

# Village of Tequesta Public Safety Officers' Pension Fund

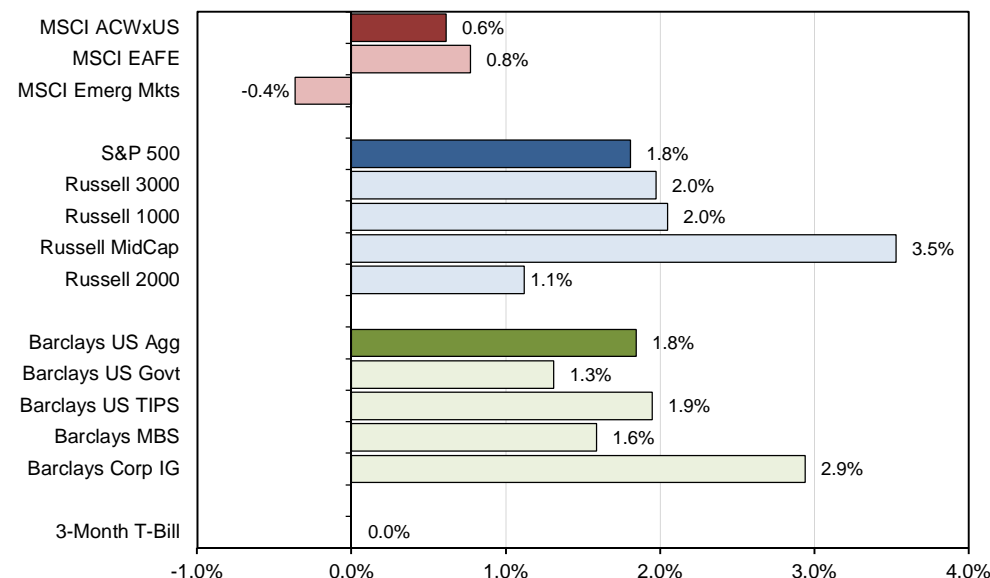
Investment Performance Review  
1st Quarter 2014



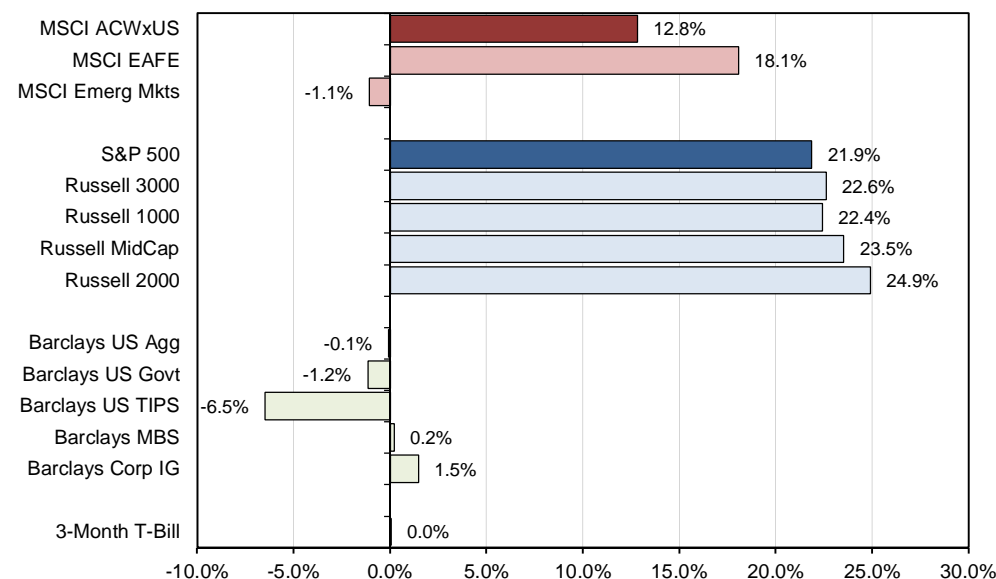
## **1st Quarter 2014 Market Environment**

- If the first quarter of 2014 is any indication, the euphoria of 2013 appears to be fading in the rearview mirror. So far this year it has been a much bumpier ride with market volatility above what was seen for almost all of 2013. The quarter started with a modest sell off but reversed in March after new Federal Reserve Chairwoman Janet Yellen offered reassuring comments which helped bolster the market. Overall returns for broad based indices ranged from slightly negative (-0.4% for the MSCI Emerging Markets index) to modestly positive (+1.8% for the S&P 500 and +1.8% for the Barclays U.S. Aggregate Bond Index).
- Domestic equities proved resilient during the quarter, overcoming profit taking in January and warning signs coming out of emerging markets. Prices in February and March were mixed but overall returns were generally positive. One trend that appears incongruous given the economic uncertainty is the strength found in lower quality companies. While “safe haven” areas such as Utilities and Consumer Staples fared best during the quarter, lower quality companies (no earnings, negative free cash flow) outperformed their higher quality counterparts.
- Despite posting close to flat returns during a tumultuous quarter, international equities were the worst performers compared to domestic equities and fixed income. Emerging equities ended in slightly negative territory, as the turmoil in Eastern Europe (Russia/Ukraine) drove those markets down significantly. One-year returns for developed international equities remained well in positive territory, but emerging market equities continued to struggle with a combined one-year return of -1.1%.
- The U.S. bond market, represented by the Barclays U.S. Aggregate Bond Index, rebounded from its weak 2013 performance by rising 1.8% in the first quarter of 2014. On a trailing, one-year basis bonds returned a weak -0.1%. Strong quarterly results were broad-based as all three major sectors posted positive returns, led by the investment grade corporate sector's +2.9% return. U.S. government and mortgage backed securities rose 1.3% and 1.6%, respectively. U.S. TIPS rose 1.9% in the period, but the trailing one-year return remained in negative territory at -6.5%.

### Quarter Performance

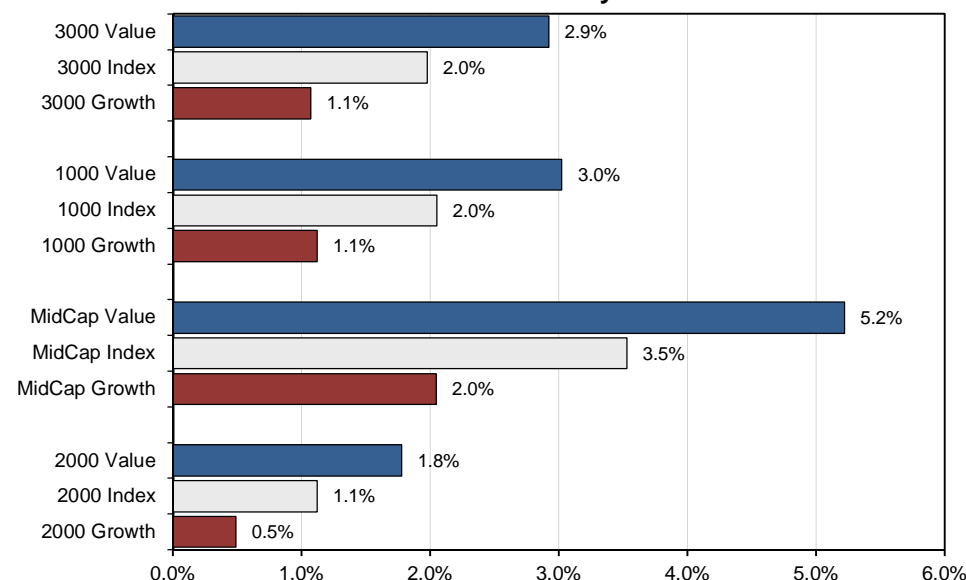


### 1-Year Performance

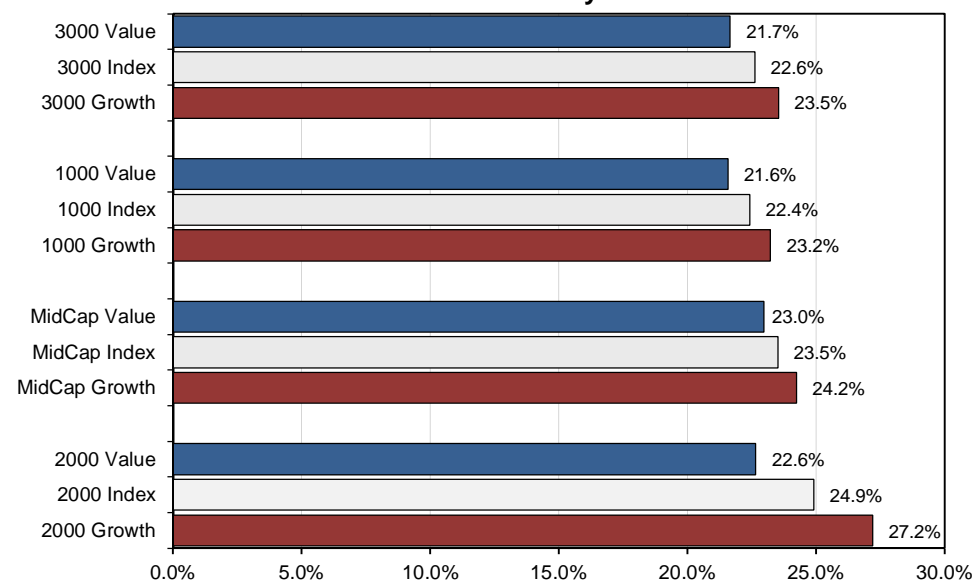


- In a period marked by higher volatility and general economic uncertainty, it was no surprise that larger cap stocks outperformed their smaller cap brethren. Mid caps were the best overall performer (+3.5%) followed by large caps (+1.8%) and small caps (+1.1%). Value outpaced growth at all capitalization levels.
- How much did inclement weather impact equity returns during the quarter? The immediate impact was felt via higher utility prices and lower consumer spending, which negatively affected many sectors highly correlated to consumer spending. However, real wage increases (nominal wage growth above inflation) and positive economic leading indicators suggest that continued economic growth is a strong possibility. Given that backdrop, the temporary quarterly slowdown appears to be a weather related phenomenon.
- As of March 2014, intra stock correlations (~0.33), while above the long-term average (~0.26 since 1926), reached one of the lowest points since the early 2000's. This bodes well for the future success of actively managed strategies.
- Current valuations remain fair. The March 31, 2014 valuation on the S&P 500 (1,872 or 15.2x forward looking earnings) was within a historically normal trading range for the index. In fact, the current level is far below the inflection point seen on March 24, 2000 (26x) and is not dissimilar to the trough valuation seen on October 9, 2002, when the market traded at 14.1x and subsequently appreciated from \$777 to \$1,565 (15.2x) over the next five years.
- One reason why valuations did not increase commensurate with market performance was the impact of corporate share repurchases. Fewer shares outstanding result in higher earnings per share, which is the denominator in the price-to-earnings multiple. Stock buybacks increased 15% in 2013 to \$445 billion.
- On an absolute basis, small cap stocks are more expensive relative to their mid and large cap counterparts (18.9x PE versus 18.2x and 15.2x, respectively). However, relative to their long term averages, small cap valuations are in-line with mid cap. Both are slightly expensive relative to large caps, especially on the value side.

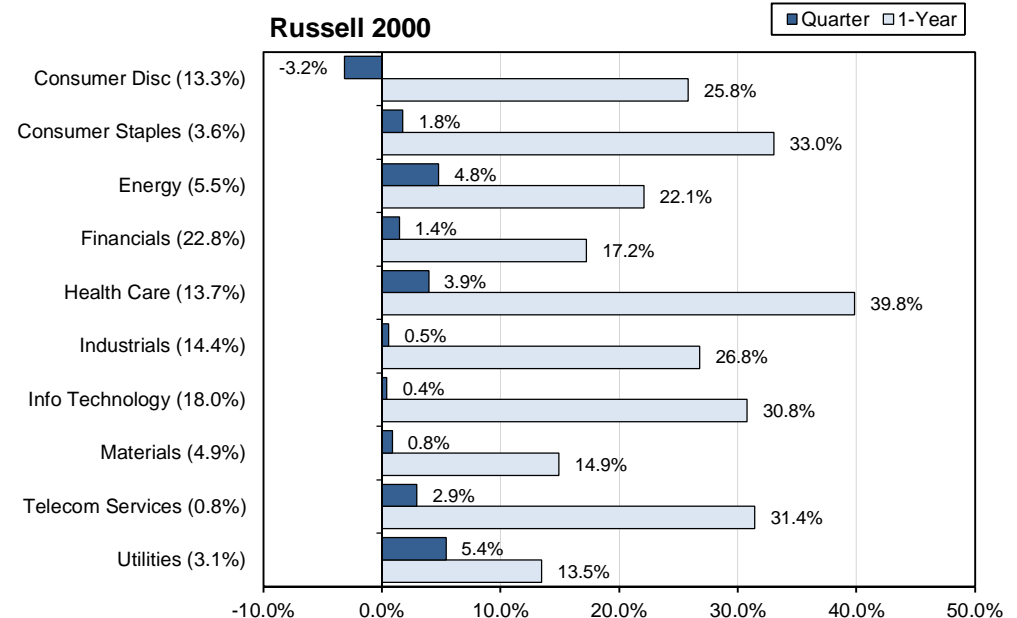
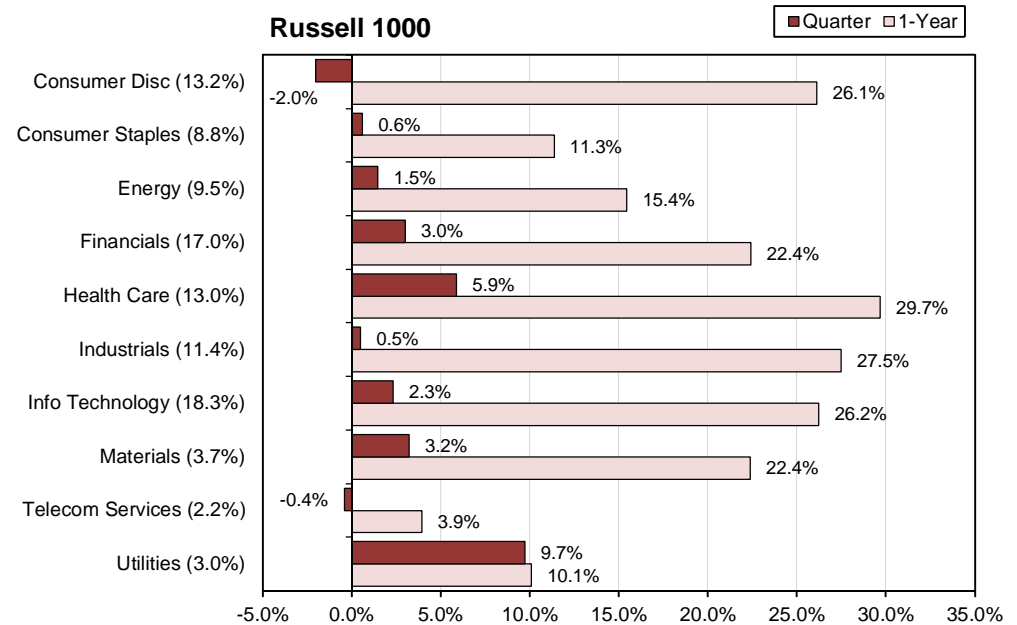
#### Quarter Performance - Russell Style Series



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



- Sector selection had a bigger impact on active manager outperformance during the quarter than has been seen in recent periods. The “defensive” sectors of Utilities, Health Care and Consumer Staples were largely left behind during a very strong 2013 market rally witnessed across all capitalizations and styles. As investor uncertainty increased in the first quarter, the shift to more stable areas of the market was evident, given the rebound experienced in these three areas.
- REITs had a positive impact on the performance of the Financials sector within the large cap segment of the market during the quarter. While investors largely sold off REIT exposure in 2013 due to fears of rising rates, interest rates trended lower in early 2014, and REITs advanced 10.4%.
- Consumer Discretionary was a negative contributor to performance in both the small and large cap benchmarks during the period. Again, most of the impact could be weather related. Many analysts highlighted the soft retail and auto sales figures in the first quarter to the colder than normal winter and its impact on consumer spending.
- On an absolute valuation basis, when viewed across a ten-year trailing period ending March 31, 2014, Financials, Energy and Telecom were the most attractively valued areas within the S&P 500. Each sector traded at approximately 13-14 times forward earnings per share. By contrast, Health Care, Materials, and both Consumer sectors were the most expensive at approximately 17 times. Relative to the ten-year average, only two sectors currently trade at below average valuations: Telecom and Information Technology.
- Health Care continued to dominate by placing seven stocks within the top ten small cap performers during the quarter, continuing a trend that started in late 2013. Biotech companies now make up over 9% of the Russell 2000 Growth benchmark. The top ten list in large cap was more uniform with Health Care, Information Technology, and Industrials all placing two stocks on the list.
- The two Consumer sectors, plus Information Technology, accounted for 60% of the top ten negative contributors within large cap during the period. Within small caps, underperformance was less concentrated by sector, which is understandable given that small cap stocks are less impacted by macroeconomic variables versus idiosyncratic company fundamentals.



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

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	2.61%	-3.8%	24.3%	Information Technology
Exxon Mobil Corporation	2.25%	-2.8%	11.4%	Energy
Microsoft Corporation	1.77%	10.4%	47.5%	Information Technology
Google Inc Class A	1.55%	-0.6%	40.3%	Information Technology
Johnson & Johnson	1.43%	8.0%	24.0%	Health Care
General Electric Co	1.39%	-6.8%	15.7%	Industrials
Wells Fargo & Co	1.24%	10.3%	38.4%	Financials
Chevron Corp	1.19%	-4.0%	3.5%	Energy
JPMorgan Chase & Co	1.19%	4.5%	31.5%	Financials
Berkshire Hathaway Inc Class B	1.16%	5.4%	19.9%	Financials

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Myriad Genetics, Inc.	0.01%	63.0%	34.6%	Health Care
Forest Laboratories, Inc.	0.13%	53.7%	142.6%	Health Care
Freescall Semiconductor Ltd	0.01%	52.1%	63.9%	Information Technology
Nabors Industries Ltd	0.04%	45.3%	53.4%	Energy
American Airlines Group Inc	0.04%	45.0%	NA	Industrials
FireEye Inc	0.01%	41.2%	NA	Information Technology
Keurig Green Mountain Inc	0.08%	40.2%	86.6%	Consumer Staples
Tesla Motors, Inc.	0.09%	38.6%	450.1%	Consumer Discretionary
Royal Gold, Inc.	0.02%	35.9%	-10.4%	Materials
Engility Holdings Inc	0.00%	34.9%	87.9%	Industrials

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
NII Holdings Inc	0.00%	-56.7%	-72.5%	Telecommunication Services
Walter Energy Inc	0.00%	-54.5%	-73.2%	Materials
Alpha Natural Resources Inc	0.00%	-40.5%	-48.2%	Energy
Nu Skin Enterprises, Inc. Class A	0.03%	-39.8%	90.4%	Consumer Staples
UTi Worldwide, Inc.	0.00%	-39.7%	-26.6%	Industrials
Weight Watchers International, Inc.	0.00%	-37.6%	-50.8%	Consumer Discretionary
3D Systems Corporation	0.03%	-36.3%	83.5%	Information Technology
NeuStar, Inc.	0.01%	-34.8%	-30.1%	Information Technology
Groupon Inc	0.02%	-33.4%	28.1%	Consumer Discretionary
Best Buy Co Inc	0.04%	-33.3%	21.8%	Consumer Discretionary

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
American Realty Capital Properties	0.39%	11.1%	2.1%	Financials
AthenaHealth, Inc.	0.35%	19.1%	65.1%	Health Care
Acuity Brands Inc	0.34%	21.4%	92.3%	Industrials
CoStar Group, Inc.	0.32%	1.2%	70.6%	Information Technology
SunEdison Inc	0.30%	44.4%	328.2%	Information Technology
Northstar Realty Finance Corporation	0.30%	21.9%	84.1%	Financials
Middleby Corporation	0.30%	10.2%	73.7%	Industrials
Isis Pharmaceuticals	0.29%	8.5%	155.1%	Health Care
Rite Aid Corporation	0.27%	23.9%	230.0%	Consumer Staples
Kate Spade & Co	0.27%	15.7%	96.5%	Consumer Discretionary

