

# **BOYNTON BEACH POLICE PENSION FUND**

## **INVESTMENT PERFORMANCE PERIOD ENDING JUNE 30, 2011**

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



# **Boynton Beach Police Pension Fund**

**BCA Market Perspective ©  
July 2011**

## **Why Equities Have the Advantage over Bonds**

The current economic and monetary policy environment favors owning stocks over bonds. The current Fed policy of near zero interest rates is subsidizing the rebirth of American enterprise, while discouraging investment in fixed income. What makes this point in time remarkable is the growing strength of corporate balance sheets, as measured by cash and low borrowing costs. With improved balance sheets and a low dollar, American corporations are better positioned to compete globally.

Price-to-earnings expansion is inevitable when interest rates are low. Expectations of future earnings growth is driven by the lower associated earnings discount rate, improving cash flows, strong balance sheets and competitive advantage. Another boost derived from low interest rates is a lower valued U.S. dollar that makes exports more attractive and higher foreign earnings translated back into dollars.

When interest rates are high, investors are rewarded with attractive bond coupon levels. In contrast, corporate borrowers are faced with paying more interest to banks and bond investors; resulting in lower earnings. While this was the environment during the 1980s, it is clearly the opposite today.

Bond prices are sensitive to changes in interest rates, as measured by duration. As the bond coupon declines for newly issued bonds, the sensitivity to interest-rate change increases; the result being higher volatility risk. Lower coupons stretch out the payback period of each bond, thus increasing the risk. Duration risk may be managed with owning shorter maturities and higher yielding issues. Higher yielding securities are associated with increased default risk. Selecting a shorter than normal duration today may be defensive, but the drop in expected return is significant.

Domestic stocks are offering dividend yields that are comparable to the five-year treasury, a situation that has emerged over the past year and not observed since the 1950s. Thus, large-cap equities offer bond-like yields, along with the potential to appreciate; even in the face of rising interest rates associated with an improving economy. A stronger economy means higher corporate profits, a formula for improving dividends. In contrast, bond prices decline during these periods.

While the environment favors stocks over bonds for reasons stated above, adding stocks to the allocation adds additional volatility risk to the portfolio.



**Boynton Beach Police Pension Fund**  
**Total Fund**  
**Investment Summary**  
**June 30, 2011**

- For the quarter, the Fund earned \$575,982 (+1.2% net), in line with the consultant benchmark (+1.3%). The best three performing asset categories were: private real estate (+4.5%), global REIT (+3.2%) and multi manager bond (+2.1%).
- Fiscal year to date (ending June 30), the Fund earned \$5.7 million (+11.7% net), in line with the consultant benchmark (+11.8%).
- For the 12-month period, the Fund earned \$9.8 million (+22.4% net), similar to the consultant benchmark (+22.5%). The best three performing asset categories were: small-cap (+41.4%), concentrated equity (+35.6%), and large-cap equity (+33.3%). The last 24 months, the Fund has earned an average of +18.9% per year.
- For the three and five year periods, the Fund earned an average of +3.6% and +4.1% per year (gross), respectively.

**Compliance:**

- 1) **Increasing the international limitation to 25% is reflected in the proposed IPS.**
- 2) Large-cap Equity I. While three-year performance was below the benchmark and 40th percentile objective, the 12 and 24-month results have been excellent. BCA recommends no action.
- 3) 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.
- 4) **Small-cap: Three and five-year results were below the benchmark and 40th percentile objective. BCA recommends a replacement.**
- 5) International equity fund's three and five-year results were superior to the benchmark and peer rankings were better than the objective for five years. Risk and value-added profiles are favorable.
- 6) World equity fund beat its benchmark for the 12-month period.
- 7) Multi-manager bond fund beat its benchmark by a wide margin for the 24-month period.
- 8) **Real-estate fund: three and five-year results were below the benchmark and ranking were poor (bottom percentile). BCA recommends a replacement.**
- 9) The commodities fund was funded in June 2011.



**Boynton Beach Police Pension Fund  
Total Fund  
Investment Performance  
June 30, 2011**

Dollars

	<u>Quarter</u>	<u>Fiscal YTD</u>	<u>One Year</u>
<b>Beginning Market Value</b>	55,544,988	46,784,250	42,727,750
<b>Ending Market Value</b>	56,433,730	56,433,730	56,433,730
<b>Net Contributions</b>	+312,760	+3,938,102	+3,946,016
<b>Investment Gain/(Loss)</b>	+575,982	+5,711,378	+9,759,964
<b>Investment Return, Net</b>	+1.2%	+11.7%	+22.4%
<b>Consultant's Benchmark</b>	+1.3%	+11.8%	+22.5%
<b><i>Value Added (pts.)</i></b>	<b><i>-0.1</i></b>	<b><i>-0.1</i></b>	<b><i>-0.1</i></b>

Fiscal Year: October 1st – September 30th



**Boynton Beach Police Pension Fund**  
**Total Fund**  
**Compliance Checklist**  
**June 30, 2011**

**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 +8.0% actuarial assumption rate.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund's annualized five-year performance achieved the +8.0% 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"/>
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"/>
Real Estate Equity's annualized five-year performance achieved the real estate benchmark.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Real Estate Equity's annualized five-year performance ranked in the top 40th percentile of the universe.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Investments in equity securities were 61.1% which did not exceed 65% of Fund's assets at market value.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Foreign equity investments were 22.8%* (at market) and did not exceed the 20% of the total Fund's assets at market.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

\*Equity Fd: 1.3% + Concentrated: 0.8% + SC: 0.3% + AIM: 9.7% + World: 4.9% + Multi Mgr: 4.1% + Global RE: 1.7%.



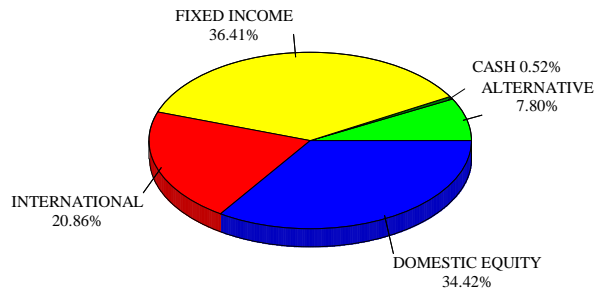
# Boynnton Beach Police Pension Fund

## Total Fund

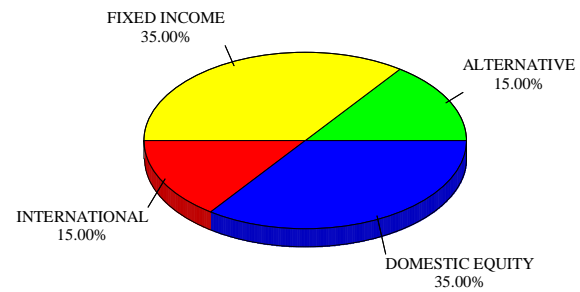
### Actual vs Target Asset Allocation

#### June 30, 2011

**ACTUAL ASSET ALLOCATION**



**TARGET ASSET ALLOCATION**



	MARKET VALUE ACTUAL	PERCENT ACTUAL	MARKET VALUE TARGET	PERCENT TARGET	MARKET VALUE DIFFERENCE	PERCENT DIFFERENCE
DOMESTIC EQUITY	19,422,043.3	34.4%	19,751,805.6	35.0%	(329,762.3)	(0.6%)
INTERNATIONAL	11,770,935.3	20.9%	8,465,059.5	15.0%	3,305,875.8	5.9%
FIXED INCOME	20,545,632.5	36.4%	19,751,805.6	35.0%	793,826.9	1.4%
CASH	292,873.2	0.5%	0.0	0.0%	292,873.2	0.5%
ALTERNATIVE	4,402,246.0	7.8%	8,465,059.5	15.0%	(4,062,813.6)	(7.2%)
<b>TOTAL FUND</b>	<b>\$56,433,730.3</b>	<b>100.0%</b>	<b>\$56,433,730.3</b>	<b>100.0%</b>	<b>\$0.0</b>	<b>0.0%</b>

