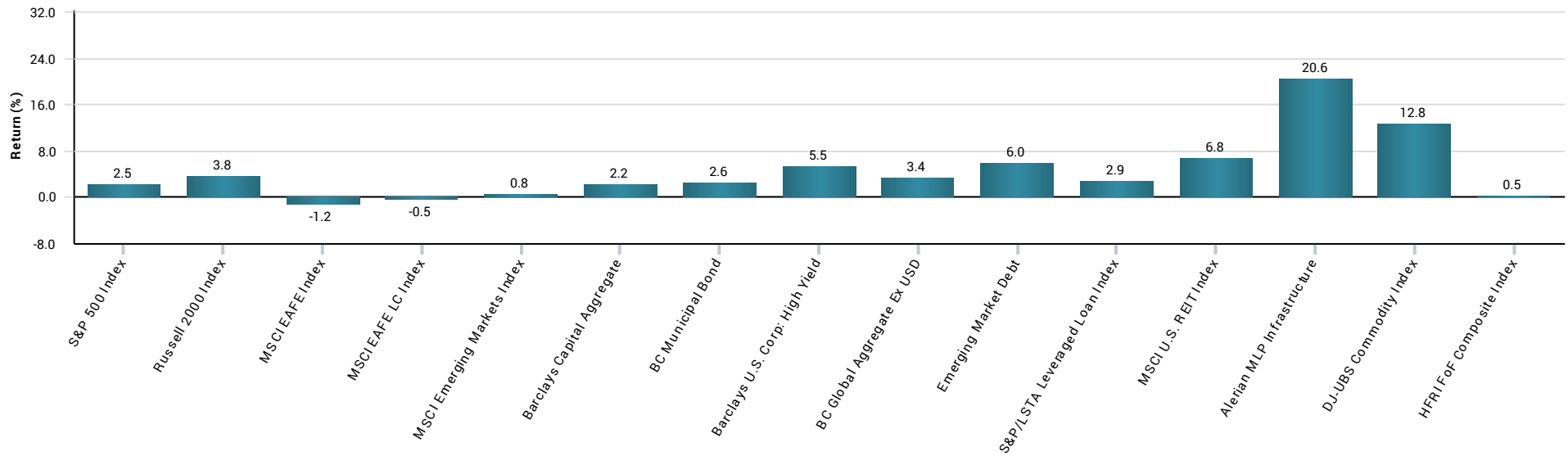


Boynton Beach Police Pension Fund

Investment Performance Period Ending June 30, 2016

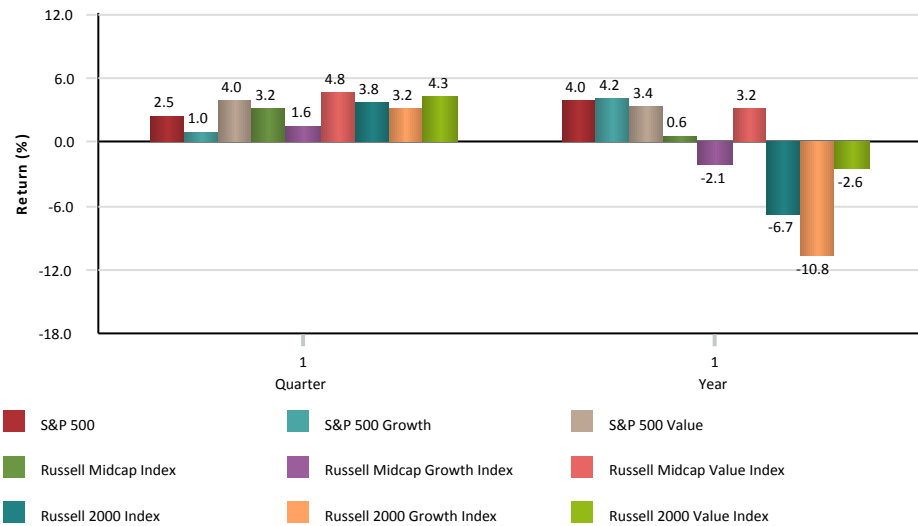
The following investment information was prepared by BCA, relying upon data from statements provided by the plan custodian and/or investment manager(s).
BCA reviews transactions provided by the custodian and uses reasonable care to ensure the accuracy of the data contained herein.
However, BCA cannot guarantee the accuracy of the custodian's statement.





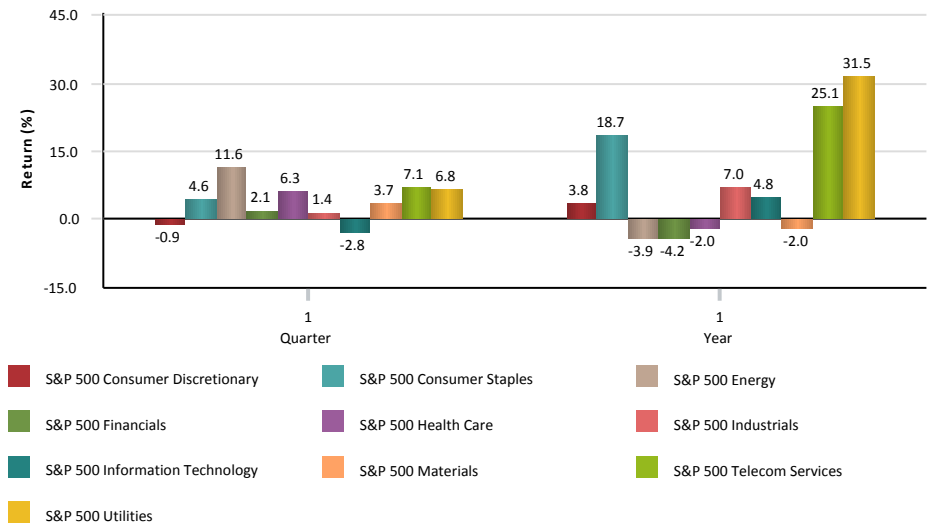
Source: Investment Metrics, LLC

US Market Indices Performance



Source: Investment Metrics, LLC

US Market Sector Performance

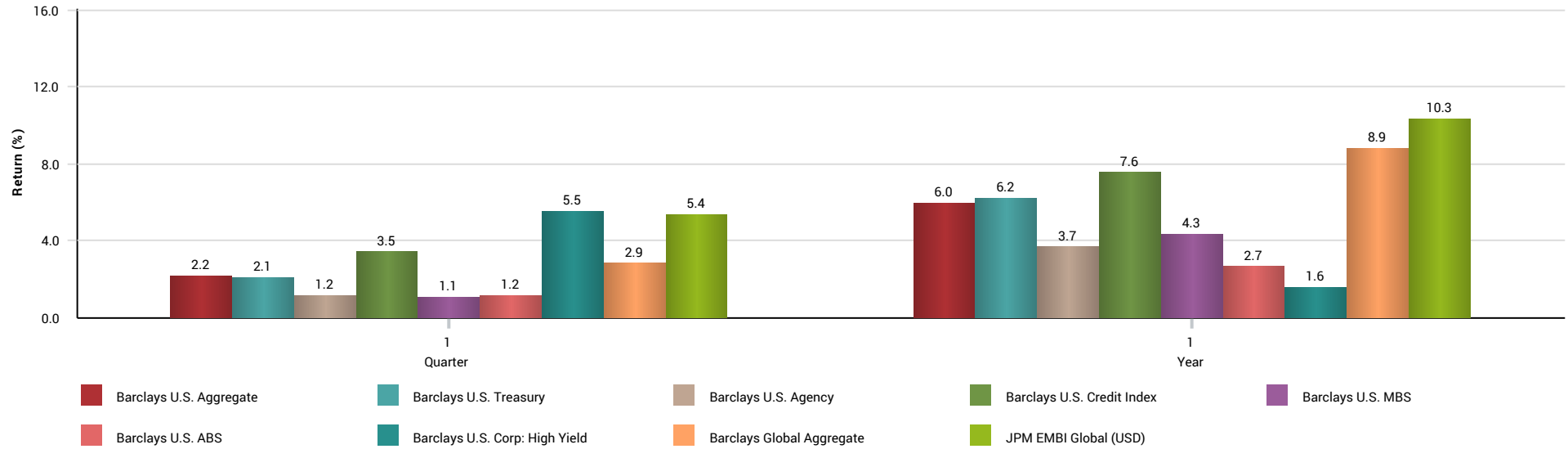


Source: Investment Metrics, LLC

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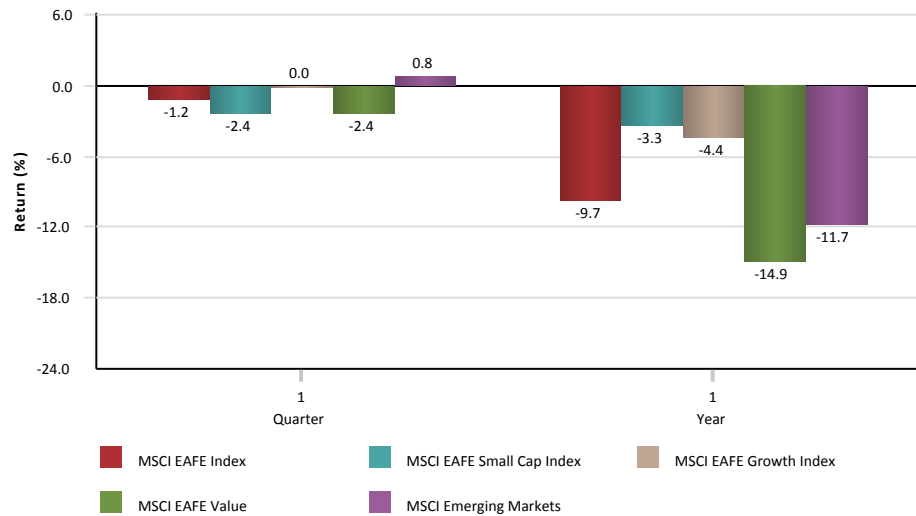


