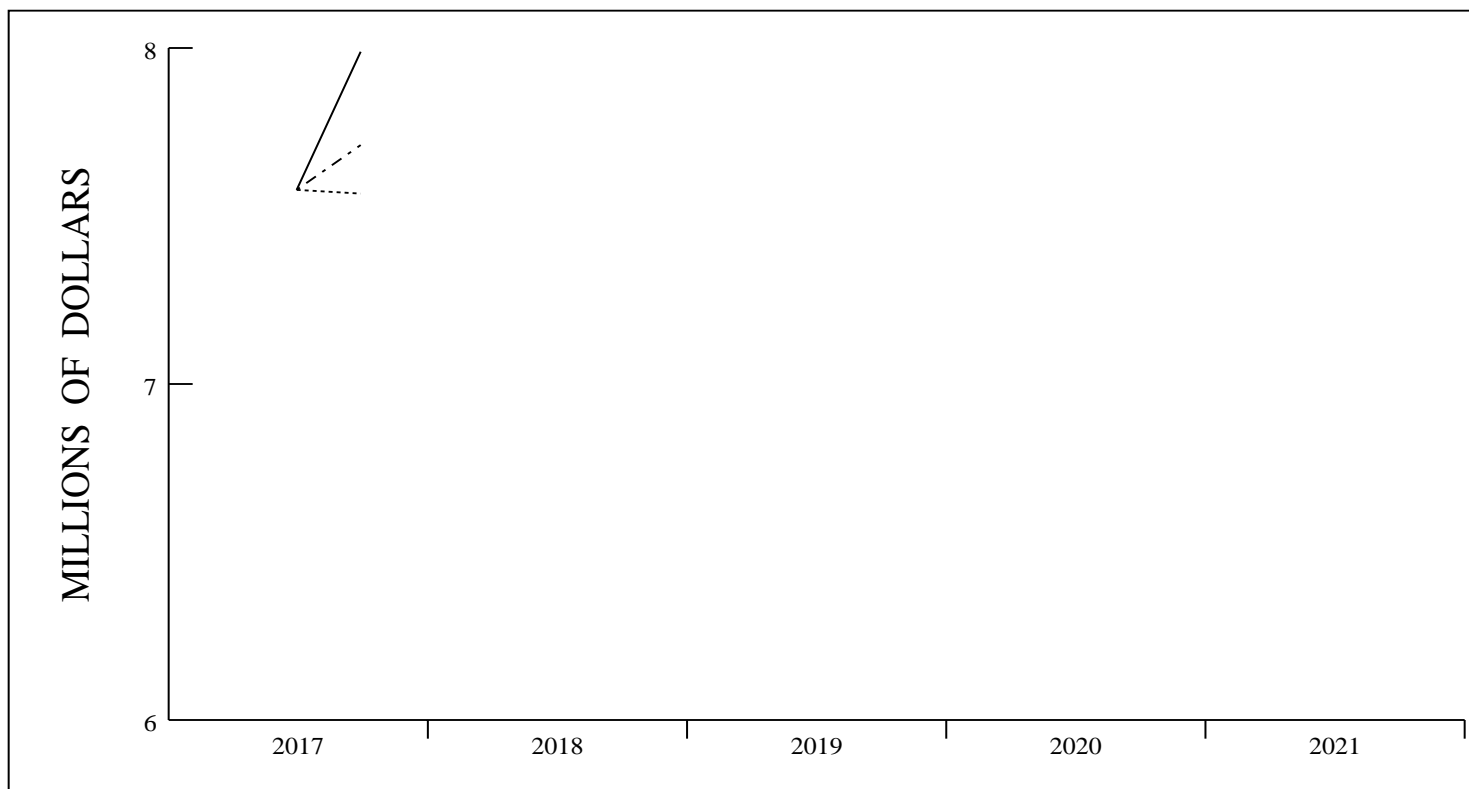
**ASSET ALLOCATION**

Large Cap Equity	97.6%	\$ 7,798,250
Cash	2.4%	195,668
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 7,993,918</b>

**INVESTMENT RETURN**

Market Value 6/2017	\$ 7,585,524
Contribs / Withdrawals	- 9,278
Income	19,749
Capital Gains / Losses	397,923
Market Value 9/2017	\$ 7,993,918

**INVESTMENT GROWTH**

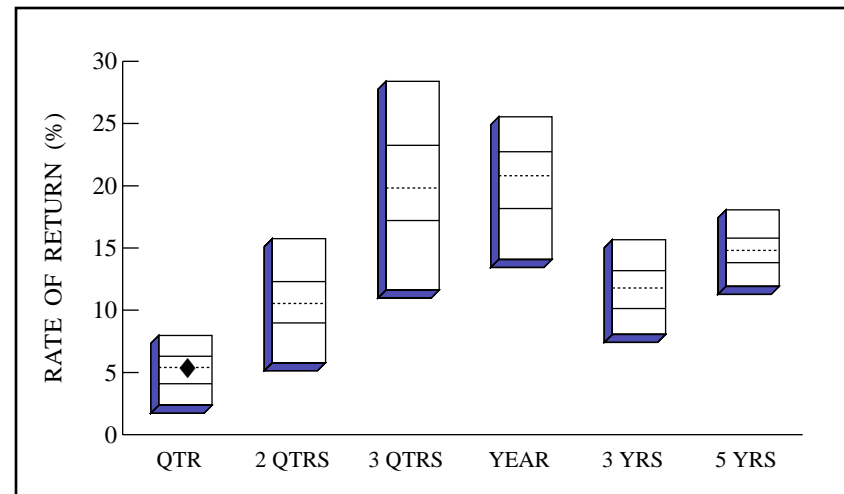
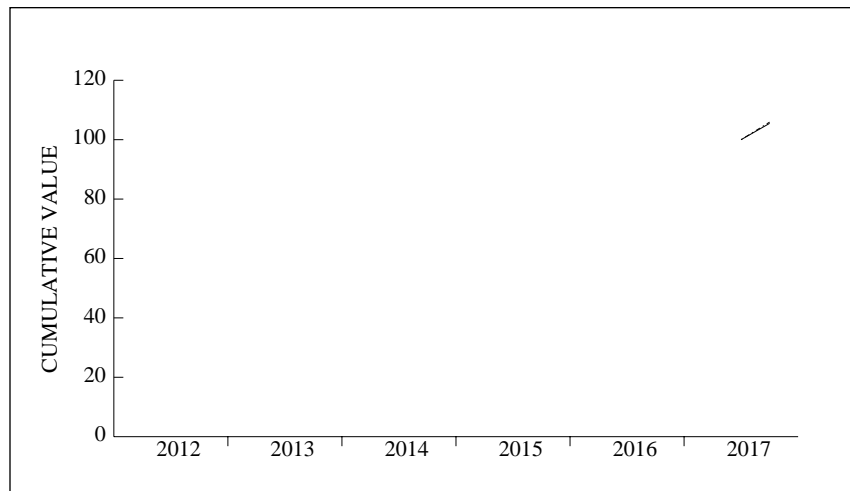


—————	ACTUAL RETURN
- - - - -	DAVIE BLENDED A/R
.....	0.0%

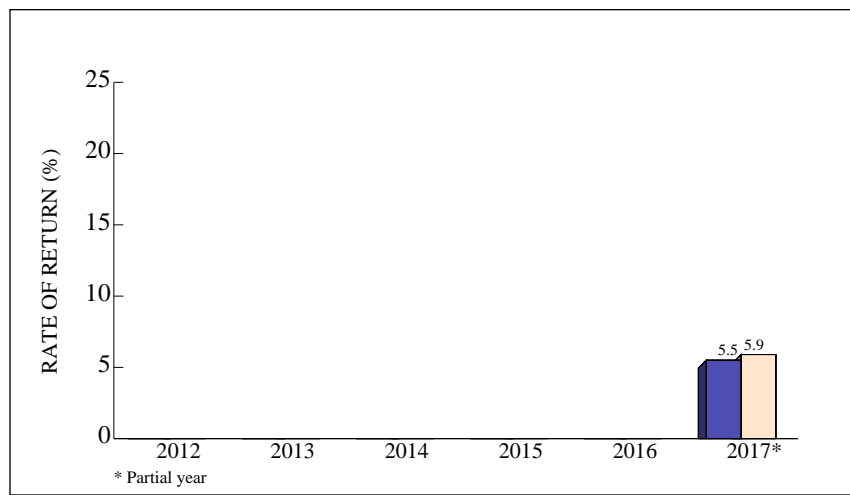
VALUE ASSUMING	
DAVIE A/R	\$ 7,716,359

	LAST QUARTER	LAST QUARTER
BEGINNING VALUE	\$ 7,585,524	\$ 7,585,524
NET CONTRIBUTIONS	- 9,278	- 9,278
<u>INVESTMENT RETURN</u>	<u>417,672</u>	<u>417,672</u>
ENDING VALUE	\$ 7,993,918	\$ 7,993,918
INCOME	19,749	19,749
<u>CAPITAL GAINS (LOSSES)</u>	<u>397,923</u>	<u>397,923</u>
INVESTMENT RETURN	417,672	417,672

**TOTAL RETURN COMPARISONS**



Large Cap Growth Universe

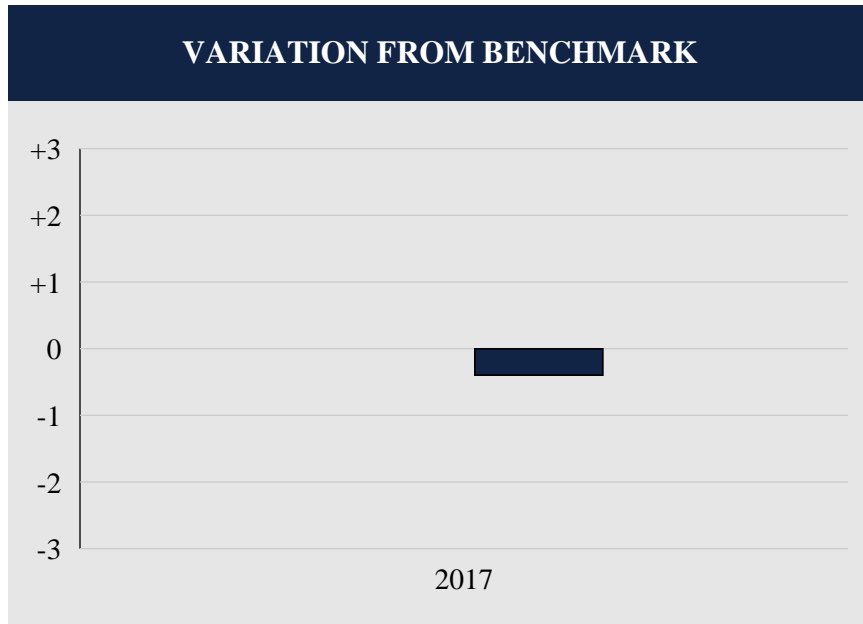


	<u>QTR</u>	<u>2 QTRS</u>	<u>3 QTRS</u>	<u>YEAR</u>	-----ANNUALIZED-----	
					<u>3 YRS</u>	<u>5 YRS</u>
RETURN	5.5	---	---	---	---	---
(RANK)	(46)	---	---	---	---	---
5TH %ILE	8.0	15.8	28.4	25.5	15.7	18.1
25TH %ILE	6.3	12.3	23.2	22.7	13.2	15.8
MEDIAN	5.4	10.5	19.8	20.8	11.8	14.8
75TH %ILE	4.1	9.0	17.2	18.2	10.1	13.8
95TH %ILE	2.4	5.8	11.6	14.1	8.1	11.9
<b>Russ 1000G</b>	<b>5.9</b>	<b>10.8</b>	<b>20.7</b>	<b>21.9</b>	<b>12.7</b>	<b>15.3</b>

Large Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

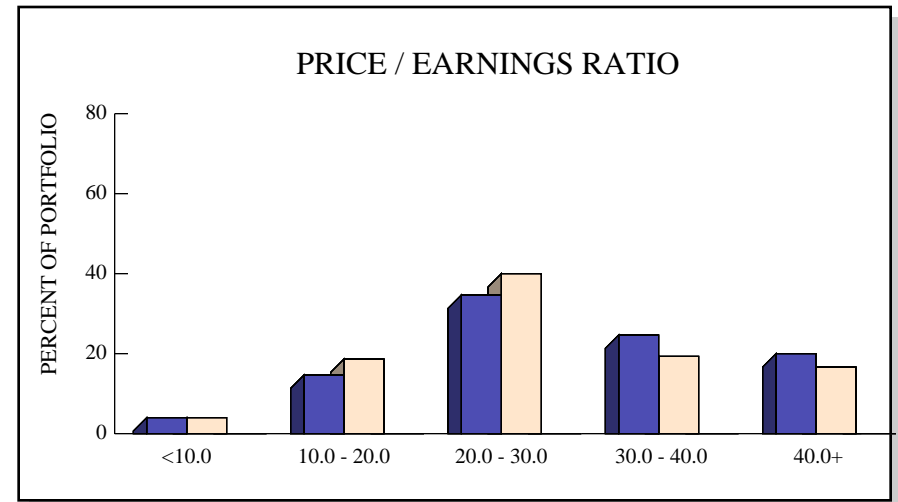
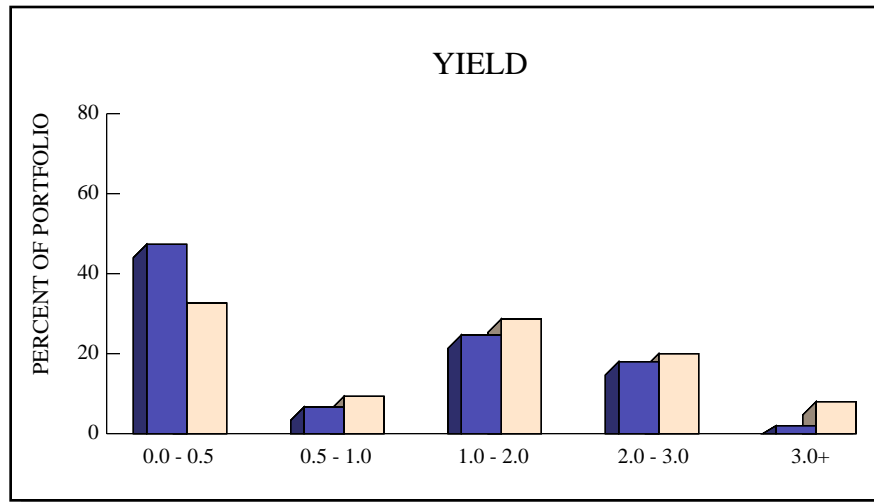
**COMPARATIVE BENCHMARK: RUSSELL 1000 GROWTH**



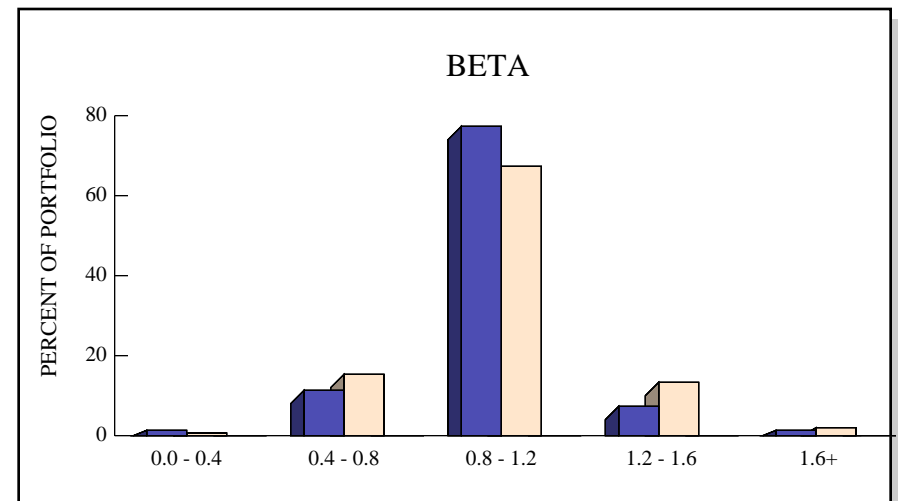
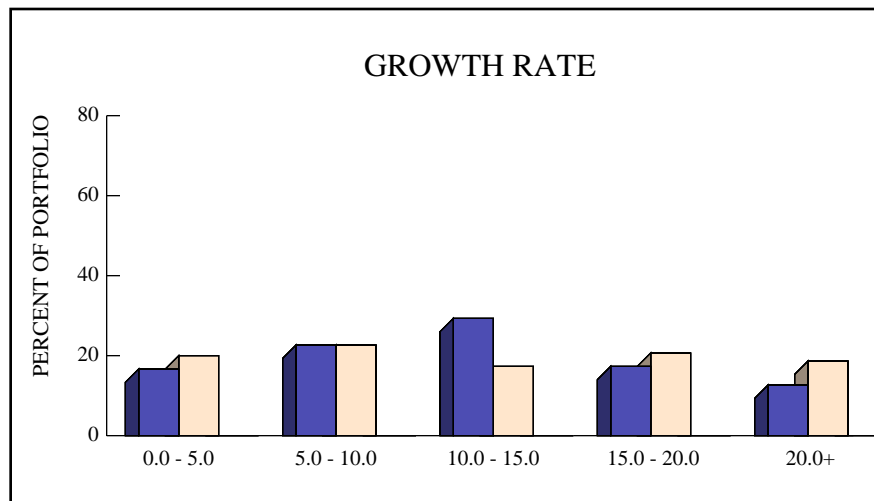
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/17	5.5	5.9	-0.4

<b>Total Quarters Observed</b>	<b>1</b>
<b>Quarters At or Above the Benchmark</b>	<b>0</b>
<b>Quarters Below the Benchmark</b>	<b>1</b>
<b>Batting Average</b>	<b>.000</b>

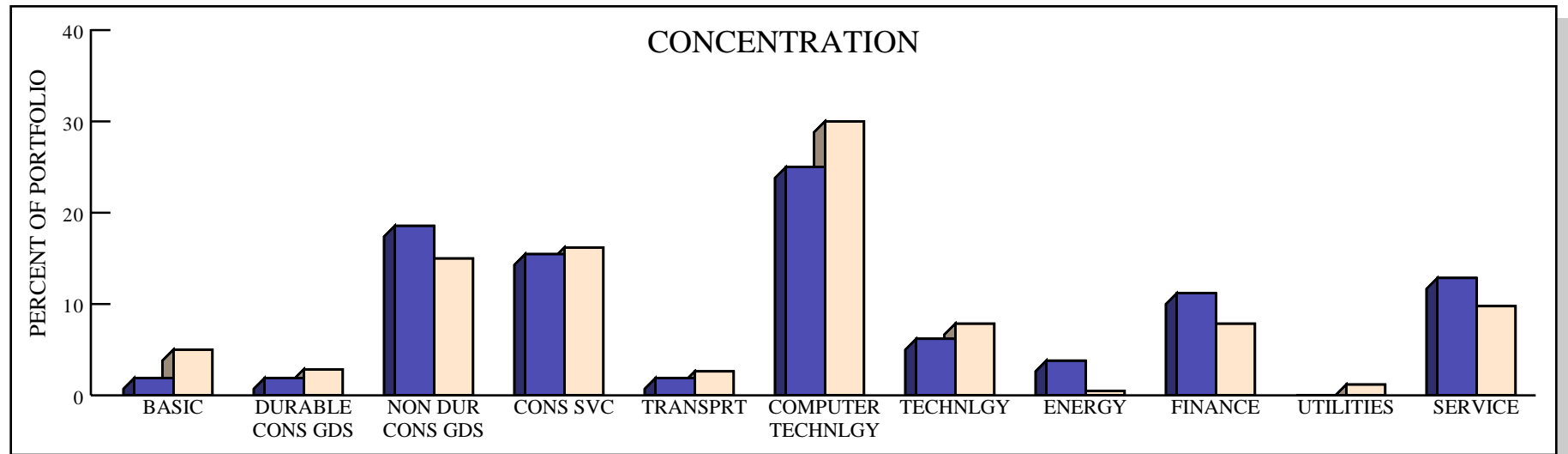
**STOCK CHARACTERISTICS**



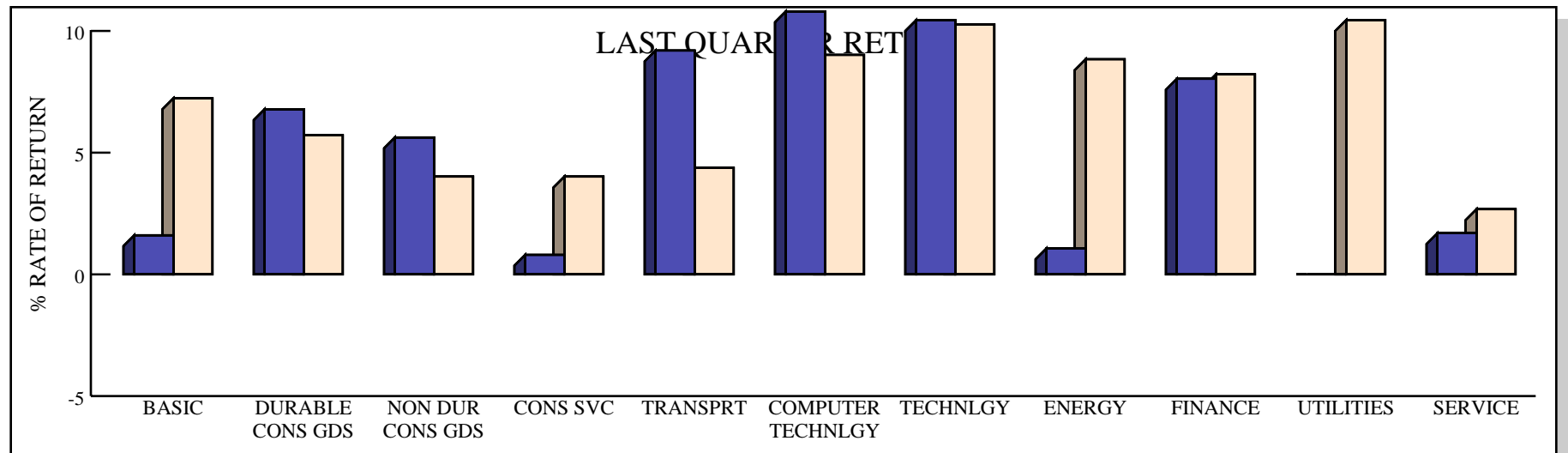
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	47	1.0%	10.8%	31.6	1.01
RUSSELL 1000G	550	1.3%	13.5%	29.0	1.04



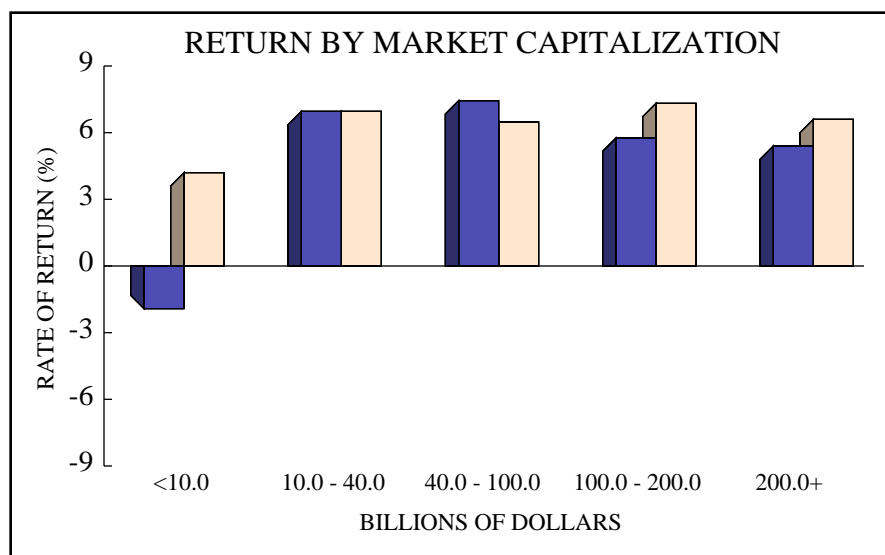
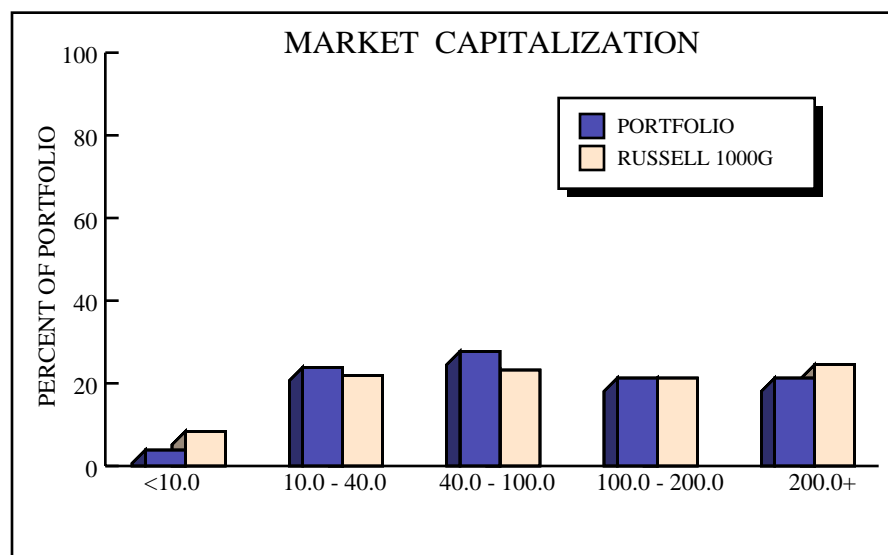
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 GROWTH



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	AMAZON.COM INC	\$ 365,313	4.68%	-0.7%	Consumer Service	\$ 461.8 B
2	CELGENE CORP	296,015	3.80%	12.3%	NonDur Cons Goods	114.1 B
3	MICROSOFT CORP	283,807	3.64%	8.6%	Computer Tech	573.7 B
4	VISA INC-CLASS A SHARES	264,152	3.39%	12.4%	Finance	192.5 B
5	ALPHABET INC-CL C	230,186	2.95%	5.5%	Computer Tech	333.5 B
6	UNITEDHEALTH GROUP INC	223,269	2.86%	6.0%	Consumer Service	189.4 B
7	FACEBOOK INC-A	222,131	2.85%	13.2%	Computer Tech	405.0 B
8	COMCAST CORP-CLASS A	217,797	2.79%	-0.8%	Service	181.0 B
9	HOME DEPOT INC	212,628	2.73%	7.1%	Consumer Service	192.8 B
10	ADOBE SYSTEMS INC	187,967	2.41%	5.5%	Computer Tech	73.5 B

DAVIE POLICE PENSION PLAN  
LYRICAL ASSET MANAGEMENT - U.S VALUE EQUITY  
PERFORMANCE REVIEW  
SEPTEMBER 2017



## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan's Lyrical Asset Management U.S Value Equity portfolio was valued at \$10,131,048, representing an increase of \$428,041 from the June quarter's ending value of \$9,703,007. Last quarter, the Fund posted withdrawals totaling \$19,290, which partially offset the portfolio's net investment return of \$447,331. Income receipts totaling \$37,635 plus net realized and unrealized capital gains of \$409,696 combined to produce the portfolio's net investment return.

For the cumulative period since March 2015, the fund has recorded net contributions totaling \$1.8 million, and recorded net investment gains of \$2.4 million. For the period since March 2015, if the total fund had returned its assumed rate of return, it would have been valued at \$9.2 million or \$936,055 less than the actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the Lyrical Asset Management U.S Value Equity portfolio gained 4.6%, which was 1.5% above the Russell 1000 Value Index's return of 3.1% and ranked in the 34th percentile of the Large Cap Value universe. Over the trailing year, the portfolio returned 23.5%, which was 8.4% greater than the benchmark's 15.1% performance, and ranked in the 10th percentile. Since March 2015, the portfolio returned 9.1% on an annualized basis and ranked in the 46th percentile. For comparison, the Russell 1000 Value returned an annualized 8.5% over the same period.

