

**West Palm Beach Police Pension Fund**



**INVESTMENT PERFORMANCE REPORT  
PERIOD ENDING  
September 30, 2008**

Fran M. Coopersmith  
Senior Consultant

**Asset Strategy Consultants**  
1532 Old Okeechobee Road  
West Palm Beach, FL 33409  
P: (561) 253-7500  
F: (561) 253-7501

**BALTIMORE**

**WEST PALM BEACH**

**ATLANTA**



**West Palm Beach Police Pension Fund**  
**TABLE OF CONTENTS**

---

<b>I. EXECUTIVE SUMMARY</b>	<b>PAGE</b>
ECONOMIC UPDATE	1
OVERVIEW	5
INVESTMENT POLICY AND GUIDELINES	6
SUMMARY OF PERFORMANCE	7
ASSET ALLOCATION	10
<b>II. MANAGER PERFORMANCE</b>	
Intech LCC - SA	12
Earnest Partners - SA	18
DHJ LCG - SA	24
Munder Capital MCG - SA	30
Anchor Capital MCV - SA	36
Wells Capital SCG	42
Stratton SCV STSCX	48
DFA Intl Value - DFIVX	52
Driehaus Intl SCG DRIOX	57
DHJ - FI	62
Collins Capital - FOF	67
<b>III. APPENDICES</b>	
A. EXPLANATIONS OF BENCHMARKS	



## DOMESTIC EQUITY Active Management Overview

### Active vs. the Index

In September the ground fell out from beneath equities, placing the world economy at the forefront of the political stage heading into November's presidential election. The initial rejection of the \$700 billion financial bailout package prompted a 778 point slide in the Dow Jones Industrial Average on September 29, 2008 - the largest single-day drop in the history of the index. The approval of the controversial deal a week later was followed by the worst week for the S&P 500 since 1933, despite a global coordinated rate cut that saw the federal funds rate fall to 1.50%. Concerns abounded that a financial crisis caused by an extended period of cheap money can't be solved by even more cheap money. Active managers across all styles and capitalizations struggled. Small cap managers underperformed their benchmarks by a troubling margin, as the median Small Cap Broad manager lost 7.41% compared to the S&P 600 return of -0.85%.

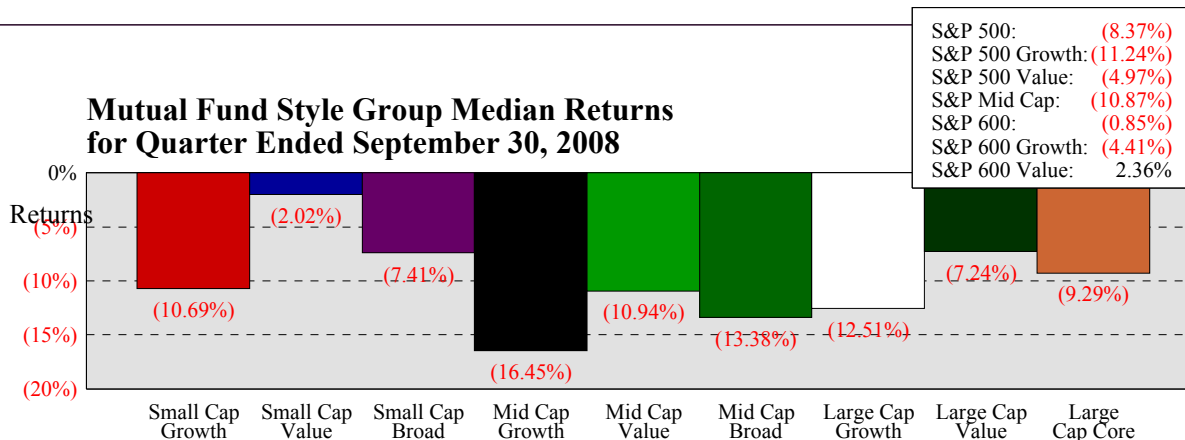
### Large Cap vs. Small Cap

September was a rollercoaster month for Large Cap Financials. It saw the collapse of Lehman Brothers, an investment bank that had survived not only the Great Depression but also the American Civil War. Soon after, the U.S. Treasury took a 79.9% equity stake in insurance giant AIG in exchange for a two year \$85 billion dollar loan at 8.5% over LIBOR. A bevy of other buyouts, bailouts and recapitalizations consolidated much of the banking industry into a handful of uber-banks and caused a late surge in the Financials sector that helped Large Cap managers recoup much of their losses. Small Cap continued its dominance in the third quarter of 2008 with the S&P 600 Value index breaking into positive territory with a 2.36% return, while median Mid Cap managers gave up double-digit negative returns. For the year ended September 30, 2008, median Mid Cap and Large Cap managers were both down over 20% across all style groups.

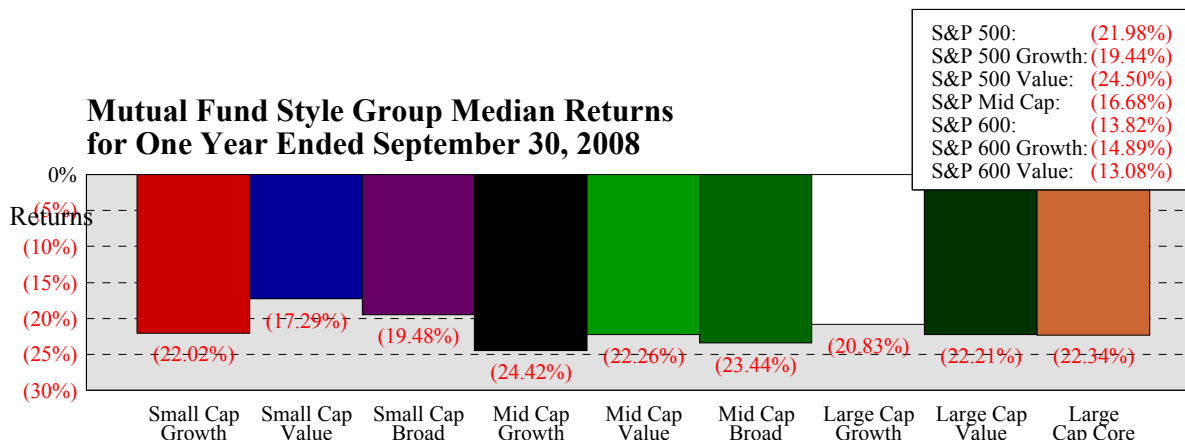
### Growth vs. Value

Value investing got a lift in the third quarter of 2008 from a number of traditional defensive sectors including Utilities, Consumer Staples and even Financials. Higher dividend yields benefited the group, which beat out growth investing in every market cap, as investors still looking for a bottom remain focused on conservative positions. Growth investing suffered from overexposure to the Energy and Consumer Discretionary sectors, as oil plunged under \$90 a barrel and consumers continued to tighten their belts. The median Small Cap Value manager beat the median Small Cap Growth manager by 867 basis points while the median Mid Cap Value and Large Cap Value funds beat their Growth counterparts by 551 and 527 basis points, respectively.

**Mutual Fund Style Group Median Returns  
for Quarter Ended September 30, 2008**



**Mutual Fund Style Group Median Returns  
for One Year Ended September 30, 2008**



## DOMESTIC FIXED-INCOME Active Management Overview

### Active vs. the Index

The Federal Reserve, through the FOMC, decided to hold interest rates at 2.0% in the third quarter as speculation mounted on easing monetary policy in the beginning of the fourth quarter. The Fed said inflation and growth are significant concerns while the tight credit conditions will continue to put pressure on future growth. In the wake of this tumultuous quarter, the Lehman Aggregate (now owned by Barclays) beat the median Core Bond return by 315 basis points and both were negative for the quarter at -0.49% and -3.64%, respectively. For the year ended September 30, 2008, the Lehman Aggregate returned 3.65%, 603 basis points ahead of the median Core Bond fund's loss of 2.38%.

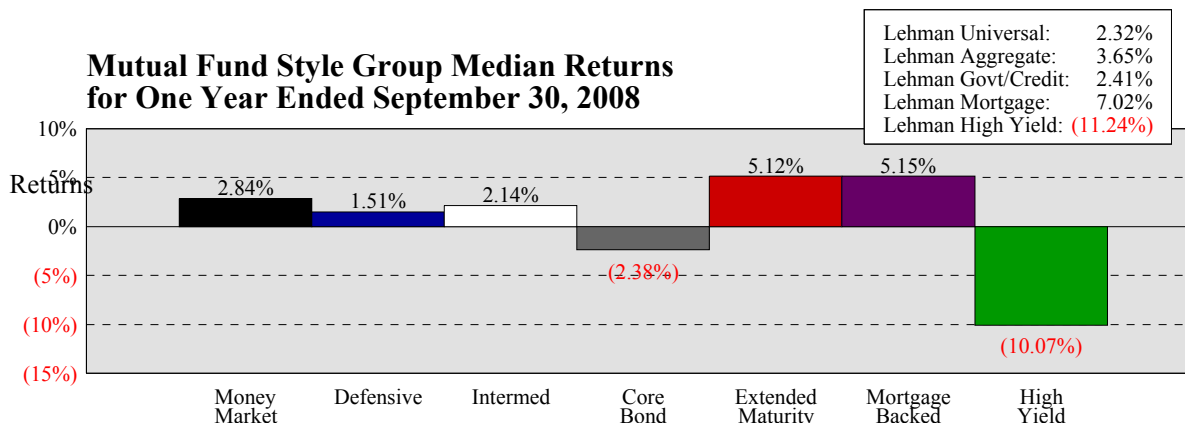
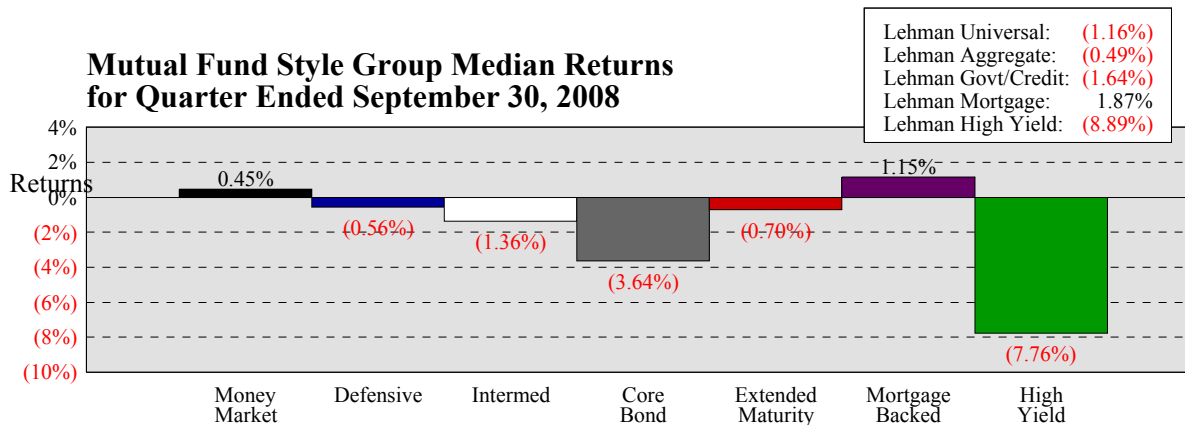
### Short vs. Long Duration

The third quarter of 2008 saw extreme volatility in both the stock and bond markets and investors were reminded that even short-term funds were not 100% guaranteed. When liquidity issues plague the U.S. and global financial markets, cash is king. The one-month Treasury Bill returned close to zero percent for the last two weeks of September, ranging from 0.07% to 0.76%. Aggressive measures by the Fed and Treasury to shore up confidence by guaranteeing money market funds did not go far, as most large institutions continued to feel a pinch in short term liquidity. As the yield curve continued to normalize from last year's slight inversion, the median Extended Maturity fund beat the median Intermediate fund by 66 basis points for the quarter ended September 30, 2008 though both were negative. Similarly, the

one-year numbers painted a parallel picture with the median Extended Maturity fund returning 298 basis points more than the median Intermediate fund at 5.12% and 2.14%, respectively.

### Mortgages and High Yield

The rescue of Fannie Mae and Freddie Mac was just one of many major developments in the domestic bond market. The median Mortgage Backed manager returned 1.15% for the quarter, slightly less than the Lehman Mortgage Index return of 1.87%. An overall flight to quality by investors had billions of dollars flowing into cash equivalents while credit ratings remained under tight scrutiny. This was especially apparent when looking at the Lehman High Yield Index return of -8.89% for the quarter, matched by the median High Yield fund's 7.76% loss. This was by far the worst performing style group in the domestic fixed-income market. One-year returns for the index and median fund continued to suffer losing 11.24% and 10.07%, respectively.



## INTERNATIONAL EQUITY Active Management Overview

### Active vs. the Index

The international markets were down dramatically in the third quarter of 2008. The global economy faced the continued (and seemingly unending) effects of the subprime mortgage collapse, the lingering credit contraction and a complete overhaul of financial markets. The threat of a global recession began in early July. Some noteworthy reactions included the full guarantee of bank deposits, the bailout or nationalization of European banks, liquidity injections, bans on short selling and interest rate cuts. It is apparent that investor and consumer fears drove global markets for all international funds to post dismal double-digit negative returns for the three months ended September 30, 2008. The median Core International fund lost 19.45%, beating the MSCI EAFE by 111 basis points. For the last 12 months, the median Core fund was ahead of the index by 191 basis points.

### Europe

Banks worldwide experienced the same dilemma. They required capital to cover large losses but had no access to liquidity in the current credit environment. In response, the British government injected capital, stimulated the short-term markets by lending to banks and planned to guarantee bank debt. However, the effects of such actions remain to be seen. The median Europe fund fell 19.86% for the quarter, while the MSCI Europe Index lost 20.77%. For the year ended September 30, 2008, the median Europe fund was down 29.68%, 1.25% better than its benchmark.

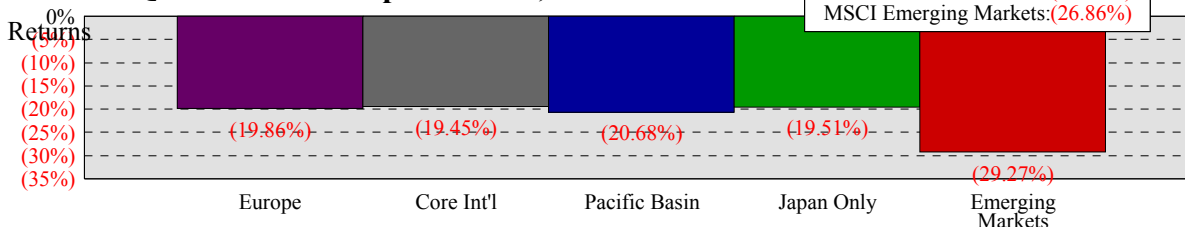
### Pacific

Decreased consumer confidence and a fall in exports (not likely to turn around in the near future due to the strengthening of the yen) resulted in a weaker Japan. The median Japan Only fund posted a loss of 19.51% for the quarter. Consequently, the median Pacific Basin fund also lost ground and posted a 20.68% loss, 58 basis points behind its benchmark, the MSCI Pacific Index. The median Pacific Basin fund was the worst performing among international markets for the year, posting a staggering loss of 39.46% and underperforming the MSCI Pacific Index by a margin of 9.85%.

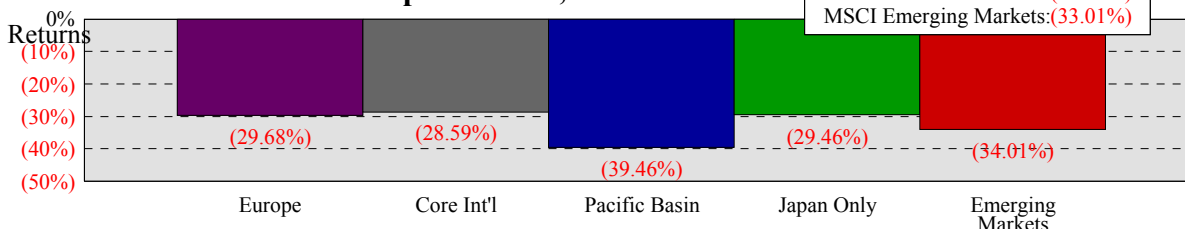
### Emerging Markets

Despite China's economic resiliency in the current market environment, the claim that emerging markets have decoupled from Western economies has been put to rest. The median Emerging Markets fund plummeted 29.27% eliminating any gains reaped in the past 12 months. The region underperformed its benchmark, falling short of the MSCI Emerging Markets Index by 241 basis points for the quarter. In addition, the fall in commodity prices alleviated fears of inflation among developed economies and greatly reduced export earnings among emerging markets (most notably in Brazil). Despite large bank reserves and other defenses against the turmoil in developed markets, the median Emerging Markets fund posted a loss of 34.01% for the year ended September 30, 2008, 1% lower than its benchmark.

**Mutual Fund Style Group Median Returns  
for Quarter Ended September 30, 2008**



**Mutual Fund Style Group Median Returns  
for One Year Ended September 30, 2008**



## INTERNATIONAL FIXED-INCOME Active Management Overview

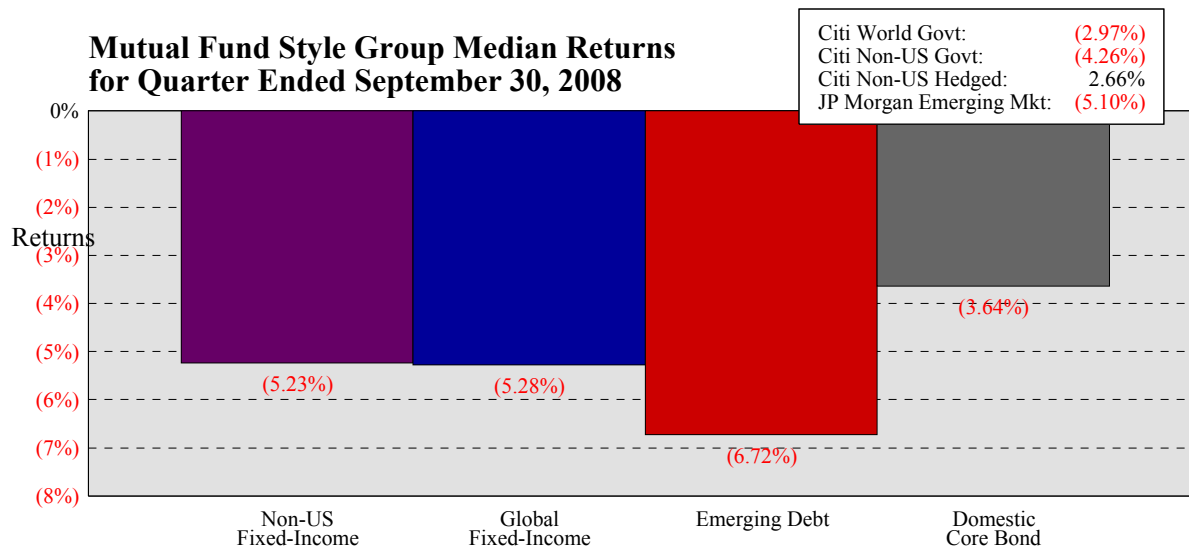
### Active vs. the Index

The third quarter for the global economy was characterized by a sharp increase in volatility and losses across emerging and developed markets. On September 29th, amid growing intervention from the Fed and Treasury, the European Central Bank said it will make additional funds available to banks through the end of the year. Both the median Non-U.S. Fixed-Income and median Global Fixed-Income funds underperformed their benchmarks for the third quarter. The median Non-U.S. Fixed-Income fund underperformed its Citi Non-U.S. Govt benchmark by 97 basis points; the median Global Fixed-Income fund underperformed the Citi World Govt Index by 231 basis points. For the year ended September 30th 2008, the median Non-U.S. Fixed-Income fund posted a positive return of 0.19% but was still 496 basis points below the Citi Non-U.S. Govt Index return. The median Global Fixed-Income fund also underperformed its benchmark, the Citi World Govt Index, by 729 basis points.

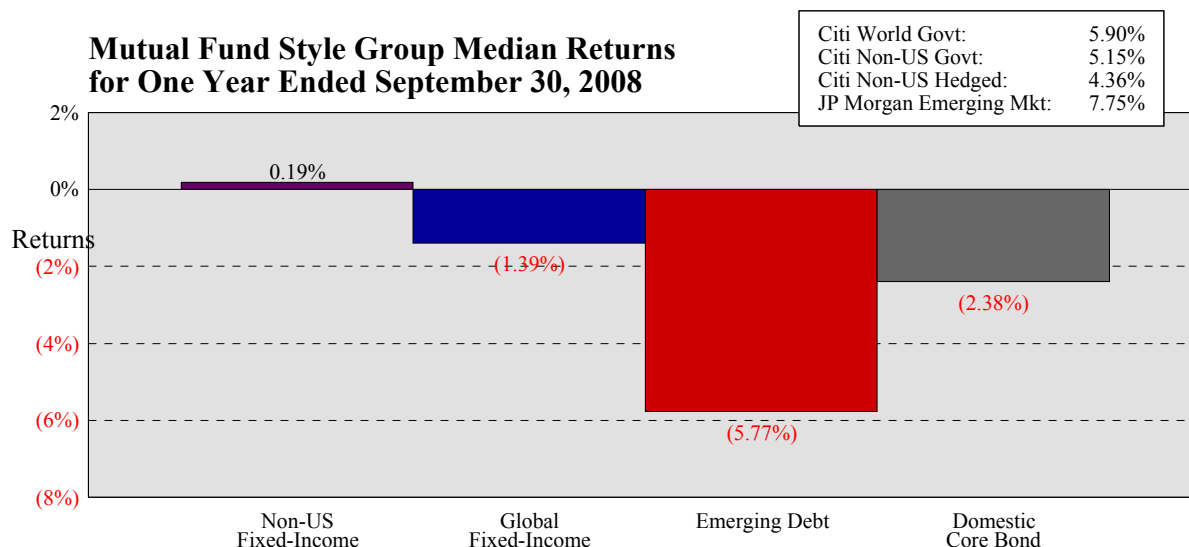
### Emerging Markets

Emerging Markets was the worst performing group for the third quarter of 2008 and the year ending September 30, 2008. A few key factors that drove market activity in emerging markets were the ongoing credit crisis, increasing political risk in key emerging markets and slowing growth despite falling prices on natural resources. The median Emerging Debt fund underperformed the JP Morgan Emerging Market Index's return of -5.10% by 162 basis points. The contrast between the median Emerging Debt fund and its index was much starker for the year ended September 30th, 2008; the index gained 7.75% while the median Emerging Debt fund lost 5.77%.

**Mutual Fund Style Group Median Returns  
for Quarter Ended September 30, 2008**



**Mutual Fund Style Group Median Returns  
for One Year Ended September 30, 2008**





**West Palm Beach Police Pension Fund  
OVERVIEW**

**PORTFOLIO EVALUATION**

- ♦ The Fund's total market value as of September 30, 2008 was \$159,009,774.
- ♦ The Fund had a return of:
 

<i>Since Inception</i>	3.65%
<i>Year To Date</i>	-12.18%
<i>Quarter</i>	-8.54%

**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**

	<b>Current Quarter</b>
<b><u>Beginning Market Value</u></b>	<b>177,938,070</b>
Contribution	0
Distribution	0
<b>Net Contribution (Distribution)</b>	<b>0</b>
 <b>Investment Performance</b>	
Income	1,362,720
Fees	-120,592
Gains / Losses	-16,561,539
<b>Total Asset Value Changes</b>	<b>-15,319,410</b>
 <b>Non Investment Cash Changes</b>	 <b>-1,239,155</b>
 <b><u>Ending Market Value (Net of Fees)</u></b>	 <b><u>161,379,504</u></b>

**CONSULTANT COMMENTARY & RECOMMENDATIONS**

**BLENDING INDICES CHANGED TO REFLECT CURRENT ALLOCATIONS**

- ♦ Portfolio underperformed for the quarter in a volatile market.
- ♦ Credit crunch continued to impact both bond and equity markets.
- ♦ No place to hide as Equities, Bonds, and Hedge Funds were negative in the quarter.
- ♦ Hedge Funds hurt by restrictions in short selling and the lack of liquidity in the bond markets.
- ♦ Earnest Partners hurt by early overweight in Financials.
- ♦ International worst absolute performance.
- ♦ Holding higher levels of cash to preserve capital.
- ♦ Intercontinental Real Estate Open End Fund to be funded in 4Q.
- ♦ 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
-0.06%	●
0.98	●
-0.02	●
6.02%	●

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
<b>Fully Invested</b>											
Maximum 6% in Cash Equivalents	●	●	●	●	●	●	●	●	●	●	●
<b>Eligible Securities</b>											
Common Stock or Equivalent	●	●	●	●	●	●	●	●	●	●	●
No more than 0% of portfolio in below investment grade securities										●	
<b>Diversification</b>											
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		●		●	●	●	●	●	●		
<b>Fixed Income Objectives</b>											
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										●	
<b>Liquidity</b>											
No Non- Marketable Securities Without prior Approval	●	●	●	●	●	●	●	●	●	●	●
<b>Performance Goals - 3 year period or since inception</b>											
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 September 30, 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	<b>Total Plan Composite</b>	\$ 161,379,504	-4.1%	12/31/2001	3.6%	6.0%	2.2%	-11.4%	-12.2%	-11.4%	-8.5%
		<i>Blended Index</i>		-5.6%		4.7%	5.8%	2.2%	-13.0%	-12.1%	-13.0%	-6.5%
65.0 %	60.7 %	<b>All Equity Composite</b>	\$ 97,963,027	-9.2%	1/31/2004	3.1%	-	0.3%	-19.5%	-19.0%	-19.5%	-11.9%
		<i>Blended Equity Index</i>		-11.1%		4.0%	-	0.7%	-21.9%	-19.2%	-21.9%	-10.1%
55.0 %	52.6 %	<b>Domestic Equitiy</b>	\$ 84,908,459									
29.0	27.6	<b>LargeCap Equity</b>	\$ 44,570,497									
11.0	10.6	<b>Intech LCC - SA</b>	17,143,149	-10.8%	06/30/06	-2.4%	-	-	-19.2%	-19.0%	-19.2%	-8.1%
		<i>S&amp;P 500</i>		-10.5%		-1.8%	-	-	-22.0%	-19.3%	-22.0%	-8.4%
9.0	8.1	<b>Earnest Partners - SA</b>	13,048,883	N/A	10/25/07	-28.5%	-	-	-	-24.7%	-	-11.1%
		<i>Russell 1000</i>		N/A		-23.4%	-	-	-	-19.4%	-	-9.3%
		<i>Russell 1000 V</i>		N/A		-23.6%	-	-	-	-18.9%	-	-6.1%
9.0	8.9	<b>DHJ LCG - SA</b>	14,378,465	-4.6%	12/31/01	0.8%	3.4%	0.8%	-16.8%	-16.8%	-16.8%	-10.3%
		<i>Russell 1000</i>		-10.8%		2.6%	5.5%	0.2%	-22.0%	-19.4%	-22.0%	-9.3%
		<i>Russell 1000 G</i>		-8.1%		0.3%	3.7%	0.0%	-20.9%	-20.3%	-20.9%	-12.3%
16.0	15.2	<b>MidCap Equity</b>	\$ 24,487,043									
8.0	7.4	<b>Munder Capital MCG - SA</b>	11,871,375	N/A	01/18/08	-14.2%	-	-	-	-14.2%	-	-16.1%
		<i>Russell Mid</i>		N/A		-19.5%	-	-	-	-19.5%	-	-12.9%
		<i>Russell Mid G</i>		N/A		-23.3%	-	-	-	-23.3%	-	-17.7%
8.0	7.8	<b>Anchor Capital MCV - SA</b>	12,615,669	-5.3%	04/30/03	12.8%	12.0%	5.1%	-13.6%	-13.9%	-13.6%	-8.8%
		<i>Russell Mid</i>		-12.8%		11.2%	8.6%	0.1%	-22.4%	-19.5%	-22.4%	-12.9%
		<i>Russell Mid V</i>		-14.2%		12.2%	10.0%	0.5%	-20.5%	-15.5%	-20.5%	-7.5%
10.0	9.8	<b>Small Cap Equity</b>	\$ 15,850,918									
5.0	5.0	<b>Wells Capital SCG</b>	8,027,638	N/A	12/17/07	-17.1%	-	-	-	-17.1%	-	-4.2%
		<i>Russell 2000</i>		N/A		-10.4%	-	-	-	-10.4%	-	-1.1%
		<i>Russell 2000 G</i>		N/A		-14.8%	-	-	-	-14.8%	-	-6.9%
5.0	4.8	<b>Stratton SCV STSCX</b>	7,823,280	N/A	10/31/07	-15.0%	-	-	-	-7.5%	-	-9.1%
		<i>Russell 2000</i>		N/A		-16.9%	-	-	-	-10.4%	-	-1.1%
		<i>Russell 2000 V</i>		N/A		-13.2%	-	-	-	-5.4%	-	4.9%
10.0 %	8.1 %	<b>International Equity</b>	\$ 13,054,568									
5.0	4.3	<b>DFA Intl Value - DFIVX</b>	6,886,458	N/A	12/10/07	-30.0%	-	-	-	-28.7%	-	-17.8%
		<i>MSCI EAFE</i>		N/A		-30.9%	-	-	-	-29.3%	-	-20.5%
		<i>MSCI EAFE V</i>		N/A		-32.0%	-	-	-	-30.3%	-	-19.1%
5.0	3.8	<b>Driehaus Intl SCG DRIOX</b>	6,168,110	N/A	12/10/07	-35.9%	-	-	-	-36.7%	-	-29.9%
		<i>S&amp;P/Citi EMI ex-US</i>		N/A		-27.2%	-	-	-	-25.3%	-	-17.0%
30.0 %	32.2 %	<b>Total Fixed Income</b>	\$ 52,036,367	4.7%	1/31/2004	3.9%	-	4.4%	3.8%	0.6%	3.8%	-1.6%
		<i>Blended Fixed Index</i>		4.4%		3.8%	-	4.4%	4.2%	1.2%	4.2%	-0.1%
30.0 %	32.2 %	<b>Domestic Fixed Income</b>	\$ 52,036,367									
30.0	32.2	<b>DHJ - FI</b>	52,036,367	4.7%	01/31/04	3.9%	-	4.4%	3.8%	0.6%	3.8%	-1.6%
		<i>LB Int. Aggregate</i>		4.4%		3.8%	-	4.4%	4.2%	1.2%	4.2%	-0.1%
5.0 %	7.1 %	<b>Other</b>	\$ 11,380,110									
5.0 %	5.6 %	<b>Hedge Funds</b>	\$ 9,010,380									
5.0	5.6	<b>Collins Capital - FOF</b>	9,010,380	N/A	09/30/07	-1.7%	-	-	-1.7%	-6.2%	-1.7%	-9.9%
		<i>8% Annual Return</i>		N/A		8.0%	-	-	8.0%	5.9%	8.0%	1.9%
		<b>Cash</b>	2,369,730									

\*Currently the Blended Index is comprised of 29% S&P 500; 16% Russell Midcap; 10% Russell 2000; 5% EAFE; 5% Citi EMI ex US; 30% LB Gov/Credit; 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% Citi EMI ex US.

