

# Village of Tequesta General Employees' Retirement Plan

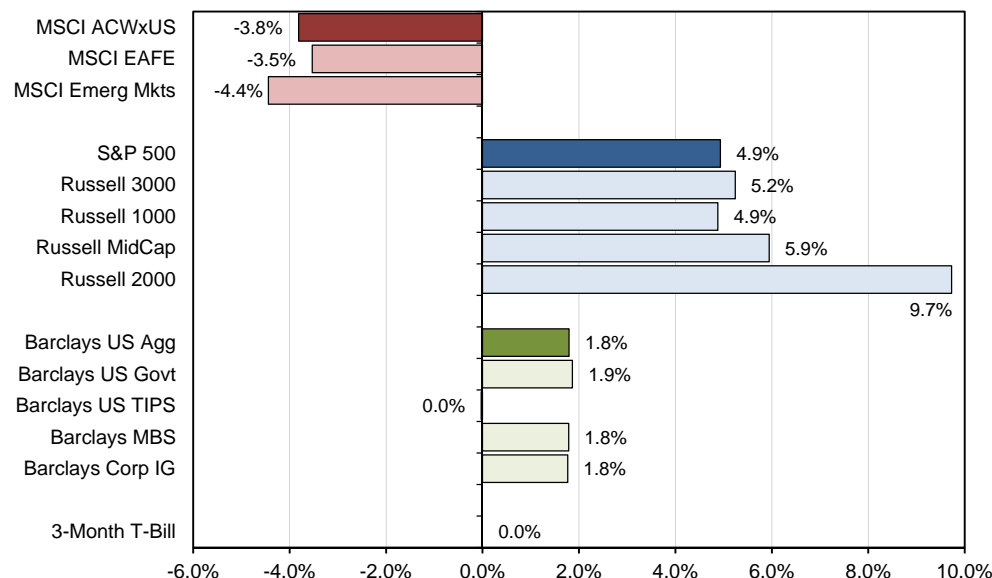
Investment Performance Review  
As of: December 31, 2014



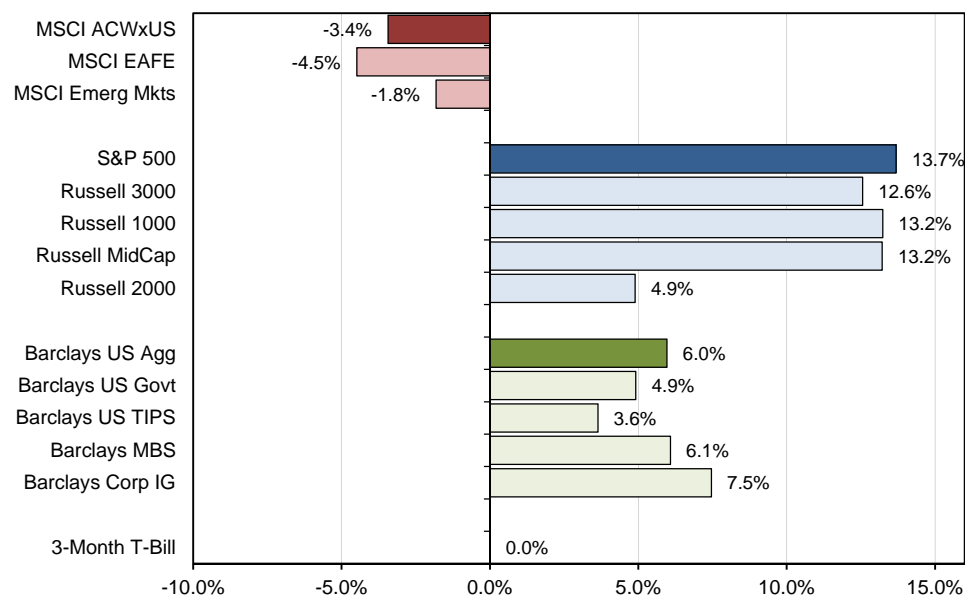
## **4th Quarter 2014 Market Environment**

- The fourth quarter of 2014 provided a polar opposite experience to what was seen in the third quarter. While large cap stocks greatly outperformed their small cap brethren last quarter, the reversal this period was pronounced and swift. Small caps returned between +9.4% and +10.1% during the period, which was significantly better than the +4.8% to +5.0% return within the large cap realm. However, for the year, large caps (as measured by the S&P 500 Index) remained on top, exceeding mid and small caps by approximately 50 and 880 basis points (bps), respectively.
- The third quarter ended a streak of eight consecutive positive quarters for small cap equities, but the hiccup was short-lived. Small caps, while not “cheap” by relative standards, were more reasonably valued at the beginning of the period relative to recent history. The decline allowed many managers to reinvest heavily in the fourth quarter, lifting the Russell 2000 Index +9.7% higher. Unlike the previous two quarters, which were characterized by fits and starts, all three months of the fourth quarter were positive for the major equity indexes. Only the Russell 1000 Index, with a -0.2% return in December, experienced a down month during the period.
- Non-US equity markets underperformed domestic equity returns significantly during the fourth quarter and ended in negative territory. Currency effects worked against US investors during the period as the USD appreciated strongly against almost every other country's currency except China. Emerging market equities lagged developed markets by 0.9%. For the calendar year 2014, non-US equities drastically underperformed domestic equities. This disparity is the largest on record since 1997, when the MSCI EAFE Index underperformed the S&P 500 Index by over 30%—after two consecutive double-digit underperforming years in 1995 and 1996.
- Against all expectations, with lower credit quality and the ultra short-term segments being the sole exceptions, domestic bond yields continued to fall during the fourth quarter. The trailing, one-year return for the Barclays Aggregate Index was strongly positive (+6.0%). Higher quality dominated benchmarks (Treasuries, IG Corporates, Agency Mortgages) posted healthy returns. Performance dispersion across sectors was low, as Government Bonds returned +1.9% followed by Mortgages and IG Corporates at +1.8%. In contrast, TIPS lagged, essentially remaining flat (-0.03%) for the period.

### Quarter Performance

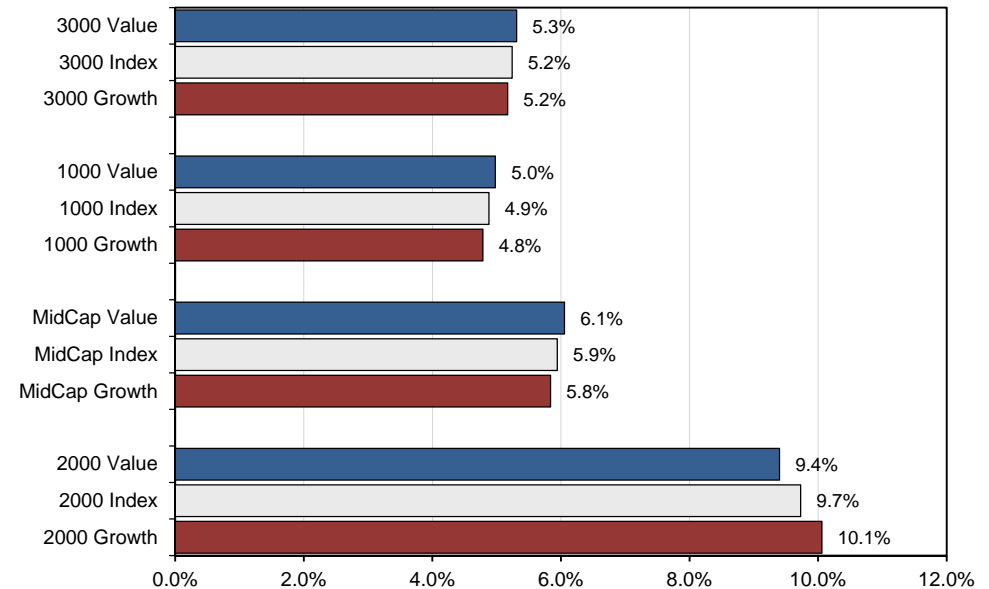


### 1-Year Performance

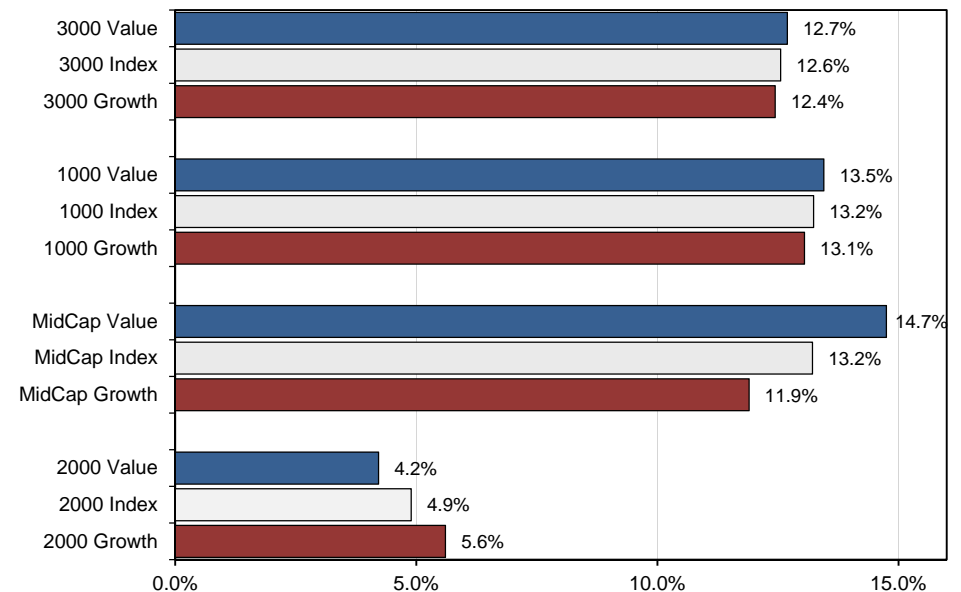


- After treading water in the third quarter, domestic equities experienced a strong last quarter to close out 2014 with double digit returns in large and mid capitalization stocks. Large caps duplicated a strong second quarter with returns in a range of +4.8% to +5.0% (value, core, growth) to end the year with a return above 13%. The Russell 1000 Index and Russell MidCap Index both finished with a +13.2% return for the 2014 calendar year. Both core indices had a similar quarterly result as well, gaining 4.9% and 5.9%, respectively. Small caps experienced a dramatic resurgence, as the Russell 2000 Index gained 9.7% in the fourth quarter after having dropped 7.4% in the third quarter. However, small caps still underperformed their larger cap peers on the year by a fairly wide margin, as the core index gained 4.9%.
- Following the largest performance gap between large and small caps in a quarter since the first quarter of 1999, small caps doubled the performance of large caps during the fourth quarter, finishing the year with a positive return for the fifth time out of the past six years.
- Following a quarter where value underperformed growth indices across the spectrum of domestic equity benchmarks, there was little discrepancy between style-specific indices during the fourth quarter. This is best reflected by the Russell 3000 Value Index (+5.3%) and the Russell 3000 Growth Index (+5.2%) quarterly result. The range between growth and value was fairly narrow for the entire year as well. When factoring in the seven GICS sectors that comprise more than 5% of the Russell 1000 Index, only the Energy sector performed outside of a narrow range for the fourth quarter. Despite brief periods of spiked activity, the year has been marked by low trading volume and low volatility.
- Small caps continue to support a slightly higher valuation than large caps on a forward P/E basis (18.1 vs. 16.2), but are now below mid caps in relative valuation (18.6). All three categories are above their 20-year average P/E ratios, led by mid cap (18.6 vs. 16.5) and followed by small cap (18.1 vs. 17.3). The current valuation on large caps is modestly above its long-term average (16.2 vs. 16.1). When comparing growth versus value averages, the P/E multiples is narrowing between the two style categories, as small, mid, and large cap value P/E multiples are all now above 20-year averages while the growth equivalents are below.

#### Quarter Performance - Russell Style Series

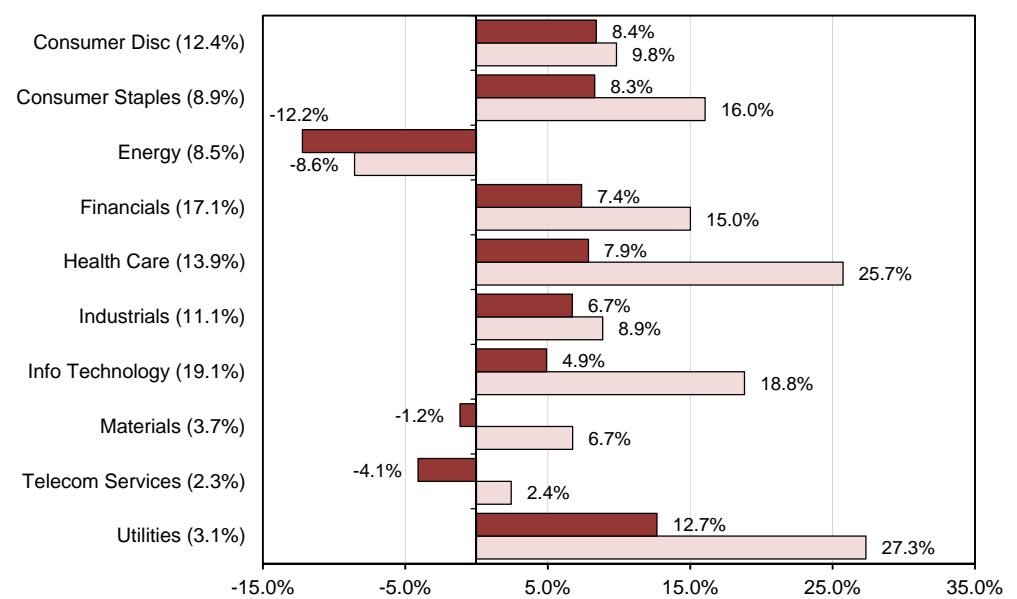


#### 1-Year Performance - Russell Style Series

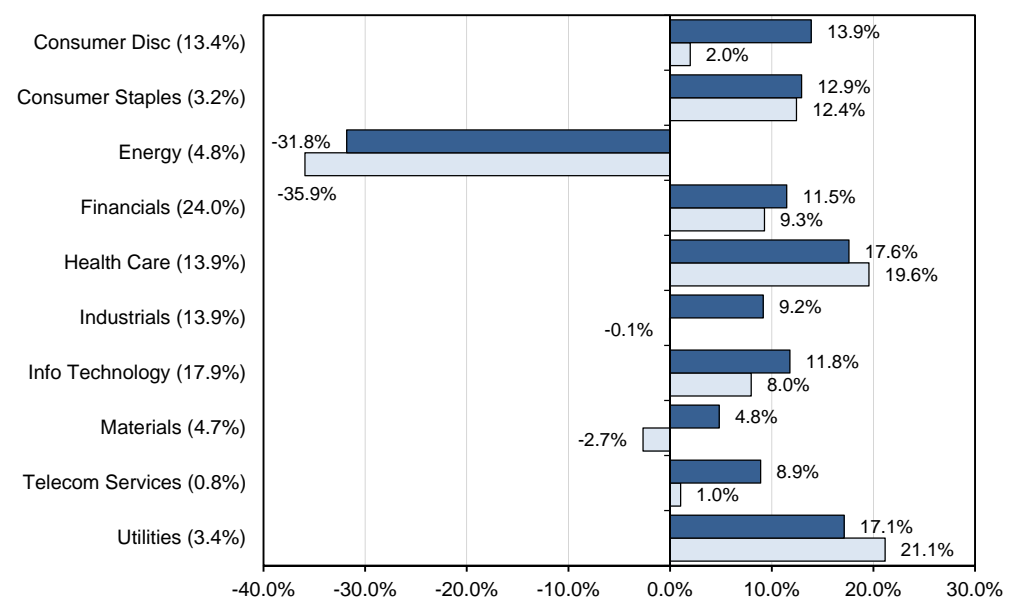


- There was wide economic sector performance dispersion during the fourth quarter. Within large caps, Utilities, Consumer Discretionary, and Consumer Staples posted the strongest results. On a one year basis, the strongest performers were Utilities, Health Care, Technology, and Consumer Staples, three of four of which are traditionally considered defensive sectors. Energy, Telecom, and Materials were the only sectors with negative returns for the fourth quarter, with only Energy posting a negative return for 2014 as a whole due to a sharp drop in oil prices that began in the third quarter.
- Compared to large caps, small caps posted a strong quarter, but still trailed in all sectors over calendar year 2014. Performance for the fourth quarter as well as calendar year 2014 was strongest in defensive sectors with particularly strong results in Utilities and Health Care. Three sectors underperformed during 2014 with the Energy sector being the largest outlier, returning a disproportionate -35.9% for the year.
- As the broad US stock market rebounded from near-term lows, valuations tended to remain elevated as compared to recent years. On a trailing P/E basis, as expected, the Russell 1000 is relatively cheaper than the Russell 2000. In both large and small caps, Health Care, Financial, and Technology sectors look relatively overvalued, whereas Utility, Telecom, and Energy sectors appear to be among the most undervalued.
- By far the most drastic underperformance of all sectors occurred in Energy. As mentioned above, oil prices (Brent Crude Spot Price) have plunged since the beginning of the third quarter, falling from a June high near \$115/barrel and closing the year around \$56/barrel. The cause of this drastic price change centers around an expanding world oil supply with lower forecasts of world oil consumption growth due to a weaker outlook for the global economy.