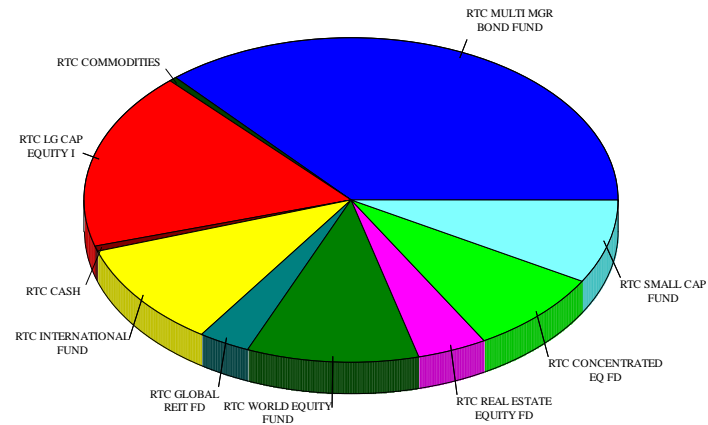


# Boynton Beach Police Pension Fund

## Total Fund

### Asset Allocation

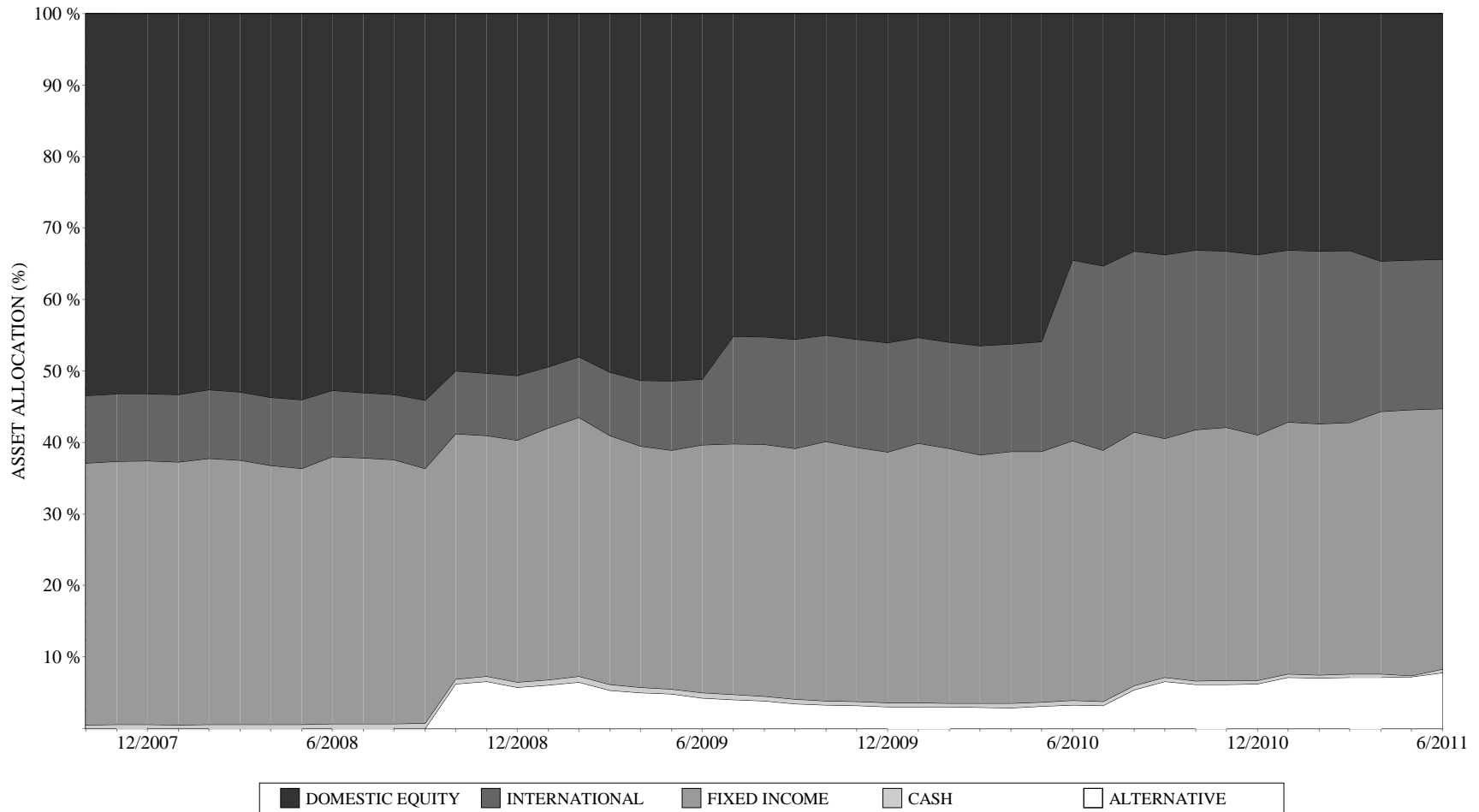
TOTAL MARKET VALUE  
AS OF JUNE 30, 2011  
\$ 56,433,730



	VALUE	PERCENT
RTC MULTI MGR BOND FUND	20,545,633	36.41
RTC LG CAP EQUITY I	10,005,295	17.73
RTC INTERNATIONAL FUND	5,885,468	10.43
RTC WORLD EQUITY FUND	5,885,468	10.43
RTC CONCENTRATED EQ FD	4,708,374	8.34
RTC SMALL CAP FUND	4,708,374	8.34
RTC REAL ESTATE EQUITY FD	2,380,181	4.22
RTC GLOBAL REIT FD	1,765,640	3.13
RTC CASH	292,873	0.52
RTC COMMODITIES	256,425	0.45



**Boynton Beach Police Pension Fund  
Total Fund  
Allocation of Assets  
October 31, 2007 Through June 30, 2011**





**Boynton Beach Police Pension Fund**  
**Total Fund**  
**June 30, 2011**  
**Gross of Fees**

Name	Market Values	QTR ROR	FYTD ROR	1 Year ROR	2 Year ROR	3 Year ROR	5 Year ROR
<u>Domestic Equity</u>							
RTC Lg Cap Equity I	10,005,295	0.2%	19.4%	33.3%	23.5%	2.7%	3.7%
RTC Concentrated Eq Fd	4,708,374	1.1%	20.2%	35.6%	24.7%	N/A	N/A
RTC Small Cap Fund	4,708,374	-0.9%	27.6%	41.4%	30.3%	5.7%	3.8%
<b>Total Domestic Equity</b>	<b>19,422,043</b>	<b>0.1%</b>	<b>21.6%</b>	<b>35.2%</b>	<b>24.9%</b>	<b>3.8%</b>	<b>N/A</b>
<u>International Equity</u>							
RTC International Fund	5,885,468	1.1%	11.9%	32.3%	20.6%	0.1%	3.9%
RTC World Equity Fund	5,885,468	1.1%	15.4%	32.1%	N/A	N/A	N/A
<b>Total Equity</b>	<b>31,192,979</b>	<b>0.6%</b>	<b>18.1%</b>	<b>34.1%</b>	<b>23.7%</b>	<b>2.9%</b>	<b>N/A</b>
<u>Fixed Income</u>							
RTC Multi Mgr Bond Fund	20,545,633	2.1%	2.8%	6.8%	12.4%	N/A	N/A
<b>Total Fixed Income</b>	<b>20,545,633</b>	<b>2.1%</b>	<b>2.8%</b>	<b>6.8%</b>	<b>12.4%</b>	<b>9.1%</b>	<b>N/A</b>
<u>Cash</u>							
RTC Cash	292,873	0.0%	0.1%	0.1%	0.0%	2.4%	1.4%
<u>Alternative</u>							
RTC Real Estate Equity Fd	2,380,181	4.5%	14.1%	19.7%	4.3%	-10.2%	-2.1%
RTC Global REIT Fd	1,765,640	3.2%	11.6%	N/A	N/A	N/A	N/A
RTC Commodities	256,425	N/A	N/A	N/A	N/A	N/A	N/A
<b>TOTAL: (1, 2, 3, 4)</b>	<b>56,433,730</b>	<b>1.4%</b>	<b>12.3%</b>	<b>23.3%</b>	<b>18.9%</b>	<b>3.6%</b>	<b>4.1%</b>
Consultant's Bnch		1.3%	11.8%	22.5%	19.1%	5.2%	5.0%
Russell Custom Bnch		1.1%	11.5%	21.3%	16.6%	4.8%	N/A
Russell 1000 Index		0.1%	18.3%	31.9%	23.3%	3.7%	3.3%
Russell 2000		-1.6%	23.5%	37.4%	29.2%	7.8%	4.1%
International Bnch		1.3%	11.6%	30.2%	18.3%	-1.1%	2.1%
MSCI AC Wrld X US		0.6%	11.7%	30.3%	20.2%	0.1%	4.1%
Fixed Income Bnch		2.3%	1.4%	3.9%	6.7%	6.5%	6.5%
NCREIF ODCE		4.6%	14.2%	20.5%	6.4%	-7.7%	0.0%
Wilshire REIT		3.9%	19.6%	35.6%	45.2%	4.9%	1.8%

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.

