



Burgess Chambers & Associates, Inc.

Institutional Investment Advisors

www.burgesschambers.com

BOYNTON BEACH POLICE PENSION FUND

INVESTMENT PERFORMANCE PERIOD ENDING JUNE 30, 2015

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Boynton Beach Police Pension Fund

BCA Market Perspective © Volatility Has Returned July 2015

The U.S. stock markets have seen a significant increase in volatility over the past several weeks with news out of Greece and China continuing to shake investor confidence. But why is this news having such a significant impact on our domestic markets?

The Greek economy accounts for less than 0.38% of the world's Gross Domestic Product (GDP). Most major U.S. institutions divested themselves of Greek debt several years ago when the Greece debt crisis first surfaced in the global markets. So why then is Greece important to U.S. investors?

The answer is the potential impact the Greece crisis could have on other countries, particularly countries in the Eurozone. This could then have a direct impact on the growth rates in Europe. With over 25% of the S&P 500 earnings coming directly from Europe, any significant slowdown in Europe would have an impact on earnings for many U.S. companies. In addition, many European banks own Greek debt. A default by Greece could have a major impact on many of these banks. While most U.S. banks do not have direct exposure to Greek debt, many do have indirect exposure through the European banks. In addition, other European countries with high debt exposure (i.e. Spain and Italy) will no doubt be watching closely and demanding similar treatment from the stronger countries, such as Germany and France.

Another major contributor to the recent increase in volatility has been China. China's stock market has taken a significant dive after an extraordinary run over the previous several months. China's market is like no other and the government has stepped in with aggressive actions to limit sales and encourage additional investments in stocks. China's growth rate is expected to drop to 3-5% by most economists over the next year. While still healthy, it is a significant drop from recent years and has caused commodity prices to drop as demand from China is expected to decline. With China's GDP representing approximately 16.7% of the world's economy, any slowdown could have an impact on earnings for any companies invested heavily in China.

While these events have had a major role in increased volatility, the good news is that the U.S. economy appears to be improving, interest rates remain low, earnings have been strong and the valuations on stocks, while slightly above long term averages, appear to be attractive given the current low rate environment. There continues to be talk of a lending rate hike by the Federal Reserve, but given the problems in Greece and China and the strength of the dollar, we continue to believe any rate hike will be pushed out to the end of this year at the earliest. But even if we see a hike earlier than expected, it would most likely be .25% or less and should have a minimal and most likely a short term impact on stocks.

Disclosure: All expressions of opinion reflect the judgment of the author as of the date of publication and are subject to change. Content should not be regarded as a complete analysis of the subjects discussed or as personalized investment advice. All investment strategies have the potential for profit or loss. References to market performance in publications do not represent the returns achieved by Burgess Chambers & Associates or any of its advisory clients.



Boynton Beach Police Pension Fund
Total Fund
Investment Summary
June 30, 2015

- For the quarter, the Fund experienced an investment loss of -0.1% gross (or -0.3% net; -\$230K), which performed in line with the Policy Benchmark (-0.3%). The best performing asset category was the RTC Real Estate Equity Fund (+4.3%).
- For the Fiscal year to date, the Fund earned \$3.9 million or +5.5 gross (+4.8% net). This exceeded the Policy Benchmark by approximately 1.9%.
- For the year, the Fund earned \$3.7 million or +5.4% gross (+4.6% net), exceeding the Policy benchmark (+2.9%) and ranking in the top 15th percentile.
- The best performing asset category for the year was the RTC Real Estate Equity Fund (+15.7%).
- **For the three-year period, the Fund earned \$19.9 million or +10.6% (+9.8% net), which was above the Policy Benchmark (+9.3%) and above the actuarial investment return assumption rate (+7.75%).**
- **For the five-year period, the Fund earned \$30.1 million or +11.0% (+10.2% net), which was in line with the Policy Benchmark (+10.5%) and above the actuarial investment return assumption rate (+7.75%).**



**Boynton Beach Police Pension Fund
Total Fund
Investment Performance
June 30, 2015**

Dollars

	<u>Quarter</u>	<u>One Year</u>
Beginning Market Value	82,350,304	76,782,315
Ending Market Value	80,967,512	80,967,512
Net Contributions	-1,152,543	+493,587
Investment Gain/(Loss)	-230,249	+3,691,611
Investment Return, net	-0.3%	+4.6%
Policy Benchmark	-0.3%	+2.9%
Value Added (pts.)	0.0	+1.7

Fiscal Year: October 1st – September 30th



Boynton Beach Police Pension Fund
Total Fund
Investment Policy Review
June 30, 2015

	<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.	<input checked="" type="checkbox"/>	<input 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 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 five-year performance achieved the real estate benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
PFIA Compliant	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Investments in equity securities were 56.8% which did not exceed 70% of Fund's assets at market value.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Foreign equity investments were 21.0% (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 30.6% (at market) within the 30% minimum limitation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Asset allocation among alternatives was 12.1% (at market) within the 20% maximum limitation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