\*Currently the Blended Fixed Income Index is composed of 100% LB Int Credit

Please see Appendix A for benchmark history.

**Performance returns are net of investment management fees.**

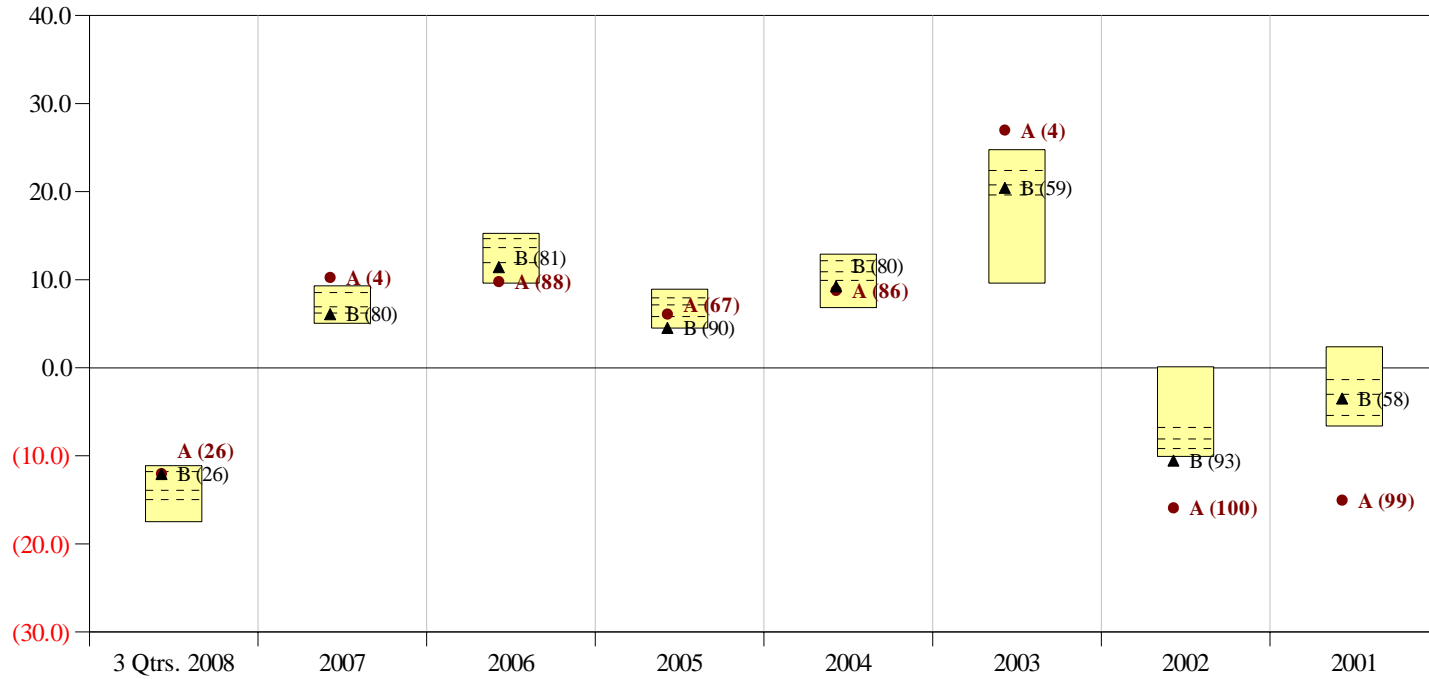
Calculated returns may differ from manager's due to difference in security pricing and/or cash flows.

Returns  
Total Plan Gross  
Group: CAI Public Fund - Mid (100mm-1B)  
September 30, 2008



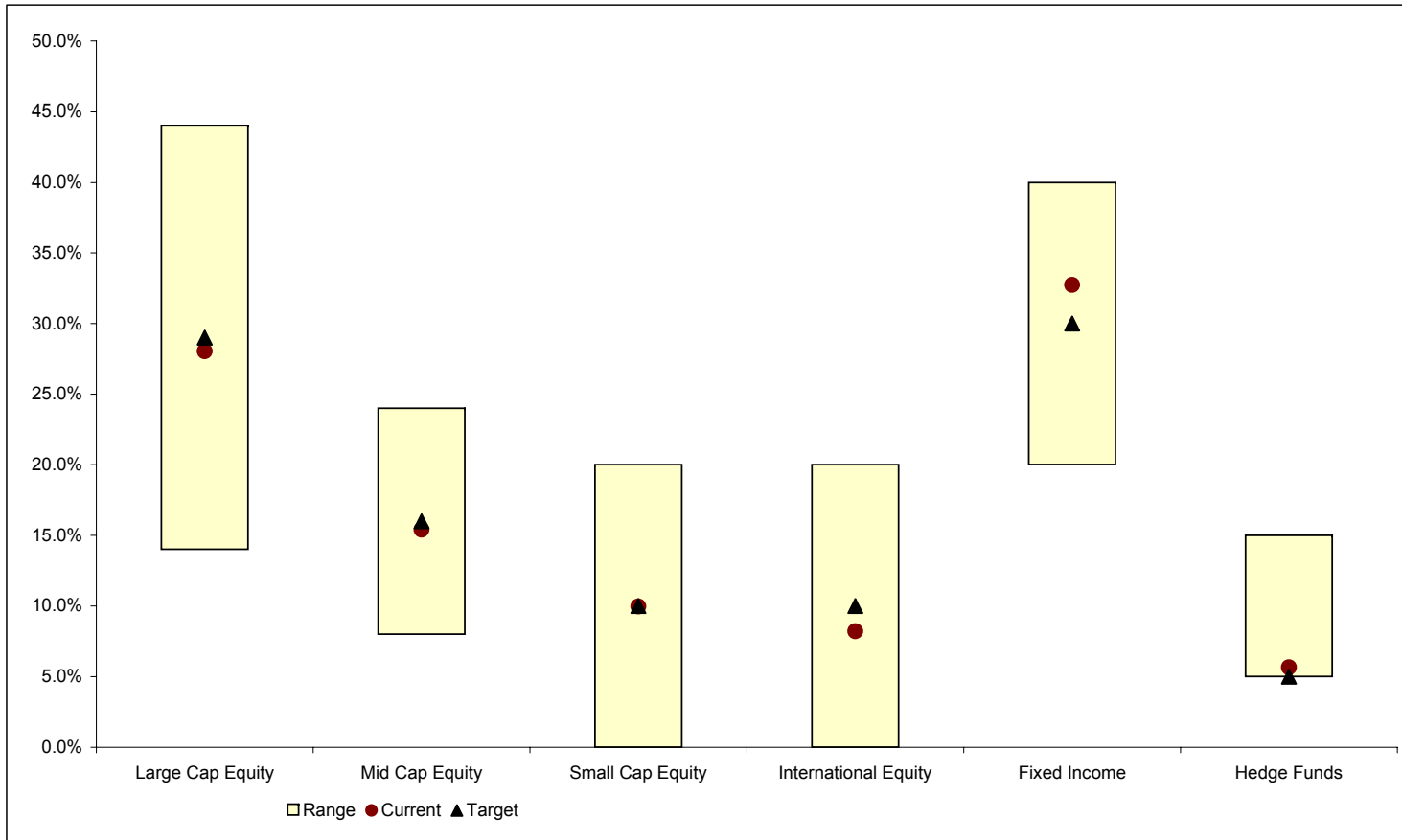
10th Percentile	4.85	7.09	3.31	(11.26)	(11.10)	(6.06)
25th Percentile	3.98	6.67	2.93	(13.14)	(11.77)	(6.97)
Median	3.64	6.15	2.18	(14.94)	(13.91)	(7.91)
75th Percentile	2.58	5.02	1.50	(16.82)	(14.96)	(8.73)
90th Percentile	1.79	4.61	0.50	(19.03)	(17.47)	(9.80)
Member Count	23	31	31	31	31	31
Total Plan Gross	1.04	6.51	2.69	(10.75)	(12.00)	(8.58)
65/35	2.11	5.13	1.84	(13.07)	(12.05)	(5.57)

ANNUAL RETURNS  
Total Plan Gross  
Group: CAI Public Fund - Mid (100mm-1B)  
September 30, 2008



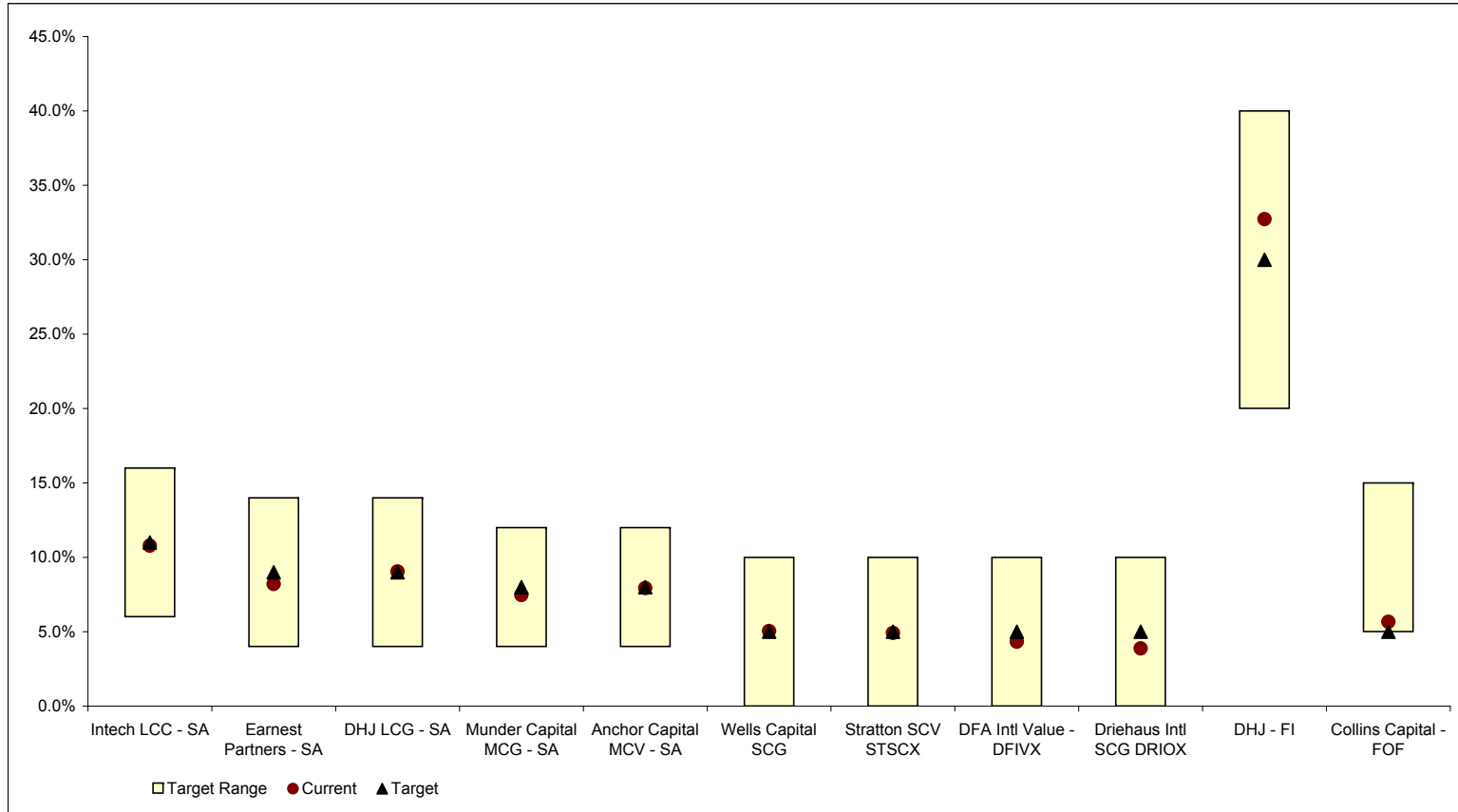
10th Percentile	(11.10)	9.32	15.27	8.93	12.91	24.78	0.13	2.38
25th Percentile	(11.77)	8.55	14.68	7.96	12.18	22.41	(6.76)	(1.34)
Median	(13.91)	6.93	13.65	7.14	10.91	20.77	(8.07)	(3.00)
75th Percentile	(14.96)	6.23	11.93	5.82	9.93	19.62	(9.17)	(5.41)
90th Percentile	(17.47)	5.06	9.62	4.53	6.83	9.62	(10.05)	(6.60)
Member Count	31	38	32	34	32	31	31	30
Total Plan Gross	● A (12.00)	10.27	9.80	6.12	8.80	27.01	(15.89)	(15.02)
65/35	▲ B (12.05)	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%	28.0%
Mid Cap Equity	8.0%	24.0%	16.0%	15.4%
Small Cap Equity	0.0%	20.0%	10.0%	10.0%
International Equity	0.0%	20.0%	10.0%	8.2%
Fixed Income	20.0%	40.0%	30.0%	32.7%
Hedge Funds	5.0%	15.0%	5.0%	5.7%
<b>Total</b>			<b>100.0%</b>	<b>100.0%</b>

**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%	10.8%
Earnest Partners - SA	4.0%	9.0%	14.0%	8.2%
DHJ LCG - SA	4.0%	9.0%	14.0%	9.0%
Munder Capital MCG - SA	4.0%	8.0%	12.0%	7.5%
Anchor Capital MCV - SA	4.0%	8.0%	12.0%	7.9%
Wells Capital SCG	0.0%	5.0%	10.0%	5.0%
Stratton SCV STSCX	0.0%	5.0%	10.0%	4.9%
DFA Intl Value - DFIVX	0.0%	5.0%	10.0%	4.3%
Driehaus Intl SCG DRIOX	0.0%	5.0%	10.0%	3.9%
DHJ - FI	20.0%	30.0%	40.0%	32.7%
Collins Capital - FOF	5.0%	5.0%	15.0%	5.7%
<b>Total</b>	<b>47.0%</b>	<b>100.0%</b>	<b>163.0%</b>	<b>100.0%</b>

**West Palm Beach Police Pension Fund**  
**Intech LCC - SA**  
**Report For Period Ended September 30, 2008**

CURRENT PORTFOLIO ALLOCATION			
DOMESTIC EQUITY.....	\$ 16,987,393	.....	99.1%
CASH & EQUIV.....	\$ 155,756	.....	0.9%
TOTAL.....	\$ 17,143,149	.....	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					
<b>Total Return</b>	<b>-2.4%</b>	-	-	<b>-19.2%</b>	<b>-19.0%</b>	<b>-8.1%</b>
S&P 500	-1.8%	-	-	-22.0%	-19.3%	-8.4%
Out / Underperform						
S&P 500	-0.6%	-	-	2.8%	0.3%	0.3%

PORTFOLIO CHARACTERISTICS		
---------------------------	--	--

	Intech LCC - SA	S&P 500
Trailing 12 Month P/E (x)	19.2	13.5
Price/Book (x)	3.3	2.7
Yield (%)	2.8	2.4
5 Yr Earnings Gro	22.2	N/A
Med Mkt Cap (\$mil)	12,416	9,424
Avg Mkt Cap (\$mil)	79,065	86,467
# of Holdings	349	499
Turnover	20.3	N/A
Alpha	-0.1	-
Beta	1.0	-
Standard Deviation - 3 Years	11.7%	11.4%

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, Utilities, and Consumer Discretionary had the highest Sector Overweightings.
- Information Technology, Financials, and Health Care had the highest Sector Underweightings.
- Financials, Consumer Discretionary, and Information Technology had the highest Sector Overperformance.
- Utilities, Industrials, and Health Care had the highest Sector Underperformance.
- Financials had the highest positive contribution to returns.
- Energy had the greatest negative impact on returns.
- *Good Financial stock selection was offset by poor Utility stock selection.*



**West Palm Beach Police Pension Fund**  
**Intech LCC - SA**  
**Report For Period Ended September 30, 2008**

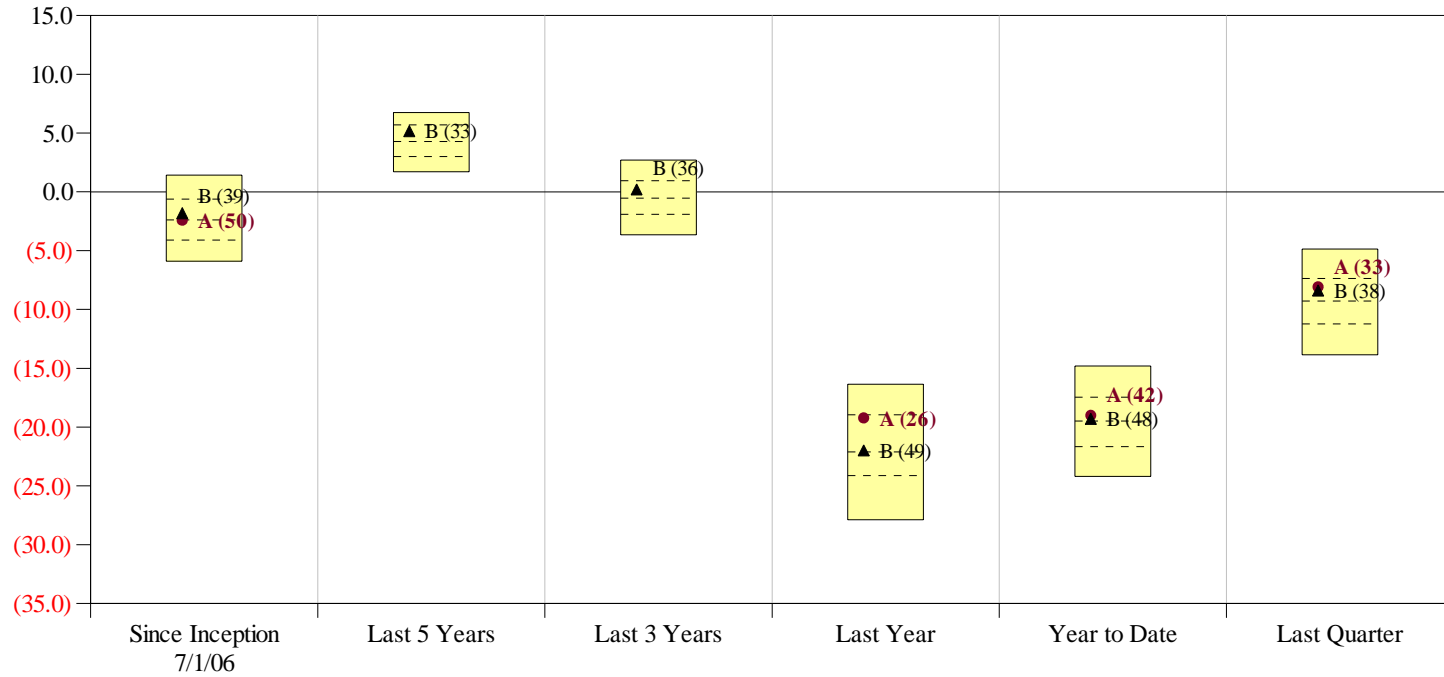
SECTOR WEIGHTINGS (%)	Intech LCC - SA	S&P 500	Difference
Consumer Discretionary	10.04	8.60	1.44
Consumer Staples	12.25	12.30	(0.05)
Energy	13.99	13.40	0.59
Financials	13.80	15.80	(2.00)
Health Care	12.23	13.10	(0.87)
Industrials	13.05	11.10	1.95
Information Technology	12.12	15.90	(3.78)
Materials	3.44	3.40	0.04
Telecommunication Services	4.09	3.10	0.99
Utilities	4.99	3.50	1.49
Cash	0.74	0.00	0.74

SECTOR RATE OF RETURN (%)	Intech LCC - SA	S&P 500	Difference
Consumer Discretionary	2.72	(0.60)	3.32
Consumer Staples	3.94	4.80	(0.86)
Energy	(24.52)	(24.60)	0.08
Financials	6.67	0.90	5.77
Health Care	(0.81)	0.50	(1.31)
Industrials	(10.74)	(8.60)	(2.14)
Information Technology	(11.23)	(11.70)	0.47
Materials	(21.97)	(22.40)	0.43
Telecommunication Services	(14.71)	(14.80)	0.09
Utilities	(26.73)	(18.00)	(8.73)

**TOP TEN HOLDINGS**

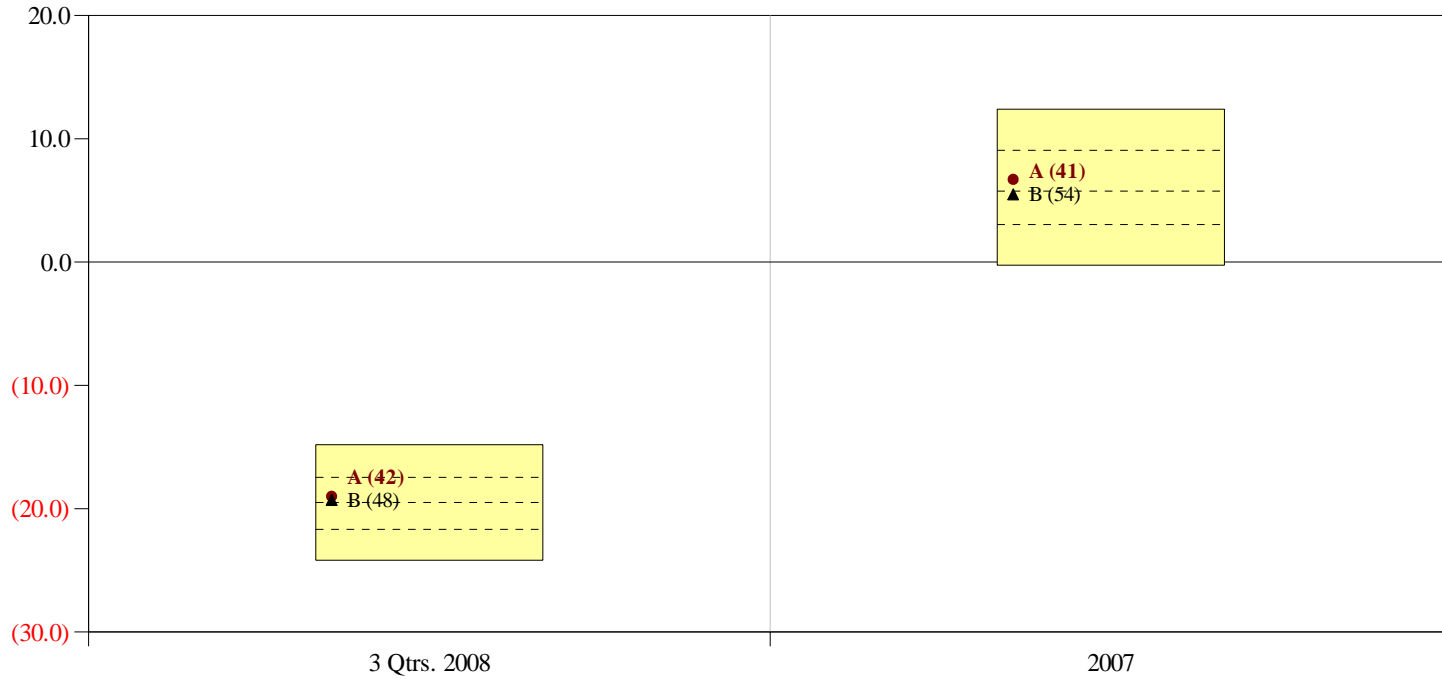
Holdings	% of Portfolio
1) EXXON MOBIL CORP	4.93%
2) AT&T	3.45%
3) GENERAL ELECTRIC CO	3.26%
4) PROCTER & GAMBLE CO	2.41%
5) COCA-COLA CO/THE	1.96%
6) MERCK & CO INC	1.88%
7) HEWLETT-PACKARD CO	1.71%
8) CHEVRON CORP	1.62%
9) BANK OF AMERICA CORP	1.37%
10) PEPSICO INC	1.27%

