

City of Venice Police Officers' Retirement Plan

3rd Quarter 2009



THE
**BOGDAHN
GROUP**

simplifying your investment and fiduciary decisions

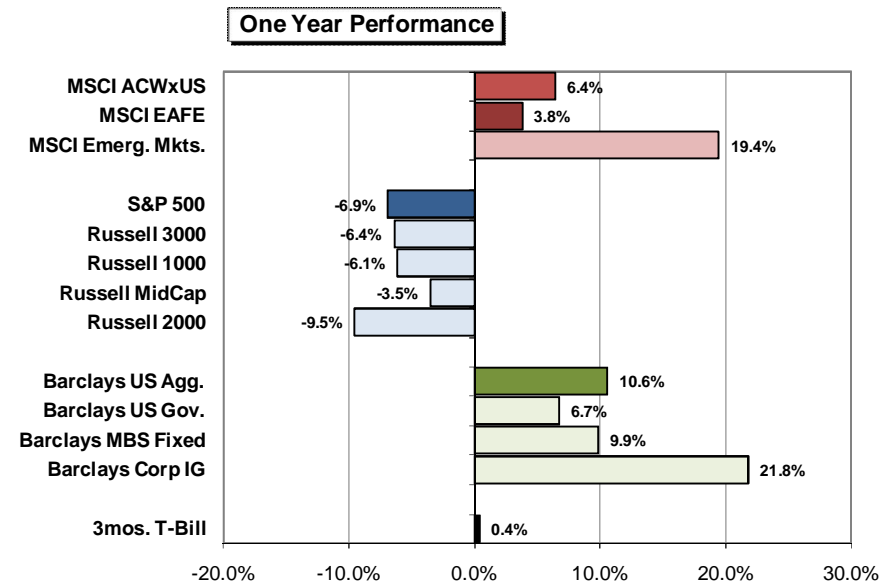
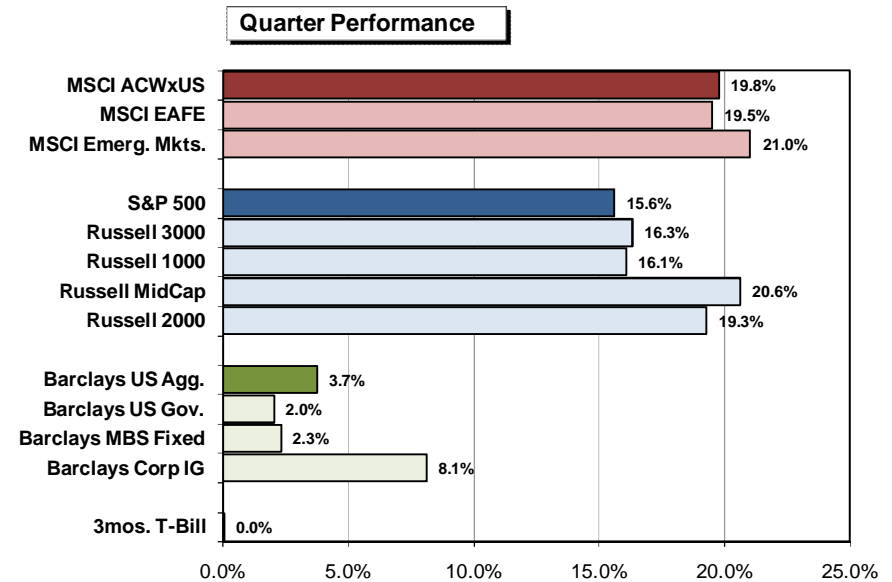
3rd Quarter 2009 Market Environment

The Market Environment

Major Market Index Performance

Period Ended: September 30, 2009

- Both equity and fixed income markets posted strong results for the quarter ended September 30, 2009. However, evidence of the recent financial crisis is still very visible in the 1-year performance of the domestic equity indices.
- Outside of the United States, emerging markets once again outpaced developed markets during the quarter. While the performance differential for the quarter is small (+1.5%), the 1-year differential of +15.6% is substantial.
- Domestic smaller capitalization issues, represented by the Russell 2000 (+19.3%) and Russell MidCap (+20.6%) indices, respectively, exceeded large cap issues for the quarter. However, the dominance of small and midcap indices reflected in the 3rd quarter performance diverges over the 1-year period. During this timeframe, the Russell 2000 posted the weakest domestic equity index performance (-9.5%) while the Russell MidCap index posted the strongest (-3.5%) relative result.
- The Barclays aggregate return of +3.7% for the quarter was dominated by the continued recovery in credit as the Barclays Corporate Investment Grade index returned an impressive +8.1%. For the trailing 1-year period, the Barclays Aggregate posted a strong +10.6% return, which easily outpaced the majority of both domestic and international equity indices.



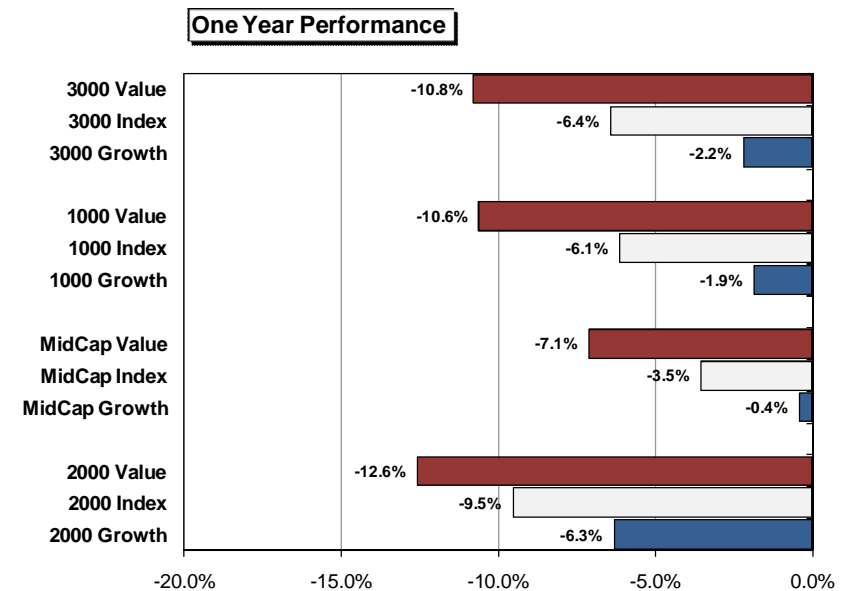
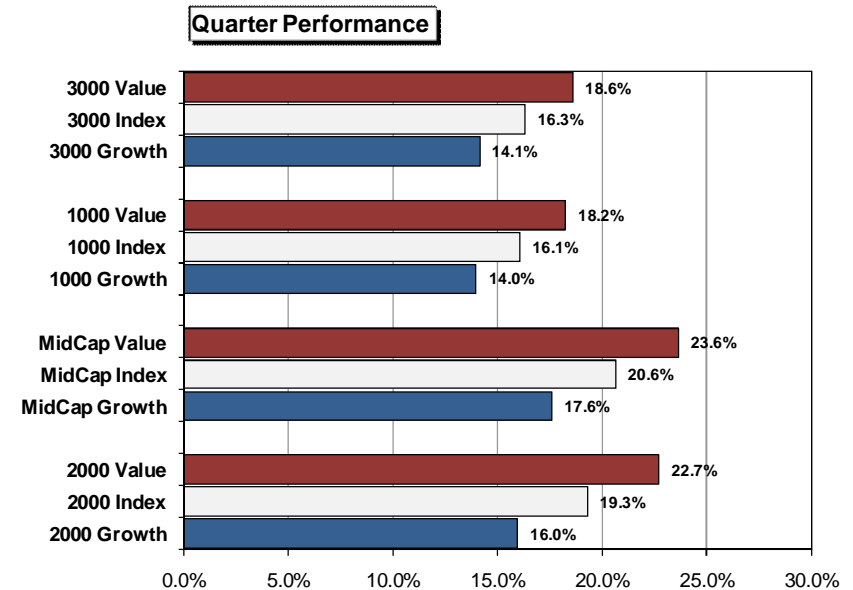
Source: Barclays Capital, MSCI Capital Markets, Russell Investments

The Market Environment

Domestic Equity Style Index Performance

Period Ended: September 30, 2009

- Led by the continued recovery in financial issues, value indices outpaced their growth counterparts by 5.4% on average for the 3rd quarter. The financial sector, which represented more than 25% of each of the Russell value indices at the end of the quarter, was the largest contributor to value index outperformance.
- The 5.4% average differential between value and growth index results for the 3rd quarter were much larger than the 1.5% average experienced between the style indices during the 2nd quarter. However, regardless of a portfolio's particular style allocation, much like last quarter, the 3rd quarter's domestic equity performance represented a welcome relief to portfolios that continue to rebuild from a historically difficult period for long-term investors.
- The strength of value indices that is evident in the 3rd quarter's results disappears and reverses in the 1-year performance of the value benchmarks. This weakness in the 1-year results is the impact of the market crisis, particularly in the financial sector, and is visible across the capitalization spectrum in the value index returns.

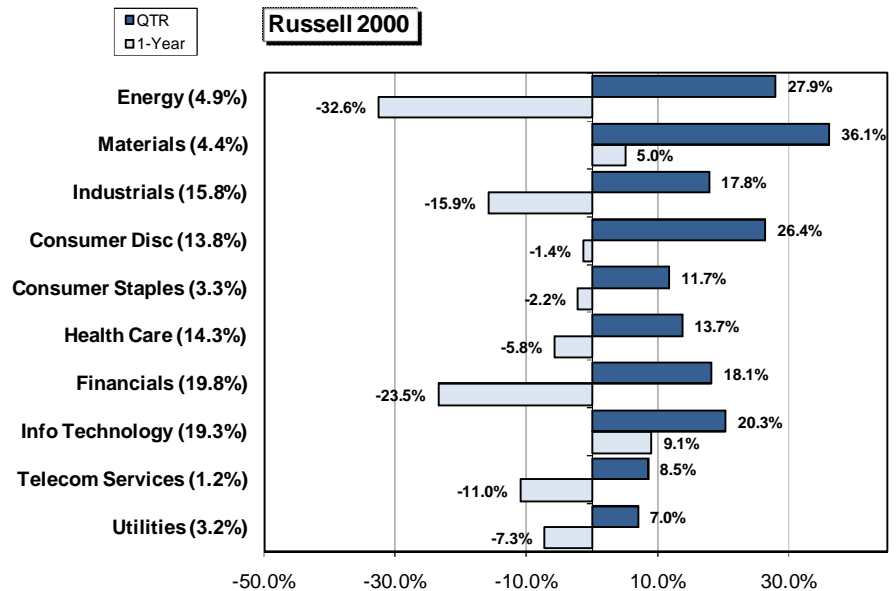
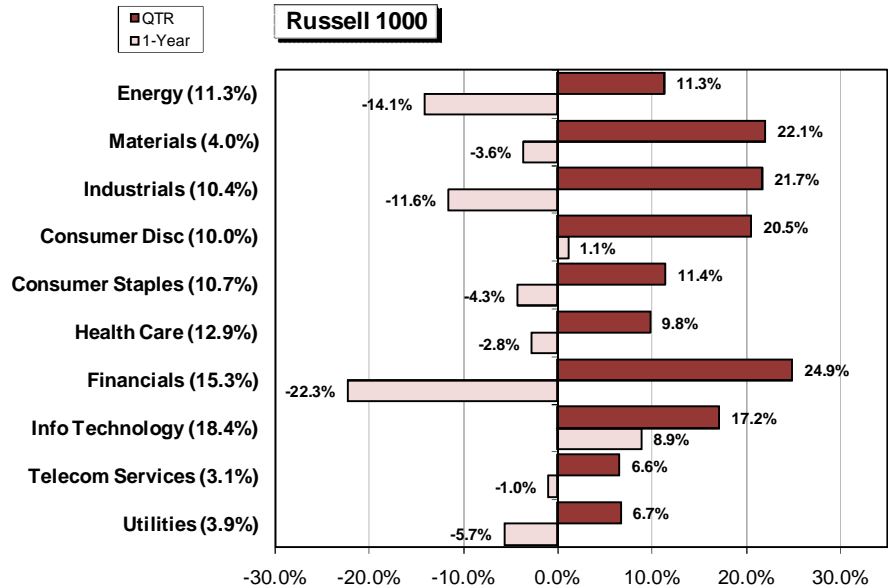


The Market Environment

GICS Sector Performance & (Quarter-End Sector Weight)

Period Ended: September 30, 2009

- Large cap stock performance was positive across all ten GICS (global industry classification standard) sectors with five of the index's ten sectors outpacing the +16.1% return of the Russell 1000.
- The financial sector returned of +24.9% for the quarter, which was the strongest sector of the Russell 1000 index. This was the second consecutive quarter of top performance for the financial sector, which is now up more than 50% over the last 6-months. However, the financial sector's steep decline is still evident in the 1-year sector performance of -22.3%.
- The strength of 3rd quarter returns in the consumer discretionary (+20.5%) and information technology (+17.2%) sectors were enough to push the trailing 1-year results of both sectors into positive territory.
- Small cap stock performance was also positive across all ten GICS sectors with the energy (+27.9%), materials (+36.1%) and consumer discretionary (+26.4%) sectors finishing well ahead of the +19.3% return of the Russell 2000 index.
- The combination of a strong 3rd quarter of 2009 being added and a weak 3rd quarter of 2008 falling off resulted in the performance of the materials (+5.0%) and information technology (+9.1%) sectors of the Russell 2000 index turning positive for the 1-year period.



The Market Environment

Quality Rankings* Breakdown by Weight and Quarterly Performance

Period Ended: September 30, 2009

- Within the Russell 1000 index, the performance by each of the quality segments was more equally distributed than the 2nd quarter where lower quality issues dominated performance. The only rating segment of the index to show noticeably weaker results than the broad index return of +16.1% during the current quarter was stocks in the “A-” category, which returned +9.2% .
- Unlike the large cap index, the “performance by quality” of the small cap Russell 2000 index continued to be led by lower quality issues. Stocks rated “C” and “D” within the index returned +30.7% and +75.7% ,respectively, for the 3rd quarter.

