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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 DECEMBER 31, 2013**

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BCA reviews transactions provided by the custodian and uses reasonable care to ensure the accuracy of the data contained herein.  
However, BCA cannot guarantee the accuracy of the custodian's statement.



# Jupiter Police Officers' Retirement Fund

## BCA Market Perspective ©

### It's About Oil January 2014

The nation's trade deficit again declined for the quarter, with exports rising to a record high in November. It is all about crude oil.

Total imports fell to \$229 billion in November from \$233 billion in October – a 1.5% decline due in large part to a sharp drop in crude oil imports. The U.S. produces about 7.4 million barrels of oil per day (bopd) and consumes 18.3 million per day. During the past five years, domestic production is up 44%, and imports have dropped from 55% to 40% of domestic consumption.

The Bakken Shale in North Dakota is the largest oil discovery in U.S. since Prudhoe Bay, Alaska - holding an estimated 7.4 billion barrels of recoverable oil. The region's oil boom produces 900,000 bopd or 8.3% of domestic production and is expected to reach 14% in the next several years.

The U. S. is becoming more energy independent, and with that comes the cost and need for energy infrastructure. Energy companies are set to spend close to \$1 trillion on oil and gas pipelines, storage, processing and transportation upgrades over the next decade. According to a report released by the

American Petroleum Institute and HIS Global Insight, these capital projects will support more than 900,000 jobs nationwide.

The surge in U.S. oil production has shed light on a once orphaned asset class, Master Limited Partnerships, which has been gaining popularity among Institutional investors for the following reasons:

- Strong historical performance
- Low correlation to stocks<sup>1</sup> and bonds<sup>2</sup>
- Consistent yield and stable distribution growth
- Inflation hedge
- Infrastructure is in the national interest
- U.S. energy renaissance and the increase of energy exports

In November, Goldman Sachs launched its first ever Closed-End Fund, selecting MLPs as the core asset. Goldman's rationale echoes a thesis of the underlying asset class, which is to benefit from the tremendous expansion of energy infrastructure in the U.S. This new closed-end fund raised more than \$826 million in 2013.

The Alerian MLP index experienced a total return of 27.6%<sup>3</sup> (including a 6% yield) for the year 2013, a year in which fixed income<sup>4</sup> was down 2.0%. During 2013, there were 20 MLP initial public offerings, topping the previous record of 13 IPOs in 2007. Mergers and acquisitions, strength in commodity prices, and solid distribution growth were all tailwinds for the asset class during 2013. If MLPs continue their course in 2014, investors can expect another great year despite an environment of rising interest rates.

<sup>1</sup> 0.4 correlation against S&P 500; since 1996

<sup>2</sup> 0.0 correlation against Barclays Agg; since 1996

<sup>3</sup> Measured by the Alerian MLP Index

<sup>4</sup> Measured by the Barclays Agg.



**Jupiter Police Officers' Retirement Fund**  
**Total Fund**  
**Investment Summary**  
**December 31, 2013**

- ❑ For the quarter, the total Fund earned +4.2% or \$2.03 million (+4.1% net), similar to the model portfolio (+4.4%). The top three performing asset categories were: Eaton Vance LC growth (+10.8%), Eagle Capital Management LC value (+10.6%), and iShares S&P400 (+8.2%). As expected, bonds experienced negative returns.
- ❑ For the 12-month period, the total Fund earned \$6.5 million or +15.2% (+14.6% net), similar to the Model (+15.2%). Eaton Vance beat the Russell 1000 Growth index (+35.9% vs. +33.5%) and the i-shares S&P 400 index product earned an impressive +33.9%.
- ❑ Five-year annualized performance of +10.4% net, beat the actuarial assumed rate of return. During this period, risk controls have been in place to reduce beta (equity market sensitivity) and to bring down the volatility, as compared to the model portfolio. The beta of 0.75x illustrates that the investment program experienced 25% less sensitivity. Also, the standard deviation of returns was 19% lower than the model. The Fund trailed the model during this period, due to a lower risk profile (+10.5% vs. +12.8%), but earned well in excess of the actuarial assumed rate of return. This experience confirms that the strategy can be designed to control and reduce risk.
- ❑ Annualized three-year relative performance was much closer to the model (+9.3% vs. +9.9%) and so was the beta (1.0x).

**Manager Reviews**

- 1) Eaton Vance is ahead of its benchmark for the 12 and 24-month periods.
- 2) Eagle beat its bogey for the quarter.
- 3) CSM's five-year international performance was in line with its EAFE benchmark (+13.2% vs. +13.0%), but rankings remain below the policy target ranking.
- 4) Advent's 12-month performance missed its benchmark (+20.3% vs. +24.3%), due in large part to the benchmark having many holdings priced at very high premiums. The equity option component drives up the price of these bonds above par. Advent attempts to manage this equity risk by rotating from these high priced issues.
- 5) American Realty's product is comprised of commercial properties capitalized with 82% equity and 18% debt. The product is not expected to keep pace with more highly leveraged products in the index and peer group during periods of rapid appreciation of commercial properties, as we have recently witnessed. The 12-month performance of +12.4% is in line with BCA's expectations, but below the benchmark (+14.0%).
- 6) CSM's fixed-income product has beaten its benchmark for the 12 and 36-month periods. The rankings were average, but consistent with other firms avoiding high yield junk bonds.

**Jupiter Police Officers' Retirement Fund**  
**Total Fund**  
**Investment Performance**  
**December 31, 2013**

Dollars

	<u>Quarter</u>	<u>One Year</u>
<b>Beginning Market Value</b>	<b>50,753,364</b>	<b>44,812,952</b>
<b>Ending Market Value</b>	<b>52,996,896</b>	<b>52,996,896</b>
<b>Flows (+/-)</b>	<b>+212,862</b>	<b>+1,636,797</b>
<b>Investment Gain/Loss (+/-)</b>	<b>+2,030,670</b>	<b>+6,547,147</b>
<b>Investment Return, net</b>	<b>+4.1%</b>	<b>+14.6%</b>
<b>Model Portfolio</b>	<b>+4.4%</b>	<b>+15.2%</b>

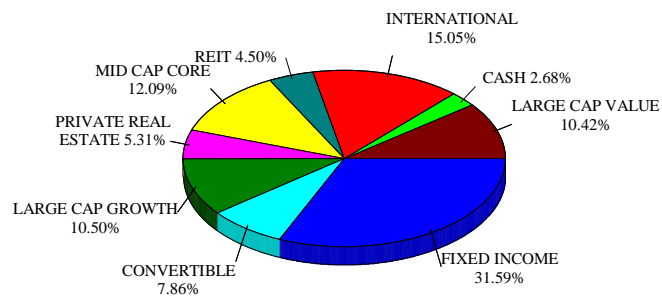
Fiscal Year: October 1st to September 30th

**Jupiter Police Officers' Retirement Fund**  
**Total Fund**  
**Investment Policy Review**  
**December 31, 2013**

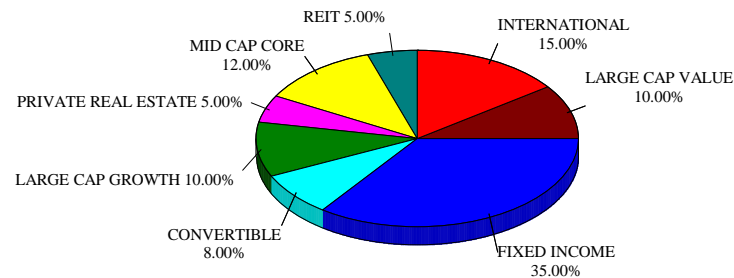
	<u><b>Yes</b></u>	<u><b>No</b></u>
The annualized three-year total Fund performance achieved the return of the strategic benchmark.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized three-year total Fund performance ranked in the top 40th percentile.	<input type="checkbox"/>	<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 type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized five-year total Fund performance ranked in the top 40th percentile.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund's annualized five-year performance achieved the 7.5% actuarial assumption rate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized three-year C.S. McKee international performance achieved the MSCI EAFE.	<input type="checkbox"/>	<input checked="" 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized three-year C.S. McKee fixed income performance ranked in the top 40th percentile.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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"/>
The fixed income portfolio was invested in 5% or less in securities of any single corporate issuer.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The Fund's assets were invested in 5 % or less of 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**  
**December 31, 2013**

