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***Burgess Chambers & Associates, Inc.***

***Institutional Investment Advisors***

***[www.burgesschambers.com](http://www.burgesschambers.com)***

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# **JUPITER POLICE OFFICER'S RETIREMENT FUND**

## **INVESTMENT PERFORMANCE PERIOD ENDING JUNE 30, 2012**

NOTE: For a free copy of Part II (mailed w/ 5 bus. days from request receipt) of Burgess Chambers and Associates, Inc.'s most recent Form ADV which details pertinent business procedures, please contact:  
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## **Jupiter Police Officers' Retirement Fund**

### **BCA Market Perspective ©**

#### **Why the Federal Reserve is Pushing Stocks July 2012**

Following past recessions, the Federal Reserve stimulated private sector borrowing by lowering interest rates and bank reserve requirements. This in turn encouraged increased economic activity by way of the “multiplier effect” – each dollar borrowed magnified the speed of the recovery, as each economic level benefited from the initial dollar of borrowing. But this economy has been different, as credit expansion has been abnormally slow. Instead of expanding bank borrowing, companies have reduced it by refinancing into longer-term bonds. The results are better balance sheets and higher levels of working capital – the seeds of improving capital investment -- which should ultimately lead to increased hiring.

The Fed has two primary objectives: to manage a monetary policy promoting full employment, and to manage inflationary expectations. By adjusting the cost of borrowing money and influencing bank lending, the Fed heats up or cools down the domestic economy. In past economic cycles, Fed policy has impacted the value of the dollar, increased unemployment by encouraging firms to move operations offshore (Volker), promoted home ownership financing (Greenspan), and now under Ben Bernanke – encouraged investors to buy stocks.

The simplest illustration is appreciating how Bernanke's current zero interest policy is strengthening the balance sheets of public companies. With borrowing costs so low, these companies have a reduced reliance on cumbersome bank credit facilities because of restructuring to low interest rate corporate bonds. Companies benefit with reduced interest costs and a pushing these obligations well into the future. Stronger balance sheets provide public companies with more working capital to grow their businesses, invest in new capital equipment, hire employees, and pay higher dividends.

Dividend yields of large U.S. companies (S&P 500) are higher than 10-year government bonds (2.1% vs. 1.5%). A number of stocks in this index are paying yields above 3.5%. Investors see the attractive comparative dividend, but remain skeptical.

The Fed's policy in promoting stock ownership is slow going, but it just might do the trick. A prolonged period of zero policy rates, along with the specter of rising interest-rate based bond value declines, is attracting money from bonds and cash. The Fed has clearly moved towards unconventional means to stimulate the domestic economy. Historically, bank lending has been the mechanism driving economic cycles. But with today's weak credit expansion, the approach by the Fed in pushing stock ownership is novel and experimental. A risk is this policy brings on significantly higher inflation in the future as the rate of money supply growth and credit exceed U.S. and global GDP growth. However, it appears this is a risk the Fed is willing to take.

**Jupiter Police Officers' Retirement Fund**  
**Total Fund**  
**Investment Summary**  
**June 30, 2012**

- ☐ Following a strong first quarter (+8.3% vs. +7.5%), the equity market retreat in May resulted in a loss of \$1.0 million (-2.4% net) in 2Q. Results were behind the benchmark (-1.4%), due to the over-weight among domestic equities going into the quarter (50% vs. 45%). The best two performing asset categories were: SPDR REIT (+3.8%) and fixed-income (+1.9%).
- ☐ **Fiscal year to date, the total Fund had earned +4.5 million (+12.7% net), just short of the benchmark (+13.1%). Update: FYTD results through August 10 were estimated to be +14.8%.**
- ☐ **For the 12-month period, the total Fund earned +2.3% net and ranked in the top 21st percentile.** The top three performing asset categories were: REIT (+13.8%), CSM fixed income (+8.5%) and Westwood large-cap value (+0.9%). Both the REIT and fixed income were ahead of their benchmarks for the year.
- ☐ For the five-year period, the total Fund ranked in the top 26th percentile.
- ☐ The Fund's new investment policy went into effect April 2012. Advent's convertibles program was funded on June 15, 2012, using proceeds from CS McKee fixed income (\$150K), Eaton Vance large cap growth (\$1.6 million) and Westwood large cap value (\$1.4 million). American Realty Advisors received its first capital contribution of \$625,000 on July 2, 2012.

**Compliance:**

- Westwood's large-cap value program has an attractive risk profile (e.g. Beta = 0.89). For the five-year period, this product beat its benchmark by 124 bps per year and ranked average (51st percentile), not achieving the 40th percentile objective.
- I-share's S&P 400 product continues to closely track the index and post impressive rankings.
- CSM's international product beat its benchmark for the five-year period by 139 bps per year and ranked average (50th).
- The REIT ETF ranked in the top 7th percentile for the two-year period, averaging +23.6% per year.
- CSM's fixed-income product added 116 bps to the benchmark over the past two years.
- During the past five year, beta risk was considerably below the benchmark (0.73x vs. 1.00x).

**Jupiter Police Officers' Retirement Fund  
Total Fund  
Investment Performance  
June 30, 2012**

**Dollars**

	<u><b>Quarter</b></u>	<u><b>Fiscal YTD</b></u>
<b>Beginning Market Value</b>	<b>41,848,943</b>	<b>36,335,702</b>
<b>Ending Market Value</b>	<b>41,597,802</b>	<b>41,597,802</b>
<b>Flows (+/-)</b>	<b>+782,604</b>	<b>+731,158</b>
<b>Investment Gain/Loss (+/-)</b>	<b>-1,033,745</b>	<b>+4,530,943</b>
<b>Investment Return, net</b>	<b>-2.4%</b>	<b>+12.7%</b>
<b>Strategic Model</b>	<b>-1.4%</b>	<b>+13.1%</b>

Fiscal Year: October 1st to September 30th

**Jupiter Police Officers' Retirement Fund**  
**Total Fund**  
**Compliance Checklist**  
**June 30, 2012**

	<b>Yes</b>	<b>No</b>
The annualized three-year total Fund performance achieved the return of the strategic benchmark.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized three-year total Fund performance ranked in the top 40th percentile.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund's annualized three-year performance achieved the 7.5% actuarial assumption rate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized five-year total Fund performance achieved the return of the strategic benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized five-year total Fund performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The total Fund's annualized five-year performance achieved the 7.5% actuarial assumption rate.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized three-year Westwood large cap value performance achieved the Russell 1000 Value.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized three-year Westwood large cap value performance ranked in the top 40th percentile.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized five-year Westwood large cap value performance achieved the Russell 1000 Value.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized five-year Westwood large cap value performance ranked in the top 40th percentile.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized three-year C.S. McKee international performance achieved the MSCI EAFE.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized three-year C.S. McKee international performance ranked in the top 40th percentile.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized five-year C.S. McKee international performance achieved the MSCI EAFE.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized five-year C.S. McKee international performance ranked in the top 40th percentile.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized three-year C.S. McKee fixed income performance achieved the fixed income benchmark.	N/A	N/A
The annualized three-year C.S. McKee fixed income performance ranked in the top 40th percentile.	N/A	N/A
Total equity securities (including the REIT and convertibles), were within the 70% at market limitation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
No more than 25% of the total Fund's assets at market were invested in foreign securities.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Five % or less the fixed income portfolio was invested in the securities of any single corporate issuer.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Five % or less of the Fund's assets was invested in the common stock or capital of any one issuing company.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
PFIA compliant.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

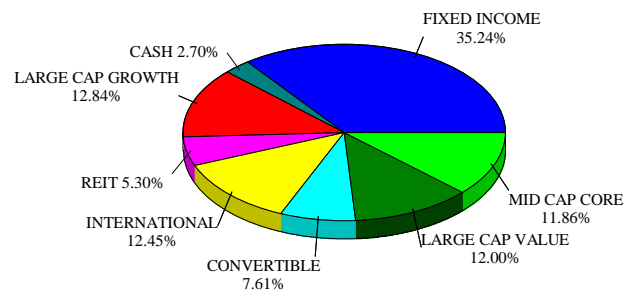
# Jupiter Police Officer's Retirement Fund