**Russell 1000**



**Russell 2000**



**The Market Environment**  
**Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000**  
As of December 31, 2014

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	3.16%	10.0%	40.6%	Information Technology
Exxon Mobil Corporation	1.89%	-1.0%	-6.1%	Energy
Microsoft Corp	1.82%	0.8%	27.5%	Information Technology
Johnson & Johnson	1.41%	-1.3%	17.3%	Health Care
Berkshire Hathaway Inc Class B	1.31%	8.7%	26.6%	Financials
Wells Fargo & Co	1.24%	6.4%	24.1%	Financials
General Electric Co	1.20%	-0.5%	-6.7%	Industrials
Procter & Gamble Co	1.17%	9.6%	15.4%	Consumer Staples
JPMorgan Chase & Co	1.13%	4.6%	9.9%	Financials
Chevron Corp	1.01%	-5.1%	-7.0%	Energy

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Clear Channel Outdoor Holdings Inc	0.00%	57.1%	11.6%	Consumer Discretionary
Rite Aid Corp	0.03%	55.4%	48.6%	Consumer Staples
Cubist Pharmaceuticals Inc	0.04%	51.7%	46.1%	Health Care
American Airlines Group Inc	0.18%	51.5%	113.5%	Industrials
Staples Inc	0.06%	50.8%	18.4%	Consumer Discretionary
Incyte Corp Ltd	0.05%	49.1%	44.4%	Health Care
Dean Foods Co	0.00%	46.9%	14.7%	Consumer Staples
Rackspace Hosting Inc	0.03%	43.8%	19.6%	Information Technology
CarMax Inc	0.07%	43.3%	41.6%	Consumer Discretionary
United Continental Holdings Inc	0.12%	43.0%	76.8%	Industrials

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Seventy Seven Energy Inc	0.00%	-77.2%	N/A	Energy
Oasis Petroleum Inc	0.01%	-60.4%	-64.8%	Energy
SandRidge Energy Inc	0.00%	-57.6%	-70.0%	Energy
Whiting Petroleum Corp	0.03%	-57.4%	-46.7%	Energy
Seadrill Ltd	0.02%	-57.0%	-70.6%	Energy
Laredo Petroleum Inc	0.00%	-53.8%	-62.6%	Energy
WPX Energy Inc Class A	0.01%	-51.7%	-42.9%	Energy
SM Energy Co	0.01%	-50.5%	-53.5%	Energy
McDermott International Inc	0.00%	-49.1%	-68.2%	Energy
Patterson-UTI Energy Inc	0.01%	-48.7%	-33.4%	Energy

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Isis Pharmaceuticals	0.41%	59.0%	55.0%	Health Care
Brunswick Corp	0.27%	22.0%	12.4%	Consumer Discretionary
RF Micro Devices Inc	0.27%	43.8%	221.5%	Information Technology
Triquint Semiconductor	0.27%	44.5%	230.3%	Information Technology
Office Depot Inc	0.26%	66.8%	62.1%	Consumer Discretionary
LaSalle Hotel Properties	0.26%	19.3%	36.4%	Financials
Graphic Packaging Holding Co	0.25%	9.6%	41.9%	Materials
Puma Biotechnology Inc	0.25%	-20.7%	82.8%	Health Care
RLJ Lodging Trust	0.25%	18.8%	42.8%	Financials
Ultimate Software Group Inc	0.24%	3.7%	-4.2%	Information Technology

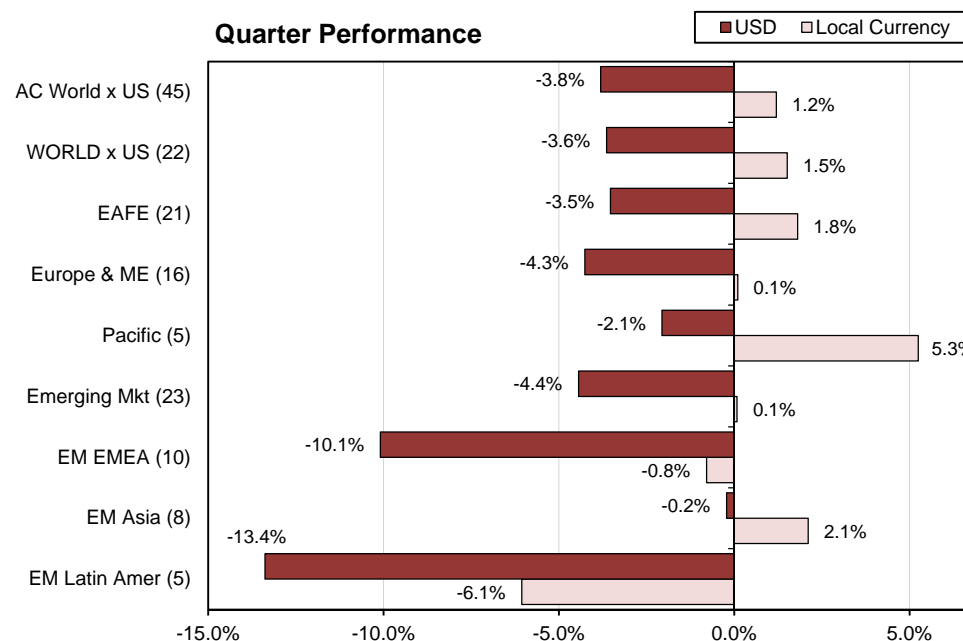
Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
OvaScience Inc	0.04%	166.4%	383.8%	Health Care
bluebird bio Inc	0.11%	155.6%	337.2%	Health Care
Regulus Therapeutics Inc	0.01%	134.8%	117.1%	Health Care
Five Prime Therapeutics Inc	0.03%	130.2%	60.8%	Health Care
Alder BioPharmaceuticals Inc	0.01%	129.4%	N/A	Health Care
Cytokinetics Inc	0.02%	127.6%	23.2%	Health Care
ITT Educational Services, Inc.	0.01%	124.0%	-71.4%	Consumer Discretionary
Sucampo Pharmaceuticals Inc Class A	0.01%	119.7%	51.9%	Health Care
Vitae Pharmaceuticals Inc	0.01%	118.1%	N/A	Health Care
Cempra Inc	0.03%	114.5%	89.7%	Health Care

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
GT Advanced Technologies Inc	0.00%	-96.9%	-96.2%	Information Technology
Endeavour International Corp	0.00%	-95.1%	-99.7%	Energy
Dendreon Corp	0.00%	-94.9%	-97.6%	Health Care
KiOR Inc	0.00%	-94.3%	-99.6%	Energy
Cal Dive International Inc	0.00%	-92.8%	-96.5%	Energy
Wet Seal Inc Class A	0.00%	-87.6%	-97.6%	Consumer Discretionary
BPZ Resources Inc	0.00%	-84.9%	-84.1%	Energy
Education Management Corp	0.00%	-84.9%	-98.4%	Consumer Discretionary
American Eagle Energy Corp	0.00%	-84.7%	-92.4%	Energy
Forest Oil Corp	0.00%	-80.8%	-93.8%	Energy

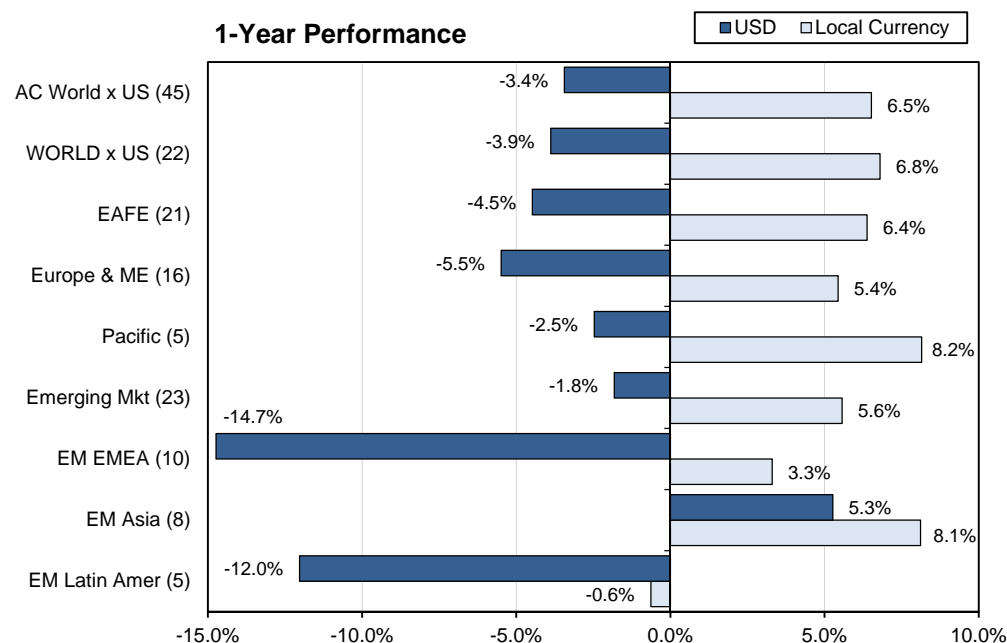
Source: Morningstar Direct

- The pattern of returns during the fourth quarter was similar to the prior quarter, in that a moderately positive middle month was book-ended by negative months. Volatility continued to be above average during the period.
- On a regional basis, equities in Latin America turned in the worst quarterly performance in both local and USD terms. In addition, Latin America was one of two regions to turn in negative performance in local currency terms for the 2014 calendar year, with EM EMEA being the other.
- The range of returns for individual non-US countries was tighter this period, but with several negative outliers. Hong Kong (+3.1%) was the best developed market performer and Turkey (+11.6%) was the best emerging market performer. The worst-performing developed country was Norway (-24.9%) followed by Portugal (-23.0%). Russia was the worst-performing equity market within the EM universe with a return of -32.8% for the quarter.
- During the fourth quarter, USD appreciation once again created a significant drag on returns for US investors in overseas markets. All four of the broad, non-US equity indices shown to the right ended the quarter in positive territory when measured in local currency terms, but turned negative when converted to USD. The biggest exchange difference came with the MSCI EAFE Index, which returned +1.8% in local terms and -3.5% in USD terms.
- USD strength again weighed on the Energy sector during the fourth quarter, as it posted the weakest sector return (-19.8%) by far in the MSCI-ACWIxUS Index. The Materials sector, which is also negatively impacted by USD strength, was the second worst performing sector within the MSCI ACWIxUS Index, returning -7.5% for the quarter. In the developed market MSCI EAFE Index, Consumer Discretionary was the only sector to end the quarter in positive territory (+3.1%). Financials (+1.7%) and Information Technology (+1.5%) were the only positive sectors in the MSCI EM Index for the quarter.
- Growth widely outperformed value across the board. Small caps slightly outperformed large caps within developed markets and vice versa in emerging markets.

### Quarter Performance



### 1-Year Performance





**The Market Environment**  
**U.S. Dollar International Index Attribution & Country Detail**  
As of December 31, 2014

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	12.4%	3.1%	-4.1%
Consumer Staples	11.1%	-1.6%	-2.0%
Energy	5.7%	-19.0%	-18.2%
Financials	25.9%	-3.1%	-5.4%
Health Care	11.0%	-5.3%	6.7%
Industrials	12.6%	-3.4%	-7.3%
Information Technology	4.8%	-0.5%	-0.3%
Materials	7.6%	-5.3%	-10.4%
Telecommunication Services	5.0%	-0.4%	-3.9%
Utilities	3.9%	-3.9%	4.4%
<b>Total</b>	<b>100.0%</b>	<b>-3.5%</b>	<b>-4.5%</b>

MSCI - ACWIXUS	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	11.2%	2.4%	-2.7%
Consumer Staples	9.9%	-1.7%	-1.6%
Energy	7.5%	-19.8%	-18.7%
Financials	27.6%	-1.9%	-2.1%
Health Care	8.6%	-4.5%	7.8%
Industrials	11.0%	-3.6%	-5.6%
Information Technology	7.5%	0.7%	5.4%
Materials	7.7%	-7.5%	-12.7%
Telecommunication Services	5.4%	-2.2%	-2.8%
Utilities	3.6%	-4.1%	4.0%
<b>Total</b>	<b>100.0%</b>	<b>-3.8%</b>	<b>-3.4%</b>

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	9.2%	-2.6%	-1.3%
Consumer Staples	8.2%	-4.9%	-4.7%
Energy	8.0%	-24.5%	-26.4%
Financials	29.3%	1.7%	5.6%
Health Care	2.3%	-0.9%	19.6%
Industrials	6.7%	-4.3%	-2.6%
Information Technology	18.0%	1.5%	10.3%
Materials	7.4%	-12.2%	-19.2%
Telecommunication Services	7.5%	-6.7%	-1.3%
Utilities	3.5%	-5.9%	2.8%
<b>Total</b>	<b>100.0%</b>	<b>-4.4%</b>	<b>-1.8%</b>

