

BOYNTON BEACH POLICE PENSION FUND

INVESTMENT PERFORMANCE PERIOD ENDING DECEMBER 31, 2012

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:
315 East Robinson Street, Orlando, Florida 32801, 407-644-0111, info@burgesschambers.com



Boynton Beach Police Pension Fund

BCA Market Perspective ©

Why the U. S. is Becoming a Global Gas Superpower January 2013

The United States is positioned to become a global gas superpower, due to the development of economically recoverable shale-gas deposits in North America. Advances in horizontal fracturing technology and large capital investments have increased domestic gas production by 20% since 2006. A boom in U.S. exports improves the domestic economy and national security. America's allies in Europe would be less dependent on Russia and Qatar. America's workers and heavy industries benefit, along with improving tax revenues to local, state and Federal governments.

The abundance of low cost natural gas has made America a low cost manufacturer. Gas powers factories and is used to make chemicals for resins, plastics and containers. Power companies are replacing coal and oil fired plants with natural gas. In fact, natural gas not only heats buildings and homes, but will be used to power home-use electric generators to charge electric cars. More infrastructure, such as Master Limited Partnerships (MLPs), will be needed to transport natural gas to coastal area terminals.

Natural gas may be chilled and condensed into liquefied natural gas (LNG) and shipped by tanker around the world. The market price in Europe and Asia is \$14.5 per million British thermal units (BTU), considerably higher than \$2.3 here at home. The process of liquefying natural gas and transportation adds \$4 to \$6 to the landed price.

Europe, Asia, Japan and India all welcome access to U.S. LNG. It diversifies sourcing, thereby keeping prices more stable and predictable. In post-Fukushima Japan, growing LNG imports are needed to offset the reduced reliance on nuclear power.

The first Department of Energy (DOE) permit allowing for the export of natural gas has been granted. The facility under construction in Louisiana will be operational in 4Q 2015. It is ironic that this Sabine River location was the home of LNG imports from Indonesia in the 1980s. Fifteen additional export permits are being reviewed by the DOE, but without a fight. While the DOE favors such permits, American manufactures and consumer advocate groups are concerned that exports will drive up local prices.

Current consensus estimates the U.S. will export six billion cubic feet per day of natural gas by 2020 – equivalent to 16% of current U.S. production or 8% of world production, a rank of third behind Australia and Qatar.

With its power to grant permits and set environmental regulations, the Obama Administration will have the final say whether or not the U.S actually becomes a global gas superpower.



Boynton Beach Police Pension Fund
Total Fund
Investment Summary
December 31, 2012

- For the quarter, the Fund earned \$1.5 million or +2.5% (+2.3% net), ahead of the consultant's benchmark (+1.7%) and ranked in the top 21st percentile. The top two performing asset categories were: RTC Multi-Asset Core (+3.2%) and RTC Real Estate (+2.4%).
- For the 12-month period, the Fund earned \$7.4 million or +13.9% (+13.1% net), beating the consultant's benchmark (+12.9%), and ranking in the top 26th percentile.
- **For the three-year period, the Fund earned \$13.4 million or +9.5% (+8.7 net), ahead of the actuarial assumption rate (+7.75%).**

Manager Review:

1. RTC multi-manager bonds: performance was ahead of the benchmark and ranked within the top 40th percentile for the one, two and three-years.
2. RTC real-estate fund: five-year results were below the benchmark, while three-year returns were ahead. Three and five-year rankings remain below the IPS objective.

Investment Policy:

- 1) The Investment Policy has been reviewed and amended by BCA to reflect product and allocation changes.
- 2) Frank Russell has been made aware of the importance in keeping international exposure within the 25% limitation.



**Boynton Beach Police Pension Fund
Total Fund
Investment Performance
December 31, 2012**

Dollars

	<u>Quarter</u>	<u>One Year</u>
Beginning Market Value	61,416,117	57,443,275
Ending Market Value	66,282,023	66,282,023
Net Contributions	+3,390,227	+1,446,284
Investment Gain/(Loss)	+1,475,679	+7,392,464
Investment Return, Net	+2.3%	+13.1%
Consultant's Benchmark	+1.7%	+12.9%
<i>Value Added (pts.)</i>	+0.6	+0.2

Fiscal Year: October 1st – September 30th



**Boynton Beach Police Pension Fund
Total Fund
Investment Policy Review
December 31, 2012**

	<u>Yes</u>	<u>No</u>
The total Fund's annualized three-year performance achieved the Consultant's Benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The total Fund's annualized three-year performance ranked in the top 40th percentile of the universe.	<input checked="" type="checkbox"/>	<input 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 +7.75% actuarial assumption rate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The total Fund's annualized five-year performance achieved the +7.75% actuarial assumption rate.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Multi Mgr Bonds annualized three-year performance achieved the fixed income benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Multi Mgr Bonds annualized three-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 checked="" type="checkbox"/>	<input 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"/>
PFIA Compliant	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Investments in equity securities were 69.5% which did not exceed 70% of Fund's assets at market value.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Foreign equity investments were 25.3%* (at market) and did not exceed the 25% of the total Fund's assets at market.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Asset allocation among fixed income was 29.7% (at market) within the 30% minimum limitation.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Asset allocation among alternatives was 14.0%** (at market) within the 20% maximum limitation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

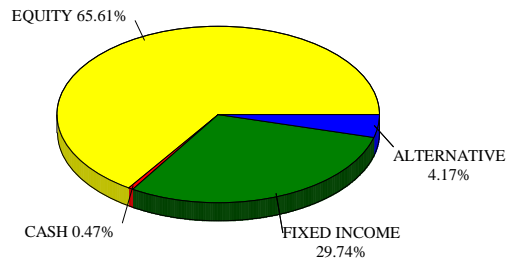
*Foreign Allocation: Multi Asset Core: 21.4% + Multi Mgr: 3.9% + RE: 0% + Cash: 0%.