Russell 1000 Quality Breakdown	Average Weight	QTR Return
A+	10.4%	17.9%
A	10.5%	14.9%
A-	14.7%	9.2%
B+	17.3%	18.1%
B	5.8%	19.4%
B-	28.4%	16.7%
C	2.1%	16.3%
D	0.0%	0.0%
Not Rated	10.8%	18.3%
N/A	0.0%	-13.9%
Russell 1000 Index	100.0%	16.1%

Russell 2000 Quality Breakdown	Average Weight	QTR Return
A+	3.1%	12.4%
A	5.1%	13.9%
A-	0.8%	12.7%
B+	17.8%	18.0%
B	20.2%	22.3%
B-	12.3%	14.3%
C	10.7%	30.7%
D	0.1%	75.7%
Not Rated	29.3%	17.7%
N/A	0.6%	26.9%
Russell 2000 Index	100.0%	19.3%

Quality Rankings Table

A+	A	A-	B+	B	B-	C	D
Highest	High	Above Average	Average	Below Average	Lower	Lowest	In Reorganization

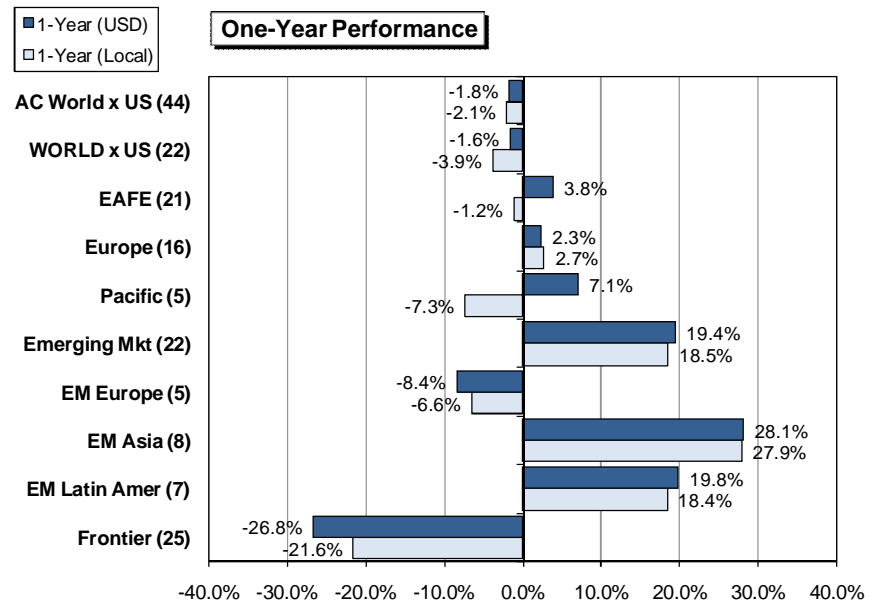
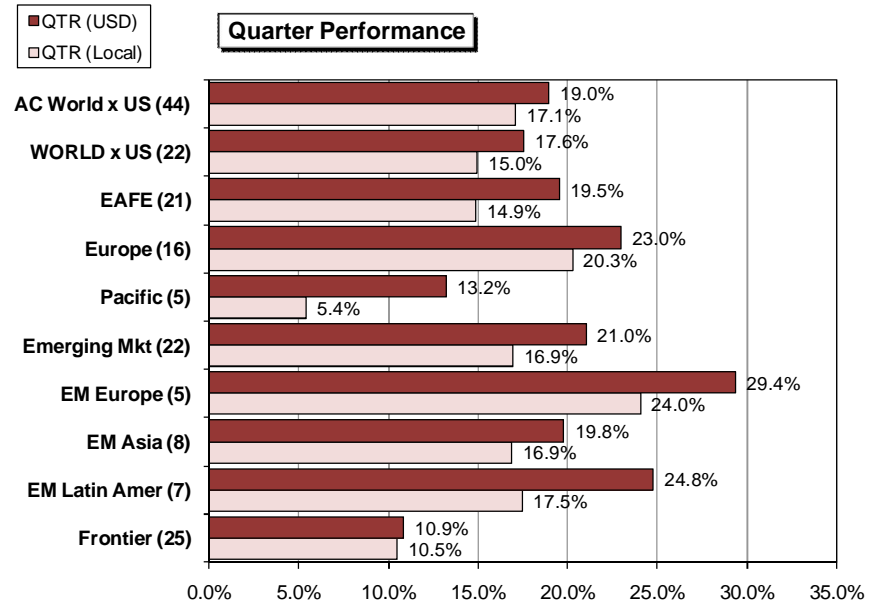
*Standard and Poor's rankings are generated by a computerized system and are based on per-share earnings and dividend records of the most recent 10 years. - October 2005 report

The Market Environment

International and Regional Market Index Performance (# Countries)

Period Ended: September 30, 2009

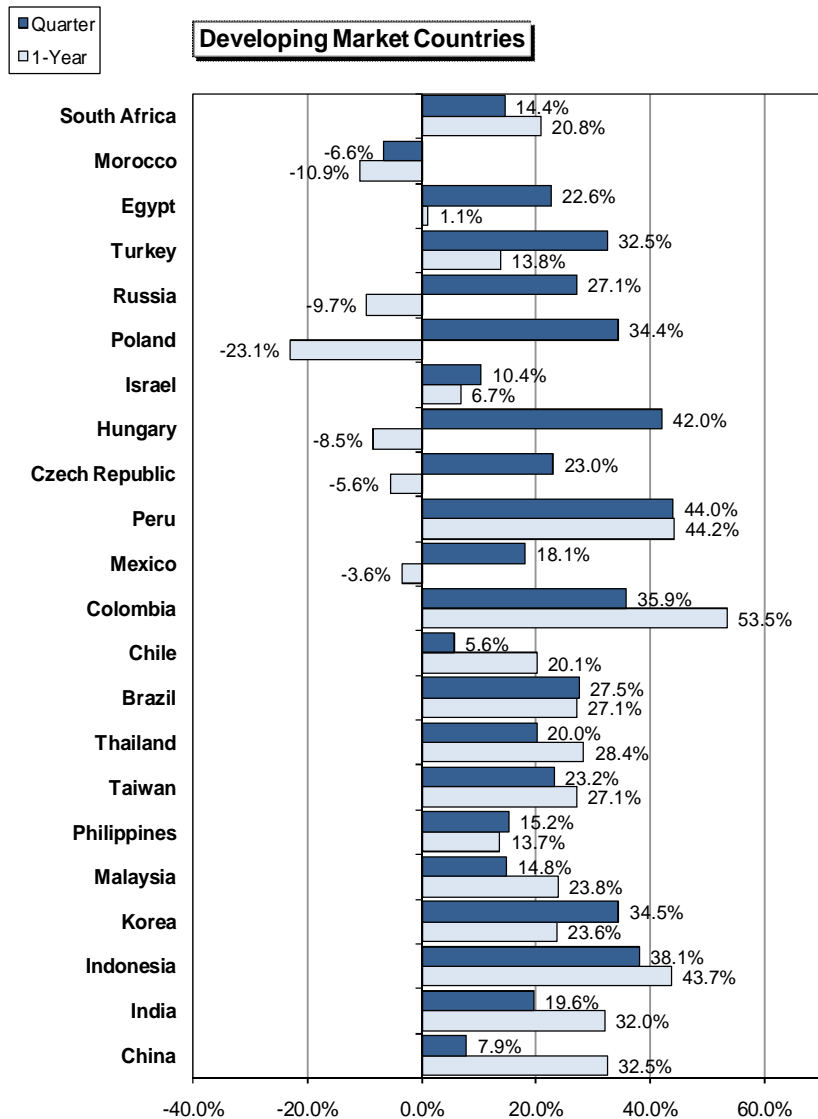
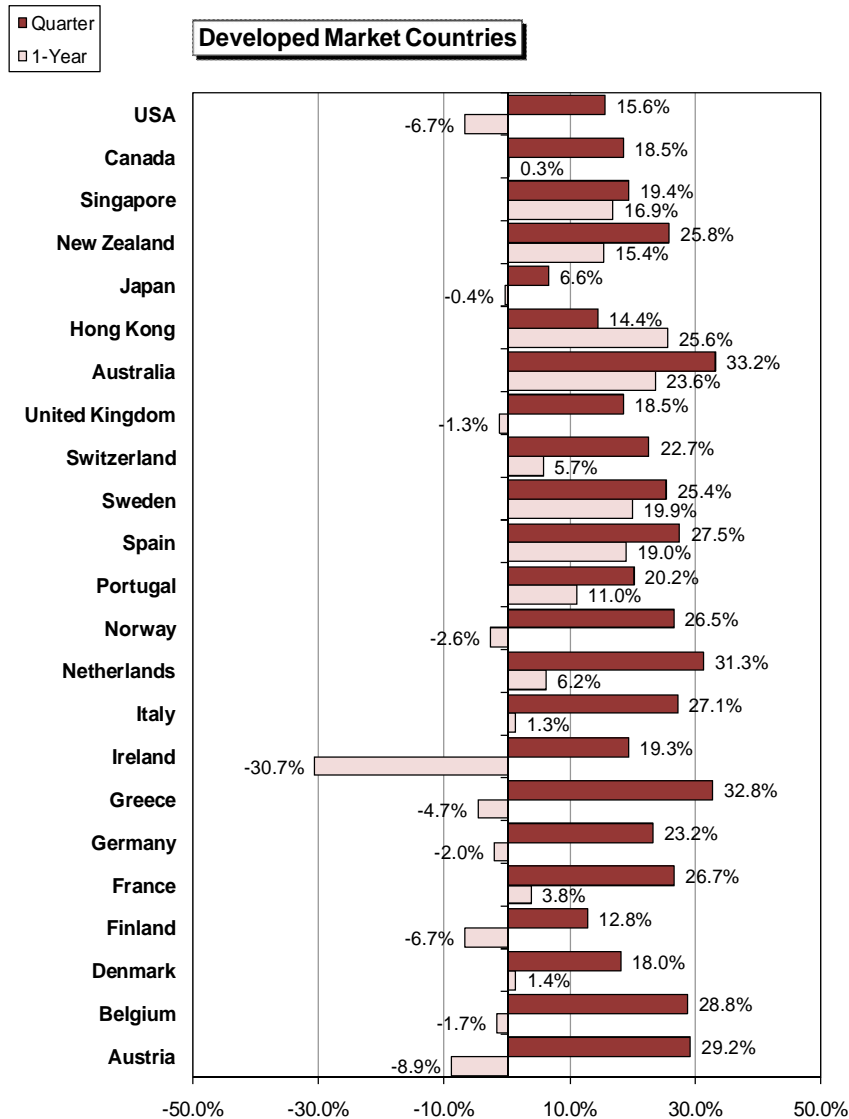
- As the United States tries to bolster the domestic economy through its various stimulus programs, the value of the USD (U.S. dollars) continues to weaken across the globe. This USD depreciation is evident in the performance differentials of both the broad (EAFE: 4.6%) and regional segments (Pacific: 7.8%) of the international indices.
- International Markets posted strong results for the 3rd quarter, 2009 in both local currency and USD. The MSCI-EAFE (Europe, Australasia & Far East), which represents the world's 21 developed markets (excluding Canada), returned +19.5% in USD (+14.9% local). The MSCI-EM (22 emerging market countries) returned a stronger +21.0% in USD (+16.9% local). As a result, 3rd quarter results of international portfolios with emerging market holdings should benefit relative to those with holdings limited to developed market countries.
- The “one-sided” currency effect that is clearly visible in the 3rd quarter's results is not as linear when reviewing the 1-year performance. In fact, the European region of the developed markets actually show dollar strength in the 1-year period with a return of +2.3% in USD vs. +2.7% in local currency.



The Market Environment

Country Index Performance in U.S. Dollars

Period Ended: September 30, 2009



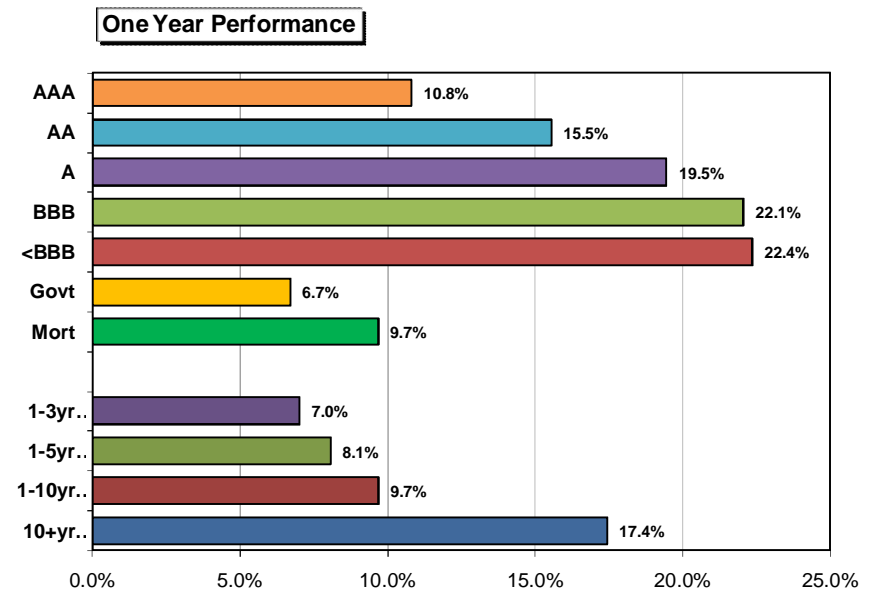
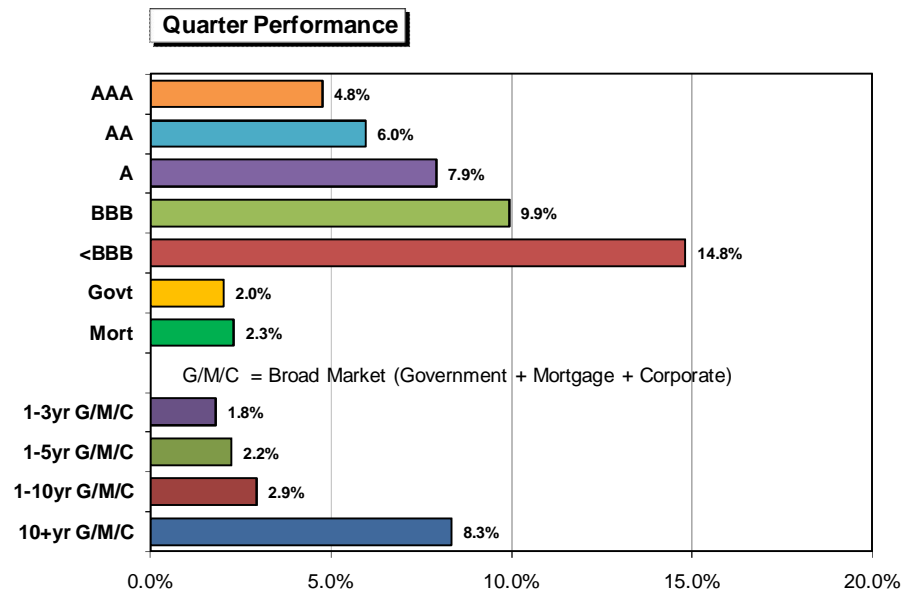
Source: MSCI Capital Markets

The Market Environment

Domestic Credit Sector & Broad Market Maturity Performance

Period Ended: September 30, 2009

- Much like the 2nd quarter, the broad market index results, which consist of government, mortgage-backed and corporate securities, mask a much wider performance disparity within the fixed income market's three segments.
- Government (+2.0%) and mortgage-backed (+2.3%) results were relatively mild, but positive for the quarter. In contrast, corporate issues in all quality segments posted stronger results that were more than double the performance of the government or mortgage-backed sectors for the quarter. The outsized 1-year performance of the corporate indices, particularly high yield, are a function of the strong 3rd quarter 2009 results that were added (+14.8%) and weak 3rd quarter 2008 results (-9.5%) that were dropped from the trailing calculation.
- Although the 1-year performance of the fixed income indices in the graph appear to make a strong argument for both lower quality (+22.4%) and longer maturity (+17.4%) issues within a fixed income portfolio, one must consider where we were just 1-year ago. Memories of the volatility and fear associated with the recent crisis should remind investors that such "black and white" conclusions are rarely beneficial to long-term investors. While it is clear that fixed income investors with an appetite for risk have benefited over the last year, the performance of lower quality issues tends to be very cyclical.



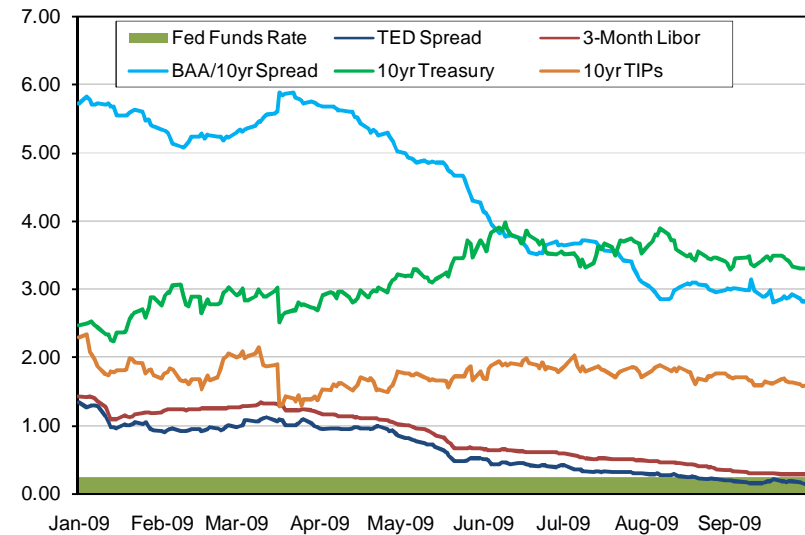
The Market Environment

Market Rate & Yield Curve Comparison

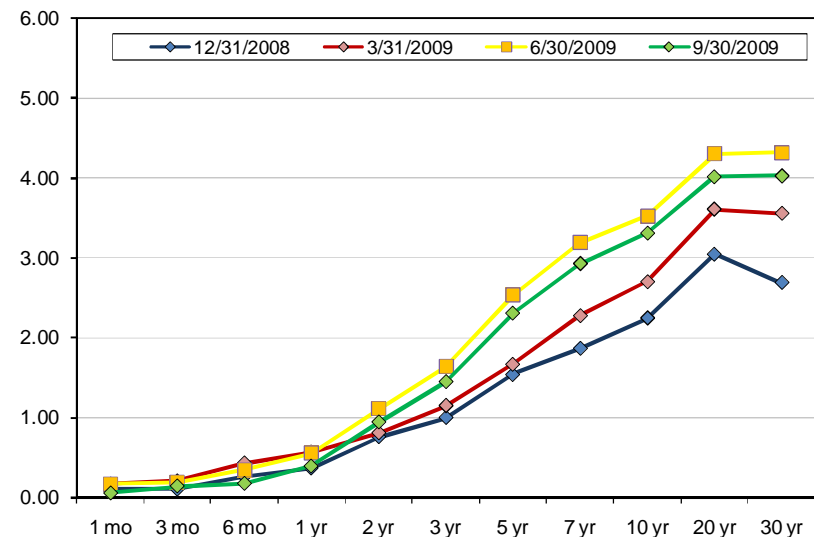
Period Ended: September 30, 2009

- The Fed left rates unchanged during the quarter as economic conditions, although still quite weak, continued to improve. The Fed also continued to reassure market participants that economic conditions would likely warrant exceptionally low rates for an extended period of time.
- As a result of the general stability of the financial markets during the quarter, many of the market's spread levels and "fear" gauges continued to contract from historically wide levels.
- The Treasury yield curve declined moderately across the maturity spectrum during the third quarter. The benchmark 10-year Treasury finished the quarter with a yield of 3.31%. This yield represented a decline of 22 basis points from the yield at the end of the 2nd quarter (3.53%).
- The last day of the 3rd quarter marked the start of the much anticipated PPIP (Public-Private Investment Program). The program to purchase the legacy (troubled) mortgage-backed assets of banks started with an initial value of \$4.5 billion, 25% of which came from private investors.

