

**CITY OF POMPANO BEACH
GENERAL EMPLOYEES' RETIREMENT SYSTEM
INVESTMENT PERFORMANCE ANALYSIS
SECOND QUARTER 2014**

Note: For a copy of Part II of Southeastern Advisory Services, Inc.'s most recent Form ADV please write: Southeastern Advisory Services, Inc., 12 Piedmont Center, Suite 202, Atlanta, GA 30305, or e-mail your request to kit@seadvisory.com. Part II of Form ADV will be mailed within seven (7) days upon receipt of the request.

Only the executive summary portion of our reporting is provided herein. If you would like an electronic copy of the back-up pages to this executive summary, send your request to jeff@seadvisory.com.

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Executive Summary

CITY OF POMPANO BEACH GENERAL EMPLOYEES' RETIREMENT SYSTEM

Quarter Ending June 30, 2014

I. MARKET ENVIRONMENT

Index	Second Quarter	1 Year	3 Year
Standard & Poor's 500 Index	5.2%	24.6%	16.6%
MSCI EAFE Index (Net)	4.1%	23.6%	8.1%
NCREIF Index	2.9%	11.2%	11.3%
CSFB Hedge Index	1.9%	8.8%	2.5%
Barclays U.S. Aggregate	2.0%	4.4%	3.7%
91 Day Treasury Bills	0.0%	0.1%	0.1%
Consumer Price Index	0.9%	2.1%	1.8%

In the second quarter of 2014, most capital markets managed positive performance despite global political strife and turmoil, as well as a surprising third restatement of first quarter 2014 U.S. real GDP to (2.9%) on an annualized basis. Consumer spending, the primary driver of growth, was mild while businesses allowed their inventories to deplete and exports fell sharply. Investors globally continue to demand U.S. Treasuries as they provide an attractive yield relative to other developed-market government bonds; rates in the long-end of the curve continued to fall for much of the second quarter, with the largest decline occurring in May. The 10-year breakeven inflation rate, a signal of the market's consensus on forecast inflation, closed the second quarter at 2.4%, up from 2.2% last quarter.

Equities: The U.S. stock market, represented by the S&P 500 Index, was up 5.2% for the second quarter, posting its eighth consecutive quarterly gain. Results for growth stocks versus value during the second quarter were mixed; growth led in the large-cap segment (Wilshire U.S. Large Growth Index, 5.7%; Wilshire U.S. Large Value Index, 4.6%), but trailed value stocks within small caps (Wilshire U.S. Small Growth Index, 2.4%; Wilshire U.S. Small Value Index, 3.6%). All economic sectors showed gains during the quarter, while Energy was far and away the winner, up 12.3%. Utilities and Information Technology were also strong, with moves of 7.7% and 6.0%, respectively. Financials were the primary laggard, although still up 2.2%. Consumer Discretionary (3.3%) and Industrials (3.5%) were the other sectors where performance lagged the market by more than 1%. Real estate-related equities extended their 2014 rally into the second quarter, with low interest rates providing broad market support worldwide (Wilshire U.S. Real Estate Securities Index, 7.2%).

Fixed Income: Fixed income markets turned in solid performance in the second quarter, as U.S. Treasury yields fell at most maturities; the Barclays U.S. Aggregate returned 2.0% in the second quarter. The bellwether U.S. Treasury 10-Year yield fell 0.2% over the second quarter to 2.5%. The two-year yield, in contrast, actually ticked upward 0.03%, while thirty-year Treasury yields slid 0.2% to 3.3%. Naturally, this resulted in long-term bonds strongly outperforming shorter-term paper (Barclays U.S. Treasury 1-3 Years, 0.3%; Barclays U.S. Treasury Long, 4.7%). Yet again, investors looked to longer-maturity and higher-credit risk paper in search of yield, tightening investment-grade Corporate spreads to 1.0%. Unsurprisingly, Treasury issuance (Barclays U.S. Treasury, 1.4%) was outperformed by investment grade Corporates (Barclays U.S. Corporate, 2.7%), speculative-grade Corporates (Barclays U.S. Corporate High Yield, 2.4%).

Alternatives: Total hedge fund capital surged to an 8th consecutive quarterly record in 2014 as investors allocated across most hedge fund strategies. The inflow of \$56.9 billion during the first half of 2014 increased total hedge fund industry capital to over \$2.8 trillion (hedgefundresearch.com). Big investors plan to keep pouring money into hedge funds despite returns near or less than market benchmarks. A recent survey by Credit Suisse reported that 97% of 284 institutional investors plan to be "highly active" in making hedge fund allocations during the second half of 2014 (cnbc.com).



II. Live Universe Comparisons and Reporting

Wilshire Public Plan Sponsor Universe



Number of Plans	273
Median Size	\$329.5 Million
Total Assets	\$2.7 Trillion
Total Plans over \$1 Billion	102
Total Plans between \$100 - \$1,000 Million	90
Total Plans between \$20 Million - \$100 Million	52
Total Plans under \$20 Million	29

About Wilshire Associates

The Wilshire Cooperative is collaboration between Wilshire Associates and more than 60 independent investment consulting firms. Wilshire provides advanced performance measurement and attribution reporting systems to participating firms while Cooperative members provide asset and performance data for their sponsor clients. These are then pooled into peer groups for comparative purposes. Today, the Wilshire Cooperative is the standard utilized by over 1200 plan sponsors with assets over \$700 billion dollars.

Our Universe Comparisons

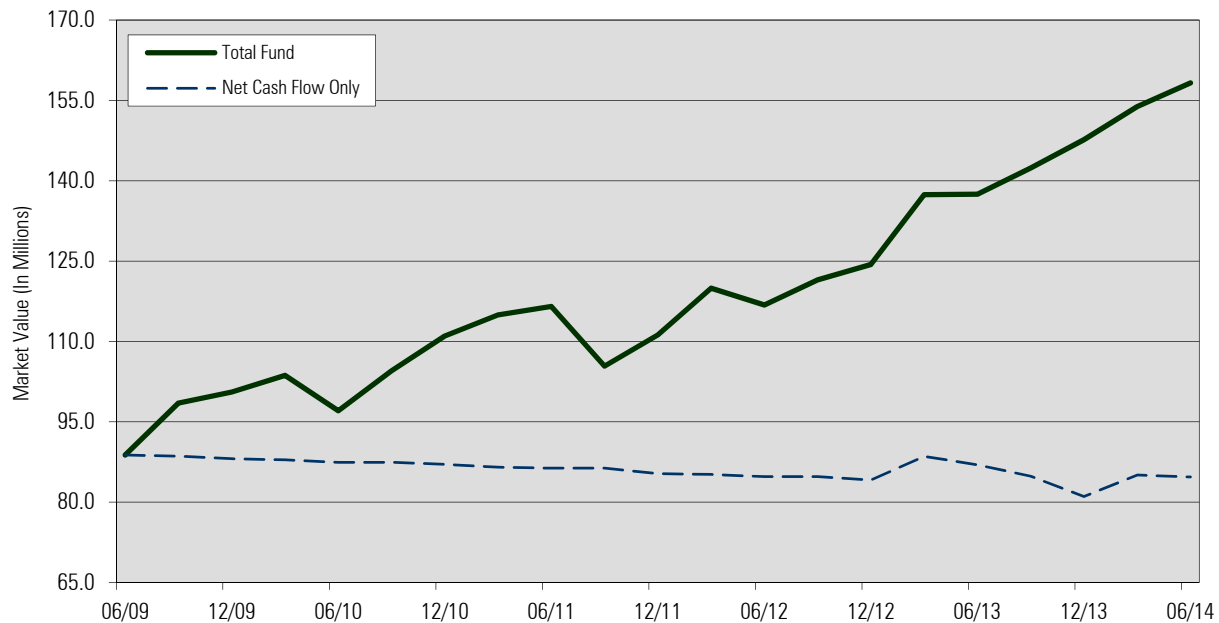
As a Wilshire affiliate, we are granted access to large and diverse peer comparisons, including total fund, portfolio-level, and style-based universes. The Wilshire Public Fund Universe (above) includes the actual, live results of over 130 public pension systems across the country. These are real public funds who face similar investment restrictions and guidelines to your own. These peer-to-peer performance comparisons are critical to the evaluation process.