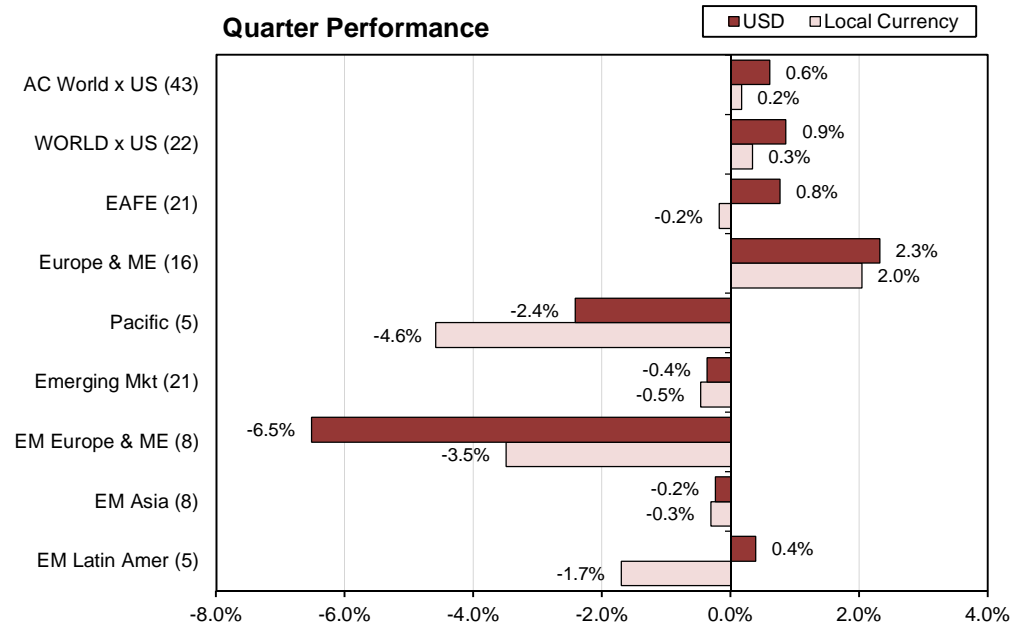
Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Intercept Pharmaceuticals Inc	0.14%	383.0%	781.8%	Health Care
InterMune, Inc.	0.18%	127.2%	269.8%	Health Care
Endocyte, Inc.	0.04%	122.9%	91.2%	Health Care
RCS Capital Corp Class A	0.00%	113.1%	NA	Financials
Pernix Therapeutics Holdings, Inc.	0.01%	112.3%	7.9%	Health Care
Furiex Pharmaceuticals, Inc.	0.03%	107.1%	132.1%	Health Care
Horizon Pharma Inc	0.05%	98.4%	457.9%	Health Care
GT Advanced Technologies Inc	0.14%	95.6%	416.7%	Information Technology
Harvard Apparatus Reg Technology	0.00%	90.9%	NA	Health Care
McClatchy Company Class A	0.02%	88.8%	121.4%	Consumer Discretionary

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Dolan Co	0.00%	-97.7%	-99.3%	Industrials
Global Geophysical Services, Inc.	0.00%	-92.6%	-95.1%	Energy
GSE Holding Inc	0.00%	-86.0%	-96.5%	Materials
Body Central Corp	0.00%	-72.8%	-88.6%	Consumer Discretionary
Ventrus Biosciences, Inc.	0.00%	-66.6%	-57.4%	Health Care
KIOR Inc	0.00%	-65.9%	-87.7%	Energy
American Apparel, Inc.	0.00%	-59.3%	-76.9%	Consumer Discretionary
Fairway Group Holdings Corp Class A	0.01%	-57.9%	NA	Consumer Staples
NII Holdings Inc	0.01%	-56.7%	-72.5%	Telecommunication Services
Geron Corporation	0.02%	-55.9%	95.3%	Health Care

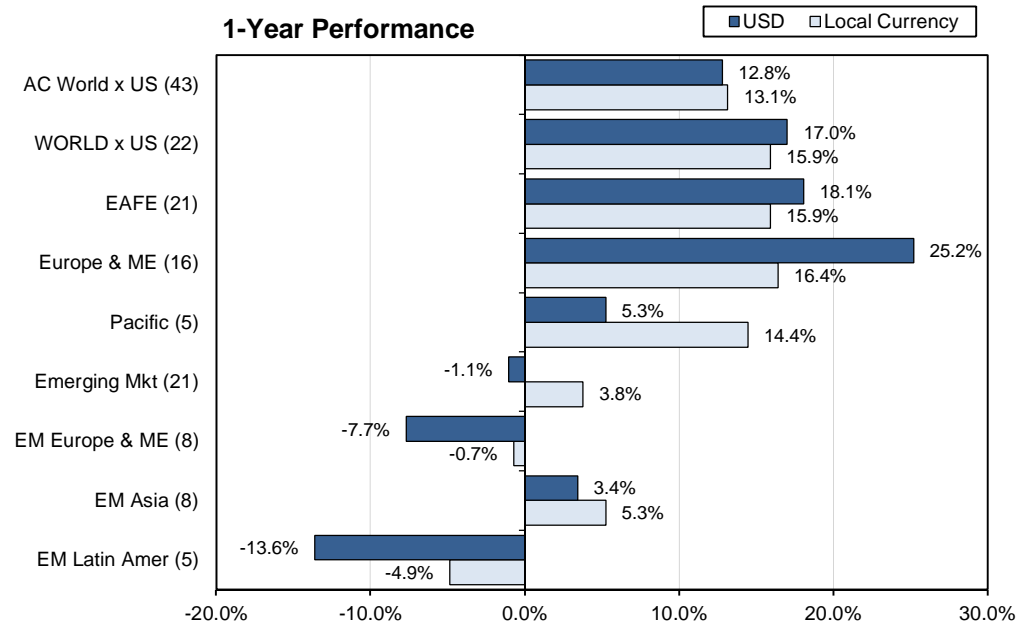
Source: Morningstar Direct

- While the final return for the first quarter of 2014 showed little change from year-end 2013, the path through the quarter was extremely uncomfortable. Non-US equity indices were down over 4% in January but then reversed up 5% in February. March returns ended fairly flat, but, once again, the intra-month volatility was significant.
- Developed international equities were generally positive during the quarter. However, Japan's results were a large exception. In local terms, Japan was down over 7%, but yen appreciation buffered U.S. investors slightly as the return was -5.5% in USD terms. The strongest international developed markets for the first quarter were New Zealand, Denmark, Ireland, and Italy.
- Emerging equities continued to underperform moderately as a whole, but returns were segmented by region. Equities in Russia were on the extreme end of underperformance, returning -14.5%. Russia's invasion and annexation of the Crimea region in Ukraine caused investors in Russian equities to flee. Indonesia was on the other end of the performance extreme as the country's equity market ended the quarter up 21.2%.
- Currency moves were generally favorable to U.S. investors in overseas assets with the biggest exception being Russia.
- Overall, for non-US equities, defensive sectors (Health Care and Utilities) turned in the best performance for the quarter. Consumer Discretionary (-2.0%) was the worst performing sector within the MSCI EAFE Index, while Telecom (-5.8%) was the worst performing sector within the MSCI EM Index.
- Value outperformed growth in developed equities, while growth outperformed value among emerging equities. Small cap companies outperformed large caps within non-US equities.

### Quarter Performance



### 1-Year Performance





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

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	11.8%	-2.0%	23.7%
Consumer Staples	11.0%	0.7%	6.3%
Energy	6.9%	1.8%	16.5%
Financials	25.6%	-0.3%	18.2%
Health Care	10.4%	6.2%	21.7%
Industrials	13.0%	0.6%	19.1%
Information Technology	4.5%	-0.3%	20.3%
Materials	8.1%	0.7%	9.0%
Telecommunication Services	5.0%	-2.1%	35.6%
Utilities	3.8%	7.2%	24.2%
<b>Total</b>	<b>100.0%</b>	<b>0.8%</b>	<b>18.1%</b>

MSCI - ACWIXUS	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	10.8%	-0.8%	21.7%
Consumer Staples	9.9%	0.4%	4.0%
Energy	9.1%	0.8%	7.6%
Financials	26.6%	-0.4%	11.9%
Health Care	8.2%	6.0%	21.8%
Industrials	11.2%	0.4%	16.2%
Information Technology	6.8%	1.8%	18.6%
Materials	8.7%	0.1%	0.1%
Telecommunication Services	5.2%	-2.9%	22.0%
Utilities	3.5%	6.2%	17.1%
<b>Total</b>	<b>100.0%</b>	<b>0.6%</b>	<b>12.8%</b>

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Consumer Discretionary	9.3%	3.9%	12.7%
Consumer Staples	8.5%	-1.3%	-6.8%
Energy	10.8%	-4.5%	-9.1%
Financials	26.7%	-0.4%	-5.9%
Health Care	1.7%	1.6%	8.1%
Industrials	6.5%	0.0%	0.2%
Information Technology	16.7%	4.0%	17.6%
Materials	9.4%	-3.5%	-10.8%
Telecommunication Services	6.9%	-5.8%	-2.1%
Utilities	3.5%	2.8%	-1.9%
<b>Total</b>	<b>100.0%</b>	<b>-0.4%</b>	<b>-1.1%</b>

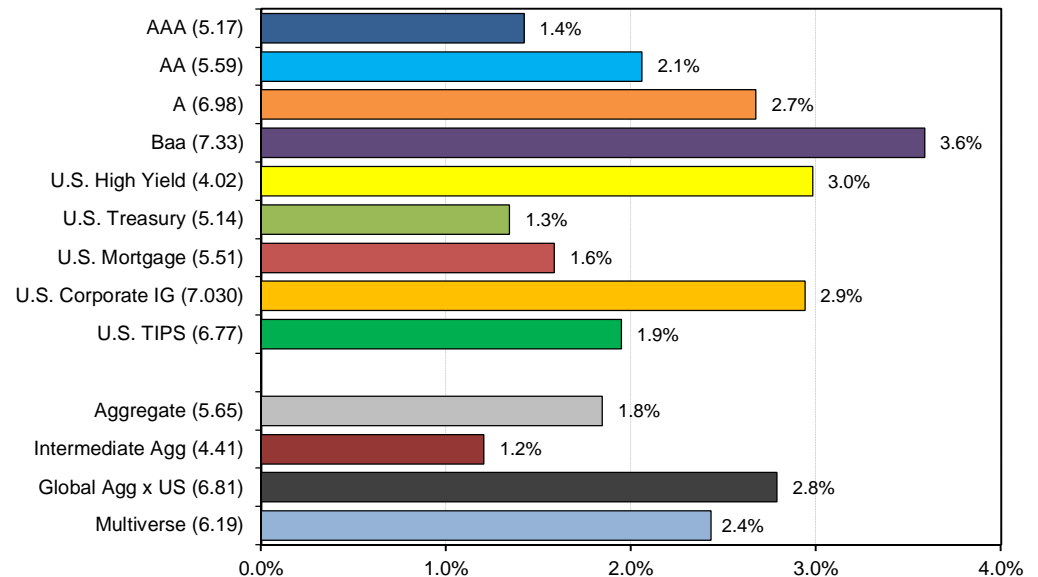
Country	MSCI-EAFE Weight	MSCI-ACWIXUS Weight	Quarter Return	1- Year Return
United Kingdom	21.1%	15.2%	-0.8%	16.8%
Japan	19.7%	14.2%	-5.5%	7.8%
France	10.4%	7.5%	3.0%	30.6%
Germany	9.5%	6.8%	-0.3%	31.7%
Switzerland	9.3%	6.7%	5.1%	20.1%
Australia	7.9%	5.7%	6.0%	1.3%
Spain	3.6%	2.6%	4.8%	46.5%
Sweden	3.3%	2.4%	3.0%	18.2%
Hong Kong	2.8%	2.0%	-3.4%	3.7%
Netherlands	2.8%	2.0%	1.1%	30.1%
Italy	2.6%	1.9%	14.6%	54.1%
Singapore	1.5%	1.1%	-0.9%	-2.1%
Denmark	1.4%	1.0%	16.5%	40.6%
Belgium	1.2%	0.9%	2.4%	21.1%
Finland	0.9%	0.7%	0.3%	44.0%
Norway	0.8%	0.6%	2.2%	12.3%
Israel	0.5%	0.4%	18.7%	24.0%
Ireland	0.3%	0.2%	14.2%	43.4%
Austria	0.3%	0.2%	-2.7%	16.5%
Portugal	0.2%	0.1%	9.7%	23.6%
New Zealand	0.1%	0.1%	16.7%	18.0%
<b>Total EAFE Countries</b>	<b>100.0%</b>	<b>72.1%</b>	<b>0.8%</b>	<b>18.1%</b>
Canada		7.3%	1.8%	7.2%
<b>Total Developed Countries</b>		<b>79.4%</b>	<b>0.9%</b>	<b>17.0%</b>
China		3.9%	-5.9%	2.5%
Korea		3.3%	-2.0%	5.5%
Taiwan		2.5%	1.1%	11.2%
Brazil		2.3%	2.9%	-12.7%
South Africa		1.6%	4.9%	8.4%
India		1.4%	8.2%	6.7%
Russia		1.1%	-14.5%	-10.5%
Mexico		1.1%	-5.0%	-10.2%
Malaysia		0.8%	-0.4%	8.2%
Indonesia		0.6%	21.2%	-17.8%
Thailand		0.5%	7.5%	-16.4%
Poland		0.4%	3.4%	21.2%
Turkey		0.3%	4.8%	-28.8%
Chile		0.3%	-2.2%	-26.5%
Colombia		0.2%	5.1%	-11.3%
Philippines		0.2%	10.3%	-9.1%
Greece		0.1%	18.1%	58.1%
Peru		0.1%	4.4%	-24.9%
Czech Republic		0.1%	7.6%	15.1%
Hungary		0.1%	-8.7%	-7.9%
Egypt		0.0%	9.2%	32.5%
<b>Total Emerging Countries</b>		<b>20.6%</b>	<b>-0.4%</b>	<b>-1.1%</b>
<b>Total ACWIXUS Countries</b>		<b>100.0%</b>	<b>0.6%</b>	<b>12.8%</b>

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

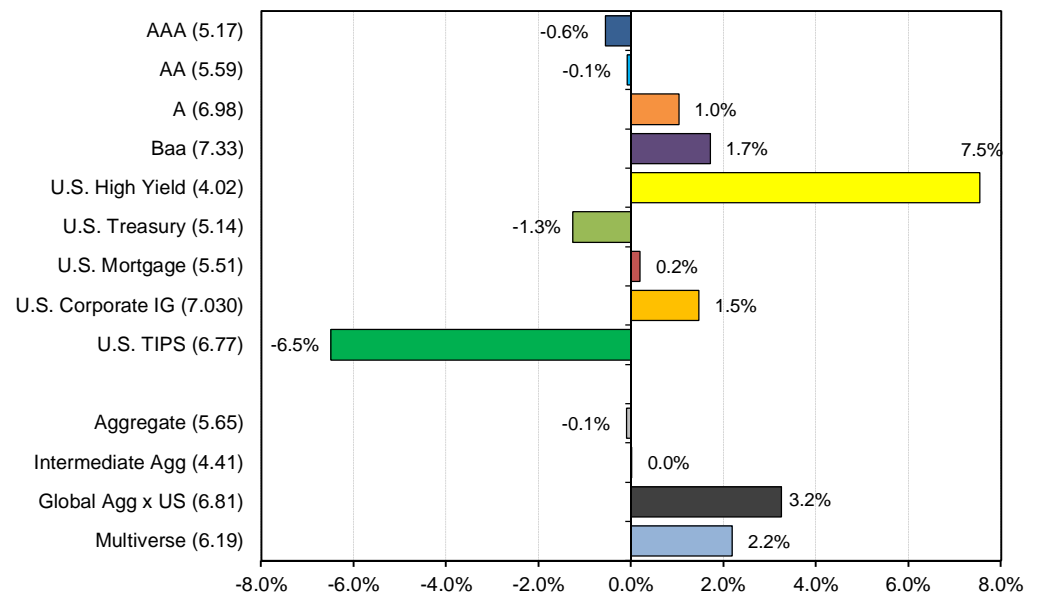


- Domestic bonds began 2014 with a strong rally, rising 1.5% amid lackluster economic news and turmoil in several emerging economies (Argentina, Turkey, Venezuela, and China). Market sentiment turned bullish, and bond markets traded flat-to-higher in February (0.5%) despite the recent economic and geopolitical unrest in Ukraine and Venezuela. In March, bonds posted modest declines (-0.2%) after the FOMC minutes revealed support for continued tapering of the Federal Reserve's quantitative easing program as well as a more hawkish tone in regards to an increase in the fed funds rate in 2015. Though the quarter ended with a down month, the losses detracted only a modest amount from gains earned earlier in the quarter.
- Each of the three key investment grade sectors rose during the first quarter. Corporate bonds were the strongest performing segment of the market, returning 2.9%. Following credit was the securitized sector (1.6%) and Treasury/Agency securities (1.3%). On a trailing twelve month basis, returns are mixed with the credit and mortgage sectors landing in positive territory and government securities down -1.3%.
- The trend of low quality bonds outperforming higher quality securities continued for yet another quarter. Bonds rated Baa rose 3.6%, followed by A-rated (2.7%), AA-rated (2.1%), and AAA-rated (1.4%).
- Renewed buying of longer-dated Treasuries resulted in the broad-based Barclays Aggregate Index outperforming short and intermediate bonds during the first quarter.
- High yield bonds continued their strong performance exceeding investment grade credit for the seventh consecutive quarter (3.0% versus 2.9%). The continued demand for income resulted in securities rated below investment grade outperforming investment grade by 600 basis points (bps) over the past twelve months.
- After underperforming U.S. bonds in the fourth quarter, international bonds, represented by the Barclays Global Aggregate ex U.S. Index, surpassed their domestic bond counterparts (2.8% versus 1.8%). The strong showing pushed international bonds ahead of the U.S. market by 3.3% on a trailing, one-year basis.

#### Quarter Performance



#### 1-Year Performance

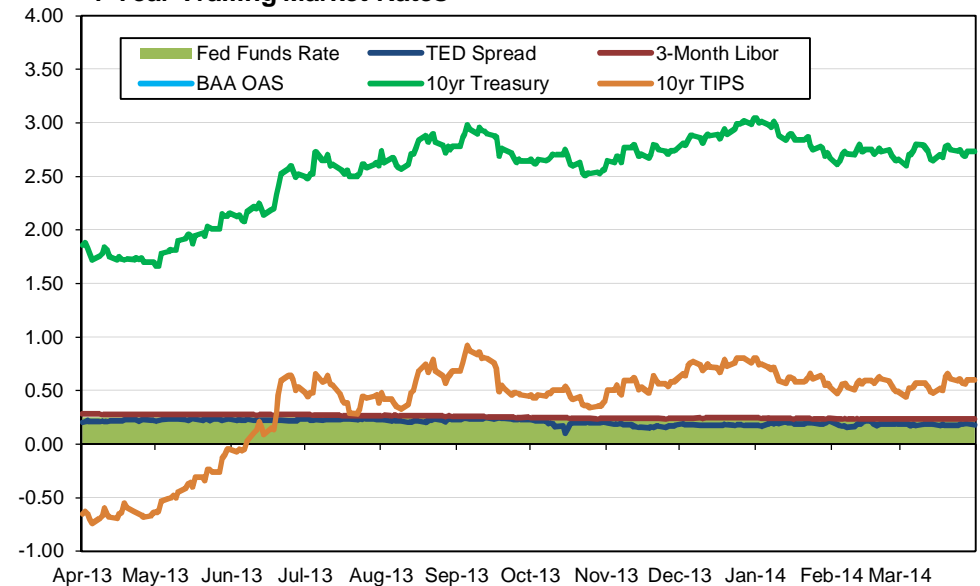


- After ending 2013 with a 2.0% annual decline, the U.S. bond market, represented by the Barclays U.S. Aggregate Bond Index, rose 1.8% in the first quarter. Weak economic news, coupled with greater visibility and guidance from the Federal Reserve, resulted in greater demand for domestic bonds during the quarter. Strength in longer-dated maturities and the corporate bond sector led market returns higher.
- Other than modest weakness in March, yield levels for maturities five years and under were mostly unchanged during the first quarter. However, rates on longer-dated bonds (10 to 30-year maturities) declined between 31 and 41 bps during the period. Most of the decline in rates occurred in January in response to weaker economic news and troubles in emerging market countries.
- Although the yield curve flattened in the first quarter, it still provides investors a sizable yield gain for extending maturities, especially in intermediate maturities. The spread between key points on the yield curve is shown below.

