

BOYNTON BEACH POLICE PENSION FUND

INVESTMENT PERFORMANCE PERIOD ENDING DECEMBER 31, 2013

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Boynton Beach Police Pension Fund

BCA Market Perspective ©

It's About Oil January 2014

The nation's trade deficit again declined for the quarter with exports rising to a record high in November. It is all about crude oil.

Total imports fell to \$229 billion in November from \$233 billion in October – a 1.5% decline due in large part to a sharp drop in crude oil imports. The U.S. produces about 7.4 million barrels of oil per day (bopd) and consumes 18.3 million per day. During the past five years, domestic production is up 44%, and imports have dropped from 55% to 40% of domestic consumption.

The Bakken Shale in North Dakota is the largest oil discovery in U.S. since Prudhoe Bay, Alaska - holding an estimated 7.4 billion barrels of recoverable oil. The region's oil boom produces 900,000 bopd or 8.3% of domestic production and is expected to reach 14% in the next several years.

The U. S. is becoming more energy independent, and with that comes the cost and need for energy infrastructure. Energy companies are set to spend close to \$1 trillion on oil and gas pipelines, storage, processing and transportation upgrades over the next decade. According to a report released by the American Petroleum Institute and HIS Global Insight, these capital projects will support more than 900,000 jobs nationwide.

The surge in U.S. oil production has shed light on a once orphaned asset class, Master Limited Partnerships, which has been gaining popularity among Institutional investors for the following reasons:

- Strong historical performance
- Low correlation to stocks¹ and bonds²
- Consistent yield and stable distribution growth
- Inflation hedge
- Infrastructure is in the national interest
- U.S. energy renaissance and the increase of energy exports

In November, Goldman Sachs launched its first ever Closed-End Fund, selecting MLPs as the core asset. Goldman's rationale echoes a thesis of the underlying asset class, which is to benefit from the tremendous expansion of energy infrastructure in the U.S. This new closed-end fund raised more than \$826 million in 2013.

The Alerian MLP index experienced a total return of 27.6%³ (including a 6% yield) for the year 2013, a year in which fixed income⁴ was down 2.0%. During 2013, there were 20 MLP initial public offerings, topping the previous record of 13 IPOs in 2007. Mergers and acquisitions, strength in commodity prices, and solid distribution growth were all tailwinds for the asset class during 2013. If MLPs continue their course in 2014, investors can expect another great year despite an environment of rising interest rates.

¹ 0.4 correlation against S&P 500; since 1996

² 0.0 correlation against Barclays Agg; since 1996

³ Measured by the Alerian MLP Index

⁴ Measured by the Barclays Agg.



Boynton Beach Police Pension Fund
Total Fund
Investment Summary
December 31, 2013

- For the quarter, the Fund had an investment gain of \$3.6 million or +5.2% (+5.0% net), ahead of the Policy benchmark (+3.5%), and ranked in the top 47th percentile. The best performing asset category was the Large Cap Defensive Equity Fund (+10.1%).
- On October 14th the year end employer contribution of \$4,159,736 was allocated to Multi Asset Core Fund (\$1.316M), Large Cap Defensive Equity Fund (\$1.345M), and Multi Mgr Bond Fund (\$1.499M).
- On December 31st the portfolio was rebalanced by selling \$475K of Multi Asset Core Fund and \$430K Large Cap Defensive Equity Fund and purchasing \$750K of the Real Estate Equity Fund and \$155K of the Multi Mgr Bond Fund.
- For the one-year period, the Fund earned \$8.3 million or +13.2% (+12.4% net), in line with the Policy benchmark (+12.7%).
- **For the three-year period, the Fund earned \$15.6 million or +9.0% (+8.2% net) ahead of the actuarial investment return assumption rate (+7.75%).**

Manager Review:

1. RTC multi-manager bonds: performance was ahead of the benchmark for all periods, and ranked within the top 40th percentile for the two, three, and five-year periods.
2. RTC real-estate fund: five-year results were below the benchmark, while ahead for all other periods.



**Boynton Beach Police Pension Fund
Total Fund
Investment Performance
December 31, 2013**

Dollars

	<u>Quarter</u>	<u>One Year</u>
Beginning Market Value	68,964,431	66,282,023
Ending Market Value	75,449,715	75,449,715
Net Contributions	+2,880,425	+898,137
Investment Gain/(Loss)	+3,604,859	+8,269,555
Investment Return, net	+5.0%	+12.4%
Policy Benchmark	+3.5%	+12.7%
<i>Value Added (pts.)</i>	+1.5	-0.3

Fiscal Year: October 1st – September 30th



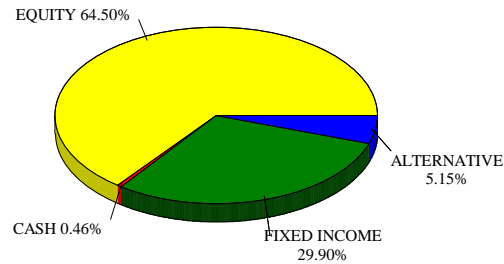
**Boynton Beach Police Pension Fund
Total Fund
Investment Policy Review
December 31, 2013**

	<u>Yes</u>	<u>No</u>
The total Fund's annualized three-year performance achieved the Policy 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 type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund's annualized five-year performance achieved the Policy Benchmark. (Actual: +12.9% vs. +12.8%)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund's annualized five-year performance ranked in the top 40th percentile of the universe. (Actual: 42nd)	<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 checked="" type="checkbox"/>	<input 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"/>
Multi Mgr Bonds annualized five-year performance achieved the fixed income benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Multi Mgr Bonds 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 checked="" type="checkbox"/>	<input type="checkbox"/>
Real Estate Equity's 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 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 64.5% which did not exceed 70% of Fund's assets at market value.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Foreign equity investments were 21.7% (at market) and did not exceed the 25% of the total Fund's assets at market.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Asset allocation among fixed income was 29.9% (at market) within the 30% minimum limitation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Asset allocation among alternatives was 10.4% (at market) within the 20% maximum limitation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

