

# CITY OF FORT LAUDERDALE POLICE AND FIRE RETIREMENT SYSTEM

PERFORMANCE REVIEW SEPTEMBER 30, 2015



## TABLE OF CONTENTS

Capital Markets Review	1
Performance Review	
Total Fund	2
<b>Domestic Equity</b>	3
International Equity	4
Fixed Income	5
Alternative Investments	6
<b>Investment Policy Statement</b>	7
Appendix	8
Important Disclaimer Information	9



#### IMPORTANT DISCLAIMER INFORMATION

This report has been created as a courtesy for the clients of CapTrust Advisors, LLC.

The information contained herein was taken from sources believed to be reliable, but no representation or warranty is made as to its accuracy or completeness.

Performance Comparison Page Information:

Shaded areas represent where the investment objective was achieved either by:

- 1) The investment return versus the index;
- 2) The investment return universe ranking (The lower the number the better the ranking)

Due to methodologies utilized by our systems, the performance results presented are calculated and presented beginning on the last day of an account's inception month. Results do not include the interim period from an account's inception date to an account's first month-end. For example, for an account that has an inception date of March 15, this report begins measuring performance as of March 31. Omission of performance during this interim period is likely to result in different performance figures than if the interim period's performance was included in this report.

When applicable, any investment results depicted represent historical net of fees performance.

Past performance is no guarantee of future performance.

This report is not the official record of your account. However, it has been prepared to assist you with your investment planning and is for information purposes only. Your Client Statement is the official record of your account. Therefore, if there are any discrepancies between this report and your Client Statement, you should rely on the Client Statement and call your Financial Advisor if you have any questions. Transactions requiring tax consideration should be reviewed carefully with your accountant or tax advisor. This is not a substitute for your own records and the year-end 1099 form. Cost data and acquisition dates provided by you are not verified by CapTrust Advisors, LLC.

Indices are unmanaged and you cannot invest directly in an index.

For index definitions, please see the Capital Markets Review.





Index	QTR	YTD	1Yr	3 Yr	5 Yr	10 Yr
Domestic Fixed Income						
3 month T-Bill	0.01%	0.02%	0.02%	0.06%	0.08%	1.33%
Barclays Capital 1-3 year Gov't	0.32%	1.01%	1.20%	0.70%	0.79%	2.62%
Barclays Capital Interm Gov't	1.21%	2.03%	3.00%	1.10%	1.88%	3.85%
Barclays Capital Interm Credit	0.54%	1.36%	2.17%	2.09%	3.47%	4.91%
Barclays Capital Interm Govt/Cred	0.95%	1.77%	2.68%	1.45%	2.42%	4.17%
Barclays Capital Aggregate Bond	1.23%	1.13%	2.94%	1.71%	3.10%	4.64%
Domestic Equity						
Standard & Poor's 500	-6.44%	-5.29%	-0.61%	12.40%	13.34%	6.80%
Dow Jones Industrial Average	-6.98%	-6.95%	-2.11%	9.26%	11.38%	7.17%
Wilshire 5000 Total Market	-6.91%	-5.36%	-0.38%		13.17%	6.97%
Wilshire US REIT	2.88%	-3.01%	11.66%	10.09%	12.52%	6.81%
Russell 1000 - Large Cap	-6.83%	-5.24%	-0.61%	12.66%	13.42%	6.95%
Russell 1000 Growth - Large Cap	-5.29%	-1.54%	3.17%		14.47%	8.09%
Russell 1000 Value - Large Cap	-8.39%	-8.96%	-4.42%		12.29%	5.71%
Russell Midcap	-8.01%	-5.84%	-0.25%	13.91%	13.40%	7.87%
Russell Midcap Growth	-7.99%	-4.15%	1.45%	13.98%		8.09%
Russell Midcap Value	-8.04%	-7.66%	-2.07%		13.15%	7.42%
Russell 2000 - Small Cap	-11.92%	-7.73%	1.25%	11.02%	11.73%	6.55%
Russell 2000 Growth - Small Cap	-13.06%		4.04%	12.85%		7.67%
Russell 2000 Value - Small Cap	-10.73%	-10.06%	-1.60%	9.18%	10.17%	5.35%
International Equity						
MSCI World	-8.45%	-6.04%	-5.09%	8.58%	8.29%	4.73%
MSCI EAFE	-10.23%		-8.66%	5.63%	3.98%	2.97%
MSCI ACWI ex US	-12.17%	-8.63%	-12.16%	2.34%	1.82%	3.03%
MSCI EM	-17.90%	-15.47%	-19.28%	-5.27%	-3.58%	4.27%
Blended Benchmarks						
25% S&P 500 / 5% MSCI EAFE / 70% Barclays Agg	-1.26%	-0.80%	1.47%	4.58%	5.70%	5.09%
30% S&P 500 / 10% MSCI EAFE / 60% Barclays Agg	-2.22%	-1.44%	0.71%	5.31%	6.26%	5.12%
35% S&P 500 / 15% MSCI EAFE / 50% Barclays Agg	-3.17%	-2.08%	-0.04%	6.04%	6.81%	5.14%
40% S&P 500 / 20% MSCI EAFE / 40% Barclays Agg	-4.13%	-2.72%	-0.80%	6.77%	7.37%	5.17%
45% S&P 500 / 25% MSCI EAFE / 30% Barclays Agg	-5.09%	-3.36%	-1.56%	7.50%	7.93%	5.19%

This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

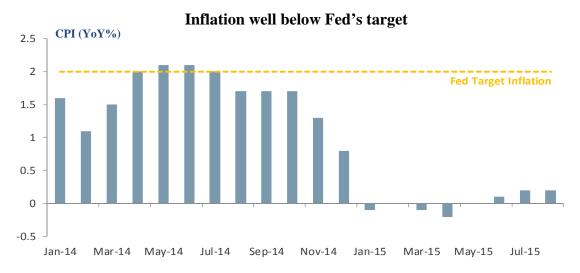
Data Sources: Morningstar



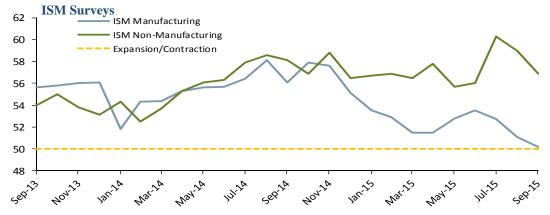
#### **Capital Markets Overview**

#### Economic growth is steady, while inflation remains subdued

- ➤ U.S. GDP growth rebounded more than expected in the second quarter, rising by 3.9 percent annualized. Consumer spending was strong, climbing 3.6 percent. Residential investment jumped 9.3 percent, while nonresidential fixed investment rose 4.1 percent.
- ➤ Inflation has been firming lately but remains well below the Federal Reserve's (Fed) target of 2.0 percent. Headline Consumer Price Index (CPI) rose 0.1 percent in July and 0.2 percent year-over-year. Core prices rose 0.1 percent in the month and 1.8 percent year-over-year.
- ➤ The Institute for Supply Management (ISM) Manufacturing survey slid to 50.2 points in September, while the Services survey fell to 56.9 points. Within the Manufacturing survey, new orders came in at one of the slowest rates of the recovery; within the Services survey, new orders slowed somewhat, while employment strengthened. Both surveys continue to indicate economic expansion.



#### ISM non-manufacturing falls but remains expansionary in September



This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

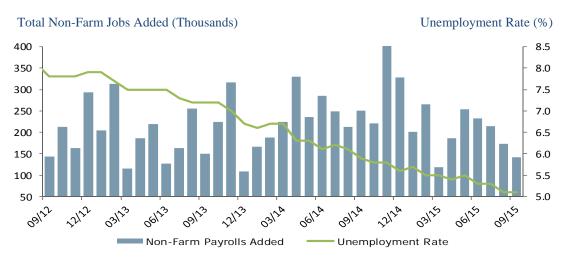
Data Source: Bloomberg, 10/2/2015



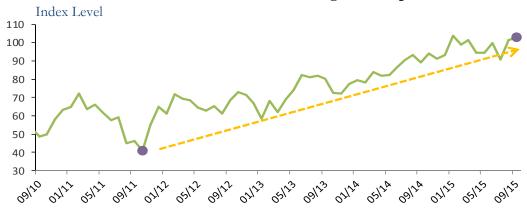
#### Consumers remain optimistic despite market turmoil

- September's U.S. employment report came in below expectations with 142,000 new jobs created. The two prior months were revised lower by 59,000 jobs. The average workweek declined slightly and wages grew by 0.2 percent in the month and 2.2 percent year-over-year. The unemployment rate remained at a cycle low of 5.1 percent.
- Housing starts declined 3.0 percent in August, while building permits got back on track, rising 3.5 percent in the month. Existing-home sales declined 4.8 percent in August to a seasonally-adjusted 5.31-million-unit pace. New-home sales climbed 5.7 percent in August to a seasonally-adjusted annual rate of 552,000 units. This is the highest rate for new-home sales since February 2008.
- After surging in August, consumer confidence climbed further in September. Despite heightened stock market volatility, the present situation component (which measures current sentiment) jumped by five points to the highest reading of the recovery. The expectations component (which measures outlook) declined, however, income expectations (outlook for income) increased. Inflation expectations edged higher as well.

#### Jobs report missed expectations but still posted solid numbers in September



#### Consumer confidence moves higher in September



This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

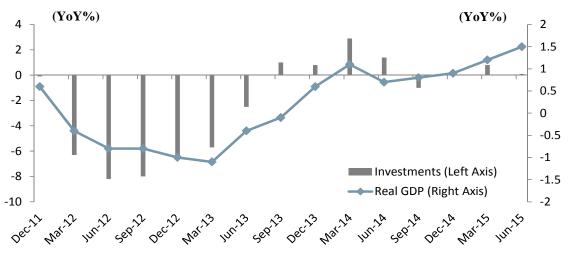
Data Source: FactSet 10/2/2015



#### Mixed economic results outside of the U.S.

- In September the E.U. statistics office Eurostat reported that the Eurozone economy expanded 1.5 percent on a year-over-year basis during the second quarter. While still below historical averages, the recent reading reflects a five-quarter reacceleration in broad measures of economic growth, confirming the improvements that we have been tracking in our own work.
- Economic reports out of Japan were disappointingly received in September as uncertainties surrounding a China-related economic slowdown weighed on Japanese trade and manufacturing activity. Nevertheless, policymakers at the Bank of Japan in September decided against additional stimulus measures, citing a rebound in the country's services sector, labor market and household consumption.
- ➤ In August, growth in Chinese retail sales climbed 10.8 percent on a year-over-year basis after slowing to a decade's low in April, while services Purchasing Managers Indexes (PMIs) remain in expansionary territory. Credit as a measure of money supply reaccelerated to a 13-month high in August after falling to a multi-year low in April, suggesting to us that the significant policy easing measures taken by the People's Bank of China are now starting to make their way through the financial system.

#### Weak investment activity have been holding back Eurozone growth potential



#### Growth in China's money supply has reaccelerated



This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

Data Source: Bloomberg Finance, LLP, 10/2/2015



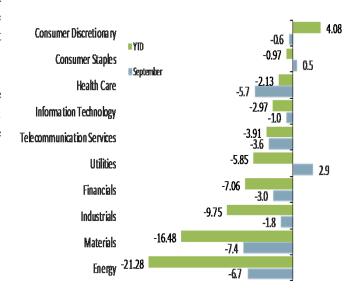
## Global equity markets continue their decline in September

- Equity markets around the globe struggled to regain their footing after the August selloff, ending the September with further declines and capping the worst quarter for stocks since the third quarter of 2011. Growing concerns over global economic growth and continued uncertainty over Fed actions were the primary contributors.
- Although large-cap U.S. stocks started to rally late in the month, the S&P 500 Index still ended with a decline of 2.5 percent. Commodity-related stocks led declines as the Energy and Materials sectors both dropped by more than six percent.
- ➤ Small- and mid-cap stocks trailed large-cap stocks by a significant margin. Both indices now trail the S&P 500 on a year-to-date basis.
- ➤ International developed markets declined broadly. All of the major countries in the MSCI EAFE index declined, led by Spain at more than seven percent, Japan and Germany.
- On a relative basis, emerging markets were the best-performing equity class in September. South Korea and India were in slightly positive territory, while Brazil fell nearly 12 percent.

## Stock Market Total Returns\*\* Period Ending September 30, 2015

Equity Indexes	Sep	QTD	YTD	1 Year	3 Year*	5 Year*
MSCI All Country						
World	-3.6%	-9.3%	-6.6%	-6.2%	7.5%	7.4%
S&P 500	-2.5%	-6.4%	-5.3%	-0.6%	12.4%	13.3%
Russell 1000						
Growth	-2.5%	-5.3%	-1.5%	3.2%	13.6%	14.5%
Russell 1000						
Value	-3.0%	-8.4%	-9.0%	-4.4%	11.6%	12.3%
Russell Mid Cap	-3.6%	-8.0%	-5.8%	-0.2%	13.9%	13.4%
Russell 2000	-4.9%	- 11.9%	-7.7%	1.2%	11.0%	11.7%
MSCI EAFE	-5.0%	- 10.2%	-4.9%	-8.3%	6.1%	4.4%
MSCI Emerging		_	_	_		
Markets	-3.0%	17.8%	15.2%	19.0%	-4.9%	-3.2%
MSCI Frontier		_	_	_		
Markets	-2.2%	10.5%	13.0%	23.8%	6.7%	2.6%

#### **S&P 500 Sector Returns**



This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

Data Sources: Bloomberg Finance, LLP., FactSet 10/2/2015 \*Annualized returns \*\*Index returns do not reflect the deduction of fees, expenses or taxes. Data provided by sources believed to be reliable but no guarantee is made as to its accuracy. Past performance is no guarantee of future performance.

<sup>\*</sup>Annualized returns

<sup>\*\*</sup>Index returns do not reflect the deduction of fees, expenses or taxes.



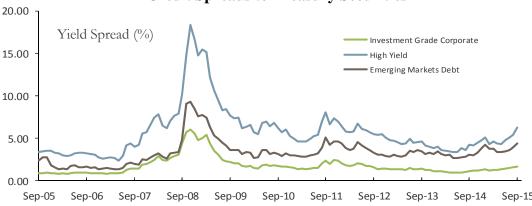
#### Bonds edge higher in September

- > September began with the possibility of a liftoff in the federal funds rate and Fed guidance around future rate increases, but ended with a delay in both. The combination of Fed inaction, weak forward guidance, global growth concerns and equity-market volatility fueled gains in higher-quality debt and declines in risky fixed-income holdings.
- As noted, higher-quality sectors, including Treasury, investment-grade (IG) corporate, and IG municipal debt performed well. The intermediate part of the Treasury yield curve slightly outperformed the curve's short and long ends as the 2-10 year yield spread flattened. We continue to expect future yield-curve flattening and recommend investors emphasize short-to-intermediate maturities.
- ➤ High Yield (HY) corporate debt declined 2.6 percent on concerns over softening global growth. HY performance challenges expanded from metals, mining and energy to include the media, telecom, and pharmaceutical sectors.
- Returns for both hedged and unhedged developed-market bonds topped all major debt classes. EM bonds were lower with most risk assets.

**Bond Market Total Returns\*\*** Period Ending September 30, 2015

Dona Market Tota	i ittui ii		criou Liiu	ing septe	illiber 50,	2015
Bond Indexes	Sep	QTD	YTD	1 Year	3 Year*	5 Year*
Global Multiverse	0.3%	0.5%	-2.4%	-3.6%	-1.5%	0.9%
U.S. Aggregate Bond	0.7%	1.2%	1.1%	2.9%	1.7%	3.1%
U.S. Short-Term Taxable	0.3%	0.3%	1.0%	1.2%	0.9%	1.1%
U.S. Interm-Term Taxable	0.8%	1.3%	1.8%	3.3%	1.8%	3.1%
U.S Long-Term Taxable	0.8%	2.1%	-2.4%	3.1%	1.8%	5.6%
U.S. Treasury	0.9%	1.8%	1.8%	3.8%	1.3%	2.5%
U.S. Corporate	0.7%	0.8%	-0.1%	1.7%	2.2%	4.3%
U.S. Municipal	0.7%	1.7%	1.8%	3.2%	2.9%	4.1%
U.S. TIPS	-0.6%	-1.1%	-0.8%	-0.8%	-1.8%	2.5%
U.S. High Yield	-2.6%	-4.9%	-2.5%	-3.4%	3.5%	6.1%
Foreign Bond	1.0%	2.1%	-3.6%	-6.4%	-4.6%	-1.2%
EM Debt	-1.4%	-2.0%	-0.3%	-2.0%	0.5%	4.4%

#### **Credit Spreads to Treasury Securities**



<sup>\*</sup>Annualized returns

This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

Data Sources: Bloomberg Finance LLP., Barclays Capital, 10/2/2015. \*Annualized returns \*\*Index returns do not reflect the deduction of fees, expenses or taxes. Data provided by sources believed to be reliable but no guarantee is made as to its accuracy. Past performance is no guarantee of future performance.

<sup>\*\*</sup>Index returns do not reflect the deduction of fees, expenses or taxes.



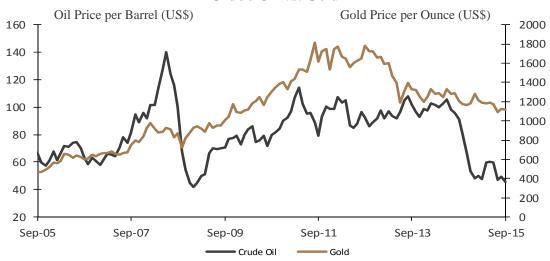
#### U.S. REITs shine in a down quarter for equities

- ➤ The Real Estate Investment Trusts (REITs) market in the U.S. was the best performing major asset class in September and outperformed all equity assets classes for the quarter. Operating fundamentals for the commercial real estate market (and REITs) continue to be solid.
- ➤ Overseas, listed real estate market returns were essentially flat in September. Concerns over Chinese growth will likely continue to be a headwind for Asian markets, while low interest rates and improving economic results should benefit European shares.
- ➤ Oil prices fell again over the quarter, leading to a double-digit decline for the major commodity indexes. While commodity markets are adjusting production, a sustained pickup in demand is lacking for a price rally.

Real Asset Total Returns\*\* Period Ending September 30, 2015

REIT/Commodity Indexes	Sep	QTD	YTD	1 Year	3 Year*	5 Year*
Global REITs	1.2%	-1.4%	-4.2%	3.6%	7.0%	8.3%
U.S. REITs	2.1%	1.0%	-4.5%	7.8%	9.0%	11.9%
International REITs	-0.7%	-5.3%	-4.3%	-2.6%	4.4%	5.3%
S&P GSCI Commodity	-6.3%	-19.3%	-19.5%	-41.7%	-19.8%	-9.8%
Bloomberg Commodity	-3.4%	-14.5%	-15.8%	-26.0%	-16.0%	-8.9%
RICI Commodity	-4.5%	-16.0%	-16.8%	-30.2%	-15.8%	-7.4%
MLPs	-15.3%	-22.1%	-30.7%	-39.2%	-3.6%	3.9%

#### Crude Oil vs. Gold



<sup>\*</sup>Annualized returns

This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

Data Sources: Bloomberg Finance LLP., 10/2/2015. \*Annualized returns \*\*Index returns do not reflect the deduction of fees, expenses or taxes.

Data provided by sources believed to be reliable but no guarantee is made as to its accuracy. Past performance is no guarantee of future performance.

<sup>\*\*</sup>Index returns do not reflect the deduction of fees, expenses or taxes.



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2 0 10	2 0 11	2 0 12	2 0 13	2 0 14	2 0 15
BEST	DJ Wilshire	Russell 1000	Russell 1000	Russell 2000	DJ Wilshire	Russell 2000	Barclays Agg	Russell 2000	DJ Wilshire	DJ Wilshire	DJ Wilshire	Russell 1000	Barclays Agg	Russell 1000	Russell 2000	DJ Wilshire	Russell 2000	Russell 2000	DJ Wils hire	Barclays Agg
	REIT 37.04%	Value 35.18%	Growth 38.71%	Growth 43.09%	REIT 31.04%	Value 13.96%	Bond 10.27%	Growth 48.53%	REIT 33.14%	REIT 14.00%	REIT 36.13%	Growth 11.81%	Bond 5.24%	Growth 37.21%	Growth 29.09%	REIT 9.37%	Value 18.05%	Growth 43.30%	REIT 31.78%	Bond 1.13 %
<b>↑</b>	Russell 1000 Growth	S&P 500	S&P 500	Russell 1000 Growth	Russell 2000 Value	DJ Wilshire REIT	DJ Wilshire REIT	Russell 2000 Value	Russell 2000 Value	MSCI EAFE	MSCI EAFE	MSCI EAFE	Russell 2000 Value	Russell 2000 Growth	DJ Wilshire REIT	Barclays Agg Bond	Russell 1000 Value	Russell 2000 Value	S&P 500	Russell 1000 Growth
	23.12% S&P 500 22.94%	33.35% Russell 2000 Value 31.78%	28.57% MSCI EAFE 20.33%	33.16% MSCI EAFE 27.30%	Barclays Agg Bond 11.63%	Barclays Agg Bond 8.44%	3.60% Russell 2000 Value -11.42%	46.02% MSCI EAFE 39.16%	22.25% MSCI EAFE 20.25%	13.54 % Russell 1000 Value 7.05%	26.34% Russell 2000 Value 23.48%	11.17% Russell 2000 Growth 7.05%	-28.92% Russell 1000 Value -36.85%	34.47% MSCI EAFE 31.78%	28.07% Russell 2000 Value 24.50%	7.84% Russell 1000 Growth 2.64%	17.51% MSCI EAFE 17.32%	34.52% Russell 1000 Growth 33.48%	13.69% Russell 1000 Value 13.45%	-1.54% DJ Wilshire REIT -3.01%
	Russell 1000 Value 21.64%	Russell 1000 Growth 30.49%	Russell 1000 Value 15.63%	S&P 500 21.04%	Russell 1000 Value 7.01%	Russell 1000 Value -5.59%	Russell 1000 Value -15.52%	DJ Wilshire REIT 36.06%	Russell 1000 Value 16.49%	Russell 1000 Growth 5.26%	Russell 1000 Value 22,25%	Barclays Agg Bond 6.97%	S&P 500 -37.00%	DJ Wilshire REIT 28.46%	Russell 1000 Growth 16.71%	S&P 500 2.11%	DJ Wilshire REIT 17.12%	Russell 1000 Value 32,53%	Russell 1000 Growth 13.05%	MSCI EAFE -5.28%
	Russell 2000 Value 21.37%		Barclays Agg Bond 8.67%	Russell 1000 Value 7.35%	S&P 500 -9.10%	Russell 2000 Growth -9.22%	MSCI EAFE -15.94%	Russell 1000 Value 30.03%	Russell 2000 Growth 14.31%	S&P 500 4.91%	S&P 500 15.79%	S&P 500 5.49%	Russell 1000 Growth -38.44%	S&P 500 26.46%	Russell 1000 Value 15.51%	Russell 1000 Value 0.39%	S&P 500 16.00%	S&P 500 32.39%	Barclays Agg Bond 5.97%	S&P 500 -5.29%
	Russell 2000 Growth 11.26%	Russell 2000 Growth 12.95%	Russell 2000 Growth 1.23%	DJ Wilshire REIT -2.57%	MSCI EAFE -13.96%	S&P 500 -11.88%	S&P 500 -22.09%	Russell 1000 Growth 29.76%	S&P 500 10.87%	Russell 2000 Value 4.71%	Russell 2000 Growth 13.35%	Russell 1000 Value -0.17%	Russell 2000 Growth -38.54%	Russell 2000 Value 20.58%	S&P 500 15.06%	Russell 2000 Growth -2.91%	Russell 1000 Growth 15.26%	MSCI EAFE 23.29%	Russell 2000 Growth 5.60%	Russell 2000 Growth -5.47%
	MSCI EAFE 6.36%	Barclays Agg Bond 9.68%	Russell 2000 Value -6.46%	Barclays Agg Bond -0.83%	Russell 1000 Growth -22.42%	Russell 1000 Growth -20.42%	Russell 1000 Growth -27.89%	S&P 500 28.67%	Russell 1000 Growth 6.30%	Russell 2000 Growth 4.15%	Russell 1000 Growth 9.07%	Russell 2000 Value -9.78%	DJ Wilshire REIT -39,20%	Russell 1000 Value 19.69%	MSCI EAFE 7.75%	Russell 2000 Value -5.50%	Russell 2000 Growth 14.59%	DJ Wilshire REIT 1.86%	Russell 2000 Value 4.22%	Russell 1000 Value -8.96%
WORS T	Barclays Agg Bond 3.61%	MSCI EAFE 2.06%	DJ Wilshire REIT -17.00%	Russell 2000 Value -1.49%	Russell 2000 Growth -22.43%	MSCI EAFE -22.00%	Russell 2000 Growth -30.27%	Barclays Agg Bond 4.11%	Barclays Agg Bond 4.34%	Barclays Agg Bond 2.43%	Barclays Agg Bond 4.33%	DJ Wilshire REIT -17.56%	MSCI EAFE -45.09%	Barclays Agg Bond 5.93%	Barclays Agg Bond 6.54%	MSCI EAFE -12.14%	Barclays Agg Bond 4.22%	Barclays Agg Bond -2.02%	MSCI EAFE -4.48%	Russell 2000 Value -10.06%

Russell 1000 Value contains those Russell 1000 (larger capitalization) securities with a less-than-average growth orientation. Securities in this index generally have lower price-to-book and price-to-earnings ratios, higher dividend yields, and lower forecasted growth rates.

**Russell 1000 Growth** contains those Russell 1000 (larger capitalization) securities with a greater-than-average growth orientation. Securities in this index generally have higher price-to-book and price-to-earnings ratios, lower dividend yields, and higher forecasted growth rates.

**Russell 2000 Value** contains those Russell 2000 (smaller capitalization) securities with a less-than-average growth orientation. Securities in this index generally have lower price-to-book and price-to-earnings ratios than those in the Russell 2000 Growth Index.

**Russell 2000 Growth** contains those Russell 2000 (smaller capitalization) securities with a greater-than-average growth orientation. Securities in this index generally have higher price-to-book and price-to-earnings ratios than those in the Russell 2000 Value Index.

**MSCI EAFE** is the Morgan Stanley Capital International Europe, Australia, Far East Index designed to measure the performance of developed stock markets in these areas.

**Barclays Agg Bond** is the Barclays Capital Aggregate Bond Index. This index includes U.S. government, corporate and mortgage-backed securities rated investment grade or higher with maturities up to 30 years.

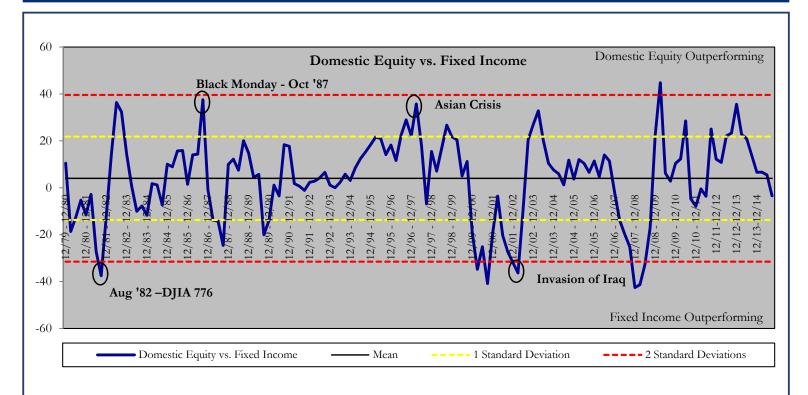
**S&P 500** is a representative sample of 500 leading companies in leading industries of the U.S. economy.

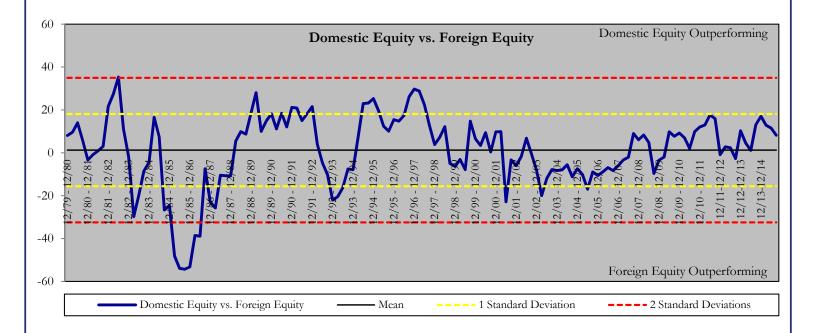
**DJ Wilshire REIT** is intended as a broad measure of the performance of publicly traded real estate equity. The index is comprised of companies whose charter is the equity ownership and operation of commercial real estate.