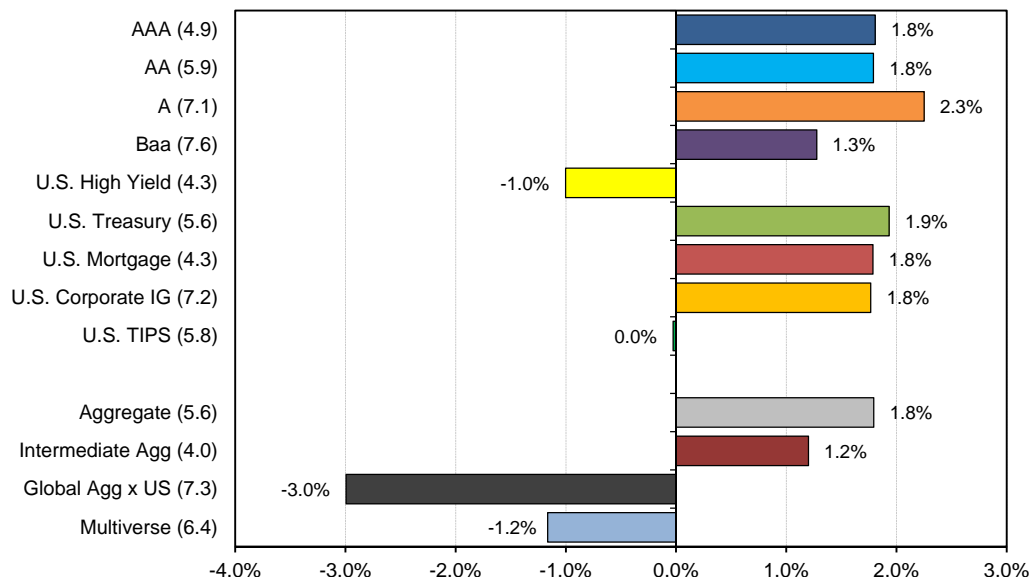
Country	MSCI-EAFE Weight	MSCI-ACWIXUS Weight	Quarter Return	1- Year Return
Japan	21.2%	15.0%	-2.4%	-3.7%
United Kingdom	21.1%	14.9%	-4.2%	-5.4%
France	9.7%	6.9%	-5.8%	-9.0%
Switzerland	9.3%	6.6%	-2.2%	0.7%
Germany	9.2%	6.5%	-0.4%	-9.8%
Australia	7.5%	5.3%	-3.6%	-3.2%
Spain	3.5%	2.5%	-8.2%	-4.4%
Hong Kong	3.1%	2.2%	3.1%	5.1%
Sweden	3.1%	2.2%	-3.4%	-6.6%
Netherlands	2.8%	2.0%	-0.2%	-3.2%
Italy	2.3%	1.6%	-13.4%	-9.0%
Singapore	1.6%	1.1%	-0.5%	3.1%
Denmark	1.5%	1.1%	-7.8%	6.8%
Belgium	1.3%	0.9%	0.8%	4.9%
Finland	0.9%	0.6%	-2.0%	0.8%
Norway	0.7%	0.5%	-24.9%	-21.2%
Israel	0.6%	0.4%	1.4%	23.7%
Ireland	0.3%	0.2%	1.9%	2.6%
Austria	0.2%	0.1%	-7.3%	-29.4%
New Zealand	0.2%	0.1%	2.6%	8.2%
Portugal	0.2%	0.1%	-23.0%	-37.7%
<b>Total EAFE Countries</b>	<b>100.0%</b>	<b>70.8%</b>	<b>-3.5%</b>	<b>-4.5%</b>
Canada		7.5%	-4.6%	2.2%
<b>Total Developed Countries</b>		<b>78.3%</b>	<b>-3.6%</b>	<b>-3.9%</b>
China		4.7%	7.2%	8.3%
Korea		3.2%	-7.7%	-10.7%
Taiwan		2.7%	1.7%	10.1%
Brazil		1.9%	-14.8%	-13.7%
South Africa		1.7%	3.0%	5.7%
India		1.6%	-0.7%	23.9%
Mexico		1.1%	-12.2%	-9.2%
Malaysia		0.8%	-10.5%	-10.7%
Russia		0.7%	-32.8%	-45.9%
Indonesia		0.6%	0.7%	27.2%
Thailand		0.5%	-6.4%	16.8%
Turkey		0.4%	11.6%	19.1%
Poland		0.3%	-13.9%	-13.6%
Chile		0.3%	-5.2%	-12.2%
Philippines		0.3%	0.7%	26.4%
Qatar		0.2%	-8.9%	16.6%
Colombia		0.2%	-22.9%	-19.8%
United Arab Emirates		0.1%	-21.6%	13.7%
Peru		0.1%	-0.8%	10.5%
Greece		0.1%	-28.8%	-39.9%
Czech Republic		0.1%	-15.4%	-2.4%
Egypt		0.1%	-8.6%	29.4%
Hungary		0.0%	-12.8%	-27.4%
<b>Total Emerging Countries</b>		<b>21.6%</b>	<b>-4.4%</b>	<b>-1.8%</b>
<b>Total ACWIXUS Countries</b>		<b>100.0%</b>	<b>-3.8%</b>	<b>-3.4%</b>

Source: MSCI Global Index Monitor (Returns are Gross in USD)

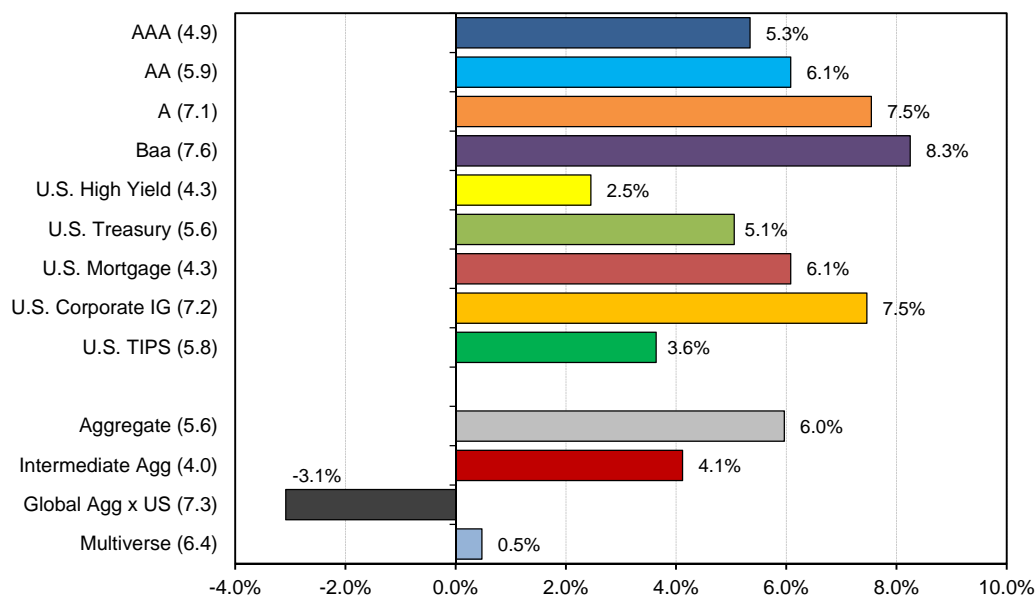


- With the exception of credit sensitive segments, domestic bond markets were mostly positive in the fourth quarter, as concerns about foreign growth and overseas inflation trumped the effects of strong economic data. The Fed's dovish comments in the fourth quarter seemed to indicate no rate hikes are imminent. Given low yields abroad, foreign investor interest in domestic paper remains robust and led to lower yields during the period.
- In contrast to the third quarter, in which sector performance was mixed, most sectors posted positive returns during the period. Treasuries and mortgages rose +1.9% and +1.8%, respectively. These strong gains were partially off-set by weakness in high yield (-1.0%) and in overseas markets as the Global Aggregate x US and Multiverse indices returned -3.0% and -1.2%, respectively.
- For the second consecutive quarter, lower rated bonds lagged their higher quality peers. Baa-rated bonds lagged higher quality credits by 50 to 100 bps during the period. However, on a one-year basis, Baa-rated bonds outpaced higher-rated credits by a moderate margin.
- Longer-dated securities drastically outperformed short and intermediate maturities despite the end of the Federal Reserve's QE program. The rally pushed the broad-based Barclays Aggregate Index ahead of the Barclays Intermediate Aggregate Index by +0.6% for the quarter and +1.9% for the 2014 calendar year.
- High yield bonds fell 1.0%, marking back-to-back negative quarterly returns for the asset class. After exceeding investment grade bonds for seven consecutive quarters up until March 31, 2014, high yield bonds trailed investment grade securities for the last nine months and were the worst performing domestic sector in 2014.
- The US bond market easily outpaced international bonds by 480 bps, represented by the Barclays Global Aggregate ex US Index, which was negatively impacted by USD strength. The fourth quarter's weak performance by global bonds exacerbated an already wide performance disparity as the one-year trailing domestic bond performance remained ahead by a wide margin.

### Quarter Performance

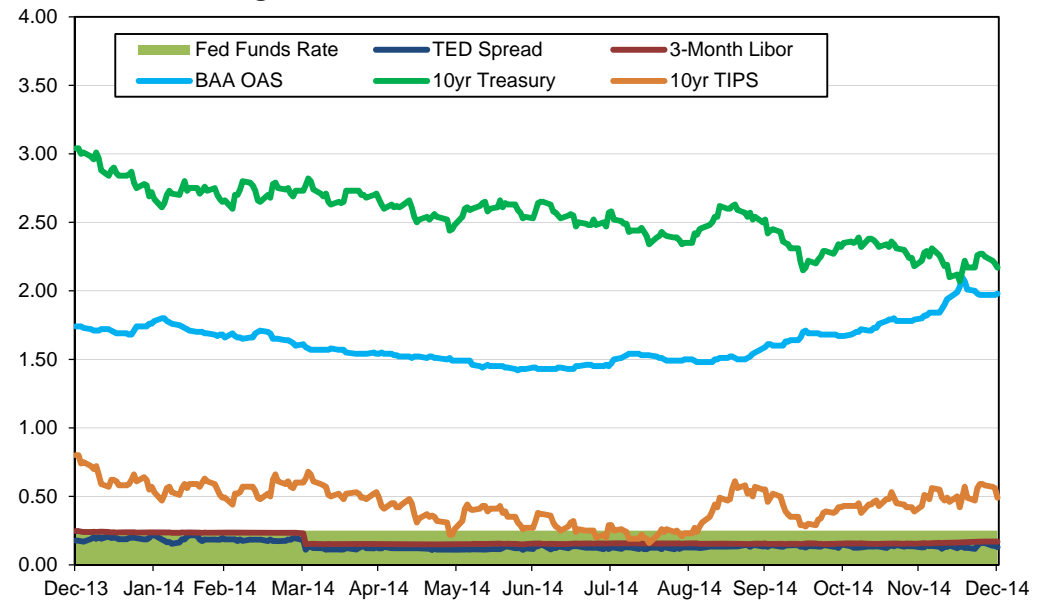


### 1-Year Performance

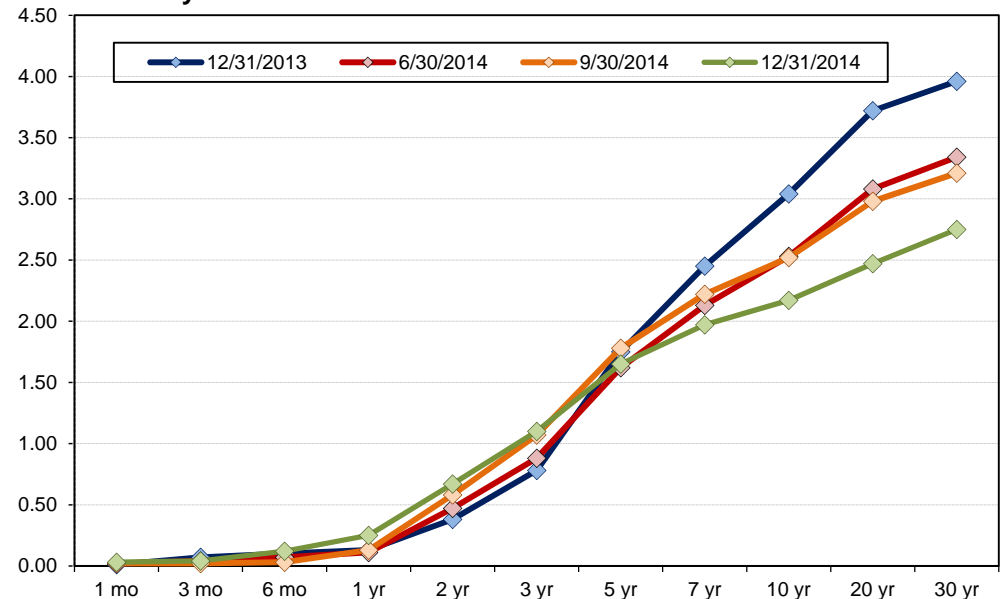


- Despite the Fed's bond buying program drawing to a close in October, investors continue to wonder if rising rates will ever occur. This is due to domestic economic strength exceeding the rest of the developed world and the resulting strength of the USD. As a result, while domestic yields remain low, they exceed those of overseas sovereign bonds, especially on a real return basis. This has led to a demand for longer-term US paper and a flattening of the yield curve.
- After moving wider in the third quarter, option adjusted spreads on Baa-rated bonds continued to broaden relative to Treasuries, widening by an additional 39 bps during the fourth quarter. This spread widening negatively impacts bond prices (which move in the opposite direction) and performance of lower quality credits. This quarter's rise in spreads erased the rally that occurred earlier in the year. Spreads are now at their widest point in over a year.
- The yield curve in the US continued to flatten during the fourth quarter. Since prices and performance move in the opposite direction of yields, the long-end of the curve was the best performing maturity segment as 30-year Treasuries returned +10.1% during the period. The yield on the 10-year Treasury fell from 2.52% to 2.17% and dropped below 2.0% early in 2015. At the short end of the curve, 2-year Treasuries rose from 0.58% to 0.67%.
- Since rising to more attractive yields in mid-to-late 2013, the yield curve has gradually flattened and interest rates have declined, particularly in longer-dated maturities. This resulted in positive returns over the past twelve months, especially in investment grade or better, intermediate term or longer securities. The expectation is that given strong economic growth, lower unemployment, the end of the Fed's QE program, and better housing numbers, interest rates will soon rise. However, the impact of foreign purchases and generally benign inflation has been a natural headwind to rising rates. Investment professionals have migrated to a more neutral position when forecasting when and if rates will rise from here.

