

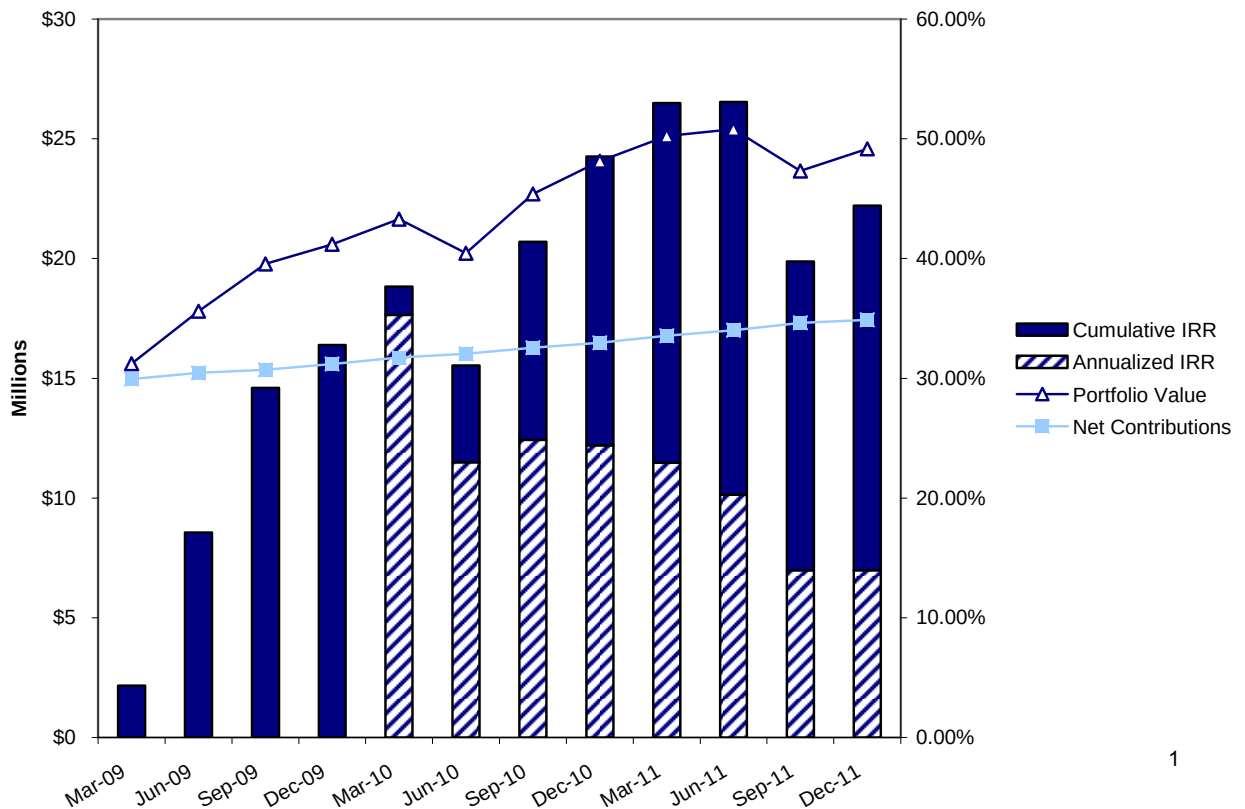
PORTFOLIO PERFORMANCE REPORT

Killeen Fire Department

Inception Date 03-10-09

Period Ending 12-31-11

	Quarter-to-Date 09-30-11 To 12-31-11	Year-to-Date 12-31-10 To 12-31-11	1 Year 12-31-10 To 12-31-11	Inception 03-10-09 To 12-31-11
Starting Portfolio Value	\$23,659,663	\$24,064,524	\$24,064,524	\$0
Contributions	\$592,939	\$2,526,924	\$2,526,924	\$22,343,691
Withdrawals	\$-465,691	\$-1,566,882	\$-1,566,882	\$-4,902,050
Net Investment	\$127,249	\$960,042	\$960,042	\$17,441,641
Realized Gains	\$0	\$275,275	\$275,275	\$3,592,905
Unrealized Gains	\$576,092	\$-1,175,410	\$-1,175,410	\$1,969,249
Interest	\$75	\$246	\$246	\$6,259
Dividends	\$229,394	\$523,689	\$523,689	\$1,696,278
Management Fees	\$-12,541	\$-68,435	\$-68,435	\$-103,435
Portfolio Fees	\$0	\$0	\$0	\$-22,966
Ending Portfolio Value	\$24,579,932	\$24,579,932	\$24,579,932	\$24,579,932
Total Gain Before Fees	\$805,561	\$-376,200	\$-376,200	\$7,264,692
Total Fees	\$-12,541	\$-68,435	\$-68,435	\$-126,401
Total Gain After Fees	\$793,020	\$-444,635	\$-444,635	\$7,138,291
IRR (Discounted Cash Flow)	3.34	-1.81	-1.81	44.42
Annualized IRR				13.99
TWR Return	3.46	-1.63	-1.63	46.86
Annualized TWR				14.68