## Total Fund

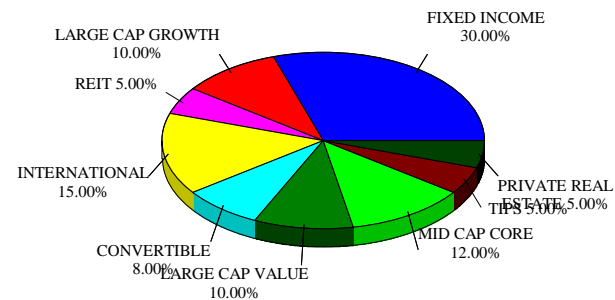
### Actual vs. Target Asset Allocation

#### June 30, 2012

**ACTUAL ASSET ALLOCATION**



**TARGET ASSET ALLOCATION**



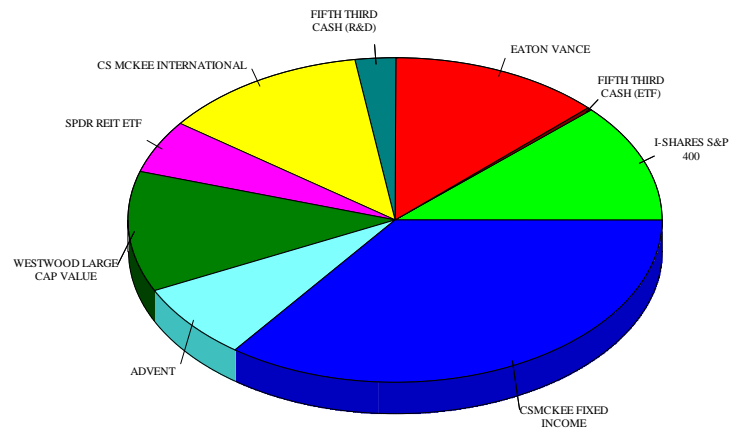
	MARKET VALUE ACTUAL	PERCENT ACTUAL	MARKET VALUE TARGET	PERCENT TARGET	MARKET VALUE DIFFERENCE	PERCENT DIFFERENCE
LARGE CAP VALUE	4,991,903.4	12.0%	4,159,780.2	10.0%	832,123.2	2.0%
LARGE CAP GROWTH	5,342,779.9	12.8%	4,159,780.2	10.0%	1,182,999.7	2.8%
MID CAP CORE	4,935,543.9	11.9%	4,991,736.2	12.0%	(56,192.4)	(0.1%)
INTERNATIONAL	5,179,849.9	12.5%	6,239,670.3	15.0%	(1,059,820.4)	(2.5%)
CONVERTIBLE	3,163,953.7	7.6%	3,327,824.2	8.0%	(163,870.4)	(0.4%)
REIT	2,202,735.8	5.3%	2,079,890.1	5.0%	122,845.7	0.3%
FIXED INCOME	14,657,133.9	35.2%	12,479,340.6	30.0%	2,177,793.3	5.2%
CASH	1,123,901.5	2.7%	0.0	0.0%	1,123,901.5	2.7%
TIPS	0.0	0.0%	2,079,890.1	5.0%	(2,079,890.1)	(5.0%)
PRIVATE REAL ESTATE	0.0	0.0%	2,079,890.1	5.0%	(2,079,890.1)	(5.0%)
<b>TOTAL FUND</b>	<b>\$41,597,802.0</b>	<b>100.0%</b>	<b>\$41,597,802.0</b>	<b>100.0%</b>	<b>\$0.0</b>	<b>0.0%</b>

# Jupiter Police Officer's Retirement Fund

## Total Fund

### Asset Allocation

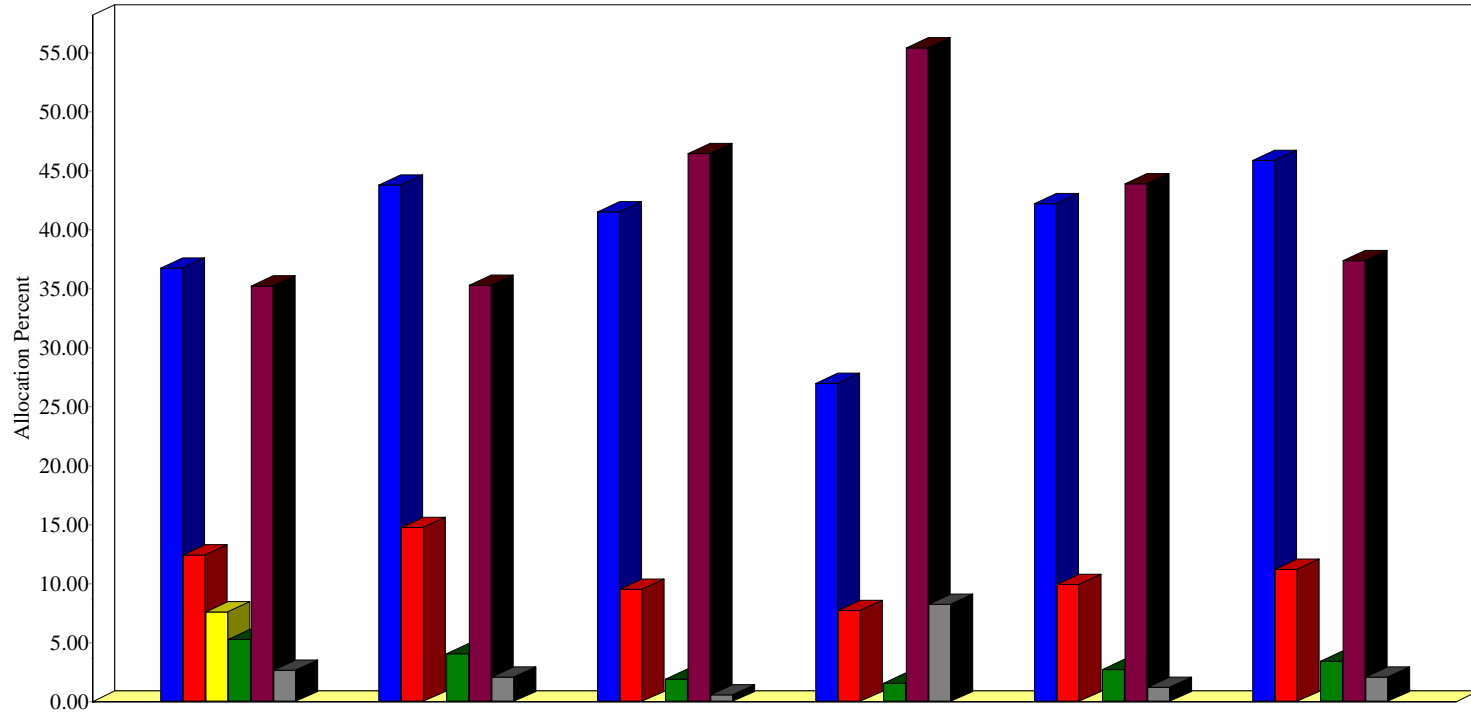
TOTAL MARKET VALUE  
AS OF JUNE 30, 2012  
\$ 41,597,802



	VALUE	PERCENT
CSMCKEE FIXED INCOME	14,657,134	35.24
EATON VANCE	5,342,780	12.84
CS MCKEE INTERNATIONAL	5,179,850	12.45
WESTWOOD LARGE CAP VALUE	4,991,903	12.00
I-SHARES S&P 400	4,935,544	11.86
ADVENT	3,163,954	7.61
SPDR REIT ETF	2,202,736	5.30
FIFTH THIRD CASH (R&D)	1,025,136	2.46
FIFTH THIRD CASH (ETF)	98,766	0.24



**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Asset Distribution**  
**June 30, 2012**



	QUARTER TO DATE	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
DOMESTIC EQUITY	36.71	43.77	41.49	27.00	42.20	45.88
INTERNATIONAL	12.45	14.77	9.53	7.74	9.95	11.23
CONVERTIBLE	7.61	N/A	N/A	N/A	N/A	N/A
REAL ESTATE	5.30	4.09	1.91	1.57	2.75	3.40
FIXED INCOME	35.24	35.26	46.46	55.42	43.88	37.39
CASH	2.70	2.11	0.60	8.28	1.23	2.10

