

# **BOYNTON BEACH POLICE PENSION FUND**

## **INVESTMENT PERFORMANCE PERIOD ENDING DECEMBER 31, 2010**

NOTE: For a free copy of Part II (mailed w/ 5 bus. days from request receipt) of Burgess Chambers and Associates, Inc.'s most recent Form ADV which details pertinent business procedures, please contact:  
601 North New York Avenue, Suite 200, Winter Park, Florida 32789, 407-644-0111, [info@burgesschambers.com](mailto:info@burgesschambers.com)



**Boynton Beach Police Pension Fund**  
**BCA Market Perspective ©**  
**January 2011**

**The Progress of the Economic Recovery**

A year ago, the BCA Market Perspective declared that a U.S. economic recovery had begun. In fact, the domestic stock market achieved double digit returns, outpacing bonds more than two fold during 2010. The spread between corporate and treasury bonds narrowed, signaling more confidence and less risk in the credit markets. These events underscore that stock markets are good predictors of economic growth and recessions.

With 15 million people out of work here at home or nearly 10% of the work force, it appears that a recovery has not really occurred. However, a closer look at the data reveals that private sector hiring increased each month in 2010. GM and Ford are reopening plants and hiring. While the real estate and construction sectors remain depressed, investment and job growth is occurring in manufacturing, healthcare, technology, telecom, agriculture, onshore energy exploration, mining, aerospace, and transportation to name a few. While the unemployment rate has shown little change, it has reached a steady level that will likely improve through private sector job creation. The negative factors include the ongoing government sector layoffs and the steady influx of young people seeking employment.



Source: US Bureau of Labor Statistics

Confidence in the economic recovery is growing among consumers. Domestic retail sales grew in the second half of 2010; e-commerce retail sales in 3Q were +3.9% above 2Q. Seasonally adjusted domestic truck and car sales have increased year-over year each month since August 2010, driven by improving consumer confidence and newly available credit. The GM initial public offering was over-subscribed, a strong indication of improving sales and profitability. Both Ford and GM are paying down debt faster than anticipated 12 months ago.

The Federal Reserve's \$600 billion quantitative easing (phase two) program is designed to keep the recovery on course in 2011. As more positive economic data is reported and investors move from bonds to equities, the expectation is that bond and mortgage rates will rise. The Fed's backstop approach is to intervene in the bond market, as a buyer, to manage or slow down the speed at which borrowing rates rise.

While inflation expectations receive much media attention, the Fed's priority is to positively influence the recovery. The result of this policy will be job creation and improving aggregate demand; a byproduct being a healthy dose of inflation. In fact, rising commercial and residential real estate valuations would have a profoundly positive impact on the economy resulting in increased tax receipts to municipalities and a slowing of the rate of mortgage foreclosures.

Finally, the U.S. economy is on a steady recovery. Private sector job growth will continue, along with increased manufacturing output and consumer spending. State and local governments will see rising tax receipts and budget pressure relief in 2011 and 2012.



**Boynton Beach Police Pension Fund**  
**Total Fund**  
**Investment Summary**  
**December 31, 2010**

- ❑ For the quarter, the total Fund earned \$3 million (+6.2% net), which was in line with the Consultant's Benchmark. The best three performing asset categories were: small-cap (+17.6%), large-cap equity I (+12.1%), and concentrated equity (+12.0%).
- ❑ For the one-year, the total Fund earned \$6.1 million (+13.8% net), narrowly missing the Consultant's Benchmark (+14.0%), but ranking in the top 34th percentile. The best three performing asset categories were: small-cap (+27.1%), concentrated equity (+18.2%), and large-cap equity I (+16.8%).
- ❑ The asset allocations are similar to the targets of the investment policy statement. However, the foreign investments have exceeded the policy range (26.2% vs. 20.0%). Florida Statue 185.06(4)(b): Notwithstanding any other provision of law, the board of trustees may invest up to 25 percent of plan assets in foreign securities on a market-value basis.

**Compliance:**

- 1) Both absolute and relative performance has improved during the past 22 months, ending 12/31/10. The one and two-year rankings were in top 34th percentile. However, the three and five-year rolling returns were below the Consultant's benchmark and peer rankings are in the bottom 69th percentiles, respectively.
- 2) Large-cap Equity I account: The three-year result was below and the five-year result was above the benchmark. Rankings were below the 40th percentile for both periods.
- 3) Large-cap structured equity account: Three and five-year results were below the benchmark and rankings were below the 40th percentile for both periods. This product remains out of compliance and should be replaced.
- 4) Concentrated equity has beaten its benchmark and the 40th percentile peer group for the one and two-year periods. The risk and value-added profiles are favorable.
- 5) Small-cap fund: Three and five-year results were below the benchmark and rankings were below the 40th percentile. This product should be replaced.
- 6) International equity fund: Three and five-year results were superior to the benchmark and rankings were similar to the Investment Policy objective. Risk and value added profiles are favorable.
- 7) Real-estate fund: Three-year result was below the benchmark and the three-year ranking was poor (bottom 99th percentile). This product should be replaced.



**Boynton Beach Police Pension Fund  
Total Fund  
Investment Performance  
December 31, 2010**

Dollars

	<u>Quarter</u>	<u>Fiscal Year</u>
<b>Beginning Market Value</b>	46,784,250	45,299,430
<b>Ending Market Value</b>	53,507,101	53,507,101
<b>Net Contributions</b>	+3,679,413	+2,086,549
<b>Investment Gain/(Loss)</b>	+3,043,438	+6,121,122
<b>Investment Return, Net</b>	+6.2%	+13.8%
<b>Consultant's Benchmark</b>	+6.2%	+14.0%
<b>Value Added (pts.)</b>	0.0	-0.2

Fiscal Year: October 1st – September 30th



**Boynton Beach Police Pension Fund  
Total Fund  
Compliance Checklist  
December 31, 2010**

**Yes      No**

The total Fund's annualized three-year performance achieved the Consultant's Benchmark.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund's annualized three-year performance ranked in the top 40th percentile of the universe.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund's annualized five-year performance achieved the Consultant's Benchmark.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund's annualized five-year performance ranked in the top 40th percentile of the universe.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund's annualized three-year performance achieved the +8.5% actuarial assumption rate.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund's annualized five-year performance achieved the +8.5% actuarial assumption rate.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Large Cap Equity's annualized three-year performance achieved the Russell 1000 index.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Large Cap Equity's annualized three-year performance ranked in the top 40th percentile of the universe.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Large Cap Equity's annualized five-year performance achieved the Russell 1000 index.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Large Cap Equity's annualized five-year performance ranked in the top 40th percentile of the universe.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Large Cap Structured Equity's three-year performance met the Russell 1000 index.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Large Cap Structured Equity's annualized three-year performance ranked in the top 40th percentile of the universe.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Large Cap Structured Equity's five-year performance met the Russell 1000 index.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Large Cap Structured Equity's annualized five-year performance ranked in the top 40th percentile of the universe.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Small Cap Equity's annualized three-year performance achieved the Russell 2000 index.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Small Cap Equity's annualized three-year performance ranked in the top 40th percentile of the universe.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Small Cap Equity's annualized five-year performance achieved the Russell 2000 index.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Small Cap Equity's annualized five-year performance ranked in the top 40th percentile of the universe.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

International Equity's annualized three-year performance achieved the international benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
International Equity's annualized three-year performance ranked in the top 40th percentile of the universe.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
International Equity's annualized five-year performance achieved the international benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
International Equity's annualized five-year performance ranked in the top 40th percentile of the universe.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Real Estate Equity's annualized three-year performance achieved the real estate benchmark.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Real Estate Equity's annualized three-year performance ranked in the top 40th percentile of the universe.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Investments in equity securities were 63.2% which did not exceed 65% of Fund's assets at market value.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Foreign equity investments were %* (at market) and did not exceed the 20% of the total Fund's assets at market. (Actual: 26.2%)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

\*Equity Fd: 1.0% + LC Struc: 0.3% + Concentrated: 0.4% + SC: 0.3% + AIM: 13.9% + World: 6.0% + Global RE: 1.2% + Multi Mgr: 3.0%.



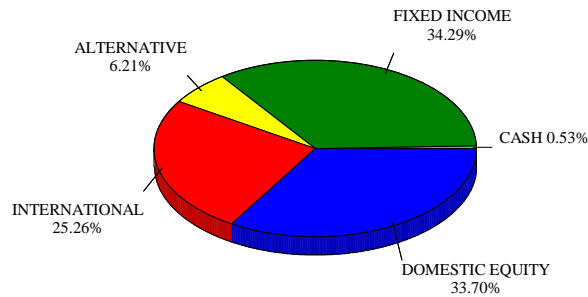
# Boynton Beach Police Pension Fund

## Total Fund

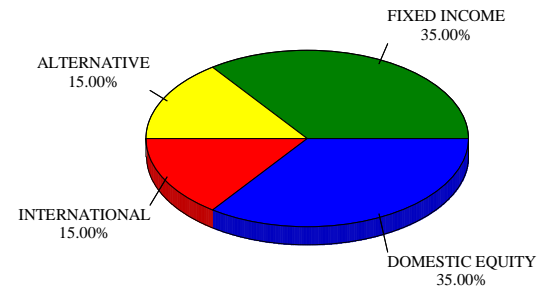
### Actual vs Target Asset Allocation

#### December 31, 2010

**ACTUAL ASSET ALLOCATION**



**TARGET ASSET ALLOCATION**



	MARKET VALUE ACTUAL	PERCENT ACTUAL	MARKET VALUE TARGET	PERCENT TARGET	MARKET VALUE DIFFERENCE	PERCENT DIFFERENCE
DOMESTIC EQUITY	18,033,924.7	33.7%	18,727,485.3	35.0%	(693,560.6)	(1.3%)
INTERNATIONAL	13,516,725.5	25.3%	8,026,065.1	15.0%	5,490,660.4	10.3%
ALTERNATIVE	3,322,964.1	6.2%	8,026,065.1	15.0%	(4,703,101.0)	(8.8%)
FIXED INCOME	18,350,060.2	34.3%	18,727,485.3	35.0%	(377,425.1)	(0.7%)
CASH	283,426.4	0.5%	0.0	0.0%	283,426.4	0.5%
<b>TOTAL FUND</b>	<b>\$53,507,101.0</b>	<b>100.0%</b>	<b>\$53,507,101.0</b>	<b>100.0%</b>	<b>\$0.0</b>	<b>0.0%</b>