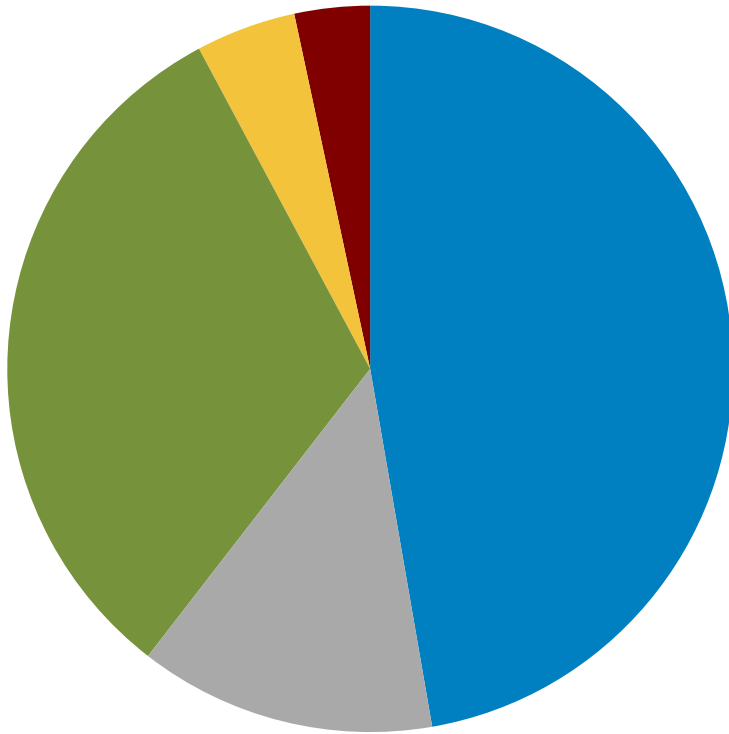
**1-Year Trailing Market Rates**



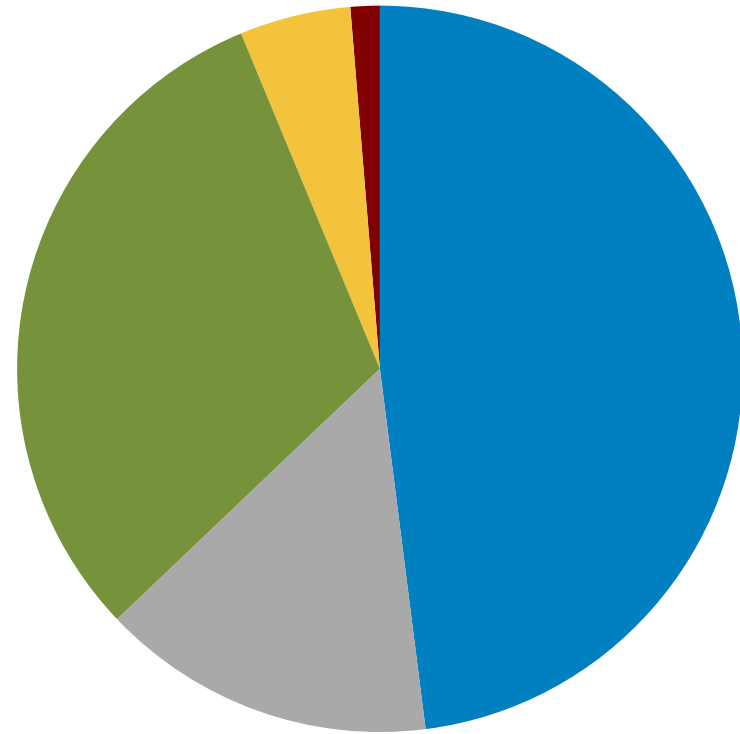
**Treasury Yield Curve**



Asset Allocation By Segment as of  
 September 30, 2014 : \$3,347,705

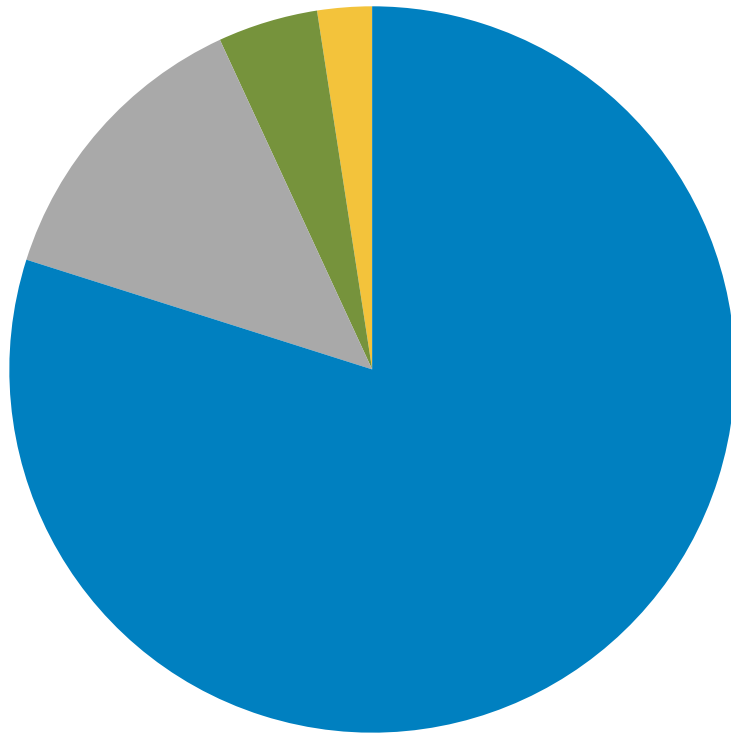


Asset Allocation By Segment as of  
 December 31, 2014 : \$3,489,544

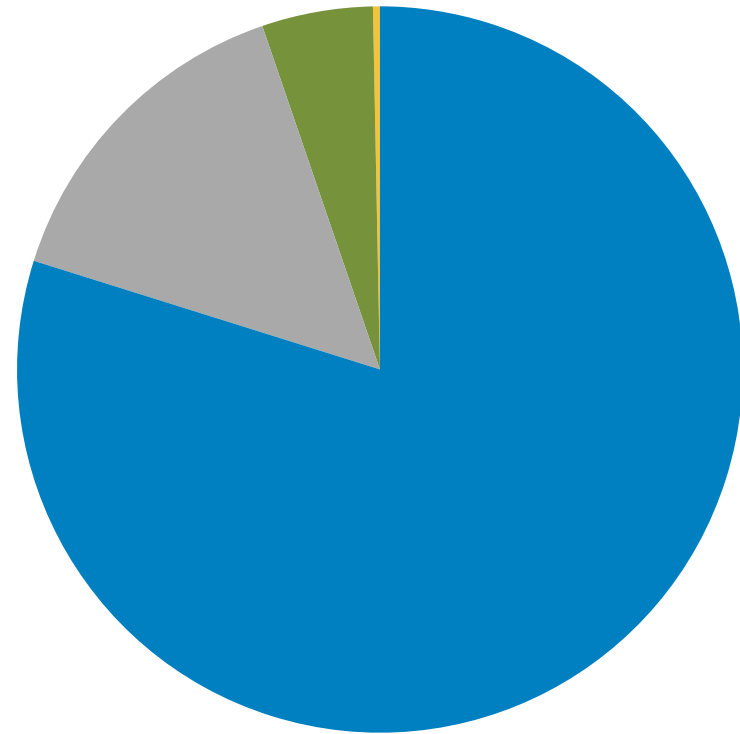


Allocation			Allocation		
Segments	Market Value	Allocation	Segments	Market Value	Allocation
Domestic Equity	1,582,403	47.3	Domestic Equity	1,674,604	48.0
International Equity	442,555	13.2	International Equity	520,005	14.9
Domestic Fixed Income	1,060,864	31.7	Domestic Fixed Income	1,076,626	30.9
Global Fixed Income	149,320	4.5	Global Fixed Income	172,721	4.9
Cash Equivalent	112,563	3.4	Cash Equivalent	45,588	1.3

**Asset Allocation By Manager as of  
September 30, 2014 : \$3,347,705**

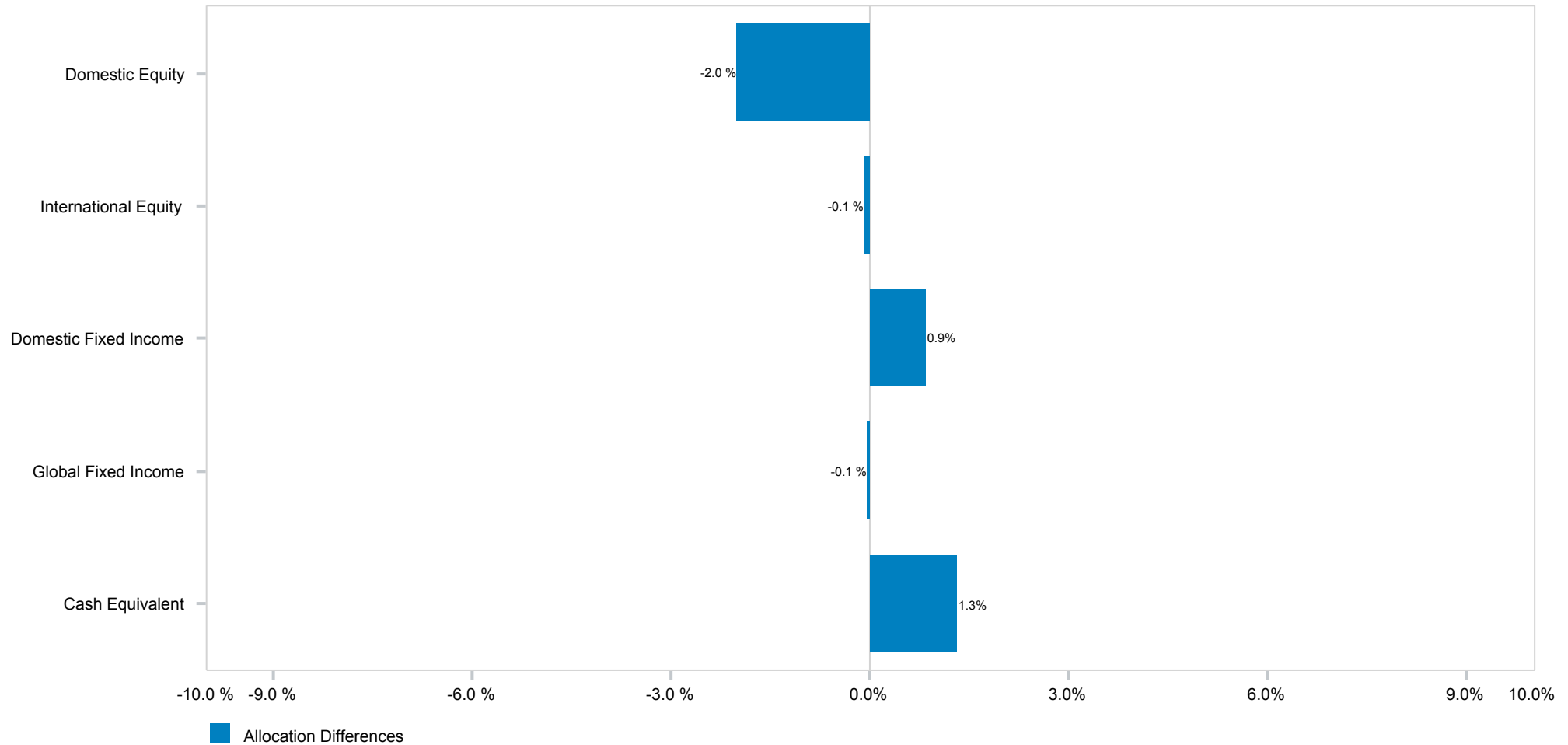


**Asset Allocation By Manager as of  
December 31, 2014 : \$3,489,544**



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
■ Dana Balanced Portfolio	2,674,366	79.9	■ Dana Balanced Portfolio	2,786,051	79.8
■ EuroPacific Growth Fund R6 (RERGX)	442,555	13.2	■ EuroPacific Growth Fund R6 (RERGX)	520,005	14.9
■ Templeton Global Total Return R6 (FTTRX)	149,320	4.5	■ Templeton Global Total Return R6 (FTTRX)	172,721	4.9
■ R&D	81,464	2.4	■ R&D	10,766	0.3

**Asset Allocation vs. Target Allocation**



**Asset Allocation vs. Target Allocation**

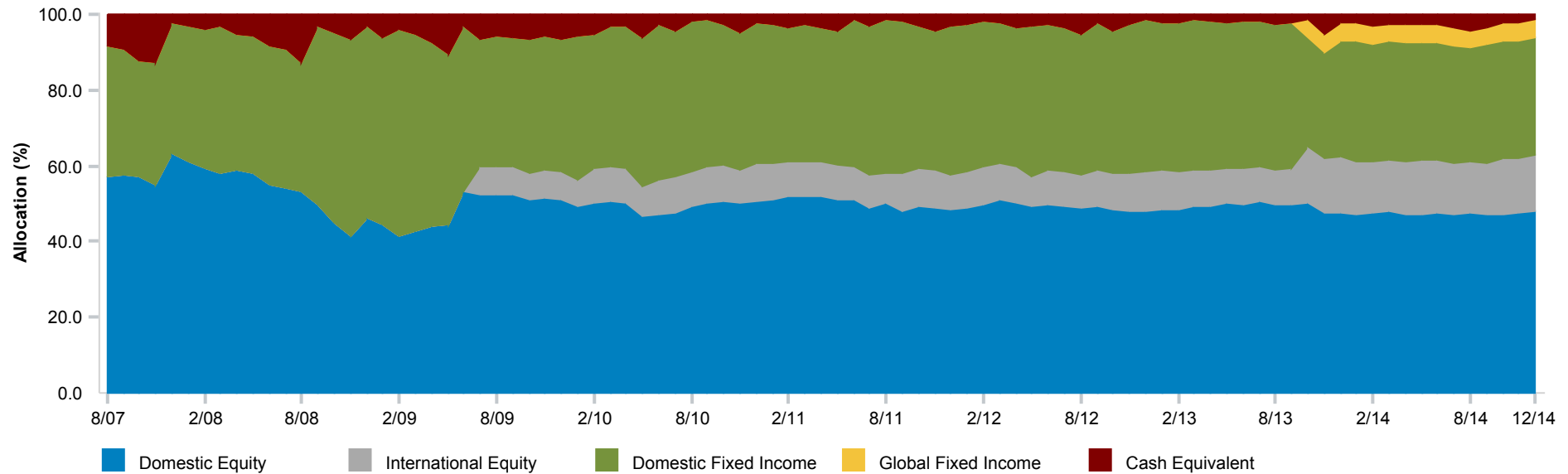
	Market Value \$	Allocation (%)	Target (%)
Domestic Equity	1,674,604	48.0	50.0
International Equity	520,005	14.9	15.0
Domestic Fixed Income	1,076,626	30.9	30.0
Global Fixed Income	172,721	4.9	5.0
Cash Equivalent	45,588	1.3	0.0
Total Fund	3,489,544	100.0	100.0

**Tequesta General Employees' Retirement Plan  
Asset Allocation History  
As of December 31, 2014**

**Asset Allocation History by Portfolio**

	Dec-2013		Mar-2014		Jun-2014		Sep-2014		Dec-2014	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%
Dana Balanced Portfolio	2,433,455	80.58	2,506,544	80.15	2,681,232	80.88	2,674,366	79.89	2,786,051	79.84
Dana International Equity	441,171	14.61	431,906	13.81	476	0.01	-	0.00	-	0.00
EuroPacific Growth Fund R6 (RERGX)	-	0.00	-	0.00	462,002	13.94	442,555	13.22	520,005	14.90
Templeton Global Total Return R6 (FTTRX)	141,852	4.70	142,008	4.54	150,440	4.54	149,320	4.46	172,721	4.95
R&D	3,613	0.12	46,846	1.50	20,942	0.63	81,464	2.43	10,766	0.31
<b>Total Fund</b>	<b>3,020,091</b>	<b>100.00</b>	<b>3,127,304</b>	<b>100.00</b>	<b>3,315,091</b>	<b>100.00</b>	<b>3,347,705</b>	<b>100.00</b>	<b>3,489,544</b>	<b>100.00</b>

**Asset Allocation History by Asset Class**



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**Tequesta General Employees' Retirement Plan  
Financial Reconciliation  
As of December 31, 2014**