2009 Market Rates



Treasury Yield Curve

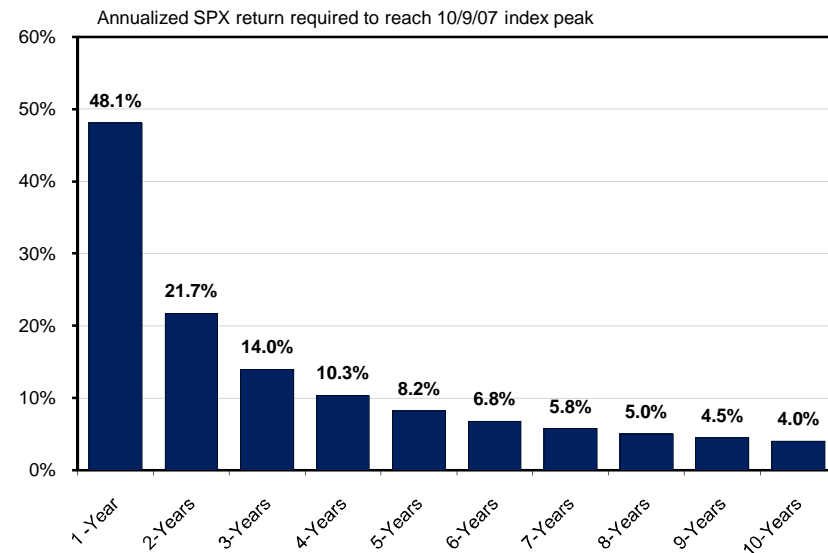
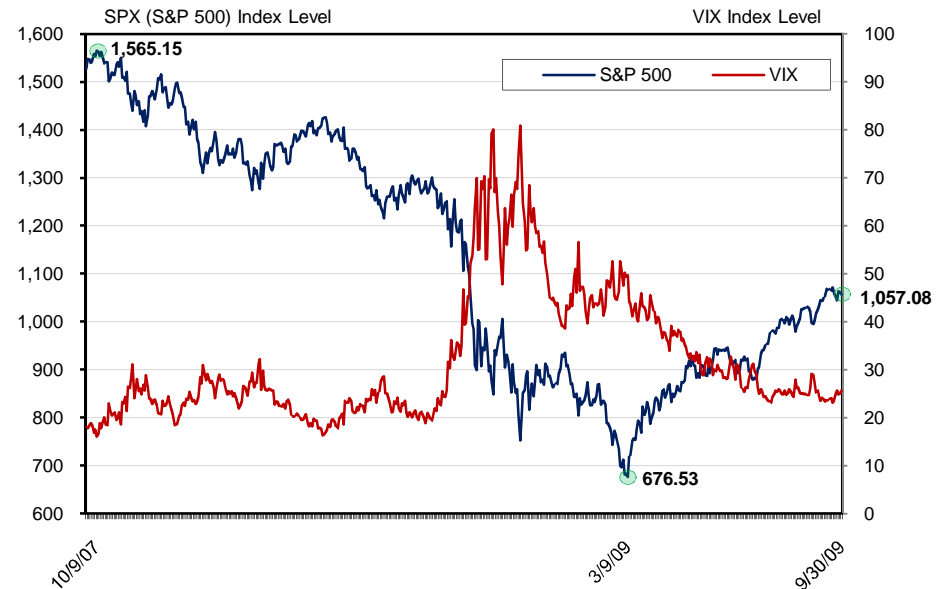


The Market Environment

Assessing the Impact of the S&P 500 Decline & the “Cruelty of Math”

Period Ended: September 30, 2009

- The SPX Index measures the daily price change in the S&P 500 (excluding dividends). The CBOE Volatility Index (VIX) is a measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices. It acts as a barometer of investor sentiment and market volatility.
- After reaching a peak of 1,565.15 on 10/9/07, the SPX fell to a low of 676.53 on 3/9/09. This drop of 888 points on the index represented a loss of 56.8% from its peak. This decline, particularly as the financial crisis reached its crescendo, included a significant increase in market volatility as measured by the VIX.
- From the 676.53 low on 3/9/09, the SPX index rose to 1,057.08 by the close of the 3rd quarter. This 380 point gain from the low represented a return of 56.3%. As would be expected, this equity market gain was coupled with a reduction in investor pessimism as the VIX decreased to a more historical level.
- Despite a more than 50% gain since its low, the index remains 580 points or 48.1% below its peak level. We call this phenomenon the “cruelty of math” in that a drop of 50% in value requires a gain of 100% to reach its original level.
- In order to put the magnitude of the market's decline in perspective, the lower table illustrates the annualized return that the SPX will be required to post from its 9/30/09 level to the previous peak of 1,565.15.



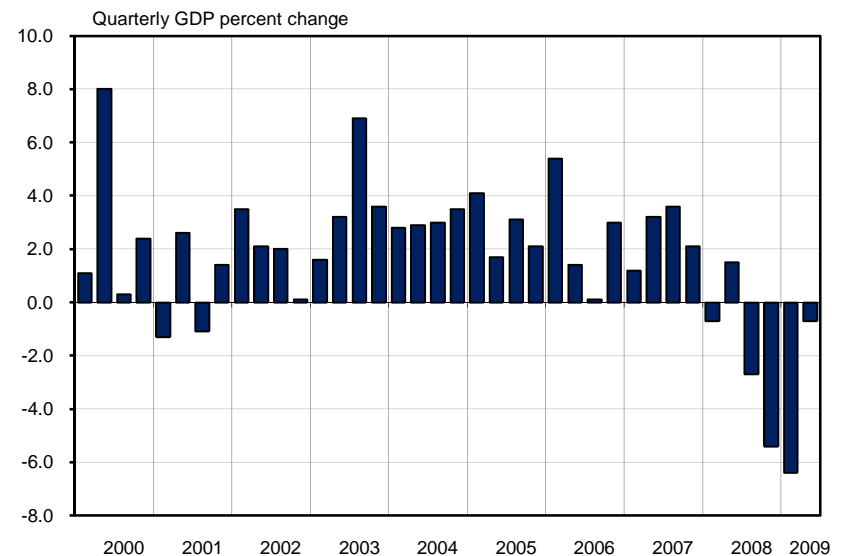
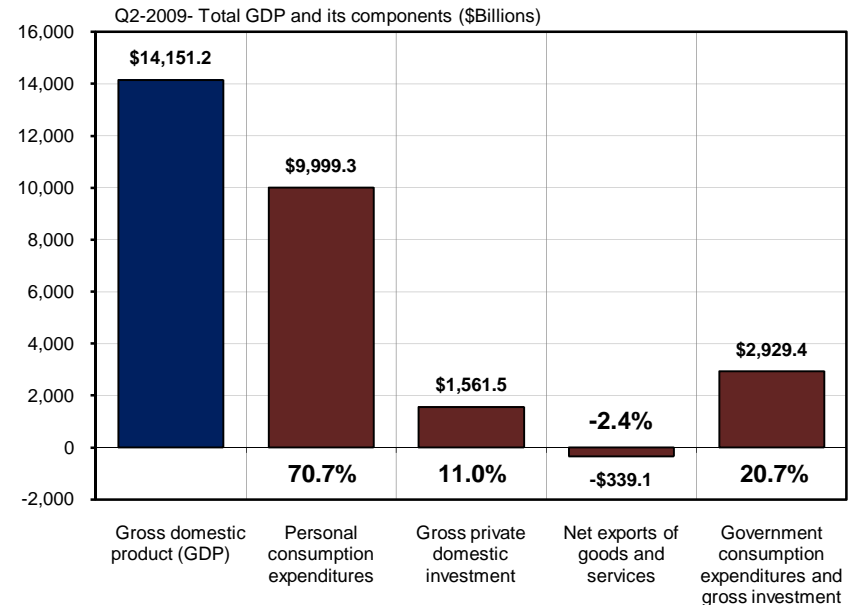
The Market Environment

How Quickly Can the Economy Recover from a Recession?

Period Ended: September 30, 2009

- The Gross Domestic Product (GDP) of the United States is measured by the combination of personal consumption expenditures, gross private (business) investment, government consumption expenditures & investment and net exports. While the National Bureau of Economic Research (NBER) defines the official beginning and end of an economic recession* based on several factors, a recessionary period is commonly defined as two consecutive quarters of negative GDP growth.
- The decline in housing values, the tightening of consumer credit conditions, the reduction in household wealth, and a deteriorating employment outlook have all combined to cause a reduction in personal consumption.
- While the Government can provide temporary boost to GDP through various relief programs or direct stimulus, it is clear that personal consumption (70.7%) is the main driver of economic growth.
- Although the NBER has not declared the recession officially over, many experts, including Fed chairman Bernanke, have stated that the current recession has passed. However, given the length and magnitude of this recession, combined with high unemployment, low capacity utilization and various other factors, it is likely that the ultimate recovery in economic growth will be measured.

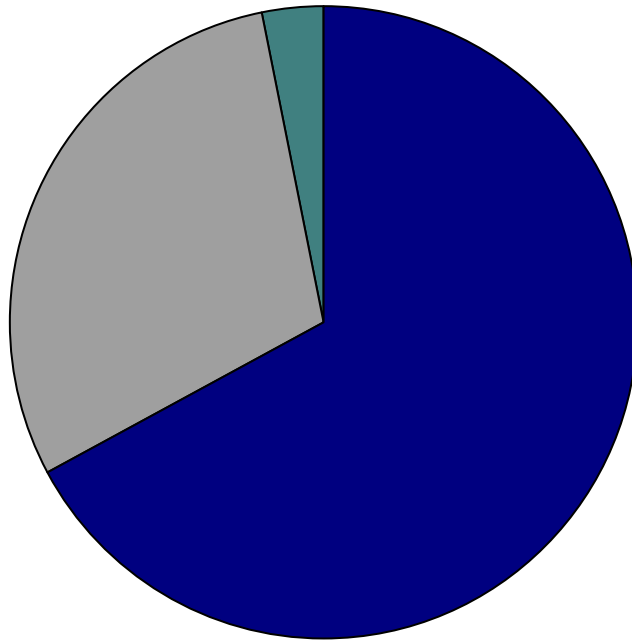
*In December of 2008, the NBER officially declared that the current recession began in December of 2007.



**Venice Police Officers' Retirement Fund
September 30, 2009**

Asset Allocation By Style as of Jun - 2009

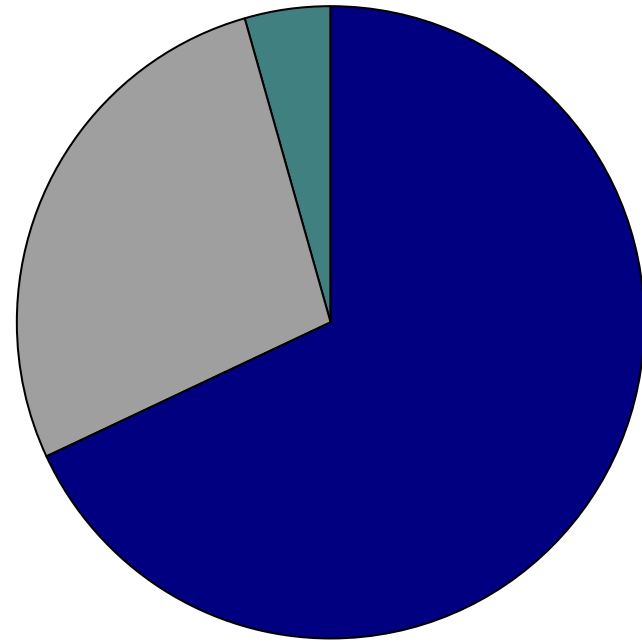
June 30, 2009 : \$19,167,235



Segments	Market Value (\$)	Allocation (%)
Domestic Equity	12,864,271	67.1
Domestic Fixed Income	5,703,948	29.8
Cash Equivalent	599,017	3.1

Asset Allocation By Style - Current Quarter

September 30, 2009 : \$21,367,365

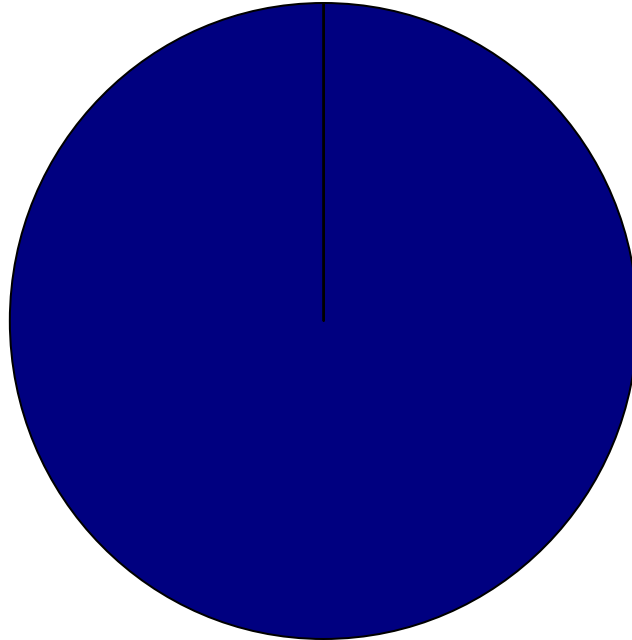


Segments	Market Value (\$)	Allocation (%)
Domestic Equity	14,536,688	68.0
Domestic Fixed Income	5,881,156	27.5
Cash Equivalent	949,521	4.4

**Venice Police Officers' Retirement Fund
September 30, 2009**

Asset Allocation By Manager as of Jun - 2009

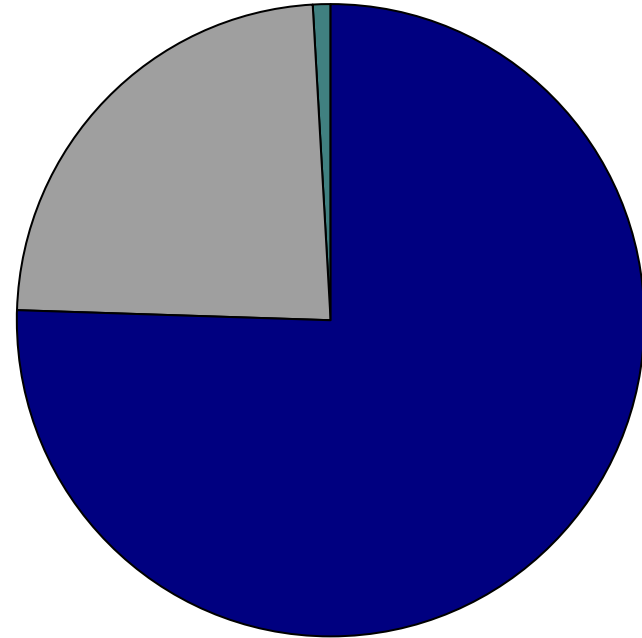
June 30, 2009 : \$19,167,235



	Market Value (\$)	Allocation (%)
■ Bowen Hanes Balanced Portfolio	19,167,235	100.0

