



**West Palm Beach Police
Pension Fund**

INVESTMENT PERFORMANCE REPORT

**PERIOD ENDING
December 31, 2008**

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DOMESTIC EQUITY Active Management Overview

Active vs. the Index

The fourth quarter was another tumultuous quarter for equities. The presidential election is over and Barack Obama has made the economy his number one priority. On December 16th, the Federal Open Market Committee decided to establish a target range of 0% to 0.25% for the federal funds rate. The -31.93% 2008 return for the Dow Jones is the 3rd worst on record. It is now abundantly clear that this is one of the worst recessions in our history. Active managers were close to their respective benchmarks, with nearly all styles and groups underperforming their benchmarks for the fourth quarter. The notable exception was the median Large Cap Value fund which beat the S&P 500 Value Index by 240 basis points. All of the active manager returns posted over a 30% loss for the year ending 2008, the only actively managed style group that beat its index was Large Cap Value which beat the S&P 500 Value index by 291 basis points.

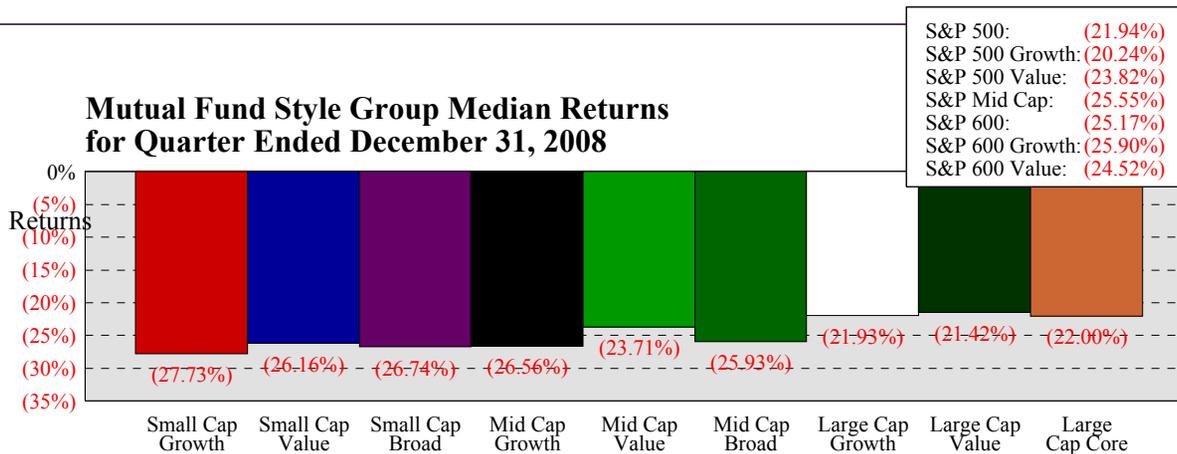
Large Cap vs. Small Cap

There was no shortage of institutions that needed to be rescued by the Federal Government. Citigroup, one of the largest and most prestigious banks in the world, will absorb the first \$29 billion of its \$306 billion worth of troubled assets, with the government injecting another \$20 billion. After that, the government will take on any additional losses. The auto industry has had a much harder time securing government loans, but before 2008 came to an end the White House agreed to lend General Motors and Chrysler \$17.4 billion. Small Cap funds across all style groups performed worse than Large Cap funds for the fourth quarter. This is evident by the S&P 500 return which was 323 basis points higher than the S&P 600 return. This trend is reversed for the year ended December 31, 2008, with the S&P 600 outperforming the S&P 500 by 593 basis points.

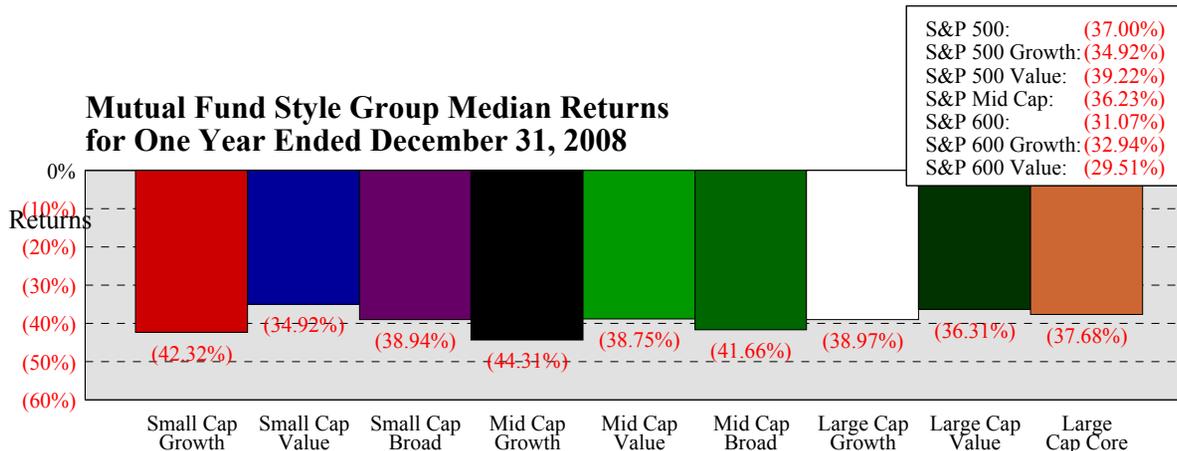
Growth vs. Value

Value funds outperformed growth funds for the fourth quarter and for the latest twelve months. There were some distinct trends by sector. Investors fearful of a further downturn in the economy have fled the consumer staples and health care sectors less than other sectors. This is a typical recession pattern with investors confident that consumers will continue to buy food and medicine regardless of market conditions. The median Large Cap Value fund posted a return 51 basis points above its Growth counterpart. The median Small Cap Value fund also outperformed the median Small Cap Growth fund. For the year ended December 31, 2008 the same trend holds true, with Small Cap Value posting a return 740 basis points above Small Cap Growth. Large Cap Value still outperformed Large Cap Growth, but the spread was not as dramatic as Small Cap.

**Mutual Fund Style Group Median Returns
for Quarter Ended December 31, 2008**



**Mutual Fund Style Group Median Returns
for One Year Ended December 31, 2008**



DOMESTIC FIXED-INCOME Active Management Overview

Active vs. the Index

The Federal Reserve cut the Fed Funds interest rate to the lowest levels on record in December when it lowered the rate to between 0% and 0.25%. This was the 10th interest rate cut in the last 15 months. Even though the cost of borrowing has dropped significantly, there is still very little available credit. The lack of credit continues to be a problem for future growth and concerns of deflation surfaced due to the lowered interest rates and declining prices in goods, specifically commodity prices. The uncertainty and volatility of the equity market sent investors to the safety of government debt or to other quality debt instruments. The Barclays Capital Aggregate Bond Index (formerly Lehman Brothers) returned 4.58% for the quarter due to the high demand for U.S. Treasuries. This bested the median Core Bond fund's return of 0.26% by 432 basis points. This year challenged a lot of long-held views about bonds being a conservative and less volatile investment class, however, the Barclays Capital Aggregate Bond Index still returned 5.24% for the year.

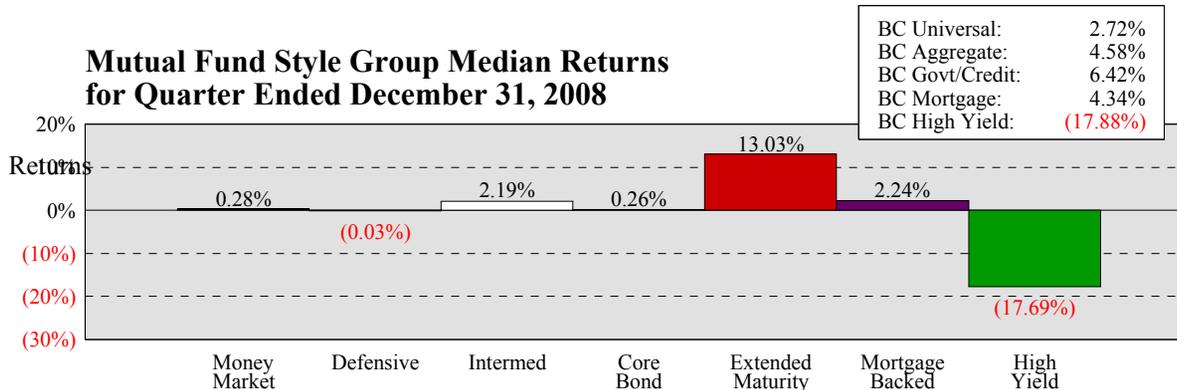
Short vs. Long Duration

The fourth quarter of 2008 saw high volatility and steep losses across virtually all asset classes. Driven mostly by fear and uncertainty, many investors went to cash which drove down the yield of most cash-like securities. The one-month and three-month Treasury bills went negative, and the one-year, five-year and ten-year Treasuries all touched the lowest levels on record during the fourth quarter. Longer duration Treasuries also saw precipitous drops in yield. The 30-year Treasury fell 49 basis points to 2.55% and went to a record low of 2.50% during the fourth quarter. Due to interest rate cuts and sensitivity to interest rate changes, extended duration bonds performed better than their shorter counterparts. For the twelve months ended December 31, 2008, Extended Maturity outperformed Intermediate funds returning 13.19% and 3.31%, respectively.

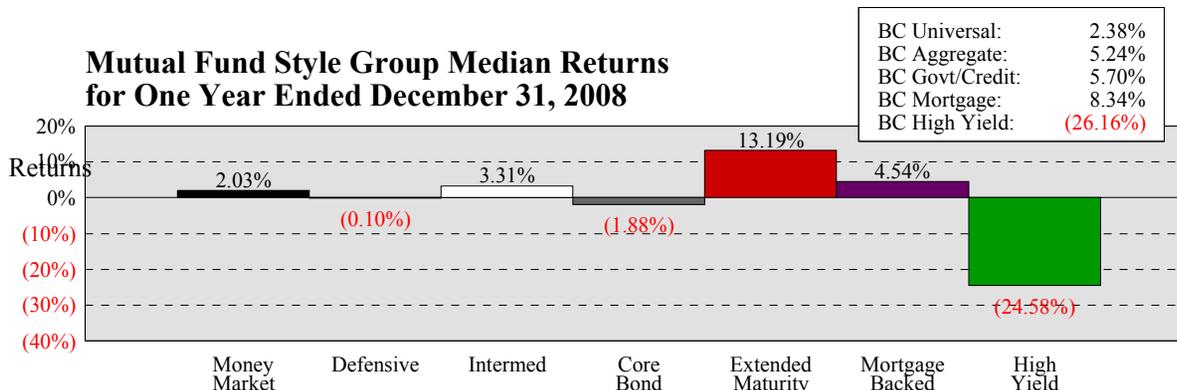
Mortgages and High Yield

The U.S. government announced it plans to spend \$600 billion to buy agency and other mortgage debt from distressed lenders like Freddie Mac and Fannie Mae. New legislation is also being debated that would give homeowners more leverage to renegotiate their mortgages. For the quarter, the BC Mortgage Index returned 4.34% which outperformed the median Mortgage Backed fund which had a gain of 2.24%. High-yield debt was the worst performer for the year among the fixed-income groups with a median loss of 24.58%, while the BC High Yield index posted a 26.16% loss, even after a strong performance in December. Quality was the key in the 4th quarter as bonds rated below investment grade performed very poorly in comparison to their higher quality counterparts.

**Mutual Fund Style Group Median Returns
for Quarter Ended December 31, 2008**



**Mutual Fund Style Group Median Returns
for One Year Ended December 31, 2008**



INTERNATIONAL EQUITY Active Management Overview

Active vs. the Index

The international markets fared no better in the fourth quarter than they did in the third, continuing with double-digit losses. When the G7 (finance ministers and central bank governors from seven leading nations) met in October, it was agreed that "all necessary steps" would be taken in order to stabilize and kick start the financial markets. A five point plan was proposed including a pledge to save key banks from collapse, free up credit, support the part-nationalization of banks, reassure savers that their money is safe through stronger deposit protection, and force banks to disclose their true losses. However, it seems that these plans have yet to relieve investors' fears, as shown by the continued decline in the market. The median Core International fund lost 20.08% of its value in the quarter ended December 31, 2008, compared to the MSCI EAFE which lost 19.95%. For the year, however, the Core International fund ended ahead of the index by 66 basis points, losing 42.72% vs. 43.38%, respectively.

Europe

2008 marked record losses for many European countries. Britain's FTSE 100, down 31.32%, had its worst year on record. Similarly, the Dax (Germany) fell 40.37% while the Cac 40 (France) fell 42.68%. The financial crisis in Europe was exacerbated by the fact that these countries lack a common budget and uniform regulation for banks and brokerages which would make large bailout programs more difficult to implement. The G7 promised to work in conjunction with one another to turn this crisis around but the effects of such actions remain to be seen. The median Europe fund fell 20.51% for the quarter, while the MSCI Europe Index lost 22.79%. For the year ended December 31, 2008, the median Europe fund was down 44.30%, beating its benchmark by 2.12%.

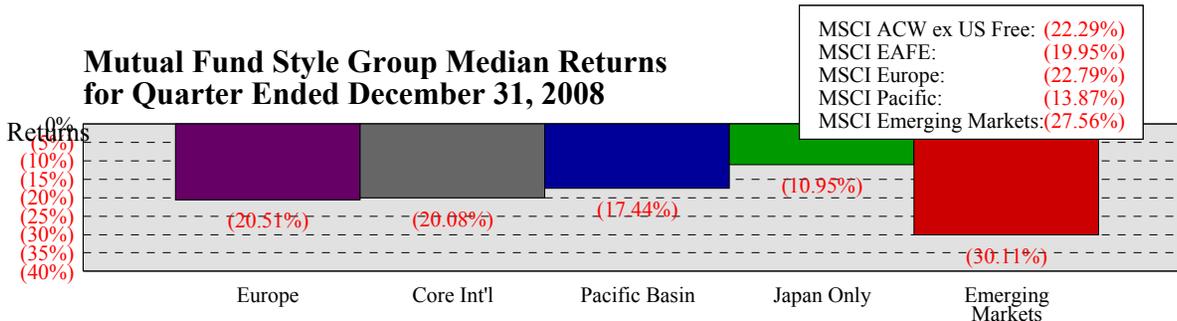
Pacific

The Pacific region fared the best for the quarter ended December 31, 2008. The median Pacific Basin fund fell 17.44% and Japan Only fund posted a loss of 10.95% compared to their benchmark, the MSCI Pacific Index, which dropped 13.87%. For the year, the Pacific Basin fund fell a staggering 50.87% while the Japan Only fund dipped 34.08%. The demand in overseas market has slowed down tremendously, causing this export-concentrated region to suffer. As a sign of the times, Toyota Motor, announced late December that it expected its first operating loss in 70 years. The only other loss came in 1938, a year after the company was founded. This is in sharp contrast to 2007, when they had an operating profit of \$28 billion.

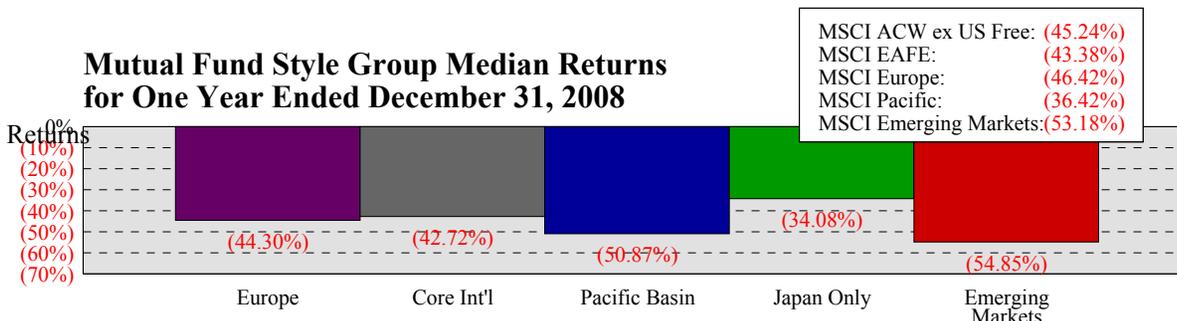
Emerging Markets

Looking back, many believed that emerging economies would be a bastion of security in what was considered a mostly Western crisis. However, it is now apparent that every part of the world is affected and emerging markets are no exception. In fact, emerging markets were the worst performing group not only for the last quarter but for the year. The median Emerging Market fund tumbled 30.11% in the fourth quarter and 54.85% for the year, compared to its benchmark, the MSCI Emerging Markets Index, which fell 27.56% and 53.18%, respectively.

**Mutual Fund Style Group Median Returns
for Quarter Ended December 31, 2008**



**Mutual Fund Style Group Median Returns
for One Year Ended December 31, 2008**



INTERNATIONAL FIXED-INCOME

Active Management Overview

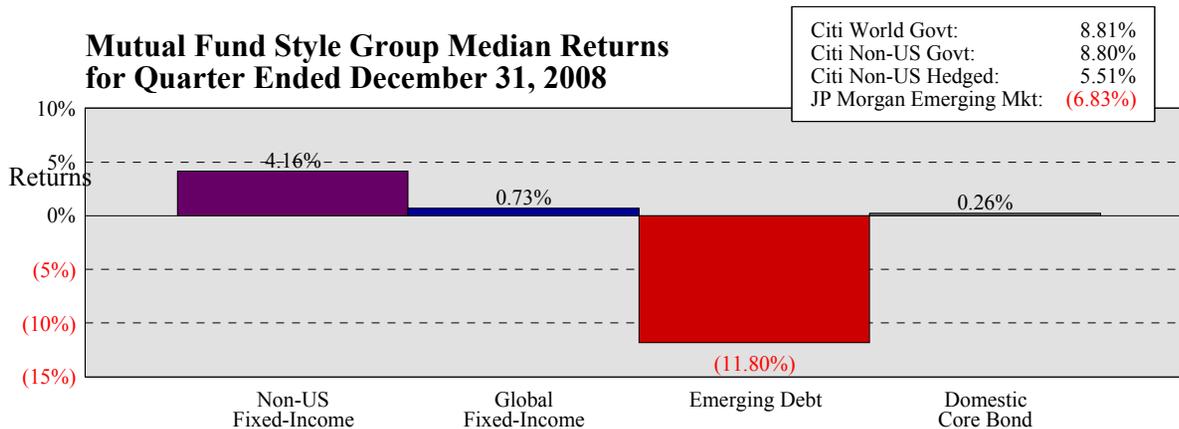
Active vs. the Index

Following the global economic panic that characterized the close of the third quarter 2008, the fourth quarter staged a meaningful rally in many developed regions of the global economy. Despite the emergence of "decoupling" theories which projected the growing ability of bond prices in developing countries to hold up even if a recession in the U.S. punished domestic investments, the effects of domestic events on globalized financial markets proved to have a serious impact on the global economy in the third and fourth quarters of 2008. The Fed took dramatic steps to fight the economic downturn this quarter, pushing its target interest rate to a historic low of 0.25% and central banks around the world quickly followed suit. Massive government stimulus appears to have slowed the tide of economic downturn as the median developed Non-U.S and Global Fixed-Income funds managed positive returns in the fourth quarter. However, both the median Non-U.S. Fixed-Income and Global Fixed-Income funds underperformed their benchmarks for the fourth quarter. The median Non-U.S. Fixed-Income fund underperformed its Citi Non-U.S. Govt benchmark by 464 basis points and the median Global Fixed-Income fund underperformed the Citi World Govt Index by 808 basis points. This trend was also true for the year ended December 31, 2008, but by even larger margins of 792 and 1,319 basis points, respectively.

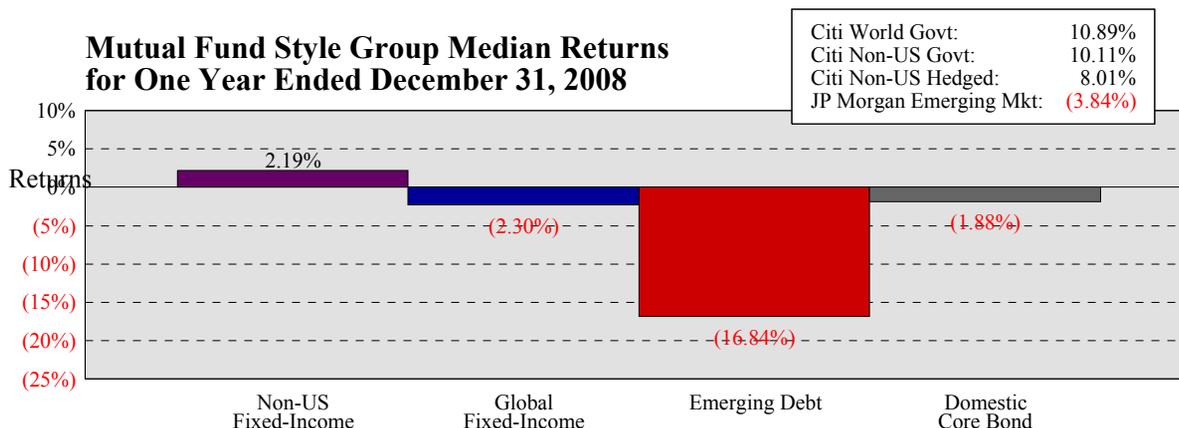
Emerging Markets

As was true for the third quarter of 2008, Emerging Markets was the lowest performing group for the fourth quarter of 2008 and the year ending December 31, 2008. While many of the world's economies have resorted to stimulus measures to cushion economic activity, emerging markets are far less able to engage in countercyclical fiscal policy. As a result, slowing demand for foreign-made goods has had significant implications for export-dependent countries this quarter. In the second half of 2008, commodity prices fell drastically as demand plummeted with the onset of a weakening U.S. dollar and a dramatic negative wealth effect. In particular, the crisis in the Russian financial markets was compounded by the dramatic drop in the demand for and price of oil, which has lost more than two thirds of its peak value for 2008. This quarter, the median Emerging Debt fund underperformed the JP Morgan Emerging Market Index's return of -6.83% by 497 basis points. This disparity was even greater for the year ended December 31, 2008, as the index fell 3.84% while the median Emerging Debt fund lost 16.84%.

**Mutual Fund Style Group Median Returns
for Quarter Ended December 31, 2008**



**Mutual Fund Style Group Median Returns
for One Year Ended December 31, 2008**



West Palm Beach Police Pension Fund OVERVIEW

PORTFOLIO EVALUATION

- ♦ The Fund's total market value as of December 31, 2008 was \$137,739,302.
- ♦ The Fund had a return of:

<i>Since Inception</i>	1.61%
<i>Year To Date</i>	-22.90%
<i>Quarter</i>	-12.21%

INVESTMENT POLICY AND OBJECTIVES

- ♦ The Fund's Performance Objective is to grow the market value of assets, net of inflation, over a full market cycle (3 to 5 years) without undue exposure to risk.
- ♦ The Benchmark Index will be comprised of each asset class index weighted by its target allocation.
- ♦ It is expected that the portfolio will outperform its weighted benchmark index over a full market cycle.
- ♦ For the short term 3 year period, the Plan is expected to rank in the top 50% of a peer universe; over the long term rolling 5 year period, the Plan is expected to rank in the top 25% of a peer universe.

PLAN RECONCILIATION

	<u>Current Quarter</u>
<u>Beginning Market Value</u>	161,379,504
Contribution	0
Distribution	0
Net Contribution (Distribution)	0
 Investment Performance	
Income	1,019,552
Fees	-96,605
Gains / Losses	-22,193,419
Total Asset Value Changes	-21,270,472
 Non Investment Cash Changes	 2,598,644
 <u>Ending Market Value (Net of Fees)</u>	 <u>142,707,676</u>

CONSULTANT COMMENTARY & RECOMMENDATIONS

- BLENDING INDICES CHANGED TO REFLECT CURRENT ALLOCATIONS
- ♦ Portfolio outperformed for quarter, year and since inception with ASC in what will go down in history as one of the worst and most volatile markets.
 - ♦ Credit, lack of confidence in the financial system and liquidity issues continue to impact both bond and equity markets.
 - ♦ Collins Funds hurt by restrictions in short selling, lack of liquidity in the bond markets and write down of their 10% Madoff holdings.
 - ♦ Financials and Energy continue to whipsaw returns.
 - ♦ Intercontinental Real Estate Open End Fund awaiting the funding call.
 - ♦ Portfolio helped by intentional overweight in Fixed Income and underweight in Equities as well as the decision to hold additional cash in portfolio.
 - ♦ Recommend portfolio stay the course and minimize transactions until the market stabilizes.

West Palm Beach Police Pension Fund INVESTMENT POLICY & GUIDELINES

Total Plan Moving 3 year

Return > Bench Mark
Beta < 1.2
Alpha > 0.0
Return > 8.25% over 5 years

Value	Score
1.07%	●
0.91	●
0.72	●
1.10%	●

Guideline	Intech LCC - SA	Earnest Partners - SA	DHJ LCG - SA	Munder Capital MCG SA	Anchor Capital MCV SA	Wells Capital SCG	Stratton SCV STSCX	DFA Intl Value - DFIVX	Driehaus Intl SCG DRIOX	DHJ - FI	Collins Capital - FOF
Fully Invested											
Maximum 6% in Cash Equivalents	●	●	●	●	●	●	●	●	●	●	●
Eligible Securities											
Common Stock or Equivalent	●	●	●	●	●	●	●	●	●	●	●
No more than 0% of portfolio in below investment grade securities										●	
Diversification											
No Stock Exceeding 10% of the Equity Portfolio at Market	●	●	●	●	●	●	●	●	●		
Minimum of 20 stocks	●	●	●	●	●	●	●	●	●	●	●
Well Diversified Across All Sectors	●	●	●	●	●	●	●	●	●	●	●
No more than 50% or 2.5x the benchmark in any one economic sector	●	●	●	●	●	●	●	●	●		
Well Diversified Across Countries for International Managers		●									
Fixed Income Objectives											
Maintain an overall weighted credit rating of BBB or better										●	
Maintain a duration within +/- 20% of the benchmark										●	
Invest no more than 1.5x benchmark in either corporate or mortgage-backed securities										●	
Invest no more than 60% in either corporate or mortgage-backed securities										●	
Liquidity											
No Non- Marketable Securities Without prior Approval	●	●	●	●	●	●	●	●	●	●	●
Performance Goals - 3 year period or since inception											
Meet or exceed the median performance of a peer universe for 3 years			●		●					●	
Be in the top quartile of a peer universe for 5 years			●		●					●	
Exceed the return of the appropriate benchmark index	●	●	●	●	●	●	●	●	●	●	●
For Equity managers, produce a positive alpha	●	●	●	●	●	●	●	●	●	●	●
Meets Guideline	●										
Indicates Caution or Does Not Meet Guidelines	●										
Does Not Meet Guideline	●										

West Palm Beach Police Pension Fund
SUMMARY OF MANAGER PERFORMANCE
PERIODS ENDING December 31, 2008

Allocation		Managers	Market Value	Since 3/31/2007	Since Inception		5 Years	3 Years	1 Year	YTD	FYTD	Quarter
Target	Current				Date	Percent						
100.0	100.0	Total Plan Composite	\$ 142,707,676	-10.4%	12/31/2001	1.6%	1.1%	-2.7%	-22.9%	-22.9%	-12.2%	-12.2%
		<i>Blended Index</i>		-13.3%		2.1%	0.8%	-3.7%	-25.4%	-25.4%	-14.7%	-14.7%
65.0 %	53.4 %	All Equity Composite	\$ 76,244,282	-20.2%	1/31/2004	-2.1%	-	-8.3%	-36.8%	-36.8%	-22.0%	-22.0%
		<i>Blended Equity Index</i>		-22.9%		-2.0%	-	-8.9%	-38.9%	-38.9%	-23.9%	-23.9%
55.0 %	46.6 %	Domestic Equity	\$ 66,471,306									
29.0	24.4	LargeCap Equity	\$ 34,856,615									
11.0	9.5	Intech LCC - SA	13,523,132	-20.9%	06/30/06	-11.1%	-	-	-36.2%	-36.2%	-21.2%	-21.2%
		<i>S&P 500</i>		-21.1%		-10.9%	-	-	-37.0%	-37.0%	-21.9%	-21.9%
9.0	7.2	Earnest Partners - SA	10,337,595	N/A	10/25/07	-38.7%	-	-	-40.6%	-40.6%	-21.0%	-21.0%
		<i>Russell 1000</i>		N/A		-36.0%	-	-	-37.6%	-37.6%	-22.5%	-22.5%
		<i>Russell 1000 V</i>		N/A		-35.9%	-	-	-36.8%	-36.8%	-22.2%	-22.2%
9.0	7.7	DHJ LCG - SA	10,995,888	-17.7%	12/31/01	-3.0%	-3.6%	-8.9%	-36.5%	-36.5%	-23.7%	-23.7%
		<i>Russell 1000</i>		-21.6%		-1.2%	-2.0%	-8.6%	-37.6%	-37.6%	-22.5%	-22.5%
		<i>Russell 1000 G</i>		-19.8%		-3.4%	-3.4%	-9.1%	-38.4%	-38.4%	-22.8%	-22.8%
16.0	13.7	MidCap Equity	\$ 19,563,618									
8.0	6.2	Munder Capital MCG - SA	8,841,573	N/A	01/18/08	-36.1%	-	-	-36.1%	-36.1%	-25.5%	-25.5%
		<i>Russell Mid</i>		N/A		-41.5%	-	-	-41.5%	-41.5%	-27.3%	-27.3%
		<i>Russell Mid G</i>		N/A		-44.3%	-	-	-44.3%	-44.3%	-27.4%	-27.4%
8.0	7.5	Anchor Capital MCV - SA	10,722,045	-13.1%	04/30/03	9.0%	5.8%	-0.1%	-26.9%	-26.9%	-15.1%	-15.1%
		<i>Russell Mid</i>		-25.9%		4.6%	-0.7%	-10.7%	-41.5%	-41.5%	-27.3%	-27.3%
		<i>Russell Mid V</i>		-26.9%		5.6%	0.3%	-10.0%	-38.5%	-38.5%	-27.2%	-27.2%
10.0	8.4	Small Cap Equity	\$ 12,051,074									
5.0	4.2	Wells Capital SCG	5,927,963	N/A	12/17/07	-38.9%	-	-	-38.9%	-38.9%	-26.3%	-26.3%
		<i>Russell 2000</i>		N/A		-33.8%	-	-	-33.8%	-33.8%	-26.1%	-26.1%
		<i>Russell 2000 G</i>		N/A		-38.2%	-	-	-38.2%	-38.2%	-27.4%	-27.4%
5.0	4.3	Stratton SCV STSCX	6,123,111	N/A	10/31/07	-29.5%	-	-	-27.6%	-27.6%	-21.7%	-21.7%
		<i>Russell 2000</i>		N/A		-34.2%	-	-	-33.8%	-33.8%	-26.1%	-26.1%
		<i>Russell 2000 V</i>		N/A		-30.7%	-	-	-28.9%	-28.9%	-24.9%	-24.9%
10.0 %	6.8 %	International Equity	\$ 9,772,975									
5.0	3.6	DFA Intl Value - DFIVX	5,203,868	N/A	12/10/07	-47.1%	-	-	-46.2%	-46.2%	-24.4%	-24.4%
		<i>MSCI EAFE</i>		N/A		-45.1%	-	-	-43.9%	-43.9%	-20.6%	-20.6%
		<i>MSCI EAFE V</i>		N/A		-45.4%	-	-	-44.1%	-44.1%	-19.7%	-19.7%
5.0	3.2	Driehaus Intl SCG DRIOX	4,569,107	N/A	12/10/07	-52.5%	-	-	-53.1%	-53.1%	-25.9%	-25.9%
		<i>S&P Developed Ex-U.S. SmallCap</i>		N/A		-49.0%	-	-	-47.7%	-47.7%	-23.8%	-23.8%
		<i>MSCI AC World ex USA Small Growth</i>		N/A		-54.1%	-	-	-53.2%	-53.2%	-26.9%	-26.9%
30.0 %	38.2 %	Total Fixed Income	\$ 54,511,695	6.8%	1/31/2004	4.6%	-	5.9%	5.3%	5.3%	4.7%	4.7%
		<i>Blended Fixed Index</i>		5.9%		4.4%	-	5.5%	4.9%	4.9%	3.6%	3.6%
30.0 %	38.2 %	Domestic Fixed Income	\$ 54,511,695									
30.0	38.2	DHJ - FI	54,511,695	6.8%	01/31/04	4.6%	-	5.9%	5.3%	5.3%	4.7%	4.7%
		<i>BC Int. Aggregate</i>		5.9%		4.4%	-	5.5%	4.9%	4.9%	3.6%	3.6%
5.0 %	8.4 %	Other	\$ 11,951,699									
5.0 %	4.9 %	Hedge Funds	\$ 6,983,325									
5.0	4.9	Collins Capital - FOF	6,983,325	N/A	09/30/07	-18.7%	-	-	-26.4%	-26.4%	-21.5%	-21.5%
		<i>8% Annual Return</i>		N/A		8.0%	-	-	8.0%	8.0%	1.9%	1.9%
		Cash	4,968,374									

*Currently the Blended Index is comprised of 29% S&P 500; 16% Russell Midcap; 10% Russell 2000; 5% EAFE; 5% S&P Devel. Ex US; 30% BC Int Agg; and 5% 8% annual return.