Returns  
Intech LCC  
Group: Lipper: Large-Cap Core Funds  
September 30, 2008



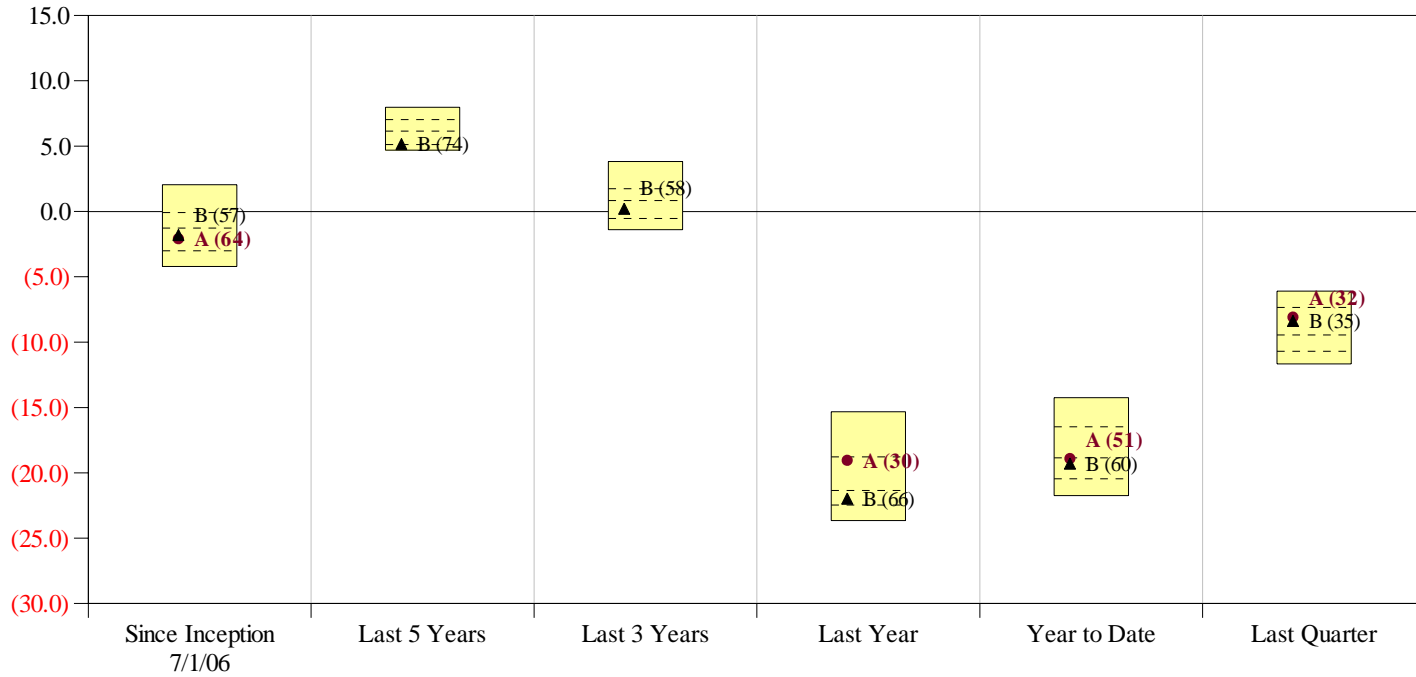
10th Percentile	1.43	6.76	2.70	(16.35)	(14.79)	(4.85)
25th Percentile	(0.61)	5.70	0.96	(18.95)	(17.45)	(7.37)
Median	(2.38)	4.29	(0.53)	(22.11)	(19.49)	(9.28)
75th Percentile	(4.09)	3.01	(1.90)	(24.11)	(21.67)	(11.22)
90th Percentile	(5.88)	1.72	(3.65)	(27.86)	(24.18)	(13.85)
Member Count	773	594	707	845	862	909
Intech LCC ● A	(2.41)	--	--	(19.21)	(18.99)	(8.06)
S&P:500 ▲ B	(1.80)	5.17	0.22	(21.98)	(19.29)	(8.37)

ANNUAL RETURNS  
 Intech LCC  
 Group: Lipper: Large-Cap Core Funds  
 September 30, 2008



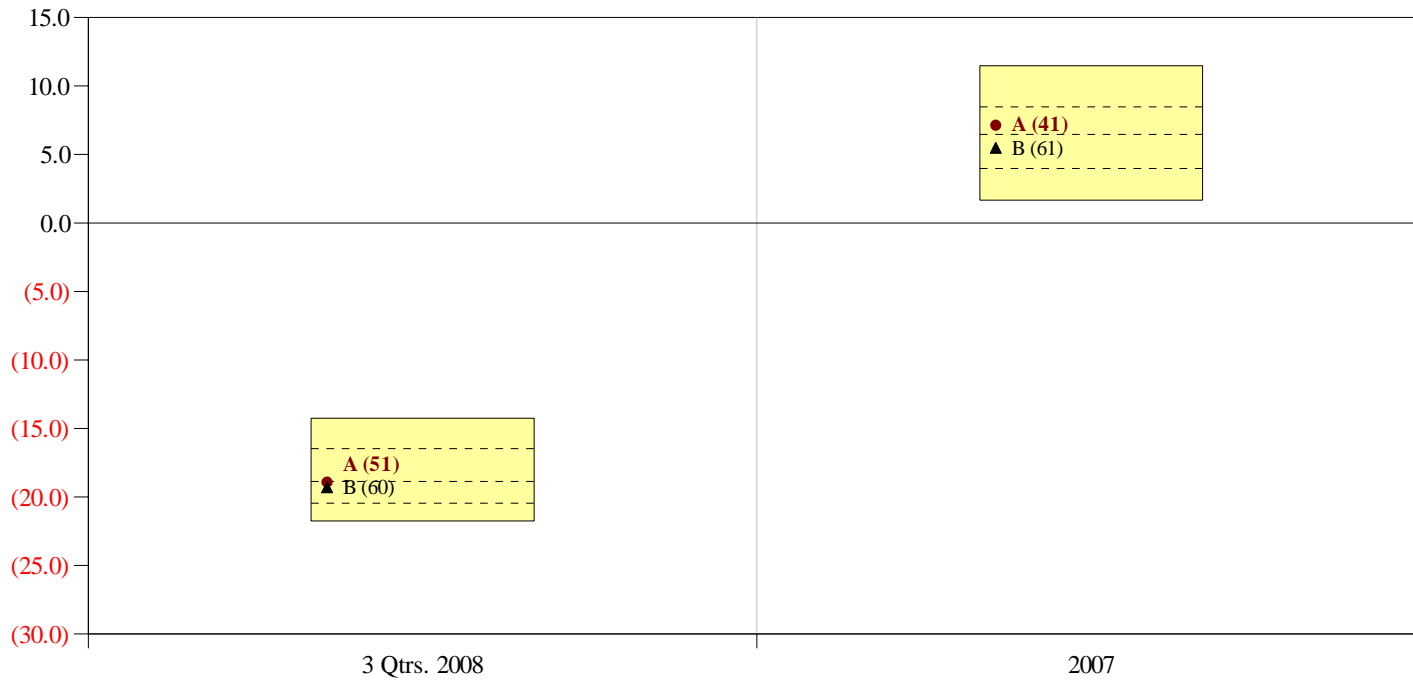
10th Percentile	(14.79)	12.42
25th Percentile	(17.45)	9.06
Median	(19.49)	5.75
75th Percentile	(21.67)	3.04
90th Percentile	(24.18)	(0.26)
Member Count	862	808
Intech LCC ● A	(18.99)	6.72
S&P:500 ▲ B	(19.29)	5.49

Returns  
 Intech LCC Gross  
 Group: CAI Large Cap Core Style  
 September 30, 2008



10th Percentile	2.06	7.98	3.83	(15.33)	(14.24)	(6.09)
25th Percentile	(0.08)	7.03	1.74	(18.78)	(16.48)	(7.34)
Median	(1.27)	6.15	0.84	(21.35)	(18.85)	(9.44)
75th Percentile	(3.00)	5.13	(0.52)	(22.46)	(20.45)	(10.70)
90th Percentile	(4.21)	4.69	(1.39)	(23.65)	(21.73)	(11.66)
Member Count	49	49	49	49	49	49
Intech LCC Gross	● A	--	--	(19.03)	(18.90)	(8.07)
S&P:500	▲ B	5.17	0.22	(21.98)	(19.29)	(8.37)

ANNUAL RETURNS  
 Intech LCC Gross  
 Group: CAI Large Cap Core Style  
 September 30, 2008



10th Percentile	(14.24)	11.48
25th Percentile	(16.48)	8.48
Median	(18.85)	6.47
75th Percentile	(20.45)	3.98
90th Percentile	(21.73)	1.67
Member Count	49	50
Intech LCC Gross	● A (18.90)	7.15
S&P:500	▲ B (19.29)	5.49

**West Palm Beach Police Pension Fund**  
**Earnest Partners - SA**  
**Report For Period Ended September 30, 2008**

CURRENT PORTFOLIO ALLOCATION			
DOMESTIC EQUITY.....	\$ 12,403,388	.....	95.1%
CASH & EQUIV.....	\$ 645,495	.....	4.9%
TOTAL.....	\$ 13,048,883	.....	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					
<b>Total Return</b>	<b>-28.5%</b>	-	-	-	<b>-24.7%</b>	<b>-11.1%</b>
Russell 1000	-23.4%	-	-	-	-19.4%	-9.3%
Russell 1000 V	-23.6%	-	-	-	-18.9%	-6.1%
Out / Underperform						
Russell 1000	-5.1%	-	-	-	-5.3%	-1.8%
Out / Underperform						
Russell 1000 V	-4.9%	-	-	-	-5.9%	-5.0%

PORTFOLIO CHARACTERISTICS		
	Earnest Partners - SA	Russell 1000 V
Trailing 12 Month P/E (x)	12.0	12.7
Price/Book (x)	2.0	1.7
Yield (%)	2.4	3.2
5 Yr Earnings Gro	11.8	N/A
Med Mkt Cap (\$mil)	29,028	3,783
Avg Mkt Cap (\$mil)	55,255	90,720
# of Holdings	44	662
Turnover	N/A	N/A
Alpha	-1.6	-
Beta	1.1	-
Standard Deviation - 3 Years	13.4%	11.5%

COMMENTARY
• Since inception Earnest Partners - SA has underperformed the core and style benchmarks.
• For the quarter Earnest Partners - SA has underperformed the core and style benchmarks.
• Year to date Earnest Partners - SA has underperformed the core and style benchmarks.
• For the quarter, they ranked in the bottom quartile.
• Information Technology, Consumer Discretionary, and Industrials had the highest Sector Overweightings.
• Consumer Staples, Financials, and Telecommunication Services had the highest Sector Underweightings.
• Health Care, Consumer Discretionary, and Information Technology had the highest Sector Overperformance.
• Materials, Financials, and Consumer Staples had the highest Sector Underperformance.
• Health Care had the highest positive contribution to returns.
• Financials had the greatest negative impact on returns.
• <i>Poor Financial stock selection and overweighting of Information Technology, a poor performing sector, hurt returns.</i>

**West Palm Beach Police Pension Fund**  
**Earnest Partners - SA**  
**Report For Period Ended September 30, 2008**

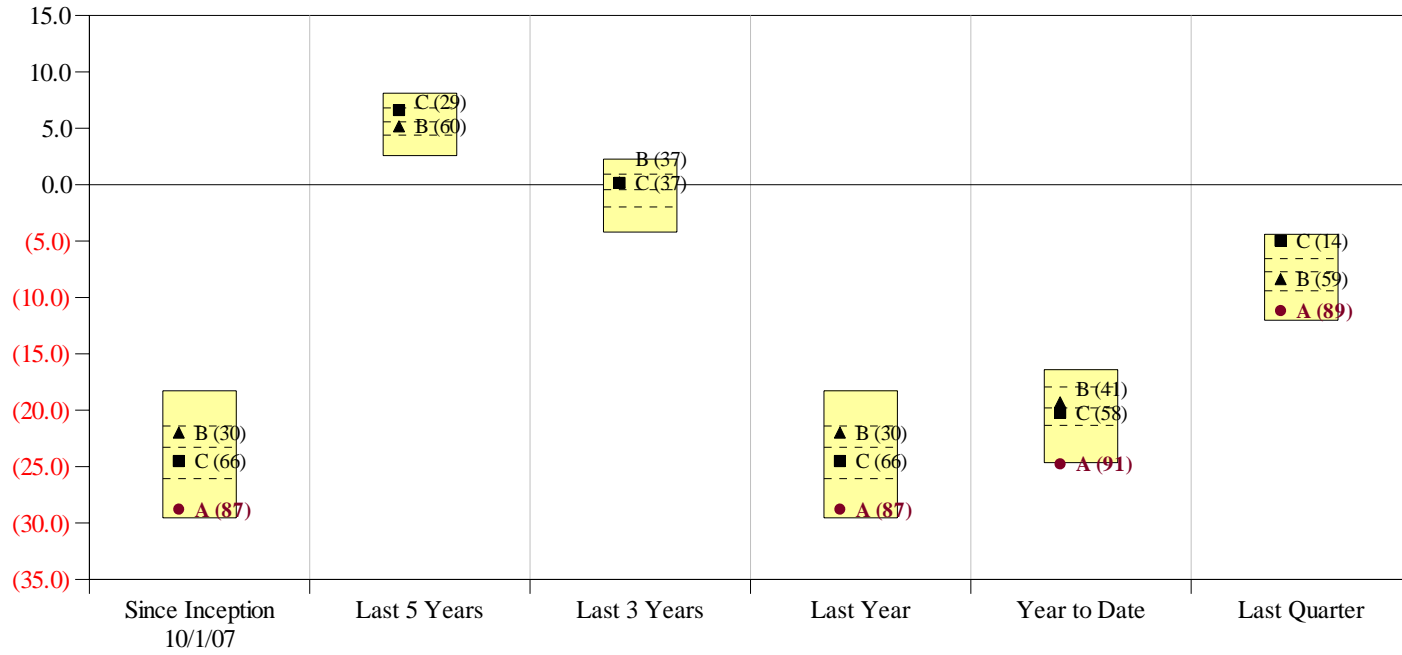
SECTOR WEIGHTINGS (%)	Earnest Partners - SA	Russell 1000 V	Difference
Consumer Discretionary	14.98	8.70	6.28
Consumer Staples	0.03	8.90	(8.87)
Energy	13.75	15.60	(1.85)
Financials	22.03	27.50	(5.47)
Health Care	9.85	11.80	(1.95)
Industrials	12.82	9.50	3.32
Information Technology	13.51	3.00	10.51
Materials	2.28	3.70	(1.42)
Telecommunication Services	0.00	5.20	(5.20)
Utilities	6.45	6.10	0.35
Cash	4.29	0.00	4.29

SECTOR RATE OF RETURN (%)	Earnest Partners - SA	Russell 1000 V	Difference
Consumer Discretionary	2.78	(0.70)	3.48
Consumer Staples	(1.86)	3.50	(5.36)
Energy	(22.30)	(21.10)	(1.20)
Financials	(15.81)	3.80	(19.61)
Health Care	7.50	1.00	6.50
Industrials	(7.41)	(5.70)	(1.71)
Information Technology	(13.22)	(13.70)	0.48
Materials	(51.29)	(18.60)	(32.69)
Telecommunication Services	N/A	(15.10)	N/A
Utilities	(13.68)	(12.60)	(1.08)

**TOP TEN HOLDINGS**

Holdings	% of Portfolio
1) OCCIDENTAL PETROLEUM	4.33%
2) APACHE	3.93%
3) IBM	3.89%
4) EXPRESS SCRIPTS	3.61%
5) INTEL	3.54%
6) GENERAL DYNAMICS	3.54%
7) YUM! BRANDS	3.43%
8) EXELON	3.23%
9) APOLLO GROUP	2.83%
10) WELLS FARGO	2.73%

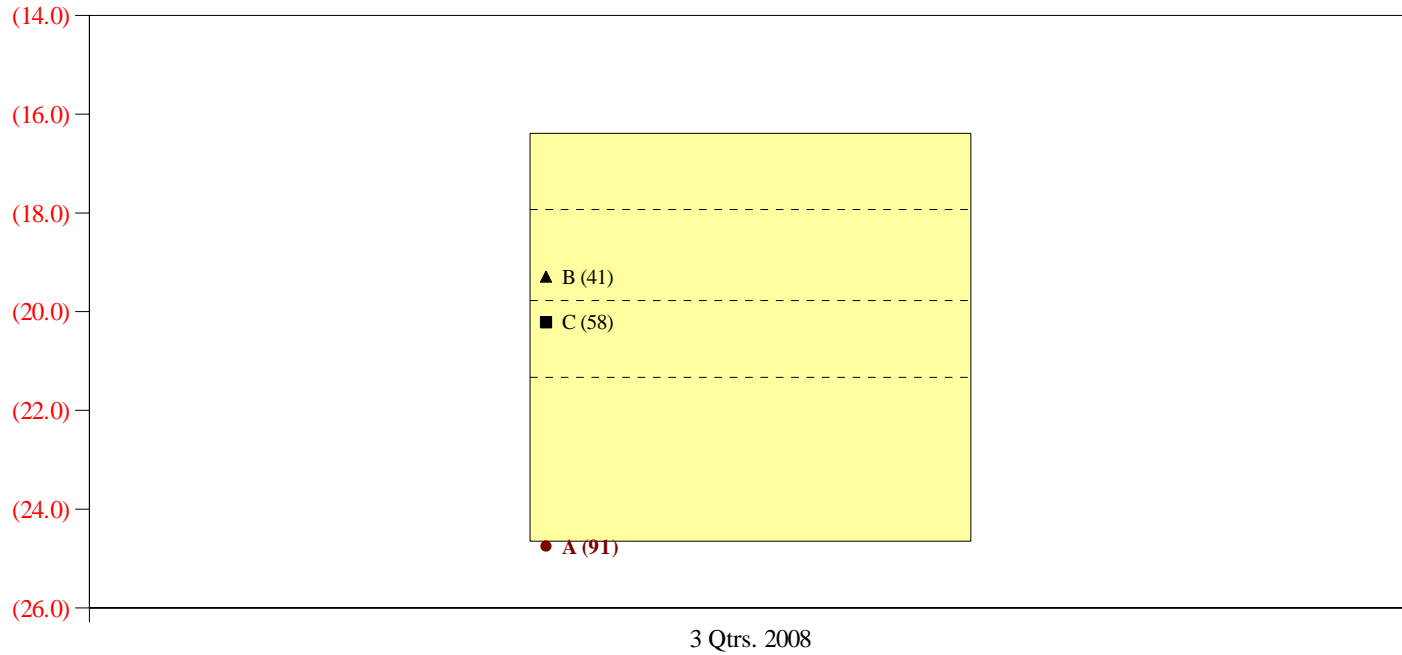
Returns  
 Earnest Ptners LCV  
 Group: Lipper: Large-Cap Value Funds  
 September 30, 2008



10th Percentile	(18.27)	8.12	2.27	(18.27)	(16.39)	(4.40)
25th Percentile	(21.39)	6.82	0.94	(21.39)	(17.93)	(6.54)
Median	(23.28)	5.57	(0.45)	(23.28)	(19.77)	(7.72)
75th Percentile	(26.05)	4.40	(1.97)	(26.05)	(21.33)	(9.40)
90th Percentile	(29.53)	2.58	(4.20)	(29.53)	(24.65)	(12.01)
Member Count	568	407	492	568	583	600
Earnest Ptners LCV	● A (28.75)	--	--	(28.75)	(24.74)	(11.15)
S&P:500	▲ B (21.98)	5.17	0.22	(21.98)	(19.29)	(8.37)
S&P:500 Value	■ C (24.50)	6.62	0.16	(24.50)	(20.21)	(4.97)

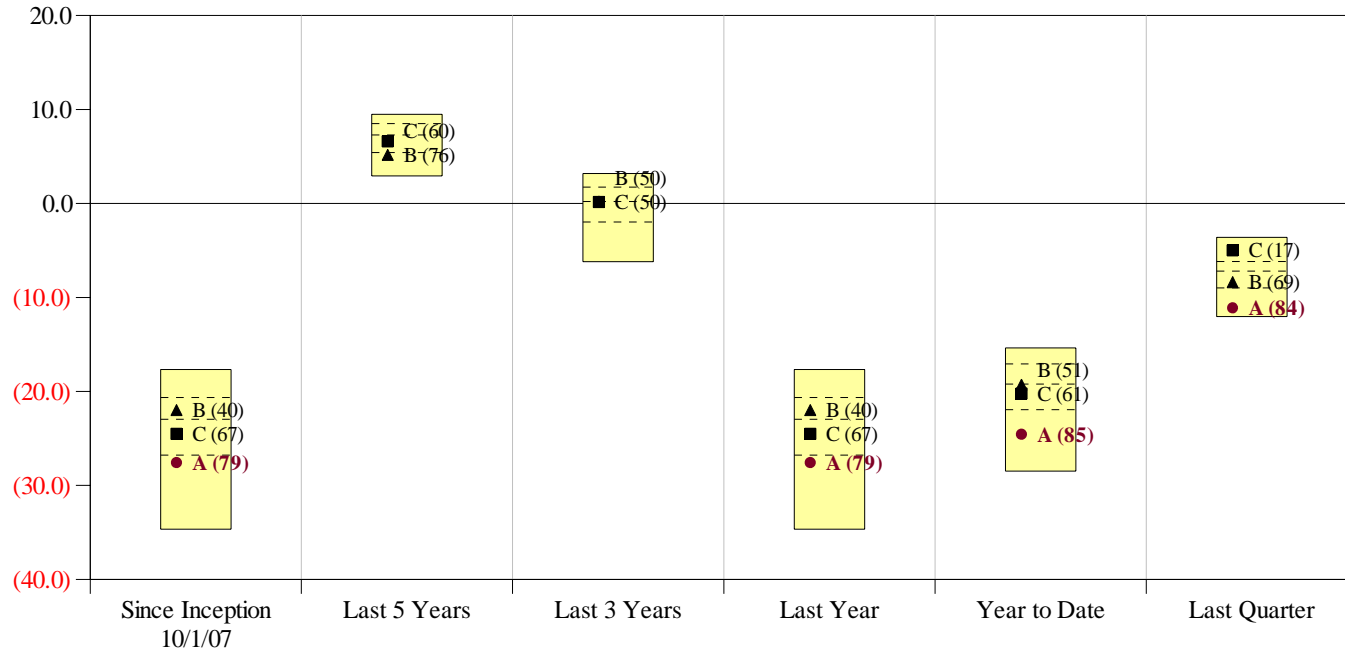


ANNUAL RETURNS  
 Earnest Ptners LCV  
 Group: Lipper: Large-Cap Value Funds  
 September 30, 2008



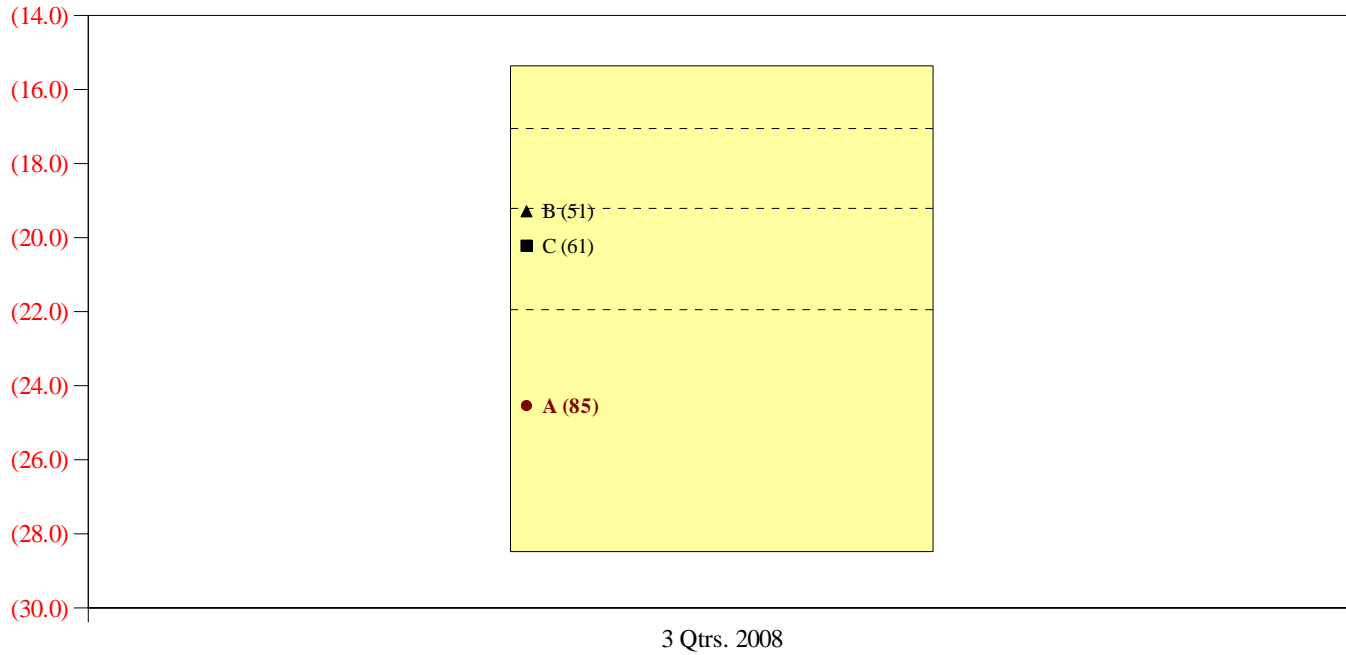
10th Percentile		(16.39)
25th Percentile		(17.93)
Median		(19.77)
75th Percentile		(21.33)
90th Percentile		(24.65)
Member Count		583
Earnest Ptners LCV	● A	(24.74)
S&P:500	▲ B	(19.29)
S&P:500 Value	■ C	(20.21)

Returns  
 Earnest Ptners LCV Gross  
 Group: CAI Large Cap Value Style  
 September 30, 2008



10th Percentile		(17.66)	9.49	3.19	(17.66)	(15.36)	(3.60)
25th Percentile		(20.64)	8.49	1.76	(20.64)	(17.05)	(6.18)
Median		(22.95)	7.30	0.21	(22.95)	(19.21)	(7.19)
75th Percentile		(26.78)	5.42	(1.97)	(26.78)	(21.94)	(8.98)
90th Percentile		(34.65)	2.95	(6.19)	(34.65)	(28.47)	(12.02)
Member Count		84	83	84	84	84	84
Earnest Ptners LCV Gross	● A	(27.55)	--	--	(27.55)	(24.53)	(11.09)
S&P:500	▲ B	(21.98)	5.17	0.22	(21.98)	(19.29)	(8.37)
S&P:500 Value	■ C	(24.50)	6.62	0.16	(24.50)	(20.21)	(4.97)

ANNUAL RETURNS  
 Earnest Ptners LCV Gross  
 Group: CAI Large Cap Value Style  
 September 30, 2008



10th Percentile	(15.36)
25th Percentile	(17.05)
Median	(19.21)
75th Percentile	(21.94)
90th Percentile	(28.47)

Member Count 84

Earnest Ptners LCV Gross	● A	(24.53)
S&P:500	▲ B	(19.29)
S&P:500 Value	■ C	(20.21)

**West Palm Beach Police Pension Fund**  
**DHJ LCG - SA**  
**Report For Period Ended September 30, 2008**

CURRENT PORTFOLIO ALLOCATION			
DOMESTIC EQUITY.....	\$ 14,076,192	.....	97.9%
CASH & EQUIV.....	\$ 302,273	.....	2.1%
TOTAL.....	\$ 14,378,465	.....	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					
<b>Total Return</b>	<b>0.8%</b>	<b>3.4%</b>	<b>0.8%</b>	<b>-16.8%</b>	<b>-16.8%</b>	<b>-10.3%</b>
Russell 1000	2.6%	5.5%	0.2%	-22.0%	-19.4%	-9.3%
Russell 1000 G	0.3%	3.7%	0.0%	-20.9%	-20.3%	-12.3%
Out / Underperform						
Russell 1000	-1.7%	-2.1%	0.6%	5.2%	2.7%	-0.9%
Out / Underperform						
Russell 1000 G	0.6%	-0.3%	0.7%	4.1%	3.5%	2.1%

PORTFOLIO CHARACTERISTICS		
	DHJ LCG - SA	Russell 1000 G
Trailing 12 Month P/E (x)	17.0	15.8
Price/Book (x)	3.9	3.4
Yield (%)	1.3	1.5
5 Yr Earnings Gro	14.1	N/A
Med Mkt Cap (\$mil)	41,976	4,684
Avg Mkt Cap (\$mil)	72,804	65,460
# of Holdings	75	647
Turnover	5.0	N/A
Alpha	0.6	-
Beta	0.9	-
Standard Deviation - 3 Years	11.1%	12.6%

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 outperformed the core and style benchmarks.
• For the quarter, and one year, and three years, they ranked in the top quartile; for five years, they ranked above median.
• Information Technology, Financials, and Consumer Discretionary had the highest Sector Overweightings.
• Consumer Staples, Health Care, and Utilities had the highest Sector Underweightings.
• Utilities, Energy, and Consumer Discretionary had the highest Sector Overperformance.
• Financials, and Industrials had the highest Sector Underperformance.
• Consumer Staples had the highest positive contribution to returns.
• Information Technology had the greatest negative impact on returns.