This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

Data Sources: Morningstar



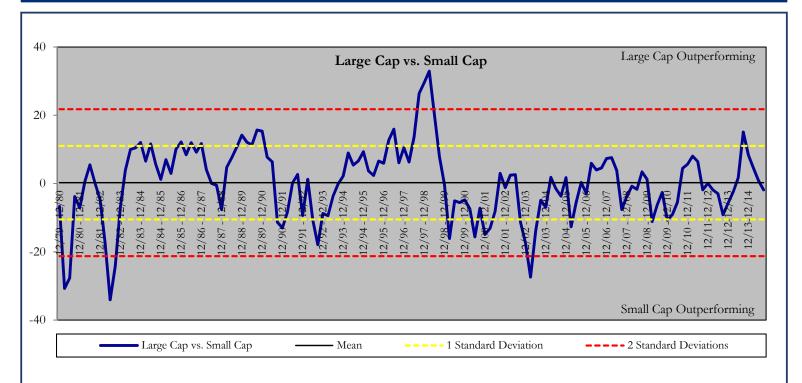


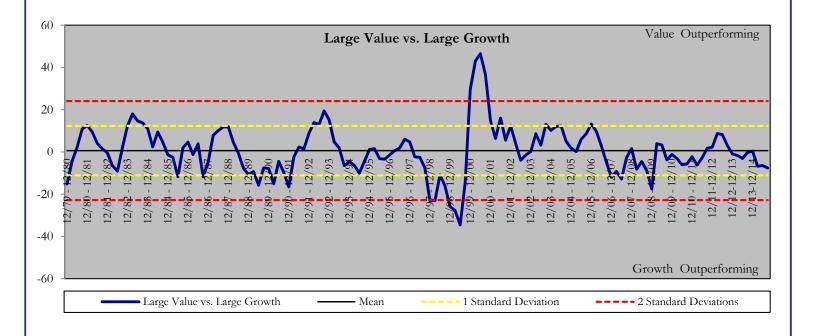


This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

Data Sources: Morningstar



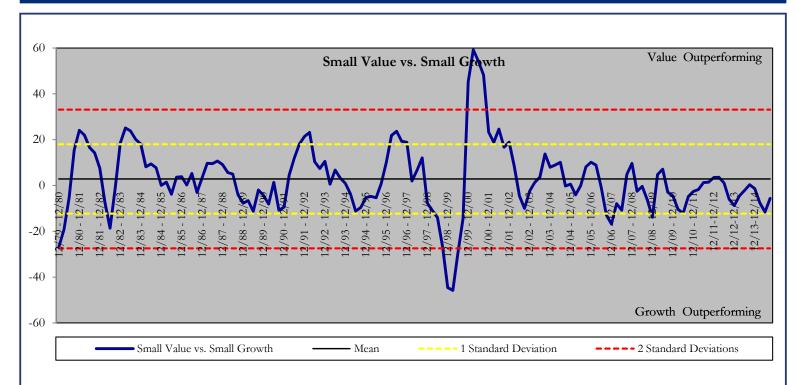


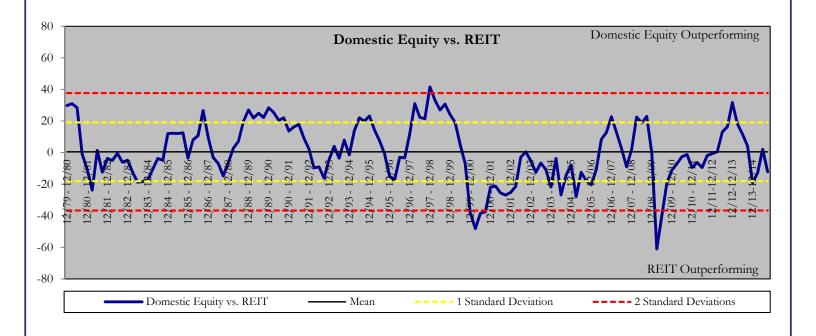


This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

Data Sources: Morningstar



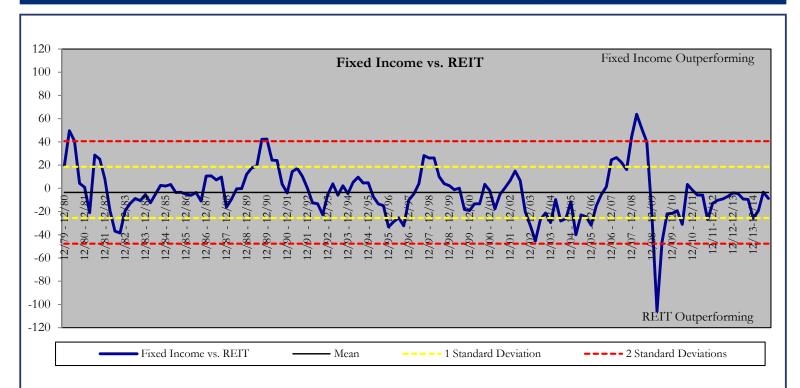




This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

Data Sources: Morningstar





This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

Data Sources: Morningstar

#### CAPITAL MARKETS REVIEW SEPTEMBER 30, 2015 GENERAL DISCLOSURE STATEMENT



**FIRM:** CapTrust Advisors, LLC is a registered investment advisor with the SEC. CapTrust Advisors' registration as an investment advisor with the U.S. Securities and Exchange Commission became effective on March 12, 2007. CapTrust is not a legal or tax advisor.

**STATEMENT OF OPINION**: This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Any opinions expressed or implied herein are subject to change without notice. The report herein is not a complete analysis of every material fact in respect to any company, industry or security. Any market prices are only indications of market values and are subject to change. The material has been prepared or is distributed solely for information purposes and is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy. Additional information is available upon request.

ASSET CLASS SUITABILITY: Stocks of small companies are typically more volatile than stocks of larger companies. They often involve higher risks because they may lack the management expertise, financial resources, product diversification and competitive strengths to endure adverse economic conditions. High-yield, non-investment grade bonds are only suitable for aggressive investors willing to take greater risks, which could result in loss of principal and interest payments. Global/International investing involves risks not typically associated with US investing, including currency fluctuations, political instability, uncertain economic conditions and different accounting standards.

**PAST PERFORMANCE:** Past performance is not an indication of future results.

ASSET CLASS PERFORMANCE REPRESENTATIONS: Long Term Treasuries = BC Treasury Long; Municipals = BC Municipal; Foreign Bonds = Salomon World BIG – IB; US Govt/Credit = BC Govt/Credit; Mtge Backed Securities = ML Mortgage Master; Corporate Bonds = Salomon Corporate; 90 Day T-Bills = Salomon; Japanese Stocks = Salomon Japan BMI; High Yield Bonds = ML High Yield Master; Small Cap US Value = RU 2000 Value; MidCap US Stocks = RU Midcap; Large Cap US Value = RU 1000 Value; European Stocks = Salomon Europe BMI; Small Cap US Stocks = RU 2000; Lg Cap US Growth = RU 1000 Growth; Latin American Stocks = Salomon Latin America BMI; Sm Cap US Growth = RU 2000 Growth

**BROAD EQUITY MARKET & SECTOR PERFORMANCE REPRESENTATIONS**: Large-Cap = S&P 500 or Russell 1000; Mid-Cap = RU Midcap; Small-Cap = RU 2000; International = MSCI EAFE

**DATA SOURCES:** Information found in this document was derived from the following sources: Zephyr Associates StyleAdvisor, Informa M-Watch, Investor Force, Barclays Capital, MSCI Barra, and Standard & Poor's.

This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

#### CAPITAL MARKETS REVIEW SEPTEMBER 30, 2015 GENERAL DISCLOSURE STATEMENT



**Dow Jones Industrial Average** - This index is comprised of 30 "blue-chip" US stocks selected for their history of successful growth and wide interest among investors. The DJIA represents about 20% of the total market value of all US stocks and about 25% of the NYSE market capitalization. It is a price-weighted arithmetic average, with the divisor adjusted to reflect stock splits and the occasional stock switches in the index.

**NASDAQ Composite** - A cap-weighted index comprised of all common stocks that are listed on the NASDAQ Stock Market (National Association of Securities Dealers Automated Quotation system).

**S&P 500** - A broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held common stocks. This index does not contain the 500 largest companies nor the most expensive stocks traded in the U.S. While many of the stocks are among the largest, this index also includes many relatively small companies. This index consists of approximately 380 industrial, 40 utility, 10 transportation and 70 financial companies listed on U.S. market exchanges. It is a capitalization-weighted index (stock price times number of shares outstanding), calculated on a total return basis with dividends reinvested.

**S&P 500/Citigroup Growth** - The S&P/Citigroup Growth tracks the performance of those stocks in the S&P 500 with lower book-to-price ratios. A cap-weighted index, it is rebalanced semi-annually, based on its price-to-book ratios and market capitalizations at the close of trading one month prior. The index is adjusted each month to reflect changes in the S&P 500. This index is more heavily weighted in the consumer non-cyclical, health care, and technology sectors than the S&P 500.

**S&P 500/Citigroup Value** - The S&P Citigroup/Value tracks the performance of those stocks in the S&P 500 with higher book-to-price ratios. A cap-weighted index, it is rebalanced semi-annually on January 1 and July 1, based on its book-to-price ratios and market capitalizations at the close of trading one month prior. The index is adjusted each month to reflect changes in the S&P 500. This index tends to be more heavily concentrated in the energy and financial sectors than the S&P 500.

Russell 1000 - The 1000 largest companies in the Russell 3000 index, based on market capitalization.

**Russell 1000 Growth** - A segment of the Russell 1000 with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 1000 Value index.

**Russell 1000 Value** - Represents a segment of the Russell 1000 with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 1000 Growth Index.

**Russell Mid Cap** - The index consisting of the bottom 800 securities in the Russell 1000 as ranked by total market capitalization, and it represents over 35% of the Russell 1000 total market cap.

Russell 2000 - The 2000 smallest companies in the Russell 3000 index.

**Russell 2000 Growth** - A segment of the Russell 2000 with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 2000 Value index.

**Russell 2000 Value** - A segment of the Russell 2000 with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 2000 Growth index.

**Russell 2500** - The index consisting of the bottom 500 stocks in the Russell 1000(as ranked by market capitalization) and all of the stocks in the Russell 2000. This index is intended to be used as a measure of small to medium/small stock performance, and it represents over 22% of the Russell 3000 total market cap.

This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

#### CAPITAL MARKETS REVIEW SEPTEMBER 30, 2015 GENERAL DISCLOSURE STATEMENT



**MSCI EAFE** - A market capitalization-weighted index representing all of the MSCI developed markets outside North America. It comprises 20 of the 22 countries in the MSCI World. These 20 countries include the 14 European countries in the MSCI Europe and the 6 Pacific countries in the MSCI Pacific. This index is created by aggregating the 20 different country indexes, all if which are created separately.

**MSCI World** - This market capitalization-weighted index represents all 22 of the MSCI developed markets in the world. It is created by aggregating the 22 different country indexes, all if which are created separately.

**MSCI Emerging Markets Free (EMF)** - A market capitalization-weighted index representing 26 of the emerging markets in the world. Several factors are used to designate whether a country is considered to be emerging vs. developed, the most common of which is Gross Domestic Product Per Capita. The "Free" aspect indicates that this index includes only securities that are allowed to be purchased by global investors. This index is created by aggregating the 26 different country indexes, all if which are created separately.

**Barclays Capital Government/Credit** - This index includes all bonds that are in the Barclays Capital Government Bond and the Barclays Capital Credit Bond indices.

**Barclays Capital Government Intermediate** - All bonds covered by the Barclays Capital Government Bond index with maturities of 1 and 10 years.

**Barclays Capital Aggregate Bond** - This index is made up of the Barclays Capital Government/Credit, the Mortgage-Backed Securities, and the Asset-Backed Securities indices. All issues in the index are rated investment grade or higher, have at least one year to maturity, and have an outstanding par value of at least \$100 million.

**Barclays Capital Government Long Term** - All bonds covered by the Barclays Capital Government Bond index with maturities of 10 years or greater.

**Barclays Capital Municipal Bond** - This market cap weighted index includes investment grade tax-exempt bonds and is classified into four main sectors: General Obligation, Revenue, Insured, and Pre-refunded. To be included in this index, the original transaction size of a bond must have been greater than \$50 million.

Merrill Lynch Convertibles - The convertible securities used in this index span all corporate sectors and must have a par amount outstanding of \$25 million or more. The maturity must be at least one year. The coupon range must be equal to or greater than zero and all quality of bonds are included. Excluded from this index are preferred equity redemption stocks. When the component bonds of this index convert into common stock, the converted securities are dropped from the index.

Merrill Lynch High Yield Master - Market-cap weighted index providing a broad-based measure of bonds in the US domestic bond market rated below investment grade but not in default. Includes only issues with a credit rating of BB1 or below as rated by Moody's and/or S&P, at least \$100 million in face value outstanding and a remaining term to final maturity equal to or greater than one year.

**Dow Jones Wilshire REIT Index** - A measurement of equity REITs and Real Estate Operating Companies. No special-purpose or health care REITs are included. It is a market capitalization-weighted index for which returns are calculated monthly using buy and hold methodology; it is rebalanced monthly.

**Citigroup 3 Month Treasury Bill** - Representing the monthly return equivalents of yield averages that are not marked to market, this index is an average of the last three three-month Treasury bill issues.

**50/50 Blend (S&P 500/BCIGC)** – A blended benchmark consisting of 50% S&P 500 and 50% Barclays Capital Government/Credit Intermediate indices.

This and/or the accompanying information was prepared by or obtained from sources which are believed to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

## City of Fort Lauderdale Police and Fire Asset Allocation vs Target & Policy Total Fund Composite As of 9/30/15

	Market		
Manager	Value	Actual %	Target %
Systematic Financial Management	19,594,368.88	2.53	3.00
Intech Large Core	20,566,477.86	2.65	2.75
Rhumbline Large Cap Fund	106,697,353.46	13.77	8.75
Sawgrass	21,604,407.95	2.79	3.00
Eagle Asset Management	24,772,019.59	3.20	3.75
Rhumbline Mid Cap Fund	41,007,856.08	5.29	5.00
Vaughan Nelson	29,345,567.51	3.79	3.75
Total Domestic Equity	263,588,051.33	34.01	30.00
Lazard International Equity	54,803,042.98	7.07	7.50
Dodge&Cox International Equity	48,289,305.95	6.23	7.50
Total International Equity	103,092,348.93	13.30	15.00
Agincourt	109,865,498.13	14.18	15.00
Boyd Watterson	96,638,642.54	12.47	15.00
Total Domestic Fixed Income	206,504,140.67	26.65	30.00
Cash	17,470,959.68	2.25	0.00
Total Short Term	17,470,959.68	2.25	0.00
Core Realty Fund	55,614,378.28	7.18	6.88
Prudential RE Investors PRISA II	37,829,360.58	4.88	3.13
American Realty Systematic Value	1,578,474.01	0.20	2.50
Total Real Estate	95,022,212.87	12.26	12.50
EnTrust Diversified Fund	36,386,872.00	4.70	5.00
Lazard Global Infrastructure	45,417,238.29	5.86	5.00
EnTrust Special Opportunities III	7,506,024.00	0.97	2.50
<b>Total Special Investments</b>	89,310,134.29	11.52	12.50
Total Fund Composite	774,987,847.77	100.00	100.00

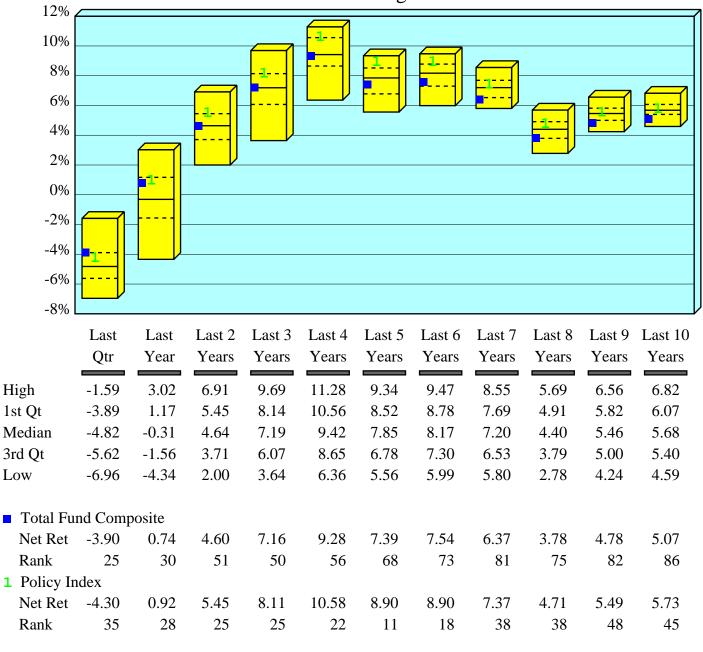
### City of Fort Lauderdale Police and Fire Executive Summary Table Periods Ending September 30, 2015 Net of Fee Return

	Value	% of		D	eriods End	ling 9/30/1	15		Since Inception		
Name	\$(000)	Fund	Cur Qtr	2 Qtrs	3 Qtrs	1 Year	3 Yrs	5 Yrs	Ret	Date	
Total Fund Composite	774,988	100.0	-3.90	-3.95	-1.14	0.74	7.16	7.39	7.08	9/30/95	
Policy Index	774,200	100.0	-4.30	-4.26	-2.03	0.92	8.11	8.90	7.24	9/30/95	
1 ouey maex			4.50	4.20	2.03	0.52	0.11	0.70	7.24	7/30/73	
Large Cap Composite	168,463	21.7	-6.59	-6.61	-5.50	-0.69	12.39	13.11	5.84	1/31/07	
Intech Large Core	20,566	2.7	-4.43	-5.46	-2.76	3.30	13.74	14.25	8.12	3/31/04	
Standard & Poors 500	- ,		-6.44	-6.18	-5.29	-0.62	12.41	13.34	6.94	3/31/04	
Rhumbline Large Cap Fund	106,697	13.8	-6.45	-6.21	-5.32	-0.62	12.33	13.33	8.25	9/30/95	
Standard & Poors 500	,		-6.44	-6.18	-5.29	-0.62	12.41	13.34	8.13	9/30/95	
Sawgrass	21,604	2.8	-4.33	-5.40	-3.84	1.90	12.90	14.19	7.17	3/31/07	
Russell 1000 Growth	,		-5.29	-5.18	-1.54	3.17	13.60	14.47	7.94	3/31/07	
Systematic Financial Management	19,594	2.5	-11.70	-11.10	-10.76	-7.40	10.35	10.68	8.84	11/30/02	
Russell 1000 Value	,		-8.40	-8.30	-8.96	-4.42	11.60	12.29	7.95	11/30/02	
Small/Mid Cap Composite	95,125	12.3	-7.82	-7.50	-3.13	2.55	12.01	11.88	5.99	10/31/06	
Eagle Asset Management	24,772	3.2	-11.24	-7.70	-4.73	3.41	11.31		7.44	6/30/11	
Russell 2000 Growth			-13.06	-11.34	-5.47	4.04	12.84		9.41	6/30/11	
Rhumbline Mid Cap Fund	41,008	5.3	-8.46	-9.44	-4.62	1.38	13.18		9.88	6/30/11	
S&P Midcap 400			-8.50	-9.47	-4.66	1.40	13.12		9.85	6/30/11	
Vaughan Nelson	29,346	3.8							-5.52	8/31/15	
Russell 2000 Value									-3.46	8/31/15	
International Equity Composite	103,092	13.3	-12.96	-12.53	-8.54	-11.40	4.61	2.79	2.90	11/30/00	
Dodge&Cox International Equity	48,289	6.2	-15.38	-15.63	-12.09	-16.19			-4.89	1/31/14	
MSCI EAFE (Net)			-10.23	-9.68	-5.28	-8.66			-3.73	1/31/14	
Lazard International Equity	54,803	7.1	-10.71	-9.59	-5.17	-6.71	7.43		9.78	11/30/11	
MSCI EAFE (Net)			-10.23	-9.68	-5.28	-8.66	5.63		6.77	11/30/11	
Total Domestic Fixed Income	206,504	26.6	1.00	0.25	1.83	2.66	1.59	2.98	4.58	5/31/05	
Agincourt	109,865	14.2	0.91	0.24	1.87	2.64	1.61	3.19	5.68	12/31/95	
Barclays Int Govt/Credit			0.95	0.32	1.77	2.68	1.45	2.90	5.39	12/31/95	
Boyd Watterson	96,639	12.5	1.10	0.25	1.79	2.67	1.56		2.83	4/30/11	
Barclays Int Govt/Credit			0.95	0.32	1.77	2.68	1.45		2.75	4/30/11	
Cash	17,471	2.3	0.06	0.10	0.14	0.18	0.18	0.25	1.60	1/31/06	
Citigroup 3-month T-Bill			0.01	0.01	0.02	0.02	0.04	0.06		1/31/06	
	0.000		4		46.5.			10 -:			
Real Estate Composite	95,022	12.3	3.58	6.97	10.94	13.14	11.84	12.74	3.18	6/30/07	
American Realty Systematic Value	1,578	0.2	3.85	7.50					7.50	3/31/15	
NCREIF Prop Index	FF		3.09	6.33	10.20	11.00	10.50		6.33	3/31/15	
Core Realty Fund	55,614	7.2	2.83	6.18	10.39	11.83	10.69	11.14	3.15	7/31/07	
NCREIF Prop Index			3.09	6.33	10.12	13.47	11.90	12.55	6.11	7/31/07	

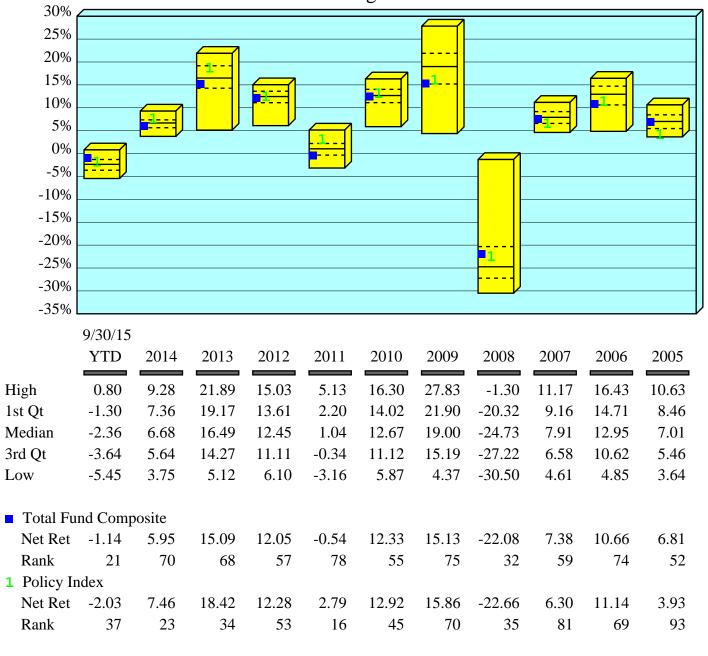
### City of Fort Lauderdale Police and Fire Executive Summary Table Periods Ending September 30, 2015 Net of Fee Return

	Value	% of		D	eriods End	ling 9/30/	15		Since	Inception
Name	\$(000)	Fund	Cur Qtr	2 Qtrs	3 Qtrs	1 Year	3 Yrs	5 Yrs	Ret	Date
Prudential RE Investors PRISA II	37,829	4.9	4.70	8.15	11.75	15.19	13.76	15.67	2.05	7/31/07
NCREIF Prop Index	,		3.09	6.33	10.12	13.47	11.90	12.55	6.11	7/31/07
r										
EnTrust Diversified Fund	36,387	4.7	-5.52	-6.76	-4.94	-6.23			3.70	10/31/12
HFRI FOF: Diversified Index			-2.96	-3.14	-0.60	0.42			4.55	10/31/12
EnTrust Special Opportunities III	7,506	1.0	0.60	-1.37					0.38	2/28/15
HFRI FOF: Diversified Index			-2.96	-3.14					-2.56	2/28/15
Lazard Global Infrastructure	45,417	5.9	2.53	-2.08	5.99	10.31			14.07	11/30/13
S&P Global Infrastructure Index			-7.05	-8.73	-9.46	-8.37			2.03	11/30/13

### City of Fort Lauderdale Police and Fire Cumulative Performance Comparison Total Returns of Total Fund Public Sponsors Periods Ending 9/15



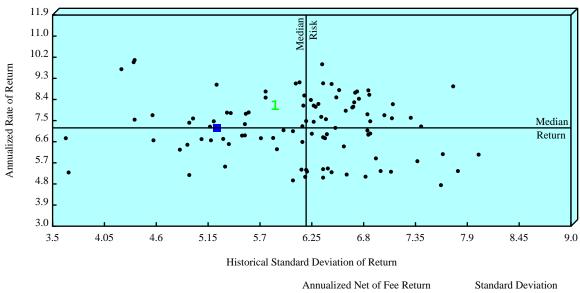
### City of Fort Lauderdale Police and Fire Calendar Year Performance Comparison Total Returns of Total Fund Public Sponsors Years Ending December



### City of Fort Lauderdale Police and Fire Return vs Risk

### Total Returns of Total Fund Public Sponsors

3 Years Ending 9/30/15



Total Fund Composite
Policy Index
Median

National Nat

Standard Deviation
Value Rank
5.28 24
5.89 39
6.19

#### 5 Years Ending 9/30/15 9.9 9.5 9.0 Annualized Rate of Return 8.6 8.1 Median 7.7 Return 7.2 6.8 6.3 5.9 5.8 10.3 11.2 4.0 4.9 6.7 8.5 9.4 12.1 13.0 Historical Standard Deviation of Return

Total Fund Composite
Policy Index
Median

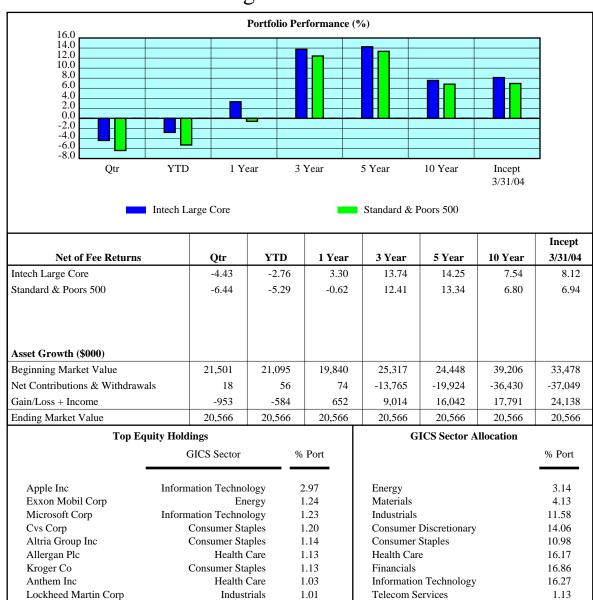
Annualized Net of Fee Return
Value Rank
7.39 68
8.90 11
7.85

Standard Deviation
Value Rank
7.96 37
7.95 37
8.48

### City of Fort Lauderdale Police and Fire Risk Measure Summary Total Fund Composite Quarterly Periods Ending 9/30/15

	1 Y	ear	3 Ye	ears	5 Ye	ears	Incer	otion
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	2	1	3	2	5	4	23	22
Positive Periods	2	3	9	10	15	16	57	58
Up Market Capture	0.90		0.90		0.91		0.96	
Down Market Capture	0.90		0.95		1.10		0.95	
Batting Average	0.50		0.33		0.25		0.45	
Worst Quarter	-3.88	-4.30	-3.88	-4.30	-9.73	-8.41	-11.33	-12.61
Best Quarter	2.94	3.01	5.15	5.94	7.23	7.63	14.12	12.93
Worst 4 Quarters	0.81	0.92	0.81	0.92	-0.49	0.92	-22.18	-24.64
Best 4 Quarters	0.81	0.92	15.22	18.42	15.95	18.42	33.57	32.86
Standard Deviation	6.02	6.60	5.28	5.89	7.96	7.95	9.72	10.00
Beta	0.89		0.88		0.99		0.95	
Alpha	-0.00		0.03		-0.31		0.02	
R-Squared	0.95		0.96		0.98		0.96	
Sharpe Ratio	0.13	0.14	1.36	1.37	0.93	1.11	0.46	0.46
Treynor Ratio	0.88		8.17		7.48		4.71	
Tracking Error	1.51		1.23		1.16		1.91	
Information Ratio	-0.09		-0.69		-1.16		-0.10	

## City of Fort Lauderdale Police and Fire Intech Large Core as of 9/30/15



0.99

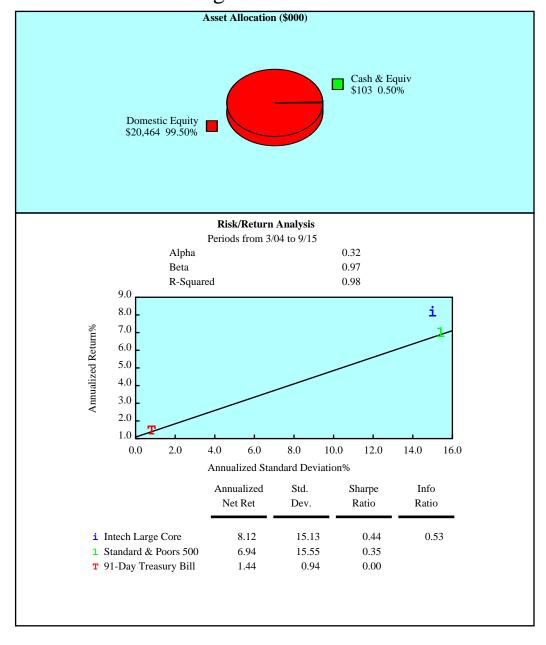
Industrials

Southwest Airls Co

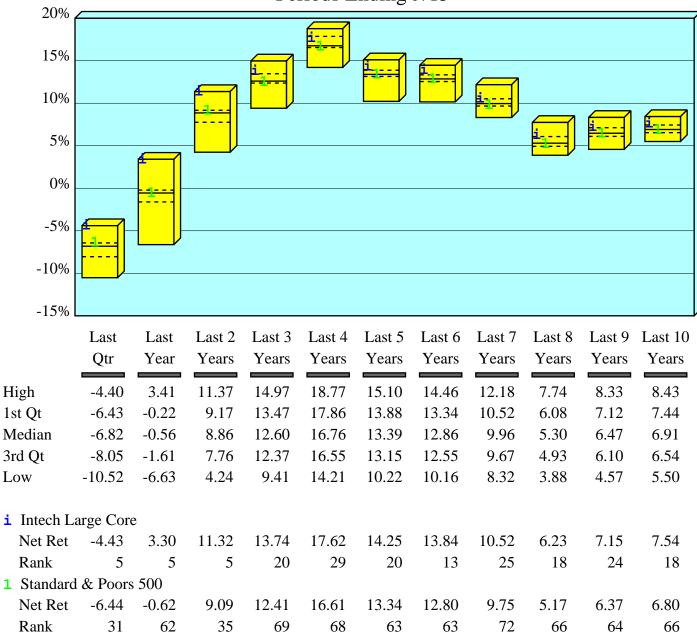
Utilities

5.69

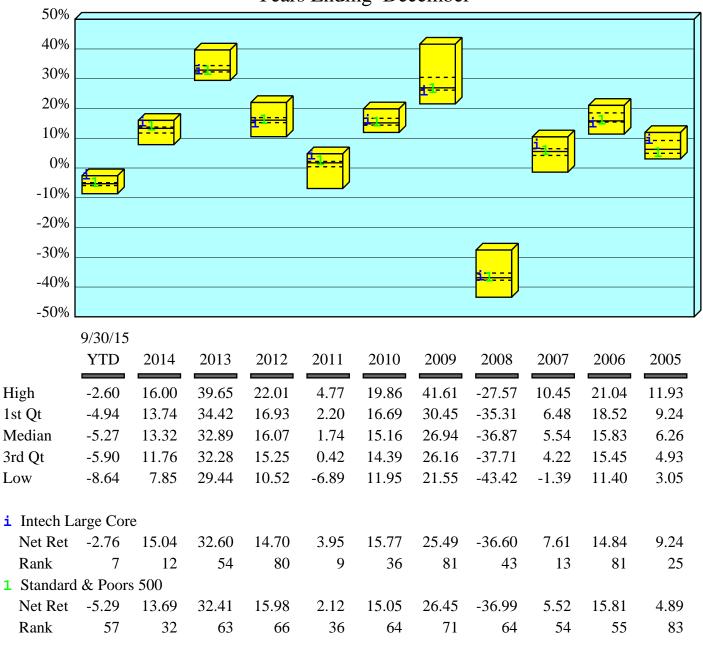
## City of Fort Lauderdale Police and Fire Intech Large Core as of 9/30/15