*Currently the Blended Equity Index is composed of 44.6% S&P 500; 24.6% Russell Midcap; 15.4% Russell 2000; 7.7% EAFE; and 7.7% S&P Devel. Ex US.

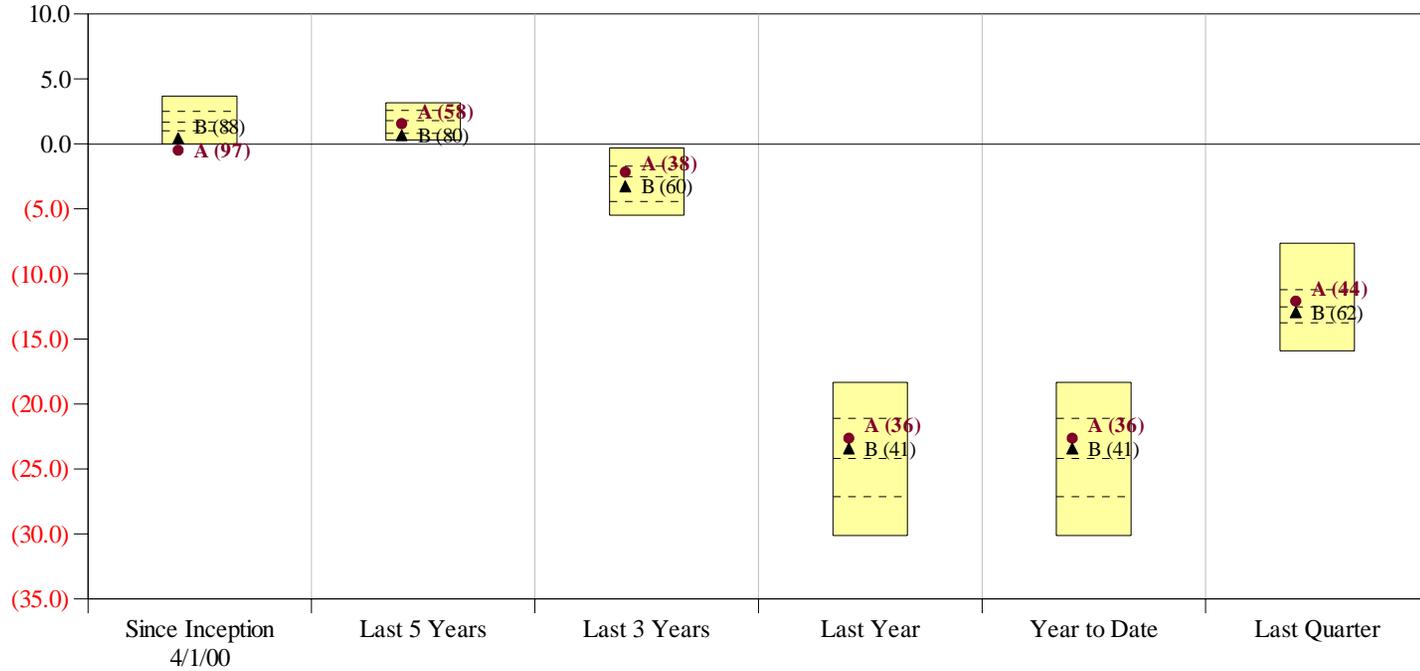
*Currently the Blended Fixed Income Index is composed of 100% BC Int Agg

Please see Appendix A for benchmark history.

Performance returns are net of investment management fees.

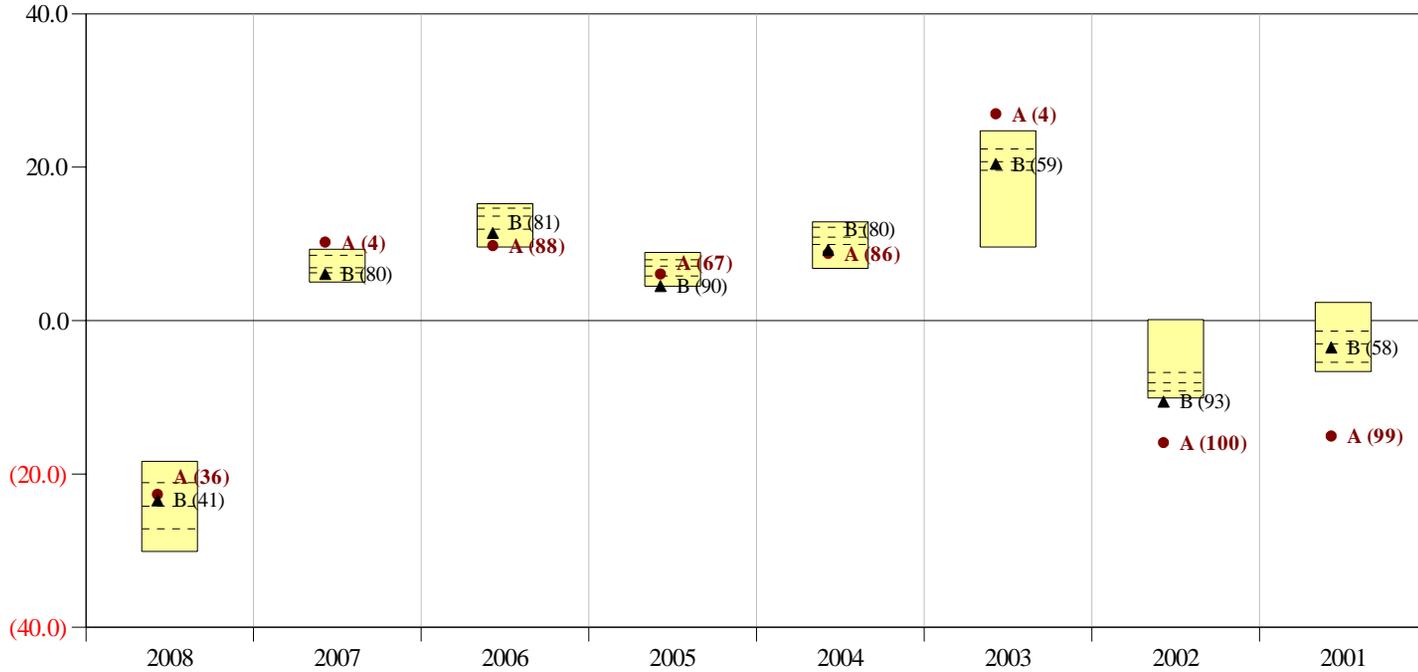
Calculated returns may differ from manager's due to difference in security pricing and/or cash flows.

Returns
 Total Plan Gross
 Group: CAI Public Fund - Mid (100mm-1B)
 December 31, 2008



10th Percentile		3.68	3.17	(0.31)	(18.34)	(18.34)	(7.64)
25th Percentile		2.51	2.60	(1.71)	(21.11)	(21.11)	(11.19)
Median		1.69	1.80	(2.51)	(24.19)	(24.19)	(12.53)
75th Percentile		1.03	0.81	(4.41)	(27.13)	(27.13)	(13.75)
90th Percentile		0.02	0.32	(5.48)	(30.11)	(30.11)	(15.91)
Member Count		23	30	30	30	30	31
Total Plan Gross	● A	(0.46)	1.58	(2.15)	(22.62)	(22.62)	(12.08)
65/35	▲ B	0.45	0.67	(3.26)	(23.42)	(23.42)	(12.93)

ANNUAL RETURNS
 Total Plan Gross
 Group: CAI Public Fund - Mid (100mm-1B)
 December 31, 2008

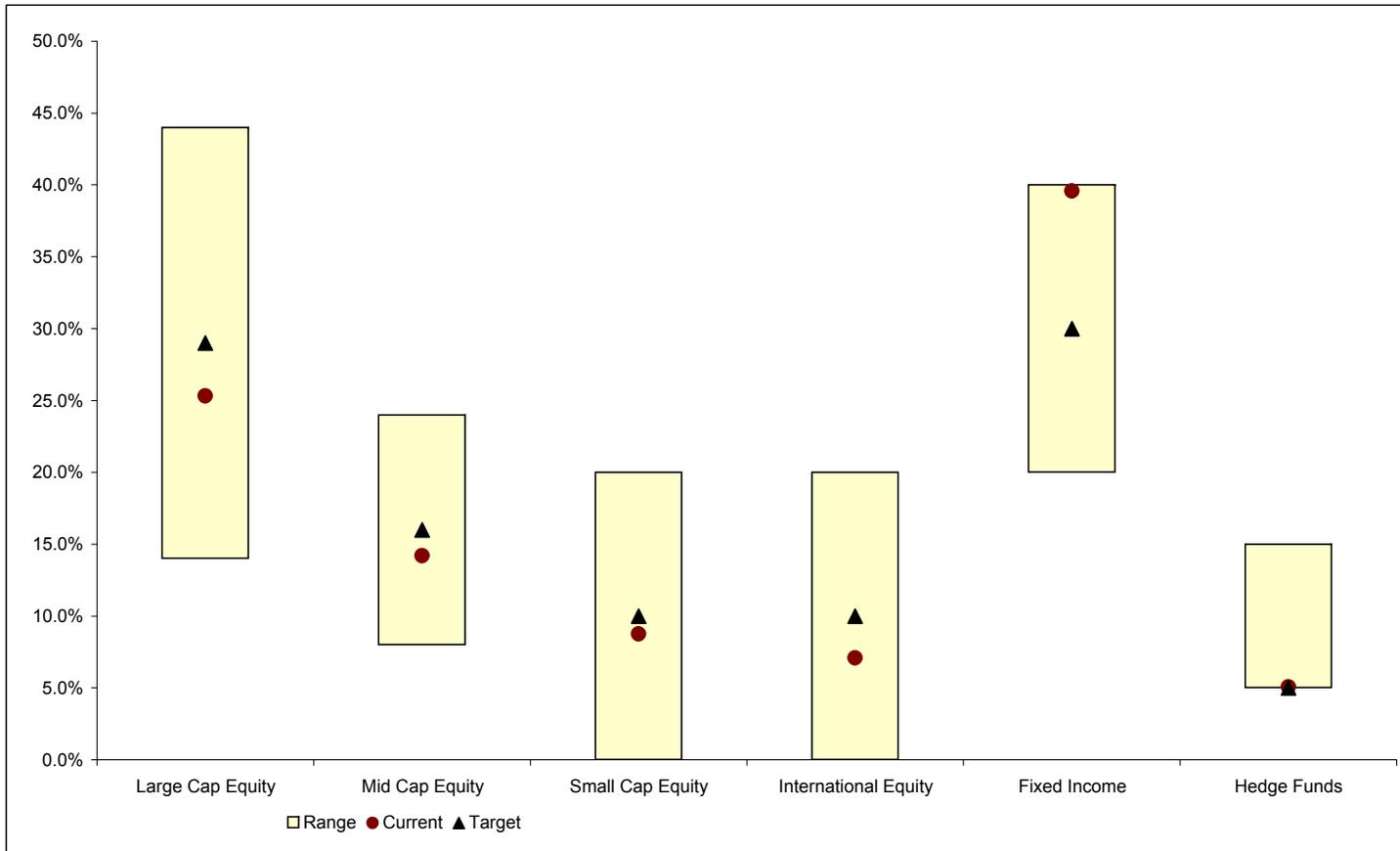


10th Percentile	(18.34)	9.32	15.27	8.93	12.91	24.78	0.13	2.38
25th Percentile	(21.11)	8.55	14.68	7.96	12.18	22.41	(6.76)	(1.34)
Median	(24.19)	6.93	13.65	7.14	10.91	20.77	(8.07)	(3.00)
75th Percentile	(27.13)	6.23	11.93	5.82	9.93	19.62	(9.17)	(5.41)
90th Percentile	(30.11)	5.06	9.62	4.53	6.83	9.62	(10.05)	(6.60)
Member Count	30	38	32	34	32	31	31	30
Total Plan Gross	● A (22.62)	10.27	9.80	6.12	8.80	27.01	(15.89)	(15.02)
65/35	▲ B (23.42)	6.09	11.44	4.54	9.25	20.44	(10.53)	(3.48)

West Palm Beach Police Pension Fund

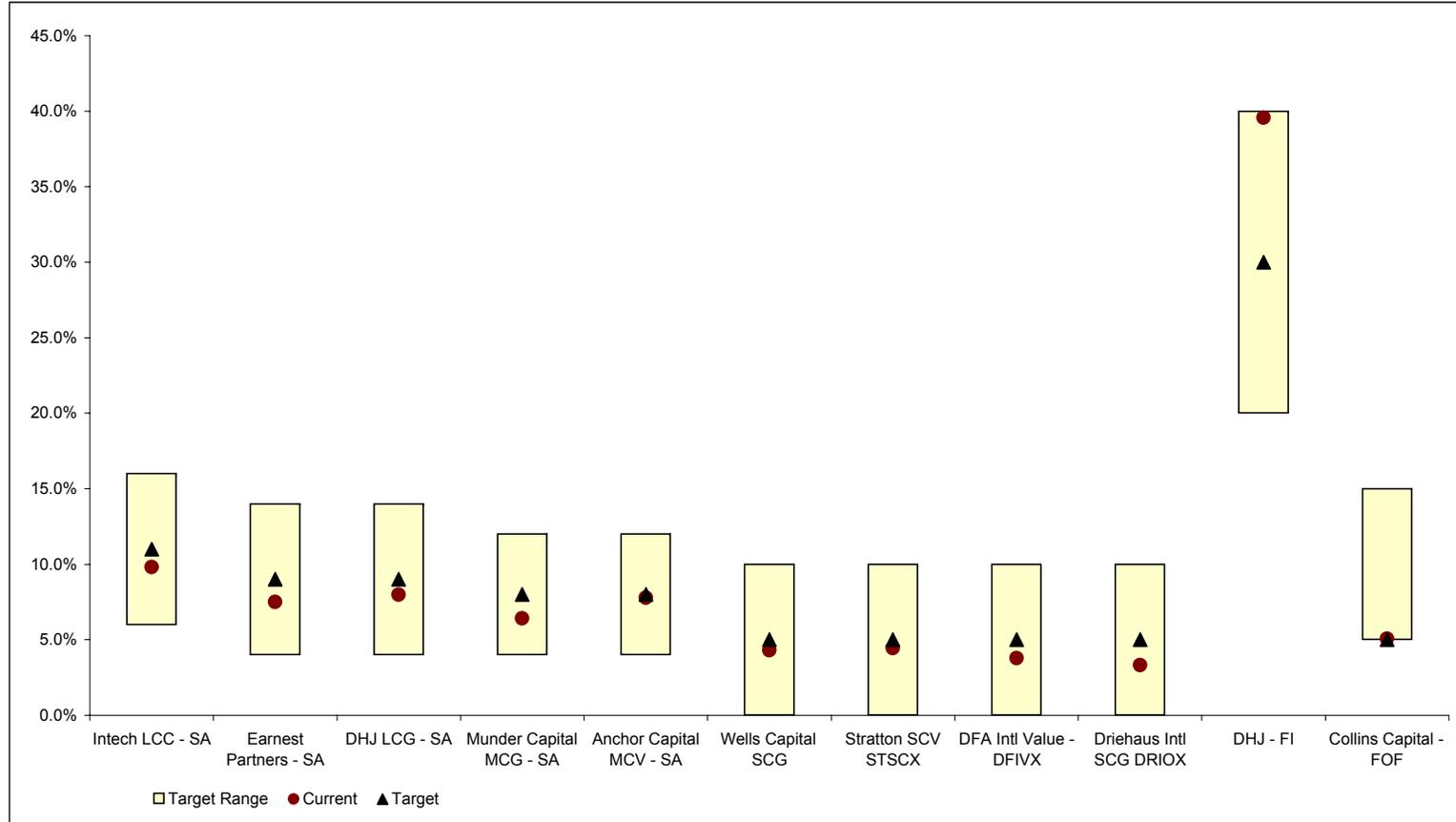
ASSET ALLOCATION

Defined by Asset Class



	Target Range			Current
	Lower	Upper	Target	
Large Cap Equity	14.0%	44.0%	29.0%	25.3%
Mid Cap Equity	8.0%	24.0%	16.0%	14.2%
Small Cap Equity	0.0%	20.0%	10.0%	8.7%
International Equity	0.0%	20.0%	10.0%	7.1%
Fixed Income	20.0%	40.0%	30.0%	39.6%
Hedge Funds	5.0%	15.0%	5.0%	5.1%
Total			100.0%	100.0%

West Palm Beach Police Pension Fund
ASSET ALLOCATION
 Defined by Manager



	Target Range			Current
	Lower	Target	Upper	
Intech LCC - SA	6.0%	11.0%	16.0%	9.8%
Earnest Partners - SA	4.0%	9.0%	14.0%	7.5%
DHJ LCG - SA	4.0%	9.0%	14.0%	8.0%
Munder Capital MCG - SA	4.0%	8.0%	12.0%	6.4%
Anchor Capital MCV - SA	4.0%	8.0%	12.0%	7.8%
Wells Capital SCG	0.0%	5.0%	10.0%	4.3%
Stratton SCV STSCX	0.0%	5.0%	10.0%	4.4%
DFA Intl Value - DFIVX	0.0%	5.0%	10.0%	3.8%
Driehaus Intl SCG DRIOX	0.0%	5.0%	10.0%	3.3%
DHJ - FI	20.0%	30.0%	40.0%	39.6%
Collins Capital - FOF	5.0%	5.0%	15.0%	5.1%
Total	47.0%	100.0%	163.0%	100.0%

West Palm Beach Police Pension Fund
Intech LCC - SA
Report For Period Ended December 31, 2008

CURRENT PORTFOLIO ALLOCATION		
INVESTED.....	\$ 13,412,100	99.2%
CASH & EQUIV.....	\$ 111,032	0.8%
TOTAL.....	\$ 13,523,132	100.0%

OBJECTIVE ANALYSIS	STATUS
♦ No more than 50% or 2.5x benchmark in any one sector	YES
♦ Equity holdings in any single company <10%	YES
♦ Minimum of 20 stocks	YES
♦ Maximum 6% cash	YES
♦ Rolling 3 years ≥ median of peer	N/A
♦ Rolling 5 years ≥ 25% median of peer	N/A
♦ Exceed core benchmark since inception	NO
♦ Exceed style benchmark for 3 years	NO

INVESTMENT STRATEGY
♦ Large Cap Core
♦ Enhanced Index category
♦ Quantitative model, 100% computer driven
♦ Seeks stocks with relative volatility.
♦ No qualitative analysis
♦ Sells stocks when positions become too overweighted or underweighted

PERFORMANCE (%)	Incept.	5 Years	3 Years	1 Year	YTD	3 Mos
Inception Date	6/30/06					
Total Return	-11.1%	-	-	-36.2%	-36.2%	-21.2%
S&P 500	-10.9%	-	-	-37.0%	-37.0%	-21.9%
Out / Underperform						
S&P 500	-0.2%	-	-	0.8%	0.8%	0.7%

PORTFOLIO CHARACTERISTICS		
	Intech LCC - SA	S&P 500
Trailing 12 Month P/E (x)	12.5	15.5
Price/Book (x)	3.5	2.1
Yield (%)	2.8	3
5 Yr Earnings Gro	20.8	N/A
Med Mkt Cap (\$mil)	8,350	6,422
Avg Mkt Cap (\$mil)	71,810	78,034
# of Holdings	360	500
Turnover	21.3	N/A
Alpha	-0.1	-
Beta	1.0	-
Standard Deviation - 3 Years	15.5%	15.3%

COMMENTARY
♦ Since inception Intech LCC - SA has underperformed the core benchmark.
♦ For one year Intech LCC - SA has outperformed the core benchmark.
♦ For the quarter Intech LCC - SA has outperformed the core benchmark.
♦ For the quarter, and one year, they ranked in the top quartile.
♦ Industrials, Consumer Discretionary, and Energy had the highest Sector Overweightings.
♦ Health Care, Information Technology, and Consumer Staples had the highest Sector Underweightings.
♦ Telecommunication Services, Materials, and Financials had the highest Sector Overperformance.
♦ Health Care, Industrials, and Consumer Staples had the highest Sector Underperformance.
♦ Telecommunication Services had the highest positive contribution to returns.
♦ Financials had the greatest negative impact on returns.

West Palm Beach Police Pension Fund
Intech LCC - SA
Report For Period Ended December 31, 2008

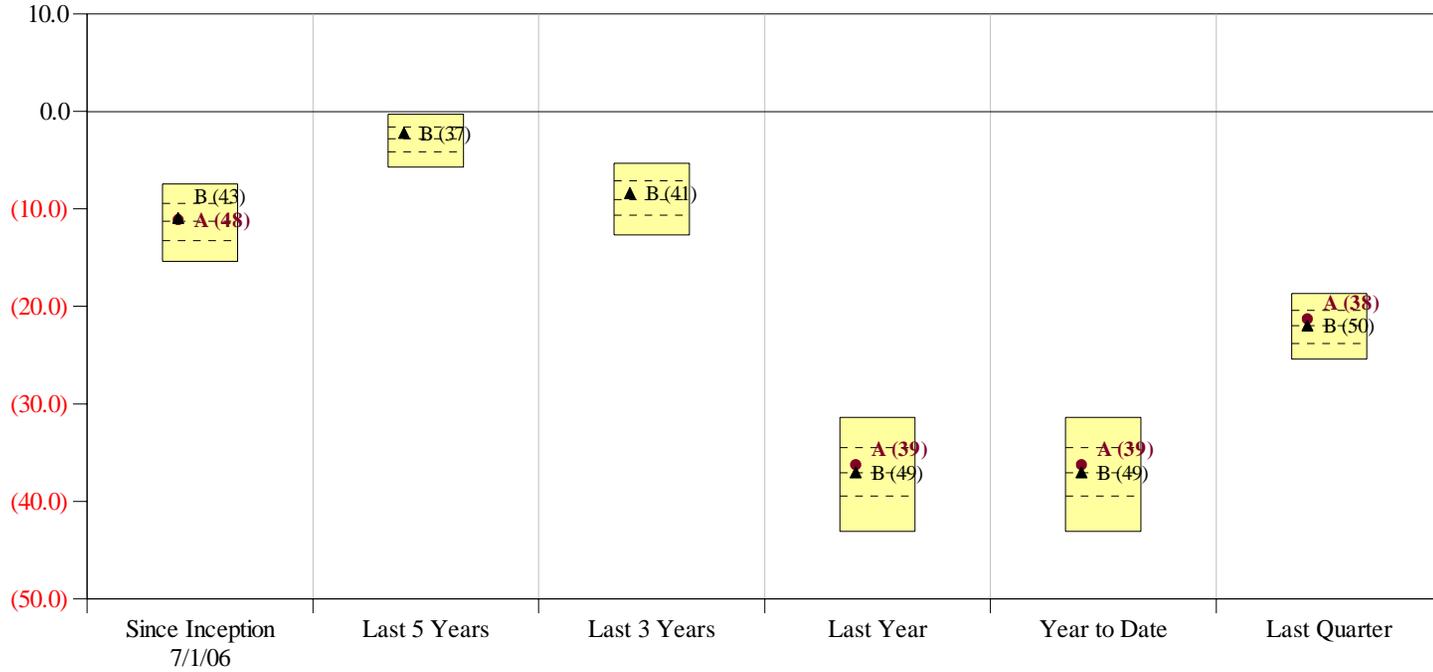
SECTOR WEIGHTINGS (%)	Intech LCC - SA	S&P 500	Difference
Consumer Discretionary	10.15	8.41	1.74
Consumer Staples	11.78	12.91	(1.13)
Energy	14.92	13.61	1.31
Financials	12.73	13.21	(0.48)
Health Care	11.39	14.81	(3.42)
Industrials	14.68	11.01	3.67
Information Technology	13.18	15.21	(2.03)
Materials	3.29	2.91	0.38
Telecommunication Services	4.01	3.81	0.20
Utilities	3.89	4.11	(0.22)
Cash	1.06	0.00	1.06

SECTOR RATE OF RETURN (%)	Intech LCC - SA	S&P 500	Difference
Consumer Discretionary	(21.96)	(22.80)	0.84
Consumer Staples	(13.42)	(12.80)	(0.61)
Energy	(20.37)	(20.70)	0.33
Financials	(34.36)	(37.10)	2.74
Health Care	(17.93)	(12.10)	(5.83)
Industrials	(26.33)	(23.80)	(2.53)
Information Technology	(24.11)	(25.70)	1.60
Materials	(27.17)	(30.80)	3.63
Telecommunication Services	3.91	(1.40)	5.31
Utilities	(8.62)	(11.00)	2.38

TOP TEN HOLDINGS

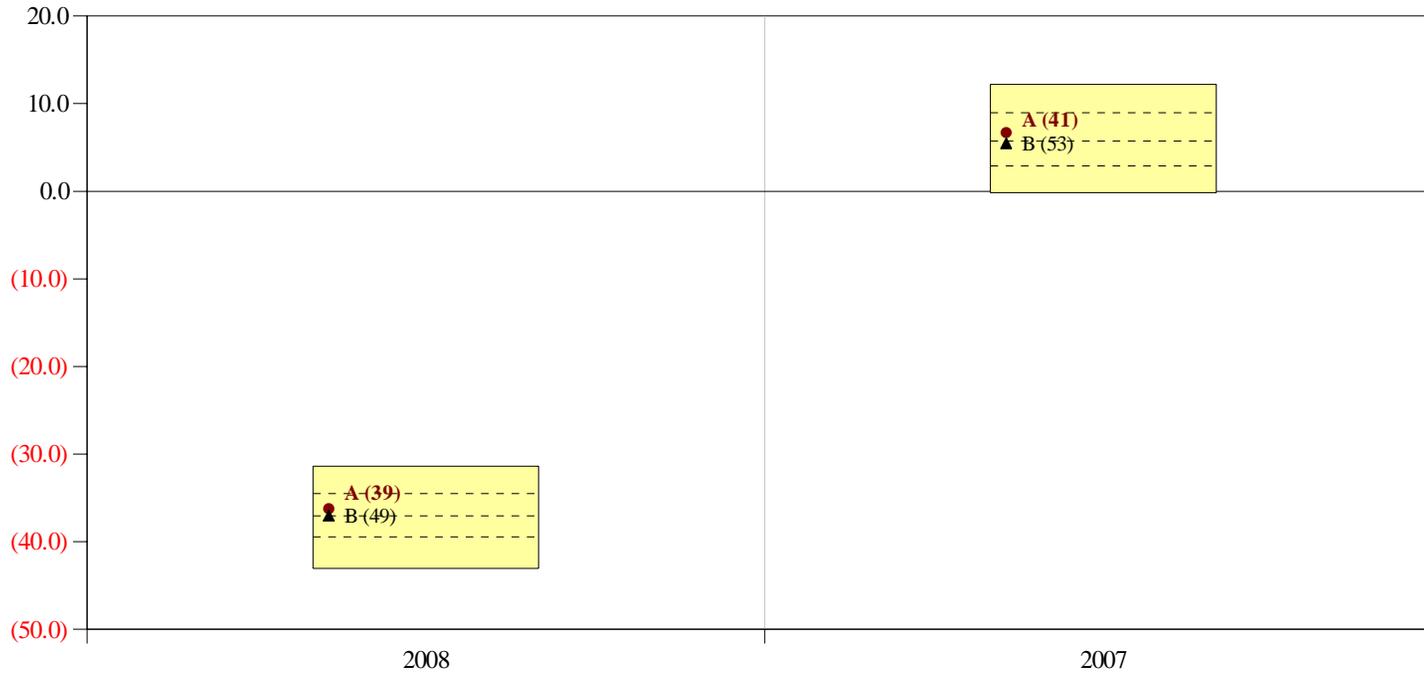
Holdings	% of Portfolio
1) Exxon Mobil Corp	5.73%
2) AT&T INC	3.56%
3) GENERAL ELECTRIC CO	2.63%
4) PROCTER & GAMBLE CO	2.11%
5) Chevron Corp	1.80%
6) IBM	1.76%
7) WAL-MART STORES INC	1.68%
8) HEWLETT-PACKARD CO	1.49%
9) JOHNSON & JOHNSON	1.44%
10) COCA-COLA CO	1.35%

