



# GARCIA HAMILTON & ASSOCIATES

Presented by:

*Janna Hamilton*  
Partner

---

## *City of Ormond Beach Police Officers' Pension Trust Fund*

August 9, 2013

---



5 Houston Center  
1401 McKinney, Suite 1600  
Houston, TX 77010  
Tel: (713) 853-2322  
Fax: (713) 853-2300

[www.GarciaHamiltonAssociates.com](http://www.GarciaHamiltonAssociates.com)

**ACTIVE  
ASSET  
MANAGEMENT**  
IMPLEMENTING A PHILOSOPHY  
& STYLE FOR OVER 25 YEARS

# Fixed Income Goal & Philosophy

---

## *Investment Goal*

Our goal is to outperform our benchmarks, net of fees, over a full market cycle using a high quality strategy with less risk and low turnover.

## *Investment Philosophy*

Superior and consistent investment results come from core principles:

- Preserve Principal
- Maintain Liquidity
- Provide High Current Income

# City of Ormond Beach Police Officers' Pension Trust Fund

June 30, 2013

## PORTFOLIO COMPOSITION

	<u>Market Value</u>	<u>Pct. Assets</u>	<u>Yield</u>
EQUITIES	0.00	0.0	0.0
FIXED INCOME	7,423,913.43	99.6	2.5
CASH & EQUIVALENTS	30,566.60	0.4	0.0
<b>Total</b>	<b>7,454,480.03</b>	<b>100.0</b>	<b>2.5</b>

## CHANGE IN PORTFOLIO

Portfolio Value on 03-31-01	7,533,666.42
Accrued Interest	24,119.59
Net Additions/Withdrawals	1,615,847.95
Net Transfers	-4,750,890.94
Realized Gains/Losses	-205,448.30
Unrealized Gains/Losses	218,776.28
Income Received	2,985,895.45
Change in Accrued Interest	32,513.58
Portfolio Value on 06-30-13	7,397,846.86
Accrued Interest	56,633.17
<b>Total</b>	<b>7,454,480.03</b>

## TIME WEIGHTED RETURN

	<u>Quarter</u>	<u>Fiscal YTD</u>	<u>One Year</u>	<u>Annualized Last 3 Years</u>	<u>Annualized Last 5 Years</u>	<u>Annualized Inception 03-31-01 To Date</u>
<b>Account</b>	<b>-2.0</b>	<b>-0.3</b>	<b>3.1</b>	<b>4.8</b>	<b>6.7</b>	<b>N/A</b>
<b>FIXED INCOME</b>	<b>-2.0</b>	<b>-0.3</b>	<b>3.3</b>	<b>5.0</b>	<b>6.8</b>	<b>6.1</b>
Barclays Capital Int Gov/Credit	-1.7	-1.1	0.3	3.1	4.6	4.9

Note: Account inception 3/31/01 with balanced mandate.  
Effective 10/1/03 mandate changed to fixed income.



We urge you to compare account statements that you receive from us with the account statements that you receive from your custodian. Past performance is no guarantee of future results. See disclosures for other relevant information. Client Use Only.

# 2nd Quarter 2013 Fixed Income Market Commentary

June 30, 2013

- The Fed took center stage this quarter as the question of tapering the quantitative easing (QE) program dominated the market. Fed Chairman Ben Bernanke stated that policy makers would “moderate” their \$85 billion purchases later this year and end them in mid-2014 if growth is consistent with forecasts. This caused investors to flee the U.S. treasury market.
- Meanwhile, fears of QE moderation, along with disappointing manufacturing numbers and higher money market rates in China, sent stocks plunging. Later, when first quarter GDP growth was reported lower than expected at 1.8%, stocks and treasuries rebounded as QE tapering fears started to subside.
- After touching a high of 2.59%, the 10-year Treasury yield ended the quarter at 2.48%, an increase of 64 basis points. The 2-year Treasury yield increased 11 basis points to 0.35% while the 30-year Treasury yield advanced 41 basis points to 3.50%. These moves caused the 2-30 year yield spread to widen to 315 basis points.
- With the increase in rates, the bond market delivered negative performance for the quarter with a return on the Barclays Capital Aggregate Index of -2.32% and a return on the Barclays Capital Intermediate Government Credit Index of -1.70%.
- Spread product underperformed as all sectors posted a negative excess return. Hardest hit were the agency and corporate sectors with negative excess returns of -56 basis points and -54 basis points, respectively. Mortgage-backed securities had a negative excess return of -38 basis points, while asset-backed securities delivered a slightly negative excess return of -3 basis points.
- We have taken advantage of the recent rate increase to close our duration gap to be more in line with the index. We remain overweight in corporate bonds with an emphasis on financials, and we have been extending some of our credits to take advantage of the steep yield curve. Given the recent increase in rates, we believe rates will trade in a range with a bias lower in the short term.