**Financial Reconciliation: Quarter to Date**

	<b>Market Value 10/01/2014</b>	<b>Net Transfers</b>	<b>Contributions</b>	<b>Distributions</b>	<b>Management Fees</b>	<b>Other Expenses</b>	<b>Income</b>	<b>Apprec./ Deprec.</b>	<b>Market Value 12/31/2014</b>
Dana Balanced Portfolio	2,674,366	3,652	-	-	-3,652	-566	16,967	95,284	2,786,051
EuroPacific Growth Fund R6 (RERGX)	442,555	84,563	-	-	-	-	8,388	-15,501	520,005
Templeton Global Total Return R6 (FTTRX)	149,320	26,073	-	-	-	-	7,984	-10,656	172,721
R&D Account	81,464	-114,288	57,076	-2,022	-	-11,465	1	-	10,766
<b>Total Fund</b>	<b>3,347,705</b>	<b>-</b>	<b>57,076</b>	<b>-2,022</b>	<b>-3,652</b>	<b>-12,031</b>	<b>33,340</b>	<b>69,128</b>	<b>3,489,544</b>

**Financial Reconciliation: Fiscal Year to Date**

	<b>Market Value 10/01/2014</b>	<b>Net Transfers</b>	<b>Contributions</b>	<b>Distributions</b>	<b>Management Fees</b>	<b>Other Expenses</b>	<b>Income</b>	<b>Apprec./ Deprec.</b>	<b>Market Value 12/31/2014</b>
Dana Balanced Portfolio	2,674,366	3,652	-	-	-3,652	-566	16,967	95,284	2,786,051
EuroPacific Growth Fund R6 (RERGX)	442,555	84,563	-	-	-	-	8,388	-15,501	520,005
Templeton Global Total Return R6 (FTTRX)	149,320	26,073	-	-	-	-	7,984	-10,656	172,721
R&D Account	81,464	-114,288	57,076	-2,022	-	-11,465	1	-	10,766
<b>Total Fund</b>	<b>3,347,705</b>	<b>-</b>	<b>57,076</b>	<b>-2,022</b>	<b>-3,652</b>	<b>-12,031</b>	<b>33,340</b>	<b>69,128</b>	<b>3,489,544</b>

**Tequesta General Employees' Retirement Plan  
Comparative Performance: Trailing Returns**

As of December 31, 2014

Comparative Performance														
	QTR		FYTD		1 YR		3 YR		4 YR		5 YR		Inception	Inception Date
<b>Total Fund (Gross)</b>	<b>3.05</b>	<b>(18)</b>	<b>3.05</b>	<b>(18)</b>	<b>8.62</b>	<b>(9)</b>	<b>13.18</b>	<b>(22)</b>	<b>10.16</b>	<b>(14)</b>	<b>10.71</b>	<b>(19)</b>	<b>6.26</b>	<b>(30)</b>
Total Fund Policy	2.15	(51)	2.15	(51)	7.57	(22)	11.95	(54)	9.49	(32)	9.83	(50)	5.38	(83)
All Public Plans-Total Fund Median	2.19		2.19		6.48		12.06		8.92		9.82		5.91	
<b>Total Fund (Net)</b>	<b>2.94</b>		<b>2.94</b>		<b>8.09</b>		<b>12.56</b>		<b>9.59</b>		<b>10.14</b>		<b>5.96</b>	<b>11/01/2000</b>
<b>Equity Strategies</b>														
<b>Dana Core Equity</b>	<b>6.23</b>	<b>(21)</b>	<b>6.23</b>	<b>(21)</b>	<b>16.44</b>	<b>(13)</b>	<b>22.84</b>	<b>(16)</b>	<b>17.27</b>	<b>(19)</b>	<b>17.34</b>	<b>(11)</b>	<b>9.27</b>	<b>(31)</b>
S&P 500 Index	4.93	(54)	4.93	(54)	13.69	(40)	20.41	(54)	15.55	(52)	15.45	(52)	8.28	(76)
IM U.S. Large Cap Core Equity (SA+CF) Median	5.09		5.09		13.24		20.56		15.56		15.47		8.84	
<b>EuroPacific Growth Fund R6 (RERGX)</b>	<b>-1.63</b>	<b>(9)</b>	<b>-1.63</b>	<b>(9)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>-4.88</b>	<b>(17)</b>
MSCI AC World ex USA	-3.81	(48)	-3.81	(48)	-3.44	(22)	9.49	(75)	3.28	(82)	4.89	(48)	-7.24	(22)
IM International Large Cap Core Equity (MF) Median	-4.10		-4.10		-6.00		10.38		4.16		4.79		-8.60	
<b>Fixed Income Strategies</b>														
<b>Dana Fixed Income</b>	<b>1.29</b>	<b>(9)</b>	<b>1.29</b>	<b>(9)</b>	<b>4.29</b>	<b>(24)</b>	<b>3.46</b>	<b>(18)</b>	<b>3.82</b>	<b>(24)</b>	<b>4.45</b>	<b>(22)</b>	<b>4.97</b>	<b>(44)</b>
Barclays Intermediate Aggregate Index	1.20	(16)	1.20	(16)	4.12	(28)	2.19	(76)	3.12	(66)	3.72	(70)	4.65	(78)
IM U.S. Intermediate Duration (SA+CF) Median	0.90		0.90		3.52		2.65		3.35		3.97		4.92	
<b>Templeton Global Total Return R6 (FTTRX)</b>	<b>-1.62</b>	<b>(73)</b>	<b>-1.62</b>	<b>(73)</b>	<b>0.74</b>	<b>(61)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>1.73</b>	<b>(47)</b>
Global Fixed Income Index	-1.61	(73)	-1.61	(73)	1.95	(50)	3.71	(31)	4.41	(22)	5.64	(17)	0.70	(57)
IM Global Fixed Income (MF) Median	-1.05		-1.05		1.93		2.61		2.57		3.39		1.15	

Returns for periods greater than one year are annualized. Returns are expressed as percentages. Dana's inception date is 10-13-2005. Dana Core Equity contains international prior to 7/1/2009.

**Tequesta General Employees' Retirement Plan  
Comparative Performance: Fiscal Year Returns**

As of December 31, 2014

**Comparative Performance**

	FYTD		Oct-2013 To Sep-2014		Oct-2012 To Sep-2013		Oct-2011 To Sep-2012		Oct-2010 To Sep-2011		Oct-2009 To Sep-2010		Oct-2008 To Sep-2009		Oct-2007 To Sep-2008	
<b>Total Fund (Gross)</b>	<b>3.05</b>	<b>(18)</b>	<b>11.92</b>	<b>(14)</b>	<b>12.09</b>	<b>(59)</b>	<b>18.89</b>	<b>(30)</b>	<b>1.62</b>	<b>(24)</b>	<b>10.01</b>	<b>(48)</b>	<b>1.76</b>	<b>(48)</b>	<b>-10.10</b>	<b>(8)</b>
Total Fund Policy	2.15	(51)	11.54	(20)	11.19	(73)	18.06	(46)	1.28	(30)	9.40	(65)	0.48	(65)	-12.46	(37)
All Public Plans-Total Fund Median	2.19		10.08		12.51		17.89		0.32		9.90		1.55		-13.61	
<b>Total Fund (Net)</b>	<b>2.94</b>		<b>11.35</b>		<b>11.50</b>		<b>18.29</b>		<b>1.08</b>		<b>9.43</b>		<b>1.64</b>		<b>-10.34</b>	

**Equity Strategies**

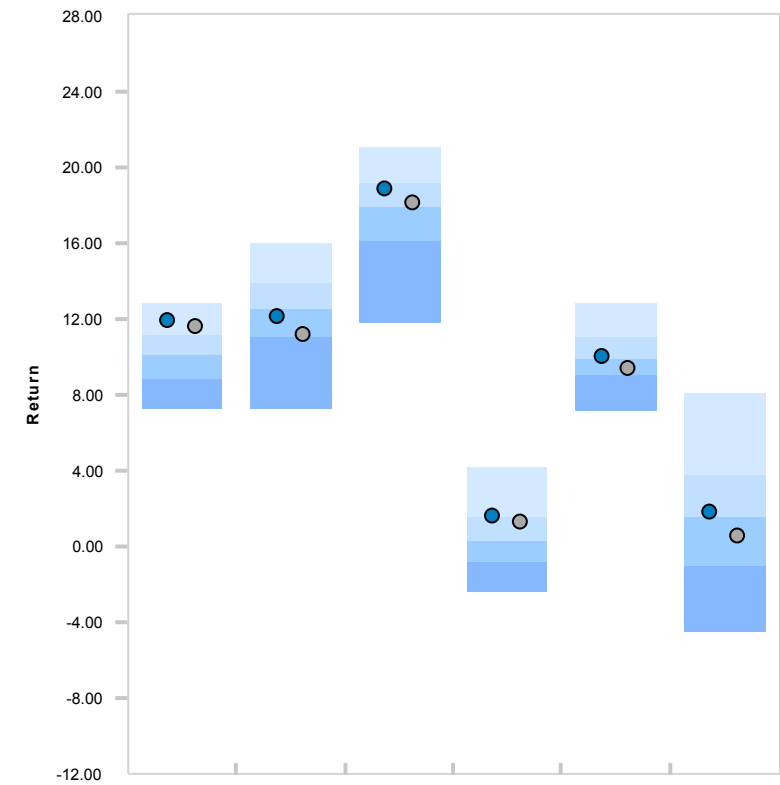
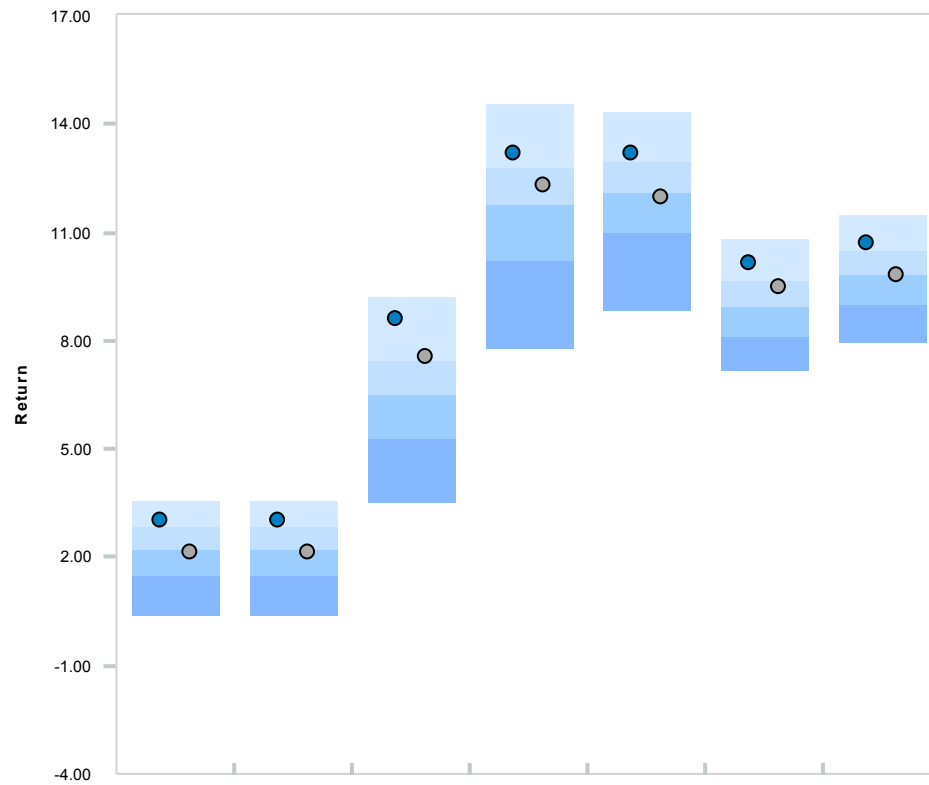
<b>Dana Core Equity</b>	<b>6.23</b>	<b>(21)</b>	<b>21.51</b>	<b>(21)</b>	<b>21.69</b>	<b>(36)</b>	<b>31.26</b>	<b>(27)</b>	<b>2.43</b>	<b>(33)</b>	<b>11.17</b>	<b>(28)</b>	<b>-8.19</b>	<b>(76)</b>	<b>-19.68</b>	<b>(43)</b>
S&P 500 Index	4.93	(54)	19.73	(43)	19.34	(64)	30.20	(46)	1.14	(51)	10.16	(41)	-6.91	(63)	-21.98	(67)
IM U.S. Large Cap Core Equity (SA+CF) Median	5.09		19.05		20.72		29.79		1.16		9.46		-5.80		-20.48	
<b>Dana Int'l Portfolio</b>	<b>N/A</b>		<b>N/A</b>		<b>18.47</b>	<b>(83)</b>	<b>18.71</b>	<b>(28)</b>	<b>-12.18</b>	<b>(84)</b>	<b>5.74</b>	<b>(57)</b>	<b>N/A</b>		<b>N/A</b>	
MSCI AC World ex USA	-3.81	(77)	5.22	(59)	16.98	(90)	15.04	(79)	-10.42	(66)	8.00	(26)	6.43	(22)	-29.97	(48)
IM International Large Cap Core Equity (SA+CF) Median	-2.90		6.16		22.59		17.30		-9.38		6.22		3.32		-30.25	
<b>EuroPacific Growth Fund R6 (RERGX)</b>	<b>-1.63</b>	<b>(9)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>	
MSCI AC World ex USA	-3.81	(48)	5.22	(26)	16.98	(81)	15.04	(56)	-10.42	(29)	8.00	(6)	6.43	(10)	-29.97	(63)
IM International Large Cap Core Equity (MF) Median	-4.10		3.82		21.90		15.37		-11.02		3.38		1.00		-29.28	

**Fixed Income Strategies**

<b>Dana Fixed Income</b>	<b>1.29</b>	<b>(9)</b>	<b>2.98</b>	<b>(44)</b>	<b>0.21</b>	<b>(26)</b>	<b>6.80</b>	<b>(21)</b>	<b>2.89</b>	<b>(77)</b>	<b>8.73</b>	<b>(32)</b>	<b>9.24</b>	<b>(83)</b>	<b>4.47</b>	<b>(31)</b>
Barclays Intermediate Aggregate Index	1.20	(16)	2.74	(59)	-0.71	(77)	4.31	(84)	4.22	(20)	7.52	(77)	9.69	(81)	4.16	(35)
IM U.S. Intermediate Duration (SA+CF) Median	0.90		2.87		-0.27		5.57		3.57		8.26		11.48		3.22	
<b>Templeton Global Total Return R6 (FTTRX)</b>	<b>-1.62</b>	<b>(73)</b>	<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>		<b>N/A</b>	
Global Fixed Income Index	-1.61	(73)	4.65	(39)	-1.58	(52)	14.19	(3)	2.52	(39)	12.95	(11)	19.60	(16)	-2.93	(70)
IM Global Fixed Income (MF) Median	-1.05		3.57		-1.52		7.19		1.61		7.82		13.86		-1.53	

Returns for periods greater than one year are annualized. Returns are expressed as percentages. Dana's inception date is 10-13-2005. Dana Core Equity contains international prior to 7/1/2009.

