

**SUMMARY OF RELEVANT FACTS**  
**Town of Longboat Key Police Officers' Retirement System**  
**As of December 31, 2014**

<b>Distribution of Assets:</b>	
<b>Equity</b>	
-Large Cap. Value	\$1,675,925.68
-Large Cap. Growth	\$1,608,455.16
-Small/Mid Cap. Value	\$335,787.51
-Small/Mid Cap. Growth	\$358,283.28
-International Value	\$323,903.40
-International Growth	\$325,762.48
Total Equity	\$4,628,117.51
Fixed	\$2,082,118.51
Cash (Deposit & Disburse. Acc't)	\$190,357.63
<b>Total Portfolio</b>	<b>\$6,900,593.65</b>

<b>Distribution by Percentages:</b>	<b>Policy</b>	<b>Current</b>
<b>Equity Breakdown</b>		
-Large Cap. Value	22.50%	24.29%
-Large Cap. Growth	22.50%	23.31%
-Small/Mid Cap. Value	5.00%	4.87%
-Small/Mid Cap. Growth	5.00%	5.19%
-International Value	5.00%	4.69%
-International Growth	5.00%	4.72%
Total Equity	65.00%	67.07%
Fixed	35.00%	30.17%
Cash (Deposit & Disburse. Acc't)	0.00%	2.76%
<b>Total Portfolio</b>	<b>100.00%</b>	<b>100.00%</b>

**Other Important Facts:**

Total Portfolio	\$6,900,593.65
Total Gain or (Loss) - Gross-of-Fees	\$153,393.07
Total Gain or (Loss) - Net-of-Fees	\$144,713.07
Total Fees	(\$8,680.00)

**HGK**

Total Assets	100.00%	\$1,675,925.68
Equity	97.04%	\$1,626,401.84
Cash	2.96%	\$49,523.84
Fees		(\$1,590.16)
Gain or (Loss) - Gross-of-Fees		\$49,295.03
Gain or (Loss) - Net-of-Fees		\$47,704.87

**Congress**

Total Assets	100.00%	\$1,608,455.16
Equity	99.63%	\$1,602,450.16
Cash	0.37%	\$6,005.00
Fees		-2010.53
Gain or (Loss) - Gross-of-Fees		\$88,558.72
Gain or (Loss) - Net-of-Fees		\$86,548.19

**GW Capital**

Total Assets	100.00%	\$335,787.51
Equity	98.60%	\$331,091.05
Cash	1.40%	\$4,696.46
Fees		(\$632.98)
Gain or (Loss) - Gross-of-Fees		\$8,156.46
Gain or (Loss) - Net-of-Fees		\$7,523.48

**Madison**

Total Assets	100.00%	\$2,082,118.51
Fixed	97.82%	\$2,036,653.22
Cash	2.18%	\$45,465.29
Fees		(\$1,561.47)
Gain or (Loss) - Gross-of-Fees		\$12,352.20
Gain or (Loss) - Net-of-Fees		\$10,790.73

**Oak Ridge**

Total Assets	100.00%	\$358,283.28
Equity	97.60%	\$349,700.98
Cash	2.40%	\$8,582.30
Fees		(\$625.96)
Gain or (Loss) - Gross-of-Fees		\$23,850.22
Gain or (Loss) - Net-of-Fees		\$23,224.26

**Delaware**

Total Assets	100.00%	\$323,903.40
Equity	97.86%	\$316,975.71
Cash	2.14%	\$6,927.69
Fees		(\$612.64)
Gain or (Loss) - Gross-of-Fees		(\$11,549.42)
Gain or (Loss) - Net-of-Fees		(\$12,162.06)

**Renaissance**

Total Assets	100.00%	\$325,762.48
Equity	98.87%	\$322,074.49
Cash	1.13%	\$3,687.99
Fees		(\$534.53)
Gain or (Loss) - Gross-of-Fees		(\$17,271.49)
Gain or (Loss) - Net-of-Fees		(\$17,806.02)

**Deposit & Disbursement**

Total Assets	100.00%	\$190,357.63
Fixed	0.00%	\$0.00
Cash	100.00%	\$190,357.63
Fees		(\$1,111.73)
Gain or (Loss) - Gross-of-Fees		\$1.35
Gain or (Loss) - Net-of-Fees		(\$1,110.38)

**Breakdown of Returns**  
**Town of Longboat Key Police Officers' Retirement System**  
**As of December 31, 2014**

<b>EQUITY</b>						
<b>HGK</b>						
<b>Large Cap. Value</b>		<b>Your Returns</b>	<b>Your Returns</b>			
		<b>Gross-of-Fees</b>	<b>Net-of-Fees</b>	<b>Russ 1000 Value</b>	<b>PSN Money Managers</b>	<b>S&amp;P 500</b>
	Quarter	3.00	2.90	4.99	4.44	4.93
	1 Year	11.57	11.15	13.46	12.33	13.69
	3 Year	20.32	19.86	20.90	19.57	20.42
	Since 9/30/2011	22.84	22.41	23.75	22.30	22.86
<b>Congress</b>						
<b>Large Cap. Growth</b>				<b>Russ 1000 Growth</b>	<b>PSN Money Managers</b>	
	Quarter	5.77	5.64	4.79	4.80	
	1 Year	10.27	9.87	13.06	11.85	
	3 Year	16.93	16.39	20.26	20.38	
	Since 4/30/2010	13.33	12.77	15.63	NA	
<b>GW Capital</b>						
<b>Small/Mid Cap. Value</b>				<b>Russ 2500 Value</b>	<b>PSN Money Managers</b>	
	Quarter	2.45	2.26	6.09	8.20	
	1 Year	1.35	0.58	7.11	7.33	
	3 Year	16.44	15.56	19.41	19.54	
	Since 4/30/2010	13.16	12.36	13.03	NA	
<b>Oak Ridge</b>						
<b>Small/Mid Cap. Growth</b>				<b>Russ 2500 Growth</b>	<b>PSN Money Managers</b>	
	Quarter	7.03	6.84	7.48	7.96	
	1 Year	5.98	5.44	7.04	4.41	
	3 Year	17.81	17.05	20.47	19.72	
	Since 4/30/2010	15.42	14.70	15.62	NA	
<b>Delaware</b>						
<b>International Value</b>				<b>MSCI EAFE (Net)</b>	<b>MSCI EAFE Value</b>	
	Quarter	(3.43)	(3.61)	(3.57)	(4.85)	
	1 Year	(0.57)	(1.31)	(4.90)	(5.38)	
	3 Year	10.65	9.89	11.06	11.04	
	5 Year	6.02	5.36	5.34	4.42	
	Since 9/30/2009	6.24	5.61	5.51	4.26	
	Since 9/30/2005	4.65		3.82	3.19	

Renaissance International Growth		MSCI AC World Ex US		
Quarter	(5.02)	(5.17)	(3.88)	
1 Year	(5.08)	(5.69)	(3.87)	
3 Year	11.60	10.87	9.00	
Since 4/30/2010	7.40	6.73	4.60	
FIXED INCOME		Madison		
		BC Int. Gov/Credit	BC Gov/Credit	90-Day T-Bill
Quarter	0.59	0.51	0.89	1.80
1 Year	2.26	1.95	3.12	5.99
3 Year	1.39	1.08	2.03	2.75
Since 4/30/2010	2.44	2.11	3.27	4.41
TOTAL RETURN		Time-Weighted Return (TWR)		
		Policy Index	Composite Index	
Quarter	2.28	2.15	2.80	2.91
1 Year	5.83	5.38	7.31	7.52
3 Year	11.93	11.44	12.84	13.36
5 Year	9.93	9.41	10.34	10.94
Since 9/30/2009	10.18	9.64	10.57	11.06
Since 12/31/1999	4.18		4.63	
TOTAL RETURN		Dollar-Weighted Net (IRR)		
		Actuarial Rate	CPI +5	
Quarter		2.14	1.82	0.60
1 Year		5.36	7.50	5.64
3 Year		11.50	7.50	6.36
5 Year		9.56	7.50	6.68
Since 9/30/2009		9.77	7.50	6.70

Policy Index Composition

- 22.5% Russ 1000 Value / 22.5% Russ 1000 Growth / 5% Russ 2500 Value / 5% Russ 2500 Growth / 5% MSCI EAFE (net) / 5% MSCI AC Wd x US (net) / 35% BC Int G/C for periods since 04/30/2010

- 55% S&P 500 / 10 MSCI EAFE (net) / 35 BC Int. G/C for periods from 8/31/2005 to 4/30/2010

- 65% S&P 500 / 35 BC int. G/C for periods prior to 8/31/2005

# COMPLIANCE CHECKLIST

## Town of Longboat Key Police Officers' Retirement System

As of December 31, 2014

### GUIDELINES In Compliance

#### Equity Portfolio

Listed on recognized exchange	Yes
Single issue not to exceed 10% at market value for each equity in each separately managed portfolio	Yes
Single issue not to exceed 5% at market value for the total portfolio	Yes
Total equity portfolio < 70% & > 60% of total fund at market value	Yes
Foreign equities < 25% of total portfolio at market value	Yes
No scrutinized companies (Sudan/Iran) held per Protecting Florida's Investments Act requirement	Yes

#### HGK

##### Large Capitalization Value Equity Portfolio

Market Value < 25% & > 20% of total fund	Yes
Performance (Inception 9/30/2011)	<u>3 years</u> <u>Since Inception</u>
Rank in the Top 50% of manager universe (3-5 years)	Yes      Yes
Return > Russell 1000 Value (3-5 years)	No      No

#### Congress

##### Large Capitalization Growth Equity Portfolio

Market Value < 25% & > 20% of total fund	Yes
Performance (Inception 4/30/2010)	<u>3 years</u> <u>Since Inception</u>
Rank in the Top 50% of manager universe (3-5 years)	No      No
Return > Russell 1000 Growth (3-5 years)	No      No

#### GW

##### Small/Mid Capitalization Value Equity Portfolio

Market Value < 7.5% & > 2.5% of total fund	Yes
Performance (Inception 4/30/2010)	<u>3 years</u> <u>Since Inception</u>
Rank in the Top 50% of manager universe (3-5 years)	No      Yes
Return > Russell 2500 Value (3-5 years)	No      Yes

#### Oak Ridge

##### Small/Mid Capitalization Growth Equity Portfolio

Market Value < 7.5% & > 2.5% of total fund	Yes
Performance (Inception 4/30/2010)	<u>3 years</u> <u>Since Inception</u>
Rank in the Top 50% of manager universe (3-5 years)	No      No
Performance > Russell 2500 Growth (3-5 years)	No      No

### OBJECTIVES In Compliance

#### Total Portfolio

	<u>3 Years</u>	<u>Since Inception</u> 9/30/09	<u>Since Inception</u> 12/31/1999
Exceed Target Index	No	No	No
Exceed actuarial assumption (7.5%)*	Yes	Yes	N/A
Exceed CPI + 5%*	Yes	Yes	N/A

\*Performance based on dollar-weighted net returns.

#### Delaware

##### International Value Equity Portfolio

Market Value < 7.5% & > 2.5% of total fund	Yes
Performance (Inception 9/30/2005)	<u>3 years</u> <u>Since Inception</u>
Return > MSCI EAFE (Net) (3-5 years)	No      Yes

#### Renaissance

##### International Growth Equity Portfolio

Market Value < 7.5% & > 2.5% of total fund	Yes
Performance (Inception 4/30/2010)	<u>3 years</u> <u>Since Inception</u>
Return > MSCI AC World Ex US	Yes      Yes

#### Madison

##### Fixed Income Portfolio

Market Value < 40.0% & > 30.0% of total fund	Yes
Performance (Inception 4/30/2010)	<u>3 years</u> <u>Since Inception</u>
Return > BC Interm. Gov't/Credit (3-5 years)	No      No
U.S. Government / Agency or U.S. Corporations	Yes
Bonds rated "A" or better	Yes
Single corporate issuer not exceed 10% of bond portfolio (except U.S. Government/Agency)	Yes

# QUARTERLY PERFORMANCE EVALUATION

Prepared for:

## Town of Longboat Key Police Officers' Retirement System

As of December 31, 2014

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# Capital Markets Overview: 4Q 2014

## Introduction

As of 4Q 2014

- Domestic equities continued to race ahead during the fourth quarter of 2014 amid spikes in volatility, dramatic declines in oil prices, the Fed's conclusion of QE3 and the continued strength of the US dollar. There were positive signs of a healing US economy as third-quarter US GDP growth was revised to a staggering 5%—the best pace in more than 11 years.
- The Dow Jones Industrial Average rose 5.2% in the fourth quarter. The NASDAQ Composite Index advanced 5.8% for the quarter. The S&P 500 Index rose 4.9% for the quarter, its eighth consecutive quarterly increase.
- Seven of the 10 sectors of the S&P 500 Index advanced in the fourth quarter. Utilities fared the best, with a 13.2% uptick. Consumer Discretionary rose 8.7% and Consumer Staples advanced 8.2%. The laggards were Energy, which declined 10.7%, Telecommunication Services, which fell 4.2%, and Materials, which declined 1.8%.
- Morgan Stanley & Co. economists expect U.S. real GDP will be 2.0% in 2014 and 2.7% in 2015. They forecast global GDP growth to be 3.2% in 2014 and 3.5% in 2015.
- Commodities struggled throughout the fourth quarter; the Bloomberg Commodity Index declined 12.1%. For the quarter, gold was down 2.3%.
- For the fourth quarter of 2014, global mergers and acquisitions (M&A) deal volume was \$881 billion, compared to \$573 billion for the fourth quarter of 2013. Global M&A activity increased to \$3.3 trillion in 2014 from \$2.3 trillion in 2013.

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research.

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# Capital Markets Overview: 4Q 2014

## The US Economy

As of 4Q 2014

The Department of Commerce estimated that Gross Domestic Product increased at an annual rate of 5% in the third quarter of 2014, in comparison to a 4.6% increase in the second quarter of 2014. Morgan Stanley & Co. economists forecast U.S. Real GDP will be 2.0% in 2014 and 2.7% in 2015.

The seasonally adjusted unemployment rate fell from 5.9% for September to 5.8% for November. Job gains took place in retail trade, health care, professional and business services, and manufacturing. The unemployment rate (5.8%) and the number of unemployed persons (9.1 million) decreased in November. The number of long-term unemployed (2.8 million) was little changed in November.

According to the most recent estimate from the Bureau of Economic Analysis, corporate profits climbed 3.1% between the second quarter of 2014 and the third quarter of 2014, and rose 1.4% between the third quarter of 2013 and the third quarter of 2014.

Inflation remained low in the U.S. According to the Bureau of Labor Statistics, the seasonally adjusted Consumer Price Index was flat in October and decreased 0.3% in November. Morgan Stanley & Co. economists forecast a 1.4% inflation rate for 2014 and 1.8% for 2015.

The Census Bureau reported that private-sector housing starts in November 2014 were at a seasonally adjusted annual rate of 1,028,000—7.0% below November 2013 housing starts. The rise in housing starts over the past year indicates that despite some intermittent setbacks, the housing market is rebounding.

The Census Bureau also reported that seasonally adjusted retail and food services sales increased 0.7% between October and November 2014, and increased 5.1% between November 2013 and November 2014.

In December, the Institute for Supply Management's Purchasing Managers' Index (PMI), a manufacturing sector index, was 55.5, down 3.2 from November, and down from October's 59.0. The latest PMI data indicates an expansion in the manufacturing sector for 20 consecutive months. Overall, PMI has been above 43 for 68 consecutive months. Generally speaking, a PMI or NMI (ISM Non-Manufacturing Index) over 50 indicates that the sector is expanding and a PMI below 50 but over 43 indicates that the sector is shrinking but the overall economy is expanding.

The NMI rose 2.2 points to 59.3 between October and November of 2014, and fell 3.1 to 56.2 between November and December of 2014. The index has now been above 50 for 58 consecutive months.

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research.

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# Capital Markets Overview: 4Q 2014

## US Equity Markets

As of 4Q 2014

The Dow Jones Industrial Average rose 5.2% in the fourth quarter. The NASDAQ Composite Index advanced 5.8% for the quarter. The S&P 500 Index rose 4.9% for the quarter, its eighth consecutive quarterly increase.

Seven of the 10 sectors of the S&P 500 Index advanced in the fourth quarter. Utilities fared the best, with a 13.2% uptick. Consumer Discretionary rose 8.7% and Consumer Staples advanced 8.2%. The laggards were Energy, which declined 10.7%, Telecommunication Services, which fell 4.2% and Materials, which declined 1.8%.

Growth-style stocks of large-cap companies rose during the fourth quarter. The large-cap Russell 1000 Growth Index advanced 4.8%. The Russell 1000 Index, a large-cap index, rose 4.9% for the quarter.

The Russell 1000 Value Index, also a large-cap index, increased 5.0% for the quarter. The Russell Midcap Growth Index rose 5.8% for the quarter. The Russell Midcap Index increased 5.9% for the quarter. The Russell Midcap Value Index rose 6.1% for the quarter. The Russell 2000 Growth Index, a small-cap index, increased 10.1% for the quarter. The small-cap Russell 2000 Index rose 9.7% for the quarter. The Russell 2000 Value Index, also a small-cap index, increased 9.4% for the quarter.

Key US Stock Market Index Returns (%) for the Period Ending 12/31/2014				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
S&P 500	4.9%	13.7%	15.4%	7.3%
Dow Jones	5.2%	10.0%	14.2%	7.2%
Russell 2000	9.7%	4.9%	15.5%	8.2%
Russell Midcap	5.9%	13.2%	17.2%	8.9%
Russell 1000	4.9%	13.2%	15.6%	7.5%

Source: FactSet, Bloomberg.

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# Capital Markets Overview: 4Q 2014

## Global Equity Markets

As of 4Q 2014

In the fourth quarter, emerging markets (EM) and global equities had mixed results. The MSCI EAFE Index (a benchmark for developed markets) fell 3.53% for U.S.-currency investors and rose 1.8% for local-currency investors, as the U.S. dollar appreciated in relation to the currencies of many nations in the index. In the third quarter of 2014, the MSCI EAFE Index fell 5.8% in U.S. dollar terms and rose 1.0% in local currency terms.

For the fourth quarter, the MSCI Emerging Markets Index declined 4.4% for U.S.-currency investors and rose 0.1% for local-currency investors, as the U.S. dollar appreciated in relation to many emerging-market currencies. In the previous quarter, the MSCI Emerging Markets Index fell 3.4% for U.S.-dollar-based investors and increased 0.7% for local-currency investors.

The MSCI Europe Index fell 4.2% for U.S.-currency investors and decreased 0.01% for local-currency investors during the fourth quarter. In the previous quarter, the MSCI Europe Index fell 6.9% for U.S.-dollar-based investors and increased 0.9% for local-currency investors.

More specific emerging economy equity market indices were mixed in the fourth quarter. The MSCI BRIC (Brazil, Russia, India and China) Index fell 4.0% for the quarter in U.S. dollar terms and advanced 1.3% in terms of local currencies. In comparison, for the fourth quarter, the MSCI EM Asia Index declined 0.5% in U.S. dollar terms and rose 1.8% in local terms.

Key Global Equity Market Index Returns (%) for the Period Ending 12/31/2014				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
MSCI EAFE	-3.5%	-4.5%	5.8%	0.0%
MSCI EAFE Growth	-2.3%	-4.1%	6.5%	0.4%
MSCI EAFE Value	-4.8%	-4.9%	5.0%	-0.4%
MSCI Europe	-4.3%	-5.7%	5.9%	-0.2%
MSCI Japan	-2.4%	-3.7%	5.7%	-0.1%
MSCI Emerging Markets	-4.4%	-1.8%	2.1%	-1.0%

Source: FactSet, Bloomberg.

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# Capital Markets Overview: 4Q 2014

## The US Bond Market

As of 4Q 2014

In the fourth quarter, bond market returns increased slightly—the Barclays U.S. Aggregate Bond Index, a general measure of the bond market, rose 1.8% for the quarter. Interest rates declined during the fourth quarter, as the yield on the 10-Year U.S. Treasury note fell to a quarter-end 2.17% from 2.49% at the end of the third quarter.

Also in the fourth quarter, riskier parts of the bond market such as U.S. High Yield debt registered negative returns. As a result, the Barclays Capital High Yield Index, a measure of lower-rated corporate bonds, declined 1.0% for the quarter.

Investors were positive on mortgage-backed securities in the fourth quarter. Consequently, the Barclays Capital Mortgage Backed Index rose 1.8% for the quarter. During the fourth quarter, investors held steady in the municipal bond market. As a result, the Barclays Capital Muni Index rose 1.4% for the quarter.

Key US Bond Market Index Returns (%) for the Period Ending 12/31/2014				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
Barclays Capital US Aggregate	1.8%	6.0%	4.4%	4.8%
Barclays Capital High Yield	-1.0%	2.5%	9.0%	8.8%
Barclays Capital Govt/Credit	1.8%	5.8%	4.6%	4.8%
Barclays Capital Government	1.9%	5.1%	3.9%	4.1%
Barclays Capital Intermediate Govt/Credit	0.9%	3.1%	3.5%	4.0%
Barclays Capital Long Govt/Credit	5.6%	19.3%	9.8%	8.4%
Barclays Capital Mortgage Backed Securities	1.8%	6.1%	3.7%	4.7%
Barclays Capital Muni	1.4%	9.1%	5.2%	5.1%

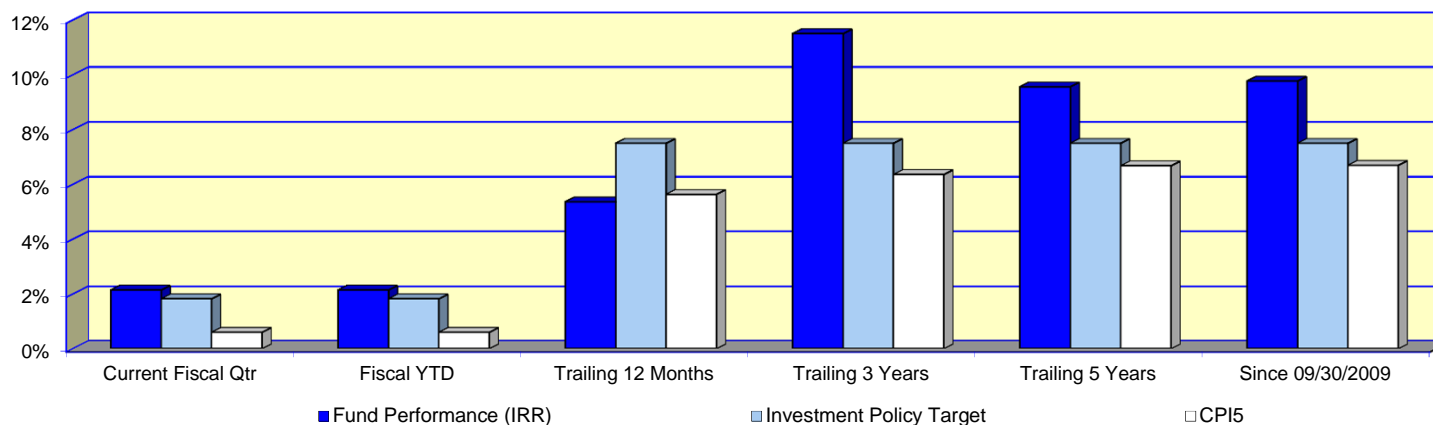
Source: FactSet, Bloomberg, Morgan Stanley & Co. Research.

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# INVESTMENT POLICY MONITOR (DOLLAR WEIGHTED IRR)

Longboat Key Police

AS OF 12/31/2014



Asset Class	Current Fiscal Qtr	Fiscal YTD	Trailing 12 Months	Trailing 3 Years	Trailing 5 Years	Since 09/30/2009
<i>Investment Manager</i>						
<b>Fund Performance (IRR)</b>	<b>2.14</b>	<b>2.14</b>	<b>5.36</b>	<b>11.50</b>	<b>9.56</b>	<b>9.77</b>
<u>Investment Policy Objectives</u>						
Investment Policy Target	1.82	1.82	7.50	7.50	7.50	7.50
CPI5	0.60	0.60	5.64	6.36	6.68	6.70

**Investment Policy Objective**

Primary investment emphasis must be placed upon the consistent protection of the funds and growth performance.

**Dollar-Weighted Returns**

(Internal Rate of Return)

The investment policy monitor is calculated on a dollar-weighted basis, accounting for deposits and cash flows upon receipt. The dollar-weighted or "internal rate of return - IRR" is the actual rate earned by the Fund. The dollar-weighted return is the appropriate measurement to evaluate the fund's performance in relation to the statement of investment policy and guidelines.

