

# Palm Beach Gardens Police Pension Fund

## Total Fund

### Executive Summary

#### Account Reconciliation

|                 | 12/31/2007<br>Qtr | 2008<br>YTD | 03/31/1992<br>Incept |
|-----------------|-------------------|-------------|----------------------|
| Beginning Value | 28,330            | 28,330      | 475                  |
| Net Flows       | 482               | 482         | 17,710               |
| Investment G/L  | -481              | -481        | 10,147               |
| Ending Value    | 28,331            | 28,331      | 28,331               |

#### Investment Policy

| Index                  | Weight |
|------------------------|--------|
| Lehman Gov/Credit Bond | 35.00  |
| S&P 500                | 25.00  |
| S&P Midcap 400         | 10.00  |
| Other                  | 30.00  |

#### Trailing Returns through December 31, 2007

|        | 1 Yr  | 2 Yr  | 3 Yr  | 4 Yr  | 5 Yr  | 6 Yr  | 7 Yr  | 8 Yr | 9 Yr  | 10 Yr | 03/31/1992<br>Incept |
|--------|-------|-------|-------|-------|-------|-------|-------|------|-------|-------|----------------------|
| Fund   | 5.61  | 7.69  | 6.81  | 7.11  | 8.86  | 5.99  | 4.80  | 4.72 | 4.68  | 5.73  | 8.06                 |
| Policy | 6.60  | 8.70  | 7.47  | 8.08  | 10.26 | 6.68  | 5.14  | 4.42 | 5.11  | 6.63  | 8.30                 |
| Diff   | -0.99 | -1.01 | -0.66 | -0.97 | -1.40 | -0.69 | -0.34 | 0.30 | -0.43 | -0.90 | -0.24                |

#### Fiscal Year Returns Ending September

|        | 12/31/2007<br>Qtr | 2008<br>YTD | 2007  | 2006  | 2005  | 2004  | 2003  | 2002  | 2001   | 2000  | 1999  |
|--------|-------------------|-------------|-------|-------|-------|-------|-------|-------|--------|-------|-------|
| Fund   | -1.64             | -1.64       | 11.90 | 6.71  | 9.78  | 8.97  | 12.88 | -6.73 | -8.29  | 12.76 | 12.12 |
| Policy | -0.90             | -0.90       | 12.97 | 7.08  | 10.24 | 10.81 | 17.89 | -9.13 | -12.21 | 11.56 | 14.70 |
| Diff   | -0.74             | -0.74       | -1.07 | -0.37 | -0.46 | -1.84 | -5.01 | 2.40  | 3.92   | 1.20  | -2.58 |

#### Returns in Up Markets

|        | 3 Yr | 5 Yr | 10 Yr | 03/31/1992<br>Incept |
|--------|------|------|-------|----------------------|
| Fund   | 11.0 | 13.3 | 13.9  | 13.9                 |
| Policy | 11.9 | 15.5 | 17.9  | 15.8                 |
| Ratio  | 92.3 | 85.8 | 77.6  | 88.2                 |

#### Returns in Down Markets

|        | 3 Yr  | 5 Yr | 10 Yr | 03/31/1992<br>Incept |
|--------|-------|------|-------|----------------------|
| Fund   | -3.6  | -3.4 | -9.4  | -8.8                 |
| Policy | -3.6  | -4.1 | -13.5 | -12.6                |
| Ratio  | 100.6 | 84.2 | 70.0  | 69.9                 |

Inception date is March 31, 1992

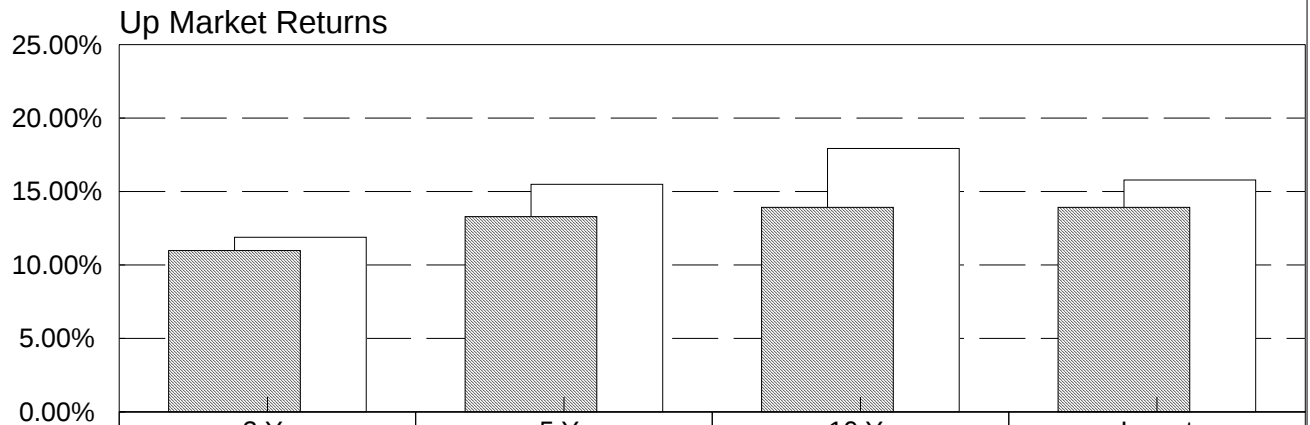
All dollar values are shown in thousands.

Returns for periods exceeding one year are annualized.

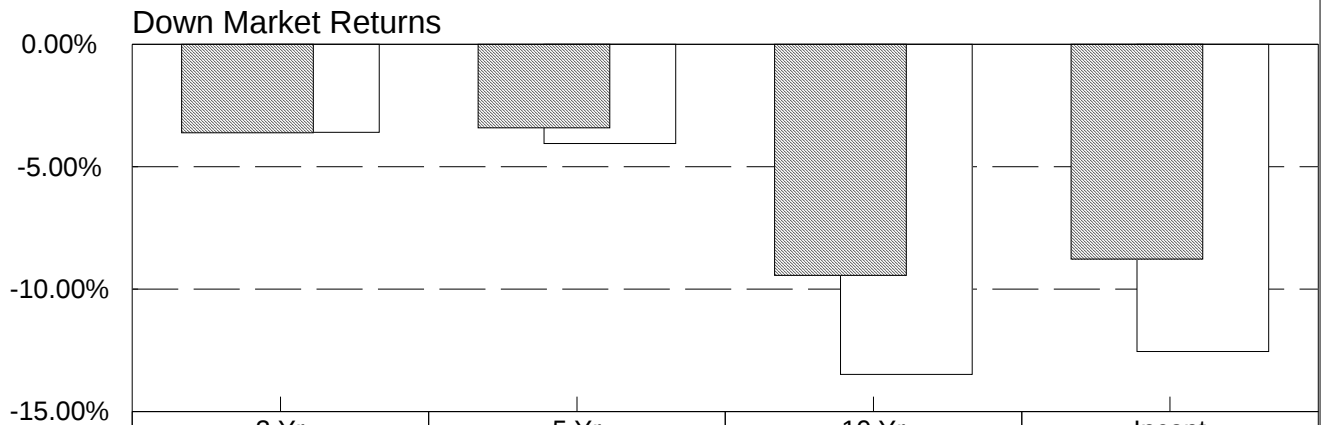
Returns are net of fees.

# Palm Beach Gardens Police Pension Fund

## Total Fund



|                | 3 Yr  | 5 Yr  | 10 Yr | Incept |
|----------------|-------|-------|-------|--------|
| Fund (%)       | 10.98 | 13.29 | 13.92 | 13.93  |
| Policy (%)     | 11.89 | 15.49 | 17.93 | 15.79  |
| Difference (%) | -0.91 | -2.20 | -4.01 | -1.86  |
| Ratio          | 92.35 | 85.80 | 77.64 | 88.22  |
| # Up Qtrs      | 9.00  | 15.00 | 27.00 | 48.00  |



|                | 3 Yr   | 5 Yr  | 10 Yr  | Incept |
|----------------|--------|-------|--------|--------|
| Fund (%)       | -3.62  | -3.42 | -9.44  | -8.78  |
| Policy (%)     | -3.60  | -4.06 | -13.49 | -12.56 |
| Difference (%) | -0.02  | 0.64  | 4.05   | 3.78   |
| Ratio          | 100.56 | 84.24 | 69.98  | 69.90  |
| # Down Qtrs    | 3.00   | 5.00  | 13.00  | 15.00  |

Fund (%)
  Policy (%)

# Palm Beach Gardens Police Pension Fund

## Total Fund

### Universe Comparisons

25% Lg.Core,10% Lg Gr& Mid & Sm&Intl 35%Fixed

Trailing Returns through December 31, 2007

|             | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr  | 6 Yr | 7 Yr | 8 Yr | 9 Yr | 10 Yr |
|-------------|------|------|------|------|-------|------|------|------|------|-------|
| Fund        |      |      |      |      |       |      |      |      |      |       |
| Return      | 5.61 | 7.69 | 6.81 | 7.11 | 8.86  | 5.99 | 4.80 | 4.72 | 4.68 | 5.73  |
| %-tile      | 38   | 43   | 28   | 36   | 38    | 26   | 24   | 27   | 32   | 24    |
| Policy      |      |      |      |      |       |      |      |      |      |       |
| Return      | 6.60 | 8.70 | 7.47 | 8.08 | 10.26 | 6.68 | 5.14 | 4.42 | 5.11 | 6.63  |
| %-tile      | 22   | 17   | 14   | 12   | 14    | 11   | 19   | 29   | 24   | 9     |
| Universe    |      |      |      |      |       |      |      |      |      |       |
| 5th %-tile  | 8.74 | 9.55 | 8.11 | 8.53 | 11.18 | 7.41 | 6.04 | 6.51 | 6.42 | 6.89  |
| 25th %-tile | 6.33 | 8.31 | 6.93 | 7.38 | 9.30  | 6.02 | 4.67 | 4.85 | 5.01 | 5.63  |
| 50th %-tile | 4.94 | 7.52 | 6.28 | 6.72 | 8.59  | 5.32 | 3.82 | 3.22 | 4.03 | 5.09  |
| 75th %-tile | 3.47 | 6.79 | 5.78 | 6.25 | 8.04  | 4.78 | 3.24 | 2.67 | 3.42 | 4.65  |
| 95th %-tile | 1.60 | 5.74 | 4.98 | 5.60 | 7.33  | 4.10 | 2.17 | 1.53 | 2.84 | 3.65  |

Fiscal Year Returns Ending September

|             | Qtr   | YTD   | 2007  | 2006 | 2005  | 2004  | 2003  | 2002   | 2001   | 2000  |
|-------------|-------|-------|-------|------|-------|-------|-------|--------|--------|-------|
| Fund        |       |       |       |      |       |       |       |        |        |       |
| Return      | -1.64 | -1.64 | 11.90 | 6.71 | 9.78  | 8.97  | 12.88 | -6.73  | -8.29  | 12.76 |
| %-tile      | 71    | 71    | 32    | 52   | 26    | 54    | 72    | 18     | 32     | 28    |
| Policy      |       |       |       |      |       |       |       |        |        |       |
| Return      | -0.90 | -0.90 | 12.97 | 7.08 | 10.24 | 10.81 | 17.89 | -9.13  | -12.21 | 11.56 |
| %-tile      | 40    | 40    | 14    | 40   | 17    | 24    | 17    | 46     | 60     | 38    |
| Universe    |       |       |       |      |       |       |       |        |        |       |
| 5th %-tile  | 0.22  | 0.22  | 14.29 | 9.25 | 11.83 | 12.63 | 23.51 | -4.12  | 4.94   | 20.19 |
| 25th %-tile | -0.63 | -0.63 | 12.16 | 7.58 | 9.79  | 10.67 | 15.74 | -7.62  | -5.48  | 13.01 |
| 50th %-tile | -1.16 | -1.16 | 11.10 | 6.73 | 8.67  | 9.12  | 14.05 | -9.36  | -11.71 | 10.40 |
| 75th %-tile | -1.75 | -1.75 | 10.00 | 5.89 | 7.59  | 7.95  | 12.59 | -10.88 | -13.65 | 9.28  |
| 95th %-tile | -2.55 | -2.55 | 8.60  | 4.90 | 5.99  | 6.14  | 10.56 | -13.89 | -22.31 | 4.92  |

Returns are in percent. "%-tile" is the percentile ranking within the universe.