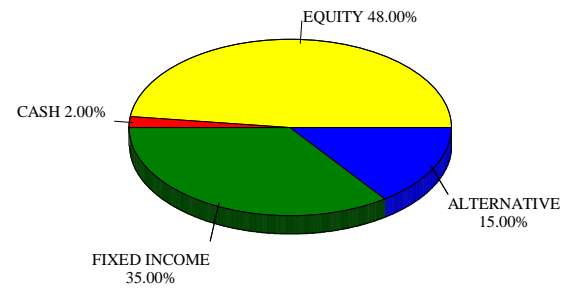


**BOYNTON BEACH POLICE PENSION FUND
TOTAL FUND
ACTUAL VS TARGET ASSET ALLOCATION
DECEMBER 31, 2013**

ACTUAL ASSET ALLOCATION



TARGET ASSET ALLOCATION



	MARKET VALUE ACTUAL	PERCENT ACTUAL	MARKET VALUE TARGET	PERCENT TARGET	MARKET VALUE DIFFERENCE	PERCENT DIFFERENCE
EQUITY	48,662,867.0	64.5%	36,215,863.1	48.0%	12,447,003.9	16.5%
FIXED INCOME	22,561,016.9	29.9%	26,407,400.2	35.0%	(3,846,383.3)	(5.1%)
ALTERNATIVE	3,881,949.1	5.1%	11,317,457.2	15.0%	(7,435,508.1)	(9.9%)
CASH	343,881.8	0.5%	1,508,994.3	2.0%	(1,165,112.5)	(1.5%)
TOTAL FUND	\$75,449,714.8	100.0%	\$75,449,714.8	100.0%	\$0.0	0.0%

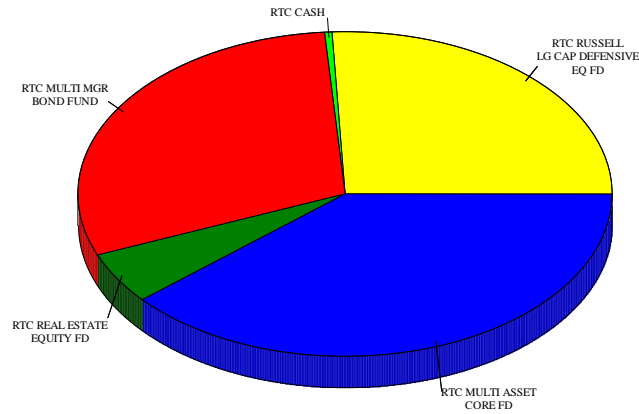


Boynton Beach Police Pension Fund

Total Fund

Asset Allocation

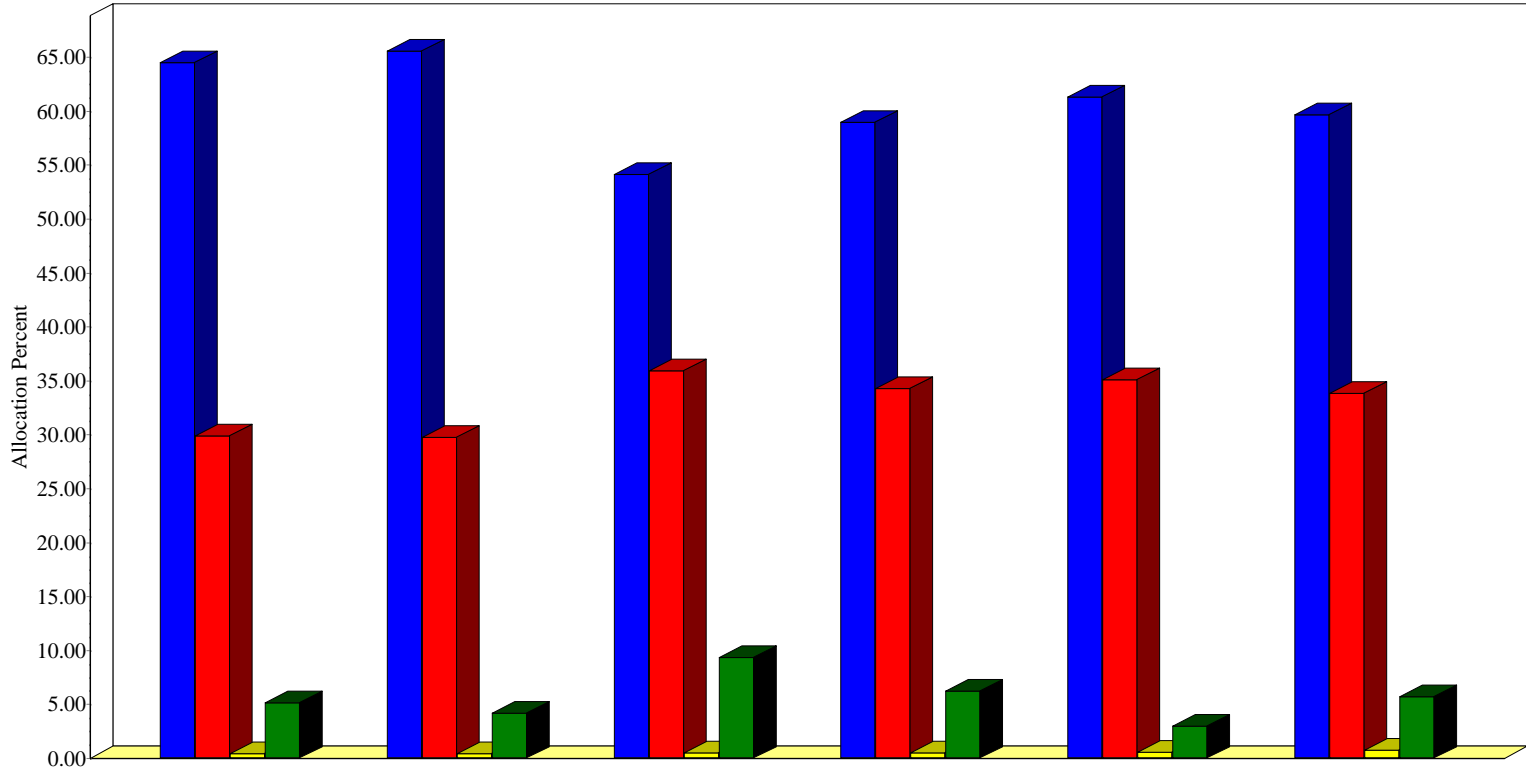
TOTAL MARKET VALUE
AS OF DECEMBER 31, 2013
\$ 75,449,715



