

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

	<b>Market Value</b>	<b>Percent of Total Plan</b>	<b>Target Allocation</b>
<b><u>Domestic Equity - Large Cap</u></b>	<b>\$98,371,401</b>	<b>35.2%</b>	<b>30.0%</b>
Northern Trust	\$98,371,401	35.2%	
<b><u>Domestic Equity - Small Cap</u></b>	<b>\$39,473,661</b>	<b>14.1%</b>	<b>12.5%</b>
TSW	\$20,489,977	7.3%	
Frontier	\$18,983,684	6.8%	
<b><u>International Equity</u></b>	<b>\$42,176,542</b>	<b>15.1%</b>	<b>15.0%</b>
Wellington	\$42,176,542	15.1%	
<b><u>Fixed</u></b>	<b>\$67,938,531</b>	<b>24.3%</b>	<b>32.5%</b>
Neuberger & Berman	\$33,832,762	12.1%	
Baird Advisors	\$34,105,769	12.2%	
<b><u>Real Estate</u></b>	<b>\$31,478,911</b>	<b>11.3%</b>	<b>10.0%</b>
Morgan Stanley	\$24,193,184	8.7%	
Principal	\$7,285,727	2.6%	
<b>Total Fund</b>	<b>\$279,439,046</b>	<b>100.0%</b>	<b>100.0%</b>

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

	Quarter ended December 31, 2013	Quarter ended March 31, 2014	Quarter ended June 30, 2014	Quarter ended September 30, 2014	Fiscal YTD September 30, 2014	Market Value September 30, 2014	Percent of Total Plan September 30, 2014
<b>Domestic Equity</b>							
Northern Trust S&P 500	10.50%	1.80%	5.23%	1.13%	19.71%	\$98,371,401	35.2%
<i>Northern Trust - net</i>	<i>10.50%</i>	<i>1.79%</i>	<i>5.23%</i>	<i>1.12%</i>	<i>19.69%</i>		
<i>S&amp;P 500 Index</i>	<i>10.51%</i>	<i>1.81%</i>	<i>5.23%</i>	<i>1.13%</i>	<i>19.73%</i>		
TSW	N/A	3.84%	5.50%	-6.78%	N/A	\$20,489,977	7.3%
<i>TSW - net</i>	<i>N/A</i>	<i>3.64%</i>	<i>5.43%</i>	<i>-6.97%</i>	<i>N/A</i>		
<i>Russell 2500 Value Index</i>	<i>8.83%</i>	<i>3.52%</i>	<i>4.20%</i>	<i>-6.39%</i>	<i>9.89%</i>		
Frontier Capital	7.73%	5.80%	3.84%	-5.04%	12.39%	\$18,983,684	6.8%
<i>Frontier Capital - net</i>	<i>7.67%</i>	<i>5.60%</i>	<i>3.65%</i>	<i>-5.22%</i>	<i>11.69%</i>		
<i>Russell 2500 Growth Index</i>	<i>8.49%</i>	<i>1.04%</i>	<i>2.90%</i>	<i>-4.21%</i>	<i>8.04%</i>		
<b>International Equity</b>							
Wellington	N/A	-1.31%	4.82%	-4.60%	N/A	\$42,176,542	15.1%
<i>Wellington- net</i>	<i>N/A</i>	<i>-1.49%</i>	<i>4.76%</i>	<i>-4.77%</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>-5.26%</i>	<i>4.78%</i>		
<b>Fixed</b>							
Neuberger Berman	0.04%	0.87%	1.19%	-0.21%	1.89%	\$33,832,762	12.1%
<i>Neuberger Berman - net</i>	<i>-0.04%</i>	<i>0.79%</i>	<i>1.15%</i>	<i>-0.29%</i>	<i>1.62%</i>		
<i>Barclays Intermediate Gov't/Credit Index</i>	<i>-0.02%</i>	<i>1.00%</i>	<i>1.23%</i>	<i>-0.03%</i>	<i>2.18%</i>		
Baird Advisors	-0.20%	2.11%	2.22%	0.26%	4.44%	\$34,105,769	12.2%
<i>Baird Advisors - net</i>	<i>-0.26%</i>	<i>2.03%</i>	<i>2.14%</i>	<i>0.19%</i>	<i>4.14%</i>		
<i>Barclays Aggregate Index</i>	<i>-0.14%</i>	<i>1.84%</i>	<i>2.04%</i>	<i>0.16%</i>	<i>3.95%</i>		
<b>Real Estate</b>							
Morgan Stanley	3.38%	2.58%	2.93%	3.72%	13.21%	\$24,193,184	8.7%
<i>Morgan Stanley - net</i>	<i>2.67%</i>	<i>2.37%</i>	<i>2.58%</i>	<i>3.51%</i>	<i>11.60%</i>		
<i>NCREIF ODCE (ew) Index</i>	<i>3.14%</i>	<i>2.52%</i>	<i>2.76%</i>	<i>3.47%</i>	<i>12.43%</i>		
Principal*	3.00%	3.04%	4.57%	3.10%	14.41%	\$7,285,727	2.6%
<i>Principal - net</i>	<i>2.67%</i>	<i>2.71%</i>	<i>4.25%</i>	<i>2.77%</i>	<i>12.98%</i>		
<i>NCREIF Property Index</i>	<i>2.53%</i>	<i>2.74%</i>	<i>2.91%</i>	<i>N/A</i>	<i>N/A</i>		
<b>Total Fund</b>	<b>6.15%</b>	<b>1.76%</b>	<b>3.94%</b>	<b>-0.73%</b>	<b>11.45%</b>	<b>\$279,439,046</b>	<b>100.0%</b>
<b>Total Fund - net</b>	<b>6.05%</b>	<b>1.66%</b>	<b>3.82%</b>	<b>-0.83%</b>	<b>11.00%</b>		
<b>Policy Index**</b>	<b>5.20%</b>	<b>1.62%</b>	<b>3.58%</b>	<b>-0.83%</b>	<b>9.80%</b>		