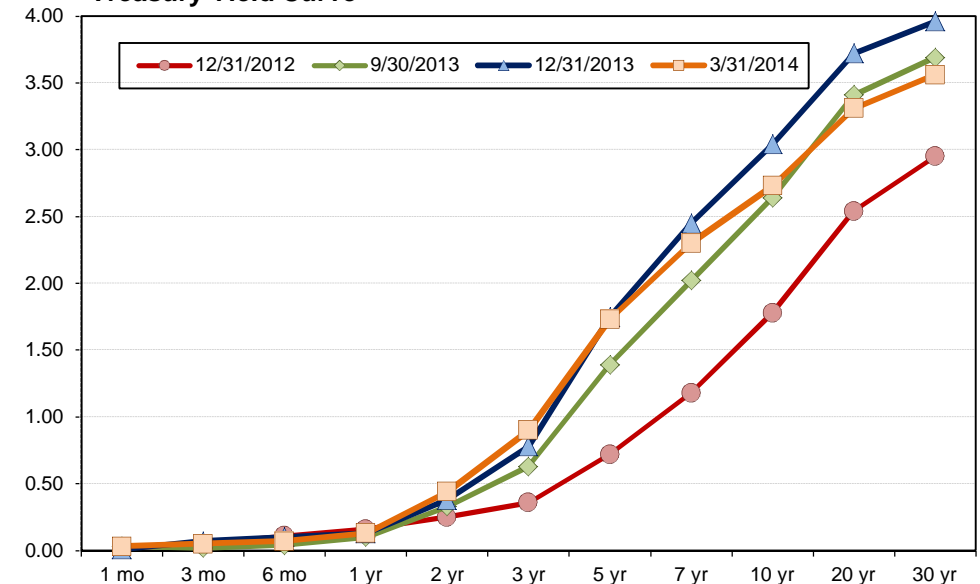
2-5 Year U.S. Treasury	129 bps
5-10 Year U.S. Treasury	100 bps
10-30 Year U.S. Treasury	86 bps

- The recent rise in interest rates has pushed yields to more attractive levels, particularly in longer-dated maturities, which now carry a yield in excess of the current rate of inflation. The higher yields helped propel bonds to an increasingly rare quarter of strong performance. Despite the solid quarter, the overall outlook for domestic bond markets remains challenging due to rates remaining well below historical averages.

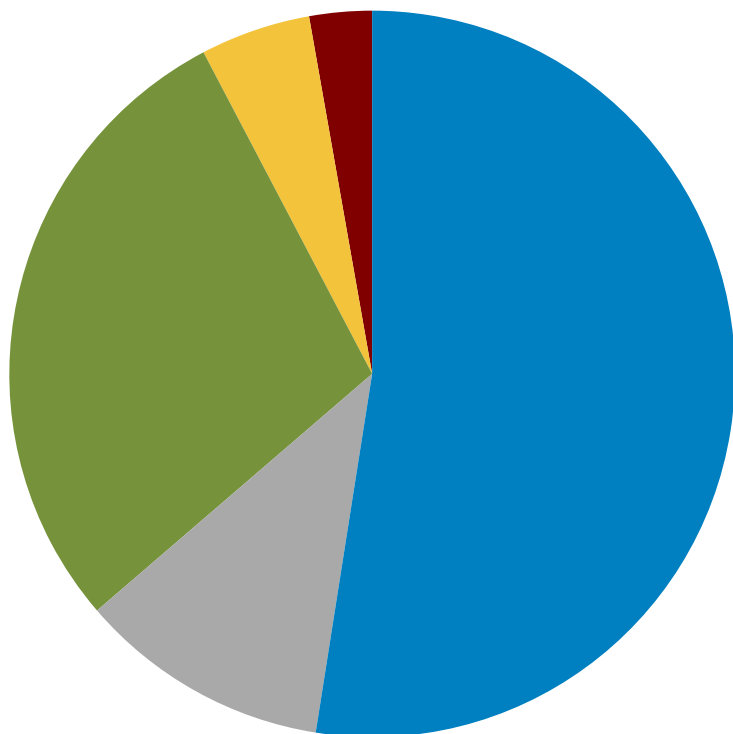
**1-Year Trailing Market Rates**



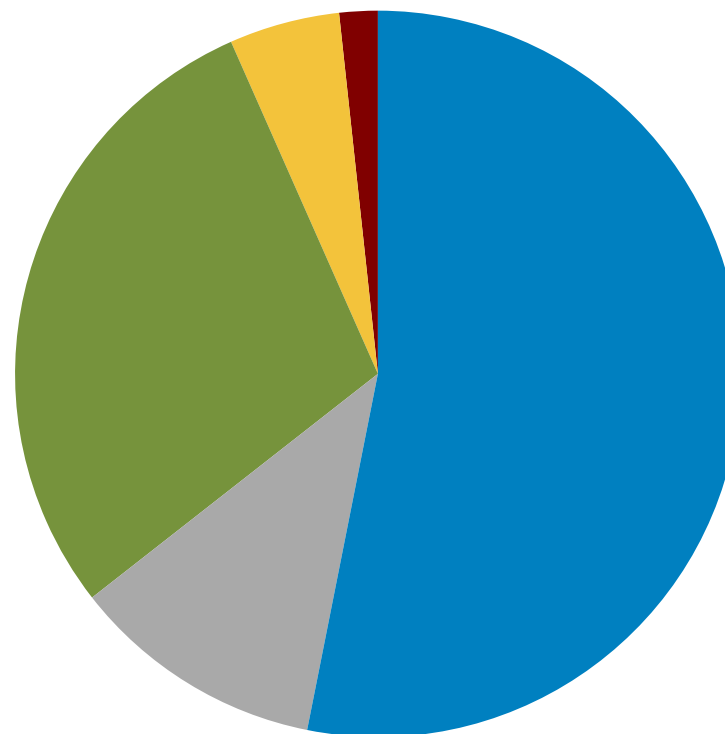
**Treasury Yield Curve**



**Asset Allocation By Segment as of  
December 31, 2013 : \$10,246,287**

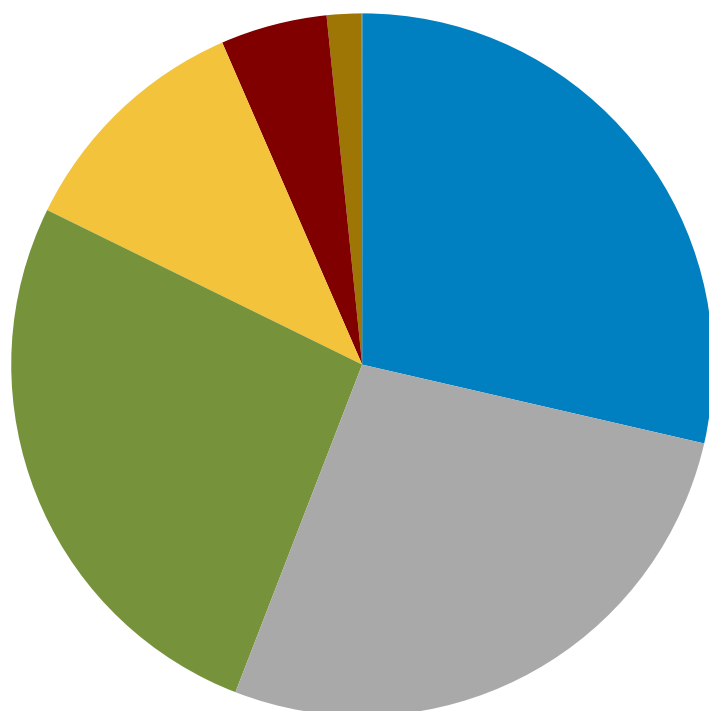


**Asset Allocation By Segment as of  
March 31, 2014 : \$10,383,613**

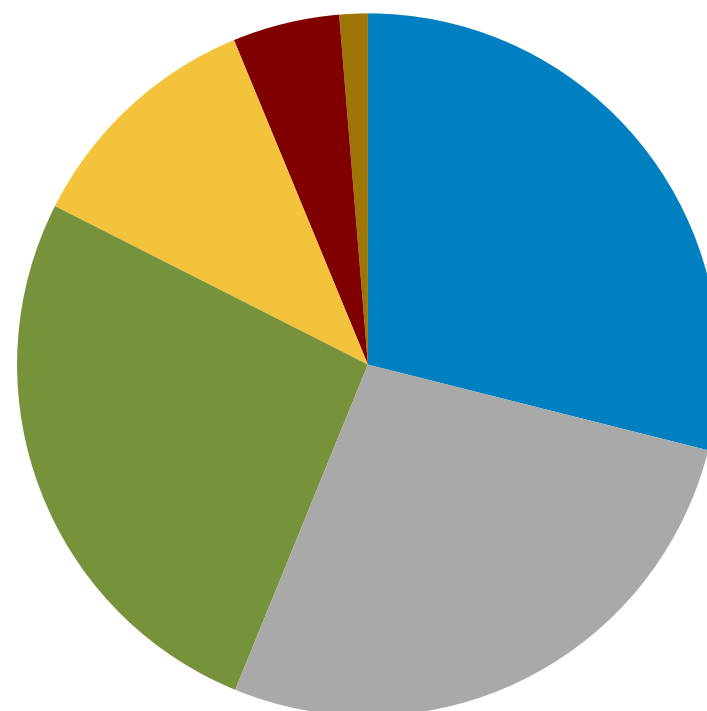


Allocation			Allocation		
Segments	Market Value	Allocation	Segments	Market Value	Allocation
Domestic Equity	5,378,194	52.5	Domestic Equity	5,516,760	53.1
International Equity	1,148,974	11.2	International Equity	1,174,605	11.3
Domestic Fixed Income	2,930,422	28.6	Domestic Fixed Income	3,003,188	28.9
Global Fixed Income	503,118	4.9	Global Fixed Income	511,204	4.9
Cash Equivalent	285,579	2.8	Cash Equivalent	177,857	1.7

**Asset Allocation By Manager as of  
December 31, 2013 : \$10,246,287**



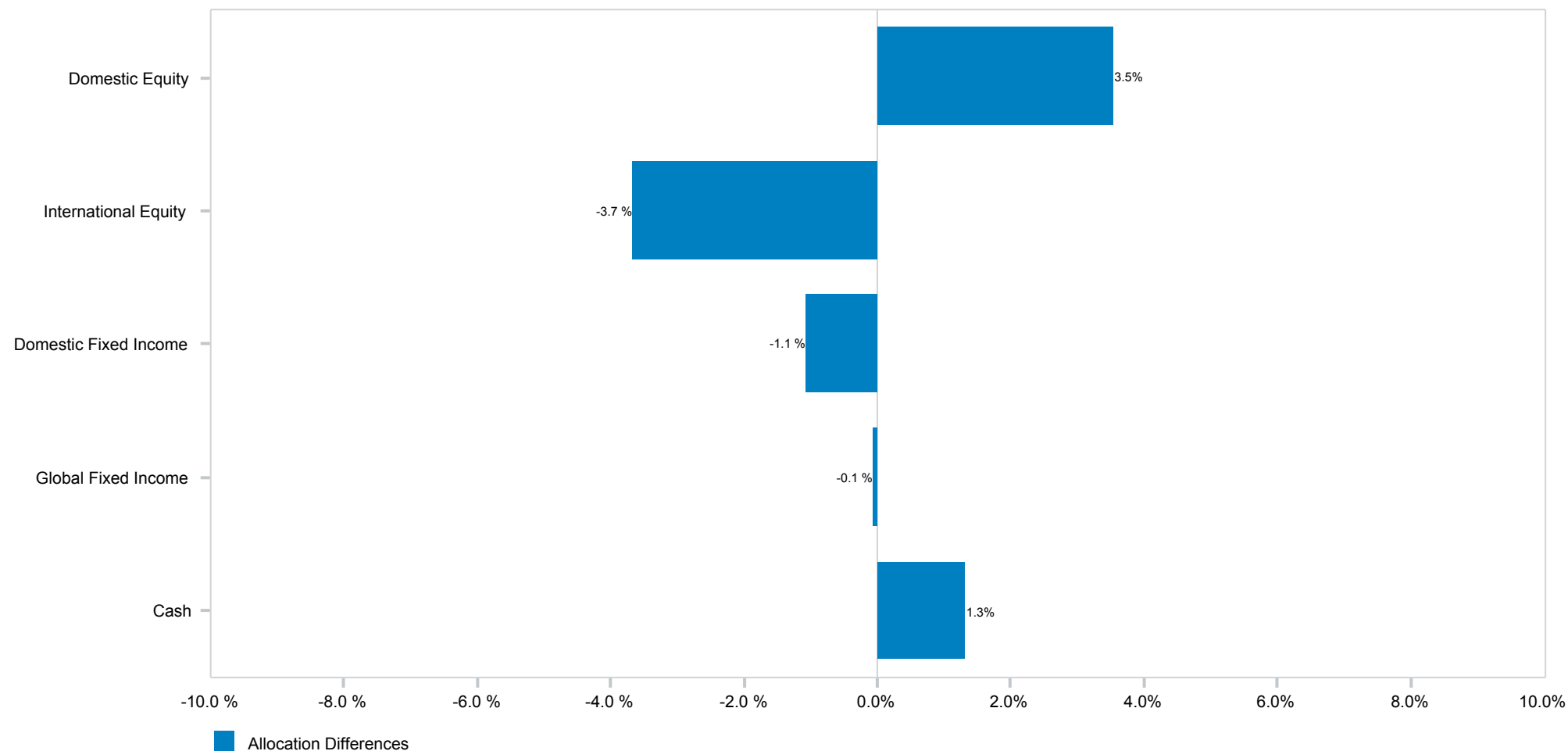
**Asset Allocation By Manager as of  
March 31, 2014 : \$10,383,613**



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
PIMCO Total Return Instl (PTTRX)	2,930,422	28.6	PIMCO Total Return Instl (PTTRX)	3,003,188	28.9
Gabelli/GAMCO Value	2,795,433	27.3	Gabelli/GAMCO Value	2,830,143	27.3
Brown Advisory (BAFGX)	2,702,322	26.4	Brown Advisory (BAFGX)	2,728,248	26.3
Europacific Growth (REGX)	1,148,974	11.2	Europacific Growth (REGX)	1,174,605	11.3
Templeton Global Total Return (FTTRX)	503,118	4.9	Templeton Global Total Return (FTTRX)	511,204	4.9
Receipt & Disbursement	164,170	1.6	Receipt & Disbursement	135,926	1.3
Checking Account	1,847	0.0	Checking Account	298	0.0

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**Asset Allocation vs. Target Allocation**



**Asset Allocation vs. Target Allocation**

	Market Value \$	Allocation (%)	Target (%)
Domestic Equity	5,558,391	53.5	50.0
International Equity	1,174,605	11.3	15.0
Domestic Fixed Income	3,003,188	28.9	30.0
Global Fixed Income	511,204	4.9	5.0
Cash	136,225	1.3	0.0
Total Fund	10,383,613	100.0	100.0

**Asset Allocation**  
**Total Fund**  
As of March 31, 2014

Asset Allocation Attributes								
	Equity		Fixed Income		Cash & Cash Equivalents		Total Fund	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%
<b>Total Equity</b>	<b>6,691,365</b>	<b>99.38</b>	-	-	<b>41,632</b>	<b>0.62</b>	<b>6,732,997</b>	<b>64.84</b>
<b>Total Domestic Equity</b>	<b>5,516,760</b>	<b>99.25</b>	-	-	<b>41,632</b>	<b>0.75</b>	<b>5,558,391</b>	<b>53.53</b>
Brown Advisory (BAFGX)	2,728,248	100.00	-	-	-	-	2,728,248	26.27
Gabelli/GAMCO Value	2,788,511	98.53	-	-	41,632	1.47	2,830,143	27.26
<b>Total International Equity</b>	<b>1,174,605</b>	<b>100.00</b>	-	-	-	-	<b>1,174,605</b>	<b>11.31</b>
Europacific Growth (RERGX)	1,174,605	100.00	-	-	-	-	1,174,605	11.31
<b>Total Fixed Income</b>	-	-	<b>3,514,392</b>	<b>100.00</b>	-	-	<b>3,514,392</b>	<b>33.85</b>
PIMCO Total Return Instl (PTTRX)	-	-	3,003,188	100.00	-	-	3,003,188	28.92
Templeton Global Total Return (FTTRX)	-	-	511,204	100.00	-	-	511,204	4.92
<b>Total Cash</b>	-	-	-	-	<b>136,225</b>	<b>100.00</b>	<b>136,225</b>	<b>1.31</b>
Receipt & Disbursement	-	-	-	-	135,926	100.00	135,926	1.31
Checking Account	-	-	-	-	298	100.00	298	0.00
<b>Total Fund</b>	<b>6,691,365</b>	<b>64.44</b>	<b>3,514,392</b>	<b>33.85</b>	<b>177,857</b>	<b>1.71</b>	<b>10,383,613</b>	<b>100.00</b>



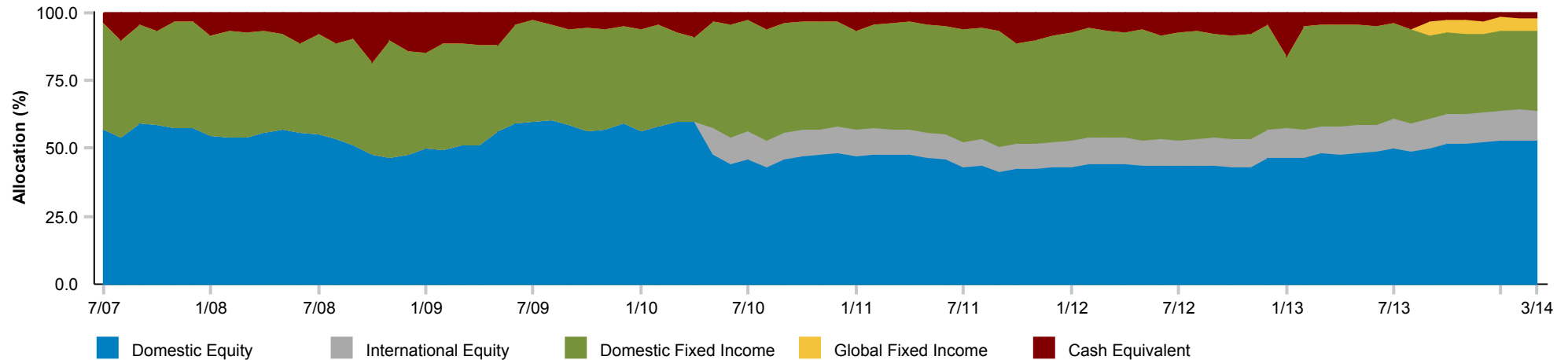
## Asset Allocation History by Portfolio