### City of Fort Lauderdale Police and Fire Large Neutral Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 9/15



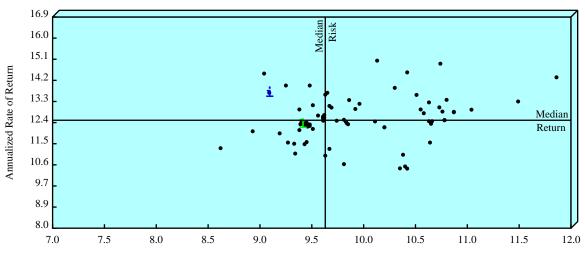
### City of Fort Lauderdale Police and Fire Large Neutral Consecutive Performance Comparisons Total Returns of Equity Portfolios Years Ending December



### City of Fort Lauderdale Police and Fire Return vs Risk

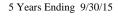
### Total Returns of Large Neutral Portfolios

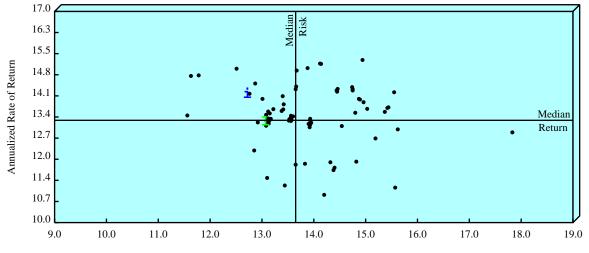
3 Years Ending 9/30/15



Historical Standard Deviation of Return

	Annualized Net	of Fee Return	Standard I	Deviation	
	Value	Rank	Value	Rank	
Intech Large Core	13.74	20	9.12	5	
Standard & Poors 500	12.41	69	9.44	25	
Median	12.60		9.63		
	Standard & Poors 500	Value Intech Large Core 13.74 Standard & Poors 500 12.41	Intech Large Core         13.74         20           Standard & Poors 500         12.41         69	Value         Rank         Value           Intech Large Core         13.74         20         9.12           Standard & Poors 500         12.41         69         9.44	





		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
i	Intech Large Core	14.25	20	12.77	8
1	Standard & Poors 500	13.34	63	13.12	25
	Median	13.39		13.65	

### City of Fort Lauderdale Police and Fire Risk Measure Summary Intech Large Core

## Quarterly Periods Ending 9/30/15

	1 Year		3 Years		5 Years		Inception	
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	2	1	3	2	5	4	14	14
Positive Periods	2	3	9	10	15	16	32	32
Up Market Capture	1.30		1.05		1.03		1.02	
Down Market Capture	0.69		0.77		0.93		0.92	
Batting Average	0.75		0.58		0.60		0.65	
Worst Quarter	-4.43	-6.44	-4.43	-6.44	-14.27	-13.86	-21.62	-21.93
Best Quarter	6.23	4.93	10.79	10.61	12.48	12.58	15.35	15.93
Worst 4 Quarters	3.30	-0.62	3.30	-0.62	1.74	-0.62	-37.08	-38.07
Best 4 Quarters	3.30	-0.62	32.60	32.41	32.60	32.41	48.89	49.75
Standard Deviation	9.28	9.43	9.12	9.44	12.77	13.12	15.13	15.55
Beta	0.93		0.95		0.96		0.97	
Alpha	0.96		0.45		0.32		0.32	
R-Squared	0.88		0.96		0.98		0.98	
Sharpe Ratio	0.35	-0.07	1.50	1.31	1.11	1.01	0.44	0.35
Treynor Ratio	3.53		14.40		14.70		6.92	
Tracking Error	3.16		1.98		1.92		1.96	
Information Ratio	1.23		0.59		0.41		0.53	

#### City of Fort Lauderdale Police and Fire Equity Summary Statistics Intech Large Core Period Ending 9/15

	Portfolio	Standard & Poors 500
Total Number Of Securities	347	503
Equity Market Value	20,463,609	
Average Capitalization \$(000)	78,803,578	122,327,892
Median Capitalization \$(000)	20,871,768	16,820,627
Equity Segment Yield	2.00	2.33
Equity Segment P/E - Average	19.54	19.16
Equity Segment P/E - Median	19.42	18.50
Equity Segment Beta	0.96	1.00
Price/Book Ratio	2.88	2.18
Debt/Equity Ratio	61.54	57.65
Five Year Earnings Growth	10.45	9.45

Ten Largest Holdings	Market Value	% of Portfolio	Quarterly Ret
Apple Inc	606,650	2.97	-11.66
Exxon Mobil Corp	252,790	1.24	-9.80
Microsoft Corp	252,282	1.23	0.91
Cvs Corp	244,866	1.20	-7.72
Altria Group Inc	233,920	1.14	12.42
Allergan Plc	231,039	1.13	-10.43
Kroger Co	230,848	1.13	-0.23
Anthem Inc	210,000	1.03	-14.34
Lockheed Martin Corp	207,310	1.01	12.34
Southwest Airls Co	201,612	0.99	15.17

Ten Best Performers	Quarterly Ret	Ten Worst Performers	Quarterly Ret
Teco Energy Inc	50.21	Mallinckrodt Pub Ltd	-45.68
Cablevision Sys Corp	36.44	Qorvo Inc	-43.88
Chubb Corp	29.52	Mylan N V	-40.67
Activision Blizzard	27.59	Navient Corp	-37.46
Nvidia Corp	23.09	Columbia Pipeline Gr	-36.22
Molson Coors Brewing	19.62	Williams Cos	-34.87
Reynolds American In	19.60	United Rentals Inc	-31.47
Advanced Auto Parts	19.02	Newmont Mng Corp Hld	-31.10
Amazon Com Inc	17.92	Cf Inds Hldgs Inc	-29.81
Wec Energy Group Inc	16.65	Tegna Inc	-29.76

## City of Fort Lauderdale Police and Fire Equity Contribution to Return

Intech Large Core Period Ending 9/15

	Porti	folio	Standard & Poors 500
Total Number Of Securities	20.46	347	503
Equity Market Value	20,46 78,80	*	122 227 902
Average Capitalization \$(000) Median Capitalization \$(000)	20,87	,	122,327,892 16,820,627
Equity Segment Yield	20,07	2.00	2.33
Equity Segment P/E - Average		19.54	19.16
Equity Segment P/E - Median		19.42	18.50
Equity Segment Beta		0.96	1.00
Price/Book Ratio		2.88	2.18
Debt/Equity Ratio		61.54	57.65
Five Year Earnings Growth		10.45	9.45
Ten Best Contributors	Market Value	% of Portfolio	Quarterly Ret
Reynolds American In	158,841	0.78	19.60
Southwest Airls Co	201,612	0.99	15.17
Altria Group Inc	233,920	1.14	12.42
Lockheed Martin Corp	207,310	1.01	12.34
Raytheon Co	163,890	0.80	14.19
O Reilly Automotive	150,000	0.73	10.63
Wec Energy Group Inc	87,521	0.43	16.65
Molson Coors Brewing	66,416	0.32	19.62
Dr Pepper Snapple Gr	142,290	0.70	9.12
Edison Intl	88,298	0.43	14.24
Ten Worst Contributors	Market Value	% of Portfolio	Quarterly Ret
Apple Inc	606,650	2.97	-11.66
Mallinckrodt Pub Ltd	102,304	0.50	-45.68
Anthem Inc	210,000	1.03	-14.34
Cigna Corp	175,526	0.86	-16.65
McKesson Hboc Inc	148,024	0.72	-17.58
Aetna Inc	185,341	0.91	-13.98
Exxon Mobil Corp	252,790	1.24	-9.80
Allergan Plc	231,039	1.13	-10.43
Time Warner Inc	110,000	0.54	-20.97
Columbia Pipeline Gr	62,186	0.30	-36.22

#### City of Fort Lauderdale Police and Fire Equity Sector Attribution Analysis Intech Large Core Quarter Ending 9/15

	Weight		Return				
GICS Sectors	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	3.19	7.86	-13.75	-17.28	0.11	0.51	0.62
Materials	4.35	3.18	-11.90	-17.19	0.23	-0.13	0.10
Industrials	11.27	10.14	0.37	-6.88	0.82	-0.00	0.81
Consumer Discretionary	11.97	12.79	-0.86	-2.68	0.22	-0.03	0.19
Consumer Staples	10.86	9.12	3.27	-0.22	0.38	0.11	0.49
Health Care	17.18	15.56	-10.96	-10.66	-0.05	-0.07	-0.12
Financials	15.98	16.62	-5.42	-6.72	0.21	0.00	0.21
Information Technology	16.24	19.63	-5.84	-3.60	-0.36	-0.10	-0.46
Telecom. Services	1.25	2.27	-7.95	-6.89	-0.01	0.00	-0.01
Utilities	7.72	2.84	6.16	5.49	0.05	0.58	0.63
	100.00	100.00	-3.98	-6.45	1.59	0.88	2.46

Index - Standard & Poors 500

Stock Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

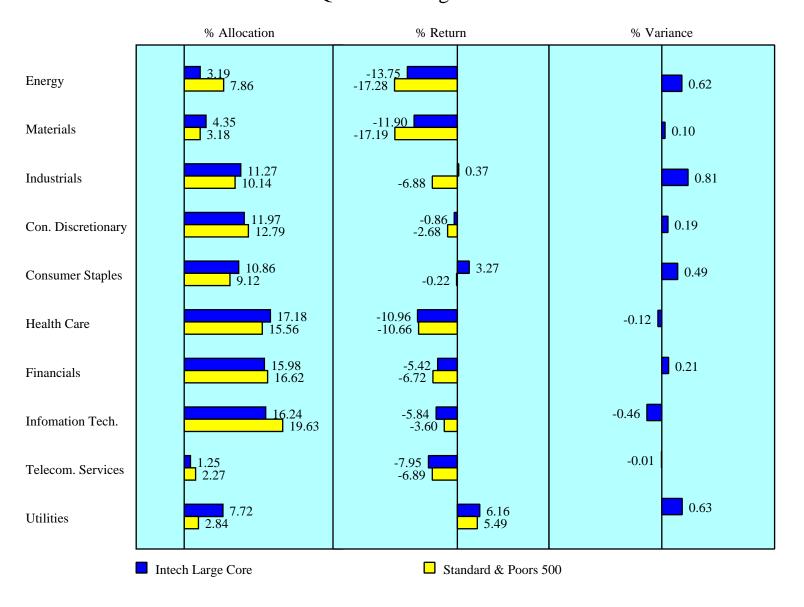
Sector Selection Return Attribution

[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

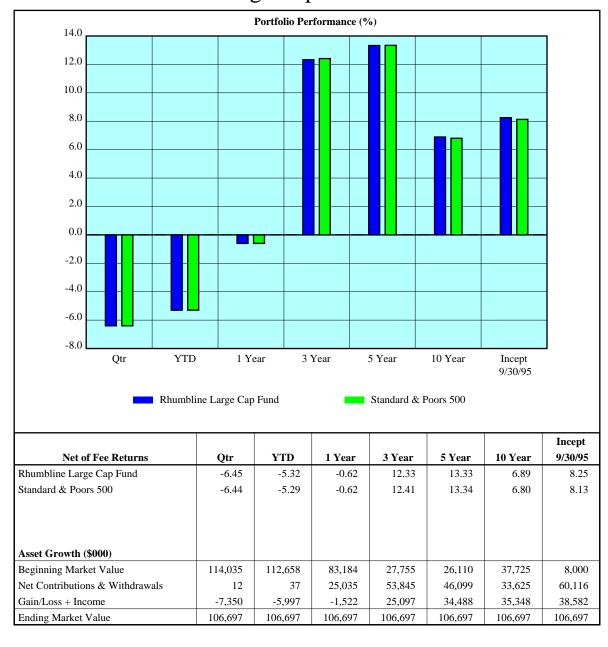
Trading Effect -0.39%

[ Actual Return -4.37% ] - [ Buy Hold Return -3.98% ]

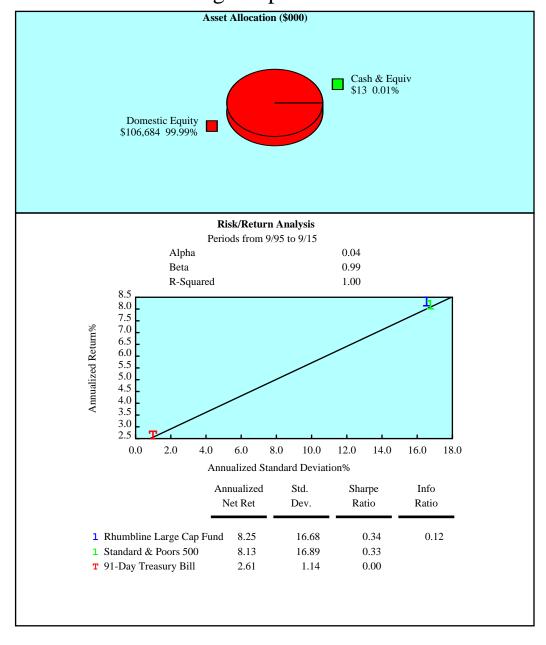
#### City of Fort Lauderdale Police and Fire Equity Sector Attribution Chart Intech Large Core Quarter Ending 9/15



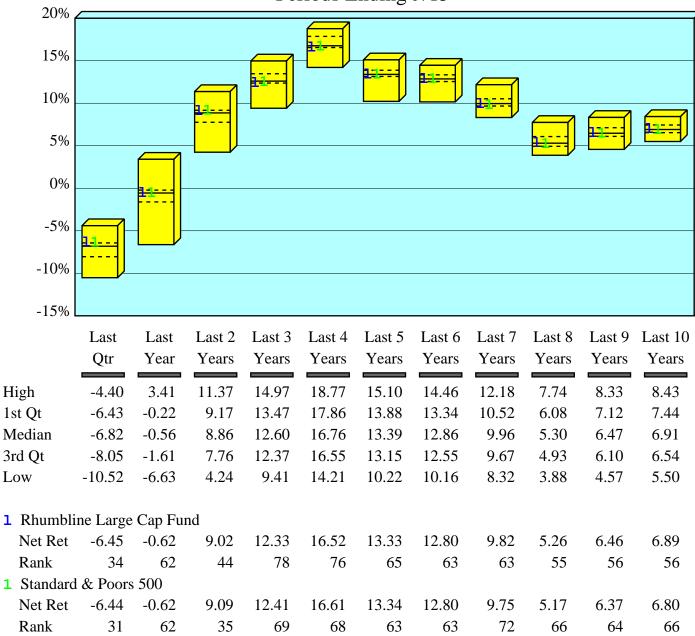
## City of Fort Lauderdale Police and Fire Rhumbline Large Cap Fund as of 9/30/15



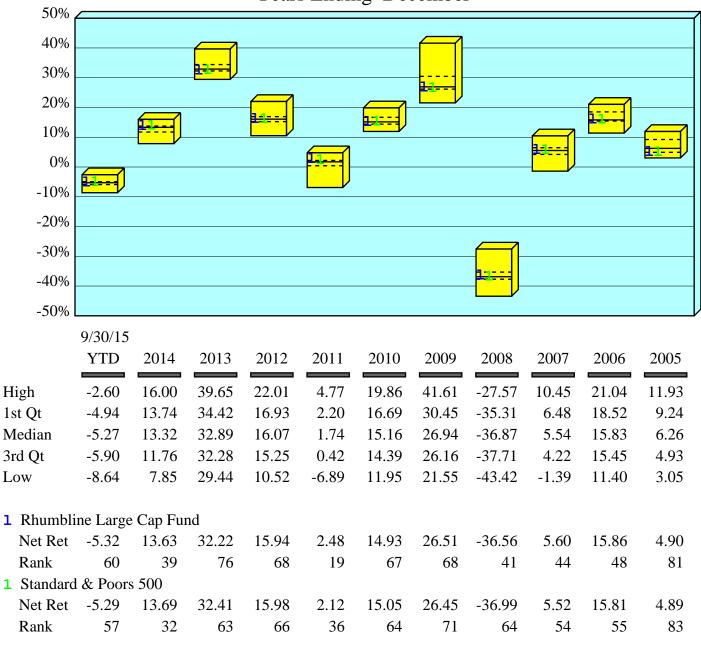
### City of Fort Lauderdale Police and Fire Rhumbline Large Cap Fund as of 9/30/15



#### City of Fort Lauderdale Police and Fire Large Neutral Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 9/15



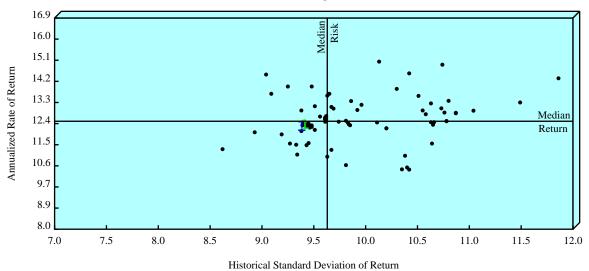
#### City of Fort Lauderdale Police and Fire Large Neutral Consecutive Performance Comparisons Total Returns of Equity Portfolios Years Ending December



#### City of Fort Lauderdale Police and Fire Return vs Risk

#### Total Returns of Large Neutral Portfolios

3 Years Ending 9/30/15



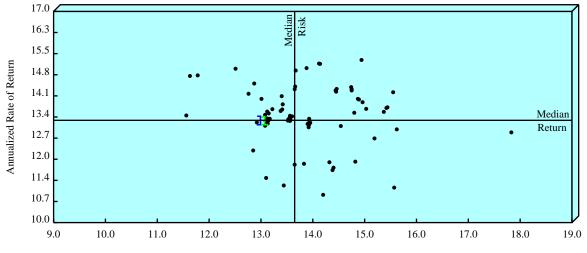
Rhumbline Large Cap Fund	1	Rhumbline Large Cap Fund
--------------------------	---	--------------------------

Standard & Poors 500 Median

Annualized Net	of Fee Return
Value	Rank
12.33	78
12.41	69
12.60	

Standard Deviation Value Rank 9.41 15 9.44 25 9.63

#### 5 Years Ending 9/30/15



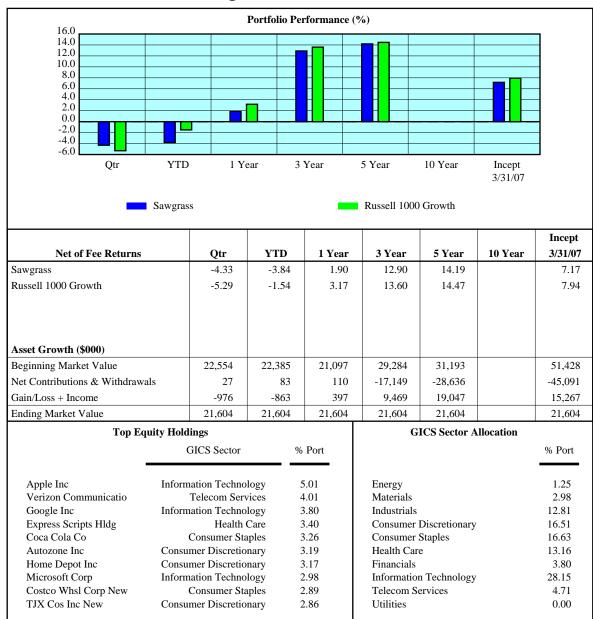
Historical Standard Deviation of Return

		Annualized Net	Annualized Net of Fee Return		Deviation
		Value	Rank	Value	Rank
1	Rhumbline Large Cap Fund	13.33	65	13.04	14
1	Standard & Poors 500	13.34	63	13.12	25
	Median	13.39		13.65	

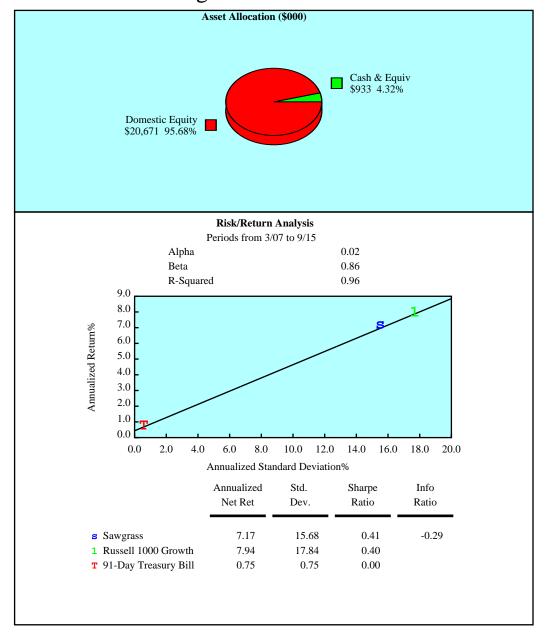
#### City of Fort Lauderdale Police and Fire Risk Measure Summary Rhumbline Large Cap Fund Quarterly Periods Ending 9/30/15

	1 Y	ear	3 Y	ears	5 Ye	ears	Incer	otion
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	1	1	2	2	4	4	24	24
Positive Periods	3	3	10	10	16	16	56	56
Up Market Capture	1.00		0.99		1.00		1.00	
Down Market Capture	1.00		1.00		1.00		0.99	
Batting Average	0.25		0.17		0.25		0.55	
Worst Quarter	-6.45	-6.44	-6.45	-6.44	-13.83	-13.86	-21.62	-21.93
Best Quarter	4.97	4.93	10.55	10.61	12.55	12.58	21.07	21.32
Worst 4 Quarters	-0.62	-0.62	-0.62	-0.62	-0.62	-0.62	-37.64	-38.07
Best 4 Quarters	-0.62	-0.62	32.22	32.41	32.22	32.41	49.68	49.75
Standard Deviation	9.46	9.43	9.41	9.44	13.04	13.12	16.68	16.89
Beta	1.00		1.00		0.99		0.99	
Alpha	0.00		-0.01		0.02		0.04	
R-Squared	1.00		1.00		1.00		1.00	
Sharpe Ratio	-0.07	-0.07	1.30	1.31	1.02	1.01	0.34	0.33
Treynor Ratio	-0.64		12.32		13.34		5.71	
Tracking Error	0.05		0.06		0.28		0.61	
Information Ratio	0.00		-1.19		-0.06		0.12	

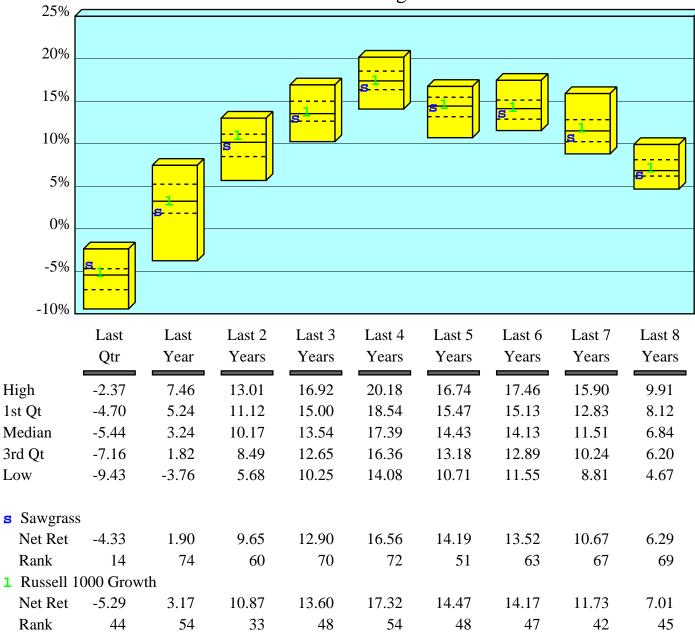
### City of Fort Lauderdale Police and Fire Sawgrass as of 9/30/15



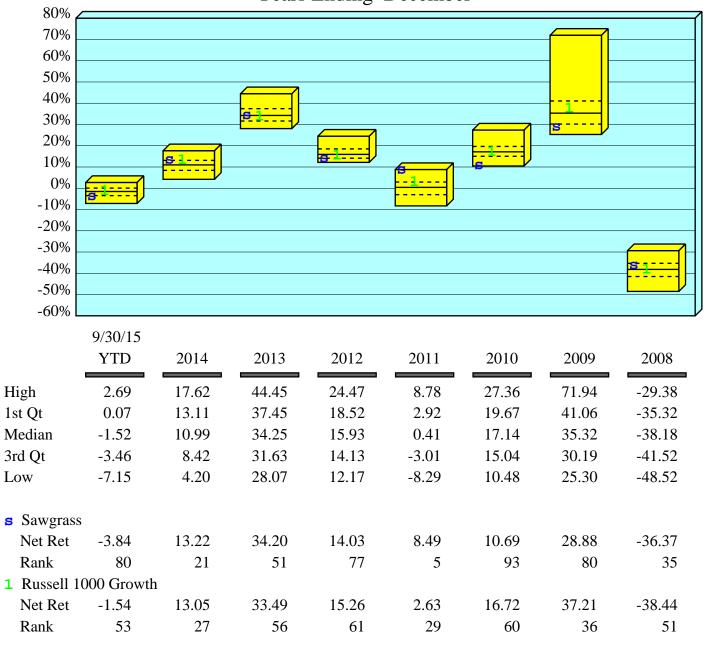
### City of Fort Lauderdale Police and Fire Sawgrass as of 9/30/15



#### City of Fort Lauderdale Police and Fire Large Growth Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 9/15



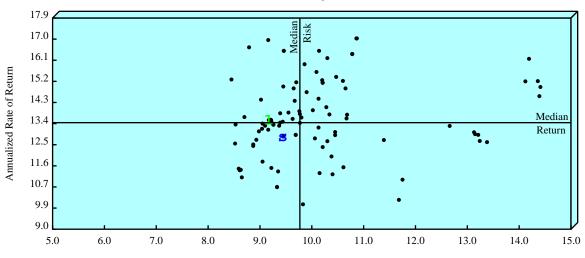
#### City of Fort Lauderdale Police and Fire Large Growth Consecutive Performance Comparisons Total Returns of Equity Portfolios Years Ending December



#### City of Fort Lauderdale Police and Fire Return vs Risk

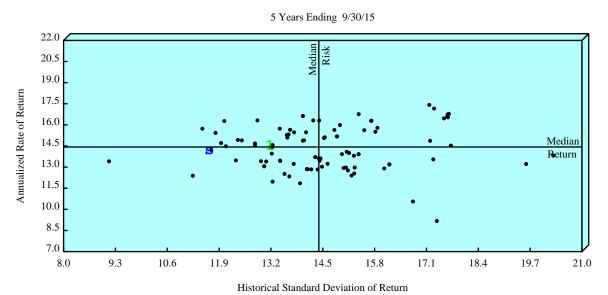
#### Total Returns of Large Growth Portfolios

3 Years Ending 9/30/15



Historical Standard Deviation of Return

		Annualized Net	Annualized Net of Fee Return		Deviation
		Value	Rank	Value	Rank
S	Sawgrass	12.90	70	9.49	41
1	Russell 1000 Growth	13.60	48	9.22	28
	Median	13.54		9.77	



		Annualized Net	Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank	
S	Sawgrass	14.19	51	11.72	5	
1	Russell 1000 Growth	14.47	48	13.24	22	
	Median	14.43		14.40		

#### City of Fort Lauderdale Police and Fire Risk Measure Summary Sawgrass

#### Quarterly Periods Ending 9/30/15

	1 Y	ear	3 Ye	ears	5 Ye	ears	Incer	otion
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	2	1	3	2	5	4	12	10
Positive Periods	2	3	9	10	15	16	22	24
Up Market Capture	0.73		0.93		0.92		0.86	
Down Market Capture	0.82		0.88		0.81		0.88	
Batting Average	0.50		0.50		0.55		0.47	
Worst Quarter	-4.33	-5.29	-4.33	-5.29	-10.62	-13.14	-21.12	-22.79
Best Quarter	5.97	4.78	11.61	10.44	12.75	14.69	13.15	16.32
Worst 4 Quarters	1.90	3.17	1.90	3.17	1.90	2.63	-36.37	-38.44
Best 4 Quarters	1.90	3.17	34.20	33.49	34.20	33.49	40.15	49.75
Standard Deviation	8.73	9.14	9.49	9.22	11.72	13.24	15.68	17.84
Beta	0.89		0.99		0.86		0.86	
Alpha	-0.22		-0.12		0.40		0.02	
R-Squared	0.87		0.93		0.94		0.96	
Sharpe Ratio	0.21	0.34	1.35	1.47	1.20	1.09	0.41	0.40
Treynor Ratio	2.11		12.99		16.40		7.44	
Tracking Error	3.32		2.57		3.39		4.01	
Information Ratio	-0.40		-0.25		-0.15		-0.29	

#### City of Fort Lauderdale Police and Fire Equity Summary Statistics Sawgrass Period Ending 9/15

	Portfolio	Russell 1000 Growth
Total Number Of Securities	46	646
Equity Market Value	20,670,945	
Average Capitalization \$(000)	122,965,364	116,491,911
Median Capitalization \$(000)	68,698,808	8,428,562
Equity Segment Yield	1.78	1.71
Equity Segment P/E - Average	21.08	23.21
Equity Segment P/E - Median	23.00	20.96
Equity Segment Beta	0.85	0.94
Price/Book Ratio	4.39	5.04
Debt/Equity Ratio	55.55	57.26
Five Year Earnings Growth	15.69	14.92

Ten Largest Holdings	Market Value	% of Portfolio	Quarterly Ret
Apple Inc	1,035,717	5.01	-11.66
Verizon Communicatio	828,430	4.01	-5.55
Google Inc	785,195	3.80	18.21
Express Scripts Hldg	701,923	3.40	-8.97
Coca Cola Co	672,812	3.26	3.15
Autozone Inc	658,685	3.19	8.54
Home Depot Inc	654,828	3.17	4.47
Microsoft Corp	614,771	2.98	0.91
Costco Whsl Corp New	597,074	2.89	7.33
TJX Cos Inc New	589,929	2.86	8.26

Ten Best Performers	Quarterly Ret	Ten Worst Performers	Quarterly Ret
Google Inc	18.21	Schlumberger Ltd	-19.46
Cboe Hldgs Inc	17.65	Abbvie Inc	-18.43
Verisign Inc	14.32	Abbott Labs	-17.66
Autozone Inc	8.54	McKesson Hboc Inc	-17.58
TJX Cos Inc New	8.26	Dollar Tree Inc	-15.61
Costco Whsl Corp New	7.33	Fedex Corp	-15.37
McDonalds Corp	4.55	Praxair Inc	-14.21
Home Depot Inc	4.47	Qualcomm Inc	-13.48
Stericycle Inc	4.03	Apple Inc	-11.66
Coca Cola Co	3.15	Laboratory Corp Amer	-10.52