Returns for periods exceeding one year are annualized.

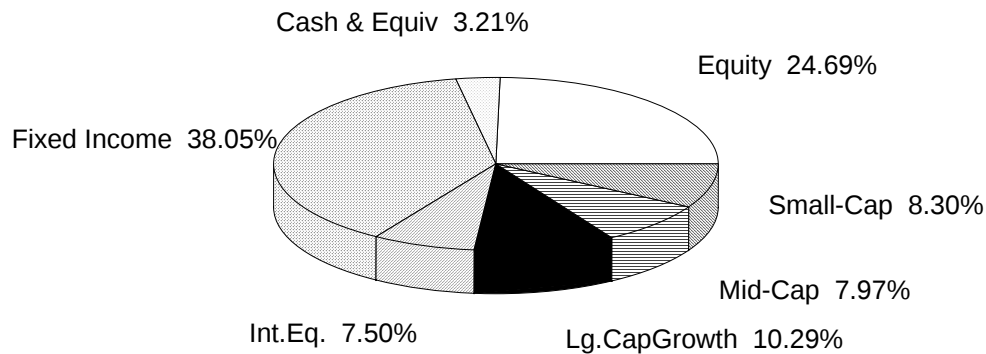
Incept is March 31, 1992 to December 31, 2007

# Palm Beach Gardens Police Pension Fund

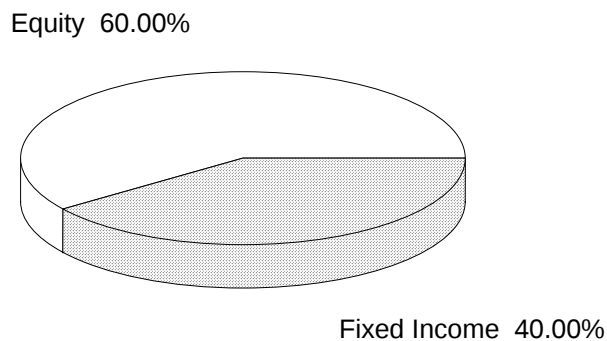
## Total Fund

Style Allocation as of December 31, 2007

### Actual Style Allocation



### Target Style Allocation



| Asset Class  | Actual (\$) | Actual (%) | Target (%) | Difference (%) | Difference (\$) |
|--------------|-------------|------------|------------|----------------|-----------------|
| Equity       | 6,994       | 24.69      | 60.00      | -35.31         | -10,004         |
| Cash & Equiv | 908         | 3.21       | 0.00       | 3.21           | 908             |
| Fixed Income | 10,780      | 38.05      | 40.00      | -1.95          | -552            |
| Int.Eq.      | 2,125       | 7.50       | 0.00       | 7.50           | 2,125           |
| Lg.CapGrowth | 2,915       | 10.29      | 0.00       | 10.29          | 2,915           |
| Mid-Cap      | 2,257       | 7.97       | 0.00       | 7.97           | 2,257           |
| Small-Cap    | 2,351       | 8.30       | 0.00       | 8.30           | 2,351           |
| Total        | 28,330      | 100.00     | 100.00     |                |                 |

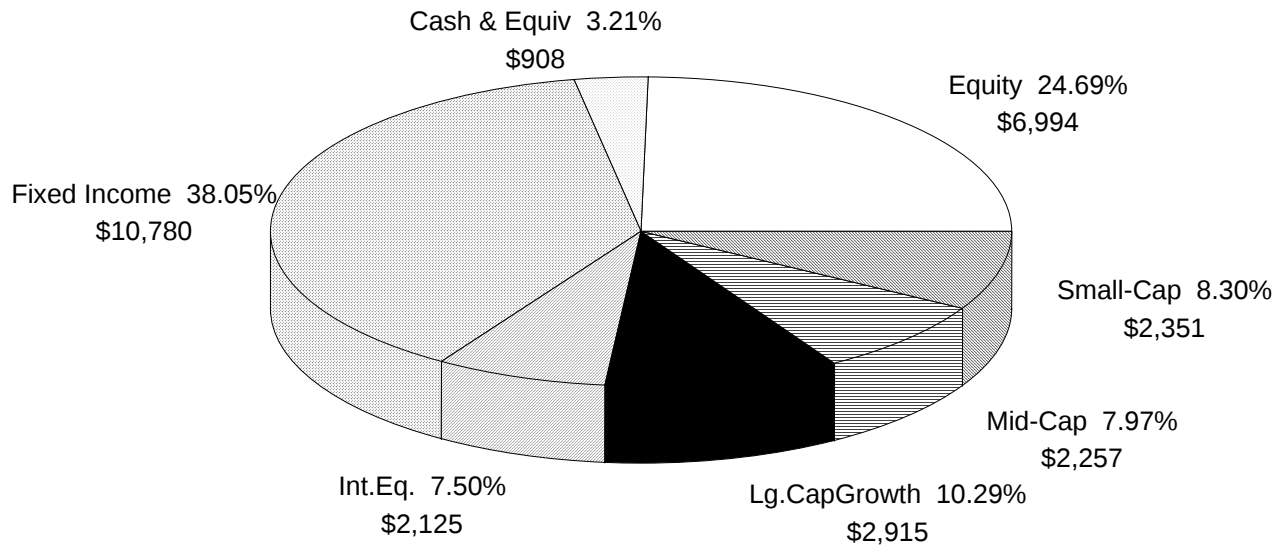
All dollar values are shown in thousands.

# Palm Beach Gardens Police Pension Fund

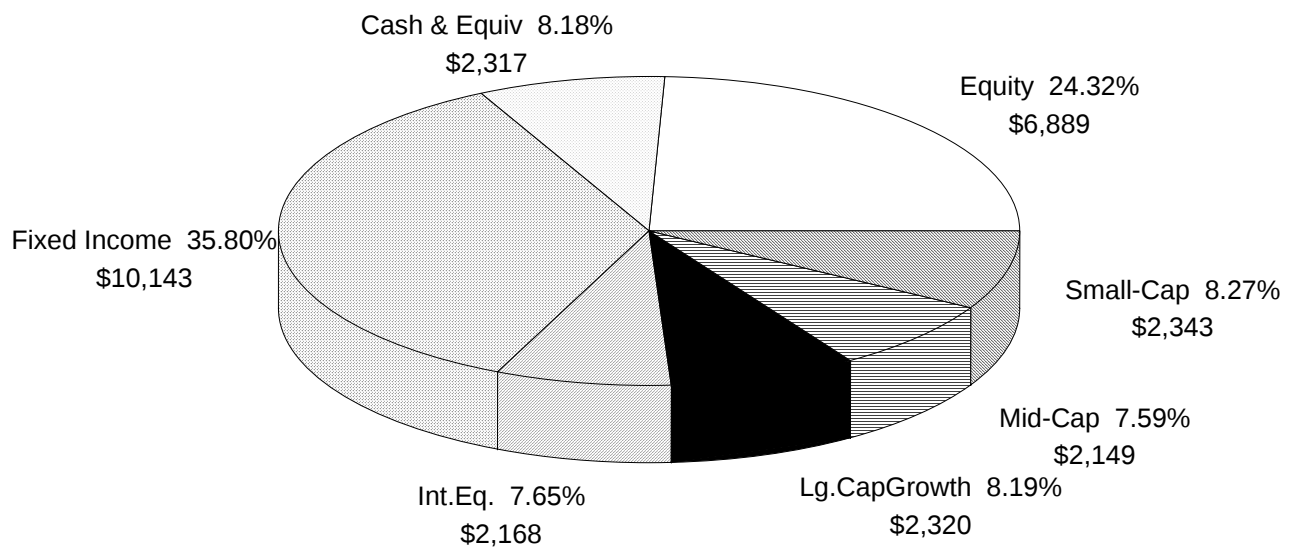
## Total Fund

Style Allocation Through December 31, 2007

### Current Quarter



### Previous Quarter



All dollar values are shown in thousands.

# Palm Beach Gardens Police Pension Fund

## Total Fund

### Quarterly Style Allocation (%)

#### Equity

#### Cash & Equiv

#### Fixed Income

| Period Ending | Actual Weight | Target Weight | Diff   | Actual Weight | Target Weight | Diff | Actual Weight | Target Weight | Diff  |
|---------------|---------------|---------------|--------|---------------|---------------|------|---------------|---------------|-------|
| Mar 2003      | 42.42         | 60.00         | -17.58 | 6.37          | 0.00          | 6.37 | 42.21         | 40.00         | 2.21  |
| Jun 2003      | 43.05         | 60.00         | -16.95 | 4.04          | 0.00          | 4.04 | 43.76         | 40.00         | 3.76  |
| Sep 2003      | 42.59         | 60.00         | -17.41 | 5.04          | 0.00          | 5.04 | 43.00         | 40.00         | 3.00  |
| Dec 2003      | 41.80         | 60.00         | -18.20 | 3.54          | 0.00          | 3.54 | 39.48         | 40.00         | -0.52 |
| Mar 2004      | 42.26         | 60.00         | -17.74 | 2.55          | 0.00          | 2.55 | 37.94         | 40.00         | -2.06 |
| Jun 2004      | 41.30         | 60.00         | -18.70 | 8.05          | 0.00          | 8.05 | 33.51         | 40.00         | -6.49 |
| Sep 2004      | 39.90         | 60.00         | -20.10 | 9.71          | 0.00          | 9.71 | 33.84         | 40.00         | -6.16 |
| Dec 2004      | 39.01         | 60.00         | -20.99 | 4.05          | 0.00          | 4.05 | 38.45         | 40.00         | -1.55 |
| Mar 2005      | 38.62         | 60.00         | -21.38 | 4.18          | 0.00          | 4.18 | 37.78         | 40.00         | -2.22 |
| Jun 2005      | 36.95         | 60.00         | -23.05 | 7.26          | 0.00          | 7.26 | 37.00         | 40.00         | -3.00 |
| Sep 2005      | 36.32         | 60.00         | -23.68 | 6.36          | 0.00          | 6.36 | 38.10         | 40.00         | -1.90 |
| Dec 2005      | 35.86         | 60.00         | -24.14 | 6.56          | 0.00          | 6.56 | 38.86         | 40.00         | -1.14 |
| Mar 2006      | 35.72         | 60.00         | -24.28 | 1.58          | 0.00          | 1.58 | 43.48         | 40.00         | 3.48  |
| Jun 2006      | 35.02         | 60.00         | -24.98 | 1.56          | 0.00          | 1.56 | 44.38         | 40.00         | 4.38  |
| Sep 2006      | 34.37         | 60.00         | -25.63 | 4.25          | 0.00          | 4.25 | 42.62         | 40.00         | 2.62  |
| Dec 2006      | 33.94         | 60.00         | -26.06 | 4.09          | 0.00          | 4.09 | 40.89         | 40.00         | 0.89  |
| Mar 2007      | 33.24         | 60.00         | -26.76 | 4.39          | 0.00          | 4.39 | 40.08         | 40.00         | 0.08  |
| Jun 2007      | 32.82         | 60.00         | -27.18 | 3.81          | 0.00          | 3.81 | 37.70         | 40.00         | -2.30 |
| Sep 2007      | 26.42         | 60.00         | -33.58 | 8.04          | 0.00          | 8.04 | 36.21         | 40.00         | -3.79 |
| Dec 2007      | 24.59         | 60.00         | -35.41 | 5.89          | 0.00          | 5.89 | 35.56         | 40.00         | -4.44 |

The allocation shown is the average allocation during the quarter.