Asset Class	Market value	% of Plan	Target	Ranges
Large Cap Equity	\$ 98,371,401	35.2%	30.0%	20-40%
Small Cap Equity	\$ 39,473,661	14.1%	12.5%	7.5-17.5%
International Equity	\$ 42,176,542	15.1%	15.0%	10-20%
Fixed Income	\$ 67,938,531	24.3%	32.5%	22.5-42.5%
Real Estate	\$ 31,478,911	11.3%	10.0%	5-15%
<b>Total Fund</b>	<b>\$ 279,439,046</b>	<b>100.0%</b>	<b>100.0%</b>	

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

\*Preliminary data as of 9/30/2014

\*\* 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 September 30, 2014**

	Quarter ended March 31, 2014	Quarter ended June 30, 2014	Quarter ended September 30, 2014	Calendar YTD September 30, 2014
<b><u>Domestic Equity</u></b>				
Northern Trust	1.80%	5.23%	1.13%	8.33%
<i>S&amp;P 500 Index</i>	<i>1.81%</i>	<i>5.23%</i>	<i>1.13%</i>	<i>8.34%</i>
TSW SMID	3.84%	5.50%	-6.78%	2.13%
<i>Russell 2500 Value Index</i>	<i>3.52%</i>	<i>4.20%</i>	<i>-6.39%</i>	<i>0.97%</i>
Frontier	5.80%	3.84%	-5.04%	4.32%
<i>Russell 2500 Growth Index</i>	<i>1.04%</i>	<i>2.90%</i>	<i>-4.21%</i>	<i>-0.41%</i>
<b><u>International Equity</u></b>				
Wellington	-1.31%	4.82%	-4.60%	-1.31%
<i>MSCI ACWI ex-US Index</i>	<i>0.51%</i>	<i>5.03%</i>	<i>-5.26%</i>	<i>0.01%</i>
<b><u>Fixed</u></b>				
Neuberger & Berman	0.87%	1.19%	-0.21%	1.85%
<i>Barclays Intermediate Gov't/Credit Index</i>	<i>1.00%</i>	<i>1.23%</i>	<i>-0.03%</i>	<i>2.21%</i>
Baird Advisors	2.11%	2.22%	0.26%	4.65%
<i>Barclays Aggregate Index</i>	<i>1.84%</i>	<i>2.04%</i>	<i>0.16%</i>	<i>4.09%</i>
<b><u>Real Estate</u></b>				
Morgan Stanley	2.58%	2.93%	3.72%	9.51%
<i>NCREIF ODCE (ew) Index</i>	<i>2.52%</i>	<i>2.76%</i>	<i>3.47%</i>	<i>9.01%</i>
Principal	3.04%	4.57%	3.10%	11.08%
<i>NCREIF Property Index</i>	<i>2.74%</i>	<i>2.91%</i>	<i>N/A</i>	<i>N/A</i>

**Investment Manager Fee Table**  
**Period Ended September 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>
<b>Northern Trust</b>	Passive Large Cap Equity	\$ 98,371,401	3.5 bps on assets	\$ 34,430	0.04%
<b>Thompson Siegel &amp; Walmsley</b>	SMID Cap Value Equity	\$ 20,489,977	80 bps on assets	\$ 163,920	0.80%
<b>Frontier</b>	SMID Cap Growth Equity	\$ 18,983,684	75 bps on assets	\$ 142,378	0.75%
<b>Wellington</b>	International Equity	\$ 42,176,542	71 bps on assets	\$ 299,453	0.71%
<b>Neuberger &amp; Berman</b>	Intermediate Fixed Income	\$ 33,832,762	30 bps on first \$50MM, 20 bps on next \$50mm, 15 bps on balance	\$ 101,498	0.30%
<b>Baird Advisors</b>	Core Fixed Income	\$ 34,105,769	30 bps on first \$25MM, 25 bps on next \$25MM, 20 bps on next \$20MM, 15 bps on balance	\$ 97,764	0.29%
<b>Morgan Stanley</b>	Real Estate	\$ 24,193,184	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	\$ 203,223	0.84%
<b>Principal*</b>	Real Estate	\$ 7,285,727	130 bps on assets + incentive fee	\$ 94,714	1.30%
<b>Investment Management Fees</b>		<b>\$ 279,439,046</b>		<b>\$ 1,137,381</b>	<b>0.41%</b>
<b>Segal Rogerscasey</b>	<b>Investment Consulting</b>		<b>\$76,500 annual retainer</b>	<b>\$ 76,500</b>	
<b>Wells Fargo</b>	<b>Custodian</b>	<b>\$ 279,439,046</b>	<b>2 bps on first \$50MM, 1 bps on next \$75MM, 0.5 bps on balance</b>	<b>\$ 25,222</b>	<b>0.01%</b>
<b>TOTAL FEES</b>				<b>\$ 1,239,103</b>	<b>0.44%</b>

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