Asset Allocation By Manager - Current Quarter

September 30, 2009 : \$21,367,365



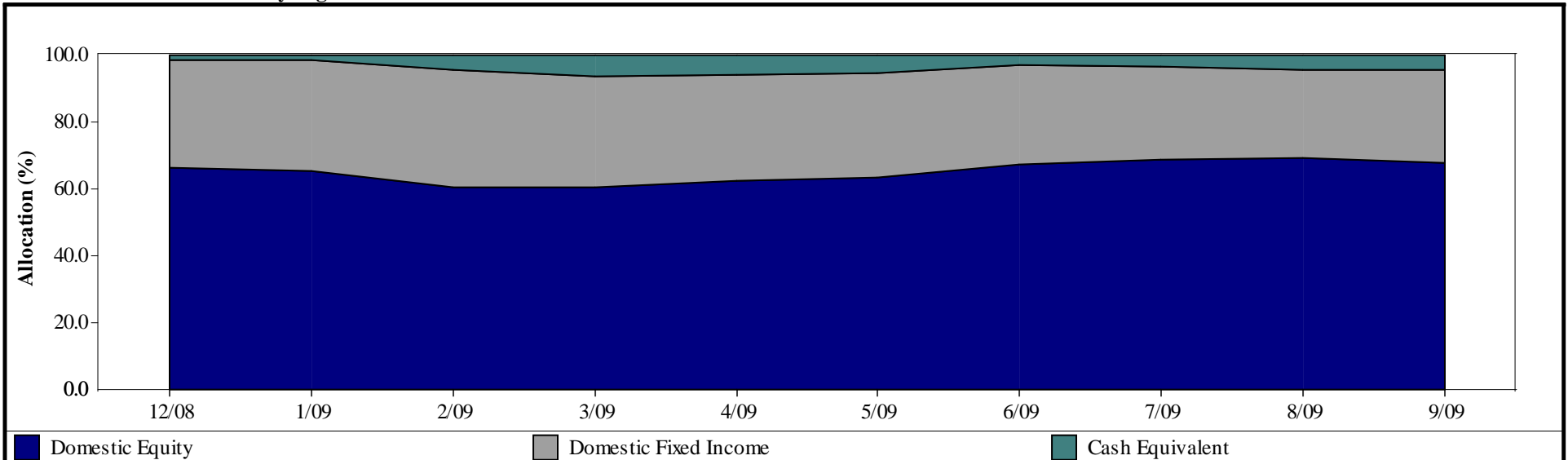
	Market Value (\$)	Allocation (%)
■ Bowen Hanes Balanced Portfolio	16,125,766	75.5
■ Rockwood Capital Balanced Portfolio	5,038,550	23.6
■ R&D Account	203,050	1.0

Venice Police Officers' Retirement Plan
Asset Allocation
As of September 30, 2009

Asset Allocation

	Sep-2009		Jun-2009		Mar-2009		Dec-2008		Sep-2008	
	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Bowen Hanes Balanced Portfolio	16,125,766	75.47	19,167,235	100.00	17,322,029	100.00	19,188,119	100.00	23,459,329	100.00
Rockwood Capital Balanced Portfolio	5,038,550	23.58	-	-	-	-	-	-	-	-
R&D Account	203,050	0.95	-	-	-	-	-	-	-	-
Total Fund	21,367,365	100.00	19,167,235	100.00	17,322,029	100.00	19,188,119	100.00	23,459,329	100.00

Historical Asset Allocation By Segment



Venice Police Officers' Retirement Plan
Financial Reconciliation
As of September 30, 2009

Financial Reconciliation Quarter

	Market Value As of 6/30/2009	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Bowen Hanes Balanced Portfolio	19,167,235	-5,232,888	25,289	-278,417	-19,064	-15,384	159,751	2,319,244	16,125,766
Rockwood Capital Balanced Portfolio	-	5,052,888	-	-	-	-	1,409	-15,747	5,038,550
R&D Account	-	180,000	165,641	-139,496	-	-3,097	1	-	203,050
Total Fund	19,167,235	-	190,930	-417,913	-19,064	-18,480	161,161	2,303,496	21,367,365

Financial Reconciliation FYTD

	Market Value As of 9/30/2008	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Bowen Hanes Balanced Portfolio	23,459,329	-5,232,888	628,296	-1,696,872	-78,683	-71,508	630,294	-1,512,203	16,125,766
Rockwood Capital Balanced Portfolio	-	5,052,888	-	-	-	-	1,409	-15,747	5,038,550
R&D Account	-	180,000	165,641	-139,496	-	-3,097	1	-	203,050
Total Fund	23,459,329	-	793,937	-1,836,368	-78,683	-74,605	631,705	-1,527,950	21,367,365

Venice Police Officers' Retirement Plan
Comparative Performance Trailing Returns
As of September 30, 2009

	1 Quarter	Oct-2008 To Sep-2009	1 Year	3 Years	5 Years	7 Years	Since Inception	Inception Date
Total Fund (Net)	12.90 (17)	-3.43 (96)	-3.43 (96)	-0.81 (74)	4.10 (47)	7.43 (22)	8.93 N/A	08/01/1986
Total Fund Policy	11.59 (50)	0.09 (67)	0.09 (67)	-0.99 (77)	2.89 (84)	6.00 (56)	8.40 N/A	
Difference	1.31	-3.52	-3.52	0.18	1.21	1.43	0.53	
All Public Plans-Total Fund Median	11.53	1.27	1.27	-0.06	4.01	6.22	N/A	
Total Fund (Gross)	13.01	-3.03	-3.03	-0.41	4.50	7.85	9.12	08/01/1986
Total Fund Policy	11.59	0.09	0.09	-0.99	2.89	6.00	8.40	
Difference	1.42	-3.12	-3.12	0.58	1.61	1.85	0.72	
Total Equity	17.19 (12)	-6.40 (48)	-6.40 (48)	-1.69 (15)	4.95 (9)	9.73 (5)	11.01 N/A	08/01/1986
Russell 1000 Index	16.07 (25)	-6.14 (45)	-6.14 (45)	-5.10 (56)	1.49 (65)	6.31 (58)	9.19 N/A	
Difference	1.12	-0.26	-0.26	3.41	3.46	3.42	1.82	
US Core/Large Cap Equity (SA+CF) Median	15.25	-6.53	-6.53	-4.86	1.94	6.44	N/A	
Total Fixed Income	6.13 (19)	8.50 (92)	8.50 (92)	3.14 (94)	3.18 (95)	4.07 (94)	6.75 N/A	03/01/1988
Barclays Capital U.S. Government/Credit	4.16 (66)	11.46 (71)	11.46 (71)	6.25 (66)	4.91 (74)	4.92 (73)	7.27 N/A	
Difference	1.97	-2.96	-2.96	-3.11	-1.73	-0.85	-0.52	
US Broad Market Core Fixed Income (SA+CF) Median	4.71	12.53	12.53	6.73	5.40	5.25	N/A	
Bowen Hanes Balanced Portfolio	14.00 (7)	-2.49 (90)	-2.49 (90)	-0.49 (63)	4.30 (40)	7.58 (18)	8.97 N/A	08/01/1986
Total Fund Policy	11.59 (50)	0.09 (67)	0.09 (67)	-0.99 (77)	2.89 (84)	6.00 (56)	8.40 N/A	
Difference	2.41	-2.58	-2.58	0.50	1.41	1.58	0.57	
All Public Plans-Total Fund Median	11.53	1.27	1.27	-0.06	4.01	6.22	N/A	
Bowen Hanes Equity	17.89 (9)	-5.84 (41)	-5.84 (41)	-1.49 (14)	5.08 (8)	9.83 (5)	11.04 N/A	08/01/1986
Russell 1000 Index	16.07 (25)	-6.14 (45)	-6.14 (45)	-5.10 (56)	1.49 (65)	6.31 (58)	9.19 N/A	
Difference	1.82	0.30	0.30	3.61	3.59	3.52	1.85	
US Core/Large Cap Equity (SA+CF) Median	15.25	-6.53	-6.53	-4.86	1.94	6.44	N/A	
Bowen Hanes Fixed Income	6.26 (18)	8.64 (92)	8.64 (92)	3.18 (94)	3.20 (94)	4.08 (93)	6.75 N/A	03/01/1988
Barclays Capital U.S. Government/Credit	4.16 (66)	11.46 (71)	11.46 (71)	6.25 (66)	4.91 (74)	4.92 (73)	7.27 N/A	
Difference	2.10	-2.82	-2.82	-3.07	-1.71	-0.84	-0.52	
US Broad Market Core Fixed Income (SA+CF) Median	4.71	12.53	12.53	6.73	5.40	5.25	N/A	

Returns for periods greater than one year are annualized.

Returns are expressed as percentages.

Current Total Fund Policy: 65% Russell 1000, 30% Barclays G/C, 5% Citigroup 3-Month T-Bill

Rockwood inception September 2009

Venice Police Officers' Retirement Plan
Comparative Performance Fiscal Year Returns
As of September 30, 2009

	Oct-2008 To Sep-2009	Oct-2007 To Sep-2008	Oct-2006 To Sep-2007	Oct-2005 To Sep-2006	Oct-2004 To Sep-2005	Oct-2003 To Sep-2004	Oct-2002 To Sep-2003
Total Fund (Net)	-3.43 (88)	-16.34 (34)	20.79 (5)	9.09 (29)	14.82 (15)	15.22 (13)	17.25 (50)
Total Fund Policy	0.09 (54)	-13.98 (15)	12.73 (67)	7.88 (52)	10.14 (62)	10.09 (55)	18.39 (41)
Difference	-3.52	-2.36	8.06	1.21	4.68	5.13	-1.14
Mixed-Asset Target Alloc Growth Funds (MF) Median	0.45	-17.95	13.86	7.96	11.06	10.44	17.11
Total Fund (Gross)	-3.03	-16.01	21.27	9.43	15.30	15.68	17.73
Total Fund Policy	0.09	-13.98	12.73	7.88	10.14	10.09	18.39
Difference	-3.12	-2.03	8.54	1.55	5.16	5.59	-0.66
Total Equity	-6.40 (48)	-20.99 (47)	28.49 (1)	11.60 (31)	20.08 (12)	21.49 (5)	23.84 (53)
Russell 1000 Index	-6.14 (45)	-22.10 (67)	16.90 (47)	10.25 (62)	14.26 (53)	13.90 (58)	25.14 (29)
Difference	-0.26	1.11	11.59	1.35	5.82	7.59	-1.30
US Core/Large Cap Equity (SA+CF) Median	-6.53	-21.33	16.64	10.78	14.39	14.27	24.01
Total Fixed Income	8.50 (92)	-1.34 (83)	2.48 (100)	3.14 (98)	3.34 (31)	4.04 (34)	8.65 (6)
Barclays Capital U.S. Government/Credit	11.46 (71)	2.41 (54)	5.08 (61)	3.33 (97)	2.56 (91)	3.35 (82)	6.51 (26)
Difference	-2.96	-3.75	-2.60	-0.19	0.78	0.69	2.14
US Broad Market Core Fixed Income (SA+CF) Median	12.53	2.58	5.16	3.86	3.11	3.79	5.79

Returns for periods greater than one year are annualized.

Returns are expressed as percentages.

Current Total Fund Policy: 65% Russell 1000, 30% Barclays G/C, 5% Citigroup 3-Month T-Bill

Venice Police Officers' Retirement Plan

Total Fund (Net)

September 30, 2009

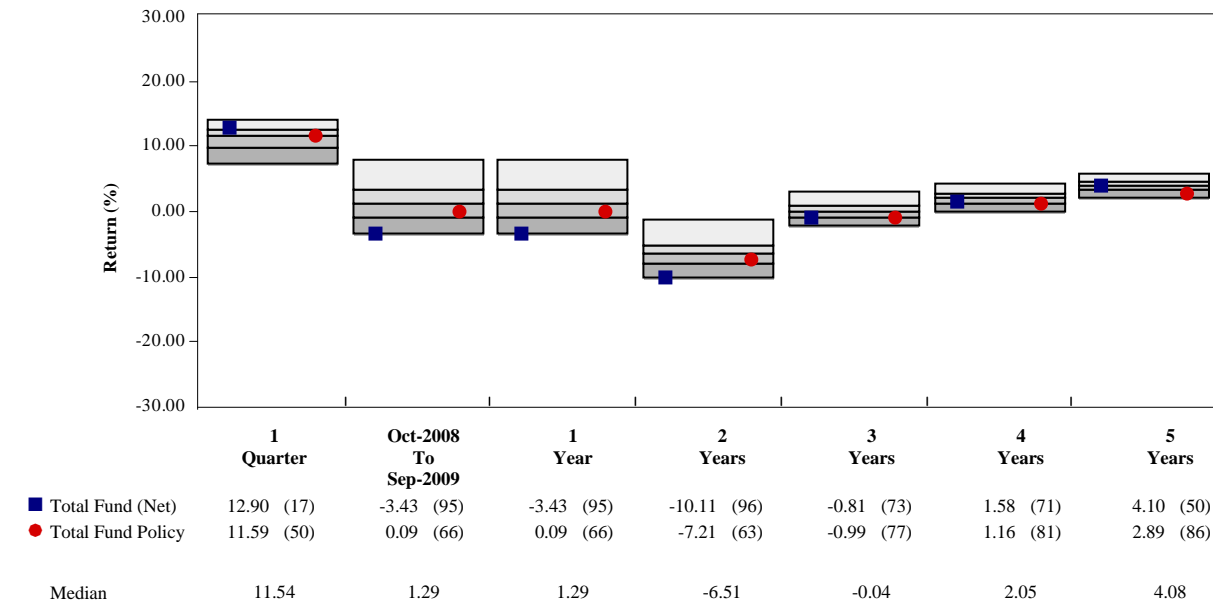
Financial Reconciliation October 1, 2008 To September 30, 2009

	Market Value As of 9/30/2008	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Total Fund (Net)	23,459	-	794	-1,836	-79	-75	632	-1,528	21,367

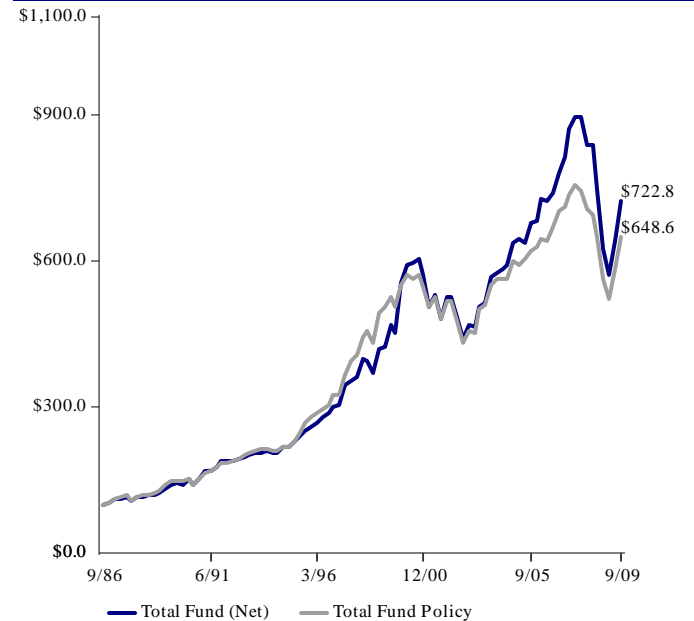
Financial Reconciliation Since Inception

	Market Value As of 7/31/1986	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Total Fund (Net)	-	-	2,195	-3,825	-214	-138	1,560	21,790	21,367