Our Reporting

Unique to Southeastern Advisory Services is our customized reporting platform. We have the ability to accurately calculate performance against virtually any benchmark, comparison or metric. These industry-leading tools include sophisticated attribution analyses and holdings-based style and characteristic analysis. Our goal is to deliver a clear, easily-understood picture of performance that fairly assesses the effectiveness of your investment policy, strategy and managers. Each performance report is fully-customized based on your input. We welcome your requests and suggestions.



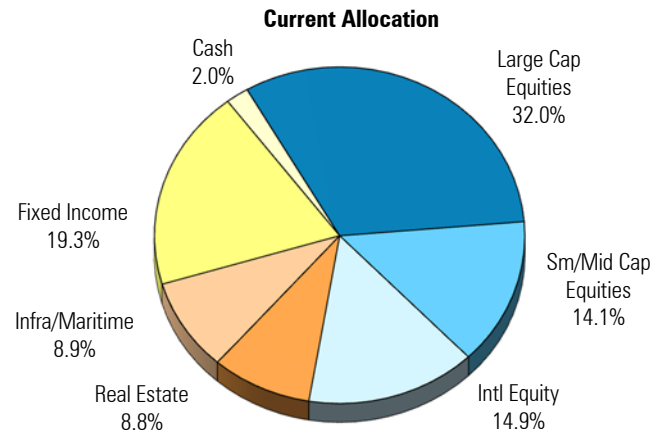
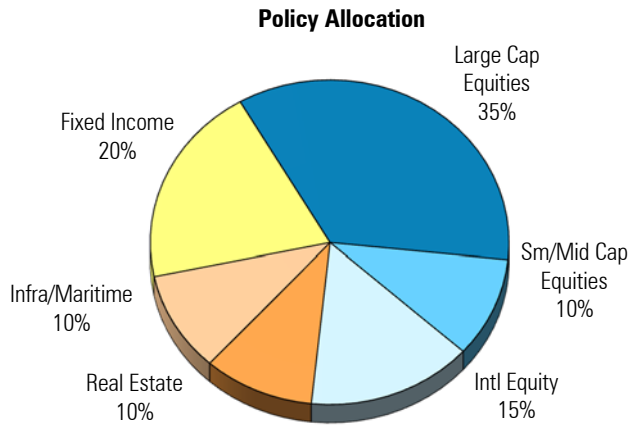
III. PORTFOLIO GROWTH- PERIOD ENDED JUNE 30, 2014



Period Ending	Beginning Value \$(000)	Net Cash Flow	Net Gain/Loss	Ending Value \$(000)	Quarterly Return	Fiscal Yr Return
Sep-09	88,801	-212	9,915	98,504	11.6%	-5.3%
Dec-09	98,504	-475	2,523	100,552	2.6%	
Mar-10	100,552	-219	3,343	103,676	3.4%	
Jun-10	103,676	-456	-6,139	97,081	-5.6%	
Sep-10	97,081	32	7,418	104,530	7.3%	7.5%
Dec-10	104,530	-377	6,867	111,021	6.8%	
Mar-11	111,021	-548	4,484	114,956	3.9%	
Jun-11	114,956	-181	1,757	116,532	1.6%	
Sep-11	116,532	-19	-11,114	105,400	-9.2%	2.5%
Dec-11	105,400	-994	6,805	111,211	6.5%	
Mar-12	111,211	-148	8,883	119,946	8.0%	
Jun-12	119,946	-420	-2,715	116,812	-2.1%	
Sep-12	116,812	0	4,691	121,503	4.2%	17.5%
Dec-12	121,503	-639	3,511	124,375	2.8%	
Mar-13	124,375	4,419	8,591	137,386	6.8%	
Jun-13	137,386	-1,584	1,666	137,469	1.3%	
Sep-13	137,469	-2,113	7,026	142,381	5.2%	16.9%
Dec-13	142,381	-3,794	9,073	147,661	6.7%	
Mar-14	147,661	3,995	2,191	153,847	1.4%	
Jun-14	153,847	-357	4,775	158,265	3.2%	11.6%
Total	88,801	-4,088	73,552	158,265	88.4%	
Absolute Return Objective:						8.0%

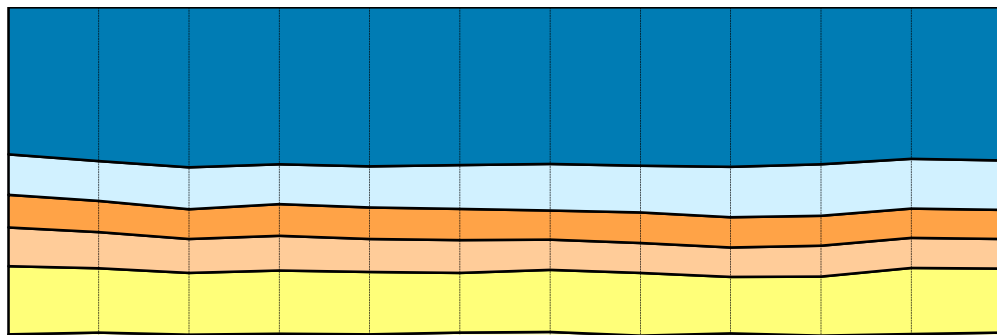
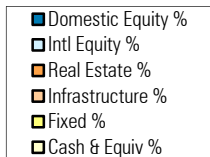


IV. ALLOCATION OF ASSETS



Asset Class	Target Range	Quarter End Allocation	Median Public Plan
Large Cap Equity Securities	30%-45%	32.0%	45.4%
Small/Mid Cap Equities	5%-15%	14.1%	0.0%
Intl Equity Securities	10%-25%	14.9%	14.8%
Real Estate	5%-15%	8.8%	4.6%
Fixed Income Securities	10%-35%	19.3%	25.1%
Infrastructure	5%-20%	8.9%	0.0%
Cash Equivalents	0%-10%	2.0%	10.1%

Historical Asset Allocation



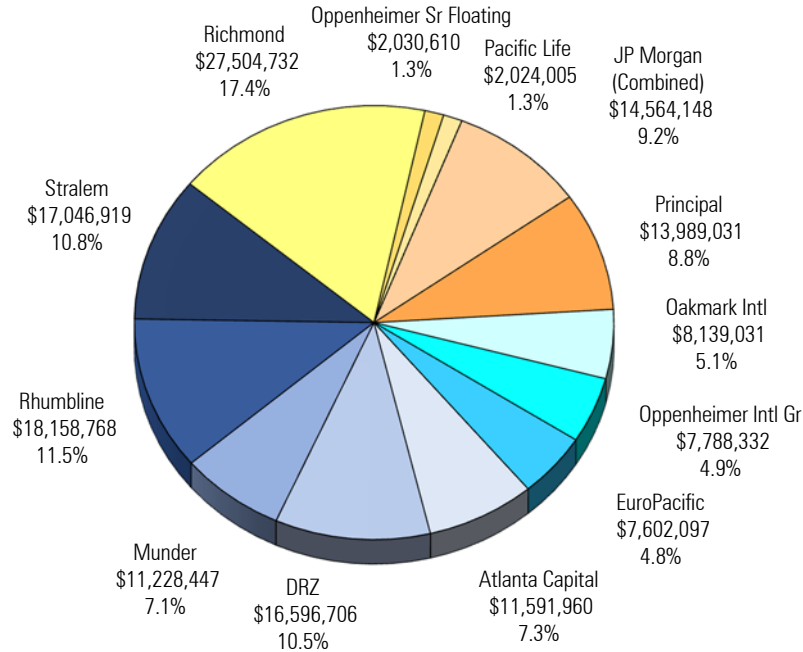
	09/11	12/11	03/12	06/12	09/12	12/12	03/13	06/13	09/13	12/13	03/14	06/14
Domestic Equity %	44.3	46.3	48.2	47.3	47.9	47.5	47.2	47.7	48.1	47.3	45.7	46.1
Intl Equity %	12.2	12.0	12.6	12.0	12.4	13.2	14.0	14.1	15.2	15.5	15.0	14.9
Real Estate %	9.8	9.4	9.0	9.5	9.5	9.4	8.8	9.2	9.1	9.0	8.8	8.8
Infrastructure %	11.7	10.9	10.2	10.5	9.9	9.9	9.1	9.0	8.9	9.3	9.1	8.9
Fixed %	20.5	19.4	18.6	19.0	18.8	18.0	18.7	18.9	17.0	17.8	19.9	19.3
Cash & Equiv %	1.5	2.0	1.4	1.7	1.5	2.0	2.2	1.1	1.8	1.1	1.6	2.0