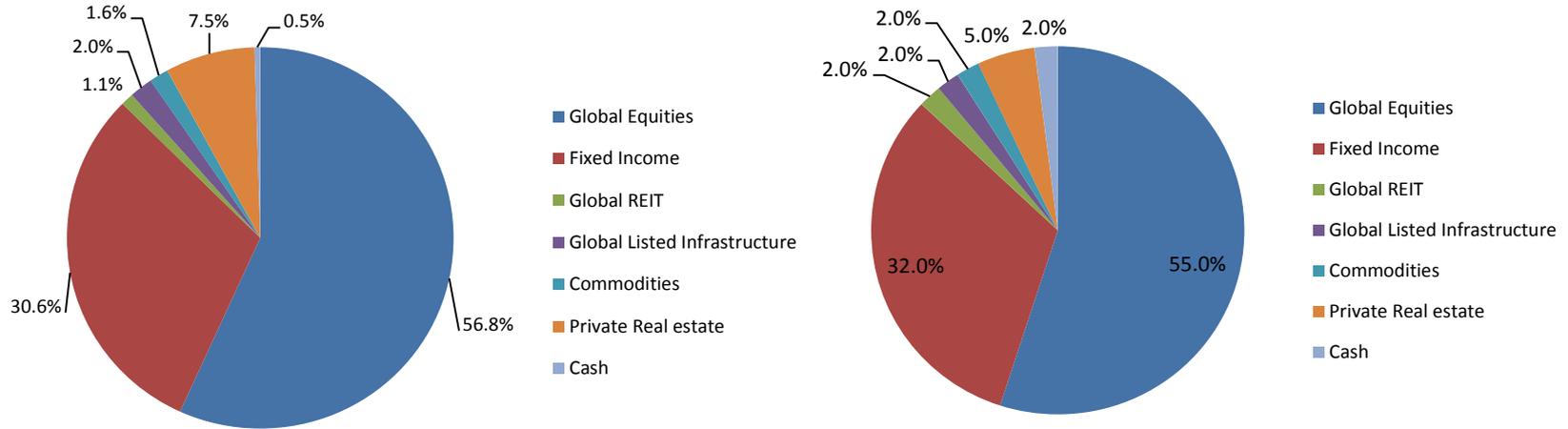


Boynton Beach Police Pension Fund

Total Fund

June 30, 2015

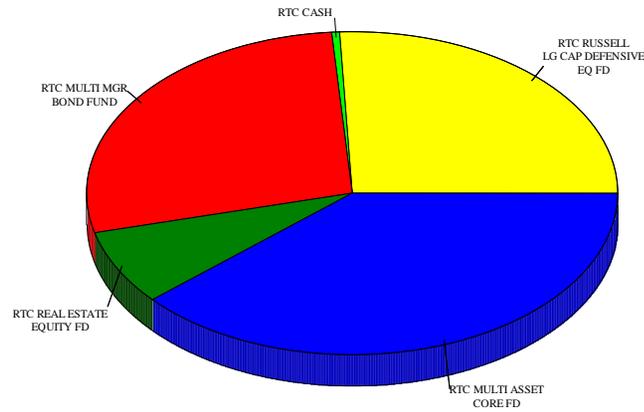
Actual vs. Target Asset Allocation



	MV(\$)	Current	Target	Difference
Global Equities	\$ 45,986,606	56.8%	55.0%	1.8%
Fixed Income	\$ 24,763,873	30.6%	32.0%	-1.4%
Global REIT	\$ 871,851	1.1%	2.0%	-0.9%
Global Listed Infrastructu	\$ 1,579,331	2.0%	2.0%	0.0%
Commodities	\$ 1,296,752	1.6%	2.0%	-0.4%
Private Real estate	\$ 6,083,000	7.5%	5.0%	2.5%
Cash	\$ 386,099	0.5%	2.0%	-1.5%
Total	80,967,512	100.0%	100.0%	0.0%

* Total International = 21.0%

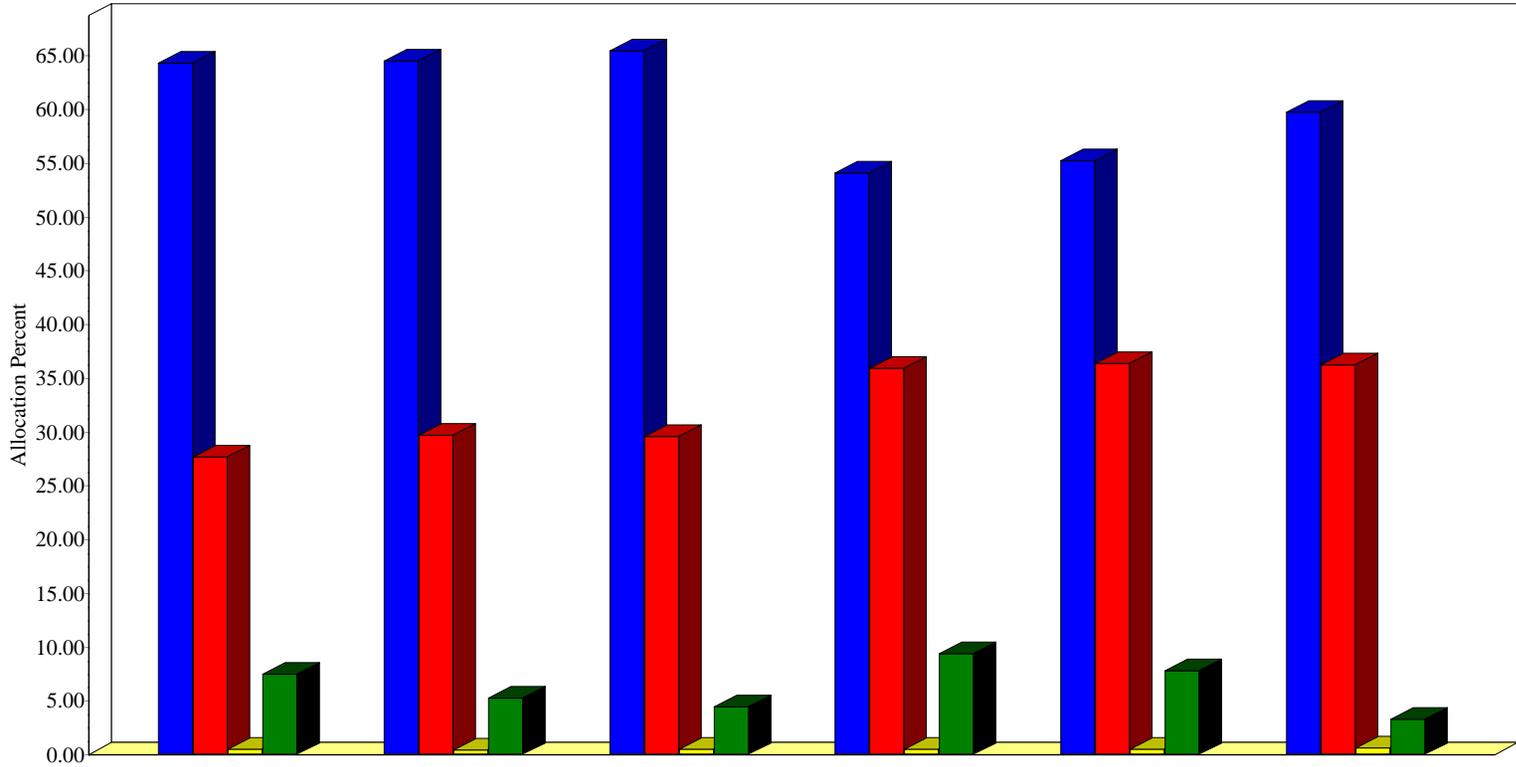
Boynton Beach Police Pension Fund
Total Fund
Asset Allocation
June 30, 2015