# Current Fixed Income Market Factors

June 30, 2013

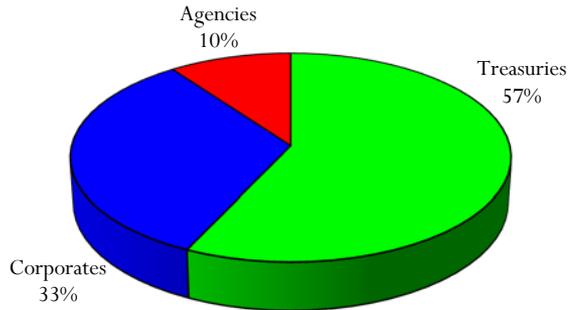
Factor		Position
<b>Sentiment</b>	On average, portfolio managers have portfolio durations meaningfully below the benchmark.	<b>Positive</b>
<b>Monetary</b>	Real money supply growth remains stable near long-term trend levels	<b>Neutral</b>
<b>Valuation</b>	The recent rise in interest rates has Treasuries priced at fair value according to our model.	<b>Neutral</b>
<b>Economic</b>	Liquidity measures have begun to accelerate and suggest stronger growth over the next three to six months	<b>Negative</b>
<b>Inflation</b>	Inflation expectations remain stable	<b>Neutral</b>

# Fixed Income Portfolio Characteristics

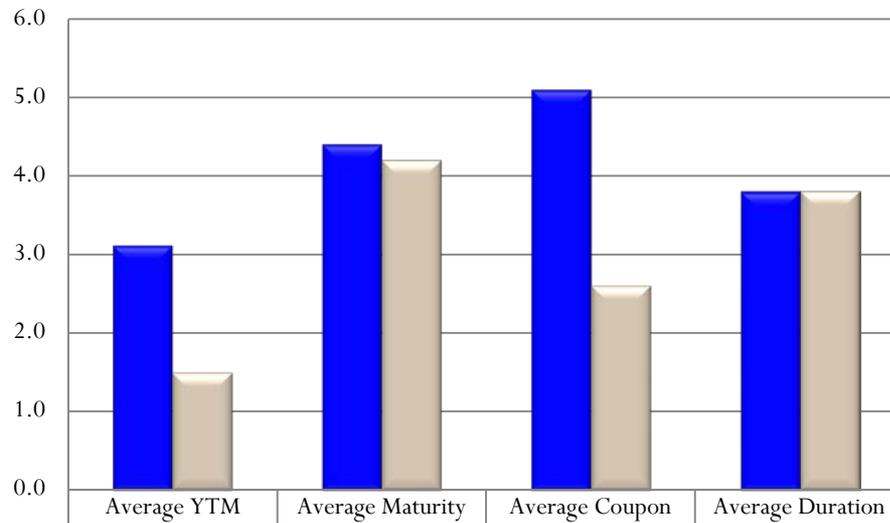
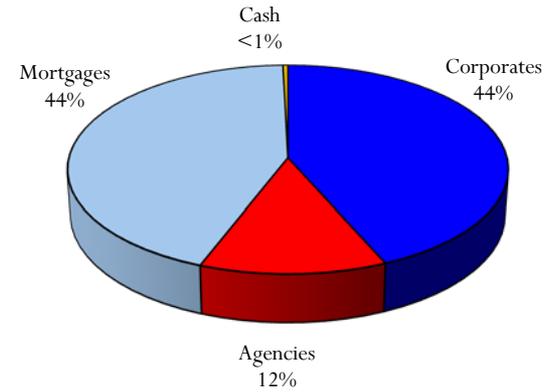
City of Ormond Beach Police Officers' Pension Trust Fund

June 30, 2013

**Barclays Capital Int. Govt./Credit**



**Portfolio**



	Average YTM	Average Maturity	Average Coupon	Average Duration
■ Portfolio	3.1	4.4	5.1	3.8
■ Barclays Capital Int. Govt./Credit	1.5	4.2	2.6	3.8

GARCIA HAMILTON & ASSOCIATES  
**PORTFOLIO SUMMARY**  
***CITY OF ORMOND BEACH POLICE OFFICERS' PENSION TRUST FUND-FIXED***  
***(3250000393) ormondpf***  
*June 30, 2013*