**Alternative Allocation: Multi Asset Core: 9.8% + Multi Mgr: 0.0006% + RE: 4.2% + Cash: 0%

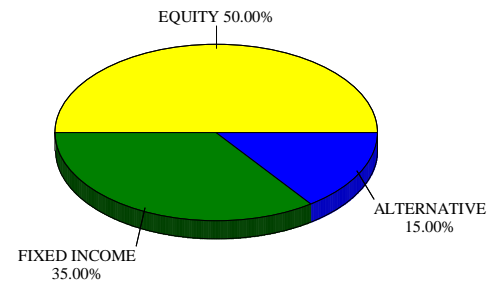


**BOYNTON BEACH POLICE PENSION FUND
TOTAL FUND
ACTUAL VS TARGET ASSET ALLOCATION
DECEMBER 31, 2012**

ACTUAL ASSET ALLOCATION



TARGET ASSET ALLOCATION



	MARKET VALUE ACTUAL	PERCENT ACTUAL	MARKET VALUE TARGET	PERCENT TARGET	MARKET VALUE DIFFERENCE	PERCENT DIFFERENCE
EQUITY	43,487,994.0	65.6%	33,141,011.3	50.0%	10,346,982.7	15.6%
FIXED INCOME	19,713,744.4	29.7%	23,198,707.9	35.0%	(3,484,963.5)	(5.3%)
ALTERNATIVE	2,766,908.2	4.2%	9,942,303.4	15.0%	(7,175,395.2)	(10.8%)
CASH	313,376.0	0.5%	0.0	0.0%	313,376.0	0.5%
TOTAL FUND	\$66,282,022.6	100.0%	\$66,282,022.6	100.0%	\$0.0	0.0%

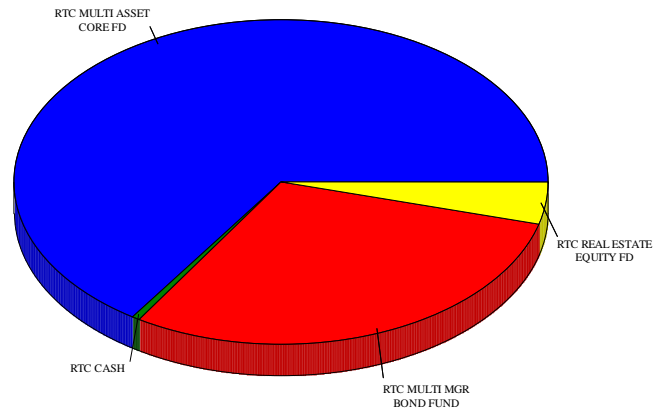


Boynton Beach Police Pension Fund

Total Fund

Asset Allocation

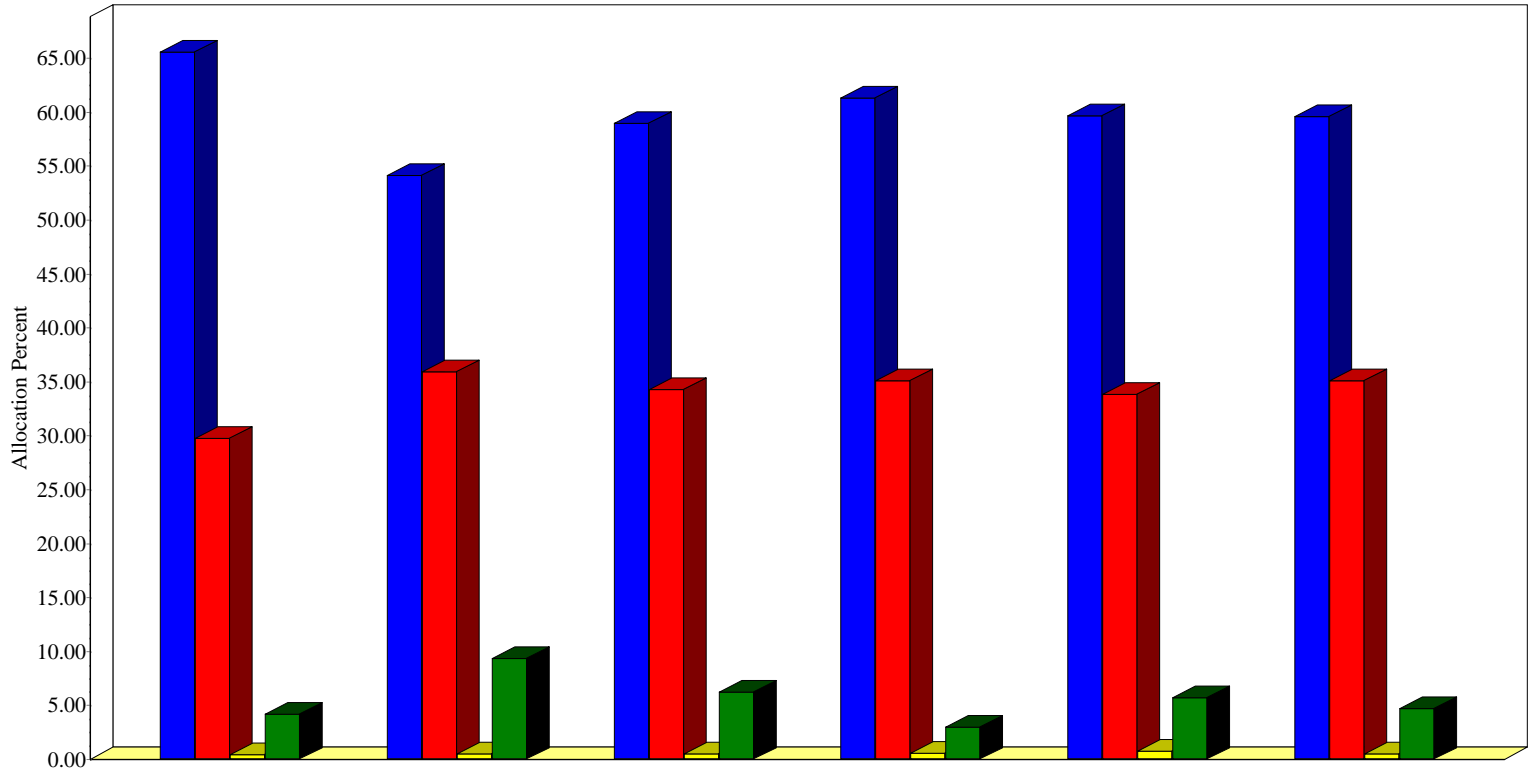
TOTAL MARKET VALUE
AS OF DECEMBER 31, 2012
\$ 66,282,023