## INVESTMENT PERFORMANCE SUMMARY (TIME WEIGHTED)

Longboat Key Police

AS OF 12/31/2014

Investment Returns are Annualized and Time Weighted (%)	Current Fiscal Qtr	Fiscal YTD	Trailing 12 Months	Trailing 3 Years	Trailing 5 Years	Since 09/30/2009	Since Inc Period End	Account Number
<b>TOTAL FUND</b>	<b>+2.28</b>	<b>+2.28</b>	<b>+5.83</b>	<b>+11.93</b>	<b>+9.93</b>	<b>+10.18</b>	<b>09/30/2009</b>	
Composite	+2.91	+2.91	+7.52	+13.36	+10.94	+11.06		
<b>Equity Investments</b>								
HGK - Large Cap Value	3.00	3.00	11.57	20.32	N/A	22.84	09/30/2011	001-073439
Russell 1000 VI	4.99	4.99	13.46	20.90		23.75		
Congress Asset Management	5.77	5.77	10.28	16.93	13.90	14.60	09/30/2009	001-068204
Russell 1000 Gr	4.79	4.79	13.06	20.26	15.82	16.70		
GW Capital Inc	2.45	2.45	1.35	16.44	14.38	14.99	09/30/2009	001-068198
Russell 2500 VI	6.09	6.09	7.11	19.41	15.48	15.69		
Oak Ridge Investment Inc	7.03	7.03	5.98	17.81	N/A	15.42	04/30/2010	001-068264
Russell 2500 Gr	7.48	7.48	7.04	20.47		15.62		
<b>International Equity</b>								
Delaware Investments	-3.43	-3.43	-0.57	10.65	6.02	6.24	09/30/2009	001-068200
MSCI EAFE Net	-3.57	-3.57	-4.91	11.06	5.34	5.51		
Renaissance Investment Management	-5.02	-5.02	-5.09	11.60	N/A	7.40	04/30/2010	001-068263
MSCI AC Wld xUS Nt	-3.88	-3.88	-3.88	9.00		4.60		
<b>Fixed Income Investments</b>								
Madison Investment Advisors LLC	0.59	0.59	2.26	1.39	2.69	2.71	09/30/2009	001-068205
BC Gov/Cr Intm	0.89	0.89	3.12	2.03	3.54	3.43		

Report Created: 2/20/2015

## INVESTMENT PERFORMANCE SUMMARY (DOLLAR WEIGHTED)

Longboat Key Police

AS OF 12/31/2014

Investment Returns are Annualized and Dollar Weighted (%)	Current Fiscal Qtr	Fiscal YTD	Trailing 12 Months	Trailing 3 Years	Trailing 5 Years	Since 09/30/2009	Since Inc Period End	Account Number
<b>Total Fund</b>	<b>2.14</b>	<b>2.14</b>	<b>5.36</b>	<b>11.50</b>	<b>9.56</b>	<b>9.77</b>	<b>09/30/2009</b>	
<b>Equity Investments</b>								
HGK - Large Cap Value	2.89	2.89	11.03	20.11	N/A	22.58	09/30/2011	001-073439
Congress Asset Management	5.60	5.60	9.49	16.40	14.42	14.81	09/30/2009	001-068204
GW Capital Inc	2.26	2.26	0.98	16.55	14.44	15.71	09/30/2009	001-068198
Oak Ridge Investment Inc	6.83	6.83	4.86	17.34	N/A	14.12	04/30/2010	001-068264
<b>International Equity</b>								
Delaware Investments	-3.57	-3.57	-0.76	10.28	4.99	5.44	09/30/2009	001-068200
Renaissance Investment Management	-5.11	-5.11	-5.23	11.14	N/A	7.13	04/30/2010	001-068263
<b>Fixed Income Investments</b>								
Madison Investment Advisors LLC	0.51	0.51	1.90	1.08	2.23	2.29	09/30/2009	001-068205

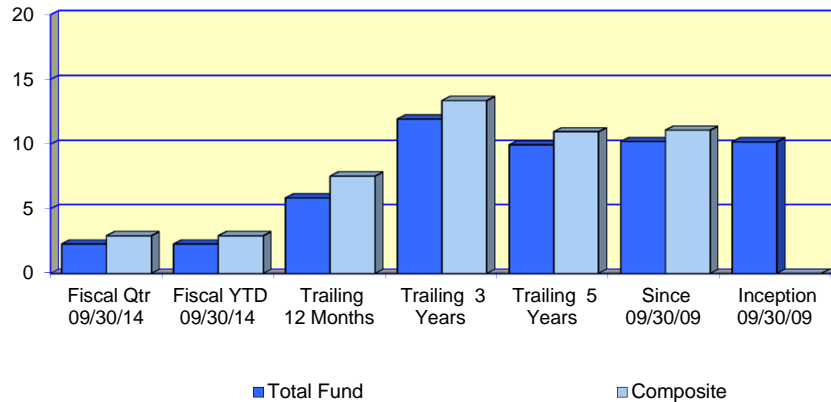
Report Created: 2/20/2015

# TOTAL FUND

Longboat Key Police

AS OF 12/31/2014

**Portfolio Performance (%)**



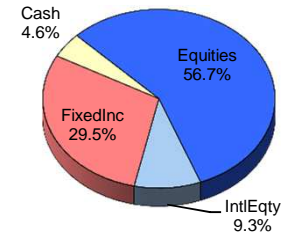
<b>Investment Returns (%)</b>	<i>Fiscal Qtr</i>	<i>Fiscal YTD</i>	<i>Trailing</i>	<i>Trailing</i>	<i>Trailing</i>	<i>Since</i>	<i>Inception</i>
	<i>Since: 09/30/14</i>	<i>09/30/14</i>	<i>12 Months</i>	<i>3 Years</i>	<i>5 Years</i>	<i>09/30/09</i>	<i>09/30/09</i>
<b>Total Fund</b>	<b>2.28</b>	<b>2.28</b>	<b>5.83</b>	<b>11.93</b>	<b>9.93</b>	<b>10.18</b>	<b>10.17</b>
Composite	2.91	2.91	7.52	13.36	10.94	11.06	N/A
Longboat Policy Index	2.80	2.80	7.31	12.84	10.34	10.57	N/A

**Asset Growth (\$000)**

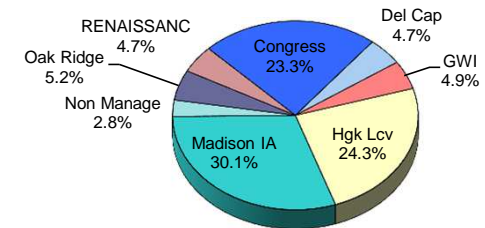
Beginning Market Value	6,790	6,790	7,285	4,934	4,585	4,474	4,474
Net Contributions & Withdrawals	-42	-42	-784	-159	-468	-515	-515
Gain/Loss + Income	153	153	400	2,126	2,784	2,942	2,942
Ending Market Value	6,901	6,901	6,901	6,901	6,901	6,901	6,901

**Asset Allocation (\$000)**

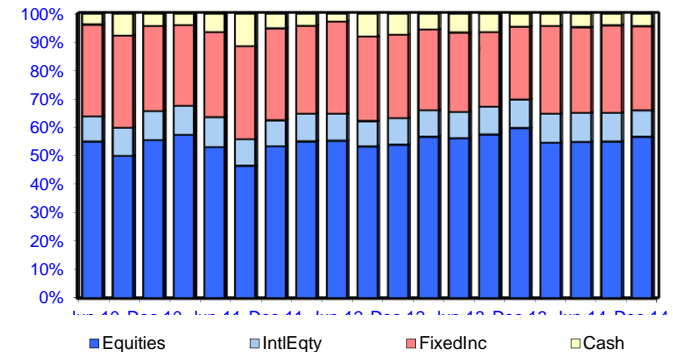
<i>Equities</i>	<i>IntlEqty</i>	<i>FixedInc</i>	<i>Cash</i>	<i>Total</i>
3,910	639	2,037	315	6,901



**Asset Allocation By Manager**



**Allocation Over Time**



## Risk/Return Analysis - Since Inception



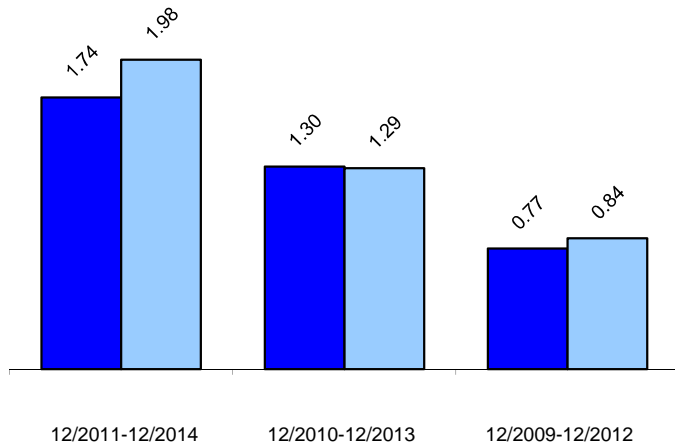


# TOTAL FUND RISK ANALYSIS

Longboat Key Police

AS OF 12/31/2014

**Sharpe Ratios 3-Year Rolling Periods**

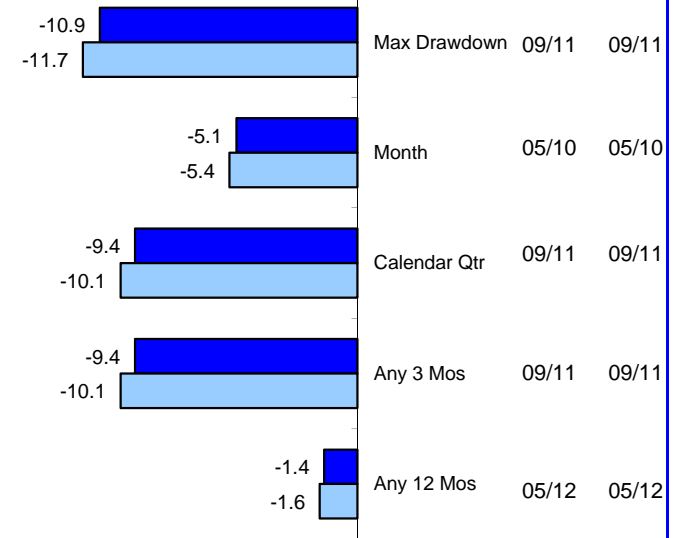


**Longboat Key Police**  
**Composite Index**

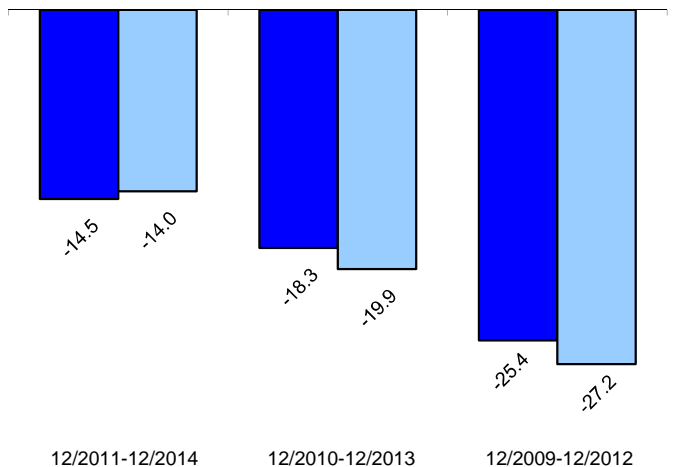
**Sharpe Ratio** divides excess return by standard deviation to arrive at a unified measure of risk adjusted return. In most cases where risk is a consideration, it is desirable to have a value higher than the index.

**Loss in Varying Time Periods** measures the greatest loss experienced in each of five different historical time periods. Maximum Drawdown in the longest sustained loss since the inception of the account (The fund and index may have different begin and end dates.) *No presentation is made that these amounts represent maximum future loss.*

**Loss in Varying Time Periods (%)** Mgr. End Date Index End Date



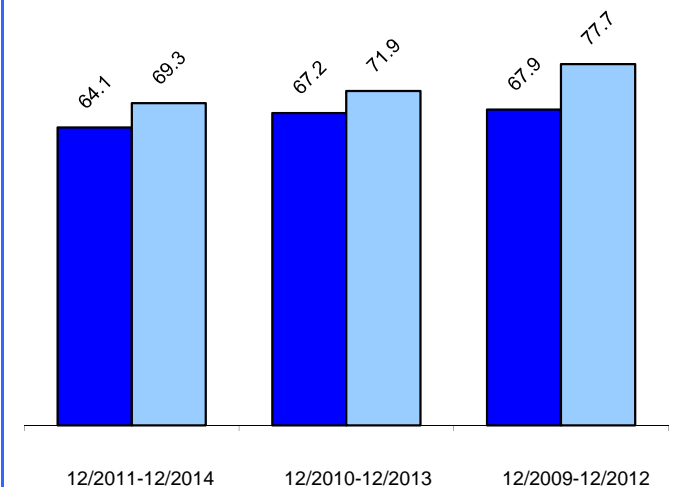
**Down Capture Returns (%) 3-Year Rolling Periods**



**Down Capture** is the measure of the fund's total return whenever the index returns are negative.

**Up Capture** is the measure of the fund's total return whenever the index returns are positive.

**Up Capture Returns (%) 3-Year Rolling Periods**



**Down Capture Ratios**

**Up Capture Ratios**

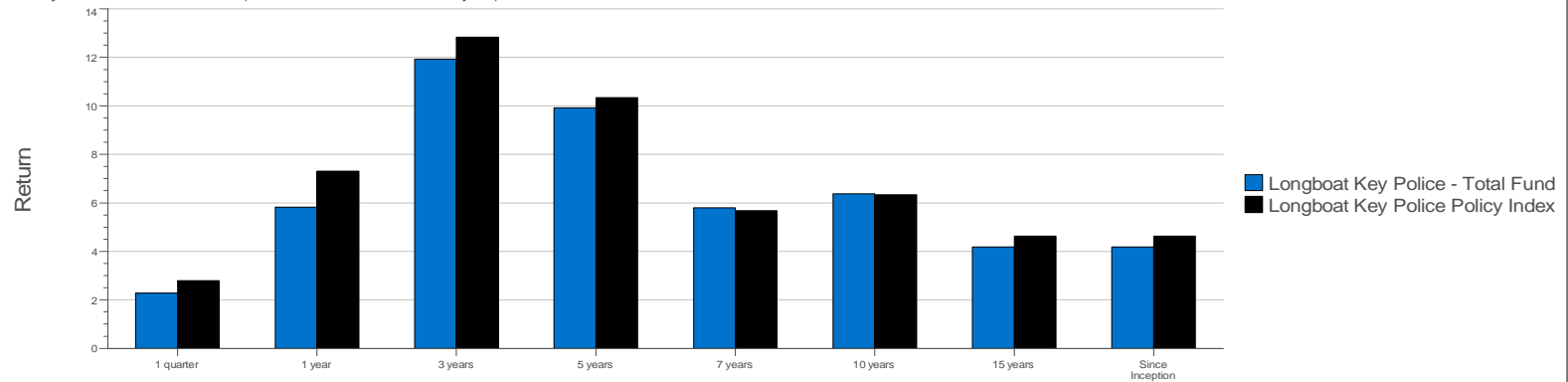
Report Created: 2/20/2015

Please refer to the attached Disclosures for important information.

Zephyr StyleADVISOR

Zephyr StyleADVISOR: Graystone Consulting

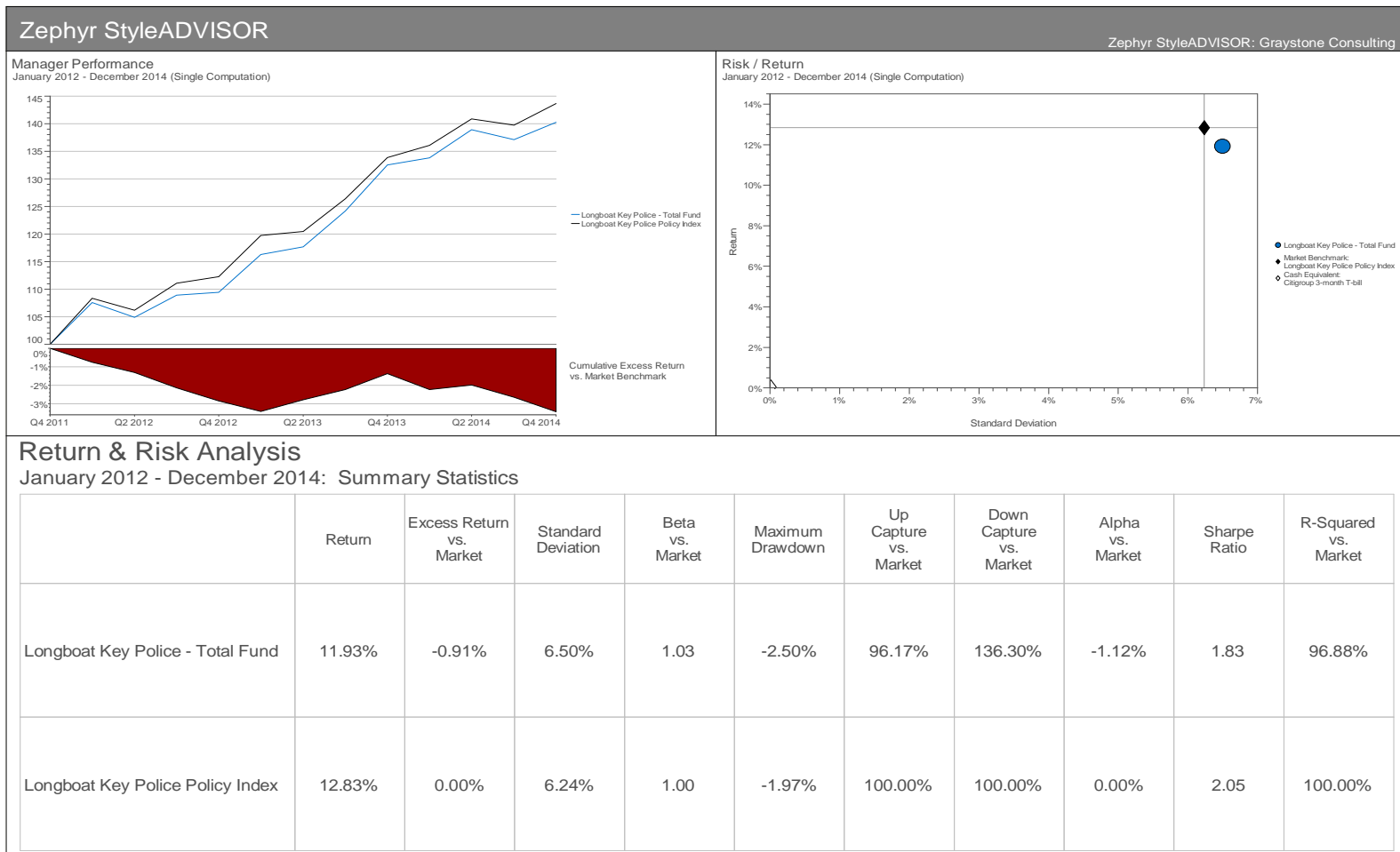
Manager vs Benchmark: Return  
January 2000 - December 2014 (not annualized if less than 1 year)



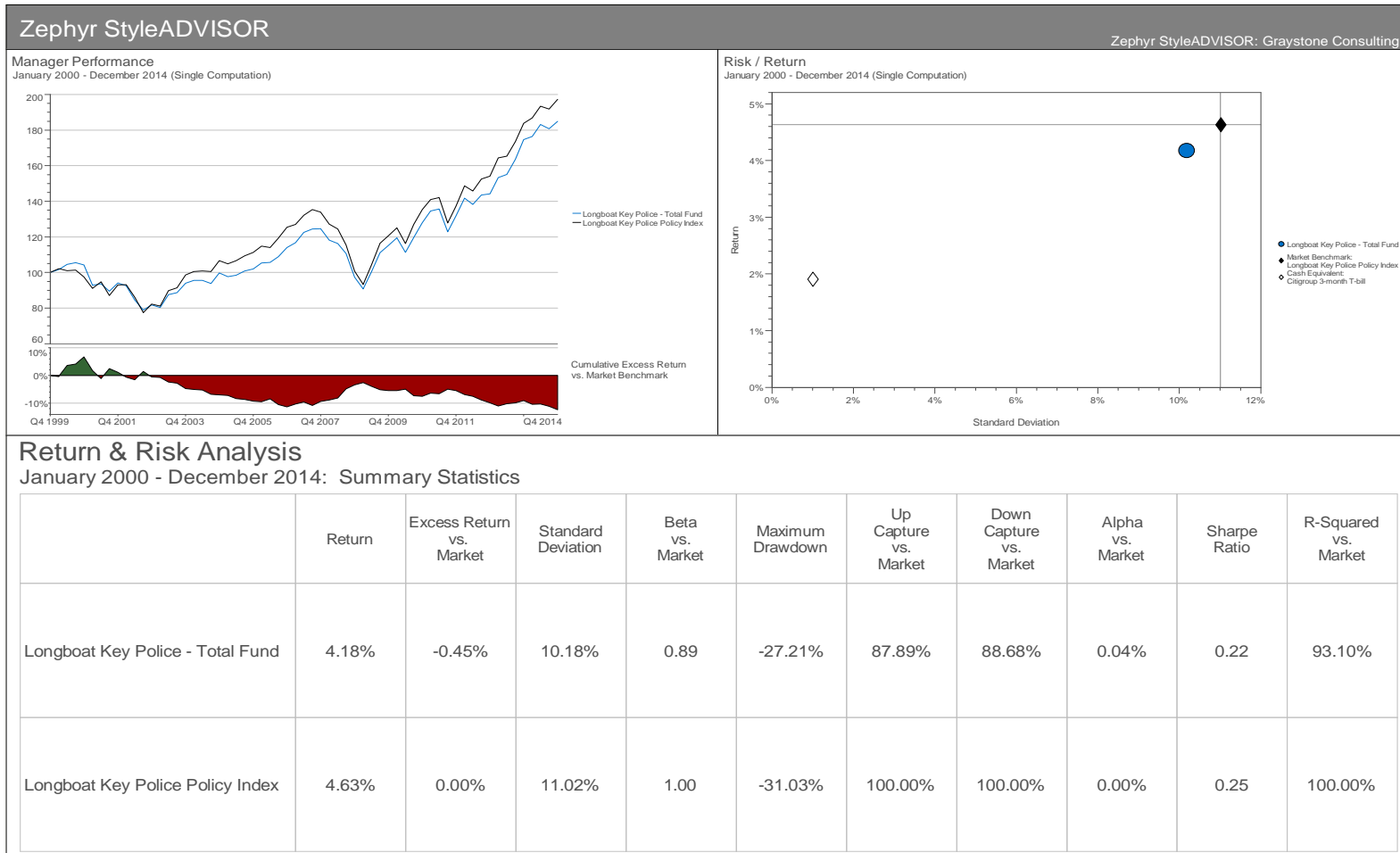
Manager vs Benchmark: Return  
January 2000 - December 2014 (not annualized if less than 1 year)

	1 quarter	1 year	3 years	5 years	7 years	10 years	15 years
Longboat Key Police - Total Fund	2.28%	5.82%	11.93%	9.92%	5.79%	6.37%	4.18%
Longboat Key Police Policy Index	2.80%	7.30%	12.83%	10.34%	5.68%	6.34%	4.63%

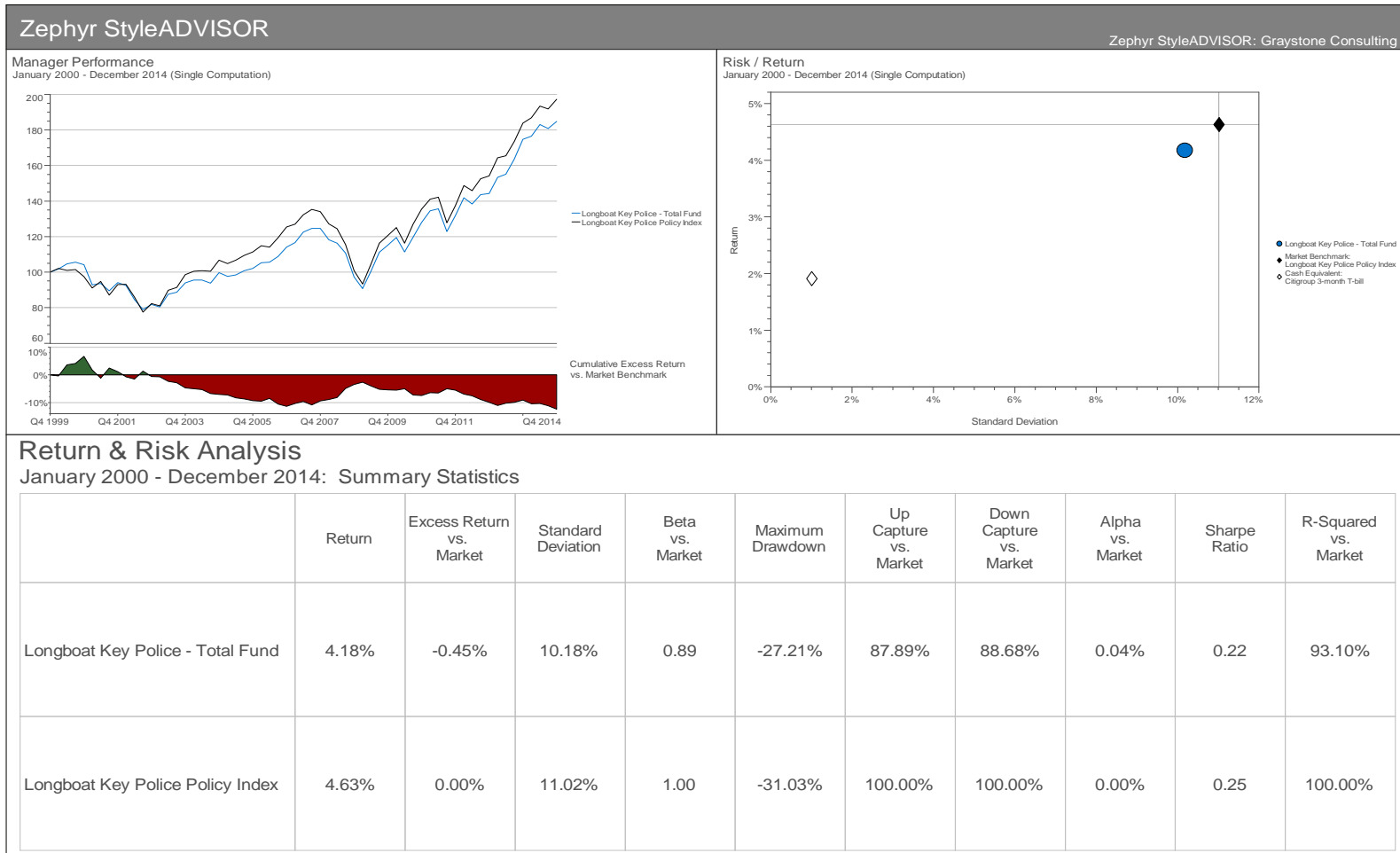
## Risk/Return Analysis- 3 Years



## Risk/Return Analysis- 5 Years



## Risk/Return Analysis- Since Inception

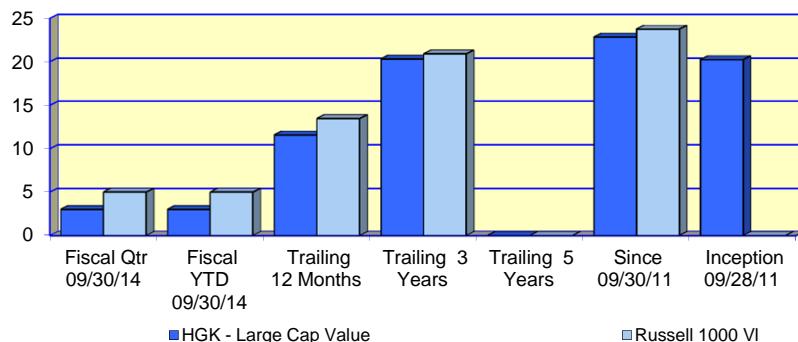


# EXECUTIVE SUMMARY

Longboat Key Police HGK - Large Cap Value

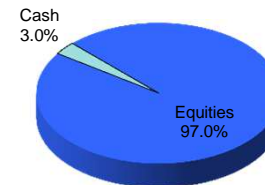
AS OF 12/31/2014

**Portfolio Performance(%)**



**Asset Allocation (\$000)**

<u>Equities</u>	<u>Cash</u>	<u>Total</u>
1,626	50	1,676



**Portfolio Characteristics**

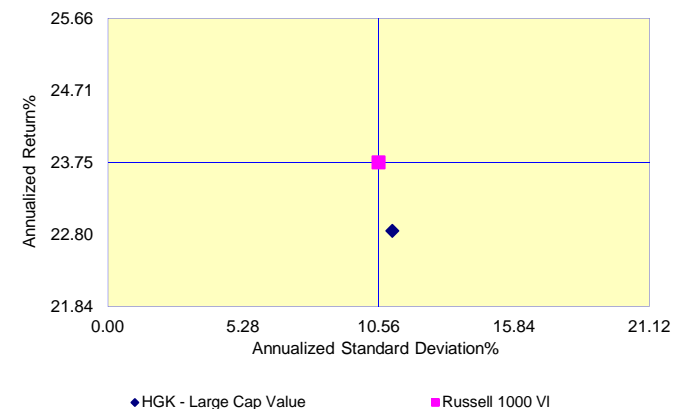
Yield	N/A	Account Sharpe Ratio	2.05
Beta	1.02	Index Sharpe Ratio	2.24
Alpha	-1.33%		
R <sup>2</sup>	96%		

<b>Investment Returns (%)</b>	<i>Fiscal Qtr</i>	<i>Fiscal YTD</i>	<i>Trailing</i>	<i>Trailing</i>	<i>Trailing</i>	<i>Since</i>	<i>Inception</i>
<i>Since:</i>	<i>09/30/14</i>	<i>09/30/14</i>	<i>12 Months</i>	<i>3 Years</i>	<i>5 Years</i>	<i>09/30/11</i>	<i>09/28/11</i>
<b>HGK - Large Cap Value</b>	<b>3.00</b>	<b>3.00</b>	<b>11.57</b>	<b>20.32</b>	N/A	<b>22.84</b>	<b>20.23</b>
Russell 1000 VI	4.99	4.99	13.46	20.90		23.75	N/A

**Asset Growth (\$000)**

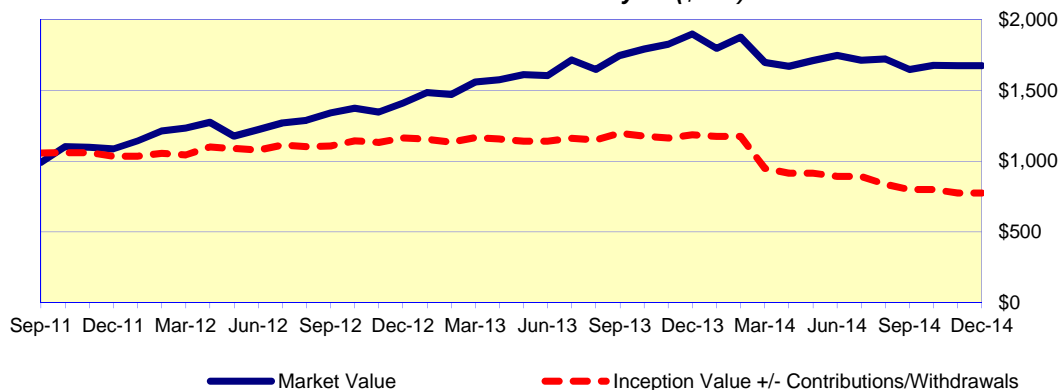
Beginning Market Value	1,650	1,650	1,900	1,089	N/A	992	875
Net Contributions & Withdrawals	-24	-24	-412	-259	N/A	-282	-100
Gain/Loss + Income	50	50	188	846	N/A	966	901
Ending Market Value	1,676	1,676	1,676	1,676	N/A	1,676	1,676