PERFORMANCE BY ASSET INCLUDING ACCRUED INTEREST

Killeen Fire Department

Inception Date 03-10-09

Report Date 12-31-11

Discounted Cash Flow Method

EQUITIES

Domestic SMID Cap Value

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
Advisory Research SMID Fund Value II LP	03-11-09	-	1,274,605.26	15.32	6.49	6.49	29.96	-	110.70	1,166,516.99
Domestic SMID Cap Value Total (IRR)	03-11-09	-	1,274,605.26	15.32	6.49	6.49	29.96	-	110.70	1,166,516.99
Domestic SMID Cap Value Total (TWR)	03-11-09	-	1,274,605.26	15.32	2.36	2.36	24.97	-	91.53	1,166,516.99

Domestic Mid Cap Growth

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
Morgan Stanley Instil Fd Tr Mid Cap Growth Portf Cl	03-11-09	-	1,059,581.52	3.35	1.38	1.38	41.06	-	211.71	1,616,491.78
Domestic Mid Cap Growth Total (IRR)	03-11-09	-	1,059,581.52	3.35	1.38	1.38	41.06	-	211.71	1,616,491.78
Domestic Mid Cap Growth Total (TWR)	03-11-09	-	1,059,581.52	3.35	-6.89	-6.89	23.78	-	121.16	1,616,491.78

Domestic Large Cap Value

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
Former Positions	03-11-09	06-22-11	0.00	-	2.77	2.77	17.96	-	91.13	1,015,906.79
Domestic Large Cap Value Total (IRR)	03-11-09	06-22-11	0.00	-	2.77	2.77	17.96	-	91.13	1,015,906.79
Domestic Large Cap Value Total (TWR)	03-11-09	06-22-11	0.00	-	1.90	1.90	16.74	-	93.50	1,015,906.79

Domestic Large Cap Growth

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
Harbor Capital Appreciation Fund Instl	03-11-09	-	1,825,030.57	7.11	1.80	1.80	14.71	-	85.65	1,086,496.10
Domestic Large Cap Growth Total (IRR)	03-11-09	-	1,825,030.57	7.11	1.80	1.80	14.71	-	85.65	1,086,496.10
Domestic Large Cap Growth Total (TWR)	03-11-09	-	1,825,030.57	7.11	0.61	0.61	12.29	-	73.38	1,086,496.10

Domestic Large Cap Blend

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
Reliance Trust Alphasector Prem Cl I	07-07-11	-	2,172,521.60	3.96	-5.60	-5.60	-5.60	-	-5.60	-128,878.40
Domestic Large Cap Blend Total (IRR)	07-07-11	-	2,172,521.60	3.96	-5.60	-5.60	-5.60	-	-5.60	-128,878.40
Domestic Large Cap Blend Total (TWR)	07-07-11	-	2,172,521.60	3.96	-5.60	-5.60	-5.60	-	-5.60	-128,878.40

Foreign Large Cap Blend

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
Vanguard International Value Fund	03-11-09	-	1,813,910.01	5.05	-14.58	-14.58	-8.34	-	54.45	639,486.11
Foreign Large Cap Blend Total (IRR)	03-11-09	-	1,813,910.01	5.05	-14.58	-14.58	-8.34	-	54.45	639,486.11
Foreign Large Cap Blend Total (TWR)	03-11-09	-	1,813,910.01	5.05	-14.58	-14.58	-8.34	-	54.45	639,486.11

PERFORMANCE BY ASSET INCLUDING ACCRUED INTEREST

Killeen Fire Department

Inception Date 03-10-09

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Discounted Cash Flow Method

Emerging Market Equity

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
Touchstone Emerging Markets Equity Fund Cl I	12-02-10	-	1,054,515.76	4.74	-18.10	-18.10	-17.68	-	-17.68	-186,434.24
Emerging Market Equity Total (IRR)	12-02-10	-	1,054,515.76	4.74	-18.10	-18.10	-17.68	-	-17.68	-186,434.24
Emerging Market Equity Total (TWR)	12-02-10	-	1,054,515.76	4.74	-15.09	-15.09	-13.69	-	-13.69	-186,434.24

