

# Davie Police Pension Plan

Performance Review  
September 2016

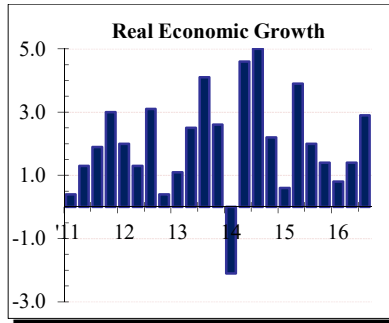


**DAHAB ASSOCIATES**  
New York Massachusetts Pennsylvania Florida

## ECONOMIC ENVIRONMENT

### A Strong Pickup

The second quarter ended with investors breathing a sigh of relief when the Brexit vote was not followed by instant catastrophe. While there is sure to be long-term uncertainty over when, how, and even if Brexit will actually happen, for now those concerns don't seem to be worrying the economy too much. In the US, employment was healthy, housing prices pushed upward, both the manufacturing and service sectors gained ground, consumer confidence was strong, and the Fed held rates steady. GDP in the third quarter advanced 2.9%, stronger than the prior four quarters.



Overall, it was a good quarter in a good year, despite what feels like a mediocre quarter in a bad year.

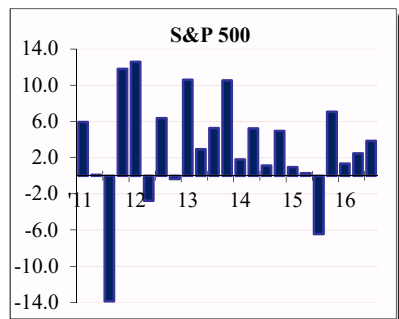
- September brought 156,000 new hires, though the unemployment rate inched up to 5.0%. The latter was mainly attributable to the number of unemployed workers who had gained enough confidence to restart their job searches. New jobs were strongest in the professional, business services, and healthcare categories. Clearly, job gains have eased, averaging 178,000 so far this year vs. 229,000 for the same period last year. Average hourly earnings rose six cents in September to \$25.79; the wage gains were viewed as an encouraging sign by both the Fed and the rank and file. For the fiscal year ended September, wage gains have been a healthy 2.6%.
  - Home prices rose another 1.1% in August, the latest month available. Year-over-year, prices have risen 6.2%. Price gains have been chugging along for 55 straight months and are only 5.6% below their April 2006 peaks. Notably, prices in eighteen states have reached new highs. In particular, price hikes were over 10% in both Oregon and Washington during the latest year. However, in three states prices remained far off their prior peaks: Nevada (-31%), Florida (-23%) and Arizona (-22%).
- September's manufacturing activity grew 2.1%, reaching 51.5% (greater than 50% represents growth). New orders and production climbed 6% and 3.2%, respectively. Minerals, furniture, textiles and food all advanced; but, printing, coal, oil and wood products were key laggards. The service sector rose almost 6% in September to a robust 57.1%. Business activity and new orders components reached 60%. 14 out of 18 industries reported growth, with agriculture, forestry, and fishing, and retail the big winners. Only mining, real estate, entertainment, arts, and educational services declined.
  - Consumer confidence correlated with manufacturing and service activity, as the Consumer Confidence Index climbed to 104.1. That level was the highest reported since the beginning of the Great Recession in 2008-2009. Workers were encouraged regarding their current situations as well as their expectations for the next six-months.
  - The Bloomberg Commodity Index fell 3.9% in the third quarter. Abundant supplies accounted for the big losses: natural gas (-8%), lean hogs (-32%), wheat (-14%), and soybeans (-17%). However, several "soft" agricultural commodities and metals rose in price. Sugar climbed 10%; cotton was up 6%; zinc soared 13%; and nickel prices surged 11%. There were some signs of inflation, mainly due to relatively higher oil prices and wages.
  - Economists were equally divided in their views regarding a Fed rate hike, as were the Fed Board members themselves. But a majority voted against such a hike, based on somewhat weak business spending and inflation still below target. Given that decision, the Board's late September press release intimated that there likely would be a rate increase in the near-term. Our understanding is to expect a small one by year-end.

## DOMESTIC EQUITIES

### Record Highs

It was a risk-on quarter for US stocks with economic indicators that were largely positive. Higher-than-expected earnings by major companies helped, and every major index was positive. Some indexes even touched all-time peaks before declining a bit by quarter-end. With such positive

sentiment, the S&P 500 rose 3.9%, and a turnaround among the NASDAQ's better known tech companies drove that index up 10%. The



more cyclical company-based DJIA lagged the other major indices, gaining just 2.8%. The growth indices performed better than their value counterparts, with the most significant difference occurring among large-cap names; the Russell 1000 Growth Index added 4.6% vs. 3.5% for the Russell 1000 Value Index. Smaller-sized

stocks leaped past their large-cap brethren. As evidence, the Russell 2000 Index rose 9.0% vs. 4.0% for the Russell 1000. REITs, a new, separate S&P sector, ended its string of top-performing quarters; correspondingly, the NAREIT Index fell a modest 1.2%.

Computer technology was the best-performing S&P sector, with outsized price gains by Apple, Google and Microsoft. Runner-up was the much smaller transportation sector (+11.2%), as rails and airline stocks performed well due to higher capacity utilization and low energy prices. Finance stocks advanced 6.2%, despite the infamous dealings at Wells Fargo. On the other hand, investors disfavored utilities, a safe haven and dividend-driven sector that declined 2.2% after a long run. Energy was another weak performer, adding only 1.3% amid rising oil inventories.

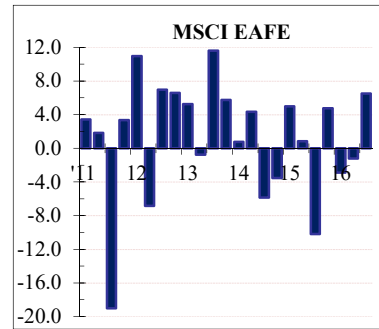
S&P's dividend yield fell slightly, to 2.1%. Higher corporate earnings reduced the index' price/earnings ratio from 23.6 to 22.6. Nonetheless, the P/E remains historically high.

## INTERNATIONAL EQUITIES

### A Surge in Developed and EM Markets

Developed countries outside the US delivered solid results as investors digested the global impact of Brexit. Emerging market countries advanced everywhere, whether in Europe, Asia, Latin America, the Middle East or Africa. The political and military climate around the world was mixed, calming down in some locations but intensifying in the Middle East and Asia. The MSCI EAFE Index returned 6.5%, thereby outperforming the S&P by 2.5%. The Euro region was up 7.4%, aided by Germany's 10.0%

gain. Germany, the largest Euro component, benefited from Bayer, SAP and BASF price gains. Deutsche Bank's balance sheet woes prevented an



even higher return. France, which has the second-highest Euro weight, posted 6.4%. Ireland and Spain added 7.5% and 9.5%, respectively. However, Italy was the one major Euro country to trail (+2.3%), as its poorly-funded banks struggled.

The UK rose 4.0%, a surprising outcome after the initial post-Brexit forecasts. A smooth leadership transition from David Cameron to Theresa May helped steady things, as did the Bank of England lowering the benchmark interest rate. On the other side of the world, the Australian market gained 8.0% on the heels of its mining and large bank stock advances. Japanese stocks climbed 8.8%, reflecting the countries vote of confidence in PM Abe and his announced new spending program. Hong Kong was a big winner, spiking 11.9% on the strength of higher casino gaming revenues. Overall, EAFE stock exchanges parked their worries about low GDPs, the Brexit fallout and the continuing refugee crises to turn in good results.

Emerging market performance easily surpassed those of the US and other developed markets. The MSCI EM Index returned 9.2%. The big four countries, Brazil, Russia, India and China, known collectively as BRIC, account for almost half of the index weighting.

- The **Chinese** market roared anew, generating a stellar 14% return. China also reported 6.7% GDP growth and double-digit price gains by tech giants Alibaba, Tencent and Baidu.
- The **Brazilian** market advanced 11.4%. Investors viewed the change in leadership from President Rousseff to President Temer as favorable to business. At the same time, shares of energy giant Petrobras jumped 42% as that company worked to reduce its debt level. China's stability also helped the Brazilian economy, as Brazil's raw materials exports would undoubtedly benefit from Chinese economic expansion.
- The **Russian** market's 8.9% gain reflected increased confidence that its economy would manage to work around western sanctions and

benefit directly from the recent spike in oil prices. Lukoil, the country's biggest oil conglomerate, skyrocketed 20% and Russian bank and grocery store stocks followed suit.

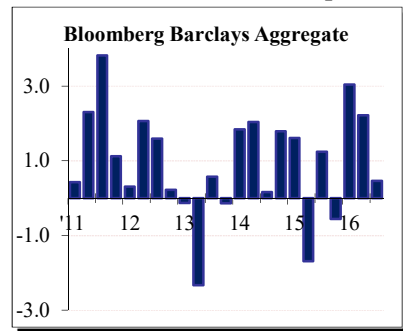
- The **Indian** market rose just 5.9%. Yet, investors had confidence that PM Modi would eliminate still more of the regulations preventing businesses from becoming truly global. As a start, India's parliament approved a tax during the quarter making it easier to conduct business within the country.

Tech shares in both Taiwan and South Korea drove up those markets 12.4% and 11%, respectively. Despite its mobile phone problems, Korea's Samsung shares advanced and investors returned to the peninsula. Closer to home, Mexican shares lost 2.2% as its currency weakened and concerns arose regarding the future of US manufacturing there. The bigger losses occurred in the Philippines (-5.2%) and Turkey (-5.3%), where both countries experienced political firestorms.

## BOND MARKET

### Nominal Gains

Bond yields took a breather from their relentless race downward, and the bond market continued to provide positive returns in a year where rising rates were supposed to lower returns.



The fact that US Treasuries still offered a relatively high yield and also represented a safe haven remained important for investors around the world. The Fed sent a strong signal that it would soon raise the benchmark Fed Funds rate, a contributing factor to the late September yield increase. Noticeably higher wage rates foretold

a possible uptick in inflation and also helped to send yields upward. The 10-year Treasury yield moved from 1.52% in June to 1.64% by September. However, the 30-year Treasury remained steady at 2.35%, as investors focused on the short-end of the yield curve. We continue to see bonds as a safety-based allocation for investors, and continue to advise they take their risk allocations in stocks.

The Bloomberg Barclays Aggregate Index rose 0.5%. The substantial Treasury component lost 0.3%, with long Treasuries falling 0.4%; but the corporate bond market told a better story. Corporates gained 1.4% and long-dated names added almost double that or 2.6%. Investors reasoned that the business cycle was not over and while quarterly earnings weren't spectacular, they were at least acceptable. Industrial corporates gained the most (+1.6%) and utilities the least (+0.8%). Securitized debt performed in a narrow range; the residential mortgage-backed (MBS) and commercial mortgage-backed (CMBS) sectors each added 0.6%, while the very short maturity asset-backed (ABS) securities provided 0.2%.

For investors willing to bear default risk, the high yield (junk) bond market was THE place to be. The combined high yield index posted a 5.6% return, better than the S&P and DJIA. The more risk assumed, the higher the return. BA debt (the highest junk credit category) earned 4.4%; single B names gained 5.7%; CAA bonds jumped 8.2%; lower credits rose even more. The rationale isn't obvious, given the slow growth economic environment. Part of the answer lies in the unceasing reach for yield when other debt instruments provide very little yield or return. Also, as noted above, the business cycle still has momentum.

Non-US sovereign debt (G-6 developed countries) performance was flat. It ranged from -0.7% for Japan to +2.3% for Italy. EM sovereign debt returns were varied, as usual. However, only Turkey experienced a negative outcome (-1.7%). Most country debt returns ranged between the low and high single digits. Notable was Venezuela, a country with sky high inflation and a rapidly deteriorating economy. Nonetheless, its bonds soared 26.7% for the quarter and 54.4% YTD. This is partly attributable to the trajectory of oil prices, which first bottomed and then climbed during the year.

## CASH EQUIVALENTS

### Still Nothing

While Treasury-bills still offered virtually no net return, there may be hope for the near-term future. Should the Fed raise its benchmark rate, T-bill and money market fund returns should rise accordingly.

**MARKET SUMMARY**

**ECONOMIC STATISTICS**

	CURRENT QTR	LAST QTR
GDP	2.9	1.4
Unemployment	5.0	4.9
CPI All Items Year/Year	1.50	1.00
Fed Funds Rate	0.50	0.50
Industrial Capacity	75.4	75.4
US Dollars per Euro	1.12	1.10

**MAJOR INDEX QUARTER RETURNS**

INDEX	PERFORMANCE
Russell 3000	4.4
S&P 500	3.9
Russell Mid	4.5
Russell 2000	9.0
MSCI EAFE	6.5
MSCI Emg Mkts	9.2
NCREIF ODCE	2.0
Aggregate Index	0.5
90 Day Tbills	0.1

**EQUITY RETURN DISTRIBUTIONS**

	QUARTER			TRAILING YEAR		
	VAL	COR	GRO	VAL	COR	GRO
LC	3.5	4.0	4.6	16.2	14.9	13.8
MC	4.4	4.5	4.6	17.3	14.2	11.2
SC	8.9	9.0	9.2	18.8	15.5	12.1

**MARKET SUMMARY**

- \* GDP in the third quarter advanced 2.9%.
- \* Unemployment ticked up to 5%.
- \* CPI increased 1.5% year over year.
- \* The dollar weakened very slightly, against the Euro.
- \* Growth stocks produced stronger returns than their value counterparts, last quarter. Smaller names outperformed the larger cap sizes.

## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan was valued at \$133,115,247, representing an increase of \$3,844,955 from the June quarter's ending value of \$129,270,292. Last quarter, the Fund posted withdrawals totaling \$731,137, which partially offset the portfolio's net investment return of \$4,576,092. Income receipts totaling \$634,867 plus net realized and unrealized capital gains of \$3,941,225 combined to produce the portfolio's net investment return.

For the cumulative period since September 2011, the fund has recorded net contributions totaling \$8.3 million, and recorded net investment gains of \$48.1 million. For the period since September 2011, if the total fund had returned a compound annual rate of 7.6% it would have been valued at \$121.8 million or \$11.3 million less than the actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the Composite portfolio gained 3.6%, which ranked in the 45th percentile of the Public Fund universe. Over the trailing twelve-month period, the portfolio returned 9.1%, which ranked in the 66th percentile. Since September 2011, the portfolio returned 9.7% per annum and ranked in the 49th percentile.

### **Large Cap Equity**

For the third quarter, the large cap equity segment returned 4.6%, which was 0.7% above the S&P 500 Index's return of 3.9% and ranked in the 43rd percentile of the Large Cap universe. Over the trailing year, this segment returned 11.7%, which was 3.7% less than the benchmark's 15.4% return, and ranked in the 64th percentile. Since September 2011, this component returned 13.3% on an annualized

basis and ranked in the 91st percentile. The S&P 500 returned an annualized 16.4% over the same time frame.

### **Mid Cap Equity**

In the third quarter, the mid cap equity component returned 5.3%, which was 1.2% greater than the S&P 400 Index's return of 4.1% and ranked in the 37th percentile of the Mid Cap universe. Over the trailing twelve-month period, this component returned 18.6%, which was 3.3% greater than the benchmark's 15.3% return, ranking in the 6th percentile. Since September 2011, this component returned 17.1% per annum and ranked in the 34th percentile. The S&P 400 returned an annualized 16.5% over the same time frame.

### **Small Cap Equity**

The small cap equity segment gained 6.9% in the third quarter, 2.1% below the Russell 2000 Index's return of 9.0% and ranked in the 66th percentile of the Small Cap universe.

### **International Equity**

Last quarter, the international equity component returned 8.4%, which was 1.9% above the MSCI EAFE Index's return of 6.5% and ranked in the 33rd percentile of the International Equity universe. Over the trailing year, this component returned 11.2%, which was 4.2% above the benchmark's 7.0% performance, and ranked in the 49th percentile. Since September 2011, this component returned 8.4% on an annualized basis and ranked in the 53rd percentile. The MSCI EAFE Index returned an annualized 7.9% during the same time frame.

### **Real Estate**

For the third quarter, the real estate component gained 2.7%, which was 0.7% greater than the NCREIF NFI-ODCE Index's return of 2.0%. Over the trailing year, this component returned 11.0%, which

was 0.9% greater than the benchmark's 10.1% return. Since September 2011, this component returned 12.1% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 12.4% over the same period.

### **Fixed Income**

Last quarter, the fixed income segment returned 0.2%, which was 0.3% less than the Custom Fixed Income Index's return of 0.5% and ranked in the 96th percentile of the Core Fixed Income universe. Over the trailing twelve-month period, this segment returned 5.6%, which was 0.4% above the benchmark's 5.2% return, and ranked in the 47th percentile. Since September 2011, this component returned 4.3% annualized and ranked in the 12th percentile. The Custom Fixed Income Index returned an annualized 2.9% during the same time frame.

### **ASSET ALLOCATION**

On September 30th, 2016, large cap equities comprised 27.2% of the total portfolio (\$36.2 million), while mid cap equities totaled 10.8% (\$14.4 million). The account's small cap equity segment was valued at \$12.3 million, representing 9.3% of the portfolio, while the international equity component's \$11.4 million totaled 8.6%. The real estate segment totaled 12.5% of the portfolio's value and the fixed income component made up 29.2% (\$38.9 million). The remaining 2.4% was comprised of cash & equivalents (\$3.2 million).

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	5 Years
<b>Total Portfolio - Gross</b>	3.6	9.1	9.1	6.5	9.7
<i>PUBLIC FUND RANK</i>	(45)	(66)	(66)	(36)	(49)
<b>Total Portfolio - Net</b>	3.4	8.4	8.4	5.9	9.2
<i>SHADOW INDEX</i>	3.3	10.5	10.5	7.3	10.5
<b>Large Cap Equity - Gross</b>	4.6	11.7	11.7	8.4	13.3
<i>LARGE CAP RANK</i>	(43)	(64)	(64)	(80)	(91)
S&P 500	3.9	15.4	15.4	11.2	16.4
RUSSELL 1000G	4.6	13.8	13.8	11.8	16.6
RUSSELL 1000V	3.5	16.2	16.2	9.7	16.1
<b>Mid Cap Equity - Gross</b>	5.3	18.6	18.6	10.4	17.1
<i>MID CAP RANK</i>	(37)	( 6)	( 6)	(23)	(34)
S&P 400	4.1	15.3	15.3	9.4	16.5
<b>Small Cap Equity - Gross</b>	6.9	----	----	----	----
<i>SMALL CAP RANK</i>	(66)	----	----	----	----
RUSSELL 2000	9.0	15.5	15.5	6.7	15.8
<b>International Equity - Gross</b>	8.4	11.2	11.2	2.7	8.4
<i>INTERNATIONAL EQUITY RANK</i>	(33)	(49)	(49)	(47)	(53)
MSCI EAFE	6.5	7.0	7.0	0.9	7.9
<b>Real Estate - Gross</b>	2.7	11.0	11.0	12.4	12.1
NCREIF ODCE	2.0	10.1	10.1	12.4	12.4
<b>Fixed Income - Gross</b>	0.2	5.6	5.6	4.7	4.3
<i>CORE FIXED INCOME RANK</i>	(96)	(47)	(47)	(26)	(12)
CUSTOM INDEX	0.5	5.2	5.2	3.8	2.9
AGGREGATE INDEX	0.5	5.2	5.2	4.0	3.1
GOV/CREDIT	0.4	5.9	5.9	4.2	3.2

**ASSET ALLOCATION**

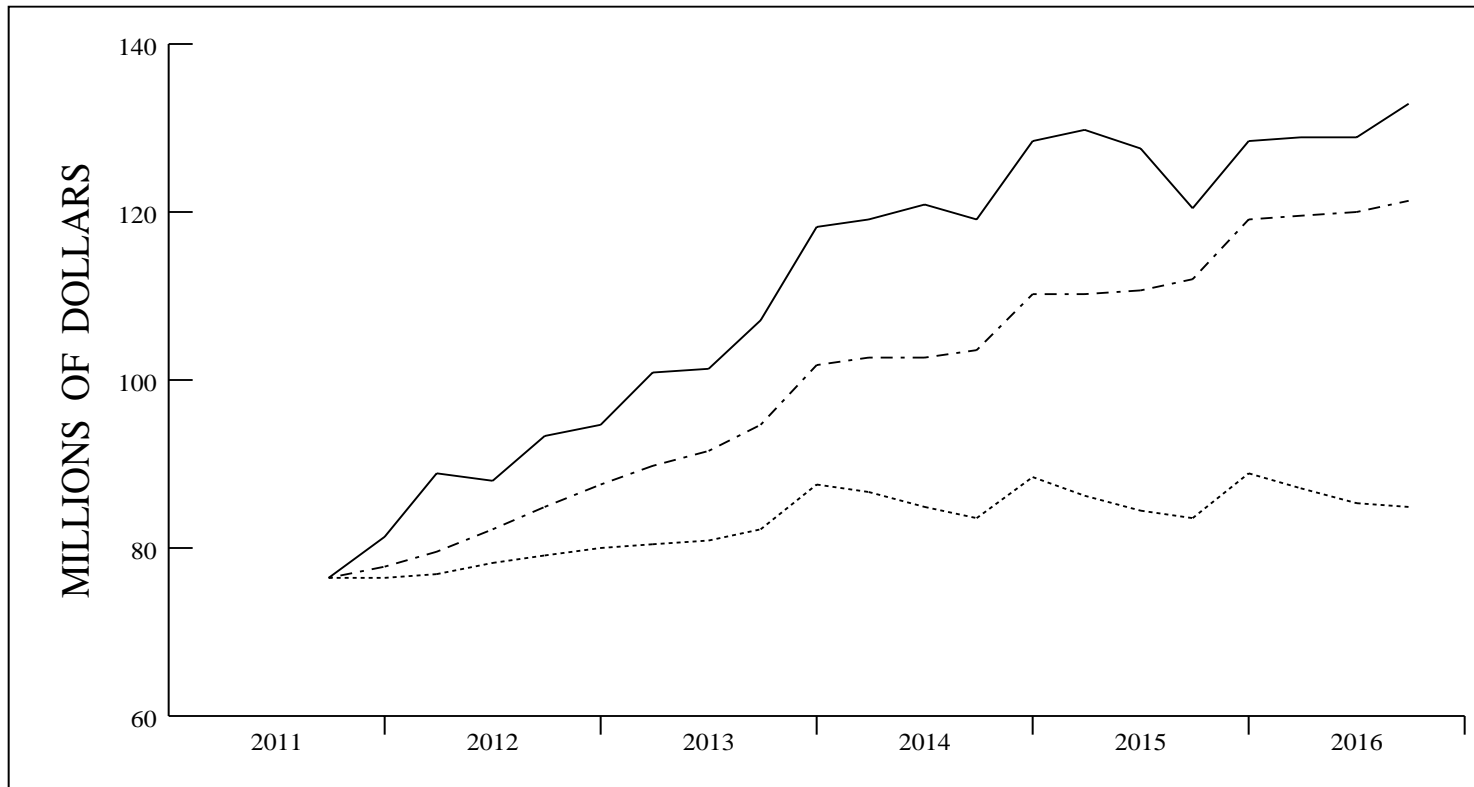
Large Cap Equity	27.2%	\$ 36,200,661
Mid Cap Equity	10.8%	14,399,634
Small Cap	9.3%	12,340,449
Int'l Equity	8.6%	11,431,132
Real Estate	12.5%	16,679,186
Fixed Income	29.2%	38,891,257
Cash	2.4%	3,172,928
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 133,115,247</b>

**INVESTMENT RETURN**

Market Value 6/2016	\$ 129,270,292
Contribs / Withdrawals	-731,137
Income	634,867
Capital Gains / Losses	3,941,225
Market Value 9/2016	\$ 133,115,247



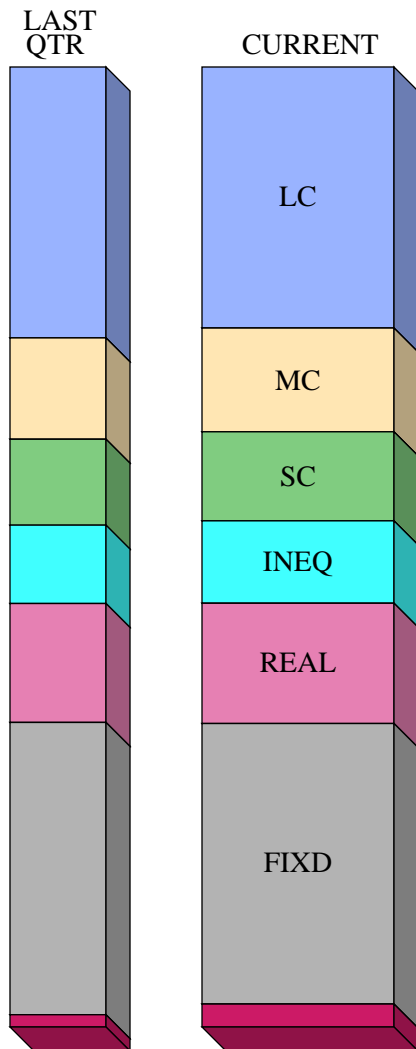
**INVESTMENT GROWTH**



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

VALUE ASSUMING  
 7.6% RETURN \$ 121,772,588

	LAST QUARTER	PERIOD 9/11 - 9/16
BEGINNING VALUE	\$ 129,270,292	\$ 76,715,393
NET CONTRIBUTIONS	-731,137	8,269,269
<u>INVESTMENT RETURN</u>	<u>4,576,092</u>	<u>48,130,584</u>
ENDING VALUE	\$ 133,115,247	\$ 133,115,247
INCOME	634,867	13,291,343
<u>CAPITAL GAINS (LOSSES)</u>	<u>3,941,225</u>	<u>34,839,240</u>
INVESTMENT RETURN	4,576,092	48,130,584



	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>DIFFERENCE</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	\$ 36,200,661 14,399,634 12,340,449 11,431,132 16,679,186 38,891,257 3,172,928	27.2% 10.8% 9.3% 8.6% 12.5% 29.2% 2.4%	30.0% 10.0% 10.0% 12.5% 10.0% 27.5% 0.0%	-2.8% 0.8% -0.7% -3.9% 2.5% 1.7% 2.4%
<b>TOTAL FUND</b>	<b>\$ 133,115,247</b>	<b>100.0%</b>		

## MANAGER PERFORMANCE SUMMARY

Name	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years
Total Portfolio	(Public Fund)	3.6 (45)	9.1 (66)	9.1 (66)	6.5 (36)	9.7 (49)
<i>Shadow Index</i>		<b>3.3 ----</b>	<b>10.5 ----</b>	<b>10.5 ----</b>	<b>7.3 ----</b>	<b>10.5 ----</b>
Vanguard 500	(LC Core)	3.9 (54)	15.5 (17)	15.5 (17)	---- ----	---- ----
<i>S&amp;P 500</i>		<b>3.9 ----</b>	<b>15.4 ----</b>	<b>15.4 ----</b>	<b>11.2 ----</b>	<b>16.4 ----</b>
Garcia Equity	(LC Growth)	3.8 (78)	12.4 (41)	12.4 (41)	10.3 (60)	14.3 (82)
<i>Russell 1000 Growth</i>		<b>4.6 ----</b>	<b>13.8 ----</b>	<b>13.8 ----</b>	<b>11.8 ----</b>	<b>16.6 ----</b>
Lyrical LCV	(LC Value)	6.9 (14)	11.6 (63)	11.6 (63)	---- ----	---- ----
<i>Russell 1000 Value</i>		<b>3.5 ----</b>	<b>16.2 ----</b>	<b>16.2 ----</b>	<b>9.7 ----</b>	<b>16.1 ----</b>
Clearbridge	(MC Core)	5.6 (11)	---- ----	---- ----	---- ----	---- ----
<i>Russell Mid Cap</i>		<b>4.5 ----</b>	<b>14.2 ----</b>	<b>14.2 ----</b>	<b>9.7 ----</b>	<b>16.7 ----</b>
Wedge	(MC Value)	4.8 (55)	---- ----	---- ----	---- ----	---- ----
<i>Russell Mid Cap Value</i>		<b>4.4 ----</b>	<b>17.3 ----</b>	<b>17.3 ----</b>	<b>10.5 ----</b>	<b>17.4 ----</b>
PNC	(SC Core)	6.9 (67)	---- ----	---- ----	---- ----	---- ----
<i>Russell 2000</i>		<b>9.0 ----</b>	<b>15.5 ----</b>	<b>15.5 ----</b>	<b>6.7 ----</b>	<b>15.8 ----</b>
LMCG	(SC Growth)	6.3 (81)	---- ----	---- ----	---- ----	---- ----
<i>Russell 2000 Growth</i>		<b>9.2 ----</b>	<b>12.1 ----</b>	<b>12.1 ----</b>	<b>6.6 ----</b>	<b>16.1 ----</b>
Johnston	(Intl Eq)	9.9 (14)	14.7 (31)	14.7 (31)	4.3 (28)	9.0 (46)
SSgA	(Intl Eq)	6.5 (66)	6.9 (77)	6.9 (77)	0.8 (74)	7.7 (66)
<i>MSCI EAFE</i>		<b>6.5 ----</b>	<b>7.0 ----</b>	<b>7.0 ----</b>	<b>0.9 ----</b>	<b>7.9 ----</b>
American Realty		1.8 ----	9.0 ----	9.0 ----	11.8 ----	11.9 ----
Intercontinental		3.9 ----	13.3 ----	13.3 ----	13.4 ----	---- ----
UBS		1.7 ----	8.8 ----	8.8 ----	10.9 ----	---- ----
<i>NCREIF NFI-ODCE Index</i>		<b>2.0 ----</b>	<b>10.1 ----</b>	<b>10.1 ----</b>	<b>12.4 ----</b>	<b>12.4 ----</b>
Garcia Fixed	(Core Fixed)	0.2 (96)	5.6 (53)	5.6 (53)	5.1 (7)	5.1 (2)
<i>Custom Fixed Income Index</i>		<b>0.5 ----</b>	<b>5.2 ----</b>	<b>5.2 ----</b>	<b>3.8 ----</b>	<b>2.9 ----</b>

**MANAGER VALUE ADDED**

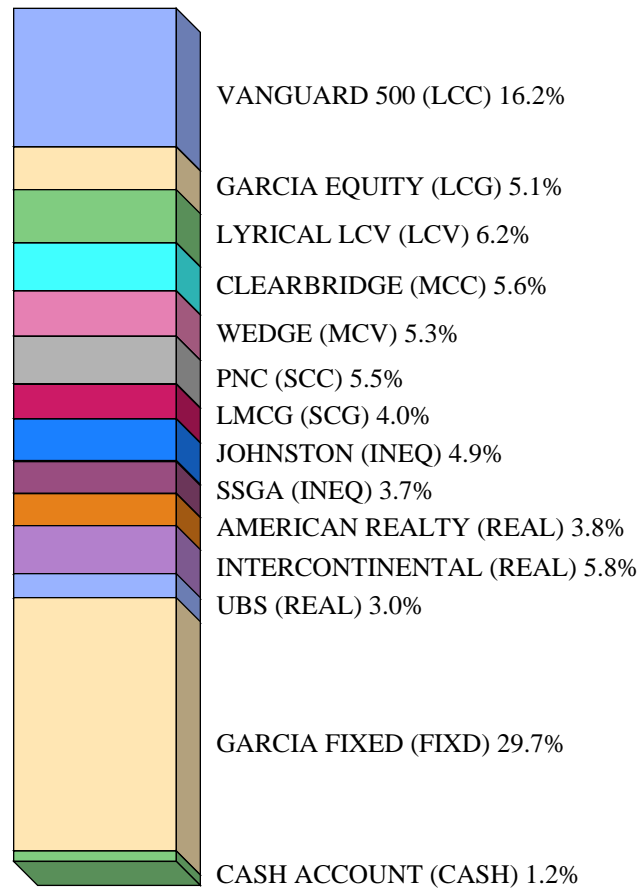
**Trailing Quarter**

Manager	Benchmark	Value Added Vs. Benchmark
Vanguard 500	S&P 500	0.0
Garcia Equity	Russell 1000G	-0.8
Lyrical LCV	Russell 1000V	3.4
Clearbridge	Russell Mid	1.1
Wedge	Russ Mid Val	0.4
PNC	Russell 2000	-2.1
LMCG	Russell 2000G	-2.9
Johnston	MSCI EAFE	3.4
SSgA	MSCI EAFE	0.0
American Realty	NCREIF ODCE	-0.2
Intercontinental	NCREIF ODCE	1.9
UBS	NCREIF ODCE	-0.3
Garcia Fixed	Custom Index	-0.3
<b>Total Portfolio</b>	<b>Shadow Index</b>	0.3

**Trailing Year**

Manager	Benchmark	Value Added Vs. Benchmark
Vanguard 500	S&P 500	0.1
Garcia Equity	Russell 1000G	-1.4
Lyrical LCV	Russell 1000V	-4.6
Clearbridge	Russell Mid	N/A
Wedge	Russ Mid Val	N/A
PNC	Russell 2000	N/A
LMCG	Russell 2000G	N/A
Johnston	MSCI EAFE	7.7
SSgA	MSCI EAFE	-0.1
American Realty	NCREIF ODCE	-1.1
Intercontinental	NCREIF ODCE	3.2
UBS	NCREIF ODCE	-1.3
Garcia Fixed	Custom Index	0.4
<b>Total Portfolio</b>	<b>Shadow Index</b>	-1.4

**MANAGER ALLOCATION SUMMARY**



Name	Market Value	Percent
Vanguard 500 (LCC)	\$21,583,802	16.2
Garcia Equity (LCG)	\$6,757,796	5.1
Lyrical LCV (LCV)	\$8,265,310	6.2
Clearbridge (MCC)	\$7,425,429	5.6
Wedge (MCV)	\$7,085,016	5.3
PNC (SCC)	\$7,384,562	5.5
LMCG (SCG)	\$5,367,607	4.0
Johnston (INEQ)	\$6,484,515	4.9
SSgA (INEQ)	\$4,946,617	3.7
American Realty (REAL)	\$5,052,809	3.8
Intercontinental (REAL)	\$7,681,815	5.8
UBS (REAL)	\$3,944,562	3.0
Garcia Fixed (FIXD)	\$39,526,638	29.7
Cash Account (CASH)	\$1,608,769	1.2
<b>Total</b>	<b>\$133,115,247</b>	<b>100.0</b>

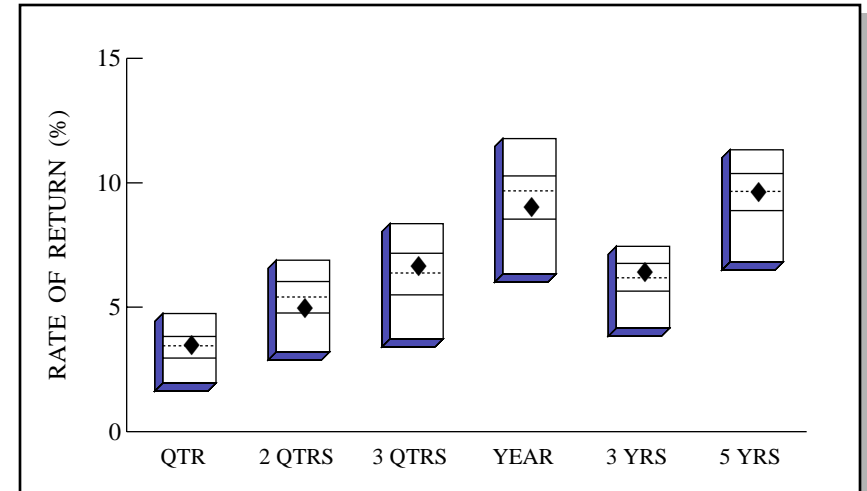
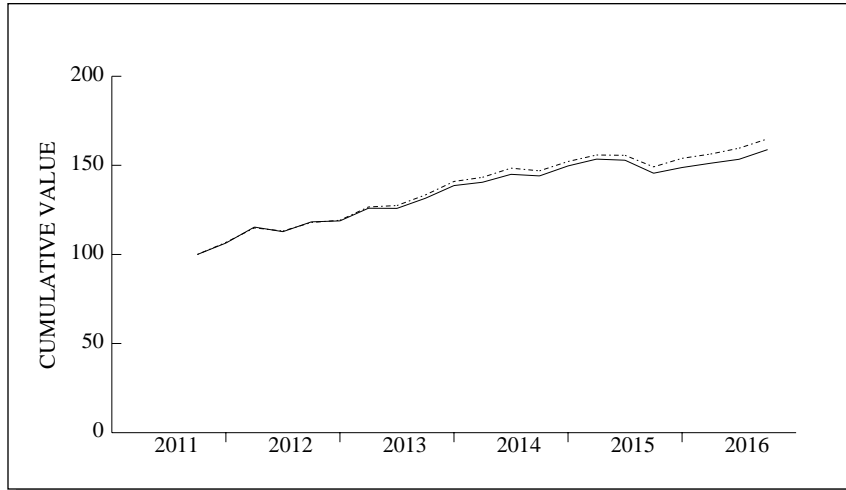
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**INVESTMENT RETURN SUMMARY - ONE QUARTER**

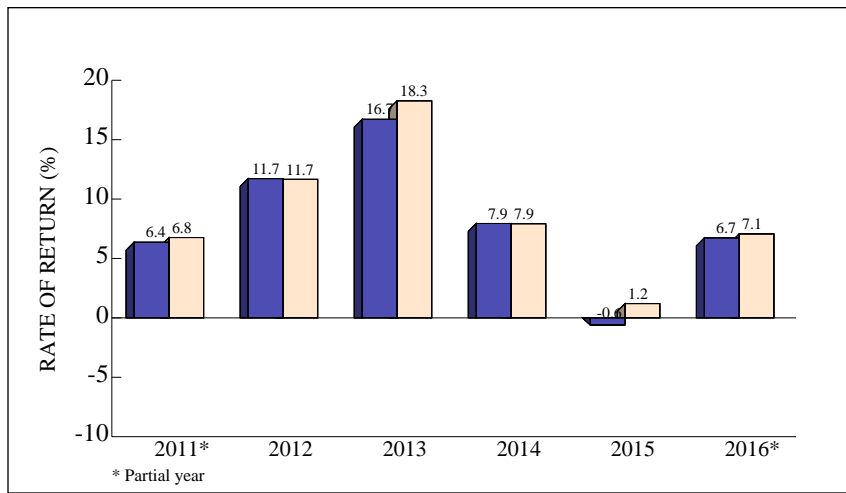
Name	Quarter Total Return	Market Value June 30th, 2016	Net Cashflow	Net Investment Return	Market Value September 30th, 2016
Vanguard 500 (LCC)	3.9	20,784,566	0	799,236	21,583,802
Garcia Equity (LCG)	3.8	8,060,233	-1,608,535	306,098	6,757,796
Lyrical LCV (LCV)	6.9	7,748,459	-14,530	531,381	8,265,310
Clearbridge (MCC)	5.6	7,040,916	-11,380	395,893	7,425,429
Wedge (MCV)	4.8	6,762,972	0	322,044	7,085,016
PNC (SCC)	6.9	6,919,944	-11,711	476,329	7,384,562
LMCG (SCG)	6.3	5,053,772	-3,743	317,578	5,367,607
Johnston (INEQ)	9.9	5,910,954	-13,256	586,817	6,484,515
SSgA (INEQ)	6.5	4,645,592	0	301,025	4,946,617
American Realty (REAL)	1.8	4,714,632	247,065	91,112	5,052,809
Intercontinental (REAL)	3.9	7,411,358	-17,278	287,735	7,681,815
UBS (REAL)	1.7	3,890,245	-11,553	65,870	3,944,562
Garcia Fixed (FIXD)	0.2	39,456,391	-24,647	94,894	39,526,638
Cash Account (CASH)	---	868,460	740,229	80	1,608,769
<b>Total Portfolio</b>	<b>3.6</b>	<b>129,270,292</b>	<b>-731,137</b>	<b>4,576,092</b>	<b>133,115,247</b>

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**TOTAL RETURN COMPARISONS**



Public Fund Universe

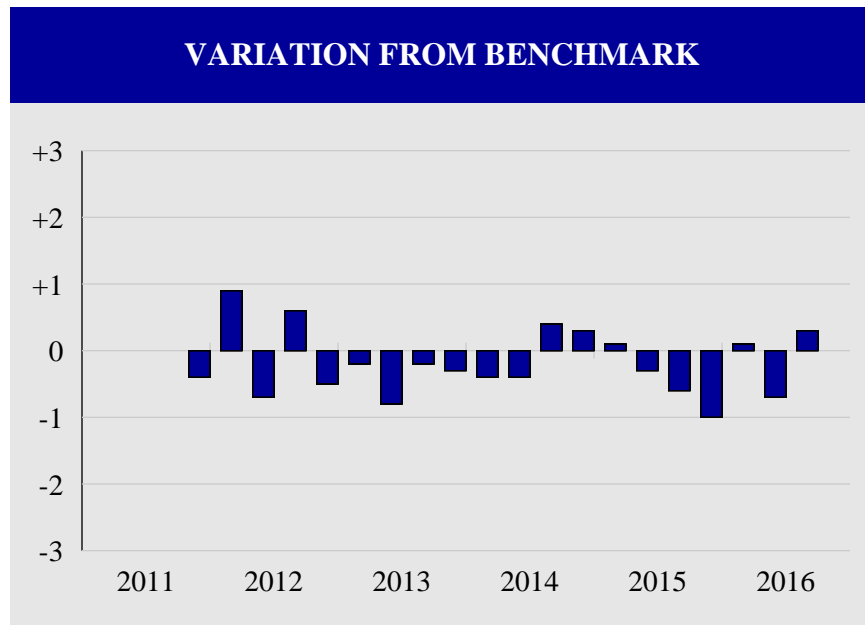


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	3.6	5.0	6.7	9.1	6.5	9.7
(RANK)	(45)	(70)	(40)	(66)	(36)	(49)
5TH %ILE	4.8	6.9	8.4	11.8	7.5	11.3
25TH %ILE	3.8	6.0	7.2	10.3	6.8	10.4
MEDIAN	3.5	5.4	6.4	9.7	6.2	9.7
75TH %ILE	3.0	4.8	5.5	8.5	5.7	8.9
95TH %ILE	2.0	3.2	3.7	6.3	4.2	6.8
<i>Shadow Idx</i>	<i>3.3</i>	<i>5.5</i>	<i>7.1</i>	<i>10.5</i>	<i>7.3</i>	<i>10.5</i>

Public Fund Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: SHADOW INDEX**

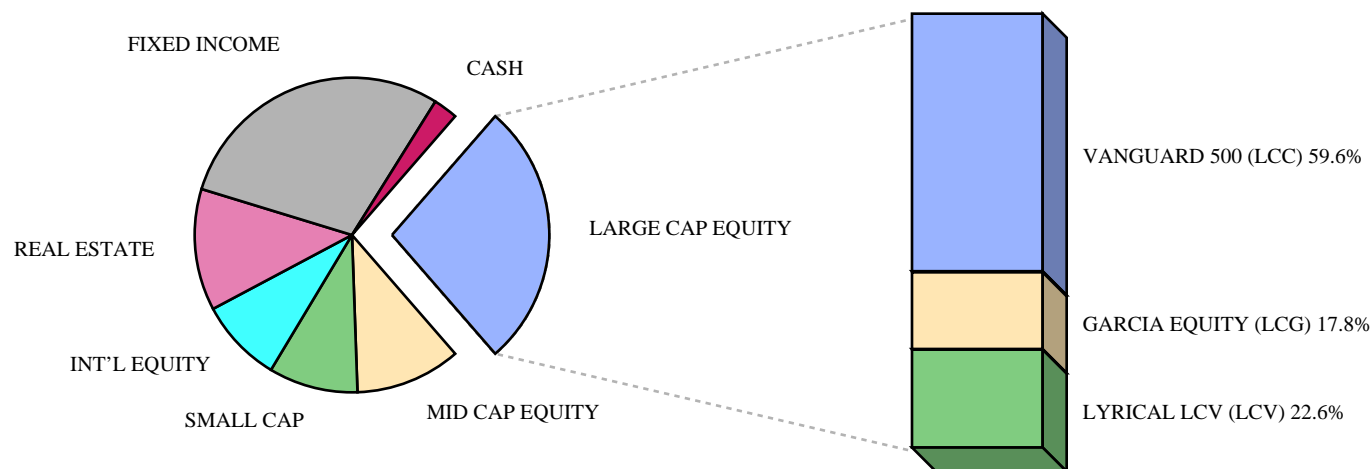


RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/11	6.4	6.8	-0.4
3/12	8.5	7.6	0.9
6/12	-2.3	-1.6	-0.7
9/12	4.9	4.3	0.6
12/12	0.5	1.0	-0.5
3/13	6.0	6.2	-0.2
6/13	-0.1	0.7	-0.8
9/13	4.5	4.7	-0.2
12/13	5.4	5.7	-0.3
3/14	1.3	1.7	-0.4
6/14	3.2	3.6	-0.4
9/14	-0.6	-1.0	0.4
12/14	3.9	3.6	0.3
3/15	2.5	2.4	0.1
6/15	-0.4	-0.1	-0.3
9/15	-4.8	-4.2	-0.6
12/15	2.2	3.2	-1.0
3/16	1.6	1.5	0.1
6/16	1.4	2.1	-0.7
9/16	3.6	3.3	0.3

<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>

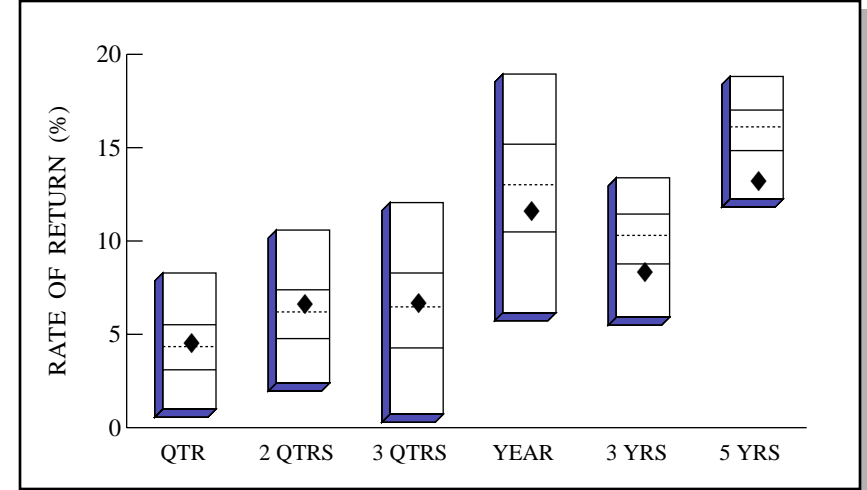
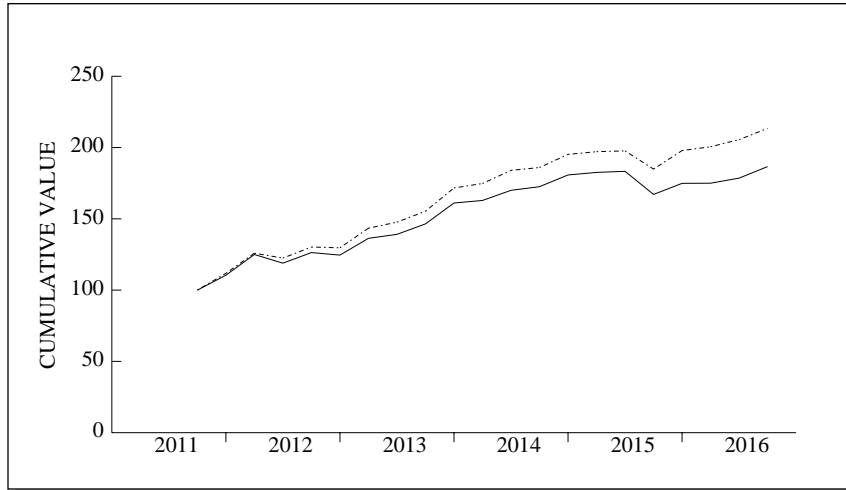