## **ASSET ALLOCATION**

On September 30th, 2017, large cap equities comprised 98.5% of the total portfolio (\$10.0 million), while cash & equivalents totaled 1.5% (\$147,399).

## **ANALYSIS**

At the end of the third quarter, the Lyrical portfolio was invested across nine of the eleven industry sectors utilized in our analysis. Relative to the Russell 1000 Value Index, the portfolio was overweight in the Basic, Durable Consumer Goods, Consumer Service, Computer Technology, Technology, and Service sectors. It was underweight in the Non-Durable Consumer Goods, Energy and Finance sectors, and held no assets under Transportation or Utilities.

Mixed selection effects led the Lyrical portfolio to surpass the Russell 1000 Value index in five of the nine invested sectors. Fortunately heavily weighted sectors like Consumer Service and Finance managed to surpass their counterparts, and both of which managed to do so by a significant margin. The notably overweight Technology and Service sectors also outpaced the index, further securing a lead. Conversely, the Durable Consumer Goods and Non-Durable Consumer Goods sectors suffered losses while the benchmark showed gains. The overweight Computer Technology similarly posted a result below the index, but it wasn't enough to undo the gains from the previously mentioned industry sectors.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year	Since 03/15
<b>Total Portfolio - Gross</b>	4.6	23.5	----	----	9.1
<i>LARGE CAP VALUE RANK</i>	(34)	(10)	----	----	(46)
<b>Total Portfolio - Net</b>	4.4	22.7	----	----	8.3
Russell 1000V	3.1	15.1	8.5	13.2	8.5
<b>Large Cap Equity - Gross</b>	4.7	23.9	----	----	9.2
<i>LARGE CAP VALUE RANK</i>	(31)	( 8)	----	----	(44)
Russell 1000V	3.1	15.1	8.5	13.2	8.5

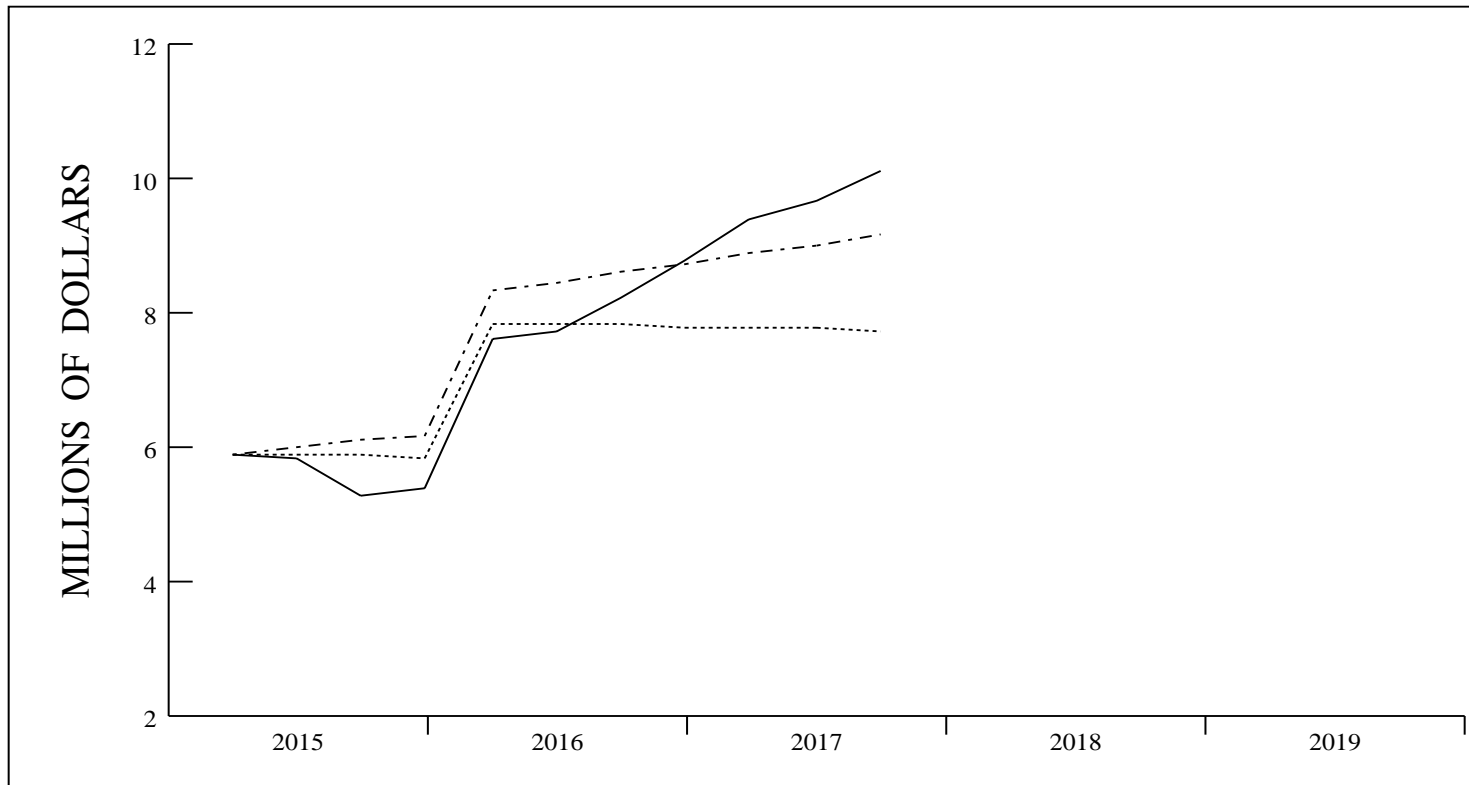
**ASSET ALLOCATION**

Large Cap Equity	98.5%	\$ 9,983,649
Cash	1.5%	147,399
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 10,131,048</b>

**INVESTMENT RETURN**

Market Value 6/2017	\$ 9,703,007
Contribs / Withdrawals	- 19,290
Income	37,635
Capital Gains / Losses	409,696
Market Value 9/2017	\$ 10,131,048

**INVESTMENT GROWTH**

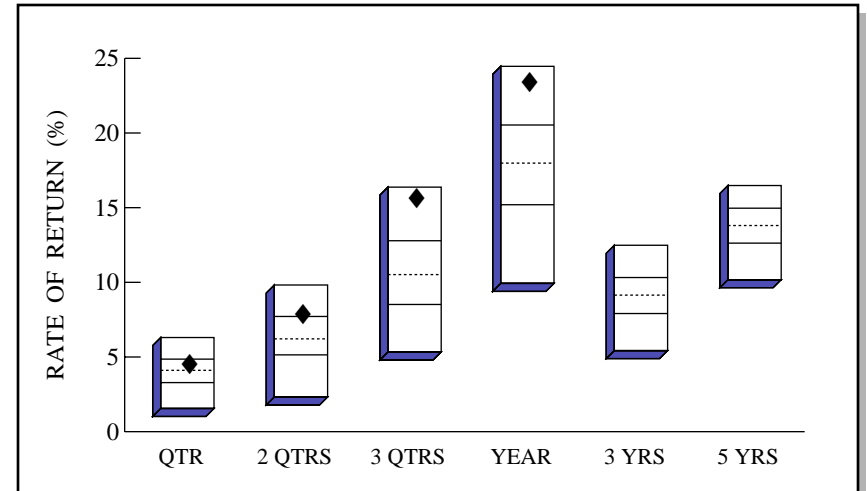
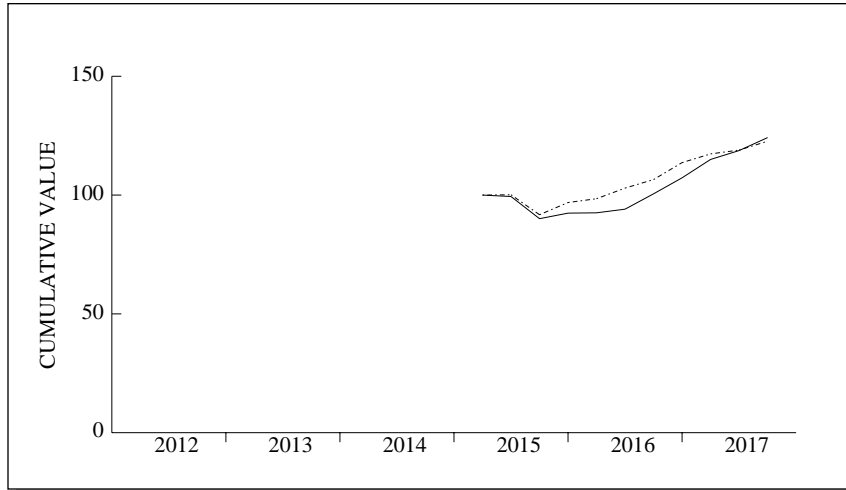


——— ACTUAL RETURN  
 - - - - - DAVIE BLENDED A/R  
 ..... 0.0%

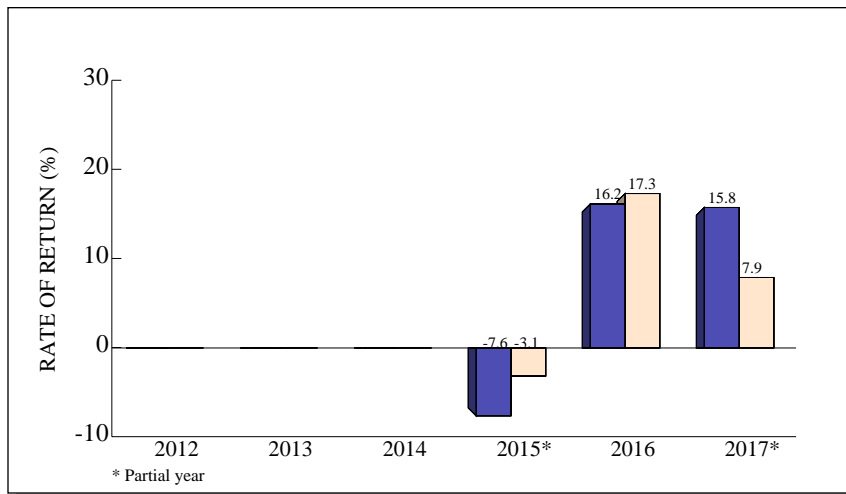
VALUE ASSUMING  
 DAVIE A/R      \$ 9,194,993

	LAST QUARTER	PERIOD 3/15 - 9/17
BEGINNING VALUE	\$ 9,703,007	\$ 5,919,873
NET CONTRIBUTIONS	- 19,290	1,846,891
INVESTMENT RETURN	<u>447,331</u>	<u>2,364,284</u>
ENDING VALUE	\$ 10,131,048	\$ 10,131,048
INCOME	37,635	374,264
CAPITAL GAINS (LOSSES)	<u>409,696</u>	<u>1,990,020</u>
INVESTMENT RETURN	447,331	2,364,284

**TOTAL RETURN COMPARISONS**



Large Cap Value Universe

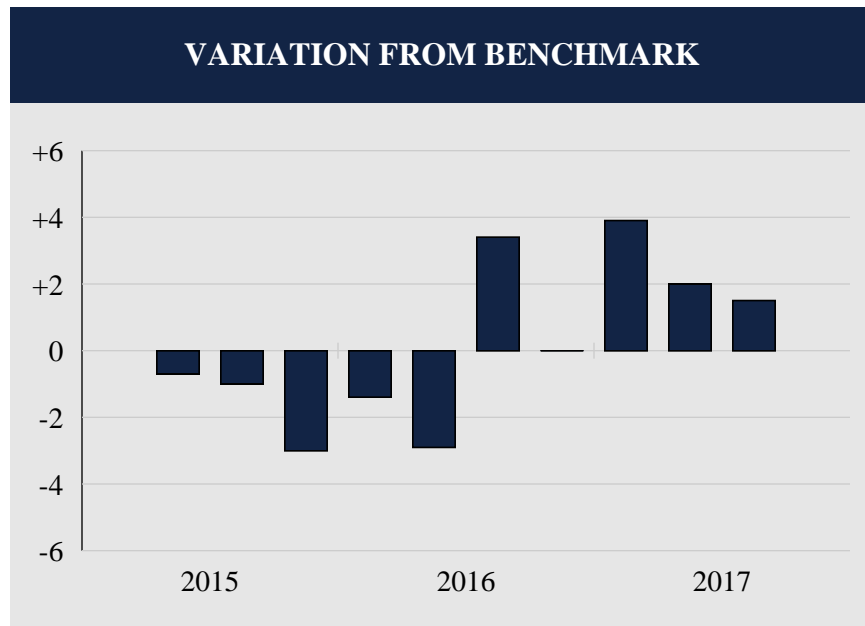


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	4.6	8.0	15.8	23.5	----	----
(RANK)	(34)	(21)	(9)	(10)	----	----
5TH %ILE	6.3	9.8	16.4	24.5	12.5	16.5
25TH %ILE	4.9	7.7	12.8	20.5	10.3	15.0
MEDIAN	4.1	6.2	10.5	18.0	9.1	13.8
75TH %ILE	3.3	5.2	8.5	15.2	7.9	12.6
95TH %ILE	1.6	2.3	5.3	9.9	5.4	10.2
<b>Russ 1000V</b>	<b>3.1</b>	<b>4.5</b>	<b>7.9</b>	<b>15.1</b>	<b>8.5</b>	<b>13.2</b>

Large Cap Value Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

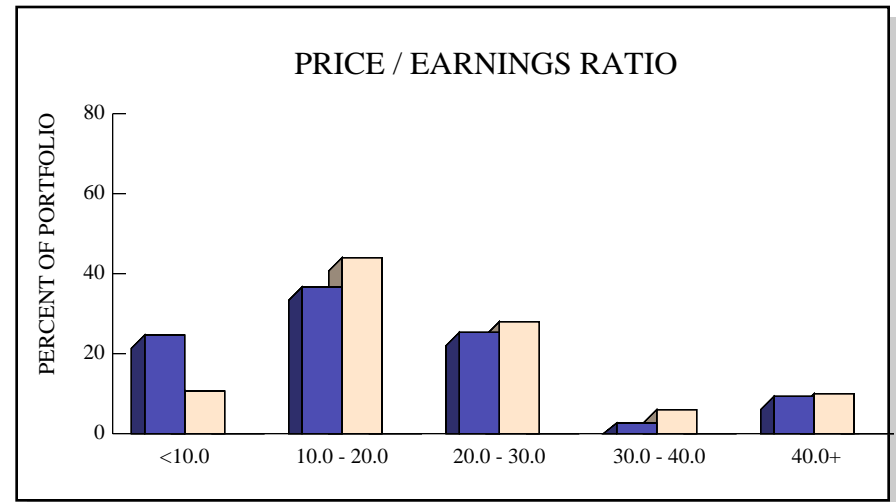
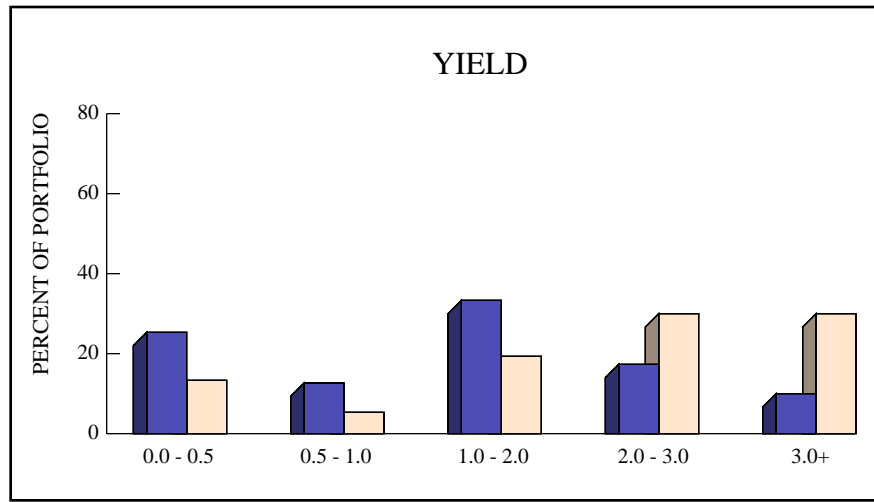
**COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE**



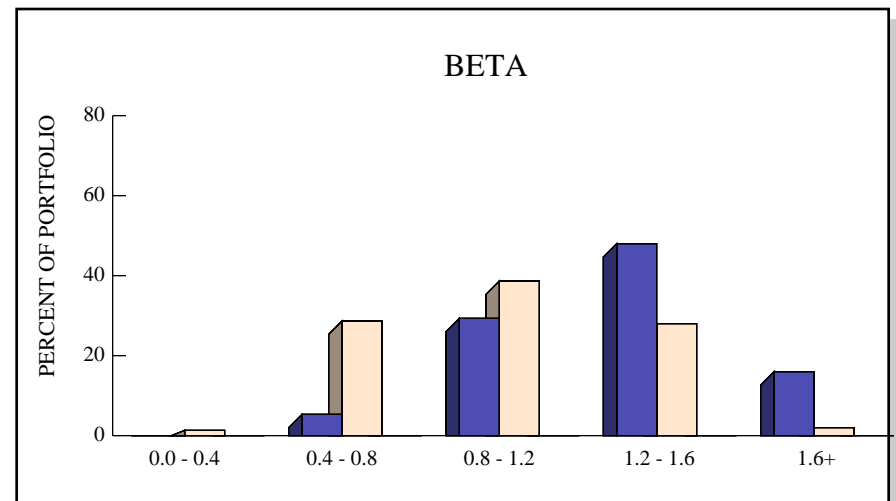
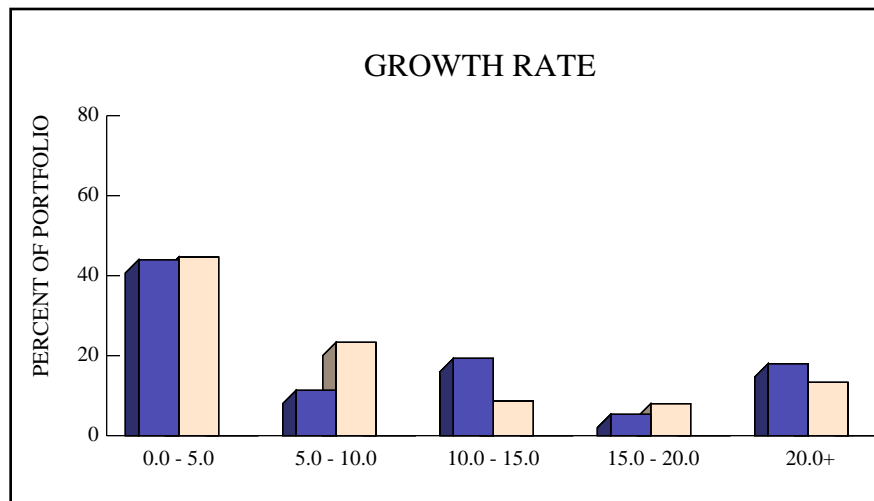
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/15	-0.6	0.1	-0.7
9/15	-9.4	-8.4	-1.0
12/15	2.6	5.6	-3.0
3/16	0.2	1.6	-1.4
6/16	1.7	4.6	-2.9
9/16	6.9	3.5	3.4
12/16	6.7	6.7	0.0
3/17	7.2	3.3	3.9
6/17	3.3	1.3	2.0
9/17	4.6	3.1	1.5

<b>Total Quarters Observed</b>	<b>10</b>
<b>Quarters At or Above the Benchmark</b>	<b>5</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.500</b>

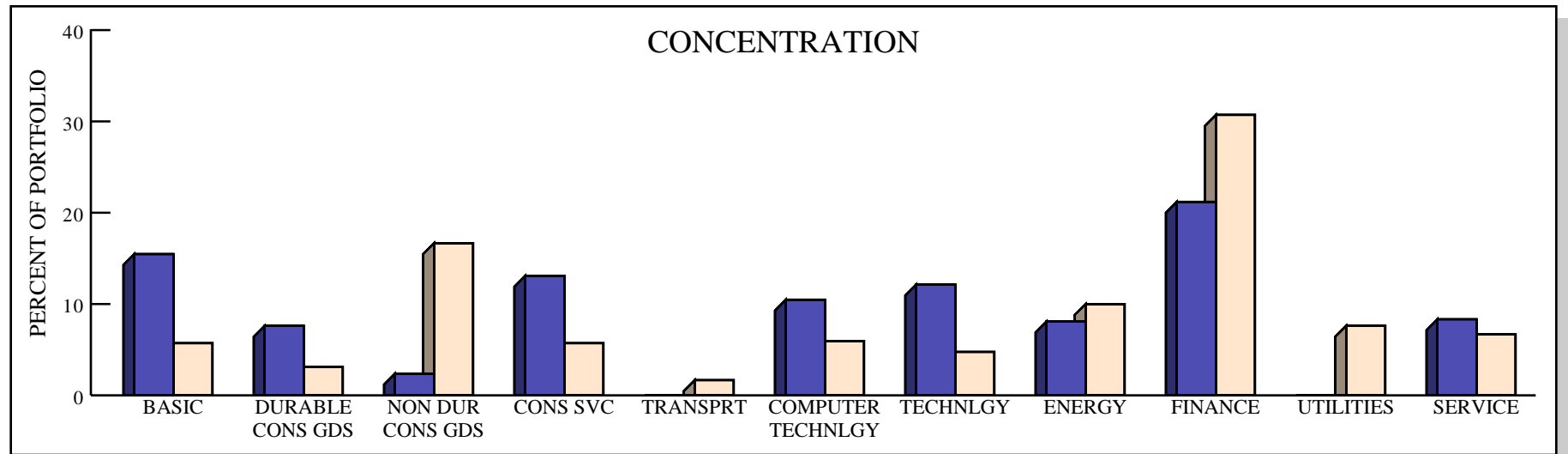
**STOCK CHARACTERISTICS**



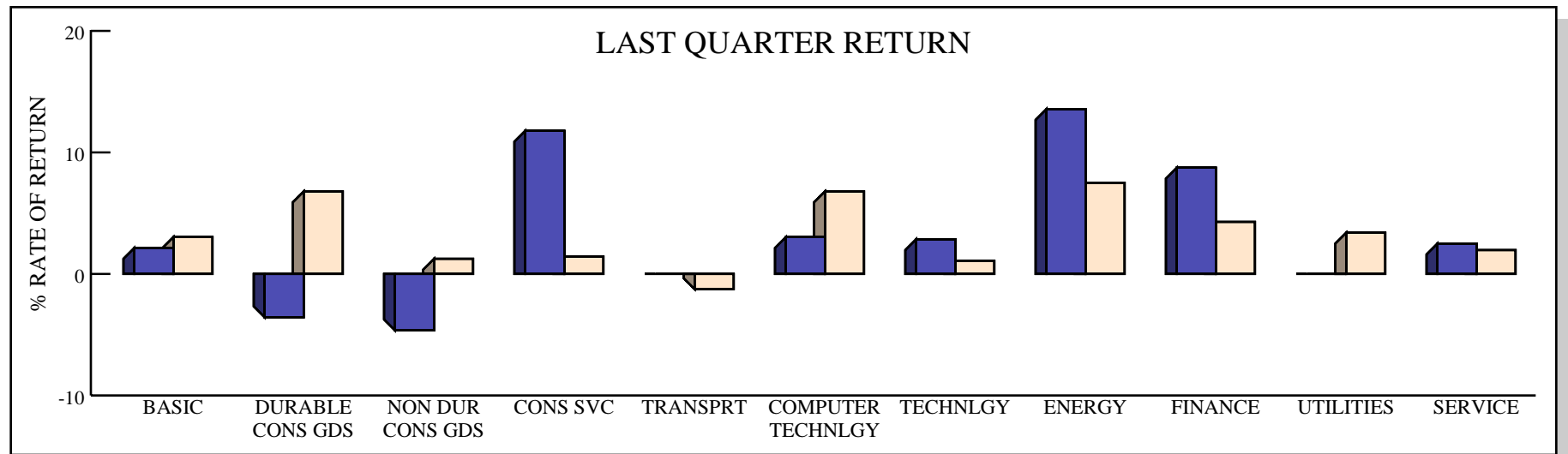
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	33	1.4%	7.6%	16.0	1.26
RUSSELL 1000V	716	2.4%	6.1%	20.3	1.00



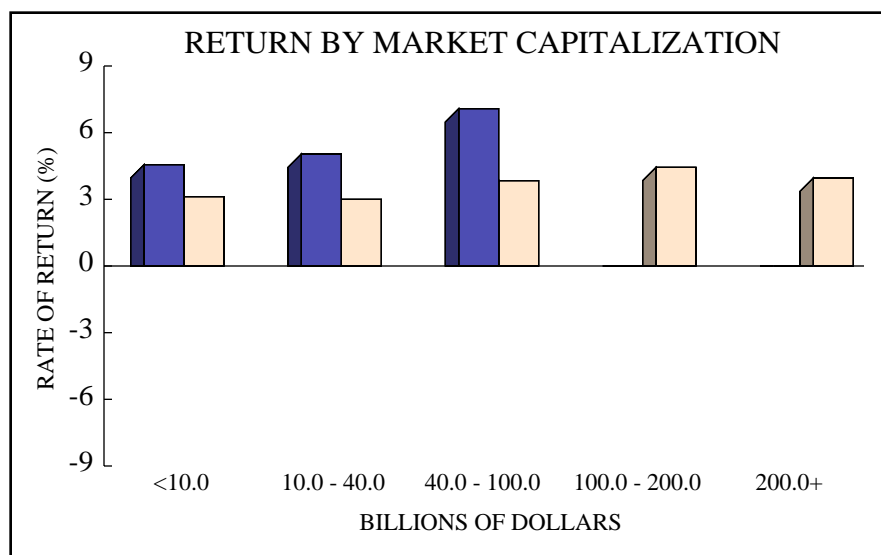
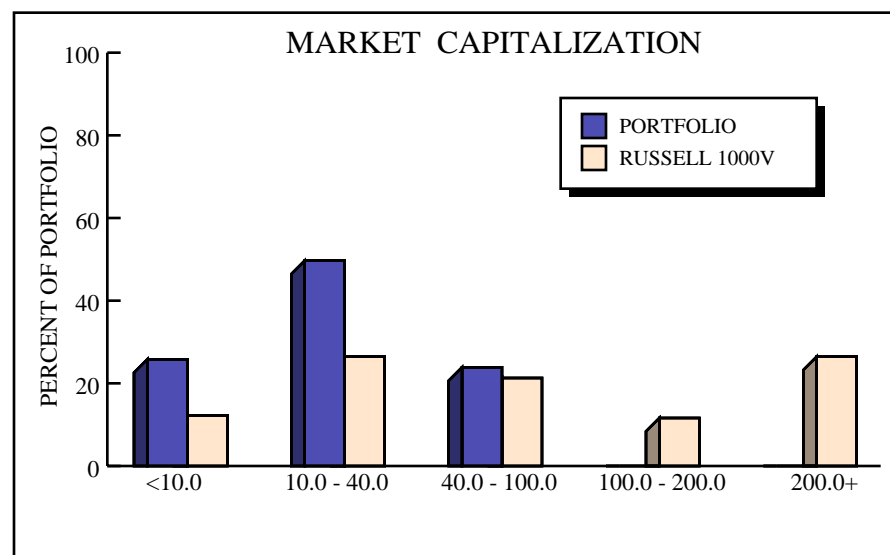
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 VALUE



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	BROADCOM LTD	\$ 555,659	5.57%	4.4%	Computer Tech	\$ 99.0 B
2	AETNA INC	538,249	5.39%	5.0%	Consumer Service	52.8 B
3	ANTHEM INC	463,687	4.64%	1.3%	Consumer Service	49.9 B
4	AFLAC INC	458,470	4.59%	5.3%	Finance	32.2 B
5	CORNING INC	458,315	4.59%	0.1%	Basic	27.0 B
6	AMERIPRISE FINANCIAL INC	447,461	4.48%	17.2%	Finance	22.3 B
7	LINCOLN NATIONAL CORP	433,385	4.34%	9.1%	Finance	16.3 B
8	SUNCOR ENERGY INC	429,082	4.30%	20.0%	Energy	58.1 B
9	TE CONNECTIVITY LTD	429,005	4.30%	6.0%	Technology	29.4 B
10	CELANESE CORP-SERIES A	424,692	4.25%	10.2%	Basic	14.3 B



DAVIE POLICE PENSION PLAN  
CLEARBRIDGE - MID CAP CORE  
PERFORMANCE REVIEW  
SEPTEMBER 2017

## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan's Clearbridge Mid Cap Core portfolio was valued at \$8,697,565, representing an increase of \$206,302 from the June quarter's ending value of \$8,491,263. Last quarter, the Fund posted withdrawals totaling \$14,714, which partially offset the portfolio's net investment return of \$221,016. Income receipts totaling \$26,179 plus net realized and unrealized capital gains of \$194,837 combined to produce the portfolio's net investment return.