Returns
Intech LCC
Group: Lipper: Large-Cap Core Funds
December 31, 2008



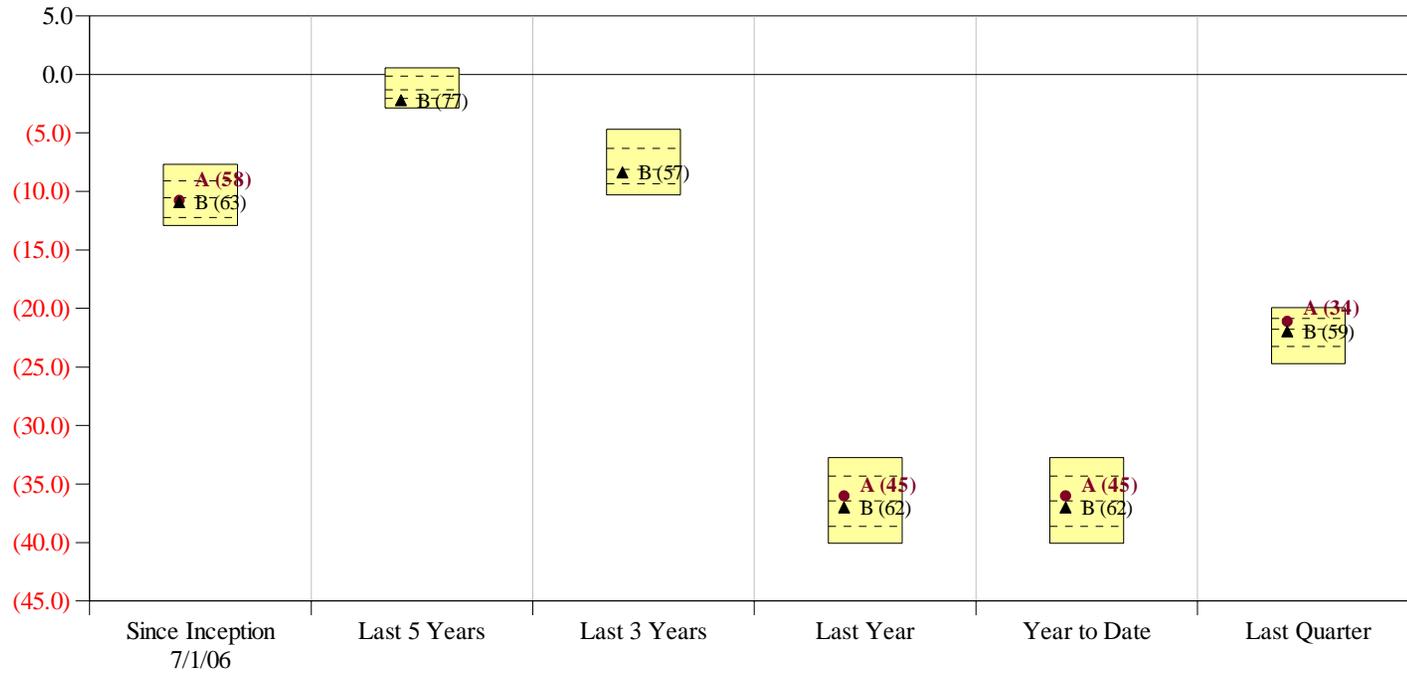
10th Percentile	(7.42)	(0.27)	(5.30)	(31.38)	(31.38)	(18.67)
25th Percentile	(9.42)	(1.57)	(7.11)	(34.49)	(34.49)	(20.40)
Median	(11.25)	(2.80)	(9.02)	(37.03)	(37.03)	(21.95)
75th Percentile	(13.24)	(4.11)	(10.62)	(39.45)	(39.45)	(23.80)
90th Percentile	(15.37)	(5.69)	(12.65)	(43.05)	(43.05)	(25.38)
Member Count	761	598	719	850	850	918
Intech LCC ● A	(11.08)	--	--	(36.20)	(36.20)	(21.25)
S&P:500 ▲ B	(10.90)	(2.19)	(8.36)	(37.00)	(37.00)	(21.94)

ANNUAL RETURNS
 Intech LCC
 Group: Lipper: Large-Cap Core Funds
 December 31, 2008



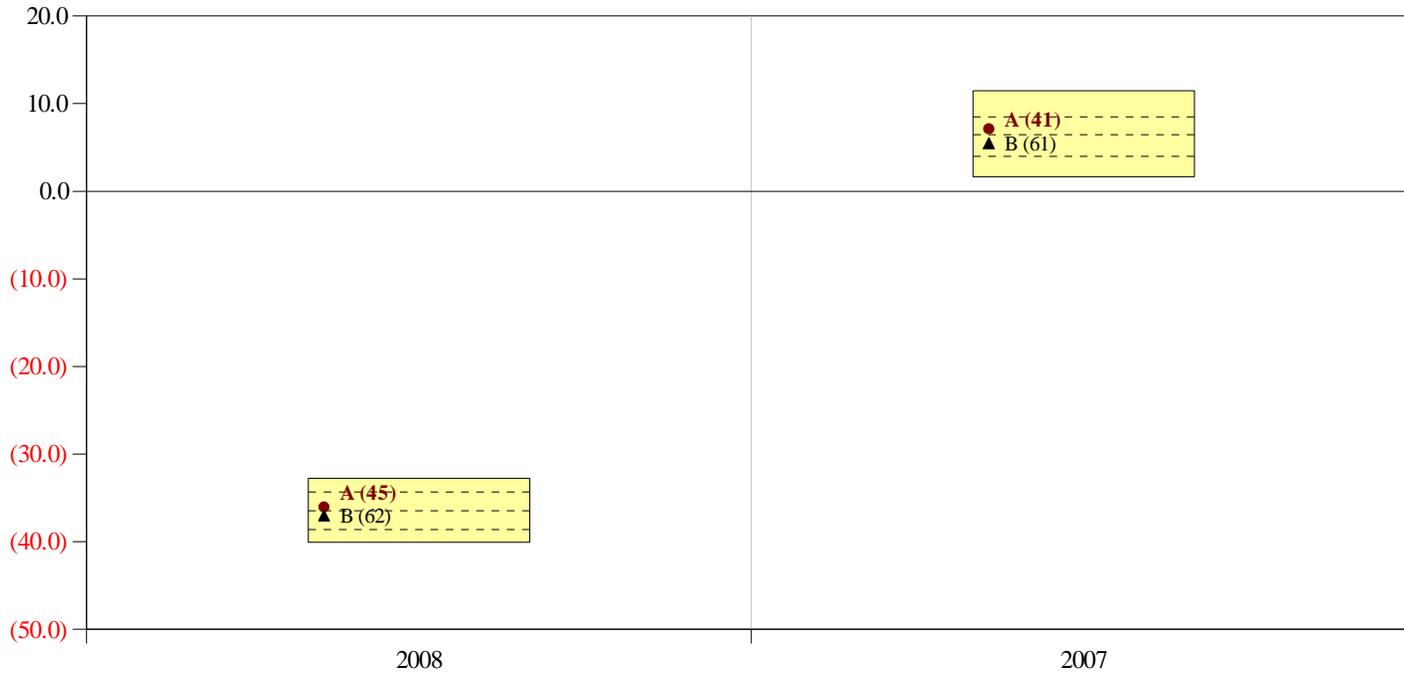
10th Percentile	(31.38)	12.19
25th Percentile	(34.49)	8.96
Median	(37.03)	5.75
75th Percentile	(39.45)	2.90
90th Percentile	(43.05)	(0.14)
Member Count	850	795
Intech LCC ● A	(36.20)	6.72
S&P:500 ▲ B	(37.00)	5.49

Returns
 Intech LCC Gross
 Group: CAI Large Cap Core Style
 December 31, 2008



10th Percentile	(7.68)	0.58	(4.68)	(32.74)	(32.74)	(19.92)
25th Percentile	(9.08)	(0.13)	(6.32)	(34.30)	(34.30)	(20.86)
Median	(10.52)	(1.29)	(8.11)	(36.44)	(36.44)	(21.77)
75th Percentile	(12.22)	(2.06)	(9.34)	(38.61)	(38.61)	(23.24)
90th Percentile	(12.91)	(2.87)	(10.29)	(40.05)	(40.05)	(24.72)
Member Count	48	48	48	48	48	48
Intech LCC Gross	● A (10.74)	--	--	(36.00)	(36.00)	(21.09)
S&P:500	▲ B (10.90)	(2.19)	(8.36)	(37.00)	(37.00)	(21.94)

ANNUAL RETURNS
 Intech LCC Gross
 Group: CAI Large Cap Core Style
 December 31, 2008



10th Percentile	(32.74)	11.48
25th Percentile	(34.30)	8.48
Median	(36.44)	6.47
75th Percentile	(38.61)	3.98
90th Percentile	(40.05)	1.67
Member Count	48	50
Intech LCC Gross	● A (36.00)	7.15
S&P:500	▲ B (37.00)	5.49

West Palm Beach Police Pension Fund
Earnest Partners - SA
Report For Period Ended December 31, 2008

CURRENT PORTFOLIO ALLOCATION			
INVESTED.....	\$ 9,936,334	.....	96.1%
CASH & EQUIV.....	\$ 401,261	.....	3.9%
TOTAL.....	\$ 10,337,595	.....	100.0%

OBJECTIVE ANALYSIS	STATUS
♦ No more than 50% or 2.5x benchmark in any one sector	NO
♦ Equity holdings in any single company <10%	YES
♦ Minimum of 20 stocks	YES
♦ Maximum 6% cash	YES
♦ Rolling 3 years ≥ median of peer	N/A
♦ Rolling 5 years ≥ 25% median of peer	N/A
♦ Exceed core benchmark since inception	NO
♦ Exceed style benchmark for 3 years	N/A

INVESTMENT STRATEGY
♦ Large Cap Classic Value
♦ Bottom-up stock selection
♦ Look at company's industry trends, competitive positioning, management, financial condition, and cash flow to determine its intrinsic value to current market price
♦ Holds 35 stocks
♦ A stock is sold when P/E is in the top third of its sector; it sells at a premium to its intrinsic value; a stock appreciates in value so its market value exceed 5% of the portfolio

PERFORMANCE (%)	Incept.	5 Years	3 Years	1 Year	YTD	3 Mos
Inception Date	10/25/07					
Total Return	-38.7%	-	-	-40.6%	-40.6%	-21.0%
Russell 1000	-36.0%	-	-	-37.6%	-37.6%	-22.5%
Russell 1000 V	-35.9%	-	-	-36.8%	-36.8%	-22.2%
Out / Underperform						
Russell 1000	-2.7%	-	-	-3.0%	-3.0%	1.4%
Out / Underperform						
Russell 1000 V	-2.8%	-	-	-3.7%	-3.7%	1.1%

PORTFOLIO CHARACTERISTICS		
	Earnest Partners - SA	Russell 1000 V
Trailing 12 Month P/E (x)	9.0	10.1
Price/Book (x)	1.6	1.3
Yield (%)	2.7	3.8
5 Yr Earnings Gro	10.4	N/A
Med Mkt Cap (\$mil)	24,207	2,790
Avg Mkt Cap (\$mil)	42,691	87,950
# of Holdings	45	654
Turnover	58.0	N/A
Alpha	-1.4	-
Beta	1.0	-
Standard Deviation - 3 Years	16.7%	15.6%

COMMENTARY
♦ Since inception Earnest Partners - SA has underperformed the core and style benchmarks.
♦ For one year Earnest Partners - SA has underperformed the core and style benchmarks.
♦ For the quarter Earnest Partners - SA has outperformed the core and style benchmarks.
♦ For the quarter, they ranked above median; for one year, they ranked in the bottom quartile.
♦ Information Technology, Consumer Discretionary, and Industrials had the highest Sector Overweightings.
♦ Consumer Staples, Telecommunication Services, and Energy had the highest Sector Underweightings.
♦ Consumer Discretionary, Financials, and Utilities had the highest Sector Overperformance.
♦ Materials, Health Care, and Energy had the highest Sector Underperformance.
♦ Consumer Staples had the least negative impact on returns.
♦ Financials had the greatest negative impact on returns.

West Palm Beach Police Pension Fund
Earnest Partners - SA
Report For Period Ended December 31, 2008

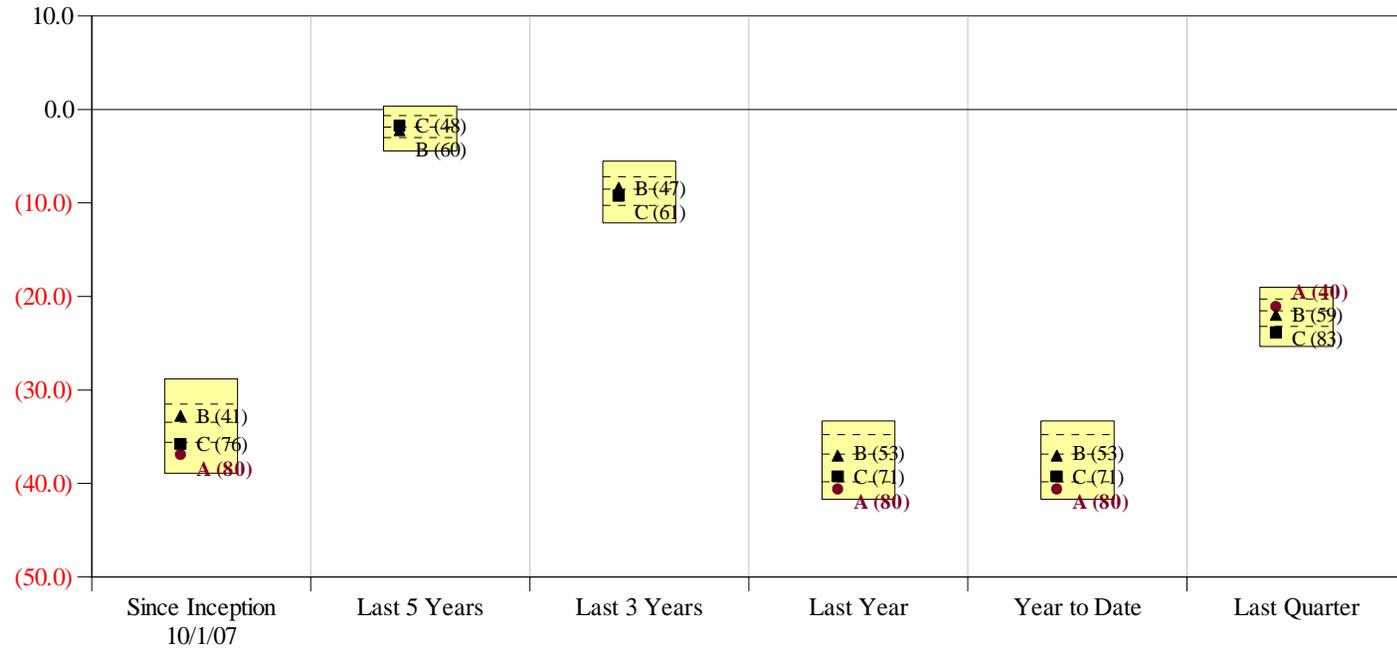
SECTOR WEIGHTINGS (%)	Earnest Partners - SA	Russell 1000 V	Difference
Consumer Discretionary	16.20	8.19	8.01
Consumer Staples	1.17	9.59	(8.42)
Energy	12.85	17.29	(4.44)
Financials	19.37	23.49	(4.12)
Health Care	10.75	13.49	(2.74)
Industrials	12.87	8.79	4.08
Information Technology	12.02	2.69	9.33
Materials	1.00	2.99	(1.99)
Telecommunication Services	0.00	6.59	(6.59)
Utilities	7.28	6.89	0.39
Cash	6.49	0.00	6.49

SECTOR RATE OF RETURN (%)	Earnest Partners - SA	Russell 1000 V	Difference
Consumer Discretionary	(7.58)	(27.50)	19.92
Consumer Staples	(17.82)	(11.40)	(6.42)
Energy	(21.97)	(14.30)	(7.67)
Financials	(28.13)	(34.80)	6.67
Health Care	(20.10)	(11.00)	(9.10)
Industrials	(25.98)	(27.90)	1.92
Information Technology	(28.79)	(29.40)	0.61
Materials	(56.42)	(36.40)	(20.02)
Telecommunication Services	N/A	(1.40)	N/A
Utilities	(7.31)	(10.30)	2.99

TOP TEN HOLDINGS

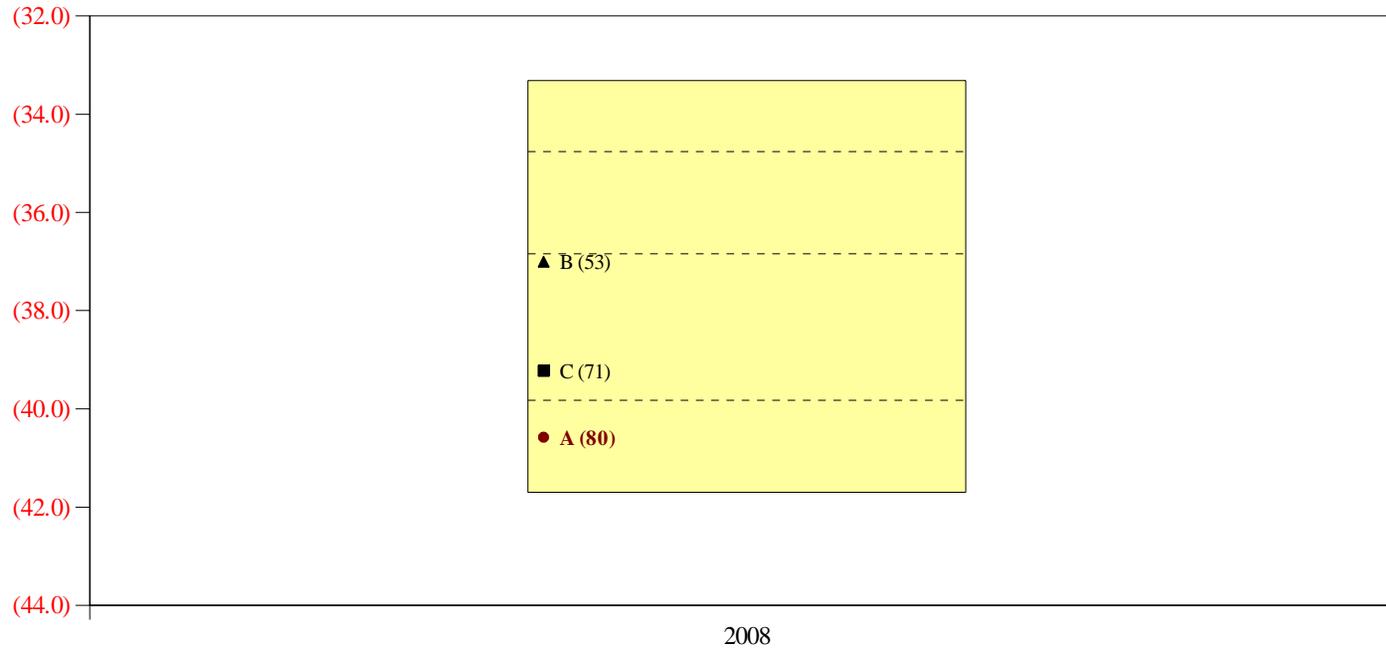
Holdings	% of Portfolio
1) Express Scripts Inc.	4.47%
2) Apollo Group Inc.	4.44%
3) Occidental Petroleum Corp.	4.28%
4) International Business Machine	4.03%
5) Wells Fargo & Co.	4.03%
6) Yum! Brands	3.91%
7) Apache Corp.	3.84%
8) Intel Corp.	3.58%
9) General Dynamics Corp.	3.45%
10) Exelon Corp.	3.33%

Returns
 Earnest Ptners LCV
 Group: Lipper: Large-Cap Value Funds
 December 31, 2008



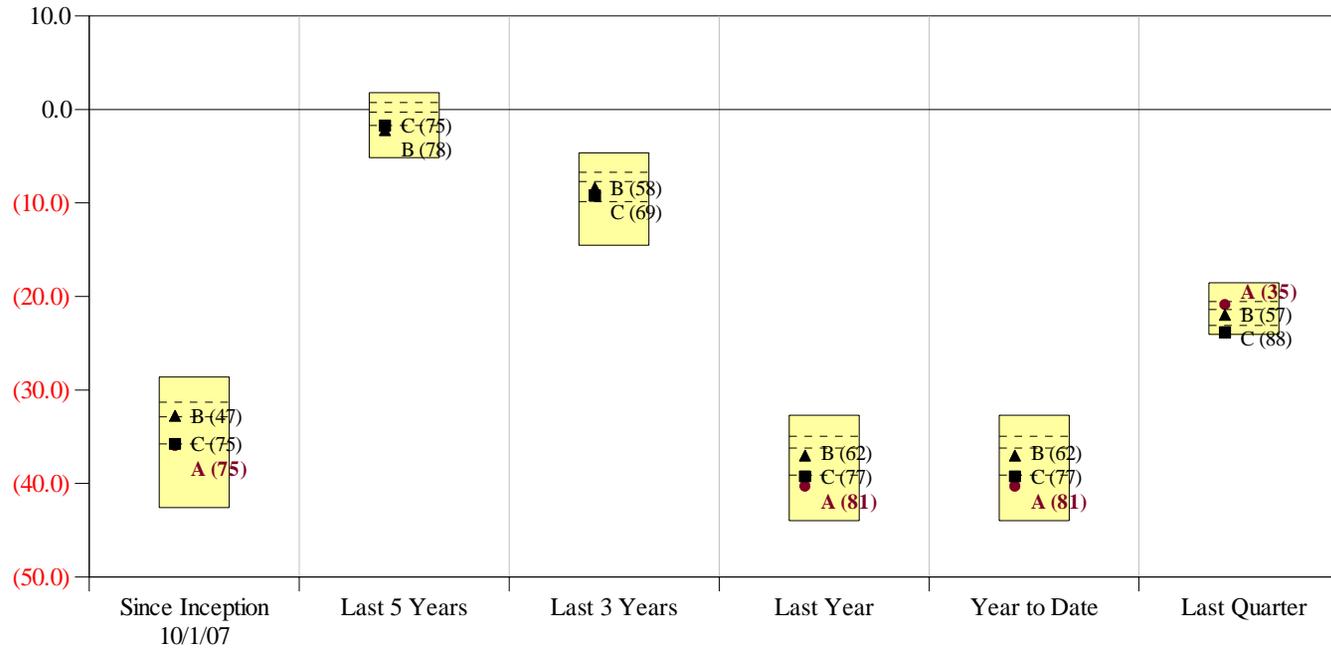
10th Percentile	(28.81)	0.39	(5.51)	(33.32)	(33.32)	(18.99)
25th Percentile	(31.48)	(0.63)	(7.17)	(34.76)	(34.76)	(20.24)
Median	(33.43)	(1.85)	(8.50)	(36.84)	(36.84)	(21.52)
75th Percentile	(35.59)	(2.99)	(10.25)	(39.82)	(39.82)	(23.17)
90th Percentile	(38.89)	(4.43)	(12.13)	(41.69)	(41.69)	(25.35)
Member Count	580	426	513	596	596	629
Earnest Ptners LCV	● A (36.88)	--	--	(40.57)	(40.57)	(21.03)
S&P:500	▲ B (32.75)	(2.19)	(8.36)	(37.00)	(37.00)	(21.94)
S&P:500 Value	■ C (35.76)	(1.72)	(9.19)	(39.22)	(39.22)	(23.82)

ANNUAL RETURNS
 Earnest Ptners LCV
 Group: Lipper: Large-Cap Value Funds
 December 31, 2008



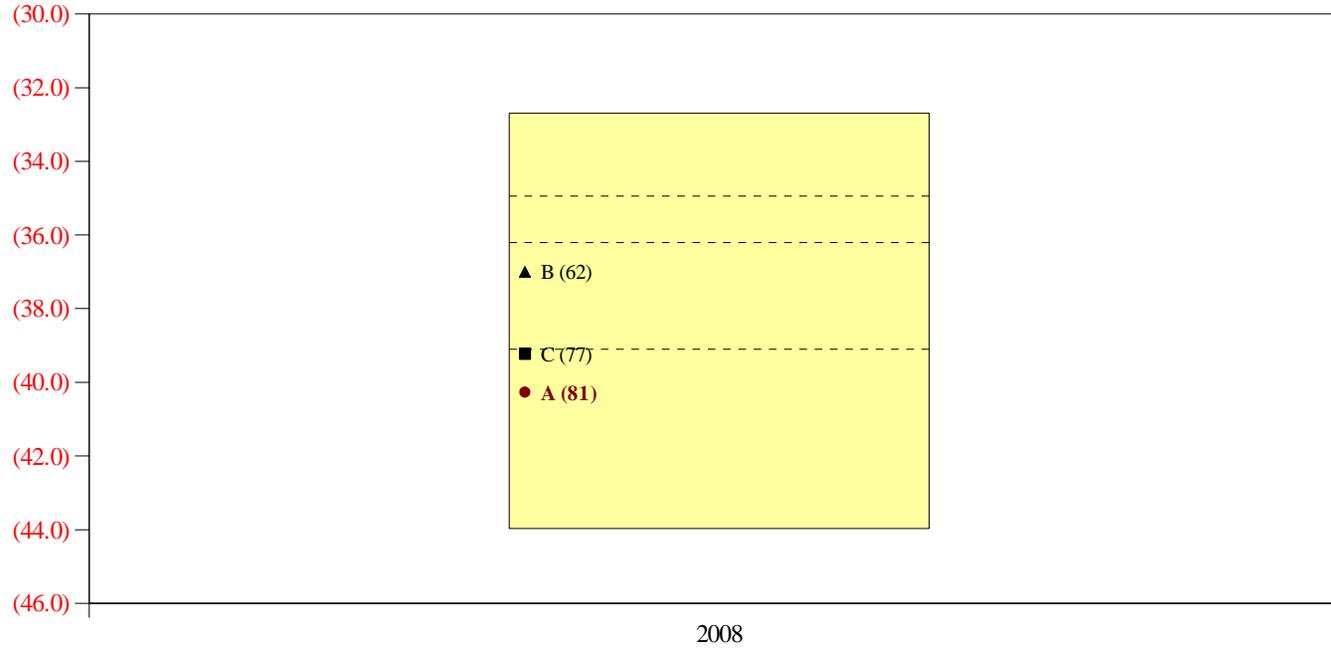
10th Percentile		(33.32)
25th Percentile		(34.76)
Median		(36.84)
75th Percentile		(39.82)
90th Percentile		(41.69)
Member Count		596
Earnest Ptners LCV	● A	(40.57)
S&P:500	▲ B	(37.00)
S&P:500 Value	■ C	(39.22)

Returns
 Earnest Ptners LCV Gross
 Group: CAI Large Cap Value Style
 December 31, 2008



10th Percentile	(28.61)	1.82	(4.62)	(32.70)	(32.70)	(18.53)
25th Percentile	(31.29)	0.74	(6.71)	(34.94)	(34.94)	(20.52)
Median	(32.87)	(0.25)	(7.71)	(36.20)	(36.20)	(21.39)
75th Percentile	(35.76)	(1.70)	(9.84)	(39.10)	(39.10)	(23.08)
90th Percentile	(42.57)	(5.12)	(14.52)	(43.96)	(43.96)	(24.04)
Member Count	78	77	78	78	78	78
Earnest Ptners LCV Gross	● A (35.91)	--	--	(40.26)	(40.26)	(20.84)
S&P:500	▲ B (32.75)	(2.19)	(8.36)	(37.00)	(37.00)	(21.94)
S&P:500 Value	■ C (35.76)	(1.72)	(9.19)	(39.22)	(39.22)	(23.82)

ANNUAL RETURNS
 Earnest Ptners LCV Gross
 Group: CAI Large Cap Value Style
 December 31, 2008



10th Percentile	(32.70)
25th Percentile	(34.94)
Median	(36.20)
75th Percentile	(39.10)
90th Percentile	(43.96)
Member Count	78
Earnest Ptners LCV Gross ● A	(40.26)
S&P:500 ▲ B	(37.00)
S&P:500 Value ■ C	(39.22)

West Palm Beach Police Pension Fund
DHJ LCG - SA
Report For Period Ended December 31, 2008

CURRENT PORTFOLIO ALLOCATION			
INVESTED.....	\$ 10,791,181	.....	98.1%
CASH & EQUIV.....	\$ 204,707	.....	1.9%
TOTAL.....	\$ 10,995,888	.....	100.0%

OBJECTIVE ANALYSIS	STATUS
• No more than 50% or 2.5x benchmark in any one sector	YES
• Equity holdings in any single company <10%	YES
• Minimum of 20 stocks	YES
• Maximum 6% cash	YES
• Rolling 3 years ≥ median of peer	YES
• Rolling 5 years ≥ 25% median of peer	NO
• Exceed core benchmark since inception	NO
• Exceed style benchmark for 3 years	YES

INVESTMENT STRATEGY
• Large Cap Growth
• Focus on quality growth companies that are expected to exceed earnings expectations over time
• Use proprietary screening process & bottom-up work to determine sector bets
• Sell when stocks do not meet team requirements

PERFORMANCE (%)	Incept.	5 Years	3 Years	1 Year	YTD	3 Mos
Inception Date	12/31/01					
Total Return	-3.0%	-3.6%	-8.9%	-36.5%	-36.5%	-23.7%
Russell 1000	-1.2%	-2.0%	-8.6%	-37.6%	-37.6%	-22.5%
Russell 1000 G	-3.4%	-3.4%	-9.1%	-38.4%	-38.4%	-22.8%
Out / Underperform						
Russell 1000	-1.8%	-1.6%	-0.2%	1.1%	1.1%	-1.2%
Out / Underperform						
Russell 1000 G	0.4%	-0.2%	0.3%	2.0%	2.0%	-0.9%

PORTFOLIO CHARACTERISTICS		
	DHJ LCG - SA	Russell 1000 G
Trailing 12 Month P/E (x)	13.3	11.9
Price/Book (x)	3.2	2.6
Yield (%)	1.7	1.9
5 Yr Earnings Gro	13.2	N/A
Med Mkt Cap (\$mil)	46,277	3,344
Avg Mkt Cap (\$mil)	63,594	57,770
# of Holdings	76	643
Turnover	7.0	N/A
Alpha	-0.6	-
Beta	1.0	-
Standard Deviation - 3 Years	15.6%	16.6%

COMMENTARY
• Since inception DHJ LCG - SA has underperformed the core benchmark but outperformed the style benchmark.
• For five years DHJ LCG - SA has underperformed the core and style benchmarks.
• For three years DHJ LCG - SA has underperformed the core benchmark but outperformed the style benchmark.
• For one year, they ranked in the top quartile; for three years, and five years, they ranked above median; for the quarter, they ranked below median.
• Information Technology, Materials, and Financials had the highest Sector Overweightings.
• Health Care, Consumer Staples, and Industrials had the highest Sector Underweightings.
• Energy, Utilities, and Consumer Discretionary had the highest Sector Overperformance.
• Financials, Materials, and Information Technology had the highest Sector Underperformance.
• Utilities had the least negative impact on returns.
• Information Technology had the greatest negative impact on returns.