### Asset Allocation Attributes

	Mar-2014		Dec-2013		Sep-2013		Jun-2013		Mar-2013	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%
<b>Total Equity</b>	<b>6,732,997</b>	<b>64.84</b>	<b>6,646,729</b>	<b>64.87</b>	<b>6,092,000</b>	<b>63.62</b>	<b>5,489,584</b>	<b>61.66</b>	<b>5,443,463</b>	<b>61.17</b>
<b>Total Domestic Equity</b>	<b>5,558,391</b>	<b>53.53</b>	<b>5,497,755</b>	<b>53.66</b>	<b>5,030,183</b>	<b>52.53</b>	<b>4,578,292</b>	<b>51.43</b>	<b>4,525,457</b>	<b>50.85</b>
Brown Advisory (BAFGX)	2,728,248	26.27	2,702,322	26.37	2,492,094	26.03	2,209,084	24.81	2,185,931	24.56
Gabelli/GAMCO Value	2,830,143	27.26	2,795,433	27.28	2,538,089	26.51	2,324,839	26.11	2,293,713	25.78
Rockwood Equity	-	0.00	-	0.00	-	0.00	23,613	0.27	24,095	0.27
Manning and Napier	-	0.00	-	0.00	-	0.00	20,756	0.23	21,718	0.24
<b>Total International Equity</b>	<b>1,174,605</b>	<b>11.31</b>	<b>1,148,974</b>	<b>11.21</b>	<b>1,061,816</b>	<b>11.09</b>	<b>911,292</b>	<b>10.24</b>	<b>918,005</b>	<b>10.32</b>
Europacific Growth (RERGX)	1,174,605	11.31	1,148,974	11.21	1,061,816	11.09	911,292	10.24	918,005	10.32
<b>Total Fixed Income</b>	<b>3,514,392</b>	<b>33.85</b>	<b>3,433,540</b>	<b>33.51</b>	<b>3,414,412</b>	<b>35.66</b>	<b>3,255,791</b>	<b>36.57</b>	<b>3,377,553</b>	<b>37.96</b>
PIMCO Total Return Instl (PTTRX)	3,003,188	28.92	2,930,422	28.60	2,928,865	30.59	3,223,191	36.21	3,343,727	37.57
Rockwood Fixed Income	-	0.00	-	0.00	-	0.00	32,599	0.37	33,826	0.38
Templeton Global Total Return (FTTRX)	511,204	4.92	503,118	4.91	485,546	5.07	-	0.00	-	0.00
<b>Total Cash</b>	<b>136,225</b>	<b>1.31</b>	<b>166,017</b>	<b>1.62</b>	<b>69,266</b>	<b>0.72</b>	<b>157,109</b>	<b>1.76</b>	<b>77,795</b>	<b>0.87</b>
Receipt & Disbursement	135,926	1.31	164,170	1.60	68,970	0.72	156,814	1.76	69,668	0.78
Checking Account	298	0.00	1,847	0.02	296	0.00	296	0.00	8,127	0.09
<b>Total Fund</b>	<b>10,383,613</b>	<b>100.00</b>	<b>10,246,287</b>	<b>100.00</b>	<b>9,575,677</b>	<b>100.00</b>	<b>8,902,484</b>	<b>100.00</b>	<b>8,898,811</b>	<b>100.00</b>

## Asset Allocation History by Segment

### Historical Asset Allocation by Segment



**Financial Reconciliation**  
**Total Fund**  
1 Quarter Ending March 31, 2014

<b>Financial Reconciliation</b>									
	<b>Market Value 01/01/2014</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 03/31/2014</b>
<b>Total Equity</b>	<b>6,646,729</b>	<b>79,444</b>	<b>-</b>	<b>-</b>	<b>-5,235</b>	<b>-359</b>	<b>14,994</b>	<b>-2,576</b>	<b>6,732,997</b>
<b>Total Domestic Equity</b>	<b>5,497,755</b>	<b>62,319</b>	<b>-</b>	<b>-</b>	<b>-5,235</b>	<b>-359</b>	<b>14,994</b>	<b>-11,082</b>	<b>5,558,391</b>
Brown Advisory (BAFGX)	2,702,322	28,542	-	-	-	-	-	-2,615	2,728,248
Gabelli/GAMCO Value	2,795,433	33,777	-	-	-5,235	-359	14,994	-8,467	2,830,143
<b>Total Intl Equity</b>	<b>1,148,974</b>	<b>17,125</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,506</b>	<b>1,174,605</b>
Europac Growth (RERGX)	1,148,974	17,125	-	-	-	-	-	8,506	1,174,605
<b>Total Fixed Income</b>	<b>3,433,540</b>	<b>39,959</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,961</b>	<b>21,932</b>	<b>3,514,392</b>
PIMCO Total Return Instl (PTTRX)	2,930,422	34,251	-	-	-	-	13,635	24,880	3,003,188
Templeton Global Total Return (FTTRX)	503,118	5,708	-	-	-	-	5,326	-2,948	511,204
<b>Total Cash</b>	<b>166,017</b>	<b>-119,403</b>	<b>150,183</b>	<b>-17,439</b>	<b>-</b>	<b>-43,137</b>	<b>2</b>	<b>1</b>	<b>136,225</b>
Receipt & Disbursement	164,170	-114,168	127,191	-17,439	-	-23,830	2	-	135,926
Checking Account	1,847	-5,235	22,992	-	-	-19,307	1	-	298
<b>Total Fund</b>	<b>10,246,287</b>	<b>-</b>	<b>150,183</b>	<b>-17,439</b>	<b>-5,235</b>	<b>-43,496</b>	<b>33,957</b>	<b>19,356</b>	<b>10,383,613</b>

**Financial Reconciliation**  
**Total Fund**  
October 1, 2013 To March 31, 2014

<b>Financial Reconciliation</b>									
	<b>Market Value 10/01/2013</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 03/31/2014</b>
<b>Total Equity</b>	<b>6,092,000</b>	<b>105,492</b>	<b>-</b>	<b>-</b>	<b>-9,986</b>	<b>-359</b>	<b>53,341</b>	<b>492,509</b>	<b>6,732,997</b>
<b>Total Domestic Equity</b>	<b>5,030,183</b>	<b>83,452</b>	<b>-</b>	<b>-</b>	<b>-9,986</b>	<b>-359</b>	<b>39,119</b>	<b>415,982</b>	<b>5,558,391</b>
Brown Advisory (BAFGX)	2,492,094	36,733	-	-	-	-	15,480	183,941	2,728,248
Gabelli/GAMCO Value	2,538,089	46,719	-	-	-9,986	-359	23,639	232,041	2,830,143
<b>Total Intl Equity</b>	<b>1,061,816</b>	<b>22,040</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,222</b>	<b>76,527</b>	<b>1,174,605</b>
Europac Growth (RERGX)	1,061,816	22,040	-	-	-	-	14,222	76,527	1,174,605
<b>Total Fixed Income</b>	<b>3,414,412</b>	<b>51,427</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,330</b>	<b>-777</b>	<b>3,514,392</b>
PIMCO Total Return Instl (PTTRX)	2,928,865	44,081	-	-	-	-	35,434	-5,192	3,003,188
Templeton Global Total Return (FTTRX)	485,546	7,346	-	-	-	-	13,897	4,415	511,204
<b>Total Cash</b>	<b>69,266</b>	<b>-156,919</b>	<b>325,283</b>	<b>-52,555</b>	<b>-</b>	<b>-48,856</b>	<b>5</b>	<b>1</b>	<b>136,225</b>
Receipt & Disbursement	68,970	-146,933	286,412	-46,727	-	-25,799	4	-	135,926
Checking Account	296	-9,986	38,870	-5,828	-	-23,057	1	1	298
<b>Total Fund</b>	<b>9,575,677</b>	<b>-</b>	<b>325,283</b>	<b>-52,555</b>	<b>-9,986</b>	<b>-49,215</b>	<b>102,677</b>	<b>491,732</b>	<b>10,383,613</b>

**Comparative Performance**  
**Total Fund (Gross)**  
As of March 31, 2014

**Comparative Performance**

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		Inception		Inception Date
Total Fund (Gross)	0.51	(98)	6.16	(91)	10.20	(90)	7.20	(86)	12.30	(88)	5.52	(63)	6.73	(51)	05/01/2005
Total Fund Policy	1.84	(32)	7.66	(52)	13.25	(44)	9.46	(34)	14.09	(39)	5.79	(45)	6.57	(58)	
Difference	-1.33		-1.50		-3.05		-2.26		-1.79		-0.27		0.16		
All Public Plans-Total Fund Median	1.66		7.71		12.99		8.91		13.76		5.69		6.75		
Total Fund (Net)	0.46		6.05		10.00		6.82		11.90		5.11		6.29		05/01/2005
Total Fund Policy	1.84		7.66		13.25		9.46		14.09		5.79		6.57		
Difference	-1.38		-1.61		-3.25		-2.64		-2.19		-0.68		-0.28		
Total Equity	0.18		8.93		17.26		9.66		18.37		5.46		6.96		04/01/2005
Total Equity Policy	1.66		10.68		20.71		12.87		20.25		5.73		7.05		
Difference	-1.48		-1.75		-3.45		-3.21		-1.88		-0.27		-0.09		
Total Domestic Equity	0.07	(95)	9.02	(95)	17.12	(93)	10.26	(94)	19.00	(86)	5.86	(85)	7.28	(86)	04/01/2005
Total Domestic Equity Policy	1.97	(60)	12.28	(63)	22.61	(55)	14.61	(59)	21.47	(44)	6.50	(69)	7.65	(78)	
Difference	-1.90		-3.26		-5.49		-4.35		-2.47		-0.64		-0.37		
IM U.S. Large Cap Core Equity (SA+CF) Median	2.11		12.74		22.82		14.90		21.17		6.91		8.22		
Total International Equity	0.73	(15)	8.50	(6)	17.89	(11)	6.86	(29)	N/A		N/A		9.01	(10)	05/01/2010
Total International Equity Policy	0.61	(23)	5.45	(63)	12.80	(82)	5.52	(73)	N/A		N/A		7.47	(77)	
Difference	0.12		3.05		5.09		1.34		N/A		N/A		1.54		
IM International Large Cap Core Equity (MF) Median	0.29		5.83		16.07		6.11		15.17		1.12		8.07		
Total Fixed Income	1.18	(93)	1.41	(90)	-0.65	(83)	2.95	(92)	4.25	(94)	4.43	(81)	4.27	(82)	04/01/2005
Total Fixed Income Policy	2.04	(52)	2.06	(67)	1.11	(32)	3.41	(83)	4.39	(92)	4.66	(75)	4.54	(74)	
Difference	-0.86		-0.65		-1.76		-0.46		-0.14		-0.23		-0.27		
IM U.S. Broad Market Fixed Income (SA+CF+MF) Median	2.07		2.54		0.53		4.37		6.93		5.34		5.17		
Total Domestic Fixed Income	1.30	(90)	1.26	(92)	-0.79	(87)	2.90	(93)	4.23	(94)	4.40	(82)	4.25	(82)	04/01/2005
Total Domestic Fixed Income Policy	1.84	(71)	1.70	(81)	0.59	(48)	3.24	(88)	4.28	(94)	4.59	(77)	4.48	(75)	
Difference	-0.54		-0.44		-1.38		-0.34		-0.05		-0.19		-0.23		
IM U.S. Broad Market Fixed Income (SA+CF+MF) Median	2.07		2.54		0.53		4.37		6.93		5.34		5.17		
Total Diversified Fixed Income	0.47	(98)	3.75	(26)	N/A		N/A		N/A		N/A		3.75	(26)	10/01/2013
Diversified Fixed Income Index	3.23	(16)	4.25	(22)	2.70	(17)	5.71	(11)	11.08	(13)	7.10	(6)	4.25	(22)	
Difference	-2.76		-0.50		N/A		N/A		N/A		N/A		-0.50		
IM Global Fixed Income (MF) Median	2.43		2.78		0.82		3.36		6.34		4.85		2.78		

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.  
Returns prior to June 2010 do not include cash.

**Comparative Performance**  
**Total Fund (Gross)**  
As of March 31, 2014

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		Inception		Inception Date
<b>Brown Advisory (BAFGX)</b>	-0.10	(52)	7.97	(98)	17.64	(97)	N/A		N/A		N/A		18.23	(97)	02/01/2013
Russell 1000 Growth Index	1.12	(15)	11.67	(24)	23.22	(45)	14.62	(22)	21.68	(15)	8.23	(28)	24.75	(34)	
Difference	-1.22		-3.70		-5.58		N/A		N/A		N/A		-6.52		
IM U.S. Large Cap Growth Equity (MF) Median	-0.05		10.56		22.81		12.86		19.65		7.30		23.35		
<b>Gabelli/GAMCO Value</b>	0.23	(94)	10.04	(87)	16.64	(92)	N/A		N/A		N/A		21.22	(77)	02/01/2013
Russell 3000 Value Index	2.92	(32)	13.16	(31)	21.65	(58)	14.63	(46)	21.88	(53)	4.83	(98)	23.80	(53)	
Difference	-2.69		-3.12		-5.01		N/A		N/A		N/A		-2.58		
IM U.S. All Cap Value Equity (SA+CF) Median	2.12		11.81		22.38		14.48		22.05		7.41		23.92		
<b>Europacific Growth (RERGX)</b>	0.73	(15)	8.49	(6)	17.98	(11)	6.74	(31)	N/A		N/A		12.03	(36)	06/01/2010
MSCI AC World ex USA	0.61	(23)	5.45	(63)	12.80	(82)	4.63	(91)	16.04	(17)	2.16	(18)	10.46	(88)	
Difference	0.12		3.04		5.18		2.11		N/A		N/A		1.57		
IM International Large Cap Core Equity (MF) Median	0.29		5.83		16.07		6.11		15.17		1.12		11.69		
<b>PIMCO Total Return Instl (PTTRX)</b>	1.30	(91)	1.26	(91)	-1.24	(91)	N/A		N/A		N/A		-0.32	(84)	02/01/2013
Barclays Aggregate Index	1.84	(68)	1.70	(71)	-0.10	(51)	3.75	(57)	4.80	(81)	4.96	(41)	0.42	(50)	
Difference	-0.54		-0.44		-1.14		N/A		N/A		N/A		-0.74		
IM U.S. Broad Market Core Fixed Income (MF) Median	1.99		2.13		-0.07		3.86		6.35		4.79		0.41		
<b>Templeton Global Total Return (FTTRX)</b>	0.47	(98)	3.75	(26)	N/A		N/A		N/A		N/A		3.75	(26)	10/01/2013
Diversified Fixed Income Index	3.23	(16)	4.25	(22)	2.70	(17)	5.71	(11)	11.08	(13)	7.10	(6)	4.25	(22)	
Difference	-2.76		-0.50		N/A		N/A		N/A		N/A		-0.50		
IM Global Fixed Income (MF) Median	2.43		2.78		0.82		3.36		6.34		4.85		2.78		

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.  
Returns prior to June 2010 do not include cash.

**Comparative Performance**

**Total Fund (Gross)**

As of March 31, 2014

**Comparative Performance**

	FYTD		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		Oct-2006 To Sep-2007		Oct-2005 To Sep-2006	
Total Fund (Gross)	6.16	(91)	11.17	(74)	15.26	(83)	0.23	(51)	14.56	(2)	-1.12	(76)	-11.34	(19)	14.82	(41)	4.67	(98)
Total Fund Policy	7.66	(52)	12.23	(56)	17.88	(51)	1.32	(30)	10.03	(48)	0.48	(63)	-12.46	(36)	12.02	(87)	7.88	(65)
Difference	-1.50		-1.06		-2.62		-1.09		4.53		-1.60		1.12		2.80		-3.21	
All Public Plans-Total Fund Median	7.71		12.55		17.93		0.29		9.98		1.31		-13.67		14.39		8.64	
Total Fund (Net)	6.05		10.78		14.79		-0.09		13.99		-1.39		-11.80		14.24		4.07	
Total Fund Policy	7.66		12.23		17.88		1.32		10.03		0.48		-12.46		12.02		7.88	
Difference	-1.61		-1.45		-3.09		-1.41		3.96		-1.87		0.66		2.22		-3.81	
Total Equity	8.93		20.30		25.01		-3.81		20.84		-10.99		-21.39		21.99		5.38	
Total Equity Policy	10.68		21.09		27.21		-1.09		11.23		-6.91		-21.98		16.44		10.79	
Difference	-1.75		-0.79		-2.20		-2.72		9.61		-4.08		0.59		5.55		-5.41	
Total Domestic Equity	9.02	(95)	20.73	(49)	26.39	(72)	-2.00	(82)	19.94	(2)	-10.99	(93)	-21.39	(60)	21.99	(13)	5.38	(95)
Total Domestic Equity Policy	12.28	(63)	21.60	(36)	30.20	(45)	0.55	(57)	10.40	(37)	-6.91	(64)	-21.98	(68)	16.44	(60)	10.79	(49)
Difference	-3.26		-0.87		-3.81		-2.55		9.54		-4.08		0.59		5.55		-5.41	
IM U.S. Large Cap Core Equity (SA+CF) Median	12.74		20.62		29.78		1.13		9.46		-5.79		-20.48		16.97		10.76	
Total International Equity	8.50	(6)	18.18	(89)	18.57	(5)	-12.08	(75)	N/A		N/A		N/A		N/A		N/A	
Total International Equity Policy	5.45	(63)	18.07	(89)	14.33	(64)	-8.94	(23)	N/A		N/A		N/A		N/A		N/A	
Difference	3.05		0.11		4.24		-3.14		N/A		N/A		N/A		N/A		N/A	
IM International Large Cap Core Equity (MF) Median	5.83		22.02		14.87		-10.87		3.38		1.16		-29.19		24.58		18.30	
Total Fixed Income	1.41	(90)	-1.47	(66)	4.14	(98)	4.51	(46)	7.12	(95)	9.03	(83)	3.55	(16)	5.93	(13)	3.88	(34)
Total Fixed Income Policy	2.06	(67)	-0.61	(38)	4.31	(97)	4.22	(54)	7.05	(95)	10.01	(77)	3.13	(20)	5.43	(24)	3.54	(55)
Difference	-0.65		-0.86		-0.17		0.29		0.07		-0.98		0.42		0.50		0.34	
IM U.S. Broad Market Fixed Income (SA+CF+MF) Median	2.54		-1.01		7.70		4.37		9.92		12.49		-0.87		4.91		3.62	
Total Domestic Fixed Income	1.26	(92)	-1.47	(66)	4.14	(98)	4.51	(46)	7.12	(95)	9.03	(83)	3.55	(16)	5.93	(13)	3.88	(34)
Total Domestic Fixed Income Policy	1.70	(81)	-0.77	(42)	4.31	(97)	4.22	(54)	7.05	(95)	10.01	(77)	3.13	(20)	5.43	(24)	3.54	(55)
Difference	-0.44		-0.70		-0.17		0.29		0.07		-0.98		0.42		0.50		0.34	
IM U.S. Broad Market Fixed Income (SA+CF+MF) Median	2.54		-1.01		7.70		4.37		9.92		12.49		-0.87		4.91		3.62	
Total Diversified Fixed Income	3.75	(26)	N/A		N/A		N/A		N/A		N/A		N/A		N/A		N/A	
Diversified Fixed Income Index	4.25	(22)	-1.58	(54)	14.19	(4)	2.52	(37)	12.95	(12)	19.60	(16)	-2.93	(70)	8.41	(36)	6.20	(1)
Difference	-0.50		N/A		N/A		N/A		N/A		N/A		N/A		N/A		N/A	
IM Global Fixed Income (MF) Median	2.78		-1.45		7.39		1.53		7.80		13.96		-1.53		7.21		2.54	

Returns for periods greater than one year are annualized.  
Returns are expressed as percentages.  
Returns prior to June 2010 do not include cash.

