

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

	Market Value	Percent of Total Plan	Target Allocation
<u>Domestic Equity - Large Cap</u>	\$95,933,356	34.2%	30.0%
Northern Trust	\$95,933,356	34.2%	
<u>Domestic Equity - Small Cap</u>	\$40,200,937	14.3%	12.5%
TSW	\$21,182,274	7.6%	
Frontier	\$19,018,663	6.8%	
<u>International Equity</u>	\$42,888,586	15.3%	15.0%
Wellington	\$42,888,586	15.3%	
<u>Fixed</u>	\$71,350,929	25.4%	32.5%
Neuberger & Berman	\$35,624,974	12.7%	
Baird Advisors	\$35,725,955	12.7%	
<u>Real Estate</u>	\$30,084,652	10.7%	10.0%
Morgan Stanley	\$23,325,710	8.3%	
Principal	\$6,758,942	2.4%	
Total Fund	\$280,458,461	100.0%	100.0%

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

	Quarter ended December 31, 2013	Quarter ended March 31, 2014	Quarter ended June 30, 2014	1 Month ended July 31, 2014	Fiscal YTD July 31, 2014	Market Value July 31, 2014	Percent of Total Plan July 31, 2014
Domestic Equity							
Northern Trust S&P 500	10.50%	1.80%	5.23%	-1.38%	16.74%	\$95,933,356	34.2%
<i>Northern Trust - net</i>	<i>10.50%</i>	<i>1.79%</i>	<i>5.23%</i>	<i>-1.38%</i>	<i>16.72%</i>		
<i>S&P 500 Index</i>	<i>10.51%</i>	<i>1.81%</i>	<i>5.23%</i>	<i>-1.38%</i>	<i>16.76%</i>		
TSW	N/A	3.84%	5.50%	-3.62%	N/A	\$21,182,274	7.6%
<i>TSW - net</i>	<i>N/A</i>	<i>3.64%</i>	<i>5.43%</i>	<i>-3.69%</i>	<i>N/A</i>		
<i>Russell 2500 Value Index</i>	<i>8.83%</i>	<i>3.52%</i>	<i>4.20%</i>	<i>-4.81%</i>	<i>11.74%</i>		
Frontier Capital	7.73%	5.80%	3.84%	-4.99%	12.45%	\$19,018,663	6.8%
<i>Frontier Capital - net</i>	<i>7.67%</i>	<i>5.60%</i>	<i>3.65%</i>	<i>-5.05%</i>	<i>11.89%</i>		
<i>Russell 2500 Growth Index</i>	<i>8.49%</i>	<i>1.04%</i>	<i>2.90%</i>	<i>-5.03%</i>	<i>7.12%</i>		
International Equity							
Wellington	N/A	-1.31%	4.82%	-3.20%	N/A	\$42,888,586	15.3%
<i>Wellington- net</i>	<i>N/A</i>	<i>-1.49%</i>	<i>4.76%</i>	<i>-3.26%</i>	<i>N/A</i>		
<i>MSCI ACWI - ex US (net)</i>	<i>4.77%</i>	<i>0.51%</i>	<i>5.03%</i>	<i>-0.99%</i>	<i>9.51%</i>		
Fixed							
Neuberger Berman	0.04%	0.87%	1.19%	-0.22%	1.88%	\$35,624,974	12.7%
<i>Neuberger Berman - net</i>	<i>-0.04%</i>	<i>0.79%</i>	<i>1.15%</i>	<i>-0.25%</i>	<i>1.66%</i>		
<i>Barclays Intermediate Gov't/Credit Index</i>	<i>-0.02%</i>	<i>1.00%</i>	<i>1.23%</i>	<i>-0.22%</i>	<i>1.99%</i>		
Baird Advisors	-0.20%	2.11%	2.22%	-0.22%	3.94%	\$35,725,955	12.7%
<i>Baird Advisors - net</i>	<i>-0.26%</i>	<i>2.03%</i>	<i>2.14%</i>	<i>-0.24%</i>	<i>3.69%</i>		
<i>Barclays Aggregate Index</i>	<i>-0.14%</i>	<i>1.84%</i>	<i>2.04%</i>	<i>-0.25%</i>	<i>3.52%</i>		
Real Estate							
Morgan Stanley	3.38%	2.58%	2.93%	0.00%	9.15%	\$23,325,710	8.3%
<i>Morgan Stanley - net</i>	<i>2.67%</i>	<i>2.37%</i>	<i>2.58%</i>	<i>0.00%</i>	<i>7.81%</i>		
<i>NCREIF ODCE (ew) Index</i>	<i>3.14%</i>	<i>2.52%</i>	<i>2.76%</i>	<i>0.00%</i>	<i>8.66%</i>		
Principal*	3.00%	3.04%	4.57%	0.00%	10.97%	\$6,758,942	2.4%
<i>Principal - net</i>	<i>2.67%</i>	<i>2.71%</i>	<i>4.25%</i>	<i>0.00%</i>	<i>10.97%</i>		
<i>NCREIF Property Index</i>	<i>2.53%</i>	<i>2.74%</i>	<i>2.91%</i>	<i>0.00%</i>	<i>2.07%</i>		
Total Fund	6.15%	1.76%	3.94%	-1.63%	10.44%	\$280,458,461	100.0%
Total Fund - net	6.05%	1.66%	3.82%	-1.65%	10.08%		
Policy Index**	5.20%	1.62%	3.58%	-1.25%	9.34%		