# Jupiter Police Officer's Retirement Fund

## Total Fund

June 30, 2012

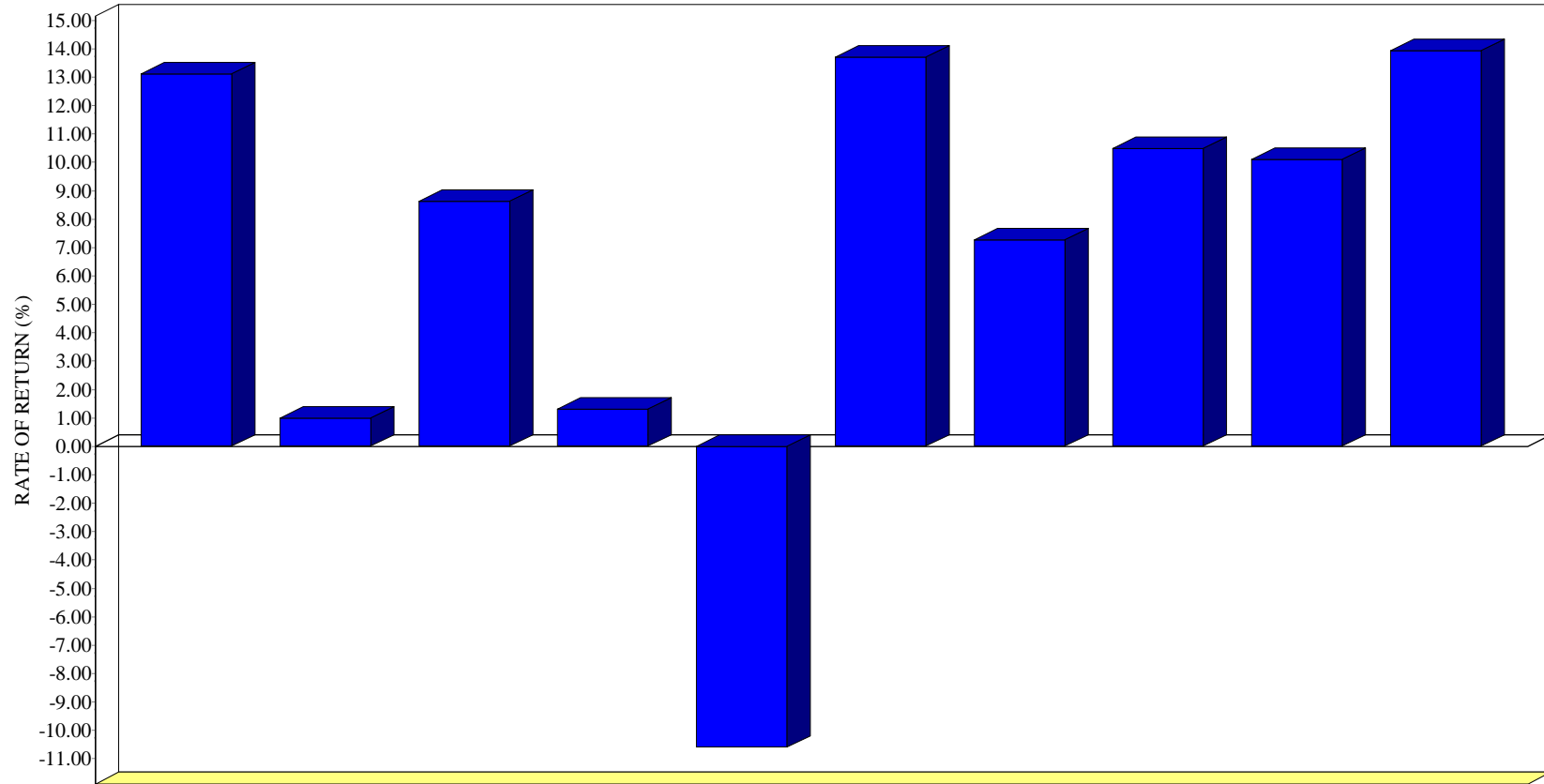
## Gross of Fees

Name	Market Values	QTR ROR	FYTD ROR	1 Year ROR	2 Year ROR	3 Year ROR	5 Year ROR
<u>Equity</u>							
<u>Domestic Equity</u>							
Westwood Large Cap Value	4,991,903	-4.0%	21.7%	0.9%	15.3%	13.0%	-1.0%
Eaton Vance	5,342,780	-4.9%	19.0%	N/A	N/A	N/A	N/A
i-Shares S&P 400	4,935,544	-4.7%	22.1%	-2.1%	16.8%	19.0%	N/A
<u>International</u>							
CS McKee International	5,179,850	-7.0%	10.2%	-14.0%	5.2%	6.6%	-4.2%
<u>Convertible</u>							
Advent	3,163,954	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total Equity</b>	<b>23,614,031</b>	<b>-5.4%</b>	<b>17.9%</b>	<b>-1.3%</b>	<b>14.7%</b>	<b>14.1%</b>	<b>-0.4%</b>
<u>Real Estate</u>							
SPDR REIT ETF	2,202,736	3.8%	32.9%	13.8%	23.6%	N/A	N/A
<b>Total Real Estate</b>	<b>2,202,736</b>	<b>3.8%</b>	<b>32.9%</b>	<b>13.8%</b>	<b>23.6%</b>	<b>30.1%</b>	<b>0.8%</b>
<u>Fixed Income</u>							
CSMcKee Fixed Income	14,657,134	1.9%	4.7%	8.5%	6.3%	N/A	N/A
<b>Total Fixed Income</b>	<b>14,657,134</b>	<b>1.9%</b>	<b>4.7%</b>	<b>8.5%</b>	<b>6.3%</b>	<b>6.8%</b>	<b>6.8%</b>
<u>Cash</u>							
Fifth Third Cash (ETF)	98,766	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%
Fifth Third Cash (R&D)	1,025,136	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%
<b>Total Cash</b>	<b>1,123,902</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.7%</b>
<b>TOTAL: (1, 2)</b>	<b>41,597,802</b>	<b>-2.3%</b>	<b>13.1%</b>	<b>2.8%</b>	<b>11.0%</b>	<b>10.3%</b>	<b>2.7%</b>
Model Portfolio		-1.4%	13.1%	2.9%	11.8%	13.3%	2.4%
Russell 1000 Value		-2.2%	22.9%	3.0%	15.2%	15.8%	-2.2%
Russell 1000 Growth		-4.0%	21.8%	5.8%	19.5%	17.5%	2.9%
S&P 400 Mid Cap		-4.9%	21.9%	-2.3%	16.7%	19.4%	2.6%
Russell 3000		-3.1%	22.6%	3.8%	17.2%	16.7%	0.4%
MSCI Gross EAFE		-6.9%	6.9%	-13.4%	6.5%	6.5%	-5.6%
ML Cnv x144A AllQual		-3.1%	10.9%	-3.5%	8.4%	12.8%	1.7%
Wilshire REIT		3.7%	32.6%	13.2%	23.9%	33.6%	2.0%
Fixed Income Bnch		2.1%	3.5%	7.5%	5.7%	6.9%	6.8%
ML 3M TBill		0.0%	0.0%	0.1%	0.1%	0.1%	1.0%

1 Model Portfolio: From 4/2012 10% R1000 Value, 10% R1000 Growth, 8% ML Converts ex144A, 12% S&P 400 Mid cap, 15% MSCI EAFE , 5% Wilshire REIT, 5% NCREIF ODCE, 30% BC Agg Bond, 5% 1-10 yr TIPS; From 1/2010 14% R1000 Value, 14% R1000 Growth, 12% S&P 400 Mid cap, 15% MSCI EAFE , 5% Wilshire REIT, 35% BC Agg Bond, 5% 1-10 yr TIPS; From 5/07 45% R3000, 10% EAFE, 10% Wilshire REIT, 35% LBAG; from 4/04 50% R3000, 10% EAFE, 10% Wilshire REIT, 30% LB Int Ag; from 4/03 45% R3000, 10% EAFE, 10% Wilshire REIT, 35% LB Int Ag; from 1/03 60% S&P 500, 40% ML Dom Bd; and from 6/02 50% S&P 500, 50% ML Dom Bd.

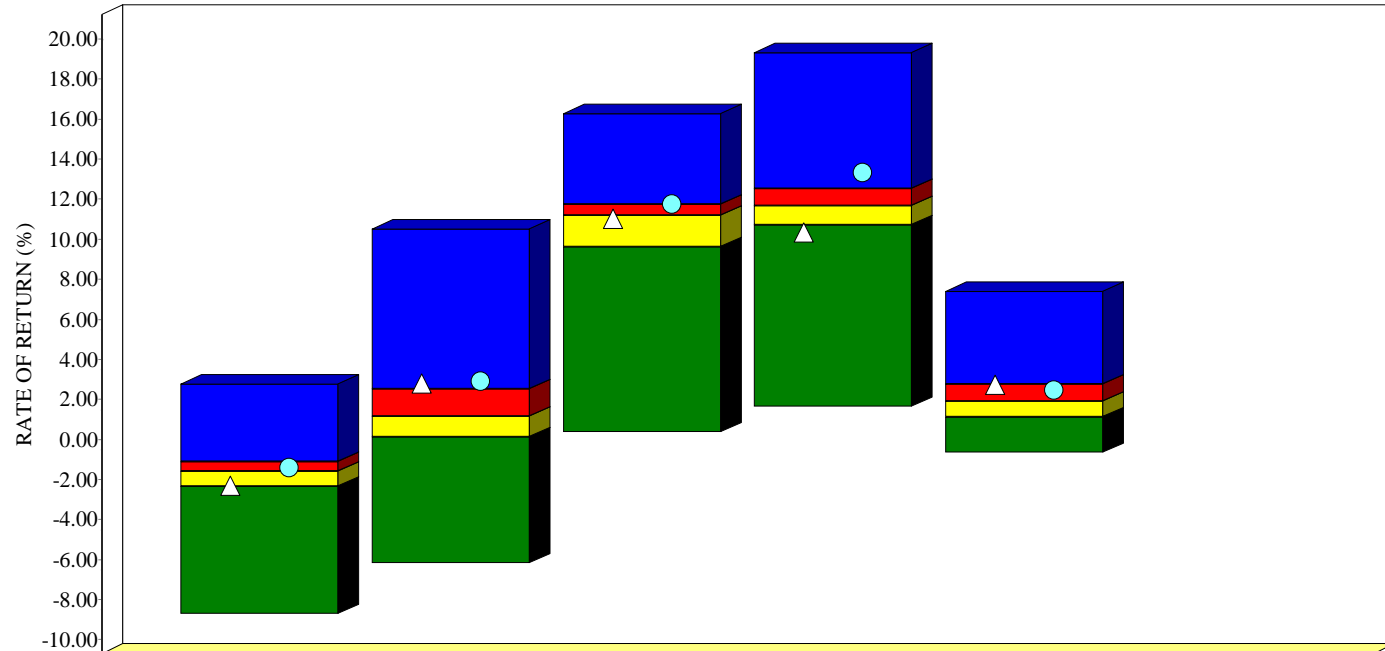
2 Fixed Income Bnch: From 4/2012 100% BC Agg. Bond; From 5/07 100% LBAG; from 4/03 100% LB Int Agg; from 6/02 100% ML Dom Bd.