Manager	Dom. Equity	Intl Equity	Real Estate	Infrastructure	Fixed Inc	Cash
DePrince, Race, and Zollo	96.8%	0.0%	0.0%	0.0%	0.0%	3.2%
Rhumblin	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Stralem Large Cap	96.7%	0.0%	0.0%	0.0%	0.0%	3.3%
Munder Capital	98.8%	0.0%	0.0%	0.0%	0.0%	1.2%
Atlanta Capital	97.0%	0.0%	0.0%	0.0%	0.0%	3.0%
EuroPacific Growth	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Oakmark International	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Openheimer Intl Growth	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Principal U.S. Property	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
JP Morgan Infrastructure	0.0%	0.0%	0.0%	98.0%	0.0%	2.0%
JP Morgan Maritime	0.0%	0.0%	0.0%	82.5%	0.0%	17.5%
Richmond Capital	0.0%	0.0%	0.0%	0.0%	96.3%	3.7%
Oppenheimer Floating Rate	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Pacific Life	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Total Fund	46.1%	14.9%	8.8%	8.9%	19.3%	2.0%



V. MANAGER ALLOCATION AND CASH FLOWS- Quarter ending June 30, 2014



Manager	Beginning Value	% Alloc	Cash In	Cash Out	Gain/Loss	Ending Value	% Alloc
DePrince, Race, and Zollo	\$15,757,354	10.2%	\$2,544	(\$2,351)	\$839,159	\$16,596,706	10.5%
Rhumblin	\$17,277,674	11.2%	\$0	\$0	\$881,094	\$18,158,768	11.5%
Stralem Large Cap	\$16,392,615	10.7%	\$2,182	(\$1,099)	\$653,221	\$17,046,919	10.8%
Total Large Cap Equity	\$49,427,643	32.1%	\$4,726	(\$3,450)	\$2,373,474	\$51,802,393	32.7%
Munder Capital	\$10,876,326	7.1%	\$3,793	(\$3,483)	\$351,811	\$11,228,447	7.1%
Atlanta Capital	\$11,231,608	7.3%	\$0	\$0	\$360,352	\$11,591,960	7.3%
Total SMID Cap Equity	\$22,107,934	14.4%	\$3,793	(\$3,483)	\$712,163	\$22,820,407	14.4%
EuroPacific Growth Fund	\$7,383,784	4.8%	\$0	\$0	\$218,313	\$7,602,097	4.8%
Oakmark International	\$8,027,082	5.2%	\$0	\$0	\$111,949	\$8,139,031	5.1%
Oppenheimer Intl Growth	\$7,684,673	5.0%	\$0	\$0	\$103,659	\$7,788,332	4.9%
Total Intl Equity	\$23,095,539	15.0%	\$0	\$0	\$433,921	\$23,529,460	14.9%
Principal U.S. Property	\$13,581,886	8.8%	\$0	\$0	\$407,145	\$13,989,031	8.8%
JP Morgan Infrastructure	\$12,942,902	8.4%	\$0	(\$186,387)	\$100,996	\$12,857,511	8.1%
JP Morgan Maritime	\$1,392,024	0.9%	\$212,553	\$0	\$102,060	\$1,706,637	1.1%
Total Real Assets	\$27,916,812	18.1%	\$212,553	(\$186,387)	\$610,201	\$28,553,179	18.0%
Richmond Capital Fixed	\$27,286,145	17.7%	\$1,841	(\$232,841)	\$449,587	\$27,504,732	17.4%
Oppenheimer Floating Rate	\$2,008,383	1.3%	\$0	\$0	\$22,227	\$2,030,610	1.3%
Pacific Life	\$2,004,233	1.3%	\$0	\$0	\$19,772	\$2,024,005	1.3%
Total Fixed Income	\$31,298,761	20.3%	\$1,841	(\$232,841)	\$491,586	\$31,559,347	19.9%
Total Fund	\$153,846,689	100%	\$222,913	(\$426,161)	\$4,621,345	\$158,264,786	100%
<i>Receipts & Disbursements</i>	<i>\$2,369,211</i>		<i>\$1,051,238</i>	<i>(\$3,270,823)</i>	<i>\$25</i>	<i>\$149,651</i>	
Total Fund + R&D Acct.	\$156,215,900		\$1,274,151	(\$3,696,984)	\$4,621,370	\$158,414,437	

For this report, all performance and asset allocation information for the Total Fund does not include the Receipts & Disbursements Account.



VI. TOTAL FUND PERFORMANCE COMPARISONS

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
Total Fund - Gross of Fees	3.2%	17.4%	11.7%	13.5%
Total Fund - Net of Fees	3.1%	17.2%	11.2%	13.0%
Target Index	3.5%	17.1%	1.9%	12.8%
Wilshire Public Fund Ranking	77	33	5	22
Total Domestic Equities	4.4%	23.5%	15.9%	19.4%
80% Russell 1000/ 20% Russell 2000	4.5%	25.1%	16.3%	19.5%
vs. Equity Returns of Public Funds	56	70	48	39
Total International Equities	1.9%	21.4%	8.7%	12.8%
MSCI EAFE Index (Net)	4.1%	23.6%	8.1%	11.8%
vs. Intl Equity Returns of Public Funds	96	58	17	25
Total Real Estate	3.0%	11.2%	12.2%	9.2%
NCREIF ODCE Fund Index	2.9%	12.7%	12.4%	10.0%
NCREIF Property Index	2.9%	11.2%	11.3%	9.7%
vs. Real Estate Returns of Total Funds	52	65	25	46
Total Infrastructure	3.1%	12.2%	8.4%	6.8%
CPI + 3.0%	1.6%	5.1%	4.8%	5.0%
Total Fixed Income	1.6%	3.5%	3.9%	5.7%
Barclays Intermediate Aggregate	1.6%	3.5%	2.9%	4.2%
vs. Fixed Inc Returns of Public Funds	78	87	74	63

Current Target Index: 35% Russell 1000 /15% Russell 2500/20% Barclays US Intermediate Aggregate/10% MSCI EAFE (Net)/10% NCREIF/10% CPI+3%.

7/1/13 – 12/31/13: 30% Russell 1000 /10% Russell 2500/25% Barclays US Aggregate/15% MSCI EAFE (Net)/10% NCREIF/10% CPI+3%.

1/1/12 – 6/30/13: 30% Russell 1000 /10% Russell 2000/20% Barclays US Aggregate/15% MSCI EAFE (Net)/10% NCREIF/15% CPI+4%.

10/1/07 – 12/31/11: 40% Russell 1000 /10% Russell 2000/30% Barclays US Aggregate/10% MSCI EAFE (Net)/10% NCREIF.

Prior to October 2007:40% Russell 1000/10% Russell 2000/30% ML Govt/Corp Master/10% MSCI EAFE (Net)/10% NCREIF.



