

City of Hollywood Employees' Retirement Fund
Preliminary Market Value Update
as of January 31, 2014

	Market Value	Percent of Total Plan	Target Allocation
<u>Domestic Equity - Large Cap</u>	\$87,663,689	31.8%	30.0%
Northern Trust	\$87,663,689	31.8%	
<u>Domestic Equity - Small Cap</u>	\$37,865,048	13.7%	12.5%
TSW	\$19,453,391	7.0%	
Frontier	\$18,411,657	6.7%	
<u>International Equity</u>	\$41,034,068	14.9%	15.0%
Wellington	\$41,034,068	14.9%	
<u>Fixed</u>	\$80,868,592	29.3%	32.5%
Neuberger & Berman	\$40,641,665	14.7%	
Baird Advisors	\$40,226,927	14.6%	
<u>Real Estate</u>	\$28,665,417	10.4%	10.0%
Morgan Stanley	\$22,092,004	8.0%	
Principal	\$6,573,413	2.4%	
Total Fund	\$276,096,814	100.0%	100.0%

City of Hollywood Employees' Retirement Fund
Preliminary Performance Update
as of January 31, 2014

	Quarter ended December 31, 2013	1 Month ended January 31, 2014	Fiscal YTD January 31, 2014	Market Value January 31, 2014	Percent of Total Plan January 31, 2014
Domestic Equity					
Northern Trust S&P 500	10.50%	-3.46%	6.68%	\$87,663,689	31.8%
<i>Northern Trust - net</i>	<i>10.50%</i>	<i>-3.46%</i>	<i>6.67%</i>		
<i>S&P 500 Index</i>	<i>10.51%</i>	<i>-3.46%</i>	<i>6.69%</i>		
TSW	N/A	-2.89%	N/A	\$19,453,391	7.0%
<i>TSW - net</i>	<i>N/A</i>	<i>-2.96%</i>	<i>N/A</i>		
<i>Russell 2500 Value Index</i>	<i>8.83%</i>	<i>-2.67%</i>	<i>5.92%</i>		
Frontier Capital	7.73%	0.67%	8.45%	\$18,411,657	6.7%
<i>Frontier Capital - net</i>	<i>7.67%</i>	<i>0.61%</i>	<i>8.32%</i>		
<i>Russell 2500 Growth Index</i>	<i>8.49%</i>	<i>-1.89%</i>	<i>6.44%</i>		
International Equity					
Wellington	N/A	-4.20%	N/A	\$41,034,068	14.9%
<i>Wellington - net</i>	<i>N/A</i>	<i>-4.26%</i>	<i>N/A</i>		
<i>MSCI ACWI - ex US (net)</i>	<i>4.77%</i>	<i>-4.54%</i>	<i>0.01%</i>		
Fixed					
Neuberger Berman	0.04%	0.88%	0.92%	\$40,641,665	14.7%
<i>Neuberger Berman - net</i>	<i>-0.04%</i>	<i>0.86%</i>	<i>0.82%</i>		
<i>Barclays Intermediate Gov't/Credit Index</i>	<i>-0.02%</i>	<i>0.92%</i>	<i>0.90%</i>		
Baird Advisors	-0.20%	1.75%	1.55%	\$40,226,927	14.6%
<i>Baird Advisors - net</i>	<i>-0.26%</i>	<i>1.73%</i>	<i>1.46%</i>		
<i>Barclays Aggregate Index</i>	<i>-0.14%</i>	<i>1.48%</i>	<i>1.34%</i>		
Real Estate					
Morgan Stanley*	3.38%	0.00%	3.38%	\$22,092,004	8.0%
<i>Morgan Stanley - net</i>	<i>2.67%</i>	<i>0.00%</i>	<i>2.67%</i>		
<i>NCREIF ODCE (ew) Index</i>	<i>3.14%</i>	<i>0.00%</i>	<i>3.14%</i>		
Principal*	3.00%	0.00%	2.99%	\$6,573,413	2.4%
<i>Principal - net</i>	<i>2.67%</i>	<i>0.00%</i>	<i>2.67%</i>		
<i>NCREIF Property Index</i>	<i>2.53%</i>	<i>0.00%</i>	<i>2.53%</i>		
Total Fund	6.15%	-1.50%	4.56%	\$276,096,814	100.0%
Total Fund - net	6.05%	-1.52%	4.44%		
Policy Index**	5.20%	-1.61%	3.50%		