<u>Security Type</u>	<u>Total Cost</u>	<u>Market Value</u>	<u>Pct. Assets</u>	<u>Yield</u>	<u>Est. Annual Income</u>
<b>FIXED INCOME</b>					
CORPORATE BONDS	3,233,581.78	3,200,687.36	42.9	3.7	167,125.50
GOVERNMENT BONDS					
AGENCY - CALLABLE	932,389.92	917,737.92	12.3	1.3	10,203.75
MORTGAGE-BACKED SECURITIES-FNMA	1,552,354.52	1,550,836.61	20.8	1.7	77,495.38
MORTGAGE-BACKED SECURITIES-FHLMC	1,701,454.09	1,698,018.37	22.8	1.9	83,814.31
Accrued Interest		56,633.17	0.8		
	<u>7,419,780.32</u>	<u>7,423,913.43</u>	<u>99.6</u>	<u>2.5</u>	<u>338,638.94</u>
<b>CASH &amp; EQUIVALENTS</b>					
CASH & EQUIVALENTS	30,566.60	30,566.60	0.4	0.0	3.06
	<u>30,566.60</u>	<u>30,566.60</u>	<u>0.4</u>	<u>0.0</u>	<u>3.06</u>
<b>TOTAL PORTFOLIO</b>	<b>7,450,346.92</b>	<b>7,454,480.03</b>	<b>100.0</b>	<b>2.5</b>	<b>338,642.00</b>

We urge you to compare account statements that you receive from us with the account statements that you receive from your custodian.

GARCIA HAMILTON & ASSOCIATES  
*PORTFOLIO APPRAISAL*  
**CITY OF ORMOND BEACH POLICE OFFICERS' PENSION TRUST FUND-FIXED**  
**(3250000393) ormondpf**  
 June 30, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Yield
<b>CORPORATE BONDS</b>									
280,000	UBS Stamford 5.875% Due 12-20-17	97.91	274,141.80	115.03	322,070.56	4.3	5.875	16,450.00	2.3
150,000	Metlife Inc. 7.717% Due 02-15-19	122.47	183,702.00	125.61	188,411.40	2.5	7.717	11,575.50	2.8
185,000	Morgan Stanley 7.300% Due 05-13-19	111.28	205,864.10	116.16	214,898.59	2.9	7.300	13,505.00	4.2
235,000	AFLAC Inc. 8.500% Due 05-15-19	124.15	291,742.95	127.81	300,362.90	4.0	8.500	19,975.00	3.3
280,000	Citigroup 8.500% Due 05-22-19	125.92	352,575.23	126.00	352,807.56	4.7	8.500	23,800.00	3.6
250,000	J.P. Morgan Chase 4.250% Due 10-15-20	109.85	274,634.00	103.94	259,859.25	3.5	4.250	10,625.00	3.6
115,000	Morgan Stanley 5.750% Due 01-25-21	116.56	134,042.85	108.55	124,826.98	1.7	5.750	6,612.50	4.4
315,000	Goldman Sachs 5.250% Due 07-27-21	113.88	358,736.70	106.99	337,018.18	4.5	5.250	16,537.50	4.2
315,000	General Electric Cap. 4.650% Due 10-17-21	112.93	355,734.85	106.08	334,140.03	4.5	4.650	14,647.50	3.8
300,000	Bank of America 5.700% Due 01-24-22	115.97	347,925.00	111.00	333,013.50	4.5	5.700	17,100.00	4.2
90,000	JP Morgan 4.500% Due 01-24-22	109.31	98,375.40	104.71	94,240.98	1.3	4.500	4,050.00	3.8
355,000	Wells Fargo Sub 3.450% Due 02-13-23	100.31	356,106.90	95.50	339,037.42	4.5	3.450	12,247.50	4.0
	Accrued Interest				40,455.08	0.5			
			3,233,581.78		3,241,142.44	43.5		167,125.50	3.7
<b>GOVERNMENT BONDS</b>									
<b>AGENCY - CALLABLE</b>									
220,000	FNMA Callable Step 0.700% Due 01-18-17	100.16	220,358.60	99.99	219,987.02	3.0	0.700	1,540.00	0.8
130,000	FHLB Callable 1.650% Due 02-28-17	102.22	132,892.11	101.29	131,677.26	1.8	1.650	2,145.00	1.3
370,000	FNMA Callable 1.000% Due 09-20-17	100.23	370,859.21	97.74	361,626.53	4.9	1.000	3,700.00	1.6