#### City of Fort Lauderdale Police and Fire Equity Contribution to Return Sawgrass

### Period Ending 9/15

	Portf	olio	Russell 1000 Growth
Total Number Of Securities		46	646
Equity Market Value Average Capitalization \$(000)	20,670 122,960		116,491,911
Median Capitalization \$(000)	68,69	*	8,428,562
Equity Segment Yield	00,07	1.78	1.71
Equity Segment P/E - Average		21.08	23.21
Equity Segment P/E - Median		23.00	20.96
Equity Segment Beta		0.85	0.94
Price/Book Ratio		4.39	5.04
Debt/Equity Ratio		55.55	57.26
Five Year Earnings Growth		15.69	14.92
Ten Best Contributors	Market Value	% of Portfolio	Quarterly Ret
Google Inc	785,195	3.80	18.21
Verisign Inc	422,654	2.05	14.32
Autozone Inc	658,685	3.19	8.54
TJX Cos Inc New	589,929	2.86	8.26
Cboe Hldgs Inc	265,637	1.29	17.65
Costco Whsl Corp New	597,074	2.89	7.33
Home Depot Inc	654,828	3.17	4.47
Stericycle Inc	579,530	2.81	4.03
Coca Cola Co	672,812	3.26	3.15
McDonalds Corp	267,016	1.29	4.55
Ten Worst Contributors	Market Value	% of Portfolio	Quarterly Ret
Apple Inc	1,035,717	5.01	-11.66
Dollar Tree Inc	539,279	2.61	-15.61
Qualcomm Inc	533,002	2.58	-13.48
Abbvie Inc	358,562	1.74	-18.43
Express Scripts Hldg	701,923	3.40	-8.97
Intl Business McHn	585,679	2.84	-10.13
Oracle Corp	588,756	2.85	-10.04
Laboratory Corp Amer	502,216	2.43	-10.52
McKesson Hboc Inc	286,797	1.39	-17.58
Schlumberger Ltd	257,258	1.25	-19.46

#### City of Fort Lauderdale Police and Fire Equity Sector Attribution Analysis Sawgrass Quarter Ending 9/15

	Wei	ight	Return		Selection		
GICS Sectors	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	2.65	0.91	-19.46	-27.85	0.22	-0.39	-0.17
Materials	3.99	3.90	-8.68	-15.55	0.27	-0.01	0.27
Industrials	14.91	11.19	-5.10	-5.42	0.05	-0.00	0.04
Consumer Discretionary	16.99	21.13	-2.04	-2.08	0.01	-0.13	-0.13
Consumer Staples	12.43	10.06	-1.38	1.33	-0.34	0.16	-0.18
Health Care	15.35	18.48	-12.69	-12.23	-0.07	0.22	0.15
Financials	2.03	5.38	-4.62	-4.81	0.00	-0.02	-0.01
Information Technology	27.97	27.12	-2.93	-3.35	0.12	0.02	0.13
Telecom. Services	3.68	1.79	-5.55	-5.72	0.01	-0.01	-0.00
Utilities	0.00	0.04		-0.18	0.00	-0.00	-0.00
	100.00	100.00	-5.21	-5.30	0.27	-0.18	0.09

Index - Russell 1000 Growth

Stock Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

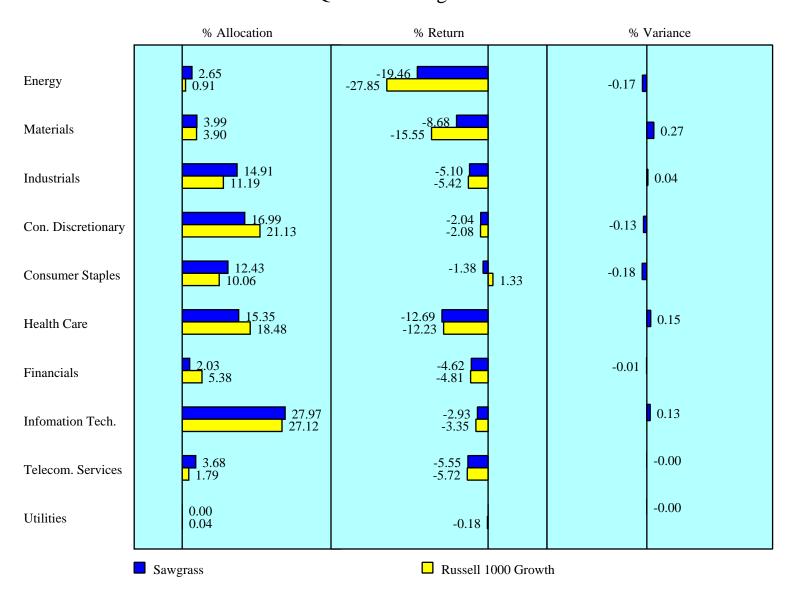
Sector Selection Return Attribution

[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

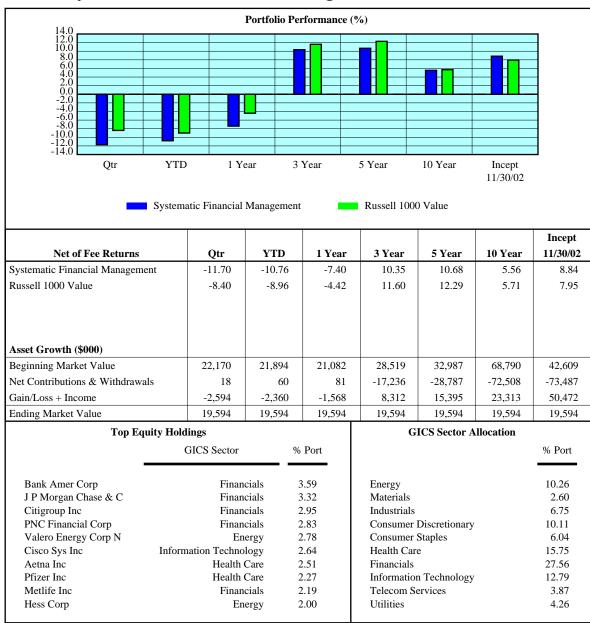
Trading Effect 0.73%

[ Actual Return -4.48% ] - [ Buy Hold Return -5.21% ]

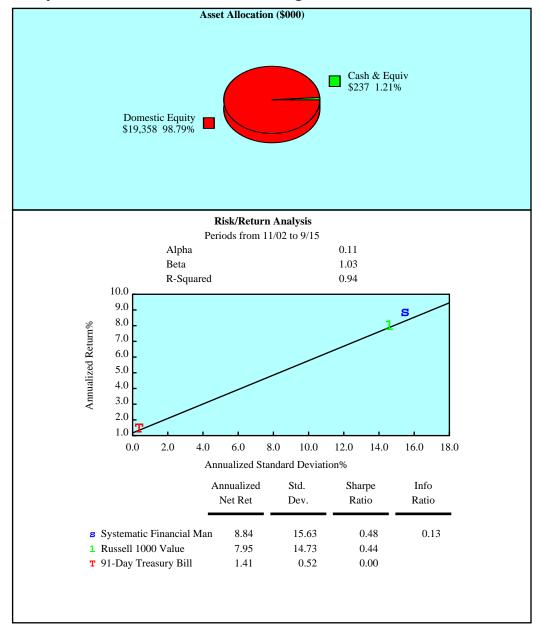
#### City of Fort Lauderdale Police and Fire Equity Sector Attribution Chart Sawgrass Quarter Ending 9/15



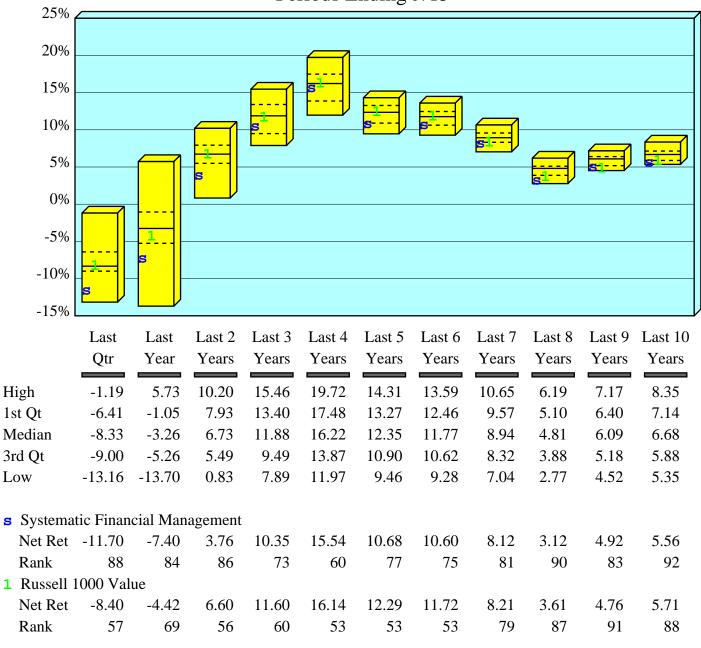
### City of Fort Lauderdale Police and Fire Systematic Financial Management as of 9/30/15



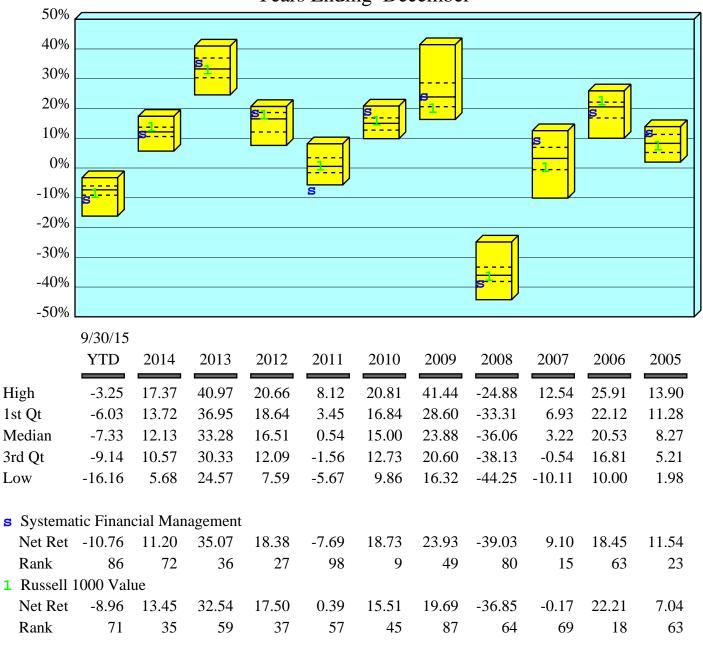
#### City of Fort Lauderdale Police and Fire Systematic Financial Management as of 9/30/15



#### City of Fort Lauderdale Police and Fire Large Value Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 9/15



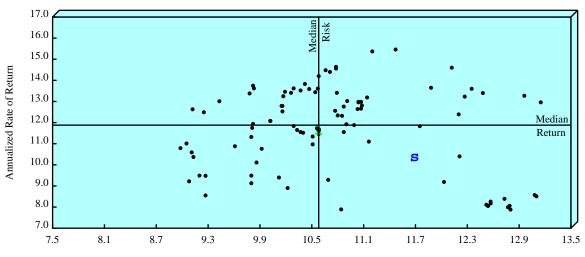
#### City of Fort Lauderdale Police and Fire Large Value Consecutive Performance Comparisons Total Returns of Equity Portfolios Years Ending December



#### City of Fort Lauderdale Police and Fire Return vs Risk

#### Total Returns of Large Value Portfolios

3 Years Ending 9/30/15

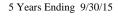


P	M

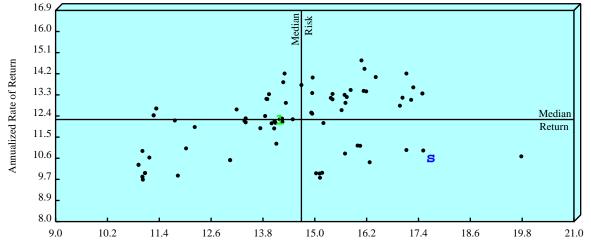
s Systematic Financial Management 1 Russell 1000 Value Median

Annualized Net	of Fee Return
Value	Rank
10.35	73
11.60	60
11.88	

# Standard Deviation Value Rank 11.72 80 10.61 53 10.58



Historical Standard Deviation of Return



Historical Standard Deviation of Return

		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
S	Systematic Financial Management	10.68	77	17.75	100
1	Russell 1000 Value	12.29	53	14.26	46
	Median	12.35		14.69	

#### City of Fort Lauderdale Police and Fire Risk Measure Summary Systematic Financial Management Quarterly Periods Ending 9/30/15

	1 Y	ear	3 Ye	ears	5 Ye	ears	Incer	otion
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	1	2	2	3	5	6	14	15
Positive Periods	3	2	10	9	15	14	37	36
Up Market Capture	0.88		1.00		1.09		1.07	
Down Market Capture	1.25		1.33		1.41		1.05	
Batting Average	0.50		0.42		0.45		0.55	
Worst Quarter	-11.70	-8.40	-11.70	-8.40	-22.49	-16.21	-22.49	-22.17
Best Quarter	3.76	4.98	11.41	12.31	15.46	13.11	19.48	18.24
Worst 4 Quarters	-7.40	-4.42	-7.40	-4.42	-7.69	-4.42	-39.78	-42.42
Best 4 Quarters	-7.40	-4.42	35.07	32.54	35.07	32.54	53.17	53.57
Standard Deviation	13.65	11.06	11.72	10.61	17.75	14.26	17.99	16.88
Beta	1.20		1.06		1.21		1.03	
Alpha	-0.51		-0.42		-0.90		0.11	
R-Squared	0.94		0.92		0.96		0.94	
Sharpe Ratio	-0.54	-0.40	0.88	1.09	0.60	0.86	0.42	0.41
Treynor Ratio	-6.18		9.75		8.73		7.27	
Tracking Error	3.99		3.41		4.83		4.50	
Information Ratio	-0.72		-0.31		-0.21		0.13	

#### City of Fort Lauderdale Police and Fire Equity Summary Statistics Systematic Financial Management Period Ending 9/15

Portfolio	Russell 1000 Value
86	692
19,357,825	
73,787,582	99,399,901
25,625,927	6,907,598
2.01	2.76
16.83	17.59
16.04	16.64
1.31	1.09
1.13	1.39
73.35	58.17
9.34	4.38
	19,357,825 73,787,582 25,625,927 2.01 16.83 16.04 1.31 1.13 73.35

Ten Largest Holdings	Market Value	% of Portfolio	Quarterly Ret
Bank Amer Corp	695,180	3.59	-8.17
J P Morgan Chase & C	642,929	3.32	-9.44
Citigroup Inc	570,515	2.95	-10.12
PNC Financial Corp	547,242	2.83	-6.25
Valero Energy Corp N	537,595	2.78	-3.41
Cisco Sys Inc	510,038	2.64	-3.67
Aetna Inc	486,327	2.51	-13.98
Pfizer Inc	438,955	2.27	-5.59
Metlife Inc	423,171	2.19	-15.22
Hess Corp	386,463	2.00	-24.81

Ten Best Performers	Quarterly Ret	Ten Worst Performers	Quarterly Ret
Activision Blizzard	27.59	Whiting Pete Corp Ne	-54.55
Consolidated Edison	16.62	Mylan N V	-40.67
Southwest Airls Co	15.17	Devon Energy Corp	-37.27
Royal Caribbean Crui	13.66	Nrg Energy Inc	-34.68
Hartford Finl Svcs G	10.63	Nabors Industries Lt	-34.12
Dte Energy Co	8.68	Tegna Inc	-29.76
Public Svc Enterpris	8.42	Rite Aid Corp	-27.31
Foot Locker Inc	7.79	Hess Corp	-24.81
Thomson Reuters Corp	6.62	Micron Technology In	-20.49
T-Mobile US Inc	2.68	Albemarle Corp	-19.66

#### City of Fort Lauderdale Police and Fire Equity Contribution to Return Systematic Financial Management Period Ending 9/15

	Port	Russell 1000 Value			
Total Number Of Securities		692			
Equity Market Value	19,35	7,825			
Average Capitalization \$(000)	73,78	7,582	99,399,901		
Median Capitalization \$(000)	25,62	5,927	6,907,598		
Equity Segment Yield		2.01	2.76		
Equity Segment P/E - Average		16.83	17.59		
Equity Segment P/E - Median		16.04	16.64		
Equity Segment Beta		1.31	1.09		
Price/Book Ratio		1.13	1.39		
Debt/Equity Ratio		73.35	58.17		
Five Year Earnings Growth		9.34	4.38		
Ten Best Contributors	Market Value	% of Portfolio	Quarterly Ret		
Activision Blizzard	136,688	0.71	27.59		
Southwest Airls Co	245,929	1.27	15.17		
Consolidated Edison	160,440	0.83	16.62		
Hartford Finl Svcs G	180,144	0.93	10.63		
Royal Caribbean Crui	106,017	0.55	13.66		
Public Svc Enterpris	146,717	0.76	8.42		
Dte Energy Co	128,994	0.67	8.68		
Foot Locker Inc	109,394	0.57	7.79		
Thomson Reuters Corp	113,131	0.58	6.62		
T-Mobile US Inc	209,600	1.08	2.68		
Ten Worst Contributors	Market Value	% of Portfolio	Quarterly Ret		
Devon Energy Corp	317,490	1.64	-37.27		
Hess Corp	386,463	2.00	-24.81		
Mylan N V	179,761	0.93	-40.67		
Aetna Inc	486,327	2.51	-13.98		
Metlife Inc	423,171	2.19	-15.22		
J P Morgan Chase & C	642,929	3.32	-9.44		
Citigroup Inc	570,515	2.95	-10.12		
Bank Amer Corp	695,180	3.59	-8.17		
Rite Aid Corp	191,509	0.99	-27.31		
Nrg Energy Inc	148,871	0.77	-34.68		

#### City of Fort Lauderdale Police and Fire Equity Sector Attribution Analysis Systematic Financial Management Quarter Ending 9/15

	Weight		Return		Selection			
GICS Sectors	Portfolio	Index	Portfolio	Index	Stock	Sector	Total	
Energy	10.05	14.22	-24.64	-17.63	-0.70	0.39	-0.32	
Materials	4.10	3.03	-24.19	-18.63	-0.23	-0.11	-0.34	
Industrials	5.53	10.14	-8.15	-9.45	0.07	0.05	0.12	
Consumer Discretionary	9.69	5.34	-10.04	-8.19	-0.18	0.01	-0.17	
Consumer Staples	5.58	6.65	-6.42	-4.32	-0.12	-0.04	-0.16	
Health Care	17.00	11.89	-12.93	-9.41	-0.60	-0.05	-0.65	
Financials	30.49	29.57	-9.52	-6.38	-0.96	0.02	-0.94	
Information Technology	11.43	11.00	-12.54	-6.24	-0.72	0.01	-0.71	
Telecom. Services	2.02	2.49	-5.48	-7.59	0.04	-0.00	0.04	
Utilities	4.12	5.68	-1.14	4.82	-0.25	-0.21	-0.45	
	100.00	100.00	-11.94	-8.36	-3.63	0.06	-3.58	

Index - Russell 1000 Value

Stock Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

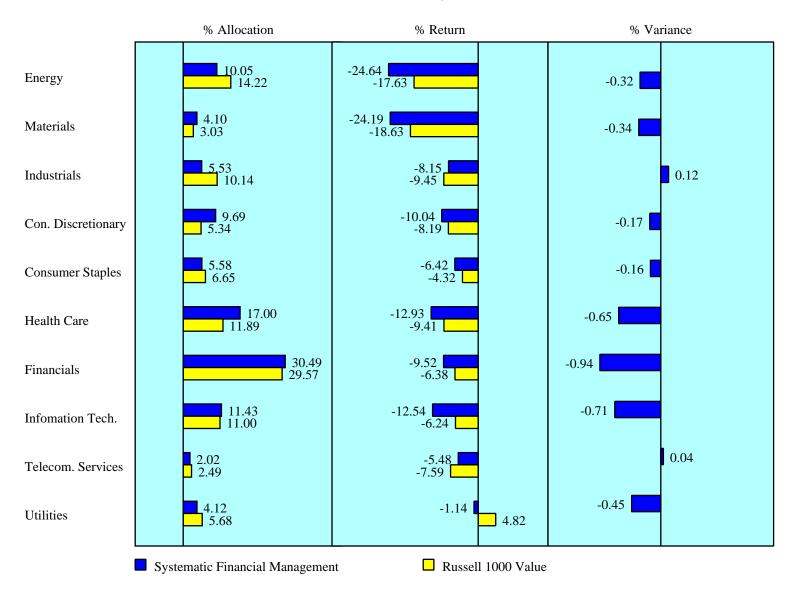
Sector Selection Return Attribution

[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

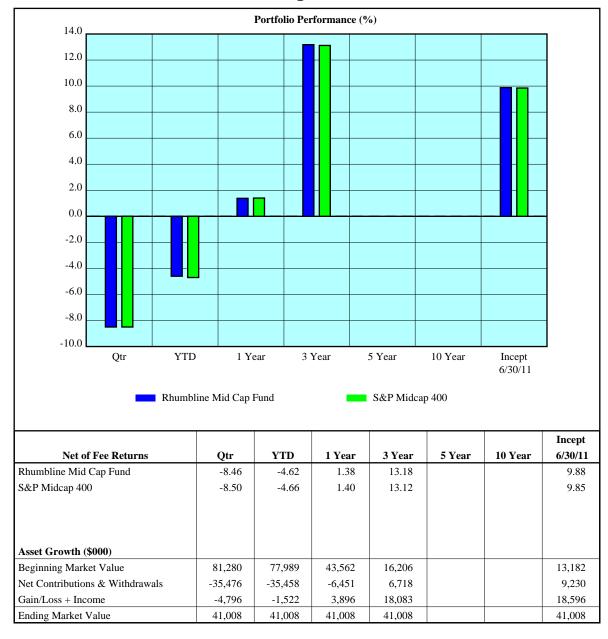
Trading Effect 0.14%

[ Actual Return -11.79% ] - [ Buy Hold Return -11.94% ]

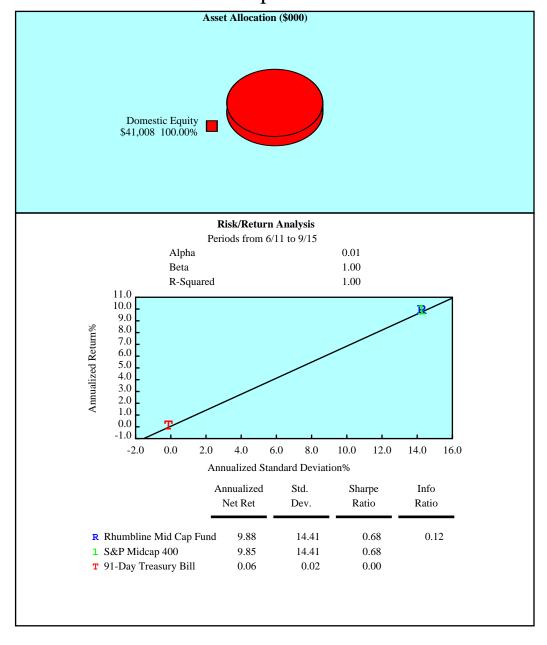
#### City of Fort Lauderdale Police and Fire Equity Sector Attribution Chart Systematic Financial Management Quarter Ending 9/15



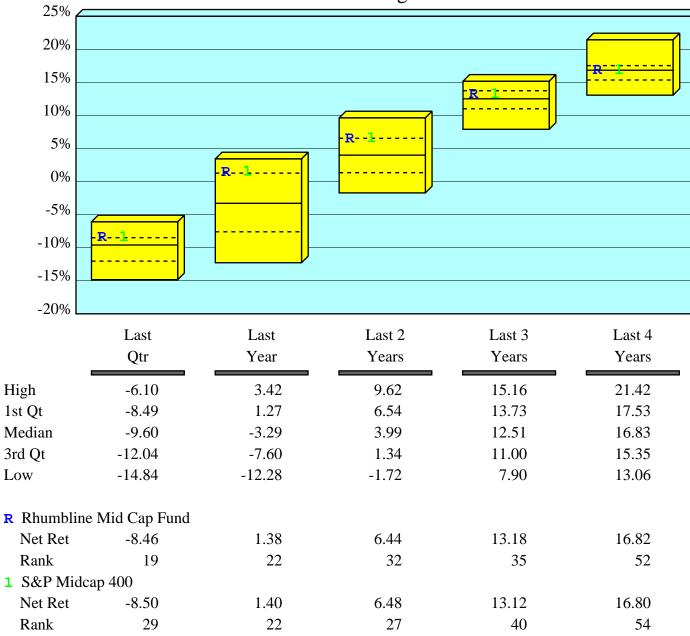
### City of Fort Lauderdale Police and Fire Rhumbline Mid Cap Fund as of 9/30/15



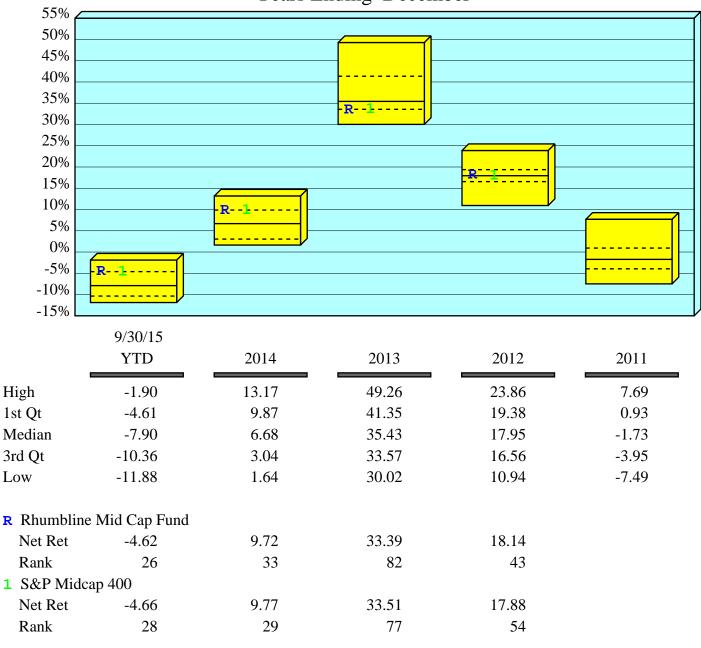
## City of Fort Lauderdale Police and Fire Rhumbline Mid Cap Fund as of 9/30/15



#### City of Fort Lauderdale Police and Fire Midcap Neutral Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 9/15

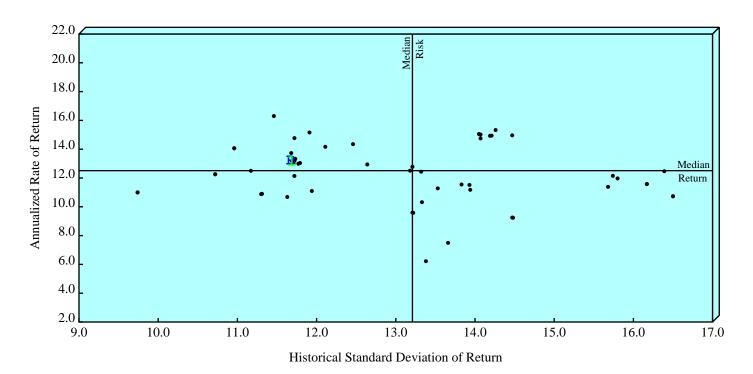


#### City of Fort Lauderdale Police and Fire Midcap Neutral Consecutive Performance Comparisons Total Returns of Equity Portfolios Years Ending December



#### City of Fort Lauderdale Police and Fire Return vs Risk

### Total Returns of Midcap Neutral Portfolios 3 Years Ending 9/30/15

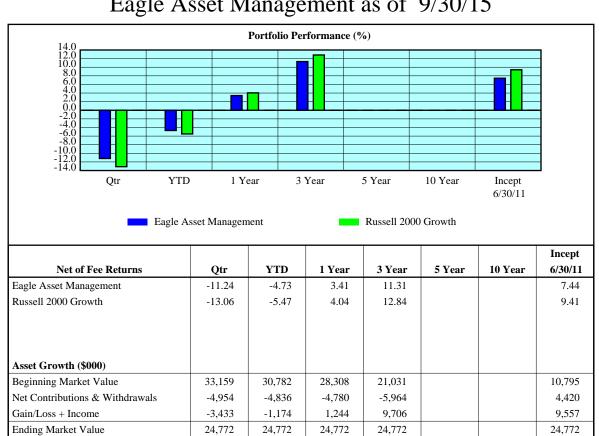


		Annualized Net	of Fee Return	Standard Deviation		
		Value	Rank	Value	Rank	
R	Rhumbline Mid Cap Fund	13.18	35	11.71	22	
1	S&P Midcap 400	13.12	40	11.72	31	
	Median	12.51		13.21		

#### City of Fort Lauderdale Police and Fire Risk Measure Summary Rhumbline Mid Cap Fund Quarterly Periods Ending 9/30/15

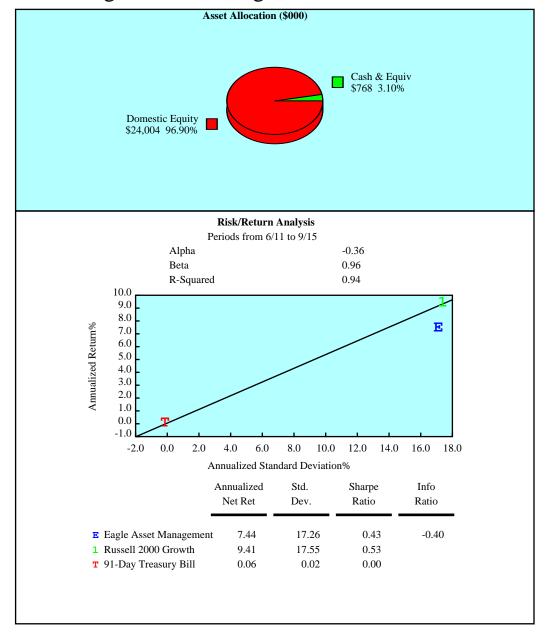
	1 Year		3 Years		5 Years		Inception	
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	2	2	3	3			5	5
Positive Periods	2	2	9	9			12	12
Up Market Capture	1.00		1.00				1.00	
Down Market Capture	1.00		1.00				1.00	
Batting Average	0.50		0.50				0.47	
Worst Quarter	-8.46	-8.50	-8.46	-8.50			-19.88	-19.88
Best Quarter	6.29	6.35	13.49	13.45			13.53	13.50
Worst 4 Quarters	1.38	1.40	1.38	1.40			-2.33	-2.32
Best 4 Quarters	1.38	1.40	33.39	33.51			33.39	33.51
Standard Deviation	13.64	13.70	11.71	11.72			17.16	17.17
Beta	1.00		1.00				1.00	
Alpha	-0.00		0.01				0.01	
R-Squared	1.00		1.00				1.00	
Sharpe Ratio	0.10	0.10	1.12	1.12			0.57	0.57
Treynor Ratio	1.36		13.13				9.82	
Tracking Error	0.08		0.17				0.15	
Information Ratio	-0.33		0.31				0.12	