# Palm Beach Gardens Police Pension Fund

## Total Fund

### Quarterly Style Allocation (%)

Int.Eq.

Lg.CapGrowth

Mid-Cap

| Period Ending | Actual Weight | Target Weight | Diff | Actual Weight | Target Weight | Diff  | Actual Weight | Target Weight | Diff |
|---------------|---------------|---------------|------|---------------|---------------|-------|---------------|---------------|------|
| Mar 2003      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 9.00          | 0.00          | 9.00 |
| Jun 2003      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 9.14          | 0.00          | 9.14 |
| Sep 2003      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 9.37          | 0.00          | 9.37 |
| Dec 2003      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 9.49          | 0.00          | 9.49 |
| Mar 2004      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 9.62          | 0.00          | 9.62 |
| Jun 2004      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 9.51          | 0.00          | 9.51 |
| Sep 2004      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 9.12          | 0.00          | 9.12 |
| Dec 2004      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 9.09          | 0.00          | 9.09 |
| Mar 2005      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 9.20          | 0.00          | 9.20 |
| Jun 2005      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 8.93          | 0.00          | 8.93 |
| Sep 2005      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 9.10          | 0.00          | 9.10 |
| Dec 2005      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 8.92          | 0.00          | 8.92 |
| Mar 2006      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 9.11          | 0.00          | 9.11 |
| Jun 2006      | 0.00          | 0.00          | 0.00 | 0.00          | 0.00          | 0.00  | 8.96          | 0.00          | 8.96 |
| Sep 2006      | 0.97          | 0.00          | 0.97 | 0.00          | 0.00          | 0.00  | 8.39          | 0.00          | 8.39 |
| Dec 2006      | 3.79          | 0.00          | 3.79 | 0.00          | 0.00          | 0.00  | 8.12          | 0.00          | 8.12 |
| Mar 2007      | 3.89          | 0.00          | 3.89 | 1.17          | 0.00          | 1.17  | 8.14          | 0.00          | 8.14 |
| Jun 2007      | 3.87          | 0.00          | 3.87 | 4.64          | 0.00          | 4.64  | 8.17          | 0.00          | 8.17 |
| Sep 2007      | 5.75          | 0.00          | 5.75 | 7.26          | 0.00          | 7.26  | 7.79          | 0.00          | 7.79 |
| Dec 2007      | 7.55          | 0.00          | 7.55 | 10.27         | 0.00          | 10.27 | 7.81          | 0.00          | 7.81 |

The allocation shown is the average allocation during the quarter.

# Palm Beach Gardens Police Pension Fund

## Total Fund

### Quarterly Style Allocation (%)

#### Small-Cap

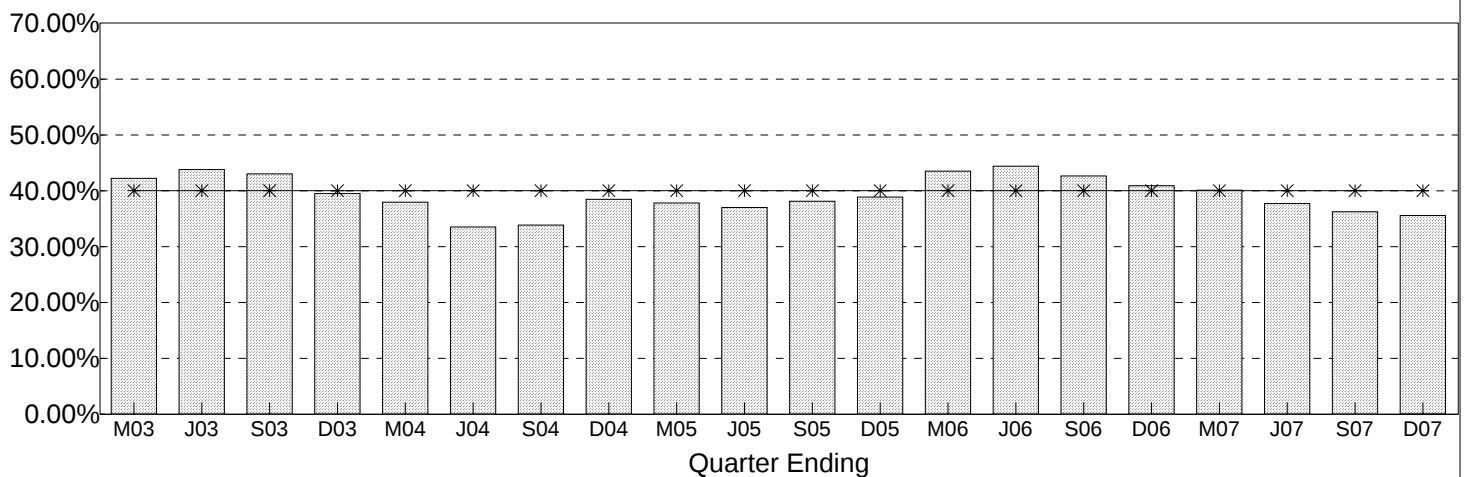
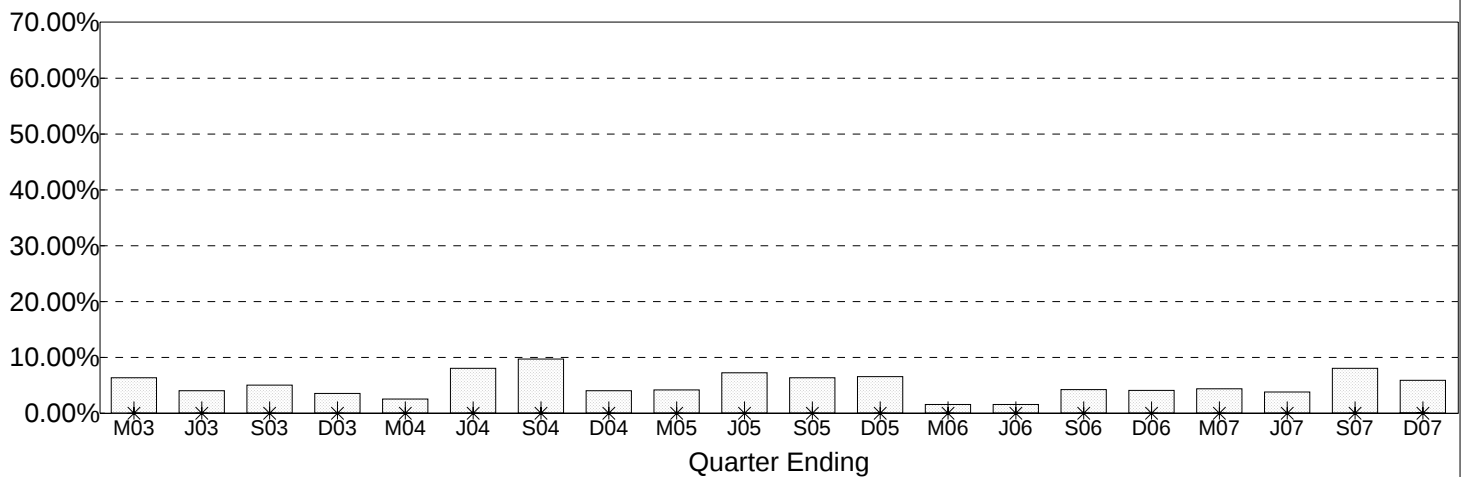
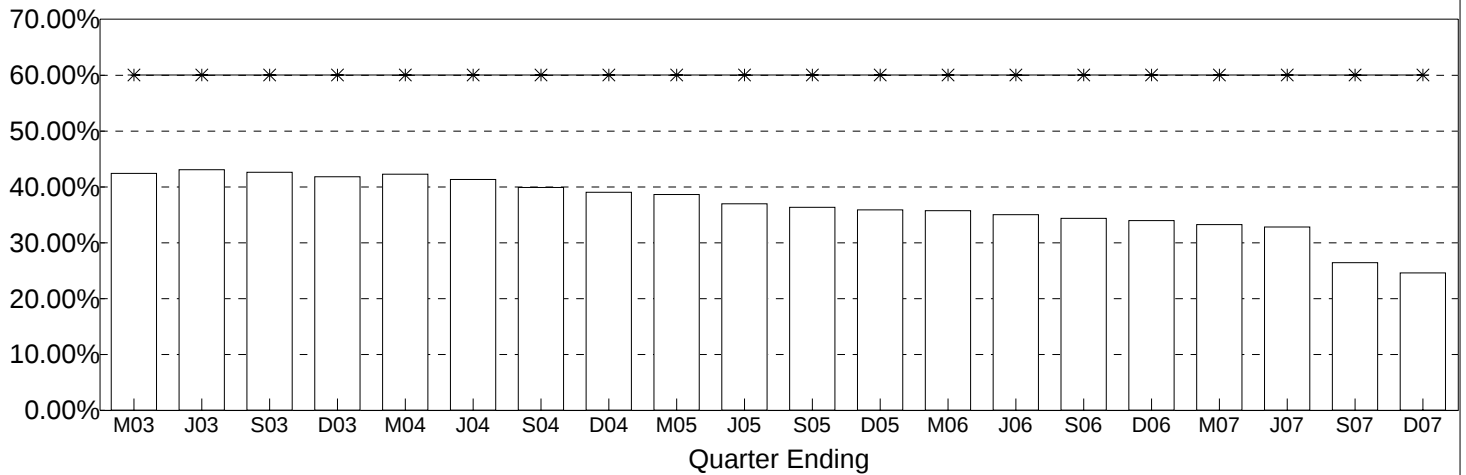
| Period Ending | Actual Weight | Target Weight | Diff  |
|---------------|---------------|---------------|-------|
| Mar 2003      | 0.00          | 0.00          | 0.00  |
| Jun 2003      | 0.00          | 0.00          | 0.00  |
| Sep 2003      | 0.00          | 0.00          | 0.00  |
| Dec 2003      | 5.69          | 0.00          | 5.69  |
| Mar 2004      | 7.63          | 0.00          | 7.63  |
| Jun 2004      | 7.63          | 0.00          | 7.63  |
| Sep 2004      | 7.44          | 0.00          | 7.44  |
| Dec 2004      | 9.41          | 0.00          | 9.41  |
| Mar 2005      | 10.22         | 0.00          | 10.22 |
| Jun 2005      | 9.86          | 0.00          | 9.86  |
| Sep 2005      | 10.12         | 0.00          | 10.12 |
| Dec 2005      | 9.80          | 0.00          | 9.80  |
| Mar 2006      | 10.11         | 0.00          | 10.11 |
| Jun 2006      | 10.08         | 0.00          | 10.08 |
| Sep 2006      | 9.40          | 0.00          | 9.40  |
| Dec 2006      | 9.17          | 0.00          | 9.17  |
| Mar 2007      | 9.08          | 0.00          | 9.08  |
| Jun 2007      | 8.99          | 0.00          | 8.99  |
| Sep 2007      | 8.54          | 0.00          | 8.54  |
| Dec 2007      | 8.32          | 0.00          | 8.32  |

The allocation shown is the average allocation during the quarter.