	VALUE	PERCENT
RTC MULTI ASSET CORE FD	31,214,835	38.55
RTC MULTI MGR BOND FUND	22,424,023	27.70
RTC RUSSELL LG CAP DEFENSIVE EQ FD	20,859,556	25.76
RTC REAL ESTATE EQUITY FD	6,083,000	7.51
RTC CASH	386,099	0.48
TOTAL	80,967,512	100.00



Boynton Beach Police Pension Fund
Total Fund
Asset Distribution
June 30, 2015



	QUARTER TO DATE	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
EQUITY	64.32	64.53	65.50	54.13	55.27	59.75
FIXED INCOME	27.70	29.71	29.59	35.94	36.41	36.28
CASH	0.48	0.47	0.49	0.53	0.52	0.66
ALTERNATIVE	7.51	5.29	4.42	9.40	7.80	3.32

Boynton Beach Police Pension Fund

**Total Fund
June 30, 2015**

Gross of Fees

Name	Market Values	QTD ROR	FYTD ROR	1 Year ROR	2 Year ROR	3 Year ROR	5 Year ROR
<u>Equity</u>							
RTC Multi Asset Core Fd	31,214,835	0.4%	6.4%	4.6%	11.0%	N/A	N/A
RTC Russell Lg Cap Defensive Eq Fd	20,859,556	-0.5%	6.2%	7.3%	N/A	N/A	N/A
Total Equity	52,074,391	0.1%	6.3%	5.7%	12.3%	13.5%	13.5%
<u>Fixed Income</u>							
RTC Multi Mgr Bond Fund	22,424,023	-1.6%	1.9%	2.5%	4.1%	3.2%	4.8%
Total Fixed Income	22,424,023	-1.6%	1.9%	2.5%	4.1%	3.2%	4.8%
<u>Cash</u>							
RTC Cash	386,099	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
<u>Alternative</u>							
RTC Real Estate Equity Fd	6,083,000	4.3%	11.9%	15.7%	14.1%	13.9%	15.2%
Total Alternative	6,083,000	4.3%	11.9%	15.7%	14.1%	14.8%	13.5%
TOTAL: (1, 2, 3, 4)	80,967,512	-0.1%	5.5%	5.4%	10.0%	10.6%	11.0%
Policy Benchmark		-0.3%	3.6%	2.9%	8.5%	9.3%	10.5%
RTC Multi-Asset Core		-0.4%	3.8%	1.7%	10.0%	N/A	N/A
MSCI ACWI NR		0.3%	3.1%	0.7%	11.3%	13.0%	11.9%
SP GI Infrastructure		-2.1%	-2.1%	-5.9%	N/A	N/A	N/A
DJUBS Commodities		4.7%	-13.5%	-23.7%	-9.1%	-8.8%	-3.9%
Russell 1000 Index		0.1%	6.7%	7.4%	16.0%	17.7%	17.6%
Fixed Income Bnch		-1.7%	1.7%	1.9%	3.1%	1.8%	3.3%
ML 3M TBill		0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
Real Estate Bnch		3.9%	10.8%	14.6%	13.5%	12.9%	14.3%
NFI ODCE EQ		3.9%	10.8%	14.6%	13.5%	12.9%	14.3%
NAREIT		-9.1%	6.8%	4.1%	8.5%	9.1%	14.4%

1 Policy Benchmark (IPS hybrid benchmark objective): March '14 30% MSCI ACWI + 25% Russell 1000 + 32% BC Aggregate + 2% NAREIT + 2% S&P Global Infrastructure Index + 5% NFI ODCE EQ + 2% DJ UBS Commodities + 2% ML 3M T-Bills; prior from 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.