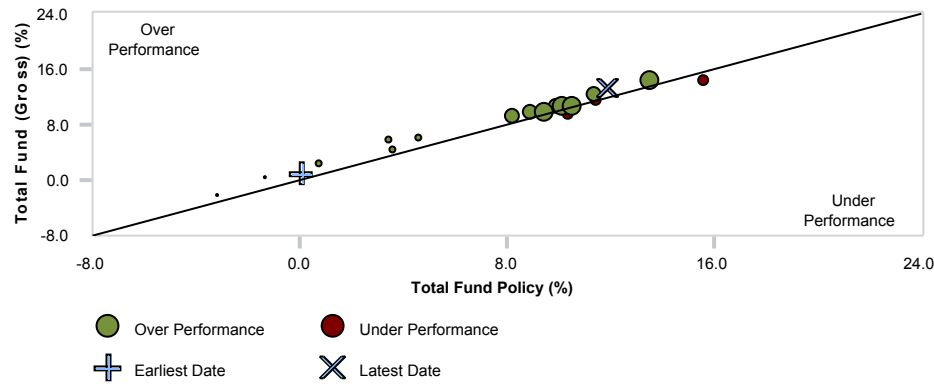
Plan Sponsor Peer Group Analysis - All Public Plans-Total Fund



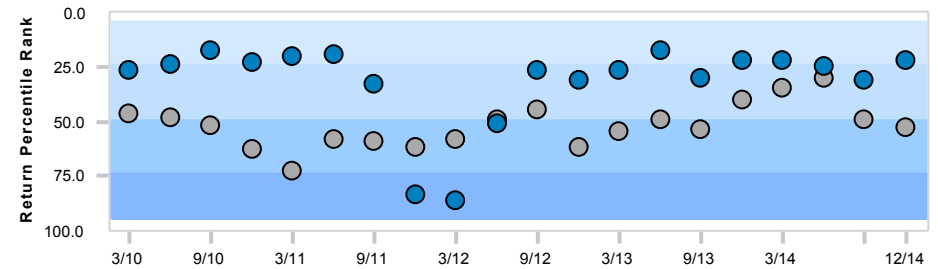
Comparative Performance

	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014	1 Qtr Ending Mar-2014	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013
Total Fund (Gross)	-0.80 (34)	4.08 (22)	2.10 (22)	6.18 (28)	3.83 (92)	1.11 (7)
Total Fund Policy	-0.36 (15)	4.07 (22)	1.56 (65)	5.91 (37)	4.31 (77)	0.45 (31)
All Public Plans-Total Fund Median	-1.13	3.63	1.71	5.60	4.91	0.10

### 3 Yr Rolling Under/Over Performance - 5 Years

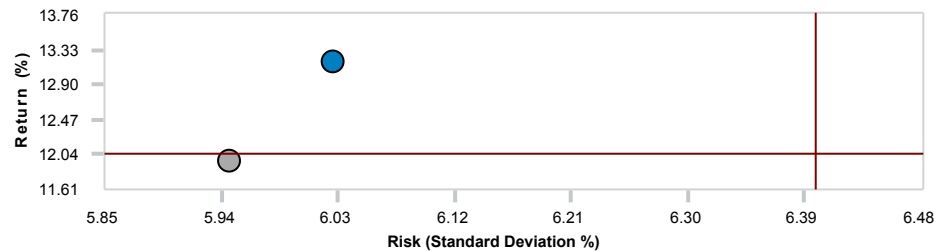


### 3 Yr Rolling Percentile Ranking - 5 Years



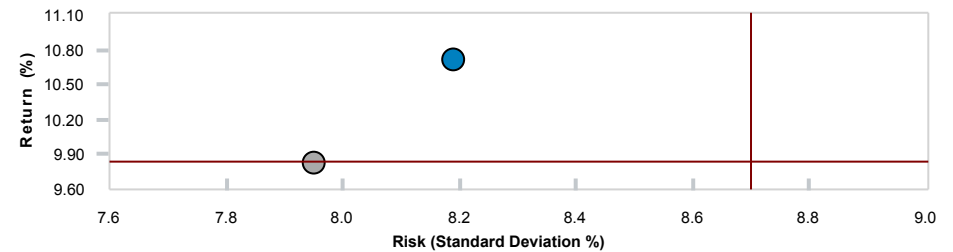
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Fund (Gross)	20	10 (50%)	7 (35%)	1 (5%)	2 (10%)
Total Fund Policy	20	0 (0%)	9 (45%)	11 (55%)	0 (0%)

### Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Fund (Gross)	13.18	6.03
Total Fund Policy	11.95	5.95
Median	12.06	6.40

### Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Fund (Gross)	10.71	8.19
Total Fund Policy	9.83	7.95
Median	9.84	8.70

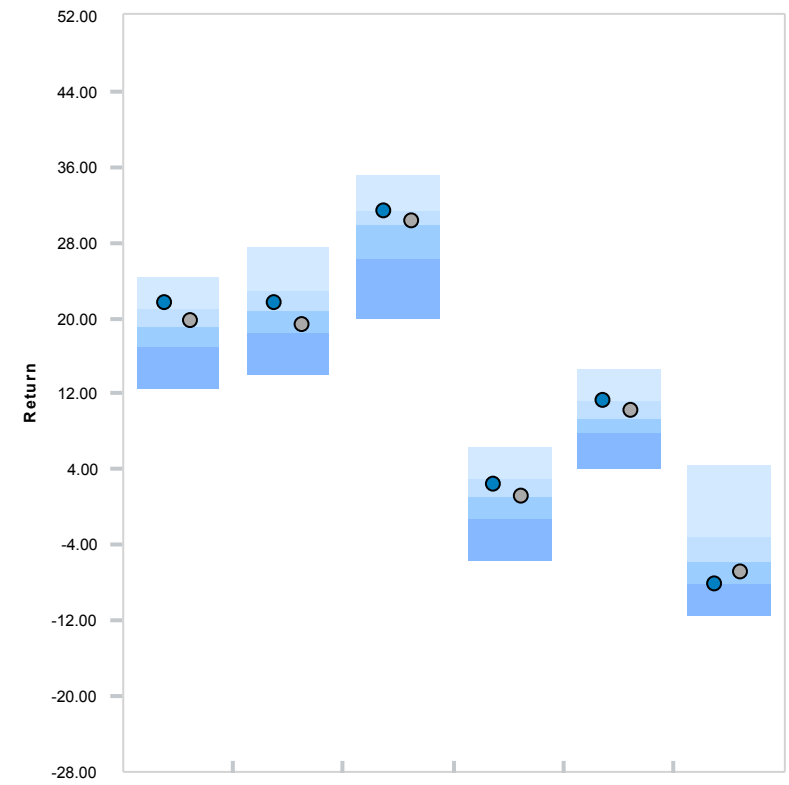
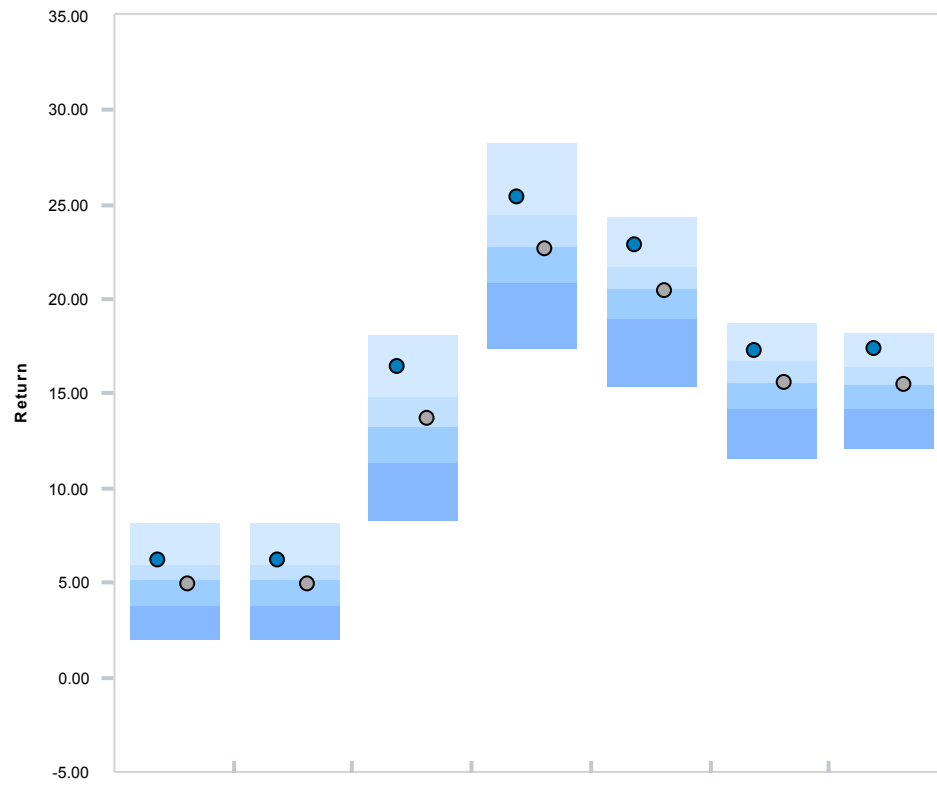
### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund (Gross)	1.10	106.33	98.05	1.16	1.01	2.08	1.00	3.24
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.93	1.00	3.19

### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund (Gross)	1.15	105.80	102.12	0.64	0.72	1.28	1.02	4.67
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.21	1.00	4.45

Peer Group Analysis - IM U.S. Large Cap Core Equity (SA+CF)

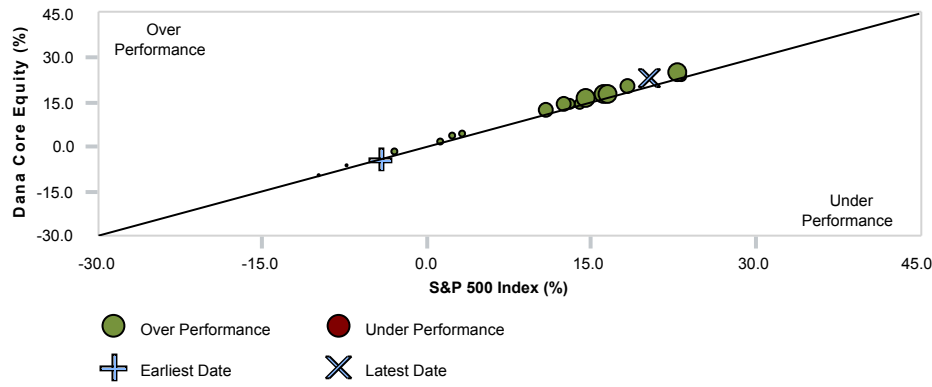


	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR	Oct-2013 To Sep-2014	Oct-2012 To Sep-2013	Oct-2011 To Sep-2012	Oct-2010 To Sep-2011	Oct-2009 To Sep-2010	Oct-2008 To Sep-2009
● Dana Core Equity	6.23 (21)	6.23 (21)	16.44 (13)	25.44 (18)	22.84 (16)	17.27 (19)	17.34 (11)	21.51 (21)	21.69 (36)	31.26 (27)	2.43 (33)	11.17 (28)	-8.19 (76)
● S&P 500 Index	4.93 (54)	4.93 (54)	13.69 (40)	22.68 (54)	20.41 (54)	15.55 (52)	15.45 (52)	19.73 (43)	19.34 (64)	30.20 (46)	1.14 (51)	10.16 (41)	-6.91 (63)
Median	5.09	5.09	13.24	22.80	20.56	15.56	15.47	19.05	20.72	29.79	1.16	9.46	-5.80

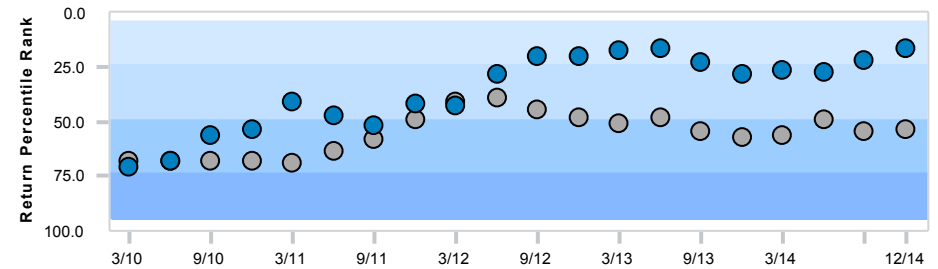
Comparative Performance

	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014	1 Qtr Ending Mar-2014	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013
Dana Core Equity	-0.42 (80)	5.85 (14)	4.00 (7)	10.85 (40)	5.37 (64)	3.50 (27)
S&P 500 Index	1.13 (42)	5.23 (31)	1.81 (62)	10.51 (49)	5.24 (70)	2.91 (47)
IM U.S. Large Cap Core Equity (SA+CF) Median	0.89	4.83	2.06	10.47	5.97	2.84

### 3 Yr Rolling Under/Over Performance - 5 Years

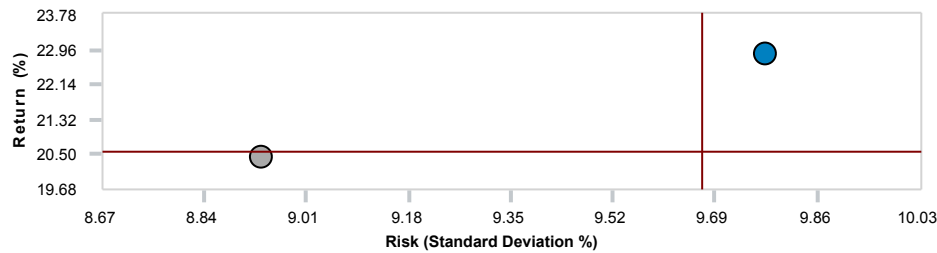


### 3 Yr Rolling Percentile Ranking - 5 Years



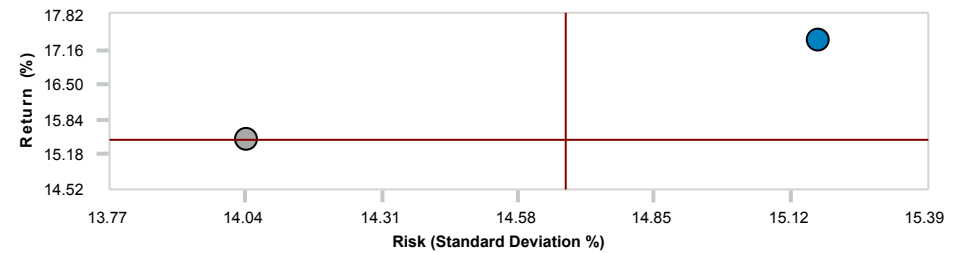
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Dana Core Equity	20	7 (35%)	8 (40%)	5 (25%)	0 (0%)
S&P 500 Index	20	0 (0%)	7 (35%)	13 (65%)	0 (0%)

### Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Dana Core Equity	22.84	9.77
S&P 500 Index	20.41	8.94
Median	20.56	9.67

### Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Dana Core Equity	17.34	15.18
S&P 500 Index	15.45	14.04
Median	15.47	14.68

### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Dana Core Equity	2.05	106.81	95.03	1.77	1.00	2.26	1.02	4.72
S&P 500 Index	0.00	100.00	100.00	0.00	N/A	2.12	1.00	4.69