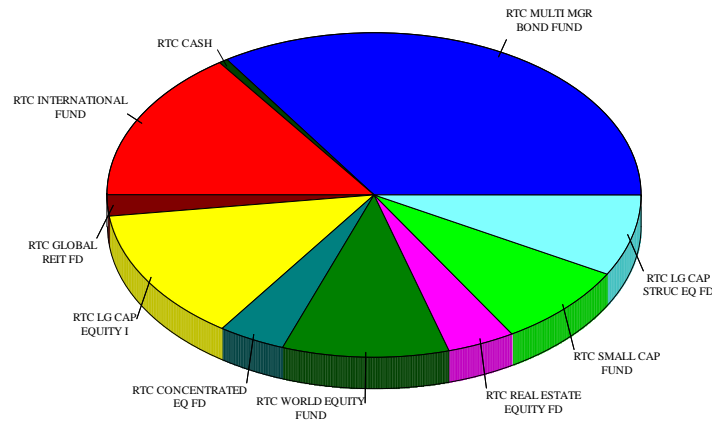


# Boynton Beach Police Pension Fund

## Total Fund

### Asset Allocation

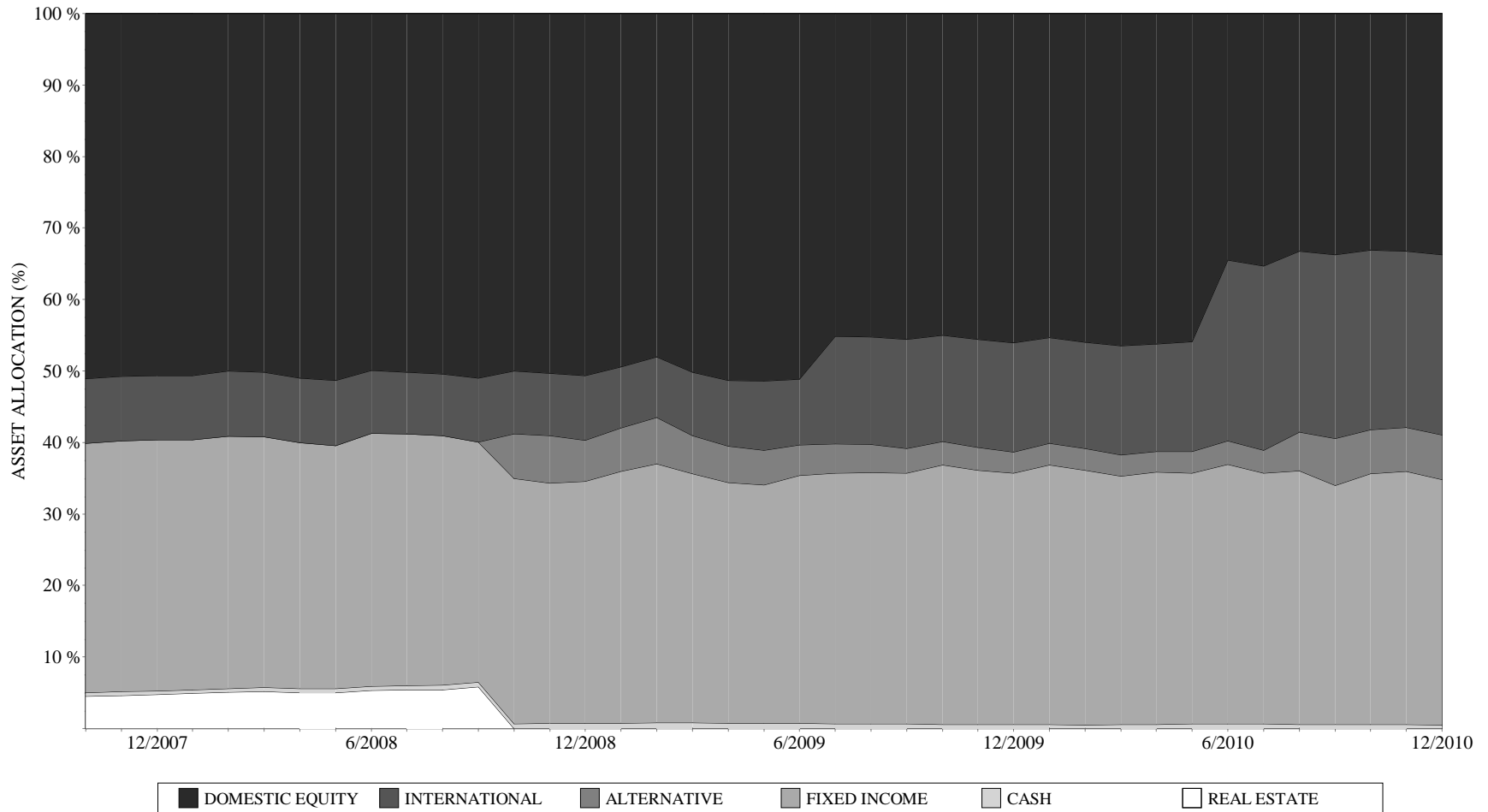
TOTAL MARKET VALUE  
AS OF DECEMBER 31, 2010  
\$ 53,507,101



	VALUE	PERCENT
RTC MULTI MGR BOND FUND	18,350,060	34.29
RTC INTERNATIONAL FUND	8,106,477	15.15
RTC LG CAP EQUITY I	7,106,435	13.28
RTC WORLD EQUITY FUND	5,410,248	10.11
RTC SMALL CAP FUND	4,410,777	8.24
RTC LG CAP STRUC EQ FD	4,338,389	8.11
RTC REAL ESTATE EQUITY FD	2,195,497	4.10
RTC CONCENTRATED EQ FD	2,178,323	4.07
RTC GLOBAL REIT FD	1,127,467	2.11
RTC CASH	283,426	0.54



**Boynton Beach Police Pension Fund**  
**Total Fund**  
**Allocation of Assets**  
**October 31, 2007 Through December 31, 2010**





**Boynton Beach Police Pension Fund**  
**Total Fund**  
**December 31, 2010**  
**Gross of Fees**

Name	Market Values	QTR ROR	1 Year ROR	2 Year ROR	3 Year ROR	5 Year ROR
<u>Domestic Equity</u>						
RTC Lg Cap Equity I	7,106,435	12.1%	16.8%	23.0%	-3.5%	3.1%
RTC Lg Cap Struc Eq Fd	4,338,389	10.8%	13.4%	18.6%	-4.0%	0.9%
RTC Concentrated Eq Fd	2,178,323	12.0%	18.2%	25.5%	N/A	N/A
RTC Small Cap Fund	4,410,777	17.6%	27.1%	28.0%	-0.6%	3.7%
<b>Total Domestic Equity</b>	<b>18,033,925</b>	<b>13.1%</b>	<b>18.4%</b>	<b>23.6%</b>	<b>-2.7%</b>	<b>N/A</b>
<u>International Equity</u>						
RTC International Fund	8,106,477	6.9%	11.1%	24.3%	-5.1%	5.0%
RTC World Equity Fund	5,410,248	9.0%	N/A	N/A	N/A	N/A
<b>Total Equity</b>	<b>31,550,650</b>	<b>10.8%</b>	<b>16.7%</b>	<b>23.4%</b>	<b>-3.2%</b>	<b>N/A</b>
<u>Alternative</u>						
RTC Real Estate Equity Fd	2,195,497	5.2%	15.2%	-13.0%	-12.2%	N/A
RTC Global REIT Fd	1,127,467	5.5%	N/A	N/A	N/A	N/A
<u>Fixed Income</u>						
RTC Multi Mgr Bond Fund	18,350,060	-0.6%	10.8%	14.6%	N/A	N/A
<b>Total Fixed Income</b>	<b>18,350,060</b>	<b>-0.6%</b>	<b>10.8%</b>	<b>14.6%</b>	<b>7.6%</b>	<b>N/A</b>
<u>Cash</u>						
RTC Cash	283,426	0.1%	0.1%	0.0%	2.3%	1.4%
<b>TOTAL: (1, 2, 3, 4)</b>	<b>53,507,101</b>	<b>6.3%</b>	<b>14.7%</b>	<b>18.6%</b>	<b>-0.7%</b>	<b>3.4%</b>
Consultant's Bnch		6.2%	14.0%	18.9%	1.5%	4.7%
Russell Custom Bnch		6.3%	13.1%	15.8%	N/A	N/A
Russell 1000 Index		11.2%	16.1%	22.1%	-2.4%	2.6%
Russell 2000		16.3%	26.9%	27.0%	2.2%	4.5%
International Bnch		6.7%	8.9%	21.7%	-6.2%	3.2%
MSCI AC Wrld X US		7.3%	11.6%	25.9%	-4.6%	5.3%
NCREIF ODCE		5.0%	16.4%	-9.6%	-9.7%	-0.2%
Wilshire REIT		7.9%	28.6%	28.6%	0.2%	2.4%
Fixed Income Bnch		-1.3%	6.5%	6.2%	6.0%	5.9%

1 Consultant's Bnch (IPS hybrid benchmark objective): Sep'09 is 34% Russell 1000 + 11% Russell Mid-Cap+ 11% MSCI Net EAFE + 4% MSCI Net EM + 5% Wilshire REIT + 30% BC Aggregate + 5% BC TIPS; from May'05 was 34% Russell 1000 + 16% Russell Mid-Cap+ 10% MSCI Gross EAFE +5% Wilshire REIT + 30% LB Intermediate Aggregate + 5% Lehman Intermediate TIPS; from Jun'02 was 60% S&P 500 + 35 Lehman Gov't/Credit.