GARCIA HAMILTON & ASSOCIATES  
 PORTFOLIO APPRAISAL  
**CITY OF ORMOND BEACH POLICE OFFICERS' PENSION TRUST FUND-FIXED**  
**(3250000393) ormondpf**  
 June 30, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Yield
205,000	FNMA Callable 1.375% Due 09-26-17 Accrued Interest	101.60	208,280.00	99.73	204,447.11	2.7	1.375	2,818.75	1.4
					3,183.70	0.0			
			932,389.92		920,921.63	12.4		10,203.75	1.3
	<b>GOVERNMENT BONDS Total</b>		932,389.92		920,921.63	12.4		10,203.75	1.3
<b>MORTGAGE-BACKED SECURITIES-FNMA</b>									
535,000.00	FNMA Pool #890042 5.500% Due 07-01-22	106.42	84,978.58	107.88	86,137.35	1.2	5.500	4,391.67	1.4
1,230,000.00	FNMA Pool #944122 5.500% Due 07-01-22	108.48	319,326.41	107.91	317,637.34	4.3	5.500	16,190.07	1.6
525,000.00	FNMA Pool #928613 6.000% Due 08-01-22	106.43	64,377.08	109.25	66,079.00	0.9	6.000	3,629.12	2.4
1,550,000.00	FNMA Pool #956125 5.500% Due 10-01-22	108.66	110,296.80	107.93	109,561.61	1.5	5.500	5,583.04	1.6
380,000.00	FNMA Pool #952248 5.500% Due 11-01-22	105.63	55,505.58	105.62	55,503.13	0.7	5.500	2,890.16	1.6
2,855,000.00	FNMA Pool #969810 5.000% Due 02-01-23	107.85	215,584.78	107.24	214,377.02	2.9	5.000	9,995.11	1.7
933,424.00	FNMA Pool #889390 6.000% Due 03-01-23	106.09	120,009.01	110.06	124,493.50	1.7	6.000	6,787.10	2.2
1,420,000.00	FNMA Pool #889280 5.000% Due 04-01-23	108.47	218,361.54	107.10	215,600.03	2.9	5.000	10,065.64	1.6
785,000.00	FNMA Pool #889291 5.000% Due 04-01-23	108.03	109,784.28	107.11	108,849.10	1.5	5.000	5,081.14	1.8
845,000.00	FNMA Pool #995461 5.500% Due 12-01-23	108.20	128,897.18	107.83	128,458.03	1.7	5.500	6,552.34	1.6
540,000.00	FNMA Pool #AD0662 5.500% Due 01-01-25 Accrued Interest	108.81	125,233.29	107.86	124,140.50	1.7	5.500	6,330.00	1.6
					6,242.68	0.1			
			1,552,354.52		1,557,079.29	20.9		77,495.38	1.7
<b>MORTGAGE-BACKED SECURITIES-FHLMC</b>									
1,035,000.00	FHLMC Pool #J05894 5.500% Due 02-01-21	105.82	63,569.89	108.27	65,043.66	0.9	5.500	3,304.12	1.7

GARCIA HAMILTON & ASSOCIATES  
 PORTFOLIO APPRAISAL  
**CITY OF ORMOND BEACH POLICE OFFICERS' PENSION TRUST FUND-FIXED**  
**(3250000393) ormondpf**  
 June 30, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Yield
1,185,000.00	FHLMC Pool #J05928 5.500% Due 03-01-21	107.09	116,854.07	108.27	118,140.14	1.6	5.500	6,001.34	1.7
1,120,000.00	FHLMC Pool #G12310 5.500% Due 08-01-21	108.78	106,737.63	108.52	106,477.36	1.4	5.500	5,396.67	1.7
710,000.00	FHLMC Pool #G12444 6.000% Due 10-01-21	108.22	88,374.26	109.39	89,334.81	1.2	6.000	4,899.76	2.3
970,000.00	FHLMC Pool #G13122 5.000% Due 04-01-23	108.06	89,268.63	107.10	88,471.88	1.2	5.000	4,130.42	1.6
830,000.00	FHLMC Pool #G13173 5.500% Due 05-01-23	109.27	128,519.42	108.27	127,346.00	1.7	5.500	6,469.16	1.9
1,595,000.00	FHLMC Pool #G13174 5.000% Due 06-01-23	108.66	278,936.83	108.22	277,829.75	3.7	5.000	12,835.75	1.6
730,000.00	FHLMC Pool #J08220 5.000% Due 07-01-23	108.37	136,426.12	107.10	134,818.59	1.8	5.000	6,294.17	1.5
455,000.00	FHLMC Pool #G13493 5.500% Due 01-01-24	108.44	88,438.79	108.27	88,304.11	1.2	5.500	4,485.71	1.7
440,000.00	FHLMC Pool #G14014 5.500% Due 12-01-24	108.90	181,567.96	108.75	181,320.79	2.4	5.500	9,170.50	1.9
265,000.00	FHLMC Pool #G14273 5.000% Due 07-01-25	108.09	127,965.17	107.57	127,342.77	1.7	5.000	5,919.18	1.9
435,000.00	FHLMC Pool #G30461 5.500% Due 12-01-27	108.94	120,890.72	108.07	119,932.47	1.6	5.500	6,103.49	2.6
1,395,000.00	FHLMC Pool #C91148 5.500% Due 01-01-28	108.64	173,904.60	108.48	173,656.02	2.3	5.500	8,804.06	2.1
	Accrued Interest				6,751.71	0.1			
			1,701,454.09		1,704,770.08	22.9		83,814.31	1.9
<b>CASH &amp; EQUIVALENTS</b>									
	Regions Trust Cash Sweep		30,566.60		30,566.60	0.4	0.010	3.06	0.0
			30,566.60		30,566.60	0.4		3.06	0.0
<b>TOTAL PORTFOLIO</b>			7,450,346.92		7,454,480.03	100.0		338,642.00	2.5

We urge you to compare account statements that you receive from us with the account statements that you receive from your custodian.

