

**City of Hollywood Employees' Retirement Fund
Preliminary Market Value Update
as of June 30, 2014**

	Market Value	Percent of Total Plan	Target Allocation
<u>Domestic Equity - Large Cap</u>	\$97,276,724	33.9%	30.0%
Northern Trust	\$97,276,724	33.9%	
<u>Domestic Equity - Small Cap</u>	\$41,975,978	14.6%	12.5%
TSW	\$21,945,539	7.6%	
Frontier	\$20,030,439	7.0%	
<u>International Equity</u>	\$44,303,753	15.4%	15.0%
Wellington	\$44,303,753	15.4%	
<u>Fixed</u>	\$73,313,428	25.5%	32.5%
Neuberger & Berman	\$36,606,953	12.8%	
Baird Advisors	\$36,706,475	12.8%	
<u>Real Estate</u>	\$30,084,652	10.5%	10.0%
Morgan Stanley	\$23,325,710	8.1%	
Principal	\$6,758,942	2.4%	
Total Fund	\$286,954,534	100.0%	100.0%

City of Hollywood Employees' Retirement Fund
Preliminary Performance Update
as of June 30, 2014

	Quarter ended December 31, 2013	Quarter ended March 31, 2014	1 Month ended April 30, 2014	1 Month ended May 31, 2014	1 Month ended June 30, 2014	Quarter ended June 30, 2014	Fiscal YTD June 30, 2014	Market Value June 30, 2014	Percent of Total Plan June 30, 2014
Domestic Equity									
Northern Trust S&P 500	10.50%	1.80%	0.74%	2.35%	2.07%	5.24%	18.39%	\$97,276,724	33.9%
<i>Northern Trust - net</i>	10.50%	1.79%	0.74%	2.35%	2.07%	5.23%	18.36%		
<i>S&P 500 Index</i>	10.51%	1.81%	0.74%	2.35%	2.07%	5.24%	18.41%		
TSW	N/A	3.84%	-0.69%	1.44%	4.86%	5.64%	N/A	\$21,945,539	7.6%
<i>TSW - net</i>	N/A	3.64%	-0.76%	1.37%	4.79%	5.43%	N/A		
<i>Russell 2500 Value Index</i>	8.83%	3.52%	-1.15%	1.03%	4.33%	4.19%	17.38%		
Frontier Capital	7.73%	5.80%	-3.10%	2.17%	4.88%	3.84%	18.36%	\$20,030,439	7.0%
<i>Frontier Capital - net</i>	7.67%	5.60%	-3.16%	2.11%	4.82%	3.65%	17.84%		
<i>Russell 2500 Growth Index</i>	8.49%	1.04%	-3.53%	1.32%	5.27%	2.89%	12.79%		
International Equity									
Wellington	N/A	-1.31%	1.50%	1.40%	1.90%	4.88%	N/A	\$44,303,753	15.4%
<i>Wellington - net</i>	N/A	-1.49%	1.44%	1.34%	1.84%	4.69%	N/A		
<i>MSCI ACWI - ex US (net)</i>	4.77%	0.51%	1.32%	1.94%	1.68%	5.02%	10.59%		
Fixed									
Neuberger Berman	0.04%	0.87%	0.54%	0.71%	-0.03%	1.22%	2.14%	\$36,606,953	12.8%
<i>Neuberger Berman - net</i>	-0.04%	0.79%	0.52%	0.69%	-0.05%	1.15%	1.91%		
<i>Barclays Intermediate Gov't/Credit Index</i>	-0.02%	1.00%	0.51%	0.79%	-0.07%	1.23%	2.22%		
Baird Advisors	-0.20%	2.11%	0.98%	1.19%	0.03%	2.21%	4.16%	\$36,706,475	12.8%
<i>Baird Advisors - net</i>	-0.26%	2.03%	0.96%	1.17%	0.01%	2.14%	3.95%		
<i>Barclays Aggregate Index</i>	-0.14%	1.84%	0.84%	1.14%	0.05%	2.04%	3.78%		
Real Estate									
Morgan Stanley	3.38%	2.58%	0.00%	0.00%	2.93%	2.93%	9.15%	\$23,325,710	8.1%
<i>Morgan Stanley - net</i>	2.67%	2.37%	0.00%	0.00%	2.58%	2.58%	7.81%		
<i>NCREIF ODCE (ew) Index</i>	3.14%	2.52%	0.00%	0.00%	2.76%	2.76%	8.66%		
Principal*	3.00%	3.04%	0.00%	0.00%	0.00%	0.00%	6.12%	\$6,758,942	2.4%
<i>Principal - net</i>	2.67%	2.71%	0.00%	0.00%	0.00%	0.00%	5.45%		
<i>NCREIF Property Index</i>	2.53%	2.74%	0.00%	0.00%	0.00%	0.00%	5.34%		
Total Fund	6.15%	1.76%	0.42%	1.52%	1.95%	3.93%	12.26%	\$286,954,534	100.0%
Total Fund - net	6.05%	1.66%	0.40%	1.49%	1.89%	3.82%	11.93%		
Policy Index**	5.20%	1.62%	0.35%	1.46%	1.68%	3.52%	10.66%		