**Boynton Beach Police Pension Fund**  
**Total Fund**  
**December 31, 2010**  
**Gross of Fees**

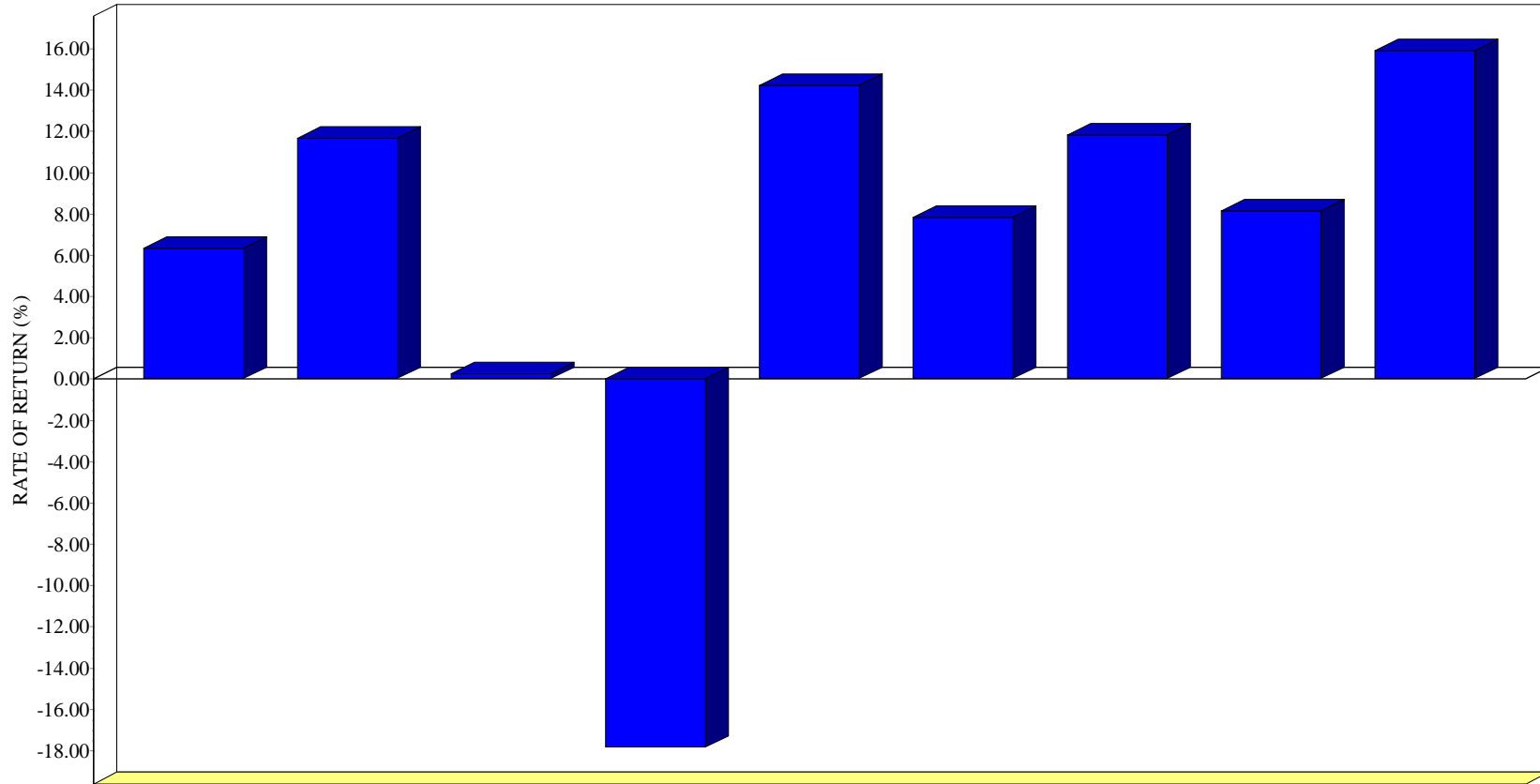
2 Russell Custom Bnch: Sep'09 is 35% Russell 1000 + 10% Russell 2000 + 15% AIM Composite (90% MSCI NET EAFE + 10% MSCI Net EM) + 35% BC Aggregate + 5% NCREIF; from Jun'08 was 41% Russell 1000 + 10% Russell 2000 + 9% AIM Composite (90% MSCI NET EAFE + 10% MSCI Net EM) + 5% NCREIF + 35% LB Aggregate.

3 International Benchmark: from Jun'08 is 100% AIM Composite (90% MSCI Net EAFE + 10% MSCI Emerging Markets Net); prior was MSCI Gross EAFE.

4 Fixed Income Bnch (IPS fixed income hybrid) Sep'09 is 100% BC Aggregate; from May05 was 100% LB Intermediate Aggregate; from Jun'02 was 100% Lehman Gov't/Credit.



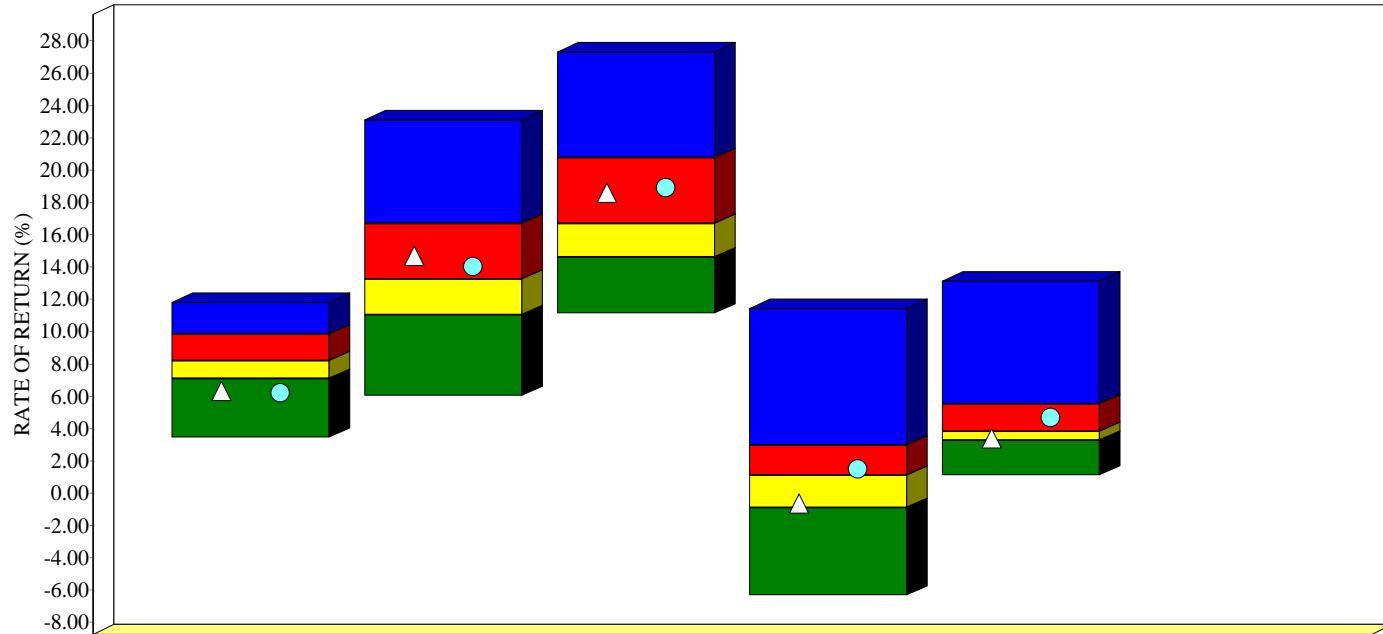
**Boynton Beach Police Pension Fund  
Total Fund  
Fiscal Year Rates of Return  
September 30, 2002 Through December 31, 2010**



FISCAL YTD	2010	2009	2008	2007	2006	2005	2004	2003	
TF	6.34	11.67	0.26	-17.85	14.21	7.85	11.83	8.14	15.90



## Boynton Beach Police Pension Fund Quartile Ranking Total Fund Versus Balanced Aggressive December 31, 2005 Through December 31, 2010



	LATEST QUARTER		ONE YEAR		TWO YEARS		THREE YEARS		FIVE YEARS	
HIGHEST VALUE	11.80		23.10		27.31		11.41		13.12	
FIRST QUANTILE	9.83		16.69		20.76		2.97		5.53	
MEDIAN VALUE	8.19		13.26		16.69		1.12		3.82	
THIRD QUANTILE	7.11		11.02		14.62		-0.88		3.28	
LOWEST VALUE	3.42		6.03		11.14		-6.34		1.11	
MEAN	8.33		13.39		17.55		0.95		4.42	
MEMBERS	26		26		26		26		26	
	LATEST QUARTER		ONE YEAR		TWO YEARS		THREE YEARS		FIVE YEARS	
	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK
△ TF	6.34	92	14.67	34	18.60	34	-0.65	69	3.40	69
● CONSULTANT'S BNCH	6.18	92	14.02	46	18.87	30	1.50	42	4.67	30



**Boynton Beach Police Pension Fund**  
**Total Fund**  
**Growth Of A Dollar Analysis**  
**December 31, 2005 Through December 31, 2010**



	LATEST QUARTER	ONE YEAR	THREE YEARS	FIVE YEARS
TF	6.34	14.67	-0.65	3.40
CONSULTANT'S BNCH	6.18	14.02	1.50	4.67



**Boynton Beach Police Pension Fund  
RTC Lg Cap Equity I  
Performance Profile  
Through December 31, 2010**

	ENDED	RETURN
BEST QUARTER	9/2009	16.41
WORST QUARTER	12/2008	-23.00
BEST 4 QUARTERS	12/2009	29.65
WORST 4 QUARTERS	12/2008	-40.56

TOTAL # OF PERIODS: 60  
# OF POSITIVE PERIODS: 37  
# OF NEGATIVE PERIODS: 23

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	12.14	16.78	23.05	-3.45	3.07
RUSSELL 1000 INDEX	11.19	16.10	22.11	-2.37	2.59
EXCESS	0.95	0.68	0.94	-1.08	0.49
RISKLESS INDEX	0.04	0.13	0.17	0.79	2.43
REAL ROR	11.82	15.19	20.57	-4.73	0.93

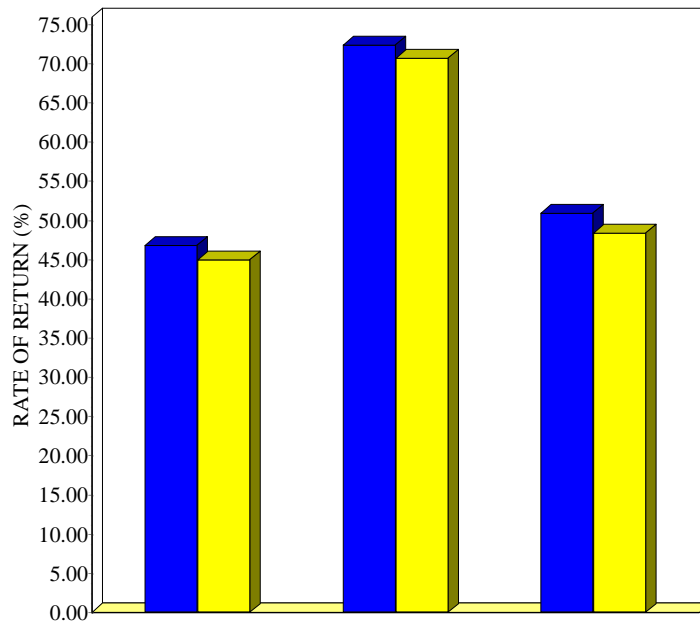
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	16.78	26	19.34	0.86	0.15	1.03	99.52	0.48
TWO YEARS	23.05	33	20.17	1.13	0.77	1.00	99.24	0.44
THREE YEARS	-3.45	82	23.01	-0.18	-0.92	1.03	99.11	-0.42
FIVE YEARS	3.07	54	18.67	0.03	0.54	1.03	98.67	0.26