# Palm Beach Gardens Police Pension Fund

## Total Fund

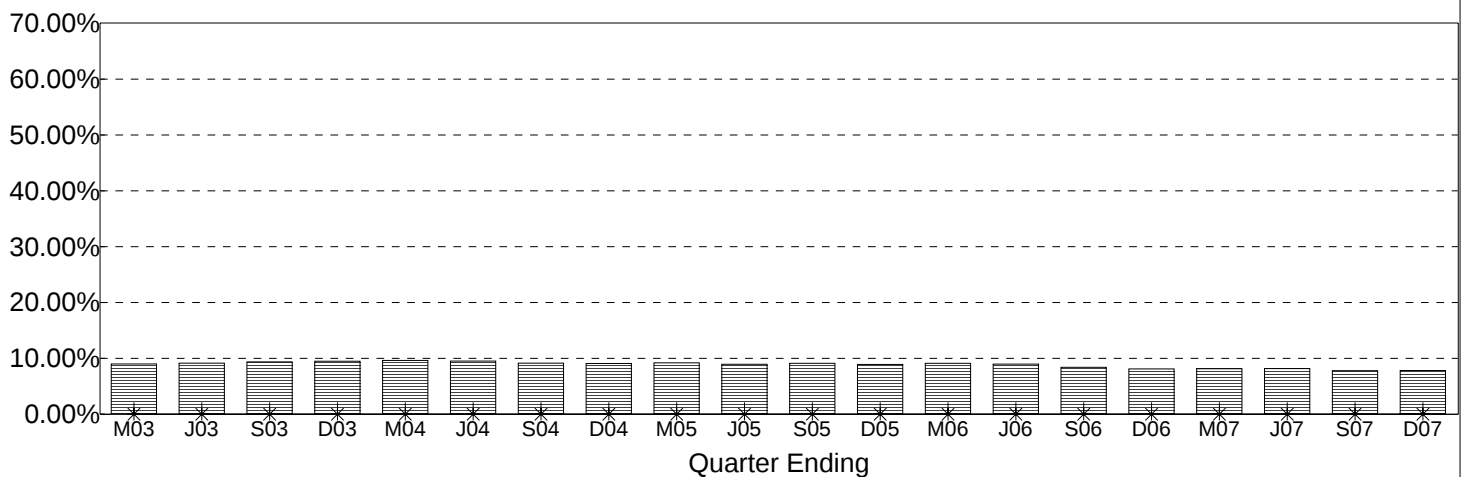
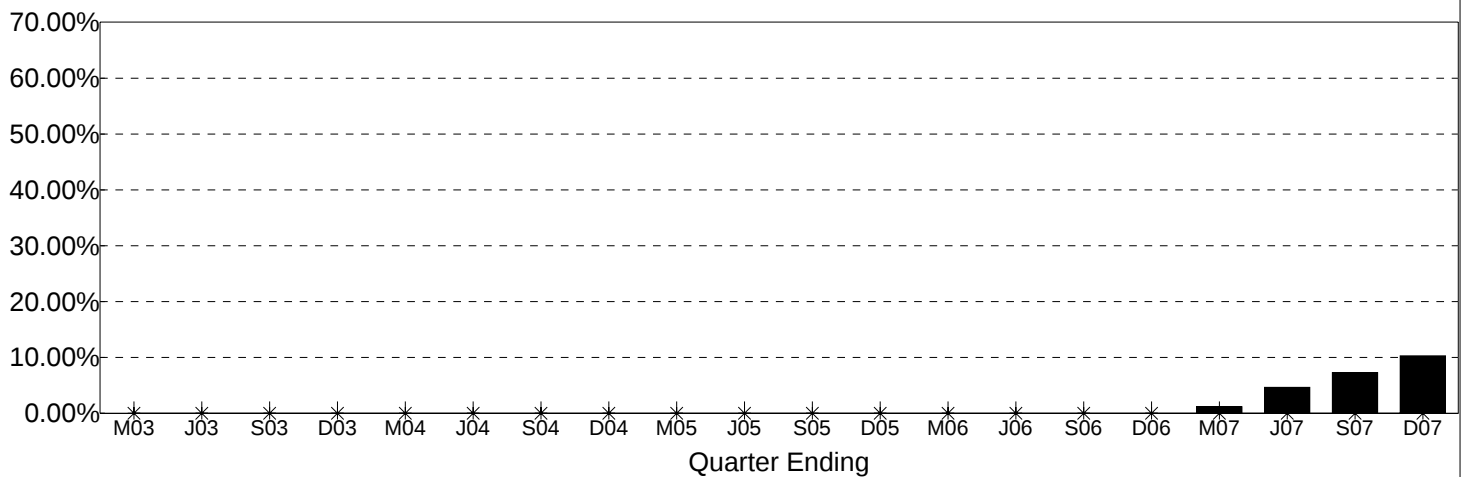
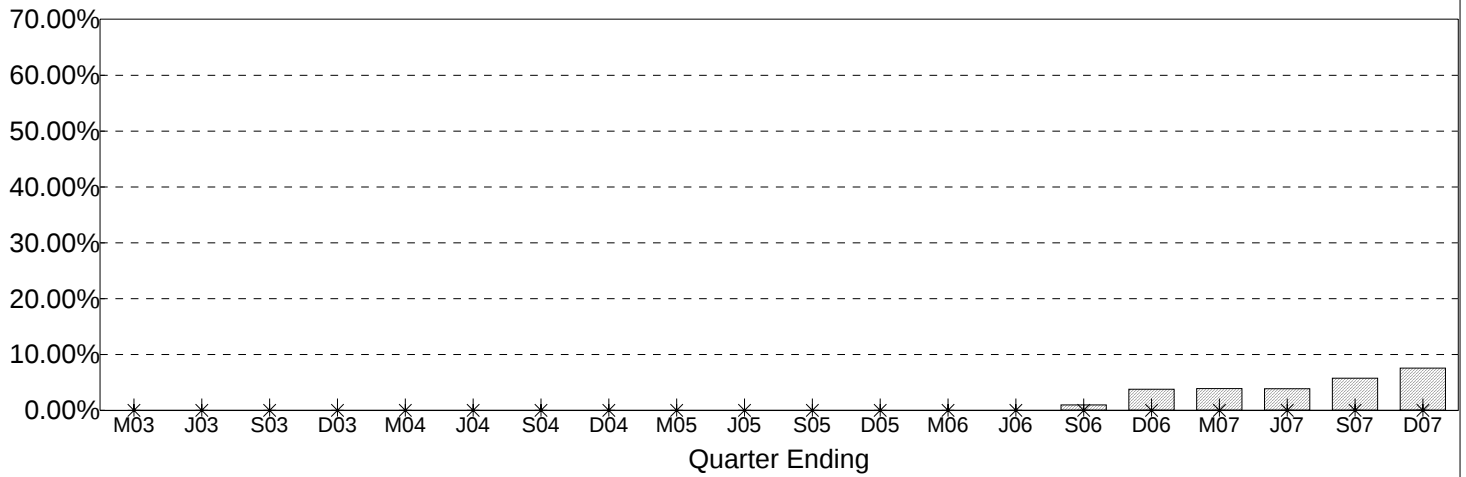
### Style Allocation vs Targets



# Palm Beach Gardens Police Pension Fund

## Total Fund

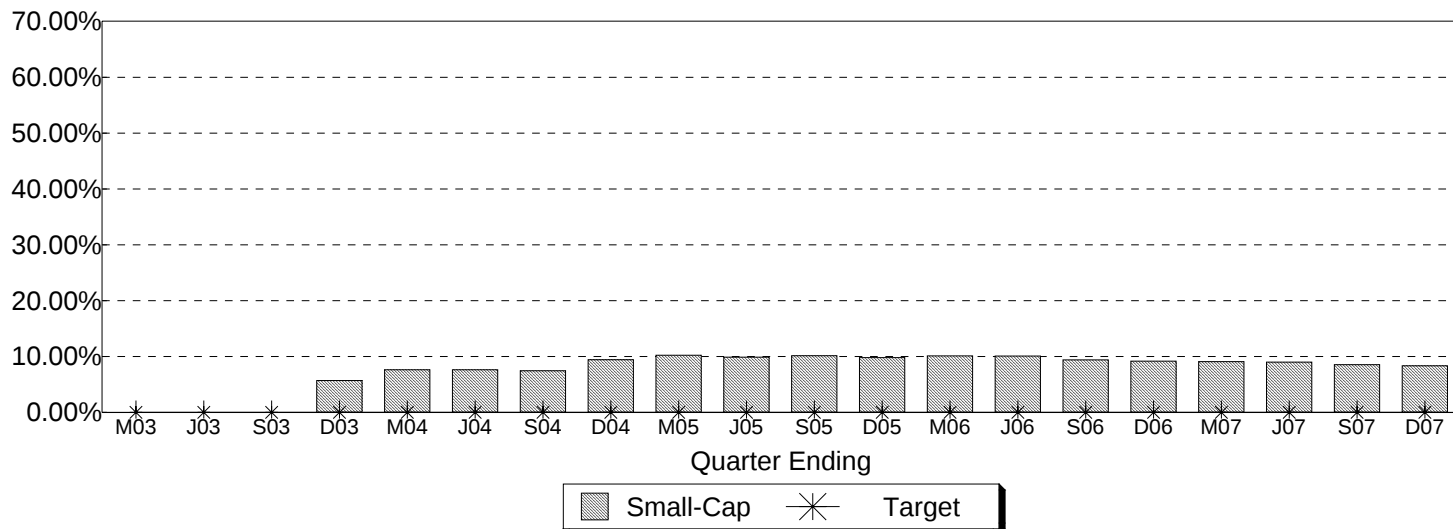
### Style Allocation vs Targets



# Palm Beach Gardens Police Pension Fund

## Total Fund

### Style Allocation vs Targets



# Palm Beach Gardens Police Pension Fund

## Total Fund

### Attribution of Returns

Attribution of Performance to show Manager Contribution

|                 | Policy | Manager Contribution | Fund  |
|-----------------|--------|----------------------|-------|
| Current Quarter | -0.90  | -0.74                | -1.64 |
| Year to Date    | -0.90  | -0.74                | -1.64 |
| 3 Years         | 7.47   | -0.66                | 6.81  |
| 5 Years         | 10.26  | -1.40                | 8.86  |
| 10 Years        | 6.63   | -0.90                | 5.73  |
| Incept          | 8.30   | -0.24                | 8.06  |