West Palm Beach Police Pension Fund

DHJ LCG - SA

Report For Period Ended December 31, 2008

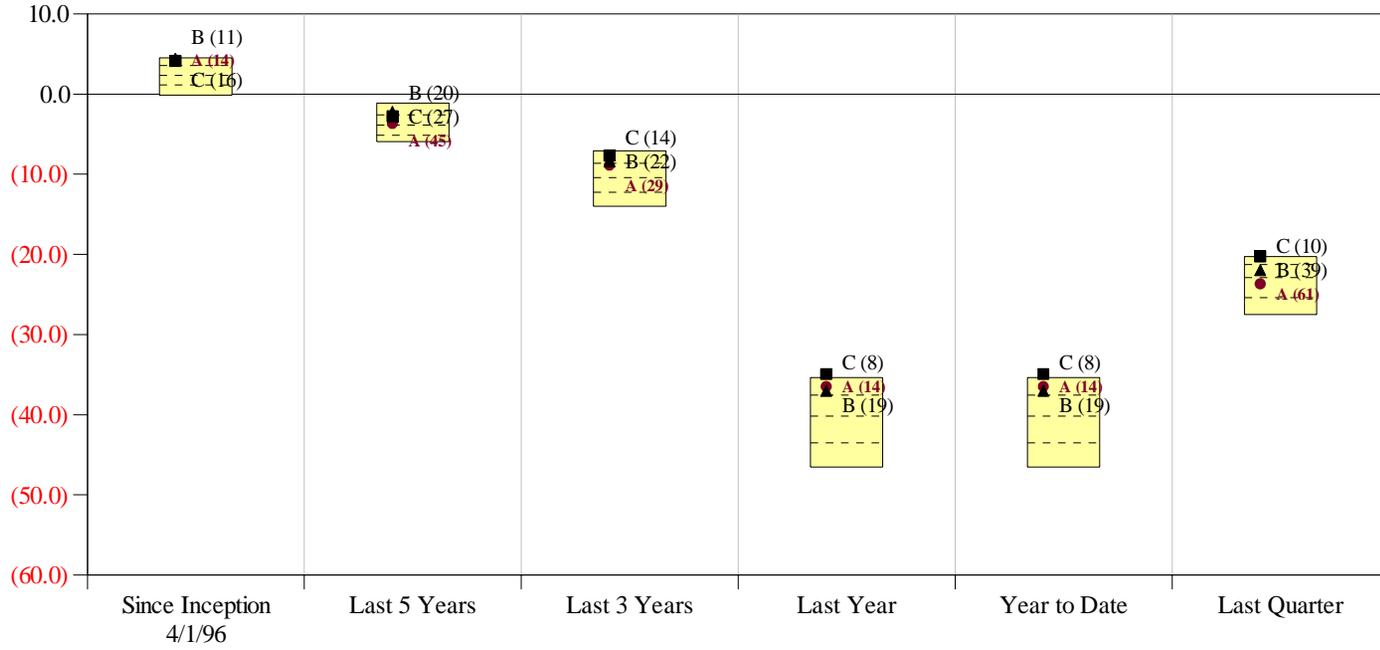
SECTOR WEIGHTINGS (%)	DHJ LCG - SA	Russell 1000 G	Difference
Consumer Discretionary	9.83	9.69	0.14
Consumer Staples	13.11	14.39	(1.28)
Energy	8.80	8.69	0.11
Financials	3.94	3.79	0.15
Health Care	13.96	15.59	(1.63)
Industrials	12.70	13.39	(0.69)
Information Technology	30.01	28.09	1.92
Materials	4.29	3.69	0.60
Telecommunication Services	0.00	0.69	(0.69)
Utilities	1.34	1.99	(0.65)
Cash	2.02	0.00	2.02

SECTOR RATE OF RETURN (%)	DHJ LCG - SA	Russell 1000 G	Difference
Consumer Discretionary	(19.70)	(21.90)	2.20
Consumer Staples	(13.98)	(14.40)	0.42
Energy	(30.96)	(35.30)	4.34
Financials	(47.56)	(35.90)	(11.66)
Health Care	(14.34)	(15.00)	0.66
Industrials	(22.32)	(21.60)	(0.72)
Information Technology	(26.96)	(25.10)	(1.86)
Materials	(29.53)	(27.20)	(2.33)
Telecommunication Services	N/A	(26.30)	N/A
Utilities	(10.27)	(12.60)	2.33

TOP TEN HOLDINGS

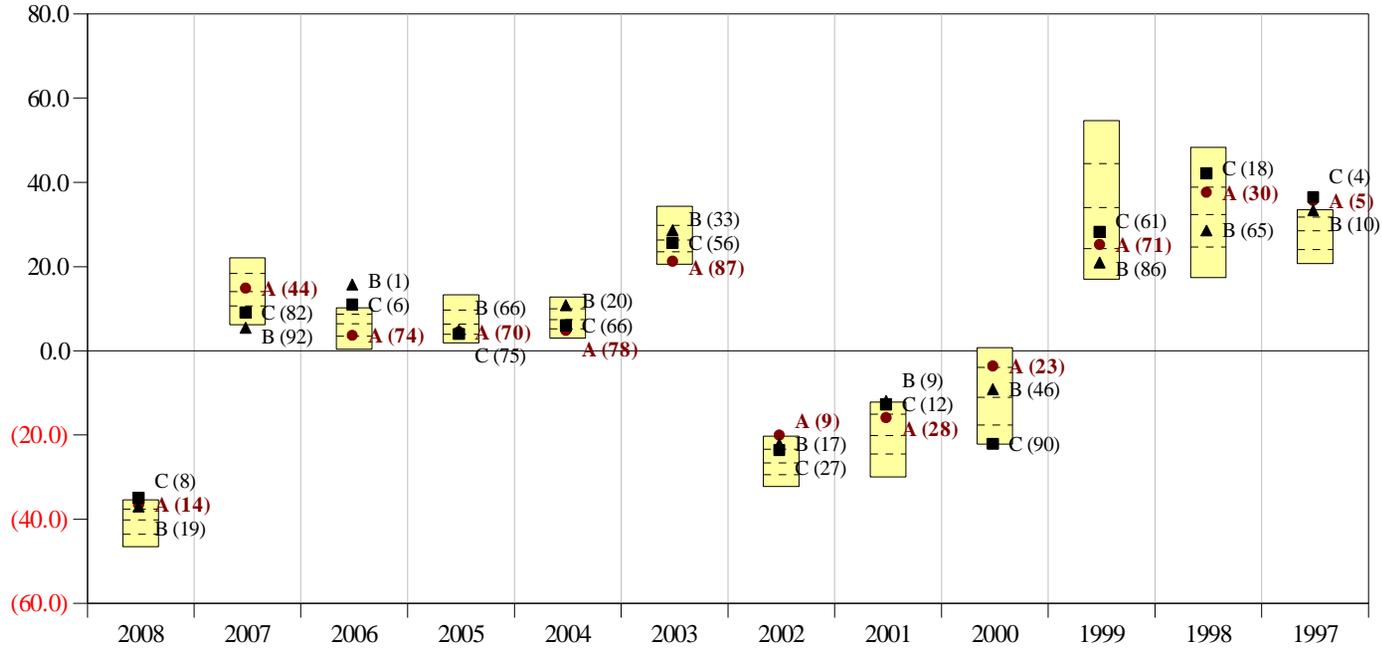
Holdings	% of Portfolio
1) Microsoft	3.68%
2) Danaher	2.89%
3) Wal-Mart Stores	2.74%
4) Int'l Business Machines	2.71%
5) Cisco Systems	2.69%
6) C.R. Bard	2.68%
7) Hewlett-Packard	2.60%
8) Apache	2.39%
9) Walt Disney	2.37%
10) Pepsico	2.34%

Returns
 Davis Hamilton LCG
 Group: Lipper: Large-Cap Growth Funds
 December 31, 2008



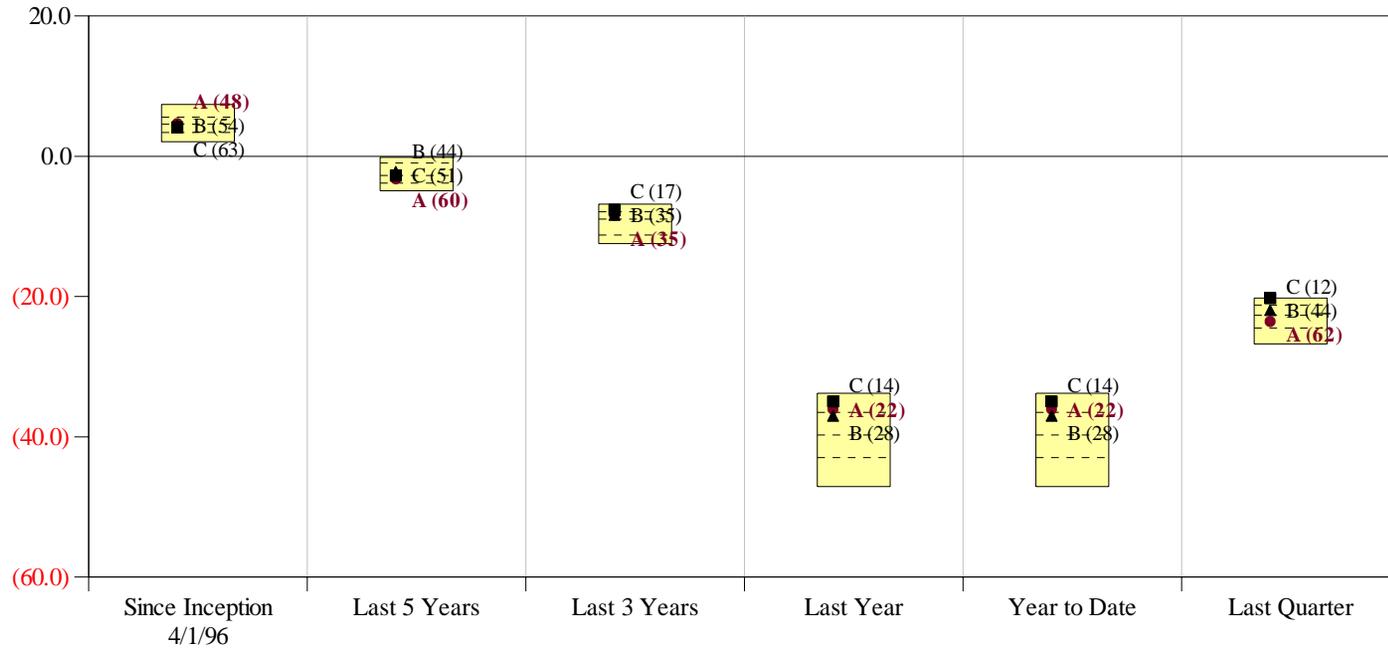
10th Percentile	4.55	(1.13)	(7.08)	(35.36)	(35.36)	(20.23)	
25th Percentile	3.57	(2.59)	(8.60)	(37.55)	(37.55)	(21.26)	
Median	2.34	(3.85)	(10.39)	(40.18)	(40.18)	(22.90)	
75th Percentile	1.14	(5.11)	(12.24)	(43.52)	(43.52)	(25.37)	
90th Percentile	(0.09)	(5.91)	(13.97)	(46.51)	(46.51)	(27.51)	
Member Count	151	560	678	803	803	859	
Davis Hamilton LCG	● A	4.23	(3.63)	(8.85)	(36.46)	(36.46)	(23.65)
S&P:500	▲ B	4.44	(2.19)	(8.36)	(37.00)	(37.00)	(21.94)
S&P:500 Growth	■ C	4.15	(2.74)	(7.62)	(34.92)	(34.92)	(20.24)

ANNUAL RETURNS
 Davis Hamilton LCG
 Group: Lipper: Large-Cap Growth Funds
 December 31, 2008



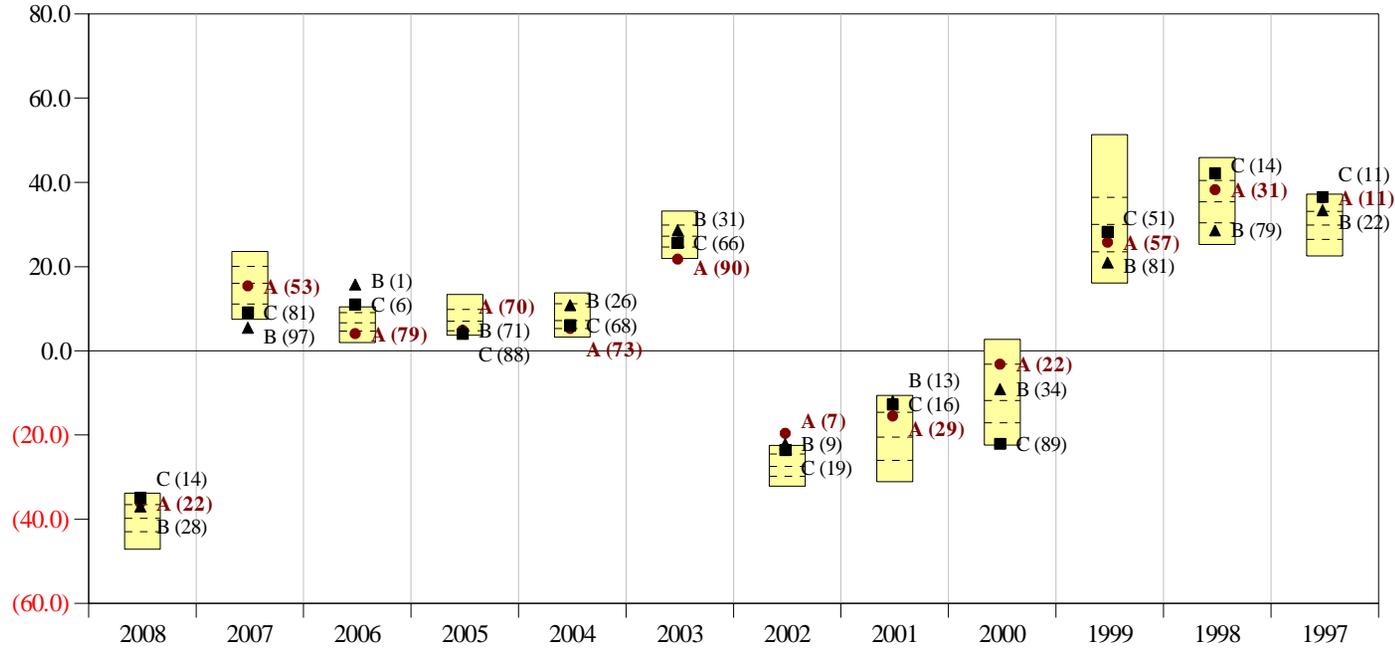
10th Percentile	(35.36)	22.10	10.18	13.36	12.77	34.37	(20.27)	(12.18)	0.72	54.68	48.32	33.48
25th Percentile	(37.55)	18.37	8.70	9.68	9.99	29.79	(23.37)	(15.07)	(3.87)	44.52	38.89	31.77
Median	(40.18)	14.06	6.47	6.34	7.41	26.30	(26.65)	(20.11)	(11.05)	34.07	32.37	28.55
75th Percentile	(43.52)	10.69	3.52	3.96	5.20	23.51	(29.39)	(24.49)	(17.61)	24.27	24.63	24.05
90th Percentile	(46.51)	6.24	0.36	1.89	3.00	20.60	(32.19)	(29.96)	(22.18)	17.06	17.42	20.72
Member Count	803	738	684	608	562	516	461	411	344	276	244	175
Davis Hamilton LCG	● A (36.46)	14.93	3.71	4.60	4.92	21.32	(19.95)	(15.84)	(3.54)	25.27	37.71	35.74
S&P:500	▲ B (37.00)	5.49	15.79	4.91	10.88	28.68	(22.10)	(11.89)	(9.11)	21.04	28.58	33.36
S&P:500 Growth	■ C (34.92)	9.13	11.01	4.00	6.13	25.66	(23.59)	(12.73)	(22.08)	28.24	42.16	36.52

Returns
 Davis H LCG Gross
 Group: CAI Large Cap Growth Style
 December 31, 2008



10th Percentile	7.41	(0.12)	(6.83)	(33.80)	(33.80)	(20.20)	
25th Percentile	5.59	(0.93)	(7.90)	(36.53)	(36.53)	(21.22)	
Median	4.57	(2.72)	(8.95)	(39.75)	(39.75)	(22.66)	
75th Percentile	3.40	(3.81)	(11.22)	(42.97)	(42.97)	(24.47)	
90th Percentile	2.09	(4.90)	(12.47)	(47.12)	(47.12)	(26.78)	
Member Count	46	58	58	58	58	58	
Davis H LCG Gross	● A	4.70	(3.20)	(8.39)	(36.05)	(36.05)	(23.53)
S&P:500	▲ B	4.44	(2.19)	(8.36)	(37.00)	(37.00)	(21.94)
S&P:500 Growth	■ C	4.15	(2.74)	(7.62)	(34.92)	(34.92)	(20.24)

ANNUAL RETURNS
 Davis H LCG Gross
 Group: CAI Large Cap Growth Style
 December 31, 2008



10th Percentile	(33.80)	23.58	10.45	13.37	13.76	33.21	(22.50)	(10.57)	2.70	51.33	45.91	37.25
25th Percentile	(36.53)	20.07	9.05	9.86	11.21	29.92	(24.52)	(14.64)	(3.18)	36.51	40.51	33.10
Median	(39.75)	16.01	6.70	7.02	7.18	27.19	(27.46)	(20.47)	(11.78)	30.04	35.38	29.90
75th Percentile	(42.97)	11.13	4.71	4.79	5.28	24.68	(29.78)	(26.01)	(17.06)	23.56	30.39	26.45
90th Percentile	(47.12)	7.46	2.00	3.77	3.31	21.95	(32.16)	(31.10)	(22.42)	16.11	25.30	22.57
Member Count	58	65	66	50	57	62	39	42	43	47	47	48
Davis H LCG Gross	● A (36.05)	15.47	4.12	4.94	5.35	21.83	(19.56)	(15.46)	(3.15)	25.80	38.33	36.35
S&P:500	▲ B (37.00)	5.49	15.79	4.91	10.88	28.68	(22.10)	(11.89)	(9.11)	21.04	28.58	33.36
S&P:500 Growth	■ C (34.92)	9.13	11.01	4.00	6.13	25.66	(23.59)	(12.73)	(22.08)	28.24	42.16	36.52

West Palm Beach Police Pension Fund
Munder Capital MCG - SA
Report For Period Ended December 31, 2008

CURRENT PORTFOLIO ALLOCATION			
INVESTED.....	\$ 8,589,830	.....	97.2%
CASH & EQUIV.....	\$ 251,743	.....	2.8%
TOTAL.....	\$ 8,841,573	.....	100.0%

OBJECTIVE ANALYSIS	STATUS
♦ No more than 50% or 2.5x benchmark in any one sector	NO
♦ Equity holdings in any single company <10%	YES
♦ Minimum of 20 stocks	YES
♦ Maximum 6% cash	YES
♦ Rolling 3 years ≥ median of peer	N/A
♦ Rolling 5 years ≥ 25% median of peer	N/A
♦ Exceed core benchmark since inception	YES
♦ Exceed style benchmark for 3 years	N/A

INVESTMENT STRATEGY
♦ Mid Cap Growth
♦ Focus on quality growth companies that are expected to exceed earnings expectations over time
♦ Use proprietary screening process & bottom-up work to determine sector bets
♦ Sell when stocks do not meet team requirements

PERFORMANCE (%)	Incept.	5 Years	3 Years	1 Year	YTD	3 Mos
Inception Date	1/18/08					
Total Return	-36.1%	-	-	-36.1%	-36.1%	-25.5%
Russell Mid	-41.5%	-	-	-41.5%	-41.5%	-27.3%
Russell Mid G	-44.3%	-	-	-44.3%	-44.3%	-27.4%
Out / Underperform						
Russell Mid	5.4%	-	-	5.4%	5.4%	1.8%
Out / Underperform						
Russell Mid G	8.2%	-	-	8.2%	8.2%	1.8%

	PORTFOLIO CHARACTERISTICS	
	Munder Capital MCG - SA	Russell Mid G
Current P/E (x)	14.5	11.4
Price/Book (x)	2.2	2.2
Yield (%)	1.7	1.4
5 Yr Earnings Gro	17.6	N/A
Med Mkt Cap (\$mil)	2837	2584
Avg Mkt Cap (\$mil)	3913	5510
# of Holdings	89	504
Turnover	N/P	N/A
Alpha	1.8	-
Beta	1.0	-
Standard Deviation - 3 Years	20.0%	20.7%

COMMENTARY
♦ Since inception Munder Capital MCG - SA has outperformed the core and style benchmarks.
♦ For one year Munder Capital MCG - SA has outperformed the core and style benchmarks.
♦ For the quarter Munder Capital MCG - SA has outperformed the core and style benchmarks.
♦ For one year, they ranked in the top quartile; for the quarter, they ranked above median.
♦ Financials, Utilities, and Materials had the highest Sector Overweightings.
♦ Consumer Discretionary, Information Technology, and Industrials had the highest Sector Underweightings.
♦ Materials, Utilities, and Financials had the highest Sector Overperformance.
♦ Industrials, Telecommunication Services, and Information Technology had the highest Sector Underperformance.
♦ Utilities had the least negative impact on returns.
♦ Financials had the greatest negative impact on returns.

West Palm Beach Police Pension Fund
Munder Capital MCG - SA
Report For Period Ended December 31, 2008

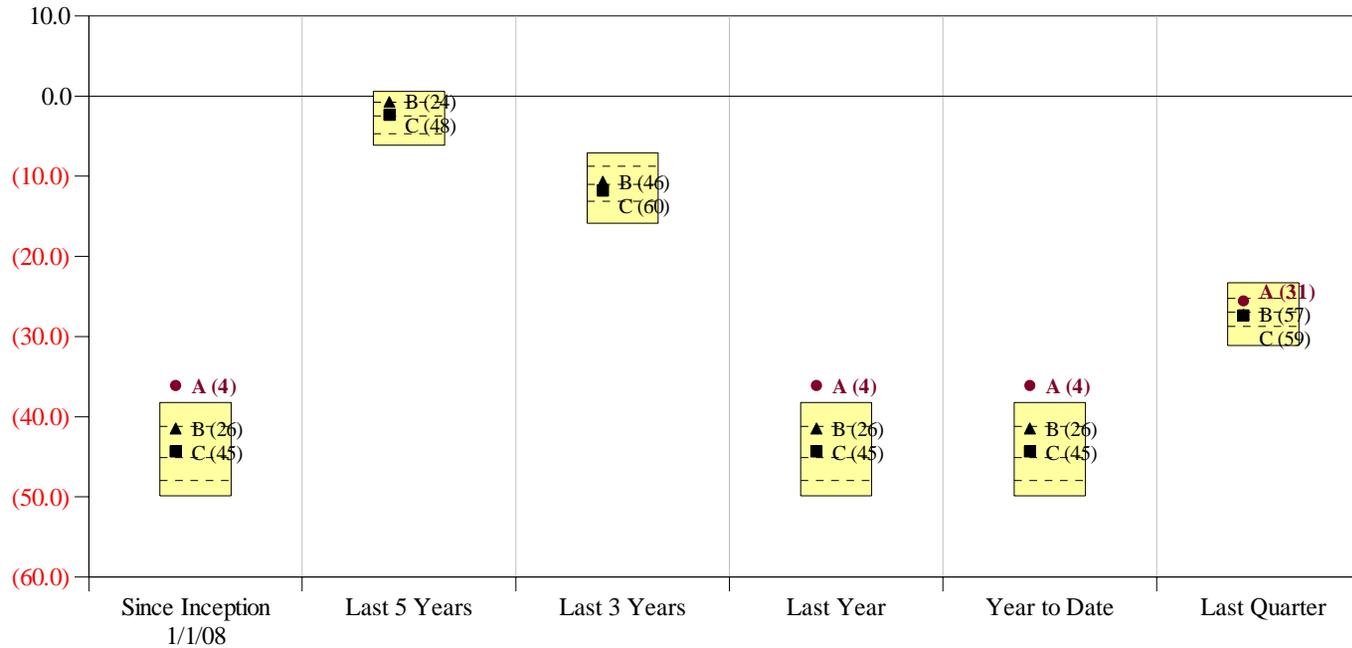
SECTOR WEIGHTINGS (%)	Munder Capital MCG -	Russell Mid G	Difference
Consumer Discretionary	11.21	18.40	(7.19)
Consumer Staples	4.57	4.70	(0.13)
Energy	6.38	8.50	(2.12)
Financials	18.44	5.90	12.54
Health Care	13.15	13.70	(0.55)
Industrials	12.91	18.50	(5.59)
Information Technology	12.65	19.40	(6.75)
Materials	6.40	4.50	1.90
Telecommunication Services	2.04	2.70	(0.66)
Utilities	9.29	3.70	5.59
Cash	2.98	0.00	2.98

SECTOR RATE OF RETURN (%)	Munder Capital MCG -	Russell Mid G	Difference
Consumer Discretionary	(25.94)	(24.90)	(1.04)
Consumer Staples	(29.31)	(28.20)	(1.11)
Energy	(36.75)	(41.90)	5.15
Financials	(26.69)	(33.30)	6.61
Health Care	(22.10)	(24.00)	1.90
Industrials	(30.37)	(23.60)	(6.77)
Information Technology	(31.70)	(27.30)	(4.40)
Materials	(13.26)	(28.90)	15.64
Telecommunication Services	(33.01)	(26.30)	(6.71)
Utilities	(6.32)	(15.90)	9.58

TOP TEN HOLDINGS

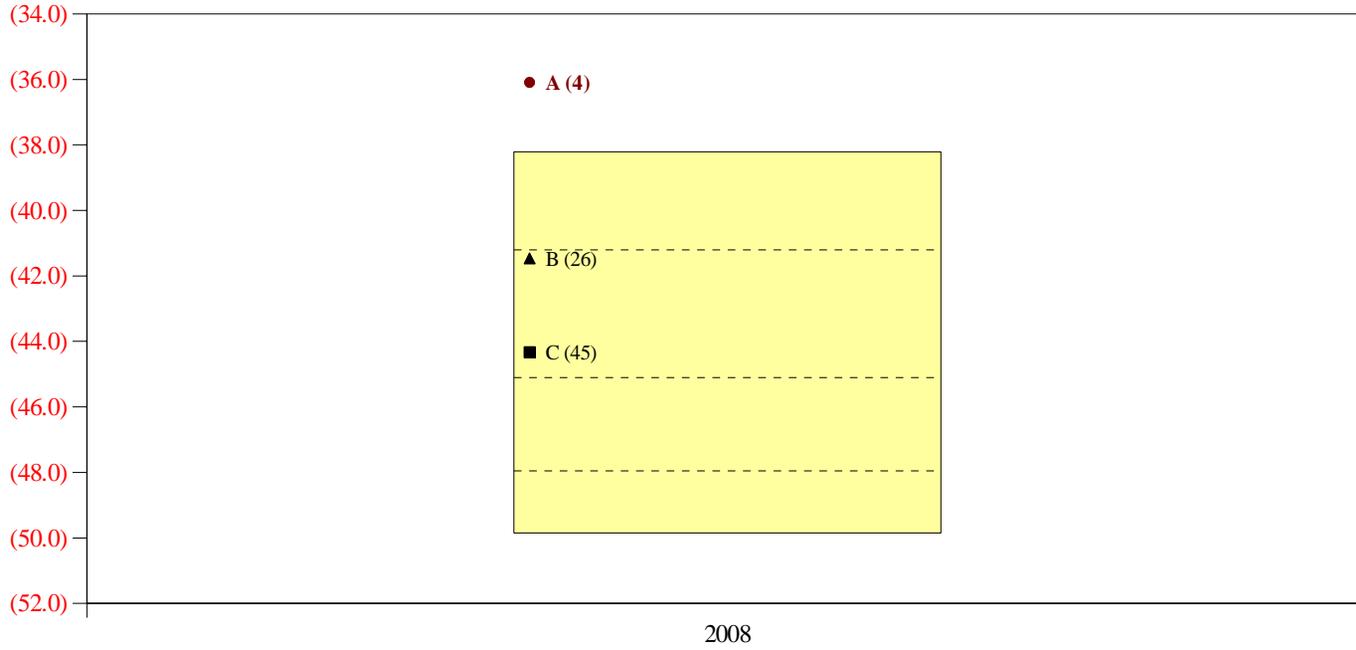
Holdings	% of Portfolio
1) GS Financial Square Treasury Obligation	2.92%
2) NorthEast Utilities	2.61%
3) Annaly Capital Management	2.39%
4) Airgas, Inc.	2.25%
5) Equitable Resources, Inc.	1.94%
6) O'Reilly Automotive Inc.	1.88%
7) ProAssurance Corp.	1.85%
8) Axis Capital Holdings Corp.	1.84%
9) TD Ameritrade Holding Corp.	1.83%
10) NorthWestern Corp.	1.69%