*The risk benchmark for this analysis is the Russell 1000 Index.  
The universe used was the Large Cap*



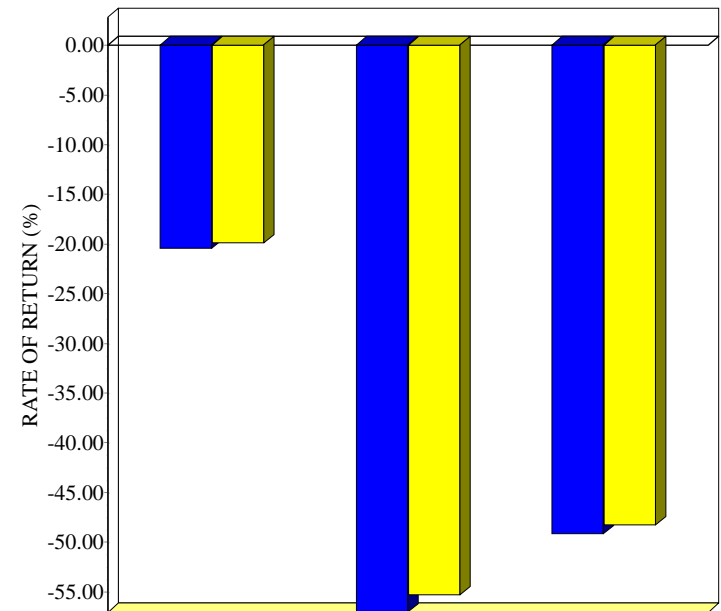
**Boynton Beach Police Pension Fund  
 RTC Lg Cap Equity I  
 Performance in Rising and Declining Markets  
 December 31, 2005 Through December 31, 2010**

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	46.82	72.34	50.93
RUSSELL 1000 INDEX	45.00	70.68	48.43
DIFFERENCE	1.82	1.66	2.50
RATIO	1.04	1.02	1.05
UP PERIODS	8	21	39

DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-20.46	-57.10	-49.24
RUSSELL 1000 INDEX	-19.93	-55.34	-48.34
DIFFERENCE	-0.53	-1.76	-0.90
RATIO	1.03	1.03	1.02
DOWN PERIODS	4	15	21



**Boynton Beach Police Pension Fund**  
**RTC Lg Cap Struc Eq Fd**  
**Performance Profile**  
**Through December 31, 2010**

	ENDED	RETURN
BEST QUARTER	6/2009	15.65
WORST QUARTER	12/2008	-20.30
BEST 4 QUARTERS	12/2009	24.05
WORST 4 QUARTERS	12/2008	-37.08

TOTAL # OF PERIODS: 60  
# OF POSITIVE PERIODS: 38  
# OF NEGATIVE PERIODS: 22

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	10.82	13.38	18.59	-3.99	0.91
RUSSELL 1000 INDEX	11.19	16.10	22.11	-2.37	2.59
EXCESS	-0.37	-2.72	-3.51	-1.62	-1.68
RISKLESS INDEX	0.04	0.13	0.17	0.79	2.43
REAL ROR	10.50	11.83	16.20	-5.28	-1.21

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	13.38	68	17.83	0.74	-1.76	0.95	99.34	-1.50
TWO YEARS	18.59	75	19.58	0.94	-2.41	0.97	99.06	-1.52
THREE YEARS	-3.99	88	22.03	-0.22	-1.72	0.98	98.88	-0.73
FIVE YEARS	0.91	95	17.89	-0.08	-1.65	0.99	98.82	-0.85

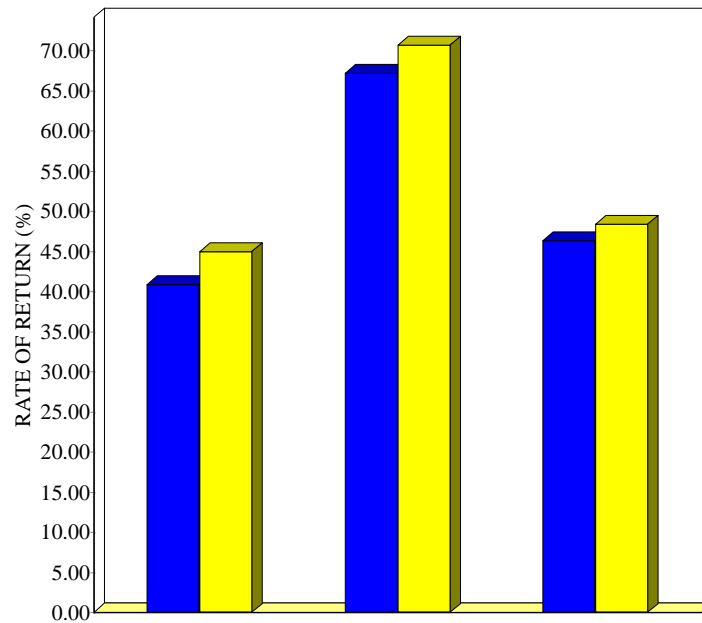
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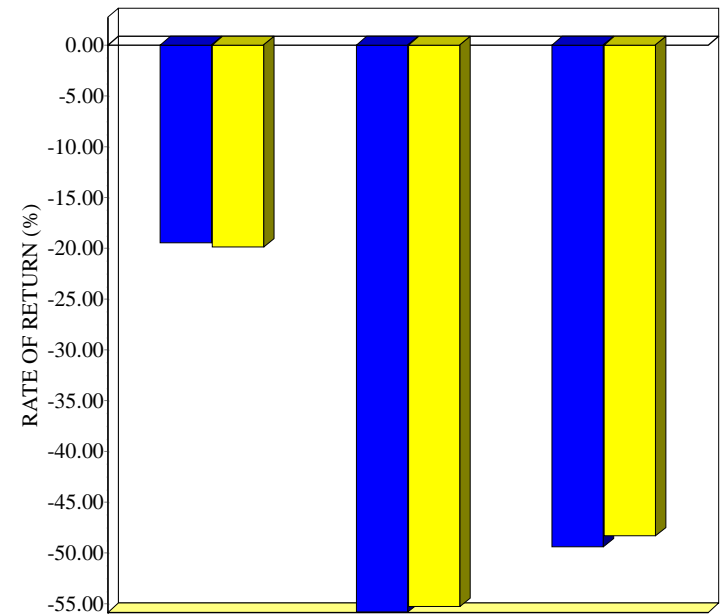
**Boynton Beach Police Pension Fund  
 RTC Lg Cap Struc Eq Fd  
 Performance in Rising and Declining Markets  
 December 31, 2005 Through December 31, 2010**

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	40.88	67.23	46.35
RUSSELL 1000 INDEX	45.00	70.68	48.43
DIFFERENCE	-4.11	-3.45	-2.08
RATIO	0.91	0.95	0.96
UP PERIODS	8	21	39

DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-19.52	-55.85	-49.41
RUSSELL 1000 INDEX	-19.93	-55.34	-48.34
DIFFERENCE	0.41	-0.51	-1.07
RATIO	0.98	1.01	1.02
DOWN PERIODS	4	15	21



**Boynton Beach Police Pension Fund  
RTC Concentrated Eq Fd  
Performance Profile  
Through December 31, 2010**

	ENDED	RETURN
BEST QUARTER	6/2009	15.37
WORST QUARTER	6/2010	-10.70
BEST 4 QUARTERS	12/2009	33.21
WORST 4 QUARTERS	12/2010	18.21

TOTAL # OF PERIODS: 24  
# OF POSITIVE PERIODS: 16  
# OF NEGATIVE PERIODS: 8

	QUARTER TO DATE	ONE YEAR	TWO YEARS
TOTAL FUND	12.02	18.21	25.49
RUSSELL 1000 INDEX	11.19	16.10	22.11
EXCESS	0.83	2.12	3.38
RISKLESS INDEX	0.04	0.13	0.17
REAL ROR	11.70	16.60	22.97

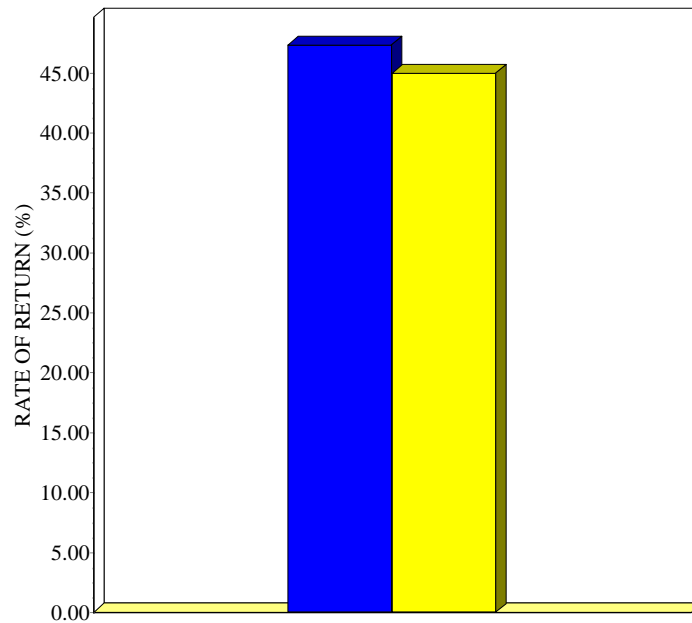
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	18.21	14	19.22	0.94	1.51	1.03	99.04	0.99
TWO YEARS	25.49	17	19.21	1.32	3.73	0.95	98.19	0.93

*The risk benchmark for this analysis is the Russell 1000 Index.  
The universe used was the Large Cap*