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%



**Boynton Beach Police Pension Fund**  
**Total Fund**  
**June 30, 2011**  
**Gross of Fees**

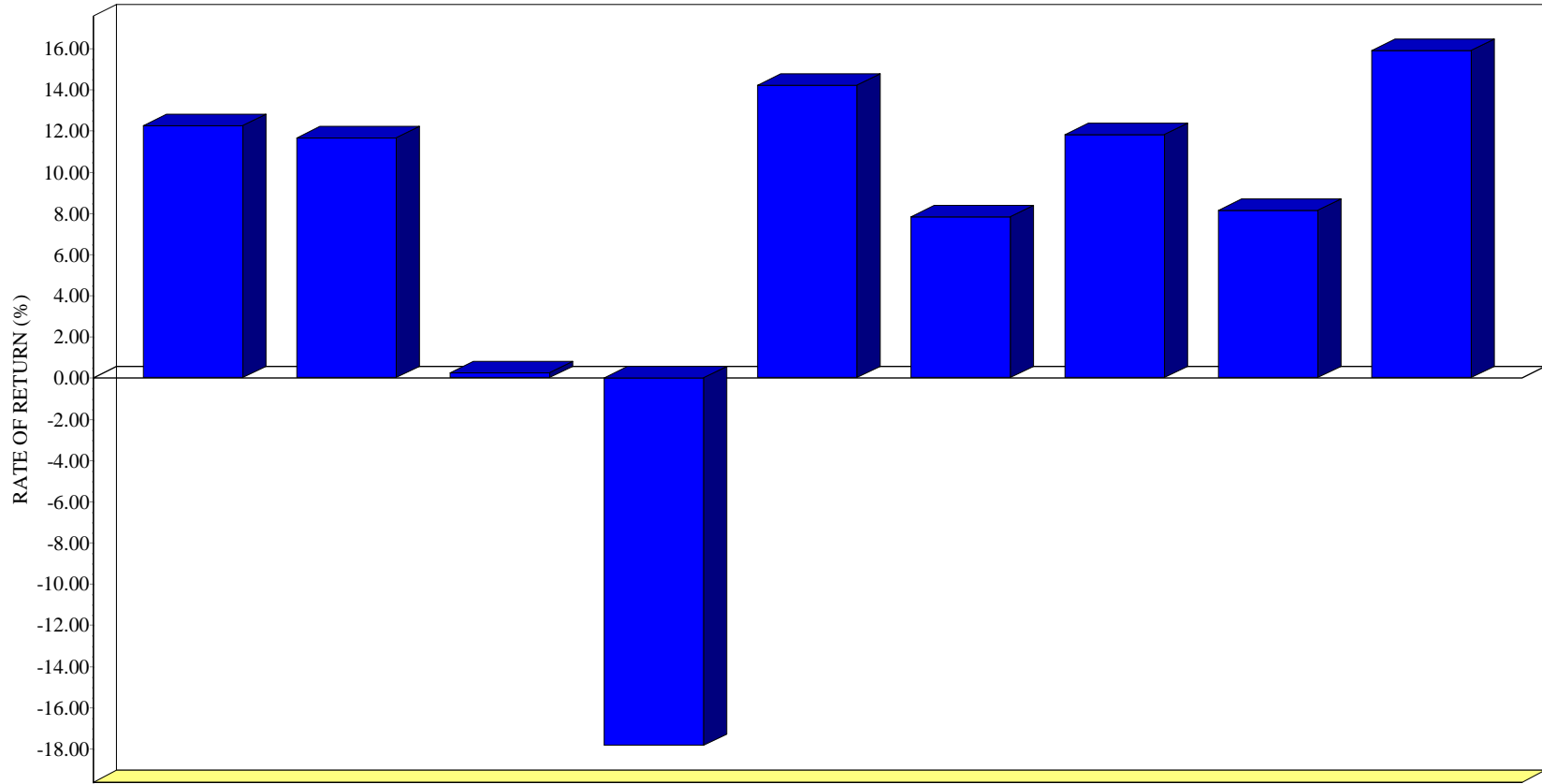
MSCI Net EM) + 5% NCREIF + 35% LB Aggregate.

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.



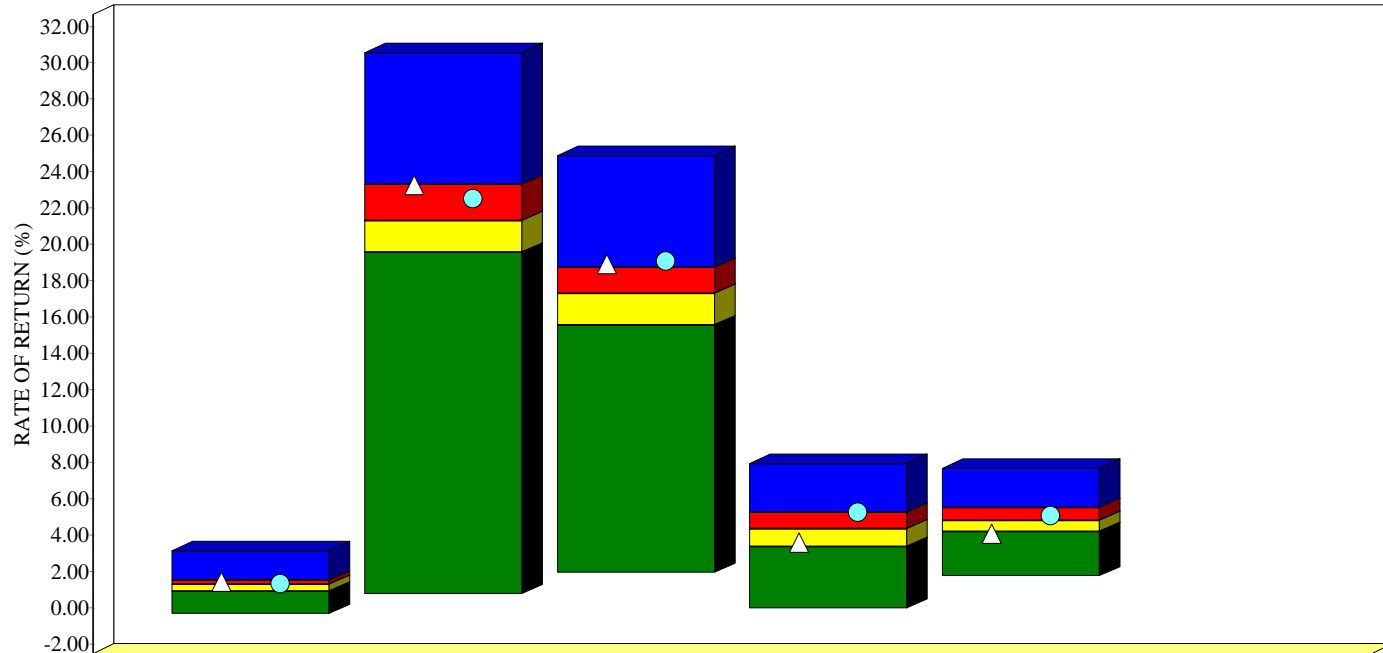
**Boynton Beach Police Pension Fund  
Total Fund  
Fiscal Year Rates of Return  
September 30, 2002 Through June 30, 2011**










FISCAL YTD	2010	2009	2008	2007	2006	2005	2004	2003
TF	12.27	11.67	0.26	-17.85	14.21	7.85	11.83	8.14



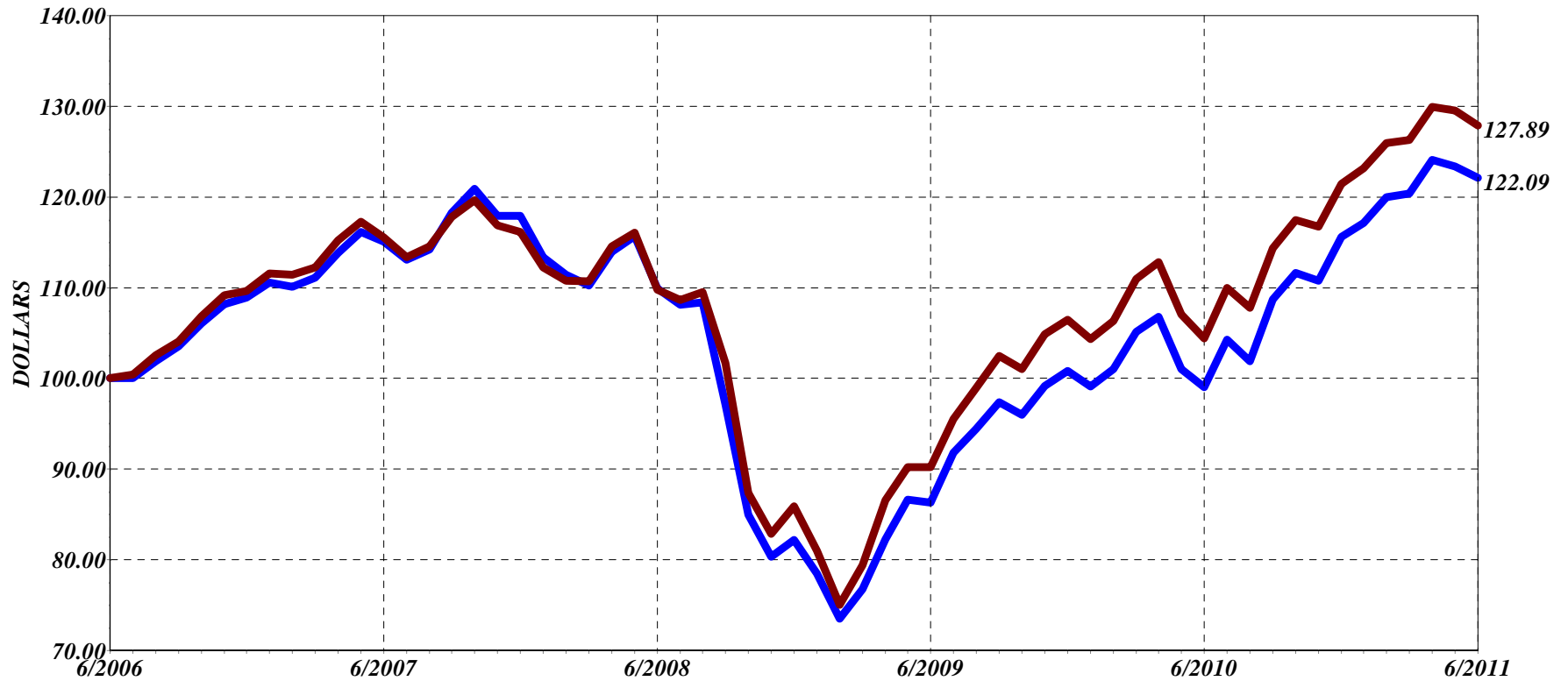
**Boynton Beach Police Pension Fund  
 Quartile Ranking  
 Total Fund Versus BNY Mellon Public Funds Universe  
 June 30, 2006 Through June 30, 2011**