Returns
Munder MCG
Group: Lipper: Mid-Cap Growth Funds
December 31, 2008



10th Percentile	(38.21)	0.59	(7.07)	(38.21)	(38.21)	(23.27)
25th Percentile	(41.21)	(0.75)	(8.71)	(41.21)	(41.21)	(25.20)
Median	(45.10)	(2.44)	(10.99)	(45.10)	(45.10)	(26.93)
75th Percentile	(47.95)	(4.69)	(13.10)	(47.95)	(47.95)	(28.70)
90th Percentile	(49.85)	(6.11)	(15.85)	(49.85)	(49.85)	(31.10)
Member Count	603	419	523	603	603	625
Munder MCG	● A (36.08)	--	--	(36.08)	(36.08)	(25.52)
Russell Midcap Index	▲ B (41.46)	(0.71)	(10.68)	(41.46)	(41.46)	(27.27)
Russell Midcap Growth	■ C (44.32)	(2.33)	(11.79)	(44.32)	(44.32)	(27.36)

ANNUAL RETURNS
Munder MCG
Group: Lipper: Mid-Cap Growth Funds
December 31, 2008

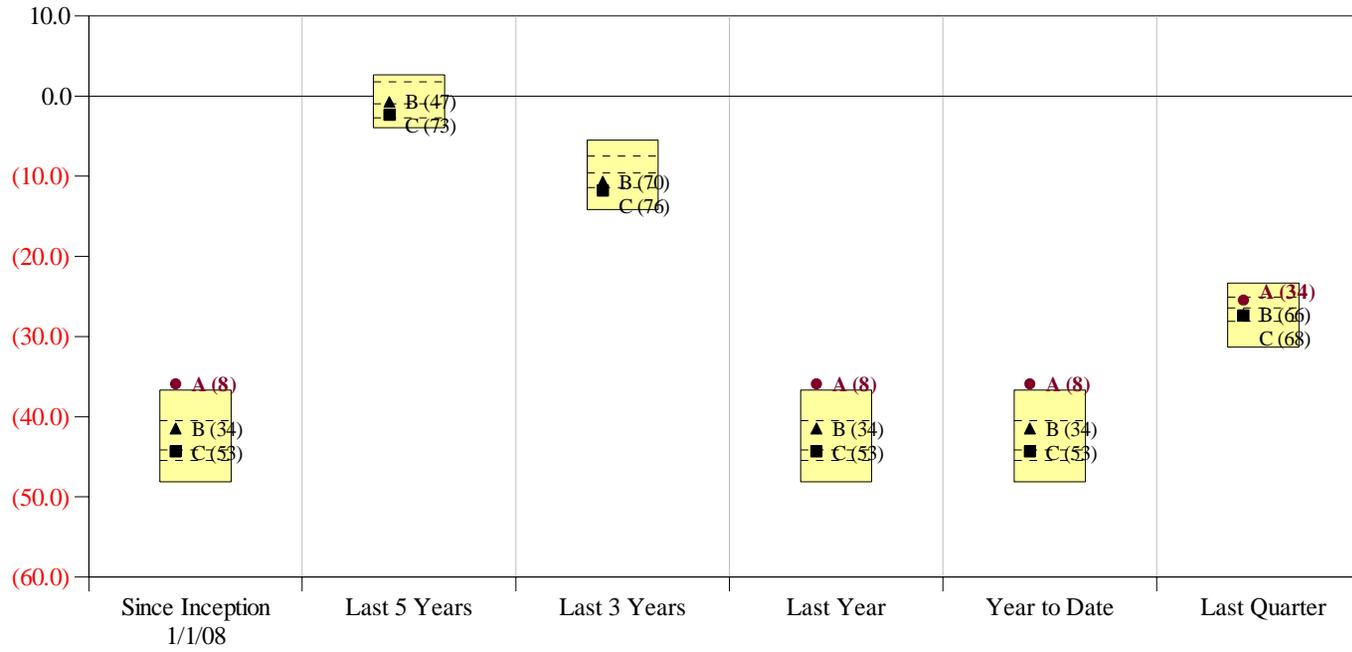


10th Percentile	(38.21)
25th Percentile	(41.21)
Median	(45.10)
75th Percentile	(47.95)
90th Percentile	(49.85)

Member Count 603

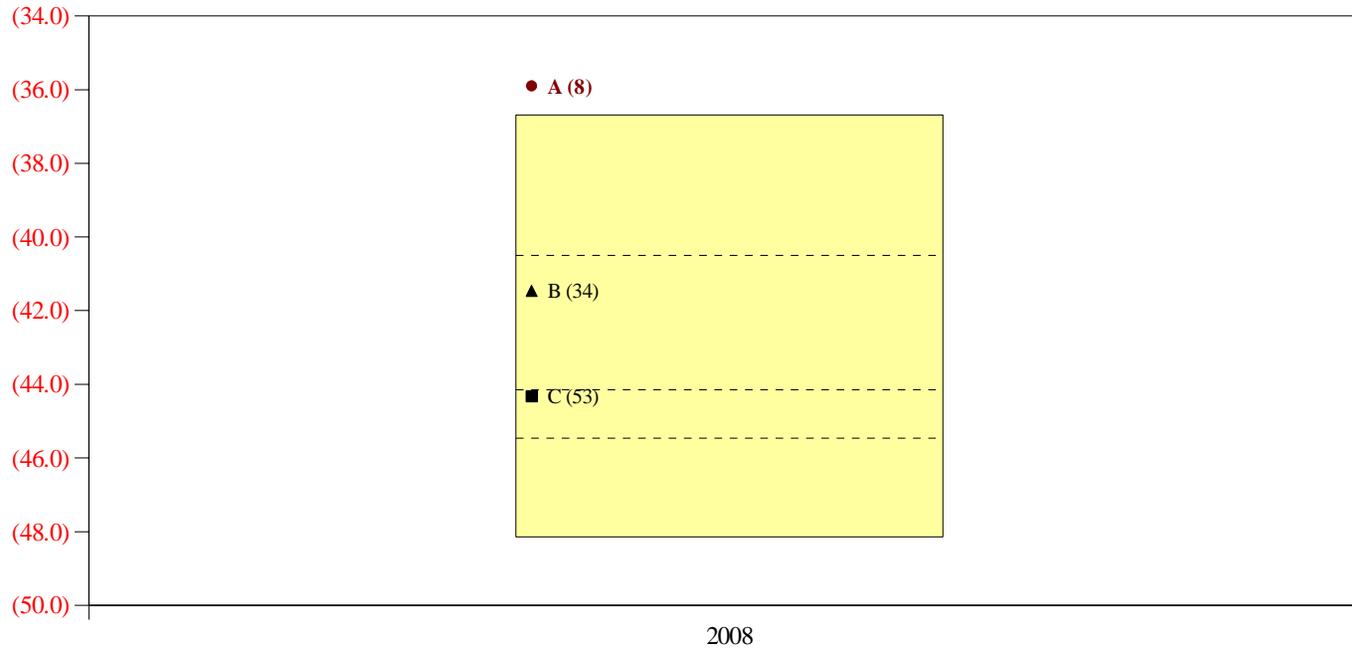
Munder MCG	● A	(36.08)
Russell Midcap Index	▲ B	(41.46)
Russell Midcap Growth	■ C	(44.32)

Returns
Munder MCG Gross
Group: CAI Mid Cap Growth Style
December 31, 2008



10th Percentile	(36.68)	2.65	(5.48)	(36.68)	(36.68)	(23.31)
25th Percentile	(40.50)	1.78	(7.46)	(40.50)	(40.50)	(25.07)
Median	(44.14)	(0.96)	(9.59)	(44.14)	(44.14)	(26.44)
75th Percentile	(45.46)	(2.70)	(11.41)	(45.46)	(45.46)	(28.09)
90th Percentile	(48.13)	(3.94)	(14.16)	(48.13)	(48.13)	(31.30)
Member Count	52	52	52	52	52	52
Munder MCG Gross	● A (8)	--	--	(35.89)	(35.89)	(25.43)
Russell Midcap Index	▲ B (34)	(0.71)	(10.68)	(41.46)	(41.46)	(27.27)
Russell Midcap Growth	■ C (53)	(2.33)	(11.79)	(44.32)	(44.32)	(27.36)

ANNUAL RETURNS
Munder MCG Gross
Group: CAI Mid Cap Growth Style
December 31, 2008



10th Percentile		(36.68)
25th Percentile		(40.50)
Median		(44.14)
75th Percentile		(45.46)
90th Percentile		(48.13)
Member Count		52
Munder MCG Gross	● A	(35.89)
Russell Midcap Index	▲ B	(41.46)
Russell Midcap Growth	■ C	(44.32)

West Palm Beach Police Pension Fund
Anchor Capital MCV - SA
Report For Period Ended December 31, 2008

CURRENT PORTFOLIO ALLOCATION		
INVESTED.....	\$ 6,853,690	63.9%
CASH & EQUIV.....	\$ 3,868,355	36.1%
TOTAL.....	\$ 10,722,045	100.0%

OBJECTIVE ANALYSIS	STATUS
• No more than 50% or 2.5x benchmark in any one sector	NO
• Equity holdings in any single company <10%	YES
• Minimum of 20 stocks	YES
• Maximum 6% cash	NO
• Rolling 3 years ≥ median of peer	YES
• Rolling 5 years ≥ 25% median of peer	YES
• Exceed core benchmark since inception	YES
• Exceed style benchmark for 3 years	YES

INVESTMENT STRATEGY
• Mid Cap Value
• Bottom-up philosophy
• Invest in undervalued securities that have moderate downside risk and a high probability of above average return
• Balance of sector allocation and security selection based on modeling and screening of over 2500 companies
• Sell when companies no longer meet valuation criteria

PERFORMANCE (%)	Incept.	5 Years	3 Years	1 Year	YTD	3 Mos
Inception Date	4/30/03					
Total Return	9.0%	5.8%	-0.1%	-26.9%	-26.9%	-15.1%
Russell Mid	4.6%	-0.7%	-10.7%	-41.5%	-41.5%	-27.3%
Russell Mid V	5.6%	0.3%	-10.0%	-38.5%	-38.5%	-27.2%
Out / Underperform						
Russell Mid	4.4%	6.5%	10.6%	14.5%	14.5%	12.1%
Out / Underperform						
Russell Mid V	3.5%	5.4%	9.9%	11.5%	11.5%	12.1%

PORTFOLIO CHARACTERISTICS		
	Anchor Capital MCV - SA	Russell Mid V
Trailing 12 Month P/E (x)	10.9	10.7
Price/Book (x)	1.4	1.1
Yield (%)	3.9	3.5
5 Yr Earnings Gro	12.0	N/A
Med Mkt Cap (\$mil)	4,366	2,314
Avg Mkt Cap (\$mil)	7,370	5,100
# of Holdings	45	537
Turnover	3.2	N/A
Alpha	7.0	-
Beta	0.7	-
Standard Deviation - 3 Years	14.1%	19.0%

COMMENTARY
• Since inception Anchor Capital MCV - SA has outperformed the core and style benchmarks.
• For five years Anchor Capital MCV - SA has outperformed the core and style benchmarks.
• For three years Anchor Capital MCV - SA has outperformed the core and style benchmarks.
• For the quarter, and one year, and three years, and five years, they ranked in the top quartile.
• Health Care, Telecommunication Services, and Energy had the highest Sector Overweightings.
• Financials, Consumer Staples, and Consumer Discretionary had the highest Sector Underweightings.
• Consumer Discretionary, Information Technology, and Financials had the highest Sector Overperformance.
• Consumer Staples, Utilities, and Health Care had the highest Sector Underperformance.
• Consumer Staples had the least negative impact on returns.
• Financials had the greatest negative impact on returns.
• <i>Large cash position helped drive returns.</i>

West Palm Beach Police Pension Fund
Anchor Capital MCV - SA
Report For Period Ended December 31, 2008

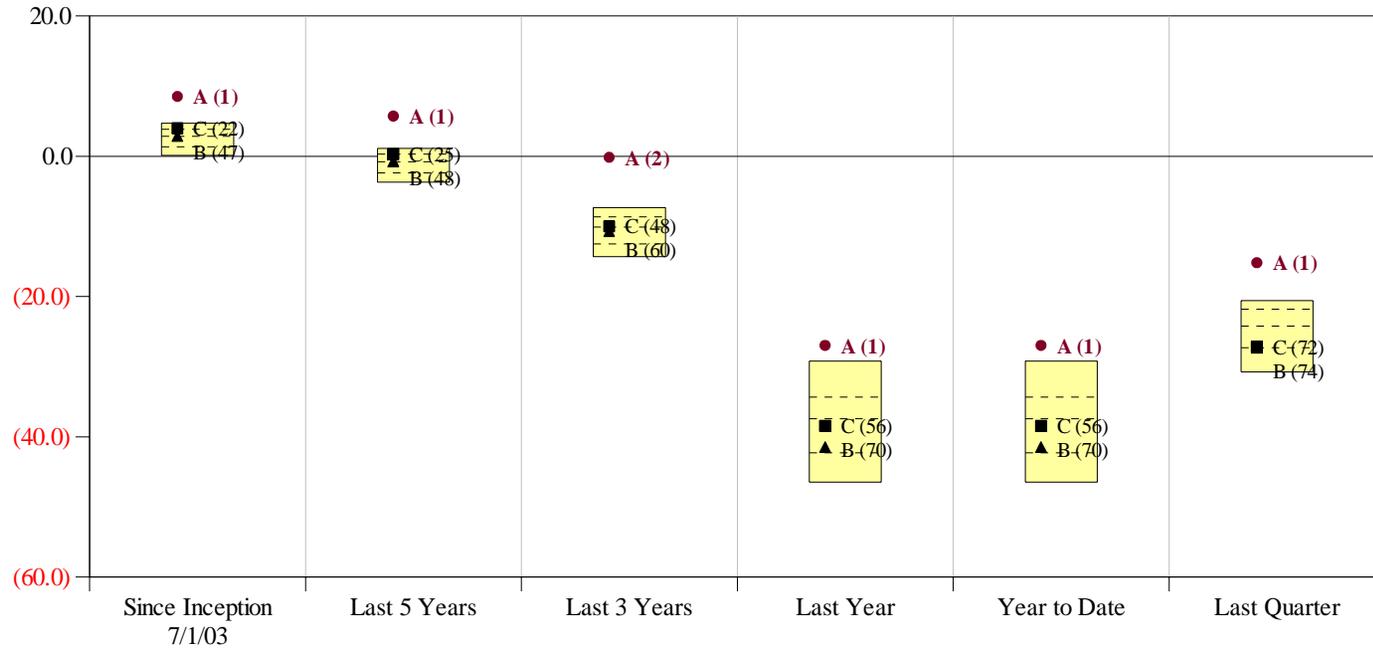
SECTOR WEIGHTINGS (%)	Anchor Capital MCV -	Russell Mid V	Difference
Consumer Discretionary	5.84	12.39	(6.55)
Consumer Staples	0.83	9.19	(8.36)
Energy	5.15	4.99	0.16
Financials	15.57	31.49	(15.92)
Health Care	8.48	5.19	3.29
Industrials	4.75	7.49	(2.74)
Information Technology	3.00	6.09	(3.09)
Materials	4.28	6.29	(2.01)
Telecommunication Services	4.97	1.69	3.28
Utilities	10.08	15.19	(5.11)
Cash	37.04	0.00	37.04

SECTOR RATE OF RETURN (%)	Anchor Capital MCV -	Russell Mid V	Difference
Consumer Discretionary	(19.51)	(37.20)	17.69
Consumer Staples	(26.61)	(15.70)	(10.91)
Energy	(39.81)	(39.10)	(0.71)
Financials	(16.24)	(29.10)	12.86
Health Care	(27.37)	(25.80)	(1.57)
Industrials	(24.83)	(26.70)	1.87
Information Technology	(12.34)	(28.90)	16.56
Materials	(20.74)	(33.00)	12.26
Telecommunication Services	(15.03)	(20.20)	5.17
Utilities	(12.43)	(10.40)	(2.03)

TOP TEN HOLDINGS

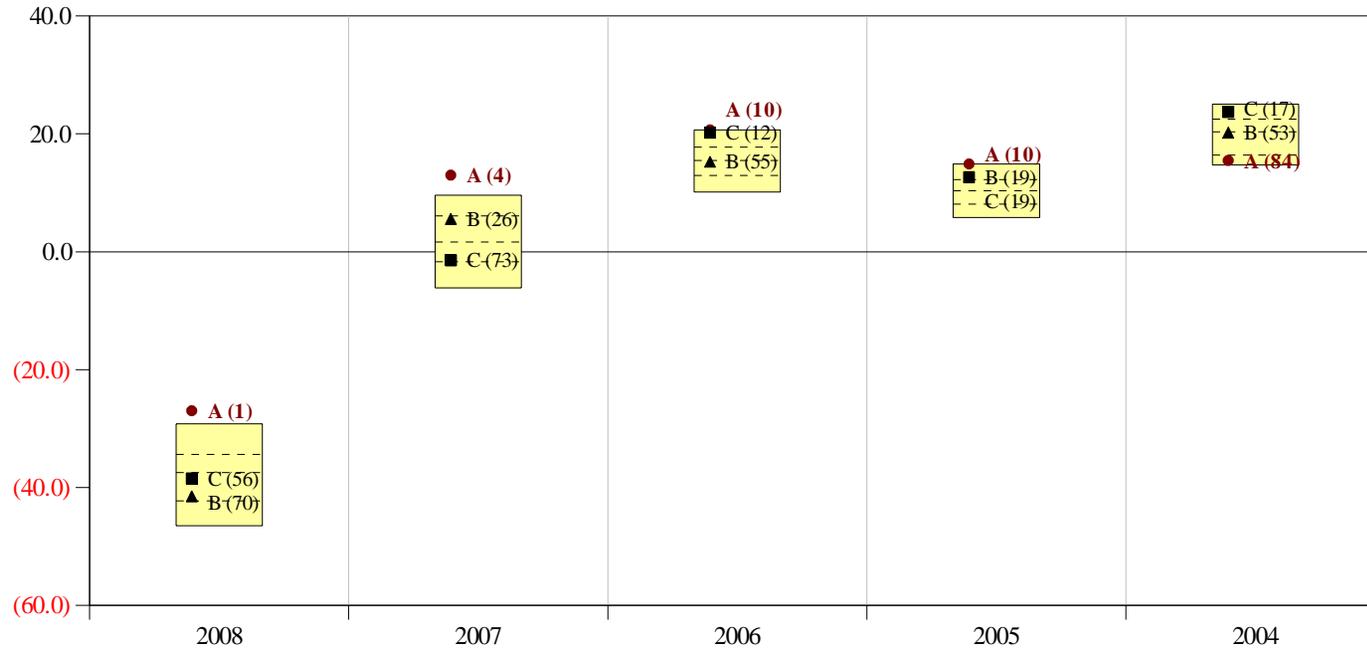
Holdings	% of Portfolio
1) SPDR Gold Trust	2.95%
2) Annaly Capital Mgmt	2.92%
3) Genzyme	2.42%
4) Integrys Energy Group	2.21%
5) HCP	2.15%
6) Health Care Reit	2.15%
7) Aon	2.15%
8) Affiliated Computer Svcs	2.15%
9) Hasbro	1.91%
10) Cablevision Systems	1.89%

Returns
Anchor MCV
Group: Lipper: Mid-Cap Value Funds
December 31, 2008



10th Percentile	4.72	1.14	(7.30)	(29.18)	(29.18)	(20.56)	
25th Percentile	3.87	0.34	(8.64)	(34.35)	(34.35)	(21.80)	
Median	2.85	(0.78)	(10.08)	(37.44)	(37.44)	(24.19)	
75th Percentile	1.35	(2.35)	(12.51)	(42.27)	(42.27)	(27.29)	
90th Percentile	0.12	(3.67)	(14.31)	(46.46)	(46.46)	(30.73)	
Member Count	203	213	288	353	353	375	
Anchor MCV	● A	8.54	5.76	(0.12)	(26.94)	(26.94)	(15.14)
Russell Midcap Index	▲ B	2.90	(0.71)	(10.68)	(41.46)	(41.46)	(27.27)
Russell Midcap Value	■ C	4.00	0.33	(9.98)	(38.44)	(38.44)	(27.19)

ANNUAL RETURNS
Anchor MCV
Group: Lipper: Mid-Cap Value Funds
December 31, 2008



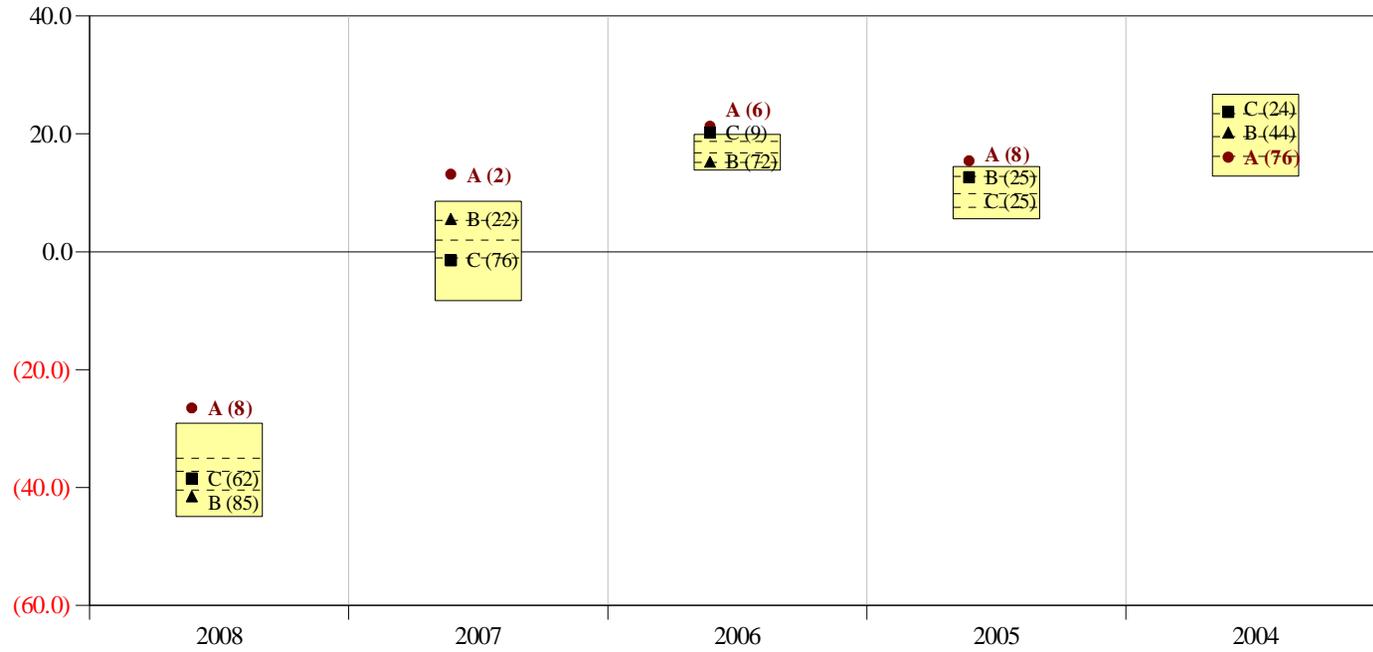
10th Percentile	(29.18)	9.60	20.67	14.93	25.07
25th Percentile	(34.35)	6.11	17.75	12.25	22.55
Median	(37.44)	1.65	15.52	10.37	20.38
75th Percentile	(42.27)	(1.66)	12.94	8.07	16.44
90th Percentile	(46.46)	(6.11)	10.18	5.80	14.74
Member Count	353	317	288	243	213
Anchor MCV	● A (26.94)	13.01	20.70	14.92	15.52
Russell Midcap Index	▲ B (41.46)	5.60	15.26	12.65	20.22
Russell Midcap Value	■ C (38.44)	(1.42)	20.22	12.65	23.71

Returns
Anchor MCV Gross
Group: CAI Mid Cap Value Style
December 31, 2008



10th Percentile	7.44	3.23	(4.60)	(29.06)	(29.06)	(20.29)	
25th Percentile	5.47	2.05	(7.49)	(35.00)	(35.00)	(21.91)	
Median	4.75	1.19	(8.95)	(37.25)	(37.25)	(23.95)	
75th Percentile	2.83	(0.59)	(10.92)	(40.42)	(40.42)	(26.41)	
90th Percentile	1.16	(2.98)	(14.01)	(44.89)	(44.89)	(28.82)	
Member Count	35	37	37	37	37	37	
Anchor MCV Gross	● A	9.02	6.23	0.32	(26.49)	(26.49)	(15.01)
Russell Midcap Index	▲ B	2.90	(0.71)	(10.68)	(41.46)	(41.46)	(27.27)
Russell Midcap Value	■ C	4.00	0.33	(9.98)	(38.44)	(38.44)	(27.19)

ANNUAL RETURNS
Anchor MCV Gross
Group: CAI Mid Cap Value Style
December 31, 2008



10th Percentile	(29.06)	8.62	19.91	14.49	26.73
25th Percentile	(35.00)	5.33	18.72	12.78	23.43
Median	(37.25)	1.99	16.80	9.87	19.55
75th Percentile	(40.42)	(1.02)	15.19	7.56	16.18
90th Percentile	(44.89)	(8.26)	13.88	5.62	12.85
Member Count	37	39	33	31	32
Anchor MCV Gross	● A (26.49)	13.19	21.33	15.47	16.07
Russell Midcap Index	▲ B (41.46)	5.60	15.26	12.65	20.22
Russell Midcap Value	■ C (38.44)	(1.42)	20.22	12.65	23.71

West Palm Beach Police Pension Fund
Wells Capital SCG
Report For Period Ended December 31, 2008

CURRENT PORTFOLIO ALLOCATION			
INVESTED.....	\$ 5,609,635	.....	94.6%
CASH & EQUIV.....	\$ 318,328	.....	5.4%
TOTAL.....	\$ 5,927,963	.....	100.0%

OBJECTIVE ANALYSIS	STATUS
• No more than 50% or 2.5x benchmark in any one sector	YES
• Equity holdings in any single company <10%	YES
• Minimum of 20 stocks	YES
• Maximum 6% cash	YES
• Rolling 3 years ≥ median of peer	N/A
• Rolling 5 years ≥ 25% median of peer	N/A
• Exceed core benchmark since inception	NO
• Exceed style benchmark for 3 years	N/A

INVESTMENT STRATEGY
• Small Cap Growth
• Identify Growth companies at an early or transitional stage of development
• 2/3 of new ideas come from proprietary fundamental research complimented by an extensive network of professionals and experts
• 1/3 of new ideas come from network of regional brokers specializing in small company research

PERFORMANCE (%)	Incept.	5 Years	3 Years	1 Year	YTD	3 Mos
Inception Date	12/17/07					
Total Return	-38.9%	-	-	-38.9%	-38.9%	-26.3%
Russell 2000	-33.8%	-	-	-33.8%	-33.8%	-26.1%
Russell 2000 G	-38.2%	-	-	-38.2%	-38.2%	-27.4%
Out / Underperform						
Russell 2000	-5.1%	-	-	-5.1%	-5.1%	-0.2%
Out / Underperform						
Russell 2000 G	-0.7%	-	-	-0.7%	-0.7%	1.1%

PORTFOLIO CHARACTERISTICS		
	Wells Capital SCG	Russell 2000 G
Trailing 12 Month P/E (x)	15.3	13.7
Price/Book (x)	1.9	2.1
Yield (%)	0.4	0.8
5 Yr Earnings Gro	17.9	N/A
Med Mkt Cap (\$mil)	575	321
Avg Mkt Cap (\$mil)	759	920
# of Holdings	97	1197
Turnover	62.2	N/A
Alpha	6.1	-
Beta	1.1	-
Standard Deviation - 3 Years	23.6%	21.6%

COMMENTARY
• Since inception Wells Capital SCG has underperformed the core and style benchmarks.
• For one year Wells Capital SCG has underperformed the core and style benchmarks.
• For the quarter Wells Capital SCG has underperformed the core benchmark but outperformed the style benchmark.
• For the quarter, and one year, they ranked below median.
• Information Technology, Industrials, and Financials had the highest Sector Overweightings.
• Health Care, Consumer Staples, and Materials had the highest Sector Underweightings.
• Telecommunication Services, Financials, and Energy had the highest Sector Overperformance.
• Health Care, Information Technology, and Industrials had the highest Sector Underperformance.
• Telecommunication Services had the highest positive contribution to returns.
• Information Technology had the greatest negative impact on returns.

