

# Davie Police Pension Plan

Performance Review  
March 2016

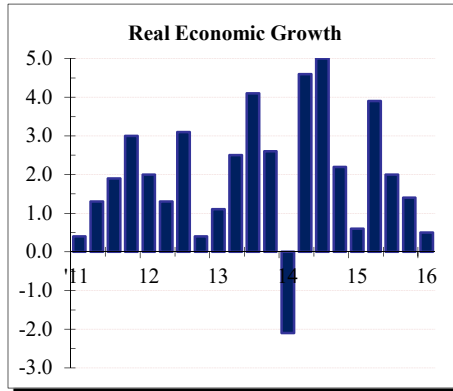


**DAHAB ASSOCIATES**  
New York   Massachusetts   Pennsylvania   Florida

## ECONOMIC ENVIRONMENT

### *Steady As She Goes*

The first quarter of 2016 saw the US economy grow at 0.5%, according to the advance estimate from the BEA, slower than the fourth quarter's 1.4%,



but still a positive figure. Still, there was a lot of good news to report. Plenty of jobs added and there was also a strong feeling of consumer satisfaction. By March, there was enough of an increase in manufacturing and service activity to point to an awakening economy. The Federal Reserve Board weighed these positive developments against low inflation, a

recovering housing market, the low level of exports and extreme investor jitters in the equity and commodity markets. As a result, it announced the Fed funds rate would remain unchanged for the present. A more detailed commentary about the economy follows:

- A disappointing 0.5% expansion (advance estimate) in GDP during the first quarter was a decline from Q4's modest 1.4% advance. Full year 2015 growth was 2.4%, identical to that of 2014.
- Non-farm payrolls increased by a healthy 215,000 in March and averaged a 209,000 monthly gain for the quarter. March employment increased in the retail, construction and health care sectors. Job losses occurred in manufacturing and mining. The unemployment rate initially ticked down to 4.9% and then reverted to 5.0% in March. More importantly, new unemployment claims have been below 300,000 for 58 consecutive weeks, the longest period since 1973. Quite favorably, the labor participation rate has edged up 0.6% since last September to 63.0%. In addition, the average earnings rate, including benefits, has risen slightly to \$25.43/hour.
- Consumer confidence helped to buoy expectations. The Consumer Confidence Index grew from February's 94.0 to 96.2 in March.

- Home prices climbed 6.8% for the year ending in February and are within 6.5% of the 2006 peak. Colorado, Washington, and Oregon were the leaders in price appreciation.
- The March ISM Manufacturing Index was encouraging as March was the first month since last fall to move into an expansion phase (51.8%). Production looked even better, rising from 52.8% the prior month to 55.3% in March; likewise, new orders climbed from 51.5% to 58.3%. Manufacturing gains were greatest in the printing, furniture, mineral products, machinery and plastics sectors. However, activity declined among apparel, electronic products, and transportation equipment.
- The Non-Manufacturing Index also moved higher, from 53.4% in February to 54.5%. Service sector gains were widespread among education, information, wholesale trade, finance, insurance and health care.
- Weak demand in China continued to depress commodity prices. Nonetheless, there was significant price change disparity among 29 different commodities. The best performers were gold (+16%); iron ore (+24%); and lumber (+21%). Gold's first quarter gain was the highest in years and represented a massive flight to safety in the January/February period. Higher iron ore prices reflected renewed confidence in the global economy while lumber mirrored US gains in furniture making and homebuilding. Energy posted a turnaround of sorts. While gasoline prices rose 14%, natural gas prices plummeted 16% due to high inventories and a generally warm winter.
- Inflation or the lack of it remains a challenge for the Fed. Gas prices at the pump began to rise and there was a tiny increase in salaries. Import prices also ticked up as the US dollar fell in value against most other currencies. These changes were enough to nudge up the inflation rate, but probably not enough to satisfy the Fed. The March quarter's CPI increase was -0.1%.

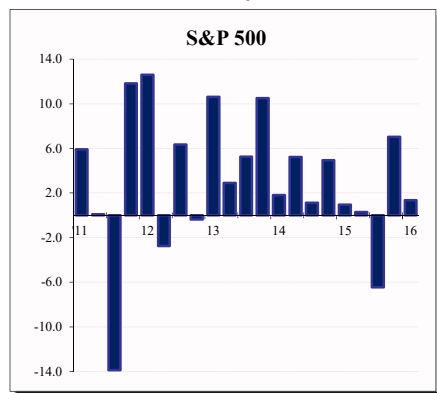
## DOMESTIC EQUITIES

### *One Heck of a Ride*

From the first trading day of the year until February 11<sup>th</sup>, the market was in free fall. The financial press was obsessed with China's economic slowdown and market mismanagement; European deflation; malaise or

worse among emerging markets; free-falling oil and related commodity prices; and the circus surrounding the US Presidential candidates. Most worrisome was the prospect of looming domestic and global recession. Jittery investors sold down stocks close to the point of a bear market. No stock sector was spared. Miraculously, China pulled its act together; the European Central Bank creatively expanded its quantitative easing program; emerging markets rose from the ashes in sync with firming commodity prices; and domestic economic statistics began to brighten. Further, geopolitical events tilted positive (e.g. the fragile Syrian cease fire and minor inroads against ISIS) and, importantly, the Fed made it clear that rate hikes were deferred. Investors were back to “risk-on” for the rest of the quarter. By March 31<sup>st</sup>, the US stock market pretty much ended where it started. The whole rapid fire sequence of events was startling as though a tornado had passed through and then put everything back into place.

In spite of all the volatility, the S&P 500 achieved a decent 1.3% return while the NASDAQ lost 2.4%. The more defensive DJIA added 2.2%. It



was clearly a value style quarter, with every value index trumping its growth counterpart. The Russell Large Cap Growth Index rose 0.7%, but was outpaced by the Russell Large Cap Value Index (+1.6%). Mid-cap and small-cap style differences were more pronounced, as the Russell Mid Cap Growth Index rose a modest 0.6% while the Russell Mid Cap Value Index added 3.9%. The Russell Small Cap Growth Index lost 4.7% compared to the Russell Small Cap Value Index, which gained 1.7%. Investors focused on dividends, cyclical, defensive orientation and beaten down names and all favored value stocks. Real estate stocks (REITs), soon to be represented by their own S&P sector, performed at the top of the major indices; the NAREIT index rose 5.8%.

Below is a table demonstrating how negative all markets became by February 11<sup>th</sup>, only to be followed by a dramatic updraft between that date and quarter-end. This V-shaped market roller coaster ride, all within a 90-day period, was a new phenomenon:

Index	Jan 4 – Feb 11	Feb 12- Mar 31	Full quarter
S&P 500	-10.3	+13.0	+1.3
NASDAQ	-14.7	+14.3	-2.4
DJIA	-9.8	+13.3	+2.2
Russell 2000	-15.9	+17.1	-1.5

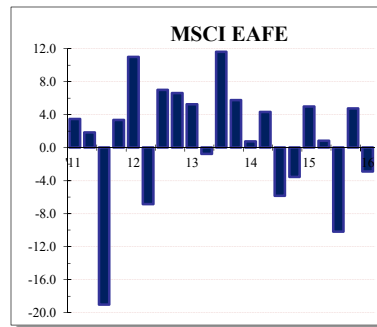
Most S&P sector returns were positive, but it was the defensive utility stocks that grabbed center stage, surging more than 16%. The commodity turnaround gave basic industry stocks a hefty 8.3% boost with a 4.4% lift to energy stocks, in particular. Diversified service stocks, ranging from internet providers to media, pushed ahead 6.5%. The financial sector was the worst performer, losing almost 4%, as banks contended with low lending rates and regulatory scrutiny. Weak sales for big-ticket consumer products and drug pricing concerns led to a modest slide in the non-durable consumer sector.

By quarter-end, the S&P dividend yield held steady at 2.1%. The average price/earnings ratio dropped slightly, to 22.9. Yet more than 50% of the index companies had P/E ratios north of 20, indicating that the current market is not cheap.

## INTERNATIONAL EQUITIES

**Developed Markets: Slow growth in Europe and Japan weighed heavily**  
**Emerging Markets: A Welcome Commodity Bounce**

The MSCI EAFE Index was off 2.9%. A combination of several factors more than offset aggressive ECB moves, including: very slow economic growth; negative banking revelations; the overhang of a welcoming immigration policy; and ISIS terrorism. Germany, the biggest European player, lost 2.4%. Auto makers and chemical and pharmaceutical company Bayer contributed to the decline. While smaller in size, the Italian market tumbled almost 12% on the back of the banking sector’s massive bad loans. The Swiss banking sector and especially UBS was that country’s Achilles’ heel, causing the Swiss market to fall 5.1%.



Australia continued its run up from Q4, adding more than 2%. This time, the country's stocks benefited from higher commodity prices rather than the prior quarter's positive banking news. Its currency strength proved no impediment. The Pacific Rim was a bifurcated market; Japanese stocks reversed field from the prior quarter, falling 6.4%. Investors were not encouraged by the BOJ decision to extend its negative interest rate policy. In addition, domestic consumer demand continued to be lethargic and a strengthening yen hurt exports. The rest of the Pacific developed markets fared far better. Singapore stood out with a gain of more than 5%.

Israel, long a market darling, lost its luster, dropping 10%. This was attributable to Israeli-Palestinian troubles and a falloff among tech shares. Finally, Canadian shares [Canada is technically not an EAFE country] took off like a rocket; its shares climbed 11.5% mainly because of commodity price gains, particularly in the energy sector.

Emerging Markets staged a remarkable 5.8% advance, easily surpassing the performance of US and developed markets. The increase was largely commodities-driven, with help provided by the ECB and the slow-moving Fed. Shares of Brazil's Bovespa Stock Exchange soared as investors returned to that market. Russia also provided a double digit gain (15.7%). As an oil-based economy, Russia benefited directly from a price increase of roughly \$10 per barrel. In Southeast Asia, India's market fell a moderate 2.5% due to Prime Minister Modi's difficulties passing economic reform legislation and a rise in the banking sector's non-performing loans. China gave back 4.8% amid a slowing economy, albeit from a very high level. Investors also gave thumbs down to the country's currency and retail trading tactics. The slow but steady effort to reorient the economy from export-driven to consumer-driven added to the uncertainty.

Latin American markets soared, largely stemming from commodity gains. The overall Latin American market rose more than 19%. Eastern European markets, especially Hungary (+17.3%) and Poland (+13.9%), profited from both the increased ECB stimulus and tackling the tremendous refugee problems early on.

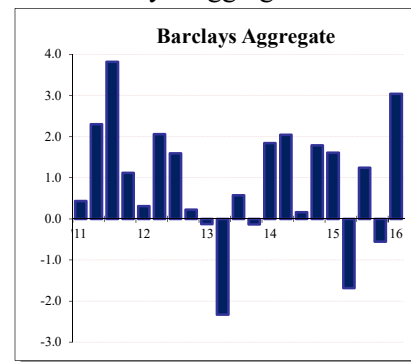
## BOND MARKET

### *Solid Gains Throughout as Rates Decline*

Early into the quarter, recession fears drove yields upward. But, rates tightened all along the yield curve in sync with bottoming oil prices;

ECB's added stimulus; a benign jobs market; and a deferred Fed rate hike. The result was a substantial Treasury rally and similar gains on the corporate side. Among Treasury instruments, the longer the maturity, the better the result. Three-to-five year maturities returned 2.5%. Seven-to-ten year bonds rose 4.7%. Twenty-year and longer issues jumped 8.5%!

The Barclays Aggregate Index earned 3.0% for the quarter, more than



most stock market indices. Treasuries, combined, added 3.2%. Corporates rose still more or 4.0%. Among corporates, industrials and utilities earned at or near 5%. Financial names were an also ran, with a 2.3% gain, as banks were under a serious regulatory and profitability cloud. Residential mortgage securities returned a lower 2.0%. However, commercial property bonds (CMBS) added 3.6%. Short-maturity asset-backed paper (ABS) rose 1.4%.

High yield bonds also participated in the rally, gaining 3.4%. Interestingly, it mattered little how risky the bond. BA-rated credits averaged 3.9%, while much lower quality CAA debt returned 3.7%. The very lowest-rated CA-D bonds gained only moderately more or 4.7%. Metals and mining bonds, reflecting the positive reversal in commodity prices, soared 12.6%. Despite rising oil prices, energy bonds earned only 2.8%; part of the rationale was that energy companies were still smarting from plummeting profits and some had already declared bankruptcy.

EM sovereign debt posted a very strong 5.0% return. Among regions, Latin America performed best. Its 6.7% advance was largely due to more favorable commodity prices.

## CASH EQUIVALENTS

### *Still Zero*

Treasury bills and related money market instruments continued to offer only a nominal return. One had to extend beyond two-years to achieve even a 1% yield.

**MARKET SUMMARY**

**ECONOMIC STATISTICS**

	CURRENT QTR	LAST QTR
GDP	0.5	1.4
Unemployment	5.0	5.0
CPI All Items Year/Year	0.90	0.70
Fed Funds Rate	0.50	0.50
Industrial Capacity	74.8	75.4
US Dollars per Euro	1.14	1.09

**MAJOR INDEX QUARTER RETURNS**

INDEX	PERFORMANCE
Russell 3000	1.0
S&P 500	1.3
Russell Mid	2.2
Russell 2000	-1.5
MSCI EAFE	-2.9
MSCI Emg Mkts	5.8
NCREIF ODCE	2.2
Barclays Agg	3.0
90 Day Tbills	0.1

**EQUITY RETURN DISTRIBUTIONS**

	QUARTER			TRAILING YEAR		
	VAL	COR	GRO	VAL	COR	GRO
LC	1.6	1.2	0.7	-1.6	0.5	2.5
MC	3.9	2.2	0.6	-3.4	-4.1	-4.8
SC	1.7	-1.5	-4.7	-7.7	-9.8	-11.9

**MARKET SUMMARY**

- \* Q1 GDP is estimated at 0.5%
- \* Unemployment remains at 5%.
- \* CPI increased by 0.9%, year over year.
- \* Value stocks out performed their growth counterparts in particular, among the smaller cap sizes.
- \* The US dollar weakened relative to the Euro.

## **INVESTMENT RETURN**

On March 31st, 2016, the Davie Police Pension Plan was valued at \$129,193,972, representing an increase of \$520,629 from the December quarter's ending value of \$128,673,343. Last quarter, the Fund posted withdrawals totaling \$1,546,509, which offset the portfolio's net investment return of \$2,067,138. Income receipts totaling \$755,413 plus net realized and unrealized capital gains of \$1,311,725 combined to produce the portfolio's net investment return.

For the cumulative period since March 2011, the fund has recorded net contributions totaling \$12.7 million, and recorded net investment gains of \$34.7 million. For the period since March 2011, if the total fund returned a compound annual rate of 7.6% it would have been valued at \$134.0 million or \$4.8 million more than the actual value as of March 31st, 2016.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the first quarter, the Composite portfolio gained 1.6%, which ranked in the 16th percentile of the Public Fund universe. Over the trailing twelve-month period, the portfolio returned -1.5%, which ranked in the 48th percentile. Since March 2011, the portfolio returned 6.7% per annum and ranked in the 40th percentile.

### **Large Cap Equity**

For the first quarter, the large cap equity segment returned 0.1%, which was 1.2% below the S&P 500 Index's return of 1.3% and ranked in the 55th percentile of the Large Cap universe. Over the trailing year, this segment returned -4.1%, which was 5.9% less than the benchmark's 1.8% return, and ranked in the 82nd percentile. Since March 2011, this component returned 8.6% on an annualized basis and

ranked in the 89th percentile. The S&P 500 returned an annualized 11.6% over the same time frame.

### **Mid Cap Equity**

In the first quarter, the mid cap equity component returned 9.6%, which was 5.8% greater than the S&P 400 Index's return of 3.8% and ranked in the 1st percentile of the Mid Cap universe. Over the trailing twelve-month period, this component returned 1.9%, which was 5.5% greater than the benchmark's -3.6% return, ranking in the 4th percentile. Since March 2011, this component returned 10.7% per annum and ranked in the 32nd percentile. The S&P 400 returned an annualized 9.5% over the same time frame.

### **International Equity**

Last quarter, the international equity component returned -3.4%, which was 0.5% below the MSCI EAFE Index's return of -2.9% and ranked in the 84th percentile of the International Equity universe. Over the trailing year, this component returned -9.7%, which was 1.8% below the benchmark's -7.9% performance, and ranked in the 76th percentile. Since March 2011, this component returned 3.1% on an annualized basis and ranked in the 50th percentile. The MSCI EAFE Index returned an annualized 2.7% during the same time frame.

### **Real Estate**

For the first quarter, the real estate component gained 1.8%, which was 0.4% less than the NCREIF NFI-ODCE Index's return of 2.2%. Over the trailing year, this component returned 13.6%, which was 0.1% less than the benchmark's 13.7% return. Since March 2011, this component returned 12.7% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 13.3% over the same period.

## **Fixed Income**

Last quarter, the fixed income segment returned 3.5%, which was 0.5% greater than the Custom Fixed Income Index's return of 3.0% and ranked in the 2nd percentile of the Core Fixed Income universe. Over the trailing twelve-month period, this segment returned 2.3%, which was 0.3% above the benchmark's 2.0% return, and ranked in the 28th percentile. Since March 2011, this component returned 4.7% annualized and ranked in the 15th percentile. The Custom Fixed Income Index returned an annualized 3.6% during the same time frame.

## **ASSET ALLOCATION**

On March 31st, 2016, large cap equities comprised 27.9% of the total portfolio (\$36.0 million), while mid cap equities totaled 15.8% (\$20.4 million). The account's international equity segment was valued at \$10.5 million, representing 8.2% of the portfolio, while the real estate component's \$14.9 million totaled 11.6%. The portfolio's fixed income represented 29.6% and the remaining 7.0% was comprised of cash & equivalents (\$9.1 million).

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Qtr / YTD	FYTD	1 Year	3 Year	5 Years
<b>Total Portfolio - Gross</b>	1.6	3.9	-1.5	6.3	6.7
<i>PUBLIC FUND RANK</i>	(16)	(47)	(48)	(46)	(40)
<b>Total Portfolio - Net</b>	1.5	3.5	-2.0	5.8	6.2
<i>SHADOW INDEX</i>	1.5	4.8	0.3	7.3	7.5
<b>Large Cap Equity - Gross</b>	0.1	4.7	-4.1	8.7	8.6
<i>LARGE CAP RANK</i>	(55)	(70)	(82)	(86)	(89)
S&P 500	1.3	8.5	1.8	11.8	11.6
RUSSELL 1000G	0.7	8.1	2.5	13.6	12.4
RUSSELL 1000V	1.6	7.4	-1.6	9.4	10.2
<b>Mid Cap Equity - Gross</b>	9.6	12.5	1.9	11.5	10.7
<i>MID CAP RANK</i>	(1)	(1)	(4)	(30)	(32)
S&P 400	3.8	6.5	-3.6	9.5	9.5
<b>International Equity - Gross</b>	-3.4	2.3	-9.7	2.7	3.1
<i>INTERNATIONAL EQUITY RANK</i>	(84)	(67)	(76)	(55)	(50)
MSCI EAFE	-2.9	1.7	-7.9	2.7	2.7
<b>Real Estate - Gross</b>	1.8	6.3	13.6	13.4	12.7
NCREIF ODCE	2.2	5.6	13.7	13.6	13.3
<b>Fixed Income - Gross</b>	3.5	3.2	2.3	3.2	4.7
<i>CORE FIXED INCOME RANK</i>	(2)	(3)	(28)	(5)	(15)
CUSTOM INDEX	3.0	2.5	2.0	2.2	3.6
BARCLAYS AGG	3.0	2.5	2.0	2.5	3.8
GOV/CREDIT	3.5	2.7	1.8	2.4	4.0

**ASSET ALLOCATION**

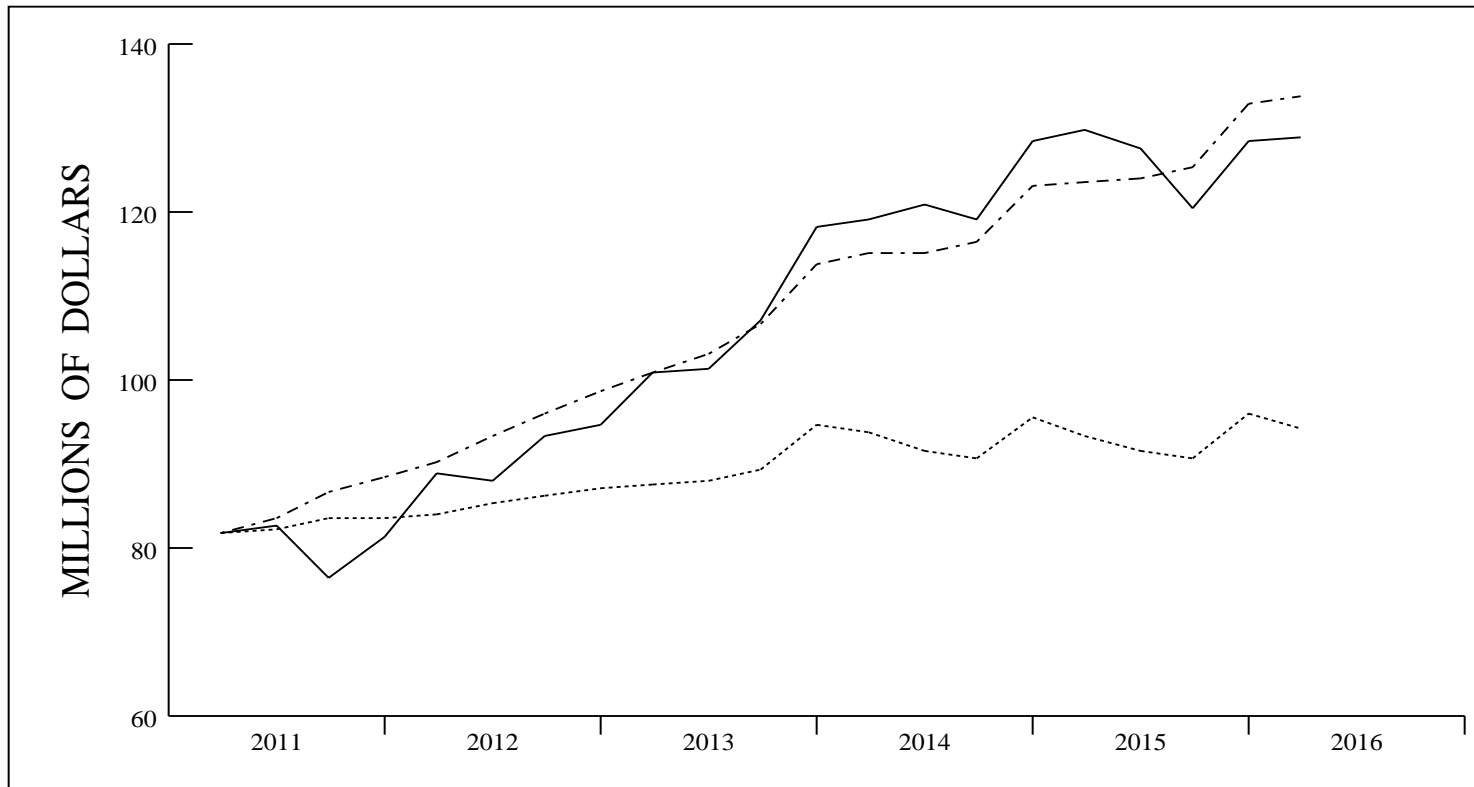
Large Cap Equity	27.9%	\$ 36,022,114
Mid Cap Equity	15.8%	20,402,923
Int'l Equity	8.2%	10,548,099
Real Estate	11.6%	14,927,480
Fixed Income	29.6%	38,191,211
Cash	7.0%	9,102,145
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 129,193,972</b>

**INVESTMENT RETURN**

Market Value 12/2015	\$ 128,673,343
Contribs / Withdrawals	- 1,546,509
Income	755,413
Capital Gains / Losses	1,311,725
Market Value 3/2016	\$ 129,193,972



**INVESTMENT GROWTH**

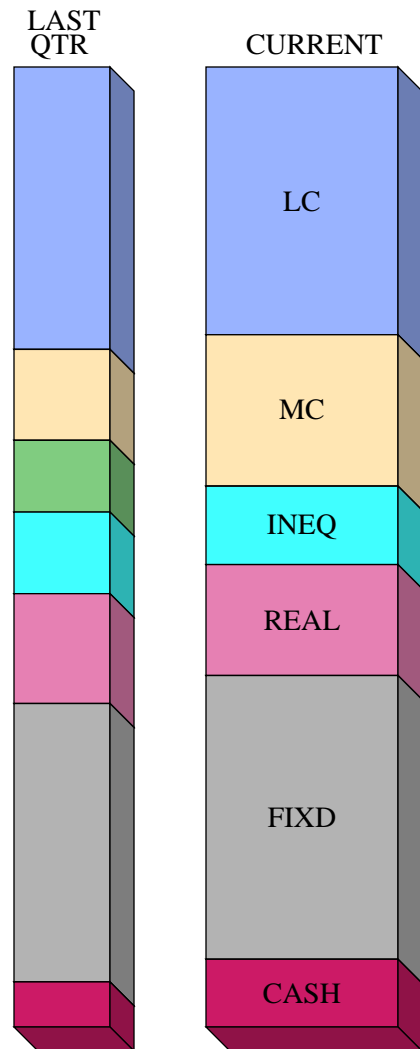


— ACTUAL RETURN  
 - - - 7.6%  
 . . . 0.0%

VALUE ASSUMING  
 7.6% RETURN \$ 133,954,479

	LAST QUARTER	PERIOD 3/11 - 3/16
BEGINNING VALUE	\$ 128,673,343	\$ 81,872,610
NET CONTRIBUTIONS	- 1,546,509	12,665,568
INVESTMENT RETURN	<u>2,067,138</u>	<u>34,655,792</u>
ENDING VALUE	\$ 129,193,972	\$ 129,193,972
INCOME	755,413	13,091,830
CAPITAL GAINS (LOSSES)	<u>1,311,725</u>	<u>21,563,964</u>
INVESTMENT RETURN	2,067,138	34,655,792

**ASSET ALLOCATION**











	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>DIFFERENCE</u> <u>+ / -</u>
<span style="color: blue;">■</span> LARGE CAP EQUITY <span style="color: orange;">■</span> MID CAP EQUITY <span style="color: green;">■</span> SMALL CAP EQUITY <span style="color: cyan;">■</span> INTERNATIONAL EQUITY <span style="color: pink;">■</span> REAL ESTATE <span style="color: gray;">■</span> FIXED INCOME <span style="color: red;">■</span> CASH & EQUIVALENT	\$ 36,022,114 20,402,923 0 10,548,099 14,927,480 38,191,211 9,102,145 <hr/> \$ 129,193,972	27.9% 15.8% 0.0% 8.2% 11.6% 29.6% 7.0% <hr/> 100.0%	30.0% 10.0% 10.0% 12.5% 10.0% 27.5% 0.0%	-2.1% 5.8% -10.0% -4.3% 1.6% 2.1% 7.0%

## MANAGER PERFORMANCE SUMMARY









Name	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years
Total Portfolio	(Public Fund)	1.6 (16)	3.9 (47)	-1.5 (48)	6.3 (46)	6.7 (40)
<i>Shadow Index</i>		<i>1.5 ----</i>	<i>4.8 ----</i>	<i>0.3 ----</i>	<i>7.3 ----</i>	<i>7.5 ----</i>
Vanguard 500	(LC Core)	1.3 (31)	8.5 (20)	1.8 (26)	---- ----	---- ----
<i>S&amp;P 500</i>		<i>1.3 ----</i>	<i>8.5 ----</i>	<i>1.8 ----</i>	<i>11.8 ----</i>	<i>11.6 ----</i>
Garcia Equity	(LC Growth)	1.5 (14)	7.0 (26)	1.0 (36)	11.3 (73)	9.9 (80)
<i>Russell 1000 Growth</i>		<i>0.7 ----</i>	<i>8.1 ----</i>	<i>2.5 ----</i>	<i>13.6 ----</i>	<i>12.4 ----</i>
Lyrical LCV	(LC Value)	0.2 (60)	2.7 (84)	-7.5 (88)	---- ----	---- ----
<i>Russell 1000 Value</i>		<i>1.6 ----</i>	<i>7.4 ----</i>	<i>-1.6 ----</i>	<i>9.4 ----</i>	<i>10.2 ----</i>
Johnston	(Intl Eq)	-3.9 (88)	2.9 (60)	-11.1 (85)	2.9 (53)	3.6 (44)
SSgA	(Intl Eq)	-2.9 (77)	1.7 (76)	-8.0 (61)	2.5 (57)	2.6 (57)
<i>MSCI EAFE</i>		<i>-2.9 ----</i>	<i>1.7 ----</i>	<i>-7.9 ----</i>	<i>2.7 ----</i>	<i>2.7 ----</i>
American Realty		2.6 ----	5.7 ----	13.3 ----	13.1 ----	12.7 ----
Intercontinental		1.1 ----	7.1 ----	14.5 ----	---- ----	---- ----
UBS		2.1 ----	5.2 ----	11.9 ----	11.8 ----	---- ----
<i>NCREIF NFI-ODCE Index</i>		<i>2.2 ----</i>	<i>5.6 ----</i>	<i>13.7 ----</i>	<i>13.6 ----</i>	<i>13.3 ----</i>
Garcia Fixed	(Core Fixed)	3.4 (3)	3.1 (4)	2.3 (29)	3.7 (1)	5.2 (3)
<i>Custom Fixed Income Index</i>		<i>3.0 ----</i>	<i>2.5 ----</i>	<i>2.0 ----</i>	<i>2.2 ----</i>	<i>3.6 ----</i>

**MANAGER VALUE ADDED**

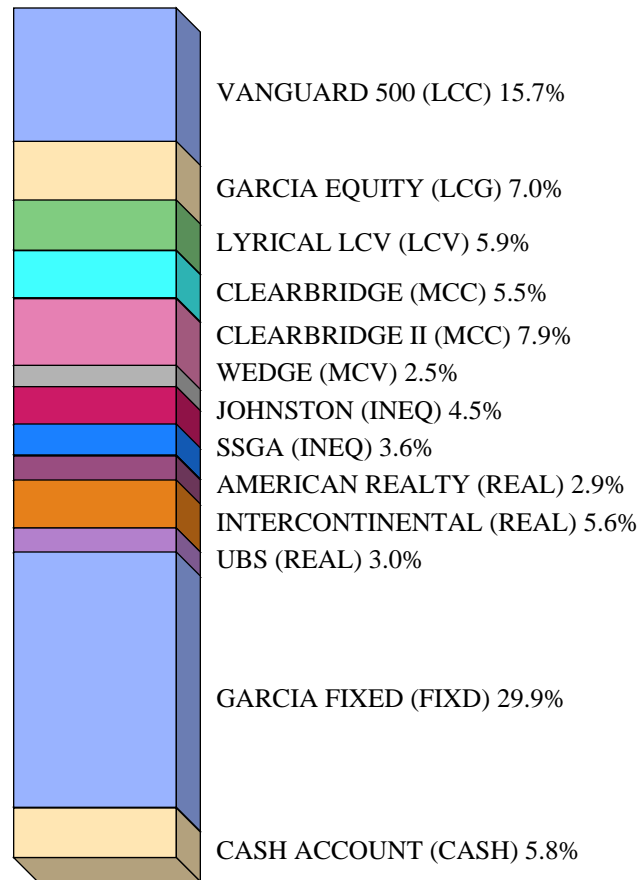
**Trailing Quarter**

Manager	Benchmark	Value Added Vs. Benchmark
Vanguard 500	S&P 500	0.0
Garcia Equity	Russell 1000G	0.8 
Lyrical LCV	Russell 1000V	 -1.4
Johnston	MSCI EAFE	 -1.0
SSgA	MSCI EAFE	0.0
American Realty	NCREIF ODCE	0.4 
Intercontinental	NCREIF ODCE	 -1.1
UBS	NCREIF ODCE	 -0.1
Garcia Fixed	Custom Index	0.4 
<b>Total Portfolio</b>	<b>Shadow Index</b>	0.1 

**Trailing Year**

Manager	Benchmark	Value Added Vs. Benchmark
Vanguard 500	S&P 500	0.0
Garcia Equity	Russell 1000G	 -1.5
Lyrical LCV	Russell 1000V	 -5.9
Johnston	MSCI EAFE	 -3.2
SSgA	MSCI EAFE	-0.1
American Realty	NCREIF ODCE	 -0.4
Intercontinental	NCREIF ODCE	0.8 
UBS	NCREIF ODCE	 -1.8
Garcia Fixed	Custom Index	0.3 
<b>Total Portfolio</b>	<b>Shadow Index</b>	 -1.8