**Risk / Return Analysis Since 09/30/2011**



<b>Annualized %</b>	<b>Return</b>	<b>Std. Dev.</b>
<b>HGK - Large Cap Value</b>	<b>22.84</b>	<b>11.09</b>
Russell 1000 VI	23.75	10.56

**Value-Added Analysis (\$000)**



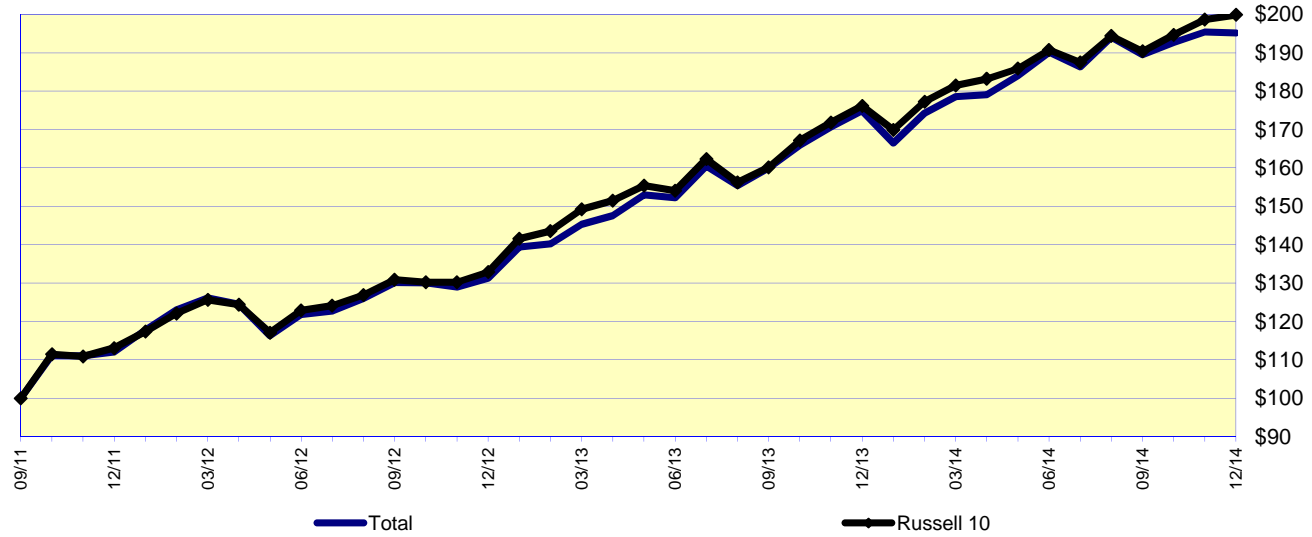
# MANAGER PERFORMANCE ANALYSIS

Longboat Key Police HGK - Large Cap Value

As Of 12/31/2014

## Growth of \$100 Graph

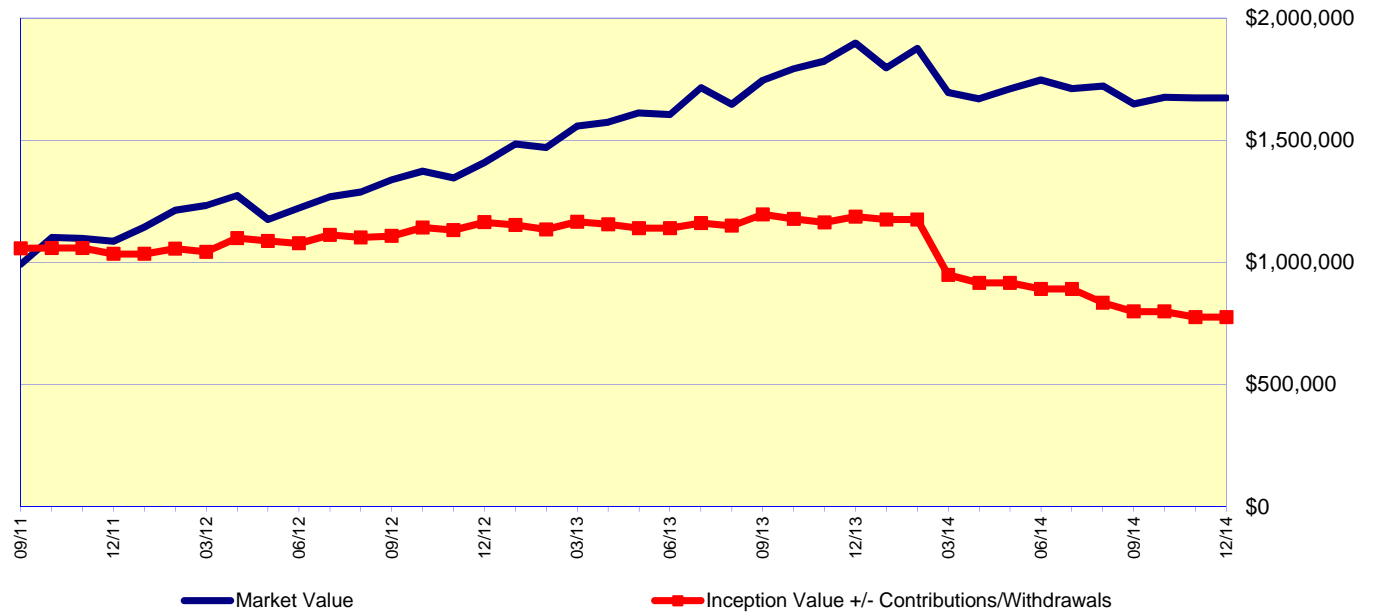
This graph depicts how \$100, invested at the beginning of the time period, would have grown based on both the portfolio's performance and the index's.



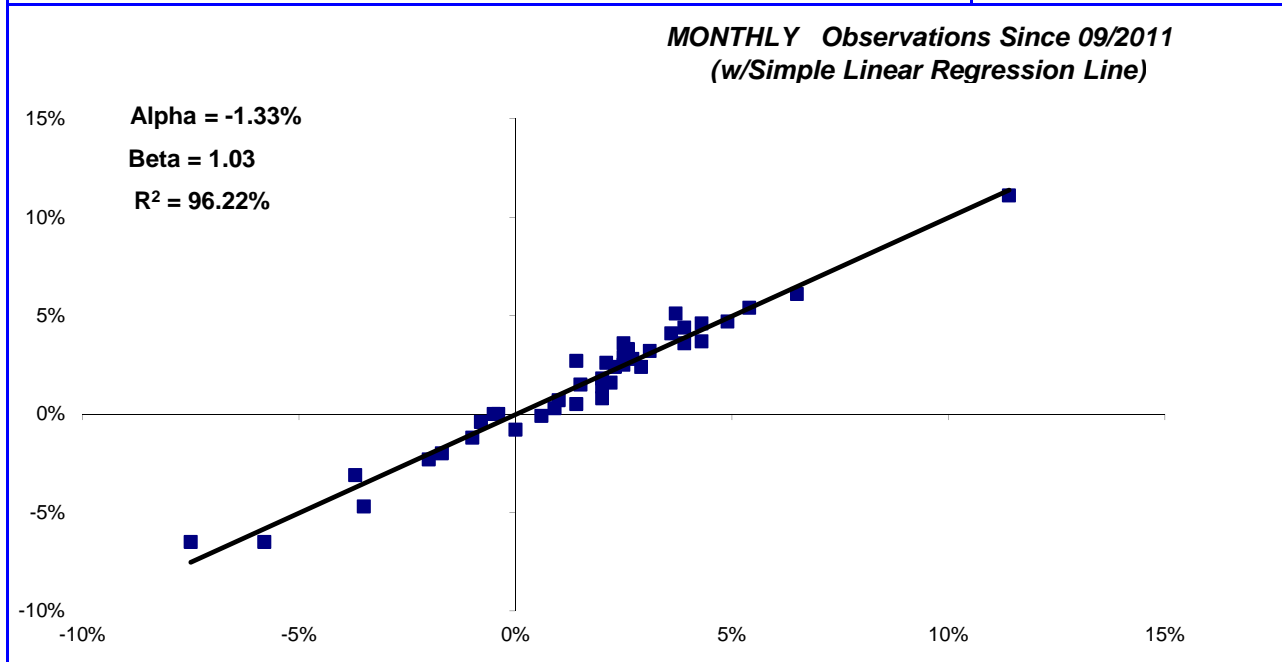
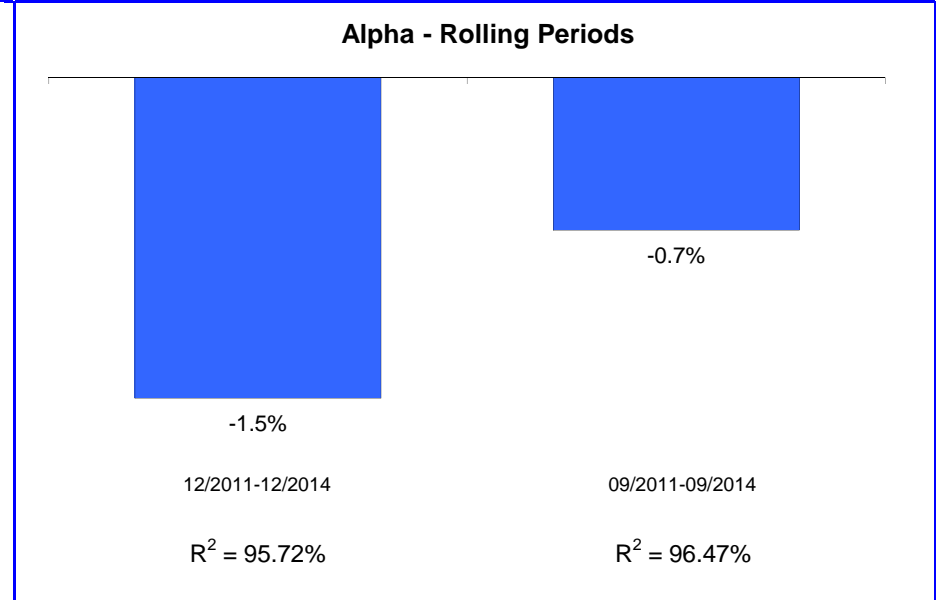
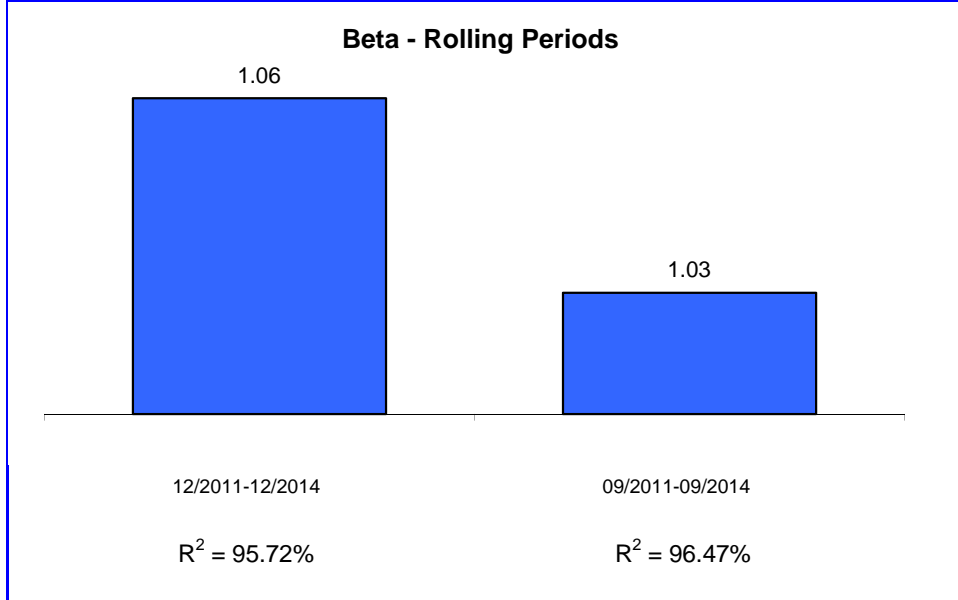
## Value Added Graph

This exhibit is useful in determining how the portfolio has been affected by the investment process.

One of the graph lines denotes the period-end market values of the portfolio over time. This is simply a visual representation of the ebb and flow of the portfolio's market value period-to-period. The other line represents the original dollars invested adjusted for contributions or withdrawals.



# MODERN PORTFOLIO THEORY



**Modern Portfolio Theory** seeks to quantify the relationship between risk and return and operates under the assumption that an investor must be compensated for assuming risk. **Alpha** is a measure of a portfolio's return in excess of the market return, both adjusted for risk. A positive alpha indicates that the portfolio outperformed the market on a risk-adjusted basis, and a negative alpha indicates the portfolio did worse than the market. **Beta** is a measure of the sensitivity of a portfolio's rate of return against that of the market. A beta greater than 1.00 indicates volatility greater than the market. **R<sup>2</sup>** is a measure that indicates the extent to which fluctuations in portfolio returns are correlated with those of the general market. An R-squared of 0.80 implies that 80% of the fluctuation of a portfolio's return is explained by the fluctuation in the market.

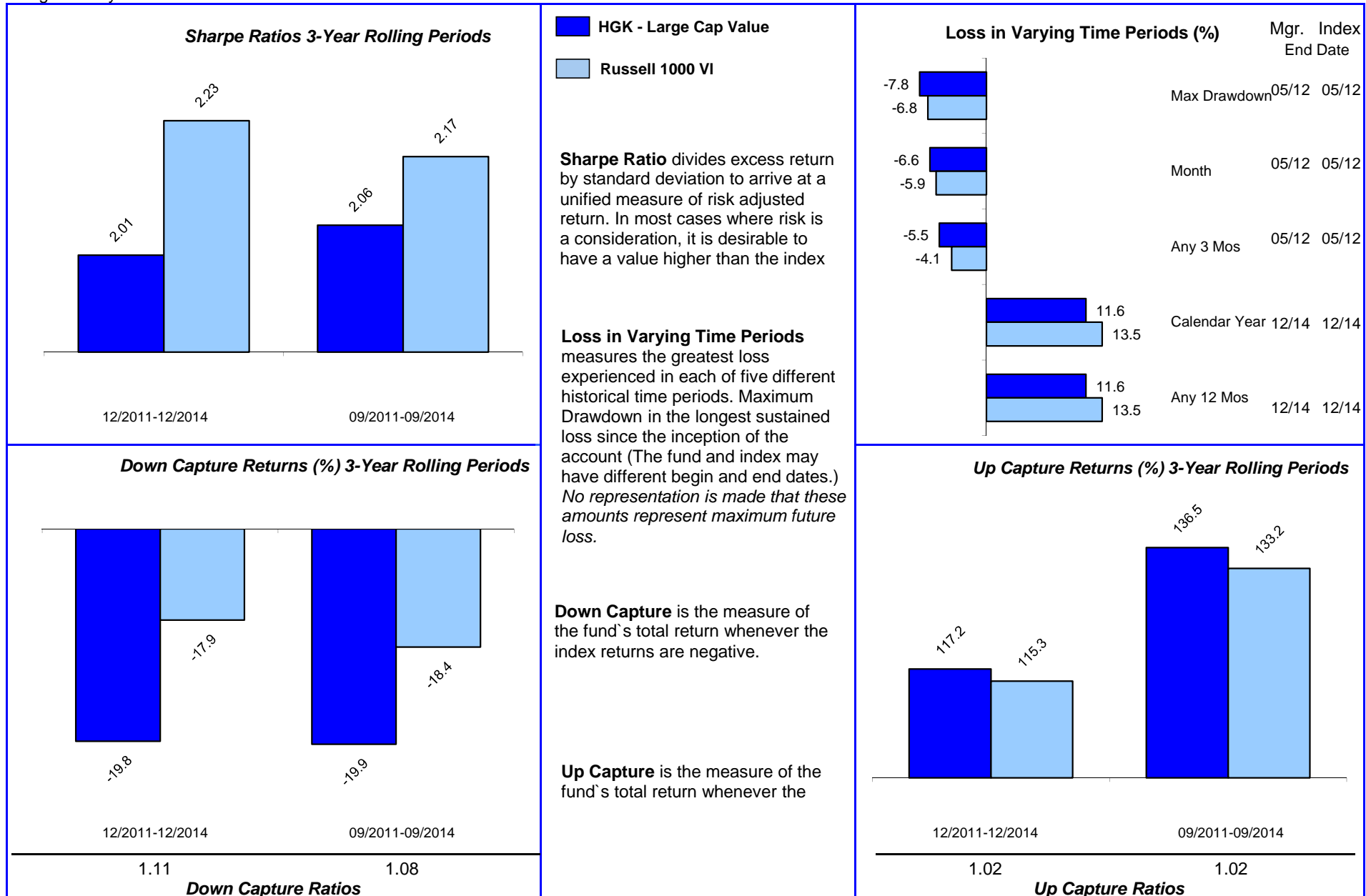
Graph Notes: The Index is represented on the horizontal (X) axis, and the Fund is represented on the vertical (Y) axis. Both the Index and Fund are adjusted by 90-day Treasury Bills.



# MANAGER RISK ANALYSIS

Longboat Key Police

AS OF 12/31/2014



Report Created: 2/20/2015

## Town of Longboat Key Police - HGK

Composition		
Summary	LONGBOAT KEY P - HGK	RU1000-V
No of Securities	45	704
% Bmrk Holdings	94.49	100.00
% Active Share	77.70	0.00
% Top 25 Holdings	61.80	40.94
% Top 15 Holdings	38.63	31.75

Sector Allocation		
Sector Name	LONGBOAT KEY P - HGK	RU1000-V
Energy	13.51	11.28
Materials	5.73	3.04
Industrials	10.13	10.08
Consumer Discretionary	10.85	6.58
Consumer Staples	6.61	7.38
Health Care	10.52	13.70
Financials	21.94	29.87
Information Technology	11.47	9.55
Telecomm Service	2.45	2.08
Utilities	6.79	6.44

Characteristics		
Characteristic	LONGBOAT KEY P - HGK	RU1000-V
Market Cap - Weighted Median	32,940,995,640.00	59,358,717,481.75
Price / Book	1.86	1.85
P/E NTM	14.19	15.54
Dividend Yield	2.54	2.31
EPS Growth NTM	-0.64	5.97
Ret Eq	18.29	12.54

Top Equity Holdings	
Name	LONGBOAT KEY P - HGK
JPMORGAN CHASE & CO	2.91
JOHNSON & JOHNSON	2.86
STATE STREET CORP	2.71
CONOCOPHILLIPS	2.61
METLIFE INC	2.61
	Total: 13.71

### Disclaimer

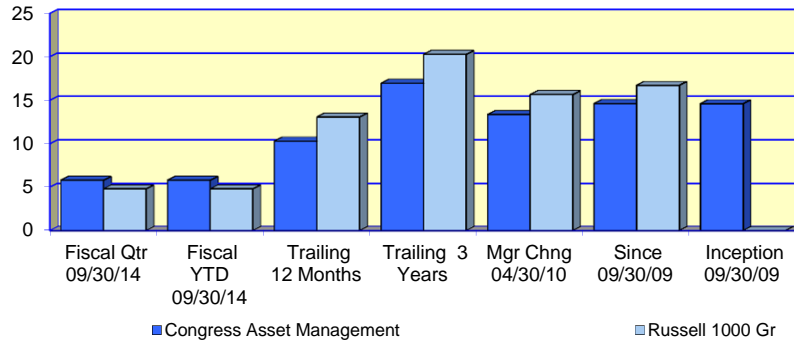
This analysis is based upon information supplied by the Client or its custodian and software developed by Thomson Portfolio Analytics. The underlying data is believed to be reliable but accuracy and completeness cannot be assured. While the characteristics described in this report are believed to accurately reflect the overall nature of the portfolio, all of the constituent securities may not have been considered. This evaluation is for informational purposes only and is not intended to be an offer, solicitation or recommendation with respect to the purchase or sale of any security or a recommendation of the services of any money management organization. Past results are not necessarily indicative of future performance.

# EXECUTIVE SUMMARY

Longboat Key Police Congress Asset Management

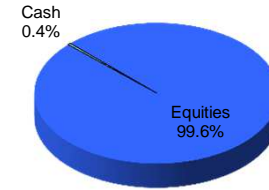
AS OF 12/31/2014

**Portfolio Performance(%)**



**Asset Allocation (\$000)**

<u>Equities</u>	<u>Cash</u>	<u>Total</u>
1,602	6	1,608



**Portfolio Characteristics**

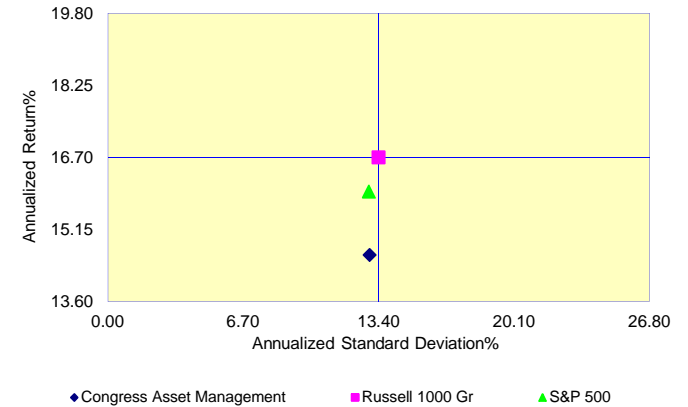
Yield	N/A	Account Sharpe Ratio	1.12
Beta	0.94	Index Sharpe Ratio	1.24
Alpha	-0.91%		
R <sup>2</sup>	94%		

<b>Investment Returns (%)</b>	<i>Fiscal Qtr</i>	<i>Fiscal YTD</i>	<i>Trailing</i>	<i>Trailing</i>	<i>Mgr Chng</i>	<i>Since</i>	<i>Inception</i>
<i>Since:</i>	<i>09/30/14</i>	<i>09/30/14</i>	<i>12 Months</i>	<i>3 Years</i>	<i>04/30/10</i>	<i>09/30/09</i>	<i>09/30/09</i>
<b>Congress Asset Management</b>	<b>5.77</b>	<b>5.77</b>	<b>10.28</b>	<b>16.93</b>	<b>13.33</b>	<b>14.60</b>	<b>14.59</b>
Russell 1000 Gr	4.79	4.79	13.06	20.26	15.63	16.70	N/A

**Asset Growth (\$000)**

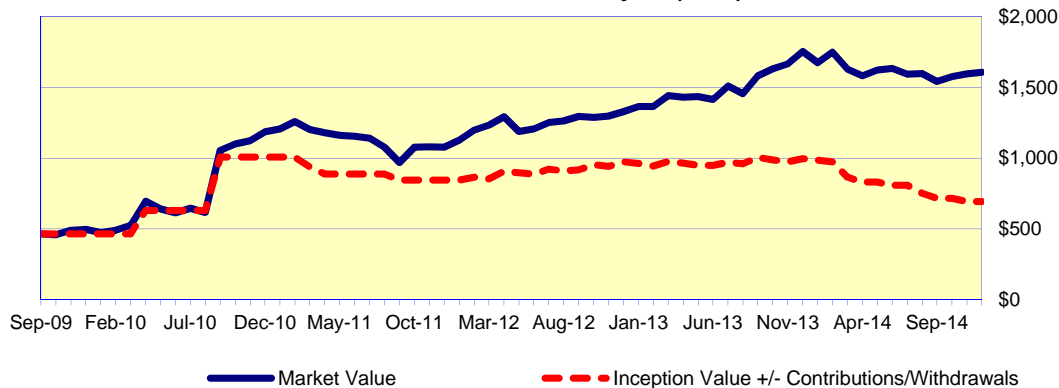
Beginning Market Value	1,542	1,542	1,755	1,078	695	465	465
Net Contributions & Withdrawals	-22	-22	-303	-151	64	229	229
Gain/Loss + Income	88	88	156	681	849	914	914
Ending Market Value	1,608	1,608	1,608	1,608	1,608	1,608	1,608

**Risk / Return Analysis Since 09/30/2009**



<b>Annualized %</b>	<b>Return</b>	<b>Std. Dev.</b>
<b>Congress Asset Management</b>	<b>14.60</b>	<b>12.96</b>
Russell 1000 Gr	16.70	13.40
S&P 500	15.96	12.92

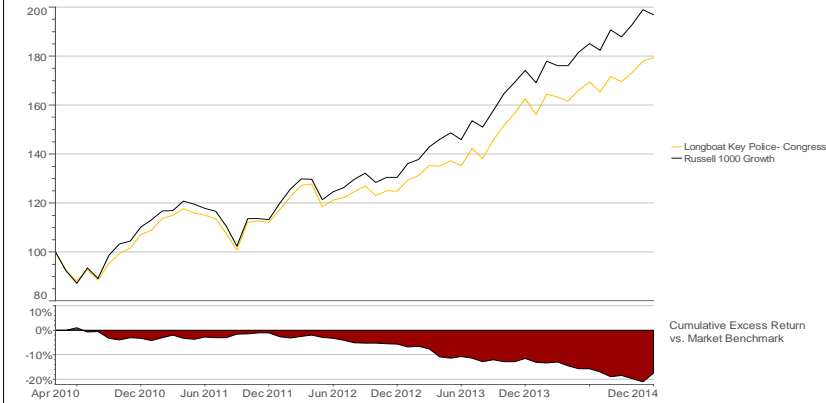
**Value-Added Analysis (\$000)**



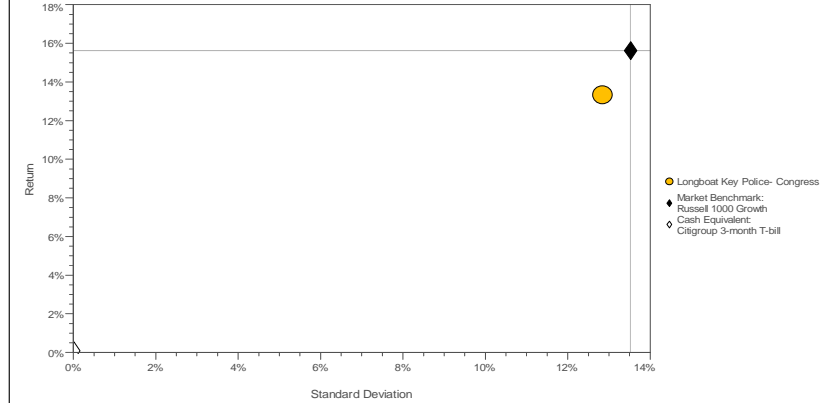
# Zephyr StyleADVISOR

Zephyr StyleADVISOR: Graystone Consulting

**Manager Performance**  
May 2010 - December 2014 (Single Computation)



**Risk / Return**  
May 2010 - December 2014 (Single Computation)



## Return & Risk Analysis

May 2010 - December 2014: Summary Statistics

	Return	Excess Return vs. Market	Standard Deviation	Beta vs. Market	Maximum Drawdown	Up Capture vs. Market	Down Capture vs. Market	Alpha vs. Market	Sharpe Ratio	R-Squared vs. Market
Longboat Key Police- Congress	13.33%	-2.29%	12.84%	0.93	-14.30%	89.26%	97.40%	-0.95%	1.03	95.00%
Russell 1000 Growth	15.63%	0.00%	13.52%	1.00	-15.31%	100.00%	100.00%	0.00%	1.15	100.00%