### LARGE CAP EQUITY MANAGER SUMMARY

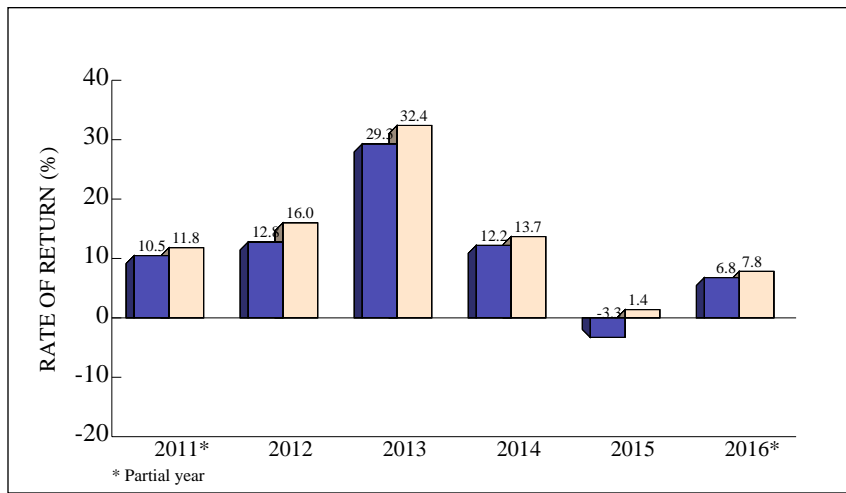


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
VANGUARD 500	(Large Cap Core)	3.9 (54)	15.5 (17)	15.5 (17)	----	----	\$21,583,802
<i>S&amp;P 500</i>		<i>3.9</i> ----	<i>15.4</i> ----	<i>15.4</i> ----	<i>11.2</i> ----	<i>16.4</i> ----	----
GARCIA EQUITY	(Large Cap Growth)	4.1 (72)	13.1 (31)	13.1 (31)	10.6 (54)	14.5 (81)	\$6,426,080
<i>Russell 1000 Growth</i>		<i>4.6</i> ----	<i>13.8</i> ----	<i>13.8</i> ----	<i>11.8</i> ----	<i>16.6</i> ----	----
LYRICAL LCV	(Large Cap Value)	6.9 (14)	11.9 (61)	11.9 (61)	----	----	\$8,190,779
<i>Russell 1000 Value</i>		<i>3.5</i> ----	<i>16.2</i> ----	<i>16.2</i> ----	<i>9.7</i> ----	<i>16.1</i> ----	----
<b>TOTAL</b>	<b>(Large Cap)</b>	<b>4.6 (43)</b>	<b>11.7 (64)</b>	<b>11.7 (64)</b>	<b>8.4 (80)</b>	<b>13.3 (91)</b>	<b>\$36,200,661</b>
<i>S&amp;P 500</i>		<i>3.9</i> ----	<i>15.4</i> ----	<i>15.4</i> ----	<i>11.2</i> ----	<i>16.4</i> ----	----

**LARGE CAP EQUITY RETURN COMPARISONS**



Large Cap Universe

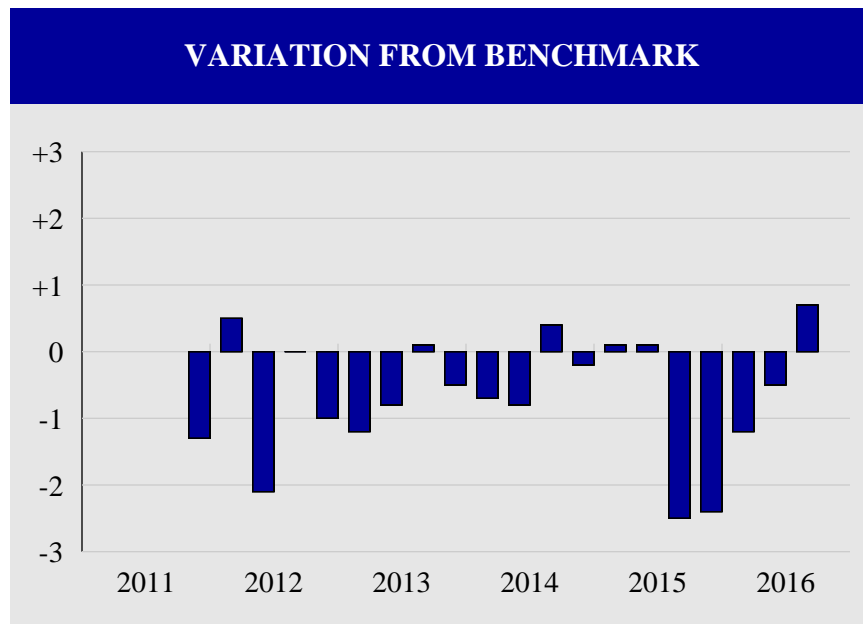


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	4.6	6.7	6.8	11.7	8.4	13.3
(RANK)	(43)	(39)	(47)	(64)	(80)	(91)
5TH %ILE	8.3	10.6	12.1	18.9	13.4	18.8
25TH %ILE	5.5	7.4	8.3	15.2	11.4	17.0
MEDIAN	4.3	6.2	6.5	13.0	10.3	16.1
75TH %ILE	3.1	4.8	4.3	10.5	8.8	14.8
95TH %ILE	1.0	2.4	0.7	6.2	5.9	12.2
<b>S&amp;P 500</b>	<b>3.9</b>	<b>6.4</b>	<b>7.8</b>	<b>15.4</b>	<b>11.2</b>	<b>16.4</b>

Large Cap Universe

## LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

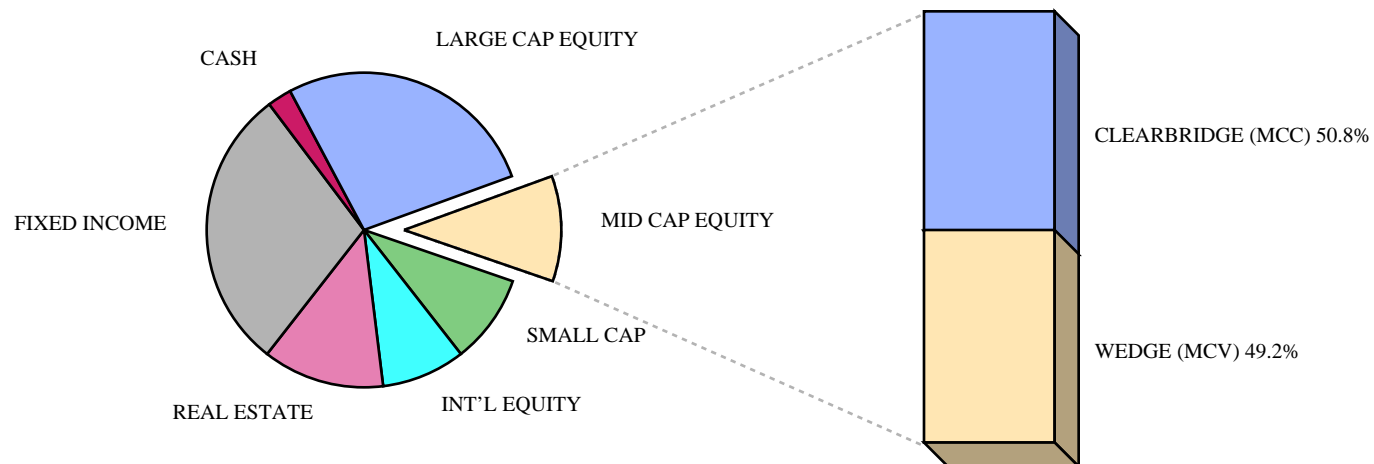
COMPARATIVE BENCHMARK: S&P 500



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

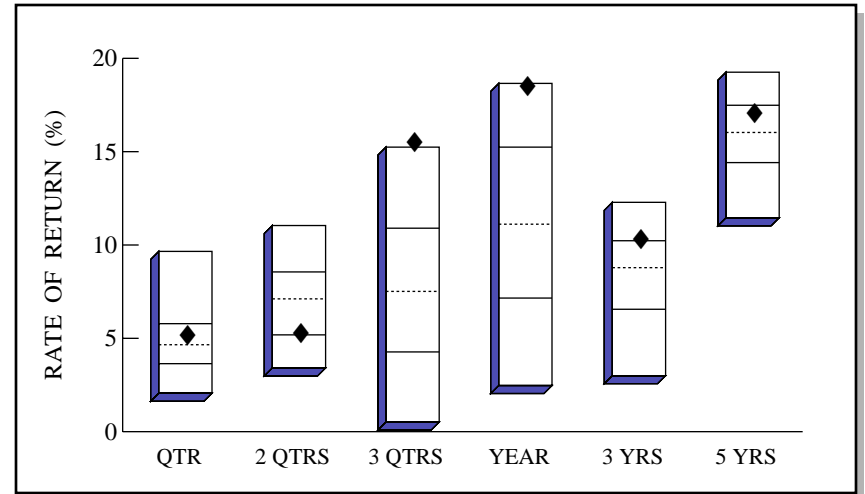
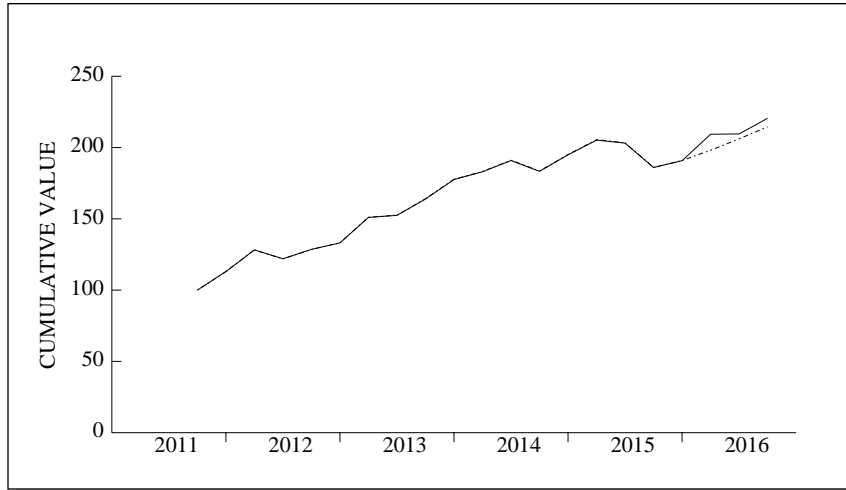
<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
12/11	10.5	11.8	-1.3
3/12	13.1	12.6	0.5
6/12	-4.9	-2.8	-2.1
9/12	6.3	6.3	0.0
12/12	-1.4	-0.4	-1.0
3/13	9.4	10.6	-1.2
6/13	2.1	2.9	-0.8
9/13	5.3	5.2	0.1
12/13	10.0	10.5	-0.5
3/14	1.1	1.8	-0.7
6/14	4.4	5.2	-0.8
9/14	1.5	1.1	0.4
12/14	4.7	4.9	-0.2
3/15	1.0	0.9	0.1
6/15	0.4	0.3	0.1
9/15	-8.9	-6.4	-2.5
12/15	4.6	7.0	-2.4
3/16	0.1	1.3	-1.2
6/16	2.0	2.5	-0.5
9/16	4.6	3.9	0.7

**MID CAP EQUITY MANAGER SUMMARY**

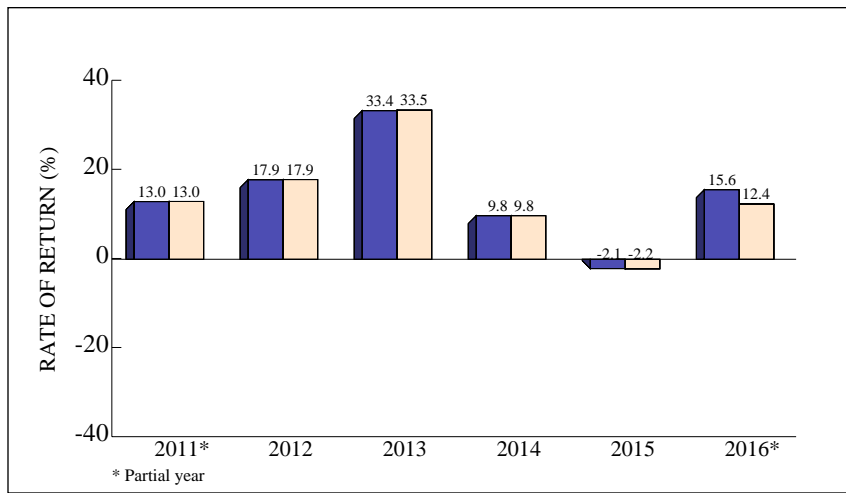


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
CLEARBRIDGE	(Mid Cap Core)	5.7 (9)	----	----	----	----	\$7,314,671
<i>Russell Mid Cap</i>		4.5 ----	14.2 ----	14.2 ----	9.7 ----	16.7 ----	----
WEDGE	(Mid Cap Value)	4.8 (55)	----	----	----	----	\$7,084,963
<i>Russell Mid Cap Value</i>		4.4 ----	17.3 ----	17.3 ----	10.5 ----	17.4 ----	----
<b>TOTAL</b>	<b>(Mid Cap)</b>	<b>5.3 (37)</b>	<b>18.6 (6)</b>	<b>18.6 (6)</b>	<b>10.4 (23)</b>	<b>17.1 (34)</b>	<b>\$14,399,634</b>
<i>S&amp;P 400</i>		4.1 ----	15.3 ----	15.3 ----	9.4 ----	16.5 ----	----

MID CAP EQUITY RETURN COMPARISONS



Mid Cap Universe



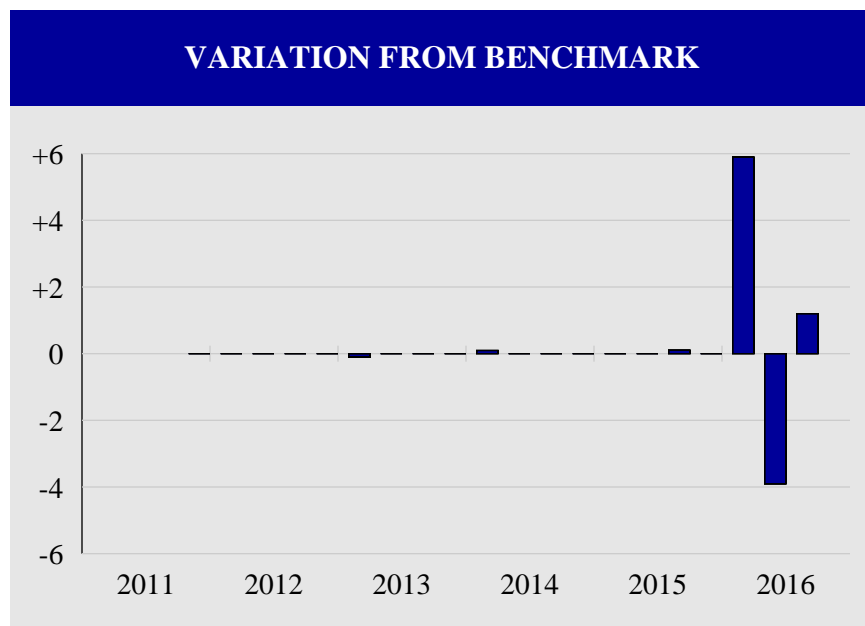
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	5.3	5.4	15.6	18.6	10.4	17.1
(RANK)	(37)	(73)	(4)	(6)	(23)	(34)
5TH %ILE	9.7	11.0	15.2	18.7	12.3	19.3
25TH %ILE	5.8	8.6	10.9	15.2	10.2	17.5
MEDIAN	4.7	7.1	7.5	11.1	8.8	16.0
75TH %ILE	3.6	5.2	4.3	7.2	6.6	14.4
95TH %ILE	2.1	3.4	0.5	2.5	3.0	11.5
<b>S&amp;P 400</b>	<b>4.1</b>	<b>8.3</b>	<b>12.4</b>	<b>15.3</b>	<b>9.4</b>	<b>16.5</b>

Mid Cap Universe

**MID CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

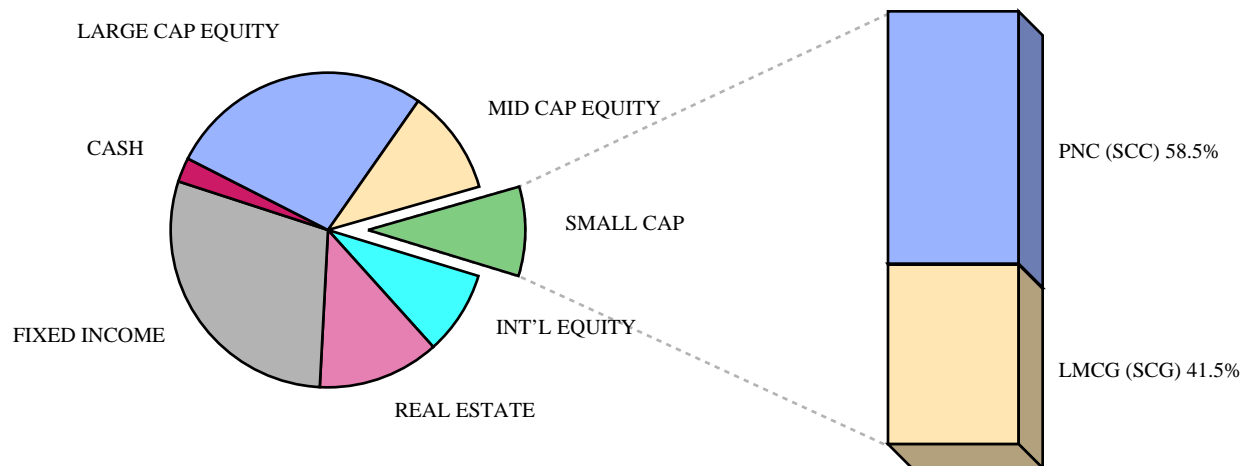
**COMPARATIVE BENCHMARK: S&P 400**



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

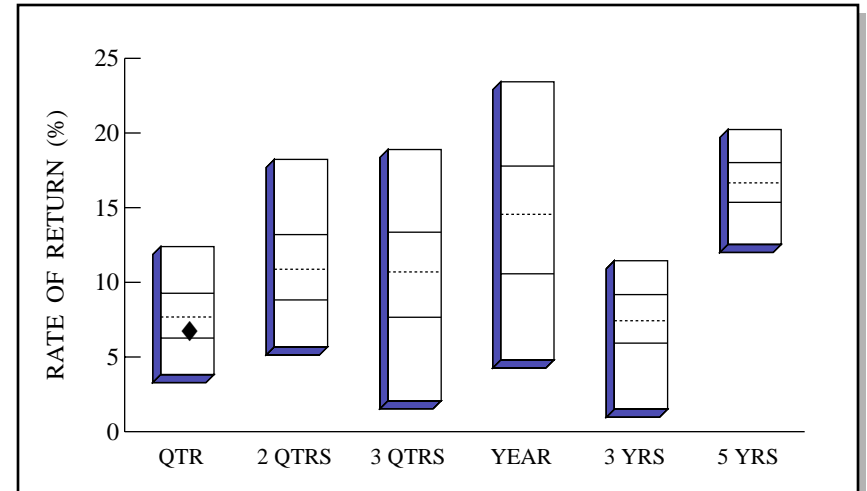
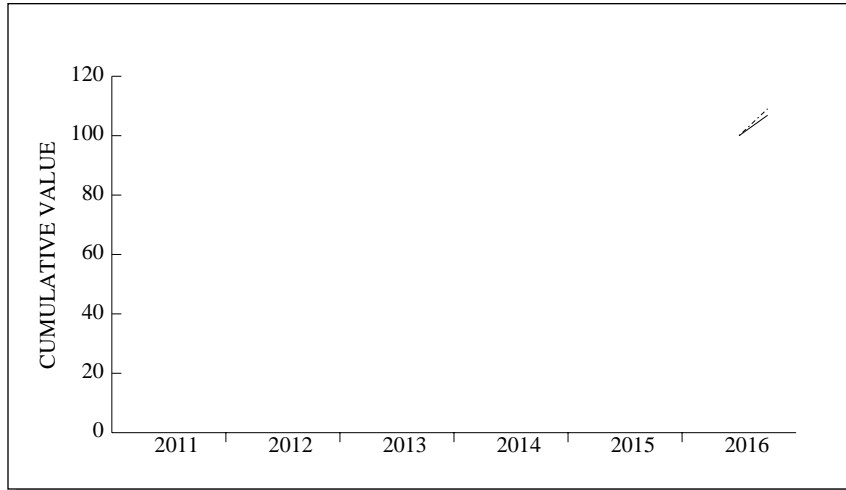
<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
12/11	13.0	13.0	0.0
3/12	13.5	13.5	0.0
6/12	-4.9	-4.9	0.0
9/12	5.4	5.4	0.0
12/12	3.6	3.6	0.0
3/13	13.4	13.5	-0.1
6/13	1.0	1.0	0.0
9/13	7.5	7.5	0.0
12/13	8.3	8.3	0.0
3/14	3.1	3.0	0.1
6/14	4.3	4.3	0.0
9/14	-4.0	-4.0	0.0
12/14	6.3	6.3	0.0
3/15	5.3	5.3	0.0
6/15	-1.1	-1.1	0.0
9/15	-8.4	-8.5	0.1
12/15	2.6	2.6	0.0
3/16	9.7	3.8	5.9
6/16	0.1	4.0	-3.9
9/16	5.3	4.1	1.2

**SMALL CAP EQUITY MANAGER SUMMARY**

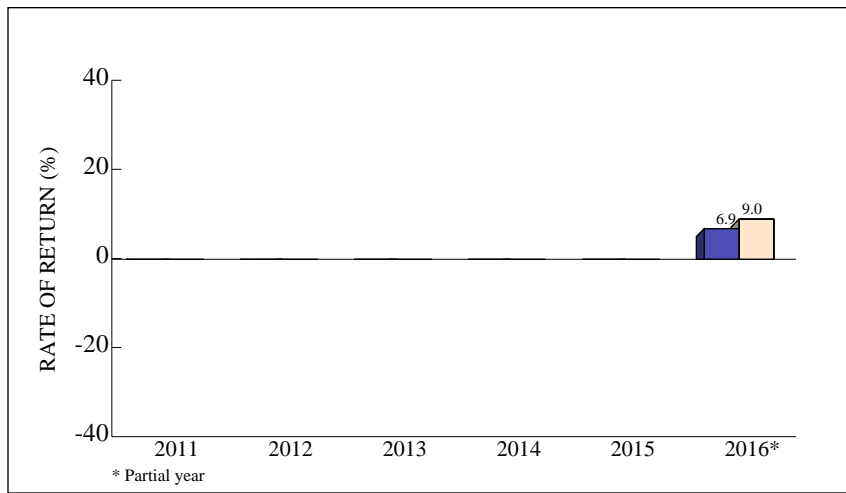


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
PNC	(Small Cap Core)	7.1 (64)	----	----	----	----	\$7,213,910
<i>Russell 2000</i>		9.0 ----	15.5 ----	15.5 ----	6.7 ----	15.8 ----	----
LMCG	(Small Cap Growth)	6.6 (76)	----	----	----	----	\$5,126,539
<i>Russell 2000 Growth</i>		9.2 ----	12.1 ----	12.1 ----	6.6 ----	16.1 ----	----
<b>TOTAL</b>	<b>(Small Cap)</b>	<b>6.9 (66)</b>	----	----	----	----	<b>\$12,340,449</b>
<i>Russell 2000</i>		9.0 ----	15.5 ----	15.5 ----	6.7 ----	15.8 ----	----

### SMALL CAP EQUITY RETURN COMPARISONS



Small Cap Universe



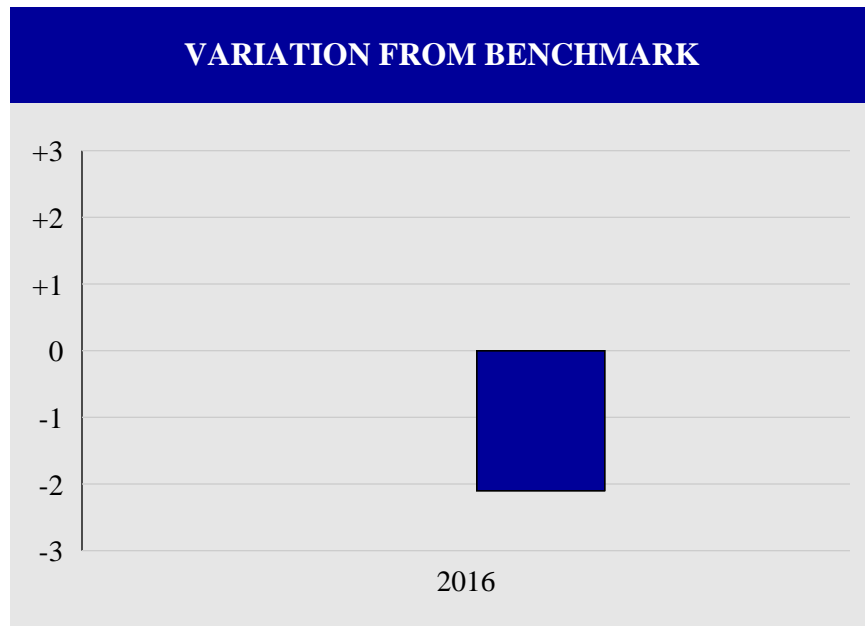
	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	6.9	---	---	---	---	---
(RANK)	(66)	---	---	---	---	---
5TH %ILE	12.4	18.2	18.9	23.4	11.4	20.2
25TH %ILE	9.3	13.2	13.4	17.8	9.2	18.0
MEDIAN	7.7	10.9	10.7	14.6	7.4	16.7
75TH %ILE	6.3	8.8	7.7	10.6	5.9	15.4
95TH %ILE	3.8	5.7	2.1	4.8	1.5	12.5
<b>Russ 2000</b>	<b>9.0</b>	<b>13.2</b>	<b>11.5</b>	<b>15.5</b>	<b>6.7</b>	<b>15.8</b>

Small Cap Universe



**SMALL CAP EQUITY QUARTERLY PERFORMANCE SUMMARY**

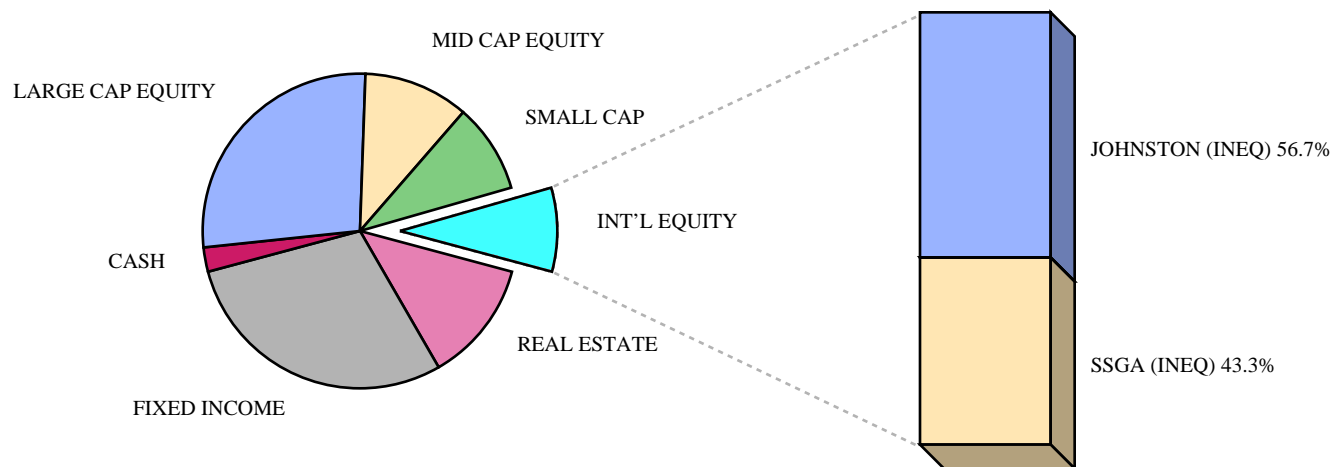
**COMPARATIVE BENCHMARK: RUSSELL 2000**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/16	6.9	9.0	-2.1

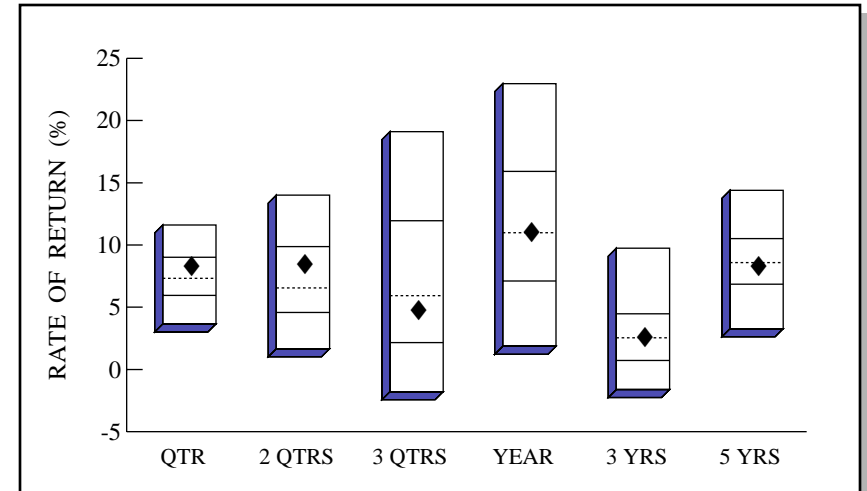
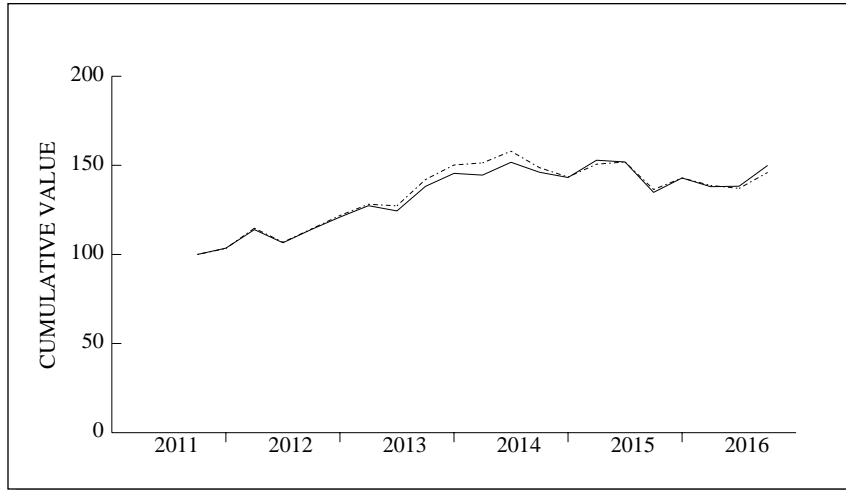
<b>Total Quarters Observed</b>	<b>1</b>
<b>Quarters At or Above the Benchmark</b>	<b>0</b>
<b>Quarters Below the Benchmark</b>	<b>1</b>
<b>Batting Average</b>	<b>.000</b>

**INTERNATIONAL EQUITY MANAGER SUMMARY**

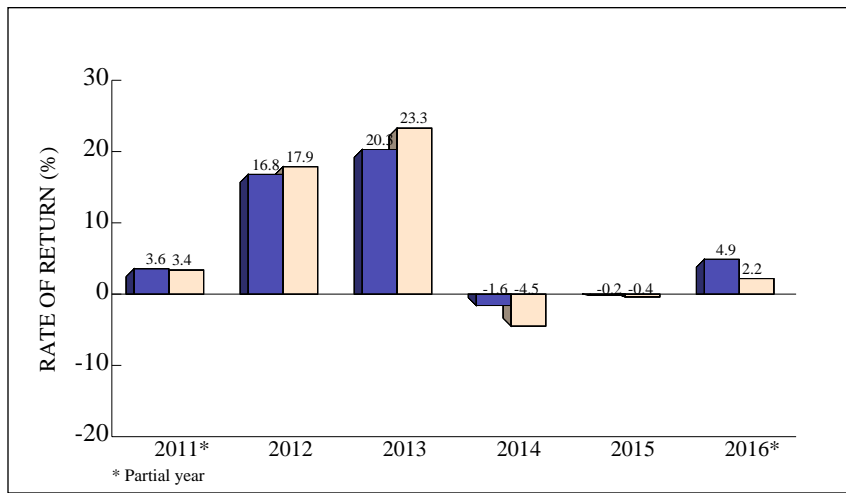


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
JOHNSTON	(International Equity)	9.9 (14)	14.7 (31)	14.7 (31)	4.3 (28)	9.0 (46)	\$6,484,515
SSGA	(International Equity)	6.5 (66)	6.9 (77)	6.9 (77)	0.8 (74)	7.7 (66)	\$4,946,617
<i>MSCI EAFE</i>		6.5 ---	7.0 ---	7.0 ---	0.9 ---	7.9 ---	---
<b>TOTAL</b>	<b>(International Equity)</b>	<b>8.4 (33)</b>	<b>11.2 (49)</b>	<b>11.2 (49)</b>	<b>2.7 (47)</b>	<b>8.4 (53)</b>	<b>\$11,431,132</b>
<i>MSCI EAFE</i>		6.5 ---	7.0 ---	7.0 ---	0.9 ---	7.9 ---	---

### INTERNATIONAL EQUITY RETURN COMPARISONS



International Equity Universe



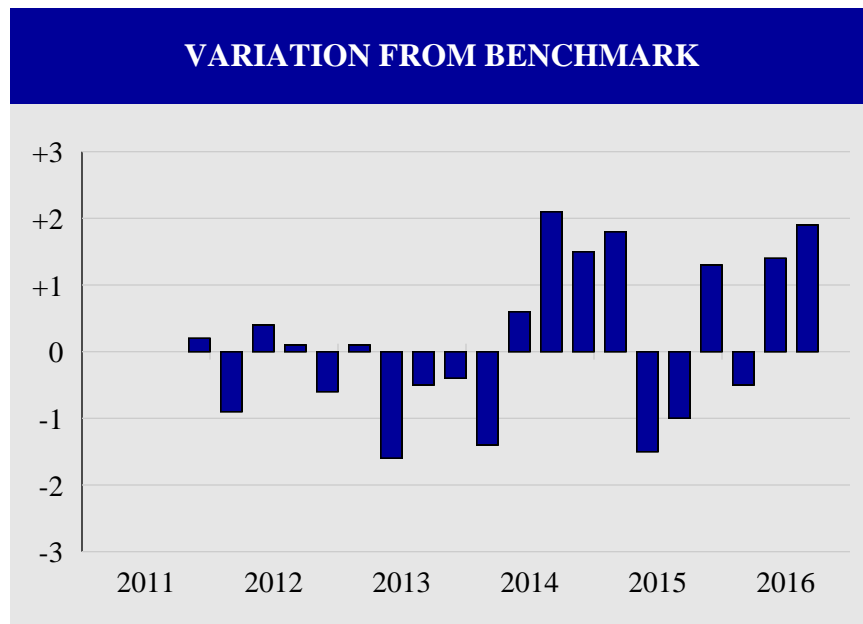
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	8.4	8.6	4.9	11.2	2.7	8.4
(RANK)	(33)	(33)	(56)	(49)	(47)	(53)
5TH %ILE	11.6	14.0	19.1	23.0	9.8	14.4
25TH %ILE	9.0	9.9	12.0	15.9	4.5	10.5
MEDIAN	7.3	6.5	5.9	11.0	2.5	8.6
75TH %ILE	5.9	4.6	2.2	7.1	0.7	6.8
95TH %ILE	3.7	1.7	-1.8	1.9	-1.6	3.3
<b>MSCI EAFE</b>	<b>6.5</b>	<b>5.2</b>	<b>2.2</b>	<b>7.0</b>	<b>0.9</b>	<b>7.9</b>

International Equity Universe

**INTERNATIONAL EQUITY QUARTERLY PERFORMANCE SUMMARY**

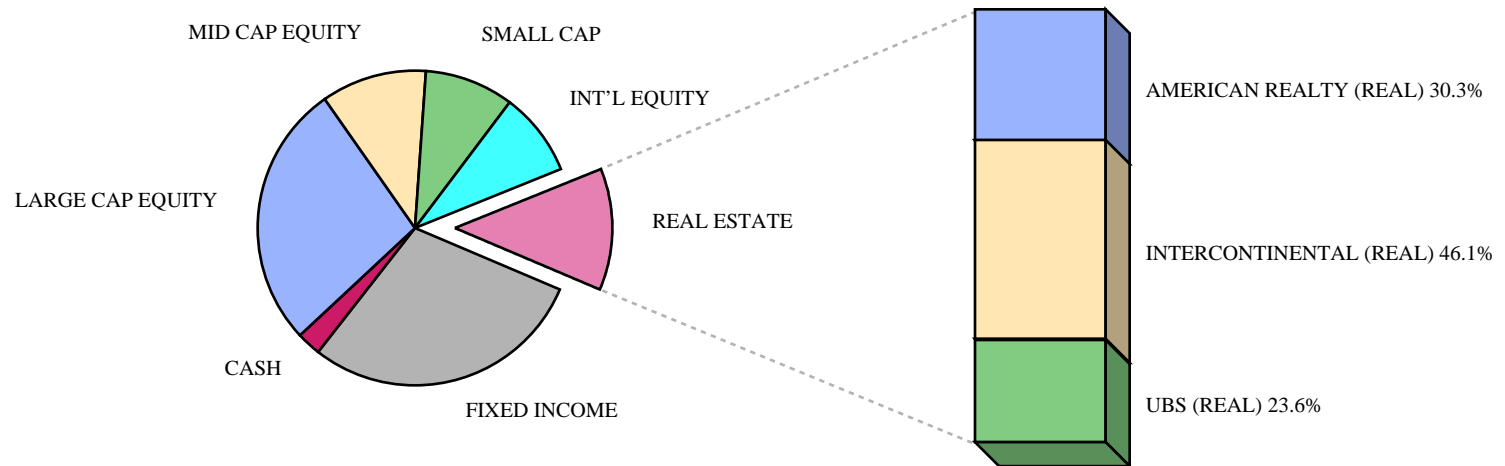
**COMPARATIVE BENCHMARK: MSCI EAFE**



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

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
12/11	3.6	3.4	0.2
3/12	10.1	11.0	-0.9
6/12	-6.5	-6.9	0.4
9/12	7.1	7.0	0.1
12/12	6.0	6.6	-0.6
3/13	5.3	5.2	0.1
6/13	-2.3	-0.7	-1.6
9/13	11.1	11.6	-0.5
12/13	5.3	5.7	-0.4
3/14	-0.6	0.8	-1.4
6/14	4.9	4.3	0.6
9/14	-3.7	-5.8	2.1
12/14	-2.0	-3.5	1.5
3/15	6.8	5.0	1.8
6/15	-0.7	0.8	-1.5
9/15	-11.2	-10.2	-1.0
12/15	6.0	4.7	1.3
3/16	-3.4	-2.9	-0.5
6/16	0.2	-1.2	1.4
9/16	8.4	6.5	1.9

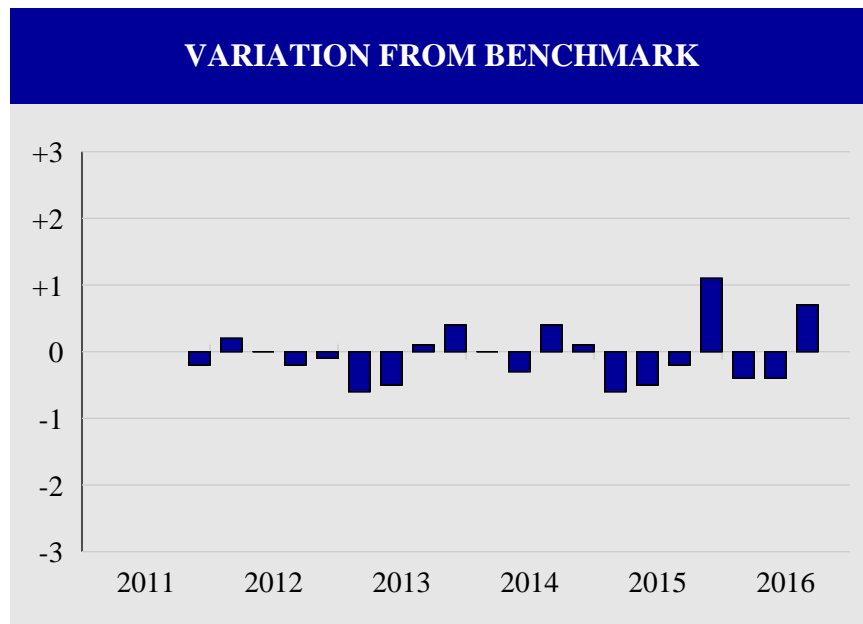
**REAL ESTATE MANAGER SUMMARY**



MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
AMERICAN REALTY		1.8 ---	9.0 ---	9.0 ---	11.8 ---	11.9 ---	\$5,052,809
INTERCONTINENTAL		3.9 ---	13.3 ---	13.3 ---	13.4 ---	--- ---	\$7,681,815
UBS		1.7 ---	8.8 ---	8.8 ---	10.9 ---	--- ---	\$3,944,562
<i>NCREIF NFI-ODCE Index</i>		<i>2.0 ---</i>	<i>10.1 ---</i>	<i>10.1 ---</i>	<i>12.4 ---</i>	<i>12.4 ---</i>	---
<b>TOTAL</b>		<b>2.7 ---</b>	<b>11.0 ---</b>	<b>11.0 ---</b>	<b>12.4 ---</b>	<b>12.1 ---</b>	<b>\$16,679,186</b>
<i>NCREIF NFI-ODCE Index</i>		<i>2.0 ---</i>	<i>10.1 ---</i>	<i>10.1 ---</i>	<i>12.4 ---</i>	<i>12.4 ---</i>	---

## REAL ESTATE QUARTERLY PERFORMANCE SUMMARY

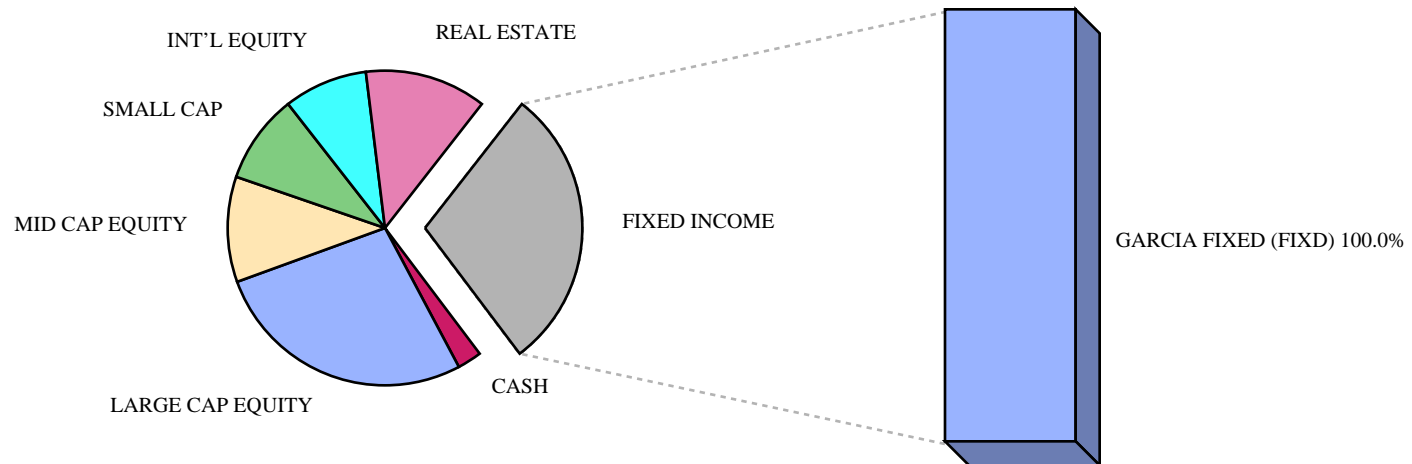
COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX



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

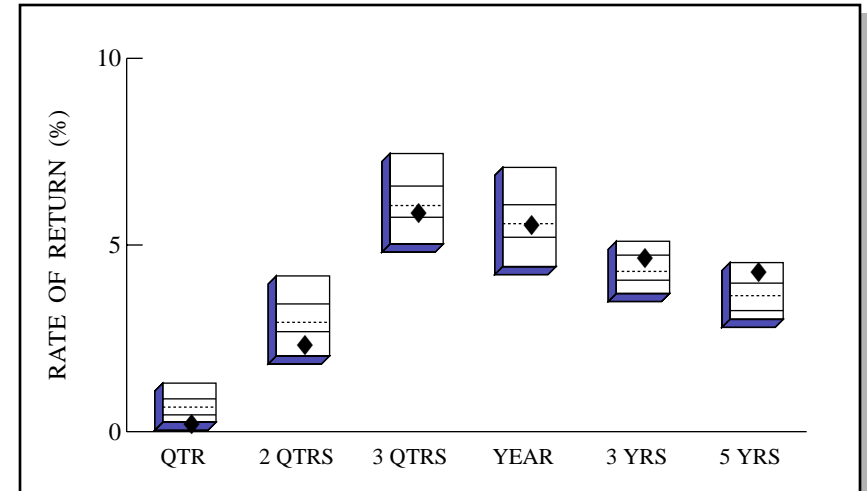
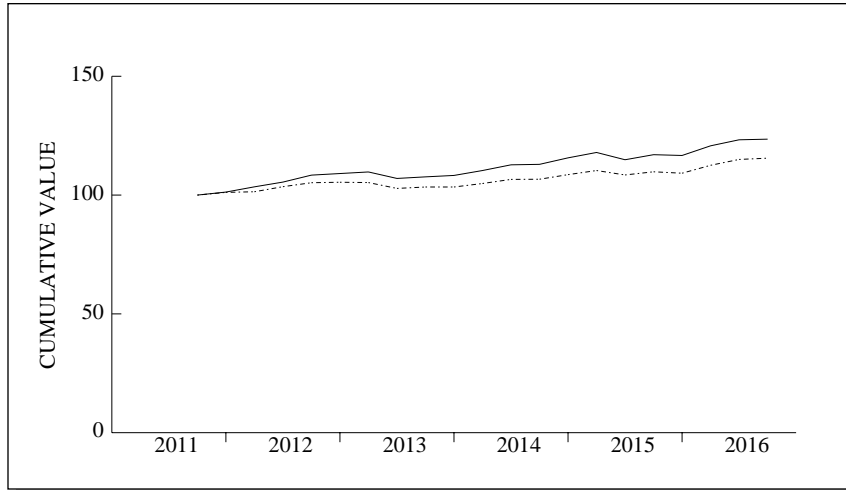
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/11	2.8	3.0	-0.2
3/12	3.0	2.8	0.2
6/12	2.5	2.5	0.0
9/12	2.6	2.8	-0.2
12/12	2.2	2.3	-0.1
3/13	2.1	2.7	-0.6
6/13	3.4	3.9	-0.5
9/13	3.7	3.6	0.1
12/13	3.6	3.2	0.4
3/14	2.5	2.5	0.0
6/14	2.6	2.9	-0.3
9/14	3.6	3.2	0.4
12/14	3.4	3.3	0.1
3/15	2.8	3.4	-0.6
6/15	3.3	3.8	-0.5
9/15	3.5	3.7	-0.2
12/15	4.4	3.3	1.1
3/16	1.8	2.2	-0.4
6/16	1.7	2.1	-0.4
9/16	2.7	2.0	0.7

