

# Davie Police Pension Plan

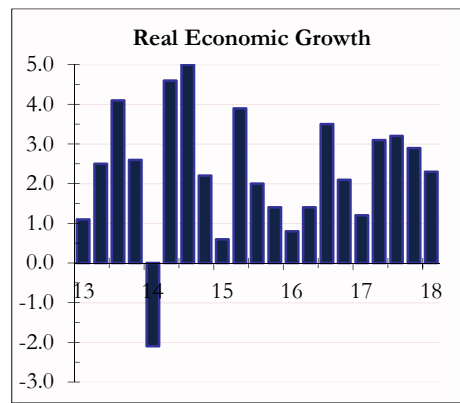
Performance Review  
March 2018



## ECONOMIC ENVIRONMENT

### The Good News Continued

Global expansion continued unabated into 2018. Domestically, there was lots of good news. Real GDP expanded 2.3% in the first



quarter, according to the BEA advance estimate, a slight deceleration from the fourth quarter's 2.9% growth. Job growth supported the GDP gain, averaging more than 200,000 during the quarter; this level of hiring took place despite a weather-related dip to 103,000 new jobs in March. Reflecting the

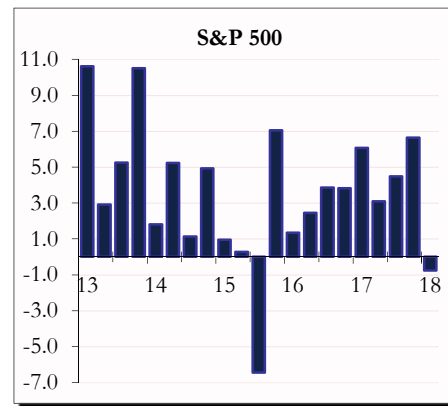
optimism, sales of new and existing homes were brisk and prices of each rose. Manufacturing and services output also expanded. In addition, the University of Michigan's Consumer Sentiment Index was the most positive in 14 years (101.4) and its Current Conditions Component Index stood at an all-time high (121.2). The Fed played its role by once again raising short-term rates from 1.5% to 1.75%. Core inflation reached an annualized 2.1% in March, just above the Fed's 2% sweet spot. Including food and energy, the annualized rate rose to 2.4%.

The economic picture was quite rosy for the first quarter, but there were some hiccups. Commodity prices for liquid natural gas and for many agricultural products temporarily swooned. A greater concern for the longer term was the Trump team's announcement of possible tariffs on steel, aluminum and a host of other products. That fueled uncertainty, leading to a rather chaotic quarter for stock and bond markets.

## DOMESTIC EQUITIES

### Volatility Rattled the Markets

There was no mistaking a pattern of clearly volatile S&P 500 returns. Most of January was uneventful, followed briefly by



inflation fears; next, investors felt that inflation was under control. That sense of relief gave way to worries over a likely tariff war. By the end of the quarter, investors relaxed again, viewing the tariff issue as nothing more than the opening salvo in trade negotiations. It was quite a ride and one seldom seen in

the previous nine years of bull market.

The intra-quarter volatility resulted in the S&P's 0.8% loss, as well as the Dow's 2.0% loss. However, the NASDAQ managed a positive 2.6% return as tech stocks provided ballast. Growth stocks again bested value stocks in all size categories. For example, the Russell 1000 Growth Index was up 1.4%, while the Russell 1000 Value Index was down 2.8%. In the small-cap space, the Russell 2000 Growth Index gained 2.3% vs. 2.6% in lost return for the Russell 2000 Value. Overall, small caps performed modestly better than their mid-cap or large-cap counterparts, but most stocks paused from their 2017 upward paths.

Consumer service stocks earned the highest return (+5.1%). The computer technology sector, bolstered by Amazon, Netflix and Microsoft, posted a 4% gain. However, all other sectors were in the red. Higher interest rates hurt utility stocks, which were off 4.5%; falling liquid natural gas prices drove energy stocks down 5.1%;

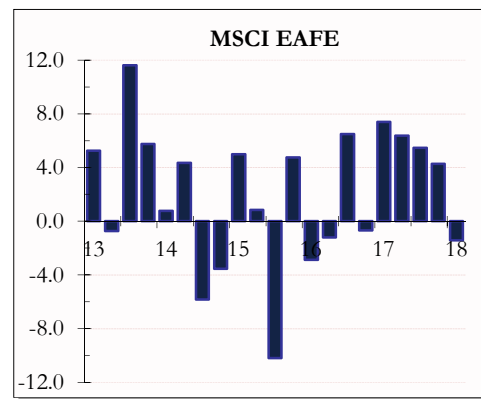
and the specter of a looming trade war sent basic industrial stocks tumbling 6.6%. Finally, REIT prices continued to struggle (-8.5%), impacted by interest rate hikes and especially by retail store closings.

## INTERNATIONAL EQUITIES

### US Pullback Dampened Overseas Markets

Many economies around the world were either ramping up or continuing to do well. The GDPs of China, Japan, the Euro region and lately, Brazil, led the way. Consumer spending, rising exports and currency strength vs. the US dollar generally helped those economies. Nonetheless, the volatility in US markets affected the bourses of most countries.

For the quarter, the MSCI EAFE Index dipped 1.4%. Markets in the Eurozone, the UK, Australia and the Pacific region all slipped.

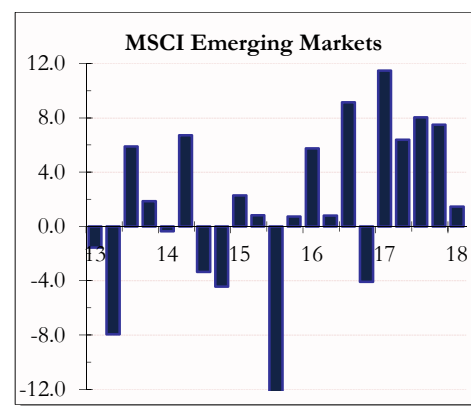


Within the Eurozone, the Italian market did surprisingly well (+5.4%), reflecting consumer confidence and job growth despite its hung parliament. French stocks were slightly positive (+0.4%), even as unions tested President Macron's reforms. German shares fell 3.5% after five months of political uncertainty, heedless of its strong economy.

On the other hand, Spanish shares fell just 1.7%, with economic gains offsetting Catalan independence issues. The UK market dropped 3.9% as it continued to grapple with Brexit issues.

The Australian market slumped 6.1% amid lower construction investment and weak bank shares. In the Pacific, Singapore stood out with the highest GDP growth rate in three years. Its market moved up 2.8%, accordingly. Japan (+1.0%) experienced the lowest unemployment rate in two decades! That milestone plus an expanding manufacturing sector pushed back against a surging Yen (and effectively raised export prices). Hong Kong shares eased back 1.4%. The Israel market was hit by a series of government corruption scandals that sent shares tumbling 5.3%. Canada sank 7.2% amid declining consumer purchases, NAFTA re-negotiations and a dramatically weakening currency.

EM market returns varied all over the lot, but overall inched up 1.5%. Among the big four BRIC countries, there were surprises. Brazil continued its turnaround, climbing 12.5%, led by strong



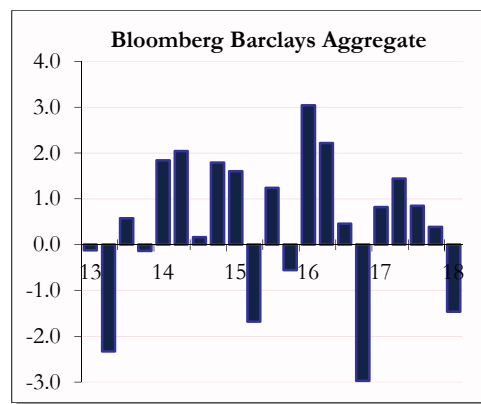
business confidence. Shares of Brazil's state-owned Petrobras rocketed 38% on the strength of rising oil prices. Russia provided another surprise, gaining 9.4% despite new global sanctions. India's shares dropped 7%, largely due to fraud scandals at its public sector banks. China's shares, which gained 1.8%, benefited from sustained economic growth and rising middle class consumer spending.

## BOND MARKET

### Rates Rose and Prices Fell (Modestly)

As expected, the Federal Reserve Board raised the Fed funds rate to a range of 1.5% - 1.75%. As a result, the yield curve rose along all maturities and bond prices fell accordingly. Returns were modestly negative except in the ultra-short space (where they were modestly positive) and the very long space (where they were significantly negative). As inflation fears subsided, the yield curve flattened at the long end.

The Barclays Aggregate Index returned -1.5%. Treasuries, representing the largest fraction of the index, declined 1.2%.



Mortgage-backed issues did the same. However, 20-year and longer Treasury issues fell 3.4%. Corporate bond returns were also in the red (-2.1%). AAA names fell 1.1%, while single A issues were down 2.5%. High yield credits held up under the pressure, losing an average of just 0.9%; low default

rates acted as a floor for high yield prices.

The G-6 Index (sovereign bonds among six developed economies) actually climbed 4.9% due largely to their strengthening currencies vs. the US dollar. Canada was the only G-6 component to decline (-2.4%), reflecting both its weakened currency and faltering economy. Emerging market bond losses were muted, easing back 1.5%; generally, stronger currencies and economies dampened losses for EM securities.

## CASH EQUIVALENTS

### Another Fed Rate Hike Helped

A higher 90-day T-bill return was attributable to the latest Fed funds increase — the fourth since early last year. The T-bill gave investors 0.33% for the quarter and just over 1% for the fiscal year. With more Fed funds increases likely this year, cash equivalents are finally providing at least some return to ultra-conservative investors.

## Economic Statistics

	Current Quarter	Previous Quarter
GDP	2.3	2.9
Unemployment	4.1	4.1
CPI All Items Year/Year	2.1	2.4
Fed Funds Rate	1.75	1.50
Industrial Capacity	78.0	77.3
US Dollars per Euro	1.23	1.20

## Major Index Quarter Returns

Index	Quarter	Year
Russell 3000	-0.6	13.8
S&P 500	-0.8	14.0
Russell Midcap	-0.5	12.2
Russell 2000	-0.1	11.8
MSCI EAFE	-1.4	15.3
MSCI Emg Markets	1.4	25.3
NCREIF ODCE	2.2	8.1
U.S. Aggregate	-1.5	1.2
90 Day T-bills	0.4	1.2

## Domestic Equity Return Distributions

	Quarter			Trailing Year		
	VAL	COR	GRO	VAL	COR	GRO
LC	-2.8	-0.7	1.4	6.9	14.0	21.3
MC	-2.5	-0.5	2.2	6.5	12.2	19.7
SC	-2.6	-0.1	2.3	5.2	11.8	18.6

## Market Summary

- The BEA estimates a 2.3% growth for GDP in the first quarter.
- Unemployment remained at 4.1%.
- Year over year CPI for all items expanded 2.4%.
- The dollar weakened slightly relative to the euro
- Growth continued to outperform value in the stock market. Smaller cap stocks fared better than large and mid-sized companies.

## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan was valued at \$163,203,686, a decrease of \$1,722,815 from the December ending value of \$164,926,501. Last quarter, the account recorded total net withdrawals of \$1,605,668 in addition to \$117,147 in net investment losses. The fund's net investment loss was a result of income receipts totaling \$622,529 and realized and unrealized capital losses totaling \$739,676.

## **RELATIVE PERFORMANCE**

### **Total Fund**

During the first quarter, the Composite portfolio lost 0.1%, which ranked in the 32nd percentile of the Public Fund universe. Over the trailing twelve-month period, the portfolio returned 10.6%, which ranked in the 37th percentile. Since March 2008, the account returned 7.1% annualized and ranked in the 25th percentile.

### **Large Cap Equity**

The large cap equity portfolio returned -0.7% last quarter; that return was 0.1% greater than the S&P 500 Index's return of -0.8% and ranked in the 53rd percentile of the Large Cap universe. Over the trailing year, the large cap equity portfolio returned 14.5%; that return was 0.5% above the benchmark's 14.0% return, ranking in the 45th percentile. Since March 2008, this component returned 8.6% per annum and ranked in the 81st percentile. For comparison, the S&P 500 returned an annualized 9.5% over the same time frame.

### **Mid Cap Equity**

For the first quarter, the mid cap equity segment returned -3.4%, which was 2.6% below the S&P 400 Index's return of -0.8% and ranked in

the 95th percentile of the Mid Cap universe. Over the trailing year, this segment returned 6.9%, which was 4.1% less than the benchmark's 11.0% return, and ranked in the 90th percentile. Since March 2008, this component returned 10.9% on an annualized basis and ranked in the 58th percentile. The S&P 400 returned an annualized 10.9% over the same time frame.

### **Small Cap Equity**

In the first quarter, the small cap equity component returned 2.5%, which was 2.6% greater than the Russell 2000 Index's return of -0.1% and ranked in the 20th percentile of the Small Cap universe. Over the trailing twelve-month period, this component returned 16.5%, which was 4.7% greater than the benchmark's 11.8% return, ranking in the 27th percentile.

### **International Equity**

The international equity portfolio gained 1.2% during the first quarter, 2.6% above the MSCI EAFE Index's return of -1.4% and ranked in the 31st percentile of the International Equity universe. Over the trailing twelve months, this component returned 24.7%; that return was 9.4% greater than the benchmark's 15.3% return, and ranked in the 28th percentile. Since March 2008, this component returned 4.3% annualized and ranked in the 62nd percentile. For comparison, the MSCI EAFE Index returned an annualized 3.2% during the same time frame.

### **Real Estate**

During the first quarter, the real estate portion of the portfolio gained 2.4%, which was 0.2% greater than the NCREIF NFI-ODCE Index's return of 2.2%. Over the trailing year, this segment returned 8.7%, which was 0.6% greater than the benchmark's 8.1% return.

## **Fixed Income**

Last quarter, the fixed income segment returned -0.6%, which was 0.9% greater than the Custom Fixed Income Index's return of -1.5% and ranked in the 6th percentile of the Core Fixed Income universe. Over the trailing twelve-month period, this segment returned 2.3%, which was 1.1% above the benchmark's 1.2% return, and ranked in the 15th percentile. Since March 2008, this component returned 4.6% annualized and ranked in the 29th percentile. The Custom Fixed Income Index returned an annualized 3.3% during the same time frame.

## **ASSET ALLOCATION**

On March 31st, 2018, large cap equities comprised 31.4% of the total portfolio (\$51.2 million), while mid cap equities totaled 10.4% (\$17.0 million). The account's small cap equity segment was valued at \$17.5 million, representing 10.7% of the portfolio, while the international equity component's \$19.3 million totaled 11.8%. The real estate segment totaled 11.5% of the portfolio's value and the fixed income component made up 22.0% (\$35.9 million). The remaining 2.2% was comprised of cash & equivalents (\$3.5 million).

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Qtr / YTD	FYTD	1 Year	3 Year	5 Year	Since 03/08
<b>Total Portfolio - Gross</b>	-0.1	4.0	10.6	6.6	8.1	7.1
<i>PUBLIC FUND RANK</i>	(32)	(22)	(37)	(40)	(40)	(25)
<b>Total Portfolio - Net</b>	-0.2	3.8	10.1	6.0	7.5	6.6
<i>SHADOW INDEX</i>	-0.6	3.2	9.3	6.8	8.4	7.0
<b>Large Cap Equity - Gross</b>	-0.7	5.8	14.5	9.1	11.7	8.6
<i>LARGE CAP RANK</i>	(53)	(55)	(45)	(68)	(77)	(81)
S&P 500	-0.8	5.8	14.0	10.8	13.3	9.5
Russell 1000G	1.4	9.4	21.3	12.9	15.5	11.3
Russell 1000V	-2.8	2.3	6.9	7.9	10.8	7.8
<b>Mid Cap Equity - Gross</b>	-3.4	1.1	6.9	8.7	11.8	10.9
<i>MID CAP RANK</i>	(95)	(98)	(90)	(52)	(75)	(58)
S&P 400	-0.8	5.4	11.0	9.0	12.0	10.9
<b>Small Cap Equity - Gross</b>	2.5	8.4	16.5	----	----	----
<i>SMALL CAP RANK</i>	(20)	(17)	(27)	----	----	----
Russell 2000	-0.1	3.3	11.8	8.4	11.5	9.8
<b>International Equity - Gross</b>	1.2	6.8	24.7	9.7	9.7	4.3
<i>INTERNATIONAL EQUITY RANK</i>	(31)	(40)	(28)	(38)	(26)	(62)
MSCI EAFE	-1.4	2.8	15.3	6.0	7.0	3.2
<b>Real Estate - Gross</b>	2.4	4.8	8.7	10.7	11.7	----
NCREIF ODCE	2.2	4.3	8.1	10.0	11.4	5.1
<b>Fixed Income - Gross</b>	-0.6	0.3	2.3	1.8	2.5	4.6
<i>CORE FIXED INCOME RANK</i>	( 6)	( 4)	(15)	(35)	(23)	(29)
Custom Index	-1.5	-1.1	1.2	1.2	1.7	3.3
Aggregate Index	-1.5	-1.1	1.2	1.2	1.8	3.6
Gov/Credit	-1.6	-1.1	1.4	1.2	1.8	3.7

**ASSET ALLOCATION**

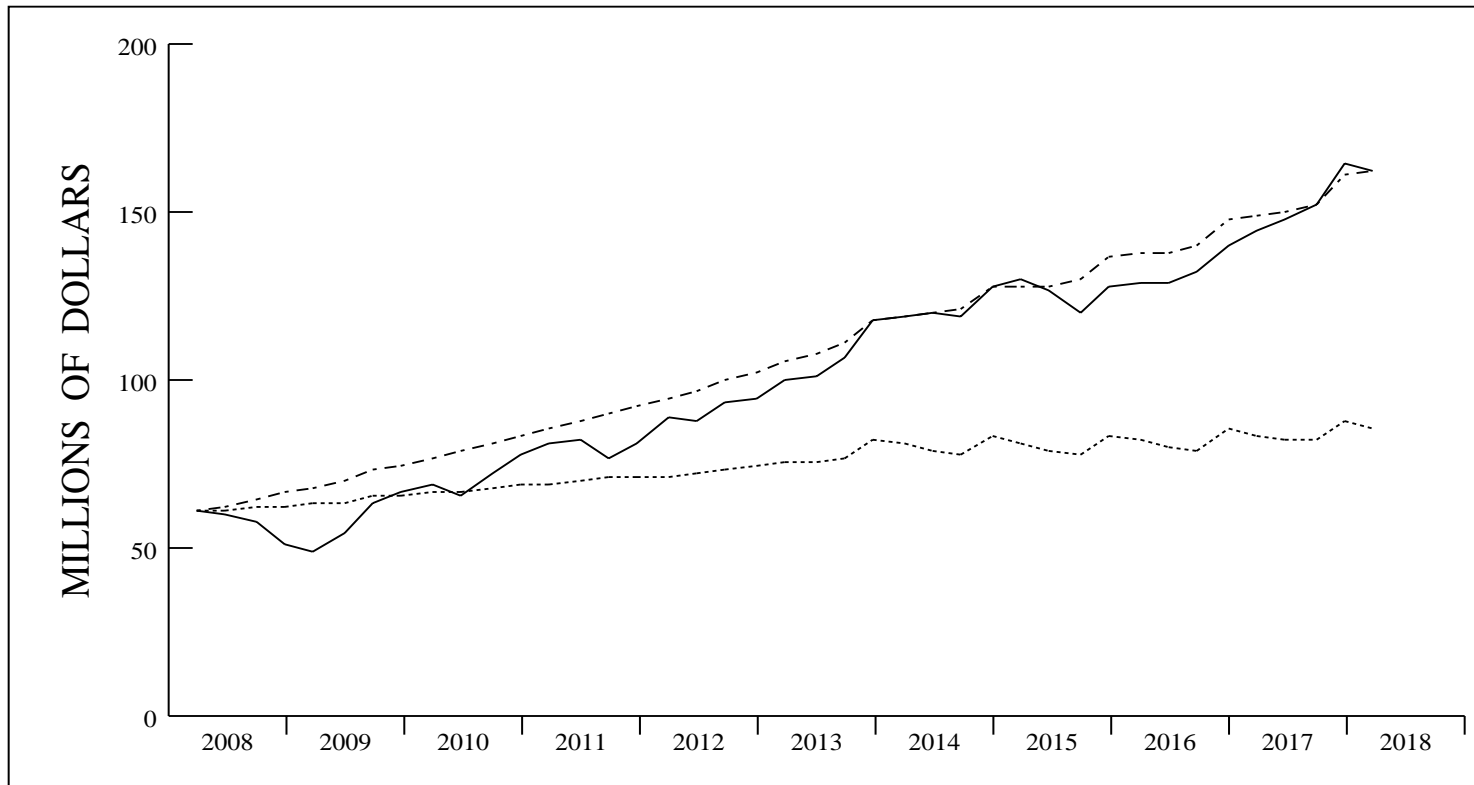
Large Cap Equity	31.4%	\$ 51,189,499
Mid Cap Equity	10.4%	17,014,162
Small Cap	10.7%	17,519,715
Int'l Equity	11.8%	19,334,721
Real Estate	11.5%	18,687,029
Fixed Income	22.0%	35,928,123
Cash	2.2%	3,530,437
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 163,203,686</b>

**INVESTMENT RETURN**

Market Value 12/2017	\$ 164,926,501
Contribs / Withdrawals	- 1,605,668
Income	622,529
Capital Gains / Losses	-739,676
Market Value 3/2018	\$ 163,203,686



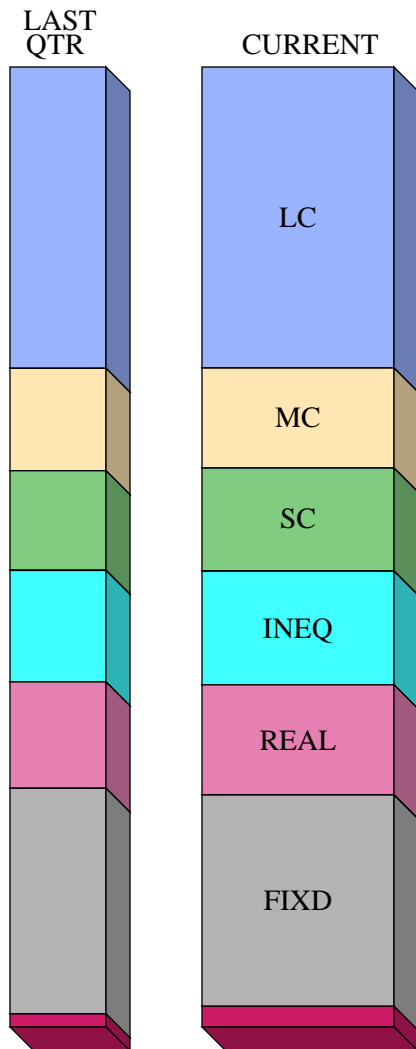
**INVESTMENT GROWTH**



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

VALUE ASSUMING  
 DAVIE A/R \$ 162,933,048

	LAST QUARTER	PERIOD 3/08 - 3/18
BEGINNING VALUE	\$ 164,926,501	\$ 61,243,138
NET CONTRIBUTIONS	- 1,605,668	25,315,077
INVESTMENT RETURN	-117,147	76,645,471
ENDING VALUE	\$ 163,203,686	\$ 163,203,686
INCOME	622,529	23,229,482
CAPITAL GAINS (LOSSES)	-739,676	53,415,989
INVESTMENT RETURN	-117,147	76,645,471



	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>DIFFERENCE</u> <u>+ / -</u>
■ LARGE CAP EQUITY	\$ 51,189,499	31.4%	30.0%	1.4%
■ MID CAP EQUITY	17,014,162	10.4%	10.0%	0.4%
■ SMALL CAP EQUITY	17,519,715	10.7%	10.0%	0.7%
■ INTERNATIONAL EQUITY	19,334,721	11.8%	12.5%	-0.7%
■ REAL ESTATE	18,687,029	11.5%	10.0%	1.5%
■ FIXED INCOME	35,928,123	22.0%	27.5%	-5.5%
■ CASH & EQUIVALENT	3,530,437	2.2%	0.0%	2.2%
<u>TOTAL FUND</u>	<u>\$ 163,203,686</u>	<u>100.0%</u>		

## MANAGER PERFORMANCE SUMMARY

Name	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years
Total Portfolio	(Public Fund)	-0.1 (32)	4.0 (22)	10.6 (37)	6.6 (40)	8.1 (40)
<i>Shadow Index</i>		<i>-0.6 ----</i>	<i>3.2 ----</i>	<i>9.3 ----</i>	<i>6.8 ----</i>	<i>8.4 ----</i>
Vanguard 500	(LC Core)	-0.7 (64)	5.8 (59)	14.0 (52)	10.8 (32)	---- ----
<i>S&amp;P 500</i>		<i>-0.8 ----</i>	<i>5.8 ----</i>	<i>14.0 ----</i>	<i>10.8 ----</i>	<i>13.3 ----</i>
Clearbridge LCG	(LC Growth)	1.8 (57)	8.8 (58)	---- ----	---- ----	---- ----
<i>Russell 1000 Growth</i>		<i>1.4 ----</i>	<i>9.4 ----</i>	<i>21.3 ----</i>	<i>12.9 ----</i>	<i>15.5 ----</i>
Lyrical LCV	(LC Value)	-3.1 (83)	2.3 (82)	10.5 (52)	8.3 (62)	---- ----
<i>Russell 1000 Value</i>		<i>-2.8 ----</i>	<i>2.3 ----</i>	<i>6.9 ----</i>	<i>7.9 ----</i>	<i>10.8 ----</i>
Clearbridge	(MC Core)	-3.5 (97)	0.3 (99)	5.7 (97)	---- ----	---- ----
<i>Russell Mid Cap</i>		<i>-0.5 ----</i>	<i>5.6 ----</i>	<i>12.2 ----</i>	<i>8.0 ----</i>	<i>12.1 ----</i>
Wedge	(MC Value)	-3.3 (90)	1.8 (89)	8.1 (63)	---- ----	---- ----
<i>Russell Mid Cap Value</i>		<i>-2.5 ----</i>	<i>2.8 ----</i>	<i>6.5 ----</i>	<i>7.2 ----</i>	<i>11.1 ----</i>
PNC	(SC Core)	1.1 (27)	5.8 (22)	15.0 (25)	---- ----	---- ----
<i>Russell 2000</i>		<i>-0.1 ----</i>	<i>3.3 ----</i>	<i>11.8 ----</i>	<i>8.4 ----</i>	<i>11.5 ----</i>
LMCG	(SC Growth)	4.2 (34)	11.1 (26)	17.3 (63)	---- ----	---- ----
<i>Russell 2000 Growth</i>		<i>2.3 ----</i>	<i>7.0 ----</i>	<i>18.6 ----</i>	<i>8.7 ----</i>	<i>12.9 ----</i>
Hardman Johnston	(Intl Eq)	1.2 (31)	6.8 (40)	24.7 (28)	9.6 (39)	10.0 (24)
<i>MSCI EAFE</i>		<i>-1.4 ----</i>	<i>2.8 ----</i>	<i>15.3 ----</i>	<i>6.0 ----</i>	<i>7.0 ----</i>
American Realty		2.2 ----	4.0 ----	8.0 ----	9.3 ----	10.8 ----
Intercontinental		2.8 ----	5.6 ----	9.9 ----	12.7 ----	---- ----
UBS		1.9 ----	4.3 ----	7.1 ----	8.4 ----	9.7 ----
<i>NCREIF NFI-ODCE Index</i>		<i>2.2 ----</i>	<i>4.3 ----</i>	<i>8.1 ----</i>	<i>10.0 ----</i>	<i>11.4 ----</i>
Garcia Fixed	(Core Fixed)	-0.6 (5)	0.3 (4)	2.3 (16)	1.8 (36)	2.8 (8)
<i>Custom Fixed Income Index</i>		<i>-1.5 ----</i>	<i>-1.1 ----</i>	<i>1.2 ----</i>	<i>1.2 ----</i>	<i>1.7 ----</i>

**MANAGER VALUE ADDED**

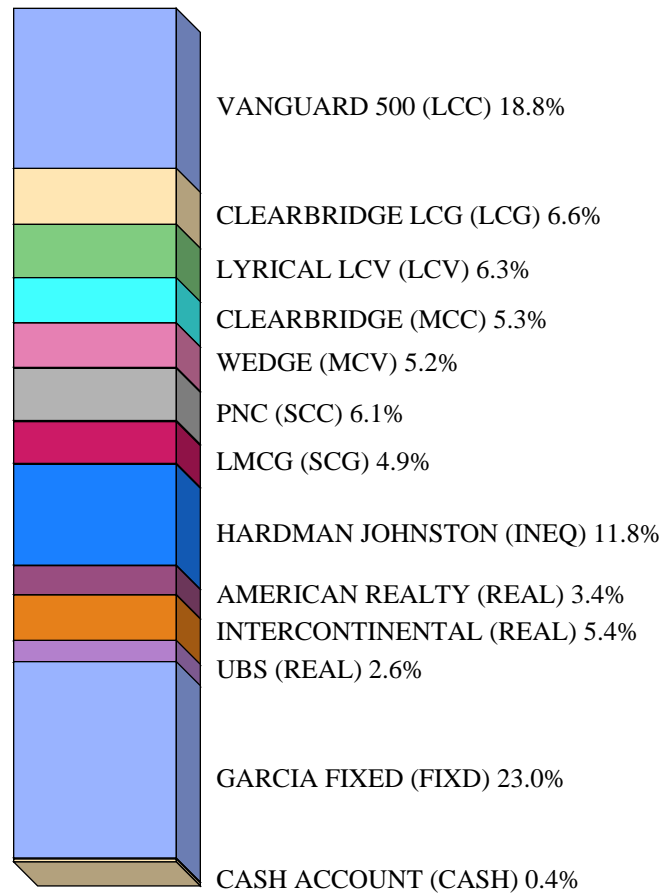
**Trailing Quarter**

Manager	Benchmark	Value Added Vs. Benchmark
Vanguard 500	S&P 500	0.1
Clearbridge LCG	Russell 1000G	0.4
Lyrical LCV	Russell 1000V	-0.3
Clearbridge	Russell Mid	-3.0
Wedge	Russ Mid Val	-0.8
PNC	Russell 2000	1.2
LMCG	Russell 2000G	1.9
Hardman Johnston	MSCI EAFE	2.6
American Realty	NCREIF ODCE	0.0
Intercontinental	NCREIF ODCE	0.6
UBS	NCREIF ODCE	-0.3
Garcia Fixed	Custom Index	0.9
<b>Total Portfolio</b>	<b>Shadow Index</b>	0.5

**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	3.6
Clearbridge	Russell Mid	-6.5
Wedge	Russ Mid Val	1.6
PNC	Russell 2000	3.2
LMCG	Russell 2000G	-1.3
Hardman Johnston	MSCI EAFE	9.4
American Realty	NCREIF ODCE	-0.1
Intercontinental	NCREIF ODCE	1.8
UBS	NCREIF ODCE	-1.0
Garcia Fixed	Custom Index	1.1
<b>Total Portfolio</b>	<b>Shadow Index</b>	1.3

**MANAGER ALLOCATION SUMMARY**

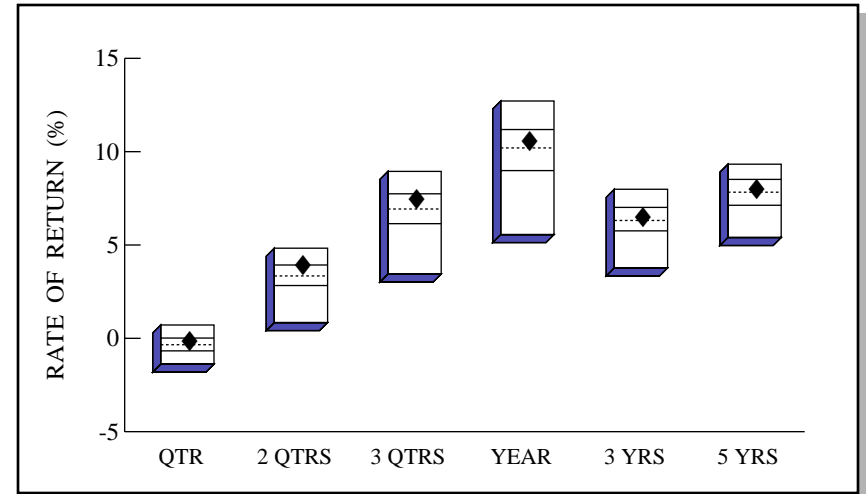
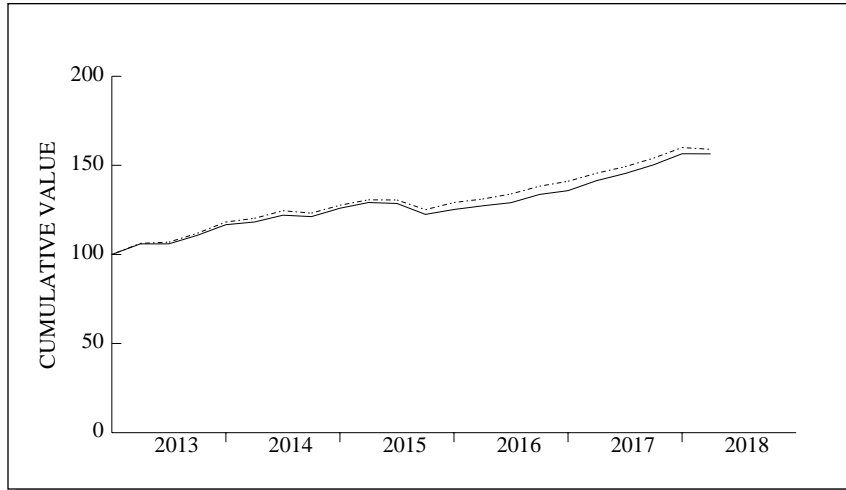


Name	Market Value	Percent
Vanguard 500 (LCC)	\$30,712,638	18.8
Clearbridge LCG (LCG)	\$10,777,606	6.6
Lyrical LCV (LCV)	\$10,325,902	6.3
Clearbridge (MCC)	\$8,694,312	5.3
Wedge (MCV)	\$8,511,214	5.2
PNC (SCC)	\$9,987,431	6.1
LMCG (SCG)	\$8,004,665	4.9
Hardman Johnston (INEQ)	\$19,334,721	11.8
American Realty (REAL)	\$5,557,335	3.4
Intercontinental (REAL)	\$8,864,917	5.4
UBS (REAL)	\$4,264,777	2.6
Garcia Fixed (FIXD)	\$37,583,738	23.0
Cash Account (CASH)	\$584,430	0.4
<b>Total</b>	<b>\$163,203,686</b>	<b>100.0</b>

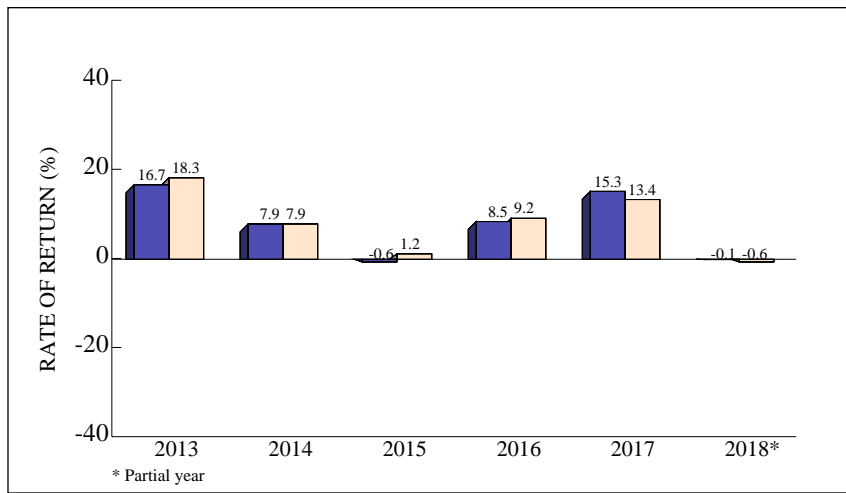
**INVESTMENT RETURN SUMMARY - ONE QUARTER**

<b>Name</b>	<b>Quarter Total Return</b>	<b>Market Value December 31st, 2017</b>	<b>Net Cashflow</b>	<b>Net Investment Return</b>	<b>Market Value March 31st, 2018</b>
Vanguard 500 (LCC)	-0.7	30,947,259	0	-234,621	30,712,638
Clearbridge LCG (LCG)	1.8	10,602,419	-14,553	189,740	10,777,606
Lyrical LCV (LCV)	-3.1	10,673,420	-21,220	-326,298	10,325,902
Clearbridge (MCC)	-3.5	9,029,432	-15,805	-319,315	8,694,312
Wedge (MCV)	-3.3	8,800,398	0	-289,184	8,511,214
PNC (SCC)	1.1	9,903,419	-20,884	104,896	9,987,431
LMCG (SCG)	4.2	7,697,217	-17,026	324,474	8,004,665
Hardman Johnston (INEQ)	1.2	19,140,924	-38,078	231,875	19,334,721
American Realty (REAL)	2.2	5,451,009	-15,325	121,651	5,557,335
Intercontinental (REAL)	2.8	8,642,220	-18,624	241,321	8,864,917
UBS (REAL)	1.9	4,195,940	-9,984	78,821	4,264,777
Garcia Fixed (FIXD)	-0.6	38,928,527	-1,103,577	-241,212	37,583,738
Cash Account (CASH)	---	914,317	-330,592	705	584,430
<b>Total Portfolio</b>	<b>-0.1</b>	<b>164,926,501</b>	<b>-1,605,668</b>	<b>-117,147</b>	<b>163,203,686</b>

**TOTAL RETURN COMPARISONS**



Public Fund Universe

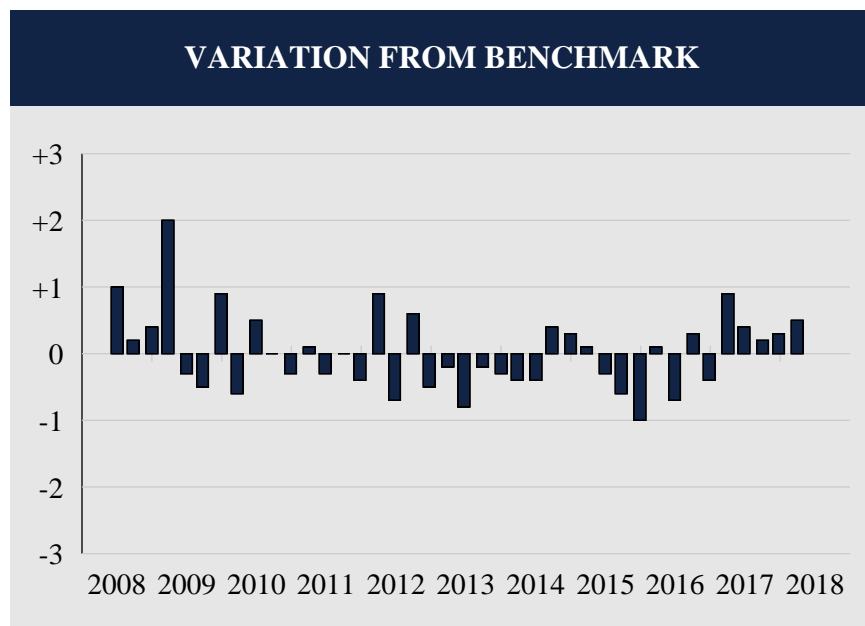


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-0.1	4.0	7.6	10.6	6.6	8.1
(RANK)	(32)	(22)	(31)	(37)	(40)	(40)
5TH %ILE	0.7	4.8	8.9	12.7	8.0	9.3
25TH %ILE	0.0	3.9	7.7	11.2	7.0	8.5
MEDIAN	-0.3	3.3	6.9	10.2	6.3	7.8
75TH %ILE	-0.7	2.8	6.1	9.0	5.8	7.1
95TH %ILE	-1.4	0.8	3.4	5.6	3.8	5.4
<i>Shadow Idx</i>	<b>-0.6</b>	<b>3.2</b>	<b>6.6</b>	<b>9.3</b>	<b>6.8</b>	<b>8.4</b>

Public Fund Universe

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: SHADOW INDEX

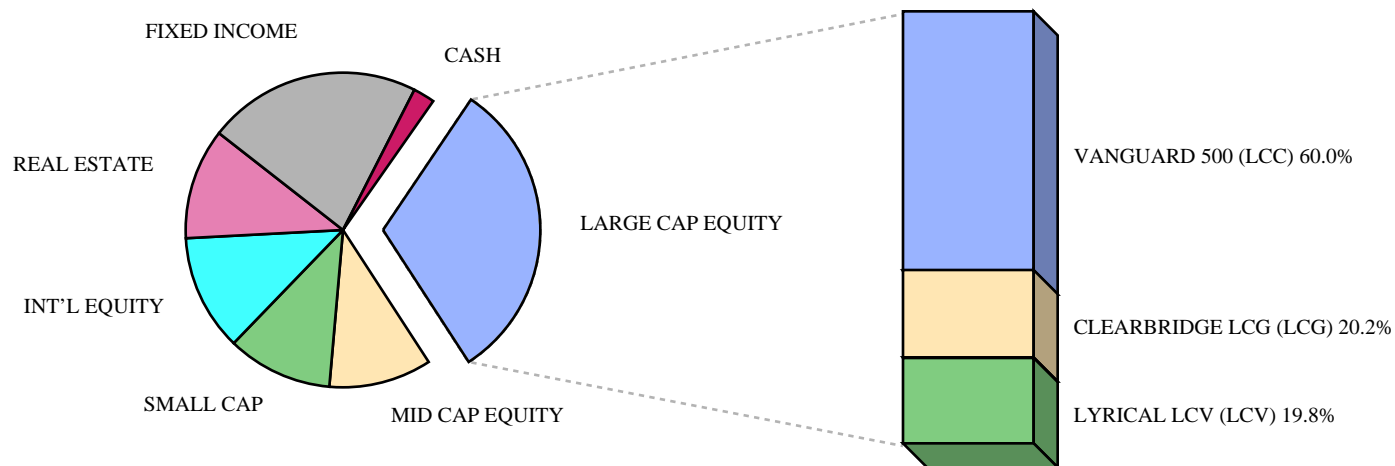


RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/08	-0.6	-1.6	1.0
9/08	-6.6	-6.8	0.2
12/08	-11.9	-12.3	0.4
3/09	-4.5	-6.5	2.0
6/09	10.5	10.8	-0.3
9/09	11.2	11.7	-0.5
12/09	4.6	3.7	0.9
3/10	3.4	4.0	-0.6
6/10	-6.0	-6.5	0.5
9/10	8.5	8.5	0.0
12/10	6.1	6.4	-0.3
3/11	4.2	4.1	0.1
6/11	0.6	0.9	-0.3
9/11	-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
12/17	4.1	3.8	0.3
3/18	-0.1	-0.6	0.5

<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>21</b>
<b>Quarters Below the Benchmark</b>	<b>19</b>
<b>Batting Average</b>	<b>.525</b>

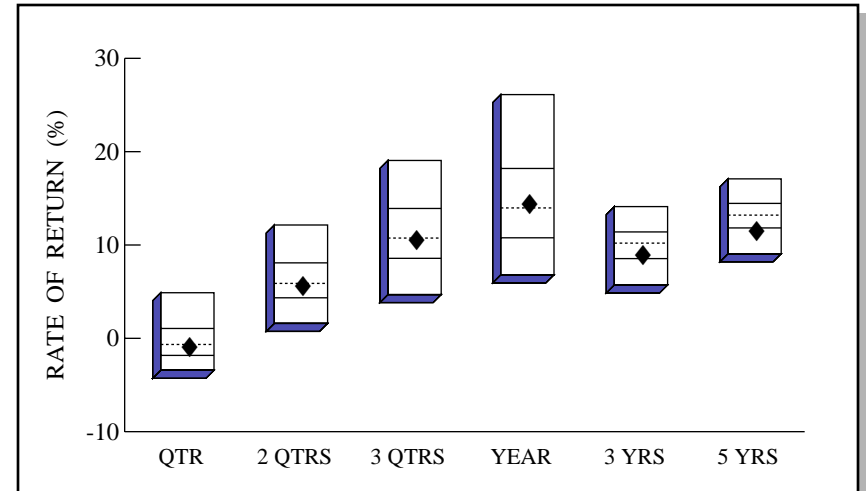
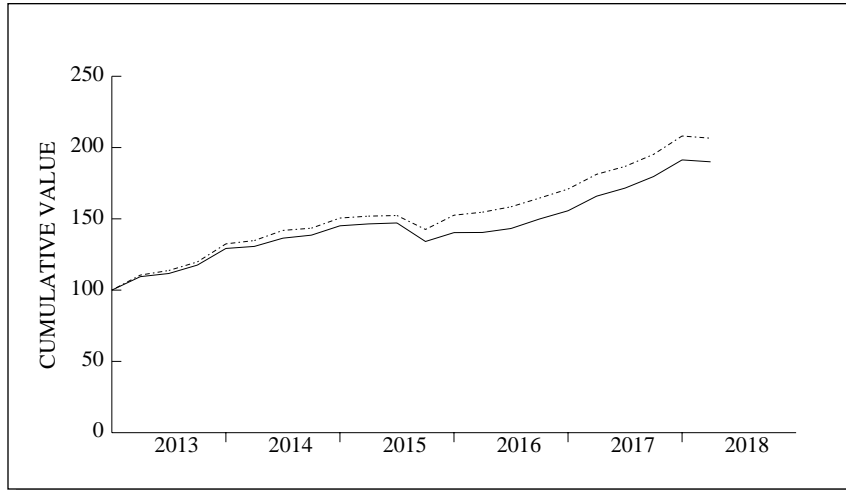