Fixed Income Market Sector Performance



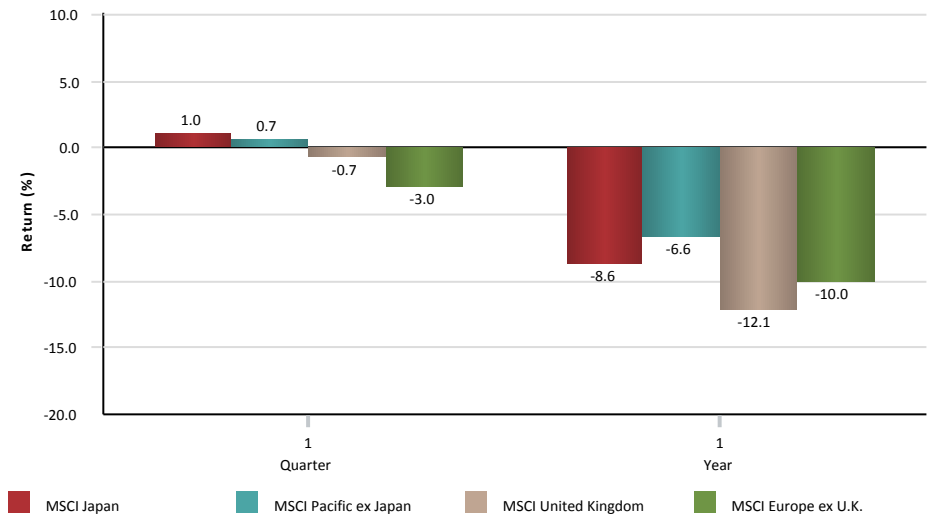
Source: Investment Metrics, LLC

Intl Equity Indices Performance



Source: Investment Metrics, LLC

Intl Equity Region Performance



Source: Investment Metrics, LLC



**Boynton Beach Police Pension Fund
BCA Market Perspective ©
Winner Take All**

Burgess B. Chambers
July 2016

Global competition has moved to a level of winner take all. What does it mean when depositors in Japan and Germany are faced with losing money because of negative interest rates? Why are the major central banks driving down their currency values and using every means available? Why is it that the US, Japan, China and Eurozone are unwilling to coordinate economic policies? The answer is competition. There is an intense fight underway among the major economies to prevent bank failures, maintain competitive pricing of products, grow tax revenues, and promote employment. As business formation declines accelerated in recent years, job growth has slowed.

Once upon a time we had normal interest rates and government fiscal policies that promoted economic growth. Once upon a time we relied upon a Federal Reserve Bank to maintain a banking environment seeking full employment through credit expansion. And there was a time when central banks coordinated policies in order to promote global growth, expand employment, manage inflation and restrict currency manipulation. Those were the good old days.

Japan had a great 20 year economic run that began in 1974 and has been faced with an aging society and negative population growth for the past 15 years. China has perfected the Japanese model and amassed unprecedented wealth and industrialization in the past 12 years. The Eurozone, conceived by Germany, came into existence 17 years ago to simplify the commercial barriers caused by borders, visas, conflicting laws, unstable currencies, and banking regulations. Germany supported the weaker members (Greece, Italy, and Spain) becoming debtor countries – as this new found borrowed money promoted economic prosperity in southern Europe. This wealth effect meant more people would buy German cars and trucks. And that is what actually happened! But the Eurozone has lost its luster. The debt used to fuel prosperity has become a burden that is expensive to manage – in the face of high unemployment over the past seven years and slowing growth.

The US and China represent the top two positions in the race for economic prosperity and dominance. India and Southeast Asia deserve mention, as these regions are attracting investment for new infrastructure and provide a highly educated and skilled working class. The Eurozone's model will continue to decline – as southern Europe struggles with high unemployment and making room for the large influx of poor refugees, primarily children.

Being the world's second oldest democracy and the second largest commercial banking center, the UK has once again set sail for greener pastures – as it has done so many times before. Leaving the Eurozone allows Britain to better define and control its economic future and not be under the control of a centralized economy and government.



**Boynton Beach Police Pension Fund
Total Fund
Investment Summary
June 30, 2016**

- Through the first half of 2016, investors have been faced with global economic instability and negative rates, an uncertain U.S. political landscape, a changing Fed stance on raising rates and, most recently, Brexit. The noises masked a modestly strong return for the S&P 500 Index, which was up 3.8% through June 30th. The continued theme on Wall Street was flight to quality, pushing 10-year treasury yields to 1.37% from 2.24%, with utility companies up nearly 25%.
- For the quarter, the Fund experienced an investment gain of +3.3% gross (or +3.1% net; +\$2.7 million), well ahead of the Policy Benchmark (+2.2%). The best performing asset category was the Multi-Asset Core fund (+3.5%).
- For the fiscal year-to-date, the Fund earned \$6.4 million or +8.3% gross (+7.8% net). This exceeded the Policy Benchmark by approximately 1.1% and ranked in the top 4th percentile.
- The best performing asset category for the fiscal year-to-date was the Russell Large Cap Defensive Equity Fund (+12.8%).
- **For the three-year period, the Fund earned \$18.5 million or +8.3% (7.5% net)**
- **For the five-year period, the Fund earned \$26.5 million or +7.5% (+6.7% net)**



**Boynton Beach Police Pension Fund
Total Fund
Investment Policy Review
June 30, 2016**

| | <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 checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input 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 (Actual: +7.5%). | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | | |
| Multi Asset Core annualized three-year performance achieved the multi-asset benchmark. | <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 56.0% which did not exceed 70% of Fund's assets at market value. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Foreign equity investments were 21.8% (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 30.7% (at market) within the 30% minimum limitation. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Asset allocation among alternatives was 12.8% (at market) within the 20% maximum limitation. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

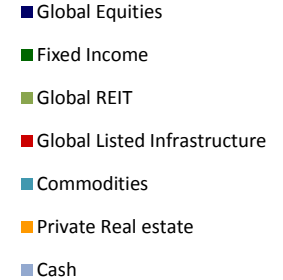
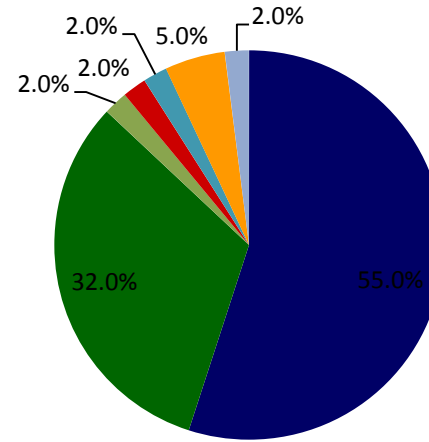
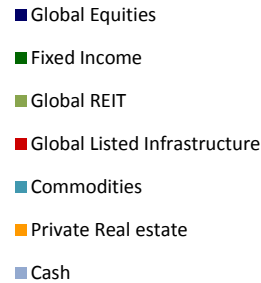
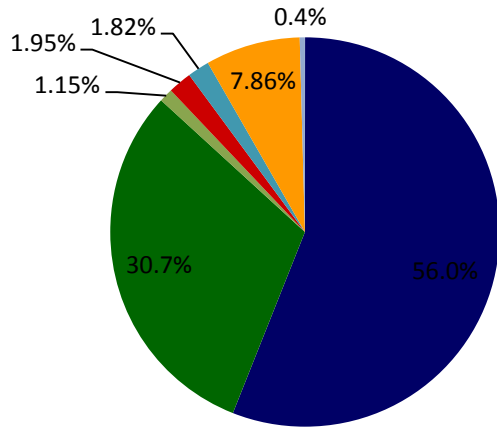


**Boynton Beach Police Pension Fund
Investment Performance - Net
June 30, 2016**

| | <u>Quarter</u> | <u>Fiscal Year</u> | <u>One Year</u> | <u>Three Years</u> | <u>Five Years</u> |
|------------------------|----------------|--------------------|-----------------|--------------------|-------------------|
| Beginning Market Value | 83,450,040 | 78,037,731 | 80,967,512 | 66,902,413 | 56,433,730 |
| Contributions | -1,444,697 | 195,792 | -317,824 | -752,172 | 1,703,856 |
| Gain/Loss | 2,663,310 | 6,435,130 | 4,018,964 | 18,518,411 | 26,531,066 |
| Ending Market Value | 84,668,652 | 84,668,652 | 84,668,652 | 84,668,652 | 84,668,652 |
| Total Fund (%) | 3.1 | 7.8 | 4.3 | 7.5 | 6.7 |
| Policy Benchmark (%) | 2.2 | 7.2 | 2.5 | 6.5 | 6.6 |