Global Multi-Strat

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
Balestra Spectrum Partners LLC	01-31-10	-	1,634,220.16	-1.52	-0.40	-0.40	2.37	-	2.37	34,220.16
Global Multi-Strat Total (IRR)	01-31-10	-	1,634,220.16	-1.52	-0.40	-0.40	2.37	-	2.37	34,220.16
Global Multi-Strat Total (TWR)	01-31-10	-	1,634,220.16	-0.01	1.14	1.14	4.79	-	4.79	34,220.16

Natural Resources

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
Prudential Jennison Natural Resources Cl A	07-09-10	-	1,013,983.19	13.16	-18.80	-18.80	-0.15	-	-0.15	-1,366.81
Natural Resources Total (IRR)	07-09-10	-	1,013,983.19	13.16	-18.80	-18.80	-0.15	-	-0.15	-1,366.81
Natural Resources Total (TWR)	07-09-10	-	1,013,983.19	13.16	-18.80	-18.80	8.64	-	8.64	-1,366.81

TOTAL EQUITIES (IRR)	03-11-09	-	11,848,368.07	5.67	-5.30	-5.30	10.64	-	76.33	5,242,438.48
TOTAL EQUITIES (TWR)	03-11-09	-	11,848,368.07	5.89	-5.45	-5.45	9.58	-	79.32	5,242,438.48

FIXED INCOME

Intermediate-Term

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
PIMCO Funds Total Return Fund Instl #35	03-11-09	-	2,180,791.65	2.22	5.45	5.45	16.92	-	37.93	1,838,064.75
Intermediate-Term Total (IRR)	03-11-09	-	2,180,791.65	2.22	5.45	5.45	16.92	-	37.93	1,838,064.75
Intermediate-Term Total (TWR)	03-11-09	-	2,180,791.65	2.22	4.61	4.61	14.08	-	31.01	1,838,064.75

Domestic Credit Multi-Strat

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
Balter Capital Management Credit Opportunities Fund, LP	06-01-11	-	2,009,955.24	0.20	-4.29	-4.29	-4.29	-	-4.29	-90,044.76
Domestic Credit Multi-Strat Total (IRR)	06-01-11	-	2,009,955.24	0.20	-4.29	-4.29	-4.29	-	-4.29	-90,044.76
Domestic Credit Multi-Strat Total (TWR)	06-01-11	-	2,009,955.24	0.25	-4.23	-4.23	-4.23	-	-4.23	-90,044.76

Emerging Market Debt

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
MFS Emerging Markets Debt Fund Class A	07-09-10	-	2,061,761.26	5.49	5.84	5.84	11.03	-	11.03	193,861.26
Emerging Market Debt Total (IRR)	07-09-10	-	2,061,761.26	5.49	5.84	5.84	11.03	-	11.03	193,861.26
Emerging Market Debt Total (TWR)	07-09-10	-	2,061,761.26	5.49	5.84	5.84	11.56	-	11.56	193,861.26

PERFORMANCE BY ASSET INCLUDING ACCRUED INTEREST

Killeen Fire Department

Inception Date 03-10-09

Report Date 12-31-11

Discounted Cash Flow Method

Multi Sector Bond

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
PIMCO Unconstrained Bond CL A	04-21-11	-	2,107,889.70	0.55	-0.90	-0.90	-0.90	-	-0.90	-19,110.30
Multi Sector Bond Total (IRR)	04-21-11	-	2,107,889.70	0.55	-0.90	-0.90	-0.90	-	-0.90	-19,110.30
Multi Sector Bond Total (TWR)	04-21-11	-	2,107,889.70	0.55	-0.90	-0.90	-0.90	-	-0.90	-19,110.30
TOTAL FIXED INCOME (IRR)	03-11-09	-	8,360,397.86	2.08	2.33	2.33	12.25	-	29.36	1,922,770.96
TOTAL FIXED INCOME (TWR)	03-11-09	-	8,360,397.86	2.09	2.53	2.53	12.26	-	28.92	1,922,770.96

PRIVATE EQUITY

Private Equity

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
Franchise Capital Partners III	06-24-09	-	911,836.55	0.00	14.92	14.92	23.21	-	21.48	91,901.00
Private Equity Total (IRR)	06-24-09	-	911,836.55	0.00	14.92	14.92	23.21	-	21.48	91,901.00
Private Equity Total (TWR)	06-24-09	-	911,836.55	0.00	14.26	14.26	8.90	-	-48.80	91,901.00
TOTAL PRIVATE EQUITY (IRR)	06-24-09	-	911,836.55	0.00	14.92	14.92	23.21	-	21.48	91,901.00
TOTAL PRIVATE EQUITY (TWR)	06-24-09	-	911,836.55	0.00	14.26	14.26	8.90	-	-48.80	91,901.00

CASH & EQUIV.