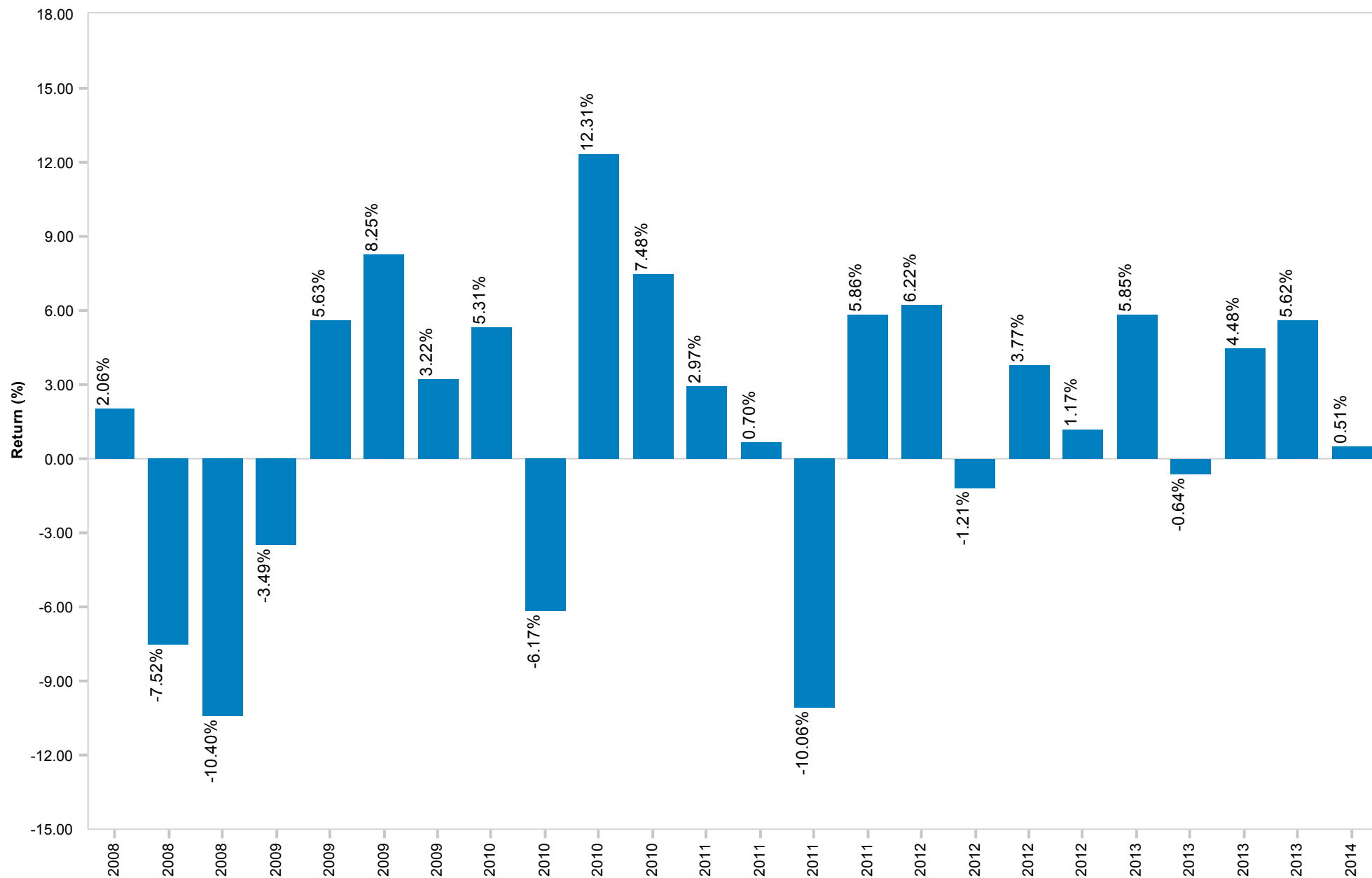
**Comparative Performance**  
**Total Fund (Gross)**  
**As of March 31, 2014**

	FYTD		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		Oct-2006 To Sep-2007		Oct-2005 To Sep-2006	
Brown Advisory (BAFGX)	7.97	(98)	N/A		N/A		N/A		N/A		N/A		N/A		N/A		N/A	
Russell 1000 Growth Index	11.67	(24)	19.27	(51)	29.19	(32)	3.78	(18)	12.65	(24)	-1.85	(39)	-20.88	(38)	19.35	(59)	6.04	(26)
Difference	-3.70		N/A		N/A		N/A		N/A		N/A		N/A		N/A		N/A	
IM U.S. Large Cap Growth Equity (MF) Median	10.56		19.35		26.97		0.63		10.31		-2.77		-21.90		20.07		4.03	
Gabelli/GAMCO Value	10.04	(87)	N/A		N/A		N/A		N/A		N/A		N/A		N/A		N/A	
Russell 3000 Value Index	13.16	(31)	22.67	(66)	31.05	(16)	-2.22	(62)	9.15	(69)	-10.79	(95)	-22.70	(77)	13.73	(78)	14.55	(20)
Difference	-3.12		N/A		N/A		N/A		N/A		N/A		N/A		N/A		N/A	
IM U.S. All Cap Value Equity (SA+CF) Median	11.81		25.75		27.70		-1.28		10.75		-3.46		-19.91		16.93		10.51	
Europacific Growth (RERGX)	8.49	(6)	18.27	(89)	18.44	(6)	-12.33	(76)	N/A		N/A		N/A		N/A		N/A	
MSCI AC World ex USA	5.45	(63)	16.98	(92)	15.04	(47)	-10.42	(35)	8.00	(5)	6.43	(9)	-29.97	(65)	31.06	(5)	19.36	(30)
Difference	3.04		1.29		3.40		-1.91		N/A		N/A		N/A		N/A		N/A	
IM International Large Cap Core Equity (MF) Median	5.83		22.02		14.87		-10.87		3.38		1.16		-29.19		24.58		18.30	
PIMCO Total Return Instl (PTTRX)	1.26	(91)	N/A		N/A		N/A		N/A		N/A		N/A		N/A		N/A	
Barclays Aggregate Index	1.70	(71)	-1.68	(54)	5.16	(81)	5.26	(13)	8.16	(77)	10.56	(60)	3.65	(10)	5.14	(16)	3.67	(16)
Difference	-0.44		N/A		N/A		N/A		N/A		N/A		N/A		N/A		N/A	
IM U.S. Broad Market Core Fixed Income (MF) Median	2.13		-1.60		6.85		4.28		9.41		11.46		-1.65		4.40		3.13	
Templeton Global Total Return (FTTRX)	3.75	(26)	N/A		N/A		N/A		N/A		N/A		N/A		N/A		N/A	
Diversified Fixed Income Index	4.25	(22)	-1.58	(54)	14.19	(4)	2.52	(37)	12.95	(12)	19.60	(16)	-2.93	(70)	8.41	(36)	6.20	(1)
Difference	-0.50		N/A		N/A		N/A		N/A		N/A		N/A		N/A		N/A	
IM Global Fixed Income (MF) Median	2.78		-1.45		7.39		1.53		7.80		13.96		-1.53		7.21		2.54	

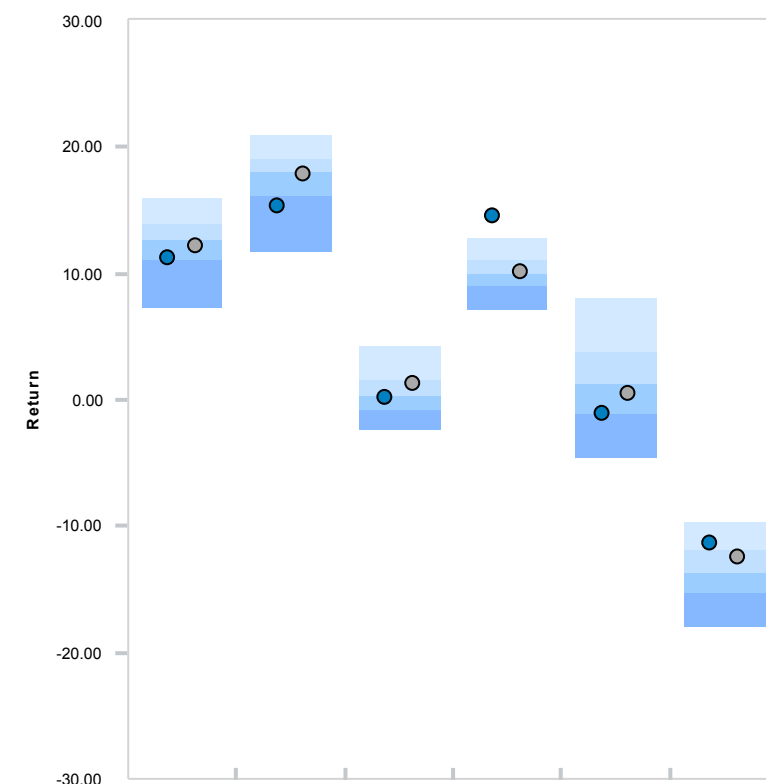
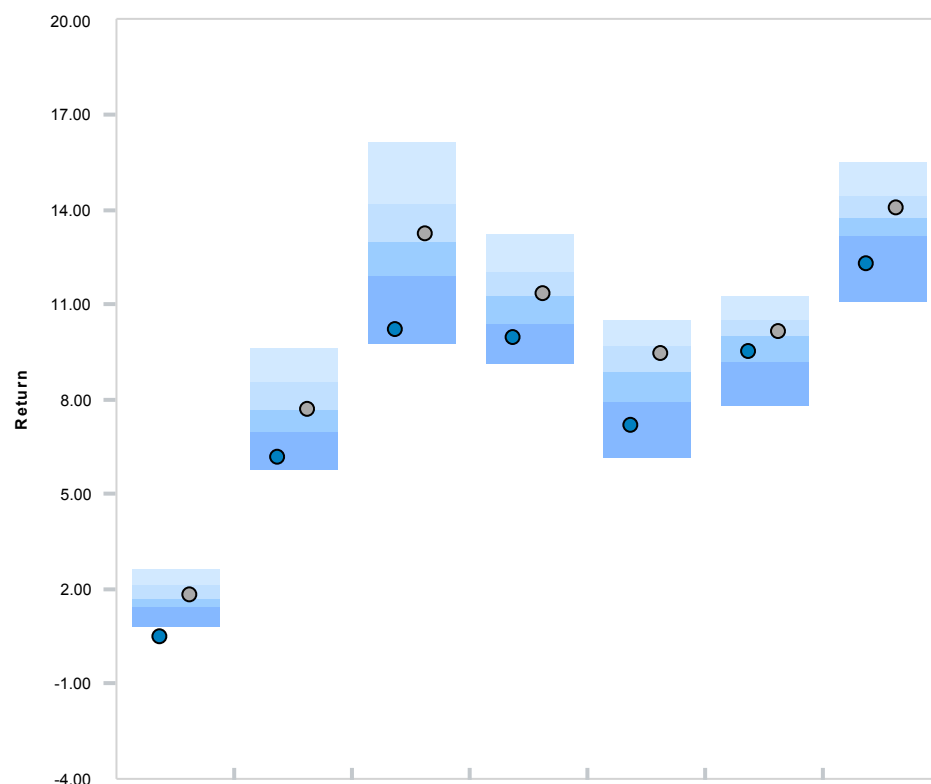
Returns for periods greater than one year are annualized.  
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Returns prior to June 2010 do not include cash.



**Absolute Return**



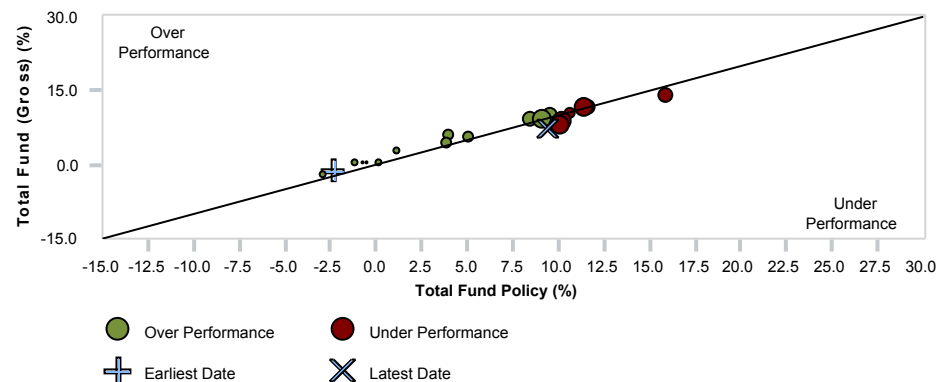
## Plan Sponsor Peer Group Analysis - All Public Plans-Total Fund



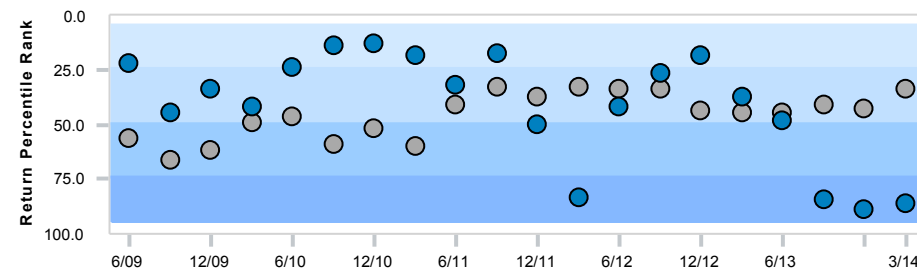
## Comparative Performance

	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013	1 Qtr Ending Mar-2013	1 Qtr Ending Dec-2012	1 Qtr Ending Sep-2012
Total Fund (Gross)	5.62 (51)	4.48 (70)	-0.64 (80)	5.85 (33)	1.17 (72)	3.77 (92)
Total Fund Policy	5.72 (47)	4.84 (54)	0.34 (37)	5.85 (33)	0.78 (84)	4.39 (74)
All Public Plans-Total Fund Median	5.63	4.91	0.10	5.47	1.72	4.77

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

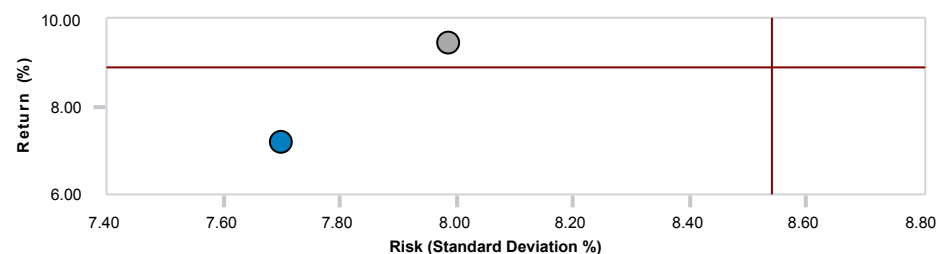


### 3 Yr Rolling Percentile Ranking - 5 Years



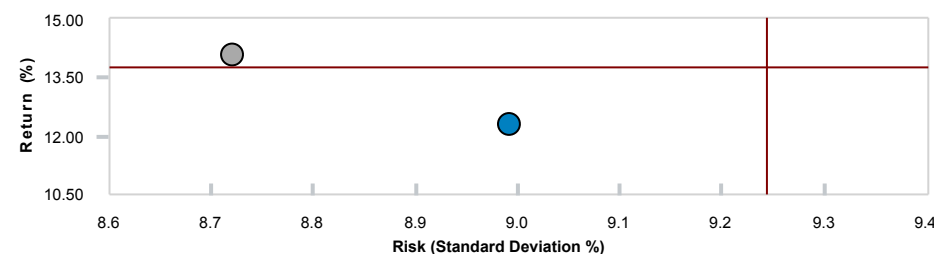
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Fund (Gross)	20	7 (35%)	9 (45%)	0 (0%)	4 (20%)
Total Fund Policy	20	0 (0%)	14 (70%)	6 (30%)	0 (0%)

### Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Fund (Gross)	7.20	7.70
Total Fund Policy	9.46	7.99
Median	8.91	8.54

### Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Fund (Gross)	12.30	8.99
Total Fund Policy	14.09	8.72
Median	13.79	9.24

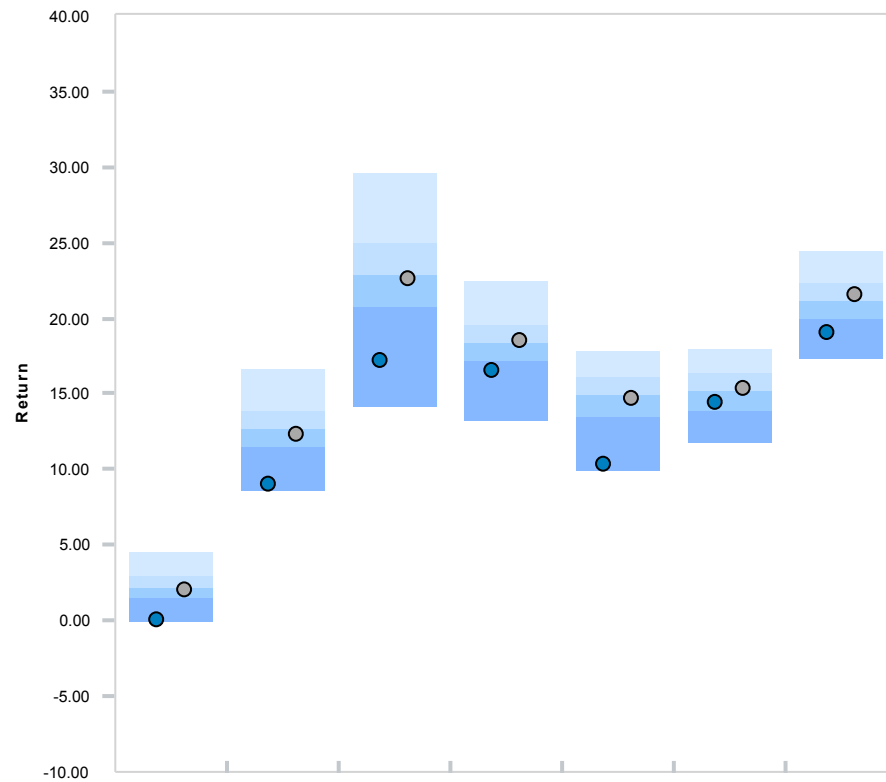
### Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund (Gross)	1.28	87.03	99.68	-1.65	-1.65	0.94	0.95	4.68
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.17	1.00	4.60

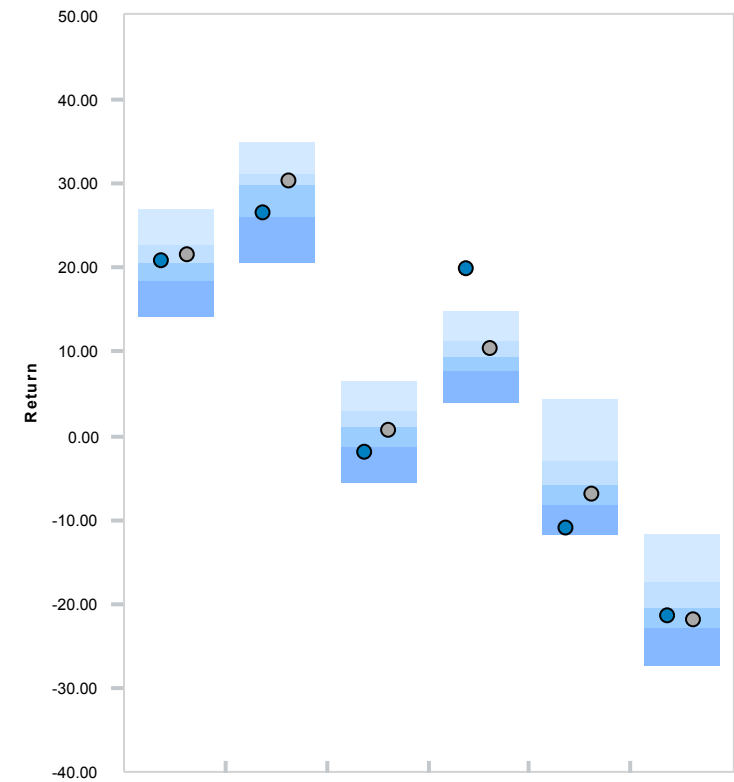
### Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund (Gross)	3.21	94.60	107.06	-1.07	-0.49	1.33	0.96	4.92
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.55	1.00	4.46

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



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Dom Equity	0.07 (95)	9.02 (95)	17.12 (93)	16.57 (82)	10.26 (94)	14.47 (68)	19.00 (86)
● Total Dom Equity Policy	1.97 (60)	12.28 (63)	22.61 (55)	18.52 (47)	14.61 (59)	15.27 (50)	21.47 (44)
Median	2.11	12.74	22.82	18.35	14.90	15.26	21.17

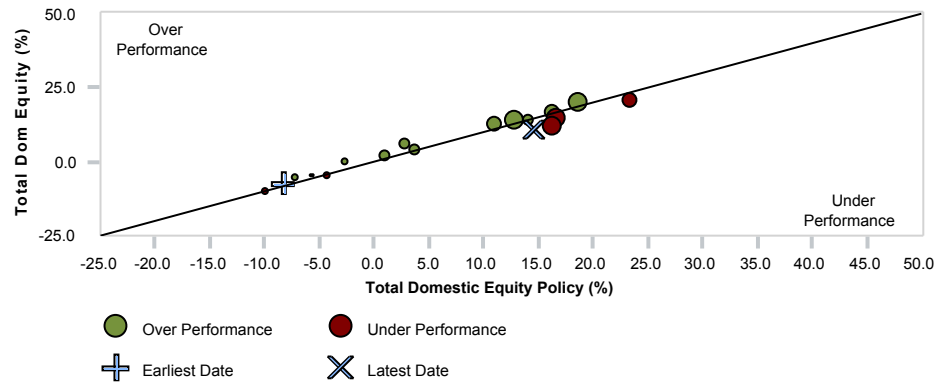


	Oct-2012 To Sep-2013	Oct-2011 To Sep-2012	Oct-2010 To Sep-2011	Oct-2009 To Sep-2010	Oct-2008 To Sep-2009	Oct-2007 To Sep-2008
● Total Dom Equity	20.73 (49)	26.39 (72)	-2.00 (82)	19.94 (2)	10.99 (93)	21.39 (60)
● Total Dom Equity Policy	21.60 (36)	30.20 (45)	0.55 (57)	10.40 (37)	-6.91 (64)	21.98 (68)
Median	20.62	29.78	1.13	9.46	-5.79	20.48