	VALUE	PERCENT
■ RTC MULTI ASSET CORE FD	43,487,994	65.61
■ RTC MULTI MGR BOND FUND	19,713,744	29.74
■ RTC REAL ESTATE EQUITY FD	2,766,908	4.17
■ RTC CASH	313,376	0.48



Boynton Beach Police Pension Fund
Total Fund
Asset Distribution
December 31, 2012



	QUARTER TO DATE	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
EQUITY	65.61	54.15	58.97	61.32	59.70	59.60
FIXED INCOME	29.74	35.97	34.29	35.09	33.82	35.14
CASH	0.47	0.50	0.53	0.59	0.74	0.53
ALTERNATIVE	4.17	9.38	6.21	3.00	5.75	4.73



Boynton Beach Police Pension Fund
Total Fund
December 31, 2012
Gross of Fees

Name	Market Values	QTR ROR	1 Year ROR	2 Year ROR	3 Year ROR	5 Year ROR
<u>Equity</u>						
RTC Multi Asset Core Fd	43,487,994	3.2%	N/A	N/A	N/A	N/A
Total Equity	43,487,994	3.2%	16.6%	5.6%	9.2%	0.3%
<u>Fixed Income</u>						
RTC Multi Mgr Bond Fund	19,713,744	1.0%	7.9%	7.3%	8.4%	N/A
Total Fixed Income	19,713,744	1.0%	7.9%	7.3%	8.4%	7.5%
<u>Cash</u>						
RTC Cash	313,376	0.1%	0.1%	0.1%	0.1%	1.4%
<u>Alternative</u>						
RTC Real Estate Equity Fd	2,766,908	2.4%	10.8%	14.0%	15.0%	-1.9%
Total Alternative	2,766,908	2.4%	14.8%	9.1%	12.2%	-3.4%
TOTAL: (1, 2, 3, 4)	66,282,023	2.5%	13.9%	7.0%	9.5%	2.4%
Consultant's Bnch		1.7%	12.9%	7.3%	9.5%	3.8%
Russell Custom Bnch		1.3%	12.0%	6.8%	9.0%	N/A
Fixed Income Bnch		0.2%	4.2%	6.0%	6.2%	6.0%
ML 3M TBill		0.0%	0.1%	0.1%	0.1%	0.5%
Real Estate Bnch		2.4%	11.0%	13.4%	14.4%	1.9%

1 Consultant's Bnch (IPS hybrid benchmark objective): Mar'12 is 34% Russell 1000 + 11% Russell Mid-Cap + 11% MSCI Net EAFE + 4% MSCI Net EM + 5% FTSE/NAREIT + 30% BC Aggregate + 5% BC TIPS; from Sep'09 was 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.

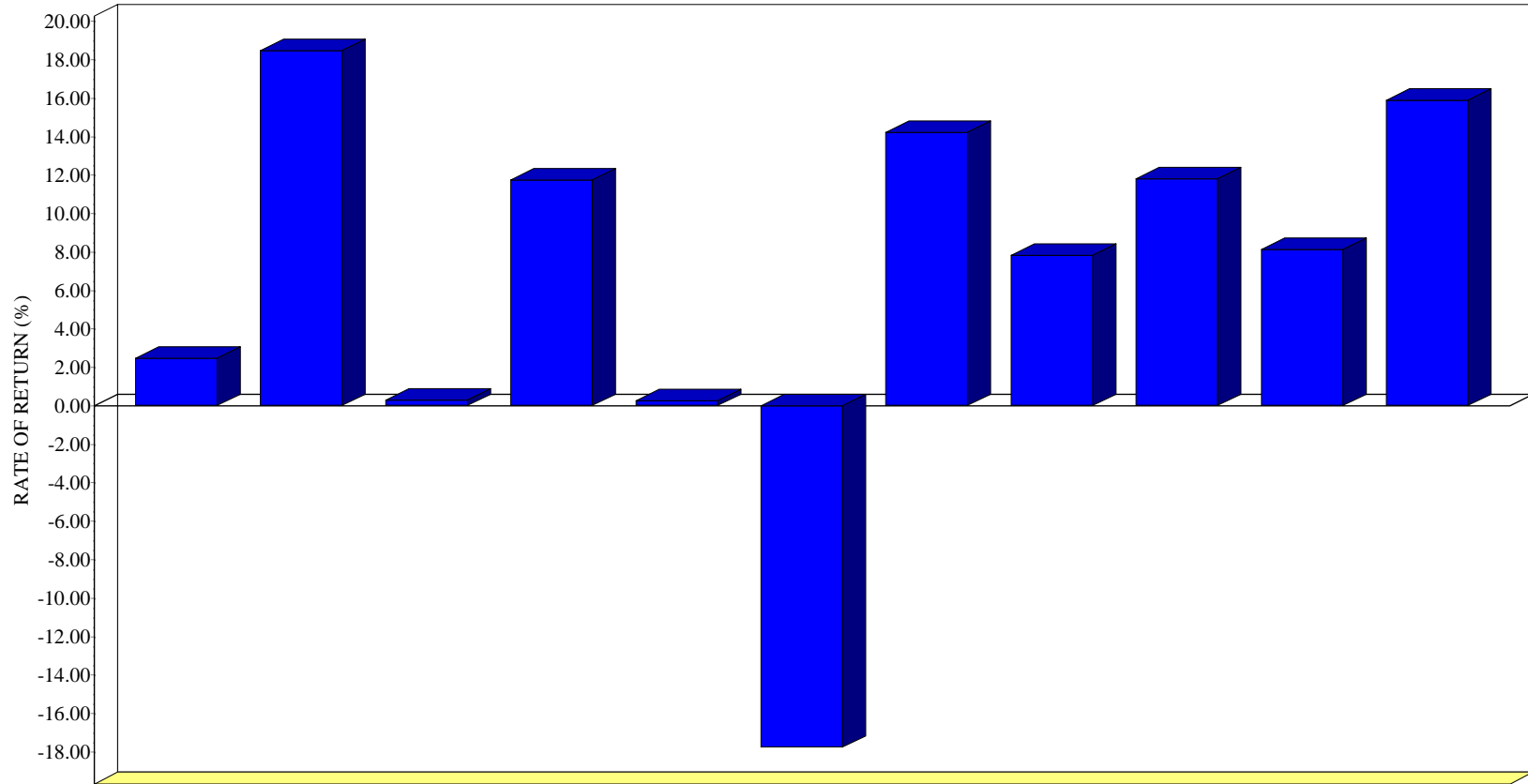
2 Russell Custom Bnch: Mar'12 is 26% Russell 1000 + 8% Russell 2000 + 10% AIM Composite (90% Russell Developed ex-US Large Cap Net + 10% Russell Emerging Markets Large Cap Net) + 10% Russell Developed Large Cap Net + 36% BC Aggregate + 5% NCREIF ODCE +3% FTSE EPRA-NAREIT Dev RE Net + 2% Dow Jones UBS Commodities Net; from Sep'09 was 35% Russell 1000 + 10% Russell 2000 + 15% AIM Composite (90% MSCI NET EAFE + 10% MSCI Net EM) + 35% BC Aggregate + 5% NCREIF ODCE; 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 Fixed Income Bnch (IPS fixed income hybrid) Sep'09 is 100% BC Aggregate; from May'05 was 100% LB Intermediate Aggregate; from Jun'02 was 100% Lehman Gov't/Credit.