Peer Group Analysis - All Public Plans-Total Fund



Cummulative Performance



Comparative Performance

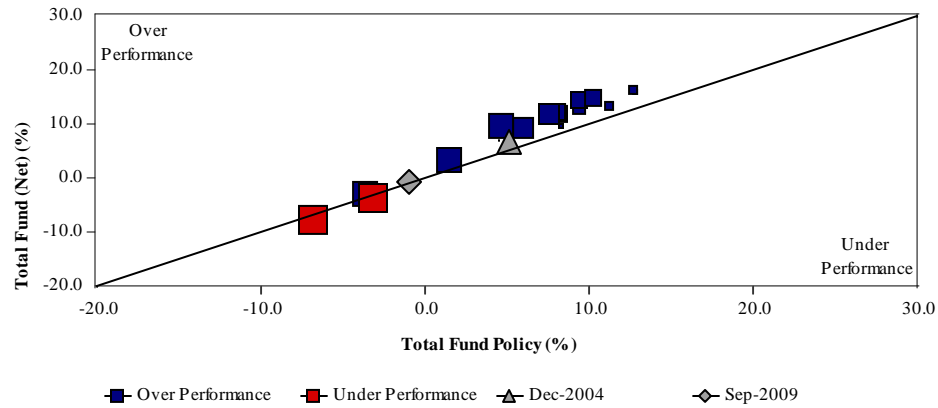
	1 Quarter Ending Jun-2009	1 Quarter Ending Mar-2009	1 Quarter Ending Dec-2008	1 Quarter Ending Sep-2008	1 Quarter Ending Jun-2008	1 Quarter Ending Mar-2008
Total Fund (Net)	12.08 (28)	-8.52 (97)	-16.57 (95)	-10.57 (94)	0.11 (21)	-6.59 (95)
Total Fund Policy	11.19 (42)	-7.06 (84)	-13.21 (60)	-6.55 (31)	-1.54 (86)	-5.45 (68)
All Public Plans-Total Fund Median	10.61	-5.66	-12.40	-7.55	-0.76	-5.01

Venice Police Officers' Retirement Plan

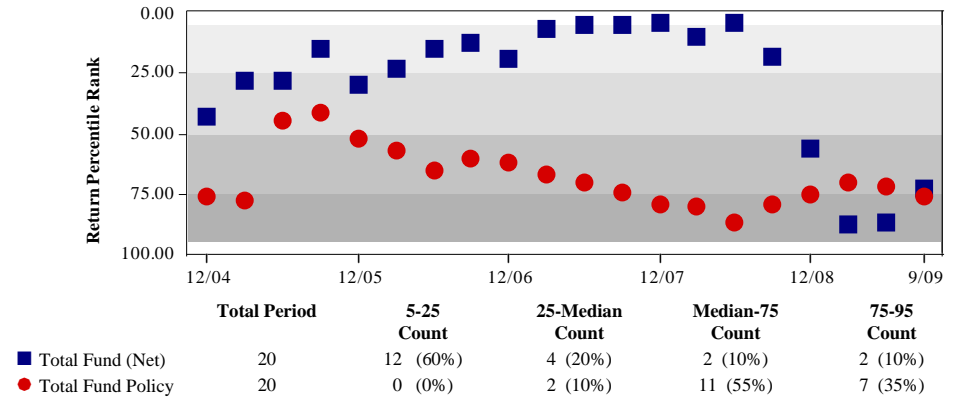
Total Fund (Net)

September 30, 2009

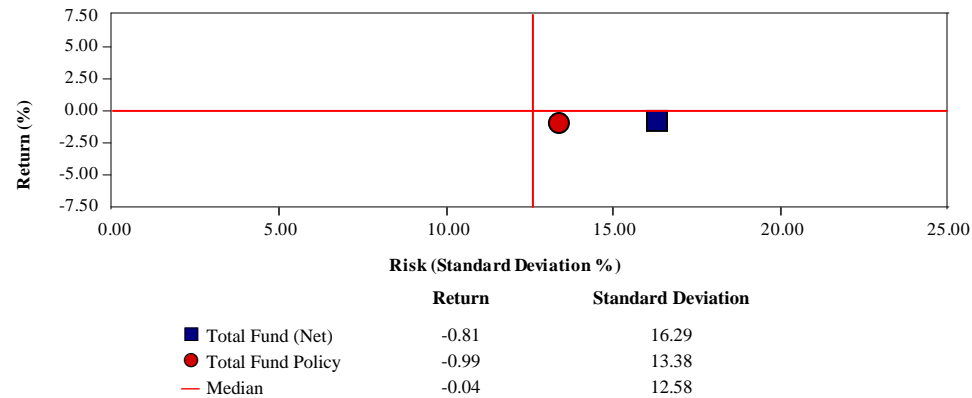
3 Yr Rolling Under/Over Performance - 5 Years



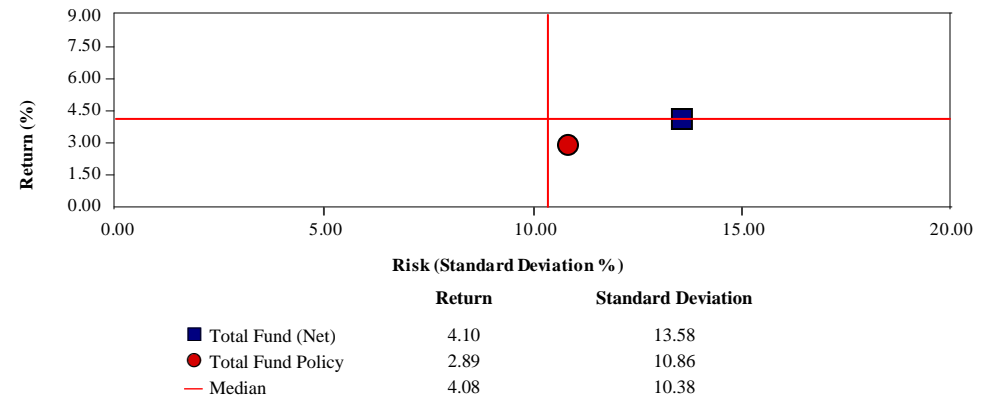
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	IR	Sharpe Ratio	Beta	Downside Risk
Total Fund (Net)	4.73	117.81	114.05	0.66	0.14	-0.13	1.18	13.38
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	-0.21	1.00	10.68

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	IR	Sharpe Ratio	Beta	Downside Risk
Total Fund (Net)	4.57	124.23	118.51	0.85	0.33	0.15	1.19	10.63
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.04	1.00	8.39

Venice Police Officers' Retirement Plan

Bowen Hanes Balanced Portfolio

September 30, 2009

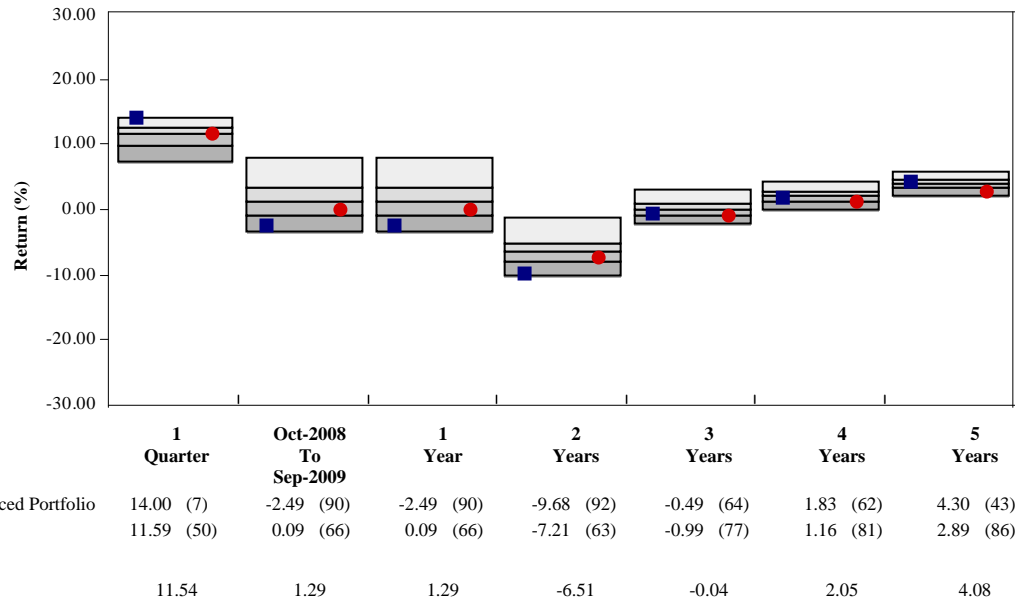
Financial Reconciliation October 1, 2008 To September 30, 2009

	Market Value As of 9/30/2008	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Bowen Hanes Balanced Portfolio	23,459	-5,233	628	-1,697	-79	-72	630	-1,512	16,126

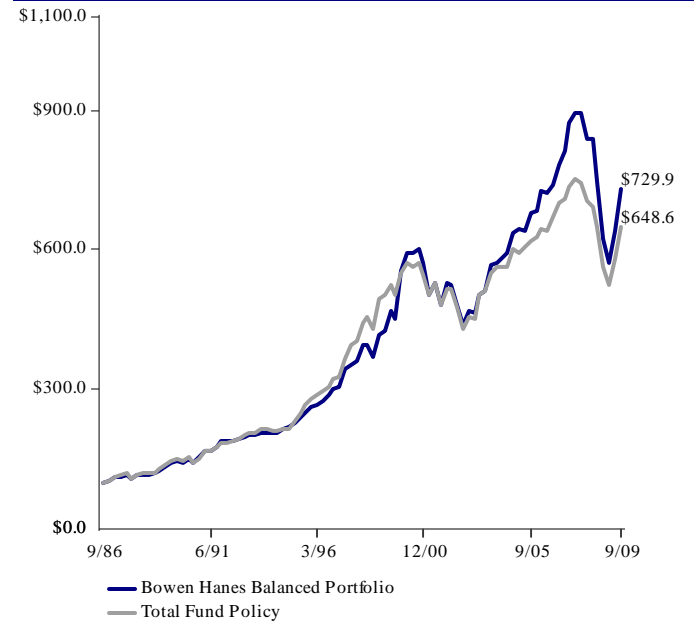
Financial Reconciliation Since Inception

	Market Value As of 7/31/1986	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Bowen Hanes Balanced Portfolio	2,325	-5,233	8,616	-9,197	-811	-135	5,728	14,834	16,126

Peer Group Analysis - All Public Plans-Total Fund



Cummulative Performance



Comparative Performance

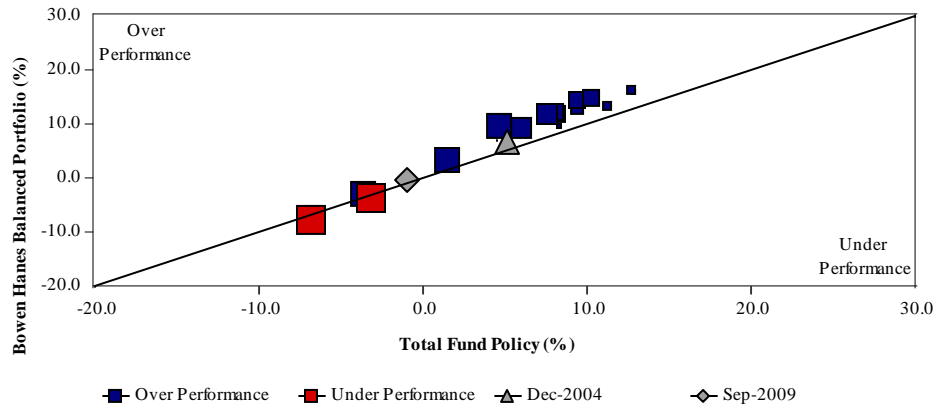
	1 Quarter Ending Jun-2009	1 Quarter Ending Mar-2009	1 Quarter Ending Dec-2008	1 Quarter Ending Sep-2008	1 Quarter Ending Jun-2008	1 Quarter Ending Mar-2008
Bowen Hanes Balanced Portfolio	12.08 (28)	-8.52 (97)	-16.57 (95)	-10.57 (94)	0.11 (21)	-6.59 (95)
Total Fund Policy	11.19 (42)	-7.06 (84)	-13.21 (60)	-6.55 (31)	-1.54 (86)	-5.45 (68)
All Public Plans-Total Fund Median	10.61	-5.66	-12.40	-7.55	-0.76	-5.01

Venice Police Officers' Retirement Plan

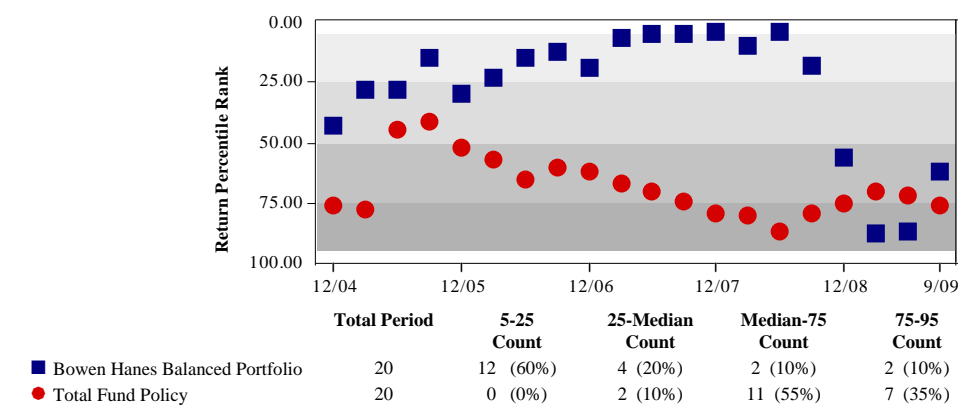
Bowen Hanes Balanced Portfolio

September 30, 2009

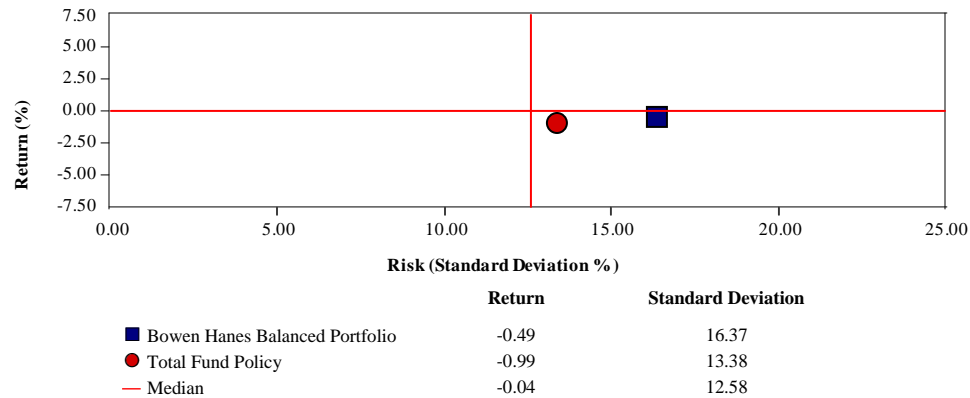
3 Yr Rolling Under/Over Performance - 5 Years



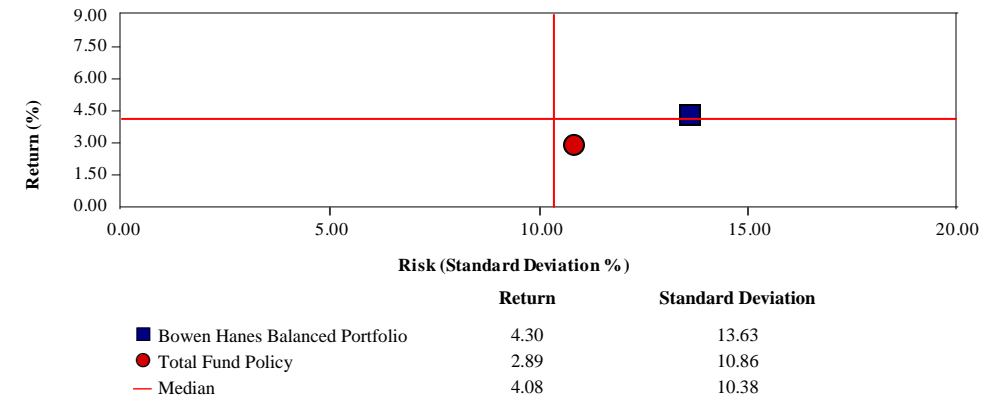
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	IR	Sharpe Ratio	Beta	Downside Risk
Bowen Hanes Balanced Portfolio	4.78	119.72	114.05	1.00	0.21	-0.11	1.18	13.38
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	-0.21	1.00	10.68