### City of Fort Lauderdale Police and Fire Eagle Asset Management as of 9/30/15

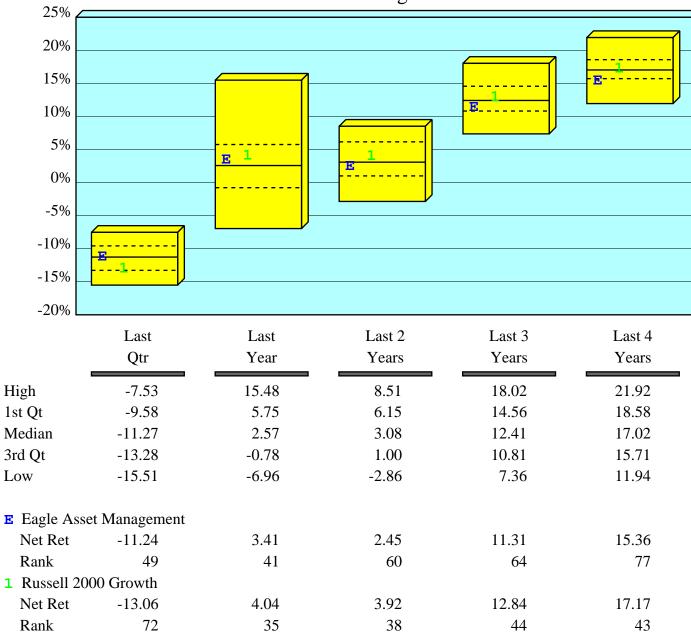


ang manter varae	2.,,,,2		= 1,77.1=	2 .,,
Top E	Equity Holdings		GICS Sector Allocation	on
	GICS Sector	% Port		% Port
Martin Marietta Matl	Materials	2.97	Energy	1.81
Imperva Inc	Information Technology	2.74	Materials	5.01
Jetblue Awys Corp	Industrials	2.63	Industrials	14.29
Thoratec Corp.	Health Care	2.33	Consumer Discretionary	20.00
Quaker Chem Corp	Materials	2.04	Consumer Staples	2.94
Anacor Pharmaceutica	Health Care	1.99	Health Care	27.16
Genesco Inc	Consumer Discretionary	1.90	Financials	7.12
Centene Corp Del	Health Care	1.86	Information Technology	21.68
Vail Resorts Inc	Consumer Discretionary	1.82	Telecom Services	0.00
Natus Medical Inc De	Health Care	1.74	Utilities	0.00

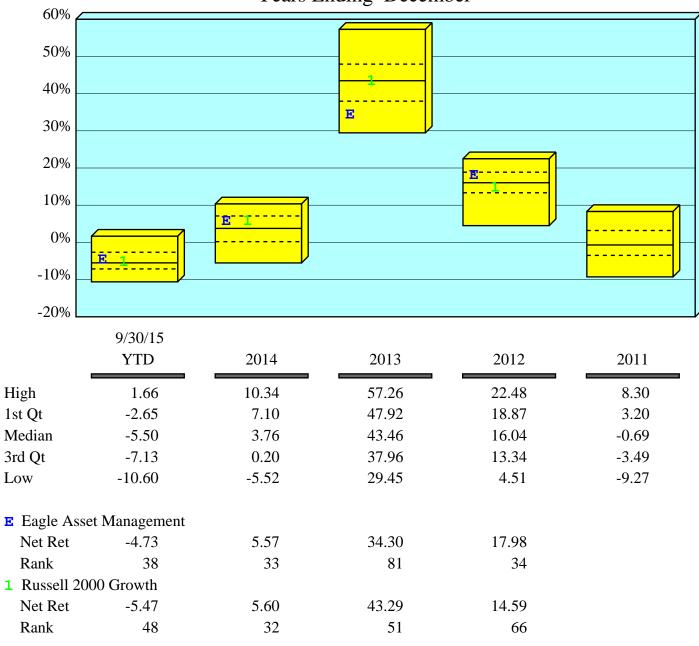
### City of Fort Lauderdale Police and Fire Eagle Asset Management as of 9/30/15



#### City of Fort Lauderdale Police and Fire Small Growth Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 9/15



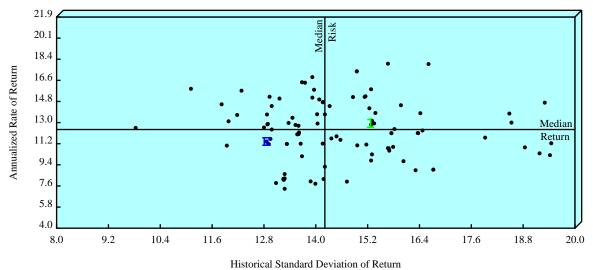
#### City of Fort Lauderdale Police and Fire Small Growth Consecutive Performance Comparisons Total Returns of Equity Portfolios Years Ending December



#### City of Fort Lauderdale Police and Fire Return vs Risk

#### Total Returns of Small Growth Portfolios

3 Years Ending 9/30/15



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
E	Eagle Asset Management	11.31	64	12.92	14
1	Russell 2000 Growth	12.84	44	15.33	70
	Median	12.41		14.21	

#### City of Fort Lauderdale Police and Fire Risk Measure Summary Eagle Asset Management Quarterly Periods Ending 9/30/15

	1 Y	ear	3 Ye	ears	5 Ye	ears	Incer	otion
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	1	1	3	2			5	4
Positive Periods	3	3	9	10			12	13
Up Market Capture	0.84		0.84				0.93	
Down Market Capture	0.86		0.82				1.03	
Batting Average	0.50		0.42				0.41	
Worst Quarter	-11.24	-13.06	-11.24	-13.06			-23.41	-22.26
Best Quarter	8.54	10.06	12.55	13.20			17.16	14.99
Worst 4 Quarters	3.41	4.04	1.49	3.80			-8.37	-2.73
Best 4 Quarters	3.41	4.04	34.30	43.29			34.30	43.29
Standard Deviation	17.14	20.39	12.92	15.33			19.73	19.91
Beta	0.82		0.82				0.96	
Alpha	-0.02		0.16				-0.36	
R-Squared	0.95		0.95				0.94	
Sharpe Ratio	0.20	0.20	0.87	0.83			0.37	0.47
Treynor Ratio	4.13		13.68				7.68	- 1
Tracking Error	5.29		3.99				4.93	- 1
Information Ratio	-0.23		-0.45				-0.40	

#### City of Fort Lauderdale Police and Fire Equity Summary Statistics Eagle Asset Management Period Ending 9/15

	Portfolio	Russell 2000 Growth
Total Number Of Securities	96	1,191
Equity Market Value	24,004,114	
Average Capitalization \$(000)	3,121,109	1,947,783
Median Capitalization \$(000)	2,346,140	752,331
Equity Segment Yield	0.46	0.75
Equity Segment P/E - Average	37.93	61.15
Equity Segment P/E - Median	20.40	16.40
Equity Segment Beta	1.25	1.23
Price/Book Ratio	3.16	3.71
Debt/Equity Ratio	38.00	39.81
Five Year Earnings Growth	13.22	11.32

Ten Largest Holdings	Market Value	% of Portfolio	Quarterly Ret
Martin Marietta Matl	713,101	2.97	7.64
Imperva Inc	658,205	2.74	-3.28
Jetblue Awys Corp	631,752	2.63	24.13
Thoratec Corp.	558,965	2.33	41.93
Quaker Chem Corp	489,381	2.04	-12.91
Anacor Pharmaceutica	478,491	1.99	52.02
Genesco Inc	455,133	1.90	-13.57
Centene Corp Del	445,988	1.86	-32.55
Vail Resorts Inc	437,562	1.82	-4.14
Natus Medical Inc De	418,604	1.74	-7.31

Ten Best Performers	Quarterly Ret	Ten Worst Performers	Quarterly Ret
Anacor Pharmaceutica	52.02	Chart Inds Inc	-46.27
Thoratec Corp.	41.93	Commercial Veh Group	-44.11
Dermira Inc	32.99	Qorvo Inc	-43.88
Medicines Co	32.68	Sage Therapeutics In	-42.03
Jetblue Awys Corp	24.13	Marinemax Inc	-39.90
Buffalo Wild Wings I	23.45	Alder Biopharmaceuti	-38.15
Bright Horizons Fam	11.14	Finisar Corp	-37.72
Ultimate Software Gr	8.93	Novavax Inc	-36.54
Zeltiq Aesthetics In	8.69	Colfax Corp	-35.19
Caseys Gen Stores	7.73	Arctic Cat Inc	-32.89

## City of Fort Lauderdale Police and Fire Equity Contribution to Return

#### Eagle Asset Management Period Ending 9/15

	Ports	folio	Russell 2000 Growth
Total Number Of Securities		96	1,191
Equity Market Value	24,00		
Average Capitalization \$(000)	3,12	1,947,783	
Median Capitalization \$(000)	2,34	6,140	752,331
Equity Segment Yield		0.46	0.75
Equity Segment P/E - Average		37.93	61.15
Equity Segment P/E - Median		20.40	16.40
Equity Segment Beta		1.25	1.23
Price/Book Ratio		3.16	3.71
Debt/Equity Ratio		38.00	39.81
Five Year Earnings Growth		13.22	11.32
Ten Best Contributors	Market Value	% of Portfolio	Quarterly Ret
	470.401	1.00	52.02
Anacor Pharmaceutica	478,491	1.99	52.02
Thoratec Corp.	558,965	2.33	41.93
Jetblue Awys Corp	631,752	2.63	24.13
Buffalo Wild Wings I Martin Marietta Matl	258,616	1.08	23.45 7.64
Dermira Inc	713,101	2.97 0.66	7.04 32.99
Bright Horizons Fam	157,452 357,110	1.49	32.99 11.14
Medicines Co	121,510	0.51	32.68
Ultimate Software Gr	408,501	1.70	8.93
Caseys Gen Stores	319,052	1.70	7.73
caseys deli stores	317,032	1.55	7.75
Ten Worst Contributors	Market Value	% of Portfolio	Quarterly Ret
Centene Corp Del	445,988	1.86	-32.55
Qorvo Inc	196,238	0.82	-43.88
Stifel Finl Corp	296,426	1.24	-27.09
Cognex Corp	257,844	1.07	-28.40
Belmond Ltd	339,504	1.41	-19.06
Mgic Invt Corp Wis	340,981	1.42	-18.63
Quaker Chem Corp	489,381	2.04	-12.91
Genesco Inc	455,133	1.90	-13.57
Hff Inc	318,424	1.33	-19.10
Universal Electrs In	374,824	1.56	-15.67

#### City of Fort Lauderdale Police and Fire Equity Sector Attribution Analysis Eagle Asset Management Quarter Ending 9/15

	Wei	Weight Return		Selection			
GICS Sectors	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	3.10	1.53	-22.69	-29.42	0.21	-0.26	-0.05
Materials	4.51	4.16	-1.80	-17.81	0.72	-0.02	0.71
Industrials	13.35	13.22	-10.81	-14.74	0.52	-0.00	0.52
Consumer Discretionary	15.85	18.27	-9.95	-10.70	0.12	-0.06	0.06
Consumer Staples	2.92	3.12	1.37	-3.62	0.15	-0.02	0.13
Health Care	28.89	27.71	-10.80	-18.05	2.09	-0.06	2.03
Financials	7.43	7.16	-16.27	-5.39	-0.81	0.02	-0.79
Information Technology	23.96	23.90	-15.00	-10.08	-1.18	0.00	-1.18
Telecom. Services	0.00	0.84		-6.05	0.00	-0.06	-0.06
Utilities	0.00	0.10		-7.02	0.00	-0.01	-0.01
	100.00	100.00	-11.69	-13.06	1.82	-0.45	1.37

Index - Russell 2000 Growth

Stock Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

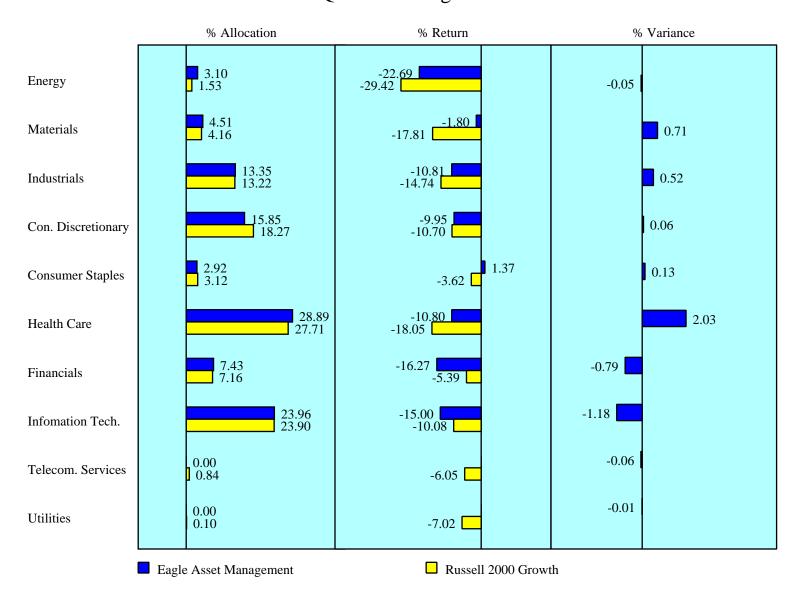
Sector Selection Return Attribution

[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

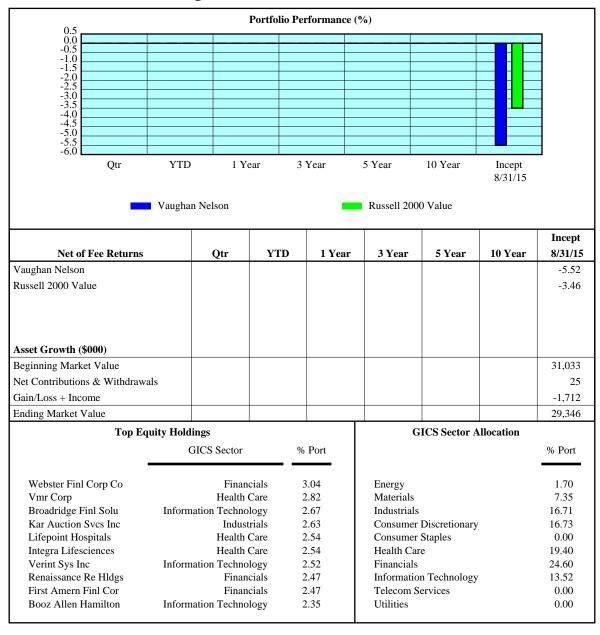
Trading Effect -0.00%

[ Actual Return -11.69% ] - [ Buy Hold Return -11.69% ]

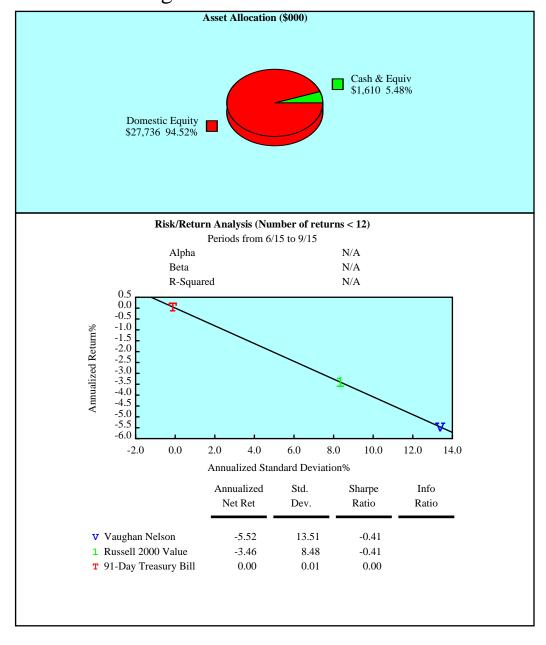
#### City of Fort Lauderdale Police and Fire Equity Sector Attribution Chart Eagle Asset Management Quarter Ending 9/15



### City of Fort Lauderdale Police and Fire Vaughan Nelson as of 9/30/15



### City of Fort Lauderdale Police and Fire Vaughan Nelson as of 9/30/15



### City of Fort Lauderdale Police and Fire Risk Measure Summary Vaughan Nelson

### Quarterly Periods Ending 9/30/15

	1 Y	ear	3 Ye	ears	5 Ye	ears	Incer	otion
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods							1	1
Positive Periods							0	0
Up Market Capture								
Down Market Capture							0.20	
Batting Average							1.00	
Worst Quarter							-2.15	-10.73
Best Quarter							-2.15	-10.73
Worst 4 Quarters								
Best 4 Quarters								
Standard Deviation								
Beta								
Alpha								
R-Squared								
Sharpe Ratio								
Treynor Ratio								
Tracking Error								
Information Ratio								

#### City of Fort Lauderdale Police and Fire Equity Summary Statistics Vaughan Nelson

Period Ending 9/15

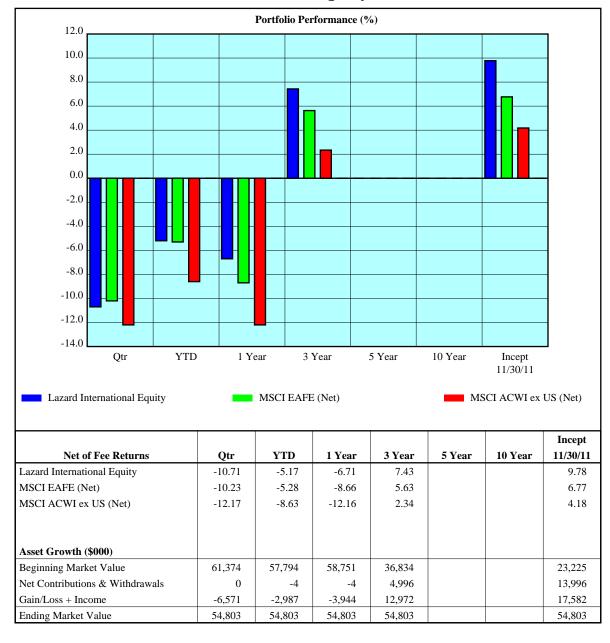
	Po	ortfolio	Russell 2000 Value
Total Number Of Securities		66	1,345
Equity Market Value	· · · · · · · · · · · · · · · · · · ·	736,010	1 (02 211
Average Capitalization \$(000)	•	846,870	1,602,211
Median Capitalization \$(000)	2,	117,874	599,767
Equity Segment Yield		1.31	2.29
Equity Segment P/E - Average		20.07	24.17
Equity Segment P/E - Median		16.44	15.59
Equity Segment Beta		1.24	1.16
Price/Book Ratio		1.98	1.30
Debt/Equity Ratio		68.58	57.02
Five Year Earnings Growth		9.44	4.86
Ten Largest Holdings	Market Value	% of Portfolio	Quarterly Ret
Wahatan Finl Comp Co	9.42.650	3.04	-9.37
Webster Finl Corp Co Vmr Corp	842,650 782,261	2.82	-9.37 -3.89
Broadridge Finl Solu	740,306	2.67	11.31
Kar Auction Svcs Inc	727,750	2.63	-4.38
Lifepoint Hospitals	703,683	2.54	-18.46
Integra Lifesciences	702,690	2.54	-2.31
Verint Sys Inc	697,951	2.52	-28.97
Renaissance Re Hldgs	685,764	2.47	5.04
First Amern Finl Cor	683,725	2.47	5.68
Booz Allen Hamilton	650,663	2.35	4.36
Ten Best Performers	Quarterly Ret	Ten Worst Performers	Quarterly Ret
Broadridge Finl Solu	11.31	Amag Pharmaceuticals	-42.47
Amsurg Corp	11.09	Forum Energy Technol	-39.79
Civitas Solutions In	7.45	Superior Energy Svcs	-39.70
Pra Health Sciences	6.88	Newpark Res Inc	-37.02
First Merchants Corp	6.60	Trinet Group Inc	-33.73
First Amern Finl Cor	5.68	Mens Wearhouse Inc	-33.39
Lennox Intl Inc	5.58	Rexnord Corp New	-28.98
Renaissance Re Hldgs	5.04	Verint Sys Inc	-28.97
Lakeland Finl Corp	4.68	Kapstone Paper & Pac	-28.16
Booz Allen Hamilton	4.36	Wolverine World Wide	-23.81

# City of Fort Lauderdale Police and Fire Equity Contribution to Return

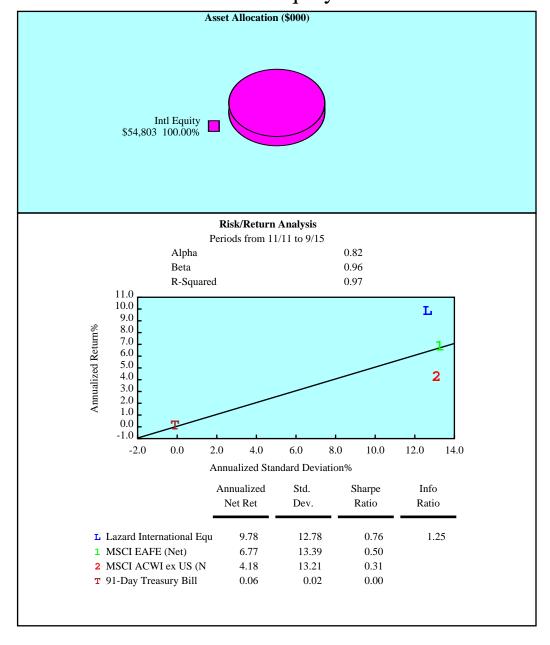
#### Vaughan Nelson Period Ending 9/15

	Ports	folio	Russell 2000 Value
Total Number Of Securities		66	1,345
Equity Market Value	27,73		
Average Capitalization \$(000)	2,84	1,602,211	
Median Capitalization \$(000)	2,11	7,874	599,767
Equity Segment Yield		1.31	2.29
Equity Segment P/E - Average		20.07	24.17
Equity Segment P/E - Median		16.44	15.59
Equity Segment Beta		1.24	1.16
Price/Book Ratio		1.98	1.30
Debt/Equity Ratio		68.58	57.02
Five Year Earnings Growth		9.44	4.86
Ten Best Contributors	Market Value	% of Portfolio	Quarterly Ret
Broadridge Finl Solu	740,306	2.67	11.31
Amsurg Corp	509,001	1.84	11.09
First Amern Finl Cor	683,725	2.47	5.68
Pra Health Sciences	560,123	2.02	6.88
Renaissance Re Hldgs	685,764	2.47	5.04
Booz Allen Hamilton	650,663	2.35	4.36
Lennox Intl Inc	439,154	1.58	5.58
First Merchants Corp	340,860	1.23	6.60
Civitas Solutions In	271,029	0.98	7.45
Union Bankshares Cor	504,000	1.82	4.00
Ten Worst Contributors	Market Value	% of Portfolio	Quarterly Ret
Verint Sys Inc	697,951	2.52	-28.97
Mens Wearhouse Inc	604,847	2.18	-33.39
Lifepoint Hospitals	703,683	2.54	-18.46
Kapstone Paper & Pac	364,458	1.32	-28.16
Tenneco Automotive I	443,223	1.60	-22.06
Forum Energy Technol	245,116	0.88	-39.79
Hsn Inc	533,763	1.93	-17.98
Amag Pharmaceuticals	219,508	0.79	-42.47
Firstmerit Corp	632,586	2.28	-14.36
Webster Finl Corp Co	842,650	3.04	-9.37

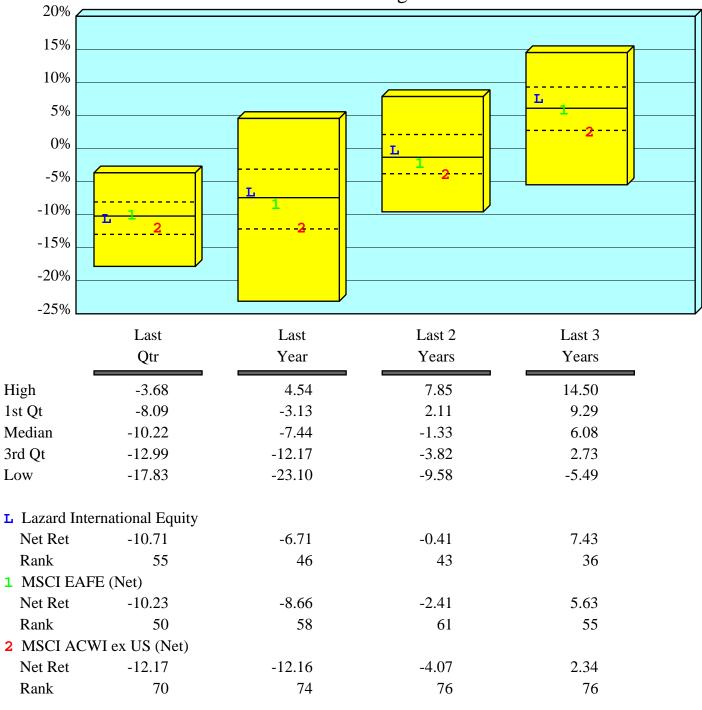
### City of Fort Lauderdale Police and Fire Lazard International Equity as of 9/30/15



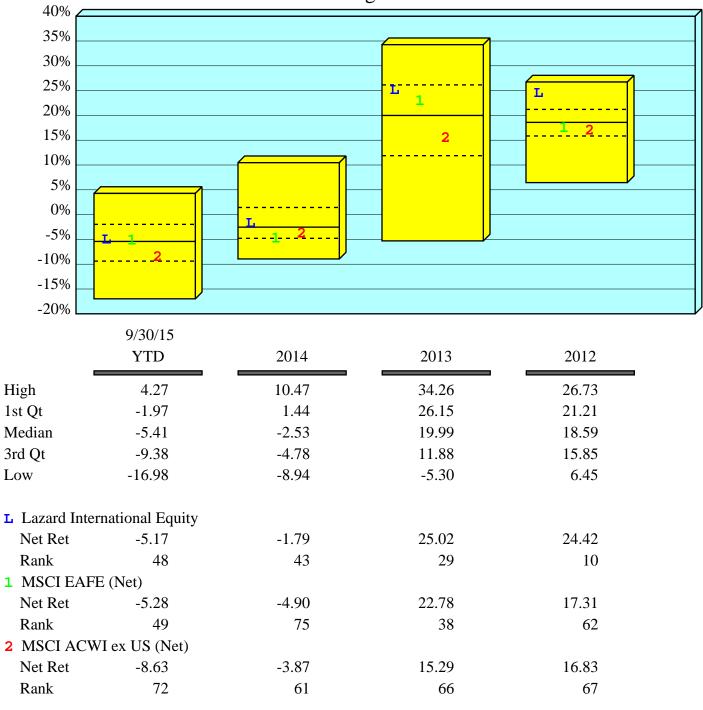
### City of Fort Lauderdale Police and Fire Lazard International Equity as of 9/30/15



#### City of Fort Lauderdale Police and Fire Cumulative Performance Comparison Total Returns of International Equity Portfolios Periods Ending 9/15



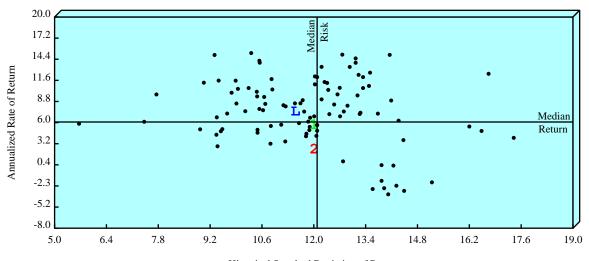
#### City of Fort Lauderdale Police and Fire Calendar Year Performance Comparison Total Returns of International Equity Portfolios Years Ending December



#### City of Fort Lauderdale Police and Fire Return vs Risk

### **Total Returns of International Equity Portfolios**

3 Years Ending 9/30/15



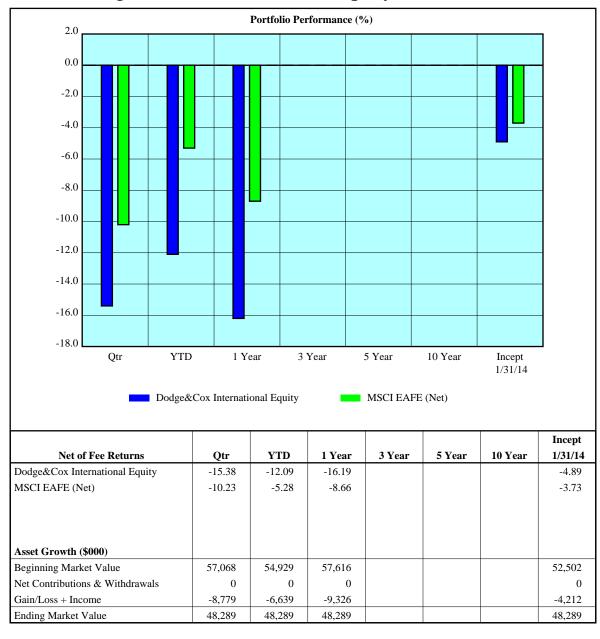
eturn

		Annualized Net	Annualized Net of Fee Return		Deviation
		Value	Rank	Value	Rank
L	Lazard International Equity	7.43	36	11.58	38
1	MSCI EAFE (Net)	5.63	55	12.08	50
2	MSCI ACWI ex US (Net)	2.34	76	12.07	49
	Median	6.08		12.09	