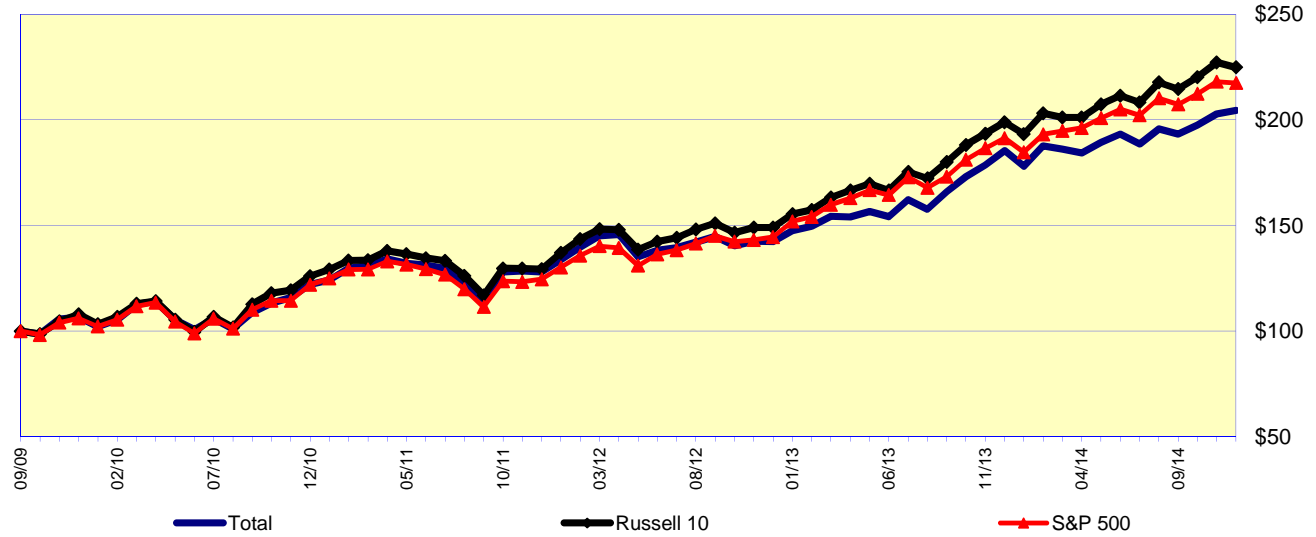
# MANAGER PERFORMANCE ANALYSIS

Longboat Key Police Congress Asset Management

As Of 12/31/2014

## Growth of \$100 Graph

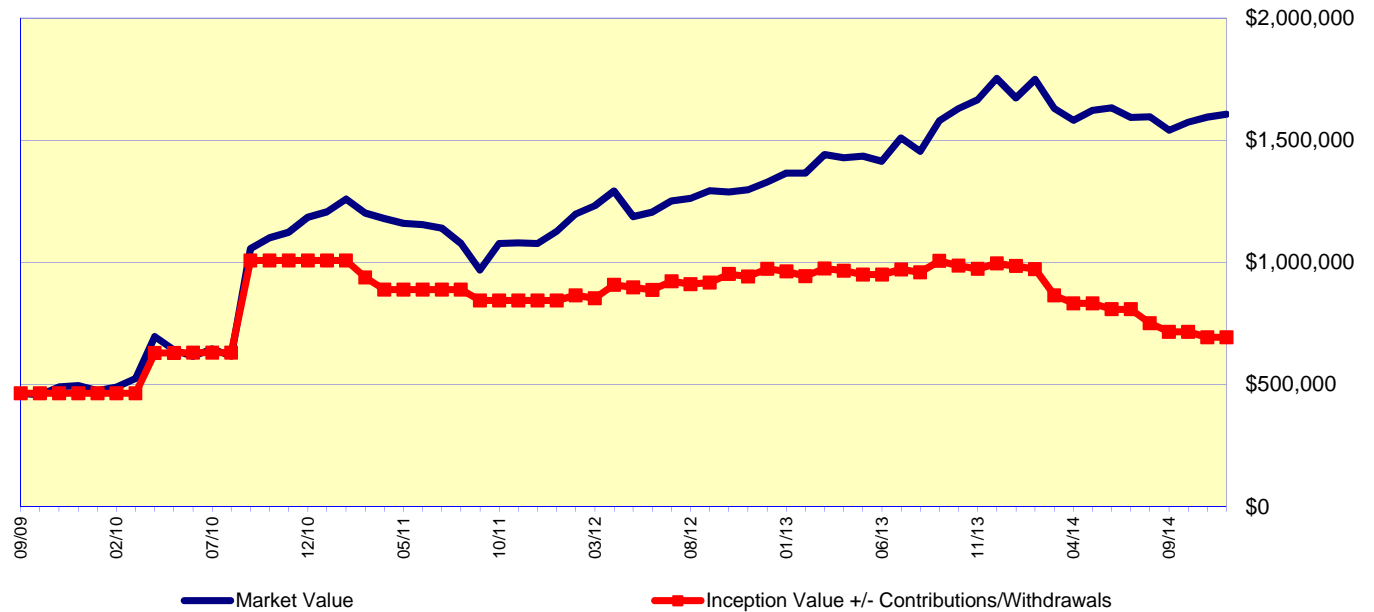
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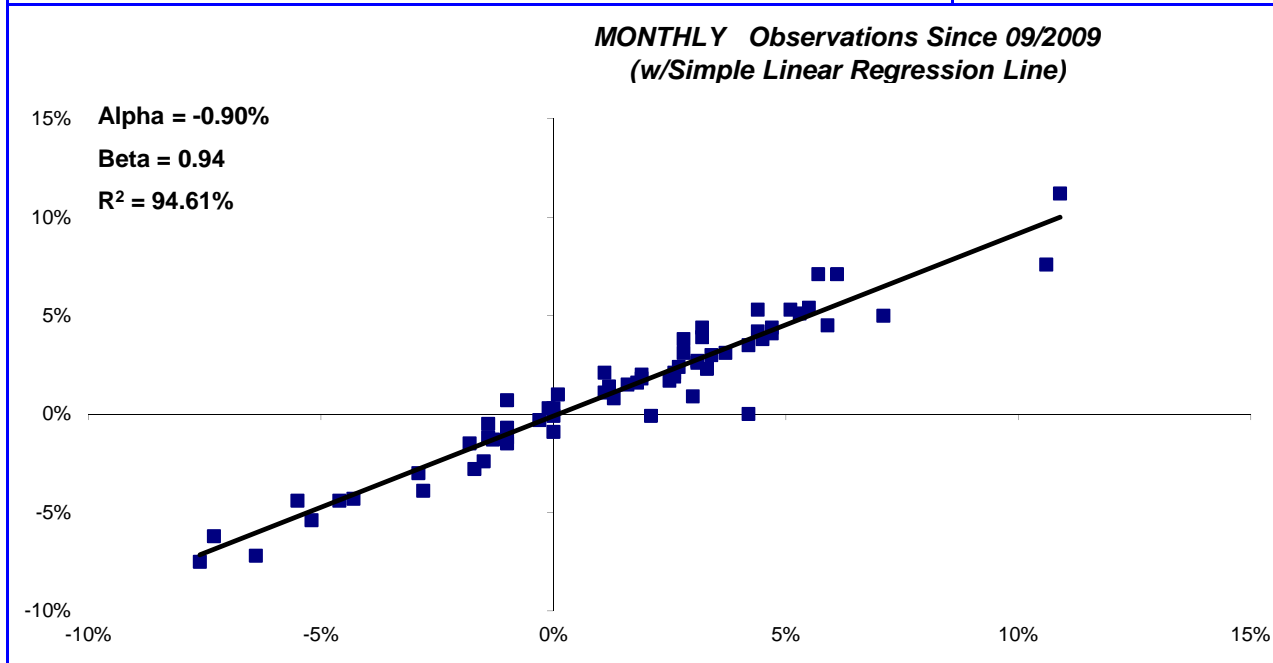
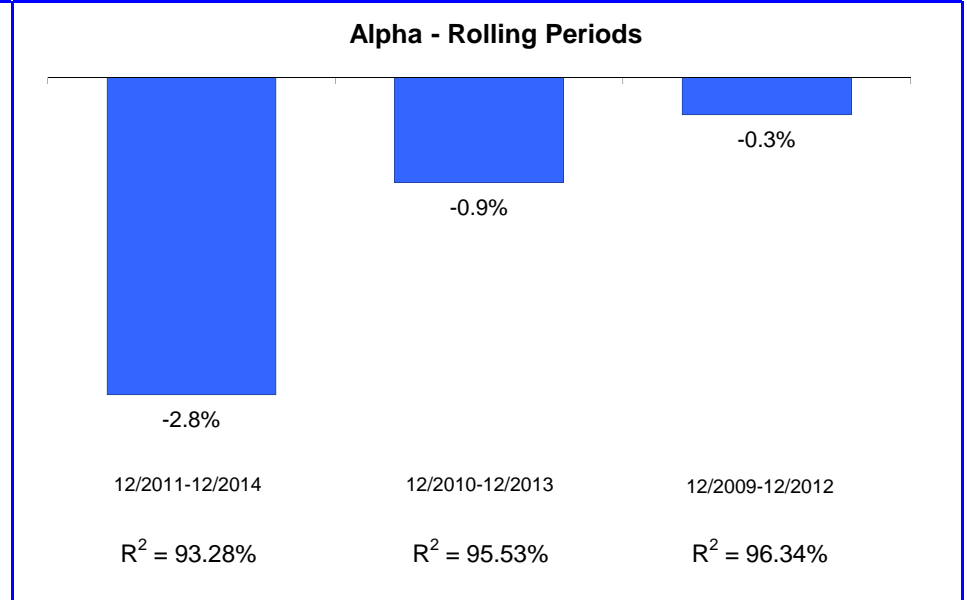
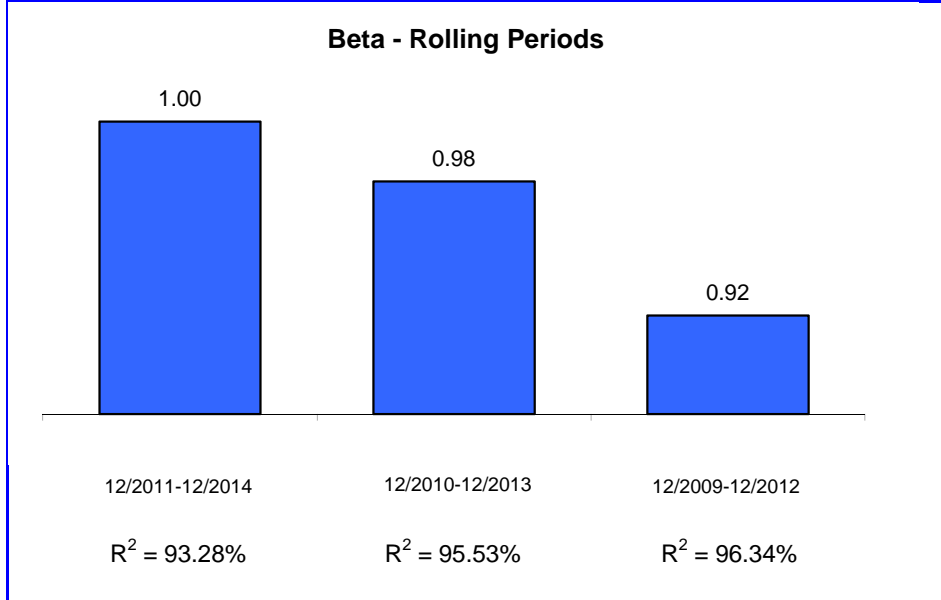
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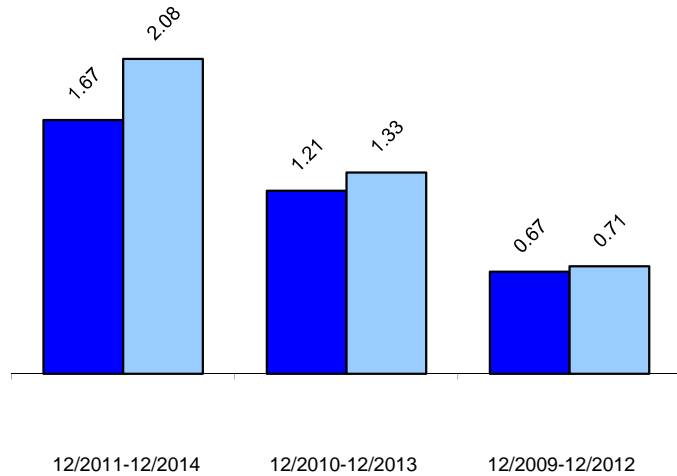
Graph Notes: The Index is represented on the horizontal (X) axis, and the Fund is represented on the vertical (Y) axis. Both the Index and Fund are adjusted by 90-day Treasury Bills.

# MANAGER RISK ANALYSIS

Longboat Key Police

AS OF 12/31/2014

**Sharpe Ratios 3-Year Rolling Periods**



**Congress Asset Management**  
**Russell 1000 Gr**

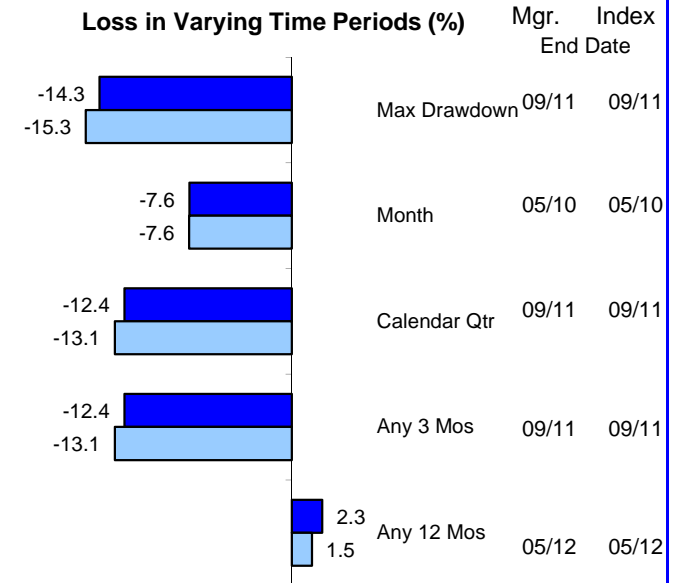
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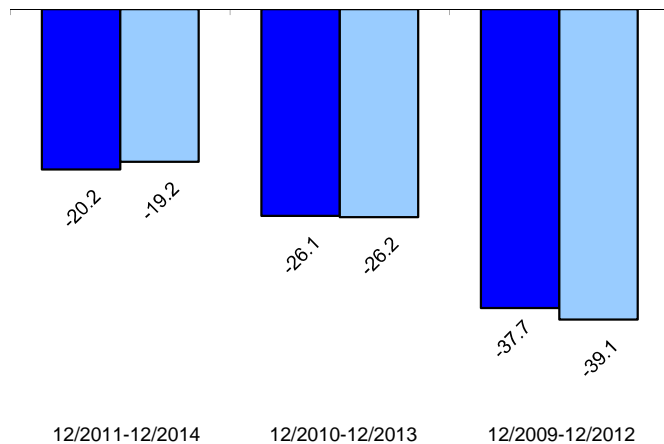
**Down Capture** is the measure of the fund's total return whenever the index returns are negative.

**Up Capture** is the measure of the fund's total return whenever the

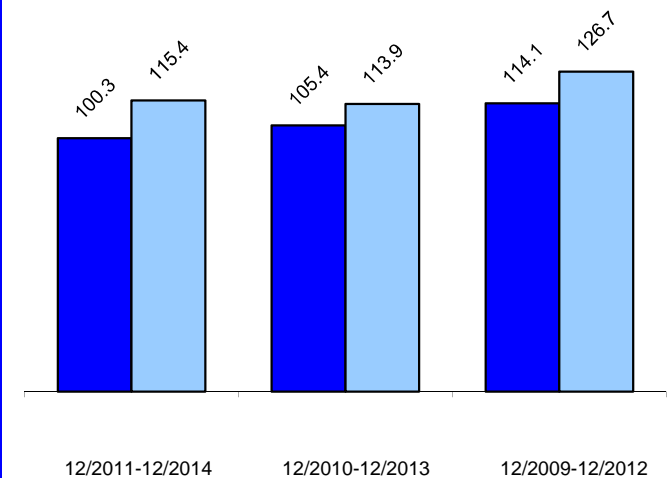
**Loss in Varying Time Periods (%)**



**Down Capture Returns (%) 3-Year Rolling Periods**



**Up Capture Returns (%) 3-Year Rolling Periods**



1.05  
1.00  
0.96  
**Down Capture Ratios**

0.87  
0.93  
0.90  
**Up Capture Ratios**

## Town of Longboat Key Police - Congress

Composition		
Summary	LONGBOAT KEY P - CON	RU1000-G
No of Securities	40	682
% Bmrk Holdings	92.03	100.00
% Active Share	79.78	0.00
% Top 25 Holdings	68.60	36.86
% Top 15 Holdings	42.31	26.86

Sector Allocation		
Sector Name	LONGBOAT KEY P - CON	RU1000-G
Energy	2.21	4.49
Materials	4.83	4.01
Industrials	13.93	12.22
Consumer Discretionary	14.71	18.73
Consumer Staples	7.82	10.54
Health Care	19.23	14.19
Financials	10.63	5.32
Information Technology	26.63	28.28
Telecomm Service		2.14
Utilities		0.09

Characteristics		
Characteristic	LONGBOAT KEY P - CON	RU1000-G
Market Cap - Weighted Median	47,479,037,692.89	61,117,861,915.74
Price / Book	4.56	5.44
P/E NTM	20.30	18.15
Dividend Yield	1.20	1.49
EPS Growth NTM	11.06	12.17
Ret Eq	25.82	33.05

Top Equity Holdings	
Name	LONGBOAT KEY P - CON
HOME DEPOT INC	3.02
FORTINET INC	2.95
PERRIGO COMPANY PLC	2.94
VISA INC	2.94
UNITEDHEALTH GROUP INC	2.91
	Total: 14.77

### Disclaimer

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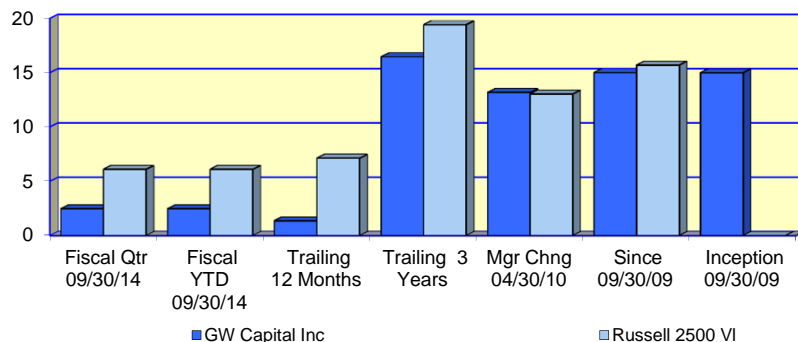


# EXECUTIVE SUMMARY

Longboat Key Police GW Capital Inc

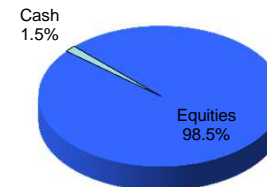
AS OF 12/31/2014

**Portfolio Performance(%)**



**Asset Allocation (\$000)**

Equities	Cash	Total
331	5	336

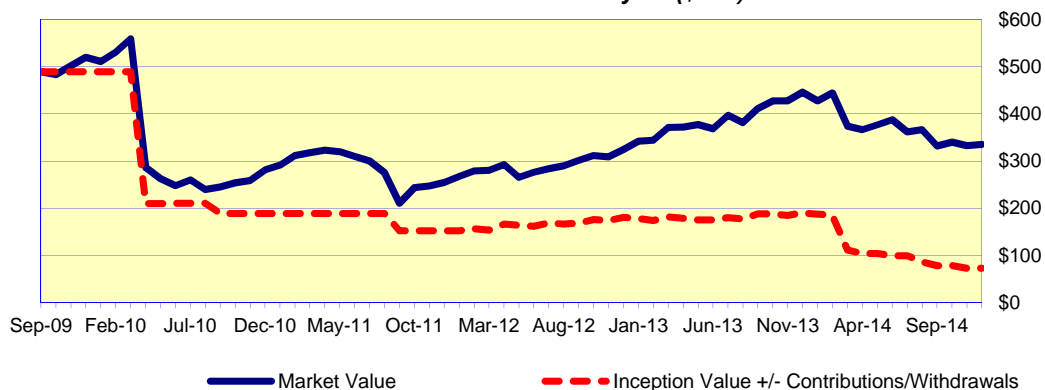


Investment Returns (%)	Fiscal Qtr Since: 09/30/14	Fiscal YTD 09/30/14	Trailing 12 Months	Trailing 3 Years	Mgr Chng 04/30/10	Since 09/30/09	Inception 09/30/09
GW Capital Inc	2.45	2.45	1.35	16.44	13.16	14.99	14.98
Russell 2500 VI	6.09	6.09	7.11	19.41	13.03	15.69	N/A

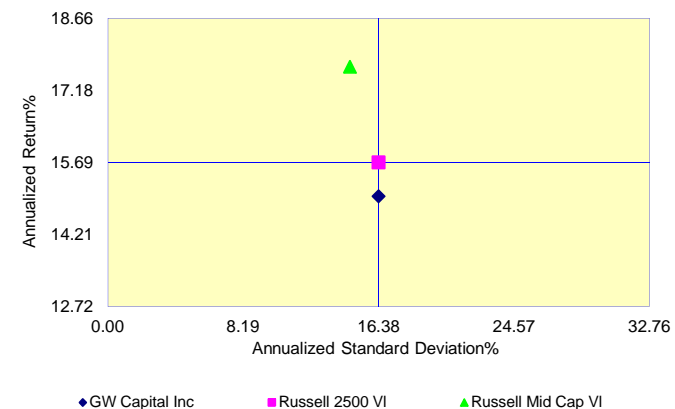
**Asset Growth (\$000)**

Beginning Market Value	333	333	446	255	287	489	489
Net Contributions & Withdrawals	-6	-6	-117	-79	-137	-416	-416
Gain/Loss + Income	9	9	7	160	186	263	263
Ending Market Value	336	336	336	336	336	336	336

**Value-Added Analysis (\$000)**



**Risk / Return Analysis Since 09/30/2009**

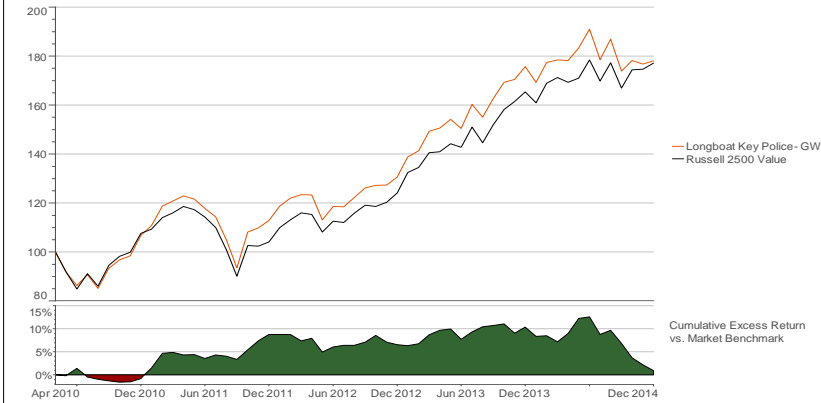


Annualized %	Return	Std. Dev.
GW Capital Inc	14.99	16.38
Russell 2500 VI	15.69	16.38
Russell Mid Cap VI	17.66	14.66

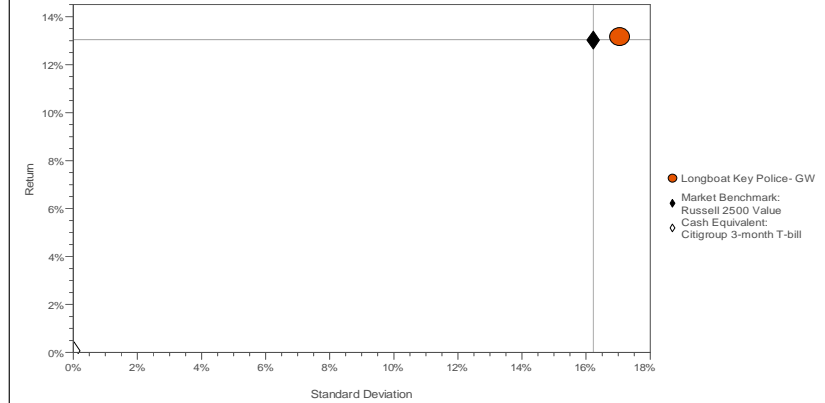
# Zephyr StyleADVISOR

Zephyr StyleADVISOR: Graystone Consulting

**Manager Performance**  
May 2010 - December 2014 (Single Computation)



**Risk / Return**  
May 2010 - December 2014 (Single Computation)



## Return & Risk Analysis

May 2010 - December 2014: Summary Statistics

	Return	Excess Return vs. Market	Standard Deviation	Beta vs. Market	Maximum Drawdown	Up Capture vs. Market	Down Capture vs. Market	Alpha vs. Market	Sharpe Ratio	R-Squared vs. Market
Longboat Key Police- GW	13.16%	0.13%	17.05%	1.03	-23.95%	101.09%	100.65%	-0.10%	0.77	95.19%
Russell 2500 Value	13.03%	0.00%	16.22%	1.00	-24.03%	100.00%	100.00%	0.00%	0.80	100.00%

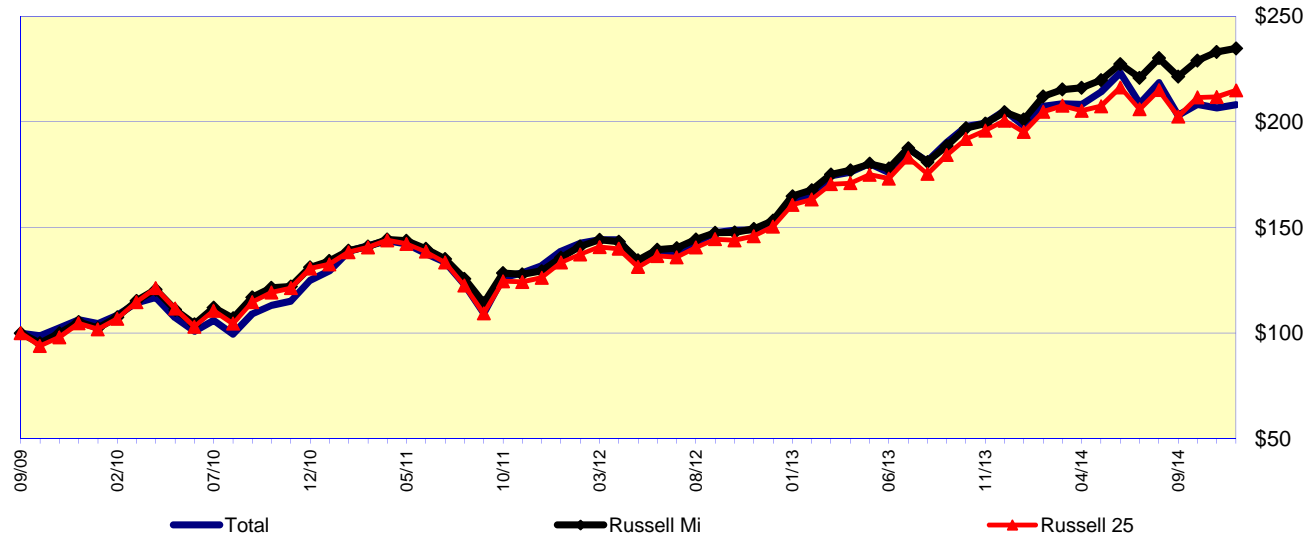
# MANAGER PERFORMANCE ANALYSIS

Longboat Key Police GW Capital Inc

As Of 12/31/2014

## Growth of \$100 Graph

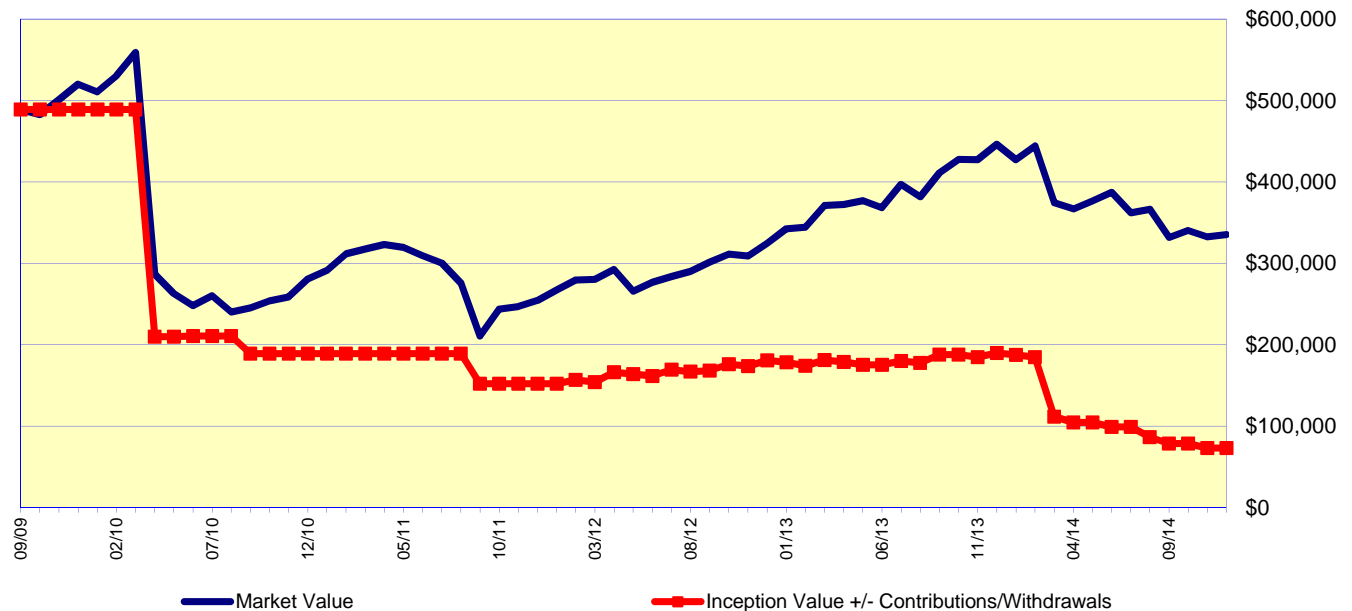
This graph depicts how \$100, invested at the beginning of the time period, would have grown based on both the portfolio's performance and the index's.