### LARGE CAP EQUITY MANAGER SUMMARY

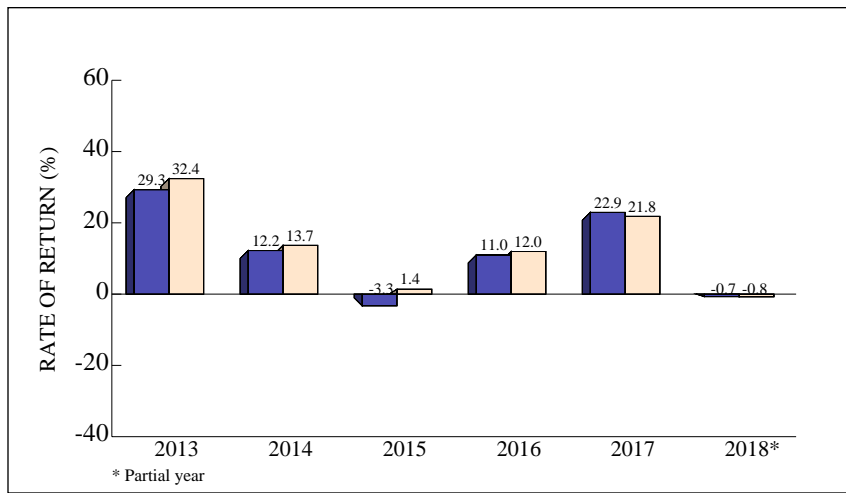


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
VANGUARD 500	(Large Cap Core)	-0.7 (64)	5.8 (59)	14.0 (52)	10.8 (32)	----	\$30,709,749
<i>S&amp;P 500</i>		<i>-0.8 ---</i>	<i>5.8 ---</i>	<i>14.0 ---</i>	<i>10.8 ---</i>	<i>13.3 ---</i>	----
CLEARBRIDGE LCG	(Large Cap Growth)	1.8 (56)	9.1 (56)	----	----	----	\$10,360,581
<i>Russell 1000 Growth</i>		<i>1.4 ---</i>	<i>9.4 ---</i>	<i>21.3 ---</i>	<i>12.9 ---</i>	<i>15.5 ---</i>	----
LYRICAL LCV	(Large Cap Value)	-3.1 (84)	2.3 (82)	10.7 (50)	8.4 (62)	----	\$10,119,169
<i>Russell 1000 Value</i>		<i>-2.8 ---</i>	<i>2.3 ---</i>	<i>6.9 ---</i>	<i>7.9 ---</i>	<i>10.8 ---</i>	----
<b>TOTAL</b>	<b>(Large Cap)</b>	<b>-0.7 (53)</b>	<b>5.8 (55)</b>	<b>14.5 (45)</b>	<b>9.1 (68)</b>	<b>11.7 (77)</b>	<b>\$51,189,499</b>
<i>S&amp;P 500</i>		<i>-0.8 ---</i>	<i>5.8 ---</i>	<i>14.0 ---</i>	<i>10.8 ---</i>	<i>13.3 ---</i>	----

**LARGE CAP EQUITY RETURN COMPARISONS**



Large Cap Universe

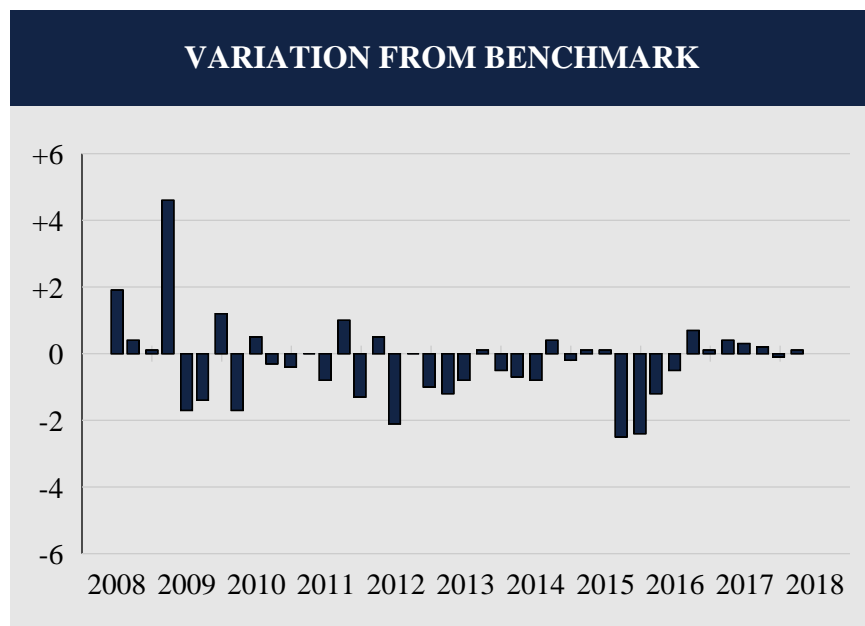


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	-0.7	5.8	10.7	14.5	9.1	11.7
(RANK)	(53)	(55)	(50)	(45)	(68)	(77)
5TH %ILE	4.9	12.2	19.1	26.1	14.1	17.1
25TH %ILE	1.1	8.1	13.9	18.2	11.4	14.5
MEDIAN	-0.7	5.9	10.7	14.0	10.2	13.2
75TH %ILE	-1.8	4.4	8.6	10.8	8.5	11.8
95TH %ILE	-3.4	1.6	4.7	6.8	5.7	9.1
<b>S&amp;P 500</b>	<b>-0.8</b>	<b>5.8</b>	<b>10.6</b>	<b>14.0</b>	<b>10.8</b>	<b>13.3</b>

Large Cap Universe

## LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: S&P 500

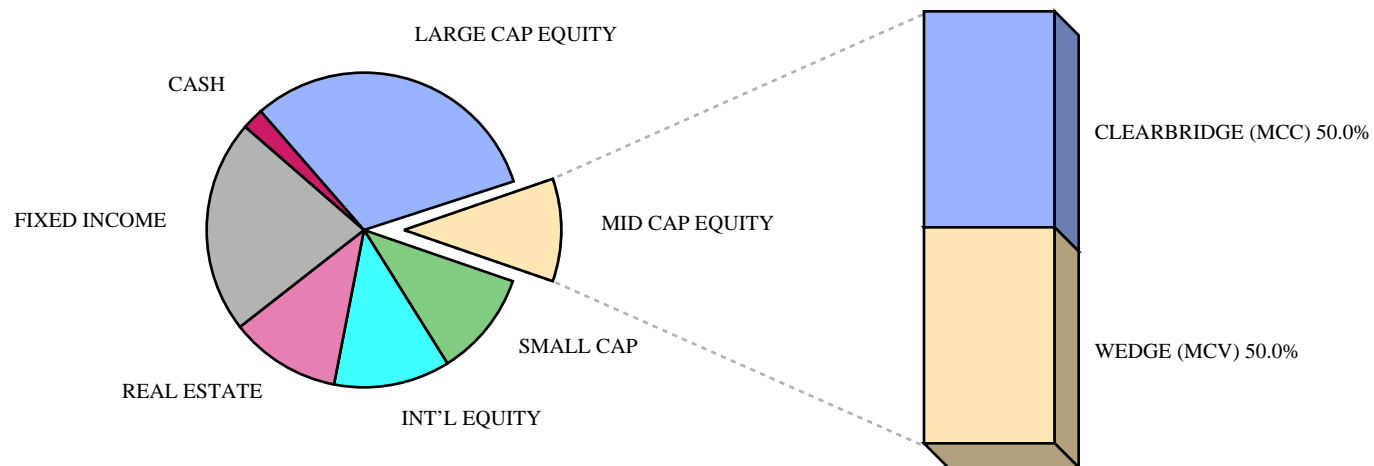


<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>20</b>
<b>Quarters Below the Benchmark</b>	<b>20</b>
<b>Batting Average</b>	<b>.500</b>

### RATES OF RETURN

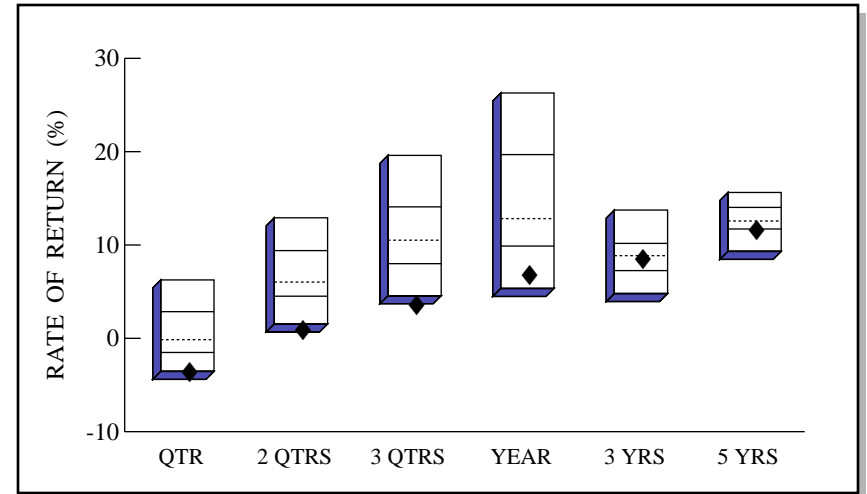
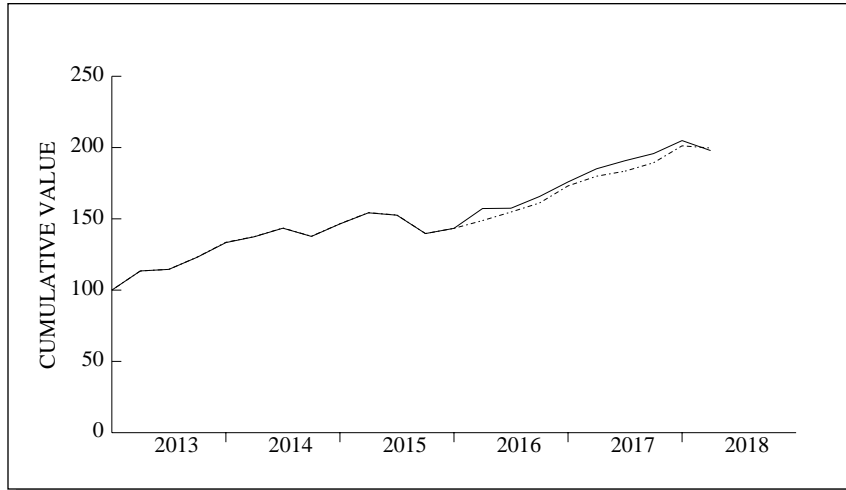
Date	Portfolio	Benchmark	Difference
6/08	-0.8	-2.7	1.9
9/08	-8.0	-8.4	0.4
12/08	-21.8	-21.9	0.1
3/09	-6.4	-11.0	4.6
6/09	14.2	15.9	-1.7
9/09	14.2	15.6	-1.4
12/09	7.2	6.0	1.2
3/10	3.6	5.3	-1.7
6/10	-10.9	-11.4	0.5
9/10	11.0	11.3	-0.3
12/10	10.4	10.8	-0.4
3/11	5.9	5.9	0.0
6/11	-0.7	0.1	-0.8
9/11	-12.9	-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
12/17	6.5	6.6	-0.1
3/18	-0.7	-0.8	0.1

**MID CAP EQUITY MANAGER SUMMARY**

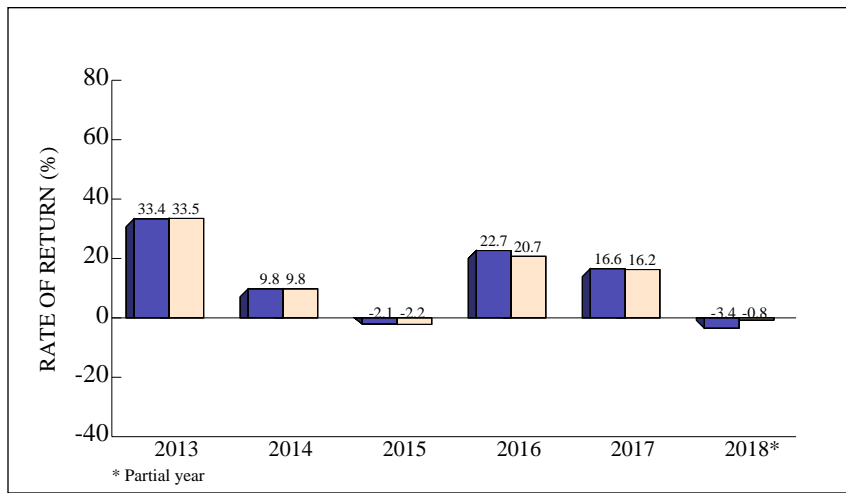


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
CLEARBRIDGE	(Mid Cap Core)	-3.6 (98)	0.3 (99)	5.8 (96)	----	----	\$8,502,948
<i>Russell Mid Cap</i>		<i>-0.5 ----</i>	<i>5.6 ----</i>	<i>12.2 ----</i>	<i>8.0 ----</i>	<i>12.1 ----</i>	----
WEDGE	(Mid Cap Value)	-3.3 (90)	1.8 (89)	8.1 (63)	----	----	\$8,511,214
<i>Russell Mid Cap Value</i>		<i>-2.5 ----</i>	<i>2.8 ----</i>	<i>6.5 ----</i>	<i>7.2 ----</i>	<i>11.1 ----</i>	----
<b>TOTAL</b>	<b>(Mid Cap)</b>	<b>-3.4 (95)</b>	<b>1.1 (98)</b>	<b>6.9 (90)</b>	<b>8.7 (52)</b>	<b>11.8 (75)</b>	<b>\$17,014,162</b>
<i>S&amp;P 400</i>		<i>-0.8 ----</i>	<i>5.4 ----</i>	<i>11.0 ----</i>	<i>9.0 ----</i>	<i>12.0 ----</i>	----

MID CAP EQUITY RETURN COMPARISONS



Mid Cap Universe

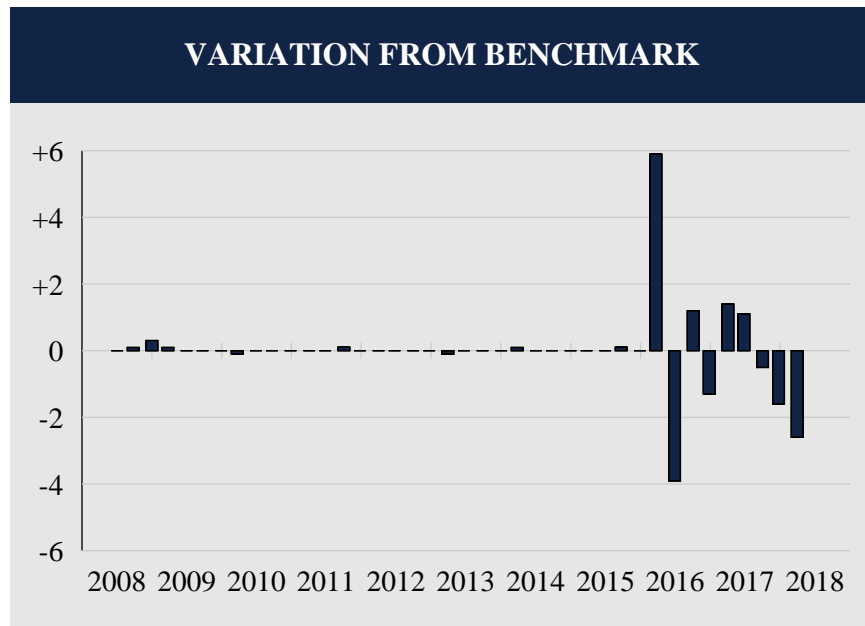


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	-3.4	1.1	3.7	6.9	8.7	11.8
(RANK)	(95)	(98)	(97)	(90)	(52)	(75)
5TH %ILE	6.3	12.9	19.6	26.3	13.8	15.6
25TH %ILE	2.9	9.4	14.1	19.7	10.2	14.0
MEDIAN	-0.1	6.0	10.5	12.8	8.9	12.6
75TH %ILE	-1.5	4.5	8.0	9.9	7.3	11.7
95TH %ILE	-3.5	1.5	4.6	5.3	4.8	9.3
<b>S&amp;P 400</b>	<b>-0.8</b>	<b>5.4</b>	<b>8.8</b>	<b>11.0</b>	<b>9.0</b>	<b>12.0</b>

Mid Cap Universe

**MID CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

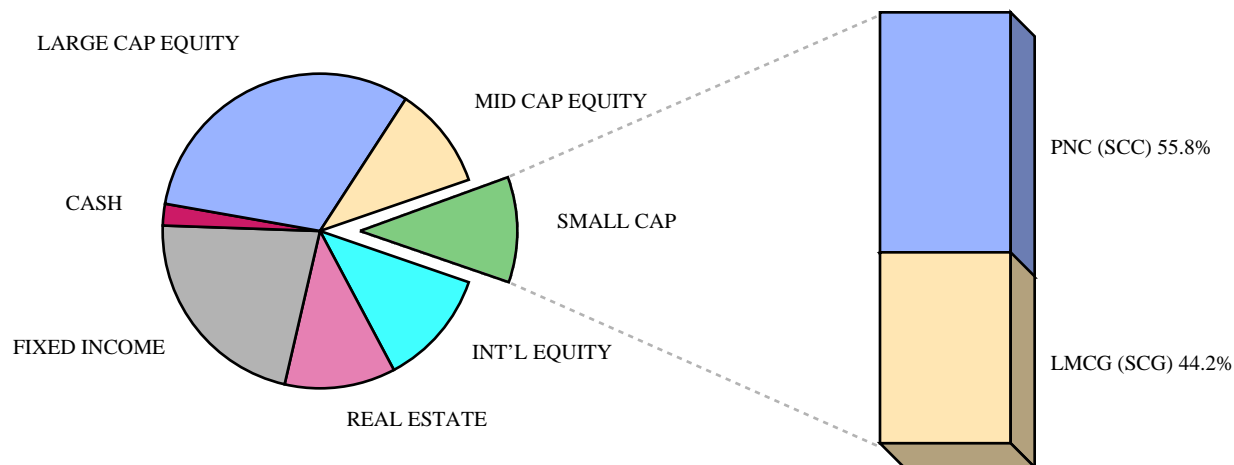
**COMPARATIVE BENCHMARK: S&P 400**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
12/17	4.7	6.3	-1.6
3/18	-3.4	-0.8	-2.6

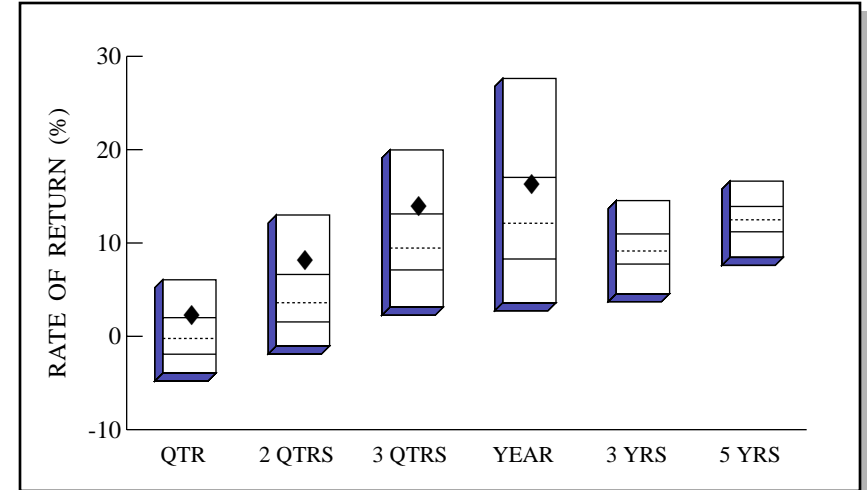
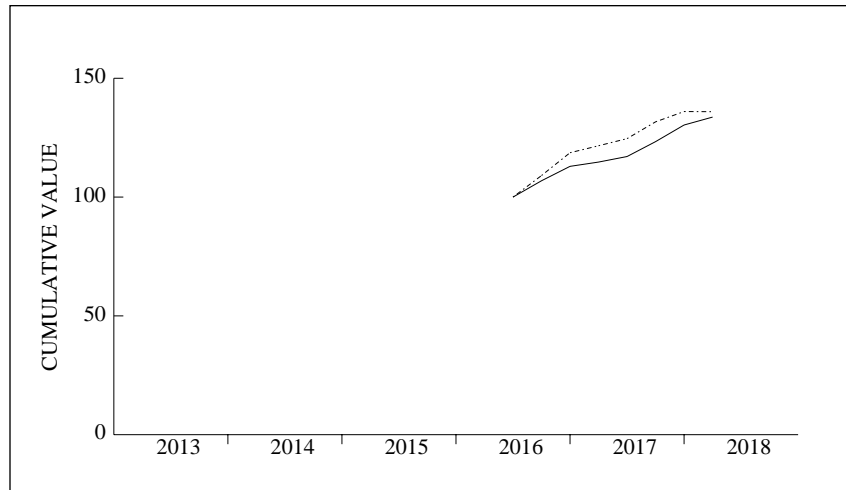
<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>33</b>
<b>Quarters Below the Benchmark</b>	<b>7</b>
<b>Batting Average</b>	<b>.825</b>

**SMALL CAP EQUITY MANAGER SUMMARY**

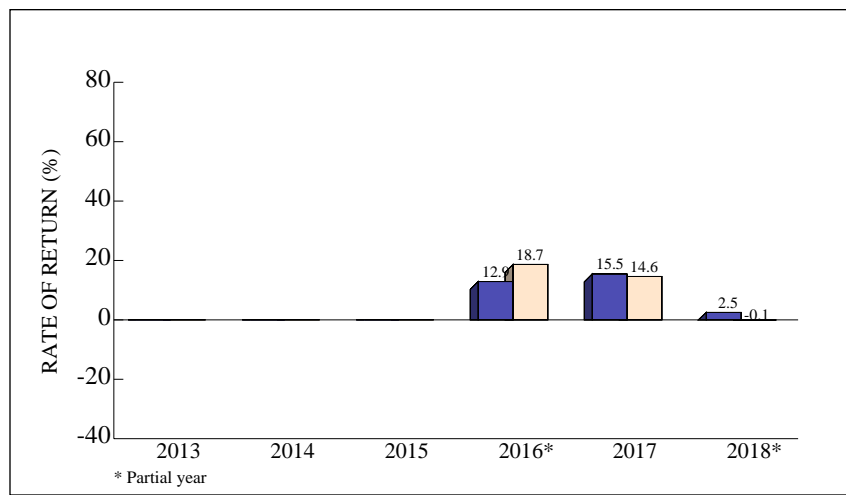


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
PNC	(Small Cap Core)	1.1 (26)	6.0 (21)	15.4 (23)	----	----	\$9,780,726
<i>Russell 2000</i>		<i>-0.1 ----</i>	<i>3.3 ----</i>	<i>11.8 ----</i>	<i>8.4 ----</i>	<i>11.5 ----</i>	----
LMCG	(Small Cap Growth)	4.4 (30)	11.6 (25)	17.9 (61)	----	----	\$7,738,989
<i>Russell 2000 Growth</i>		<i>2.3 ----</i>	<i>7.0 ----</i>	<i>18.6 ----</i>	<i>8.7 ----</i>	<i>12.9 ----</i>	----
<b>TOTAL</b>	<b>(Small Cap)</b>	<b>2.5 (20)</b>	<b>8.4 (17)</b>	<b>16.5 (27)</b>	<b>----</b>	<b>----</b>	<b>\$17,519,715</b>
<i>Russell 2000</i>		<i>-0.1 ----</i>	<i>3.3 ----</i>	<i>11.8 ----</i>	<i>8.4 ----</i>	<i>11.5 ----</i>	----

### SMALL CAP EQUITY RETURN COMPARISONS



Small Cap Universe



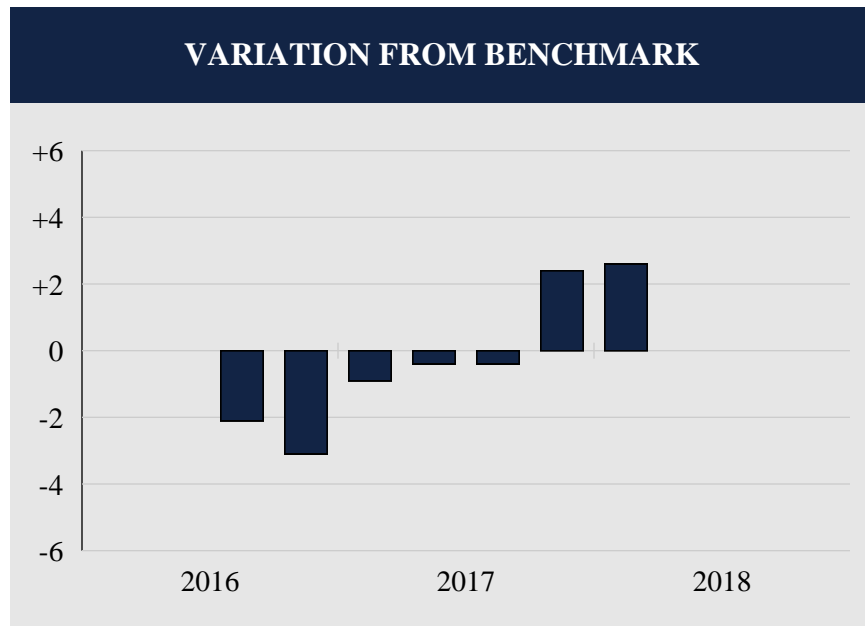
	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	2.5	8.4	14.2	16.5	----	----
(RANK)	(20)	(17)	(20)	(27)	----	----
5TH %ILE	6.1	13.0	20.0	27.6	14.6	16.6
25TH %ILE	2.0	6.6	13.1	17.0	11.0	13.9
MEDIAN	-0.2	3.6	9.5	12.1	9.2	12.5
75TH %ILE	-1.9	1.6	7.1	8.3	7.7	11.2
95TH %ILE	-4.0	-1.0	3.1	3.6	4.6	8.5
<b>Russ 2000</b>	<b>-0.1</b>	<b>3.3</b>	<b>9.1</b>	<b>11.8</b>	<b>8.4</b>	<b>11.5</b>

Small Cap Universe



**SMALL CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

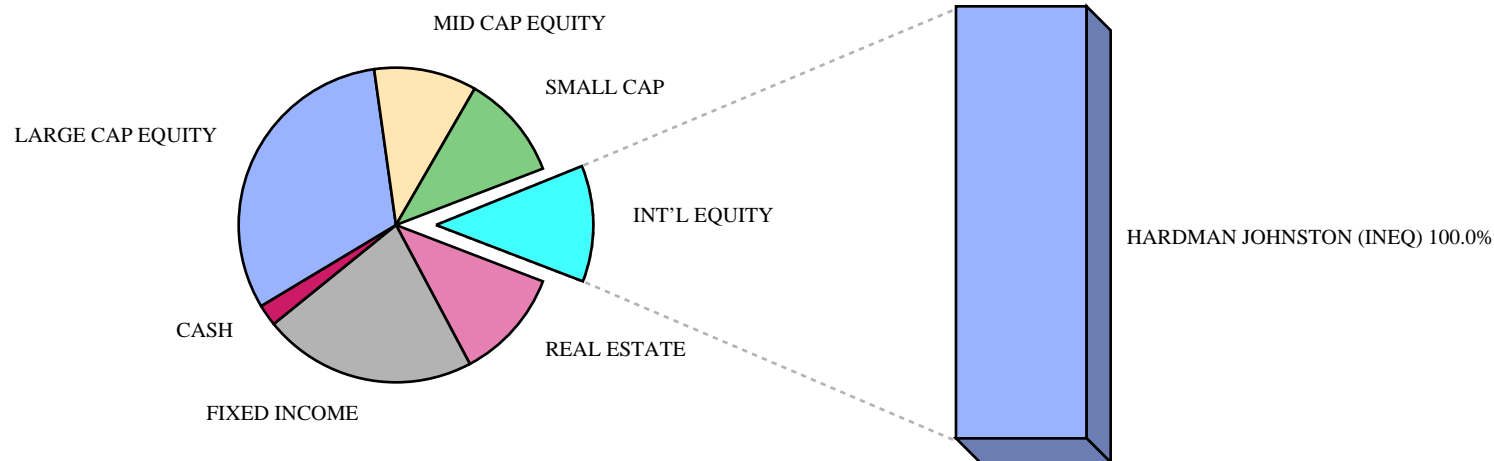
**COMPARATIVE BENCHMARK: RUSSELL 2000**



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
12/17	5.7	3.3	2.4
3/18	2.5	-0.1	2.6

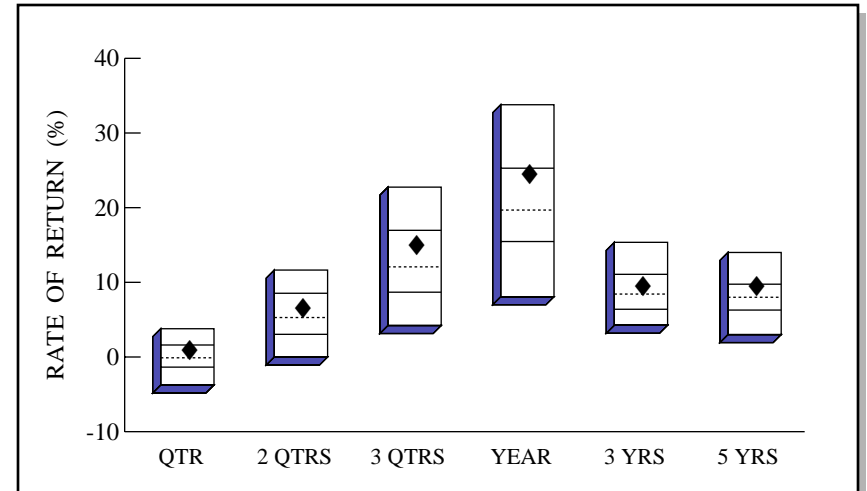
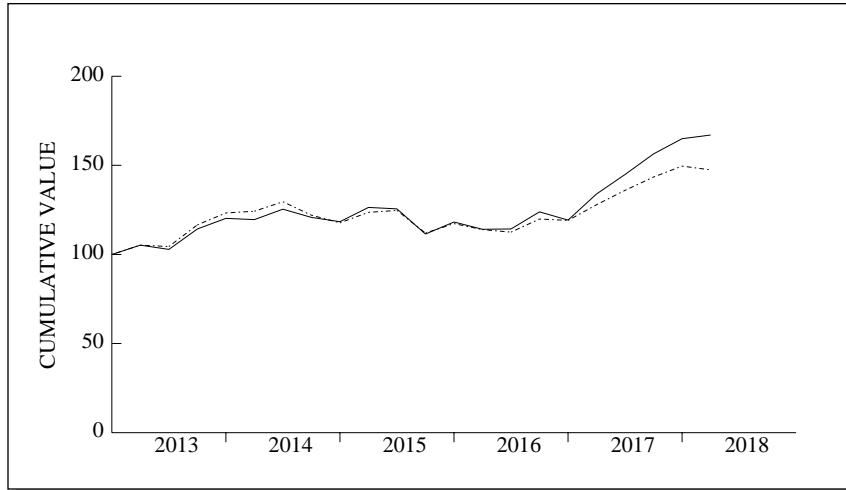
<b>Total Quarters Observed</b>	<b>7</b>
<b>Quarters At or Above the Benchmark</b>	<b>2</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.286</b>

**INTERNATIONAL EQUITY MANAGER SUMMARY**

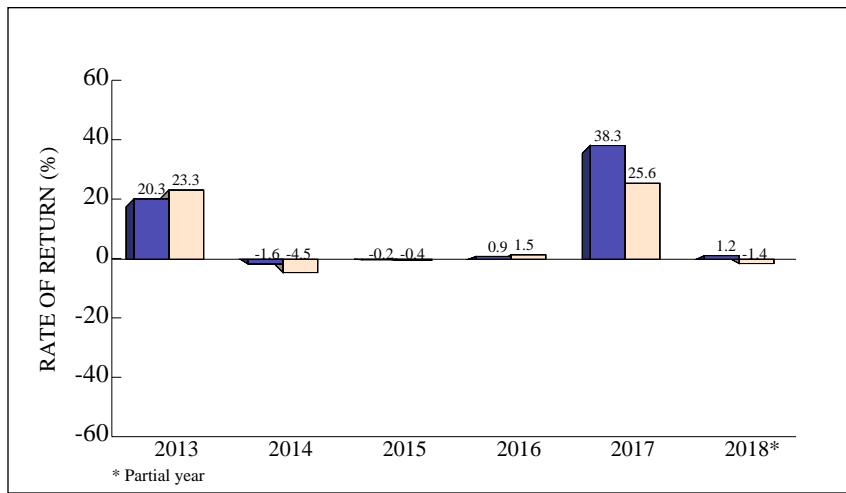


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
HARDMAN JOHNSTON	(International Equity)	1.2 (31)	6.8 (40)	24.7 (28)	9.6 (39)	10.0 (24)	\$19,334,721
<i>MSCI EAFE</i>		<i>-1.4 ---</i>	<i>2.8 ---</i>	<i>15.3 ---</i>	<i>6.0 ---</i>	<i>7.0 ---</i>	<i>---</i>
<b>TOTAL</b>	<b>(International Equity)</b>	<b>1.2 (31)</b>	<b>6.8 (40)</b>	<b>24.7 (28)</b>	<b>9.7 (38)</b>	<b>9.7 (26)</b>	<b>\$19,334,721</b>
<i>MSCI EAFE</i>		<i>-1.4 ---</i>	<i>2.8 ---</i>	<i>15.3 ---</i>	<i>6.0 ---</i>	<i>7.0 ---</i>	<i>---</i>

### INTERNATIONAL EQUITY RETURN COMPARISONS



International Equity Universe

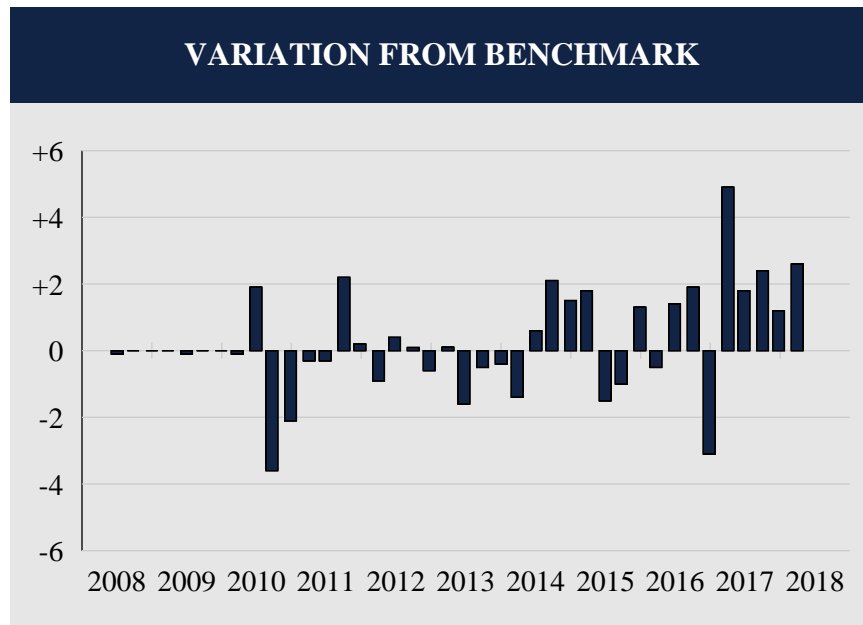


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	1.2	6.8	15.2	24.7	9.7	9.7
(RANK)	(31)	(40)	(32)	(28)	(38)	(26)
5TH %ILE	3.8	11.6	22.8	33.8	15.4	14.0
25TH %ILE	1.6	8.5	17.0	25.3	11.1	9.8
MEDIAN	-0.1	5.3	12.1	19.7	8.4	8.0
75TH %ILE	-1.4	3.0	8.7	15.5	6.4	6.3
95TH %ILE	-3.7	0.0	4.2	8.1	4.3	3.0
<b>MSCI EAFE</b>	<b>-1.4</b>	<b>2.8</b>	<b>8.4</b>	<b>15.3</b>	<b>6.0</b>	<b>7.0</b>

International Equity Universe

**INTERNATIONAL EQUITY QUARTERLY PERFORMANCE SUMMARY**

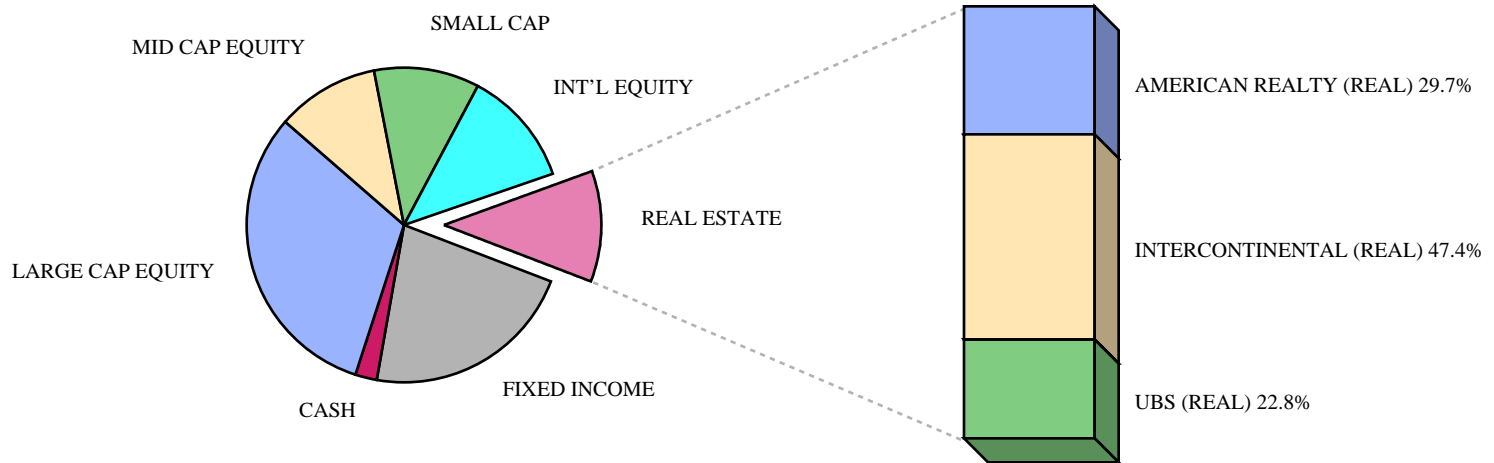
**COMPARATIVE BENCHMARK: MSCI EAFE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
12/17	5.5	4.3	1.2
3/18	1.2	-1.4	2.6

<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>

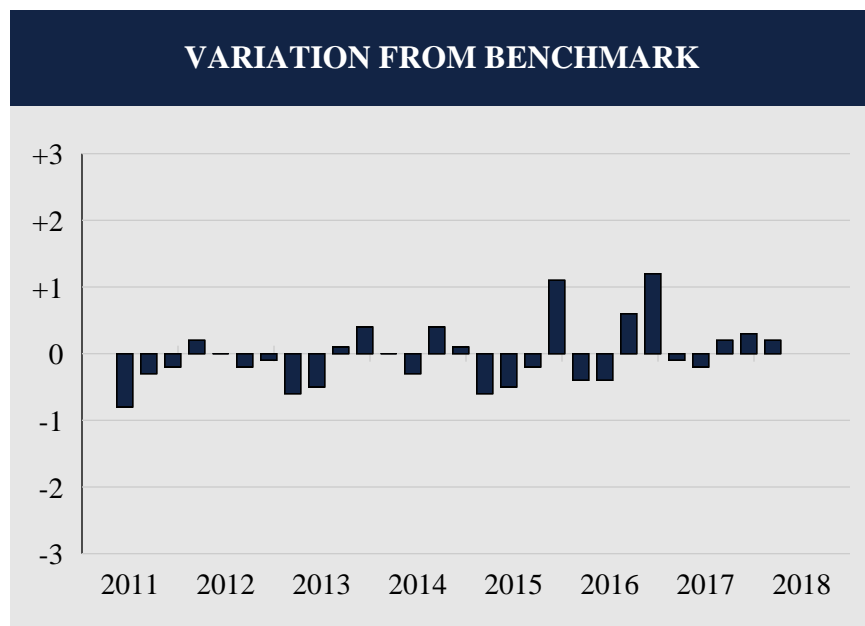
**REAL ESTATE MANAGER SUMMARY**



MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
AMERICAN REALTY		2.2 ---	4.0 ---	8.0 ---	9.3 ---	10.8 ---	\$5,557,335
INTERCONTINENTAL		2.8 ---	5.6 ---	9.9 ---	12.7 ---	--- ---	\$8,864,917
UBS		1.9 ---	4.3 ---	7.1 ---	8.4 ---	9.7 ---	\$4,264,777
<i>NCREIF NFI-ODCE Index</i>		<i>2.2 ---</i>	<i>4.3 ---</i>	<i>8.1 ---</i>	<i>10.0 ---</i>	<i>11.4 ---</i>	---
<b>TOTAL</b>		<b>2.4 ---</b>	<b>4.8 ---</b>	<b>8.7 ---</b>	<b>10.7 ---</b>	<b>11.7 ---</b>	<b>\$18,687,029</b>
<i>NCREIF NFI-ODCE Index</i>		<i>2.2 ---</i>	<i>4.3 ---</i>	<i>8.1 ---</i>	<i>10.0 ---</i>	<i>11.4 ---</i>	---

## REAL ESTATE QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX

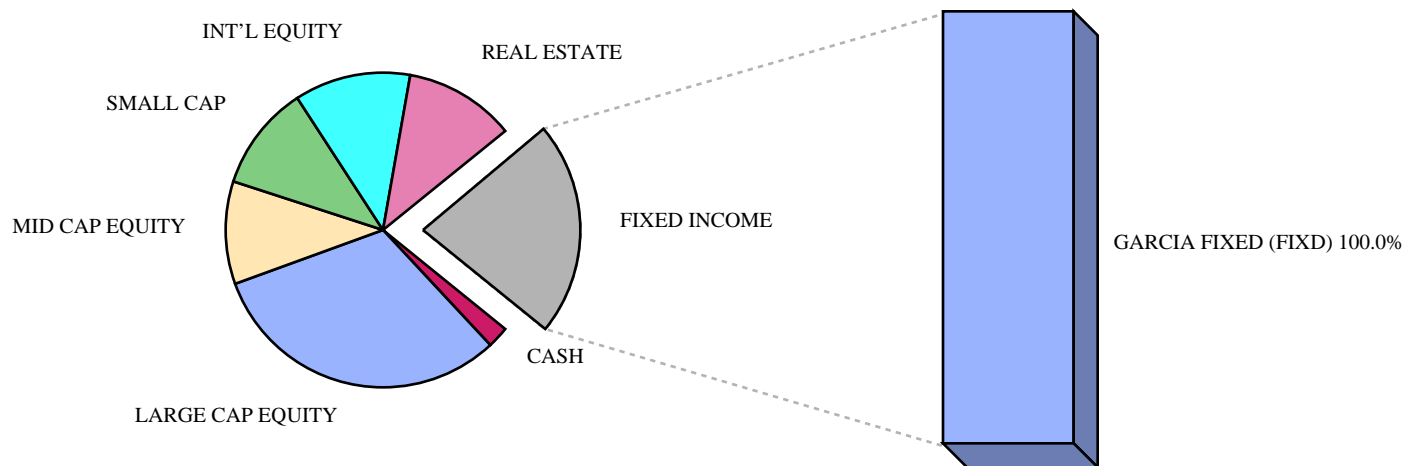


### RATES OF RETURN

Date	Portfolio	Benchmark	Difference
6/11	3.8	4.6	-0.8
9/11	3.2	3.5	-0.3
12/11	2.8	3.0	-0.2
3/12	3.0	2.8	0.2
6/12	2.5	2.5	0.0
9/12	2.6	2.8	-0.2
12/12	2.2	2.3	-0.1
3/13	2.1	2.7	-0.6
6/13	3.4	3.9	-0.5
9/13	3.7	3.6	0.1
12/13	3.6	3.2	0.4
3/14	2.5	2.5	0.0
6/14	2.6	2.9	-0.3
9/14	3.6	3.2	0.4
12/14	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
12/17	2.4	2.1	0.3
3/18	2.4	2.2	0.2

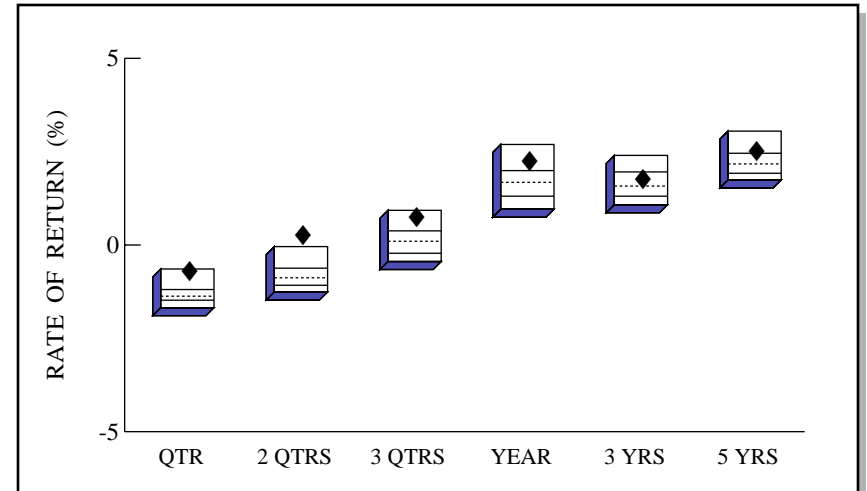
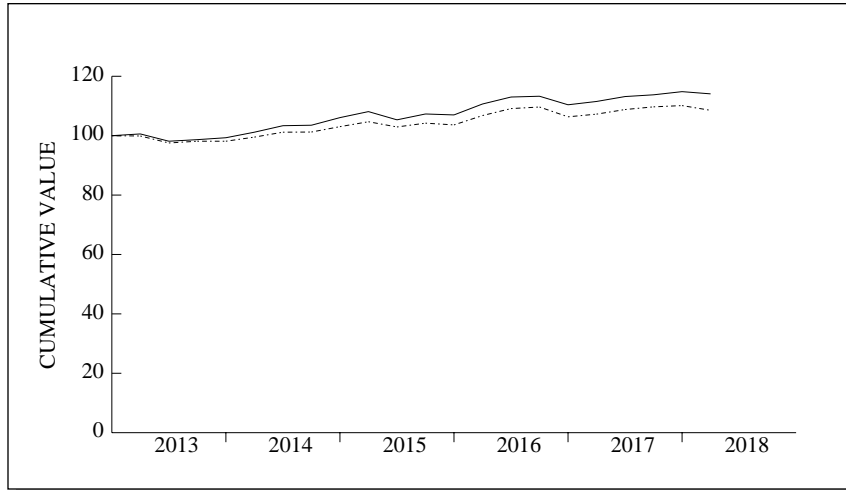
<b>Total Quarters Observed</b>	<b>28</b>
<b>Quarters At or Above the Benchmark</b>	<b>13</b>
<b>Quarters Below the Benchmark</b>	<b>15</b>
<b>Batting Average</b>	<b>.464</b>