4 Real Estate Bnch: from Sept'09 is 100% NCREIF ODCE; prior was 100% NCREIF.



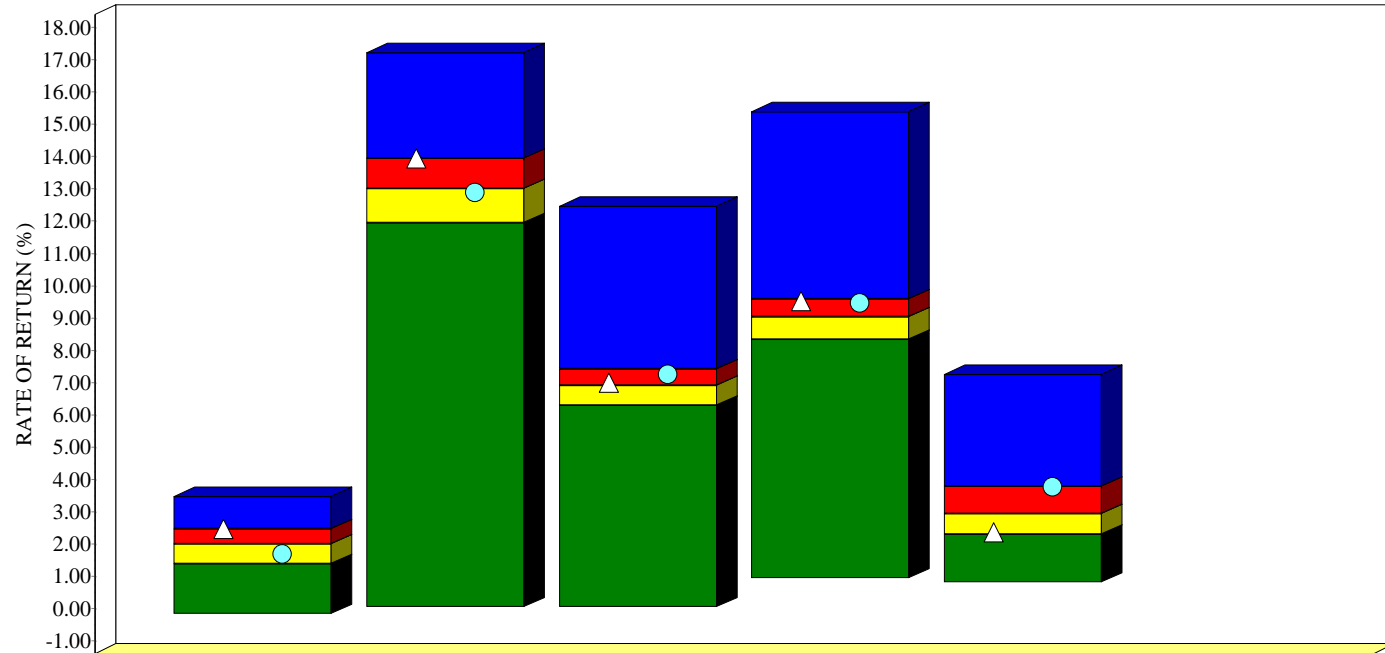
Boynton Beach Police Pension Fund
Total Fund
Fiscal Year Rates of Return
September 30, 2002 Through December 31, 2012











	FISCAL YTD	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
TF	2.48	18.47	0.29	11.73	0.25	-17.78	14.22	7.85	11.83	8.14	15.90



**Boynton Beach Police Pension Fund
 Quartile Ranking
 Total Fund Versus BNY Mellon Public Funds Universe
 December 31, 2007 Through December 31, 2012**