**FIXED INCOME MANAGER SUMMARY**

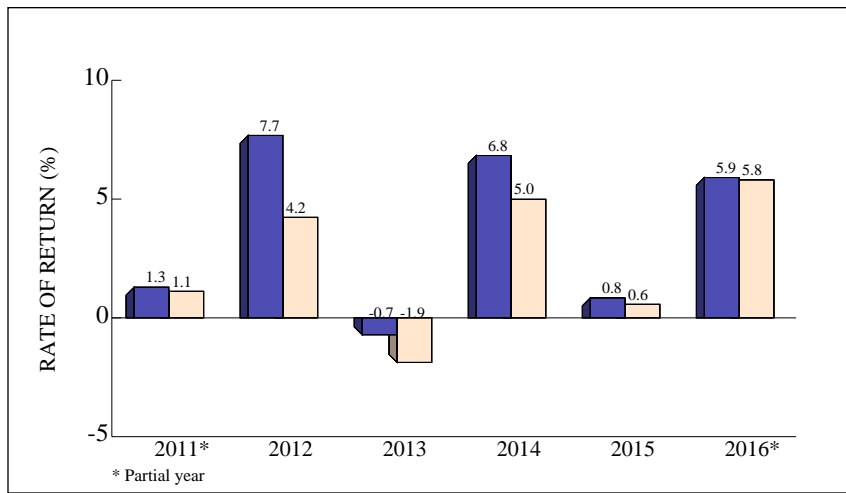
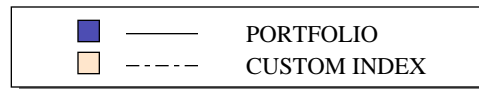


MANAGER	(UNIVERSE)	COMPONENT RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
GARCIA FIXED	(Core Fixed Income)	0.2 (96)	5.6 (47)	5.6 (47)	5.1 (5)	5.1 (2)	\$38,891,257
<i>Custom Fixed Income Index</i>		<i>0.5 ---</i>	<i>5.2 ---</i>	<i>5.2 ---</i>	<i>3.8 ---</i>	<i>2.9 ---</i>	<i>---</i>
<b>TOTAL</b>	<b>(Core Fixed Income)</b>	<b>0.2 (96)</b>	<b>5.6 (47)</b>	<b>5.6 (47)</b>	<b>4.7 (26)</b>	<b>4.3 (12)</b>	<b>\$38,891,257</b>
<i>Custom Fixed Income Index</i>		<i>0.5 ---</i>	<i>5.2 ---</i>	<i>5.2 ---</i>	<i>3.8 ---</i>	<i>2.9 ---</i>	<i>---</i>

**FIXED INCOME RETURN COMPARISONS**



Core Fixed Income Universe



\* Partial year

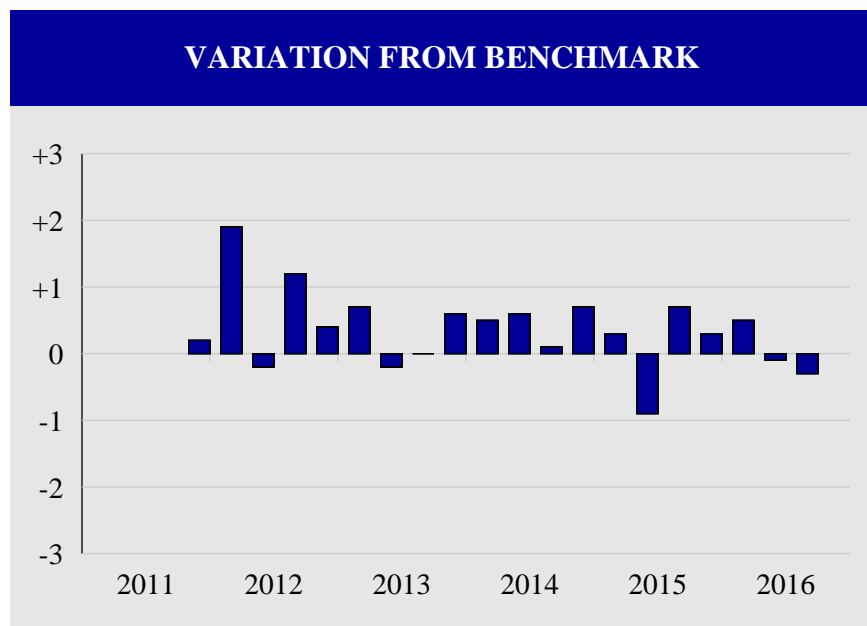
	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.2	2.4	5.9	5.6	4.7	4.3
(RANK)	(96)	(89)	(63)	(47)	(26)	(12)
5TH %ILE	1.3	4.2	7.5	7.1	5.1	4.5
25TH %ILE	0.9	3.4	6.6	6.1	4.7	4.0
MEDIAN	0.7	2.9	6.1	5.6	4.3	3.6
75TH %ILE	0.5	2.7	5.7	5.2	4.1	3.2
95TH %ILE	0.3	2.0	5.0	4.4	3.7	3.0
<b>Custom Idx</b>	<b>0.5</b>	<b>2.7</b>	<b>5.8</b>	<b>5.2</b>	<b>3.8</b>	<b>2.9</b>

Core Fixed Income Universe



## FIXED INCOME QUARTERLY PERFORMANCE SUMMARY

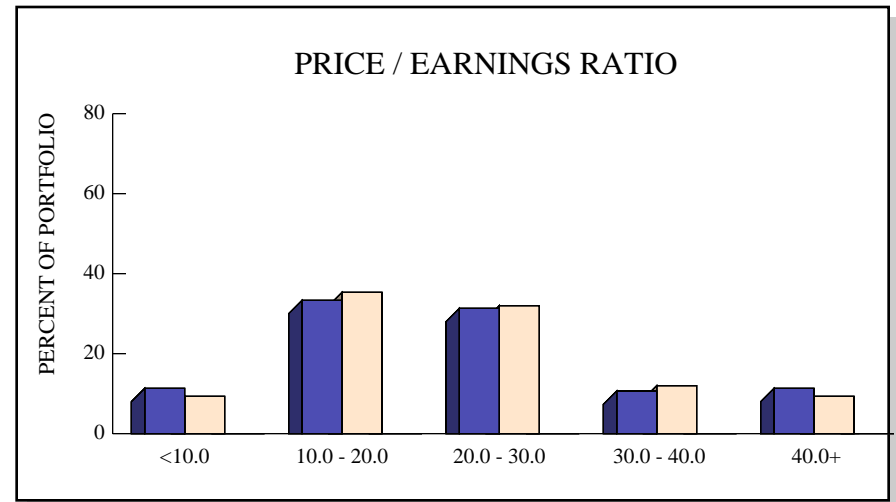
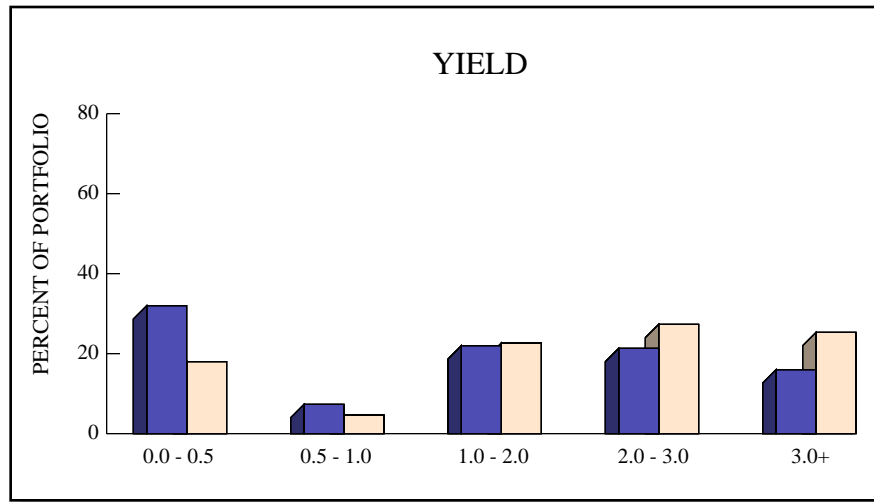
COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX



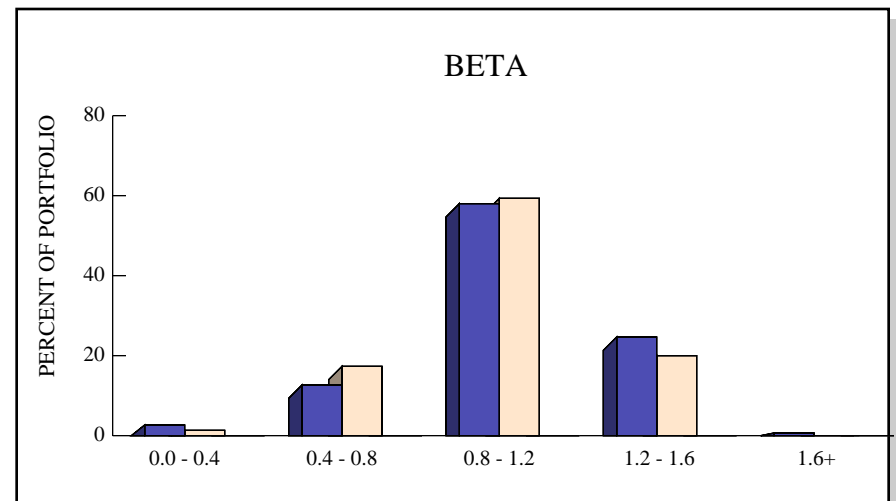
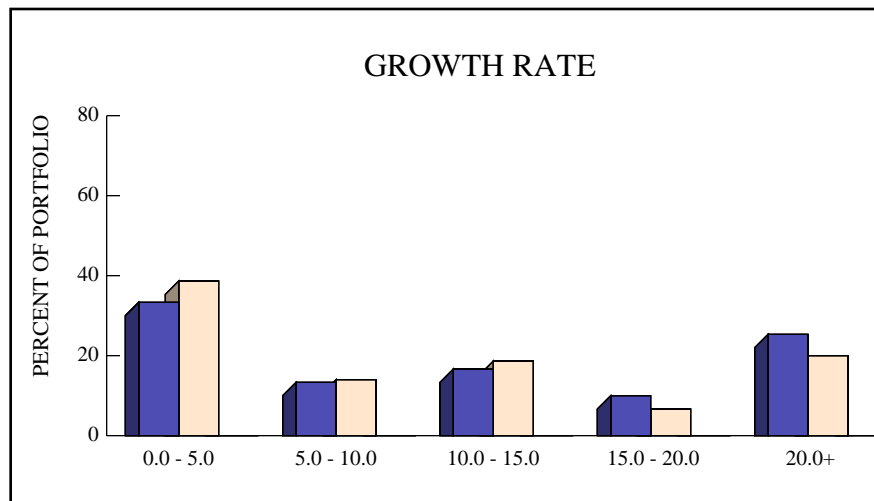
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>15</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.750</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/11	1.3	1.1	0.2
3/12	2.2	0.3	1.9
6/12	1.9	2.1	-0.2
9/12	2.8	1.6	1.2
12/12	0.6	0.2	0.4
3/13	0.6	-0.1	0.7
6/13	-2.5	-2.3	-0.2
9/13	0.6	0.6	0.0
12/13	0.6	0.0	0.6
3/14	1.9	1.4	0.5
6/14	2.2	1.6	0.6
9/14	0.2	0.1	0.1
12/14	2.5	1.8	0.7
3/15	1.9	1.6	0.3
6/15	-2.6	-1.7	-0.9
9/15	1.9	1.2	0.7
12/15	-0.3	-0.6	0.3
3/16	3.5	3.0	0.5
6/16	2.1	2.2	-0.1
9/16	0.2	0.5	-0.3

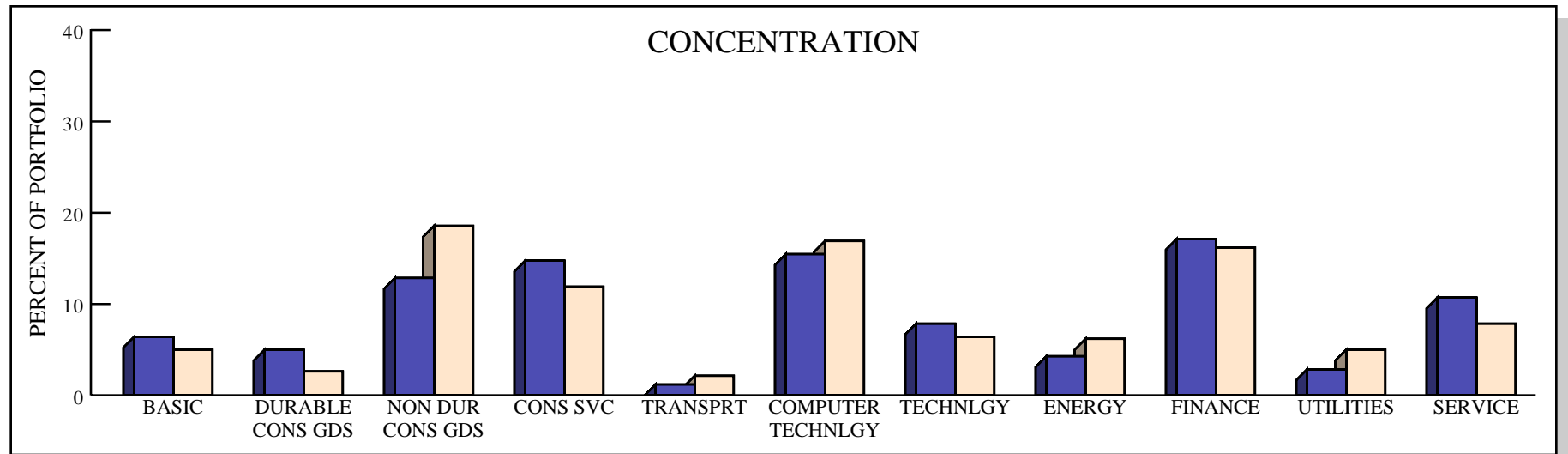
**STOCK CHARACTERISTICS**



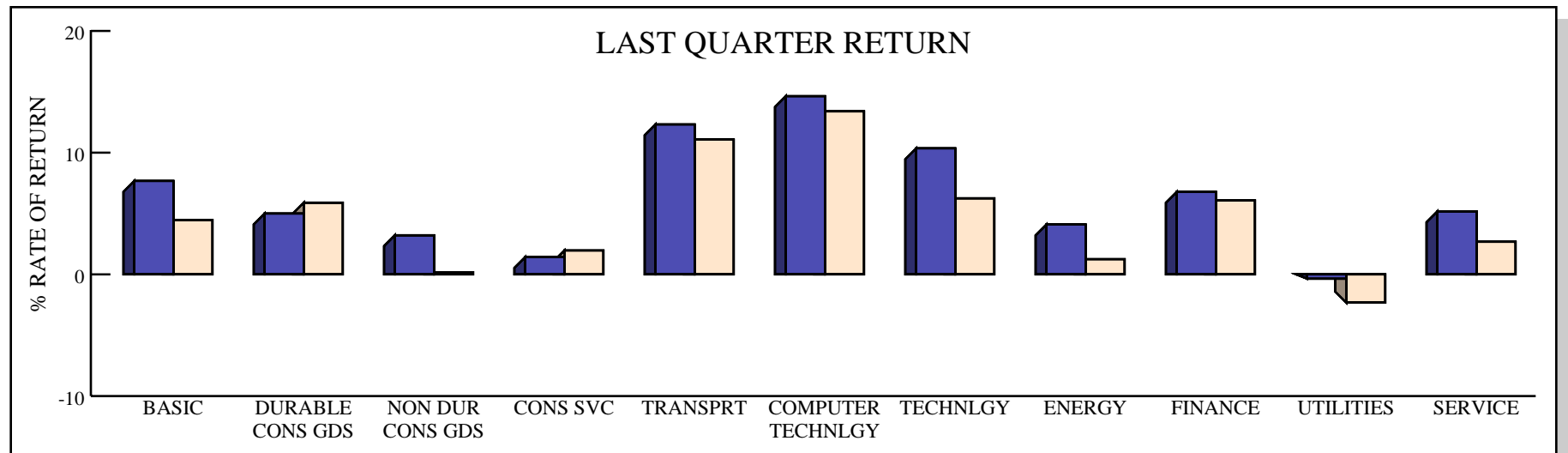
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	669	1.7%	11.9%	22.0	1.02
S&P 500	507	2.1%	9.4%	22.6	1.00



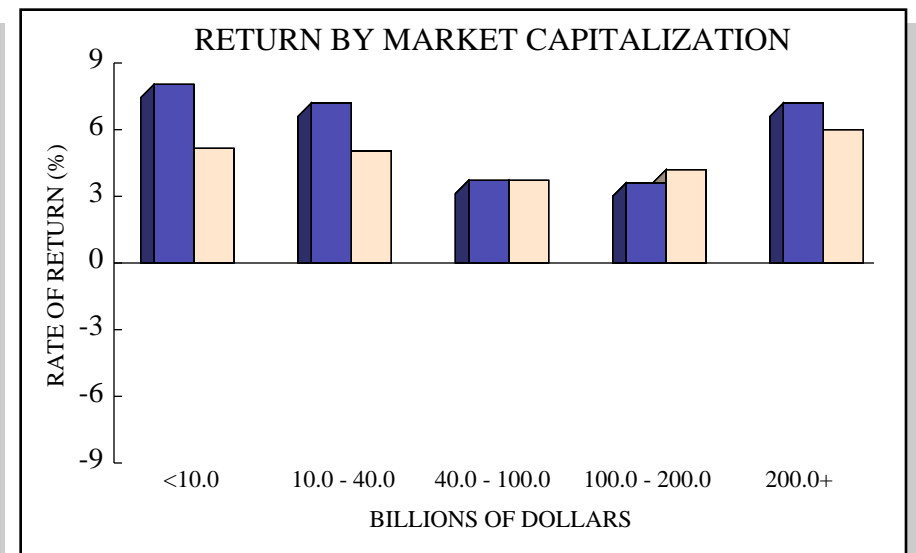
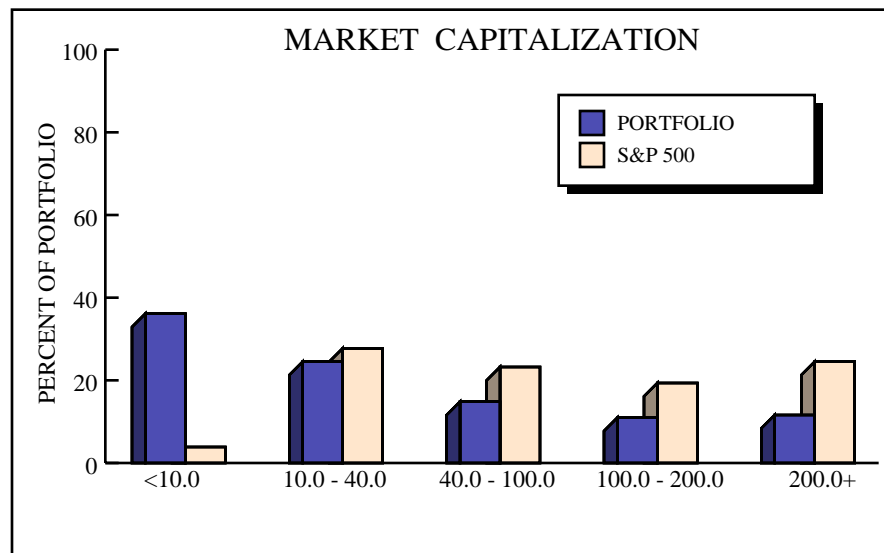
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



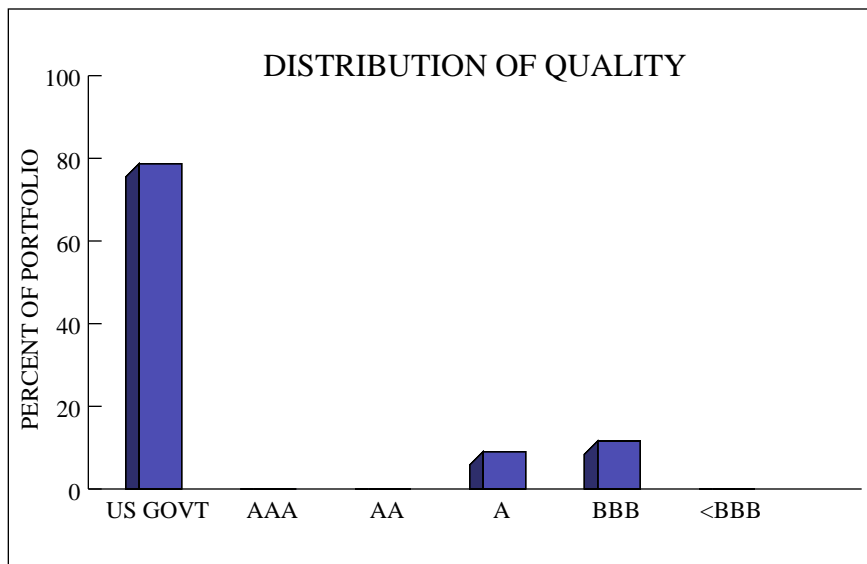
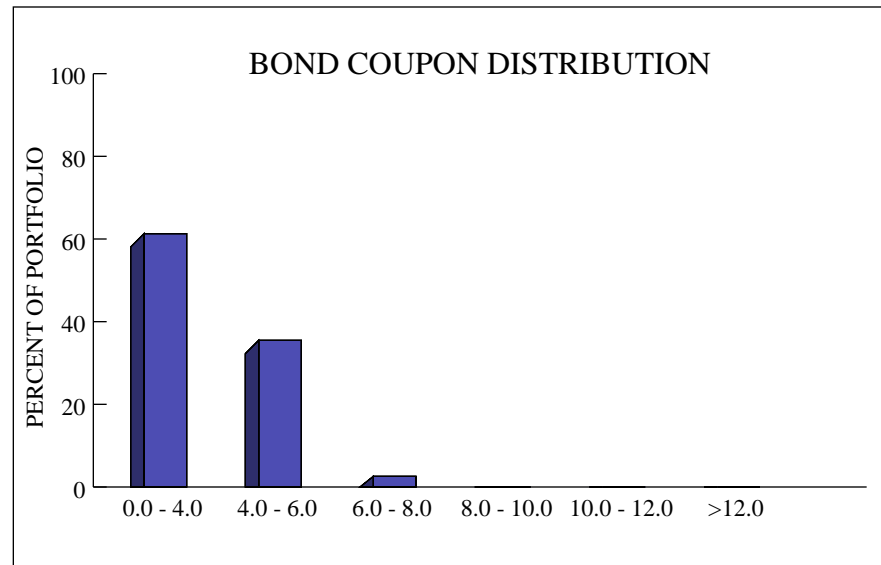
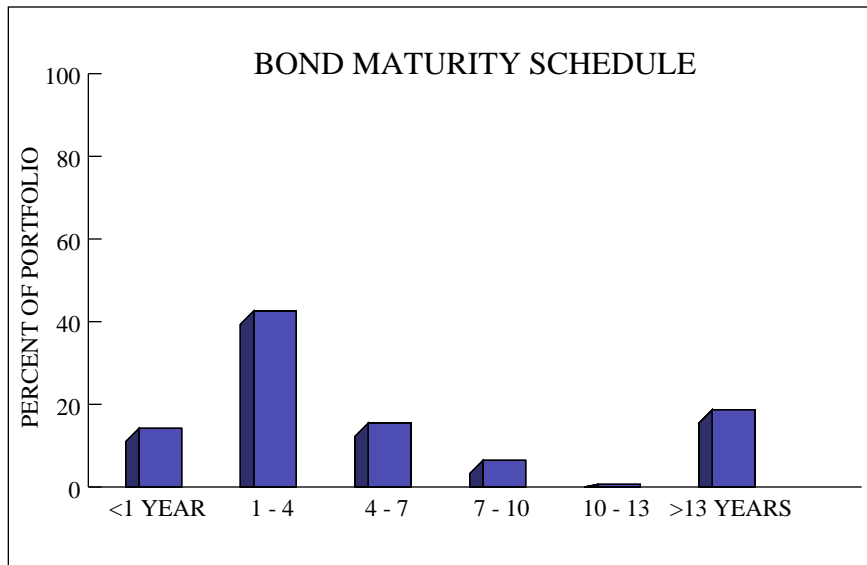
**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 976,639	1.75%	18.7%	Computer Tech	\$ 609.2 B
2	MICROSOFT CORP	719,021	1.29%	13.2%	Computer Tech	448.8 B
3	COMCAST CORP-CLASS A	699,953	1.25%	2.2%	Service	159.4 B
4	AMAZON.COM INC	640,542	1.15%	17.0%	Consumer Service	396.9 B
5	BROADCOM LTD	560,345	1.00%	11.3%	Computer Tech	68.5 B
6	JOHNSON & JOHNSON	511,030	.91%	-2.0%	NonDur Cons Goods	323.2 B
7	ALPHABET INC-CL A	462,334	.83%	14.3%	Computer Tech	237.1 B
8	EOG RESOURCES INC	443,609	.79%	16.1%	Energy	53.3 B
9	FACEBOOK INC-A	422,521	.76%	12.2%	Computer Tech	298.0 B
10	AETNA INC	421,277	.75%	-5.3%	Consumer Service	40.5 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>AGGREGATE INDEX</b>
No. of Securities	34	9,977
Duration	4.88	5.51
YTM	1.66	1.96
Average Coupon	2.97	3.09
Avg Maturity / WAL	7.37	7.82
Average Quality	AAA	USG-AAA

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

Total Portfolio return exceeds the Shadow Index for the three or five year period:	NO
Large Cap Portfolio return exceeds the S&P 500 Index for the three or five year period:	NO
Large Cap Portfolio rank exceeds the median for the three or five year period:	NO
Mid Cap Portfolio return exceeds the S&P 400 Index for the three or five year period:	YES
Mid Cap Portfolio rank exceeds the median for the three or five year period:	YES
International Equity Portfolio return exceeds the MSCI EAFE Index for the three or five year period:	YES
International Equity Portfolio rank exceeds the median for the three or five year period:	YES
Real Estate Portfolio return exceeds the NCREIF ODCE Index for the three or five year period:	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	47.3%	50.0%	40.0%	60.0%	YES
Int'l Equity	8.6%	12.5%	7.5%	17.5%	YES
Real Estate	12.5%	10.0%	5.0%	16.0%	YES
Fixed	29.2%	27.5%	20.0%	35.0%	YES
Cash	2.4%	---	---	---	---

<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	16.2%	10.0%	5.0%	15.0%	NO
Garcia Hamilton - LCG	5.1%	10.0%	5.0%	15.0%	YES
Lyrical LCV	6.2%	5.0%	2.5%	7.5%	YES
Clearbridge	5.6%	5.0%	2.5%	7.5%	YES
Wedge Capital	5.3%	5.0%	2.5%	7.5%	YES
PNC	5.5%	5.0%	2.5%	7.5%	YES
LMCG	4.0%	5.0%	2.5%	7.5%	YES
Johnston	4.9%	7.5%	4.0%	10.0%	YES
SSgA - EAFE Index Fund	3.7%	5.0%	3.0%	7.0%	YES
American Realty	3.8%	3.0%	0.0%	6.0%	YES
Intercontinental	5.8%	4.0%	0.0%	7.0%	YES
UBS	3.0%	3.0%	0.0%	6.0%	YES
Garcia Hamilton - Fixed	29.7%	27.5%	20.0%	35.0%	YES
Cash account	1.2%	---	---	---	---

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

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



**COMPLIANCE REPORT****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

**PNC**

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

## 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	0.2	1.5	1.5	1.0	1.3
<b>Domestic Equity</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Russell 3000	Broad Equity	4.4	15.0	15.0	10.4	16.4
S&P 500	Large Cap Core	3.9	15.4	15.4	11.2	16.4
Russell 1000	Large Cap	4.0	14.9	14.9	10.8	16.4
Russell 1000 Growth	Large Cap Growth	4.6	13.8	13.8	11.8	16.6
Russell 1000 Value	Large Cap Value	3.5	16.2	16.2	9.7	16.1
Russell Mid Cap	Midcap	4.5	14.2	14.2	9.7	16.7
Russell Mid Cap Growth	Midcap Growth	4.6	11.2	11.2	8.9	15.8
Russell Mid Cap Value	Midcap Value	4.4	17.3	17.3	10.5	17.4
Russell 2000	Small Cap	9.0	15.5	15.5	6.7	15.8
Russell 2000 Growth	Small Cap Growth	9.2	12.1	12.1	6.6	16.1
Russell 2000 Value	Small Cap Value	8.9	18.8	18.8	6.8	15.4
<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	7.0	9.8	9.8	0.6	6.5
MSCI EAFE	Developed Markets Equity	6.5	7.0	7.0	0.9	7.9
MSCI EAFE Growth	Developed Markets Growth	5.0	9.9	9.9	2.8	9.1
MSCI EAFE Value	Developed Markets Value	8.1	4.2	4.2	-1.0	6.6
MSCI Emerging Markets	Emerging Markets Equity	9.2	17.2	17.2	-0.2	3.4
<b>Domestic Fixed Income</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Bloomberg Barclays Aggregate Index	Core Fixed Income	0.5	5.2	5.2	4.0	3.1
Bloomberg Barclays Capital Gov't Bond	Treasuries	-0.3	4.0	4.0	3.3	2.2
Bloomberg Barclays Capital Credit Bond	Corporate Bonds	1.2	8.3	8.3	5.4	4.8
Intermediate Aggregate	Core Intermediate	0.3	3.6	3.6	3.1	2.6
ML/BoA 1-3 Year Treasury	Short Term Treasuries	-0.1	0.9	0.9	0.8	0.6
Citi High Yield BB & B Index	High Yield Bonds	5.1	11.7	11.7	5.0	7.6
<b>Alternative Assets</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Bloomberg Barclays Global Treasury Ex US	International Treasuries	0.6	13.6	13.6	1.6	0.6
NCREIF NFI-ODCE Index	Real Estate	2.0	10.1	10.1	12.4	12.4
HFRI FOF Composite	Hedge Funds	2.4	0.5	0.5	2.1	3.2

**APPENDIX - DISCLOSURES**

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

Large Cap Equity	S&P 500
Mid Cap Equity	S&P 400
Small Cap Equity	Russell 2000
International Equity	MSCI EAFE
Real Estate	NCREIF NFI-ODCE Index
Fixed Income	Custom Fixed Income Index
Cash & Equivalent	90 Day T Bill
- \* The Custom Fixed Income Index is a hybrid index that was 100% Barclays Gov/Credit through December 2008. From December 2008 through October 2013, the index was 100% Barclays Aggregate. From October 2013 through September 2014, the hybrid index was 50% Barclays Gov/Credit and 50% Barclays Aggregate. Since September 2014, this index is 100% Barclays Aggregate.
- \* Dahab Associates utilizes data provided by a custodian and other vendors it believes are reliable. However, it cannot assume responsibility for errors and omissions therefrom.
- \* All returns were calculated on a time-weighted basis, and are gross of fees unless otherwise noted.
- \* All returns for periods greater than one year are annualized.
- \* Dahab Associates uses the modified duration measure to present average duration.
- \* All values are in US dollars.
- \* In the second quarter of 2014 the balanced Buckhead & Garcia Hamilton accounts were each split into two different custodial accounts. The equity portfolios maintained the original account numbers, while the Fixed Income portfolios were given new account numbers. Fixed income securities stayed in the Equity accounts until they had reached maturity. The custodian shows the proceeds of these maturities in the Equity accounts; however, we have shown these securities as part of the fixed income accounts from the start of the quarter. As a result, the cash balances were adjusted.

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

## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's Vanguard Institutional Index Fund was valued at \$21,583,802, representing an increase of \$799,236 from the June quarter's ending value of \$20,784,566. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$799,236 in net investment returns. Income receipts totaling \$112,712 plus net realized and unrealized capital gains of \$686,524 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 \$3.9 million. Since December 2013, if the total account had earned a compound annual rate of 7.6% it would have been worth \$21.4 million or \$181,695 less than the actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

During the third quarter, the Vanguard Institutional Index Fund gained 3.9%, which was equal to the S&P 500 Index's return of 3.9% and ranked in the 54th percentile of the Large Cap Core universe. Over the trailing year, the portfolio returned 15.5%, which was 0.1% above the benchmark's 15.4% performance, ranking in the 17th percentile. Since December 2013, the account returned 8.3% on an annualized basis and ranked in the 33rd percentile. For comparison, the S&P 500 returned an annualized 8.2% over the same period.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	Since 12/13
<b>Total Portfolio - Gross</b>	3.9	15.5	15.5	----	8.3
<i>LARGE CAP CORE RANK</i>	(54)	(17)	(17)	----	(33)
<b>Total Portfolio - Net</b>	3.8	15.4	15.4	----	8.2
S&P 500	3.9	15.4	15.4	11.2	8.2
<b>Large Cap Equity - Gross</b>	3.9	15.5	15.5	----	8.3
<i>LARGE CAP CORE RANK</i>	(54)	(17)	(17)	----	(33)
S&P 500	3.9	15.4	15.4	11.2	8.2

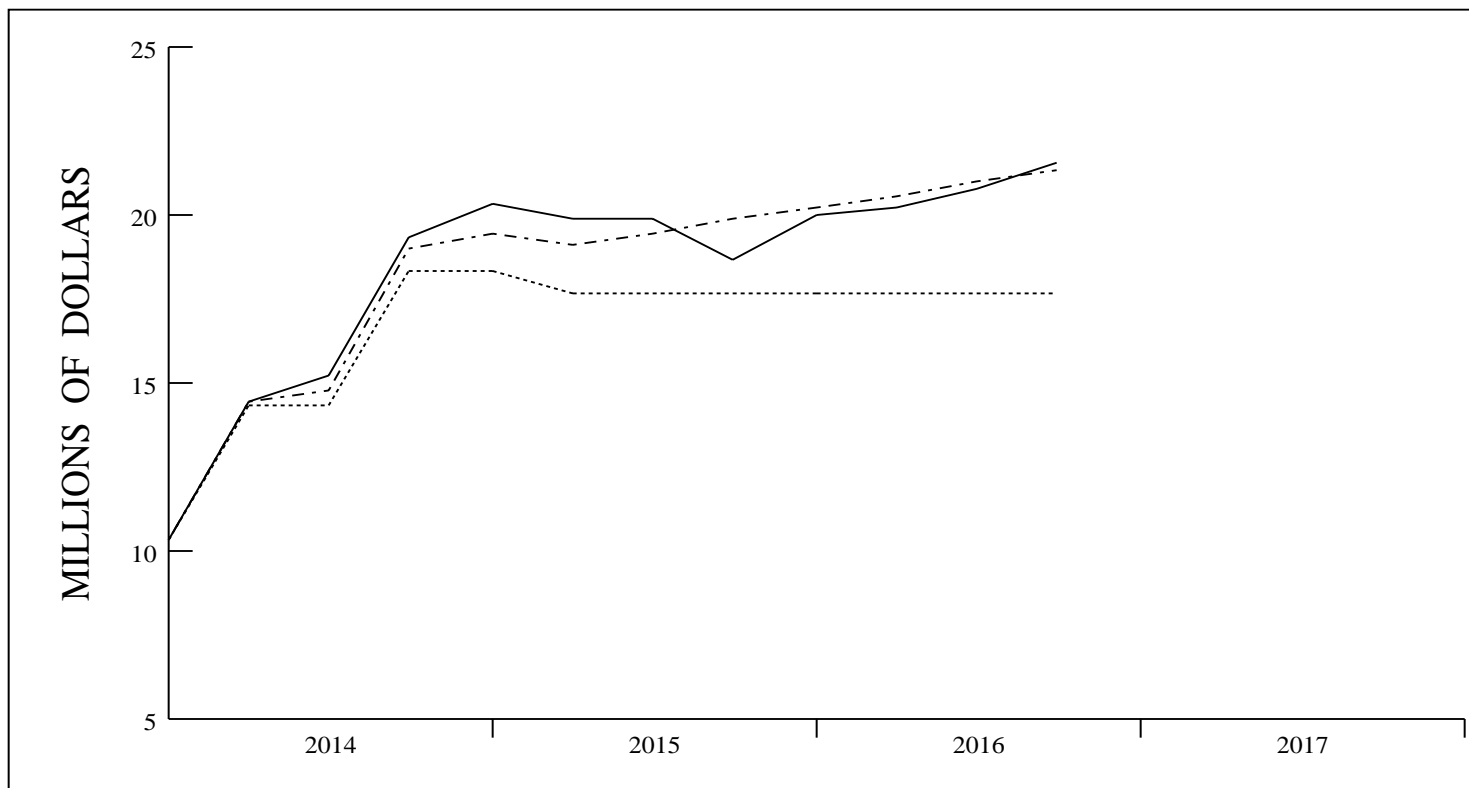
**ASSET ALLOCATION**

Large Cap Equity	100.0%	\$ 21,583,802
Total Portfolio	100.0%	\$ 21,583,802

**INVESTMENT RETURN**

Market Value 6/2016	\$ 20,784,566
Contribs / Withdrawals	0
Income	112,712
Capital Gains / Losses	686,524
Market Value 9/2016	\$ 21,583,802

**INVESTMENT GROWTH**

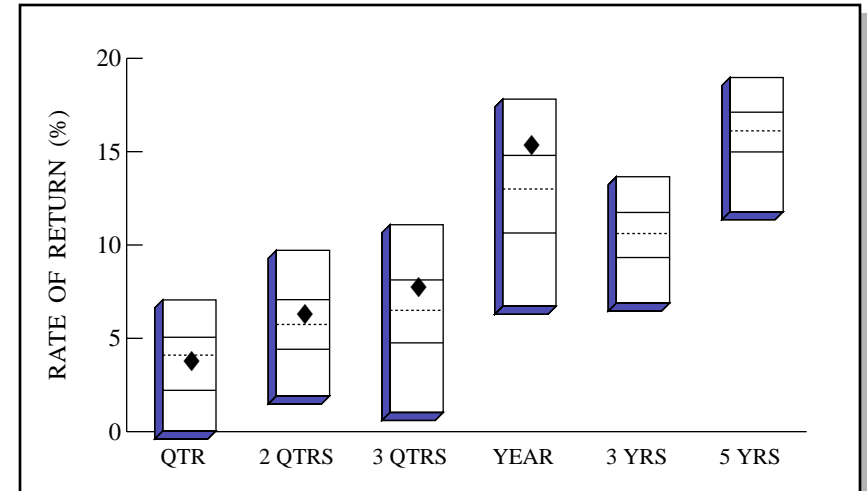
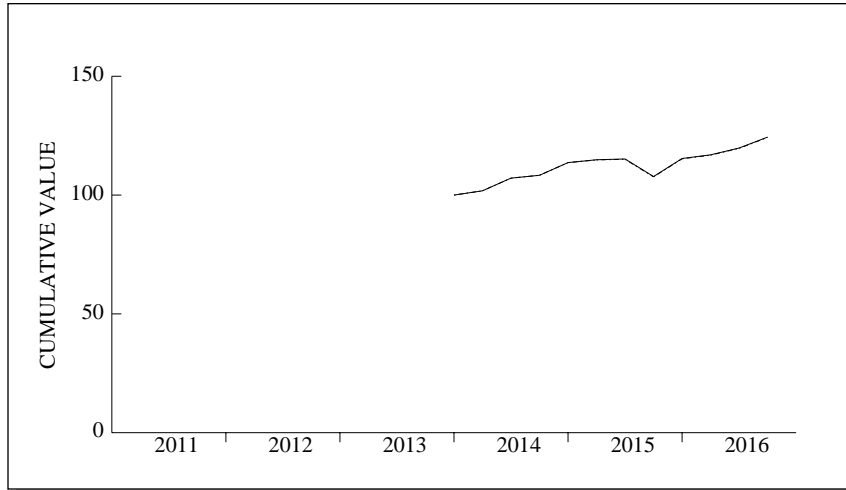


— ACTUAL RETURN  
 - - - 7.6%  
 ..... 0.0%

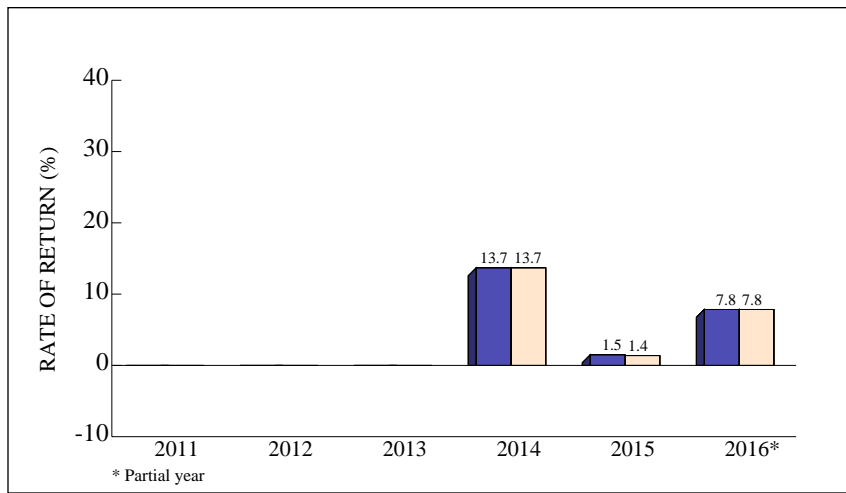
VALUE ASSUMING  
 7.6% RETURN \$ 21,402,107

	LAST QUARTER	PERIOD 12/13 - 9/16
BEGINNING VALUE	\$ 20,784,566	\$ 10,343,510
NET CONTRIBUTIONS	0	7,366,434
INVESTMENT RETURN	799,236	3,873,858
ENDING VALUE	\$ 21,583,802	\$ 21,583,802
INCOME	112,712	1,126,382
CAPITAL GAINS (LOSSES)	686,524	2,747,476
INVESTMENT RETURN	799,236	3,873,858

**TOTAL RETURN COMPARISONS**



Large Cap Core Universe



\* Partial year

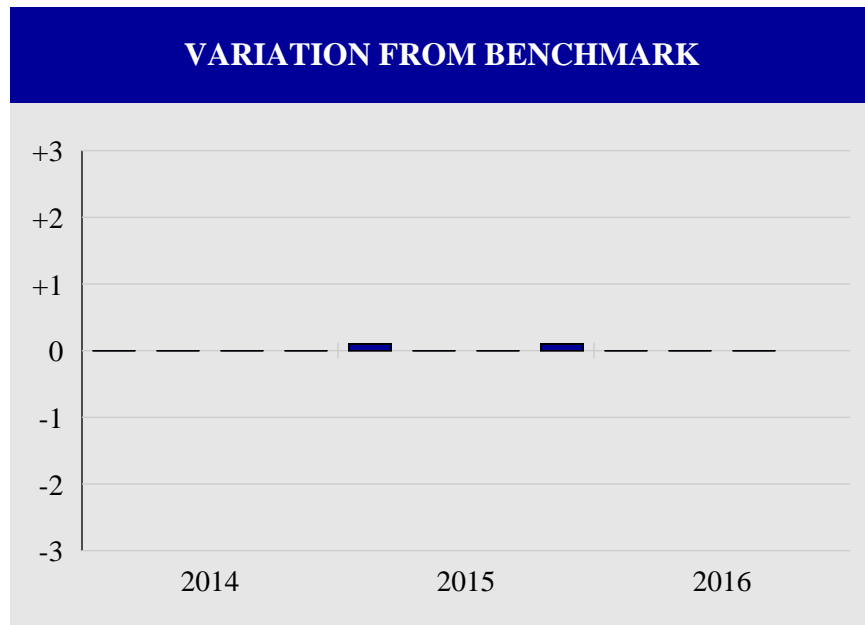
	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	3.9	6.4	7.8	15.5	---	---
(RANK)	(54)	(37)	(29)	(17)	---	---
5TH %ILE	7.1	9.7	11.1	17.8	13.7	19.0
25TH %ILE	5.1	7.1	8.1	14.8	11.7	17.1
MEDIAN	4.1	5.7	6.5	13.0	10.6	16.1
75TH %ILE	2.2	4.4	4.8	10.6	9.3	15.0
95TH %ILE	0.0	1.9	1.0	6.7	6.9	11.8
<b>S&amp;P 500</b>	<b>3.9</b>	<b>6.4</b>	<b>7.8</b>	<b>15.4</b>	<b>11.2</b>	<b>16.4</b>

Large Cap Core Universe



**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

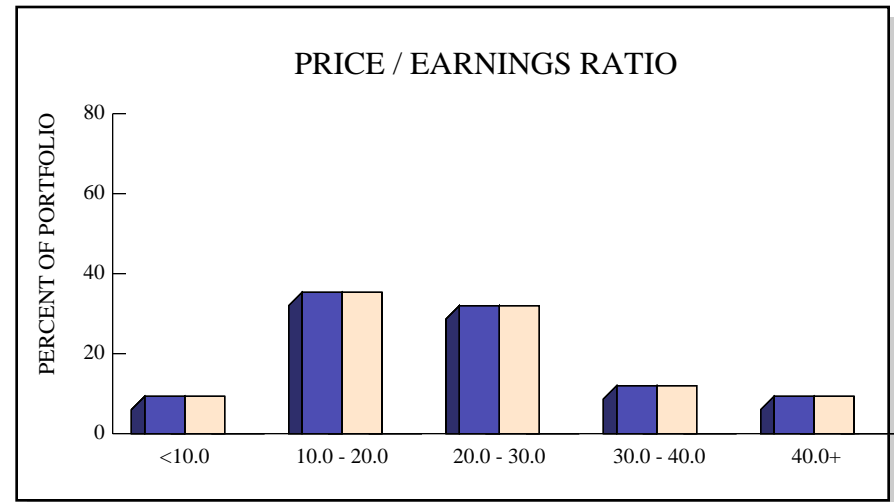
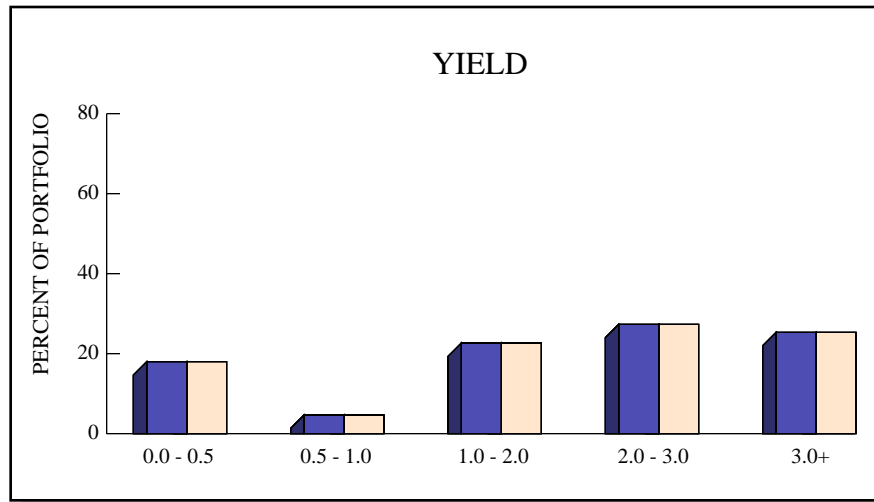
**COMPARATIVE BENCHMARK: S&P 500**