**ACTUAL ASSET ALLOCATION**



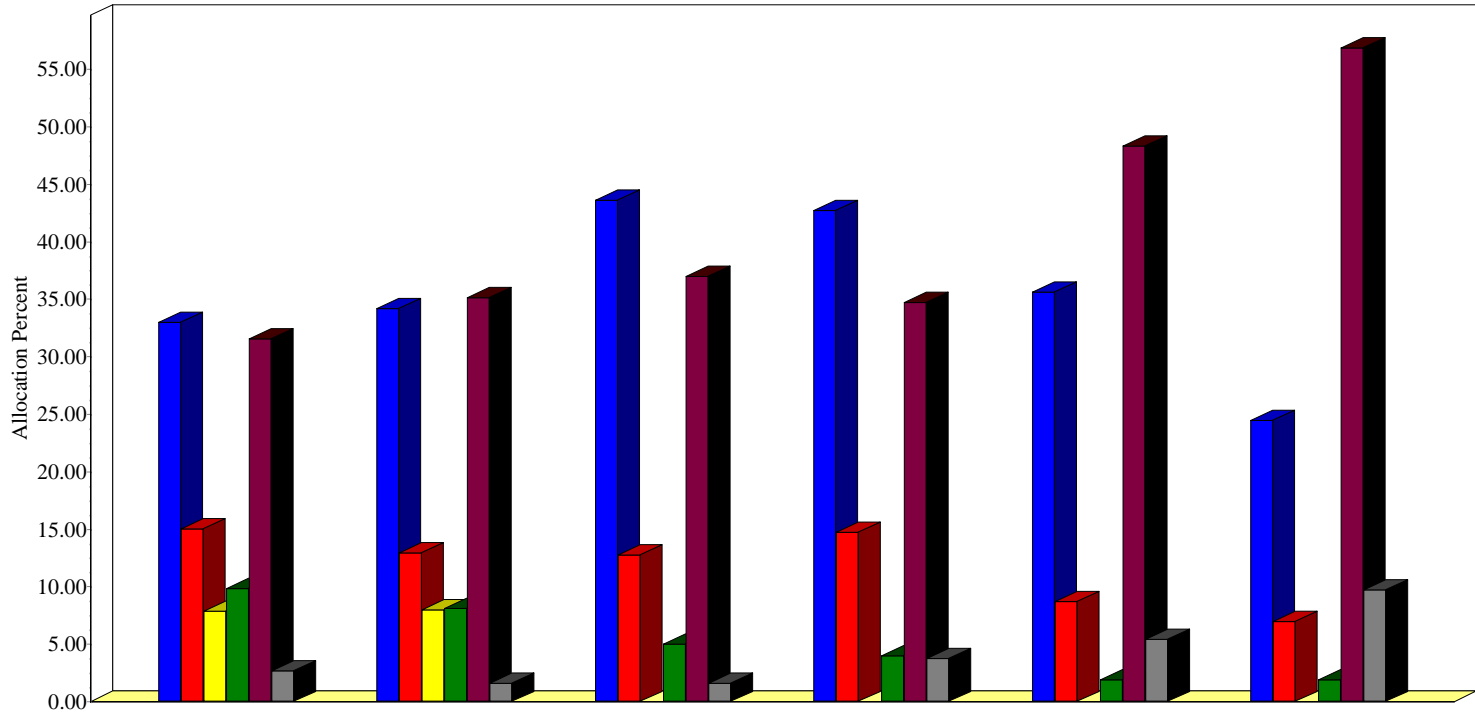
**TARGET ASSET ALLOCATION**



	MARKET VALUE ACTUAL	PERCENT ACTUAL	MARKET VALUE TARGET	PERCENT TARGET	MARKET VALUE DIFFERENCE	PERCENT DIFFERENCE
LARGE CAP VALUE	5,522,274.4	10.4%	5,299,689.6	10.0%	222,584.8	0.4%
LARGE CAP GROWTH	5,565,771.4	10.5%	5,299,689.6	10.0%	266,081.7	0.5%
MID CAP CORE	6,407,090.4	12.1%	6,359,627.6	12.0%	47,462.9	0.1%
INTERNATIONAL	7,974,027.5	15.0%	7,949,534.4	15.0%	24,493.0	0.0%
CONVERTIBLE	4,163,948.0	7.9%	4,239,751.7	8.0%	(75,803.7)	(0.1%)
REIT	2,387,402.5	4.5%	2,649,844.8	5.0%	(262,442.4)	(0.5%)
PRIVATE REAL ESTATE	2,814,017.0	5.3%	2,649,844.8	5.0%	164,172.2	0.3%
FIXED INCOME	16,741,342.6	31.6%	18,548,913.7	35.0%	(1,807,571.2)	(3.4%)
CASH	1,421,022.6	2.7%	0.0	0.0%	1,421,022.6	2.7%
<b>TOTAL FUND</b>	<b>\$52,996,896.3</b>	<b>100.0%</b>	<b>\$52,996,896.3</b>	<b>100.0%</b>	<b>\$0.0</b>	<b>0.0%</b>



**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Asset Distribution**  
**December 31, 2013**



	QUARTER TO DATE	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
DOMESTIC EQUITY	33.01	34.19	43.62	42.73	35.62	24.47
INTERNATIONAL	15.05	12.96	12.78	14.75	8.70	6.98
CONVERTIBLE	7.86	7.99	N/A	N/A	N/A	N/A
REAL ESTATE	9.81	8.10	5.00	4.02	1.91	1.94
FIXED INCOME	31.59	35.17	36.98	34.74	48.35	56.88
CASH	2.68	1.60	1.62	3.75	5.42	9.73

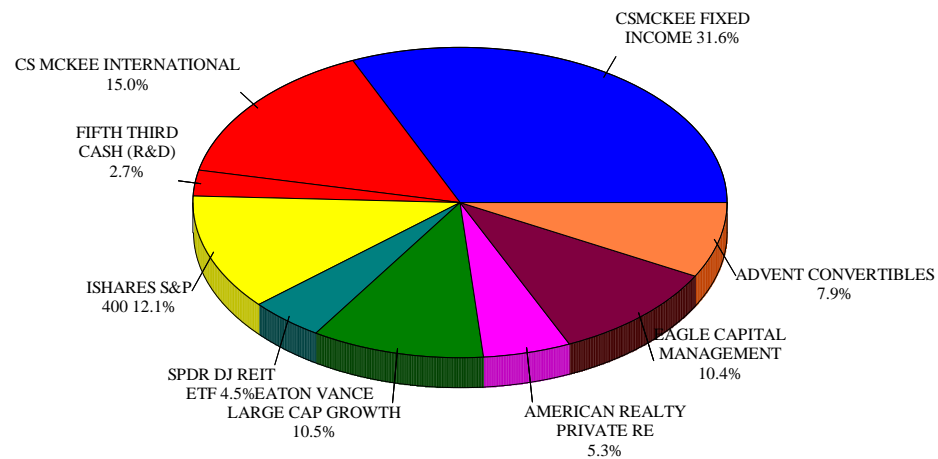


# Jupiter Police Officer's Retirement Fund

## Total Fund

### Asset Allocation

TOTAL MARKET VALUE  
AS OF DECEMBER 31, 2013  
\$ 52,996,896



	VALUE	PERCENT
CSMCKEE FIXED INCOME	16,741,343	31.59
CS MCKEE INTERNATIONAL	7,974,027	15.05
ISHARES S&P 400	6,407,090	12.09
EATON VANCE LARGE CAP GROWTH	5,565,771	10.50
EAGLE CAPITAL MANAGEMENT	5,522,274	10.42
ADVENT CONVERTIBLES	4,163,948	7.86
AMERICAN REALTY PRIVATE RE	2,814,017	5.31
SPDR DJ REIT ETF	2,387,402	4.50
FIFTH THIRD CASH (R&D)	1,421,023	2.68
FIFTH THIRD CASH (ETF)	0	0.00