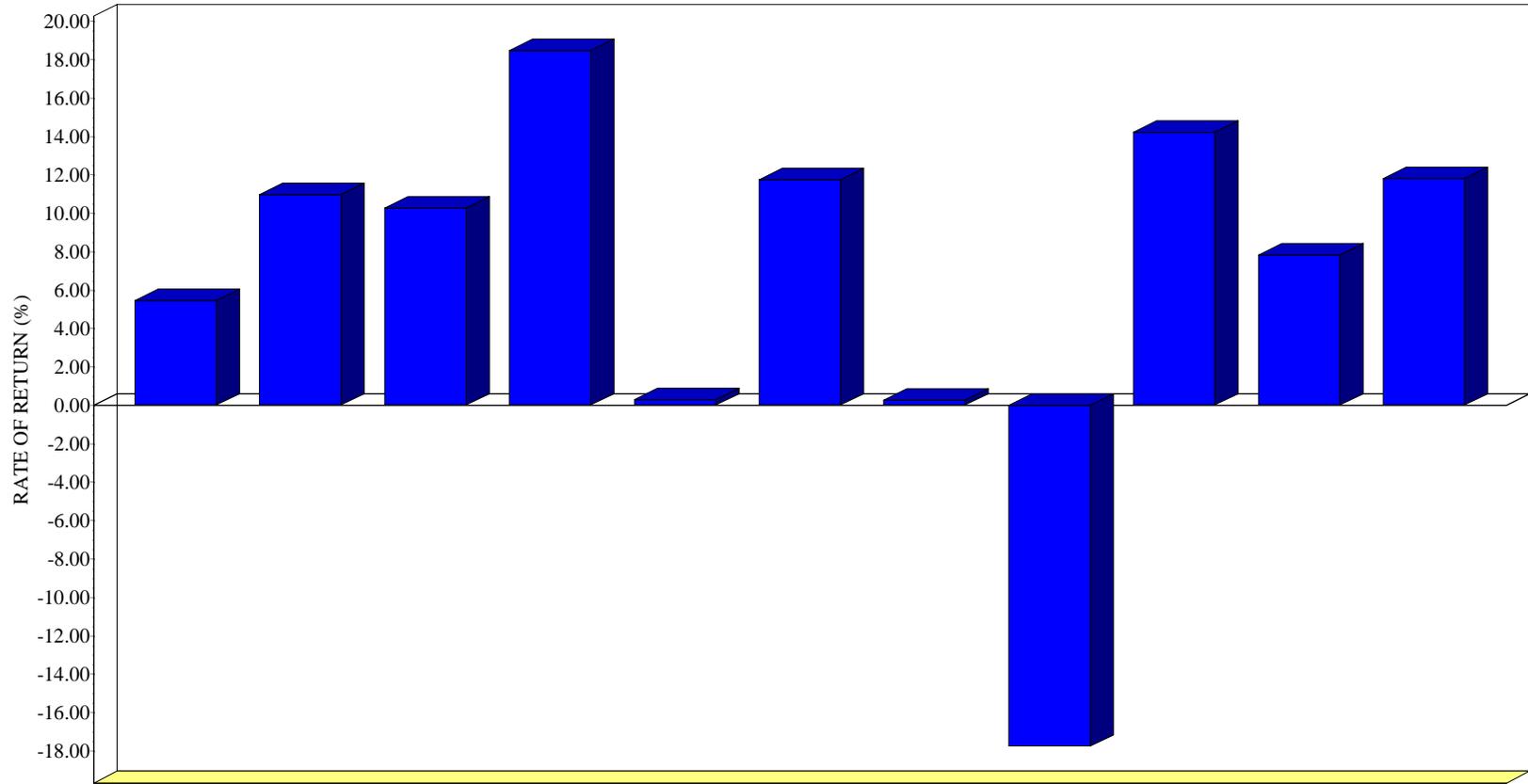
2 The Multi-Asset Core Composite Benchmark is comprised of 75.0% Russell World Cap 50% Hedged Net Index / 7.5% Dow Jones UBS Commodity Index / 7.5% FTSE EPRA/NAREIT Developed Real Estate Index (Net) / 7.0% Barclays U.S. Aggregate Bond Index / 3.0% Barclays U.S. 1-3 Month Treasury Bill Index. This benchmark 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, 2004 Through June 30, 2015**



FISCAL YTD	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	
TF	5.46	10.99	10.28	18.47	0.29	11.73	0.25	-17.78	14.22	7.85	11.83

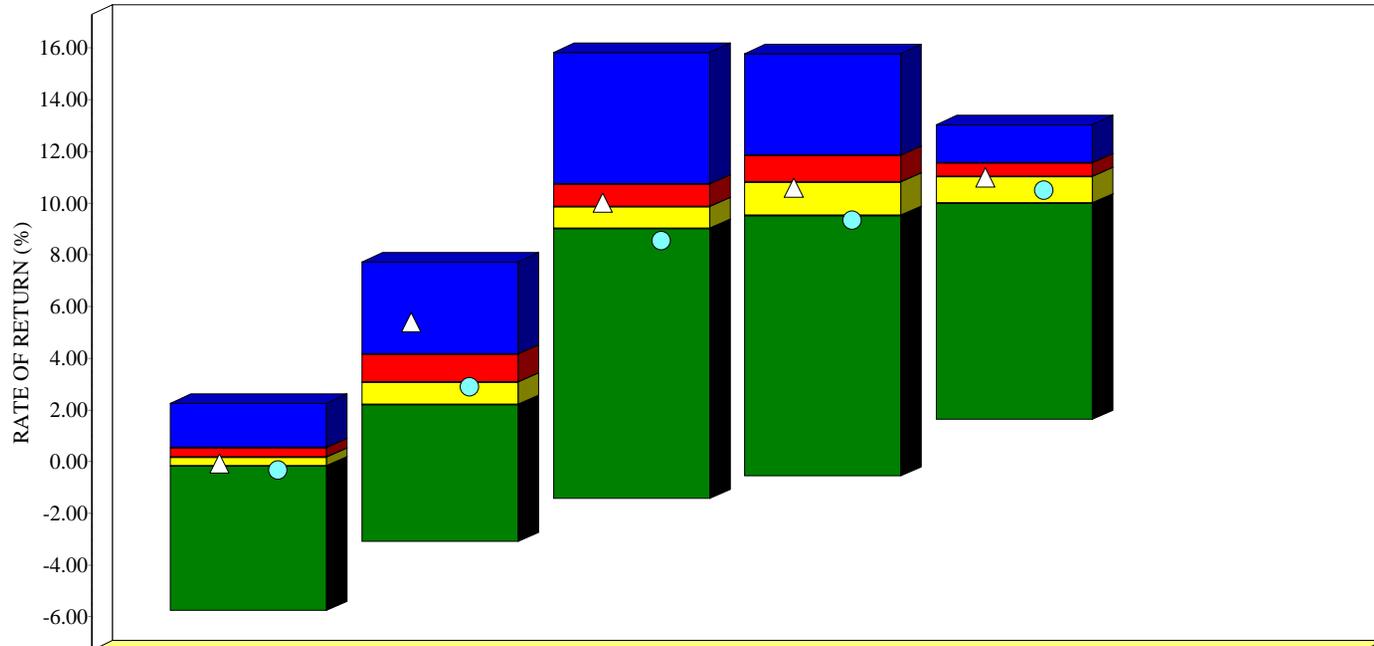
Boynton Beach Police Officers' Retirement Plan
Total Fund
March 31, 2015
Performance Rankings

March 31, 2015	Statistic	Qtr	1 YR	2 YRS	3 YRS	5 YRS
Boynton Beach Pol	Return	2.40%	9.10%	9.70%	9.70%	9.70%
Boynton Beach Pol	Rank	35th	6th	71st	59th	29th

Note: Returns above are gross of fees. For illustrative purposes only.
 *BCA Public Pension Universe contains of 51 clients.