GARCIA HAMILTON & ASSOCIATES

PURCHASE AND SALE

**CITY OF ORMOND BEACH POLICE OFFICERS' PENSION TRUST FUND-FIXED**

**(3250000393) ormondpf**

From 04-01-13 To 06-30-13

<b>Trade Date</b>	<b>Settle Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Unit Price</b>	<b>Amount</b>
<b>PURCHASES</b>					
04-22-2013	04-29-2013	139,954.05	FHLMC Pool #J08220 5.000% Due 07-01-23	108.37	151,675.20
05-03-2013	05-16-2013	133,190.95	FNMA Pool #969810 5.000% Due 02-01-23	108.03	143,887.85
05-09-2013	05-16-2013	268,943.32	FHLMC Pool #G13174 5.000% Due 06-01-23	108.66	292,223.72
05-17-2013	05-22-2013	71,801.05	FNMA Pool #969810 5.000% Due 02-01-23	107.50	77,186.13
05-20-2013	05-23-2013	225,000	Wells Fargo Sub 3.450% Due 02-13-23	100.37	225,823.50
05-21-2013	05-24-2013	130,000	Wells Fargo Sub 3.450% Due 02-13-23	100.22	130,283.40
05-24-2013	05-30-2013	45,000	Citigroup 8.500% Due 05-22-19	133.47	60,061.95
05-24-2013	05-30-2013	160,000	J.P. Morgan Chase 4.250% Due 10-15-20	110.20	176,321.60
05-28-2013	05-31-2013	90,000	J.P. Morgan Chase 4.250% Due 10-15-20	109.24	98,312.40
05-30-2013	06-04-2013	300,000	Bank of America 5.700% Due 01-24-22	115.97	347,925.00
05-30-2013	06-04-2013	90,000	JP Morgan 4.500% Due 01-24-22	109.31	98,375.40
06-04-2013	06-27-2013	70,570.15	FHLMC Pool #C91148 5.500% Due 01-01-28	108.42	76,513.48
06-10-2013	06-27-2013	64,616.67	FNMA Pool #944122 5.500% Due 07-01-22	108.03	69,806.20
06-11-2013	06-14-2013	125,000	AFLAC Inc. 8.500% Due 05-15-19	131.40	164,251.25
					2,112,647.08

## PURCHASE AND SALE

## CITY OF ORMOND BEACH POLICE OFFICERS' PENSION TRUST FUND-FIXED

(3250000393) ormondpf

From 04-01-13 To 06-30-13

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
<b>SALES</b>					
05-03-2013	05-07-2013	150,000	FHLMC Callable 0.750% Due 11-23-15	100.00	150,007.50
05-09-2013	05-10-2013	285,000	FHLMC Callable 0.750% Due 11-23-15	100.01	285,028.50
05-20-2013	05-23-2013	230,000	Wachovia Sub Floater 0.937% Due 10-15-16	98.66	226,908.80
05-21-2013	05-24-2013	135,000	Wachovia Sub Floater 0.937% Due 10-15-16	98.73	133,286.85
05-24-2013	05-30-2013	155,000	Bear Stearns Sub 5.550% Due 01-22-17	112.73	174,726.85
05-29-2013	05-30-2013	110,000	FNMA Callable 1.000% Due 09-20-17	99.87	109,862.50
05-30-2013	06-04-2013	255,000	Bank of America 7.625% Due 06-01-19	126.29	322,049.70
05-30-2013	06-04-2013	25,000	Bank of America 7.625% Due 06-01-19	126.29	31,573.50
05-30-2013	06-04-2013	80,000	J.P. Morgan Chase 6.300% Due 04-23-19	120.82	96,652.80
06-11-2013	06-13-2013	160,000	FHLMC Callable 0.950% Due 02-10-16	100.32	160,520.00
					1,690,617.00
<b>PRINCIPAL PAYDOWNS</b>					
04-01-2013	04-01-2013	4,202.05	FHLMC Pool #C91148 5.500% Due 01-01-28	100.00	4,202.05
04-01-2013	04-01-2013	4,052.40	FHLMC Pool #G12310 5.500% Due 08-01-21	100.00	4,052.40
04-01-2013	04-01-2013	2,273.32	FHLMC Pool #G12444 6.000% Due 10-01-21	100.00	2,273.32
04-01-2013	04-01-2013	7,544.04	FHLMC Pool #G13122 5.000% Due 04-01-23	100.00	7,544.04