	<u>LATEST QUARTER</u>		<u>ONE YEAR</u>		<u>TWO YEARS</u>		<u>THREE YEARS</u>		<u>FIVE YEARS</u>		
 HIGHEST VALUE		3.13		30.55		24.89		7.94		7.65	
 FIRST QUARTILE		1.52		23.30		18.73		5.26		5.52	
 MEDIAN VALUE		1.29		21.31		17.30		4.35		4.80	
 THIRD QUARTILE		0.90		19.55		15.56		3.35		4.19	
 LOWEST VALUE		-0.35		0.75		1.91		-0.06		1.74	
MEAN		1.28		19.88		16.20		4.22		4.80	
		<u>LATEST QUARTER</u>		<u>ONE YEAR</u>		<u>TWO YEARS</u>		<u>THREE YEARS</u>		<u>FIVE YEARS</u>	
		RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK
 TF		1.41	36	23.26	26	18.93	21	3.56	68	4.07	78
 CONSULTANT'S BNCH		1.30	47	22.48	36	19.08	21	5.22	26	5.04	42



**Boynton Beach Police Pension Fund  
Total Fund  
Growth Of A Dollar Analysis  
June 30, 2006 Through June 30, 2011**



	LATEST QUARTER	FISCAL YTD	YEAR TO DATE	ONE YEAR	THREE YEARS	FIVE YEARS
TF	1.41	12.27	5.58	23.26	3.56	4.07
CONSULTANT'S BNCH	1.30	11.84	5.33	22.48	5.22	5.04



**Boynton Beach Police Pension Fund  
RTC Lg Cap Equity I  
Performance Profile  
Through June 30, 2011**

	ENDED	RETURN
BEST QUARTER	9/2009	16.41
WORST QUARTER	12/2008	-23.00
BEST 4 QUARTERS	6/2011	33.25
WORST 4 QUARTERS	6/2009	-28.86

TOTAL # OF PERIODS: 60  
# OF POSITIVE PERIODS: 36  
# OF NEGATIVE PERIODS: 24

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	0.21	19.43	33.25	23.46	2.73	3.72
RUSSELL 1000 INDEX	0.12	18.27	31.93	23.30	3.68	3.30
EXCESS	0.09	1.16	1.32	0.16	-0.95	0.42
RISKLESS INDEX	0.04	0.13	0.16	0.16	0.42	2.00
REAL ROR	-0.78	15.61	28.74	20.75	1.81	1.58

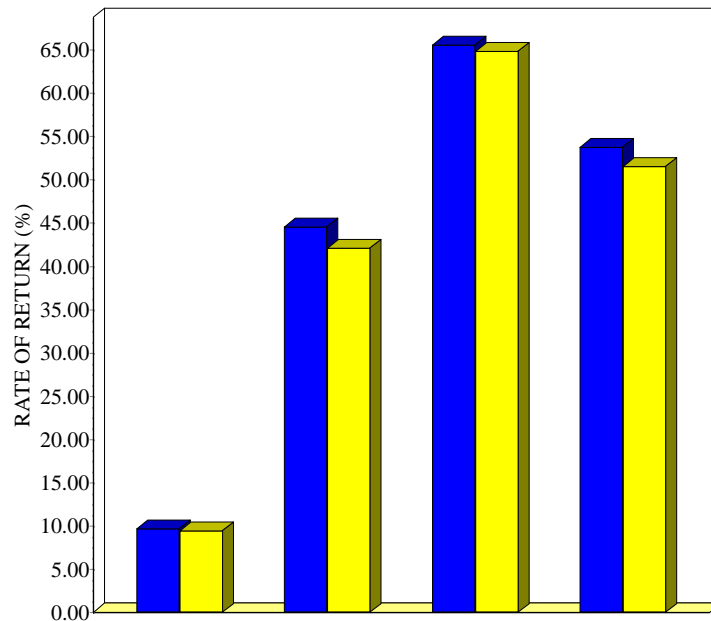
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	33.25	28	14.14	2.34	-0.87	1.07	99.72	0.96
TWO YEARS	23.46	31	15.53	1.50	-0.43	1.03	99.48	0.16
THREE YEARS	2.73	72	21.95	0.11	-0.92	1.02	99.15	-0.39
FIVE YEARS	3.72	55	18.68	0.09	0.44	1.03	98.70	0.23

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



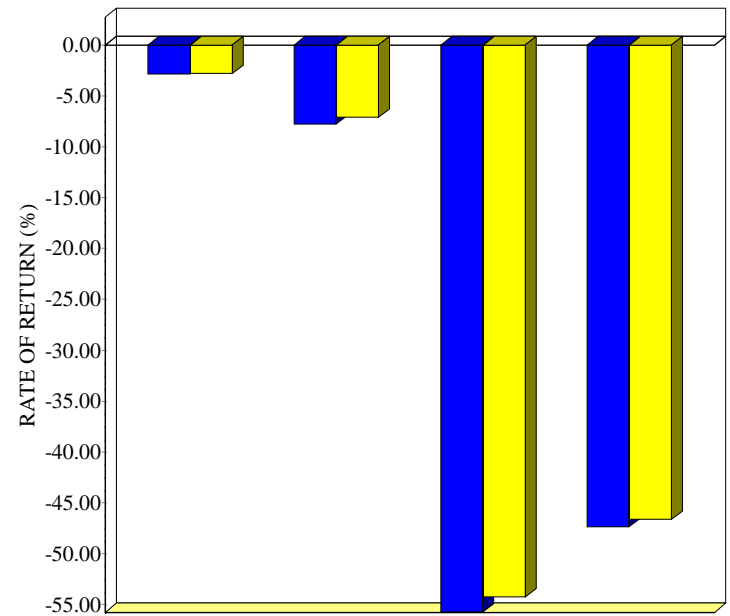
**Boynton Beach Police Pension Fund  
RTC Lg Cap Equity I  
Performance in Rising and Declining Markets  
June 30, 2006 Through June 30, 2011**

UP MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	9.65	44.54	65.55	53.79
RUSSELL 1000 INDEX	9.44	42.09	64.85	51.55
DIFFERENCE	0.21	2.45	0.70	2.24
RATIO	1.02	1.06	1.01	1.04
UP PERIODS	4	9	23	38

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-2.87	-7.81	-55.83	-47.47
RUSSELL 1000 INDEX	-2.80	-7.15	-54.36	-46.72
DIFFERENCE	-0.06	-0.66	-1.47	-0.76
RATIO	1.02	1.09	1.03	1.02
DOWN PERIODS	2	3	13	22



**Boynton Beach Police Pension Fund  
RTC Concentrated Eq Fd  
Performance Profile  
Through June 30, 2011**

	ENDED	RETURN
BEST QUARTER	9/2009	15.33
WORST QUARTER	6/2010	-10.70
BEST 4 QUARTERS	6/2011	35.60
WORST 4 QUARTERS	6/2010	14.62

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

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS
TOTAL FUND	1.05	20.20	35.60	24.67
RUSSELL 1000 INDEX	0.12	18.27	31.93	23.30
EXCESS	0.93	1.93	3.66	1.37
RISKLESS INDEX	0.04	0.13	0.16	0.16
REAL ROR	0.06	16.36	31.01	21.93

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	35.60	13	14.24	2.49	0.94	1.07	98.21	1.40
TWO YEARS	24.67	17	15.50	1.58	0.70	1.02	98.56	0.62

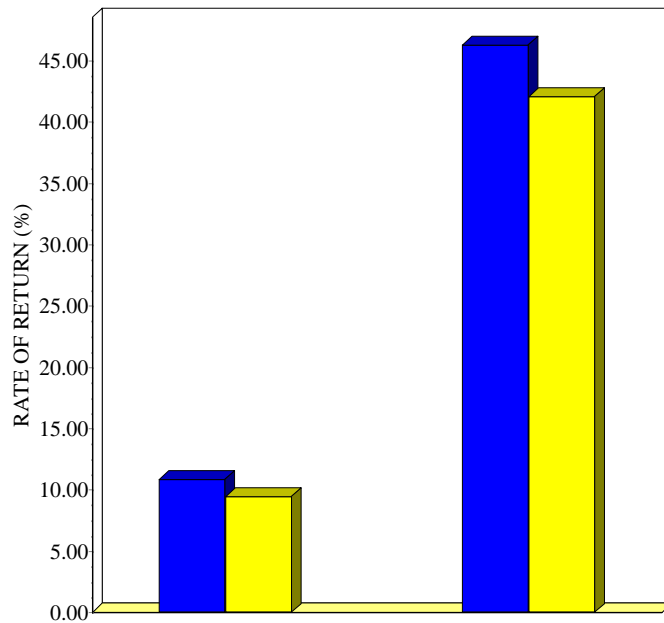
*The risk benchmark for this analysis is the Russell 1000 Index.  
The universe used was the Large Cap*