Policy + Manager Contribution = Fund

### Attribution of Manager Contribution between Asset Allocation and Security Selection

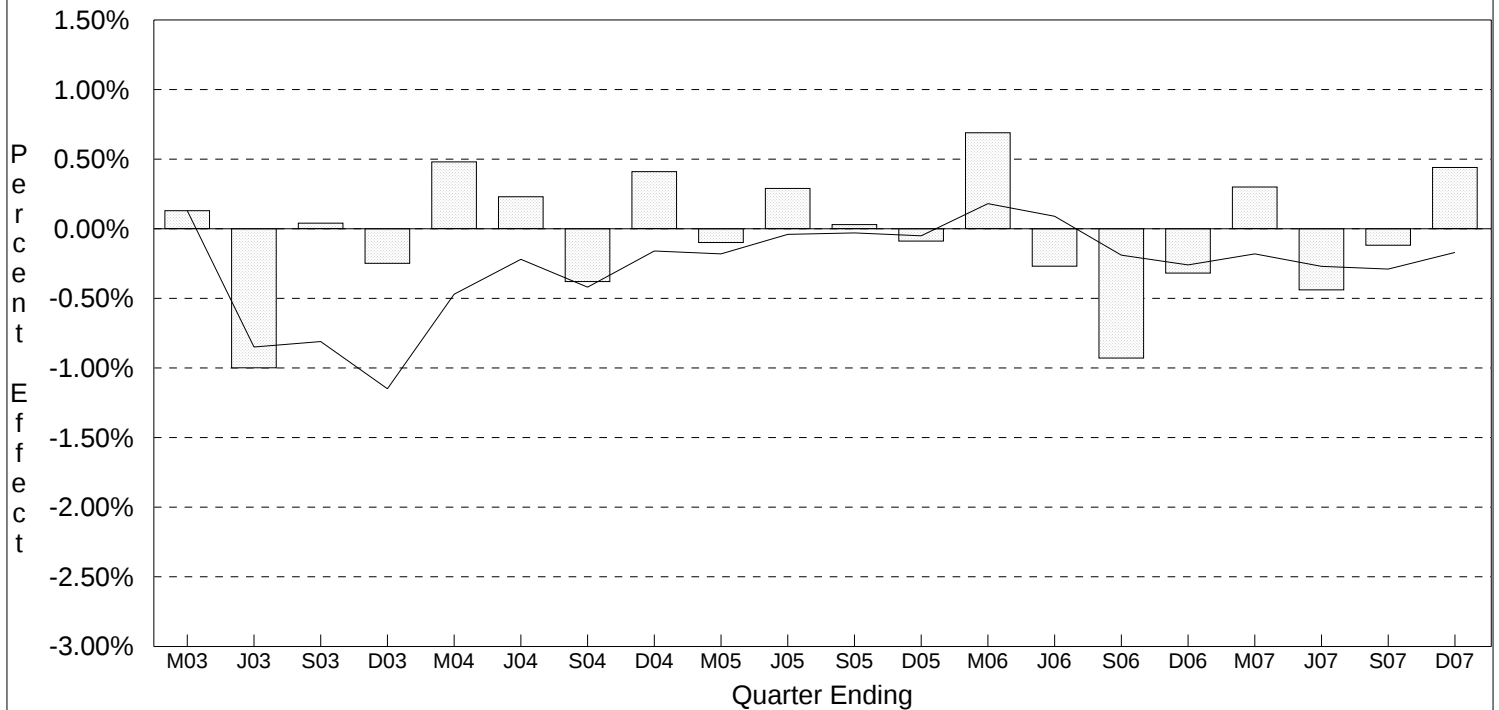
|                 | Asset Allocation | Security Selection | Manager Contribution |
|-----------------|------------------|--------------------|----------------------|
| Current Quarter | 0.44             | -1.18              | -0.74                |
| Year to Date    | 0.44             | -1.18              | -0.74                |
| 3 Years         | -0.18            | -0.48              | -0.66                |
| 5 Years         | -0.17            | -1.23              | -1.40                |
| 10 Years        | 0.67             | -1.57              | -0.90                |
| Incept          | 1.19             | -1.43              | -0.24                |

Asset Allocation + Security Selection = Manager Contribution

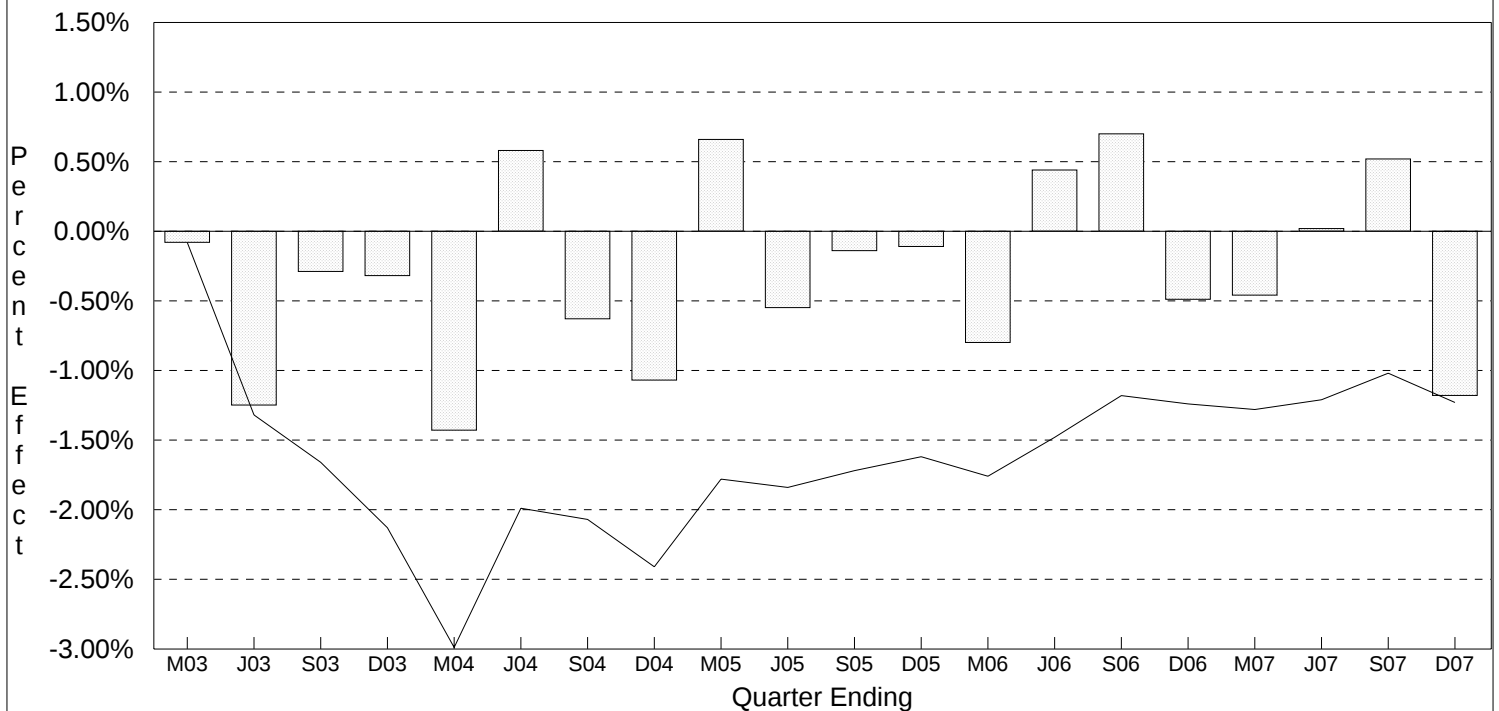
# Palm Beach Gardens Police Pension Fund

## Total Fund

### Asset Allocation Effect



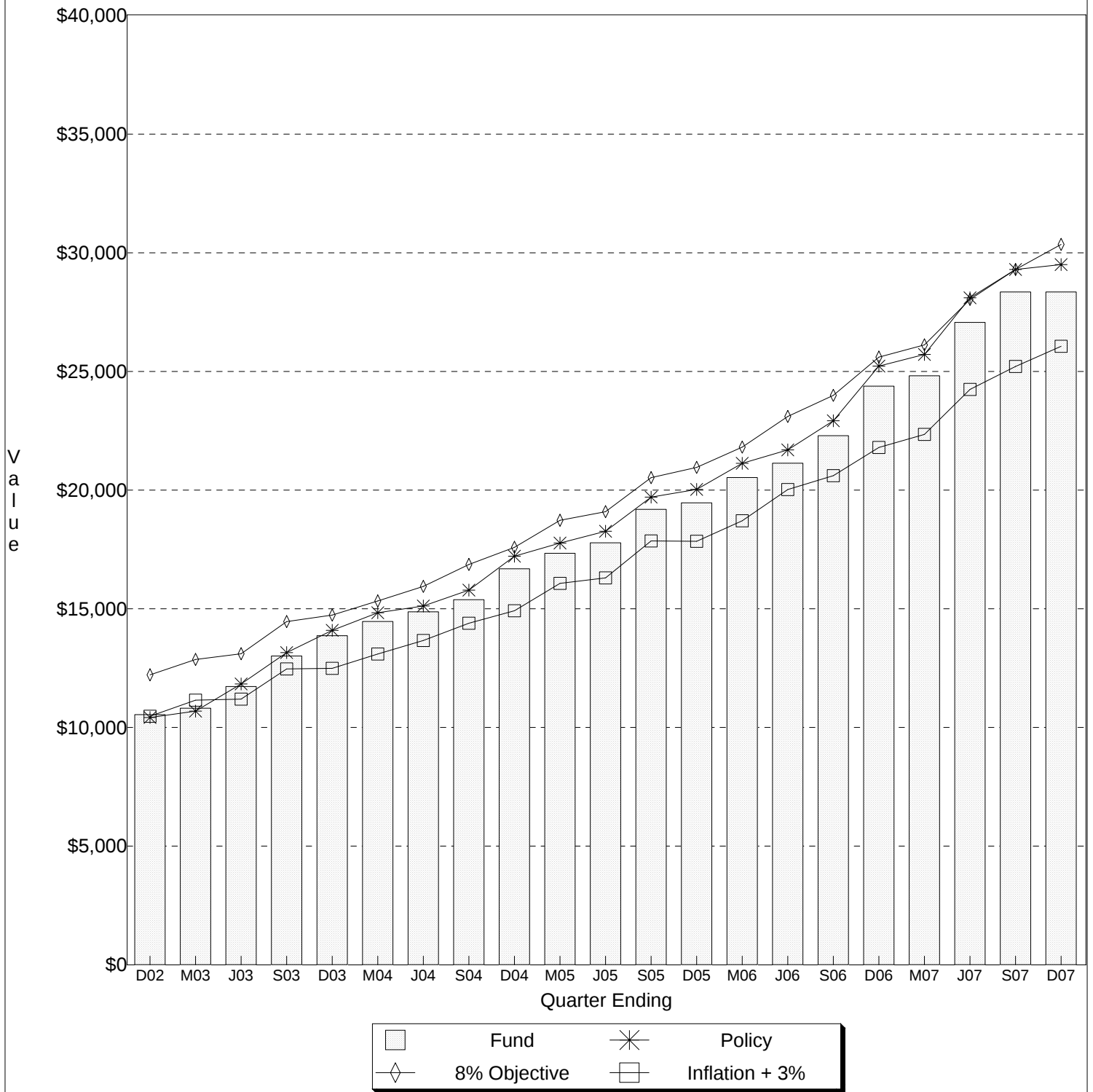
### Security Selection Effect



Quarterly Effect
  Cumulative Effect

# Palm Beach Gardens Police Pension Fund

## Total Fund Objective Comparison



Inception date is March 31, 1992

All dollar values are shown in thousands.