Boynton Beach Police Pension Fund Quartile Ranking Total Fund Versus BNY Mellon Public Funds Universe June 30, 2010 Through June 30, 2015



	<u>LATEST QUARTER</u>		<u>ONE YEAR</u>		<u>TWO YEARS</u>		<u>THREE YEARS</u>		<u>FIVE YEARS</u>	
■ HIGHEST VALUE		2.24		7.71		15.83		15.78		13.04
■ FIRST QUANTILE		0.53		4.14		10.74		11.84		11.54
■ MEDIAN VALUE		0.16		3.08		9.85		10.80		11.03
■ THIRD QUANTILE		-0.18		2.21		9.01		9.51		9.98
■ LOWEST VALUE		-5.78		-3.10		-1.45		-0.58		1.62
MEAN		-0.34		2.92		9.16		9.90		9.93
	<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	-0.07	68	5.40	15	10.02	42	10.60	52	10.99	52
● POLICY BENCHMARK	-0.33	78	2.89	57	8.54	78	9.33	78	10.50	63



**Boynton Beach Police Pension Fund
Total Fund
Growth of a Dollar Analysis
June 30, 2010 Through June 30, 2015**

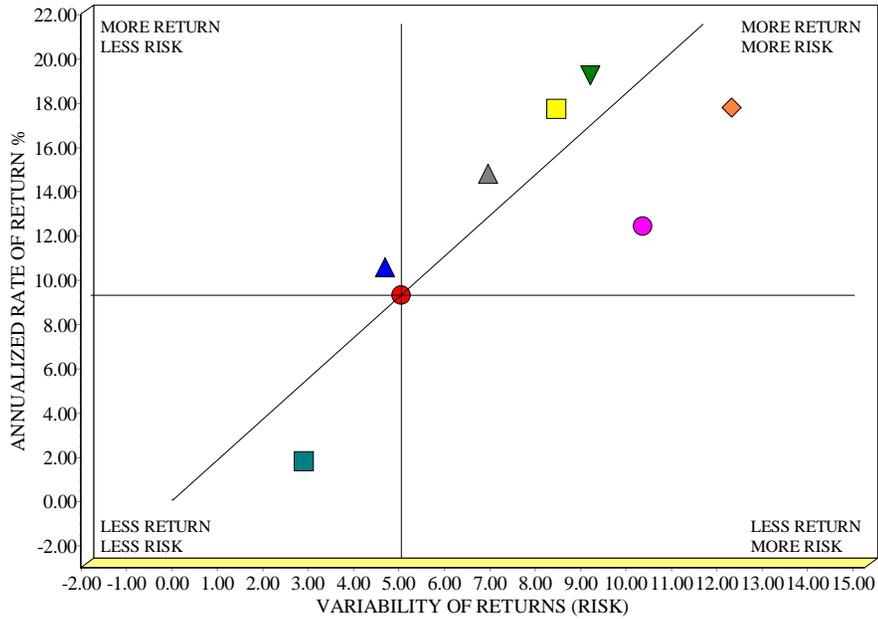


	LATEST QUARTER	ONE YEAR	THREE YEARS	FIVE YEARS
TF	-0.07	5.40	10.60	10.99
POLICY BENCHMARK	-0.33	2.89	9.33	10.50



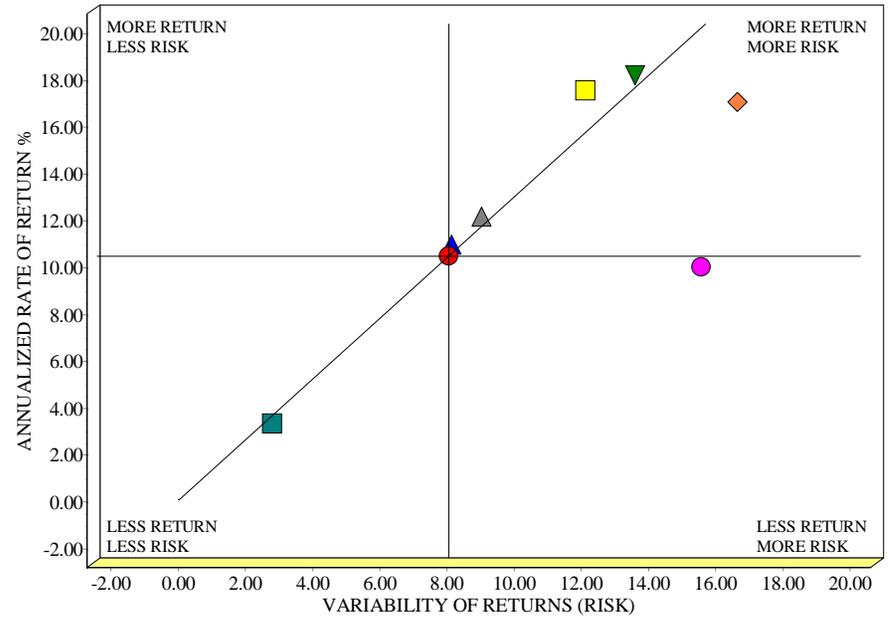
**Boynton Beach Police Pension Fund
Total Fund
Capital Market Line
Period Ending June 30, 2015**