**Boynton Beach Police Pension Fund
Total Fund
June 30, 2016
Actual vs. Target Asset Allocation**

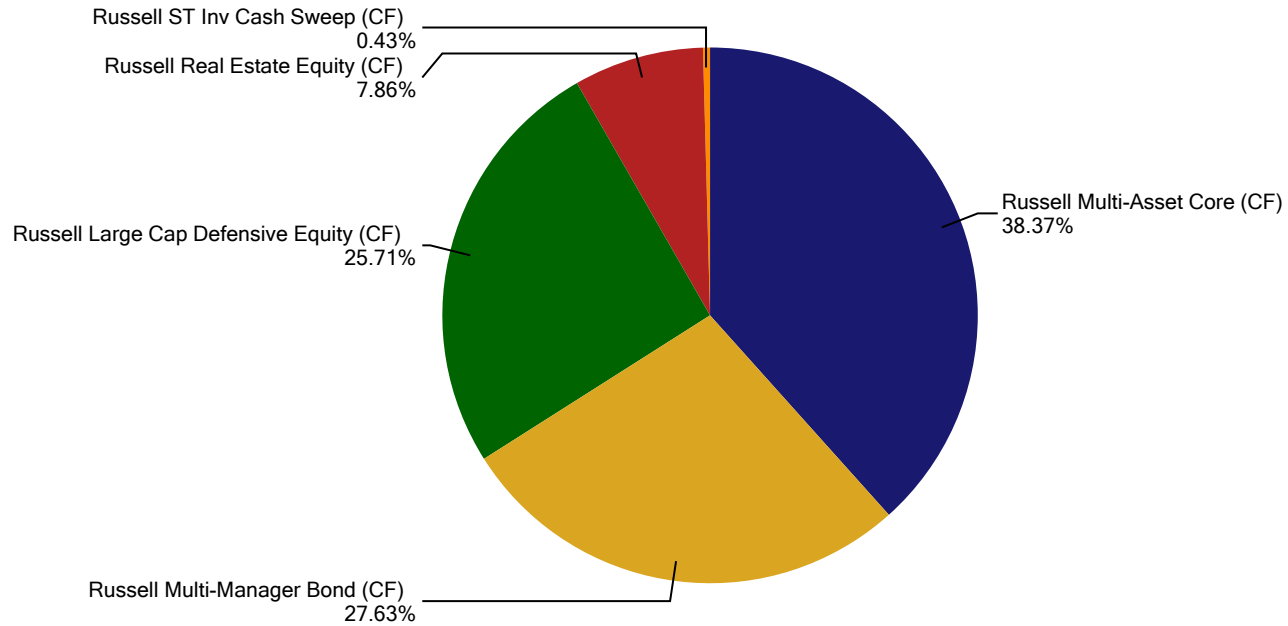


| | | MV (\$) | Current | Target | Difference |
|-------------------------------------|----|-------------------|---------------|---------------|-------------|
| Global Equities | \$ | 47,446,138 | 56.0% | 55.0% | 1.0% |
| Fixed Income | \$ | 26,035,253 | 30.7% | 32.0% | -1.3% |
| Global REIT | \$ | 973,885 | 1.15% | 2.0% | -0.8% |
| Global Listed Infrastructure | \$ | 1,653,897 | 1.95% | 2.0% | 0.0% |
| Commodities | \$ | 1,541,509 | 1.82% | 2.0% | -0.2% |
| Private Real estate | \$ | 6,654,575 | 7.86% | 5.0% | 2.9% |
| Cash | \$ | 363,396 | 0.4% | 2.0% | -1.6% |
| Total | | 84,668,653 | 100.0% | 100.0% | 0.0% |

Total International = 21.8% (This calculation includes foreign equity, REIT, listed infrastructure, and fixed income)

Boynton Beach Police Pension Fund Asset Allocation

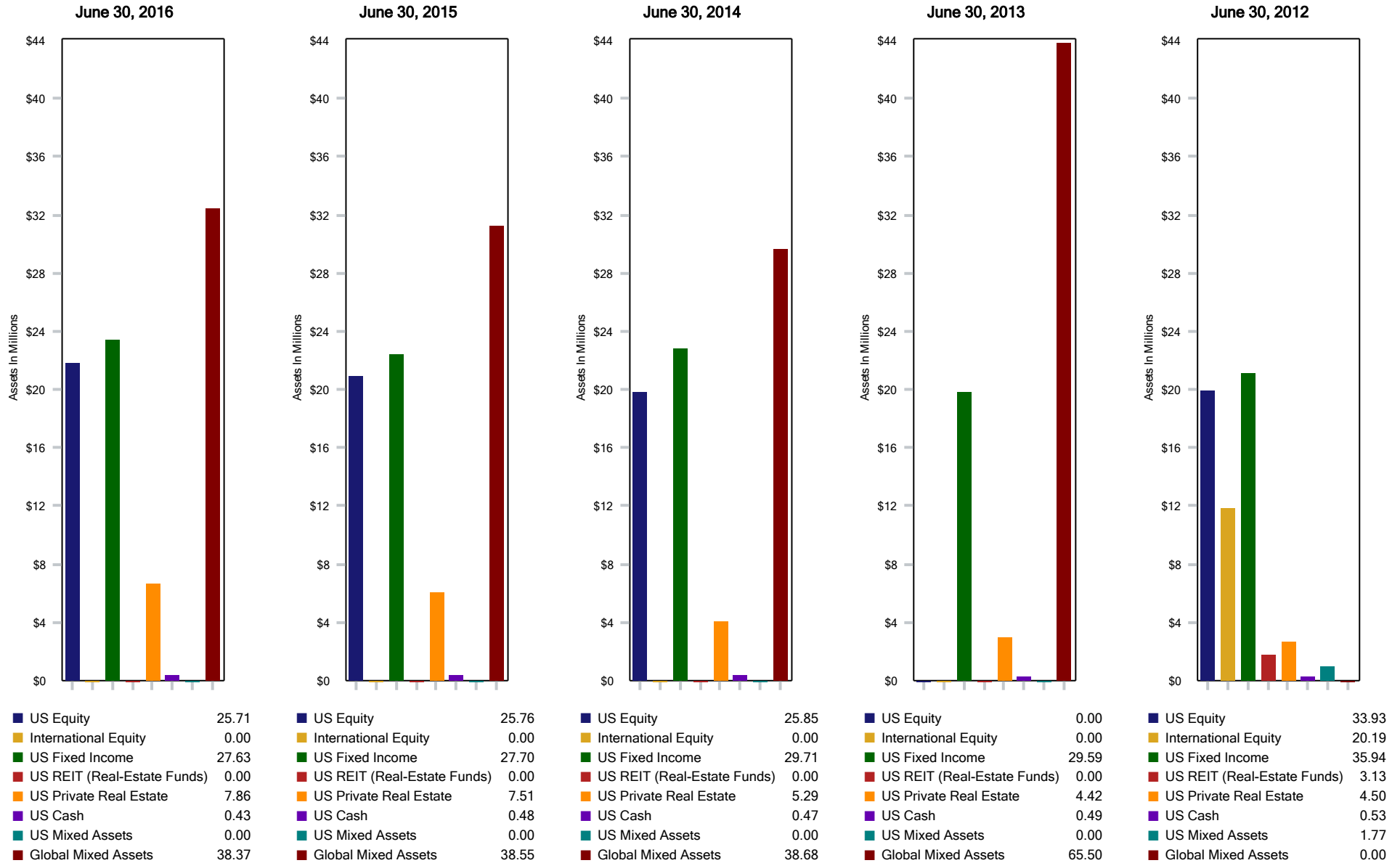
June 30, 2016 : 84,668,652



| | <u>Market Value \$</u> | <u>Allocation (%)</u> |
|---|------------------------|-----------------------|
| ■ Russell Multi-Asset Core (CF) | 32,486,520 | 38.37 |
| ■ Russell Multi-Manager Bond (CF) | 23,397,652 | 27.63 |
| ■ Russell Large Cap Defensive Equity (CF) | 21,766,510 | 25.71 |
| ■ Russell Real Estate Equity (CF) | 6,654,575 | 7.86 |
| ■ Russell ST Inv Cash Sweep (CF) | 363,396 | 0.43 |



Boynton Beach Police Pension Fund Historical Asset Allocation June 30, 2016



Boynton Beach Police Pension Fund
Asset Allocation & Performance
June 30, 2016

| | Market Value | QTD ROR - Rank | FYTD ROR - Rank | 1 Year ROR - Rank | 3 Year ROR - Rank | 5 Year ROR - Rank |
|--|-------------------|-------------------|--------------------|----------------------|----------------------|----------------------|
| Total Fund | 84,668,652 | 3.3 (3) | 8.3 (4) | 5.1 (2) | 8.3 (4) | 7.5 (15) |
| Policy Benchmark | | 2.2 | 7.2 | 2.5 | 6.5 | 6.6 |
| Russell Large Cap Defensive Equity (CF) | 21,766,510 | 3.2 | 12.8 | 8.6 | N/A | N/A |
| Russell 1000 Index | | 2.5 | 10.5 | 2.9 | 11.5 | 11.9 |
| Russell Multi-Asset Core (CF) | 32,486,520 | 3.5 | 7.3 | 0.3 | 7.3 | N/A |
| Multi-Asset Core Composite Index | | 2.1 | 6.3 | -2.1 | 5.8 | N/A |
| Russell Multi-Manager Bond (CF) | 23,397,652 | 3.2 (29) | 5.9 (23) | 7.0 (17) | 5.1 (23) | 4.8 (38) |
| Fixed Income Benchmark | | 2.2 | 4.7 | 6.0 | 4.1 | 3.8 |
| Russell ST Inv Cash Sweep (CF) | 363,396 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 |
| BofA Merrill Lynch 3 Month U.S. T-Bill | | 0.1 | 0.2 | 0.2 | 0.1 | 0.1 |
| Russell Real Estate Equity (CF) | 6,654,575 | 2.6 | 7.5 | 11.0 | 13.1 | 13.1 |
| Real Estate Benchmark | | 2.2 | 8.3 | 12.2 | 13.0 | 12.7 |

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 Interm Aggregate + 5% Lehman Interm TIPS; from Jul'02 was 60% S&P 500 + 35 LB Gov't/Credit.

