

**MIRAMAR FIREFIGHTERS**

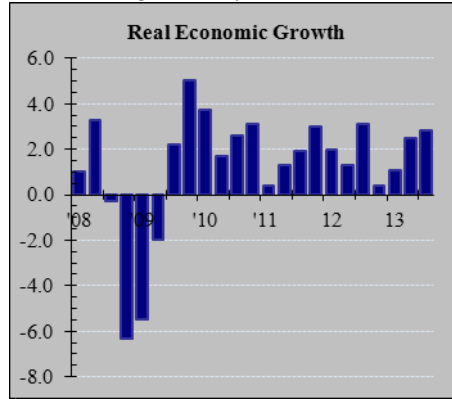
**PERFORMANCE REVIEW  
SEPTEMBER 2013**



## ECONOMIC ENVIRONMENT

### *Bernanke Surprises Everyone While Investors Gird for a Shutdown*

The furlough of key Federal Government workers began at midnight on September 30<sup>th</sup>. This action delayed the collection of statistics relating to employment and economic growth. While some of those numbers are still unavailable, other credible sources strongly suggest that the US economy continued to grow, albeit slowly. Housing and manufacturing were the quarter's bright spots, while consumer confidence ebbed slightly.



On September 18<sup>th</sup>, Fed Chairman Bernanke also had economic growth in mind when he made an announcement that took politicians, investors and economists by surprise. As recently as June, he was giving serious consideration to trimming the Fed's \$85 Billion monthly bond buying program, known as QE3. But, just one quarter later, he announced that the Fed would defer any exit from the program (tapering). This action was taken to stimulate more growth and reduce the still high unemployment level. Financial markets reacted favorably, but there were other storms on the horizon. These included the military show-down with Syria, an October 1st Government shutdown and a looming debt ceiling to be reached on or about October 17th.

The quarter's economic highlights:

- *2<sup>nd</sup> quarter GNP was a healthy 2.5%, after rising only 1.1% during the first quarter; this meaningful improvement was achieved despite the ongoing sequester. The Fed expects 2% growth for the full year and 3% in 2014 (revised downward*

*from 3.3%). Nonetheless, the shutdown and debt ceiling issues could dampen the outcome for this year.*

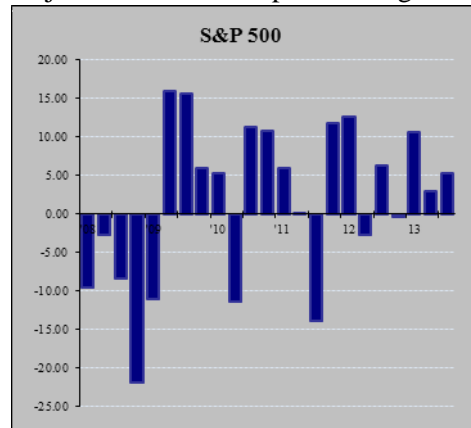
- *Job growth remained positive, albeit sluggish, with non-farm private employment gains averaging over 150,000 throughout the quarter. Small business hiring represented almost half of September's gains. The overall gains managed to keep pace with the growing labor pool, with the unemployment rate dipping slightly to 7.2%*
- *CoreLogic reported that housing prices advanced 12.4% on a year-over-year basis through August. Housing prices have gained traction for 18 consecutive months, contributing to the consumer's sense of economic well-being. Importantly, **no** state experienced price depreciation in the month of August.*
- *The pace of manufacturing rose to its highest level in 12-months, as reported by ISM; those gains have now occurred for 52 consecutive months! The service sector also continued to grow, but at a slower rate, and growth in that sector has been positive for 45 straight months.*
- *The Conference Board's Consumer Confidence Index fell slightly from its August peak of 81.8, but was still high at 79.7 as of September. However, the Expectations Index fell sharply in September amid government shutdown and debt ceiling worries.*
- *Inflation remained low through August, influenced by stubbornly high unemployment, restrained consumer spending and especially by the ongoing QE3.*

Given all of the political, military and economic volatility during the quarter, domestic and international markets successfully climbed many walls of worry.

## EQUITY MARKET

### A Strong Advance

Price volatility was substantial on a month-to-month basis; however, all major stock indices posted single to double-digit gains for the full quarter. The bellwether S&P 500 rose 5.2% and hit a record high on September 18<sup>th</sup>, in sync with the Fed's latest announcement. The tech-oriented NASDAQ Composite charged ahead 11.2%.



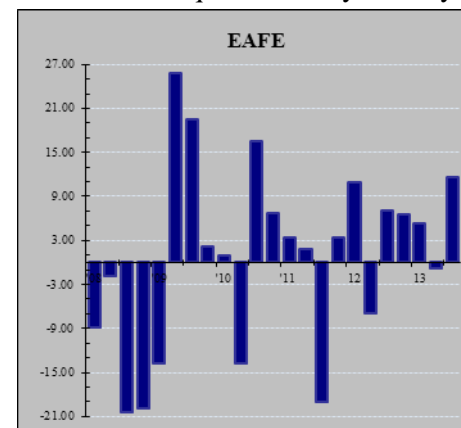
Among investment styles, small caps beat large caps and growth left value behind. The best performing investment space was **small-cap growth**, which returned **12.8%**. By comparison, **large-cap value** stocks rose a relatively meager **3.9%**. The largest return spread among similar-sized companies was between small-cap growth and small-cap value, which returned 12.8% and 7.6%, respectively. The Russell 3000, representing the broad stock market, earned 6.4%, with its growth component posting 8.5% and the value segment rising a much lower 4.2%. Year-to-date stock returns looked more like a two-year or even a three-year bull market advance. Small-cap growth was once again the best of the bunch, vaulting 32.5% in nine-months. However, there is lingering concern that Congressional gridlock early in the fourth quarter could lead to a performance give-back.

Technology stocks (+10.6%) fared best among the eleven S&P market sectors, buoyed by Apple's 21% rebound. The consumer discretionary sector was close behind with a 9.7% gain, driven by auto replacement demand. The basic industry and energy sectors earned 8.9% and 6.1%, respectively, due to a rebound in Chinese and European demand. Utility stocks were the only group that lost ground (-0.5%). Overall, cyclical industries shined and interest-sensitive names underperformed.

## INTERNATIONAL EQUITIES

### Many Developed Markets Soared, Leaving EM in their Wake

The benchmark MSCI EAFE Index turned from red ink to black, adding 11.6% for the quarter. Every country component of the index advanced,



with most rising by double digits. Europe was the best-performing region, as the Eurozone economy officially climbed out of recession.

Within Europe, there were some surprisingly high flyers: Greece (33.6%); Spain (25.8%); Italy (19.8%); and Ireland (17.0%). These are four of the five so-called PIIGS countries that have been mired in sovereign debt crises since 2008. Investor sentiment turned positive in southern Europe mainly because those economies appeared to be bottoming out and the ECB announced it would maintain low borrowing rates as long as necessary. Heavy hitters' Germany (12.7%) and France (15.5%) also advanced, as re-election activities by Angela Merkel's political party took center stage. The UK officially ended its recession, thereby gaining 12.1%.

Australia saw a strong 12.0% return, reflecting China's renewed appetite for raw materials. Stock prices of Australian-based BHP Billiton and Rio Tinto led the market upward.

Far East stocks turned in mixed results, but were generally lower than those of Europe and Australia. The Japan market rose a respectable 6.7%, helped by the continuing government stimulus and an upwardly-revised second quarter GDP. A strengthening Yen did not hamper results. Hong Kong delivered a higher 8.9% return, as its gambling enterprises saw a spike in business due to an upturn in Chinese tourism; a peaceful legislative election also helped. Singapore was a bit of a

laggard, gaining 4.7% amid a weakening economy. Israeli stocks brought up the rear, advancing just 2.5%.

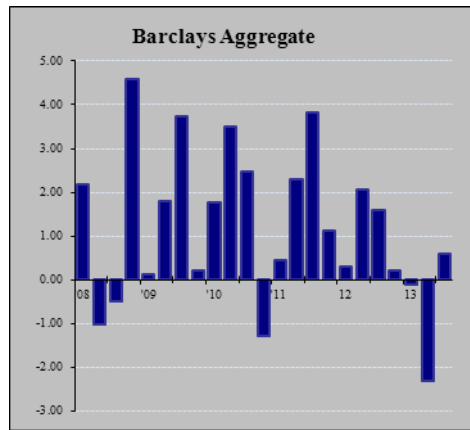
Emerging market stocks collectively earned 5.9%, but with a wide range among country bourses. Gains were concentrated in countries with large Eurozone exposure, a large raw materials export market, or a heavy manufacturing component.

Markets in several Asian countries weakened. India (-5.3%) suffered from slow economic growth, rising inflation and a weakening rupee. Indonesia was the biggest loser (-23.9%) due to a record current account deficit and a collapsing rupiah. Korea's market was the notable exception, up 14.9%, bolstered by that country's solid economic growth. Korean-based Samsung participated with the introduction of a highly-touted "smart" watch.

## BOND MARKET

### *Taper Deferral Led Bond Prices Up, Yields Down*

The bond market turned the corner after a dramatic 2.3% second quarter loss.



loss. The Barclays Aggregate Index did move up 0.6%, but was positive only because the Fed Chair announced a tapering deferral. While the 10-Year Treasury earned 12 basis points for the quarter, the yield had moved beyond 3% before the September 18<sup>th</sup> Fed announcement. Clearly, investors were astonished at the Fed pullback; traders were quick to act after the announcement, driving the 10-year yield below 2.70% by quarter-end. For the full quarter, long maturity yields climbed modestly and short maturity yields declined. As a result, those investors with long portfolio

durations lost out to their shorter-duration counterparts. For reference, Government securities comprise almost 41% of the Aggregate Index and largely determine the direction of returns.

The Treasury component of the index eked out a 0.1% return for the quarter. However, long Treasuries, i.e. 10-Year and longer maturities, fell 2.2% and dropped almost 10%, Y-T-D. By comparison, other major sectors fared better. Residential mortgage paper gained 1% on the strengthening housing market. Commercial MBS performed as well, based on positive economic growth. The investment grade corporate bond market was a third bright spot, gaining 0.8%. However, long maturity corporate results were flat. The relatively small-sized asset-backed sector, which includes auto and credit card securitized debt, added just 0.2%, although it is a short maturity sector. Still, the auto sub-sector earned 0.4%, reflecting high auto sales financing. Overall, investment grade bonds added little to the performance of a broadly diversified portfolio.

Treasury issues of the G-6 countries performed well. Combined, the G-6 sovereigns returned 3.9%. The UK market shined (7.3%), while Canadian debt, which trades closely to the US dollar, fared worst (2.6%). Emerging market bond results varied, but most EM debt rallied after the September 18<sup>th</sup> Fed announcement. The combined EM Aggregate Index gained 1.4%.

## CASH EQUIVALENTS

### *Wait Until Next Year*

Treasuries with maturities of one-year or less again earned low fractional returns during the quarter. Higher nominal returns are not in sight until the Fed raises short-term rates and inflation rears its head.

**MARKET SUMMARY**

**ECONOMIC STATISTICS**

	CURRENT QTR	LAST QTR
GDP	2.8	2.5
Unemployment	7.2	7.6
CPI All Items Year/Year	1.18	1.75
Fed Funds Rate	0.25	0.25
Industrial Capacity	78.3	77.9
US Dollars per Euro	1.35	1.30

**MAJOR INDEX QUARTER RETURNS**

INDEX	PERFORMANCE
Russell 3000	6.4
S&P 500	5.2
Russell Mid	7.7
Russell 2000	10.2
MSCI EAFE	11.6
MSCI Emg Mkts	5.9
NCREIF ODCE	3.6
Barclays Agg	0.6
90 Day Tbills	0.0

**EQUITY RETURN DISTRIBUTIONS**

	QUARTER			TRAILING YEAR		
	VAL	COR	GRO	VAL	COR	GRO
LC	3.9	6.0	8.1	22.3	20.9	19.3
MC	5.9	7.7	9.3	27.8	27.9	27.5
SC	7.6	10.2	12.8	27.0	30.0	33.1

**MARKET SUMMARY**

- \* Third quarter GDP increased by 2.8%, according to the advance estimate from the BEA.
- \* Seasonally adjusted unemployment fell slightly to 7.2%.
- \* CPI increased at a rate of 1.2% year over year.
- \* Domestic Equities posted positive returns, with Growth beating Value and smaller cap sizes fairing better than larger cap sizes.
- \* The US Dollar weakened relative to the Euro.

## **INVESTMENT RETURN**

On September 30th, 2013, the Miramar Firefighters' Composite portfolio was valued at \$85,388,632, representing an increase of \$5,817,118 from the June quarter's ending value of \$79,571,514. Last quarter, the Fund posted net contributions equaling \$914,991 plus a net investment gain equaling \$4,902,127. Total net investment return was the result of income receipts, which totaled \$199,584 and net realized and unrealized capital gains of \$4,702,543.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the Composite portfolio gained 6.2%, which was 0.2% above the Miramar Policy Index's return of 6.0% and ranked in the 7th percentile of the Public Fund universe. Over the trailing year, the portfolio returned 18.0%, which was 0.6% greater than the benchmark's 17.4% performance, and ranked in the 2nd percentile. Since September 2003, the portfolio returned 7.3% on an annualized basis and ranked in the 35th percentile. For comparison, the Miramar Policy Index returned an annualized 7.8% over the same period.

### **Large Cap Equity**

The large cap equity portfolio returned 6.2% in the third quarter, 1.0% greater than the S&P 500 Index's return of 5.2% and ranked in the 49th percentile of the Large Cap universe. Over the trailing twelve-month period, the large cap equity portfolio returned 18.1%; that return was 1.2% less than the benchmark's 19.3% return, and ranked in the 83rd percentile.

### **Smid Cap Equity**

The smid cap equity portfolio gained 8.0% in the third quarter, 1.1% below the Russell 2500 Index's return of 9.1% and ranked in the 64th percentile of the Smid Cap universe. Over the trailing year, this

segment returned 29.8%, equal to the benchmark's 29.8% performance, and ranked in the 47th percentile.

### **Foreign Equity**

The foreign equity segment returned 10.0% during the third quarter; that return was 0.1% below the Foreign Equity Hybrid Index's return of 10.1% and ranked in the 49th percentile of the International Equity universe. Over the trailing twelve months, the foreign equity portfolio returned 18.4%, 1.9% greater than the benchmark's 16.5% performance, ranking in the 58th percentile.

### **Real Assets**

*In January 2011, \$2 million was committed to the Molpus Woodlands Fund III and \$2 million was committed to the Hancock Timberland XI fund. As of September 2013, \$1,654,000 has been called by Molpus and \$812,441 has been called by Hancock.*

*The quarter-end data for the Molpus Woodlands Fund III was not finalized at the time of this report. The quarter-end market value and return shown are preliminary, although variation is unlikely.*

During the third quarter, the real assets segment returned 2.7%, which was 0.1% greater than the Real Asset Blended Index's return of 2.6%. Over the trailing twelve-month period, this component returned 12.2%, which was 0.5% greater than the benchmark's 11.7% return.

## **Fixed Income**

The fixed income portion of the portfolio returned 0.6% in the third quarter, equal to the Barclays Aggregate Index's return of 0.6% and ranked in the 53rd percentile of the Core Fixed Income universe. Over the trailing twelve-month period, this segment returned -0.8%, 0.9% greater than the benchmark's -1.7% return, ranking in the 24th percentile. Since September 2003, this component returned 4.1% per annum and ranked in the 94th percentile. For comparison, the Barclays Aggregate Index returned an annualized 4.6% during the same time frame.

## **ASSET ALLOCATION**

On September 30th, 2013, large cap equities comprised 41.5% of the total portfolio (\$35.4 million), while smid cap equities totaled 25.5% (\$21.8 million). The account's foreign equity segment was valued at \$11.1 million, representing 13.0% of the portfolio, while the real assets component's \$7.2 million totaled 8.4%. The portfolio's fixed income represented 7.6% and the remaining 4.0% was comprised of cash & equivalents (\$3.4 million).

## EXECUTIVE SUMMARY

## PERFORMANCE SUMMARY

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	10 Years
<b>Total Gross/Fees</b>	6.2	18.0	18.0	12.6	7.3
<i>PUBLIC FUND RANK</i>	(7)	(2)	(2)	(2)	(35)
<b>Total Net/Fees</b>	6.0	17.4	17.4	12.2	7.0
POLICY INDEX	6.0	17.4	17.4	13.4	7.8
SHADOW INDEX	6.1	18.2	18.2	12.9	----
<b>Domestic Equity</b>	6.7	21.8	21.8	15.8	----
<i>ALL CAP RANK</i>	(64)	(71)	(71)	(75)	----
RUSSELL 3000	6.4	21.6	21.6	16.8	8.1
<b>Large Cap Equity</b>	6.2	18.1	18.1	14.8	----
<i>LARGE CAP RANK</i>	(49)	(83)	(83)	(77)	----
S&P 500	5.2	19.3	19.3	16.3	7.6
RUSSELL 1000G	8.1	19.3	19.3	16.9	7.8
RUSSELL 1000V	3.9	22.3	22.3	16.2	8.0
RUSSELL 1000	6.0	20.9	20.9	16.6	8.0
<b>SMid Cap Equity</b>	8.0	29.8	29.8	18.6	----
<i>SMID CAP RANK</i>	(64)	(47)	(47)	(48)	----
RUSSELL 2500	9.1	29.8	29.8	18.4	10.4
<b>Foreign Equity</b>	10.0	18.4	18.4	6.5	----
<i>INTERNATIONAL EQUITY RANK</i>	(49)	(58)	(58)	(66)	----
HYBRID INDEX	10.1	16.5	16.5	5.7	7.2
ACXUS NET	10.1	16.5	16.5	6.0	8.8
MSCI EAFE NET	11.6	23.8	23.8	8.5	8.0
<b>Real Assets</b>	2.7	12.2	12.2	13.8	----
BLENDED INDEX	2.6	11.7	11.7	11.4	6.3
NCREIF ODCE	3.6	13.0	13.0	14.3	7.1
NCREIF TIMBER	1.0	9.7	9.7	4.0	8.1
<b>Fixed Income</b>	0.6	-0.8	-0.8	2.4	4.1
<i>CORE FIXED INCOME RANK</i>	(53)	(24)	(24)	(99)	(94)
BARCLAYS AGG	0.6	-1.7	-1.7	2.9	4.6
INT AGGREGATE	0.8	-0.7	-0.7	2.6	4.4
BARCLAY INT GOV	0.4	-0.8	-0.8	1.8	3.8
INT GOV/CREDIT	0.6	-0.5	-0.5	2.4	4.1

## ASSET ALLOCATION

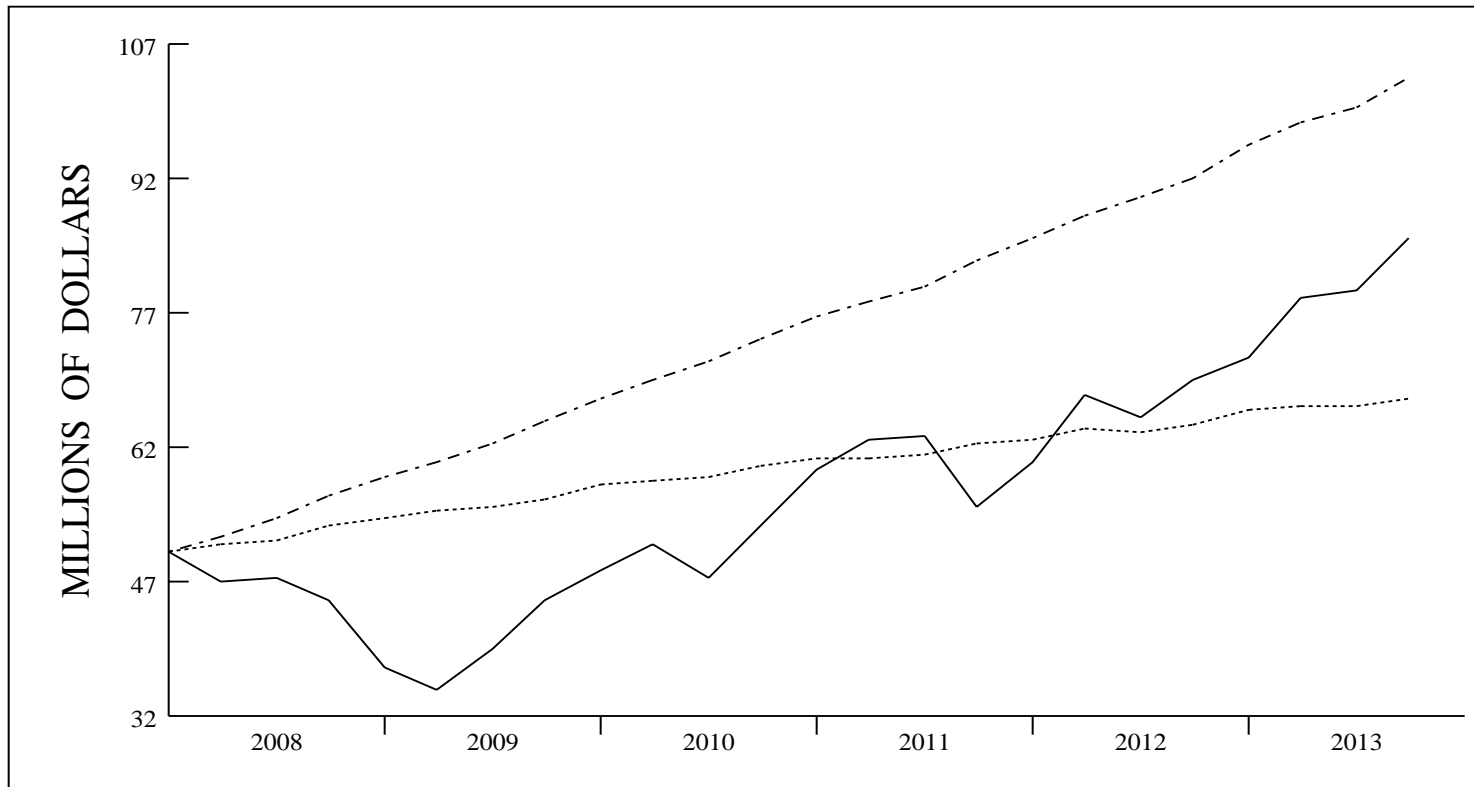
Large Cap Equity	41.5%	\$ 35,441,673
SMid Cap Equity	25.5%	21,806,321
Foreign Equity	13.0%	11,071,354
Real Assets	8.4%	7,163,881
Fixed Income	7.6%	6,457,392
Cash	4.0%	3,448,011
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 85,388,632</b>

## INVESTMENT RETURN

Market Value 6/2013	\$ 79,571,514
Contribs / Withdrawals	914,991
Income	199,584
Capital Gains / Losses	4,702,543
Market Value 9/2013	\$ 85,388,632



**INVESTMENT GROWTH**

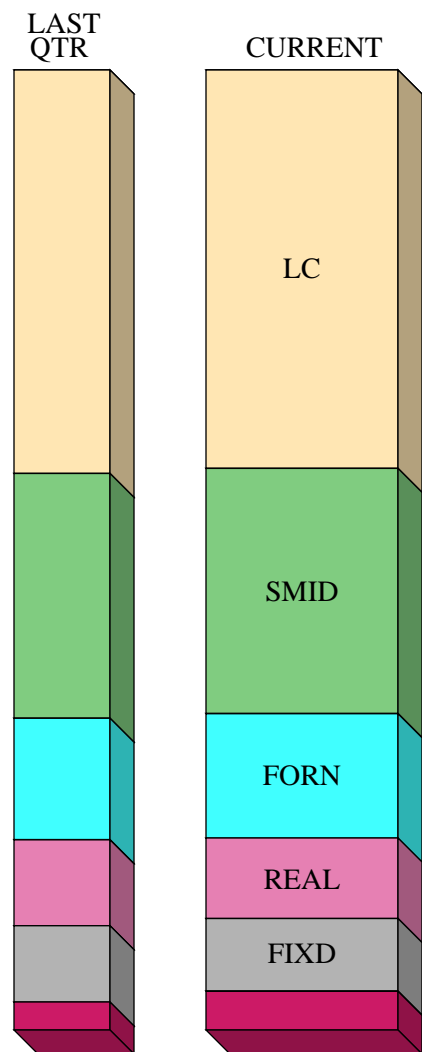


— ACTUAL RETURN  
 - - - ACTUARIAL BLEND  
 ..... 0.0%

VALUE ASSUMING  
 ACT. BLEND  
 \$ 103,296,285

	LAST QUARTER	PERIOD 12/07 - 9/13
BEGINNING VALUE	\$ 79,571,514	\$ 50,659,200
NET CONTRIBUTIONS	914,991	16,887,227
INVESTMENT RETURN	4,902,127	17,842,204
ENDING VALUE	\$ 85,388,632	\$ 85,388,632
INCOME	199,584	2,227,162
CAPITAL GAINS (LOSSES)	4,702,543	15,615,042
INVESTMENT RETURN	4,902,127	17,842,204

**ASSET ALLOCATION**



	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>DIFFERENCE</u> <u>+ / -</u>
<span style="color: orange;">■</span> LARGE CAP EQUITY <span style="color: green;">■</span> SMID CAP EQUITY <span style="color: cyan;">■</span> FOREIGN EQUITY <span style="color: pink;">■</span> REAL ASSETS <span style="color: grey;">■</span> FIXED INCOME <span style="color: red;">■</span> CASH & EQUIVALENT	\$ 35,441,673	41.5%	40.0%	1.5%
	21,806,321	25.5%	25.0%	0.5%
	11,071,354	13.0%	15.0%	-2.0%
	7,163,881	8.4%	10.0%	-1.6%
	6,457,392	7.6%	10.0%	-2.4%
	3,448,011	4.0%	0.0%	4.0%
<b>TOTAL FUND</b>	<b>\$ 85,388,632</b>	<b>100.0%</b>		

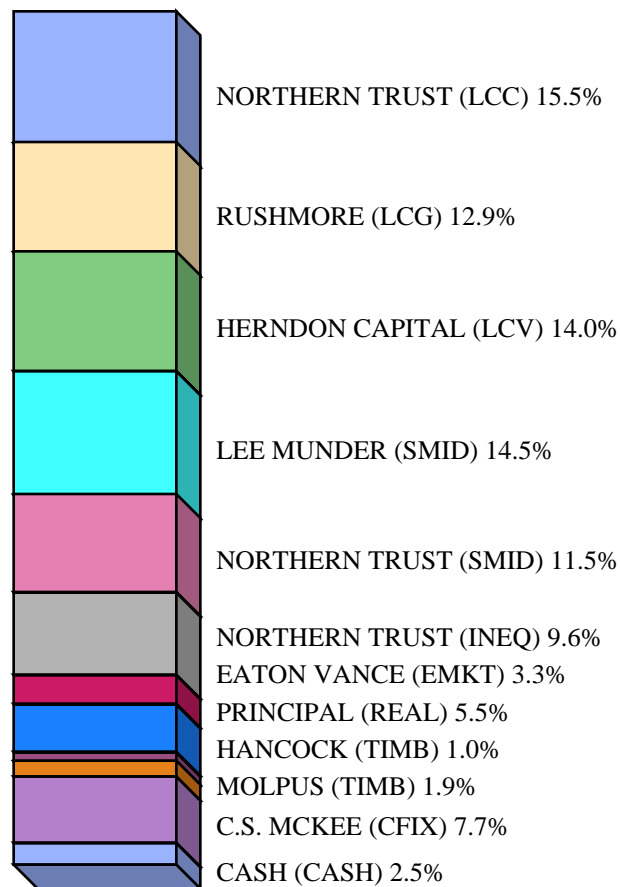
## MANAGER PERFORMANCE SUMMARY

Name	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years	Inception
Composite	(Public Fund)	6.2 (7)	18.0 (2)	18.0 (2)	12.6 (2)	7.8 (72)	7.3 (35) 09/03
<i>Miramar Policy Index</i>		<b>6.0</b> ----	<b>17.4</b> ----	<b>17.4</b> ----	<b>13.4</b> ----	<b>8.5</b> ----	<b>7.8</b> ----
Northern Trust	(LC Core)	5.2 (72)	19.3 (63)	19.3 (63)	16.3 (56)	10.1 (62)	6.5 (89) 12/03
<i>S&amp;P 500</i>		<b>5.2</b> ----	<b>19.3</b> ----	<b>19.3</b> ----	<b>16.3</b> ----	<b>10.0</b> ----	<b>6.5</b> ----
Rushmore	(LC Growth)	8.1 (61)	16.5 (87)	16.5 (87)	11.1 (99)	---- ----	11.3 (98) 09/09
<i>Russell 1000 Growth</i>		<b>8.1</b> ----	<b>19.3</b> ----	<b>19.3</b> ----	<b>16.9</b> ----	<b>12.1</b> ----	<b>15.9</b> ----
Herndon Capital	(LC Value)	5.1 (55)	17.0 (94)	17.0 (94)	15.9 (54)	---- ----	14.6 (52) 09/09
<i>Russell 1000 Value</i>		<b>3.9</b> ----	<b>22.3</b> ----	<b>22.3</b> ----	<b>16.2</b> ----	<b>8.9</b> ----	<b>14.4</b> ----
Lee Munder	(Smid Cap)	6.3 (91)	28.1 (64)	28.1 (64)	18.2 (51)	11.0 (83)	5.3 (87) 12/07
<i>Russell 2500</i>		<b>9.1</b> ----	<b>29.8</b> ----	<b>29.8</b> ----	<b>18.4</b> ----	<b>12.7</b> ----	<b>8.0</b> ----
Northern Trust	(Smid Cap)	9.9 (35)	30.7 (36)	30.7 (36)	18.5 (48)	13.4 (53)	9.8 (65) 12/03
<i>Wilshire 4500</i>		<b>10.5</b> ----	<b>31.4</b> ----	<b>31.4</b> ----	<b>18.5</b> ----	<b>13.3</b> ----	<b>9.6</b> ----
Northern Trust	(Intl Eq)	11.6 (27)	24.2 (34)	24.2 (34)	8.8 (50)	6.7 (74)	6.9 (85) 12/03
<i>MSCI EAFE Net</i>		<b>11.6</b> ----	<b>23.8</b> ----	<b>23.8</b> ----	<b>8.5</b> ----	<b>6.4</b> ----	<b>6.5</b> ----
Eaton Vance	(Emerging Mkt)	5.8 (58)	5.2 (42)	5.2 (42)	---- ----	---- ----	-1.2 (38) 06/11
<i>MSCI Emerging Markets Net</i>		<b>5.8</b> ----	<b>1.0</b> ----	<b>1.0</b> ----	<b>-0.3</b> ----	<b>7.2</b> ----	<b>-3.9</b> ----
Principal		2.9 ----	13.3 ----	13.3 ----	15.2 ----	1.1 ----	3.7 ---- 03/06
<i>NCREIF NFI-ODCE Index</i>		<b>3.6</b> ----	<b>13.0</b> ----	<b>13.0</b> ----	<b>14.3</b> ----	<b>0.7</b> ----	<b>4.2</b> ----
Hancock		-0.1 ----	6.3 ----	6.3 ----	---- ----	---- ----	4.7 ---- 06/12
<i>NCREIF Timber Index</i>		<b>1.0</b> ----	<b>9.7</b> ----	<b>9.7</b> ----	<b>4.0</b> ----	<b>2.1</b> ----	<b>8.3</b> ----
Molpus		3.6 ----	12.5 ----	12.5 ----	---- ----	---- ----	5.5 ---- 06/11
<i>NCREIF Timber Index</i>		<b>1.0</b> ----	<b>9.7</b> ----	<b>9.7</b> ----	<b>4.0</b> ----	<b>2.1</b> ----	<b>5.1</b> ----
C.S. McKee	(Core Fixed)	0.6 (57)	-0.8 (24)	-0.8 (24)	---- ----	---- ----	1.8 (58) 03/12
<i>Barclays Aggregate Index</i>		<b>0.6</b> ----	<b>-1.7</b> ----	<b>-1.7</b> ----	<b>2.9</b> ----	<b>5.4</b> ----	<b>1.3</b> ----

## MANAGER PERFORMANCE SUMMARY - NET OF FEES

Name	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years	Inception
Total Portfolio	(Public Fund)	6.0 ----	17.4 ----	17.4 ----	12.2 ----	7.4 ----	7.0 ---- 09/03
<i>Miramar Policy Index</i>		<b>6.0 ----</b>	<b>17.4 ----</b>	<b>17.4 ----</b>	<b>13.4 ----</b>	<b>8.5 ----</b>	<b>7.8 ----</b>
Northern Trust	(LC Core)	5.2 ----	19.2 ----	19.2 ----	16.1 ----	10.0 ----	6.3 ---- 12/03
<i>S&amp;P 500</i>		<b>5.2 ----</b>	<b>19.3 ----</b>	<b>19.3 ----</b>	<b>16.3 ----</b>	<b>10.0 ----</b>	<b>6.5 ----</b>
Rushmore	(LC Growth)	8.0 ----	16.0 ----	16.0 ----	10.6 ----	---- ----	10.7 ---- 09/09
<i>Russell 1000 Growth</i>		<b>8.1 ----</b>	<b>19.3 ----</b>	<b>19.3 ----</b>	<b>16.9 ----</b>	<b>12.1 ----</b>	<b>15.9 ----</b>
Herndon Capital	(LC Value)	5.0 ----	16.3 ----	16.3 ----	15.2 ----	---- ----	13.9 ---- 09/09
<i>Russell 1000 Value</i>		<b>3.9 ----</b>	<b>22.3 ----</b>	<b>22.3 ----</b>	<b>16.2 ----</b>	<b>8.9 ----</b>	<b>14.4 ----</b>
Lee Munder	(Smid Cap)	6.1 ----	27.2 ----	27.2 ----	17.3 ----	10.2 ----	4.5 ---- 12/07
<i>Russell 2500</i>		<b>9.1 ----</b>	<b>29.8 ----</b>	<b>29.8 ----</b>	<b>18.4 ----</b>	<b>12.7 ----</b>	<b>8.0 ----</b>
Northern Trust	(Smid Cap)	9.9 ----	30.6 ----	30.6 ----	18.4 ----	13.3 ----	9.6 ---- 12/03
<i>Wilshire 4500</i>		<b>10.5 ----</b>	<b>31.4 ----</b>	<b>31.4 ----</b>	<b>18.5 ----</b>	<b>13.3 ----</b>	<b>9.6 ----</b>
Northern Trust	(Intl Eq)	11.6 ----	24.0 ----	24.0 ----	8.7 ----	6.6 ----	6.7 ---- 12/03
<i>MSCI EAFE Net</i>		<b>11.6 ----</b>	<b>23.8 ----</b>	<b>23.8 ----</b>	<b>8.5 ----</b>	<b>6.4 ----</b>	<b>6.5 ----</b>
Eaton Vance	(Emerging Mkt)	5.5 ----	4.1 ----	4.1 ----	---- ----	---- ----	-2.3 ---- 06/11
<i>MSCI Emerging Markets Net</i>		<b>5.8 ----</b>	<b>1.0 ----</b>	<b>1.0 ----</b>	<b>-0.3 ----</b>	<b>7.2 ----</b>	<b>-3.9 ----</b>
Principal		2.6 ----	12.1 ----	12.1 ----	14.0 ----	0.0 ----	2.6 ---- 03/06
<i>NCREIF NFI-ODCE Index</i>		<b>3.6 ----</b>	<b>13.0 ----</b>	<b>13.0 ----</b>	<b>14.3 ----</b>	<b>0.7 ----</b>	<b>4.2 ----</b>
Hancock		-0.3 ----	5.4 ----	5.4 ----	---- ----	---- ----	3.7 ---- 06/12
<i>NCREIF Timber Index</i>		<b>1.0 ----</b>	<b>9.7 ----</b>	<b>9.7 ----</b>	<b>4.0 ----</b>	<b>2.1 ----</b>	<b>8.3 ----</b>
Molpus		3.3 ----	11.4 ----	11.4 ----	---- ----	---- ----	4.4 ---- 06/11
<i>NCREIF Timber Index</i>		<b>1.0 ----</b>	<b>9.7 ----</b>	<b>9.7 ----</b>	<b>4.0 ----</b>	<b>2.1 ----</b>	<b>5.1 ----</b>
C.S. McKee	(Core Fixed)	0.5 ----	-1.1 ----	-1.1 ----	---- ----	---- ----	1.4 ---- 03/12
<i>Barclays Aggregate Index</i>		<b>0.6 ----</b>	<b>-1.7 ----</b>	<b>-1.7 ----</b>	<b>2.9 ----</b>	<b>5.4 ----</b>	<b>1.3 ----</b>

**MANAGER ALLOCATION SUMMARY**



Name	Market Value	Percent	Target
Northern Trust (LCC)	\$13,196,792	15.5	10.0
Rushmore (LCG)	\$11,046,523	12.9	15.0
Herndon Capital (LCV)	\$11,993,411	14.0	15.0
Lee Munder (SMID)	\$12,364,790	14.5	15.0
Northern Trust (SMID)	\$9,807,749	11.5	10.0
Northern Trust (INEQ)	\$8,217,295	9.6	10.0
Eaton Vance (EMKT)	\$2,854,059	3.3	5.0
Principal (REAL)	\$4,717,394	5.5	6.0
Hancock (TIMB)	\$841,388	1.0	2.0
Molpus (TIMB)	\$1,605,099	1.9	2.0
C.S. McKee (CFIX)	\$6,608,907	7.7	10.0
Cash (CASH)	\$2,135,225	2.5	0.0
<b>Total Fund</b>	<b>\$85,388,632</b>	<b>100.0</b>	<b>100.0</b>

## MANAGER VALUE ADDED - NET OF FEES

## Most Recent Quarter

Manager	Benchmark	Value Added Vs. Benchmark
EQ Sub Composite	Russell 3000	0.3
Northern Trust	S&P 500	0.0
Rushmore	Russell 1000G	-0.1
Herndon Capital	Russell 1000V	1.0
Lee Munder	Russell 2500	-3.0
Northern Trust	Wilshire 4500	-0.6
Northern Trust	MSCI EAFE Net	0.0
Eaton Vance	MSCI EM NET	-0.3
Principal	NCREIF ODCE	-0.9
Hancock	NCREIF Timber	-1.4
Molpus	NCREIF Timber	2.3
C.S. McKee	Barclays Agg	-0.1
<b>Total Portfolio</b>	<b>Policy Index</b>	0.1

## Trailing Twelve Months

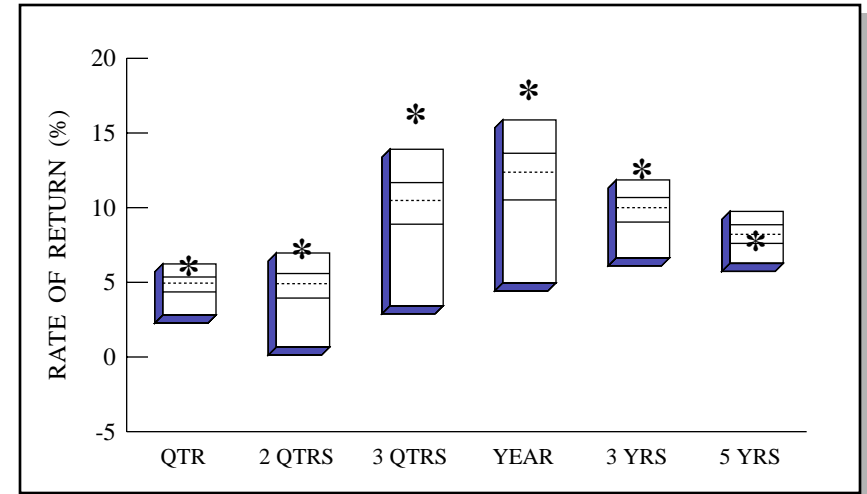
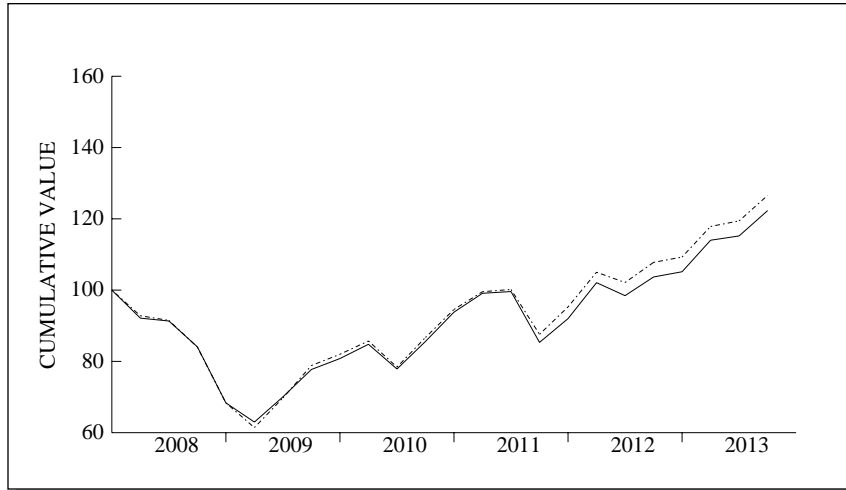
Manager	Benchmark	Value Added Vs. Benchmark
EQ Sub Composite	Russell 3000	-0.2
Northern Trust	S&P 500	-0.1
Rushmore	Russell 1000G	-3.3
Herndon Capital	Russell 1000V	-6.0
Lee Munder	Russell 2500	-2.6
Northern Trust	Wilshire 4500	-0.9
Northern Trust	MSCI EAFE Net	0.2
Eaton Vance	MSCI EM NET	3.2
Principal	NCREIF ODCE	-0.9
Hancock	NCREIF Timber	-4.3
Molpus	NCREIF Timber	1.7
C.S. McKee	Barclays Agg	0.5
<b>Total Portfolio</b>	<b>Policy Index</b>	0.0