3-Year Risk/Reward



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	10.60	4.69	0.90	2.02	94.59
● POLICY BENCHMARK	9.33	5.05	1.00	0.00	100.00
■ RUSSELL 1000 INDEX	17.73	8.46	1.00	0.00	100.00
▼ RUSSELL MIDCAP	19.26	9.22	1.00	0.00	100.00
◆ RUSSELL 2000	17.81	12.33	1.00	0.00	100.00
▲ ML CNV X144A ALLQUAL	14.81	6.96	1.00	0.00	100.00
● MSCI GROSS EAFE	12.45	10.37	1.00	0.00	100.00
■ BC AGGREGATE	1.83	2.91	1.00	0.00	100.00

5-Year Risk/Reward

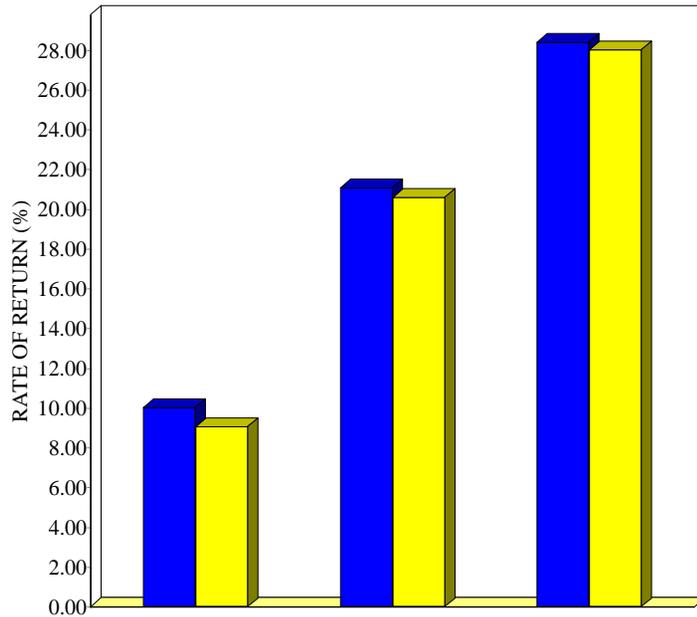


	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	10.99	8.14	1.00	0.45	97.99
● POLICY BENCHMARK	10.50	8.05	1.00	0.00	100.00
■ RUSSELL 1000 INDEX	17.58	12.11	1.00	0.00	100.00
▼ RUSSELL MIDCAP	18.23	13.60	1.00	0.00	100.00
◆ RUSSELL 2000	17.08	16.65	1.00	0.00	100.00
▲ ML CNV X144A ALLQUAL	12.19	9.04	1.00	0.00	100.00
● MSCI GROSS EAFE	10.03	15.58	1.00	0.00	100.00
■ BC AGGREGATE	3.35	2.79	1.00	0.00	100.00



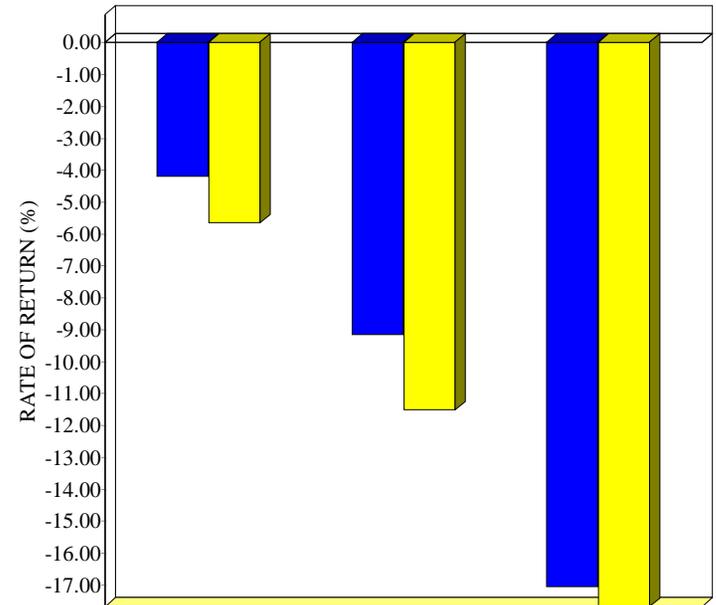
Boynton Beach Police Pension Fund
Total Fund
Performance in Rising and Declining Markets
June 30, 2010 Through June 30, 2015

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	10.03	21.07	28.39
POLICY BENCHMARK	9.08	20.59	28.03
DIFFERENCE	0.95	0.48	0.36
RATIO	1.10	1.02	1.01
UP PERIODS	6	25	40

DOWN MARKET PERFORMANCE



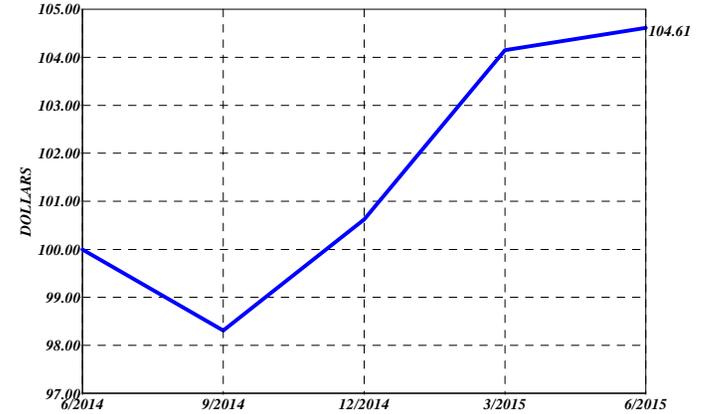
	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-4.21	-9.18	-17.06
POLICY BENCHMARK	-5.67	-11.53	-17.69
DIFFERENCE	1.46	2.35	0.63
RATIO	0.74	0.80	0.96
DOWN PERIODS	6	11	20