**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**December 31, 2013**  
**Gross of Fees**

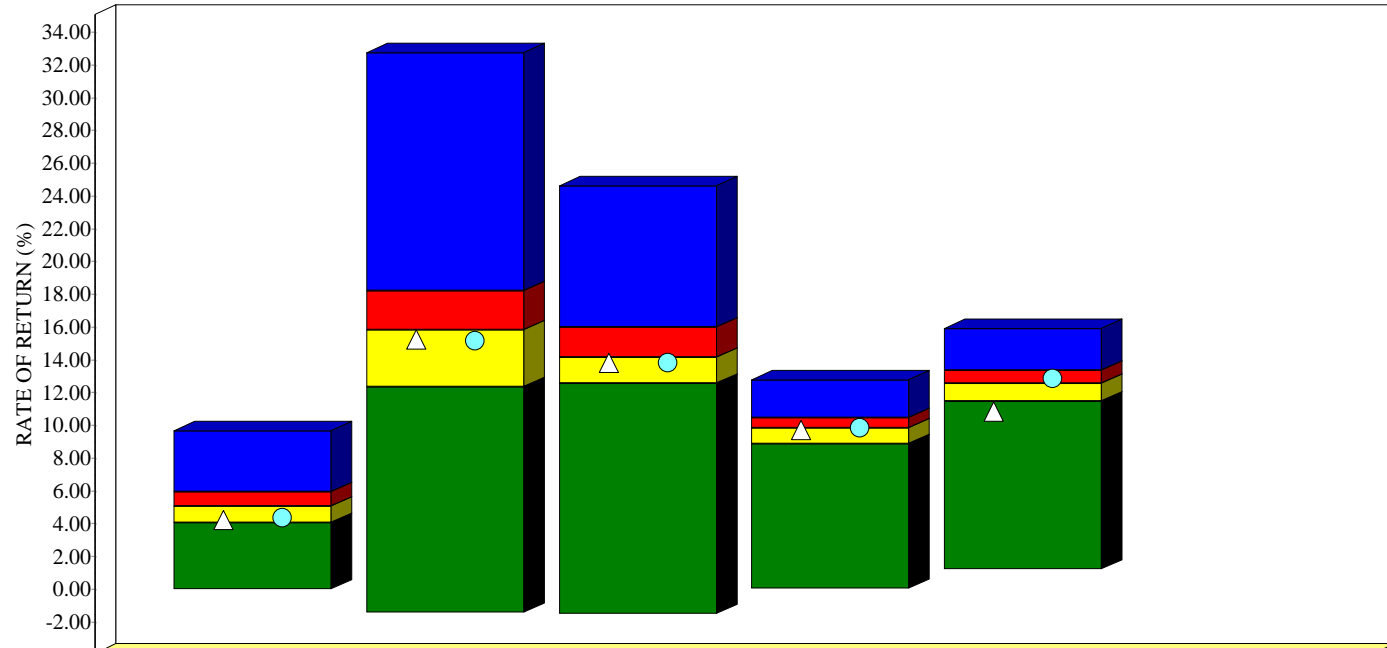
<b>Name</b>	<b>Market Values</b>	<b>QTD ROR</b>	<b>1 Year ROR</b>	<b>2 Year ROR</b>	<b>3 Year ROR</b>	<b>5 Year ROR</b>
<u>Equity</u>						
<u>Domestic Equity</u>						
Eagle Capital Management	5,522,274	10.6%	N/A	N/A	N/A	N/A
Eaton Vance Large Cap Growth	5,565,771	10.8%	35.9%	24.3%	N/A	N/A
iShares S&P 400	6,407,090	8.2%	33.9%	25.7%	15.7%	21.7%
<u>International</u>						
CS McKee International	7,974,027	5.2%	18.4%	19.7%	7.1%	13.2%
<u>Convertible</u>						
Advent Convertibles	4,163,948	4.0%	20.3%	N/A	N/A	N/A
<b>Total Equity</b>	<b>29,633,112</b>	<b>7.7%</b>	<b>28.7%</b>	<b>22.7%</b>	<b>13.9%</b>	<b>16.8%</b>
<u>Real Estate</u>						
SPDR DJ REIT ETF	2,387,402	-1.2%	1.5%	8.9%	9.2%	N/A
American Realty Private RE	2,814,017	2.6%	12.4%	N/A	N/A	N/A
<b>Total Real Estate</b>	<b>5,201,420</b>	<b>0.8%</b>	<b>7.8%</b>	<b>12.8%</b>	<b>11.8%</b>	<b>16.0%</b>
<u>Fixed Income</u>						
CSMcKee Fixed Income	16,741,343	-0.1%	-1.7%	1.7%	3.8%	N/A
<b>Total Fixed Income</b>	<b>16,741,343</b>	<b>-0.1%</b>	<b>-1.7%</b>	<b>1.7%</b>	<b>3.8%</b>	<b>4.4%</b>
<u>Cash</u>						
Fifth Third Cash (ETF)	0	0.0%	0.0%	0.0%	0.0%	0.0%
Fifth Third Cash (R&D)	1,421,023	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total Cash</b>	<b>1,421,023</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-0.1%</b>
<b>TOTAL: (1, 2)</b>	<b>52,996,896</b>	<b>4.2%</b>	<b>15.2%</b>	<b>13.8%</b>	<b>9.7%</b>	<b>10.9%</b>
Model Portfolio		4.4%	15.2%	13.8%	9.9%	12.8%
Russell 1000 Value		10.0%	32.5%	24.8%	16.1%	16.7%
Russell 1000 Growth		10.4%	33.5%	24.0%	16.5%	20.4%
S&P 400 Mid Cap		8.3%	33.5%	25.4%	15.6%	21.9%
Russell 3000		10.1%	33.6%	24.7%	16.2%	18.7%
MSCI Gross EAFE		5.7%	23.3%	20.6%	8.7%	13.0%
ML Cnv x144A AllQual		6.1%	24.3%	19.5%	10.5%	18.3%
Wilshire REIT		-0.8%	1.9%	9.5%	9.4%	16.7%
NCREIF ODCE		3.2%	14.0%	12.4%	13.6%	3.7%
Fixed Income Bnch		-0.1%	-2.0%	1.0%	3.3%	4.4%
ML 3M TBill		0.0%	0.1%	0.1%	0.1%	0.1%






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.