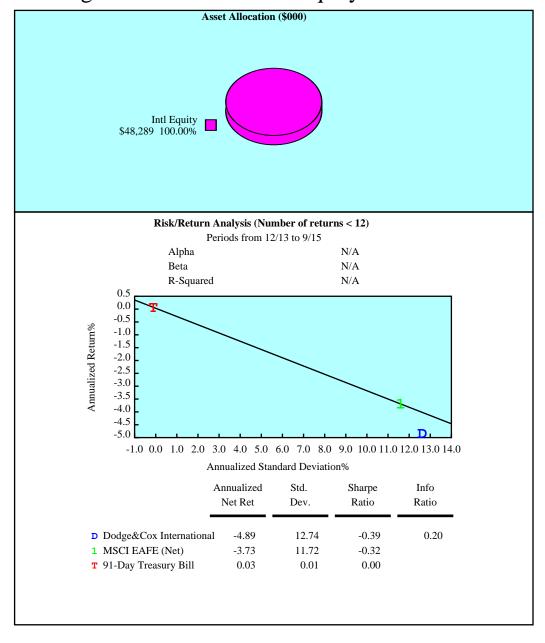
#### City of Fort Lauderdale Police and Fire Risk Measure Summary Lazard International Equity Quarterly Periods Ending 9/30/15

	1 Year		3 Years		5 Years		Inception	
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	2	2	3	4			4	5
Positive Periods	2	2	9	8			11	10
Up Market Capture	1.12		1.05				1.09	
Down Market Capture	0.90		0.85				0.80	
Batting Average	0.75		0.75				0.80	
Worst Quarter	-10.71	-10.23	-10.71	-10.23			-10.71	-10.23
Best Quarter	4.89	4.88	9.54	11.56			12.97	11.56
Worst 4 Quarters	-6.71	-8.66	-6.71	-8.66			-6.71	-8.66
Best 4 Quarters	-6.71	-8.66	25.02	23.77			25.02	23.77
Standard Deviation	13.33	12.88	11.58	12.08			12.66	12.98
Beta	1.01		0.95				0.96	
Alpha	0.56		0.50				0.82	
R-Squared	0.97		0.97				0.97	
Sharpe Ratio	-0.51	-0.67	0.64	0.46			0.82	0.55
Treynor Ratio	-6.65		7.80				10.74	- 1
Tracking Error	2.09		2.12				2.38	- 1
Information Ratio	1.01		0.78				1.25	

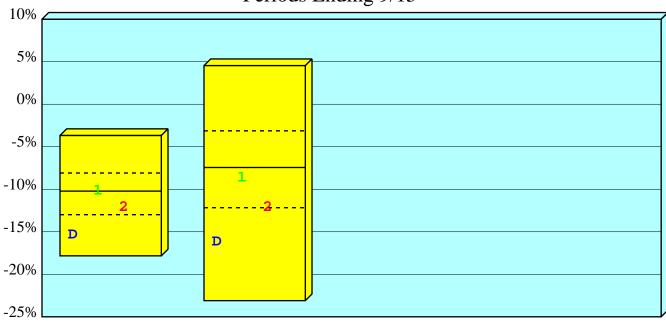
# City of Fort Lauderdale Police and Fire Dodge&Cox International Equity as of 9/30/15



## City of Fort Lauderdale Police and Fire Dodge&Cox International Equity as of 9/30/15



#### City of Fort Lauderdale Police and Fire Cumulative Performance Comparison Total Returns of International Equity Portfolios Periods Ending 9/15



	Last Qtr	Last Year
High	-3.68	4.54
1st Qt	-8.09	-3.13
Median	-10.22	-7.44
3rd Qt	-12.99	-12.17
Low	-17.83	-23.10

#### Dodge&Cox International Equity

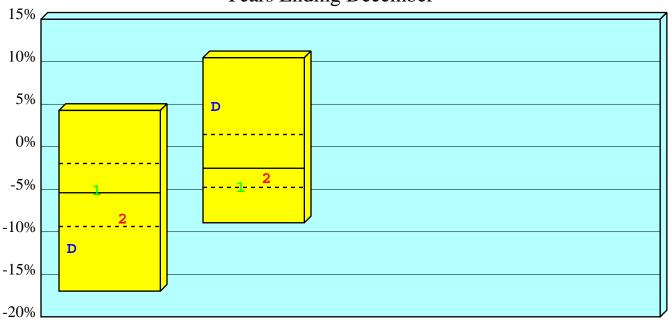
Rank

	_		1 "	
	Net Ret	-15.38	-16.19	
	Rank	85	82	
1	MSCI EAFE	(Net)		
	Net Ret	-10.23	-8.66	
	Rank	50	58	
2	MSCI ACW	ex US (Net)		
	Net Ret	-12.17	-12.16	

70

74

#### City of Fort Lauderdale Police and Fire Calendar Year Performance Comparison Total Returns of International Equity Portfolios Years Ending December



	YTD	2014		
High	4.27	10.47		
1st Qt	-1.97	1.44		
Median	-5.41	-2.53		
3rd Qt	-9.38	-4.78		
Low	-16.98	-8.94		

9/30/15

### D Dodge&Cox International Equity Net Ret -12 09

Rank

	Net Ret	-12.09	4.62
	Rank	81	15
1	MSCI EA	AFE (Net)	
	Net Ret	-5.28	-4.90
	Rank	49	75
2	MSCI AC	CWI ex US (Net)	
	Net Ret	-8.63	-3.87

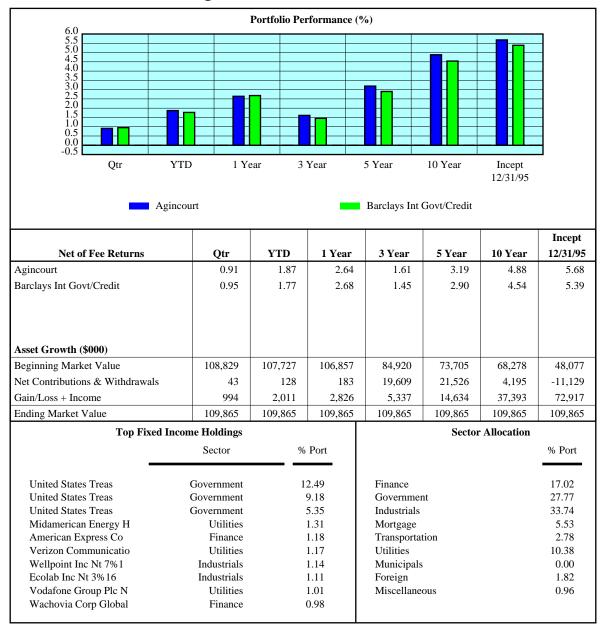
72

61

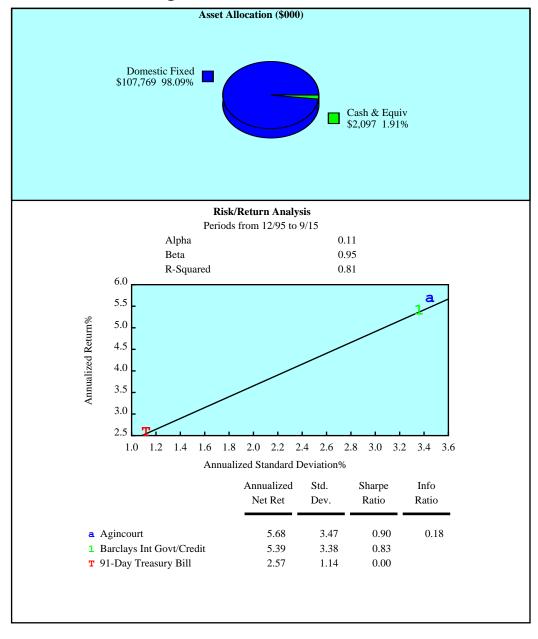
#### City of Fort Lauderdale Police and Fire Risk Measure Summary Dodge&Cox International Equity Quarterly Periods Ending 9/30/15

	1 Year		3 Years		5 Years		Inception	
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	3	2					4	3
Positive Periods	1	2					3	4
Up Market Capture	0.71						1.63	- 1
Down Market Capture	1.44						1.16	- 1
Batting Average	0.00						0.43	- 1
Worst Quarter	-15.38	-10.23					-15.38	-10.23
Best Quarter	4.20	4.88					7.43	4.88
Worst 4 Quarters	-16.19	-8.66					-16.19	-8.66
Best 4 Quarters	-16.19	-8.66					4.62	-0.92
Standard Deviation	16.77	12.88					15.44	10.97
Beta	1.31						1.25	- 1
Alpha	-1.30						0.77	- 1
R-Squared	0.98						0.80	- 1
Sharpe Ratio	-0.97	-0.67					-0.30	-0.53
Treynor Ratio	-12.33						-3.76	- 1
Tracking Error	4.27						7.50	- 1
Information Ratio	-1.80						0.20	

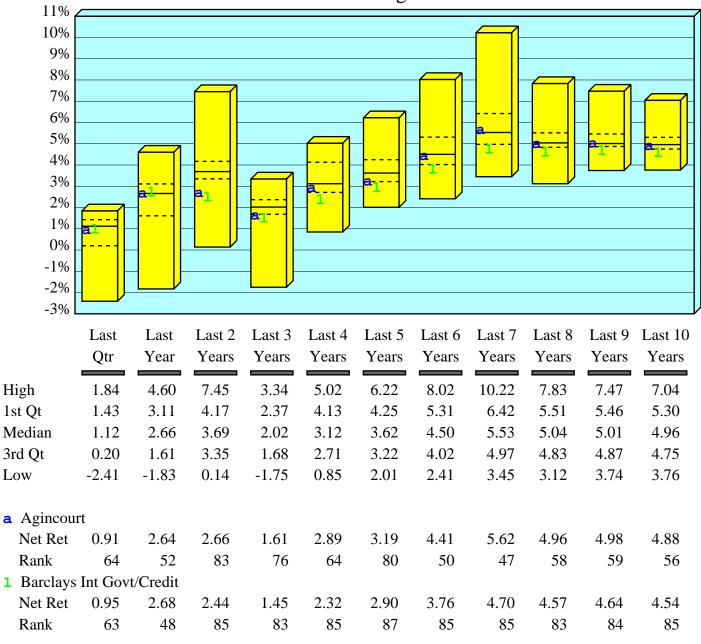
### City of Fort Lauderdale Police and Fire Agincourt as of 9/30/15



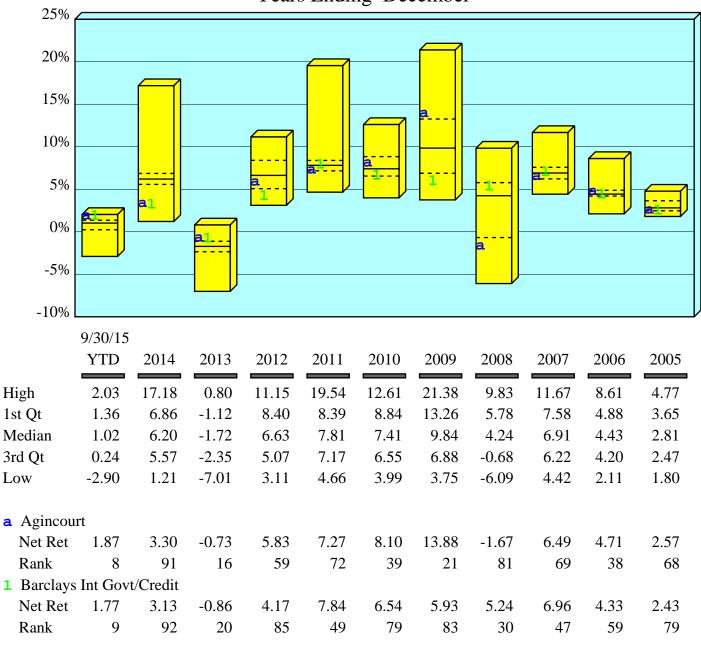
### City of Fort Lauderdale Police and Fire Agincourt as of 9/30/15



#### City of Fort Lauderdale Police and Fire Fixed Income Core Cumulative Performance Comparisons Total Returns of Fixed Income Portfolios Periods Ending 9/15



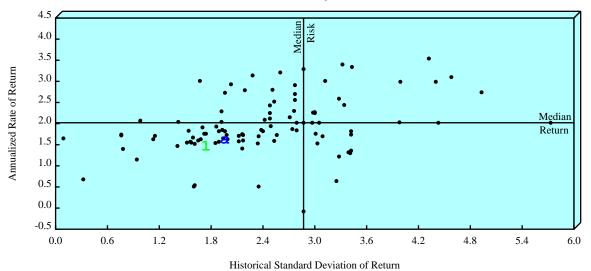
#### City of Fort Lauderdale Police and Fire Fixed Income Core Consecutive Performance Comparisons Total Returns of Fixed Income Portfolios Years Ending December



#### City of Fort Lauderdale Police and Fire Return vs Risk

#### Total Returns of Fixed Income Portfolios

3 Years Ending 9/30/15



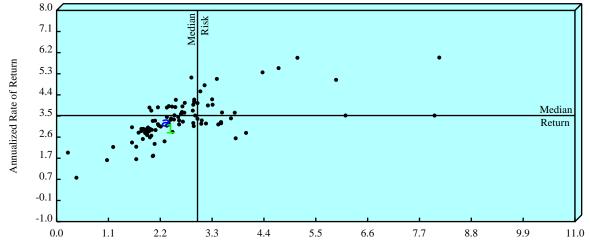
Annualize

a Agincourt
 1 Barclays Int Govt/Credit
 Median

Annualized Net of Fee Return
Value Rank
1.61 67
1.45 74
2.02

Standard Deviation
Value Rank
1.99 25
1.77 21
2.87





Historical Standard Deviation of Return

		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
a	Agincourt	3.19	60	2.38	28
1	Barclays Int Govt/Credit	2.90	72	2.47	31
	Median	3.52		2.99	

### City of Fort Lauderdale Police and Fire Risk Measure Summary

# Agincourt Quarterly Periods Ending 9/30/15

	1 Y	ear	3 Ye	ears	5 Ye	ears	Incer	otion
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	1	1	3	4	4	5	17	19
Positive Periods	3	3	9	8	16	15	62	60
Up Market Capture	1.00		1.11		1.09		1.05	
Down Market Capture	1.07		1.09		1.08		1.01	
Batting Average	0.25		0.58		0.60		0.67	
Worst Quarter	-0.67	-0.62	-1.96	-1.70	-1.96	-1.70	-2.41	-2.44
Best Quarter	1.62	1.45	1.62	1.45	2.74	3.82	5.72	4.62
Worst 4 Quarters	2.64	2.68	-0.73	-0.86	-0.73	-0.86	-1.67	-0.86
Best 4 Quarters	2.64	2.68	3.77	3.58	7.90	7.84	15.10	12.95
Standard Deviation	1.92	1.79	1.99	1.77	2.38	2.47	3.47	3.38
Beta	1.05		1.12		0.92		0.95	
Alpha	-0.04		0.00		0.13		0.11	
R-Squared	0.99		0.99		0.91		0.81	
Sharpe Ratio	1.36	1.48	0.78	0.79	1.31	1.14	0.90	0.83
Treynor Ratio	2.48		1.39		3.38		3.29	
Tracking Error	0.26		0.31		0.76		1.52	
Information Ratio	-0.13		0.53		0.36		0.18	

#### City of Fort Lauderdale Police and Fire Fixed Income, Mortgage and Municipals Summary Statistics Agincourt Quarter Ending 9/15

	Portfolio	Barclays Int Govt/Credit
Total Number Of Securities Total Market Value Yield to Maturity Time to Maturity Current Coupon Duration Effective Convexity Effective Duration Effective Maturity	199 107,768,648 2.14 6.01 4.36 3.85 0.20 3.79 4.21	5,051 1.69 4.31 2.52 3.98 0.21 3.97 4.31
Yield to Maturity  1 - 2  42.6%  2 - 3  42.9%  3 - 4  10.5%  4 - 5  2.1%  5+  0.7%	Time to Maturity  0 - 1	Coupon  0 - 3
Quality	Duration	Effective Duration
GOVT 27.8%	0 - 1 2.7%	0 - 1 2.7%
AAA 5.5%	1 - 3 30.8%	1 - 3 31.1%
AA 5.2%	3 - 4 27.3%	3 - 4 28.2%
A 21.6%	4 - 6 24.0%	4 - 6 23.2%
BAA 38.3%	6 - 8 8.0%	6 - 8 13.5%
BA 1.3% NR 0.2%	8+ 7.2%	8+ 1.3%
1111 0.270		

#### City of Fort Lauderdale Police and Fire Percent Invested by Sector and Quality Agincourt As of 9/30/15

	Moody's Quality Ratings								
Name	Aaa	Aa	A	Baa	Ba	В	Other	NR	Total
Government	27.77								27.77
Treasury	27.77								27.77
Agency									
Corporate		4.05	21.13	36.24	1.31			0.24	62.97
Industrial		1.80	8.38	22.11	1.31			0.14	33.74
Utility		0.03	4.64	5.71					10.38
Finance		0.40	8.11	8.41				0.10	17.02
Yankee		1.82							1.82
Transportation		0.20	0.51	2.07					2.78
Mortgage	4.56	0.97							5.53
GNMA									
FHLMC	0.44								0.44
FNMA	0.26								0.26
Other Mortgage	3.85	0.97							4.82
Municipals									
Cash									
Other	0.96								0.96
Total	33.29	5.22	21.64	38.30	1.31			0.24	100.00

## City of Fort Lauderdale Police and Fire Fixed Income Sector Attribution Analysis Agincourt Quarter Ending 9/15

	Weight Return		urn	Selection			
	Portfolio	Index	Portfolio	Index	Security	Sector	Total
Finance	17.34	0.00	0.70	0.00	0.12	0.00	0.12
Government	23.65	0.00	1.35	0.00	0.32	0.00	0.32
Industrials	35.93	17.31	0.95	0.00	0.34	0.00	0.34
Mortgage	6.97	0.00	0.54	0.00	0.04	0.00	0.04
Transportation	2.82	0.00	0.83	0.00	0.02	0.00	0.02
Utilities	10.49	1.58	0.43	0.00	0.04	0.00	0.04
Municipals	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign	1.83	0.00	1.31	0.00	0.02	0.00	0.02
Miscellaneous	0.98	0.00		0.00	0.00	0.00	0.00
	100.00	100.00	0.91	0.00	0.91	0.00	0.91

Index - Barclays Int Govt/Credit

Security Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

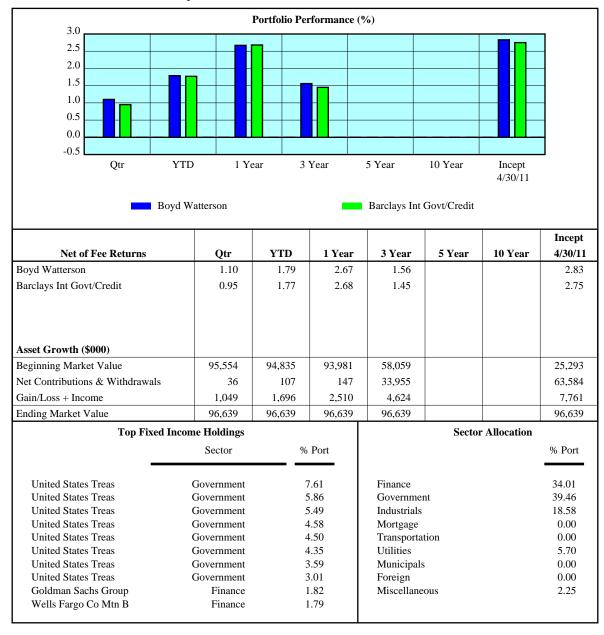
Sector Selection Return Attribution

[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

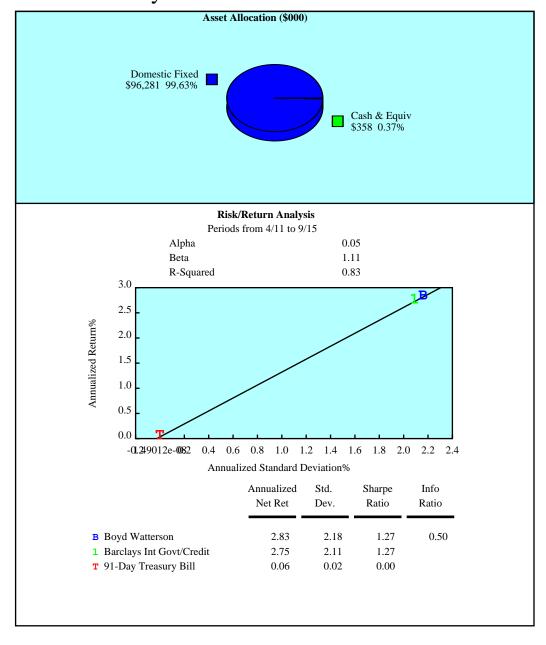
Trading Effect 0.06%

[ Actual Return 0.97% ] - [ Buy Hold Return 0.91% ]

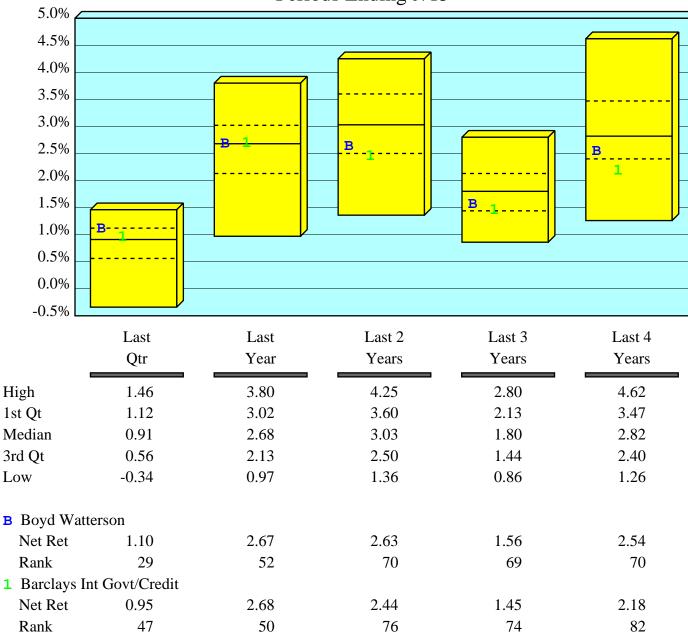
## City of Fort Lauderdale Police and Fire Boyd Watterson as of 9/30/15



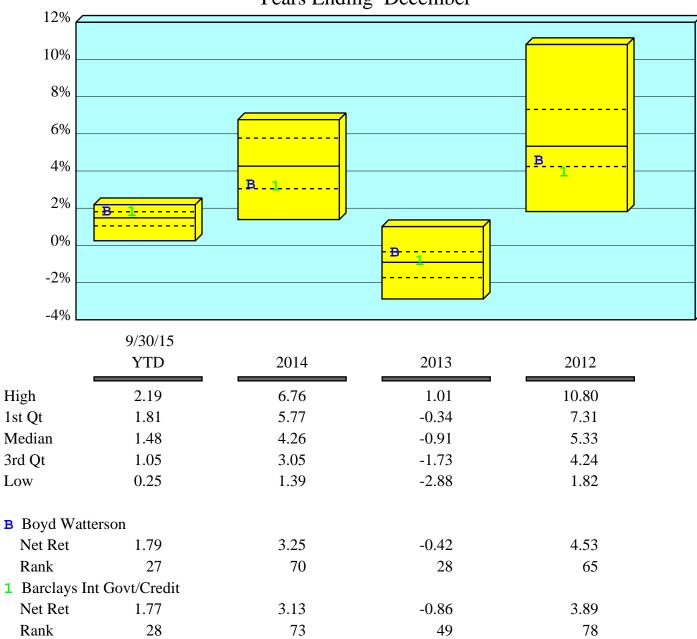
## City of Fort Lauderdale Police and Fire Boyd Watterson as of 9/30/15



### City of Fort Lauderdale Police and Fire Intermediate Gov/Corp Cumulative Performance Comparisons Total Returns of Fixed Income Portfolios Periods Ending 9/15

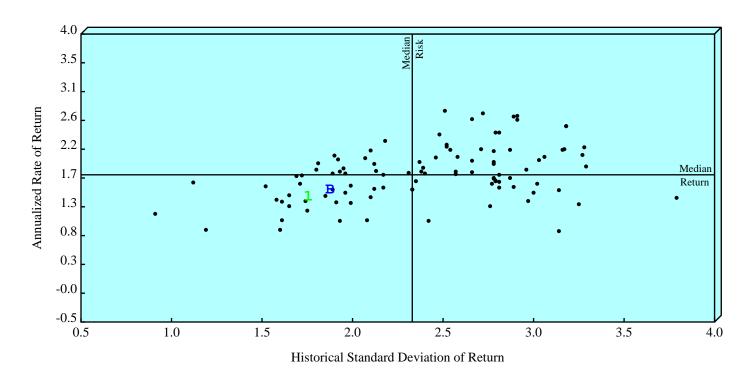


# City of Fort Lauderdale Police and Fire Intermediate Gov/Corp Consecutive Performance Comparisons Total Returns of Fixed Income Portfolios Years Ending December



## City of Fort Lauderdale Police and Fire Return vs Risk

## Total Returns of Intermediate Gov/Corp Portfolios 3 Years Ending 9/30/15



		Annualized Net of Fee Return		Standard	Deviation
		Value	Rank	Value	Rank
В	Boyd Watterson	1.56	69	1.89	25
1	Barclays Int Govt/Credit	1.45	74	1.77	20
	Median	1.80		2.33	

## City of Fort Lauderdale Police and Fire Risk Measure Summary Boyd Watterson Quarterly Periods Ending 9/30/15

	1 Y	ear	3 Yo	ears	5 Ye	ears	Incep	otion
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	1	1	2	4			2	4
Positive Periods	3	3	10	8			16	14
Up Market Capture	1.06		1.04				1.15	
Down Market Capture	1.34		0.99				0.99	
Batting Average	0.50		0.58				0.67	
Worst Quarter	-0.84	-0.62	-1.74	-1.70			-1.74	-1.70
Best Quarter	1.53	1.45	1.53	1.45			3.92	2.40
Worst 4 Quarters	2.67	2.68	-0.56	-0.86			-0.56	-0.86
Best 4 Quarters	2.67	2.68	3.83	3.58			7.52	6.09
Standard Deviation	2.08	1.79	1.89	1.77			2.37	1.94
Beta	1.13		1.06				1.11	
Alpha	-0.09		0.01				0.05	
R-Squared	0.99		0.98				0.83	
Sharpe Ratio	1.27	1.48	0.79	0.79			1.44	1.49
Treynor Ratio	2.34		1.42				3.06	
Tracking Error	0.32		0.30				1.01	
Information Ratio	-0.01		0.35				0.50	

## City of Fort Lauderdale Police and Fire Fixed Income, Mortgage and Municipals Summary Statistics Boyd Watterson Quarter Ending 9/15

	Portfolio	Barclays Int Govt/Credit
Total Number Of Securities Total Market Value Yield to Maturity Time to Maturity Current Coupon Duration Effective Convexity Effective Duration Effective Maturity	56 96,280,776 1.78 4.18 3.31 3.86 0.22 3.76 4.14	5,051 1.69 4.31 2.52 3.98 0.21 3.97 4.31
Yield to Maturity	Time to Maturity	Coupon
0 - 1 14.6% 1 - 2 48.4% 2 - 3 35.7% 3 - 4 1.3% 4 - 5 0.0% 5+ 0.0%	0 - 1	0 - 3 66.4% 3 - 5 6.9% 5 - 7 21.4% 7 - 9 5.3% 9 - 11 0.0%
Quality	Duration	Effective Duration
GOVT 39.5%  AA 1.2%  A 16.4%  BAA 39.4%	0 - 1 8.8% 1 - 3 29.3% 3 - 4 26.2% 4 - 6 13.0% 6 - 8 16.7%	0 - 1 10.6% 1 - 3 29.3% 3 - 4 24.4% 4 - 6 13.0% 6 - 8 16.7%
NR 3.5%	8+ 5.9%	8+ 5.9%

## City of Fort Lauderdale Police and Fire Percent Invested by Sector and Quality Boyd Watterson As of 9/30/15

			M	oody's Qu	ality Ratin	ıgs			
Name	Aaa	Aa	A	Baa	Ba	В	Other	NR	Total
Government	39.46								39.46
Treasury	39.46								39.46
Agency									
Corporate		1.19	16.38	39.42				1.30	58.29
Industrial			3.55	13.73				1.30	18.58
Utility				5.70					5.70
Finance		1.19	12.83	20.00					34.02
Yankee									
Transportation									
Mortgage									
GNMA									
FHLMC									
FNMA									
Other Mortgage									
Municipals									
Cash									
O41								2.25	2 25
Other	20.46	1.10	1.6.20	20.42				2.25	2.25
Total	39.46	1.19	16.38	39.42				3.55	100.00

## City of Fort Lauderdale Police and Fire Fixed Income Sector Attribution Analysis Boyd Watterson Quarter Ending 9/15

	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Security	Sector	Total
Finance	33.38	0.00	0.58	0.00	0.19	0.00	0.19
Government	42.04	0.00	2.04	0.00	0.86	0.00	0.86
Industrials	18.74	17.31	0.39	0.00	0.07	0.00	0.07
Mortgage	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Utilities	5.84	1.58	0.65	0.00	0.04	0.00	0.04
Municipals	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00		0.00	0.00	0.00	0.00
	100.00	100.00	1.16	0.00	1.16	0.00	1.16

Index - Barclays Int Govt/Credit

Security Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

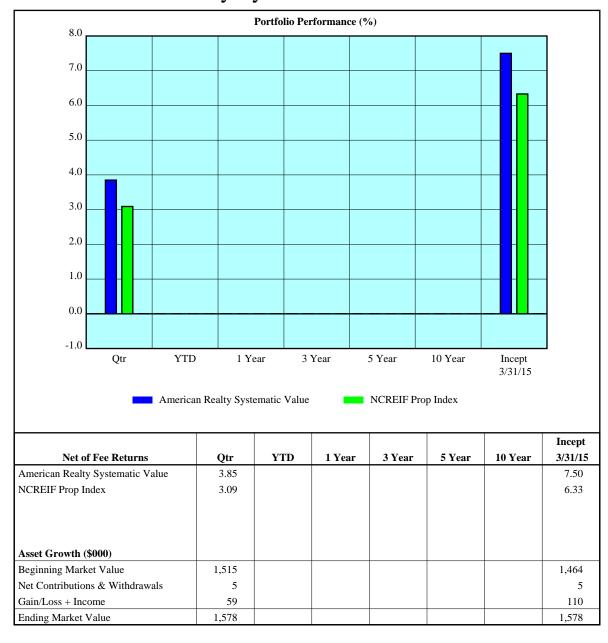
Sector Selection Return Attribution

[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

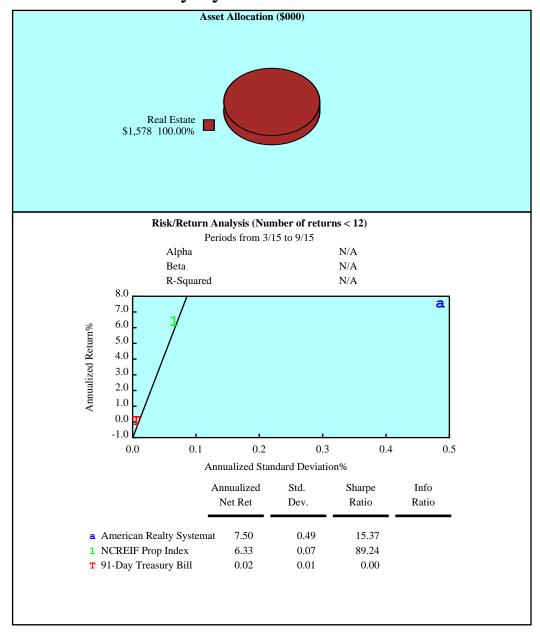
Trading Effect -0.02%

[ Actual Return 1.15% ] - [ Buy Hold Return 1.16% ]