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	IR	Sharpe Ratio	Beta	Downside Risk
Bowen Hanes Balanced Portfolio	4.59	125.54	118.51	1.04	0.38	0.16	1.20	10.63
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.04	1.00	8.39

Venice Police Officers' Retirement Plan

Total Equity

September 30, 2009

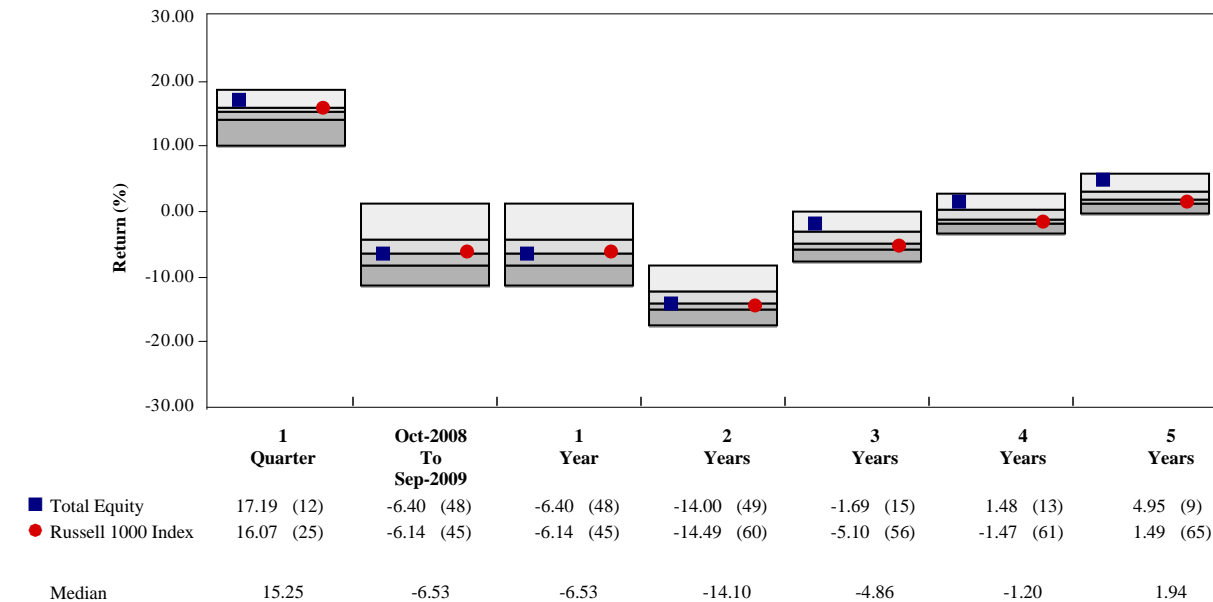
Financial Reconciliation 1 Quarter

	Market Value As of 6/30/2009	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Total Equity	19,167	-	191	-418	-19	-18	161	2,303	21,367

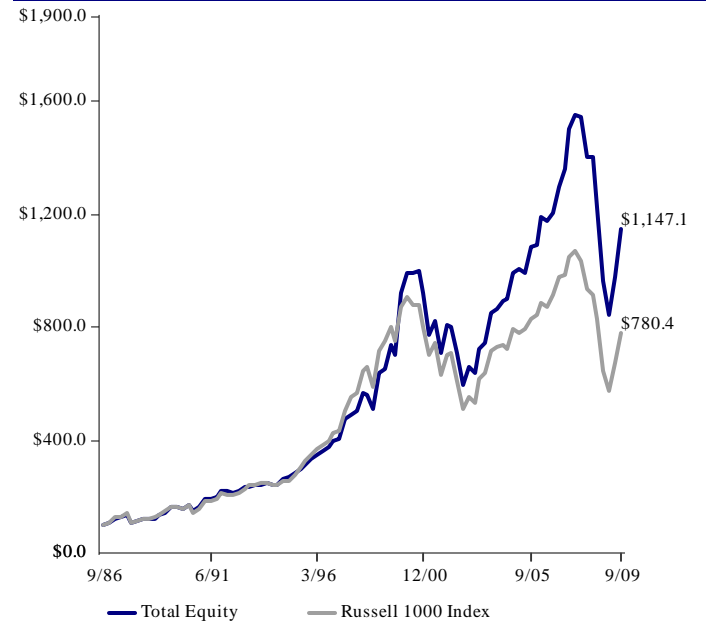
Financial Reconciliation October 1, 2008 To September 30, 2009

	Market Value As of 9/30/2008	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Total Equity	23,459	-	794	-1,836	-79	-75	632	-1,528	21,367

Peer Group Analysis - US Core/Large Cap Equity (SA+CF)



Cumulative Performance



Comparative Performance

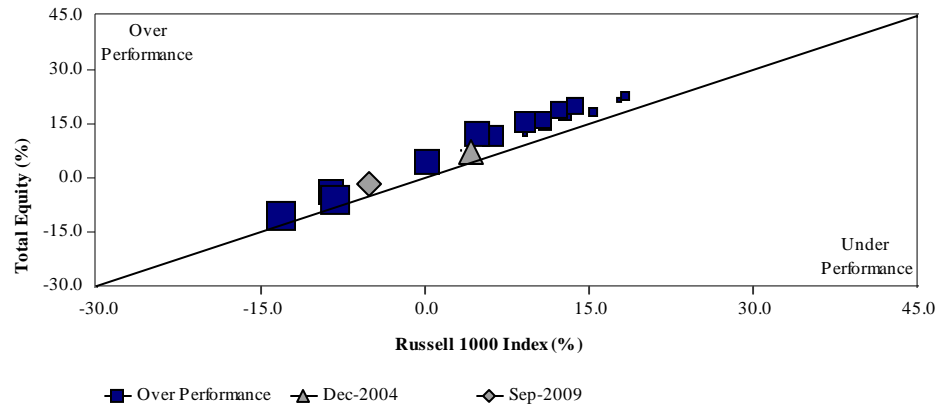
	1 Quarter Ending Jun-2009	1 Quarter Ending Mar-2009	1 Quarter Ending Dec-2008	1 Quarter Ending Sep-2008	1 Quarter Ending Jun-2008	1 Quarter Ending Mar-2008
Total Equity	15.72 (46)	-12.10 (91)	-21.48 (47)	-12.77 (88)	0.27 (26)	-9.45 (49)
Russell 1000 Index	16.50 (29)	-10.45 (50)	-22.48 (70)	-9.35 (58)	-1.89 (63)	-9.48 (52)
US Core/Large Cap Equity (SA+CF) Median	15.51	-10.47	-21.67	-8.97	-1.19	-9.46

Venice Police Officers' Retirement Plan

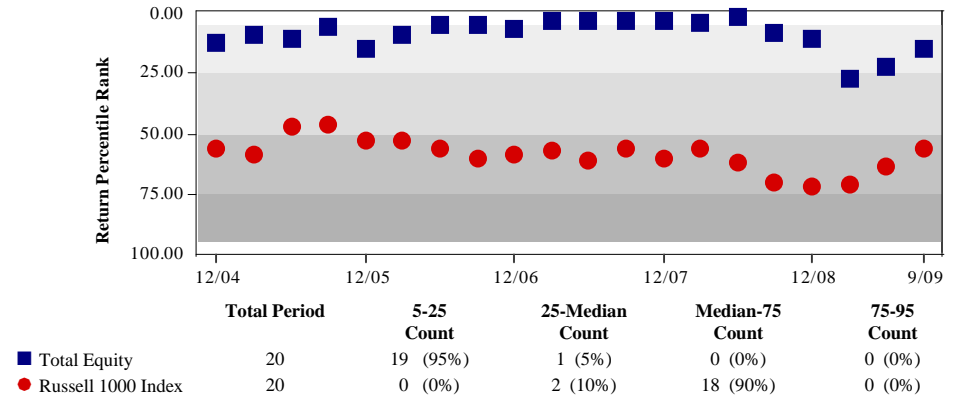
Total Equity

September 30, 2009

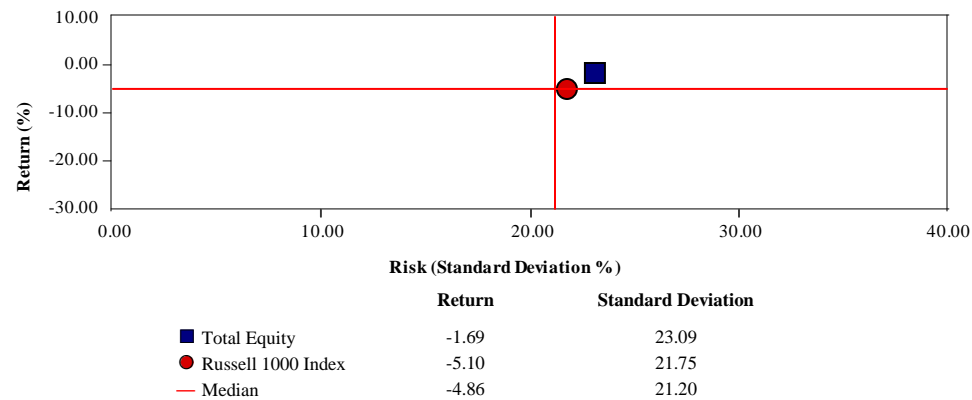
3 Yr Rolling Under/Over Performance - 5 Years



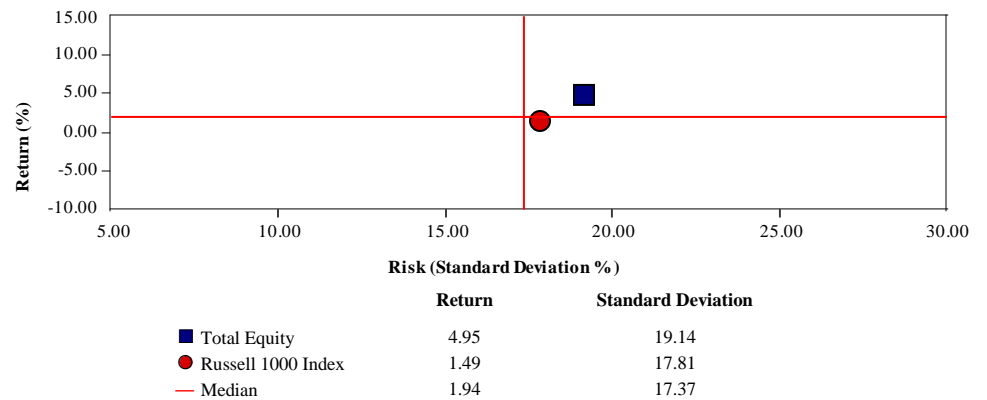
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	IR	Sharpe Ratio	Beta	Downside Risk
Total Equity	5.64	105.58	91.82	3.65	0.65	-0.11	0.99	16.30
Russell 1000 Index	0.00	100.00	100.00	0.00	N/A	-0.30	1.00	16.10

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	IR	Sharpe Ratio	Beta	Downside Risk
Total Equity	5.37	112.72	95.94	3.51	0.66	0.20	1.02	13.04
Russell 1000 Index	0.00	100.00	100.00	0.00	N/A	-0.01	1.00	12.66

Venice Police Officers' Retirement Plan

Bowen Hanes Equity

September 30, 2009

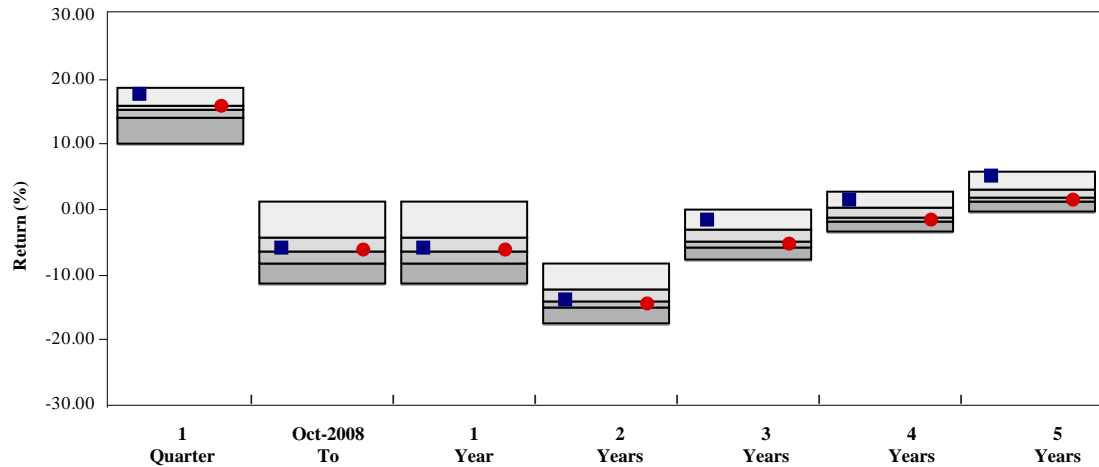
Financial Reconciliation 1 Quarter

	Market Value As of 6/30/2009	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Bowen Hanes Equity	19,167	-5,233	25	-278	-19	-15	160	2,319	16,126

Financial Reconciliation October 1, 2008 To September 30, 2009

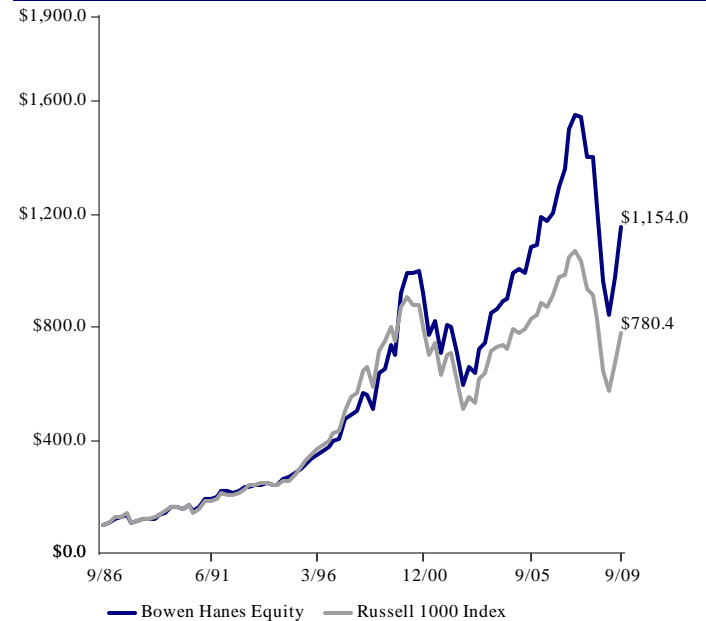
	Market Value As of 9/30/2008	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Bowen Hanes Equity	23,459	-5,233	628	-1,697	-79	-72	630	-1,512	16,126

Peer Group Analysis - US Core/Large Cap Equity (SA+CF)



■ Bowen Hanes Equity	17.89 (9)	-5.84 (41)	-5.84 (41)	-13.74 (44)	-1.49 (14)	1.63 (12)	5.08 (8)
● Russell 1000 Index	16.07 (25)	-6.14 (45)	-6.14 (45)	-14.49 (60)	-5.10 (56)	-1.47 (61)	1.49 (65)
Median	15.25	-6.53	-6.53	-14.10	-4.86	-1.20	1.94

Cumulative Performance



Comparative Performance

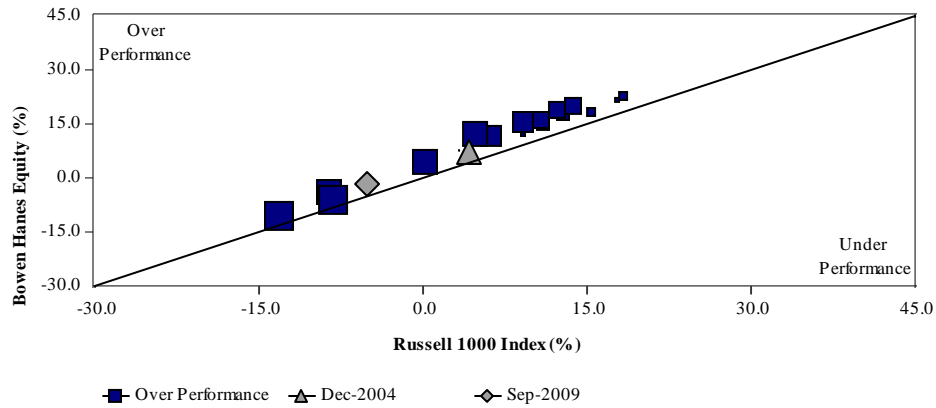
	1 Quarter Ending Jun-2009	1 Quarter Ending Mar-2009	1 Quarter Ending Dec-2008	1 Quarter Ending Sep-2008	1 Quarter Ending Jun-2008	1 Quarter Ending Mar-2008
Bowen Hanes Equity	15.72 (46)	-12.10 (91)	-21.48 (47)	-12.77 (88)	0.27 (26)	-9.45 (49)
Russell 1000 Index	16.50 (29)	-10.45 (50)	-22.48 (70)	-9.35 (58)	-1.89 (63)	-9.48 (52)
US Core/Large Cap Equity (SA+CF) Median	15.51	-10.47	-21.67	-8.97	-1.19	-9.46