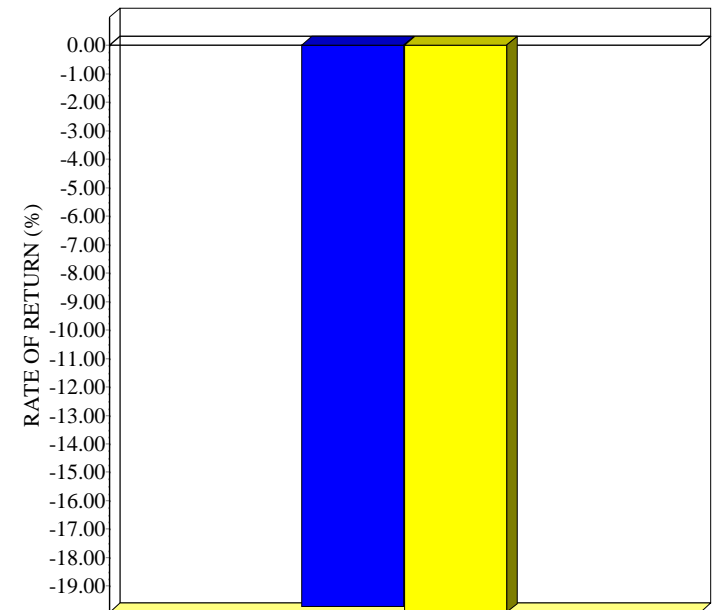
**Boynton Beach Police Pension Fund  
 RTC Concentrated Eq Fd  
 Performance in Rising and Declining Markets  
 December 31, 2009 Through December 31, 2010**

UP MARKET PERFORMANCE



	ONE YEAR
TOTAL FUND	47.30
RUSSELL 1000 INDEX	45.00
DIFFERENCE	2.31
RATIO	1.05
UP PERIODS	8

DOWN MARKET PERFORMANCE



	ONE YEAR
TOTAL FUND	-19.75
RUSSELL 1000 INDEX	-19.93
DIFFERENCE	0.18
RATIO	0.99
DOWN PERIODS	4



**Boynton Beach Police Pension Fund  
RTC Small Cap Fund  
Performance Profile  
Through December 31, 2010**

	ENDED	RETURN
BEST QUARTER	6/2009	17.61
WORST QUARTER	12/2008	-24.65
BEST 4 QUARTERS	12/2009	28.88
WORST 4 QUARTERS	12/2008	-40.02

TOTAL # OF PERIODS: 60  
# OF POSITIVE PERIODS: 38  
# OF NEGATIVE PERIODS: 22

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	17.56	27.10	27.99	-0.59	3.70
RUSSELL 2000	16.25	26.85	27.01	2.22	4.47
EXCESS	1.31	0.25	0.97	-2.81	-0.78
RISKLESS INDEX	0.04	0.13	0.17	0.79	2.43
REAL ROR	17.23	25.39	25.40	-1.88	1.55

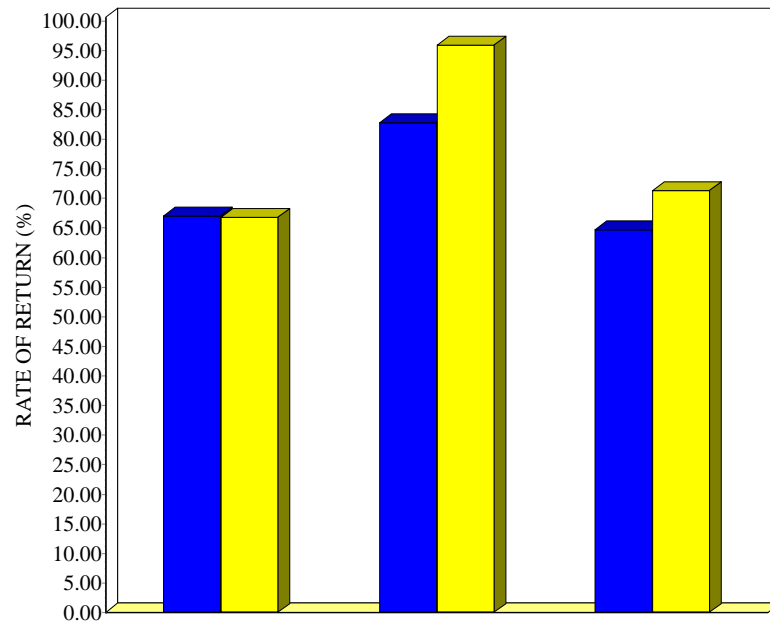
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	27.10	56	22.98	1.17	0.46	0.99	99.71	0.11
TWO YEARS	27.99	72	23.95	1.16	2.39	0.92	98.89	0.08
THREE YEARS	-0.59	82	26.54	-0.05	-2.82	0.94	96.30	-0.60
FIVE YEARS	3.70	79	21.96	0.06	-0.70	0.94	96.04	-0.24

*The risk benchmark for this analysis is the Russell 2000.  
The universe used was the Small Cap*



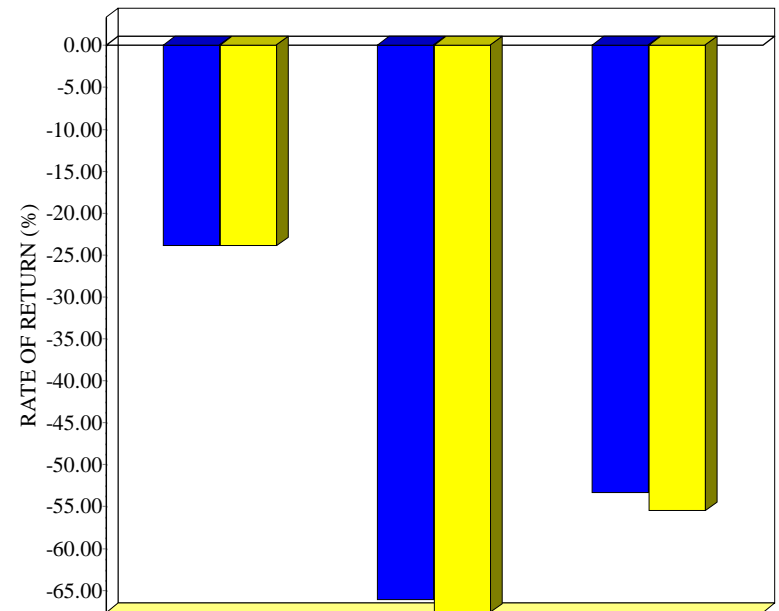
**Boynton Beach Police Pension Fund  
RTC Small Cap Fund  
Performance in Rising and Declining Markets  
December 31, 2005 Through December 31, 2010**

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	67.07	82.83	64.74
RUSSELL 2000	66.84	95.85	71.26
DIFFERENCE	0.23	-13.02	-6.52
RATIO	1.00	0.86	0.91
UP PERIODS	8	23	38

DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-23.92	-66.17	-53.39
RUSSELL 2000	-23.96	-67.64	-55.51
DIFFERENCE	0.04	1.47	2.13
RATIO	1.00	0.98	0.96
DOWN PERIODS	4	13	22



**Boynton Beach Police Pension Fund  
RTC International Fund  
Performance Profile  
Through December 31, 2010**

	ENDED	RETURN
BEST QUARTER	6/2009	26.50
WORST QUARTER	9/2008	-21.65
BEST 4 QUARTERS	12/2009	38.97
WORST 4 QUARTERS	12/2008	-44.58

TOTAL # OF PERIODS: 60  
# OF POSITIVE PERIODS: 34  
# OF NEGATIVE PERIODS: 26

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	6.93	11.12	24.27	-5.06	4.97
INTERNATIONAL BNCH	6.70	8.87	21.67	-6.18	3.18
EXCESS	0.23	2.25	2.60	1.12	1.79
RISKLESS INDEX	0.04	0.13	0.17	0.79	2.43
REAL ROR	6.63	9.60	21.76	-6.33	2.80

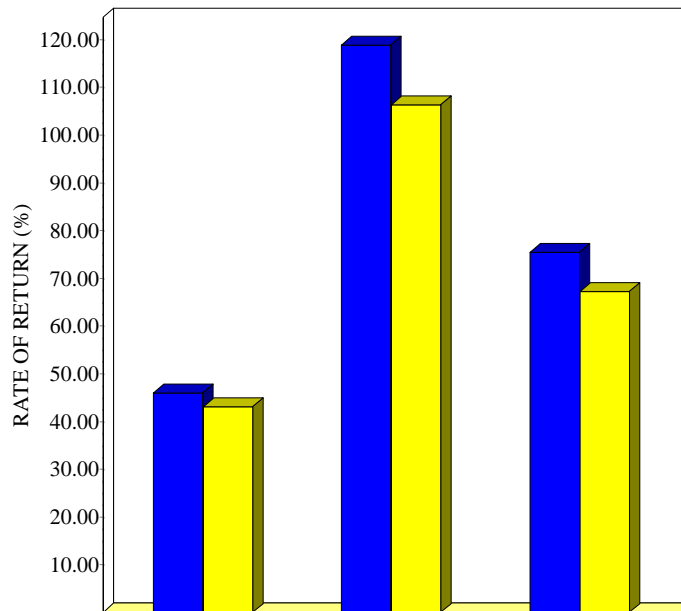
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	11.12	53	22.47	0.49	1.89	1.03	99.36	1.16
TWO YEARS	24.27	32	24.88	0.97	1.33	1.05	98.38	0.72
THREE YEARS	-5.06	52	27.56	-0.21	1.50	1.03	98.86	0.45
FIVE YEARS	4.97	35	22.56	0.11	1.81	1.03	98.49	0.66

*The risk benchmark for this analysis is the International Bnch.  
The universe used was the EAFE*



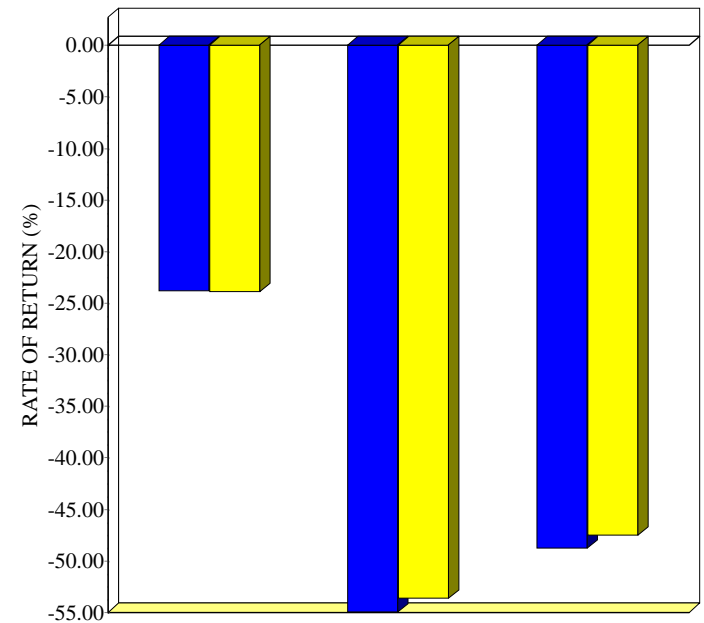
**Boynton Beach Police Pension Fund  
 RTC International Fund  
 Performance in Rising and Declining Markets  
 December 31, 2005 Through December 31, 2010**