<u>Asset Class</u>	<u>Market value</u>	<u>% of Plan</u>	<u>Target</u>	<u>Ranges</u>
Large Cap Equity	\$ 97,276,724	33.9%	30.0%	20-40%
Small Cap Equity	\$ 41,975,978	14.6%	12.5%	7.5-17.5%
International Equity	\$ 44,303,753	15.4%	15.0%	10-20%
Fixed Income	\$ 73,313,428	25.5%	32.5%	22.5-42.5%
Real Estate	\$ 30,084,652	10.5%	10.0%	5-15%
Total Fund	\$ 286,954,534	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 June 30, 2014

	Quarter ended March 31, 2014	1 Month ended April 30, 2014	1 Month ended May 31, 2014	1 Month ended June 30, 2014	Quarter ended June 30, 2014	Calendar YTD June 30, 2014
<u>Domestic Equity</u>						
Northern Trust	1.80%	0.74%	2.35%	2.07%	5.24%	7.14%
<i>S&P 500 Index</i>	<i>1.81%</i>	<i>0.74%</i>	<i>2.35%</i>	<i>2.07%</i>	<i>5.24%</i>	<i>7.15%</i>
TSW SMID	3.84%	-0.69%	1.44%	4.86%	5.64%	9.69%
<i>Russell 2500 Value Index</i>	<i>3.52%</i>	<i>-1.15%</i>	<i>1.03%</i>	<i>4.33%</i>	<i>4.19%</i>	<i>7.86%</i>
Frontier	5.80%	-3.10%	2.17%	4.88%	3.84%	9.86%
<i>Russell 2500 Growth Index</i>	<i>1.04%</i>	<i>-3.53%</i>	<i>1.32%</i>	<i>5.27%</i>	<i>2.89%</i>	<i>3.97%</i>
<u>International Equity</u>						
Wellington	-1.31%	1.50%	1.40%	1.90%	4.88%	3.50%
<i>MSCI ACWI ex-US Index</i>	<i>0.51%</i>	<i>1.32%</i>	<i>1.94%</i>	<i>1.68%</i>	<i>5.02%</i>	<i>5.56%</i>
<u>Fixed</u>						
Neuberger & Berman	0.87%	0.54%	0.71%	-0.03%	1.22%	2.10%
<i>Barclays Intermediate Gov't/Credit Index</i>	<i>1.00%</i>	<i>0.51%</i>	<i>0.79%</i>	<i>-0.07%</i>	<i>1.23%</i>	<i>2.25%</i>
Baird Advisors	2.11%	0.98%	1.19%	0.03%	2.21%	4.37%
<i>Barclays Aggregate Index</i>	<i>1.84%</i>	<i>0.84%</i>	<i>1.14%</i>	<i>0.05%</i>	<i>2.04%</i>	<i>3.92%</i>
<u>Real Estate</u>						
Morgan Stanley	2.58%	0.00%	0.00%	2.93%	2.93%	5.59%
<i>NCREIF ODCE (ew) Index</i>	<i>2.52%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>2.76%</i>	<i>2.76%</i>	<i>5.35%</i>
Principal	3.04%	0.00%	0.00%	N/A	N/A	3.04%
<i>NCREIF Property Index</i>	<i>2.74%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>N/A</i>	<i>N/A</i>	<i>2.74%</i>

Investment Manager Fee Table
Period Ended June 30, 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	\$ 97,276,724	3.5 bps on assets	\$ 34,047	0.04%
Thompson Siegel & Walmsley	SMID Cap Value Equity	\$ 21,945,539	80 bps on assets	\$ 175,564	0.80%
Frontier	SMID Cap Growth Equity	\$ 20,030,439	75 bps on assets	\$ 150,228	0.75%
Wellington	International Equity	\$ 44,303,753	71 bps on assets	\$ 314,557	0.71%
Neuberger & Berman	Intermediate Fixed Income	\$ 36,606,953	30 bps on first \$50MM, 20 bps on next \$50mm, 15 bps on balance	\$ 109,821	0.30%
Baird Advisors	Core Fixed Income	\$ 36,706,475	30 bps on first \$25MM, 25 bps on next \$25MM, 20 bps on next \$20MM, 15 bps on balance	\$ 104,266	0.28%
Morgan Stanley	Real Estate	\$ 23,325,710	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	\$ 195,936	0.84%
Principal*	Real Estate	\$ 6,758,942	130 bps on assets + incentive fee	\$ 87,866	1.30%
Investment Management Fees		\$ 286,954,534		\$ 1,172,285	0.41%
Segal Rogerscasey	Investment Consulting		\$76,500 annual retainer	\$ 76,500	
Wells Fargo	Custodian	\$ 286,954,534	2 bps on first \$50MM, 1 bps on next \$75MM, 0.5 bps on balance	\$ 25,598	0.01%
TOTAL FEES				\$ 1,274,383	0.44%

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