For the cumulative period since March 2016, the fund has recorded net withdrawals totaling \$76,636 and posted net investment gains of \$1.6 million. For the period since March 2016, if the total fund had returned its assumed rate of return, it would have been valued at \$7.9 million or \$818,151 less than the actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the Clearbridge Mid Cap Core portfolio gained 2.6%, which was 0.9% below the Russell Mid Cap's return of 3.5% and ranked in the 84th percentile of the Mid Cap Core universe. Over the trailing year, the portfolio returned 17.9%, which was 2.6% greater than the benchmark's 15.3% performance, and ranked in the 36th percentile. Since March 2016, the portfolio returned 14.9% on an annualized basis and ranked in the 79th percentile. For comparison, the Russell Mid Cap returned an annualized 15.6% over the same period.

## **ASSET ALLOCATION**

On September 30th, 2017, mid cap equities comprised 99.7% of the total portfolio (\$8.7 million), while cash & equivalents totaled 0.3% (\$25,875).

## **ANALYSIS**

At the end of the third quarter, the Clearbridge Mid Cap Core Portfolio was invested in all eleven industry sectors used in our analysis. Relative to the Russell Mid Cap Index, the portfolio was overweight in the Durable Consumer Goods, Non-Durable Consumer Goods, Consumer Service, Computer Technology, and Technology sectors. Conversely it was underweight in the Basic, Finance, Utilities, and Service sectors. All other industry sectors tracked the index in weight.

In the third quarter poor selection effects resulted in a slight underperformance relative to the Russell Mid Cap index, as seven of the eleven invested sectors underperformed. Unfortunately some of the more heavily weighted sectors; such as Computer Technology, Finance, and Durable Consumer Goods, were part of the aforementioned seven. The Transportation sector featured the most striking underperformance this quarter, although a very low allocation stunted its overall impact. Further damaging the overall return, Energy and Service posted losses to their counterparts' gains. On the other hand, the overweight Non-Durable Consumer Goods, Consumer Service, and Technology sectors all managed to surpass the benchmark, keeping the fund from falling too far from the index.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year	Since 03/16
<b>Total Portfolio - Gross</b>	2.6	17.9	----	----	14.9
<i>MID CAP CORE RANK</i>	(84)	(36)	----	----	(79)
<b>Total Portfolio - Net</b>	2.4	17.2	----	----	14.1
Russell Mid	3.5	15.3	9.5	14.3	15.6
<b>Mid Cap Equity - Gross</b>	2.6	18.3	----	----	15.2
<i>MID CAP CORE RANK</i>	(84)	(34)	----	----	(73)
Russell Mid	3.5	15.3	9.5	14.3	15.6

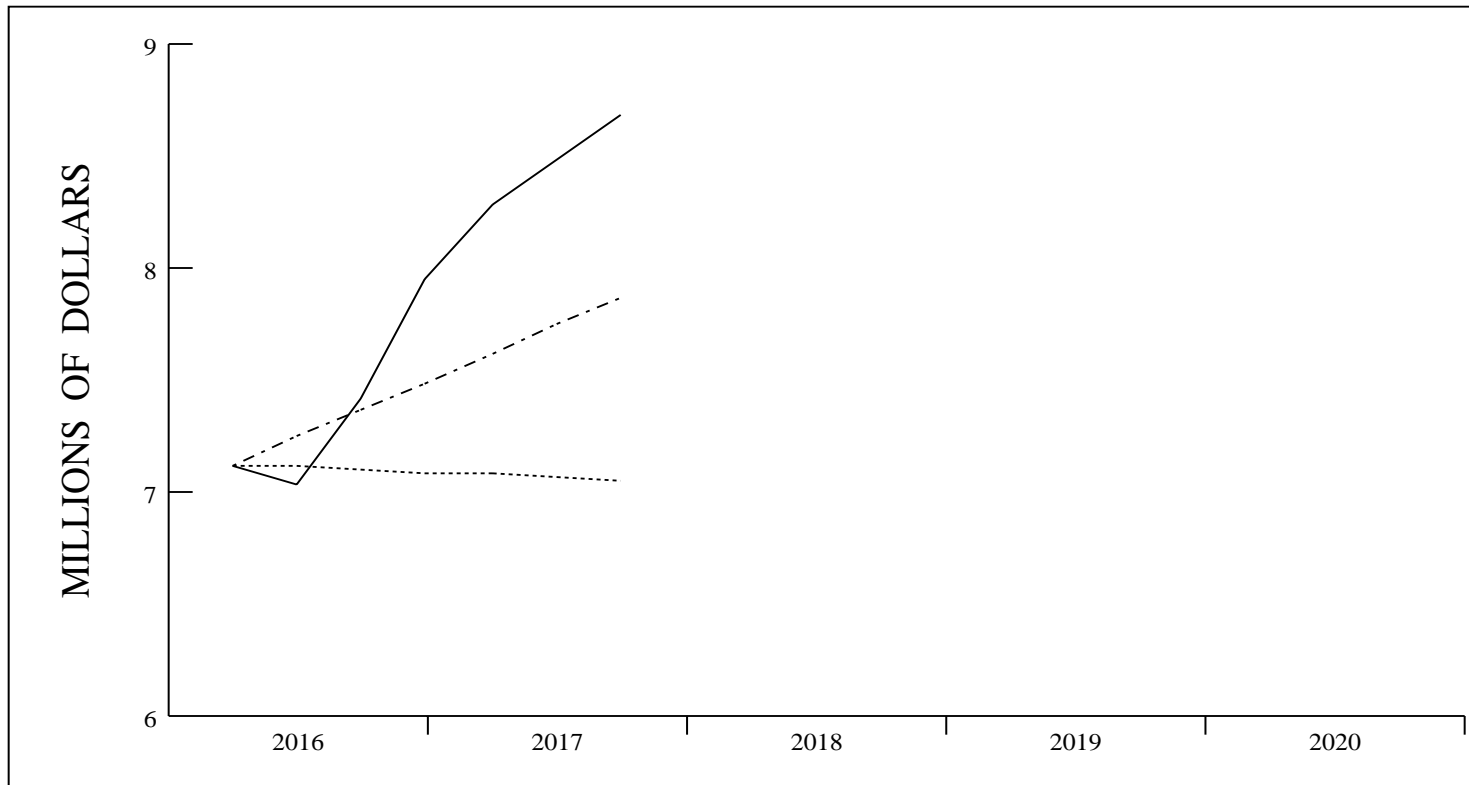
**ASSET ALLOCATION**

Mid Cap Equity	99.7%	\$ 8,671,690
Cash	0.3%	25,875
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 8,697,565</b>

**INVESTMENT RETURN**

Market Value 6/2017	\$ 8,491,263
Contribs / Withdrawals	- 14,714
Income	26,179
Capital Gains / Losses	194,837
Market Value 9/2017	\$ 8,697,565

**INVESTMENT GROWTH**

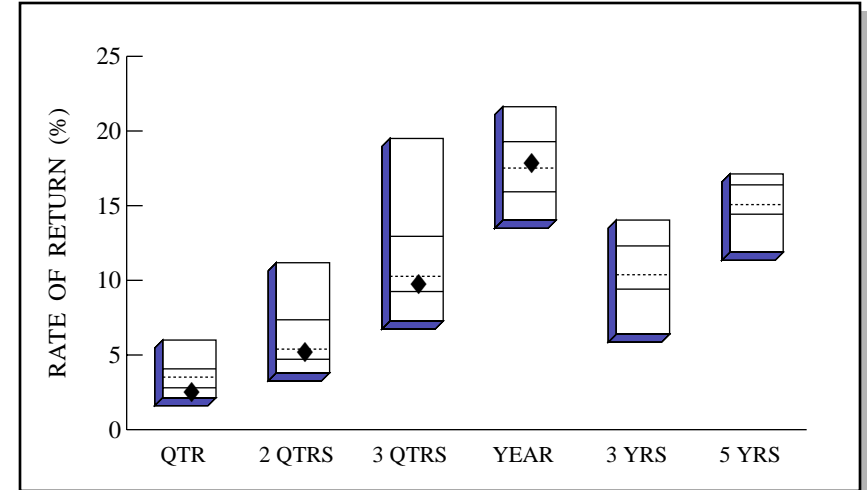
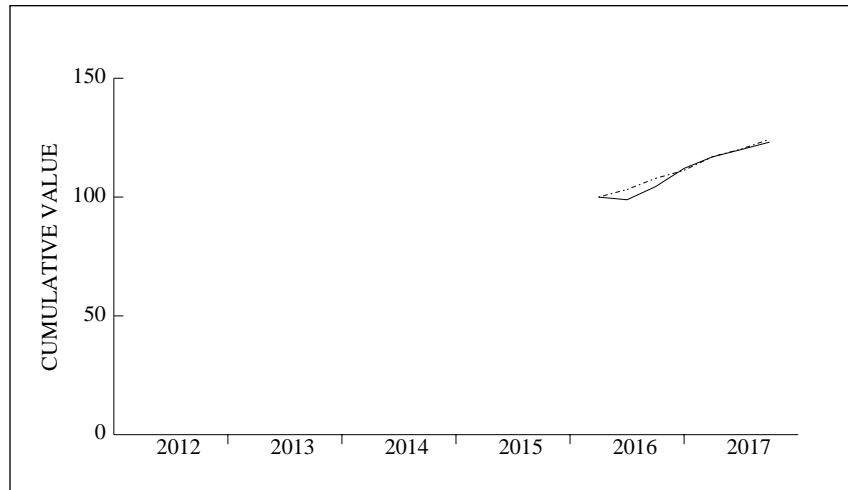


— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

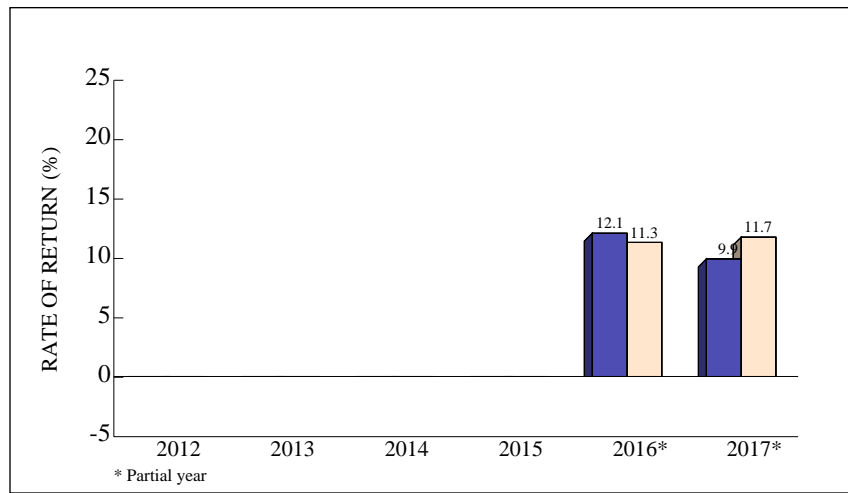
VALUE ASSUMING  
 DAVIE A/R      \$ 7,879,414

	LAST QUARTER	PERIOD 3/16 - 9/17
BEGINNING VALUE	\$ 8,491,263	\$ 7,131,663
NET CONTRIBUTIONS	- 14,714	- 76,636
<u>INVESTMENT RETURN</u>	<u>221,016</u>	<u>1,642,538</u>
ENDING VALUE	\$ 8,697,565	\$ 8,697,565
INCOME	26,179	160,905
<u>CAPITAL GAINS (LOSSES)</u>	<u>194,837</u>	<u>1,481,633</u>
INVESTMENT RETURN	221,016	1,642,538

**TOTAL RETURN COMPARISONS**



Mid Cap Core Universe

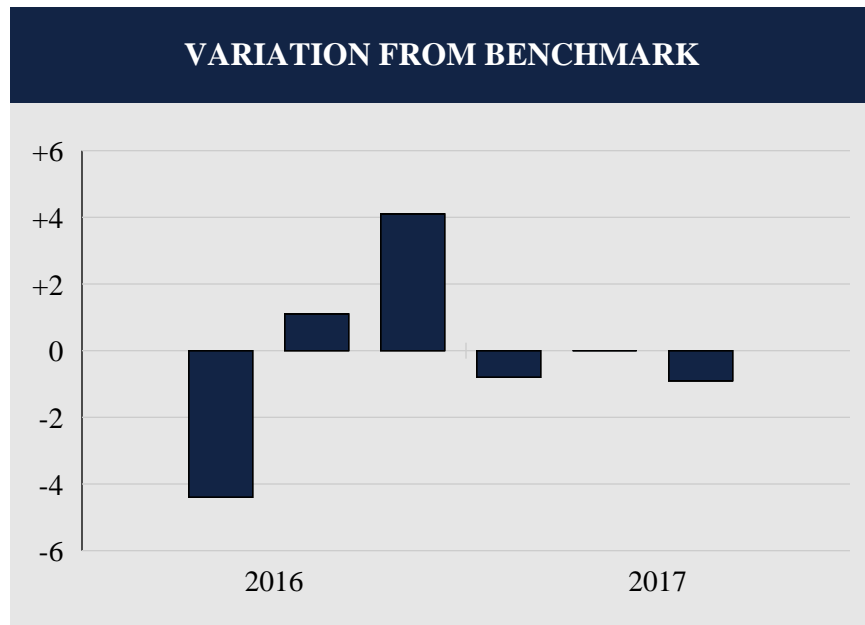


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	2.6	5.3	9.9	17.9	----	----
(RANK)	(84)	(51)	(56)	(36)	----	----
5TH %ILE	6.0	11.2	19.5	21.6	14.0	17.1
25TH %ILE	4.1	7.4	13.0	19.3	12.3	16.4
MEDIAN	3.5	5.4	10.3	17.5	10.4	15.1
75TH %ILE	2.8	4.7	9.3	15.9	9.4	14.4
95TH %ILE	2.2	3.8	7.3	14.0	6.4	11.9
<b>Russ MC</b>	<b>3.5</b>	<b>6.3</b>	<b>11.7</b>	<b>15.3</b>	<b>9.5</b>	<b>14.3</b>

Mid Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

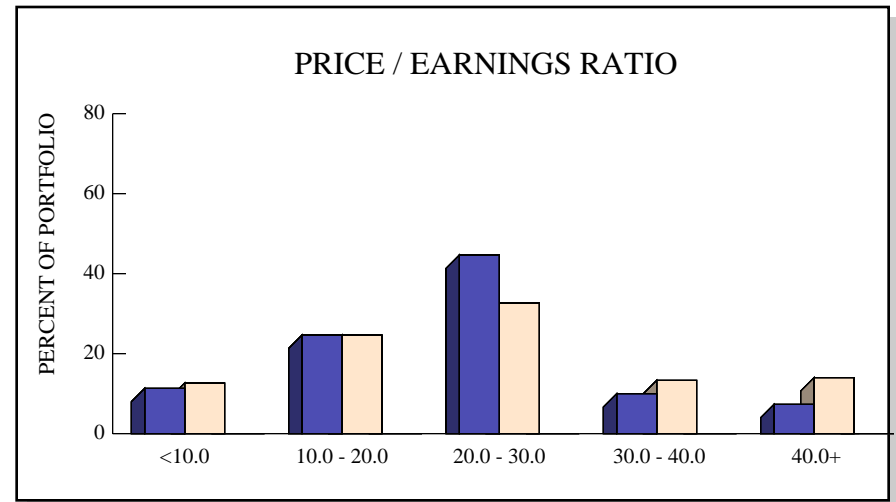
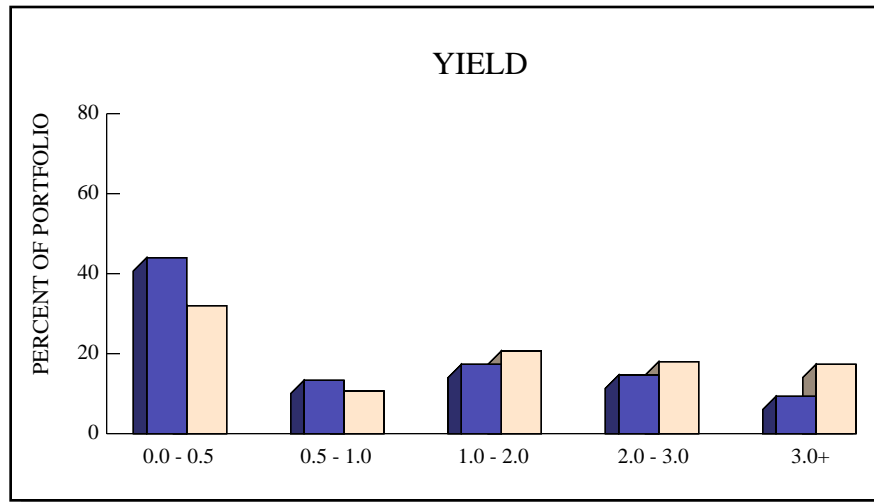
**COMPARATIVE BENCHMARK: RUSSELL MID CAP**



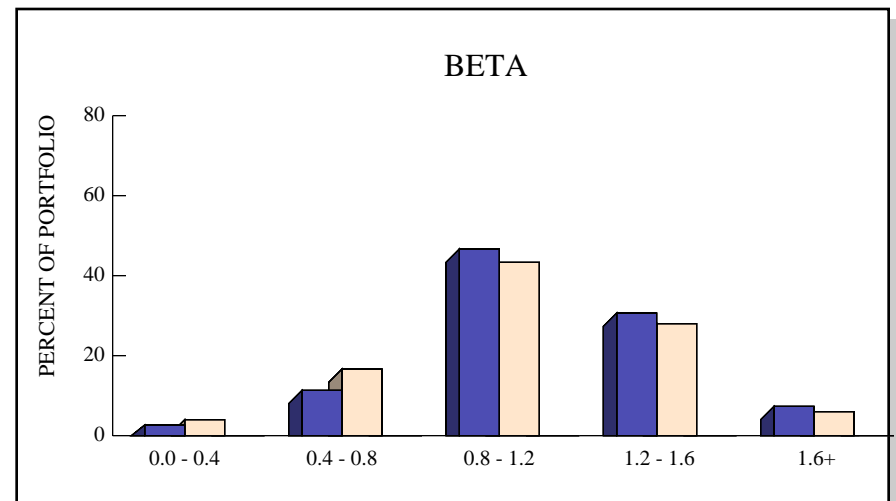
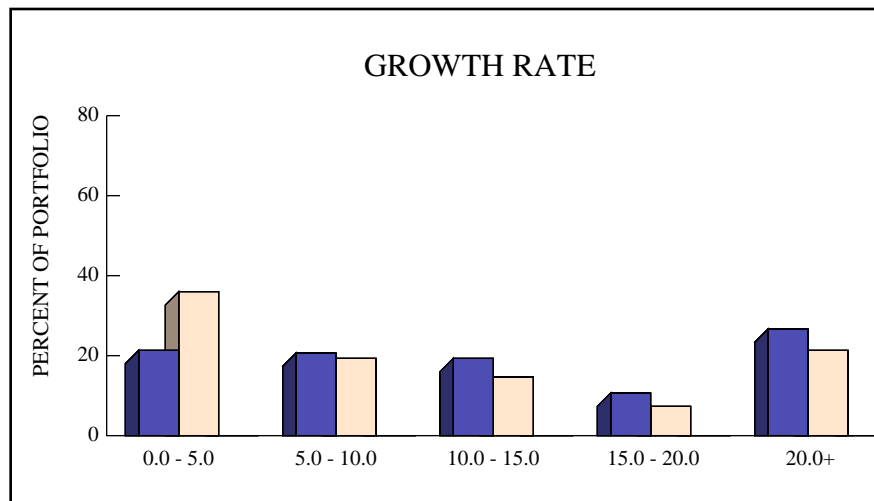
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/16	-1.2	3.2	-4.4
9/16	5.6	4.5	1.1
12/16	7.3	3.2	4.1
3/17	4.3	5.1	-0.8
6/17	2.7	2.7	0.0
9/17	2.6	3.5	-0.9

<b>Total Quarters Observed</b>	<b>6</b>
<b>Quarters At or Above the Benchmark</b>	<b>3</b>
<b>Quarters Below the Benchmark</b>	<b>3</b>
<b>Batting Average</b>	<b>.500</b>

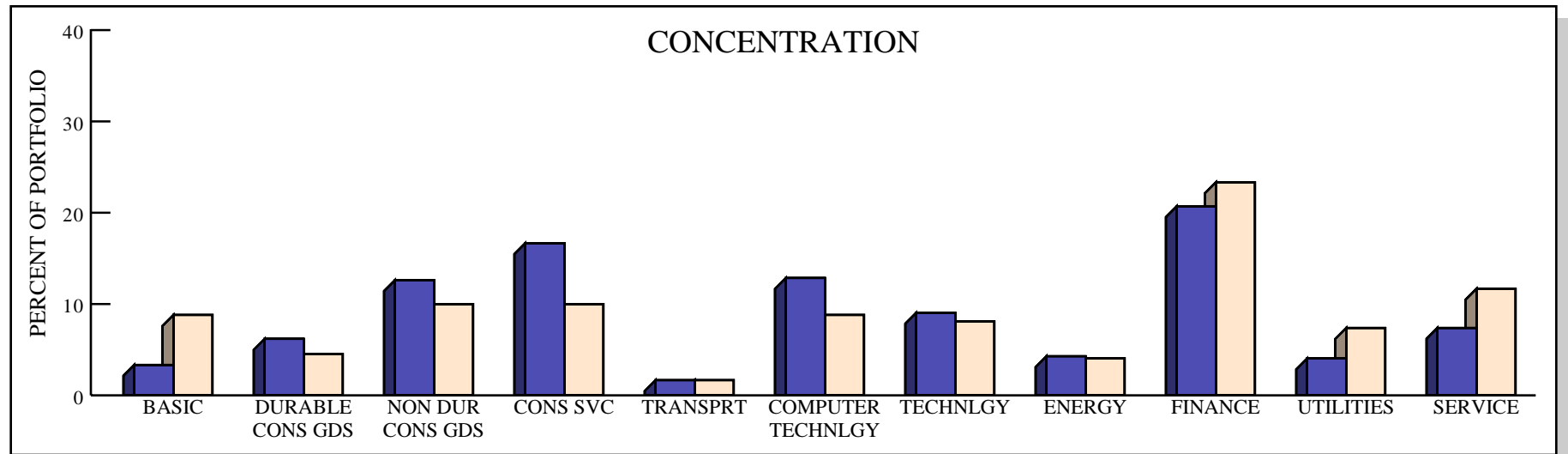
**STOCK CHARACTERISTICS**



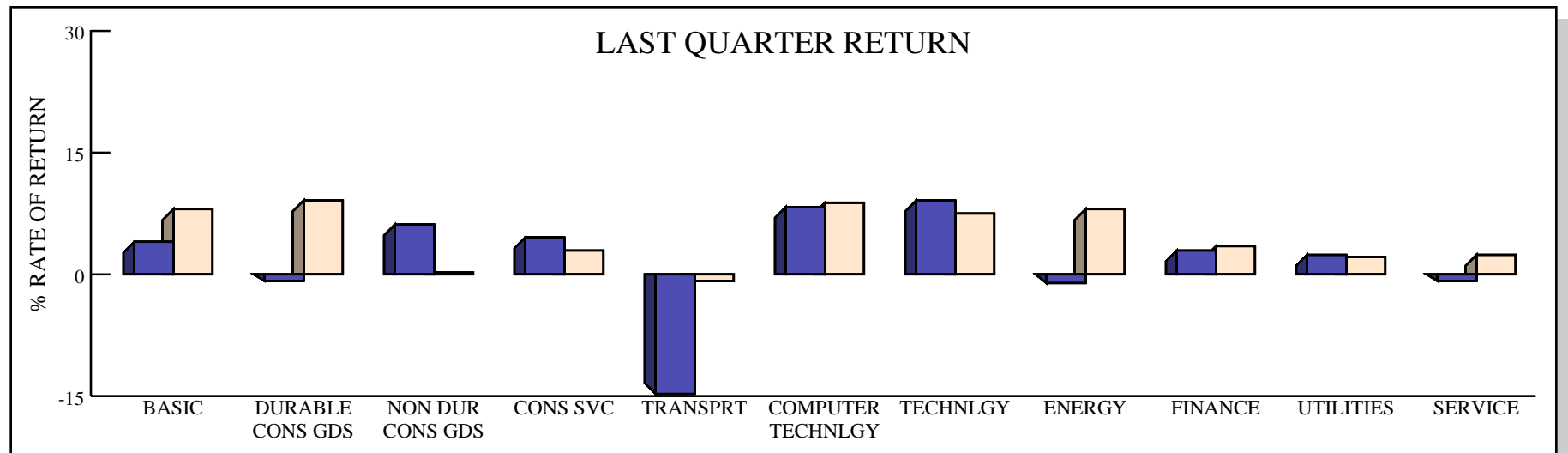
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	66	1.2%	16.1%	21.7	1.11
RUSSELL MID	783	1.7%	10.5%	23.3	1.05



**STOCK INDUSTRY ANALYSIS**

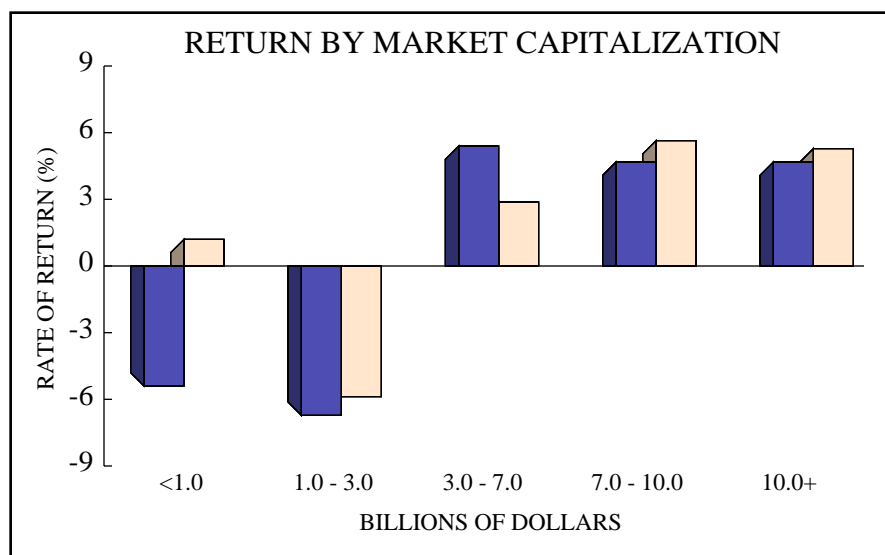
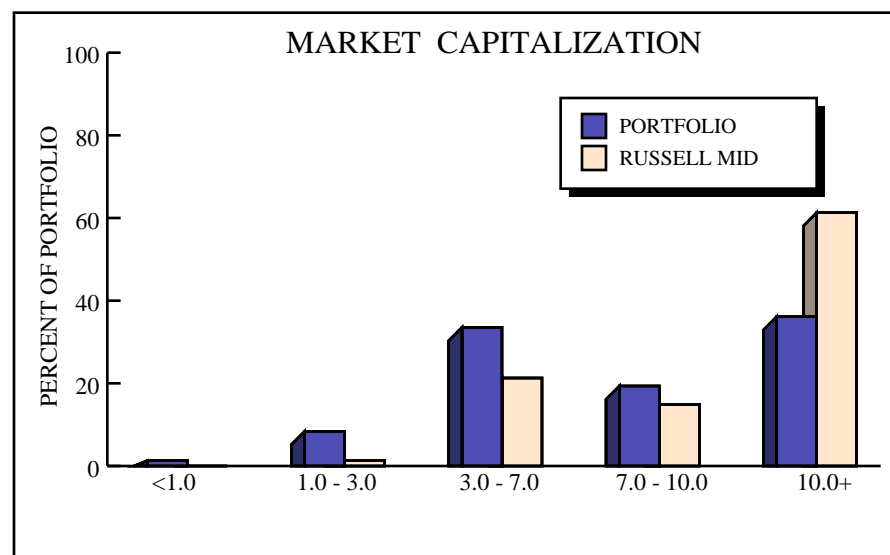


■ PORTFOLIO      ■ RUSSELL MID CAP





**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	CDW CORP/DE	\$ 211,200	2.44%	5.8%	Consumer Service	\$ 10.2 B
2	AFFILIATED MANAGERS GROUP	208,813	2.41%	14.5%	Finance	10.6 B
3	TELEDYNE TECHNOLOGIES INC	206,934	2.39%	24.7%	Technology	5.6 B
4	IPG PHOTONICS CORP	203,566	2.35%	27.5%	Computer Tech	10.0 B
5	BLUE BUFFALO PET PRODUCTS IN	192,780	2.22%	24.3%	NonDur Cons Goods	5.6 B
6	ELECTRONICS FOR IMAGING	179,256	2.07%	-9.9%	Computer Tech	2.0 B
7	LIVE NATION ENTERTAINMENT IN	178,555	2.06%	25.0%	Consumer Service	9.0 B
8	ALEXANDRIA REAL ESTATE EQUIT	178,455	2.06%	-0.6%	Finance	11.1 B
9	HASBRO INC	175,806	2.03%	-11.9%	NonDur Cons Goods	12.2 B
10	CASEY'S GENERAL STORES INC	175,120	2.02%	2.4%	Consumer Service	4.1 B

DAVIE POLICE PENSION PLAN  
WEDGE CAPITAL MANAGEMENT - MID CAP VALUE  
PERFORMANCE REVIEW  
SEPTEMBER 2017

## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan's Wedge Capital Management Mid Cap Value portfolio was valued at \$8,360,050, representing an increase of \$216,888 from the June quarter's ending value of \$8,143,162. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$216,888 in net investment returns. Since there were no income receipts for the third quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$216,888.