West Palm Beach Police Pension Fund
Wells Capital SCG
Report For Period Ended December 31, 2008

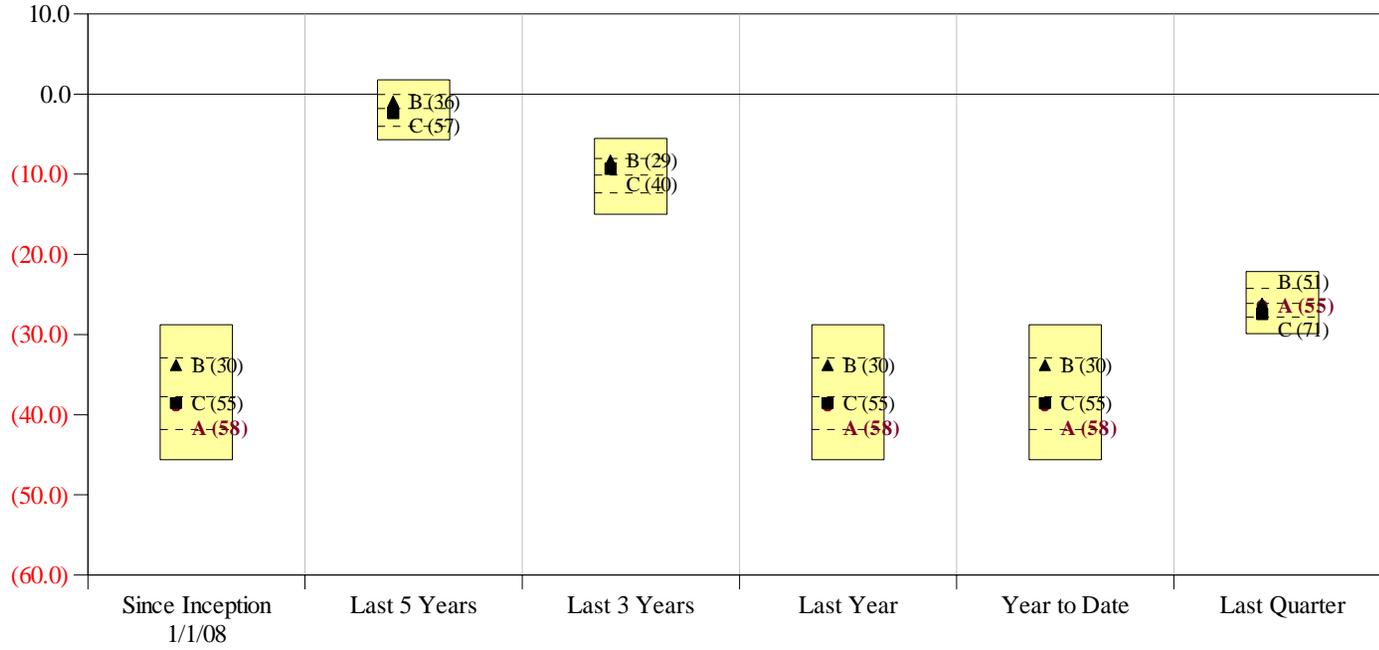
SECTOR WEIGHTINGS (%)	Wells Capital SCG	Russell 2000 G	Difference
Consumer Discretionary	12.75	12.50	0.25
Consumer Staples	0.00	3.00	(3.00)
Energy	3.76	6.50	(2.74)
Financials	6.99	5.60	1.39
Health Care	15.92	26.00	(10.08)
Industrials	21.93	19.10	2.83
Information Technology	31.14	22.20	8.94
Materials	0.00	2.80	(2.80)
Telecommunication Services	2.31	1.40	0.91
Utilities	0.00	0.90	(0.90)
Cash	5.19	0.00	5.19

SECTOR RATE OF RETURN (%)	Wells Capital SCG	Russell 2000 G	Difference
Consumer Discretionary	(25.34)	(30.10)	4.76
Consumer Staples	N/A	(14.50)	N/A
Energy	(42.69)	(48.20)	5.51
Financials	(18.36)	(23.90)	5.54
Health Care	(33.77)	(22.00)	(11.77)
Industrials	(27.15)	(25.60)	(1.55)
Information Technology	(29.88)	(28.10)	(1.78)
Materials	N/A	(29.00)	N/A
Telecommunication Services	27.79	(15.60)	43.39
Utilities	N/A	(18.60)	N/A

TOP TEN HOLDINGS

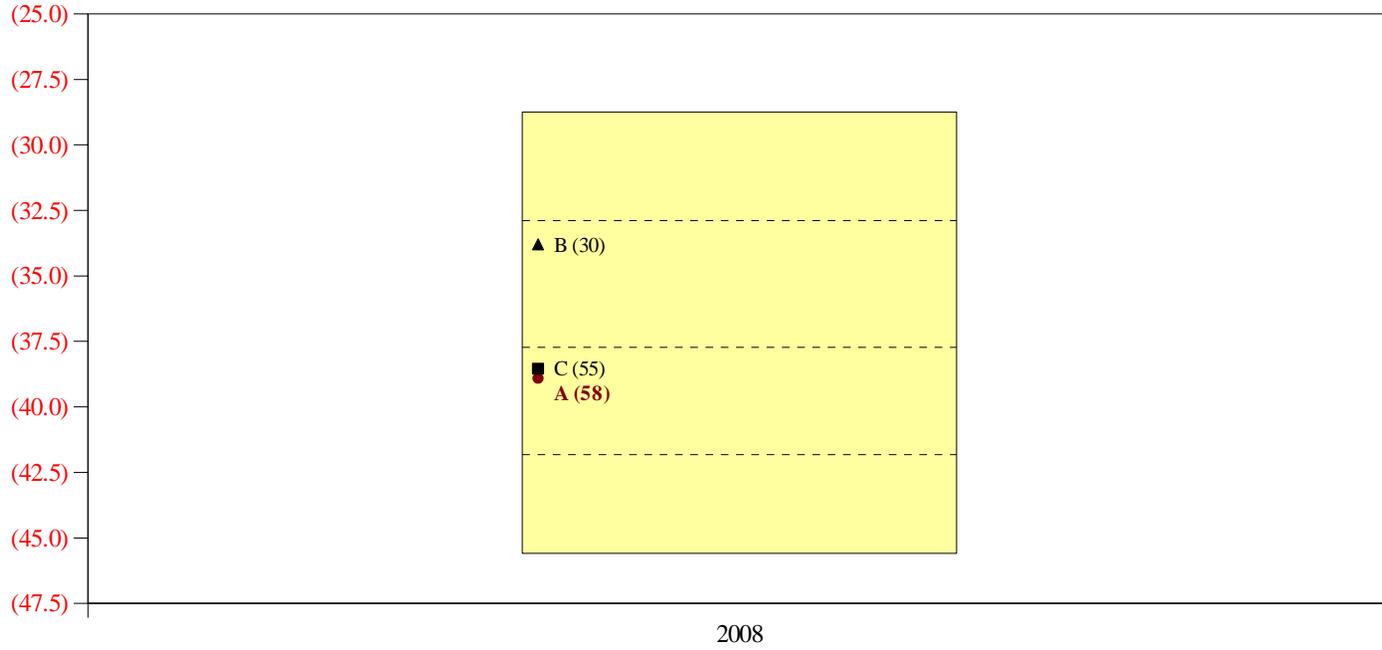
Holdings	% of Portfolio
1) Solera Holdings	3.30%
2) Resources Connection Inc.	3.30%
3) Sykes Enterprises Inc.	3.20%
4) GSI Commerce Inc.	2.90%
5) PMC-Sierra Inc.	2.30%
6) WMS Industries	2.20%
7) Omniture Inc.	2.10%
8) Tower Group Inc.	2.00%
9) Cbeyond Inc.	1.80%
10) Actuant Corp	1.70%

Returns
Wells Cap SCG
Group: Lipper: Small Cap Growth
December 31, 2008



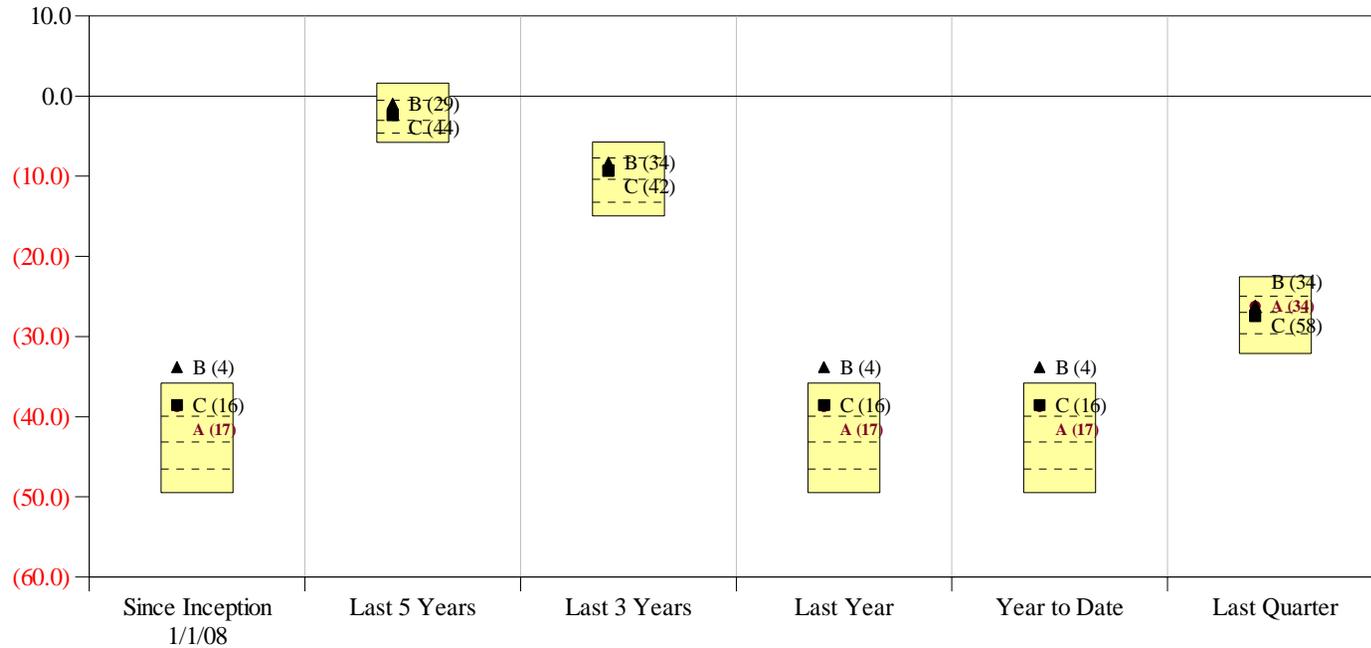
10th Percentile	(28.74)	1.78	(5.53)	(28.74)	(28.74)	(22.14)
25th Percentile	(32.88)	(0.04)	(8.02)	(32.88)	(32.88)	(24.23)
Median	(37.72)	(1.77)	(10.10)	(37.72)	(37.72)	(26.08)
75th Percentile	(41.81)	(3.98)	(12.29)	(41.81)	(41.81)	(27.81)
90th Percentile	(45.58)	(5.66)	(14.96)	(45.58)	(45.58)	(29.86)
Member Count	1,523	1,029	1,265	1,523	1,523	1,576
Wells Cap SCG	● A (38.90)	--	--	(38.90)	(38.90)	(26.34)
Russell 2000 Index	▲ B (33.79)	(0.93)	(8.29)	(33.79)	(33.79)	(26.12)
Russell 2000 Growth	■ C (38.54)	(2.35)	(9.32)	(38.54)	(38.54)	(27.45)

ANNUAL RETURNS
Wells Cap SCG
Group: Lipper: Small Cap Growth
December 31, 2008



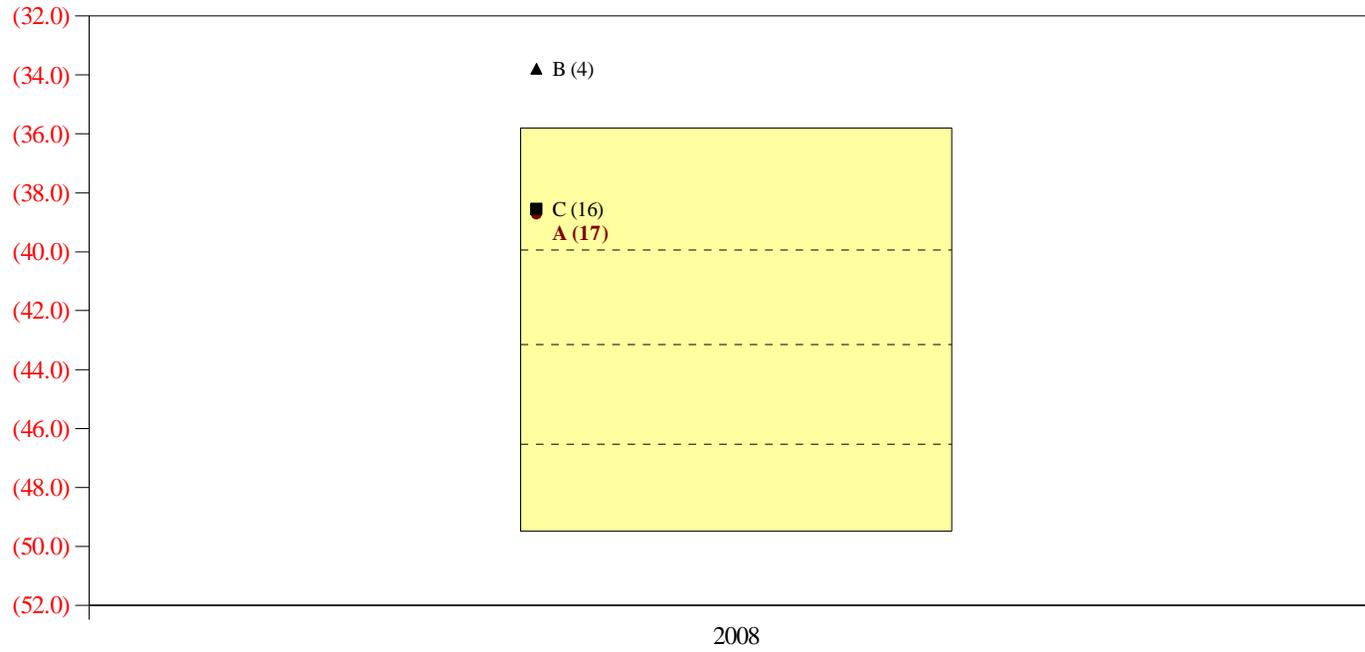
10th Percentile	(28.74)
25th Percentile	(32.88)
Median	(37.72)
75th Percentile	(41.81)
90th Percentile	(45.58)
Member Count	1,523
Wells Cap SCG ● A	(38.90)
Russell 2000 Index ▲ B	(33.79)
Russell 2000 Growth ■ C	(38.54)

Returns
Wells Cap SCG Gross
Group: CAI Small Cap Growth Style
December 31, 2008



10th Percentile		(35.80)	1.62	(5.72)	(35.80)	(35.80)	(22.54)
25th Percentile		(39.94)	(0.52)	(7.70)	(39.94)	(39.94)	(24.95)
Median		(43.15)	(2.99)	(10.38)	(43.15)	(43.15)	(26.97)
75th Percentile		(46.53)	(4.60)	(13.22)	(46.53)	(46.53)	(29.63)
90th Percentile		(49.48)	(5.78)	(14.93)	(49.48)	(49.48)	(32.10)
Member Count		58	58	58	58	58	58
Wells Cap SCG Gross	● A	(38.71)	--	--	(38.71)	(38.71)	(26.18)
Russell 2000 Index	▲ B	(33.79)	(0.93)	(8.29)	(33.79)	(33.79)	(26.12)
Russell 2000 Growth	■ C	(38.54)	(2.35)	(9.32)	(38.54)	(38.54)	(27.45)

ANNUAL RETURNS
Wells Cap SCG Gross
Group: CAI Small Cap Growth Style
December 31, 2008



10th Percentile		(35.80)
25th Percentile		(39.94)
Median		(43.15)
75th Percentile		(46.53)
90th Percentile		(49.48)
Member Count		58
Wells Cap SCG Gross	● A	(38.71)
Russell 2000 Index	▲ B	(33.79)
Russell 2000 Growth	■ C	(38.54)

West Palm Beach Police Pension Fund
Stratton SCV STSCX
Report For Period Ended December 31, 2008

CURRENT PORTFOLIO ALLOCATION			
INVESTED.....	\$ 6,123,111	.....	100.0%
CASH & EQUIV.....	\$ -	.....	0.0%
TOTAL.....	\$ 6,123,111	.....	100.0%

OBJECTIVE ANALYSIS	STATUS
• No more than 50% or 2.5x benchmark in any one sector	NO
• Equity holdings in any single company <10%	YES
• Minimum of 20 stocks	YES
• Maximum 6% cash	YES
• Rolling 3 years ≥ median of peer	N/A
• Rolling 5 years ≥ 25% median of peer	N/A
• Exceed core benchmark since inception	YES
• Exceed style benchmark for 3 years	N/A

INVESTMENT STRATEGY
• Stock selection is bottom-up using a quantitative and qualitative investment process
• Market cap ranges between \$200 million and \$2 billion
• A stock is sold when strong performance decreases attractiveness on a valuation basis; industry dynamics change in a way that diminishes company earnings prospects; and earnings visibility decreases

PERFORMANCE (%)	Incept.	5 Years	3 Years	1 Year	YTD	3 Mos
Inception Date	10/31/07					
Total Return	-29.5%	-	-	-27.6%	-27.6%	-21.7%
Russell 2000	-34.2%	-	-	-33.8%	-33.8%	-26.1%
Russell 2000 V	-30.7%	-	-	-28.9%	-28.9%	-24.9%
Out / Underperform						
Russell 2000	4.7%	-	-	6.2%	6.2%	4.4%
Out / Underperform						
Russell 2000 V	1.2%	-	-	1.3%	1.3%	3.1%

PORTFOLIO CHARACTERISTICS		
	Stratton SCV STSCX	Russell 2000 V
Trailing 12 Month P/E (x)	10.4	12.7
Price/Book (x)	2.4	1.1
Yield (%)	1.9	2.8
5 Yr Earnings Gro	24.0	N/A
Med Mkt Cap (\$mil)	1,101	318
Avg Mkt Cap (\$mil)	1,291	860
# of Holdings	66	1293
Turnover	23.2	N/A
Alpha	1.3	-
Beta	0.8	-
Standard Deviation - 3 Years	22.5%	19.4%

COMMENTARY
<ul style="list-style-type: none"> • Since inception Stratton SCV STSCX has outperformed the core and style benchmarks. • For one year Stratton SCV STSCX has outperformed the core and style benchmarks. • For the quarter Stratton SCV STSCX has outperformed the core and style benchmarks. • For the quarter, and one year, they ranked in the top quartile. • Health Care, Consumer Staples, and Energy had the highest Sector Overweightings. • Financials, Industrials, and Materials had the highest Sector Underweightings. • Consumer Discretionary, Telecommunication Services, and Consumer Staples had the highest Sector Overperformance. • Materials, Utilities, and Financials had the highest Sector Underperformance. • Telecommunication Services had the least negative impact on returns. • Financials had the greatest negative impact on returns. • <i>Large cash position helped drive returns.</i>

West Palm Beach Police Pension Fund
Stratton SCV STSCX
Report For Period Ended December 31, 2008

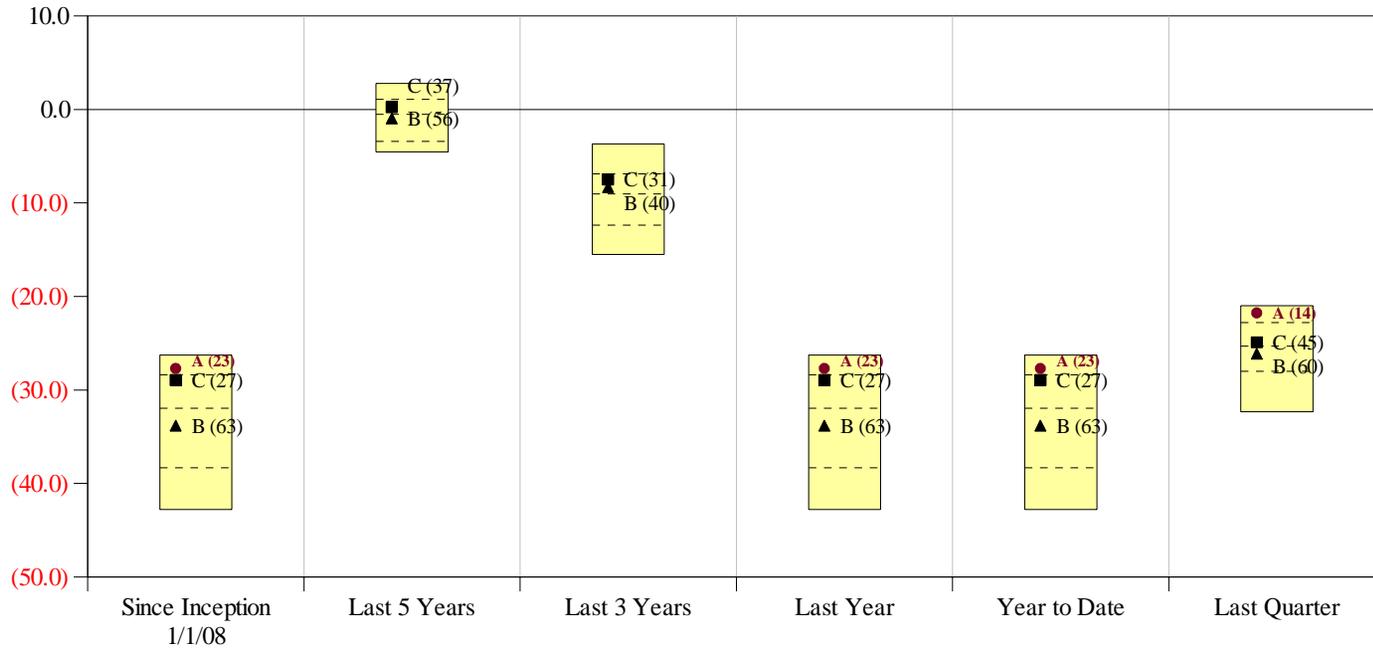
SECTOR WEIGHTINGS (%)	Stratton SCV STSCX	Russell 2000 V	Difference
Consumer Discretionary	8.47	9.61	(1.14)
Consumer Staples	8.06	4.71	3.35
Energy	5.32	2.61	2.71
Financials	22.34	38.91	(16.57)
Health Care	16.07	5.41	10.66
Industrials	5.80	14.51	(8.71)
Information Technology	8.48	11.21	(2.73)
Materials	1.23	4.51	(3.28)
Telecommunication Services	1.79	0.91	0.88
Utilities	6.31	7.61	(1.30)
Cash	16.14	0.00	16.14

SECTOR RATE OF RETURN (%)	Stratton SCV STSCX	Russell 2000 V	Difference
Consumer Discretionary	(20.61)	(42.20)	21.59
Consumer Staples	(13.79)	(15.90)	2.11
Energy	(49.94)	(49.70)	(0.24)
Financials	(30.55)	(20.40)	(10.15)
Health Care	(15.31)	(16.60)	1.29
Industrials	(22.86)	(20.60)	(2.26)
Information Technology	(38.20)	(31.80)	(6.40)
Materials	(64.56)	(26.50)	(38.06)
Telecommunication Services	(28.12)	(33.30)	5.18
Utilities	(17.50)	(6.80)	(10.70)

TOP TEN HOLDINGS

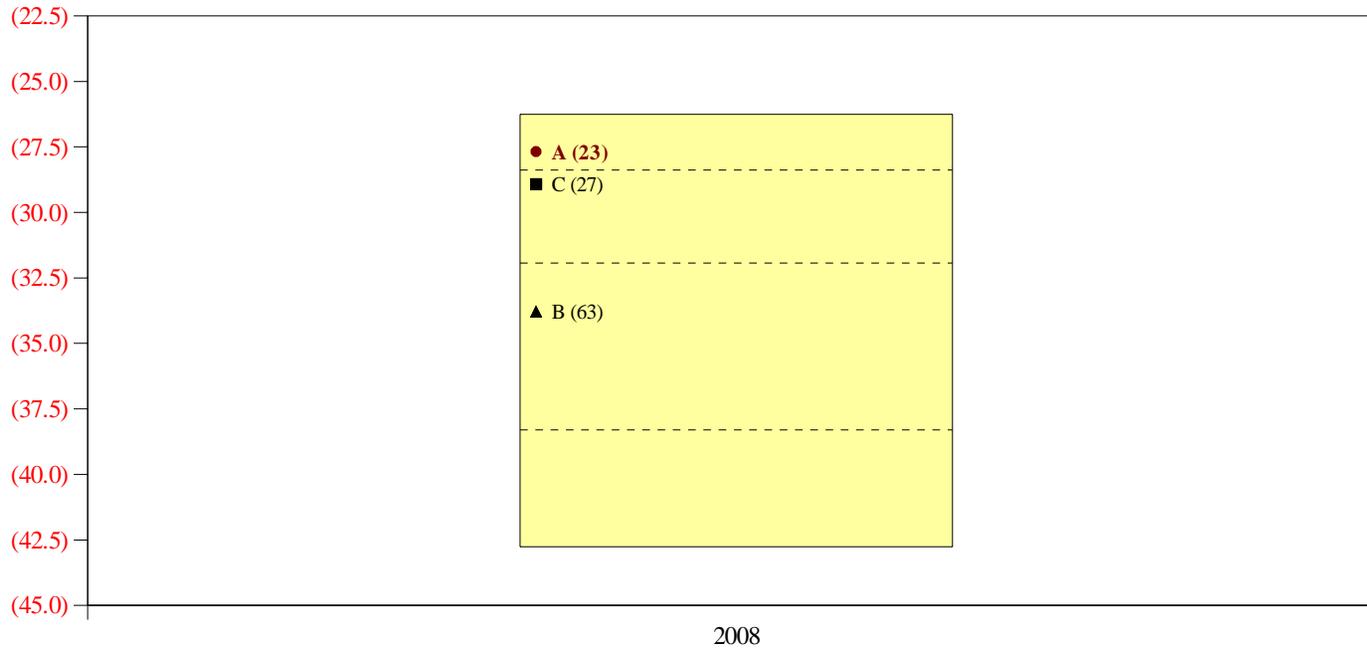
Holdings	% of Portfolio
1) Amedisys Inc.	2.58%
2) HealthSpring Inc.	2.49%
3) Ralcorp Holdings Inc.	2.24%
4) Aaron Rents Inc.	2.00%
5) Moog Inc. (CI A)	1.99%
6) Ruddick Corp.	1.97%
7) ViroPharma Inc.	1.94%
8) Avista Corp.	1.88%
9) Nationwide Health Properties Inc.	1.86%
10) Syniverse Holdings Inc.	1.79%

Returns
 Stratton SCV-STSCX
 Group: Lipper: Small-Cap Value Funds
 December 31, 2008



10th Percentile	(26.25)	2.80	(3.68)	(26.25)	(26.25)	(20.98)
25th Percentile	(28.38)	1.09	(6.88)	(28.38)	(28.38)	(22.78)
Median	(31.93)	(0.50)	(9.02)	(31.93)	(31.93)	(25.31)
75th Percentile	(38.30)	(3.41)	(12.36)	(38.30)	(38.30)	(27.99)
90th Percentile	(42.76)	(4.54)	(15.50)	(42.76)	(42.76)	(32.33)
Member Count	321	217	264	321	321	337
Stratton SCV-STSCX	● A (27.67)	--	--	(27.67)	(27.67)	(21.73)
Russell 2000 Index	▲ B (33.79)	(0.93)	(8.29)	(33.79)	(33.79)	(26.12)
Russell 2000 Value	■ C (28.92)	0.27	(7.49)	(28.92)	(28.92)	(24.89)

ANNUAL RETURNS
 Stratton SCV-STSCX
 Group: Lipper: Small-Cap Value Funds
 December 31, 2008



10th Percentile	(26.25)
25th Percentile	(28.38)
Median	(31.93)
75th Percentile	(38.30)
90th Percentile	(42.76)
Member Count	321
Stratton SCV-STSCX ● A	(27.67)
Russell 2000 Index ▲ B	(33.79)
Russell 2000 Value ■ C	(28.92)

West Palm Beach Police Pension Fund
DFA Intl Value - DFIVX
Report For Period Ended December 31, 2008

CURRENT PORTFOLIO ALLOCATION			
INVESTED.....	\$ 5,203,868	.....	100.0%
CASH & EQUIV.....	\$ -	.....	0.0%
TOTAL.....	\$ 5,203,868	.....	100.0%

OBJECTIVE ANALYSIS	STATUS
• No more than 50% or 2.5x benchmark per sector	YES
• Country diversification	YES
• Equity holdings in any single company <10%	YES
• Minimum of 20 stocks	YES
• Maximum 6% cash	YES
• Rolling 3 years ≥ median of peer	N/A
• Rolling 5 years ≥ 25% median of peer	N/A
• Exceed core benchmark since inception	NO
• Exceed style benchmark for 3 years	N/A

INVESTMENT STRATEGY
• International Large Cap EAFE Classic Value
• Bottom-up stock selection
• Top down analysis
• Includes securities within upper 30% of investment universe by book-to-market ratios
• Stocks are sold when no longer fits requirements of portfolio

PERFORMANCE (%)	Incept.	5 Years	3 Years	1 Year	YTD	3 Mos
Inception Date	12/10/07					
Total Return	-47.1%	-	-	-46.2%	-46.2%	-24.4%
MSCI EAFE	-45.1%	-	-	-43.9%	-43.9%	-20.6%
MSCI EAFE V	-45.4%	-	-	-44.1%	-44.1%	-19.7%
Out / Underperform						
MSCI EAFE	-2.0%	-	-	-2.3%	-2.3%	-3.8%
Out / Underperform						
MSCI EAFE V	-1.7%	-	-	-2.1%	-2.1%	-4.7%

PORTFOLIO CHARACTERISTICS		
	DFA Intl Value - DFIVX	MSCI EAFE
Trailing 12 Month P/E (x)	6.7	9.1
Price/Book (x)	1.0	1.2
Yield (%)	5.5	4.8
5 Yr Earnings Gro	0.0	N/A
Med Mkt Cap (\$mil)	3,551	2,986
Avg Mkt Cap (\$mil)	30,044	36,676
# of Holdings	528	989
Turnover	16.0	N/A
Alpha	-0.2	-
Beta	1.1	-
Standard Deviation-3Yr	21.8%	19.8%

COMMENTARY
<ul style="list-style-type: none"> • Since inception DFA Intl Value - DFIVX has underperformed the core and style benchmarks. • For one year DFA Intl Value - DFIVX has underperformed the core and style benchmarks. • For the quarter DFA Intl Value - DFIVX has underperformed the core and style benchmarks. • For one year, they ranked below median; for the quarter, they ranked in the bottom quartile. • Canada, Germany, and Netherlands had the highest Country Overweightings. • Japan, Switzerland, and France had the highest Country Underweightings. • New Zealand, Portugal, and Ireland had the least negative impact on returns. • United Kingdom, France, and Canada had the greatest negative impact on returns. • Financials, Consumer Discretionary, and Telecommunication Services had the highest Sector Overweightings. • Health Care, Consumer Staples, and Utilities had the highest Sector Underweightings. • Consumer Discretionary, and Consumer Staples had the highest Sector Overperformance. • Utilities, Information Technology, and Energy had the highest Sector Underperformance. • Health Care had the least negative impact on returns. • Financials had the greatest negative impact on returns. • <i>Overweighting Financials, a sector that had returns below -30%, hurt returns.</i>

West Palm Beach Police Pension Fund
DFA Intl Value - DFIVX
Report For Period Ended December 31, 2008

Country Allocation (%)

Country Returns (%)