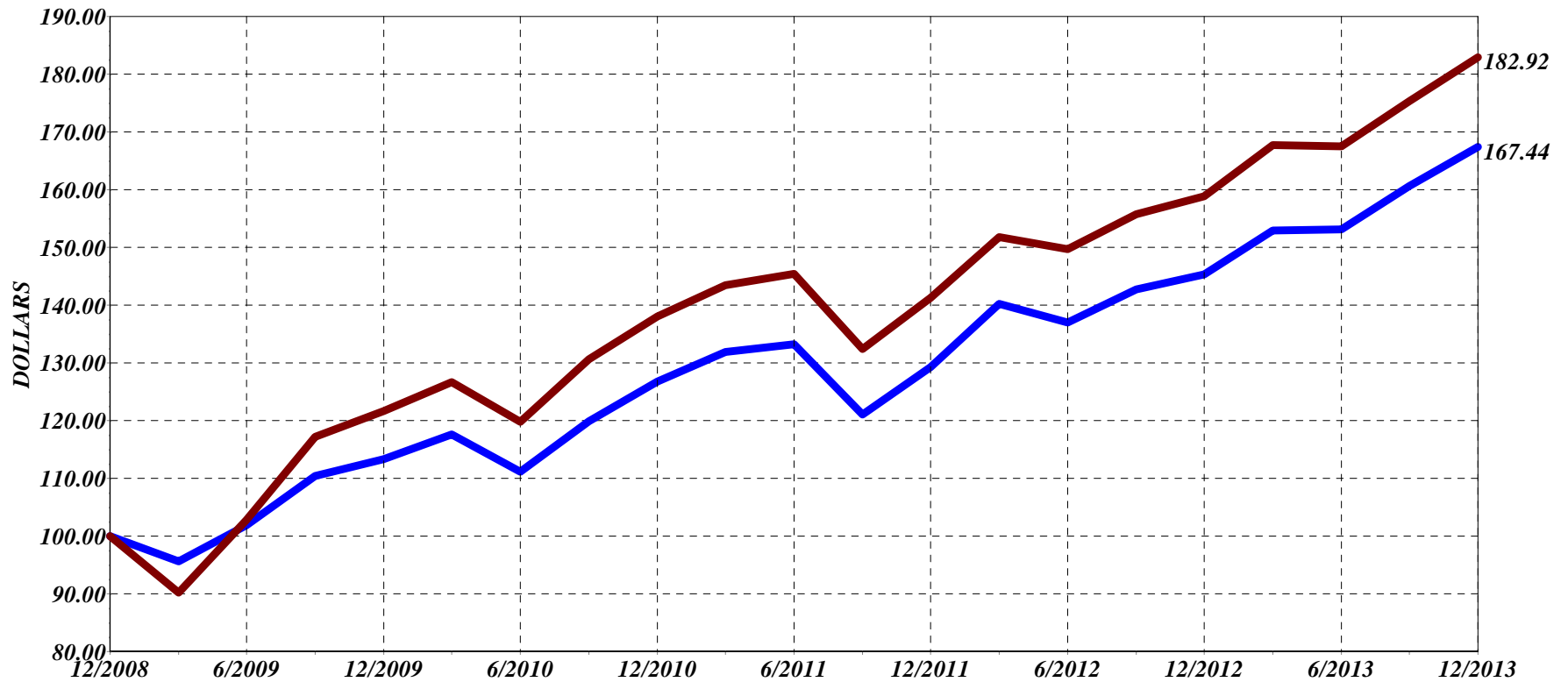


**Jupiter Police Officer's Retirement Fund**  
**Quartile Ranking**  
**Total Fund Versus BNY Mellon Public Funds Universe**  
**December 31, 2008 Through December 31, 2013**



	<u>LATEST QUARTER</u>		<u>ONE YEAR</u>		<u>TWO YEARS</u>		<u>THREE YEARS</u>		<u>FIVE YEARS</u>	
 HIGHEST VALUE		9.68		32.75		24.62		12.79		15.93
 FIRST QUARTILE		5.93		18.22		15.99		10.46		13.35
 MEDIAN VALUE		5.08		15.83		14.14		9.83		12.58
 THIRD QUARTILE		4.08		12.36		12.56		8.87		11.48
 LOWEST VALUE		0.00		-1.42		-1.51		0.03		1.23
MEAN		4.98		15.53		13.52		8.85		11.45
	<u>LATEST QUARTER</u>		<u>ONE YEAR</u>		<u>TWO YEARS</u>		<u>THREE YEARS</u>		<u>FIVE YEARS</u>	
	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK
△ TF	4.23	73	15.23	52	13.82	57	9.70	52	10.86	78
● MODEL PORTFOLIO	4.36	68	15.18	52	13.82	57	9.86	47	12.84	42

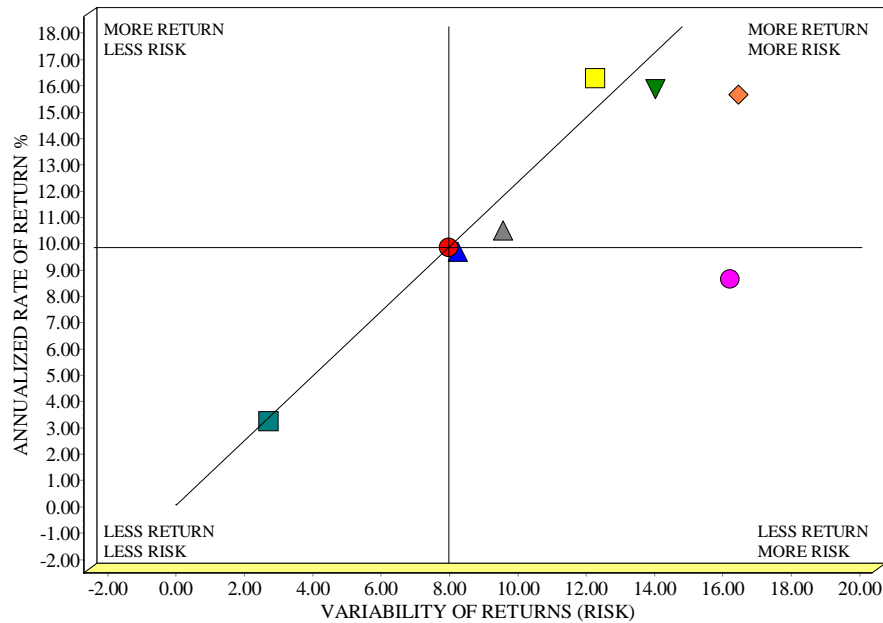
**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Growth Of A Dollar Analysis**  
**December 31, 2008 Through December 31, 2013**



	LATEST QUARTER	ONE YEAR	THREE YEARS	FIVE YEARS
<span style="color: blue;">—</span> TOTAL FUND	4.23	15.23	9.70	10.86
<span style="color: red;">—</span> MODEL PORTFOLIO	4.36	15.18	9.86	12.84

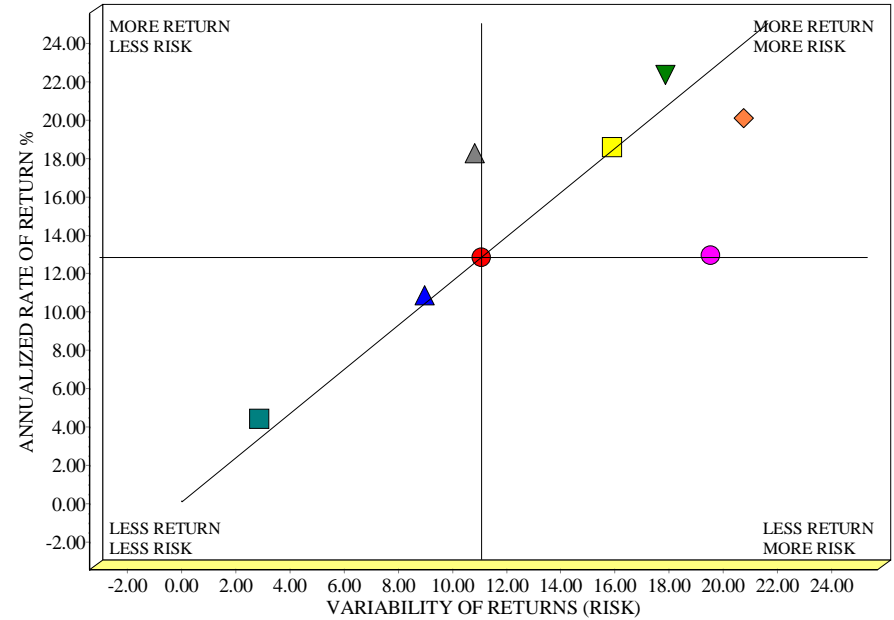
**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Capital Market Line**  
**Period Ending December 31, 2013**