**FIXED INCOME MANAGER SUMMARY**

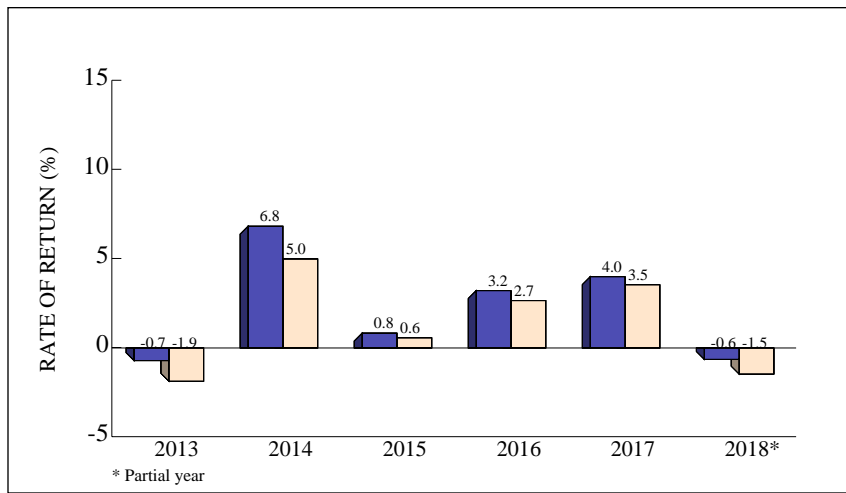


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
GARCIA FIXED	(Core Fixed Income)	-0.6 (6)	0.3 (4)	2.3 (15)	1.8 (35)	2.8 (8)	\$35,928,123
<i>Custom Fixed Income Index</i>		<i>-1.5 ----</i>	<i>-1.1 ----</i>	<i>1.2 ----</i>	<i>1.2 ----</i>	<i>1.7 ----</i>	<i>----</i>
<b>TOTAL</b>	<b>(Core Fixed Income)</b>	<b>-0.6 (6)</b>	<b>0.3 (4)</b>	<b>2.3 (15)</b>	<b>1.8 (35)</b>	<b>2.5 (23)</b>	<b>\$35,928,123</b>
<i>Custom Fixed Income Index</i>		<i>-1.5 ----</i>	<i>-1.1 ----</i>	<i>1.2 ----</i>	<i>1.2 ----</i>	<i>1.7 ----</i>	<i>----</i>

**FIXED INCOME RETURN COMPARISONS**



Core Fixed Income Universe



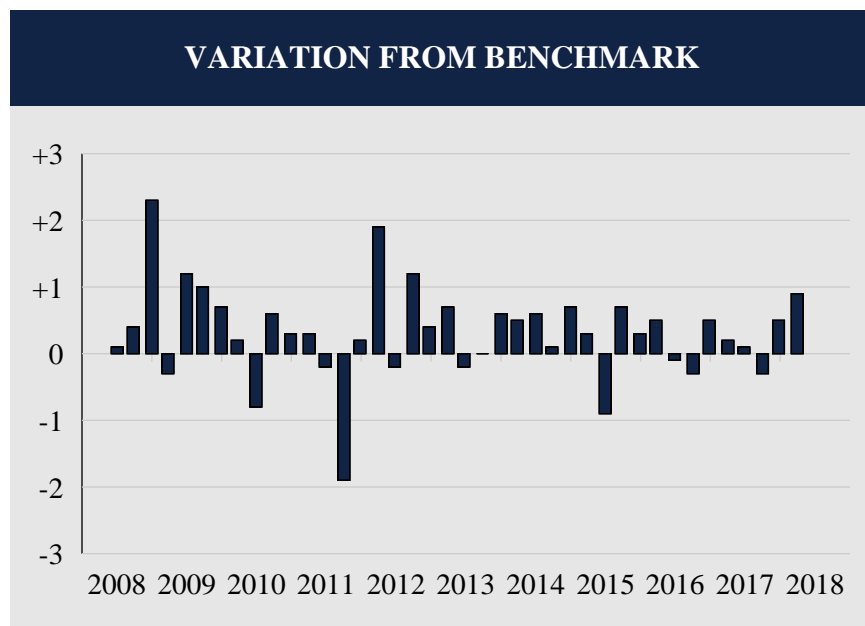
	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	-0.6	0.3	0.8	2.3	1.8	2.5
(RANK)	( 6)	( 4)	(10)	(15)	(35)	(23)
5TH %ILE	-0.6	0.0	0.9	2.7	2.4	3.1
25TH %ILE	-1.2	-0.6	0.4	2.0	2.0	2.5
MEDIAN	-1.4	-0.9	0.1	1.7	1.6	2.2
75TH %ILE	-1.5	-1.1	-0.2	1.3	1.3	1.9
95TH %ILE	-1.7	-1.3	-0.4	1.0	1.1	1.7
<i>Custom Idx</i>	<i>-1.5</i>	<i>-1.1</i>	<i>-0.2</i>	<i>1.2</i>	<i>1.2</i>	<i>1.7</i>

Core Fixed Income Universe



## FIXED INCOME QUARTERLY PERFORMANCE SUMMARY

**COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX**

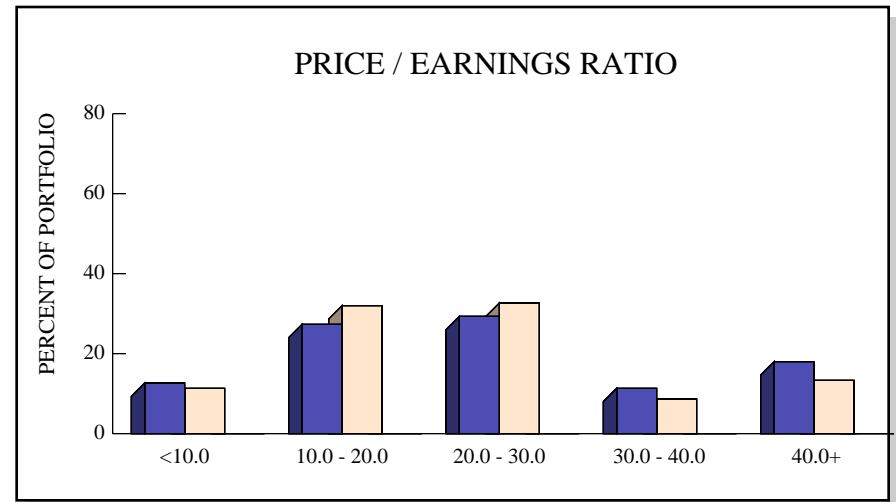
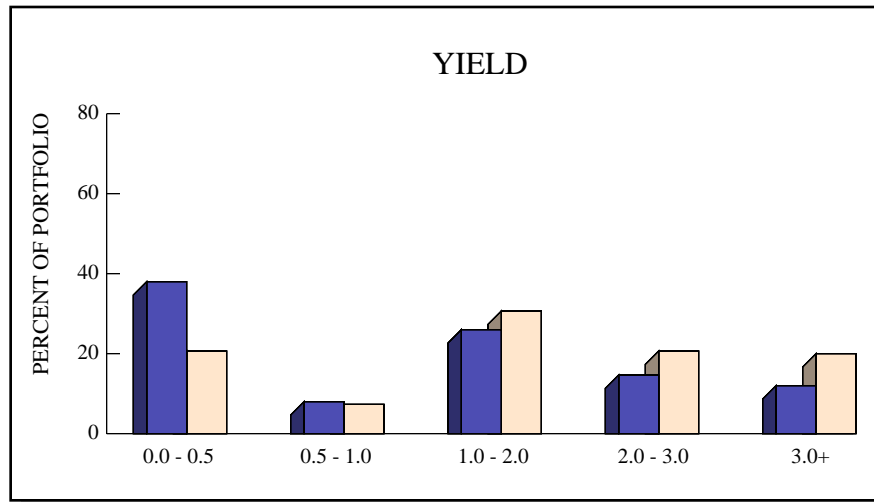


<b>Total Quarters Observed</b>	<b>40</b>
<b>Quarters At or Above the Benchmark</b>	<b>30</b>
<b>Quarters Below the Benchmark</b>	<b>10</b>
<b>Batting Average</b>	<b>.750</b>

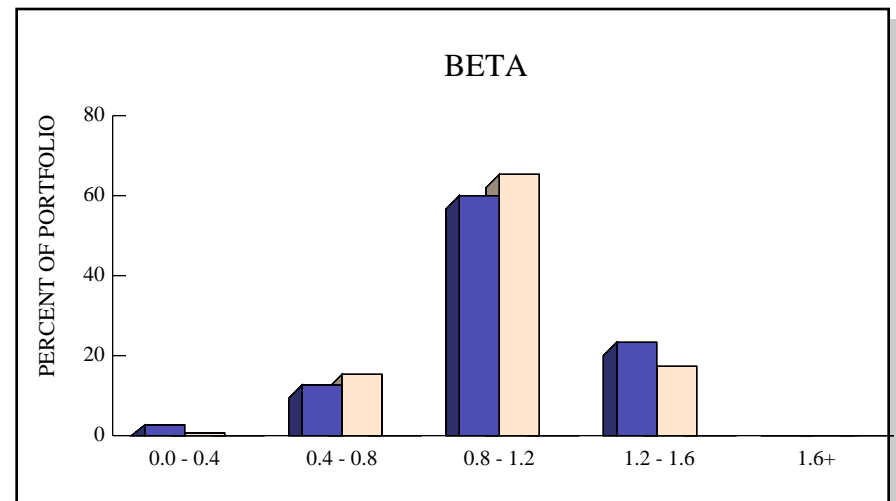
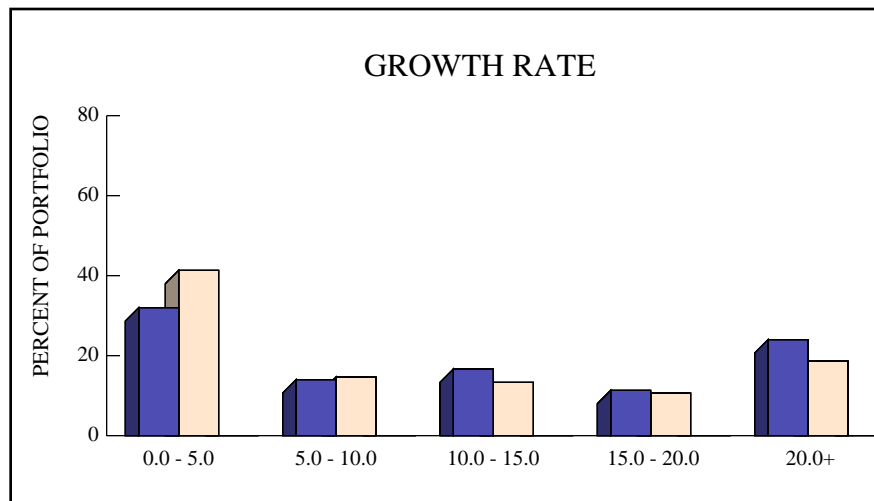
### RATES OF RETURN

Date	Portfolio	Benchmark	Difference
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
12/17	0.9	0.4	0.5
3/18	-0.6	-1.5	0.9

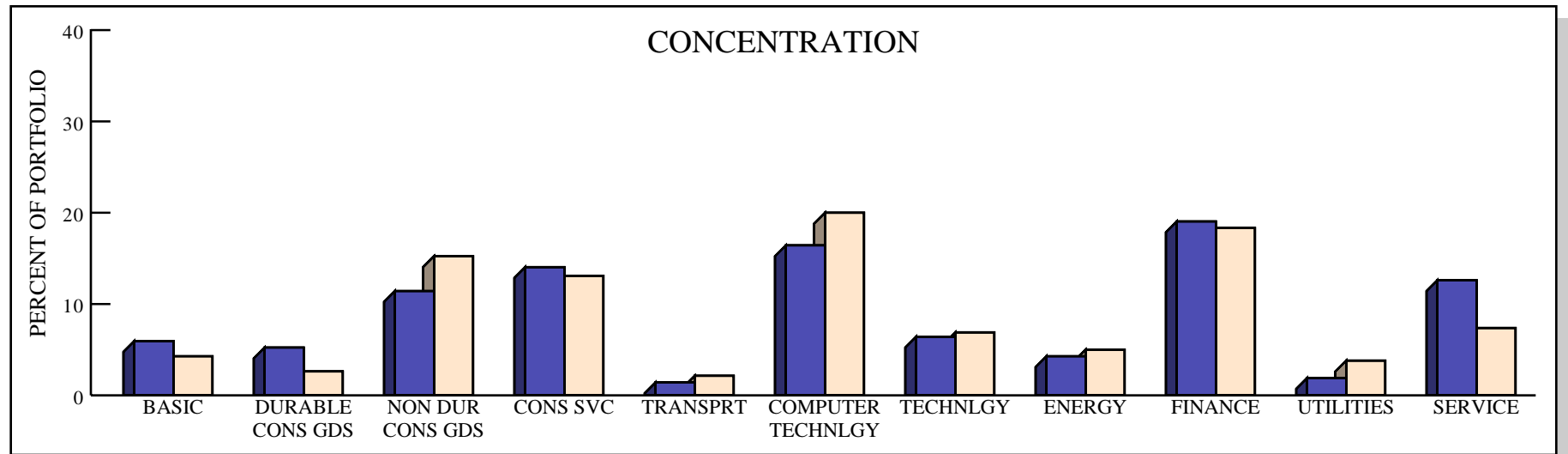
**STOCK CHARACTERISTICS**



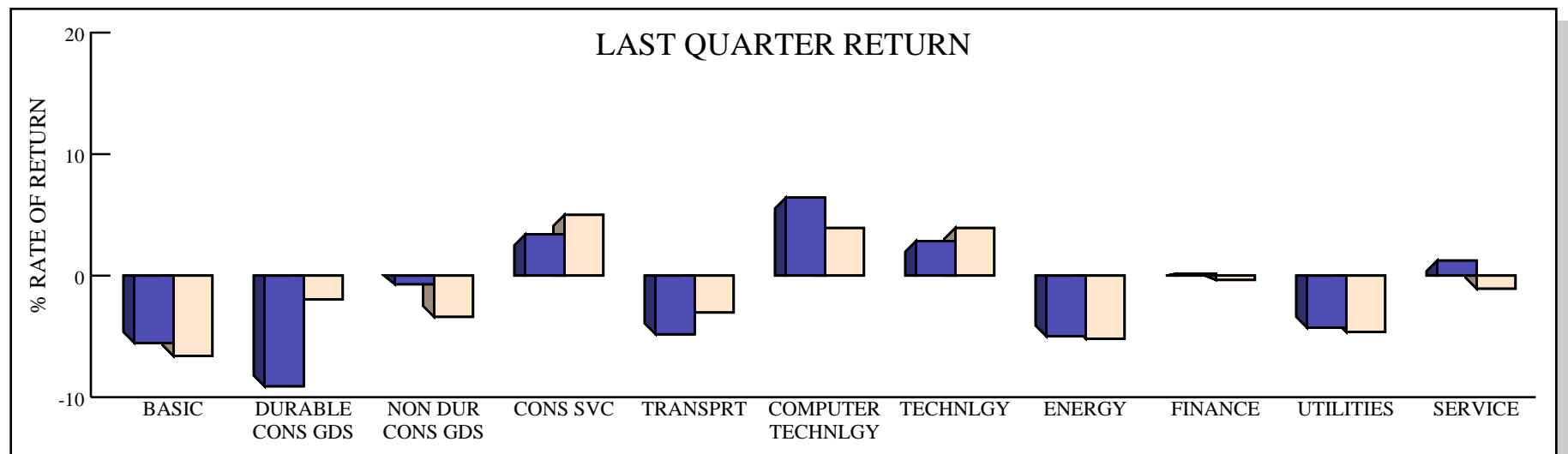
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	674	1.4%	11.8%	25.7	1.02
S&P 500	505	1.9%	9.1%	24.0	1.00



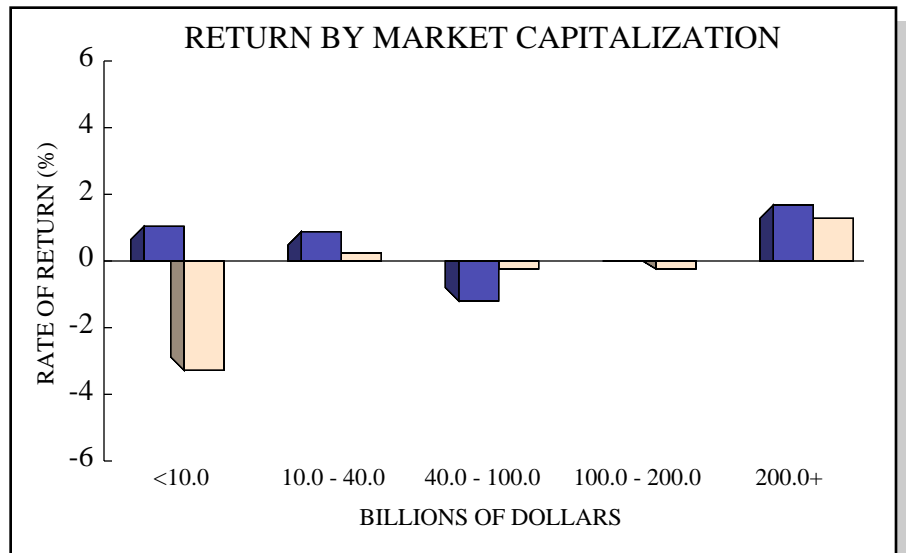
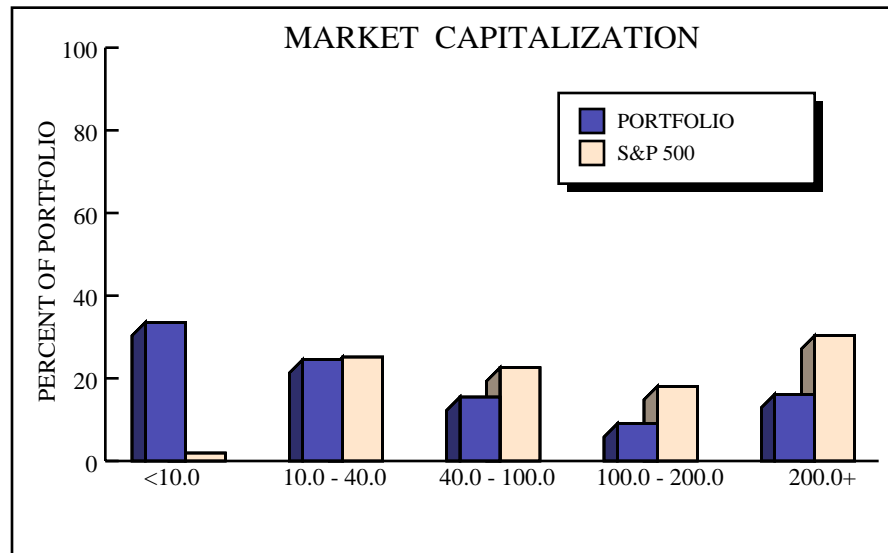
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



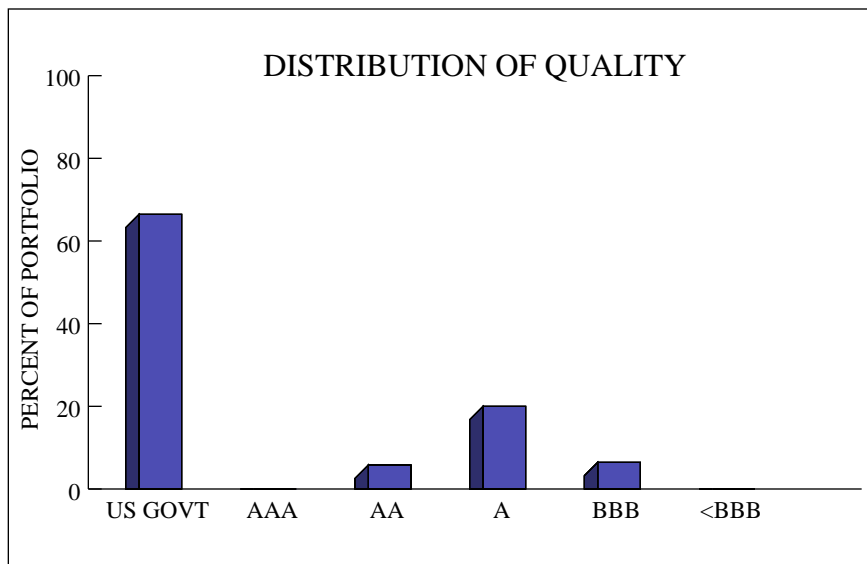
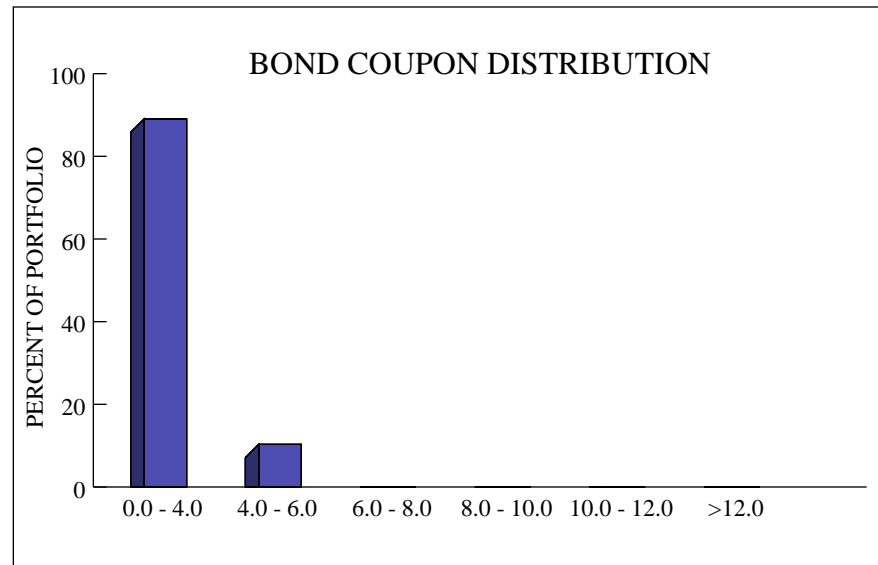
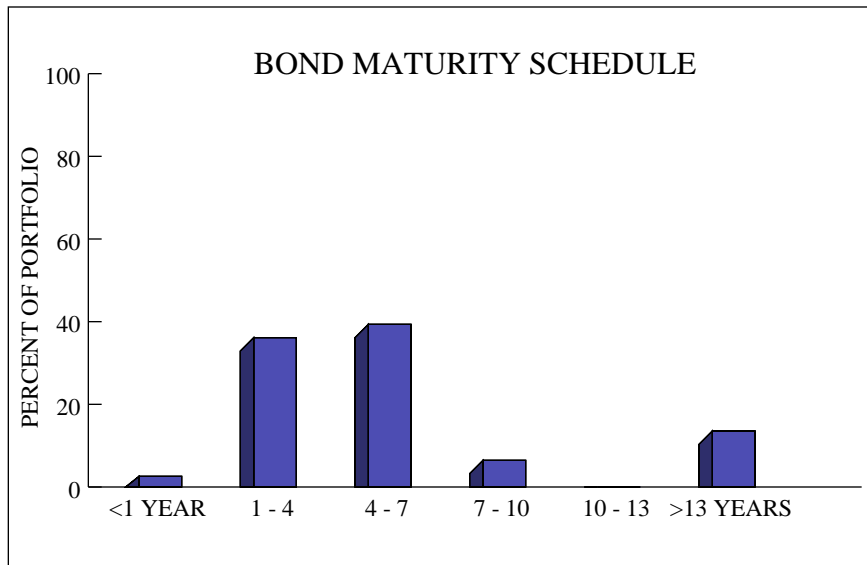
**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	AMAZON.COM INC	\$ 1,422,735	1.85%	23.8%	Consumer Service	\$ 700.7 B
2	MICROSOFT CORP	1,359,375	1.77%	7.2%	Computer Tech	702.8 B
3	APPLE INC	1,325,798	1.72%	-0.5%	Computer Tech	851.3 B
4	ALPHABET INC-CL C	768,684	1.00%	-1.4%	Computer Tech	361.0 B
5	FACEBOOK INC-A	763,796	.99%	-9.5%	Computer Tech	382.8 B
6	BROADCOM LTD	700,116	.91%	-7.6%	Computer Tech	96.8 B
7	VISA INC-CLASS A SHARES	659,226	.86%	5.1%	Finance	215.6 B
8	ANTHEM INC	643,501	.84%	-2.0%	Consumer Service	56.2 B
9	ALPHABET INC-CL A	609,838	.79%	-1.5%	Computer Tech	309.6 B
10	JOHNSON & JOHNSON	608,200	.79%	-7.7%	NonDur Cons Goods	343.8 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>AGGREGATE INDEX</b>
No. of Securities	28	9,868
Duration	4.38	6.08
YTM	2.82	3.12
Average Coupon	2.80	3.08
Avg Maturity / WAL	7.17	8.42
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:	NO
Mid Cap Portfolio rank exceeds the median for the three or five year period:	NO
International Equity Portfolio return exceeds the MSCI EAFE Index for the three or five year period:	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	52.5%	50.0%	40.0%	60.0%	YES
Int'l Equity	11.8%	12.5%	7.5%	17.5%	YES
Real Estate	11.5%	10.0%	5.0%	16.0%	YES
Fixed	22.0%	27.5%	20.0%	35.0%	YES
Cash	2.2%	---	---	---	---

<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	18.8%	15.0%	10.0%	20.0%	YES
Clearbridge - LCG	6.6%	7.5%	5.0%	12.5%	YES
Lyrical LCV	6.3%	7.5%	5.0%	12.5%	YES
Clearbridge - MCC	5.3%	5.0%	2.0%	8.0%	YES
Wedge Capital	5.2%	5.0%	2.0%	8.0%	YES
PNC	6.1%	5.0%	2.0%	8.0%	YES
LMCG	4.9%	5.0%	2.0%	8.0%	YES
Hardman Johnston	11.8%	12.5%	7.5%	17.5%	YES
American Realty	3.4%	3.0%	0.0%	6.0%	YES
Intercontinental	5.4%	4.0%	0.0%	7.0%	YES
UBS	2.6%	3.0%	0.0%	6.0%	YES
Garcia Hamilton - Fixed	23.0%	27.5%	20.0%	35.0%	YES
Cash account	0.4%	---	---	---	---

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**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



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**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  
March 31, 2018**

<b>Manager</b>	<b>Fee Schedule</b>	<b>March 2018 Balance</b>	<b>Fee Allocation</b>
Vanguard 500	4bps on balance	\$30,712,638	\$12,285
Cleabridge LCG	50bps on balance	\$10,777,606	\$53,888
Lyrical LCV	75bps on balance	\$10,325,902	\$77,444
Clearbridge MCC	65bps on balance	\$8,694,312	\$56,513
Wedge	75bps on balance	\$8,511,214	\$63,834
PNC	80bps on balance	\$9,987,431	\$79,899
LMCG	85bps on balance	\$8,004,665	\$68,040
Hardman Johnston	85bps on first \$10m 75bps on next \$15m 65bps on next \$25m 60bps on remainder	\$19,334,721	\$155,010
American Realty	110 bps on balance	\$5,557,335	\$61,131
Intercontinental	110 bps on balance Preferred Return 8% Carried Interest 20% per annum	\$8,864,917	\$97,514
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%	\$4,264,777	\$40,729
Garcia Hamilton Fixed	25 bps on balance	\$37,583,738	\$93,959
Cash		\$584,430	
<b>Total</b>		<b>\$163,203,686</b>	<b>\$860,247</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	1.2	1.1	2.4	1.9	1.4
<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	-0.6	5.6	13.8	10.2	13.0
S&P 500	Large Cap Core	-0.8	5.8	14.0	10.8	13.3
Russell 1000	Large Cap	-0.7	5.8	14.0	10.4	13.2
Russell 1000 Growth	Large Cap Growth	1.4	9.4	21.3	12.9	15.5
Russell 1000 Value	Large Cap Value	-2.8	2.3	6.9	7.9	10.8
Russell Mid Cap	Midcap	-0.5	5.6	12.2	8.0	12.1
Russell Mid Cap Growth	Midcap Growth	2.2	9.1	19.7	9.2	13.3
Russell Mid Cap Value	Midcap Value	-2.5	2.8	6.5	7.2	11.1
Russell 2000	Small Cap	-0.1	3.3	11.8	8.4	11.5
Russell 2000 Growth	Small Cap Growth	2.3	7.0	18.6	8.7	12.9
Russell 2000 Value	Small Cap Value	-2.6	-0.6	5.2	7.9	10.0
<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	-1.1	3.9	17.1	6.7	6.4
MSCI EAFE	Developed Markets Equity	-1.4	2.8	15.3	6.0	7.0
MSCI EAFE Growth	Developed Markets Growth	-1.0	4.3	17.9	7.1	7.5
MSCI EAFE Value	Developed Markets Value	-1.9	1.4	12.8	4.9	6.4
MSCI Emerging Markets	Emerging Markets Equity	1.5	9.1	25.4	9.2	5.4
<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	-1.5	-1.1	1.2	1.2	1.8
Bloomberg Barclays Capital Gov't Bond	Treasuries	-1.2	-1.1	0.4	0.5	1.1
Bloomberg Barclays Capital Credit Bond	Corporate Bonds	-2.1	-1.1	2.6	2.2	2.8
Intermediate Aggregate	Core Intermediate	-1.1	-1.1	0.5	1.0	1.5
ML/BoA 1-3 Year Treasury	Short Term Treasuries	-0.1	-0.4	0.0	0.4	0.5
Bloomberg Barclays Capital High Yield	High Yield Bonds	-0.9	-0.4	3.8	5.2	5.0
<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	4.5	6.0	11.2	4.8	1.3
NCREIF NFI-ODCE Index	Real Estate	2.2	4.3	8.1	10.0	11.4
HFRI FOF Composite	Hedge Funds	0.6	2.6	5.9	1.9	3.4

**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 September 30, 2009
  - 7.9% through September 30, 2014
  - 7.6% through September 30, 2017
  - 7.5% thereafter

DAVIE POLICE PENSION PLAN  
VANGUARD - INSTITUTIONAL INDEX FUND  
PERFORMANCE REVIEW  
MARCH 2018

## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan's Vanguard Institutional Index Fund was valued at \$30,712,638, a decrease of \$234,621 from the December ending value of \$30,947,259. Last quarter, the account recorded no net contributions or withdrawals, while recording a net investment loss for the quarter of \$234,621. Net investment loss was composed of income receipts totaling \$127,059 and \$361,680 in net realized and unrealized capital losses.

## **RELATIVE PERFORMANCE**

For the first quarter, the Vanguard Institutional Index Fund returned -0.7%, which was 0.1% above the S&P 500 Index's return of -0.8% and ranked in the 64th percentile of the Large Cap Core universe. Over the trailing year, this portfolio returned 14.0%, which was equal to the benchmark's 14.0% return, ranking in the 52nd percentile. Since December 2013, the account returned 11.1% on an annualized basis and ranked in the 44th percentile. The S&P 500 returned an annualized 11.0% over the same time frame.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Qtr / YTD	FYTD	1 Year	3 Year	5 Year	Since 12/13
<b>Total Portfolio - Gross</b>	-0.7	5.8	14.0	10.8	----	11.1
<i>LARGE CAP CORE RANK</i>	(64)	(59)	(52)	(32)	----	(44)
<b>Total Portfolio - Net</b>	-0.8	5.8	14.0	10.8	----	11.0
S&P 500	-0.8	5.8	14.0	10.8	13.3	11.0
<b>Large Cap Equity - Gross</b>	-0.7	5.8	14.0	10.8	----	11.1
<i>LARGE CAP CORE RANK</i>	(64)	(59)	(52)	(32)	----	(44)
S&P 500	-0.8	5.8	14.0	10.8	13.3	11.0

**ASSET ALLOCATION**

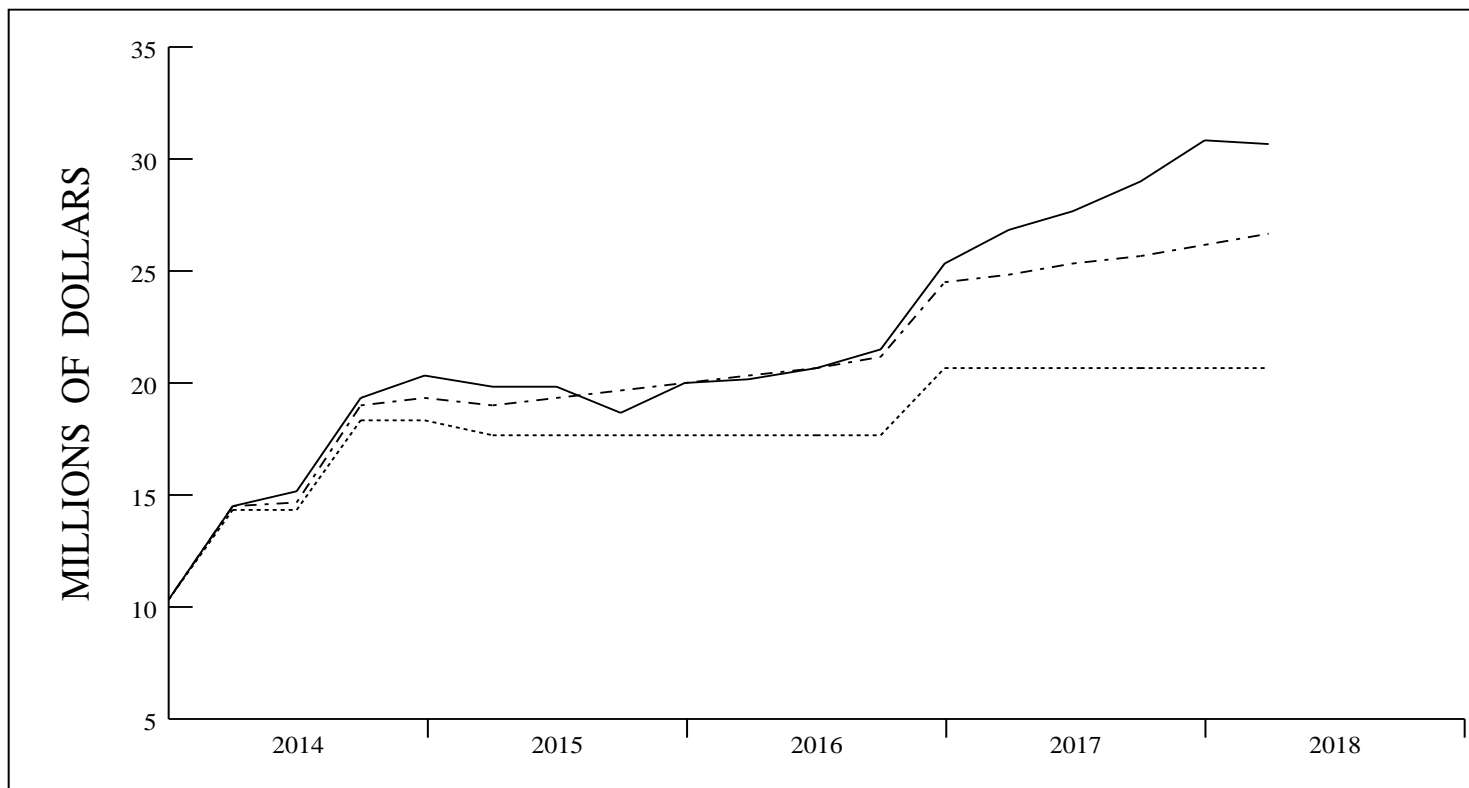
Large Cap Equity	100.0%	\$ 30,709,749
Cash	0.0%	2,889
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 30,712,638</b>

**INVESTMENT RETURN**

Market Value 12/2017	\$ 30,947,259
Contribs / Withdrawals	0
Income	127,059
Capital Gains / Losses	-361,680
Market Value 3/2018	\$ 30,712,638



**INVESTMENT GROWTH**

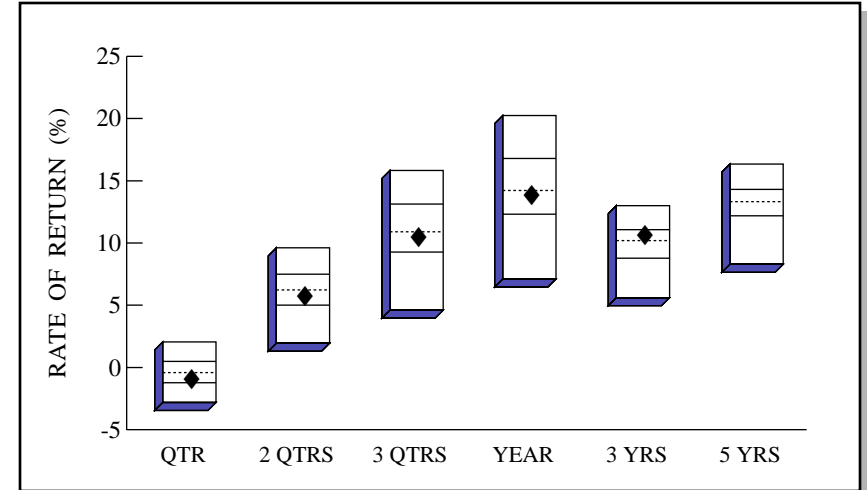
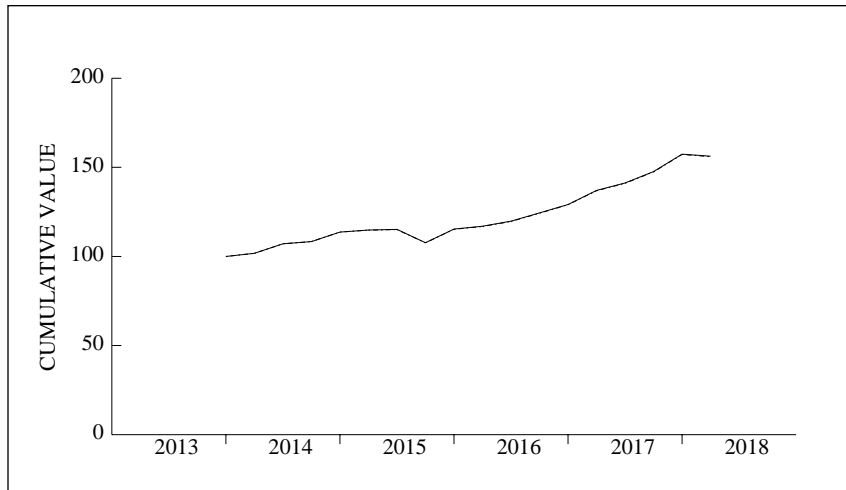


— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

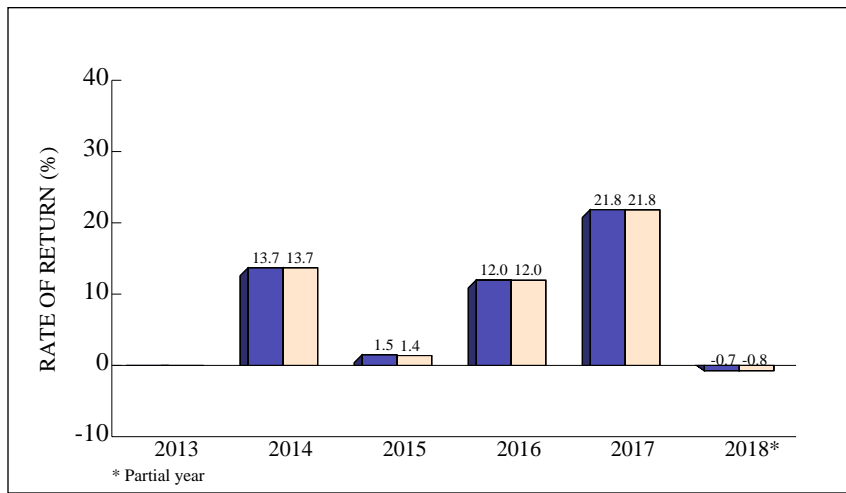
VALUE ASSUMING  
 DAVIE A/R     \$ 26,739,079

	LAST QUARTER	PERIOD 12/13 - 3/18
BEGINNING VALUE	\$ 30,947,259	\$ 10,343,510
NET CONTRIBUTIONS	0	10,369,293
INVESTMENT RETURN	-234,621	9,999,835
ENDING VALUE	\$ 30,712,638	\$ 30,712,638
INCOME	127,059	1,966,502
CAPITAL GAINS (LOSSES)	-361,680	8,033,333
INVESTMENT RETURN	-234,621	9,999,835

**TOTAL RETURN COMPARISONS**



Large Cap Core Universe

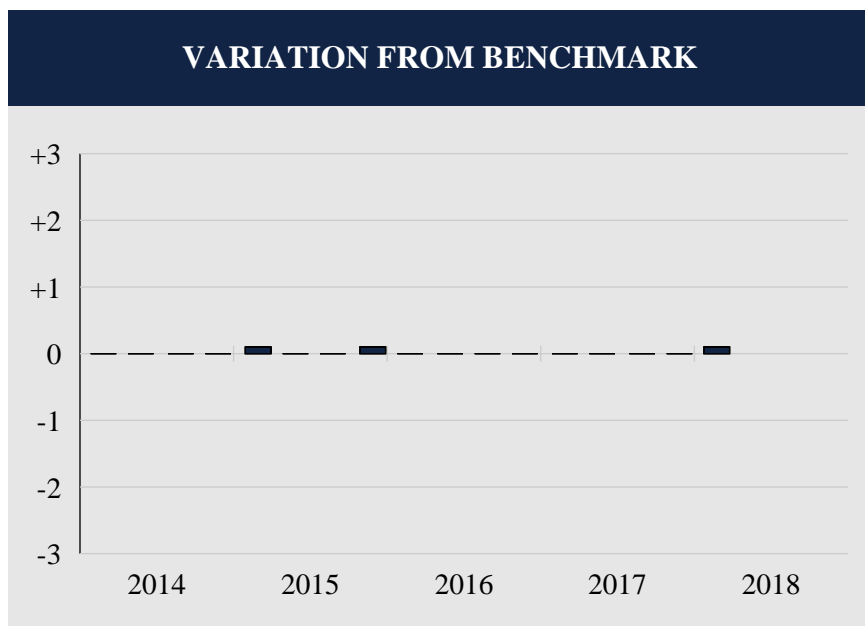


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	-0.7	5.8	10.6	14.0	10.8	---
(RANK)	(64)	(59)	(56)	(52)	(32)	---
5TH %ILE	2.0	9.6	15.8	20.2	13.0	16.4
25TH %ILE	0.5	7.5	13.1	16.8	11.1	14.3
MEDIAN	-0.4	6.2	10.9	14.2	10.2	13.3
75TH %ILE	-1.2	5.0	9.3	12.3	8.8	12.2
95TH %ILE	-2.8	2.0	4.6	7.1	5.6	8.3
<b>S&amp;P 500</b>	<b>-0.8</b>	<b>5.8</b>	<b>10.6</b>	<b>14.0</b>	<b>10.8</b>	<b>13.3</b>

Large Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

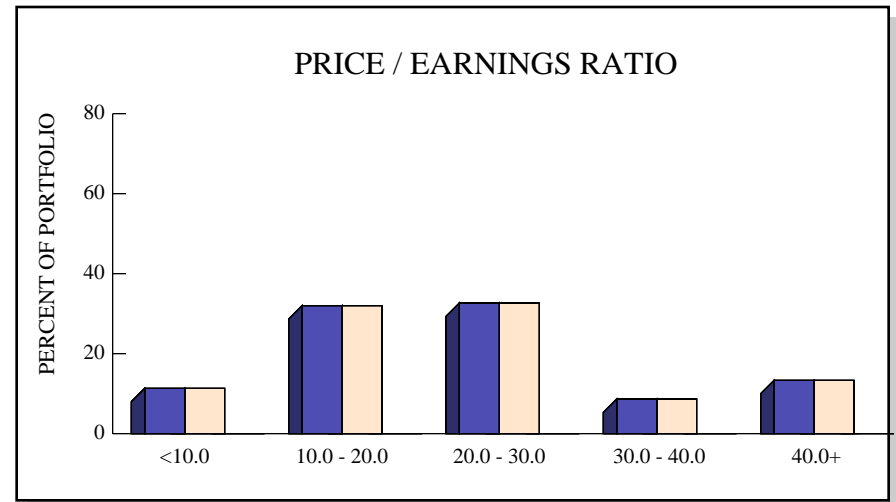
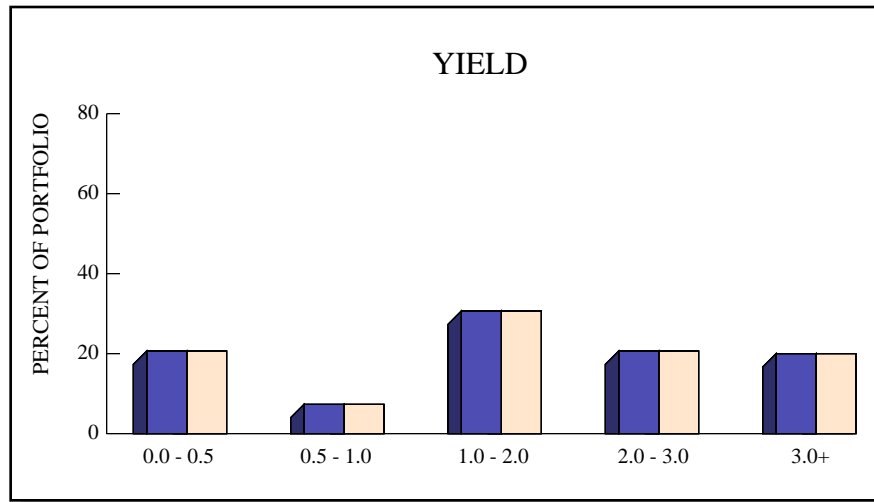
**COMPARATIVE BENCHMARK: S&P 500**