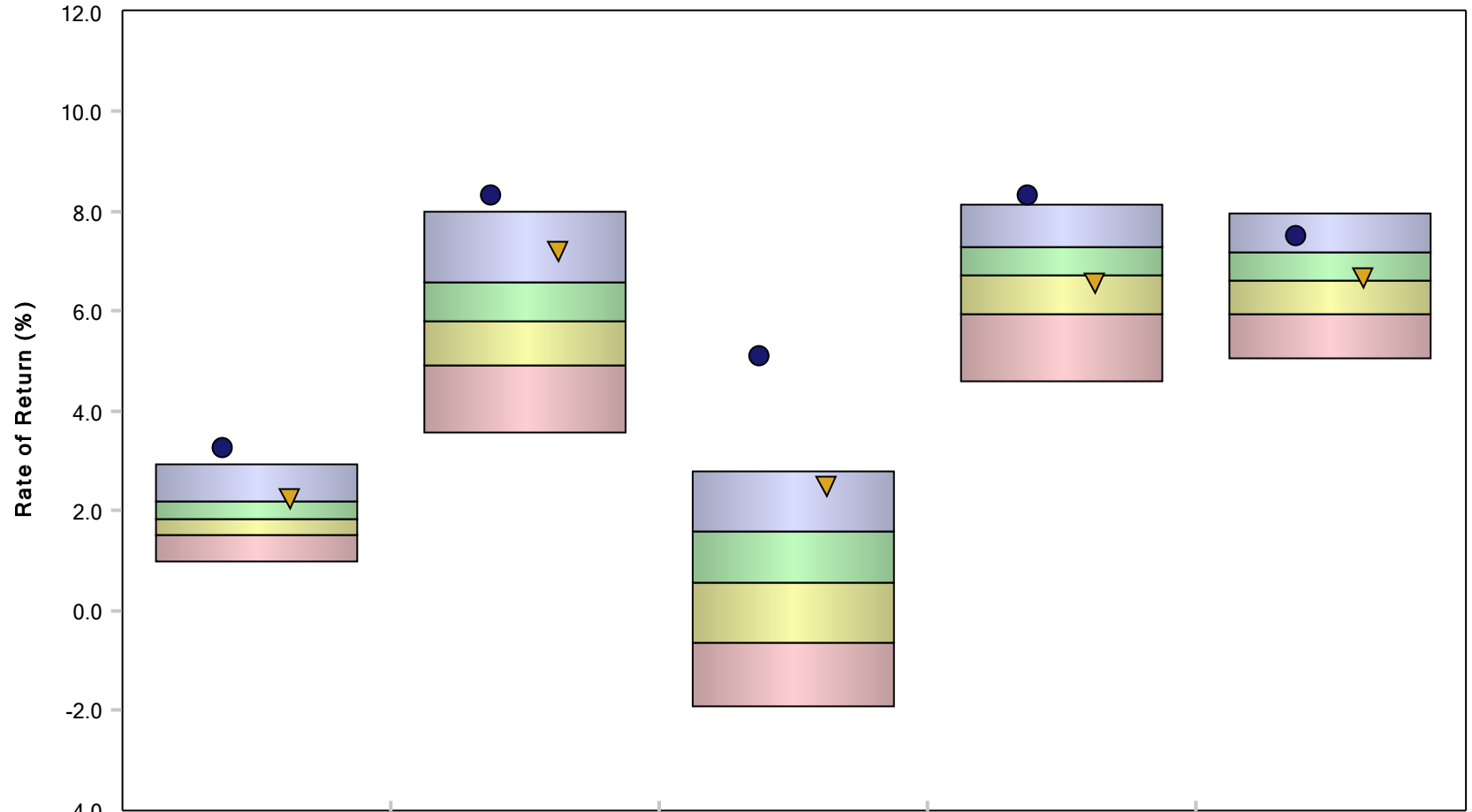
2 The Multi-Asset Core Composite Benchmark: 75.0% Russell World Cap 50% Hedged Net Index / 7.5% Dow Jones UBS Commodity Index / 7.5% FTSE EPRA/NAREIT Developed Real Estate Index (Net) / 7.0% Barclays U.S. Aggregate Bond Index / 3.0% Barclays U.S. 1-3 Month Treasury Bill Index. This benchmark is appropriate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

3 Fixed Income Benchmark (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.

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



**Boynton Beach Police Pension Fund
Peer Universe Quartile Ranking
June 30, 2016**

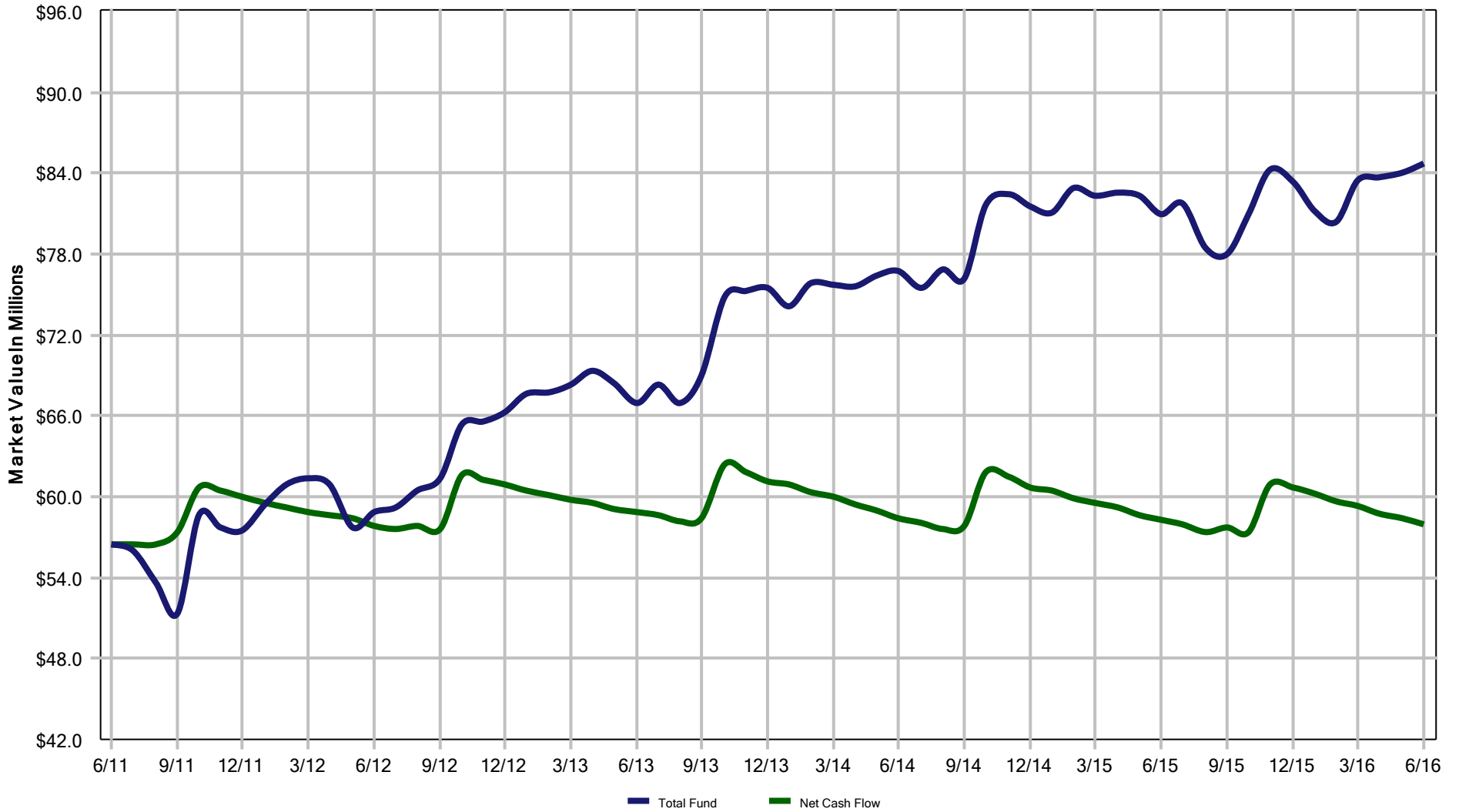


| | <u>Quarter</u> | <u>Fiscal Year</u> | <u>One Year</u> | <u>Three Years</u> | <u>Five Years</u> |
|--------------------|----------------|--------------------|-----------------|--------------------|-------------------|
| ● Total Fund | 3.3 (3) | 8.3 (4) | 5.1 (2) | 8.3 (4) | 7.5 (15) |
| ▼ Policy Benchmark | 2.2 (24) | 7.2 (12) | 2.5 (9) | 6.5 (57) | 6.6 (49) |
| 5th Percentile | 3.0 | 8.0 | 2.8 | 8.1 | 8.0 |
| 1st Quartile | 2.2 | 6.6 | 1.6 | 7.3 | 7.2 |
| Median | 1.8 | 5.8 | 0.6 | 6.7 | 6.6 |
| 3rd Quartile | 1.5 | 4.9 | -0.6 | 6.0 | 6.0 |
| 95th Percentile | 1.0 | 3.6 | -1.9 | 4.6 | 5.1 |

Parentheses contain percentile rankings.
Calculation based on quarterly data.