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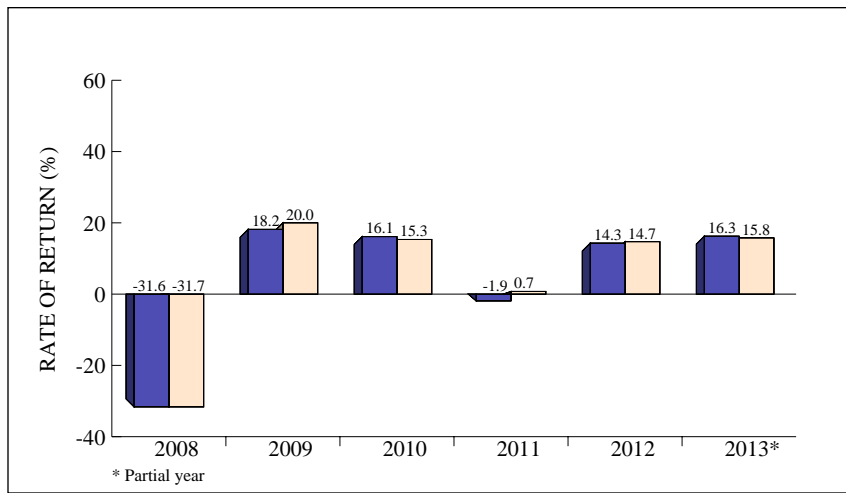
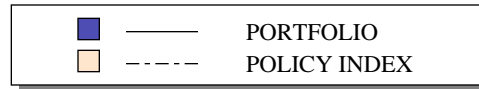
**INVESTMENT RETURN SUMMARY - ONE QUARTER**

Name	Quarter Total Return	Market Value June 30th, 2013	Net Cashflow	Net Investment Return	Market Value September 30th, 2013
Northern Trust (LCC)	5.2	12,539,382	0	657,410	13,196,792
Rushmore (LCG)	8.1	10,218,068	-1,415	829,870	11,046,523
Herndon Capital (LCV)	5.1	11,409,666	-1,563	585,308	11,993,411
Lee Munder (SMID)	6.3	11,637,840	-1,571	728,521	12,364,790
Northern Trust (SMID)	9.9	8,922,769	0	884,980	9,807,749
Northern Trust (INEQ)	11.6	7,362,262	0	855,033	8,217,295
Eaton Vance (EMKT)	5.8	2,705,247	0	148,812	2,854,059
Principal (REAL)	2.9	4,596,631	0	120,763	4,717,394
Hancock (TIMB)	-0.1	844,143	-1,914	-841	841,388
Molpus (TIMB)	3.6	1,674,973	-122,864	52,990	1,605,099
C.S. McKee (CFIX)	0.6	6,570,625	-958	39,240	6,608,907
Cash (CASH)	---	1,089,908	1,045,276	41	2,135,225
<b>Total Fund</b>	<b>6.2</b>	<b>79,571,514</b>	<b>914,991</b>	<b>4,902,127</b>	<b>85,388,632</b>

**TOTAL RETURN COMPARISONS**



Public Fund Universe



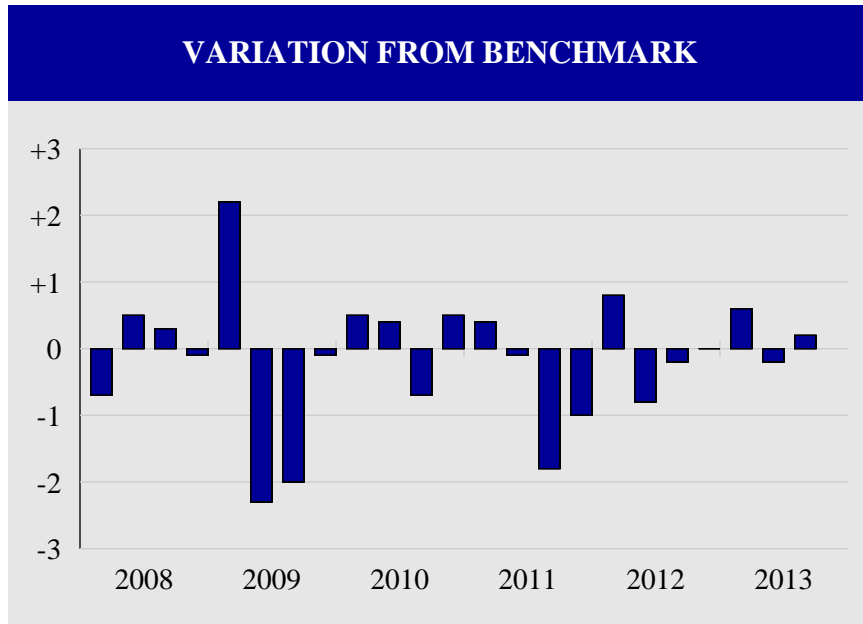
	<u>QTR</u>	<u>2QTRS</u>	<u>3QTRS</u>	<u>YEAR</u>	-----ANNUALIZED-----	
					<u>3 YRS</u>	<u>5 YRS</u>
RETURN	6.2	7.3	16.3	18.0	12.6	7.8
(RANK)	(7)	(4)	(1)	(2)	(2)	(72)
5TH %ILE	6.2	7.0	13.9	15.9	11.9	9.8
25TH %ILE	5.4	5.6	11.7	13.6	10.7	8.9
MEDIAN	4.9	4.9	10.5	12.4	10.0	8.2
75TH %ILE	4.4	4.0	8.9	10.5	9.0	7.6
95TH %ILE	2.8	0.7	3.4	5.0	6.6	6.3
<b>Policy Idx</b>	<b>6.0</b>	<b>7.4</b>	<b>15.8</b>	<b>17.4</b>	<b>13.4</b>	<b>8.5</b>

Public Fund Universe



**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

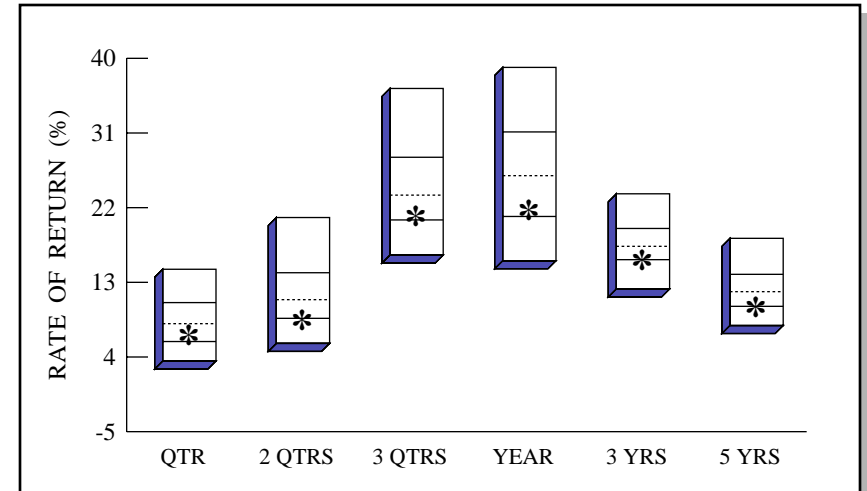
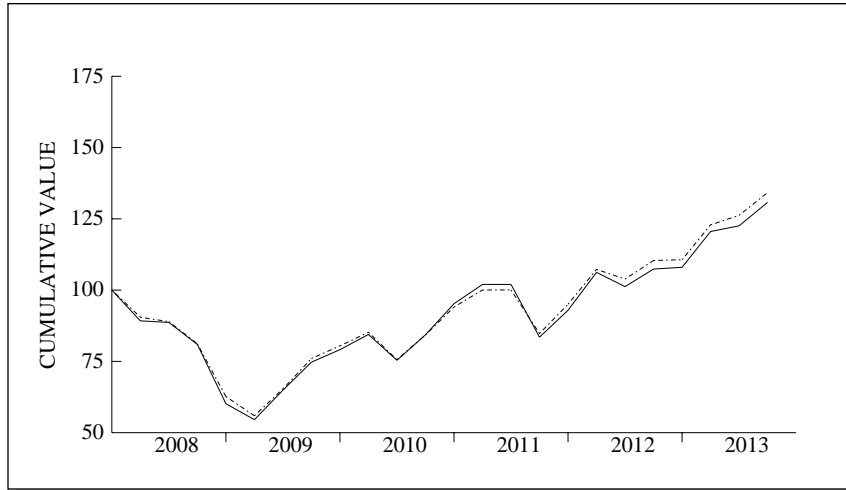
**COMPARATIVE BENCHMARK: MIRAMAR POLICY INDEX**



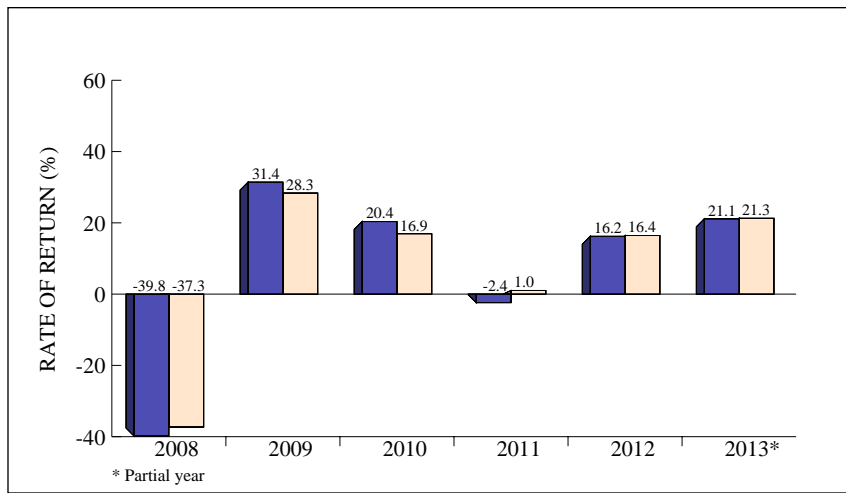
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	-7.9	-7.2	-0.7
6/08	-0.9	-1.4	0.5
9/08	-7.9	-8.2	0.3
12/08	-18.7	-18.6	-0.1
3/09	-7.9	-10.1	2.2
6/09	11.3	13.6	-2.3
9/09	11.0	13.0	-2.0
12/09	3.9	4.0	-0.1
3/10	5.0	4.5	0.5
6/10	-8.2	-8.6	0.4
9/10	9.9	10.6	-0.7
12/10	9.6	9.1	0.5
3/11	5.7	5.3	0.4
6/11	0.5	0.6	-0.1
9/11	-14.3	-12.5	-1.8
12/11	7.8	8.8	-1.0
3/12	11.0	10.2	0.8
6/12	-3.6	-2.8	-0.8
9/12	5.3	5.5	-0.2
12/12	1.4	1.4	0.0
3/13	8.4	7.8	0.6
6/13	1.1	1.3	-0.2
9/13	6.2	6.0	0.2

<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>12</b>
<b>Batting Average</b>	<b>.478</b>

**DOMESTIC EQUITY RETURN COMPARISONS**



All Cap Universe

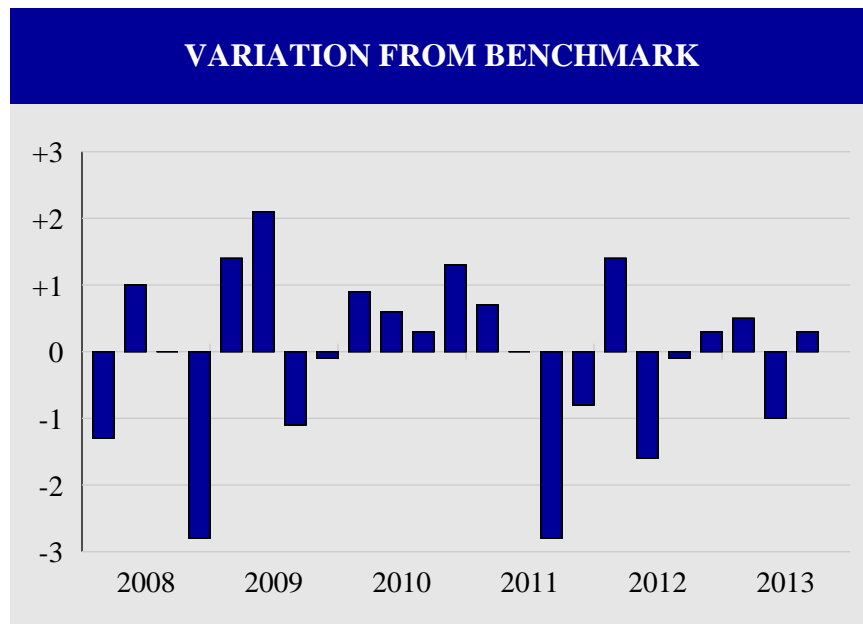


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	6.7	8.5	21.1	21.8	15.8	10.1
(RANK)	(64)	(78)	(70)	(71)	(75)	(76)
5TH %ILE	14.6	20.8	36.4	38.9	23.7	18.3
25TH %ILE	10.6	14.2	28.1	31.1	19.5	14.0
MEDIAN	8.0	10.9	23.5	25.9	17.4	11.9
75TH %ILE	5.9	8.7	20.5	20.9	15.7	10.1
95TH %ILE	3.5	5.6	16.3	15.6	12.2	7.8
<b>Russ 3000</b>	<b>6.4</b>	<b>9.2</b>	<b>21.3</b>	<b>21.6</b>	<b>16.8</b>	<b>10.6</b>

All Cap Universe

## DOMESTIC EQUITY QUARTERLY PERFORMANCE SUMMARY

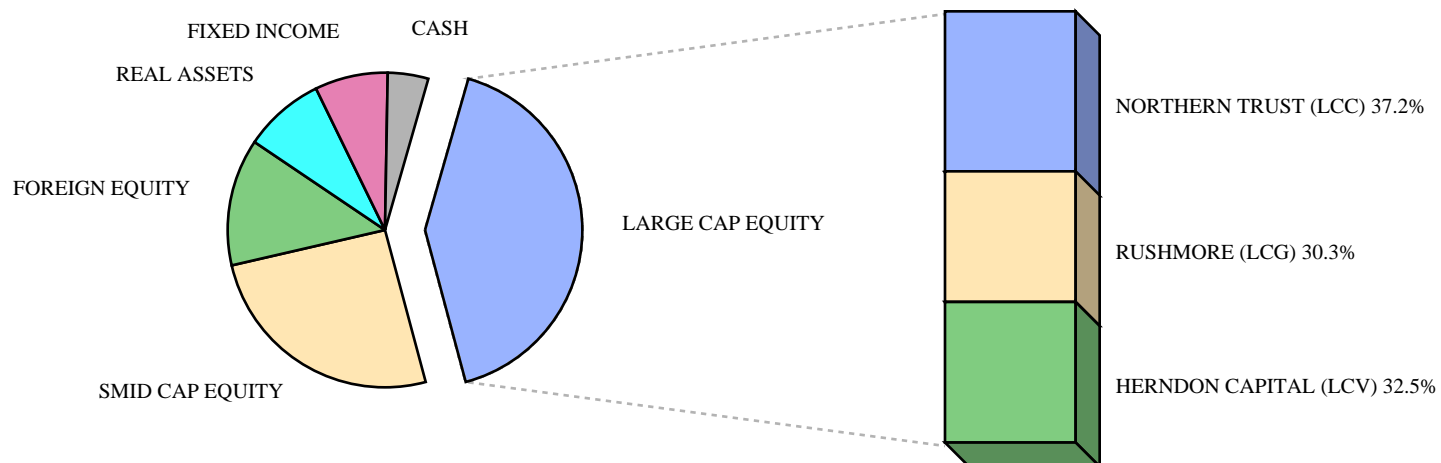
COMPARATIVE BENCHMARK: RUSSELL 3000



<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>14</b>
<b>Quarters Below the Benchmark</b>	<b>9</b>
<b>Batting Average</b>	<b>.609</b>

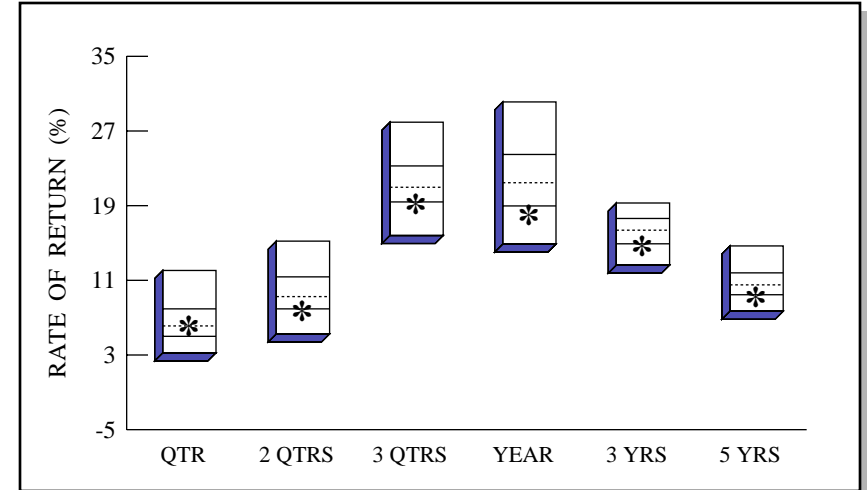
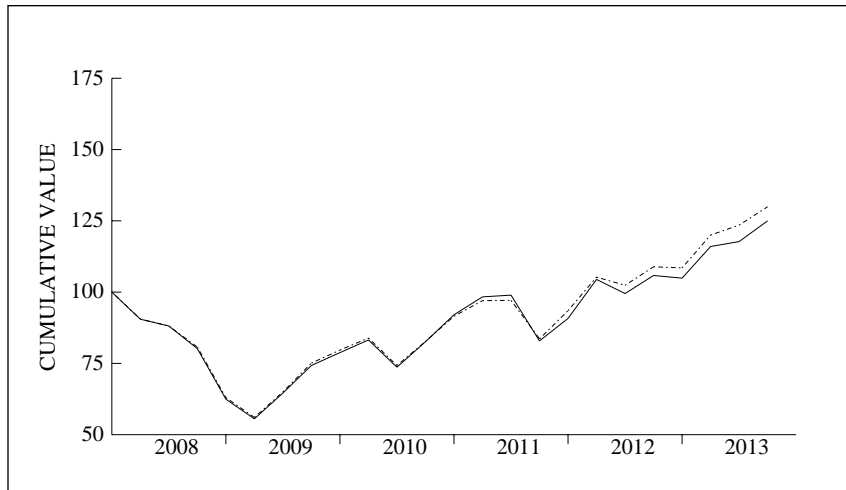
<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
3/08	-10.8	-9.5	-1.3
6/08	-0.7	-1.7	1.0
9/08	-8.7	-8.7	0.0
12/08	-25.6	-22.8	-2.8
3/09	-9.4	-10.8	1.4
6/09	18.9	16.8	2.1
9/09	15.2	16.3	-1.1
12/09	5.8	5.9	-0.1
3/10	6.8	5.9	0.9
6/10	-10.7	-11.3	0.6
9/10	11.8	11.5	0.3
12/10	12.9	11.6	1.3
3/11	7.1	6.4	0.7
6/11	0.0	0.0	0.0
9/11	-18.1	-15.3	-2.8
12/11	11.3	12.1	-0.8
3/12	14.3	12.9	1.4
6/12	-4.7	-3.1	-1.6
9/12	6.1	6.2	-0.1
12/12	0.6	0.3	0.3
3/13	11.6	11.1	0.5
6/13	1.7	2.7	-1.0
9/13	6.7	6.4	0.3

### LARGE CAP EQUITY MANAGER SUMMARY



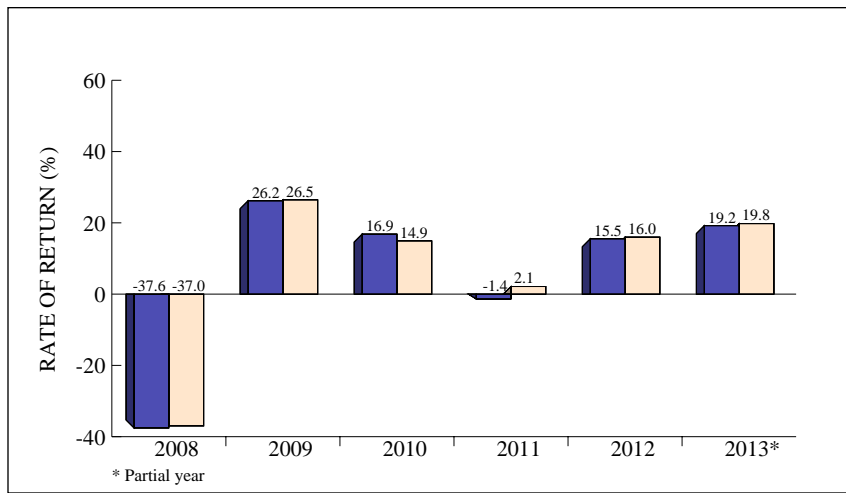
TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
NORTHERN TRUST	(Large Cap Core)	5.2 (72)	19.3 (63)	19.3 (63)	16.3 (56)	10.1 (62)	\$13,196,792
<i>S&amp;P 500</i>		<i>5.2 ----</i>	<i>19.3 ----</i>	<i>19.3 ----</i>	<i>16.3 ----</i>	<i>10.0 ----</i>	<i>----</i>
RUSHMORE	(Large Cap Growth)	8.1 (61)	16.5 (87)	16.5 (87)	11.1 (99)	---- ----	\$11,046,523
<i>Russell 1000 Growth</i>		<i>8.1 ----</i>	<i>19.3 ----</i>	<i>19.3 ----</i>	<i>16.9 ----</i>	<i>12.1 ----</i>	<i>----</i>
HERNDON CAPITAL	(Large Cap Value)	5.1 (55)	17.0 (94)	17.0 (94)	15.9 (54)	---- ----	\$11,993,411
<i>Russell 1000 Value</i>		<i>3.9 ----</i>	<i>22.3 ----</i>	<i>22.3 ----</i>	<i>16.2 ----</i>	<i>8.9 ----</i>	<i>----</i>

### LARGE CAP EQUITY RETURN COMPARISONS



■ ——— PORTFOLIO  
■ - - - - S&P 500

Large Cap Universe

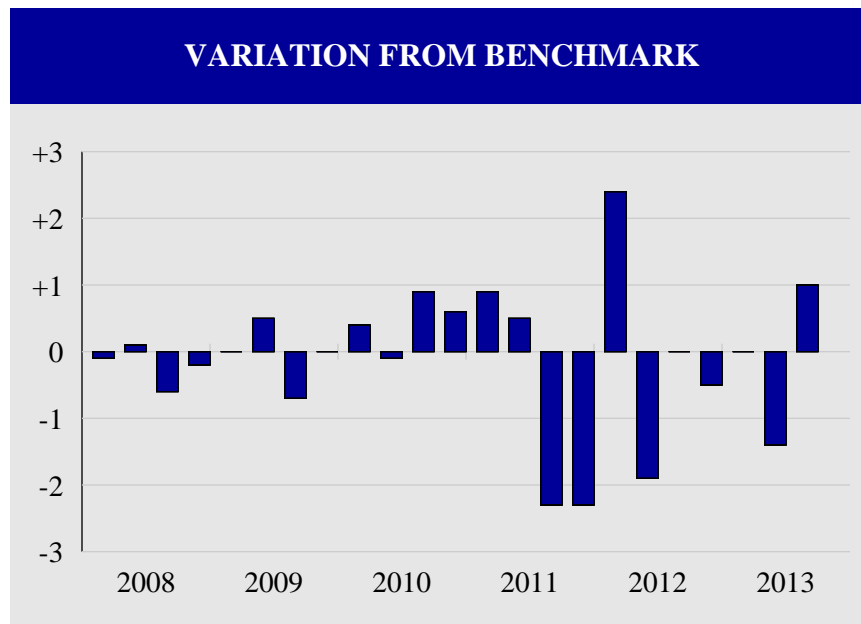


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	6.2	7.7	19.2	18.1	14.8	9.3
(RANK)	(49)	(78)	(77)	(83)	(77)	(78)
5TH %ILE	12.1	15.2	27.9	30.1	19.3	14.7
25TH %ILE	8.0	11.4	23.3	24.5	17.6	11.8
MEDIAN	6.1	9.3	21.0	21.5	16.4	10.5
75TH %ILE	5.0	8.0	19.4	19.0	14.9	9.5
95TH %ILE	3.2	5.3	15.8	14.9	12.6	7.7
<b>S&amp;P 500</b>	<b>5.2</b>	<b>8.3</b>	<b>19.8</b>	<b>19.3</b>	<b>16.3</b>	<b>10.0</b>

Large Cap Universe

## LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

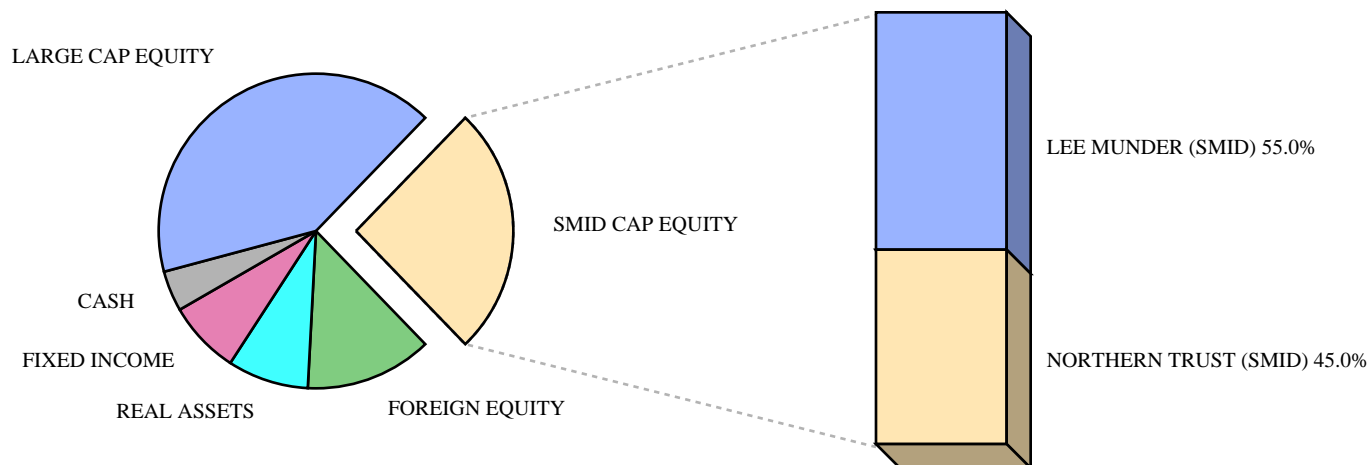
COMPARATIVE BENCHMARK: S&P 500



<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>13</b>
<b>Quarters Below the Benchmark</b>	<b>10</b>
<b>Batting Average</b>	<b>.565</b>

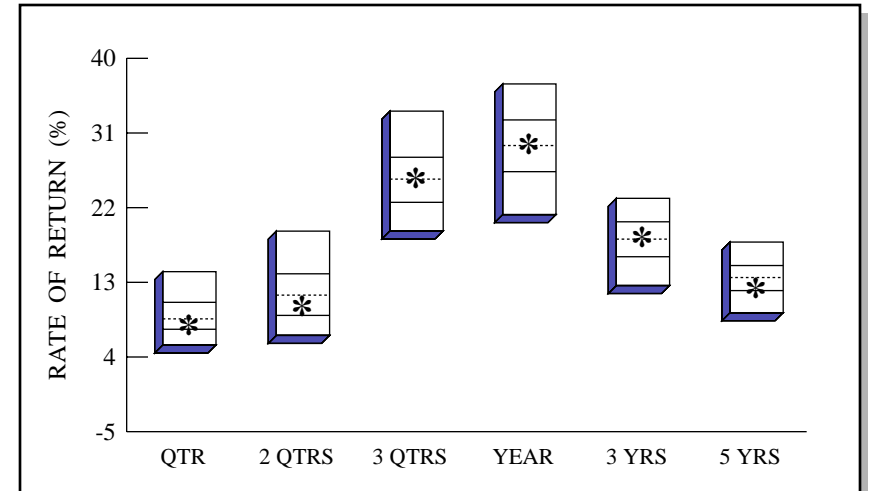
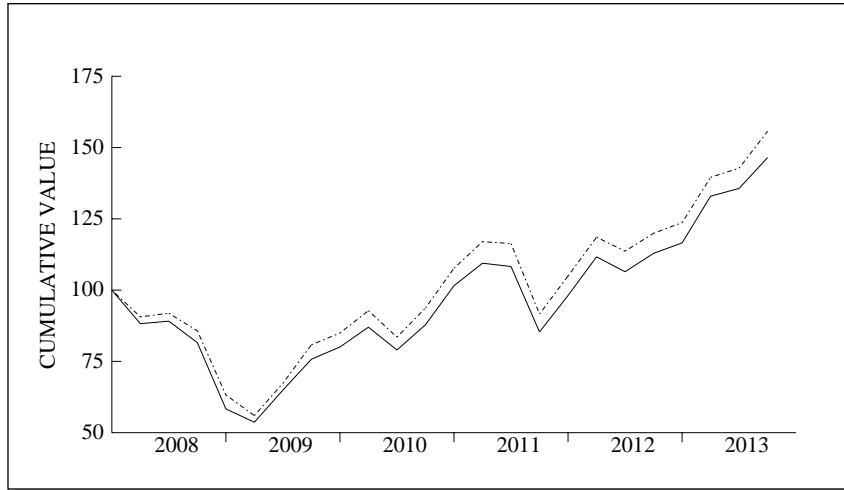
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	-9.5	-9.4	-0.1
6/08	-2.6	-2.7	0.1
9/08	-9.0	-8.4	-0.6
12/08	-22.1	-21.9	-0.2
3/09	-11.0	-11.0	0.0
6/09	16.4	15.9	0.5
9/09	14.9	15.6	-0.7
12/09	6.0	6.0	0.0
3/10	5.7	5.3	0.4
6/10	-11.5	-11.4	-0.1
9/10	12.2	11.3	0.9
12/10	11.4	10.8	0.6
3/11	6.8	5.9	0.9
6/11	0.6	0.1	0.5
9/11	-16.2	-13.9	-2.3
12/11	9.5	11.8	-2.3
3/12	15.0	12.6	2.4
6/12	-4.7	-2.8	-1.9
9/12	6.3	6.3	0.0
12/12	-0.9	-0.4	-0.5
3/13	10.6	10.6	0.0
6/13	1.5	2.9	-1.4
9/13	6.2	5.2	1.0

**SMID CAP EQUITY MANAGER SUMMARY**

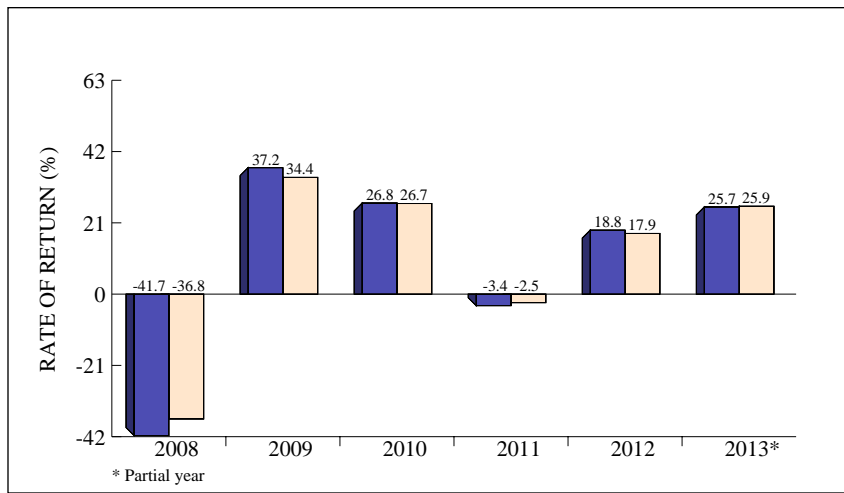


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
LEE MUNDER	(Smid Cap)	6.3 (91)	28.1 (64)	28.1 (64)	18.2 (51)	11.0 (83)	\$12,364,790
<i>Russell 2500</i>		<i>9.1 ----</i>	<i>29.8 ----</i>	<i>29.8 ----</i>	<i>18.4 ----</i>	<i>12.7 ----</i>	<i>----</i>
NORTHERN TRUST	(Smid Cap)	9.9 (35)	30.7 (36)	30.7 (36)	18.5 (48)	13.4 (53)	\$9,807,749
<i>Wilshire 4500</i>		<i>10.5 ----</i>	<i>31.4 ----</i>	<i>31.4 ----</i>	<i>18.5 ----</i>	<i>13.3 ----</i>	<i>----</i>

### SMID CAP EQUITY RETURN COMPARISONS



Smid Cap Universe



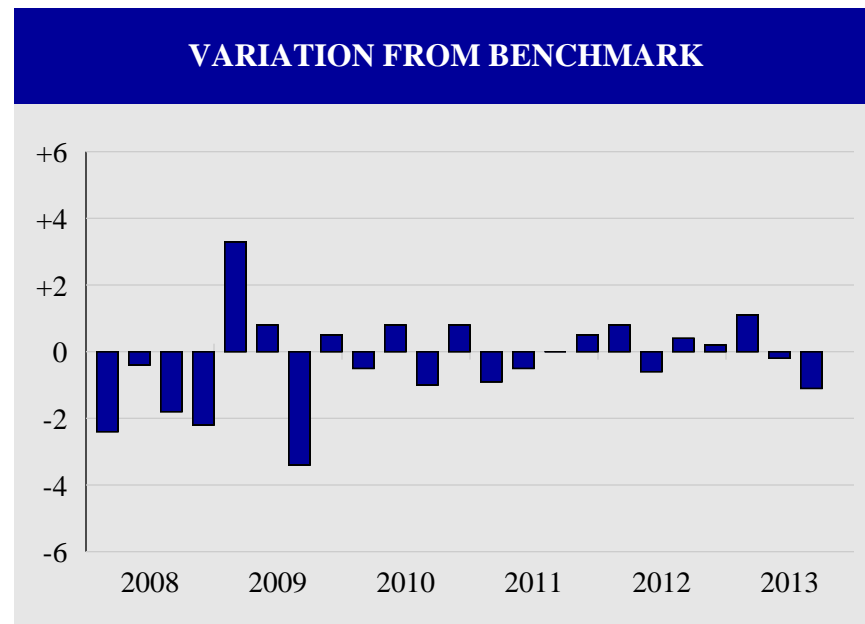
	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	8.0	10.2	25.7	29.8	18.6	12.4
(RANK)	(64)	(63)	(48)	(47)	(48)	(68)
5TH %ILE	14.3	19.2	33.7	36.9	23.1	17.9
25TH %ILE	10.6	14.0	28.1	32.6	20.3	15.0
MEDIAN	8.6	11.5	25.4	29.5	18.2	13.6
75TH %ILE	7.3	9.0	22.7	26.3	16.1	12.0
95TH %ILE	5.5	6.6	19.2	21.2	12.6	9.3
<b>Russ 2500</b>	<b>9.1</b>	<b>11.6</b>	<b>25.9</b>	<b>29.8</b>	<b>18.4</b>	<b>12.7</b>

Smid Cap Universe



## SMID CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

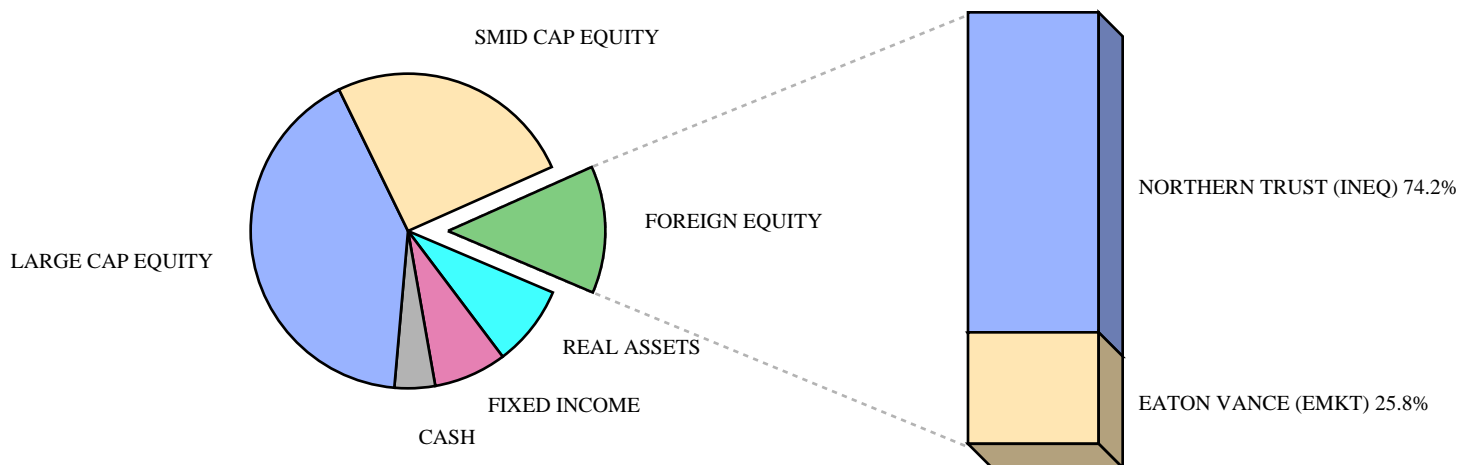
COMPARATIVE BENCHMARK: RUSSELL 2500



<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>12</b>
<b>Batting Average</b>	<b>.478</b>

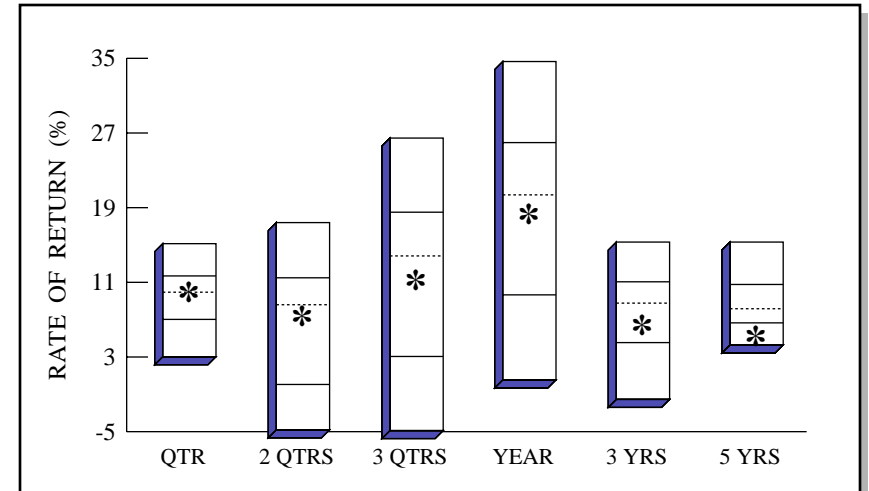
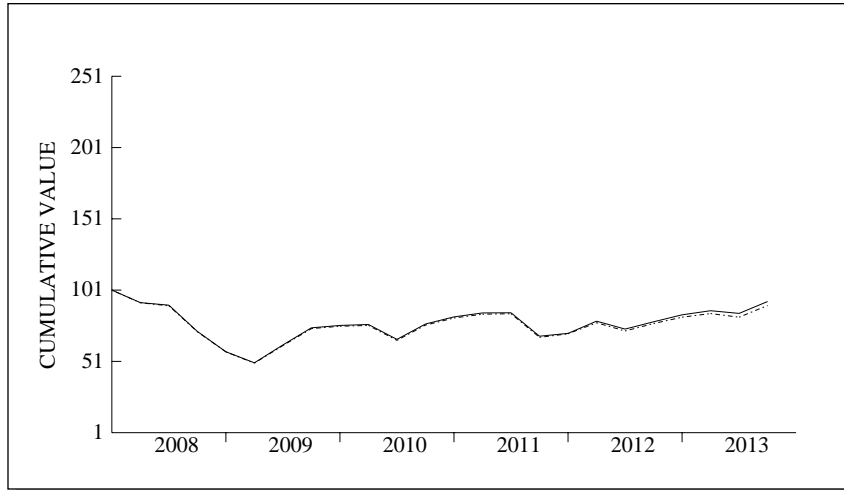
<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
3/08	-11.8	-9.4	-2.4
6/08	1.0	1.4	-0.4
9/08	-8.5	-6.7	-1.8
12/08	-28.5	-26.3	-2.2
3/09	-8.1	-11.4	3.3
6/09	21.1	20.3	0.8
9/09	16.7	20.1	-3.4
12/09	5.6	5.1	0.5
3/10	8.7	9.2	-0.5
6/10	-9.2	-10.0	0.8
9/10	11.2	12.2	-1.0
12/10	15.6	14.8	0.8
3/11	7.8	8.7	-0.9
6/11	-1.1	-0.6	-0.5
9/11	-21.2	-21.2	0.0
12/11	15.0	14.5	0.5
3/12	13.8	13.0	0.8
6/12	-4.7	-4.1	-0.6
9/12	6.0	5.6	0.4
12/12	3.3	3.1	0.2
3/13	14.0	12.9	1.1
6/13	2.1	2.3	-0.2
9/13	8.0	9.1	-1.1

**FOREIGN EQUITY MANAGER SUMMARY**

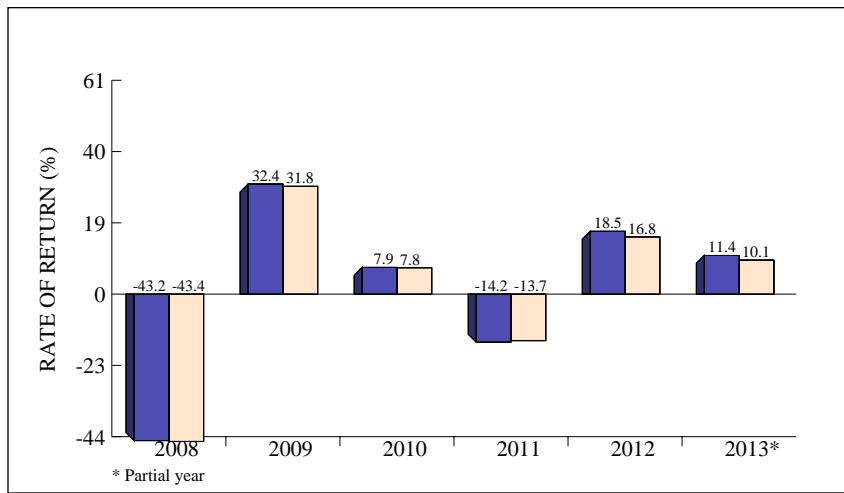
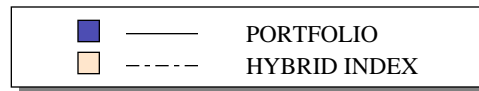