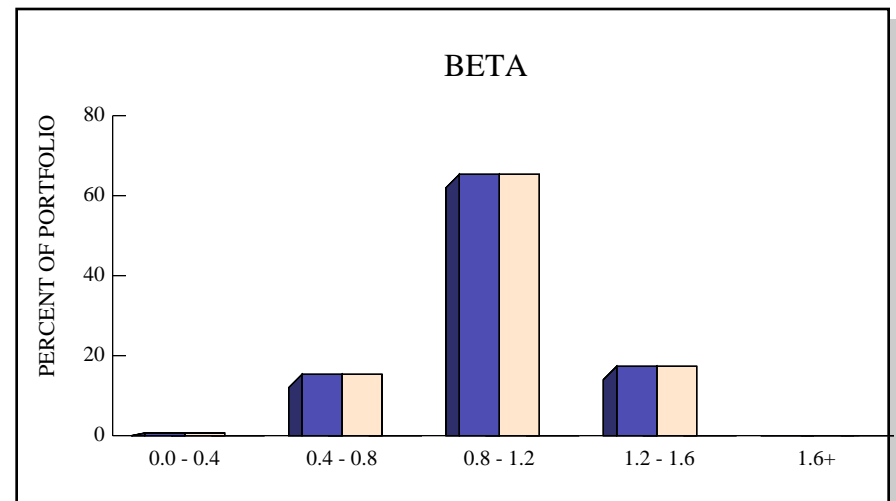
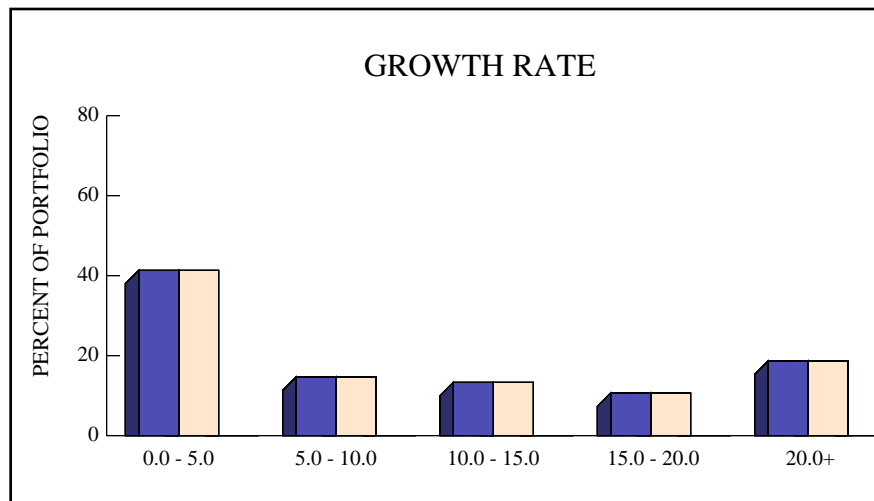
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/14	1.8	1.8	0.0
6/14	5.2	5.2	0.0
9/14	1.1	1.1	0.0
12/14	4.9	4.9	0.0
3/15	1.0	0.9	0.1
6/15	0.3	0.3	0.0
9/15	-6.4	-6.4	0.0
12/15	7.1	7.0	0.1
3/16	1.3	1.3	0.0
6/16	2.5	2.5	0.0
9/16	3.9	3.9	0.0
12/16	3.8	3.8	0.0
3/17	6.1	6.1	0.0
6/17	3.1	3.1	0.0
9/17	4.5	4.5	0.0
12/17	6.6	6.6	0.0
3/18	-0.7	-0.8	0.1

<b>Total Quarters Observed</b>	<b>17</b>
<b>Quarters At or Above the Benchmark</b>	<b>17</b>
<b>Quarters Below the Benchmark</b>	<b>0</b>
<b>Batting Average</b>	<b>1.000</b>

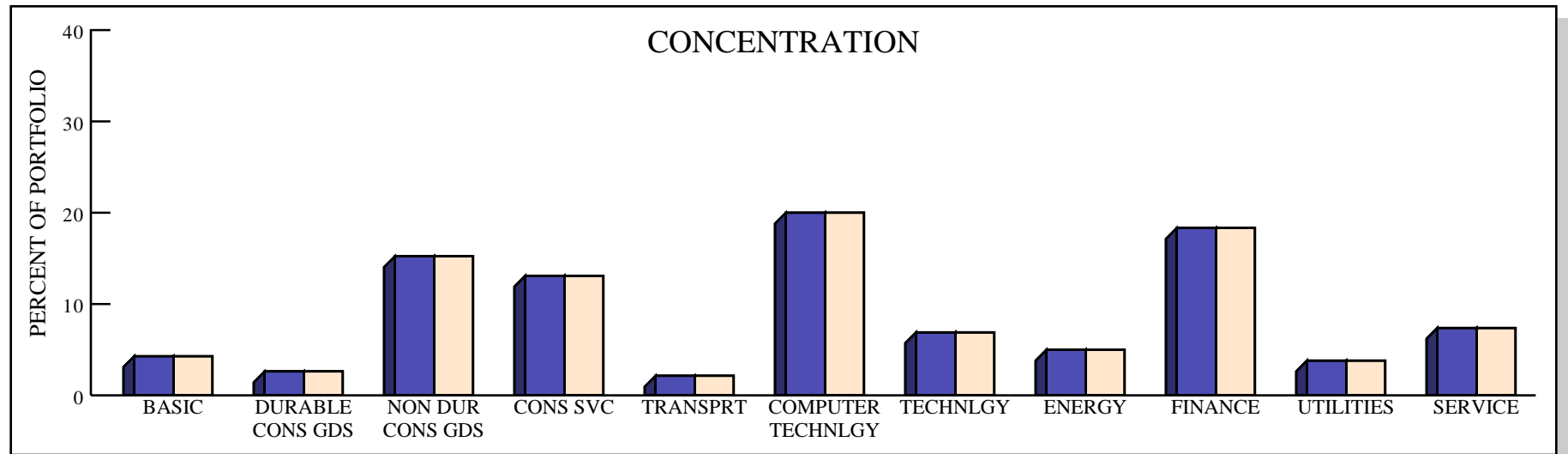
**STOCK CHARACTERISTICS**



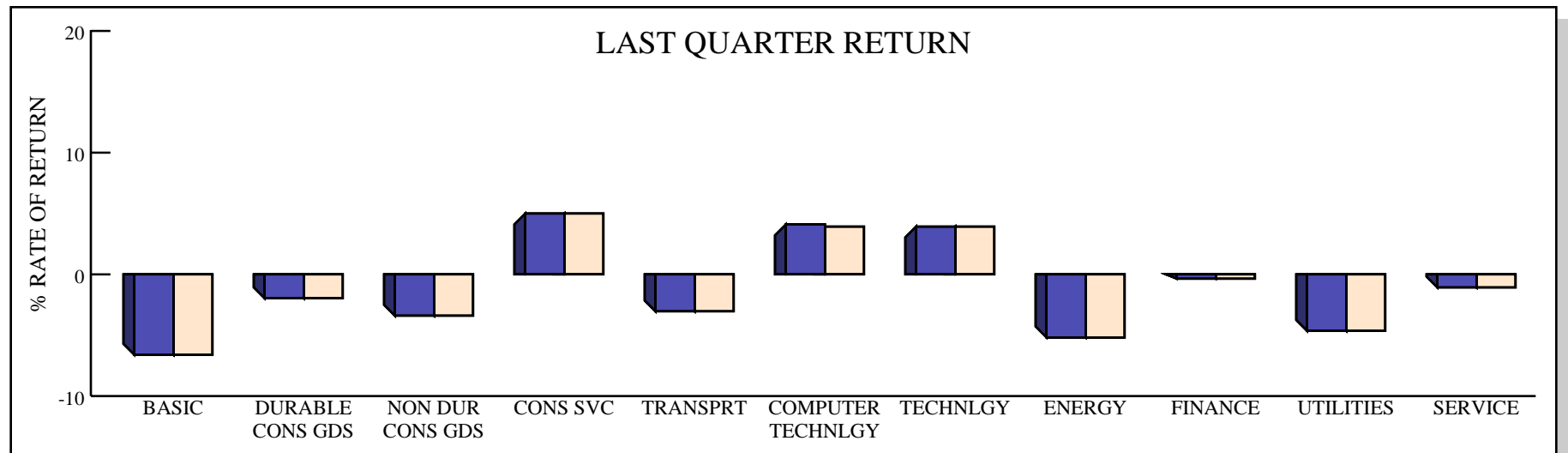
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	505	1.9%	9.1%	24.1	1.00
S&P 500	505	1.9%	9.1%	24.0	1.00



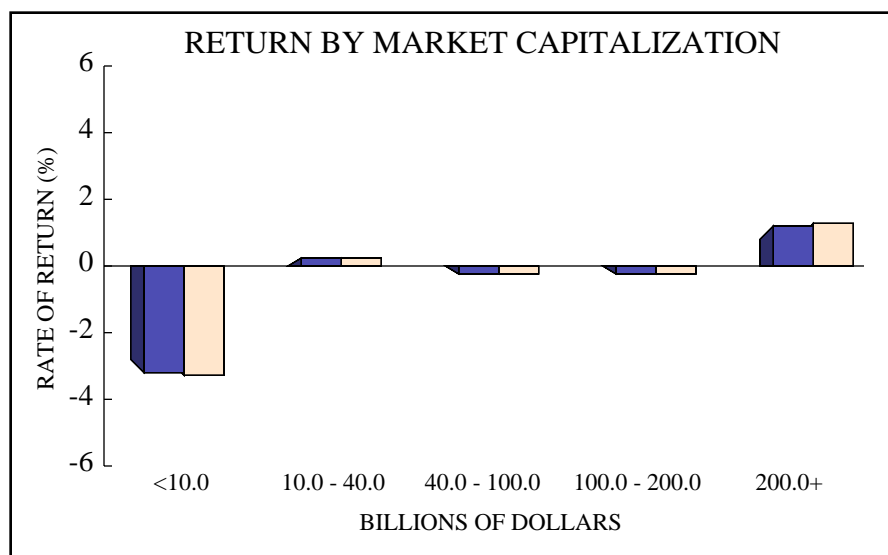
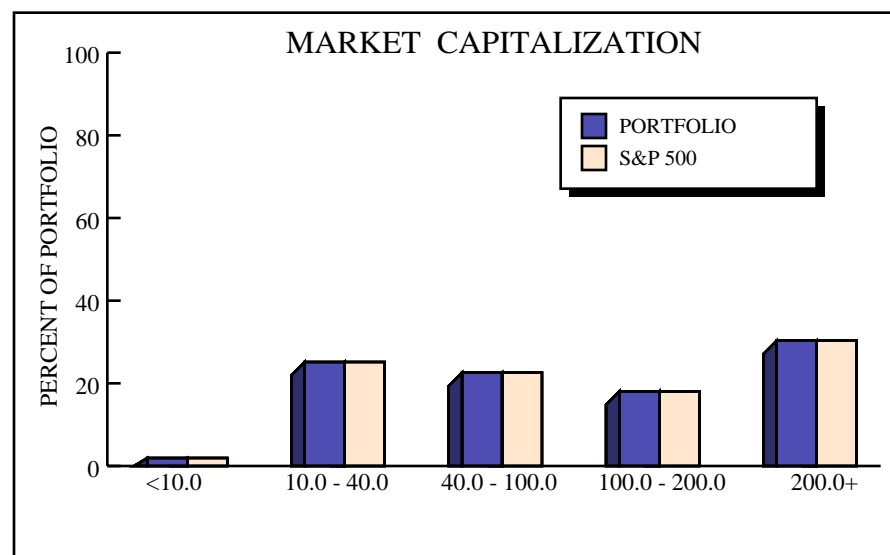
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 1,118,757	3.64%	-0.5%	Computer Tech	\$ 851.3 B
2	MICROSOFT CORP	923,561	3.01%	7.2%	Computer Tech	702.8 B
3	AMAZON.COM INC	920,508	3.00%	23.8%	Consumer Service	700.7 B
4	FACEBOOK INC-A	503,179	1.64%	-9.5%	Computer Tech	382.8 B
5	JPMORGAN CHASE & CO	492,886	1.60%	3.4%	Finance	375.0 B
6	ALPHABET INC-CL C	474,623	1.55%	-1.4%	Computer Tech	361.0 B
7	JOHNSON & JOHNSON	451,729	1.47%	-7.7%	NonDur Cons Goods	343.8 B
8	EXXON MOBIL CORP	415,503	1.35%	-9.9%	Energy	316.2 B
9	ALPHABET INC-CL A	406,559	1.32%	-1.5%	Computer Tech	309.6 B
10	BANK OF AMERICA CORP	402,946	1.31%	2.0%	Finance	306.6 B

DAVIE POLICE PENSION PLAN  
CLEARBRIDGE - LARGE CAP GROWTH  
PERFORMANCE REVIEW  
MARCH 2018

## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan's Clearbridge Large Cap Growth portfolio was valued at \$10,777,606, representing an increase of \$175,187 from the December quarter's ending value of \$10,602,419. Last quarter, the Fund posted withdrawals totaling \$14,553, which partially offset the portfolio's net investment return of \$189,740. Income receipts totaling \$26,379 plus net realized and unrealized capital gains of \$163,361 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the first quarter, the Clearbridge Large Cap Growth portfolio returned 1.8%, which was 0.4% above the Russell 1000 Growth Index's return of 1.4% and ranked in the 57th percentile of the Large Cap Growth universe.

## **ASSET ALLOCATION**

At the end of the first quarter, large cap equities comprised 96.1% of the total portfolio (\$10.4 million), while cash & equivalents comprised the remaining 3.9% (\$417,025).

## **ANALYSIS**

At the close of the first 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 first quarter the Clearbridge portfolio outpaced the Russell 1000 Growth index, despite only three of the ten invested sectors outperforming. Selection effects had a large impact on the total return. The overweight Energy and Service sectors outpaced their counterparts, as well as the single most allocated sector, Computer Technology. Top ten holdings Adobe Systems and Red Hat Inc. were largely responsible for the surplus, returning 23.3% and 24.5% respectively. On the other hand, the notably allocated Non-Durable Consumer Goods and Consumer Service sectors fell slightly behind their benchmarks, pulling back on the total return. Avoiding the Utilities sector proved beneficial again, as it was one of the lower performers this quarter.



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Qtr / YTD	FYTD	1 Year	3 Year	5 Year	Since 06/17
<b>Total Portfolio - Gross</b>	1.8	8.8	----	----	----	14.8
<i>LARGE CAP GROWTH RANK</i>	(57)	(58)	----	----	----	(58)
<b>Total Portfolio - Net</b>	1.7	8.6	----	----	----	14.4
Russell 1000G	1.4	9.4	21.3	12.9	15.5	15.8
<b>Large Cap Equity - Gross</b>	1.8	9.1	----	----	----	15.3
<i>LARGE CAP GROWTH RANK</i>	(56)	(56)	----	----	----	(52)
Russell 1000G	1.4	9.4	21.3	12.9	15.5	15.8

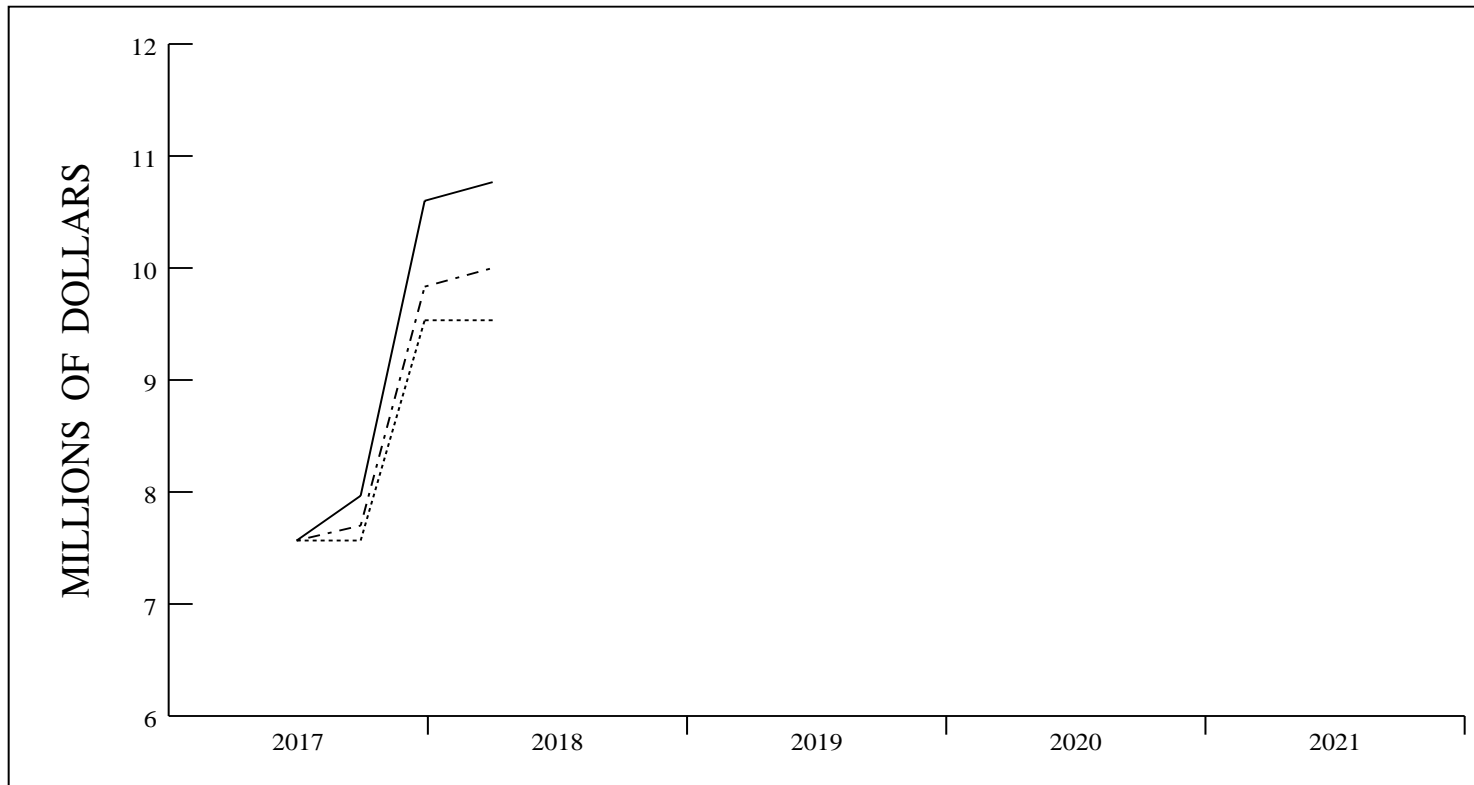
**ASSET ALLOCATION**

Large Cap Equity	96.1%	\$ 10,360,581
Cash	3.9%	417,025
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 10,777,606</b>

**INVESTMENT RETURN**

Market Value 12/2017	\$ 10,602,419
Contribs / Withdrawals	- 14,553
Income	26,379
Capital Gains / Losses	163,361
Market Value 3/2018	\$ 10,777,606

**INVESTMENT GROWTH**

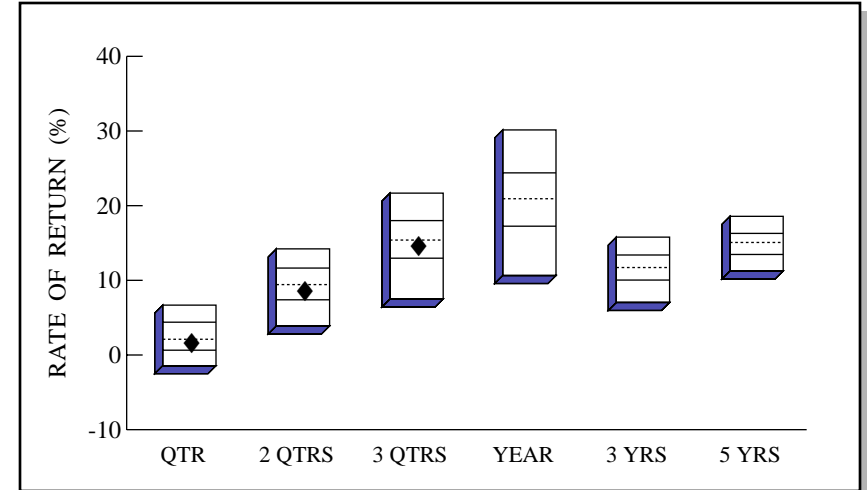
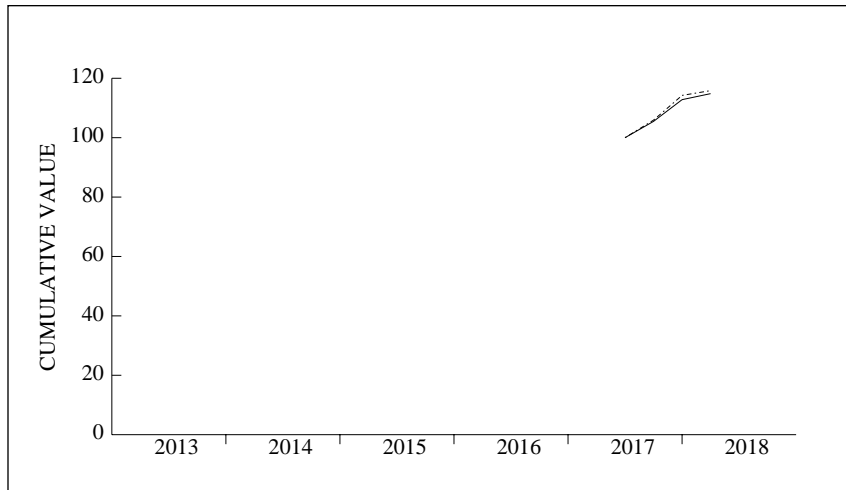


— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

VALUE ASSUMING  
 DAVIE A/R     \$ 10,004,919

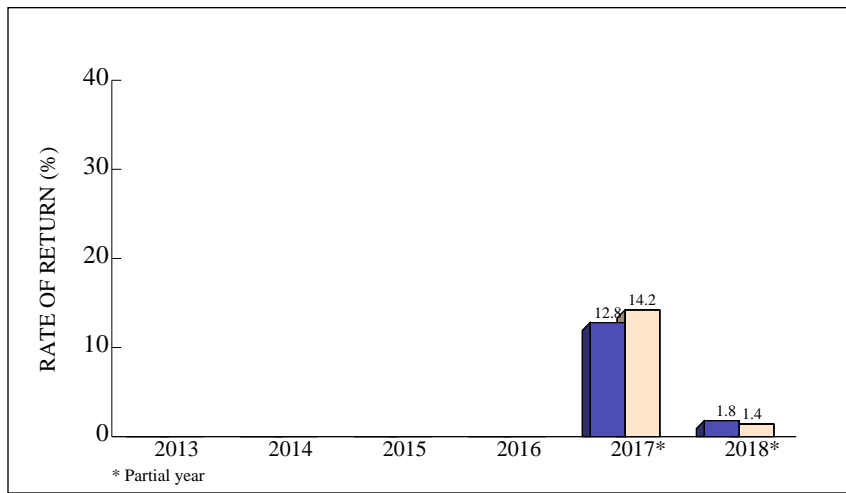
	LAST QUARTER	PERIOD 6/17 - 3/18
BEGINNING VALUE	\$ 10,602,419	\$ 7,585,524
NET CONTRIBUTIONS	- 14,553	1,965,196
<u>INVESTMENT RETURN</u>	<u>189,740</u>	<u>1,226,886</u>
ENDING VALUE	\$ 10,777,606	\$ 10,777,606
INCOME	26,379	71,118
<u>CAPITAL GAINS (LOSSES)</u>	<u>163,361</u>	<u>1,155,768</u>
INVESTMENT RETURN	189,740	1,226,886

**TOTAL RETURN COMPARISONS**



■ ——— PORTFOLIO  
■ - - - - RUSSELL 1000G

Large Cap Growth Universe

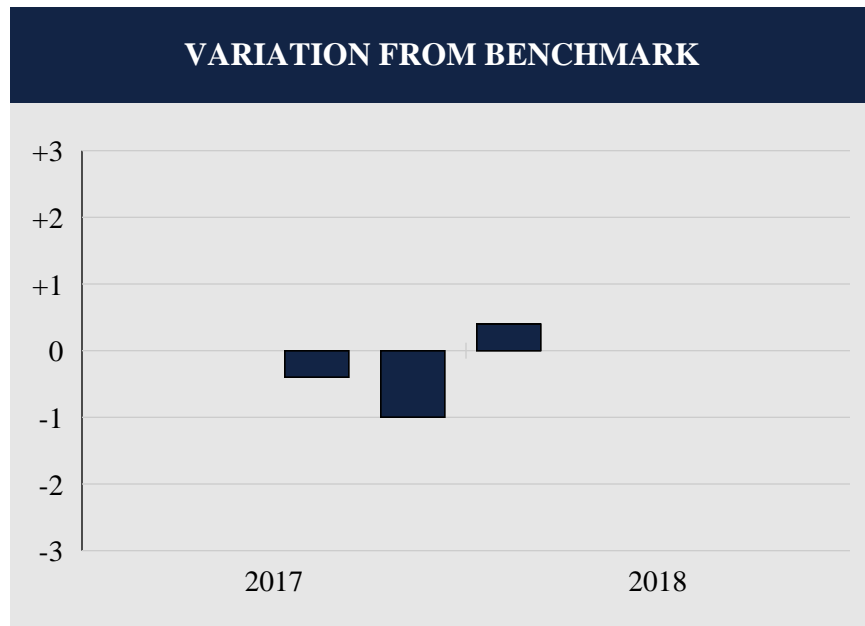


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	1.8	8.8	14.8	----	----	----
(RANK)	(57)	(58)	(58)	----	----	----
5TH %ILE	6.7	14.2	21.7	30.1	15.8	18.6
25TH %ILE	4.4	11.6	18.0	24.4	13.4	16.3
MEDIAN	2.1	9.4	15.4	20.9	11.7	15.1
75TH %ILE	0.7	7.4	13.0	17.2	10.0	13.5
95TH %ILE	-1.4	3.9	7.5	10.7	7.0	11.3
<b>Russ 1000G</b>	<b>1.4</b>	<b>9.4</b>	<b>15.8</b>	<b>21.3</b>	<b>12.9</b>	<b>15.5</b>

Large Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

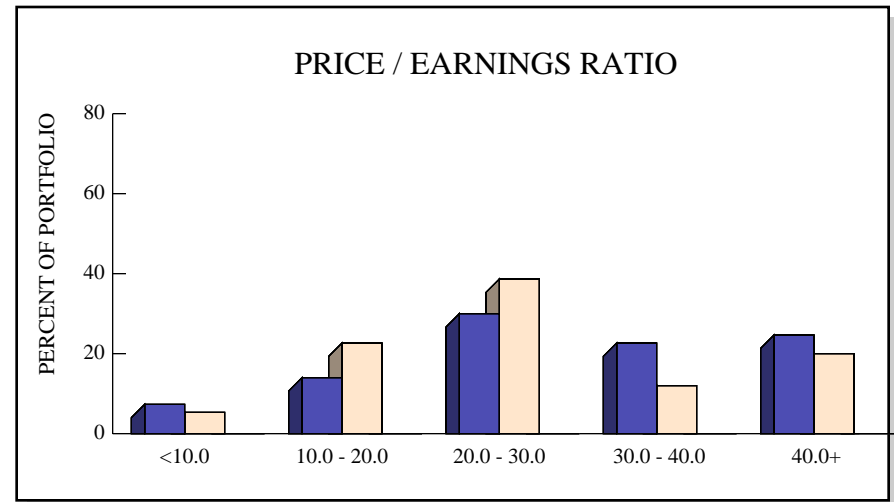
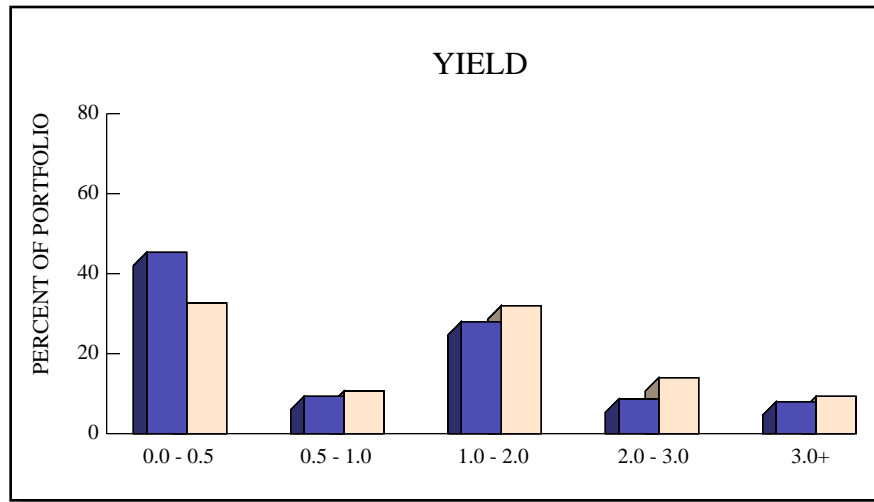
**COMPARATIVE BENCHMARK: RUSSELL 1000 GROWTH**



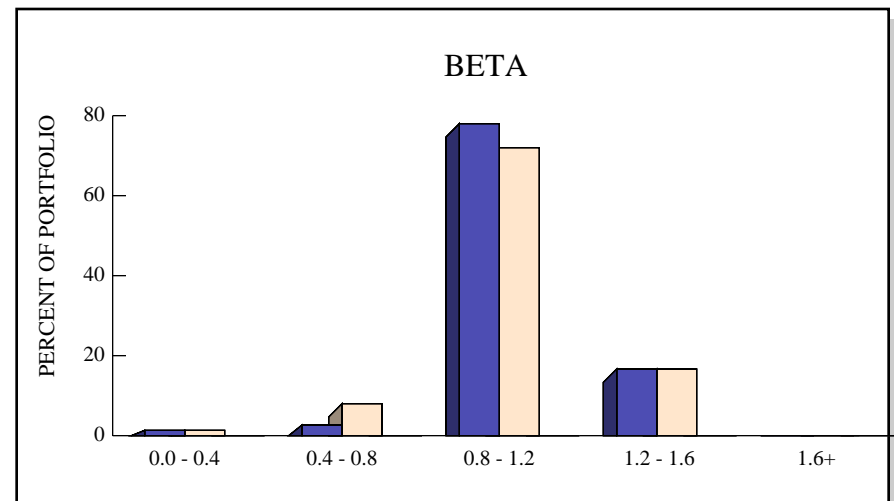
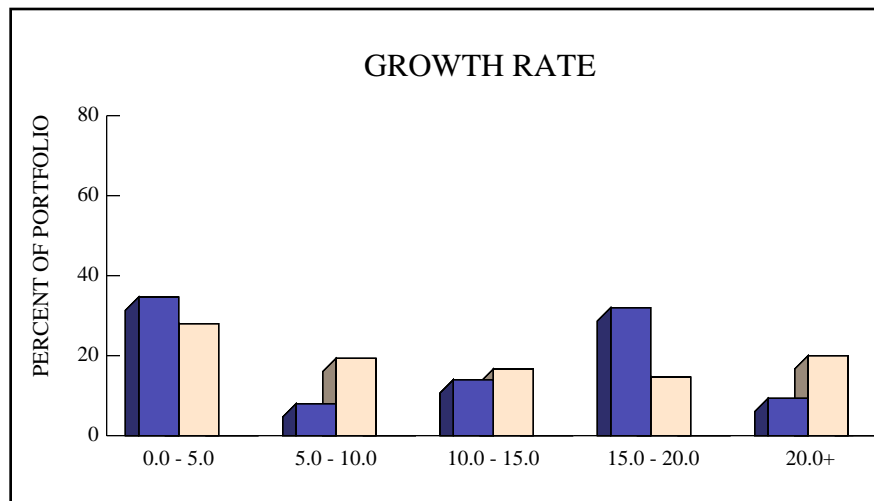
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/17	5.5	5.9	-0.4
12/17	6.9	7.9	-1.0
3/18	1.8	1.4	0.4

<b>Total Quarters Observed</b>	<b>3</b>
<b>Quarters At or Above the Benchmark</b>	<b>1</b>
<b>Quarters Below the Benchmark</b>	<b>2</b>
<b>Batting Average</b>	<b>.333</b>

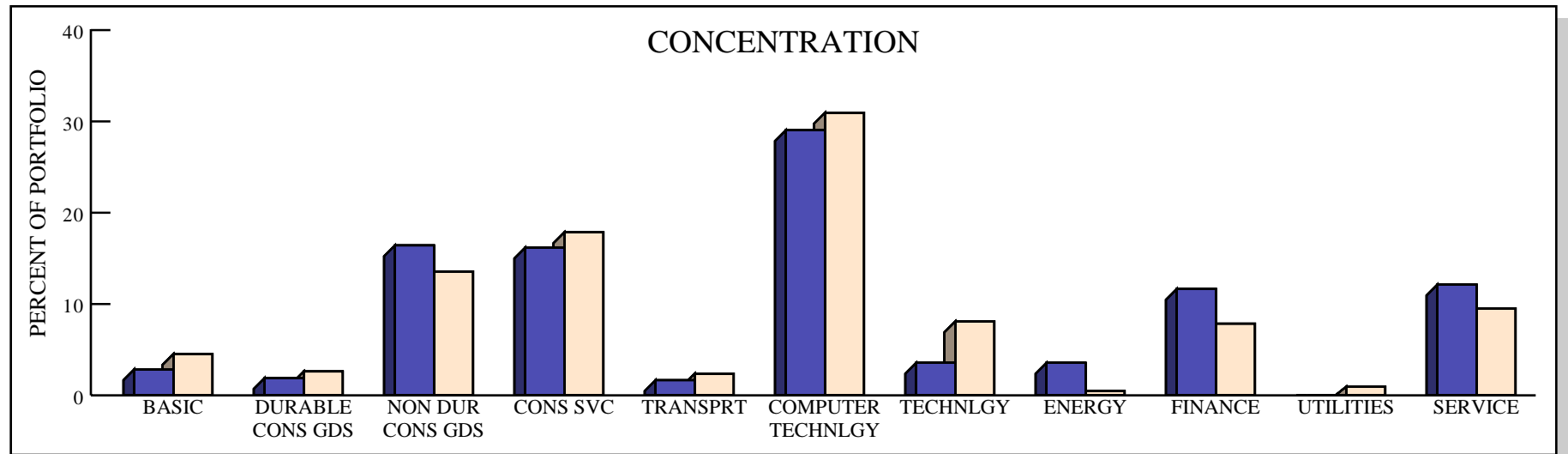
**STOCK CHARACTERISTICS**



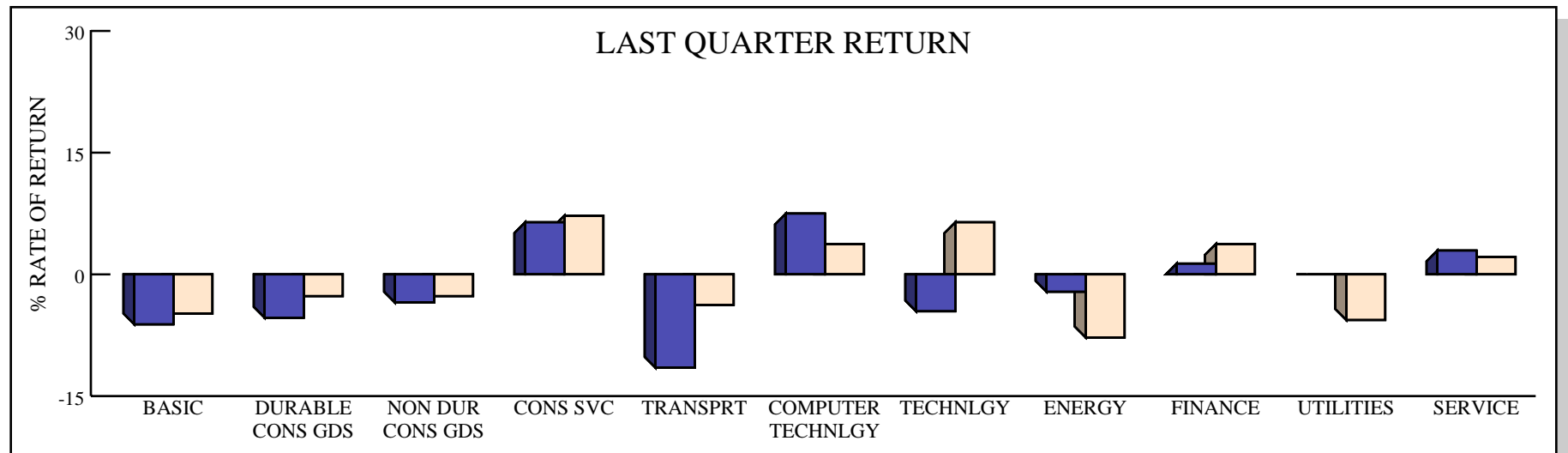
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	48	1.0%	9.0%	32.7	1.03
RUSSELL 1000G	553	1.3%	12.6%	29.0	1.01



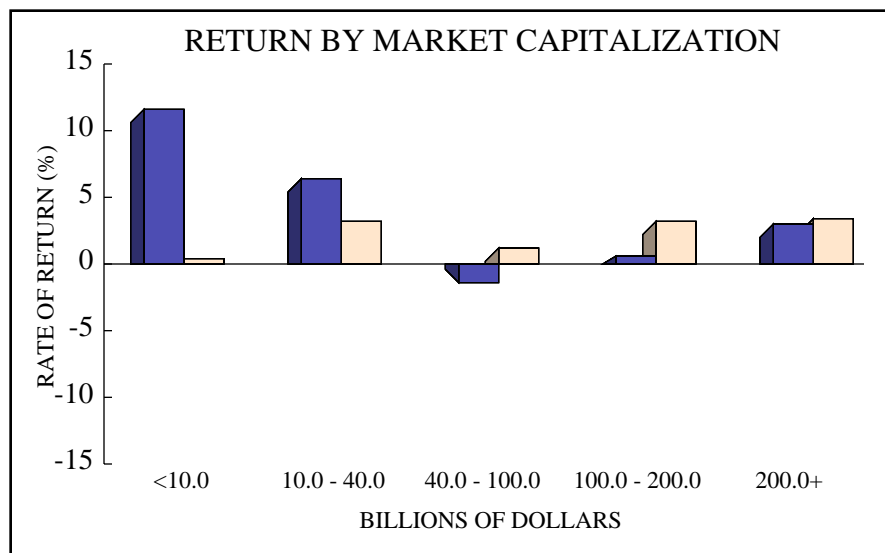
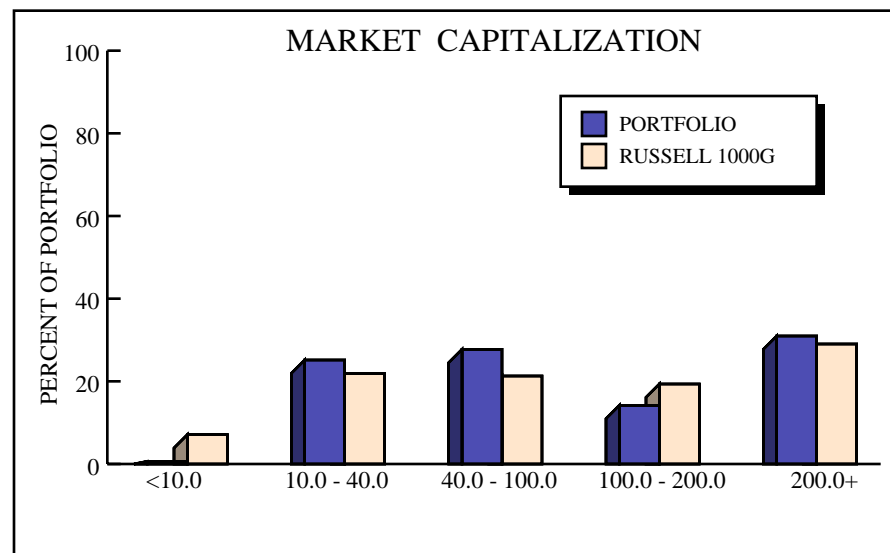
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 GROWTH



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	AMAZON.COM INC	\$ 502,227	4.85%	23.8%	Consumer Service	\$ 700.7 B
2	MICROSOFT CORP	435,814	4.21%	7.2%	Computer Tech	702.8 B
3	VISA INC-CLASS A SHARES	375,846	3.63%	5.1%	Finance	215.6 B
4	ADOBE SYSTEMS INC	342,487	3.31%	23.3%	Computer Tech	106.4 B
5	UNITEDHEALTH GROUP INC	297,888	2.88%	-2.6%	Consumer Service	207.1 B
6	ALPHABET INC-CL C	294,060	2.84%	-1.4%	Computer Tech	361.0 B
7	RED HAT INC	285,265	2.75%	24.5%	Computer Tech	26.5 B
8	AKAMAI TECHNOLOGIES INC	285,127	2.75%	9.1%	Service	12.1 B
9	ZOETIS INC	267,148	2.58%	16.1%	NonDur Cons Goods	40.5 B
10	FACEBOOK INC-A	260,617	2.52%	-9.5%	Computer Tech	382.8 B

DAVIE POLICE PENSION PLAN  
LYRICAL ASSET MANAGEMENT - U.S VALUE EQUITY  
PERFORMANCE REVIEW  
MARCH 2018



## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan's Lyrical Asset Management U.S Value Equity portfolio was valued at \$10,325,902, a decrease of \$347,518 from the December ending value of \$10,673,420. Last quarter, the account recorded total net withdrawals of \$21,220 in addition to \$326,298 in net investment losses. The fund's net investment loss was a result of income receipts totaling \$39,753 and realized and unrealized capital losses totaling \$366,051.

## **RELATIVE PERFORMANCE**

### **Total Fund**

During the first quarter, the Lyrical Asset Management U.S Value Equity portfolio lost 3.1%, which was 0.3% less than the Russell 1000 Value Index's return of -2.8% and ranked in the 83rd percentile of the Large Cap Value universe. Over the trailing year, the portfolio returned 10.5%, which was 3.6% greater than the benchmark's 6.9% performance, and ranked in the 52nd percentile. Since March 2015, the account returned 8.3% per annum and ranked in the 62nd percentile. For comparison, the Russell 1000 Value returned an annualized 7.9% over the same time frame.

## **ASSET ALLOCATION**

At the end of the first quarter, large cap equities comprised 98.0% of the total portfolio (\$10.1 million), while cash & equivalents comprised the remaining 2.0% (\$206,733).

## **ANALYSIS**

At the end of the first 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.