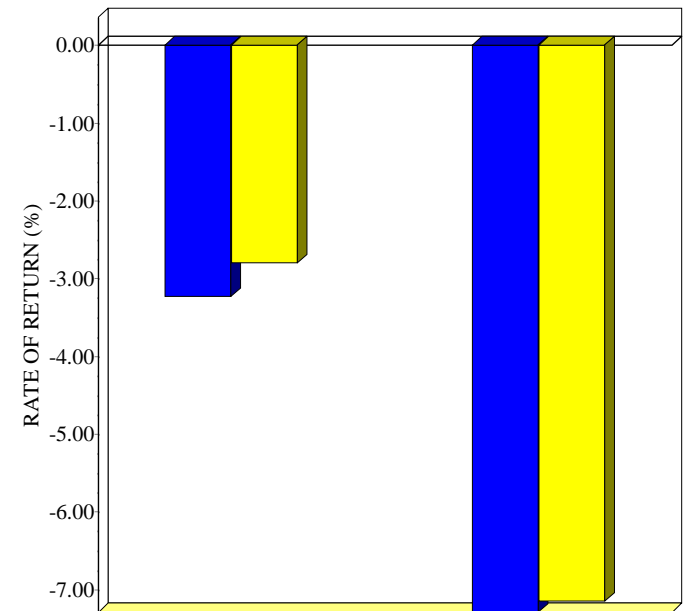
**Boynton Beach Police Pension Fund  
 RTC Concentrated Eq Fd  
 Performance in Rising and Declining Markets  
 June 30, 2010 Through June 30, 2011**

UP MARKET PERFORMANCE



	YTD	ONE YEAR
TOTAL FUND	10.89	46.27
RUSSELL 1000 INDEX	9.44	42.09
DIFFERENCE	1.45	4.17
RATIO	1.15	1.10
UP PERIODS	4	9

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR
TOTAL FUND	-3.23	-7.29
RUSSELL 1000 INDEX	-2.80	-7.15
DIFFERENCE	-0.43	-0.14
RATIO	1.15	1.02
DOWN PERIODS	2	3



**Boynton Beach Police Pension Fund  
RTC Small Cap Fund  
Performance Profile  
Through June 30, 2011**

	ENDED	RETURN
BEST QUARTER	6/2009	17.61
WORST QUARTER	12/2008	-24.65
BEST 4 QUARTERS	6/2011	41.40
WORST 4 QUARTERS	6/2009	-30.50

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

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	-0.87	27.61	41.40	30.33	5.69	3.83
RUSSELL 2000	-1.61	23.47	37.41	29.20	7.77	4.08
EXCESS	0.74	4.14	3.99	1.13	-2.08	-0.25
RISKLESS INDEX	0.04	0.13	0.16	0.16	0.42	2.00
REAL ROR	-1.85	23.57	36.65	27.48	4.76	1.71

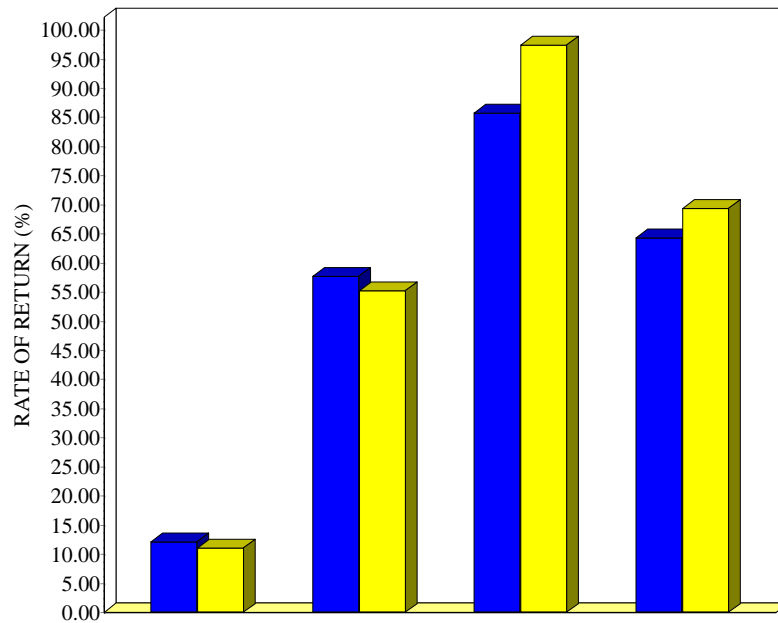
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	41.40	41	17.15	2.40	3.78	0.97	98.90	1.56
TWO YEARS	30.33	58	19.26	1.57	1.54	0.97	99.24	0.45
THREE YEARS	5.69	83	25.55	0.21	-1.65	0.93	96.74	-0.49
FIVE YEARS	3.83	76	21.65	0.08	-0.18	0.94	95.86	-0.12

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



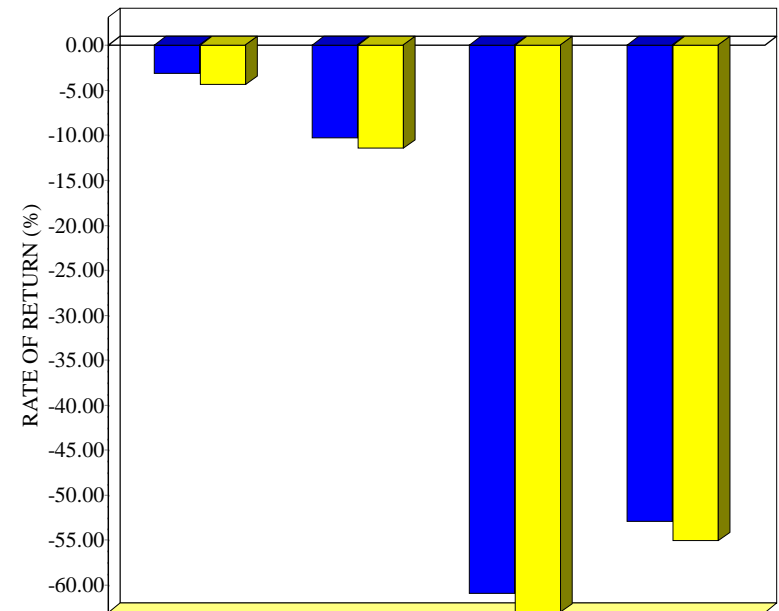
**Boynton Beach Police Pension Fund  
RTC Small Cap Fund  
Performance in Rising and Declining Markets  
June 30, 2006 Through June 30, 2011**

UP MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	12.09	57.75	85.76	64.34
RUSSELL 2000	11.08	55.20	97.38	69.40
DIFFERENCE	1.02	2.56	-11.62	-5.06
RATIO	1.09	1.05	0.88	0.93
UP PERIODS	3	8	23	38

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-3.17	-10.37	-61.03	-53.02
RUSSELL 2000	-4.38	-11.46	-63.06	-55.12
DIFFERENCE	1.22	1.10	2.02	2.11
RATIO	0.72	0.90	0.97	0.96
DOWN PERIODS	3	4	13	22



**Boynton Beach Police Pension Fund  
RTC International Fund  
Performance Profile  
Through June 30, 2011**

	ENDED	RETURN
BEST QUARTER	6/2009	26.50
WORST QUARTER	9/2008	-21.65
BEST 4 QUARTERS	6/2011	32.34
WORST 4 QUARTERS	6/2009	-30.92

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

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	1.11	11.89	32.34	20.56	0.13	3.94
INTERNATIONAL BNCH	1.29	11.59	30.16	18.34	-1.08	2.05
EXCESS	-0.19	0.30	2.18	2.22	1.21	1.89
RISKLESS INDEX	0.04	0.13	0.16	0.16	0.42	2.00
REAL ROR	0.11	8.30	27.85	17.89	-0.79	1.79

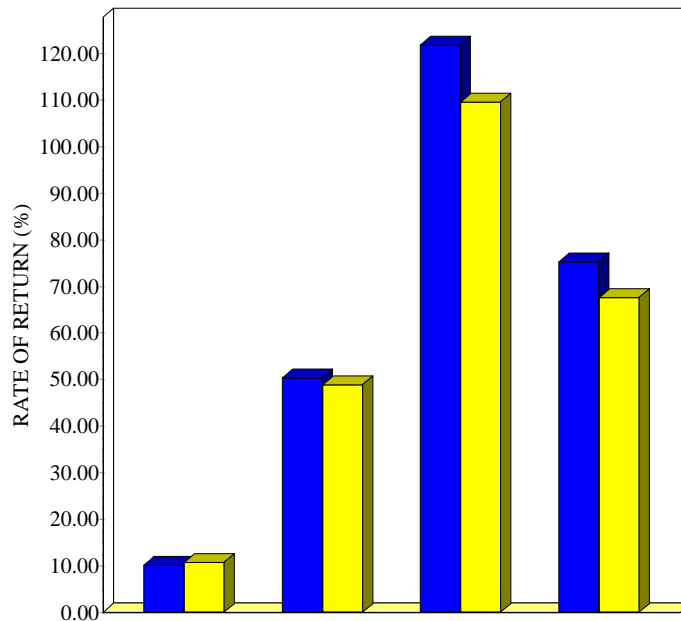
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	32.34	48	17.41	1.85	0.97	1.03	99.24	1.12
TWO YEARS	20.56	42	18.81	1.08	1.11	1.05	97.55	0.67
THREE YEARS	0.13	49	26.74	-0.01	1.38	1.03	98.83	0.47
FIVE YEARS	3.94	36	22.38	0.09	1.93	1.03	98.46	0.69