**MANAGER ALLOCATION SUMMARY**

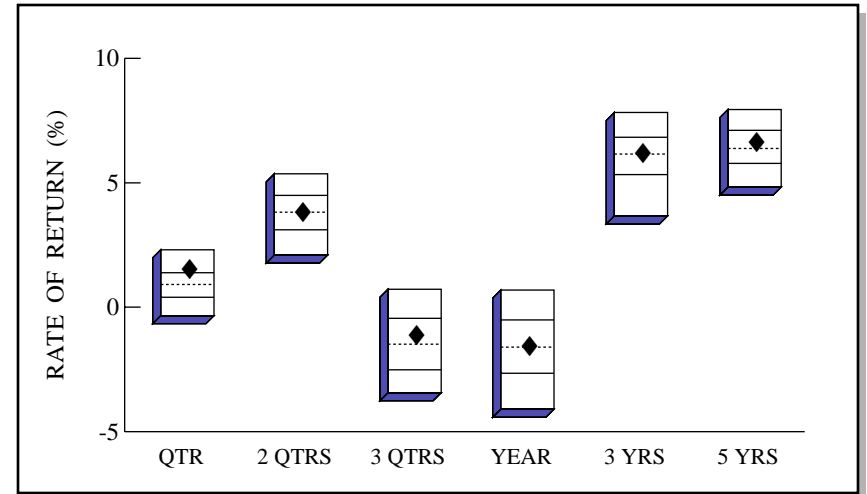
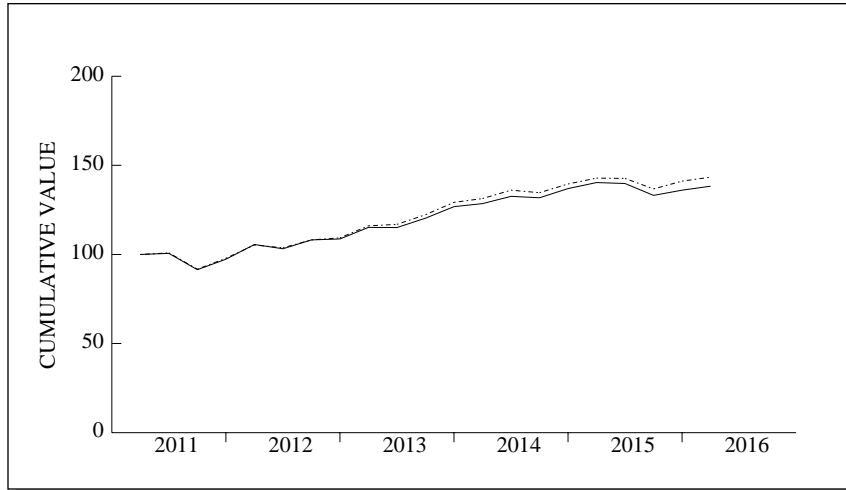


Name	Market Value	Percent
Vanguard 500 (LCC)	\$20,287,730	15.7
Garcia Equity (LCG)	\$8,994,462	7.0
Lyrical LCV (LCV)	\$7,636,915	5.9
Clearbridge (MCC)	\$7,131,663	5.5
Clearbridge II (MCC)	\$10,229,702	7.9
Wedge (MCV)	\$3,269,703	2.5
Johnston (INEQ)	\$5,843,224	4.5
SSgA (INEQ)	\$4,704,875	3.6
American Realty (REAL)	\$3,801,906	2.9
Intercontinental (REAL)	\$7,292,172	5.6
UBS (REAL)	\$3,833,402	3.0
Garcia Fixed (FIXD)	\$38,673,094	29.9
Cash Account (CASH)	\$7,495,124	5.8
<b>Total</b>	<b>\$129,193,972</b>	<b>100.0</b>

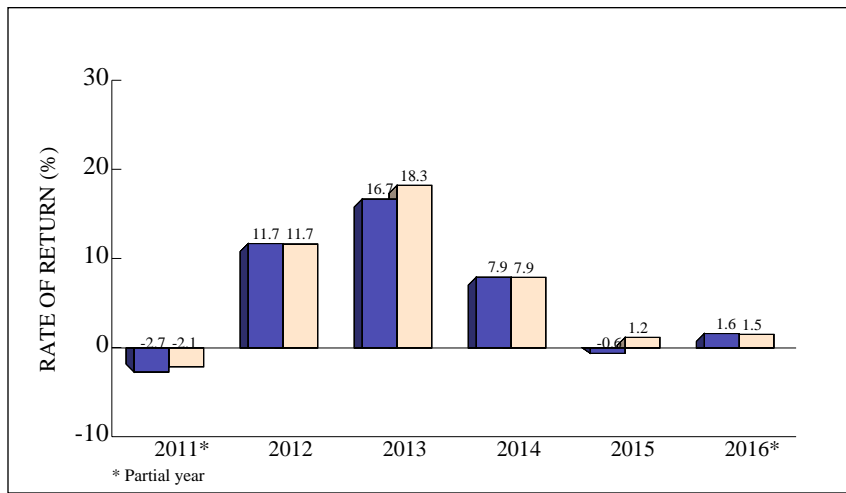
**INVESTMENT RETURN SUMMARY - ONE QUARTER**

<b>Name</b>	<b>Quarter Total Return</b>	<b>Market Value December 31st, 2015</b>	<b>Net Cashflow</b>	<b>Net Investment Return</b>	<b>Market Value March 31st, 2016</b>
Vanguard 500 (LCC)	1.3	20,019,497	0	268,233	20,287,730
Garcia Equity (LCG)	1.5	8,886,491	-24,106	132,077	8,994,462
Lyrical LCV (LCV)	0.2	5,432,091	1,987,473	217,351	7,636,915
Snow Capital (LCV)	---	4,554,743	-3,962,718	-592,025	0
RhumbLine (MC)	---	12,184,689	-12,327,330	142,641	0
Clearbridge (MCC)	---	0	6,500,000	631,663	7,131,663
Clearbridge II (MCC)	---	0	9,087,056	1,142,646	10,229,702
Wedge (MCV)	---	0	3,250,000	19,703	3,269,703
TAMRO (SC)	---	10,179,891	-9,114,103	-1,065,788	0
Johnston (INEQ)	-3.9	6,090,825	-12,624	-234,977	5,843,224
SSgA (INEQ)	-2.9	4,846,663	0	-141,788	4,704,875
American Realty (REAL)	2.6	3,714,589	-10,497	97,814	3,801,906
Intercontinental (REAL)	1.1	7,226,828	-17,288	82,632	7,292,172
UBS (REAL)	2.1	3,766,738	-11,273	77,937	3,833,402
Garcia Fixed (FIXD)	3.4	37,411,837	-27,552	1,288,809	38,673,094
Cash Account (CASH)	---	4,358,461	3,136,453	210	7,495,124
<b>Total Portfolio</b>	<b>1.6</b>	<b>128,673,343</b>	<b>-1,546,509</b>	<b>2,067,138</b>	<b>129,193,972</b>

**TOTAL RETURN COMPARISONS**



Public Fund Universe

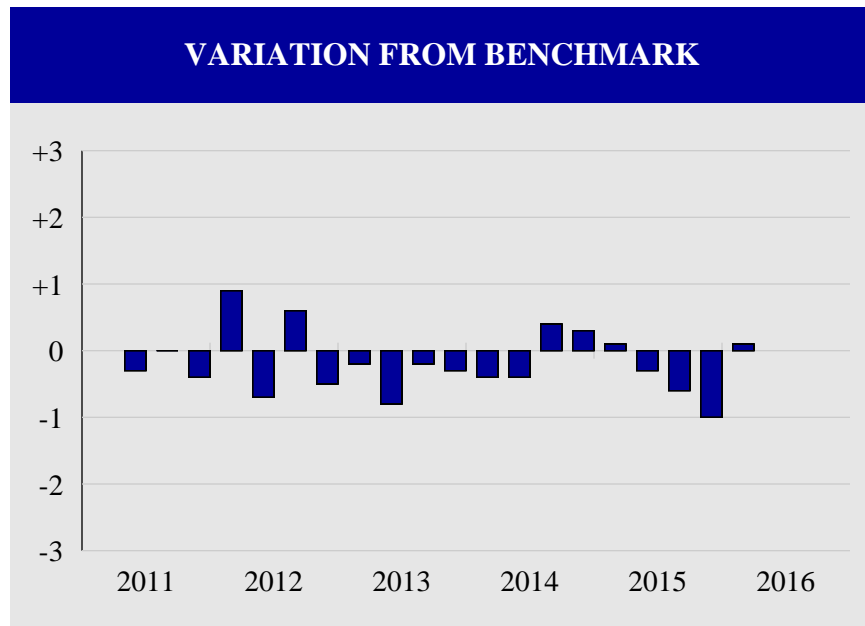


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	1.6	3.9	-1.1	-1.5	6.3	6.7
(RANK)	(16)	(47)	(41)	(48)	(46)	(40)
5TH %ILE	2.3	5.4	0.7	0.7	7.8	7.9
25TH %ILE	1.4	4.5	-0.5	-0.5	6.8	7.1
MEDIAN	0.9	3.8	-1.5	-1.6	6.2	6.4
75TH %ILE	0.4	3.1	-2.5	-2.7	5.3	5.8
95TH %ILE	-0.3	2.1	-3.4	-4.1	3.7	4.8
<i>Shadow Idx</i>	<i>1.5</i>	<i>4.8</i>	<i>0.5</i>	<i>0.3</i>	<i>7.3</i>	<i>7.5</i>

Public Fund Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: SHADOW INDEX**

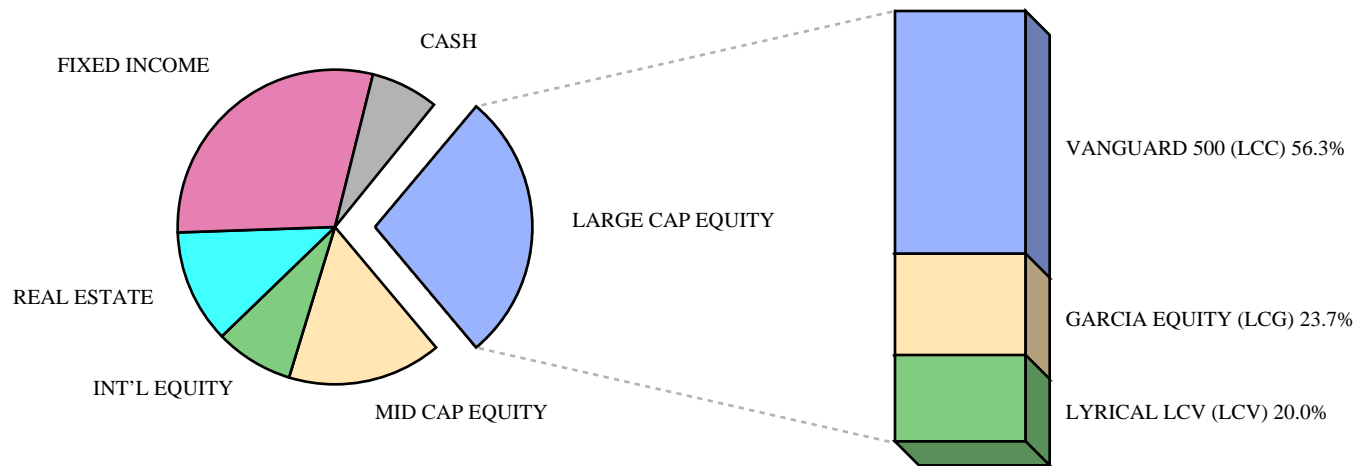


RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/11	0.6	0.9	-0.3
9/11	-9.1	-9.1	0.0
12/11	6.4	6.8	-0.4
3/12	8.5	7.6	0.9
6/12	-2.3	-1.6	-0.7
9/12	4.9	4.3	0.6
12/12	0.5	1.0	-0.5
3/13	6.0	6.2	-0.2
6/13	-0.1	0.7	-0.8
9/13	4.5	4.7	-0.2
12/13	5.4	5.7	-0.3
3/14	1.3	1.7	-0.4
6/14	3.2	3.6	-0.4
9/14	-0.6	-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

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

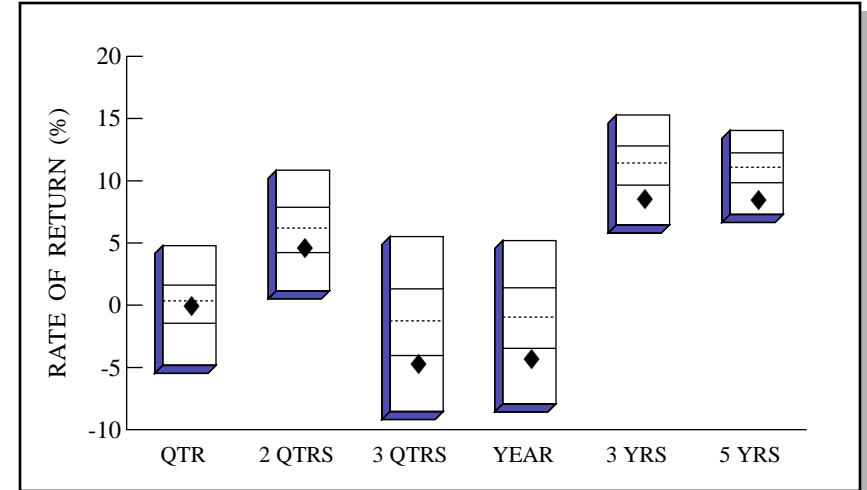
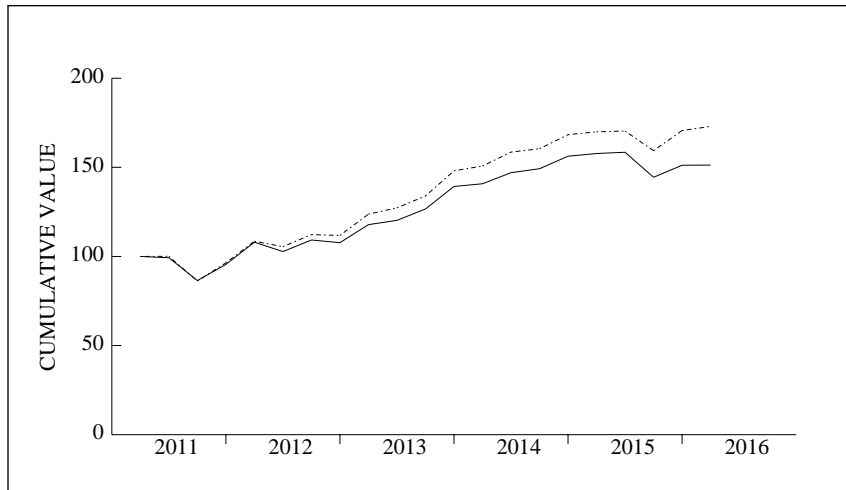


**LARGE CAP EQUITY MANAGER SUMMARY**

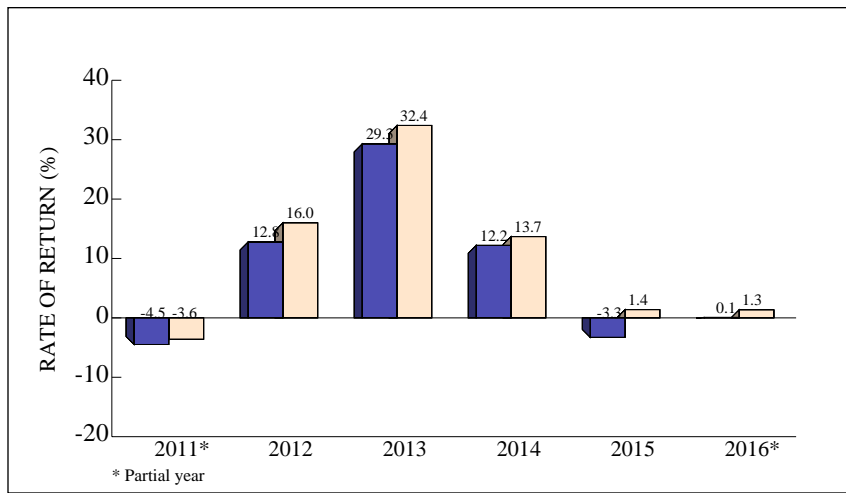


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
VANGUARD 500	(Large Cap Core)	1.3 (31)	8.5 (20)	1.8 (26)	----	----	\$20,287,730
<i>S&amp;P 500</i>		<i>1.3</i> ----	<i>8.5</i> ----	<i>1.8</i> ----	<i>11.8</i> ----	<i>11.6</i> ----	----
GARCIA EQUITY	(Large Cap Growth)	1.6 (13)	7.4 (22)	1.2 (34)	11.5 (70)	10.0 (77)	\$8,532,383
<i>Russell 1000 Growth</i>		<i>0.7</i> ----	<i>8.1</i> ----	<i>2.5</i> ----	<i>13.6</i> ----	<i>12.4</i> ----	----
LYRICAL LCV	(Large Cap Value)	0.3 (58)	2.9 (83)	-7.6 (89)	----	----	\$7,202,001
<i>Russell 1000 Value</i>		<i>1.6</i> ----	<i>7.4</i> ----	<i>-1.6</i> ----	<i>9.4</i> ----	<i>10.2</i> ----	----
<b>TOTAL</b>	<b>(Large Cap)</b>	<b>0.1 (55)</b>	<b>4.7 (70)</b>	<b>-4.1 (82)</b>	<b>8.7 (86)</b>	<b>8.6 (89)</b>	<b>\$36,022,114</b>
<i>S&amp;P 500</i>		<i>1.3</i> ----	<i>8.5</i> ----	<i>1.8</i> ----	<i>11.8</i> ----	<i>11.6</i> ----	----

### LARGE CAP EQUITY RETURN COMPARISONS



Large Cap Universe

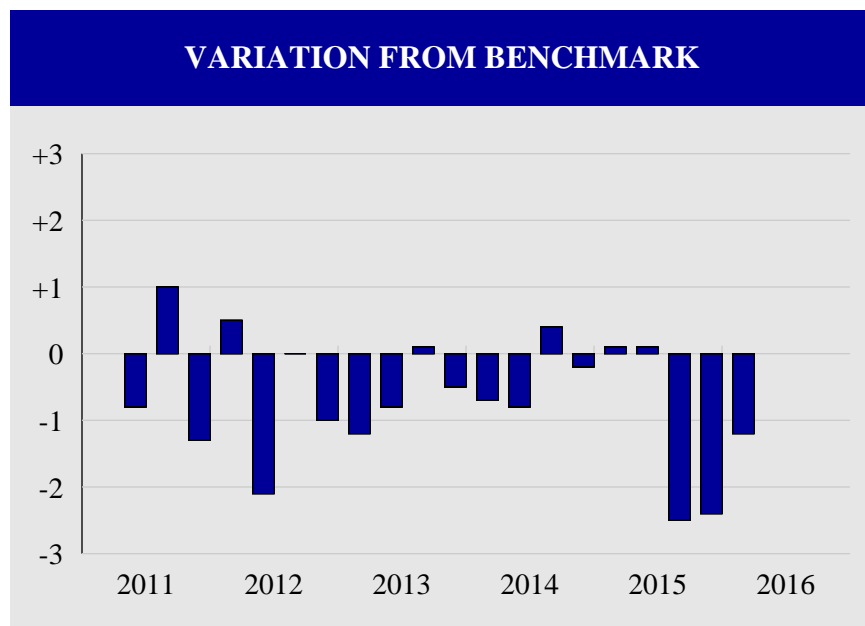


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.1	4.7	-4.6	-4.1	8.7	8.6
(RANK)	(55)	(70)	(80)	(82)	(86)	(89)
5TH %ILE	4.8	10.8	5.5	5.2	15.3	14.0
25TH %ILE	1.6	7.9	1.3	1.4	12.8	12.3
MEDIAN	0.3	6.2	-1.3	-1.0	11.4	11.1
75TH %ILE	-1.5	4.2	-4.0	-3.5	9.7	9.8
95TH %ILE	-4.8	1.2	-8.5	-7.9	6.5	7.3
<b>S&amp;P 500</b>	<b>1.3</b>	<b>8.5</b>	<b>1.5</b>	<b>1.8</b>	<b>11.8</b>	<b>11.6</b>

Large Cap Universe

## LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

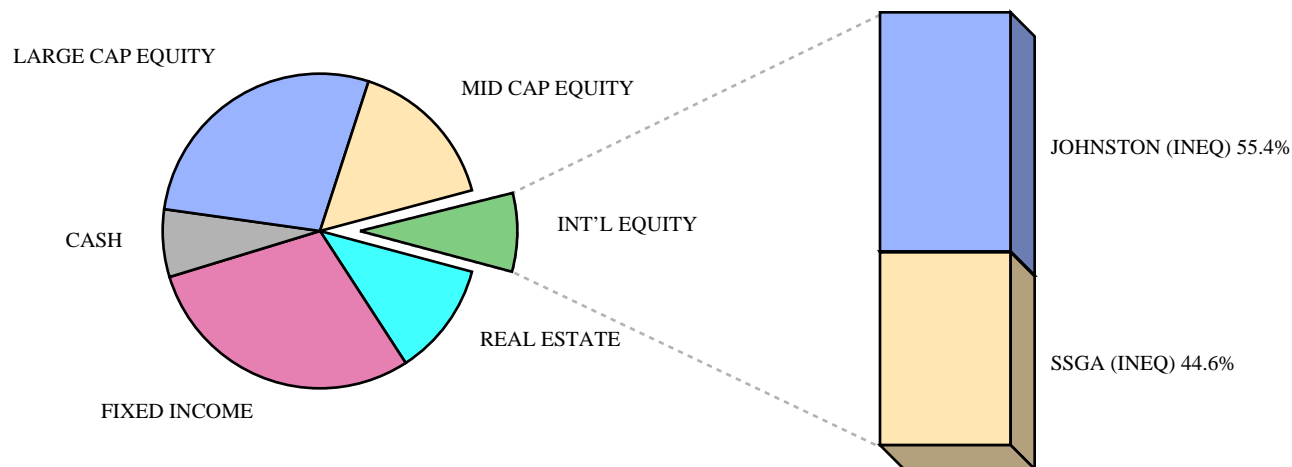
COMPARATIVE BENCHMARK: S&P 500



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

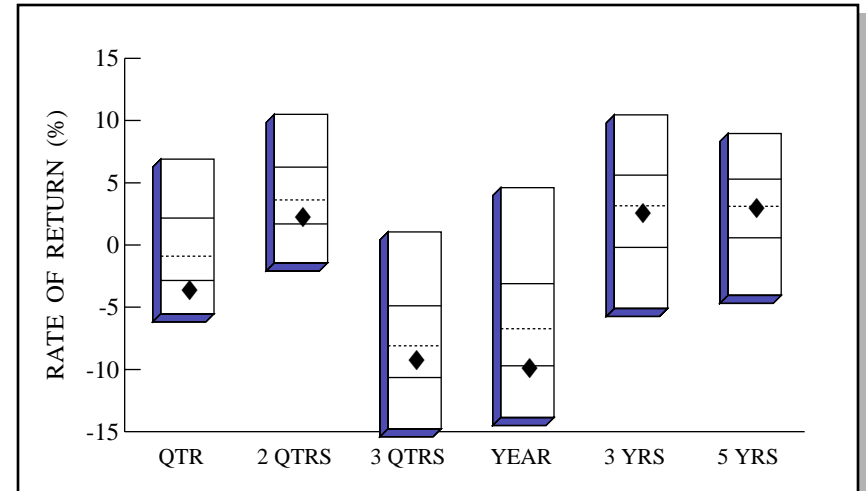
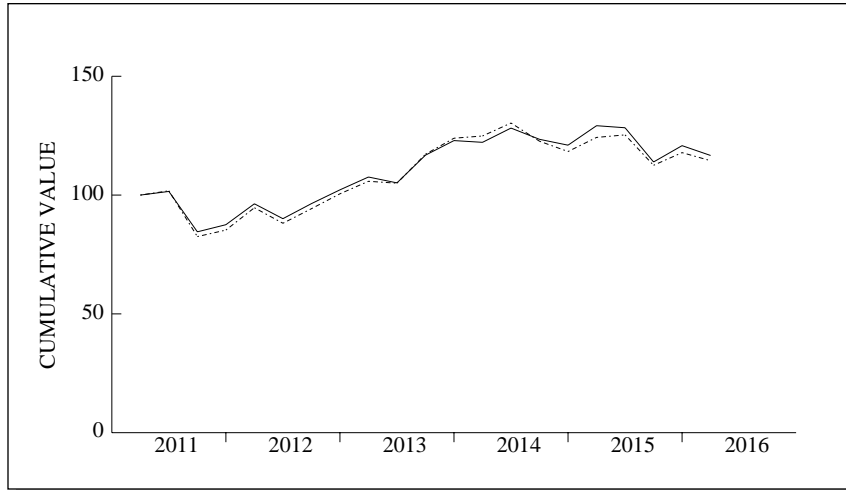
<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
6/11	-0.7	0.1	-0.8
9/11	-12.9	-13.9	1.0
12/11	10.5	11.8	-1.3
3/12	13.1	12.6	0.5
6/12	-4.9	-2.8	-2.1
9/12	6.3	6.3	0.0
12/12	-1.4	-0.4	-1.0
3/13	9.4	10.6	-1.2
6/13	2.1	2.9	-0.8
9/13	5.3	5.2	0.1
12/13	10.0	10.5	-0.5
3/14	1.1	1.8	-0.7
6/14	4.4	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

**INTERNATIONAL EQUITY MANAGER SUMMARY**

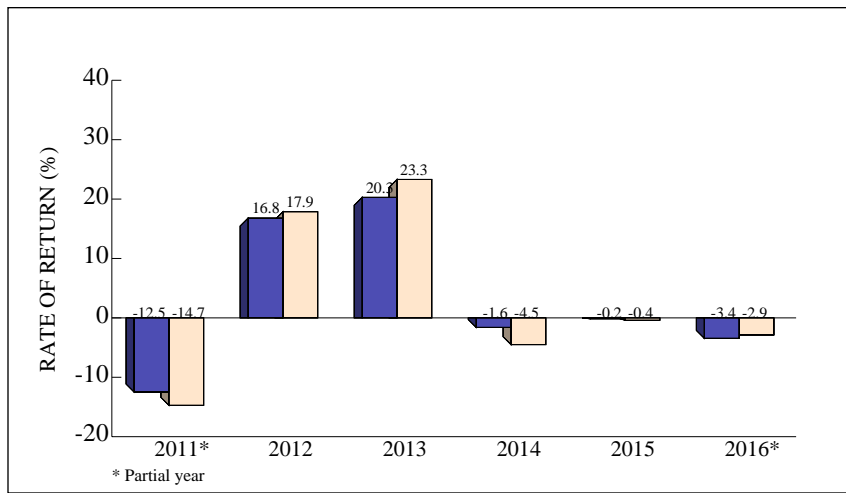


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
JOHNSTON	(International Equity)	-3.9 (88)	2.9 (60)	-11.1 (85)	2.9 (53)	3.6 (44)	\$5,843,224
SSGA	(International Equity)	-2.9 (77)	1.7 (76)	-8.0 (61)	2.5 (57)	2.6 (57)	\$4,704,875
<i>MSCI EAFE</i>		-2.9 ---	1.7 ---	-7.9 ---	2.7 ---	2.7 ---	---
<b>TOTAL</b>	<b>(International Equity)</b>	<b>-3.4 (84)</b>	<b>2.3 (67)</b>	<b>-9.7 (76)</b>	<b>2.7 (55)</b>	<b>3.1 (50)</b>	<b>\$10,548,099</b>
<i>MSCI EAFE</i>		-2.9 ---	1.7 ---	-7.9 ---	2.7 ---	2.7 ---	---

INTERNATIONAL EQUITY RETURN COMPARISONS



International Equity Universe

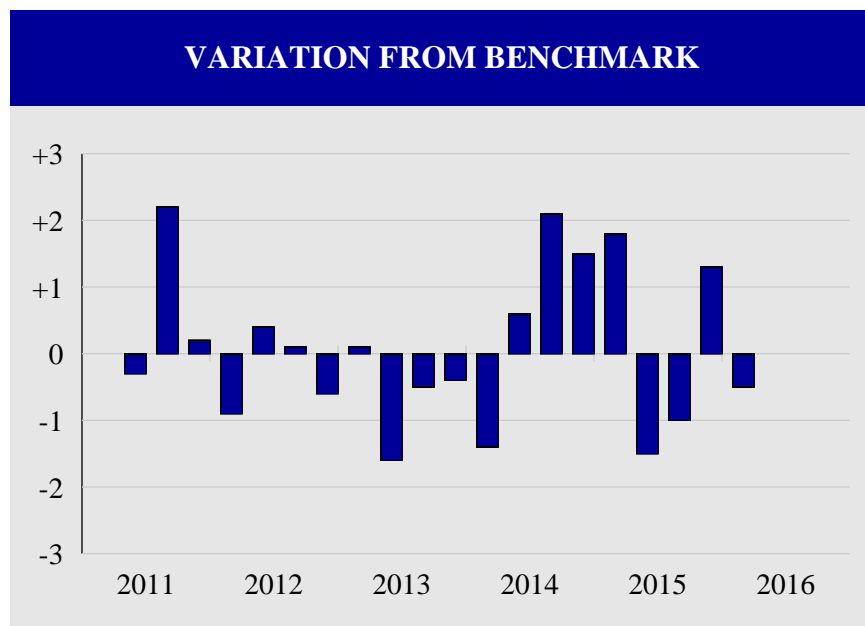


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-3.4	2.3	-9.1	-9.7	2.7	3.1
(RANK)	(84)	(67)	(62)	(76)	(55)	(50)
5TH %ILE	6.9	10.5	1.0	4.6	10.5	9.0
25TH %ILE	2.2	6.3	-4.9	-3.1	5.6	5.3
MEDIAN	-0.9	3.6	-8.1	-6.7	3.1	3.1
75TH %ILE	-2.9	1.7	-10.7	-9.7	-0.2	0.6
95TH %ILE	-5.5	-1.4	-14.8	-13.9	-5.1	-4.0
<b>MSCI EAFE</b>	<b>-2.9</b>	<b>1.7</b>	<b>-8.6</b>	<b>-7.9</b>	<b>2.7</b>	<b>2.7</b>

International Equity Universe

**INTERNATIONAL EQUITY QUARTERLY PERFORMANCE SUMMARY**

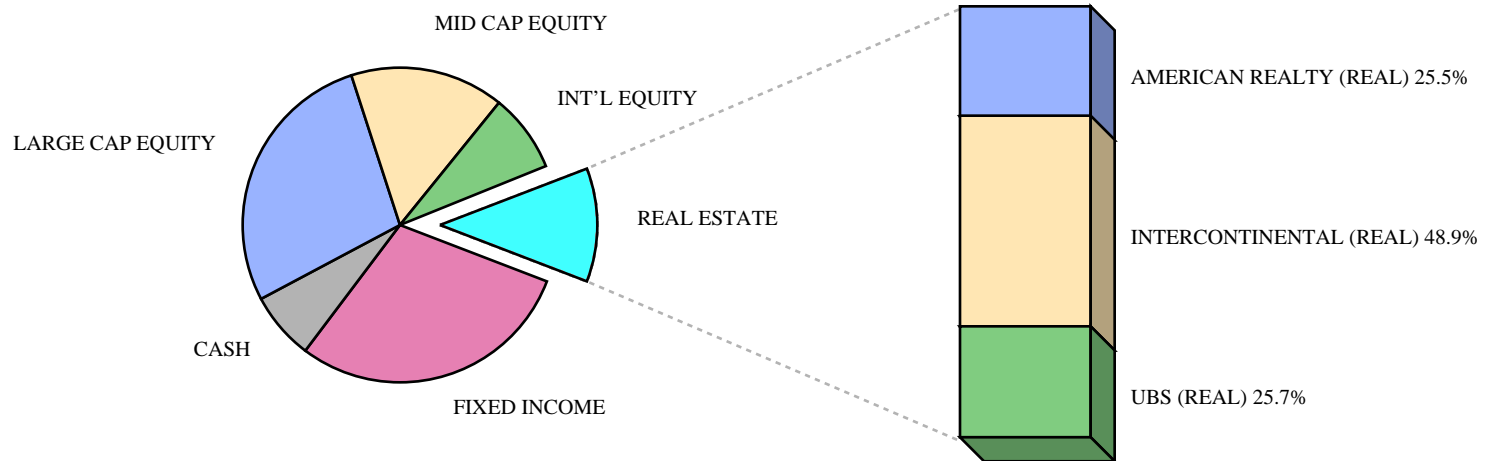
**COMPARATIVE BENCHMARK: MSCI EAFE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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

<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>10</b>
<b>Quarters Below the Benchmark</b>	<b>10</b>
<b>Batting Average</b>	<b>.500</b>

