

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

	Market Value	Percent of Total Plan	Target Allocation
<u>Domestic Equity - Large Cap</u>	\$95,305,688	33.6%	30.0%
Northern Trust	\$95,305,688	33.6%	
<u>Domestic Equity - Small Cap</u>	\$40,062,853	14.1%	12.5%
TSW	\$20,953,397	7.4%	
Frontier	\$19,109,456	6.7%	
<u>International Equity</u>	\$43,495,758	15.3%	15.0%
Wellington	\$43,495,758	15.3%	
<u>Fixed</u>	\$75,110,042	26.5%	32.5%
Neuberger & Berman	\$37,516,400	13.2%	
Baird Advisors	\$37,593,642	13.3%	
<u>Real Estate</u>	\$29,419,952	10.4%	10.0%
Morgan Stanley	\$22,661,010	8.0%	
Principal	\$6,758,942	2.4%	
Total Fund	\$283,394,294	100.0%	100.0%

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

	Quarter ended December 31, 2013	Quarter ended March 31, 2014	1 Month ended April 30, 2014	1 Month ended May 31, 2014	Fiscal YTD May 31, 2014	Market Value May 31, 2014	Percent of Total Plan May 31, 2014
Domestic Equity							
Northern Trust S&P 500	10.50%	1.80%	0.74%	2.35%	15.98%	\$95,305,688	33.6%
Northern Trust - net	10.50%	1.79%	0.74%	2.35%	15.97%		
S&P 500 Index	10.51%	1.81%	0.74%	2.35%	16.01%		
TSW	N/A	3.84%	-0.69%	1.44%	N/A	\$20,953,397	7.4%
TSW - net	N/A	3.64%	-0.76%	1.37%	N/A		
Russell 2500 Value Index	8.83%	3.52%	-1.15%	1.03%	12.51%		
Frontier Capital	7.73%	5.80%	-3.10%	2.17%	12.85%	\$19,109,456	6.7%
Frontier Capital - net	7.67%	5.60%	-3.16%	2.11%	12.43%		
Russell 2500 Growth Index	8.49%	1.04%	-3.53%	1.32%	7.14%		
International Equity							
Wellington	N/A	-1.31%	1.50%	1.40%	N/A	\$43,495,758	15.3%
Wellington- net	N/A	-1.49%	1.44%	1.34%	N/A		
MSCI ACWI - ex US (net)	4.77%	0.51%	1.32%	1.94%	8.77%		
Fixed							
Neuberger Berman	0.04%	0.87%	0.54%	0.71%	2.17%	\$37,516,400	13.2%
Neuberger Berman - net	-0.04%	0.79%	0.52%	0.69%	1.97%		
Barclays Intermediate Gov't/Credit Index	-0.02%	1.00%	0.51%	0.79%	2.29%		
Baird Advisors	-0.20%	2.11%	0.98%	1.19%	4.13%	\$37,593,642	13.3%
Baird Advisors - net	-0.26%	2.03%	0.96%	1.17%	3.94%		
Barclays Aggregate Index	-0.14%	1.84%	0.84%	1.14%	3.73%		
Real Estate							
Morgan Stanley*	3.38%	2.58%	0.00%	0.00%	6.05%	\$22,661,010	8.0%
Morgan Stanley - net	2.67%	2.37%	0.00%	0.00%	5.10%		
NCREIF ODCE (ew) Index	3.14%	2.52%	0.00%	0.00%	5.74%		
Principal*	3.00%	3.04%	0.00%	0.00%	6.12%	\$6,758,942	2.4%
Principal - net	2.67%	2.71%	0.00%	0.00%	5.45%		
NCREIF Property Index	2.53%	2.74%	0.00%	0.00%	5.34%		
Total Fund	6.15%	1.76%	0.42%	1.51%	10.11%	\$283,394,294	100.0%
Total Fund - net	6.05%	1.66%	0.40%	1.48%	9.84%		
Policy Index**	5.20%	1.62%	0.35%	1.46%	8.83%		