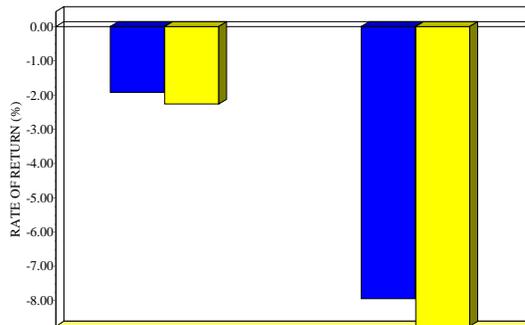
Boynton Beach Police Pension Fund RTC Multi Asset Core Fd Performance Profile Period Ending June 30, 2015

PERIOD	RETURN	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	4.61	1.03	2.77	7.04	0.65

	QTD	ONE YEAR
TOTAL FUND	0.45	4.61
MULTI-ASSET INDEX	-0.44	1.72
EXCESS	0.89	2.89
RISKLESS INDEX	0.01	0.02
REAL ROR	-0.66	4.50

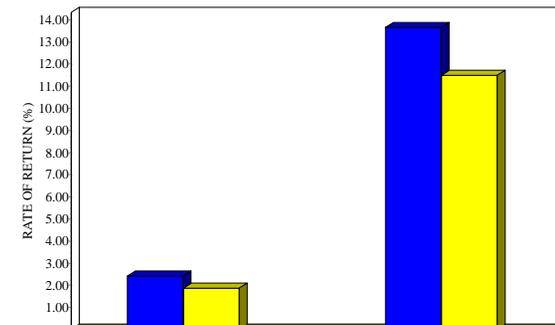


DOWN MARKET PERFORMANCE



	QTD	ONE YEAR
TOTAL FUND	-1.94	-7.96
MULTI-ASSET INDEX	-2.27	-8.76
DIFFERENCE	0.33	0.80
RATIO	0.85	0.91
DOWN PERIODS	1	6

UP MARKET PERFORMANCE

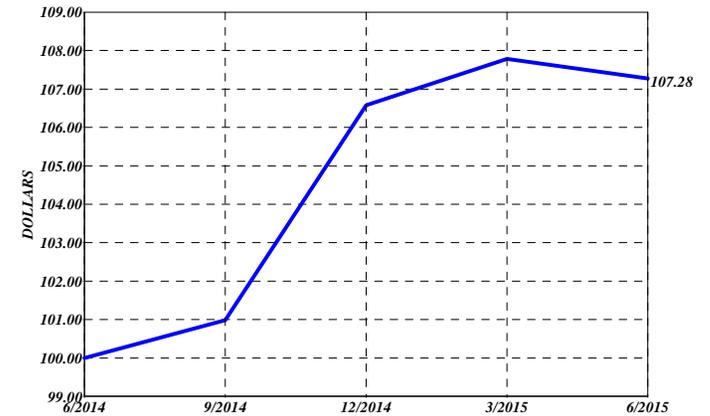


	QTD	ONE YEAR
TOTAL FUND	2.43	13.66
MULTI-ASSET INDEX	1.87	11.49
DIFFERENCE	0.56	2.17
RATIO	1.30	1.19
UP PERIODS	2	6

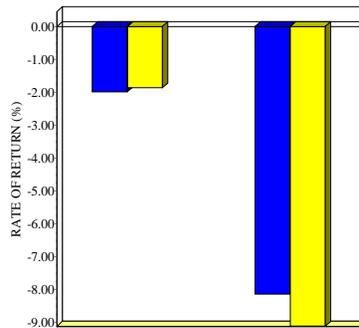
Boynton Beach Police Pension Fund RTC Russell Lg Cap Defensive Eq Fd Performance Profile Period Ending June 30, 2015

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	7.28	51	0.91	0.53	8.23	0.88

	QTD	ONE YEAR
RTC RUSSELL LG CAP DEFEN	-0.48	7.28
RUSSELL 1000 INDEX	0.11	7.37
EXCESS	-0.59	-0.09
RISKLESS INDEX	0.01	0.02
REAL ROR	-1.58	7.07

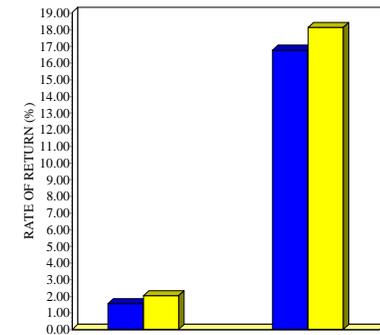


DOWN MARKET PERFORMANCE



	QTD	ONE YEAR
RTC RUSSELL LG CAP DEFENSIVE EQ FD	-1.99	-8.14
RUSSELL 1000 INDEX	-1.88	-9.12
DIFFERENCE	-0.12	0.98
RATIO	1.06	0.89
DOWN PERIODS	1	6

UP MARKET PERFORMANCE

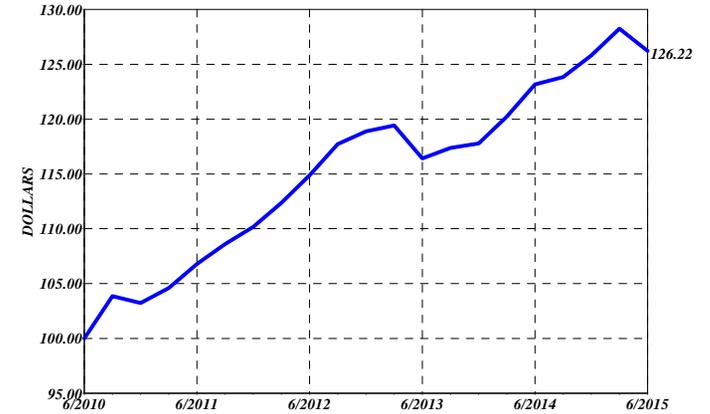


	QTD	ONE YEAR
RTC RUSSELL LG CAP DEFENSIVE EQ FD	1.55	16.79
RUSSELL 1000 INDEX	2.03	18.14
DIFFERENCE	-0.48	-1.36
RATIO	0.76	0.93
UP PERIODS	2	6