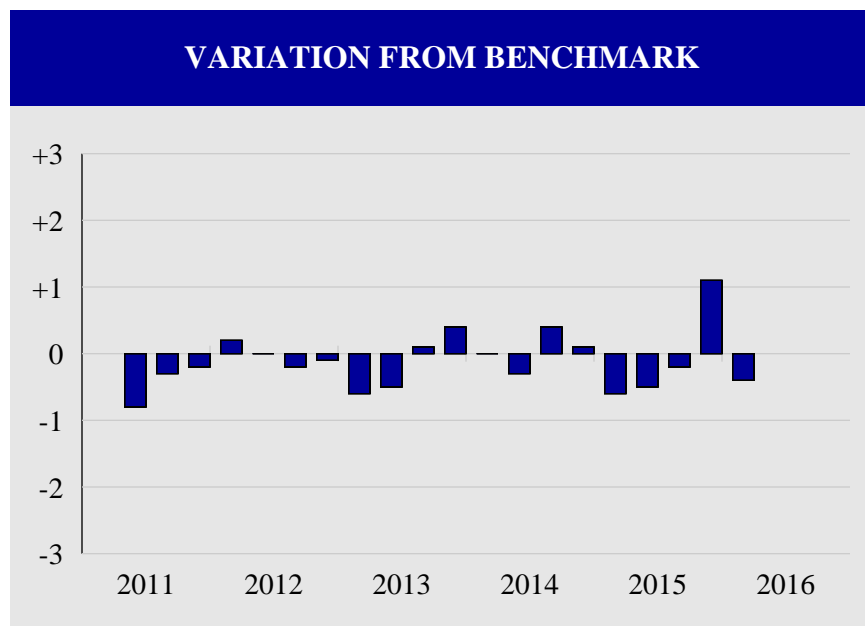
**REAL ESTATE MANAGER SUMMARY**



MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
AMERICAN REALTY		2.6 ---	5.7 ---	13.3 ---	13.1 ---	12.7 ---	\$3,801,906
INTERCONTINENTAL		1.1 ----	7.1 ---	14.5 ---	----	----	\$7,292,172
UBS		2.1 ---	5.2 ---	11.9 ---	11.8 ---	----	\$3,833,402
<i>NCREIF NFI-ODCE Index</i>		<i>2.2 ---</i>	<i>5.6 ---</i>	<i>13.7 ---</i>	<i>13.6 ---</i>	<i>13.3 ---</i>	----
<b>TOTAL</b>		<b>1.8 ---</b>	<b>6.3 ---</b>	<b>13.6 ---</b>	<b>13.4 ---</b>	<b>12.7 ---</b>	<b>\$14,927,480</b>
<i>NCREIF NFI-ODCE Index</i>		<i>2.2 ---</i>	<i>5.6 ---</i>	<i>13.7 ---</i>	<i>13.6 ---</i>	<i>13.3 ---</i>	----

## REAL ESTATE QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX

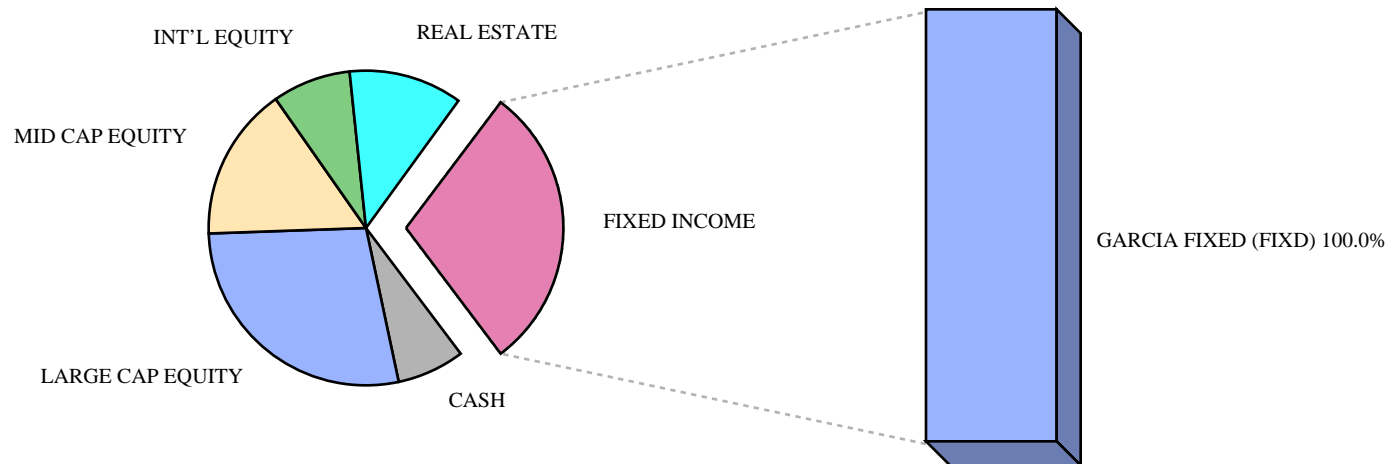


<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>8</b>
<b>Quarters Below the Benchmark</b>	<b>12</b>
<b>Batting Average</b>	<b>.400</b>

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

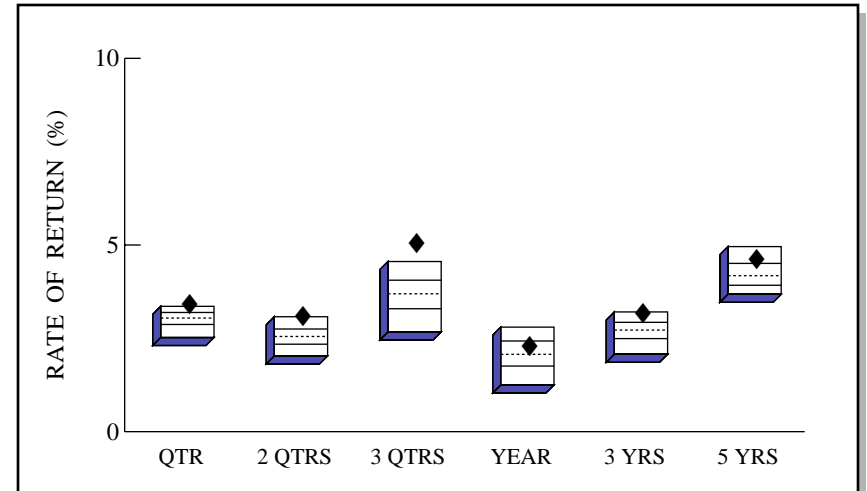
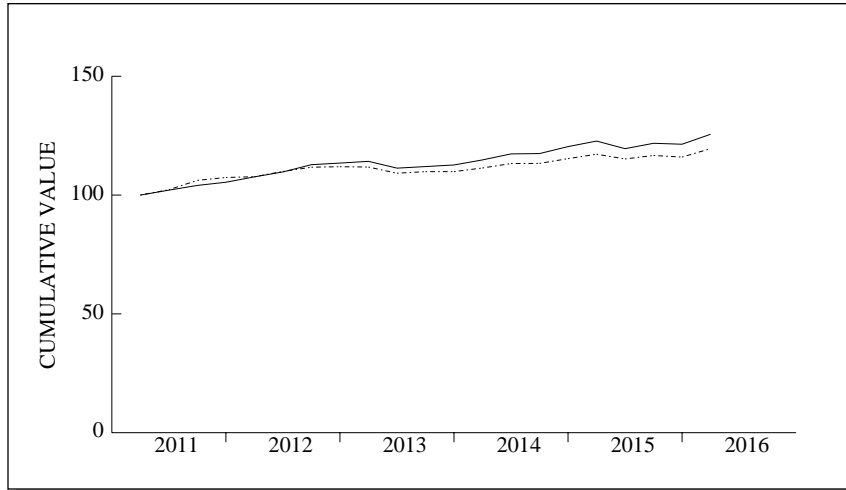


**FIXED INCOME MANAGER SUMMARY**

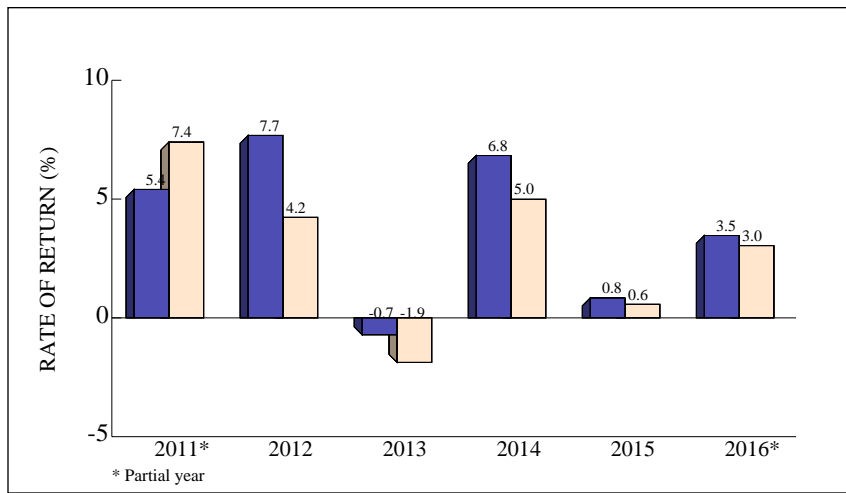
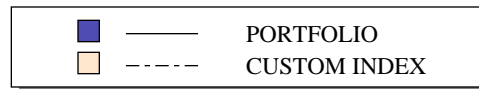


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
GARCIA FIXED	(Core Fixed Income)	3.5 (2)	3.2 (3)	2.3 (28)	3.7 (1)	5.2 (3)	\$38,191,211
<i>Custom Fixed Income Index</i>		<i>3.0 ---</i>	<i>2.5 ---</i>	<i>2.0 ---</i>	<i>2.2 ---</i>	<i>3.6 ---</i>	<i>---</i>
<b>TOTAL</b>	<b>(Core Fixed Income)</b>	<b>3.5 (2)</b>	<b>3.2 (3)</b>	<b>2.3 (28)</b>	<b>3.2 (5)</b>	<b>4.7 (15)</b>	<b>\$38,191,211</b>
<i>Custom Fixed Income Index</i>		<i>3.0 ---</i>	<i>2.5 ---</i>	<i>2.0 ---</i>	<i>2.2 ---</i>	<i>3.6 ---</i>	<i>---</i>

**FIXED INCOME RETURN COMPARISONS**



Core Fixed Income Universe



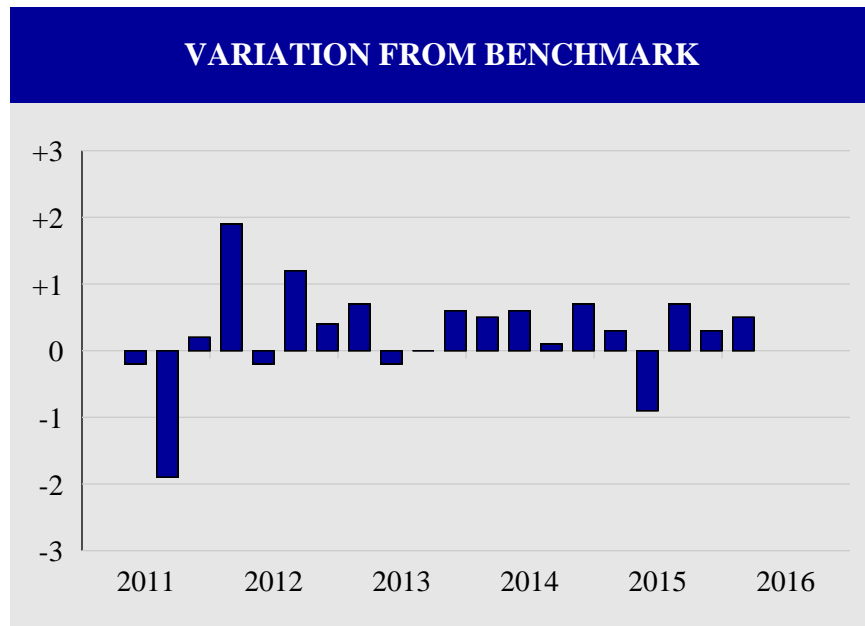
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	3.5	3.2	5.1	2.3	3.2	4.7
(RANK)	(2)	(3)	(1)	(28)	(5)	(15)
5TH %ILE	3.4	3.1	4.6	2.8	3.2	5.0
25TH %ILE	3.2	2.8	4.1	2.4	2.9	4.5
MEDIAN	3.0	2.6	3.7	2.1	2.7	4.2
75TH %ILE	2.9	2.3	3.3	1.8	2.5	3.9
95TH %ILE	2.5	2.0	2.7	1.3	2.1	3.7
<b>Custom Idx</b>	<b>3.0</b>	<b>2.5</b>	<b>3.7</b>	<b>2.0</b>	<b>2.2</b>	<b>3.6</b>

Core Fixed Income Universe

**FIXED INCOME QUARTERLY PERFORMANCE SUMMARY**

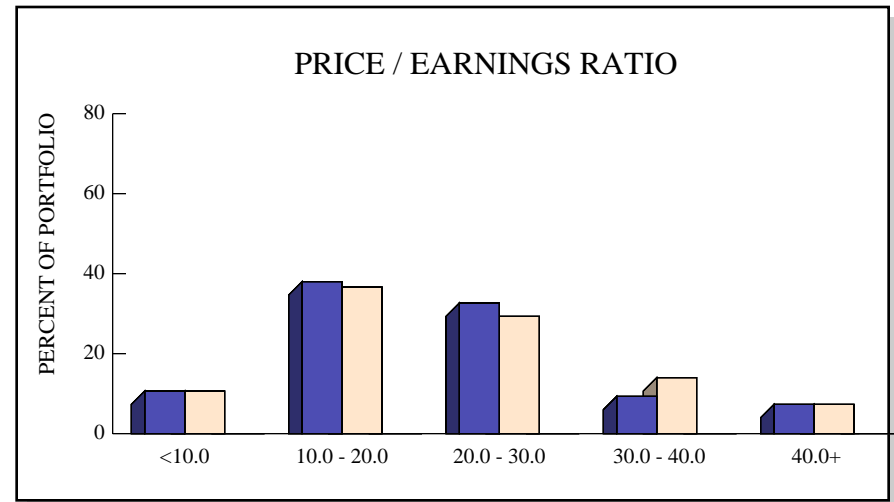
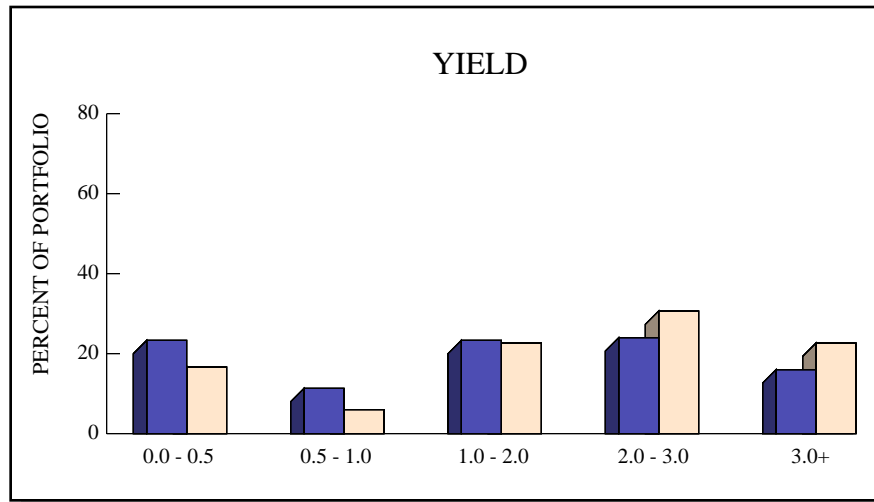
**COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX**



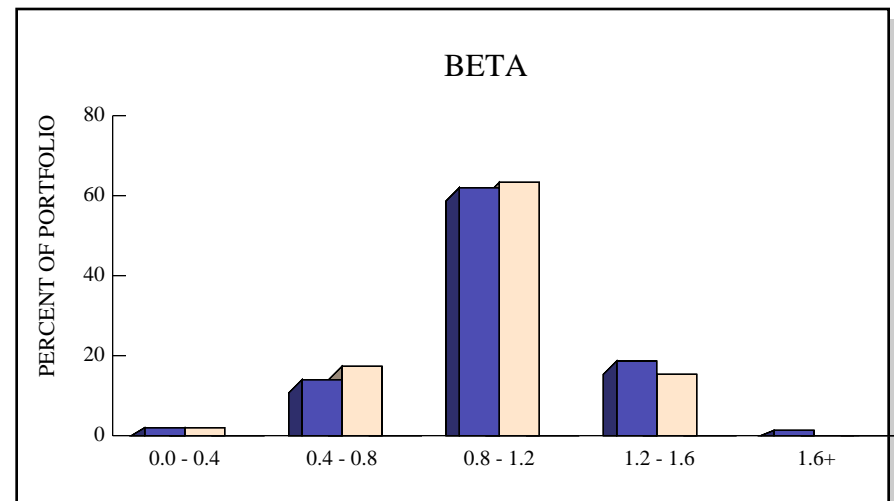
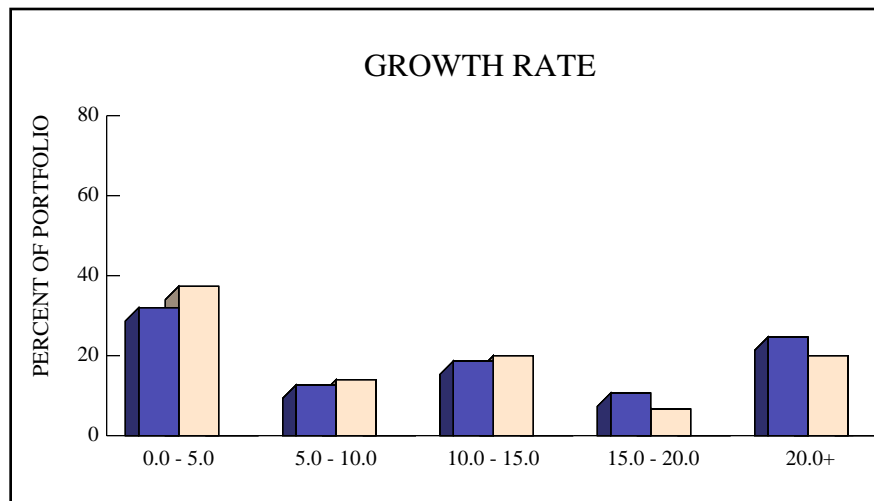
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/11	2.1	2.3	-0.2
9/11	1.9	3.8	-1.9
12/11	1.3	1.1	0.2
3/12	2.2	0.3	1.9
6/12	1.9	2.1	-0.2
9/12	2.8	1.6	1.2
12/12	0.6	0.2	0.4
3/13	0.6	-0.1	0.7
6/13	-2.5	-2.3	-0.2
9/13	0.6	0.6	0.0
12/13	0.6	0.0	0.6
3/14	1.9	1.4	0.5
6/14	2.2	1.6	0.6
9/14	0.2	0.1	0.1
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

<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>

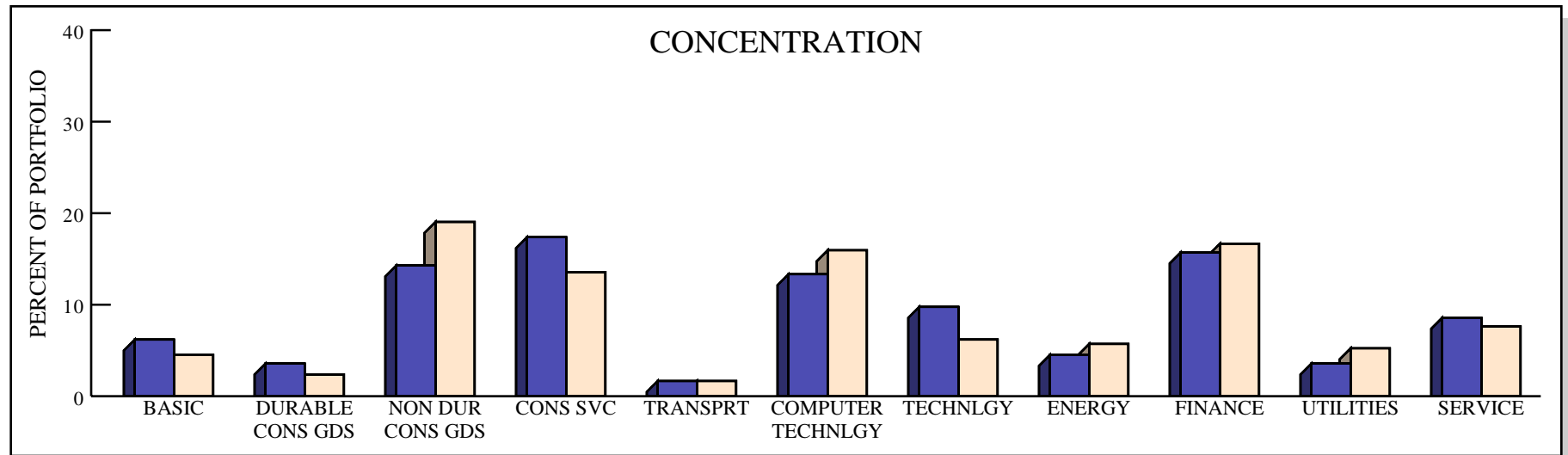
**STOCK CHARACTERISTICS**



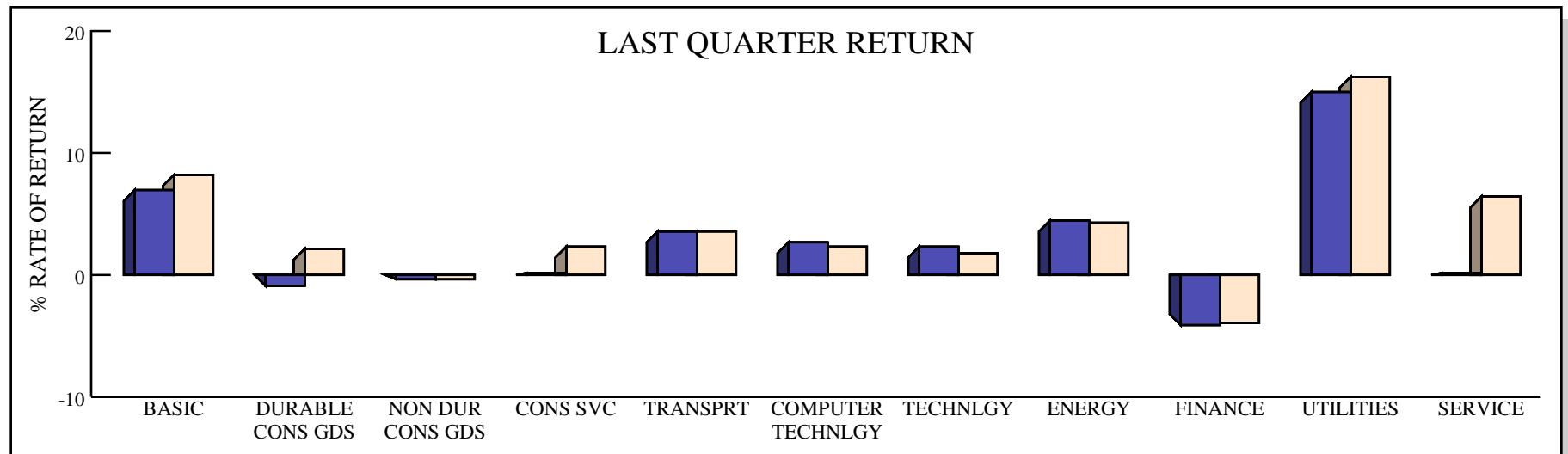
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	563	1.8%	11.3%	21.3	1.00
S&P 500	503	2.1%	9.6%	22.9	0.97



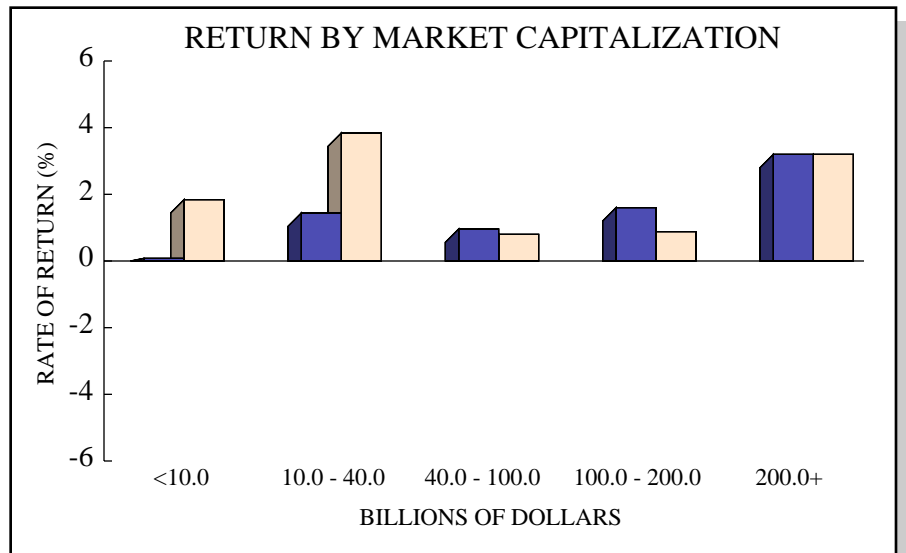
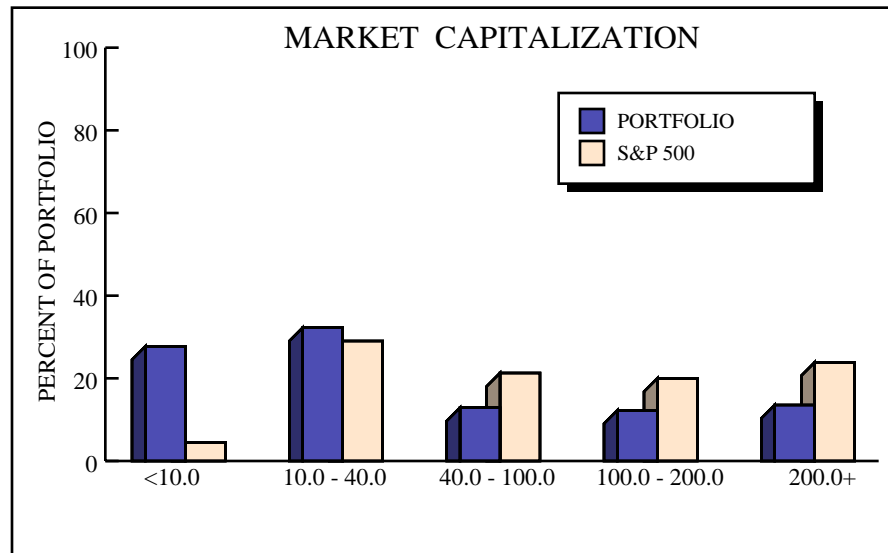
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



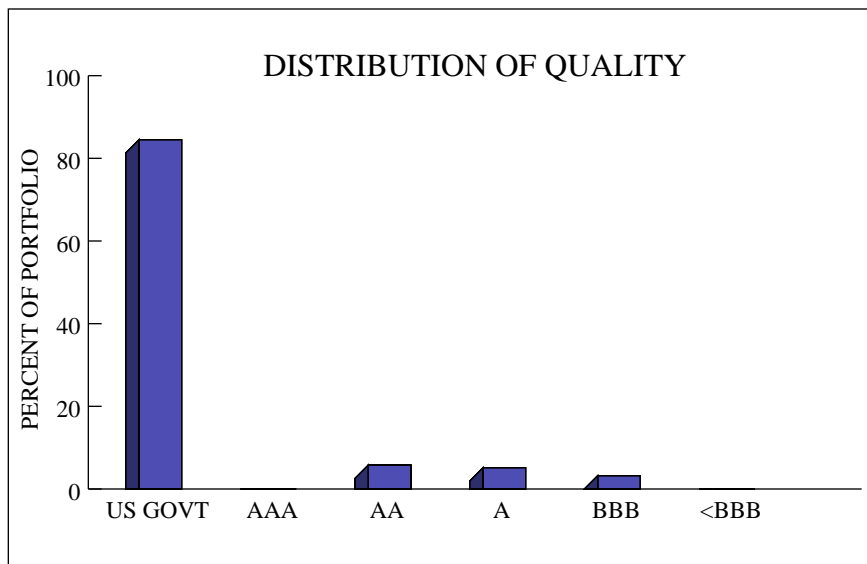
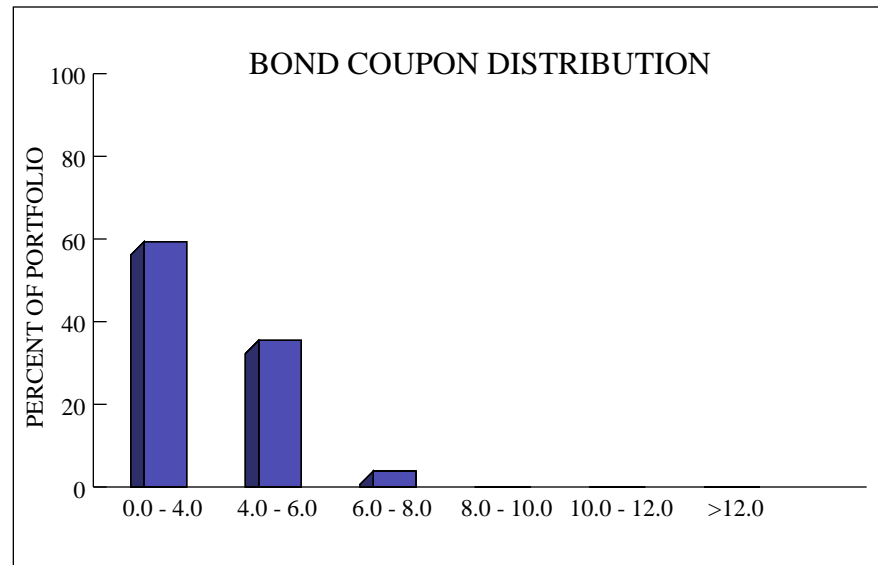
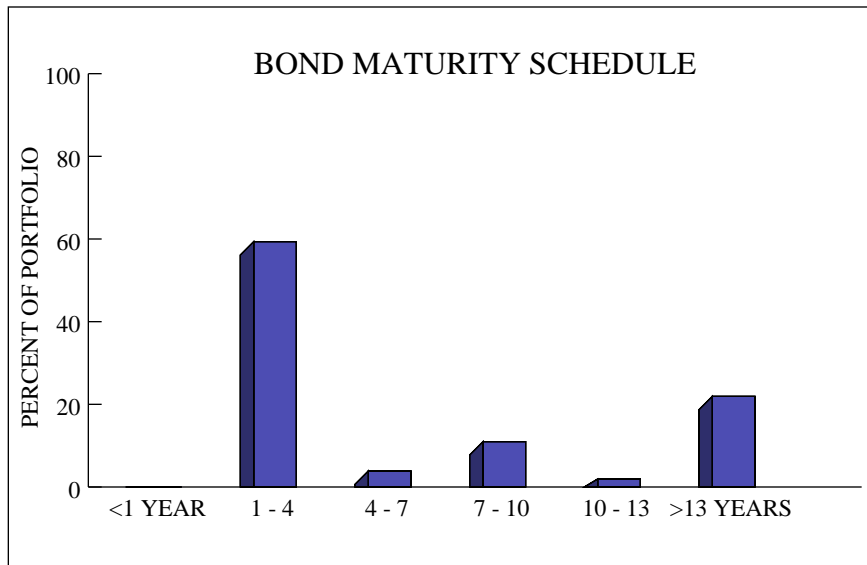
**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 1,027,013	1.82%	4.0%	Computer Tech	\$ 604.3 B
2	COMCAST CORP-CLASS A	699,610	1.24%	8.7%	Service	148.6 B
3	MICROSOFT CORP	672,149	1.19%	0.2%	Computer Tech	436.8 B
4	JOHNSON & JOHNSON	656,666	1.16%	6.0%	NonDur Cons Goods	298.5 B
5	GOODYEAR TIRE & RUBBER CO	629,061	1.11%	1.1%	NonDur Cons Goods	8.8 B
6	WALT DISNEY CO/THE	537,565	.95%	-5.2%	Consumer Service	162.0 B
7	HOME DEPOT INC	482,083	.85%	1.3%	Consumer Service	167.2 B
8	AMAZON.COM INC	476,693	.84%	-12.2%	Consumer Service	279.5 B
9	COCA-COLA CO/THE	474,616	.84%	8.7%	NonDur Cons Goods	200.8 B
10	ALPHABET INC-CL A	470,709	.83%	-1.9%	Computer Tech	223.0 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	35	9,725
Duration	5.97	5.47
YTM	1.80	2.16
Average Coupon	3.39	3.16
Avg Maturity / WAL	9.25	7.79
Average Quality	USG-AAA	USG-AAA

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

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



**COMPLIANCE REPORT**

<i><b>Total Fund Asset Allocation</b></i>	<i><b>Actual</b></i>	<i><b>Target</b></i>	<i><b>Minimum</b></i>	<i><b>Maximum</b></i>	<i><b>Compliance</b></i>
Domestic Equity	43.7%	45.0%	40.0%	60.0%	YES
Int'l Equity	8.2%	12.5%	7.5%	12.5%	YES
Real Estate	11.6%	10.0%	7.5%	12.5%	YES
Fixed	29.6%	27.5%	25.0%	35.0%	YES
Cash	7.0%	---	---	---	---

<i><b>Manager Allocation</b></i>	<i><b>Actual</b></i>	<i><b>Target</b></i>	<i><b>Minimum</b></i>	<i><b>Maximum</b></i>	<i><b>Compliance</b></i>
Vanguard Institutional Index	15.7%	10.0%	5.0%	15.0%	NO
Garcia Hamilton - LCG	7.0%	10.0%	5.0%	15.0%	YES
Lyrical LCV	5.9%	5.0%	2.5%	7.5%	YES
Clearbridge	5.5%	5.0%	2.5%	7.5%	YES
Clearbridge II (Temporary)	7.9%	10.0%	7.5%	12.5%	YES
Wedge Capital	2.5%	5.0%	2.5%	7.5%	YES
Johnston	4.5%	7.5%	4.0%	10.0%	YES
SSgA - EAFE Index Fund	3.6%	5.0%	3.0%	7.0%	YES
American Realty	2.9%	3.0%	0.0%	4.0%	YES
Intercontinental	5.6%	4.0%	0.0%	5.5%	NO
UBS	3.0%	3.0%	0.0%	4.0%	YES
Garcia Hamilton - Fixed	29.9%	27.5%	20.0%	40.0%	YES
Cash account	5.8%	---	---	---	---

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

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

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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

## APPENDIX - MAJOR MARKET INDEX RETURNS

<b>Economic Data</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Consumer Price Index	Economic Data	0.7	0.1	0.9	0.8	1.3
<b>Domestic Equity</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Russell 3000	Broad Equity	1.0	7.3	-0.4	11.1	11.0
S&P 500	Large Cap Core	1.3	8.5	1.8	11.8	11.6
Russell 1000	Large Cap	1.2	7.7	0.5	11.5	11.4
Russell 1000 Growth	Large Cap Growth	0.7	8.1	2.5	13.6	12.4
Russell 1000 Value	Large Cap Value	1.6	7.4	-1.6	9.4	10.2
Russell Mid Cap	Midcap	2.2	5.9	-4.1	10.5	10.3
Russell Mid Cap Growth	Midcap Growth	0.6	4.7	-4.8	11.0	10.0
Russell Mid Cap Value	Midcap Value	3.9	7.2	-3.4	9.9	10.5
Russell 2000	Small Cap	-1.5	2.0	-9.8	6.8	7.2
Russell 2000 Growth	Small Cap Growth	-4.7	-0.6	-11.9	7.9	7.7
Russell 2000 Value	Small Cap Value	1.7	4.6	-7.7	5.7	6.7
<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	-0.3	3.0	-8.8	0.8	0.8
MSCI EAFE	Developed Markets Equity	-2.9	1.7	-7.9	2.7	2.7
MSCI EAFE Growth	Developed Markets Growth	-2.0	4.6	-3.4	4.2	4.1
MSCI EAFE Value	Developed Markets Value	-3.8	-1.2	-12.4	1.1	1.4
MSCI Emerging Markets	Emerging Markets Equity	5.8	6.5	-11.7	-4.2	-3.8
<b>Domestic Fixed Income</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Barclays Aggregate Index	Core Fixed Income	3.0	2.5	2.0	2.5	3.8
Barclays Capital Gov't Bond	Treasuries	3.1	2.2	2.3	2.1	3.4
Barclays Capital Credit Bond	Corporate Bonds	3.9	3.4	0.9	2.9	5.0
Intermediate Aggregate	Core Intermediate	2.3	1.8	2.2	2.1	3.1
ML/BoA 1-3 Year Treasury	Short Term Treasuries	0.9	0.5	0.9	0.8	0.8
Citi High Yield BB & B Index	High Yield Bonds	3.0	1.3	-3.7	1.7	4.8
<b>Alternative Assets</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Barclays Global Ex US	International Treasuries	8.9	7.7	7.6	-0.1	0.1
NCREIF NFI-ODCE Index	Real Estate	2.2	5.6	13.7	13.6	13.3
HFRI FOF Composite	Hedge Funds	-2.8	-2.1	-5.4	1.9	1.3

**APPENDIX - DISCLOSURES**

- \* The shadow index is a passive allocation-weighted index that was constructed using actual quarterly allocations and the following benchmarks:
 

Large Cap Equity	S&P 500
Mid Cap Equity	S&P 400
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.