**West Palm Beach Police Pension Fund**  
**DHJ LCG - SA**  
 Report For Period Ended September 30, 2008

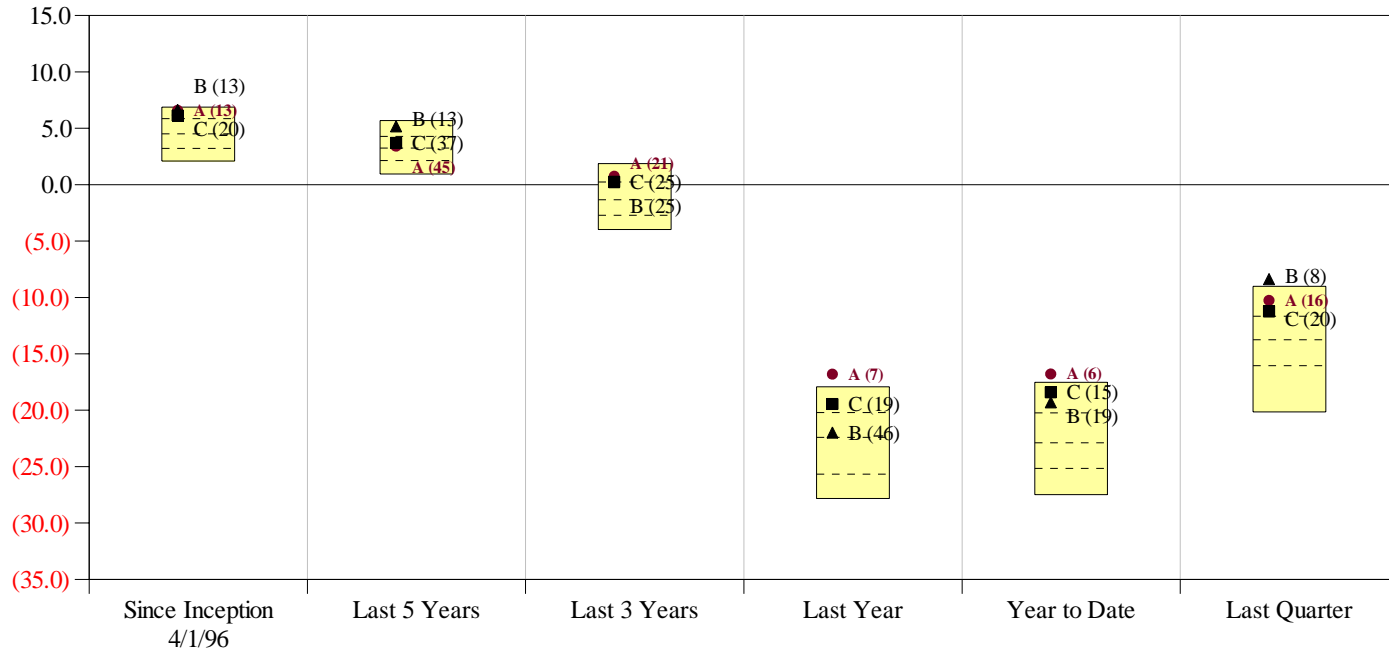
SECTOR WEIGHTINGS (%)	DHJ LCG - SA	Russell 1000 G	Difference
Consumer Discretionary	10.25	9.50	0.75
Consumer Staples	10.78	13.70	(2.92)
Energy	9.95	10.20	(0.25)
Financials	5.25	4.50	0.75
Health Care	12.10	14.10	(2.00)
Industrials	12.15	13.10	(0.95)
Information Technology	32.07	28.60	3.47
Materials	4.53	3.80	0.73
Telecommunication Services	0.00	0.80	(0.80)
Utilities	0.72	1.70	(0.98)
Cash	2.17	0.00	2.17

SECTOR RATE OF RETURN (%)	DHJ LCG - SA	Russell 1000 G	Difference
Consumer Discretionary	0.22	(3.90)	4.12
Consumer Staples	5.59	4.50	1.09
Energy	(28.55)	(33.70)	5.15
Financials	(9.56)	(5.90)	(3.66)
Health Care	2.41	0.70	1.71
Industrials	(14.76)	(13.90)	(0.86)
Information Technology	(10.97)	(12.30)	1.33
Materials	(26.00)	(30.10)	4.10
Telecommunication Services	N/A	(16.70)	N/A
Utilities	(29.47)	(35.50)	6.03

**TOP TEN HOLDINGS**

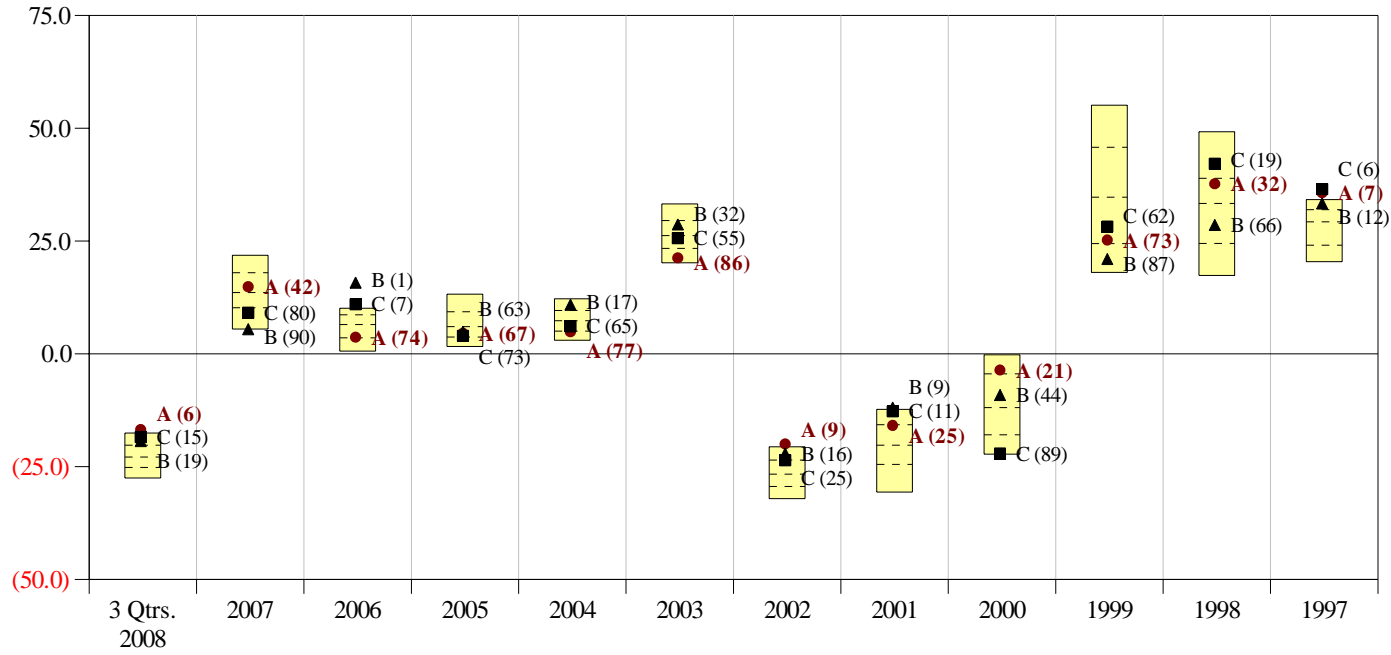
Holdings	% of Portfolio
1) Microsoft	3.59%
2) Danaher	2.83%
3) Cisci Systems	2.80%
4) Apache	2.66%
5) Disney (Walt)	2.66%
6) Bard (C.R.)	2.64%
7) Int'l Business Machines	2.55%
8) Hewlett-Packard	2.49%
9) Monsanto	2.36%
10) Pepsico	2.28%

Returns  
 Davis Hamilton LCG  
 Group: Lipper: Large-Cap Growth Funds  
 September 30, 2008



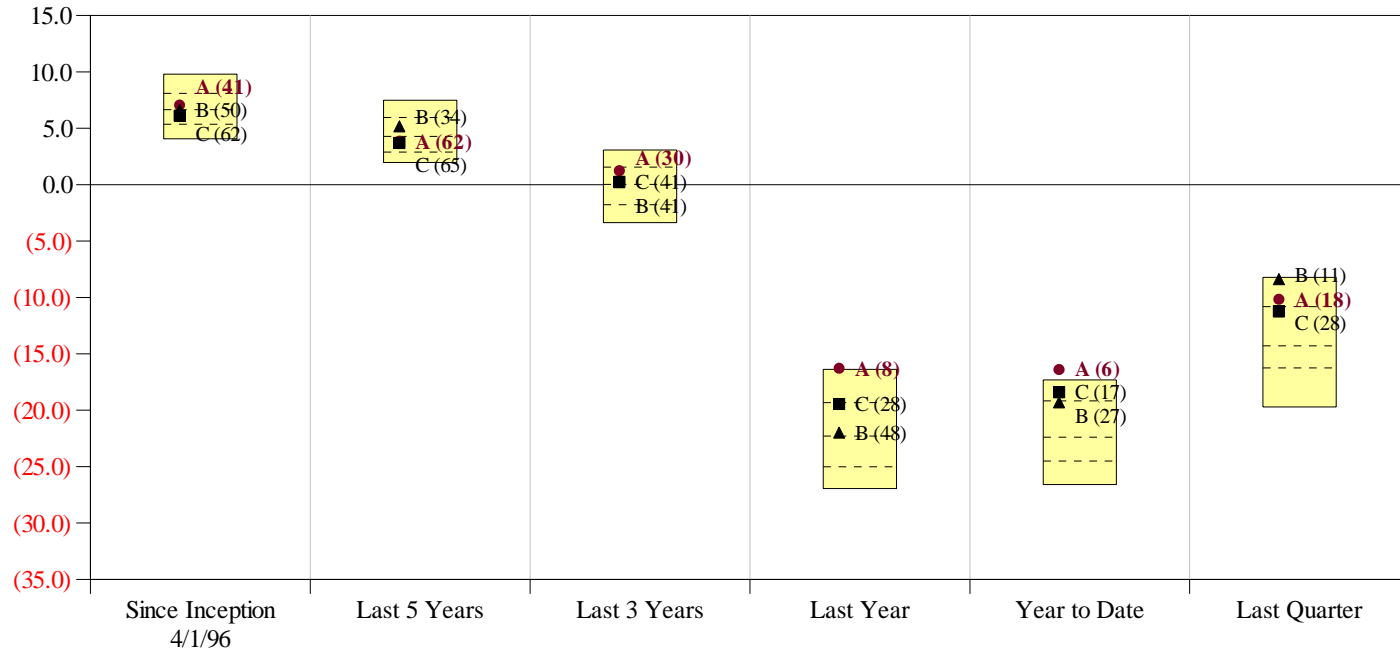
10th Percentile		6.88	5.68	1.87	(17.91)	(17.53)	(9.00)
25th Percentile		5.85	4.28	0.25	(20.20)	(20.23)	(11.66)
Median		4.51	3.26	(1.33)	(22.40)	(22.87)	(13.75)
75th Percentile		3.22	2.14	(2.70)	(25.66)	(25.14)	(16.04)
90th Percentile		2.09	0.96	(3.98)	(27.81)	(27.48)	(20.14)
Member Count		147	536	642	766	801	839
Davis Hamilton LCG	● A	6.60	3.42	0.76	(16.78)	(16.77)	(10.25)
S&P:500	▲ B	6.63	5.17	0.22	(21.98)	(19.29)	(8.37)
S&P:500 Growth	■ C	6.14	3.70	0.27	(19.44)	(18.40)	(11.24)

ANNUAL RETURNS  
 Davis Hamilton LCG  
 Group: Lipper: Large-Cap Growth Funds  
 September 30, 2008



10th Percentile	(17.53)	21.89	10.13	13.28	12.21	33.25	(20.61)	(12.26)	(0.19)	55.13	49.25	34.19
25th Percentile	(20.23)	18.00	8.67	9.34	9.62	29.56	(23.53)	(15.71)	(4.44)	45.81	38.95	31.96
Median	(22.87)	13.61	6.50	6.05	7.36	26.20	(26.65)	(20.20)	(11.89)	34.72	33.37	29.29
75th Percentile	(25.14)	10.23	3.56	3.71	5.08	23.39	(29.40)	(24.49)	(17.92)	24.44	24.50	24.12
90th Percentile	(27.48)	5.52	0.63	1.64	3.02	20.17	(32.08)	(30.62)	(22.23)	18.05	17.39	20.42
Member Count	801	730	671	598	550	510	453	403	335	263	233	168
Davis Hamilton LCG	● A (16.77)	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 (19.29)	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 (18.40)	9.13	11.01	4.00	6.13	25.66	(23.59)	(12.73)	(22.08)	28.24	42.16	36.52

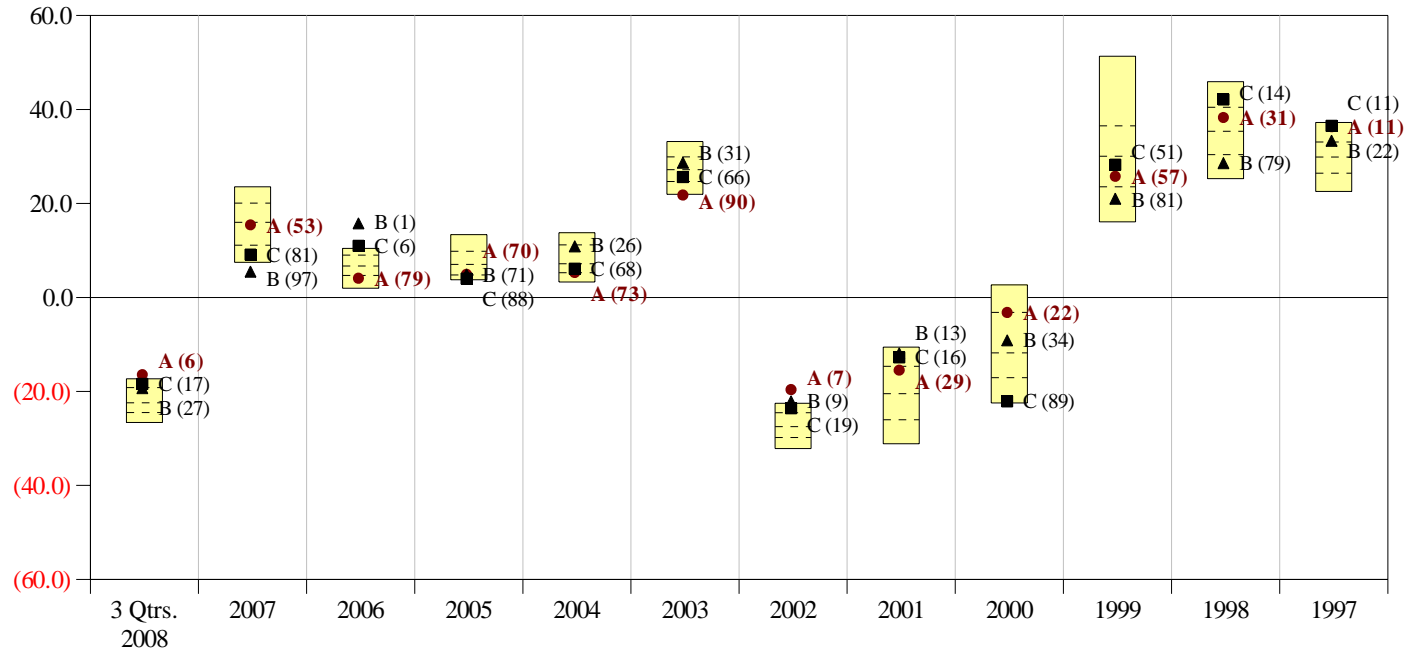
Returns  
 Davis H LCG Gross  
 Group: CAI Large Cap Growth Style  
 September 30, 2008



10th Percentile		9.81	7.49	3.09	(16.36)	(17.31)	(8.22)
25th Percentile		8.09	5.95	1.56	(19.32)	(19.16)	(10.81)
Median		6.65	4.29	0.04	(22.28)	(22.38)	(14.28)
75th Percentile		5.37	2.89	(1.78)	(25.01)	(24.50)	(16.23)
90th Percentile		4.08	1.97	(3.36)	(26.94)	(26.59)	(19.70)
Member Count		48	60	60	60	60	60
Davis H LCG Gross	● A	7.07	3.87	1.24	(16.27)	(16.38)	(10.14)
S&P:500	▲ B	6.63	5.17	0.22	(21.98)	(19.29)	(8.37)
S&P:500 Growth	■ C	6.14	3.70	0.27	(19.44)	(18.40)	(11.24)



ANNUAL RETURNS  
 Davis H LCG Gross  
 Group: CAI Large Cap Growth Style  
 September 30, 2008



10th Percentile	(17.31)	23.58	10.45	13.37	13.76	33.21	(22.50)	(10.57)	2.70	51.33	45.91	37.25
25th Percentile	(19.16)	20.07	9.05	9.86	11.21	29.92	(24.52)	(14.64)	(3.18)	36.51	40.51	33.10
Median	(22.38)	16.01	6.70	7.02	7.18	27.19	(27.46)	(20.47)	(11.78)	30.04	35.38	29.90
75th Percentile	(24.50)	11.13	4.71	4.79	5.28	24.68	(29.78)	(26.01)	(17.06)	23.56	30.39	26.45
90th Percentile	(26.59)	7.46	2.00	3.77	3.31	21.95	(32.16)	(31.10)	(22.42)	16.11	25.30	22.57
Member Count	60	65	66	50	57	62	39	42	43	47	47	48
Davis H LCG Gross	● A (16.38)	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 (19.29)	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 (18.40)	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 September 30, 2008**

CURRENT PORTFOLIO ALLOCATION			
DOMESTIC EQUITY.....	\$ 11,789,311	.....	99.3%
CASH & EQUIV.....	\$ 82,064	.....	0.7%
TOTAL.....	\$ 11,871,375	.....	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					
<b>Total Return</b>	<b>-14.2%</b>	-	-	-	<b>-14.2%</b>	<b>-16.1%</b>
Russell Mid	-19.5%	-	-	-	-19.5%	-12.9%
Russell Mid G	-23.3%	-	-	-	-23.3%	-17.7%
Out / Underperform						
Russell Mid	5.3%	-	-	-	5.3%	-3.2%
Out / Underperform						
Russell Mid G	9.1%	-	-	-	9.1%	1.7%

PORTFOLIO CHARACTERISTICS		
	Munder Capital MCG - SA	Russell Mid G
Current P/E (x)	18.5	15.5
Price/Book (x)	3.1	3.1
Yield (%)	1.2	1
5 Yr Earnings Gro	21.5	N/A
Med Mkt Cap (\$mil)	3274	3549
Avg Mkt Cap (\$mil)	4717	7120
# of Holdings	93	505
Turnover	0.0	N/A
Alpha	0.7	-
Beta	1.1	-
Standard Deviation - 3 Years	15.2%	15.6%

COMMENTARY
<ul style="list-style-type: none"> <li>• Since inception Munder Capital MCG - SA has outperformed the core and style benchmarks.</li> <li>• For the quarter Munder Capital MCG - SA has underperformed the core benchmark but outperformed the style benchmark.</li> <li>• Year to date Munder Capital MCG - SA has outperformed the core and style benchmarks.</li> <li>• For the quarter, they ranked above median.</li> <li>• Financials, Utilities, and Materials had the highest Sector Overweightings.</li> <li>• Consumer Discretionary, Information Technology, and Industrials had the highest Sector Underweightings.</li> <li>• Utilities, Energy, and Financials had the highest Sector Overperformance.</li> <li>• Consumer Staples, Consumer Discretionary, and Health Care had the highest Sector Underperformance.</li> <li>• Financials had the highest positive contribution to returns.</li> <li>• Industrials had the greatest negative impact on returns.</li> <li>• <i>Poor stock selection in Consumer Discretionary, Consumer Staples and Industrials hurt returns. The particular companies in those sectors were Discovery Holding Co., Central European Distribution and McDermott International.</i></li> </ul>

**West Palm Beach Police Pension Fund**  
**Munder Capital MCG - SA**  
 Report For Period Ended September 30, 2008

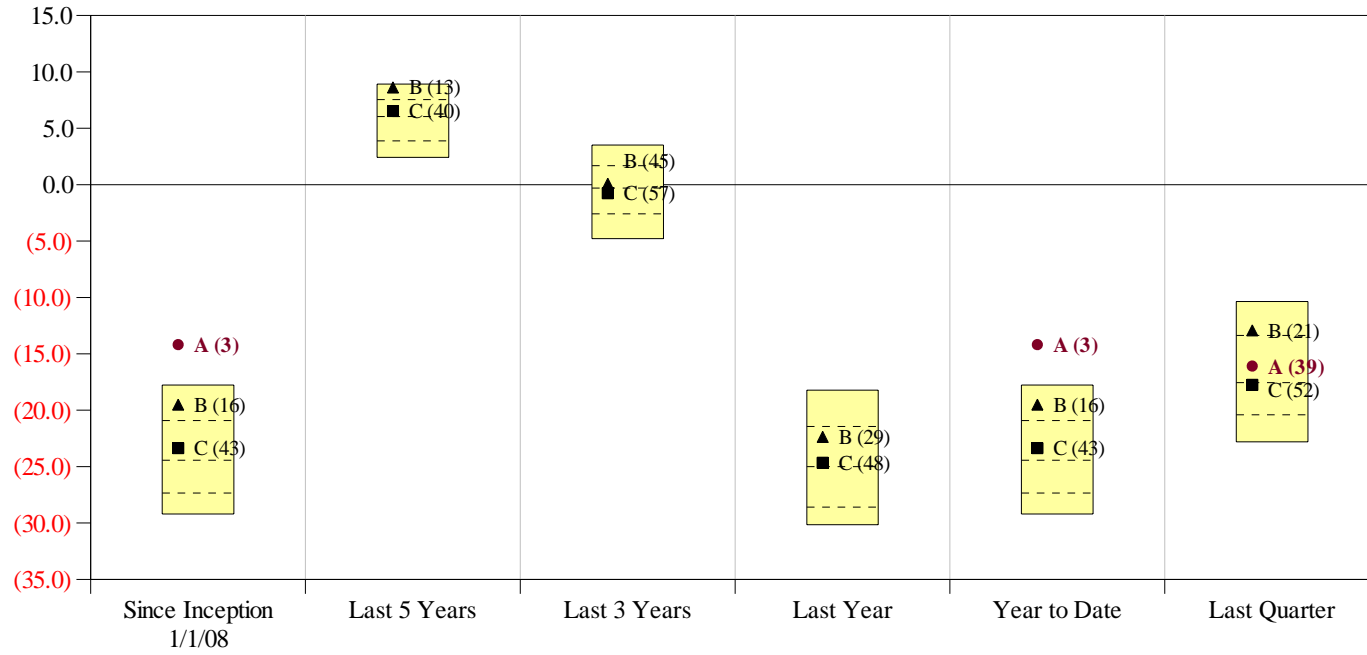
SECTOR WEIGHTINGS (%)	Munder Capital MCG -	Russell Mid G	Difference
Consumer Discretionary	10.61	17.80	(7.19)
Consumer Staples	4.36	4.70	(0.34)
Energy	9.03	10.40	(1.37)
Financials	17.22	6.60	10.62
Health Care	12.32	13.40	(1.08)
Industrials	13.73	17.30	(3.57)
Information Technology	14.13	19.30	(5.17)
Materials	7.02	4.60	2.42
Telecommunication Services	2.23	2.70	(0.47)
Utilities	8.57	3.20	5.37
Cash	0.77	0.00	0.77

SECTOR RATE OF RETURN (%)	Munder Capital MCG -	Russell Mid G	Difference
Consumer Discretionary	(14.53)	(7.40)	(7.13)
Consumer Staples	(11.60)	5.70	(17.30)
Energy	(33.77)	(41.30)	7.53
Financials	0.82	(6.40)	7.22
Health Care	(1.74)	1.80	(3.54)
Industrials	(22.98)	(20.50)	(2.48)
Information Technology	(16.23)	(17.50)	1.27
Materials	(28.05)	(24.60)	(3.45)
Telecommunication Services	(15.52)	(16.70)	1.18
Utilities	(16.13)	(41.10)	24.97

**TOP TEN HOLDINGS**

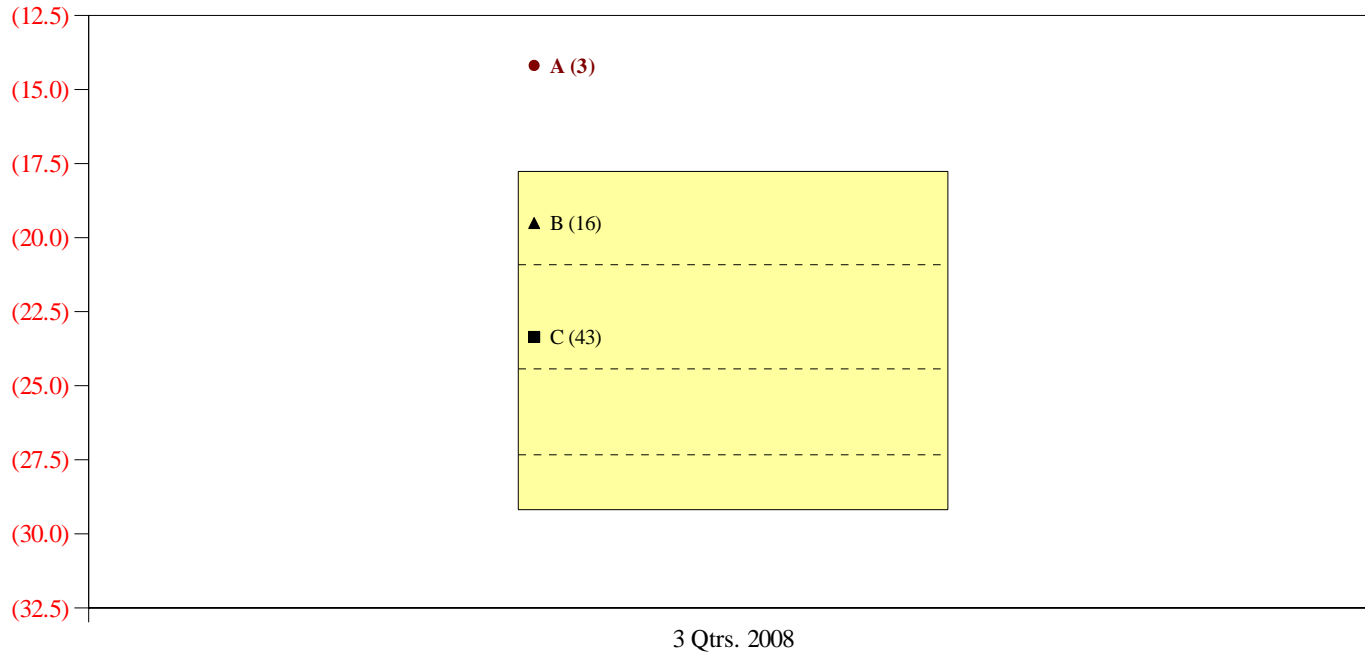
Holdings	% of Portfolio
1) Airgas, Inc.	2.14%
2) Northeast Utilities	2.08%
3) Church & Dwight Co.	1.78%
4) BioMarin Pharmaceuticals, Inc.	1.69%
5) Itron, Inc.	1.68%
6) LKQ Corp.	1.67%
7) Valmont Industries, Inc.	1.67%
8) Corrections Corp. of America	1.66%
9) Equitable Resources, Inc.	1.64%
10) West Pharmaceuticals Services, Inc.	1.61%

Returns  
Munder MCG  
Group: Lipper: Mid-Cap Growth Funds  
September 30, 2008



10th Percentile	(17.76)	8.92	3.52	(18.22)	(17.76)	(10.36)
25th Percentile	(20.91)	7.54	1.68	(21.43)	(20.91)	(13.35)
Median	(24.42)	6.04	(0.30)	(24.99)	(24.42)	(17.54)
75th Percentile	(27.33)	3.90	(2.57)	(28.57)	(27.33)	(20.40)
90th Percentile	(29.18)	2.43	(4.78)	(30.15)	(29.18)	(22.79)
Member Count	621	420	524	610	621	638
Munder MCG	● A (14.18)	--	--	--	(14.18)	(16.07)
Russell Midcap Index	▲ B (19.50)	8.62	0.09	(22.36)	(19.50)	(12.91)
Russell Midcap Growth	■ C (23.35)	6.53	(0.75)	(24.65)	(23.35)	(17.75)