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
NORTHERN TRUST	(International Equity)	11.6 (27)	24.2 (34)	24.2 (34)	8.8 (50)	6.7 (74)	\$8,217,295
<i>MSCI EAFE Net</i>		<i>11.6 ---</i>	<i>23.8 ---</i>	<i>23.8 ---</i>	<i>8.5 ---</i>	<i>6.4 ---</i>	<i>---</i>
EATON VANCE	(Emerging Markets)	5.8 (58)	5.2 (42)	5.2 (42)	--- ---	--- ---	\$2,854,059
<i>MSCI Emerging Markets Net</i>		<i>5.8 ---</i>	<i>1.0 ---</i>	<i>1.0 ---</i>	<i>-0.3 ---</i>	<i>7.2 ---</i>	<i>---</i>

**FOREIGN EQUITY RETURN COMPARISONS**



International Equity Universe

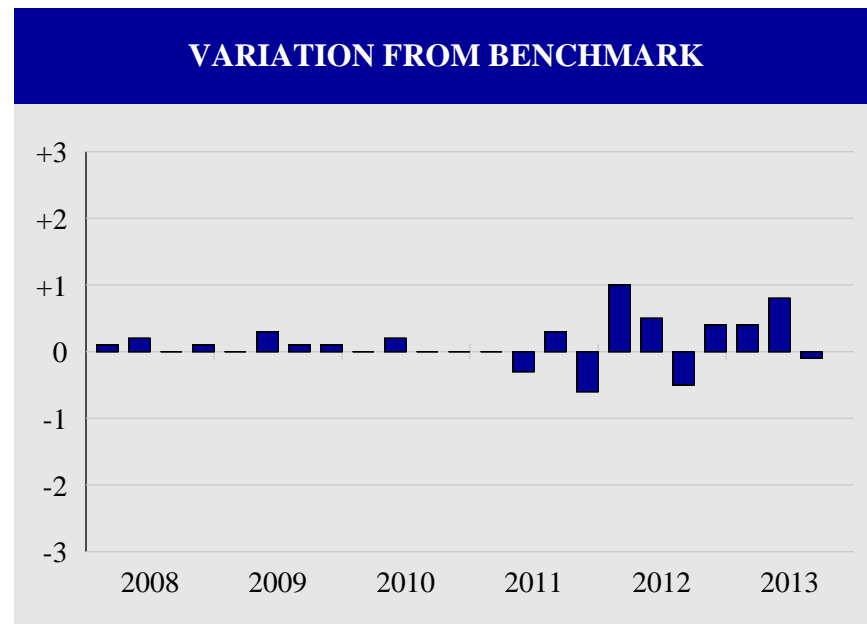


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	10.0	7.5	11.4	18.4	6.5	5.3
(RANK)	(49)	(57)	(61)	(58)	(66)	(90)
5TH %ILE	15.1	17.4	26.5	34.7	15.3	15.3
25TH %ILE	11.7	11.5	18.5	26.0	11.1	10.8
MEDIAN	10.0	8.6	13.8	20.4	8.8	8.2
75TH %ILE	7.0	0.1	3.1	9.7	4.5	6.7
95TH %ILE	3.0	-4.8	-4.9	0.5	-1.6	4.3
<b>Hybrid Ix</b>	<b>10.1</b>	<b>6.7</b>	<b>10.1</b>	<b>16.5</b>	<b>5.7</b>	<b>4.7</b>

International Equity Universe

## FOREIGN EQUITY QUARTERLY PERFORMANCE SUMMARY

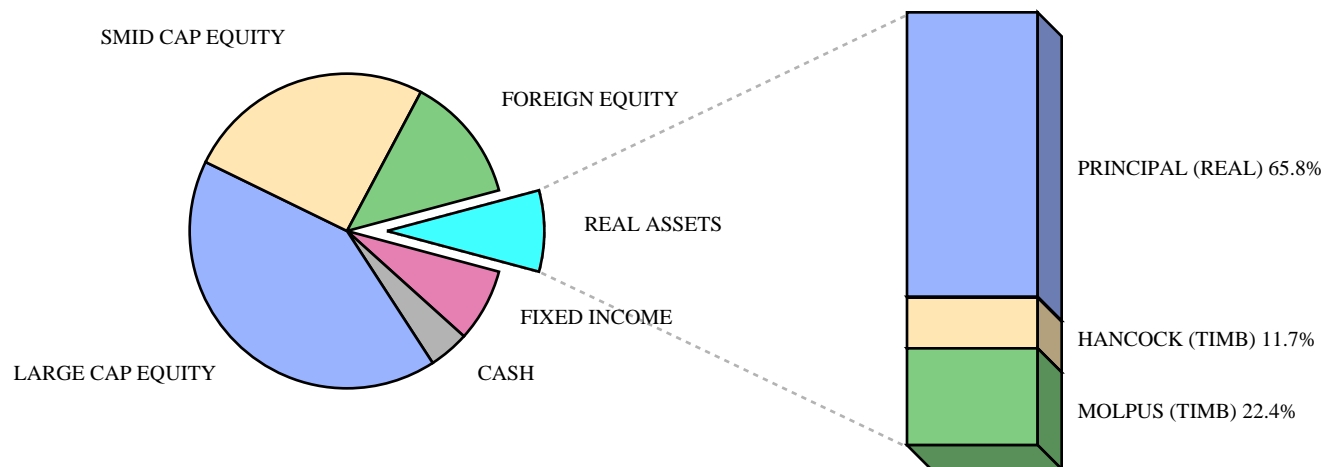
COMPARATIVE BENCHMARK: FOREIGN EQUITY HYBRID INDEX



<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>19</b>
<b>Quarters Below the Benchmark</b>	<b>4</b>
<b>Batting Average</b>	<b>.826</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	-8.8	-8.9	0.1
6/08	-2.0	-2.2	0.2
9/08	-20.6	-20.6	0.0
12/08	-19.9	-20.0	0.1
3/09	-13.9	-13.9	0.0
6/09	25.7	25.4	0.3
9/09	19.6	19.5	0.1
12/09	2.3	2.2	0.1
3/10	0.9	0.9	0.0
6/10	-13.8	-14.0	0.2
9/10	16.5	16.5	0.0
12/10	6.6	6.6	0.0
3/11	3.4	3.4	0.0
6/11	0.1	0.4	-0.3
9/11	-19.6	-19.9	0.3
12/11	3.1	3.7	-0.6
3/12	12.2	11.2	1.0
6/12	-7.1	-7.6	0.5
9/12	6.9	7.4	-0.5
12/12	6.3	5.9	0.4
3/13	3.6	3.2	0.4
6/13	-2.3	-3.1	0.8
9/13	10.0	10.1	-0.1

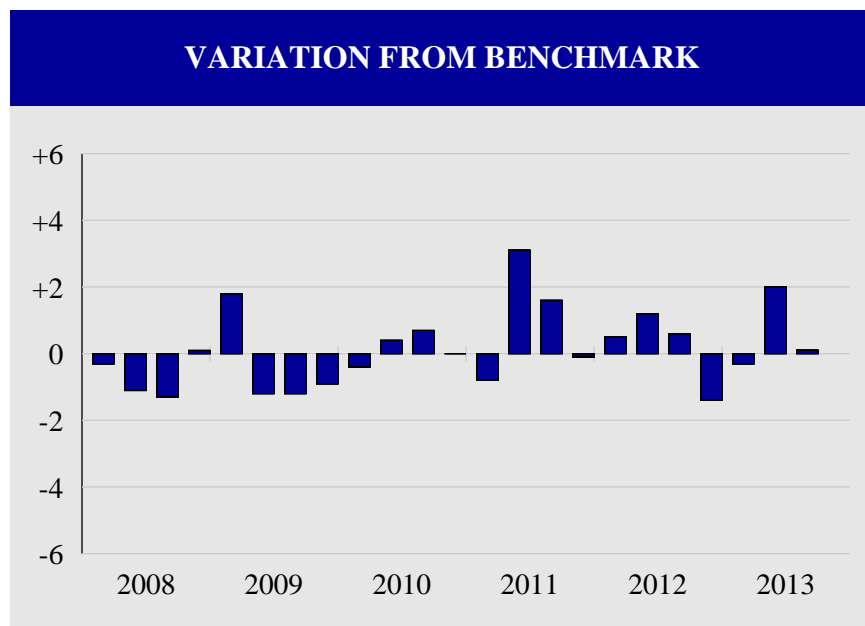
**REAL ASSETS MANAGER SUMMARY**



TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
PRINCIPAL		2.9 ---	13.3 ---	13.3 ---	15.2 ---	1.1 ---	\$4,717,394
<i>NCREIF NFI-ODCE Index</i>		<i>3.6 ---</i>	<i>13.0 ---</i>	<i>13.0 ---</i>	<i>14.3 ---</i>	<i>0.7 ---</i>	---
HANCOCK		-0.1 ---	6.3 ---	6.3 ---	---	---	\$841,388
MOLPUS		3.6 ---	12.5 ---	12.5 ---	---	---	\$1,605,099
<i>NCREIF Timber Index</i>		<i>1.0 ---</i>	<i>9.7 ---</i>	<i>9.7 ---</i>	<i>4.0 ---</i>	<i>2.1 ---</i>	---

**REAL ASSETS QUARTERLY PERFORMANCE SUMMARY**

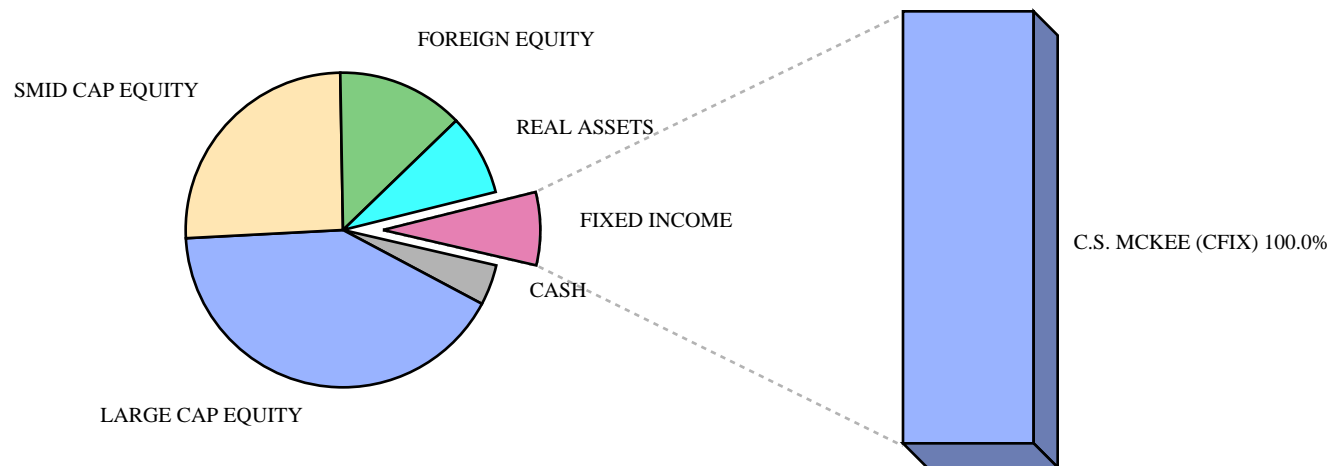
**COMPARATIVE BENCHMARK: REAL ASSET BLENDED INDEX**



<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>12</b>
<b>Quarters Below the Benchmark</b>	<b>11</b>
<b>Batting Average</b>	<b>.522</b>

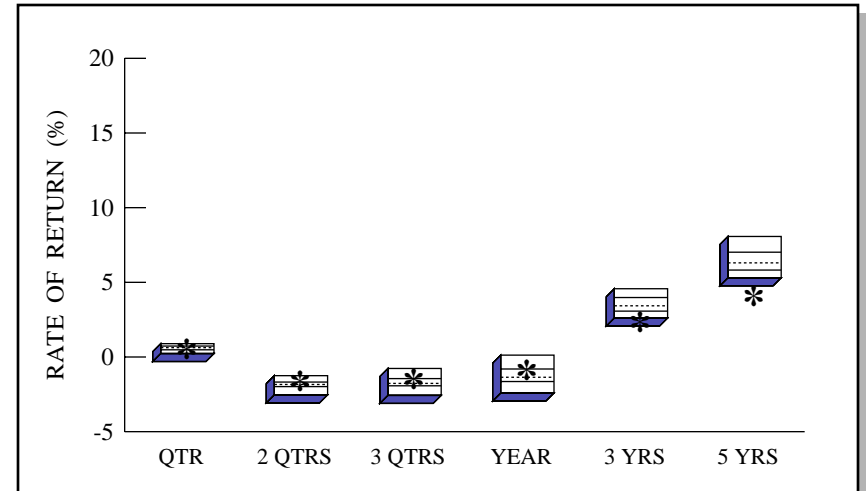
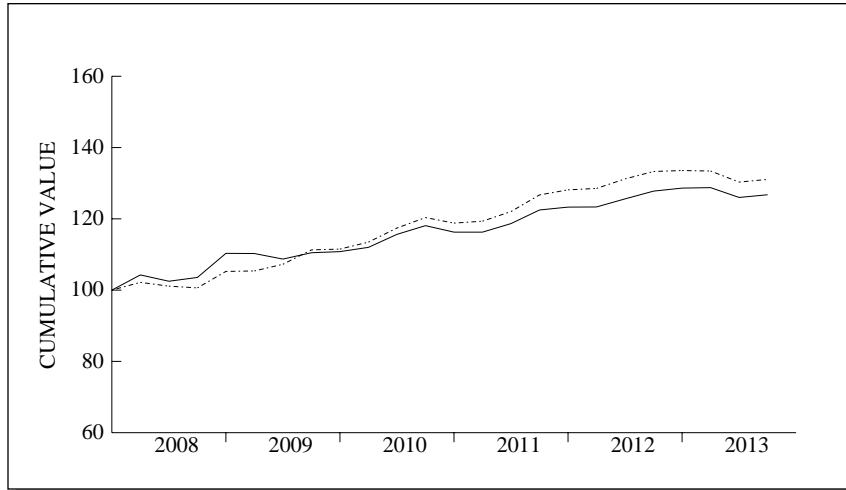
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	1.1	1.4	-0.3
6/08	-0.8	0.3	-1.1
9/08	-1.9	-0.6	-1.3
12/08	-10.8	-10.9	0.1
3/09	-11.9	-13.7	1.8
6/09	-10.2	-9.0	-1.2
9/09	-8.5	-7.3	-1.2
12/09	-4.4	-3.5	-0.9
3/10	0.4	0.8	-0.4
6/10	4.8	4.4	0.4
9/10	6.1	5.4	0.7
12/10	5.0	5.0	0.0
3/11	3.2	4.0	-0.8
6/11	6.1	3.0	3.1
9/11	3.6	2.0	1.6
12/11	1.9	2.0	-0.1
3/12	2.3	1.8	0.5
6/12	3.0	1.8	1.2
9/12	2.6	2.0	0.6
12/12	2.4	3.8	-1.4
3/13	1.9	2.2	-0.3
6/13	4.7	2.7	2.0
9/13	2.7	2.6	0.1

**FIXED INCOME MANAGER SUMMARY**

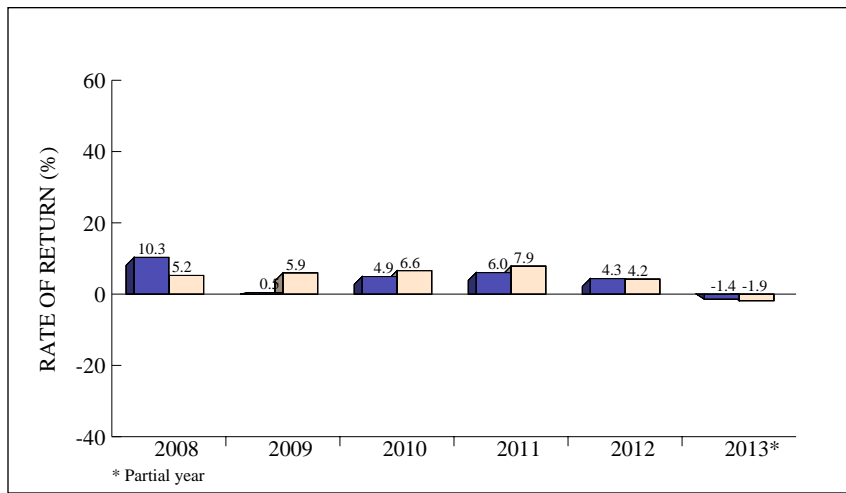


MANAGER	(UNIVERSE)	TOTAL RETURNS AND RANKINGS					MARKET VALUE
		QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	
C.S. MCKEE	(Core Fixed Income)	0.6 (57)	-0.8 (24)	-0.8 (24)	----	----	\$6,608,907
<i>Barclays Aggregate Index</i>		<i>0.6</i> ---	<i>-1.7</i> ---	<i>-1.7</i> ---	<i>2.9</i> ---	<i>5.4</i> ---	---

**FIXED INCOME RETURN COMPARISONS**



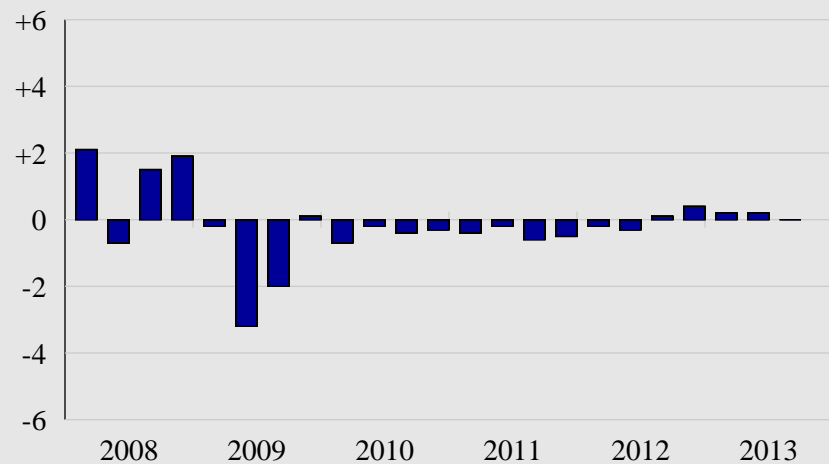
Core Fixed Income Universe



	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.6	-1.5	-1.4	-0.8	2.4	4.1
(RANK)	(53)	(16)	(25)	(24)	(99)	(99)
5TH %ILE	0.9	-1.3	-0.8	0.1	4.6	8.1
25TH %ILE	0.7	-1.7	-1.4	-0.8	4.0	7.0
MEDIAN	0.6	-1.8	-1.8	-1.4	3.4	6.3
75TH %ILE	0.5	-2.0	-1.9	-1.7	3.1	5.8
95TH %ILE	0.2	-2.5	-2.6	-2.4	2.6	5.3
<b>Agg Index</b>	<b>0.6</b>	<b>-1.8</b>	<b>-1.9</b>	<b>-1.7</b>	<b>2.9</b>	<b>5.4</b>

Core Fixed Income Universe



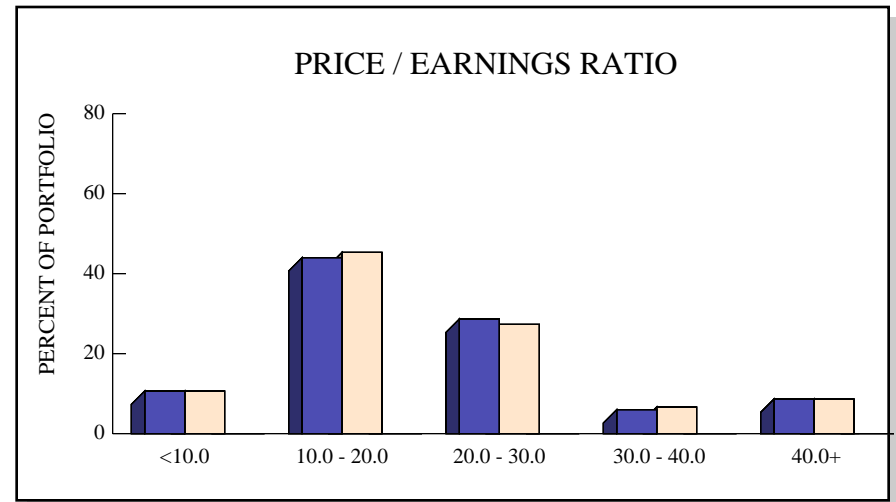
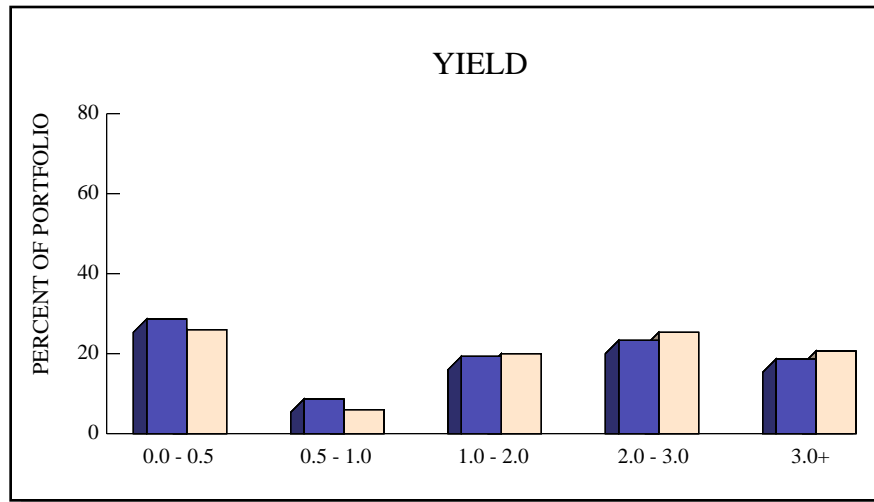
**FIXED INCOME QUARTERLY PERFORMANCE SUMMARY****COMPARATIVE BENCHMARK: BARCLAYS AGGREGATE INDEX****VARIATION FROM BENCHMARK**

<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>9</b>
<b>Quarters Below the Benchmark</b>	<b>14</b>
<b>Batting Average</b>	<b>.391</b>

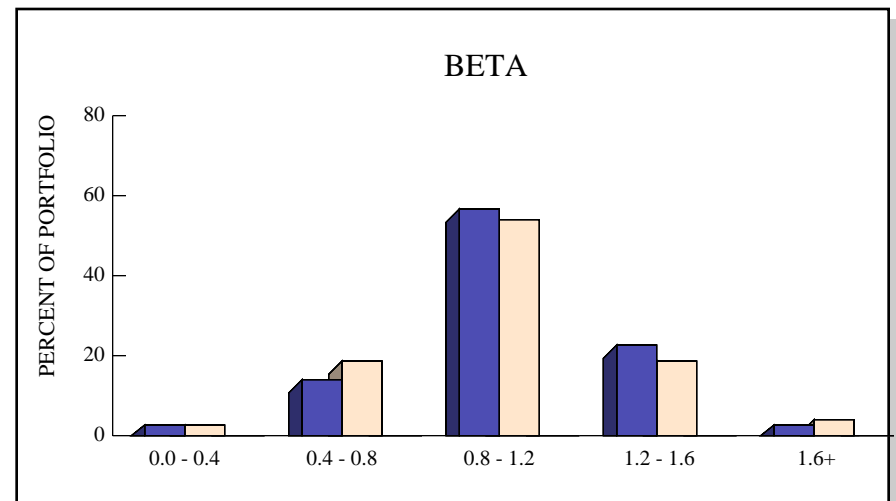
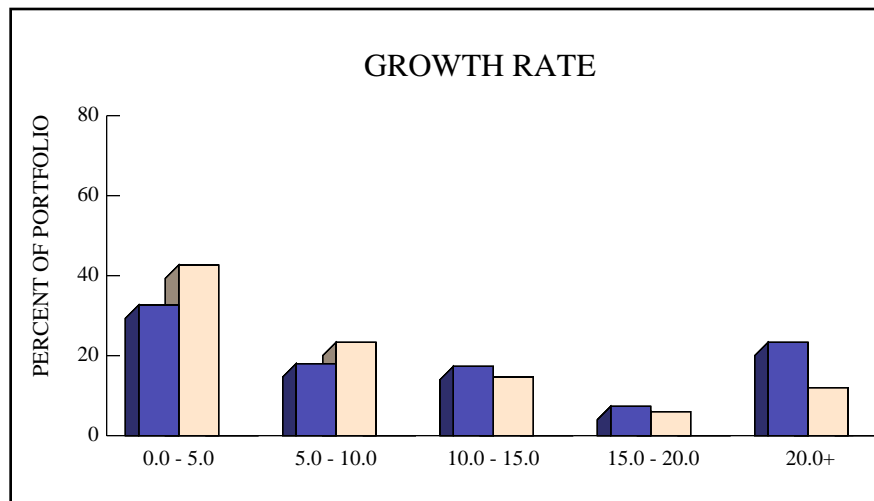
**RATES OF RETURN**

Date	Portfolio	Benchmark	Difference
3/08	4.3	2.2	2.1
6/08	-1.7	-1.0	-0.7
9/08	1.0	-0.5	1.5
12/08	6.5	4.6	1.9
3/09	-0.1	0.1	-0.2
6/09	-1.4	1.8	-3.2
9/09	1.7	3.7	-2.0
12/09	0.3	0.2	0.1
3/10	1.1	1.8	-0.7
6/10	3.3	3.5	-0.2
9/10	2.1	2.5	-0.4
12/10	-1.6	-1.3	-0.3
3/11	0.0	0.4	-0.4
6/11	2.1	2.3	-0.2
9/11	3.2	3.8	-0.6
12/11	0.6	1.1	-0.5
3/12	0.1	0.3	-0.2
6/12	1.8	2.1	-0.3
9/12	1.7	1.6	0.1
12/12	0.6	0.2	0.4
3/13	0.1	-0.1	0.2
6/13	-2.1	-2.3	0.2
9/13	0.6	0.6	0.0

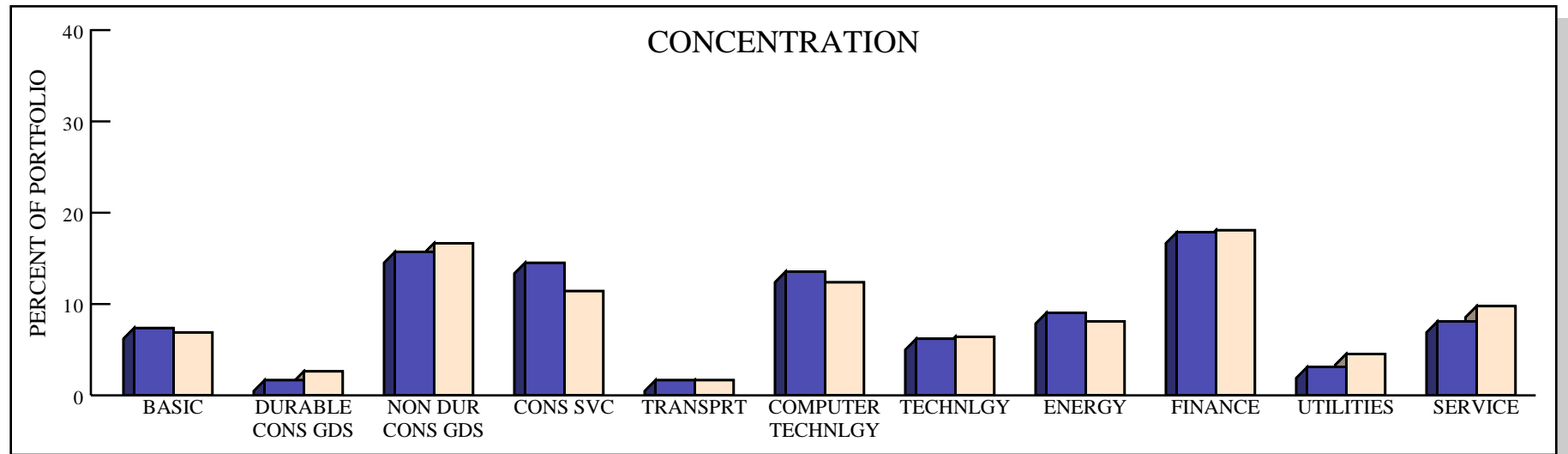
**STOCK CHARACTERISTICS**



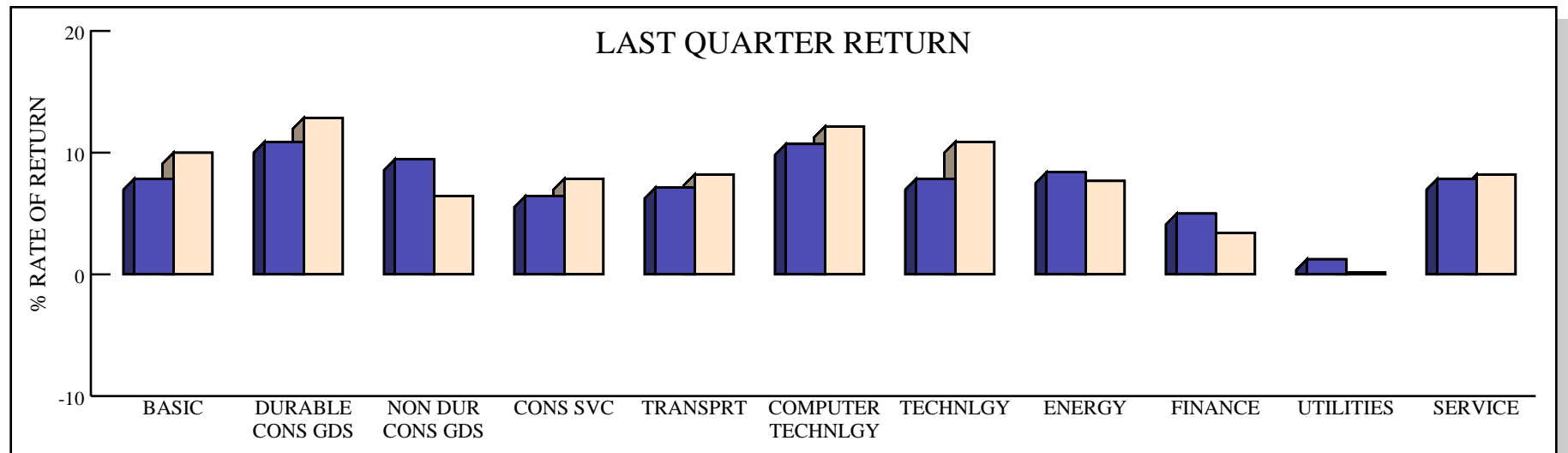
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.9%	11.9%	20.7	1.04
RUSSELL 3000	1.9%	7.3%	20.9	1.01



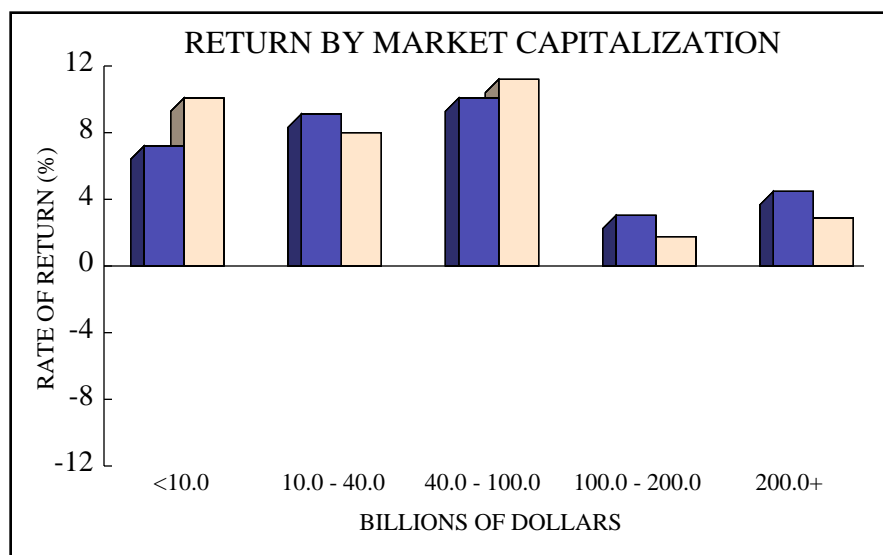
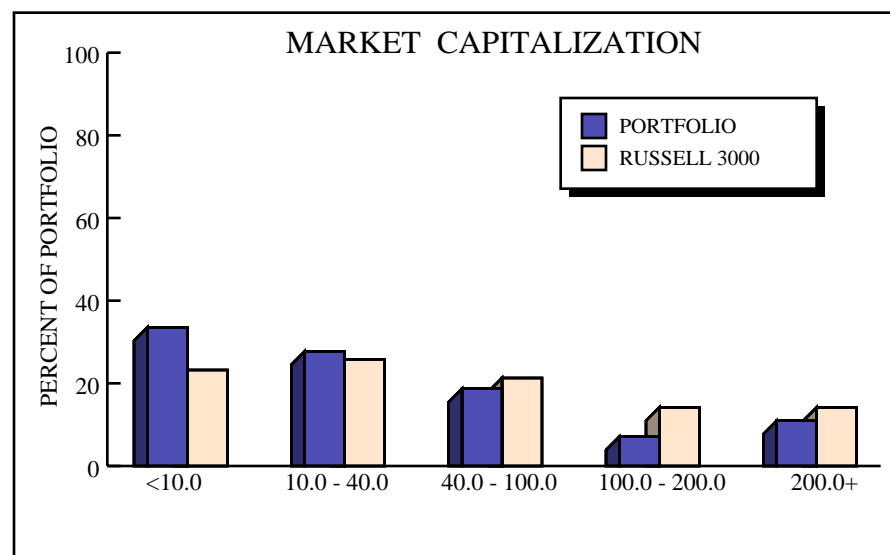
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 3000



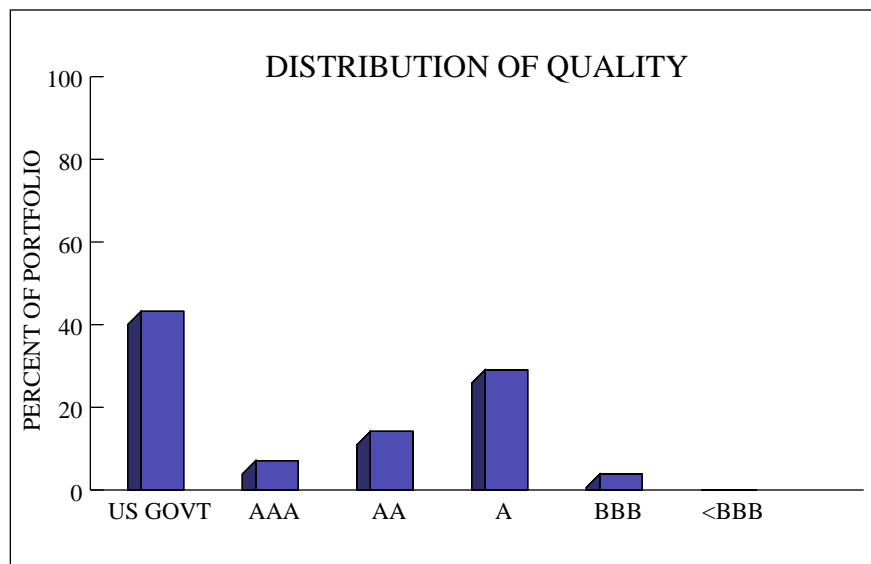
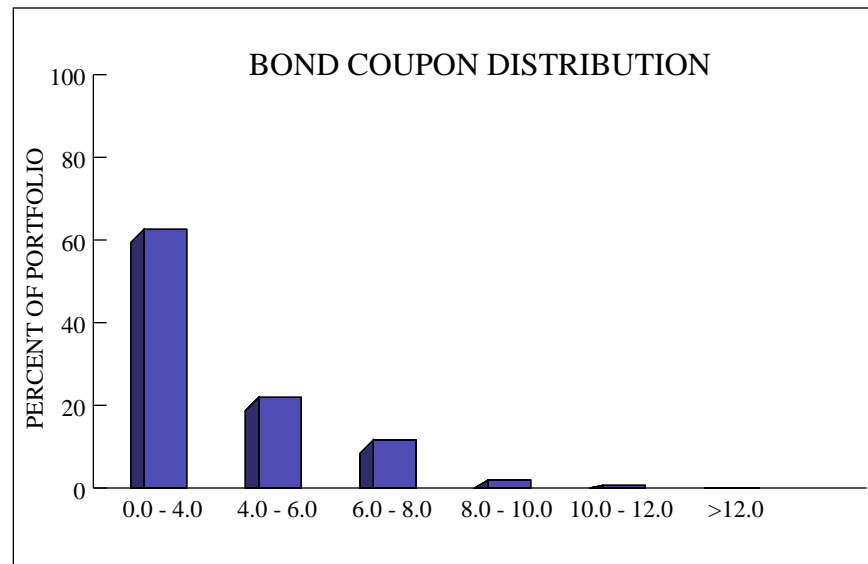
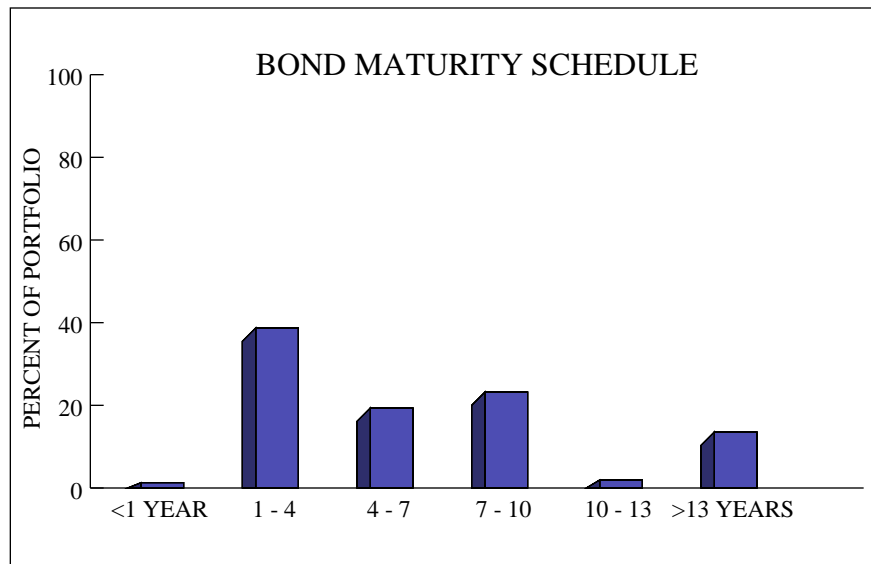
## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 1,357,784	2.37%	20.9%	Computer Tech	\$ 433.1 B
2	MICROSOFT CORP	844,775	1.48%	-2.9%	Computer Tech	277.5 B
3	GOOGLE INC-CL A	721,750	1.26%	-0.5%	Computer Tech	239.9 B
4	EXXON MOBIL CORP	572,596	1.00%	-4.1%	Energy	378.7 B
5	MASTERCARD INC-CLASS A	541,588	.95%	17.2%	Finance	78.0 B
6	PHILIP MORRIS INTERNATIONAL	467,499	.82%	0.9%	NonDur Cons Goods	140.2 B
7	STARBUCKS CORP	452,353	.79%	17.8%	Consumer Service	57.8 B
8	CHEVRON CORP	424,643	.74%	3.5%	Energy	234.7 B
9	TJX COMPANIES INC	411,760	.72%	12.9%	Consumer Service	40.3 B
10	AFLAC INC	395,248	.69%	7.2%	Finance	28.8 B

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	121	8,577
Duration	6.00	5.52
YTM	2.80	2.34
Average Coupon	3.38	3.36
Avg Maturity / WAL	7.85	7.50
Average Quality	AAA-AA	USG-AAA

## APPENDIX - MAJOR MARKET INDEX RETURNS

<b>Domestic Equity</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Russell 3000	Broad Equity	6.4	21.6	21.6	16.8	10.6
S&P 500	Large Cap Core	5.2	19.3	19.3	16.3	10.0
Russell 1000	Large Cap Core	6.0	20.9	20.9	16.6	10.5
Russell 1000 Growth	Large Cap Growth	8.1	19.3	19.3	16.9	12.1
Russell 1000 Value	Large Cap Value	3.9	22.3	22.3	16.2	8.9
Russell Mid Cap	Midcap	7.7	27.9	27.9	17.5	13.0
Russell Mid Cap Growth	Midcap Growth	9.3	27.5	27.5	17.6	13.9
Russell Mid Cap Value	Midcap Value	5.9	27.8	27.8	17.3	11.9
Russell 2000	Small Cap	10.2	30.0	30.0	18.3	11.2
Russell 2000 Growth	Small Cap Growth	12.8	33.1	33.1	19.9	13.2
Russell 2000 Value	Small Cap Value	7.6	27.0	27.0	16.6	9.1
<b>International Equity</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
MSCI EAFE	Developed Markets Equity	11.6	24.3	24.3	9.0	6.8
MSCI EAFE Growth	Developed Markets Growth	10.5	23.7	23.7	9.3	7.2
MSCI EAFE Value	Developed Markets Value	12.7	24.9	24.9	8.6	6.5
MSCI All Country World Ex US	Foreign Equity	10.2	17.0	17.0	6.4	6.7
MSCI Emerging Markets	Emerging Markets Equity	5.9	1.3	1.3	0.0	7.5
<b>Domestic Fixed Income</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Barclays Aggregate Index	Core Fixed Income	0.6	-1.7	-1.7	2.9	5.4
Barclays Gov/Credit	Gov/Credit	0.4	-1.9	-1.9	2.9	5.7
Barclays Capital Gov't Bond	Treasuries	0.1	-2.0	-2.0	2.1	4.0
Barclays Capital Credit Bond	Corporate Bonds	0.8	-1.6	-1.6	4.3	9.1
Intermediate Aggregate	Core Intermediate	0.8	-0.7	-0.7	2.6	4.9
Intermediate Gov/Credit	Gov / Credit Intermediate	0.6	-0.5	-0.5	2.4	5.0
ML/BoA 1-3 Year Treasury	Short Term Treasuries	0.3	-0.1	-0.1	0.5	1.5
CSFB High Yield	High Yield Bonds	2.4	7.2	7.2	9.1	12.5
<b>Alternative Assets</b>	<b>Style</b>	<b>QTR</b>	<b>FYTD</b>	<b>1 Year</b>	<b>3 years</b>	<b>5 Years</b>
Barclays Global Ex-US	International Treasuries	4.1	-5.8	-5.8	-0.7	2.7
NCREIF NFI-ODCE Index	Real Estate	3.6	13.0	13.0	14.3	0.7
HFRI FOF Composite	Hedge Funds	2.1	6.9	6.9	2.6	2.0

**APPENDIX - DISCLOSURES**

- \* The shadow index is a customized index that matches your portfolio's asset allocation on a quarterly basis. This index was calculated using the following asset classes and corresponding benchmarks:
 

Large Cap Equity	S&P 500
SMid Cap Equity	Russell 2500
Foreign Equity	Foreign Equity Hybrid Index
Real Assets	Real Asset Blended Index
Fixed Income	Barclays Aggregate Index
Cash & Equivalent	90 Day T Bill
- \* The policy index is a passive policy-weighted index and was constructed as follows:
 

70% Wilshire 5000	10% MSCI EAFE Net	10% Barclay's Aggregate	10% NCREIF ODCE for all periods through September 30, 2009
70% Russell 3000	10% MSCI EAFE Net	10% Barclay's Aggregate	10% NCREIF ODCE for all periods through March 31, 2011
65% Russell 3000	15% ACWI ex US Net	10% Barclay's Aggregate	10% Real Assets Blended Index for all periods since March 31, 2011
- \* The Foreign Equity Hybrid Index is a customized index and was constructed as follows:
 

100% MSCI EAFE Net for all periods through March 31, 2011
100% ACWI ex US Net for all periods since March 31, 2011
- \* The Real Assets Blended Index is a passive index and was constructed as follows:
 

100% NCREIF ODCE for all periods through June 30, 2011
60% NCREIF ODCE 40% NCREIF TIMBER for all periods since June 30, 2011
- \* The Composite holdings do not include the holdings of the NTGI Extended Equity Fund. The holdings are unavailable and Northern Trust will not provide them.
- \* The Actuarial Blended Rate is a customized rate that tracks the changes of the actuarial rate over time. This rate was calculated using the following rates:
 

8.66% for all periods through 9/30/2010
8.5% for all periods since 9/30/2010
- \* Dahab Associates utilizes data provided by a custodian and other vendors it believes are reliable. However, it cannot assume responsibility for errors and omissions therefrom.
- \* All returns were calculated on a time-weighted basis, and are gross of fees unless otherwise noted.
- \* All returns for periods greater than one year are annualized.
- \* All values are in US dollars.