	DFA Intl Value -		MSCI EAFE		DFA Intl Value -		MSCI EAFE	
	DFA Intl Value -	MSCI EAFE	3 Months	1 Year	3 Months	1 Year	3 Months	1 Year
Austria	0.5	0.3	Austria	-41.9	-68.2	-43.2	-68.2	
Belgium	0.7	0.8	Belgium	-21.9	-56.3	-37.0	-66.1	
Denmark	0.8	0.8	Denmark	-48.2	-63.2	-28.1	-47.3	
Finland	1.0	1.4	Finland	-21.8	-43.3	-20.1	-54.7	
France	9.8	10.9	France	-30.2	-49.7	-20.4	-42.7	
Germany	11.4	8.7	Germany	-11.2	-35.5	-20.9	-45.5	
Greece	0.3	0.5	Greece	-45.7	-67.4	-41.0	-66.0	
Ireland	0.1	0.3	Ireland	-72.8	-88.8	-40.2	-71.7	
Italy	2.6	3.7	Italy	-21.8	-54.5	-22.9	-49.2	
Netherlands	4.2	2.4	Netherlands	-39.6	-62.0	-22.9	-47.9	
Norway	0.8	0.6	Norway	-40.0	-71.1	-40.7	-63.9	
Portugal	0.2	0.3	Portugal	-25.4	-60.2	-21.3	-51.8	
Spain	5.2	4.5	Spain	-27.6	-48.0	-16.7	-40.1	
Sweden	2.6	2.0	Sweden	-29.7	-53.1	-25.1	-49.2	
Switzerland	6.8	8.4	Switzerland	-24.0	-41.2	-13.3	-29.9	
United Kingdom	19.5	19.9	United Kingdom	-28.0	-54.8	-26.3	-48.3	
Europe	66.3	65.6	Europe					
Australia	4.8	6.0	Australia	-27.0	-49.1	-26.6	-50.0	
Hong Kong	3.0	2.0	Hong Kong	-17.5	-51.9	-18.8	-51.2	
Japan	17.2	25.3	Japan	-10.1	-23.9	-9.0	-29.1	
New Zealand	0.2	0.1	New Zealand	-19.7	-34.6	-23.8	-53.4	
Singapore	1.2	1.1	Singapore	-31.9	-46.1	-26.3	-47.3	
Pacific Basin	26.4	34.4	Pacific Basin					
Canada	7.0	0.0	Canada	-26.4	-41.2	-33.0	-45.2	
Emerging Markets	0.0	0.0	IFCI Emerging Markets Index	0.0	0	-26.5	-55.1	
USA	0.1	0.0						
Cash & Equiv.	0.2	0.0						
Other Asset & Liabilities	0.0	0.0						
TOTAL	100.0	100.0						

TOP FIVE COUNTRIES

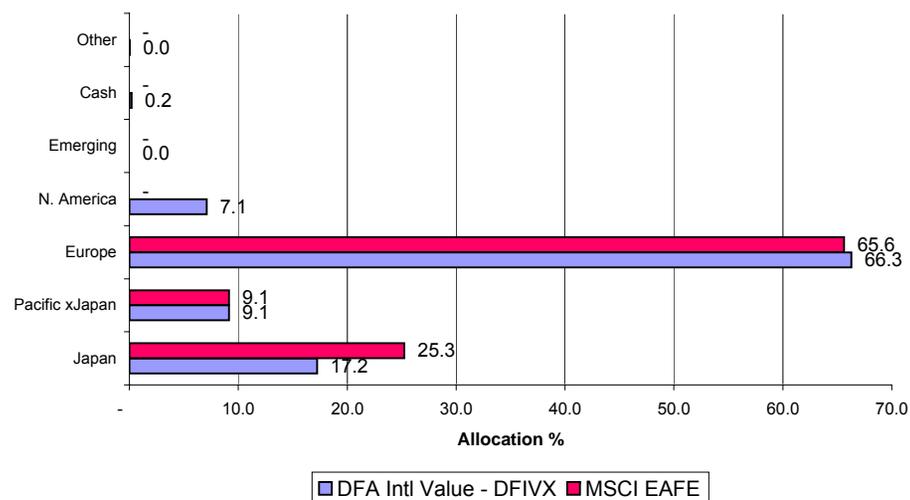
Holdings	% of Portfolio
1) United Kingdom	19.51%
2) Japan	17.28%
3) Germany	11.38%
4) France	9.79%
5) Canada	7.05%

West Palm Beach Police Pension Fund
DFA Intl Value - DFIVX
Report For Period Ended December 31, 2008

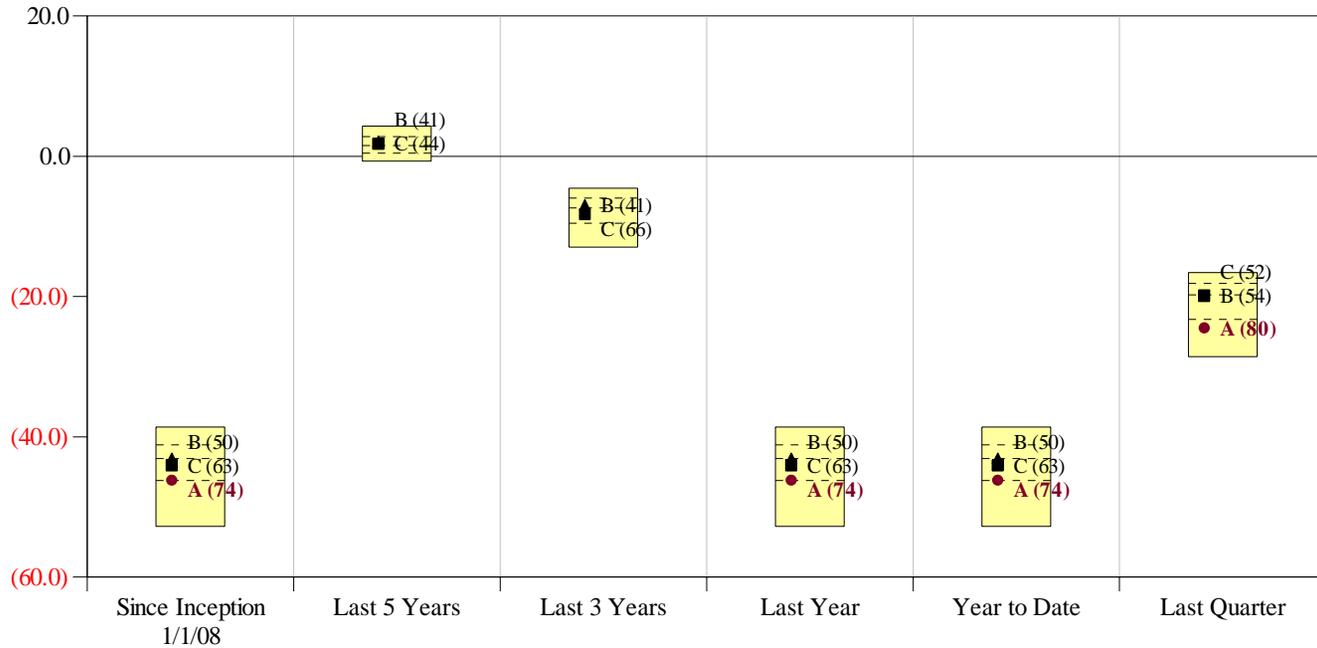
SECTOR WEIGHTINGS (%)	DFA Intl Value - DFIVX	MSCI EAFE	Difference
Consumer Discretionary	12.09	9.60	2.49
Consumer Staples	5.12	10.25	(5.13)
Energy	5.28	8.54	(3.26)
Financials	40.21	22.63	17.58
Health Care	0.50	9.76	(9.26)
Industrials	10.39	11.55	(1.16)
Information Technology	3.55	5.12	(1.57)
Materials	9.98	7.84	2.14
Telecommunication Services	9.28	6.96	2.32
Utilities	3.31	7.74	(4.43)
Cash	0.21	0.00	0.21

SECTOR RATE OF RETURN (%)	DFA Intl Value - DFIVX	MSCI EAFE	Difference
Consumer Discretionary	(13.69)	(21.20)	7.51
Consumer Staples	(11.48)	(13.52)	2.04
Energy	(21.62)	(15.07)	(6.55)
Financials	(32.46)	(32.30)	(0.16)
Health Care	(13.22)	(8.05)	(5.17)
Industrials	(20.41)	(18.05)	(2.36)
Information Technology	(26.13)	(19.15)	(6.98)
Materials	(27.31)	(26.59)	(0.72)
Telecommunication Services	(5.77)	(3.22)	(2.55)
Utilities	(22.51)	(8.52)	(13.99)

REGIONAL ALLOCATION

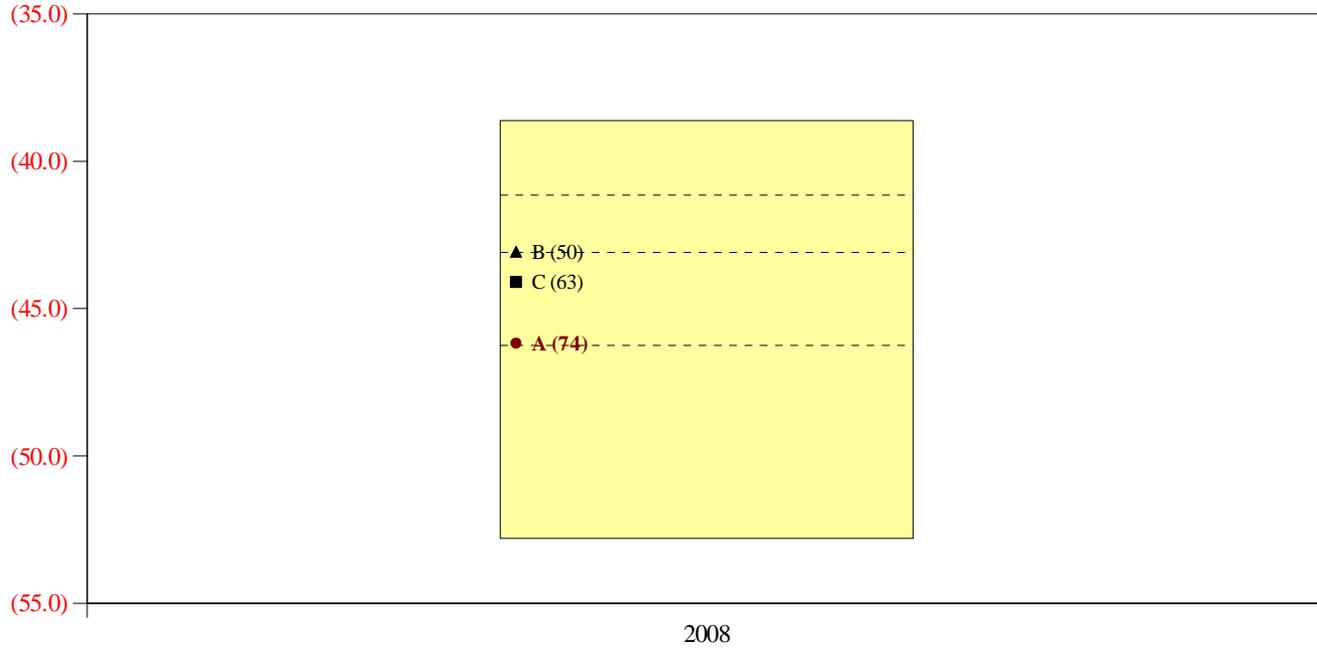


Returns
DFA Intl Value-DFIVX
Group: Lipper: International Large-Cap Value
December 31, 2008



10th Percentile	(38.61)	4.33	(4.56)	(38.61)	(38.61)	(16.57)
25th Percentile	(41.14)	2.82	(5.93)	(41.14)	(41.14)	(18.12)
Median	(43.09)	1.54	(7.36)	(43.09)	(43.09)	(19.75)
75th Percentile	(46.25)	0.45	(9.53)	(46.25)	(46.25)	(23.27)
90th Percentile	(52.79)	(0.66)	(12.94)	(52.79)	(52.79)	(28.55)
Member Count	88	49	55	88	88	99
DFA Intl Value-DFIVX	● A (46.16)	--	--	(46.16)	(46.16)	(24.43)
MSCI:EAFE US\$ Gross Div	▲ B (43.06)	2.10	(6.92)	(43.06)	(43.06)	(19.90)
MSCI:EAFE Value Index	■ C (44.09)	1.79	(8.25)	(44.09)	(44.09)	(19.81)

ANNUAL RETURNS
 DFA Intl Value-DFIVX
 Group: Lipper: International Large-Cap Value
 December 31, 2008



10th Percentile	(38.61)
25th Percentile	(41.14)
Median	(43.09)
75th Percentile	(46.25)
90th Percentile	(52.79)

Member Count 88

DFA Intl Value-DFIVX	● A	(46.16)
MSCI:EAFE US\$ Gross Div	▲ B	(43.06)
MSCI:EAFE Value Index	■ C	(44.09)

West Palm Beach Police Pension Fund
Driehaus Intl SCG DRIOX
Report For Period Ended December 31, 2008

CURRENT PORTFOLIO ALLOCATION			
INVESTED.....	\$ 4,569,107	.....	100.0%
CASH & EQUIV.....	\$ -	.....	0.0%
TOTAL.....	\$ 4,569,107	.....	100.0%

OBJECTIVE ANALYSIS	STATUS
• No more than 50% or 2.5x benchmark per sector	YES
• Country diversification	YES
• Equity holdings in any single company <10%	YES
• Minimum of 20 stocks	YES
• Maximum 6% cash	YES
• Rolling 3 years ≥ median of peer	N/A
• Rolling 5 years ≥ 25% median of peer	N/A
• Exceed core benchmark since inception	NO
• Exceed style benchmark for 3 years	N/A

INVESTMENT STRATEGY
• Bottom-up stock selection focusing on fastest growing stocks
• Focuses on accelerating earnings and sales characteristics
• Invests in non-U.S. securities generally less than \$2.5 billion
• No sector or country limits
• Emerging markets exposure typically less than 30%
• Securities are sold when there is a breakdown in either fundamental or technical aspects

PERFORMANCE (%)	Incept.	5 Years	3 Years	1 Year	YTD	3 Mos
Inception Date	12/10/07					
Total Return	-52.5%	-	-	-53.1%	-53.1%	-25.9%
S&P Developed Ex-U.S. †	-49.0%	-	-	-47.7%	-47.7%	-23.8%
MSCI AC World ex USA †	-54.1%	-	-	-53.2%	-53.2%	-26.9%
Out / Underperform						
S&P Developed Ex-U.S.	-3.5%	-	-	-5.5%	-5.5%	-2.1%
Out / Underperform						
MSCI AC World ex USA †	1.6%	-	-	0.1%	0.1%	0.9%

PORTFOLIO CHARACTERISTICS		
	Driehaus Intl SCG DRIOX	S&P Developed Ex-U.S. SmallCap
Trailing 12 Month P/E (x)	14.0	7.0
Price/Book (x)	2.5	0.8
Yield (%)	1.7	3.2
5 Yr Earnings Gro	22.3	N/A
Med Mkt Cap (\$mil)	914	289
Avg Mkt Cap (\$mil)	1,191	1,722
# of Holdings	60	4005
Turnover	252.0	N/A
Alpha	12.5	-
Beta	1.1	-
Standard Deviation-3Yr	28.8%	23.2%

COMMENTARY

- Since inception Driehaus Intl SCG DRIOX has underperformed the core benchmark but outperformed the style benchmark.
- For one year Driehaus Intl SCG DRIOX has underperformed the core benchmark but outperformed the style benchmark.
- For the quarter Driehaus Intl SCG DRIOX has underperformed the core benchmark but outperformed the style benchmark.
- For the quarter, they ranked below median; for one year, they ranked in the bottom quartile.
- Emerging Markets, Hong Kong , and United Kingdom had the highest Country Overweightings.
- Japan, France, and Germany had the highest Country Underweightings.
- Japan, France, and Spain had the greatest positive contribution to returns.
- Emerging Markets, United Kingdom, and Canada had the greatest negative impact on returns.
- Information Technology, Consumer Staples, and Telecommunication Services had the highest Sector Overweightings.
- Financials, Materials, and Industrials had the highest Sector Underweightings.
- Financials, and Information Technology had the highest Sector Overperformance.
- Telecommunication Services, Energy, and Consumer Staples had the highest Sector Underperformance.
- Telecommunication Services had the least negative impact on returns.
- Industrials had the greatest negative impact on returns.

West Palm Beach Police Pension Fund
Driehaus Intl SCG DRIOX
Report For Period Ended December 31, 2008

Country Allocation (%)

Country Returns (%)

	Country Allocation (%)			Country Returns (%)			
	Driehaus Intl SCG	S&P Developed Ex		Driehaus Intl SCG	Developed Ex-U.S. Sm	3 Months	1 Year
Austria	0.0	0.4	Austria	N/A	N/A	-39.7	-59.9
Belgium	0.0	1.0	Belgium	N/A	N/A	-32.3	-46.7
Denmark	0.0	0.7	Denmark	N/A	N/A	-41.2	-64.1
Finland	0.0	1.3	Finland	N/A	N/A	-26.0	-51.7
France	2.4	8.9	France	13.0	-29.5	-24.8	-42.3
Germany	0.7	6.9	Germany	-17.9	-71.7	-24.6	-49.9
Greece	0.0	0.5	Greece	N/A	N/A	-37.2	-64.2
Ireland	0.0	0.4	Ireland	N/A	N/A	-32.3	-55.1
Italy	3.3	3.6	Italy	-9.8	-43.7	-22.6	-47.7
Netherlands	0.0	2.2	Netherlands	N/A	N/A	-32.1	-49.2
Norway	0.7	0.7	Norway	-3.7	-47.0	-30.4	-57.3
Portugal	0.0	0.4	Portugal	N/A	N/A	-20.9	-52.7
Spain	2.3	4.6	Spain	7.7	29.4	-17.2	-40.3
Sweden	0.0	1.8	Sweden	N/A	N/A	-24.7	-47.6
Switzerland	1.6	7.4	Switzerland	-31.9	-65.6	-25.1	-43.0
United Kingdom	15.8	15.7	United Kingdom	-38.6	-60.3	-17.6	-36.9
Europe	26.8	56.5	Europe				
Australia	1.6	4.1	Australia	-58.2	-73.8	-32.1	-51.6
Hong Kong	5.5	1.7	Hong Kong	-16.1	-67.9	-23.3	-59.7
Japan	15.4	26.6	Japan	2.1	-4.9	-13.8	-35.4
New Zealand	0.0	0.2	New Zealand	N/A	N/A	-19.4	-31.5
Singapore	0.0	0.8	Singapore	N/A	N/A	-32.3	-61.1
Pacific Basin	22.5	33.3	Pacific Basin				
Canada	6.2	6.6	Canada	-37.2	-53.1	-27.4	-48.7
Emerging Markets	32.0	3.6	IFCI Emerging Markets Index	-32.7	-60.97	-28.6	-61.5
USA	0.0	0.0					
Cash & Equiv.	11.8	0.0					
Other Asset & Liabilities	0.8	0.0					
TOTAL	100.0	100.0					

TOP FIVE COUNTRIES

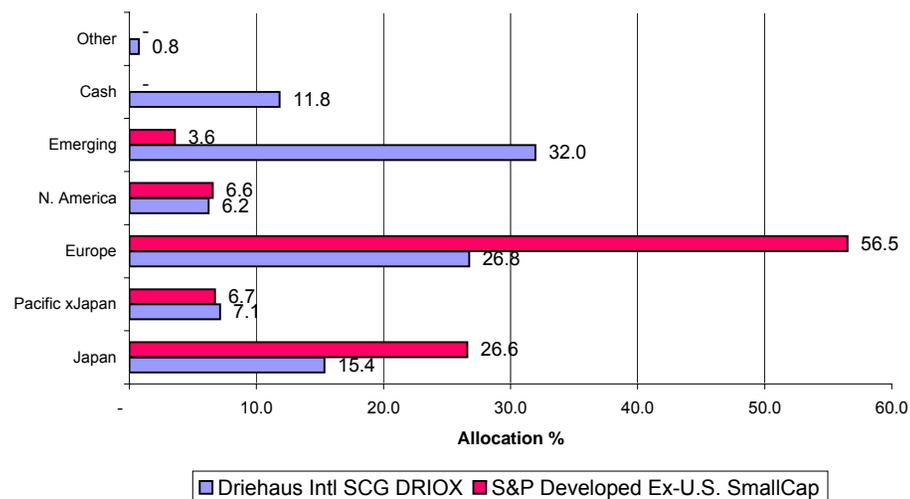
Holdings	% of Portfolio
1) United Kingdom	15.84%
2) Japan	15.36%
3) China	10.67%
4) Canada	6.25%
5) Brazil	5.57%

West Palm Beach Police Pension Fund
Driehaus Intl SCG DRIOX
Report For Period Ended December 31, 2008

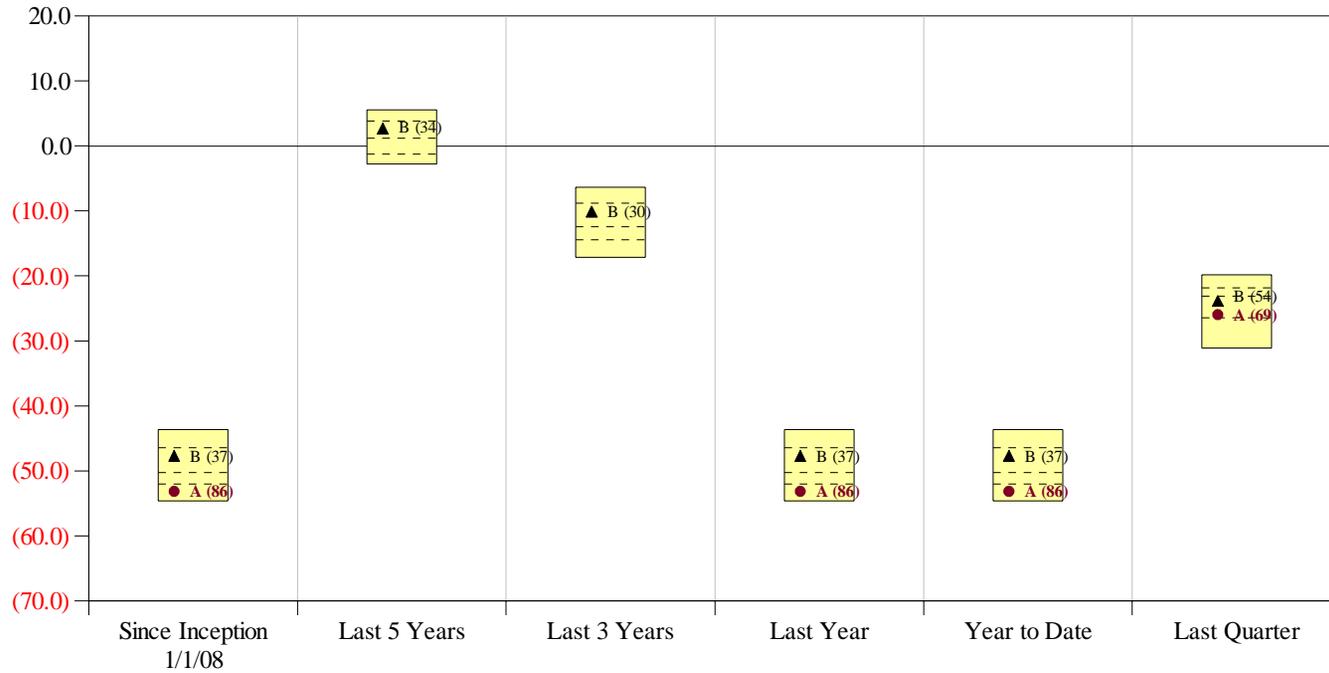
SECTOR WEIGHTINGS (%)	Driehaus Intl SCG DRIOX	S&P Developed Ex	Difference
Consumer Discretionary	16.60	17.75	(1.15)
Consumer Staples	12.51	6.58	5.93
Energy	4.79	4.66	0.13
Financials	7.11	19.38	(12.27)
Health Care	2.50	6.60	(4.10)
Industrials	18.59	22.81	(4.22)
Information Technology	16.66	8.53	8.13
Materials	2.45	10.10	(7.65)
Telecommunication Services	1.25	0.87	0.38
Utilities	0.00	2.72	(2.72)
Cash	11.81	0.00	11.81

SECTOR RATE OF RETURN (%)	Driehaus Intl SCG DRIOX	S&P Developed Ex	Difference
Consumer Discretionary	(31.24)	(22.55)	(8.69)
Consumer Staples	(25.71)	(11.56)	(14.15)
Energy	(50.22)	(34.72)	(15.50)
Financials	(15.87)	(21.13)	5.26
Health Care	(24.73)	(15.78)	(8.95)
Industrials	(32.10)	(22.64)	(9.46)
Information Technology	(22.92)	(23.86)	0.94
Materials	(26.24)	(23.46)	(2.78)
Telecommunication Services	(32.10)	(16.41)	(15.69)
Utilities	N/A	(13.05)	N/A

REGIONAL ALLOCATION

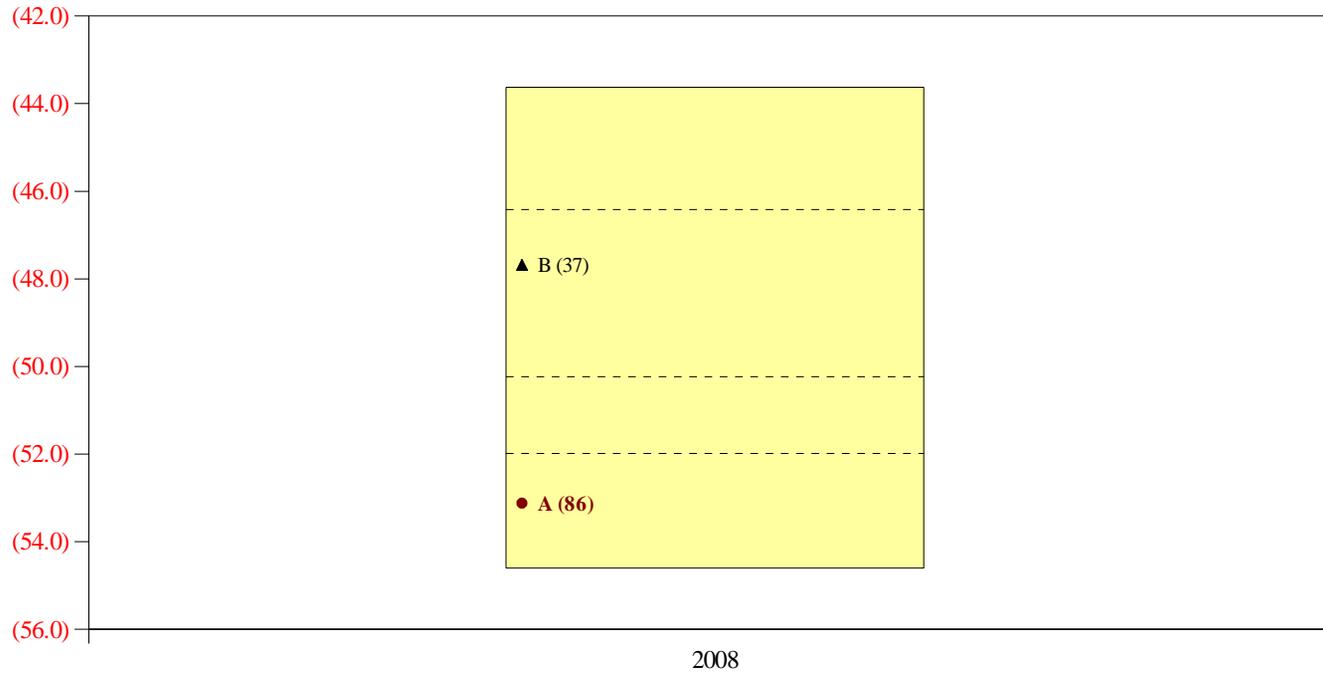


Returns
 Driehaus Intl SCG-DRIOX
 Group: Lipper: International Small Cap Obj
 December 31, 2008



10th Percentile	(43.63)	5.59	(6.33)	(43.63)	(43.63)	(19.80)
25th Percentile	(46.42)	3.83	(8.77)	(46.42)	(46.42)	(21.80)
Median	(50.23)	1.22	(12.39)	(50.23)	(50.23)	(23.10)
75th Percentile	(51.98)	(1.22)	(14.43)	(51.98)	(51.98)	(26.42)
90th Percentile	(54.60)	(2.75)	(17.10)	(54.60)	(54.60)	(31.09)
Member Count	130	92	109	130	130	139
Driehaus Intl SCG-DRIOX ● A	(53.11)	--	--	(53.11)	(53.11)	(25.92)
Citi:EMI World ex US ▲ B	(47.68)	2.70	(10.09)	(47.68)	(47.68)	(23.83)

ANNUAL RETURNS
 Driehaus Intl SCG-DRIOX
 Group: Lipper: International Small Cap Obj
 December 31, 2008



10th Percentile	(43.63)
25th Percentile	(46.42)
Median	(50.23)
75th Percentile	(51.98)
90th Percentile	(54.60)

Member Count 130

Driehaus Intl SCG-DRIOX	● A	(53.11)
Citi:EMI World ex US	▲ B	(47.68)

West Palm Beach Police Pension Fund
DHJ - FI
Report For Period Ended December 31, 2008

CURRENT PORTFOLIO ALLOCATION		
INVESTED.....	\$ 50,559,244	92.7%
CASH & EQUIV.....	\$ 3,952,451	7.3%
TOTAL.....	\$ 54,511,695	100.0%

OBJECTIVE ANALYSIS	STATUS
♦ Maintain an overall credit rating of BBB	YES
♦ No more than 10% below investment grade	YES
♦ Maintain a duration within +/-20% of the benchmark	YES
♦ Maximum 6% cash	NO
♦ Rolling 3 years ≥ median of peer	YES
♦ Rolling 5 years ≥ 25% median of peer	N/A
♦ Max 1.5x sector weight in Corp. or Mtg Backed	YES
♦ Max 10% in any security	YES