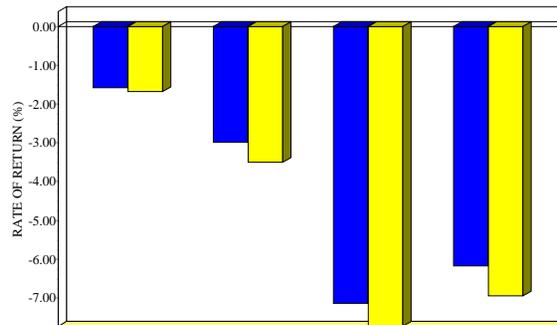
Boynton Beach Police Pension Fund RTC Multi Mgr Bond Fund Performance Profile Period Ending June 30, 2015

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	2.50	12	0.99	0.65	3.11	0.80
THREE YEARS	3.19	33	1.05	1.25	3.12	1.00
FIVE YEARS	4.77	32	0.98	1.44	2.95	1.59

	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-1.58	2.50	3.19	4.77
FIXED INCOME BNCH	-1.68	1.86	1.83	3.35
EXCESS	0.10	0.64	1.36	1.42
RISKLESS INDEX	0.01	0.02	0.06	0.08
REAL ROR	-2.69	2.34	1.91	2.89

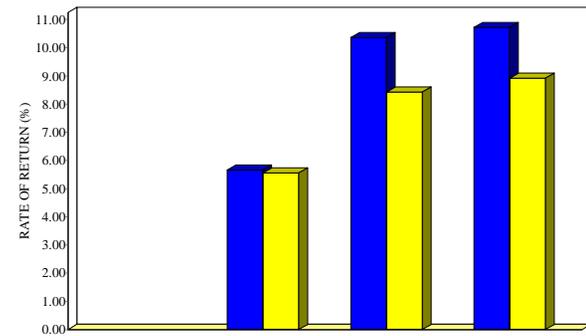


DOWN MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-1.58	-3.00	-7.15	-6.19
FIXED INCOME BNCH	-1.68	-3.51	-7.74	-6.96
DIFFERENCE	0.10	0.51	0.59	0.77
RATIO	0.94	0.85	0.92	0.89
DOWN PERIODS	3	6	14	20

UP MARKET PERFORMANCE

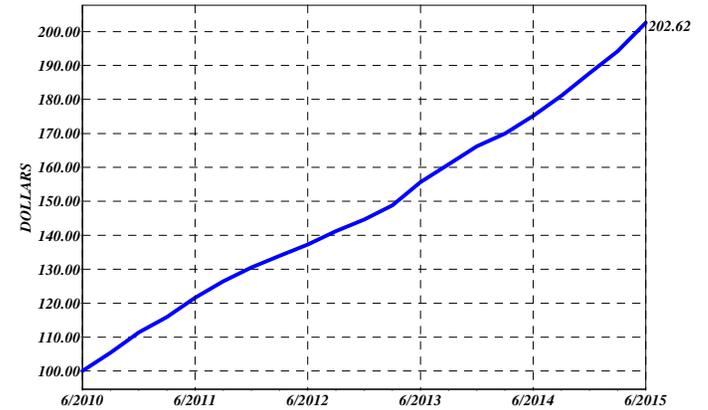


	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	N/A	5.66	10.37	10.72
FIXED INCOME BNCH	N/A	5.56	8.43	8.92
DIFFERENCE	N/A	0.10	1.94	1.80
RATIO	N/A	1.02	1.23	1.20
UP PERIODS	0	6	22	40

Boynton Beach Police Pension Fund RTC Real Estate Equity Fd Performance Profile Period Ending June 30, 2015

PERIOD	RETURN	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	15.67	1.07	0.02	6.10	2.56
THREE YEARS	13.86	1.08	-0.07	5.55	2.49
FIVE YEARS	15.17	1.06	-0.05	6.18	2.44

	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	4.34	15.67	13.86	15.17
REAL ESTATE BNCH	3.92	14.63	12.91	14.29
EXCESS	0.42	1.05	0.94	0.88
RISKLESS INDEX	0.01	0.02	0.06	0.08
REAL ROR	3.21	15.57	12.48	13.14

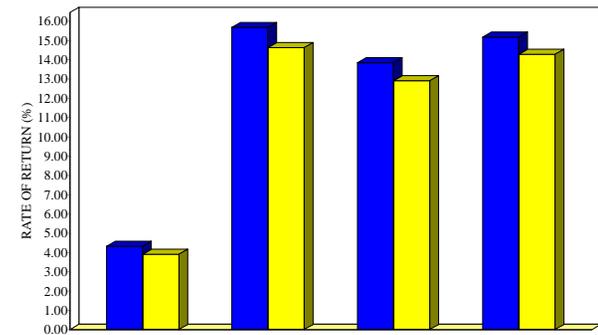


DOWN MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	N/A	N/A	N/A	N/A
REAL ESTATE BNCH	N/A	N/A	N/A	N/A
DIFFERENCE	N/A	N/A	N/A	N/A
RATIO	N/A	N/A	N/A	N/A
DOWN PERIODS	0	0	0	0

UP MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	4.34	15.67	13.86	15.17
REAL ESTATE BNCH	3.92	14.63	12.91	14.29
DIFFERENCE	0.42	1.05	0.94	0.88
RATIO	1.11	1.07	1.07	1.06
UP PERIODS	3	12	36	60

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. 19



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.

11. For a free copy of Part II (mailed w/i 5 bus. days from request receipt) of Burgess Chambers & Associates, Inc.'s most recent Form ADV which details pertinent business procedures, please contact: 315 East Robinson Street Suite #690, Orlando, Florida 32801, 407-644-0111, info@burgesschambers.com.



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