GARCIA HAMILTON & ASSOCIATES

*PURCHASE AND SALE*

**CITY OF ORMOND BEACH POLICE OFFICERS' PENSION TRUST FUND-FIXED**

**(3250000393) ormondpf**

From 04-01-13 To 06-30-13

<b>Trade Date</b>	<b>Settle Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Unit Price</b>	<b>Amount</b>
04-01-2013	04-01-2013	6,033.20	FHLMC Pool #G13173 5.500% Due 05-01-23	100.00	6,033.20
04-01-2013	04-01-2013	3,450.06	FHLMC Pool #G13493 5.500% Due 01-01-24	100.00	3,450.06
04-01-2013	04-01-2013	3,347.12	FHLMC Pool #G14014 5.500% Due 12-01-24	100.00	3,347.12
04-01-2013	04-01-2013	5,857.45	FHLMC Pool #G14014 5.500% Due 12-01-24	100.00	5,857.45
04-01-2013	04-01-2013	5,496.57	FHLMC Pool #G14273 5.000% Due 07-01-25	100.00	5,496.57
04-01-2013	04-01-2013	6,694.82	FHLMC Pool #G30461 5.500% Due 12-01-27	100.00	6,694.82
04-01-2013	04-01-2013	485.22	FHLMC Pool #J05894 5.500% Due 02-01-21	100.00	485.22
04-01-2013	04-01-2013	162.79	FHLMC Pool #J05894 5.500% Due 02-01-21	100.00	162.79
04-01-2013	04-01-2013	413.06	FHLMC Pool #J05928 5.500% Due 03-01-21	100.00	413.06
04-01-2013	04-01-2013	810.63	FHLMC Pool #J05928 5.500% Due 03-01-21	100.00	810.63
04-01-2013	04-01-2013	7,424.68	FNMA Pool #889280 5.000% Due 04-01-23	100.00	7,424.68
04-01-2013	04-01-2013	4,258.69	FNMA Pool #889291 5.000% Due 04-01-23	100.00	4,258.69
04-01-2013	04-01-2013	4,987.77	FNMA Pool #889390 6.000% Due 03-01-23	100.00	4,987.77
04-01-2013	04-01-2013	2,482.82	FNMA Pool #890042 5.500% Due 07-01-22	100.00	2,482.82
04-01-2013	04-01-2013	1,604.28	FNMA Pool #890042 5.500% Due 07-01-22	100.00	1,604.28
04-01-2013	04-01-2013	2,138.08	FNMA Pool #928613 6.000% Due 08-01-22	100.00	2,138.08
04-01-2013	04-01-2013	895.68	FNMA Pool #928613 6.000% Due 08-01-22	100.00	895.68

GARCIA HAMILTON & ASSOCIATES

*PURCHASE AND SALE*

**CITY OF ORMOND BEACH POLICE OFFICERS' PENSION TRUST FUND-FIXED**

**(3250000393) ormondpf**

From 04-01-13 To 06-30-13

<b>Trade Date</b>	<b>Settle Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Unit Price</b>	<b>Amount</b>
04-01-2013	04-01-2013	17,581.59	FNMA Pool #944122 5.500% Due 07-01-22	100.00	17,581.59
04-01-2013	04-01-2013	2,933.38	FNMA Pool #952248 5.500% Due 11-01-22	100.00	2,933.37
04-01-2013	04-01-2013	2,639.23	FNMA Pool #952248 5.500% Due 11-01-22	100.00	2,639.22
04-01-2013	04-01-2013	5,873.82	FNMA Pool #952248 5.500% Due 11-01-22	100.00	5,873.82
04-01-2013	04-01-2013	804.22	FNMA Pool #956125 5.500% Due 10-01-22	100.00	804.22
04-01-2013	04-01-2013	6,807.75	FNMA Pool #995461 5.500% Due 12-01-23	100.00	6,807.75
04-01-2013	04-01-2013	5,175.56	FNMA Pool #AD0662 5.500% Due 01-01-25	100.00	5,175.56
05-01-2013	05-01-2013	6,946.52	FHLMC Pool #C91148 5.500% Due 01-01-28	100.00	6,946.52
05-01-2013	05-01-2013	2,934.20	FHLMC Pool #G12310 5.500% Due 08-01-21	100.00	2,934.20
05-01-2013	05-01-2013	3,348.87	FHLMC Pool #G12444 6.000% Due 10-01-21	100.00	3,348.87
05-01-2013	05-01-2013	4,181.81	FHLMC Pool #G13122 5.000% Due 04-01-23	100.00	4,181.81
05-01-2013	05-01-2013	6,370.34	FHLMC Pool #G13173 5.500% Due 05-01-23	100.00	6,370.34
05-01-2013	05-01-2013	2,939.56	FHLMC Pool #G13493 5.500% Due 01-01-24	100.00	2,939.56
05-01-2013	05-01-2013	2,469.37	FHLMC Pool #G14014 5.500% Due 12-01-24	100.00	2,469.37
05-01-2013	05-01-2013	4,321.41	FHLMC Pool #G14014 5.500% Due 12-01-24	100.00	4,321.41
05-01-2013	05-01-2013	5,827.52	FHLMC Pool #G14273 5.000% Due 07-01-25	100.00	5,827.52
05-01-2013	05-01-2013	4,798.61	FHLMC Pool #G30461 5.500% Due 12-01-27	100.00	4,798.61