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



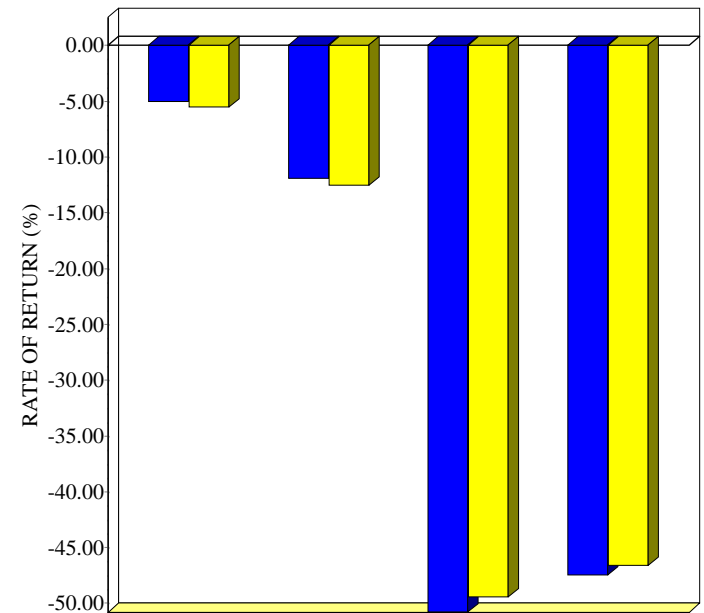
**Boynton Beach Police Pension Fund  
RTC International Fund  
Performance in Rising and Declining Markets  
June 30, 2006 Through June 30, 2011**

UP MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	10.22	50.30	121.71	75.24
INTERNATIONAL BNCH	10.73	48.89	109.54	67.55
DIFFERENCE	-0.51	1.41	12.18	7.69
RATIO	0.95	1.03	1.11	1.11
UP PERIODS	3	7	17	34

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-5.07	-11.95	-50.83	-47.50
INTERNATIONAL BNCH	-5.55	-12.58	-49.46	-46.63
DIFFERENCE	0.48	0.63	-1.37	-0.87
RATIO	0.91	0.95	1.03	1.02
DOWN PERIODS	3	5	19	26



**Boynton Beach Police Pension Fund  
RTC World Equity Fund  
Performance Profile  
Through June 30, 2011**

	ENDED	RETURN
BEST QUARTER	9/2010	14.47
WORST QUARTER	6/2011	1.13
BEST 4 QUARTERS	6/2011	32.14
WORST 4 QUARTERS	6/2011	32.14

TOTAL # OF PERIODS: 12  
# OF POSITIVE PERIODS: 7  
# OF NEGATIVE PERIODS: 5

	QUARTER TO DATE	FISCAL YTD	ONE YEAR
TOTAL FUND	1.13	15.43	32.14
MSCI AC WRLD X US	0.61	11.66	30.27
EXCESS	0.53	3.77	1.87
RISKLESS INDEX	0.04	0.13	0.16
REAL ROR	0.14	11.74	27.66

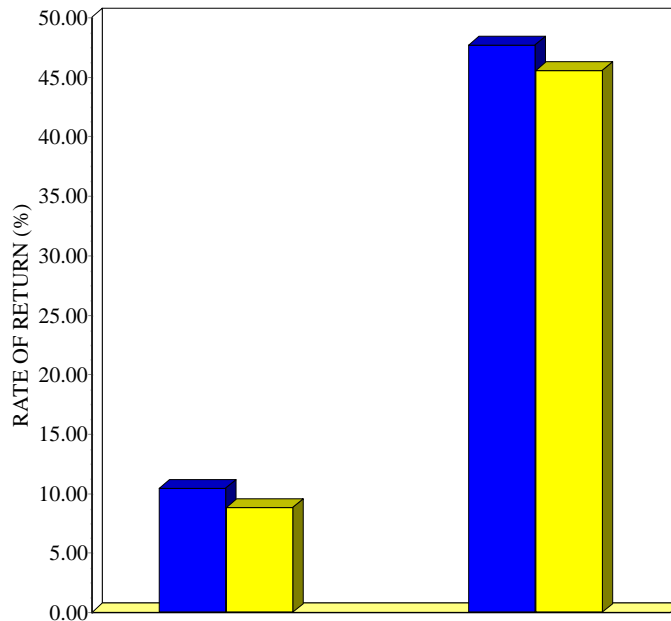
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	32.14	50	15.82	2.02	2.15	0.97	96.34	0.46

*The risk benchmark for this analysis is the MSCI AC Wld X US.  
The universe used was the International Large Cap*



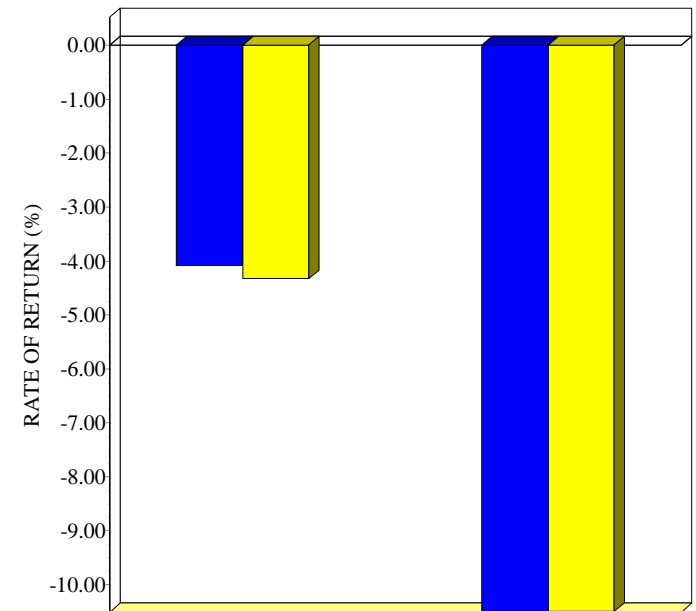
**Boynton Beach Police Pension Fund  
 RTC World Equity Fund  
 Performance in Rising and Declining Markets  
 June 30, 2010 Through June 30, 2011**

UP MARKET PERFORMANCE



	YTD	ONE YEAR
TOTAL FUND	10.44	47.68
MSCI AC WRLD X US	8.83	45.57
DIFFERENCE	1.62	2.11
RATIO	1.18	1.05
UP PERIODS	3	7

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR
TOTAL FUND	-4.10	-10.52
MSCI AC WRLD X US	-4.33	-10.51
DIFFERENCE	0.23	-0.01
RATIO	0.95	1.00
DOWN PERIODS	3	5



**Boynton Beach Police Pension Fund  
RTC Multi Mgr Bond Fund  
Performance Profile  
Through June 30, 2011**

	ENDED	RETURN
BEST QUARTER	9/2009	8.07
WORST QUARTER	12/2010	-0.60
BEST 4 QUARTERS	6/2010	18.38
WORST 4 QUARTERS	6/2011	6.80

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

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS
TOTAL FUND	2.10	2.82	6.80	12.44
FIXED INCOME BNCH	2.29	1.39	3.90	6.66
EXCESS	-0.19	1.43	2.90	5.78
RISKLESS INDEX	0.04	0.13	0.16	0.16
REAL ROR	1.09	-0.50	3.14	9.96

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	6.80	20	2.80	2.38	2.68	1.02	89.54	3.10
TWO YEARS	12.44	12	3.70	3.32	4.91	1.07	69.59	2.66

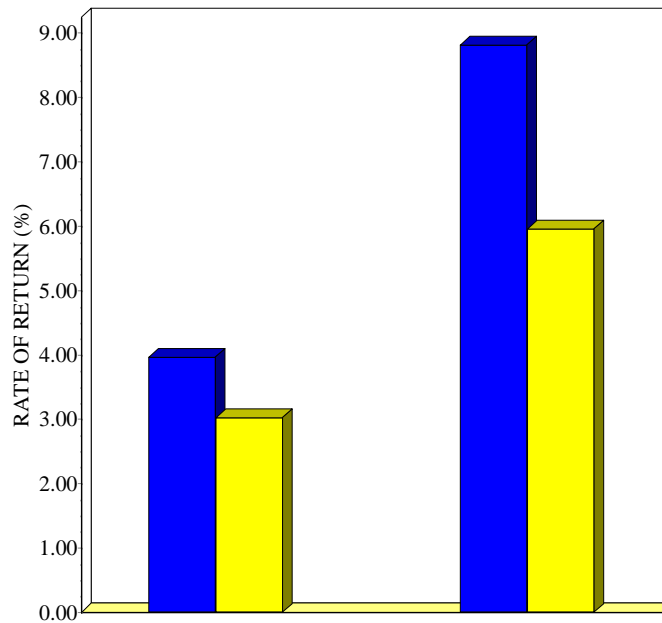
*The risk benchmark for this analysis is the Fixed Income Bnch.  
The universe used was the Fixed Income*