MIRAMAR FIREFIGHTERS  
NORTHERN TRUST - S&P 500 INDEX FUND  
PERFORMANCE REVIEW  
SEPTEMBER 2013



## **INVESTMENT RETURN**

On September 30th, 2013, the Miramar Firefighters' Northern Trust portfolio was valued at \$13,196,792, representing an increase of \$657,410 from the June quarter's ending value of \$12,539,382. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$657,410 in net investment returns. Since there were no income receipts for the third quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$657,410.

## **RELATIVE PERFORMANCE**

For the third quarter, the Northern Trust portfolio returned 5.2%, which was equal to the S&P 500 Index's return of 5.2% and ranked in the 72nd percentile of the Large Cap Core universe. Over the trailing year, this portfolio returned 19.3%, which was equal to the benchmark's 19.3% return, ranking in the 63rd percentile. Since December 2003, the account returned 6.5% on an annualized basis and ranked in the 89th percentile. For comparison, the S&P 500 returned an annualized 6.5% over the same time frame.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 12/2003
<b>Total Gross/Fees</b>	5.2	19.3	19.3	16.3	6.5
<i>LARGE CAP CORE RANK</i>	(72)	(63)	(63)	(56)	(89)
<b>Total Net/Fees</b>	5.2	19.2	19.2	16.1	6.3
S&P 500	5.2	19.3	19.3	16.3	6.5
<b>Large Cap Equity</b>	5.2	19.3	19.3	16.3	6.5
<i>LARGE CAP CORE RANK</i>	(72)	(63)	(63)	(56)	(89)
S&P 500	5.2	19.3	19.3	16.3	6.5

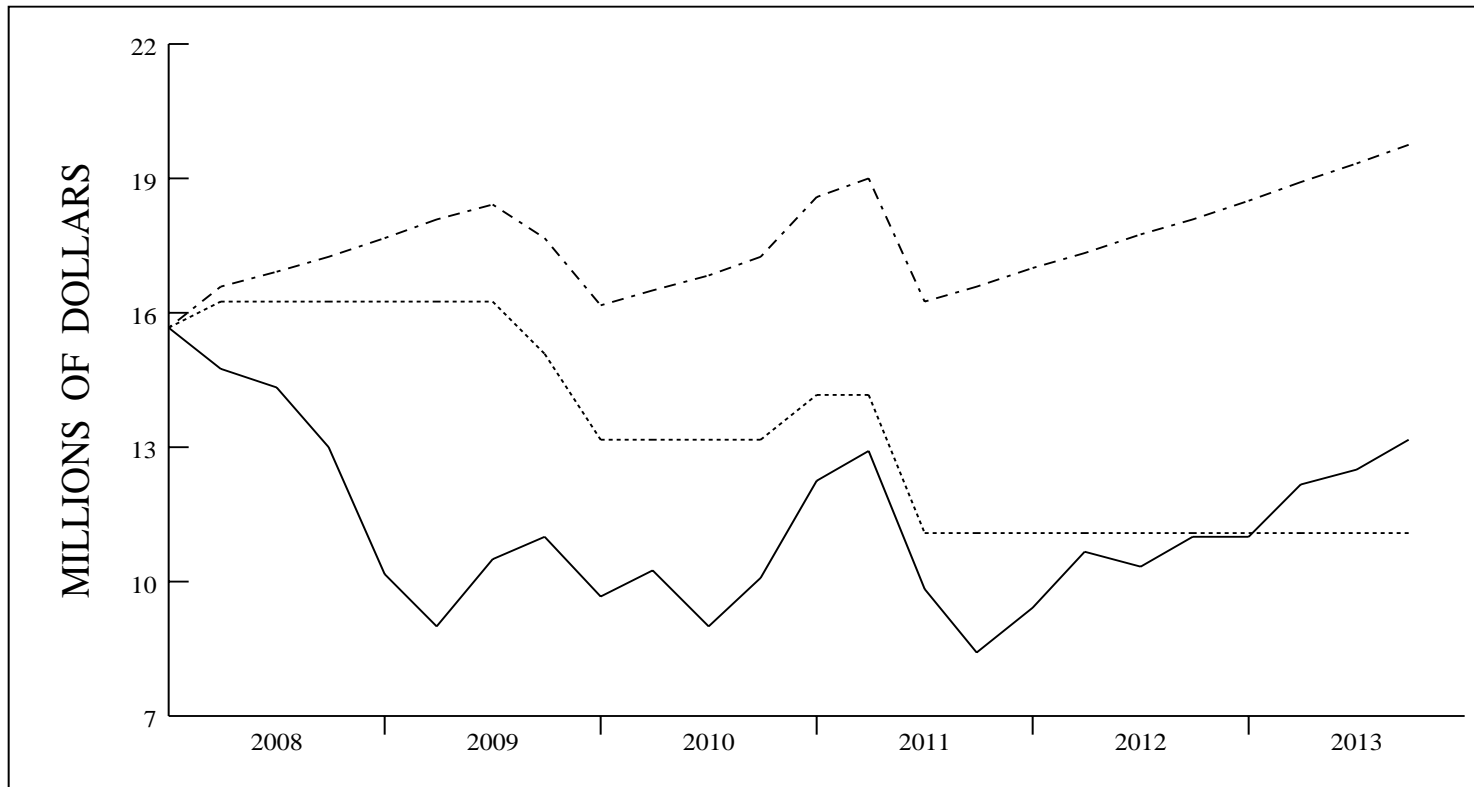
**ASSET ALLOCATION**

Large Cap Equity	100.0%	\$ 13,196,792
Total Portfolio	100.0%	\$ 13,196,792

**INVESTMENT RETURN**

Market Value 6/2013	\$ 12,539,382
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	657,410
Market Value 9/2013	\$ 13,196,792

**INVESTMENT GROWTH**

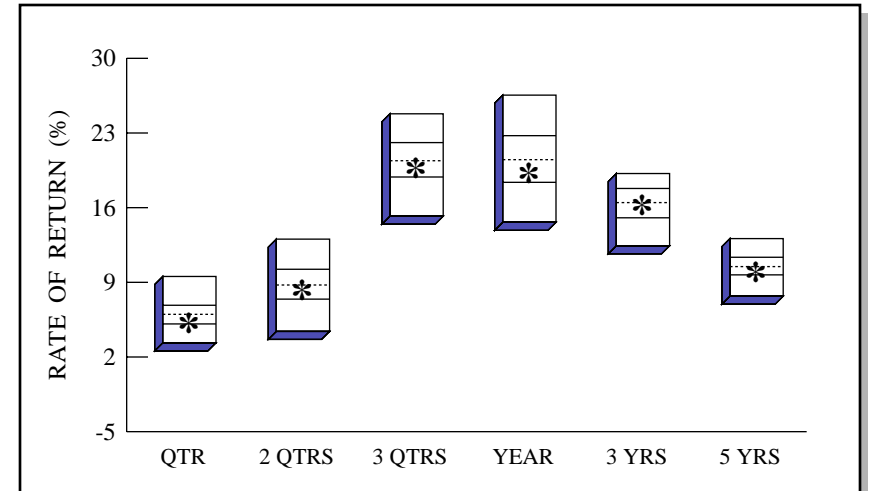
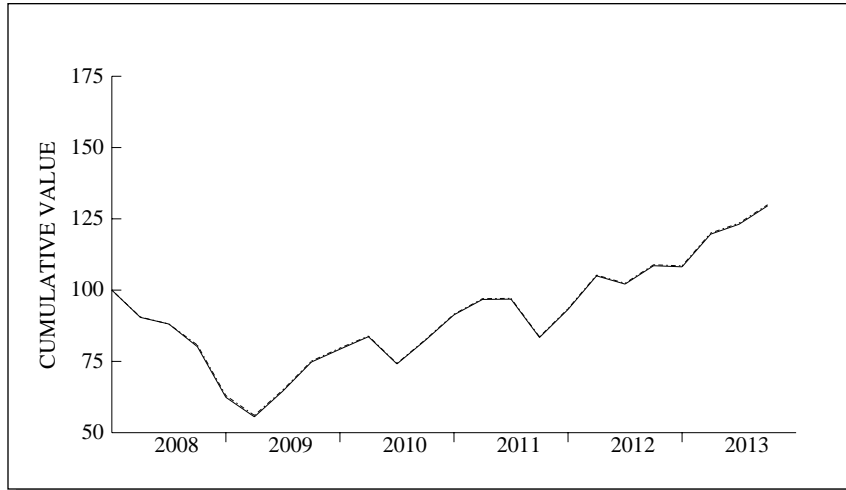


— ACTUAL RETURN  
 - - - 9.0%  
 . . . 0.0%

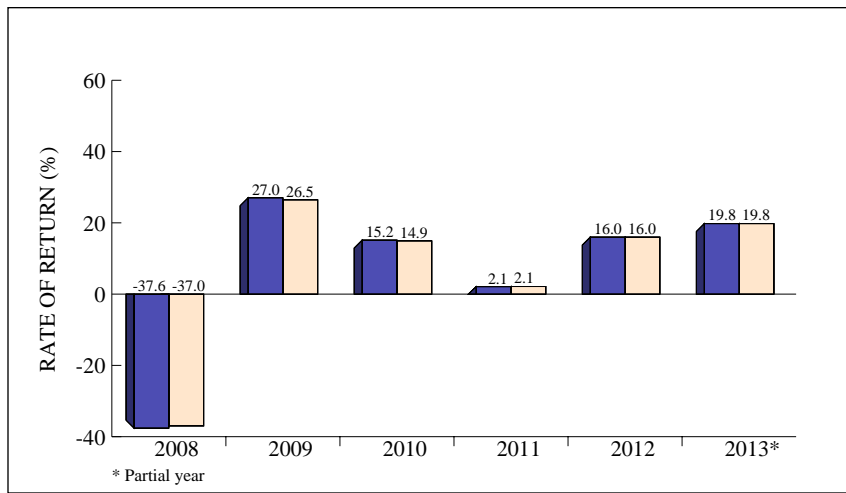
VALUE ASSUMING  
 9.0% RETURN  
 \$ 19,791,729

	LAST QUARTER	PERIOD 12/07 - 9/13
BEGINNING VALUE	\$ 12,539,382	\$ 15,711,330
NET CONTRIBUTIONS	0	- 4,622,548
<u>INVESTMENT RETURN</u>	<u>657,410</u>	<u>2,108,010</u>
ENDING VALUE	\$ 13,196,792	\$ 13,196,792
INCOME	0	0
<u>CAPITAL GAINS (LOSSES)</u>	<u>657,410</u>	<u>2,108,010</u>
INVESTMENT RETURN	657,410	2,108,010

**TOTAL RETURN COMPARISONS**

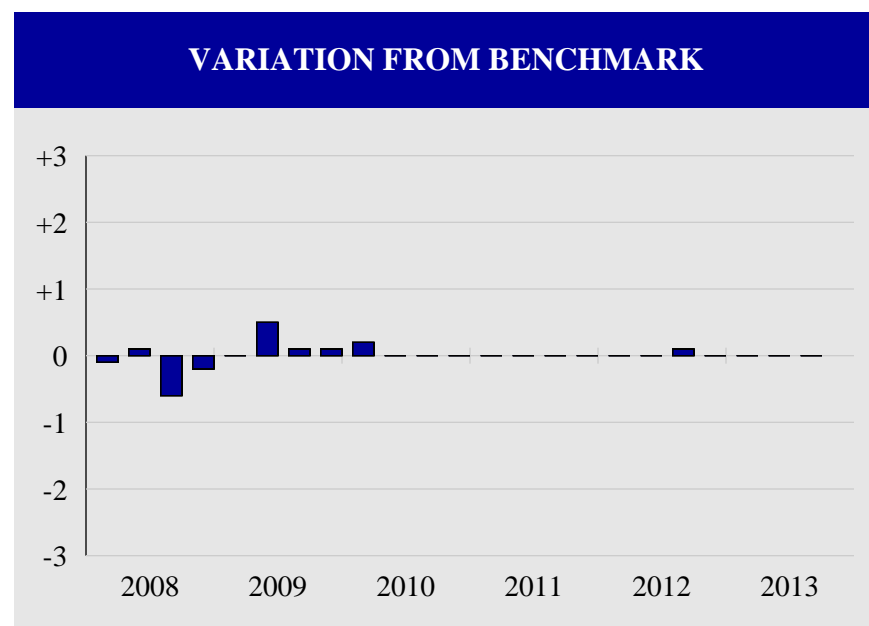


Large Cap Core Universe



	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	5.2	8.3	19.8	19.3	16.3	10.1
(RANK)	(72)	(60)	(62)	(63)	(56)	(62)
5TH %ILE	9.6	13.1	24.8	26.6	19.2	13.1
25TH %ILE	6.8	10.2	22.1	22.8	17.8	11.4
MEDIAN	6.0	8.8	20.4	20.5	16.5	10.5
75TH %ILE	5.1	7.4	18.9	18.4	15.0	9.7
95TH %ILE	3.3	4.4	15.2	14.6	12.4	7.7
<b>S&amp;P 500</b>	<b>5.2</b>	<b>8.3</b>	<b>19.8</b>	<b>19.3</b>	<b>16.3</b>	<b>10.0</b>

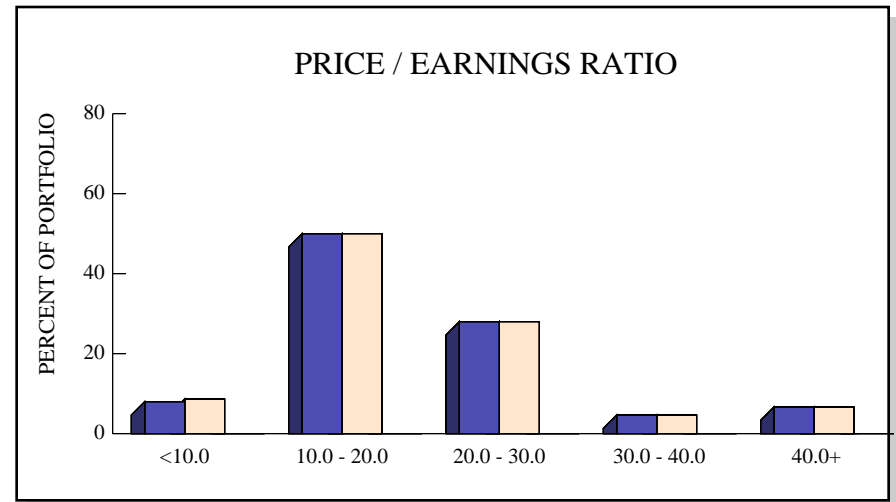
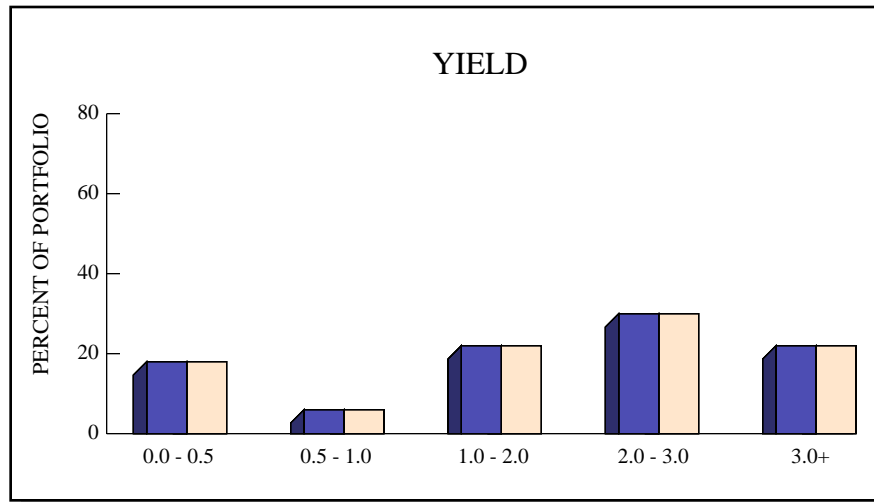
Large Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY****COMPARATIVE BENCHMARK: S&P 500**

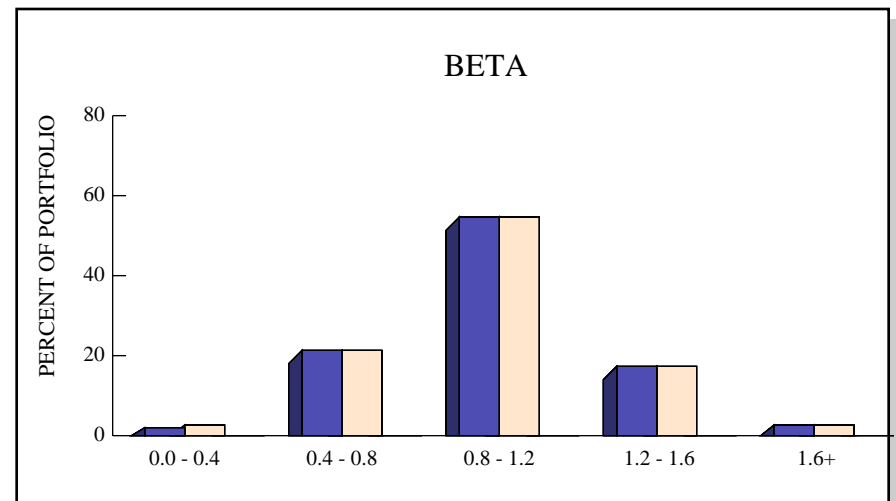
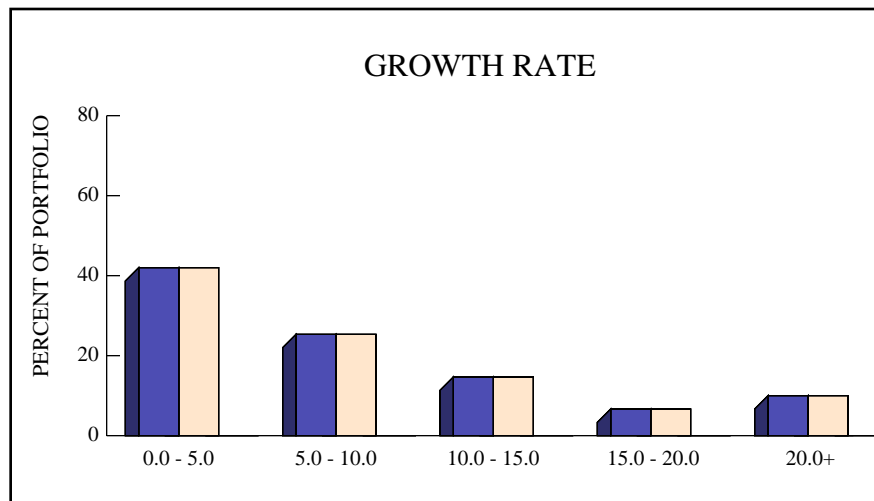
<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>20</b>
<b>Quarters Below the Benchmark</b>	<b>3</b>
<b>Batting Average</b>	<b>.870</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
3/08	-9.5	-9.4	-0.1
6/08	-2.6	-2.7	0.1
9/08	-9.0	-8.4	-0.6
12/08	-22.1	-21.9	-0.2
3/09	-11.0	-11.0	0.0
6/09	16.4	15.9	0.5
9/09	15.7	15.6	0.1
12/09	6.1	6.0	0.1
3/10	5.5	5.3	0.2
6/10	-11.4	-11.4	0.0
9/10	11.3	11.3	0.0
12/10	10.8	10.8	0.0
3/11	5.9	5.9	0.0
6/11	0.1	0.1	0.0
9/11	-13.9	-13.9	0.0
12/11	11.8	11.8	0.0
3/12	12.6	12.6	0.0
6/12	-2.8	-2.8	0.0
9/12	6.4	6.3	0.1
12/12	-0.4	-0.4	0.0
3/13	10.6	10.6	0.0
6/13	2.9	2.9	0.0
9/13	5.2	5.2	0.0

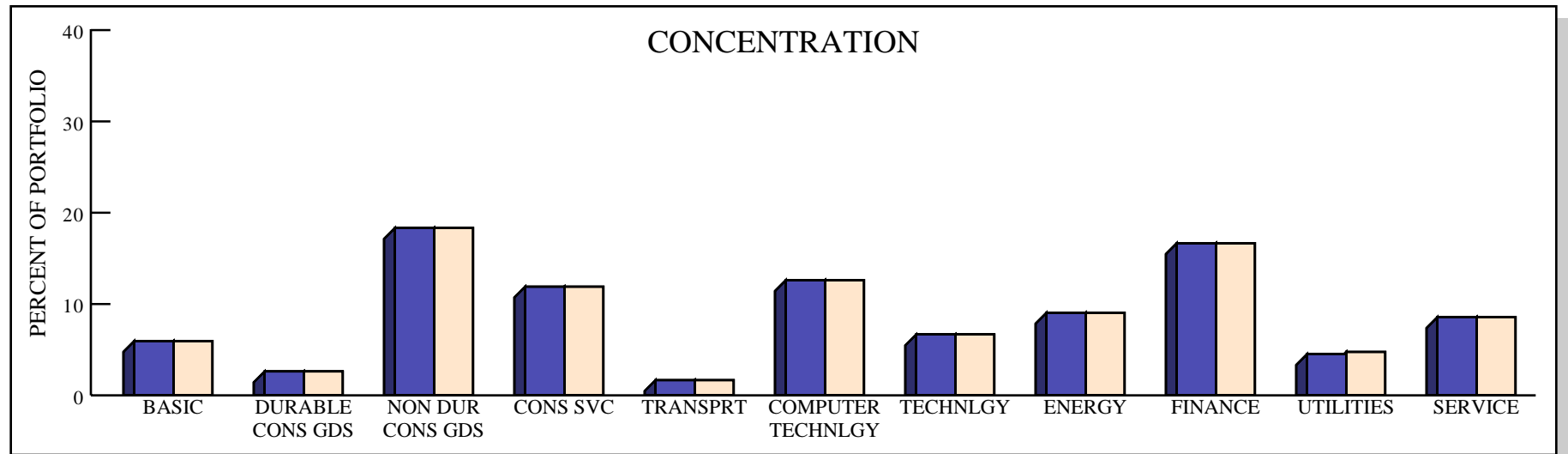
**STOCK CHARACTERISTICS**



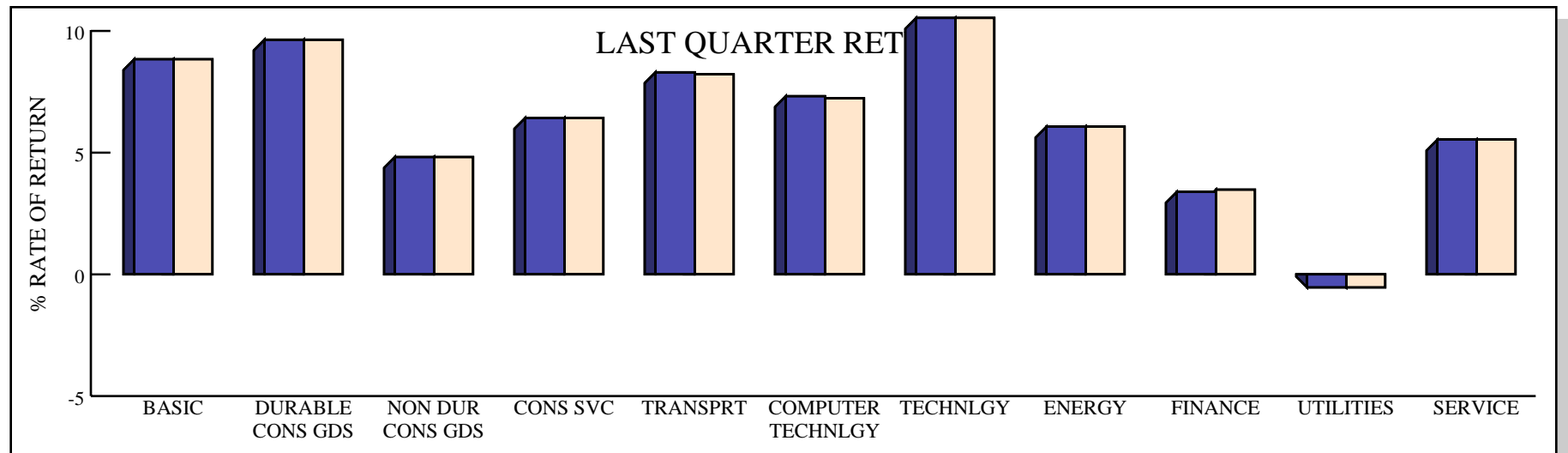
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	2.1%	7.1%	20.7	0.99
S&P 500	2.1%	7.1%	20.7	1.00



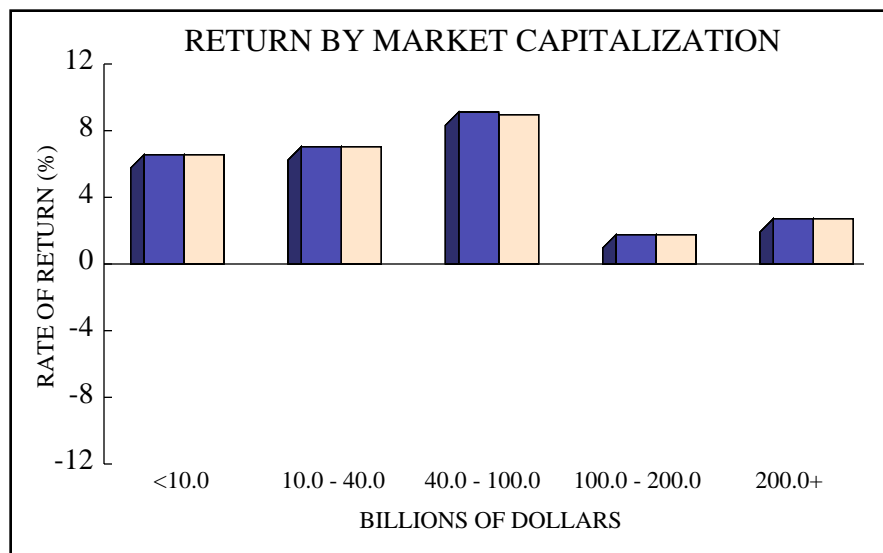
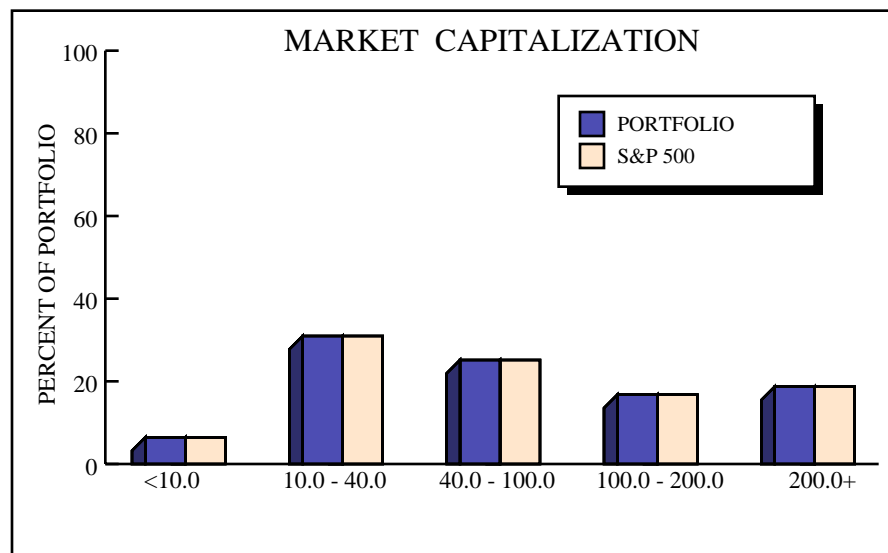
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 370,435	2.81%	20.9%	Computer Tech	\$ 433.1 B
2	EXXON MOBIL CORP	323,682	2.45%	-4.1%	Energy	378.7 B
3	MICROSOFT CORP	237,167	1.80%	-2.9%	Computer Tech	277.5 B
4	JOHNSON & JOHNSON	208,836	1.58%	1.7%	NonDur Cons Goods	244.3 B
5	GENERAL ELECTRIC CO	207,939	1.58%	3.8%	Basic	243.3 B
6	WAL-MART STORES INC	205,831	1.56%	-0.1%	Consumer Service	240.8 B
7	GOOGLE INC-CL A	204,963	1.55%	-0.5%	Computer Tech	239.9 B
8	CHEVRON CORP	200,597	1.52%	3.5%	Energy	234.7 B
9	WELLS FARGO & CO	187,510	1.42%	0.7%	Finance	219.4 B
10	PROCTER & GAMBLE CO/THE	176,956	1.34%	-1.1%	NonDur Cons Goods	207.0 B



MIRAMAR FIREFIGHTERS  
HERNDON CAPITAL MANAGEMENT  
PERFORMANCE REVIEW  
SEPTEMBER 2013

## **INVESTMENT RETURN**

On September 30th, 2013, the Miramar Firefighters' Herndon Capital Management portfolio was valued at \$11,993,411, representing an increase of \$583,745 from the June quarter's ending value of \$11,409,666. Last quarter, the Fund posted withdrawals totaling \$1,563, which partially offset the portfolio's net investment return of \$585,308. Income receipts totaling \$70,161 plus net realized and unrealized capital gains of \$515,147 combined to produce the portfolio's net investment return.

For the cumulative period since September 2009, the fund has recorded net contributions totaling \$5.1 million, and recorded net investment gains of \$4.6 million. For the period since September 2009, if the total fund had returned a compounded nominal rate of 9.0% it would have been valued at \$10.2 million or \$1.8 million less than the actual value as of September 30th, 2013.

## **RELATIVE PERFORMANCE**

In the third quarter, the Herndon Capital Management portfolio gained 5.1%, which was 1.2% above the Russell 1000 Value Index's return of 3.9% and ranked in the 55th percentile of the Large Cap Value universe. Over the trailing year, the portfolio returned 17.0%, which was 5.3% less than the benchmark's 22.3% performance, and ranked in the 94th percentile. Since September 2009, the portfolio returned 14.6% on an annualized basis and ranked in the 52nd percentile. For comparison, the Russell 1000 Value returned an annualized 14.4% over the same period.

## **ASSET ALLOCATION**

On September 30th, 2013, large cap equities comprised 96.1% of the total portfolio (\$11.5 million), while cash & equivalents totaled 3.9% (\$470,484).

## **EQUITY ANALYSIS**

At the end of the third quarter, the Herndon Capital Management portfolio was invested in nine of the eleven sectors in our analysis. Relative to the Russell 1000 Value, the portfolio maintained notably higher concentrations in the Non-Durable Consumer Goods, Transportation, and Energy sectors. In contrast, the portfolio's Finance sector remained most notably underweight, albeit the portfolio's second heaviest allocation. The Durable Consumer Goods and Utilities sectors were vacant of holdings again this quarter.

The portfolio benefited from strong stock selection and positive allocation effects this quarter. It outpaced the Russell 1000 Value in seven of the nine utilized sectors. The Technology and Service sectors led the portfolio with their returns of 11.7% and 11.1%, respectively. Significant value was added by the Non-Durable Consumer Goods, Energy, and Finance sectors, with their combined allocation of nearly 64% and index beating returns. The Non-Durable Consumer Goods sector, in particular, outperformed the benchmark by 6.3% with a portfolio allocation of 19.6%. Overall, the Herndon portfolio beat the benchmark by 120 basis points.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 9/2009
<b>Total Gross/Fees</b>	5.1	17.0	17.0	15.9	14.6
<i>LARGE CAP VALUE RANK</i>	(55)	(94)	(94)	(54)	(52)
<b>Total Net/Fees</b>	5.0	16.3	16.3	15.2	13.9
RUSSELL 1000V	3.9	22.3	22.3	16.2	14.4
<b>Large Cap Equity</b>	5.3	17.6	17.6	16.3	14.8
<i>LARGE CAP VALUE RANK</i>	(52)	(92)	(92)	(45)	(46)
RUSSELL 1000V	3.9	22.3	22.3	16.2	14.4

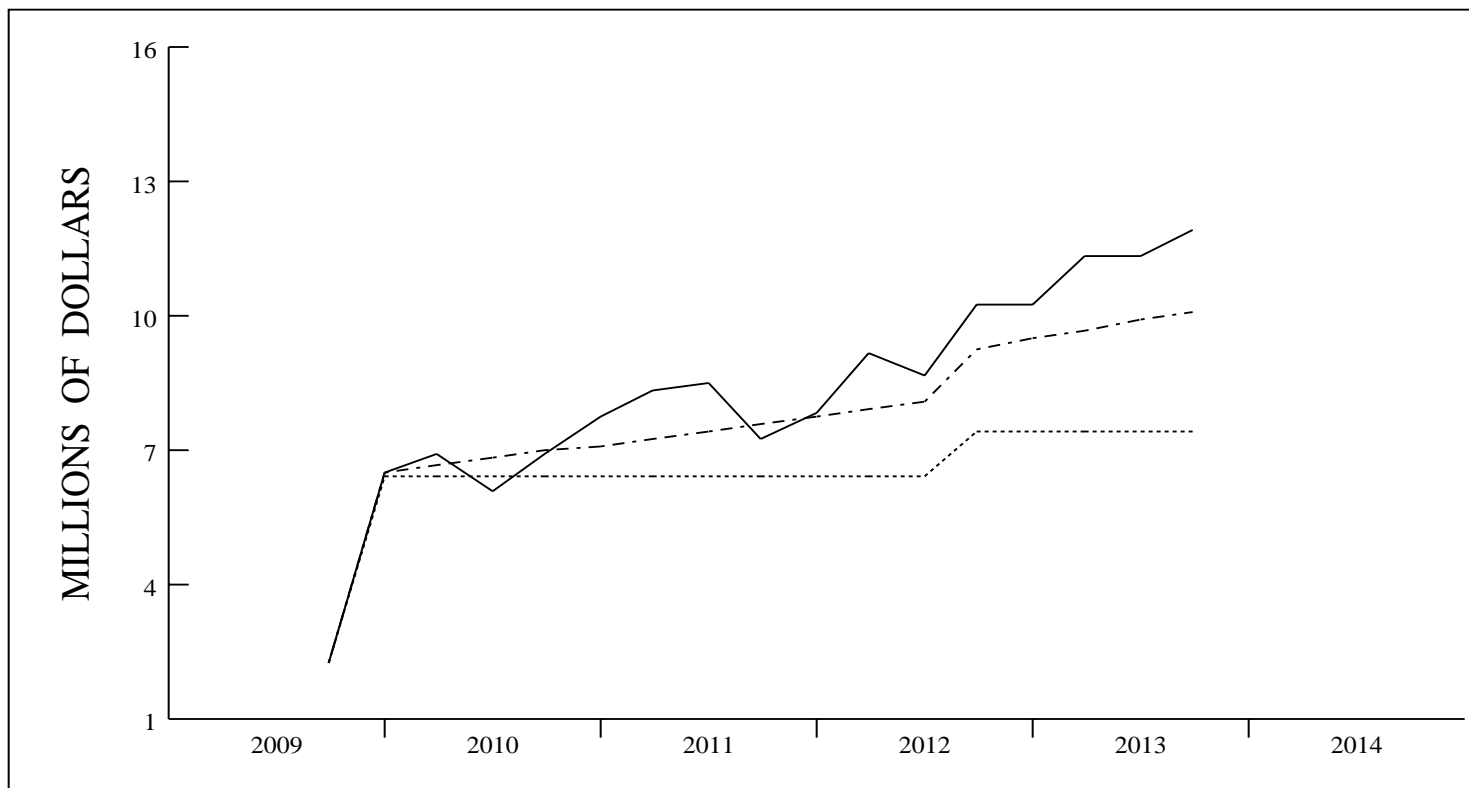
**ASSET ALLOCATION**

Large Cap Equity	96.1%	\$ 11,522,927
Cash	3.9%	470,484
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 11,993,411</b>

**INVESTMENT RETURN**

Market Value 6/2013	\$ 11,409,666
Contribs / Withdrawals	- 1,563
Income	70,161
Capital Gains / Losses	515,147
Market Value 9/2013	\$ 11,993,411

**INVESTMENT GROWTH**

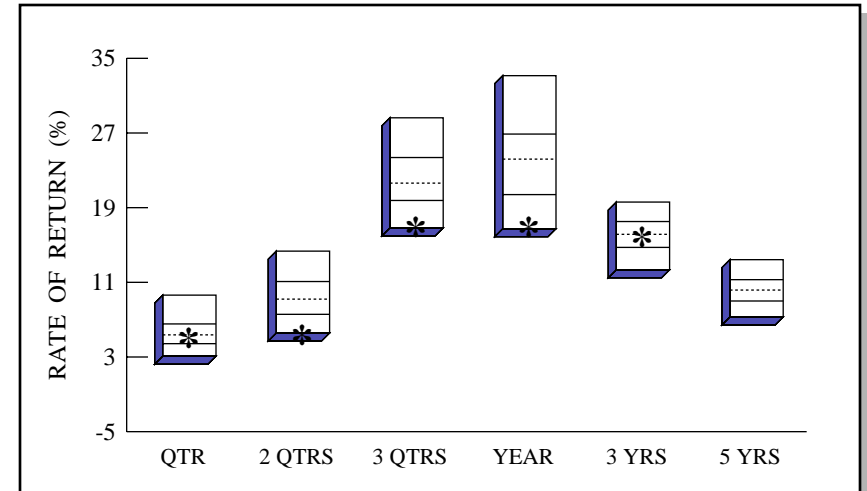
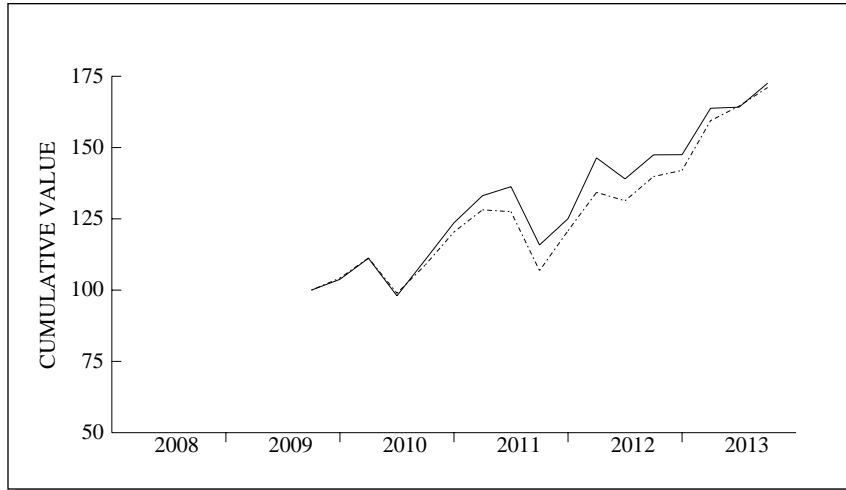


— ACTUAL RETURN  
 - - - 9.0%  
 ..... 0.0%

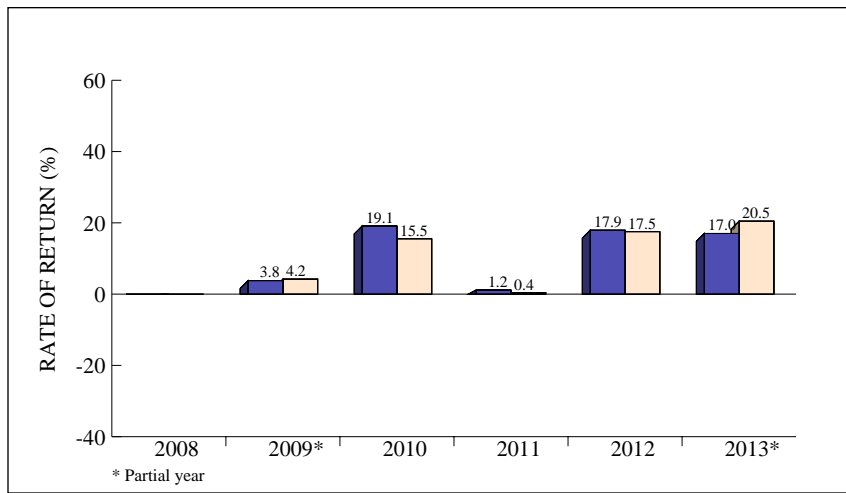
VALUE ASSUMING  
 9.0% RETURN  
 \$ 10,156,787

