

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

	Market Value	Percent of Total Plan	Target Allocation
<u>Domestic Equity - Large Cap</u>	\$99,770,745	34.9%	30.0%
Northern Trust	\$99,770,745	34.9%	
<u>Domestic Equity - Small Cap</u>	\$41,995,489	14.7%	12.5%
TSW	\$21,780,651	7.6%	
Frontier	\$20,214,838	7.1%	
<u>International Equity</u>	\$43,452,785	15.2%	15.0%
Wellington	\$43,452,785	15.2%	
<u>Fixed</u>	\$70,084,618	24.5%	32.5%
Neuberger & Berman	\$34,915,851	12.2%	
Baird Advisors	\$35,168,767	12.3%	
<u>Real Estate</u>	\$30,393,629	10.6%	10.0%
Morgan Stanley	\$23,325,710	8.2%	
Principal	\$7,067,918	2.5%	
Total Fund	\$285,697,265	100.0%	100.0%

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

	Quarter ended December 31, 2013	Quarter ended March 31, 2014	Quarter ended June 30, 2014	1 Month ended July 31, 2014	1 Month ended August 31, 2014	Fiscal YTD August 31, 2014	Market Value August 31, 2014	Percent of Total Plan August 31, 2014
Domestic Equity								
Northern Trust S&P 500	10.50%	1.80%	5.23%	-1.38%	4.00%	21.41%	\$99,770,745	34.9%
<i>Northern Trust - net</i>	10.50%	1.79%	5.23%	-1.38%	4.00%	21.39%		
<i>S&P 500 Index</i>	10.51%	1.81%	5.23%	-1.38%	4.00%	21.43%		
TSW	N/A	3.84%	5.50%	-3.62%	2.82%	N/A	\$21,780,651	7.6%
<i>TSW - net</i>	N/A	3.64%	5.43%	-3.69%	2.75%	N/A		
<i>Russell 2500 Value Index</i>	8.83%	3.52%	4.20%	-4.81%	4.43%	16.69%		
Frontier Capital	7.73%	5.80%	3.84%	-4.99%	6.35%	19.60%	\$20,214,838	7.1%
<i>Frontier Capital - net</i>	7.67%	5.60%	3.65%	-5.05%	6.29%	18.93%		
<i>Russell 2500 Growth Index</i>	8.49%	1.04%	2.90%	-5.03%	5.49%	13.00%		
International Equity								
Wellington	N/A	-1.31%	4.82%	-3.20%	1.50%	N/A	\$43,452,785	15.2%
<i>Wellington- net</i>	N/A	-1.49%	4.76%	-3.26%	1.44%	N/A		
<i>MSCI ACWI - ex US (net)</i>	4.77%	0.51%	5.03%	-0.99%	0.55%	10.11%		
Fixed								
Neuberger Berman	0.04%	0.87%	1.19%	-0.22%	0.54%	2.43%	\$34,915,851	12.2%
<i>Neuberger Berman - net</i>	-0.04%	0.79%	1.15%	-0.25%	0.52%	2.19%		
<i>Barclays Intermediate Gov't/Credit Index</i>	-0.02%	1.00%	1.23%	-0.22%	0.70%	2.71%		
Baird Advisors	-0.20%	2.11%	2.22%	-0.22%	1.17%	5.16%	\$35,168,767	12.3%
<i>Baird Advisors - net</i>	-0.26%	2.03%	2.14%	-0.24%	1.15%	4.88%		
<i>Barclays Aggregate Index</i>	-0.14%	1.84%	2.04%	-0.25%	1.10%	4.66%		
Real Estate								
Morgan Stanley*	3.38%	2.58%	2.93%	0.00%	0.00%	9.15%	\$23,325,710	8.2%
<i>Morgan Stanley - net</i>	2.67%	2.37%	2.58%	0.00%	0.00%	7.81%		
<i>NCREIF ODCE (ew) Index</i>	3.14%	2.52%	2.76%	0.00%	0.00%	8.66%		
Principal*	3.00%	3.04%	4.57%	0.00%	0.00%	10.97%	\$7,067,918	2.5%
<i>Principal - net</i>	2.67%	2.71%	4.25%	0.00%	0.00%	9.93%		
<i>NCREIF Property Index</i>	2.53%	2.74%	2.91%	0.00%	0.00%	8.40%		
Total Fund	6.15%	1.76%	3.94%	-1.65%	2.50%	13.18%	\$285,697,265	100.0%
Total Fund - net	6.05%	1.66%	3.82%	-1.68%	2.47%	12.78%		
Policy Index**	5.20%	1.62%	3.58%	-1.25%	2.20%	11.74%		