VII. EQUITY MANAGER COMPARISON

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
DePrince, Race, and Zollo	5.3%	23.2%	17.1%	22.0%
Russell 1000 Value	5.1%	23.8%	16.9%	19.2%
vs. Large Value Equity Portfolios	29	61	35	2
Rhumblin	5.1%	25.1%	16.5%	19.2%
Russell 1000	5.1%	25.4%	16.6%	19.3%
vs. Large Neutral Equity Portfolios	50	45	62	43
Stralem Large Cap	4.0%	22.1%	14.2%	n/a
Russell 1000 Growth	5.1%	26.9%	16.3%	n/a
vs. Large Growth Equity Portfolios	61	87	77	n/a
Munder Capital	3.2%	22.6%	15.0%	21.5%
Russell MidCap Growth	4.4%	26.1%	14.5%	21.2%
vs. Midcap Growth Equity Portfolios	52	83	47	41
Atlanta Capital	3.2%	21.0%	n/a	n/a
Russell 2500	3.6%	25.6%	n/a	n/a
vs. SMID Equity Portfolios	57	82	n/a	n/a



Equity Portfolio Summary: Total Fund*

	Portfolio	80% R1000/20% R2000
Total Number Of Securities	218	3,001
Equity Market Value	96,595,621	
Average Capitalization \$(000)	48,577,458	88,730,430
Median Capitalization \$(000)		
Equity Segment Yield	1.4	1.8
Equity Segment P/E - Average	15.9	26.5
Equity Segment P/E - Median		
Equity Segment Beta	0.8	1.1
Price/Book Ratio	2.0	2.6
Debt/Equity Ratio	37.9	51.8
Five Year Earnings Growth	7.7	10.6
Five Year Dividend Growth	4.5	7.4

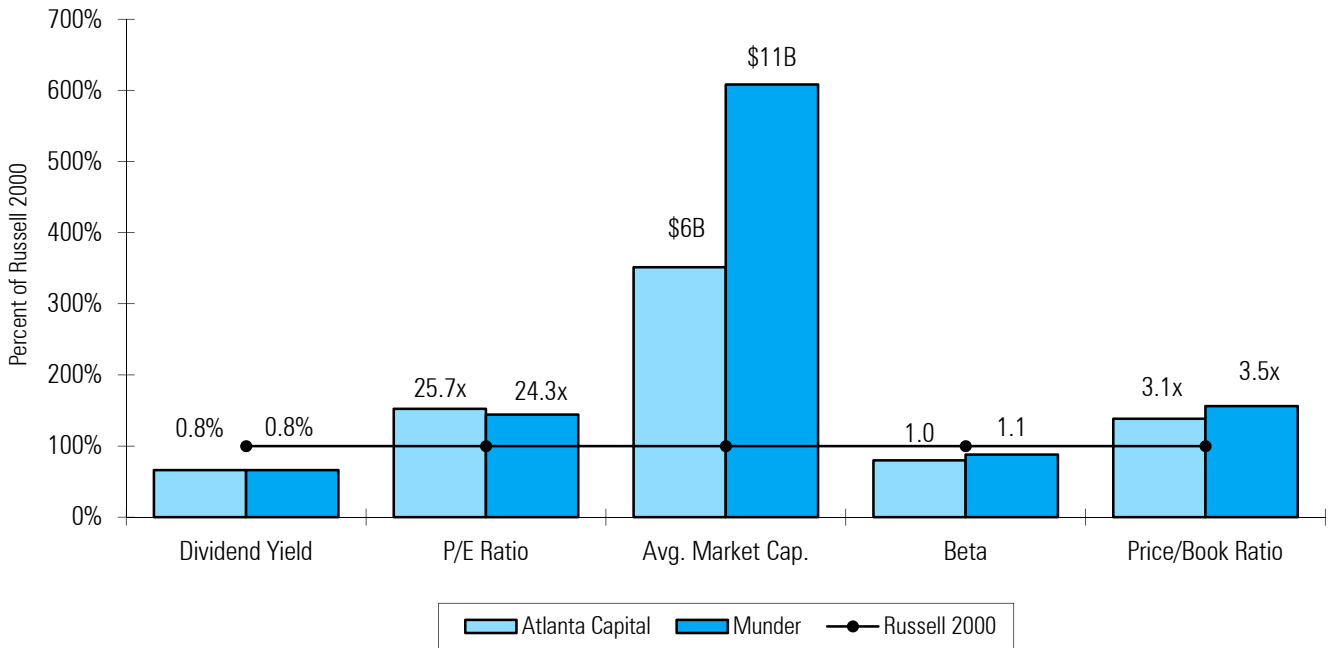
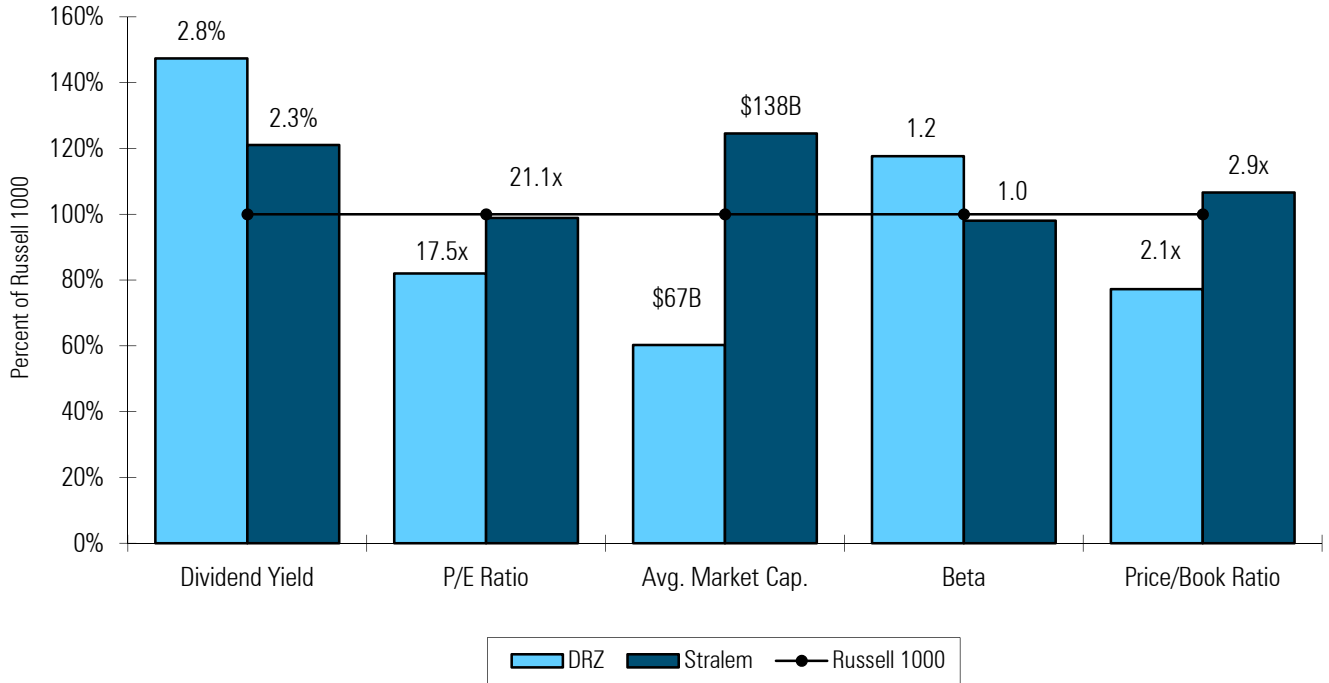
Ten Largest Holdings	Market Value	% of Portfolio	Quarterly Return
Exxon Mobil Corp	946,392	1.7%	3.8%
Chevron Corp	874,685	1.6%	10.7%
General Elec Co	864,612	1.6%	2.3%
At&T Inc	834,496	1.5%	2.1%
Dow Chem Co	771,900	1.4%	6.7%
Amgen	769,405	1.4%	-3.5%
Qualcomm Inc	744,480	1.4%	1.0%
Schlumberger Ltd	743,085	1.4%	21.4%
Philip Morris Intl I	725,066	1.3%	4.1%
Affiliated Managers	693,225	1.3%	2.7%