ANNUAL RETURNS  
Munder MCG  
Group: Lipper: Mid-Cap Growth Funds  
September 30, 2008

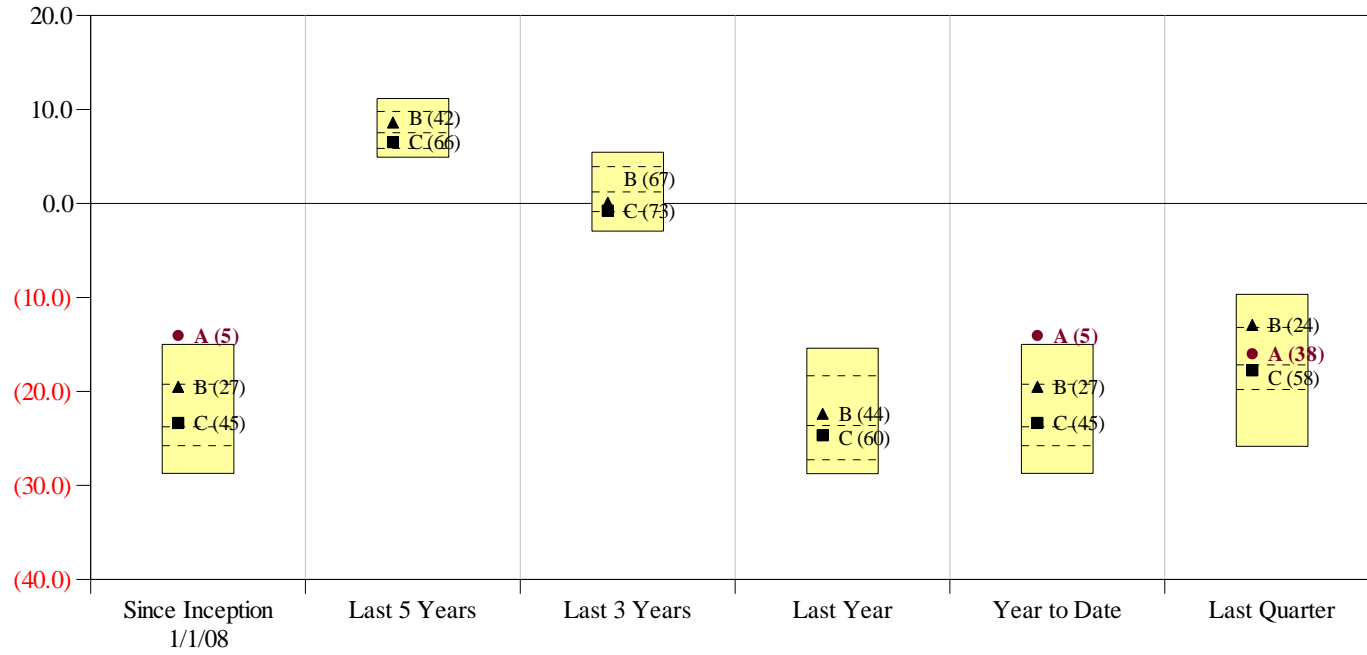


10th Percentile	(17.76)
25th Percentile	(20.91)
Median	(24.42)
75th Percentile	(27.33)
90th Percentile	(29.18)

Member Count 621

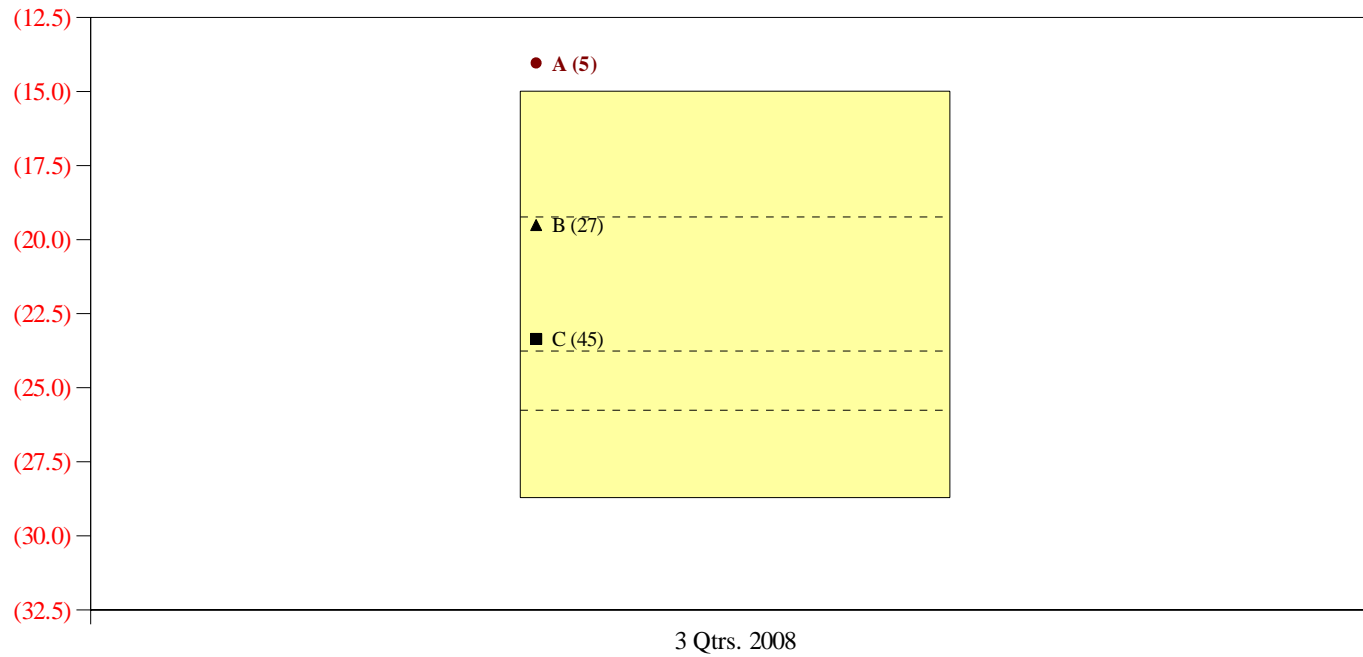
Munder MCG	● A	(14.18)
Russell Midcap Index	▲ B	(19.50)
Russell Midcap Growth	■ C	(23.35)

Returns  
Munder MCG Gross  
Group: CAI Mid Cap Growth Style  
September 30, 2008



10th Percentile	(14.99)	11.18	5.45	(15.40)	(14.99)	(9.65)
25th Percentile	(19.23)	9.81	3.92	(18.33)	(19.23)	(13.18)
Median	(23.76)	7.54	1.23	(23.61)	(23.76)	(17.15)
75th Percentile	(25.75)	5.88	(0.85)	(27.26)	(25.75)	(19.80)
90th Percentile	(28.70)	4.92	(2.94)	(28.73)	(28.70)	(25.82)
Member Count	52	52	52	52	52	52
Munder MCG Gross	● A (14.03)	--	--	--	(14.03)	(15.98)
Russell Midcap Index	▲ B (19.50)	8.62	0.09	(22.36)	(19.50)	(12.91)
Russell Midcap Growth	■ C (23.35)	6.53	(0.75)	(24.65)	(23.35)	(17.75)

ANNUAL RETURNS  
Munder MCG Gross  
Group: CAI Mid Cap Growth Style  
September 30, 2008



10th Percentile	(14.99)
25th Percentile	(19.23)
Median	(23.76)
75th Percentile	(25.75)
90th Percentile	(28.70)

Member Count 52

Munder MCG Gross	● A	(14.03)
Russell Midcap Index	▲ B	(19.50)
Russell Midcap Growth	■ C	(23.35)

**West Palm Beach Police Pension Fund**  
**Anchor Capital MCV - SA**  
**Report For Period Ended September 30, 2008**

CURRENT PORTFOLIO ALLOCATION			
DOMESTIC EQUITY.....	\$ 9,143,081	.....	72.5%
CASH & EQUIV.....	\$ 3,472,588	.....	27.5%
TOTAL.....	\$ 12,615,669	.....	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					
<b>Total Return</b>	<b>12.8%</b>	<b>12.0%</b>	<b>5.1%</b>	<b>-13.6%</b>	<b>-13.9%</b>	<b>-8.8%</b>
Russell Mid	11.2%	8.6%	0.1%	-22.4%	-19.5%	-12.9%
Russell Mid V	12.2%	10.0%	0.5%	-20.5%	-15.5%	-7.5%
Out / Underperform						
Russell Mid	1.7%	3.4%	5.0%	8.8%	5.6%	4.1%
Out / Underperform						
Russell Mid V	0.6%	2.0%	4.6%	7.0%	1.6%	-1.3%

PORTFOLIO CHARACTERISTICS		
	Anchor Capital MCV - SA	Russell Mid V
Trailing 12 Month P/E (x)	14.9	13.8
Price/Book (x)	1.9	1.5
Yield (%)	3.1	2.8
5 Yr Earnings Gro	18.0	N/A
Med Mkt Cap (\$mil)	5,808	3,272
Avg Mkt Cap (\$mil)	14,476	6,490
# of Holdings	49	543
Turnover	29.0	N/A
Alpha	5.0	-
Beta	0.7	-
Standard Deviation - 3 Years	11.3%	12.4%

COMMENTARY
<ul style="list-style-type: none"> <li>• Since inception Anchor Capital MCV - SA has outperformed the core and style benchmarks.</li> <li>• For five years Anchor Capital MCV - SA has outperformed the core and style benchmarks.</li> <li>• For three years Anchor Capital MCV - SA has outperformed the core and style benchmarks.</li> <li>• For one year, and three years, and five years, they ranked in the top quartile; for the quarter, they ranked above median.</li> <li>• Telecommunication Services, Health Care, and Energy had the highest Sector Overweightings.</li> <li>• Financials, Consumer Discretionary, and Consumer Staples had the highest Sector Underweightings.</li> <li>• Consumer Staples, Utilities, and Health Care had the highest Sector Overperformance.</li> <li>• Materials, Industrials, and Telecommunication Services had the highest Sector Underperformance.</li> <li>• Health Care had the highest positive contribution to returns.</li> <li>• Energy had the greatest negative impact on returns.</li> <li>• <i>Overweighting of Health Care and good stock selection in Health Care and Consumer Discretionary helped returns but offset by poor Material stock selection.</i></li> </ul>



**West Palm Beach Police Pension Fund**  
**Anchor Capital MCV - SA**  
 Report For Period Ended September 30, 2008

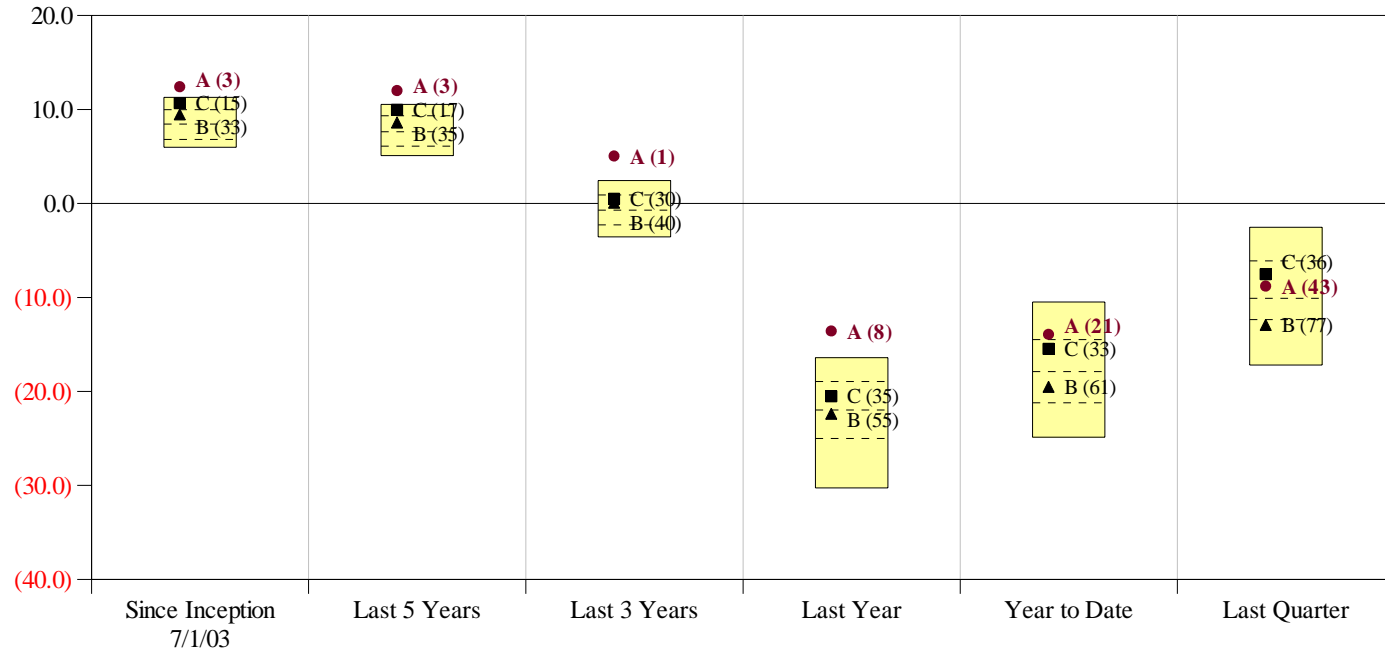
SECTOR WEIGHTINGS (%)	Anchor Capital MCV -	Russell Mid V	Difference
Consumer Discretionary	6.49	14.00	(7.51)
Consumer Staples	3.68	7.80	(4.12)
Energy	7.73	5.90	1.83
Financials	16.32	32.60	(16.28)
Health Care	8.74	5.10	3.64
Industrials	6.86	7.50	(0.64)
Information Technology	3.23	6.20	(2.97)
Materials	6.76	6.80	(0.04)
Telecommunication Services	6.96	1.50	5.46
Utilities	9.46	12.60	(3.14)
Cash	23.76	0.00	23.76

SECTOR RATE OF RETURN (%)	Anchor Capital MCV -	Russell Mid V	Difference
Consumer Discretionary	1.89	(2.40)	4.29
Consumer Staples	7.26	(3.50)	10.76
Energy	(38.02)	(37.50)	(0.52)
Financials	2.67	2.70	(0.03)
Health Care	7.36	(2.20)	9.56
Industrials	(23.88)	(9.90)	(13.98)
Information Technology	(14.15)	(15.50)	1.35
Materials	(40.05)	(8.30)	(31.75)
Telecommunication Services	(24.08)	(13.50)	(10.58)
Utilities	(2.60)	(12.60)	10.00

**TOP TEN HOLDINGS**

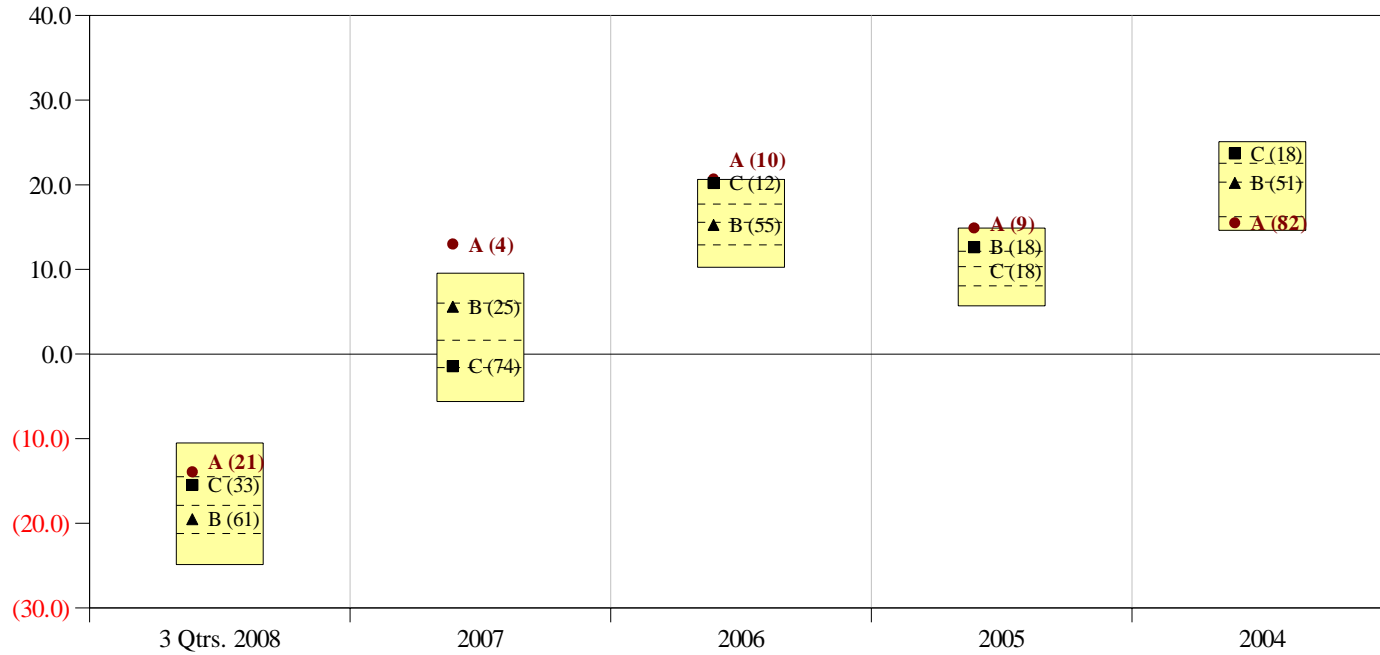
Holdings	% of Portfolio
1) HCP	2.64%
2) GENZYME	2.51%
3) SPDR GOLD TRUST	2.47%
4) CABLEVISION SYSTEMS	2.40%
5) HEALTH CARE REIT	2.30%
6) ANNALY CAPITAL MGMT	2.10%
7) MILLICOM INT'L	2.10%
8) COCA-COLA	2.03%
9) COVIDIEN	2.02%
10) AFFILIATED COMP SVCS	2.01%

Returns  
Anchor MCV  
Group: Lipper: Mid-Cap Value Funds  
September 30, 2008



10th Percentile	11.30	10.55	2.45	(16.40)	(10.48)	(2.54)	
25th Percentile	10.00	9.34	0.91	(18.93)	(14.49)	(6.10)	
Median	8.45	7.64	(0.71)	(21.97)	(17.87)	(10.09)	
75th Percentile	6.83	6.11	(2.27)	(24.99)	(21.19)	(12.35)	
90th Percentile	5.99	5.10	(3.55)	(30.26)	(24.86)	(17.17)	
Member Count	207	208	272	359	361	376	
Anchor MCV	● A	12.43	12.02	5.07	(13.56)	(13.90)	(8.77)
Russell Midcap Index	▲ B	9.49	8.62	0.09	(22.36)	(19.50)	(12.91)
Russell Midcap Value	■ C	10.69	9.97	0.51	(20.50)	(15.46)	(7.52)

ANNUAL RETURNS  
Anchor MCV  
Group: Lipper: Mid-Cap Value Funds  
September 30, 2008



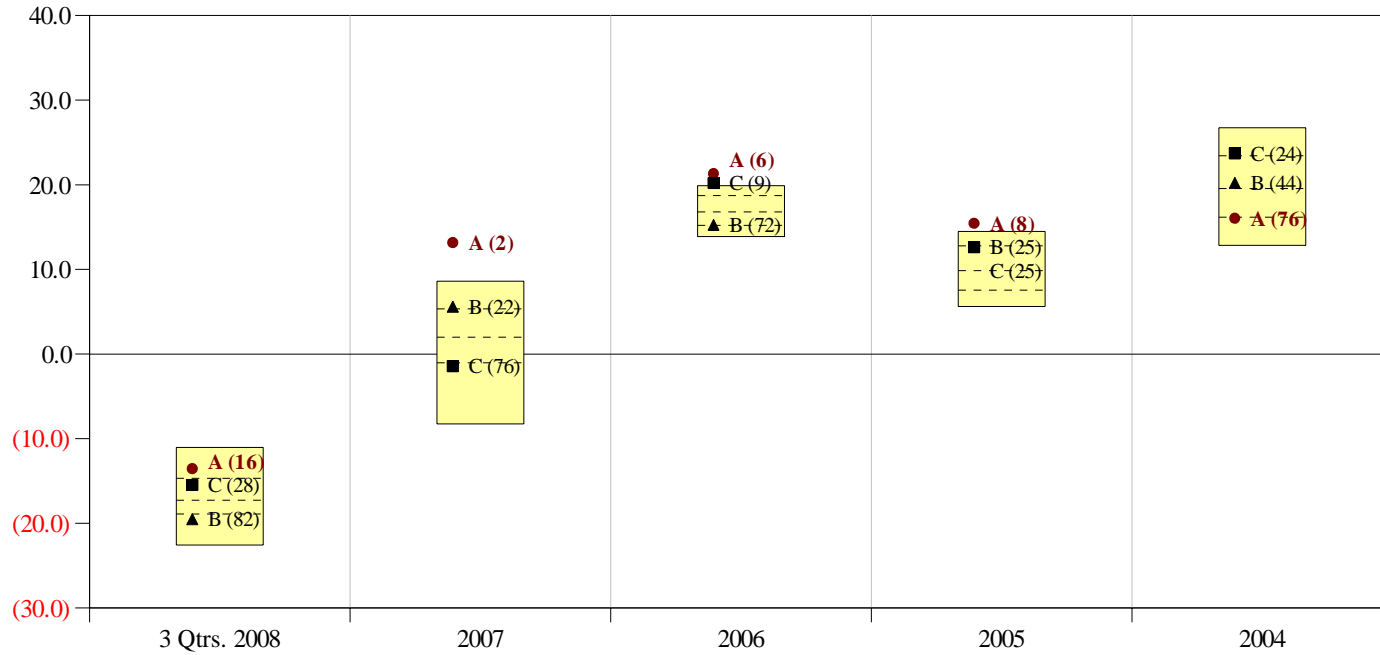
10th Percentile	(10.48)	9.55	20.64	14.88	25.11
25th Percentile	(14.49)	6.01	17.72	12.15	22.55
Median	(17.87)	1.62	15.58	10.32	20.32
75th Percentile	(21.19)	(1.58)	12.91	8.07	16.24
90th Percentile	(24.86)	(5.61)	10.25	5.70	14.62
Member Count	361	323	293	247	217
Anchor MCV	● A (13.90)	13.01	20.70	14.92	15.52
Russell Midcap Index	▲ B (19.50)	5.60	15.26	12.65	20.22
Russell Midcap Value	■ C (15.46)	(1.42)	20.22	12.65	23.71

Returns  
Anchor MCV Gross  
Group: CAI Mid Cap Value Style  
September 30, 2008



10th Percentile	12.86	11.93	3.66	(15.46)	(11.04)	(4.34)	
25th Percentile	11.35	10.79	2.24	(17.46)	(14.67)	(6.05)	
Median	10.40	9.63	0.72	(20.63)	(17.26)	(9.23)	
75th Percentile	8.88	8.22	(0.59)	(22.70)	(18.88)	(10.55)	
90th Percentile	7.31	6.30	(3.19)	(27.37)	(22.56)	(13.45)	
Member Count	36	37	38	38	38	38	
Anchor MCV Gross	● A	12.92	12.52	5.50	(13.14)	(13.51)	(8.67)
Russell Midcap Index	▲ B	9.49	8.62	0.09	(22.36)	(19.50)	(12.91)
Russell Midcap Value	■ C	10.69	9.97	0.51	(20.50)	(15.46)	(7.52)

ANNUAL RETURNS  
Anchor MCV Gross  
Group: CAI Mid Cap Value Style  
September 30, 2008



10th Percentile	(11.04)	8.62	19.91	14.49	26.73
25th Percentile	(14.67)	5.33	18.72	12.78	23.43
Median	(17.26)	1.99	16.80	9.87	19.55
75th Percentile	(18.88)	(1.02)	15.19	7.56	16.18
90th Percentile	(22.56)	(8.26)	13.88	5.62	12.85
Member Count	38	39	33	31	32
Anchor MCV Gross	● A (13.51)	13.19	21.33	15.47	16.07
Russell Midcap Index	▲ B (19.50)	5.60	15.26	12.65	20.22
Russell Midcap Value	■ C (15.46)	(1.42)	20.22	12.65	23.71

**West Palm Beach Police Pension Fund**  
**Wells Capital SCG**  
**Report For Period Ended September 30, 2008**

CURRENT PORTFOLIO ALLOCATION			
DOMESTIC EQUITY.....	\$ 7,608,066	.....	94.8%
CASH & EQUIV.....	\$ 419,572	.....	5.2%
TOTAL.....	\$ 8,027,638	.....	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					
<b>Total Return</b>	<b>-17.1%</b>	-	-	-	<b>-17.1%</b>	<b>-4.2%</b>
Russell 2000	-10.4%	-	-	-	-10.4%	-1.1%
Russell 2000 G	-14.8%	-	-	-	-14.8%	-6.9%
Out / Underperform						
Russell 2000	-6.7%	-	-	-	-6.7%	-3.0%
Out / Underperform						
Russell 2000 G	-2.3%	-	-	-	-2.3%	2.8%

PORTFOLIO CHARACTERISTICS		
	Wells Capital SCG	Russell 2000 G
Trailing 12 Month P/E (x)	18.6	19.2
Price/Book (x)	2.3	2.9
Yield (%)	0.3	0.6
5 Yr Earnings Gro	19.0	N/A
Med Mkt Cap (\$mil)	734	466
Avg Mkt Cap (\$mil)	999	1,140
# of Holdings	97	1207
Turnover	93.1	N/A
Alpha	5.3	-
Beta	1.0	-
Standard Deviation - 3 Years	16.9%	16.2%

COMMENTARY
<ul style="list-style-type: none"> <li>• Since inception Wells Capital SCG has underperformed the core and style benchmarks.</li> <li>• For the quarter Wells Capital SCG has underperformed the core benchmark but outperformed the style benchmark.</li> <li>• Year to date Wells Capital SCG has underperformed the core and style benchmarks.</li> <li>• For the quarter, they ranked above median.</li> <li>• Information Technology, Industrials, and Telecommunication Services had the highest Sector Overweightings.</li> <li>• Health Care, Energy, and Materials had the highest Sector Underweightings.</li> <li>• Information Technology, Consumer Discretionary, and Industrials had the highest Sector Overperformance.</li> <li>• Telecommunication Services, Financials, and Health Care had the highest Sector Underperformance.</li> <li>• Consumer Discretionary had the highest positive contribution to returns.</li> <li>• Industrials had the greatest negative impact on returns.</li> <li>• <i>Good stock selection in Consumer Discretionary and Information Technology were offset by poor selection in Financials and Telecommunication Services.</i></li> </ul>