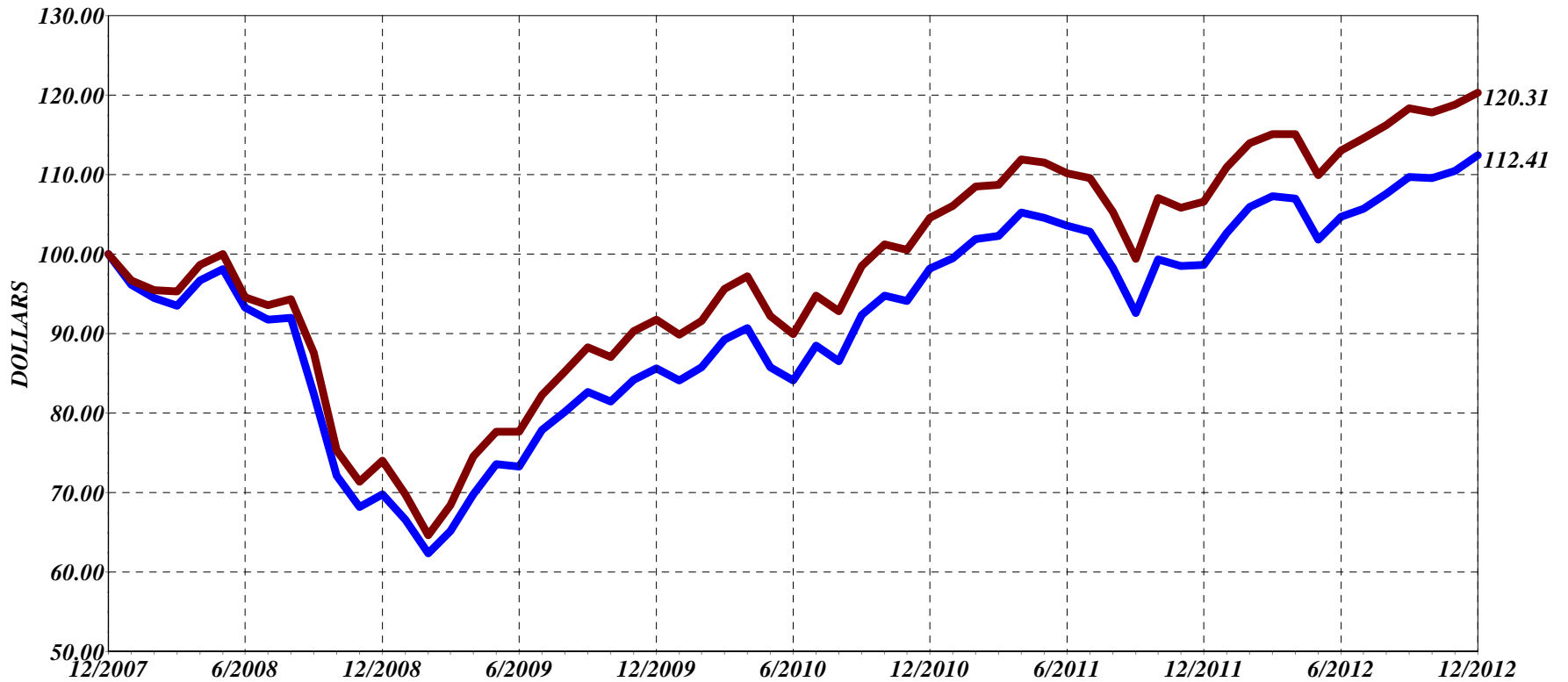


	<u>LATEST QUARTER</u>		<u>ONE YEAR</u>		<u>TWO YEARS</u>		<u>THREE YEARS</u>		<u>FIVE YEARS</u>	
 HIGHEST VALUE		3.47		17.22		12.46		15.38		7.24
 FIRST QUARTILE		2.46		13.95		7.42		9.59		3.79
 MEDIAN VALUE		1.99		13.01		6.91		9.03		2.94
 THIRD QUARTILE		1.39		11.95		6.30		8.33		2.30
 LOWEST VALUE		-0.17		0.04		0.04		0.94		0.81
 MEAN		1.87		11.83		6.72		8.77		3.27

	<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	2.48	21	13.94	26	7.00	47	9.52	26	2.37	73
 CONSULTANT'S BNCH	1.67	63	12.88	52	7.26	31	9.47	31	3.77	26



**Boynton Beach Police Pension Fund
Total Fund
Growth of a Dollar Analysis
December 31, 2007 Through December 31, 2012**



	LATEST QUARTER	ONE YEAR	THREE YEARS	FIVE YEARS
TF	2.48	13.94	9.52	2.37
CONSULTANT'S BNCH	1.67	12.88	9.47	3.77



**Boynton Beach Police Pension Fund
RTC Multi Mgr Bond Fund
Performance Profile
Through December 31, 2012**

	ENDED	RETURN
BEST QUARTER	9/2010	3.87
WORST QUARTER	12/2010	-0.60
BEST 4 QUARTERS	12/2010	10.78
WORST 4 QUARTERS	12/2011	6.71

TOTAL # OF PERIODS: 36
OF POSITIVE PERIODS: 29
OF NEGATIVE PERIODS: 7

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	0.98	7.89	7.30	8.45
FIXED INCOME BNCH	0.21	4.21	6.01	6.19
EXCESS	0.76	3.67	1.29	2.26
RISKLESS INDEX	0.04	0.11	0.11	0.11
REAL ROR	1.78	6.07	4.76	6.23

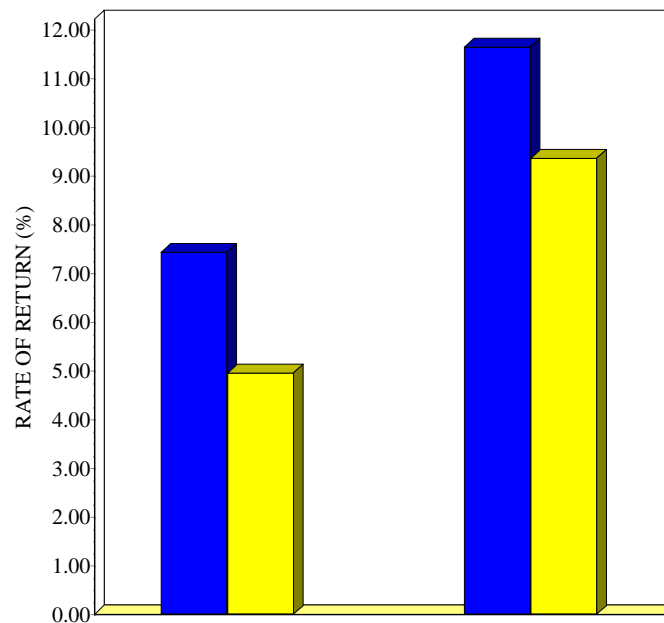
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	7.89	29	1.89	4.12	3.86	0.91	84.68	4.62
TWO YEARS	7.30	33	2.10	3.42	2.66	0.75	58.56	0.83
THREE YEARS	8.45	23	2.64	3.16	2.72	0.90	65.70	1.36