**Boynton Beach Police Pension Fund
Growth of Investments
July 1, 2011 Through June 30, 2016**

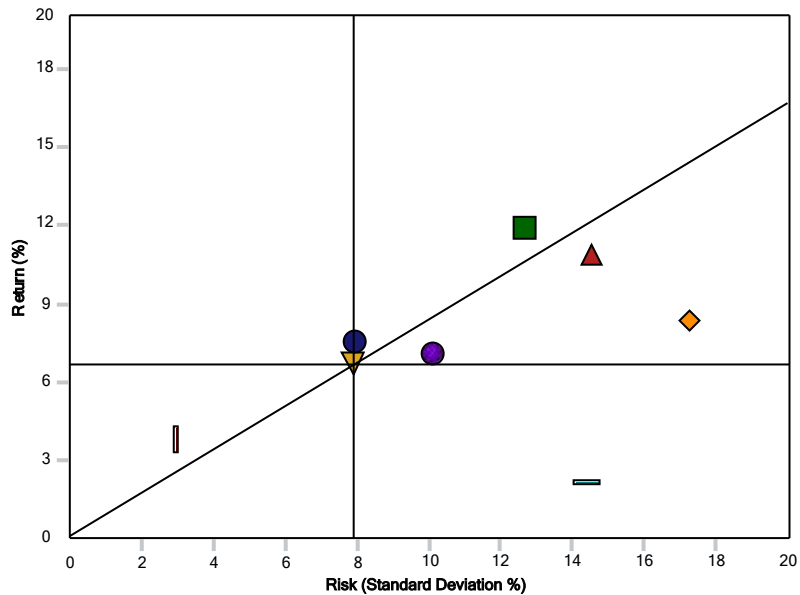


| <u>Beginning MV</u> | <u>Ending MV</u> | <u>Annualized ROR</u> |
|---------------------|------------------|-----------------------|
| \$56,433,730 | \$84,668,652 | 7.5 |



Boynton Beach Police Pension Fund Capital Market Line Period Ending June 30, 2016

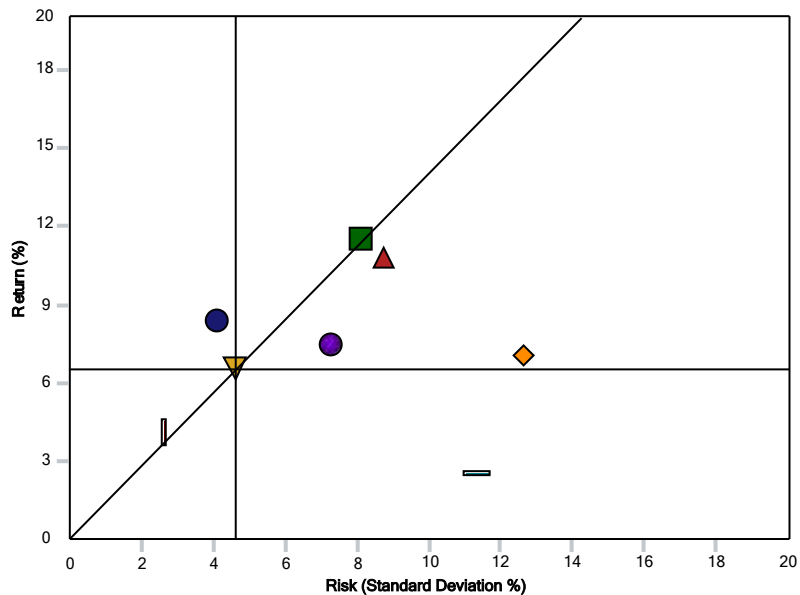
5 Years Risk/Reward



5 Years Statistics

| | Return | Standard Deviation | Beta | Alpha |
|-------------------------------|--------|--------------------|-------|-------|
| Total Fund | 7.50 | 7.98 | 0.99 | 0.91 |
| Policy Benchmark | 6.64 | 7.91 | 1.00 | 0.00 |
| Russell 1000 Index | 11.88 | 12.71 | 1.54 | 1.78 |
| Russell Midcap Index | 10.90 | 14.53 | 1.78 | -0.53 |
| Russell 2000 Index | 8.35 | 17.24 | 2.02 | -4.00 |
| ML All Conv Ex. 144A AQ Index | 7.06 | 10.13 | 1.19 | -0.71 |
| MSCI EAFE Index | 2.15 | 14.43 | 1.61 | -7.51 |
| Barclays Aggregate Index | 3.76 | 2.94 | -0.09 | 4.44 |