GARCIA HAMILTON & ASSOCIATES

*PURCHASE AND SALE*

**CITY OF ORMOND BEACH POLICE OFFICERS' PENSION TRUST FUND-FIXED**

**(3250000393) ormondpf**

From 04-01-13 To 06-30-13

<b>Trade Date</b>	<b>Settle Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Unit Price</b>	<b>Amount</b>
05-01-2013	05-01-2013	4,361.35	FHLMC Pool #J05894 5.500% Due 02-01-21	100.00	4,361.35
05-01-2013	05-01-2013	1,463.16	FHLMC Pool #J05894 5.500% Due 02-01-21	100.00	1,463.16
05-01-2013	05-01-2013	614.98	FHLMC Pool #J05928 5.500% Due 03-01-21	100.00	614.98
05-01-2013	05-01-2013	1,206.89	FHLMC Pool #J05928 5.500% Due 03-01-21	100.00	1,206.89
05-01-2013	05-01-2013	8,514.75	FHLMC Pool #J08220 5.000% Due 07-01-23	100.00	8,514.75
05-01-2013	05-01-2013	7,518.72	FNMA Pool #889280 5.000% Due 04-01-23	100.00	7,518.72
05-01-2013	05-01-2013	4,540.24	FNMA Pool #889291 5.000% Due 04-01-23	100.00	4,540.24
05-01-2013	05-01-2013	5,383.92	FNMA Pool #889390 6.000% Due 03-01-23	100.00	5,383.92
05-01-2013	05-01-2013	2,594.06	FNMA Pool #890042 5.500% Due 07-01-22	100.00	2,594.06
05-01-2013	05-01-2013	1,676.17	FNMA Pool #890042 5.500% Due 07-01-22	100.00	1,676.17
05-01-2013	05-01-2013	3,590.72	FNMA Pool #928613 6.000% Due 08-01-22	100.00	3,590.72
05-01-2013	05-01-2013	1,504.22	FNMA Pool #928613 6.000% Due 08-01-22	100.00	1,504.22
05-01-2013	05-01-2013	1,846.45	FNMA Pool #944122 5.500% Due 07-01-22	100.00	1,846.45
05-01-2013	05-01-2013	3,579.48	FNMA Pool #952248 5.500% Due 11-01-22	100.00	3,579.48
05-01-2013	05-01-2013	3,772.97	FNMA Pool #952248 5.500% Due 11-01-22	100.00	3,772.97
05-01-2013	05-01-2013	810.43	FNMA Pool #956125 5.500% Due 10-01-22	100.00	810.43
05-01-2013	05-01-2013	7,152.95	FNMA Pool #995461 5.500% Due 12-01-23	100.00	7,152.95