For the cumulative period since March 2016, the portfolio has posted net contributions totaling \$3.3 million, and recorded net investment gains totaling \$1.8 million. For the period since March 2016, if the fund returned its assumed rate of return, it would have been valued at \$7.3 million or \$1.1 million less than the actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

For the third quarter, the Wedge Capital Management Mid Cap Value portfolio returned 2.7%, which was 0.6% greater than the Russell Mid Cap Value Index's return of 2.1% and ranked in the 78th percentile of the Mid Cap Value universe. Over the trailing year, this portfolio returned 18.0%, which was 4.6% above the benchmark's 13.4% return, ranking in the 40th percentile. Since March 2016, the account returned 17.6% on an annualized basis and ranked in the 40th percentile. For comparison, the Russell Mid Cap Value returned an annualized 15.4% over the same time frame.

## **ASSET ALLOCATION**

The plan was fully invested in the Wedge Capital Management Mid Cap Value CIT CL C.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year	Since 03/16
<b>Total Portfolio - Gross</b>	2.7	18.0	----	----	17.6
<i>MID CAP VALUE RANK</i>	(78)	(40)	----	----	(40)
<b>Total Portfolio - Net</b>	2.5	17.1	----	----	16.7
Russ Mid Val	2.1	13.4	9.2	14.3	15.4
<b>Mid Cap Equity - Gross</b>	2.7	18.0	----	----	17.6
<i>MID CAP VALUE RANK</i>	(78)	(40)	----	----	(40)
Russ Mid Val	2.1	13.4	9.2	14.3	15.4

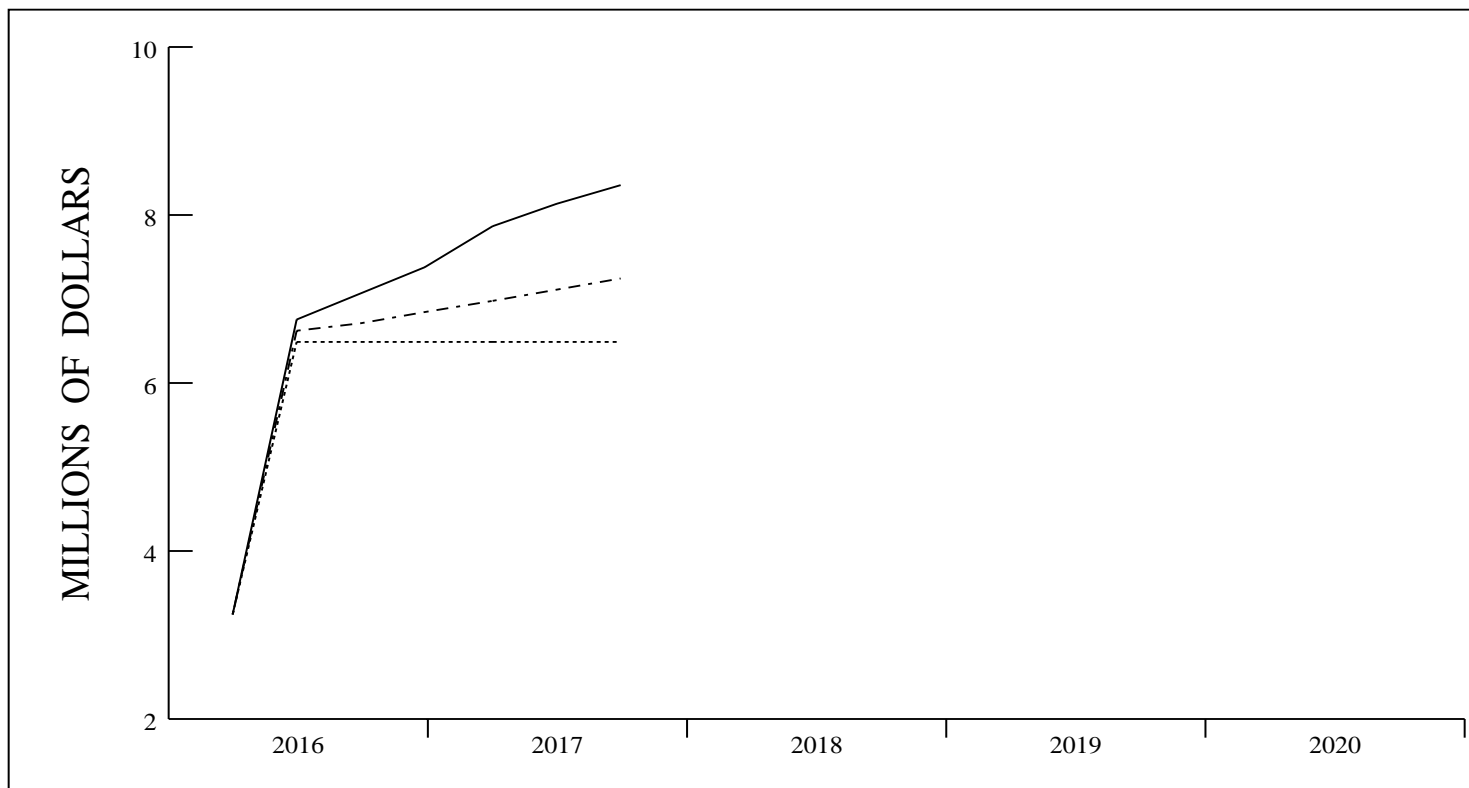
**ASSET ALLOCATION**

Mid Cap Equity	100.0%	\$ 8,360,050
Total Portfolio	100.0%	\$ 8,360,050

**INVESTMENT RETURN**

Market Value 6/2017	\$ 8,143,162
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	216,888
Market Value 9/2017	\$ 8,360,050

**INVESTMENT GROWTH**

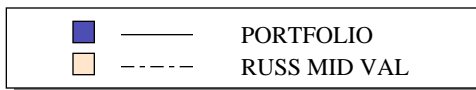
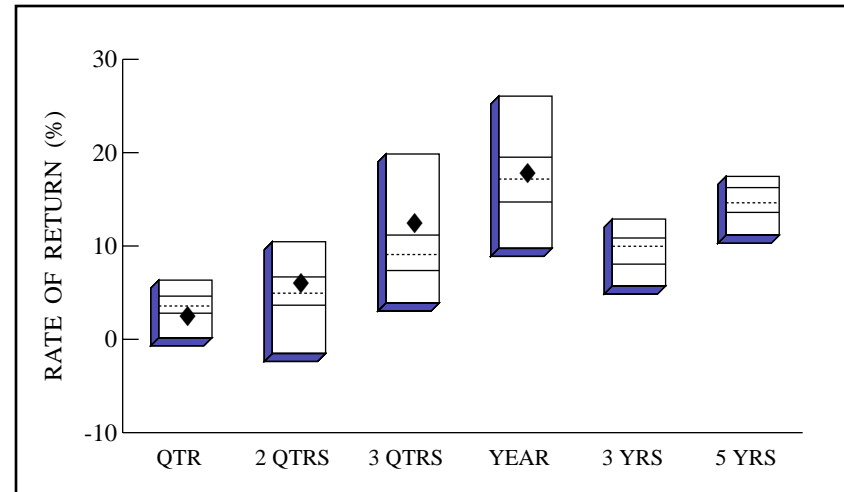
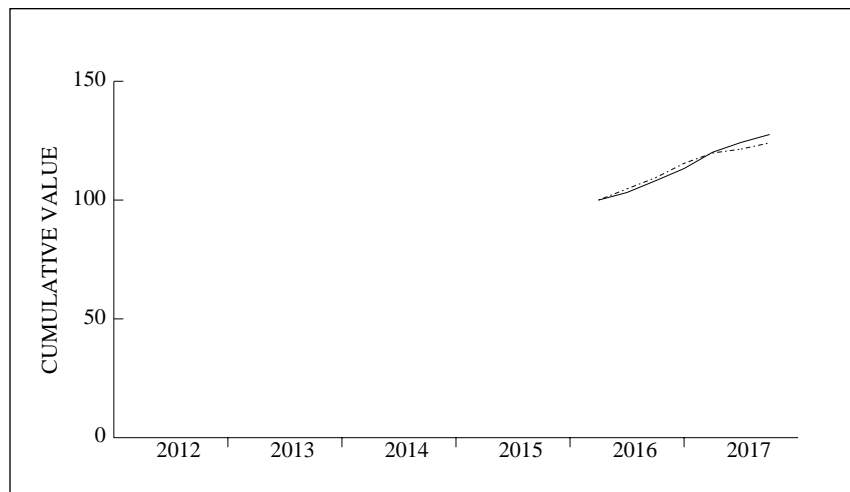


—	ACTUAL RETURN
- - -	DAVIE BLENDED A/R
.....	0.0%

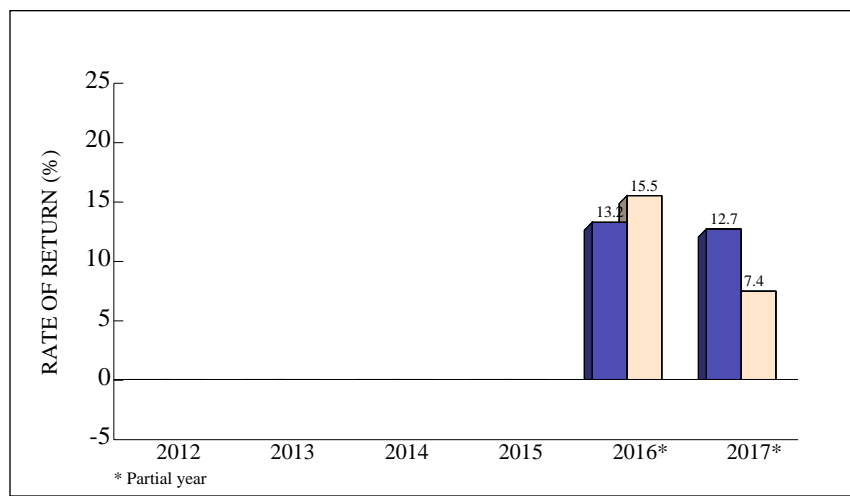
VALUE ASSUMING	
DAVIE A/R	\$ 7,265,875

	LAST QUARTER	PERIOD 3/16 - 9/17
BEGINNING VALUE	\$ 8,143,162	\$ 3,269,703
NET CONTRIBUTIONS	0	3,250,000
INVESTMENT RETURN	216,888	1,840,347
ENDING VALUE	\$ 8,360,050	\$ 8,360,050
INCOME	0	53
CAPITAL GAINS (LOSSES)	216,888	1,840,294
INVESTMENT RETURN	216,888	1,840,347

**TOTAL RETURN COMPARISONS**



Mid Cap Value Universe

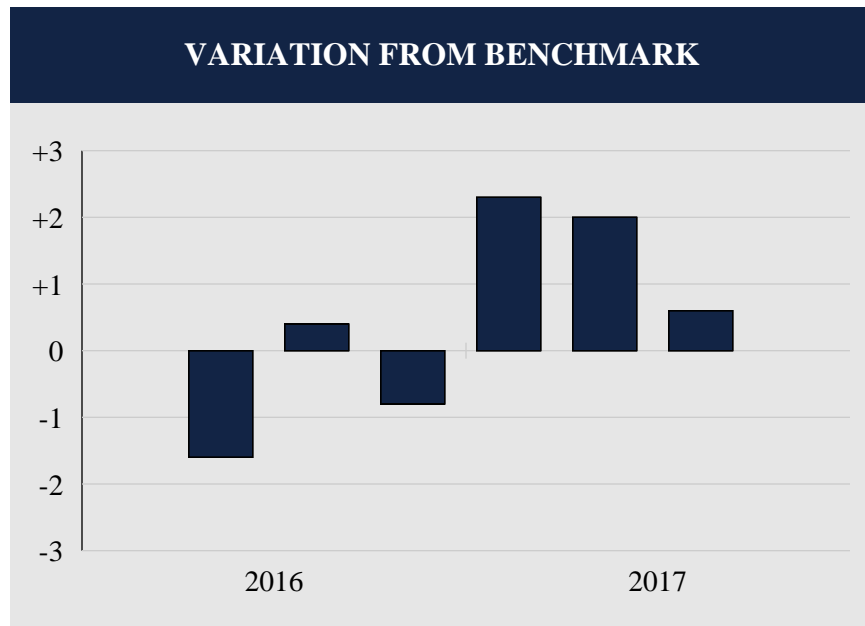


	<u>QTR</u>	<u>2 QTRS</u>	<u>3 QTRS</u>	<u>YEAR</u>	<u>-----ANNUALIZED-----</u>	
					<u>3 YRS</u>	<u>5 YRS</u>
RETURN	2.7	6.2	12.7	18.0	----	----
(RANK)	(78)	(29)	(17)	(40)	----	----
5TH %ILE	6.4	10.5	19.9	26.1	12.9	17.5
25TH %ILE	4.6	6.7	11.2	19.5	10.9	16.3
MEDIAN	3.6	4.9	9.1	17.2	10.0	14.6
75TH %ILE	2.8	3.7	7.4	14.7	8.1	13.6
95TH %ILE	0.2	-1.5	3.9	9.7	5.7	11.1
<b>Russ MCV</b>	<b>2.1</b>	<b>3.5</b>	<b>7.4</b>	<b>13.4</b>	<b>9.2</b>	<b>14.3</b>

Mid Cap Value Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: RUSSELL MID CAP VALUE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/16	3.2	4.8	-1.6
9/16	4.8	4.4	0.4
12/16	4.7	5.5	-0.8
3/17	6.1	3.8	2.3
6/17	3.4	1.4	2.0
9/17	2.7	2.1	0.6

<b>Total Quarters Observed</b>	<b>6</b>
<b>Quarters At or Above the Benchmark</b>	<b>4</b>
<b>Quarters Below the Benchmark</b>	<b>2</b>
<b>Batting Average</b>	<b>.667</b>

DAVIE POLICE PENSION PLAN  
LMCG INVESTMENTS - SMALL CAP GROWTH  
PERFORMANCE REVIEW  
SEPTEMBER 2017



## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan's LMCG Investments Small Cap Growth portfolio was valued at \$7,233,540, representing an increase of \$194,419 from the June quarter's ending value of \$7,039,121. Last quarter, the Fund posted withdrawals totaling \$15,576, which partially offset the portfolio's net investment return of \$209,995. Income receipts totaling \$7,972 plus net realized and unrealized capital gains of \$202,023 combined to produce the portfolio's net investment return.

For the cumulative period since June 2016, the fund has recorded net contributions totaling \$940,596, and recorded net investment gains of \$1.2 million. For the period since June 2016, if the total fund had returned its assumed rate of return, it would have been valued at \$6.5 million or \$697,412 less than the actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the LMCG Investments Small Cap Growth portfolio gained 3.0%, which was 3.2% below the Russell 2000 Growth Index's return of 6.2% and ranked in the 91st percentile of the Small Cap Growth universe. Over the trailing year, the portfolio returned 15.2%, which was 5.7% less than the benchmark's 20.9% performance, and ranked in the 89th percentile. Since June 2016, the portfolio returned 17.6% on an annualized basis and ranked in the 93rd percentile. For comparison, the Russell 2000 Growth returned an annualized 24.9% over the same period.

## **ASSET ALLOCATION**

On September 30th, 2017, small cap equities comprised 95.5% of the total portfolio (\$6.9 million), while cash & equivalents totaled 4.5% (\$327,387).

## **ANALYSIS**

At the end of the third quarter, the LMCG Small Cap Growth portfolio was invested in all of the eleven industry sectors used in our analysis. It was overweight in the Energy, Finance, Utilities, and Service sectors. Conversely they were underweight in the Basic, Durable Consumer Goods, Non-Durable Consumer Goods, Consumer Service, Computer Technology, and Technology sectors.

Poor selection led the LMCG portfolio to underperform relative to the Russell 2000 Growth index, as only three of the eleven invested sectors managed to surpass their counterparts. Unfortunately the portfolio's most allocated sectors, including Non-Durable Consumer Goods, Finance, and Service all underperformed. Service was particularly damaging, as it was significantly overweight while notably underperforming the benchmark. Furthermore, the Technology, Energy, and Utilities sectors all posted losses to their counterparts' gains. On the other hand, the Durable Consumer Goods, Consumer Service, and Transportation sectors all posted gains over the index, although Transportation held a very negligible allocation in the fund.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year	Since 06/16
<b>Total Portfolio - Gross</b>	3.0	15.2	----	----	17.6
<i>SMALL CAP GROWTH RANK</i>	(91)	(89)	----	----	(93)
<b>Total Portfolio - Net</b>	2.8	14.2	----	----	16.5
Russell 2000G	6.2	20.9	12.2	14.3	24.9
<b>Small Cap Equity - Gross</b>	3.1	16.0	----	----	18.5
<i>SMALL CAP GROWTH RANK</i>	(90)	(85)	----	----	(89)
Russell 2000G	6.2	20.9	12.2	14.3	24.9

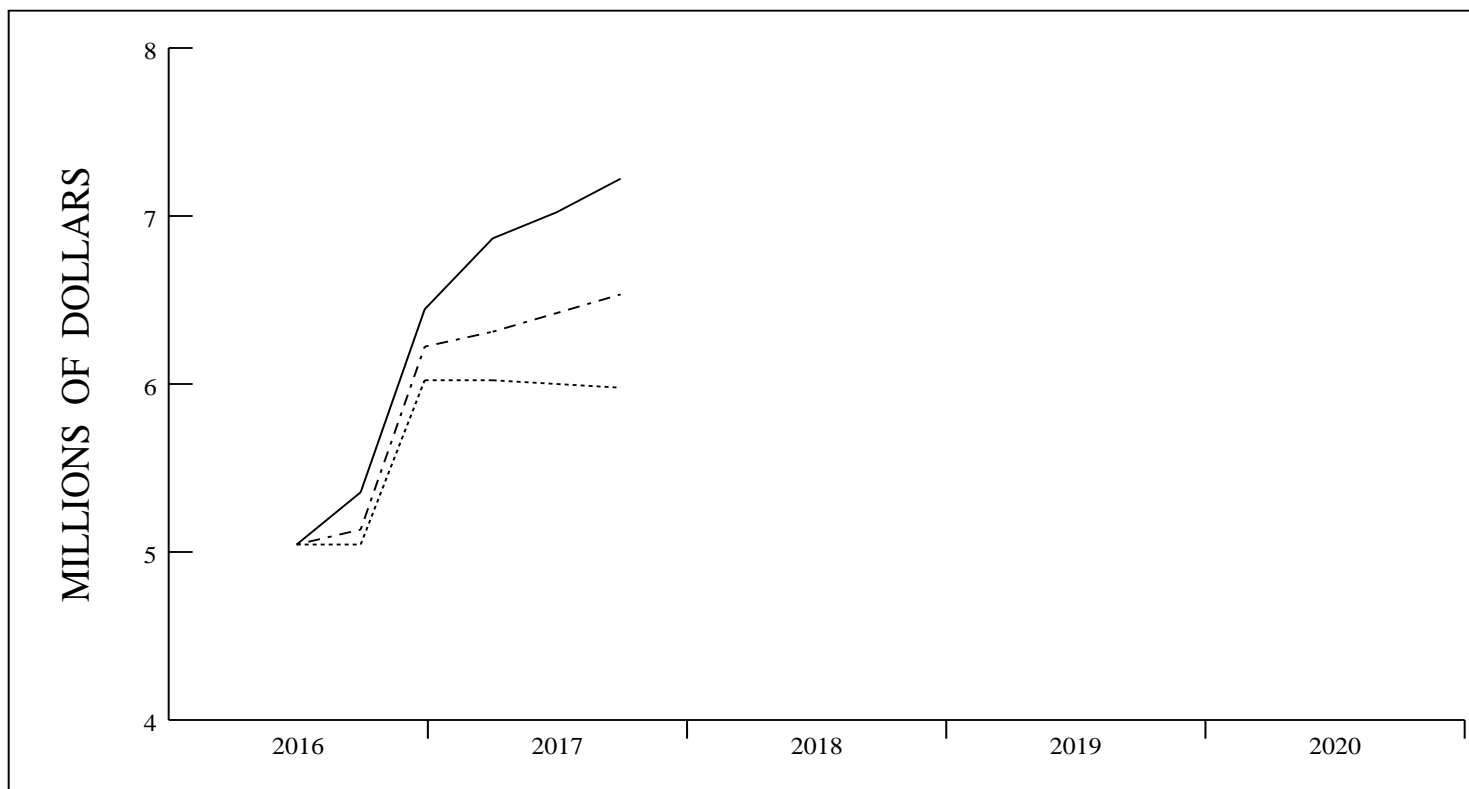
**ASSET ALLOCATION**

Small Cap	95.5%	\$ 6,906,153
Cash	4.5%	327,387
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 7,233,540</b>

**INVESTMENT RETURN**

Market Value 6/2017	\$ 7,039,121
Contribs / Withdrawals	- 15,576
Income	7,972
Capital Gains / Losses	202,023
Market Value 9/2017	\$ 7,233,540

**INVESTMENT GROWTH**

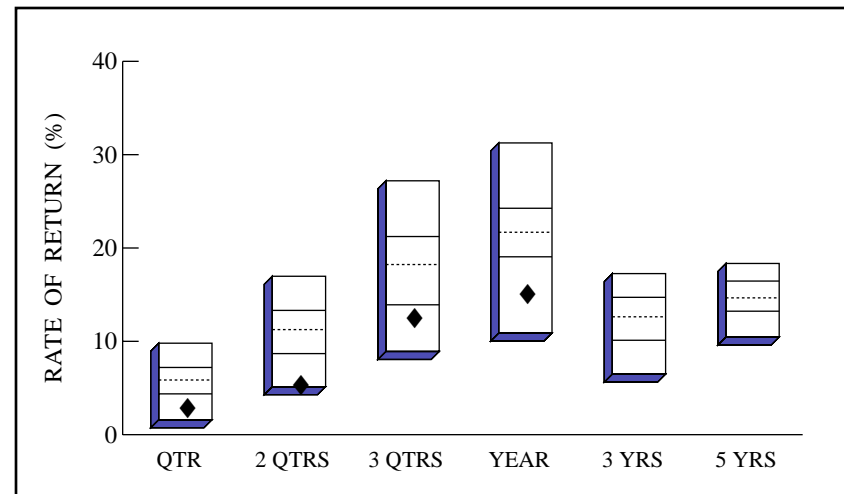
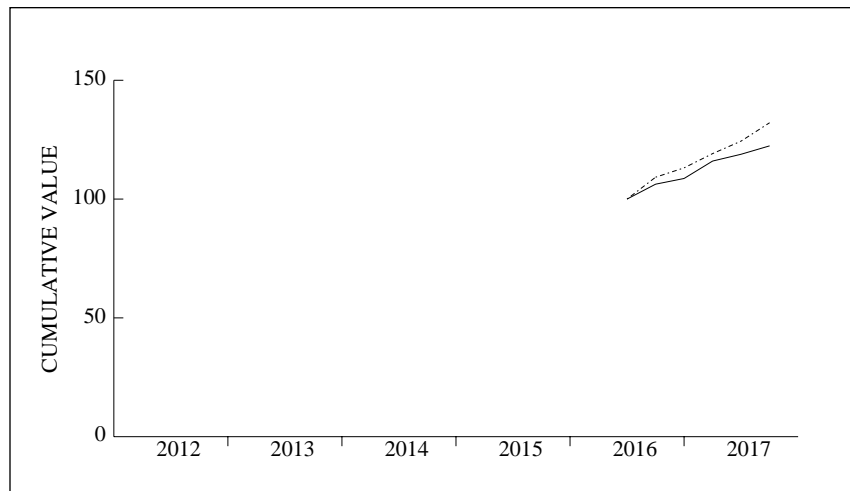


——— ACTUAL RETURN  
 - - - - - DAVIE BLENDED A/R  
 ..... 0.0%

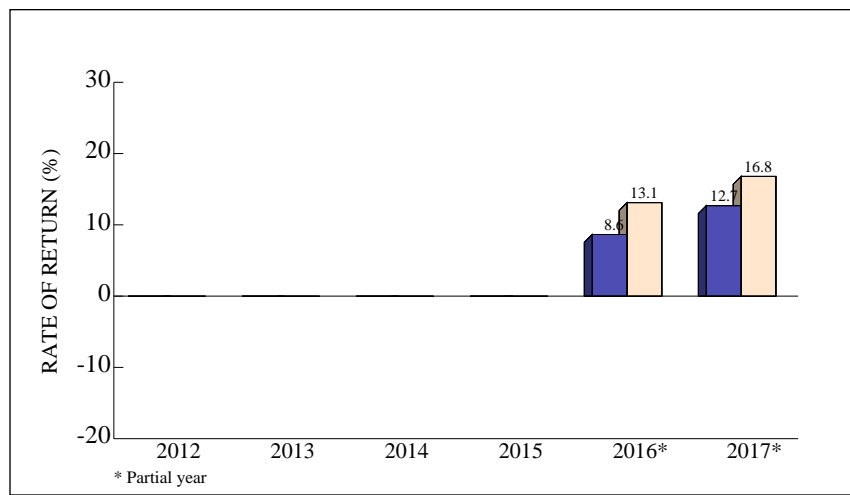
VALUE ASSUMING  
 DAVIE A/R      \$ 6,536,128