Venice Police Officers' Retirement Plan

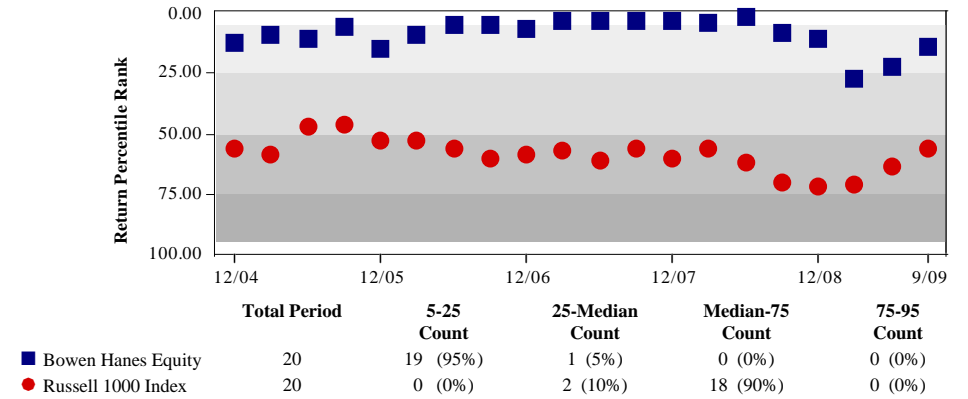
Bowen Hanes Equity

September 30, 2009

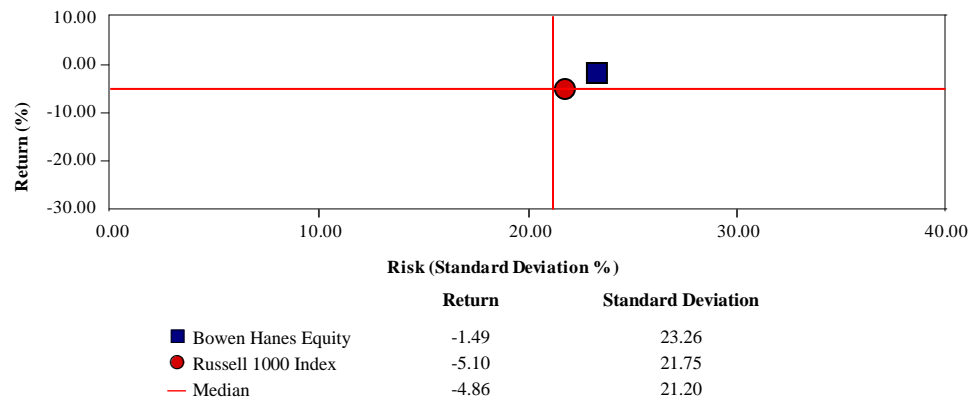
3 Yr Rolling Under/Over Performance - 5 Years



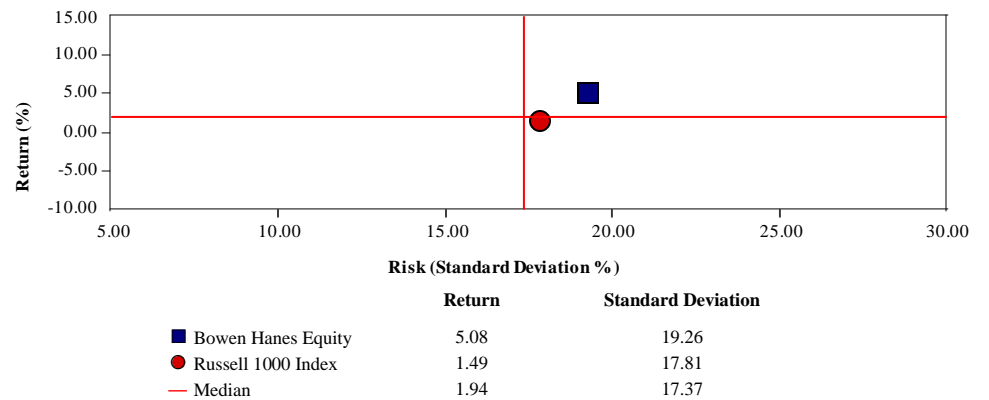
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	IR	Sharpe Ratio	Beta	Downside Risk
Bowen Hanes Equity	5.67	106.42	91.82	3.87	0.68	-0.10	1.00	16.30
Russell 1000 Index	0.00	100.00	100.00	0.00	N/A	-0.30	1.00	16.10

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	IR	Sharpe Ratio	Beta	Downside Risk
Bowen Hanes Equity	5.39	113.29	95.94	3.63	0.68	0.20	1.02	13.04
Russell 1000 Index	0.00	100.00	100.00	0.00	N/A	-0.01	1.00	12.66

Venice Police Officers' Retirement Plan

Total Fixed Income

September 30, 2009

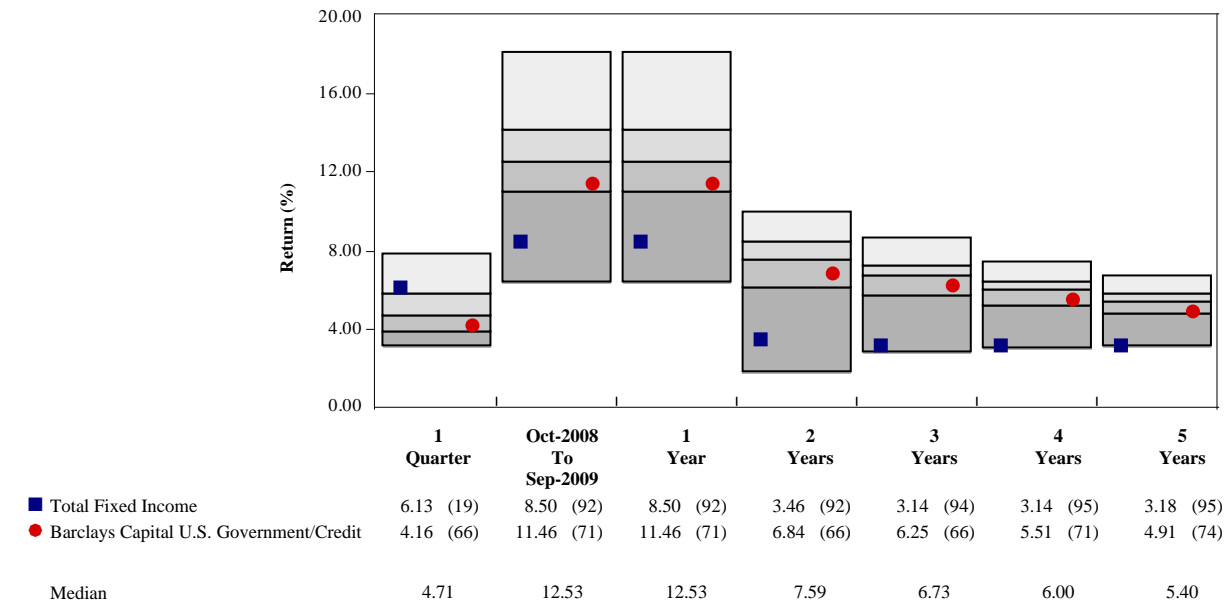
Financial Reconciliation 1 Quarter

	Market Value As of 6/30/2009	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Total Fixed Income	19,167	-	191	-418	-19	-18	161	2,303	21,367

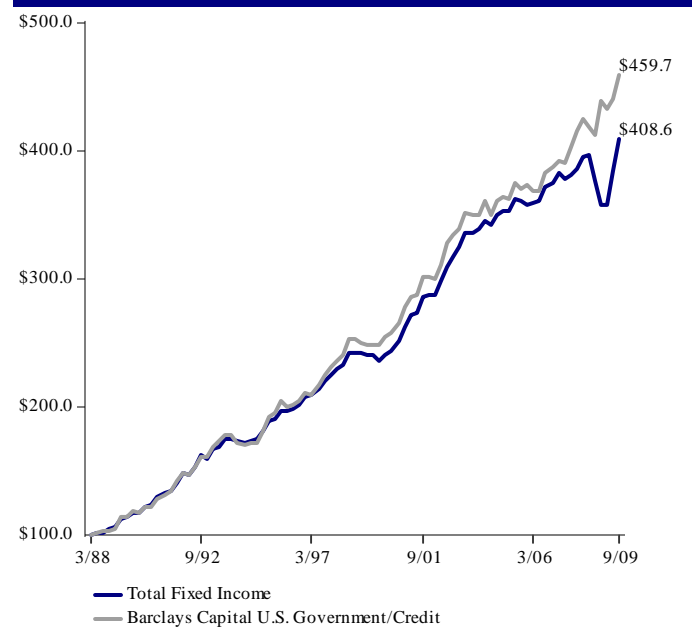
Financial Reconciliation October 1, 2008 To September 30, 2009

	Market Value As of 9/30/2008	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Total Fixed Income	23,459	-	794	-1,836	-79	-75	632	-1,528	21,367

Peer Group Analysis - US Broad Market Core Fixed Income (SA+CF)



Cumulative Performance



Comparative Performance

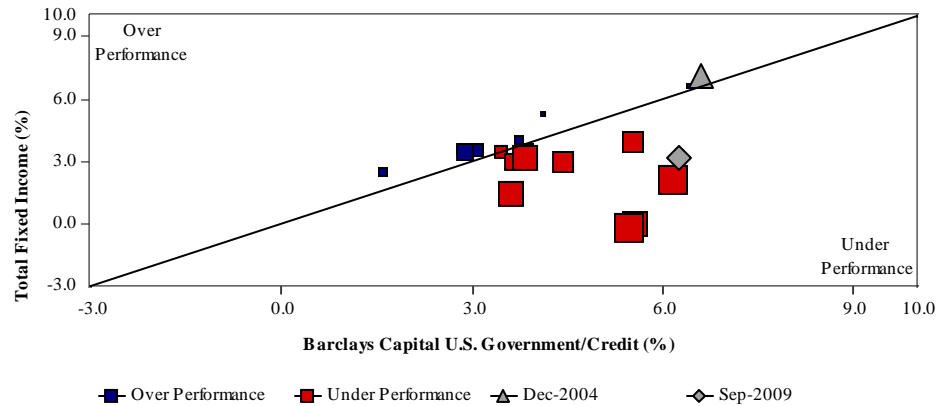
	1 Quarter Ending Jun-2009	1 Quarter Ending Mar-2009	1 Quarter Ending Dec-2008	1 Quarter Ending Sep-2008	1 Quarter Ending Jun-2008	1 Quarter Ending Mar-2008
Total Fixed Income	7.78 (6)	-0.23 (76)	-4.93 (97)	-5.16 (96)	0.31 (3)	2.39 (32)
Barclays Capital U.S. Government/Credit	1.85 (84)	-1.27 (92)	6.42 (13)	-1.64 (56)	-1.51 (88)	2.53 (27)
US Broad Market Core Fixed Income (SA+CF) Median	3.35	0.48	3.80	-1.42	-0.95	1.99

Venice Police Officers' Retirement Plan

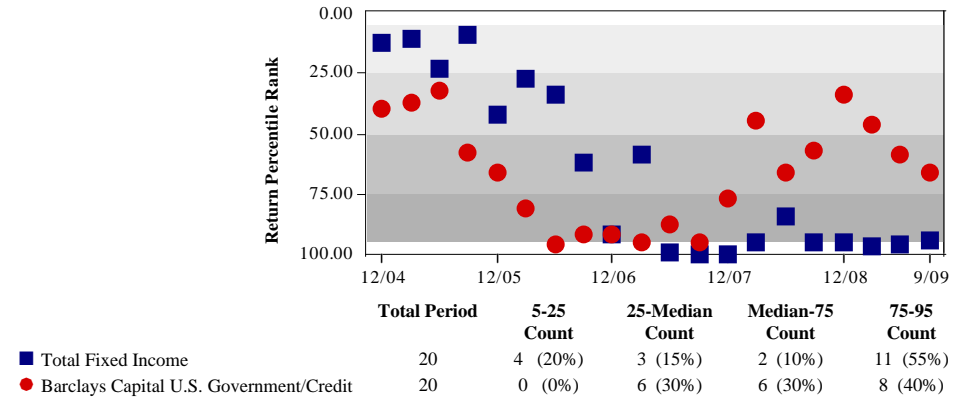
Total Fixed Income

September 30, 2009

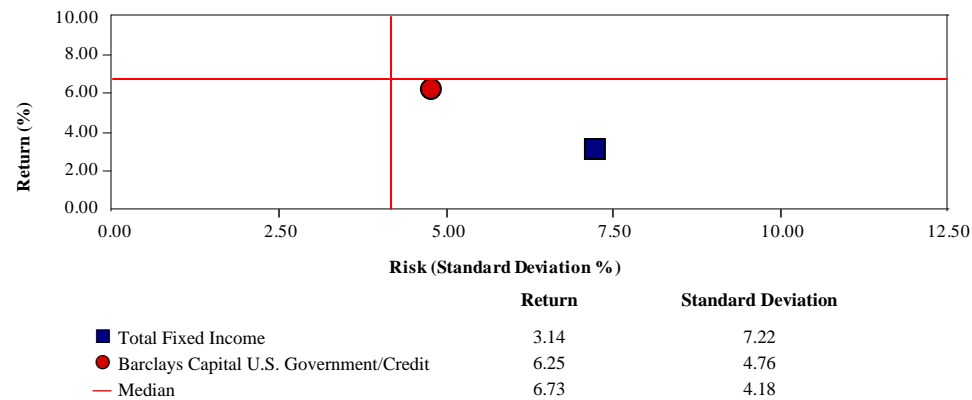
3 Yr Rolling Under/Over Performance - 5 Years



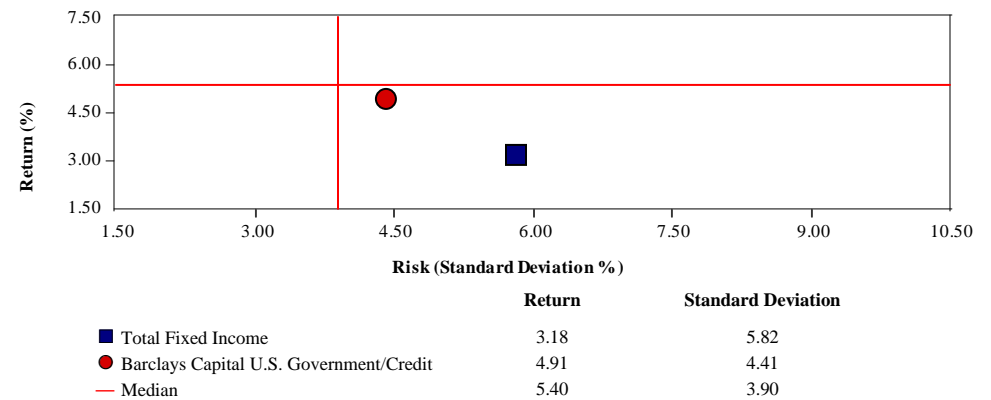
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	IR	Sharpe Ratio	Beta	Downside Risk
Total Fixed Income	8.43	115.25	207.90	-5.47	-0.30	0.09	1.48	8.28
Barclays Capital U.S. Government/Credit	0.00	100.00	100.00	0.00	N/A	0.68	1.00	2.49

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	IR	Sharpe Ratio	Beta	Downside Risk
Total Fixed Income	6.64	100.83	139.34	-2.78	-0.21	0.06	1.28	6.47
Barclays Capital U.S. Government/Credit	0.00	100.00	100.00	0.00	N/A	0.43	1.00	2.27