Ten Best Performers	Quarterly Return	Ten Worst Performers	Quarterly Return
Iron Mtn Inc Del	29.7%	Coach Inc	-30.6%
Skyworks Solutions I	25.5%	Jacobs Engr Group In	-16.1%
National Gen Hldgs C	24.4%	Xilinx Inc	-12.3%
Celgene Corp	23.0%	Gulfport Energy Corp	-11.8%
C H Robinson Worldwi	22.5%	Fossil Group Inc	-10.4%
Energizer Hldgs Inc	21.7%	Discovery Communicat	-10.2%
Schlumberger Ltd	21.4%	Wesco Aircraft Hldgs	-9.3%
Intel Corp	20.8%	Morningstar Inc	-8.9%
Kodiak Oil & Gas Cor	19.9%	Biomarin Pharmaceuti	-8.8%
Concho Res Inc	18.0%	Sally Beauty Hldgs I	-8.5%

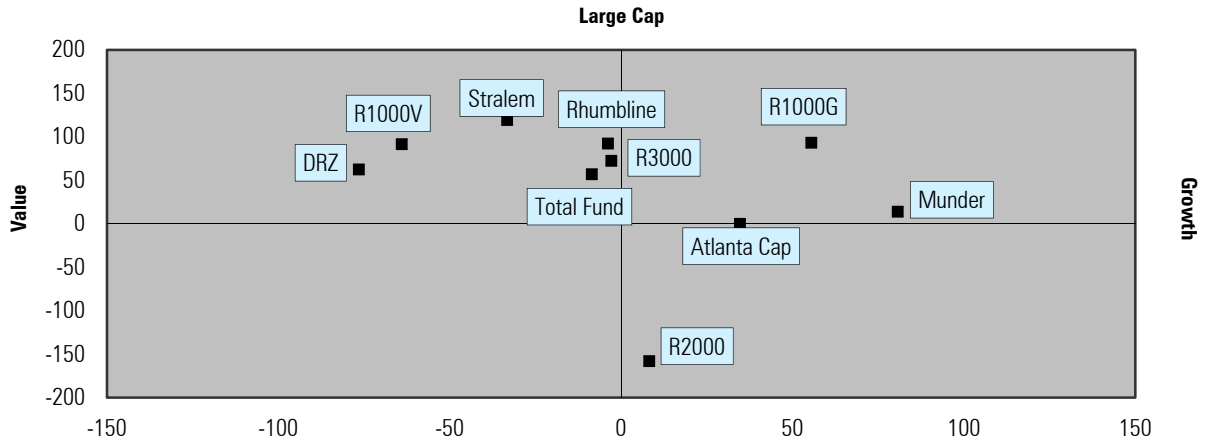
*Does not include Rhumblin as they are invested in a commingled account.



Equity Portfolio Characteristics



Equity Style Map (Current Quarter)



Large Cap		Small Cap			
	Growth-Value	Size		Growth-Value	Size
Atlanta Capital	34.6	-0.1	Total Fund	-8.6	56.9
DePrince Race Zollo	-76.5	62.6	Russell 2000	8.2	-158.0
Munder Capital	80.7	13.8	Russell 3000	-2.9	72.4
Rhumbline	-3.9	92.4	Russell 1000 Growth	55.5	93.2
Stralem Large Cap	-33.6	119.3	Russell 1000 Value	-64.0	91.6

VIII. INTERNATIONAL EQUITY PERFORMANCE COMPARISONS

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
EuroPacific Growth	3.0%	22.4%	7.5%	12.1%
MSCI EAFE (Net)	4.1%	23.6%	8.1%	11.8%
vs. International Equity Mutual Funds	78	34	34	36
Oakmark International	1.4%	20.9%	n/a	n/a
MSCI EAFE (Net)	4.1%	23.6%	n/a	n/a
vs. International Equity Mutual Funds	92	42	n/a	n/a
Oppenheimer International Growth	1.3%	20.9%	n/a	n/a
MSCI EAFE (Net)	4.1%	23.6%	n/a	n/a
vs. International Equity Mutual Funds	92	42	n/a	n/a



American Funds Europacific Growth R6 (USD)

Morningstar Analyst Rating™ **Overall Morningstar Rating™** **Standard Index** **Category Index** **Morningstar Cat**
Gold **★★★★** **MSCI ACWI Ex** **MSCI ACWI Ex** **US OE Foreign Large**
 01-08-2014 677 US OE Foreign Large USA NR USD USA NR USD Blend US OE Foreign Large Blend

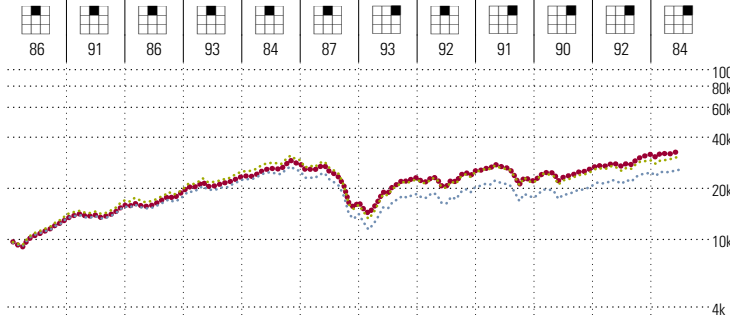
Performance 06-30-2014					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2012	12.38	-6.13	7.34	5.65	19.64
2013	2.94	-0.73	9.55	7.71	20.58
2014	0.71	2.96	—	—	3.69
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	22.35	7.40	11.99	—	13.70
Std 06-30-2014	22.35	—	11.99	—	13.70
Total Return	22.35	7.40	11.99	8.99	13.70
+/- Std Index	0.60	1.67	0.88	1.24	—
+/- Cat Index	0.60	1.67	0.88	1.24	—
% Rank Cat	31	34	31	13	—
No. in Cat	770	677	602	319	—

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	1.22	—

Performance Disclosure
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.
 The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.
 Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-421-4225 or visit www.americanfunds.com.

Fees and Expenses
Sales Charges
Front-End Load % **NA**
Deferred Load % **NA**
Fund Expenses
 Management Fees % 0.42
 12b1 Expense % NA
Gross Expense Ratio % **0.49**

Risk and Return Profile			
	3 Yr	5 Yr	10 Yr
Morningstar Rating™	3★	4★	5★
Morningstar Risk	-Avg	-Avg	-Avg
Morningstar Return	Avg	+Avg	+Avg
Standard Deviation	15.77	16.47	17.48
Mean	7.40	11.99	8.99
Sharpe Ratio	0.53	0.77	0.49
MPT Statistics	Standard Index	Best Fit Index	
Alpha	1.90	MSCI EAFE Growth NR USD -0.08	
Beta	0.94	0.98	
R-Squared	96.37	97.09	
12-Month Yield	1.21%		
Potential Cap Gains Exp	29.30%		



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	06-14
NAV/Price	—	—	—	—	—	—	38.34	41.37	35.13	41.18	49.03	50.84
Total Return %	32.91	19.69	21.12	21.87	18.96	-40.53	39.35	9.76	-13.31	19.64	20.58	3.69
+/- Standard Index	-7.92	-1.22	4.50	-4.78	2.30	5.00	-2.10	-1.39	0.40	2.81	5.29	-1.87
+/- Category Index	-7.92	-1.22	4.50	-4.78	2.30	5.00	-2.10	-1.39	0.40	2.81	5.29	-1.87
% Rank Cat	—	—	—	—	—	—	—	54	40	26	40	—
No. of Funds in Cat	—	—	—	—	—	—	—	829	817	786	791	798