DAVIE POLICE PENSION PLAN  
VANGUARD - INSTITUTIONAL INDEX FUND  
PERFORMANCE REVIEW  
MARCH 2016

## **INVESTMENT RETURN**

On March 31st, 2016, the Davie Police Pension Plan's Vanguard Institutional Index Fund was valued at \$20,287,730, representing an increase of \$268,233 from the December quarter's ending value of \$20,019,497. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$268,233 in net investment returns. Income receipts totaling \$106,630 plus net realized and unrealized capital gains of \$161,603 combined to produce the portfolio's net investment return figure.

For the cumulative period since December 2013, the account has recorded net contributions totaling \$7.4 million, and has recorded net investment gains of \$2.6 million. Since December 2013, if the total account earned a compound annual rate of 7.6% it would have been worth \$20.6 million or \$344,701 more than the actual value as of March 31st, 2016.

## **RELATIVE PERFORMANCE**

During the first quarter, the Vanguard Institutional Index Fund gained 1.3%, which was equal to the S&P 500 Index's return of 1.3% and ranked in the 31st percentile of the Large Cap Core universe. Over the trailing year, the portfolio returned 1.8%, which was equal to the benchmark's 1.8% performance, ranking in the 26th percentile. Since December 2013, the account returned 7.2% on an annualized basis and ranked in the 34th percentile. For comparison, the S&P 500 returned an annualized 7.2% over the same period.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>Since 12/13</b>
<b>Total Portfolio - Gross</b>	1.3	8.5	1.8	----	7.2
<i>LARGE CAP CORE RANK</i>	(31)	(20)	(26)	----	(34)
<b>Total Portfolio - Net</b>	1.3	8.5	1.8	----	7.2
S&P 500	1.3	8.5	1.8	11.8	7.2
<b>Large Cap Equity - Gross</b>	1.3	8.5	1.8	----	7.2
<i>LARGE CAP CORE RANK</i>	(31)	(20)	(26)	----	(34)
S&P 500	1.3	8.5	1.8	11.8	7.2

**ASSET ALLOCATION**

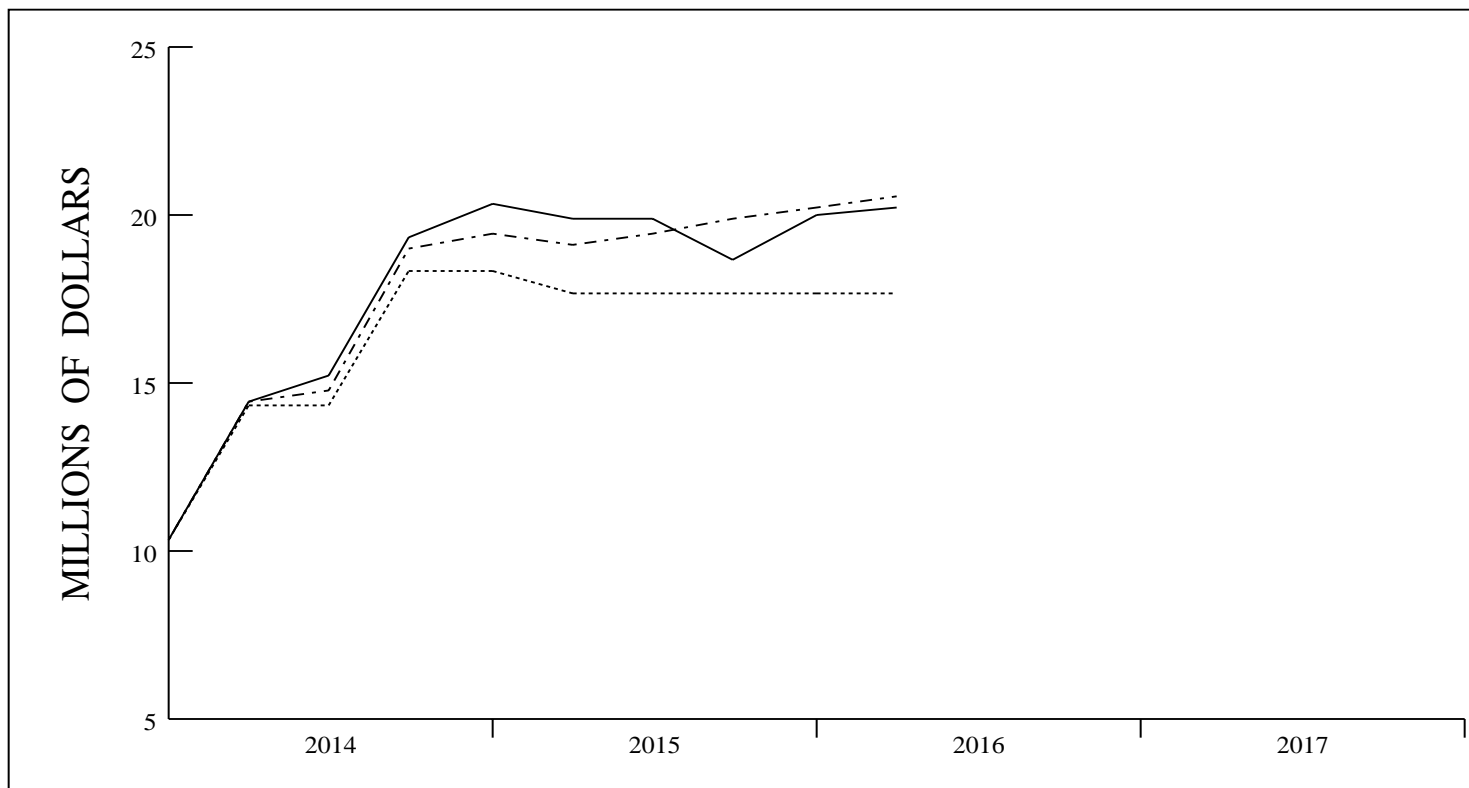
Large Cap Equity	100.0%	\$ 20,287,730
Total Portfolio	100.0%	\$ 20,287,730

**INVESTMENT RETURN**

Market Value 12/2015	\$ 20,019,497
Contribs / Withdrawals	0
Income	106,630
Capital Gains / Losses	161,603
Market Value 3/2016	\$ 20,287,730



**INVESTMENT GROWTH**

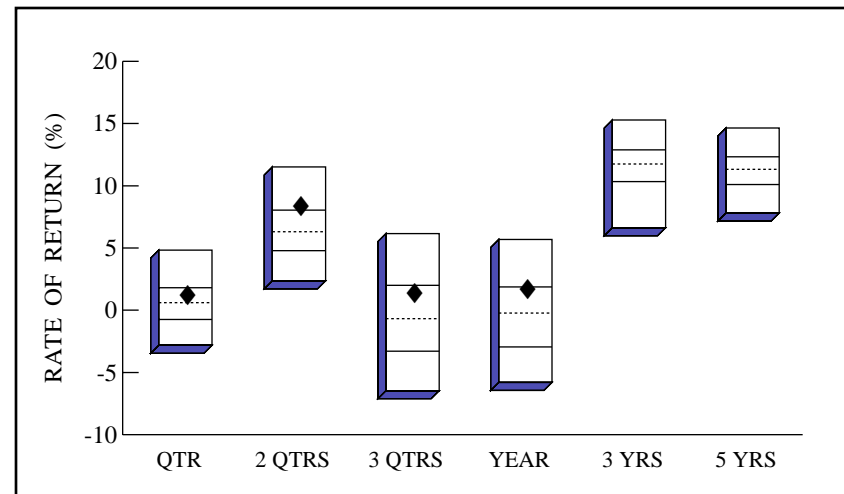
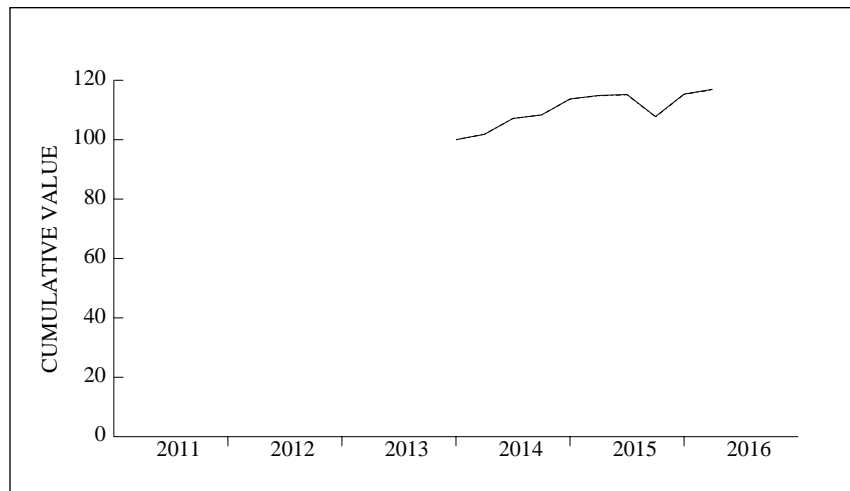


— ACTUAL RETURN  
 - - - 7.6%  
 . . . 0.0%

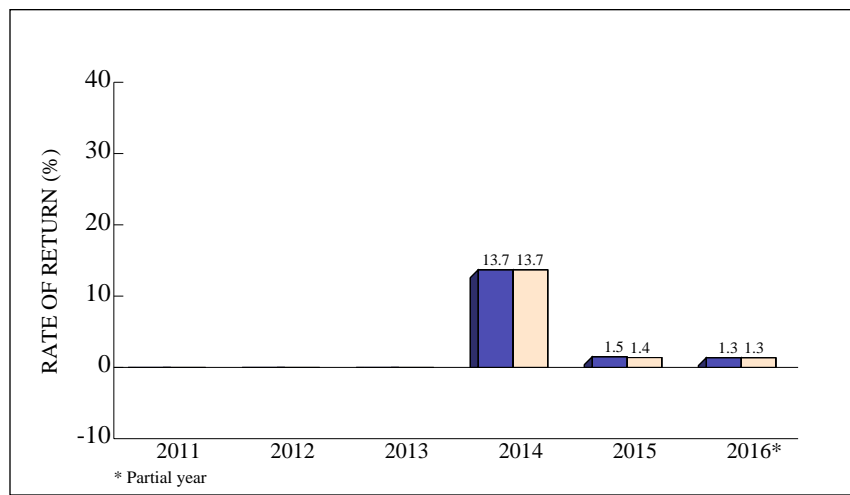
VALUE ASSUMING  
 7.6% RETURN \$ 20,632,431

	LAST QUARTER	PERIOD 12/13 - 3/16
BEGINNING VALUE	\$ 20,019,497	\$ 10,343,510
NET CONTRIBUTIONS	0	7,366,434
INVESTMENT RETURN	268,233	2,577,786
ENDING VALUE	\$ 20,287,730	\$ 20,287,730
INCOME	106,630	913,693
CAPITAL GAINS (LOSSES)	161,603	1,664,093
INVESTMENT RETURN	268,233	2,577,786

**TOTAL RETURN COMPARISONS**



Large Cap Core Universe

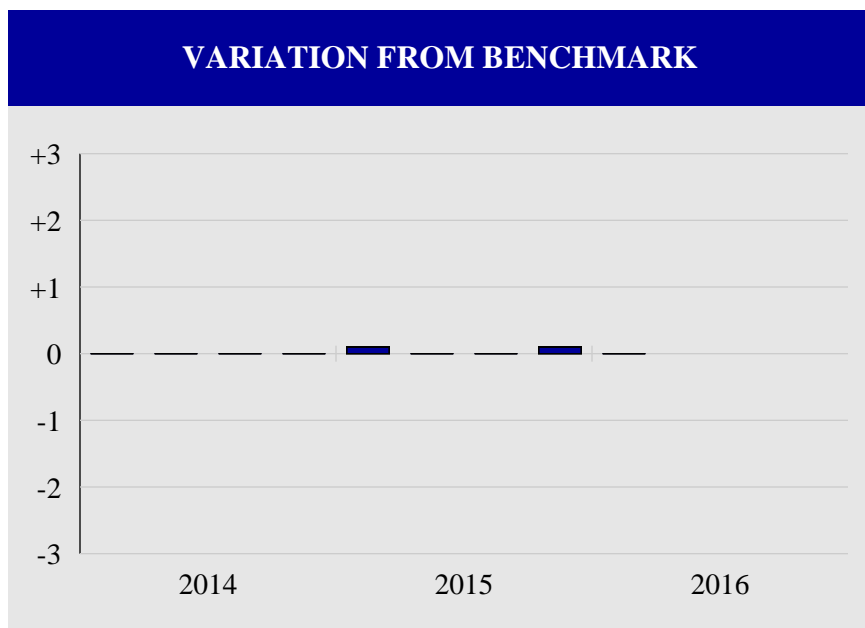


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	1.3	8.5	1.5	1.8	---	---
(RANK)	(31)	(20)	(29)	(26)	---	---
5TH %ILE	4.8	11.5	6.2	5.7	15.3	14.6
25TH %ILE	1.8	8.0	2.0	1.9	12.9	12.3
MEDIAN	0.6	6.3	-0.7	-0.2	11.8	11.3
75TH %ILE	-0.8	4.8	-3.3	-2.9	10.3	10.1
95TH %ILE	-2.8	2.4	-6.5	-5.8	6.6	7.8
<b>S&amp;P 500</b>	<b>1.3</b>	<b>8.5</b>	<b>1.5</b>	<b>1.8</b>	<b>11.8</b>	<b>11.6</b>

Large Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

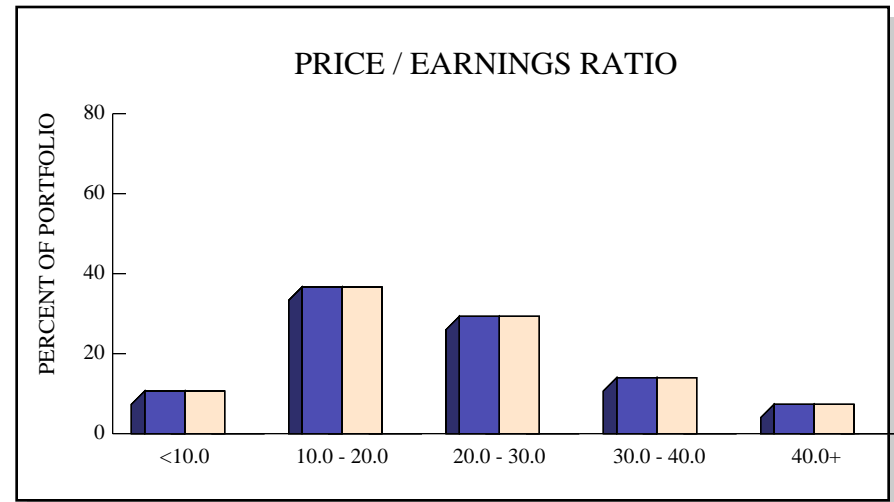
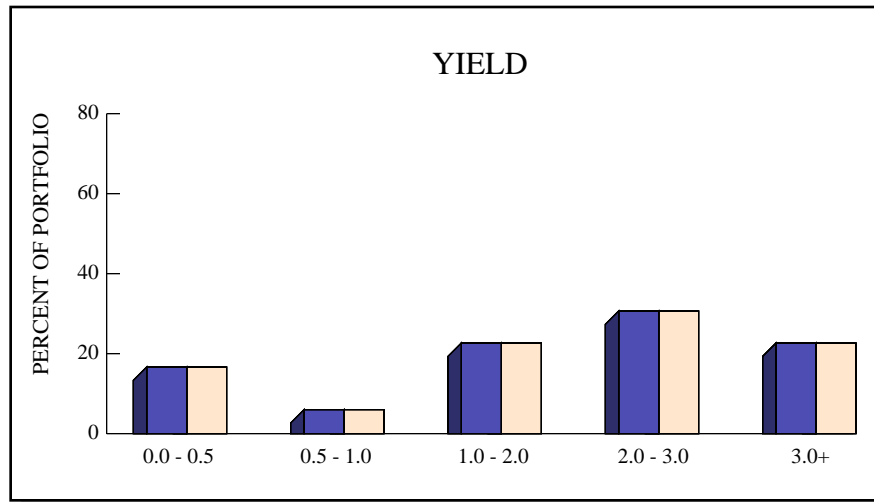
**COMPARATIVE BENCHMARK: S&P 500**



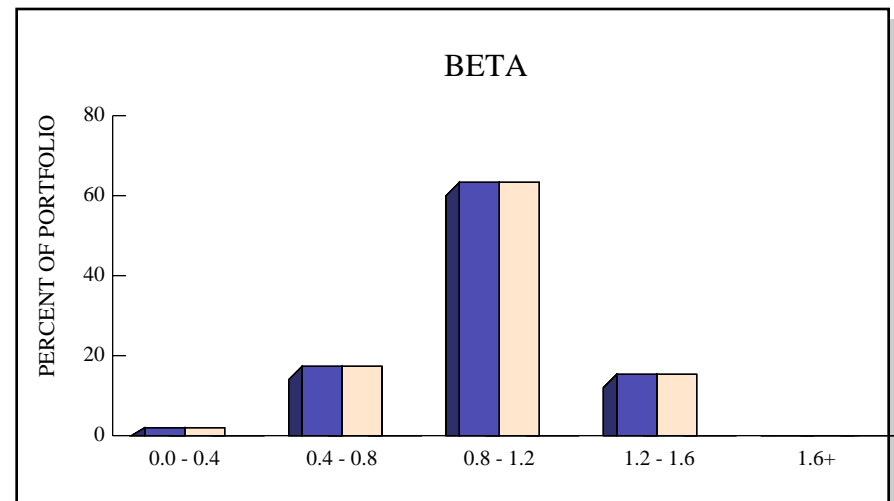
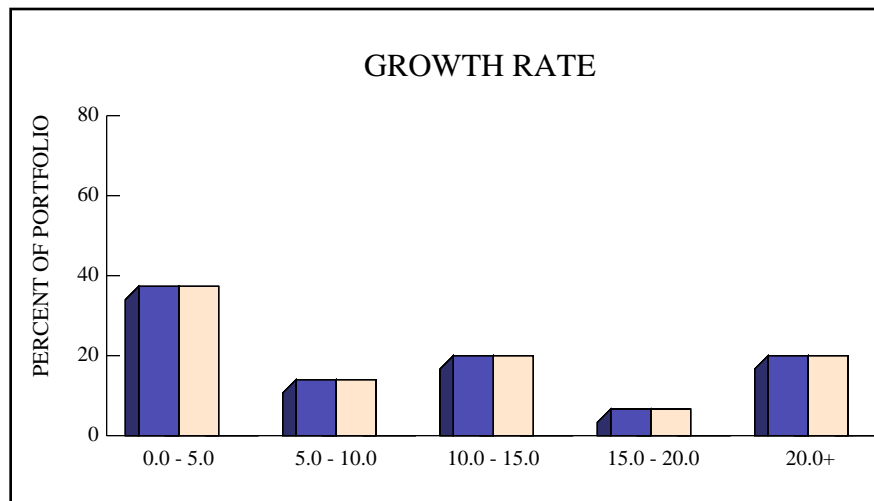
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/14	1.8	1.8	0.0
6/14	5.2	5.2	0.0
9/14	1.1	1.1	0.0
12/14	4.9	4.9	0.0
3/15	1.0	0.9	0.1
6/15	0.3	0.3	0.0
9/15	-6.4	-6.4	0.0
12/15	7.1	7.0	0.1
3/16	1.3	1.3	0.0

<b>Total Quarters Observed</b>	<b>9</b>
<b>Quarters At or Above the Benchmark</b>	<b>9</b>
<b>Quarters Below the Benchmark</b>	<b>0</b>
<b>Batting Average</b>	<b>1.000</b>

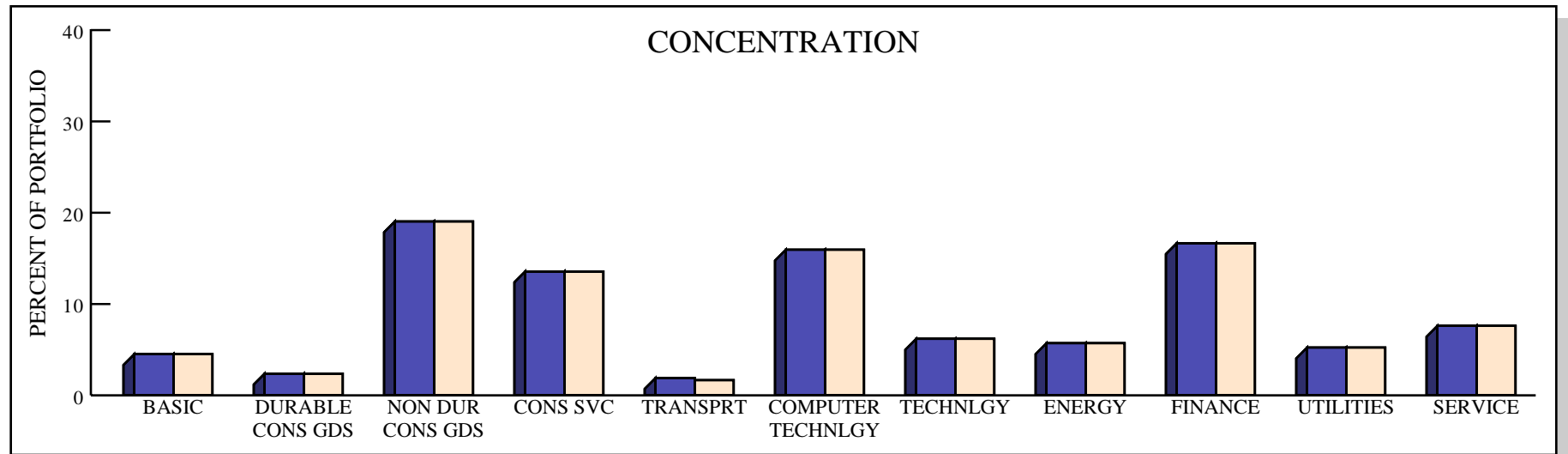
**STOCK CHARACTERISTICS**



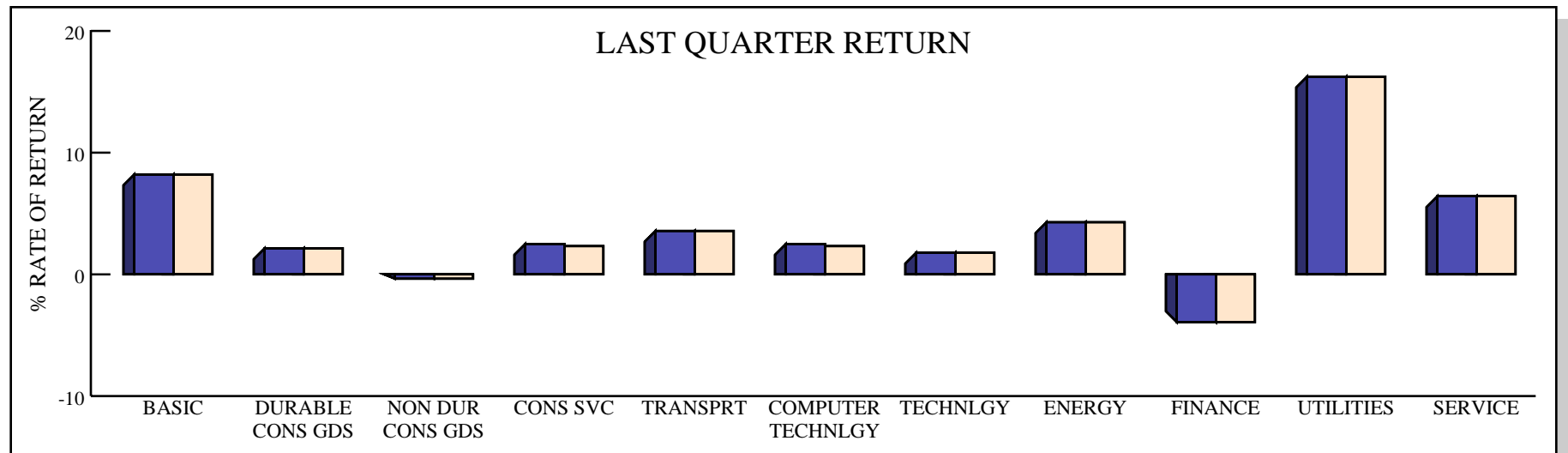
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	503	2.1%	9.6%	22.9	0.97
S&P 500	503	2.1%	9.6%	22.9	0.97



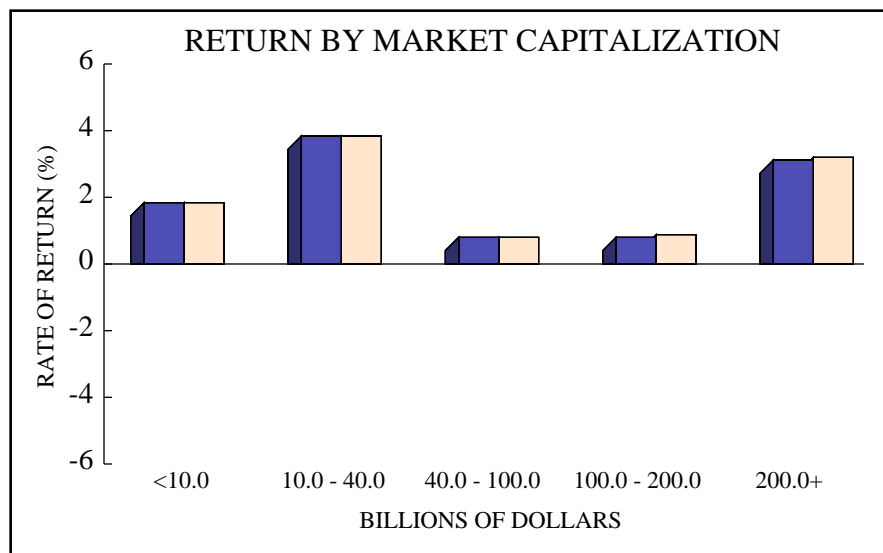
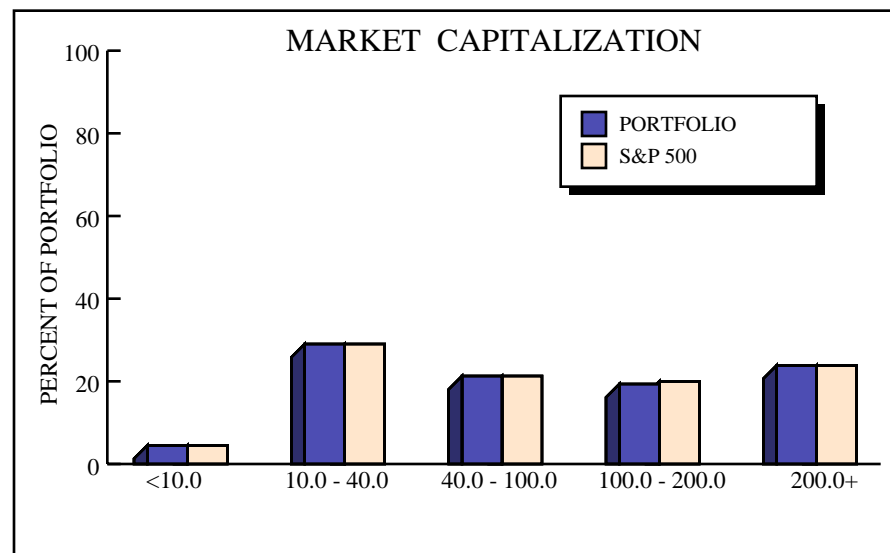
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 657,973	3.24%	4.0%	Computer Tech	\$ 604.3 B
2	MICROSOFT CORP	475,586	2.34%	0.2%	Computer Tech	436.8 B
3	EXXON MOBIL CORP	377,910	1.86%	8.1%	Energy	347.1 B
4	JOHNSON & JOHNSON	324,925	1.60%	6.0%	NonDur Cons Goods	298.5 B
5	GENERAL ELECTRIC CO	321,365	1.58%	2.8%	Basic	295.2 B
6	AMAZON.COM INC	304,537	1.50%	-12.2%	Consumer Service	279.5 B
7	FACEBOOK INC-A	285,136	1.41%	9.0%	Computer Tech	261.9 B
8	ALPHABET INC-CL C	279,356	1.38%	-1.8%	Computer Tech	256.8 B
9	WELLS FARGO & CO	266,270	1.31%	-10.3%	Finance	244.6 B
10	AT&T INC	262,321	1.29%	15.0%	Service	240.9 B

DAVIE POLICE PENSION PLAN  
GARCIA HAMILTON - EQUITY  
PERFORMANCE REVIEW  
MARCH 2016

## **INVESTMENT RETURN**

On March 31st, 2016, the Davie Police Pension Plan's Garcia Hamilton Equity portfolio was valued at \$8,994,462, representing an increase of \$107,971 from the December quarter's ending value of \$8,886,491. Last quarter, the Fund posted withdrawals totaling \$24,106, which partially offset the portfolio's net investment return of \$132,077. Income receipts totaling \$36,072 plus net realized and unrealized capital gains of \$96,005 combined to produce the portfolio's net investment return.

For the cumulative period since March 2011, the fund has recorded net withdrawals totaling \$14.7 million and posted net investment gains of \$8.3 million. For the period since March 2011, if the total fund had returned a compound annual rate of 7.6% it would have been valued at \$5.6 million or \$3.4 million less than the actual value as of March 31st, 2016.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the first quarter, the Garcia Hamilton Equity portfolio gained 1.5%, which was 0.8% above the Russell 1000 Growth Index's return of 0.7% and ranked in the 14th percentile of the Large Cap Growth universe. Over the trailing year, the portfolio returned 1.0%, which was 1.5% less than the benchmark's 2.5% performance, and ranked in the 36th percentile. Since March 2011, the portfolio returned 9.9% on an annualized basis and ranked in the 80th percentile. For comparison, the Russell 1000 Growth returned an annualized 12.4% over the same period.

## **ASSET ALLOCATION**

On March 31st, 2016, large cap equities comprised 94.9% of the total portfolio (\$8.5 million), while cash & equivalents totaled 5.1% (\$462,079).