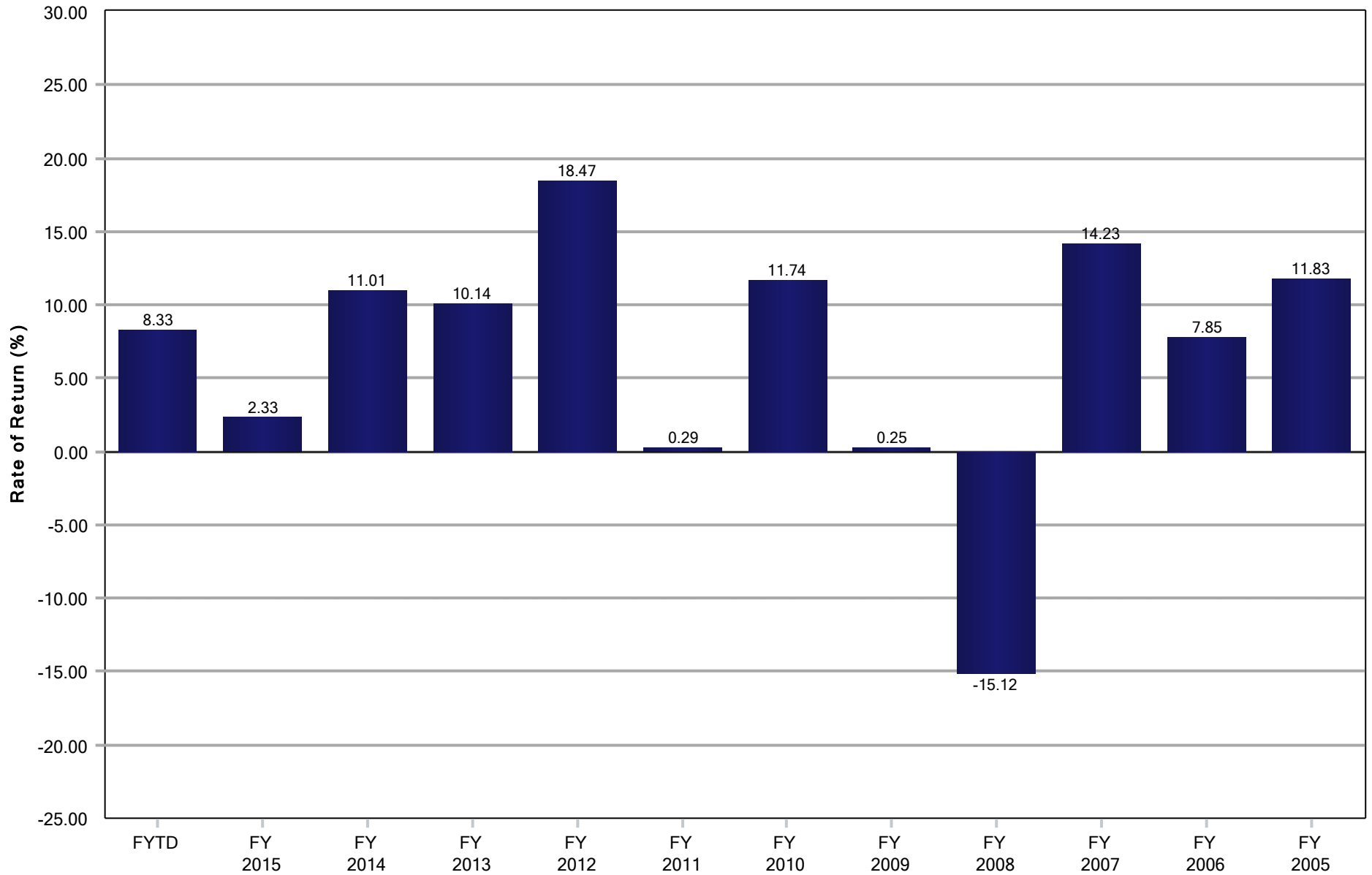
3 Years Risk/Reward



3 Years Statistics

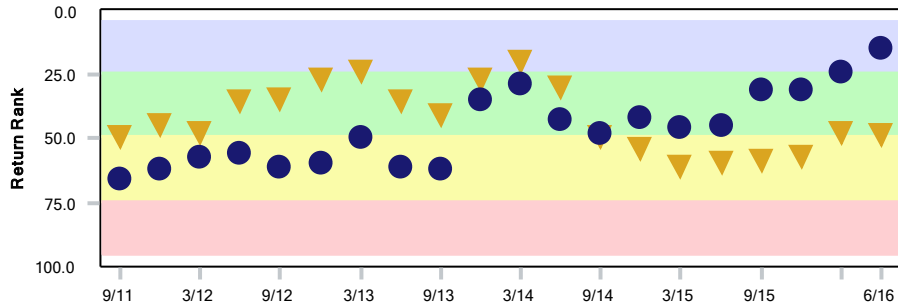
| | Return | Standard Deviation | Beta | Alpha |
|-------------------------------|--------|--------------------|------|-------|
| Total Fund | 8.32 | 4.15 | 0.84 | 2.70 |
| Policy Benchmark | 6.54 | 4.65 | 1.00 | 0.00 |
| Russell 1000 Index | 11.48 | 8.13 | 1.57 | 1.12 |
| Russell Midcap Index | 10.80 | 8.72 | 1.79 | -0.87 |
| Russell 2000 Index | 7.09 | 12.65 | 2.32 | -7.18 |
| ML All Conv Ex. 144A AQ Index | 7.40 | 7.27 | 1.41 | -1.66 |
| MSCI EAFE Index | 2.52 | 11.37 | 2.04 | -9.72 |
| Barclays Aggregate Index | 4.06 | 2.60 | 0.06 | 3.67 |

Boynton Beach Police Pension Fund
Fiscal Year Rates of Return
June 30, 2016



Boynton Beach Police Pension Fund Total Fund June 30, 2016

5 Years Rolling Percentile Ranking - 5 Years

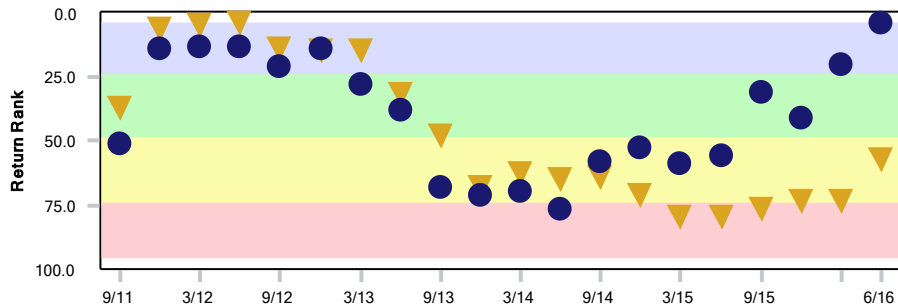


| | Periods | 5 - 25 | 25 - 50 | 50 - 75 | 75 - 95 |
|--------------------|---------|---------|----------|---------|---------|
| ● Total Fund | 20 | 2 (10%) | 10 (50%) | 8 (40%) | 0 (0%) |
| ▼ Policy Benchmark | 20 | 2 (10%) | 13 (65%) | 5 (25%) | 0 (0%) |

Growth of a Dollar

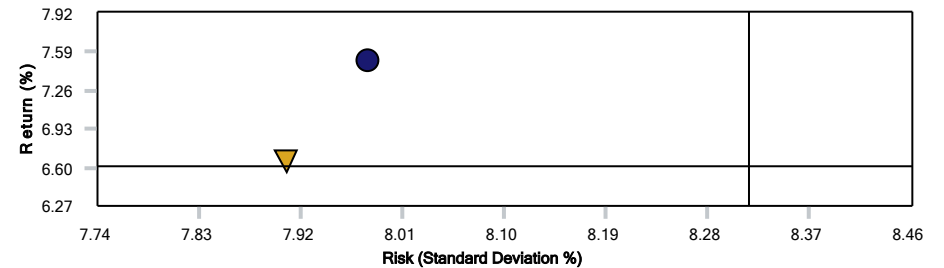


3 Years Rolling Percentile Ranking - 5 Years



| | Periods | 5 - 25 | 25 - 50 | 50 - 75 | 75 - 95 |
|--------------------|---------|---------|---------|---------|---------|
| ● Total Fund | 20 | 7 (35%) | 4 (20%) | 8 (40%) | 1 (5%) |
| ▼ Policy Benchmark | 20 | 6 (30%) | 3 (15%) | 8 (40%) | 3 (15%) |

Peer Group Risk/Reward - 5 Years



| | Return | Standard Deviation |
|--------------------|--------|--------------------|
| ● Total Fund | 7.50 | 7.98 |
| ▼ Policy Benchmark | 6.64 | 7.91 |
| — Median | 6.60 | 8.32 |

Historical Statistics - 5 Years

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Total Fund | 7.50 | 7.98 | 0.91 | 0.99 | 0.95 | 92.46 | 105.32 |
| Policy Benchmark | 6.64 | 7.91 | 0.00 | 1.00 | 0.85 | 100.00 | 100.00 |

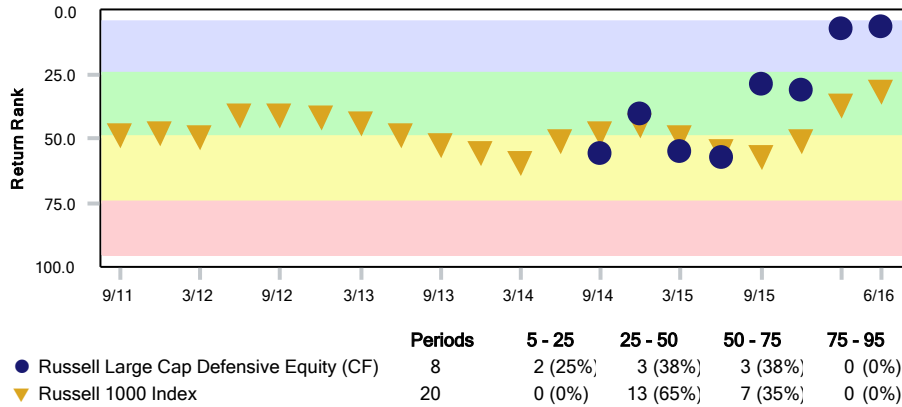
Historical Statistics - 3 Years

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Total Fund | 8.32 | 4.15 | 2.70 | 0.84 | 1.95 | 58.36 | 111.20 |
| Policy Benchmark | 6.54 | 4.65 | 0.00 | 1.00 | 1.38 | 100.00 | 100.00 |

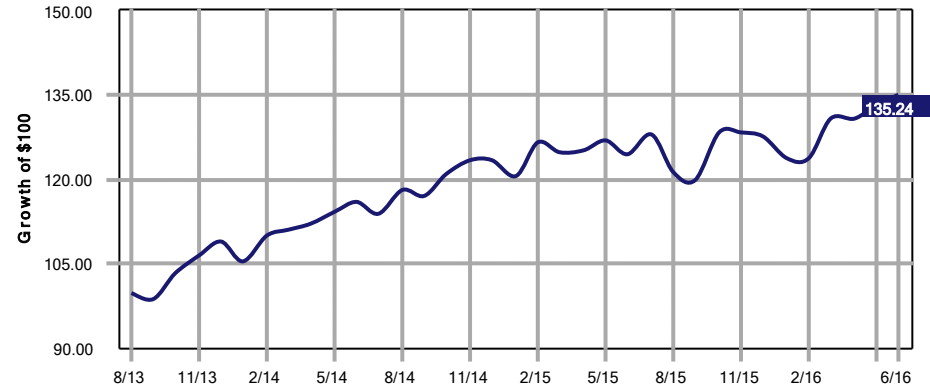


Boynton Beach Police Pension Fund Russell Large Cap Defensive Equity (CF) June 30, 2016

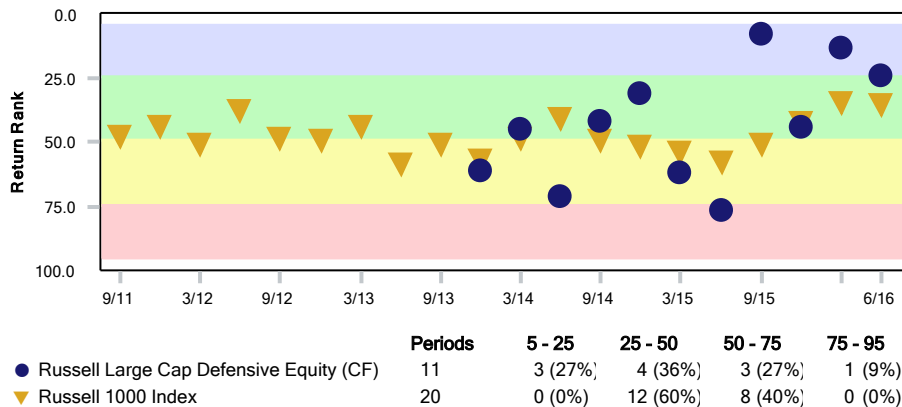
1 Year Rolling Percentile Ranking - 5 Years