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
<span style="color: blue;">■</span> TOTAL FUND	45.95	118.76	75.36
<span style="color: yellow;">■</span> INTERNATIONAL BNCH	43.10	106.35	67.28
DIFFERENCE	2.85	12.41	8.08
RATIO	1.07	1.12	1.12
UP PERIODS	5	17	35

DOWN MARKET PERFORMANCE








	ONE YEAR	THREE YEARS	FIVE YEARS
<span style="color: blue;">■</span> TOTAL FUND	-23.86	-55.01	-48.82
<span style="color: yellow;">■</span> INTERNATIONAL BNCH	-23.92	-53.65	-47.54
DIFFERENCE	0.06	-1.36	-1.28
RATIO	1.00	1.03	1.03
DOWN PERIODS	7	19	25



**Boynton Beach Police Pension Fund  
 Quartile Ranking  
 RTC World Equity Fund Versus International Large Cap  
 September 30, 2010 Through December 31, 2010**



<u>QUARTER TO DATE</u>	
	HIGHEST VALUE 12.22
	FIRST QUARTILE 8.41
	MEDIAN VALUE 7.46
	THIRD QUARTILE 6.27
	LOWEST VALUE 4.00
	MEAN 7.53
	MEMBERS 159

	<u>QUARTER TO DATE</u>	
	RETURN	RANK
△ IE	8.98	15
● MSCI AC WRLD X US	7.25	59



**Boynton Beach Police Pension Fund  
RTC Real Estate Equity Fd  
Performance Profile  
Through December 31, 2010**

	ENDED	RETURN
BEST QUARTER	12/2010	5.23
WORST QUARTER	3/2009	-14.59
BEST 4 QUARTERS	12/2010	15.20
WORST 4 QUARTERS	12/2009	-34.26

TOTAL # OF PERIODS: 12  
# OF POSITIVE PERIODS: 6  
# OF NEGATIVE PERIODS: 6

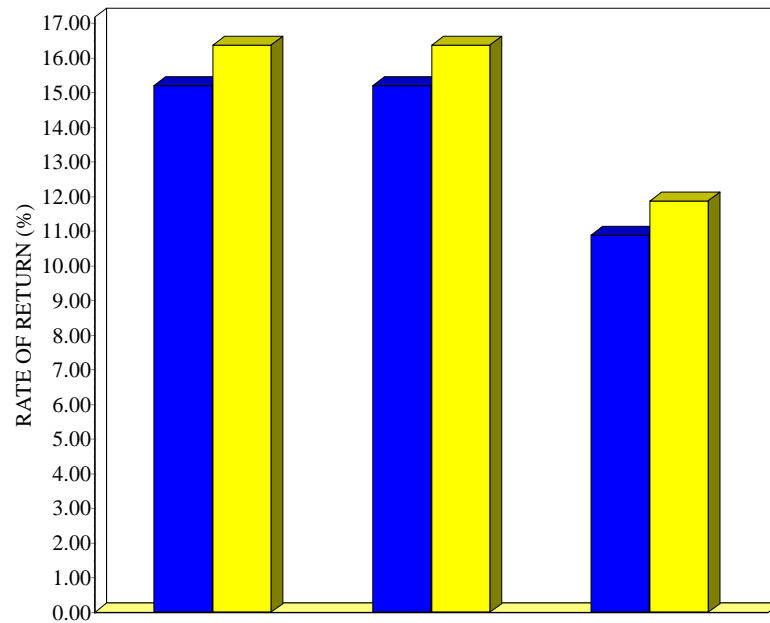
	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS
RTC REAL ESTATE EQUITY F	5.23	15.20	-12.97	-12.20
NCREIF ODCE	4.99	16.36	-9.60	-9.73
EXCESS	0.24	-1.16	-3.37	-2.47
RISKLESS INDEX	0.04	0.13	0.17	0.79
REAL ROR	4.93	13.64	-14.88	-13.44

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
THREE YEARS	-12.20	99	13.49	-0.96	-1.77	1.08	99.10	-1.59

*The risk benchmark for this analysis is the NCREIF ODCE.  
The universe used was the MS Real Estate.*

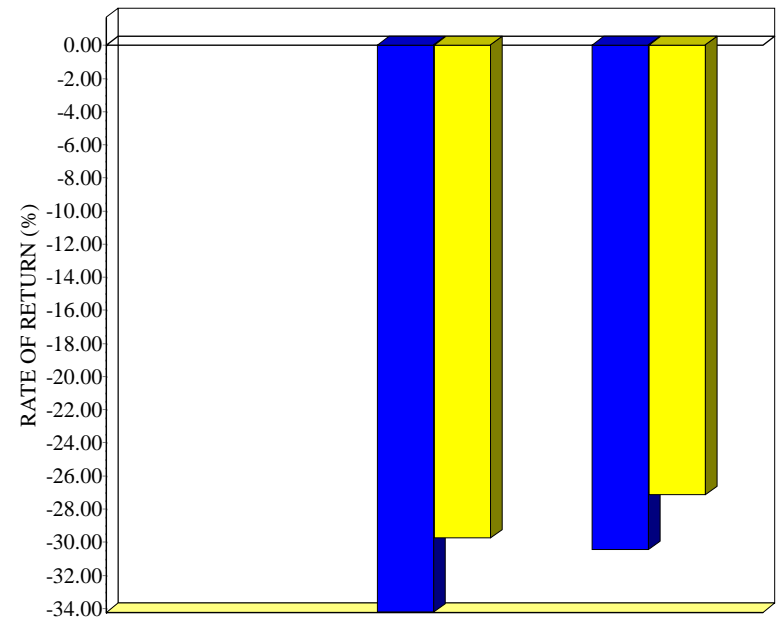
**Boynton Beach Police Pension Fund  
RTC Real Estate Equity Fd  
Performance in Rising and Declining Markets  
December 31, 2007 Through December 31, 2010**

UP MARKET PERFORMANCE



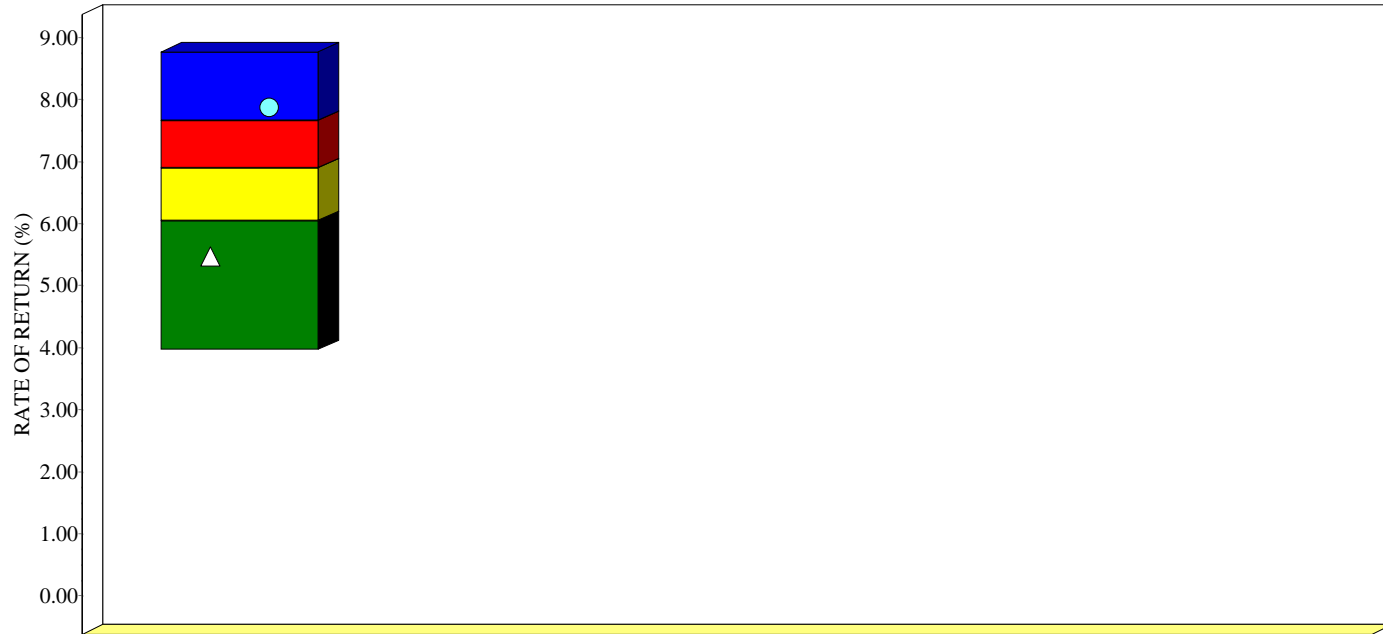
	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	15.20	15.20	10.88
NCREIF ODCE	16.36	16.36	11.88
DIFFERENCE	-1.16	-1.16	-1.00
RATIO	0.93	0.93	0.92
UP PERIODS	4	4	6

DOWN MARKET PERFORMANCE



	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	N/A	-34.26	-30.48
NCREIF ODCE	N/A	-29.76	-27.17
DIFFERENCE	N/A	-4.49	-3.31
RATIO	N/A	1.15	1.12
DOWN PERIODS	0	4	6

**Boynton Beach Police Pension Fund  
 Quartile Ranking  
 RTC Global REIT Fd Versus MS Real Estate  
 September 30, 2010 Through December 31, 2010**



<u>QUARTER TO DATE</u>	
■	HIGHEST VALUE 8.77
■	FIRST QUARTILE 7.66
■	MEDIAN VALUE 6.90
■	THIRD QUARTILE 6.05
■	LOWEST VALUE 3.96
	MEAN 6.84
	MEMBERS 19

	<u>QUARTER TO DATE</u>	
	RETURN	RANK
△ RE	5.47	89
● WILSHIRE REIT	7.88	21

**Boynton Beach Police Pension Fund  
RTC Multi Mgr Bond Fund  
Performance Profile  
Through December 31, 2010**

	ENDED	RETURN
BEST QUARTER	9/2009	8.07
WORST QUARTER	12/2010	-0.60
BEST 4 QUARTERS	12/2009	18.64
WORST 4 QUARTERS	12/2010	10.78