A tough quarter for the Russell 1000 Value proved to be even more difficult for the Lyrical portfolio, as six of the nine invested sectors underperformed their counterparts. The most notable deficits were delivered by the heavily allocated Basic, Durable Consumer Goods, and Finance sectors. Together they made up over 40% of the portfolio while posting losses greater than those of the index. The Non-Durable Consumer Goods sector fared the worst, quadrupling the loss of its counterpart, though its effects were limited by a negligible allocation. Fortunately the heavily overweight Consumer Service sector managed a slight gain relative to the benchmark's loss, pushing the total return up slightly.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>
<b>Total Portfolio - Gross</b>	-3.1	2.3	10.5	8.3	----
<i>LARGE CAP VALUE RANK</i>	(83)	(82)	(52)	(62)	----
<b>Total Portfolio - Net</b>	-3.2	1.9	9.7	7.5	----
Russell 1000V	-2.8	2.3	6.9	7.9	10.8
<b>Large Cap Equity - Gross</b>	-3.1	2.3	10.7	8.4	----
<i>LARGE CAP VALUE RANK</i>	(84)	(82)	(50)	(62)	----
Russell 1000V	-2.8	2.3	6.9	7.9	10.8

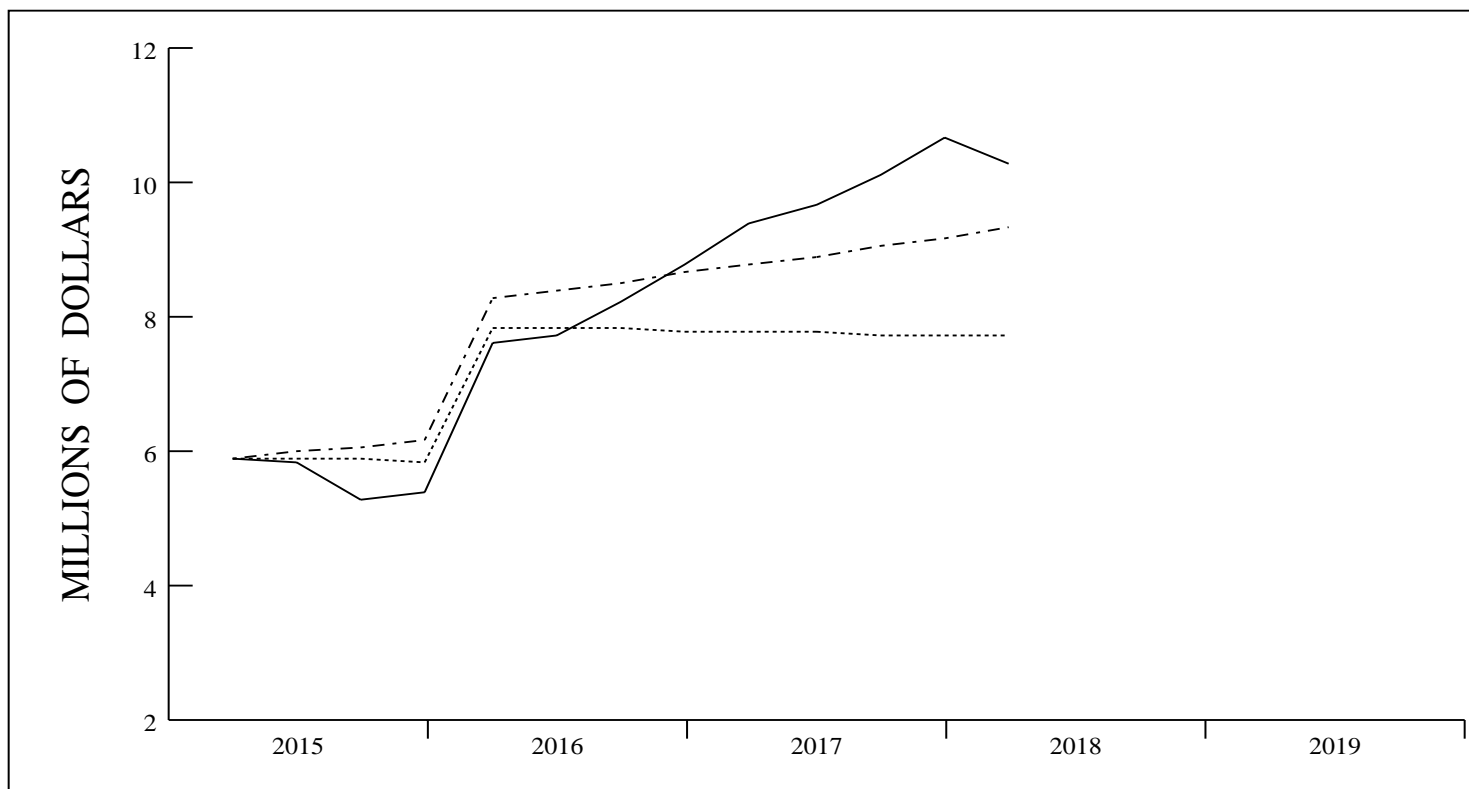
**ASSET ALLOCATION**

Large Cap Equity	98.0%	\$ 10,119,169
Cash	2.0%	206,733
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 10,325,902</b>

**INVESTMENT RETURN**

Market Value 12/2017	\$ 10,673,420
Contribs / Withdrawals	- 21,220
Income	39,753
Capital Gains / Losses	-366,051
Market Value 3/2018	\$ 10,325,902

**INVESTMENT GROWTH**

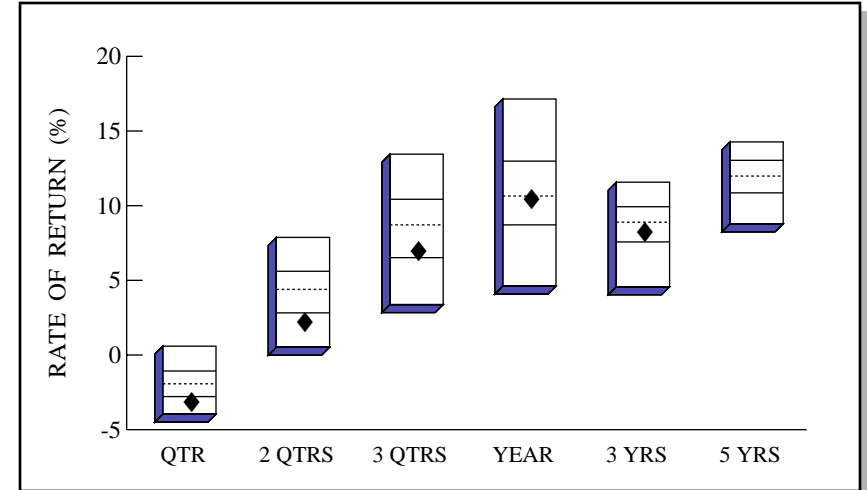
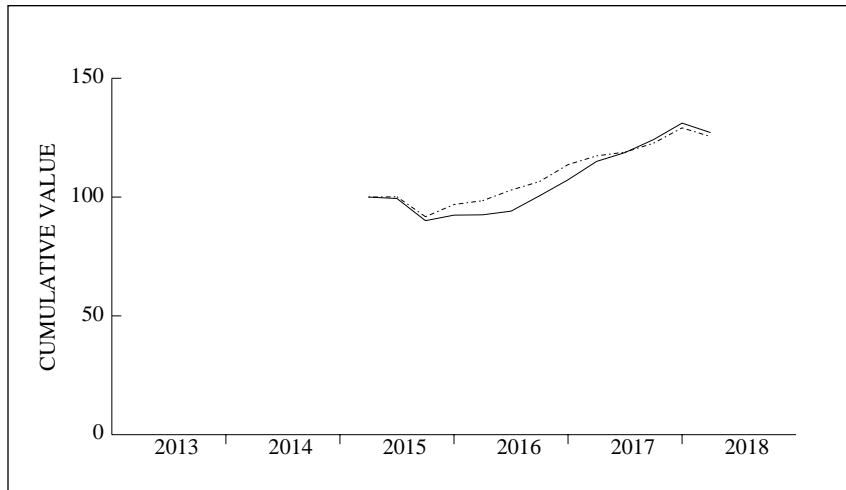


— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

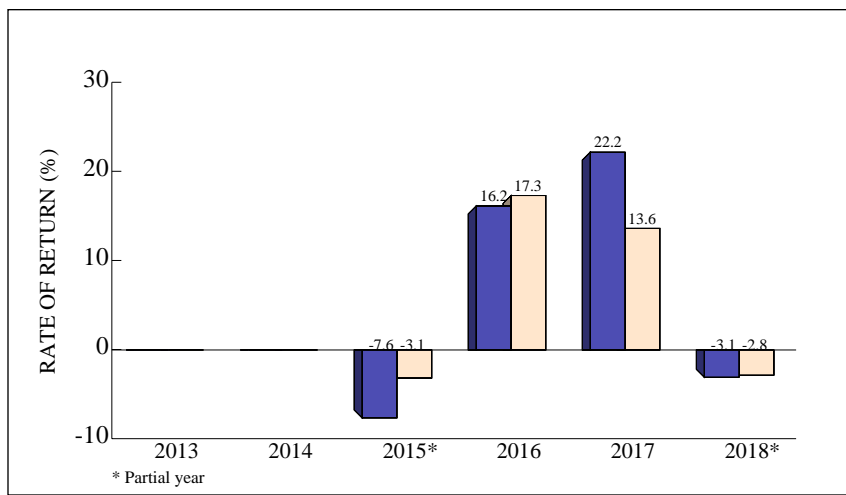
VALUE ASSUMING  
 DAVIE A/R      \$ 9,355,334

	LAST QUARTER	THREE YEARS
BEGINNING VALUE	\$ 10,673,420	\$ 5,919,873
NET CONTRIBUTIONS	- 21,220	1,805,529
INVESTMENT RETURN	<u>-326,298</u>	<u>2,600,500</u>
ENDING VALUE	\$ 10,325,902	\$ 10,325,902
INCOME	39,753	450,597
CAPITAL GAINS (LOSSES)	<u>-366,051</u>	<u>2,149,903</u>
INVESTMENT RETURN	-326,298	2,600,500

**TOTAL RETURN COMPARISONS**



Large Cap Value Universe



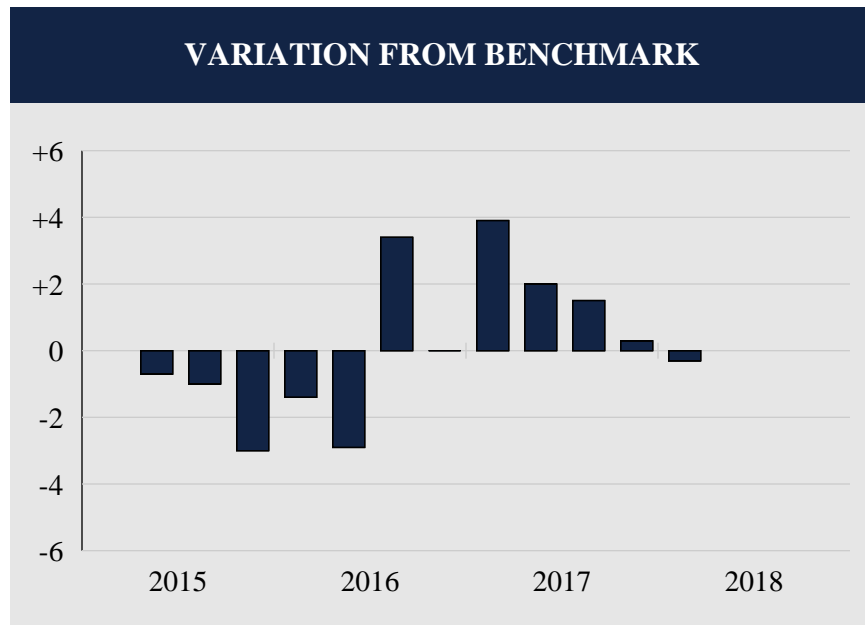
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-3.1	2.3	7.1	10.5	8.3	---
(RANK)	(83)	(82)	(70)	(52)	(62)	---
5TH %ILE	0.6	7.9	13.5	17.1	11.6	14.3
25TH %ILE	-1.1	5.6	10.4	13.0	9.9	13.0
MEDIAN	-1.9	4.4	8.7	10.6	8.9	12.0
75TH %ILE	-2.8	2.8	6.5	8.7	7.6	10.9
95TH %ILE	-4.0	0.5	3.4	4.6	4.6	8.8
<b>Russ 1000V</b>	<b>-2.8</b>	<b>2.3</b>	<b>5.5</b>	<b>6.9</b>	<b>7.9</b>	<b>10.8</b>

Large Cap Value Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

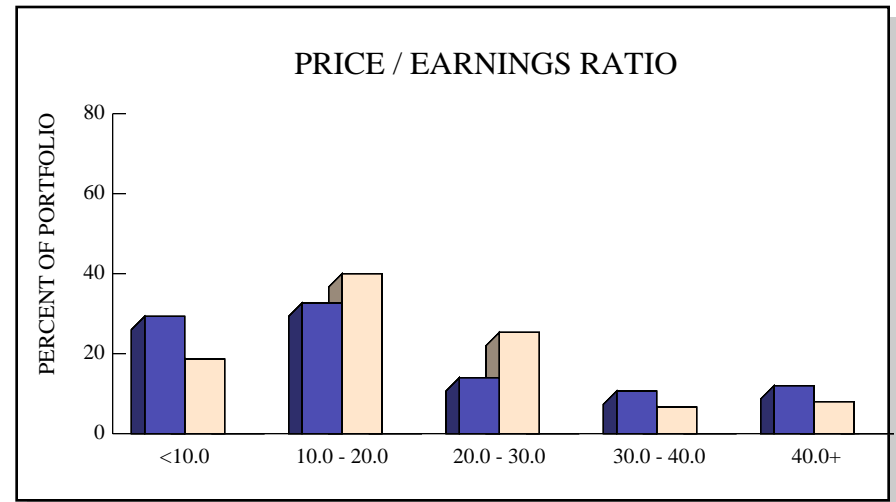
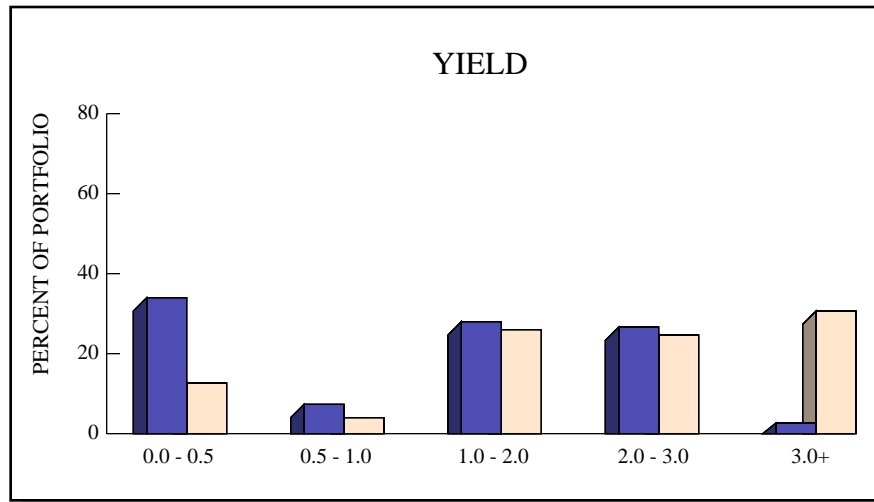
**COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE**



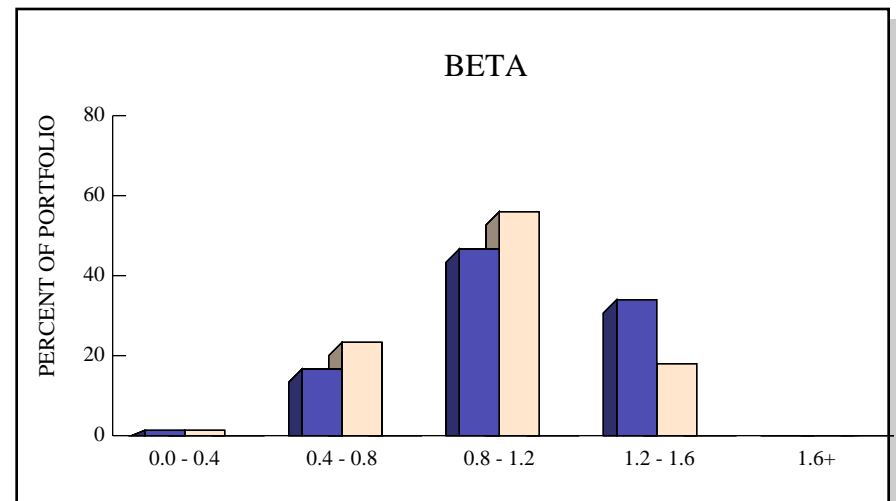
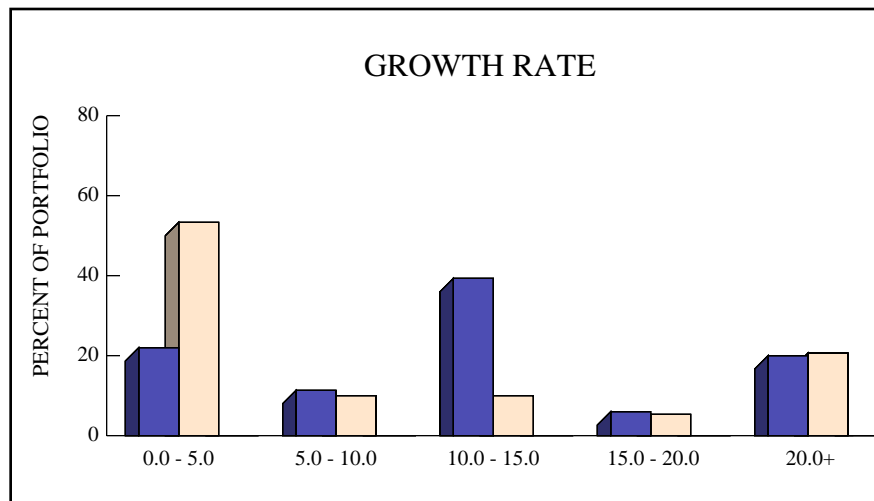
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/15	-0.6	0.1	-0.7
9/15	-9.4	-8.4	-1.0
12/15	2.6	5.6	-3.0
3/16	0.2	1.6	-1.4
6/16	1.7	4.6	-2.9
9/16	6.9	3.5	3.4
12/16	6.7	6.7	0.0
3/17	7.2	3.3	3.9
6/17	3.3	1.3	2.0
9/17	4.6	3.1	1.5
12/17	5.6	5.3	0.3
3/18	-3.1	-2.8	-0.3

<b>Total Quarters Observed</b>	<b>12</b>
<b>Quarters At or Above the Benchmark</b>	<b>6</b>
<b>Quarters Below the Benchmark</b>	<b>6</b>
<b>Batting Average</b>	<b>.500</b>

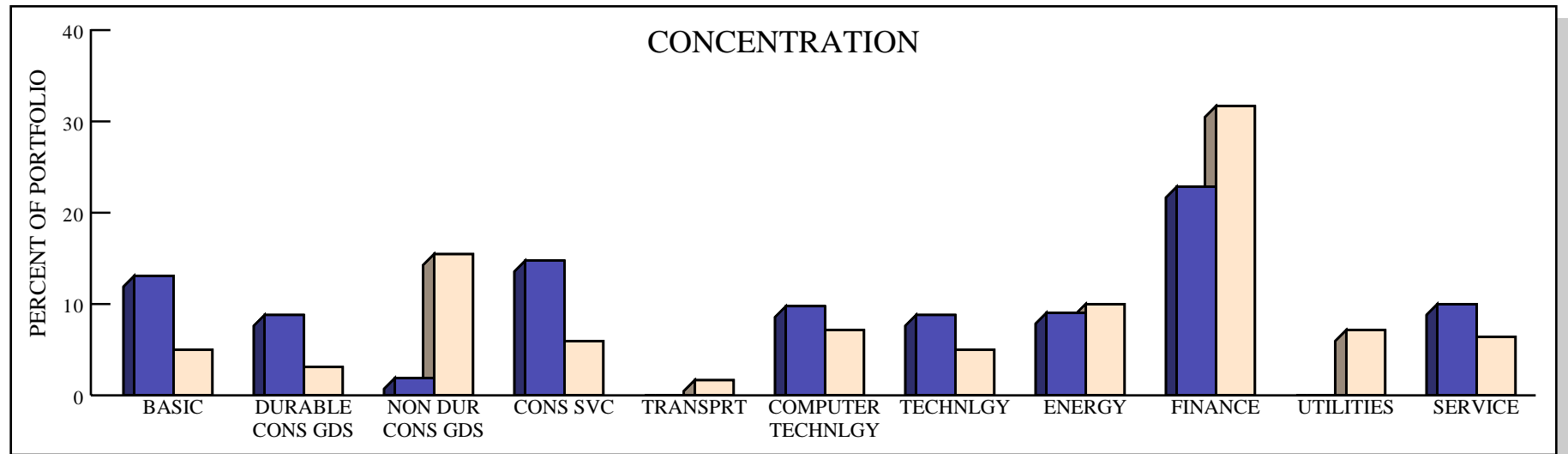
**STOCK CHARACTERISTICS**



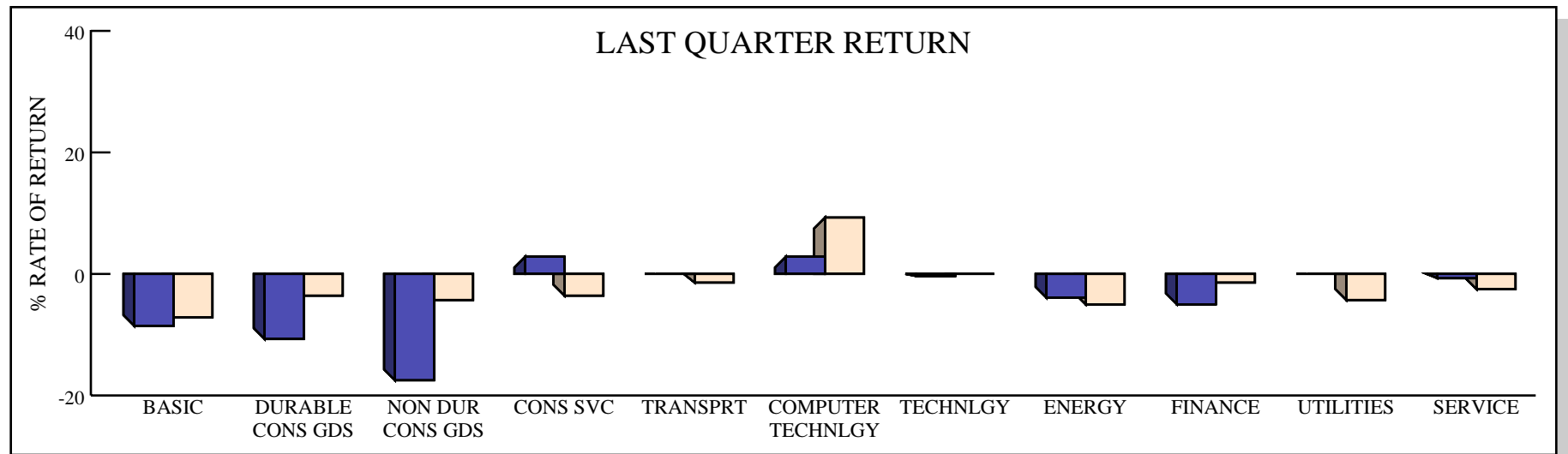
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	33	1.2%	12.3%	18.8	1.06
RUSSELL 1000V	711	2.4%	6.6%	19.3	0.98



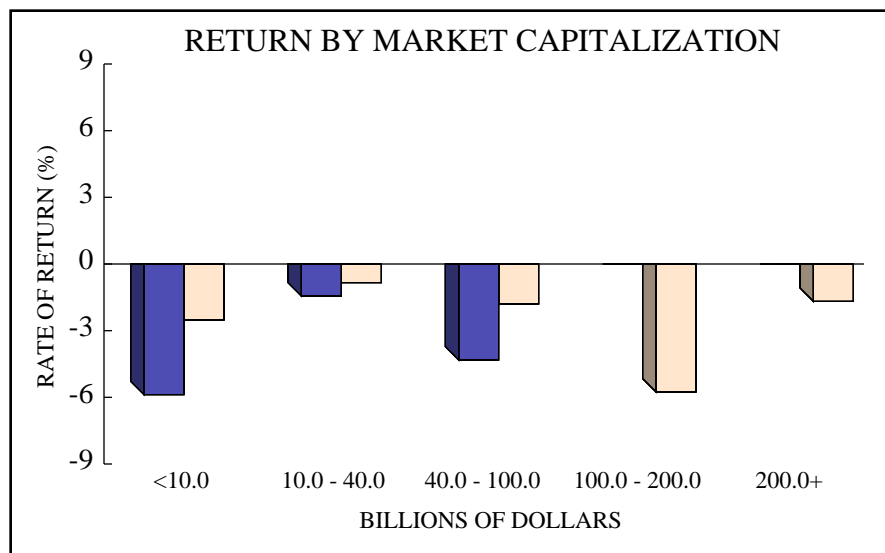
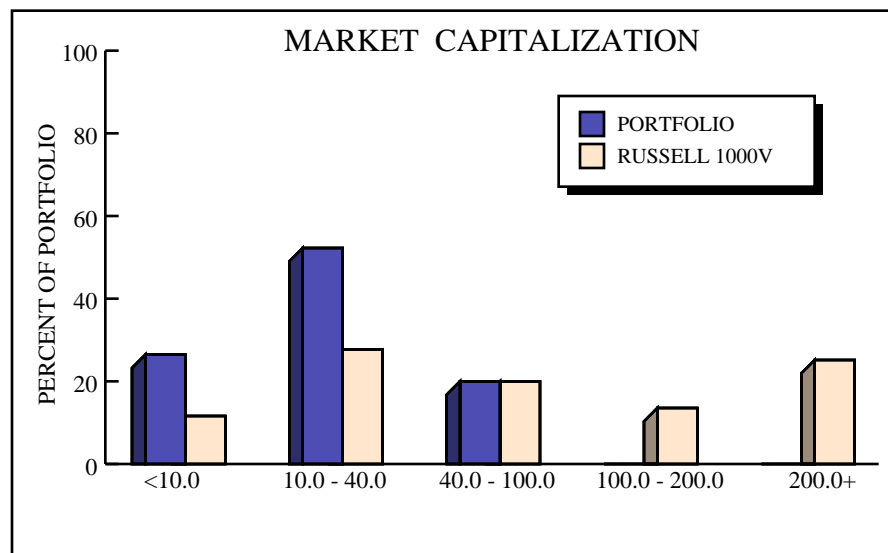
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 VALUE



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	BROADCOM LTD	\$ 572,865	5.66%	-7.6%	Computer Tech	\$ 96.8 B
2	ANTHEM INC	569,682	5.63%	-2.0%	Consumer Service	56.2 B
3	HCA HEALTHCARE INC	562,309	5.56%	10.8%	Consumer Service	34.2 B
4	AFLAC INC	530,109	5.24%	0.3%	Finance	34.1 B
5	AMERIPRISE FINANCIAL INC	476,515	4.71%	-12.3%	Finance	21.6 B
6	EOG RESOURCES INC	472,136	4.67%	-2.3%	Energy	60.9 B
7	LINCOLN NATIONAL CORP	463,639	4.58%	-4.6%	Finance	15.9 B
8	SUNCOR ENERGY INC	457,241	4.52%	-5.1%	Energy	56.7 B
9	CORNING INC	457,009	4.52%	-12.3%	Basic	23.7 B
10	CELANESE CORP-SERIES A	437,817	4.33%	-6.0%	Basic	13.6 B



DAVIE POLICE PENSION PLAN  
CLEARBRIDGE - MID CAP CORE  
PERFORMANCE REVIEW  
MARCH 2018

## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan's Clearbridge Mid Cap Core portfolio was valued at \$8,694,312, a decrease of \$335,120 from the December ending value of \$9,029,432. Last quarter, the account recorded total net withdrawals of \$15,805 in addition to \$319,315 in net investment losses. The fund's net investment loss was a result of income receipts totaling \$33,148 and realized and unrealized capital losses totaling \$352,463.

## **RELATIVE PERFORMANCE**

### **Total Fund**

During the first quarter, the Clearbridge Mid Cap Core portfolio lost 3.5%, which was 3.0% less than the Russell Mid Cap's return of -0.5% and ranked in the 97th percentile of the Mid Cap Core universe. Over the trailing year, the portfolio returned 5.7%, which was 6.5% less than the benchmark's 12.2% performance, and ranked in the 97th percentile. Since March 2016, the account returned 11.1% per annum and ranked in the 99th percentile. For comparison, the Russell Mid Cap returned an annualized 14.6% over the same time frame.

## **ASSET ALLOCATION**

At the end of the first quarter, mid cap equities comprised 97.8% of the total portfolio (\$8.5 million), while cash & equivalents comprised the remaining 2.2% (\$191,364).

## **ANALYSIS**

At the end of the first 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 first quarter the Clearbridge portfolio lost ground to the Russell Mid Cap index, as nine of the eleven invested sectors underperformed. The most notable deficit was delivered by the overweight Durable Consumer Goods, Non-Durable Consumer Goods, Consumer Service, and Technology sectors. They all held excess weight in the fund while falling behind their benchmarks. On the other hand, the single most allocated sector, Finance, managed to eke out a small gain over the index's loss, bracing the overall fund slightly. The Basic sector managed a gain while the index was losing value, but a negligible allocation hindered the overall impact.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Qtr / YTD	FYTD	1 Year	3 Year	5 Year	Since 03/16
<b>Total Portfolio - Gross</b>	-3.5	0.3	5.7	----	----	11.1
<i>MID CAP CORE RANK</i>	(97)	(99)	(97)	----	----	(99)
<b>Total Portfolio - Net</b>	-3.7	0.0	5.0	----	----	10.4
Russell Mid	-0.5	5.6	12.2	8.0	12.1	14.6
<b>Mid Cap Equity - Gross</b>	-3.6	0.3	5.8	----	----	11.4
<i>MID CAP CORE RANK</i>	(98)	(99)	(96)	----	----	(98)
Russell Mid	-0.5	5.6	12.2	8.0	12.1	14.6

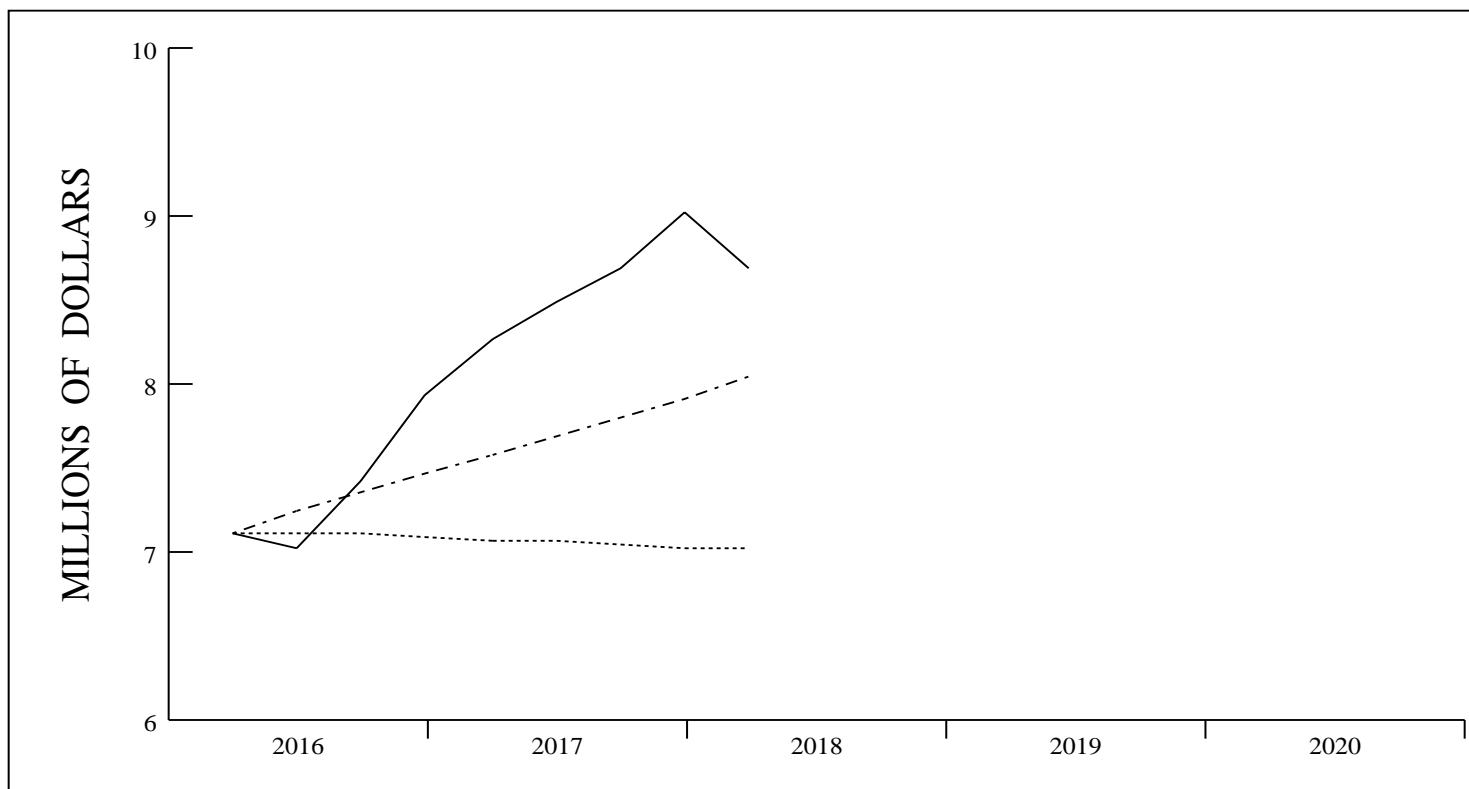
**ASSET ALLOCATION**

Mid Cap Equity	97.8%	\$ 8,502,948
Cash	2.2%	191,364
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 8,694,312</b>

**INVESTMENT RETURN**

Market Value 12/2017	\$ 9,029,432
Contribs / Withdrawals	- 15,805
Income	33,148
Capital Gains / Losses	-352,463
Market Value 3/2018	\$ 8,694,312

**INVESTMENT GROWTH**

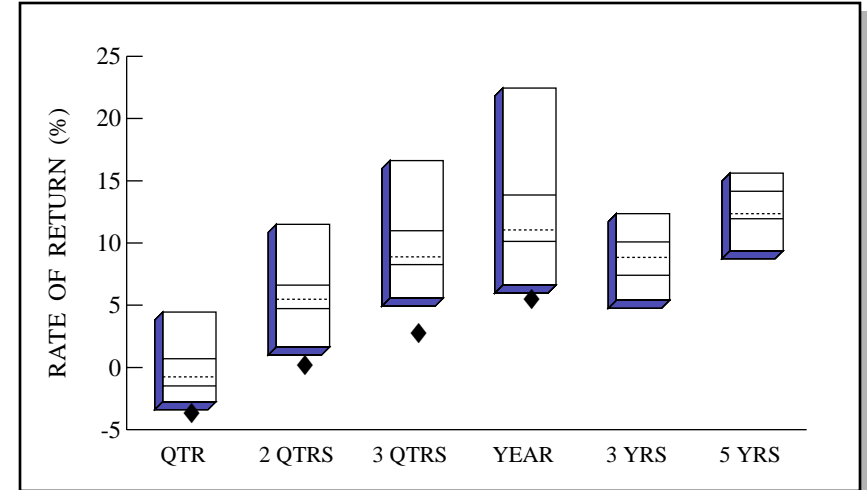
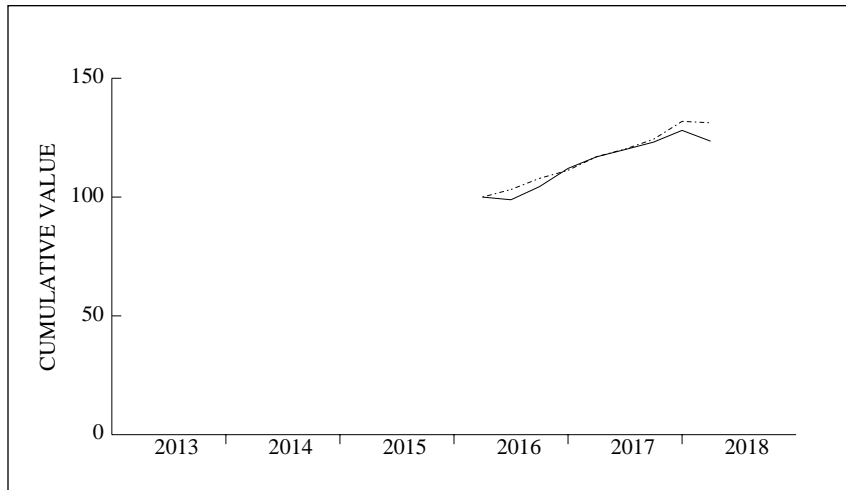


— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

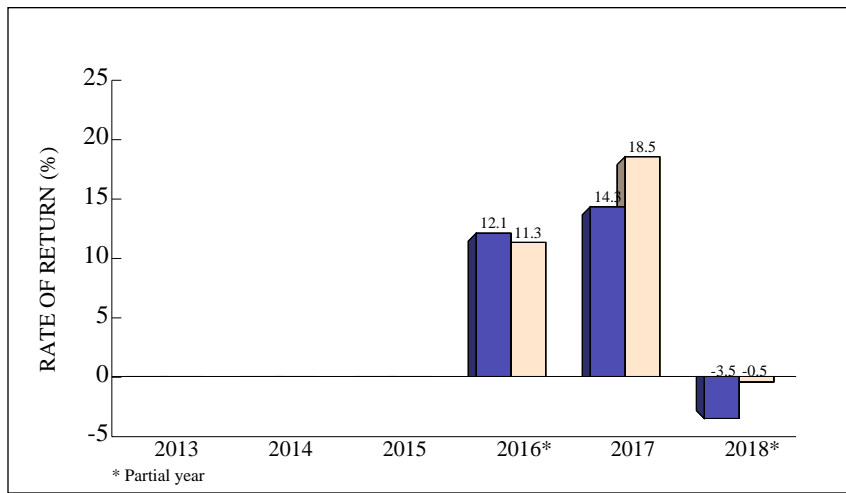
VALUE ASSUMING  
 DAVIE A/R     \$ 8,057,527

	LAST QUARTER	PERIOD 3/16 - 3/18
BEGINNING VALUE	\$ 9,029,432	\$ 7,131,663
NET CONTRIBUTIONS	- 15,805	-107,666
INVESTMENT RETURN	-319,315	1,670,315
ENDING VALUE	\$ 8,694,312	\$ 8,694,312
INCOME	33,148	221,028
CAPITAL GAINS (LOSSES)	-352,463	1,449,287
INVESTMENT RETURN	-319,315	1,670,315

**TOTAL RETURN COMPARISONS**



Mid Cap Core Universe

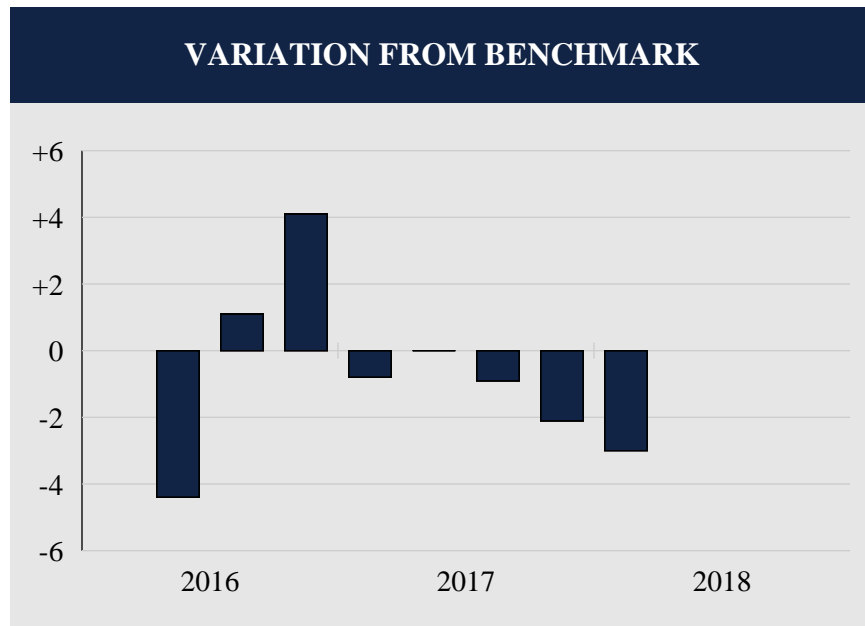


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-3.5	0.3	2.9	5.7	----	----
(RANK)	(97)	(99)	(99)	(97)	----	----
5TH %ILE	4.5	11.5	16.6	22.4	12.4	15.6
25TH %ILE	0.7	6.6	11.0	13.9	10.1	14.2
MEDIAN	-0.8	5.5	8.9	11.0	8.8	12.4
75TH %ILE	-1.5	4.7	8.3	10.1	7.4	11.9
95TH %ILE	-2.8	1.7	5.6	6.6	5.4	9.4
<b>Russ MC</b>	<b>-0.5</b>	<b>5.6</b>	<b>9.2</b>	<b>12.2</b>	<b>8.0</b>	<b>12.1</b>

Mid Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

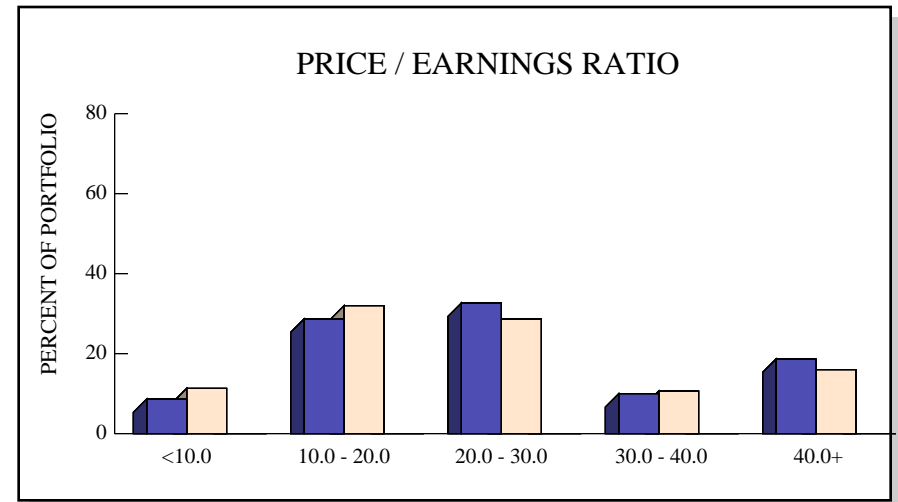
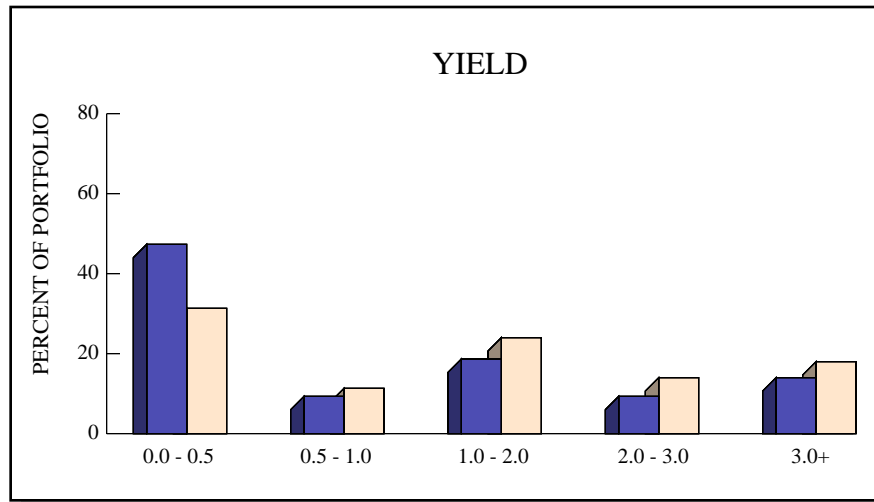
**COMPARATIVE BENCHMARK: RUSSELL MID CAP**



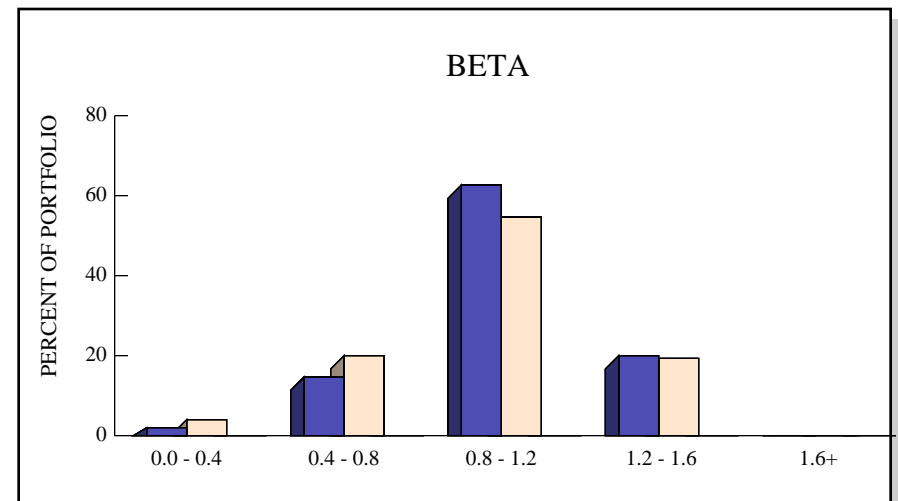
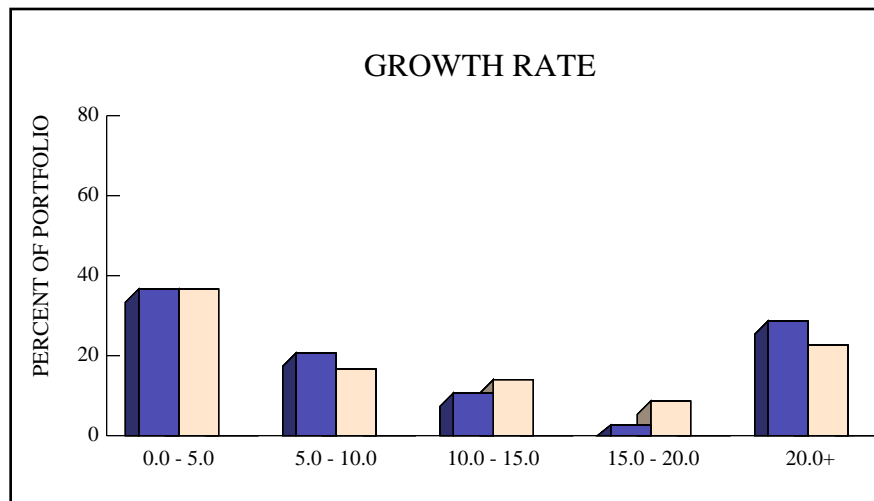
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/16	-1.2	3.2	-4.4
9/16	5.6	4.5	1.1
12/16	7.3	3.2	4.1
3/17	4.3	5.1	-0.8
6/17	2.7	2.7	0.0
9/17	2.6	3.5	-0.9
12/17	4.0	6.1	-2.1
3/18	-3.5	-0.5	-3.0

<b>Total Quarters Observed</b>	<b>8</b>
<b>Quarters At or Above the Benchmark</b>	<b>3</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.375</b>