	VALUE	PERCENT
RTC MULTI ASSET CORE FD	29,211,821	38.72
RTC MULTI MGR BOND FUND	22,561,017	29.90
RTC RUSSELL LG CAP DEFENSIVE EQ FD	19,451,046	25.78
RTC REAL ESTATE EQUITY FD	3,881,949	5.15
RTC CASH	343,882	0.45



Boynton Beach Police Pension Fund
Total Fund
Asset Distribution
December 31, 2013



	QUARTER TO DATE	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
EQUITY	64.50	65.61	54.15	58.97	61.32	59.70
FIXED INCOME	29.90	29.74	35.97	34.29	35.09	33.82
CASH	0.46	0.47	0.50	0.53	0.59	0.74
ALTERNATIVE	5.15	4.17	9.38	6.21	3.00	5.75



Boynton Beach Police Pension Fund
Total Fund
December 31, 2013
Gross of Fees

Name	Market Values	QTD ROR	1 Year ROR	2 Year ROR	3 Year ROR	5 Year ROR
<u>Equity</u>						
RTC Multi Asset Core Fd	29,211,821	6.1%	19.1%	N/A	N/A	N/A
RTC Russell Lg Cap Defensive Eq Fd	19,451,046	10.1%	N/A	N/A	N/A	N/A
Total Equity	48,662,867	7.7%	20.0%	18.3%	10.2%	15.3%
<u>Fixed Income</u>						
RTC Multi Mgr Bond Fund	22,561,017	0.3%	-0.9%	3.4%	4.5%	8.4%
Total Fixed Income	22,561,017	0.3%	-0.9%	3.4%	4.5%	8.4%
<u>Cash</u>						
RTC Cash	343,882	0.0%	0.0%	0.1%	0.1%	0.1%
<u>Alternative</u>						
RTC Real Estate Equity Fd	3,881,949	3.3%	14.9%	12.8%	14.3%	2.9%
Total Alternative	3,881,949	3.3%	14.9%	14.9%	11.0%	1.4%
TOTAL: (1, 2, 3, 4)	75,449,715	5.2%	13.2%	13.6%	9.0%	12.8%
Policy Benchmark		3.5%	12.7%	12.8%	9.0%	12.9%
RTC Multi-Asset Core		5.6%	17.7%	N/A	N/A	N/A
MSCI ACWI NR		7.3%	22.8%	19.4%	9.7%	14.9%
DJUBS Commodities TR		-1.1%	-9.5%	-5.4%	N/A	N/A
Russell 1000 Index		10.2%	33.1%	24.5%	16.3%	18.6%
Fixed Income Bnch		-0.1%	-2.0%	1.0%	3.3%	4.4%
ML 3M TBill		0.0%	0.1%	0.1%	0.1%	0.1%
Real Estate Bnch		3.1%	13.3%	12.2%	13.4%	5.9%
NFI ODCE EQ		3.1%	13.3%	N/A	N/A	N/A
NAREIT		-0.2%	2.8%	11.0%	10.1%	16.9%

1 Policy Benchmark (IPS hybrid benchmark objective): May'13 48% MSCI ACWI + 35% BC Aggregate + 5% NAREIT + 5% NFI ODCE EQ + 5% DJ UBS Commodities + 2% ML 3M T-Bills; 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 Net EAFE +5% Wilshire REIT + 30% LB Intern Aggregate + 5% Lehman Intern TIPS; from Jul'02 was 60% S&P 500 + 35 LB Gov't/Credit.

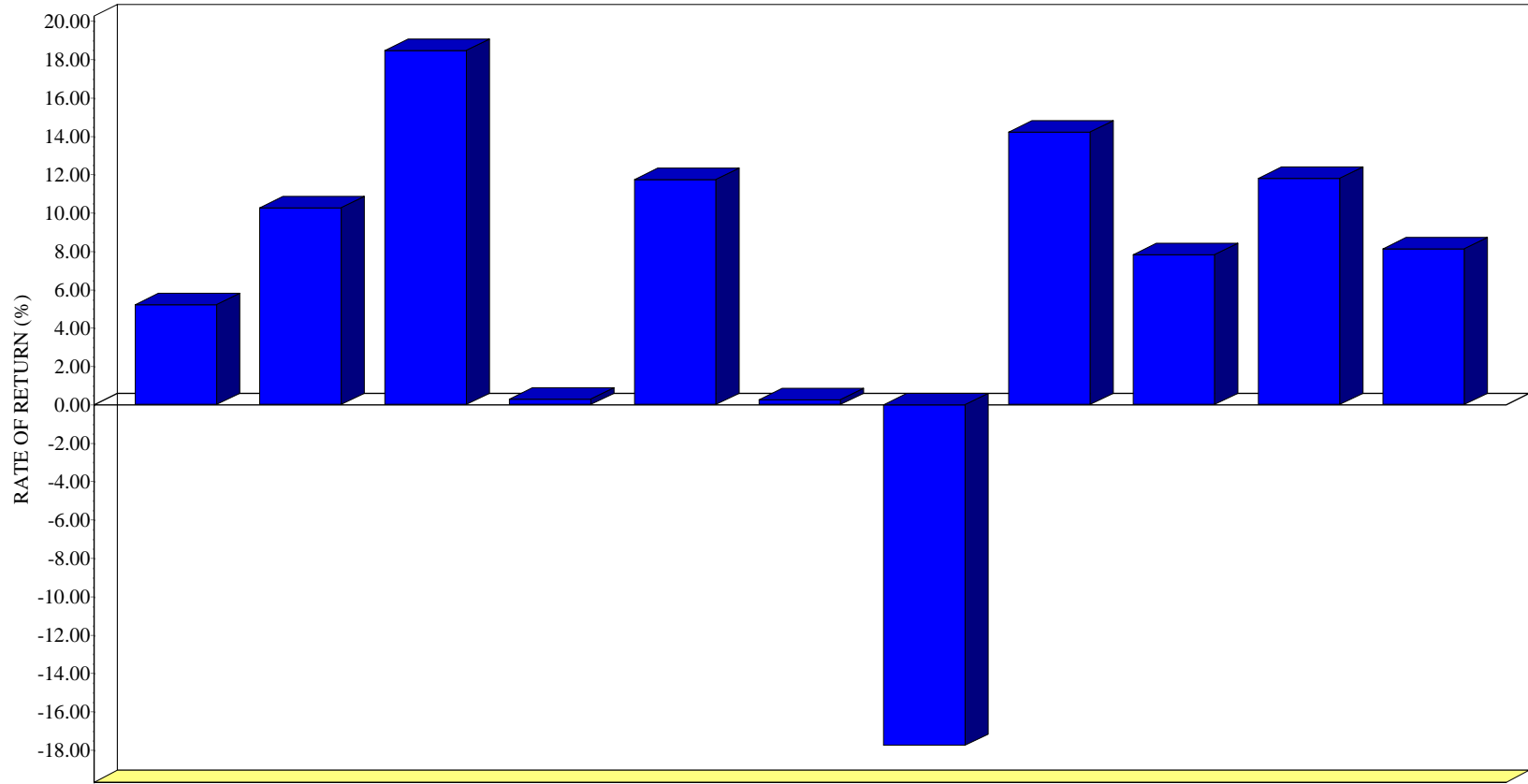
2 The Multi-Asset Core Composite Benchmark is comprised of 75.0% Russell World Cap 50% Hedged Net Index / 7.5% Dow Jones UBS Commodity Index / 7.5% FTSE EPRA/NAREIT Developed Real Estate Index (Net) / 7.0% Barclays U.S. Aggregate Bond Index / 3.0% Barclays U.S. 1-3 Month Treasury Bill Index. This benchmark is appropriate for evaluating the Russell Multi-Asset Core Fund over a 3 to 5 year horizon.