**3-Year Risk/Reward**



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	9.70	8.25	1.03	-0.40	98.82
● MODEL PORTFOLIO	9.86	7.97	1.00	0.00	100.00
■ RUSSELL 1000 INDEX	16.30	12.26	1.00	0.00	100.00
▼ RUSSELL MIDCAP	15.88	14.03	1.00	0.00	100.00
◆ RUSSELL 2000	15.67	16.45	1.00	0.00	100.00
▲ ML CNV X144A ALLQUAL	10.49	9.57	1.00	0.00	100.00
● MSCI GROSS EAFE	8.66	16.22	1.00	0.00	100.00
■ BC AGGREGATE	3.26	2.71	1.00	0.00	100.00

**5-Year Risk/Reward**

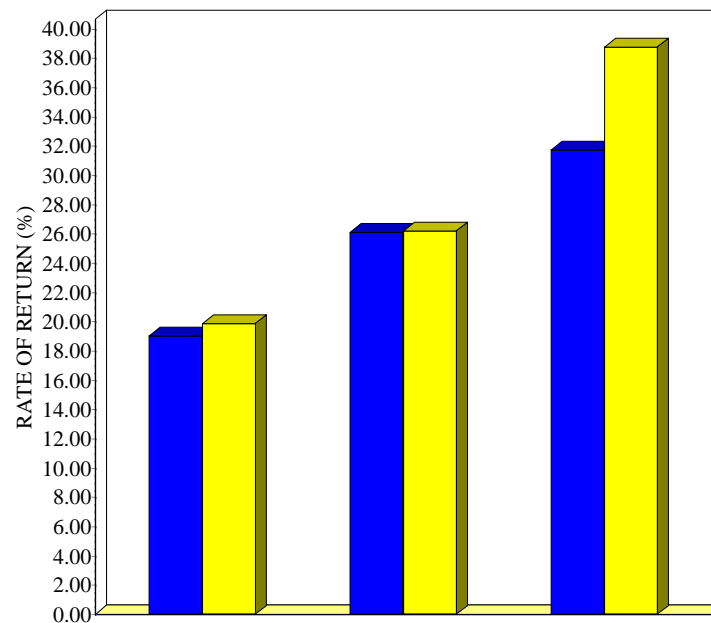


	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	10.86	8.96	0.75	1.12	86.78
● MODEL PORTFOLIO	12.84	11.07	1.00	0.00	100.00
■ RUSSELL 1000 INDEX	18.59	15.88	1.00	0.00	100.00
▼ RUSSELL MIDCAP	22.36	17.87	1.00	0.00	100.00
◆ RUSSELL 2000	20.08	20.76	1.00	0.00	100.00
▲ ML CNV X144A ALLQUAL	18.29	10.81	1.00	0.00	100.00
● MSCI GROSS EAFE	12.96	19.54	1.00	0.00	100.00
■ BC AGGREGATE	4.44	2.86	1.00	0.00	100.00



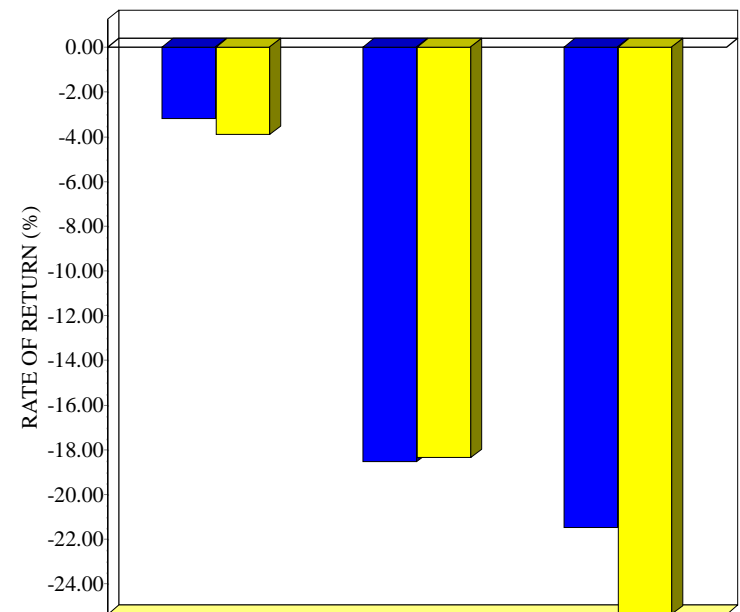
**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Performance in Rising and Declining Markets**  
**December 31, 2008 Through December 31, 2013**

UP MARKET PERFORMANCE



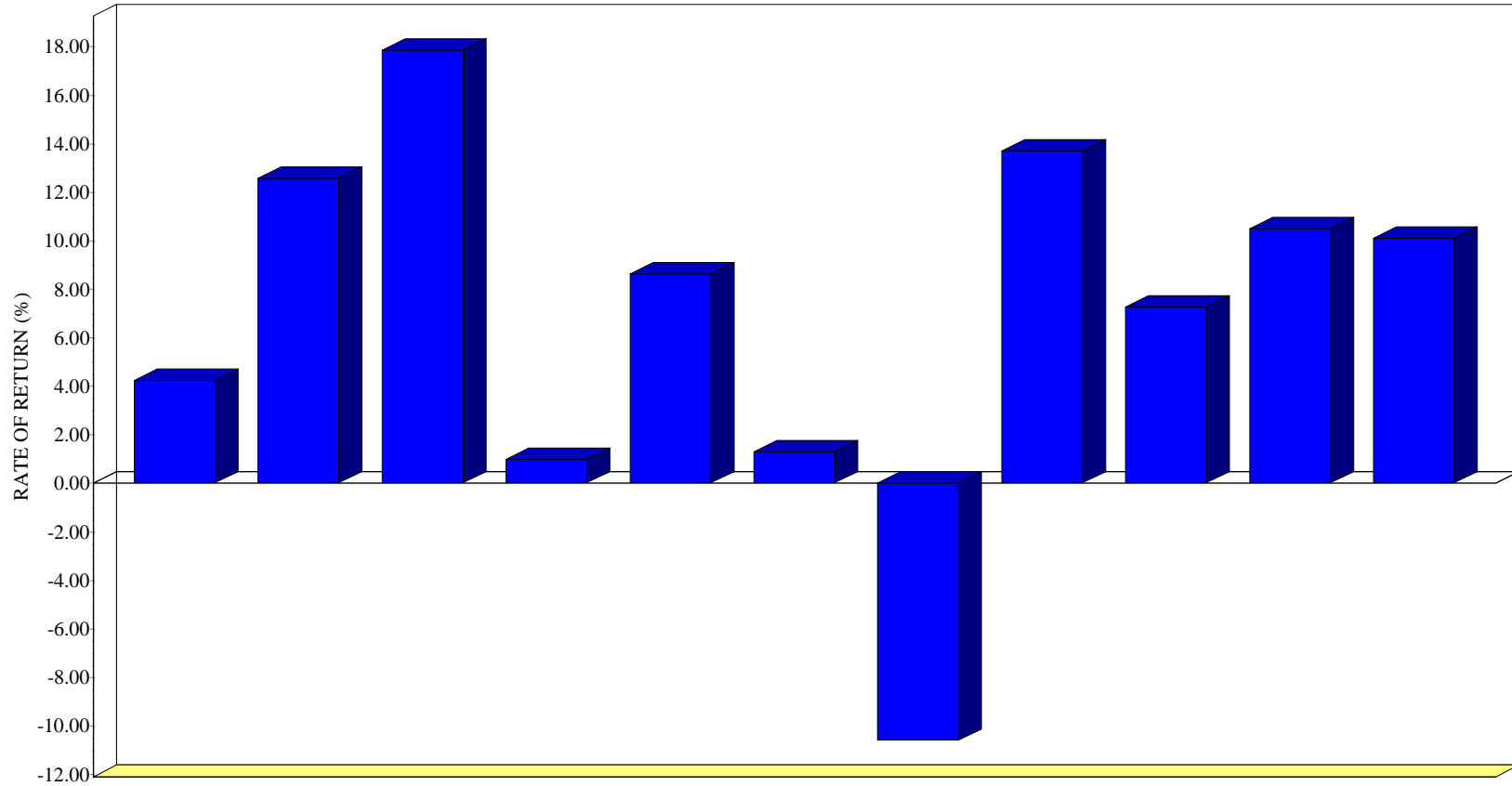
	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	19.04	26.11	31.75
MODEL PORTFOLIO	19.89	26.22	38.75
DIFFERENCE	-0.85	-0.11	-7.00
RATIO	0.96	1.00	0.82
UP PERIODS	9	25	40

DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-3.20	-18.57	-21.51
MODEL PORTFOLIO	-3.93	-18.39	-25.37
DIFFERENCE	0.73	-0.18	3.86
RATIO	0.81	1.01	0.85
DOWN PERIODS	3	11	20

**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Fiscal Year Rates of Return (September 30)**  
**September 30, 2003 Through December 31, 2013**

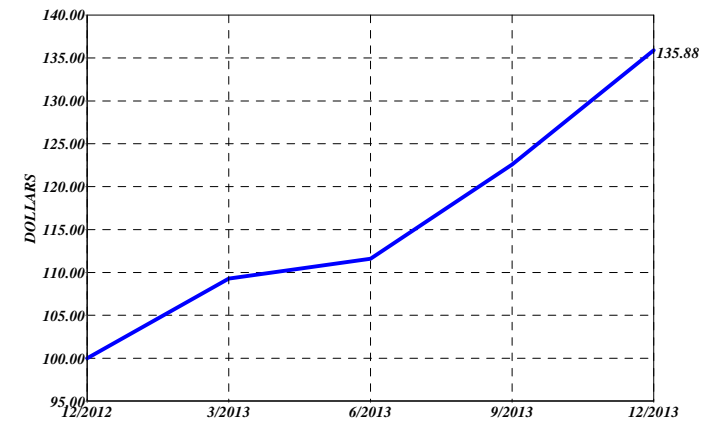


	FYTD	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
TF	4.23	12.58	17.85	1.00	8.62	1.31	-10.61	13.71	7.26	10.49	10.11

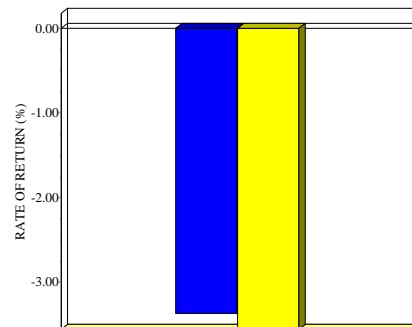
**Jupiter Police Officer's Retirement Fund**  
**Eaton Vance Large Cap Growth**  
**Performance Profile**  
**Period Ending December 31, 2013**

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	35.88	31	1.07	-0.19	8.52	4.20

	ONE YEAR
EATON VANCE LARGE CAP G	35.88
RUSSELL 1000 GROWTH	33.48
EXCESS	2.40
RISKLESS INDEX	0.07
REAL ROR	34.10

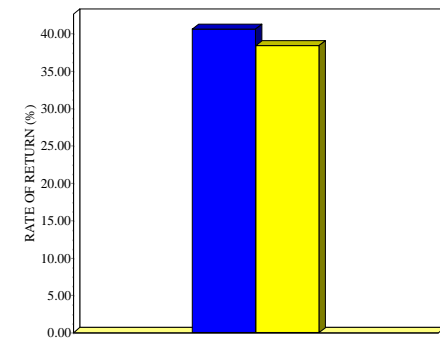


DOWN MARKET PERFORMANCE



	ONE YEAR
EATON VANCE LARGE CAP GROWTH	-3.38
RUSSELL 1000 GROWTH	-3.56
DIFFERENCE	0.19
RATIO	0.95
DOWN PERIODS	2

UP MARKET PERFORMANCE



	ONE YEAR
EATON VANCE LARGE CAP GROWTH	40.63
RUSSELL 1000 GROWTH	38.42
DIFFERENCE	2.21
RATIO	1.06
UP PERIODS	10



# Jupiter Police Officer's Retirement Fund

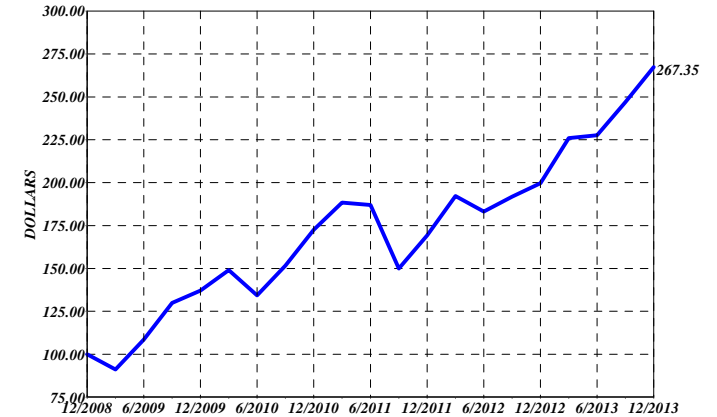
## iShares S&P 400

### Performance Profile

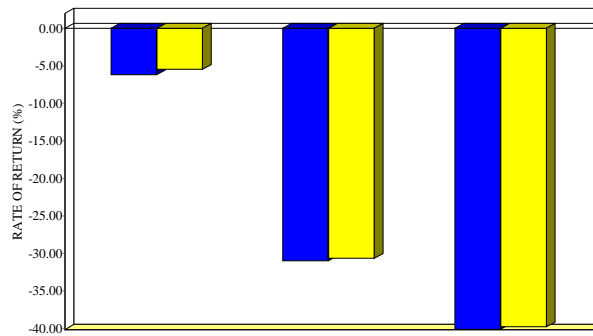
#### Period Ending December 31, 2013

PERIOD	RETURN	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	33.91	1.06	-1.34	11.41	2.97
THREE YEARS	15.72	1.01	-0.02	15.14	1.03
FIVE YEARS	21.74	1.00	-0.10	18.27	1.18

	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	33.91	15.72	21.74
S&P 400 MID CAP	33.50	15.64	21.89
EXCESS	0.41	0.08	-0.15
RISKLESS INDEX	0.07	0.10	0.12
REAL ROR	32.07	13.38	19.28

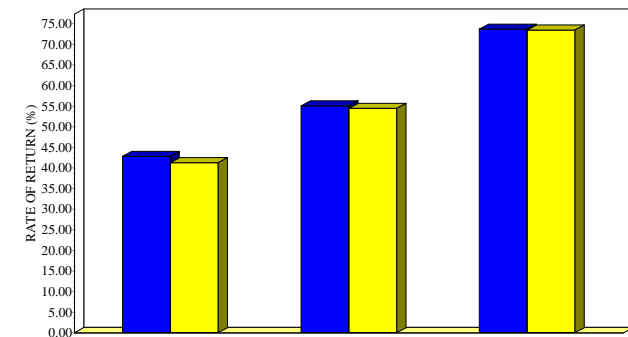


DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-6.24	-31.05	-40.18
S&P 400 MID CAP	-5.52	-30.69	-39.83
DIFFERENCE	-0.72	-0.36	-0.35
RATIO	1.13	1.01	1.01
DOWN PERIODS	2	13	20

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	42.82	55.07	73.66
S&P 400 MID CAP	41.31	54.44	73.48
DIFFERENCE	1.51	0.63	0.18
RATIO	1.04	1.01	1.00
UP PERIODS	10	23	40