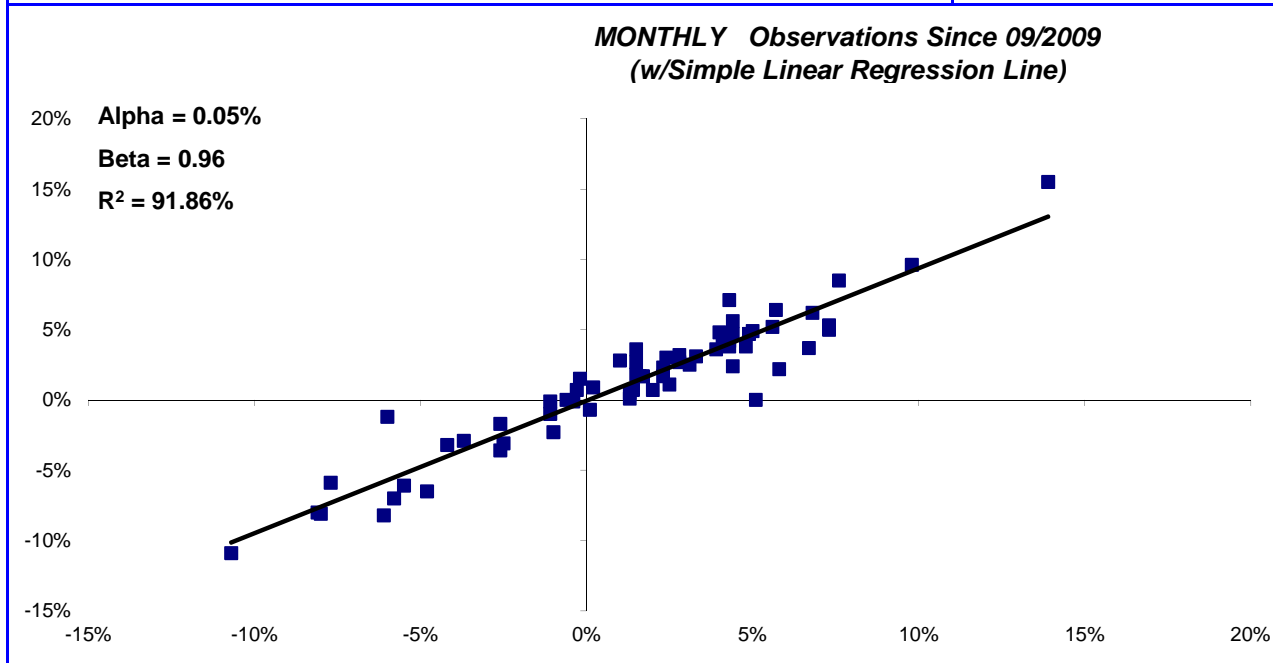
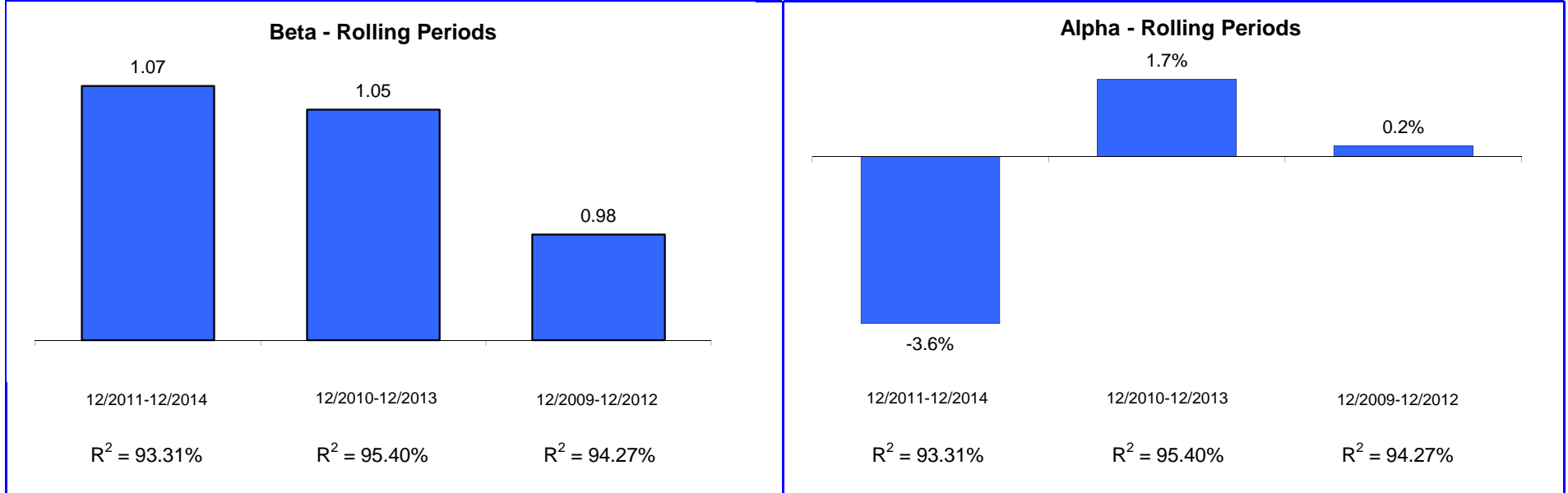
## Value Added Graph

This exhibit is useful in determining how the portfolio has been affected by the investment process.

One of the graph lines denotes the period-end market values of the portfolio over time. This is simply a visual representation of the ebb and flow of the portfolio's market value period-to-period. The other line represents the original dollars invested adjusted for contributions or withdrawals.



# MODERN PORTFOLIO THEORY



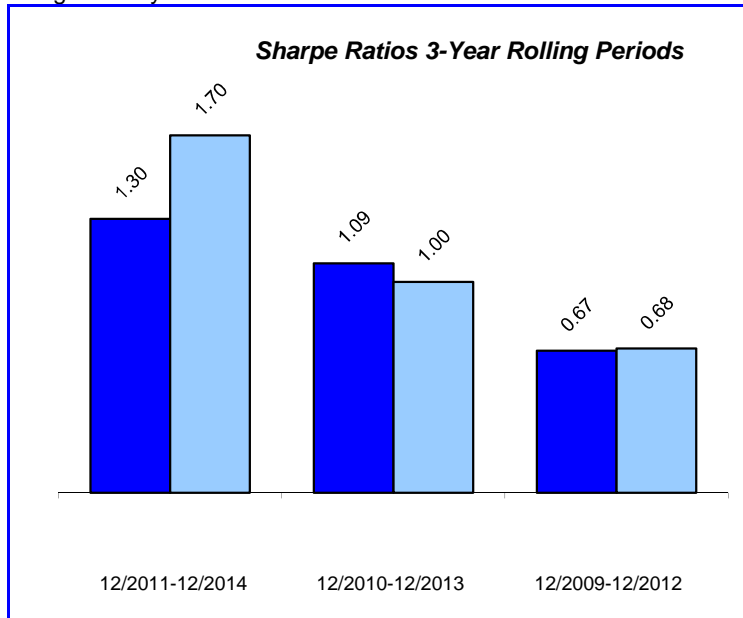
**Modern Portfolio Theory** seeks to quantify the relationship between risk and return and operates under the assumption that an investor must be compensated for assuming risk. **Alpha** is a measure of a portfolio's return in excess of the market return, both adjusted for risk. A positive alpha indicates that the portfolio outperformed the market on a risk-adjusted basis, and a negative alpha indicates the portfolio did worse than the market. **Beta** is a measure of the sensitivity of a portfolio's rate of return against that of the market. A beta greater than 1.00 indicates volatility greater than the market. **R<sup>2</sup>** is a measure that indicates the extent to which fluctuations in portfolio returns are correlated with those of the general market. An R-squared of 0.80 implies that 80% of the fluctuation of a portfolio's return is explained by the fluctuation in the market.

Graph Notes: The Index is represented on the horizontal (X) axis, and the Fund is represented on the vertical (Y) axis. Both the Index and Fund are adjusted by 90-day Treasury Bills.

# MANAGER RISK ANALYSIS

Longboat Key Police

AS OF 12/31/2014



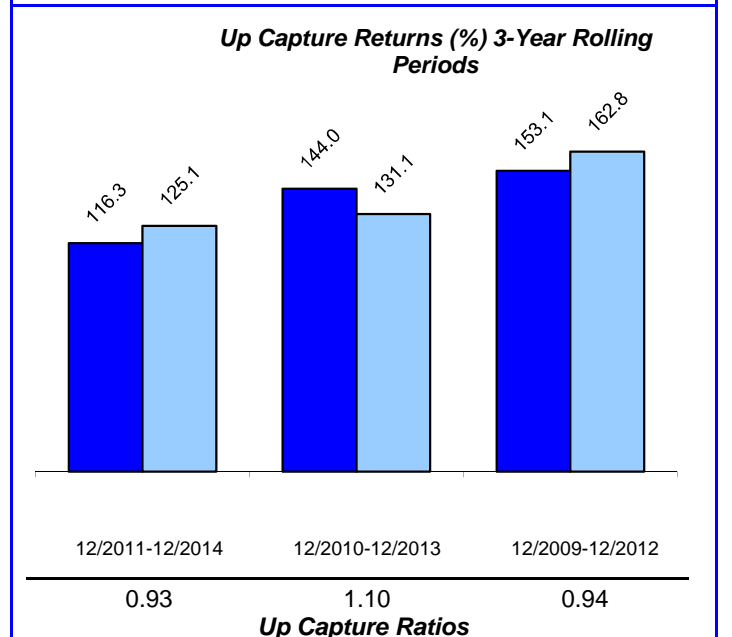
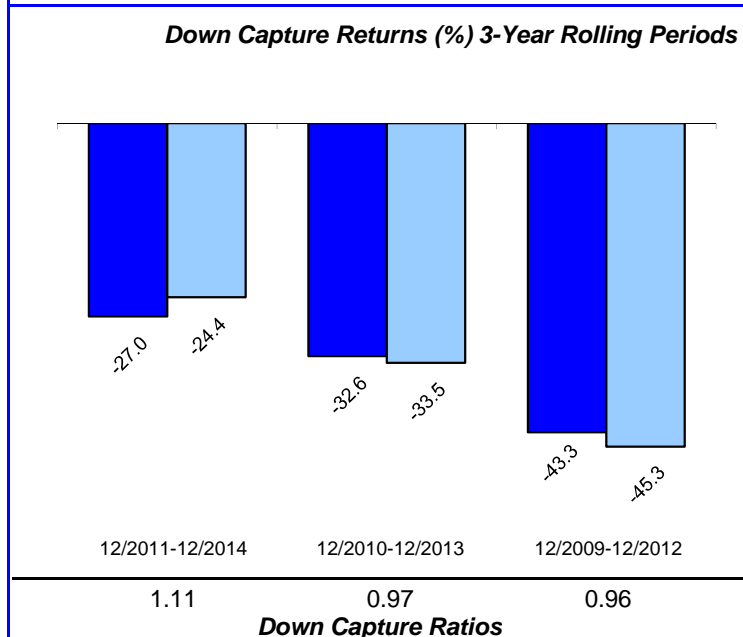
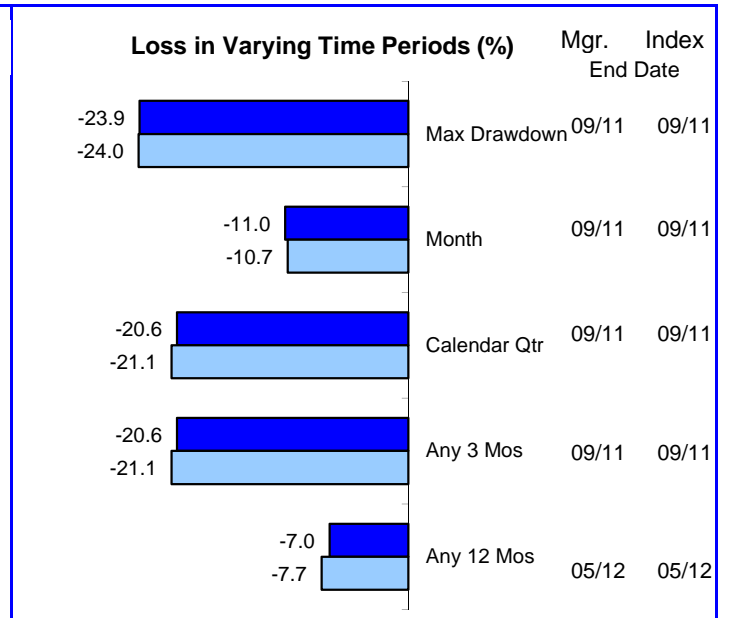
■ GW Capital Inc  
■ Russell 2500 VI

**Sharpe Ratio** divides excess return by standard deviation to arrive at a unified measure of risk adjusted return. In most cases where risk is a consideration, it is desirable to have a value higher than the index

**Loss in Varying Time Periods** measures the greatest loss experienced in each of five different historical time periods. Maximum Drawdown in the longest sustained loss since the inception of the account (The fund and index may have different begin and end dates.) *No representation is made that these amounts represent maximum future loss.*

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**Up Capture** is the measure of the fund's total return whenever the



## Town of Longboat Key Police - GW

Composition		
Summary	LONGBOAT KEY P - GW	RU2500-V
No of Securities	36	1,752
% Bmrk Holdings	61.06	100.00
% Active Share	97.10	0.00
% Top 25 Holdings	77.98	9.69
% Top 15 Holdings	52.43	6.22

Sector Allocation		
Sector Name	LONGBOAT KEY P - GW	RU2500-V
Energy	5.92	4.01
Materials	16.51	5.85
Industrials	18.55	13.41
Consumer Discretionary	2.37	11.14
Consumer Staples	7.36	2.27
Health Care	9.51	6.23
Financials	24.88	38.43
Information Technology	6.21	9.08
Telecomm Service	3.01	0.81
Utilities	5.66	8.76

Characteristics		
Characteristic	LONGBOAT KEY P - GW	RU2500-V
Market Cap - Weighted Median	4,440,700,085.03	3,412,849,105.48
Price / Book	1.92	1.67
P/E NTM	15.56	17.98
Dividend Yield	1.49	2.00
EPS Growth NTM	4.97	16.69
Ret Eq	26.74	6.28

Top Equity Holdings	
Name	LONGBOAT KEY P - GW
BROOKDALE SENIOR LIVING INC	4.82
CASEY'S GENERAL STORES INC	4.09
VERISK ANALYTICS INC	3.97
CROWN HOLDINGS INC	3.92
OWENS-ILLINOIS INC	3.63
Total: 20.44	

### Disclaimer

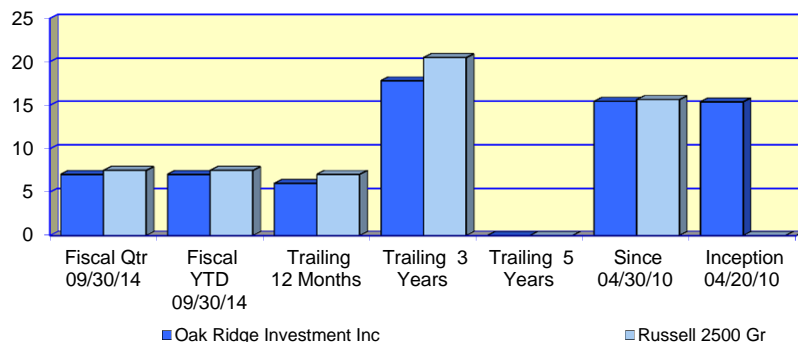
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# EXECUTIVE SUMMARY

Longboat Key Police Oak Ridge Investment Inc

AS OF 12/31/2014

## Portfolio Performance(%)

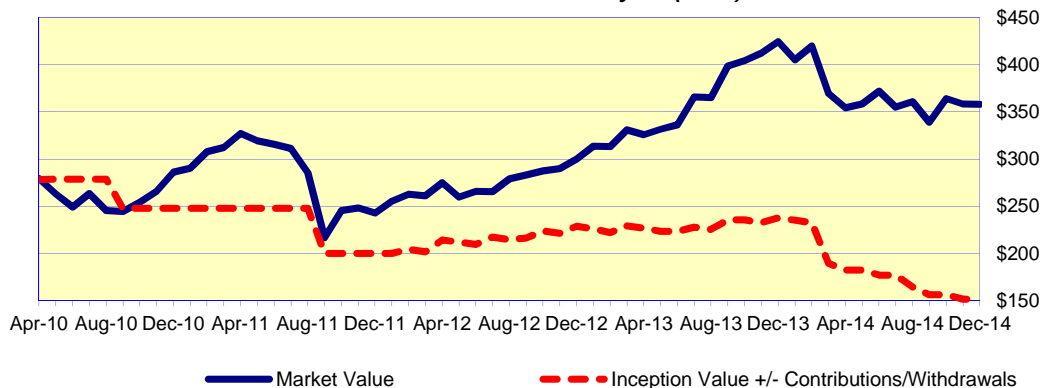


Investment Returns (%)	Fiscal Qtr Since: 09/30/14	Fiscal YTD 09/30/14	Trailing 12 Months	Trailing 3 Years	Trailing 5 Years	Trailing Since 04/30/10	Inception 04/20/10
Oak Ridge Investment Inc	7.03	7.03	5.98	17.81	N/A	15.42	15.38
Russell 2500 Gr	7.48	7.48	7.04	20.47	N/A	15.62	N/A

## Asset Growth (\$000)

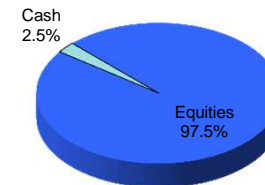
Asset Growth (\$000)	Fiscal Qtr Since: 09/30/14	Fiscal YTD 09/30/14	Trailing 12 Months	Trailing 3 Years	Trailing 5 Years	Trailing Since 04/30/10	Inception 04/20/10
Beginning Market Value	339	339	425	243	N/A	279	279
Net Contributions & Withdrawals	-5	-5	-86	-48	N/A	-127	-127
Gain/Loss + Income	24	24	19	163	N/A	206	206
Ending Market Value	358	358	358	358	N/A	358	358

## Value-Added Analysis (\$000)



## Asset Allocation (\$000)

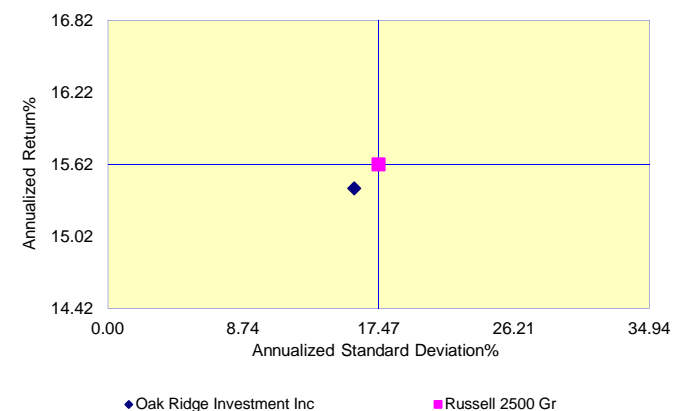
Equities	Cash	Total
350	9	358



## Portfolio Characteristics

Yield	N/A	Account Sharpe Ratio	0.96
Beta	0.87	Index Sharpe Ratio	0.89
Alpha	1.64%		
R <sup>2</sup>	91%		

## Risk / Return Analysis Since 04/30/2010



Annualized %	Return	Std. Dev.
Oak Ridge Investment Inc	15.42	15.89
Russell 2500 Gr	15.62	17.47

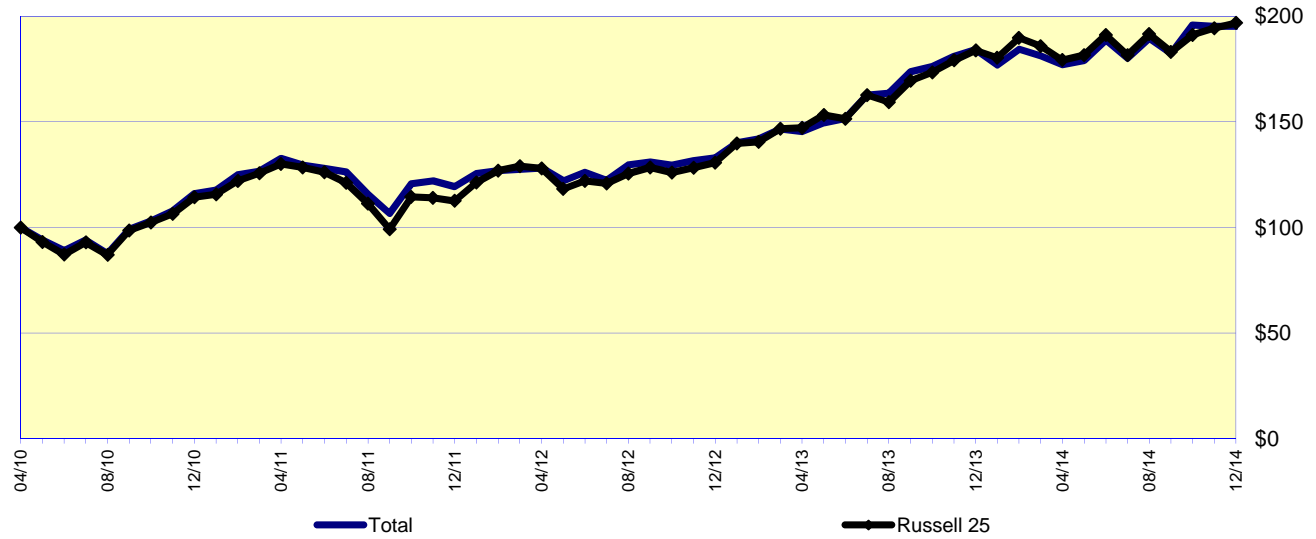
# MANAGER PERFORMANCE ANALYSIS

Longboat Key Police Oak Ridge Investment Inc

As Of 12/31/2014

## Growth of \$100 Graph

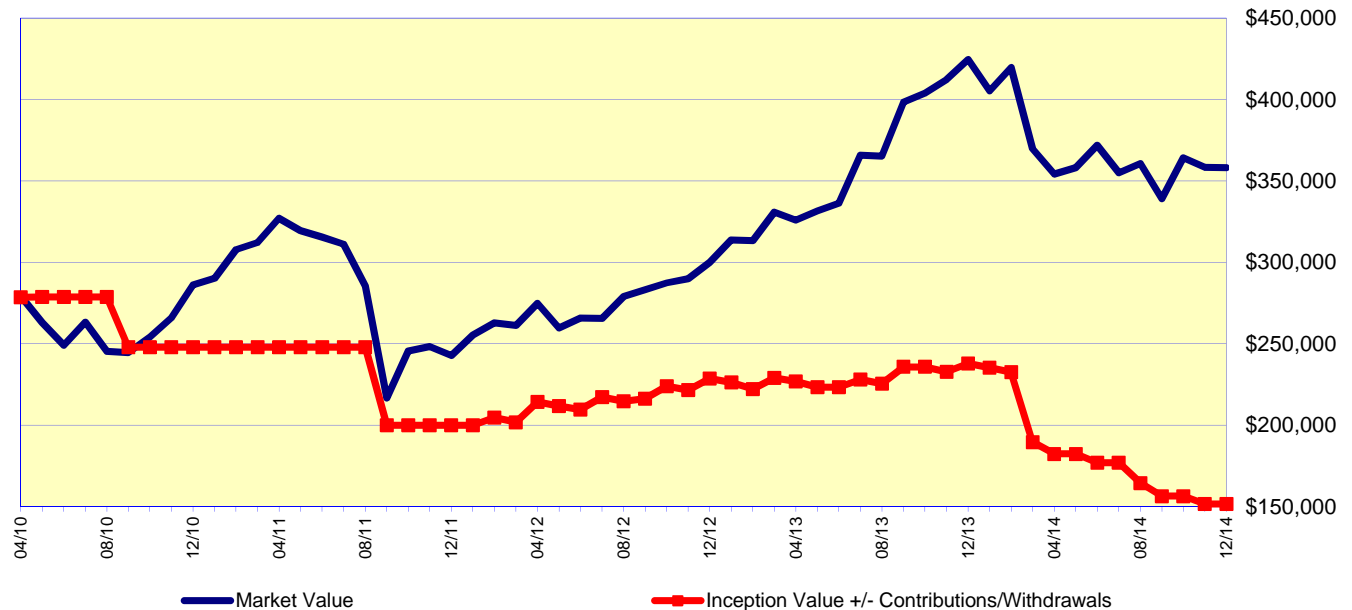
This graph depicts how \$100, invested at the beginning of the time period, would have grown based on both the portfolio's performance and the index's.



## Value Added Graph

This exhibit is useful in determining how the portfolio has been affected by the investment process.