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% NFI ODCE EQ; prior was 100% NCREIF.



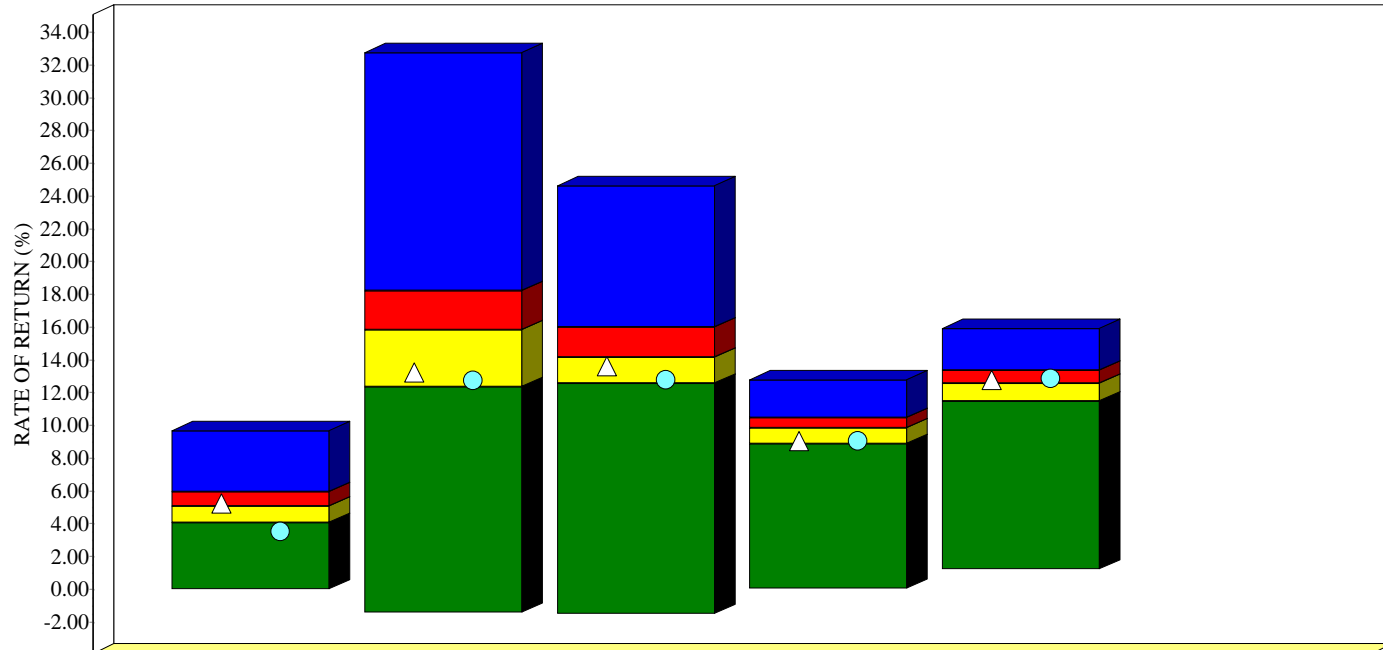
**Boynton Beach Police Pension Fund
Total Fund
Fiscal Year Rates of Return
September 30, 2003 Through December 31, 2013**











	FYTD	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
TF	5.23	10.28	18.47	0.29	11.73	0.25	-17.78	14.22	7.85	11.83	8.14



**Boynton Beach Police Pension Fund
 Quartile Ranking
 Total Fund Versus BNY Mellon Public Funds Universe
 December 31, 2008 Through December 31, 2013**



	<u>LATEST QUARTER</u>		<u>ONE YEAR</u>		<u>TWO YEARS</u>		<u>THREE YEARS</u>		<u>FIVE YEARS</u>	
 HIGHEST VALUE		9.68		32.75		24.62		12.79		15.93
 FIRST QUARTILE		5.93		18.22		15.99		10.46		13.35
 MEDIAN VALUE		5.08		15.83		14.14		9.83		12.58
 THIRD QUARTILE		4.08		12.36		12.56		8.87		11.48
 LOWEST VALUE		0.00		-1.42		-1.51		0.03		1.23
 MEAN		4.98		15.53		13.52		8.85		11.45
	<u>LATEST QUARTER</u>		<u>ONE YEAR</u>		<u>TWO YEARS</u>		<u>THREE YEARS</u>		<u>FIVE YEARS</u>	
 TF	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK
 POLICY BENCHMARK	5.23	47	13.25	68	13.59	57	9.04	73	12.78	42
	3.53	78	12.73	73	12.78	73	9.04	73	12.86	42



Boynton Beach Police Pension Fund
Total Fund
Growth of a Dollar Analysis
December 31, 2008 Through December 31, 2013