	LAST QUARTER	PERIOD 6/16 - 9/17
BEGINNING VALUE	\$ 7,039,121	\$ 5,053,772
NET CONTRIBUTIONS	- 15,576	940,596
<u>INVESTMENT RETURN</u>	<u>209,995</u>	<u>1,239,172</u>
ENDING VALUE	\$ 7,233,540	\$ 7,233,540
INCOME	7,972	50,735
<u>CAPITAL GAINS (LOSSES)</u>	<u>202,023</u>	<u>1,188,437</u>
INVESTMENT RETURN	209,995	1,239,172

**TOTAL RETURN COMPARISONS**



Small Cap Growth Universe

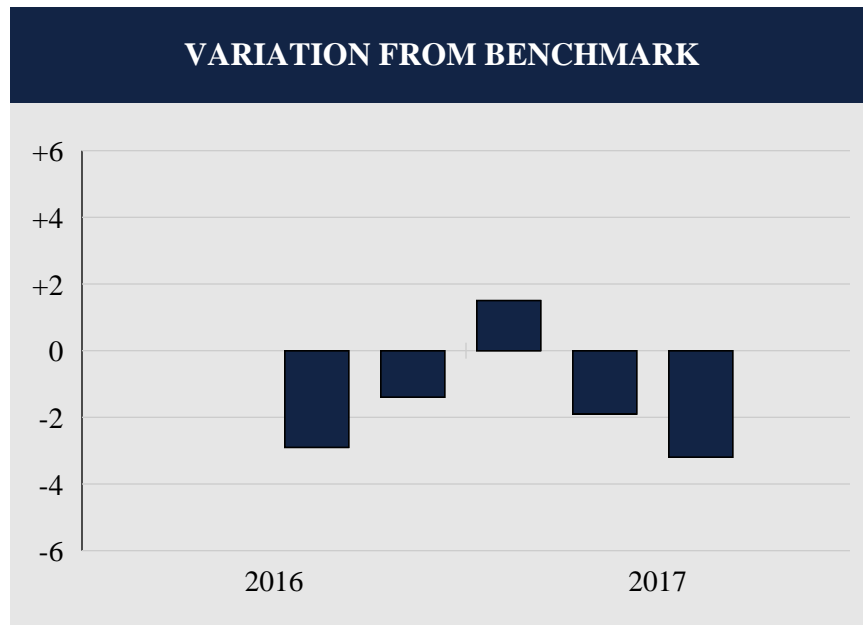


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	3.0	5.6	12.7	15.2	----	----
(RANK)	(91)	(95)	(82)	(89)	----	----
5TH %ILE	9.8	17.0	27.2	31.3	17.3	18.3
25TH %ILE	7.2	13.3	21.2	24.3	14.7	16.5
MEDIAN	5.9	11.3	18.2	21.7	12.6	14.7
75TH %ILE	4.4	8.7	13.9	19.1	10.1	13.2
95TH %ILE	1.6	5.2	8.9	10.9	6.5	10.5
<b>Russ 2000G</b>	<b>6.2</b>	<b>10.9</b>	<b>16.8</b>	<b>20.9</b>	<b>12.2</b>	<b>14.3</b>

Small Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

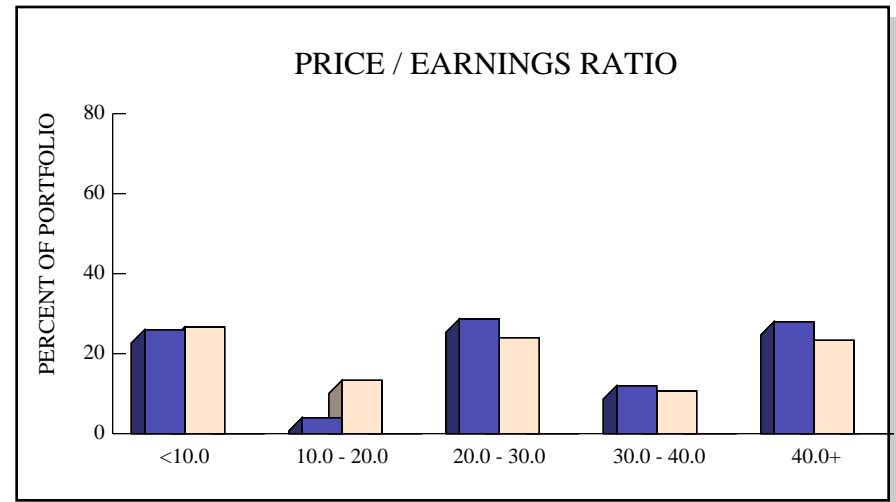
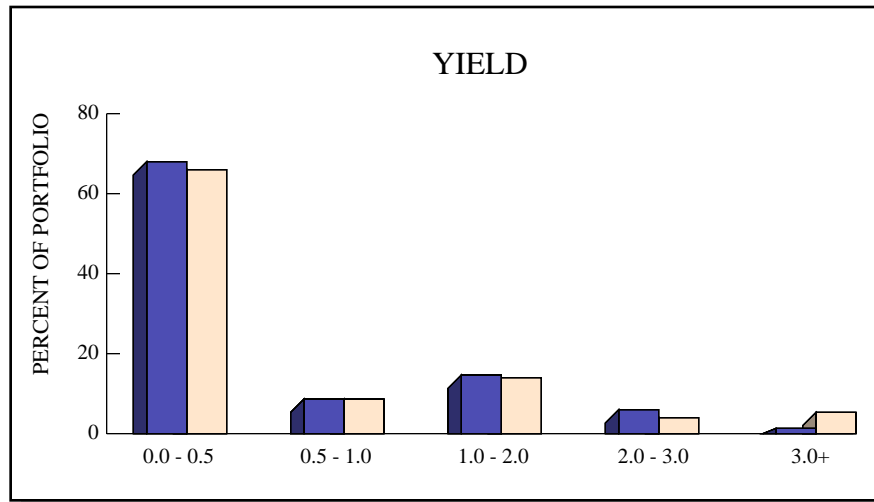
**COMPARATIVE BENCHMARK: RUSSELL 2000 GROWTH**



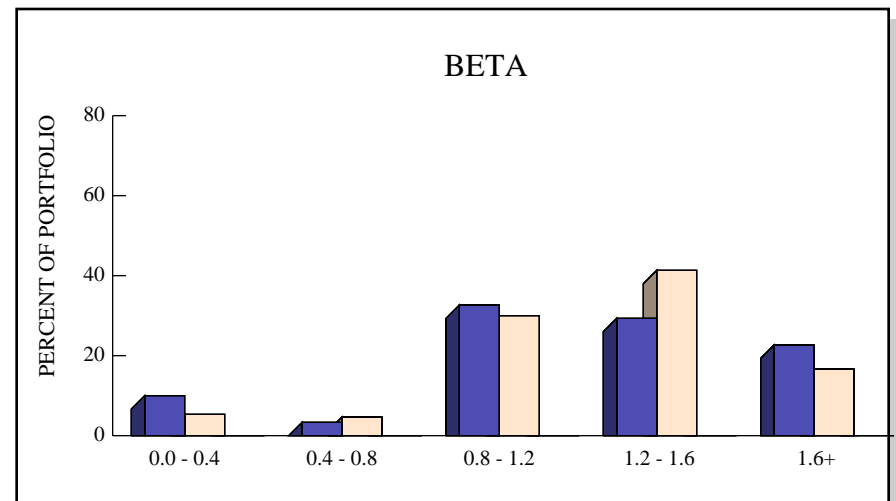
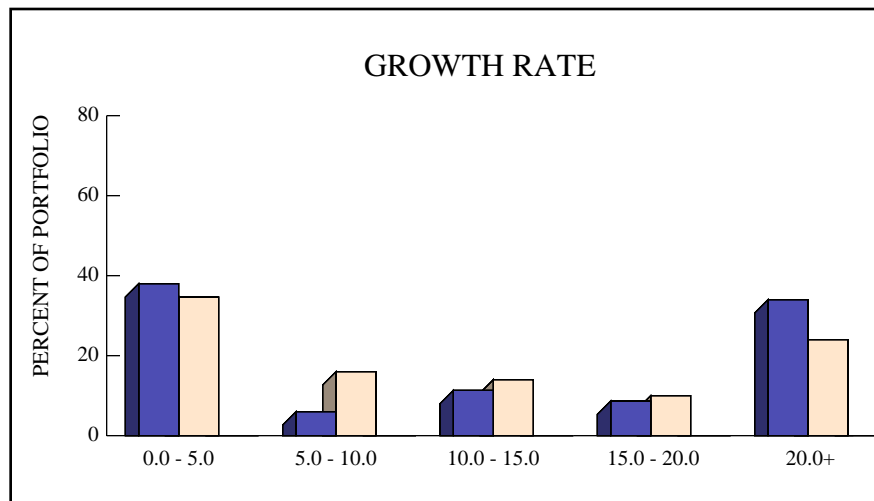
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/16	6.3	9.2	-2.9
12/16	2.2	3.6	-1.4
3/17	6.8	5.3	1.5
6/17	2.5	4.4	-1.9
9/17	3.0	6.2	-3.2

<b>Total Quarters Observed</b>	<b>5</b>
<b>Quarters At or Above the Benchmark</b>	<b>1</b>
<b>Quarters Below the Benchmark</b>	<b>4</b>
<b>Batting Average</b>	<b>.200</b>

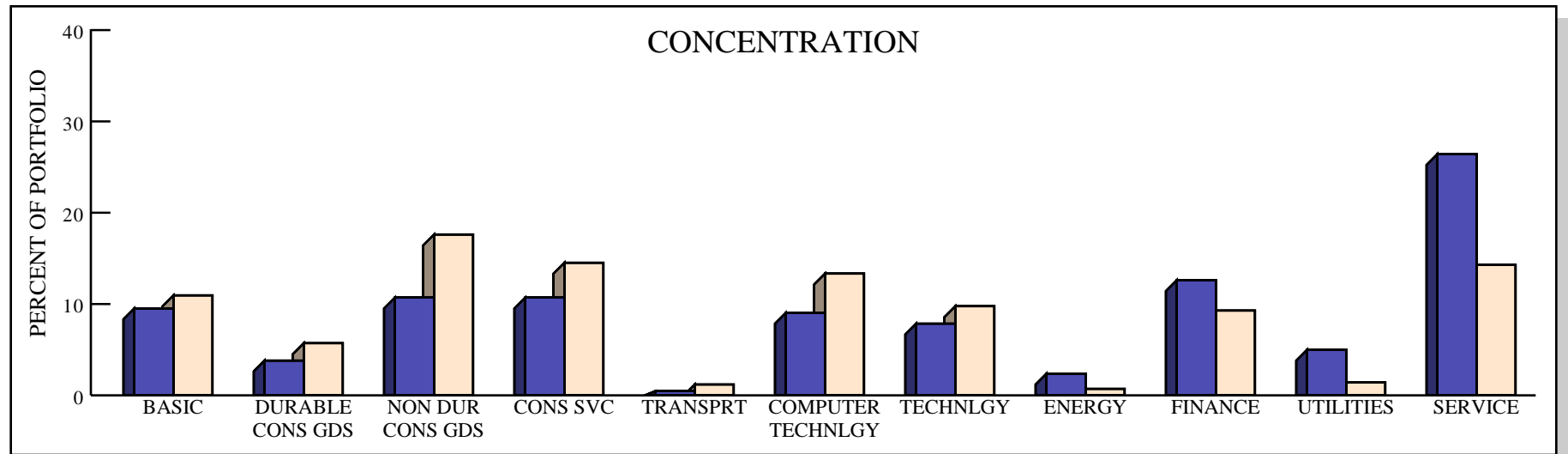
**STOCK CHARACTERISTICS**



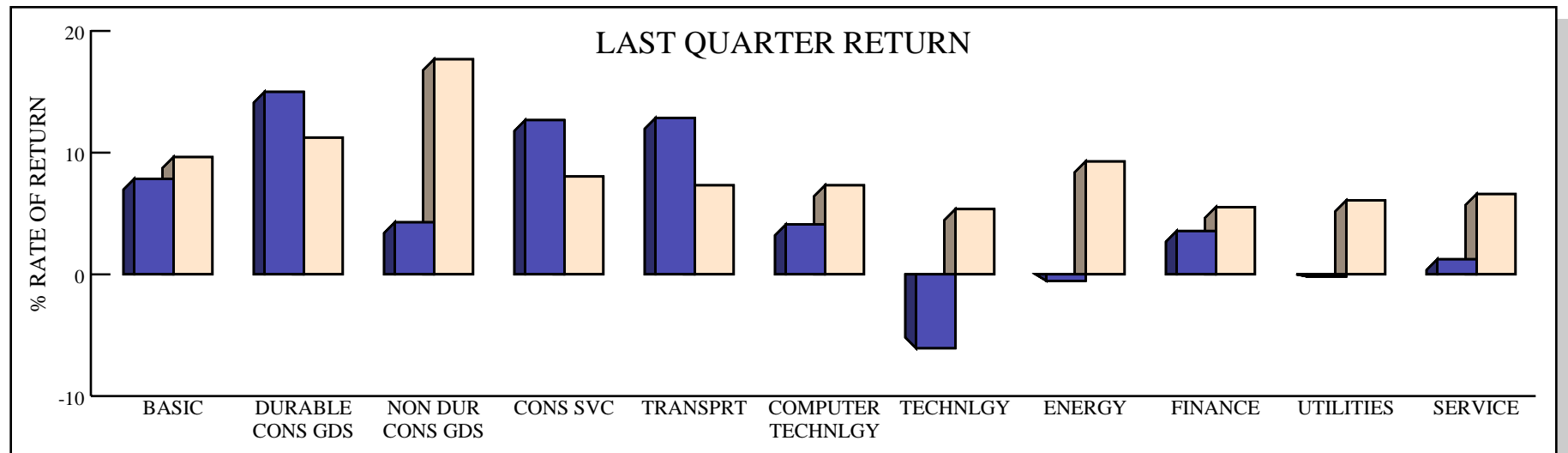
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	67	0.6%	10.0%	25.2	1.17
RUSSELL 2000G	1,172	0.7%	11.1%	21.4	1.25



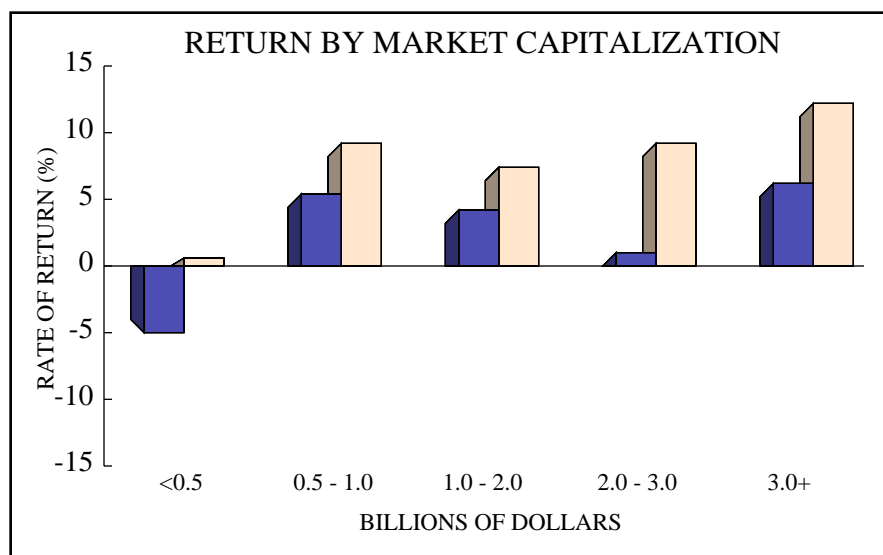
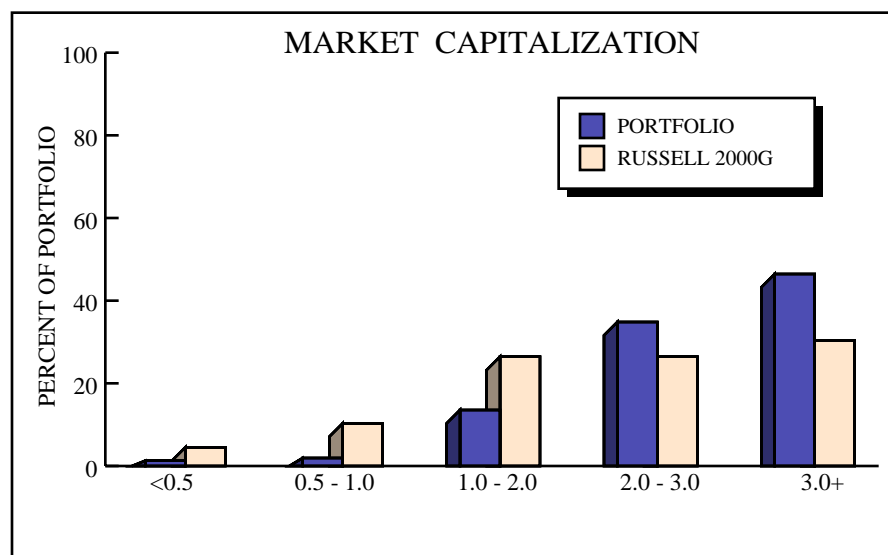
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 2000 GROWTH



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	NEXSTAR MEDIA GROUP INC-CL A	\$ 344,145	4.98%	4.6%	Service	\$ 2.9 B
2	WAGeworks INC	274,061	3.97%	-9.7%	Service	2.4 B
3	BEACON ROOFING SUPPLY INC	249,639	3.61%	4.6%	Service	3.4 B
4	PINNACLE FINANCIAL PARTNERS	238,945	3.46%	6.8%	Finance	5.2 B
5	GTT COMMUNICATIONS INC	235,666	3.41%	0.0%	Utilities	1.3 B
6	INGEVITY CORP	209,087	3.03%	8.8%	Basic	2.6 B
7	SINCLAIR BROADCAST GROUP -A	190,473	2.76%	-2.0%	Service	2.4 B
8	JOHN BEAN TECHNOLOGIES CORP	184,305	2.67%	3.3%	Basic	3.2 B
9	J2 GLOBAL INC	175,982	2.55%	-12.7%	Service	3.6 B
10	SITEONE LANDSCAPE SUPPLY INC	171,744	2.49%	11.6%	Service	2.3 B



DAVIE POLICE PENSION PLAN  
PNC CAPITAL ADVISORS - SMALL CAP CORE  
PERFORMANCE REVIEW  
SEPTEMBER 2017

## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan's PNC Capital Advisors Small Cap Core portfolio was valued at \$9,476,244, representing an increase of \$597,401 from the June quarter's ending value of \$8,878,843. Last quarter, the Fund posted withdrawals totaling \$18,756, which partially offset the portfolio's net investment return of \$616,157. Income receipts totaling \$12,539 plus net realized and unrealized capital gains of \$603,618 combined to produce the portfolio's net investment return.

For the cumulative period since June 2016, the fund has recorded net contributions totaling \$915,827, and recorded net investment gains of \$1.6 million. For the period since June 2016, if the total fund had returned its assumed rate of return, it would have been valued at \$8.6 million or \$920,554 less than the actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the PNC Capital Advisors Small Cap Core portfolio gained 6.9%, which was 1.2% above the Russell 2000 Index's return of 5.7% and ranked in the 23rd percentile of the Small Cap Core universe. Over the trailing year, the portfolio returned 14.8%, which was 5.9% less than the benchmark's 20.7% performance, and ranked in the 99th percentile. Since June 2016, the portfolio returned 17.8% on an annualized basis and ranked in the 96th percentile. For comparison, the Russell 2000 returned an annualized 24.6% over the same period.

## **ASSET ALLOCATION**

On September 30th, 2017, small cap equities comprised 96.2% of the total portfolio (\$9.1 million), while cash & equivalents totaled 3.8% (\$364,074).

## **ANALYSIS**

At the end of the third quarter, the PNC Capital Advisors portfolio was invested in nine of the eleven industry sectors utilized in our analysis. They were notably overweight in the Durable Consumer Goods, Finance, and Service sectors. Conversely they were underweight in the Basic, Non-Durable Consumer Goods, Computer Technology, and Technology sectors, while leaving the Energy and Utilities sectors unfunded.

In the third quarter the PNC portfolio return shoved ahead of the Russell 2000 index. The fund benefited from the overweight Consumer Service sector, which more than tripled the return of its counterpart. This was partly due to top ten holding Lithia Motors Inc., which gained 27.9% this period. The Computer Technology and Technology sectors further pushed the total return upward. On the other hand, the highly overweight Durable Consumer Goods sector underperformed, as did Basic and Non-Durable Consumer Goods. The two single most allocated sectors, Finance and Service, mostly kept pace with benchmark, leaving the performance delta up to the previously mentioned industry sectors.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year	Since 06/16
<b>Total Portfolio - Gross</b>	6.9	14.8	----	----	17.8
<i>SMALL CAP CORE RANK</i>	(23)	(99)	----	----	(96)
<b>Total Portfolio - Net</b>	6.7	13.9	----	----	16.8
Russell 2000	5.7	20.7	12.2	13.8	24.6
<b>Small Cap Equity - Gross</b>	7.2	15.3	----	----	18.3
<i>SMALL CAP CORE RANK</i>	(20)	(96)	----	----	(92)
Russell 2000	5.7	20.7	12.2	13.8	24.6

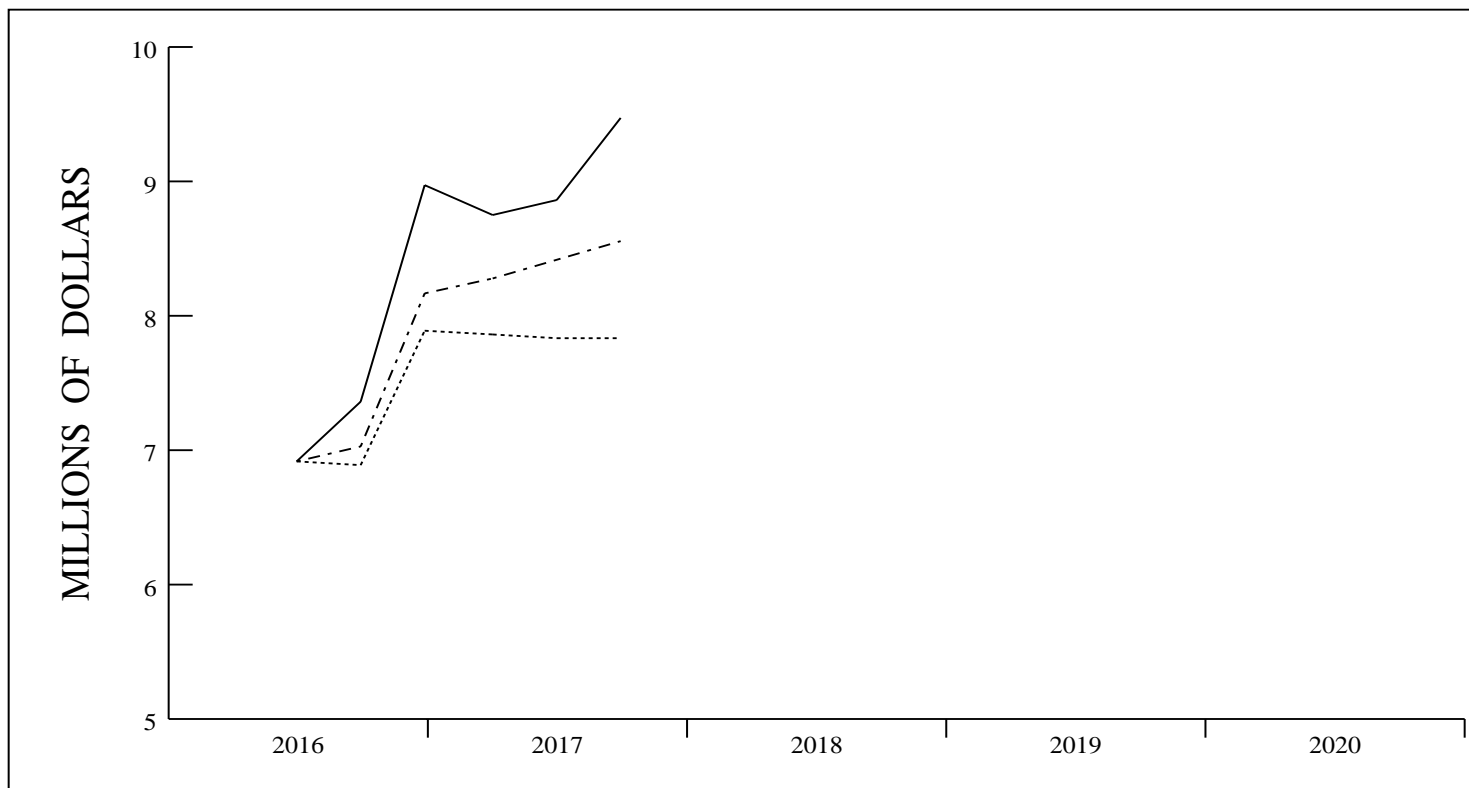
**ASSET ALLOCATION**

Small Cap	96.2%	\$ 9,112,170
Cash	3.8%	364,074
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 9,476,244</b>

**INVESTMENT RETURN**

Market Value 6/2017	\$ 8,878,843
Contribs / Withdrawals	- 18,756
Income	12,539
Capital Gains / Losses	603,618
Market Value 9/2017	\$ 9,476,244

**INVESTMENT GROWTH**

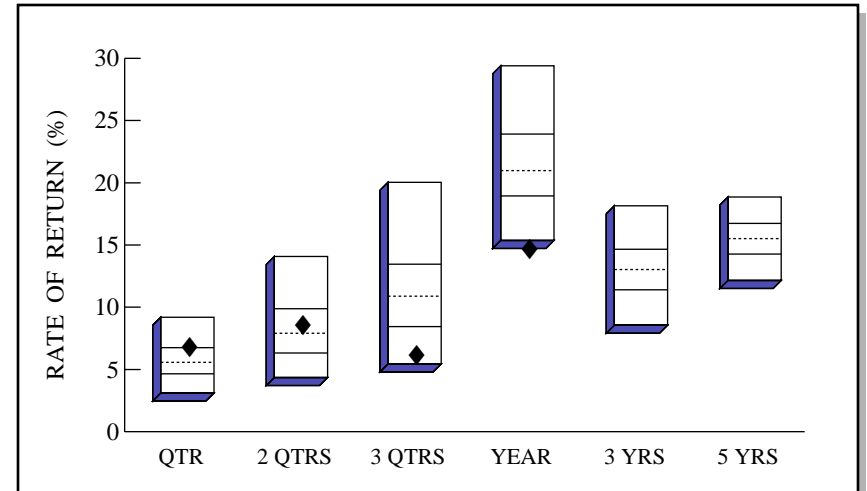
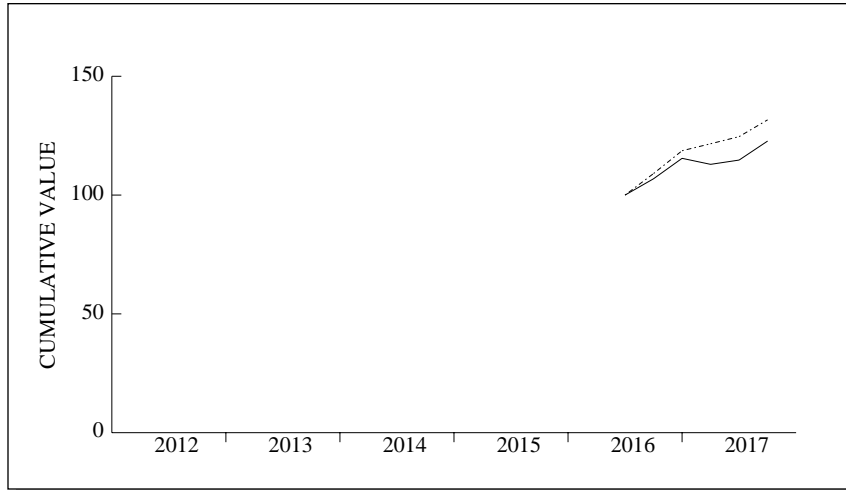


— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

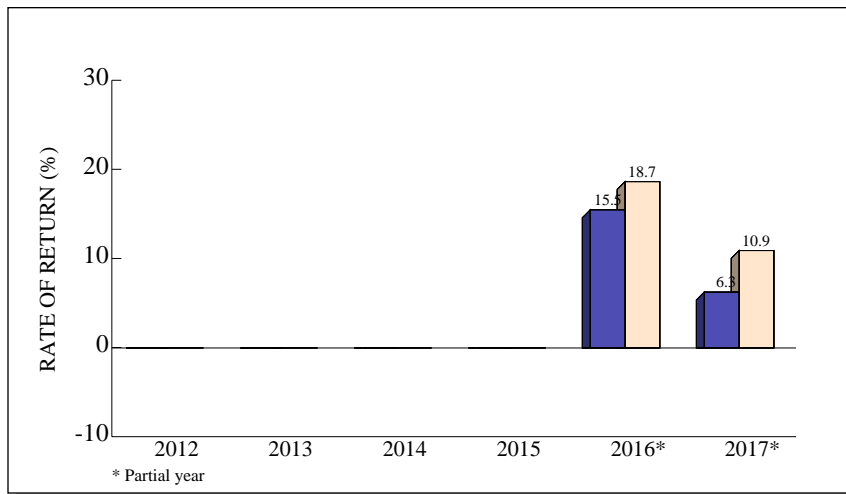
VALUE ASSUMING  
 DAVIE A/R      \$ 8,555,690

	LAST QUARTER	PERIOD 6/16 - 9/17
BEGINNING VALUE	\$ 8,878,843	\$ 6,919,944
NET CONTRIBUTIONS	- 18,756	915,827
<u>INVESTMENT RETURN</u>	<u>616,157</u>	<u>1,640,473</u>
ENDING VALUE	\$ 9,476,244	\$ 9,476,244
INCOME	12,539	79,711
<u>CAPITAL GAINS (LOSSES)</u>	<u>603,618</u>	<u>1,560,762</u>
INVESTMENT RETURN	616,157	1,640,473

**TOTAL RETURN COMPARISONS**



Small Cap Core Universe

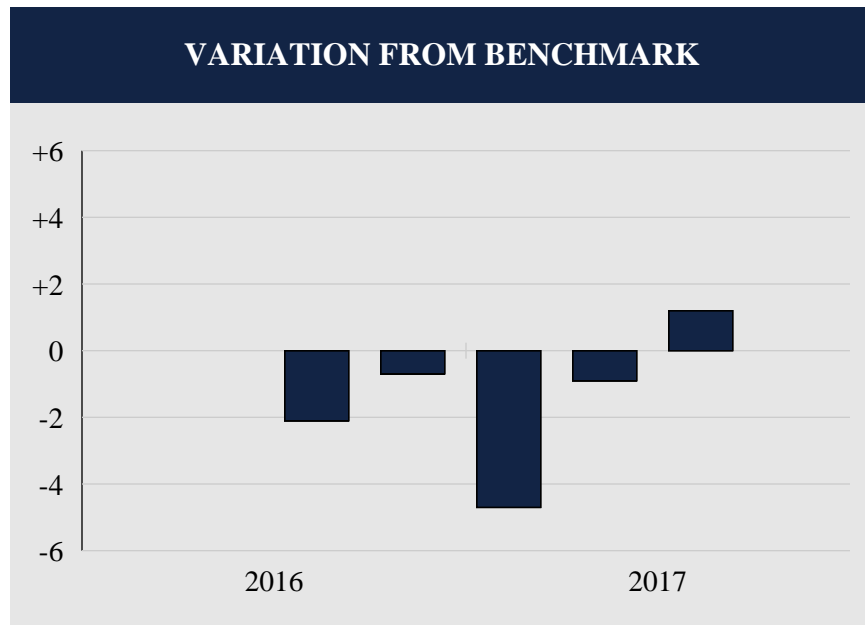


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	6.9	8.7	6.3	14.8	----	----
(RANK)	(23)	(38)	(92)	(99)	----	----
5TH %ILE	9.2	14.1	20.0	29.4	18.1	18.9
25TH %ILE	6.8	9.9	13.5	23.9	14.7	16.7
MEDIAN	5.6	7.9	10.9	21.0	13.0	15.5
75TH %ILE	4.7	6.3	8.5	18.9	11.4	14.3
95TH %ILE	3.1	4.4	5.4	15.4	8.6	12.1
<b>Russ 2000</b>	<b>5.7</b>	<b>8.3</b>	<b>10.9</b>	<b>20.7</b>	<b>12.2</b>	<b>13.8</b>

Small Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

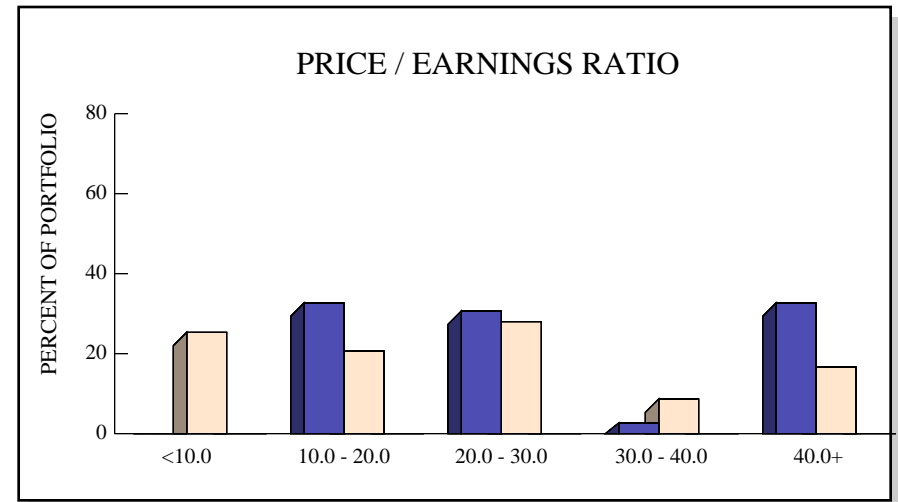
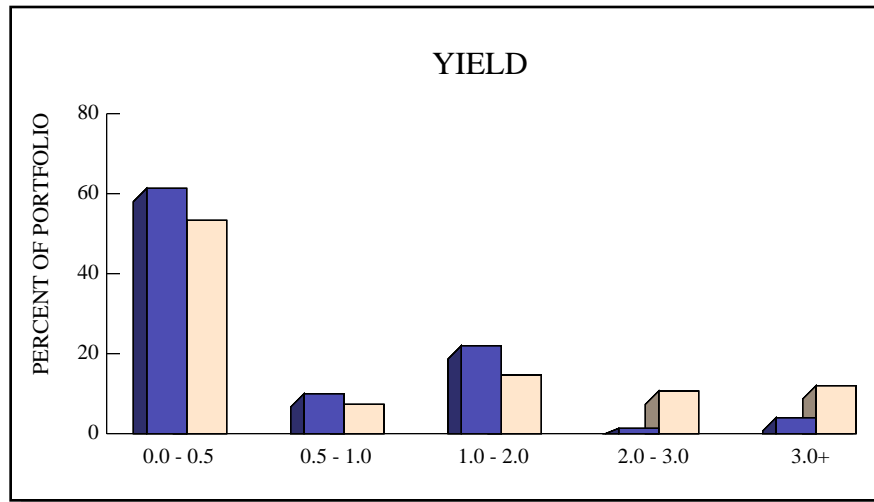
**COMPARATIVE BENCHMARK: RUSSELL 2000**



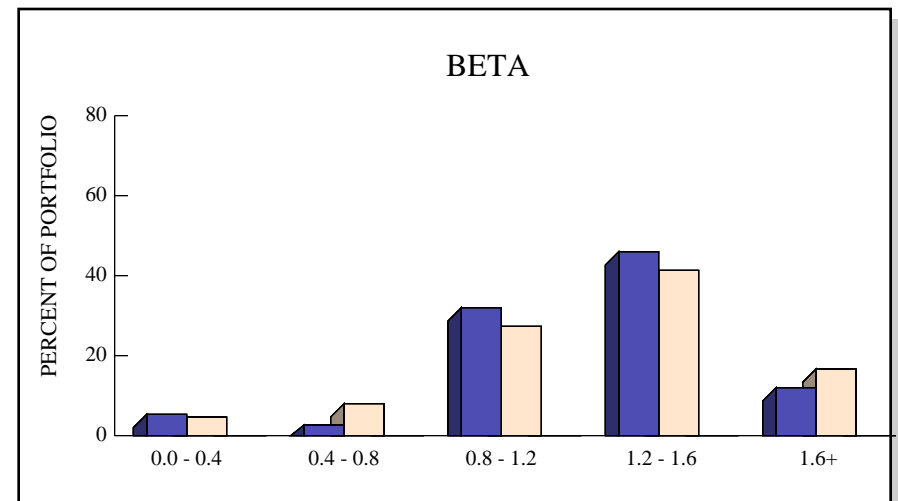
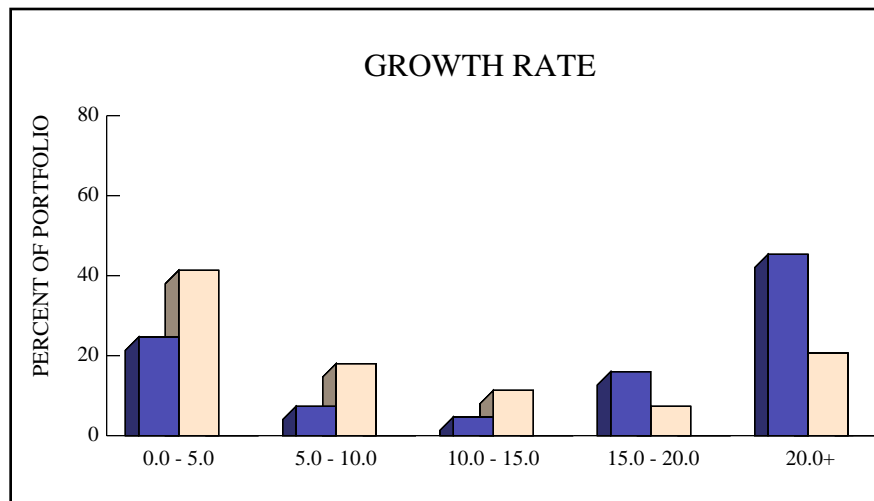
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/16	6.9	9.0	-2.1
12/16	8.1	8.8	-0.7
3/17	-2.2	2.5	-4.7
6/17	1.6	2.5	-0.9
9/17	6.9	5.7	1.2

<b>Total Quarters Observed</b>	<b>5</b>
<b>Quarters At or Above the Benchmark</b>	<b>1</b>
<b>Quarters Below the Benchmark</b>	<b>4</b>
<b>Batting Average</b>	<b>.200</b>

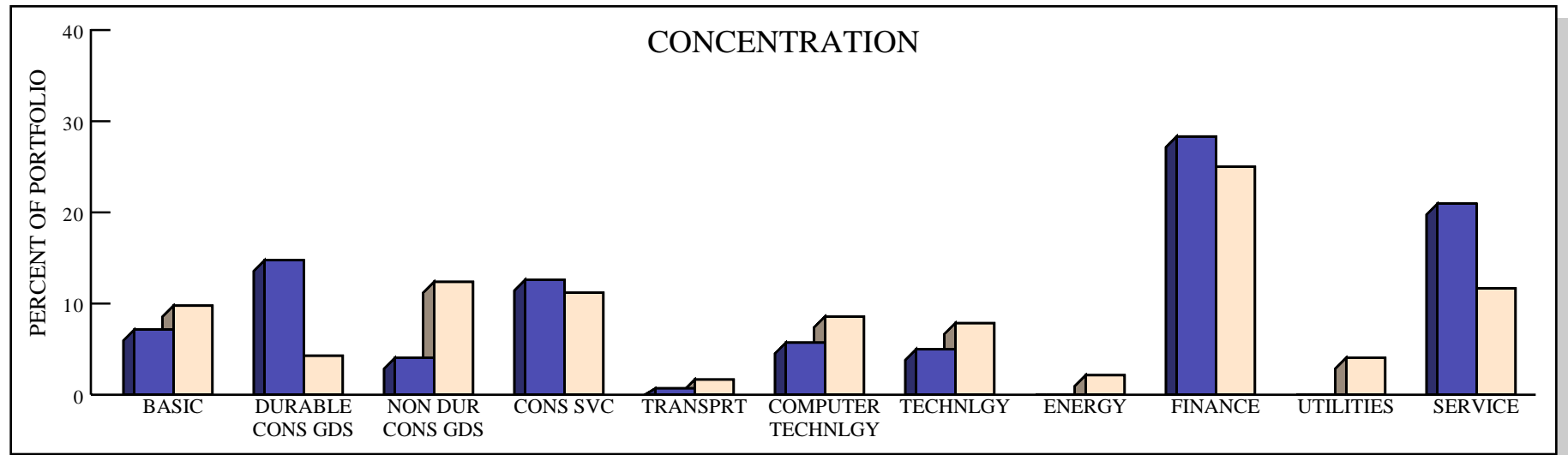
**STOCK CHARACTERISTICS**



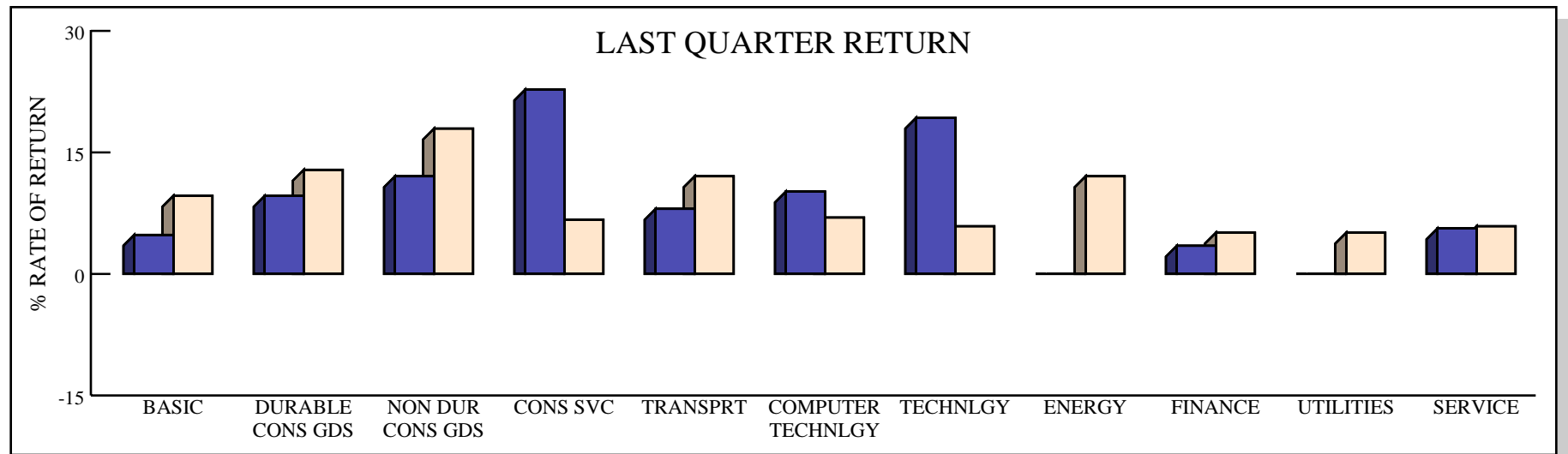
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	49	0.7%	15.6%	32.2	1.22
RUSSELL 2000	2,000	1.3%	9.4%	19.8	1.25



**STOCK INDUSTRY ANALYSIS**

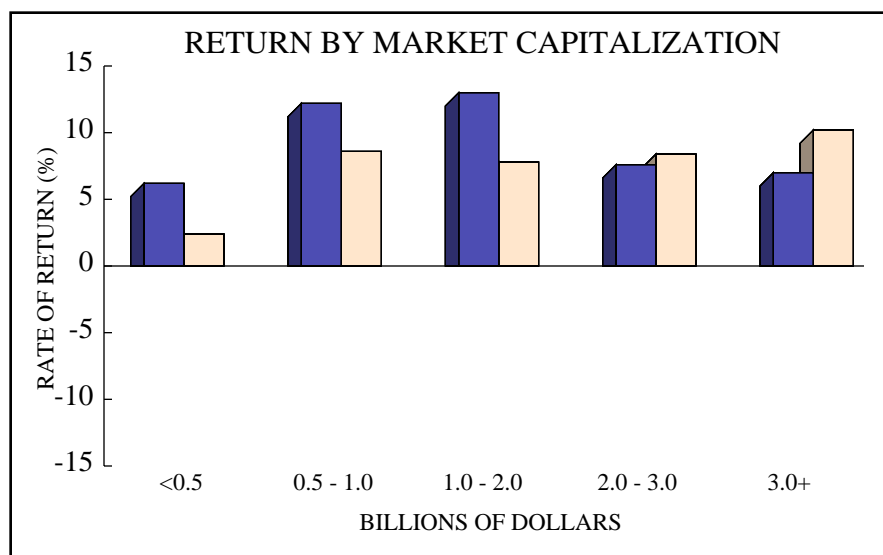
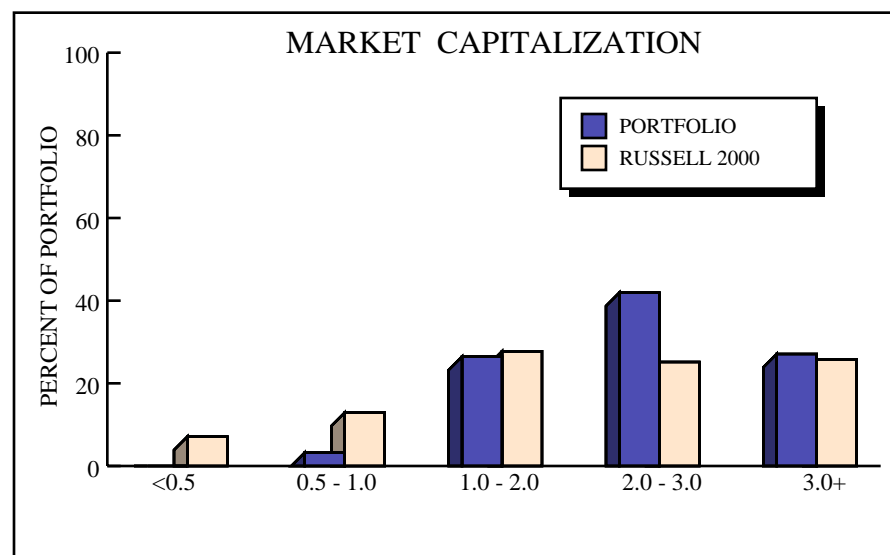


■ PORTFOLIO      ■ RUSSELL 2000





**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	LITHIA MOTORS INC-CL A	\$ 386,315	4.24%	27.9%	Consumer Service	\$ 2.9 B
2	NEOGEN CORP	373,899	4.10%	12.1%	NonDur Cons Goods	3.0 B
3	BANK OF THE OZARKS	354,273	3.89%	2.9%	Finance	5.8 B
4	CREDIT ACCEPTANCE CORP	350,493	3.85%	9.0%	Finance	5.4 B
5	LCI INDUSTRIES	335,965	3.69%	13.5%	Durable Cons Goods	2.9 B
6	HEICO CORP	324,484	3.56%	25.1%	Technology	3.0 B
7	AMN HEALTHCARE SERVICES INC	296,822	3.26%	17.0%	Service	2.2 B
8	FIRSTSERVICE CORP	266,399	2.92%	2.9%	Finance	2.3 B
9	ON ASSIGNMENT INC	250,095	2.74%	-0.9%	Service	2.8 B
10	LEGACYTEXAS FINANCIAL GROUP	237,923	2.61%	5.1%	Finance	1.9 B

DAVIE POLICE PENSION PLAN  
HARDMAN JOHNSTON GLOBAL ADVISORS - INTERNATIONAL EQUITY GROUP TRUST  
PERFORMANCE REVIEW  
SEPTEMBER 2017

## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan's Hardman Johnston Global Advisors International Equity Group Trust portfolio was valued at \$14,375,875, representing an increase of \$1,029,720 from the June quarter's ending value of \$13,346,155. Last quarter, the Fund posted withdrawals totaling \$28,751, which partially offset the portfolio's net investment return of \$1,058,471. Since there were no income receipts for the third quarter, the portfolio's net investment return figure was the product of net realized and unrealized capital gains totaling \$1,058,471.

For the cumulative period since March 2010, the account has posted net contributions totaling \$4.5 million, and has recorded net investment gains totaling \$5.0 million. Since March 2010, if the portfolio had returned its assumed rate of return, it would have been valued at \$13.3 million or \$1.1 million less than its actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

For the third quarter, the Hardman Johnston Global Advisors International Equity Group Trust portfolio returned 7.9%, which was 2.4% greater than the MSCI EAFE Index's return of 5.5% and ranked in the 28th percentile of the International Equity universe. Over the trailing year, the portfolio returned 24.5%, which was 4.8% above the benchmark's 19.7% performance, ranking in the 26th percentile. Since March 2010, the account returned 7.6% on an annualized basis and ranked in the 50th percentile. For comparison, the MSCI EAFE Index returned an annualized 6.5% over the same period.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year	Since 03/10
<b>Total Portfolio - Gross</b>	7.9	24.5	9.8	10.9	7.6
<i>INTERNATIONAL EQUITY RANK</i>	(28)	(26)	(21)	(28)	(50)
<b>Total Portfolio - Net</b>	7.7	23.5	8.9	10.1	6.7
MSCI EAFE	5.5	19.7	5.5	8.9	6.5
<b>International Equity - Gross</b>	7.9	24.5	9.8	10.9	7.6
<i>INTERNATIONAL EQUITY RANK</i>	(28)	(26)	(21)	(28)	(50)
MSCI EAFE	5.5	19.7	5.5	8.9	6.5

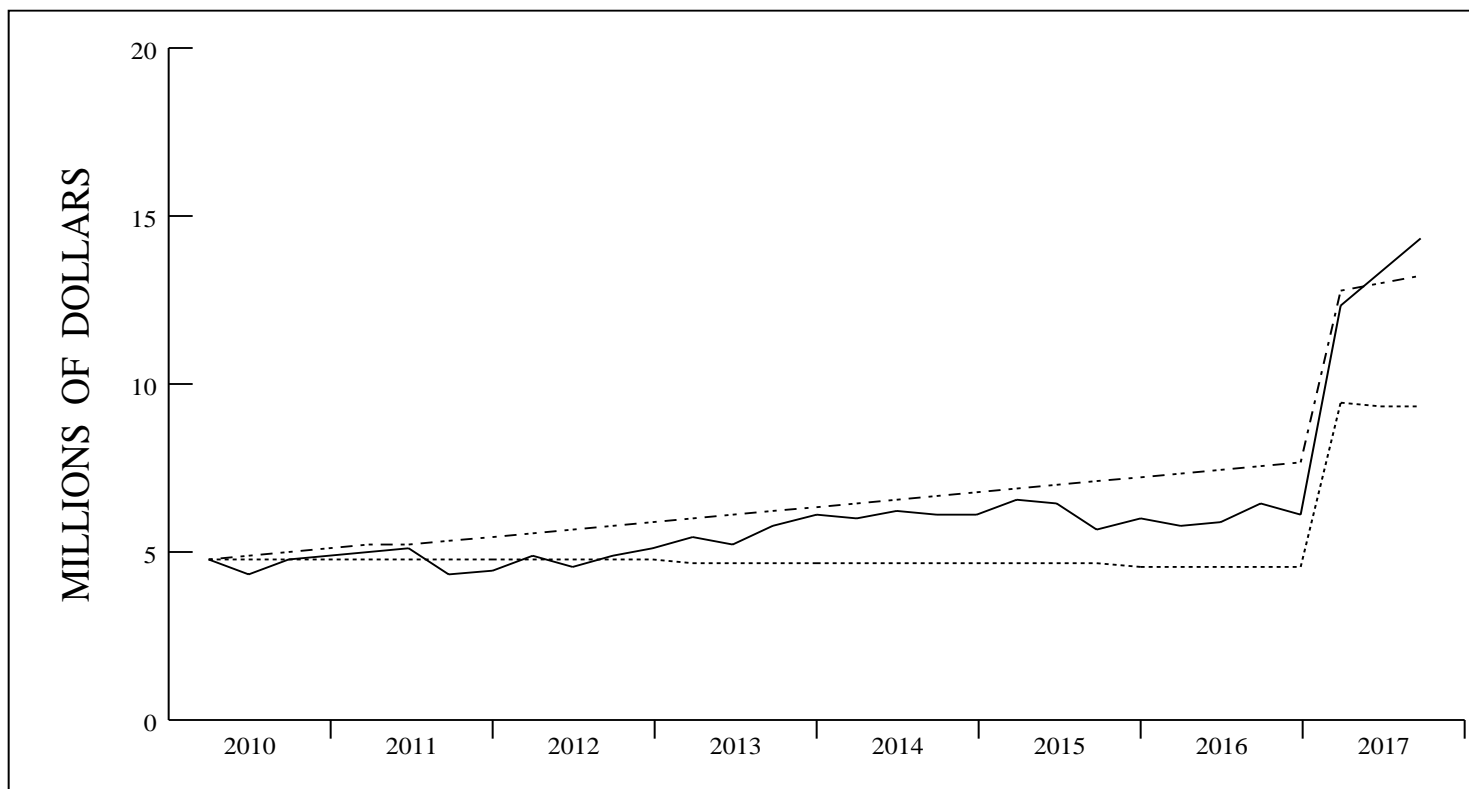
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 14,375,875
Total Portfolio	100.0%	\$ 14,375,875

**INVESTMENT RETURN**

Market Value 6/2017	\$ 13,346,155
Contribs / Withdrawals	- 28,751
Income	0
Capital Gains / Losses	1,058,471
Market Value 9/2017	\$ 14,375,875

**INVESTMENT GROWTH**

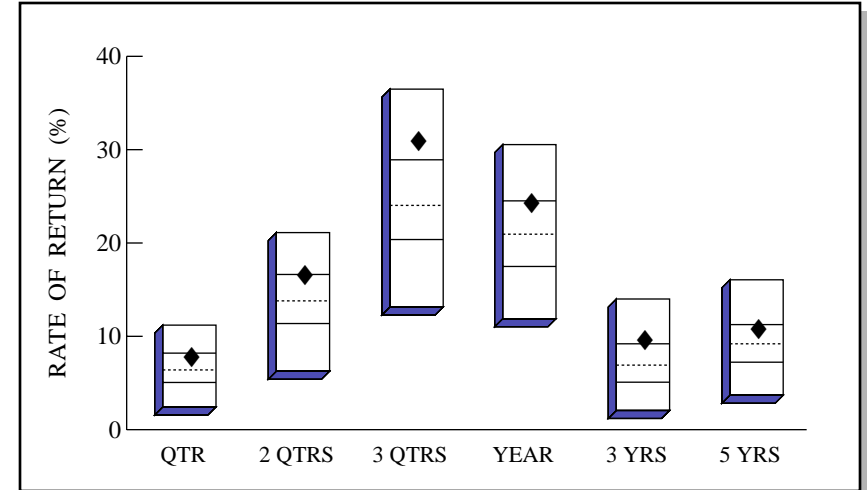
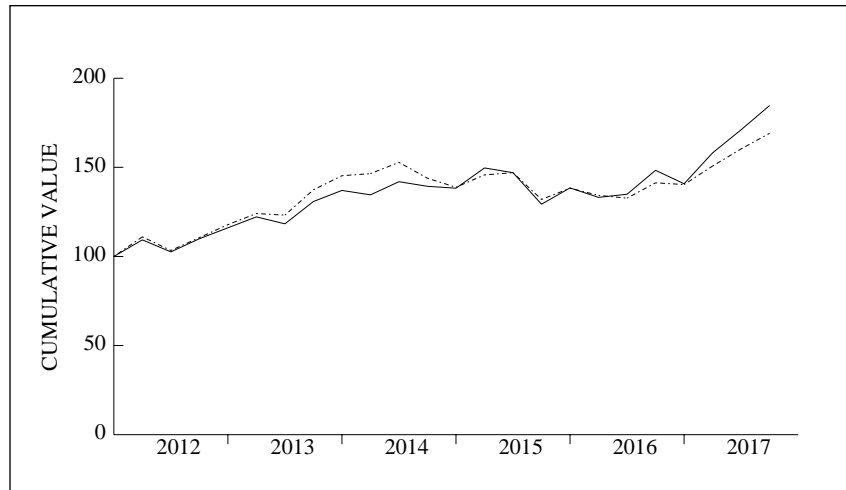


— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

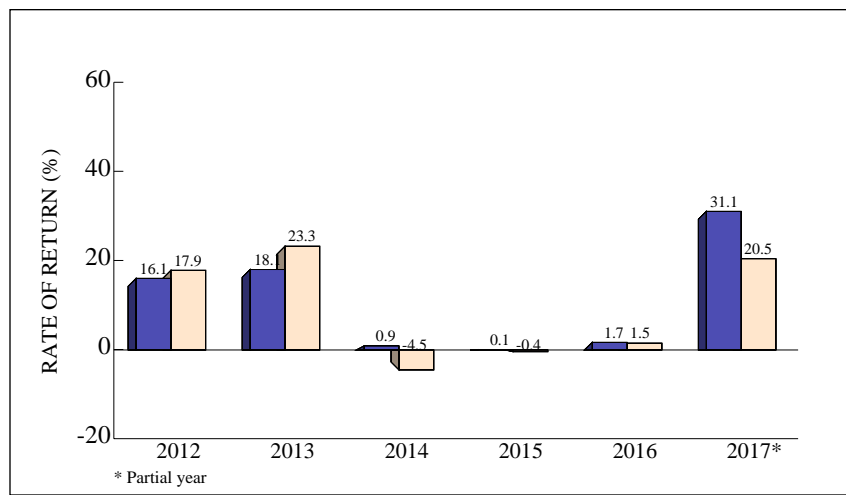
VALUE ASSUMING  
 DAVIE A/R     \$ 13,253,007

	LAST QUARTER	PERIOD 3/10 - 9/17
BEGINNING VALUE	\$ 13,346,155	\$ 4,885,384
NET CONTRIBUTIONS	- 28,751	4,515,710
<u>INVESTMENT RETURN</u>	<u>1,058,471</u>	<u>4,974,781</u>
ENDING VALUE	\$ 14,375,875	\$ 14,375,875
INCOME	0	0
<u>CAPITAL GAINS (LOSSES)</u>	<u>1,058,471</u>	<u>4,974,781</u>
INVESTMENT RETURN	1,058,471	4,974,781

**TOTAL RETURN COMPARISONS**



International Equity Universe

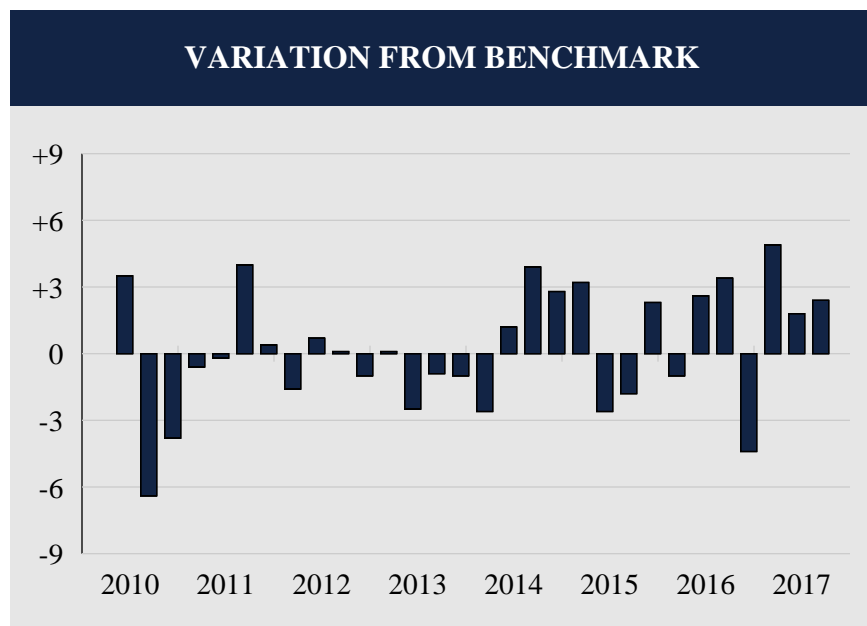


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	7.9	16.8	31.1	24.5	9.8	10.9
(RANK)	(28)	(24)	(17)	(26)	(21)	(28)
5TH %ILE	11.2	21.1	36.5	30.6	14.0	16.1
25TH %ILE	8.2	16.6	28.9	24.5	9.2	11.3
MEDIAN	6.4	13.8	24.0	20.9	6.9	9.2
75TH %ILE	5.1	11.4	20.4	17.5	5.1	7.2
95TH %ILE	2.4	6.3	13.2	11.9	2.1	3.7
<b>MSCI EAFE</b>	<b>5.5</b>	<b>12.2</b>	<b>20.5</b>	<b>19.7</b>	<b>5.5</b>	<b>8.9</b>

International Equity Universe

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: MSCI EAFE



<b>Total Quarters Observed</b>	<b>30</b>
<b>Quarters At or Above the Benchmark</b>	<b>16</b>
<b>Quarters Below the Benchmark</b>	<b>14</b>
<b>Batting Average</b>	<b>.533</b>

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	3.4	-0.6
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	-6.9	0.7
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
3/15	8.2	5.0	3.2
6/15	-1.8	0.8	-2.6
9/15	-12.0	-10.2	-1.8
12/15	7.0	4.7	2.3
3/16	-3.9	-2.9	-1.0
6/16	1.4	-1.2	2.6
9/16	9.9	6.5	3.4
12/16	-5.1	-0.7	-4.4
3/17	12.3	7.4	4.9
6/17	8.2	6.4	1.8
9/17	7.9	5.5	2.4

DAVIE POLICE PENSION PLAN  
AMERICAN REALTY ADVISORS - AMERICAN CORE REALTY FUND  
PERFORMANCE REVIEW  
SEPTEMBER 2017



## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan's American Realty Advisors American Core Realty Fund was valued at \$5,373,209, representing an increase of \$84,758 from the June quarter's ending value of \$5,288,451. Last quarter, the Fund posted withdrawals totaling \$14,817, which partially offset the portfolio's net investment return of \$99,575. Income receipts totaling \$79,327 plus net realized and unrealized capital gains of \$20,248 combined to produce the portfolio's net investment return.

For the cumulative period since March 2011, the fund has recorded net contributions totaling \$2.4 million, and recorded net investment gains of \$2.1 million. For the period since March 2011, if the total fund had returned its assumed rate of return, it would have been valued at \$4.7 million or \$711,432 less than the actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

In the third quarter, the American Realty Advisors American Core Realty Fund gained 1.9%, which was equal to the NCREIF NFI-ODCE Index's return of 1.9%. Over the trailing twelve-month period, the portfolio returned 7.5%, which was 0.1% below the benchmark's 7.6% return. Since March 2011, the account returned 11.4% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 12.0% over the same time frame.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year	Since 03/11
<b>Total Portfolio - Gross</b>	1.9	7.5	10.2	11.0	11.4
<b>Total Portfolio - Net</b>	1.6	6.3	8.9	9.8	10.2
NCREIF ODCE	1.9	7.6	10.8	11.6	12.0
<b>Real Estate - Gross</b>	1.9	7.5	10.2	11.0	11.4
NCREIF ODCE	1.9	7.6	10.8	11.6	12.0

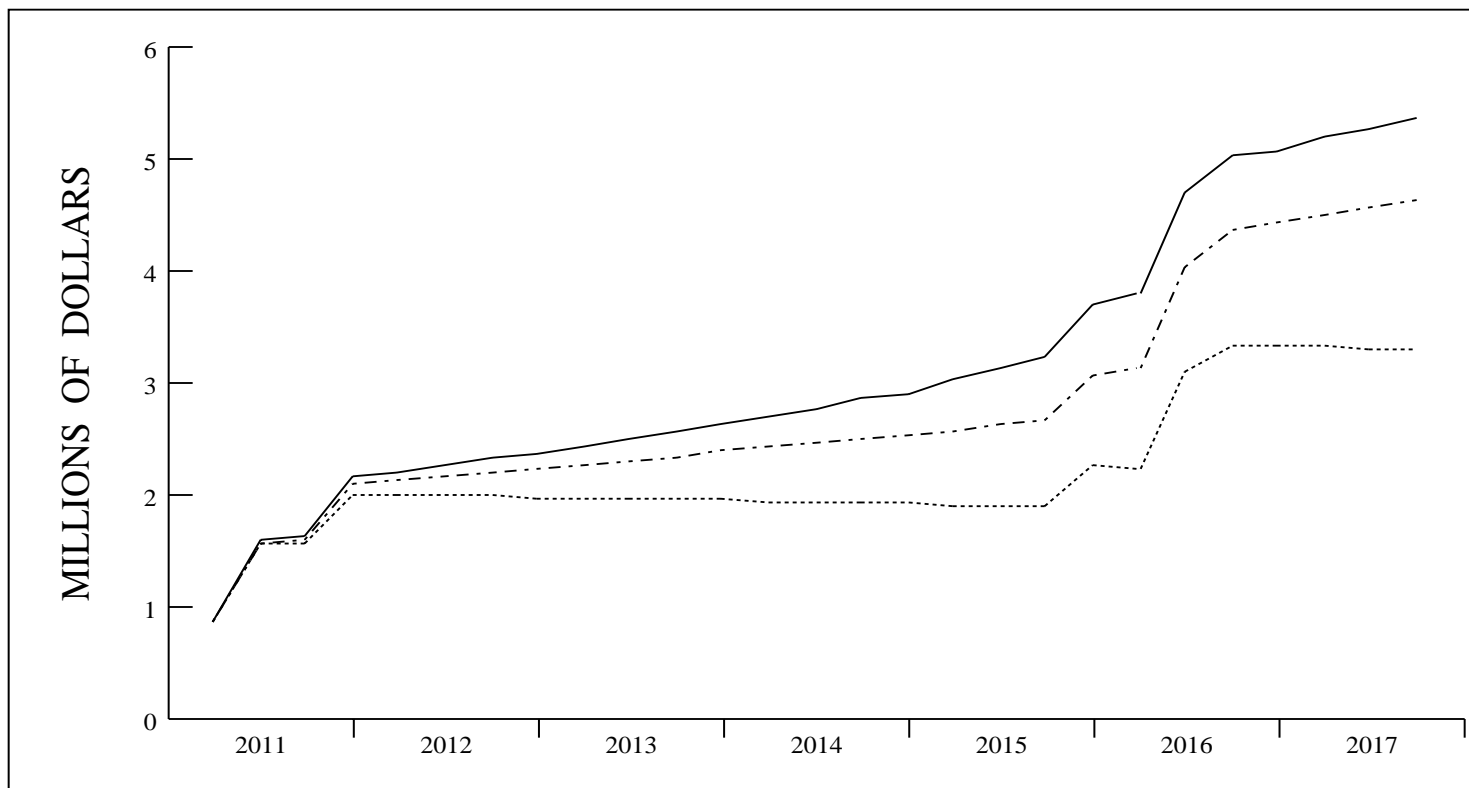
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 5,373,209
Total Portfolio	100.0%	\$ 5,373,209

**INVESTMENT RETURN**

Market Value 6/2017	\$ 5,288,451
Contribs / Withdrawals	- 14,817
Income	79,327
Capital Gains / Losses	20,248
Market Value 9/2017	\$ 5,373,209

**INVESTMENT GROWTH**



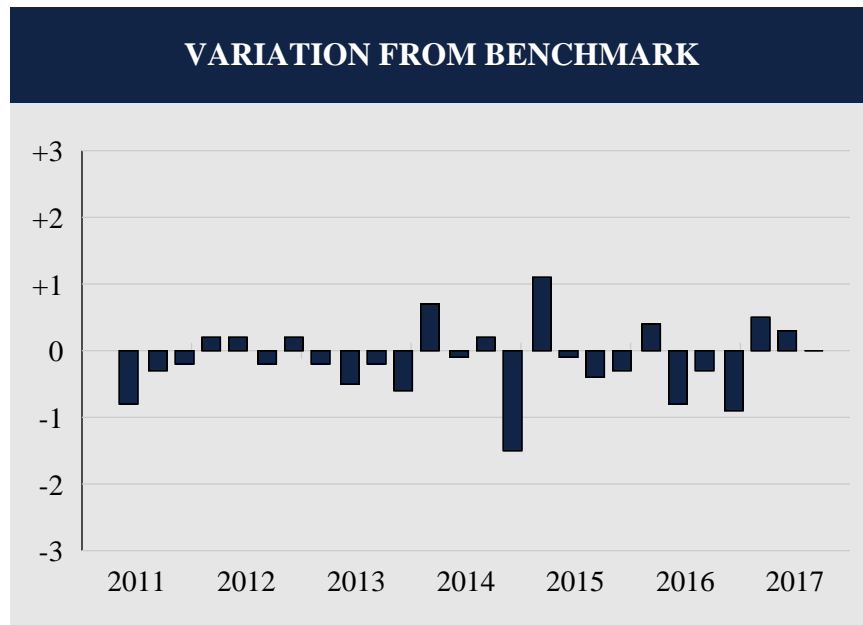
— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

VALUE ASSUMING  
 DAVIE A/R \$ 4,661,777

	LAST QUARTER	PERIOD 3/11 - 9/17
BEGINNING VALUE	\$ 5,288,451	\$ 892,274
NET CONTRIBUTIONS	- 14,817	2,415,884
INVESTMENT RETURN	99,575	2,065,051
<b>ENDING VALUE</b>	<b>\$ 5,373,209</b>	<b>\$ 5,373,209</b>
INCOME	79,327	1,176,430
CAPITAL GAINS (LOSSES)	20,248	888,621
INVESTMENT RETURN	99,575	2,065,051

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

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



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/11	3.8	4.6	-0.8
9/11	3.2	3.5	-0.3
12/11	2.8	3.0	-0.2
3/12	3.0	2.8	0.2
6/12	2.7	2.5	0.2
9/12	2.6	2.8	-0.2
12/12	2.5	2.3	0.2
3/13	2.5	2.7	-0.2
6/13	3.4	3.9	-0.5
9/13	3.4	3.6	-0.2
12/13	2.6	3.2	-0.6
3/14	3.2	2.5	0.7
6/14	2.8	2.9	-0.1
9/14	3.4	3.2	0.2
12/14	1.8	3.3	-1.5
3/15	4.5	3.4	1.1
6/15	3.7	3.8	-0.1
9/15	3.3	3.7	-0.4
12/15	3.0	3.3	-0.3
3/16	2.6	2.2	0.4
6/16	1.3	2.1	-0.8
9/16	1.8	2.1	-0.3
12/16	1.2	2.1	-0.9
3/17	2.3	1.8	0.5
6/17	2.0	1.7	0.3
9/17	1.9	1.9	0.0

<b>Total Quarters Observed</b>	<b>26</b>
<b>Quarters At or Above the Benchmark</b>	<b>10</b>
<b>Quarters Below the Benchmark</b>	<b>16</b>
<b>Batting Average</b>	<b>.385</b>

DAVIE POLICE PENSION PLAN  
INTERCONTINENTAL - US REAL ESTATE INVESTMENT FUND  
PERFORMANCE REVIEW  
SEPTEMBER 2017

## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan's Intercontinental US Real Estate Investment Fund was valued at \$8,442,568, representing an increase of \$190,928 from the June quarter's ending value of \$8,251,640. Last quarter, the Fund posted withdrawals totaling \$18,045, which partially offset the portfolio's net investment return of \$208,973. Since there were no income receipts for the third quarter, the portfolio's net investment return figure was the product of net realized and unrealized capital gains totaling \$208,973.

For the cumulative period since September 2013, the account has posted net contributions totaling \$2.6 million, and has recorded net investment gains totaling \$2.8 million. Since September 2013, if the portfolio had returned its assumed rate of return, it would have been valued at \$7.2 million or \$1.2 million less than its actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

For the third quarter, the Intercontinental US Real Estate Investment Fund gained 2.5%, which was 0.6% greater than the NCREIF NFI-ODCE Index's return of 1.9%. Over the trailing twelve-month period, the portfolio returned 11.8%, which was 4.2% greater than the benchmark's 7.6% performance. Since September 2013, the Intercontinental US Real Estate Investment Fund returned 13.0% per annum, while the NCREIF NFI-ODCE Index returned an annualized 11.2% 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.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year	Since 09/13
<b>Total Portfolio - Gross</b>	2.5	11.8	13.0	----	13.0
<b>Total Portfolio - Net</b>	2.3	9.9	10.9	----	10.8
NCREIF ODCE	1.9	7.6	10.8	11.6	11.2
<b>Real Estate - Gross</b>	2.5	11.8	13.0	----	13.0
NCREIF ODCE	1.9	7.6	10.8	11.6	11.2

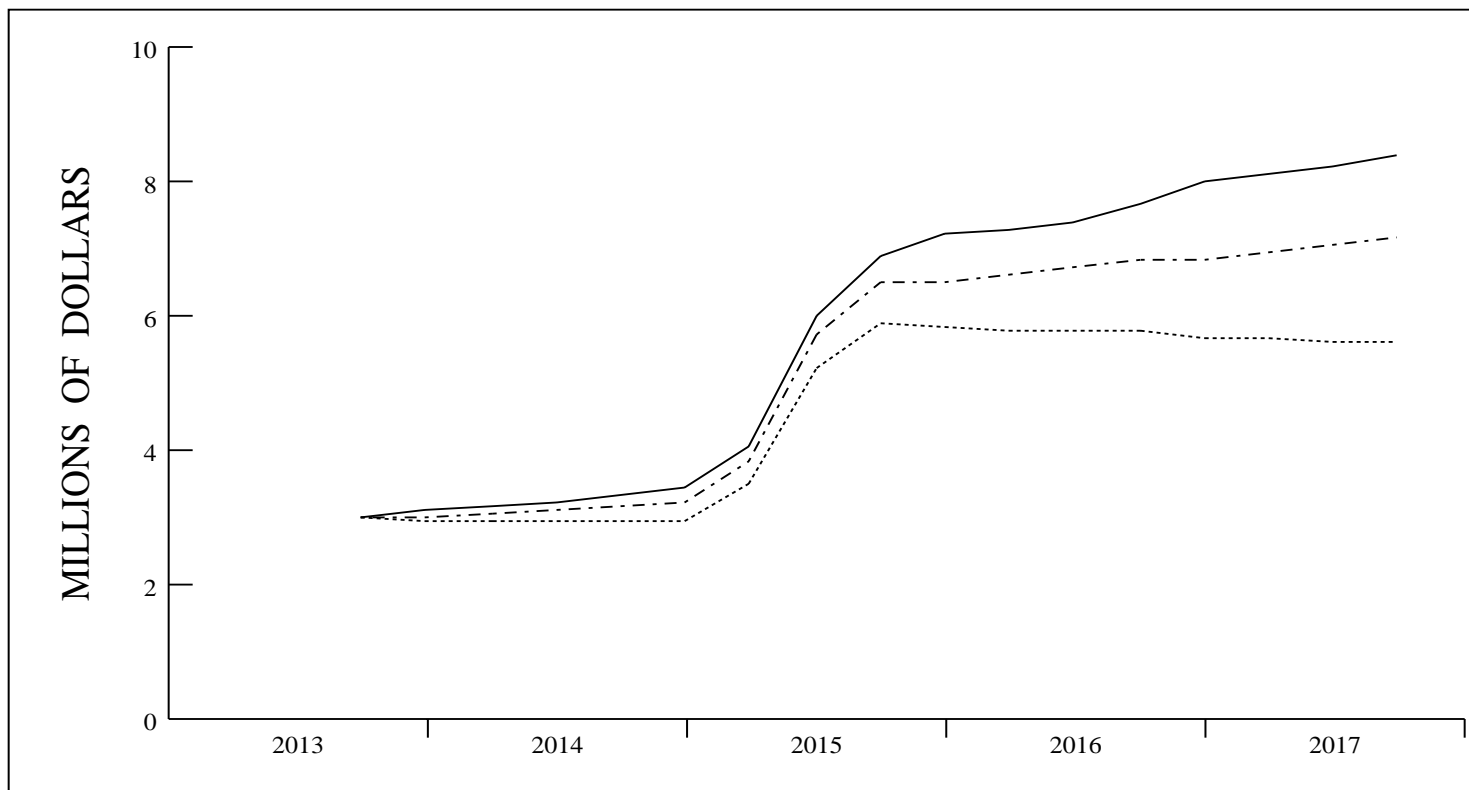
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 8,442,568
Total Portfolio	100.0%	\$ 8,442,568

**INVESTMENT RETURN**

Market Value 6/2017	\$ 8,251,640
Contribs / Withdrawals	- 18,045
Income	0
Capital Gains / Losses	208,973
Market Value 9/2017	\$ 8,442,568

**INVESTMENT GROWTH**



— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

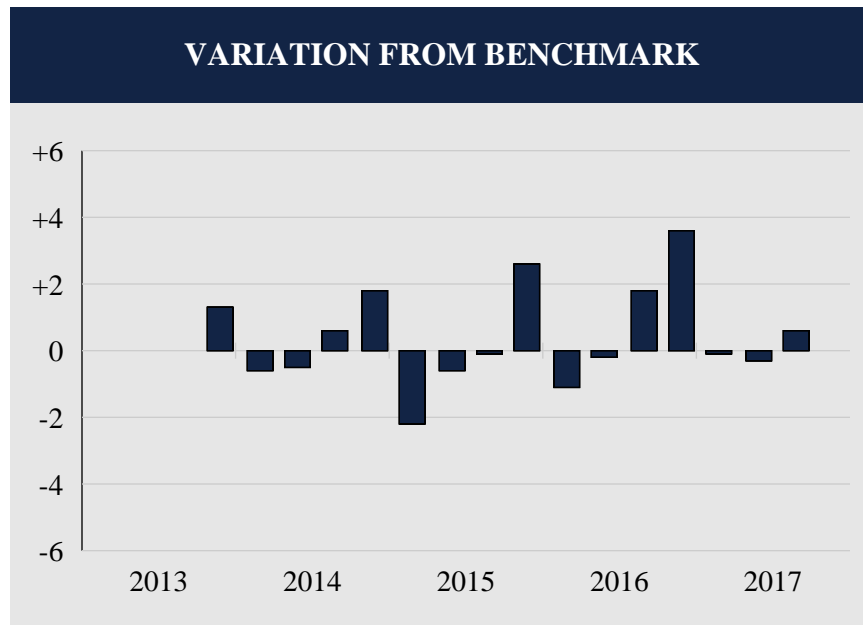
VALUE ASSUMING  
 DAVIE A/R      \$ 7,215,142

	LAST QUARTER	PERIOD 9/13 - 9/17
BEGINNING VALUE	\$ 8,251,640	\$ 3,032,373
NET CONTRIBUTIONS	- 18,045	2,611,404
INVESTMENT RETURN	208,973	2,798,791
ENDING VALUE	\$ 8,442,568	\$ 8,442,568
INCOME	0	310,772
CAPITAL GAINS (LOSSES)	208,973	2,488,019
INVESTMENT RETURN	208,973	2,798,791



### 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	5.1	3.3	1.8
3/15	1.2	3.4	-2.2
6/15	3.2	3.8	-0.6
9/15	3.6	3.7	-0.1
12/15	5.9	3.3	2.6
3/16	1.1	2.2	-1.1
6/16	1.9	2.1	-0.2
9/16	3.9	2.1	1.8
12/16	5.7	2.1	3.6
3/17	1.7	1.8	-0.1
6/17	1.4	1.7	-0.3
9/17	2.5	1.9	0.6

<b>Total Quarters Observed</b>	<b>16</b>
<b>Quarters At or Above the Benchmark</b>	<b>7</b>
<b>Quarters Below the Benchmark</b>	<b>9</b>
<b>Batting Average</b>	<b>.438</b>

**Real Estate Investor Report**  
**Intercontinental US Real Estate Investment Fund**  
**As of September 30th, 2017**

<b>Market Value</b>	<b>\$ 8,442,568</b>	Last Appraisal Date: 9/30/2017
Initial Commitment	\$ 6,000,000	100.00%
Paid In Capital	\$ 6,652,074	110.87%
Net Distributions	\$ 916,232	
Net IRR Since Inception	12.32%	

	<b>Date</b>	<b>Paid In Capital</b>	<b>Distributions</b>	<b>Reinvested Income</b>
2013		\$ 3,000,000	\$ 9,494	\$ 7,053
2014		\$ -	\$ 117,499	\$ 84,126
Q1 2015		\$ 555,350	\$ 22,982	\$ 14,412
Q2 2015		\$ 1,769,105	\$ 34,735	\$ 25,960
Q3 2015		\$ 675,545	\$ 61,993	\$ 48,599
Q4 2015		\$ -	\$ 72,796	\$ 55,825
Q1 2016		\$ -	\$ 64,165	\$ 46,877
Q2 2016		\$ -	\$ 69,606	\$ 52,377
Q3 2016		\$ -	\$ 84,723	\$ 67,445
Q4 2016		\$ -	\$ 74,933	\$ 57,231
Q1 2017		\$ -	\$ 68,879	\$ 51,019
Q2 2017		\$ -	\$ 87,427	\$ 69,769
Q3 2017		\$ -	\$ 89,426	\$ 71,381
<b>Total</b>		<b>\$ 6,000,000</b>	<b>\$ 858,658</b>	<b>\$ 652,074</b>

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

DAVIE POLICE PENSION PLAN  
UBS - TRUMBULL PROPERTY FUND  
PERFORMANCE REVIEW  
SEPTEMBER 2017

## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan's UBS Trumbull Property Fund was valued at \$4,109,994, representing an increase of \$49,666 from the June quarter's ending value of \$4,060,328. Last quarter, the Fund posted withdrawals totaling \$10,253, which partially offset the portfolio's net investment return of \$59,919. Income receipts totaling \$31,946 plus net realized and unrealized capital gains of \$27,973 combined to produce the portfolio's net investment return.