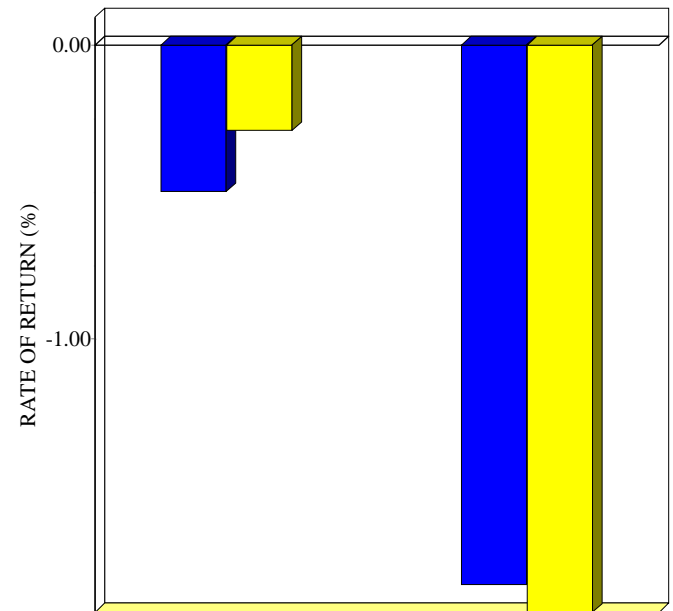
**Boynton Beach Police Pension Fund  
RTC Multi Mgr Bond Fund  
Performance in Rising and Declining Markets  
June 30, 2010 Through June 30, 2011**

UP MARKET PERFORMANCE



	YTD	ONE YEAR
<span style="color: blue;">■</span> TOTAL FUND	3.96	8.81
<span style="color: yellow;">■</span> FIXED INCOME BNCH	3.02	5.95
DIFFERENCE	0.94	2.86
RATIO	1.31	1.48
UP PERIODS	5	9

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR
<span style="color: blue;">■</span> TOTAL FUND	-0.50	-1.84
<span style="color: yellow;">■</span> FIXED INCOME BNCH	-0.29	-1.93
DIFFERENCE	-0.21	0.09
RATIO	1.71	0.95
DOWN PERIODS	1	3



**Boynton Beach Police Pension Fund  
RTC Real Estate Equity Fd  
Performance Profile  
Through June 30, 2011**

	ENDED	RETURN
BEST QUARTER	12/2010	5.23
WORST QUARTER	3/2009	-14.59
BEST 4 QUARTERS	6/2011	19.68
WORST 4 QUARTERS	6/2009	-33.46

TOTAL # OF PERIODS: 20  
# OF POSITIVE PERIODS: 14  
# OF NEGATIVE PERIODS: 6

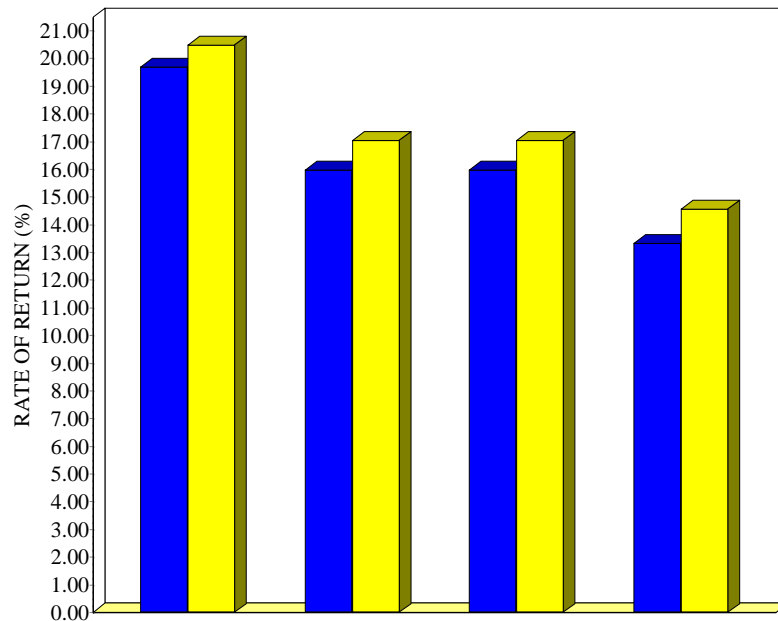
	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
RTC REAL ESTATE EQUITY F	4.55	19.68	4.31	-10.21	-2.13
NCREIF ODCE	4.62	20.47	6.43	-7.67	0.01
EXCESS	-0.07	-0.79	-2.12	-2.53	-2.14
RISKLESS INDEX	0.04	0.16	0.16	0.42	2.00
REAL ROR	3.55	15.68	2.04	-11.11	-4.18

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
THREE YEARS	-10.21	99	14.33	-0.74	-2.02	1.07	99.24	-1.60
FIVE YEARS	-2.13	96	12.33	-0.34	-1.95	1.07	99.25	-1.55

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

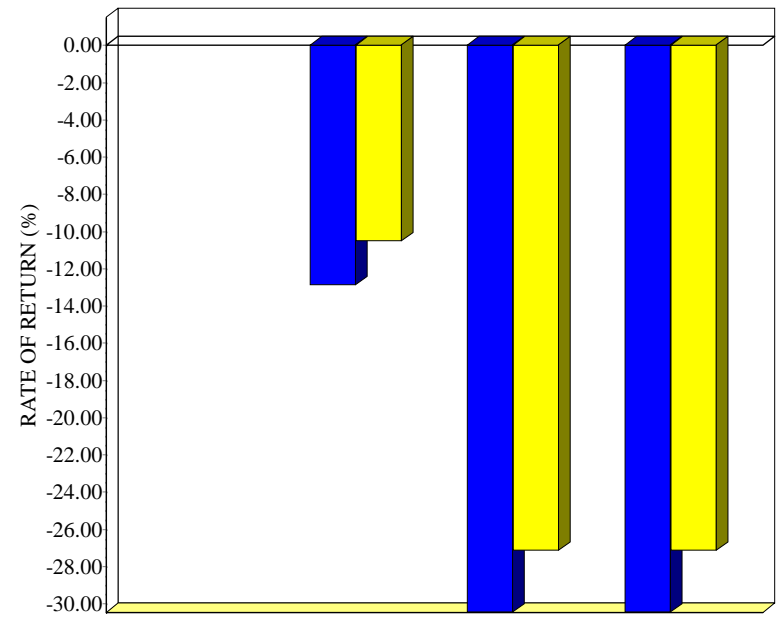
**Boynton Beach Police Pension Fund  
RTC Real Estate Equity Fd  
Performance in Rising and Declining Markets  
June 30, 2006 Through June 30, 2011**

UP MARKET PERFORMANCE



	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	19.68	15.98	15.98	13.31
NCREIF ODCE	20.47	17.04	17.04	14.56
DIFFERENCE	-0.79	-1.06	-1.06	-1.25
RATIO	0.96	0.94	0.94	0.91
UP PERIODS	4	6	6	14

DOWN MARKET PERFORMANCE



	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	N/A	-12.88	-30.48	-30.48
NCREIF ODCE	N/A	-10.55	-27.17	-27.17
DIFFERENCE	N/A	-2.34	-3.31	-3.31
RATIO	N/A	1.22	1.12	1.12
DOWN PERIODS	0	2	6	6

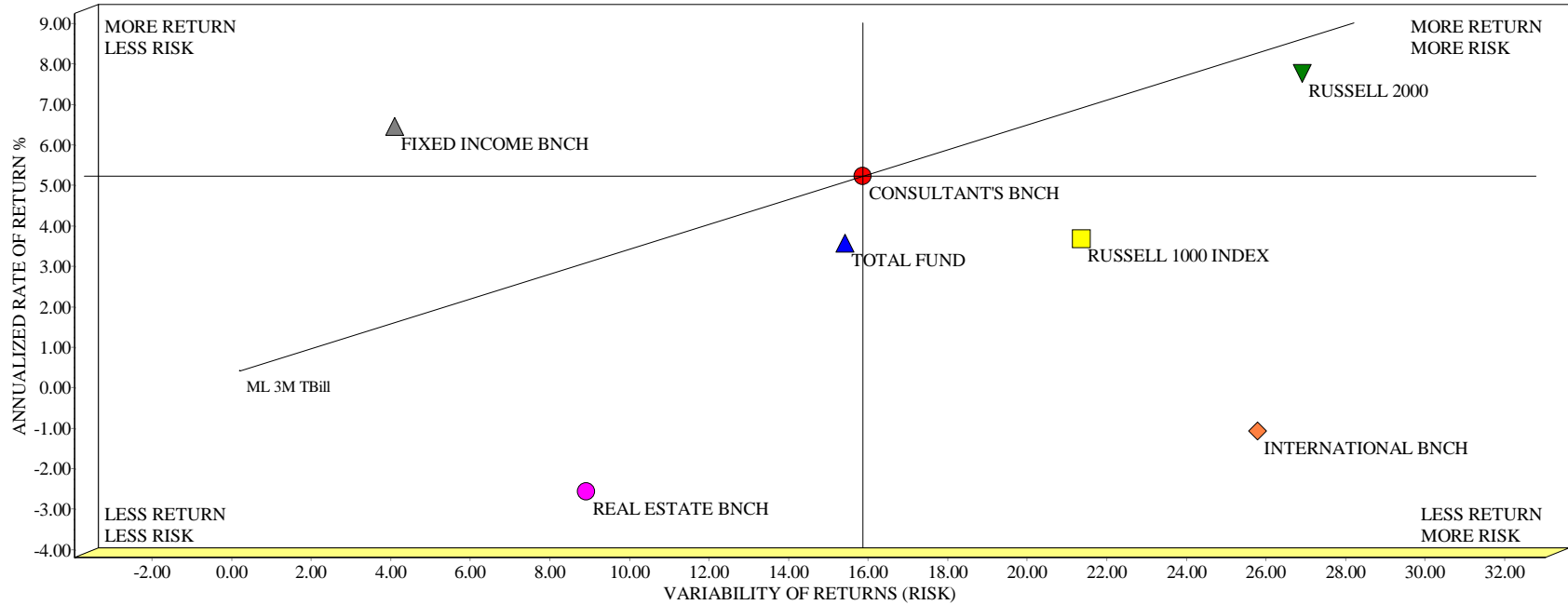
**Boynton Beach Police Pension Fund**  
**Quartile Ranking**  
**RTC Global REIT Fd Versus MS Real Estate**  
**March 31, 2011 Through June 30, 2011**