GARCIA HAMILTON & ASSOCIATES

*PURCHASE AND SALE*

**CITY OF ORMOND BEACH POLICE OFFICERS' PENSION TRUST FUND-FIXED**

**(3250000393) ormondpf**

From 04-01-13 To 06-30-13

<b>Trade Date</b>	<b>Settle Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Unit Price</b>	<b>Amount</b>
05-01-2013	05-01-2013	5,203.02	FNMA Pool #AD0662 5.500% Due 01-01-25	100.00	5,203.02
06-01-2013	06-01-2013	3,722.23	FHLMC Pool #C91148 5.500% Due 01-01-28	100.00	3,722.23
06-01-2013	06-01-2013	3,342.77	FHLMC Pool #G12310 5.500% Due 08-01-21	100.00	3,342.77
06-01-2013	06-01-2013	2,707.15	FHLMC Pool #G12444 6.000% Due 10-01-21	100.00	2,707.15
06-01-2013	06-01-2013	6,497.65	FHLMC Pool #G13122 5.000% Due 04-01-23	100.00	6,497.65
06-01-2013	06-01-2013	4,350.76	FHLMC Pool #G13173 5.500% Due 05-01-23	100.00	4,350.76
06-01-2013	06-01-2013	12,228.37	FHLMC Pool #G13174 5.000% Due 06-01-23	100.00	12,228.37
06-01-2013	06-01-2013	2,599.29	FHLMC Pool #G13493 5.500% Due 01-01-24	100.00	2,599.29
06-01-2013	06-01-2013	2,338.68	FHLMC Pool #G14014 5.500% Due 12-01-24	100.00	2,338.68
06-01-2013	06-01-2013	4,092.70	FHLMC Pool #G14014 5.500% Due 12-01-24	100.00	4,092.70
06-01-2013	06-01-2013	5,211.11	FHLMC Pool #G14273 5.000% Due 07-01-25	100.00	5,211.11
06-01-2013	06-01-2013	4,316.24	FHLMC Pool #G30461 5.500% Due 12-01-27	100.00	4,316.23
06-01-2013	06-01-2013	418.44	FHLMC Pool #J05894 5.500% Due 02-01-21	100.00	418.44
06-01-2013	06-01-2013	140.38	FHLMC Pool #J05894 5.500% Due 02-01-21	100.00	140.38
06-01-2013	06-01-2013	1,939.46	FHLMC Pool #J05928 5.500% Due 03-01-21	100.00	1,939.46
06-01-2013	06-01-2013	3,806.19	FHLMC Pool #J05928 5.500% Due 03-01-21	100.00	3,806.19
06-01-2013	06-01-2013	5,555.91	FHLMC Pool #J08220 5.000% Due 07-01-23	100.00	5,555.91

GARCIA HAMILTON & ASSOCIATES

*PURCHASE AND SALE*

**CITY OF ORMOND BEACH POLICE OFFICERS' PENSION TRUST FUND-FIXED**

**(3250000393) ormondpf**

From 04-01-13 To 06-30-13

<b>Trade Date</b>	<b>Settle Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Unit Price</b>	<b>Amount</b>
06-01-2013	06-01-2013	11,149.43	FNMA Pool #889280 5.000% Due 04-01-23	100.00	11,149.43
06-01-2013	06-01-2013	5,406.37	FNMA Pool #889291 5.000% Due 04-01-23	100.00	5,406.37
06-01-2013	06-01-2013	5,364.74	FNMA Pool #889390 6.000% Due 03-01-23	100.00	5,364.74
06-01-2013	06-01-2013	1,886.97	FNMA Pool #890042 5.500% Due 07-01-22	100.00	1,886.97
06-01-2013	06-01-2013	1,219.28	FNMA Pool #890042 5.500% Due 07-01-22	100.00	1,219.28
06-01-2013	06-01-2013	1,396.18	FNMA Pool #928613 6.000% Due 08-01-22	100.00	1,396.18
06-01-2013	06-01-2013	584.89	FNMA Pool #928613 6.000% Due 08-01-22	100.00	584.89
06-01-2013	06-01-2013	8,273.01	FNMA Pool #944122 5.500% Due 07-01-22	100.00	8,273.01
06-01-2013	06-01-2013	3,628.82	FNMA Pool #952248 5.500% Due 11-01-22	100.00	3,628.82
06-01-2013	06-01-2013	3,201.39	FNMA Pool #952248 5.500% Due 11-01-22	100.00	3,201.39
06-01-2013	06-01-2013	812.63	FNMA Pool #956125 5.500% Due 10-01-22	100.00	812.63
06-01-2013	06-01-2013	5,089.89	FNMA Pool #969810 5.000% Due 02-01-23	100.00	5,089.89
06-01-2013	06-01-2013	5,339.65	FNMA Pool #995461 5.500% Due 12-01-23	100.00	5,339.65
06-01-2013	06-01-2013	4,583.83	FNMA Pool #AD0662 5.500% Due 01-01-25	100.00	4,583.83
					<hr/> 347,107.35

We urge you to compare account statements that you receive from us with the account statements that you receive from your custodian.

# Client Report Disclosures

## PERFORMANCE DATA

Performance data represents historically achieved results for a client's portfolio(s), and is no guarantee of future performance. The market or economic conditions during this period may or may not be repeated. There may be differences between the performance shown and the performance results achieved by any other client retaining Garcia Hamilton for the same investment strategy. Benchmark results are shown for comparison purposes only. The benchmark represents an unmanaged portfolio with characteristics which are similar to the portfolio(s). The returns of the benchmark do not include any transaction costs, management fees or other costs. The holdings in the client's portfolio(s) may differ significantly from the securities that comprise the benchmark shown. The benchmark has been selected by the client as an appropriate benchmark with which to compare the performance of the portfolio(s).