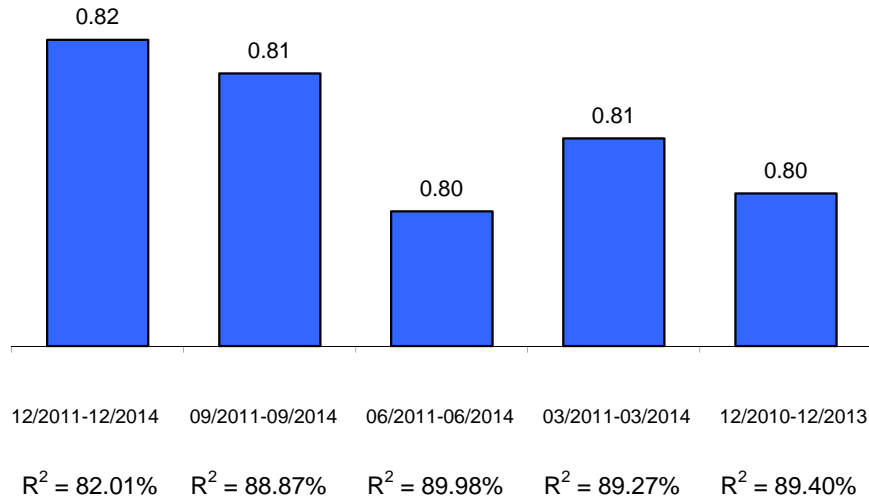
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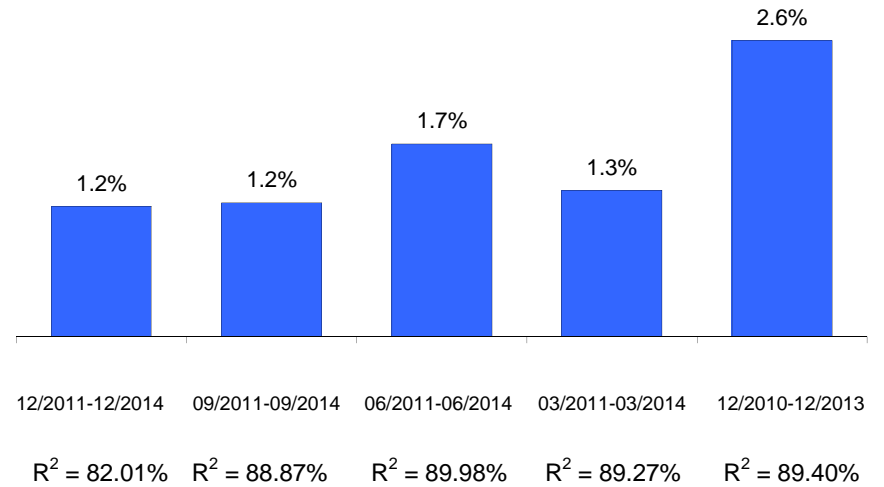


# MODERN PORTFOLIO THEORY

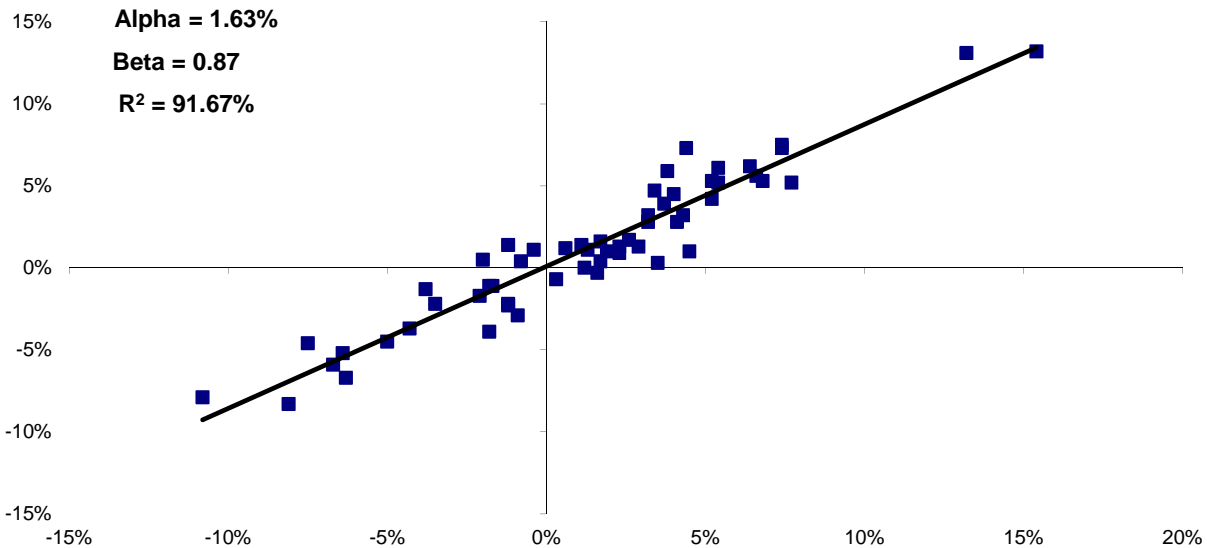
**Beta - Rolling Periods**



**Alpha - Rolling Periods**



**MONTHLY Observations Since 04/2010  
(w/Simple Linear Regression Line)**



**Modern Portfolio Theory** seeks to quantify the relationship between risk and return and operates under the assumption that an investor must be compensated for assuming risk. **Alpha** is a measure of a portfolio's return in excess of the market return, both adjusted for risk. A positive alpha indicates that the portfolio outperformed the market on a risk-adjusted basis, and a negative alpha indicates the portfolio did worse than the market. **Beta** is a measure of the sensitivity of a portfolio's rate of return against that of the market. A beta greater than 1.00 indicates volatility greater than the market. **R<sup>2</sup>** is a measure that indicates the extent to which fluctuations in portfolio returns are correlated with those of the general market. An R-squared of 0.80 implies that 80% of the fluctuation of a portfolio's return is explained by the fluctuation in the market.

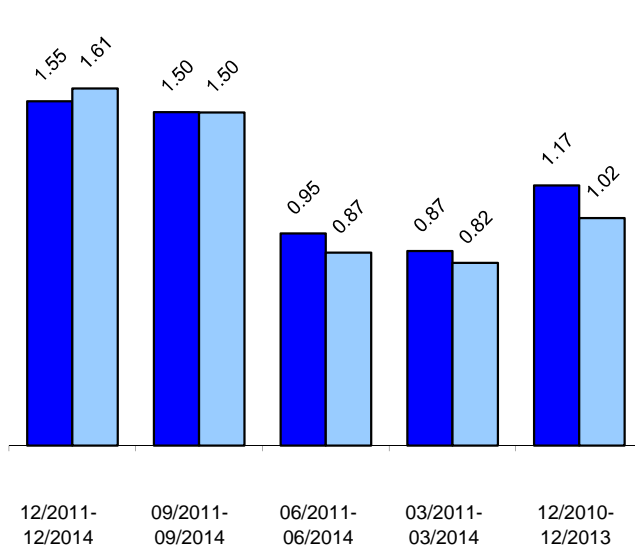
Graph Notes: The Index is represented on the horizontal (X) axis, and the Fund is represented on the vertical (Y) axis. Both the Index and Fund are adjusted by 90-day Treasury Bills.

# MANAGER RISK ANALYSIS

Longboat Key Police

AS OF 12/31/2014

**Sharpe Ratios 3-Year Rolling Periods**

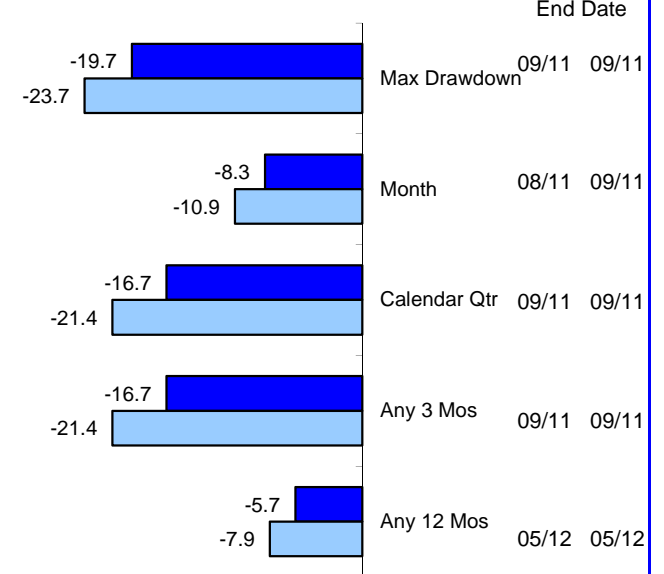


**Oak Ridge Investment Inc**  
**Russell 2500 Gr**

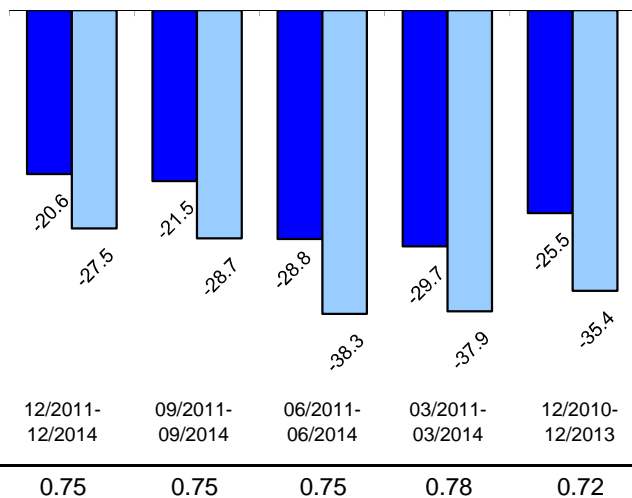
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**Loss in Varying Time Periods** measures the greatest loss experienced in each of five different historical time periods. Maximum Drawdown in the longest sustained loss since the inception of the account (The fund and index may have different begin and end dates.) *No representation is made that these amounts represent maximum future loss.*

**Loss in Varying Time Periods (%)**



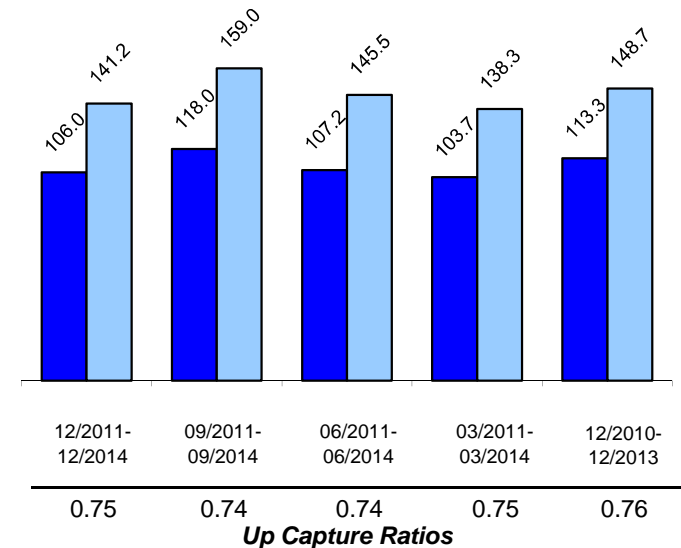
**Down Capture Returns (%) 3-Year Rolling Periods**



**Down Capture** is the measure of the fund's total return whenever the index returns are negative.

**Up Capture** is the measure of the fund's total return whenever the

**Up Capture Returns (%) 3-Year Rolling Periods**



0.75      0.75      0.75      0.78      0.72

**Down Capture Ratios**

0.75      0.74      0.74      0.75      0.76

**Up Capture Ratios**

## Town of Longboat Key Police - Oak Ridge

Composition		
Summary	LONGBOAT KEY P - OAK	RU2500-G
No of Securities	57	1,536
% Bmrk Holdings	94.31	100.00
% Active Share	93.96	0.00
% Top 25 Holdings	62.87	11.10
% Top 15 Holdings	42.07	7.19

Sector Allocation		
Sector Name	LONGBOAT KEY P - OAK	RU2500-G
Energy	2.68	3.13
Materials		7.04
Industrials	22.08	16.82
Consumer Discretionary	12.39	18.79
Consumer Staples	2.41	3.44
Health Care	25.24	19.39
Financials	5.50	8.70
Information Technology	29.70	21.69
Telecomm Service		0.59
Utilities		0.40

Characteristics		
Characteristic	LONGBOAT KEY P - OAK	RU2500-G
Market Cap - Weighted Median	2,923,050,074.94	3,967,798,500.01
Price / Book	3.32	4.67
P/E NTM	24.52	23.36
Dividend Yield	0.33	0.81
EPS Growth NTM	21.12	20.09
Ret Eq	2.75	15.55

Top Equity Holdings	
Name	LONGBOAT KEY P - OAK
AKORN INC	4.32
MIDDLEBY CORP	3.60
MALLINCKRODT PLC	3.51
EPAM SYSTEMS INC	3.03
PRA GROUP INC	2.90
	Total: 17.36

### Disclaimer

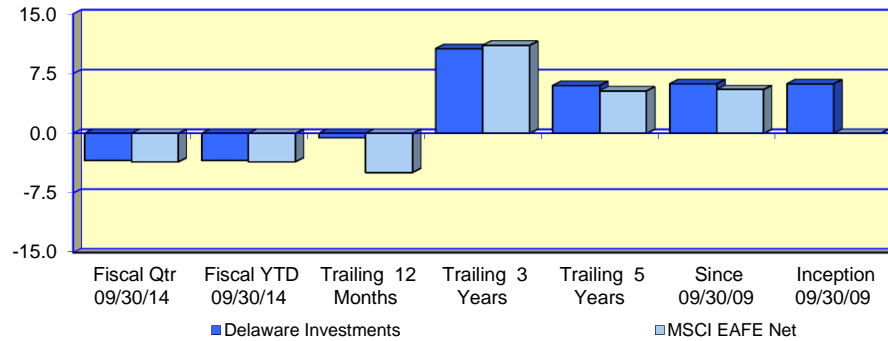
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# EXECUTIVE SUMMARY

Longboat Key Police Delaware Investments

AS OF 12/31/2014

**Portfolio Performance(%)**

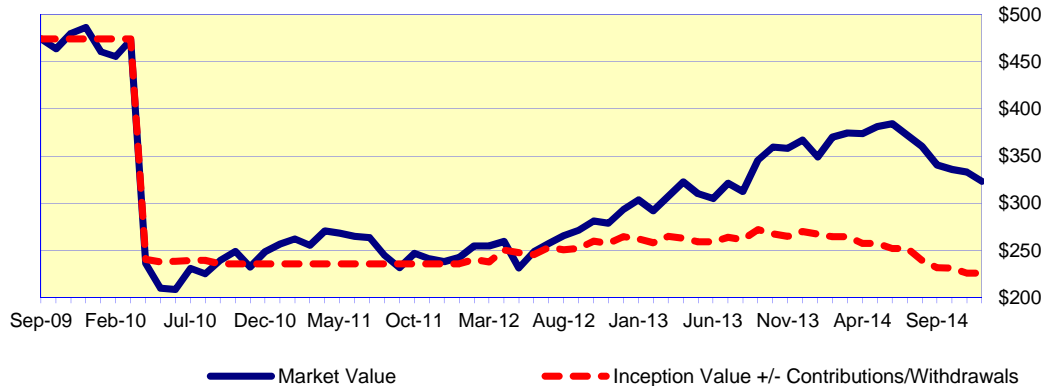


Investment Returns (%)	Fiscal Qtr Since: 09/30/14	Fiscal YTD 09/30/14	Trailing 12 Months	Trailing 3 Years	Trailing 5 Years	Since 09/30/09	Inception 09/30/09
Delaware Investments	-3.43	-3.43	-0.57	10.65	6.02	6.24	6.23
MSCI EAFE Net	-3.57	-3.57	-4.91	11.06	5.34	5.51	N/A

**Asset Growth (\$000)**

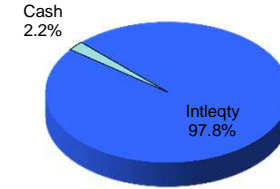
	Fiscal Qtr Since: 09/30/14	Fiscal YTD 09/30/14	Trailing 12 Months	Trailing 3 Years	Trailing 5 Years	Since 09/30/09	Inception 09/30/09
Beginning Market Value	341	341	368	239	486	474	474
Net Contributions & Withdrawals	-6	-6	-44	-10	-248	-248	-248
Gain/Loss + Income	-11	-11	0	95	86	98	98
Ending Market Value	324	324	324	324	324	324	324

**Value-Added Analysis (\$000)**



**Asset Allocation (\$000)**

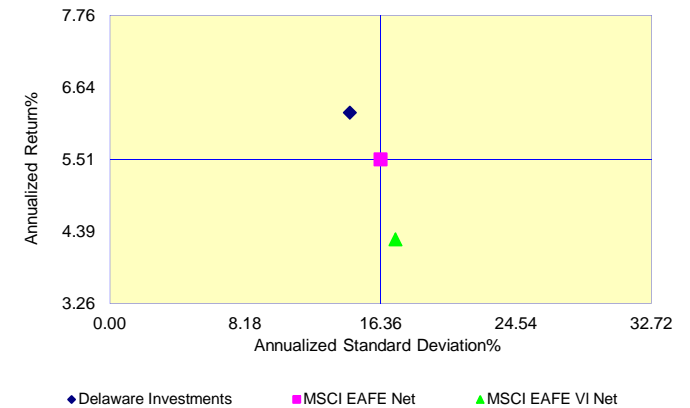
Intleqty	Cash	Total
317	7	324



**Portfolio Characteristics**

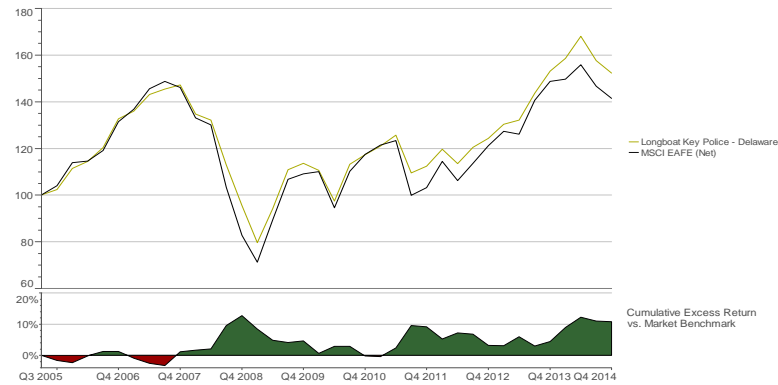
Yield	N/A	Account Sharpe Ratio	0.42
Beta	0.84	Index Sharpe Ratio	0.33
Alpha	1.44%		
R <sup>2</sup>	90%		

**Risk / Return Analysis Since 09/30/2009**

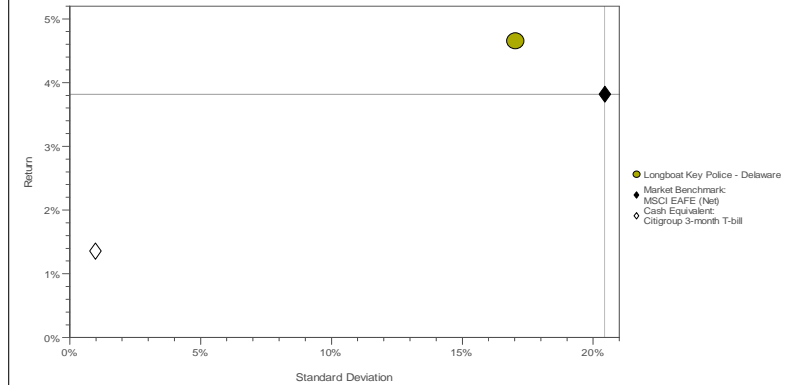


Annualized %	Return	Std. Dev.
Delaware Investments	6.24	14.51
MSCI EAFE Net	5.51	16.36
MSCI EAFE VI Net	4.26	17.27

Manager Performance  
October 2005 - December 2014 (Single Computation)



Risk / Return  
October 2005 - December 2014 (Single Computation)



Return & Risk Analysis

October 2005 - December 2014: Summary Statistics

	Return	Excess Return vs. Market	Standard Deviation	Beta vs. Market	Maximum Drawdown	Up Capture vs. Market	Down Capture vs. Market	Alpha vs. Market	Sharpe Ratio	R-Squared vs. Market
Longboat Key Police - Delaware	4.65%	0.83%	17.02%	0.81	-45.93%	86.31%	82.08%	1.27%	0.19	94.77%
MSCI EAFE (Net)	3.82%	0.00%	20.44%	1.00	-52.12%	100.00%	100.00%	0.00%	0.12	100.00%

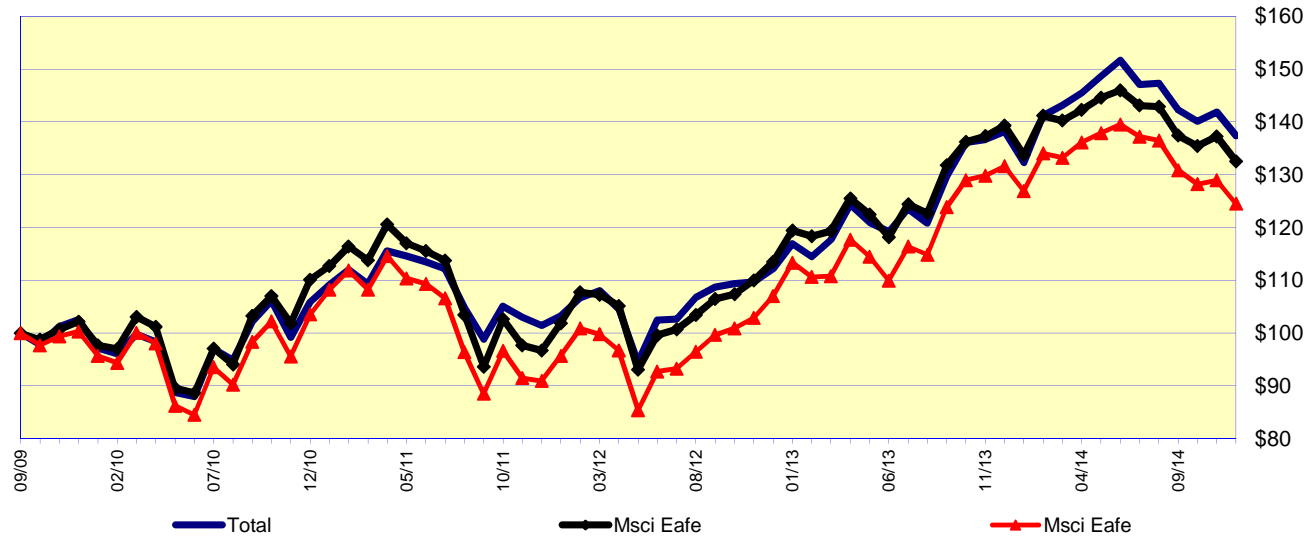
# MANAGER PERFORMANCE ANALYSIS

Longboat Key Police Delaware Investments

As Of 12/31/2014

## Growth of \$100 Graph

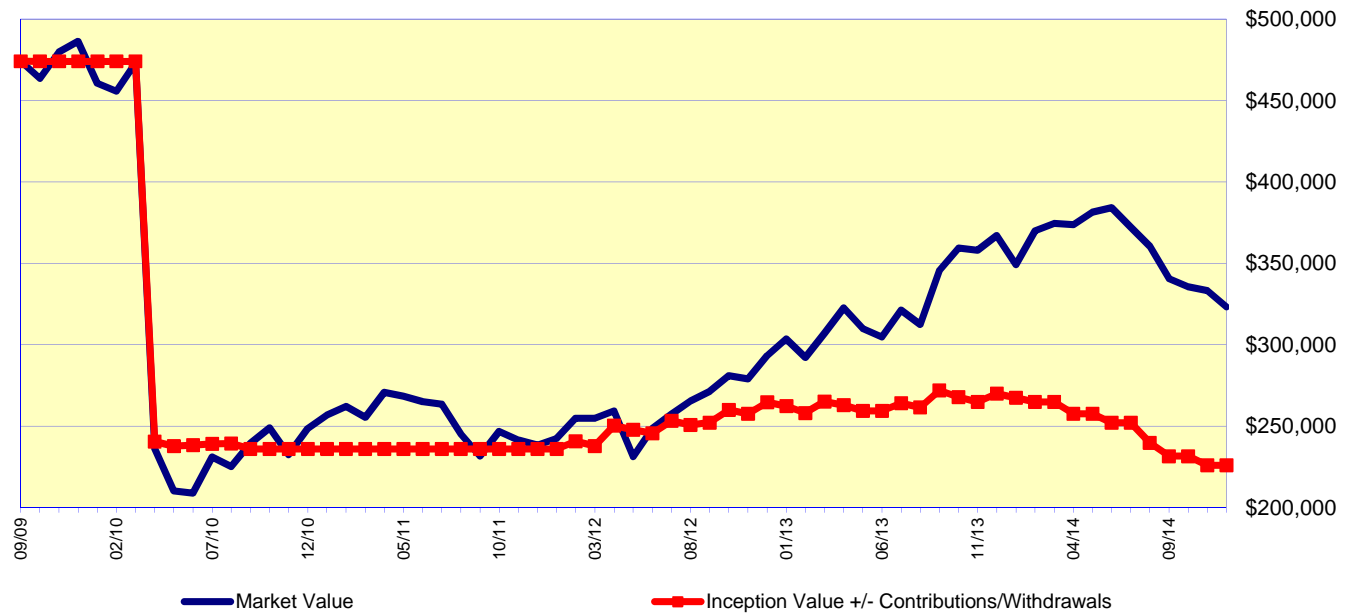
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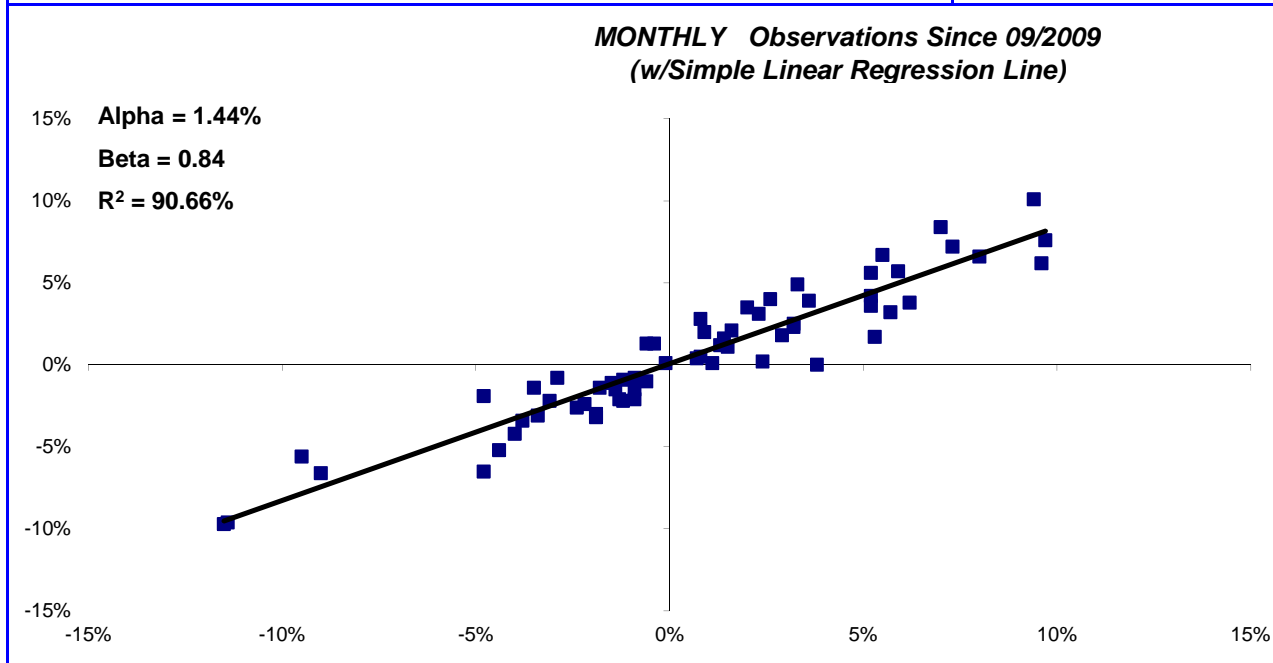
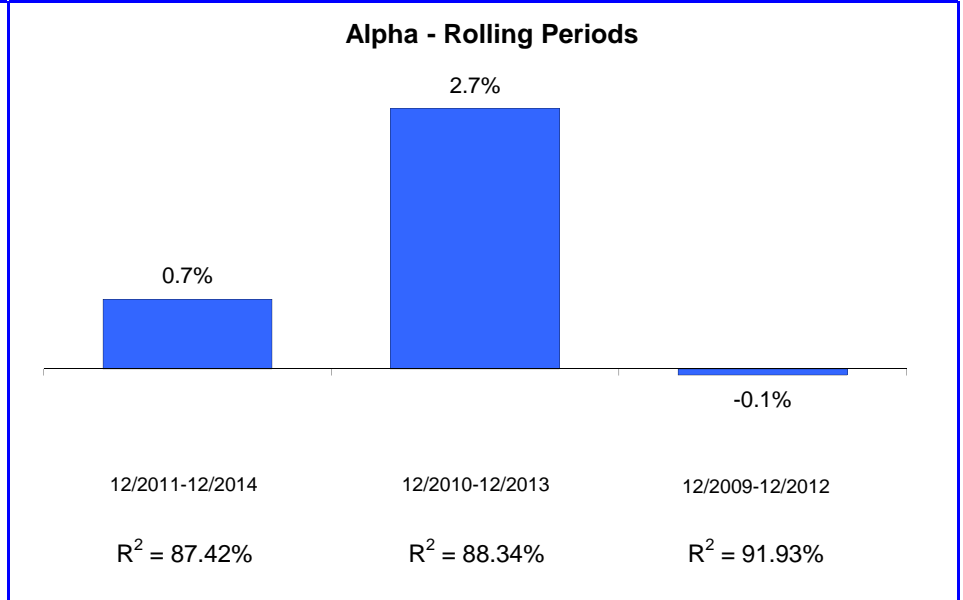
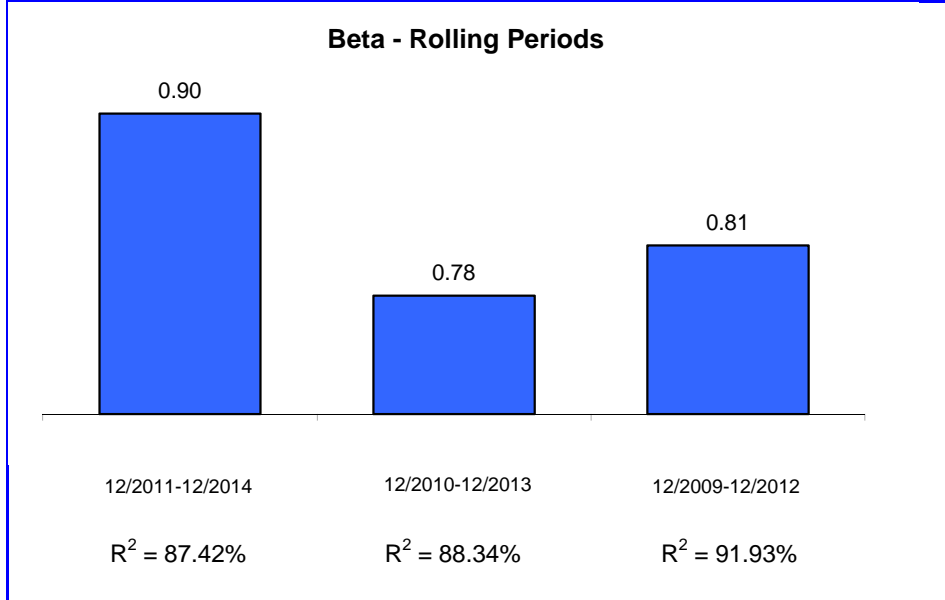
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# MODERN PORTFOLIO THEORY



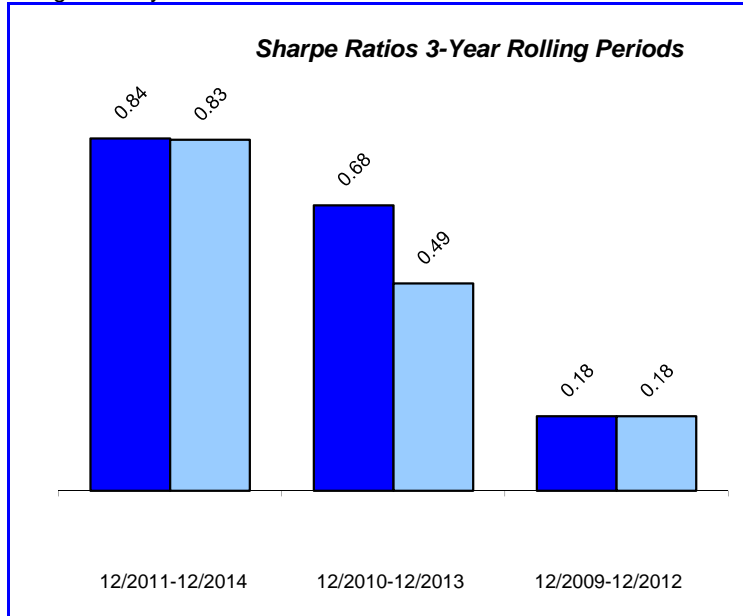
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Graph Notes: The Index is represented on the horizontal (X) axis, and the Fund is represented on the vertical (Y) axis. Both the Index and Fund are adjusted by 90-day Treasury Bills.