Cash

Asset	Entry	Exit	Market Value	QTD	YTD	1 Yr.	2 Yr.	3 Yr.	Since Incep	Dollar Gain
Fidelity Cash Reserves	12-02-09	-	2,106,835.17	-0.59	-3.20	-3.20	-5.83	-	-6.06	-87,812.75
First National Bank Cash	12-04-09	-	1,352,494.35	0.00	0.00	0.00	0.00	-	0.00	0.00
Former Positions	03-11-09	06-01-11	0.00	-	0.00	0.00	0.38	-	-4.39	-31,006.35
Cash Total (IRR)	03-11-09	-	3,459,329.52	-0.37	-2.24	-2.24	-3.69	-	-5.10	-118,819.10
Cash Total (TWR)	03-11-09	-	3,459,329.52	-0.38	-2.74	-2.74	-3.78	-	-5.00	-118,819.10
TOTAL CASH & EQUIV. (IRR)	03-11-09	-	3,459,329.52	-0.37	-2.24	-2.24	-3.69	-	-5.10	-118,819.10
TOTAL CASH & EQUIV. (TWR)	03-11-09	-	3,459,329.52	-0.38	-2.74	-2.74	-3.78	-	-5.00	-118,819.10
TOTAL PORTFOLIO (IRR)			24,579,932.00	3.34	-1.81	-1.81	9.92	-	44.42	7,138,291.34
TOTAL PORTFOLIO (TWR)			24,579,932.00	3.46	-1.63	-1.63	10.42	-	46.86	7,138,291.34

CURRENT vs. TARGET ALLOCATION

Killeen Fire Department

Inception Date 03-10-09

Period Ending 12-31-11

Asset Class	Target Pct.	Current Pct.	Deviation Pct.	Target Value	Current Value	Value Difference
Equities						
Domestic SMID Cap Value	2.5%	5.2%	107.4%	\$614,498.30	\$1,274,605.26	\$660,106.96
Domestic Mid Cap Growth	2.5%	4.3%	72.4%	\$614,498.30	\$1,059,581.52	\$445,083.22
Domestic Large Cap Growth	7.5%	7.4%	-1.0%	\$1,843,494.90	\$1,825,030.57	\$-18,464.33
Domestic Large Cap Blend	7.5%	8.8%	17.8%	\$1,843,494.90	\$2,172,521.60	\$329,026.70
Foreign Large Cap Blend	10.0%	7.4%	-26.2%	\$2,457,993.20	\$1,813,910.01	\$-644,083.19
Emerging Market Equity	10.0%	4.3%	-57.1%	\$2,457,993.20	\$1,054,515.76	\$-1,403,477.44
Global Multi-Strat	7.5%	6.6%	-11.4%	\$1,843,494.90	\$1,634,220.16	\$-209,274.74
Natural Resources	7.5%	4.1%	-45.0%	\$1,843,494.90	\$1,013,983.19	\$-829,511.71
Equities Total	55.0%	48.2%	-12.4%	\$13,518,962.60	\$11,848,368.07	\$-1,670,594.53
Fixed Income						
Intermediate-Term	8.5%	8.9%	4.4%	\$2,089,294.22	\$2,180,791.65	\$91,497.43
Domestic Credit Multi-Strat	8.5%	8.2%	-3.8%	\$2,089,294.22	\$2,009,955.24	\$-79,338.98
Emerging Market Debt	7.5%	8.4%	11.8%	\$1,843,494.90	\$2,061,761.26	\$218,266.36
Multi Sector Bond	8.5%	8.6%	0.9%	\$2,089,294.22	\$2,107,889.70	\$18,595.48
Fixed Income Total	33.0%	34.0%	3.1%	\$8,111,377.56	\$8,360,397.86	\$249,020.30
Private Equity						
Private Equity	5.0%	3.7%	-25.8%	\$1,228,996.60	\$911,836.55	\$-317,160.05
Private Equity Total	5.0%	3.7%	-25.8%	\$1,228,996.60	\$911,836.55	\$-317,160.05
Direct Real Estate						
Direct Real Estate	7.0%	0.0%	-100.0%	\$1,720,595.24	\$0.00	\$-1,720,595.24
Direct Real Estate Total	7.0%	0.0%	-100.0%	\$1,720,595.24	\$0.00	\$-1,720,595.24
Cash & Equiv.						
Cash	0.0%	14.1%	100.0%	\$0.00	\$3,459,329.52	\$3,459,329.52
Cash & Equiv. Total	0.0%	14.1%	100.0%	\$0.00	\$3,459,329.52	\$3,459,329.52
TOTAL PORTFOLIO	100.0%	100.0%	0.0%	\$24,579,932.00	\$24,579,932.00	\$0.00