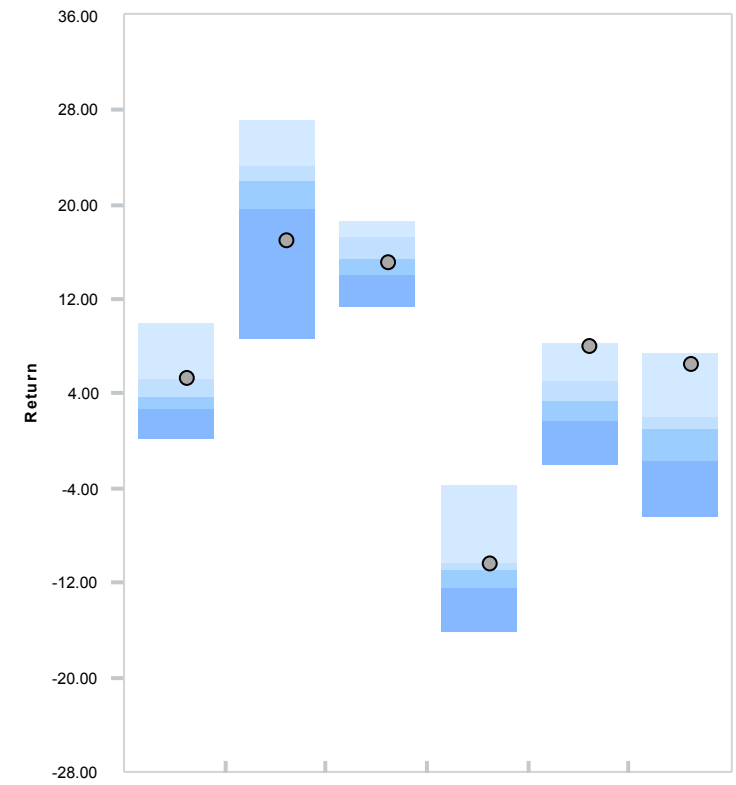
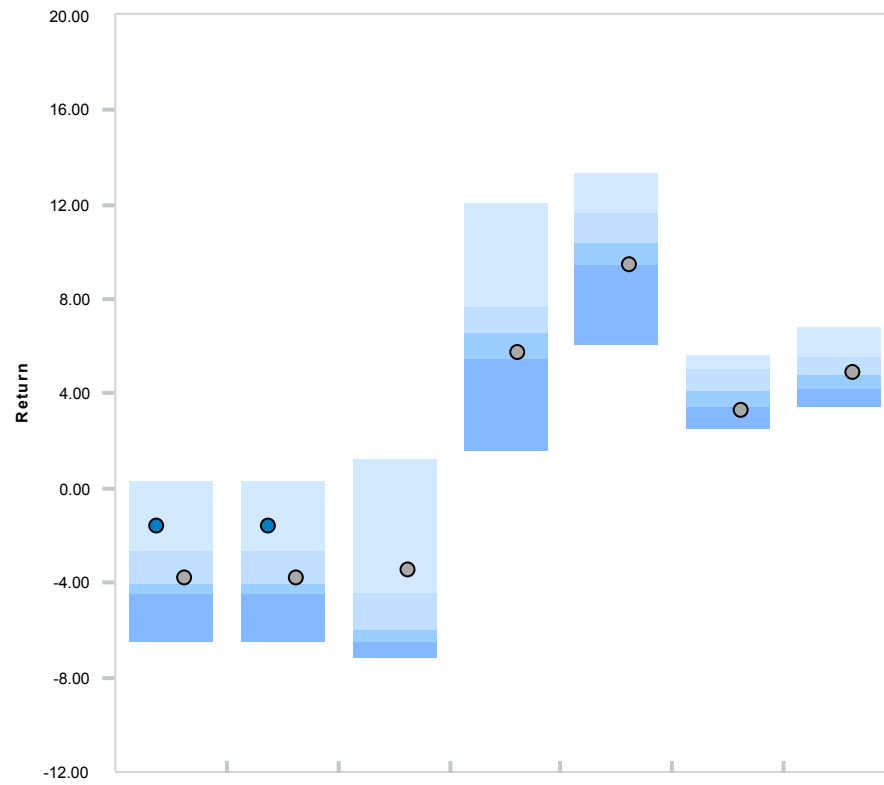
### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Dana Core Equity	2.12	106.73	100.93	1.35	0.80	1.27	1.02	7.74
S&P 500 Index	0.00	100.00	100.00	0.00	N/A	1.18	1.00	7.45



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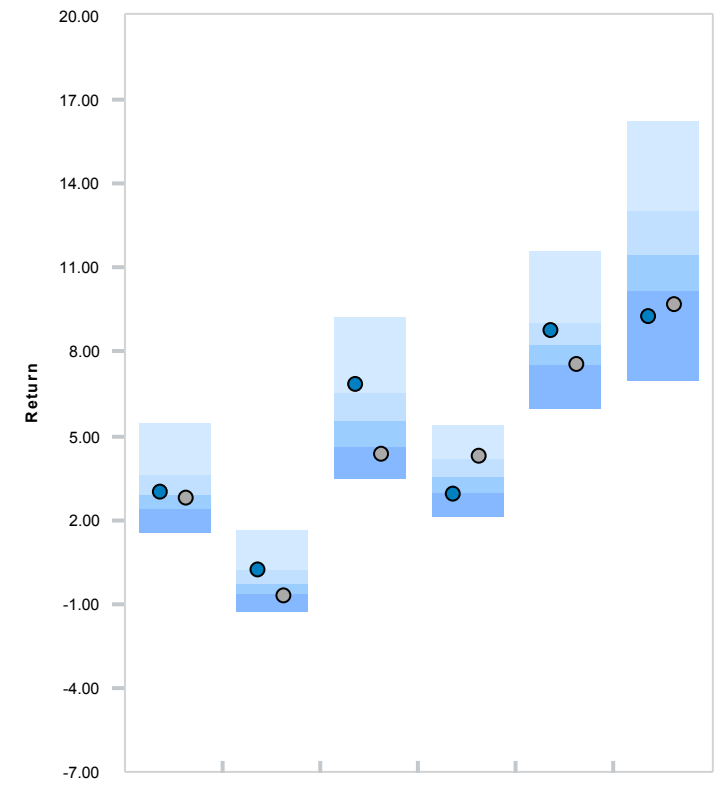
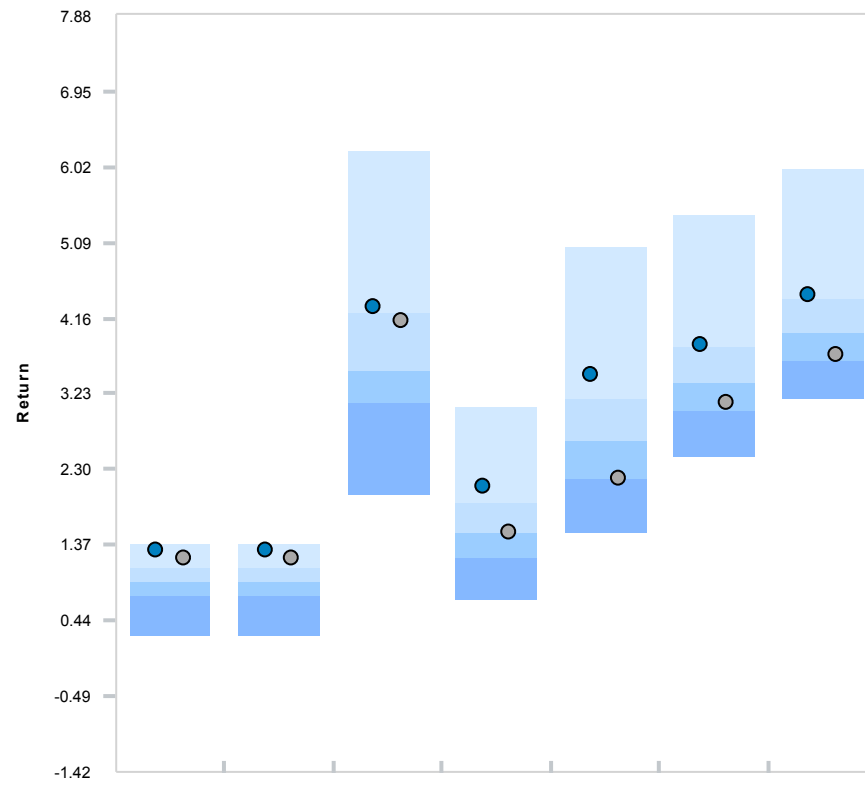
**Peer Group Analysis - IM International Large Cap Core Equity (MF)**



**Comparative Performance**

	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014	1 Qtr Ending Mar-2014	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013
EuroPacific Growth	-4.21 (11)	N/A	N/A	N/A	N/A	N/A
MSCI AC World ex USA	-5.19 (46)	5.25 (21)	0.61 (25)	4.81 (79)	10.17 (66)	-2.90 (90)
IM International Large Cap Core Equity (MF) Median	-5.32	4.06	0.30	5.57	10.53	-1.01

**Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)**

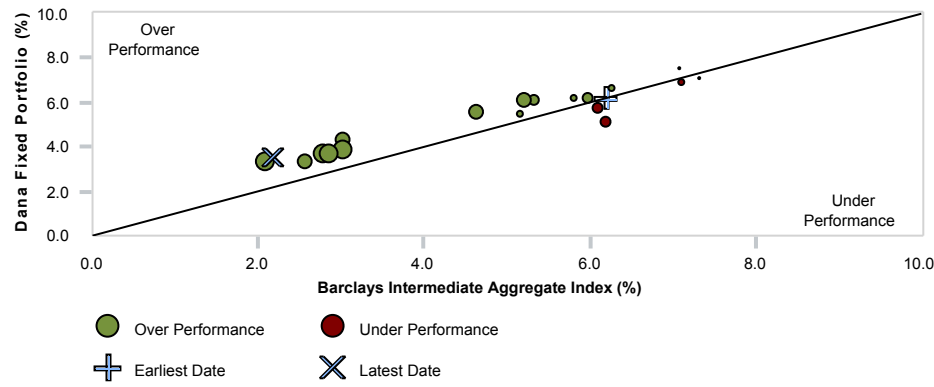


	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR		Oct-2013 To Sep-2014	Oct-2012 To Sep-2013	Oct-2011 To Sep-2012	Oct-2010 To Sep-2011	Oct-2009 To Sep-2010	Oct-2008 To Sep-2009
● Dana Fixed Portfolio	1.29 (9)	1.29 (9)	4.29 (24)	2.10 (18)	3.46 (18)	3.82 (24)	4.45 (22)	● Dana Fixed Portfolio	2.98 (44)	0.21 (26)	6.80 (21)	2.89 (77)	8.73 (32)	9.24 (83)
● Barclays Interm Agg Index	1.20 (16)	1.20 (16)	4.12 (28)	1.51 (53)	2.19 (76)	3.12 (66)	3.72 (70)	● Barclays Interm Agg Index	2.74 (59)	-0.71 (77)	4.31 (84)	4.22 (20)	7.52 (77)	9.69 (81)
Median	0.90	0.90	3.52	1.53	2.65	3.35	3.97	Median	2.87	-0.27	5.57	3.57	8.26	11.48

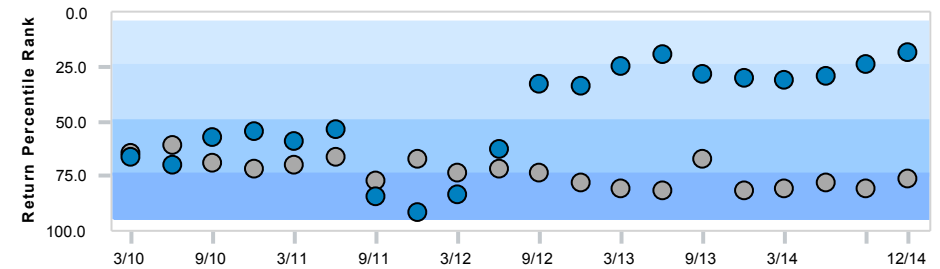
**Comparative Performance**

	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014	1 Qtr Ending Mar-2014	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013
Dana Fixed Portfolio	0.04 (37)	1.50 (38)	1.40 (30)	0.01 (74)	0.95 (14)	-1.56 (25)
Barclays Intermediate Aggregate Index	0.03 (38)	1.62 (26)	1.20 (51)	-0.14 (93)	0.76 (40)	-1.78 (50)
IM U.S. Intermediate Duration (SA+CF) Median	0.00	1.40	1.21	0.20	0.72	-1.78

### 3 Yr Rolling Under/Over Performance - 5 Years

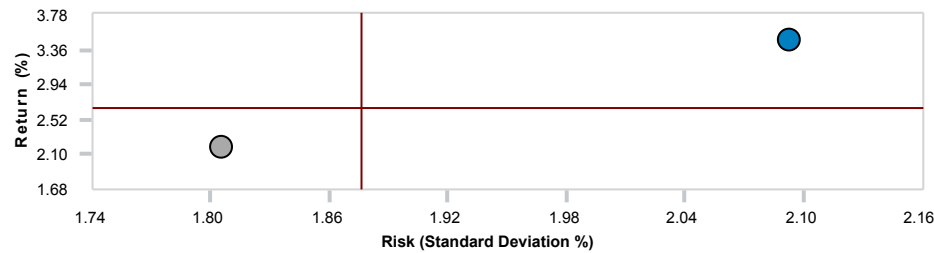


### 3 Yr Rolling Percentile Ranking - 5 Years



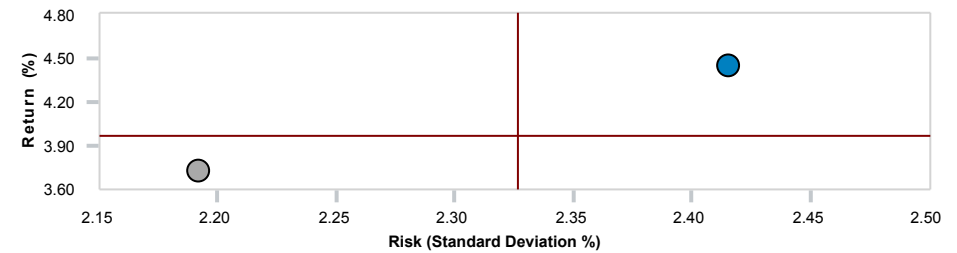
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
● Dana Fixed Portfolio	20	4 (20%)	6 (30%)	7 (35%)	3 (15%)
● Barclays Interm Agg Index	20	0 (0%)	0 (0%)	11 (55%)	9 (45%)

### Peer Group Scattergram - 3 Years



	Return	Standard Deviation
● Dana Fixed Portfolio	3.46	2.09
● Barclays Interm Agg Index	2.19	1.81
— Median	2.65	1.88

### Peer Group Scattergram - 5 Years



	Return	Standard Deviation
● Dana Fixed Portfolio	4.45	2.42
● Barclays Interm Agg Index	3.72	2.19
— Median	3.97	2.33