**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Fiscal Year Rates of Return**  
**September 30, 2002 Through June 30, 2012**



	FISCAL YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003
TF	13.10	1.00	8.62	1.31	-10.61	13.71	7.26	10.49	10.11	13.93

**Jupiter Police Officer's Retirement Fund**  
**Quartile Ranking**  
**Total Fund Versus BNY Mellon Public Funds Universe**  
**June 30, 2007 Through June 30, 2012**



		<u>LATEST QUARTER</u>		<u>ONE YEAR</u>		<u>TWO YEARS</u>		<u>THREE YEARS</u>		<u>FIVE YEARS</u>	
	HIGHEST VALUE	2.77		10.52		16.27		19.32		7.39	
	FIRST QUARTILE	-1.12		2.53		11.74		12.54		2.75	
	MEDIAN VALUE	-1.60		1.14		11.18		11.68		1.89	
	THIRD QUARTILE	-2.33		0.14		9.63		10.70		1.13	
	LOWEST VALUE	-8.72		-6.18		0.38		1.64		-0.67	
	MEAN	-2.02		1.50		10.20		11.34		2.30	
		<u>LATEST QUARTER</u>		<u>ONE YEAR</u>		<u>TWO YEARS</u>		<u>THREE YEARS</u>		<u>FIVE YEARS</u>	
		<u>RETURN</u>	<u>RANK</u>	<u>RETURN</u>	<u>RANK</u>	<u>RETURN</u>	<u>RANK</u>	<u>RETURN</u>	<u>RANK</u>	<u>RETURN</u>	<u>RANK</u>
	TF	-2.30	73	2.81	21	11.02	52	10.35	78	2.73	26
	MODEL PORTFOLIO	-1.41	42	2.90	21	11.76	21	13.33	21	2.45	31

**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Growth of a Dollar Analysis**  
**June 30, 2007 Through June 30, 2012**



	LATEST QUARTER	FISCAL YTD	YEAR TO DATE	ONE YEAR	THREE YEARS	FIVE YEARS
TF	-2.30	13.10	5.96	2.81	10.35	2.73
MODEL PORTFOLIO	-1.41	13.06	5.99	2.90	13.33	2.45

# Jupiter Police Officer's Retirement Fund

## Westwood Large Cap Value

### Performance Profile

### Through June 30, 2012

	ENDED	RETURN
BEST QUARTER	12/2011	13.26
WORST QUARTER	12/2008	-19.74
BEST 4 QUARTERS	6/2011	31.82
WORST 4 QUARTERS	6/2009	-28.93

TOTAL # OF PERIODS: 60  
 # OF POSITIVE PERIODS: 34  
 # OF NEGATIVE PERIODS: 26

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	-3.99	21.67	0.86	15.31	12.99	-0.95
RUSSELL 1000 VALUE	-2.20	22.92	3.01	15.25	15.80	-2.19
EXCESS	-1.79	-1.25	-2.14	0.06	-2.81	1.24
RISKLESS INDEX	0.03	0.04	0.06	0.11	0.12	0.98
REAL ROR	-4.09	20.24	-0.96	12.31	10.65	-2.85

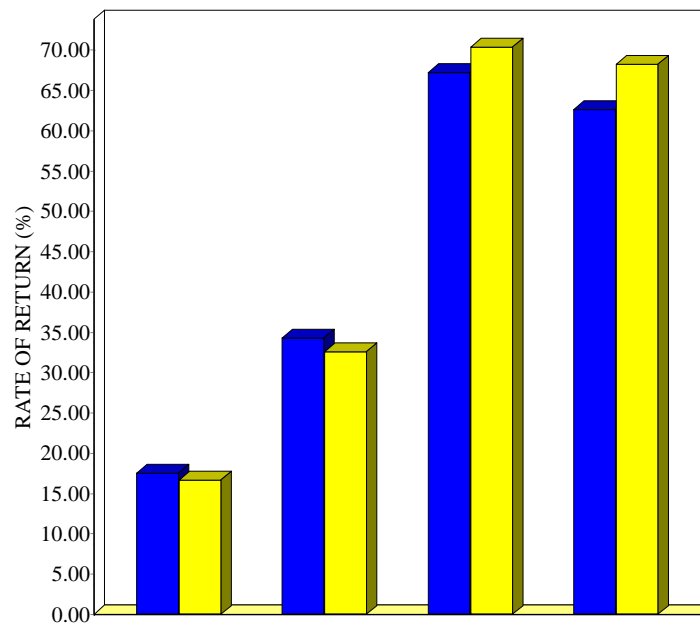
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	0.86	62	20.99	0.04	-2.18	1.12	97.51	-0.42
TWO YEARS	15.31	45	18.10	0.84	-1.20	1.10	97.80	0.10
THREE YEARS	12.99	78	17.50	0.74	-2.91	1.04	96.22	-0.68
FIVE YEARS	-0.95	51	18.77	-0.10	0.84	0.89	93.04	0.15

The risk benchmark for this analysis is the Russell 1000 Value.  
 The universe used was the Large Cap Value



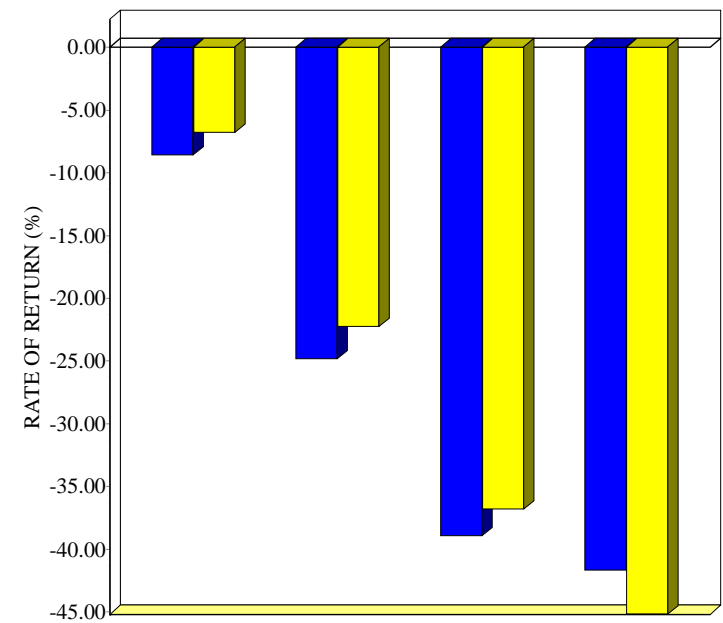
**Jupiter Police Officer's Retirement Fund  
Westwood Large Cap Value  
Performance in Rising and Declining Markets  
June 30, 2007 Through June 30, 2012**

UP MARKET PERFORMANCE



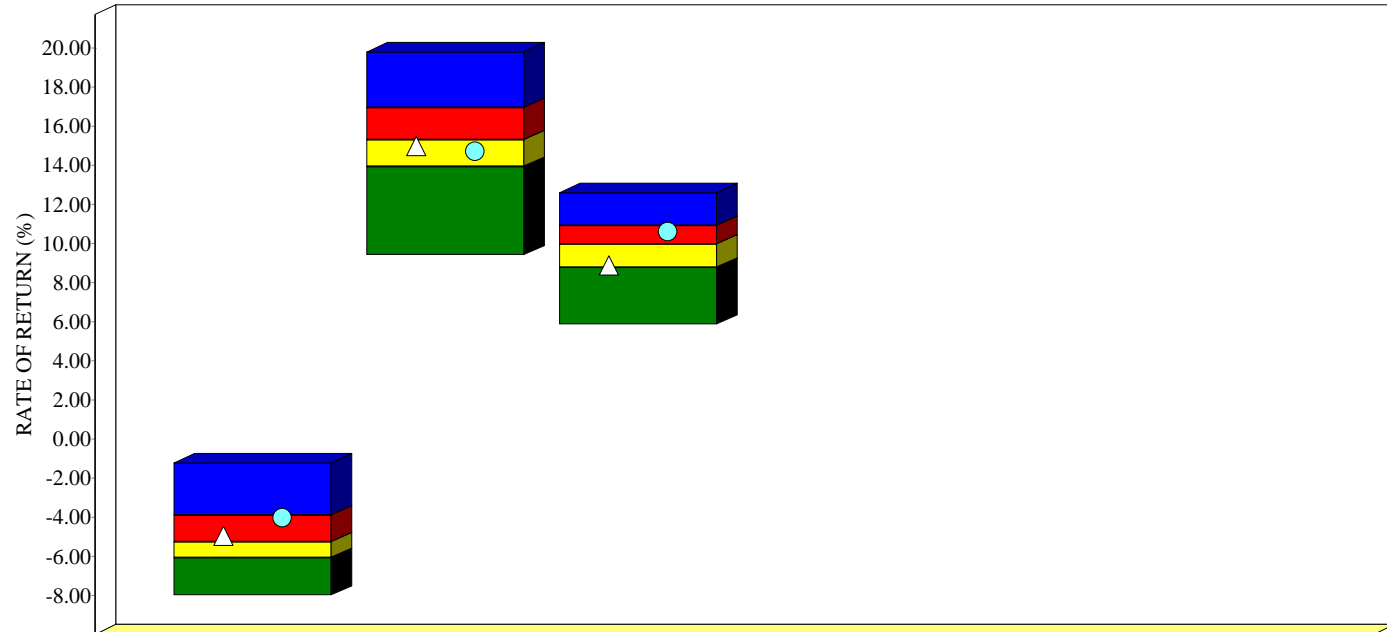
	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	17.56	34.27	67.26	62.62
RUSSELL 1000 VALUE	16.64	32.61	70.34	68.22
DIFFERENCE	0.92	1.66	-3.08	-5.60
RATIO	1.06	1.05	0.96	0.92
UP PERIODS	4	6	22	31