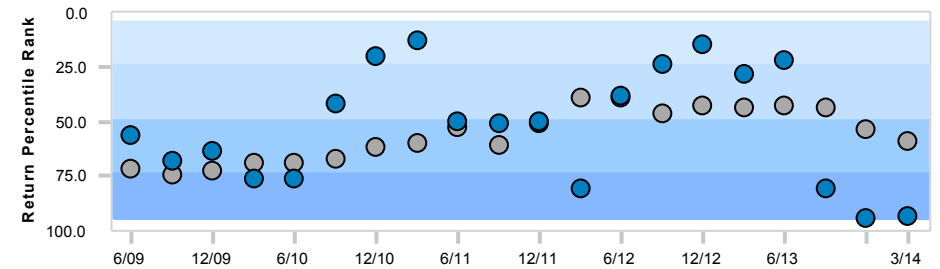
## Comparative Performance

	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013	1 Qtr Ending Mar-2013	1 Qtr Ending Dec-2012	1 Qtr Ending Sep-2012
Total Dom Equity	8.95 (86)	6.12 (46)	1.24 (86)	11.10 (37)	1.15 (21)	5.55 (76)
Total Domestic Equity Policy	10.10 (63)	6.35 (38)	2.69 (52)	11.07 (38)	0.25 (41)	6.23 (56)
IM U.S. Large Cap Core Equity (SA+CF) Median	10.49	5.99	2.75	10.67	0.00	6.41

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

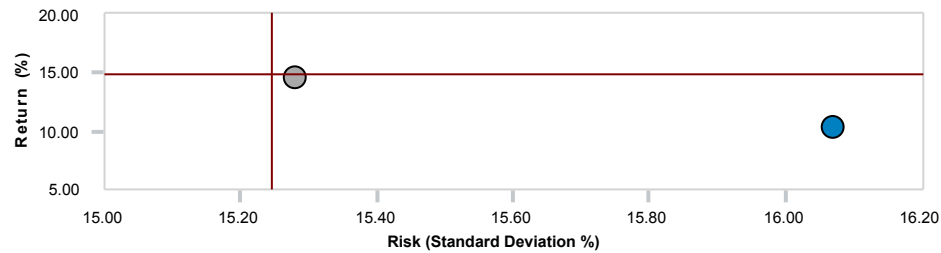


## 3 Yr Rolling Percentile Ranking - 5 Years



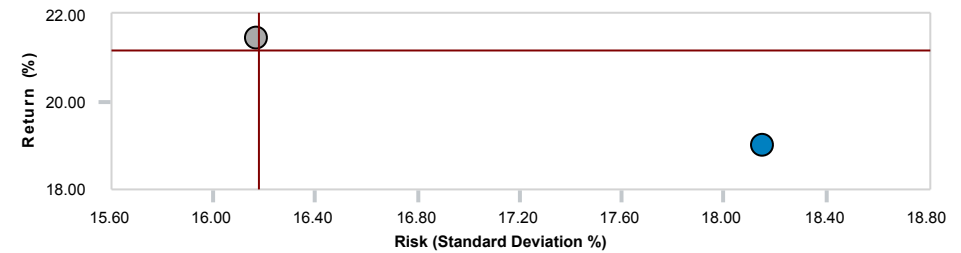
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Dom Equity	20	5 (25%)	5 (25%)	4 (20%)	6 (30%)
Total Dom Equity Policy	20	0 (0%)	7 (35%)	13 (65%)	0 (0%)

## Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Dom Equity	10.26	16.07
Total Dom Equity Policy	14.61	15.28
Median	14.90	15.25

## Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Dom Equity	19.00	18.15
Total Dom Equity Policy	21.47	16.17
Median	21.17	16.17

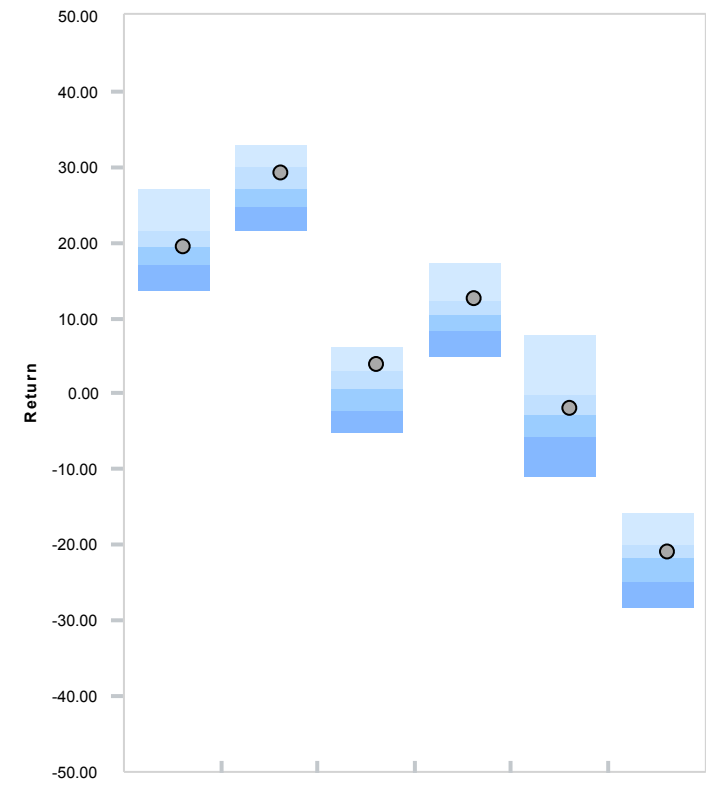
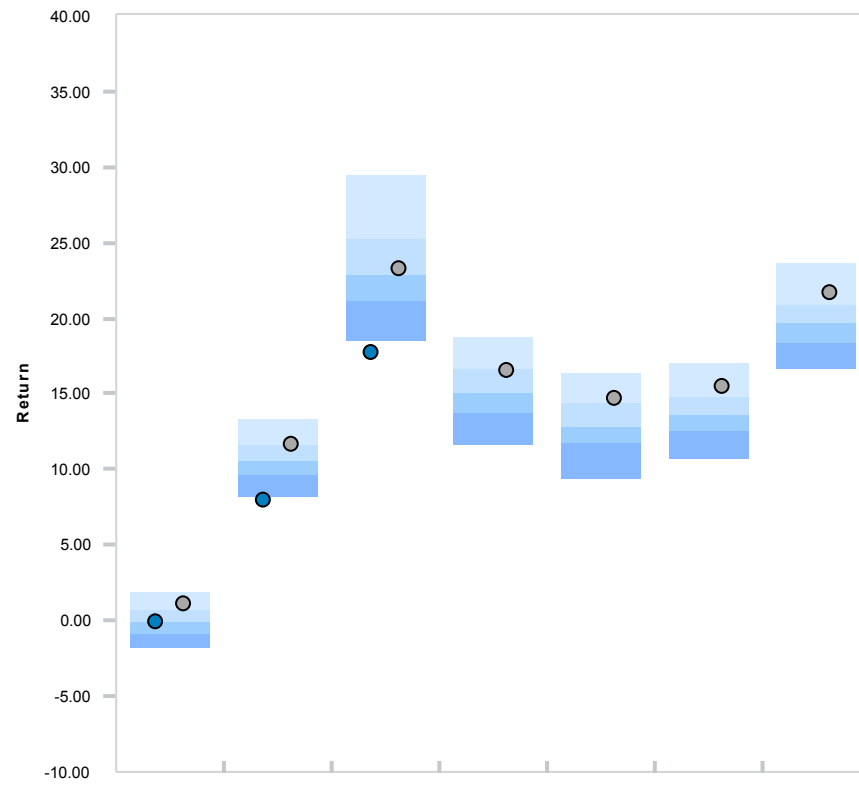
## Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Equity	2.69	87.22	104.38	-3.86	-1.44	0.80	1.00	8.19
Total Domestic Equity Policy	0.00	100.00	100.00	0.00	N/A	1.13	1.00	7.46

## Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Equity	6.16	100.48	116.83	-2.65	-0.29	1.16	1.04	9.18
Total Domestic Equity Policy	0.00	100.00	100.00	0.00	N/A	1.44	1.00	7.71

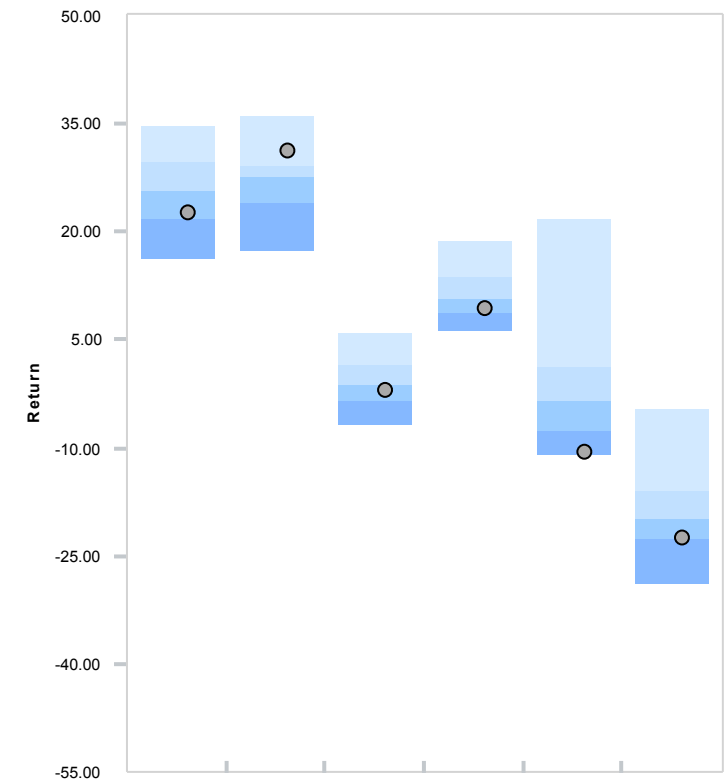
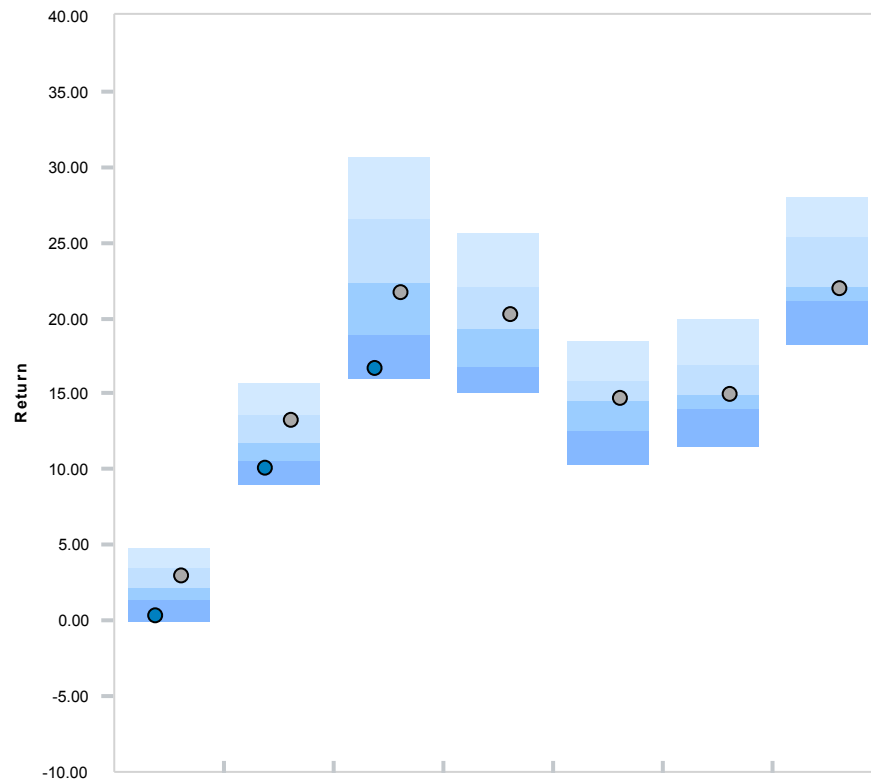
## Peer Group Analysis - IM U.S. Large Cap Growth Equity (MF)



## Comparative Performance

	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013	1 Qtr Ending Mar-2013	1 Qtr Ending Dec-2012	1 Qtr Ending Sep-2012
Brown Advisory (BAFGX)	8.08 (100)	7.81 (79)	1.06 (75)	N/A	N/A	N/A
Russell 1000 Growth Index	10.44 (60)	8.11 (74)	2.06 (35)	9.54 (15)	-1.32 (50)	6.11 (55)
IM U.S. Large Cap Growth Equity (MF) Median	10.75	9.55	1.69	8.51	-1.33	6.25

**Peer Group Analysis - IM U.S. All Cap Value Equity (SA+CF)**

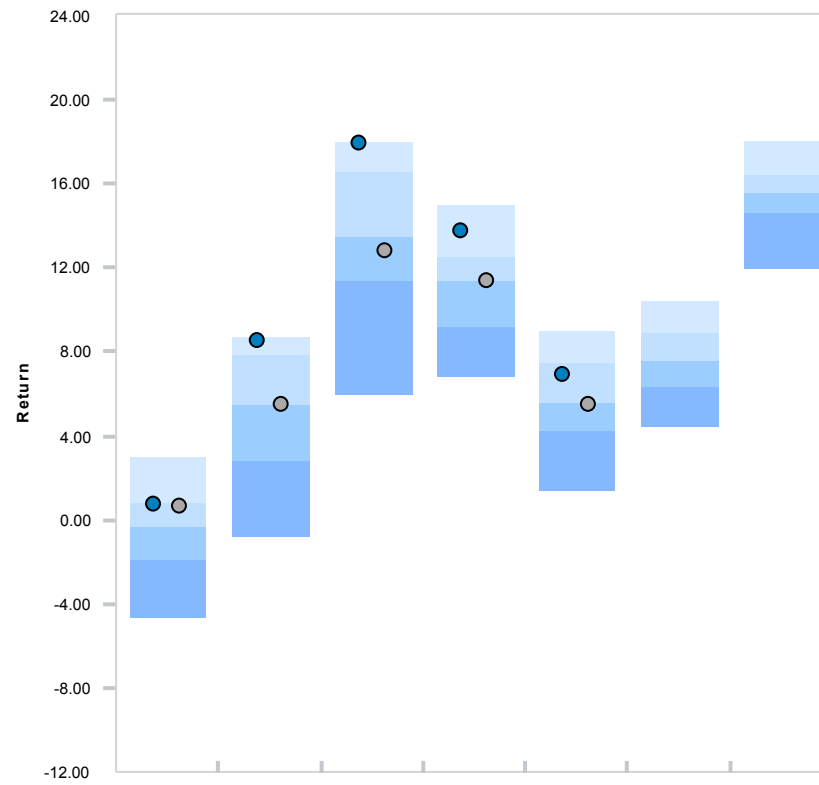


**Comparative Performance**

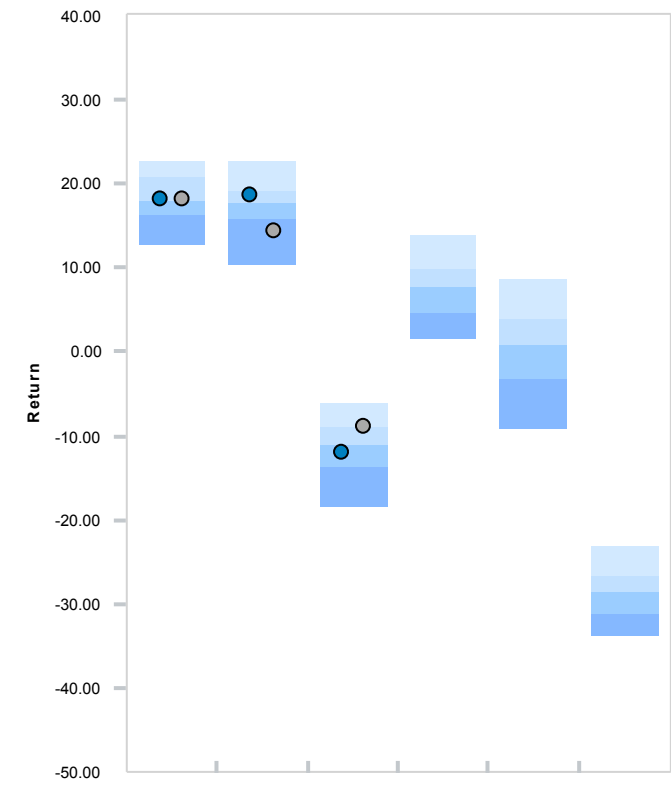
	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013	1 Qtr Ending Mar-2013	1 Qtr Ending Dec-2012	1 Qtr Ending Sep-2012
Gabelli/GAMCO Value	9.79 (39)	4.56 (81)	1.37 (88)	N/A	N/A	N/A
Russell 3000 Value Index	9.95 (39)	4.23 (89)	3.14 (59)	12.26 (38)	1.65 (64)	6.44 (32)
IM U.S. All Cap Value Equity (SA+CF) Median	9.43	6.22	3.75	11.65	2.19	5.89



## Peer Group Analysis - IM International Large Cap Growth Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total International Equity	0.73 (26)	8.50 (9)	17.89 (8)	13.73 (11)	6.86 (34)	N/A	N/A
● Total International Equity Policy	0.61 (32)	5.45 (50)	12.80 (56)	11.39 (49)	5.52 (55)	N/A	N/A
Median	-0.27	5.45	13.41	11.37	5.59	7.60	15.51

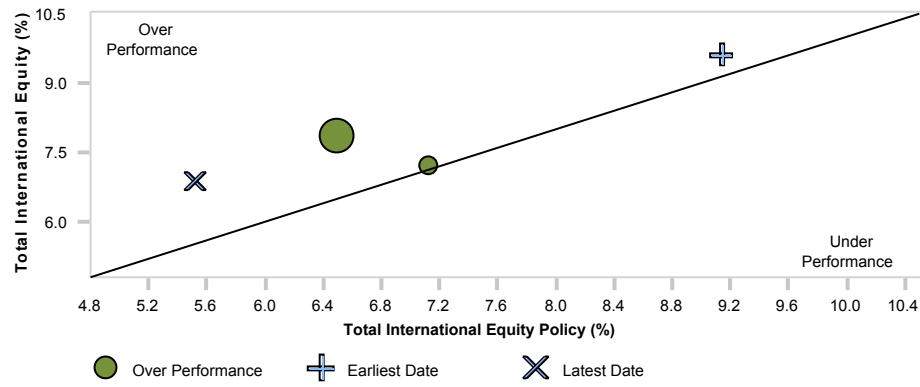


	Oct-2012 To Sep-2013	Oct-2011 To Sep-2012	Oct-2010 To Sep-2011	Oct-2009 To Sep-2010	Oct-2008 To Sep-2009	Oct-2007 To Sep-2008
● Total International Equity	8.18 (48)	8.57 (36)	2.08 (55)	N/A	N/A	N/A
● Total International Equity Policy	8.07 (49)	4.33 (80)	-8.94 (27)	N/A	N/A	N/A
Median	8.02	17.76	11.08	7.72	0.75	18.57