	LAST QUARTER	PERIOD 9/09 - 9/13
BEGINNING VALUE	\$ 11,409,666	\$ 2,301,396
NET CONTRIBUTIONS	- 1,563	5,131,392
<u>INVESTMENT RETURN</u>	<u>585,308</u>	<u>4,560,623</u>
ENDING VALUE	\$ 11,993,411	\$ 11,993,411
INCOME	70,161	898,711
<u>CAPITAL GAINS (LOSSES)</u>	<u>515,147</u>	<u>3,661,912</u>
INVESTMENT RETURN	585,308	4,560,623

**TOTAL RETURN COMPARISONS**



Large Cap Value Universe

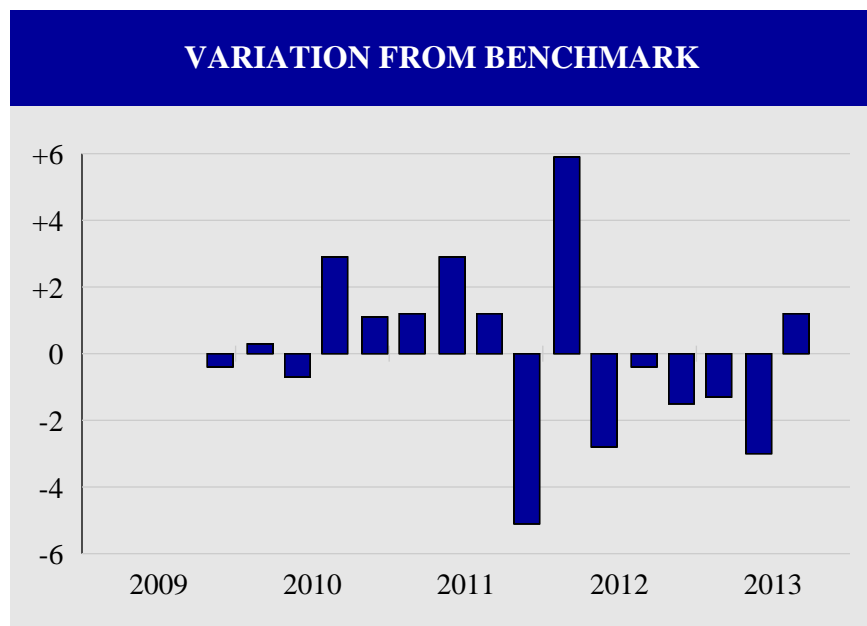


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	5.1	5.4	17.0	17.0	15.9	---
(RANK)	(55)	(97)	(95)	(94)	(54)	---
5TH %ILE	9.6	14.4	28.6	33.1	19.6	13.4
25TH %ILE	6.5	11.1	24.4	26.9	17.5	11.3
MEDIAN	5.4	9.2	21.6	24.2	16.1	10.2
75TH %ILE	4.4	7.6	19.8	20.4	14.7	9.0
95TH %ILE	3.1	5.6	16.8	16.8	12.3	7.3
<b>Russ 1000V</b>	<b>3.9</b>	<b>7.3</b>	<b>20.5</b>	<b>22.3</b>	<b>16.2</b>	<b>8.9</b>

Large Cap Value Universe

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

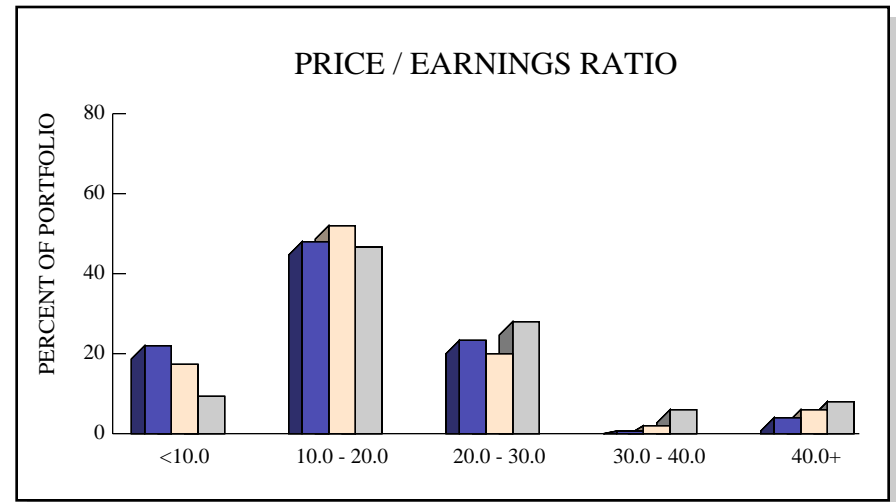
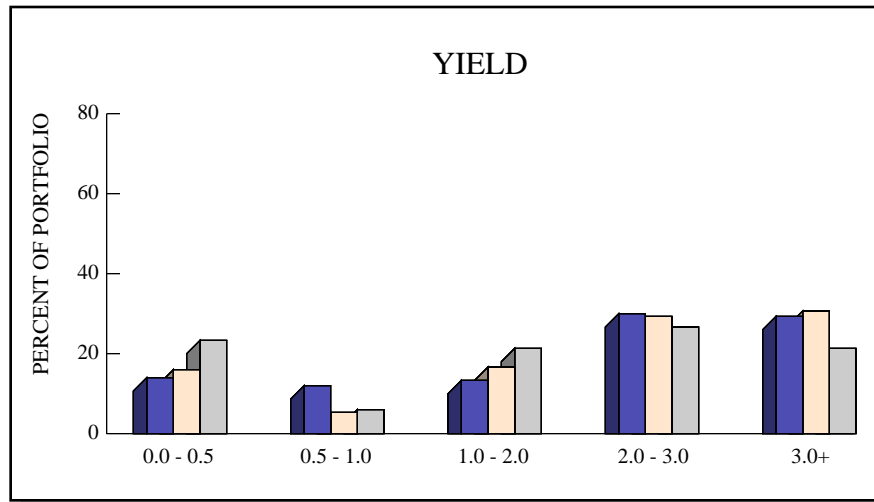
COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE



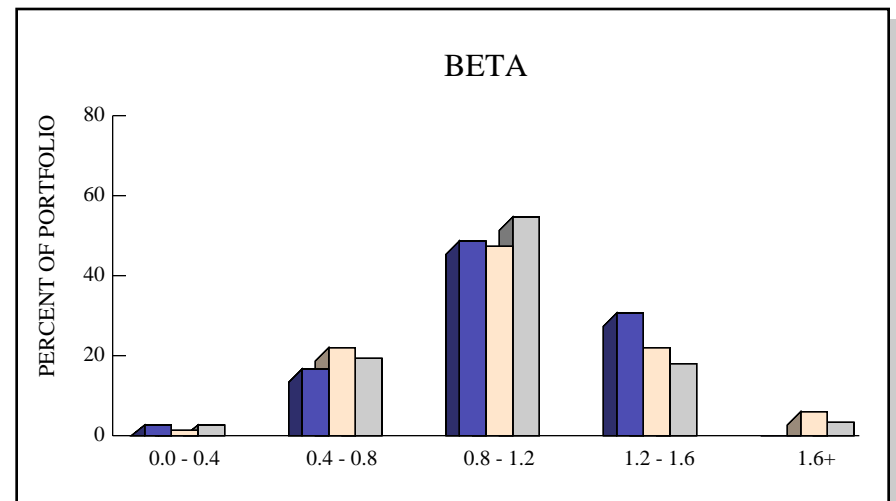
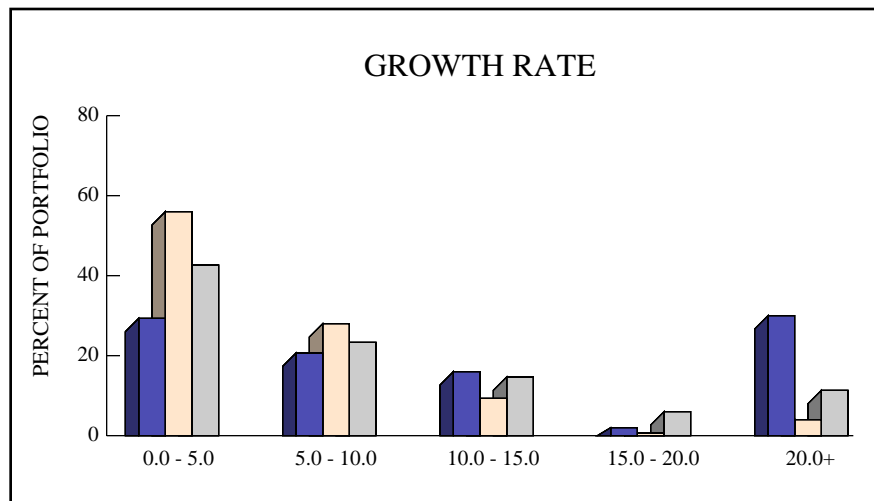
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/09	3.8	4.2	-0.4
3/10	7.1	6.8	0.3
6/10	-11.9	-11.2	-0.7
9/10	13.0	10.1	2.9
12/10	11.6	10.5	1.1
3/11	7.7	6.5	1.2
6/11	2.4	-0.5	2.9
9/11	-15.0	-16.2	1.2
12/11	8.0	13.1	-5.1
3/12	17.0	11.1	5.9
6/12	-5.0	-2.2	-2.8
9/12	6.1	6.5	-0.4
12/12	0.0	1.5	-1.5
3/13	11.0	12.3	-1.3
6/13	0.2	3.2	-3.0
9/13	5.1	3.9	1.2

<b>Total Quarters Observed</b>	<b>16</b>
<b>Quarters At or Above the Benchmark</b>	<b>8</b>
<b>Quarters Below the Benchmark</b>	<b>8</b>
<b>Batting Average</b>	<b>.500</b>

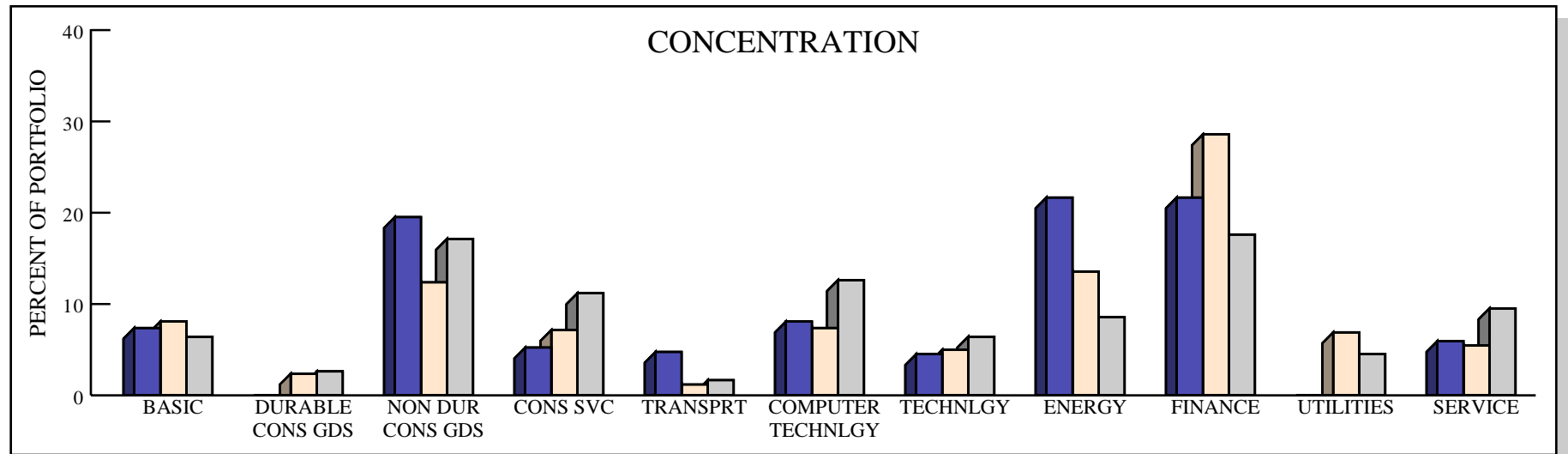
**STOCK CHARACTERISTICS**



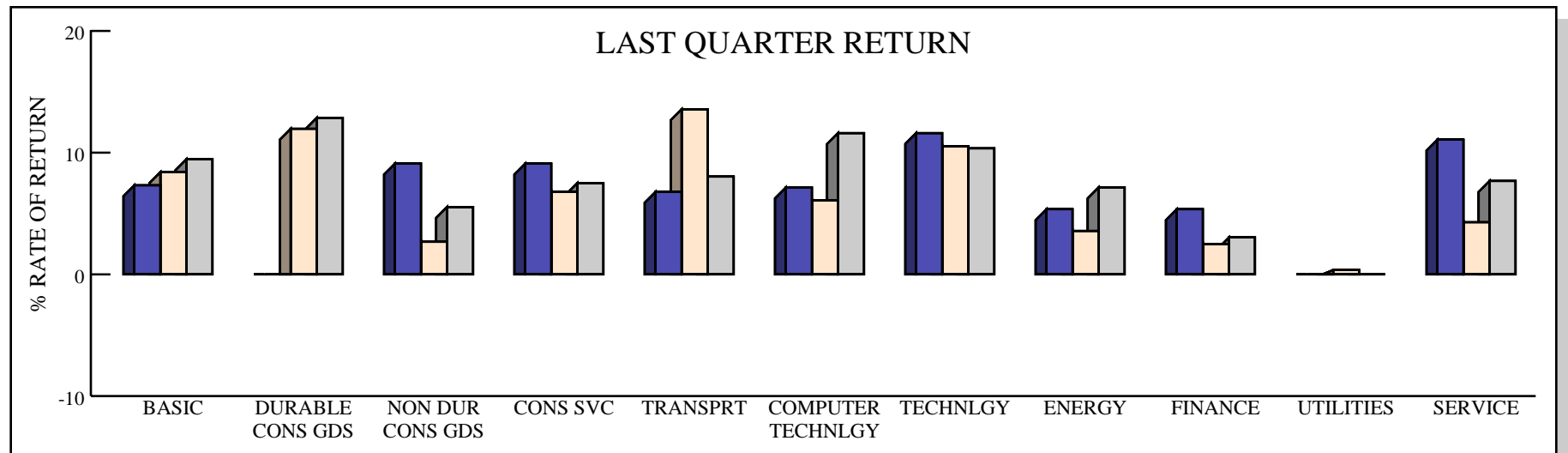
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	2.7%	14.5%	15.6	1.03
RUSSELL 1000V	2.3%	2.2%	18.2	1.05
RUSSELL 1000	2.0%	7.3%	21.1	1.00



**STOCK INDUSTRY ANALYSIS**

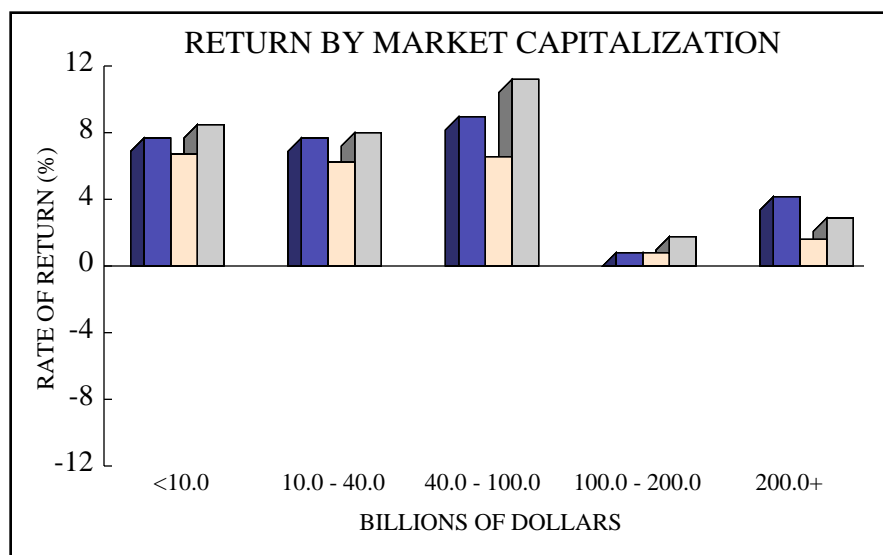
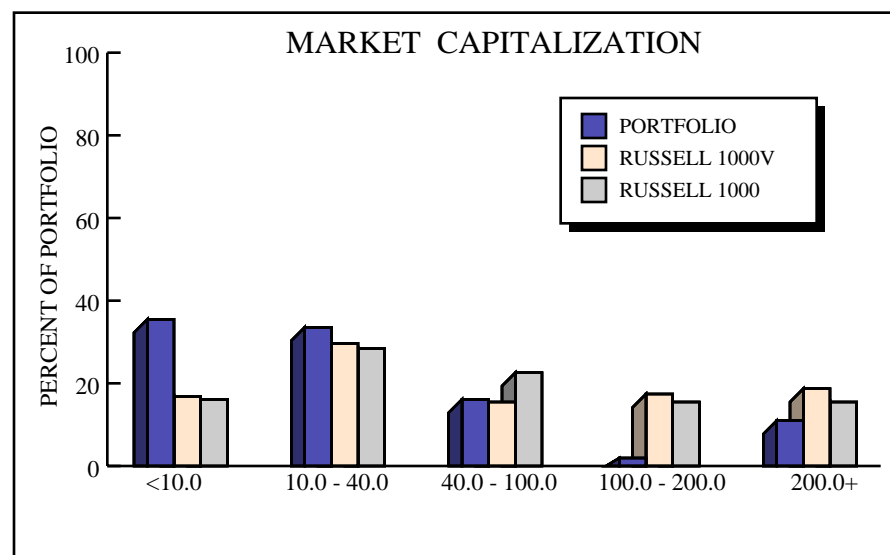


■ PORTFOLIO     
 ■ RUSSELL 1000 VALUE     
 ■ RUSSELL 1000





## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	TJX COMPANIES INC	\$ 377,305	3.27%	12.9%	Consumer Service	\$ 40.3 B
2	AFLAC INC	370,576	3.22%	7.2%	Finance	28.8 B
3	WESTERN DIGITAL CORP	361,317	3.14%	2.4%	Computer Tech	15.0 B
4	ULTRA PETROLEUM CORP	351,480	3.05%	3.8%	Energy	3.1 B
5	ENDO HEALTH SOLUTIONS INC	329,849	2.86%	23.5%	NonDur Cons Goods	5.2 B
6	CBOE HOLDINGS INC	329,591	2.86%	-2.3%	Finance	4.0 B
7	APPLE INC	328,958	2.85%	20.9%	Computer Tech	433.1 B
8	LOCKHEED MARTIN CORP	310,074	2.69%	18.5%	Technology	40.9 B
9	DISCOVER FINANCIAL SERVICES	306,576	2.66%	6.3%	Finance	24.5 B
10	WADDELL & REED FINANCIAL-A	296,164	2.57%	19.3%	Finance	4.4 B

MIRAMAR FIREFIGHTERS  
RUSHMORE INVESTMENT ADVISORS  
PERFORMANCE REVIEW  
SEPTEMBER 2013

## **INVESTMENT RETURN**

On September 30th, 2013, the Miramar Firefighters' Rushmore Investment Advisors portfolio was valued at \$11,046,523, representing an increase of \$828,455 from the June quarter's ending value of \$10,218,068. Last quarter, the Fund posted withdrawals totaling \$1,415, which partially offset the portfolio's net investment return of \$829,870. Income receipts totaling \$45,651 plus net realized and unrealized capital gains of \$784,219 combined to produce the portfolio's net investment return.

For the cumulative period since September 2009, the fund has recorded net contributions totaling \$3.3 million, and recorded net investment gains of \$3.6 million. For the period since September 2009, if the total fund had returned a compounded nominal rate of 9.0% it would have been valued at \$10.2 million or \$840,132 less than the actual value as of September 30th, 2013.

## **RELATIVE PERFORMANCE**

In the third quarter, the Rushmore Investment Advisors portfolio gained 8.1%, which was equal to the Russell 1000 Growth Index's return of 8.1% and ranked in the 61st percentile of the Large Cap Growth universe. Over the trailing year, the portfolio returned 16.5%, which was 2.8% less than the benchmark's 19.3% performance, and ranked in the 87th percentile. Since September 2009, the portfolio returned 11.3% on an annualized basis and ranked in the 98th percentile. For comparison, the Russell 1000 Growth returned an annualized 15.9% over the same period.

## **ASSET ALLOCATION**

On September 30th, 2013, large cap equities comprised 97.1% of the total portfolio (\$10.7 million), while cash & equivalents totaled 2.9% (\$324,569).

## **EQUITY ANALYSIS**

At the end of the third quarter, the portfolio remained invested in ten of the eleven sectors in our analysis. The allocation was closely aligned with last quarter. The portfolio was overweight in the Consumer Service, Computer Technology, and Finance sectors compared to the Russell 1000 Growth, while it was underweight in the Basic, Durable Consumer Goods, Non-Durable Consumer Goods, Energy, Utilities, and Service sectors. The Transportation sector was vacant of holdings again this quarter.

The portfolio outperformed the benchmark in five of the ten utilized sectors. The Non-Durable Consumer Goods and Finance sectors added significant value to the portfolio with their heavier weightings and index beating returns. Celgene Corporation's return of 31.7% helped drive the Non-Durable Consumer Goods sector, while Mastercard's 17.2% return helped drive the Finance sector; both were among the portfolio's top ten holdings. The Computer Technology sector had a heavy allocation; five of the top ten equity holdings were in this sector. Apple and Cognizant Tech Solutions were among these and yielded strong returns for the quarter but the sector fell short of the benchmark's return. The effect of the stellar 29.7% return from the Utilities sector and 23.6% from The Energy sector were minimized by their light weightings. These gains offset the losses elsewhere in the portfolio and as a result the portfolio closed the quarter equal to its benchmark.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 9/2009
<b>Total Gross/Fees</b>	8.1	16.5	16.5	11.1	11.3
<i>LARGE CAP GROWTH RANK</i>	(61)	(87)	(87)	(99)	(98)
<b>Total Net/Fees</b>	8.0	16.0	16.0	10.6	10.7
RUSSELL 1000G	8.1	19.3	19.3	16.9	15.9
<b>Large Cap Equity</b>	8.4	17.2	17.2	11.7	11.8
<i>LARGE CAP GROWTH RANK</i>	(56)	(83)	(83)	(99)	(96)
RUSSELL 1000G	8.1	19.3	19.3	16.9	15.9

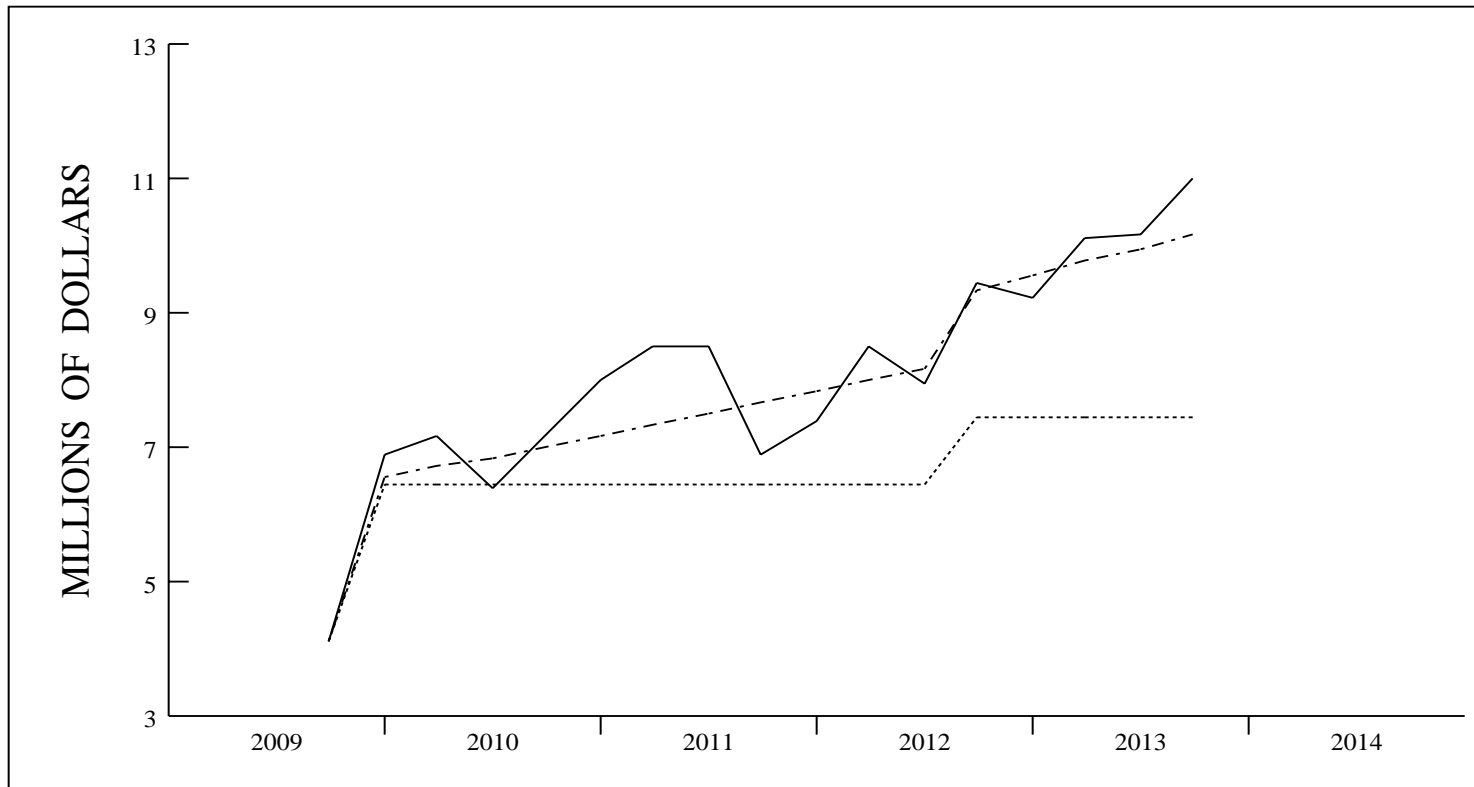
**ASSET ALLOCATION**

Large Cap Equity	97.1%	\$ 10,721,954
Cash	2.9%	324,569
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 11,046,523</b>

**INVESTMENT RETURN**

Market Value 6/2013	\$ 10,218,068
Contribs / Withdrawals	- 1,415
Income	45,651
Capital Gains / Losses	784,219
Market Value 9/2013	\$ 11,046,523

**INVESTMENT GROWTH**

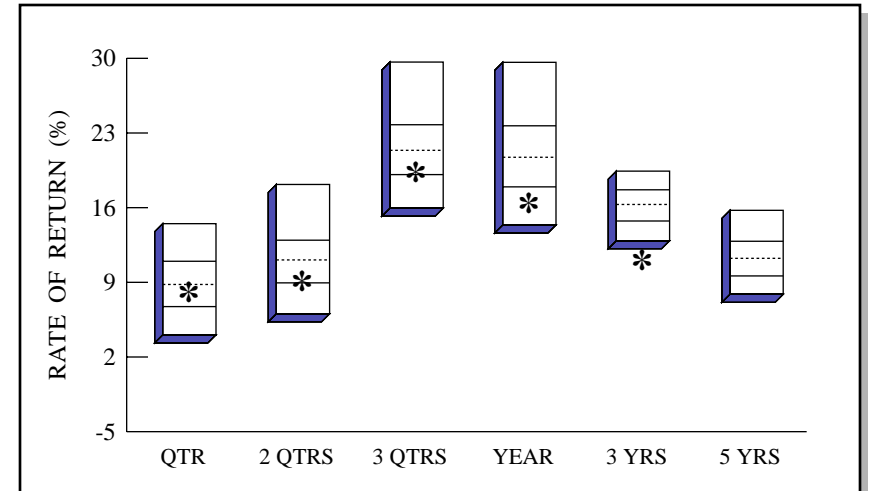
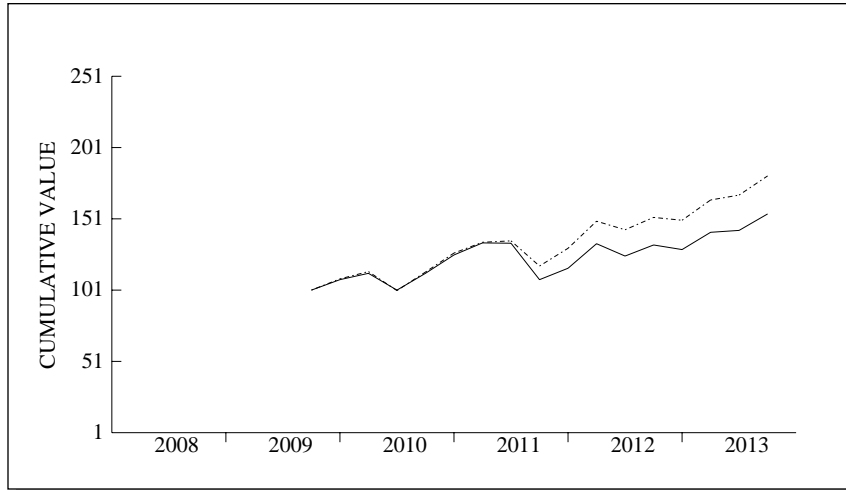


— ACTUAL RETURN  
 - - - 9.0%  
 ..... 0.0%

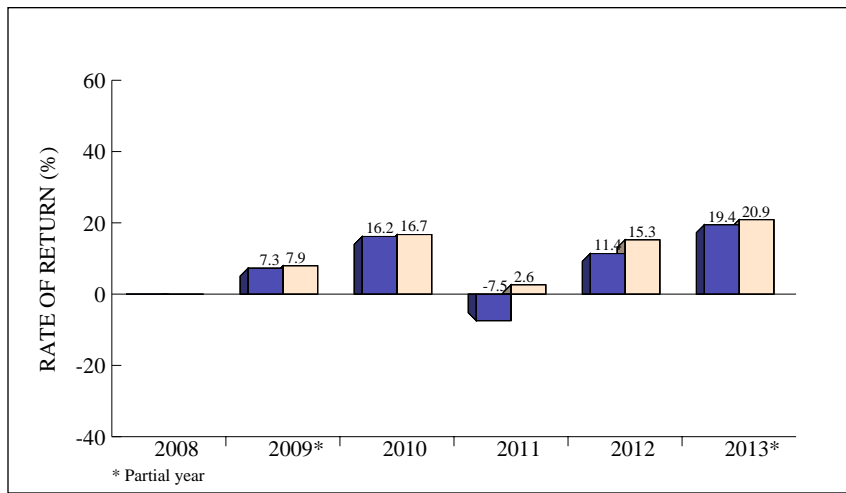
VALUE ASSUMING  
 9.0% RETURN  
 \$ 10,206,391

	LAST QUARTER	PERIOD 9/09 - 9/13
BEGINNING VALUE	\$ 10,218,068	\$ 4,124,566
NET CONTRIBUTIONS	- 1,415	3,331,862
<u>INVESTMENT RETURN</u>	<u>829,870</u>	<u>3,590,095</u>
ENDING VALUE	\$ 11,046,523	\$ 11,046,523
INCOME	45,651	391,546
CAPITAL GAINS (LOSSES)	<u>784,219</u>	<u>3,198,549</u>
INVESTMENT RETURN	829,870	3,590,095

**TOTAL RETURN COMPARISONS**

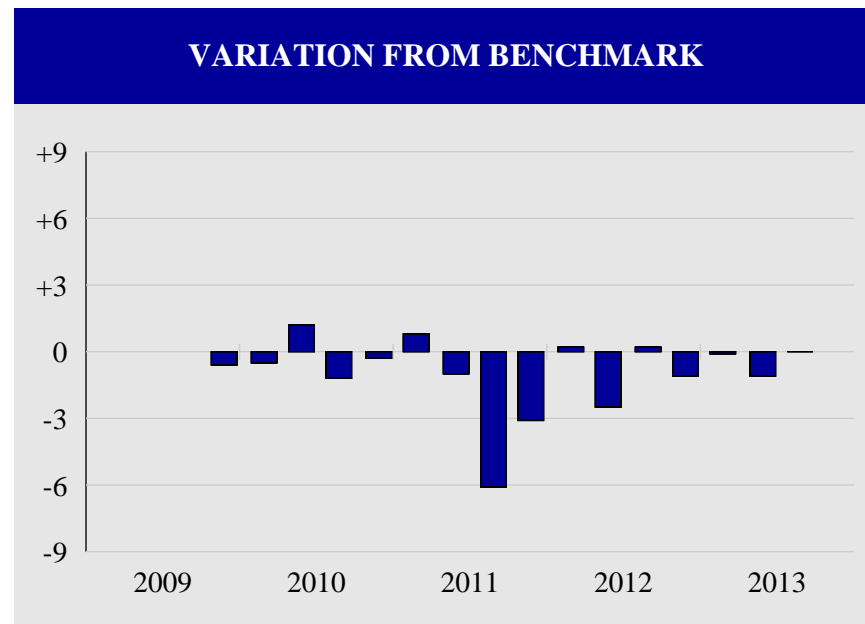


Large Cap Growth Universe



	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	8.1	9.2	19.4	16.5	11.1	---
(RANK)	(61)	(73)	(72)	(87)	(99)	---
5TH %ILE	14.5	18.2	29.7	29.6	19.4	15.8
25TH %ILE	11.0	13.0	23.8	23.7	17.7	12.8
MEDIAN	8.8	11.1	21.4	20.7	16.3	11.2
75TH %ILE	6.7	9.0	19.1	18.0	14.8	9.6
95TH %ILE	4.1	6.1	16.0	14.4	12.9	7.9
<b>Russ 1000G</b>	<b>8.1</b>	<b>10.3</b>	<b>20.9</b>	<b>19.3</b>	<b>16.9</b>	<b>12.1</b>

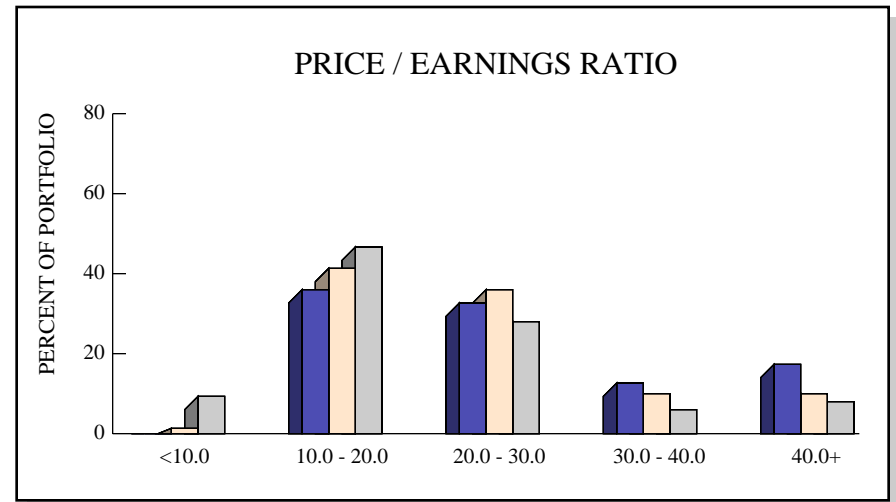
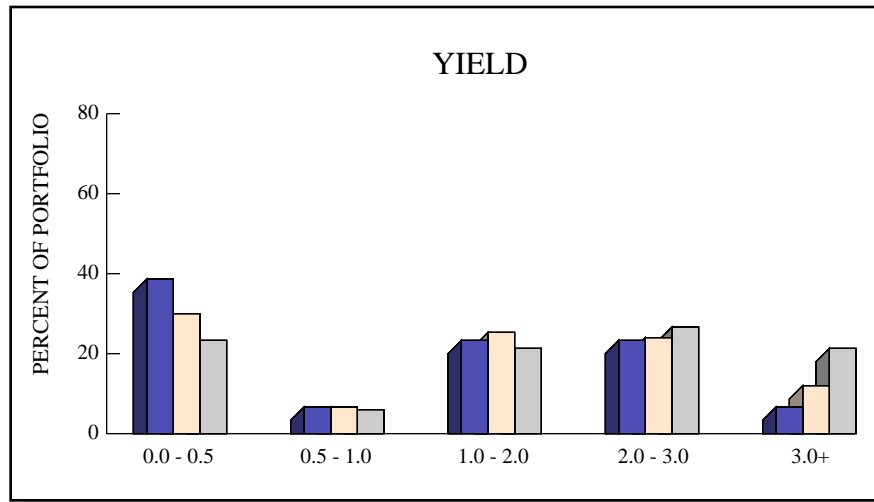
Large Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY****COMPARATIVE BENCHMARK: RUSSELL 1000 GROWTH**

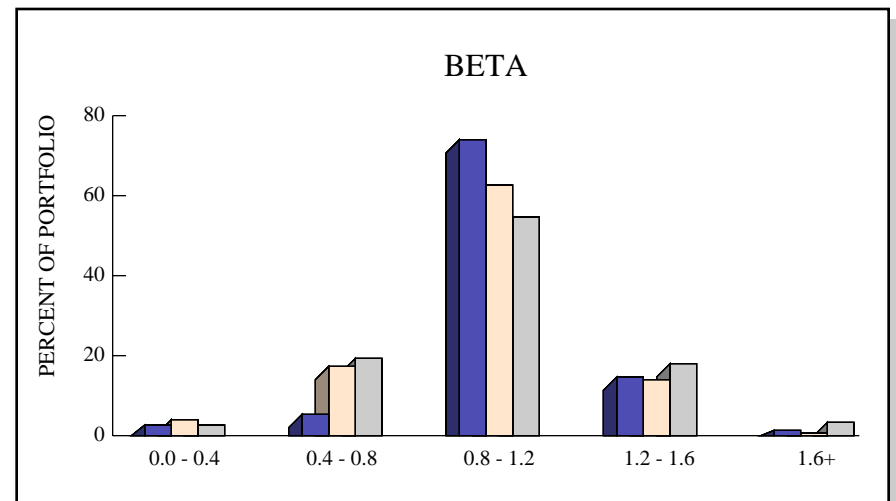
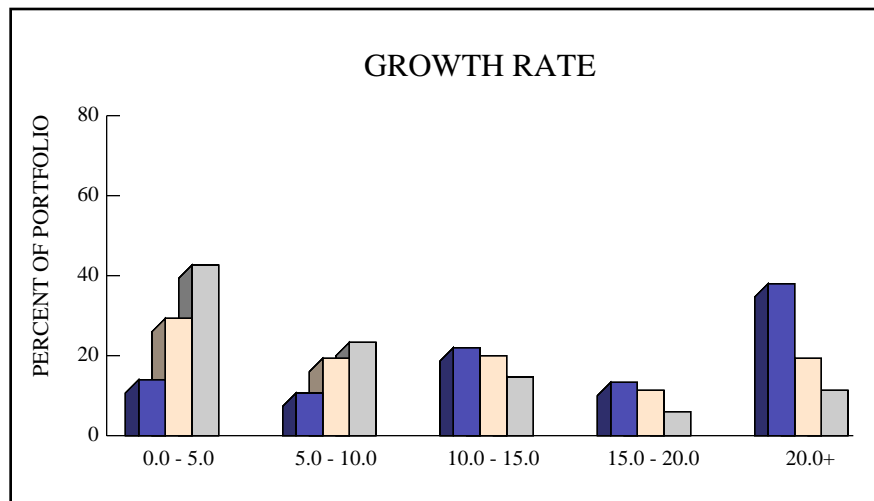
<b>Total Quarters Observed</b>	<b>16</b>
<b>Quarters At or Above the Benchmark</b>	<b>5</b>
<b>Quarters Below the Benchmark</b>	<b>11</b>
<b>Batting Average</b>	<b>.313</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
12/09	7.3	7.9	-0.6
3/10	4.2	4.7	-0.5
6/10	-10.6	-11.8	1.2
9/10	11.8	13.0	-1.2
12/10	11.5	11.8	-0.3
3/11	6.8	6.0	0.8
6/11	-0.2	0.8	-1.0
9/11	-19.2	-13.1	-6.1
12/11	7.5	10.6	-3.1
3/12	14.9	14.7	0.2
6/12	-6.5	-4.0	-2.5
9/12	6.3	6.1	0.2
12/12	-2.4	-1.3	-1.1
3/13	9.4	9.5	-0.1
6/13	1.0	2.1	-1.1
9/13	8.1	8.1	0.0

**STOCK CHARACTERISTICS**

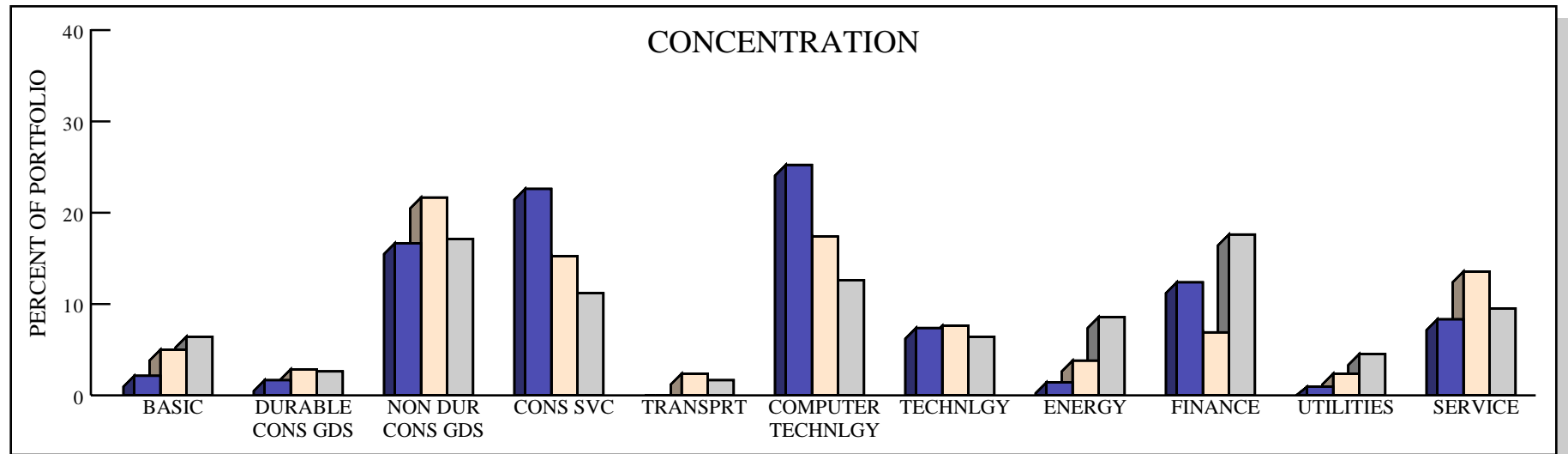


	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.3%	20.2%	26.7	1.00
RUSSELL 1000G	1.6%	12.2%	23.9	0.94
RUSSELL 1000	2.0%	7.3%	21.1	1.00