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-8.62	-24.88	-39.00	-41.70
RUSSELL 1000 VALUE	-6.82	-22.32	-36.85	-45.22
DIFFERENCE	-1.79	-2.56	-2.15	3.52
RATIO	1.26	1.11	1.06	0.92
DOWN PERIODS	2	6	14	29

**Jupiter Police Officer's Retirement Fund**  
**Quartile Ranking**  
**Eaton Vance Versus Large Cap Growth**  
**September 30, 2011 Through June 30, 2012**



	<u>3/2012-6/2012</u>	<u>12/2011 TO 3/2012</u>	<u>9/2011 TO 12/2011</u>
HIGHEST VALUE	-1.20	19.80	12.59
FIRST QUARTILE	-3.89	16.93	10.90
MEDIAN VALUE	-5.25	15.31	9.99
THIRD QUARTILE	-6.05	13.92	8.79
LOWEST VALUE	-8.00	9.40	5.88
MEAN	-5.00	15.38	9.81
MEMBERS	211	288	298

	<u>3/2012-6/2012</u>		<u>12/2011 TO 3/2012</u>		<u>9/2011 TO 12/2011</u>	
	RETURN	RANK	RETURN	RANK	RETURN	RANK
△ LCG	-4.94	43	14.98	56	8.90	72
● RUSSELL 1000 GROWTH	-4.02	27	14.69	63	10.61	33



**Jupiter Police Officer's Retirement Fund**  
**i-Shares S&P 400**  
**Performance Profile**  
**Through June 30, 2012**

	ENDED	RETURN
BEST QUARTER	9/2009	19.67
WORST QUARTER	9/2011	-19.83
BEST 4 QUARTERS	6/2011	39.28
WORST 4 QUARTERS	6/2012	-2.09

TOTAL # OF PERIODS: 36  
# OF POSITIVE PERIODS: 22  
# OF NEGATIVE PERIODS: 14

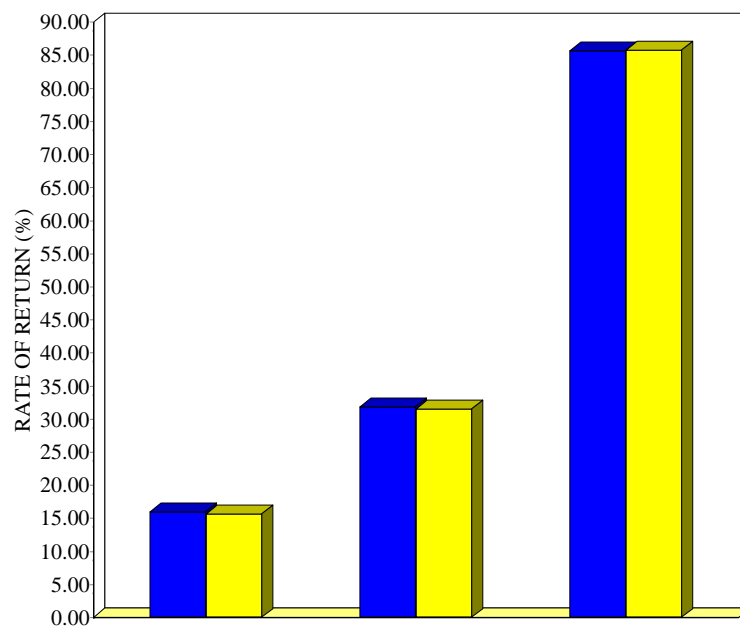
	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	-4.74	22.13	-2.09	16.78	19.01
S&P 400 MID CAP	-4.93	21.91	-2.33	16.68	19.36
EXCESS	0.19	0.22	0.24	0.10	-0.36
RISKLESS INDEX	0.03	0.04	0.06	0.11	0.12
REAL ROR	-4.84	20.71	-3.86	13.76	16.56

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-2.09	47	21.80	-0.10	0.23	1.00	99.97	0.66
TWO YEARS	16.78	48	19.12	0.87	0.13	1.00	99.97	0.22
THREE YEARS	19.01	42	19.13	0.99	-0.31	1.00	99.91	-0.52

*The risk benchmark for this analysis is the S&P 400 Mid Cap.  
The universe used was the Mid Cap*

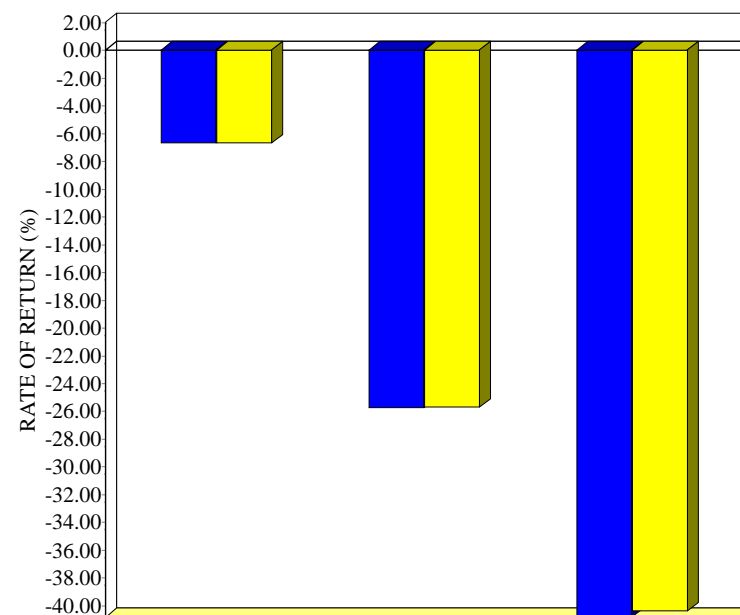
**Jupiter Police Officer's Retirement Fund**  
**i-Shares S&P 400**  
**Performance in Rising and Declining Markets**  
**June 30, 2009 Through June 30, 2012**

UP MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS
TOTAL FUND	16.00	31.88	85.70
S&P 400 MID CAP	15.64	31.54	85.74
DIFFERENCE	0.36	0.34	-0.04
RATIO	1.02	1.01	1.00
UP PERIODS	4	5	22

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS
TOTAL FUND	-6.71	-25.76	-40.85
S&P 400 MID CAP	-6.69	-25.75	-40.42
DIFFERENCE	-0.02	-0.01	-0.43
RATIO	1.00	1.00	1.01
DOWN PERIODS	2	7	14

# Jupiter Police Officer's Retirement Fund

## CS McKee International

### Performance Profile

### Through June 30, 2012

	ENDED	RETURN
BEST QUARTER	6/2009	30.41
WORST QUARTER	9/2011	-22.03
BEST 4 QUARTERS	6/2011	28.69
WORST 4 QUARTERS	6/2009	-27.95

TOTAL # OF PERIODS: 60  
 # OF POSITIVE PERIODS: 28  
 # OF NEGATIVE PERIODS: 32

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	-6.98	10.24	-14.05	5.17	6.59	-4.25
MSCI GROSS EAFE	-6.85	6.87	-13.38	6.49	6.45	-5.63
EXCESS	-0.12	3.37	-0.66	-1.32	0.13	1.39
RISKLESS INDEX	0.03	0.04	0.06	0.11	0.12	0.98
REAL ROR	-7.07	8.95	-15.61	2.42	4.37	-6.08

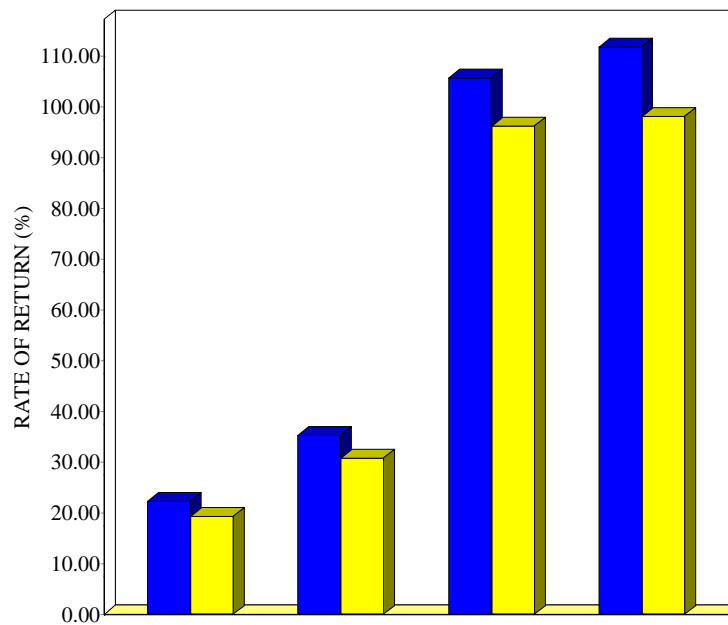
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-14.05	74	25.08	-0.56	0.68	1.08	96.67	-0.07
TWO YEARS	5.17	83	22.50	0.23	-1.39	1.05	97.47	-0.27
THREE YEARS	6.59	76	21.43	0.30	-0.01	1.05	97.04	0.09
FIVE YEARS	-4.25	50	25.34	-0.21	2.19	1.07	97.05	0.40

The risk benchmark for this analysis is the MSCI Gross EAFE.  
 The universe used was the EAFE