Portfolio Analysis 06-30-2014

Asset Allocation %	Net %	Long %	Short %	Share Chg since 03-2014	Share Amount	Holdings:	% Net Assets
Cash	8.28	8.28	0.00			235 Total Stocks, 97 Total Fixed-Income, 28% Turnover Ratio	
US Stocks	1.47	1.47	0.00				
Non-US Stocks	82.96	82.96	0.00	⊖	122 mil	Novo Nordisk A/S	4.73
Bonds	0.21	0.21	0.00	⊖	21 mil	Bayer AG	2.51
Other/Not Clsfd	7.08	7.08	0.00	⊖	35 mil	SOFTBANK Corp	2.20
Total	100.00	100.00	0.00	⊖	27 mil	Novartis AG	2.07
				⊖	93 mil	Prudential PLC	1.81
				⊖	2 mil	Samsung Electronics Co Ltd	1.70
				⊖	38 mil	Associated Brit Foods	1.68
				⊕	539 mil	Barclays PLC	1.65
				⊖	8 mil	Baidu Inc ADR	1.26
				⊖	25 mil	British American Tobacco PLC	1.26
				⊖	95 mil	Tencent Holdings Ltd.	1.22
				⊖	15 mil	Murata Mfg Co Ltd	1.16
				⊖	303 mil	Taiwan Semiconductor Manufacturing	1.08
				⊖	10 mil	Nintendo Co Ltd	1.03
				⊖	16 mil	Nestle SA	1.01

Equity Style	Value	Blend	Growth	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	17.3	1.13	1.07			
P/C Ratio TTM	10.8	1.27	1.11			
P/B Ratio TTM	2.0	1.21	1.10			
Geo Avg Mkt Cap \$mil	40098	1.21	1.03			

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
				—	—	—	—
				—	—	0.25	100.05
				—	—	—	—

Credit Quality Breakdown	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure	Stock %	Rel Std Index
Americas	5.2	0.47
Greater Europe	56.8	1.09
Greater Asia	38.0	1.04

Sector Weightings	Stocks %	Rel Std Index
Cyclical	40.8	0.89
Basic Materials	4.2	0.46
Consumer Cyclical	12.8	1.25
Financial Services	21.9	0.94
Real Estate	1.9	0.63
Sensitive	32.7	1.00
Communication Services	5.1	0.89
Energy	2.5	0.27
Industrials	8.9	0.89
Technology	16.2	2.16
Defensive	26.5	1.23
Consumer Defensive	9.2	0.94
Healthcare	15.7	1.89
Utilities	1.5	0.44

Operations			
Family:	American Funds	Base Currency:	USD
Manager:	Multiple	Ticker:	RERGX
Tenure:	22.8 Years	Minimum Initial Purchase:	\$250
Objective:	Foreign Stock	Purchase Constraints:	A
		Incept:	05-01-2009
		Type:	MF
		Total Assets:	\$126,369.28 mil

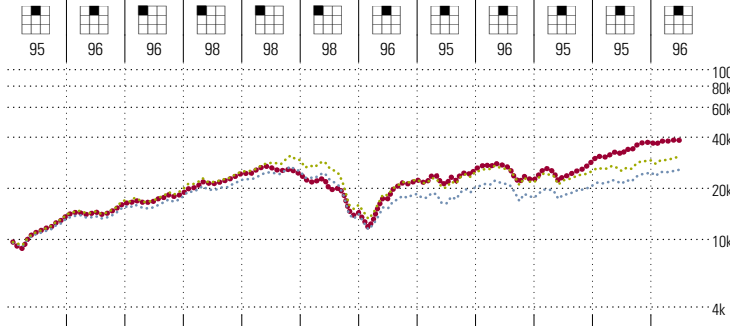
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Oakmark International I (USD)

Morningstar Analyst Rating™ **Overall Morningstar Rating™** **Standard Index** **Category Index** **Morningstar Cat**
Gold **★★★★★** **MSCI ACWI Ex** **MSCI ACWI Ex** **US OE Foreign Large**
 05-05-2014 677 US OE Foreign Large USA NR USD USA NR USD Blend

Performance 06-30-2014					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2012	16.80	-10.14	8.18	13.82	29.22
2013	5.35	3.76	13.16	4.56	29.34
2014	0.80	1.39	—	—	2.20
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	20.93	12.02	17.15	10.16	11.04
Std 06-30-2014	20.93	—	17.15	10.16	11.04
Total Return	20.93	12.02	17.15	10.16	11.04
+/- Std Index	-0.82	6.29	6.05	2.41	—
+/- Cat Index	-0.82	6.29	6.05	2.41	—
% Rank Cat	51	2	1	5	
No. in Cat	770	677	602	319	



Investment Style
Equity
Stock %

Growth of \$10,000
 — Oakmark International I 38,307
 — Category Average 25,758
 — Standard Index 30,828

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

Performance Disclosure
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.
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 Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-625-6275 or visit www.oakmark.com.

Fees and Expenses

Sales Charges

Front-End Load % NA
Deferred Load % NA

Fund Expenses

Management Fees % 0.81
 12b1 Expense % NA
Gross Expense Ratio % 0.98

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	5★	5★	5★
Morningstar Risk	High	+Avg	Avg
Morningstar Return	High	High	High

	3 Yr	5 Yr	10 Yr
Standard Deviation	17.58	17.98	18.98
Mean	12.02	17.15	10.16
Sharpe Ratio	0.73	0.97	0.52

MPT Statistics

	Standard Index	Best Fit Index
Alpha	6.11	3.54
Beta	0.98	0.98
R-Squared	85.52	90.32

12-Month Yield —
 Potential Cap Gains Exp 15.87%

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	06-14
NAV/Price	18.02	21.13	22.52	25.45	20.95	10.85	16.84	19.41	16.55	20.93	26.32	26.90
Total Return %	38.04	19.09	14.12	30.60	-0.51	-41.06	56.30	16.22	-14.07	29.22	29.34	2.20
+/- Standard Index	-2.79	-1.82	-2.50	3.95	-17.16	4.46	14.86	5.07	-0.36	12.39	14.06	-3.36
+/- Category Index	-2.79	-1.82	-2.50	3.95	-17.16	4.46	14.86	5.07	-0.36	12.39	14.06	-3.36
% Rank Cat	—	—	—	—	—	—	—	—	—	2	3	—
No. of Funds in Cat	—	—	—	—	—	—	—	—	—	786	791	798

Portfolio Analysis 06-30-2014

Asset Allocation %	Net %	Long %	Short %	Share Chg since 03-2014	Share Amount	Holdings:	% Net Assets
Cash	2.56	2.56	0.00			57 Total Stocks, 1 Total Fixed-Income, 37% Turnover Ratio	
US Stocks	2.03	2.03	0.00				
Non-US Stocks	93.61	93.61	0.00	⊕	57 mil	Credit Suisse Group	4.98
Bonds	0.00	0.77	0.00	⊕	7 mil	Allianz SE	3.50
Other/Not Clsfd	1.04	1.04	0.01	⊕	16 mil	BNP Paribas	3.33
Total	99.23	100.01	0.01	⊕	31 mil	Honda Motor Co Ltd	3.30
				⊕	17 mil	Toyota Motor Corp	3.23
				⊕	90 mil	CNH Industrial NV	2.84
				⊖	9 mil	CIE FINANCIERE RICHEMONT SA	2.78
				⊖	28 mil	Diageo PLC	2.78
				⊕	7 mil	Bayerische Motoren Werke AG	2.71
				⊕	180 mil	Tesco PLC	2.69
				⊖	4 mil	Kering	2.67
				⊕	676 mil	Lloyds Banking Group PLC	2.64
				⊖	11 mil	Danone	2.62
				⊕	49 mil	Experian PLC	2.54
				⊕	9 mil	Daimler AG	2.49

Equity Style

Value	Blend	Growth	Large	Mid	Small
█	█	█	█	█	█

Portfolio Statistics

	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	16.1	1.05	0.99
P/C Ratio TTM	10.4	1.23	1.07
P/B Ratio TTM	1.6	0.96	0.87
Geo Avg Mkt Cap \$mil	39360	1.19	1.01

Fixed-Income Style

Ltd	Mod	Ext	High	Mid	Low
█	█	█	█	█	█

Credit Quality Breakdown

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure

	Stock %	Rel Std Index
Americas	2.8	0.25
Greater Europe	76.3	1.46
Greater Asia	20.9	0.57