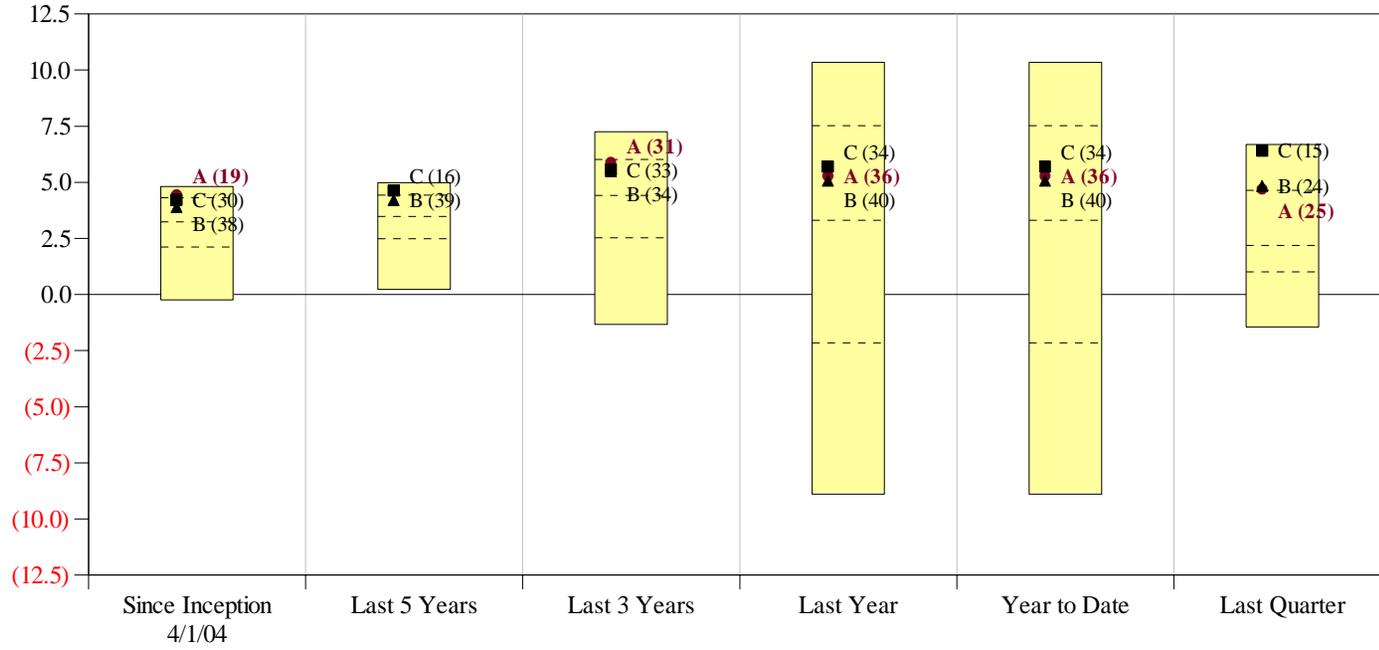
INVESTMENT STRATEGY
♦ Core Fixed Income
♦ Focus on quality growth companies that are expected to exceed earnings expectations over time
♦ Buy quality companies
♦ Use proprietary screening process & bottom-up work to determine sector bets
♦ Sell when stocks do not meet team requirements

COMMENTARY
♦ Since inception DHJ - FI has outperformed the core
♦ For three years DHJ - FI has outperformed the core
♦ For one year DHJ - FI has outperformed the core benchmark.
♦ For the quarter, they ranked in the top quartile; for one year, and three years, they ranked above median.
♦ Agency had the highest Sector Overweighting.
♦ Treasury had the highest Sector Underweighting.
♦ Corporate had the highest Sector Overperformance.
♦ Agency had the highest Sector Underperformance.
♦ <i>Corporates drove returns but were offset by a duration higher than the benchmark which hurt returns.</i>

PERFORMANCE (%)	Incept.	5 Years	3 Years	1 Year	YTD	3 Mos
Inception Date	1/31/04					
Total Return	4.6%	-	5.9%	5.3%	5.3%	4.7%
BC Int. Aggregate	4.4%	-	5.5%	4.9%	4.9%	3.6%
Out / Underperform						
BC Int. Aggregate	0.3%	-	0.4%	0.4%	0.4%	1.1%

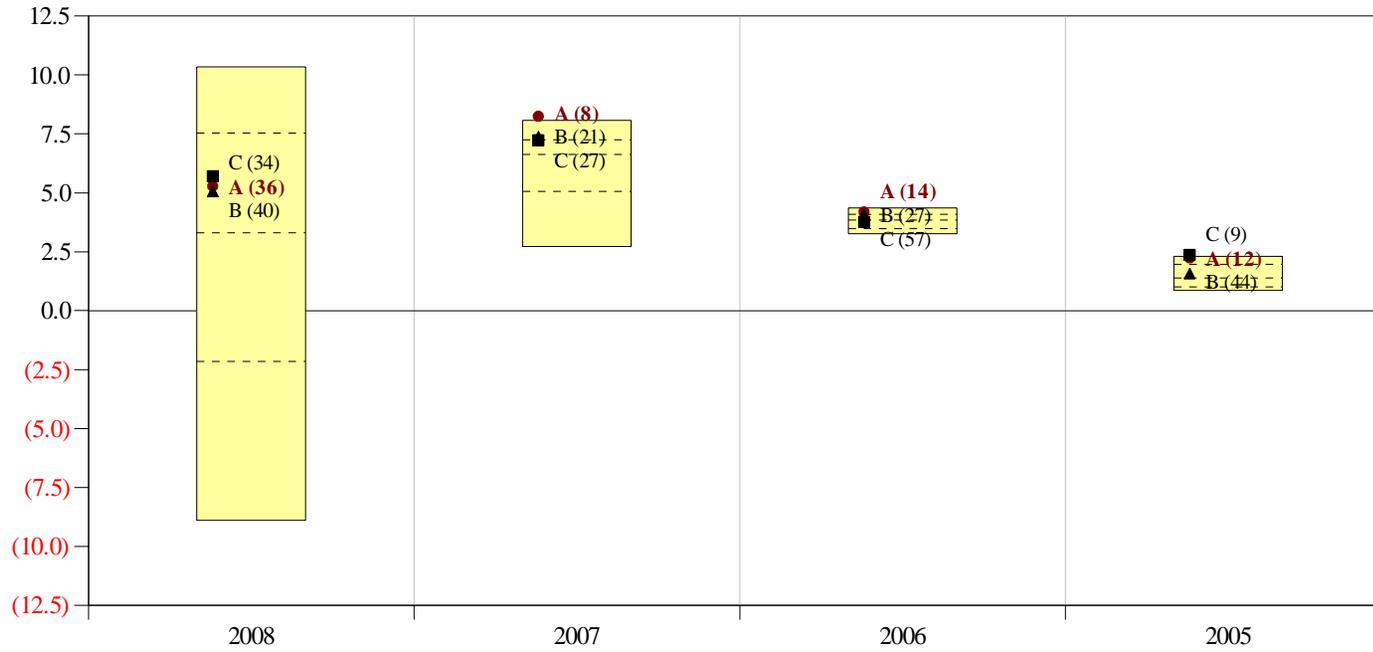
PORTFOLIO CHARACTERISTICS	DHJ - FI	BC Int. Aggregate
# of Holdings	51	7998
Average Coupon (%)	5.5	5.1
Current Yield (%)	4.3	5.0
Yield-To-Maturity (%)	3.8	3.9
Duration (years)	3.2	2.7
Average Maturity (years)	4.5	3.5
Average Quality	AAA	AA
Sector Distribution (%):		
Treasury	1.5	22.6
Agency	35.3	10.0
Mortgage/Asset Backed	31.8	49.3
Corporate	24.1	18.2
Utilities	0.0	1.4
Yankee/Foreign	0.0	1.9
Cash Equiv	7.3	0.0
Sector Returns (%):		
Treasury	12.6	11.4
Agency	2.7	8.5
Mortgage/Asset Backed	3.5	4.6
Corporate	9.4	-4.8
Utilities	N/A	-3.1
Yankee/Foreign	N/A	7.1
Cash Equiv	0.0	0.0
Quality Distribution (%):		
Treasury/Agency	74.1	32.5
AAA	1.0	51.8
AA	2.1	2.6
A	22.8	7.9
BBB	0.0	5.2
<BBB	0.0	0.0
Maturity Distribution (%):		
< 1year	1.7	0.0
1 - 5 years	82.0	79.6
5 - 10 years	16.3	20.4
10 - 15 years	0.0	0.0
15 - 20 years	0.0	0.0
> 20 years	0.0	0.0
Standard Deviation	3.7%	0.0%

Returns
 Davis Hamilton FI
 Group: CAI MF - Intermediate Style
 December 31, 2008



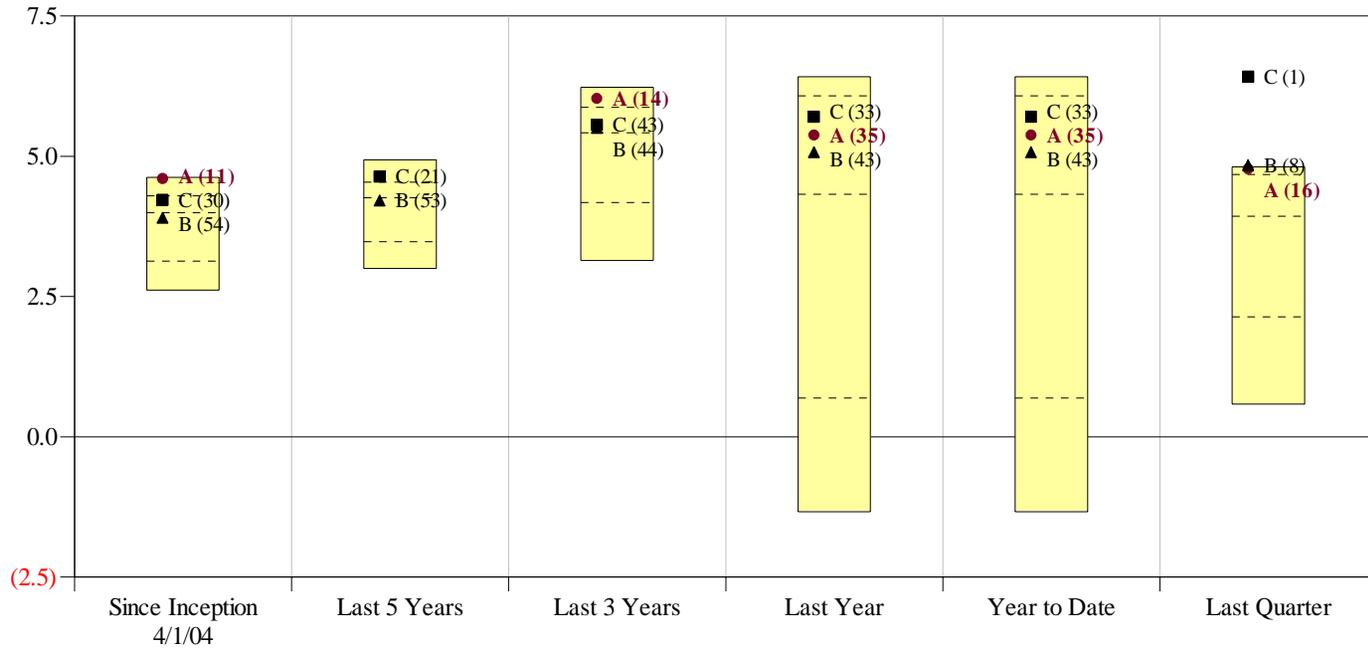
10th Percentile	4.82	4.99	7.25	10.35	10.35	6.68	
25th Percentile	4.32	4.43	6.03	7.53	7.53	4.64	
Median	3.24	3.48	4.43	3.31	3.31	2.19	
75th Percentile	2.12	2.48	2.53	(2.15)	(2.15)	1.01	
90th Percentile	(0.23)	0.24	(1.33)	(8.89)	(8.89)	(1.44)	
Member Count	22	22	22	22	22	22	
Davis Hamilton FI	● A (19)	4.45	--	5.90	5.29	5.29	4.71
BC:Gov/Credit Inter	▲ B (38)	3.90	4.21	5.51	5.08	5.08	4.84
BC:Gov/Credit Bond	■ C (30)	4.22	4.64	5.56	5.70	5.70	6.42

ANNUAL RETURNS
 Davis Hamilton FI
 Group: CAI MF - Intermediate Style
 December 31, 2008



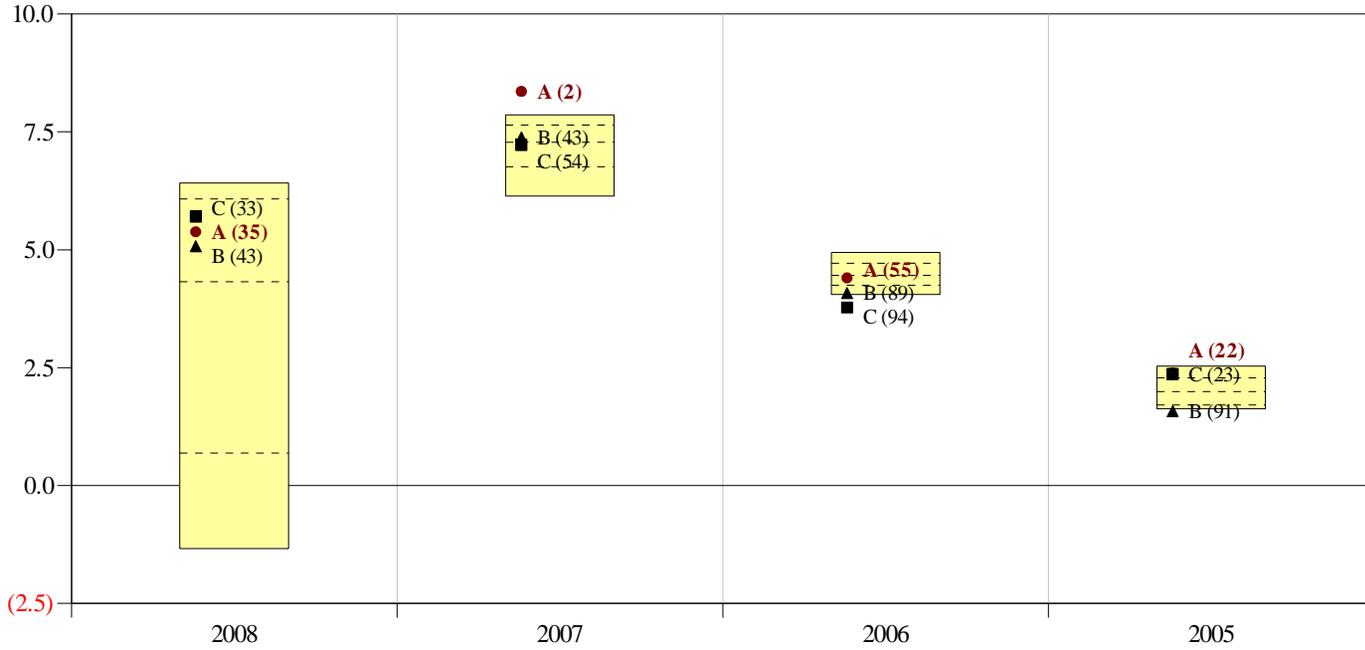
10th Percentile	2008	2007	2006	2005	
25th Percentile	10.35	8.08	4.35	2.31	
Median	7.53	7.25	4.09	1.97	
75th Percentile	3.31	6.63	3.85	1.39	
90th Percentile	(2.15)	5.07	3.49	1.01	
	(8.89)	2.73	3.27	0.86	
Member Count	22	22	24	27	
Davis Hamilton FI	● A	2.29	8.25	4.20	2.24
BC:Gov/Credit Inter	▲ B	5.08	7.39	4.08	1.58
BC:Gov/Credit Bond	■ C	5.70	7.23	3.78	2.37

Returns
 Davis H FI Gross
 Group: CAI Intermediate Fixed-Inc Style
 December 31, 2008



10th Percentile	4.63	4.94	6.23	6.42	6.42	4.81	
25th Percentile	4.29	4.54	5.87	6.08	6.08	4.67	
Median	3.99	4.26	5.42	4.32	4.32	3.93	
75th Percentile	3.13	3.48	4.17	0.69	0.69	2.14	
90th Percentile	2.62	3.00	3.15	(1.34)	(1.34)	0.58	
Member Count	28	28	28	28	28	28	
Davis H FI Gross	● A	4.61	--	6.04	5.38	5.38	4.78
BC:Gov/Credit Inter	▲ B	3.90	4.21	5.51	5.08	5.08	4.84
BC:Gov/Credit Bond	■ C	4.22	4.64	5.56	5.70	5.70	6.42

ANNUAL RETURNS
 Davis H FI Gross
 Group: CAI Intermediate Fixed-Inc Style
 December 31, 2008



10th Percentile	2008	6.42	2007	7.86	2006	4.95	2005	2.54
25th Percentile	2008	6.08	2007	7.65	2006	4.72	2005	2.28
Median	2008	4.32	2007	7.28	2006	4.46	2005	2.00
75th Percentile	2008	0.69	2007	6.76	2006	4.25	2005	1.71
90th Percentile	2008	(1.34)	2007	6.14	2006	4.05	2005	1.63
Member Count	2008	28	2007	35	2006	37	2005	41
Davis H FI Gross	● A	5.38	8.36	4.40	2.40			
BC:Gov/Credit Inter	▲ B	5.08	7.39	4.08	1.58			
BC:Gov/Credit Bond	■ C	5.70	7.23	3.78	2.37			

West Palm Beach Police Pension Fund
Collins Capital - FOF
Report For Period Ended December 31, 2008

CURRENT PORTFOLIO ALLOCATION			
INVESTED.....	\$ 6,983,325	.....	100.0%
CASH & EQUIV.....	\$ -	.....	0.0%
TOTAL.....	\$ 6,983,325	.....	100.0%

OBJECTIVE ANALYSIS	STATUS
--------------------	--------

- | | |
|---|-----|
| ♦ Follow stated tactical allocation policy | YES |
| ♦ Maintain low volatility | NO |
| ♦ Maintain low correlation with equity markets | NO |
| ♦ Maintain low correlation with fixed income markets | YES |
| ♦ Exceed 8% annual return over rolling 3-year periods | N/A |
| ♦ Maximum 10% exposure to single strategy manager | YES |
| ♦ Maximum 20% exposure to multi-strategy manager | YES |

INVESTMENT STRATEGY

- ♦ Hedge Fund of Funds
- ♦ Top-down allocation to strategies based on assessment of macroeconomic and market environment
- ♦ Portfolio-level risk/reward analysis with a comprehensive evaluation of the primary drivers of returns
- ♦ Individual manager risk/reward analysis with in-depth on-site review to assess character, discipline, process, and skill of manager
- ♦ Well-defined ongoing monitoring procedure for managers including on-site visits and conference calls
- ♦ Five broad strategies are generally used
- ♦ Employs a large number of managers to achieve diversification

PERFORMANCE (%)	Incept.	Annualized				
		5 Years	3 Years	1 Year	YTD	3 Mos
Inception Date	9/30/07					
Total Return	-18.7%	-	-	-26.4%	-26.4%	-21.5%
8% Annual Return	8.0%	-	-	8.0%	8.0%	1.9%
Out / Underperform						
8% Annual Return	-26.7%	-	-	-34.4%	-34.4%	-23.5%

PORTFOLIO CHARACTERISTICS

	Collins Capital - FOF
Current Yield (%)	-27.6%
Med Mkt Cap (\$mil)	n/a
Avg Mkt Cap (\$mil)	n/a
# of Managers	21
Manager Turnover - 3yr	14.1%
Standard Deviation - 3 yr	11.3%
Correlation to S&P 500	57.4
Correlation to LB Aggregate	-16.7
% Negative Months	22.2%
% Consecutive Negative Mos.	6.0%
Return For Longest Consecutive Negative Mos. Return	-30.2
Total Leverage	1.5
Maximum Draw-Down	(30.2)

COMMENTARY

- ♦ Since inception Collins Capital - FOF has underperformed the core benchmark.
- ♦ For one year Collins Capital - FOF has underperformed the core benchmark.
- ♦ For the quarter Collins Capital - FOF has underperformed the core benchmark.
- ♦ For the quarter, and one year, they ranked in the bottom quartile.
- ♦ Distressed Securities, Multi-Strategy Arb, and Global Macro had the highest Sector Weightings.
- ♦ Global Macro, and Statistical Arbitrage had the highest positive contribution to returns.
- ♦ *Returns hurt by write down of 10% Madoff exposure during this quarter.*

West Palm Beach Police Pension Fund
Collins Capital - FOF
Report For Period Ended December 31, 2008

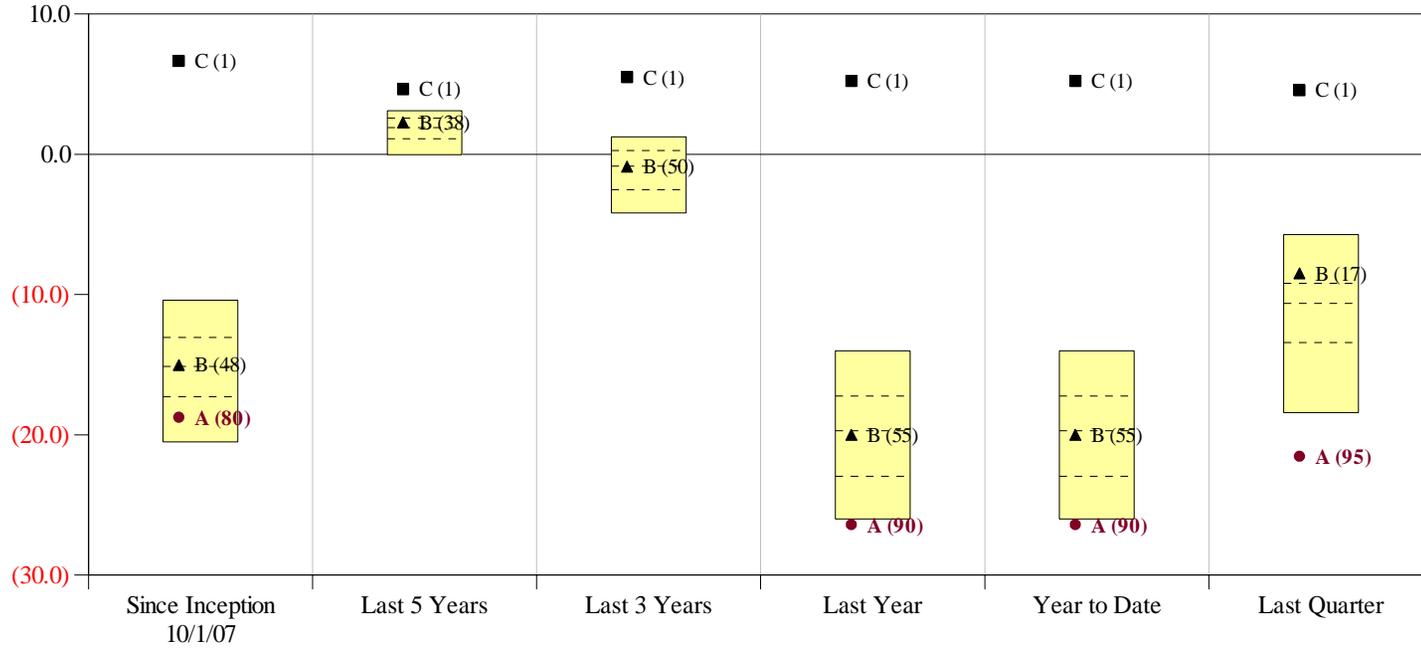
STRATEGY WEIGHTINGS (%)	Collins Capital - FOF
Convertible Arbitrage	0.0
Fixed Income Arbitrage	0.0
Statistical Arbitrage	6.1
Equity Long-Short	1.4
Equity Market Neutral	0.9
Event Driven	6.0
Distressed Securities	53.7
High Yield	0.0
Dedicated Short Bias	0.0
Global Macro	6.2
Emerging Markets	0.0
Managed Futures	0.0
Multi-Strategy Arb	25.6
Trading	0.0

STRATEGY RATE OF RETURN (%)	Collins Capital - FOF
Convertible Arbitrage	N/A
Fixed Income Arbitrage	N/A
Statistical Arbitrage	2.07
Equity Long-Short	(2.10)
Equity Market Neutral	(5.75)
Event Driven	(17.53)
Distressed Securities	(13.42)
High Yield	N/A
Dedicated Short Bias	N/A
Global Macro	3.20
Emerging Markets	N/A
Managed Futures	N/A
Multi-Strategy Arb	(22.29)
Trading	N/A

TOP FIVE MANAGERS

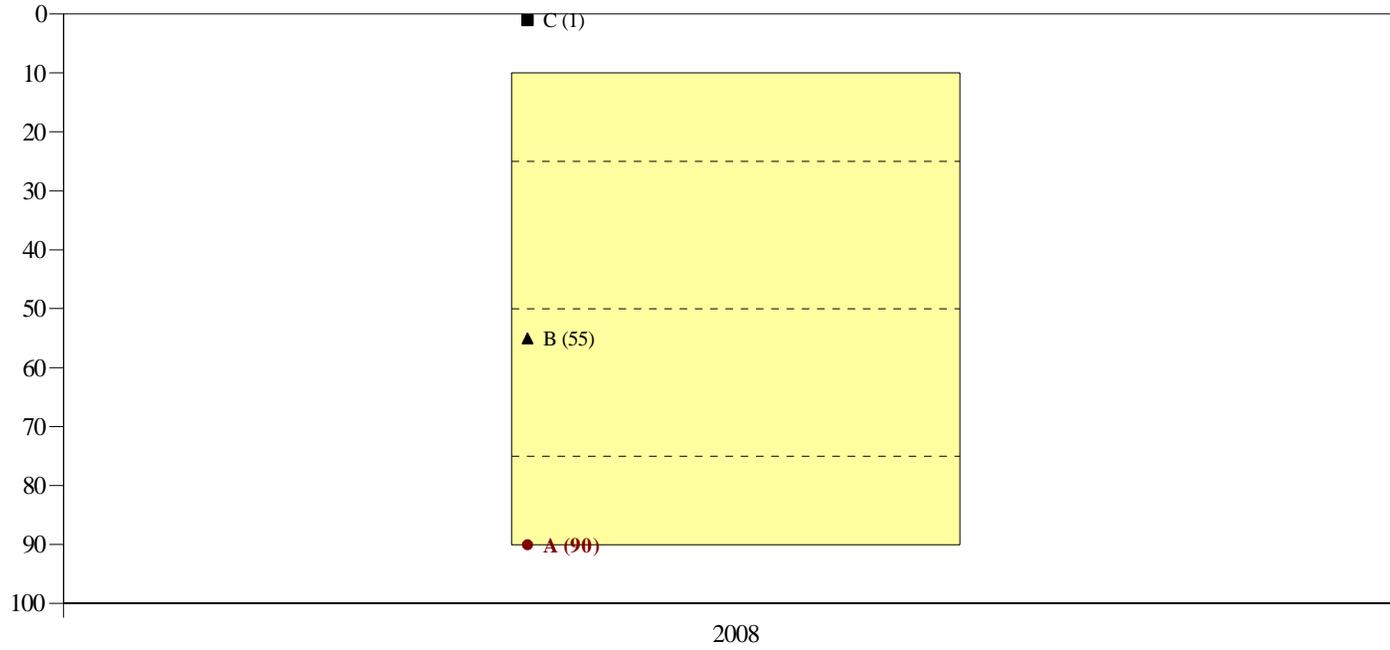
Manager Name	Strategy	% of Portfolio
1) King Street Capital, LP	Event Driven	9.90%
2) DE Shaw Composite Fund, LLC	Relative Value/Arbitrage	7.28%
3) Styx Partners, LP	Event Driven	6.63%
4) Claren Road Credit Partners, LP	Event Driven	6.62%
5) Brevan Howard Multi-Strategy Fund, LP	Global	5.36%

Returns
Collins
Group: Absolute Return Hedge FoF Style
December 31, 2008



10th Percentile	(10.40)	3.12	1.25	(14.02)	(14.02)	(5.74)
25th Percentile	(13.05)	2.59	0.26	(17.23)	(17.23)	(9.21)
Median	(15.11)	1.91	(0.85)	(19.70)	(19.70)	(10.64)
75th Percentile	(17.27)	1.12	(2.52)	(22.97)	(22.97)	(13.42)
90th Percentile	(20.51)	(0.02)	(4.19)	(26.01)	(26.01)	(18.42)
Member Count	46	39	45	46	46	46
Collins	● A (18.74)	--	--	(26.39)	(26.39)	(21.52)
HFR FOF Index	▲ B (15.01)	2.29	(0.88)	(19.99)	(19.99)	(8.48)
BC:Aggr Bond	■ C 6.66	4.65	5.51	5.24	5.24	4.58

ANNUAL RETURNS
 Collins
 Group: Absolute Return Hedge FoF Style
 December 31, 2008



10th Percentile	(14.02)
25th Percentile	(17.23)
Median	(19.70)
75th Percentile	(22.97)
90th Percentile	(26.01)
Member Count	46
Collins ● A	(26.39)
HFR FOF Index ▲ B	(19.99)
BC:Aggr Bond ■ C	5.24

West Palm Beach Police Pension Fund
BENCHMARK HISTORY
BALANCED INDEX COMPOSITION SUMMARY
REPORT FOR PERIODS ENDING December 31, 2008

Since Inception	Weight
S&P 500 Index	42.00 %
S&P MidCap 400 Index	5.00
Russell 2000 Index	5.00
MSCI EAFE Index	7.00
LB Gov/Credit	40.00
90 Day T-Bills	1.00

From: June 1, 2003	Weight
S&P 500 Index	40.00 %
S&P MidCap 400 Index	12.00
Russell 2000 Index	5.00
MSCI EAFE Index	7.00
LB Gov/Credit	35.00
90 Day T-Bills	1.00

From: February 1, 2004	Weight
S&P 500 Index	40.00 %
S&P MidCap 400 Index	12.00
Russell 2000 Index	5.00
MSCI EAFE Index	7.00
LB Int Agg	35.00
90 Day T-Bills	1.00

From: April 1, 2007	Weight
S&P 500 Index	40.00 %
Russell MidCap Index	12.00
Russell 2000 Index	5.00
MSCI EAFE Index	8.00
LB Int Agg	35.00

From: January 1, 2008	Weight
S&P 500 Index	29.00 %
Russell MidCap Index	16.00
Russell 2000 Index	10.00
MSCI EAFE Index	5.00
Citi EMI ex US	5.00
LB Int Agg	30.00
8% Annual Return	5.00