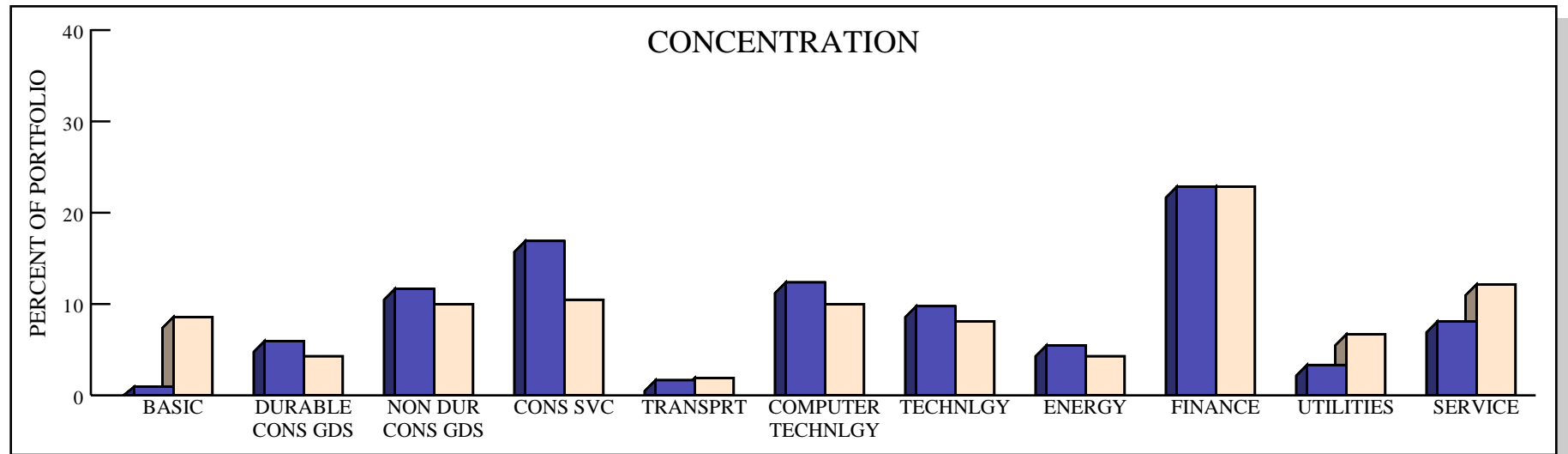
**STOCK CHARACTERISTICS**



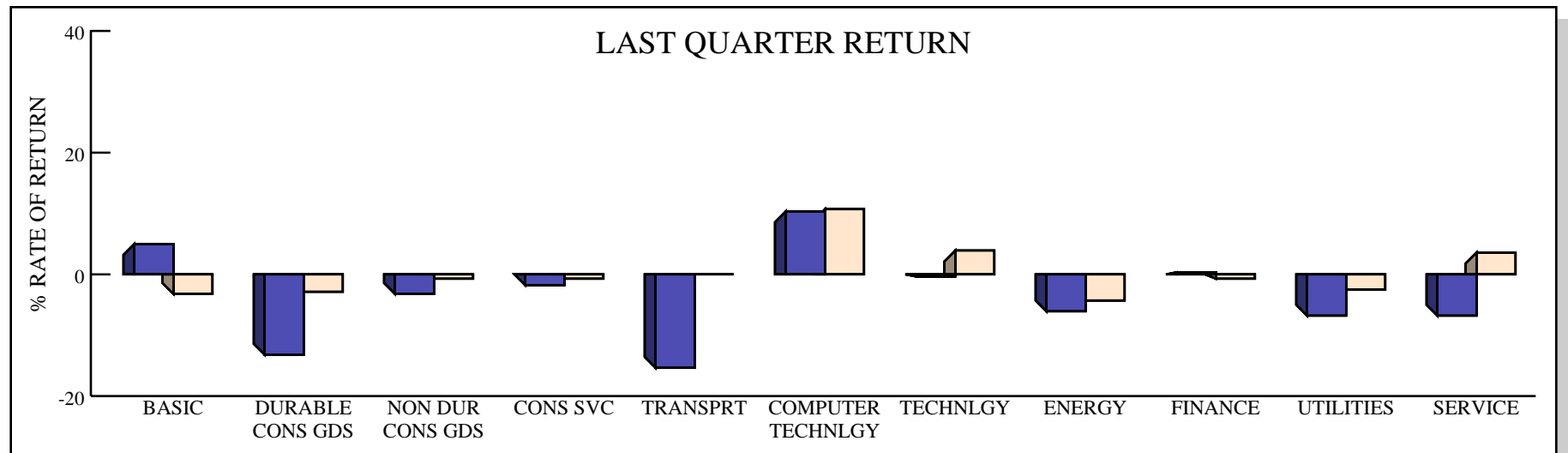
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	63	1.3%	11.7%	26.9	1.00
RUSSELL MID	777	1.7%	10.8%	24.3	0.96



**STOCK INDUSTRY ANALYSIS**

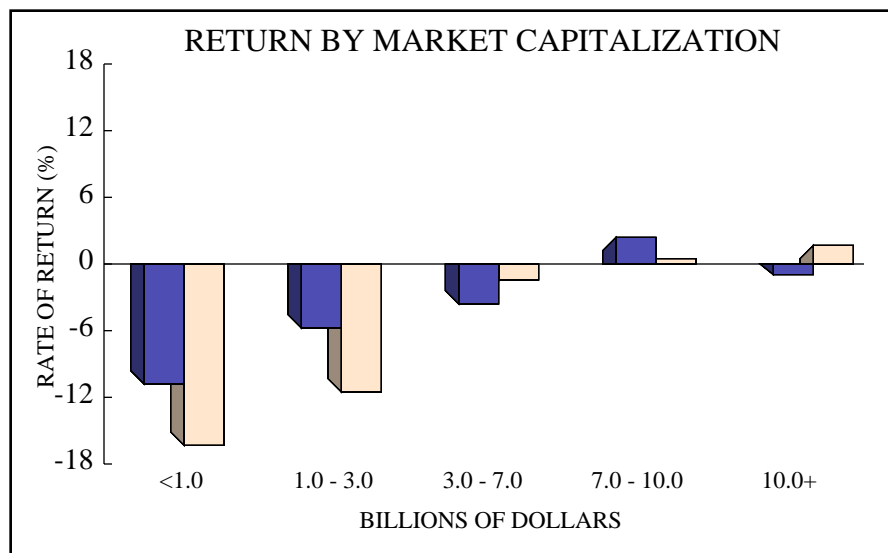
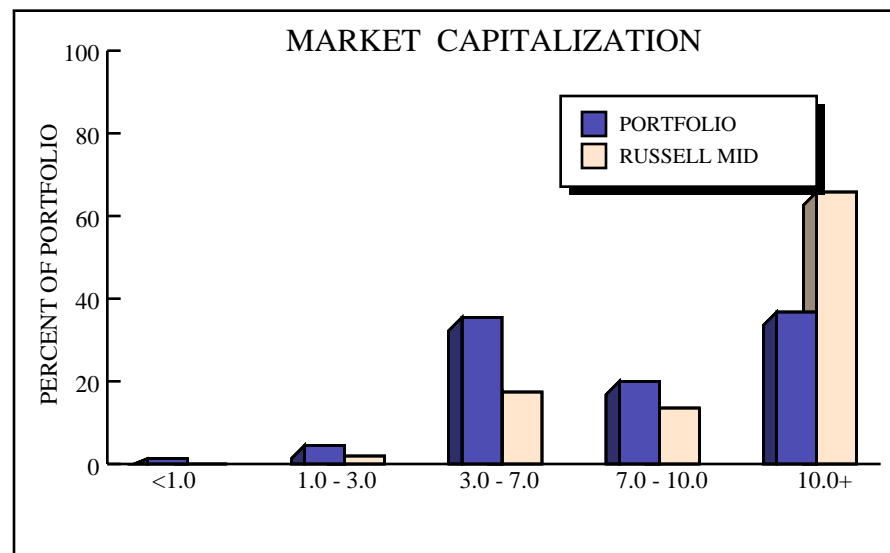


■ PORTFOLIO      ■ RUSSELL MID CAP





**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	JONES LANG LASALLE INC	\$ 261,960	3.08%	17.3%	Finance	\$ 7.9 B
2	AFFILIATED MANAGERS GROUP	227,496	2.68%	-7.5%	Finance	10.3 B
3	PARSLEY ENERGY INC-CLASS A	208,728	2.45%	-1.5%	Energy	7.7 B
4	STARWOOD PROPERTY TRUST INC	207,405	2.44%	0.4%	Finance	5.5 B
5	TELEDYNE TECHNOLOGIES INC	205,887	2.42%	3.3%	Technology	6.7 B
6	ALEXANDRIA REAL ESTATE EQUIT	199,824	2.35%	-3.7%	Finance	12.6 B
7	HASBRO INC	193,890	2.28%	-6.7%	NonDur Cons Goods	10.5 B
8	US FOODS HOLDING CORP	190,066	2.24%	2.6%	Service	7.1 B
9	ASPEN TECHNOLOGY INC	189,336	2.23%	19.2%	Computer Tech	5.7 B
10	CASEY'S GENERAL STORES INC	186,609	2.19%	-1.7%	Consumer Service	4.1 B

DAVIE POLICE PENSION PLAN  
WEDGE CAPITAL MANAGEMENT - MID CAP VALUE  
PERFORMANCE REVIEW  
MARCH 2018

## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan's Wedge Capital Management Mid Cap Value portfolio was valued at \$8,511,214, a decrease of \$289,184 from the December ending value of \$8,800,398. Last quarter, the account recorded no net contributions or withdrawals, while recording a net investment loss for the quarter of \$289,184. Since there were no income receipts for the first quarter, net investment losses were the result of capital losses (realized and unrealized).

## **RELATIVE PERFORMANCE**

During the first quarter, the Wedge Capital Management Mid Cap Value portfolio lost 3.3%, which was 0.8% less than the Russell Mid Cap Value Index's return of -2.5% and ranked in the 90th percentile of the Mid Cap Value universe. Over the trailing year, the portfolio returned 8.1%, which was 1.6% greater than the benchmark's 6.5% performance, and ranked in the 63rd percentile. Since March 2016, the account returned 14.0% per annum and ranked in the 61st percentile. For comparison, the Russell Mid Cap Value returned an annualized 12.9% 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**

	Qtr / YTD	FYTD	1 Year	3 Year	5 Year	Since 03/16
<b>Total Portfolio - Gross</b>	-3.3	1.8	8.1	----	----	14.0
<i>MID CAP VALUE RANK</i>	(90)	(89)	(63)	----	----	(61)
<b>Total Portfolio - Net</b>	-3.5	1.4	7.3	----	----	13.1
Russ Mid Val	-2.5	2.8	6.5	7.2	11.1	12.9
<b>Mid Cap Equity - Gross</b>	-3.3	1.8	8.1	----	----	14.0
<i>MID CAP VALUE RANK</i>	(90)	(89)	(63)	----	----	(61)
Russ Mid Val	-2.5	2.8	6.5	7.2	11.1	12.9

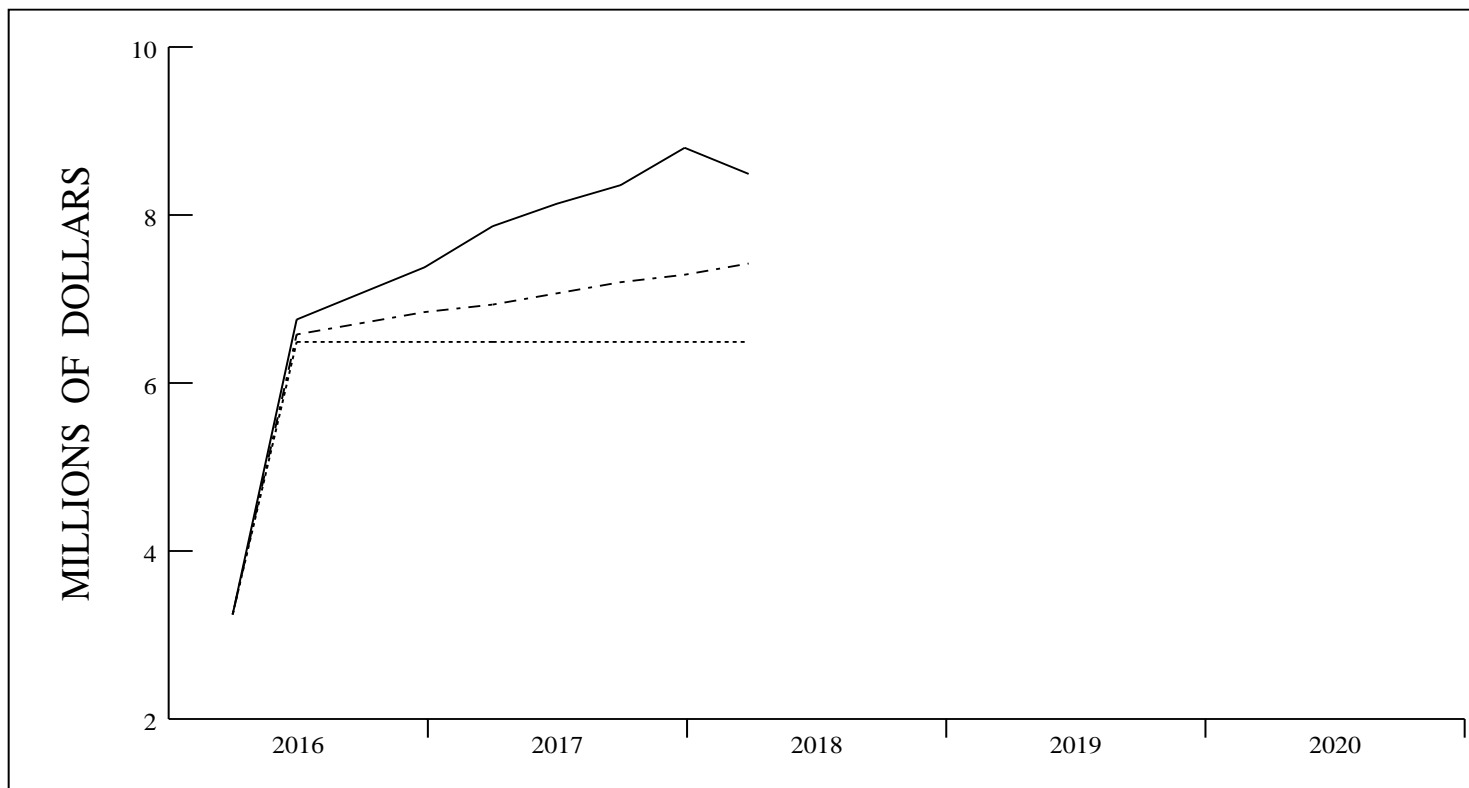
**ASSET ALLOCATION**

Mid Cap Equity	100.0%	\$ 8,511,214
Total Portfolio	100.0%	\$ 8,511,214

**INVESTMENT RETURN**

Market Value 12/2017	\$ 8,800,398
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	-289,184
Market Value 3/2018	\$ 8,511,214

**INVESTMENT GROWTH**

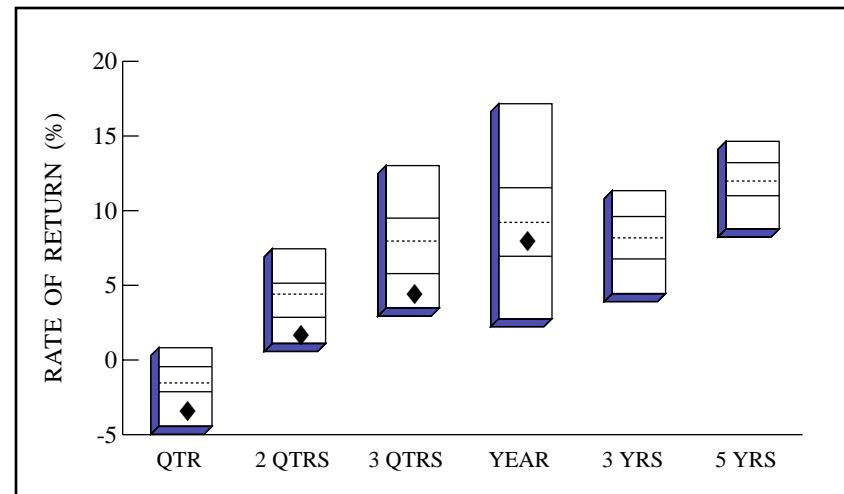
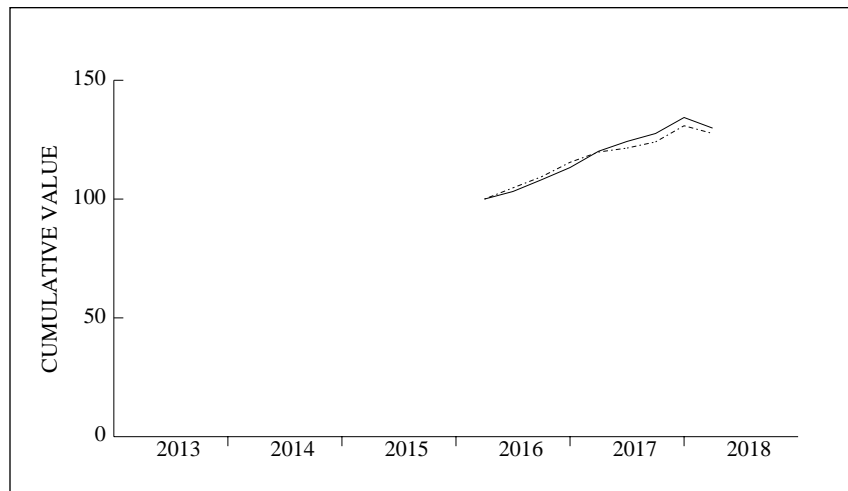


——— ACTUAL RETURN  
 - - - - - DAVIE BLENDED A/R  
 ..... 0.0%

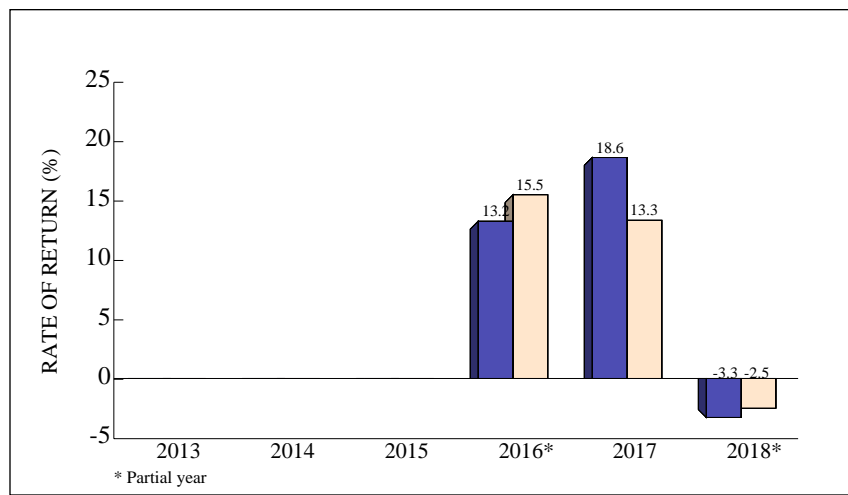
VALUE ASSUMING  
 DAVIE A/R      \$ 7,460,439

	LAST QUARTER	PERIOD 3/16 - 3/18
BEGINNING VALUE	\$ 8,800,398	\$ 3,269,703
NET CONTRIBUTIONS	0	3,250,000
INVESTMENT RETURN	<u>-289,184</u>	<u>1,991,511</u>
ENDING VALUE	\$ 8,511,214	\$ 8,511,214
INCOME	0	53
CAPITAL GAINS (LOSSES)	<u>-289,184</u>	<u>1,991,458</u>
INVESTMENT RETURN	-289,184	1,991,511

**TOTAL RETURN COMPARISONS**



Mid Cap Value Universe



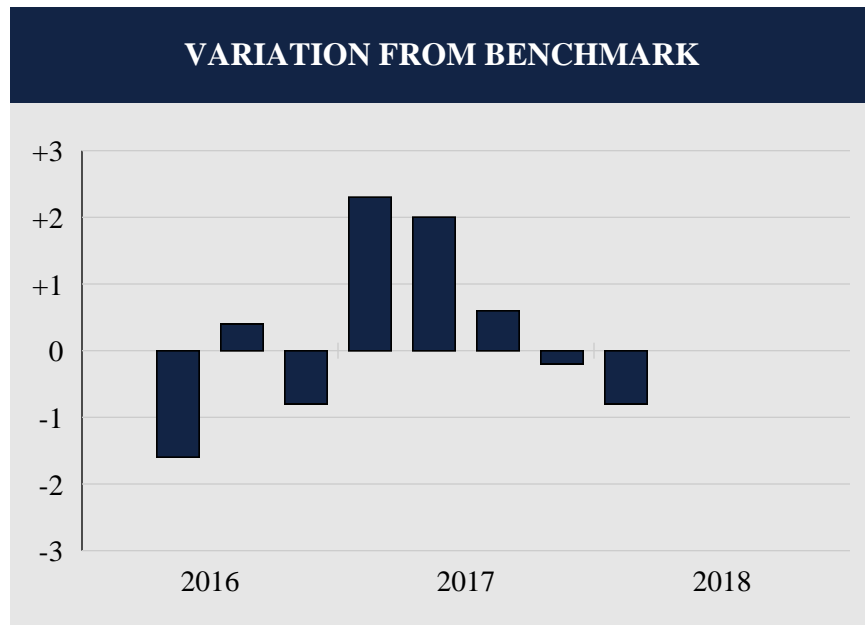
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-3.3	1.8	4.5	8.1	----	----
(RANK)	(90)	(89)	(92)	(63)	----	----
5TH %ILE	0.8	7.5	13.0	17.2	11.3	14.6
25TH %ILE	-0.4	5.2	9.5	11.5	9.6	13.2
MEDIAN	-1.5	4.4	8.0	9.2	8.2	12.0
75TH %ILE	-2.1	2.9	5.8	6.9	6.8	11.0
95TH %ILE	-4.4	1.1	3.5	2.8	4.4	8.8
<b>Russ MCV</b>	<b>-2.5</b>	<b>2.8</b>	<b>5.0</b>	<b>6.5</b>	<b>7.2</b>	<b>11.1</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
12/17	5.3	5.5	-0.2
3/18	-3.3	-2.5	-0.8

<b>Total Quarters Observed</b>	<b>8</b>
<b>Quarters At or Above the Benchmark</b>	<b>4</b>
<b>Quarters Below the Benchmark</b>	<b>4</b>
<b>Batting Average</b>	<b>.500</b>

DAVIE POLICE PENSION PLAN  
LMCG INVESTMENTS - SMALL CAP GROWTH  
PERFORMANCE REVIEW  
MARCH 2018



## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan's LMCG Investments Small Cap Growth portfolio was valued at \$8,004,665, representing an increase of \$307,448 from the December quarter's ending value of \$7,697,217. Last quarter, the Fund posted withdrawals totaling \$17,026, which partially offset the portfolio's net investment return of \$324,474. Income receipts totaling \$16,259 plus net realized and unrealized capital gains of \$308,215 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the first quarter, the LMCG Investments Small Cap Growth portfolio returned 4.2%, which was 1.9% above the Russell 2000 Growth Index's return of 2.3% and ranked in the 34th percentile of the Small Cap Growth universe. Over the trailing year, the portfolio returned 17.3%, which was 1.3% below the benchmark's 18.6% return, ranking in the 63rd percentile. Since June 2016, the portfolio returned 19.2% annualized and ranked in the 76th percentile. The Russell 2000 Growth returned an annualized 21.8% over the same period.

## **ASSET ALLOCATION**

At the end of the first quarter, small cap equities comprised 96.7% of the total portfolio (\$7.7 million), while cash & equivalents totaled 3.3% (\$265,676).

## **ANALYSIS**

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

The LMCG portfolio had a strong turnout this quarter, surpassing the index by 190 basis points. The Non-Durable Consumer Goods and Finance sectors were heavy hitters, both holding notable portfolio weight while outperforming their counterparts. Unfortunately, the single most allocated sector, Service, posted a loss relative to the index's gains, severely pushing back on the total return. The overweight Consumer Service and Computer Technology sectors matched the return of the index, letting the other sectors do the heavy lifting. The Basic sector underperformed while being overweight, but not enough to undo the previously mentioned sector gains.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Qtr / YTD	FYTD	1 Year	3 Year	5 Year	Since 06/16
<b>Total Portfolio - Gross</b>	4.2	11.1	17.3	----	----	19.2
<i>SMALL CAP GROWTH RANK</i>	(34)	(26)	(63)	----	----	(76)
<b>Total Portfolio - Net</b>	4.0	10.7	16.3	----	----	18.2
Russell 2000G	2.3	7.0	18.6	8.7	12.9	21.8
<b>Small Cap Equity - Gross</b>	4.4	11.6	17.9	----	----	20.2
<i>SMALL CAP GROWTH RANK</i>	(30)	(25)	(61)	----	----	(70)
Russell 2000G	2.3	7.0	18.6	8.7	12.9	21.8

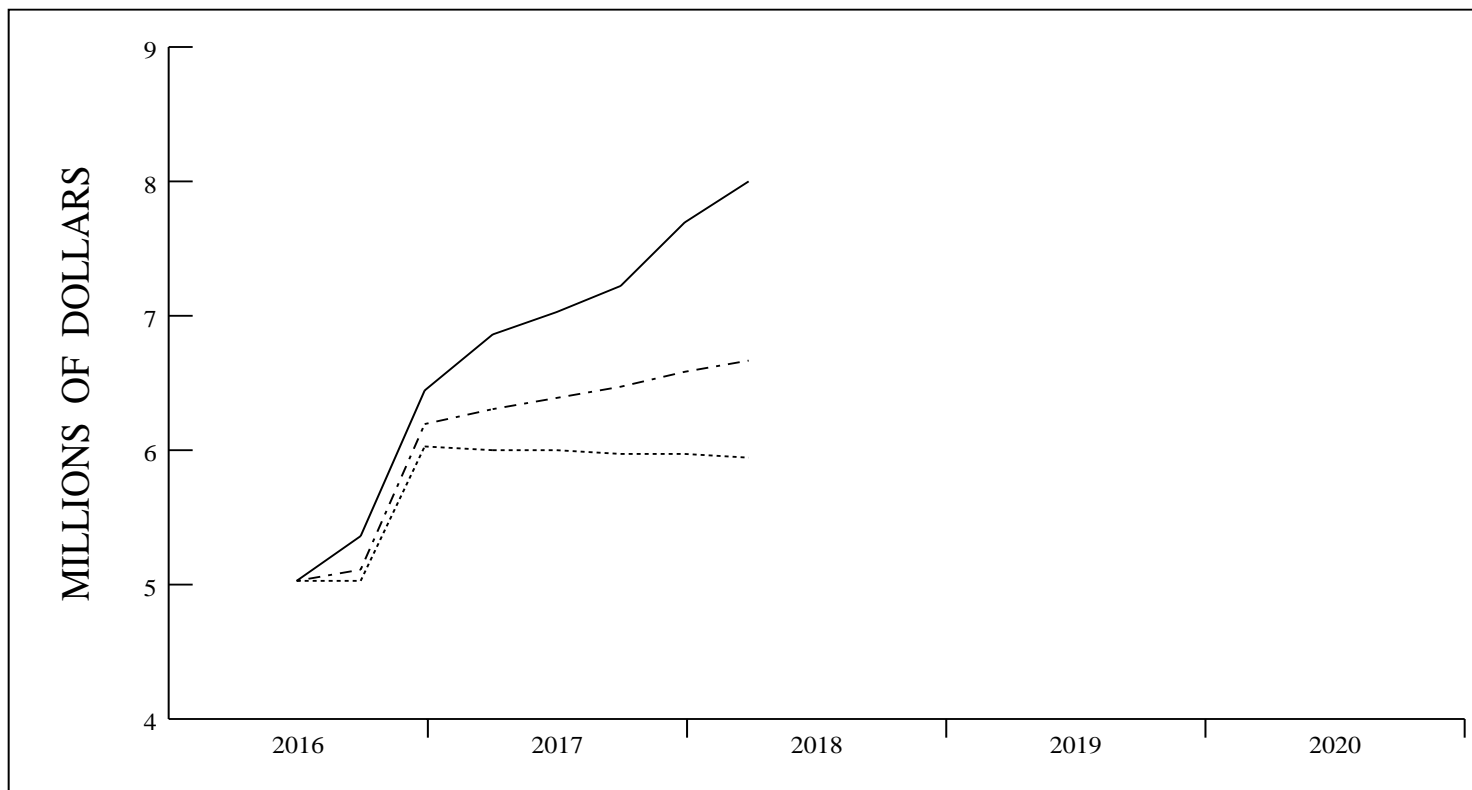
**ASSET ALLOCATION**

Small Cap	96.7%	\$ 7,738,989
Cash	3.3%	265,676
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 8,004,665</b>

**INVESTMENT RETURN**

Market Value 12/2017	\$ 7,697,217
Contribs / Withdrawals	- 17,026
Income	16,259
Capital Gains / Losses	308,215
Market Value 3/2018	\$ 8,004,665

**INVESTMENT GROWTH**

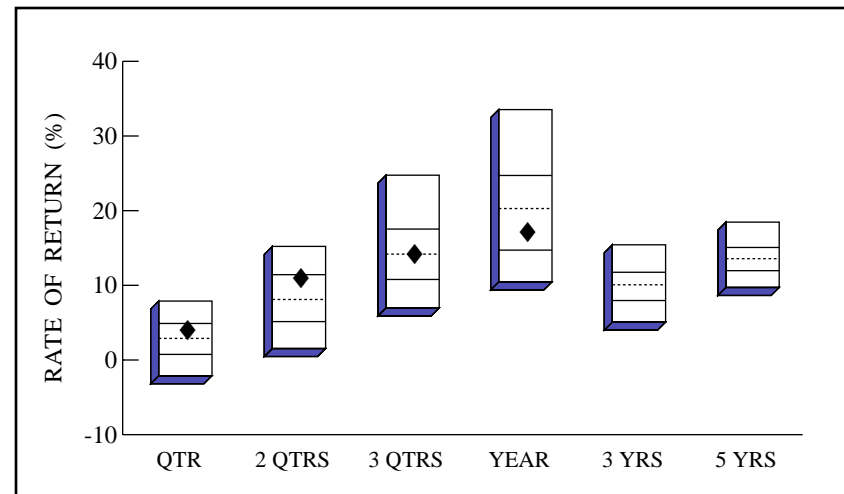
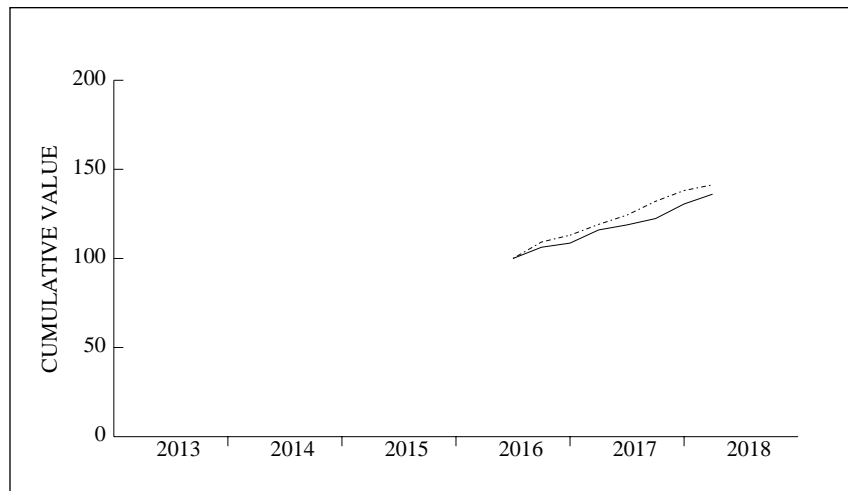


— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

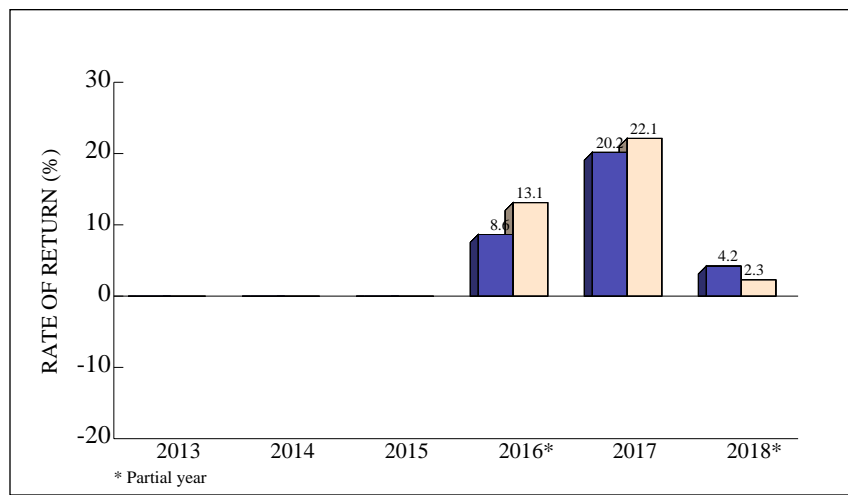
VALUE ASSUMING  
 DAVIE A/R      \$ 6,688,857

	LAST QUARTER	PERIOD 6/16 - 3/18
BEGINNING VALUE	\$ 7,697,217	\$ 5,053,772
NET CONTRIBUTIONS	- 17,026	907,789
INVESTMENT RETURN	324,474	2,043,104
ENDING VALUE	\$ 8,004,665	\$ 8,004,665
INCOME	16,259	77,100
CAPITAL GAINS (LOSSES)	308,215	1,966,004
INVESTMENT RETURN	324,474	2,043,104

**TOTAL RETURN COMPARISONS**



Small Cap Growth Universe

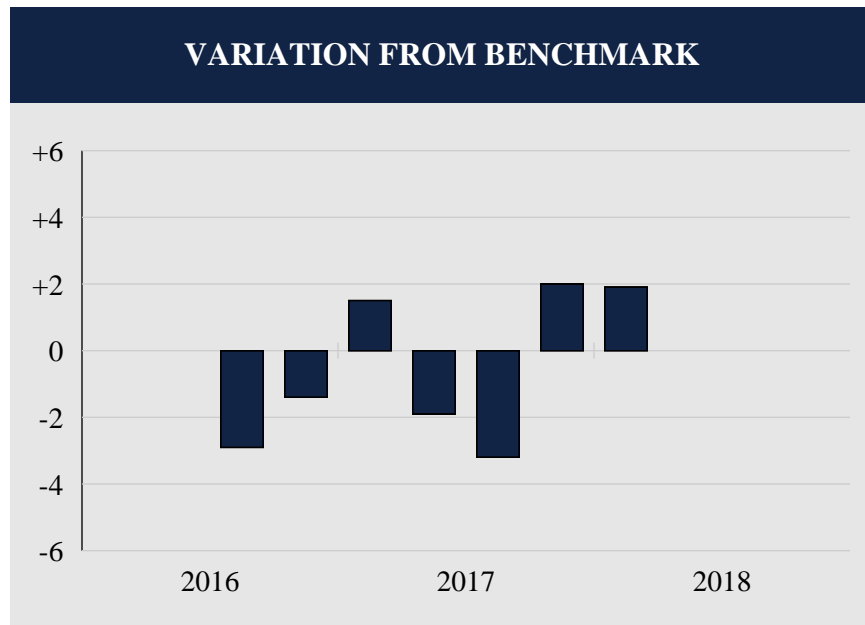


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	4.2	11.1	14.5	17.3	----	----
(RANK)	(34)	(26)	(48)	(63)	----	----
5TH %ILE	7.9	15.2	24.7	33.5	15.4	18.5
25TH %ILE	4.9	11.4	17.5	24.7	11.7	15.1
MEDIAN	2.9	8.1	14.2	20.3	10.1	13.6
75TH %ILE	0.8	5.1	10.8	14.7	8.0	12.0
95TH %ILE	-2.1	1.6	7.0	10.5	5.1	9.7
<b>Russ 2000G</b>	<b>2.3</b>	<b>7.0</b>	<b>13.6</b>	<b>18.6</b>	<b>8.7</b>	<b>12.9</b>

Small Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

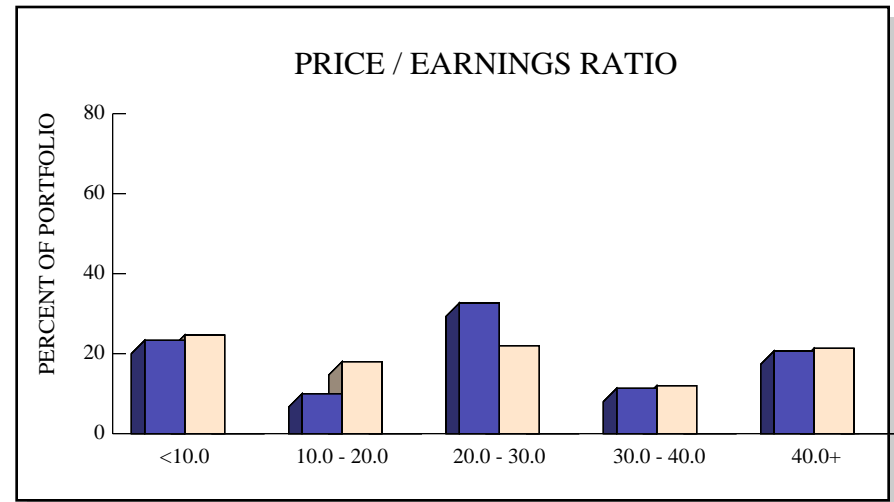
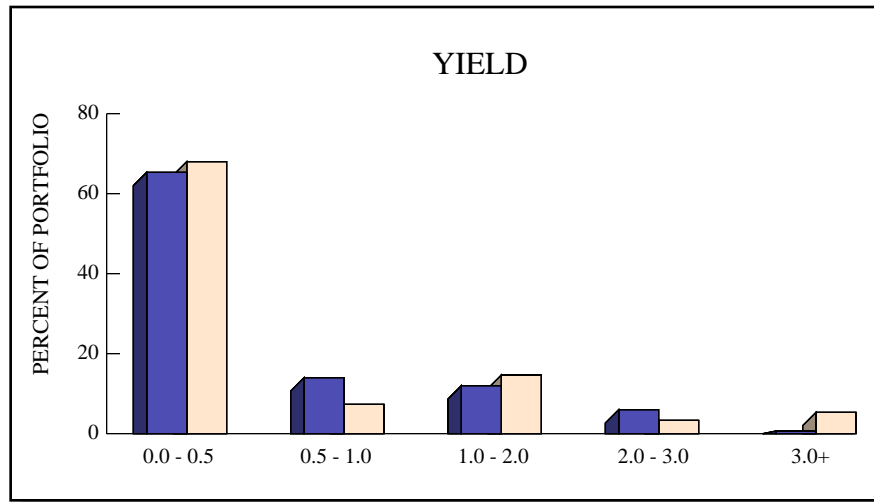
**COMPARATIVE BENCHMARK: RUSSELL 2000 GROWTH**



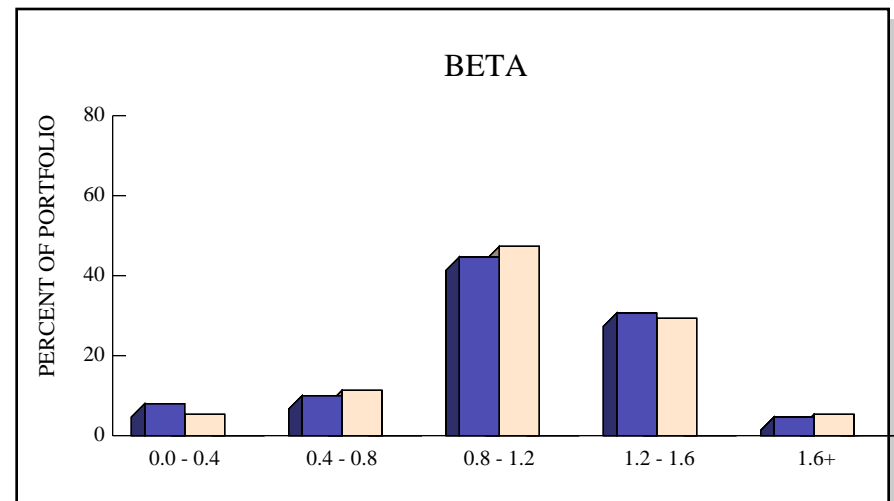
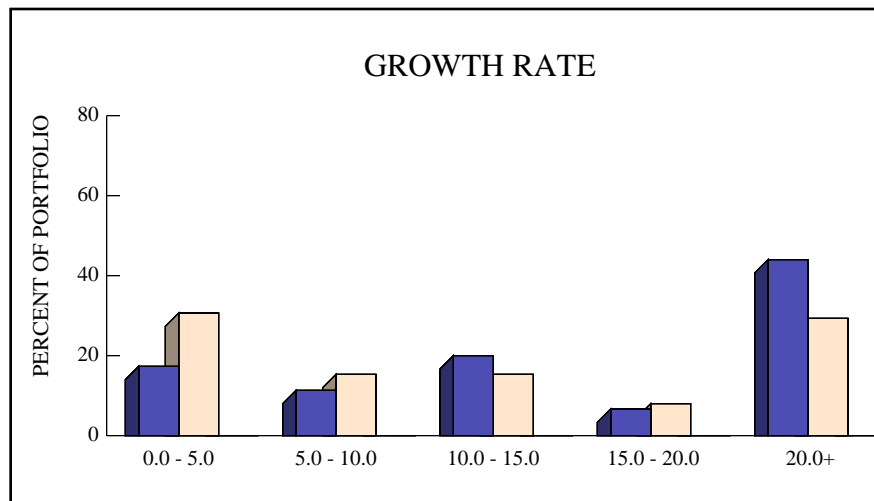
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/16	6.3	9.2	-2.9
12/16	2.2	3.6	-1.4
3/17	6.8	5.3	1.5
6/17	2.5	4.4	-1.9
9/17	3.0	6.2	-3.2
12/17	6.6	4.6	2.0
3/18	4.2	2.3	1.9

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

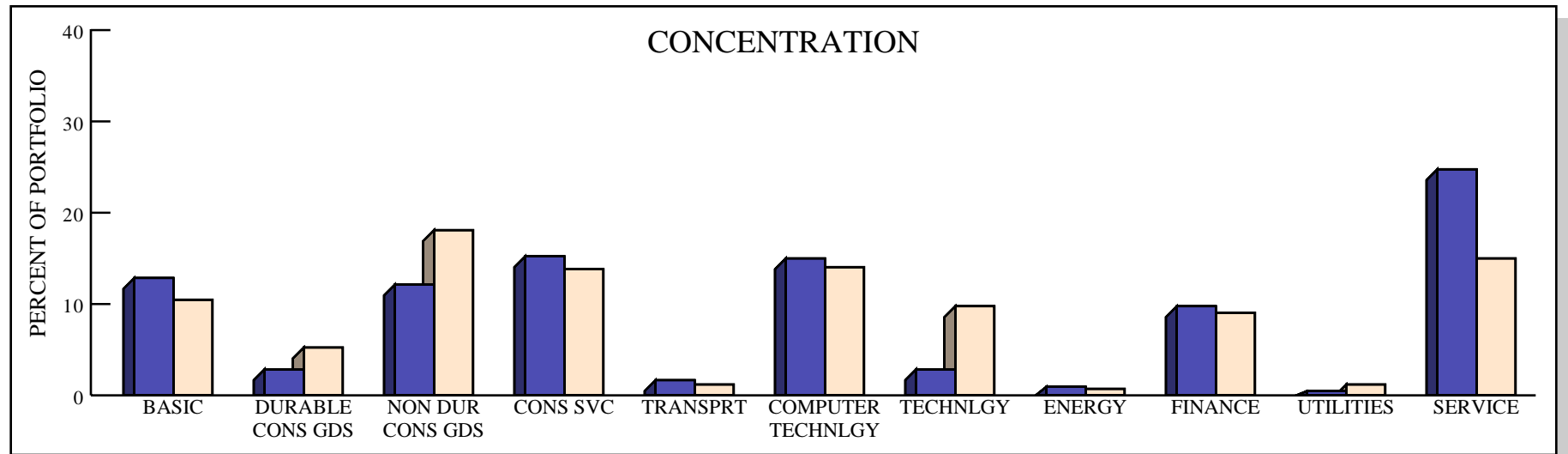
**STOCK CHARACTERISTICS**



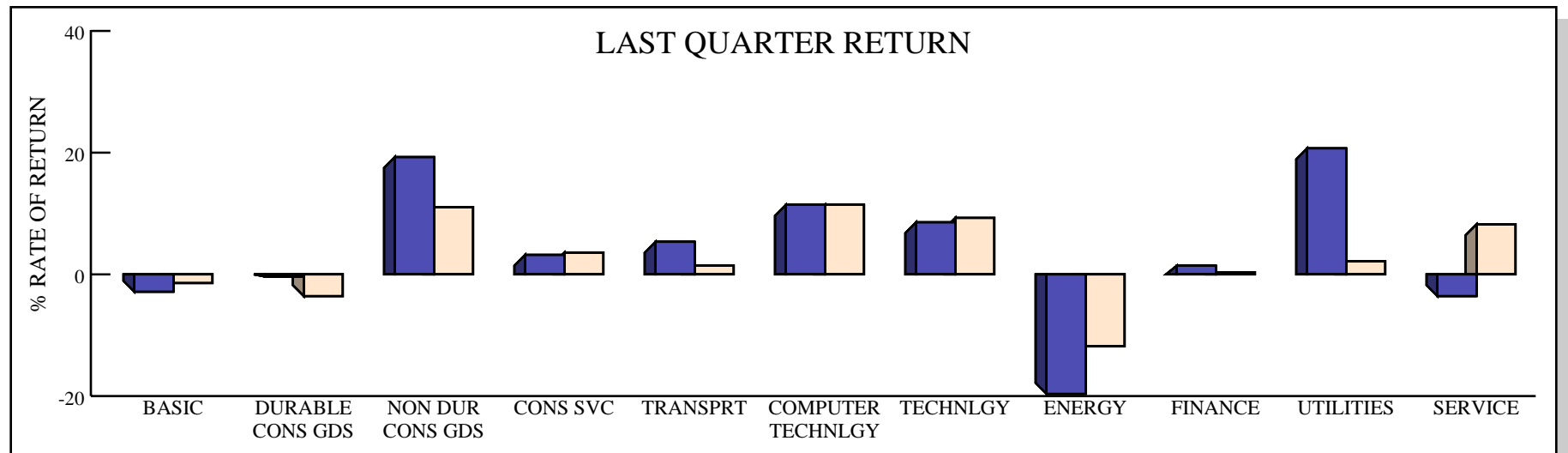
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	73	0.6%	22.3%	23.6	1.05
RUSSELL 2000G	1,189	0.7%	13.5%	22.8	1.08



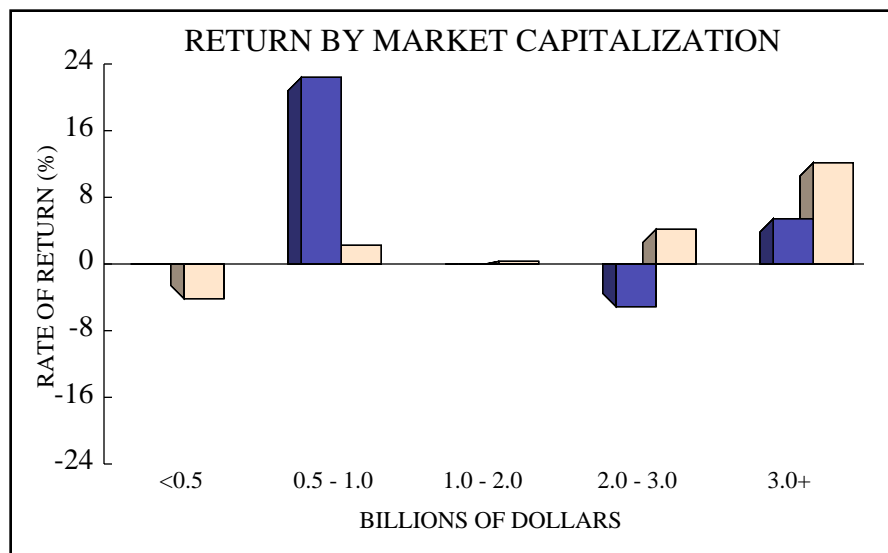
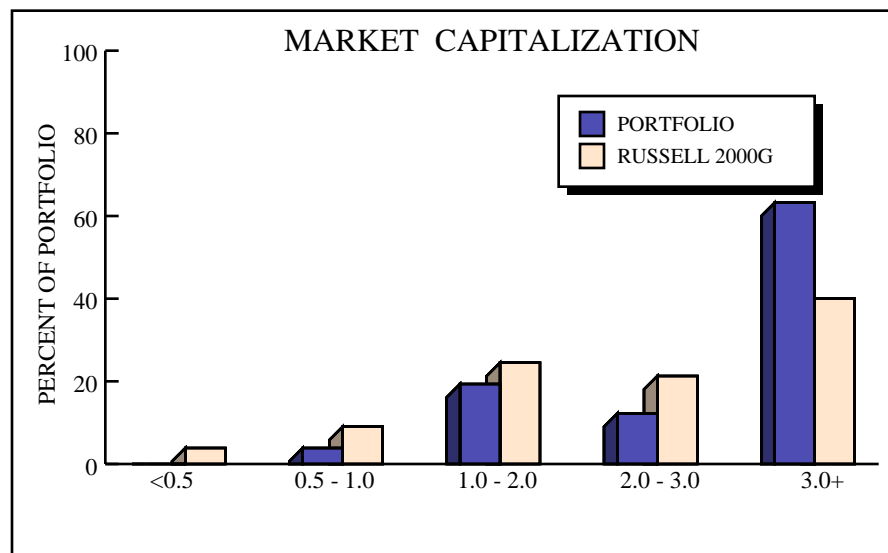
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 2000 GROWTH



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	LHC GROUP INC	\$ 329,715	4.26%	0.5%	Consumer Service	\$ 1.1 B
2	BRINK'S CO/THE	315,652	4.08%	-9.2%	Service	3.6 B
3	SINCLAIR BROADCAST GROUP -A	250,024	3.23%	-16.9%	Service	2.4 B
4	J2 GLOBAL INC	231,788	3.00%	5.7%	Service	3.9 B
5	EAGLE MATERIALS INC	218,363	2.82%	-9.1%	Basic	5.0 B
6	CENTRAL GARDEN AND PET CO-A	211,438	2.73%	5.0%	Service	1.5 B
7	REALPAGE INC	188,336	2.43%	16.3%	Computer Tech	4.3 B
8	MELLANOX TECHNOLOGIES LTD	184,383	2.38%	12.6%	Computer Tech	3.8 B
9	NEXSTAR MEDIA GROUP INC-CL A	181,013	2.34%	-14.5%	Service	3.1 B
10	KENNAMETAL INC	179,676	2.32%	-16.7%	Basic	3.3 B



DAVIE POLICE PENSION PLAN  
PNC CAPITAL ADVISORS - SMALL CAP CORE  
PERFORMANCE REVIEW  
MARCH 2018

## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan's PNC Capital Advisors Small Cap Core portfolio was valued at \$9,987,431, representing an increase of \$84,012 from the December quarter's ending value of \$9,903,419. Last quarter, the Fund posted withdrawals totaling \$20,884, which partially offset the portfolio's net investment return of \$104,896. Income receipts totaling \$18,355 plus net realized and unrealized capital gains of \$86,541 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the first quarter, the PNC Capital Advisors Small Cap Core portfolio returned 1.1%, which was 1.2% above the Russell 2000 Index's return of -0.1% and ranked in the 27th percentile of the Small Cap Core universe. Over the trailing year, the portfolio returned 15.0%, which was 3.2% above the benchmark's 11.8% return, ranking in the 25th percentile. Since June 2016, the portfolio returned 16.1% annualized and ranked in the 82nd percentile. The Russell 2000 returned an annualized 19.2% over the same period.