Sector Weightings

	Stocks %	Rel Std Index
Cyclical	56.3	1.23
Basic Materials	4.9	0.54
Consumer Cyclical	25.5	2.48
Financial Services	26.0	1.11
Real Estate	0.0	0.00
Sensitive	25.5	0.78
Communication Services	0.0	0.00
Energy	0.0	0.00
Industrials	18.2	1.81
Technology	7.3	0.98
Defensive	18.2	0.84
Consumer Defensive	14.1	1.45
Healthcare	4.1	0.49
Utilities	0.0	0.00

Operations

Family:	Oakmark	Ticker:	OAKIX	Incept:	09-30-1992
Manager:	Multiple	Minimum Initial Purchase:	\$1,000	Type:	MF
Tenure:	22.0 Years	Min Auto Investment Plan:	\$500	Total Assets:	\$31,583.19 mil
Objective:	Foreign Stock	Minimum IRA Purchase:	\$1,000		
Base Currency:	USD	Purchase Constraints:	C		

Oppenheimer International Growth Y (USD)

Morningstar Analyst Rating™ Silver
08-21-2014

Overall Morningstar Rating™ ★★★★★
252 US OE Foreign Large Growth

Standard Index MSCI ACWI Ex USA NR USD

Category Index MSCI ACWI Ex USA Growth NR USD

Morningstar Cat US OE Foreign Large Growth

Performance 06-30-2014					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2012	13.56	-6.69	8.14	6.56	22.10
2013	6.06	0.15	11.31	6.11	25.46
2014	1.02	1.35	—	—	2.38
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	20.93	10.58	15.60	—	8.89
Std 06-30-2014	20.93	—	15.60	—	8.89
Total Return	20.93	10.58	15.60	10.20	8.89
+/- Std Index	-0.82	4.85	4.49	2.45	—
+/- Cat Index	1.60	5.11	4.25	2.54	—
% Rank Cat	31	4	4	1	
No. in Cat	292	252	223	127	

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

Performance Disclosure
The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-225-5677 or visit www.oppenheimerfunds.com.

Fees and Expenses	
Sales Charges	
Front-End Load %	NA
Deferred Load %	NA

Fund Expenses	
Management Fees %	0.67
12b1 Expense %	NA
Gross Expense Ratio %	0.90

Risk and Return Profile			
	3 Yr	5 Yr	10 Yr
Morningstar Rating™	5★	5★	5★
Morningstar Risk	Avg	Avg	-Avg
Morningstar Return	High	High	High

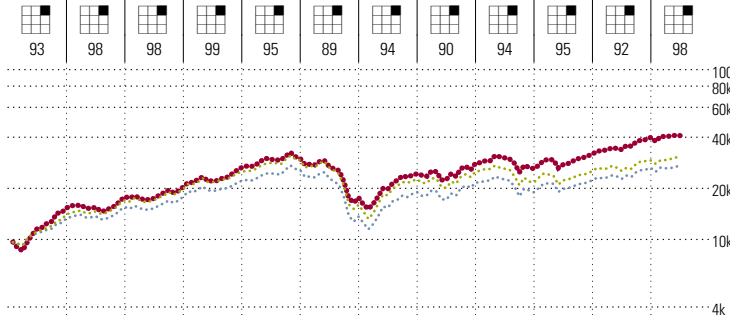
	3 Yr	5 Yr	10 Yr
Standard Deviation	15.39	16.43	17.83
Mean	10.58	15.60	10.20
Sharpe Ratio	0.73	0.96	0.55

MPT Statistics	Standard Index	Best Fit Index
	MSCI EAFE Growth	NR USD
Alpha	5.09	3.09
Beta	0.89	0.94
R-Squared	91.76	95.02

12-Month Yield	—
Potential Cap Gains Exp	23.22%

Operations

Family:	OppenheimerFunds
Manager:	Multiple
Tenure:	18.5 Years
Objective:	Foreign Stock



Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	06-14	History
NAV/Price	—	—	21.60	27.79	30.94	17.83	24.43	27.90	25.52	30.71	38.16	39.07	NAV/Price
Total Return %	53.20	16.46	14.24	30.18	12.93	-41.22	38.44	15.35	-7.31	22.10	25.46	2.38	Total Return %
+/- Standard Index	12.38	-4.44	-2.38	3.53	-3.73	4.30	-3.01	4.20	6.39	5.27	10.17	-3.18	+/- Standard Index
+/- Category Index	18.78	-0.26	-2.48	6.57	-8.10	4.39	-0.24	0.89	6.89	5.43	9.97	-2.38	+/- Category Index
% Rank Cat	—	—	—	5	74	10	36	33	13	11	7	—	% Rank Cat
No. of Funds in Cat	—	—	—	243	220	251	266	261	251	250	278	297	No. of Funds in Cat

Portfolio Analysis 06-30-2014

Asset Allocation %	Net %	Long %	Short %
Cash	3.19	3.19	0.00
US Stocks	2.06	2.06	0.00
Non-US Stocks	94.74	94.74	0.00
Bonds	0.00	0.00	0.00
Other/Not Clsfd	0.01	0.01	0.00
Total	100.00	100.00	0.00

Share Chg since 06-2014	Share Amount	Holdings:	% Net Assets
		107 Total Stocks, 43 Total Fixed-Income, 12% Turnover Ratio	
	4 mil	SAP SE	1.61
	42 mil	BT Group PLC	1.48
	8 mil	Aalberts Industries NV	1.45
	890,964	Roche Holding AG	1.43
	2 mil	Industria De Diseno Textil SA	1.41
	6 mil	Novo Nordisk A/S	1.40
	3 mil	Aryzta AG	1.40
	670,992	Syngenta AG	1.34
	8 mil	Diageo PLC	1.33
	5 mil	Unilever PLC	1.33
	164 mil	Cp All PLC	1.30
	18 mil	Essentra PLC	1.29
	4 mil	Wolseley PLC	1.29
	2 mil	CIE FINANCIERE RICHEMONT SA	1.29
	33 mil	Prosegur SA Security Co	1.28

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	21.6	1.41	1.19
	P/C Ratio TTM	14.0	1.66	1.20
	P/B Ratio TTM	3.4	2.13	1.49
	Geo Avg Mkt Cap \$mil	15548	0.47	0.48

Fixed-Income Style	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
Ltd Mod Ext	—	—	—	—
High Med Low	—	—	—	—

Credit Quality Breakdown	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure	Stock %	Rel Std Index
Americas	4.4	0.40
Greater Europe	84.4	1.62
Greater Asia	11.1	0.30

Sector Weightings	Stocks %	Rel Std Index
Cyclical	26.8	0.59
Basic Materials	4.8	0.53
Consumer Cyclical	17.8	1.73
Financial Services	4.3	0.18
Real Estate	0.0	0.00
Sensitive	46.5	1.42
Communication Services	6.8	1.21
Energy	2.5	0.27
Industrials	22.3	2.22
Technology	14.8	1.98
Defensive	26.7	1.24
Consumer Defensive	15.8	1.61
Healthcare	10.6	1.27
Utilities	0.3	0.09

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IX. REAL ASSETS PERFORMANCE COMPARISONS

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
Principal U.S. Property	3.0%	11.2%	12.2%	9.2%
NCREIF ODCE Fund Index	2.9%	12.7%	12.4%	10.0%
NCREIF Property Index	2.9%	11.2%	11.3%	9.7%
vs. Real Estate Portfolios	51	62	28	50