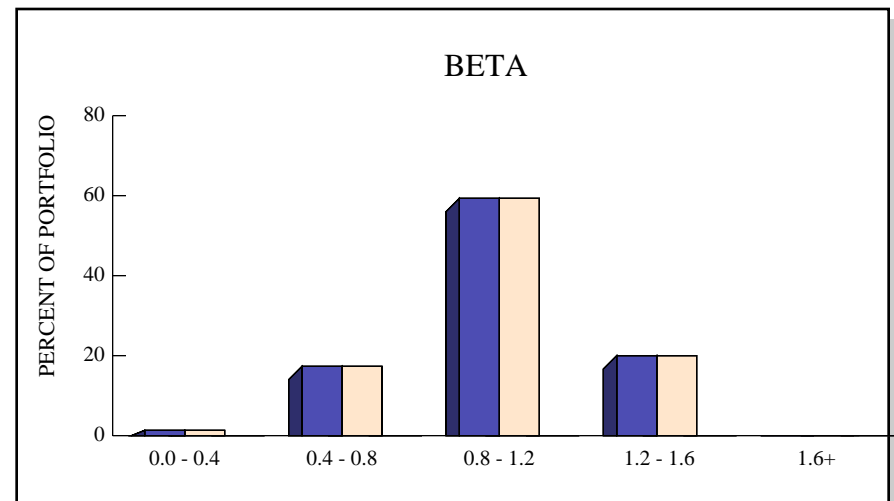
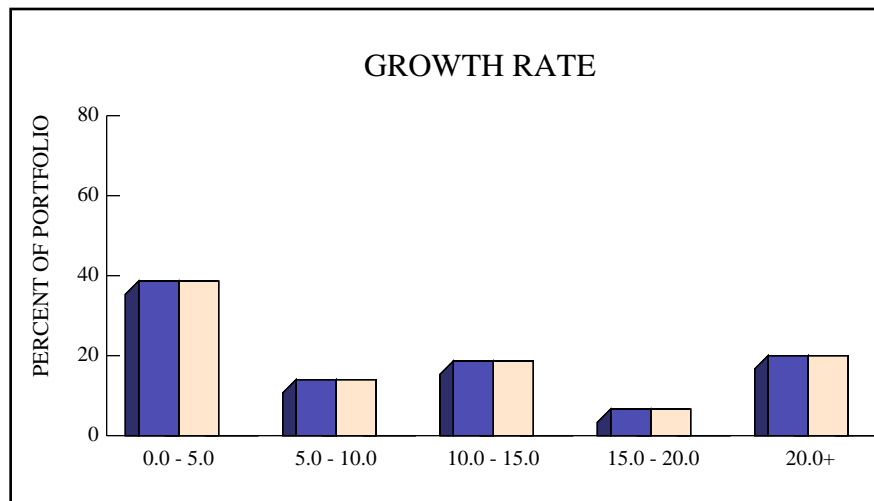
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/14	1.8	1.8	0.0
6/14	5.2	5.2	0.0
9/14	1.1	1.1	0.0
12/14	4.9	4.9	0.0
3/15	1.0	0.9	0.1
6/15	0.3	0.3	0.0
9/15	-6.4	-6.4	0.0
12/15	7.1	7.0	0.1
3/16	1.3	1.3	0.0
6/16	2.5	2.5	0.0
9/16	3.9	3.9	0.0

<b>Total Quarters Observed</b>	<b>11</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>0</b>
<b>Batting Average</b>	<b>1.000</b>

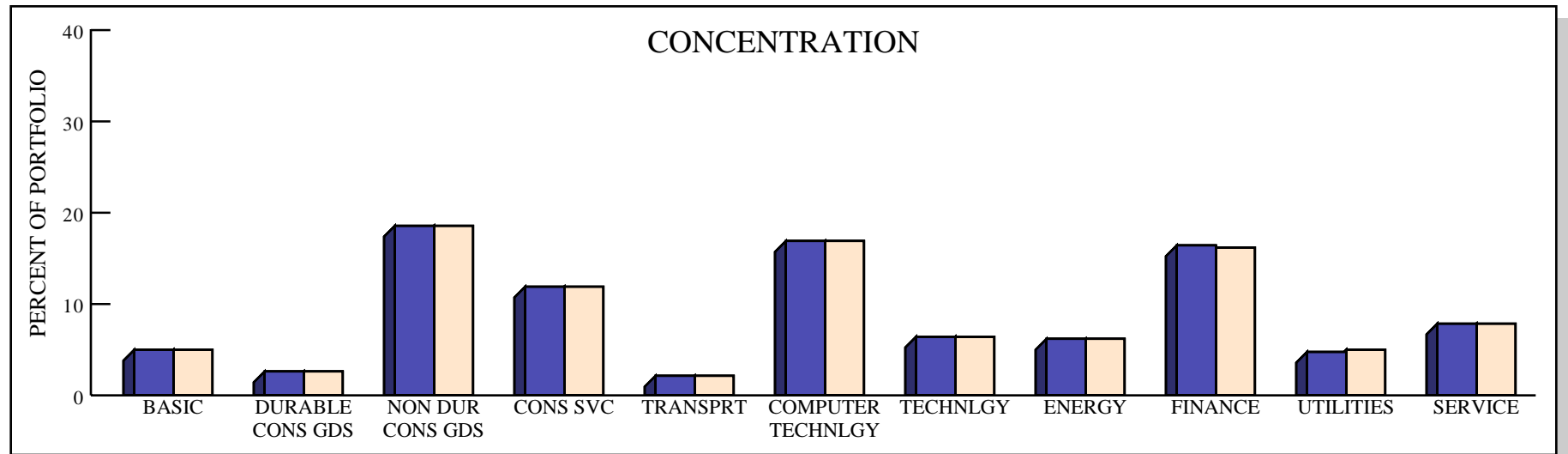
**STOCK CHARACTERISTICS**



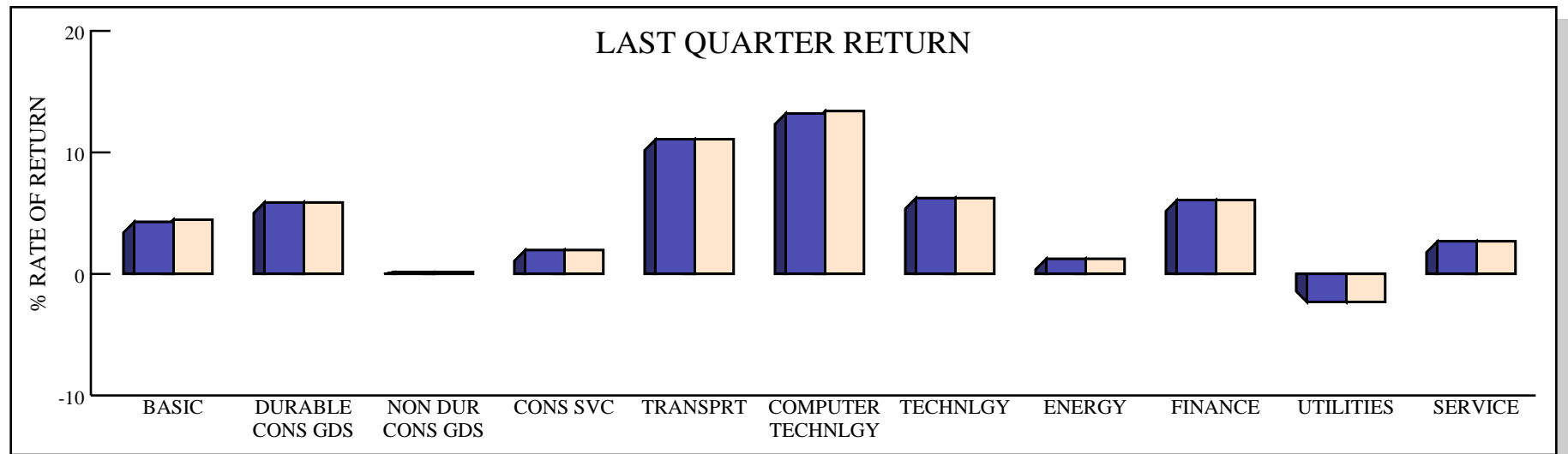
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	507	2.1%	9.4%	22.6	0.98
S&P 500	507	2.1%	9.4%	22.6	1.00



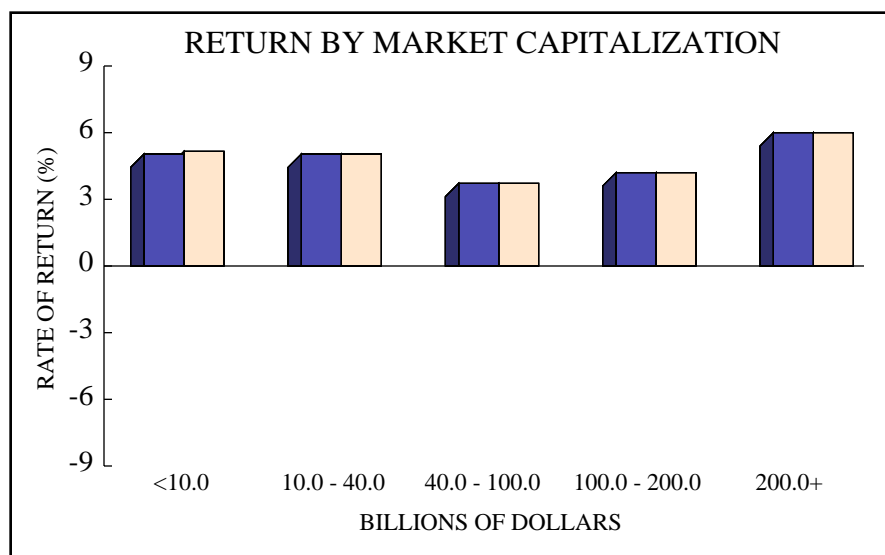
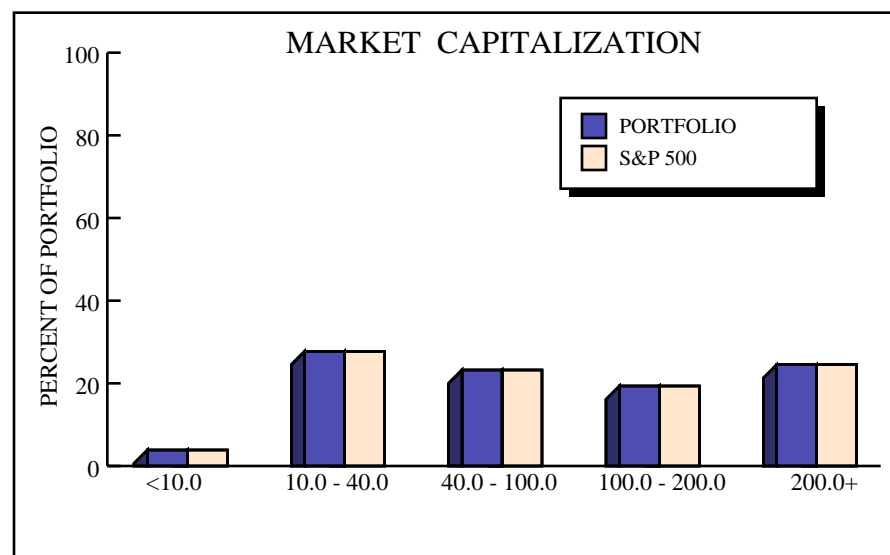
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 674,117	3.12%	18.7%	Computer Tech	\$ 609.2 B
2	MICROSOFT CORP	496,742	2.30%	13.2%	Computer Tech	448.8 B
3	AMAZON.COM INC	439,588	2.04%	17.0%	Consumer Service	396.9 B
4	EXXON MOBIL CORP	400,528	1.86%	-6.1%	Energy	361.9 B
5	JOHNSON & JOHNSON	357,698	1.66%	-2.0%	NonDur Cons Goods	323.2 B
6	FACEBOOK INC-A	329,782	1.53%	12.2%	Computer Tech	298.0 B
7	ALPHABET INC-CL C	295,370	1.37%	12.3%	Computer Tech	267.1 B
8	GENERAL ELECTRIC CO	293,771	1.36%	-5.1%	Basic	265.4 B
9	AT&T INC	276,513	1.28%	-4.8%	Service	249.8 B
10	JPMORGAN CHASE & CO	266,160	1.23%	7.8%	Finance	240.5 B

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

## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's Garcia Hamilton Equity portfolio was valued at \$6,757,796, a decrease of \$1,302,437 from the June ending value of \$8,060,233. Last quarter, the account recorded a net withdrawal of \$1,608,535, which overshadowed the fund's net investment return of \$306,098. Income receipts totaling \$33,446 and realized and unrealized capital gains of \$272,652 combined to produce the portfolio's net investment return.

Since September 2011, the account has recorded net withdrawals totaling \$18.0 million while posting net investment gains totaling \$10.8 million. Since September 2011, if the account had earned a compounded a compound annual rate of 7.6% it would have been completely liquidated as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

### **Total Fund**

For the third quarter, the Garcia Hamilton Equity portfolio gained 3.8%, which was 0.8% less than the Russell 1000 Growth Index's return of 4.6% and ranked in the 78th percentile of the Large Cap Growth universe. Over the trailing year, this portfolio returned 12.4%, which was 1.4% below the benchmark's 13.8% return, ranking in the 41st percentile. Since September 2011, the portfolio returned 14.3% per annum and ranked in the 82nd percentile. The Russell 1000 Growth returned an annualized 16.6% over the same time frame.

## **ASSET ALLOCATION**

At the end of the third quarter, large cap equities comprised 95.1% of the total portfolio (\$6.4 million), while cash & equivalents totaled 4.9% (\$331,716).

## **ANALYSIS**

At the end of the third 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, and Technology sectors, while being underweight in the Durable Consumer Goods, Computer Technology, Finance, and Service sectors. The Utilities, Energy and Transportation sectors were allocated similarly.

At the end of the third quarter the portfolio underperformed relative to the Russell 1000 Growth index. Mixed performance from the invested industry sectors slightly favored the index. The significantly allocated Non-Durable Consumer Goods and Consumer Service sectors underperformed, partially due to holdings such as CVS Health Corp. and The Coca Cola Co., which returned -6.6% and -5.8% respectively. The Energy and Utilities sectors featured highly negative performance, fortunately mitigated by their negligible allocation. The overweight Basic and Technology sectors were also able to surpass their counterparts, keeping the total return from falling too far behind. At quarter end they returned 80 basis points below the index.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	5 Years
<b>Total Portfolio - Gross</b>	3.8	12.4	12.4	10.3	14.3
<i>LARGE CAP GROWTH RANK</i>	(78)	(41)	(41)	(60)	(82)
<b>Total Portfolio - Net</b>	3.7	11.9	11.9	9.9	14.0
RUSSELL 1000G	4.6	13.8	13.8	11.8	16.6
<b>Large Cap Equity - Gross</b>	4.1	13.1	13.1	10.6	14.5
<i>LARGE CAP GROWTH RANK</i>	(72)	(31)	(31)	(54)	(81)
RUSSELL 1000G	4.6	13.8	13.8	11.8	16.6
S&P 500	3.9	15.4	15.4	11.2	16.4

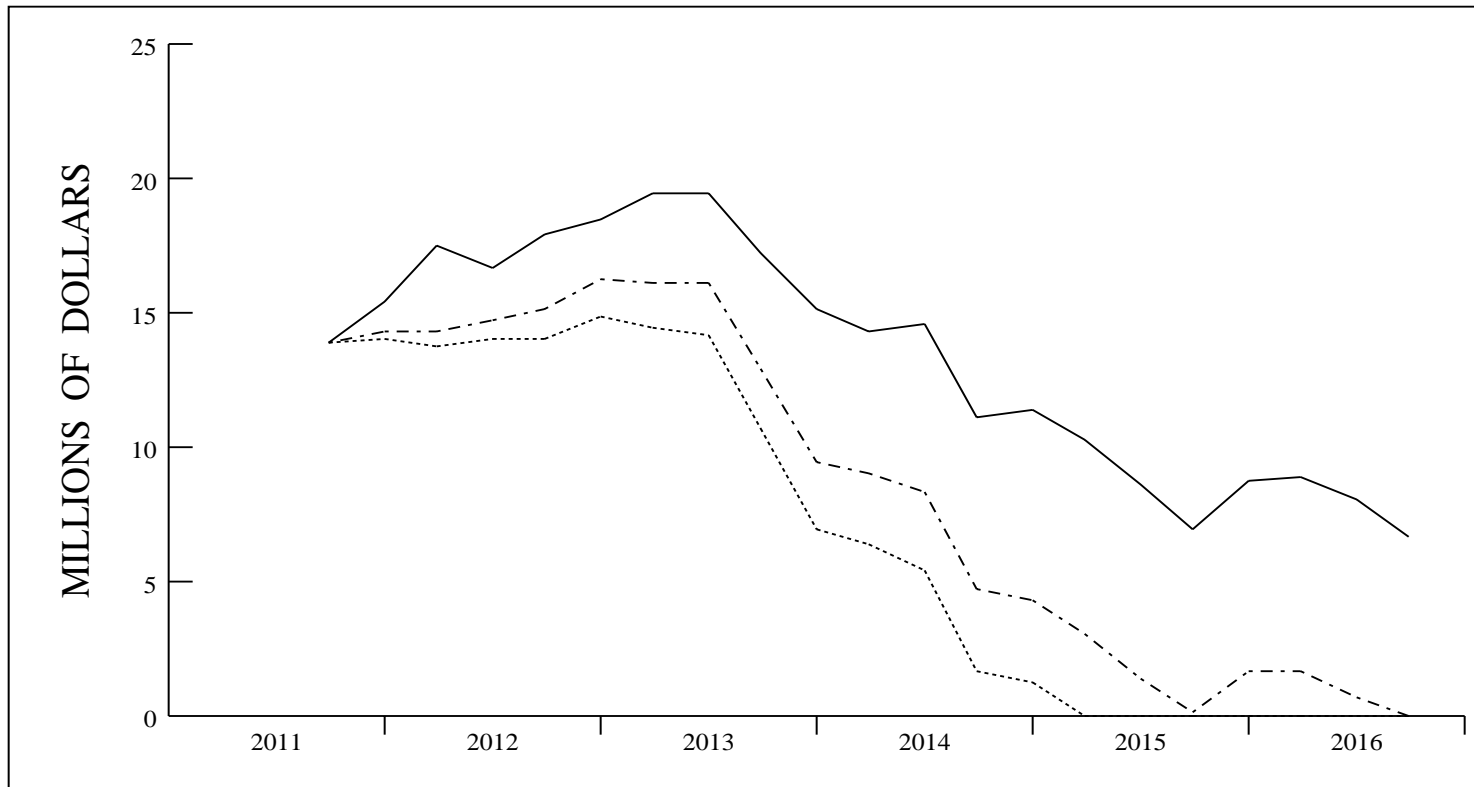
**ASSET ALLOCATION**

Large Cap Equity	95.1%	\$ 6,426,080
Cash	4.9%	331,716
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 6,757,796</b>

**INVESTMENT RETURN**

Market Value 6/2016	\$ 8,060,233
Contribs / Withdrawals	- 1,608,535
Income	33,446
Capital Gains / Losses	272,652
Market Value 9/2016	\$ 6,757,796

**INVESTMENT GROWTH**



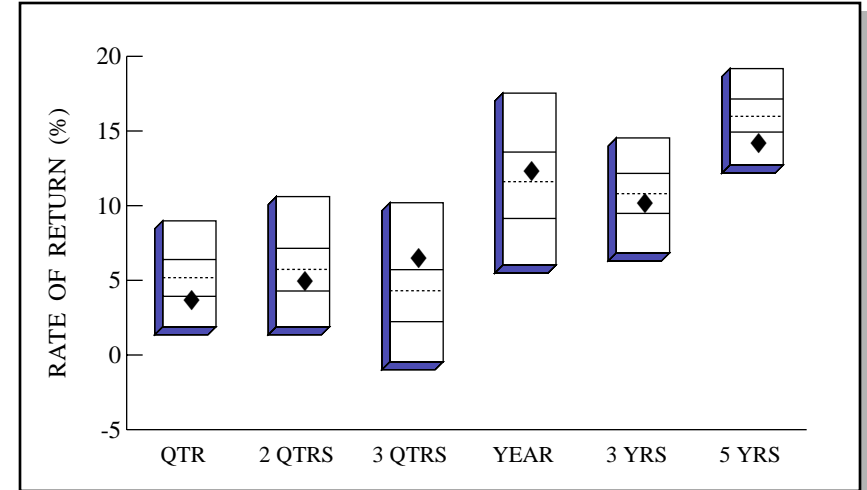
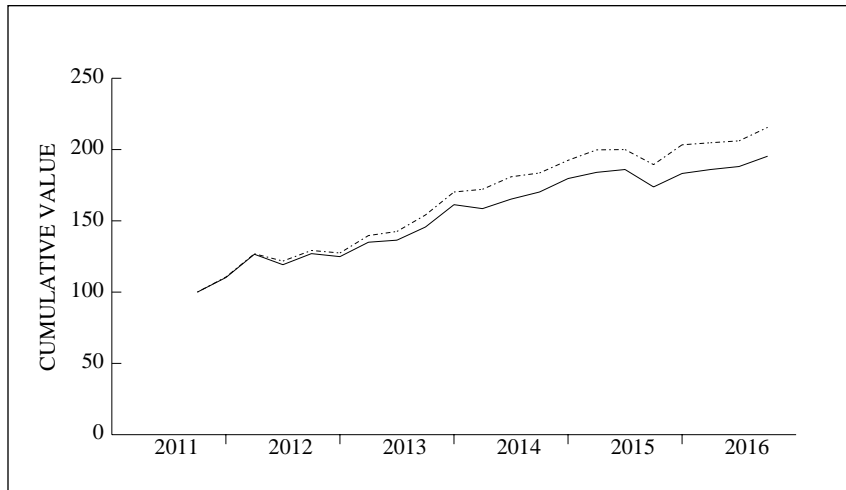
— ACTUAL RETURN  
 - - - 7.6%  
 . . . 0.0%

VALUE ASSUMING  
 7.6% RETURN    \$    -842,844

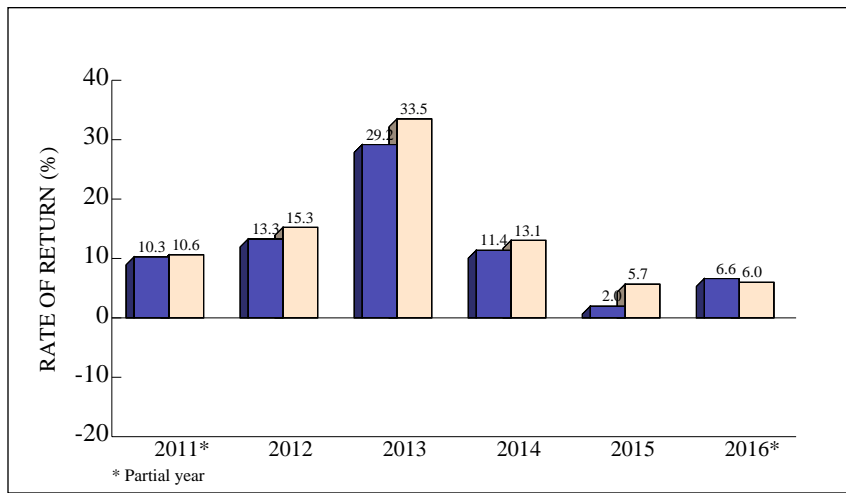
	LAST QUARTER	PERIOD 9/11 - 9/16
BEGINNING VALUE	\$ 8,060,233	\$ 13,926,995
NET CONTRIBUTIONS	- 1,608,535	- 18,009,812
<u>INVESTMENT RETURN</u>	<u>306,098</u>	<u>10,840,613</u>
ENDING VALUE	\$ 6,757,796	\$ 6,757,796
INCOME	33,446	1,143,972
<u>CAPITAL GAINS (LOSSES)</u>	<u>272,652</u>	<u>9,696,641</u>
INVESTMENT RETURN	306,098	10,840,613



**TOTAL RETURN COMPARISONS**



Large Cap Growth Universe

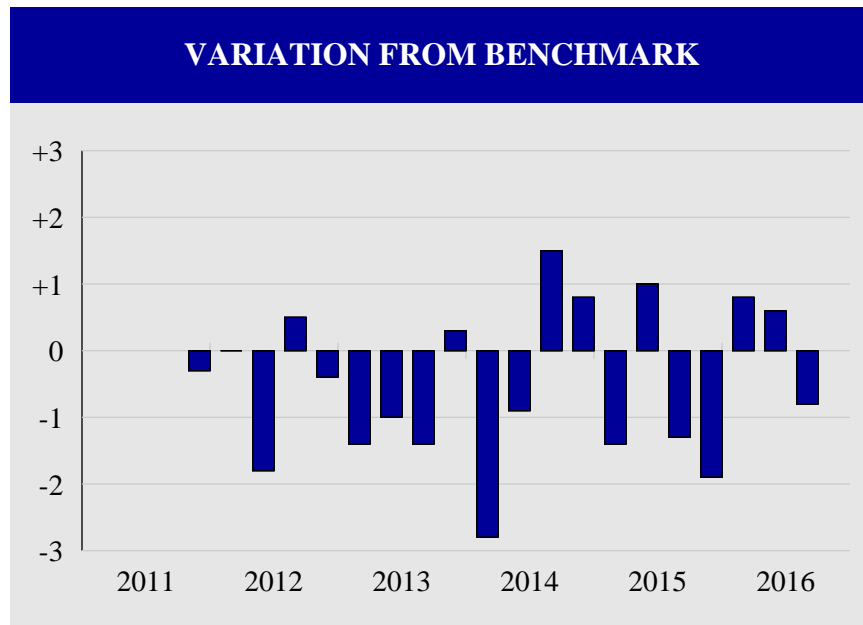


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	3.8	5.0	6.6	12.4	10.3	14.3
(RANK)	(78)	(62)	(21)	(41)	(60)	(82)
5TH %ILE	9.0	10.6	10.2	17.5	14.5	19.2
25TH %ILE	6.4	7.1	5.7	13.6	12.2	17.2
MEDIAN	5.2	5.7	4.3	11.6	10.8	16.0
75TH %ILE	3.9	4.3	2.2	9.2	9.5	14.9
95TH %ILE	1.9	1.9	-0.4	6.0	6.8	12.7
<b>Russ 1000G</b>	<b>4.6</b>	<b>5.2</b>	<b>6.0</b>	<b>13.8</b>	<b>11.8</b>	<b>16.6</b>

Large Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

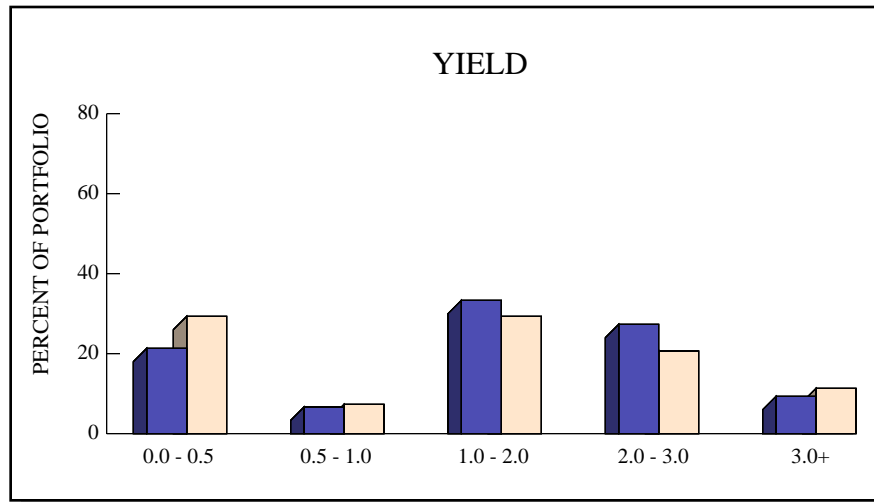
**COMPARATIVE BENCHMARK: RUSSELL 1000 GROWTH**



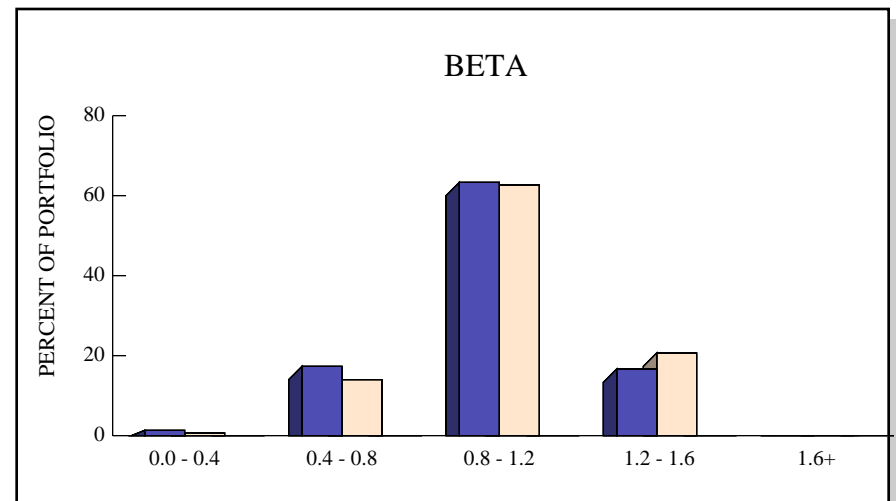
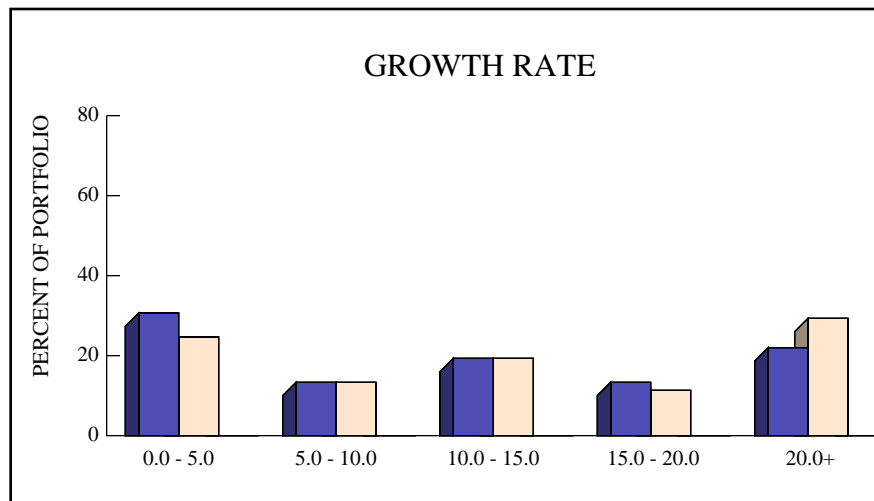
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>8</b>
<b>Quarters Below the Benchmark</b>	<b>12</b>
<b>Batting Average</b>	<b>.400</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
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
6/16	1.2	0.6	0.6
9/16	3.8	4.6	-0.8

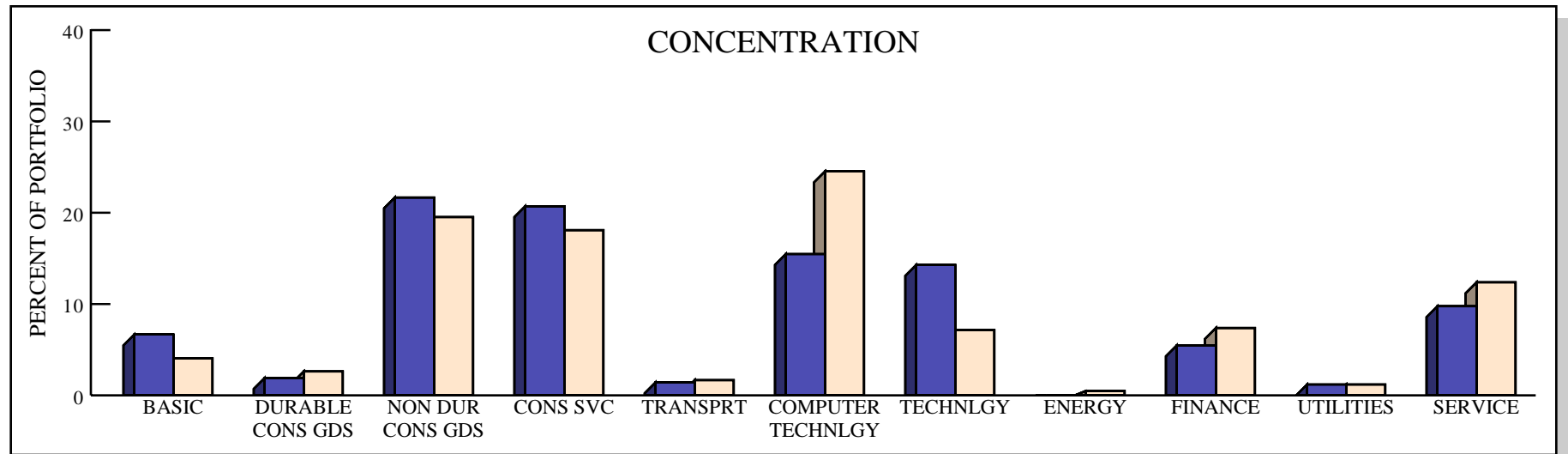
**STOCK CHARACTERISTICS**



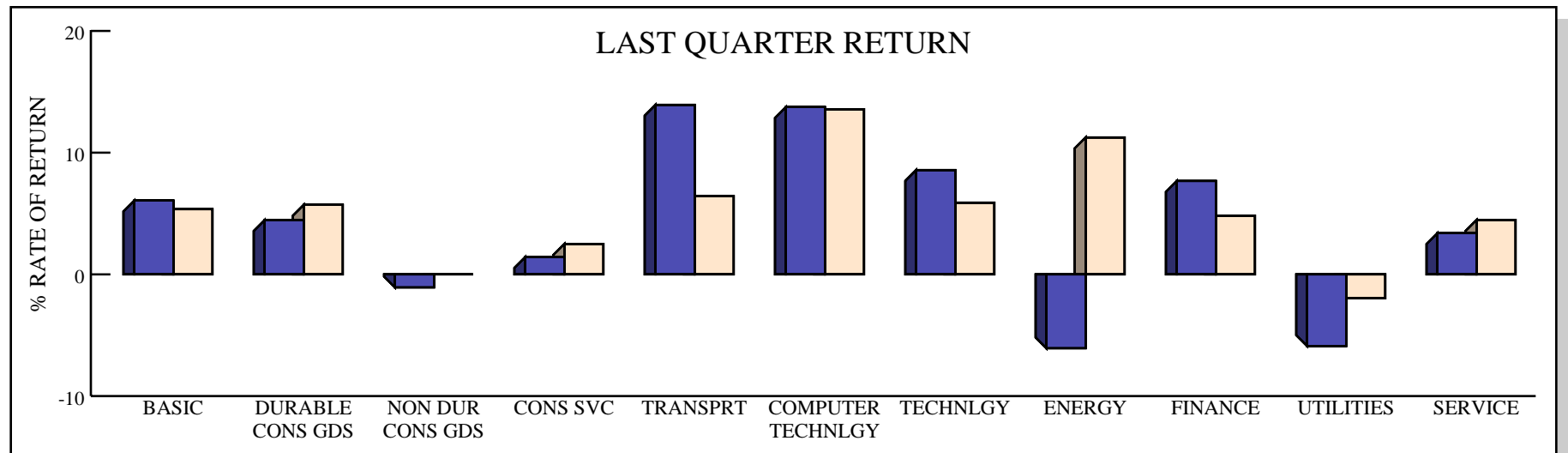
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	71	1.7%	11.5%	26.6	0.97
RUSSELL 1000G	599	1.5%	13.6%	27.5	1.00



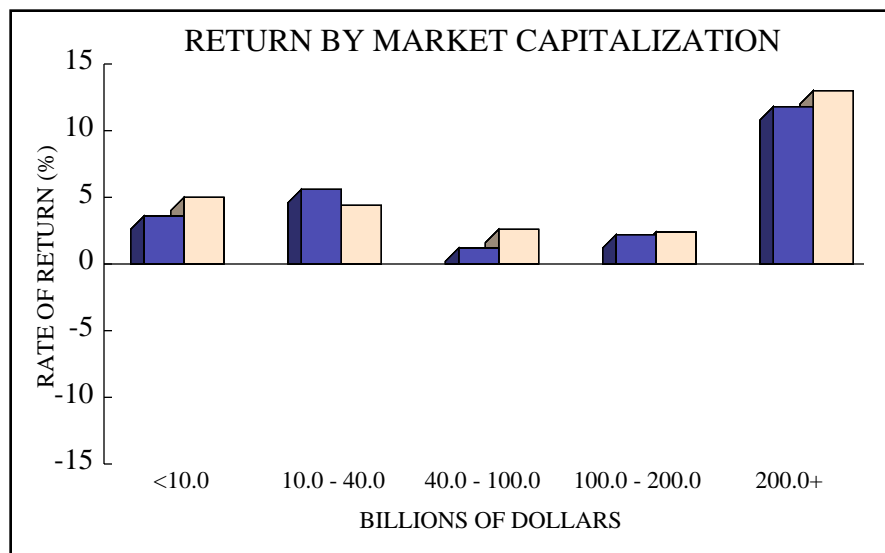
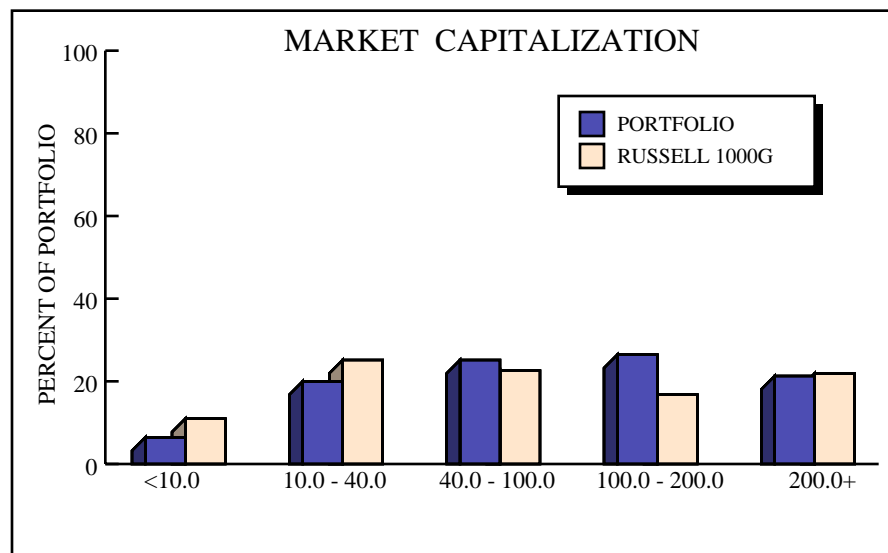
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 GROWTH



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 302,522	4.71%	18.7%	Computer Tech	\$ 609.2 B
2	WALT DISNEY CO/THE	235,586	3.67%	-4.7%	Service	149.2 B
3	HOME DEPOT INC	229,436	3.57%	1.3%	Consumer Service	159.0 B
4	MICROSOFT CORP	222,278	3.46%	13.2%	Computer Tech	448.8 B
5	AMAZON.COM INC	200,954	3.13%	17.0%	Consumer Service	396.9 B
6	ALPHABET INC-CL A	200,211	3.12%	14.3%	Computer Tech	237.1 B
7	VISA INC-CLASS A SHARES	181,940	2.83%	11.7%	Finance	156.0 B
8	CVS HEALTH CORP	165,254	2.57%	-6.6%	Consumer Service	94.9 B
9	COCA-COLA CO/THE	161,578	2.51%	-5.8%	NonDur Cons Goods	182.7 B
10	LOCKHEED MARTIN CORP	161,332	2.51%	-2.7%	Technology	72.6 B

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

## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's Lyrical Asset Management U.S Value Equity portfolio was valued at \$8,265,310, representing an increase of \$516,851 from the June quarter's ending value of \$7,748,459. Last quarter, the Fund posted withdrawals totaling \$14,530, which partially offset the portfolio's net investment return of \$531,381. Income receipts totaling \$36,671 plus net realized and unrealized capital gains of \$494,710 combined to produce the portfolio's net investment return.

For the cumulative period since March 2015, the fund has recorded net contributions totaling \$1.9 million, and recorded net investment gains of \$425,738. For the period since March 2015, if the total fund returned a compound annual rate of 7.6% it would have been valued at \$8.6 million or \$350,507 more than the actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the Lyrical Asset Management U.S Value Equity portfolio gained 6.9%, which was 3.4% above the Russell 1000 Value Index's return of 3.5% and ranked in the 14th percentile of the Large Cap Value universe. Over the trailing year, the portfolio returned 11.6%, which was 4.6% less than the benchmark's 16.2% performance, and ranked in the 63rd percentile. Since March 2015, the portfolio returned 0.4% on an annualized basis and ranked in the 77th percentile. For comparison, the Russell 1000 Value returned an annualized 4.3% over the same period.

## **ASSET ALLOCATION**

On September 30th, 2016, large cap equities comprised 99.1% of the total portfolio (\$8.2 million), while cash & equivalents totaled 0.9% (\$74,531).