For the cumulative period since June 2012, the fund has recorded net contributions totaling \$1.8 million, and recorded net investment gains of \$1.3 million. For the period since June 2012, if the total fund had returned its assumed rate of return, it would have been valued at \$3.8 million or \$270,308 less than the actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

In the third quarter, the UBS Trumbull Property Fund gained 1.5%, which was 0.4% less than the NCREIF NFI-ODCE Index's return of 1.9%. Over the trailing twelve-month period, the portfolio returned 5.4%, which was 2.2% below the benchmark's 7.6% return. Since June 2012, the account returned 9.6% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 11.6% over the same time frame.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year	Since 06/12
<b>Total Portfolio - Gross</b>	1.5	5.4	9.0	9.6	9.6
<b>Total Portfolio - Net</b>	1.2	4.2	7.8	8.4	8.5
NCREIF ODCE	1.9	7.6	10.8	11.6	11.6
<b>Real Estate - Gross</b>	1.5	5.4	9.0	9.6	9.6
NCREIF ODCE	1.9	7.6	10.8	11.6	11.6

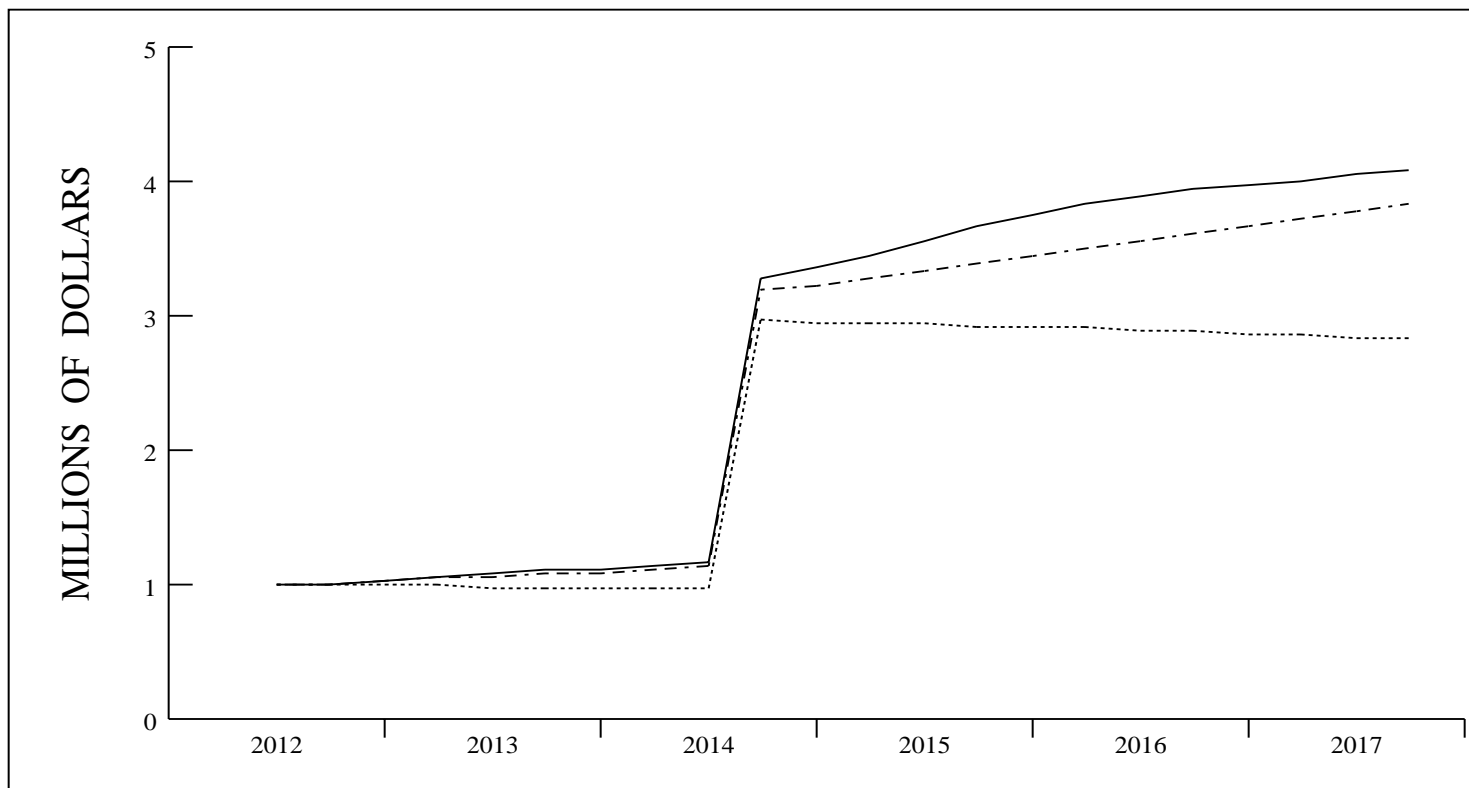
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 4,109,994
Total Portfolio	100.0%	\$ 4,109,994

**INVESTMENT RETURN**

Market Value 6/2017	\$ 4,060,328
Contribs / Withdrawals	- 10,253
Income	31,946
Capital Gains / Losses	27,973
Market Value 9/2017	\$ 4,109,994

**INVESTMENT GROWTH**



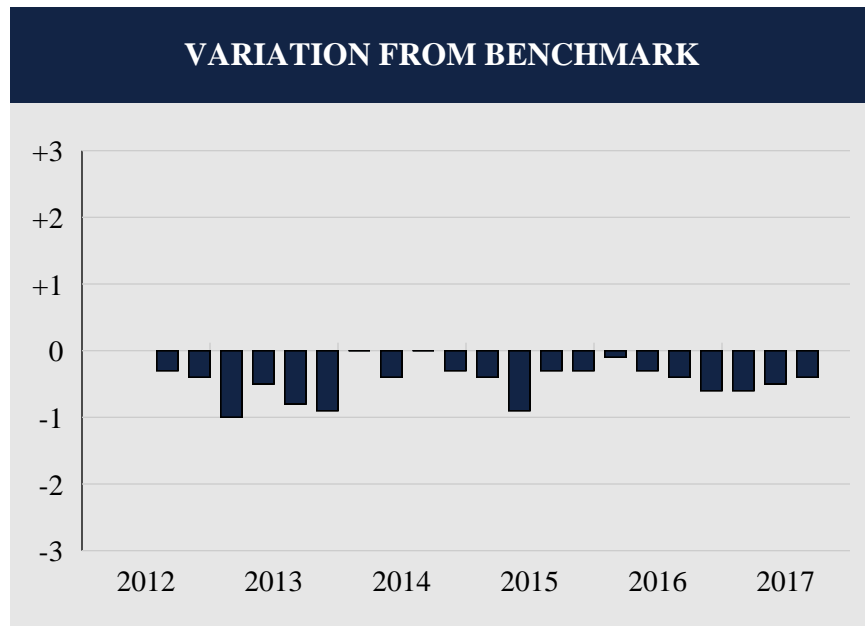
— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

VALUE ASSUMING  
 DAVIE A/R      \$    3,839,686

	LAST QUARTER	PERIOD 6/12 - 9/17
BEGINNING VALUE	\$ 4,060,328	\$ 1,000,000
NET CONTRIBUTIONS	- 10,253	1,849,120
INVESTMENT RETURN	59,919	1,260,874
ENDING VALUE	\$ 4,109,994	\$ 4,109,994
INCOME	31,946	464,880
CAPITAL GAINS (LOSSES)	27,973	795,994
INVESTMENT RETURN	59,919	1,260,874

**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
3/15	3.0	3.4	-0.4
6/15	2.9	3.8	-0.9
9/15	3.4	3.7	-0.3
12/15	3.0	3.3	-0.3
3/16	2.1	2.2	-0.1
6/16	1.8	2.1	-0.3
9/16	1.7	2.1	-0.4
12/16	1.5	2.1	-0.6
3/17	1.2	1.8	-0.6
6/17	1.2	1.7	-0.5
9/17	1.5	1.9	-0.4

<b>Total Quarters Observed</b>	<b>21</b>
<b>Quarters At or Above the Benchmark</b>	<b>2</b>
<b>Quarters Below the Benchmark</b>	<b>19</b>
<b>Batting Average</b>	<b>.095</b>

**Real Estate Investor Report  
UBS Trumbull Property Fund  
As of September 30th, 2017**

<b>Market Value</b>	<b>\$ 4,109,994</b>	Last Appraisal Date: 09/30/2017	
Initial Commitment	\$ 3,000,000	100.00%	
Paid In Capital	\$ 3,000,000	100.00%	
Remaining Commitment	\$ -	0.00%	
IRR Since Inception	8.29%		

<b>Date</b>	<b>Contributions</b>	<b>% of Commitment</b>	<b>Recallable Contributions</b>	<b>% of Commitment</b>	<b>Distributions / Reinvestments</b>
2012	\$ 1,000,000	33.33%	\$ -	0.00%	\$ 7,030
2013	\$ -	0.00%	\$ -	0.00%	\$ 29,792
2014	\$ 2,000,000	66.67%	\$ -	0.00%	\$ 44,798
2015	\$ -	0.00%	\$ -	0.00%	\$ 95,387
Q1 2016	\$ -	0.00%	\$ -	0.00%	\$ 24,485
Q2 2016	\$ -	0.00%	\$ -	0.00%	\$ 28,224
Q3 2016	\$ -	0.00%	\$ -	0.00%	\$ 28,333
Q4 2016	\$ -	0.00%	\$ -	0.00%	\$ 28,332
Q1 2017	\$ -	0.00%	\$ -	0.00%	\$ 28,472
Q2 2017	\$ -	0.00%	\$ -	0.00%	\$ 30,870
Q3 2017	\$ -	0.00%	\$ -	0.00%	\$ 31,946
<b>Total</b>	<b>\$ 3,000,000</b>	<b>100.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 377,669</b>

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



DAVIE POLICE PENSION PLAN  
GARCIA HAMILTON - FIXED  
PERFORMANCE REVIEW  
SEPTEMBER 2017

## **INVESTMENT RETURN**

On September 30th, 2017, the Davie Police Pension Plan's Garcia Hamilton Fixed portfolio was valued at \$38,595,211, a decrease of \$220,535 from the June ending value of \$38,815,746. Last quarter, the account recorded a net withdrawal of \$412,592, which overshadowed the fund's net investment return of \$192,057. The fund's net investment return was a result of income receipts totaling \$297,072 and realized and unrealized capital losses totaling \$105,015.

Since September 2012, the account has recorded net contributions totaling \$18.0 million, and generated net investment gains totaling \$4.3 million. Since September 2012, if the account had earned its assumed rate of return, it would have been valued at \$46.9 million or \$8.3 million more than the actual value as of September 30th, 2017.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the third quarter, the Garcia Hamilton Fixed portfolio gained 0.5%, which was 0.3% below the Custom Fixed Income Index's return of 0.8% and ranked in the 99th percentile of the Core Fixed Income universe. Over the trailing twelve-month period, this portfolio returned 0.4%, which was 0.3% greater than the benchmark's 0.1% performance, and ranked in the 64th percentile. Since September 2012, the portfolio returned 3.1% annualized and ranked in the 12th percentile. The Custom Fixed Income Index returned an annualized 1.9% over the same time frame.

## **ASSET ALLOCATION**

On September 30th, 2017, fixed income comprised 98.6% of the total portfolio (\$38.1 million), while cash & equivalents comprised the remaining 1.4% (\$539,525).

## **ANALYSIS**

At the end of the quarter, USG rated securities comprised approximately 70% 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 AAA. The average maturity of the portfolio was 8.09 years, less than the Bloomberg Barclays Aggregate Index's 8.25-year maturity. The average coupon was 2.66%.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD / 1Y	3 Year	5 Year
<b>Total Portfolio - Gross</b>	0.5	0.4	3.2	3.1
<i>CORE FIXED INCOME RANK</i>	(99)	(64)	(41)	(12)
<b>Total Portfolio - Net</b>	0.4	0.1	2.7	2.6
Custom Index	0.8	0.1	2.7	1.9
<b>Fixed Income - Gross</b>	0.5	0.4	3.2	3.1
<i>CORE FIXED INCOME RANK</i>	(99)	(64)	(37)	(12)
Custom Index	0.8	0.1	2.7	1.9
Aggregate Index	0.8	0.1	2.7	2.1
Gov/Credit	0.8	0.0	2.8	2.1

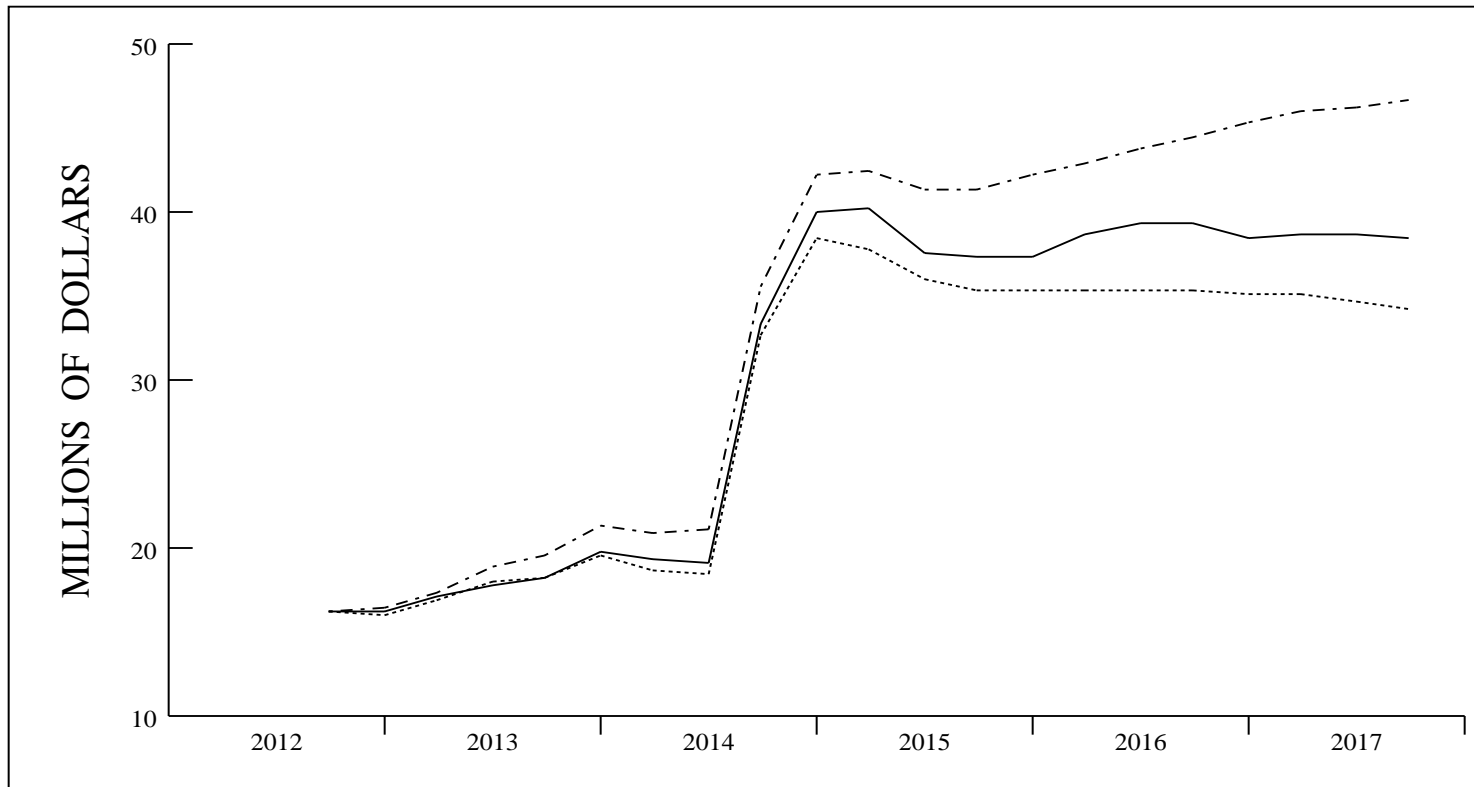
**ASSET ALLOCATION**

Fixed Income	98.6%	\$ 38,055,686
Cash	1.4%	539,525
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 38,595,211</b>

**INVESTMENT RETURN**

Market Value 6/2017	\$ 38,815,746
Contribs / Withdrawals	-412,592
Income	297,072
Capital Gains / Losses	-105,015
Market Value 9/2017	\$ 38,595,211

**INVESTMENT GROWTH**

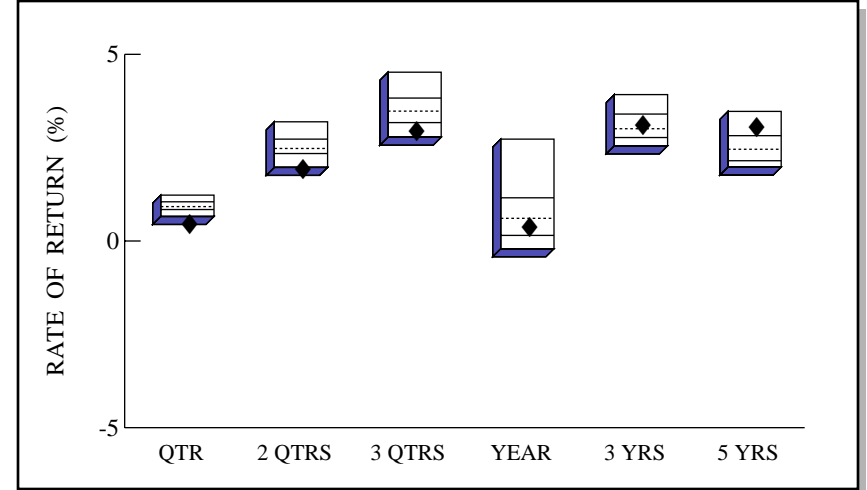
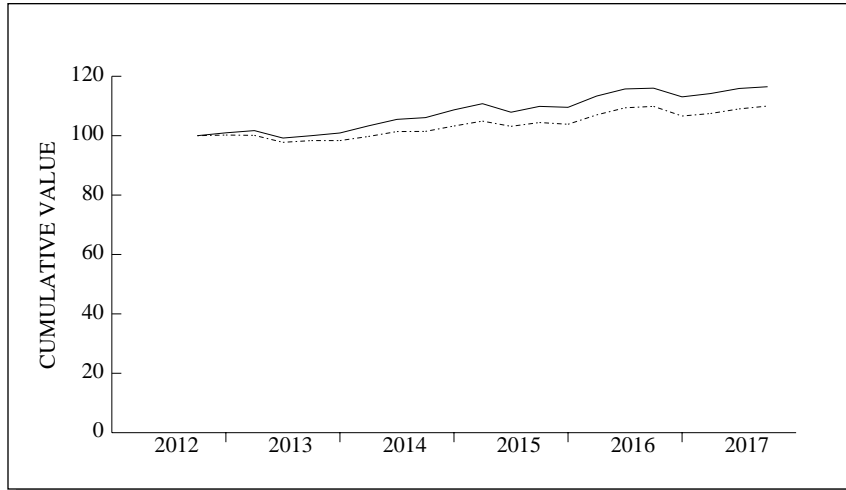


—	ACTUAL RETURN
- - -	DAVIE BLENDED A/R
.....	0.0%

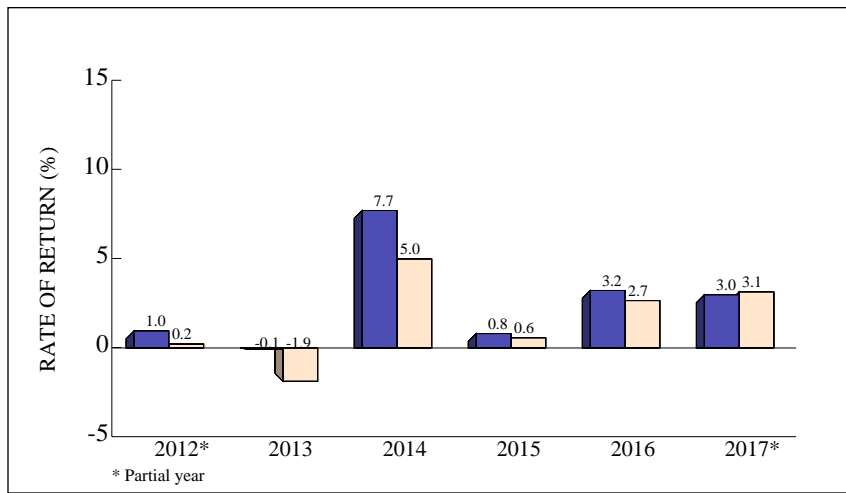
VALUE ASSUMING	
DAVIE A/R	\$ 46,854,803

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 38,815,746	\$ 16,264,527
NET CONTRIBUTIONS	-412,592	18,005,644
INVESTMENT RETURN	192,057	4,325,040
ENDING VALUE	\$ 38,595,211	\$ 38,595,211
INCOME	297,072	5,726,098
CAPITAL GAINS (LOSSES)	-105,015	-1,401,057
INVESTMENT RETURN	192,057	4,325,040

**TOTAL RETURN COMPARISONS**



Core Fixed Income Universe

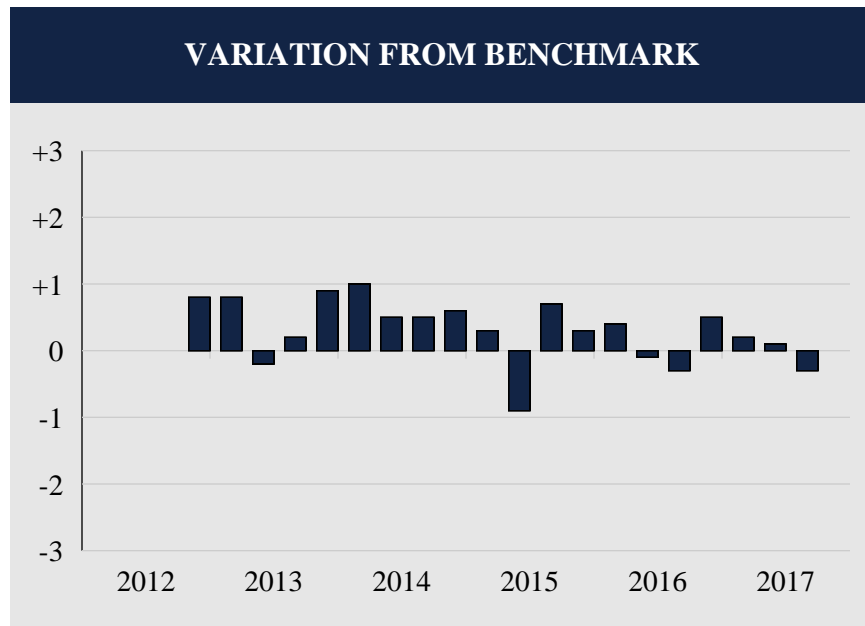


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	0.5	2.0	3.0	0.4	3.2	3.1
(RANK)	(99)	(96)	(89)	(64)	(41)	(12)
5TH %ILE	1.2	3.2	4.5	2.7	3.9	3.5
25TH %ILE	1.1	2.7	3.8	1.2	3.4	2.8
MEDIAN	0.9	2.5	3.5	0.6	3.0	2.5
75TH %ILE	0.8	2.3	3.2	0.2	2.8	2.2
95TH %ILE	0.7	2.0	2.8	-0.2	2.6	2.0
<i>Custom Idx</i>	<i>0.8</i>	<i>2.3</i>	<i>3.1</i>	<i>0.1</i>	<i>2.7</i>	<i>1.9</i>

Core Fixed Income Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

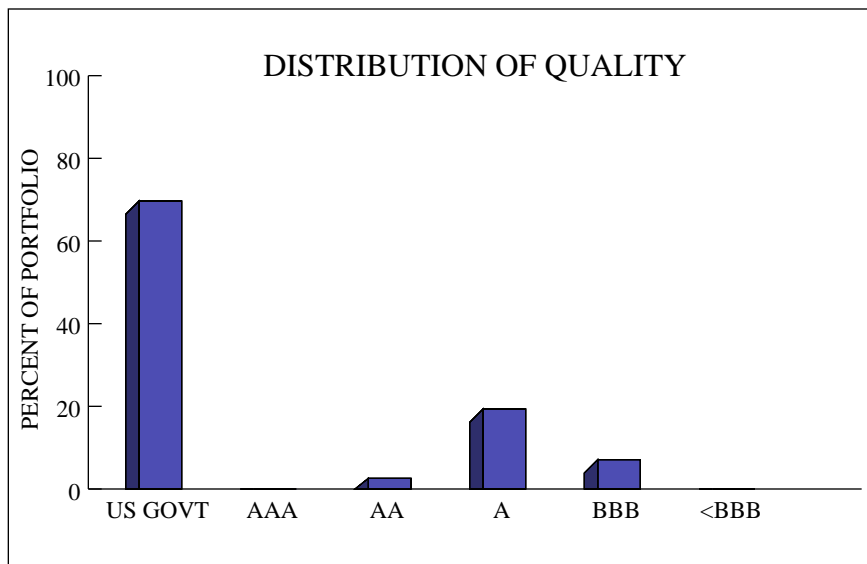
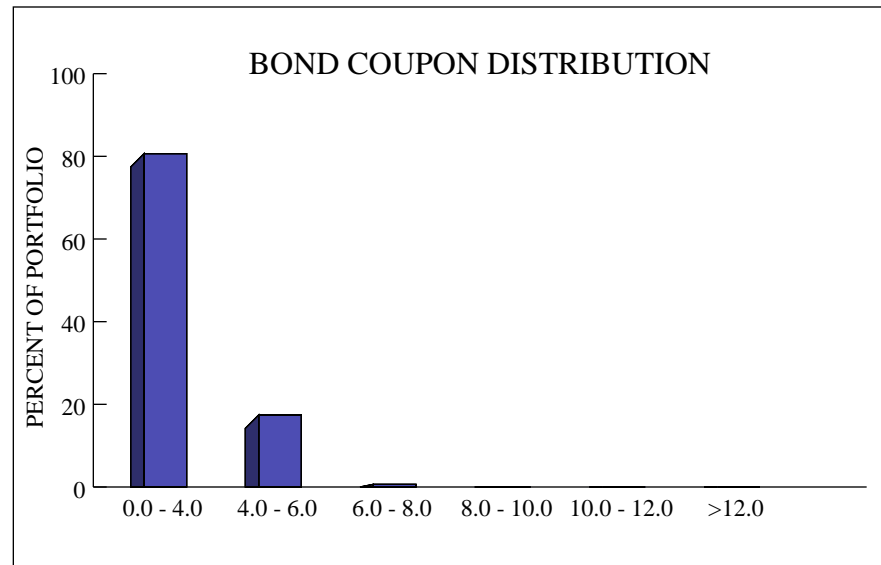
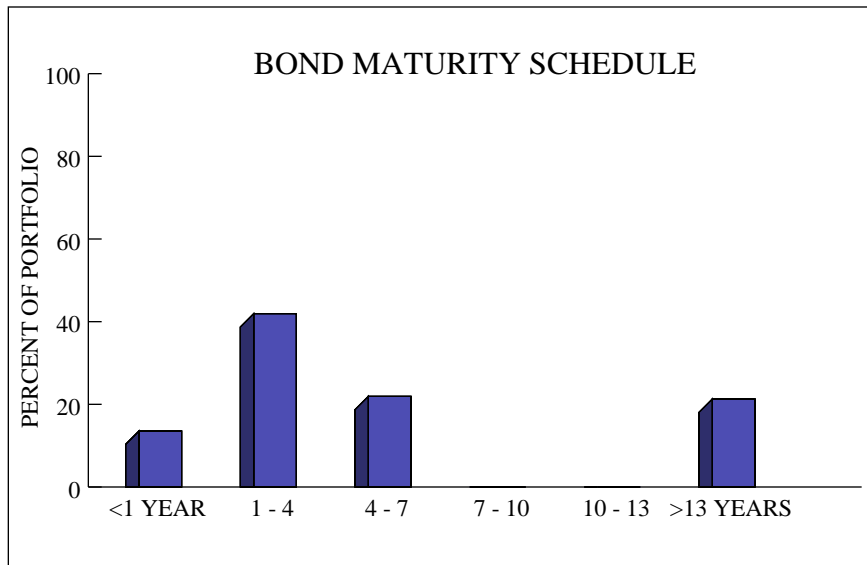
**COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
3/15	1.9	1.6	0.3
6/15	-2.6	-1.7	-0.9
9/15	1.9	1.2	0.7
12/15	-0.3	-0.6	0.3
3/16	3.4	3.0	0.4
6/16	2.1	2.2	-0.1
9/16	0.2	0.5	-0.3
12/16	-2.5	-3.0	0.5
3/17	1.0	0.8	0.2
6/17	1.5	1.4	0.1
9/17	0.5	0.8	-0.3

<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>

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>AGGREGATE INDEX</b>
No. of Securities	35	9,547
Duration	4.68	5.96
YTM	1.93	2.55
Average Coupon	2.66	3.06
Avg Maturity / WAL	8.09	8.25
Average Quality	AAA	USG-AAA