Asset Class	Market value	% of Plan	Target	Ranges
Large Cap Equity	\$ 87,663,689	31.8%	30.0%	20-40%
Small Cap Equity	\$ 37,865,048	13.7%	12.5%	7.5-17.5%
International Equity	\$ 41,034,068	14.9%	15.0%	10-20%
Fixed Income	\$ 80,868,592	29.3%	32.5%	22.5-42.5%
Real Estate	\$ 28,665,417	10.4%	10.0%	5-15%
Total Fund	\$ 276,096,814	100.0%	100.0%	

Note: Monthly performance is preliminary and provided by investment managers. The Total Fund return is a weighted average of the returns provided.

*Market Value is as of 12/31/2013

** Policy Index: (Nov 13-current) 30% S&P 500, 12.5% R2500, 15% MSCI ACWI ex US (net), 32.5% Barclays Intermediate Aggregate, 7.5% NCREIF ODCE (ew), 2.5% NCREIF NPI (May 13-Oct 13) 32.5% S&P 500, 12.5% Russell 2000, 15% MSCI ACWI ex-US, 32.5% Barclays Intermediate Aggregate, 7.5% NCREIF ODCE (ew)

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1 Month ended January 31, 2014	
<u>Domestic Equity</u>	
Northern Trust	-3.46%
<i>S&P 500 Index</i>	<i>-3.46%</i>
TSW SMID	-2.89%
<i>Russell 2500 Value Index</i>	<i>-2.67%</i>
Frontier	0.67%
<i>Russell 2500 Growth Index</i>	<i>-1.89%</i>
<u>International Equity</u>	
Wellington	-4.20%
<i>MSCI ACWI ex-US Index</i>	<i>-4.54%</i>
<u>Fixed</u>	
Neuberger & Berman	0.88%
<i>Barclays Intermediate Gov't/Credit Index</i>	<i>0.92%</i>
Baird Advisors	1.75%
<i>Barclays Aggregate Index</i>	<i>1.48%</i>
<u>Real Estate</u>	
Morgan Stanley	0.00%
<i>NCREIF ODCE (ew) Index</i>	<i>0.00%</i>
Principal	0.00%
<i>NCREIF Property Index</i>	<i>0.00%</i>

**Investment Manager Fee Table
Period Ended January 31, 2014**

<u>Manager</u>	<u>Mandate</u>	<u>Market Value</u>	<u>Fee Schedule</u>	<u>Estimated Annual Fee (\$)</u>	<u>Estimated Annual Fee (%)</u>
Northern Trust	Passive Large Cap Equity	\$ 87,663,689	3.5 bps on assets	\$ 30,682	0.04%
Thompson Siegel & Walmsley	SMID Cap Value Equity	\$ 19,453,391	80 bps on assets	\$ 155,627	0.80%
Frontier	SMID Cap Growth Equity	\$ 18,411,657	75 bps on assets	\$ 138,087	0.75%
Wellington	International Equity	\$ 41,034,068	71 bps on assets	\$ 291,342	0.71%
Neuberger & Berman	Intermediate Fixed Income	\$ 40,641,665	30 bps on first \$50MM, 20 bps on next \$50mm, 15 bps on balance	\$ 121,925	0.30%
Baird Advisors	Core Fixed Income	\$ 40,226,927	30 bps on first \$25MM, 25 bps on next \$25MM, 20 bps on next \$20MM, 15 bps on balance	\$ 113,067	0.28%
Morgan Stanley	Real Estate	\$ 22,092,004	90 basis points base fee, plus a monthly accrued performance based fee equal to 5% multiplied by NAV multiplied by comparable property NOI growth for the month	\$ 198,828	0.90%
Principal*	Real Estate	\$ 6,573,413	130 bps on assets + incentive fee	\$ 85,454	1.30%
Investment Management Fees		\$ 276,096,814		\$ 1,049,559	0.39%
Segal Rogerscasey	Investment Consulting		\$76,500 annual retainer	\$ 76,500	
Wells Fargo	Custodian	\$ 276,096,814	2 bps on first \$50MM, 1 bps on next \$100MM, 0.5 bps on balance	\$ 26,305	0.01%
TOTAL FEES				\$ 1,152,364	0.42%

*Incentive fee is equal to 15% of the profits in excess of an 11% net IRR to investors.