**West Palm Beach Police Pension Fund**  
**Wells Capital SCG**  
 Report For Period Ended September 30, 2008

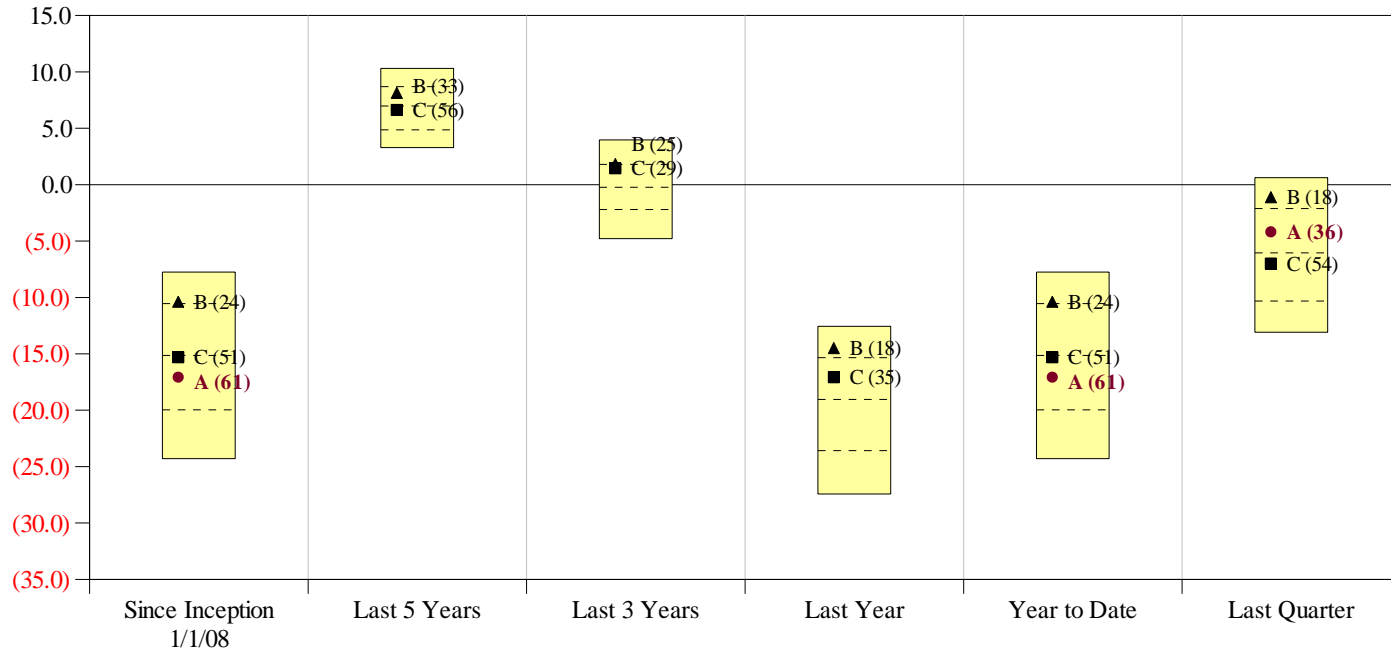
SECTOR WEIGHTINGS (%)	Wells Capital SCG	Russell 2000 G	Difference
Consumer Discretionary	11.36	12.70	(1.34)
Consumer Staples	0.00	2.80	(2.80)
Energy	3.30	8.90	(5.60)
Financials	6.44	5.30	1.14
Health Care	15.98	24.50	(8.52)
Industrials	25.01	18.20	6.81
Information Technology	30.71	22.40	8.31
Materials	0.00	3.10	(3.10)
Telecommunication Services	2.65	1.20	1.45
Utilities	0.00	0.80	(0.80)
Cash	4.55	0.00	4.55

SECTOR RATE OF RETURN (%)	Wells Capital SCG	Russell 2000 G	Difference
Consumer Discretionary	1.54	(2.50)	4.04
Consumer Staples	N/A	2.10	N/A
Energy	(34.43)	(34.90)	0.47
Financials	(1.05)	8.30	(9.35)
Health Care	0.27	6.70	(6.43)
Industrials	(7.45)	(9.00)	1.55
Information Technology	(0.75)	(7.00)	6.25
Materials	N/A	(10.50)	N/A
Telecommunication Services	(31.98)	(18.90)	(13.08)
Utilities	N/A	(6.30)	N/A

**TOP TEN HOLDINGS**

Holdings	% of Portfolio
1) Resources Connection	3.30%
2) Wright Express Corp.	2.80%
3) Sykes Enterprises Inc.	2.60%
4) GSI Commerce Inc.	2.50%
5) Solera Holdings	2.40%
6) Microsemi Corp.	2.20%
7) WMS INDS Inc.	2.20%
8) PMC-Sierra Inc.	1.90%
9) Gardner Denver Inc.	1.80%
10) Actuant Corp.	1.50%

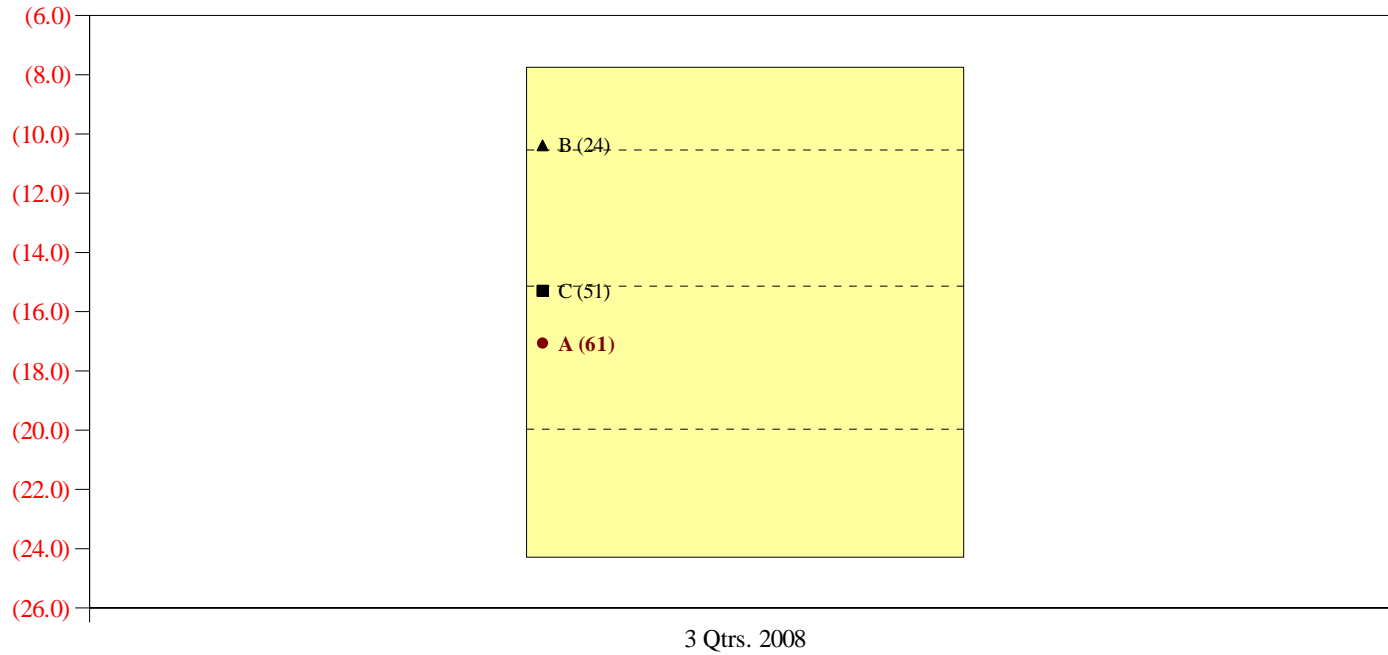
Returns  
Wells Cap SCG  
Group: Lipper: Small Cap Growth  
September 30, 2008



10th Percentile	(7.75)	10.32	3.97	(12.55)	(7.75)	0.63
25th Percentile	(10.54)	8.69	1.81	(15.33)	(10.54)	(2.11)
Median	(15.14)	6.98	(0.21)	(19.03)	(15.14)	(6.04)
75th Percentile	(19.96)	4.87	(2.20)	(23.59)	(19.96)	(10.32)
90th Percentile	(24.28)	3.30	(4.78)	(27.42)	(24.28)	(13.07)
Member Count	1,555	1,020	1,253	1,534	1,555	1,604
Wells Cap SCG	● A (17.06)	--	--	--	(17.06)	(4.17)
Russell 2000 Index	▲ B (10.38)	8.15	1.83	(14.48)	(10.38)	(1.11)
Russell 2000 Growth	■ C (15.29)	6.64	1.45	(17.07)	(15.29)	(6.99)



ANNUAL RETURNS  
Wells Cap SCG  
Group: Lipper: Small Cap Growth  
September 30, 2008

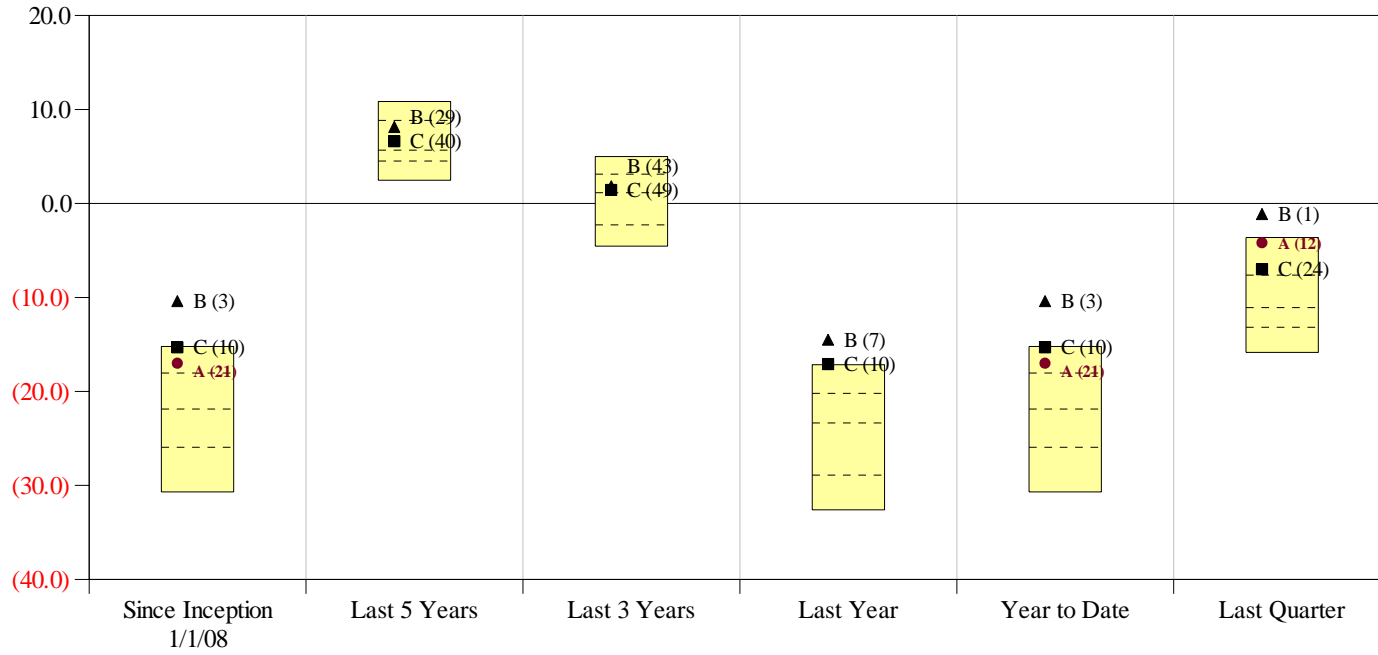


10th Percentile	(7.75)
25th Percentile	(10.54)
Median	(15.14)
75th Percentile	(19.96)
90th Percentile	(24.28)

Member Count 1,555

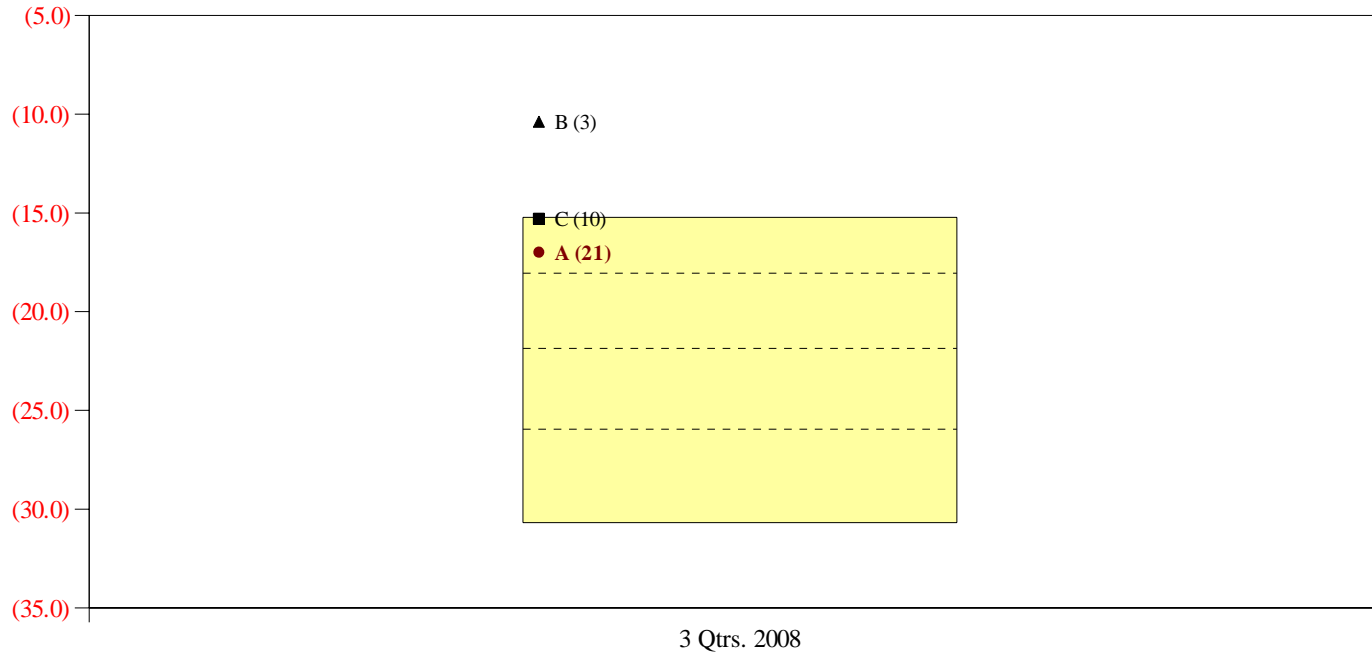
Wells Cap SCG	● A	(17.06)
Russell 2000 Index	▲ B	(10.38)
Russell 2000 Growth	■ C	(15.29)

Returns  
Wells Cap SCG Gross  
Group: CAI Small Cap Growth Style  
September 30, 2008



10th Percentile	(15.22)	10.85	5.00	(17.14)	(15.22)	(3.61)
25th Percentile	(18.05)	8.84	3.13	(20.19)	(18.05)	(7.62)
Median	(21.86)	5.66	1.15	(23.35)	(21.86)	(11.08)
75th Percentile	(25.95)	4.52	(2.27)	(28.89)	(25.95)	(13.15)
90th Percentile	(30.68)	2.49	(4.53)	(32.59)	(30.68)	(15.84)
Member Count	58	58	58	58	58	58
Wells Cap SCG Gross	● A (16.98)	--	--	--	(16.98)	(4.16)
Russell 2000 Index	▲ B (10.38)	8.15	1.83	(14.48)	(10.38)	(1.11)
Russell 2000 Growth	■ C (15.29)	6.64	1.45	(17.07)	(15.29)	(6.99)

ANNUAL RETURNS  
Wells Cap SCG Gross  
Group: CAI Small Cap Growth Style  
September 30, 2008



10th Percentile	(15.22)
25th Percentile	(18.05)
Median	(21.86)
75th Percentile	(25.95)
90th Percentile	(30.68)

Member Count 58

Wells Cap SCG Gross	● A	(16.98)
Russell 2000 Index	▲ B	(10.38)
Russell 2000 Growth	■ C	(15.29)

**West Palm Beach Police Pension Fund**  
**Stratton SCV STSCX**  
**Report For Period Ended September 30, 2008**

CURRENT PORTFOLIO ALLOCATION			
DOMESTIC EQUITY.....	\$ 7,823,280	.....	100.0%
CASH & EQUIV.....	\$ -	.....	0.0%
TOTAL.....	\$ 7,823,280	.....	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					
<b>Total Return</b>	<b>-15.0%</b>	-	-	-	<b>-7.5%</b>	<b>-9.1%</b>
Russell 2000	-16.9%	-	-	-	-10.4%	-1.1%
Russell 2000 V	-13.2%	-	-	-	-5.4%	4.9%
Out / Underperform						
Russell 2000	1.9%	-	-	-	2.9%	-8.0%
Out / Underperform						
Russell 2000 V	-1.7%	-	-	-	-2.1%	-14.1%

PORTFOLIO CHARACTERISTICS		
	Stratton SCV STSCX	Russell 2000 V
Trailing 12 Month P/E (x)	14.3	15
Price/Book (x)	1.8	1.3
Yield (%)	1.2	2.3
5 Yr Earnings Gro	13.4	N/A
Med Mkt Cap (\$mil)	1,325	451
Avg Mkt Cap (\$mil)	1,719	990
# of Holdings	61	1317
Turnover	3.6	N/A
Alpha	0.8	-
Beta	0.8	-
Standard Deviation - 3 Years	13.8%	13.8%

COMMENTARY
• Since inception Stratton SCV STSCX has outperformed the core benchmark but underperformed the style benchmark.
• For the quarter Stratton SCV STSCX has underperformed the core and style benchmarks.
• Year to date Stratton SCV STSCX has outperformed the core benchmark but underperformed the style benchmark.
• For the quarter, they ranked in the bottom quartile.
• Health Care, Energy, and Consumer Staples had the highest Sector Overweightings.
• Financials, Consumer Discretionary, and Industrials had the highest Sector Underweightings.
• Consumer Staples, Telecommunication Services, and Health Care had the highest Sector Overperformance.
• Materials, Utilities, and Energy had the highest Sector Underperformance.
• Consumer Staples had the highest positive contribution to returns.
• Energy had the greatest negative impact on returns.
• <i>Poor stock selection in Utilities and Energy hurt returns.</i>

**West Palm Beach Police Pension Fund**  
**Stratton SCV STSCX**  
**Report For Period Ended September 30, 2008**

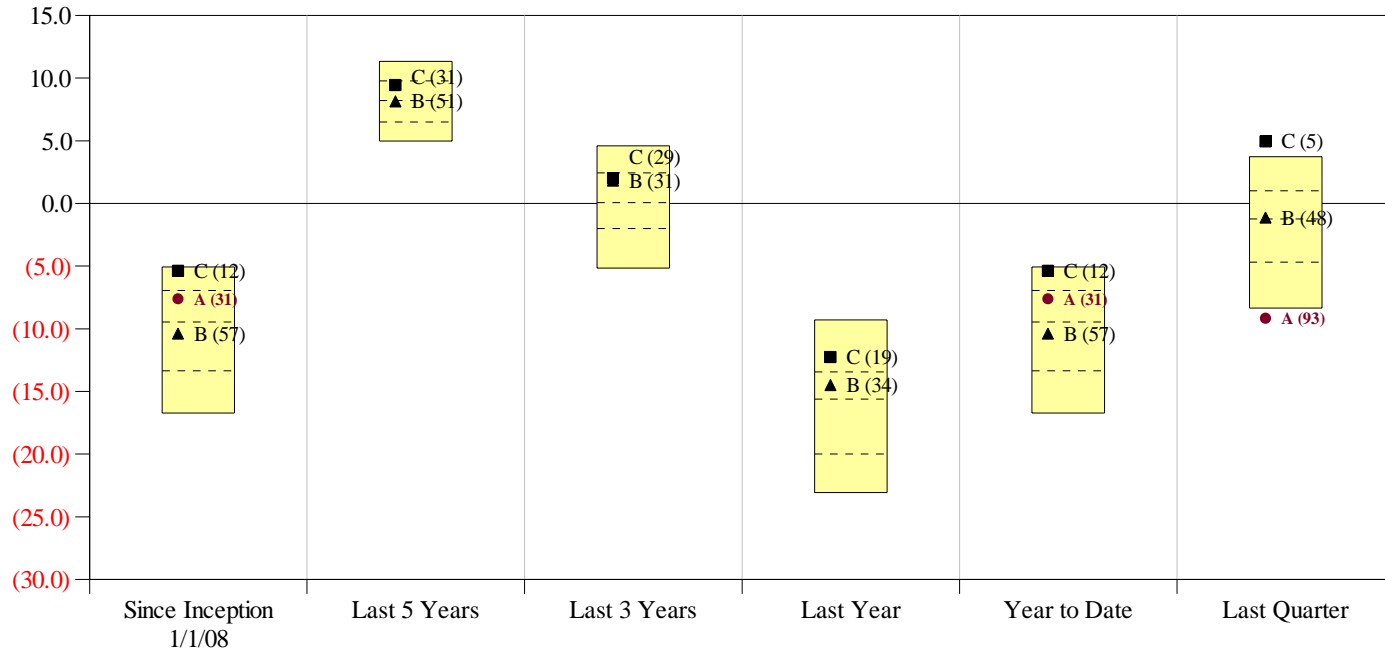
SECTOR WEIGHTINGS (%)	Stratton SCV STSCX	Russell 2000 V	Difference
Consumer Discretionary	6.41	12.40	(5.99)
Consumer Staples	8.28	4.40	3.88
Energy	9.45	3.90	5.55
Financials	19.30	36.50	(17.20)
Health Care	17.02	5.00	12.02
Industrials	9.39	13.70	(4.31)
Information Technology	10.28	12.30	(2.02)
Materials	1.24	4.70	(3.46)
Telecommunication Services	1.68	1.00	0.68
Utilities	6.92	6.10	0.82
Cash	10.03	0.00	10.03

SECTOR RATE OF RETURN (%)	Stratton SCV STSCX	Russell 2000 V	Difference
Consumer Discretionary	(2.31)	5.10	(7.41)
Consumer Staples	29.34	9.80	19.54
Energy	(46.15)	(30.60)	(15.55)
Financials	10.52	18.10	(7.58)
Health Care	13.47	11.70	1.77
Industrials	(10.48)	1.60	(12.08)
Information Technology	(11.45)	(2.90)	(8.55)
Materials	(62.88)	(16.10)	(46.78)
Telecommunication Services	2.53	(8.50)	11.03
Utilities	(10.38)	7.70	(18.08)

**TOP TEN HOLDINGS**

Holdings	% of Portfolio
1) Sciele Pharma	2.90%
2) DRS Technologies	2.83%
3) Amedisys	2.73%
4) Lifepoint Hospitals	2.44%
5) HealthSpring	2.38%
6) Ralcorp Holdings	2.33%
7) Moog Inc	2.10%
8) Nationwide Health Properties	2.10%
9) Ruddick Corp	2.08%
10) Casey's General Stores	2.04%

Returns  
 Stratton SCV-STSCX  
 Group: Lipper: Small-Cap Value Funds  
 September 30, 2008

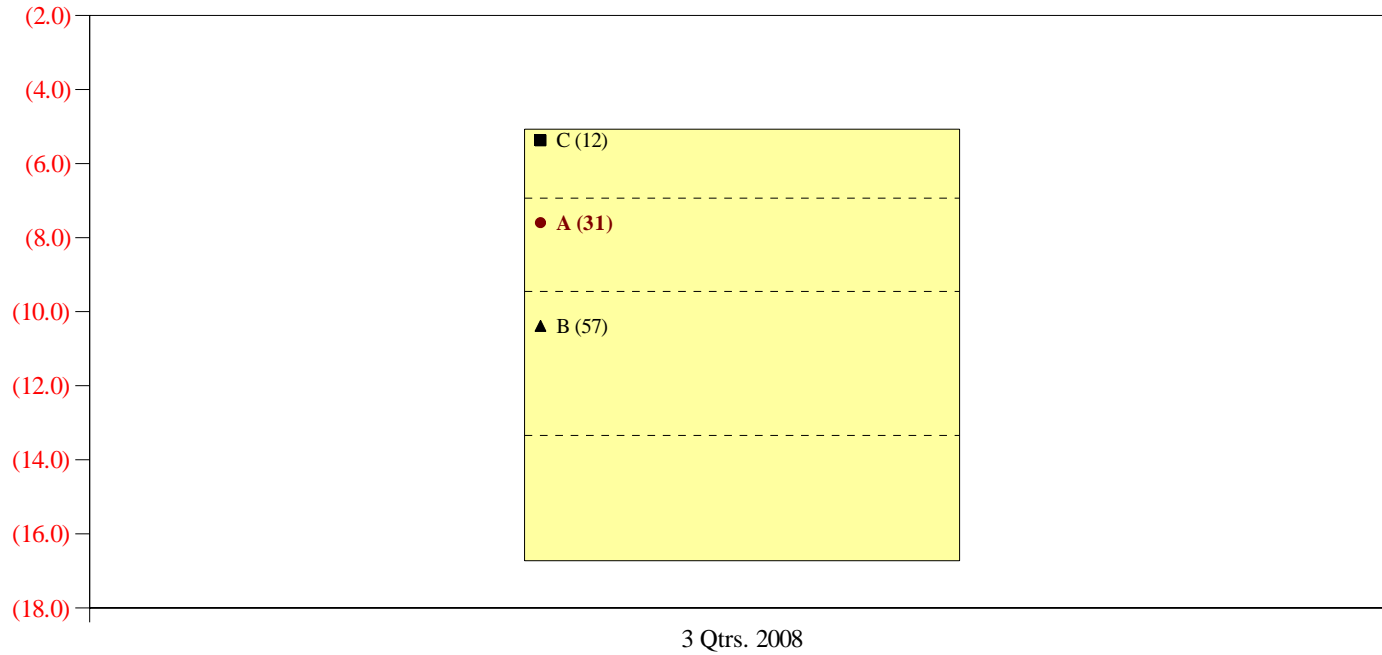


10th Percentile	(5.07)	11.34	4.60	(9.29)	(5.07)	3.74
25th Percentile	(6.93)	9.78	2.45	(13.43)	(6.93)	1.00
Median	(9.45)	8.22	0.07	(15.60)	(9.45)	(1.23)
75th Percentile	(13.34)	6.50	(2.01)	(19.99)	(13.34)	(4.68)
90th Percentile	(16.73)	5.00	(5.15)	(23.06)	(16.73)	(8.34)

Member Count	315	200	247	304	315	324
--------------	-----	-----	-----	-----	-----	-----

Stratton SCV-STSCX	● A	(7.59)	--	--	(7.59)	(9.15)
Russell 2000 Index	▲ B	(10.38)	8.15	1.83	(14.48)	(1.11)
Russell 2000 Value	■ C	(5.37)	9.45	2.00	(12.25)	4.96

ANNUAL RETURNS  
 Stratton SCV-STSCX  
 Group: Lipper: Small-Cap Value Funds  
 September 30, 2008



10th Percentile	(5.07)
25th Percentile	(6.93)
Median	(9.45)
75th Percentile	(13.34)
90th Percentile	(16.73)

Member Count 315

Stratton SCV-STSCX	● A	(7.59)
Russell 2000 Index	▲ B	(10.38)
Russell 2000 Value	■ C	(5.37)

**West Palm Beach Police Pension Fund**  
**DFA Intl Value - DFIVX**  
**Report For Period Ended September 30, 2008**

CURRENT PORTFOLIO ALLOCATION			
INT'L EQUITY.....	\$ 6,886,458	.....	100.0%
CASH & EQUIV.....	\$ -	.....	0.0%
TOTAL.....	\$ 6,886,458	.....	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	YES
• 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					
<b>Total Return</b>	<b>-30.0%</b>	-	-	-	<b>-28.7%</b>	<b>-17.8%</b>
MSCI EAFE	-30.9%	-	-	-	-29.3%	-20.5%
MSCI EAFE V	-32.0%	-	-	-	-30.3%	-19.1%
Out / Underperform						
MSCI EAFE	0.8%	-	-	-	0.5%	2.7%
Out / Underperform						
MSCI EAFE V	2.0%	-	-	-	1.6%	1.3%

PORTFOLIO CHARACTERISTICS		
	DFA Intl Value - DFIVX	MSCI EAFE
Trailing 12 Month P/E (x)	7.9	10.0
Price/Book (x)	1.2	1.6
Yield (%)	4.8	4.1
5 Yr Earnings Gro	0.0	N/A
Med Mkt Cap (\$mil)	3,835	5,296
Avg Mkt Cap (\$mil)	41,539	48,740
# of Holdings	528	1022.0
Turnover	16.0	N/A
Alpha	0.2	-
Beta	1.0	-
Standard Deviation-3Yr	15.4%	15.3%