## **ASSET ALLOCATION**

At the end of the first quarter, small cap equities comprised 97.9% of the total portfolio (\$9.8 million), while cash & equivalents totaled 2.1% (\$206,705).

## **ANALYSIS**

At the end of the first quarter, the PNC Capital Advisors portfolio was invested in eight 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 Transportation, Energy and Utilities sectors unfunded.

Strong selection benefited the PNC portfolio this quarter, helping four of the eight invested sectors beat their counterparts. Most importantly the sectors with the most portfolio weight, Finance and Service, both managed to surpass the benchmark, significantly boosting the total return. The Computer Technology and Technology sectors also outperformed the index, but their impact was much less felt as they both held underweight allocations. On the other hand, the Durable Consumer Goods sector dealt a damaging blow, posting significant losses while more than doubling the weight of the index. Furthermore, the Consumer Service sector remained flat relative to the index's gains, but it was not enough to undo the previously mentioned gains.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Qtr / YTD	FYTD	1 Year	3 Year	5 Year	Since 06/16
<b>Total Portfolio - Gross</b>	1.1	5.8	15.0	----	----	16.1
<i>SMALL CAP CORE RANK</i>	(27)	(22)	(25)	----	----	(82)
<b>Total Portfolio - Net</b>	0.9	5.4	14.1	----	----	15.2
Russell 2000	-0.1	3.3	11.8	8.4	11.5	19.2
<b>Small Cap Equity - Gross</b>	1.1	6.0	15.4	----	----	16.6
<i>SMALL CAP CORE RANK</i>	(26)	(21)	(23)	----	----	(76)
Russell 2000	-0.1	3.3	11.8	8.4	11.5	19.2

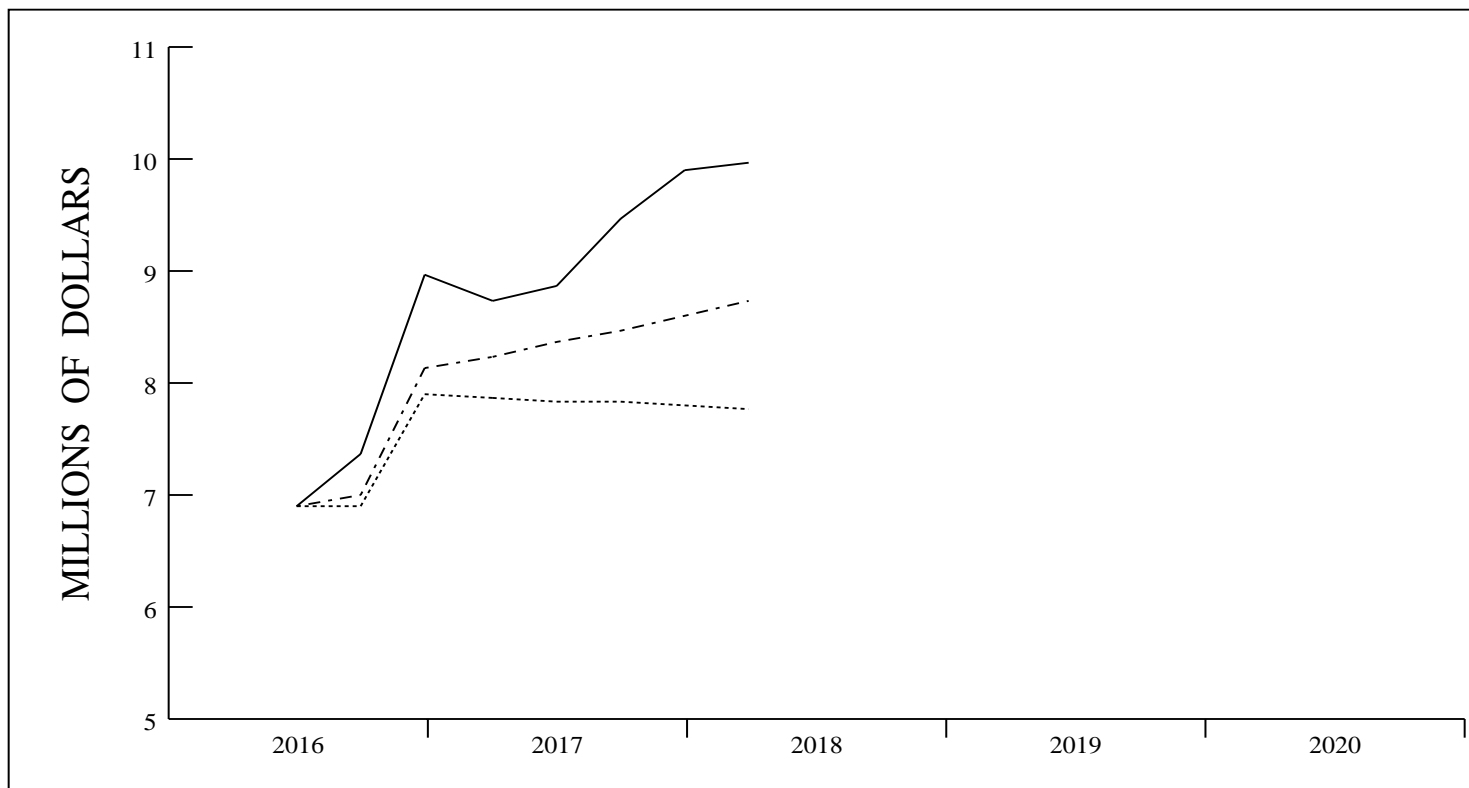
**ASSET ALLOCATION**

Small Cap	97.9%	\$ 9,780,726
Cash	2.1%	206,705
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 9,987,431</b>

**INVESTMENT RETURN**

Market Value 12/2017	\$ 9,903,419
Contribs / Withdrawals	- 20,884
Income	18,355
Capital Gains / Losses	86,541
Market Value 3/2018	\$ 9,987,431

**INVESTMENT GROWTH**

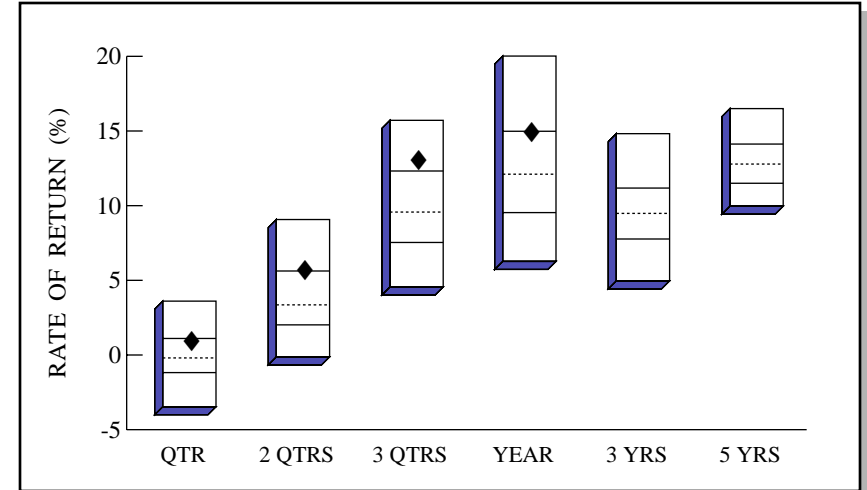
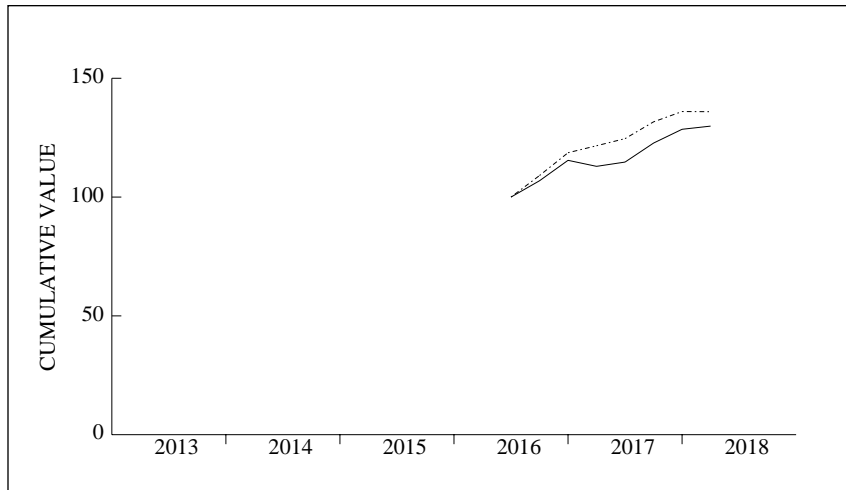


— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

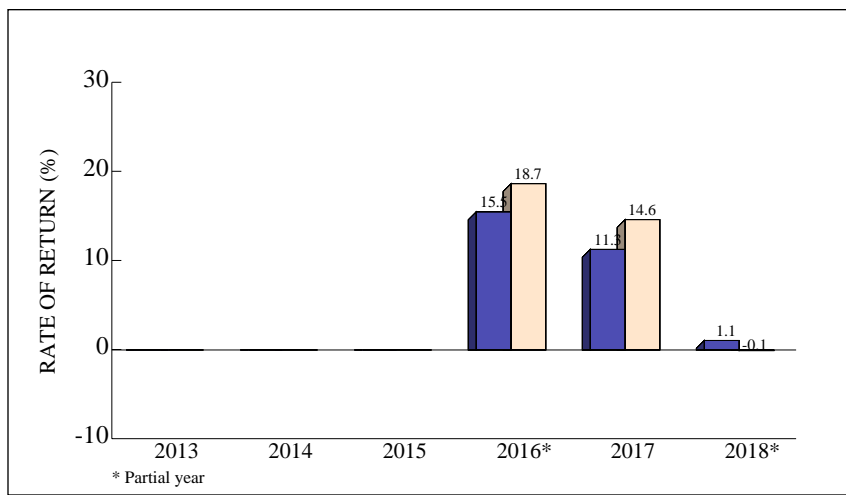
**VALUE ASSUMING**  
 DAVIE A/R      \$ 8,757,620

	LAST QUARTER	PERIOD 6/16 - 3/18
BEGINNING VALUE	\$ 9,903,419	\$ 6,919,944
NET CONTRIBUTIONS	- 20,884	875,628
INVESTMENT RETURN	104,896	2,191,859
ENDING VALUE	\$ 9,987,431	\$ 9,987,431
INCOME	18,355	137,711
CAPITAL GAINS (LOSSES)	86,541	2,054,148
INVESTMENT RETURN	104,896	2,191,859

**TOTAL RETURN COMPARISONS**



Small Cap Core Universe

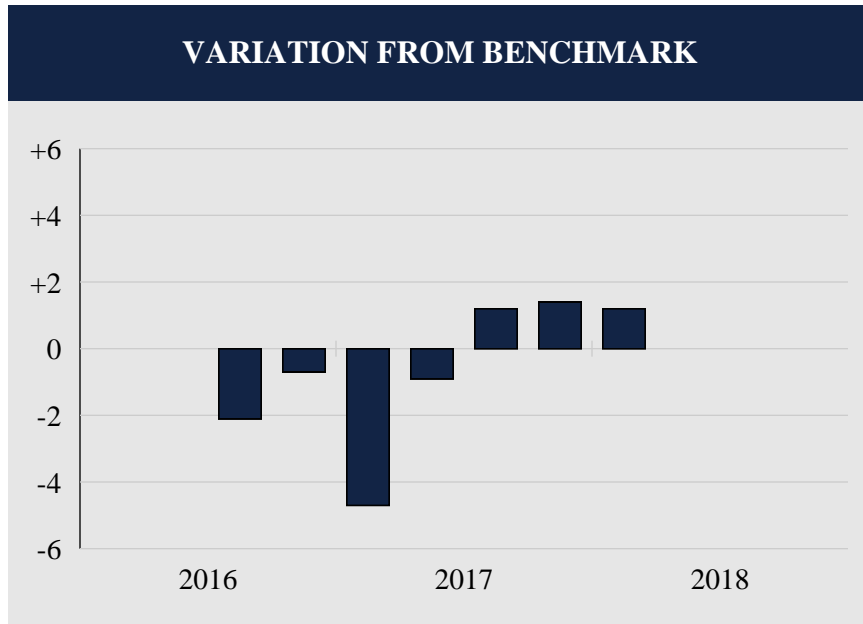


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	1.1	5.8	13.2	15.0	----	----
(RANK)	(27)	(22)	(19)	(25)	----	----
5TH %ILE	3.6	9.1	15.7	20.0	14.8	16.5
25TH %ILE	1.1	5.6	12.3	15.0	11.2	14.1
MEDIAN	-0.2	3.4	9.6	12.1	9.5	12.8
75TH %ILE	-1.2	2.0	7.5	9.5	7.8	11.5
95TH %ILE	-3.5	-0.1	4.6	6.3	5.0	10.0
<b>Russ 2000</b>	<b>-0.1</b>	<b>3.3</b>	<b>9.1</b>	<b>11.8</b>	<b>8.4</b>	<b>11.5</b>

Small Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

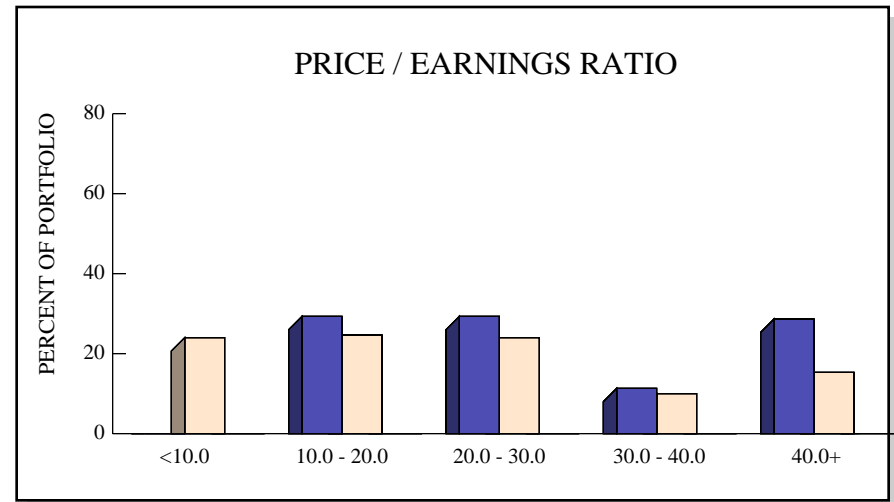
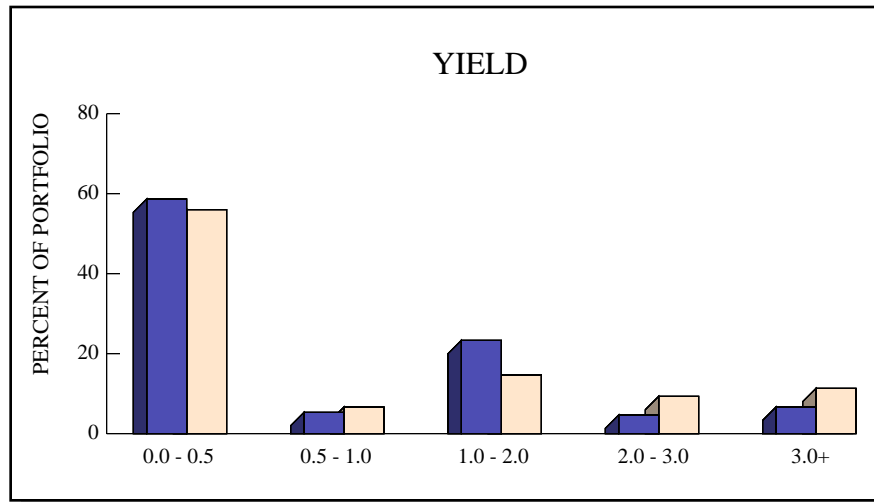
**COMPARATIVE BENCHMARK: RUSSELL 2000**



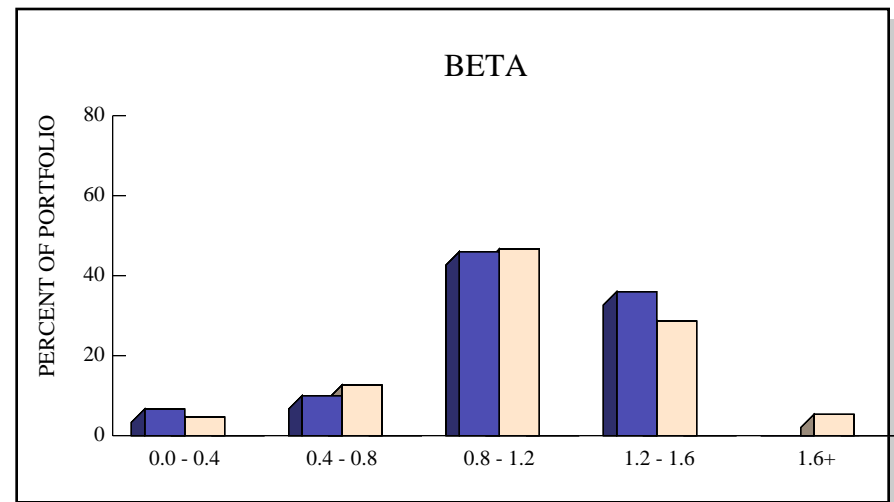
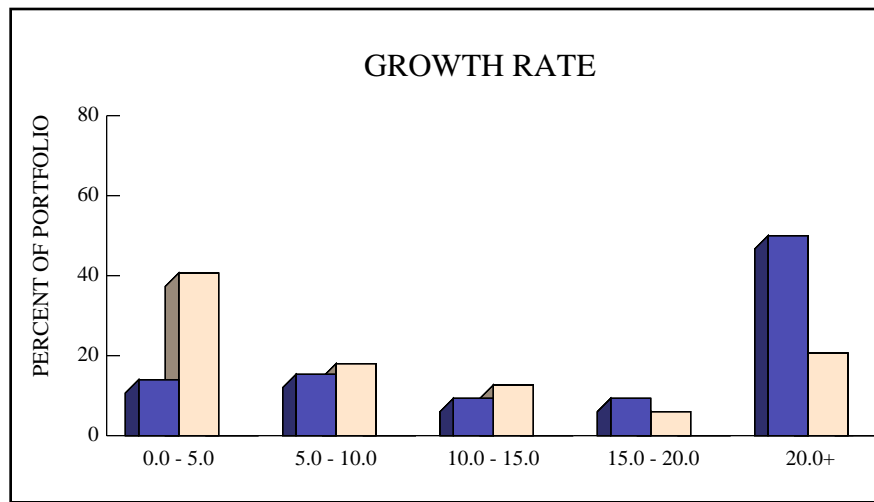
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/16	6.9	9.0	-2.1
12/16	8.1	8.8	-0.7
3/17	-2.2	2.5	-4.7
6/17	1.6	2.5	-0.9
9/17	6.9	5.7	1.2
12/17	4.7	3.3	1.4
3/18	1.1	-0.1	1.2

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

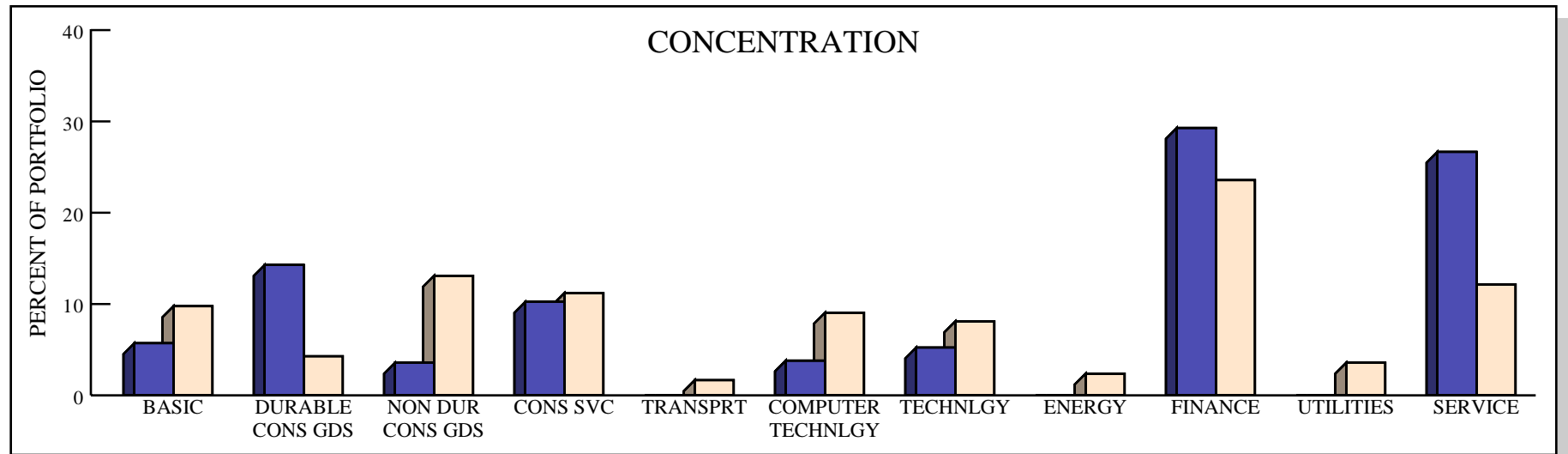
**STOCK CHARACTERISTICS**



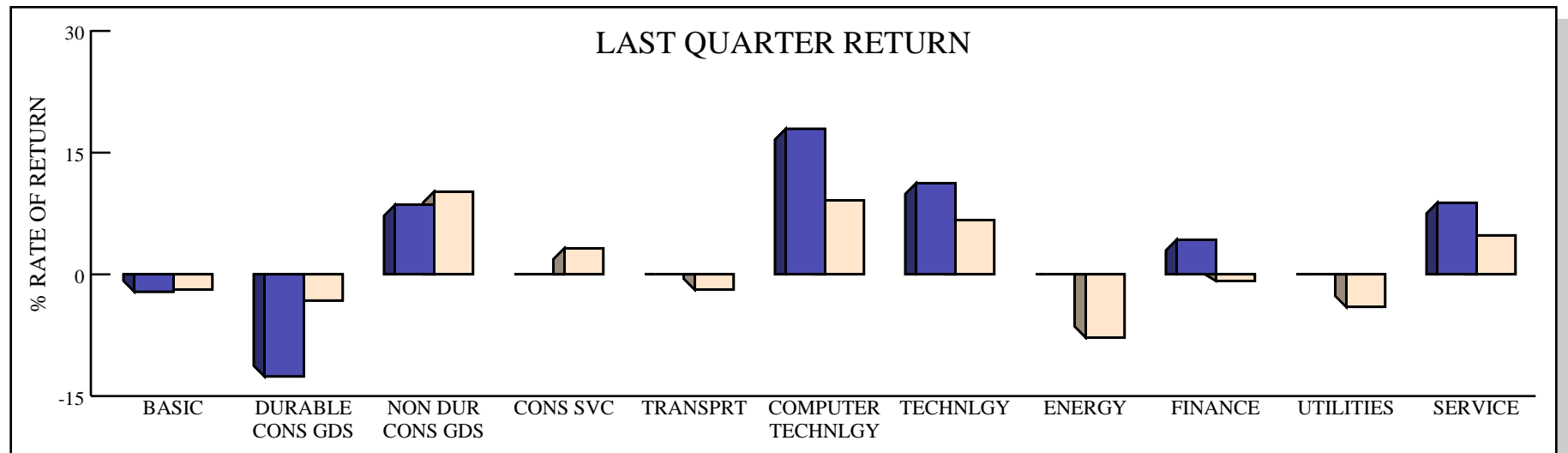
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	48	0.9%	17.5%	32.1	1.02
RUSSELL 2000	1,985	1.2%	9.4%	20.6	1.07



**STOCK INDUSTRY ANALYSIS**

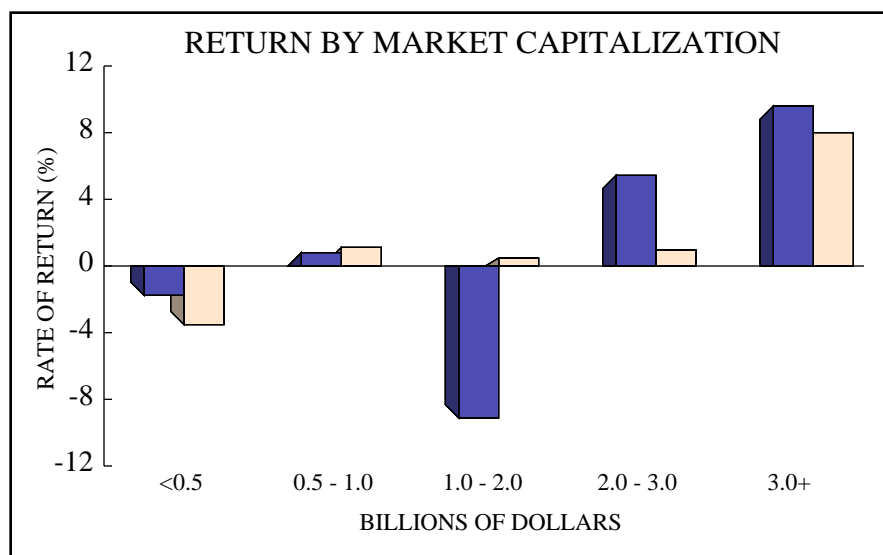
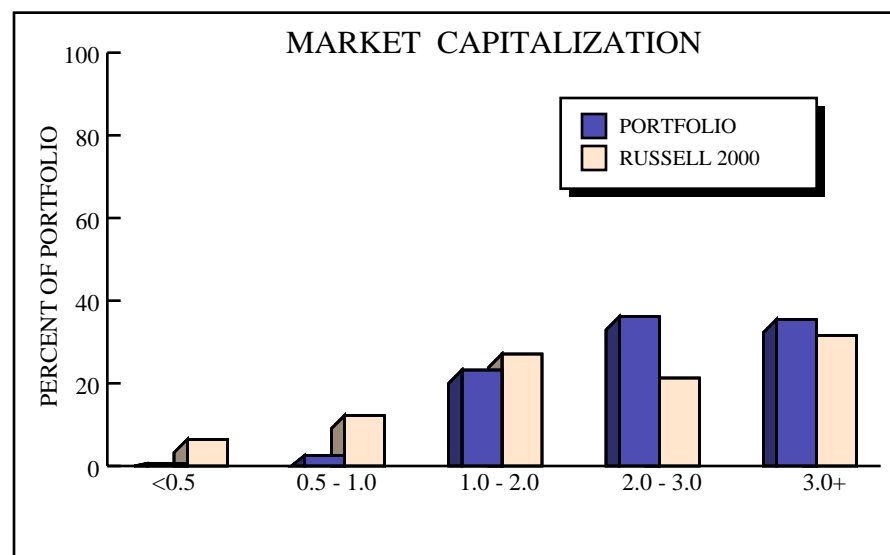


■ PORTFOLIO      ■ RUSSELL 2000





**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	CREDIT ACCEPTANCE CORP	\$ 409,378	4.19%	2.1%	Finance	\$ 6.4 B
2	ASGN INC	379,514	3.88%	27.4%	Service	4.3 B
3	AMN HEALTHCARE SERVICES INC	367,400	3.76%	15.2%	Service	2.7 B
4	NEOGEN CORP	364,895	3.73%	8.7%	NonDur Cons Goods	3.5 B
5	BANK OF THE OZARKS	352,564	3.60%	0.0%	Finance	6.2 B
6	HEICO CORP	346,372	3.54%	15.1%	Technology	3.7 B
7	INSPERITY INC	343,229	3.51%	21.6%	Service	2.9 B
8	LITHIA MOTORS INC-CL A	320,659	3.28%	-11.3%	Consumer Service	2.4 B
9	LCI INDUSTRIES	300,264	3.07%	-19.5%	Durable Cons Goods	2.6 B
10	FIRSTSERVICE CORP	293,598	3.00%	4.9%	Finance	2.5 B

DAVIE POLICE PENSION PLAN  
HARDMAN JOHNSTON GLOBAL ADVISORS - INTERNATIONAL EQUITY GROUP TRUST  
PERFORMANCE REVIEW  
MARCH 2018

## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan's Hardman Johnston Global Advisors International Equity Group Trust portfolio was valued at \$19,334,721, representing an increase of \$193,797 from the December quarter's ending value of \$19,140,924. Last quarter, the Fund posted withdrawals totaling \$38,078, which partially offset the portfolio's net investment return of \$231,875. Since there were no income receipts for the first quarter, the portfolio's net investment return figure was the product of net realized and unrealized capital gains totaling \$231,875.

## **RELATIVE PERFORMANCE**

During the first quarter, the Hardman Johnston Global Advisors International Equity Group Trust portfolio returned 1.2%, which was 2.6% above the MSCI EAFE Index's return of -1.4% and ranked in the 31st percentile of the International Equity universe. Over the trailing twelve-month period, this portfolio returned 24.7%, which was 9.4% above the benchmark's 15.3% performance, and ranked in the 28th percentile. Since December 2012, the account returned 10.6% per annum and ranked in the 25th percentile. For comparison, the MSCI EAFE Index returned an annualized 7.7% over the same time frame.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Qtr / YTD	FYTD	1 Year	3 Year	5 Year	Since 12/12
<b>Total Portfolio - Gross</b>	1.2	6.8	24.7	9.6	10.0	10.6
<i>INTERNATIONAL EQUITY RANK</i>	(31)	(40)	(28)	(39)	(24)	(25)
<b>Total Portfolio - Net</b>	1.0	6.4	23.8	8.7	9.2	9.8
MSCI EAFE	-1.4	2.8	15.3	6.0	7.0	7.7
<b>International Equity - Gross</b>	1.2	6.8	24.7	9.6	10.0	10.6
<i>INTERNATIONAL EQUITY RANK</i>	(31)	(40)	(28)	(39)	(24)	(25)
MSCI EAFE	-1.4	2.8	15.3	6.0	7.0	7.7

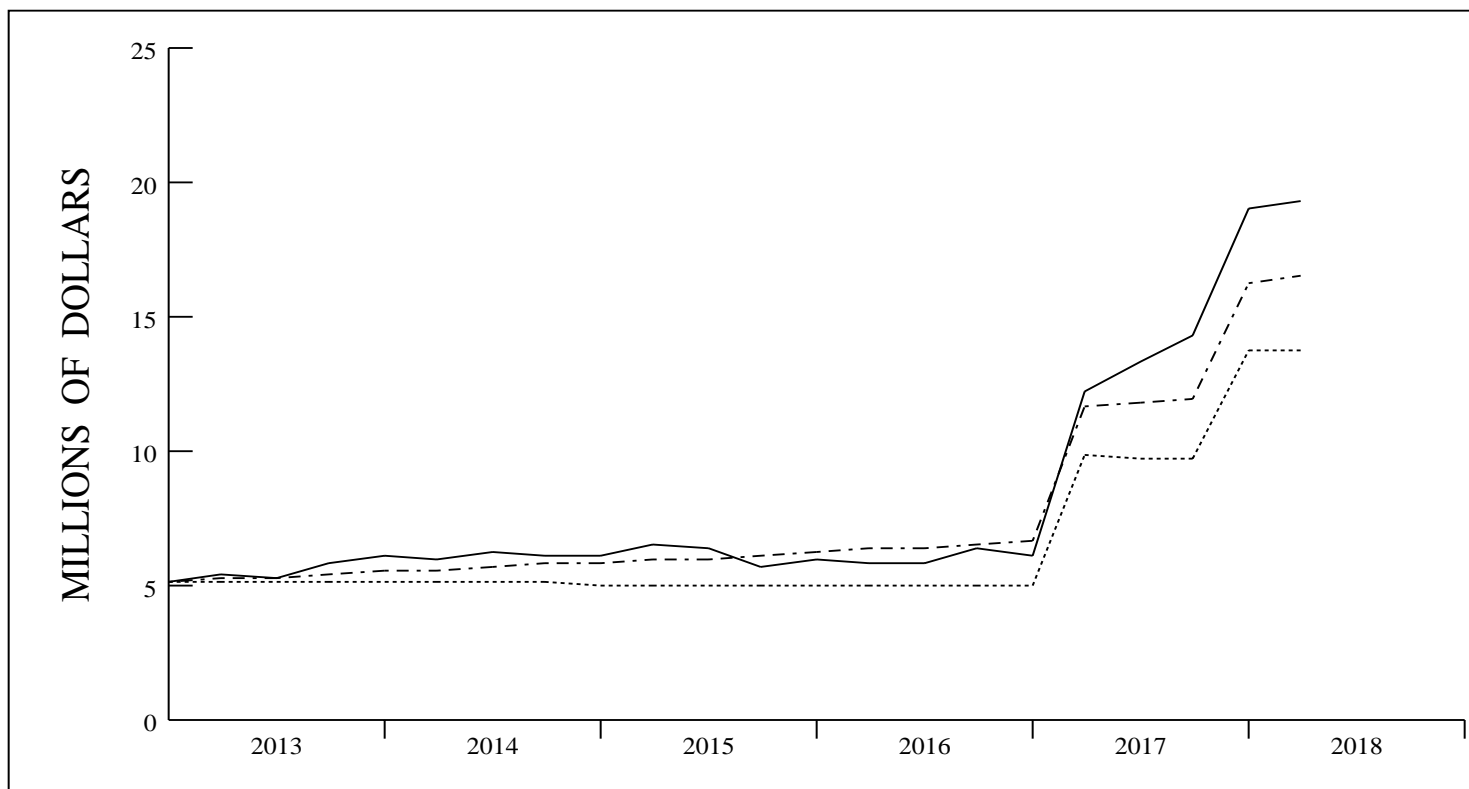
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 19,334,721
Total Portfolio	100.0%	\$ 19,334,721

**INVESTMENT RETURN**

Market Value 12/2017	\$ 19,140,924
Contribs / Withdrawals	- 38,078
Income	0
Capital Gains / Losses	231,875
Market Value 3/2018	\$ 19,334,721

**INVESTMENT GROWTH**

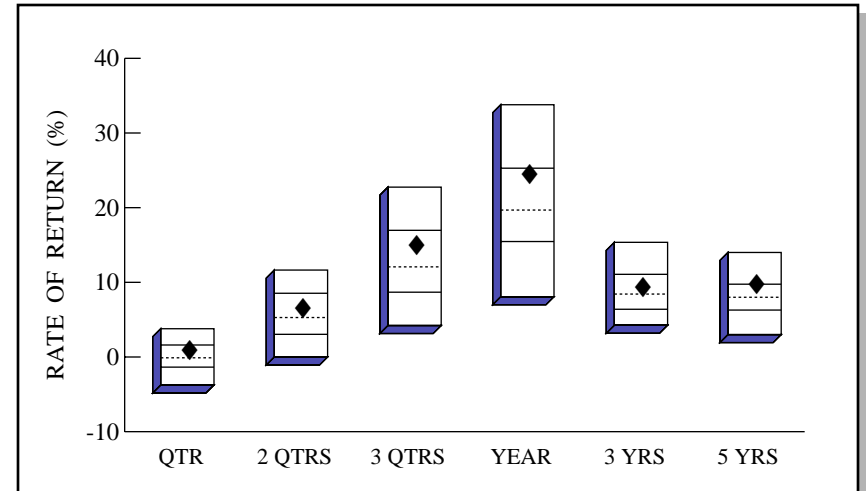
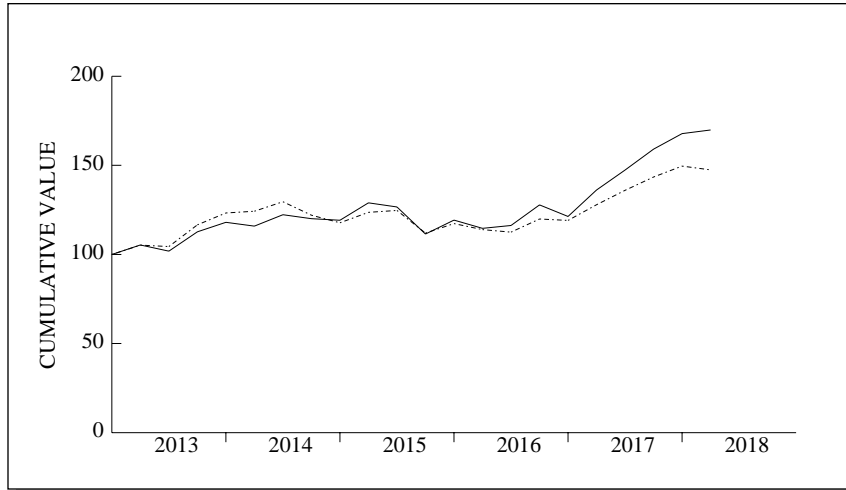


— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

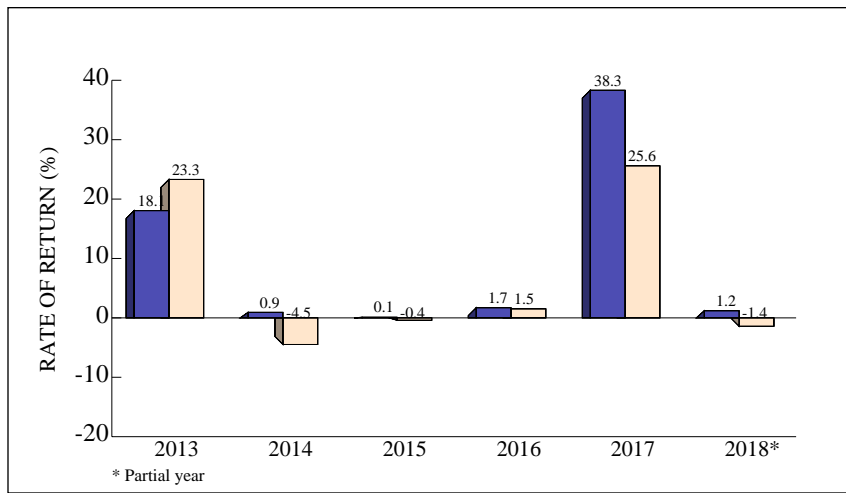
VALUE ASSUMING  
 DAVIE A/R     \$ 16,538,432

	LAST QUARTER	PERIOD 12/12 - 3/18
BEGINNING VALUE	\$ 19,140,924	\$ 5,214,635
NET CONTRIBUTIONS	- 38,078	8,545,217
INVESTMENT RETURN	231,875	5,574,869
<u>ENDING VALUE</u>	<u>\$ 19,334,721</u>	<u>\$ 19,334,721</u>
INCOME	0	144
CAPITAL GAINS (LOSSES)	231,875	5,574,725
INVESTMENT RETURN	231,875	5,574,869

**TOTAL RETURN COMPARISONS**



International Equity Universe

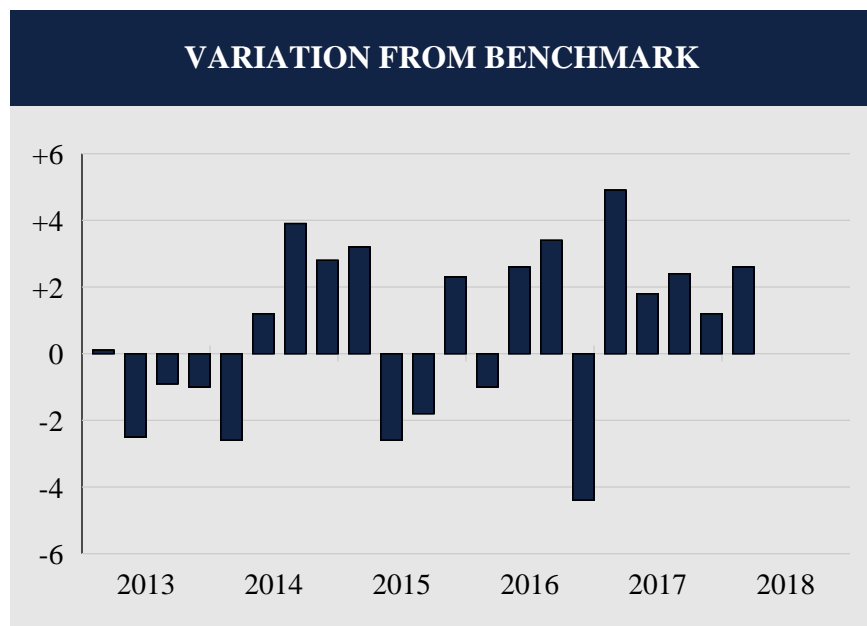


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	1.2	6.8	15.2	24.7	9.6	10.0
(RANK)	(31)	(40)	(32)	(28)	(39)	(24)
5TH %ILE	3.8	11.6	22.8	33.8	15.4	14.0
25TH %ILE	1.6	8.5	17.0	25.3	11.1	9.8
MEDIAN	-0.1	5.3	12.1	19.7	8.4	8.0
75TH %ILE	-1.4	3.0	8.7	15.5	6.4	6.3
95TH %ILE	-3.7	0.0	4.2	8.1	4.3	3.0
<b>MSCI EAFE</b>	<b>-1.4</b>	<b>2.8</b>	<b>8.4</b>	<b>15.3</b>	<b>6.0</b>	<b>7.0</b>