<u>QUARTER TO DATE</u>	
	HIGHEST VALUE 4.44
	FIRST QUARTILE 4.01
	MEDIAN VALUE 3.62
	THIRD QUARTILE 3.11
	LOWEST VALUE 1.82
	MEAN 3.50
	MEMBERS 200

	<u>QUARTER TO DATE</u>	
	RETURN	RANK
△ RE	3.15	72
● WILSHIRE REIT	3.88	32

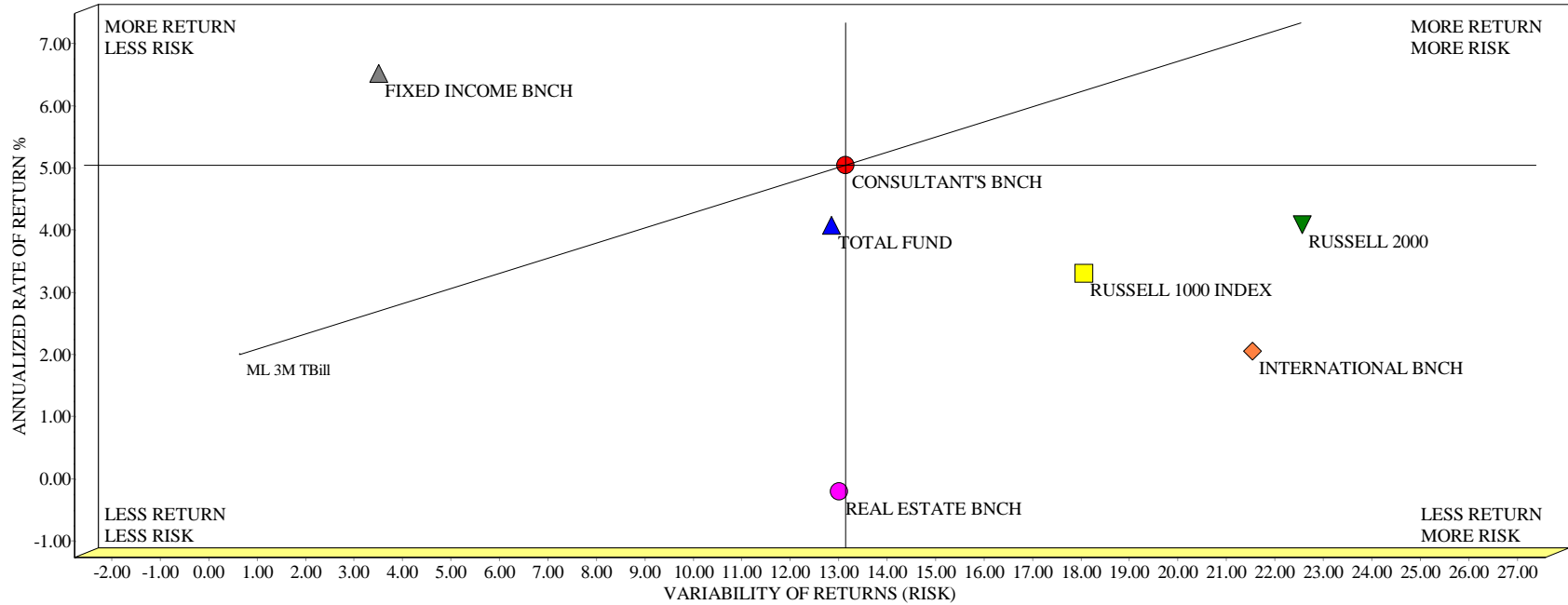
**Boynton Beach Police Pension Fund  
Total Fund  
Capital Market Line  
June 30, 2008 Through June 30, 2011**



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	3.56	15.42	0.96	-1.41	96.46
● CONSULTANT'S BNCH	5.22	15.86	1.00	0.00	100.00
■ RUSSELL 1000 INDEX	3.68	21.36	1.00	0.00	100.00
▼ RUSSELL 2000	7.77	26.91	1.00	0.00	100.00
◆ INTERNATIONAL BNCH	-1.08	25.79	1.00	0.00	100.00
▲ FIXED INCOME BNCH	6.46	4.10	1.00	0.00	100.00
● REAL ESTATE BNCH	-2.57	8.91	1.00	0.00	100.00



**Boynton Beach Police Pension Fund  
Total Fund  
Capital Market Line  
June 30, 2006 Through June 30, 2011**

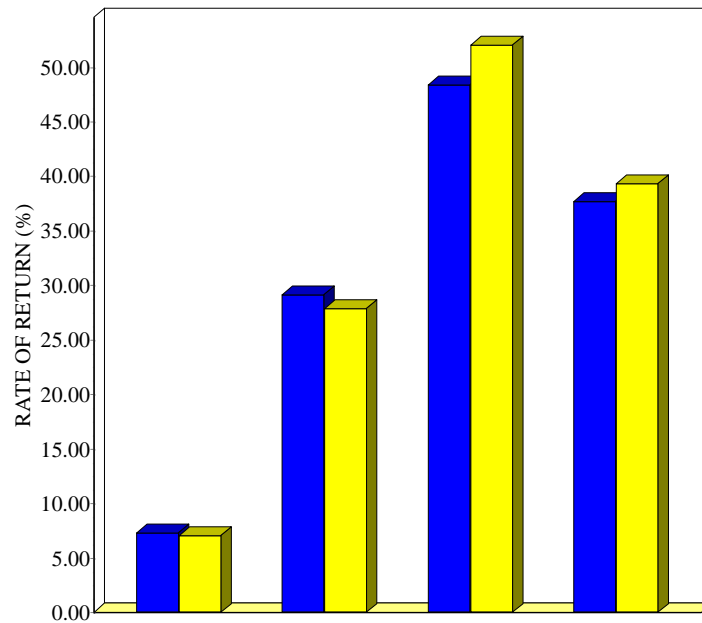


	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	4.07	12.85	0.96	-0.82	96.40
● CONSULTANT'S BNCH	5.04	13.14	1.00	0.00	100.00
■ RUSSELL 1000 INDEX	3.30	18.06	1.00	0.00	100.00
▼ RUSSELL 2000	4.08	22.57	1.00	0.00	100.00
◆ INTERNATIONAL BNCH	2.05	21.53	1.00	0.00	100.00
▲ FIXED INCOME BNCH	6.52	3.51	1.00	0.00	100.00
● REAL ESTATE BNCH	-0.21	13.01	1.00	0.00	100.00



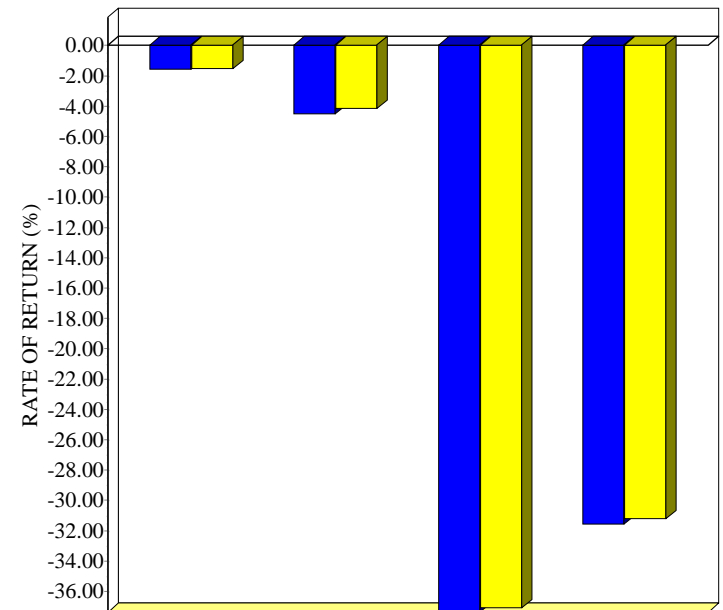
**Boynton Beach Police Pension Fund**  
**Total Fund**  
**Performance in Rising and Declining Markets**  
**June 30, 2006 Through June 30, 2011**

UP MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	7.30	29.13	48.38	37.72
CONSULTANT'S BNCH	7.03	27.87	52.02	39.34
DIFFERENCE	0.27	1.26	-3.65	-1.62
RATIO	1.04	1.05	0.93	0.96
UP PERIODS	4	8	21	36

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-1.60	-4.54	-37.40	-31.63
CONSULTANT'S BNCH	-1.59	-4.22	-37.14	-31.25
DIFFERENCE	-0.02	-0.33	-0.27	-0.39
RATIO	1.01	1.08	1.01	1.01
DOWN PERIODS	2	4	15	24



## **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**

-BALANCED UNIVERSES - BNY Mellon Public Funds, Endowments & Foundations, Corporate peer groups, and PSN peer groups.

-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.