**COMMENTARY**

- Since inception DFA Intl Value - DFIVX has outperformed the core and style benchmarks.
- For the quarter DFA Intl Value - DFIVX has outperformed the core and style benchmarks.
- Year to date DFA Intl Value - DFIVX has outperformed the core and style benchmarks.
- For the quarter, they ranked above median.
- Canada, Germany, and Netherlands had the highest Country Overweightings.
- Japan, United Kingdom, and Italy had the highest Country Underweightings.
- New Zealand, Portugal, and Greece had the least negative impact on returns.
- United Kingdom, Germany, and Netherlands 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.
- Health Care, Industrials, and Consumer Discretionary had the highest Sector Overperformance.
- Utilities, Telecommunication Services, and Consumer Staples had the highest Sector Underperformance.
- Health Care had the least negative impact on returns.
- Financials had the greatest negative impact on returns.
- *Overweighting and good stock selection of Financials helped returns but was offset by poor Telecommunication Services and Materials stock selection.*



**West Palm Beach Police Pension Fund**  
**DFA Intl Value - DFIVX**  
**Report For Period Ended September 30, 2008**

Country Allocation (%)			Country Returns (%)				
	<u>DFA Intl Value -</u>	<u>MSCI EAFE</u>	<u>DFA Intl Value -</u>		<u>MSCI EAFE</u>		
			<u>3 Months</u>	<u>1 Year</u>	<u>3 Months</u>	<u>1 Year</u>	
Austria	0.7	0.5	Austria	-42.2	-40.2	-41.1	-43.7
Belgium	0.7	0.9	Belgium	-21.8	-50.1	-31.8	-49.5
Denmark	1.2	1.0	Denmark	-23.9	-36.0	-26.3	-26.6
Finland	1.0	1.4	Finland	-22.1	-34.8	-27.3	-44.4
France	10.4	11.0	France	-10.3	-29.7	-18.9	-27.5
Germany	11.9	9.0	Germany	-17.3	-26.6	-20.6	-27.6
Greece	0.3	0.7	Greece	-20.5	-38.4	-21.4	-38.8
Ireland	0.5	0.4	Ireland	-41.2	-63.6	-42.1	-57.9
Italy	2.2	3.7	Italy	-24.9	-43.8	-22.0	-33.6
Netherlands	5.3	2.6	Netherlands	-34.7	-41.1	-21.0	-33.6
Norway	1.0	0.9	Norway	-39.2	-51.3	-40.6	-39.5
Portugal	0.1	0.3	Portugal	-23.3	-47.1	-18.6	-34.2
Spain	5.3	4.3	Spain	-20.9	-22.8	-17.0	-22.0
Sweden	2.6	2.1	Sweden	-21.8	-37.5	-22.8	-40.8
Switzerland	6.7	7.9	Switzerland	-13.0	-25.8	-13.2	-20.7
United Kingdom	19.6	21.7	United Kingdom	-20.1	-41.9	-21.0	-31.5
<b>Europe</b>	<b>69.4</b>	<b>68.2</b>	<b>Europe</b>				
Australia	5.3	6.3	Australia	-20.3	-33.8	-26.2	-34.5
Hong Kong	2.8	2.1	Hong Kong	-24.0	-33.3	-22.9	-35.7
Japan	13.7	22.1	Japan	-13.3	-19.7	-17.6	-26.8
New Zealand	0.2	0.1	New Zealand	-10.6	-27.5	-16.5	-40.9
Singapore	1.5	1.2	Singapore	-16.2	-22.5	-22.2	-31.0
<b>Pacific Basin</b>	<b>23.4</b>	<b>31.8</b>	<b>Pacific Basin</b>				
Canada	6.8	0.0	Canada	-19.0	-19.2	-21.7	-18.2
Emerging Markets	0.0	0.0	IFCI Emerging Markets Index	N/A	N/A	-24.2	-41.7
USA	0.1	0.0					
Cash & Equiv.	0.3						
Other Asset & Liabilities	0.0						
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>					

**TOP FIVE COUNTRIES**

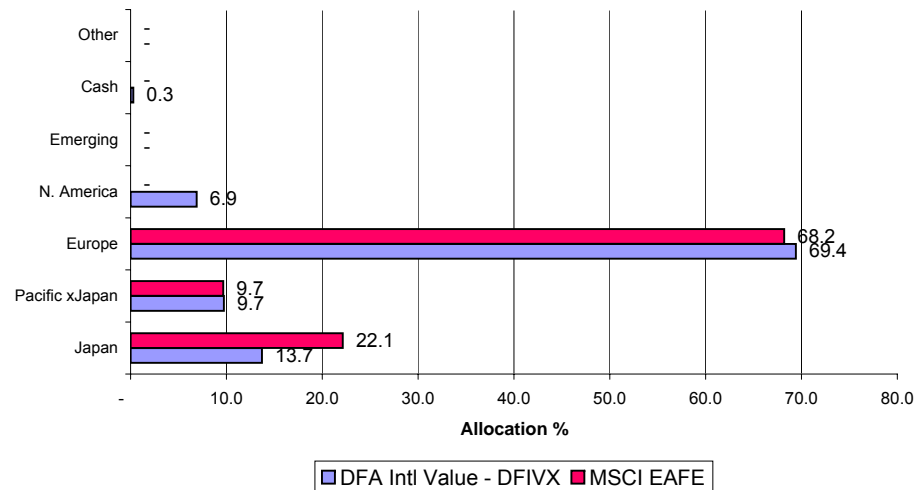
Holdings	% of Portfolio
1) United Kingdom	19.59%
2) Japan	13.71%
3) Germany	11.93%
4) France	10.44%
5) Switzerland	6.67%

**West Palm Beach Police Pension Fund**  
**DFA Intl Value - DFIVX**  
**Report For Period Ended September 30, 2008**

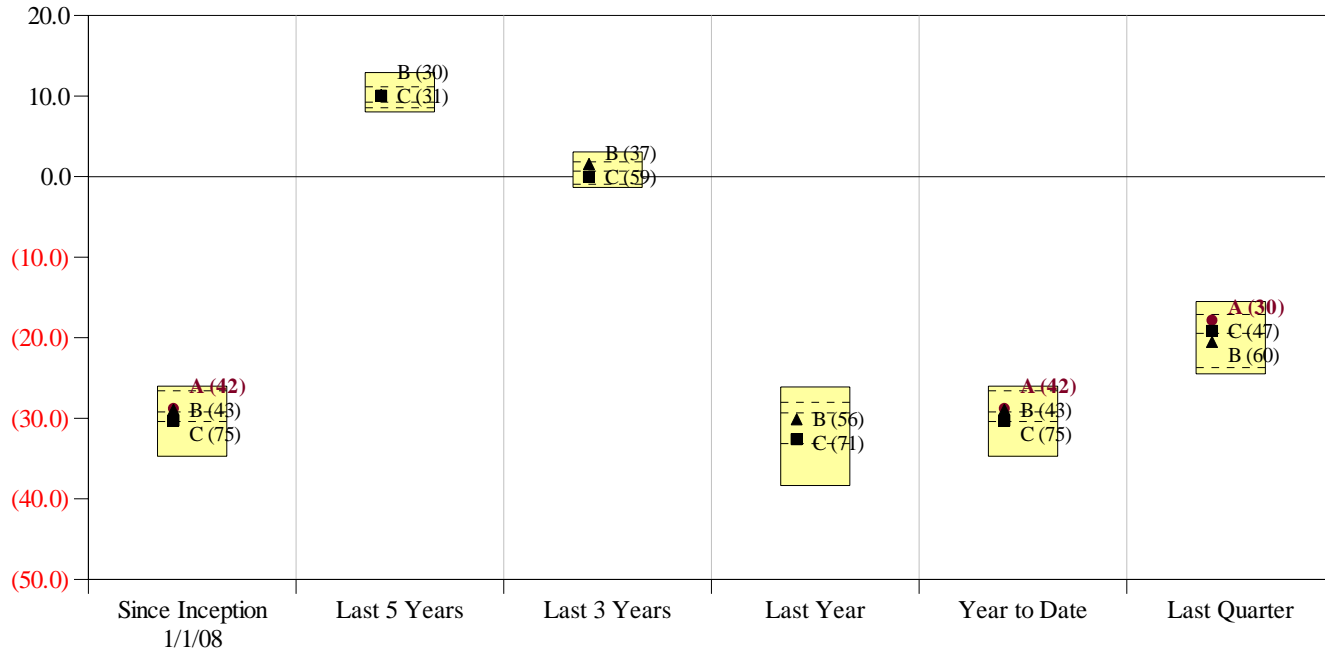
SECTOR WEIGHTINGS (%)	DFA Intl Value - DFIVX	MSCI EAFE	Difference
Consumer Discretionary	12.28	10.20	2.08
Consumer Staples	4.11	9.40	(5.29)
Energy	5.14	8.10	(2.96)
Financials	44.32	26.10	18.22
Health Care	0.47	8.50	(8.03)
Industrials	9.53	11.50	(1.97)
Information Technology	3.48	5.10	(1.62)
Materials	9.72	8.60	1.12
Telecommunication Services	7.61	5.80	1.81
Utilities	3.06	6.70	(3.64)
Cash	0.28	0.00	0.28

SECTOR RATE OF RETURN (%)	DFA Intl Value - DFIVX	MSCI EAFE	Difference
Consumer Discretionary	(12.69)	(16.20)	3.51
Consumer Staples	(10.75)	(9.10)	(1.65)
Energy	(29.25)	(30.40)	1.15
Financials	(15.00)	(17.00)	2.00
Health Care	(0.23)	(8.10)	7.87
Industrials	(19.24)	(24.70)	5.46
Information Technology	(17.89)	(21.30)	3.41
Materials	(36.95)	(39.40)	2.45
Telecommunication Services	(20.71)	(16.70)	(4.01)
Utilities	(26.00)	(16.60)	(9.40)

**REGIONAL ALLOCATION**

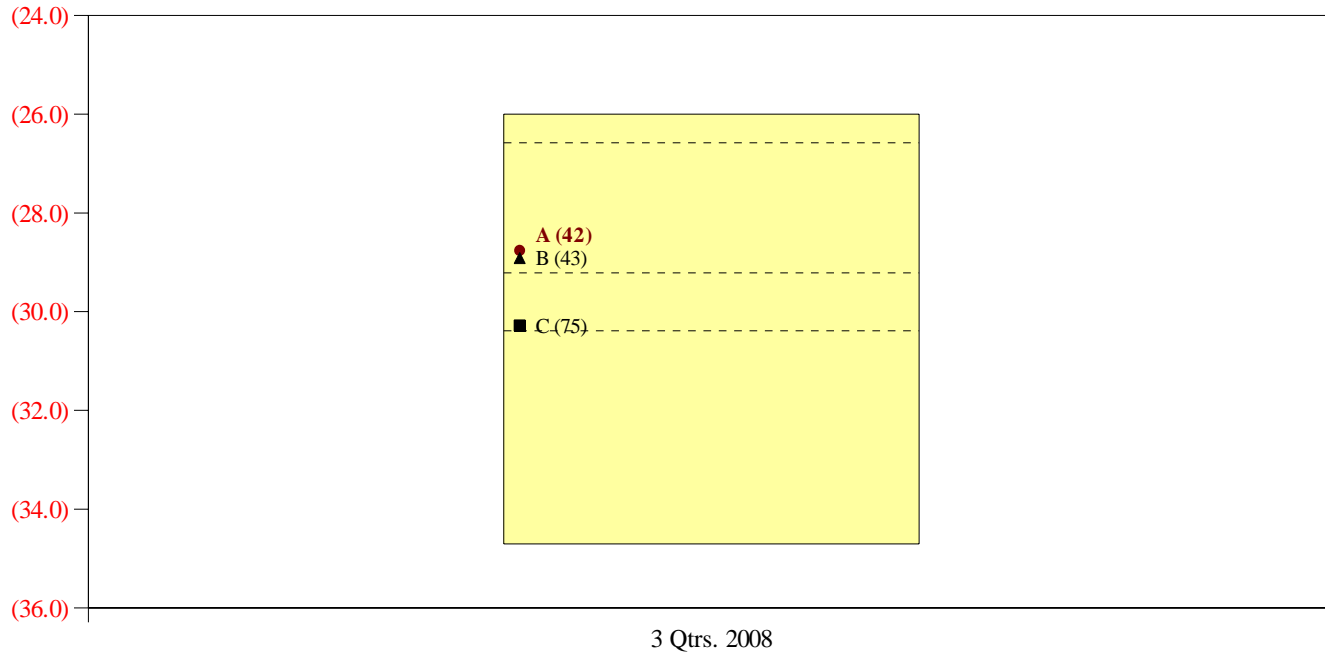


Returns  
DFA Intl Value-DFIVX  
Group: Lipper: International Large-Cap Value  
September 30, 2008



10th Percentile	(26.00)	12.93	3.07	(26.10)	(26.00)	(15.51)
25th Percentile	(26.58)	11.15	1.83	(28.01)	(26.58)	(17.11)
Median	(29.21)	9.25	0.70	(29.33)	(29.21)	(19.44)
75th Percentile	(30.38)	8.57	(0.94)	(33.13)	(30.38)	(23.69)
90th Percentile	(34.70)	8.05	(1.35)	(38.35)	(34.70)	(24.49)
Member Count	70	35	40	66	70	80
DFA Intl Value-DFIVX	● A (28.75)	--	--	--	(28.75)	(17.79)
MSCI:EAFE US\$ Gross Div	▲ B (28.91)	10.16	1.58	(30.13)	(28.91)	(20.50)
MSCI:EAFE Value Index	■ C (30.28)	10.05	0.00	(32.58)	(30.28)	(19.14)

ANNUAL RETURNS  
DFA Intl Value-DFIVX  
Group: Lipper: International Large-Cap Value  
September 30, 2008



10th Percentile	(26.00)
25th Percentile	(26.58)
Median	(29.21)
75th Percentile	(30.38)
90th Percentile	(34.70)

Member Count 70

DFA Intl Value-DFIVX	● A	(28.75)
MSCI:EAFE US\$ Gross Div	▲ B	(28.91)
MSCI:EAFE Value Index	■ C	(30.28)

**West Palm Beach Police Pension Fund**  
**Driehaus Intl SCG DRIOX**  
**Report For Period Ended September 30, 2008**

CURRENT PORTFOLIO ALLOCATION			
INT'L EQUITY.....	\$ 6,168,110	.....	100.0%
CASH & EQUIV.....	\$ -	.....	0.0%
TOTAL.....	\$ 6,168,110	.....	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            | NO  |

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					
<b>Total Return</b>	<b>-35.9%</b>	-	-	-	<b>-36.7%</b>	<b>-29.9%</b>
S&P/Citi EMI ex-US	<b>-27.2%</b>	-	-	-	<b>-25.3%</b>	<b>-17.0%</b>
Out / Underperform						
S&P/Citi EMI ex-US	<b>-8.6%</b>	-	-	-	<b>-11.4%</b>	<b>-12.8%</b>

PORTFOLIO CHARACTERISTICS		
---------------------------	--	--

	Driehaus Intl SCG DRIOX	S&P/Citi EMI ex-US
Trailing 12 Month P/E (x)	18.1	9.4
Price/Book (x)	3.5	1.1
Yield (%)	1.4	2.5
5 Yr Earnings Gro	25.6	N/A
Med Mkt Cap (\$mil)	989	1,186
Avg Mkt Cap (\$mil)	1,196	2,003
# of Holdings	65	4097.0
Turnover	260.0	N/A
Alpha	12.7	-
Beta	1.3	-
Standard Deviation-3Yr	24.9%	15.7%

COMMENTARY
------------

- Since inception Driehaus Intl SCG DRIOX has underperformed the core benchmark.
- For the quarter Driehaus Intl SCG DRIOX has underperformed the core benchmark.
- Year to date Driehaus Intl SCG DRIOX has underperformed the core benchmark.
- For the quarter, they ranked in the bottom quartile.
- Emerging Markets had the highest Country Overweighting.
- France, Germany, and Switzerland had the highest Country Underweightings.
- Netherlands, Austria, and Sweden had the least negative impact on returns.
- Emerging Markets, United Kingdom, and Canada had the greatest negative impact on returns.
- Information Technology, and Industrials had the highest Sector Overweightings.
- Financials, Materials, and Health Care had the highest Sector Underweightings.
- Financials had the highest Sector Overperformance.
- Consumer Staples, Materials, and Consumer Discretionary had the highest Sector Underperformance.
- Utilities had the least negative impact on returns.
- Industrials had the greatest negative impact on returns.
- *Poor sector allocation and stock selection across the board contributed to returns.*
- *Large cash position slightly helped returns but was offset by overweighting of Emerging Markets with a -35% quarter return.*

**West Palm Beach Police Pension Fund**  
**Driehaus Intl SCG DRIOX**  
**Report For Period Ended September 30, 2008**

**Country Allocation (%)**

**Country Returns (%)**

	<u>Driehaus Intl SCG</u>	<u>S&amp;P/Citi EMI ex-US</u>
Austria	0.5	0.6
Belgium	0.0	1.5
Denmark	0.0	0.7
Finland	0.0	1.4
France	1.5	9.6
Germany	1.3	8.5
Greece	0.0	0.8
Ireland	0.0	0.7
Italy	3.1	3.2
Netherlands	2.2	3.2
Norway	0.7	1.1
Portugal	0.0	0.4
Spain	0.0	4.1
Sweden	2.0	2.2
Switzerland	1.5	7.8
United Kingdom	14.6	16.2
<b>Europe</b>	<b>27.4</b>	<b>61.8</b>
Australia	3.4	6.1
Hong Kong	0.0	2.0
Japan	12.1	16.6
New Zealand	0.0	0.2
Singapore	0.0	1.2
<b>Pacific Basin</b>	<b>15.6</b>	<b>26.0</b>
Canada	5.3	8.2
Emerging Markets	30.0	4.0
USA	1.5	
Cash & Equiv.	20.3	
Other Asset & Liabilities	0.0	
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>

	<u>Driehaus Intl SCG</u>		<u>S&amp;P/Citi EMI ex-US</u>	
	<u>3 Months</u>	<u>1 Year</u>	<u>3 Months</u>	<u>1 Year</u>
Austria	-45.2	-44.0	-26.4	-38.6
Belgium	N/A	N/A	-10.5	-23.1
Denmark	N/A	N/A	-21.3	-47.4
Finland	N/A	N/A	-23.1	-43.2
France	-37.5	-37.6	-10.3	-29.8
Germany	-56.9	-56.5	-22.3	-36.4
Greece	N/A	N/A	-24.7	-45.5
Ireland	N/A	N/A	-15.4	-42.0
Italy	-37.4	-37.6	-11.5	-38.2
Netherlands	-10.1	-11.9	-15.6	-27.8
Norway	-41.4	-29.9	-30.5	-39.8
Portugal	N/A	N/A	-6.6	-40.7
Spain	N/A	N/A	-9.8	-30.0
Sweden	-13.8	-36.2	-16.0	-35.0
Switzerland	-35.8	-12.9	-12.2	-24.9
United Kingdom	-31.7	-26.4	-11.2	-27.5
<b>Europe</b>				
Australia	-36.5	-37.5	-14.6	-30.6
Hong Kong	N/A	N/A	-30.6	-49.4
Japan	-14.3	-23.0	-16.2	-32.6
New Zealand	N/A	N/A	-6.1	-16.9
Singapore	N/A	N/A	-30.4	-45.7
<b>Pacific Basin</b>				
Canada	-37.5	-20.1	-27.7	-31.4
IFCI Emerging Markets Index	-35.6	-33.42	-26.2	-37.5

**TOP FIVE COUNTRIES**

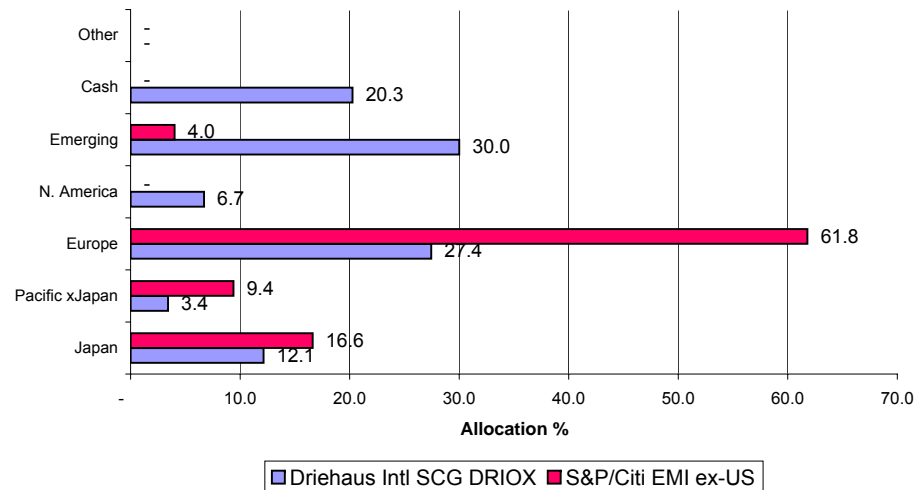
<u>Holdings</u>	<u>% of Portfolio</u>
1) Great Britain	14.61%
2) Japan	12.14%
3) China	7.74%
4) Canada	5.25%
5) South Korea	4.98%

**West Palm Beach Police Pension Fund**  
**Driehaus Intl SCG DRIOX**  
 Report For Period Ended September 30, 2008

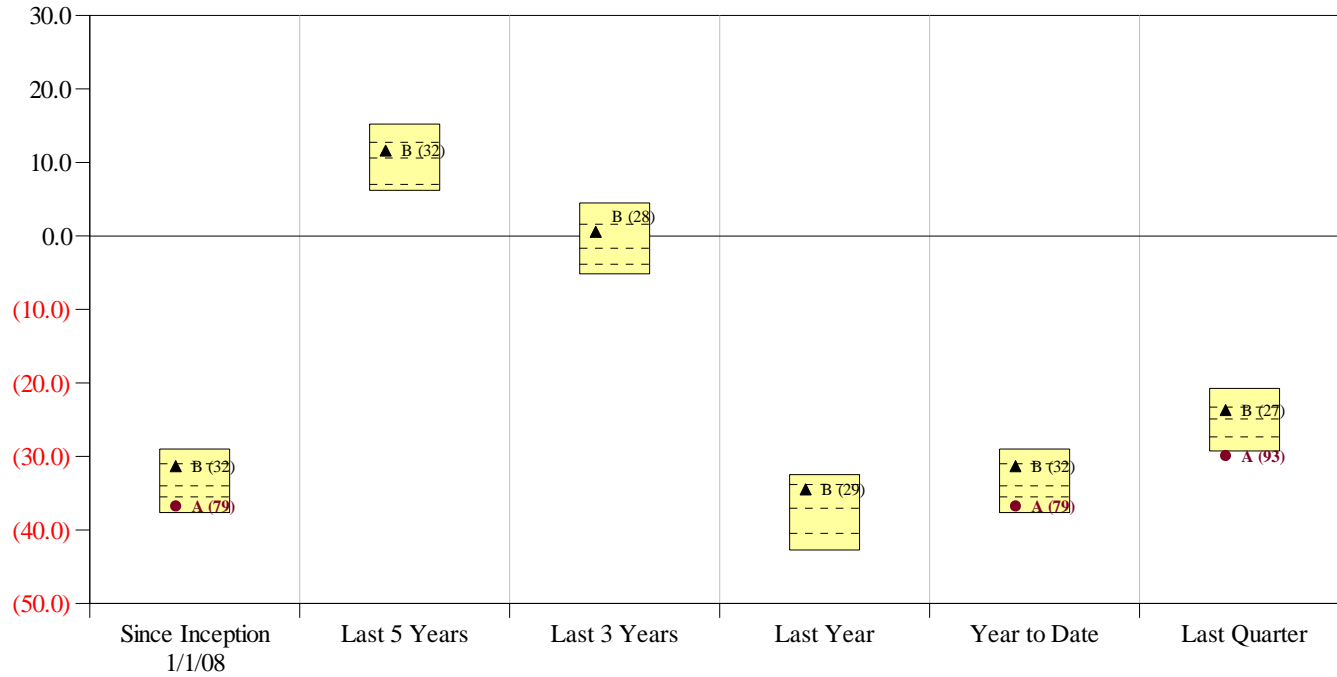
SECTOR WEIGHTINGS (%)	Driehaus Intl SCG DRIOX	S&P/Citi EMI ex-US	Difference
Consumer Discretionary	13.92	15.53	(1.61)
Consumer Staples	2.42	5.50	(3.08)
Energy	6.17	6.69	(0.52)
Financials	5.96	17.89	(11.93)
Health Care	2.49	6.34	(3.85)
Industrials	26.13	22.01	4.12
Information Technology	13.51	7.10	6.41
Materials	7.39	13.99	(6.60)
Telecommunication Services	0.00	1.20	(1.20)
Utilities	1.75	3.75	(2.00)
Cash	20.27	0.00	20.27

SECTOR RATE OF RETURN (%)	Driehaus Intl SCG DRIOX	S&P/Citi EMI ex-US	Difference
Consumer Discretionary	(30.85)	(12.50)	(18.35)
Consumer Staples	(31.59)	(7.36)	(24.23)
Energy	(46.42)	(30.80)	(15.62)
Financials	(6.71)	(13.04)	6.33
Health Care	(22.80)	(4.69)	(18.11)
Industrials	(34.07)	(18.19)	(15.88)
Information Technology	(27.72)	(15.30)	(12.42)
Materials	(46.80)	(26.14)	(20.66)
Telecommunication Services	N/A	(8.50)	N/A
Utilities	(12.11)	(4.48)	(7.63)

**REGIONAL ALLOCATION**



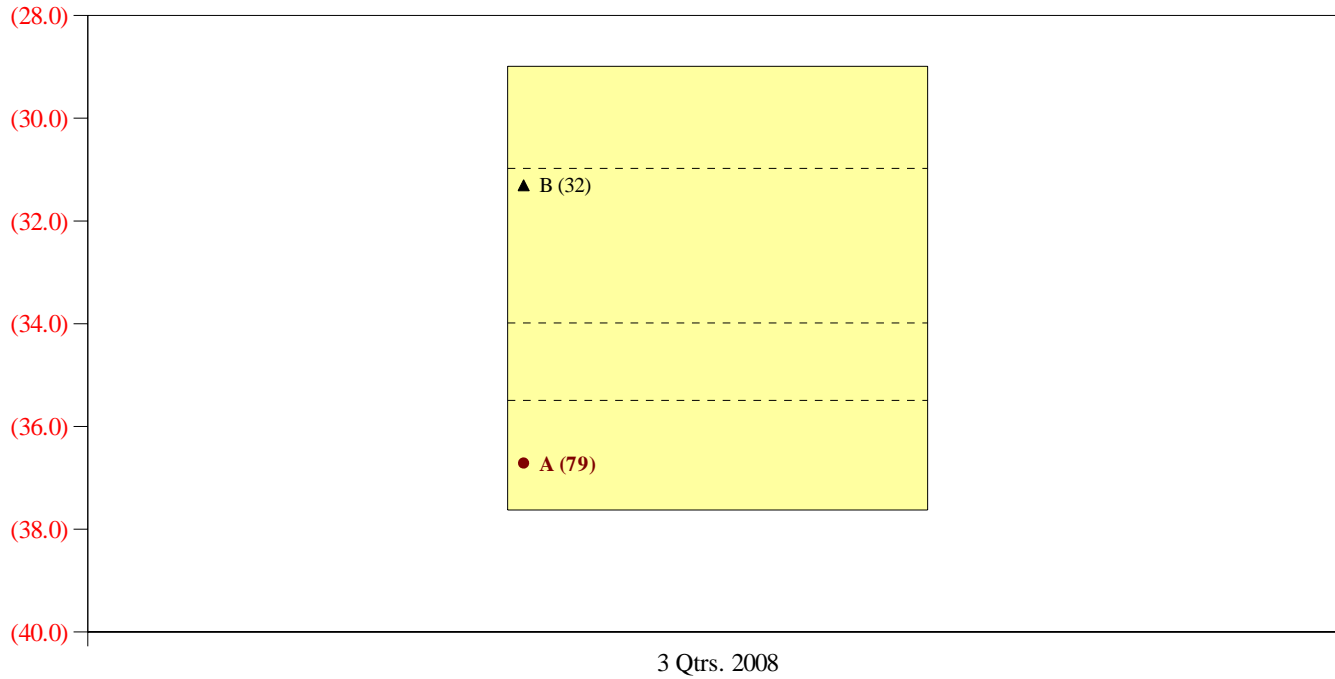
Returns  
Driehaus Intl SCG-DRIOX  
Group: Lipper: International Small Cap Obj  
September 30, 2008