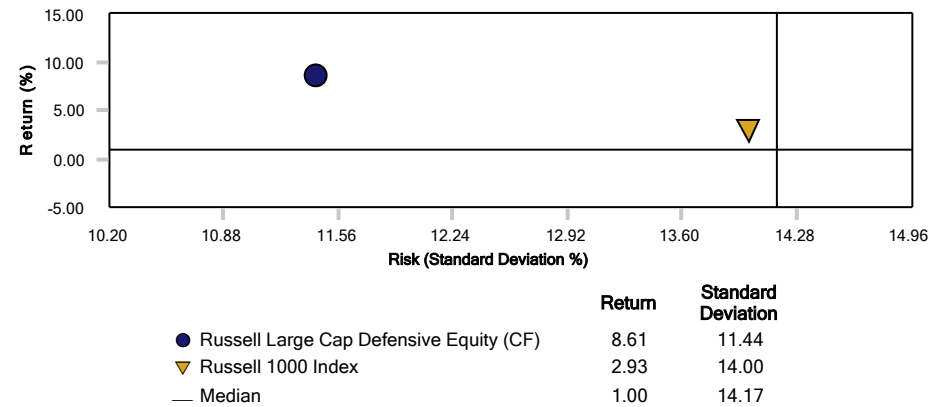
Growth of a Dollar



1 Quarter Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 1 Year



Historical Statistics - 1 Year

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Russell Large Cap Defensive Equity (CF) | 8.61 | 11.44 | 6.01 | 0.80 | 0.77 | 64.10 | 96.67 |
| Russell 1000 Index | 2.93 | 14.00 | 0.00 | 1.00 | 0.27 | 100.00 | 100.00 |

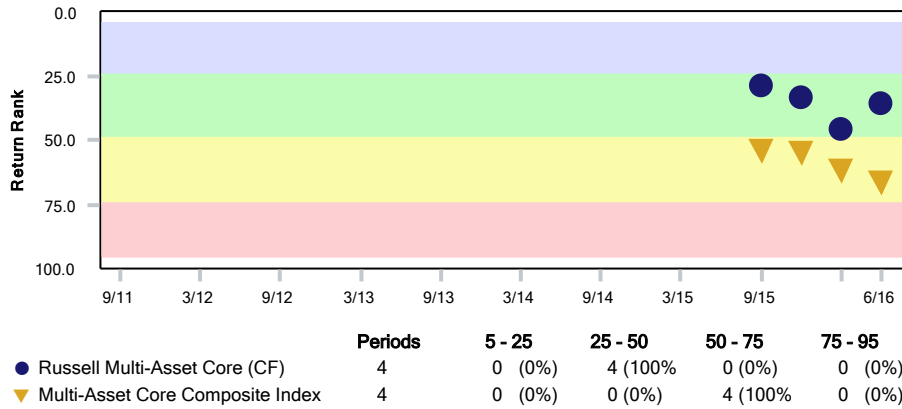
Historical Statistics - 1 Quarter

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Russell Large Cap Defensive Equity (CF) | 3.21 | 0.71 | 0.71 | 0.42 | 1.46 | N/A | 126.16 |
| Russell 1000 Index | 2.54 | 0.66 | 0.00 | 1.00 | 1.22 | N/A | 100.00 |



Boynton Beach Police Pension Fund
Russell Multi-Asset Core (CF)
June 30, 2016

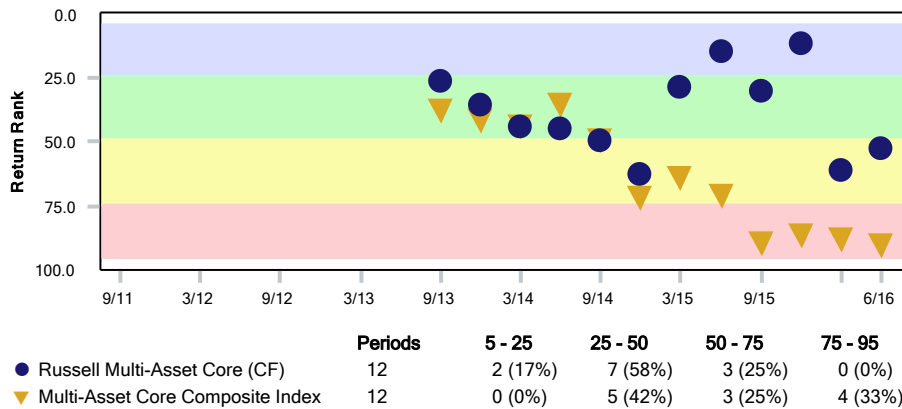
3 Years Rolling Percentile Ranking - 5 Years



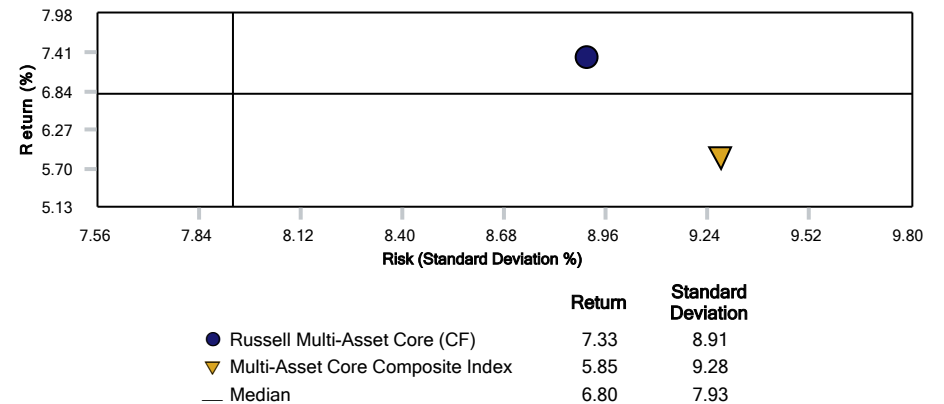
Growth of a Dollar



1 Year Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 3 Years



Historical Statistics - 3 Years

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|----------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Russell Multi-Asset Core (CF) | 7.33 | 8.91 | 1.66 | 0.95 | 0.83 | 93.00 | 104.19 |
| Multi-Asset Core Composite Index | 5.85 | 9.28 | 0.00 | 1.00 | 0.65 | 100.00 | 100.00 |

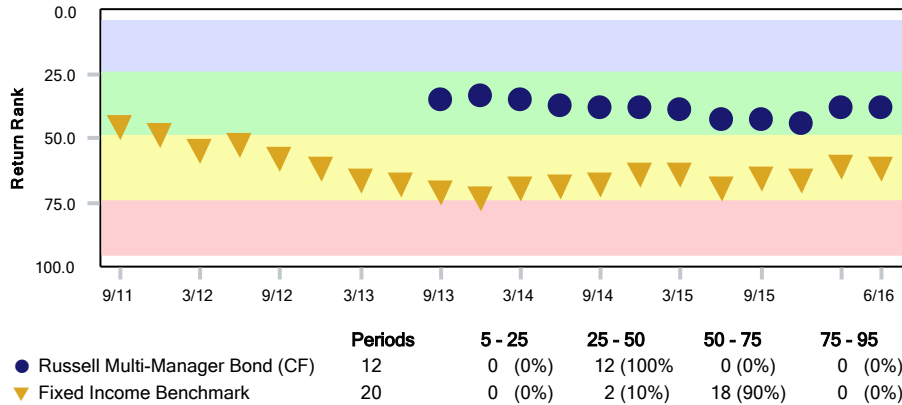
Historical Statistics - 1 Year

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|----------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Russell Multi-Asset Core (CF) | 0.29 | 11.37 | 2.22 | 0.94 | 0.07 | 92.21 | 106.69 |
| Multi-Asset Core Composite Index | -2.05 | 12.06 | 0.00 | 1.00 | -0.12 | 100.00 | 100.00 |



**Boynton Beach Police Pension Fund
Russell Multi-Manager Bond (CF)
June 30, 2016**

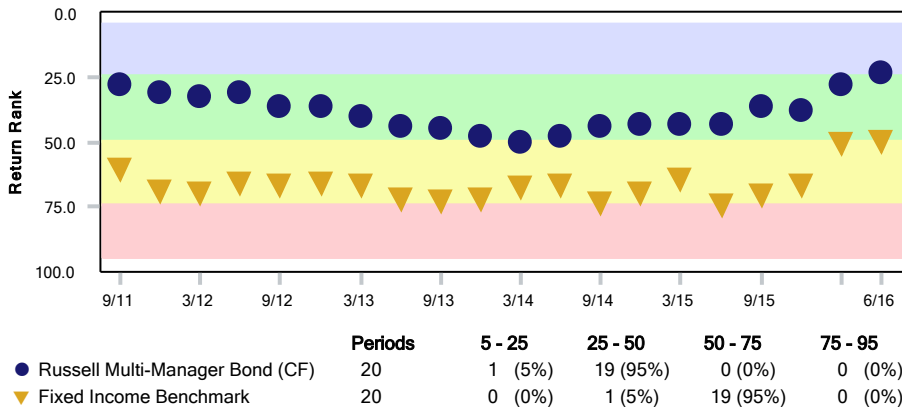
5 Years Rolling Percentile Ranking - 5 Years