Asset Class	Market value	% of Plan	Target	Ranges
Large Cap Equity	\$ 95,933,356	34.2%	30.0%	20-40%
Small Cap Equity	\$ 40,200,937	14.3%	12.5%	7.5-17.5%
International Equity	\$ 42,888,586	15.3%	15.0%	10-20%
Fixed Income	\$ 71,350,929	25.4%	32.5%	22.5-42.5%
Real Estate	\$ 30,084,652	10.7%	10.0%	5-15%
Total Fund	\$ 280,458,461	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 July 31, 2014

	Quarter ended March 31, 2014	Quarter ended June 30, 2014	1 Month ended July 31, 2014	Calendar YTD July 31, 2014
<u>Domestic Equity</u>				
Northern Trust	1.80%	5.23%	-1.38%	5.65%
<i>S&P 500 Index</i>	<i>1.81%</i>	<i>5.23%</i>	<i>-1.38%</i>	<i>5.66%</i>
TSW SMID	3.84%	5.50%	-3.62%	5.59%
<i>Russell 2500 Value Index</i>	<i>3.52%</i>	<i>4.20%</i>	<i>-4.81%</i>	<i>2.68%</i>
Frontier	5.80%	3.84%	-4.99%	4.38%
<i>Russell 2500 Growth Index</i>	<i>1.04%</i>	<i>2.90%</i>	<i>-5.03%</i>	<i>-1.26%</i>
<u>International Equity</u>				
Wellington	-1.31%	4.82%	-3.20%	0.14%
<i>MSCI ACWI ex-US Index</i>	<i>0.51%</i>	<i>5.03%</i>	<i>-0.99%</i>	<i>4.52%</i>
<u>Fixed</u>				
Neuberger & Berman	0.87%	1.19%	-0.22%	1.84%
<i>Barclays Intermediate Gov't/Credit Index</i>	<i>1.00%</i>	<i>1.23%</i>	<i>-0.22%</i>	<i>2.02%</i>
Baird Advisors	2.11%	2.22%	-0.22%	4.15%
<i>Barclays Aggregate Index</i>	<i>1.84%</i>	<i>2.04%</i>	<i>-0.25%</i>	<i>3.66%</i>
<u>Real Estate</u>				
Morgan Stanley	2.58%	2.93%	0.00%	5.59%
<i>NCREIF ODCE (ew) Index</i>	<i>2.52%</i>	<i>2.76%</i>	<i>0.00%</i>	<i>5.35%</i>
Principal	3.04%	4.57%	0.00%	7.74%
<i>NCREIF Property Index</i>	<i>2.74%</i>	<i>2.91%</i>	<i>0.00%</i>	<i>5.73%</i>

**Investment Manager Fee Table
Period Ended July 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	\$ 95,933,356	3.5 bps on assets	\$ 33,577	0.04%
Thompson Siegel & Walmsley	SMID Cap Value Equity	\$ 21,182,274	80 bps on assets	\$ 169,458	0.80%
Frontier	SMID Cap Growth Equity	\$ 19,018,663	75 bps on assets	\$ 142,640	0.75%
Wellington	International Equity	\$ 42,888,586	71 bps on assets	\$ 304,509	0.71%
Neuberger & Berman	Intermediate Fixed Income	\$ 35,624,974	30 bps on first \$50MM, 20 bps on next \$50mm, 15 bps on balance	\$ 106,875	0.30%
Baird Advisors	Core Fixed Income	\$ 35,725,955	30 bps on first \$25MM, 25 bps on next \$25MM, 20 bps on next \$20MM, 15 bps on balance	\$ 101,815	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		\$ 280,458,461		\$ 1,142,676	0.41%
Segal Rogerscasey	Investment Consulting		\$76,500 annual retainer	\$ 76,500	
Wells Fargo	Custodian	\$ 280,458,461	2 bps on first \$50MM, 1 bps on next \$75MM, 0.5 bps on balance	\$ 25,273	0.01%
TOTAL FEES				\$ 1,244,449	0.44%

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