### Historical Statistics - 3 Years

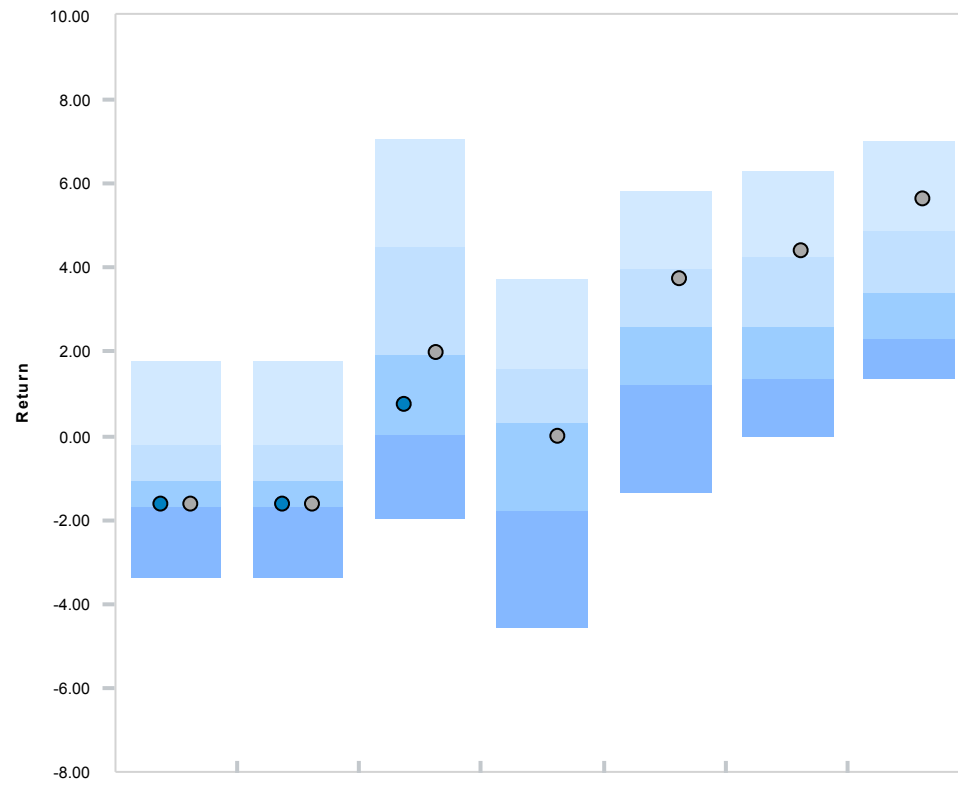
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Dana Fixed Portfolio	0.91	119.75	74.42	1.21	1.36	1.54	1.02	1.05
Barclays Intermediate Aggregate Index	0.00	100.00	100.00	0.00	N/A	1.09	1.00	1.15

### Historical Statistics - 5 Years

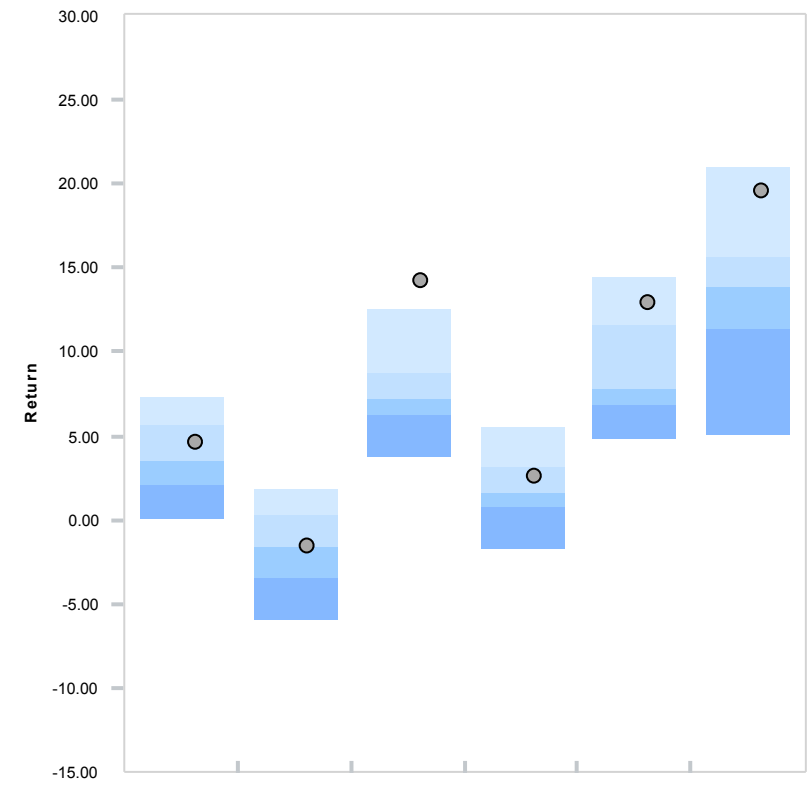
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Dana Fixed Portfolio	1.35	117.86	114.06	0.56	0.53	1.69	1.04	1.21
Barclays Intermediate Aggregate Index	0.00	100.00	100.00	0.00	N/A	1.73	1.00	1.01

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**Peer Group Analysis - IM Global Fixed Income (MF)**



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Templeton	-1.62 (73)	-1.62 (73)	0.74 (61)	N/A	N/A	N/A	N/A
● Global FI Index	-1.61 (73)	-1.61 (73)	1.95 (50)	-0.02 (53)	3.71 (31)	4.41 (22)	5.64 (17)
Median	-1.05	-1.05	1.93	0.30	2.61	2.57	3.39



	Oct-2013 To Sep-2014	Oct-2012 To Sep-2013	Oct-2011 To Sep-2012	Oct-2010 To Sep-2011	Oct-2009 To Sep-2010	Oct-2008 To Sep-2009
● Templeton	N/A	N/A	N/A	N/A	N/A	N/A
● Global FI Index	4.65 (39)	-1.58 (52)	14.19 (3)	2.52 (39)	12.95 (11)	19.60 (16)
Median	3.57	-1.52	7.19	1.61	7.82	13.86

**Comparative Performance**

	1 Qtr Ending Sep-2014	1 Qtr Ending Jun-2014	1 Qtr Ending Mar-2014	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013
Templeton	-0.74 (33)	2.67 (41)	0.47 (98)	N/A	N/A	N/A
Global Fixed Income Index	-3.13 (79)	3.62 (11)	3.23 (17)	0.99 (36)	2.29 (10)	-3.69 (65)
IM Global Fixed Income (MF) Median	-1.70	2.40	2.43	0.63	0.99	-3.32

### Total Fund Policy

Allocation Mandate	Weight (%)
<b>Jan-1978</b>	
Citigroup 3 Month T-Bill Index	100.00
<b>Jan-2004</b>	
S&P 500 Index	60.00
Citigroup 3 Month T-Bill Index	20.00
Barclays U.S. Gov't/Credit	20.00
<b>Oct-2005</b>	
S&P 500 Index	60.00
Barclays Intermediate U.S. Gov/Credit Index	40.00
<b>Dec-2009</b>	
S&P 500 Index	50.00
Barclays Intermediate U.S. Gov/Credit Index	40.00
MSCI EAFE Index	10.00
<b>Jul-2012</b>	
S&P 500 Index	50.00
Barclays Intermediate Aggregate Index	40.00
MSCI AC World ex USA	10.00
<b>Sep-2013</b>	
S&P 500 Index	50.00
Barclays Intermediate Aggregate Index	30.00
MSCI AC World ex USA	15.00
Global Fixed Income Index	5.00

### Total Fixed Policy

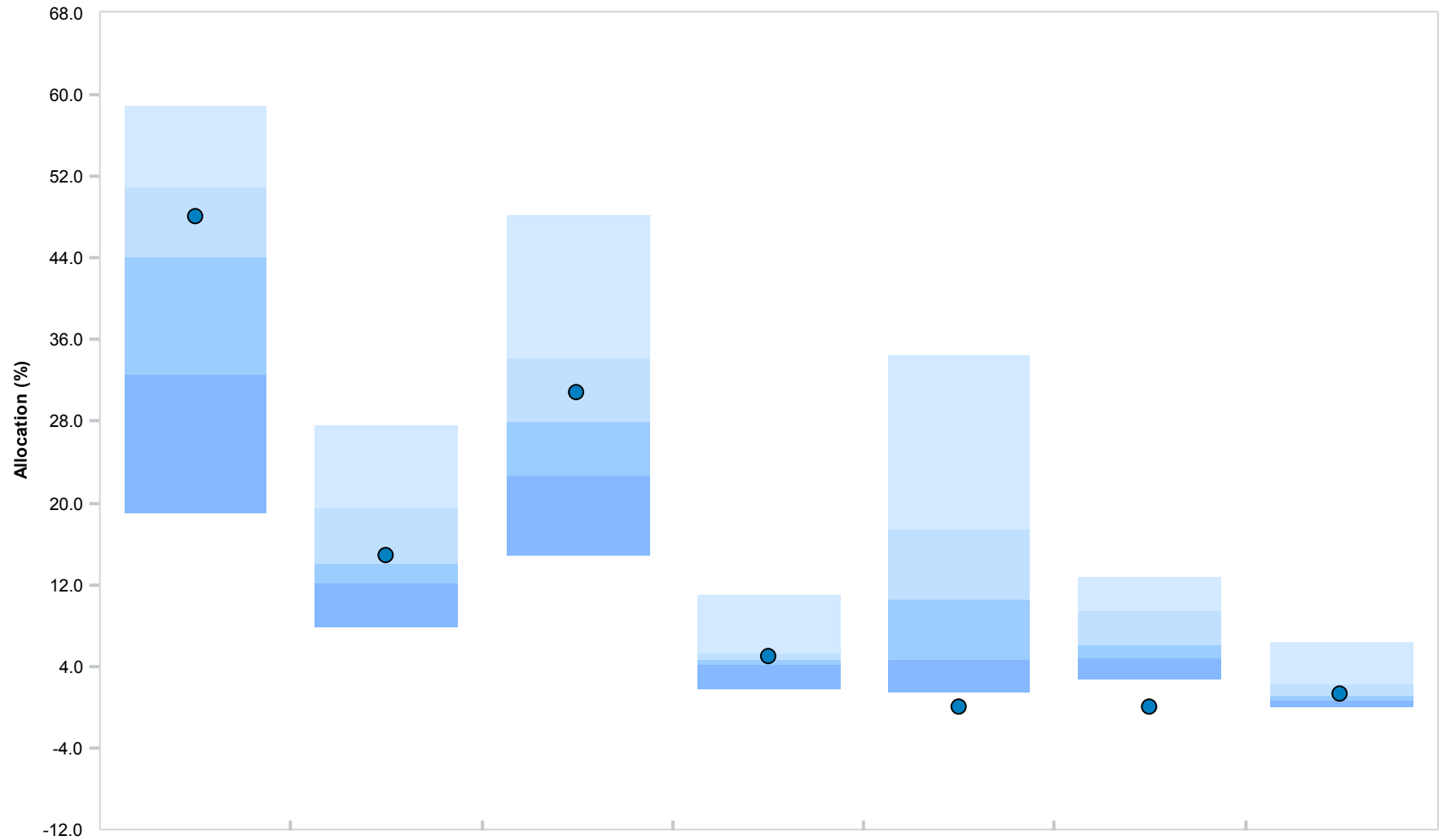
Allocation Mandate	Weight (%)
<b>Feb-2004</b>	
Barclays U.S. Gov't/Credit	100.00
<b>Oct-2005</b>	
Barclays Intermediate U.S. Gov/Credit Index	100.00
<b>Jul-2012</b>	
Barclays Intermediate Aggregate Index	100.00
<b>Sep-2013</b>	
Barclays Intermediate Aggregate Index	86.00
Global Fixed Income Index	14.00

### Global Fixed Income Index

Allocation Mandate	Weight (%)
<b>Jan-1994</b>	
JPM EMBI+	33.33
Barclays US Corp: High Yield	33.33
Citigroup Non-U.S. World Government Bond	33.34



Plan Sponsor TF Asset Allocation vs. All Public Plans-Total Fund



	US Equity	Intl. Equity	US Fixed Income	Intl. Fixed Income	Alternative Inv.	Real Estate	Cash
● Tequesta General Employees	47.99 (38)	14.90 (43)	30.85 (38)	4.95 (34)	0.00	0.00	1.31 (43)
5th Percentile	58.85	27.66	48.22	11.00	34.49	12.78	6.30
1st Quartile	50.84	19.44	34.18	5.31	17.31	9.40	2.19
Median	44.12	14.10	27.90	4.60	10.56	6.06	1.12
3rd Quartile	32.48	12.19	22.62	4.08	4.64	4.75	0.57
95th Percentile	19.03	7.80	14.82	1.71	1.44	2.75	0.05

Parentheses contain percentile rankings.  
Calculation based on <Periodicity> periodicity.

<b>Total Fund Compliance:</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
1. The Total Plan return equaled or exceeded the 7.5% actuarial earnings assumption over the trailing three year period.	Ü		
2. The Total Plan return equaled or exceeded the 7.5% actuarial earnings assumption over the trailing five year period.	Ü		
3. The Total Plan return equaled or exceeded the total plan benchmark over the trailing three year period.	Ü		
4. The Total Plan return equaled or exceeded the total plan benchmark over the trailing five year period.	Ü		
5. The Total Plan return ranked within the top 40th percentile of its peer group over the trailing three year period.	Ü		
6. The Total Plan return ranked within the top 40th percentile of its peer group over the trailing five year period.	Ü		

<b>Equity Compliance:</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
1. Total Equity return equaled or exceeded the benchmark over the trailing three year period.	Ü		
2. Total Equity return equaled or exceeded the benchmark over the trailing five year period.	Ü		
3. Total Equity investments do not exceed 70% of the market value of Plan assets.	Ü		
4. Total market value of foreign securities do not exceed 25% of the market value of Plan assets.	Ü		

<b>Fixed Income Compliance:</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
1. Total Fixed Income return equaled or exceeded the benchmark over the trailing three year period.	Ü		
2. Total Fixed Income return equaled or exceeded the benchmark over the trailing five year period.	Ü		
3. 95% of the fixed income investments have a minimum rating of investment grade or higher.	Ü		

<b>Manager Compliance:</b>	<b>Dana Domestic</b>			<b>Europacific (RERGX)</b>			<b>Dana Fixed</b>			<b>Templeton (FTTRX)</b>		
	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
1. Manager outperformed the index over the trailing three year period.	Ü					Ü	Ü					Ü
2. Manager outperformed the index over the trailing five year period.	Ü					Ü	Ü					Ü
3. Manager has had less than 4 consecutive quarters of underperformance.	Ü					Ü	Ü					Ü
4. Manager ranked within the top 40th percentile over the trailing three year period.	Ü					Ü	Ü					Ü
5. Manager ranked within the top 40th percentile over the trailing five year period.	Ü					Ü	Ü					Ü
6. Manager three year down market capture ratio is less than the index.	Ü					Ü	Ü					Ü
7. Manager five year down market capture ratio is less than the index.		Ü				Ü		Ü				Ü

- Neither The Bogdahn Group, nor any covered associates have made political contributions to any official associated with the Tequesta General Employees' Retirement Plan in excess of the permitted amount.

<b>Active Return</b>	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
<b>Alpha</b>	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
<b>Beta</b>	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
<b>Consistency</b>	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
<b>Down Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
<b>Downside Risk</b>	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
<b>Excess Return</b>	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
<b>Excess Risk</b>	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
<b>Information Ratio</b>	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
<b>R-Squared</b>	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
<b>Return</b>	- Compounded rate of return for the period.
<b>Sharpe Ratio</b>	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
<b>Standard Deviation</b>	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
<b>Tracking Error</b>	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
<b>Treynor Ratio</b>	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
<b>Up Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

The Bogdahn Group compiled this report for the sole use of the client for which it was prepared. The Bogdahn Group is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. The Bogdahn group uses the results from this evaluation to make observations and recommendations to the client.

The Bogdahn Group uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. The Bogdahn Group analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides The Bogdahn Group with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides The Bogdahn Group with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause The Bogdahn Group to believe that the information presented is significantly misstated.

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