## **ANALYSIS**

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

In the third quarter the portfolio significantly outperformed the Russell 1000 Value index. Due to strong selection effects they outperformed in seven of the nine invested sectors. The most substantial gains were seen in the Basic, Computer Technology and Technology sectors. Their significant combined weight was boosted by top ten holdings such as Broadcom LTD and Symantec Corp, which returned (+11.3%) and (+26.7%) respectively. The Consumer Service sector more than doubled the weight of its counterpart while posting a loss for the quarter, but fortunately it was no enough to undo the aforementioned sector gains. At quarter end the portfolio returned 340 basis points above the benchmark.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	Since 03/15
<b>Total Portfolio - Gross</b>	6.9	11.6	11.6	----	0.4
<i>LARGE CAP VALUE RANK</i>	(14)	(63)	(63)	----	(77)
<b>Total Portfolio - Net</b>	6.7	10.8	10.8	----	-0.4
RUSSELL 1000V	3.5	16.2	16.2	9.7	4.3
<b>Large Cap Equity - Gross</b>	6.9	11.9	11.9	----	0.3
<i>LARGE CAP VALUE RANK</i>	(14)	(61)	(61)	----	(77)
RUSSELL 1000V	3.5	16.2	16.2	9.7	4.3

**ASSET ALLOCATION**

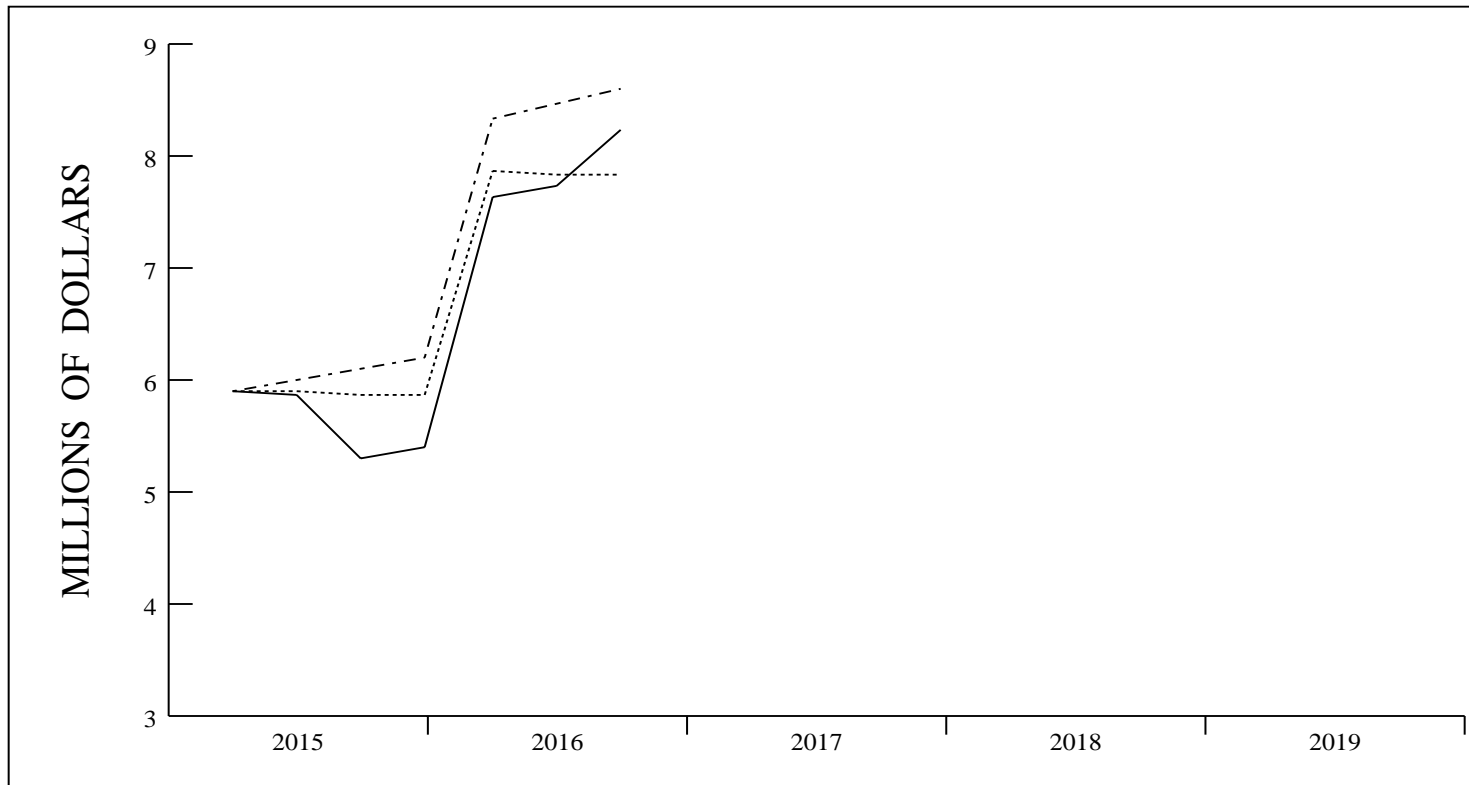
Large Cap Equity	99.1%	\$ 8,190,779
Cash	0.9%	74,531
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 8,265,310</b>

**INVESTMENT RETURN**

Market Value 6/2016	\$ 7,748,459
Contribs / Withdrawals	- 14,530
Income	36,671
Capital Gains / Losses	494,710
Market Value 9/2016	\$ 8,265,310



**INVESTMENT GROWTH**

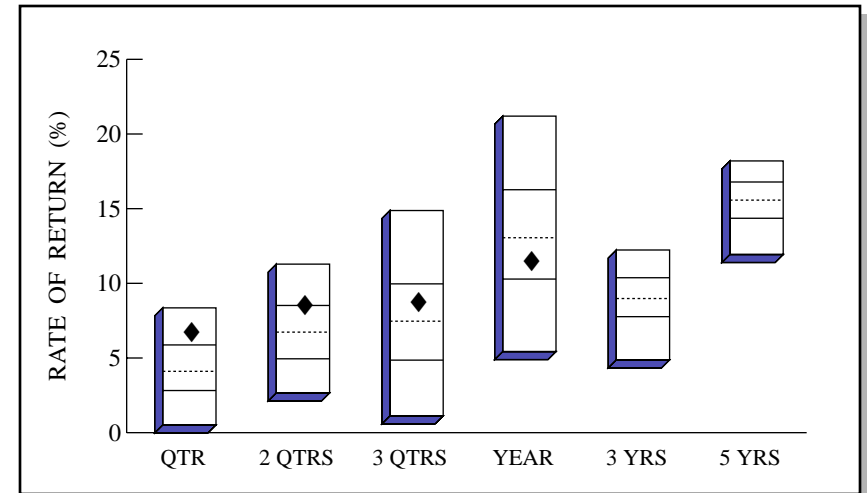
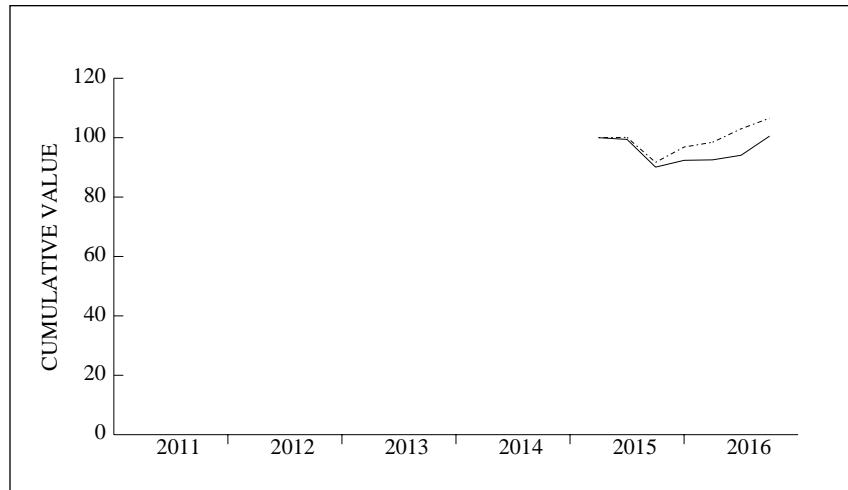


— ACTUAL RETURN  
 - - - 7.6%  
 . . . 0.0%

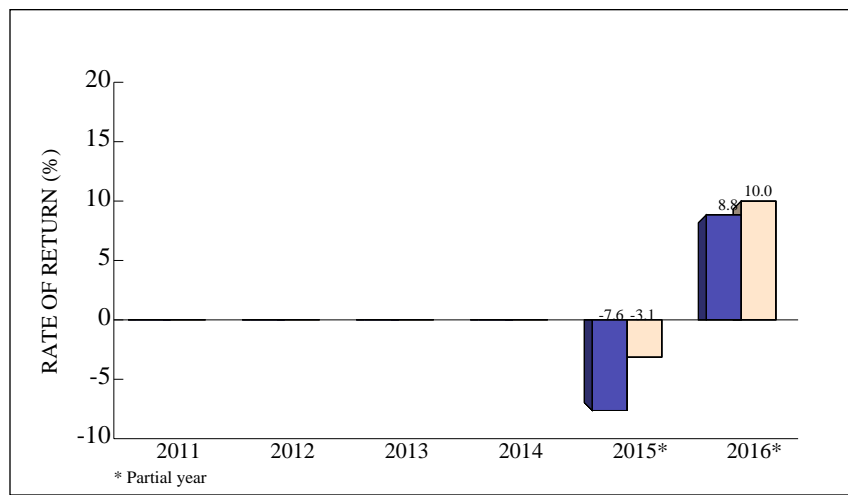
VALUE ASSUMING  
 7.6% RETURN \$ 8,615,817

	LAST QUARTER	PERIOD 3/15 - 9/16
BEGINNING VALUE	\$ 7,748,459	\$ 5,919,873
NET CONTRIBUTIONS	- 14,530	1,919,699
INVESTMENT RETURN	531,381	425,738
ENDING VALUE	\$ 8,265,310	\$ 8,265,310
INCOME	36,671	230,757
CAPITAL GAINS (LOSSES)	494,710	194,981
INVESTMENT RETURN	531,381	425,738

**TOTAL RETURN COMPARISONS**



Large Cap Value Universe



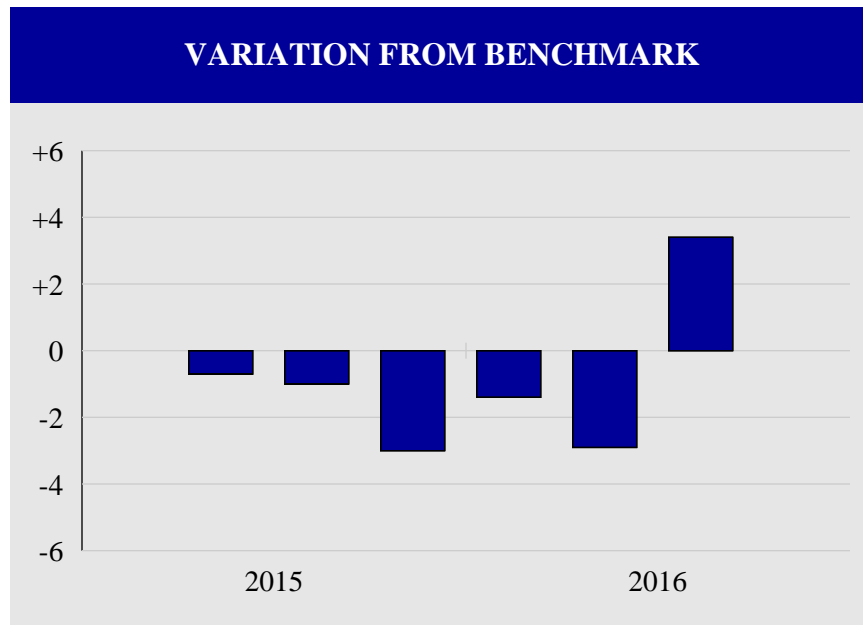
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	6.9	8.6	8.8	11.6	---	---
(RANK)	(14)	(23)	(35)	(63)	---	---
5TH %ILE	8.4	11.3	14.9	21.2	12.2	18.2
25TH %ILE	5.9	8.5	10.0	16.3	10.4	16.8
MEDIAN	4.1	6.7	7.5	13.1	9.0	15.6
75TH %ILE	2.8	5.0	4.9	10.3	7.8	14.4
95TH %ILE	0.5	2.7	1.1	5.4	4.9	11.9
<b>Russ 1000V</b>	<b>3.5</b>	<b>8.2</b>	<b>10.0</b>	<b>16.2</b>	<b>9.7</b>	<b>16.1</b>

Large Cap Value Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

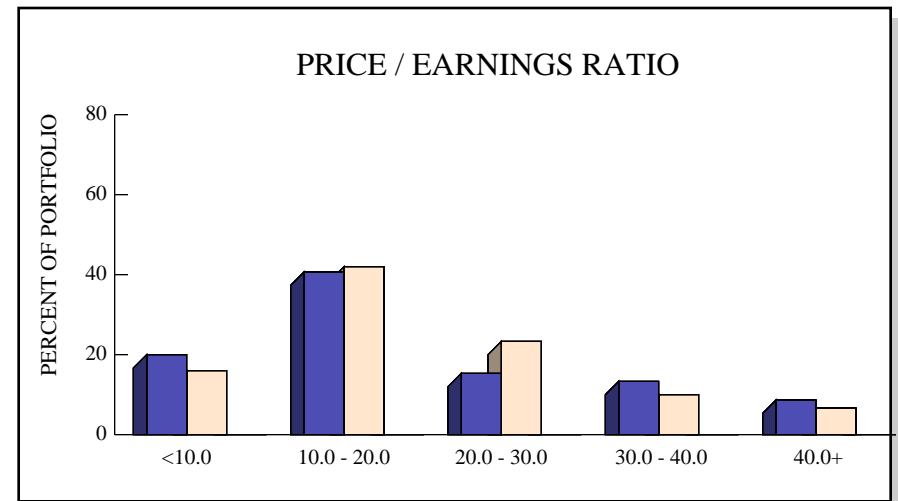
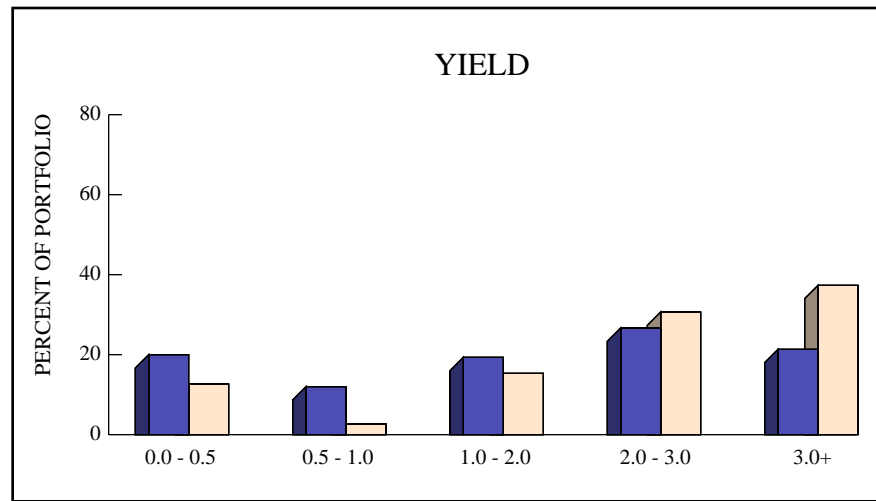
**COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE**



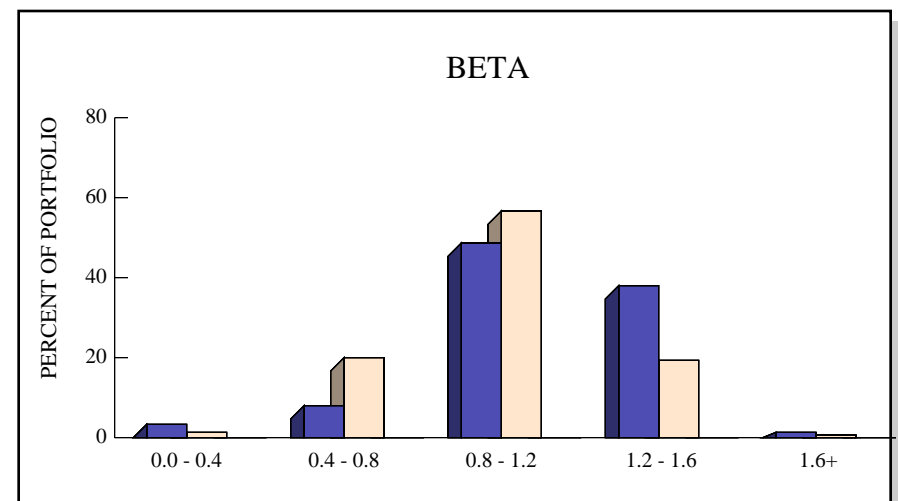
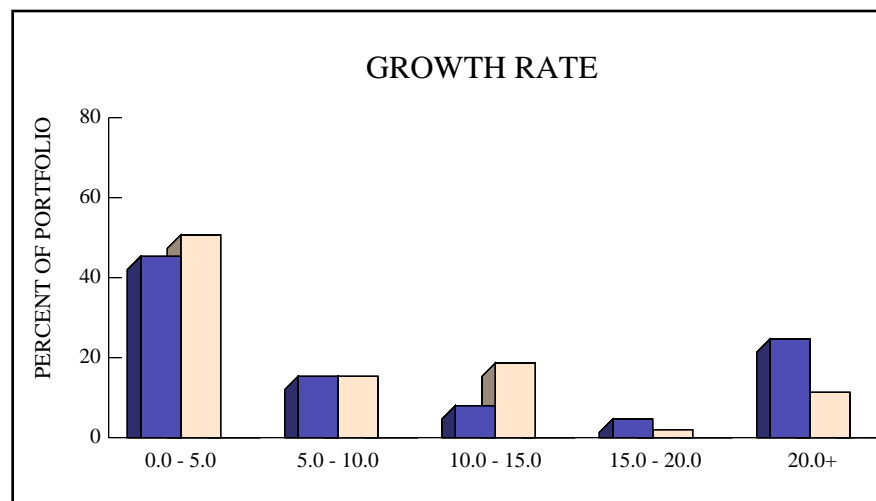
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/15	-0.6	0.1	-0.7
9/15	-9.4	-8.4	-1.0
12/15	2.6	5.6	-3.0
3/16	0.2	1.6	-1.4
6/16	1.7	4.6	-2.9
9/16	6.9	3.5	3.4

<b>Total Quarters Observed</b>	<b>6</b>
<b>Quarters At or Above the Benchmark</b>	<b>1</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.167</b>

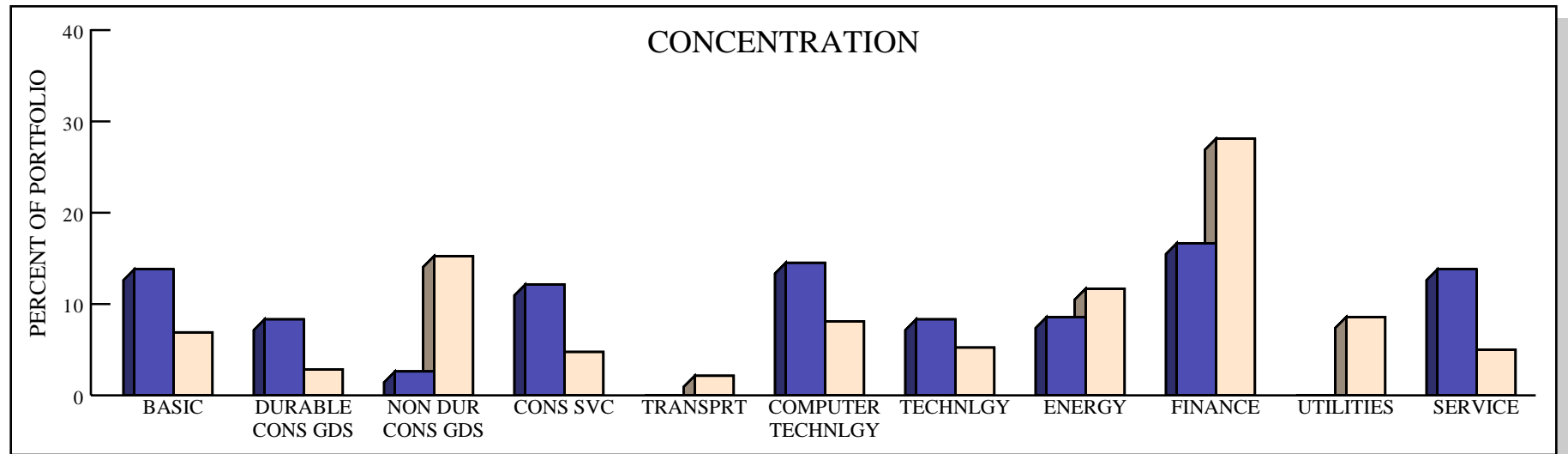
**STOCK CHARACTERISTICS**



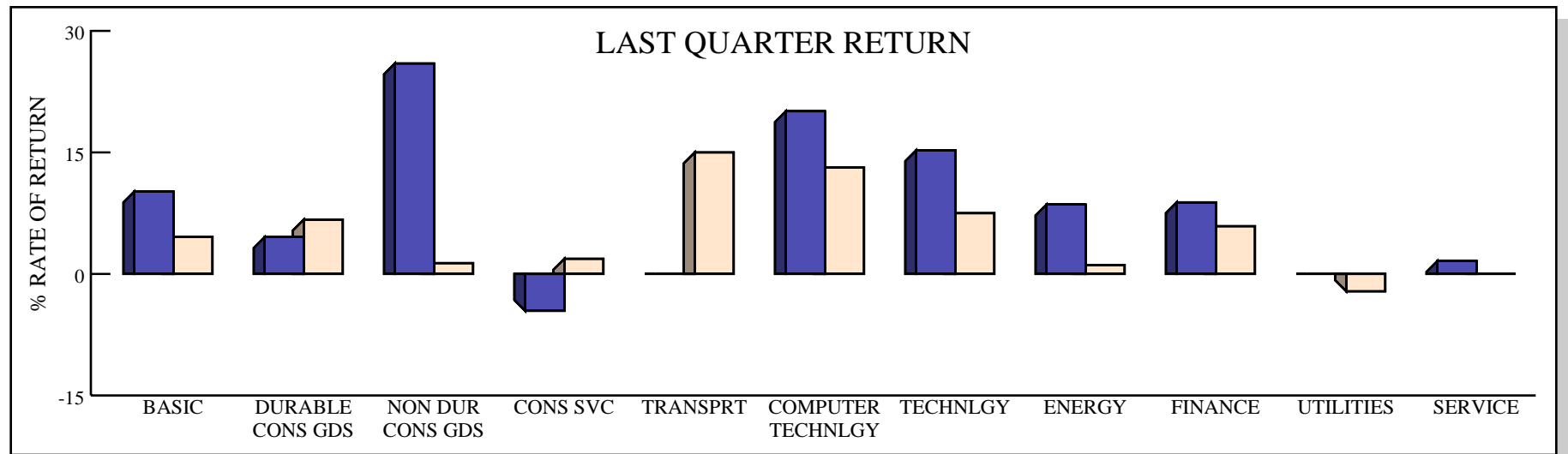
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	33	2.4%	8.5%	16.4	1.13
RUSSELL 1000V	687	2.6%	5.7%	17.3	0.97



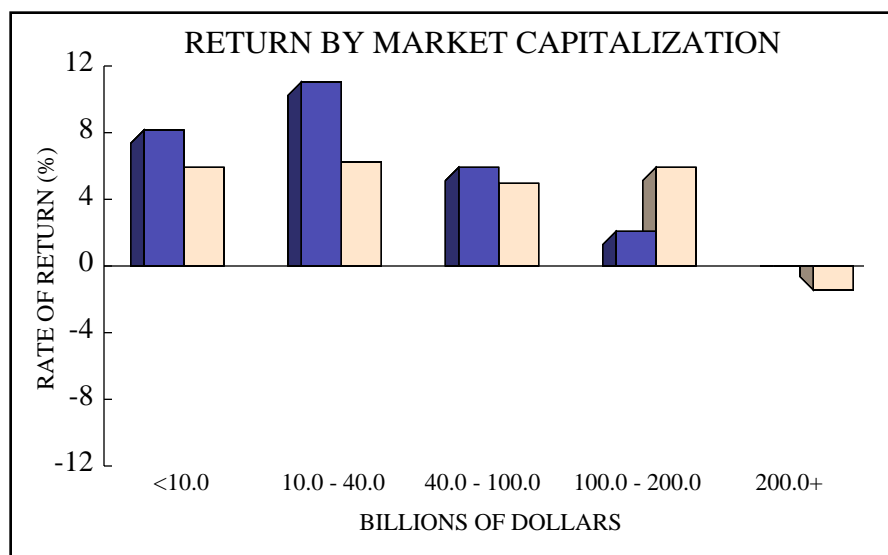
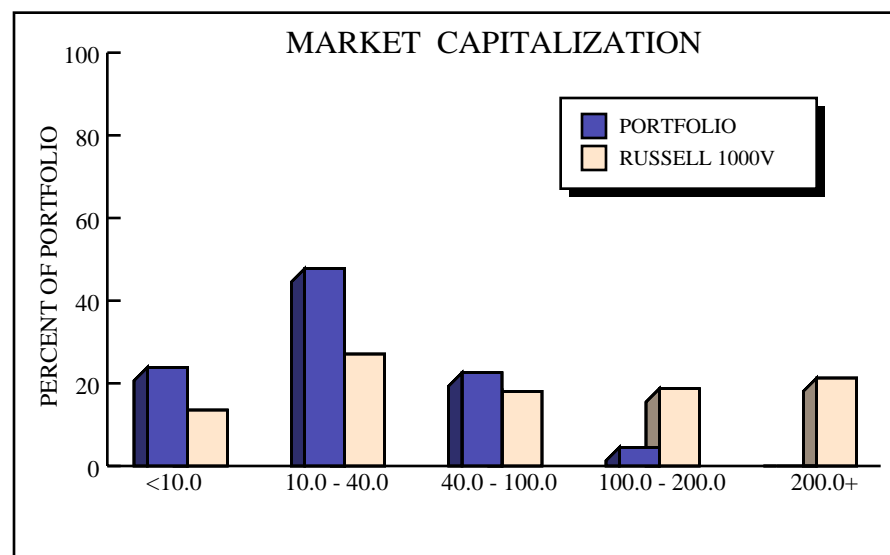
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 1000 VALUE



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	BROADCOM LTD	\$ 484,436	5.91%	11.3%	Computer Tech	\$ 68.5 B
2	AFLAC INC	388,529	4.74%	0.2%	Finance	29.4 B
3	EOG RESOURCES INC	384,712	4.70%	16.1%	Energy	53.3 B
4	AETNA INC	376,482	4.60%	-5.3%	Consumer Service	40.5 B
5	COMCAST CORP-CLASS A	374,489	4.57%	2.2%	Service	159.4 B
6	SYMANTEC CORP	359,532	4.39%	26.7%	Computer Tech	15.6 B
7	CORNING INC	348,270	4.25%	16.0%	Basic	24.5 B
8	EATON CORP PLC	329,930	4.03%	10.9%	Basic	29.9 B
9	JOHNSON CONTROLS INTERNATION	326,548	3.99%	4.8%	Durable Cons Goods	43.5 B
10	SUNCOR ENERGY INC	325,526	3.97%	0.2%	Energy	46.2 B

DAVIE POLICE PENSION PLAN  
CLEARBRIDGE - MID CAP CORE  
PERFORMANCE REVIEW  
SEPTEMBER 2016

## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's Clearbridge Mid Cap Core portfolio was valued at \$7,425,429, representing an increase of \$384,513 from the June quarter's ending value of \$7,040,916. Last quarter, the Fund posted withdrawals totaling \$11,380, which partially offset the portfolio's net investment return of \$395,893. Income receipts totaling \$25,163 plus net realized and unrealized capital gains of \$370,730 combined to produce the portfolio's net investment return.

For the cumulative period since March 2016, the fund has recorded net withdrawals totaling \$20,057 and posted net investment gains of \$313,823. For the period since March 2016, if the total fund had returned a compound annual rate of 7.6% it would have been valued at \$7.4 million or \$48,074 less than the actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the Clearbridge Mid Cap Core portfolio gained 5.6%, which was 1.1% above the Russell Mid Cap's return of 4.5% and ranked in the 11th percentile of the Mid Cap Core universe.

## **ASSET ALLOCATION**

On September 30th, 2016, mid cap equities comprised 98.5% of the total portfolio (\$7.3 million), while cash & equivalents comprised the remaining 1.5% (\$110,758).

## **ANALYSIS**

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

In the third quarter the portfolio returned a gain over the Russell Mid Cap index. Mixed performance results favored the portfolio as five of the eleven invested sectors surpassed their counterparts. The outperforming and highly allocated Consumer Service, Finance, and Computer Technology sectors were large contributors to the strong total return. Allowing a very low allocation in the poor-performing Utilities sector proved to be beneficial as well. The Durable Consumer Goods, Technology, and Energy sectors were damaging to the total return, but were unable to undo the aforementioned gains in performance. At quarter end the portfolio returned 110 basis points above the benchmark.



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	Since 03/16
<b>Total Portfolio - Gross</b>	5.6	----	----	----	4.4
<i>MID CAP CORE RANK</i>	(11)	----	----	----	(77)
<b>Total Portfolio - Net</b>	5.4	----	----	----	4.0
RUSSELL MID	4.5	14.2	14.2	9.7	7.8
<b>Mid Cap Equity - Gross</b>	5.7	----	----	----	4.5
<i>MID CAP CORE RANK</i>	(9)	----	----	----	(77)
RUSSELL MID	4.5	14.2	14.2	9.7	7.8

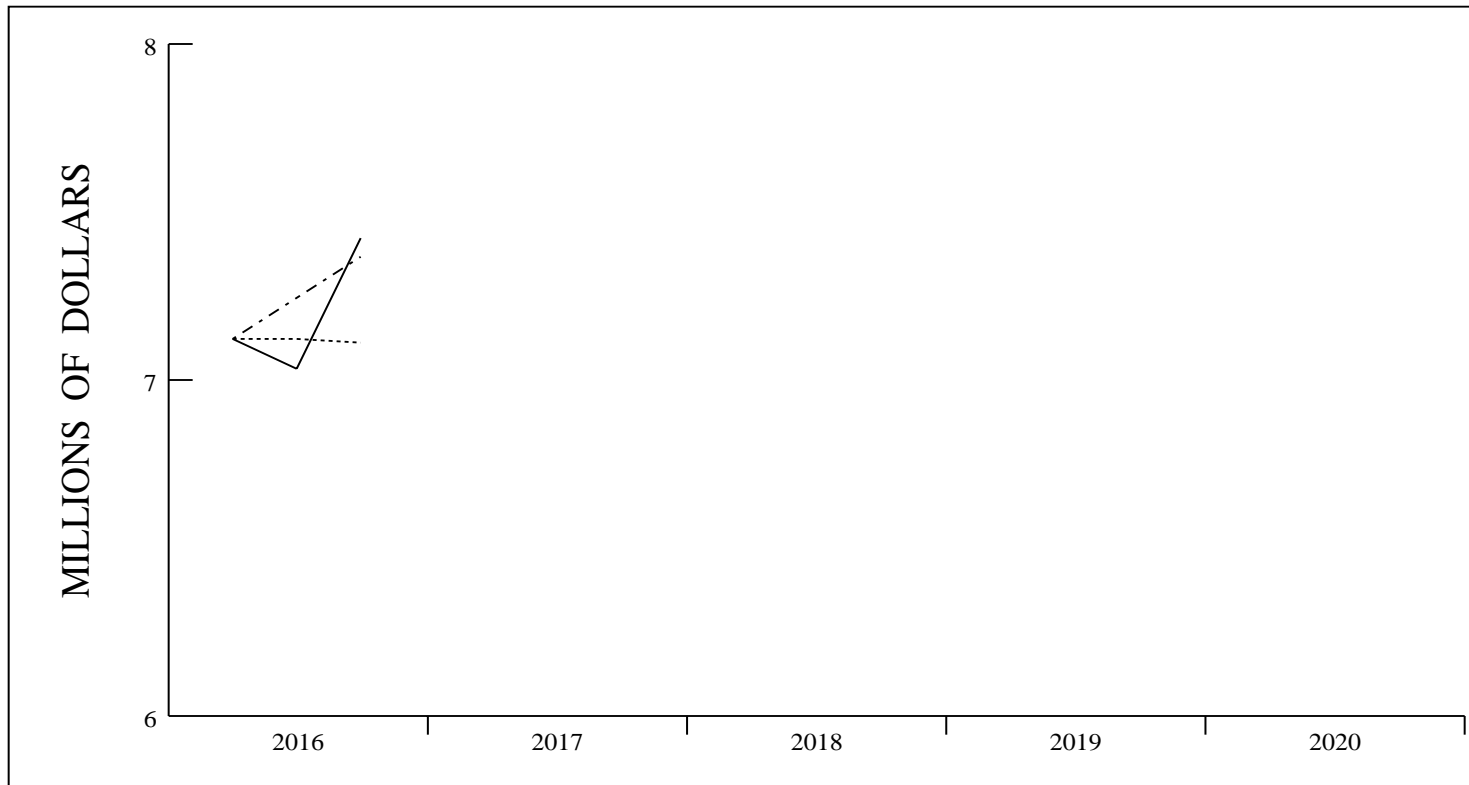
**ASSET ALLOCATION**

Mid Cap Equity	98.5%	\$ 7,314,671
Cash	1.5%	110,758
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 7,425,429</b>

**INVESTMENT RETURN**

Market Value 6/2016	\$ 7,040,916
Contribs / Withdrawals	- 11,380
Income	25,163
Capital Gains / Losses	370,730
Market Value 9/2016	\$ 7,425,429

**INVESTMENT GROWTH**

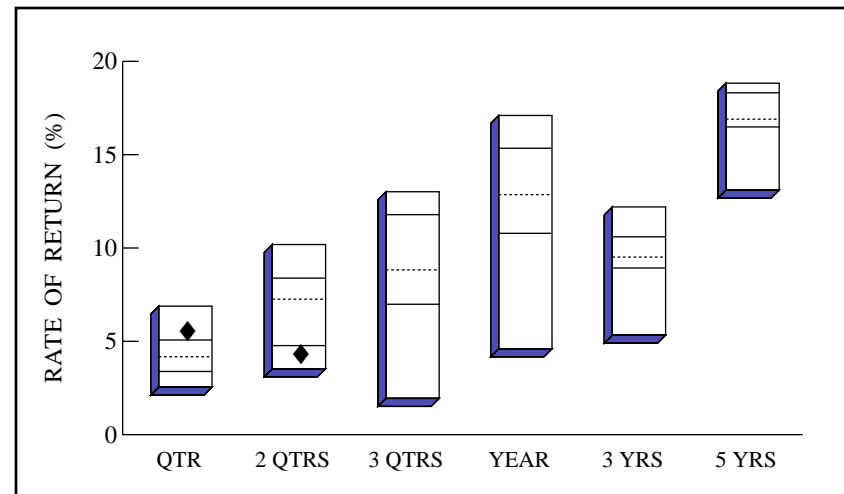
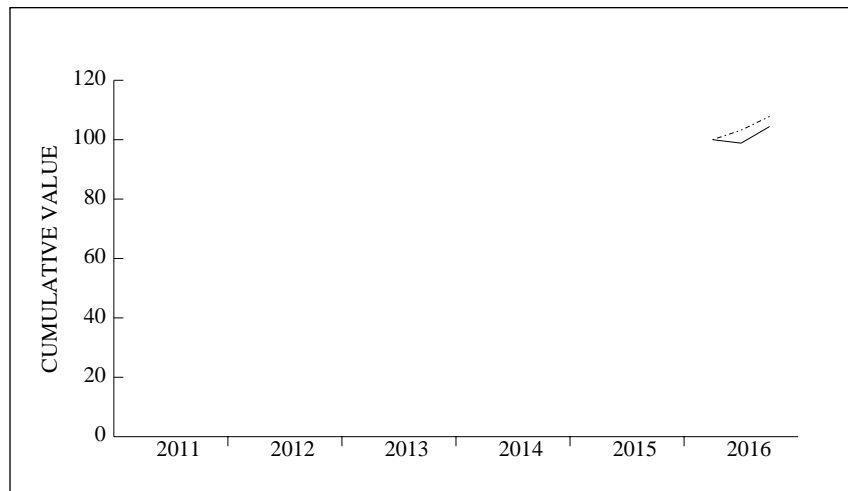


————	ACTUAL RETURN
-----	7.6%
.....	0.0%

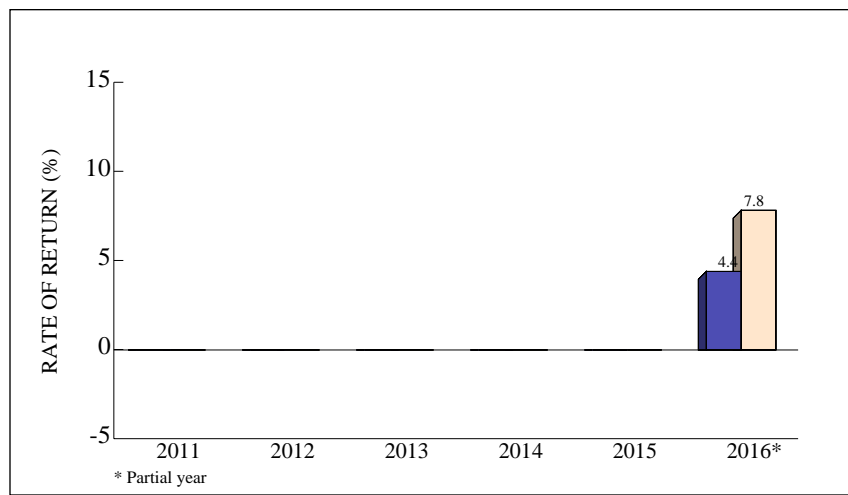
VALUE ASSUMING	
7.6% RETURN	\$ 7,377,355

	LAST QUARTER	PERIOD 3/16 - 9/16
BEGINNING VALUE	\$ 7,040,916	\$ 7,131,663
NET CONTRIBUTIONS	- 11,380	- 20,057
<u>INVESTMENT RETURN</u>	<u>395,893</u>	<u>313,823</u>
ENDING VALUE	\$ 7,425,429	\$ 7,425,429
INCOME	25,163	51,011
<u>CAPITAL GAINS (LOSSES)</u>	<u>370,730</u>	<u>262,812</u>
INVESTMENT RETURN	395,893	313,823

**TOTAL RETURN COMPARISONS**



Mid Cap Core Universe

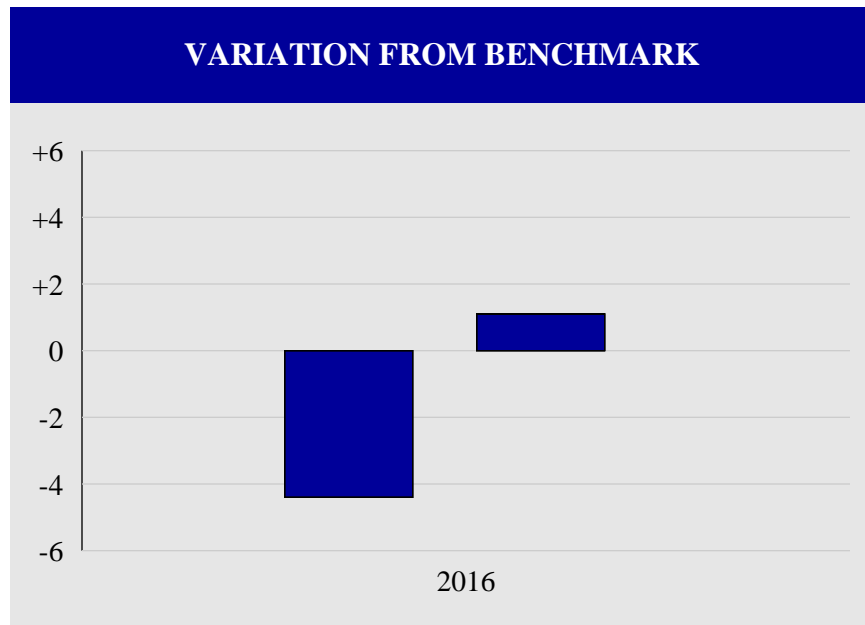


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	5.6	4.4	---	---	---	---
(RANK)	(11)	(77)	---	---	---	---
5TH %ILE	6.9	10.2	13.0	17.1	12.2	18.8
25TH %ILE	5.1	8.4	11.8	15.3	10.6	18.3
MEDIAN	4.2	7.3	8.8	12.9	9.5	16.9
75TH %ILE	3.4	4.8	7.0	10.8	8.9	16.5
95TH %ILE	2.5	3.5	1.9	4.6	5.3	13.1
<b>Russ MC</b>	<b>4.5</b>	<b>7.8</b>	<b>10.2</b>	<b>14.2</b>	<b>9.7</b>	<b>16.7</b>

Mid Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

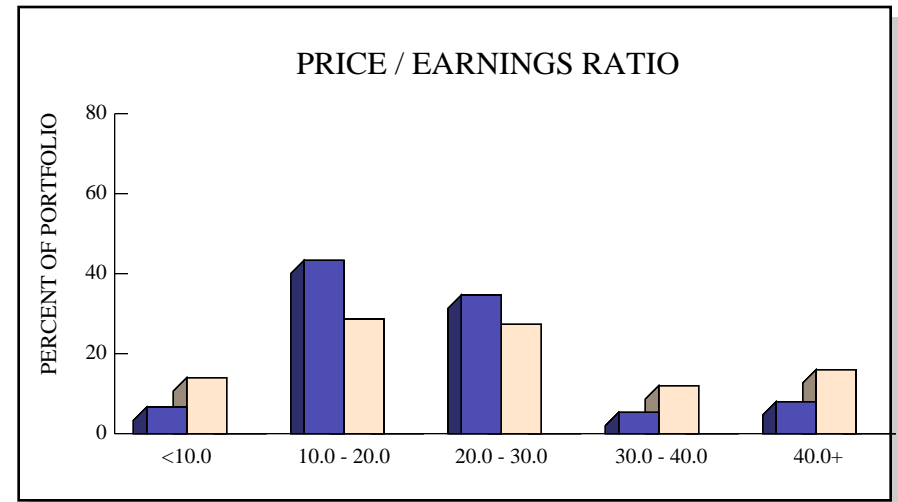
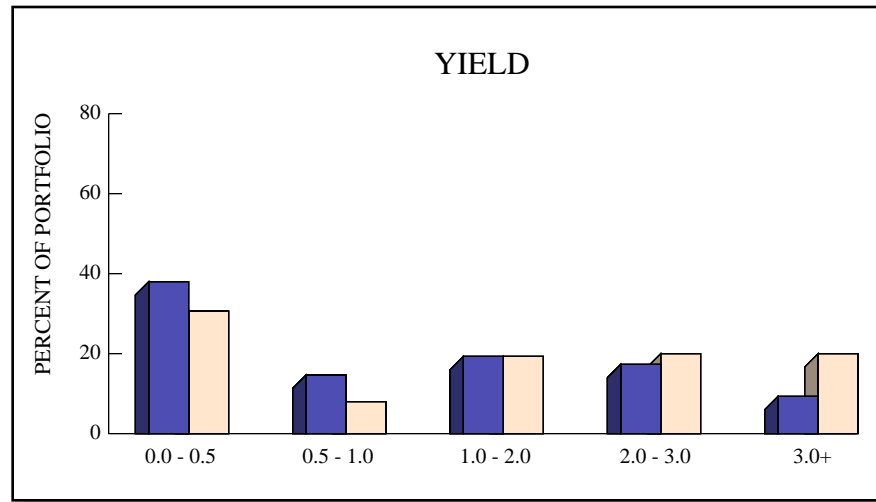
**COMPARATIVE BENCHMARK: RUSSELL MID CAP**



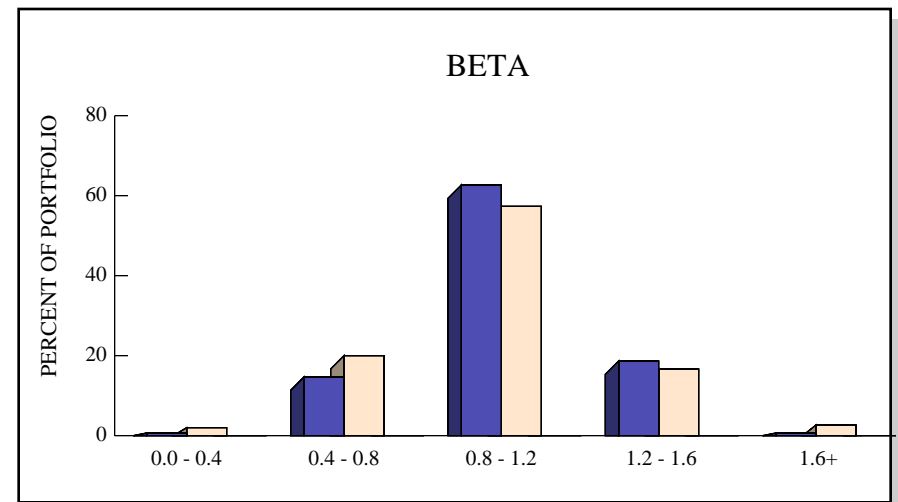
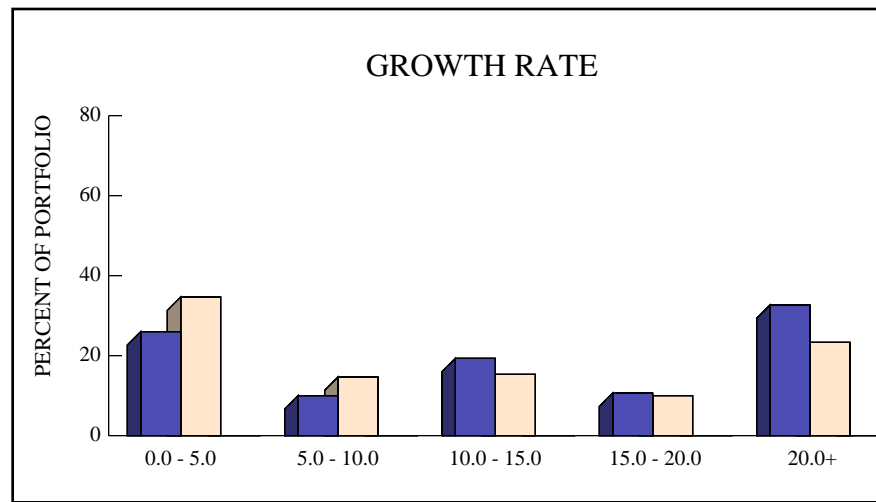
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/16	-1.2	3.2	-4.4
9/16	5.6	4.5	1.1

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

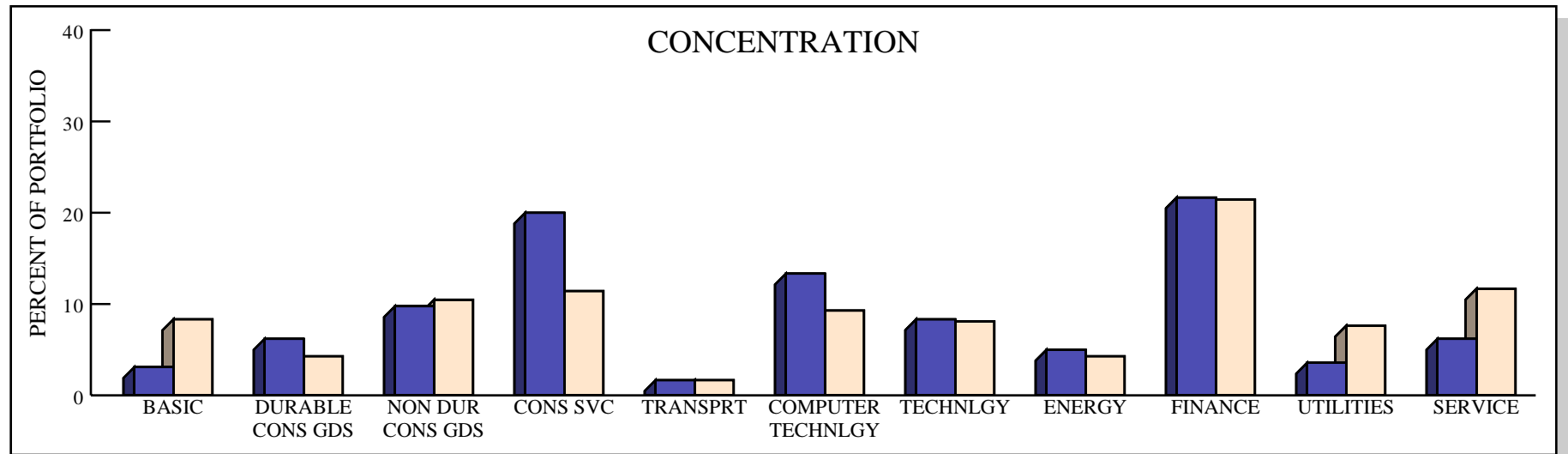
**STOCK CHARACTERISTICS**



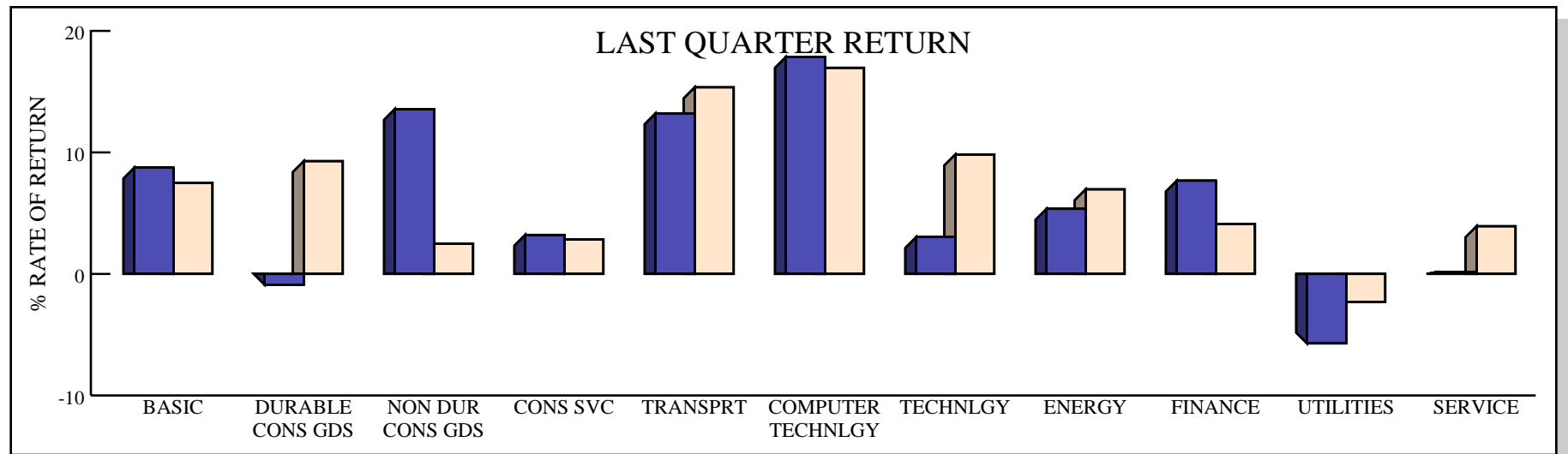
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	63	1.4%	15.0%	20.8	1.04
RUSSELL MID	794	1.8%	10.4%	23.1	0.99



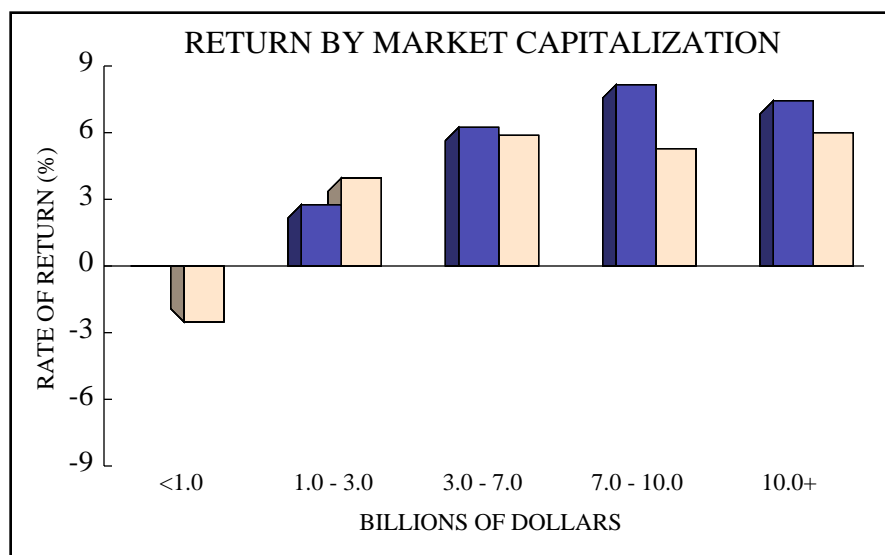
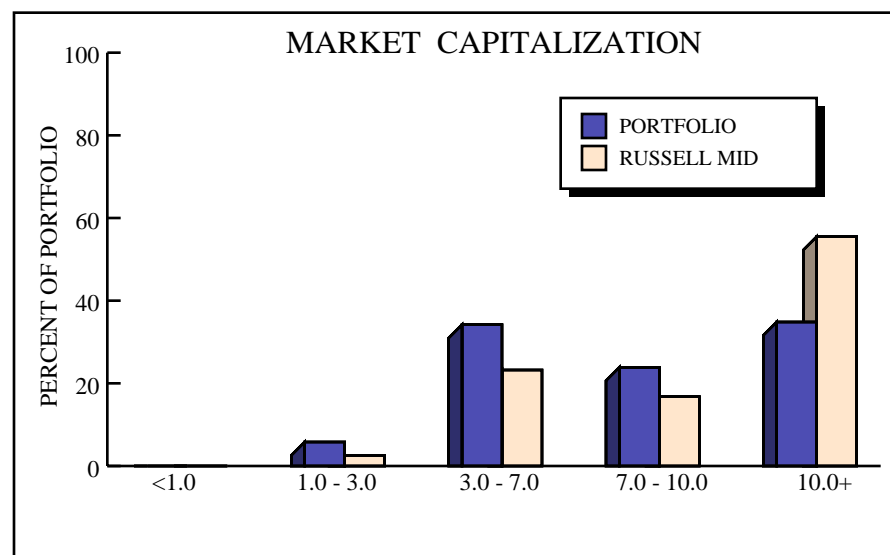
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL MID CAP



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	STARWOOD PROPERTY TRUST INC	\$ 159,892	2.19%	10.8%	Finance	\$ 5.4 B
2	ALEXANDRIA REAL ESTATE EQUIT	152,278	2.08%	5.8%	Finance	8.5 B
3	AUTODESK INC	151,893	2.08%	33.6%	Computer Tech	16.1 B
4	HARTFORD FINANCIAL SVCS GRP	149,870	2.05%	-3.0%	Finance	16.5 B
5	ASPEN TECHNOLOGY INC	149,728	2.05%	16.3%	Computer Tech	3.7 B
6	FOOT LOCKER INC	148,984	2.04%	23.8%	Consumer Service	9.0 B
7	BERRY PLASTICS GROUP INC	144,705	1.98%	12.9%	NonDur Cons Goods	5.3 B
8	CROWN HOLDINGS INC	142,725	1.95%	12.7%	Basic	8.0 B
9	LAZARD LTD-CL A	141,804	1.94%	23.9%	Finance	4.7 B
10	PORTLAND GENERAL ELECTRIC CO	140,547	1.92%	-2.8%	Utilities	3.8 B

DAVIE POLICE PENSION PLAN  
WEDGE CAPITAL MANAGEMENT - MID CAP VALUE  
PERFORMANCE REVIEW  
SEPTEMBER 2016



## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's Wedge Capital Management Mid Cap Value portfolio was valued at \$7,085,016, representing an increase of \$322,044 from the June quarter's ending value of \$6,762,972. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$322,044 in net investment returns. Since there were no income receipts for the third quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$322,044.