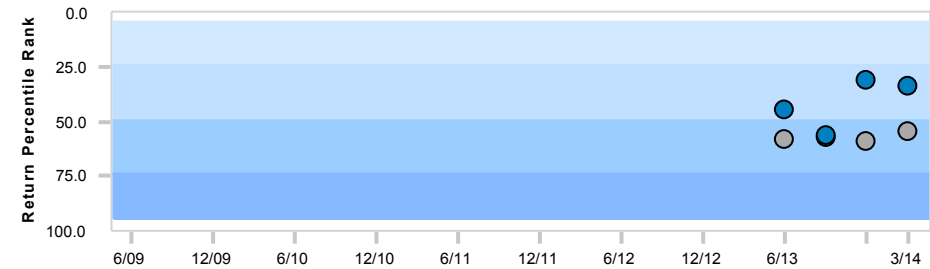
## Comparative Performance

	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013	1 Qtr Ending Mar-2013	1 Qtr Ending Dec-2012	1 Qtr Ending Sep-2012
Total International Equity	7.71 (3)	9.46 (60)	-0.73 (21)	2.94 (56)	5.66 (58)	7.38 (17)
Total International Equity Policy	4.81 (69)	10.17 (37)	-2.90 (85)	3.27 (44)	6.89 (24)	6.98 (34)
IM International Large Cap Growth Equity (MF) Median	5.78	9.67	-1.45	3.13	6.03	6.44

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

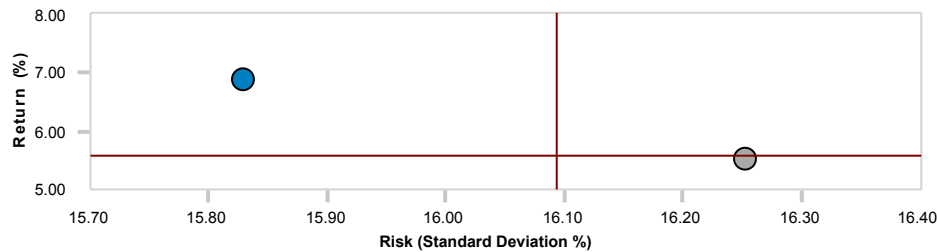


## 3 Yr Rolling Percentile Ranking - 5 Years



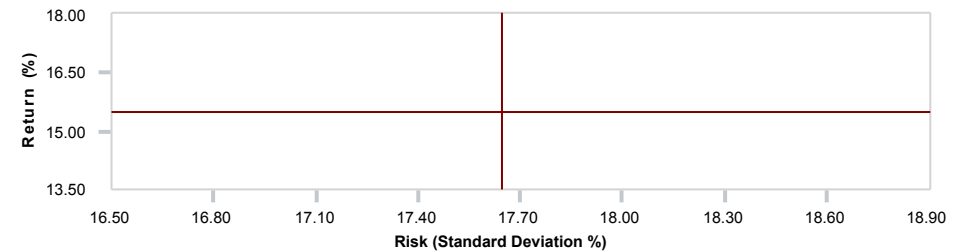
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
● Total International Equity	4	0 (0%)	3 (75%)	1 (25%)	0 (0%)
● Total International Equity Policy	4	0 (0%)	0 (0%)	4 (100%)	0 (0%)

## Peer Group Scattergram - 3 Years



	Return	Standard Deviation
● Total International Equity	6.86	15.83
● Total International Equity Policy	5.52	16.25
— Median	5.59	16.09

## Peer Group Scattergram - 5 Years



	Return	Standard Deviation
● Total International Equity	N/A	N/A
● Total International Equity Policy	N/A	N/A
— Median	15.51	17.65

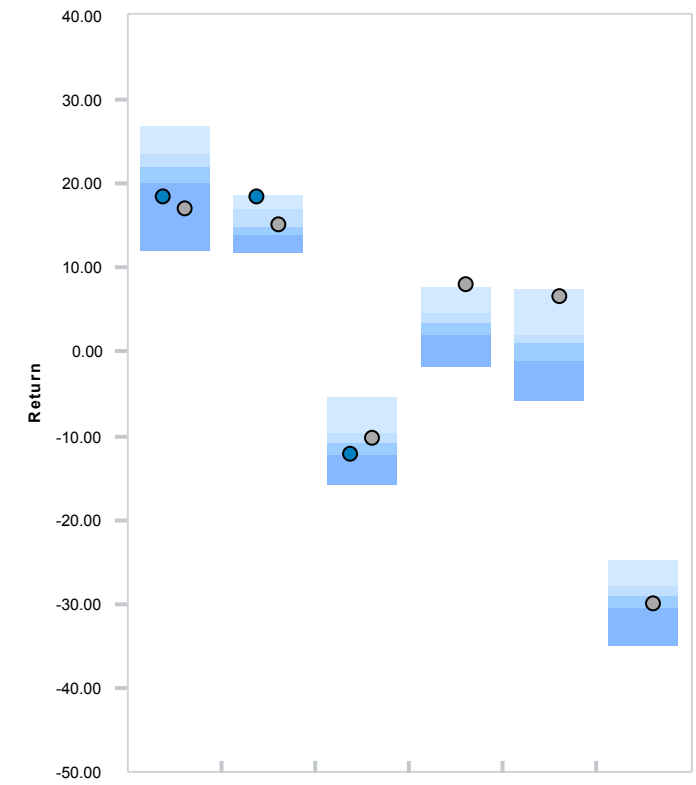
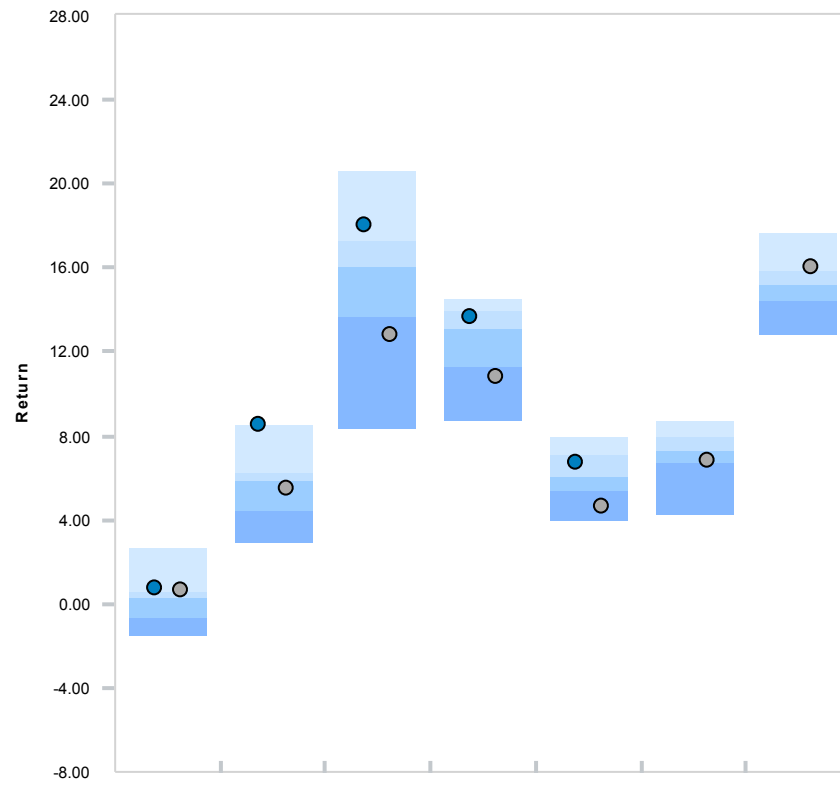
## Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total International Equity	3.28	99.03	92.35	1.52	0.37	0.50	0.95	11.02
Total International Equity Policy	0.00	100.00	100.00	0.00	N/A	0.41	1.00	11.36

## Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total International Equity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total International Equity Policy	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

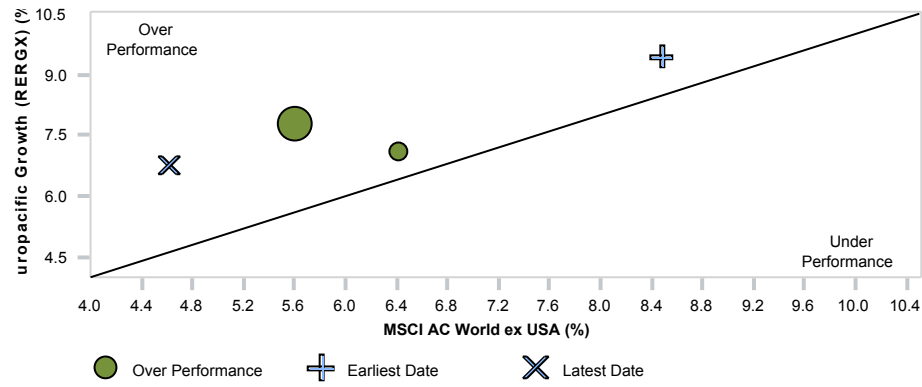


	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR		Oct-2012 To Sep-2013	Oct-2011 To Sep-2012	Oct-2010 To Sep-2011	Oct-2009 To Sep-2010	Oct-2008 To Sep-2009	Oct-2007 To Sep-2008
● Europacific Growth (RERGX)	0.73 (15)	8.49 (6)	17.98 (11)	13.70 (33)	6.74 (31)	N/A	N/A	● Europacific Growth (RERGX)	18.27 (89)	18.44 (6)	12.33 (76)	N/A	N/A	N/A
● MSCI AC World ex USA	0.61 (23)	5.45 (63)	12.80 (82)	10.82 (83)	4.63 (91)	6.80 (74)	16.04 (17)	● MSCI AC World ex USA	16.98 (92)	15.04 (47)	10.42 (35)	8.00 (5)	6.43 (9)	29.97 (65)
Median	0.29	5.83	16.07	13.08	6.11	7.26	15.17	Median	22.02	14.87	10.87	3.38	1.16	29.19

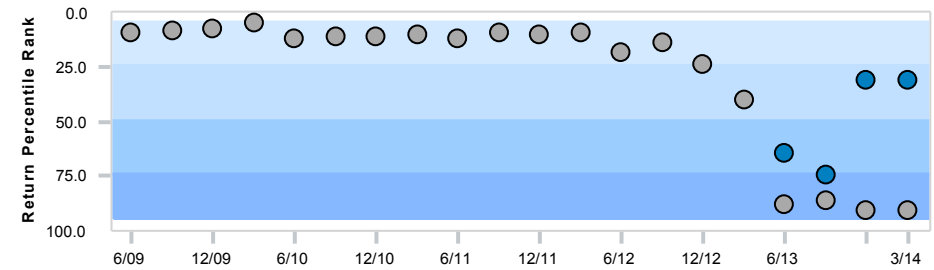
Comparative Performance

	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013	1 Qtr Ending Mar-2013	1 Qtr Ending Dec-2012	1 Qtr Ending Sep-2012
Europacific Growth (RERGX)	7.71 (2)	9.55 (86)	-0.73 (33)	2.94 (84)	5.65 (84)	7.33 (5)
MSCI AC World ex USA	4.81 (74)	10.17 (75)	-2.90 (93)	3.27 (75)	5.89 (77)	7.49 (4)
IM International Large Cap Core Equity (MF) Median	5.51	10.69	-0.97	3.89	7.26	6.23

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

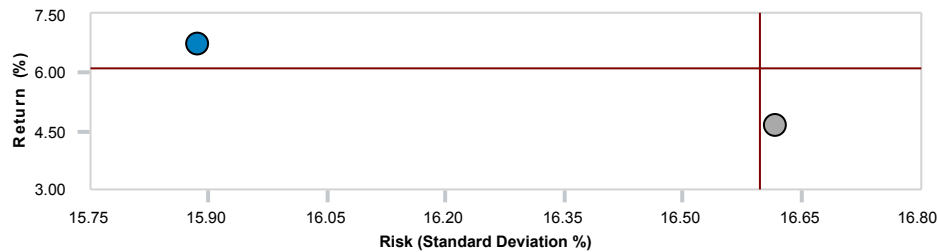


## 3 Yr Rolling Percentile Ranking - 5 Years



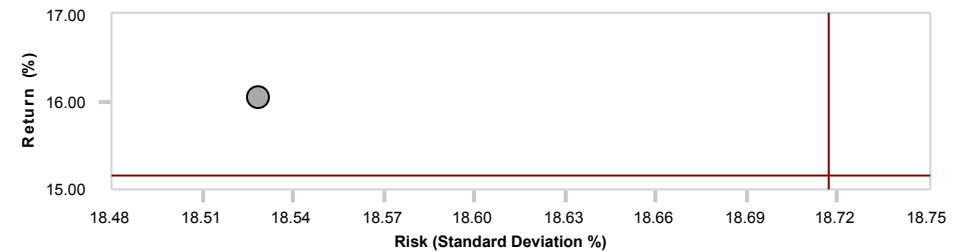
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Europacific Growth (REGX)	4	0 (0%)	2 (50%)	2 (50%)	0 (0%)
MSCI AC World ex USA	20	15 (75%)	1 (5%)	0 (0%)	4 (20%)

## Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Europacific Growth (REGX)	6.74	15.89
MSCI AC World ex USA	4.63	16.62
Median	6.11	16.60

## Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Europacific Growth (REGX)	N/A	N/A
MSCI AC World ex USA	16.04	18.53
Median	15.17	18.72

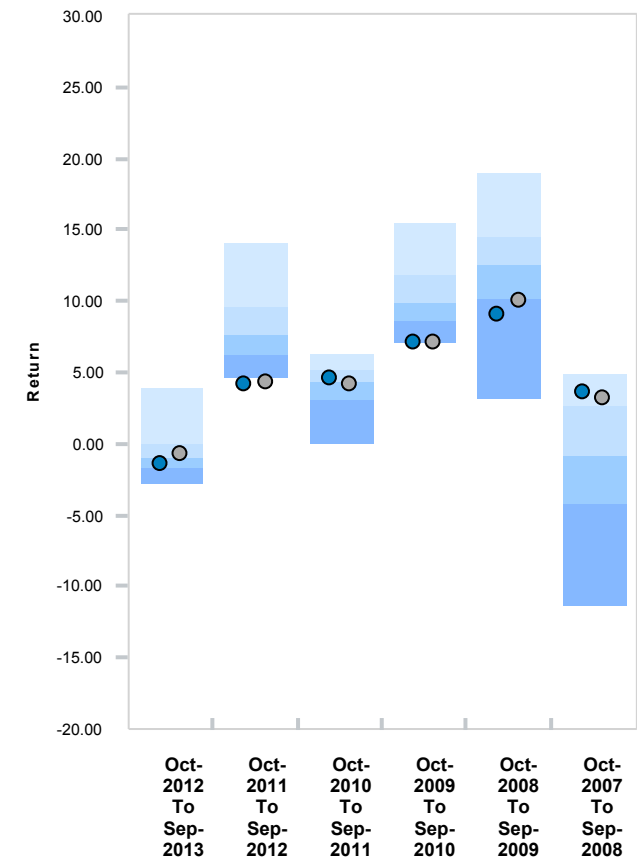
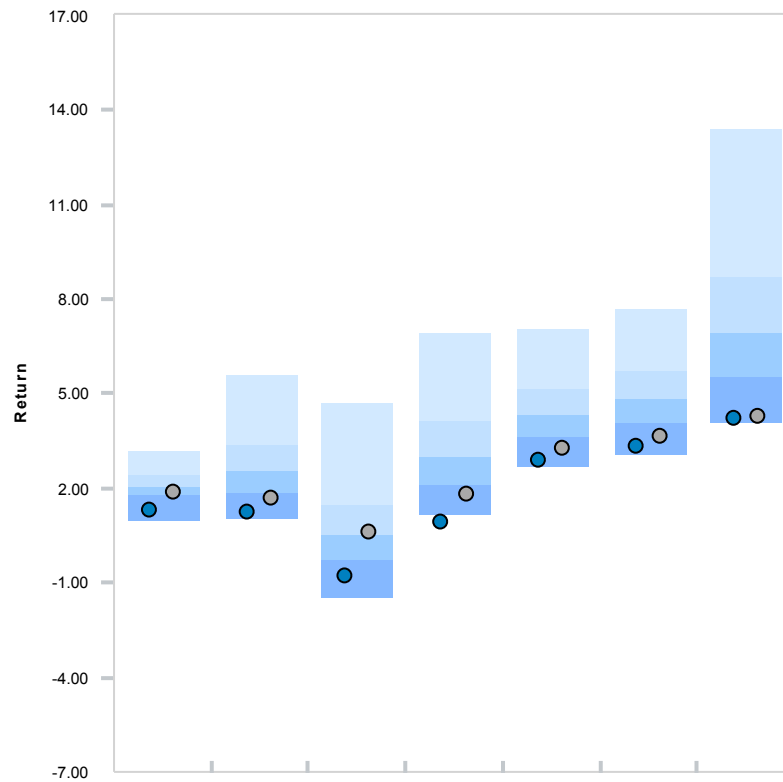
## Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Europacific Growth (REGX)	2.94	99.56	89.77	2.26	0.64	0.49	0.94	11.09
MSCI AC World ex USA	0.00	100.00	100.00	0.00	N/A	0.35	1.00	11.72

## Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Europacific Growth (REGX)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI AC World ex USA	0.00	100.00	100.00	0.00	N/A	0.89	1.00	10.69

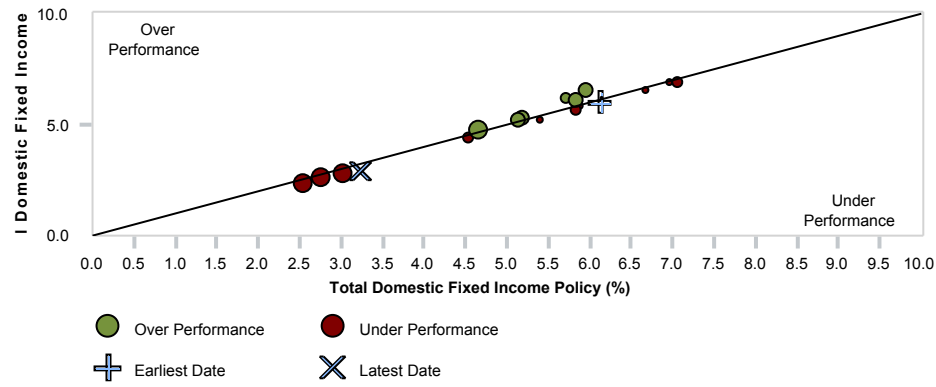
## Peer Group Analysis - IM U.S. Broad Market Fixed Income (SA+CF+MF)



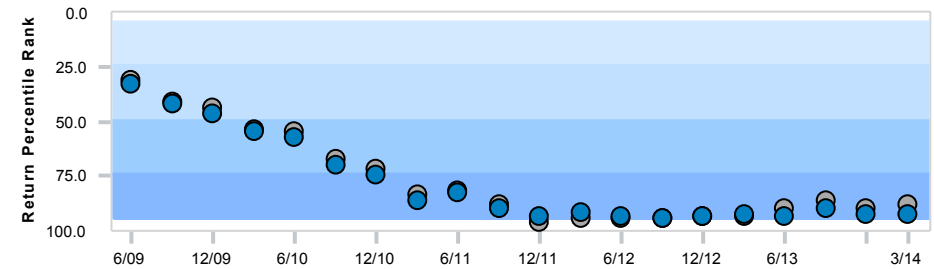
## Comparative Performance

	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013	1 Qtr Ending Mar-2013	1 Qtr Ending Dec-2012	1 Qtr Ending Sep-2012
Total Domestic Fixed Income	-0.04 (76)	1.18 (13)	-3.17 (84)	0.43 (34)	0.14 (90)	1.04 (99)
Total Domestic Fixed Income Policy	-0.14 (82)	0.70 (46)	-1.78 (11)	0.15 (58)	0.18 (88)	1.36 (97)
IM U.S. Broad Market Fixed Income (SA+CF+MF) Median	0.43	0.66	-2.57	0.22	0.74	2.51