	LATEST QUARTER	ONE YEAR	THREE YEARS	FIVE YEARS
TF	5.23	13.25	9.04	12.78
POLICY BENCHMARK	3.53	12.73	9.04	12.86



**Boynton Beach Police Pension Fund
RTC Multi Asset Core Fd
Performance Profile
Through December 31, 2013**

	ENDED	RETURN
BEST QUARTER	3/2013	6.93
WORST QUARTER	6/2013	-0.26
BEST 4 QUARTERS	12/2013	19.05
WORST 4 QUARTERS	12/2013	19.05

TOTAL # OF PERIODS: 12
OF POSITIVE PERIODS: 9
OF NEGATIVE PERIODS: 3

	QUARTER TO DATE	ONE YEAR
RTC MULTI ASSET CORE FD	6.08	19.05
MULTI-ASSET INDEX	5.57	17.74
EXCESS	0.51	1.32
RISKLESS INDEX	0.02	0.07
REAL ROR	6.60	17.40

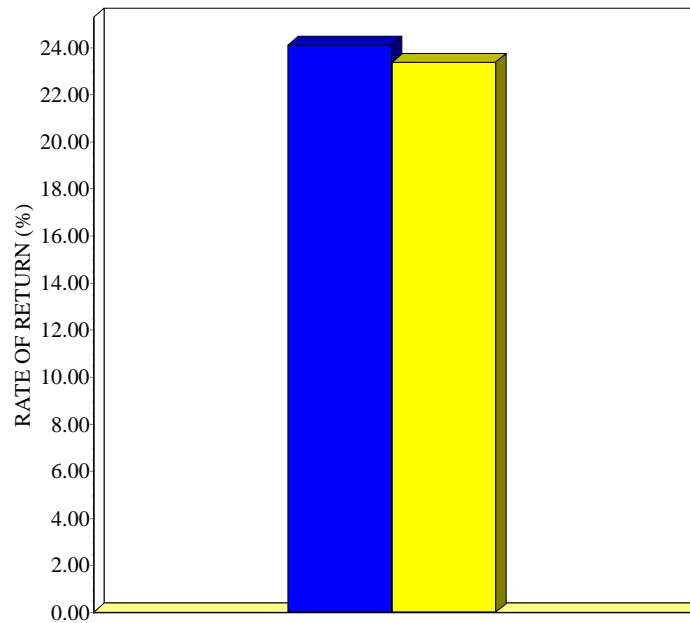
PERIOD	RETURN	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	19.05	6.86	2.77	2.12	0.94	98.62	1.20

The risk benchmark for this analysis is the Multi-Asset Index.



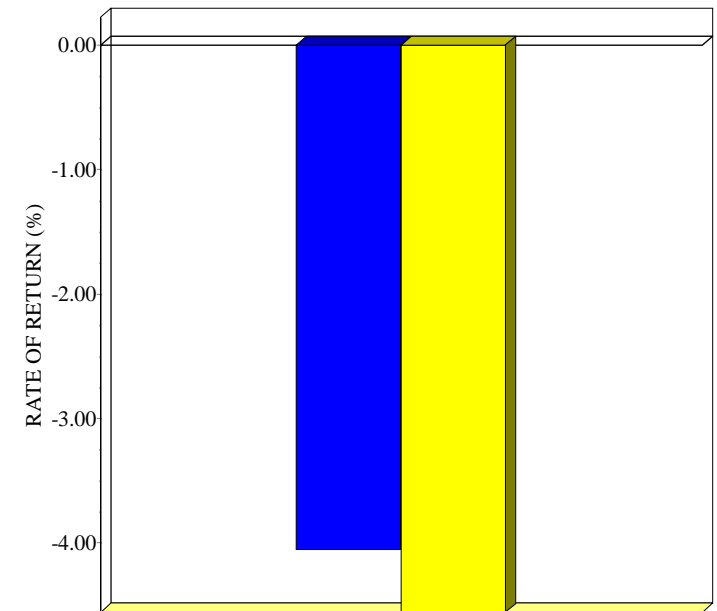
**Boynton Beach Police Pension Fund
 RTC Multi Asset Core Fd
 Performance in Rising and Declining Markets
 December 31, 2012 Through December 31, 2013**

UP MARKET PERFORMANCE



	ONE YEAR
TOTAL FUND	24.09
MULTI-ASSET INDEX	23.37
DIFFERENCE	0.73
RATIO	1.03
UP PERIODS	9

DOWN MARKET PERFORMANCE








	ONE YEAR
TOTAL FUND	-4.06
MULTI-ASSET INDEX	-4.56
DIFFERENCE	0.50
RATIO	0.89
DOWN PERIODS	3





Quartile Ranking

RTC Russell Lg Cap Defensive Eq Fd Versus Large Cap September 30, 2013 Through December 31, 2013



QUARTER TO DATE	
	HIGHEST VALUE 12.99
	FIRST QUARTILE 11.16
	MEDIAN VALUE 10.35
	THIRD QUARTILE 9.38
	LOWEST VALUE 6.53
	MEAN 10.26
	MEMBERS 739

	QUARTER TO DATE	
	RETURN	RANK
 LC	10.10	57
 RUSSELL 1000 INDEX	10.23	53



**Boynton Beach Police Pension Fund
RTC Multi Mgr Bond Fund
Performance Profile
Through December 31, 2013**

	ENDED	RETURN
BEST QUARTER	9/2009	8.07
WORST QUARTER	6/2013	-2.50
BEST 4 QUARTERS	12/2009	18.64
WORST 4 QUARTERS	12/2013	-0.91

TOTAL # OF PERIODS: 60
OF POSITIVE PERIODS: 45
OF NEGATIVE PERIODS: 15

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	0.35	-0.91	3.39	4.49	8.44
FIXED INCOME BNCH	-0.14	-2.02	1.05	3.26	4.44
EXCESS	0.48	1.11	2.35	1.22	3.99
RISKLESS INDEX	0.02	0.07	0.09	0.10	0.12
REAL ROR	0.85	-2.30	1.80	2.35	6.24