# Palm Beach Gardens Police Pension Fund

## Total Fund

### Quarterly Comparison Analysis (\$)

| Period Ending | Fund  | Policy | Diff | 8% Objective | Diff  | Inflation + 3% | Diff  |
|---------------|-------|--------|------|--------------|-------|----------------|-------|
| Mar 1992      | 475   | 475    | 0    | 475          | 0     | 475            | 0     |
| Jun 1992      | 484   | 489    | -5   | 484          | 0     | 481            | 3     |
| Sep 1992      | 478   | 483    | -5   | 468          | 10    | 464            | 14    |
| Dec 1992      | 506   | 490    | 16   | 477          | 28    | 469            | 37    |
| Mar 1993      | 521   | 504    | 17   | 482          | 39    | 473            | 48    |
| Jun 1993      | 527   | 514    | 13   | 491          | 36    | 479            | 48    |
| Sep 1993      | 739   | 733    | 5    | 703          | 36    | 686            | 53    |
| Dec 1993      | 2,231 | 2,223  | 8    | 2,205        | 26    | 2,181          | 50    |
| Mar 1994      | 2,369 | 2,330  | 39   | 2,422        | -53   | 2,392          | -23   |
| Jun 1994      | 2,359 | 2,340  | 19   | 2,580        | -221  | 2,507          | -148  |
| Sep 1994      | 2,696 | 2,663  | 33   | 2,913        | -217  | 2,833          | -136  |
| Dec 1994      | 2,666 | 2,651  | 15   | 2,959        | -293  | 2,841          | -175  |
| Mar 1995      | 2,906 | 2,891  | 15   | 3,105        | -199  | 2,984          | -77   |
| Jun 1995      | 3,163 | 3,100  | 63   | 3,187        | -24   | 3,049          | 114   |
| Sep 1995      | 3,279 | 3,196  | 83   | 3,241        | 38    | 3,078          | 201   |
| Dec 1995      | 3,559 | 3,522  | 37   | 3,481        | 78    | 3,280          | 279   |
| Mar 1996      | 3,730 | 3,707  | 23   | 3,724        | 6     | 3,525          | 205   |
| Jun 1996      | 3,996 | 3,960  | 36   | 3,984        | 12    | 3,764          | 232   |
| Sep 1996      | 3,981 | 4,043  | -61  | 4,059        | -77   | 3,815          | 166   |
| Dec 1996      | 4,230 | 4,221  | 9    | 4,139        | 91    | 3,864          | 366   |
| Mar 1997      | 4,506 | 4,462  | 44   | 4,428        | 78    | 4,136          | 370   |
| Jun 1997      | 5,135 | 5,113  | 21   | 4,770        | 365   | 4,426          | 709   |
| Sep 1997      | 5,807 | 5,685  | 123  | 5,173        | 634   | 4,789          | 1,018 |
| Dec 1997      | 6,011 | 5,869  | 142  | 5,280        | 731   | 4,831          | 1,180 |
| Mar 1998      | 6,435 | 6,399  | 36   | 5,390        | 1,045 | 4,904          | 1,531 |
| Jun 1998      | 6,756 | 6,910  | -154 | 5,805        | 951   | 5,274          | 1,482 |
| Sep 1998      | 6,727 | 6,945  | -218 | 6,229        | 497   | 5,639          | 1,088 |
| Dec 1998      | 7,741 | 7,913  | -172 | 6,450        | 1,291 | 5,786          | 1,955 |
| Mar 1999      | 7,858 | 8,162  | -304 | 6,677        | 1,181 | 5,965          | 1,893 |
| Jun 1999      | 8,450 | 8,854  | -404 | 7,162        | 1,288 | 6,405          | 2,046 |
| Sep 1999      | 8,304 | 8,736  | -432 | 7,535        | 769   | 6,750          | 1,554 |
| Dec 1999      | 8,921 | 9,631  | -710 | 7,816        | 1,105 | 6,955          | 1,966 |
| Mar 2000      | 9,259 | 10,156 | -898 | 8,149        | 1,109 | 7,308          | 1,950 |
| Jun 2000      | 9,715 | 10,100 | -385 | 8,405        | 1,310 | 7,511          | 2,204 |
| Sep 2000      | 9,527 | 9,895  | -368 | 8,300        | 1,227 | 7,354          | 2,174 |
| Dec 2000      | 9,624 | 9,909  | -285 | 8,780        | 844   | 7,740          | 1,884 |
| Mar 2001      | 9,323 | 9,483  | -161 | 9,112        | 210   | 8,053          | 1,269 |

All dollar values are shown in thousands.

# Palm Beach Gardens Police Pension Fund

## Total Fund

### Quarterly Comparison Analysis (\$)

| Period Ending | Fund   | Policy | Diff   | 8% Objective | Diff   | Inflation + 3% | Diff  |
|---------------|--------|--------|--------|--------------|--------|----------------|-------|
| Jun 2001      | 9,736  | 10,021 | -285   | 9,477        | 259    | 8,389          | 1,346 |
| Sep 2001      | 9,473  | 9,399  | 74     | 9,765        | -292   | 8,573          | 900   |
| Dec 2001      | 10,080 | 10,201 | -121   | 10,146       | -67    | 8,747          | 1,333 |
| Mar 2002      | 10,437 | 10,572 | -135   | 10,711       | -274   | 9,286          | 1,151 |
| Jun 2002      | 9,927  | 9,866  | 61     | 10,926       | -1,000 | 9,427          | 500   |
| Sep 2002      | 9,911  | 9,588  | 323    | 11,730       | -1,819 | 10,144         | -233  |
| Dec 2002      | 10,533 | 10,412 | 121    | 12,204       | -1,672 | 10,463         | 69    |
| Mar 2003      | 10,803 | 10,680 | 123    | 12,852       | -2,049 | 11,143         | -340  |
| Jun 2003      | 11,717 | 11,824 | -107   | 13,095       | -1,378 | 11,185         | 532   |
| Sep 2003      | 13,002 | 13,143 | -141   | 14,451       | -1,449 | 12,458         | 544   |
| Dec 2003      | 13,854 | 14,080 | -226   | 14,722       | -867   | 12,481         | 1,374 |
| Mar 2004      | 14,453 | 14,820 | -367   | 15,319       | -866   | 13,087         | 1,366 |
| Jun 2004      | 14,860 | 15,107 | -247   | 15,929       | -1,069 | 13,655         | 1,205 |
| Sep 2004      | 15,371 | 15,773 | -402   | 16,854       | -1,483 | 14,382         | 990   |
| Dec 2004      | 16,672 | 17,205 | -532   | 17,573       | -901   | 14,905         | 1,767 |
| Mar 2005      | 17,327 | 17,759 | -431   | 18,714       | -1,387 | 16,059         | 1,269 |
| Jun 2005      | 17,764 | 18,252 | -487   | 19,076       | -1,311 | 16,289         | 1,476 |
| Sep 2005      | 19,175 | 19,693 | -517   | 20,511       | -1,335 | 17,844         | 1,332 |
| Dec 2005      | 19,451 | 20,013 | -562   | 20,943       | -1,493 | 17,831         | 1,620 |
| Mar 2006      | 20,514 | 21,115 | -602   | 21,794       | -1,281 | 18,696         | 1,818 |
| Jun 2006      | 21,120 | 21,678 | -558   | 23,089       | -1,969 | 20,009         | 1,111 |
| Sep 2006      | 22,277 | 22,904 | -627   | 23,977       | -1,701 | 20,596         | 1,681 |
| Dec 2006      | 24,364 | 25,205 | -841   | 25,586       | -1,222 | 21,782         | 2,582 |
| Mar 2007      | 24,802 | 25,698 | -896   | 26,098       | -1,297 | 22,333         | 2,468 |
| Jun 2007      | 27,047 | 28,084 | -1,038 | 28,015       | -969   | 24,225         | 2,821 |
| Sep 2007      | 28,330 | 29,278 | -948   | 29,276       | -946   | 25,193         | 3,136 |
| Dec 2007      | 28,331 | 29,481 | -1,150 | 30,332       | -2,001 | 26,044         | 2,287 |

All dollar values are shown in thousands.

# Palm Beach Gardens Police Pension Fund

## Total Fund

### Quarterly Comparison Analysis (%)

| Period Ending | Fund  | Policy | Diff  | 8% Objective | Diff  | Inflation + 3% | Diff  |
|---------------|-------|--------|-------|--------------|-------|----------------|-------|
| Jun 1992      | 2.00  | 3.06   | -1.06 | 1.94         | 0.06  | 1.39           | 0.61  |
| Sep 1992      | 3.90  | 3.85   | 0.05  | 1.94         | 1.96  | 1.53           | 2.37  |
| Dec 1992      | 5.80  | 1.41   | 4.39  | 1.94         | 3.86  | 1.17           | 4.63  |
| Mar 1993      | 4.00  | 4.00   | 0.00  | 1.94         | 2.06  | 1.94           | 2.06  |
| Jun 1993      | 1.20  | 2.05   | -0.85 | 1.94         | -0.74 | 1.30           | -0.10 |
| Sep 1993      | 1.80  | 2.75   | -0.95 | 1.94         | -0.14 | 1.23           | 0.57  |
| Dec 1993      | 0.80  | 0.52   | 0.28  | 1.94         | -1.14 | 1.23           | -0.43 |
| Mar 1994      | -1.40 | -2.71  | 1.31  | 1.94         | -3.34 | 1.68           | -3.08 |
| Jun 1994      | -0.80 | -0.48  | -0.32 | 1.94         | -2.74 | 1.25           | -2.05 |
| Sep 1994      | 2.30  | 1.69   | 0.61  | 1.94         | 0.36  | 1.68           | 0.62  |
| Dec 1994      | -0.10 | 0.43   | -0.53 | 1.94         | -2.04 | 0.97           | -1.07 |
| Mar 1995      | 5.60  | 5.61   | -0.01 | 1.94         | 3.66  | 1.88           | 3.72  |
| Jun 1995      | 8.10  | 6.48   | 1.62  | 1.94         | 6.16  | 1.47           | 6.63  |
| Sep 1995      | 3.90  | 3.34   | 0.56  | 1.94         | 1.96  | 1.20           | 2.70  |
| Dec 1995      | 3.10  | 4.59   | -1.49 | 1.94         | 1.16  | 0.84           | 2.26  |
| Mar 1996      | -0.10 | 0.30   | -0.40 | 1.94         | -2.04 | 2.15           | -2.25 |
| Jun 1996      | 2.10  | 1.75   | 0.35  | 1.94         | 0.16  | 1.44           | 0.66  |
| Sep 1996      | -0.30 | 2.16   | -2.46 | 1.94         | -2.24 | 1.44           | -1.74 |
| Dec 1996      | 6.20  | 4.38   | 1.82  | 1.94         | 4.26  | 1.24           | 4.96  |
| Mar 1997      | 1.60  | 0.81   | 0.79  | 1.94         | -0.34 | 1.64           | -0.04 |
| Jun 1997      | 8.20  | 8.78   | -0.58 | 1.94         | 6.26  | 0.84           | 7.36  |
| Sep 1997      | 6.80  | 4.94   | 1.86  | 1.94         | 4.86  | 1.24           | 5.56  |
| Dec 1997      | 3.40  | 3.13   | 0.27  | 1.94         | 1.46  | 0.74           | 2.66  |
| Mar 1998      | 6.92  | 8.90   | -1.98 | 1.94         | 4.98  | 1.34           | 5.58  |
| Jun 1998      | 0.14  | 3.05   | -2.91 | 1.94         | -1.80 | 1.24           | -1.10 |
| Sep 1998      | -4.93 | -3.89  | -1.04 | 1.94         | -6.87 | 1.04           | -5.97 |
| Dec 1998      | 13.59 | 12.51  | 1.08  | 1.94         | 11.65 | 0.84           | 12.75 |
| Mar 1999      | 0.20  | 1.87   | -1.67 | 1.94         | -1.74 | 1.34           | -1.14 |
| Jun 1999      | 3.01  | 4.11   | -1.10 | 1.94         | 1.07  | 1.44           | 1.57  |
| Sep 1999      | -4.38 | -3.87  | -0.51 | 1.94         | -6.32 | 1.74           | -6.12 |
| Dec 1999      | 5.81  | 8.70   | -2.89 | 1.94         | 3.87  | 1.04           | 4.77  |
| Mar 2000      | 1.74  | 3.56   | -1.82 | 1.94         | -0.20 | 2.45           | -0.71 |
| Jun 2000      | 3.88  | -1.51  | 5.39  | 1.94         | 1.94  | 1.44           | 2.44  |
| Sep 2000      | 0.84  | 0.63   | 0.21  | 1.94         | -1.10 | 1.44           | -0.60 |
| Dec 2000      | -2.27 | -3.01  | 0.74  | 1.94         | -4.21 | 0.94           | -3.21 |
| Mar 2001      | -4.82 | -5.93  | 1.11  | 1.94         | -6.76 | 1.95           | -6.77 |
| Jun 2001      | 2.42  | 3.69   | -1.27 | 1.94         | 0.48  | 1.85           | 0.57  |

Returns for periods exceeding one year are annualized.