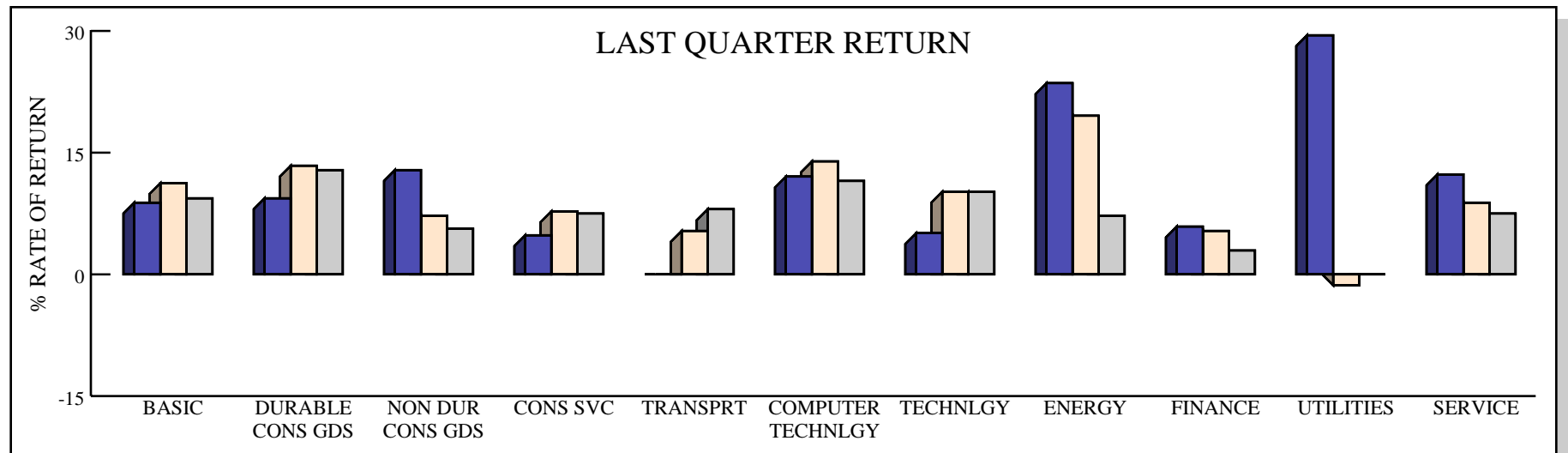




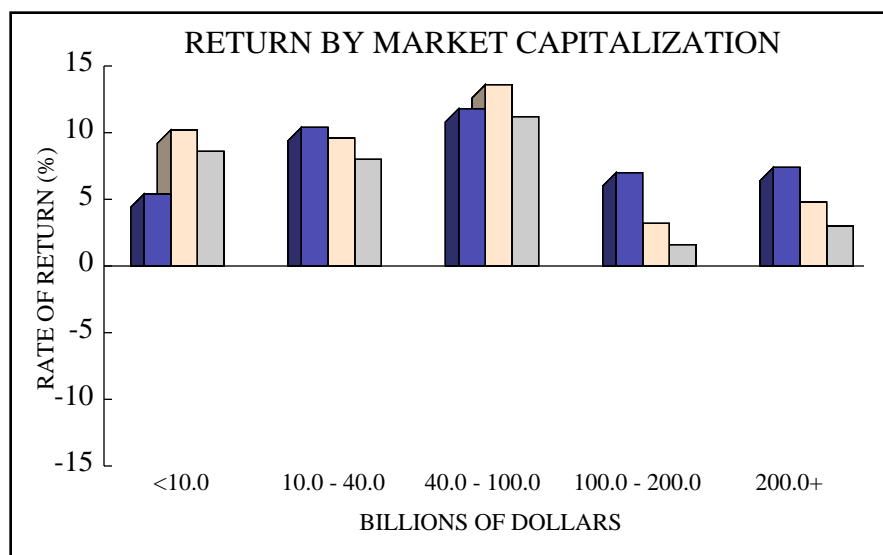
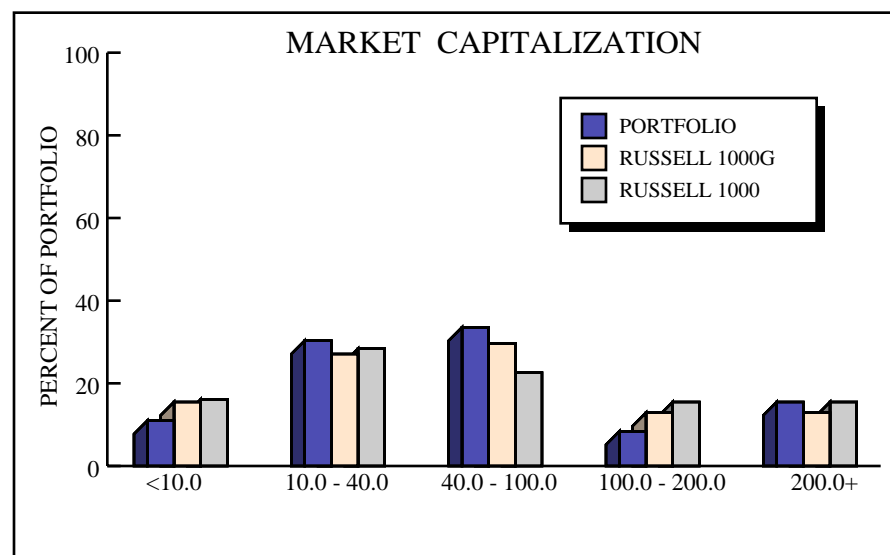
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO     
 ■ RUSSELL 1000 GROWTH     
 ■ RUSSELL 1000



## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 658,392	6.14%	20.9%	Computer Tech	\$ 433.1 B
2	GOOGLE INC-CL A	516,787	4.82%	-0.5%	Computer Tech	239.9 B
3	STARBUCKS CORP	402,938	3.76%	17.8%	Consumer Service	57.8 B
4	MASTERCARD INC-CLASS A	346,482	3.23%	17.2%	Finance	78.0 B
5	CELGENE CORP	340,801	3.18%	31.7%	NonDur Cons Goods	63.3 B
6	MICROSOFT CORP	339,762	3.17%	-2.9%	Computer Tech	277.5 B
7	COGNIZANT TECH SOLUTIONS-A	335,707	3.13%	31.2%	Computer Tech	24.7 B
8	ACCENTURE PLC-CL A	298,757	2.79%	2.9%	Service	46.8 B
9	CERNER CORP	287,869	2.68%	9.4%	Computer Tech	18.0 B
10	QUALCOMM INC	268,025	2.50%	10.7%	Technology	115.6 B

MIRAMAR FIREFIGHTERS  
NORTHERN TRUST - EXTENDED EQUITY INDEX FUND  
PERFORMANCE REVIEW  
SEPTEMBER 2013

## **INVESTMENT RETURN**

On September 30th, 2013, the Miramar Firefighters' Northern Trust portfolio was valued at \$9,807,749, representing an increase of \$884,980 from the June quarter's ending value of \$8,922,769. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$884,980 in net investment returns. Since there were no income receipts for the third quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$884,980.

## **RELATIVE PERFORMANCE**

For the third quarter, the Northern Trust portfolio returned 9.9%, which was 0.6% less than the Wilshire 4500 Index's return of 10.5% and ranked in the 35th percentile of the Smid Cap universe. Over the trailing year, this portfolio returned 30.7%, which was 0.7% below the benchmark's 31.4% return, ranking in the 36th percentile. Since December 2003, the account returned 9.8% on an annualized basis and ranked in the 65th percentile. For comparison, the Wilshire 4500 returned an annualized 9.6% over the same time frame.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 12/2003
<b>Total Gross/Fees</b>	9.9	30.7	30.7	18.5	9.8
<i>SMID CAP RANK</i>	(35)	(36)	(36)	(48)	(65)
<b>Total Net/Fees</b>	9.9	30.6	30.6	18.4	9.6
WILSHIRE 4500	10.5	31.4	31.4	18.5	9.6
HYBRID INDEX	9.9	30.7	30.7	17.9	9.5
<b>SMid Cap Equity</b>	9.9	30.7	30.7	18.5	9.8
<i>SMID CAP RANK</i>	(35)	(36)	(36)	(48)	(65)
WILSHIRE 4500	10.5	31.4	31.4	18.5	9.6
DJ US COMP	9.9	30.7	30.7	17.9	9.4
HYBRID INDEX	9.9	30.7	30.7	17.9	9.5

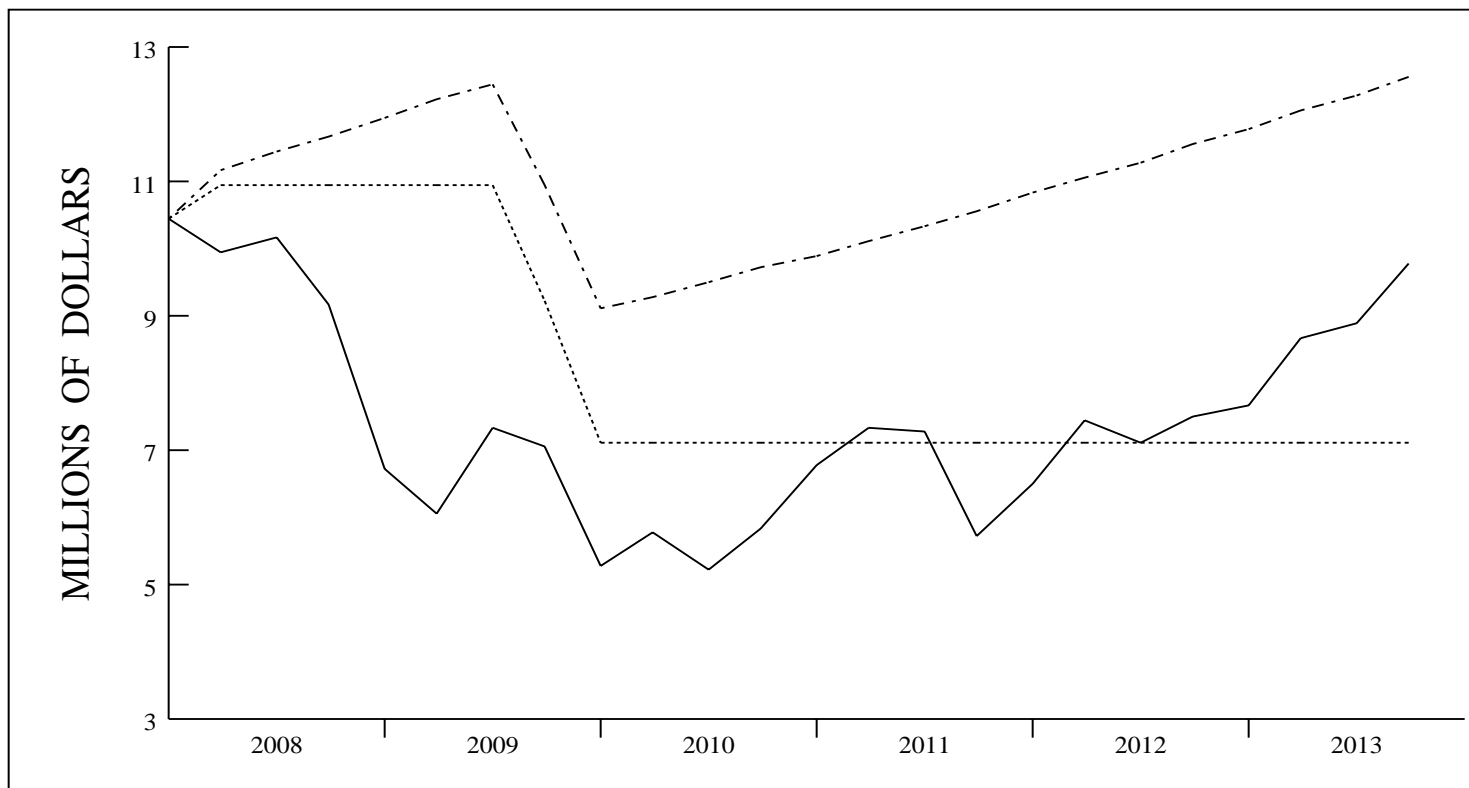
**ASSET ALLOCATION**

SMid Cap Equity	100.0%	\$ 9,807,749
Total Portfolio	100.0%	\$ 9,807,749

**INVESTMENT RETURN**

Market Value 6/2013	\$ 8,922,769
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	884,980
Market Value 9/2013	\$ 9,807,749

**INVESTMENT GROWTH**

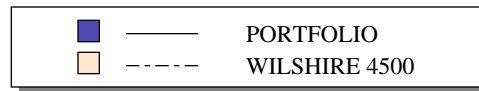
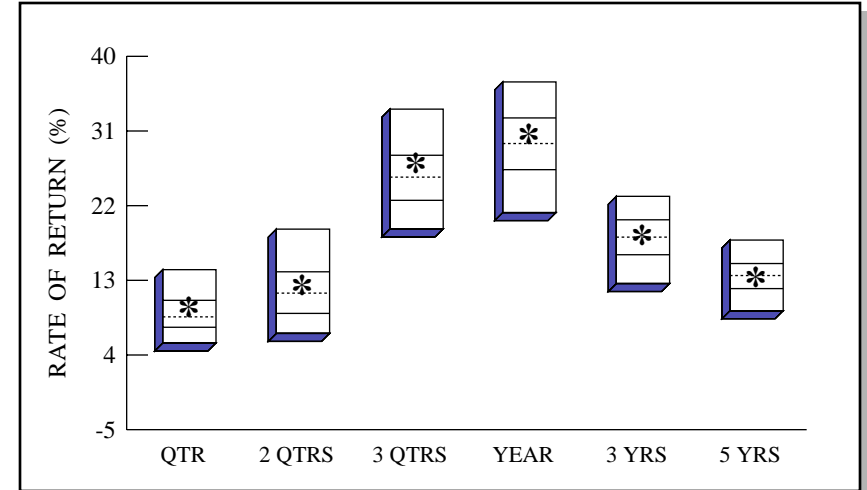
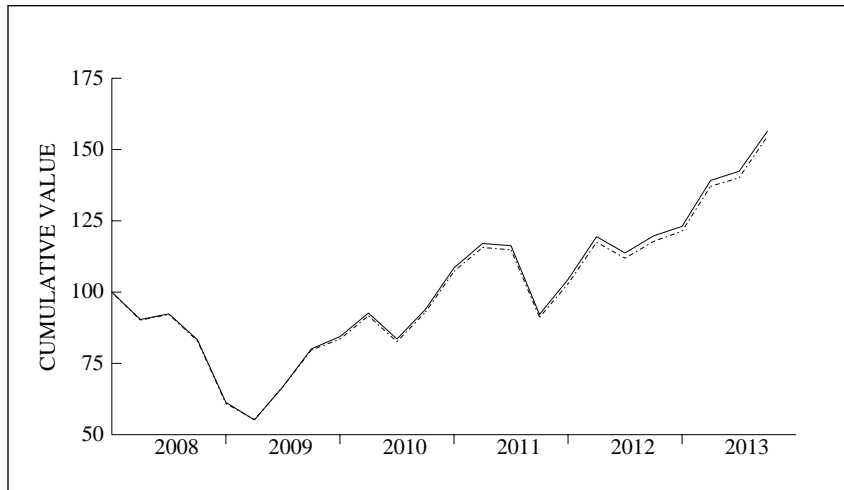


— ACTUAL RETURN  
 - - - 9.0%  
 . . . 0.0%

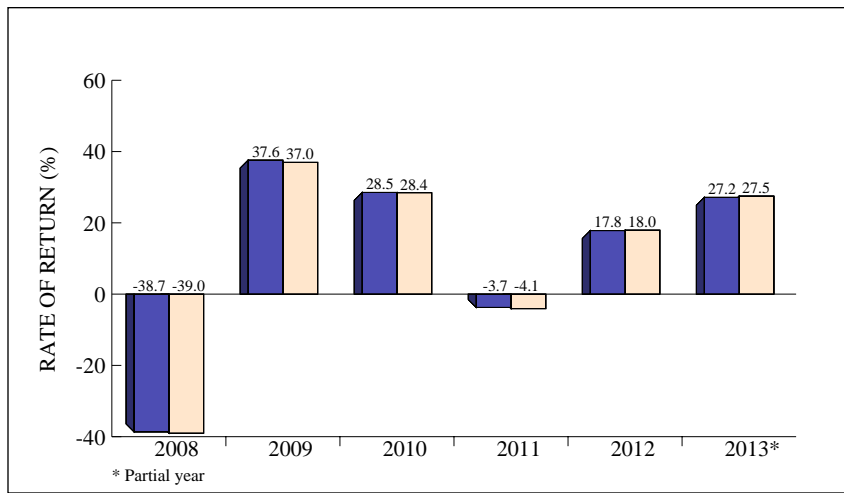
VALUE ASSUMING  
 9.0% RETURN  
 \$ 12,600,393

	LAST QUARTER	PERIOD 12/07 - 9/13
BEGINNING VALUE	\$ 8,922,769	\$ 10,471,350
NET CONTRIBUTIONS	0	- 3,324,310
<u>INVESTMENT RETURN</u>	<u>884,980</u>	<u>2,660,709</u>
ENDING VALUE	\$ 9,807,749	\$ 9,807,749
INCOME	0	0
<u>CAPITAL GAINS (LOSSES)</u>	<u>884,980</u>	<u>2,660,709</u>
INVESTMENT RETURN	884,980	2,660,709

**TOTAL RETURN COMPARISONS**



Smid Cap Universe

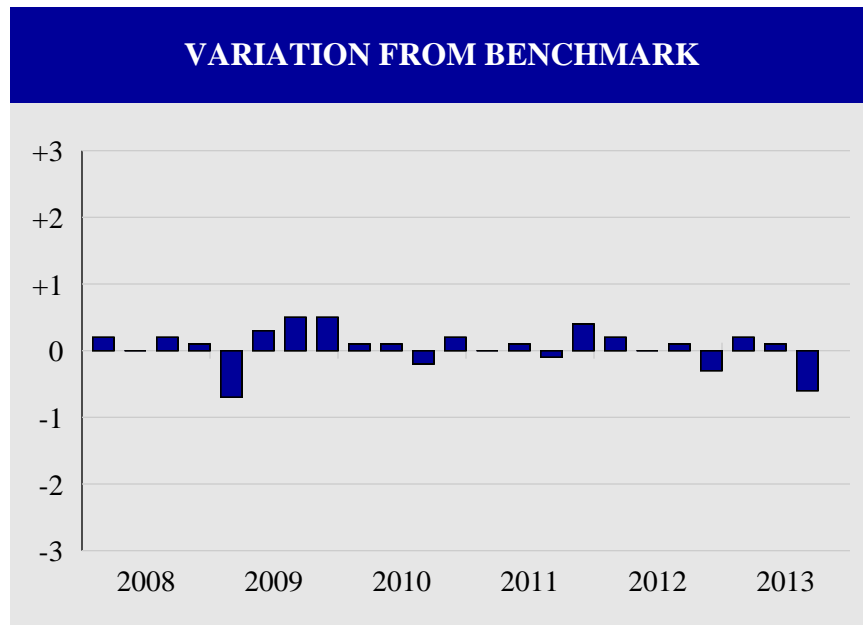


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	9.9	12.5	27.2	30.7	18.5	13.4
(RANK)	(35)	(38)	(34)	(36)	(48)	(53)
5TH %ILE	14.3	19.2	33.7	36.9	23.1	17.9
25TH %ILE	10.6	14.0	28.1	32.6	20.3	15.0
MEDIAN	8.6	11.5	25.4	29.5	18.2	13.6
75TH %ILE	7.3	9.0	22.7	26.3	16.1	12.0
95TH %ILE	5.5	6.6	19.2	21.2	12.6	9.3
<b>Wil 4500</b>	<b>10.5</b>	<b>12.9</b>	<b>27.5</b>	<b>31.4</b>	<b>18.5</b>	<b>13.3</b>

Smid Cap Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: WILSHIRE 4500**



<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>18</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.783</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
3/08	-9.6	-9.8	0.2
6/08	2.2	2.2	0.0
9/08	-9.8	-10.0	0.2
12/08	-26.4	-26.5	0.1
3/09	-10.0	-9.3	-0.7
6/09	21.1	20.8	0.3
9/09	19.9	19.4	0.5
12/09	5.3	4.8	0.5
3/10	9.8	9.7	0.1
6/10	-9.8	-9.9	0.1
9/10	12.4	12.6	-0.2
12/10	15.5	15.3	0.2
3/11	7.9	7.9	0.0
6/11	-0.7	-0.8	0.1
9/11	-20.7	-20.6	-0.1
12/11	13.3	12.9	0.4
3/12	14.4	14.2	0.2
6/12	-4.8	-4.8	0.0
9/12	5.3	5.2	0.1
12/12	2.8	3.1	-0.3
3/13	13.1	12.9	0.2
6/13	2.3	2.2	0.1
9/13	9.9	10.5	-0.6



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**APPENDIX - DISCLOSURES**

- \* The NTGI Extended Equity Hybrid Index is a customized index that is defined as follows:
  - 100% Dow Jones Wilshire 4500 for all periods through June 30, 2009
  - 100% Dow Jones U.S. Completion Total Stock Market Index for all periods since June 30, 2009

MIRAMAR FIREFIGHTERS  
LEE MUNDER CAPITAL GROUP  
PERFORMANCE REVIEW  
SEPTEMBER 2013

## **INVESTMENT RETURN**

On September 30th, 2013, the Miramar Firefighters' Lee Munder Capital Group portfolio was valued at \$12,364,790, representing an increase of \$726,950 from the June quarter's ending value of \$11,637,840. Last quarter, the Fund posted withdrawals totaling \$1,571, which partially offset the portfolio's net investment return of \$728,521. Income receipts totaling \$37,094 plus net realized and unrealized capital gains of \$691,427 combined to produce the portfolio's net investment return.

For the cumulative period since December 2007, the fund has recorded net contributions totaling \$141,215, and recorded net investment gains of \$3.2 million. For the period since December 2007, if the total fund returned a compounded nominal rate of 9.0% it would have been valued at \$15.0 million or \$2.7 million more than the actual value as of September 30th, 2013.

## **RELATIVE PERFORMANCE**

In the third quarter, the Lee Munder Capital Group portfolio gained 6.3%, which was 2.8% below the Russell 2500 Index's return of 9.1% and ranked in the 91st percentile of the Smid Cap universe. Over the trailing year, the portfolio returned 28.1%, which was 1.7% less than the benchmark's 29.8% performance, and ranked in the 64th percentile. Since December 2007, the portfolio returned 5.3% on an annualized basis and ranked in the 87th percentile. For comparison, the Russell 2500 returned an annualized 8.0% over the same period.

## **ASSET ALLOCATION**

On September 30th, 2013, Smid cap equities comprised 97.0% of the total portfolio (\$12.0 million), while cash & equivalents totaled 3.0% (\$366,218).

## **EQUITY ANALYSIS**

At the end of the third quarter, the Lee Munder portfolio was invested across ten of the eleven sectors in our analysis. Relative to the Russell 2500 index, the portfolio was most notably overweight in the Basic and Consumer Service sectors, while it was most notably underweight in the Finance and Service sectors. The remaining sectors closely mirrored the index with the exception of the Transportation sector which was vacant of holdings this quarter.

The Lee Munder portfolio underperformed the Russell 2500 index in eight of the ten utilized sectors. The Basic, Technology, and Service sectors fell short by a significant margin. The Utilities sector further dampened performance with its negative return for the quarter. The Energy sector provided some relief with its strong return, but its effect was minimized by its relatively light allocation. The Finance sector also added value with its heavy allocation and index beating return. The portfolio missed an opportunity by avoiding the Transportation sector as it had a strong return for the index. Although the portfolio had a positive return, it lagged its benchmark by 280 basis points.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 12/2007
<b>Total Gross/Fees</b>	6.3	28.1	28.1	18.2	5.3
<i>SMID CAP RANK</i>	(91)	(64)	(64)	(51)	(87)
<b>Total Net/Fees</b>	6.1	27.2	27.2	17.3	4.5
RUSSELL 2500	9.1	29.8	29.8	18.4	8.0
<b>SMid Cap Equity</b>	6.4	29.0	29.0	18.6	5.4
<i>SMID CAP RANK</i>	(90)	(57)	(57)	(47)	(86)
RUSSELL 2500	9.1	29.8	29.8	18.4	8.0

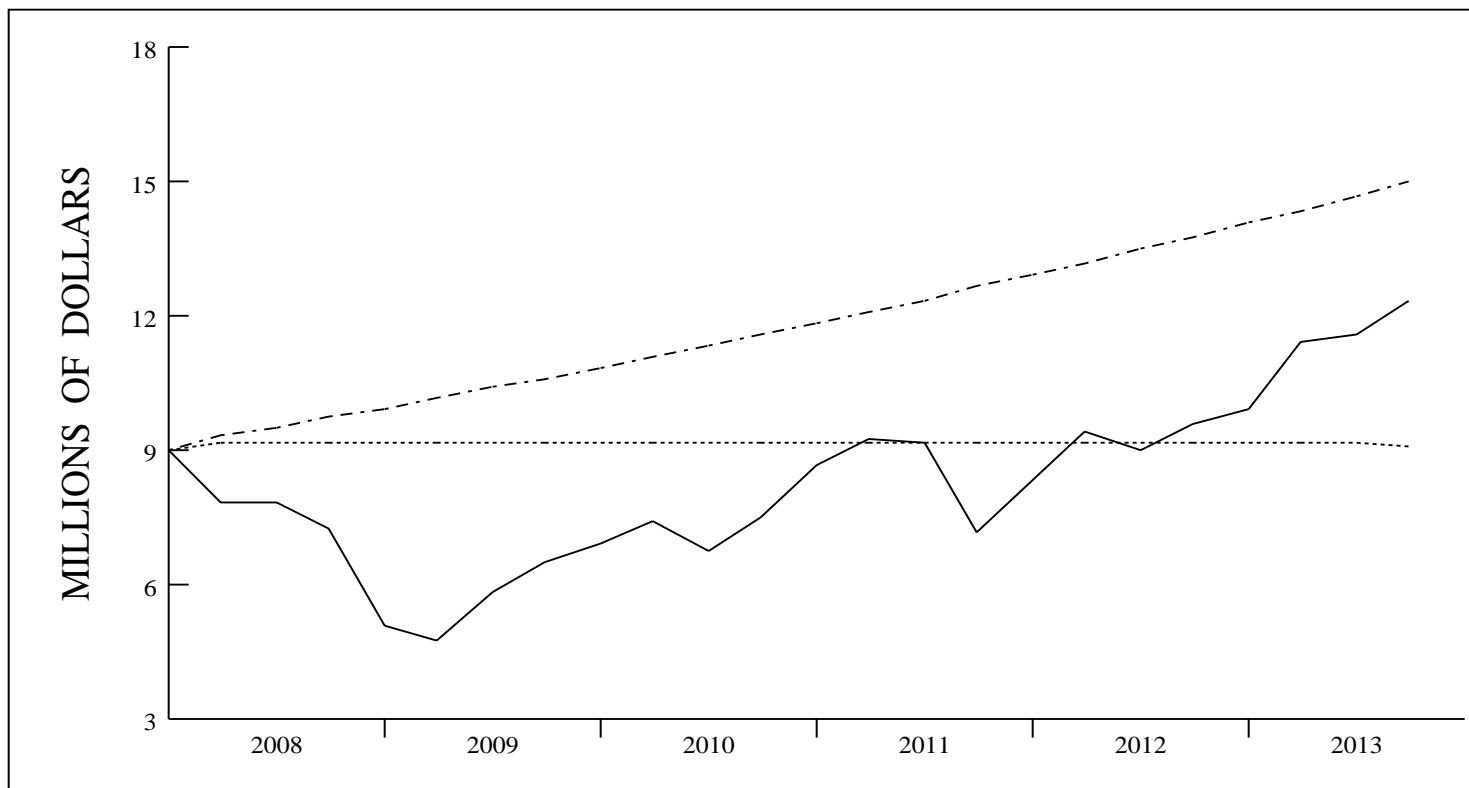
**ASSET ALLOCATION**

SMid Cap Equity	97.0%	\$ 11,998,572
Cash	3.0%	366,218
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 12,364,790</b>

**INVESTMENT RETURN**

Market Value 6/2013	\$ 11,637,840
Contribs / Withdrawals	- 1,571
Income	37,094
Capital Gains / Losses	691,427
Market Value 9/2013	\$ 12,364,790

**INVESTMENT GROWTH**

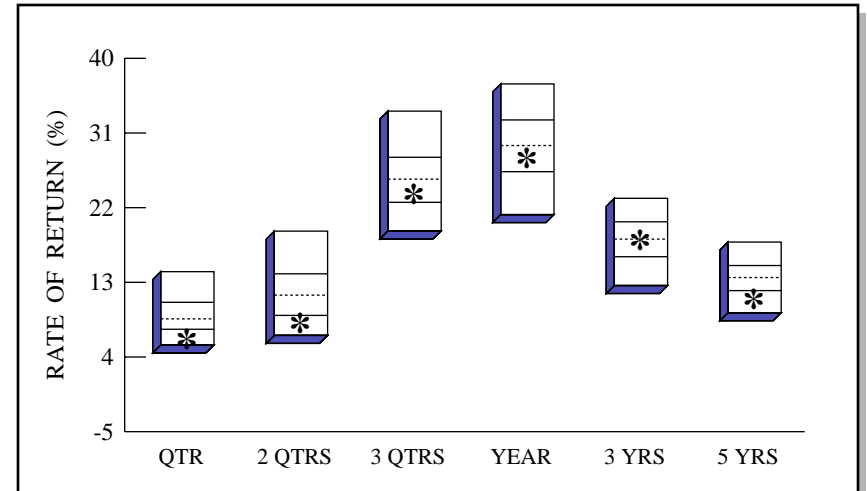
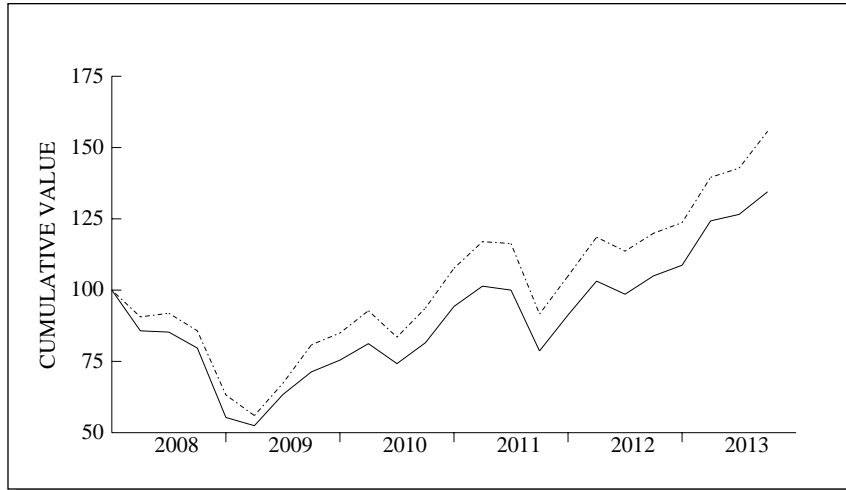


— ACTUAL RETURN  
 - - - 9.0%  
 . . . 0.0%

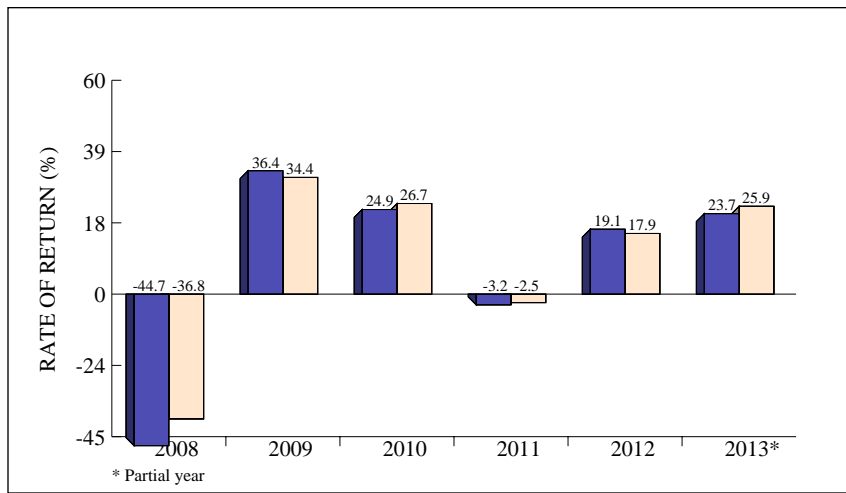
VALUE ASSUMING  
 9.0% RETURN  
 \$ 15,044,233

	LAST QUARTER	PERIOD 12/07 - 9/13
BEGINNING VALUE	\$ 11,637,840	\$ 9,025,150
NET CONTRIBUTIONS	- 1,571	141,215
<u>INVESTMENT RETURN</u>	<u>728,521</u>	<u>3,198,425</u>
ENDING VALUE	\$ 12,364,790	\$ 12,364,790
INCOME	37,094	655,492
<u>CAPITAL GAINS (LOSSES)</u>	<u>691,427</u>	<u>2,542,933</u>
INVESTMENT RETURN	728,521	3,198,425

**TOTAL RETURN COMPARISONS**



Smid Cap Universe

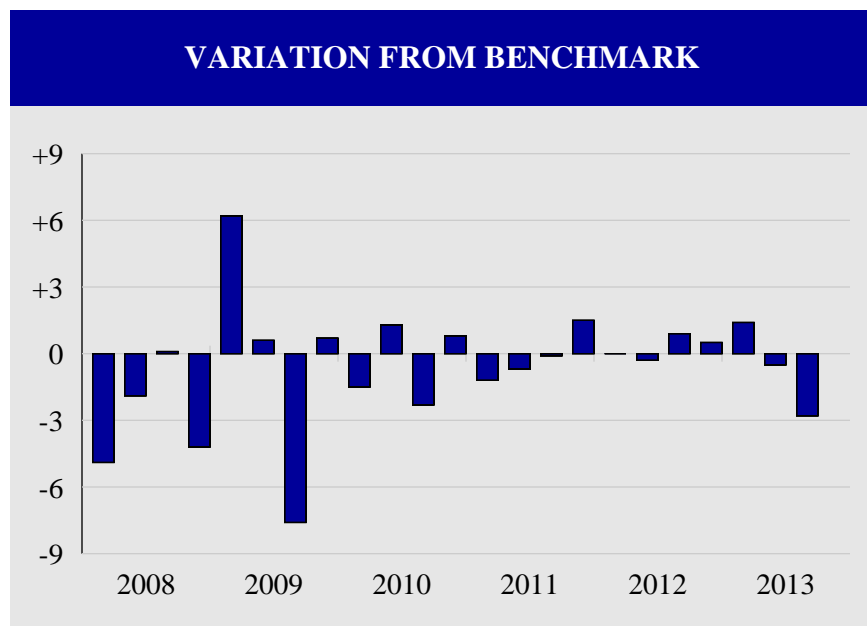


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	6.3	8.2	23.7	28.1	18.2	11.0
(RANK)	(91)	(87)	(68)	(64)	(51)	(83)
5TH %ILE	14.3	19.2	33.7	36.9	23.1	17.9
25TH %ILE	10.6	14.0	28.1	32.6	20.3	15.0
MEDIAN	8.6	11.5	25.4	29.5	18.2	13.6
75TH %ILE	7.3	9.0	22.7	26.3	16.1	12.0
95TH %ILE	5.5	6.6	19.2	21.2	12.6	9.3
<b>Russ 2500</b>	<b>9.1</b>	<b>11.6</b>	<b>25.9</b>	<b>29.8</b>	<b>18.4</b>	<b>12.7</b>

Smid Cap Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

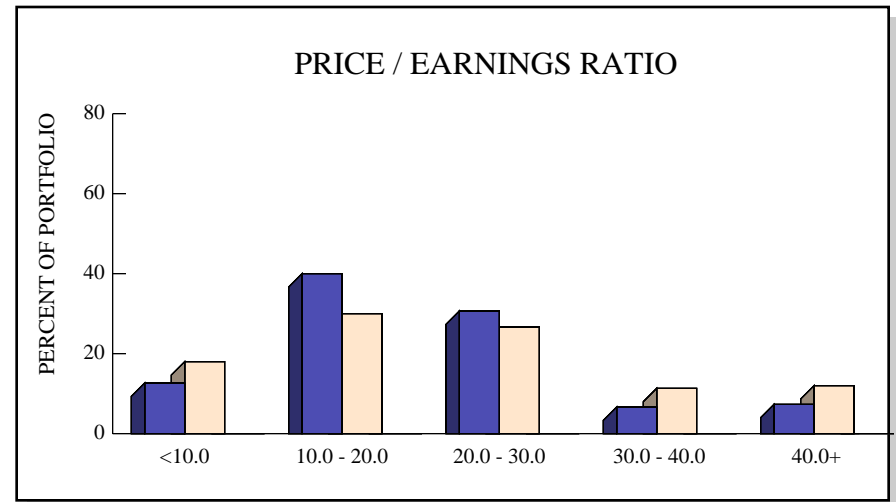
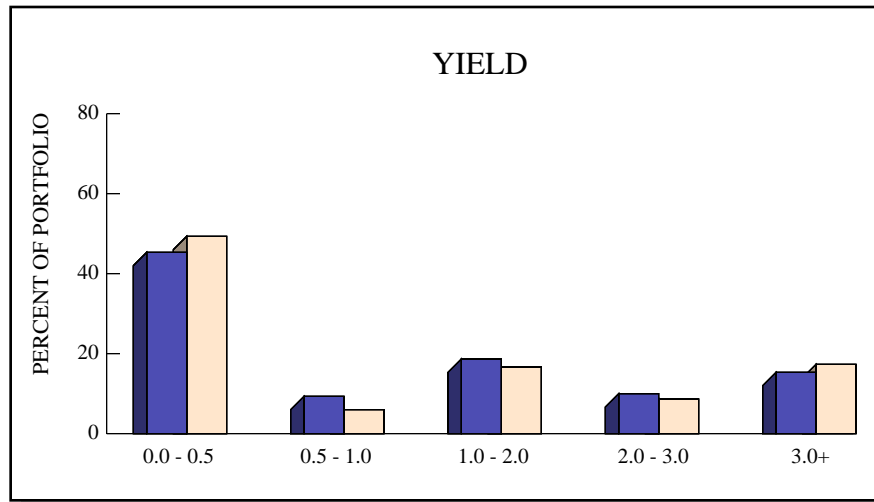
**COMPARATIVE BENCHMARK: RUSSELL 2500**



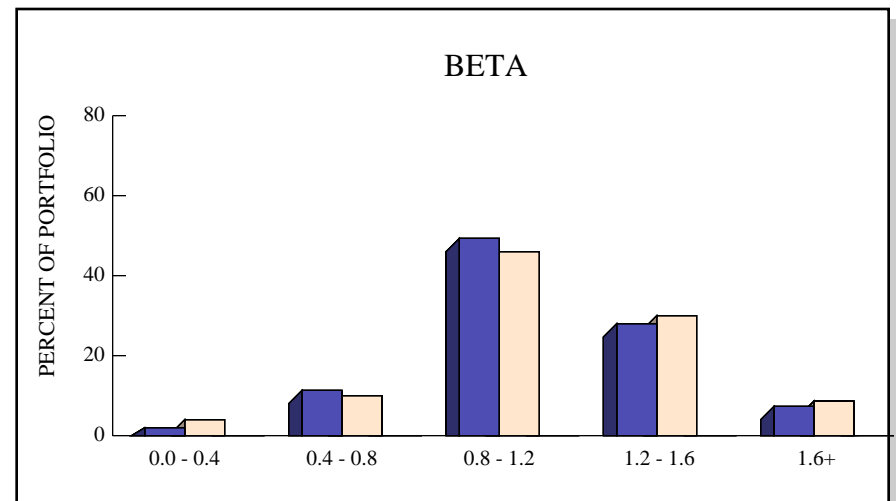
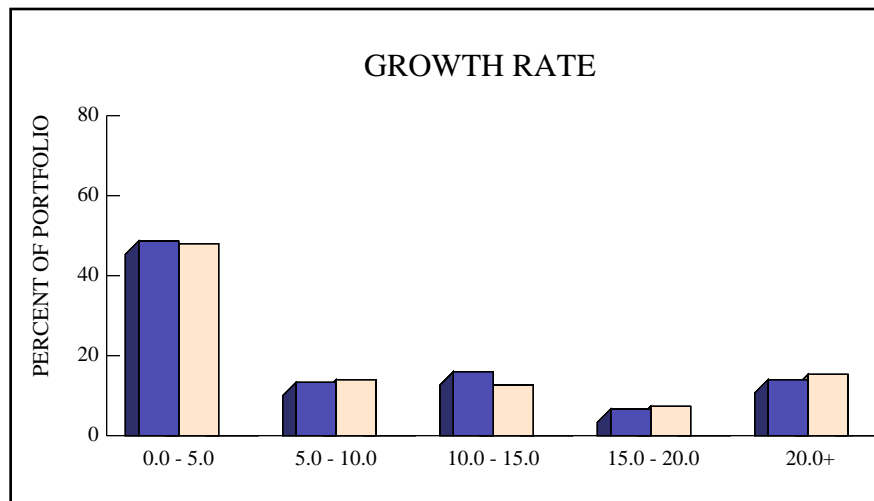
<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>12</b>
<b>Batting Average</b>	<b>.478</b>