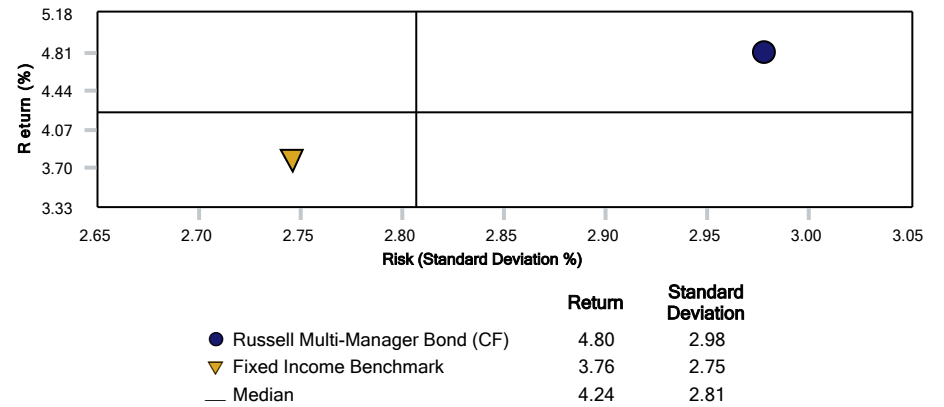
Growth of a Dollar



3 Years Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 5 Years



Historical Statistics - 5 Years

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Russell Multi-Manager Bond (CF) | 4.80 | 2.98 | 1.00 | 1.00 | 1.57 | 93.58 | 114.74 |
| Fixed Income Benchmark | 3.76 | 2.75 | 0.00 | 1.00 | 1.34 | 100.00 | 100.00 |

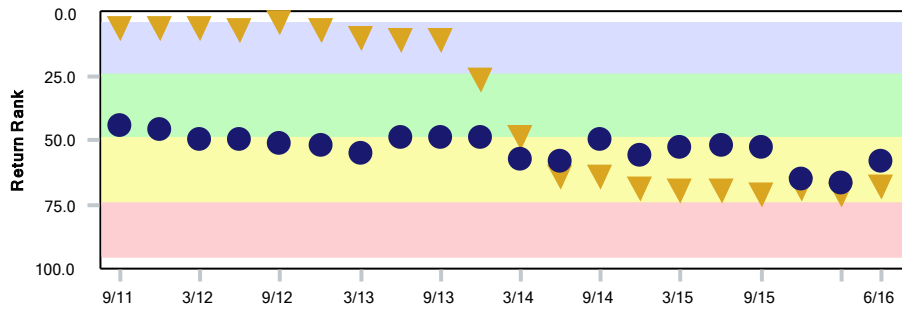
Historical Statistics - 3 Years

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Russell Multi-Manager Bond (CF) | 5.06 | 2.91 | 0.70 | 1.07 | 1.70 | 100.70 | 116.35 |
| Fixed Income Benchmark | 4.06 | 2.62 | 0.00 | 1.00 | 1.52 | 100.00 | 100.00 |



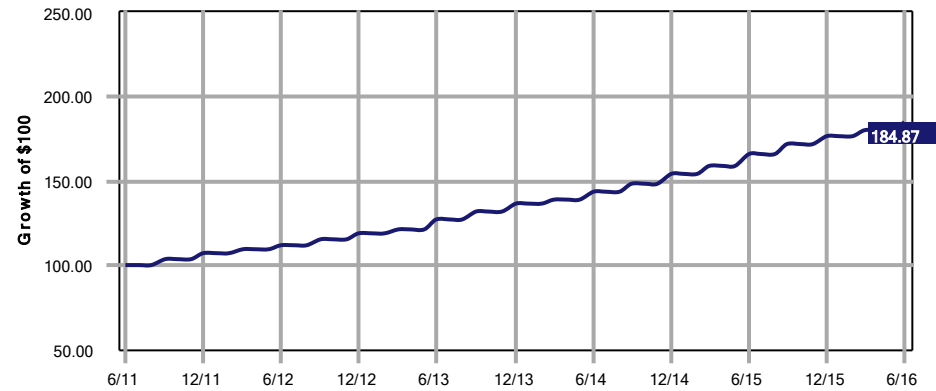
Boynton Beach Police Pension Fund Russell Real Estate Equity (CF) June 30, 2016

5 Years Rolling Percentile Ranking - 5 Years

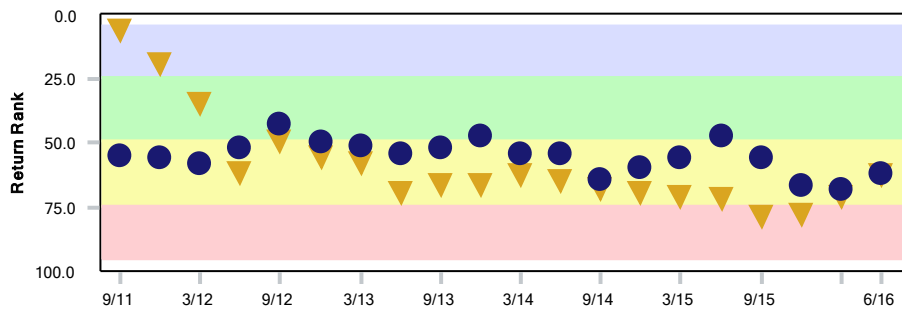


| | Periods | 5 - 25 | 25 - 50 | 50 - 75 | 75 - 95 |
|-----------------------------------|---------|---------|---------|----------|---------|
| ● Russell Real Estate Equity (CF) | 20 | 0 (0%) | 8 (40%) | 12 (60%) | 0 (0%) |
| ▼ Real Estate Benchmark | 20 | 9 (45%) | 2 (10%) | 9 (45%) | 0 (0%) |

Growth of a Dollar

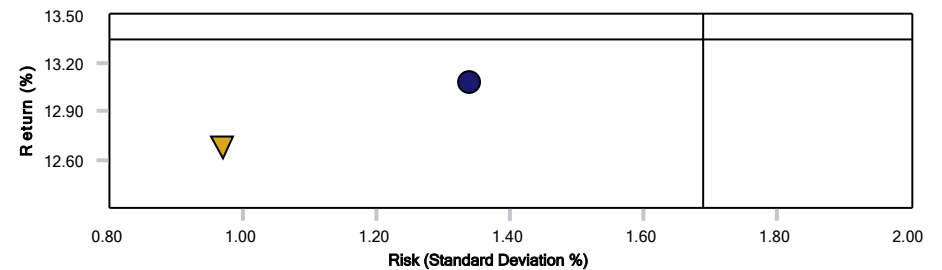


3 Years Rolling Percentile Ranking - 5 Years



| | Periods | 5 - 25 | 25 - 50 | 50 - 75 | 75 - 95 |
|-----------------------------------|---------|---------|---------|----------|---------|
| ● Russell Real Estate Equity (CF) | 20 | 0 (0%) | 4 (20%) | 16 (80%) | 0 (0%) |
| ▼ Real Estate Benchmark | 20 | 2 (10%) | 2 (10%) | 14 (70%) | 2 (10%) |

Peer Group Risk/Reward - 5 Years



| | Return | Standard Deviation |
|-----------------------------------|--------|--------------------|
| ● Russell Real Estate Equity (CF) | 13.08 | 1.34 |
| ▼ Real Estate Benchmark | 12.67 | 0.97 |
| — Median | 13.35 | 1.69 |

Historical Statistics - 5 Years

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---------------------------------|--------------|--------------------|-------------|-------------|--------------|---------------------|-------------------|
| Russell Real Estate Equity (CF) | 13.08 | 1.34 | -1.44 | 1.15 | 9.16 | N/A | 103.10 |
| <i>Real Estate Benchmark</i> | <i>12.67</i> | <i>0.97</i> | <i>0.00</i> | <i>1.00</i> | <i>12.19</i> | <i>N/A</i> | <i>100.00</i> |

Historical Statistics - 3 Years

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---------------------------------|--------------|--------------------|-------------|-------------|--------------|---------------------|-------------------|
| Russell Real Estate Equity (CF) | 13.07 | 1.28 | -0.11 | 1.01 | 9.48 | N/A | 100.53 |
| <i>Real Estate Benchmark</i> | <i>13.00</i> | <i>1.01</i> | <i>0.00</i> | <i>1.00</i> | <i>11.87</i> | <i>N/A</i> | <i>100.00</i> |



Boynton Beach Police Pension Fund
Glossary
June 30, 2016

- 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 - 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.
- 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.



Boynton Beach Police Pension Fund
Glossary
June 30, 2016

- 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
June 30, 2016

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.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.
- 5.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.
- 6.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.
- 7.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.
- 8.BCA has not reviewed the risks of individual security holdings.
- 9.BCA investment reports are not indicative of future results.
10. Performance rankings are time sensitive and subject to change.
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