# Palm Beach Gardens Police Pension Fund

## Total Fund

### Quarterly Comparison Analysis (%)

| Period Ending | Fund  | Policy | Diff  | 8% Objective | Diff  | Inflation + 3% | Diff  |
|---------------|-------|--------|-------|--------------|-------|----------------|-------|
| Sep 2001      | -3.74 | -7.20  | 3.46  | 1.94         | -5.68 | 0.94           | -4.68 |
| Dec 2001      | 4.34  | 6.41   | -2.07 | 1.94         | 2.40  | -0.16          | 4.50  |
| Mar 2002      | -0.10 | 0.03   | -0.13 | 1.94         | -2.04 | 1.95           | -2.05 |
| Jun 2002      | -4.96 | -6.75  | 1.79  | 1.94         | -6.90 | 1.44           | -6.40 |
| Sep 2002      | -5.85 | -8.45  | 2.60  | 1.94         | -7.79 | 1.34           | -7.19 |
| Dec 2002      | 3.76  | 5.95   | -2.19 | 1.94         | 1.82  | 0.74           | 3.02  |
| Mar 2003      | -1.32 | -1.37  | 0.05  | 1.94         | -3.26 | 2.55           | -3.87 |
| Jun 2003      | 8.53  | 10.78  | -2.25 | 1.94         | 6.59  | 0.44           | 8.09  |
| Sep 2003      | 1.59  | 1.84   | -0.25 | 1.94         | -0.35 | 1.54           | 0.05  |
| Dec 2003      | 6.74  | 7.31   | -0.57 | 1.94         | 4.80  | 0.24           | 6.50  |
| Mar 2004      | 2.09  | 3.04   | -0.95 | 1.94         | 0.15  | 2.35           | -0.26 |
| Jun 2004      | 0.67  | -0.14  | 0.81  | 1.94         | -1.27 | 1.95           | -1.28 |
| Sep 2004      | -0.66 | 0.35   | -1.01 | 1.94         | -2.60 | 0.84           | -1.50 |
| Dec 2004      | 5.82  | 6.48   | -0.66 | 1.94         | 3.88  | 0.94           | 4.88  |
| Mar 2005      | -0.79 | -1.35  | 0.56  | 1.94         | -2.73 | 2.35           | -3.14 |
| Jun 2005      | 2.53  | 2.79   | -0.26 | 1.94         | 0.59  | 1.44           | 1.09  |
| Sep 2005      | 1.99  | 2.10   | -0.11 | 1.94         | 0.05  | 2.96           | -0.97 |
| Dec 2005      | 1.26  | 1.46   | -0.20 | 1.94         | -0.68 | -0.26          | 1.52  |
| Mar 2006      | 3.18  | 3.29   | -0.11 | 1.94         | 1.24  | 2.35           | 0.83  |
| Jun 2006      | -1.22 | -1.39  | 0.17  | 1.94         | -3.16 | 2.35           | -3.57 |
| Sep 2006      | 3.39  | 3.62   | -0.23 | 1.94         | 1.45  | 0.74           | 2.65  |
| Dec 2006      | 4.21  | 5.02   | -0.81 | 1.94         | 2.27  | 0.24           | 3.97  |
| Mar 2007      | 1.73  | 1.89   | -0.16 | 1.94         | -0.21 | 2.45           | -0.72 |
| Jun 2007      | 3.35  | 3.77   | -0.42 | 1.94         | 1.41  | 2.15           | 1.20  |
| Sep 2007      | 2.13  | 1.73   | 0.40  | 1.94         | 0.19  | 1.04           | 1.09  |
| Dec 2007      | -1.64 | -0.90  | -0.74 | 1.94         | -3.58 | 1.44           | -3.08 |
| Incept.       | 8.06  | 8.30   | -0.24 | 8.00         | 0.06  | 5.64           | 2.42  |

Returns for periods exceeding one year are annualized.

# Palm Beach Gardens Police Pension Fund

## Total Fund

### Market Values and Cash Flows

| Period Ending | Beginning Value | Net Flows | Investment<br>Gain/Loss | Ending Value | Return (%) |
|---------------|-----------------|-----------|-------------------------|--------------|------------|
| Jun 1992      | 475             | 0         | 9                       | 484          | 2.00       |
| Sep 1992      | 484             | -25       | 19                      | 478          | 3.90       |
| Dec 1992      | 478             | 0         | 28                      | 506          | 5.80       |
| Mar 1993      | 506             | -5        | 20                      | 521          | 4.00       |
| Jun 1993      | 521             | 0         | 6                       | 527          | 1.20       |
| Sep 1993      | 527             | 197       | 15                      | 739          | 1.80       |
| Dec 1993      | 739             | 1,485     | 7                       | 2,231        | 0.80       |
| Mar 1994      | 2,231           | 171       | -33                     | 2,369        | -1.40      |
| Jun 1994      | 2,369           | 38        | -49                     | 2,359        | -0.80      |
| Sep 1994      | 2,359           | 286       | 51                      | 2,696        | 2.30       |
| Dec 1994      | 2,696           | -26       | -3                      | 2,666        | -0.10      |
| Mar 1995      | 2,666           | 88        | 152                     | 2,906        | 5.60       |
| Jun 1995      | 2,906           | 21        | 235                     | 3,163        | 8.10       |
| Sep 1995      | 3,163           | -8        | 124                     | 3,279        | 3.90       |
| Dec 1995      | 3,279           | 175       | 105                     | 3,559        | 3.10       |
| Mar 1996      | 3,559           | 174       | -4                      | 3,730        | -0.10      |
| Jun 1996      | 3,730           | 187       | 80                      | 3,996        | 2.10       |
| Sep 1996      | 3,996           | -3        | -12                     | 3,981        | -0.30      |
| Dec 1996      | 3,981           | 1         | 247                     | 4,230        | 6.20       |
| Mar 1997      | 4,230           | 204       | 71                      | 4,506        | 1.60       |
| Jun 1997      | 4,506           | 255       | 374                     | 5,135        | 8.20       |
| Sep 1997      | 5,135           | 305       | 367                     | 5,807        | 6.80       |
| Dec 1997      | 5,807           | 6         | 198                     | 6,011        | 3.40       |
| Mar 1998      | 6,011           | 8         | 416                     | 6,435        | 6.92       |
| Jun 1998      | 6,435           | 308       | 13                      | 6,756        | 0.14       |
| Sep 1998      | 6,756           | 308       | -337                    | 6,727        | -4.93      |
| Dec 1998      | 6,727           | 100       | 915                     | 7,741        | 13.59      |
| Mar 1999      | 7,741           | 101       | 16                      | 7,858        | 0.20       |
| Jun 1999      | 7,858           | 351       | 241                     | 8,450        | 3.01       |
| Sep 1999      | 8,450           | 231       | -377                    | 8,304        | -4.38      |
| Dec 1999      | 8,304           | 134       | 482                     | 8,921        | 5.81       |
| Mar 2000      | 8,921           | 182       | 156                     | 9,259        | 1.74       |
| Jun 2000      | 9,259           | 97        | 359                     | 9,715        | 3.88       |
| Sep 2000      | 9,715           | -260      | 73                      | 9,527        | 0.84       |
| Dec 2000      | 9,527           | 316       | -219                    | 9,624        | -2.27      |
| Mar 2001      | 9,624           | 162       | -464                    | 9,322        | -4.82      |
| Jun 2001      | 9,322           | 188       | 225                     | 9,736        | 2.42       |

All dollar values are shown in thousands.

# Palm Beach Gardens Police Pension Fund

## Total Fund

### Market Values and Cash Flows

| Period Ending | Beginning Value | Net Flows | Investment<br>Gain/Loss | Ending Value | Return (%) |
|---------------|-----------------|-----------|-------------------------|--------------|------------|
| Sep 2001      | 9,736           | 104       | -367                    | 9,473        | -3.74      |
| Dec 2001      | 9,473           | 188       | 419                     | 10,080       | 4.34       |
| Mar 2002      | 10,080          | 367       | -10                     | 10,437       | -0.10      |
| Jun 2002      | 10,437          | 7         | -517                    | 9,927        | -4.96      |
| Sep 2002      | 9,927           | 587       | -603                    | 9,911        | -5.85      |
| Dec 2002      | 9,911           | 243       | 379                     | 10,533       | 3.76       |
| Mar 2003      | 10,533          | 408       | -138                    | 10,803       | -1.32      |
| Jun 2003      | 10,803          | -7        | 921                     | 11,717       | 8.53       |
| Sep 2003      | 11,717          | 1,091     | 193                     | 13,002       | 1.59       |
| Dec 2003      | 13,002          | -6        | 859                     | 13,854       | 6.74       |
| Mar 2004      | 13,854          | 307       | 292                     | 14,453       | 2.09       |
| Jun 2004      | 14,453          | 307       | 100                     | 14,860       | 0.67       |
| Sep 2004      | 14,860          | 607       | -96                     | 15,371       | -0.66      |
| Dec 2004      | 15,371          | 385       | 916                     | 16,672       | 5.82       |
| Mar 2005      | 16,672          | 795       | -140                    | 17,327       | -0.79      |
| Jun 2005      | 17,327          | -2        | 439                     | 17,764       | 2.53       |
| Sep 2005      | 17,764          | 1,056     | 355                     | 19,175       | 1.99       |
| Dec 2005      | 19,175          | 34        | 241                     | 19,451       | 1.26       |
| Mar 2006      | 19,451          | 438       | 625                     | 20,514       | 3.18       |
| Jun 2006      | 20,514          | 863       | -256                    | 21,120       | -1.22      |
| Sep 2006      | 21,120          | 439       | 717                     | 22,277       | 3.39       |
| Dec 2006      | 22,277          | 1,135     | 953                     | 24,364       | 4.21       |
| Mar 2007      | 24,364          | 16        | 422                     | 24,802       | 1.73       |
| Jun 2007      | 24,802          | 1,398     | 847                     | 27,046       | 3.35       |
| Sep 2007      | 27,046          | 712       | 571                     | 28,330       | 2.13       |
| Dec 2007      | 28,330          | 482       | -481                    | 28,331       | -1.64      |

All dollar values are shown in thousands.