<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
3/08	-14.3	-9.4	-4.9
6/08	-0.5	1.4	-1.9
9/08	-6.6	-6.7	0.1
12/08	-30.5	-26.3	-4.2
3/09	-5.2	-11.4	6.2
6/09	20.9	20.3	0.6
9/09	12.5	20.1	-7.6
12/09	5.8	5.1	0.7
3/10	7.7	9.2	-1.5
6/10	-8.7	-10.0	1.3
9/10	9.9	12.2	-2.3
12/10	15.6	14.8	0.8
3/11	7.5	8.7	-1.2
6/11	-1.3	-0.6	-0.7
9/11	-21.3	-21.2	-0.1
12/11	16.0	14.5	1.5
3/12	13.0	13.0	0.0
6/12	-4.4	-4.1	-0.3
9/12	6.5	5.6	0.9
12/12	3.6	3.1	0.5
3/13	14.3	12.9	1.4
6/13	1.8	2.3	-0.5
9/13	6.3	9.1	-2.8

**STOCK CHARACTERISTICS**

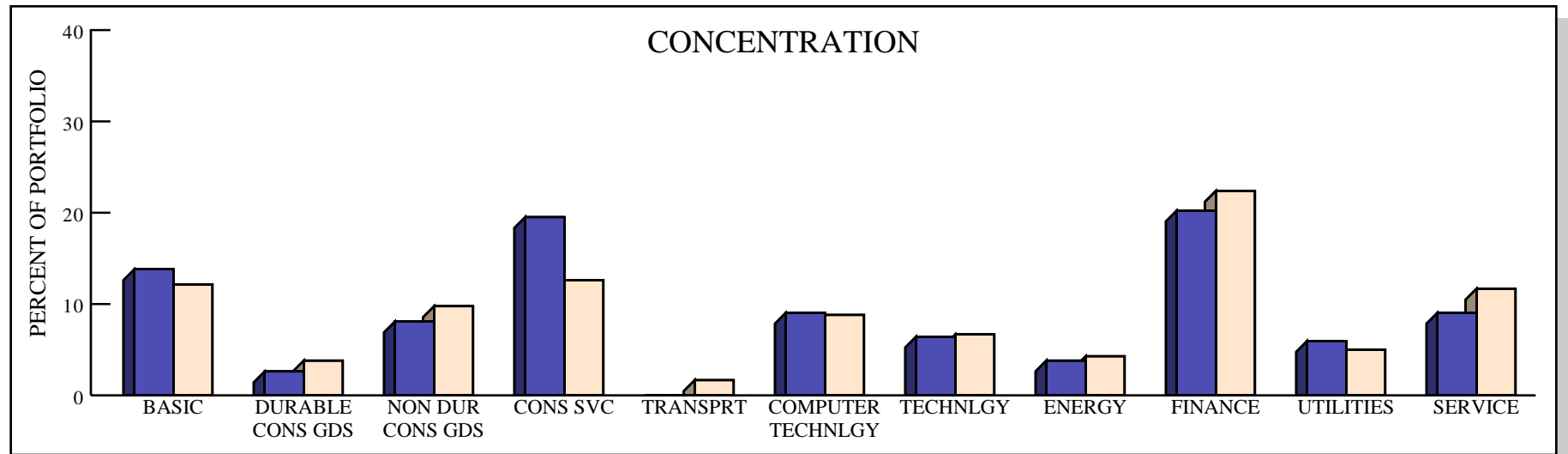


	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.4%	4.8%	20.0	1.13
RUSSELL 2500	1.5%	6.1%	20.8	1.11

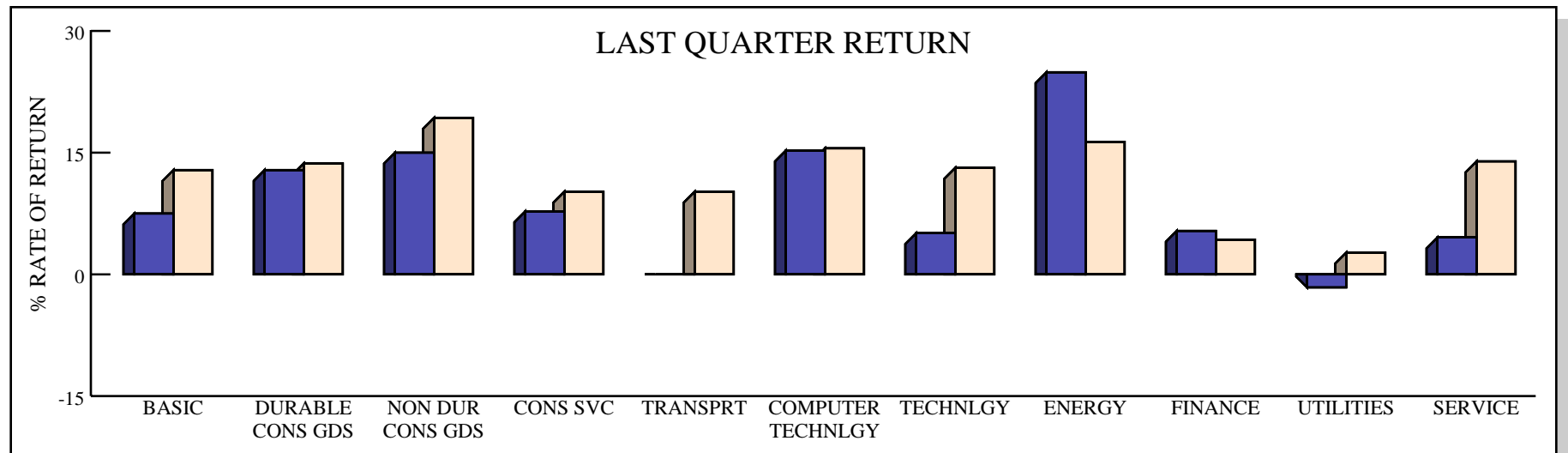




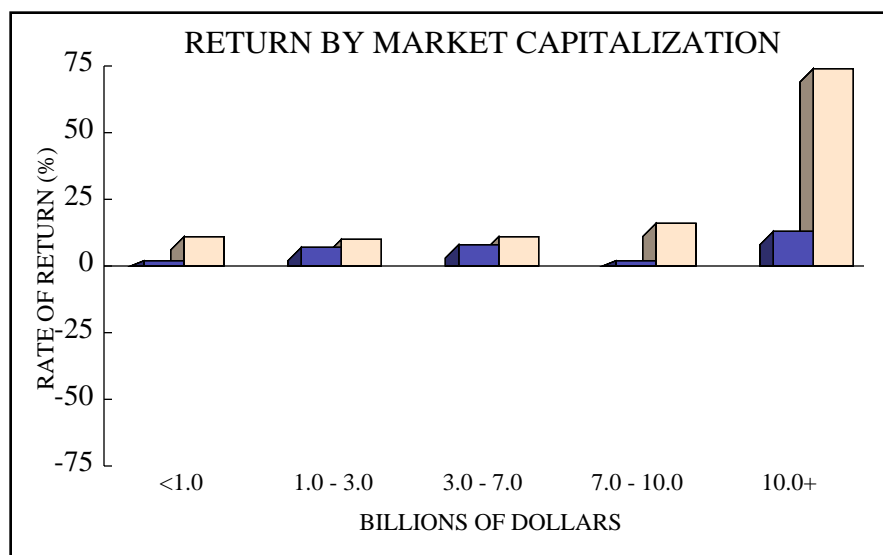
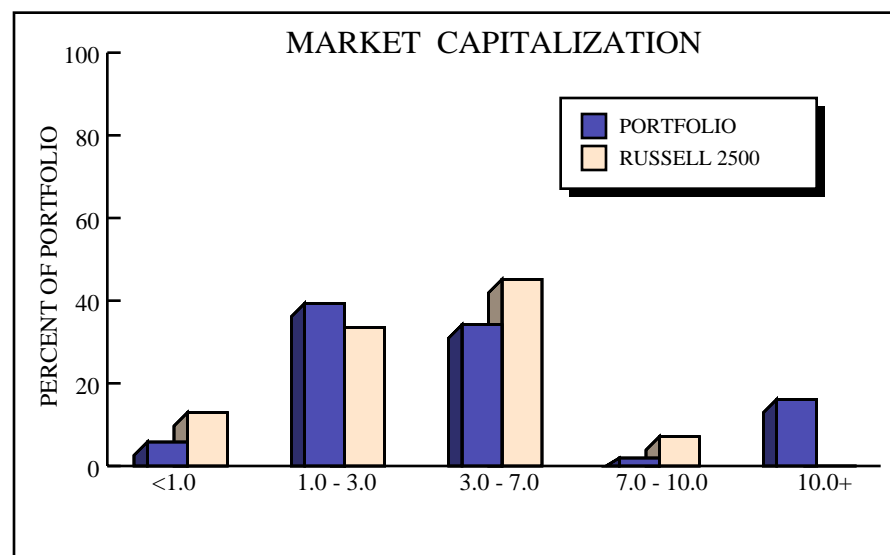
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 2500



## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	TRIUMPH GROUP INC	\$ 209,888	1.75%	-11.2%	Technology	\$ 3.7 B
2	TOWERS WATSON & CO-CL A	197,662	1.65%	30.7%	Consumer Service	7.0 B
3	SCANA CORP	192,539	1.60%	-5.1%	Utilities	6.4 B
4	ZIONS BANCORPORATION	184,454	1.54%	-5.0%	Finance	5.1 B
5	MEDNAX INC	183,531	1.53%	9.6%	Consumer Service	5.1 B
6	KROGER CO	181,651	1.51%	17.2%	Consumer Service	21.0 B
7	GEO GROUP INC/THE	175,660	1.46%	-0.1%	Consumer Service	2.4 B
8	VOLCANO CORP	165,120	1.38%	31.9%	Technology	1.3 B
9	OWENS-ILLINOIS INC	162,498	1.35%	8.0%	Basic	4.9 B
10	HIBBETT SPORTS INC	162,049	1.35%	1.2%	Consumer Service	1.5 B

MIRAMAR FIREFIGHTERS  
NORTHERN TRUST - EAFE INDEX FUND  
PERFORMANCE REVIEW  
SEPTEMBER 2013

## **INVESTMENT RETURN**

On September 30th, 2013, the Miramar Firefighters' Northern Trust portfolio was valued at \$8,217,295, representing an increase of \$855,033 from the June quarter's ending value of \$7,362,262. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$855,033 in net investment returns. Since there were no income receipts for the third quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$855,033.

## **RELATIVE PERFORMANCE**

For the third quarter, the Northern Trust portfolio returned 11.6%, which was equal to the MSCI EAFE Net Index's return of 11.6% and ranked in the 27th percentile of the International Equity universe. Over the trailing year, this portfolio returned 24.2%, which was 0.4% above the benchmark's 23.8% return, ranking in the 34th percentile. Since December 2003, the account returned 6.9% on an annualized basis and ranked in the 85th percentile. For comparison, the MSCI EAFE Net Index returned an annualized 6.5% over the same time frame.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 12/2003
<b>Total Gross/Fees</b>	11.6	24.2	24.2	8.8	6.9
<i>INTERNATIONAL EQUITY RANK</i>	(27)	(34)	(34)	(50)	(85)
<b>Total Net/Fees</b>	11.6	24.0	24.0	8.7	6.7
MSCI EAFE NET	11.6	23.8	23.8	8.5	6.5
<b>Foreign Equity</b>	11.6	24.2	24.2	8.8	6.9
<i>INTERNATIONAL EQUITY RANK</i>	(27)	(34)	(34)	(50)	(85)
MSCI EAFE NET	11.6	23.8	23.8	8.5	6.5

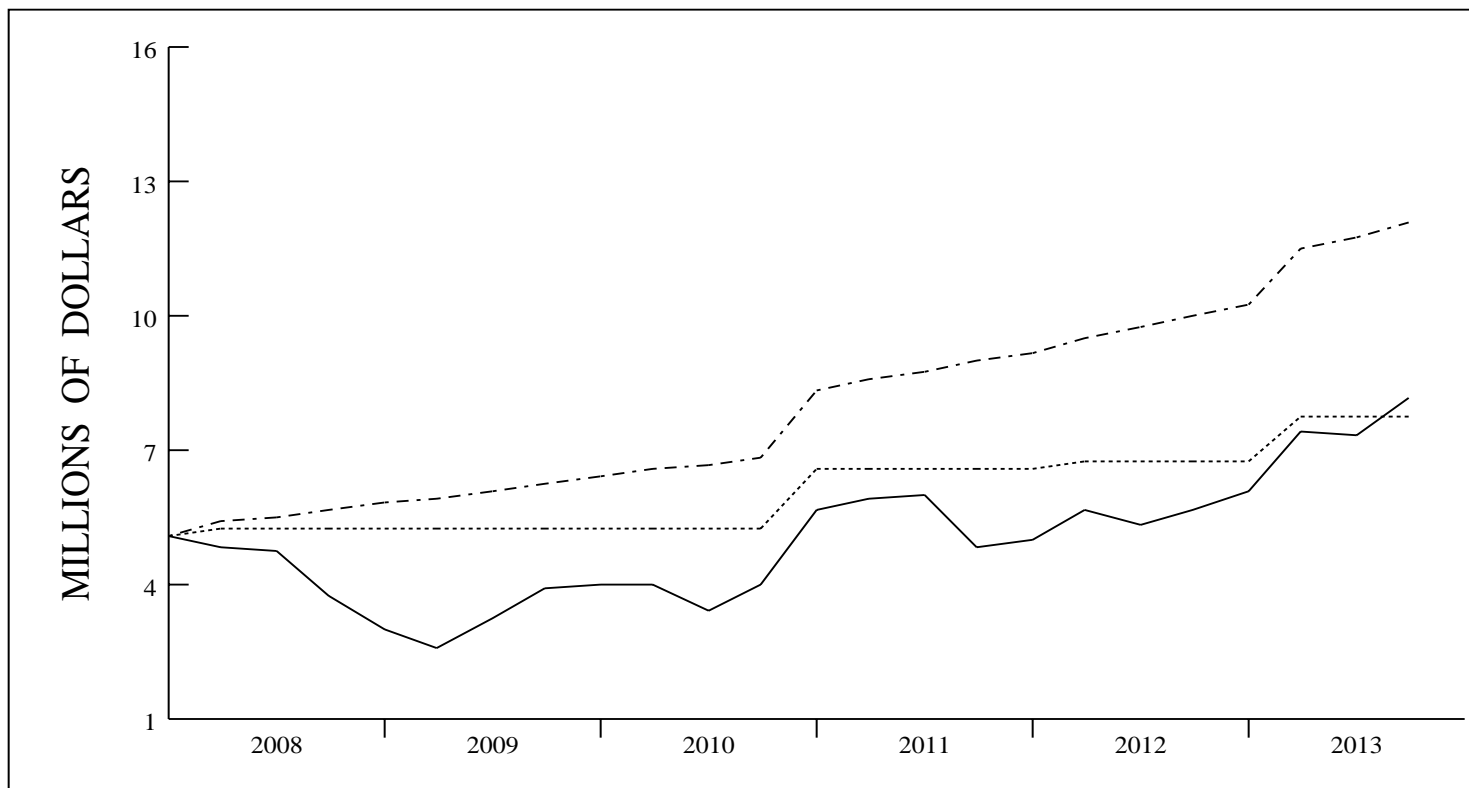
**ASSET ALLOCATION**

Foreign Equity	100.0%	\$ 8,217,295
Total Portfolio	100.0%	\$ 8,217,295

**INVESTMENT RETURN**

Market Value 6/2013	\$ 7,362,262
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	855,033
Market Value 9/2013	\$ 8,217,295

**INVESTMENT GROWTH**

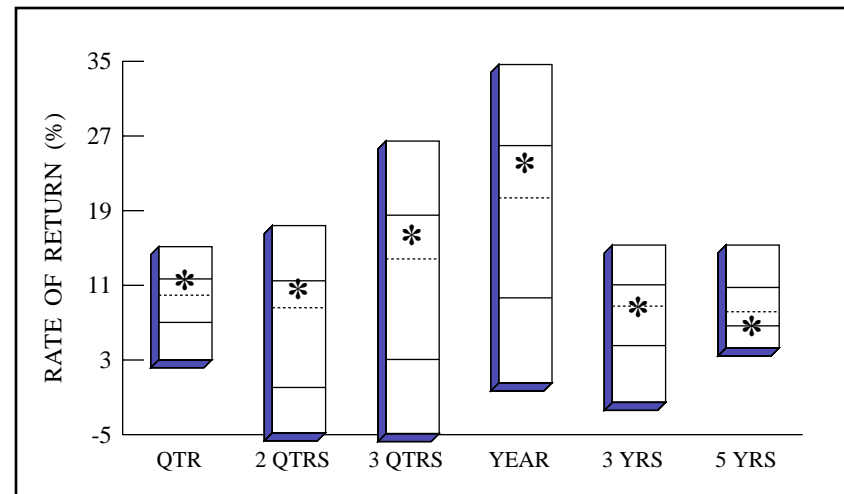
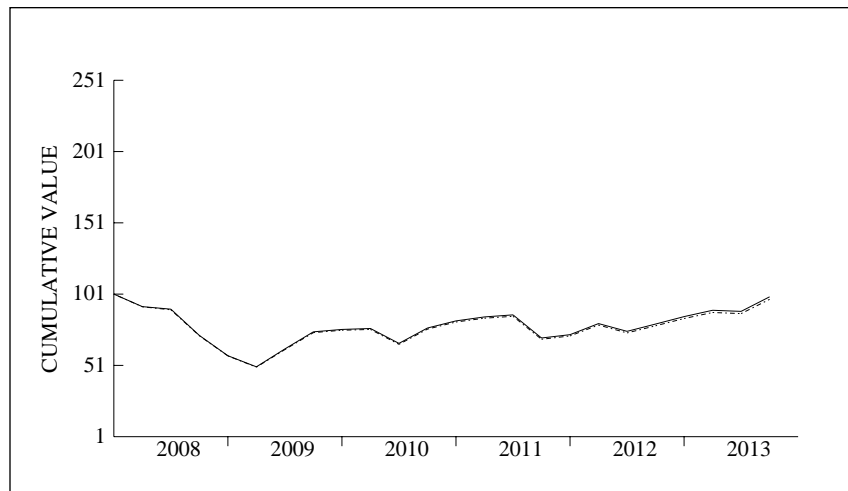


— ACTUAL RETURN  
 - - - 10.0%  
 . . . 0.0%

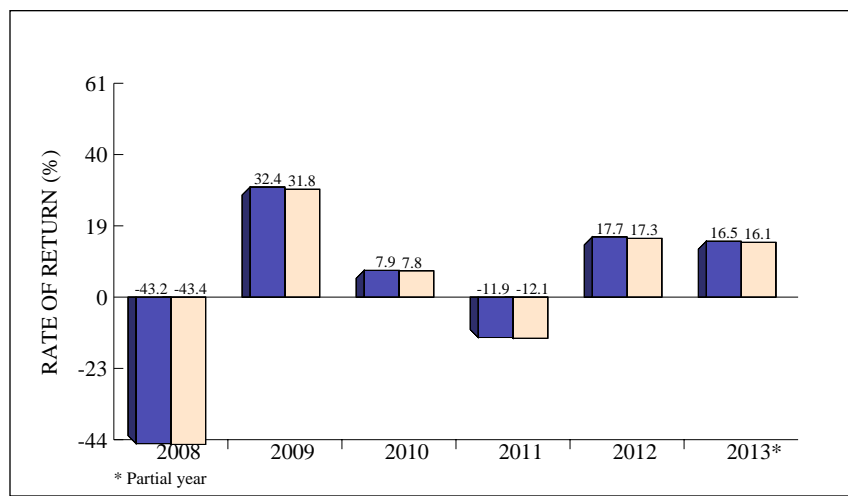
VALUE ASSUMING  
 10.0% RETURN  
 \$ 12,116,521

	LAST QUARTER	PERIOD 12/07 - 9/13
BEGINNING VALUE	\$ 7,362,262	\$ 5,132,670
NET CONTRIBUTIONS	0	2,620,003
INVESTMENT RETURN	855,033	464,622
ENDING VALUE	\$ 8,217,295	\$ 8,217,295
INCOME	0	0
CAPITAL GAINS (LOSSES)	855,033	464,622
INVESTMENT RETURN	855,033	464,622

**TOTAL RETURN COMPARISONS**



International Equity Universe

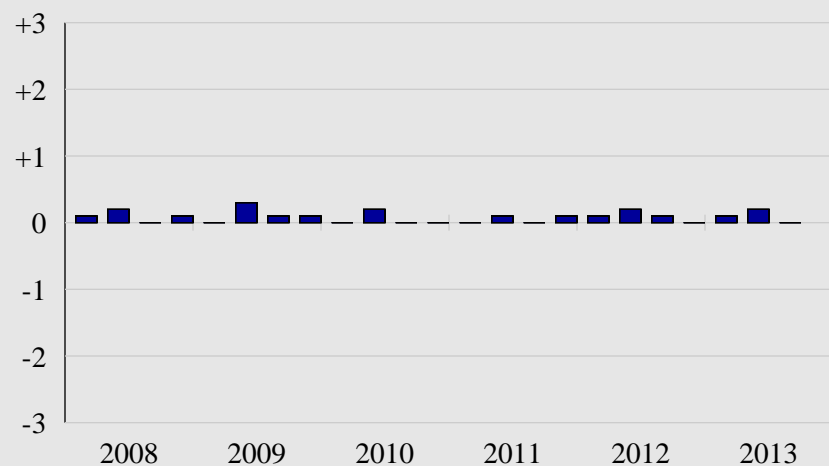


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	11.6	10.7	16.5	24.2	8.8	6.7
(RANK)	(27)	(32)	(35)	(34)	(50)	(74)
5TH %ILE	15.1	17.4	26.5	34.7	15.3	15.3
25TH %ILE	11.7	11.5	18.5	26.0	11.1	10.8
MEDIAN	10.0	8.6	13.8	20.4	8.8	8.2
75TH %ILE	7.0	0.1	3.1	9.7	4.5	6.7
95TH %ILE	3.0	-4.8	-4.9	0.5	-1.6	4.3
<b>EAFE Net</b>	<b>11.6</b>	<b>10.5</b>	<b>16.1</b>	<b>23.8</b>	<b>8.5</b>	<b>6.4</b>

International Equity Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

COMPARATIVE BENCHMARK: MSCI EAFE NET

**VARIATION FROM BENCHMARK**

<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>23</b>
<b>Quarters Below the Benchmark</b>	<b>0</b>
<b>Batting Average</b>	<b>1.000</b>

**RATES OF RETURN**

Date	Portfolio	Benchmark	Difference
3/08	-8.8	-8.9	0.1
6/08	-2.0	-2.2	0.2
9/08	-20.6	-20.6	0.0
12/08	-19.9	-20.0	0.1
3/09	-13.9	-13.9	0.0
6/09	25.7	25.4	0.3
9/09	19.6	19.5	0.1
12/09	2.3	2.2	0.1
3/10	0.9	0.9	0.0
6/10	-13.8	-14.0	0.2
9/10	16.5	16.5	0.0
12/10	6.6	6.6	0.0
3/11	3.4	3.4	0.0
6/11	1.7	1.6	0.1
9/11	-19.0	-19.0	0.0
12/11	3.4	3.3	0.1
3/12	11.0	10.9	0.1
6/12	-6.9	-7.1	0.2
9/12	7.0	6.9	0.1
12/12	6.6	6.6	0.0
3/13	5.2	5.1	0.1
6/13	-0.8	-1.0	0.2
9/13	11.6	11.6	0.0



MIRAMAR FIREFIGHTERS  
EATON VANCE - PARAMETRIC EMERGING MARKETS  
PERFORMANCE REVIEW  
SEPTEMBER 2013

## **INVESTMENT RETURN**

On September 30th, 2013, the Miramar Firefighters' Eaton Vance portfolio was valued at \$2,854,059, representing an increase of \$148,812 from the June quarter's ending value of \$2,705,247. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$148,812 in net investment returns. Since there were no income receipts for the third quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$148,812.

Over the cumulative period since June 2011, the portfolio has had no contributions or withdrawals, but sustained a net investment loss totaling \$151,272. Since June 2011, if the total account earned a compounded nominal rate of 10.0% it would have been worth \$3.7 million or \$870,080 more than the actual value as of September 30th, 2013.

## **RELATIVE PERFORMANCE**

During the third quarter, the Eaton Vance portfolio gained 5.8%, which was equal to the MSCI Emerging Markets Net's return of 5.8% and ranked in the 58th percentile of the Emerging Markets universe. Over the trailing year, the portfolio returned 5.2%, which was 4.2% above the benchmark's 1.0% performance, ranking in the 42nd percentile. Since June 2011, the account returned -1.2% on an annualized basis and ranked in the 38th percentile. For comparison, the MSCI Emerging Markets Net returned an annualized -3.9% over the same period.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 6/2011
<b>Total Gross/Fees</b>	5.8	5.2	5.2	----	-1.2
<i>EMERGING MARKETS RANK</i>	(58)	(42)	(42)	----	(38)
<b>Total Net/Fees</b>	5.5	4.1	4.1	----	-2.3
MSCI EM NET	5.8	1.0	1.0	-0.3	-3.9
<b>Foreign Equity</b>	5.8	5.2	5.2	----	-1.2
<i>EMERGING MARKETS RANK</i>	(58)	(42)	(42)	----	(38)
MSCI EM NET	5.8	1.0	1.0	-0.3	-3.9

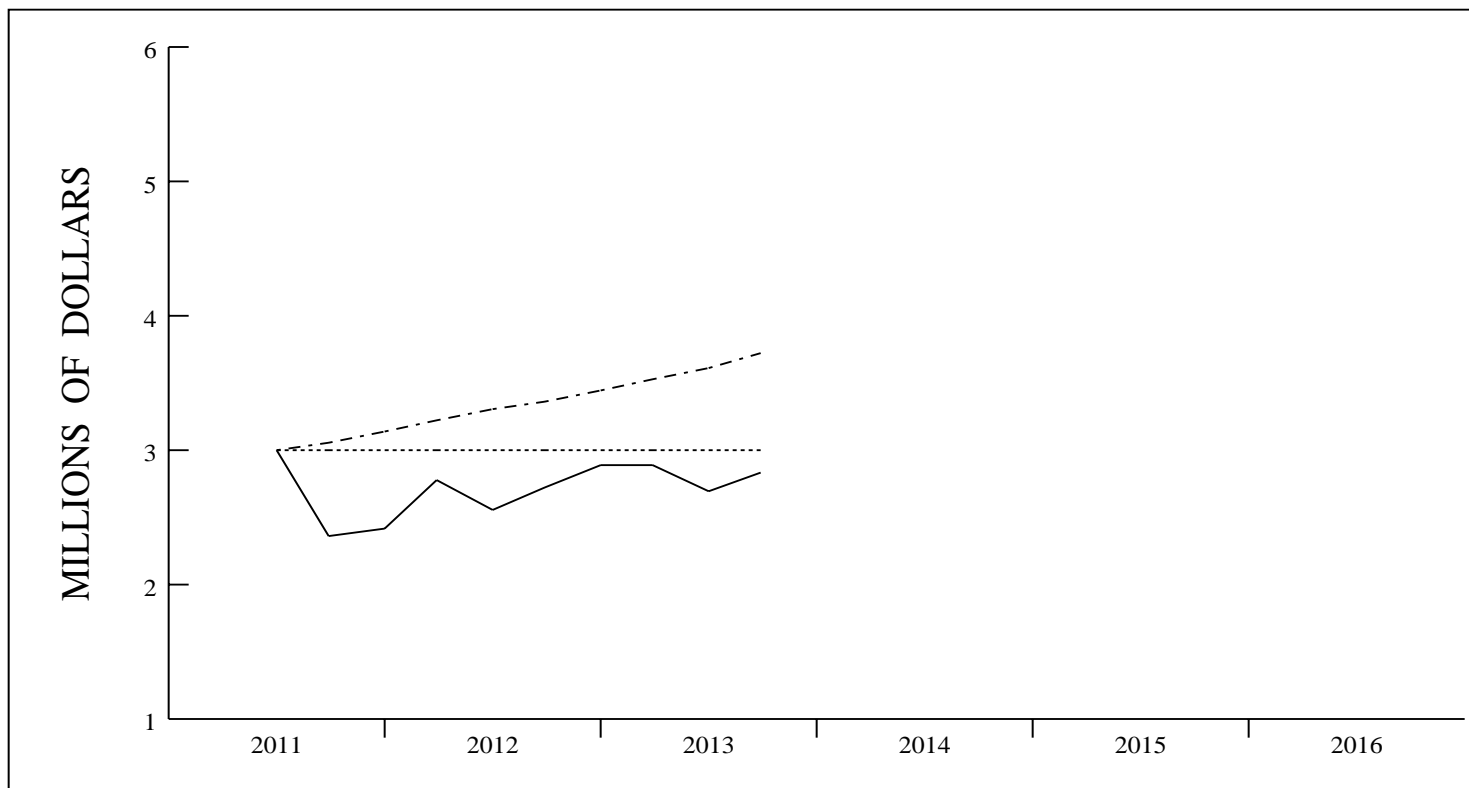
**ASSET ALLOCATION**

Foreign Equity	100.0%	\$ 2,854,059
Total Portfolio	100.0%	\$ 2,854,059

**INVESTMENT RETURN**

Market Value 6/2013	\$ 2,705,247
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	148,812
Market Value 9/2013	\$ 2,854,059

**INVESTMENT GROWTH**

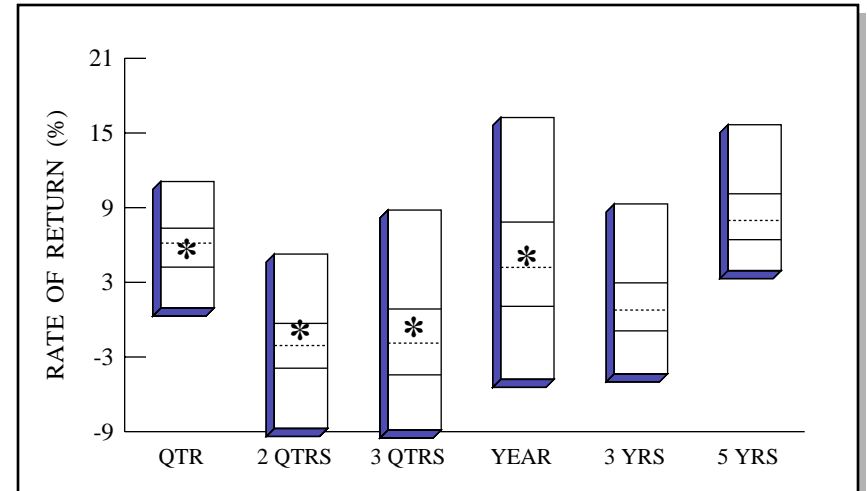
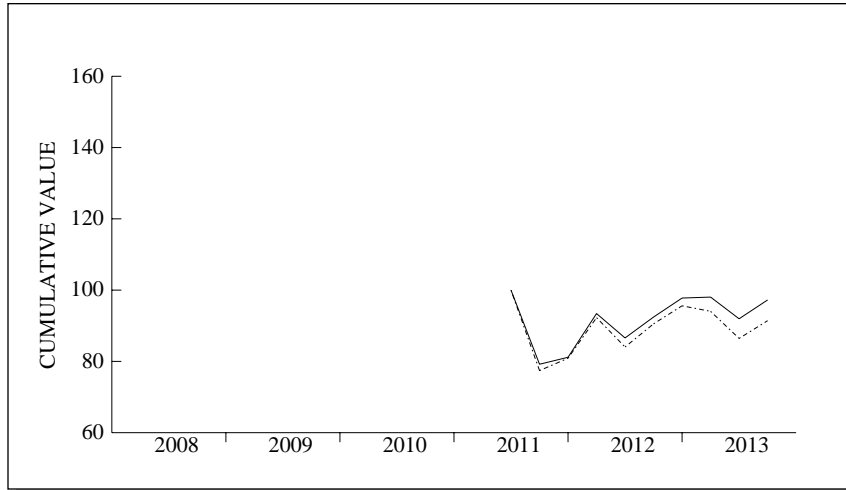


— ACTUAL RETURN  
 - - - 10.0%  
 ..... 0.0%

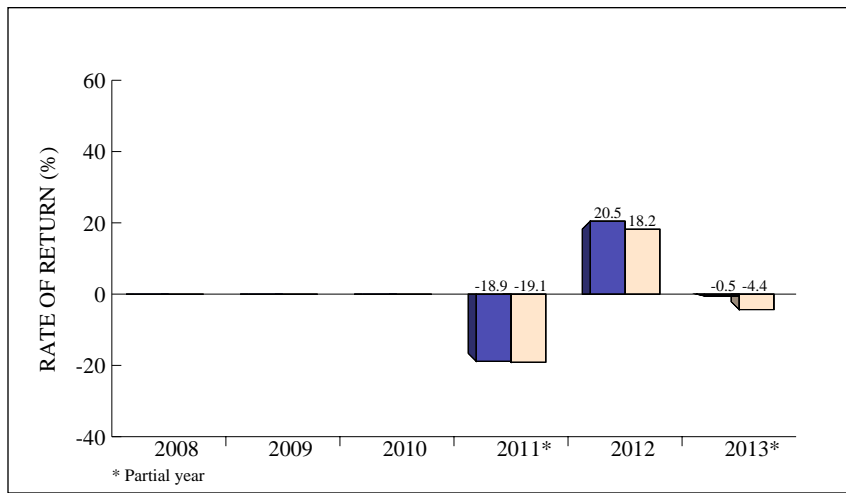
VALUE ASSUMING  
 10.0% RETURN  
 \$ 3,724,139

	LAST QUARTER	PERIOD 6/11 - 9/13
BEGINNING VALUE	\$ 2,705,247	\$ 3,005,331
NET CONTRIBUTIONS	0	0
INVESTMENT RETURN	148,812	-151,272
ENDING VALUE	\$ 2,854,059	\$ 2,854,059
INCOME	0	0
CAPITAL GAINS (LOSSES)	148,812	-151,272
INVESTMENT RETURN	148,812	-151,272

**TOTAL RETURN COMPARISONS**



Emerging Markets Universe

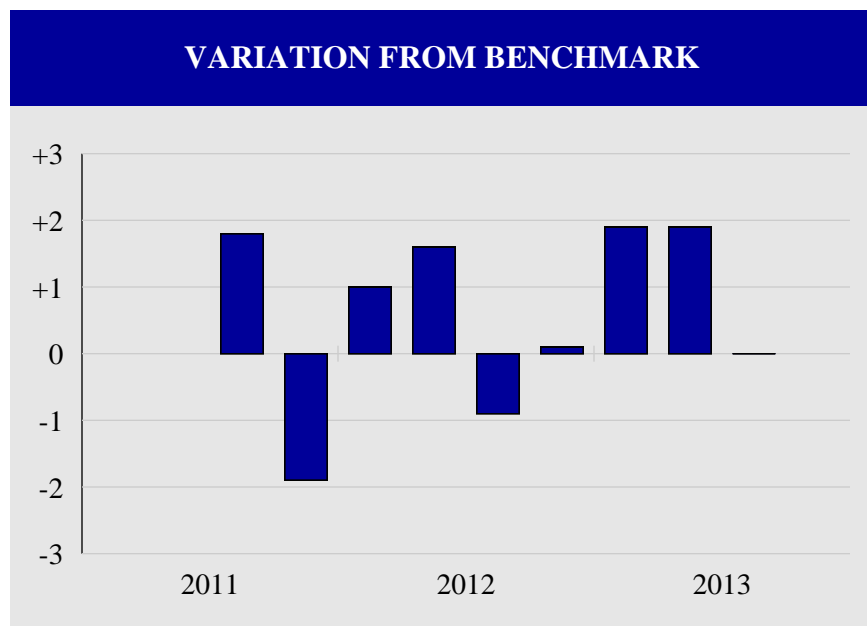


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	5.8	-0.8	-0.5	5.2	---	---
(RANK)	(58)	(29)	(35)	(42)	---	---
5TH %ILE	11.1	5.3	8.8	16.3	9.3	15.7
25TH %ILE	7.4	-0.3	0.9	7.8	3.0	10.1
MEDIAN	6.1	-2.1	-1.9	4.2	0.8	8.0
75TH %ILE	4.2	-3.9	-4.4	1.1	-0.9	6.4
95TH %ILE	0.9	-8.7	-8.9	-4.8	-4.3	3.9
<b>EM NET</b>	<b>5.8</b>	<b>-2.8</b>	<b>-4.4</b>	<b>1.0</b>	<b>-0.3</b>	<b>7.2</b>

Emerging Markets Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: MSCI EMERGING MARKETS NET**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/11	-20.8	-22.6	1.8
12/11	2.5	4.4	-1.9
3/12	15.1	14.1	1.0
6/12	-7.3	-8.9	1.6
9/12	6.8	7.7	-0.9
12/12	5.7	5.6	0.1
3/13	0.3	-1.6	1.9
6/13	-6.2	-8.1	1.9
9/13	5.8	5.8	0.0

<b>Total Quarters Observed</b>	<b>9</b>
<b>Quarters At or Above the Benchmark</b>	<b>7</b>
<b>Quarters Below the Benchmark</b>	<b>2</b>
<b>Batting Average</b>	<b>.778</b>

MIRAMAR FIREFIGHTERS  
PRINCIPAL FINANCIAL GROUP - REAL ESTATE  
PERFORMANCE REVIEW  
SEPTEMBER 2013

## **INVESTMENT RETURN**

On September 30th, 2013, the Miramar Firefighters' Principal Financial Group portfolio was valued at \$4,717,394, representing an increase of \$120,763 from the June quarter's ending value of \$4,596,631. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$120,763 in net investment returns. Since there were no income receipts for the third quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$120,763.

## **RELATIVE PERFORMANCE**

For the third quarter, the Principal Financial Group account gained 2.9%, which was 0.7% below the NCREIF NFI-ODCE Index's return of 3.6%. Over the trailing year, the account returned 13.3%, which was 0.3% greater than the benchmark's 13.0% performance. Since March 2006, the Principal Financial Group portfolio returned 3.7% annualized, while the NCREIF NFI-ODCE Index returned an annualized 4.2% over the same time frame.