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

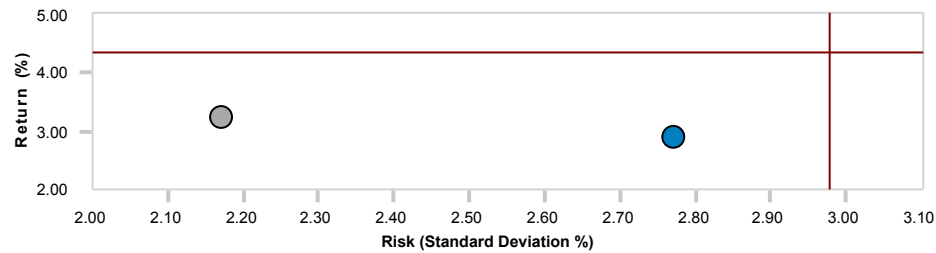


## 3 Yr Rolling Percentile Ranking - 5 Years



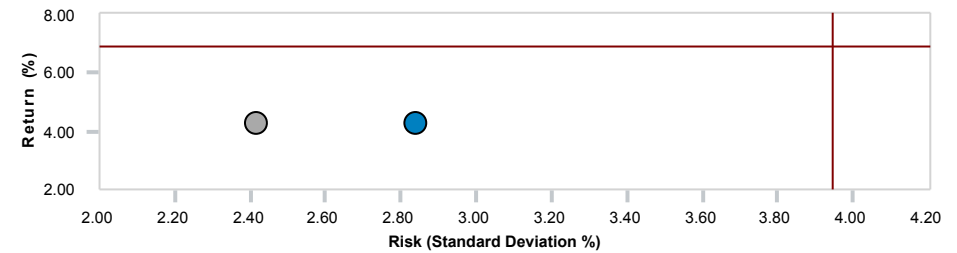
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Domestic Fixed Income	20	0 (0%)	3 (15%)	4 (20%)	13 (65%)
Total Domestic Fixed Income Policy	20	0 (0%)	3 (15%)	4 (20%)	13 (65%)

## Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Domestic Fixed Income	2.90	2.77
Total Domestic Fixed Income Policy	3.24	2.17
Median	4.36	2.98

## Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Domestic Fixed Income	4.23	2.84
Total Domestic Fixed Income Policy	4.28	2.42
Median	6.93	3.95

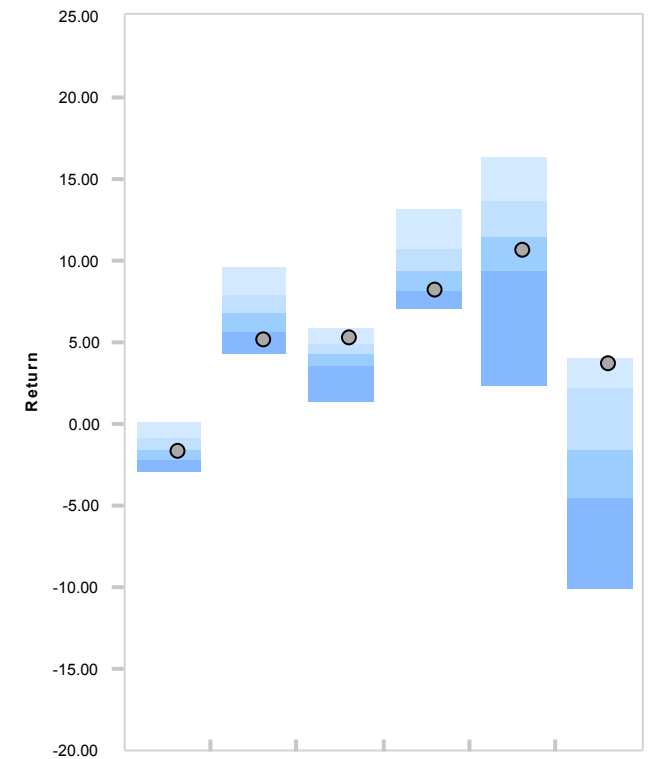
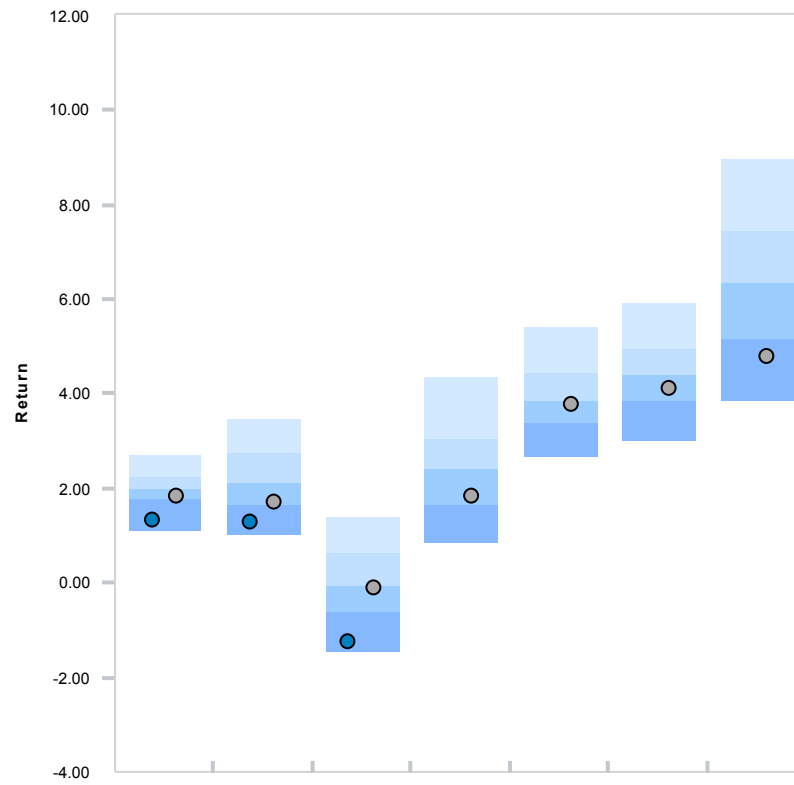
## Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Domestic Fixed Income	1.22	117.84	173.79	-1.48	-0.25	0.92	1.37	2.02
Total Domestic Fixed Income Policy	0.00	100.00	100.00	0.00	N/A	1.46	1.00	1.11

## Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Domestic Fixed Income	1.07	109.12	135.88	-0.78	-0.03	1.42	1.18	1.72
Total Domestic Fixed Income Policy	0.00	100.00	100.00	0.00	N/A	1.79	1.00	1.19

**Peer Group Analysis - IM U.S. Broad Market Core Fixed Income (MF)**

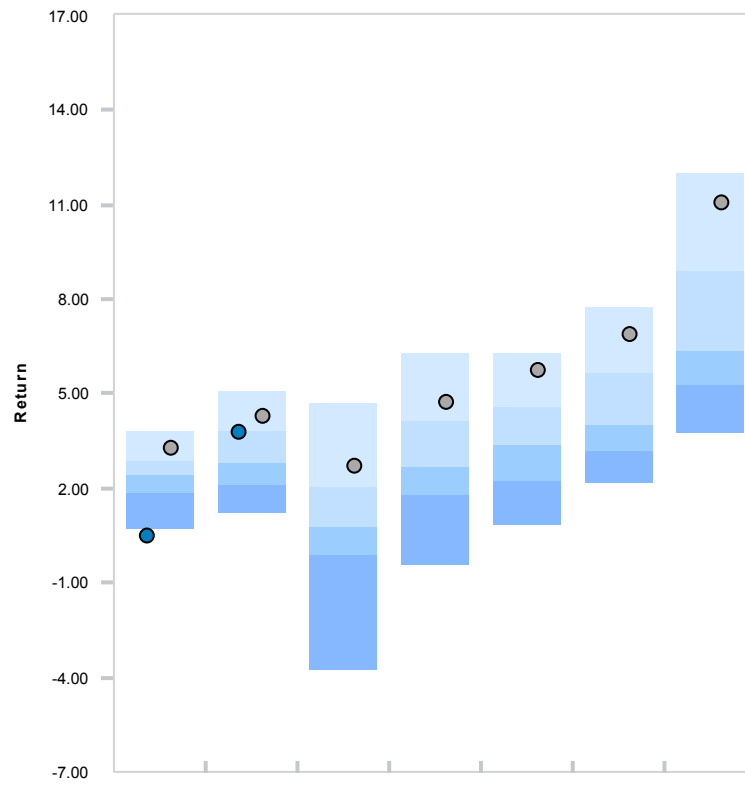


**Comparative Performance**

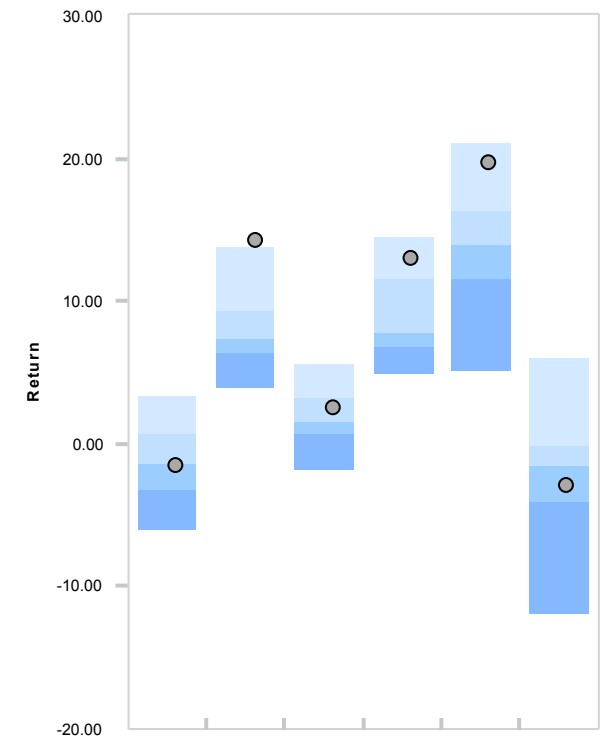
	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013	1 Qtr Ending Mar-2013	1 Qtr Ending Dec-2012	1 Qtr Ending Sep-2012
PIMCO Total Return Instl (PTTRX)	-0.04 (63)	1.17 (4)	-3.60 (98)	N/A	N/A	N/A
Barclays Aggregate Index	-0.14 (72)	0.57 (45)	-2.32 (15)	-0.12 (74)	0.21 (76)	1.58 (85)
IM U.S. Broad Market Core Fixed Income (MF) Median	0.14	0.54	-2.64	0.03	0.52	2.25



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



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Templeton Global Total Return (FTTRX)	0.47 (98)	3.75 (26)	N/A	N/A	N/A	N/A	N/A
● Diversified Fixed Income Index	3.23 (16)	4.25 (22)	2.70 (17)	4.70 (15)	5.71 (11)	6.90 (14)	11.08 (13)
Median	2.43	2.78	0.82	2.70	3.36	4.02	6.34

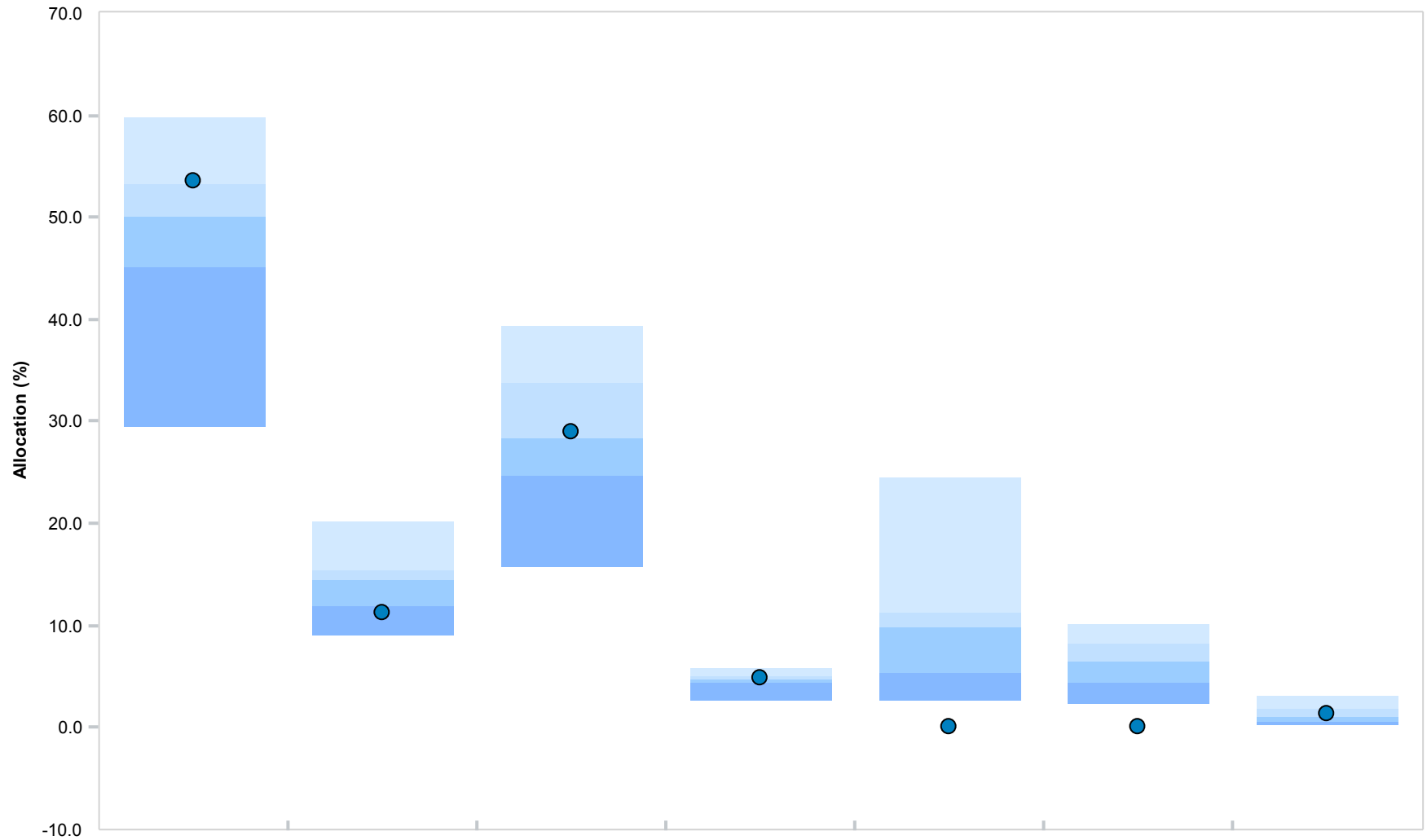


	Oct-2012 To Sep-2013	Oct-2011 To Sep-2012	Oct-2010 To Sep-2011	Oct-2009 To Sep-2010	Oct-2008 To Sep-2009	Oct-2007 To Sep-2008
● Templeton Global Total Return (FTTRX)	N/A	N/A	N/A	N/A	N/A	N/A
● Diversified Fixed Income Index	1.58 (54)	4.19 (4)	2.52 (37)	2.95 (12)	9.60 (16)	2.93 (70)
Median	1.45	7.39	1.53	7.80	3.96	1.53

**Comparative Performance**

	1 Qtr Ending Dec-2013	1 Qtr Ending Sep-2013	1 Qtr Ending Jun-2013	1 Qtr Ending Mar-2013	1 Qtr Ending Dec-2012	1 Qtr Ending Sep-2012
Templeton Global Total Return (FTTRX)	3.27 (1)	N/A	N/A	N/A	N/A	N/A
Diversified Fixed Income Index	0.99 (38)	2.29 (9)	-3.69 (67)	-1.44 (64)	1.37 (34)	5.15 (12)
IM Global Fixed Income (MF) Median	0.71	0.99	-3.27	-0.45	1.12	3.43

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 Public Safety Officers	53.53 (25)	11.31 (76)	28.92 (49)	4.92 (26)	0.00	0.00	1.31 (36)
5th Percentile	59.83	20.11	39.33	5.77	24.47	10.16	3.04
1st Quartile	53.31	15.34	33.71	4.98	11.27	8.25	1.81
Median	49.97	14.42	28.37	4.71	9.85	6.48	1.03
3rd Quartile	45.02	11.83	24.63	4.41	5.31	4.45	0.57
95th Percentile	29.37	8.98	15.76	2.66	2.54	2.28	0.14

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

**Tequesta Public Safety Officers' Pension Fund**  
**Benchmark History**  
As of March 31, 2014

<b>Total Fund Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Apr-2005</b>	
S&P 500 Index	60
Barclays Intermediate U.S. Gov/Credit Index	40
<b>Jul-2010</b>	
Russell 3000 Index	50
Barclays Intermediate Aggregate Index	40
MSCI EAFE Index	10
<b>Mar-2012</b>	
Russell 3000 Index	50
Barclays Intermediate Aggregate Index	40
MSCI AC World ex USA	10
<b>Sep-2013</b>	
Russell 3000 Index	50
Barclays Aggregate Index	30
MSCI AC World ex USA	15
Diversified Fixed Income Index	5

<b>Total Domestic Equity Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Apr-2005</b>	
S&P 500 Index	100
<b>Jul-2010</b>	
Russell 3000 Index	100

<b>Total Equity Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Apr-2005</b>	
S&P 500 Index	100
<b>Jul-2010</b>	
Russell 3000 Index	83
MSCI EAFE Index	17
<b>Mar-2012</b>	
Russell 3000 Index	83
MSCI AC World ex USA	17
<b>Sep-2013</b>	
Russell 3000 Index	77
MSCI AC World ex USA	23

<b>Total Fixed Income Policy</b>	
<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Apr-2005</b>	
Barclays Intermediate U.S. Gov/Credit Index	100
<b>Jul-2010</b>	
Barclays Intermediate Aggregate Index	100
<b>Sep-2013</b>	
Barclays Aggregate Index	86
Diversified Fixed Income Index	14

**Total Domestic Fixed Income Policy**

Allocation Mandate	Weight (%)
<b>Apr-2005</b>	
Barclays Intermediate U.S. Gov/Credit Index	100
<b>Jul-2010</b>	
Barclays Intermediate Aggregate Index	100
<b>Sep-2013</b>	
Barclays Aggregate Index	100

**Total Diversified Fixed Income Policy**

Allocation Mandate	Weight (%)
<b>Jan-1994</b>	
JPM EMBI+	33
Barclays US Corp: High Yield	33
Citigroup Non-U.S. World Government Bond	33

**Total International Equity Policy**

Allocation Mandate	Weight (%)
<b>May-2010</b>	
MSCI EAFE Index	100
<b>Dec-2012</b>	
MSCI AC World ex USA	100

Tequesta PSO

**Total Fund Compliance:**

1. The Total Plan return equaled or exceeded the 7.5% actuarial earnings assumption over the trailing three and five year periods.
2. The Total Plan return equaled or exceeded the total plan benchmark over the trailing three and five year periods.
3. The Total Plan return ranked within the top 40th percentile of its peer group over the trailing three and five year periods.
4. Total foreign securities were less than 25% of the total plan assets at market.

Yes	No	N/A
	✓	
	✓	
	✓	
✓		

**Equity Compliance:**

1. Total domestic equity returns equaled or exceeded the benchmark over the trailing three and five year periods.
2. Total domestic equity returns ranked within the top 40th percentile of its peer group over the trailing three and five year periods.
3. Total international equity returns equaled or exceeded the benchmark over the trailing three and five year periods.
4. Total international equity returns ranked within the top 40th percentile of its peer group over the trailing three and five year periods.
5. The total equity allocation was less than 70% of the total plan assets at market.

Yes	No	N/A
	✓	
	✓	
		✓
		✓
✓		

**Fixed Income Compliance:**

1. Total fixed income returns equaled or exceeded the benchmark over the trailing three and five year periods.
2. Total fixed income returns ranked within the top 40th percentile of its peer group over the trailing three and five year periods.
3. All fixed income securities are rated investment grade or higher except no more than 5% can be invested in ratings BB and below.

Yes	No	N/A
	✓	
	✓	
✓		

**Manager Compliance:**

1. Manager outperformed the index over the trailing three and five year periods.
2. Manager ranked above the 40th percentile over the trailing three and five year periods.
3. Less than four consecutive quarters of under performance relative to the benchmark.
4. Three and five year down market capture ratio less than index.
5. Manager reports compliance with PFIA.

Brown			GAMCO			EuroPacific			PIMCO			Templeton		
Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
		✓			✓			✓			✓			✓
		✓			✓			✓			✓			✓
		✓			✓	✓					✓			✓
		✓			✓			✓			✓			✓
✓			✓			✓			✓			✓		

**Manager Compliance:**

1. Manager outperformed the index over the trailing three and five year periods.
2. Manager ranked above the 40th percentile over the trailing three and five year periods.
3. Less than four consecutive quarters of under performance relative to the benchmark.
4. Three and five year down market capture ratio less than index.
5. Manager reports compliance with PFIA.

Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
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- Neither The Bogdahn Group, nor any covered associates have made political contributions to any official associated with the Tequesta Public Safety Officers' Pension Fund in excess of the permitted amount.

<b>Return</b>	- Compounded rate of return for the period.
<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>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>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>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>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>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>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>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>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>Excess Return</b>	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
<b>Active Return</b>	- Arithmetic difference between the manager's performance and the designated benchmark 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>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.
<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.

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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