Venice Police Officers' Retirement Plan

Bowen Hanes Fixed Income

September 30, 2009

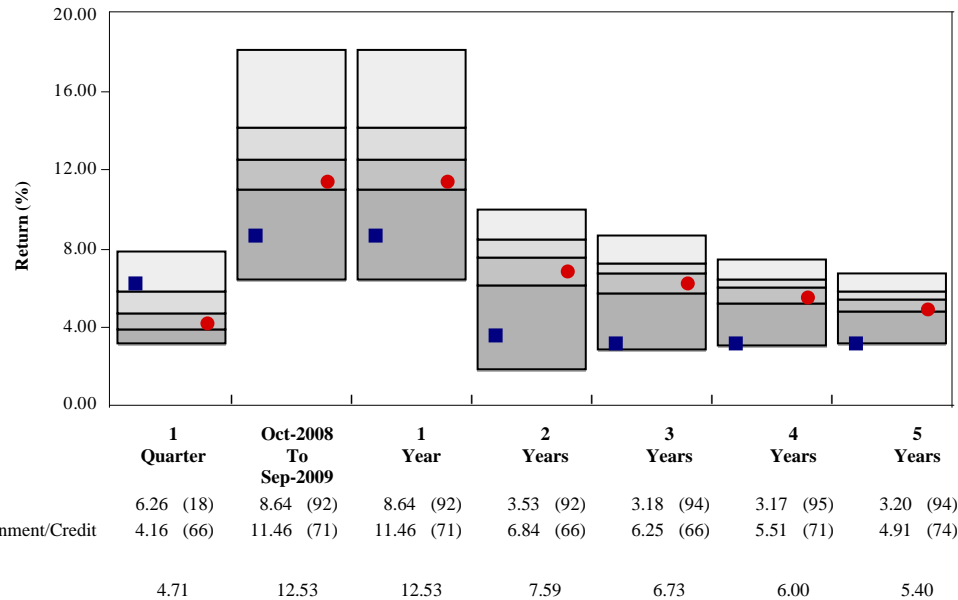
Financial Reconciliation 1 Quarter

	Market Value As of 6/30/2009	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Bowen Hanes Fixed Income	19,167	-5,233	25	-278	-19	-15	160	2,319	16,126

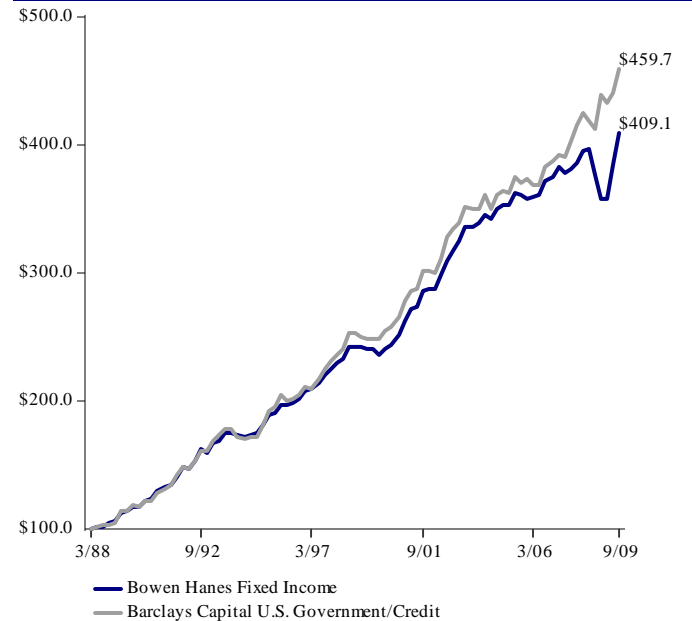
Financial Reconciliation October 1, 2008 To September 30, 2009

	Market Value As of 9/30/2008	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprec.	Market Value As of 9/30/2009
Bowen Hanes Fixed Income	23,459	-5,233	628	-1,697	-79	-72	630	-1,512	16,126

Peer Group Analysis - US Broad Market Core Fixed Income (SA+CF)



Cumulative Performance



Comparative Performance

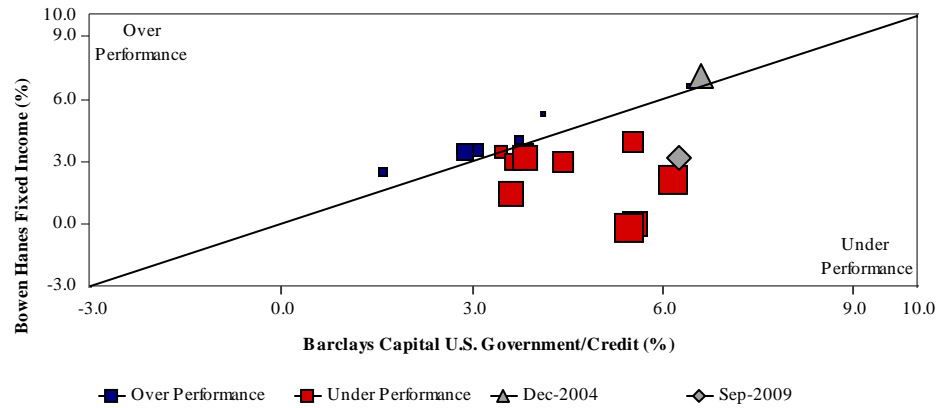
	1 Quarter Ending Jun-2009	1 Quarter Ending Mar-2009	1 Quarter Ending Dec-2008	1 Quarter Ending Sep-2008	1 Quarter Ending Jun-2008	1 Quarter Ending Mar-2008
Bowen Hanes Fixed Income	7.78 (6)	-0.23 (76)	-4.93 (97)	-5.16 (96)	0.31 (3)	2.39 (32)
Barclays Capital U.S. Government/Credit	1.85 (84)	-1.27 (92)	6.42 (13)	-1.64 (56)	-1.51 (88)	2.53 (27)
US Broad Market Core Fixed Income (SA+CF) Median	3.35	0.48	3.80	-1.42	-0.95	1.99

Venice Police Officers' Retirement Plan

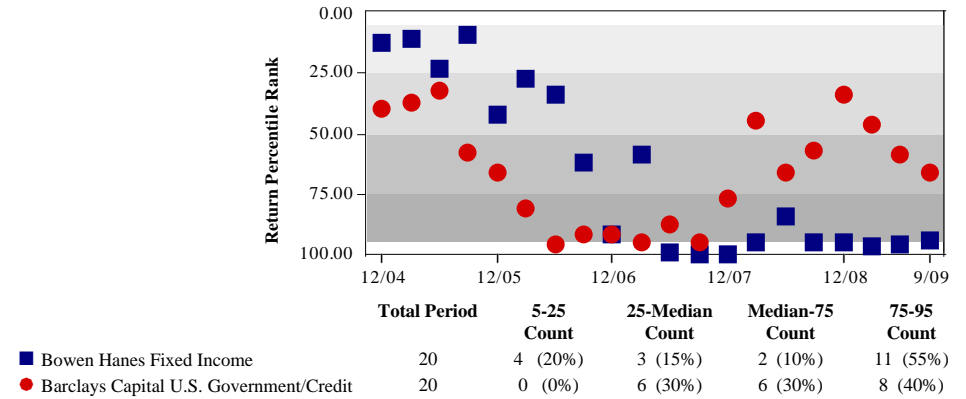
Bowen Hanes Fixed Income

September 30, 2009

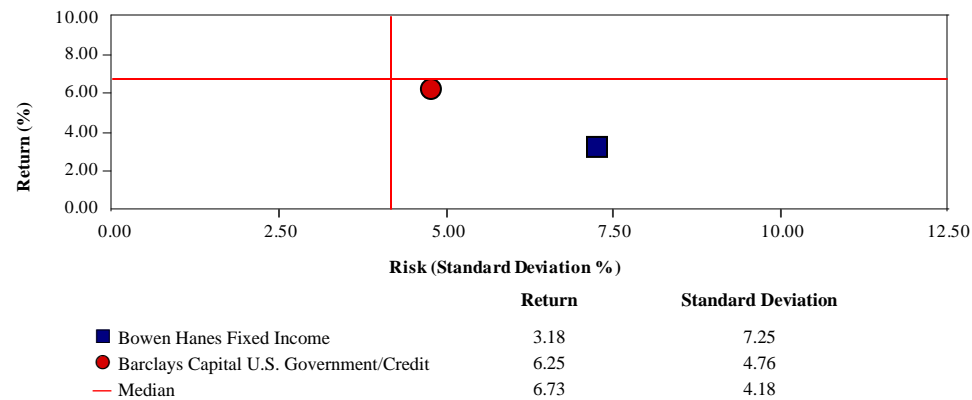
3 Yr Rolling Under/Over Performance - 5 Years



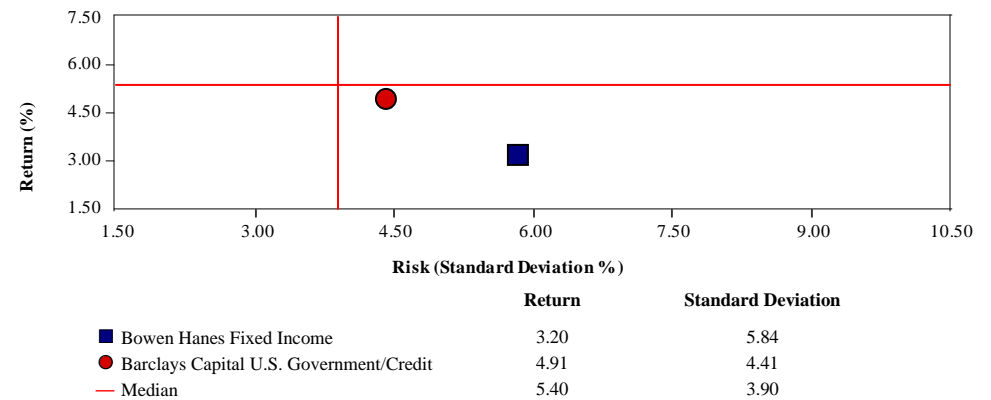
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	IR	Sharpe Ratio	Beta	Downside Risk
Bowen Hanes Fixed Income	8.43	115.67	207.90	-5.44	-0.29	0.09	1.48	8.28
Barclays Capital U.S. Government/Credit	0.00	100.00	100.00	0.00	N/A	0.68	1.00	2.49

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	IR	Sharpe Ratio	Beta	Downside Risk
Bowen Hanes Fixed Income	6.65	101.12	139.34	-2.76	-0.21	0.06	1.28	6.47
Barclays Capital U.S. Government/Credit	0.00	100.00	100.00	0.00	N/A	0.43	1.00	2.27

City of Venice Police Officers' Retirement Fund

Compliance Checklist as of 9/30/2009

Total Fund Compliance:				Yes	No	N/A
1.	The Total Plan return equaled or exceeded the 8% 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.	The Total Plan standard deviation was equal to or less than 120% of the total plan benchmark over the trailing three and five year periods.				✓	

Equity Compliance:				Yes	No	N/A
1.	Total equity returns meet or exceed the benchmark over the trailing three and five year periods.			✓		
2.	Total equity returns ranked within the top 40th percentile of its peer group over the trailing three and five year periods.			✓		
3.	The total equity allocation was less than 85% of the total plan assets at market.			✓		
4.	The total equity allocation was less than 65% of the total plan assets at cost.			✓		
6.	Total foreign equity was less than 10% of the total plan assets at cost.			✓		

Fixed Income Compliance:				Yes	No	N/A
1.	Total fixed income returns meet or exceed 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.	The average quality of the fixed portfolio was investment grade or better.			✓		
4.	No more than 25% of the fixed income portfolio was rated below BBB/Baa.			✓		

Manager Compliance:	BH-EQ			BH-FX											
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
1. Manager outperformed the index over the trailing three and five year periods.	✓				✓										
2. Manager ranked within the top 50th percentile over trailing three and five year periods.	✓				✓										
3. Less than four consecutive quarters of under performance relative to the benchmark.	✓				✓										
4. Three-year down-market capture ratio less than the index.	✓				✓										
5. Standard deviation <= 150% of the index over the trailing three and five year periods.	✓				✓										

Venice Police Officers' Retirement Plan
Total Fund Policy
As of September 30, 2009

Allocation Mandate	Weight (%)
Effective Date: Aug-1986	
Citigroup 3 Month T-Bill	55.00
Russell 1000 Index	45.00
Effective Date: Jan-1988	
Russell 1000 Index	50.00
Barclays Capital U.S. Government/Credit	45.00
Citigroup 3 Month T-Bill	5.00
Effective Date: Jul-1989	
Russell 1000 Index	55.00
Barclays Capital U.S. Government/Credit	40.00
Citigroup 3 Month T-Bill	5.00
Effective Date: Jul-1990	
Russell 1000 Index	60.00
Barclays Capital U.S. Government/Credit	35.00
Citigroup 3 Month T-Bill	5.00
Effective Date: Jul-1991	
Russell 1000 Index	55.00
Barclays Capital U.S. Government/Credit	20.00
Citigroup 3 Month T-Bill	25.00
Effective Date: Jan-1993	
Russell 1000 Index	45.00
Barclays Capital U.S. Government/Credit	15.00
Citigroup 3 Month T-Bill	40.00
Effective Date: Apr-1994	
Russell 1000 Index	50.00
Barclays Capital U.S. Government/Credit	35.00
Citigroup 3 Month T-Bill	15.00
Effective Date: Apr-1995	
Russell 1000 Index	65.00

Allocation Mandate	Weight (%)
Barclays Capital U.S. Government/Credit	25.00
Citigroup 3 Month T-Bill	10.00
Effective Date: Jul-1996	
Russell 1000 Index	70.00
Barclays Capital U.S. Government/Credit	25.00
Citigroup 3 Month T-Bill	5.00
Effective Date: Jan-1999	
Russell 1000 Index	60.00
Barclays Capital U.S. Government/Credit	35.00
Citigroup 3 Month T-Bill	5.00
Effective Date: Apr-2000	
Russell 1000 Index	65.00
Barclays Capital U.S. Government/Credit	30.00
Citigroup 3 Month T-Bill	5.00

**Venice Police Officers' Retirement Plan
Benchmark History
As of September 30, 2009**

Total Equity Policy

Allocation Mandate	Weight (%)
Effective Date: Aug-1986	
Russell 1000 Index	100.00

Total Fixed Income Policy

Allocation Mandate	Weight (%)
Effective Date: Mar-1988	
Barclays Capital U.S. Government/Credit	100.00

Statistics Definitions

Statistics	Description
Return	-- Compounded rate of return for the period.
Standard Deviation	-- A statistical measure of the range of a portfolio's performance, the variability of a return around its average return over a specified time period.
Sharpe Ratio	-- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.
Alpha	-- A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market, or a portfolio's non-systematic return.
Beta	-- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk.
R-Squared	-- The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Square means a higher correlation of the portfolio's performance to the appropriate benchmark.
Treynor Ratio	-- Similar to Sharpe ratio, but focuses on beta rather than excess risk (standard deviation). Represents the excess rate of return over the risk free rate divided by the beta. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.
Downside Risk	-- A measure similar to standard deviation, but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.
Tracking Error	-- A measure of the standard deviation of a portfolio's performance relative to the performance of an appropriate market benchmark.
Information Ratio	-- Measured by dividing the active rate of return by the tracking error. The higher the Information Ratio, the more value-added contribution by the manager.
Consistency	-- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.
Excess Return	-- Arithmetic difference between the managers return and the risk-free return over a specified time period.
Active Return	-- Arithmetic difference between the managers return and the benchmark return over a specified time period.
Excess Risk	-- A measure of the standard deviation of a portfolio's performance relative to the risk free return. --
Up Market Capture	-- The ratio of average portfolio return over the benchmark during periods of positive benchmark return. Higher values indicate better product performance.
Down Market Capture	-- The ratio of average portfolio return over the benchmark during periods of negative benchmark return. Lower values indicate better product performance.

Calculation based on monthly periodicity.

Chicago
4320 Winfield Road Suite 200
Warrenville, Illinois 60555

Orlando
4901 Vineland Road, Suite 600
Orlando, Florida 32811
866.240.7932

Milwaukee
250 E. Wisconsin Ave Suite 1800
Milwaukee, Wisconsin 53202