For the cumulative period since March 2016, the portfolio has posted net contributions totaling \$3.3 million, and recorded net investment gains totaling \$565,313. For the period since March 2016, if the fund returned a compound annual rate of 7.6% it would have been valued at \$6.8 million or \$332,359 less than the actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

For the third quarter, the Wedge Capital Management Mid Cap Value portfolio returned 4.8%, which was 0.4% greater than the Russell Mid Cap Value Index's return of 4.4% and ranked in the 55th percentile of the Mid Cap Value universe.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	Since 03/16
<b>Total Portfolio - Gross</b>	4.8	----	----	----	8.1
<i>MID CAP VALUE RANK</i>	(55)	----	----	----	(41)
<b>Total Portfolio - Net</b>	4.6	----	----	----	7.7
RUSS MID VAL	4.4	17.3	17.3	10.5	9.4
<b>Mid Cap Equity - Gross</b>	4.8	----	----	----	8.1
<i>MID CAP VALUE RANK</i>	(55)	----	----	----	(41)
RUSS MID VAL	4.4	17.3	17.3	10.5	9.4

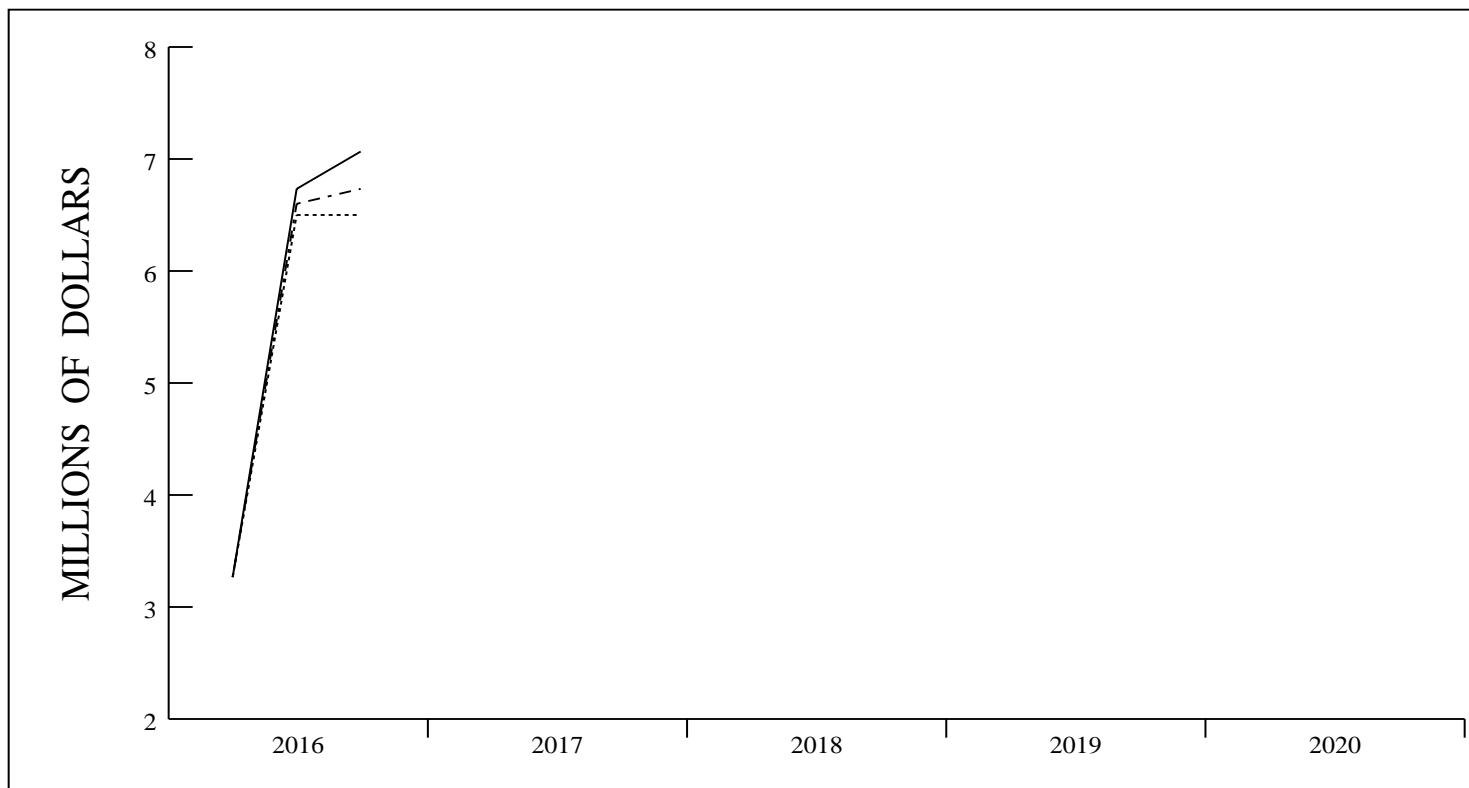
**ASSET ALLOCATION**

Mid Cap Equity	100.0%	\$ 7,084,963
Cash	0.0%	53
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 7,085,016</b>

**INVESTMENT RETURN**

Market Value 6/2016	\$ 6,762,972
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	322,044
Market Value 9/2016	\$ 7,085,016

**INVESTMENT GROWTH**

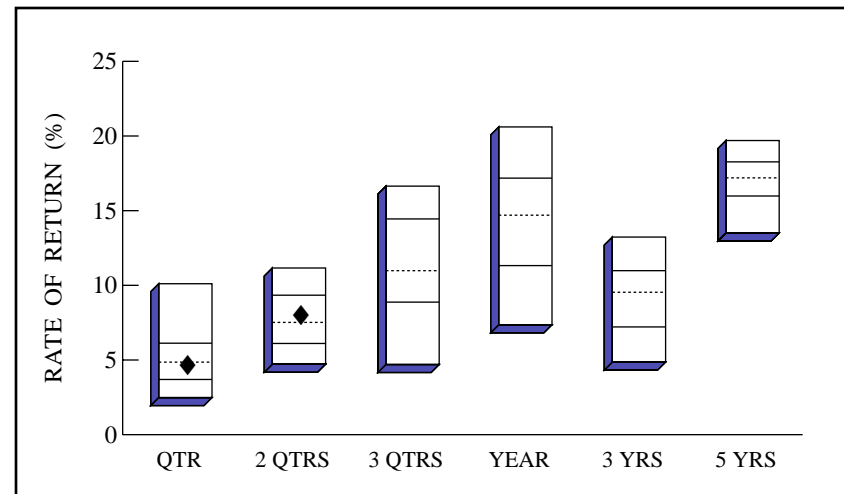
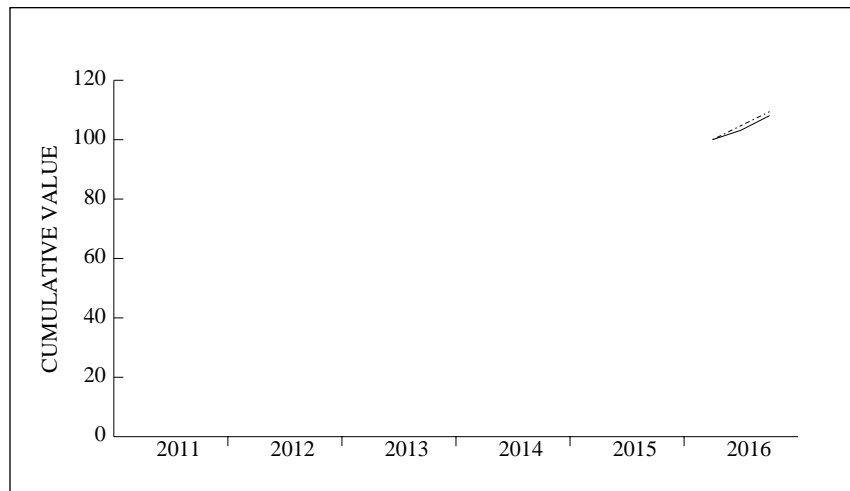


——	ACTUAL RETURN
-----	7.6%
.....	0.0%

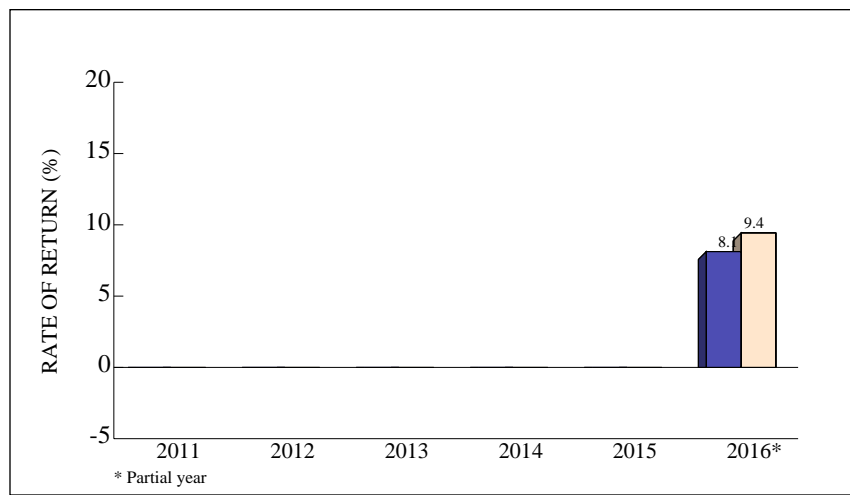
VALUE ASSUMING	
7.6% RETURN	\$ 6,752,657

	LAST QUARTER	PERIOD 3/16 - 9/16
BEGINNING VALUE	\$ 6,762,972	\$ 3,269,703
NET CONTRIBUTIONS	0	3,250,000
INVESTMENT RETURN	322,044	565,313
ENDING VALUE	\$ 7,085,016	\$ 7,085,016
INCOME	0	53
CAPITAL GAINS (LOSSES)	322,044	565,260
INVESTMENT RETURN	322,044	565,313

**TOTAL RETURN COMPARISONS**



Mid Cap Value Universe

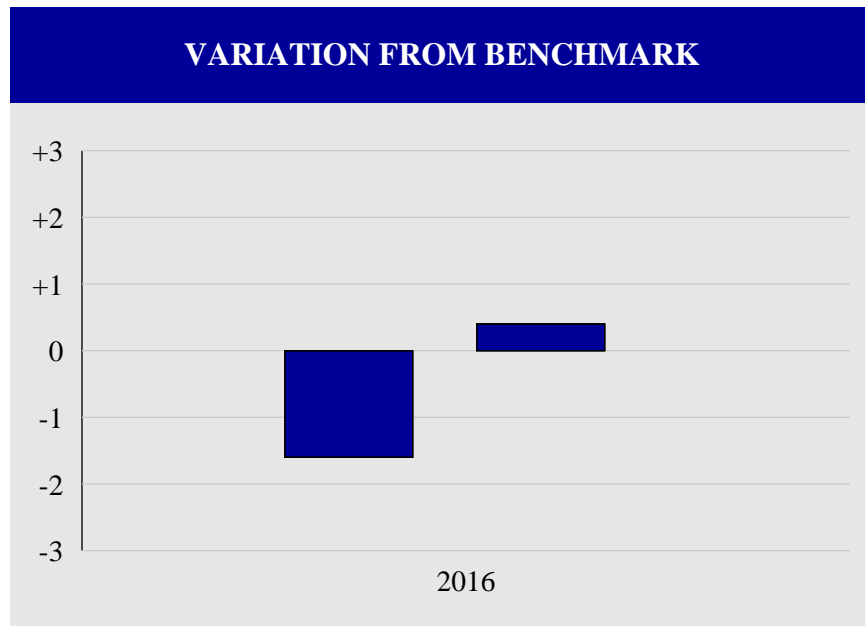


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	4.8	8.1	---	---	---	---
(RANK)	(55)	(41)	---	---	---	---
5TH %ILE	10.1	11.2	16.6	20.6	13.2	19.7
25TH %ILE	6.1	9.3	14.5	17.2	11.0	18.3
MEDIAN	4.9	7.5	11.0	14.7	9.5	17.2
75TH %ILE	3.7	6.1	8.9	11.3	7.2	16.0
95TH %ILE	2.5	4.7	4.7	7.4	4.9	13.5
<b>Russ MCV</b>	<b>4.4</b>	<b>9.4</b>	<b>13.7</b>	<b>17.3</b>	<b>10.5</b>	<b>17.4</b>

Mid Cap Value Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: RUSSELL MID CAP VALUE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/16	3.2	4.8	-1.6
9/16	4.8	4.4	0.4

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

DAVIE POLICE PENSION PLAN  
LMCG INVESTMENTS - SMALL CAP GROWTH  
PERFORMANCE REVIEW  
SEPTEMBER 2016

## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's LMCG Investments Small Cap Growth portfolio was valued at \$5,367,607, representing an increase of \$313,835 from the June quarter's ending value of \$5,053,772. Last quarter, the Fund posted withdrawals totaling \$3,743, which partially offset the portfolio's net investment return of \$317,578. Income receipts totaling \$8,072 plus net realized and unrealized capital gains of \$309,506 combined to produce the portfolio's net investment return.

For the cumulative period since June 2016, the fund has recorded net withdrawals totaling \$3,743 and posted net investment gains of \$317,578. For the period since June 2016, if the total fund had returned a compound annual rate of 7.6% it would have been valued at \$5.1 million or \$224,235 less than the actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the LMCG Investments Small Cap Growth portfolio gained 6.3%, which was 2.9% below the Russell 2000 Growth Index's return of 9.2% and ranked in the 81st percentile of the Small Cap Growth universe.

## **ASSET ALLOCATION**

On September 30th, 2016, small cap equities comprised 95.5% of the total portfolio (\$5.1 million), while cash & equivalents comprised the remaining 4.5% (\$241,068).

## **ANALYSIS**

At the end of the third quarter, the LMCG Small Cap Growth portfolio was invested in ten of the eleven industry sectors used in our analysis. They were overweight in the Consumer Service, Computer Technology, Utilities, and Service sectors. Conversely they were underweight in the Basic, Durable Consumer Goods, Non-Durable Consumer Goods, and Technology sectors. The Transportation sector was left unfunded.

Mixed performance in the third quarter favored the Russell 2000 Growth index. The fund suffered from negative returns in the Basic, Durable Consumer Goods, and Consumer Service sectors while their counterparts were in the black. The highly allocated Service sector was also damaging. Conversely the overweight Utilities sector managed a strong return while the index was negative, but a low allocation limited its effectiveness. The Non-Durable Consumer Goods, Computer Technology, Technology, Energy, and Utilities sectors all featured a return in excess of 10%, helping keep the total performance up. At quarter end the portfolio returned 2.9% below the comparative benchmark.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	Since 06/16
<b>Total Portfolio - Gross</b>	6.3	----	----	----	6.3
<i>SMALL CAP GROWTH RANK</i>	(81)	----	----	----	(81)
<b>Total Portfolio - Net</b>	6.0	----	----	----	6.0
RUSSELL 2000G	9.2	12.1	12.1	6.6	9.2
<b>Small Cap Equity - Gross</b>	6.6	----	----	----	6.6
<i>SMALL CAP GROWTH RANK</i>	(76)	----	----	----	(76)
RUSSELL 2000G	9.2	12.1	12.1	6.6	9.2

**ASSET ALLOCATION**

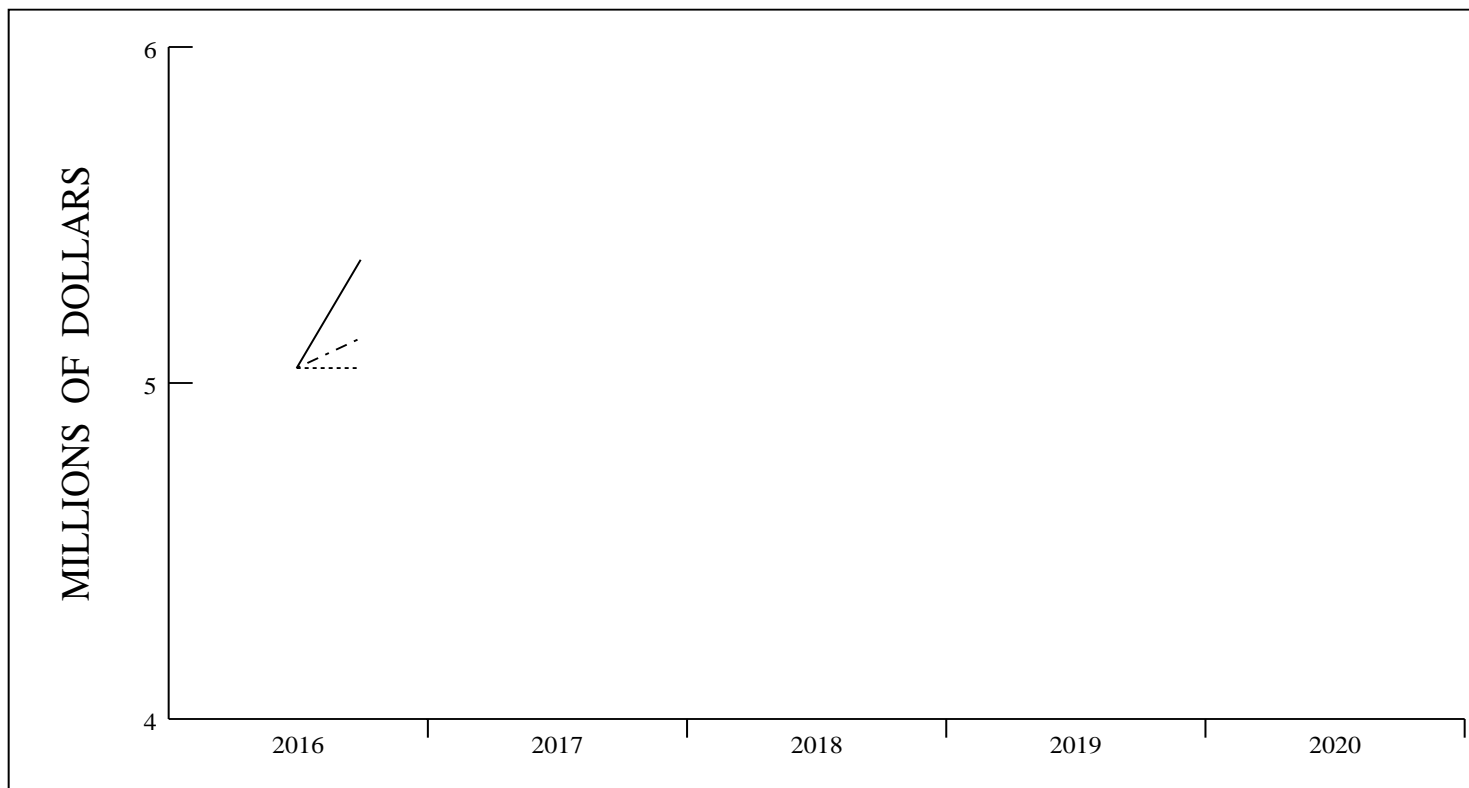
Small Cap	95.5%	\$ 5,126,539
Cash	4.5%	241,068
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 5,367,607</b>

**INVESTMENT RETURN**

Market Value 6/2016	\$ 5,053,772
Contribs / Withdrawals	- 3,743
Income	8,072
Capital Gains / Losses	309,506
Market Value 9/2016	\$ 5,367,607



**INVESTMENT GROWTH**

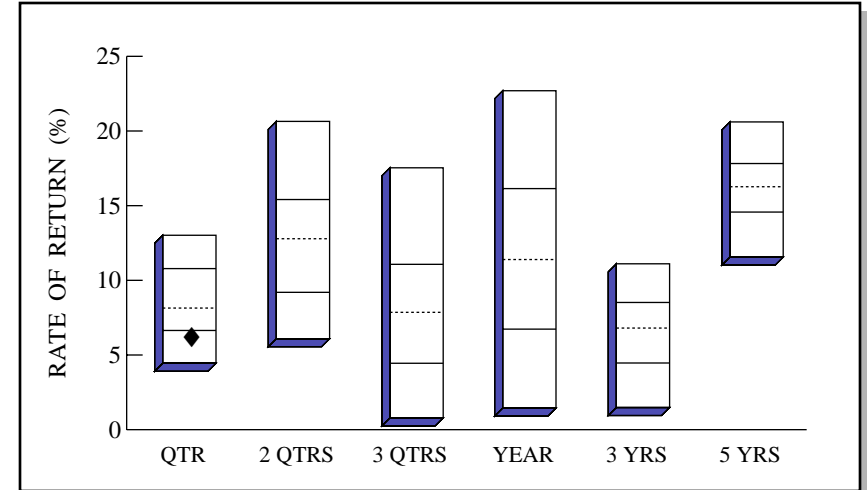
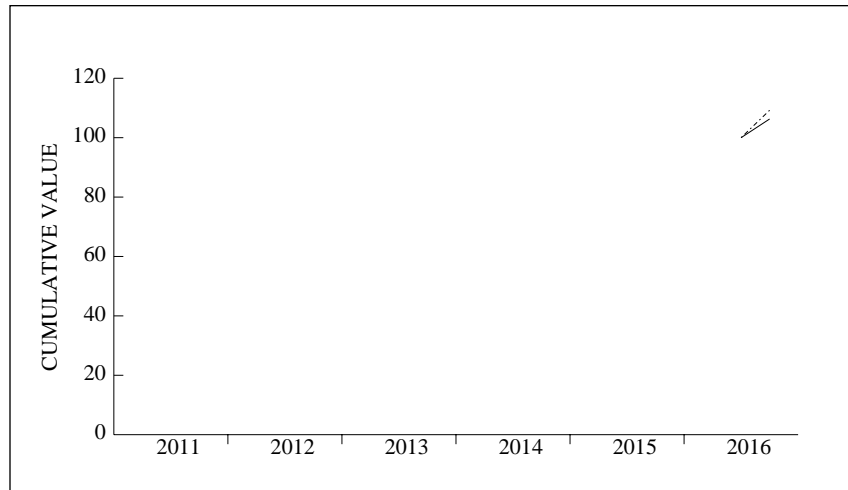


——	ACTUAL RETURN
-----	7.6%
.....	0.0%

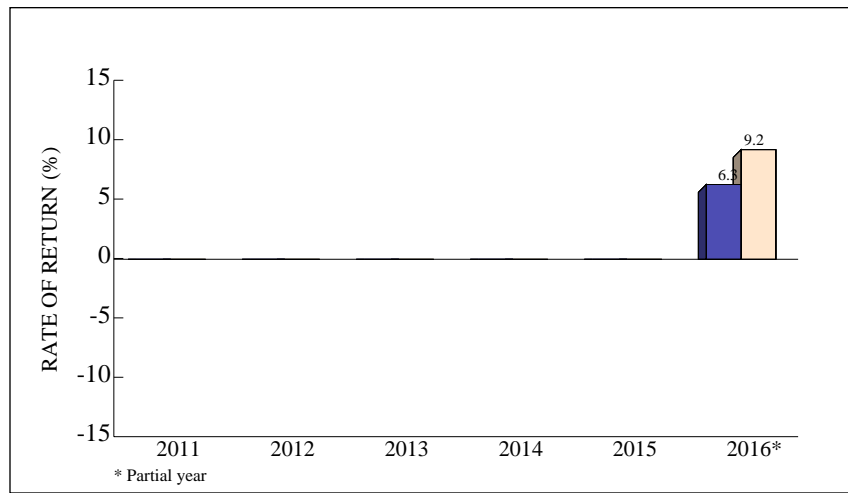
VALUE ASSUMING	
7.6% RETURN	\$ 5,143,372

	LAST QUARTER	PERIOD 6/16 - 9/16
BEGINNING VALUE	\$ 5,053,772	\$ 5,053,772
NET CONTRIBUTIONS	- 3,743	- 3,743
<u>INVESTMENT RETURN</u>	<u>317,578</u>	<u>317,578</u>
ENDING VALUE	\$ 5,367,607	\$ 5,367,607
INCOME	8,072	8,072
<u>CAPITAL GAINS (LOSSES)</u>	<u>309,506</u>	<u>309,506</u>
INVESTMENT RETURN	317,578	317,578

**TOTAL RETURN COMPARISONS**



Small Cap Growth Universe

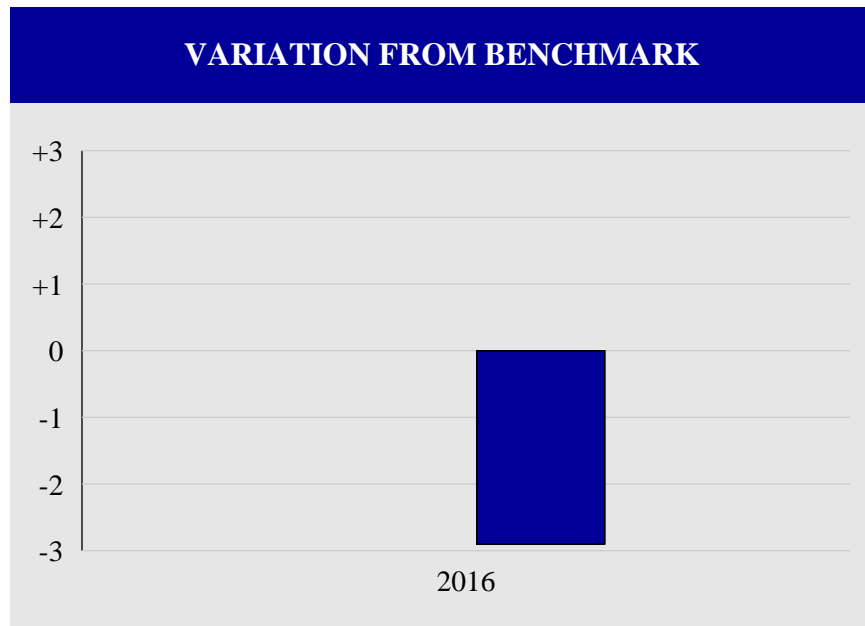


	<u>QTR</u>	<u>2 QTRS</u>	<u>3 QTRS</u>	<u>YEAR</u>	-----ANNUALIZED-----	
					<u>3 YRS</u>	<u>5 YRS</u>
RETURN	6.3	---	---	---	---	---
(RANK)	(81)	---	---	---	---	---
5TH %ILE	13.0	20.6	17.5	22.7	11.1	20.6
25TH %ILE	10.8	15.4	11.1	16.1	8.5	17.8
MEDIAN	8.1	12.8	7.9	11.4	6.8	16.3
75TH %ILE	6.6	9.2	4.4	6.7	4.5	14.6
95TH %ILE	4.4	6.1	0.8	1.5	1.5	11.6
<b>Russ 2000G</b>	<b>9.2</b>	<b>12.8</b>	<b>7.5</b>	<b>12.1</b>	<b>6.6</b>	<b>16.1</b>

Small Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

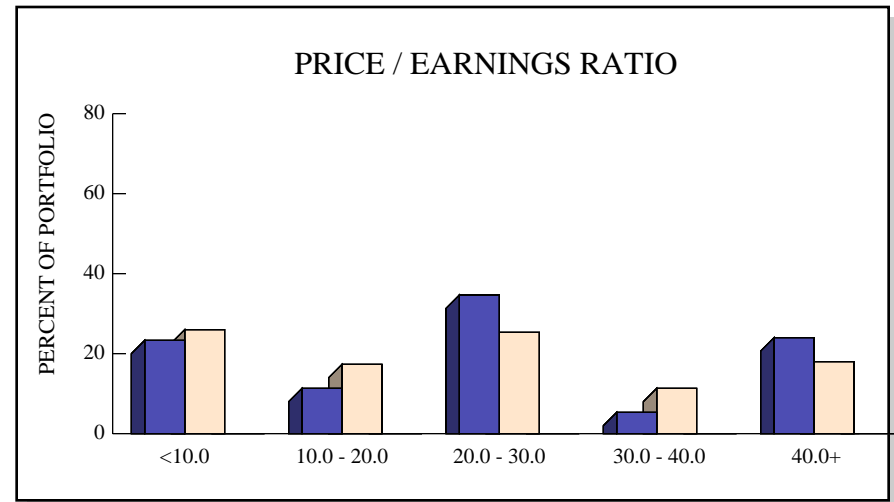
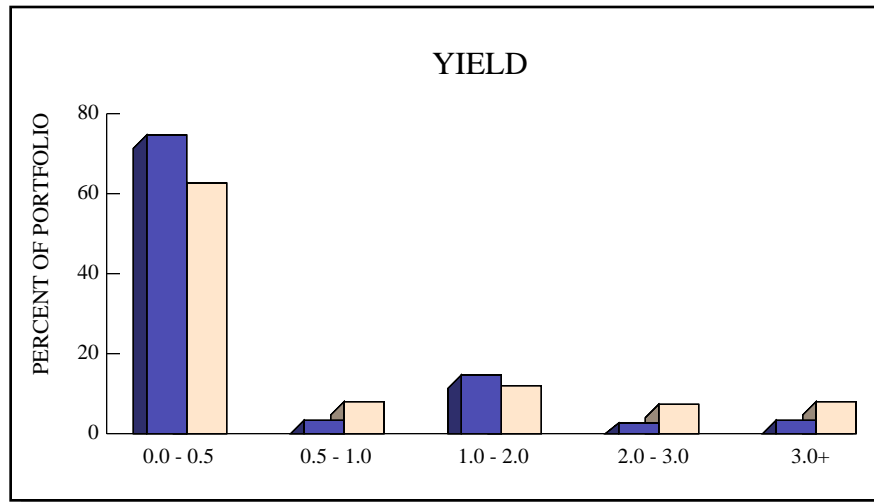
**COMPARATIVE BENCHMARK: RUSSELL 2000 GROWTH**



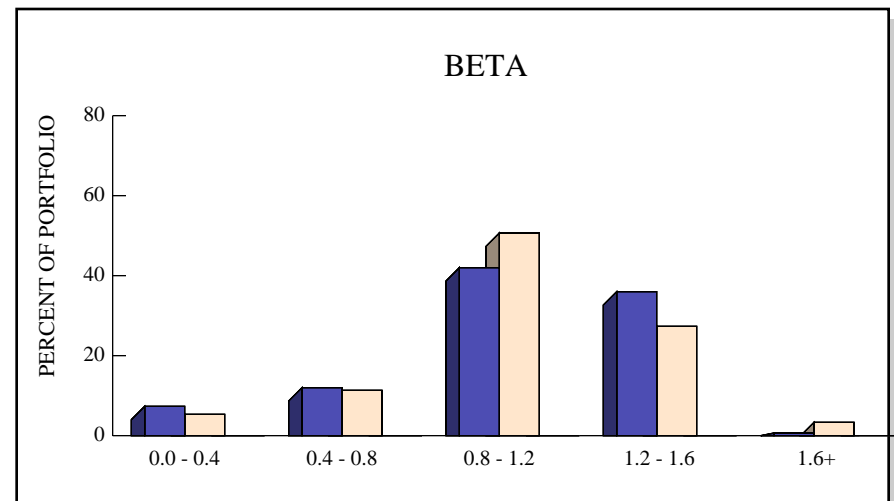
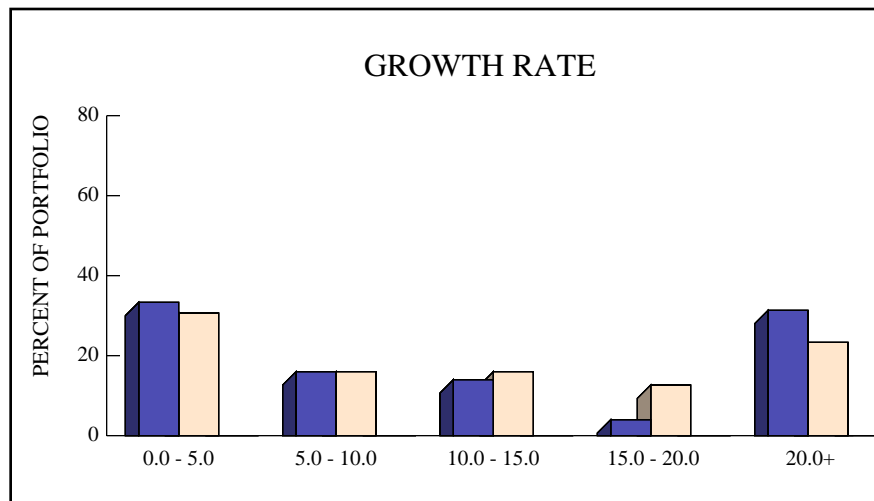
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/16	6.3	9.2	-2.9

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

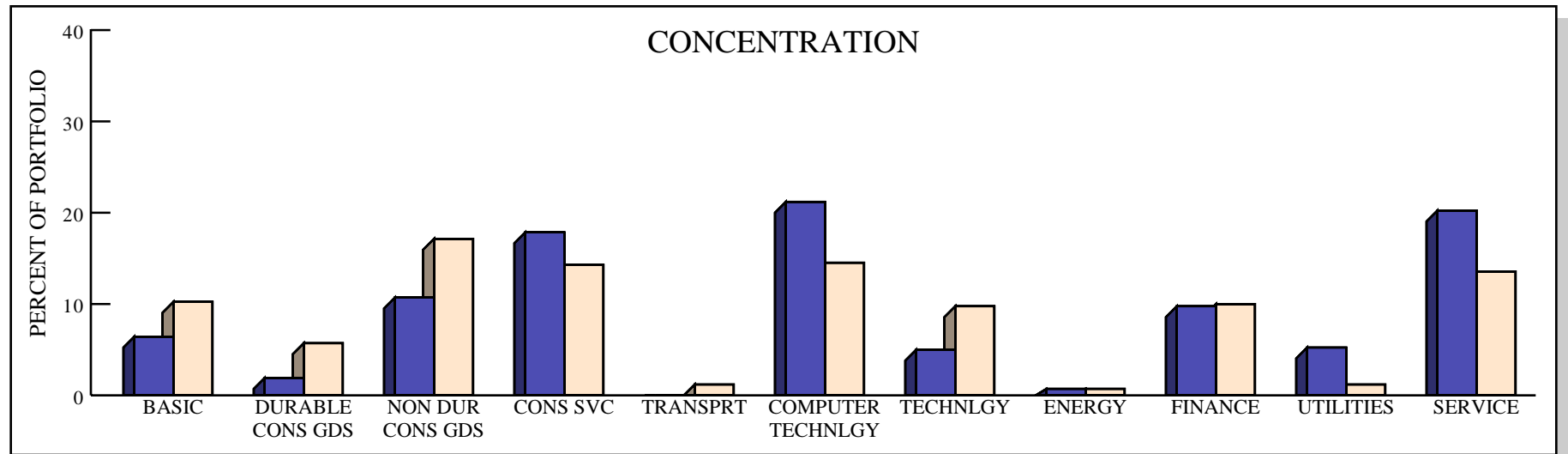
**STOCK CHARACTERISTICS**



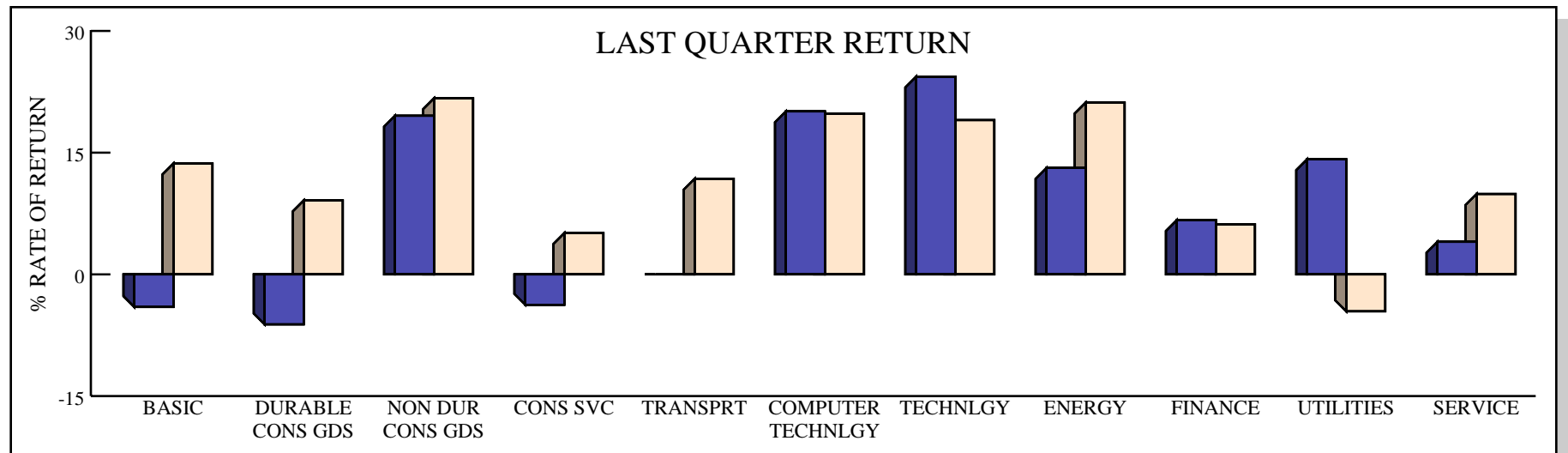
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	71	0.5%	13.1%	20.0	1.04
RUSSELL 2000G	1,155	0.8%	12.9%	19.8	1.05



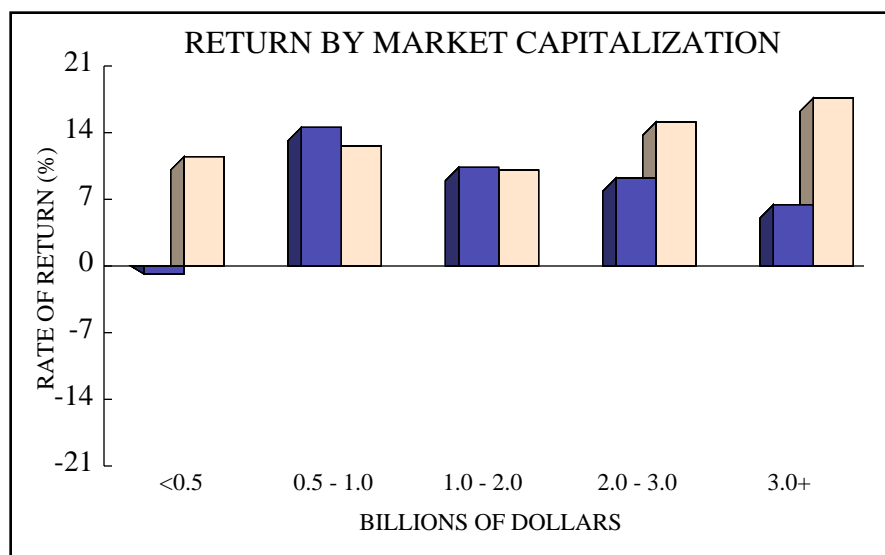
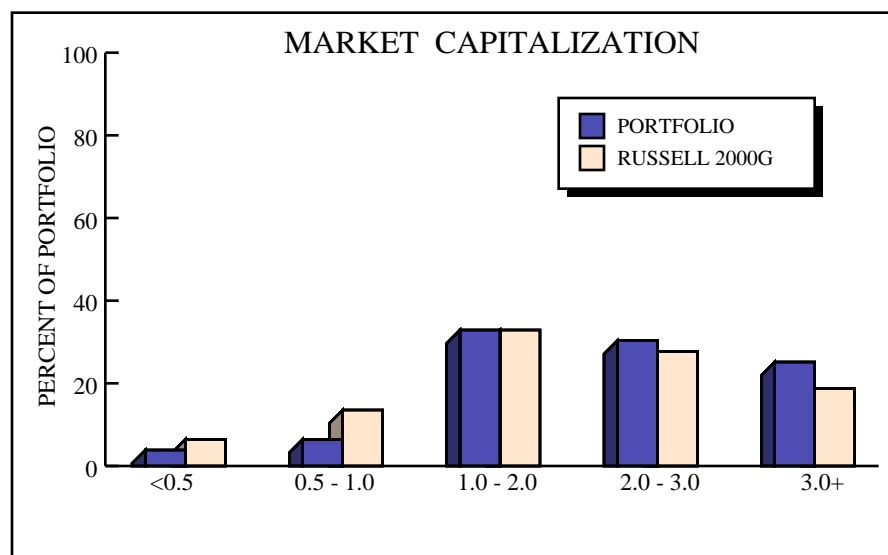
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 2000 GROWTH



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	NEXSTAR BROADCASTING GROUP-A	\$ 296,976	5.79%	21.7%	Service	\$ 1.8 B
2	SYNCHRONOSS TECHNOLOGIES INC	168,344	3.28%	29.3%	Computer Tech	1.9 B
3	MONRO MUFFLER BRAKE INC	152,374	2.97%	-3.5%	Consumer Service	2.0 B
4	AMSURG CORP	131,351	2.56%	-13.5%	Consumer Service	3.7 B
5	SUMMIT MATERIALS INC -CL A	126,993	2.48%	-9.3%	Basic	1.4 B
6	CAVIUM INC	126,178	2.46%	50.8%	Computer Tech	3.4 B
7	NATIONAL BEVERAGE CORP	124,750	2.43%	-29.9%	NonDur Cons Goods	2.1 B
8	CASEY'S GENERAL STORES INC	120,871	2.36%	-8.5%	Consumer Service	4.7 B
9	NATIONAL STORAGE AFFILIATES	111,464	2.17%	1.5%	Finance	0.7 B
10	MASONITE INTERNATIONAL CORP	105,316	2.05%	-6.0%	Durable Cons Goods	1.9 B

DAVIE POLICE PENSION PLAN  
PNC CAPITAL ADVISORS - SMALL CAP CORE  
PERFORMANCE REVIEW  
SEPTEMBER 2016

## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's PNC Capital Advisors Small Cap Core portfolio was valued at \$7,384,562, representing an increase of \$464,618 from the June quarter's ending value of \$6,919,944. Last quarter, the Fund posted withdrawals totaling \$11,711, which partially offset the portfolio's net investment return of \$476,329. Income receipts totaling \$10,810 plus net realized and unrealized capital gains of \$465,519 combined to produce the portfolio's net investment return.

For the cumulative period since June 2016, the fund has recorded net withdrawals totaling \$11,711 and posted net investment gains of \$476,329. For the period since June 2016, if the total fund had returned a compound annual rate of 7.6% it would have been valued at \$7.0 million or \$348,547 less than the actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the PNC Capital Advisors Small Cap Core portfolio gained 6.9%, which was 2.1% below the Russell 2000 Index's return of 9.0% and ranked in the 67th percentile of the Small Cap Core universe.

## **ASSET ALLOCATION**

On September 30th, 2016, small cap equities comprised 97.7% of the total portfolio (\$7.2 million), while cash & equivalents comprised the remaining 2.3% (\$170,652).

## **ANALYSIS**

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

In the third quarter the portfolio underperformed relative to the Russell 2000 index. While the fund surpassed the benchmark in five of the nine invested sectors, their under-allocation was a hindrance to their impact on the total return. The significantly weighted Finance sector was the most damaging to performance, which lost to its counterpart despite a positive performance overall. The Non-Durable Consumer Goods and Computer Technology sectors also significantly underperformed. Fortunately the overweight Consumer Service and Service sectors held their ground, leading to a strong return of 6.9% for the period.