# Palm Beach Gardens Police Pension Fund

## Total Fund

### Risk Measures

| 3 Yr               | Fund  | Policy | Diff   |
|--------------------|-------|--------|--------|
| # of Negative Qtrs | 3.00  | 3.00   | 0.00   |
| # of Positive Qtrs | 9.00  | 9.00   | 0.00   |
| Batting Average    | 25.00 | 75.00  | -50.00 |
| Worst Qtr          | -1.64 | -1.39  | -0.25  |
| Best Qtr           | 4.21  | 5.02   | -0.81  |
| Range              | 5.85  | 6.41   | -0.56  |
| Worst 4 Qtrs       | 5.05  | 5.04   | 0.01   |
| Standard Deviation | 4.71  | 5.17   | -0.46  |
| Beta               | 0.91  | 1.00   | -0.09  |
| Annualized Alpha   | 0.04  | 0.00   | 0.04   |
| R-Squared          | 0.99  | 1.00   | -0.01  |
| Sharpe Ratio       | 0.56  | 0.64   | -0.08  |
| Treynor Ratio      | 2.91  | 3.31   | -0.40  |
| Tracking Error     | 0.72  | 0.00   | 0.72   |
| Information Ratio  | -0.92 |        |        |

| 5 Yr               | Fund  | Policy | Diff   |
|--------------------|-------|--------|--------|
| # of Negative Qtrs | 5.00  | 5.00   | 0.00   |
| # of Positive Qtrs | 15.00 | 15.00  | 0.00   |
| Batting Average    | 25.00 | 75.00  | -50.00 |
| Worst Qtr          | -1.64 | -1.39  | -0.25  |
| Best Qtr           | 8.53  | 10.78  | -2.25  |
| Range              | 10.17 | 12.17  | -2.00  |
| Worst 4 Qtrs       | 4.99  | 5.04   | -0.05  |
| Standard Deviation | 4.97  | 5.72   | -0.75  |
| Beta               | 0.86  | 1.00   | -0.14  |
| Annualized Alpha   | 0.08  | 0.00   | 0.08   |
| R-Squared          | 0.97  | 1.00   | -0.03  |
| Sharpe Ratio       | 1.19  | 1.28   | -0.09  |
| Treynor Ratio      | 6.87  | 7.31   | -0.44  |
| Tracking Error     | 1.19  | 0.00   | 1.19   |
| Information Ratio  | -1.18 |        |        |

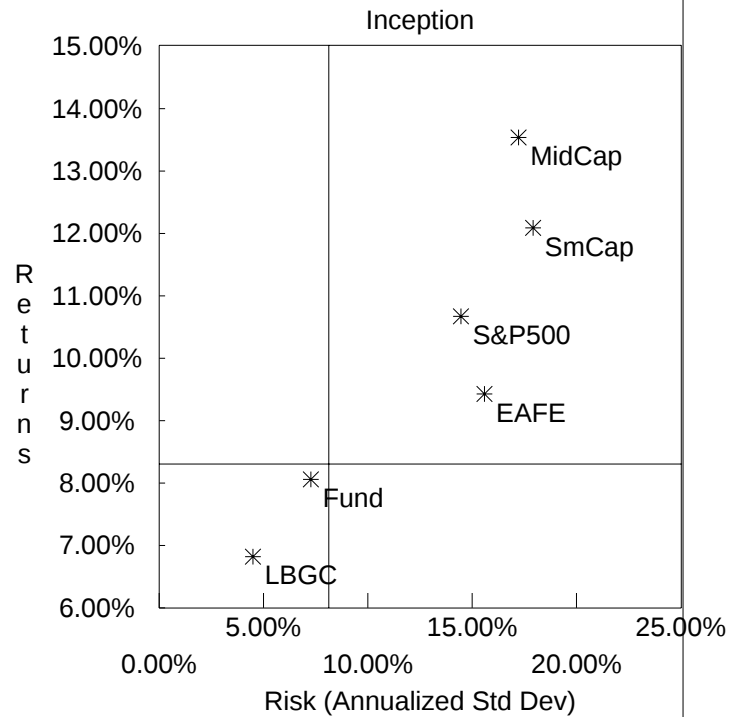
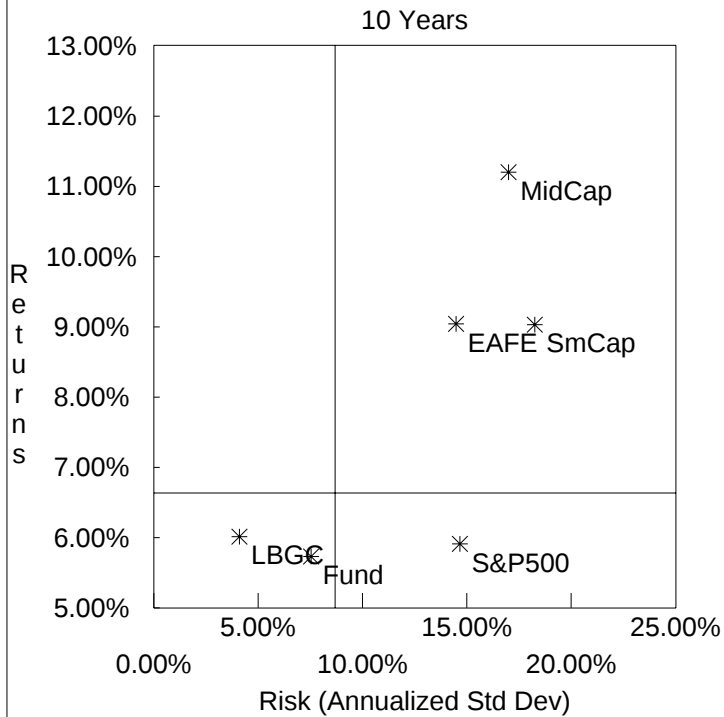
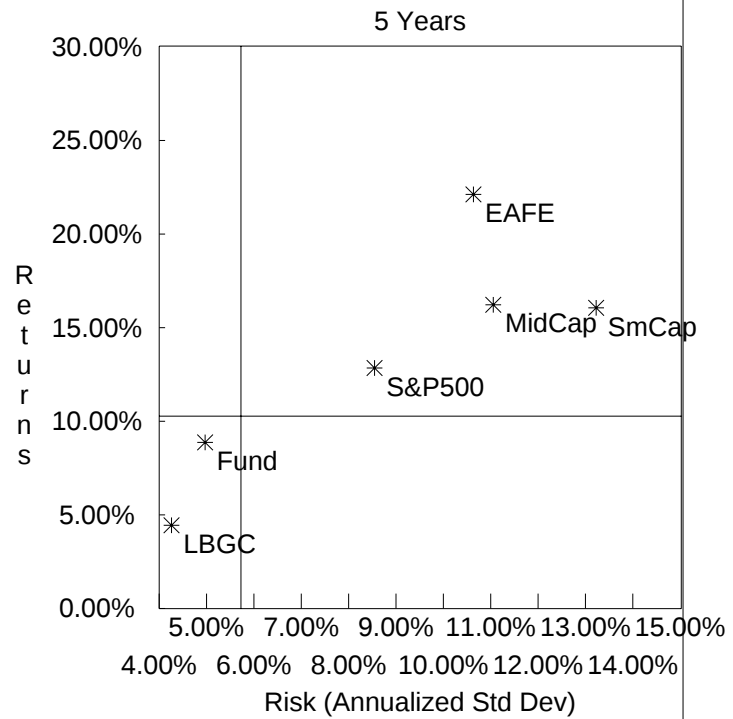
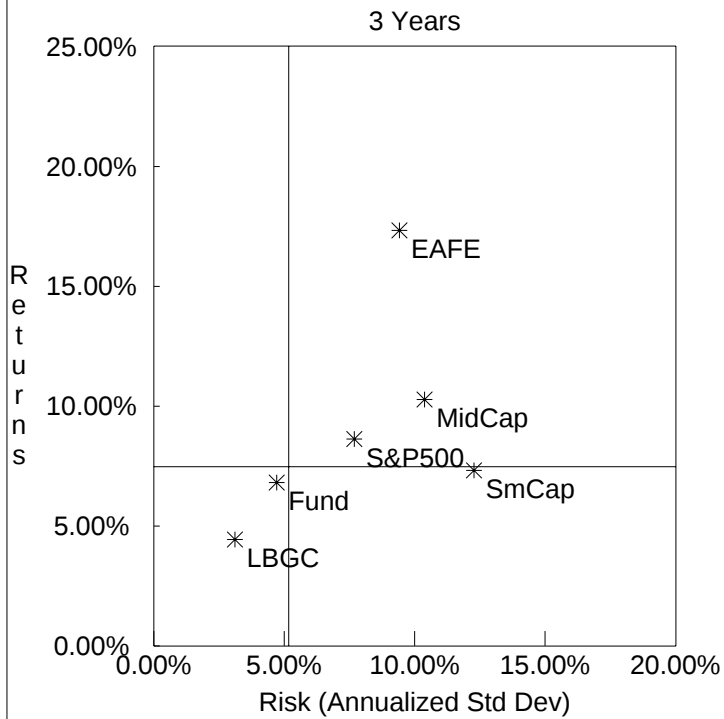
| 10 Yr              | Fund  | Policy | Diff   |
|--------------------|-------|--------|--------|
| # of Negative Qtrs | 13.00 | 13.00  | 0.00   |
| # of Positive Qtrs | 27.00 | 27.00  | 0.00   |
| Batting Average    | 32.50 | 67.50  | -35.00 |
| Worst Qtr          | -5.85 | -8.45  | 2.60   |
| Best Qtr           | 13.59 | 12.51  | 1.08   |
| Range              | 19.44 | 20.96  | -1.52  |
| Worst 4 Qtrs       | -8.39 | -12.21 | 3.82   |
| Standard Deviation | 7.53  | 8.68   | -1.15  |
| Beta               | 0.83  | 1.00   | -0.17  |
| Annualized Alpha   | 0.20  | 0.00   | 0.20   |
| R-Squared          | 0.92  | 1.00   | -0.08  |
| Sharpe Ratio       | 0.28  | 0.35   | -0.07  |
| Treynor Ratio      | 2.54  | 3.01   | -0.47  |
| Tracking Error     | 2.52  | 0.00   | 2.52   |
| Information Ratio  | -0.36 |        |        |

| Incept             | Fund  | Policy | Diff   |
|--------------------|-------|--------|--------|
| # of Negative Qtrs | 18.00 | 15.00  | 3.00   |
| # of Positive Qtrs | 45.00 | 48.00  | -3.00  |
| Batting Average    | 41.27 | 58.73  | -17.46 |
| Worst Qtr          | -5.85 | -8.45  | 2.60   |
| Best Qtr           | 13.59 | 12.51  | 1.08   |
| Range              | 19.44 | 20.96  | -1.52  |
| Worst 4 Qtrs       | -8.39 | -12.21 | 3.82   |
| Standard Deviation | 7.27  | 8.12   | -0.85  |
| Beta               | 0.83  | 1.00   | -0.17  |
| Annualized Alpha   | 1.17  | 0.00   | 1.17   |
| R-Squared          | 0.86  | 1.00   | -0.14  |
| Sharpe Ratio       | 0.57  | 0.54   | 0.03   |
| Treynor Ratio      | 4.95  | 4.35   | 0.60   |
| Tracking Error     | 3.07  | 0.00   | 3.07   |
| Information Ratio  | -0.08 |        |        |

# Palm Beach Gardens Police Pension Fund

## Total Fund

Return vs Risk through December 31, 2007



—+— Policy