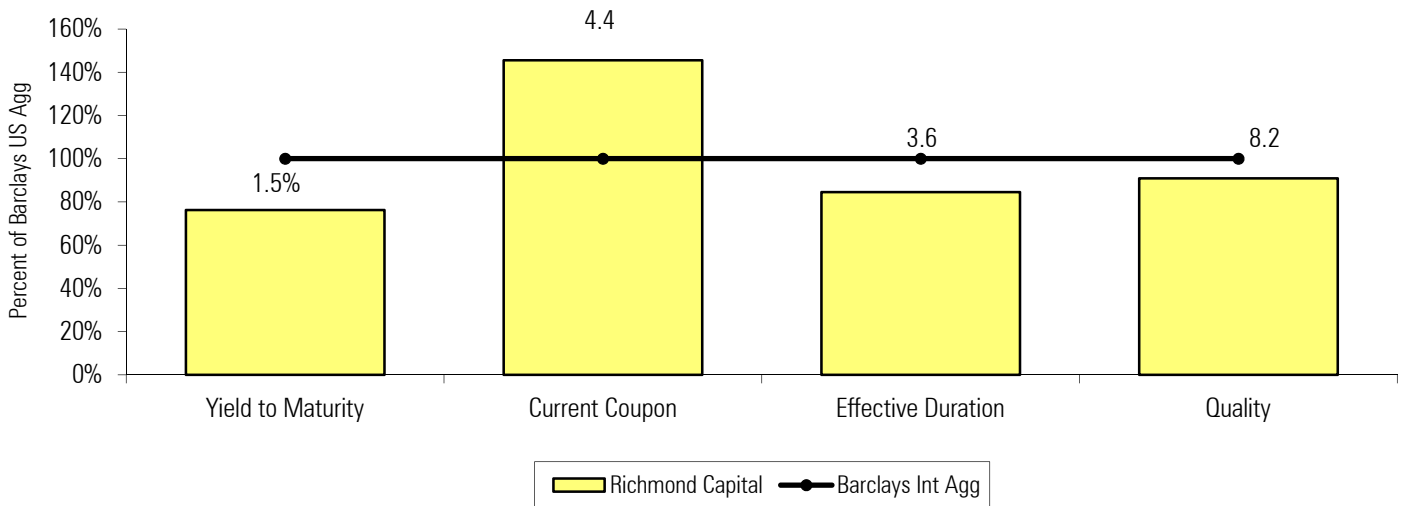
Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
JP Morgan Infrastructure	2.6%	13.1%	9.6%	7.2%
CPI + 3.0%	1.6%	5.1%	4.8%	5.0%
JP Morgan Maritime	n/a	n/a	n/a	n/a
CPI + 3.0%	1.6%	5.1%	4.8%	5.0%

JPM Maritime -12/31/13 JPM statement shows account balance of \$1,177,370. JPM has drawn \$1,274k on \$5MM commitment. SEAS will begin reporting performance once the commitment is fully drawn and/or JPM begins to provide performance data on the fund.

X. FIXED INCOME/ABSOLUTE RETURN PERFORMANCE COMPARISONS

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
Richmond Capital	1.6%	3.4%	3.9%	5.6%
Barclays Intermediate Aggregate	1.6%	3.3%	3.3%	4.6%
vs. Intermediate Fixed Income Portfolios	59	70	50	48
Oppenheimer Floating Rate	1.1%	n/a	n/a	n/a
Pacific Life	1.0%	n/a	n/a	n/a

Fixed Income Portfolio Characteristics



XI. POLICY COMPLIANCE - For Discussion Only

A. Investment Guidelines: Total Fund

Goal	1 Year	3 Years	5 Years
Exceed Target Index	✓	✓	✓
Rank Above 50 th Percentile in Public Fund Universe	✓	✓	✓
Earn Average Annual Return of 8.0%	✓	✓	✓
Standard Deviation Relative to Target Index	N/A	>	>

Guideline	Total Fund
Equity securities limited to less than 70% of Total Fund market value	61.0%
Investment in foreign company stock limited to 25% of value of Total Fund	14.9%
Investment in real estate limited to 15% of value of Total Fund	8.8%
Equity securities with Market Cap of less than \$5 billion limited to 25% of market value of Total Fund	✓
Fixed Income portfolio average credit quality of "A" or better	✓
Fixed Income portfolio duration should be < 135% of the market index duration	✓
< 5% of fixed income portfolio (at cost) shall be invested in single corp. issuer	✓



B. Fund Performance Objective

Manager	Exceed Benchmark	Exceed Benchmark	Exceed Benchmark	Risk vs. Benchmark
	3-Year	4-Year	5-Year	5-Year
DePrince, Race, and Zollo	✓	✓	✓	>
Rhumblin	n/a	n/a	n/a	n/a
Stralem Large Cap	✗	n/a	n/a	n/a
Munder Capital	✓	✗	✓	<
Atlanta Capital	n/a	n/a	n/a	n/a
EuroPacific Growth	✗	✗	✓	>
Oakmark International	n/a	n/a	n/a	n/a
Oppenheimer International Growth	n/a	n/a	n/a	n/a
Principal U.S. Property	✓	✓	✗	>
JP Morgan Infrastructure	✓	✓	✓	>
Richmond Capital	✓	✓	✓	>
Oppenheimer Floating Rate	n/a	n/a	n/a	n/a
Pacific Life	n/a	n/a	n/a	n/a

Manager	Rank Above 50 th Percentile	Rank Above 50 th Percentile	Rank Above 50 th Percentile
	3-Year	4-Year	5-Year
DePrince, Race, and Zollo	✓	✓	✓
Rhumblin	n/a	n/a	n/a
Stralem Large Cap	✗	n/a	n/a
Munder Capital	✓	✗	✓
Atlanta Capital	n/a	n/a	n/a
EuroPacific Growth	✓	✓	✓
Oakmark International	n/a	n/a	n/a
Oppenheimer International Growth	n/a	n/a	n/a
Principal U.S. Property	✓	✓	=
JP Morgan Infrastructure	✓	✓	✓
Richmond Capital	=	✗	✓
Oppenheimer Floating Rate	n/a	n/a	n/a
Pacific Life	n/a	n/a	n/a



C. Manager Status

Manager	Status	Effective Date
DePrince, Race, and Zollo	Good Standing	
Rhumblin	Good Standing	
Stralem Large Cap	Good Standing	
Munder Capital	Good Standing	2014
Atlanta Capital	Good Standing	
EuroPacific Growth	Good Standing	
Oakmark International	Good Standing	
Oppenheimer International Growth	Good Standing	
Principal U.S. Property	Good Standing	
JP Morgan Infrastructure	Good Standing	
Richmond Capital	Good Standing	
Oppenheimer Floating Rate	Good Standing	
Pacific Life	Good Standing	

XII. COMMISSION RECAPTURE SUMMARY

Period	Commissions Paid	Commissions Received through Recapture/Rebates
4Q2013	\$4,620	\$341
1Q2014	\$5,150	\$0
2Q2014	\$5,421	\$207
3Q2014		
Fiscal YTD 2014	\$15,191	\$548

Source for commissions paid: Salem Trust custodial statements



XIII. HISTORICAL EARNINGS ANALYSIS

Fiscal Year	Fiscal Year Earnings	Fiscal Year Return
2003	\$10,395,140	13.7%
2004	\$8,485,935	9.3%
2005	\$9,033,405	9.8%
2006	\$9,300,446	9.3%
2007	\$17,706,111	16.3%
2008	(\$19,925,235)	-15.8%
2009	(\$6,068,122)	-4.7%
2010	\$7,144,888	7.5%
2011	\$1,993,958	2.5%
2012	\$17,665,210	17.5%
2013	\$20,794,211	16.9%
FYTD 2014	\$16,039,087	11.6%
Since Inception	\$92,565,037	10.5%*

*Annualized, before management fees.

XIV. NOTES

- 1) The prior investment consultant, Merrill Lynch Consulting Services, provided all performance and market value data for periods prior to December 31, 2006.
- 2) Performance data for The Plan is based on market value and transaction information provided in the Salem Trust accounting statements. The statements currently provided by Salem Trust are trade date statements.
- 3) Salem Trust reports the JP Morgan Infrastructure fund values via a "shadow entry" which causes this valuation to generally trail by one quarter. Because Salem Trust is the official record-keeper, SEAS uses only these statements for all performance reporting.