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	Since 06/16
<b>Total Portfolio - Gross</b>	6.9	----	----	----	6.9
<i>SMALL CAP CORE RANK</i>	(67)	----	----	----	(67)
<b>Total Portfolio - Net</b>	6.6	----	----	----	6.6
RUSSELL 2000	9.0	15.5	15.5	6.7	9.0
<b>Small Cap Equity - Gross</b>	7.1	----	----	----	7.1
<i>SMALL CAP CORE RANK</i>	(64)	----	----	----	(64)
RUSSELL 2000	9.0	15.5	15.5	6.7	9.0

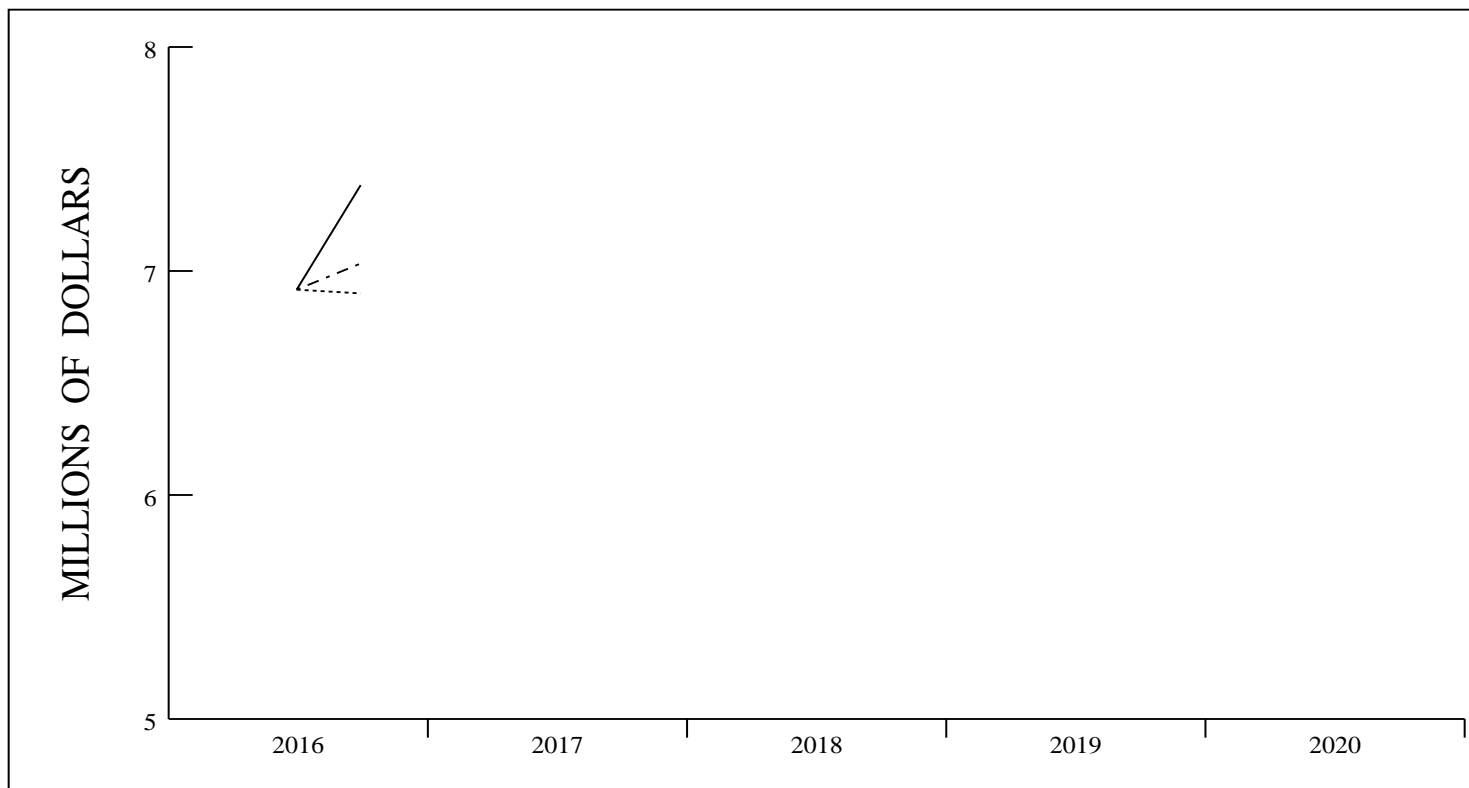
**ASSET ALLOCATION**

Small Cap	97.7%	\$ 7,213,910
Cash	2.3%	170,652
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 7,384,562</b>

**INVESTMENT RETURN**

Market Value 6/2016	\$ 6,919,944
Contribs / Withdrawals	- 11,711
Income	10,810
Capital Gains / Losses	465,519
Market Value 9/2016	\$ 7,384,562

**INVESTMENT GROWTH**

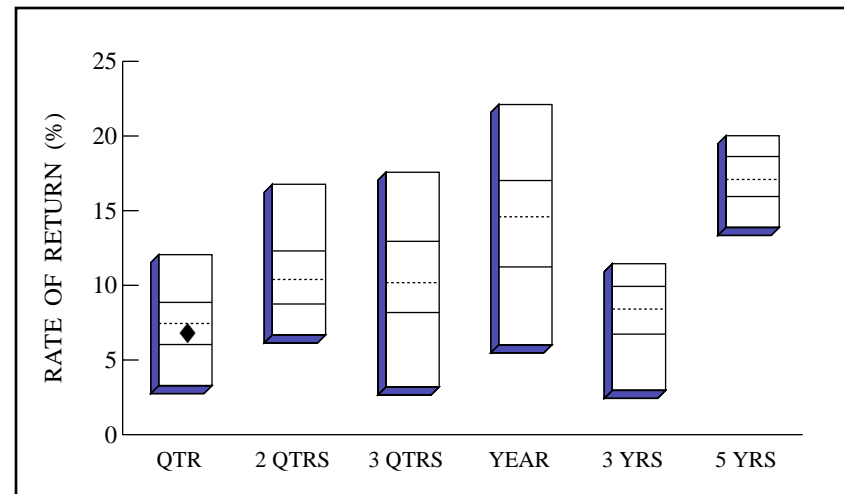
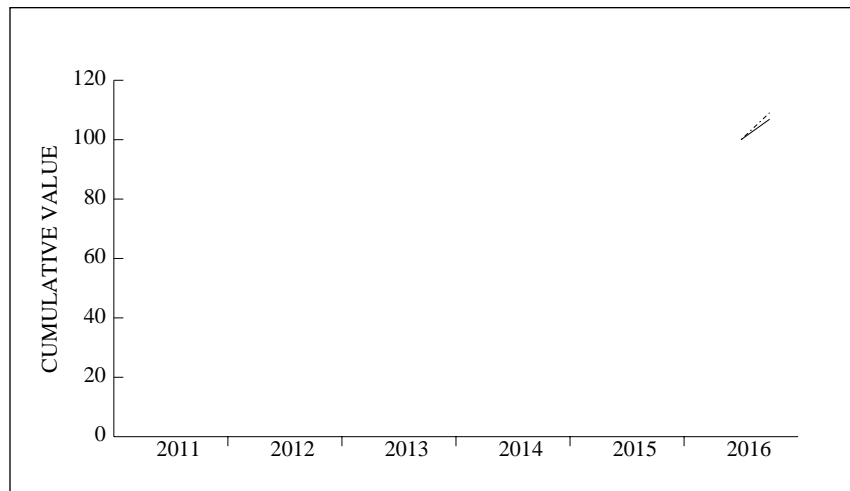


— ACTUAL RETURN  
 - - - 7.6%  
 . . . 0.0%

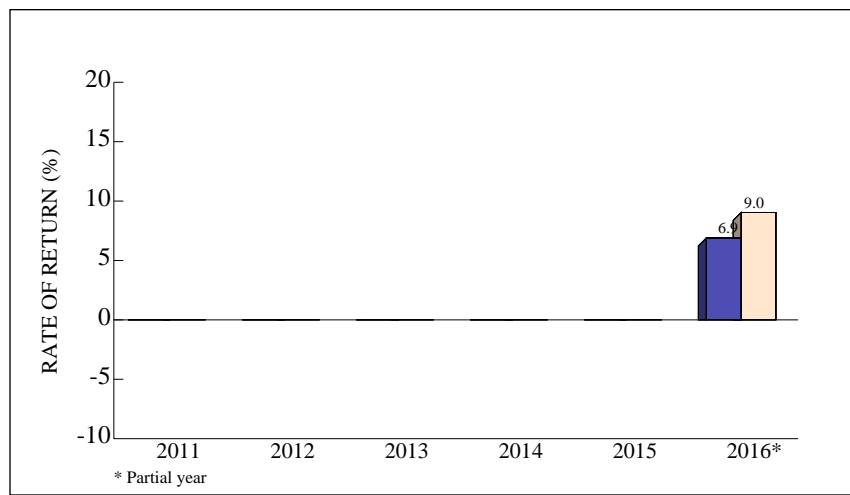
VALUE ASSUMING  
 7.6% RETURN    \$ 7,036,015

	LAST QUARTER	PERIOD 6/16 - 9/16
BEGINNING VALUE	\$ 6,919,944	\$ 6,919,944
NET CONTRIBUTIONS	- 11,711	- 11,711
INVESTMENT RETURN	476,329	476,329
ENDING VALUE	\$ 7,384,562	\$ 7,384,562
INCOME	10,810	10,810
CAPITAL GAINS (LOSSES)	465,519	465,519
INVESTMENT RETURN	476,329	476,329

**TOTAL RETURN COMPARISONS**



Small Cap Core Universe

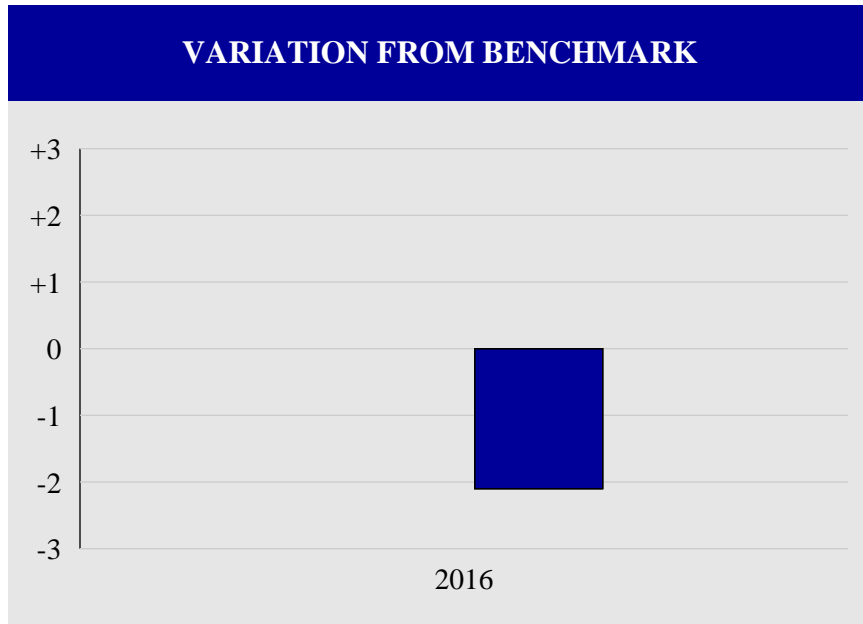


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	6.9	---	---	---	---	---
(RANK)	(67)	---	---	---	---	---
5TH %ILE	12.1	16.8	17.6	22.1	11.5	20.0
25TH %ILE	8.9	12.3	12.9	17.0	9.9	18.6
MEDIAN	7.4	10.4	10.2	14.6	8.4	17.1
75TH %ILE	6.0	8.8	8.2	11.2	6.7	15.9
95TH %ILE	3.3	6.7	3.2	6.0	3.0	13.9
<b>Russ 2000</b>	<b>9.0</b>	<b>13.2</b>	<b>11.5</b>	<b>15.5</b>	<b>6.7</b>	<b>15.8</b>

Small Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

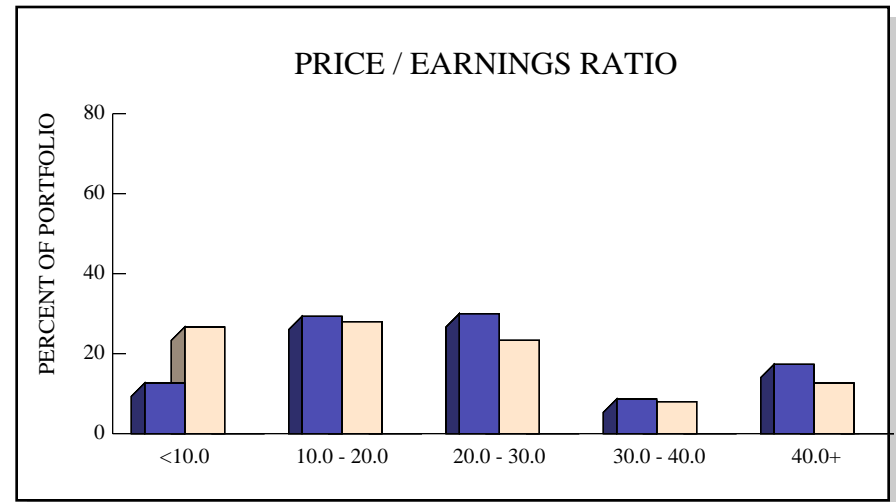
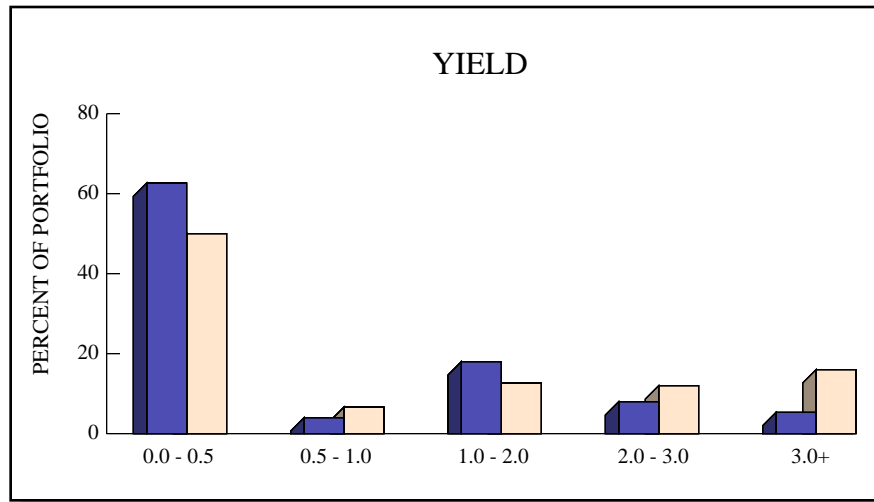
**COMPARATIVE BENCHMARK: RUSSELL 2000**



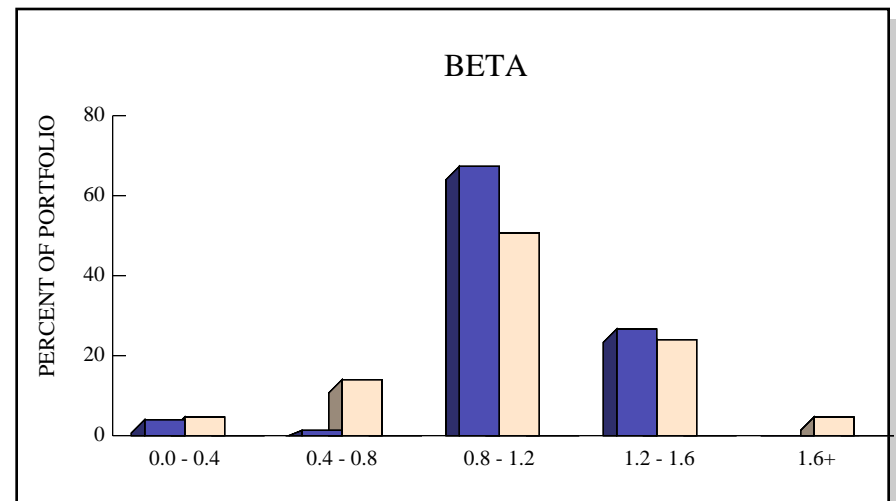
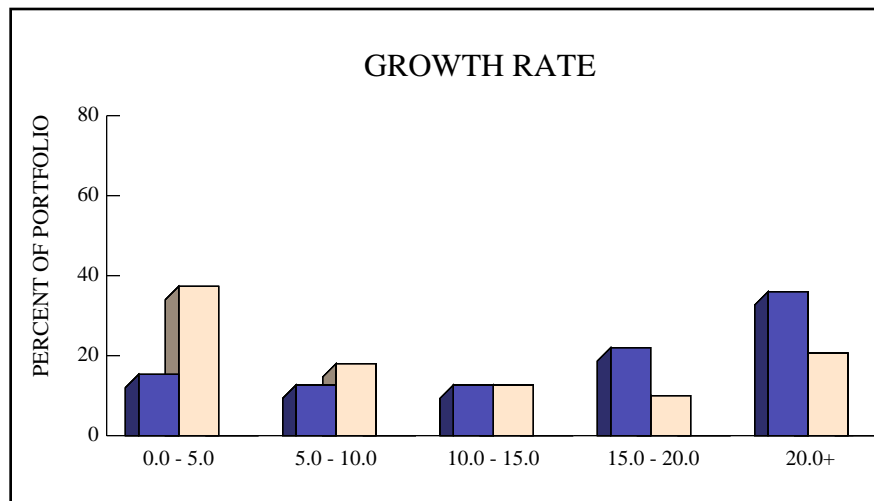
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/16	6.9	9.0	-2.1

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

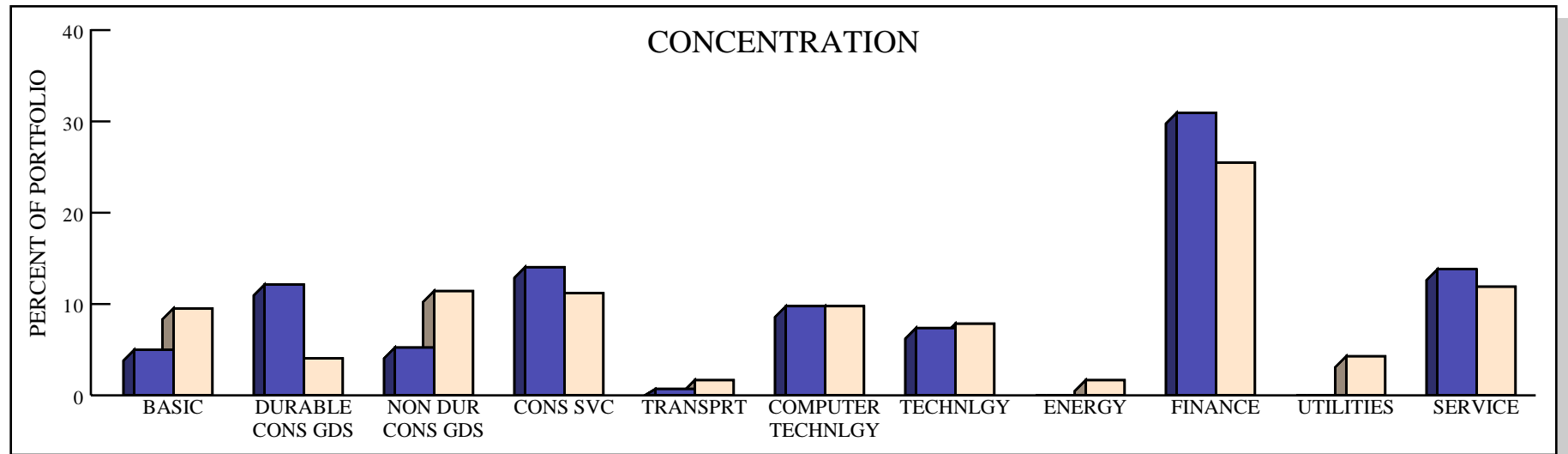
**STOCK CHARACTERISTICS**



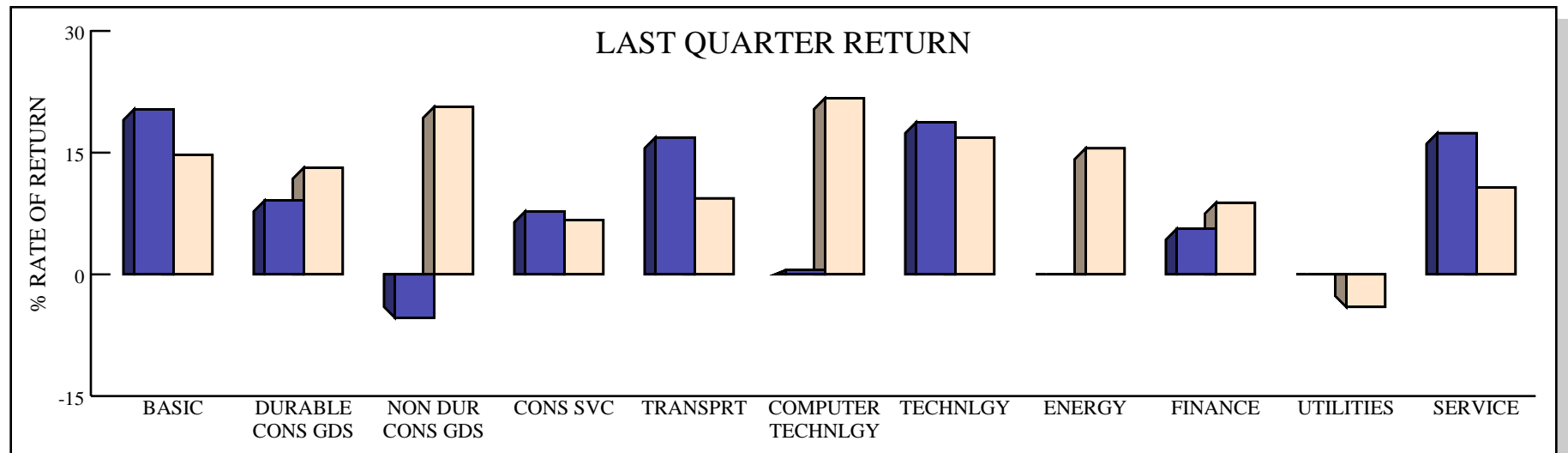
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	48	0.8%	19.7%	25.5	1.04
RUSSELL 2000	1,962	1.5%	10.6%	17.7	1.04



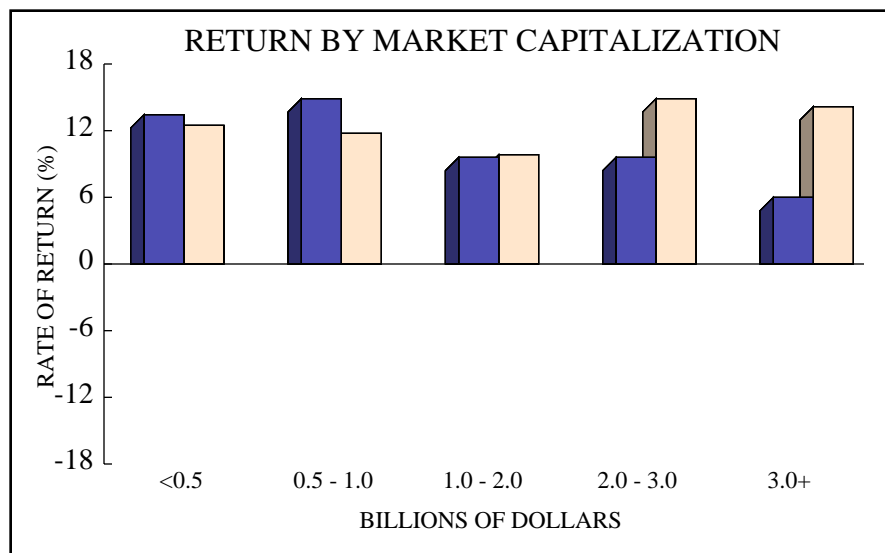
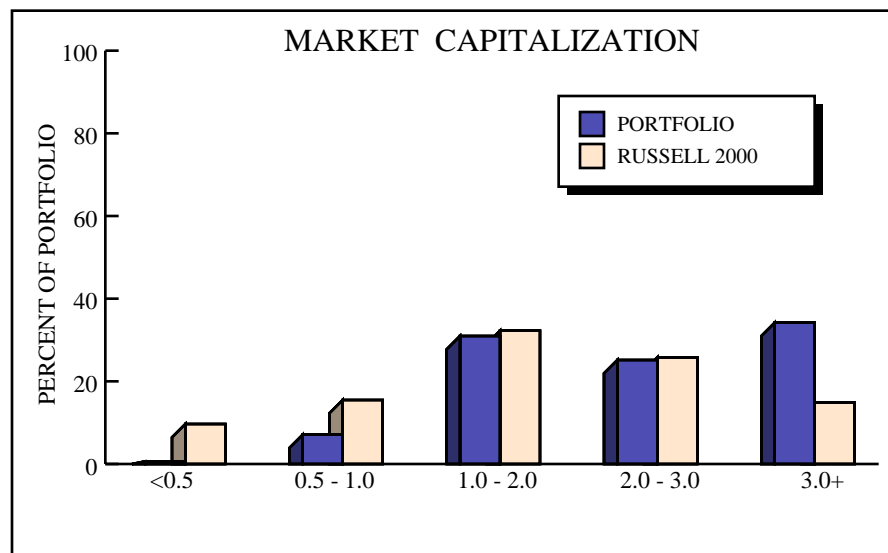
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 2000



**TOP TEN HOLDINGS**



**TOP TEN EQUITY HOLDINGS**

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	AMTRUST FINANCIAL SERVICES	\$ 277,288	3.84%	10.1%	Finance	\$ 4.6 B
2	DREW INDUSTRIES INC	265,242	3.68%	16.2%	Durable Cons Goods	2.4 B
3	MANHATTAN ASSOCIATES INC	264,303	3.66%	-10.2%	Computer Tech	4.1 B
4	EAGLE BANCORP INC	254,987	3.53%	2.5%	Finance	1.7 B
5	PRA GROUP INC	253,696	3.52%	43.1%	Service	1.6 B
6	BANK OF THE OZARKS	252,518	3.50%	2.7%	Finance	4.7 B
7	NEOGEN CORP	240,766	3.34%	-0.6%	NonDur Cons Goods	2.1 B
8	LITHIA MOTORS INC-CL A	235,839	3.27%	34.6%	Consumer Service	2.2 B
9	CREDIT ACCEPTANCE CORP	224,997	3.12%	8.6%	Finance	4.1 B
10	PAREXEL INTERNATIONAL CORP	221,893	3.08%	10.5%	Consumer Service	3.7 B

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



## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's Johnston International Equity Group Trust portfolio was valued at \$6,484,515, representing an increase of \$573,561 from the June quarter's ending value of \$5,910,954. Last quarter, the Fund posted withdrawals totaling \$13,256, which partially offset the portfolio's net investment return of \$586,817. Since there were no income receipts for the third quarter, the portfolio's net investment return figure was the product of net realized and unrealized capital gains totaling \$586,817.

For the cumulative period since December 2010, the account has posted net withdrawals totaling \$247,952 and recorded net investment gains totaling \$1.8 million. Since December 2010, if the portfolio returned a compound annual rate of 7.6% it would have been valued at \$7.3 million or \$766,273 more than its actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

For the third quarter, the Johnston International Equity Group Trust portfolio returned 9.9%, which was 3.4% greater than the MSCI EAFE Index's return of 6.5% and ranked in the 14th percentile of the International Equity universe. Over the trailing year, the portfolio returned 14.7%, which was 7.7% above the benchmark's 7.0% performance, ranking in the 31st percentile. Since December 2010, the account returned 5.6% on an annualized basis and ranked in the 34th percentile. For comparison, the MSCI EAFE Index returned an annualized 3.9% over the same period.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	Since 12/10
<b>Total Portfolio - Gross</b>	9.9	14.7	14.7	4.3	5.6
<i>INTERNATIONAL EQUITY RANK</i>	(14)	(31)	(31)	(28)	(34)
<b>Total Portfolio - Net</b>	9.7	13.7	13.7	3.4	4.7
MSCI EAFE	6.5	7.0	7.0	0.9	3.9
<b>International Equity - Gross</b>	9.9	14.7	14.7	4.3	5.6
<i>INTERNATIONAL EQUITY RANK</i>	(14)	(31)	(31)	(28)	(34)
MSCI EAFE	6.5	7.0	7.0	0.9	3.9

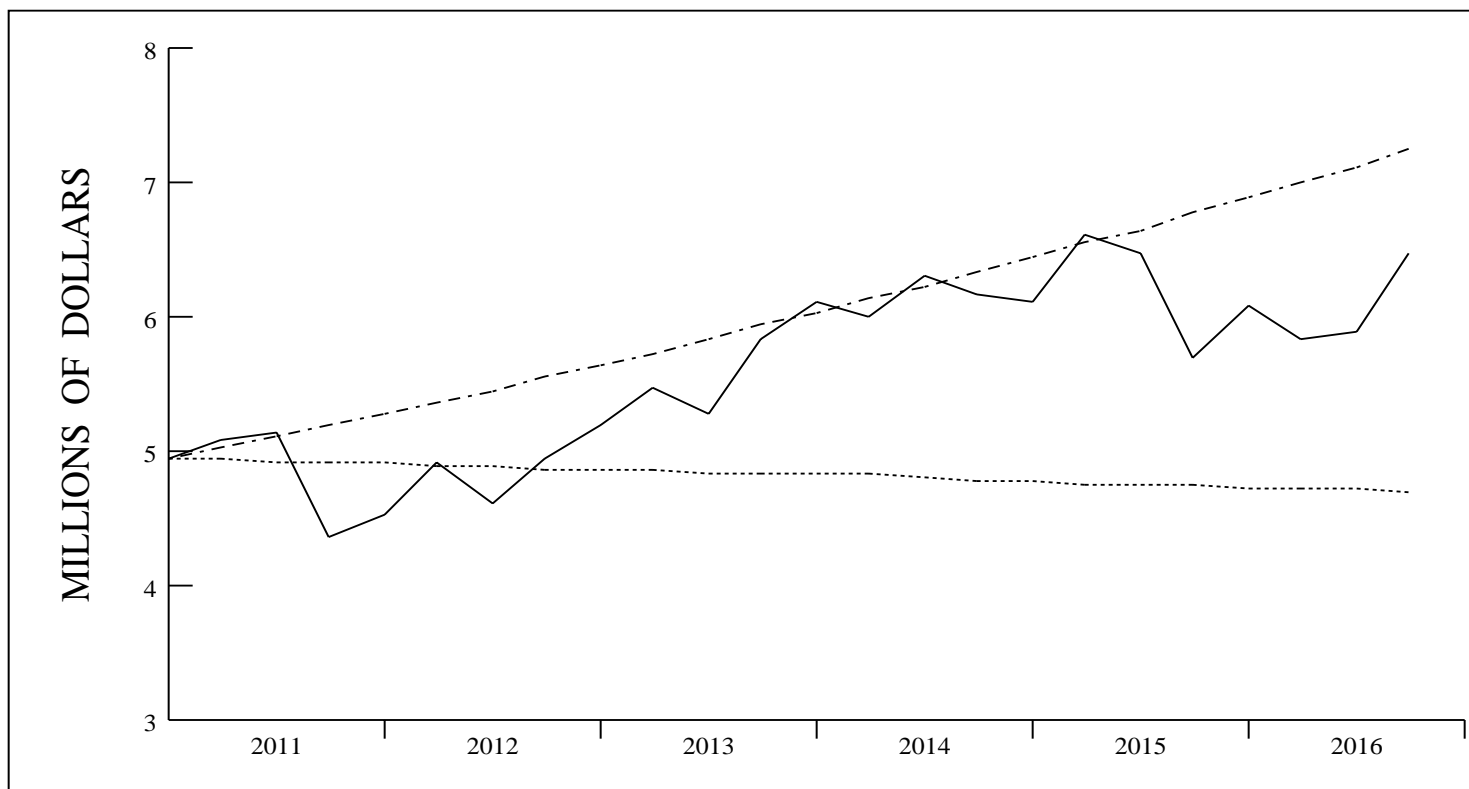
**ASSET ALLOCATION**

Int'l Equity	100.0%	\$ 6,484,515
Total Portfolio	100.0%	\$ 6,484,515

**INVESTMENT RETURN**

Market Value 6/2016	\$ 5,910,954
Contribs / Withdrawals	- 13,256
Income	0
Capital Gains / Losses	586,817
Market Value 9/2016	\$ 6,484,515

**INVESTMENT GROWTH**

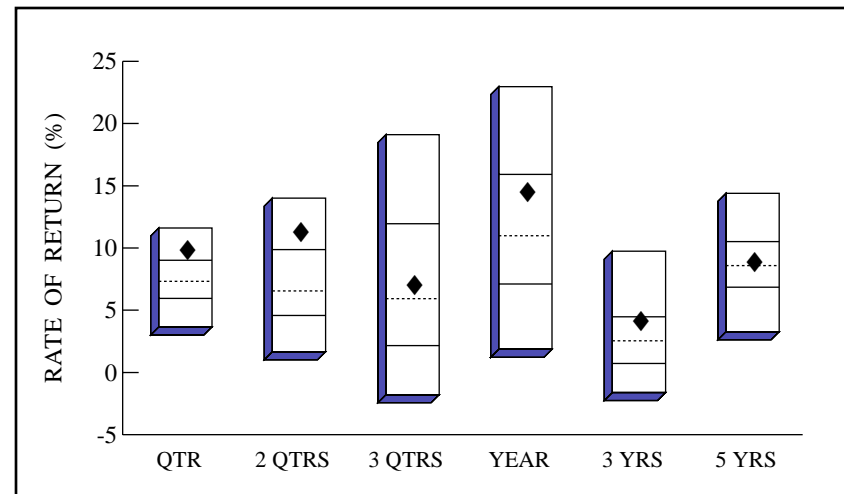
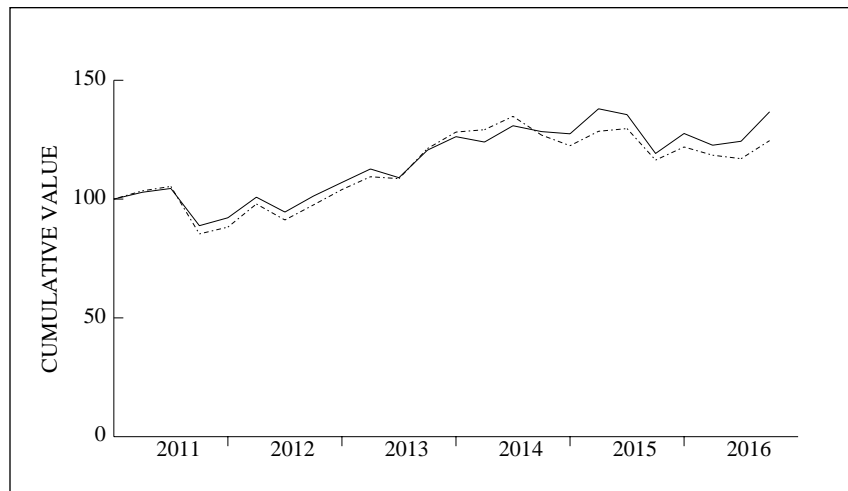


—	ACTUAL RETURN
- - -	7.6%
.....	0.0%

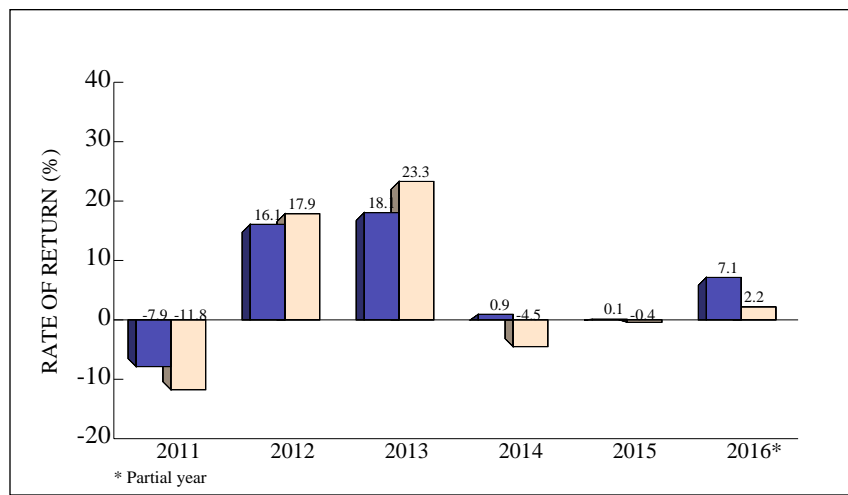
VALUE ASSUMING	
7.6% RETURN	\$ 7,250,788

	LAST QUARTER	PERIOD 12/10 - 9/16
BEGINNING VALUE	\$ 5,910,954	\$ 4,958,329
NET CONTRIBUTIONS	- 13,256	-247,952
INVESTMENT RETURN	586,817	1,774,138
ENDING VALUE	\$ 6,484,515	\$ 6,484,515
INCOME	0	0
CAPITAL GAINS (LOSSES)	586,817	1,774,138
INVESTMENT RETURN	586,817	1,774,138

**TOTAL RETURN COMPARISONS**



International Equity Universe

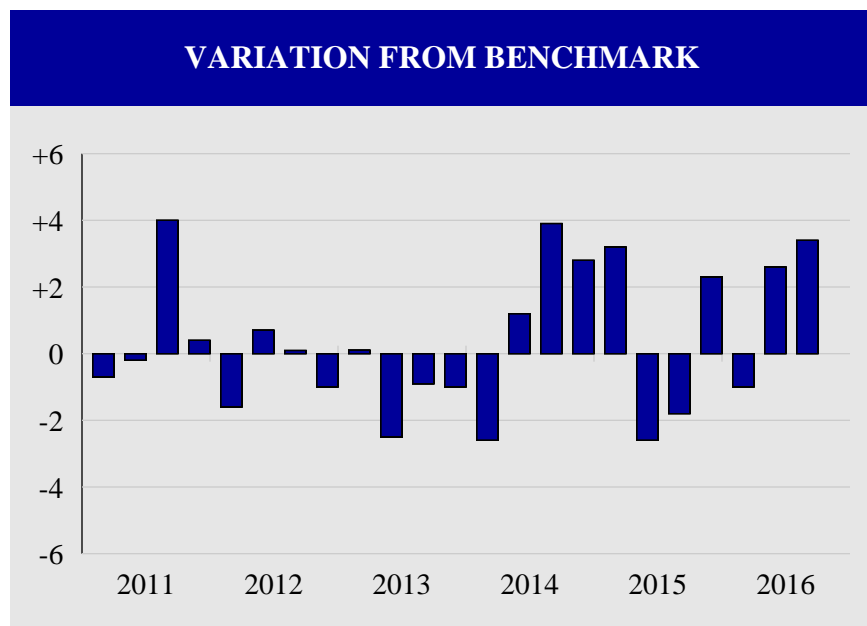


	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	9.9	11.4	7.1	14.7	4.3	9.0
(RANK)	(14)	(14)	(42)	(31)	(28)	(46)
5TH %ILE	11.6	14.0	19.1	23.0	9.8	14.4
25TH %ILE	9.0	9.9	12.0	15.9	4.5	10.5
MEDIAN	7.3	6.5	5.9	11.0	2.5	8.6
75TH %ILE	5.9	4.6	2.2	7.1	0.7	6.8
95TH %ILE	3.7	1.7	-1.8	1.9	-1.6	3.3
<b>MSCI EAFE</b>	<b>6.5</b>	<b>5.2</b>	<b>2.2</b>	<b>7.0</b>	<b>0.9</b>	<b>7.9</b>

International Equity Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: MSCI EAFE**



<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>12</b>
<b>Quarters Below the Benchmark</b>	<b>11</b>
<b>Batting Average</b>	<b>.522</b>

<b>RATES OF RETURN</b>			
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
6/16	1.4	-1.2	2.6
9/16	9.9	6.5	3.4

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

## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's SSgA MSCI EAFE Index SL Fund was valued at \$4,946,617, representing an increase of \$301,025 from the June quarter's ending value of \$4,645,592. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$301,025 in net investment returns. Since there were no income receipts for the third quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$301,025.

For the cumulative period since September 2011, the portfolio has posted net investment gains totaling \$1.5 million. Since September 2011, if the account earned a compound annual rate of 7.6% it would have been valued at \$4.9 million or \$28,158 less than the actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

For the third quarter, the SSgA MSCI EAFE Index SL Fund gained 6.5%, which was equal to the MSCI EAFE Index's return of 6.5% and ranked in the 66th percentile of the International Equity universe. Over the trailing twelve-month period, this portfolio returned 6.9%, which was 0.1% less than the benchmark's 7.0% performance, and ranked in the 77th percentile. Since September 2011, the portfolio returned 7.7% annualized and ranked in the 66th percentile. The MSCI EAFE Index returned an annualized 7.9% over the same time frame.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	5 Years
<b>Total Portfolio - Gross</b>	6.5	6.9	6.9	0.8	7.7
<i>INTERNATIONAL EQUITY RANK</i>	(66)	(77)	(77)	(74)	(66)
<b>Total Portfolio - Net</b>	6.4	6.7	6.7	0.6	7.5
MSCI EAFE	6.5	7.0	7.0	0.9	7.9
<b>International Equity - Gross</b>	6.5	6.9	6.9	0.8	7.7
<i>INTERNATIONAL EQUITY RANK</i>	(66)	(77)	(77)	(74)	(66)
MSCI EAFE	6.5	7.0	7.0	0.9	7.9

**ASSET ALLOCATION**

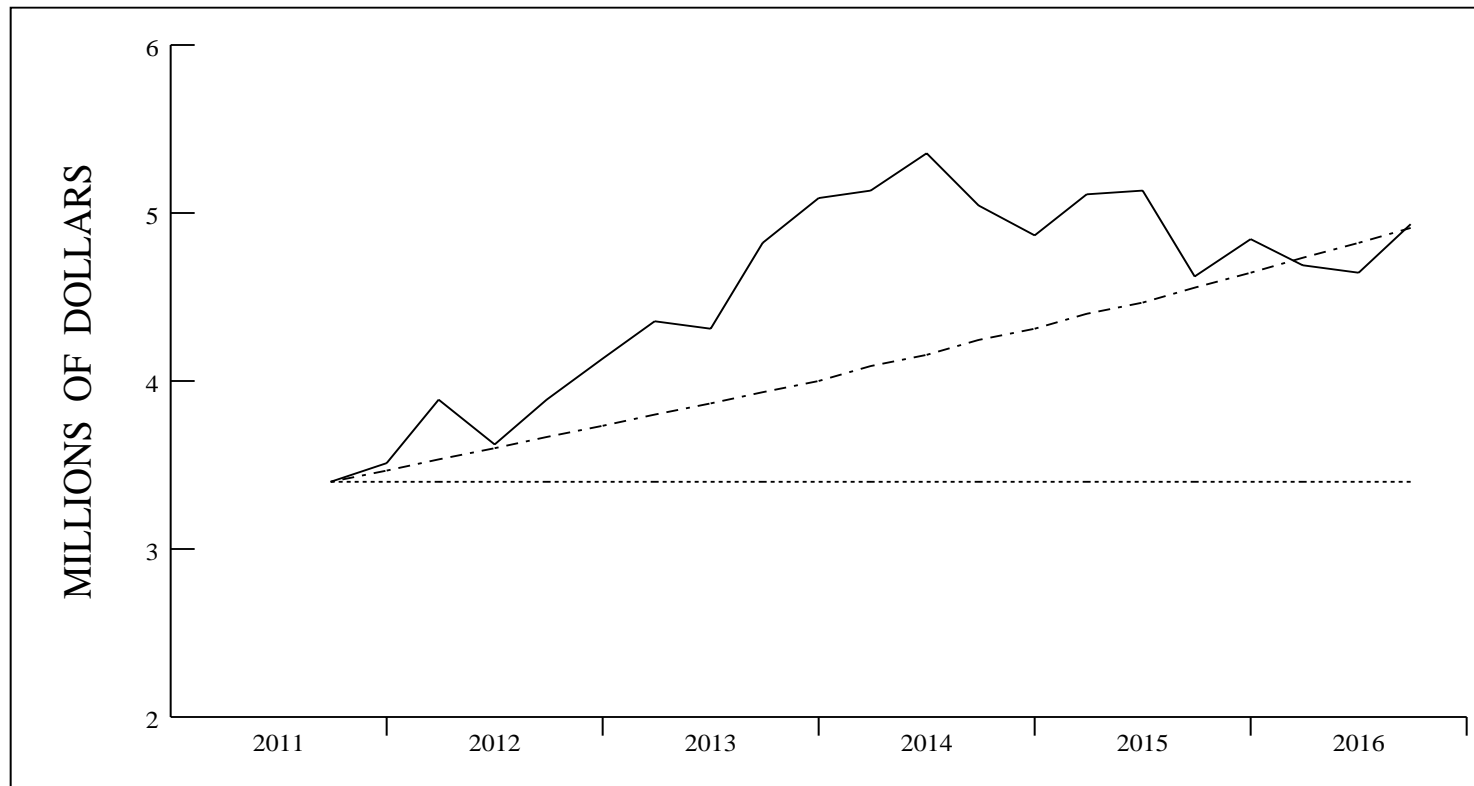
Int'l Equity	100.0%	\$ 4,946,617
Total Portfolio	100.0%	\$ 4,946,617

**INVESTMENT RETURN**

Market Value 6/2016	\$ 4,645,592
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	301,025
Market Value 9/2016	\$ 4,946,617



**INVESTMENT GROWTH**

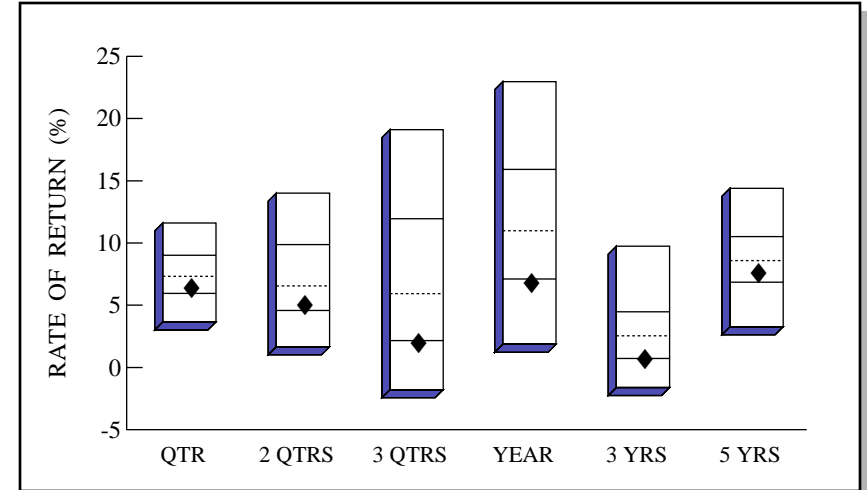
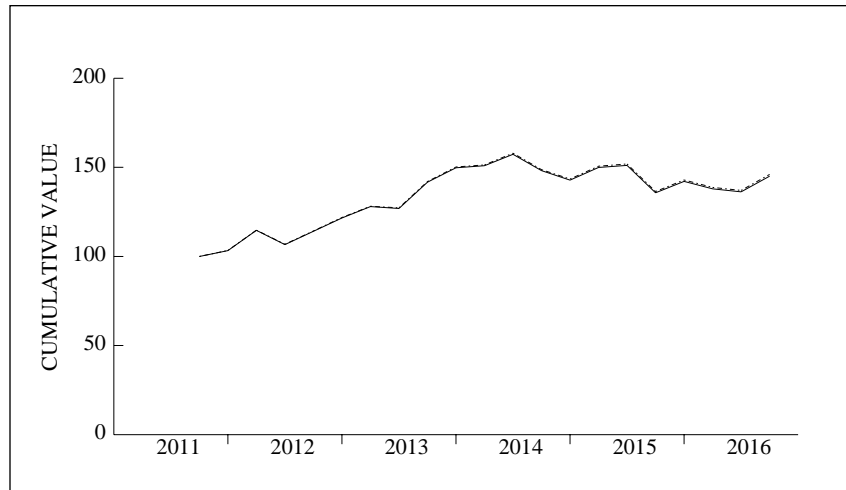


— ACTUAL RETURN  
 - - - 7.6%  
 ..... 0.0%

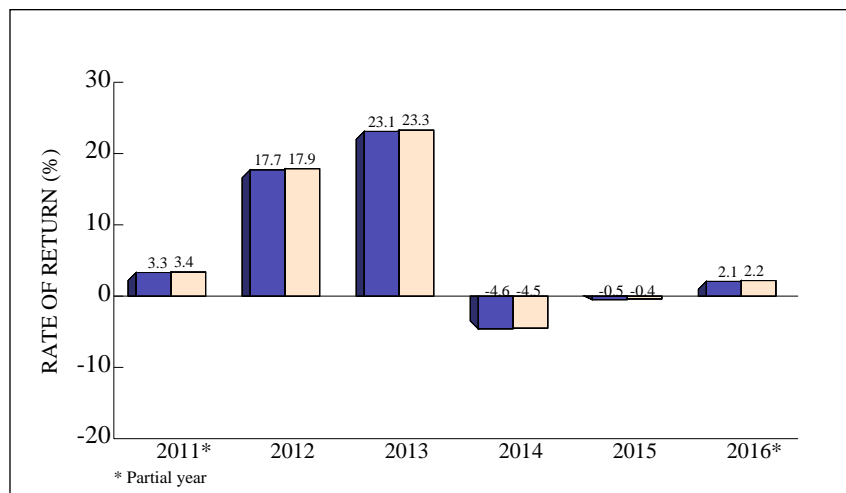
VALUE ASSUMING  
 7.6% RETURN    \$ 4,918,459

	LAST QUARTER	PERIOD 9/11 - 9/16
BEGINNING VALUE	\$ 4,645,592	\$ 3,410,105
NET CONTRIBUTIONS	0	0
INVESTMENT RETURN	301,025	1,536,512
ENDING VALUE	\$ 4,946,617	\$ 4,946,617
INCOME	0	0
CAPITAL GAINS (LOSSES)	301,025	1,536,512
INVESTMENT RETURN	301,025	1,536,512

**TOTAL RETURN COMPARISONS**



International Equity Universe



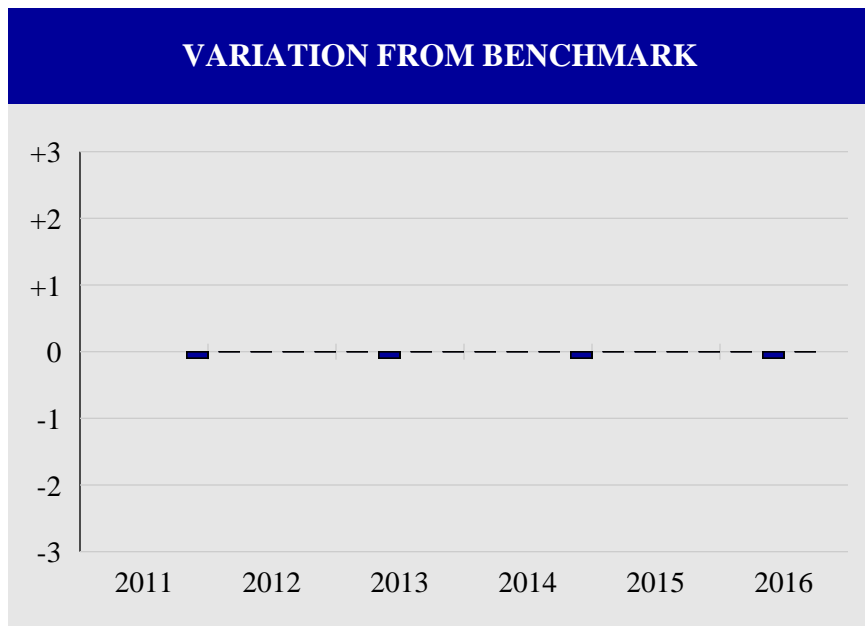
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	6.5	5.1	2.1	6.9	0.8	7.7
(RANK)	(66)	(69)	(77)	(77)	(74)	(66)
5TH %ILE	11.6	14.0	19.1	23.0	9.8	14.4
25TH %ILE	9.0	9.9	12.0	15.9	4.5	10.5
MEDIAN	7.3	6.5	5.9	11.0	2.5	8.6
75TH %ILE	5.9	4.6	2.2	7.1	0.7	6.8
95TH %ILE	3.7	1.7	-1.8	1.9	-1.6	3.3
<b>MSCI EAFE</b>	<b>6.5</b>	<b>5.2</b>	<b>2.2</b>	<b>7.0</b>	<b>0.9</b>	<b>7.9</b>

International Equity Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: MSCI EAFE**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
6/16	-1.3	-1.2	-0.1
9/16	6.5	6.5	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  
SEPTEMBER 2016

## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's American Realty Advisors American Core Realty Fund was valued at \$5,052,809, representing an increase of \$338,177 from the June quarter's ending value of \$4,714,632. Last quarter, the Fund posted net contributions equaling \$247,065 plus a net investment gain equaling \$91,112. Total net investment return was the result of income receipts, which totaled \$49,213 and net realized and unrealized capital gains of \$41,899.