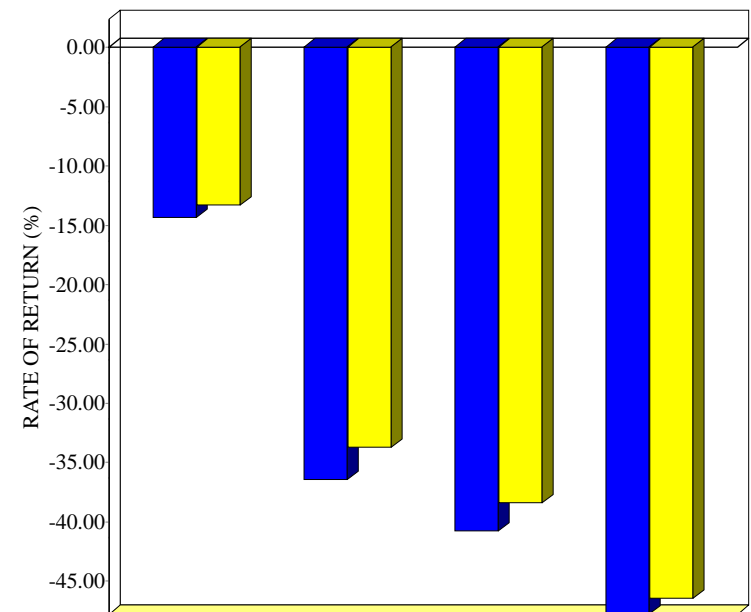
**Jupiter Police Officer's Retirement Fund  
CS McKee International  
Performance in Rising and Declining Markets  
June 30, 2007 Through June 30, 2012**

UP MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	22.25	35.33	105.75	111.78
MSCI GROSS EAFE	19.29	30.79	96.28	98.20
DIFFERENCE	2.96	4.54	9.47	13.58
RATIO	1.15	1.15	1.10	1.14
UP PERIODS	3	4	17	26

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-14.39	-36.49	-40.83	-47.82
MSCI GROSS EAFE	-13.34	-33.78	-38.43	-46.50
DIFFERENCE	-1.06	-2.71	-2.40	-1.32
RATIO	1.08	1.08	1.06	1.03
DOWN PERIODS	3	8	19	34

**Jupiter Police Officer's Retirement Fund**  
**SPDR REIT ETF**  
**Performance Profile**  
**Through June 30, 2012**

	ENDED	RETURN
BEST QUARTER	12/2011	15.63
WORST QUARTER	9/2011	-14.36
BEST 4 QUARTERS	6/2011	34.30
WORST 4 QUARTERS	6/2012	13.77

TOTAL # OF PERIODS: 24  
# OF POSITIVE PERIODS: 15  
# OF NEGATIVE PERIODS: 9

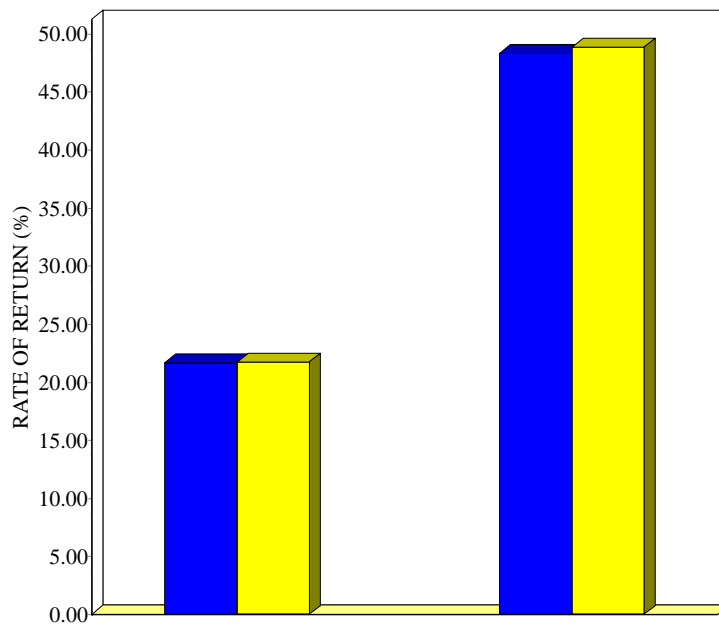
	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS
TOTAL FUND	3.75	32.85	13.77	23.61
WILSHIRE REIT	3.71	32.63	13.22	23.88
EXCESS	0.05	0.22	0.55	-0.27
RISKLESS INDEX	0.03	0.04	0.06	0.11
REAL ROR	3.66	31.31	11.73	20.41

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	13.77	2	22.55	0.61	0.65	0.98	99.97	0.76
TWO YEARS	23.61	7	18.52	1.27	0.03	0.99	99.87	-0.37

*The risk benchmark for this analysis is the Wilshire REIT.  
The universe used was the MS Real Estate*

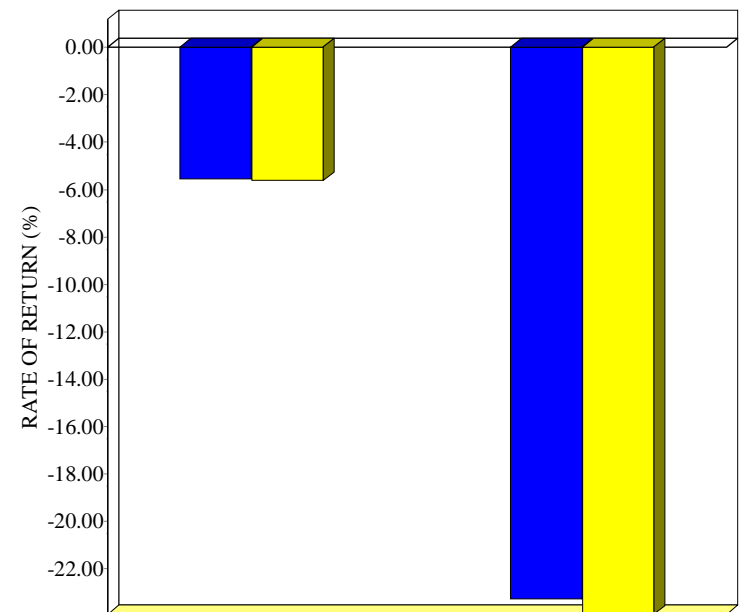
**Jupiter Police Officer's Retirement Fund**  
**SPDR REIT ETF**  
**Performance in Rising and Declining Markets**  
**June 30, 2011 Through June 30, 2012**

UP MARKET PERFORMANCE



	YTD	ONE YEAR
TOTAL FUND	21.67	48.34
WILSHIRE REIT	21.76	48.85
DIFFERENCE	-0.09	-0.51
RATIO	1.00	0.99
UP PERIODS	4	7

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR
TOTAL FUND	-5.57	-23.31
WILSHIRE REIT	-5.63	-23.94
DIFFERENCE	0.06	0.63
RATIO	0.99	0.97
DOWN PERIODS	2	5

**Jupiter Police Officer's Retirement Fund**  
**CSMcKee Fixed Income**  
**Performance Profile**  
**Through June 30, 2012**

	ENDED	RETURN
BEST QUARTER	9/2011	3.64
WORST QUARTER	12/2010	-0.80
BEST 4 QUARTERS	6/2012	8.51
WORST 4 QUARTERS	6/2011	4.05

TOTAL # OF PERIODS: 24  
# OF POSITIVE PERIODS: 18  
# OF NEGATIVE PERIODS: 6

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS
TOTAL FUND	1.89	4.70	8.51	6.25
FIXED INCOME BNCH	2.06	3.52	7.47	5.67
EXCESS	-0.18	1.18	1.03	0.58
RISKLESS INDEX	0.03	0.04	0.06	0.11
REAL ROR	1.79	3.44	6.57	3.48

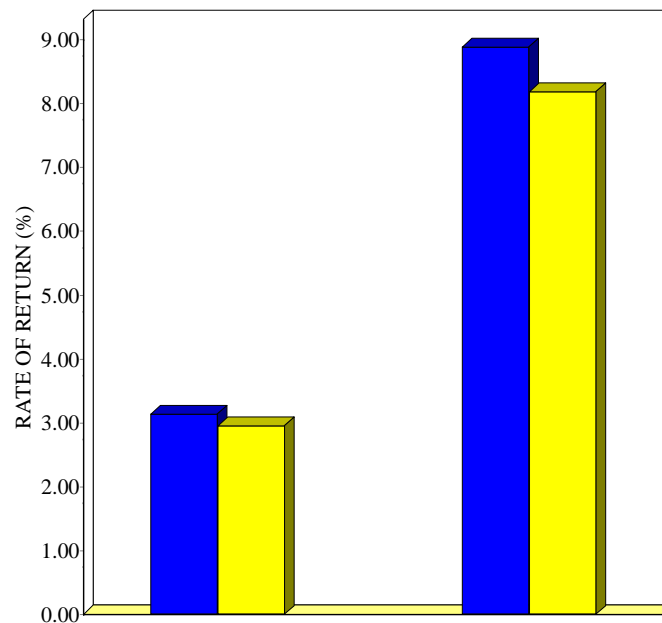
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	8.51	19	2.11	4.01	2.05	0.85	82.82	1.02
TWO YEARS	6.25	44	2.78	2.21	2.76	0.60	28.03	0.20

*The risk benchmark for this analysis is the Fixed Income Bnch.  
The universe used was the Fixed Income*