# MANAGER RISK ANALYSIS

Longboat Key Police

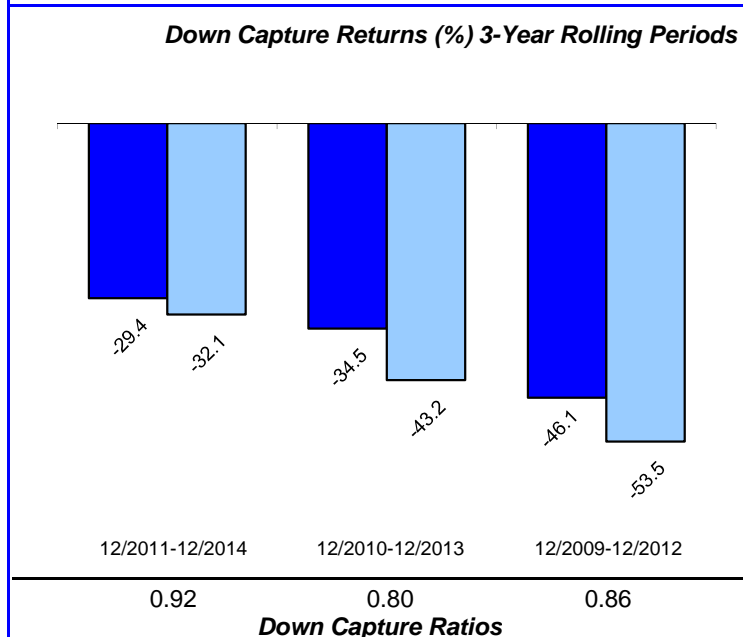
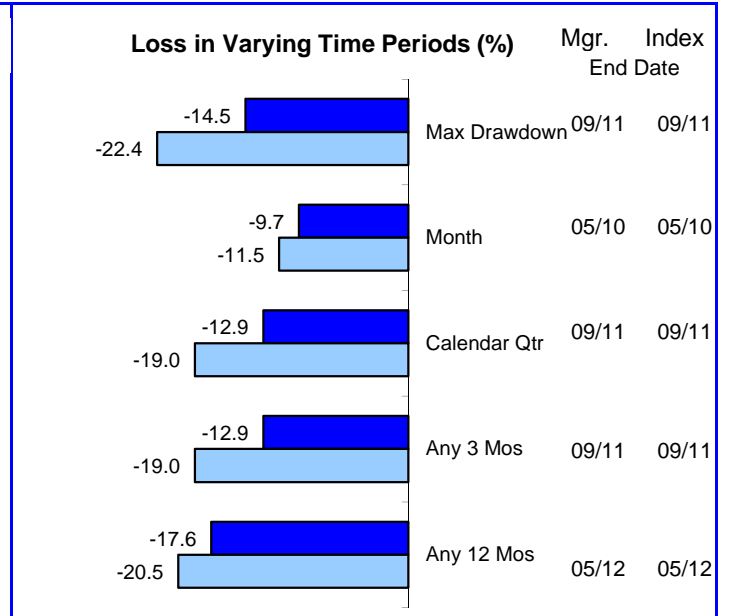
AS OF 12/31/2014



**Delaware Investments**  
**MSCI EAFE Net**

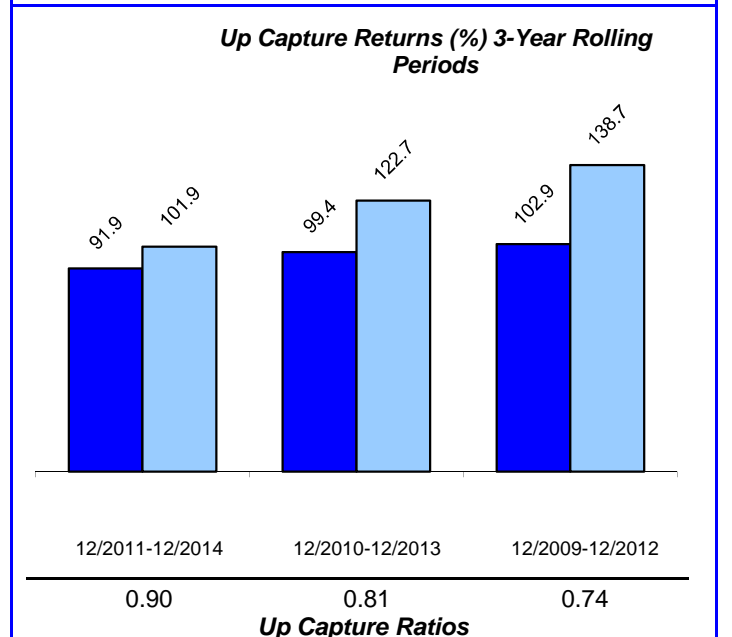
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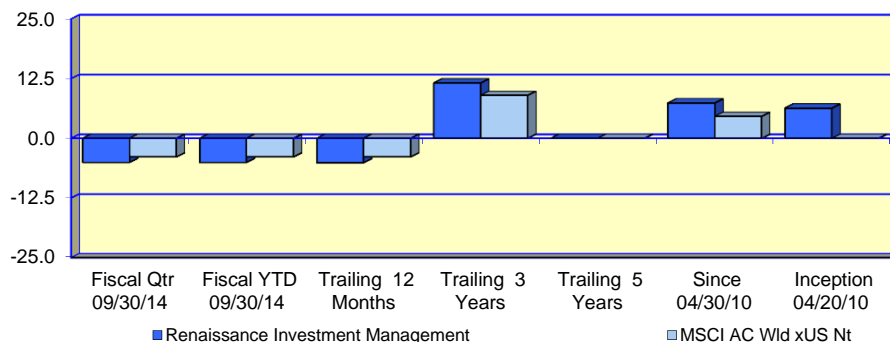


# EXECUTIVE SUMMARY

Longboat Key Police Renaissance Investment Management

AS OF 12/31/2014

## Portfolio Performance(%)

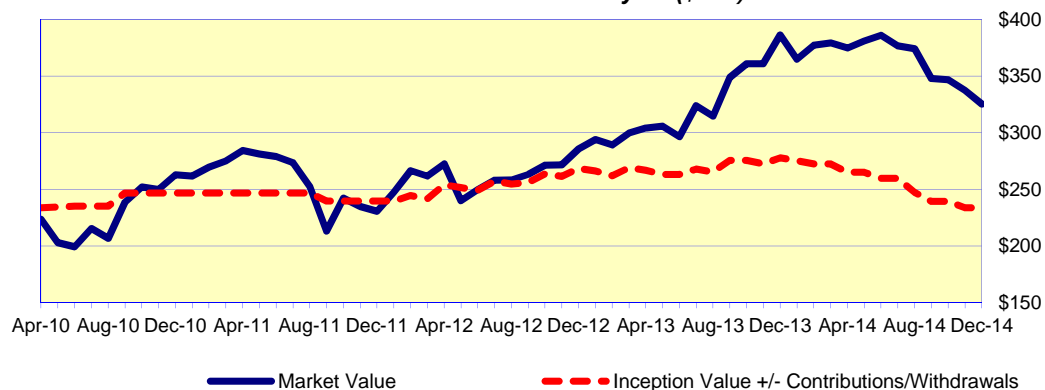


Investment Returns (%)	Since: 09/30/14	Fiscal YTD 09/30/14	Trailing 12 Months	Trailing 3 Years	Trailing 5 Years	Since 04/30/10	Inception 04/20/10
Renaissance Investment Management	-5.02	-5.02	-5.09	11.60	N/A	7.40	6.33
MSCI AC Wld xUS Nt	-3.88	-3.88	-3.88	9.00	N/A	4.60	N/A

## Asset Growth (\$000)

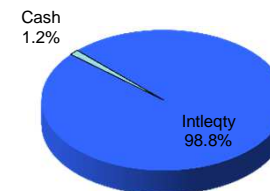
	Fiscal Qtr 09/30/14	Fiscal YTD 09/30/14	Trailing 12 Months	Trailing 3 Years	Trailing 5 Years	Since 04/30/10	Inception 04/20/10
Beginning Market Value	348	348	387	231	N/A	224	234
Net Contributions & Withdrawals	-5	-5	-44	-6	N/A	0	0
Gain/Loss + Income	-17	-17	-17	101	N/A	102	92
Ending Market Value	326	326	326	326	N/A	326	326

## Value-Added Analysis (\$000)



## Asset Allocation (\$000)

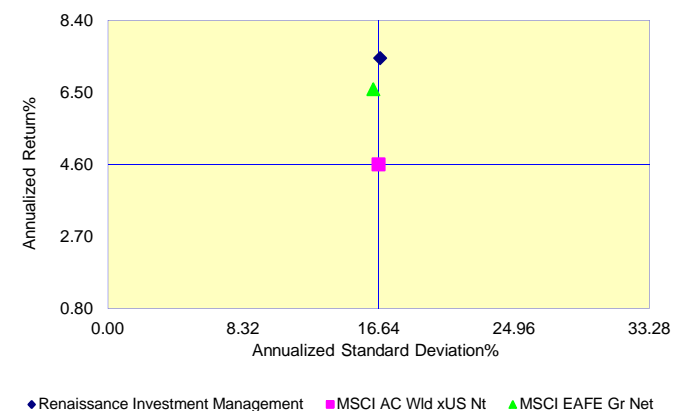
Intleqty	Cash	Total
322	4	326



## Portfolio Characteristics

Yield	N/A	Account Sharpe Ratio	0.43
Beta	0.95	Index Sharpe Ratio	0.27
Alpha	2.98%		
R <sup>2</sup>	89%		

## Risk / Return Analysis Since 04/30/2010



Annualized %	Return	Std. Dev.
<b>Renaissance Investment Management</b>	<b>7.40</b>	<b>16.73</b>
MSCI AC Wld xUS Nt	4.60	16.64
MSCI EAFE Gr Net	6.58	16.32

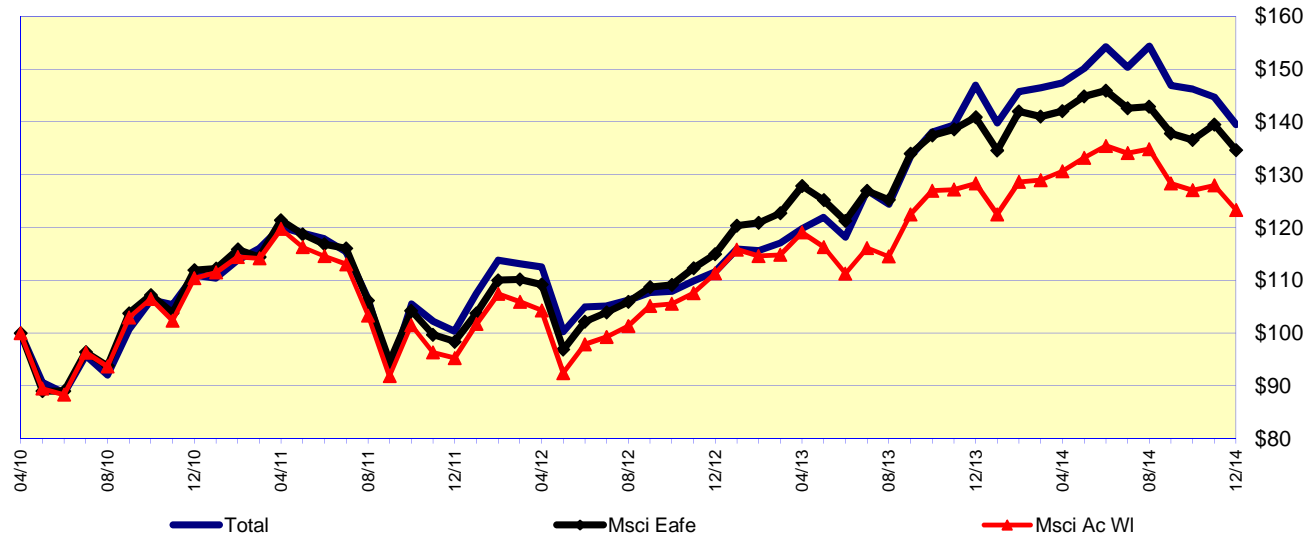
# MANAGER PERFORMANCE ANALYSIS

Longboat Key Police Renaissance Investment Management

As Of 12/31/2014

## Growth of \$100 Graph

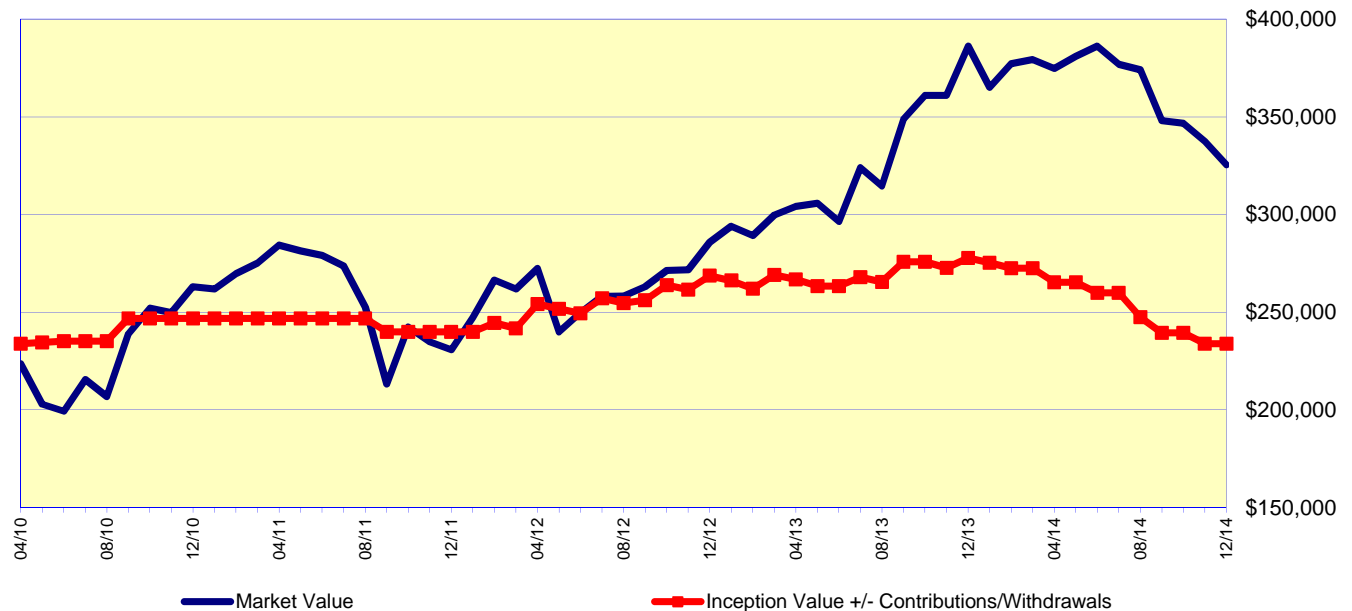
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This exhibit is useful in determining how the portfolio has been affected by the investment process.

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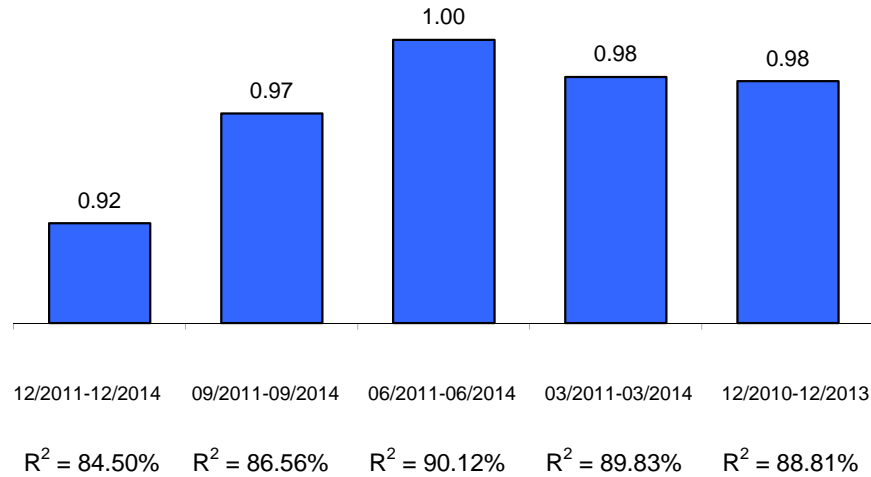


# MODERN PORTFOLIO THEORY

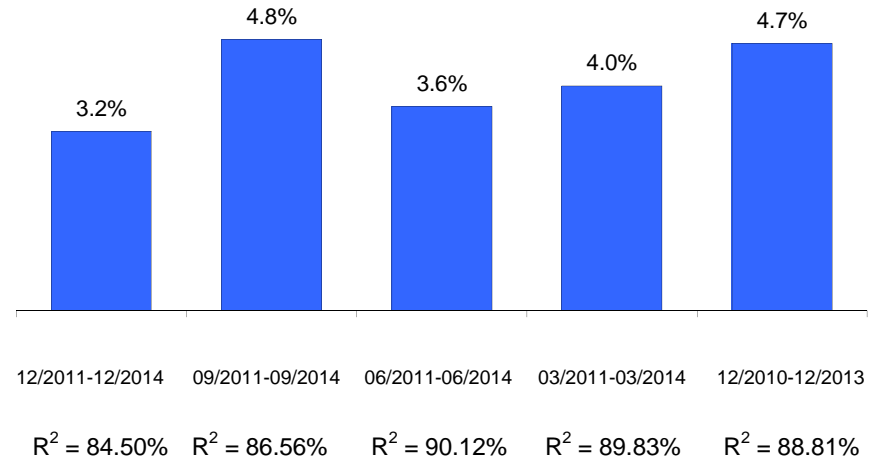
Longboat Key Police Renaissance Investment Management

AS OF 12/31/2014

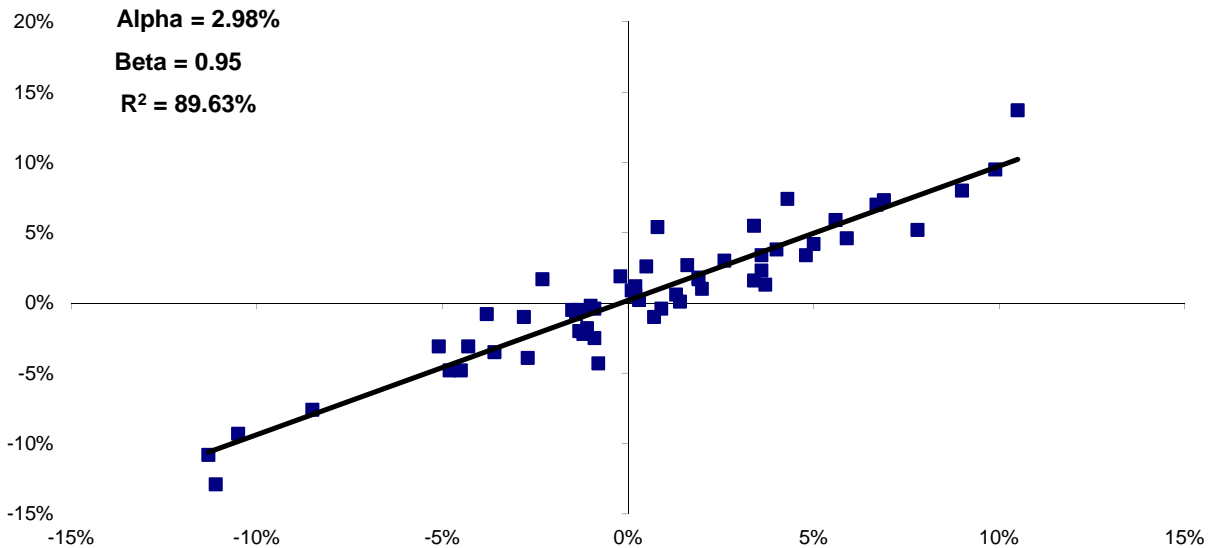
**Beta - Rolling Periods**



**Alpha - Rolling Periods**



**MONTHLY Observations Since 04/2010 (w/Simple Linear Regression Line)**



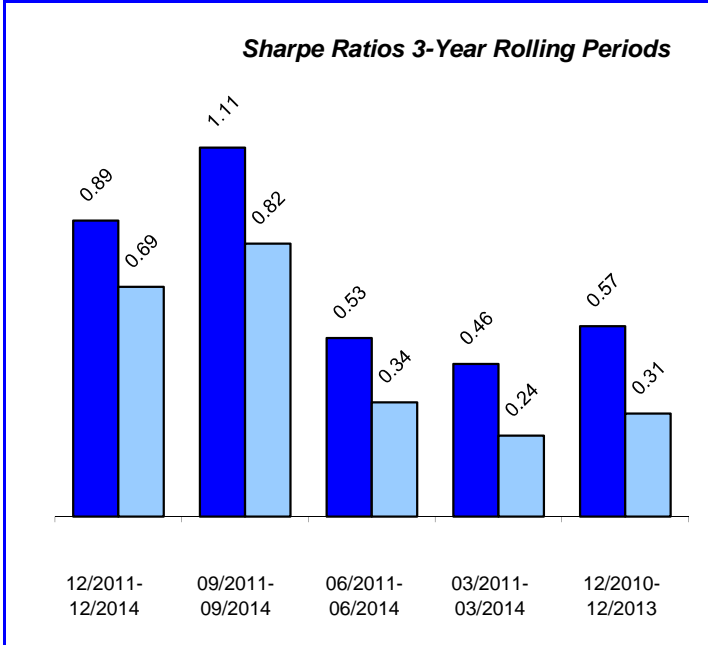
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# MANAGER RISK ANALYSIS

Longboat Key Police

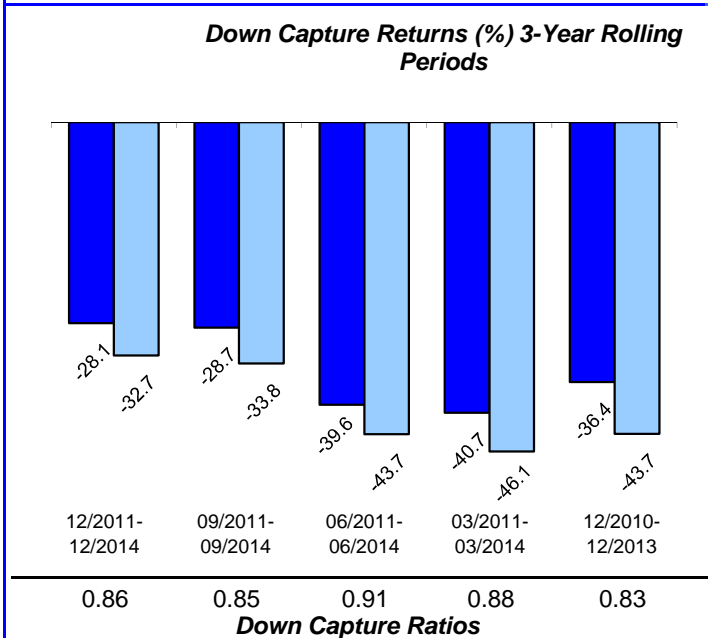
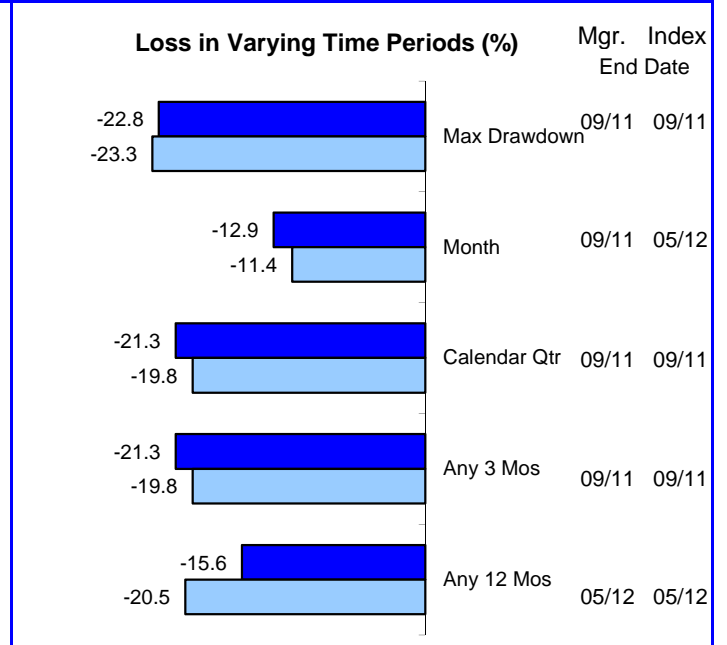
AS OF 12/31/2014