For the cumulative period since March 2011, the fund has recorded net contributions totaling \$2.5 million, and recorded net investment gains of \$1.7 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 \$4.4 million or \$694,253 less than the actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

In the third quarter, the American Realty Advisors American Core Realty Fund gained 1.8%, which was 0.2% less than the NCREIF NFI-ODCE Index's return of 2.0%. Over the trailing twelve-month period, the portfolio returned 9.0%, which was 1.1% below the benchmark's 10.1% return. Since March 2011, the account returned 12.1% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 12.8% over the same time frame.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	Since 03/11
<b>Total Portfolio - Gross</b>	1.8	9.0	9.0	11.8	12.1
<b>Total Portfolio - Net</b>	1.6	7.8	7.8	10.6	10.9
NCREIF ODCE	2.0	10.1	10.1	12.4	12.8
<b>Real Estate - Gross</b>	1.8	9.0	9.0	11.8	12.1
NCREIF ODCE	2.0	10.1	10.1	12.4	12.8

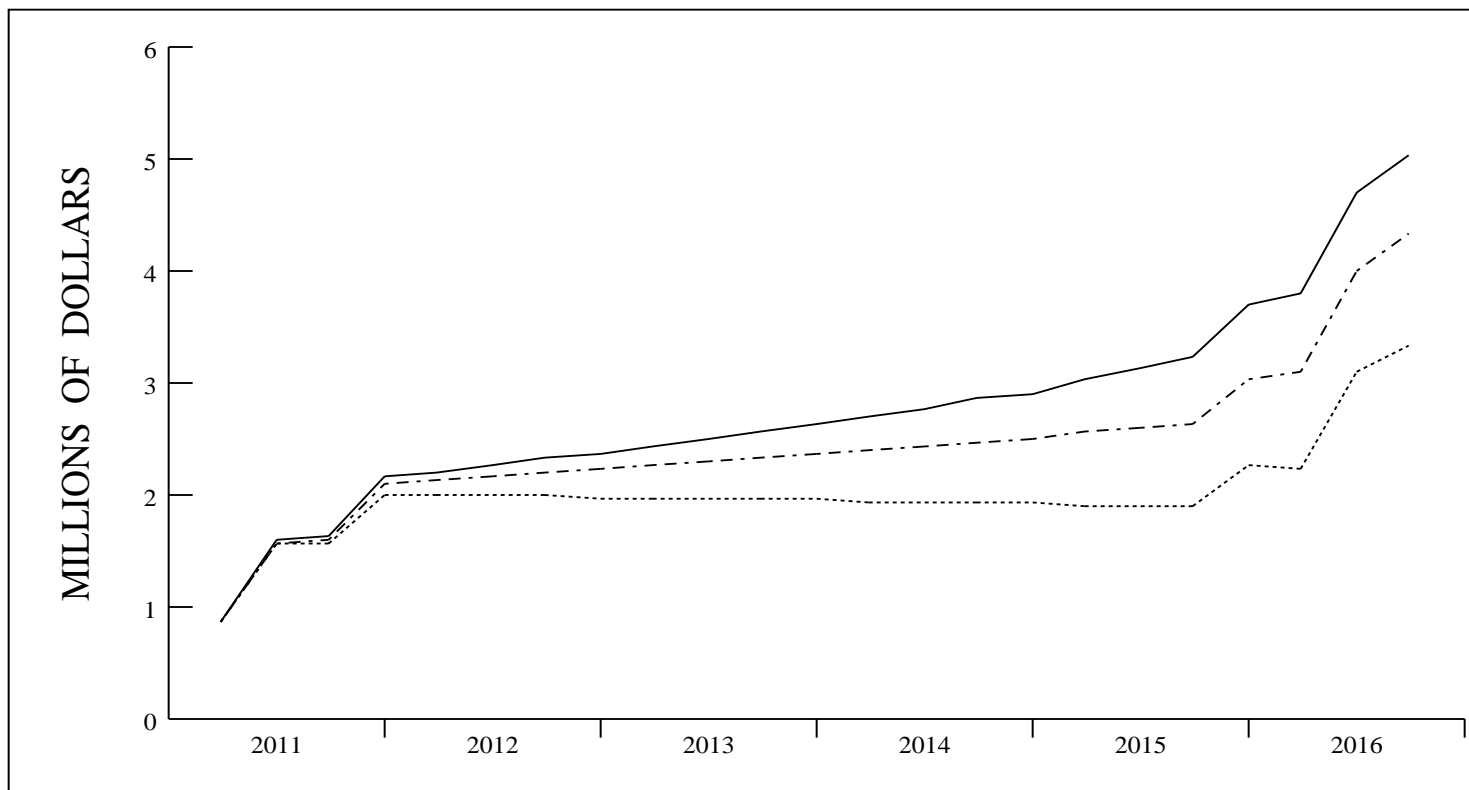
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 5,052,809
Total Portfolio	100.0%	\$ 5,052,809

**INVESTMENT RETURN**

Market Value 6/2016	\$ 4,714,632
Contribs / Withdrawals	247,065
Income	49,213
Capital Gains / Losses	41,899
Market Value 9/2016	\$ 5,052,809

**INVESTMENT GROWTH**



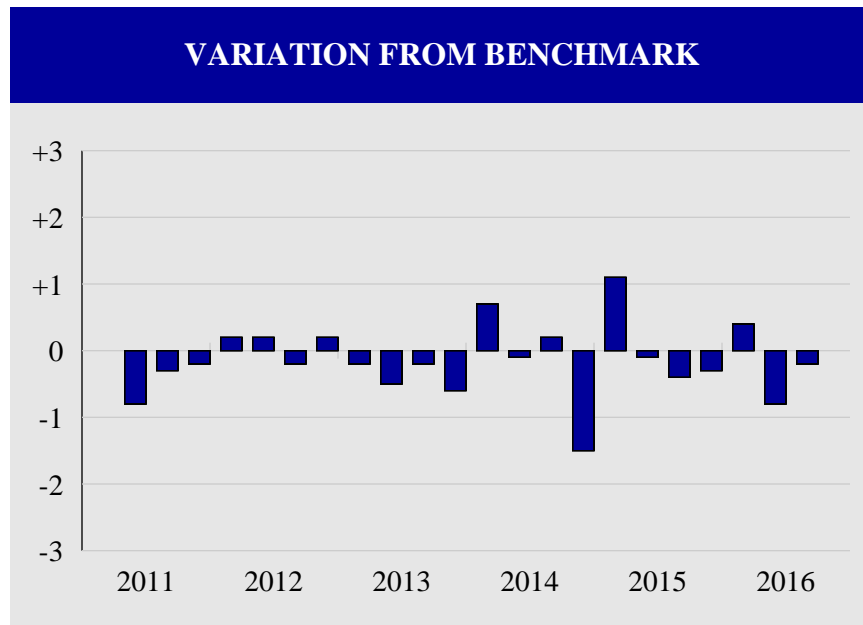
— ACTUAL RETURN  
 - - - 7.6%  
 . . . 0.0%

VALUE ASSUMING  
 7.6% RETURN \$ 4,358,556

	LAST QUARTER	PERIOD 3/11 - 9/16
BEGINNING VALUE	\$ 4,714,632	\$ 892,274
NET CONTRIBUTIONS	247,065	2,473,688
INVESTMENT RETURN	91,112	1,686,848
ENDING VALUE	\$ 5,052,809	\$ 5,052,809
INCOME	49,213	866,823
CAPITAL GAINS (LOSSES)	41,899	820,025
INVESTMENT RETURN	91,112	1,686,848

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX



<b>Total Quarters Observed</b>	<b>22</b>
<b>Quarters At or Above the Benchmark</b>	<b>7</b>
<b>Quarters Below the Benchmark</b>	<b>15</b>
<b>Batting Average</b>	<b>.318</b>

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



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

## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's Intercontinental US Real Estate Investment Fund was valued at \$7,681,815, representing an increase of \$270,457 from the June quarter's ending value of \$7,411,358. Last quarter, the Fund posted withdrawals totaling \$17,278, which partially offset the portfolio's net investment return of \$287,735. Since there were no income receipts for the third quarter, the portfolio's net investment return figure was the product of net realized and unrealized capital gains totaling \$287,735.

For the cumulative period since September 2013, the account has posted net contributions totaling \$2.8 million, and has recorded net investment gains totaling \$1.9 million. Since September 2013, if the portfolio had returned a compound annual rate of 7.6% it would have been valued at \$6.8 million or \$851,818 less than its actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

For the third quarter, the Intercontinental US Real Estate Investment Fund gained 3.9%, which was 1.9% greater than the NCREIF NFI-ODCE Index's return of 2.0%. Over the trailing twelve-month period, the portfolio returned 13.3%, which was 3.2% greater than the benchmark's 10.1% performance. Since September 2013, the Intercontinental US Real Estate Investment Fund returned 13.4% per annum, while the NCREIF NFI-ODCE Index returned an annualized 12.4% over the same time frame.

## **ASSET ALLOCATION**

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

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	Since 09/13
<b>Total Portfolio - Gross</b>	3.9	13.3	13.3	13.4	13.4
<b>Total Portfolio - Net</b>	3.7	11.1	11.1	11.1	11.1
NCREIF ODCE	2.0	10.1	10.1	12.4	12.4
<b>Real Estate - Gross</b>	3.9	13.3	13.3	13.4	13.4
NCREIF ODCE	2.0	10.1	10.1	12.4	12.4

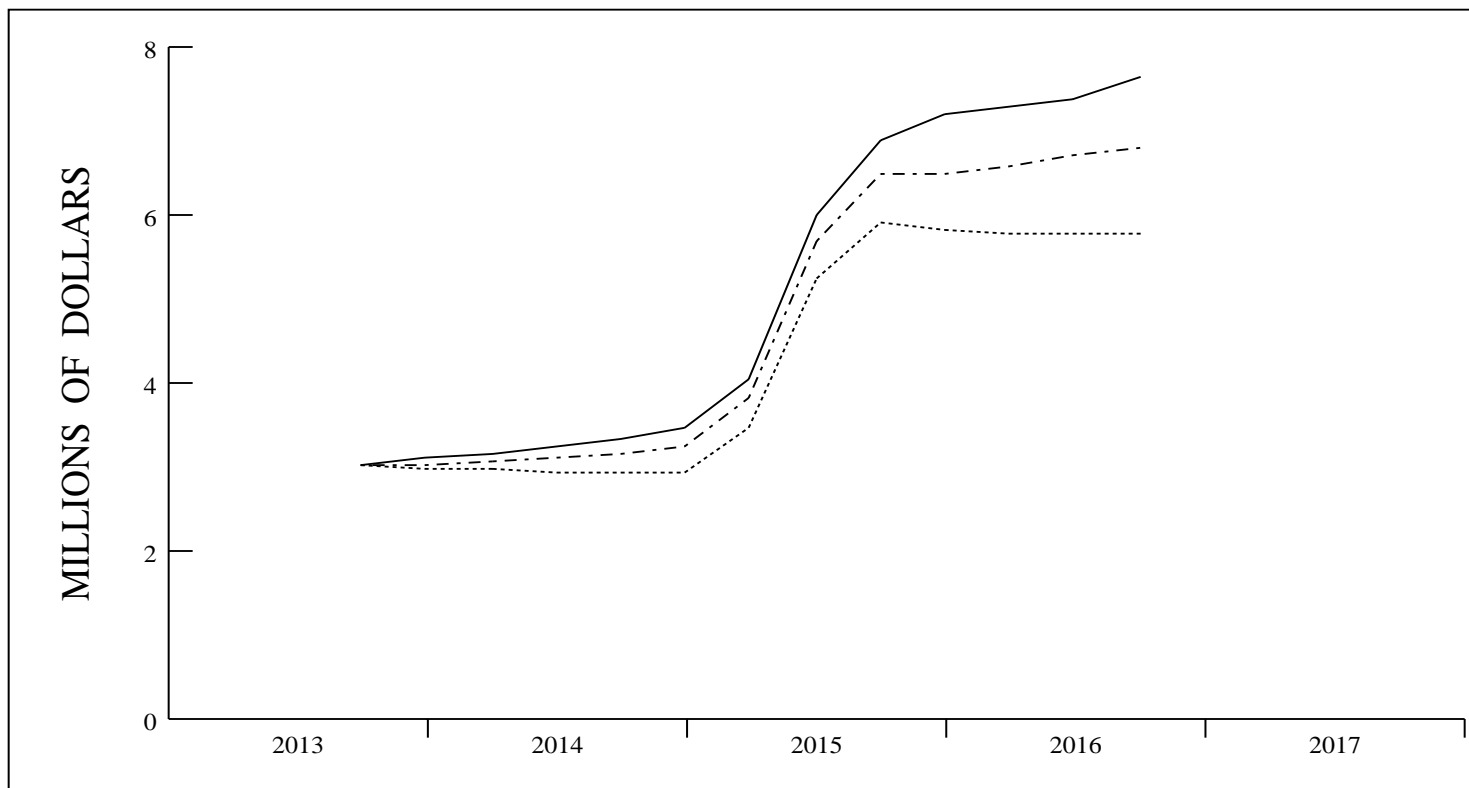
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 7,681,815
Total Portfolio	100.0%	\$ 7,681,815

**INVESTMENT RETURN**

Market Value 6/2016	\$ 7,411,358
Contribs / Withdrawals	- 17,278
Income	0
Capital Gains / Losses	287,735
Market Value 9/2016	\$ 7,681,815

**INVESTMENT GROWTH**



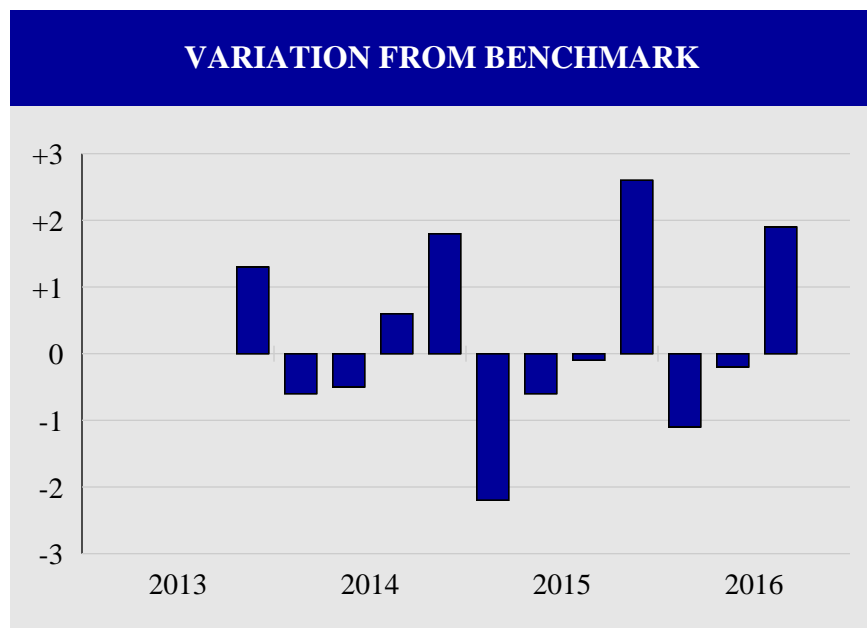
————	ACTUAL RETURN
- - - - -	7.6%
.....	0.0%

VALUE ASSUMING	
7.6% RETURN	\$ 6,829,997

	LAST QUARTER	PERIOD 9/13 - 9/16
BEGINNING VALUE	\$ 7,411,358	\$ 3,032,373
NET CONTRIBUTIONS	- 17,278	2,752,059
INVESTMENT RETURN	287,735	1,897,383
ENDING VALUE	\$ 7,681,815	\$ 7,681,815
INCOME	0	310,772
CAPITAL GAINS (LOSSES)	287,735	1,586,611
INVESTMENT RETURN	287,735	1,897,383

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

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



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/13	4.5	3.2	1.3
3/14	1.9	2.5	-0.6
6/14	2.4	2.9	-0.5
9/14	3.8	3.2	0.6
12/14	5.1	3.3	1.8
3/15	1.2	3.4	-2.2
6/15	3.2	3.8	-0.6
9/15	3.6	3.7	-0.1
12/15	5.9	3.3	2.6
3/16	1.1	2.2	-1.1
6/16	1.9	2.1	-0.2
9/16	3.9	2.0	1.9

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

**Real Estate Investor Report**  
**Intercontinental US Real Estate Investment Fund**  
**As of September 30th, 2016**

<b>Market Value</b>	<b>\$ 7,681,815</b>	Last Appraisal Date: 9/30/2016
Initial Commitment	\$ 6,000,000	100.00%
Paid In Capital	\$ 6,402,674	106.71%
Net Distributions	\$ 595,567	
Net IRR Since Inception	12.93%	

	<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
Q2 2016		\$ -	\$ 69,606	\$ 52,377
Q3 2016		\$ -	\$ 84,723	\$ 67,445
<b>Total</b>		<b>\$ 6,000,000</b>	<b>\$ 537,993</b>	<b>\$ 402,674</b>

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

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

## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's UBS Trumbull Property Fund was valued at \$3,944,562, representing an increase of \$54,317 from the June quarter's ending value of \$3,890,245. Last quarter, the Fund posted withdrawals totaling \$11,553, which partially offset the portfolio's net investment return of \$65,870. Income receipts totaling \$28,333 plus net realized and unrealized capital gains of \$37,537 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 \$1.1 million. 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 \$3.6 million or \$344,739 less than the actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

In the third quarter, the UBS Trumbull Property Fund gained 1.7%, which was 0.3% less than the NCREIF NFI-ODCE Index's return of 2.0%. Over the trailing twelve-month period, the portfolio returned 8.8%, which was 1.3% below the benchmark's 10.1% return. Since June 2012, the account returned 10.6% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 12.5% over the same time frame.

## **ASSET ALLOCATION**

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



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	Since 06/12
<b>Total Portfolio - Gross</b>	1.7	8.8	8.8	10.9	10.6
<b>Total Portfolio - Net</b>	1.4	7.6	7.6	9.6	9.5
NCREIF ODCE	2.0	10.1	10.1	12.4	12.5
<b>Real Estate - Gross</b>	1.7	8.8	8.8	10.9	10.6
NCREIF ODCE	2.0	10.1	10.1	12.4	12.5

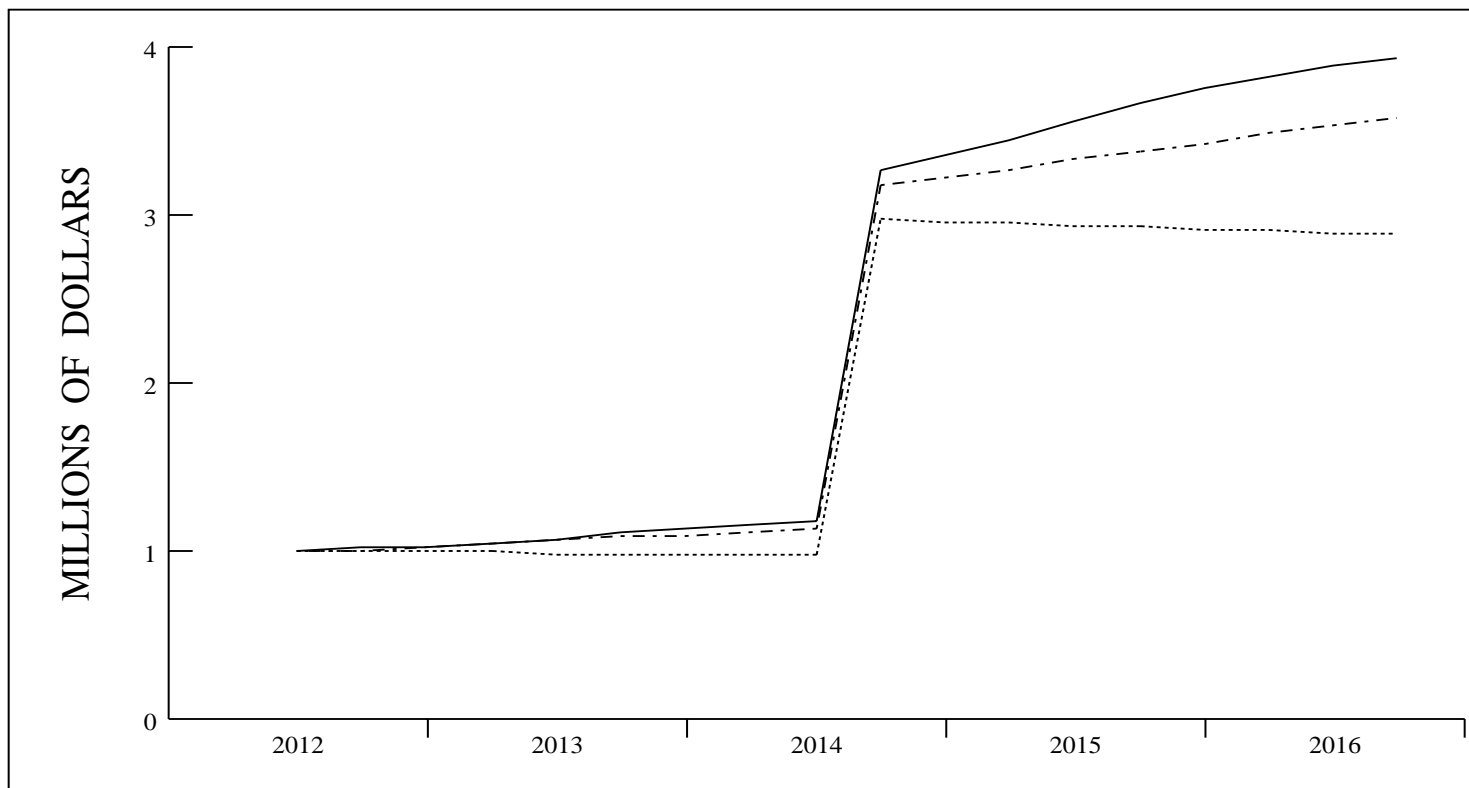
**ASSET ALLOCATION**

Real Estate	100.0%	\$ 3,944,562
Total Portfolio	100.0%	\$ 3,944,562

**INVESTMENT RETURN**

Market Value 6/2016	\$ 3,890,245
Contribs / Withdrawals	- 11,553
Income	28,333
Capital Gains / Losses	37,537
Market Value 9/2016	\$ 3,944,562

**INVESTMENT GROWTH**



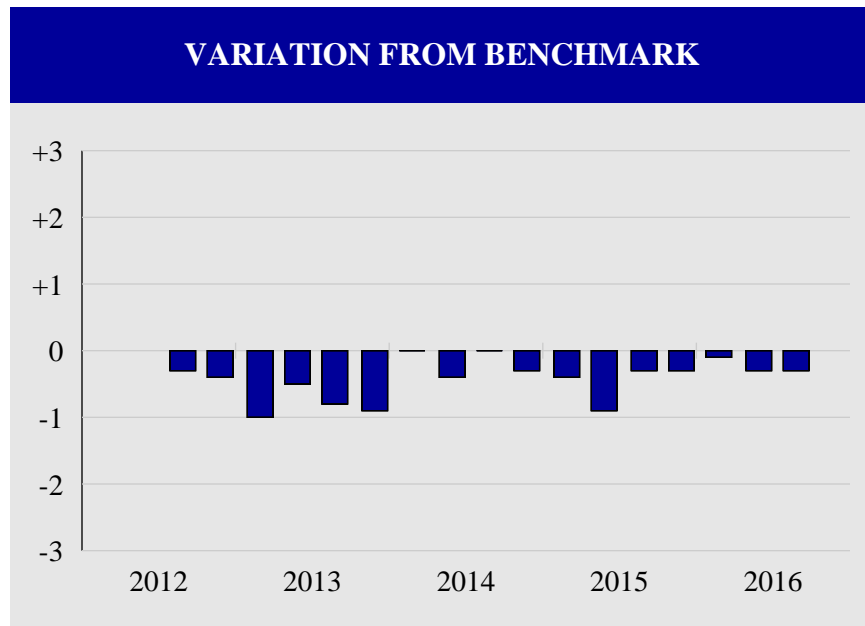
—	ACTUAL RETURN
- - -	7.6%
.....	0.0%

VALUE ASSUMING	
7.6% RETURN	\$ 3,599,823

	LAST QUARTER	PERIOD 6/12 - 9/16
BEGINNING VALUE	\$ 3,890,245	\$ 1,000,000
NET CONTRIBUTIONS	- 11,553	1,894,225
INVESTMENT RETURN	65,870	1,050,337
ENDING VALUE	\$ 3,944,562	\$ 3,944,562
INCOME	28,333	345,260
CAPITAL GAINS (LOSSES)	37,537	705,077
INVESTMENT RETURN	65,870	1,050,337

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

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



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/12	2.5	2.8	-0.3
12/12	1.9	2.3	-0.4
3/13	1.7	2.7	-1.0
6/13	3.4	3.9	-0.5
9/13	2.8	3.6	-0.8
12/13	2.3	3.2	-0.9
3/14	2.5	2.5	0.0
6/14	2.5	2.9	-0.4
9/14	3.2	3.2	0.0
12/14	3.0	3.3	-0.3
3/15	3.0	3.4	-0.4
6/15	2.9	3.8	-0.9
9/15	3.4	3.7	-0.3
12/15	3.0	3.3	-0.3
3/16	2.1	2.2	-0.1
6/16	1.8	2.1	-0.3
9/16	1.7	2.0	-0.3

<b>Total Quarters Observed</b>	<b>17</b>
<b>Quarters At or Above the Benchmark</b>	<b>2</b>
<b>Quarters Below the Benchmark</b>	<b>15</b>
<b>Batting Average</b>	<b>.118</b>

**Real Estate Investor Report  
UBS Trumbull Property Fund  
As of September 30th, 2016**

**Market Value** \$ **3,944,562** Last Appraisal Date: 9/30/2016

Initial Commitment \$ 3,000,000 100.00%

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

Remaining Commitment \$ - 0.00%

IRR Since Inception 9.69%

<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
Q2 2016	\$ -	0.00%	\$ -	0.00%	\$ 28,224
Q3 2016	\$ -	0.00%	\$ -	0.00%	\$ 28,333
<b>Total</b>	<b>\$ 3,000,000</b>	<b>100.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 258,049</b>

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

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

## **INVESTMENT RETURN**

On September 30th, 2016, the Davie Police Pension Plan's Garcia Hamilton Fixed portfolio was valued at \$39,526,638, representing an increase of \$70,247 from the June quarter's ending value of \$39,456,391. Last quarter, the Fund posted withdrawals totaling \$24,647, which offset the portfolio's net investment return of \$94,894. Net investment return was a product of income receipts totaling \$330,391 and realized and unrealized capital losses of \$235,497.

For the cumulative period since September 2011, the fund has recorded net contributions totaling \$19.6 million, and recorded net investment gains of \$5.7 million. For the period since September 2011, if the total fund returned a compound annual rate of 7.6% it would have been valued at \$43.8 million or \$4.3 million more than the actual value as of September 30th, 2016.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the Garcia Hamilton Fixed portfolio gained 0.2%, which was 0.3% below the Custom Fixed Income Index's return of 0.5% and ranked in the 96th percentile of the Core Fixed Income universe. Over the trailing year, the portfolio returned 5.6%, which was 0.4% greater than the benchmark's 5.2% performance, and ranked in the 53rd percentile. Since September 2011, the portfolio returned 5.1% on an annualized basis and ranked in the 2nd percentile. For comparison, the Custom Fixed Income Index returned an annualized 2.9% over the same period.

## **ASSET ALLOCATION**

On September 30th, 2016, fixed income comprised 98.4% of the total portfolio (\$38.9 million), while cash & equivalents totaled 1.6% (\$635,381).

## **ANALYSIS**

At the end of the quarter, USG rated securities comprised nearly 80% of the bond portfolio, helping to minimize default risk. Corporate securities, rated A through BBB, made up the remainder, giving the portfolio an overall average quality rating of AAA. The average maturity of the portfolio was 7.37 years, less than the Bloomberg Barclays Aggregate Index's 7.82-year maturity. The average coupon was 2.97%.

**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	3 Year	5 Years
<b>Total Portfolio - Gross</b>	0.2	5.6	5.6	5.1	5.1
<i>CORE FIXED INCOME RANK</i>	(96)	(53)	(53)	(7)	(2)
<b>Total Portfolio - Net</b>	0.1	5.0	5.0	4.5	4.6
CUSTOM INDEX	0.5	5.2	5.2	3.8	2.9
<b>Fixed Income - Gross</b>	0.2	5.6	5.6	5.1	5.1
<i>CORE FIXED INCOME RANK</i>	(96)	(47)	(47)	(5)	(2)
CUSTOM INDEX	0.5	5.2	5.2	3.8	2.9
AGGREGATE INDEX	0.5	5.2	5.2	4.0	3.1
GOV/CREDIT	0.4	5.9	5.9	4.2	3.2

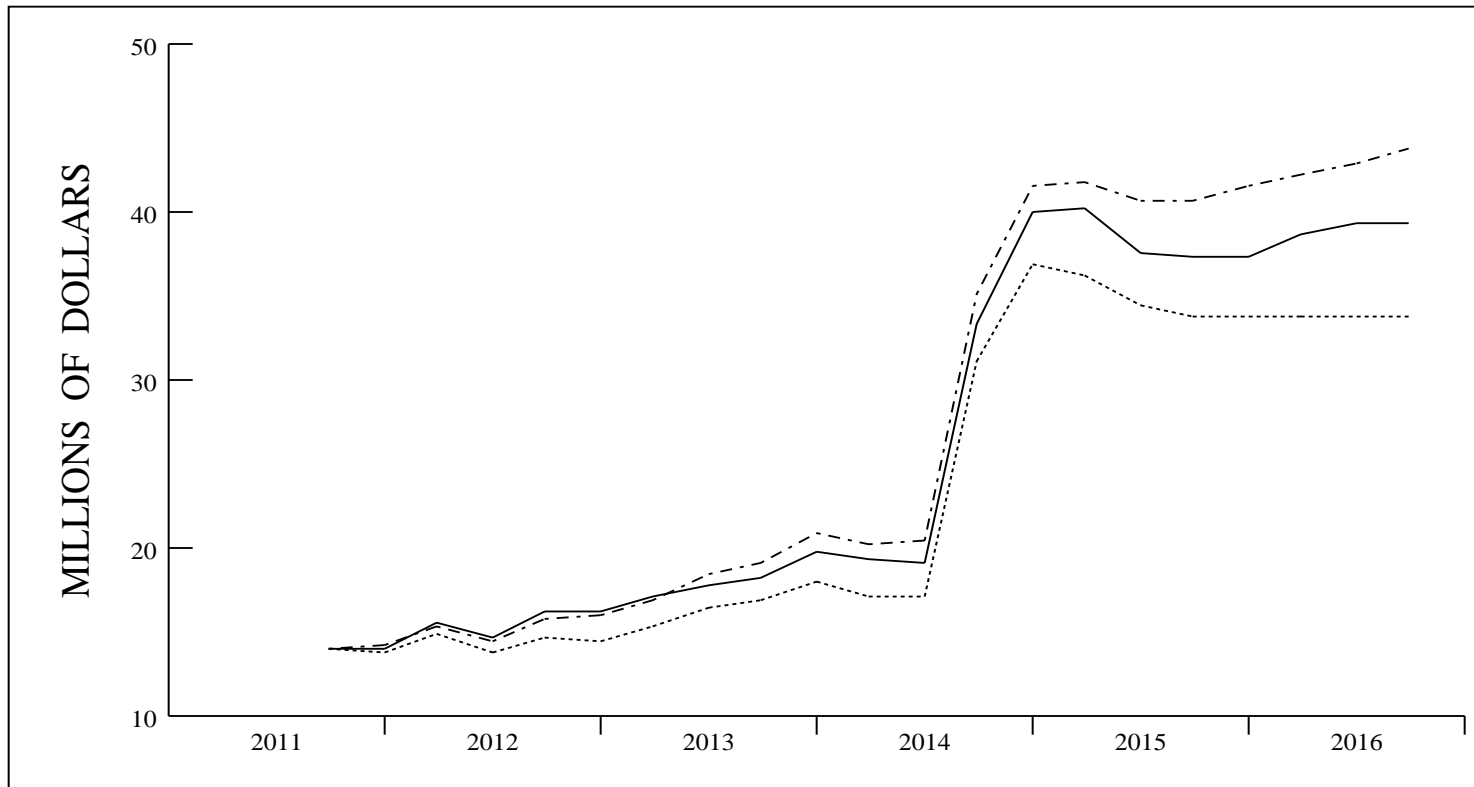
**ASSET ALLOCATION**

Fixed Income	98.4%	\$ 38,891,257
Cash	1.6%	635,381
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 39,526,638</b>

**INVESTMENT RETURN**

Market Value 6/2016	\$ 39,456,391
Contribs / Withdrawals	- 24,647
Income	330,391
Capital Gains / Losses	-235,497
Market Value 9/2016	\$ 39,526,638

**INVESTMENT GROWTH**



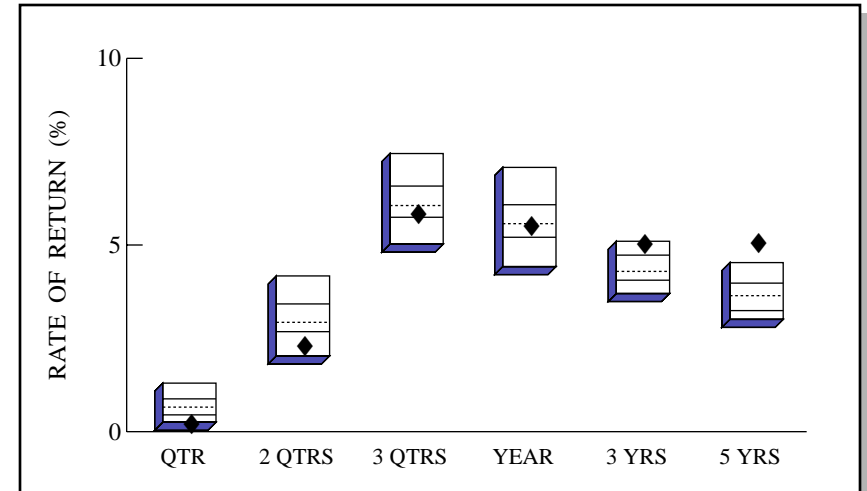
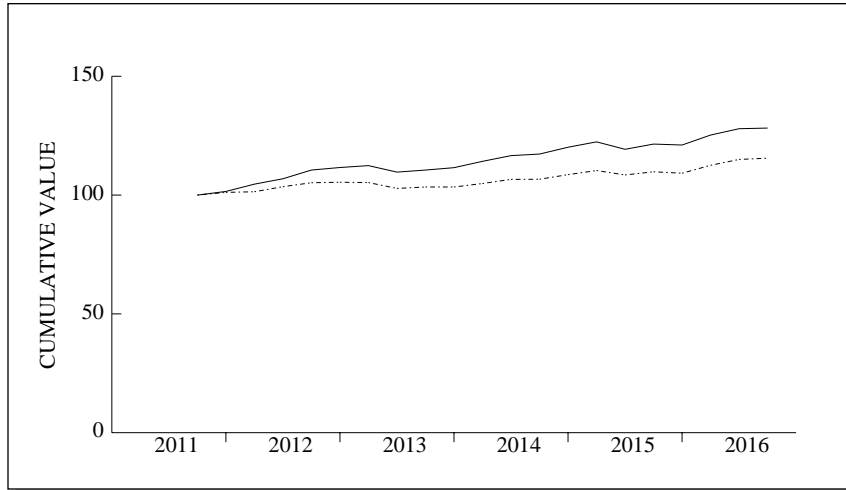
— ACTUAL RETURN  
 - - - 7.6%  
 . . . 0.0%

VALUE ASSUMING  
 7.6% RETURN \$ 43,835,241

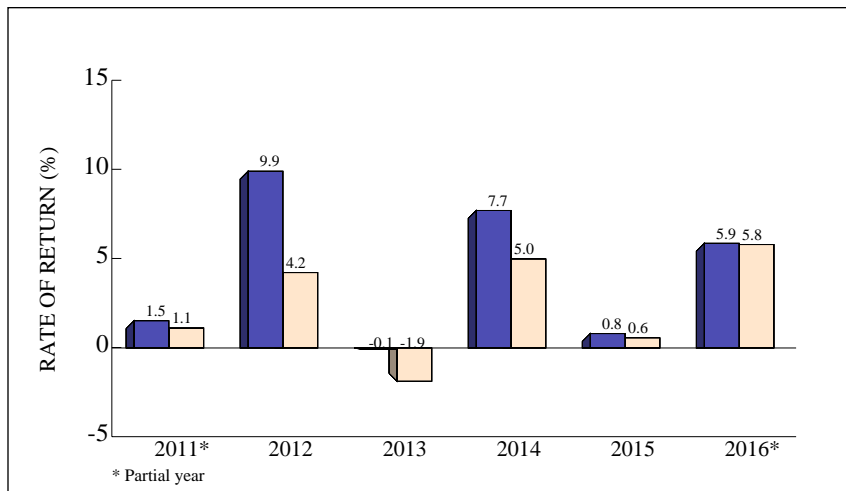
	LAST QUARTER	PERIOD 9/11 - 9/16
BEGINNING VALUE	\$ 39,456,391	\$ 14,200,065
NET CONTRIBUTIONS	- 24,647	19,631,194
<u>INVESTMENT RETURN</u>	<u>94,894</u>	<u>5,695,373</u>
ENDING VALUE	\$ 39,526,638	\$ 39,526,638
INCOME	330,391	5,421,872
<u>CAPITAL GAINS (LOSSES)</u>	<u>-235,497</u>	<u>273,501</u>
INVESTMENT RETURN	94,894	5,695,373



**TOTAL RETURN COMPARISONS**



Core Fixed Income Universe



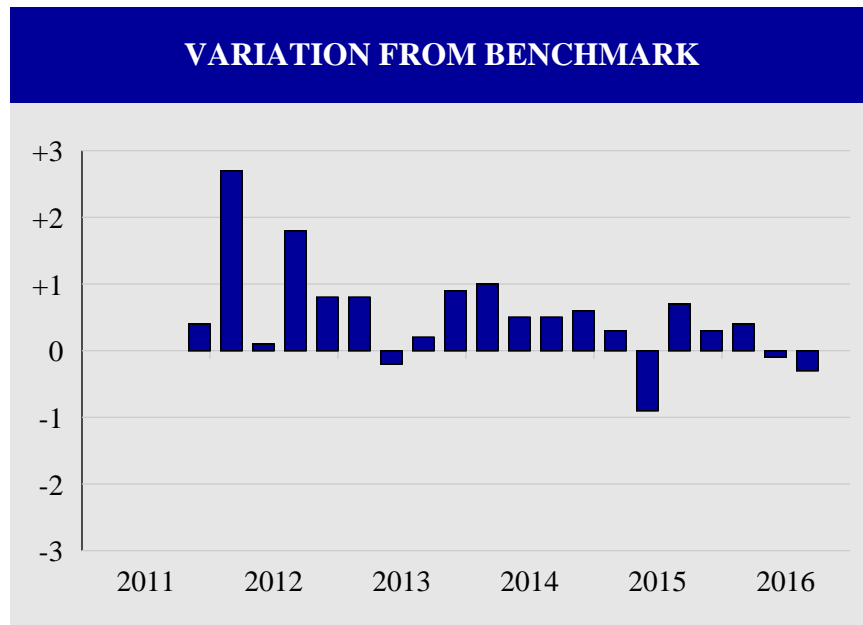
\* Partial year

	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.2	2.3	5.9	5.6	5.1	5.1
(RANK)	(96)	(90)	(64)	(53)	(7)	(2)
5TH %ILE	1.3	4.2	7.5	7.1	5.1	4.5
25TH %ILE	0.9	3.4	6.6	6.1	4.7	4.0
MEDIAN	0.7	2.9	6.1	5.6	4.3	3.6
75TH %ILE	0.5	2.7	5.7	5.2	4.1	3.2
95TH %ILE	0.3	2.0	5.0	4.4	3.7	3.0
<b>Custom Idx</b>	<b>0.5</b>	<b>2.7</b>	<b>5.8</b>	<b>5.2</b>	<b>3.8</b>	<b>2.9</b>

Core Fixed Income Universe

## TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

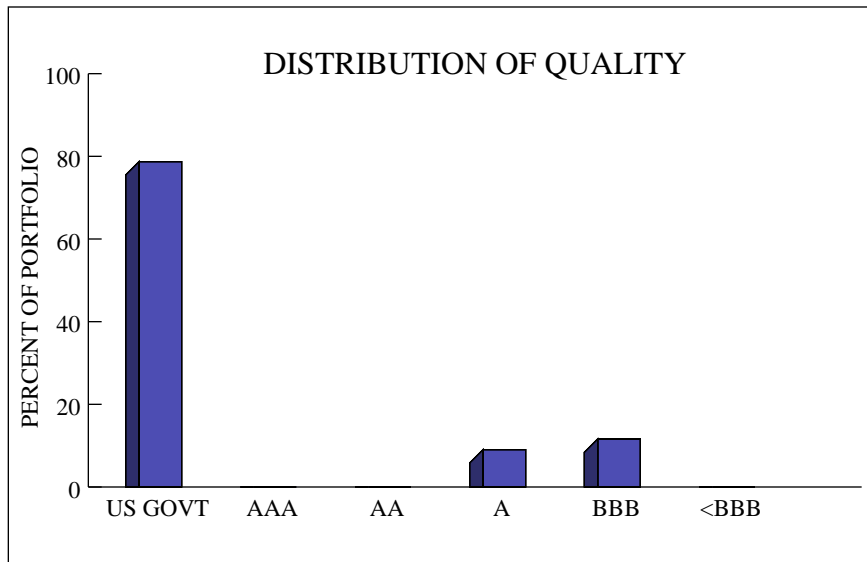
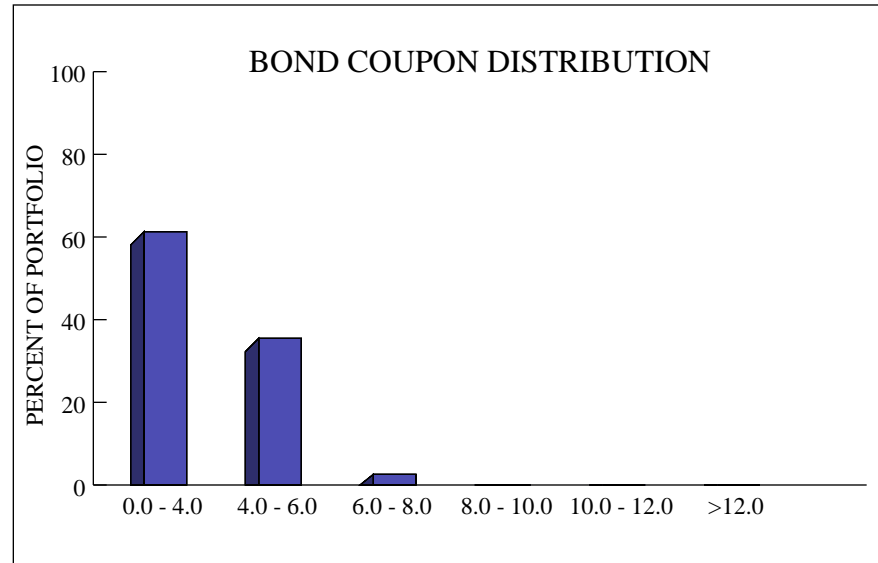
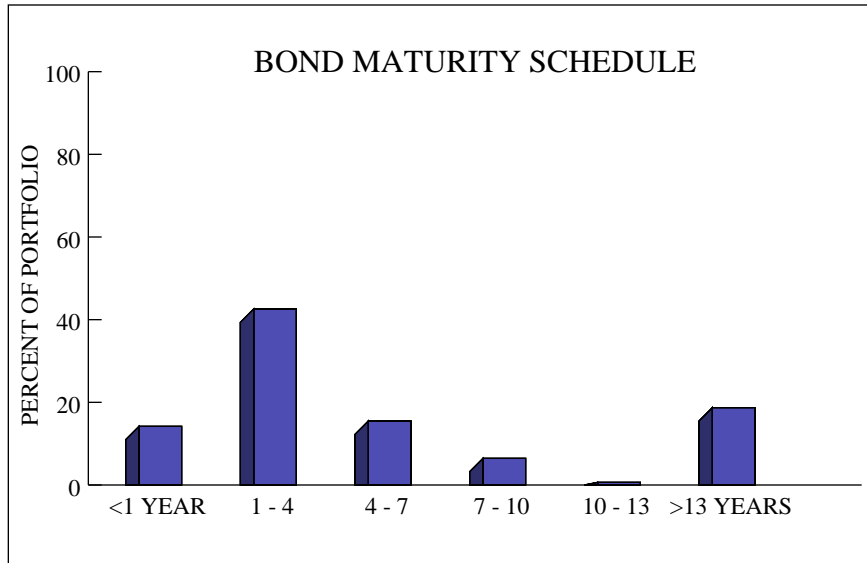
COMPARATIVE BENCHMARK: CUSTOM FIXED INCOME INDEX



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
6/16	2.1	2.2	-0.1
9/16	0.2	0.5	-0.3

<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>

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>AGGREGATE INDEX</b>
No. of Securities	34	9,977
Duration	4.88	5.51
YTM	1.66	1.96
Average Coupon	2.97	3.09
Avg Maturity / WAL	7.37	7.82
Average Quality	AAA	USG-AAA