## **ANALYSIS**

At the end of the first quarter, the Garcia Hamilton Equity portfolio was invested in all eleven industry sectors utilized in our data analysis. Relative to the Russell 1000 Growth index, the portfolio was notably overweight in the Basic, Non-Durable Consumer Goods, Consumer Service, Technology, Energy and Finance sectors, while being underweight in the Durable Consumer Goods, Computer Technology, and Service sectors. The Utilities and Transportation sectors were allocated similarly.

In the first quarter of the year the portfolio outperformed its comparative index. The most notable gains over the benchmark were seen in the Utilities, Technology, and Transportation sectors. The portfolio also benefited from positive selection in the heavily weighted Non-Durable Consumer Goods sector, which managed to avoid as poor a return as its counterpart. The Durable Consumer Goods, Energy, and Finance sectors fell noticeably behind the index's performance, but their combined allocation was not enough to hamper the total portfolio return. Garcia Hamilton outperformed the Russell 1000 growth index by 80 basis points at quarter end.



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Years</b>
<b>Total Portfolio - Gross</b>	1.5	7.0	1.0	11.3	9.9
<i>LARGE CAP GROWTH RANK</i>	(14)	(26)	(36)	(73)	(80)
<b>Total Portfolio - Net</b>	1.4	6.7	0.6	10.9	9.6
RUSSELL 1000G	0.7	8.1	2.5	13.6	12.4
<b>Large Cap Equity - Gross</b>	1.6	7.4	1.2	11.5	10.0
<i>LARGE CAP GROWTH RANK</i>	(13)	(22)	(34)	(70)	(77)
RUSSELL 1000G	0.7	8.1	2.5	13.6	12.4
S&P 500	1.3	8.5	1.8	11.8	11.6

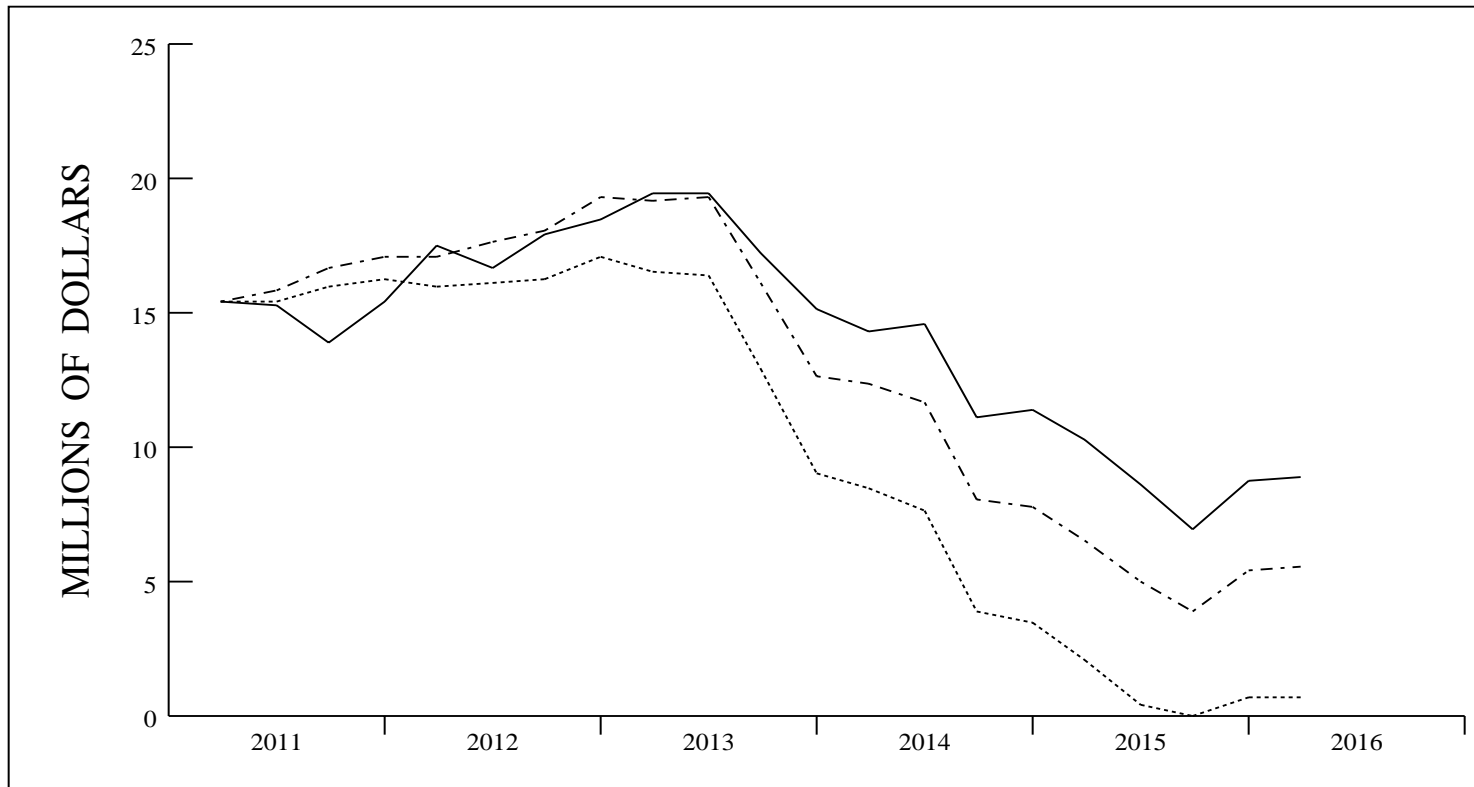
**ASSET ALLOCATION**

Large Cap Equity	94.9%	\$ 8,532,383
Cash	5.1%	462,079
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 8,994,462</b>

**INVESTMENT RETURN**

Market Value 12/2015	\$ 8,886,491
Contribs / Withdrawals	- 24,106
Income	36,072
Capital Gains / Losses	96,005
Market Value 3/2016	\$ 8,994,462

**INVESTMENT GROWTH**

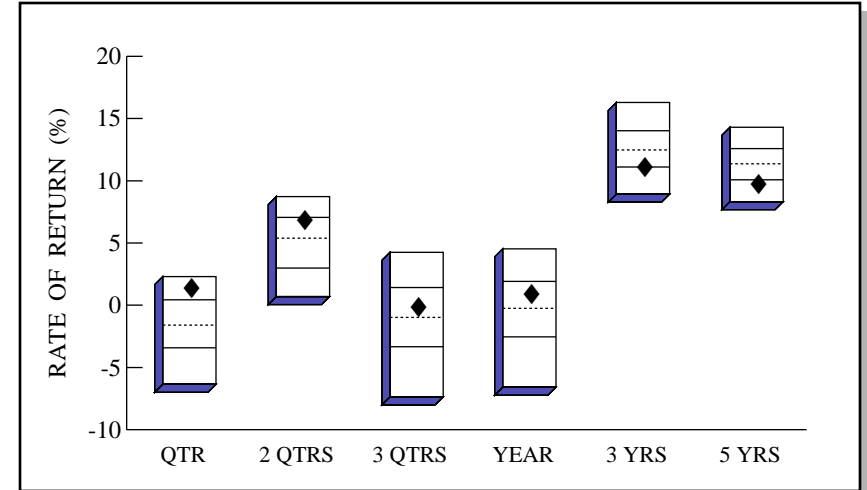
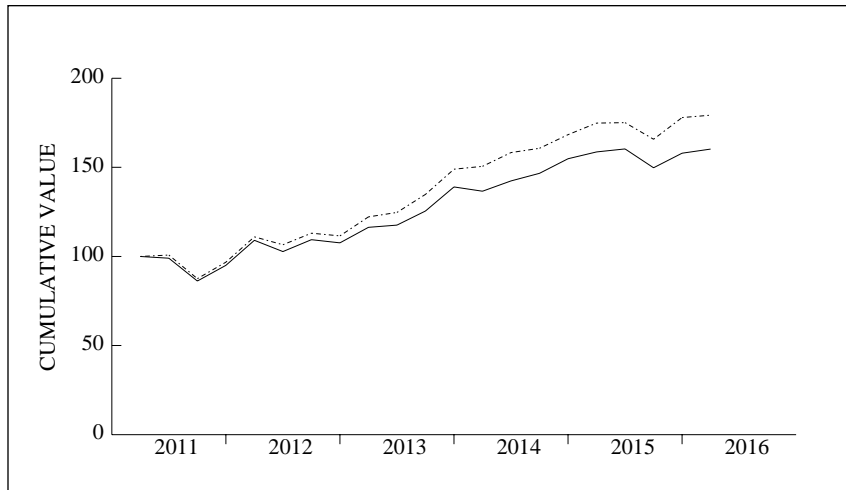


— ACTUAL RETURN  
 - - - 7.6%  
 . . . 0.0%

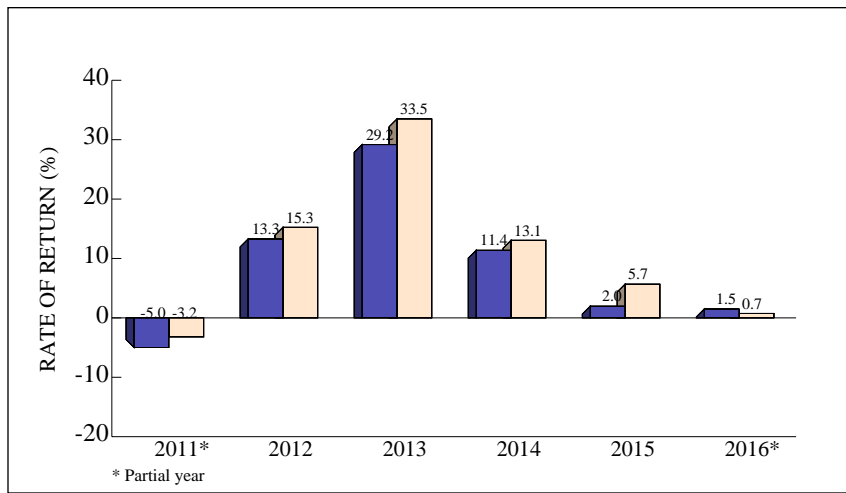
VALUE ASSUMING  
 7.6% RETURN \$ 5,596,340

	LAST QUARTER	PERIOD 3/11 - 3/16
BEGINNING VALUE	\$ 8,886,491	\$ 15,447,312
NET CONTRIBUTIONS	- 24,106	- 14,718,644
<u>INVESTMENT RETURN</u>	<u>132,077</u>	<u>8,265,794</u>
ENDING VALUE	\$ 8,994,462	\$ 8,994,462
INCOME	36,072	1,183,197
<u>CAPITAL GAINS (LOSSES)</u>	<u>96,005</u>	<u>7,082,597</u>
INVESTMENT RETURN	132,077	8,265,794

**TOTAL RETURN COMPARISONS**



Large Cap Growth Universe

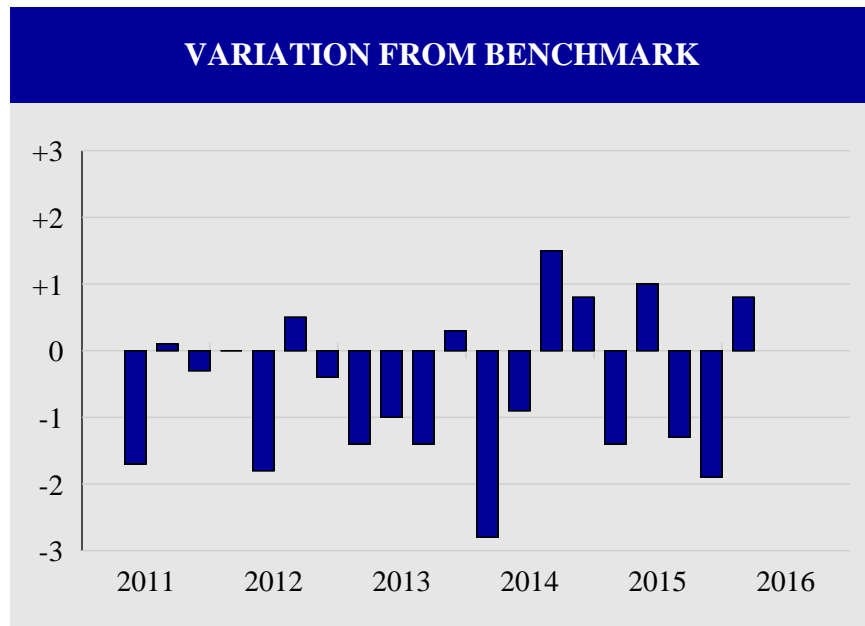


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	1.5	7.0	0.0	1.0	11.3	9.9
(RANK)	(14)	(26)	(41)	(36)	(73)	(80)
5TH %ILE	2.3	8.7	4.3	4.5	16.3	14.3
25TH %ILE	0.4	7.1	1.4	1.9	14.0	12.6
MEDIAN	-1.6	5.4	-1.0	-0.2	12.5	11.4
75TH %ILE	-3.4	3.0	-3.3	-2.5	11.1	10.1
95TH %ILE	-6.4	0.7	-7.4	-6.6	8.9	8.3
<b>Russ 1000G</b>	<b>0.7</b>	<b>8.1</b>	<b>2.4</b>	<b>2.5</b>	<b>13.6</b>	<b>12.4</b>

Large Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

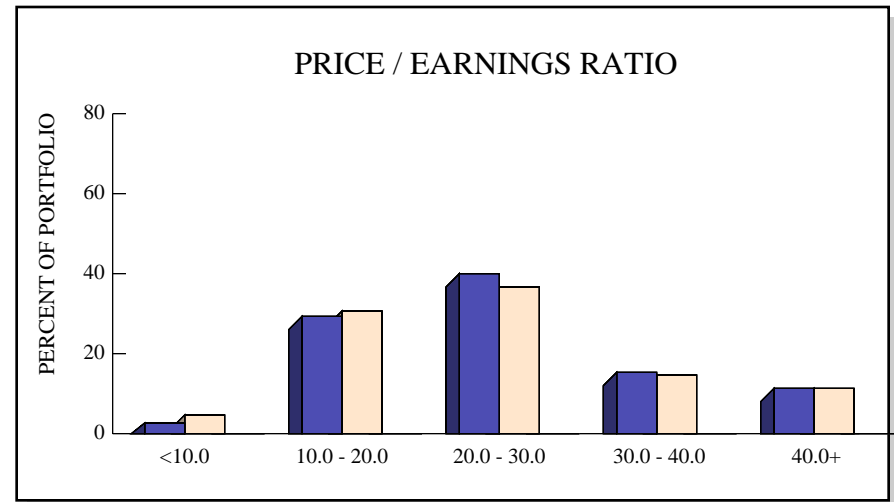
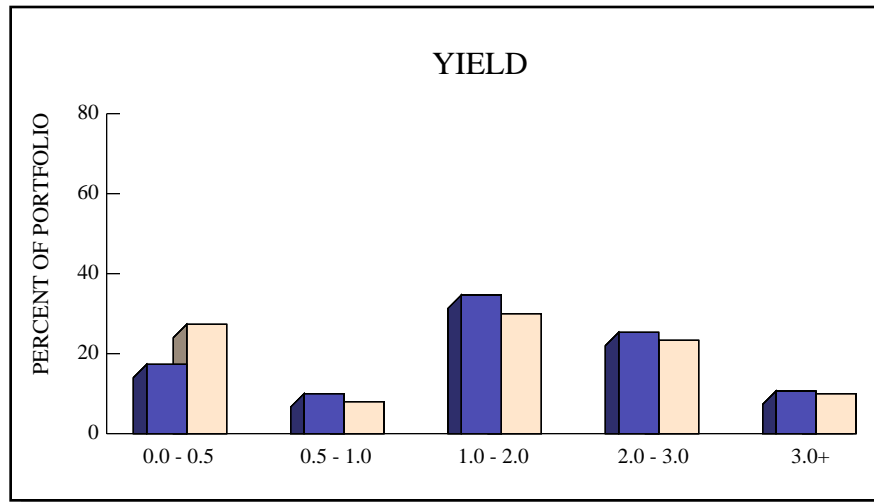
**COMPARATIVE BENCHMARK: RUSSELL 1000 GROWTH**



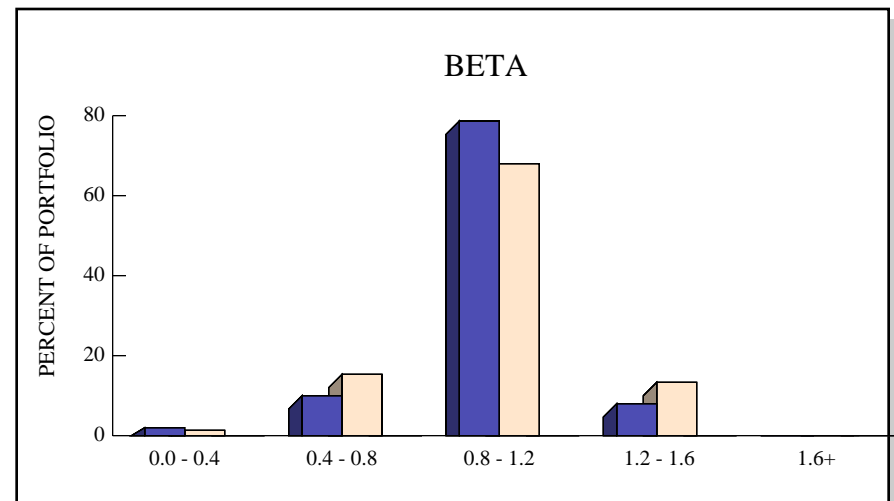
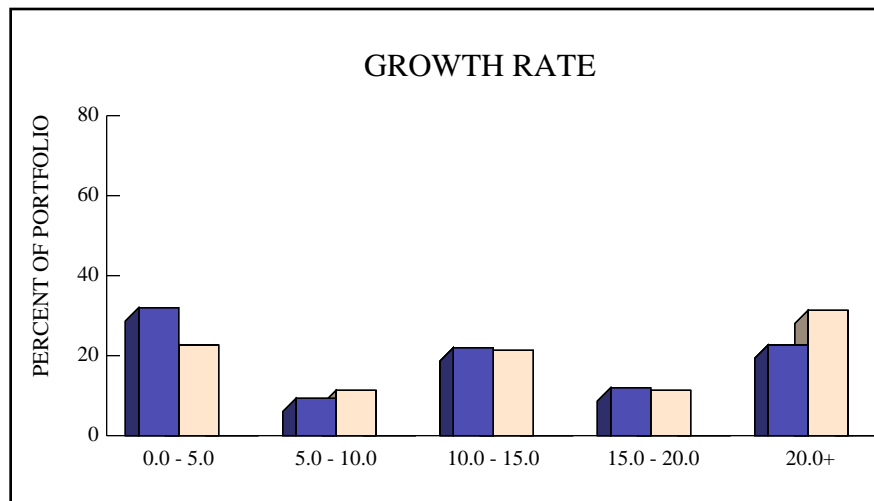
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/11	-0.9	0.8	-1.7
9/11	-13.0	-13.1	0.1
12/11	10.3	10.6	-0.3
3/12	14.7	14.7	0.0
6/12	-5.8	-4.0	-1.8
9/12	6.6	6.1	0.5
12/12	-1.7	-1.3	-0.4
3/13	8.1	9.5	-1.4
6/13	1.1	2.1	-1.0
9/13	6.7	8.1	-1.4
12/13	10.7	10.4	0.3
3/14	-1.7	1.1	-2.8
6/14	4.2	5.1	-0.9
9/14	3.0	1.5	1.5
12/14	5.6	4.8	0.8
3/15	2.4	3.8	-1.4
6/15	1.1	0.1	1.0
9/15	-6.6	-5.3	-1.3
12/15	5.4	7.3	-1.9
3/16	1.5	0.7	0.8

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

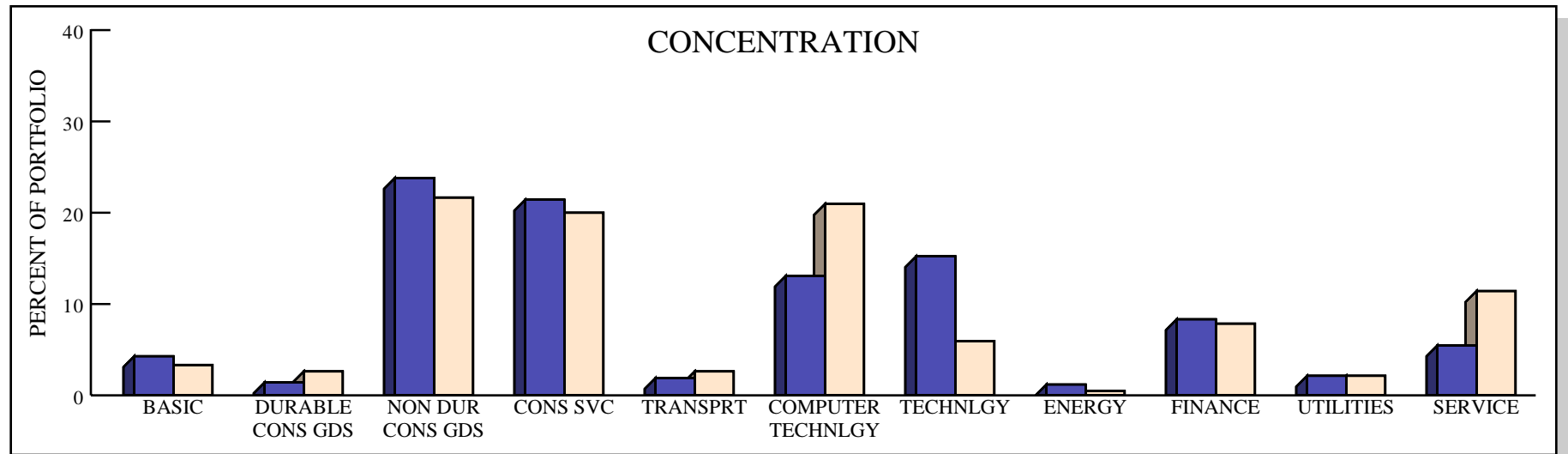
**STOCK CHARACTERISTICS**



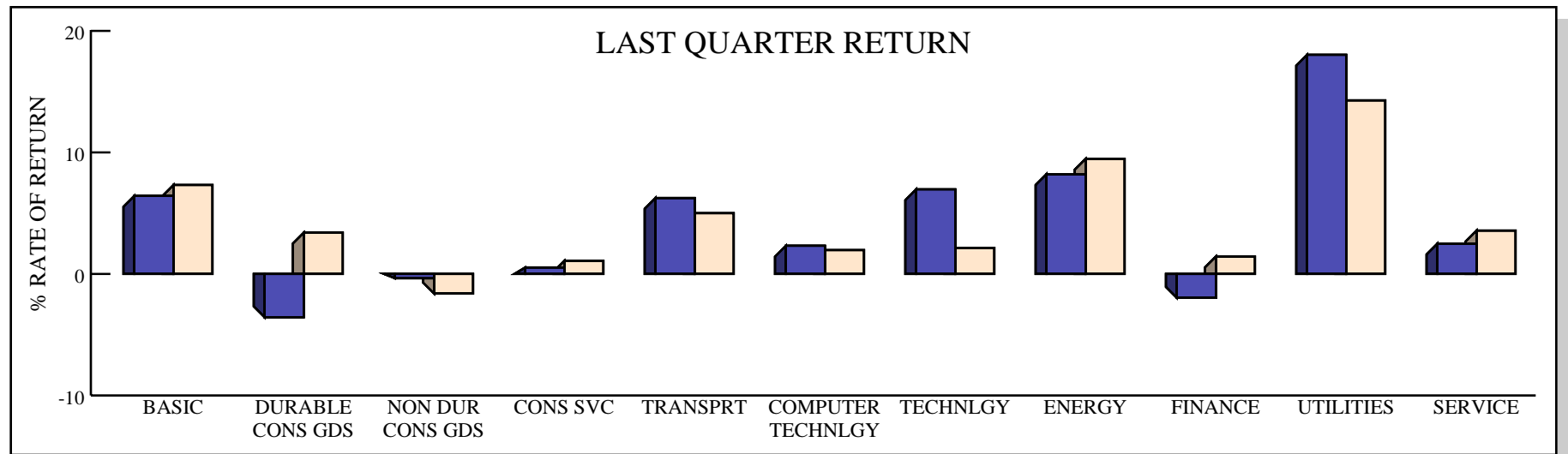
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	67	1.7%	11.1%	26.7	0.95
RUSSELL 1000G	635	1.6%	14.6%	26.2	0.98



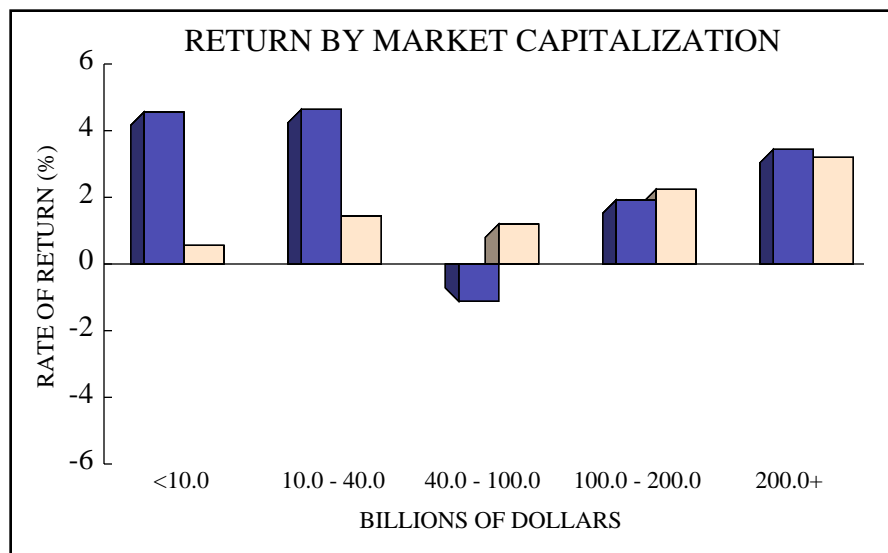
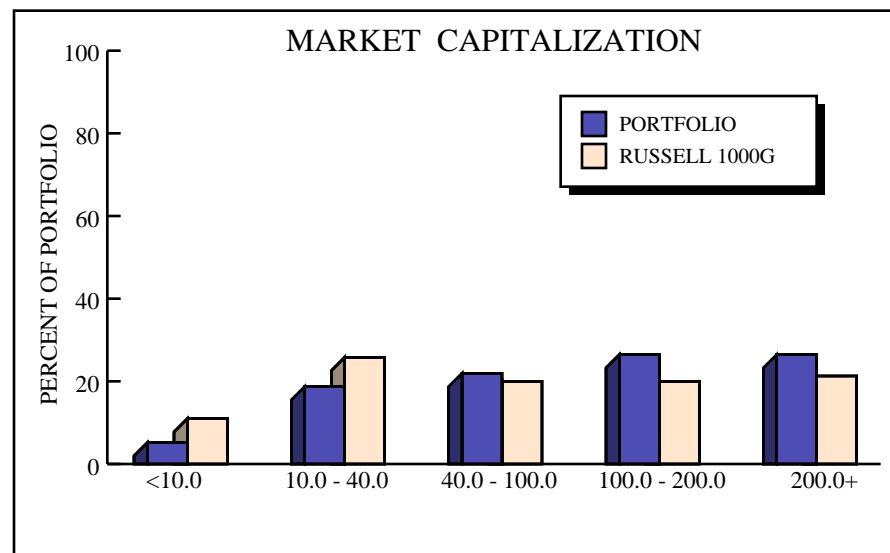
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 GROWTH



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 369,040	4.33%	4.0%	Computer Tech	\$ 604.3 B
2	WALT DISNEY CO/THE	361,190	4.23%	-5.2%	Consumer Service	162.0 B
3	JOHNSON & JOHNSON	331,741	3.89%	6.0%	NonDur Cons Goods	298.5 B
4	HOME DEPOT INC	300,084	3.52%	1.3%	Consumer Service	167.2 B
5	CVS HEALTH CORP	291,170	3.41%	6.4%	Consumer Service	113.9 B
6	COCA-COLA CO/THE	255,980	3.00%	8.7%	NonDur Cons Goods	200.8 B
7	VISA INC-CLASS A SHARES	244,736	2.87%	-1.2%	Finance	146.8 B
8	ALPHABET INC-CL A	228,107	2.67%	-1.9%	Computer Tech	223.0 B
9	LOCKHEED MARTIN CORP	215,520	2.53%	2.7%	Technology	67.5 B
10	VERIZON COMMUNICATIONS INC	197,987	2.32%	18.0%	Utilities	220.6 B

DAVIE POLICE PENSION PLAN  
LYRICAL ASSET MANAGEMENT - U.S VALUE EQUITY  
PERFORMANCE REVIEW  
MARCH 2016



## **INVESTMENT RETURN**

On March 31st, 2016, the Davie Police Pension Plan's Lyrical Asset Management U.S Value Equity account was valued at \$7,636,915, an increase of \$2,204,824 over the December ending value of \$5,432,091. Over the last three months, the account posted \$1,987,473 in net contributions in addition to net investment returns totaling \$217,351. Income receipts totaling \$87,334 plus realized and unrealized capital gains of \$130,017 combined to produce last quarter's net investment return.

For the cumulative period since March 2015, the portfolio has recorded net contributions totaling \$1.9 million, while posting net investment losses totaling \$232,367. Since March 2015, if the account earned a compound annual rate of 7.6% it would have been worth \$8.3 million or \$698,400 more than its actual value as of March 31st, 2016.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the first quarter, the Lyrical Asset Management U.S Value Equity portfolio returned 0.2%, which was 1.4% less than the Russell 1000 Value Index's return of 1.6% and ranked in the 60th percentile of the Large Cap Value universe. Over the trailing year, the portfolio returned -7.5%, which was 5.9% below the benchmark's -1.6% return, and ranked in the 88th percentile.

## **ASSET ALLOCATION**

On March 31st, 2016, large cap equities comprised 94.3% of the total portfolio (\$7.2 million), while cash & equivalents comprised the remaining 5.7% (\$434,914).

## **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, Technology, and Service sectors. They were underweight in the Non-Durable Consumer Goods, Computer Technology, Energy and Finance sectors, and held no assets under Transportation or Utilities.