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



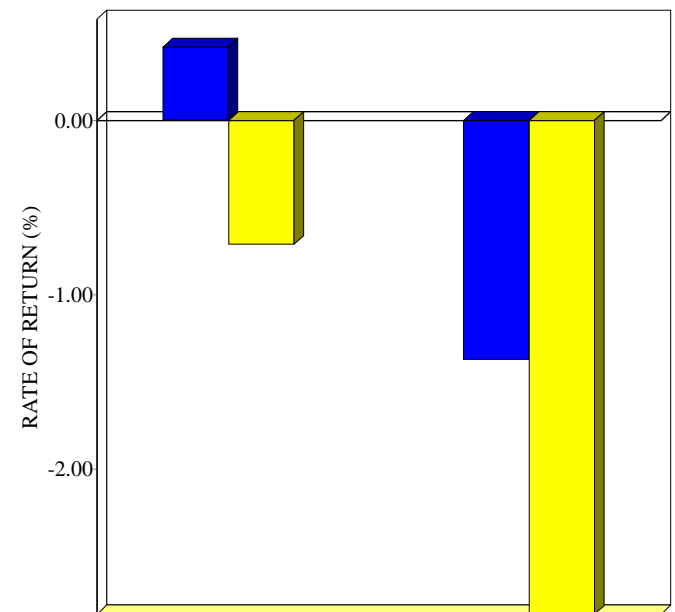
**Boynton Beach Police Pension Fund
 RTC Multi Mgr Bond Fund
 Performance in Rising and Declining Markets
 December 31, 2009 Through December 31, 2012**

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS
TOTAL FUND	7.44	11.65
FIXED INCOME BNCH	4.96	9.37
DIFFERENCE	2.47	2.28
RATIO	1.50	1.24
UP PERIODS	9	28

DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS
TOTAL FUND	0.42	-1.37
FIXED INCOME BNCH	-0.71	-2.83
DIFFERENCE	1.13	1.46
RATIO	-0.59	0.48
DOWN PERIODS	3	8



**Boynton Beach Police Pension Fund
RTC Real Estate Equity Fd
Performance Profile
Through December 31, 2012**

	ENDED	RETURN
BEST QUARTER	12/2010	5.62
WORST QUARTER	3/2009	-14.72
BEST 4 QUARTERS	12/2011	17.21
WORST 4 QUARTERS	12/2009	-33.97

TOTAL # OF PERIODS: 60
OF POSITIVE PERIODS: 55
OF NEGATIVE PERIODS: 5

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	2.42	10.79	13.95	15.00	-1.94
REAL ESTATE BNCH	2.35	10.95	13.44	14.41	1.94
EXCESS	0.07	-0.17	0.51	0.59	-3.88
RISKLESS INDEX	0.04	0.11	0.11	0.11	0.52
REAL ROR	3.23	8.93	11.27	12.67	-3.69

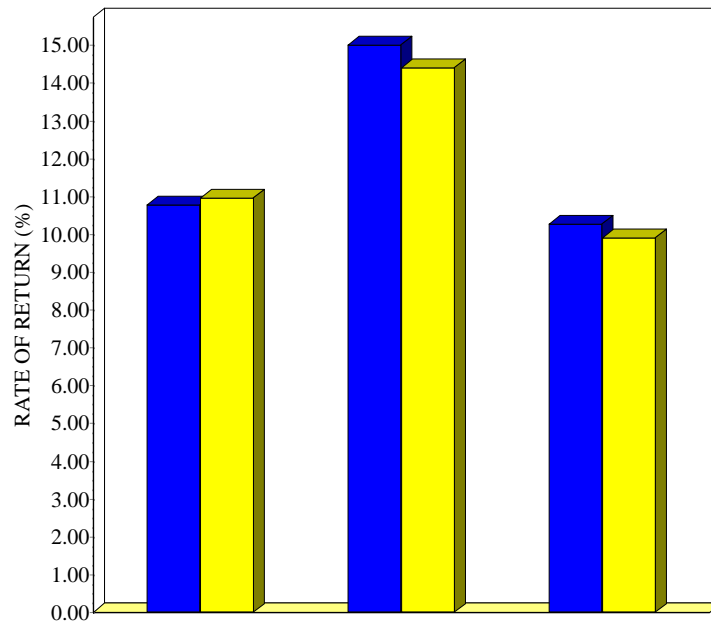
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	10.79	99	4.25	2.51	0.02	0.98	99.63	-0.57
TWO YEARS	13.95	1	5.69	2.44	-0.09	1.04	99.58	1.06
THREE YEARS	15.00	95	6.49	2.30	-0.18	1.05	99.55	1.00
FIVE YEARS	-1.94	99	12.33	-0.20	-4.11	1.37	92.56	-0.76

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



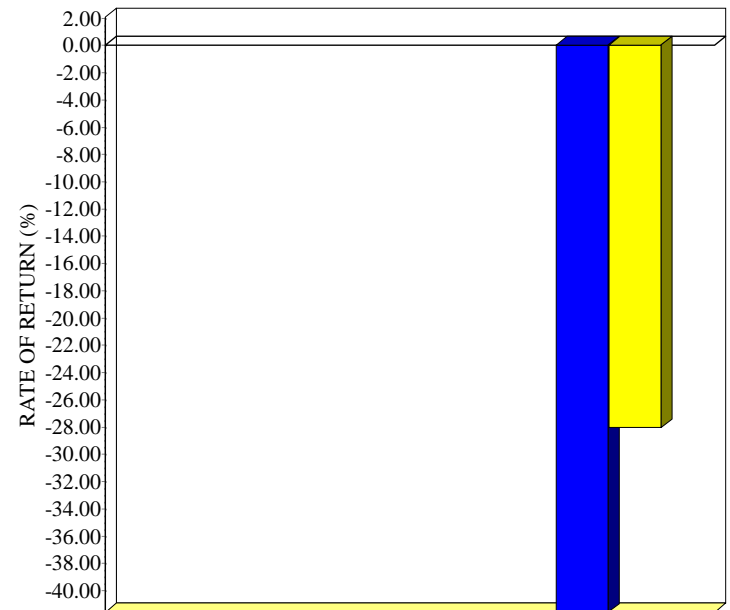
**Boynton Beach Police Pension Fund
RTC Real Estate Equity Fd
Performance in Rising and Declining Markets
December 31, 2007 Through December 31, 2012**

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	10.79	15.00	10.28
REAL ESTATE BNCH	10.95	14.41	9.91
DIFFERENCE	-0.17	0.59	0.36
RATIO	0.98	1.04	1.04
UP PERIODS	12	36	54