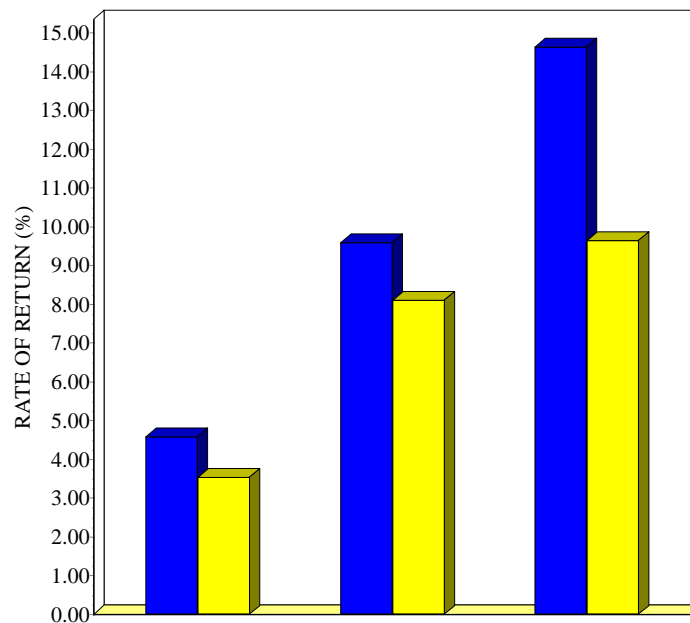
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-0.91	67	3.52	-0.28	1.41	1.13	96.39	1.46
TWO YEARS	3.39	30	3.08	1.07	2.21	1.10	93.29	2.76
THREE YEARS	4.49	37	2.87	1.53	1.34	0.95	80.48	0.93
FIVE YEARS	8.44	23	3.79	2.19	3.61	1.05	62.07	1.64

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



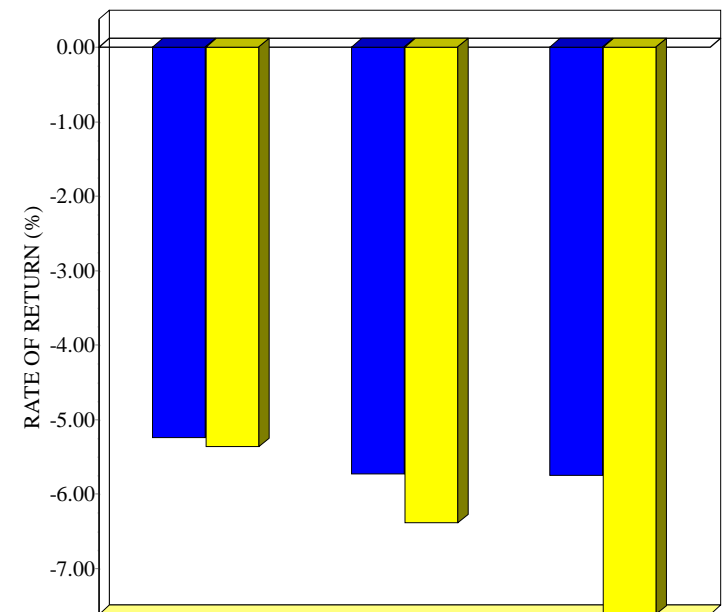
**Boynton Beach Police Pension Fund
RTC Multi Mgr Bond Fund
Performance in Rising and Declining Markets
December 31, 2008 Through December 31, 2013**

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	4.57	9.59	14.62
FIXED INCOME BNCH	3.53	8.11	9.64
DIFFERENCE	1.04	1.48	4.99
RATIO	1.29	1.18	1.52
UP PERIODS	6	25	43

DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-5.25	-5.74	-5.76
FIXED INCOME BNCH	-5.37	-6.40	-7.62
DIFFERENCE	0.12	0.66	1.86
RATIO	0.98	0.90	0.76
DOWN PERIODS	6	11	17



**Boynton Beach Police Pension Fund
RTC Real Estate Equity Fd
Performance Profile
Through December 31, 2013**

	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: 56
OF NEGATIVE PERIODS: 4

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	3.33	14.90	12.83	14.27	2.90
REAL ESTATE BNCH	3.12	13.34	12.18	13.43	5.94
EXCESS	0.21	1.56	0.65	0.84	-3.04
RISKLESS INDEX	0.02	0.07	0.09	0.10	0.12
REAL ROR	3.85	13.32	11.11	11.95	0.80

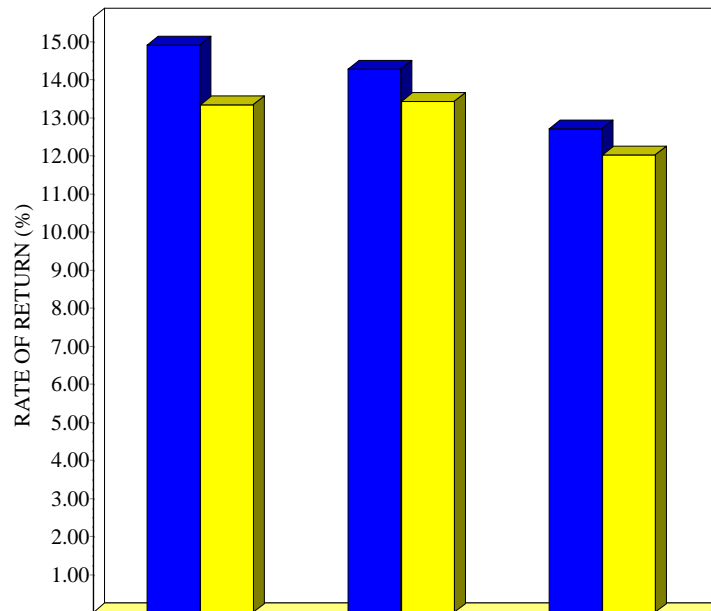
PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	14.90	1	5.91	2.51	-0.07	1.12	98.83	1.60
TWO YEARS	12.83	1	5.18	2.46	-0.14	1.06	98.47	0.84
THREE YEARS	14.27	1	5.76	2.46	-0.08	1.07	99.10	1.17
FIVE YEARS	2.90	99	11.58	0.24	-4.70	1.36	91.55	-0.59