In the first quarter of the year the portfolio underperformed relative to their benchmark. The fund suffered from two highly overweight sectors; Consumer Service and Technology, which both posted negative returns to the index's gains. The Service sector was also damaging given its weight in the portfolio and its underperformance relative to the benchmark. The Basic and Durable Consumer Goods sectors were bright spots which were both overweight and managed to surpass the return of their counterparts. Unfortunately their combined allocation was not enough to undo the results from the other sectors. The quarter ended 1.4% below the index.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Qtr / YTD	FYTD	1 Year	3 Year	Since 03/15
<b>Total Portfolio - Gross</b>	0.2	2.7	-7.5	----	-7.5
<i>LARGE CAP VALUE RANK</i>	(60)	(84)	(88)	----	(88)
<b>Total Portfolio - Net</b>	0.0	2.4	-8.2	----	-8.2
RUSSELL 1000V	1.6	7.4	-1.6	9.4	-1.6
<b>Large Cap Equity - Gross</b>	0.3	2.9	-7.6	----	-7.6
<i>LARGE CAP VALUE RANK</i>	(58)	(83)	(89)	----	(89)
RUSSELL 1000V	1.6	7.4	-1.6	9.4	-1.6

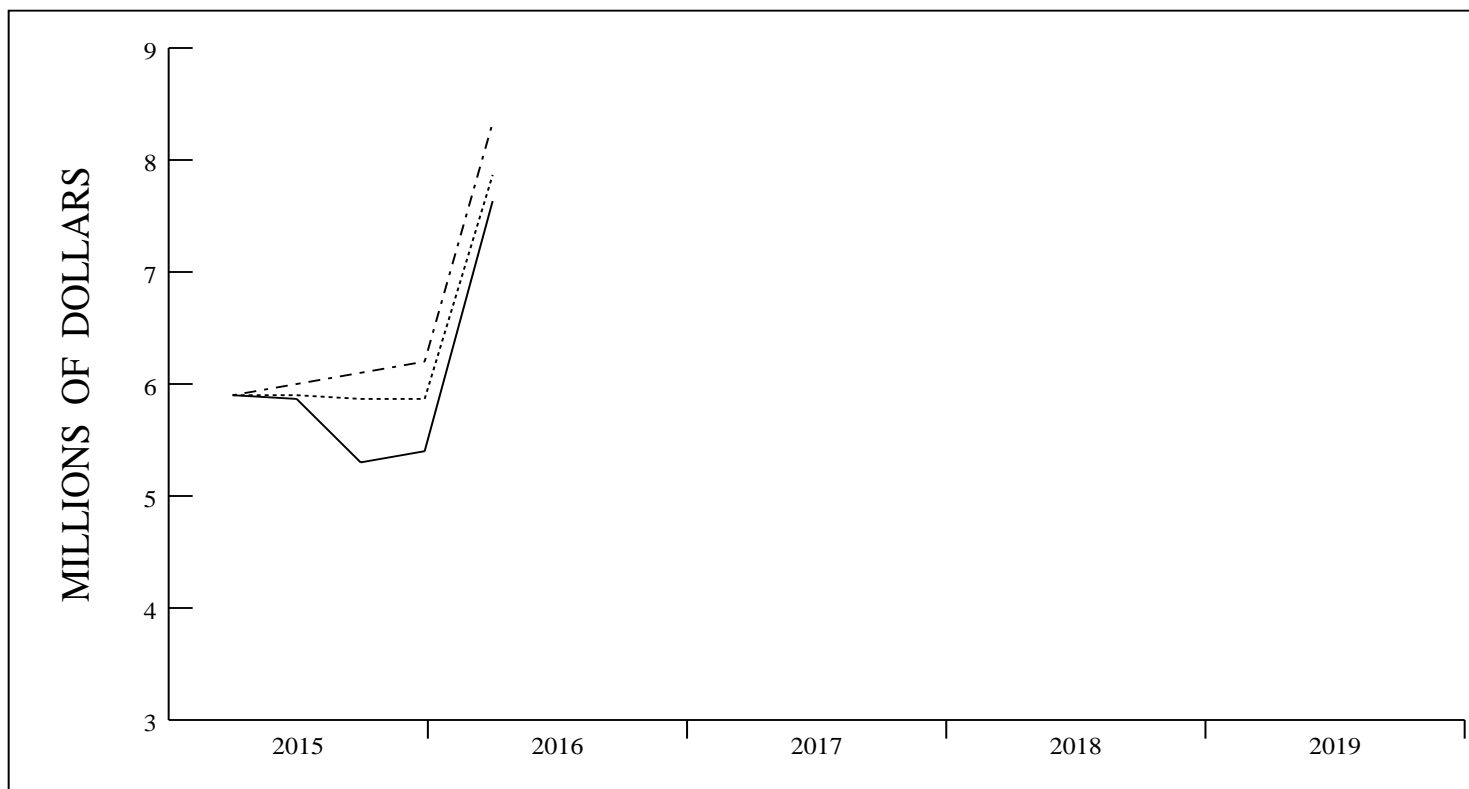
**ASSET ALLOCATION**

Large Cap Equity	94.3%	\$ 7,202,001
Cash	5.7%	434,914
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 7,636,915</b>

**INVESTMENT RETURN**

Market Value 12/2015	\$ 5,432,091
Contribs / Withdrawals	1,987,473
Income	87,334
Capital Gains / Losses	130,017
Market Value 3/2016	\$ 7,636,915

**INVESTMENT GROWTH**

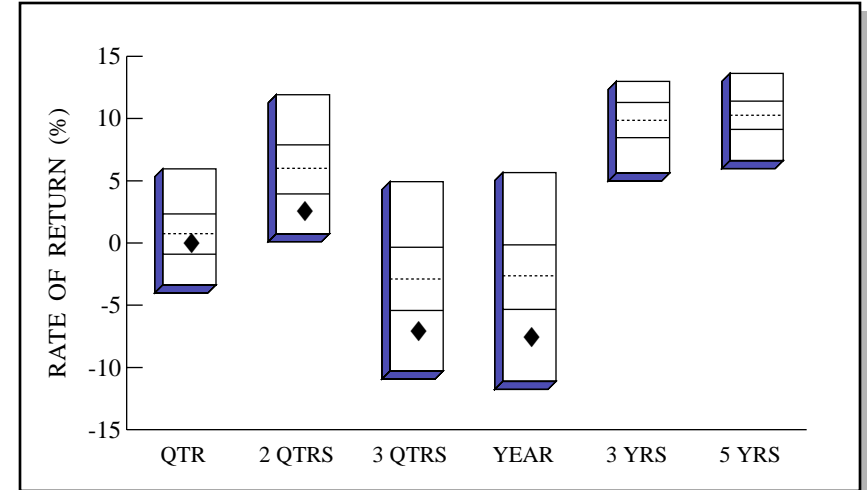
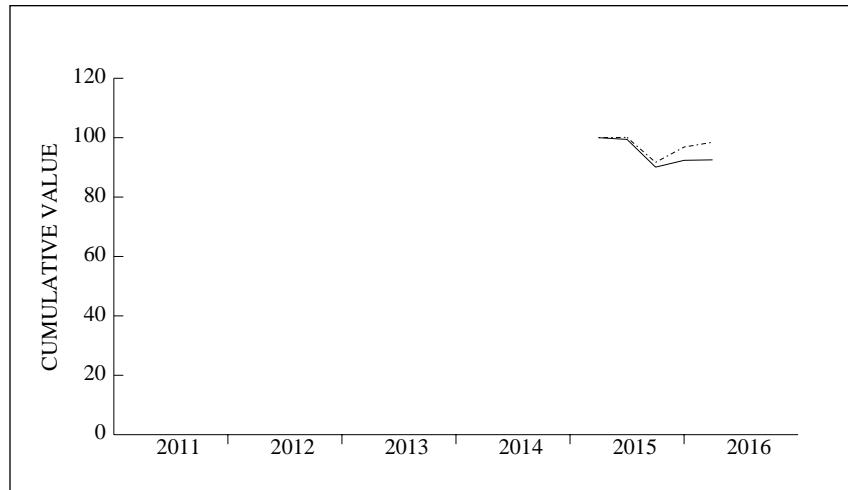


—	ACTUAL RETURN
- - -	7.6%
.....	0.0%

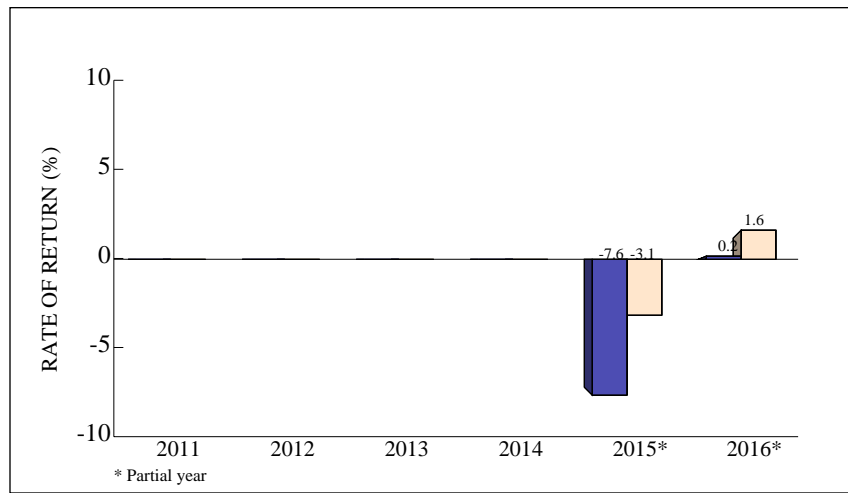
VALUE ASSUMING	
7.6% RETURN	\$ 8,335,315

	LAST QUARTER	PERIOD 3/15 - 3/16
BEGINNING VALUE	\$ 5,432,091	\$ 5,919,873
NET CONTRIBUTIONS	1,987,473	1,949,409
INVESTMENT RETURN	217,351	-232,367
ENDING VALUE	\$ 7,636,915	\$ 7,636,915
INCOME	87,334	162,168
CAPITAL GAINS (LOSSES)	130,017	-394,535
INVESTMENT RETURN	217,351	-232,367

**TOTAL RETURN COMPARISONS**



Large Cap Value Universe

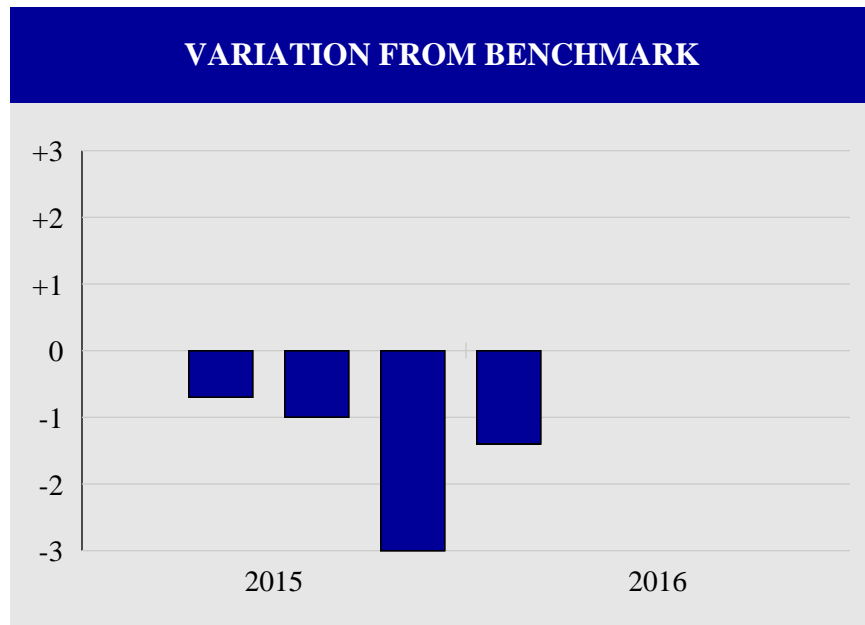


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.2	2.7	-6.9	-7.5	---	---
(RANK)	(60)	(84)	(83)	(88)	---	---
5TH %ILE	6.0	11.9	4.9	5.7	13.0	13.6
25TH %ILE	2.3	7.9	-0.3	-0.2	11.3	11.4
MEDIAN	0.8	6.0	-2.9	-2.6	9.9	10.3
75TH %ILE	-0.9	3.9	-5.4	-5.3	8.5	9.1
95TH %ILE	-3.4	0.8	-10.3	-11.1	5.6	6.6
<b>Russ 1000V</b>	<b>1.6</b>	<b>7.4</b>	<b>-1.7</b>	<b>-1.6</b>	<b>9.4</b>	<b>10.2</b>

Large Cap Value Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

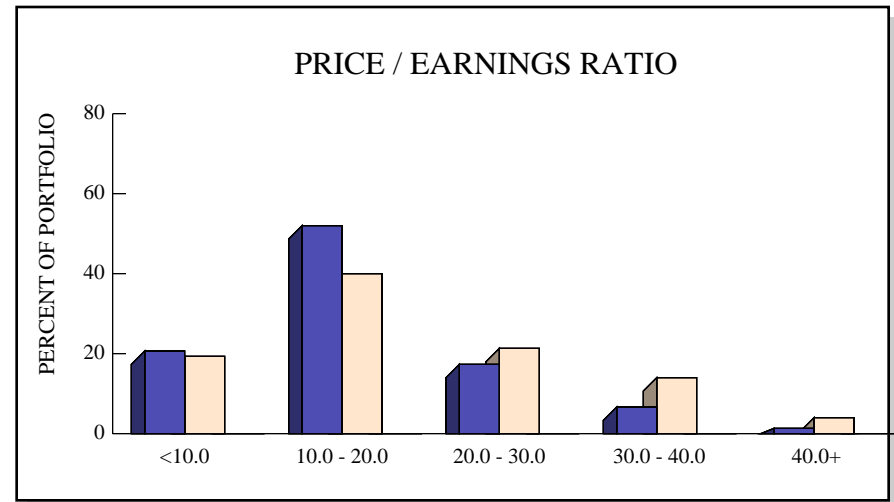
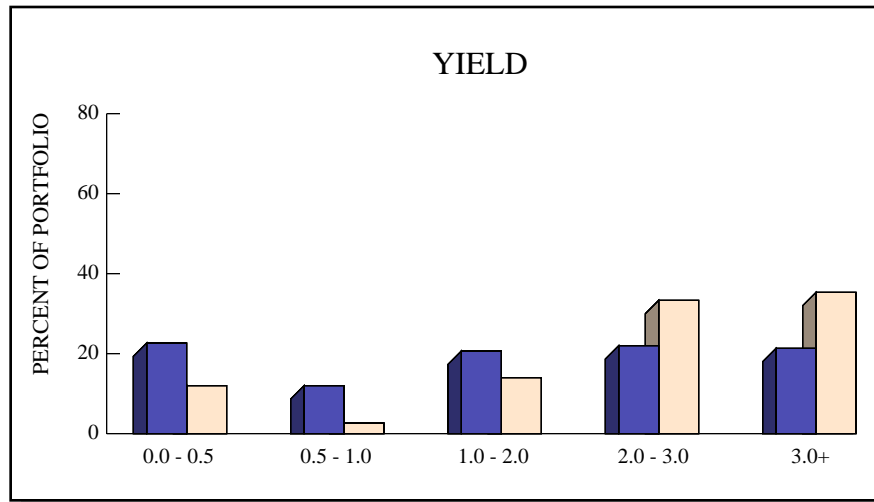
**COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE**



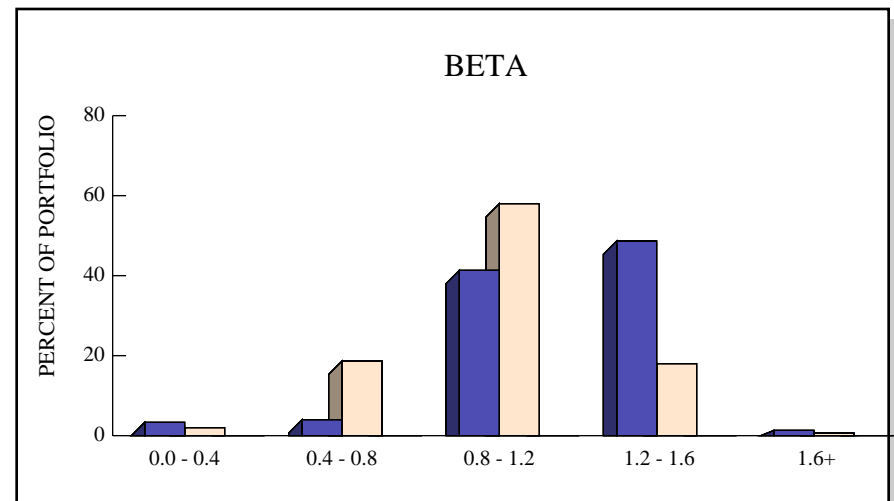
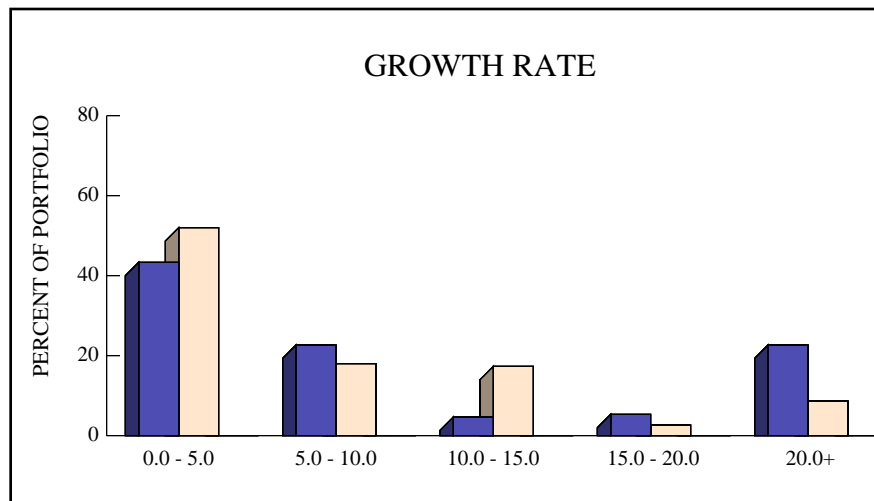
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/15	-0.6	0.1	-0.7
9/15	-9.4	-8.4	-1.0
12/15	2.6	5.6	-3.0
3/16	0.2	1.6	-1.4

<b>Total Quarters Observed</b>	<b>4</b>
<b>Quarters At or Above the Benchmark</b>	<b>0</b>
<b>Quarters Below the Benchmark</b>	<b>4</b>
<b>Batting Average</b>	<b>.000</b>

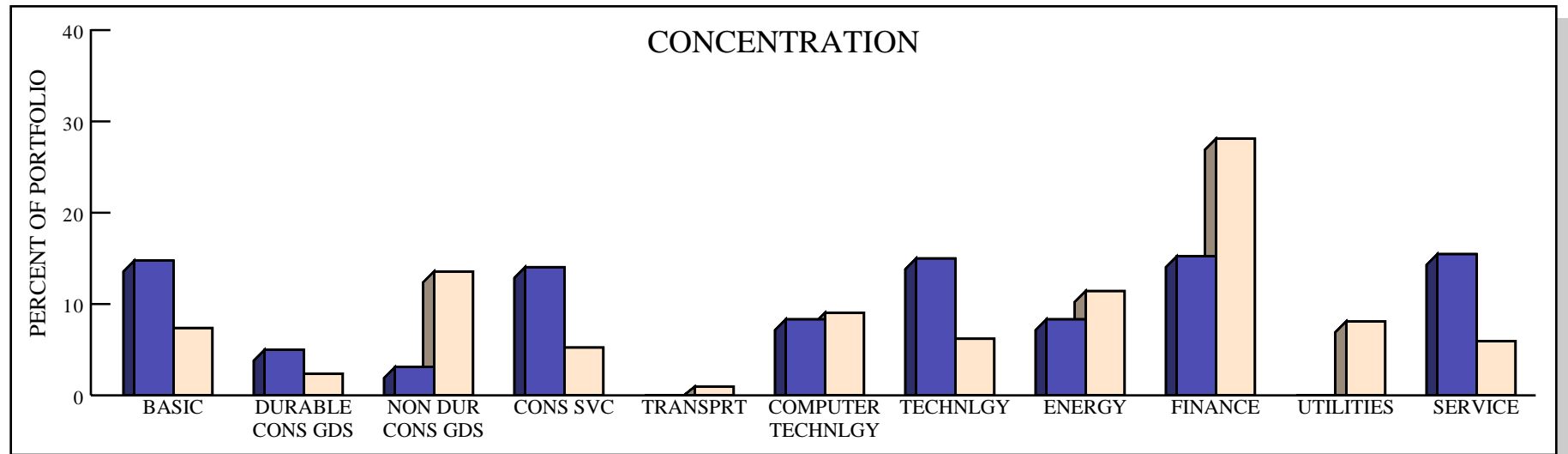
**STOCK CHARACTERISTICS**



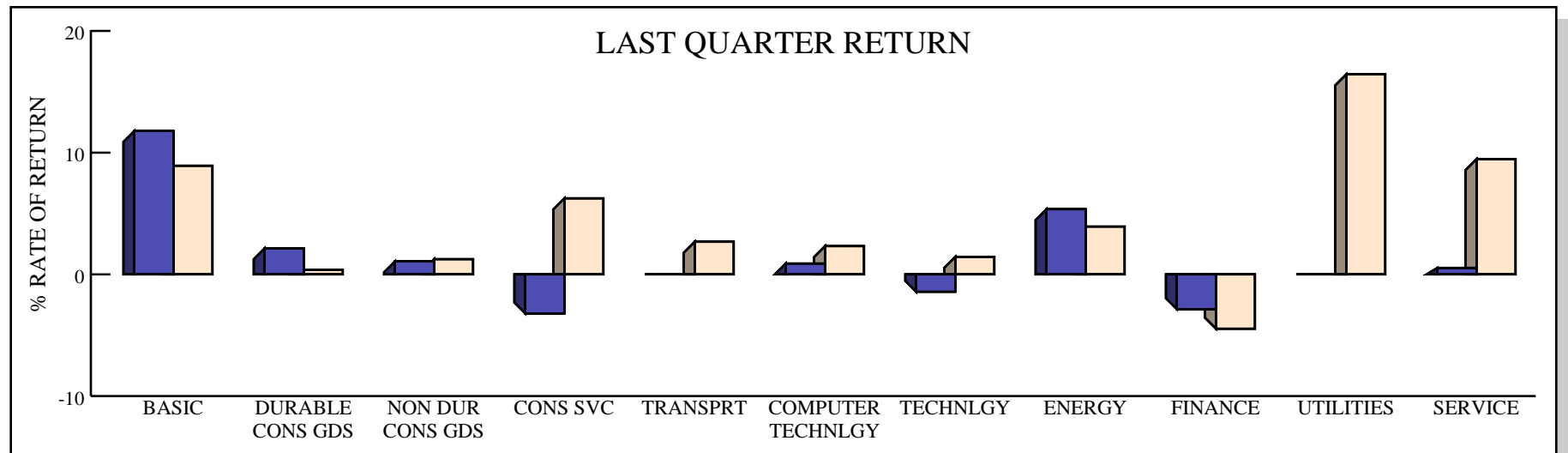
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	33	1.9%	8.6%	13.4	1.15
RUSSELL 1000V	684	2.6%	4.4%	18.6	0.97



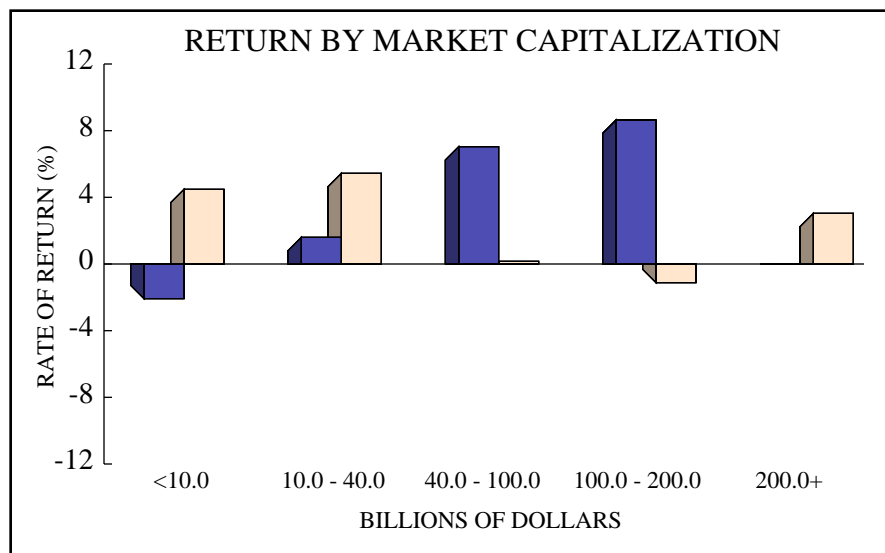
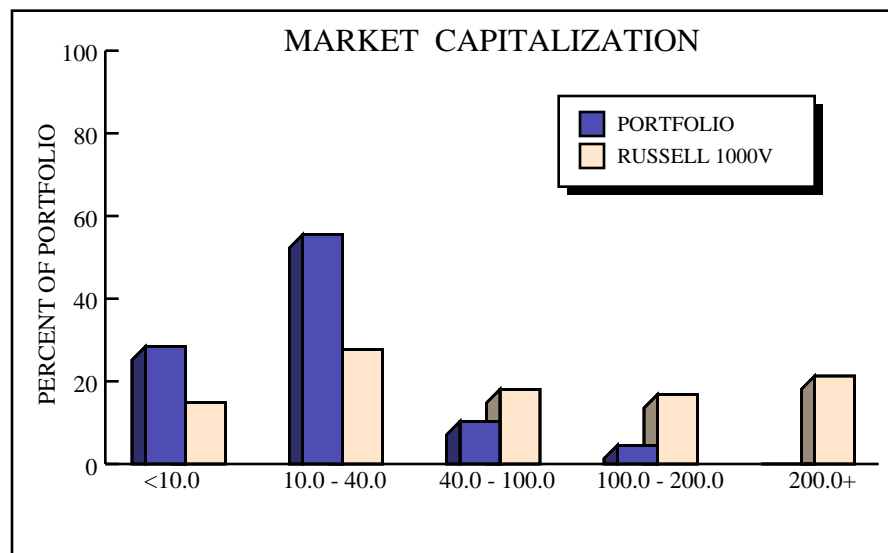
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 VALUE



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	BROADCOM LTD	\$ 439,089	6.10%	6.7%	Technology	\$ 60.3 B
2	AETNA INC	368,283	5.11%	4.1%	Consumer Service	39.3 B
3	COMCAST CORP-CLASS A	345,713	4.80%	8.7%	Service	148.6 B
4	AFLAC INC	342,156	4.75%	6.0%	Finance	26.5 B
5	ANTHEM INC	326,904	4.54%	0.1%	Consumer Service	36.3 B
6	SUNCOR ENERGY INC	325,155	4.51%	7.8%	Energy	44.0 B
7	EATON CORP PLC	313,175	4.35%	21.1%	Basic	28.7 B
8	CORNING INC	306,415	4.25%	14.9%	Basic	23.0 B
9	TE CONNECTIVITY LTD	305,328	4.24%	-3.7%	Technology	22.9 B
10	LIBERTY INTERACTIVE CORP Q-A	302,419	4.20%	-7.6%	Service	11.6 B



DAVIE POLICE PENSION PLAN  
JOHNSTON - INTERNATIONAL EQUITY GROUP TRUST  
PERFORMANCE REVIEW  
MARCH 2016

## **INVESTMENT RETURN**

On March 31st, 2016, the Davie Police Pension Plan's Johnston International Equity Group Trust portfolio was valued at \$5,843,224, a decrease of \$247,601 from the December ending value of \$6,090,825. Last quarter, the account recorded total net withdrawals of \$12,624 in addition to \$234,977 in net investment losses. Because there were no income receipts during the first quarter, the portfolio's net investment losses were entirely made up of capital losses (realized and unrealized).

For the cumulative period since December 2010, the portfolio has posted net withdrawals totaling \$222,262 and recorded net investment gains totaling \$1.1 million. For the period since December 2010, if the fund had returned a compound annual rate of 7.6% it would have been valued at \$7.0 million or \$1.2 million more than the actual value as of March 31st, 2016.

## **RELATIVE PERFORMANCE**

For the first quarter, the Johnston International Equity Group Trust portfolio returned -3.9%, which was 1.0% less than the MSCI EAFE Index's return of -2.9% and ranked in the 88th percentile of the International Equity universe. Over the trailing year, this portfolio returned -11.1%, which was 3.2% below the benchmark's -7.9% return, ranking in the 85th percentile. Since December 2010, the account returned 4.0% on an annualized basis and ranked in the 46th percentile. For comparison, the MSCI EAFE Index returned an annualized 3.3% 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	Since 12/10
<b>Total Portfolio - Gross</b>	-3.9	2.9	-11.1	2.9	4.0
<i>INTERNATIONAL EQUITY RANK</i>	(88)	(60)	(85)	(53)	(46)
<b>Total Portfolio - Net</b>	-4.1	2.5	-11.9	2.1	3.1
MSCI EAFE	-2.9	1.7	-7.9	2.7	3.3
<b>International Equity - Gross</b>	-3.9	2.9	-11.1	2.9	4.0
<i>INTERNATIONAL EQUITY RANK</i>	(88)	(60)	(85)	(53)	(46)
MSCI EAFE	-2.9	1.7	-7.9	2.7	3.3

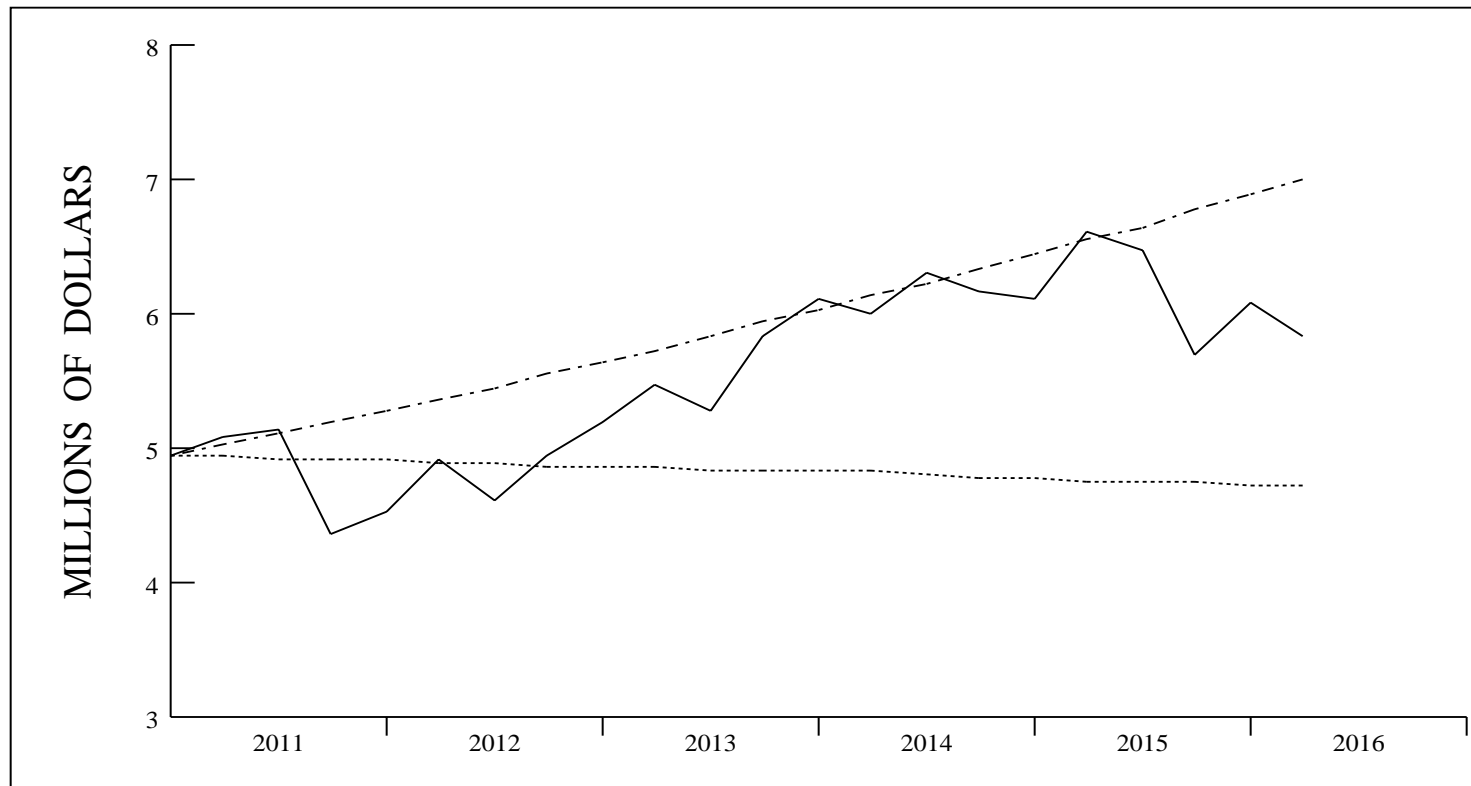
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 5,843,224
Total Portfolio	100.0%	\$ 5,843,224

**INVESTMENT RETURN**

Market Value 12/2015	\$ 6,090,825
Contribs / Withdrawals	- 12,624
Income	0
Capital Gains / Losses	-234,977
Market Value 3/2016	\$ 5,843,224

**INVESTMENT GROWTH**

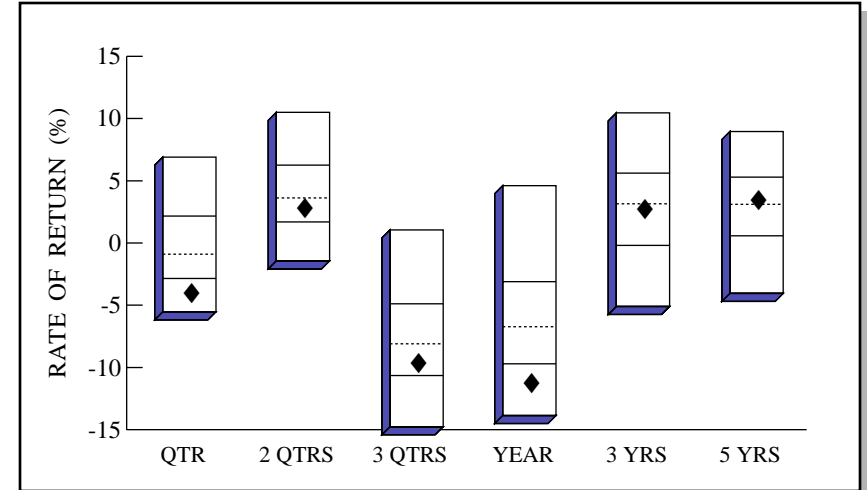
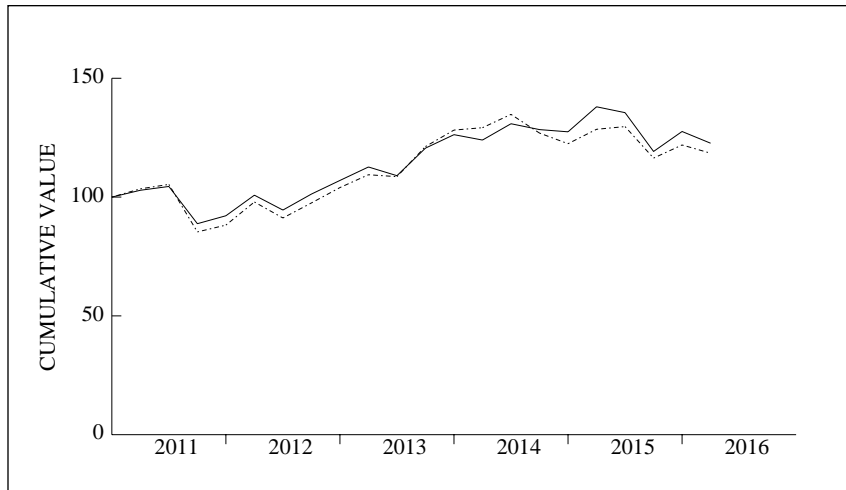