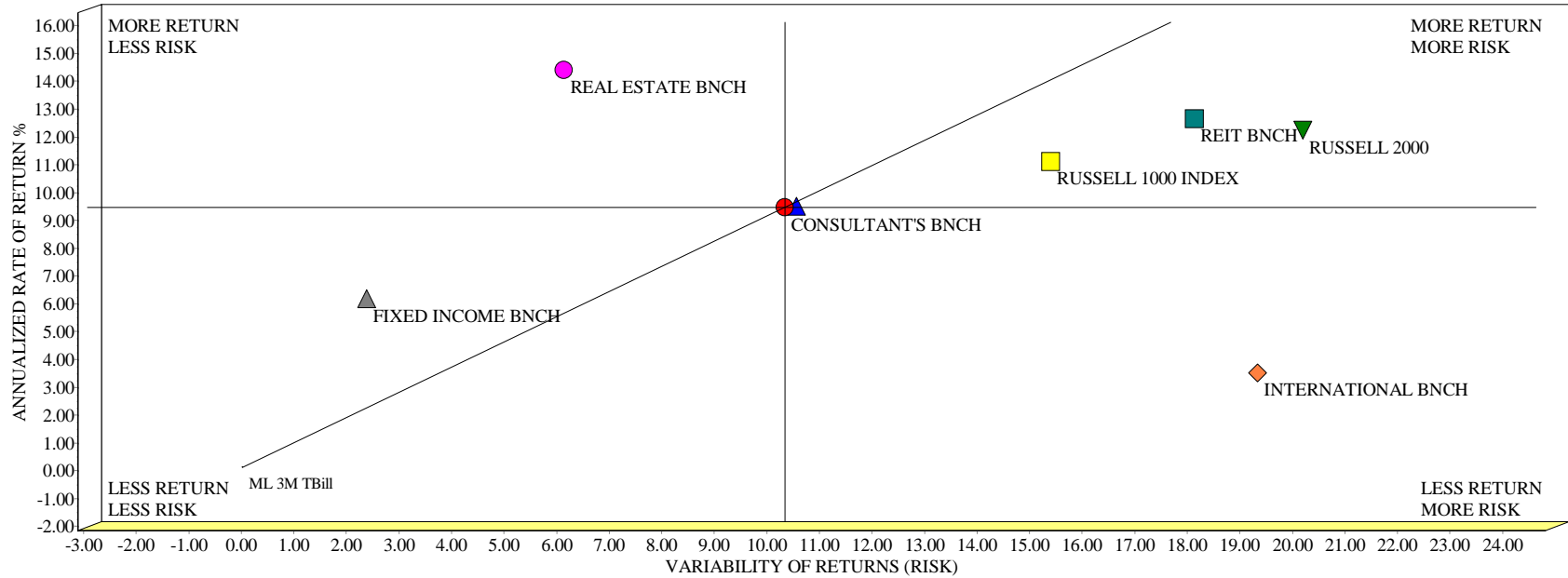
DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	N/A	N/A	-41.61
REAL ESTATE BNCH	N/A	N/A	-28.05
DIFFERENCE	N/A	N/A	-13.56
RATIO	N/A	N/A	1.48
DOWN PERIODS	0	0	6



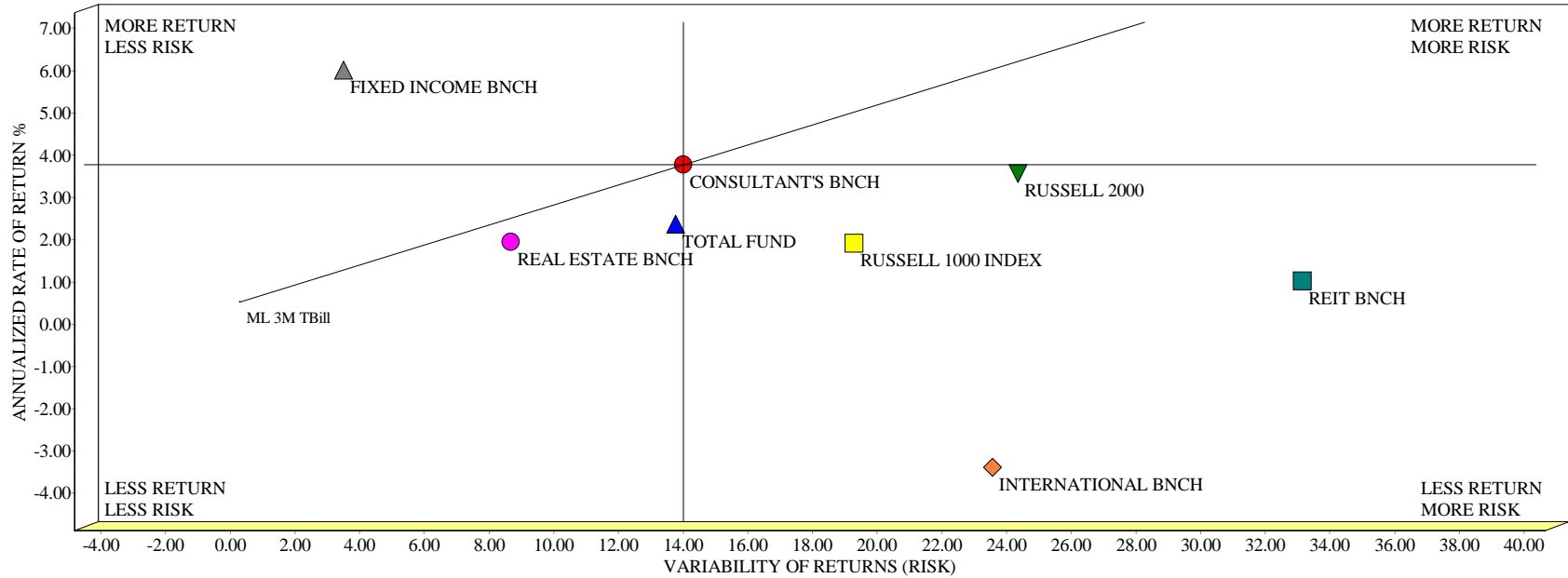
Boynton Beach Police Pension Fund
Total Fund
Capital Market Line
December 31, 2009 Through December 31, 2012