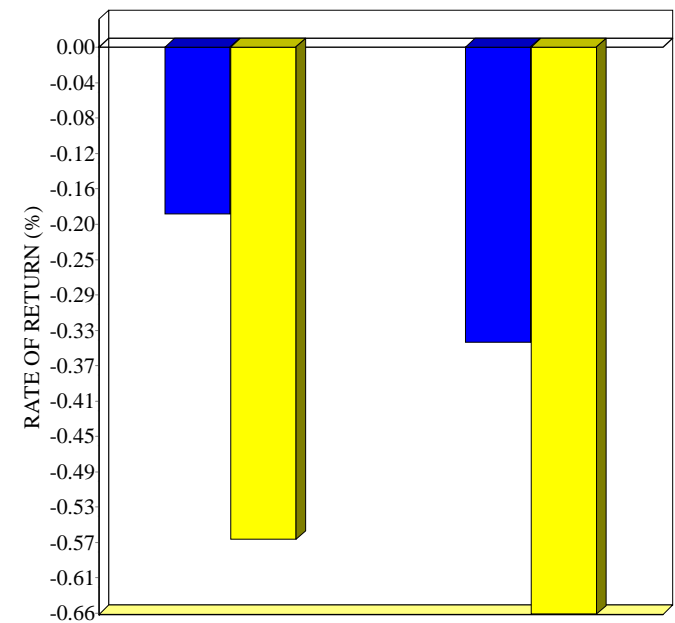
**Jupiter Police Officer's Retirement Fund**  
**CSMcKee Fixed Income**  
**Performance in Rising and Declining Markets**  
**June 30, 2011 Through June 30, 2012**

UP MARKET PERFORMANCE



	YTD	ONE YEAR
TOTAL FUND	3.14	8.88
FIXED INCOME BNCH	2.96	8.18
DIFFERENCE	0.18	0.70
RATIO	1.06	1.09
UP PERIODS	4	9

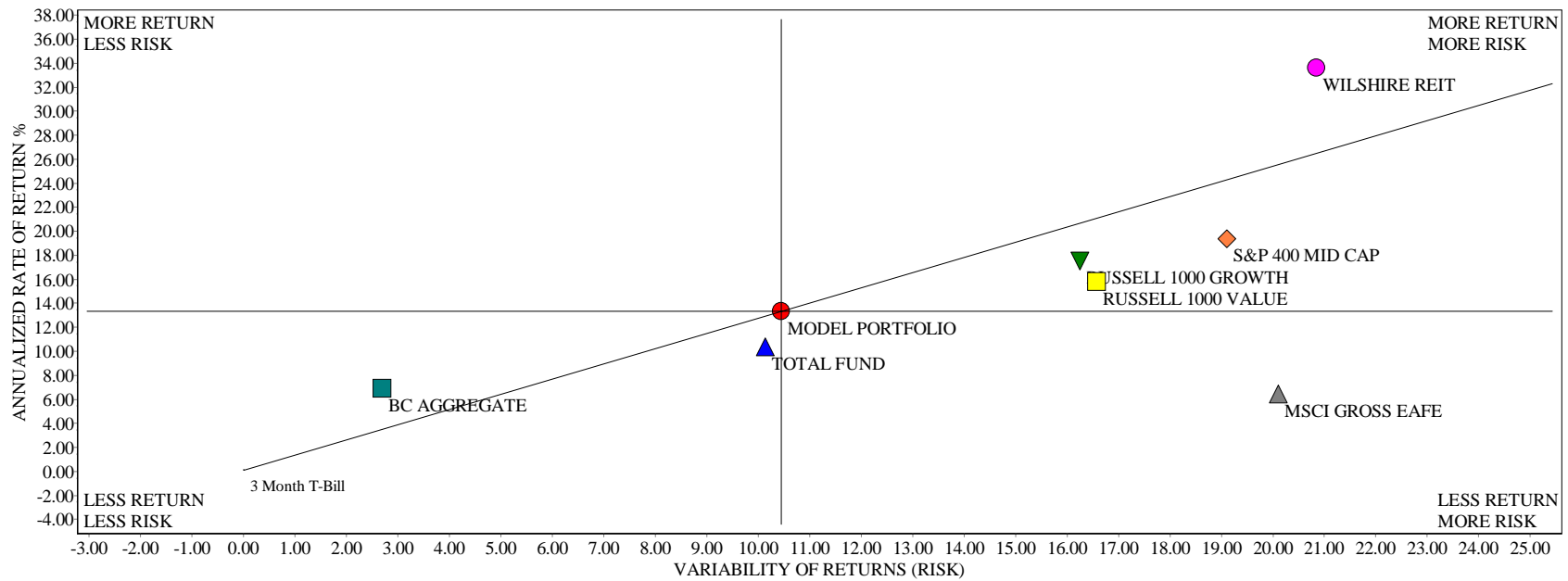
DOWN MARKET PERFORMANCE



	YTD	ONE YEAR
TOTAL FUND	-0.19	-0.34
FIXED INCOME BNCH	-0.57	-0.66
DIFFERENCE	0.38	0.31
RATIO	0.34	0.52
DOWN PERIODS	2	3

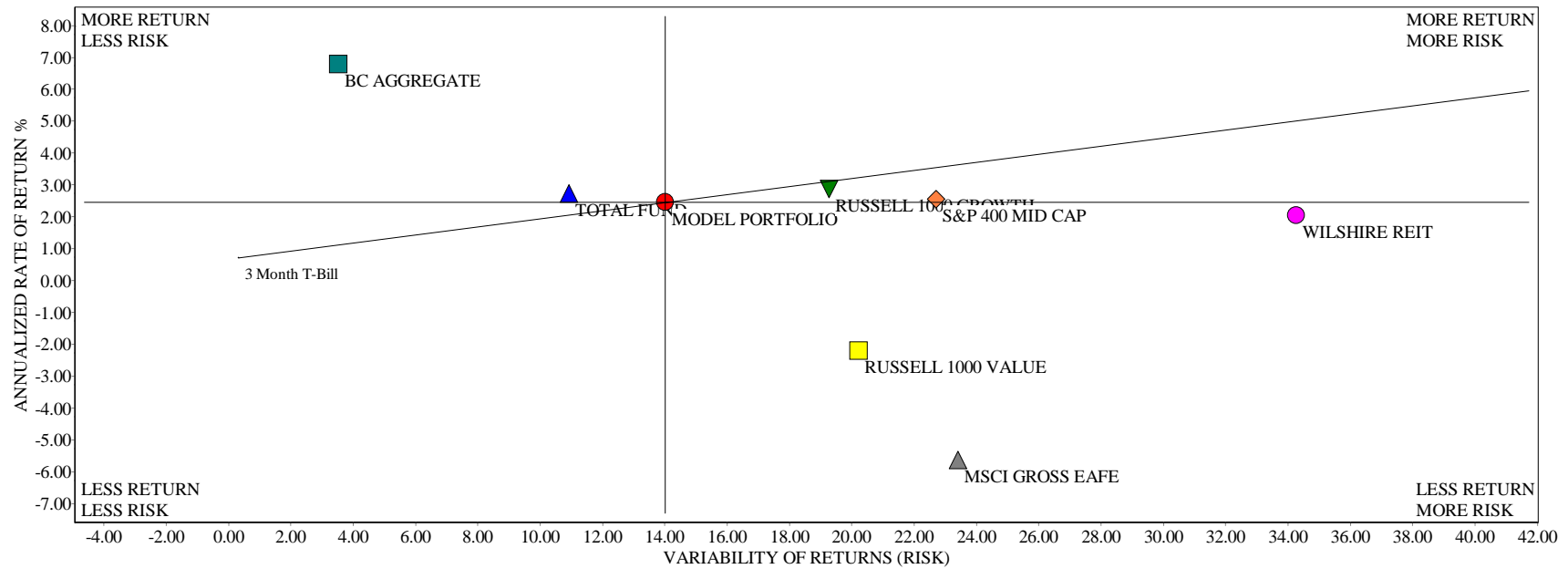


**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Capital Market Line**  
**June 30, 2009 Through June 30, 2012**



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	10.35	10.13	0.95	-2.02	95.29
● MODEL PORTFOLIO	13.33	10.45	1.00	0.00	100.00
■ RUSSELL 1000 VALUE	15.80	16.57	1.00	0.00	100.00
▼ RUSSELL 1000 GROWTH	17.50	16.26	1.00	0.00	100.00
◆ S&P 400 MID CAP	19.36	19.11	1.00	0.00	100.00
▲ MSCI GROSS EAFE	6.45	20.10	1.00	0.00	100.00
● WILSHIRE REIT	33.62	20.84	1.00	0.00	100.00
■ BC AGGREGATE	6.93	2.70	1.00	0.00	100.00

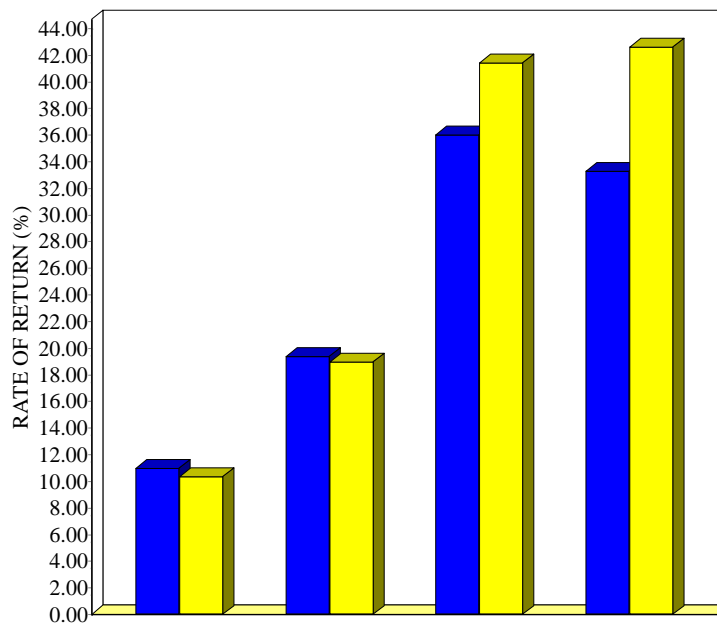
**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Capital Market Line**  
**June 30, 2007 Through June 30, 2012**