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 3/2006
<b>Total Gross/Fees</b>	2.9	13.3	13.3	15.2	3.7
<b>Total Net/Fees</b>	2.6	12.1	12.1	14.0	2.6
NCREIF ODCE	3.6	13.0	13.0	14.3	4.2
<b>Real Assets</b>	2.9	13.3	13.3	15.2	3.7
NCREIF ODCE	3.6	13.0	13.0	14.3	4.2

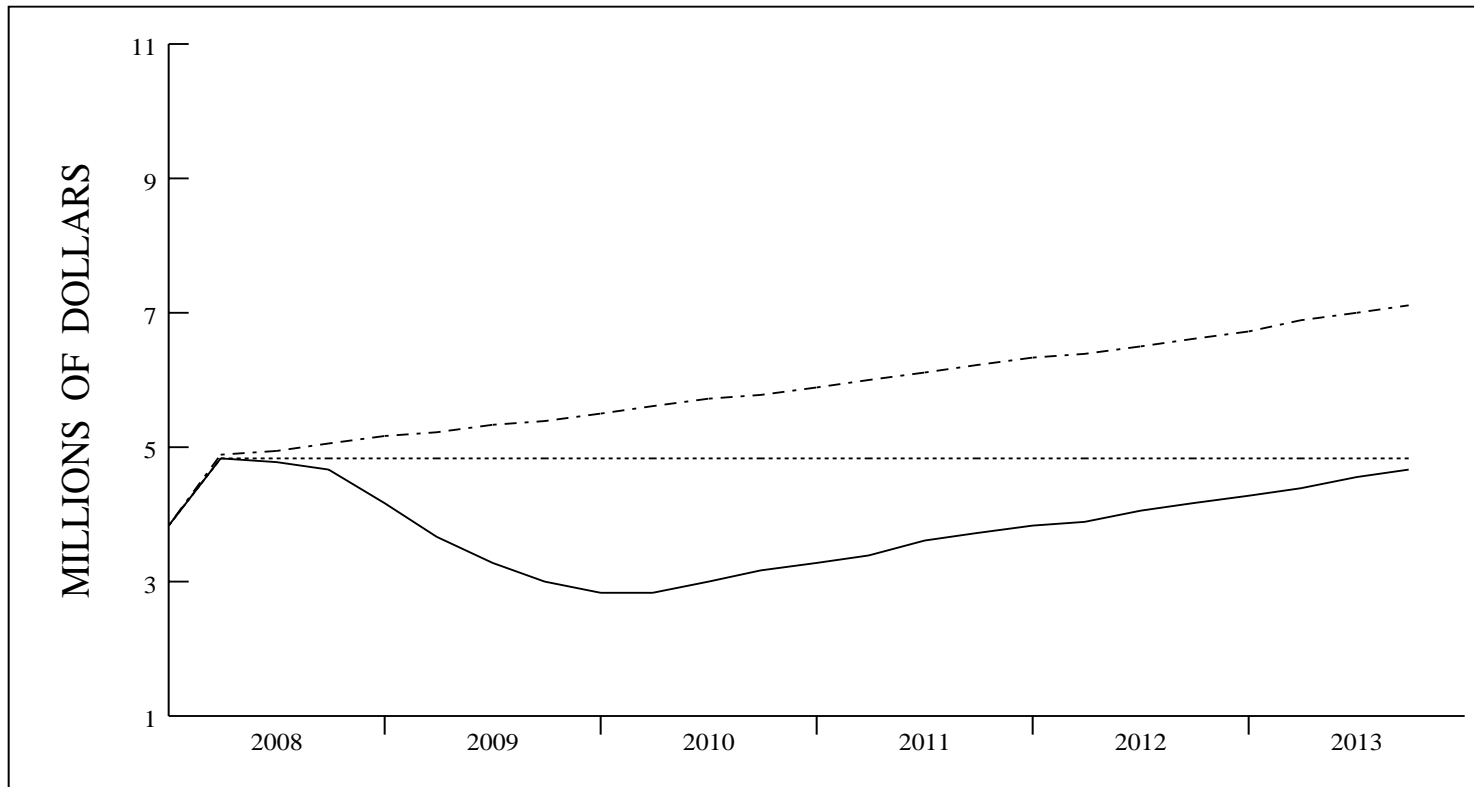
**ASSET ALLOCATION**

Real Assets	100.0%	\$ 4,717,394
Total Portfolio	100.0%	\$ 4,717,394

**INVESTMENT RETURN**

Market Value 6/2013	\$ 4,596,631
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	120,763
Market Value 9/2013	\$ 4,717,394

**INVESTMENT GROWTH**



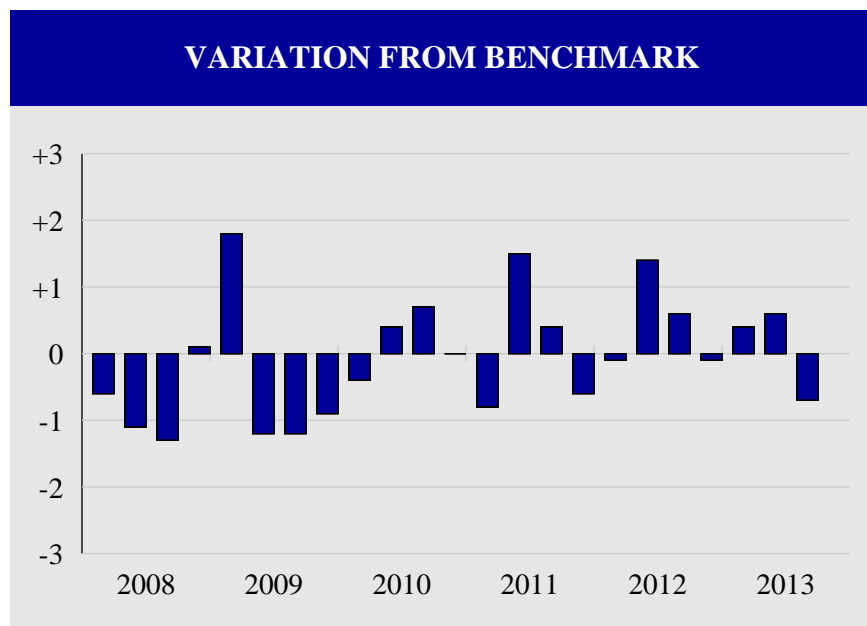
— ACTUAL RETURN  
 - - - 7.0%  
 . . . 0.0%

VALUE ASSUMING  
 7.0% RETURN  
 \$ 7,129,775

	LAST QUARTER	PERIOD 12/07 - 9/13
BEGINNING VALUE	\$ 4,596,631	\$ 3,834,740
NET CONTRIBUTIONS	0	1,000,000
INVESTMENT RETURN	120,763	-117,346
ENDING VALUE	\$ 4,717,394	\$ 4,717,394
INCOME	0	0
CAPITAL GAINS (LOSSES)	120,763	-117,346
INVESTMENT RETURN	120,763	-117,346

## TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX



<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>11</b>
<b>Quarters Below the Benchmark</b>	<b>12</b>
<b>Batting Average</b>	<b>.478</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/08	0.8	1.4	-0.6
6/08	-0.8	0.3	-1.1
9/08	-1.9	-0.6	-1.3
12/08	-10.8	-10.9	0.1
3/09	-11.9	-13.7	1.8
6/09	-10.2	-9.0	-1.2
9/09	-8.5	-7.3	-1.2
12/09	-4.4	-3.5	-0.9
3/10	0.4	0.8	-0.4
6/10	4.8	4.4	0.4
9/10	6.1	5.4	0.7
12/10	5.0	5.0	0.0
3/11	3.2	4.0	-0.8
6/11	6.1	4.6	1.5
9/11	3.9	3.5	0.4
12/11	2.4	3.0	-0.6
3/12	2.7	2.8	-0.1
6/12	3.9	2.5	1.4
9/12	3.4	2.8	0.6
12/12	2.2	2.3	-0.1
3/13	3.1	2.7	0.4
6/13	4.5	3.9	0.6
9/13	2.9	3.6	-0.7

MIRAMAR FIREFIGHTERS  
HANCOCK TIMBER RESOURCE GROUP - TIMBERLAND XI  
PERFORMANCE REVIEW  
SEPTEMBER 2013

## **INVESTMENT RETURN**

On September 30th, 2013, the Miramar Firefighters' Hancock Timber Resource Group portfolio was valued at \$841,388, a decrease of \$2,755 from the June ending value of \$844,143. Last quarter, the account recorded total net withdrawals of \$1,914 in addition to \$841 in net investment losses. Because there were no income receipts during the third quarter, the portfolio's net investment losses were entirely made up of capital losses (realized and unrealized).

For the cumulative period since June 2012, the portfolio has posted net contributions totaling \$477,144, and recorded net investment gains totaling \$48,526. For the period since June 2012, if the fund had returned a compounded nominal rate of 7.0% it would have been valued at \$862,134 or \$20,746 more than the actual value as of September 30th, 2013.

## **RELATIVE PERFORMANCE**

For the third quarter, the Hancock Timber Resource Group account lost 0.1%, which was 1.1% below the NCREIF Timber Index's return of 1.0%. Over the trailing year, the account returned 6.3%, which was 3.4% less than the benchmark's 9.7% performance. Since June 2012, the Hancock Timber Resource Group portfolio returned 4.7% annualized, while the NCREIF Timber Index returned an annualized 8.3% over the same time frame.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 6/2012
<b>Total Gross/Fees</b>	-0.1	6.3	6.3	----	4.7
<b>Total Net/Fees</b>	-0.3	5.4	5.4	----	3.7
NCREIF TIMBER	1.0	9.7	9.7	4.0	8.3
<b>Real Assets</b>	-0.1	6.3	6.3	----	4.7
NCREIF TIMBER	1.0	9.7	9.7	4.0	8.3

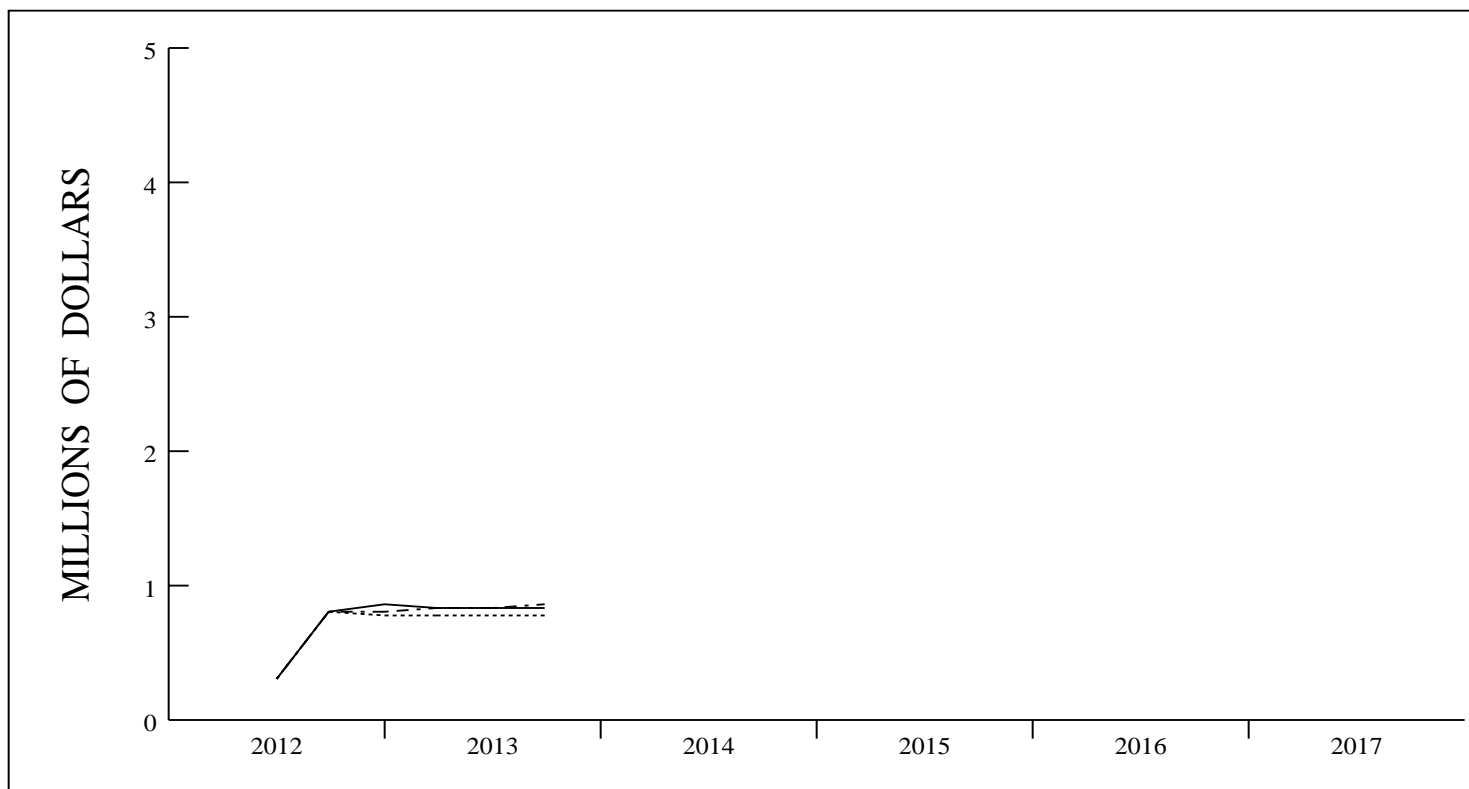
**ASSET ALLOCATION**

Real Assets	100.0%	\$ 841,388
Total Portfolio	100.0%	\$ 841,388

**INVESTMENT RETURN**

Market Value 6/2013	\$ 844,143
Contribs / Withdrawals	- 1,914
Income	0
Capital Gains / Losses	-841
Market Value 9/2013	\$ 841,388

**INVESTMENT GROWTH**



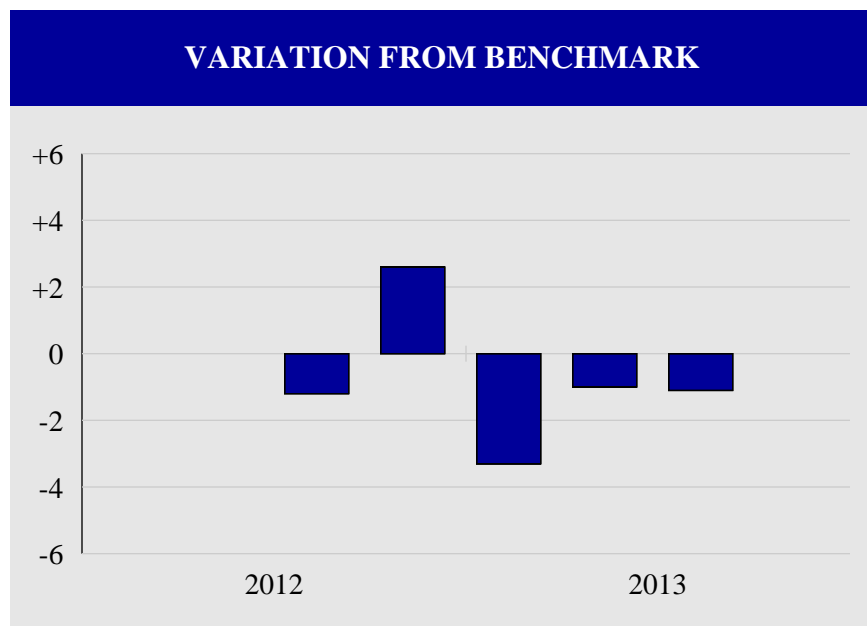
— ACTUAL RETURN  
 - - - 7.0%  
 . . . 0.0%

VALUE ASSUMING  
 7.0% RETURN  
 \$ 862,134

	LAST QUARTER	PERIOD 6/12 - 9/13
BEGINNING VALUE	\$ 844,143	\$ 315,718
NET CONTRIBUTIONS	- 1,914	477,144
<u>INVESTMENT RETURN</u>	<u>-841</u>	<u>48,526</u>
ENDING VALUE	\$ 841,388	\$ 841,388
INCOME	0	0
<u>CAPITAL GAINS (LOSSES)</u>	<u>-841</u>	<u>48,526</u>
INVESTMENT RETURN	-841	48,526

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: NCREIF TIMBER INDEX**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/12	-0.4	0.8	-1.2
12/12	8.5	5.9	2.6
3/13	-1.8	1.5	-3.3
6/13	-0.1	0.9	-1.0
9/13	-0.1	1.0	-1.1

<b>Total Quarters Observed</b>	<b>5</b>
<b>Quarters At or Above the Benchmark</b>	<b>1</b>
<b>Quarters Below the Benchmark</b>	<b>4</b>
<b>Batting Average</b>	<b>.200</b>



MIRAMAR FIREFIGHTERS  
MOLPUS WOODLANDS GROUP - FUND III  
PERFORMANCE REVIEW  
SEPTEMBER 2013

## INVESTMENT RETURN

On September 30th, 2013, the Miramar Firefighters' Molpus Woodlands Group portfolio was valued at \$1,605,099, a decrease of \$69,874 from the June ending value of \$1,674,973. Last quarter, the account recorded a net withdrawal of \$122,864, which overshadowed the fund's net investment return of \$52,990. Barring income receipts during the third quarter, the portfolio's net investment return figure was the product of \$52,990 in realized and unrealized capital gains.

For the cumulative period since June 2011, the fund has recorded net contributions totaling \$1.4 million, and recorded net investment gains of \$183,350. For the period since June 2011, if the total fund returned a compounded nominal rate of 7.0% it would have been valued at \$1.6 million or \$4,853 more than the actual value as of September 30th, 2013.

## RELATIVE PERFORMANCE

### **Total Fund**

*The finalized third quarter data for the Molpus Woodlands Fund III was not available at the time of this report. The quarter-end market value and return shown are preliminary, although variation is unlikely.*

In the third quarter, the Molpus Woodlands Group portfolio gained 3.6%, which was 2.6% greater than the NCREIF Timber Index's return of 1.0%. Over the trailing twelve-month period, the portfolio returned 12.5%, which was 2.8% above the benchmark's 9.7% return. Since June 2011, the account returned 5.5% on an annualized basis, while the NCREIF Timber Index returned an annualized 5.1% over the same time frame.

## FUNDING SUMMARY

The Pension Plan made a \$2,000,000 commitment to this investment. The cash flow history as of September 2013 is summarized as follows:

Quarter-end Date	Paid In Capital	Return Allocation	Distribution
0611	\$28,000	(\$175)	0
0911	\$588,000	(\$2,020)	0
1211	\$114,000	(\$9,229)	0
0312	0	(\$2,653)	0
0612	\$924,000	(\$3,850)	0
0912	0	\$26,670	0
1212	0	(\$2,381)	(\$109,212)
0313	0	\$1,798	0
0613	0	\$122,025	0
0913*	0	\$52,990	(\$122,864)
<b>Total</b>	<b>\$1,654,000</b>	<b>\$183,175</b>	<b>(\$232,076)</b>

\*Not Finalized Data

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 6/2011
<b>Total Gross/Fees</b>	3.6	12.5	12.5	----	5.5
<b>Total Net/Fees</b>	3.3	11.4	11.4	----	4.4
NCREIF TIMBER	1.0	9.7	9.7	4.0	5.1
<b>Real Assets</b>	3.6	12.5	12.5	----	5.5
NCREIF TIMBER	1.0	9.7	9.7	4.0	5.1

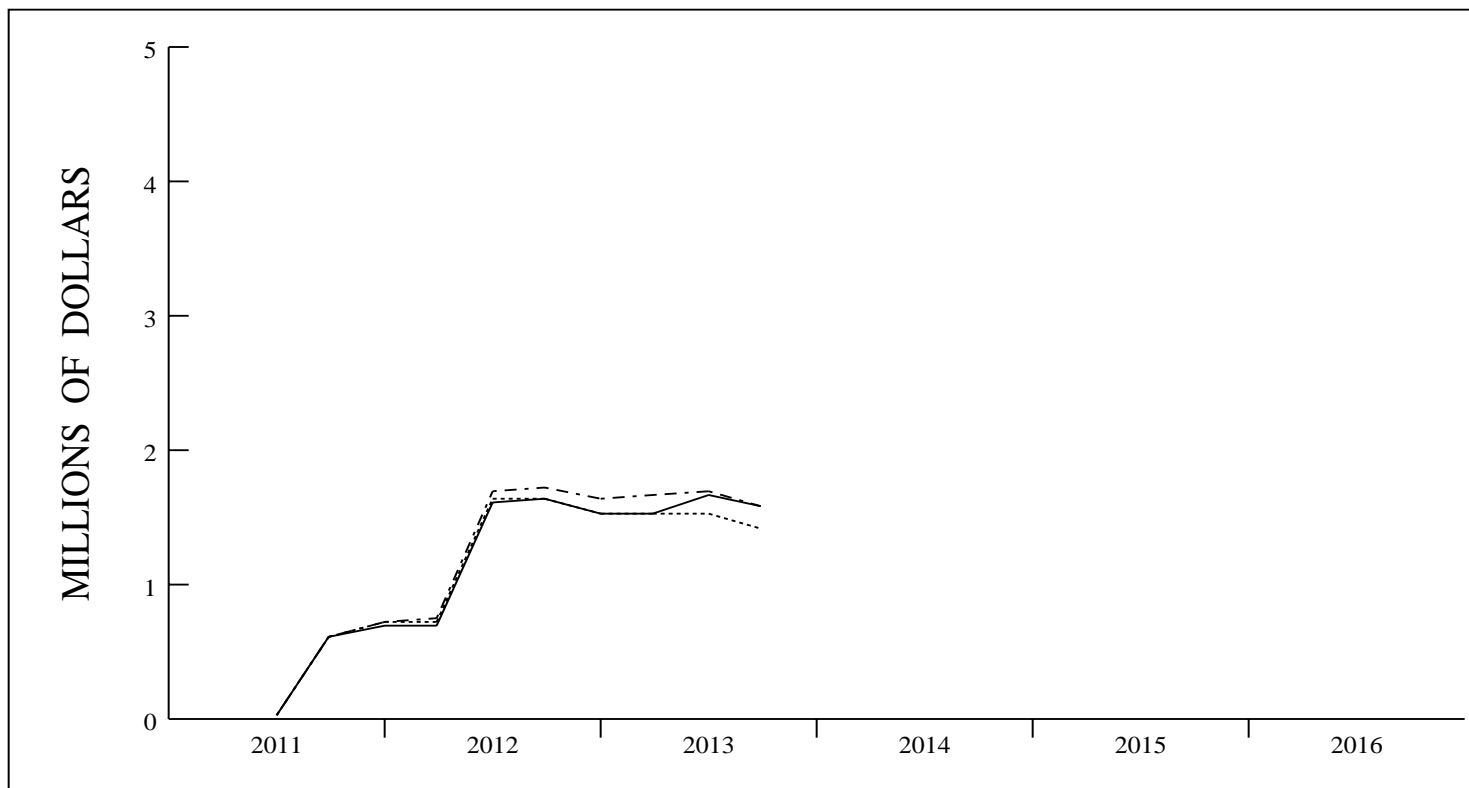
**ASSET ALLOCATION**

Real Assets	100.0%	\$ 1,605,099
Total Portfolio	100.0%	\$ 1,605,099

**INVESTMENT RETURN**

Market Value 6/2013	\$ 1,674,973
Contribs / Withdrawals	-122,864
Income	0
Capital Gains / Losses	52,990
Market Value 9/2013	\$ 1,605,099

**INVESTMENT GROWTH**



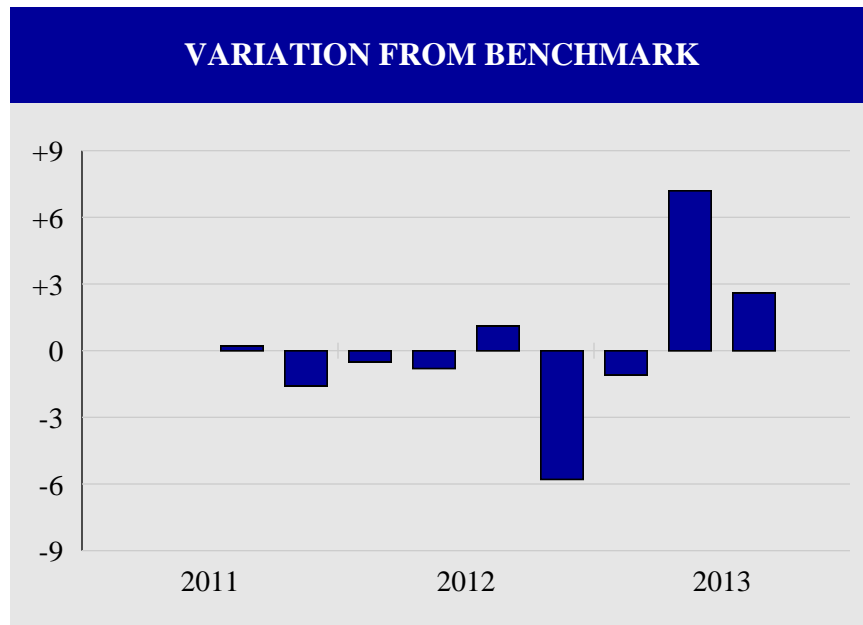
— ACTUAL RETURN  
 - - - 7.0%  
 ..... 0.0%

VALUE ASSUMING  
 7.0% RETURN  
 \$ 1,609,952

	LAST QUARTER	PERIOD 6/11 - 9/13
BEGINNING VALUE	\$ 1,674,973	\$ 27,825
NET CONTRIBUTIONS	-122,864	1,393,924
INVESTMENT RETURN	52,990	183,350
ENDING VALUE	\$ 1,605,099	\$ 1,605,099
INCOME	0	0
CAPITAL GAINS (LOSSES)	52,990	183,350
INVESTMENT RETURN	52,990	183,350

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: NCREIF TIMBER INDEX**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/11	-0.1	-0.3	0.2
12/11	-1.1	0.5	-1.6
3/12	-0.1	0.4	-0.5
6/12	-0.2	0.6	-0.8
9/12	1.9	0.8	1.1
12/12	0.1	5.9	-5.8
3/13	0.4	1.5	-1.1
6/13	8.1	0.9	7.2
9/13	3.6	1.0	2.6

<b>Total Quarters Observed</b>	<b>9</b>
<b>Quarters At or Above the Benchmark</b>	<b>4</b>
<b>Quarters Below the Benchmark</b>	<b>5</b>
<b>Batting Average</b>	<b>.444</b>

MIRAMAR FIREFIGHTERS  
C.S. MCKEE  
PERFORMANCE REVIEW  
SEPTEMBER 2013

## **INVESTMENT RETURN**

On September 30th, 2013, the Miramar Firefighters' C.S. McKee portfolio was valued at \$6,608,907, representing an increase of \$38,282 from the June quarter's ending value of \$6,570,625. Last quarter, the Fund posted withdrawals totaling \$958, which partially offset the portfolio's net investment return of \$39,240. Net investment return was a product of income receipts totaling \$46,642 and realized and unrealized capital losses of \$7,402.

For the cumulative period since March 2012, the fund has recorded net contributions totaling \$846,567, and recorded net investment gains of \$143,435. For the period since March 2012, if the total fund returned a compounded nominal rate of 6.0% it would have been valued at \$7.0 million or \$418,460 more than the actual value as of September 30th, 2013.

## **RELATIVE PERFORMANCE**

In the third quarter, the C.S. McKee portfolio gained 0.6%, which was equal to the Barclays Aggregate Index's return of 0.6% and ranked in the 57th percentile of the Core Fixed Income universe. Over the trailing year, the portfolio returned -0.8%, which was 0.9% greater than the benchmark's -1.7% performance, and ranked in the 24th percentile. Since March 2012, the portfolio returned 1.8% on an annualized basis and ranked in the 58th percentile. For comparison, the Barclays Aggregate Index returned an annualized 1.3% over the same period.

## **BOND ANALYSIS**

At the end of the quarter, nearly 45% of the total bond portfolio was comprised of USG quality securities. The remainder of the portfolio consisted of corporate securities, rated AAA through BBB, giving the portfolio an overall average quality rating of AAA-AA. The average maturity of the portfolio was 7.9 years, longer than the Barclays Aggregate Index's 7.5-year maturity. The average coupon was 3.4%.

**EXECUTIVE SUMMARY****PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 3/2012
<b>Total Gross/Fees</b>	0.6	-0.8	-0.8	----	1.8
<i>CORE FIXED INCOME RANK</i>	(57)	(24)	(24)	----	(58)
<b>Total Net/Fees</b>	0.5	-1.1	-1.1	----	1.4
BARCLAYS AGG	0.6	-1.7	-1.7	2.9	1.3
<b>Fixed Income</b>	0.6	-0.8	-0.8	----	1.8
<i>CORE FIXED INCOME RANK</i>	(53)	(24)	(24)	----	(52)
BARCLAYS AGG	0.6	-1.7	-1.7	2.9	1.3

**ASSET ALLOCATION**

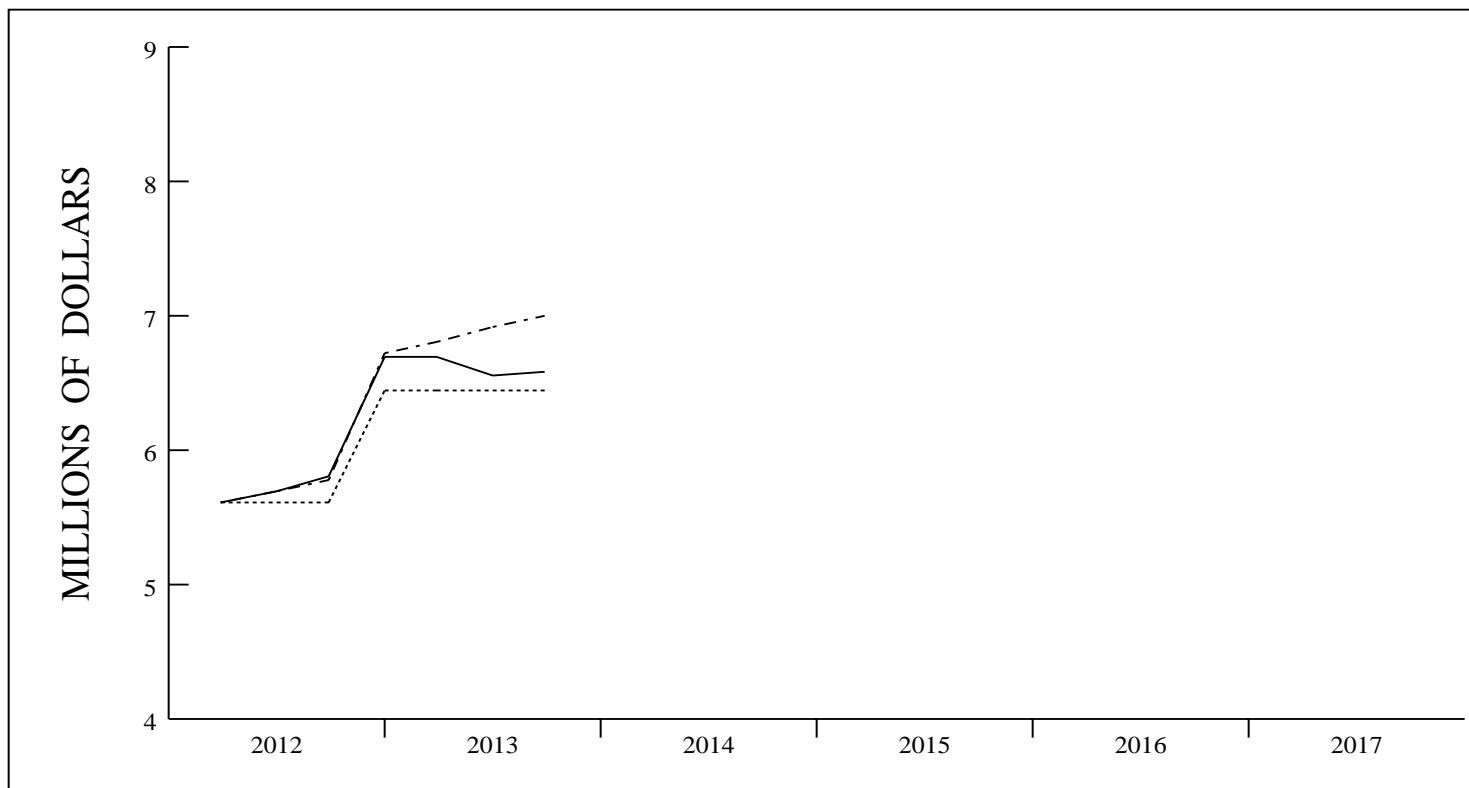
Fixed Income	97.7%	\$ 6,457,392
Cash	2.3%	151,515
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 6,608,907</b>

**INVESTMENT RETURN**

Market Value 6/2013	\$ 6,570,625
Contribs / Withdrawals	-958
Income	46,642
Capital Gains / Losses	-7,402
Market Value 9/2013	\$ 6,608,907



**INVESTMENT GROWTH**

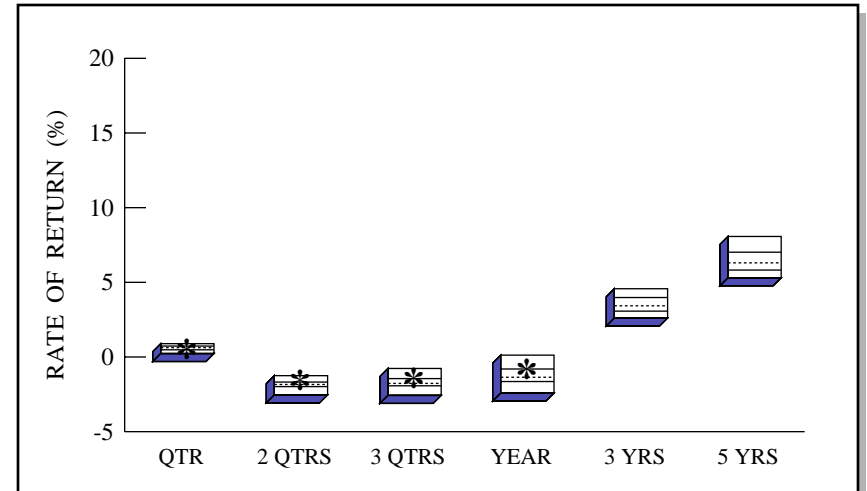
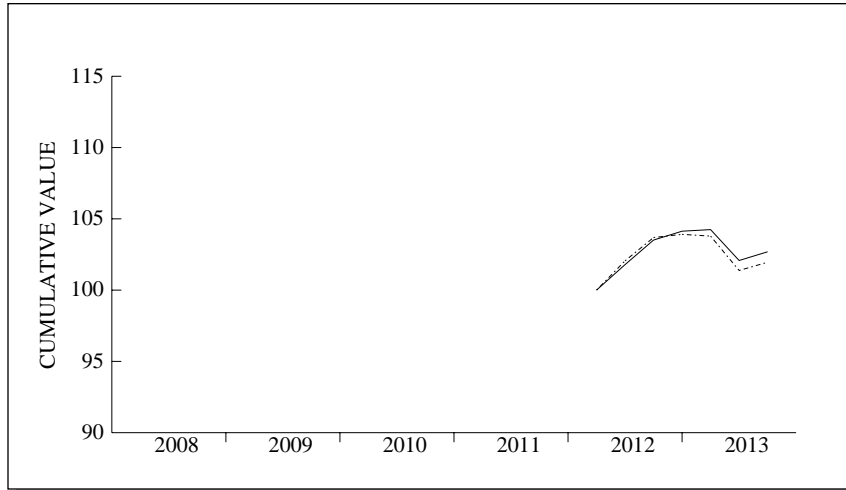


— ACTUAL RETURN  
 - - - 6.0%  
 . . . 0.0%

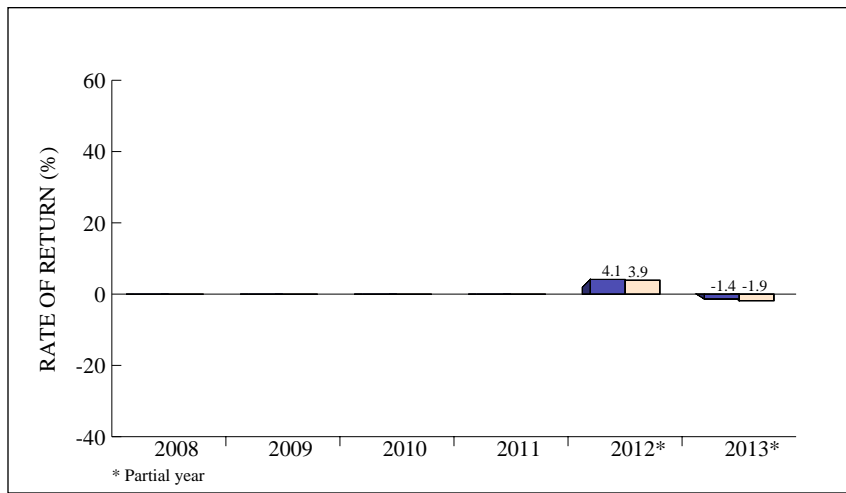
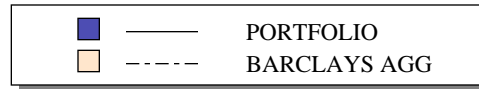
VALUE ASSUMING  
 6.0% RETURN  
 \$ 7,027,367

	LAST QUARTER	PERIOD 3/12 - 9/13
BEGINNING VALUE	\$ 6,570,625	\$ 5,618,905
NET CONTRIBUTIONS	-958	846,567
INVESTMENT RETURN	39,240	143,435
ENDING VALUE	\$ 6,608,907	\$ 6,608,907
INCOME	46,642	270,304
CAPITAL GAINS (LOSSES)	-7,402	-126,869
INVESTMENT RETURN	39,240	143,435

**TOTAL RETURN COMPARISONS**



Core Fixed Income Universe



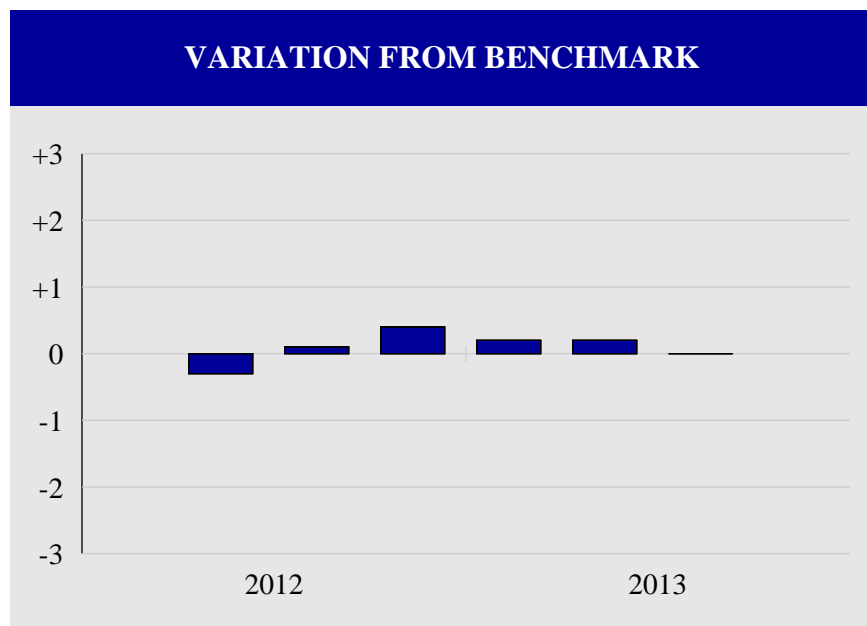
\* Partial year

	<u>QTR</u>	<u>2QTRS</u>	<u>3QTRS</u>	<u>YEAR</u>	-----ANNUALIZED-----	
					<u>3 YRS</u>	<u>5 YRS</u>
RETURN	0.6	-1.5	-1.4	-0.8	----	----
(RANK)	(57)	(12)	(23)	(24)	----	----
5TH %ILE	0.9	-1.3	-0.8	0.1	4.6	8.1
25TH %ILE	0.7	-1.7	-1.4	-0.8	4.0	7.0
MEDIAN	0.6	-1.8	-1.8	-1.4	3.4	6.3
75TH %ILE	0.5	-2.0	-1.9	-1.7	3.1	5.8
95TH %ILE	0.2	-2.5	-2.6	-2.4	2.6	5.3
<b>Agg Index</b>	<b>0.6</b>	<b>-1.8</b>	<b>-1.9</b>	<b>-1.7</b>	<b>2.9</b>	<b>5.4</b>

Core Fixed Income Universe

## TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

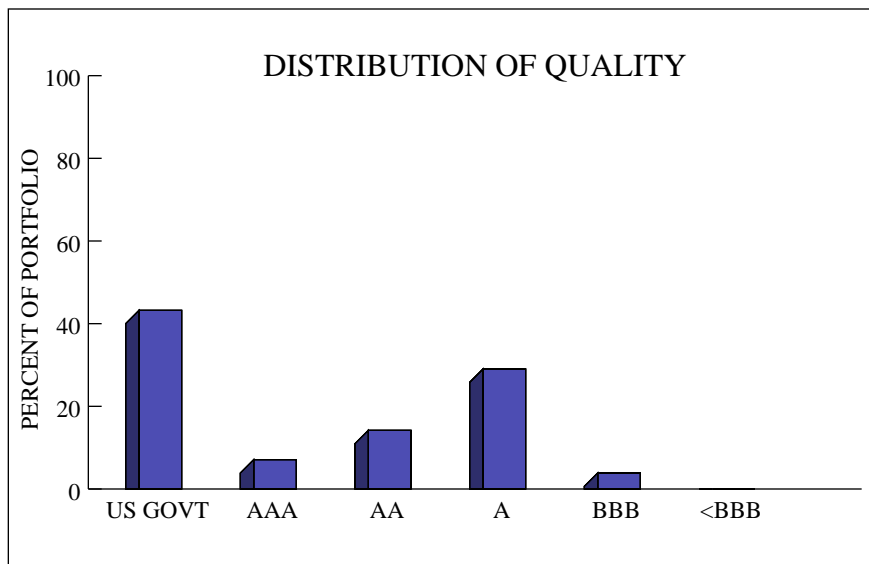
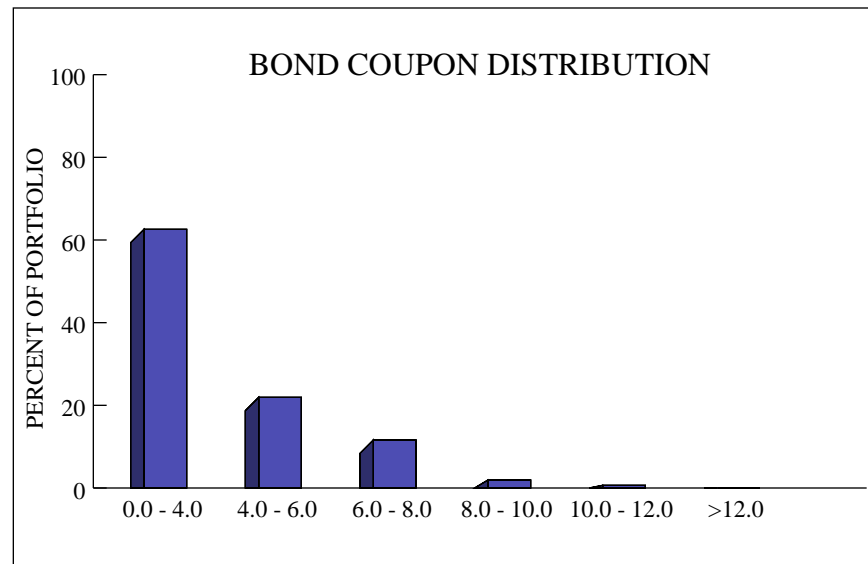
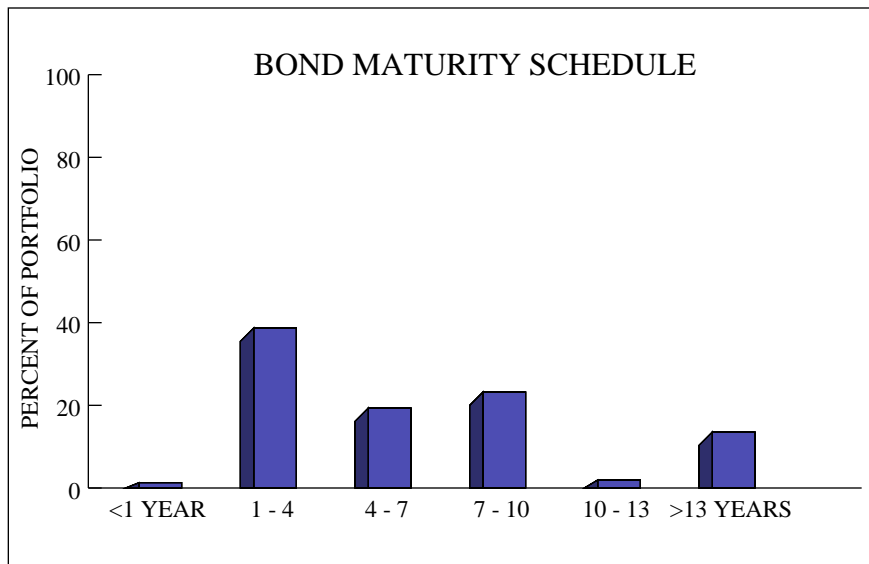
COMPARATIVE BENCHMARK: BARCLAYS AGGREGATE INDEX



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
6/12	1.8	2.1	-0.3
9/12	1.7	1.6	0.1
12/12	0.6	0.2	0.4
3/13	0.1	-0.1	0.2
6/13	-2.1	-2.3	0.2
9/13	0.6	0.6	0.0

<b>Total Quarters Observed</b>	<b>6</b>
<b>Quarters At or Above the Benchmark</b>	<b>5</b>
<b>Quarters Below the Benchmark</b>	<b>1</b>
<b>Batting Average</b>	<b>.833</b>

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	121	8,577
Duration	6.00	5.52
YTM	2.80	2.34
Average Coupon	3.38	3.36
Avg Maturity / WAL	7.85	7.50
Average Quality	AAA-AA	USG-AAA