Asset Class	Market value	% of Plan	Target	Ranges
Large Cap Equity	\$ 99,770,745	34.9%	30.0%	20-40%
Small Cap Equity	\$ 41,995,489	14.7%	12.5%	7.5-17.5%
International Equity	\$ 43,452,785	15.2%	15.0%	10-20%
Fixed Income	\$ 70,084,618	24.5%	32.5%	22.5-42.5%
Real Estate	\$ 30,393,629	10.6%	10.0%	5-15%
Total Fund	\$ 285,697,265	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 6/30/2014

** 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 August 31, 2014**

	Quarter ended March 31, 2014	Quarter ended June 30, 2014	1 Month ended July 31, 2014	1 Month ended August 31, 2014	Calendar YTD August 31, 2014
<u>Domestic Equity</u>					
Northern Trust	1.80%	5.23%	-1.38%	4.00%	9.87%
<i>S&P 500 Index</i>	<i>1.81%</i>	<i>5.23%</i>	<i>-1.38%</i>	<i>4.00%</i>	<i>9.88%</i>
TSW SMID	3.84%	5.50%	-3.62%	2.82%	8.56%
<i>Russell 2500 Value Index</i>	<i>3.52%</i>	<i>4.20%</i>	<i>-4.81%</i>	<i>4.43%</i>	<i>7.23%</i>
Frontier	5.80%	3.84%	-4.99%	6.35%	11.01%
<i>Russell 2500 Growth Index</i>	<i>1.04%</i>	<i>2.90%</i>	<i>-5.03%</i>	<i>5.49%</i>	<i>4.16%</i>
<u>International Equity</u>					
Wellington	-1.31%	4.82%	-3.20%	1.50%	1.64%
<i>MSCI ACWI ex-US Index</i>	<i>0.51%</i>	<i>5.03%</i>	<i>-0.99%</i>	<i>0.55%</i>	<i>5.10%</i>
<u>Fixed</u>					
Neuberger & Berman	0.87%	1.19%	-0.22%	0.54%	2.39%
<i>Barclays Intermediate Gov't/Credit Index</i>	<i>1.00%</i>	<i>1.23%</i>	<i>-0.22%</i>	<i>0.70%</i>	<i>2.73%</i>
Baird Advisors	2.11%	2.22%	-0.22%	1.17%	5.37%
<i>Barclays Aggregate Index</i>	<i>1.84%</i>	<i>2.04%</i>	<i>-0.25%</i>	<i>1.10%</i>	<i>4.80%</i>
<u>Real Estate</u>					
Morgan Stanley	2.58%	2.93%	0.00%	0.00%	5.59%
<i>NCREIF ODCE (ew) Index</i>	<i>2.52%</i>	<i>2.76%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>5.35%</i>
Principal	3.04%	4.57%	0.00%	0.00%	7.74%
<i>NCREIF Property Index</i>	<i>2.74%</i>	<i>2.91%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>5.73%</i>

**Investment Manager Fee Table
Period Ended August 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	\$ 99,770,745	3.5 bps on assets	\$ 34,920	0.04%
Thompson Siegel & Walmsley	SMID Cap Value Equity	\$ 21,780,651	80 bps on assets	\$ 174,245	0.80%
Frontier	SMID Cap Growth Equity	\$ 20,214,838	75 bps on assets	\$ 151,611	0.75%
Wellington	International Equity	\$ 43,452,785	71 bps on assets	\$ 308,515	0.71%
Neuberger & Berman	Intermediate Fixed Income	\$ 34,915,851	30 bps on first \$50MM, 20 bps on next \$50mm, 15 bps on balance	\$ 104,748	0.30%
Baird Advisors	Core Fixed Income	\$ 35,168,767	30 bps on first \$25MM, 25 bps on next \$25MM, 20 bps on next \$20MM, 15 bps on balance	\$ 100,422	0.29%
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	\$ 7,067,918	130 bps on assets + incentive fee	\$ 91,883	1.30%
Investment Management Fees		\$ 285,697,265		\$ 1,162,279	0.41%
Segal Rogerscasey	Investment Consulting		\$76,500 annual retainer	\$ 76,500	
Wells Fargo	Custodian	\$ 285,697,265	2 bps on first \$50MM, 1 bps on next \$75MM, 0.5 bps on balance	\$ 25,535	0.01%
TOTAL FEES				\$ 1,264,314	0.44%

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