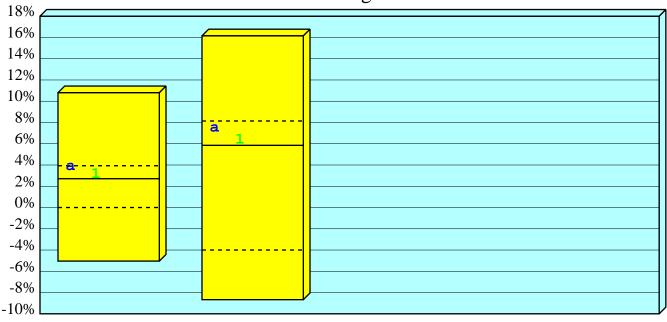
## City of Fort Lauderdale Police and Fire American Realty Systematic Value as of 9/30/15



## City of Fort Lauderdale Police and Fire American Realty Systematic Value as of 9/30/15



## City of Fort Lauderdale Police and Fire Cumulative Performance Comparison Total Returns of Real Estate Portfolios Periods Ending 9/15



	Last Qtr	Last 2 Qtrs
High	10.80	16.15
1st Qt	3.93	8.14
Median	2.71	5.85
3rd Qt	0.00	-4.00
Low	-5.04	-8.67

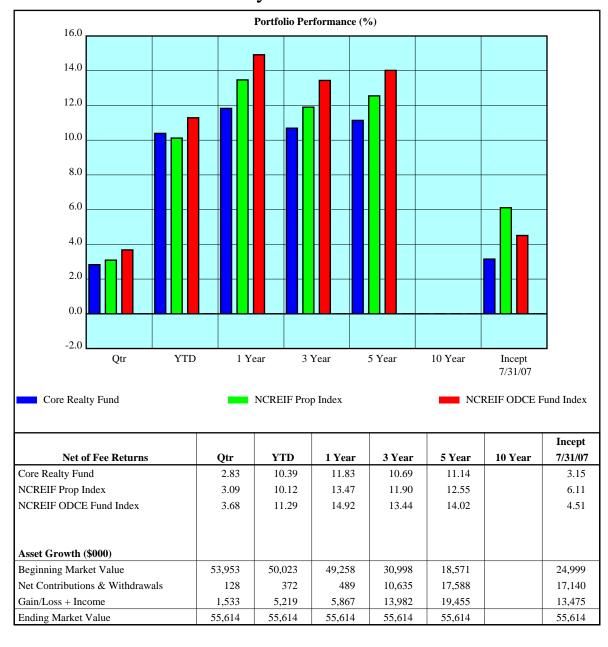
**a** American Realty Systematic Value Net Ret 3.85

Net Ret	3.85	7.50
Rank	25	32
1 NCREIF Pro	p Index	
Net Ret	3.09	6.33
Rank	44	45

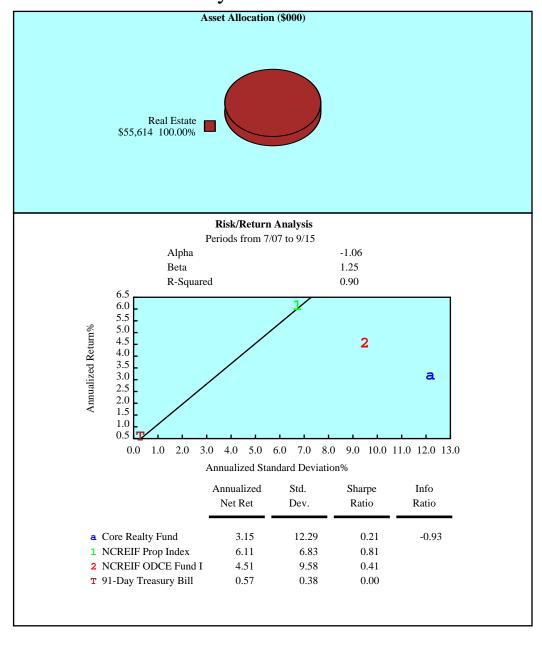
## City of Fort Lauderdale Police and Fire Risk Measure Summary American Realty Systematic Value Quarterly Periods Ending 9/30/15

	1 Y	ear	3 Ye	ears	5 Ye	ears	Incer	otion
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods							0	0
Positive Periods							2	2
Up Market Capture							1.19	
Down Market Capture								
Batting Average							1.00	
Worst Quarter							3.51	3.09
Best Quarter							3.85	3.14
Worst 4 Quarters								
Best 4 Quarters								
Standard Deviation								
Beta								
Alpha								
R-Squared								
Sharpe Ratio								
Treynor Ratio								
Tracking Error								
Information Ratio								

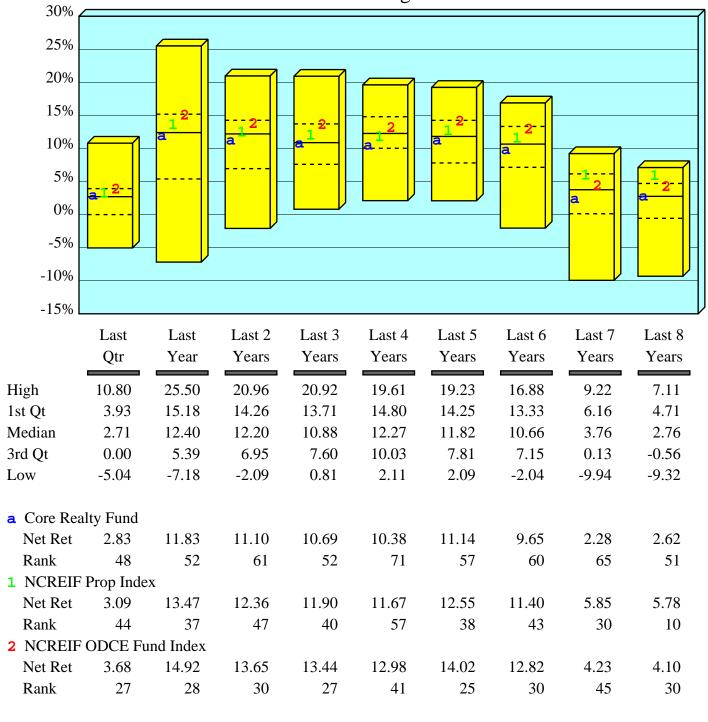
## City of Fort Lauderdale Police and Fire Core Realty Fund as of 9/30/15



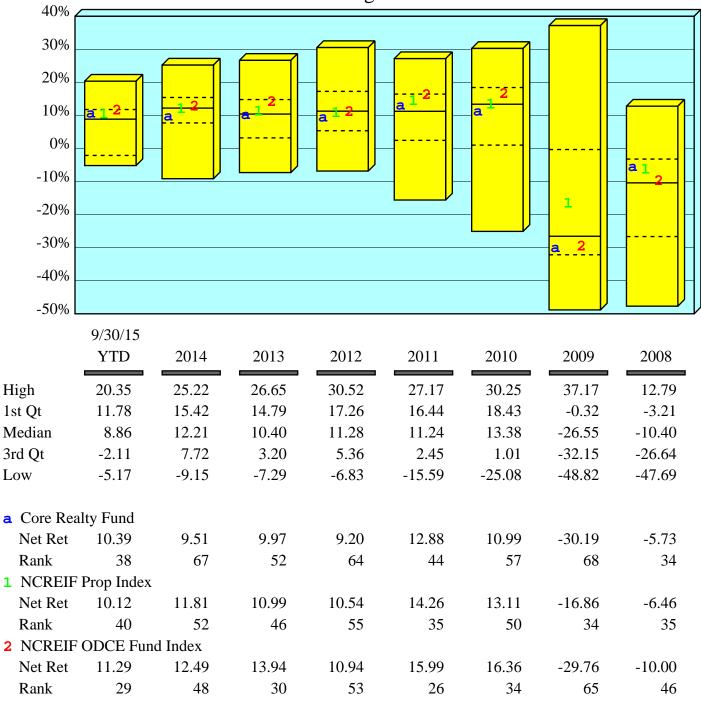
## City of Fort Lauderdale Police and Fire Core Realty Fund as of 9/30/15



### City of Fort Lauderdale Police and Fire Cumulative Performance Comparison Total Returns of Real Estate Portfolios Periods Ending 9/15



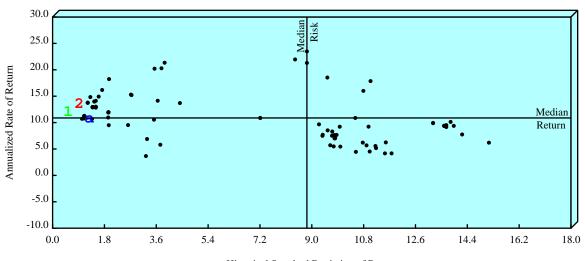
### City of Fort Lauderdale Police and Fire Calendar Year Performance Comparison Total Returns of Real Estate Portfolios Years Ending December



### City of Fort Lauderdale Police and Fire Return vs Risk

### Total Returns of Real Estate Portfolios

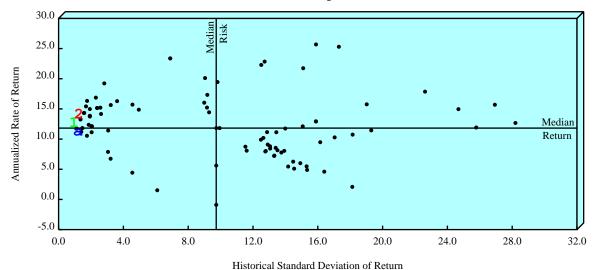
3 Years Ending 9/30/15



Н	listorical	S	tanda	ird I	Devia	tıon	ot	Ret	turn
---	------------	---	-------	-------	-------	------	----	-----	------

		Annualized Net of Fee Return		Standard 1	Deviation
		Value	Rank	Value	Rank
a	Core Realty Fund	10.69	52	1.37	5
1	NCREIF Prop Index	11.90	40	0.63	2
2	NCREIF ODCE Fund Index	13.44	27	1.00	2
	Median	10.88		8.83	

#### 5 Years Ending 9/30/15

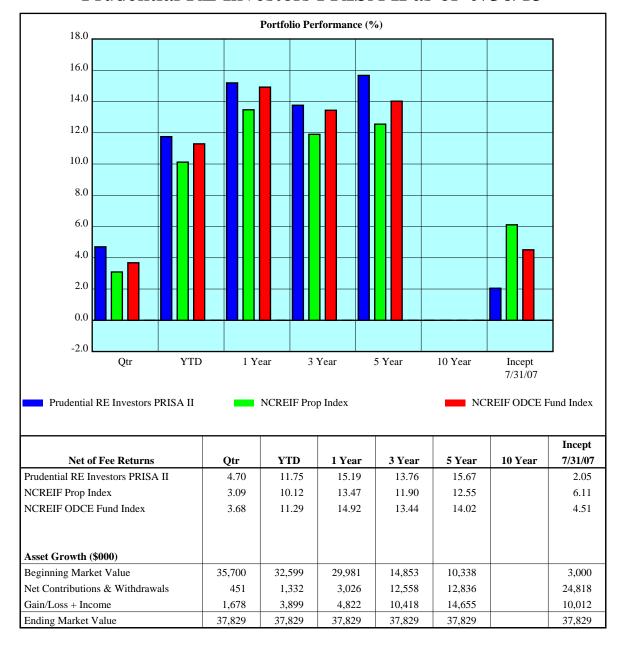


Annualized Net of Fee Return Standard Deviation Value Rank Value Rank Core Realty Fund 57 11.14 1.37 4 NCREIF Prop Index 2 1 12.55 38 1.11 NCREIF ODCE Fund Index 14.02 25 1.39 Median 11.82 9.73

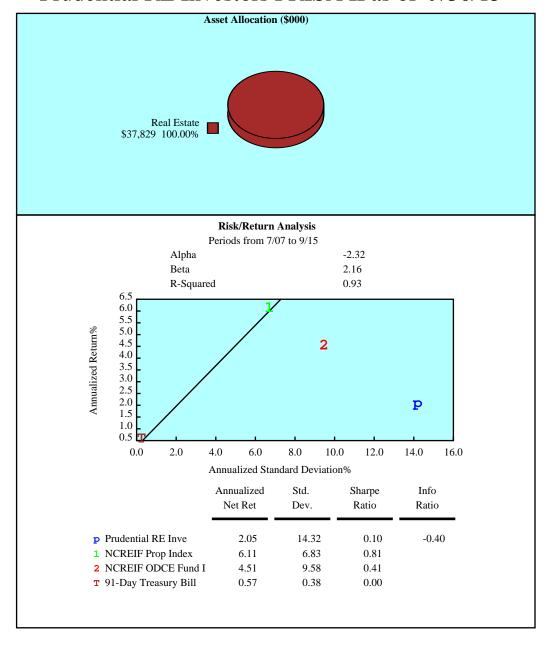
## City of Fort Lauderdale Police and Fire Risk Measure Summary Core Realty Fund Quarterly Periods Ending 9/30/15

	1 Year		3 Years		5 Years		Inception	
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	0	0	0	0	0	0	7	6
Positive Periods	4	4	12	12	20	20	26	27
Up Market Capture	0.88		0.90		0.89		0.92	
Down Market Capture							1.54	
Batting Average	0.50		0.33		0.25		0.27	
Worst Quarter	1.31	3.04	1.31	2.53	1.31	2.34	-12.88	-8.29
Best Quarter	3.96	3.57	3.96	3.57	4.04	4.62	4.68	4.62
Worst 4 Quarters	11.83	13.47	9.51	10.99	8.62	10.52	-32.60	-22.11
Best 4 Quarters	11.83	13.47	11.87	13.47	14.48	16.10	16.52	16.73
Standard Deviation	2.24	0.49	1.37	0.63	1.40	1.11	8.55	6.38
Beta	0.93		0.94		0.87		1.26	
Alpha	-0.15		-0.10		0.07		-1.02	
R-Squared	0.77		0.69		0.68		0.90	
Sharpe Ratio	5.27	27.61	7.76	18.68	7.94	11.28	0.30	0.85
Treynor Ratio	12.69		11.33		12.76		2.00	
Tracking Error	1.89		1.15		1.07		3.13	
Information Ratio	-0.79		-0.97		-1.17		-0.85	

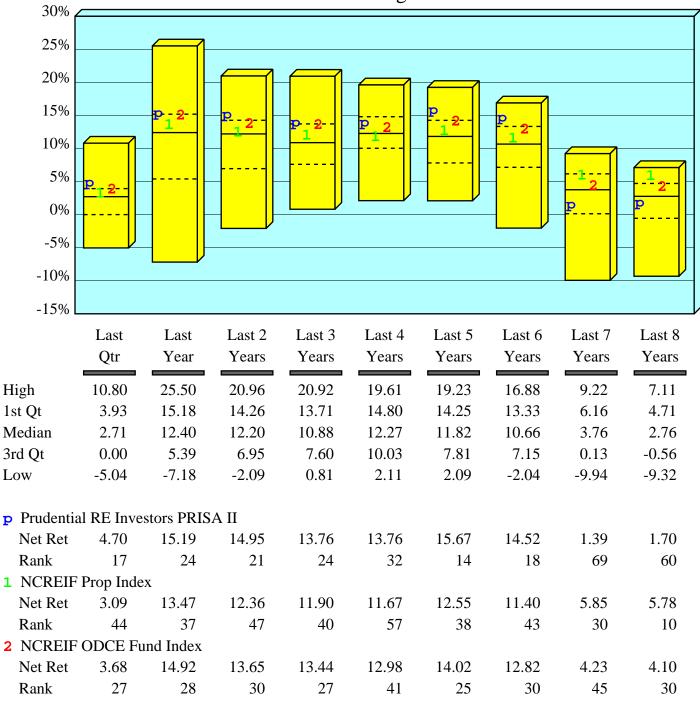
## City of Fort Lauderdale Police and Fire Prudential RE Investors PRISA II as of 9/30/15



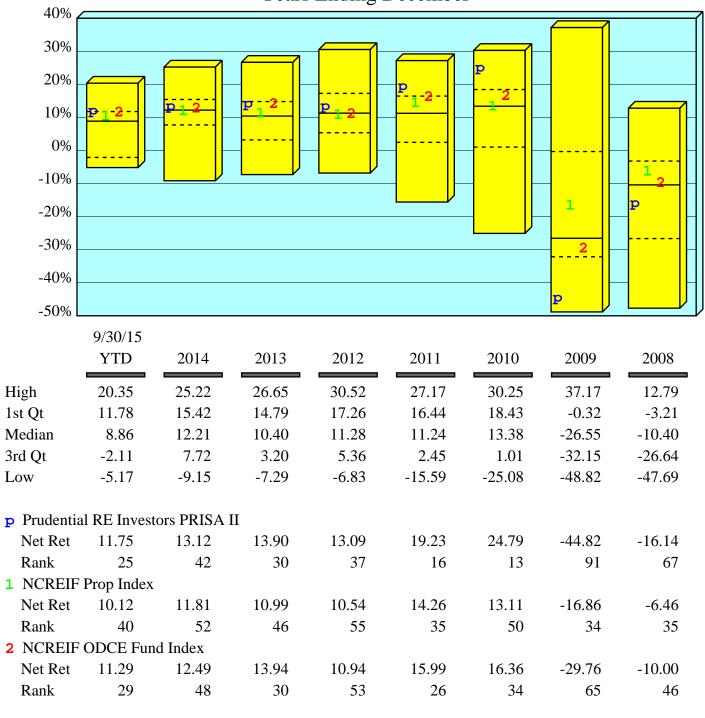
## City of Fort Lauderdale Police and Fire Prudential RE Investors PRISA II as of 9/30/15



### City of Fort Lauderdale Police and Fire Cumulative Performance Comparison Total Returns of Real Estate Portfolios Periods Ending 9/15



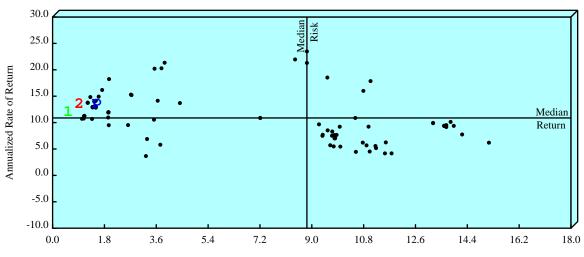
### City of Fort Lauderdale Police and Fire Calendar Year Performance Comparison Total Returns of Real Estate Portfolios Years Ending December



## City of Fort Lauderdale Police and Fire Return vs Risk

## Total Returns of Real Estate Portfolios

3 Years Ending 9/30/15



Annualized Net of Fee Return

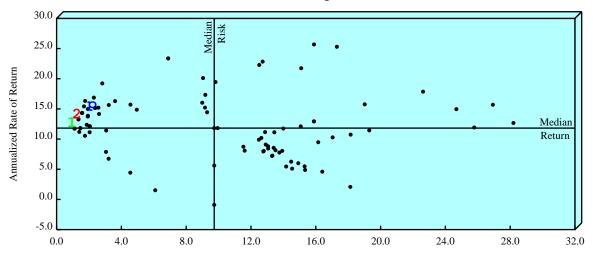
		Value	Rank	Value	Rank
p	Prudential RE Investors PRISA II	13.76	24	1.62	13
1	NCREIF Prop Index	11.90	40	0.63	2
2	NCREIF ODCE Fund Index	13.44	27	1.00	2
	Median	10.88		8.83	

Historical Standard Deviation of Return

Standard Deviation

Rank 17 2

#### 5 Years Ending 9/30/15



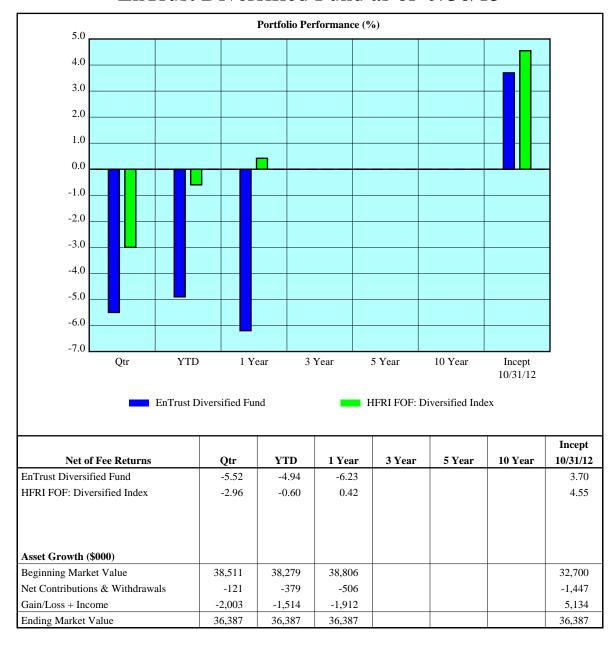
Historical Standard Deviation of Return

		Annualized Ne	t of Fee Return	Standard 1	Deviation
		Value	Rank	Value	Rank
p	Prudential RE Investors PRISA II	15.67	14	2.34	17
1	NCREIF Prop Index	12.55	38	1.11	2
2	NCREIF ODCE Fund Index	14.02	25	1.39	2
	Median	11.82		9.73	

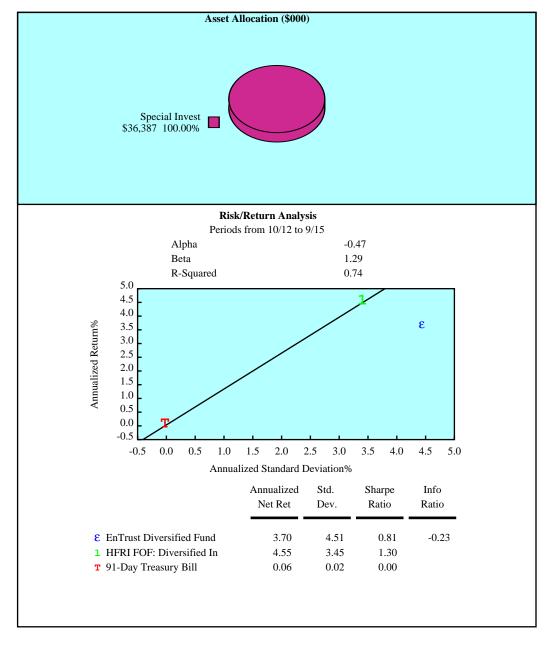
## City of Fort Lauderdale Police and Fire Risk Measure Summary Prudential RE Investors PRISA II Quarterly Periods Ending 9/30/15

	1 Year		3 Years		5 Years		Inception	
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	0	0	0	0	0	0	5	6
Positive Periods	4	4	12	12	20	20	28	27
Up Market Capture	1.13		1.16		1.25		1.27	
Down Market Capture							2.45	
Batting Average	0.75		0.75		0.80		0.64	
Worst Quarter	3.08	3.04	1.79	2.53	1.79	2.34	-24.78	-8.29
Best Quarter	4.70	3.57	4.70	3.57	6.67	4.62	8.23	4.62
Worst 4 Quarters	15.19	13.47	11.41	10.99	10.25	10.52	-51.17	-22.11
Best 4 Quarters	15.19	13.47	15.35	13.47	23.67	16.10	30.17	16.73
Standard Deviation	1.48	0.49	1.62	0.63	2.34	1.11	14.33	6.38
Beta	1.09		1.08		1.36		2.15	
Alpha	0.10		0.20		-0.36		-2.34	
R-Squared	0.85		0.60		0.69		0.93	
Sharpe Ratio	10.23	27.61	8.48	18.68	6.67	11.28	0.10	0.85
Treynor Ratio	13.91		12.71		11.47		0.65	
Tracking Error	1.66		1.60		1.70		8.34	
Information Ratio	0.94		1.06		1.69		-0.40	

## City of Fort Lauderdale Police and Fire EnTrust Diversified Fund as of 9/30/15



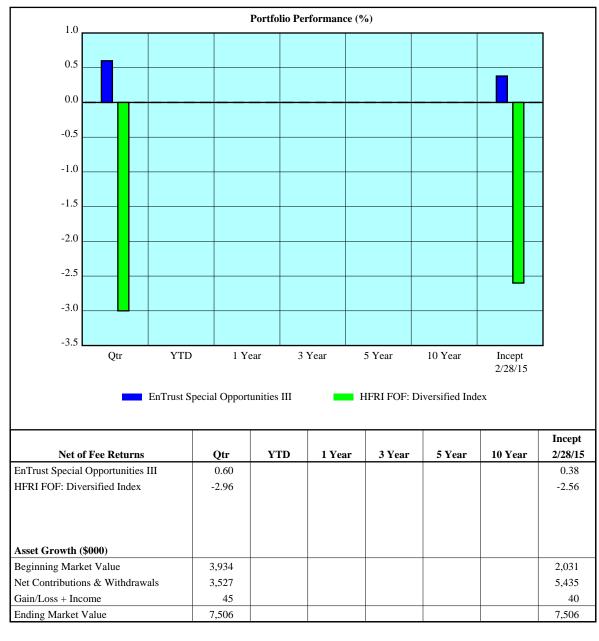
## City of Fort Lauderdale Police and Fire EnTrust Diversified Fund as of 9/30/15



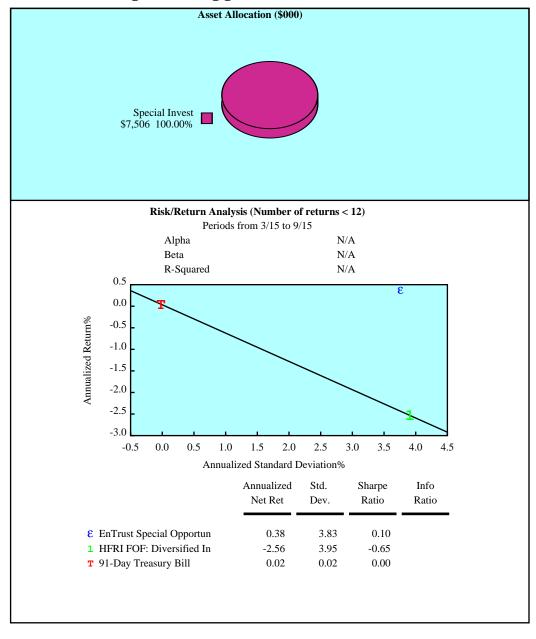
## City of Fort Lauderdale Police and Fire Risk Measure Summary EnTrust Diversified Fund Quarterly Periods Ending 9/30/15

	1 Year		3 Years		5 Years		Inception	
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	3	2	4	2			4	2
Positive Periods	1	2	8	10			8	10
Up Market Capture	0.34		1.31				1.31	
Down Market Capture	1.95		1.95				1.95	
Batting Average	0.00		0.50				0.50	
Worst Quarter	-5.20	-2.96	-5.20	-2.96			-5.20	-2.96
Best Quarter	2.29	2.63	4.43	3.94			4.43	3.94
Worst 4 Quarters	-4.98	0.42	-4.98	0.42			-4.98	0.42
Best 4 Quarters	-4.98	0.42	12.44	9.04			12.44	9.04
Standard Deviation	6.14	4.71	5.44	3.59			5.44	3.59
Beta	1.26		1.30				1.30	
Alpha	-1.39		-0.16				-0.16	
R-Squared	0.89		0.75				0.75	
Sharpe Ratio	-0.82	0.08	0.90	1.20			0.90	1.20
Treynor Ratio	-3.97		3.75				3.75	
Tracking Error	1.87		2.96				2.96	
Information Ratio	-2.85		0.21				0.21	

## City of Fort Lauderdale Police and Fire EnTrust Special Opportunities III as of 9/30/15



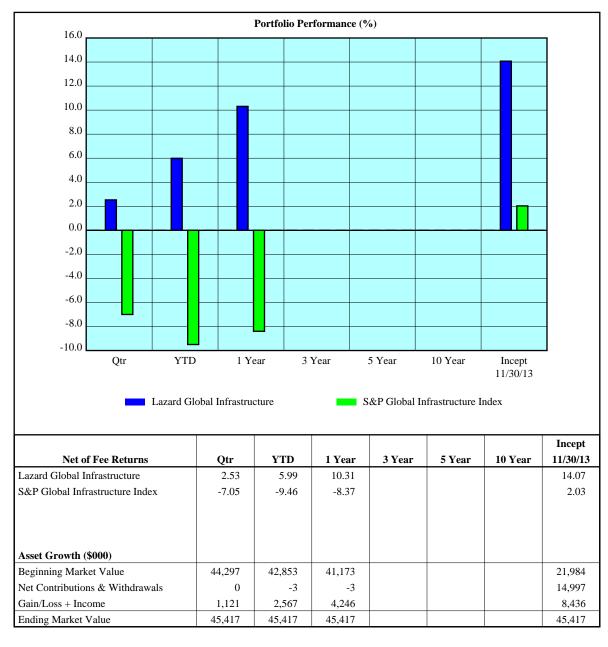
## City of Fort Lauderdale Police and Fire EnTrust Special Opportunities III as of 9/30/15



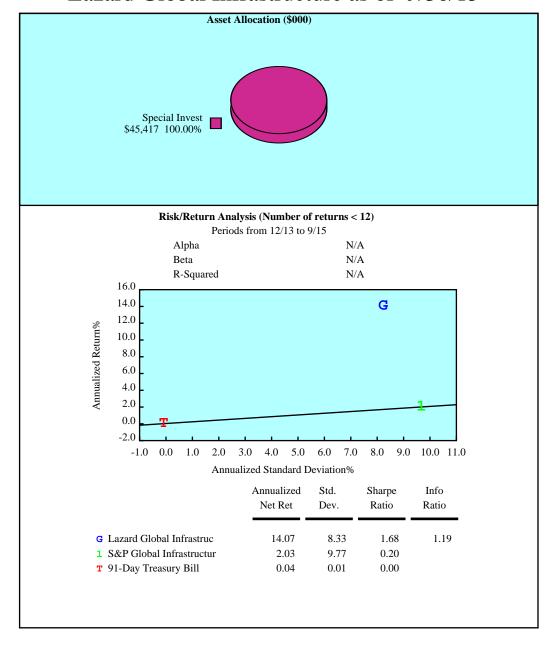
## City of Fort Lauderdale Police and Fire Risk Measure Summary EnTrust Special Opportunities III Quarterly Periods Ending 9/30/15

	1 Year		3 Years		5 Years		Inception	
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods							1	2
Positive Periods							1	0
Up Market Capture								
Down Market Capture							0.39	
Batting Average							0.50	
Worst Quarter							-1.81	-2.96
Best Quarter							0.60	-0.19
Worst 4 Quarters								
Best 4 Quarters								
Standard Deviation								
Beta								
Alpha								
R-Squared								
Sharpe Ratio								
Treynor Ratio								
Tracking Error								
Information Ratio								

## City of Fort Lauderdale Police and Fire Lazard Global Infrastructure as of 9/30/15



## City of Fort Lauderdale Police and Fire Lazard Global Infrastructure as of 9/30/15



## City of Fort Lauderdale Police and Fire Risk Measure Summary Lazard Global Infrastructure Quarterly Periods Ending 9/30/15

	1 Year		3 Years		5 Years		Inception	
Risk Measures	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	1	3					2	4
Positive Periods	3	1					5	3
Up Market Capture	3.39						1.09	
Down Market Capture	-0.63						-0.42	
Batting Average	0.75						0.71	
Worst Quarter	-4.49	-7.05					-4.49	-7.05
Best Quarter	8.24	1.20					8.24	8.42
Worst 4 Quarters	10.31	-8.37					6.95	-8.37
Best 4 Quarters	10.31	-8.37					18.45	12.98
Standard Deviation	10.60	7.04					9.34	11.20
Beta	0.12						0.46	
Alpha	2.84						3.16	
R-Squared	0.01						0.28	
Sharpe Ratio	0.97	-1.19					1.48	0.11
Treynor Ratio	84.25						29.76	
Tracking Error	11.57						9.92	
Information Ratio	1.70						1.19	

# **Investment Policy Statement**

The Trustees of the Police & Fire Retirement System Pension Fund, in adopting the following Investment Policy Statement, intend its provisions to act as guidelines for the investment managers employed by the Fund. It shall be the responsibility of the investment managers to bring to the attention of the Trustees any term of the Statement, which the investment managers believe to inhibit or in any way affect their exercise of management discretion.