— ACTUAL RETURN  
 - - - 7.6%  
 . . . 0.0%

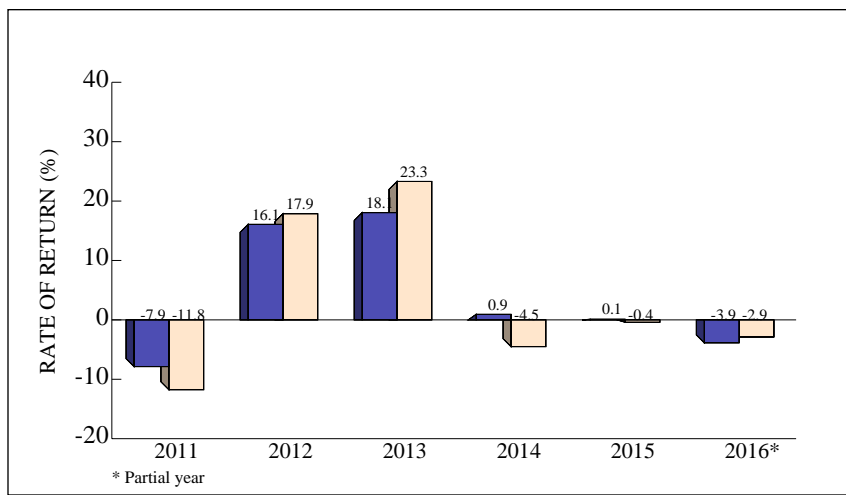
VALUE ASSUMING  
 7.6% RETURN \$ 7,015,095

	LAST QUARTER	PERIOD 12/10 - 3/16
BEGINNING VALUE	\$ 6,090,825	\$ 4,958,329
NET CONTRIBUTIONS	- 12,624	-222,262
INVESTMENT RETURN	<u>-234,977</u>	<u>1,107,157</u>
ENDING VALUE	\$ 5,843,224	\$ 5,843,224
INCOME	0	0
CAPITAL GAINS (LOSSES)	<u>-234,977</u>	<u>1,107,157</u>
INVESTMENT RETURN	-234,977	1,107,157

**TOTAL RETURN COMPARISONS**



International Equity Universe

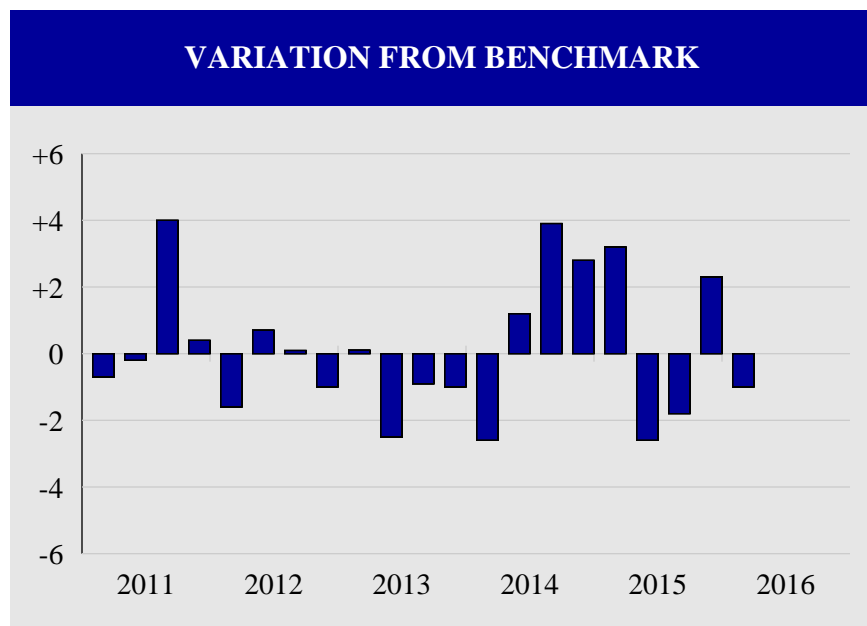


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-3.9	2.9	-9.5	-11.1	2.9	3.6
(RANK)	(88)	(60)	(65)	(85)	(53)	(44)
5TH %ILE	6.9	10.5	1.0	4.6	10.5	9.0
25TH %ILE	2.2	6.3	-4.9	-3.1	5.6	5.3
MEDIAN	-0.9	3.6	-8.1	-6.7	3.1	3.1
75TH %ILE	-2.9	1.7	-10.7	-9.7	-0.2	0.6
95TH %ILE	-5.5	-1.4	-14.8	-13.9	-5.1	-4.0
<b>MSCI EAFE</b>	<b>-2.9</b>	<b>1.7</b>	<b>-8.6</b>	<b>-7.9</b>	<b>2.7</b>	<b>2.7</b>

International Equity Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: MSCI EAFE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/11	2.8	3.5	-0.7
6/11	1.6	1.8	-0.2
9/11	-15.0	-19.0	4.0
12/11	3.8	3.4	0.4
3/12	9.4	11.0	-1.6
6/12	-6.2	-6.9	0.7
9/12	7.1	7.0	0.1
12/12	5.6	6.6	-1.0
3/13	5.3	5.2	0.1
6/13	-3.2	-0.7	-2.5
9/13	10.7	11.6	-0.9
12/13	4.7	5.7	-1.0
3/14	-1.8	0.8	-2.6
6/14	5.5	4.3	1.2
9/14	-1.9	-5.8	3.9
12/14	-0.7	-3.5	2.8
3/15	8.2	5.0	3.2
6/15	-1.8	0.8	-2.6
9/15	-12.0	-10.2	-1.8
12/15	7.0	4.7	2.3
3/16	-3.9	-2.9	-1.0

<b>Total Quarters Observed</b>	<b>21</b>
<b>Quarters At or Above the Benchmark</b>	<b>10</b>
<b>Quarters Below the Benchmark</b>	<b>11</b>
<b>Batting Average</b>	<b>.476</b>

DAVIE POLICE PENSION PLAN  
SSGA - MSCI EAFE INDEX SL FUND  
PERFORMANCE REVIEW  
MARCH 2016

## **INVESTMENT RETURN**

On March 31st, 2016, the Davie Police Pension Plan's SSgA MSCI EAFE Index SL Fund was valued at \$4,704,875, a decrease of \$141,788 from the December ending value of \$4,846,663. Last quarter, the account recorded no net contributions or withdrawals, while recording a net investment loss for the quarter of \$141,788. Since there were no income receipts for the first quarter, net investment losses were the result of capital losses (realized and unrealized).

Since March 2011, the account has recorded net investment gains of \$568,259. Since March 2011, if the total account earned a compound annual rate of 7.6% it would have been worth \$6.0 million or \$1.3 million more than the actual value as of March 31st, 2016.

## **RELATIVE PERFORMANCE**

During the first quarter, the SSgA MSCI EAFE Index SL Fund lost 2.9%, which was equal to the MSCI EAFE Index's return of -2.9% and ranked in the 77th percentile of the International Equity universe. Over the trailing year, the portfolio returned -8.0%, which was 0.1% below the benchmark's -7.9% performance, ranking in the 61st percentile. Since March 2011, the account returned 2.6% on an annualized basis and ranked in the 57th percentile. For comparison, the MSCI EAFE Index returned an annualized 2.7% over the same period.

## **ASSET ALLOCATION**

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



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Qtr / YTD	FYTD	1 Year	3 Year	5 Years
<b>Total Portfolio - Gross</b>	-2.9	1.7	-8.0	2.5	2.6
<i>INTERNATIONAL EQUITY RANK</i>	(77)	(76)	(61)	(57)	(57)
<b>Total Portfolio - Net</b>	-3.0	1.6	-8.2	2.3	2.4
MSCI EAFE	-2.9	1.7	-7.9	2.7	2.7
<b>International Equity - Gross</b>	-2.9	1.7	-8.0	2.5	2.6
<i>INTERNATIONAL EQUITY RANK</i>	(77)	(76)	(61)	(57)	(57)
MSCI EAFE	-2.9	1.7	-7.9	2.7	2.7

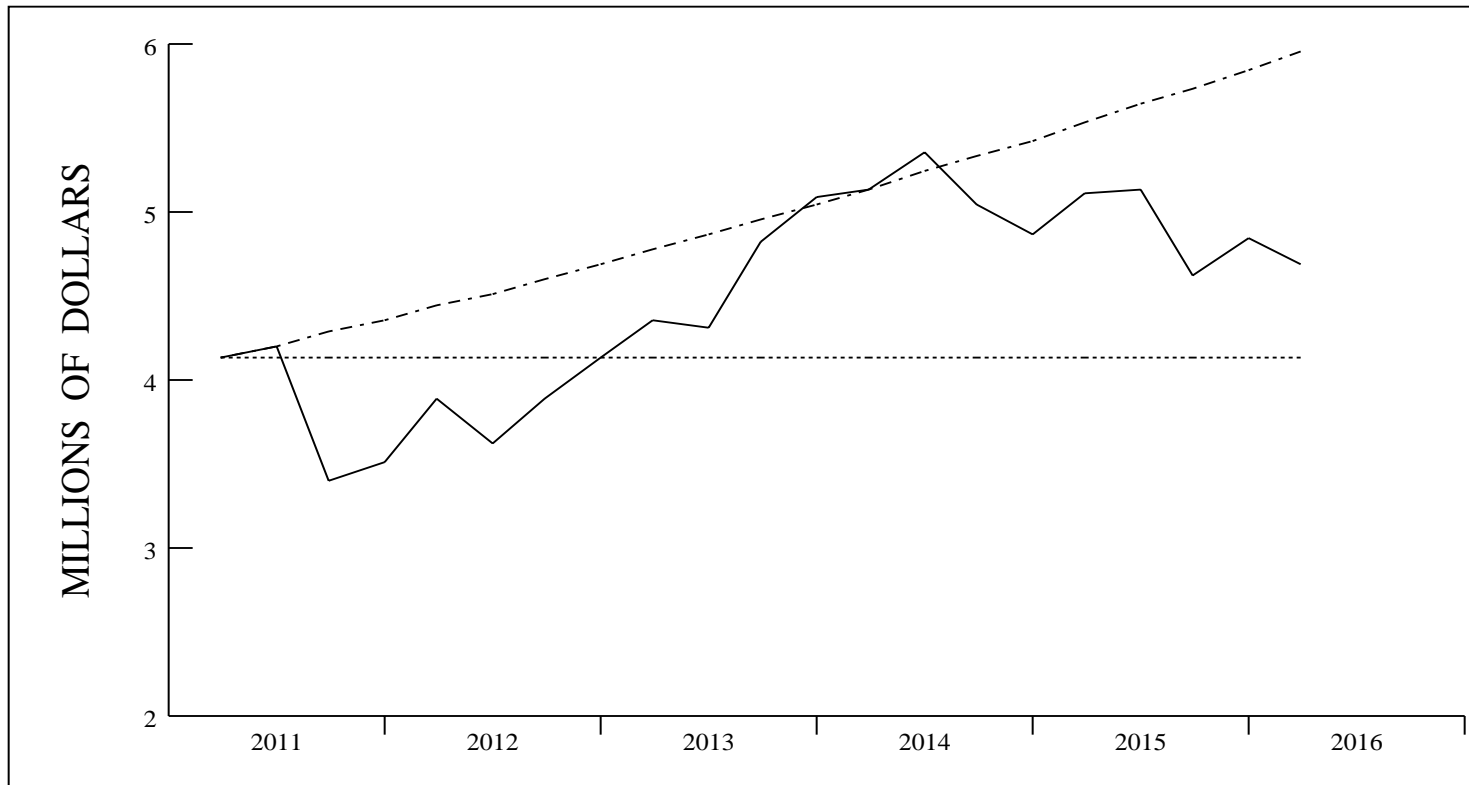
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 4,704,875
Total Portfolio	100.0%	\$ 4,704,875

**INVESTMENT RETURN**

Market Value 12/2015	\$ 4,846,663
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	-141,788
Market Value 3/2016	\$ 4,704,875

**INVESTMENT GROWTH**

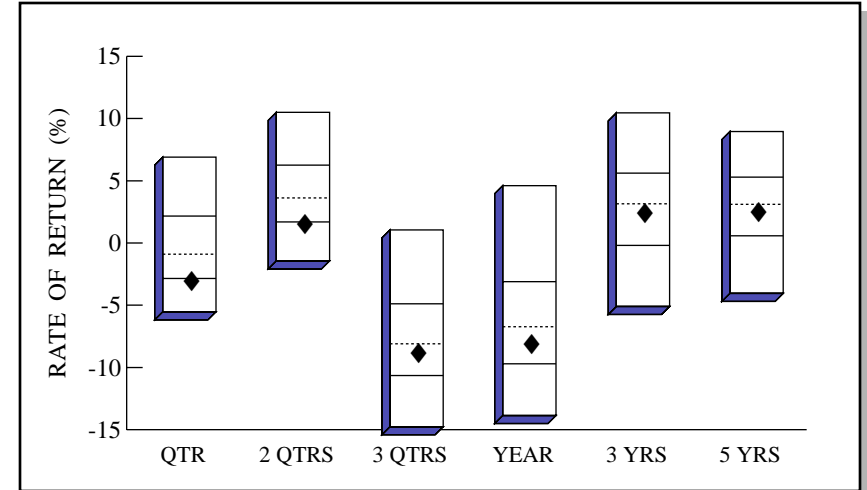


— ACTUAL RETURN  
 - - - 7.6%  
 ..... 0.0%

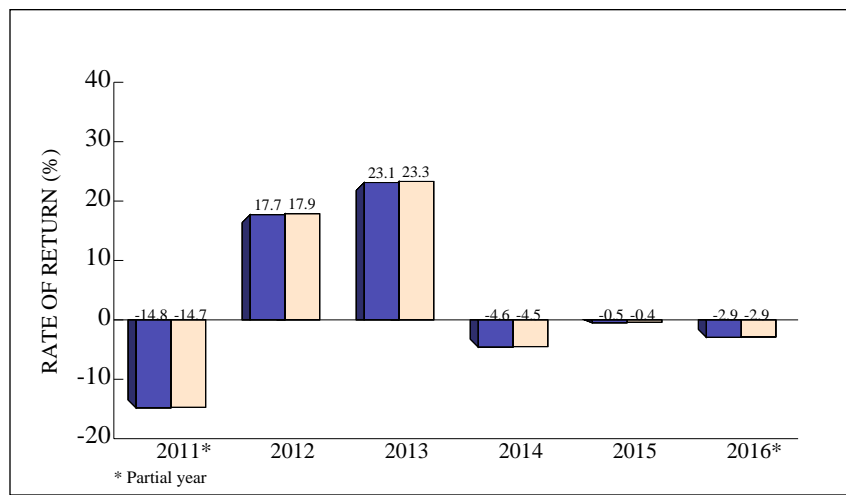
VALUE ASSUMING  
 7.6% RETURN    \$ 5,966,320

	LAST QUARTER	PERIOD 3/11 - 3/16
BEGINNING VALUE	\$ 4,846,663	\$ 4,136,616
NET CONTRIBUTIONS	0	0
INVESTMENT RETURN	-141,788	568,259
ENDING VALUE	\$ 4,704,875	\$ 4,704,875
INCOME	0	0
CAPITAL GAINS (LOSSES)	-141,788	568,259
INVESTMENT RETURN	-141,788	568,259

**TOTAL RETURN COMPARISONS**



International Equity Universe

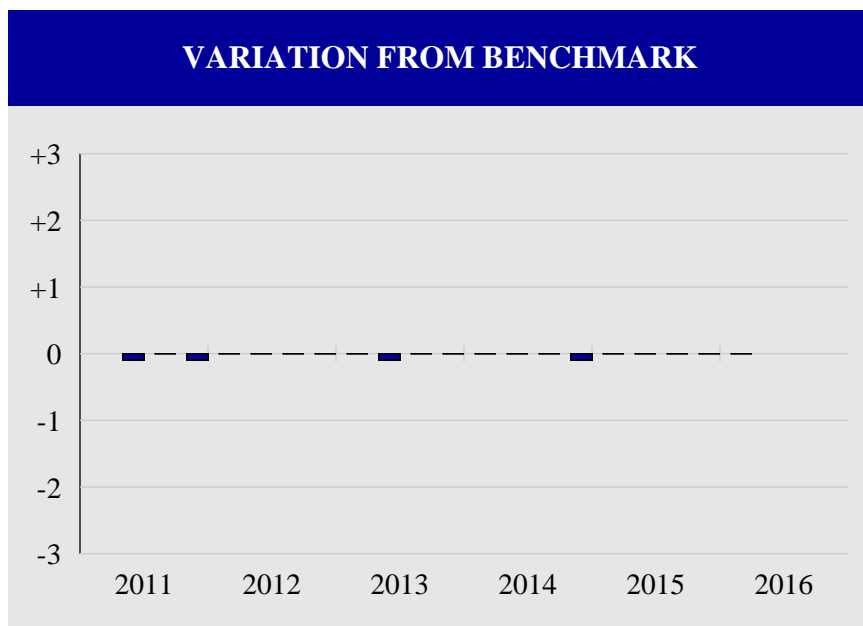


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-2.9	1.7	-8.7	-8.0	2.5	2.6
(RANK)	(77)	(76)	(56)	(61)	(57)	(57)
5TH %ILE	6.9	10.5	1.0	4.6	10.5	9.0
25TH %ILE	2.2	6.3	-4.9	-3.1	5.6	5.3
MEDIAN	-0.9	3.6	-8.1	-6.7	3.1	3.1
75TH %ILE	-2.9	1.7	-10.7	-9.7	-0.2	0.6
95TH %ILE	-5.5	-1.4	-14.8	-13.9	-5.1	-4.0
<b>MSCI EAFE</b>	<b>-2.9</b>	<b>1.7</b>	<b>-8.6</b>	<b>-7.9</b>	<b>2.7</b>	<b>2.7</b>

International Equity Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: MSCI EAFE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/11	1.7	1.8	-0.1
9/11	-19.0	-19.0	0.0
12/11	3.3	3.4	-0.1
3/12	11.0	11.0	0.0
6/12	-6.9	-6.9	0.0
9/12	7.0	7.0	0.0
12/12	6.6	6.6	0.0
3/13	5.2	5.2	0.0
6/13	-0.8	-0.7	-0.1
9/13	11.6	11.6	0.0
12/13	5.7	5.7	0.0
3/14	0.8	0.8	0.0
6/14	4.3	4.3	0.0
9/14	-5.8	-5.8	0.0
12/14	-3.6	-3.5	-0.1
3/15	5.0	5.0	0.0
6/15	0.8	0.8	0.0
9/15	-10.2	-10.2	0.0
12/15	4.7	4.7	0.0
3/16	-2.9	-2.9	0.0

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

DAVIE POLICE PENSION PLAN  
AMERICAN REALTY ADVISORS - AMERICAN CORE REALTY FUND  
PERFORMANCE REVIEW  
MARCH 2016

## **INVESTMENT RETURN**

On March 31st, 2016, the Davie Police Pension Plan's American Realty Advisors American Core Realty Fund was valued at \$3,801,906, representing an increase of \$87,317 from the December quarter's ending value of \$3,714,589. Last quarter, the Fund posted withdrawals totaling \$10,497, which partially offset the portfolio's net investment return of \$97,814. Income receipts totaling \$55,650 plus net realized and unrealized capital gains of \$42,164 combined to produce the portfolio's net investment return.

For the cumulative period since March 2011, the fund has recorded net contributions totaling \$1.4 million, and recorded net investment gains of \$1.5 million. For the period since March 2011, if the total fund had returned a compound annual rate of 7.6% it would have been valued at \$3.1 million or \$693,657 less than the actual value as of March 31st, 2016.

## **RELATIVE PERFORMANCE**

In the first quarter, the American Realty Advisors American Core Realty Fund gained 2.6%, which was 0.4% greater than the NCREIF NFI-ODCE Index's return of 2.2%. Over the trailing twelve-month period, the portfolio returned 13.3%, which was 0.4% below the benchmark's 13.7% return. Since March 2011, the account returned 12.7% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 13.3% over the same time frame.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Years</b>
<b>Total Portfolio - Gross</b>	2.6	5.7	13.3	13.1	12.7
<b>Total Portfolio - Net</b>	2.4	5.1	12.1	11.9	11.5
NCREIF ODCE	2.2	5.6	13.7	13.6	13.3
<b>Real Estate - Gross</b>	2.6	5.7	13.3	13.1	12.7
NCREIF ODCE	2.2	5.6	13.7	13.6	13.3

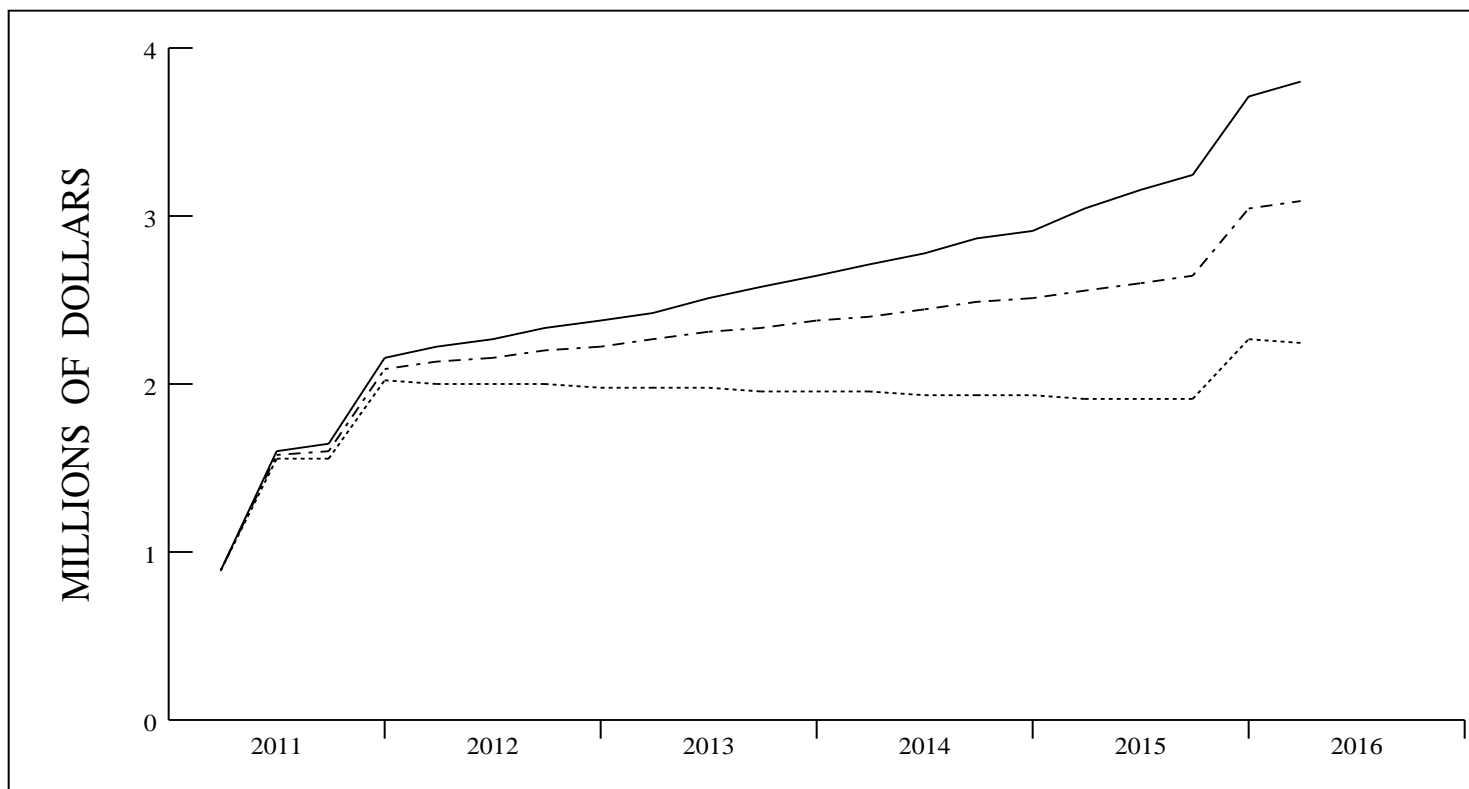
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 3,801,906
Total Portfolio	100.0%	\$ 3,801,906

**INVESTMENT RETURN**

Market Value 12/2015	\$ 3,714,589
Contribs / Withdrawals	- 10,497
Income	55,650
Capital Gains / Losses	42,164
Market Value 3/2016	\$ 3,801,906

**INVESTMENT GROWTH**



— ACTUAL RETURN  
 - - - 7.6%  
 ..... 0.0%

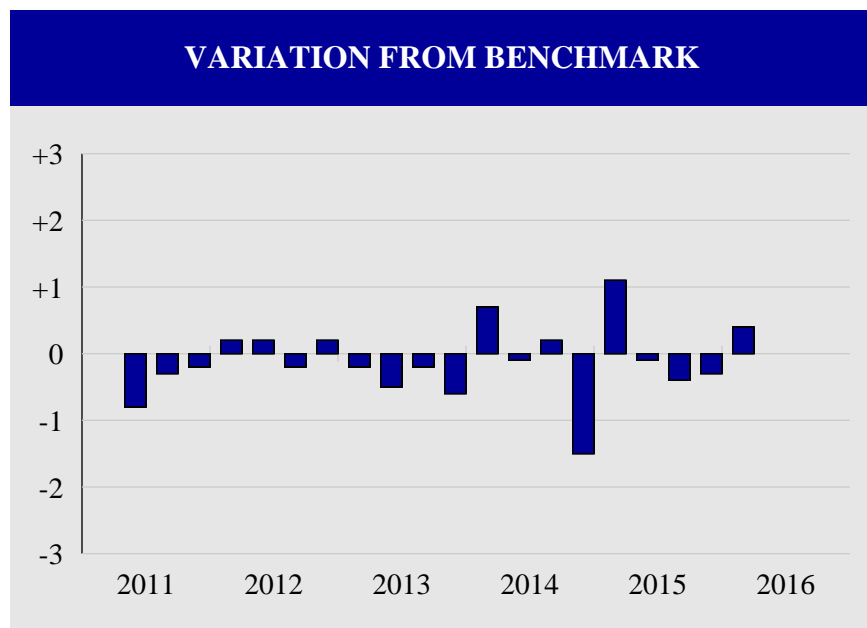
VALUE ASSUMING  
 7.6% RETURN    \$ 3,108,249

	LAST QUARTER	PERIOD 3/11 - 3/16
BEGINNING VALUE	\$ 3,714,589	\$ 892,274
NET CONTRIBUTIONS	- 10,497	1,372,629
INVESTMENT RETURN	97,814	1,537,004
ENDING VALUE	\$ 3,801,906	\$ 3,801,906
INCOME	55,650	747,631
CAPITAL GAINS (LOSSES)	42,164	789,373
INVESTMENT RETURN	97,814	1,537,004



### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX



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

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

DAVIE POLICE PENSION PLAN  
INTERCONTINENTAL - US REAL ESTATE INVESTMENT FUND  
PERFORMANCE REVIEW  
MARCH 2016

## **INVESTMENT RETURN**

On March 31st, 2016, the Davie Police Pension Plan's Intercontinental US Real Estate Investment Fund was valued at \$7,292,172, representing an increase of \$65,344 from the December quarter's ending value of \$7,226,828. Last quarter, the Fund posted withdrawals totaling \$17,288, which offset the portfolio's net investment return of \$82,632. 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 \$82,632.

For the cumulative period since September 2013, the account has posted net contributions totaling \$2.8 million, and has recorded net investment gains totaling \$1.5 million. Since September 2013, if the portfolio had returned a compound annual rate of 7.6% it would have been valued at \$6.6 million or \$673,710 less than its actual value as of March 31st, 2016.

## **RELATIVE PERFORMANCE**

For the first quarter, the Intercontinental US Real Estate Investment Fund gained 1.1%, which was 1.1% less than the NCREIF NFI-ODCE Index's return of 2.2%. Over the trailing twelve-month period, the portfolio returned 14.5%, which was 0.8% greater than the benchmark's 13.7% performance. Since September 2013, the Intercontinental US Real Estate Investment Fund returned 13.7% per annum, while the NCREIF NFI-ODCE Index returned an annualized 13.2% over the same time frame.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	<b>Qtr / YTD</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 Year</b>	<b>Since 09/13</b>
<b>Total Portfolio - Gross</b>	1.1	7.1	14.5	----	13.7
<b>Total Portfolio - Net</b>	0.9	5.5	12.2	----	11.1
NCREIF ODCE	2.2	5.6	13.7	13.6	13.2
<b>Real Estate - Gross</b>	1.1	7.1	14.5	----	13.7
NCREIF ODCE	2.2	5.6	13.7	13.6	13.2

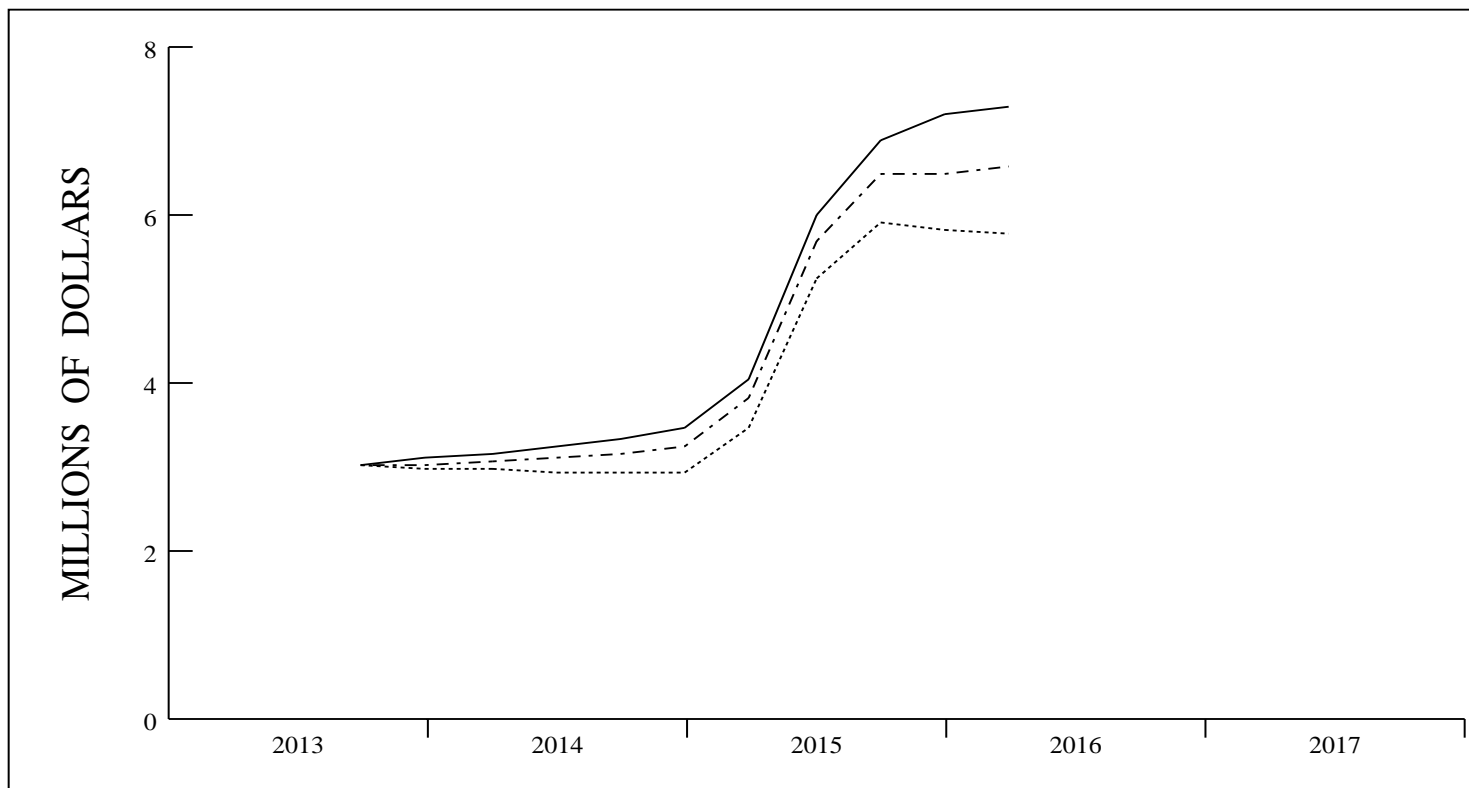
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 7,292,172
Total Portfolio	100.0%	\$ 7,292,172

**INVESTMENT RETURN**

Market Value 12/2015	\$ 7,226,828
Contribs / Withdrawals	- 17,288
Income	0
Capital Gains / Losses	82,632
Market Value 3/2016	\$ 7,292,172

**INVESTMENT GROWTH**



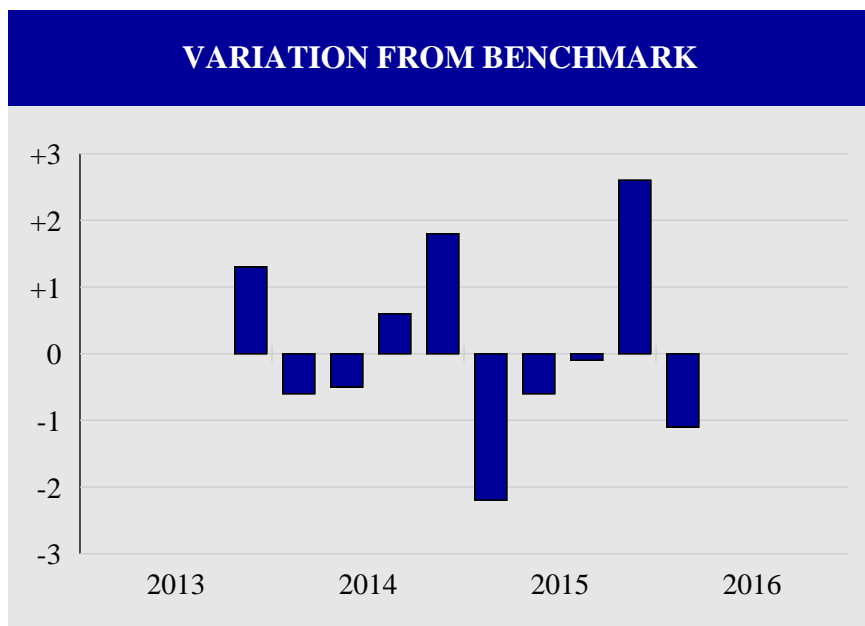
————	ACTUAL RETURN
- - - - -	7.6%
.....	0.0%

VALUE ASSUMING	
7.6% RETURN	\$ 6,618,462

	LAST QUARTER	PERIOD 9/13 - 3/16
BEGINNING VALUE	\$ 7,226,828	\$ 3,032,373
NET CONTRIBUTIONS	- 17,288	2,786,566
<u>INVESTMENT RETURN</u>	<u>82,632</u>	<u>1,473,233</u>
ENDING VALUE	\$ 7,292,172	\$ 7,292,172
INCOME	0	310,772
<u>CAPITAL GAINS (LOSSES)</u>	<u>82,632</u>	<u>1,162,461</u>
INVESTMENT RETURN	82,632	1,473,233

**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

<b>Total Quarters Observed</b>	<b>10</b>
<b>Quarters At or Above the Benchmark</b>	<b>4</b>
<b>Quarters Below the Benchmark</b>	<b>6</b>
<b>Batting Average</b>	<b>.400</b>

**Real Estate Investor Report**  
**Intercontinental US Real Estate Investment Fund**  
**As of March 31st, 2016**

<b>Market Value</b>	<b>\$ 7,292,172</b>	Last Appraisal Date: 3/31/2016
Initial Commitment	\$ 6,000,000	100.00%
Paid In Capital	\$ 6,282,852	104.71%
Net Distributions	\$ 441,238	
Net IRR Since Inception	13.18%	

	<b>Date</b>	<b>Paid In Capital</b>	<b>Distributions</b>	<b>Reinvested Income</b>
2013		\$ 3,000,000	\$ 9,494	\$ 7,053
Q1 2014		\$ -	\$ 22,646	\$ 14,309
Q2 2014		\$ -	\$ 26,601	\$ 18,407
Q3 2014		\$ -	\$ 36,627	\$ 28,291
Q4 2014		\$ -	\$ 31,625	\$ 23,119
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
<b>Total</b>		<b>\$ 6,000,000</b>	<b>\$ 383,664</b>	<b>\$ 282,852</b>

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

DAVIE POLICE PENSION PLAN  
UBS - TRUMBULL PROPERTY FUND  
PERFORMANCE REVIEW  
MARCH 2016



## **INVESTMENT RETURN**

On March 31st, 2016, the Davie Police Pension Plan's UBS Trumbull Property Fund was valued at \$3,833,402, representing an increase of \$66,664 from the December quarter's ending value of \$3,766,738. Last quarter, the Fund posted withdrawals totaling \$11,273, which partially offset the portfolio's net investment return of \$77,937. Income receipts totaling \$24,485 plus net realized and unrealized capital gains of \$53,452 combined to produce the portfolio's net investment return.