TOTAL # OF PERIODS: 24  
# OF POSITIVE PERIODS: 19  
# OF NEGATIVE PERIODS: 5

	QUARTER TO DATE	ONE YEAR	TWO YEARS
TOTAL FUND	-0.60	10.78	14.64
FIXED INCOME BNCH	-1.30	6.54	6.24
EXCESS	0.70	4.24	8.40
RISKLESS INDEX	0.04	0.13	0.17
REAL ROR	-0.89	9.25	12.37

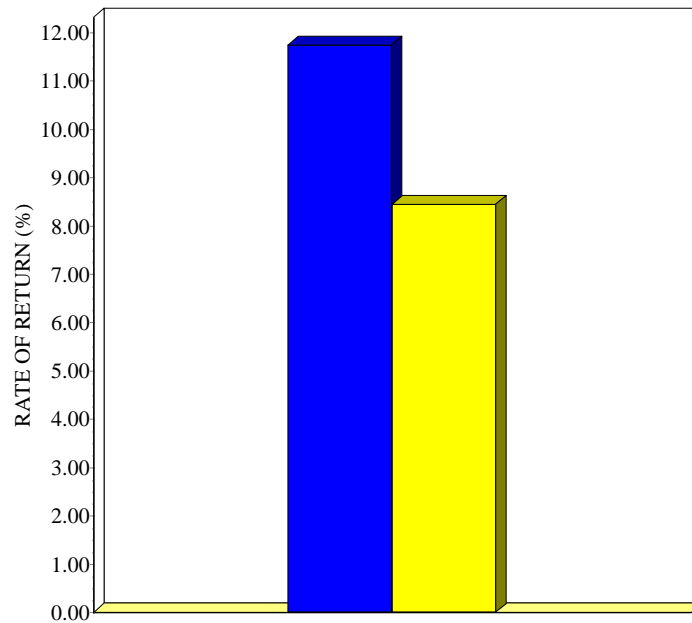
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	10.78	11	3.39	3.14	3.52	1.07	77.00	2.44
TWO YEARS	14.64	15	4.38	3.31	7.36	1.06	52.76	2.64

*The risk benchmark for this analysis is the Fixed Income Bnch.  
The universe used was the Fixed Income*



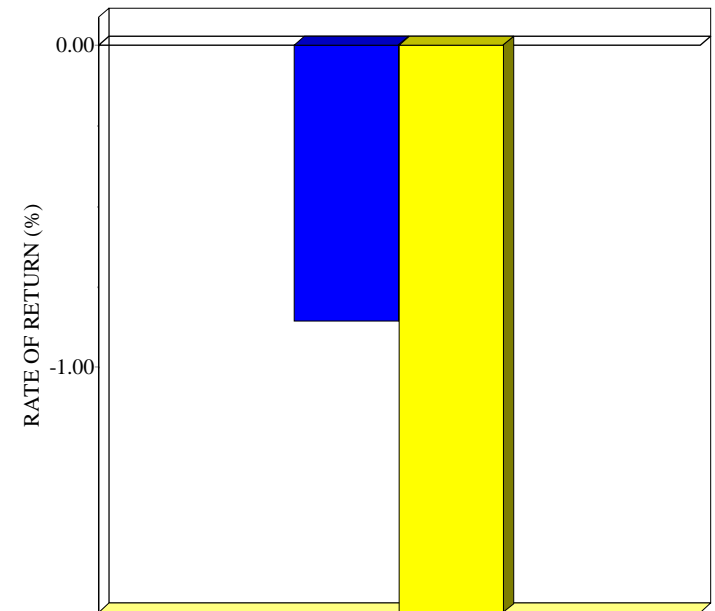
**Boynton Beach Police Pension Fund  
 RTC Multi Mgr Bond Fund  
 Performance in Rising and Declining Markets  
 December 31, 2009 Through December 31, 2010**

UP MARKET PERFORMANCE



	ONE YEAR
TOTAL FUND	11.74
FIXED INCOME BNCH	8.46
DIFFERENCE	3.28
RATIO	1.39
UP PERIODS	9

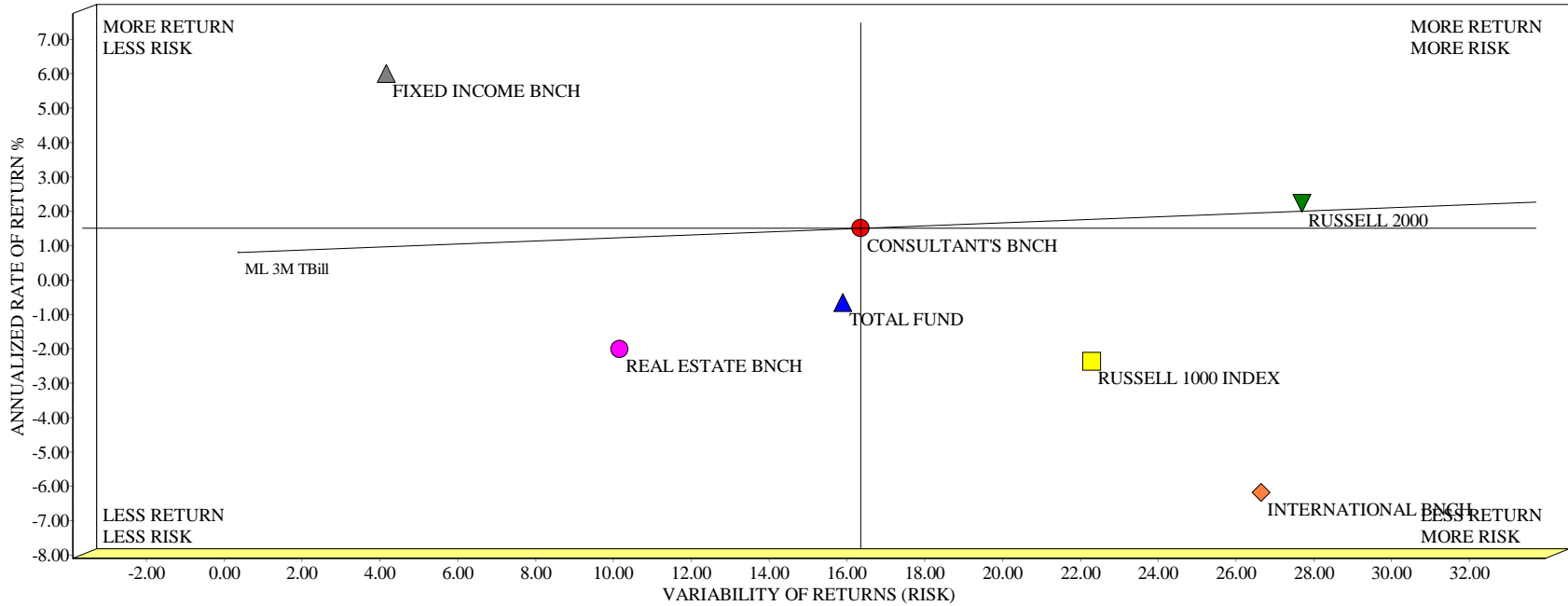
DOWN MARKET PERFORMANCE



	ONE YEAR
TOTAL FUND	-0.86
FIXED INCOME BNCH	-1.76
DIFFERENCE	0.90
RATIO	0.49
DOWN PERIODS	3



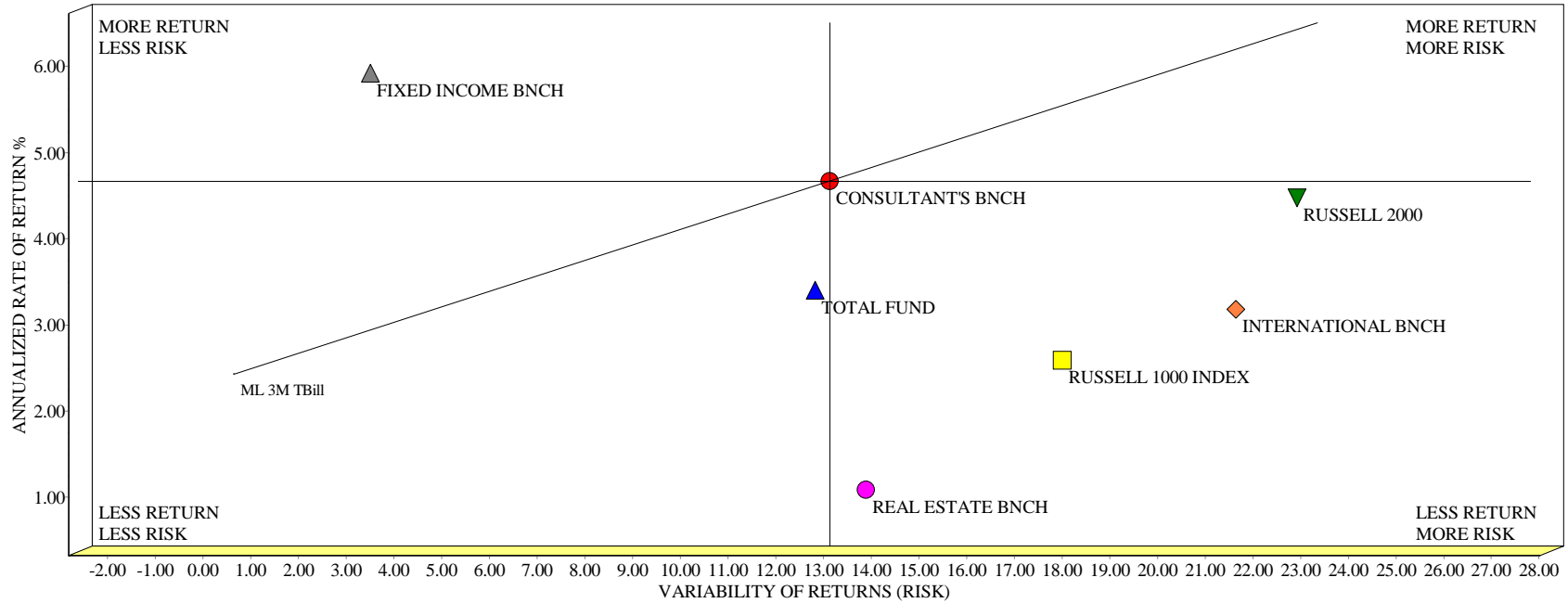
**Boynton Beach Police Pension Fund  
Total Fund  
Capital Market Line  
December 31, 2007 Through December 31, 2010**



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	-0.65	15.90	0.96	-2.13	96.56
● CONSULTANT'S BNCH	1.50	16.35	1.00	0.00	100.00
■ RUSSELL 1000 INDEX	-2.37	22.29	1.00	0.00	100.00
▼ RUSSELL 2000	2.22	27.69	1.00	0.00	100.00
◆ INTERNATIONAL BNCH	-6.18	26.64	1.00	0.00	100.00
▲ FIXED INCOME BNCH	6.01	4.16	1.00	0.00	100.00
● REAL ESTATE BNCH	-2.01	10.15	1.00	0.00	100.00