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	2.73	10.93	0.73	0.60	88.38
● MODEL PORTFOLIO	2.45	14.02	1.00	0.00	100.00
■ RUSSELL 1000 VALUE	-2.19	20.22	1.00	0.00	100.00
▼ RUSSELL 1000 GROWTH	2.87	19.28	1.00	0.00	100.00
◆ S&P 400 MID CAP	2.55	22.71	1.00	0.00	100.00
▲ MSCI GROSS EAFE	-5.63	23.40	1.00	0.00	100.00
● WILSHIRE REIT	2.05	34.26	1.00	0.00	100.00
■ BC AGGREGATE	6.80	3.52	1.00	0.00	100.00

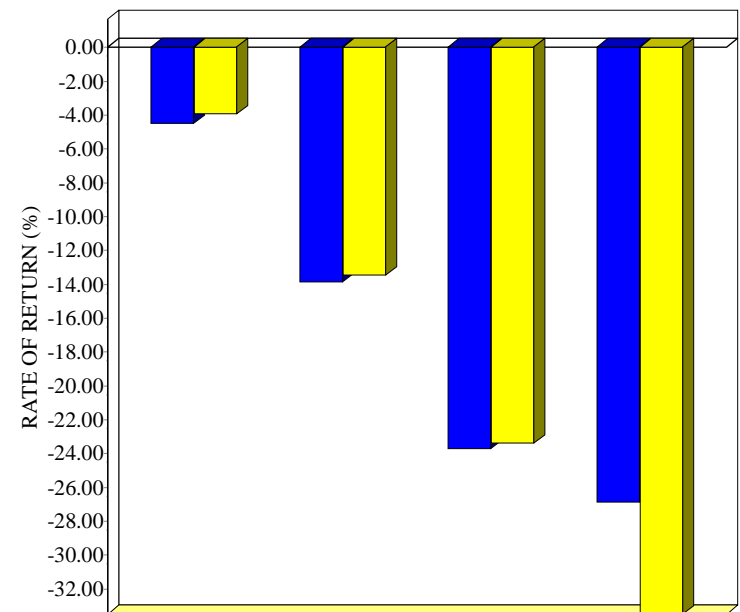
**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Performance in Rising and Declining Markets**  
**June 30, 2007 Through June 30, 2012**

UP MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	10.99	19.39	35.99	33.29
MODEL PORTFOLIO	10.36	18.96	41.43	42.59
DIFFERENCE	0.63	0.43	-5.44	-9.29
RATIO	1.06	1.02	0.87	0.78
UP PERIODS	5	7	23	34

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-4.53	-13.89	-23.75	-26.92
MODEL PORTFOLIO	-3.96	-13.50	-23.42	-33.51
DIFFERENCE	-0.57	-0.38	-0.33	6.59
RATIO	1.14	1.03	1.01	0.80
DOWN PERIODS	1	5	13	26

## **Jupiter Police Officer's Retirement Fund**

### **Glossary of Terms**

- ACCRUED INTEREST- Bond interest earned since the last interest payment, but not yet received.
- ALPHA- A linear regressive constant that measures expected return independent of Beta.
- ASSET ALLOCATION- The division of portfolio asset classes in order to achieve an expected investment objective.
- BALANCED UNIVERSES - BNY Mellon Public Funds, Endowments & Foundations, Corporate peer groups, and PSN peer groups.
- BETA- A measure of portfolio sensitivity (volatility) in relation to the market, based upon past experience.
- BOND DURATION- A measure of portfolio sensitivity to interest rate risk.
- COMMINGLED FUND- An investment fund which is similar to a mutual fund in that investors are permitted to purchase and redeem units that represent ownership in a pool of securities.
- CONVERTIBLE BONDS - Hybrid securities' that offer equity returns during rising equity markets and improved down-market protection.
- CORE- An equal weighting in both growth and value stocks.
- CORRELATION COEFFICIENT- A measure of how two assets move together. The measure is bounded by +1 and -1; +1 means that the two assets move together positively, while a measure of -1 means that the assets are perfectly negatively correlated.
- GROWTH MANAGER- Generally invests in companies that have either experienced above-average growth rates and/or are expected to experience above-average growth rates in the future. Growth portfolios tend to have high price/earnings ratios and generally pay little to no dividends.
- INDEXES- Indexes are used as "independent representations of markets" (e.g., S&P 500).
- INFORMATION RATIO- Annualized excess return above the benchmark relative to the annualized tracking error.
- LARGE CAP- Generally, the term refers to a company that has a market capitalization that exceeds \$10 billion.
- MANAGER UNIVERSE- A collection of quarterly investment returns from various investment management firms that may be subdivided by style (e.g. growth, value, core).
- MID CAP- Generally, the term refers to a company that has a market capitalization between \$2 and \$10 billion.
- NCREIF - A quarterly time series composite total rate of return measure of investment performance of a large pool of individual commercial real estate properties acquired in the private market for investment purposes only.
- NCREIF ODCE - Open End Diversified Core Equity index which consists of historical and current returns from 26 open-end commingled funds pursuing core strategy. This index is capitalization weighted, time weighted and gross of fees.



## **Jupiter Police Officer's Retirement Fund**

### **Glossary of Terms**

-NET- Investment return accounts only for manager fees.

-PROTECTING FLORIDA INVESTMENT ACT (PFIA) - SBA publishes a list of prohibited investments (scrutinized companies).

-RATE OF RETURN- The percentage change in the value of an investment in a portfolio over a specified time period, excluding contributions.

-RISK MEASURES- Measures of the investment risk level, including beta, credit, duration, standard deviation, and others that are based on current and historical data.

-R-SQUARED- Measures how closely portfolio returns and those of the market are correlated, or how much variation in the portfolio returns may be explained by the market. An R<sup>2</sup> of 40 means that 40% of the variation in a fund's price changes could be attributed to changes in the market index over the time period.

-SHARPE RATIO- The ratio of the rate of return earned above the risk-free rate to the standard deviation of the portfolio. It measures the number of units of return per unit of risk.

-SMALL CAP- Generally refers to a company with a market capitalization \$300 million to \$2 billion.

-STANDARD DEVIATION- Measure of the variability (dispersion) of historical returns around the mean. It measures how much exposure to volatility was experienced by the implementation of an investment strategy.

-SYSTEMATIC RISK- Measured by beta, it is the risk that cannot be diversified away (market risk).

- TIME WEIGHTED (TW) RETURN - A measure of the investments versus the investor. When there are no flows the TW & DOLLAR weighted (DW) returns are the same and vice versa.

-TRACKING ERROR- A measure of how closely a manager's performance tracks an index; it is the annualized standard deviation of the differences between the quarterly returns for the manager and the benchmark.

-TREYNOR RATIO- A measure of reward per unit of risk. (excess return divided by beta)

-UP AND DOWN-MARKET CAPTURE RATIO- Ratio that illustrates how a manager performed relative to the market during rising and declining market periods.

-VALUE MANAGER- Generally invests in companies that have low price-to-earnings and price-to-book ratios and/or above-average dividend yields.

## **Jupiter Police Officer's Retirement Fund Disclosure**

Advisory services are offered through or by Burgess Chambers and Associates, Inc., a registered SEC investment advisor.

### **Performance Reporting:**

1.Changes in portfolio valuations due to capital gains or losses, dividends, interest, income and management fees are included in the calculation of returns. All calculations are made in accordance with generally accepted industry standards.

2.Transaction costs, such as commissions, are included in the purchase cost or deducted from the proceeds or sale of a security.

Differences in transaction costs may affect comparisons.

3.Individual client returns may vary due to a variety of factors, including differences in investment objectives, asset allocating and timing of investment decisions.

4.BCA does not have discretion or decision making authority over any investments. All decisions regarding investment manager selection and retention, asset allocation, and other investment policies were made by the client. While BCA provides recommendations and choices regarding suitable investments, not all clients take these recommendations or select from the choices offered.

5.Performance reports are generated from information supplied by the client, custodian, and/or investment managers. BCA relies upon the accuracy of this data when preparing reports.

6.The market indexes do not include transaction costs, and an investment in a product similar to the index would have lower performance dependent upon costs, fees, dividend reinvestments, and timing. Benchmarks and indexes are for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved.

7.Performance information prepared by third party sources may differ from that shown by BCA. These differences may be due to different methods of analysis, different time periods being evaluated, different pricing sources for securities, treatment of accrued income, treatment of cash, and different accounting procedures.

8.Certain valuations, such as alternative assets, ETF, and mutual funds, are prepared based on information from third party sources, the accuracy of such information cannot be guaranteed by BCA. Such data may include estimates and maybe subject to revision.

9.BCA has not reviewed the risks of individual security holdings.

The firm's ADV, Part II, is available upon request.

10.BCA investment reports are not indicative of future results.

***Burgess Chambers & Associates, Inc.***  
***Institutional Investment Advisors***

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