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



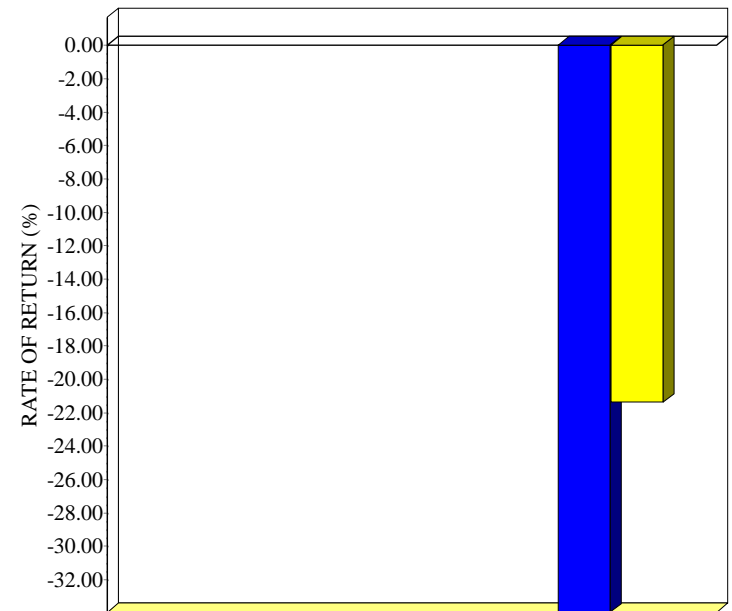
**Boynton Beach Police Pension Fund
RTC Real Estate Equity Fd
Performance in Rising and Declining Markets
December 31, 2008 Through December 31, 2013**

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	14.90	14.27	12.71
REAL ESTATE BNCH	13.34	13.43	12.02
DIFFERENCE	1.56	0.84	0.69
RATIO	1.12	1.06	1.06
UP PERIODS	12	36	56

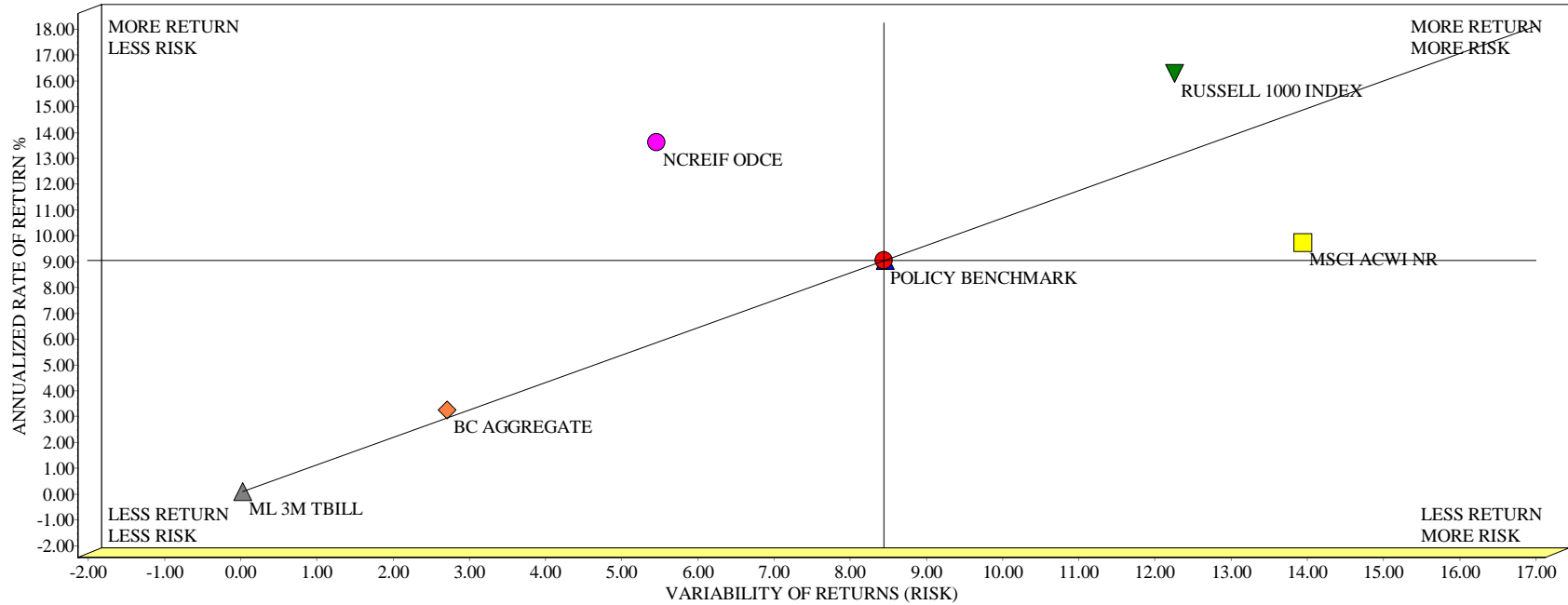
DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	N/A	N/A	-33.97
REAL ESTATE BNCH	N/A	N/A	-21.41
DIFFERENCE	N/A	N/A	-12.56
RATIO	N/A	N/A	1.59
DOWN PERIODS	0	0	4



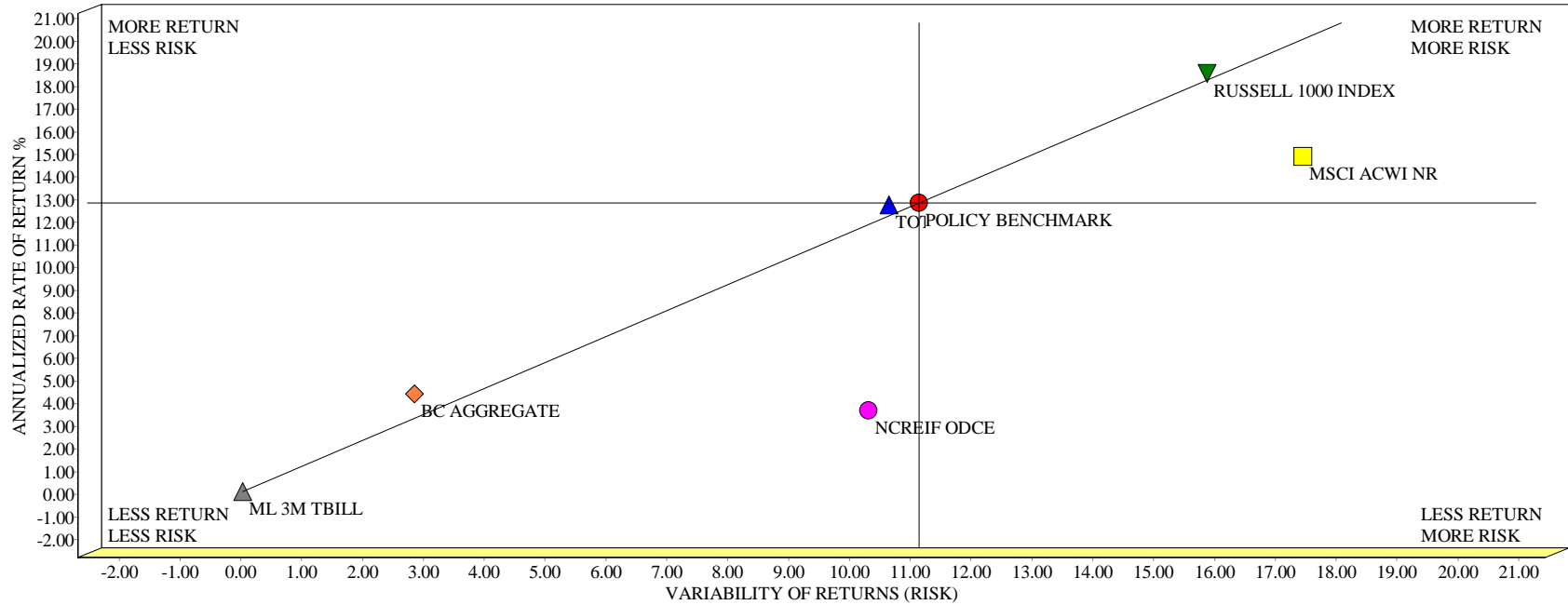
**Boynton Beach Police Pension Fund
Total Fund
Capital Market Line
December 31, 2010 Through December 31, 2013**