**Boynton Beach Police Pension Fund  
Total Fund  
Capital Market Line  
December 31, 2005 Through December 31, 2010**

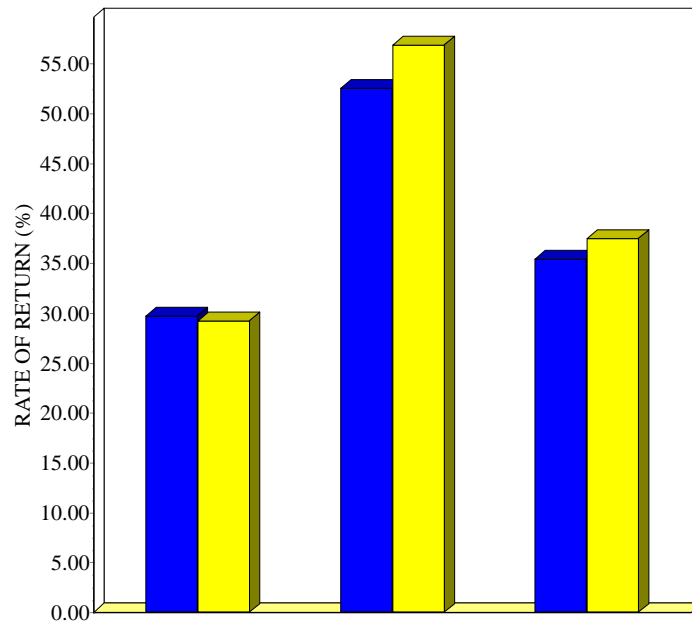


	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	3.40	12.83	0.96	-1.14	96.39
● CONSULTANT'S BNCH	4.67	13.13	1.00	0.00	100.00
■ RUSSELL 1000 INDEX	2.59	18.01	1.00	0.00	100.00
▼ RUSSELL 2000	4.47	22.92	1.00	0.00	100.00
◆ INTERNATIONAL BNCH	3.18	21.65	1.00	0.00	100.00
▲ FIXED INCOME BNCH	5.92	3.50	1.00	0.00	100.00
● REAL ESTATE BNCH	1.08	13.90	1.00	0.00	100.00



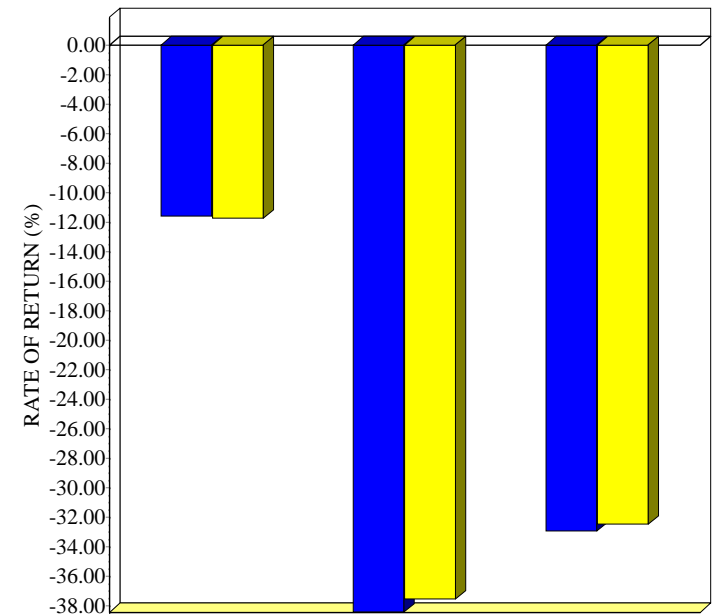
**Boynton Beach Police Pension Fund  
Total Fund  
Performance in Rising and Declining Markets  
December 31, 2005 Through December 31, 2010**

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	29.72	52.55	35.40
CONSULTANT'S BNCH	29.23	56.86	37.52
DIFFERENCE	0.49	-4.31	-2.11
RATIO	1.02	0.92	0.94
UP PERIODS	7	19	37

DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-11.60	-38.48	-32.99
CONSULTANT'S BNCH	-11.77	-37.59	-32.53
DIFFERENCE	0.16	-0.89	-0.46
RATIO	0.99	1.02	1.01
DOWN PERIODS	5	17	23





## **Boynton Beach Police Pension Fund Glossary of Terms**

- ACCRUED INTEREST- Bond interest earned since the last interest payment, but not yet received.
- ALPHA- A linear regressive constant that measures the manager's expected return independent of Beta.
- ASSET ALLOCATION- The optimal division of portfolio asset classes in order to achieve an expected investment objective.
- BETA- A measure of portfolio sensitivity (volatility) in relation to the market, based upon past experience.
- BOND DURATION- A measure of portfolio sensitivity to interest rate risk.
- COMMINGLED FUND- An investment fund which is similar to a mutual fund in that investors are permitted to purchase and redeem units that represent ownership in a pool of securities.
- CORE- A type of investment strategy that has approximately an equal weighting in both growth and value stocks in order to achieve a return that is comparable to the broad market performance (i.e., the S&P 500).
- CORRELATION COEFFICIENT- A statistical measure of how two assets move together. The measure is bounded by +1 and -1; +1 means that the two assets move together positively, while a measure of -1 means that the assets are perfectly negatively correlated.
- INDEXES- Indexes are used as "independent representations of markets" (e.g., S&P 500 and LBGC).
- INFORMATION RATIO- Annualized excess return above the benchmark relative to the annualized tracking error.
- GROWTH MANAGER- A growth manager generally invests in companies that have either experienced above-average growth rates and/or are expected to experience above-average growth rates in the future. Growth portfolios tend to have high price/earnings ratios and generally pay little to no dividends.
- LARGE CAP- Generally, the term refers to a company that has a market capitalization that exceeds \$5 billion.
- MANAGER UNIVERSE- A collection of quarterly investment returns from various investment management firms that may be subdivided by style (e.g. growth, value, core).
- MID CAP- Generally, the term refers to a company that has a market capitalization between \$1 and \$5 billion.
- NCREIF - A quarterly time series composite total rate of return measure of investment performance of a large pool of individual commercial real estate properties acquired in the private market for investment purposes only.
- NCREIF ODCE - Open End Diversified Core Equity index which consists of historical and current returns from 26 open-end commingled funds pursuing core strategy. This index is capitalization weighted, time weighted and gross of fees.



## **Boynton Beach Police Pension Fund**

### **Glossary of Terms**

-PSN BALANCED AGGRESSIVE UNIVERSE - Includes all domestic balanced products whose equity allocation objective is greater than or equal to 65%.

-PSN BALANCED MODERATE UNIVERSE - Includes all domestic balanced products whose equity allocation objective is between 55% and 64%.

-PSN BALANCED CONSERVATIVE UNIVERSE - Includes all domestic balanced products whose equity allocation objective is equal or less than 54%.

-RATE OF RETURN- The percentage change in the value of an investment in a portfolio over a specified time period.

-RISK MEASURES- Measures of the investment risk level, including beta, credit, duration, standard deviation, and others that are based on current and historical data.

-R-SQUARED- Measures how closely portfolio returns and those of the market are correlated, or how much variation in the portfolio returns may be explained by the market. An R2 of 40 means that 40% of the variation in a fund's price changes could be attributed to changes in the market index over the time period.

-SHARPE RATIO- The ratio of the rate of return earned above the risk-free rate to the standard deviation of the portfolio. It measures the number of units of return per unit of risk.

-STANDARD DEVIATION- Measure of the variability (dispersion) of historical returns around the mean. It measures how much exposure to volatility was experienced by the implementation of an investment strategy.

-SYSTEMATIC RISK- Measured by beta, it is the risk that cannot be diversified away (market risk).

- TIME WEIGHTED (TW) RETURN - A measure of the investments versus the investor. When there are no flows the TW & DOLLAR weighted (DW) return are the same and vice versa. CFA Institute recommends using the TW return. AIMR reasons that the investment mgr can not control when an investor has flows & thus should not be measured by that. BCA uses TW method.

-TRACKING ERROR- A measure of how closely a manager's performance tracks an index; it is the annualized standard deviation of the differences between the quarterly returns for the manager and the benchmark.

-TREYNOR RATIO- A measure of reward per unit of risk. (excess return divided by beta)

-UP-MARKET CAPTURE RATIO- Ratio that illustrates how a manager performed relative to the market during rising market periods; the higher the ratio, the better the manager performed (i.e., a ratio of 110 implies the manager performed 10% better than the market).

-VALUE MANAGER- A value manager generally invests in companies that have low price-to-earnings and price-to-book ratios and/or above-average dividend yields.



## **Boynton Beach Police Pension Fund Disclosure**

Advisory services are offered through or by Burgess Chambers and Associates, Inc., a registered SEC investment advisor.

### Performance Reporting:

1.Changes in portfolio valuations due to capital gains or losses, dividends, interest or other income are included in the calculation of returns. All calculations are made in accordance with generally accepted industry standards.

2.Transaction costs, such as commissions, are included in the purchase cost or deducted from the proceeds or sale of a security. Differences in transaction costs may affect comparisons.

3.Individual client returns may vary due to a variety of factors, including differences in investment objectives and timing of investment decisions.

4.BCA does not have discretion or decision making authority over any investments. All decisions regarding investment manager selection and retention, asset allocation, and other investment policies were made by the client. While BCA provides recommendations and choices regarding suitable investments, not all clients take these recommendations or select from the choices offered.

5.Portfolio returns are generally shown before the deduction of investment advisory fees.

6.Performance reports are generated from information supplied by the client, custodian, and/or investment managers. BCA relies upon the accuracy of this data when preparing reports.

7.The market indexes do not include transaction costs, and an investment in a product similar to the index would have lower performance dependent upon costs, fees, dividend reinvestments, and timing. Benchmarks and indexes are for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved.

8.Performance information prepared by third party sources may differ from that shown by BCA. These differences may be due to different methods of analysis, different time periods being evaluated, different pricing sources for securities, treatment of accrued income, treatment of cash, and different accounting procedures.

9.Certain valuations, such as alternative assets, ETF, and mutual funds, are prepared based on information from third party sources, the accuracy of such information cannot be guaranteed by BCA. Such data may include estimates and maybe be subject to revision.

10.BCA has not reviewed the risks of individual security holdings.

The firm's ADV, Part II, is available upon request.