# Jupiter Police Officer's Retirement Fund

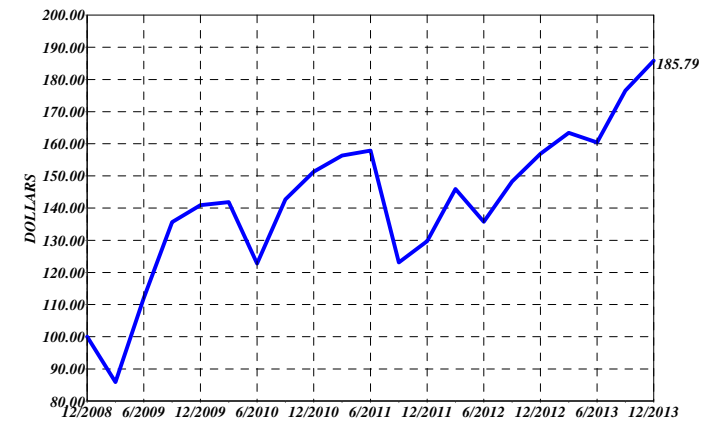
## CS McKee International

### Performance Profile

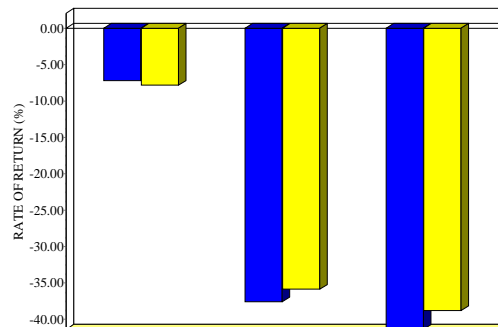
#### Period Ending December 31, 2013

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	18.43	86	0.86	-1.26	10.12	1.82
THREE YEARS	7.09	87	1.03	-1.57	16.99	0.41
FIVE YEARS	13.19	72	1.08	-0.49	21.39	0.61

	ONE YEAR	THREE YEARS	FIVE YEARS
CS MCKEE INTERNATIONAL	18.43	7.09	13.19
MSCI GROSS EAFE	23.29	8.66	12.96
EXCESS	-4.86	-1.57	0.23
RISKLESS INDEX	0.07	0.10	0.12
REAL ROR	16.82	4.91	10.93

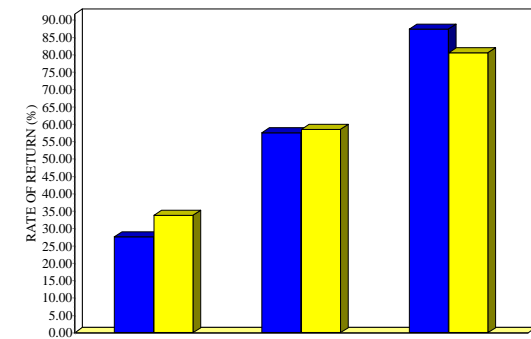


DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
CS MCKEE INTERNATIONAL	-7.24	-37.65	-41.45
MSCI GROSS EAFE	-7.85	-35.95	-38.86
DIFFERENCE	0.61	-1.70	-2.59
RATIO	0.92	1.05	1.07
DOWN PERIODS	4	15	26

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
CS MCKEE INTERNATIONAL	27.67	57.59	87.37
MSCI GROSS EAFE	33.80	58.51	80.62
DIFFERENCE	-6.12	-0.92	6.75
RATIO	0.82	0.98	1.08
UP PERIODS	8	21	34

# Jupiter Police Officer's Retirement Fund

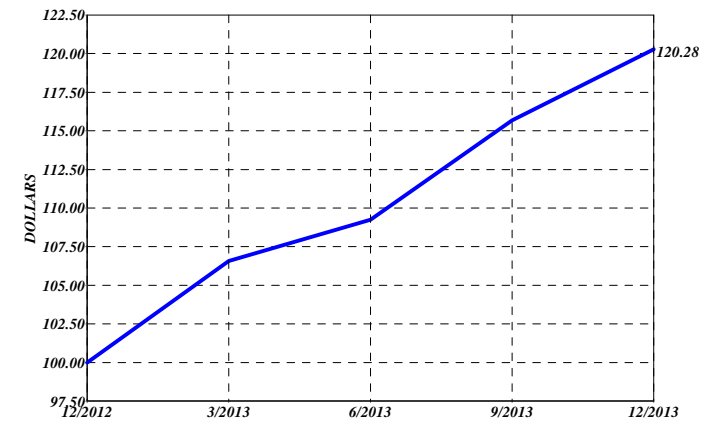
## Advent Convertibles

### Performance Profile

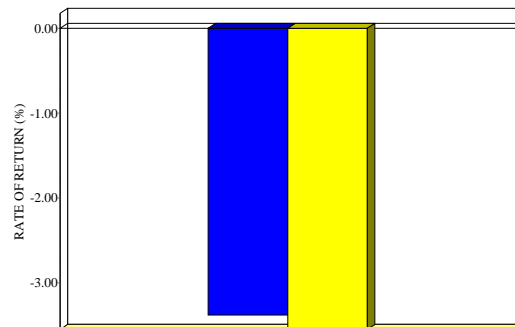
#### Period Ending December 31, 2013

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	20.28	52	0.92	-1.65	6.52	3.10

	ONE YEAR
ADVENT CONVERTIBLES	20.28
ML CNV X144A ALLQUAL	24.30
EXCESS	-4.02
RISKLESS INDEX	0.07
REAL ROR	18.69

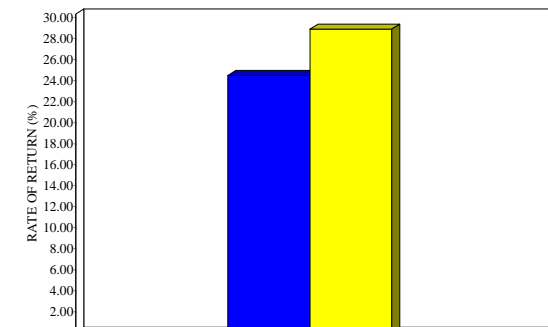


DOWN MARKET PERFORMANCE



	ONE YEAR
ADVENT CONVERTIBLES	-3.38
ML CNV X144A ALLQUAL	-3.55
DIFFERENCE	0.17
RATIO	0.95
DOWN PERIODS	2

UP MARKET PERFORMANCE

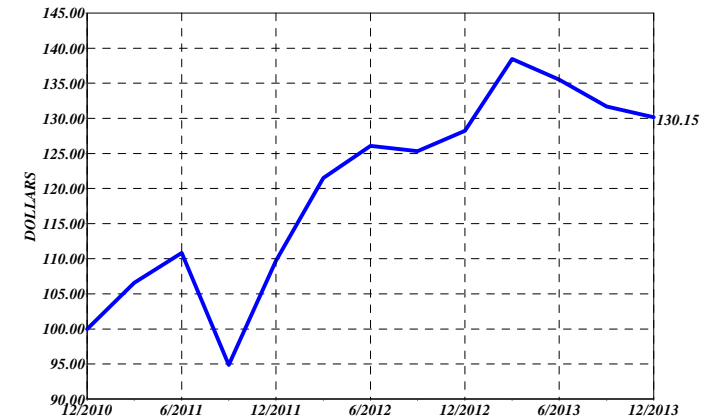


	ONE YEAR
ADVENT CONVERTIBLES	24.49
ML CNV X144A ALLQUAL	28.87
DIFFERENCE	-4.39
RATIO	0.85
UP PERIODS	10

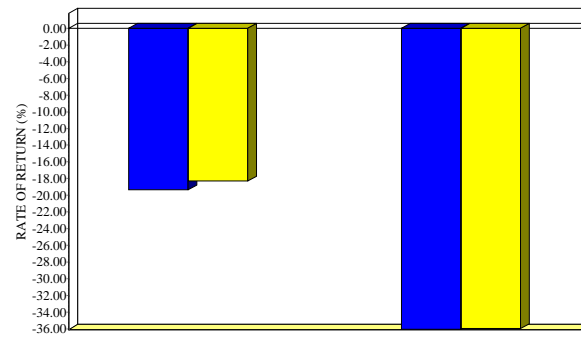
**Jupiter Police Officer's Retirement Fund**  
**SPDR DJ REIT ETF**  
**Performance Profile**  
**Period Ending December 31, 2013**