Asset Class	Market value	% of Plan	Target	Ranges
Large Cap Equity	\$ 95,305,688	33.6%	30.0%	20-40%
Small Cap Equity	\$ 40,062,853	14.1%	12.5%	7.5-17.5%
International Equity	\$ 43,495,758	15.3%	15.0%	10-20%
Fixed Income	\$ 75,110,042	26.5%	32.5%	22.5-42.5%
Real Estate	\$ 29,419,952	10.4%	10.0%	5-15%
Total Fund	\$ 283,394,294	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 3/31/2014

** 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)

City of Hollywood Employees' Retirement Fund
Preliminary Manager Update
as of May 31, 2014

	Quarter ended March 31, 2014	1 Month ended April 30, 2014	1 Month ended May 31, 2014	Calendar YTD May 31, 2014
<u>Domestic Equity</u>				
Northern Trust	1.80%	0.74%	2.35%	4.96%
<i>S&P 500 Index</i>	<i>1.81%</i>	<i>0.74%</i>	<i>2.35%</i>	<i>4.97%</i>
TSW SMID	3.84%	-0.69%	1.44%	4.61%
<i>Russell 2500 Value Index</i>	<i>3.52%</i>	<i>-1.15%</i>	<i>1.03%</i>	<i>3.38%</i>
Frontier	5.80%	-3.10%	2.17%	4.75%
<i>Russell 2500 Growth Index</i>	<i>1.04%</i>	<i>-3.53%</i>	<i>1.32%</i>	<i>-1.24%</i>
<u>International Equity</u>				
Wellington	-1.31%	1.50%	1.40%	1.57%
<i>MSCI ACWI ex-US Index</i>	<i>0.51%</i>	<i>1.32%</i>	<i>1.94%</i>	<i>3.82%</i>
<u>Fixed</u>				
Neuberger & Berman	0.87%	0.54%	0.71%	2.13%
<i>Barclays Intermediate Gov't/Credit Index</i>	<i>1.00%</i>	<i>0.51%</i>	<i>0.79%</i>	<i>2.32%</i>
Baird Advisors	2.11%	0.98%	1.19%	4.34%
<i>Barclays Aggregate Index</i>	<i>1.84%</i>	<i>0.84%</i>	<i>1.14%</i>	<i>3.87%</i>
<u>Real Estate</u>				
Morgan Stanley	2.58%	0.00%	0.00%	2.58%
<i>NCREIF ODCE (ew) Index</i>	<i>2.52%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>2.52%</i>
Principal	3.04%	0.00%	0.00%	3.04%
<i>NCREIF Property Index</i>	<i>2.74%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>2.74%</i>

**Investment Manager Fee Table
Period Ended May 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	\$ 95,305,688	3.5 bps on assets	\$ 33,357	0.04%
Thompson Siegel & Walmsley	SMID Cap Value Equity	\$ 20,953,397	80 bps on assets	\$ 167,627	0.80%
Frontier	SMID Cap Growth Equity	\$ 19,109,456	75 bps on assets	\$ 143,321	0.75%
Wellington	International Equity	\$ 43,495,758	71 bps on assets	\$ 308,820	0.71%
Neuberger & Berman	Intermediate Fixed Income	\$ 37,516,400	30 bps on first \$50MM, 20 bps on next \$50mm, 15 bps on balance	\$ 112,549	0.30%
Baird Advisors	Core Fixed Income	\$ 37,593,642	30 bps on first \$25MM, 25 bps on next \$25MM, 20 bps on next \$20MM, 15 bps on balance	\$ 106,484	0.28%
Morgan Stanley	Real Estate	\$ 22,661,010	84 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	\$ 190,352	0.84%
Principal*	Real Estate	\$ 6,758,942	130 bps on assets + incentive fee	\$ 87,866	1.30%
Investment Management Fees		\$ 283,394,294		\$ 1,150,377	0.41%
Segal Rogerscasey	Investment Consulting		\$76,500 annual retainer	\$ 76,500	
Wells Fargo	Custodian	\$ 283,394,294	2 bps on first \$50MM, 1 bps on next \$75MM, 0.5 bps on balance	\$ 25,420	0.01%
TOTAL FEES				\$ 1,252,297	0.44%

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