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	9.52	10.56	1.02	-0.09	99.08
● CONSULTANT'S BNCH	9.47	10.35	1.00	0.00	100.00
■ RUSSELL 1000 INDEX	11.12	15.40	1.00	0.00	100.00
▼ RUSSELL 2000	12.25	20.20	1.00	0.00	100.00
◆ INTERNATIONAL BNCH	3.51	19.33	1.00	0.00	100.00
▲ FIXED INCOME BNCH	6.19	2.38	1.00	0.00	100.00
● REAL ESTATE BNCH	14.41	6.14	1.00	0.00	100.00
■ REIT BNCH	12.65	18.14	1.00	0.00	100.00



**Boynton Beach Police Pension Fund
Total Fund
Capital Market Line
December 31, 2007 Through December 31, 2012**

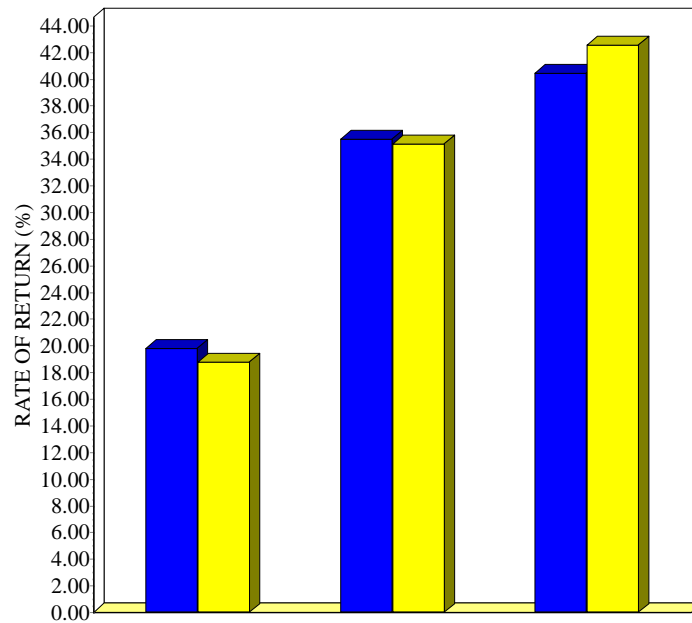


	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	2.37	13.77	0.97	-1.27	96.94
● CONSULTANT'S BNCH	3.77	14.02	1.00	0.00	100.00
■ RUSSELL 1000 INDEX	1.92	19.28	1.00	0.00	100.00
▼ RUSSELL 2000	3.56	24.35	1.00	0.00	100.00
◆ INTERNATIONAL BNCH	-3.39	23.56	1.00	0.00	100.00
▲ FIXED INCOME BNCH	6.01	3.50	1.00	0.00	100.00
● REAL ESTATE BNCH	1.94	8.67	1.00	0.00	100.00
■ REIT BNCH	1.03	33.14	1.00	0.00	100.00



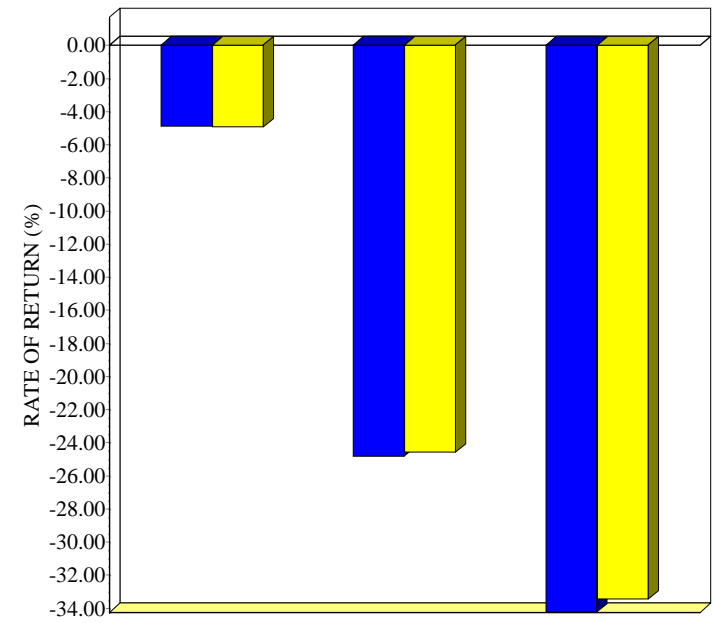
Boynton Beach Police Pension Fund
Total Fund
Performance in Rising and Declining Markets
December 31, 2007 Through December 31, 2012

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	19.83	35.51	40.46
CONSULTANT'S BNCH	18.77	35.15	42.53
DIFFERENCE	1.06	0.36	-2.07
RATIO	1.06	1.01	0.95
UP PERIODS	10	23	35

DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-4.92	-24.86	-34.26
CONSULTANT'S BNCH	-4.96	-24.60	-33.46
DIFFERENCE	0.04	-0.26	-0.80
RATIO	0.99	1.01	1.02
DOWN PERIODS	2	13	25



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 expected return independent of Beta.
- ASSET ALLOCATION- The division of portfolio asset classes in order to achieve an expected investment objective.
- BALANCED UNIVERSES - BNY Mellon Public Funds, Endowments & Foundations, Corporate peer groups, and PSN peer groups.
- 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.
- CONVERTIBLE BONDS - Hybrid securities' that offer equity returns during rising equity markets and improved down-market protection.
- CORE- An equal weighting in both growth and value stocks.
- CORRELATION COEFFICIENT- A 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.
- 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.
- INDEXES- Indexes are used as "independent representations of markets" (e.g., S&P 500).
- INFORMATION RATIO- Annualized excess return above the benchmark relative to the annualized tracking error.
- LARGE CAP- Generally, the term refers to a company that has a market capitalization that exceeds \$10 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 \$2 and \$10 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

-NET- Investment return accounts only for manager fees.

-PROTECTING FLORIDA INVESTMENT ACT (PFIA) - SBA publishes a list of prohibited investments (scrutinized companies).

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

-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.

-SMALL CAP- Generally refers to a company with a market capitalization \$300 million to \$2 billion.

-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) returns are the same and vice versa.

-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 AND DOWN-MARKET CAPTURE RATIO- Ratio that illustrates how a manager performed relative to the market during rising and declining market periods.

-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, income and management fees 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, asset allocating 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.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.
- 6.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.
- 7.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.
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