10th Percentile		(28.99)	15.22	4.51	(32.45)	(28.99)	(20.73)
25th Percentile		(30.97)	12.76	1.62	(33.82)	(30.97)	(23.26)
Median		(33.98)	10.61	(1.67)	(37.02)	(33.98)	(24.88)
75th Percentile		(35.49)	7.04	(3.84)	(40.44)	(35.49)	(27.31)
90th Percentile		(37.62)	6.22	(5.15)	(42.72)	(37.62)	(29.25)
Member Count		130	92	104	129	130	138
Driehaus Intl SCG-DRIOX	● A	(36.71)	--	--	--	(36.71)	(29.85)
Citi:EMI World ex US	▲ B	(31.30)	11.63	0.58	(34.47)	(31.30)	(23.68)



ANNUAL RETURNS  
 Driehaus Intl SCG-DRIOX  
 Group: Lipper: International Small Cap Obj  
 September 30, 2008



10th Percentile	(28.99)
25th Percentile	(30.97)
Median	(33.98)
75th Percentile	(35.49)
90th Percentile	(37.62)

Member Count 130

Driehaus Intl SCG-DRIOX	● A	(36.71)
Citi:EMI World ex US	▲ B	(31.30)

**West Palm Beach Police Pension Fund**  
**DHJ - FI**  
**Report For Period Ended September 30, 2008**

CURRENT PORTFOLIO ALLOCATION			
DOMESTIC Fixed Income...	\$ 51,522,541	.....	99.0%
CASH & EQUIV.....	\$ 513,827	.....	1.0%
TOTAL.....	\$ 52,036,367	.....	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	YES
♦ 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

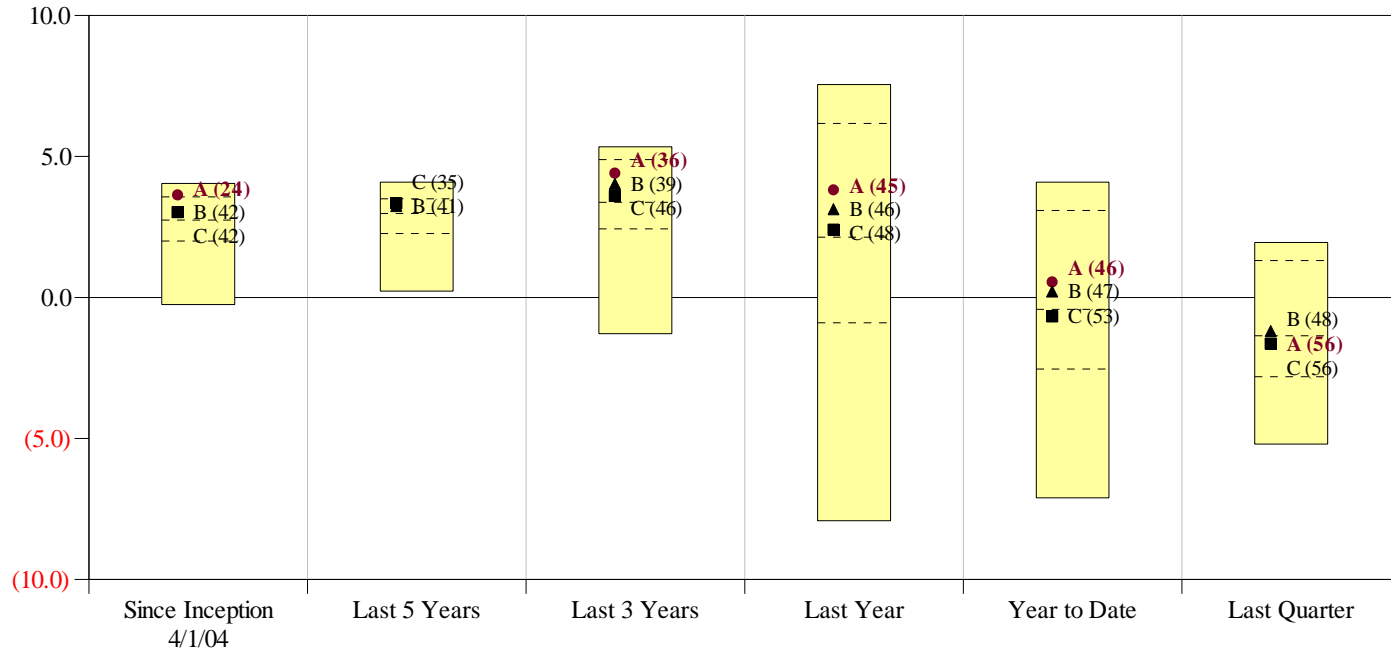
INVESTMENT STRATEGY
♦ Core Fixed Income
♦ Focus on quality growth companies that are expected to exceed earnings expectations over time
♦ Buy quality companies
♦ Use proprietary screening process & bottom-up work to determine sector bets
♦ Sell when stocks do not meet team requirements

COMMENTARY
♦ Since inception DHJ - FI has outperformed the core
♦ For three years DHJ - FI has underperformed the core
♦ For one year DHJ - FI has underperformed the core benchmark.
♦ For one year, and three years, they ranked above median; for the quarter, they ranked below median.
♦ Agency had the highest Sector Overweighting.
♦ Treasury had the highest Sector Underweighting.
♦ Mortgage/Asset Backed had the highest Sector
♦ Corporate had the highest Sector Underperformance.
♦ <i>Duration below benchmark, no significant affect on returns.</i>
♦ <i>Underweighting of Treasuries and Corporate selection hurt returns.</i>

PERFORMANCE (%)	Incept.	5 Years	3 Years	1 Year	YTD	3 Mos
Inception Date	1/31/04					
<b>Total Return</b>	<b>3.9%</b>	<b>-</b>	<b>4.4%</b>	<b>3.8%</b>	<b>0.6%</b>	<b>-1.6%</b>
LB Int. Aggregate	3.8%	-	4.4%	4.2%	1.2%	-0.1%
Out / Underperform						
LB Int. Aggregate	0.0%	-	-0.0%	-0.3%	-0.7%	-1.5%

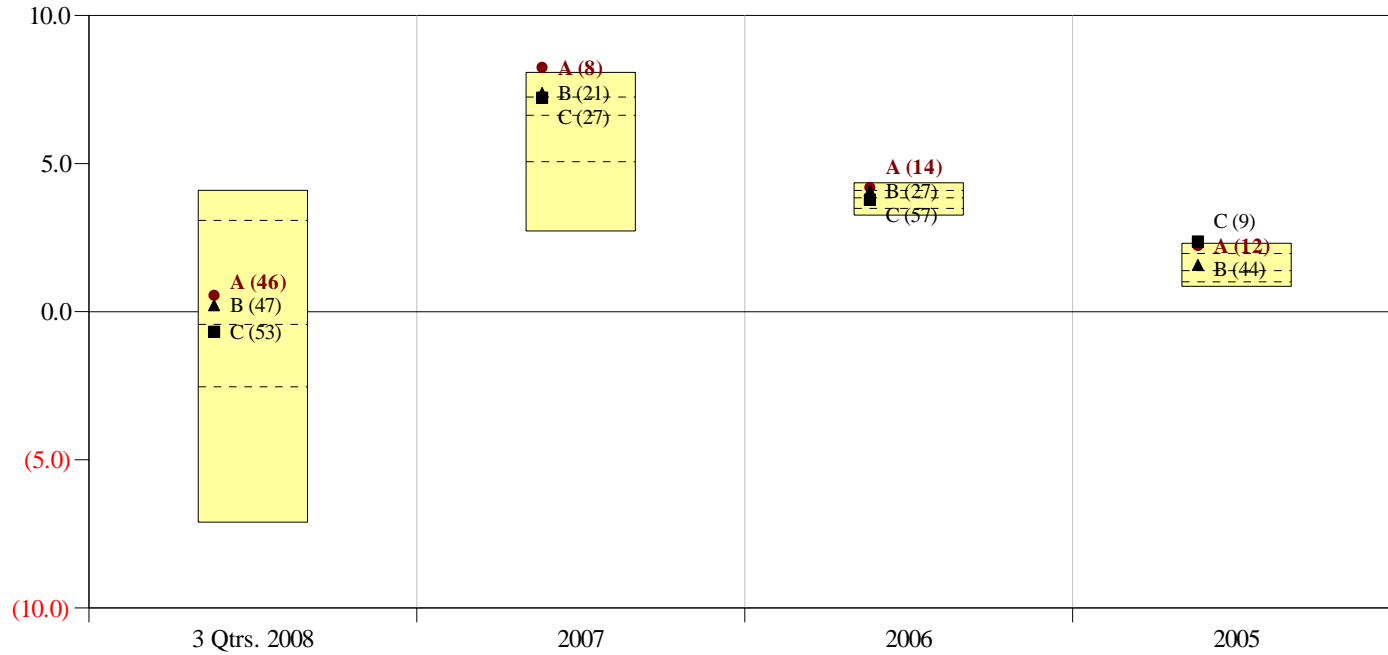
PORTFOLIO CHARACTERISTICS	DHJ - FI	LB Int. Aggregate
# of Holdings	52	8209
Average Coupon (%)	5.5	5.2
Current Yield (%)	0.0	5.2
Yield-To-Maturity (%)	5.7	5.2
Duration (years)	3.6	3.7
Average Maturity (years)	4.9	5.4
Average Quality	AAA	AAA/AA1
Sector Distribution (%):		
Treasury	2.1	22.9
Agency	37.9	9.7
Mortgage/Asset Backed	32.1	45.4
Corporate	26.9	22.0
Utilities	0.0	
Yankee/Foreign	0.0	
Cash Equiv	1.0	
Sector Returns (%):		
Treasury	2.1	2.2
Agency	1.0	1.1
Mortgage/Asset Backed	1.1	0.9
Corporate	-8.0	-7.0
Utilities	N/A	
Yankee/Foreign	N/A	
Cash Equiv	0.0	
Quality Distribution (%):		
Treasury/Agency	72.9	32.6
AAA	1.1	51.2
AA	6.9	3.9
A	19.1	6.8
BBB	18.4	5.5
<BBB	0.0	
Maturity Distribution (%):		
< 1year	2.0	
1 -5 years	79.7	46.2
5 - 10 years	18.3	52.3
10 - 15 years	0.0	1.6
15 - 20 years	0.0	
> 20 years	0.0	
Standard Deviation	2.9%	2.4%

Returns  
 Davis Hamilton FI  
 Group: CAI MF - Intermediate Style  
 September 30, 2008



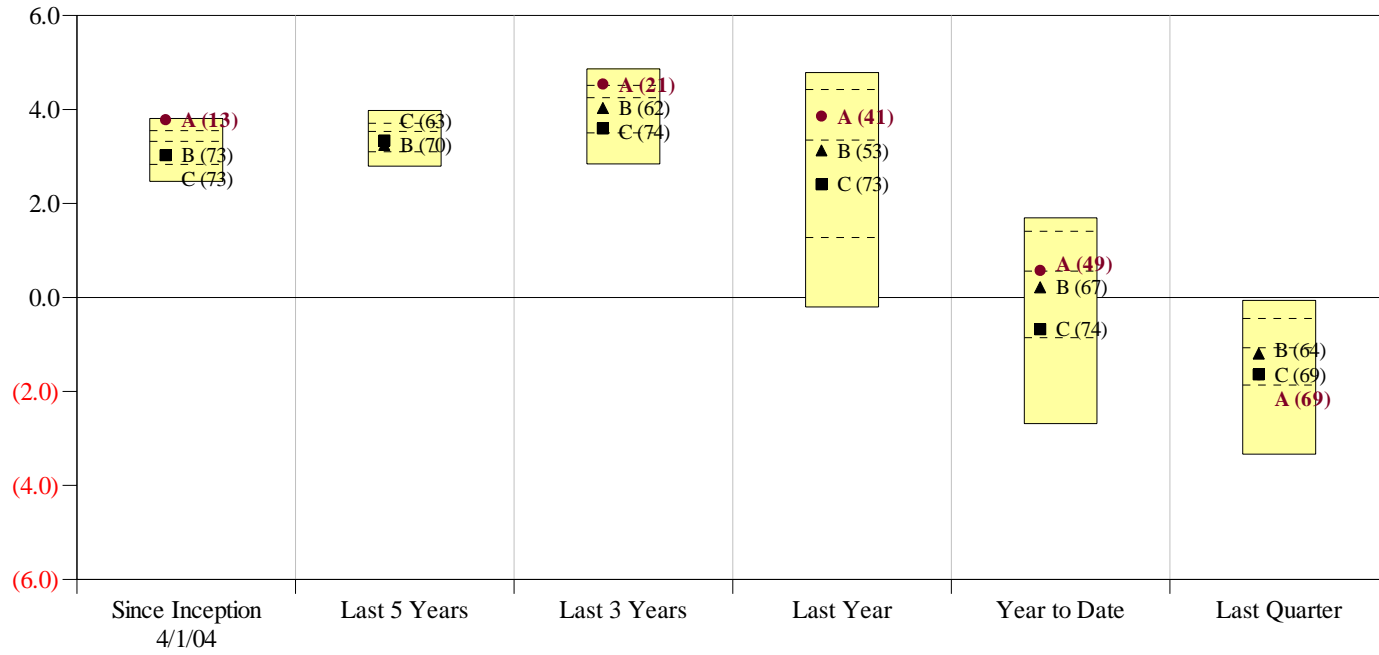
10th Percentile	4.05	4.09	5.35	7.55	4.10	1.95	
25th Percentile	3.57	3.50	4.89	6.17	3.09	1.31	
Median	2.75	2.98	3.37	2.14	(0.42)	(1.36)	
75th Percentile	2.01	2.27	2.43	(0.90)	(2.53)	(2.81)	
90th Percentile	(0.25)	0.23	(1.28)	(7.92)	(7.11)	(5.20)	
Member Count	22	22	22	22	22	22	
Davis Hamilton FI	● A	3.64	--	4.42	3.82	0.56	(1.63)
LB:Gov/Credit Inter	▲ B	3.04	3.25	4.03	3.13	0.22	(1.19)
LB:Gov/Credit Bond	■ C	3.03	3.34	3.60	2.41	(0.67)	(1.64)

ANNUAL RETURNS  
 Davis Hamilton FI  
 Group: CAI MF - Intermediate Style  
 September 30, 2008



10th Percentile	4.10	8.08	4.35	2.31	
25th Percentile	3.09	7.25	4.09	1.97	
Median	(0.42)	6.63	3.85	1.39	
75th Percentile	(2.53)	5.07	3.49	1.01	
90th Percentile	(7.11)	2.73	3.27	0.86	
Member Count	22	22	24	27	
Davis Hamilton FI	● A	0.56	8.25	4.20	2.24
LB:Gov/Credit Inter	▲ B	0.22	7.39	4.08	1.58
LB:Gov/Credit Bond	■ C	(0.67)	7.23	3.78	2.37

Returns  
 Davis H FI Gross  
 Group: CAI Intermediate Fixed-Inc Style  
 September 30, 2008



10th Percentile		3.81	3.98	4.87	4.79	1.70	(0.06)
25th Percentile		3.55	3.71	4.51	4.43	1.41	(0.45)
Median		3.32	3.53	4.25	3.35	0.56	(1.07)
75th Percentile		2.83	3.10	3.50	1.27	(0.86)	(1.86)
90th Percentile		2.47	2.80	2.84	(0.20)	(2.68)	(3.34)
Member Count		32	32	32	32	32	32
Davis H FI Gross	● A	3.79	--	4.54	3.86	0.58	(1.64)
LB:Gov/Credit Inter	▲ B	3.04	3.25	4.03	3.13	0.22	(1.19)
LB:Gov/Credit Bond	■ C	3.03	3.34	3.60	2.41	(0.67)	(1.64)

ANNUAL RETURNS  
 Davis H FI Gross  
 Group: CAI Intermediate Fixed-Inc Style  
 September 30, 2008



10th Percentile	1.70	7.86	4.95	2.54	
25th Percentile	1.41	7.65	4.72	2.28	
Median	0.56	7.28	4.46	2.00	
75th Percentile	(0.86)	6.76	4.25	1.71	
90th Percentile	(2.68)	6.14	4.05	1.63	
Member Count	32	35	37	41	
Davis H FI Gross	● A	0.58	8.36	4.40	2.40
LB:Gov/Credit Inter	▲ B	0.22	7.39	4.08	1.58
LB:Gov/Credit Bond	■ C	(0.67)	7.23	3.78	2.37

**West Palm Beach Police Pension Fund**  
**Collins Capital - FOF**  
**Report For Period Ended September 30, 2008**

CURRENT PORTFOLIO ALLOCATION		
DOMESTIC Fixed Income..	\$ 9,010,380 .....	100.0%
CASH & EQUIV.....	\$ - .....	0.0%
TOTAL.....	\$ 9,010,380 .....	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	NO
♦ 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					
<b>Total Return</b>	<b>-1.7%</b>	-	-	<b>-1.7%</b>	<b>-6.2%</b>	<b>-9.9%</b>
8% Annual Return	8.0%	-	-	8.0%	5.9%	1.9%
Out / Underperform						
8% Annual Return	<b>-9.7%</b>	-	-	<b>-9.7%</b>	<b>-12.1%</b>	<b>-11.8%</b>

**PORTFOLIO CHARACTERISTICS**

	Collins Capital - FOF
Current Yield (%)	-6.6%
Med Mkt Cap (\$mil)	0
Avg Mkt Cap (\$mil)	0
# of Managers	21
Manager Turnover - 3yr	8.3%
Standard Deviation - 3 yr	6.6%
Correlation to S&P 500	46.3
Correlation to LB Aggregate	1.3
% Negative Months	18.8%
% Consecutive Negative Mos.	3.0%
Return For Longest Consecutive Negative Mos. Return	-9.9
Total Leverage	1.9
Maximum Draw-Down	(9.9)

**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 one year, they ranked in the top quartile; for the quarter, they ranked in the bottom quartile.
- ♦ Distressed Securities, Multi-Strategy Arb, and Event Driven had the highest Sector Weightings.
- ♦ Equity Long-Short had the highest positive contribution to returns.
- ♦ *There were no material changes in the underlying strategy allocations of the Fund in the quarter.*
- ♦ *Hedge Fund Strategies did not perform well due to regulation on short selling and no bond liquidity.*

**West Palm Beach Police Pension Fund**  
**Collins Capital - FOF**  
**Report For Period Ended September 30, 2008**

STRATEGY WEIGHTINGS (%)	Collins Capital - FOF
Convertible Arbitrage	0.0
Fixed Income Arbitrage	0.0
Statistical Arbitrage	4.4
Equity Long-Short	0.2
Equity Market Neutral	2.1
Event Driven	4.9
Distressed Securities	48.1
High Yield	0.0
Dedicated Short Bias	0.0
Global Macro	4.5
Emerging Markets	0.0
Managed Futures	0.0
Multi-Strategy Arb	26.6
Trading	9.3

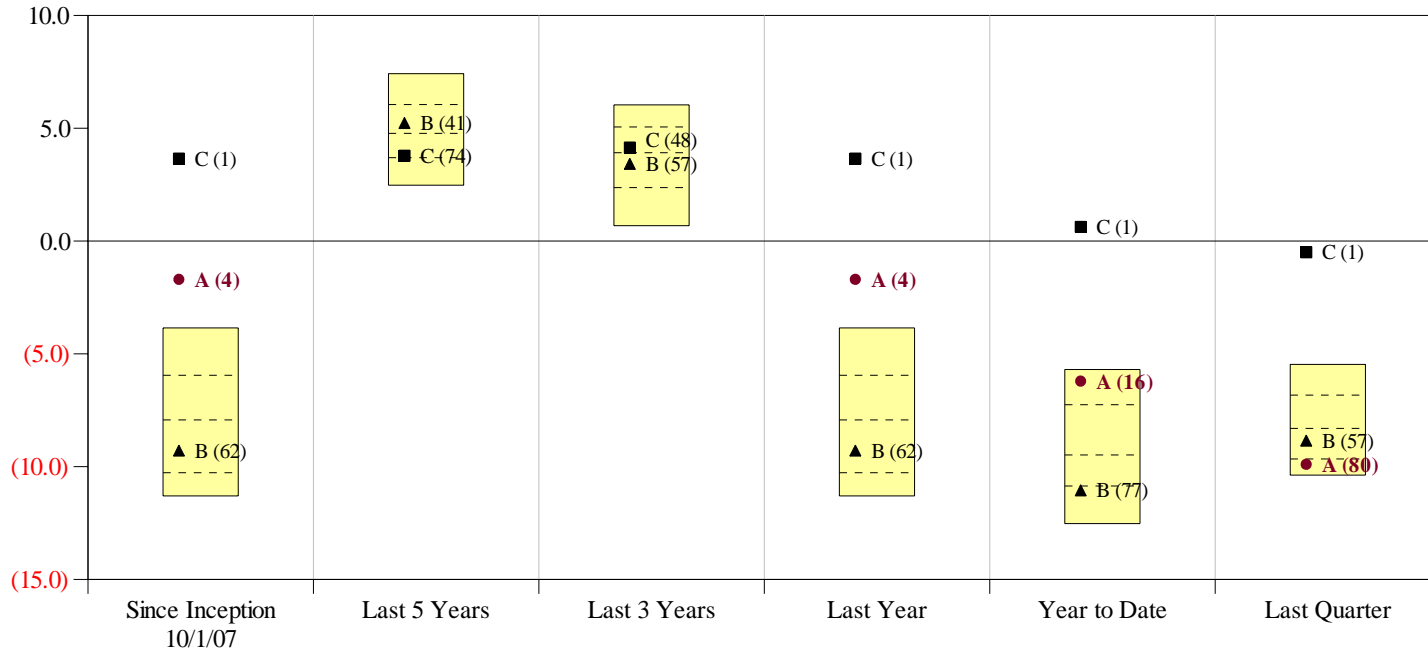
STRATEGY RATE OF RETURN (%)	Collins Capital - FOF
Convertible Arbitrage	N/A
Fixed Income Arbitrage	N/A
Statistical Arbitrage	(3.56)
Equity Long-Short	(11.20)
Equity Market Neutral	(4.99)
Event Driven	(12.85)
Distressed Securities	(11.85)
High Yield	N/A
Dedicated Short Bias	N/A
Global Macro	(3.11)
Emerging Markets	N/A
Managed Futures	N/A
Multi-Strategy Arb	(12.88)
Trading	3.70

**TOP FIVE MANAGERS**

Manager Name	Strategy	% of Portfolio
1) Rye Select Broad Market Prime Fund, LP	Trading	8.79%
2) King Street Capital, LP	Event Driven	7.84%
3) DE Shaw Composite, LLC	Relative Value/Arbitrage	6.77%
4) Claren Road Credit Partners, LP	Event Driven	6.14%
5) Styx Partners, LP	Event Driven	5.89%

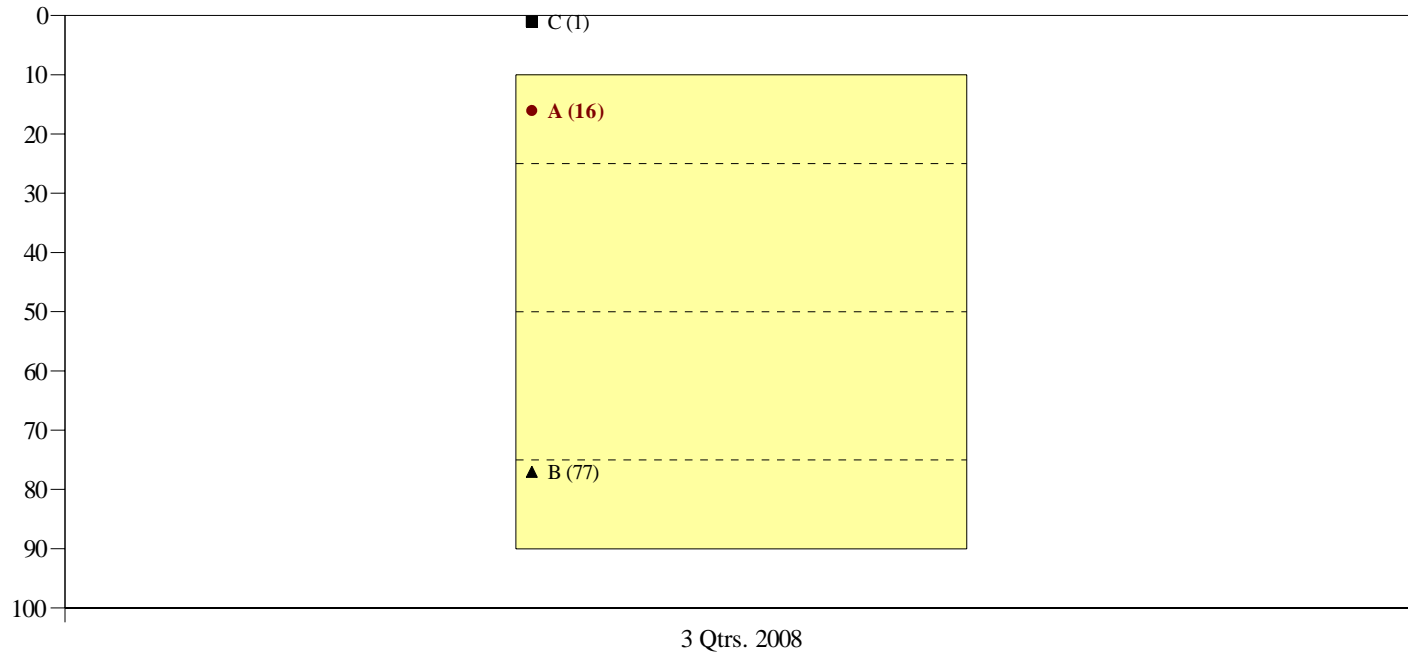


Returns  
Collins  
Group: Absolute Return Hedge FoF Style  
September 30, 2008



10th Percentile	(3.85)	7.42	6.04	(3.85)	(5.69)	(5.46)
25th Percentile	(5.95)	6.06	5.06	(5.95)	(7.25)	(6.82)
Median	(7.93)	4.78	3.91	(7.93)	(9.48)	(8.30)
75th Percentile	(10.27)	3.70	2.37	(10.27)	(10.86)	(9.66)
90th Percentile	(11.30)	2.48	0.68	(11.30)	(12.53)	(10.37)
Member Count	44	38	42	44	44	44
Collins	● A (1.69)	--	--	(1.69)	(6.20)	(9.89)
HFR FOF Index	▲ B (9.29)	5.23	3.43	(9.29)	(11.05)	(8.84)
LB:Aggr Bond	■ C 3.65	3.78	4.15	3.65	0.63	(0.49)

ANNUAL RETURNS  
 Collins  
 Group: Absolute Return Hedge FoF Style  
 September 30, 2008



10th Percentile	(5.69)
25th Percentile	(7.25)
Median	(9.48)
75th Percentile	(10.86)
90th Percentile	(12.53)
Member Count	44
Collins ● A	(6.20)
HFR FOF Index ▲ B	(11.05)
LB:Aggr Bond ■ C	0.63

**West Palm Beach Police Pension Fund**  
**BENCHMARK HISTORY**  
**BALANCED INDEX COMPOSITION SUMMARY**  
**REPORT FOR PERIODS ENDING September 30, 2008**

<b>Since Inception</b>	<b>Weight</b>
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

<b>From: June 1, 2003</b>	<b>Weight</b>
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

<b>From: April 1, 2007</b>	<b>Weight</b>
S&P 500 Index	40.00 %
Russell MidCap Index	12.00
Russell 2000 Index	5.00
MSCI EAFE Index	8.00
LB Gov/Credit	35.00

<b>From: January 1, 2008</b>	<b>Weight</b>
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 Credit	30.00
8% Annual Return	5.00