For the cumulative period since June 2012, the fund has recorded net contributions totaling \$1.9 million, and recorded net investment gains of \$916,256. For the period since June 2012, if the total fund had returned a compound annual rate of 7.6% it would have been valued at \$3.5 million or \$340,396 less than the actual value as of March 31st, 2016.

## **RELATIVE PERFORMANCE**

In the first quarter, the UBS Trumbull Property Fund gained 2.1%, which was 0.1% less than the NCREIF NFI-ODCE Index's return of 2.2%. Over the trailing twelve-month period, the portfolio returned 11.9%, which was 1.8% below the benchmark's 13.7% return. Since June 2012, the account returned 11.1% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 13.1% over the same time frame.

## **ASSET ALLOCATION**

This account was fully invested in the 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>Since 06/12</b>
<b>Total Portfolio - Gross</b>	2.1	5.2	11.9	11.8	11.1
<b>Total Portfolio - Net</b>	1.8	4.5	10.6	10.6	10.0
NCREIF ODCE	2.2	5.6	13.7	13.6	13.1
<b>Real Estate - Gross</b>	2.1	5.2	11.9	11.8	11.1
NCREIF ODCE	2.2	5.6	13.7	13.6	13.1

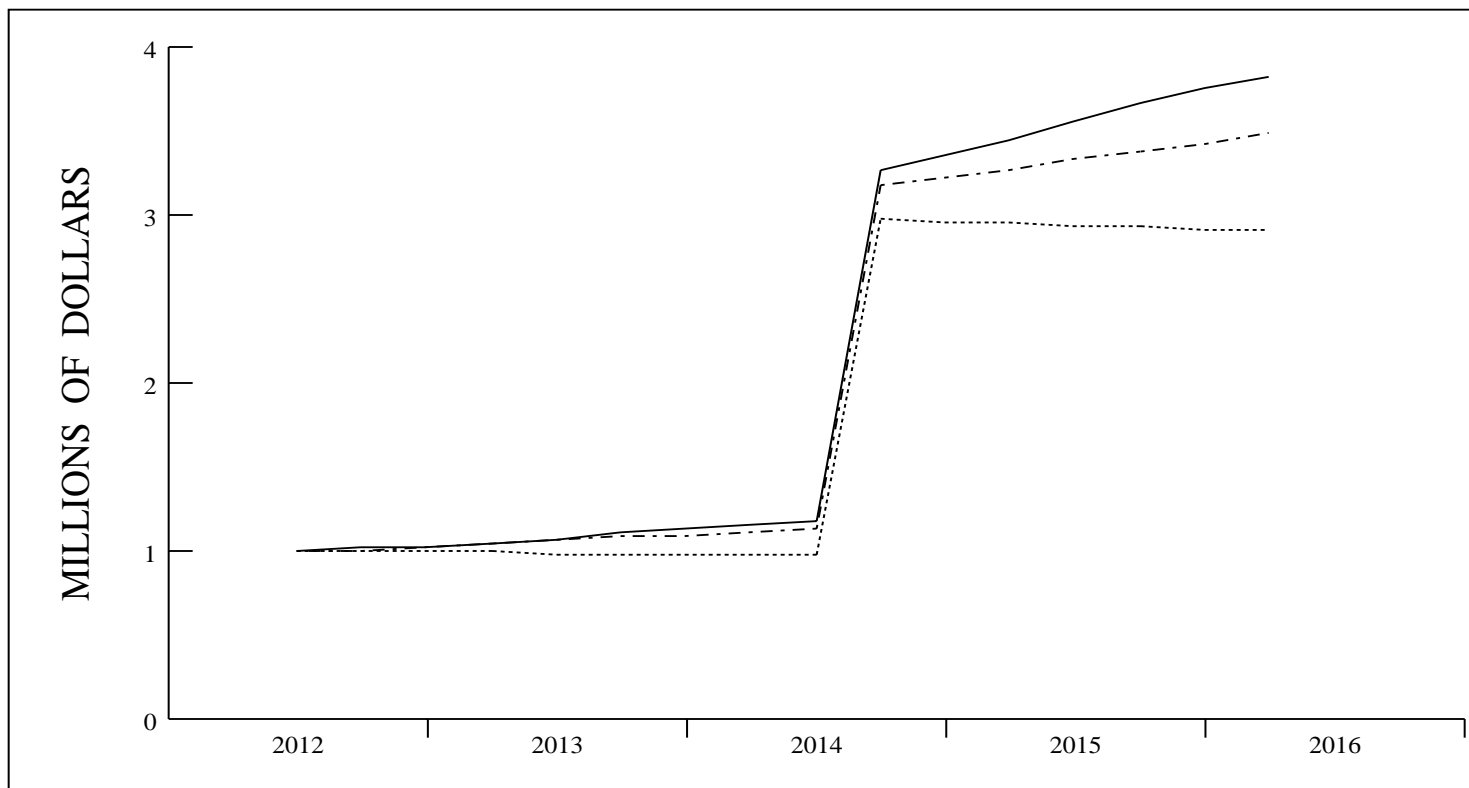
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 3,833,402
Total Portfolio	100.0%	\$ 3,833,402

**INVESTMENT RETURN**

Market Value 12/2015	\$ 3,766,738
Contribs / Withdrawals	- 11,273
Income	24,485
Capital Gains / Losses	53,452
Market Value 3/2016	\$ 3,833,402

**INVESTMENT GROWTH**



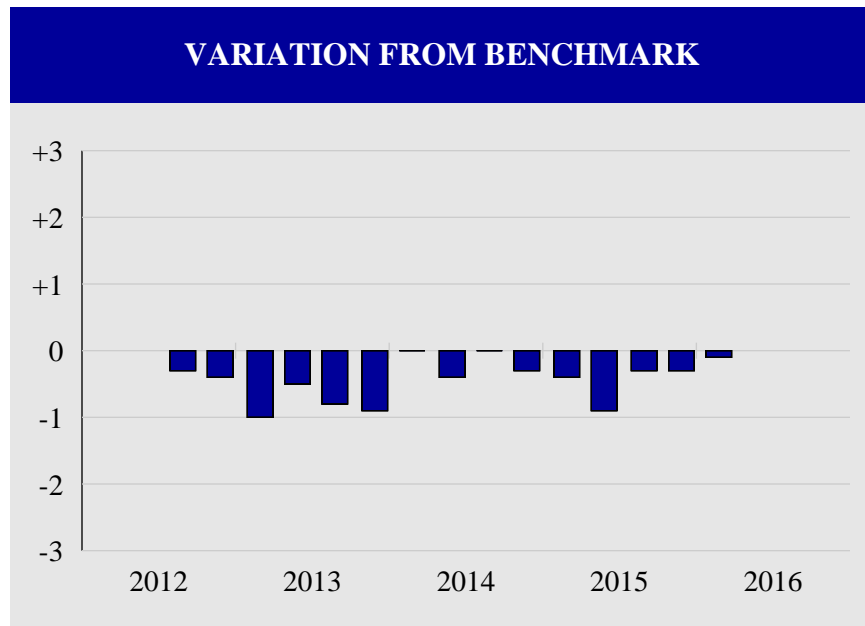
————	ACTUAL RETURN
- - - - -	7.6%
.....	0.0%

VALUE ASSUMING	
7.6% RETURN	\$ 3,493,006

	LAST QUARTER	PERIOD 6/12 - 3/16
BEGINNING VALUE	\$ 3,766,738	\$ 1,000,000
NET CONTRIBUTIONS	- 11,273	1,917,146
<u>INVESTMENT RETURN</u>	<u>77,937</u>	<u>916,256</u>
ENDING VALUE	\$ 3,833,402	\$ 3,833,402
INCOME	24,485	288,703
<u>CAPITAL GAINS (LOSSES)</u>	<u>53,452</u>	<u>627,553</u>
INVESTMENT RETURN	77,937	916,256

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

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



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/12	2.5	2.8	-0.3
12/12	1.9	2.3	-0.4
3/13	1.7	2.7	-1.0
6/13	3.4	3.9	-0.5
9/13	2.8	3.6	-0.8
12/13	2.3	3.2	-0.9
3/14	2.5	2.5	0.0
6/14	2.5	2.9	-0.4
9/14	3.2	3.2	0.0
12/14	3.0	3.3	-0.3
3/15	3.0	3.4	-0.4
6/15	2.9	3.8	-0.9
9/15	3.4	3.7	-0.3
12/15	3.0	3.3	-0.3
3/16	2.1	2.2	-0.1

<b>Total Quarters Observed</b>	<b>15</b>
<b>Quarters At or Above the Benchmark</b>	<b>2</b>
<b>Quarters Below the Benchmark</b>	<b>13</b>
<b>Batting Average</b>	<b>.133</b>

**Real Estate Investor Report**  
**UBS Trumbull Property Fund**  
**As of March 31, 2016**

<b>Market Value</b>	<b>\$ 3,833,402</b>	Last Appraisal Date: 3/31/2016	
Initial Commitment	\$ 3,000,000	100.00%	
Paid In Capital	\$ 3,000,000	100.00%	
Remaining Commitment	\$ -	0.00%	
IRR Since Inception	10.47%		

<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
Q1 2015	\$ -	0.00%	\$ -	0.00%	\$ 21,216
Q2 2015	\$ -	0.00%	\$ -	0.00%	\$ 24,869
Q3 2015	\$ -	0.00%	\$ -	0.00%	\$ 24,738
Q4 2015	\$ -	0.00%	\$ -	0.00%	\$ 24,564
Q1 2016	\$ -	0.00%	\$ -	0.00%	\$ 24,485
<b>Total</b>	<b>\$ 3,000,000</b>	<b>100.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 201,492</b>

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

DAVIE POLICE PENSION PLAN  
GARCIA HAMILTON - FIXED  
PERFORMANCE REVIEW  
MARCH 2016

## **INVESTMENT RETURN**

On March 31st, 2016, the Davie Police Pension Plan's Garcia Hamilton Fixed portfolio was valued at \$38,673,094, representing an increase of \$1,261,257 from the December quarter's ending value of \$37,411,837. Last quarter, the Fund posted withdrawals totaling \$27,552, which partially offset the portfolio's net investment return of \$1,288,809. Income receipts totaling \$391,445 plus net realized and unrealized capital gains of \$897,364 combined to produce the portfolio's net investment return.

For the cumulative period since March 2011, the fund has recorded net contributions totaling \$19.1 million, and recorded net investment gains of \$5.2 million. For the period since March 2011, if the total fund returned a compound annual rate of 7.6% it would have been valued at \$42.5 million or \$3.8 million more than the actual value as of March 31st, 2016.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the first quarter, the Garcia Hamilton Fixed portfolio gained 3.4%, which was 0.4% above the Custom Fixed Income Index's return of 3.0% and ranked in the 3rd percentile of the Core Fixed Income universe. Over the trailing year, the portfolio returned 2.3%, which was 0.3% greater than the benchmark's 2.0% performance, and ranked in the 29th percentile. Since March 2011, the portfolio returned 5.2% on an annualized basis and ranked in the 3rd percentile. For comparison, the Custom Fixed Income Index returned an annualized 3.6% over the same period.

## **ASSET ALLOCATION**

On March 31st, 2016, fixed income comprised 98.8% of the total portfolio (\$38.2 million), while cash & equivalents totaled 1.2% (\$481,883).

## **ANALYSIS**

At the end of the quarter, USG rated securities comprised approximately 85% of the bond portfolio, helping to minimize default risk. Corporate securities, rated AA through BBB, made up the remainder, giving the portfolio an overall average quality rating of USG-AAA. The average maturity of the portfolio was 9.25 years, longer than the Barclays Aggregate Index's 7.79-year maturity. The average coupon was 3.39%.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Qtr / YTD	FYTD	1 Year	3 Year	5 Years
<b>Total Portfolio - Gross</b>	3.4	3.1	2.3	3.7	5.2
<i>CORE FIXED INCOME RANK</i>	( 3)	( 4)	(29)	( 1)	( 3)
<b>Total Portfolio - Net</b>	3.3	2.9	1.8	3.1	4.7
CUSTOM INDEX	3.0	2.5	2.0	2.2	3.6
<b>Fixed Income - Gross</b>	3.5	3.2	2.3	3.7	5.2
<i>CORE FIXED INCOME RANK</i>	( 2)	( 3)	(28)	( 1)	( 3)
CUSTOM INDEX	3.0	2.5	2.0	2.2	3.6
BARCLAYS AGG	3.0	2.5	2.0	2.5	3.8
GOV/CREDIT	3.5	2.7	1.8	2.4	4.0

**ASSET ALLOCATION**

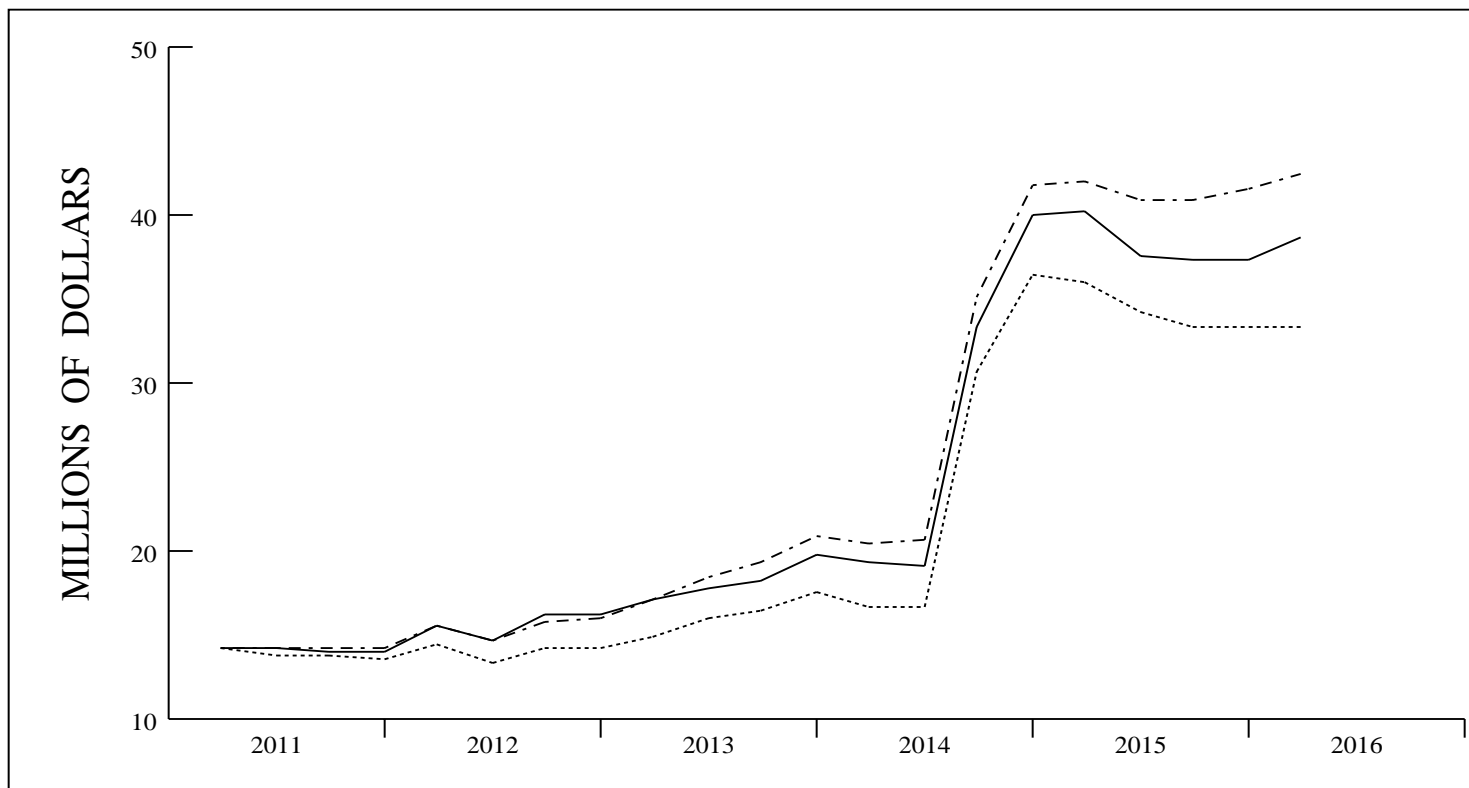
Fixed Income	98.8%	\$ 38,191,211
Cash	1.2%	481,883
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 38,673,094</b>

**INVESTMENT RETURN**

Market Value 12/2015	\$ 37,411,837
Contribs / Withdrawals	- 27,552
Income	391,445
Capital Gains / Losses	897,364
Market Value 3/2016	\$ 38,673,094



**INVESTMENT GROWTH**

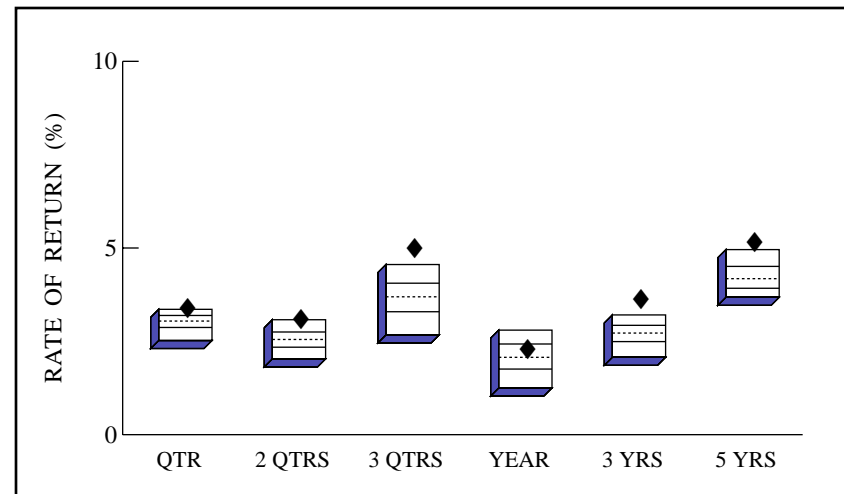
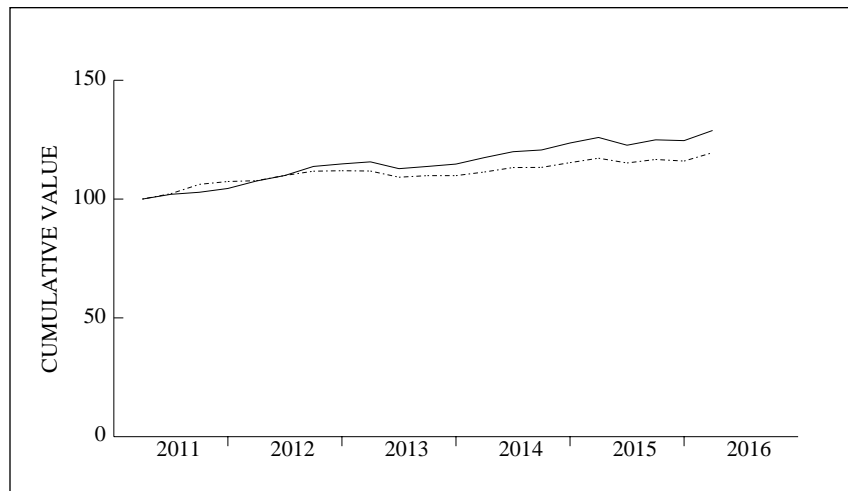


— ACTUAL RETURN  
 - - - 7.6%  
 . . . 0.0%

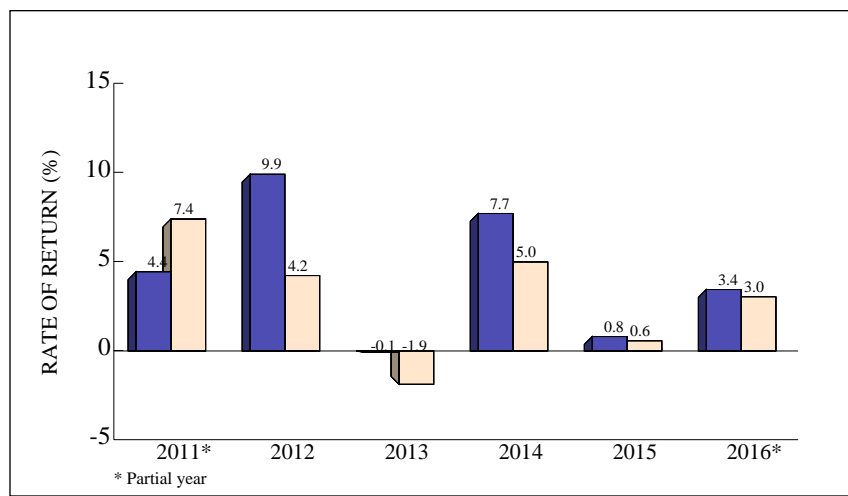
VALUE ASSUMING  
 7.6% RETURN \$ 42,476,633

	LAST QUARTER	PERIOD 3/11 - 3/16
BEGINNING VALUE	\$ 37,411,837	\$ 14,410,484
NET CONTRIBUTIONS	- 27,552	19,066,582
<u>INVESTMENT RETURN</u>	<u>1,288,809</u>	<u>5,196,026</u>
ENDING VALUE	\$ 38,673,094	\$ 38,673,094
INCOME	391,445	5,195,858
<u>CAPITAL GAINS (LOSSES)</u>	<u>897,364</u>	<u>168</u>
INVESTMENT RETURN	1,288,809	5,196,026

**TOTAL RETURN COMPARISONS**



Core Fixed Income Universe



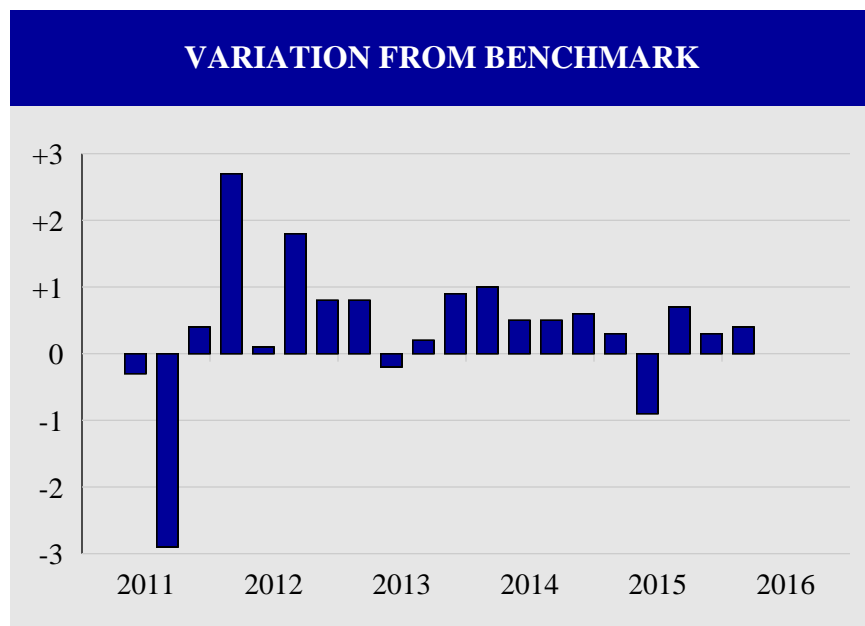
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	3.4	3.1	5.1	2.3	3.7	5.2
(RANK)	(3)	(4)	(1)	(29)	(1)	(3)
5TH %ILE	3.4	3.1	4.6	2.8	3.2	5.0
25TH %ILE	3.2	2.8	4.1	2.4	2.9	4.5
MEDIAN	3.0	2.6	3.7	2.1	2.7	4.2
75TH %ILE	2.9	2.3	3.3	1.8	2.5	3.9
95TH %ILE	2.5	2.0	2.7	1.3	2.1	3.7
<b>Custom Idx</b>	<b>3.0</b>	<b>2.5</b>	<b>3.7</b>	<b>2.0</b>	<b>2.2</b>	<b>3.6</b>

Core Fixed Income Universe

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

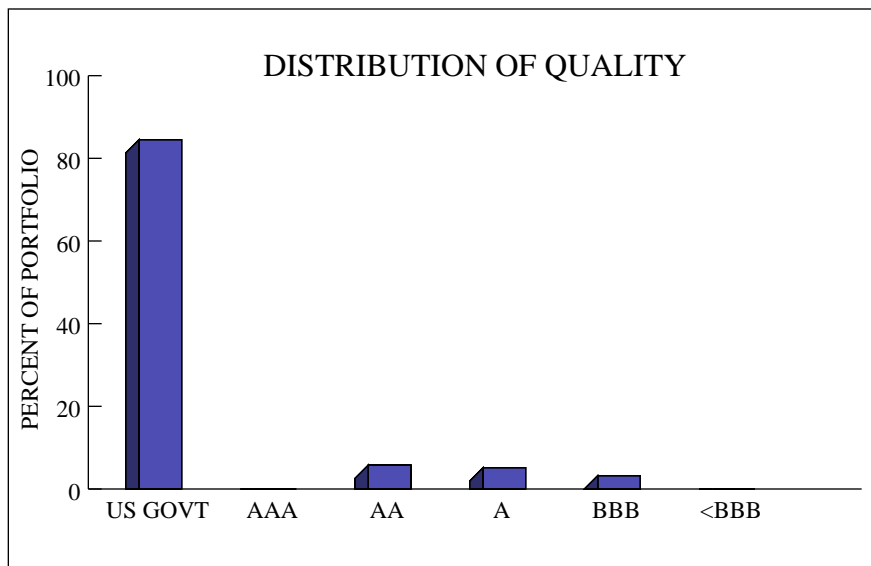
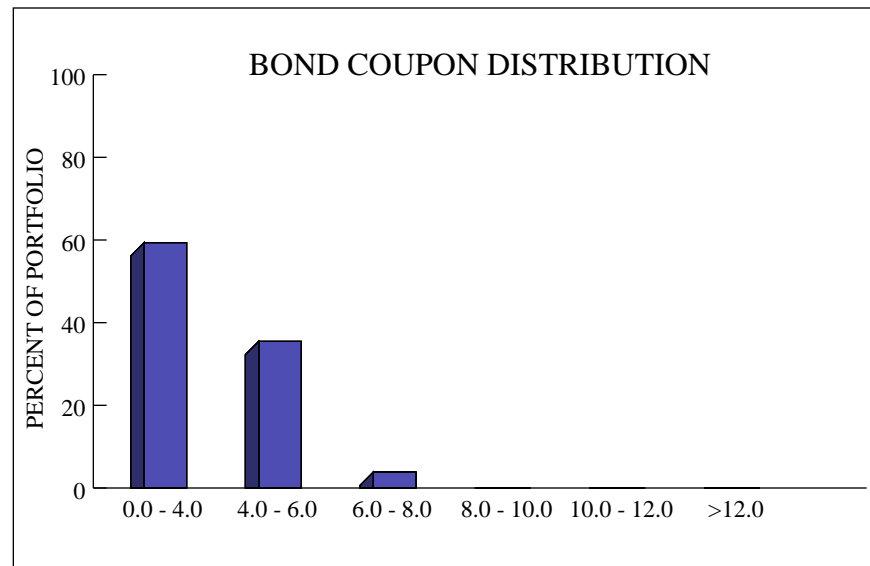
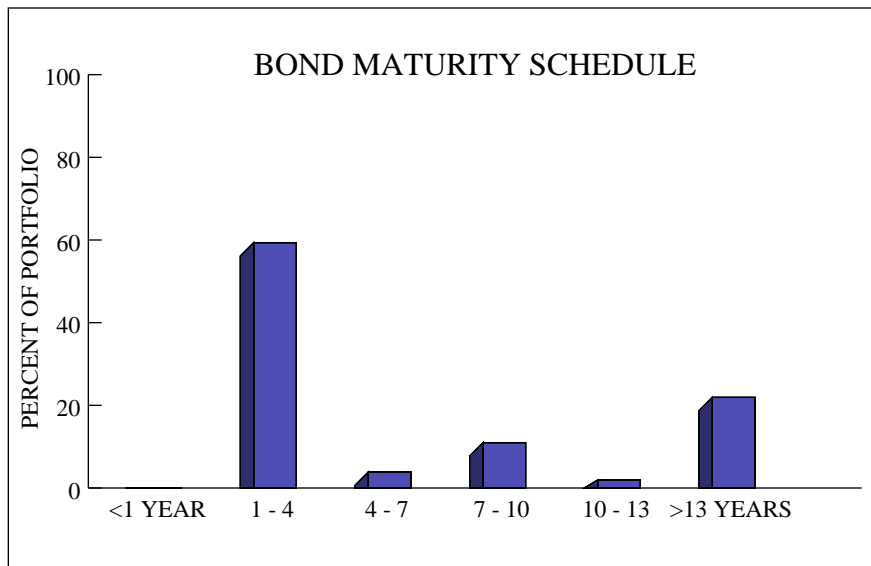
COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX



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

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/11	2.0	2.3	-0.3
9/11	0.9	3.8	-2.9
12/11	1.5	1.1	0.4
3/12	3.0	0.3	2.7
6/12	2.2	2.1	0.1
9/12	3.4	1.6	1.8
12/12	1.0	0.2	0.8
3/13	0.7	-0.1	0.8
6/13	-2.5	-2.3	-0.2
9/13	0.8	0.6	0.2
12/13	0.9	0.0	0.9
3/14	2.4	1.4	1.0
6/14	2.1	1.6	0.5
9/14	0.6	0.1	0.5
12/14	2.4	1.8	0.6
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

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	35	9,725
Duration	5.97	5.47
YTM	1.80	2.16
Average Coupon	3.39	3.16
Avg Maturity / WAL	9.25	7.79
Average Quality	USG-AAA	USG-AAA