PERIOD	RETURN	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	1.50	1.03	-0.39	14.79	0.10
THREE YEARS	9.18	1.00	-0.15	16.58	0.55

	ONE YEAR	THREE YEARS
TOTAL FUND	1.50	9.18
WILSHIRE REIT	1.89	9.38
EXCESS	-0.39	-0.20
RISKLESS INDEX	0.07	0.10
REAL ROR	0.08	6.95

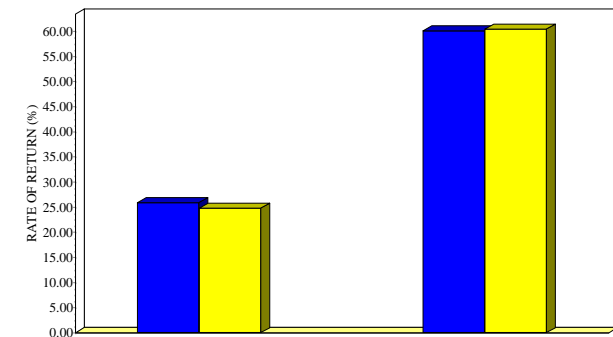


DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS
TOTAL FUND	-19.36	-36.12
WILSHIRE REIT	-18.34	-36.01
DIFFERENCE	-1.02	-0.12
RATIO	1.06	1.00
DOWN PERIODS	4	15

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS
TOTAL FUND	25.87	60.11
WILSHIRE REIT	24.77	60.41
DIFFERENCE	1.10	-0.30
RATIO	1.04	1.00
UP PERIODS	8	21

# Jupiter Police Officer's Retirement Fund

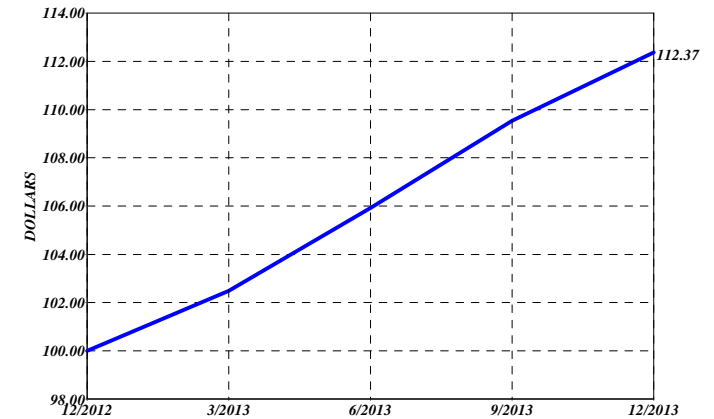
## American Realty Private RE

### Performance Profile

#### Period Ending December 31, 2013

PERIOD	RETURN	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	12.37	0.89	0.00	4.91	2.51

	ONE YEAR
TOTAL FUND	12.37
NCREIF ODCE	13.96
EXCESS	-1.59
RISKLESS INDEX	0.07
REAL ROR	10.82

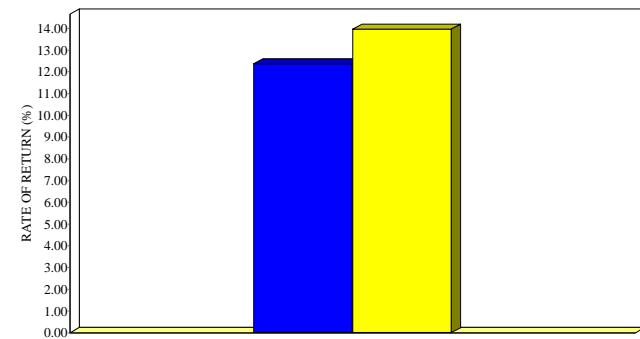


DOWN MARKET PERFORMANCE



	ONE YEAR
TOTAL FUND	N/A
NCREIF ODCE	N/A
DIFFERENCE	N/A
RATIO	N/A
DOWN PERIODS	0

UP MARKET PERFORMANCE



	ONE YEAR
TOTAL FUND	12.37
NCREIF ODCE	13.96
DIFFERENCE	-1.59
RATIO	0.89
UP PERIODS	12

# Jupiter Police Officer's Retirement Fund

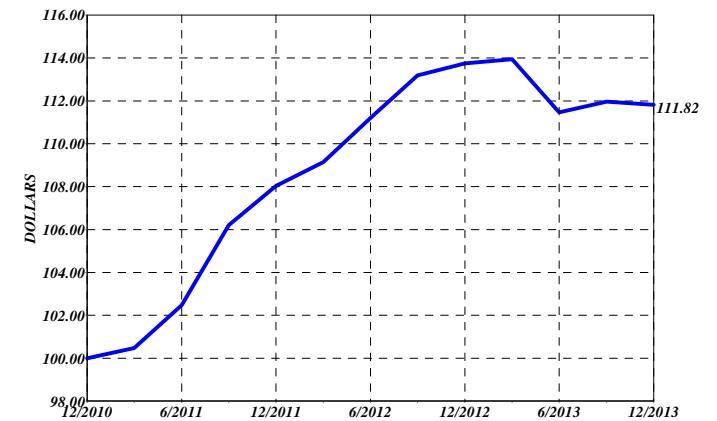
## CSMcKee Fixed Income

### Performance Profile

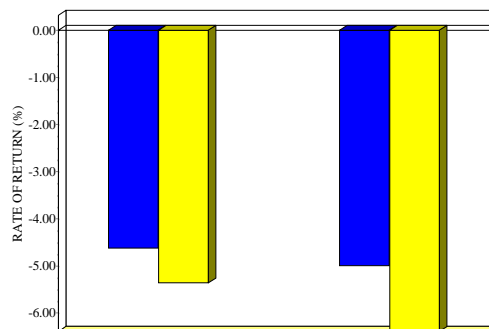
#### Period Ending December 31, 2013

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	-1.70	83	0.86	0.03	2.65	-0.67
THREE YEARS	3.79	51	0.87	0.91	2.46	1.50

	ONE YEAR	THREE YEARS
CSMCKEE FIXED INCOME	-1.70	3.79
FIXED INCOME BNCH	-2.02	3.26
EXCESS	0.32	0.53
RISKLESS INDEX	0.07	0.10
REAL ROR	-3.09	1.66

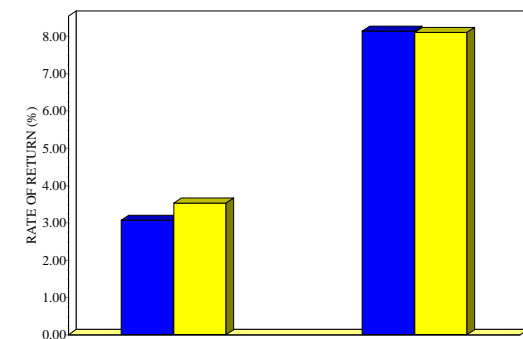


DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS
CSMCKEE FIXED INCOME	-4.63	-5.00
FIXED INCOME BNCH	-5.37	-6.40
DIFFERENCE	0.74	1.39
RATIO	0.86	0.78
DOWN PERIODS	6	11

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS
CSMCKEE FIXED INCOME	3.07	8.14
FIXED INCOME BNCH	3.53	8.11
DIFFERENCE	-0.46	0.03
RATIO	0.87	1.00
UP PERIODS	6	25

## **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. 21



## **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**

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- 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.
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