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	9.04	8.46	0.99	0.09	97.77
● POLICY BENCHMARK	9.04	8.44	1.00	0.00	100.00
■ MSCI ACWI NR	9.73	13.94	1.00	0.00	100.00
▼ RUSSELL 1000 INDEX	16.30	12.26	1.00	0.00	100.00
◆ BC AGGREGATE	3.26	2.71	1.00	0.00	100.00
▲ ML 3M TBILL	0.10	0.03	1.00	0.00	100.00
● NCREIF ODCE	13.62	5.46	1.00	0.00	100.00



**Boynton Beach Police Pension Fund
Total Fund
Capital Market Line
December 31, 2008 Through December 31, 2013**

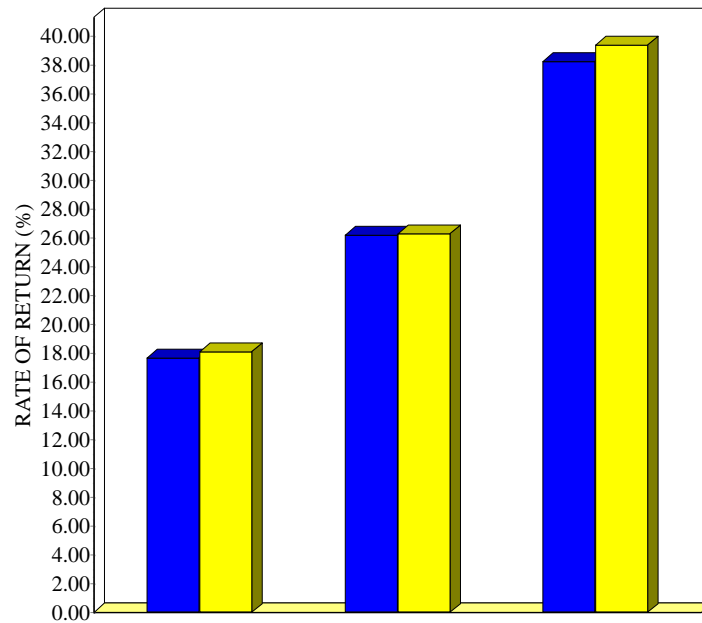


	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	12.78	10.65	0.94	0.60	97.46
● POLICY BENCHMARK	12.86	11.15	1.00	0.00	100.00
■ MSCI ACWI NR	14.92	17.45	1.00	0.00	100.00
▼ RUSSELL 1000 INDEX	18.59	15.88	1.00	0.00	100.00
◆ BC AGGREGATE	4.44	2.86	1.00	0.00	100.00
▲ ML 3M TBILL	0.12	0.03	1.00	0.00	100.00
● NCREIF ODCE	3.69	10.32	1.00	0.00	100.00



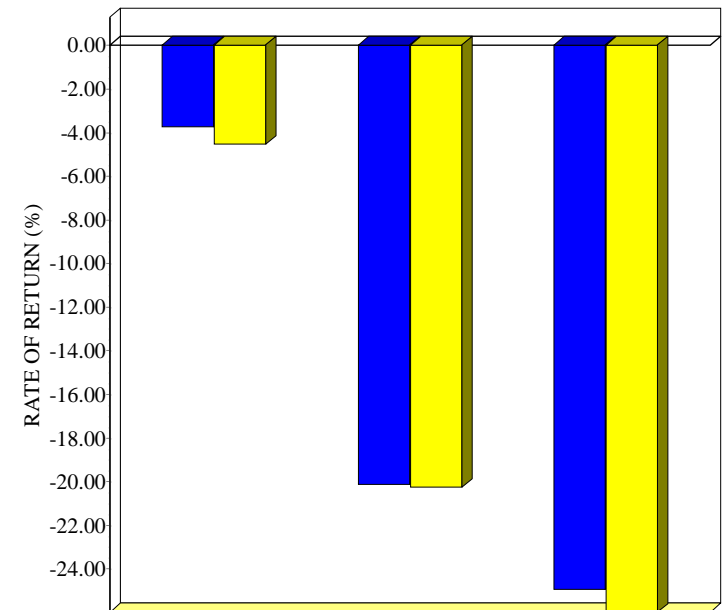
Boynton Beach Police Pension Fund
Total Fund
Performance in Rising and Declining Markets
December 31, 2008 Through December 31, 2013

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	17.69	26.19	38.26
POLICY BENCHMARK	18.09	26.29	39.38
DIFFERENCE	-0.40	-0.10	-1.11
RATIO	0.98	1.00	0.97
UP PERIODS	9	25	40

DOWN MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-3.78	-20.15	-24.96
POLICY BENCHMARK	-4.54	-20.29	-26.00
DIFFERENCE	0.77	0.14	1.04
RATIO	0.83	0.99	0.96
DOWN PERIODS	3	11	20



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.
- 8.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 subject to revision.
- 9.BCA has not reviewed the risks of individual security holdings.
- 10.BCA investment reports are not indicative of future results.
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