International Equity Universe

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: MSCI EAFE



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
12/17	5.5	4.3	1.2
3/18	1.2	-1.4	2.6

<b>Total Quarters Observed</b>	<b>21</b>
<b>Quarters At or Above the Benchmark</b>	<b>13</b>
<b>Quarters Below the Benchmark</b>	<b>8</b>
<b>Batting Average</b>	<b>.619</b>

DAVIE POLICE PENSION PLAN  
AMERICAN REALTY ADVISORS - AMERICAN CORE REALTY FUND  
PERFORMANCE REVIEW  
MARCH 2018



## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan's American Realty Advisors American Core Realty Fund was valued at \$5,557,335, representing an increase of \$106,326 from the December quarter's ending value of \$5,451,009. Last quarter, the Fund posted withdrawals totaling \$15,325, which partially offset the portfolio's net investment return of \$121,651. Income receipts totaling \$81,765 plus net realized and unrealized capital gains of \$39,886 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

For the first quarter, the American Realty Advisors American Core Realty Fund gained 2.2%, which was equal to the NCREIF NFI-ODCE Index's return of 2.2%. Over the trailing twelve-month period, the account returned 8.0%, which was 0.1% below the benchmark's 8.1% performance. Since December 2012, the portfolio returned 10.8% per annum, while the NCREIF NFI-ODCE Index returned an annualized 11.4% over the same period.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>Since 12/12</b>
<b>Total Portfolio - Gross</b>	2.2	4.0	8.0	9.3	10.8	10.8
<b>Total Portfolio - Net</b>	2.0	3.4	6.9	8.1	9.6	9.6
NCREIF ODCE	2.2	4.3	8.1	10.0	11.4	11.4
<b>Real Estate - Gross</b>	2.2	4.0	8.0	9.3	10.8	10.8
NCREIF ODCE	2.2	4.3	8.1	10.0	11.4	11.4

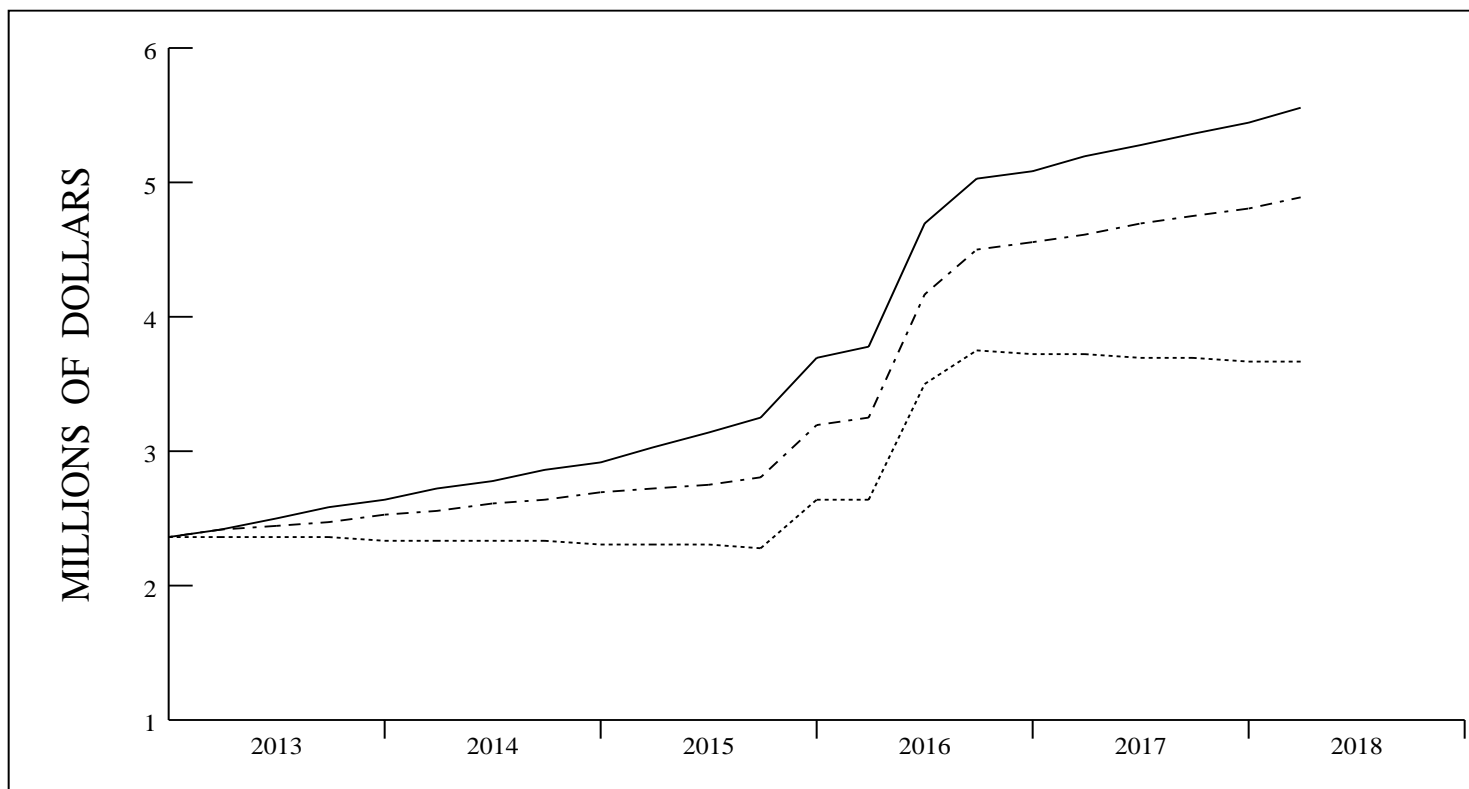
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 5,557,335
Total Portfolio	100.0%	\$ 5,557,335

**INVESTMENT RETURN**

Market Value 12/2017	\$ 5,451,009
Contribs / Withdrawals	- 15,325
Income	81,765
Capital Gains / Losses	39,886
Market Value 3/2018	\$ 5,557,335

**INVESTMENT GROWTH**



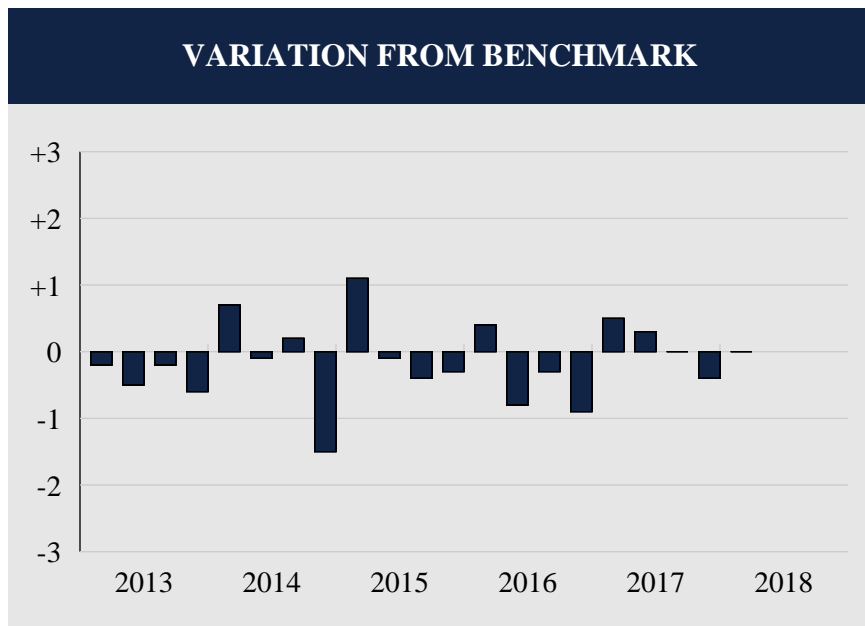
— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

VALUE ASSUMING  
 DAVIE A/R      \$ 4,903,578

	LAST QUARTER	PERIOD 12/12 - 3/18
BEGINNING VALUE	\$ 5,451,009	\$ 2,387,595
NET CONTRIBUTIONS	- 15,325	1,279,653
INVESTMENT RETURN	121,651	1,890,087
ENDING VALUE	\$ 5,557,335	\$ 5,557,335
INCOME	81,765	1,133,693
CAPITAL GAINS (LOSSES)	39,886	756,394
INVESTMENT RETURN	121,651	1,890,087

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
12/17	1.7	2.1	-0.4
3/18	2.2	2.2	0.0

<b>Total Quarters Observed</b>	<b>21</b>
<b>Quarters At or Above the Benchmark</b>	<b>8</b>
<b>Quarters Below the Benchmark</b>	<b>13</b>
<b>Batting Average</b>	<b>.381</b>

DAVIE POLICE PENSION PLAN  
INTERCONTINENTAL - US REAL ESTATE INVESTMENT FUND  
PERFORMANCE REVIEW  
MARCH 2018

## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan's Intercontinental US Real Estate Investment Fund was valued at \$8,864,917, representing an increase of \$222,697 from the December quarter's ending value of \$8,642,220. Last quarter, the Fund posted withdrawals totaling \$18,624, which partially offset the portfolio's net investment return of \$241,321. Since there were no income receipts for the first quarter, the portfolio's net investment return figure was the product of net realized and unrealized capital gains totaling \$241,321.

## **RELATIVE PERFORMANCE**

During the first quarter, the Intercontinental US Real Estate Investment Fund returned 2.8%, which was 0.6% above the NCREIF NFI-ODCE Index's return of 2.2%. Over the trailing year, the portfolio returned 9.9%, which was 1.8% above the benchmark's 8.1% return. Since September 2013, the Intercontinental US Real Estate Investment Fund returned 12.9% per annum, while the NCREIF NFI-ODCE Index returned an annualized 11.0% 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**

	Qtr / YTD	FYTD	1 Year	3 Year	5 Year	Since 09/13
<b>Total Portfolio - Gross</b>	2.8	5.6	9.9	12.7	----	12.9
<b>Total Portfolio - Net</b>	2.6	5.0	8.7	10.9	----	10.7
NCREIF ODCE	2.2	4.3	8.1	10.0	11.4	11.0
<b>Real Estate - Gross</b>	2.8	5.6	9.9	12.7	----	12.9
NCREIF ODCE	2.2	4.3	8.1	10.0	11.4	11.0

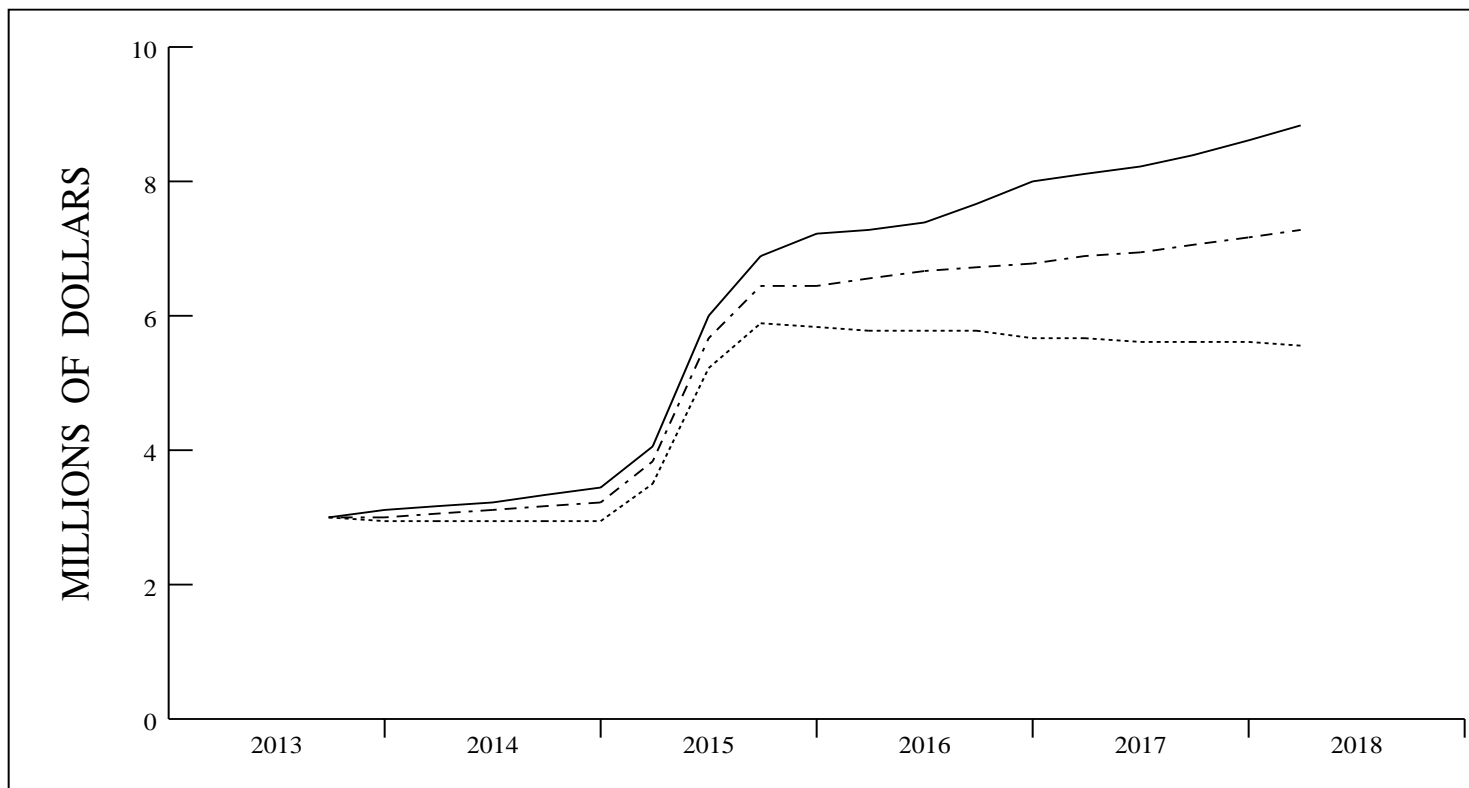
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 8,864,917
Total Portfolio	100.0%	\$ 8,864,917

**INVESTMENT RETURN**

Market Value 12/2017	\$ 8,642,220
Contribs / Withdrawals	- 18,624
Income	0
Capital Gains / Losses	241,321
Market Value 3/2018	\$ 8,864,917

**INVESTMENT GROWTH**



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

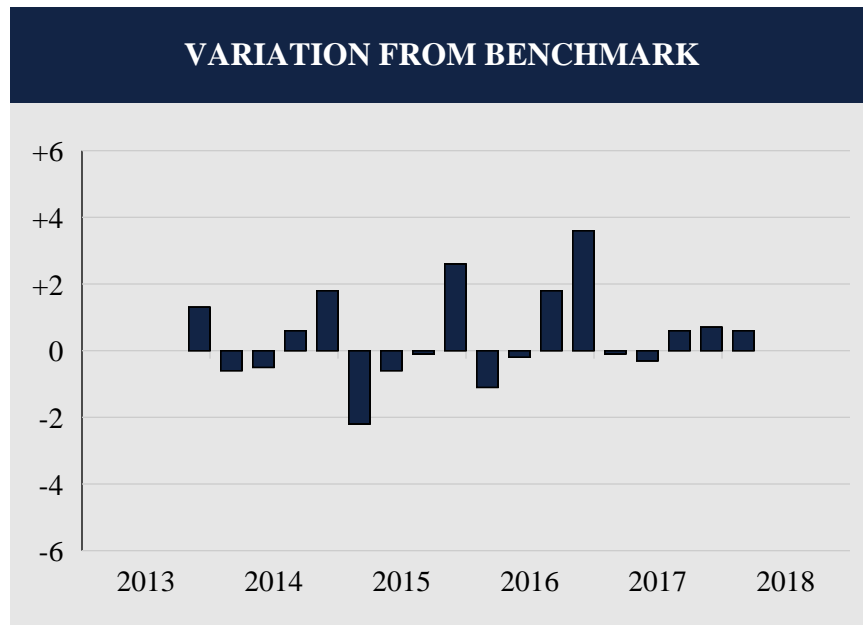
VALUE ASSUMING  
 DAVIE A/R      \$ 7,289,138

	LAST QUARTER	PERIOD 9/13 - 3/18
BEGINNING VALUE	\$ 8,642,220	\$ 3,032,373
NET CONTRIBUTIONS	- 18,624	2,560,624
INVESTMENT RETURN	241,321	3,271,920
ENDING VALUE	\$ 8,864,917	\$ 8,864,917
INCOME	0	310,772
CAPITAL GAINS (LOSSES)	241,321	2,961,148
INVESTMENT RETURN	241,321	3,271,920



**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
12/17	2.8	2.1	0.7
3/18	2.8	2.2	0.6

<b>Total Quarters Observed</b>	<b>18</b>
<b>Quarters At or Above the Benchmark</b>	<b>9</b>
<b>Quarters Below the Benchmark</b>	<b>9</b>
<b>Batting Average</b>	<b>.500</b>

**Real Estate Investor Report**  
**Intercontinental US Real Estate Investment Fund**  
**As of March 31st, 2018**

<b>Market Value</b>	<b>\$ 8,864,917</b>	Last Appraisal Date: 3/31/2018
Initial Commitment	\$ 6,000,000	100.00%
Paid In Capital	\$ 6,773,740	112.90%
Net Distributions	\$ 1,074,964	

	<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
Q4 2017		\$ -	\$ 84,392	\$ 65,950
Q1 2018		\$ -	\$ 74,340	\$ 55,716
<b>Total</b>		<b>\$ 6,000,000</b>	<b>\$ 1,017,390</b>	<b>\$ 773,740</b>

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

DAVIE POLICE PENSION PLAN  
UBS - TRUMBULL PROPERTY FUND  
PERFORMANCE REVIEW  
MARCH 2018

## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan's UBS Trumbull Property Fund was valued at \$4,264,777, representing an increase of \$68,837 from the December quarter's ending value of \$4,195,940. Last quarter, the Fund posted withdrawals totaling \$9,984, which partially offset the portfolio's net investment return of \$78,821. Income receipts totaling \$32,776 plus net realized and unrealized capital gains of \$46,045 combined to produce the portfolio's net investment return.

## **RELATIVE PERFORMANCE**

For the first quarter, the UBS Trumbull Property Fund gained 1.9%, which was 0.3% less than the NCREIF NFI-ODCE Index's return of 2.2%. Over the trailing twelve-month period, the account returned 7.1%, which was 1.0% below the benchmark's 8.1% performance. Since December 2012, the portfolio returned 9.6% per annum, while the NCREIF NFI-ODCE Index returned an annualized 11.4% over the same period.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>Since 12/12</b>
<b>Total Portfolio - Gross</b>	1.9	4.3	7.1	8.4	9.7	9.6
<b>Total Portfolio - Net</b>	1.6	3.8	6.0	7.2	8.5	8.4
NCREIF ODCE	2.2	4.3	8.1	10.0	11.4	11.4
<b>Real Estate - Gross</b>	1.9	4.3	7.1	8.4	9.7	9.6
NCREIF ODCE	2.2	4.3	8.1	10.0	11.4	11.4

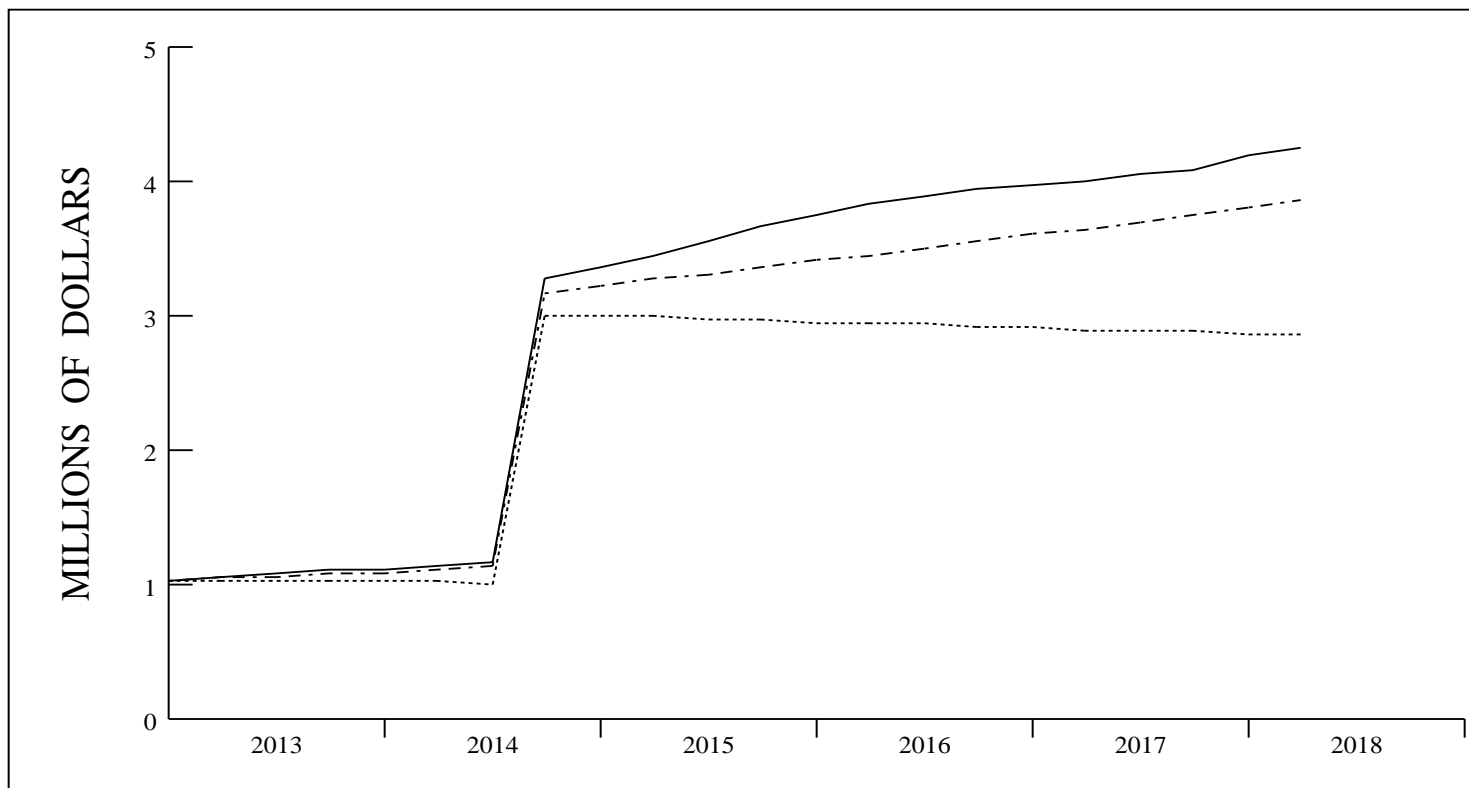
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 4,264,777
Total Portfolio	100.0%	\$ 4,264,777

**INVESTMENT RETURN**

Market Value 12/2017	\$ 4,195,940
Contribs / Withdrawals	- 9,984
Income	32,776
Capital Gains / Losses	46,045
Market Value 3/2018	\$ 4,264,777

**INVESTMENT GROWTH**



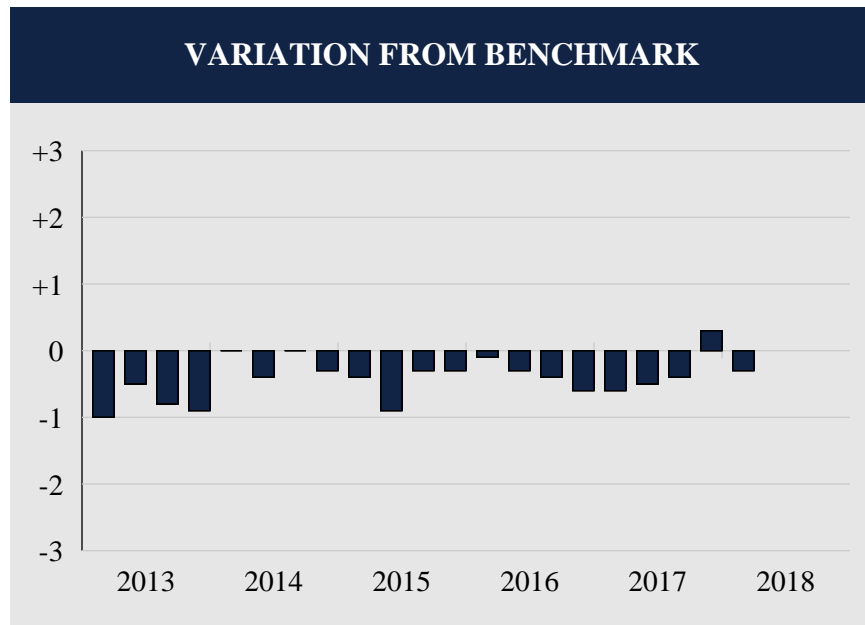
— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

VALUE ASSUMING  
 DAVIE A/R      \$    3,881,918

	LAST QUARTER	PERIOD 12/12 - 3/18
BEGINNING VALUE	\$ 4,195,940	\$ 1,042,104
NET CONTRIBUTIONS	- 9,984	1,828,566
<u>INVESTMENT RETURN</u>	<u>78,821</u>	<u>1,394,107</u>
ENDING VALUE	\$ 4,264,777	\$ 4,264,777
INCOME	32,776	516,374
<u>CAPITAL GAINS (LOSSES)</u>	<u>46,045</u>	<u>877,733</u>
INVESTMENT RETURN	78,821	1,394,107

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

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



<b>Total Quarters Observed</b>	<b>21</b>
<b>Quarters At or Above the Benchmark</b>	<b>3</b>
<b>Quarters Below the Benchmark</b>	<b>18</b>
<b>Batting Average</b>	<b>.143</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
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
12/17	2.4	2.1	0.3
3/18	1.9	2.2	-0.3

**Real Estate Investor Report**  
**UBS Trumbull Property Fund**  
**As of March 31st, 2018**

<b>Market Value</b>	<b>\$ 4,264,777</b>	Last Appraisal Date:3/31/2018	
Initial Commitment	\$ 3,000,000	100.00%	
Paid In Capital	\$ 3,000,000	100.00%	
Remaining Commitment	\$ -	0.00%	

<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
Q4 2017	\$ -	0.00%	\$ -	0.00%	\$ 31,965
Q1 2018	\$ -	0.00%	\$ -	0.00%	\$ 32,776
<b>Total</b>	<b>\$ 3,000,000</b>	<b>100.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 442,410</b>

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



DAVIE POLICE PENSION PLAN  
GARCIA HAMILTON - FIXED  
PERFORMANCE REVIEW  
MARCH 2018

## **INVESTMENT RETURN**

On March 31st, 2018, the Davie Police Pension Plan's Garcia Hamilton Fixed portfolio was valued at \$37,583,738, a decrease of \$1,344,789 from the December ending value of \$38,928,527. Last quarter, the account recorded total net withdrawals of \$1,103,577 in addition to \$241,212 in net investment losses. The fund's net investment loss was a result of income receipts totaling \$245,859 and realized and unrealized capital losses totaling \$487,071.

## **RELATIVE PERFORMANCE**

### **Total Fund**

During the first quarter, the Garcia Hamilton Fixed portfolio lost 0.6%, which was 0.9% greater than the Custom Fixed Income Index's return of -1.5% and ranked in the 5th percentile of the Core Fixed Income universe. Over the trailing year, the portfolio returned 2.3%, which was 1.1% greater than the benchmark's 1.2% performance, and ranked in the 16th percentile. Since March 2013, the account returned 2.8% per annum and ranked in the 8th percentile. For comparison, the Custom Fixed Income Index returned an annualized 1.7% over the same time frame.

## **ASSET ALLOCATION**

At the end of the first quarter, fixed income comprised 95.6% of the total portfolio (\$35.9 million), while cash & equivalents comprised the remaining 4.4% (\$1.7 million).

## **ANALYSIS**

At the end of the quarter, approximately 65% of the total bond portfolio was comprised of USG quality securities. 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 7.17 years, less than the Bloomberg Barclays Aggregate Index's 8.42-year maturity. The average coupon was 2.80%.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>
<b>Total Portfolio - Gross</b>	-0.6	0.3	2.3	1.8	2.8
<i>CORE FIXED INCOME RANK</i>	( 5)	( 4)	(16)	(36)	( 8)
<b>Total Portfolio - Net</b>	-0.7	0.2	2.0	1.4	2.4
Custom Index	-1.5	-1.1	1.2	1.2	1.7
<b>Fixed Income - Gross</b>	-0.6	0.3	2.3	1.8	2.8
<i>CORE FIXED INCOME RANK</i>	( 6)	( 4)	(15)	(35)	( 8)
Custom Index	-1.5	-1.1	1.2	1.2	1.7
Aggregate Index	-1.5	-1.1	1.2	1.2	1.8
Gov/Credit	-1.6	-1.1	1.4	1.2	1.8

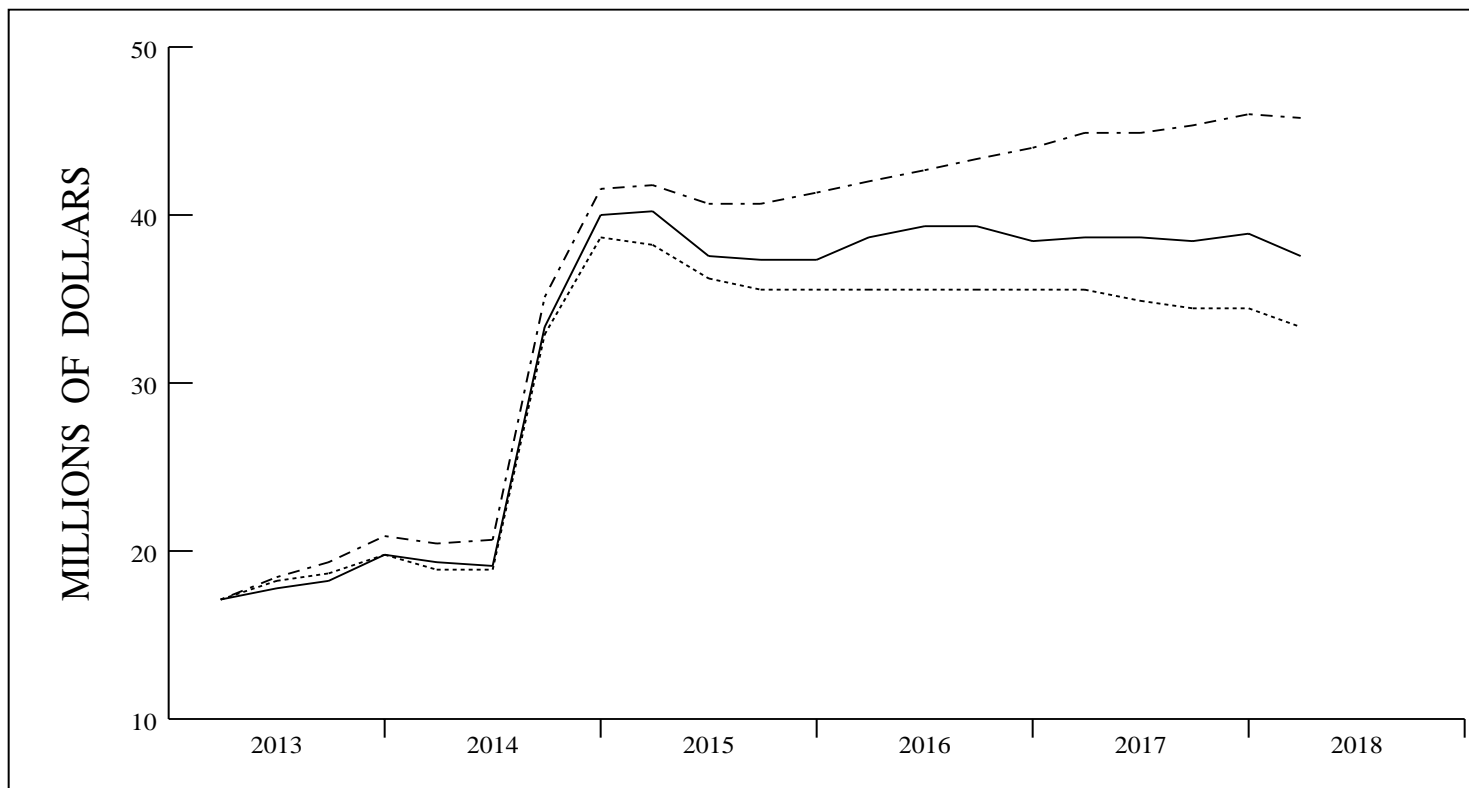
**ASSET ALLOCATION**

Fixed Income	95.6%	\$ 35,928,123
Cash	4.4%	1,655,615
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 37,583,738</b>

**INVESTMENT RETURN**

Market Value 12/2017	\$ 38,928,527
Contribs / Withdrawals	- 1,103,577
Income	245,859
Capital Gains / Losses	-487,071
Market Value 3/2018	\$ 37,583,738

**INVESTMENT GROWTH**

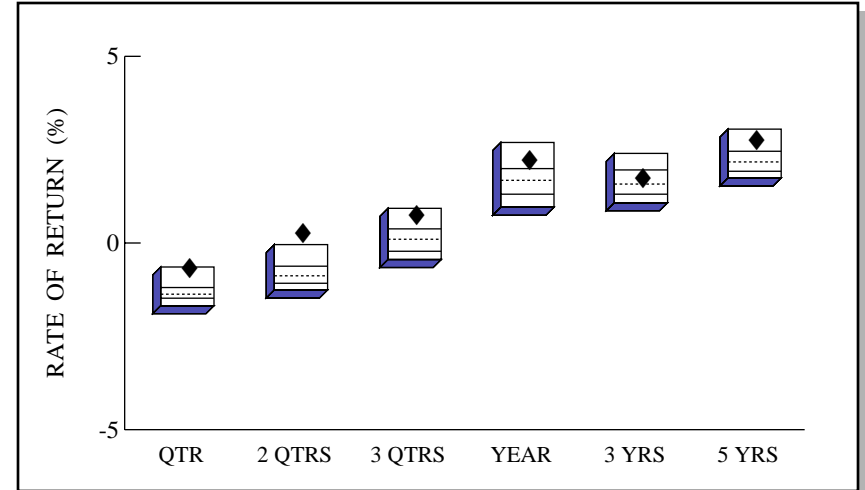
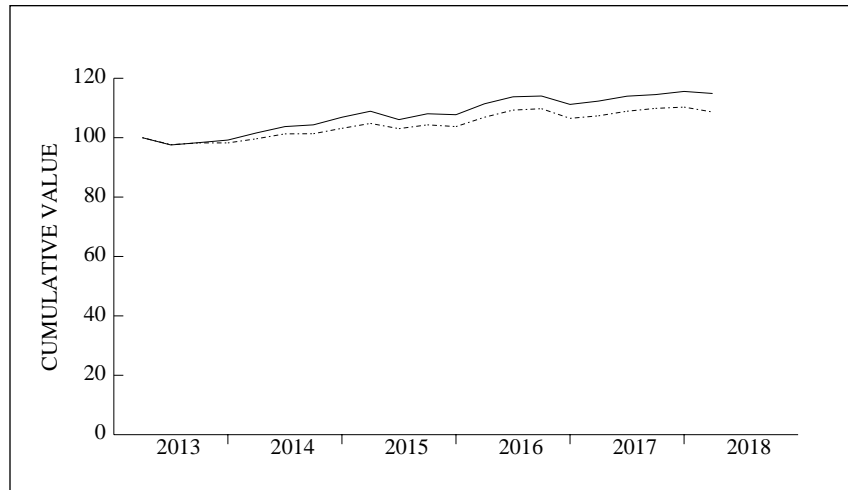


— ACTUAL RETURN  
 - - - DAVIE BLENDED A/R  
 ..... 0.0%

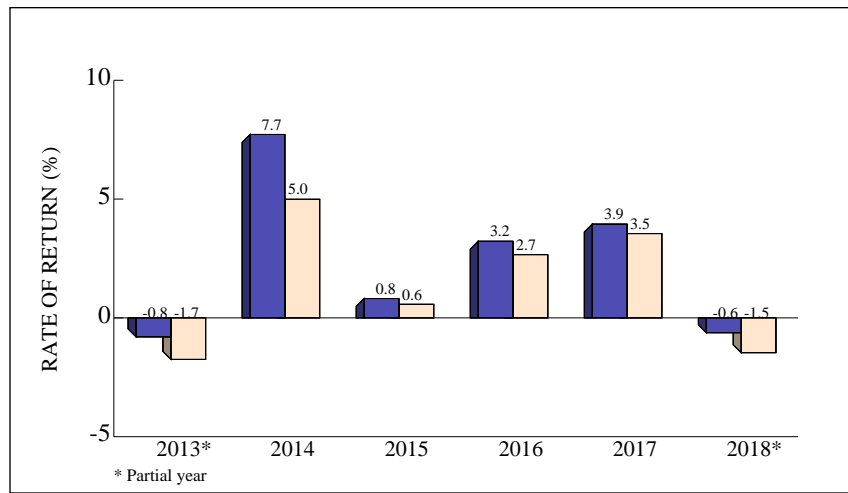
VALUE ASSUMING  
 DAVIE A/R \$ 45,896,864

	LAST QUARTER	FIVE YEARS
BEGINNING VALUE	\$ 38,928,527	\$ 17,171,217
NET CONTRIBUTIONS	- 1,103,577	16,243,212
INVESTMENT RETURN	-241,212	4,169,309
ENDING VALUE	\$ 37,583,738	\$ 37,583,738
INCOME	245,859	5,754,732
CAPITAL GAINS (LOSSES)	-487,071	- 1,585,422
INVESTMENT RETURN	-241,212	4,169,309

**TOTAL RETURN COMPARISONS**



Core Fixed Income Universe

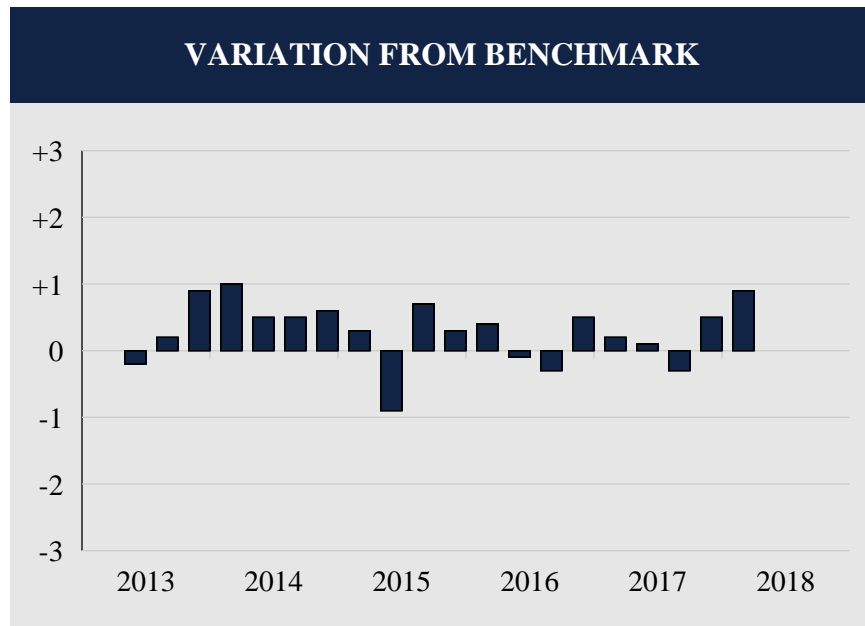


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	-0.6	0.3	0.8	2.3	1.8	2.8
(RANK)	(5)	(4)	(10)	(16)	(36)	(8)
5TH %ILE	-0.6	0.0	0.9	2.7	2.4	3.1
25TH %ILE	-1.2	-0.6	0.4	2.0	2.0	2.5
MEDIAN	-1.4	-0.9	0.1	1.7	1.6	2.2
75TH %ILE	-1.5	-1.1	-0.2	1.3	1.3	1.9
95TH %ILE	-1.7	-1.3	-0.4	1.0	1.1	1.7
<i>Custom Idx</i>	<i>-1.5</i>	<i>-1.1</i>	<i>-0.2</i>	<i>1.2</i>	<i>1.2</i>	<i>1.7</i>

Core Fixed Income Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

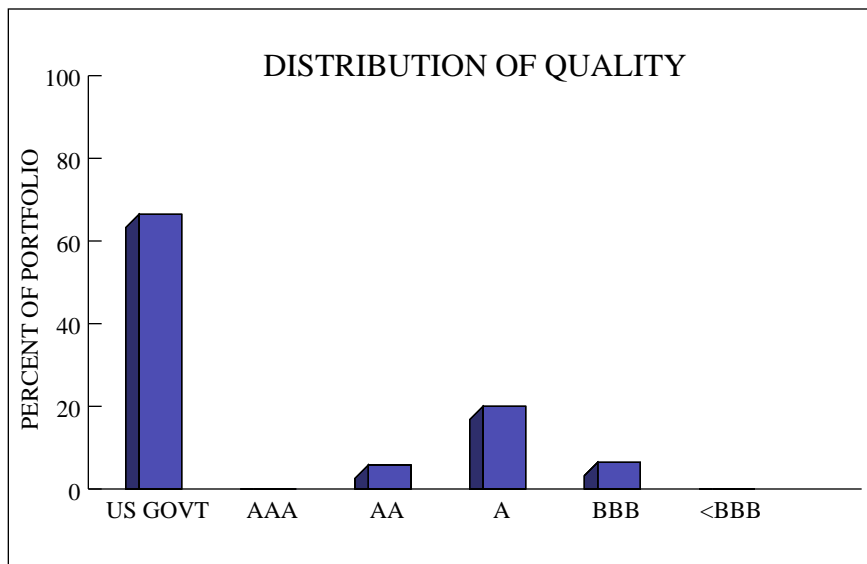
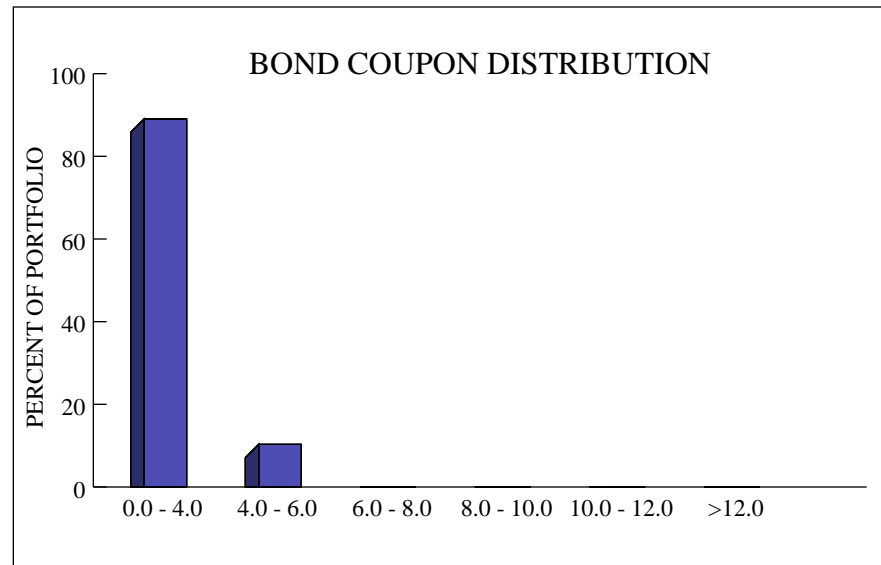
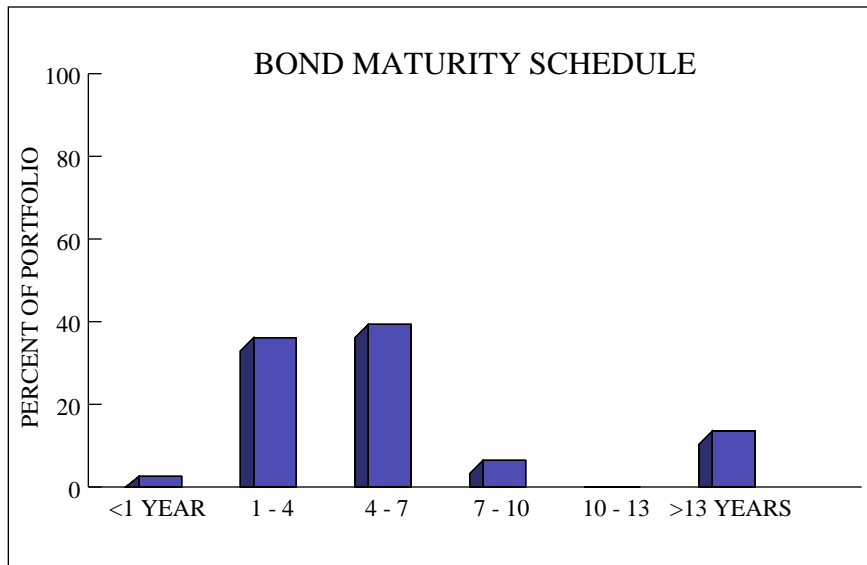
**COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
12/17	0.9	0.4	0.5
3/18	-0.6	-1.5	0.9

<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	28	9,868
Duration	4.38	6.08
YTM	2.82	3.12
Average Coupon	2.80	3.08
Avg Maturity / WAL	7.17	8.42
Average Quality	AAA	USG-AAA