**Renaissance Investment**  
**MSCI AC Wid xUS Nt**

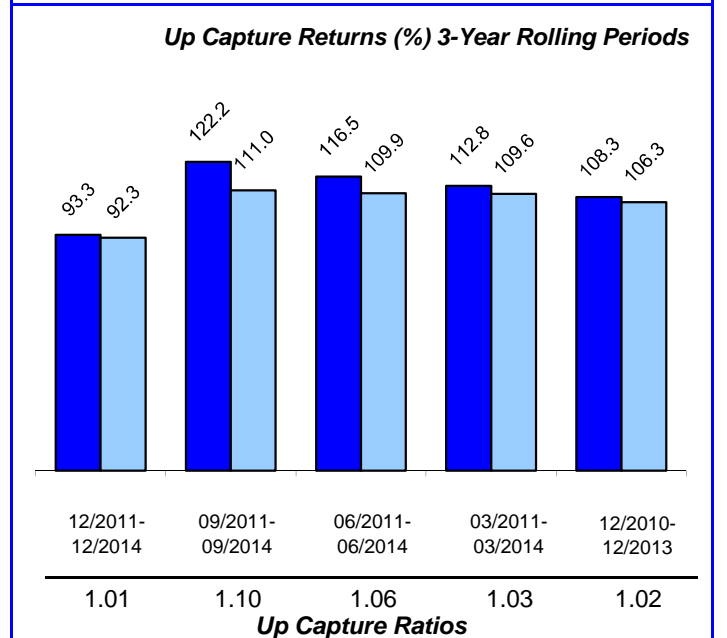
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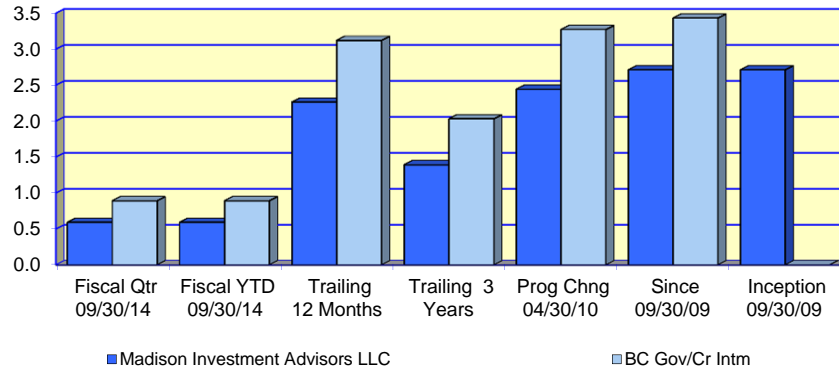


# EXECUTIVE SUMMARY

Longboat Key Police Madison Investment Advisors LLC

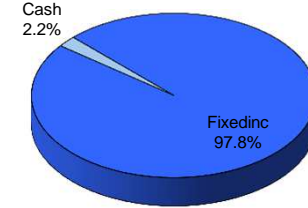
AS OF 12/31/2014

## Portfolio Performance (%)



## Asset Allocation (\$000)

Fixedinc	Cash	Total
2,037	45	2,082



## Portfolio Characteristics

	Portfolio	BC Int G/C
Duration	2.41 years	3.89 years
Yield-to-Maturity	1.02%	1.67%

Investment Returns (%)	Since 09/30/14	Fiscal Qtr 09/30/14	Fiscal YTD 09/30/14	Trailing 12 Months	Trailing 3 Years	Prog Chng 04/30/10	Since 09/30/09	Inception 09/30/09
Madison Investment Advisors LLC	0.59	0.59	0.59	2.26	1.39	2.44	2.71	2.71
BC Gov/Cr Intm		0.89	0.89	3.12	2.03	3.27	3.43	N/A

## Asset Growth (\$000)

	Since 09/30/14	Fiscal Qtr 09/30/14	Fiscal YTD 09/30/14	Trailing 12 Months	Trailing 3 Years	Prog Chng 04/30/10	Since 09/30/09	Inception 09/30/09
Beginning Market Value	2,106	2,106	2,106	1,901	1,632	1,452	1,624	1,624
Net Contributions & Withdrawals	-36	-36	-36	134	371	444	228	228
Gain/Loss + Income	12	12	12	47	79	186	230	230
Ending Market Value	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082

## Risk / Return Analysis Since 09/30/2009



Annualized %	Return	Std. Dev.
Madison Investment Advisors LLC	2.71	1.79
BC Gov/Cr Intm	3.43	2.35
BC Agg Intm	3.64	2.22

## Quality Ratings

	Portfolio	BC Int G/C
AAA/Gov't/Agency	65%	68%
AA	6%	5%
A	29%	12%
BAA	0%	15%
Other	0%	0%

## Asset Breakdown

	Portfolio	BC Int G/C
U.S. Obligations	57%	63%
Government Agencies	9%	7%
Mortgages & Asset Backed	0%	0%
Corporates	35%	30%

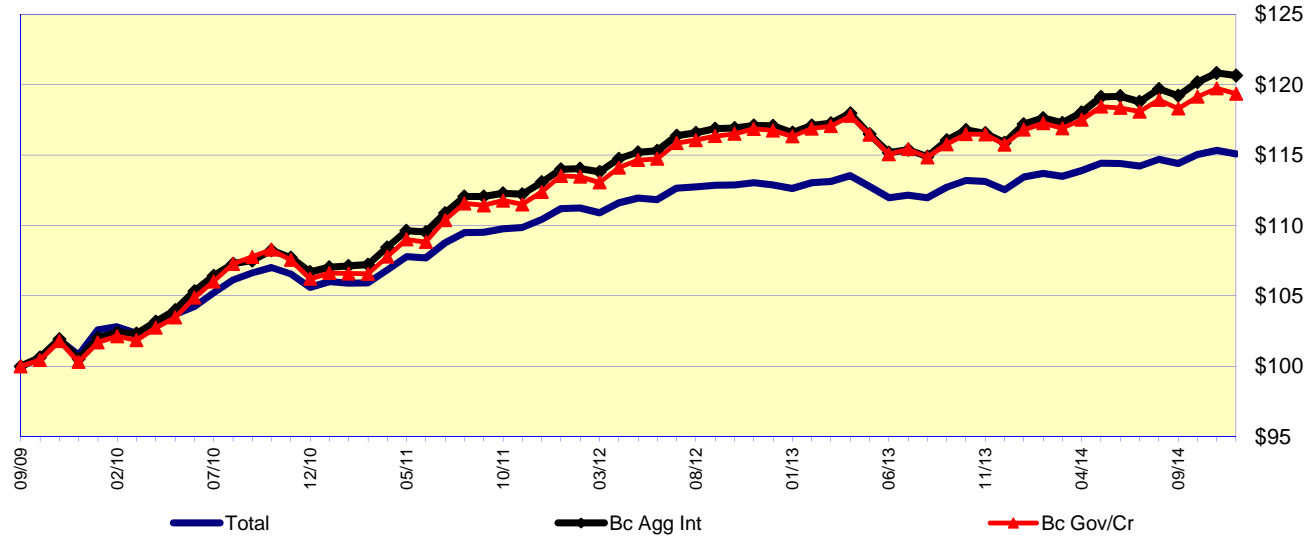
# MANAGER PERFORMANCE ANALYSIS

Longboat Key Police Madison Investment Advisors LLC

As Of 12/31/2014

## Growth of \$100 Graph

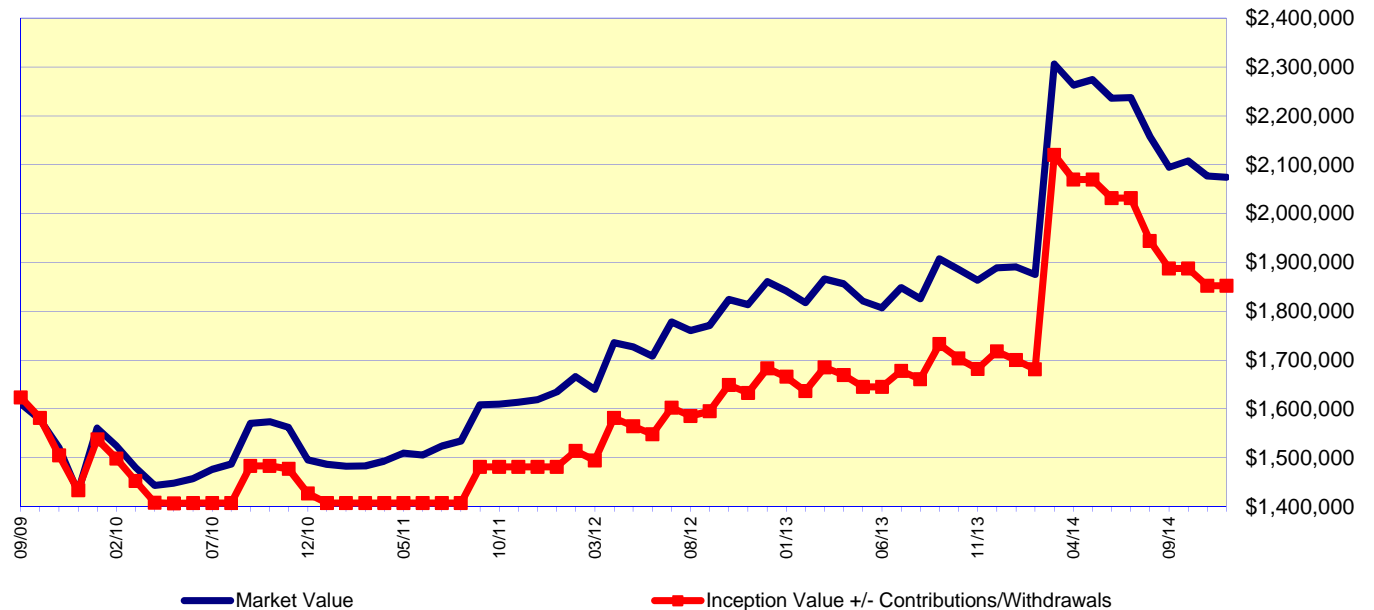
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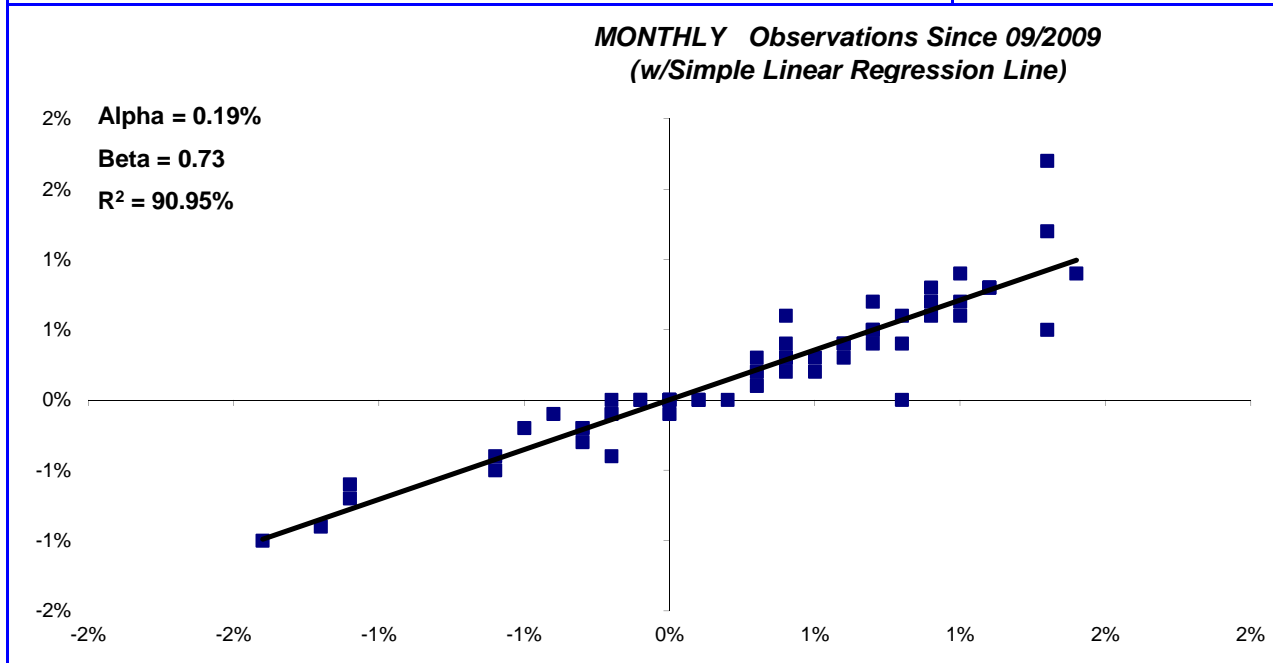
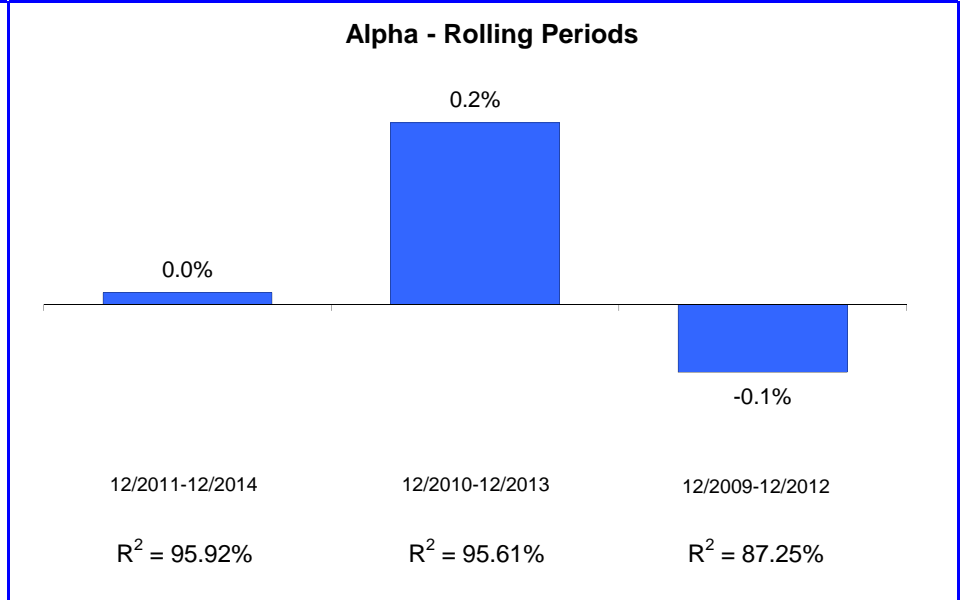
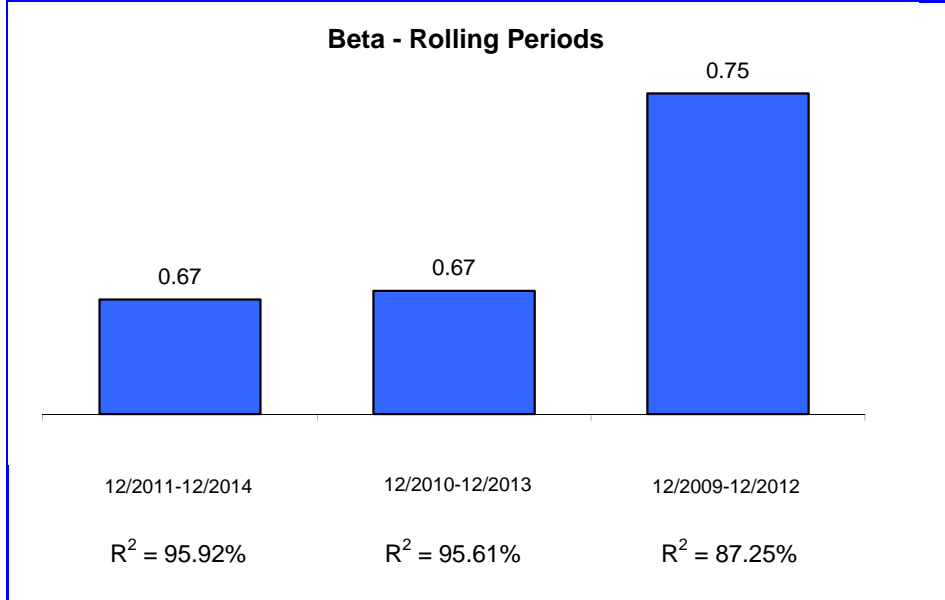
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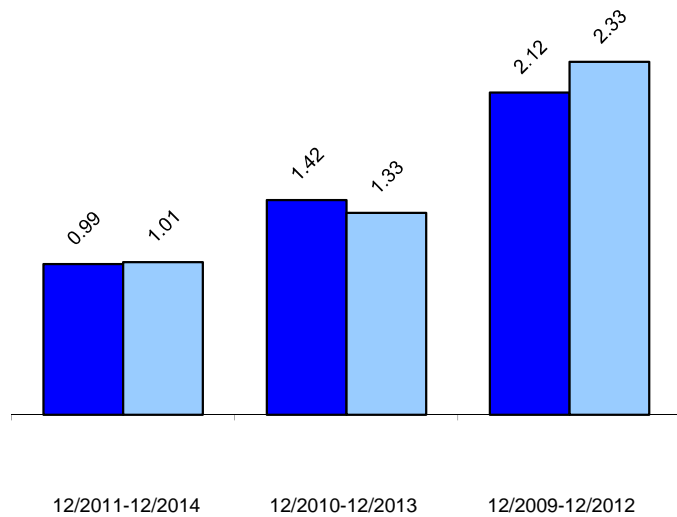
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# MANAGER RISK ANALYSIS

Longboat Key Police

AS OF 12/31/2014

**Sharpe Ratios 3-Year Rolling Periods**



■ Madison Investment Advisors LL  
■ BC Gov/Cr Intm

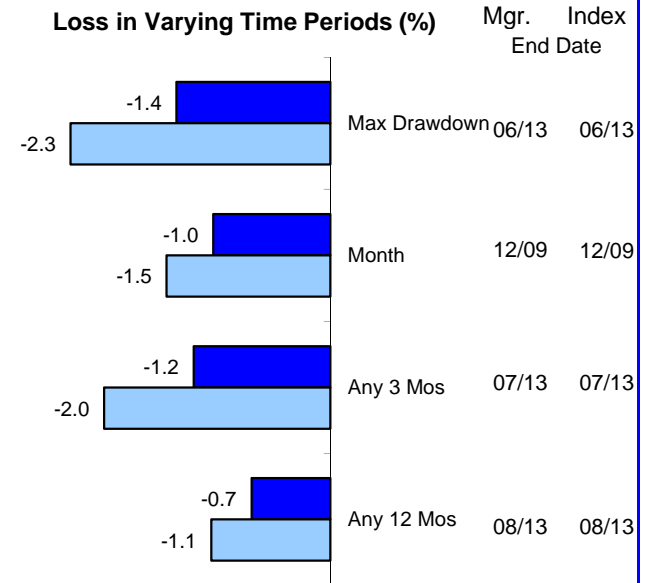
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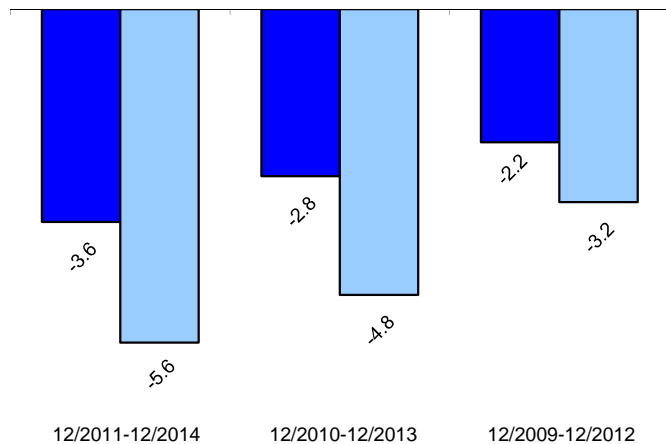
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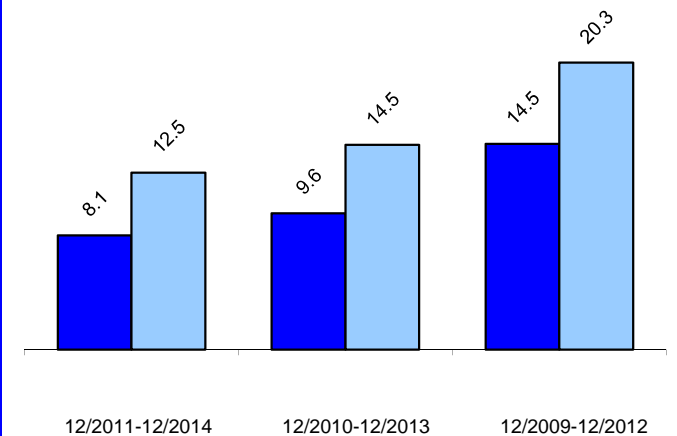
**Loss in Varying Time Periods (%)**



**Down Capture Returns (%) 3-Year Rolling Periods**



**Up Capture Returns (%) 3-Year Rolling Periods**



0.64      0.58      0.69

**Down Capture Ratios**

0.65      0.67      0.72

**Up Capture Ratios**



## Information Disclosures

Please notify your Financial Advisor if there have been any changes in your financial situation or investment objectives, or if you wish to impose any reasonable restrictions on the management of your Investment Advisory accounts, or to reasonably modify existing restrictions.

For a copy of the applicable Form ADV Disclosure Document for Morgan Stanley Smith Barney LLC, or for any Investment Adviser with whom we contract to manage your investment advisory account, please contact your Financial Advisor. These Disclosure Documents contain important information about advisory programs.

### Sources and Intent

This investment evaluation is directed only to the client for whom the evaluation was performed. The underlying data has been obtained from sources the Firm believes to be reliable but we do not guarantee their accuracy, and any such information may be incomplete or condensed. This evaluation is for informational purposes only and is not intended to be an offer, solicitation, or recommendation with respect to the purchase or sale of any security or a recommendation of the services supplied by any money management organization. Past performance is not a guarantee of future results. Performance for periods greater than one year is annualized. The information contained herein was prepared by your Financial Advisor and does not represent an official statement of your account at the Firm (or other outside custodians, if applicable.) Please refer to your monthly statement for a complete record of your transactions, holdings and balances.

This Performance Report may show the consolidated performance of some, but not necessarily all, of your Morgan Stanley accounts. In addition, it may show the full performance history of your accounts or just the performance of your accounts since inception in their current Morgan Stanley programs. In some cases, it may show the combined performance of brokerage accounts and advisory accounts. It is important that you understand the combination of accounts and account histories that are included in this Performance Report. Upon your request, performance information can be obtained for other accounts you may have with us, but which are not shown here.

Accounts included in this Performance Report may have had different investment objectives, been subject to different rules and restrictions, and incurred different types of fees, mark-ups, commissions, and other charges. Accordingly, the performance results for this portfolio may blend the performance of assets and strategies that may not have been available in all of your accounts at all times during the reporting period. Please consult your Financial Advisor for more information about the fees and expenses applicable to the accounts included in this Performance Report.

### Gross Rates of Return

The investment returns in this report are your gross returns before deducting investment management fees and any Select Retirement fees. For more details on fees, please see your client contract, the applicable Morgan Stanley ADV brochure and any applicable Select Retirement prospectus. Your actual returns are lower, after deducting expenses that may include, for example, investment management fees and trade commissions. As fees are deducted quarterly, the compounding effect increases the impact of the fees by an amount directly related to the gross account performance. For example, on an account with a 2% fee, if the gross performance is 10%, the compounding effect of the fees results in a net performance of approximately 7.81%. Returns in excess of one year are annualized.

### Advisory Notice

The Fiduciary Services-Affiliated Program and the Fiduciary Services-Unaffiliated Manager Program are separate and distinct advisory programs. Absent your written authorization, assets may only be transferred among managers within the particular program.

### List of Composite Accounts

The Composite account presentation includes the following accounts: Total Fund, 001-068239, 001-068205, 001-068204, 001-068200, 001-068198, 001-068263, 001-068264, 001-073439.

### Composite Index Definition

The Composite account's benchmark comprises the 90-Day T-Bills, BC Gov/Cr Intm, Russell 1000 Gr, MSCI EAFE Net, Russell 2500 VI, MSCI AC Wld xUS Nt, Russell 2500 Gr, Russell 1000 VI, indices in the same asset mix as your portfolio. The mix is adjusted monthly based on changes in your portfolio.

### International History:

Until 4th quarter 1997, International equities were included within the Domestic equity category for performance presentation. For asset allocation purposes, they are reflected beginning Jan.1, 1998.

### Bond Average

Please note that all averages calculated are weighted averages meaning that the calculation takes into account the par value of each position. CMO's and Asset Backed securities are excluded from the calculation. Any bonds that are non-rated by both Moody's and S&P are excluded from the average rating calculation.

### Fiscal Year

Total Fund's fiscal year ends on 2015/09

Acct# 001-068239's fiscal year ends on 2015/09

Acct# 001-068205's fiscal year ends on 2015/09

Acct# 001-068204's fiscal year ends on 2015/09

Acct# 001-068200's fiscal year ends on 2015/09

Acct# 001-068198's fiscal year ends on 2015/09

Acct# 001-068263's fiscal year ends on 2015/09

Acct# 001-068264's fiscal year ends on 2015/09

Acct# 001-073439's fiscal year ends on 2015/09

### International and Small Capitalization Securities

To the extent the investments depicted herein represent international securities, you should be aware that there may be additional risks associated with international investing involving foreign, economic, political, and/or legal factors. International investing may not be for everyone. In addition, small capitalization securities may be more volatile than those of larger companies, but these companies may present greater growth potential.

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### Additional Information about your Floating Rate Notes

For floating rate securities, the estimated accrued interest and estimated annual income are based on the current floating coupon rate and may not reflect historic rates within the accrual period.

### **Alpha**

Alpha is the value added by active management of the portfolio's assets, given the risk of that portfolio. In other words, alpha is equal to the incremental return earned by the manager when the market is flat or stationary. An alpha of zero indicates that the manager earned the exact return dictated by the level of market risk (i.e., beta) of the portfolio. A positive alpha indicates that the manager has earned, on average, more than the portfolio's level of market risk would have dictated. A negative alpha indicates that the manager has earned, on average, less than the portfolio's level of market risk would have dictated. Alpha is the Y-intercept of the least squares regression line.

### **Beta**

Beta is the systematic risk of the portfolio. Measured by the slope of the least squares regression, beta is the measure of portfolio risk which cannot be removed through diversification. Beta is also known as market risk. Beta is a statistical estimate of the average change in the portfolio's performance with a corresponding 1.0 percent change in the risk index. A beta of 1.0 indicates that the portfolio moves, on average, lock step with the risk index. A beta in excess of 1.0 indicates that the portfolio is highly sensitive to movements in the risk index. A beta of 1.5, for example, indicates that the portfolio tends to move 1.5 percent with every 1.0 percent movement in the risk index. A beta of less than 1.0 indicates that the portfolio is not as sensitive to movements in the risk index. A beta of 0.5, for example, indicates that the portfolio moves only 0.5 percent for every 1.0 percent movement in the risk index.

### **R-Squared**

R-squared, or the coefficient of determination, measures the strength of the least squares regression relationship between the portfolio (the dependent variable) and the risk index (the independent variable). The statistic reveals the extent to which the variability in the dependent variable is due to the variability in the independent variable. As such, R-squared measures how well the portfolio returns move in tandem with the returns of the risk benchmark. Though it is true that the higher the R-squared the better, an R-squared of less than 0.9 (i.e., 90 percent), indicates that the total fund does not track closely with the risk benchmark. The strength of the R-squared statistic will reflect on the strength of alpha and beta. A weak R-squared, for example, would indicate that alpha and beta cannot be strictly interpreted.

### **Brokerage Account**

In a brokerage relationship, your Financial Advisor will work with you to facilitate the execution of securities transactions on your behalf. Your Financial Advisor also provides investor education and professional, personalized information about financial products and services in connection with these brokerage services. You can choose how you want to pay for these services and you will receive the same services regardless of which pricing option you choose. There are important differences in your relationship with your Financial Advisor and Morgan Stanley in brokerage accounts and in advisory accounts.

Asset classifications and performance calculation methodologies can differ among the various supplemental performance reports available through us. For example, some reports calculate Time Weighted performance using a weighted or Modified Dietz approach while others use a daily approach. In addition, some reports may display Dollar Weighted Returns. These differences can generate meaningful dispersions in the performance numbers displayed on different reports.