### I. PURPOSE OF STATEMENT

The Trustees are charged by law with the responsibility for the investment of assets of the Trust Fund. To discharge this function, the Trustees are authorized by law to engage the services of Investment Managers who possess the necessary specialized research facilities and skilled personnel to provide expertise with respect to investment of assets entrusted to them.

In performing its investment duties, the Trustee shall comply with the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974, 29 U.S.C. §1104(a)(1)(A)-(C), meaning that the Trustee must discharge all duties with respect to the Plan solely in the interest of participants and beneficiaries and for the exclusive purpose of: (a) providing benefits to participants and their beneficiaries and (b) defraying reasonable expenses of administering the Plan; with the care, skill, prudence and diligence under circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; by diversifying investments of the Plan so as to minimize risk of large losses, unless under the circumstances it is clearly prudent not to do so. In the event of conflict with other provisions of law authorizing investments, the investment and fiduciary standards set forth in this section shall prevail.

In keeping with the duties of Chapter 20 of Fort Lauderdale Ordinances, this statement of investment goals and objectives is set forth.

Its purpose is to:

Determine the Trust's projected financial needs.

Express the Trustees' position with respect to the funds risk-volatility posture.

Formulate an appropriate set of goals and objectives for the Fund's assets.

# II. INVESTMENT OBJECTIVES

A. Assets of the Fund shall be invested in a manner consistent with the fiduciary's acceptable standards of Chapter 112, Florida Statutes, namely:

- 1. The safeguards and diversity that a professional, prudent investment manager would adhere to must be present.
- 2. All transactions undertaken on behalf of the Trust must be for the sole interest of Plan participants and their beneficiaries.
- B. The Fund shall be invested in a manner consistent with the primary emphasis upon consistency of performance to protect the Fund from excessive volatility in current market value.
- C. The Fund shall be invested with emphasis upon capital protection, i.e., the achievement of adequate investment growth so that the purchasing power of the principal amount of these assets is at least maintained and preferably increased.
- D. The Plan's total return will be expected to provide equal or superior results based on a five year investment horizon, relative to the objectives enumerated below. It is anticipated that achievement of this rate of return will raise the funded status of the plan and lower the contribution rate as a percent of payroll.
  - 1. The Retirement System's annualized total return should equal or exceed the Retirement System's actuarial interest rate assumption, which is currently 7.50%. The Board will file with the City, the Department of Management Services, and the actuary the expected annual rate of return for the current year, for each of the next several years, and for the long term for each annual actuarial valuation.
  - 2. The Retirement System's total return should exceed the total return of an index composed as follows:

26.25% S&P 500 12.5% Russell 2500 15% MSCI EAFE 33.75% Barclays Capital Intermediate Government/Credit Bond Index 12.5% NCREIF Index

Please note that the 12.5% target weight to alternatives in the Total Plan performance benchmark has been split 70% to the S&P 500 Index and 30% to the Barclays Intermediate Government/Credit Bond Index.

3. The Retirement System's total return should exceed the total return of the median plan in the consultant's peer group universe.

### III. INVESTMENT GUIDELINES

A. It shall be the policy of the Fund to invest the assets in accordance with the following asset allocation levels outlined below:

Asset Class	Target Allocation	<u>Minimum</u>	<u>Maximum</u>
Domestic Equity:			
Large Cap Equity	17.5%	10%	30%
I amo Cat I quite in form	than dalinad an		
Large Cap Equity is furi	5	F 00/	120/
Large Cap Core	8.5%	5.0%	12%
Large Cap Value	4.5%	2.5%	7.5%
Large Cap Growth	4.5%	2.5%	7.5%
Mid/Small Cap Equ	12.5%	5%	20%
Mid/Small Cap Equity is further defined as:			
Mid Cap Equity	5%	2.5%	7.5%
Small Cap Value	3.75%	0%	7.5%
Small Cap Growth	3.75%	0%	7.5%
International Equity	15%	10%	20%
Alternative Investments:			
Global Infrastructure	5%	2.5%	7.5%
Real Estate	12.5%	7.5%	17.5%
Multi-Strategy	7.5%	2.5%	12.5%
Fixed Income (incl. Cash)	30%	25%	35%

The Board of Trustees has adopted the asset allocation policy set forth above, which is expressed in terms of target levels and allocation ranges, as measured by market value of assets. Percentage allocations are intended to serve as guidelines; the Board will not be required to remain strictly within the designated ranges. Market conditions or an investment transition (asset class or manager) may require an interim investment strategy, and, therefore, a temporary imbalance in asset mix. At each quarterly meeting of the Fund's Board of Trustees, Staff and Consultant will review with the Board the asset allocation structure of the plan relative to the policy target allocations and acceptable ranges. Staff and Consultant are responsible for providing the Board with a recommendation relative to rebalancing the overall investment portfolio based on predetermined target allocations, and the Fund's current allocation relative to those targets. The large cap, small/mid cap and international allocations are implemented through multiple managers utilizing both value and growth styles. It is intended that these allocations maintain relative style neutrality; therefore rebalancing reviews and recommendation shall also attempt to maintain a balance between growth and value.

This investment policy has been chosen to provide a high likelihood of meeting the objectives outlined above. The asset allocation established by this investment policy represents a long term perspective. As such rapid unanticipated shifts may cause the assets to temporarily fall outside the policy range. Any divergence should be of a short term nature. The Board demands that any such divergences shall be kept as brief as possible. The system administrator shall promptly notify the Board whenever divergences exist. The Board shall periodically review the Investment Policy Statement and solicit the recommendations of the Investment Consultant with respect to any proposed changes. The Board may also solicit input from the investment managers during this process.

- B. Full discretion consistent with the guidelines described herein is granted to each investment manager in respect to the sector mix of the assets, the selection of securities and the timing of their transactions. Pooled funds or other commingled vehicles may be utilized that are invested in substantially the same manner and same investments as stated in this Investment Policy Statement. The manager of such pooled or commingled fund shall promptly advise the Board of any potential exceptions to or violations of the Investment Policy Statement which may arise for any reason.
- C. The investment managers shall not hold (without the Board's written consent) unsecured investments in a single company in a total amount exceeding 5% of the market value of the assets which they manage (with the exception of the enhanced equity index and equity index manager, in which case investments in a single company are permitted to be +/-1% of that company's weight in the benchmark at time of rebalance), nor shall any investment manager hold investments in any one particular sector exceeding 40% of the equity portfolio or 130% of the S&P500 Sector Weighted, whichever is higher. Only securities issued by or guaranteed by the U.S. Government shall be considered "secured".

The market value basis of Foreign Securities shall not exceed 25% of the total market value of assets of the fund. A Foreign Security is defined as a security issued by a corporation or other issuer that is not organized under the laws of the United States Government, any U. S. state government, or the District of Columbia. Such Securities organized under the laws of foreign governments shall be considered foreign securities, regardless of whether they are traded on United States exchanges, regardless of the ownership of the foreign corporation and regardless of whether the security is denominated in United States dollars.

The Domestic Large Cap Value Equity manager is authorized to invest up to 15 % of its respective portfolio in ADR's or common stocks of non-U.S. companies listed on a major U.S exchange.

All other Domestic Equity managers are authorized to invest up to 7.5% of their respective portfolios in ADR's or common stocks of non-U.S companies listed on a major U.S. exchange.

The specifically hired International Equity managers are expected to be invested primarily if not exclusively in non-U.S. securities.

The Global Infrastructure mutual fund in which the System is invested may invest in U.S. and Non-U.S securities. The percentage of Non-U.S securities will be monitored by the Investment Consultant and counted toward the 25% of the total funds market value limitation to Foreign Securities.

- E. The Board of Trustees will comply with the provisions of the Protecting Florida's Investment Act (PFIA) with respect to its investments. The Board shall not hold any direct securities of any scrutinized company appearing on the SBA website. The Board will review and monitor the SBA's quarterly update to the scrutinized company list to determine whether divestment of any direct holding is required. Each quarter the Board's Investment Consultant shall prepare a written report to the Board advising whether or not any divestment is required or whether any direct holding is on the scrutinized company list as defined by the SBA.
- F. In the event of a spin-off from a company currently held in the portfolio, which prior to the spin-off was a qualified investment, the manager should report on a quarterly basis with a recommendation as to whether we should continue to hold such spin-off. However, it is the intent for the spin-off to meet the Boards equity restrictions as soon as possible.
- G. The use of fixed income investments may include U.S. Government and agency obligations, marketable corporates, Ginny Mae's, U.S. Agency Collateralized Mortgage-backed securities, asset-backed securities, debentures, preferred stocks, commercial paper, certificates of deposit and other such instruments as deemed prudent by the investment manager. The bond manager (including any balanced fund manager with respect to the fixed-income segment of the portfolio) is authorized to invest up to 10% of their respective portfolios in issuers not domiciled in the U.S.
- H. Fixed-Income type securities shall be selected from among those rated within the top five major categories of any recognized bond rating service such as, (Moody's, Standard & Poors and Fitch's). In those cases in which the rating services give different ratings, the lowest rating shall apply. Notwithstanding anything herein to the contrary, active bond managers are permitted to invest up to 15% of the market value of their portfolio in securities rated in the fifth major rating category by all recognized rating services, provided that such investments are consistent with the mandate of the manager. The overall portfolio quality of the active bond portfolios shall be maintained at A or higher.
- I. Fixed-income type securities are to be selected and managed so as to assure appropriate balances in qualities and maturities consistent with current money market and economic conditions. Active bond management is encouraged in instances of non-indexed management, as deemed appropriate by the investment, although this is not intended to encourage excessive emphasis on short-term trading techniques.
- J. The real estate portfolio is designed as a core mandate with targeted value add exposures. Investments in real estate properties will be broadly diversified geographically, by property type, size of the property and number of properties. Income and appreciation are dual considerations; however more emphasis will be placed on high quality, and income-producing properties in the portfolio. It is expected that the income component will compromise the majority of the portfolio's total return. The manager should not assume excessive risk in terms of leverage utilized. The portfolio may be invested in commingled or partnership vehicles. The selection of properties/investments will be at the discretion of each manager.

- K. The dynamic, flexible management of the portfolio is both permitted and encouraged. Shifts of emphasis among equity, fixed income and cash equivalent sectors of the aggregate asset base are at the discretion of the investment manager. However, major restructuring would require prior consent of the Trustees.
- L. Cash equivalent securities should be viewed not only as avenues to meet the liquidity requirements of the Trust, but also as alternative investment vehicles. In either case, however, selection of particular investments should be determined primarily by the safety and liquidity of the investment and only secondarily by available yield.
- M. It is understood that the managers at any point in time may not be fully invested. While in fact the System's assets may be partially invested in cash equivalents, for asset allocation purposes these funds shall be considered invested in the asset classes of the respective managers. In turn, each manager's performance will be evaluated on the total amount of funds under their direct management.
- N. The Trustees recognize that market performance varies from period to period and that a 4.6% real rate of return may not be meaningful during some periods. Accordingly, relative performance benchmarks for the managers are set forth in Section V, Basis for Measurement.
- O. Certain Securities are deemed to be ineligible for inclusion among this Trust's asset base:

The following transactions would be prohibited:

- 1. A sale, exchange or lease of any property between the Plan and interested party (interested party being defined as a person rendering services to the Plan for which remuneration is received, i.e., stockbroker, real estate broker, etc.)
- 2. A direct loan or an extension of a line of credit between the Plan assets and any interested party.
- 3. A transfer of Plan assets to an interested party for the exclusive benefit or use of the interested party.
- 4. An acquisition of securities, which would exceed stated limitations, 5% in any one company. Any exceptions to the foregoing restrictions would require written Board approval with the specifics detailed.
- 5. Instrumentalities which are or may be deemed in violation of prohibitive transaction standards as may be specified in the Florida Statutes, specifically Chapters 112, 175 and 185.
- P. Investments not classified as equities or fixed income will be designated as alternative investments. Alternative investments are typically (but not always) less liquid than traditional asset classes and will be expected to provide diversification from traditional capital market risk. Alternative investments that may be allocation to the Plan include real estate, tactical asset allocation mutual funds, global infrastructure, hedge funds

(including fund-of-funds and long/short equity vehicles), private equities, commodities, and income-oriented alternatives (i.e. preferred stock, Master Limited Partnerships, multi-sector fixed income strategies).

## IV. MATURITY AND LIQUIDITY REQUIREMENTS

The investment portfolio is structured in such a manner as to provide sufficient liquidity to pay obligations as they come due. The Plan will not be expected to maintain a significant cash balance but will rather raise cash to fund obligations on an as needed basis in accordance with the Plan's target asset allocation. Managers will be notified of any change in the foregoing circumstances.

## V. THIRD-PARTY CUSTODIAL AGREEMENTS

All assets shall be held by a third party, and all securities purchased by, and all collateral obtained by, the Trustee shall be properly designated as an asset of the Plan. No withdrawal of assets, in whole or in part, shall be made except upon authorization by the Trustee. Securities transactions between a broker-dealer and the Custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis to ensure that the Custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

### VI. COMMUNICATIONS

#### A. Documentation

Statements are to be supplied at least quarterly by each investment manager and/or bank custodian to the Trustees indicating:

- 1. The Fund composition, i.e., at book or original cost and at current market value (by sector, including equity, fixed income, cash equivalents, and "pure" cash balances);
- 2. Position, by individually named securities, showing their respective book and market values, the number of shares by date secured or sold;
- 3. All income cash transactions, including sources of all interest and dividends in sufficient descriptive detail. The investment manager is expected to provide written confirmation and documentation of all principal transactions, with the exception of cash equivalent trades, within one week of occurrence.

# B. Meetings

Investment managers are expected to meet on a quarterly basis, or more often upon request, with the Trustees to review the portfolio and to discuss investment results in terms of these goals, objectives and policies.

#### VII. BASIS FOR MEASUREMENT

Performance of this Fund is to be measured, both currently and historically, in context with these goals and objectives. In order to ensure that investment opportunities available over a specific time period are fairly evaluated, the Trustees will use comparative performance statistics to evaluate investment results.

The Fund's investment performance results will be compared, on a time-weighted basis, with that of unmanaged market indices as well as with a universe of managed funds. Such comparative performance statistics shall be used for evaluation purposes.

In that context, then, the Fund's equity performance will be compared with the Standard & Poor's 500 and with a universe of managed equity funds. The performance of each investment manager, in turn, will be compared to the relevant index and a universe of peers categorized by investment style.

The Fund's fixed income performance will be compared with the total return of recognized bond indexes, e.g., Barclays Intermediate Government/Credit Bond Index or the Barclays Capital Aggregate Bond Index, as well as with a universe of similarly managed fixed income funds.

The Fund's real estate performance will be compared with the total return of the NCREIF Index as well as with a universe of core real estate funds.

The Fund's alternative investments will be compared against a performance benchmark consistent with their specific asset class, and will also generally be expected to outperform an absolute performance benchmark (i.e. CPI + 5%).

In addition, it is also recommended that a total Fund's investment performance be compared with a "composite" market consisting of the above unmanaged indices weighted in proportion to the Fund's actual per cent investment in each of these equivalent security classes. The total Fund will also be compared to a universe of local government funds. The fund's performance should also be compared with the annual percent change in the Consumer Price Index.

Consistency of performance results is to be given high priority and the degree will be determined by computing the mean absolute deviation of the total fund and the respective money managers' total rate of return from quarter to quarter and comparing this data with the same statistics measured for the "composite" market described above, with a goal of near or below market volatility.

## VIII. VALUATION OF ILLIQUID INVESTMENTS

Investments and assets for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism are prohibited.

#### IX. MASTER REPURCHASE AGREEMENT

All approved institutions and dealers transacting repurchase agreements shall execute and perform as stated in the Master Repurchase Agreement. All repurchase agreement transactions shall adhere to requirements of the Master Repurchase Agreement. This provision does not restrict or limit the terms of any such Master Repurchase Agreement.

# X. BID REQUIREMENT

All securities shall be competitively bid where feasible and appropriate. Except as otherwise required by law, the most economically advantageous bid must be selected. Executions must be made on a best-execution basis.

#### XI. INTERNAL CONTROLS

As part of the City's annual financial audit the external CPA firm will review the internal controls of the Fund. The hiring or termination of all money managers, consultants or safekeeping custodians must be made by the Trustees. No individual associated with the Fund may authorize any movement of monies or securities without the approval of the Trustees. Trustee approval is not required for rebalancing of the portfolio. Internal controls will be designed to prevent losses of funds which might arise from fraud, error, and misrepresentation by third parties or imprudent actions by the Trustees or City employees.

#### XII. OTHER CONSIDERATIONS

It is the intent of the Board of Trustees of the Police & Fire Retirement System Trust to revise this statement of goals and objectives to reflect modifications and revisions to the Trust, which may develop from time to time. It is also the policy of the Trustees to review these goals and objectives at least once per year and to communicate any material changes thereto to the Investment Managers and the Fund's custodian.

#### XIII. CONTINUING EDUCATION

All trustees are encouraged and expected to attend continuing education seminars concerning matters related to investments and responsibilities of Board members. Attendance at two public pension fund seminars during each term of office is suggested.

#### XIV. REPORTING

The Trustees shall submit periodic reports to the City of Fort Lauderdale, at least on an annual basis or more frequently if available. The report shall include investments in the portfolio by class or type, income earned and market value. The periodic report shall be available to the public.

# XV. FILING OF INVESTMENT POLICY

Upon adoption by the Trustee, this Investment Policy shall be promptly filed with the Florida Department of Management Services, the City of Fort Lauderdale, Florida, and the Actuary. The effective date of this Investment Policy, and any amendment hereto, shall be the 31st calendar day following the filing date with the City of Fort Lauderdale.

Approved March 2015

Dow Jones Industrial Average: This index is comprised of 30 "blue-chip" US stocks selected for their history of successful growth and wide interest among investors. The DJIA represents about 20% of the total market value of all US stocks and about 25% of the NYSE market capitalization. It is a price-weighted arithmetic average, with the divisor adjusted to reflect stock splits and the occasional stock switches in the index.

NASDAQ Composite: A cap-weighted index comprised of all common stocks listed on the NASDAQ Stock Market (National Association of Securities Dealers Automated Quote system).

S&P 500: A broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held common stocks. This index does not contain the 500 largest companies or the most expensive stocks traded in the US. While many of the stocks are among the largest, this index also includes many relatively small companies. This index consists of approximately 380 industrial, 40 utility, 10 transportation, and 70 financial companies listed on the US market exchanges. It is a capitalization-weighted index (stock price times number of shares outstanding), calculated on a total return basis with dividend reinvested.

Russell 1000: The 1000 largest companies in the Russell 3000 index, based on market capitalization.

Russell 1000 Growth: A segment of the Russell 1000 with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-to-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 1000 Growth index.

Russell 1000 Value: Represents a segment of the Russell 1000 with a less-than-average growth orientation. Companies in this index have low price-to book and price-to-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 1000 Growth index.

Russell Mid-Cap: This index consists of the bottom 800 securities in the Russell 1000 as ranked by total market capitalization, and represents over 35% of the Russell 1000 total market cap.

Russell Mid-Cap Growth: The Russell Mid-cap Growth Index offers investors access to the mid-cap growth segment of the U.S. equity universe. The Russell Midcap Growth Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap growth market. Based on ongoing empirical research of investment manager behavior, the methodology used to determine growth probability approximates the aggregate mid-cap growth manager's opportunity set

Russell Mid-Cap Value: Measures the performance of the Russell 3000 Index extended to include micro-cap securities of the Russell Micro-cap Index. The index represents approximately 99% of the U.S. Equity Market. As of the latest reconstitution, the average market capitalization was approximately \$3.8 billion; the median market capitalization was approximately \$612 million. The index had a total market capitalization range of approximately \$368.5 billion to \$67.3 million.

Russell 2000: the 2000 smallest companies in the Russell 3000 index.

Russell 2000 Growth: A segment of the Russell 2000 with a greater-than-average growth orientation. Companies in this index have higher price-to book and price-to-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 2000 Value index.

Russell 2000 Value: A segment of the Russell 2000 with a less-than-average growth orientation. Companies in this index have low price-to-book and price-to-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 2000 Growth index.

Russell 2500: This index consists of the bottom 500 stocks in the Russell 1000 (as ranked by market capitalization) and all of the stocks in the Russell 2000. This index is intended to be used as a measure of small to medium/small stock performance.

Russell 2500 Growth: A segment of the Russell 2500 with a greater-than-average growth orientation. Companies in this index have higher price-to book and price-to-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 2500 Value index.

Russell 2500 Value: A segment of the Russell 2500 with a less-than-average growth orientation. Companies in this index have low price-to-book and price-to-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 2500 Growth index.

Russell 3000: is composed of the 3,000 largest U.S. securities, as determined by total market capitalization.

Russell 3000 Growth: This index measures the performance of those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth values. The stocks in this index are also members of either the Russell 1000 Growth or the Russell 2000 Growth indexes.

Russell 3000 Value: This index measures the performance of those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth values. The stocks in this index are also members of either the Russell 1000Value or the Russell 2000 Value indexes.

MSCI EAFE: A market capitalization-weighted index representing all of the MSCI developed markets outside North America. It comprises 20 of the 22 countries in the MSCI World. These 20 countries include the 14 European countries in the MSCI Europe and the 6 Pacific countries in the MSCI Pacific. This index is created by aggregating the 20 different country indexes, all of which are created separately.

MSCI World: A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. As of June 2007 the MSCI World Index consisted of the following 23 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States.

MSCI World ex U.S.: The MSCI World index excluding the U.S. portion of the index.

MSCI All Country World Index: a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. As of January 2009 the MSCI ACWI consisted of 46 country indices comprising 23 developed and 23 emerging market country indices. The developed market country indices included are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. The emerging market country indices included are: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Korea, Malaysia, Mexico, Morocco, Peru,

MSCI All Country World Index ex U.S.: The MSCI All Country World Index excluding the U.S. portion of the index.

MSCI Emerging Markets Free (EMF): A market capitalization-weighted index representing 2 of the emerging markets in the world. Several factors are used to designate whether a country is considered to be emerging vs. developed, the most common of which is Gross Domestic Product Per Capita. The "Free" aspect indicates that this index includes only securities that are allowed to be purchased by global investors. This index is created by aggregating the 26 different country indexes, all of which are created separately.

Barclays Capital U.S. Aggregate Bond: This index is made up of the Barclays Capital U.S. Government/Credit, the Mortgage-Backed Securities, and the Asset-Backed Securities indices. All issues in the index are rated investment grade or higher, have at least on year maturity, and have an outstanding par value of at least \$100 million.

Barclays Capital U.S. Government/Credit: This index includes all bonds that are in the Barclays Capital U.S. Government Bond and the Barclays Capital U.S. Credit Bond indices.

Barclays Capital U.S. Government/Credit Intermediate: All bonds by the Barclays Capital U.S. Government/Credit Bond index with maturities of 1 to 10 years.

Barclays Capital Municipal Bond: This market capitalization-weighted index includes investment grade tax-exempt bonds and is classified into four main sectors General Obligation, Revenue, Insured, and Pre-refunded. To be included in this index, the original transaction size of a bond must have been greater than \$50 million.

Barclays Capital U.S. Treasury Index: This index includes public obligations of the U.S. Treasury. Treasury bills are excluded by the maturity constraint, but are part of a separate Short Treasury Index. In addition, certain special issues, such as state and local government series bonds (SLGs), as well as U.S. Treasury TIPS, are excluded. STRIPS are excluded from the index because their inclusion would result in double-counting. Securities in the Index roll up to the U.S. Aggregate, U.S. Universal and Global Aggregate Indices.

Barclays Capital U.S. TIPS: This index measures the performance of U.S. Treasury Inflation Protection Securities.

Merrill Lynch Convertibles: The convertible securities used in this index span all corporate sectors and must have a par amount outstanding of \$25 million or more. The maturity must be at least on year. The coupon range must be equal to or greater than zero and all equity of bonds are included. Excluded from this index are preferred equity redemption stocks. When the component bonds of this index convert into common stock, the converted securities are dropped from the index.

Merrill Lynch Corp/Govt 1-3 Years A or Better: An unmanaged index of government and corporate fixed-rate debt issues with maturities between one and 3 years.

Merrill Lynch High Yield Master: Market capitalization weighted index providing a broad-based measure of bonds in the US domestic bond market rated below investment grade, but not in default. Includes only issues with a credit rating of BB1 or below as rated by Moody's and/or S&P, at least \$100 million in face value outstanding and a remaining term to final maturity equal to or greater than one year.

Dow Wilshire REIT: A measurement of equity REITs and Real Estate operating Companies. No special-purpose or health care REITs are included. It is a market capitalization weighted index for which returns are calculated monthly

Alpha: A risk-adjusted measure of 'excess return' on an investment. That is, it measures an active manager's performance in excess of a benchmark index or 'risk-free' investment. An alpha of 1.0 means the manager outperformed the market 1.0%. A positive alpha is the extra return awarded to the investor for taking additional risk rather than accepting the market return.

Batting Average: The percent of periods the manager has beaten the benchmark. A high average for the fund (e.g. over 50) is desirable, indicating the fund has beaten the policy frequently.

Beta: A measure of systematic risk, or the sensitivity of a manager to movements in the benchmark. A beta of 1 implies that you can expect the movement of a manager's return series to match that of the benchmark used to measure beta.

Down Market Capture Ratio: A measure of a manager's performance in down markets. A down-market is defined as those periods (months or quarters) in which market return is less than 0. It tells you what percentage of the down-market was captured by the manager.

Information Ratio: The Information Ratio measures the consistency with which a manager beats a benchmark.

R-squared: The R-Squared (R2) of a manager versus a benchmark is a measure of how closely related the variance of the manager returns and the variance of the benchmark returns are.

Sharpe Ratio: The Sharpe Ratio is a risk-adjusted measure of return which uses standard deviation to represent risk. It is calculated by subtracting the risk-free rate from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns.

Standard Deviation: Standard deviation of return measures the average deviations of a return series from its mean, and is often used as a measure of risk. A large standard deviation implies that there have been large swings in the return series of the manager.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark.

Treynor Ratio: The Treynor Ratio is a risk-adjusted measure of return which uses beta to represent risk. It is calculated by subtracting the risk-free rate from the rate of return for a portfolio and dividing the result by the portfolio's beta value.

Up Market Capture Ratio: A measure of a manager's performance in up markets. An up-market is defined as those periods (months or quarters) in which market return is greater than 0. It tells you what percentage of the up-market was captured by the manager.



# IMPORTANT DISCLAIMER INFORMATION

This report has been created as a courtesy for the clients of CapTrust Advisors, LLC.

The information contained herein was taken from sources believed to be reliable, but no representation or warranty is made as to its accuracy or completeness.

Performance Comparison Page Information:

Shaded areas represent where the investment objective was achieved either by:

- 1) The investment return versus the index;
- 2) The investment return universe ranking (The lower the number the better the ranking)

Due to methodologies utilized by our systems, the performance results presented are calculated and presented beginning on the last day of an account's inception month. Results do not include the interim period from an account's inception date to an account's first month-end. For example, for an account that has an inception date of March 15, this report begins measuring performance as of March 31. Omission of performance during this interim period is likely to result in different performance figures than if the interim period's performance was included in this report.

When applicable, any investment results depicted represent historical net of fees performance.

Past performance is no guarantee of future performance.

This report is not the official record of your account. However, it has been prepared to assist you with your investment planning and is for information purposes only. Your Client Statement is the official record of your account. Therefore, if there are any discrepancies between this report and your Client Statement, you should rely on the Client Statement and call your Financial Advisor if you have any questions. Transactions requiring tax consideration should be reviewed carefully with your accountant or tax advisor. This is not a substitute for your own records and the year-end 1099 form. Cost data and acquisition dates provided by you are not verified by CapTrust Advisors, LLC.

Indices are unmanaged and you cannot invest directly in an index.

For index definitions, please see the Capital Markets Review.