

**MIRAMAR FIREFIGHTERS**

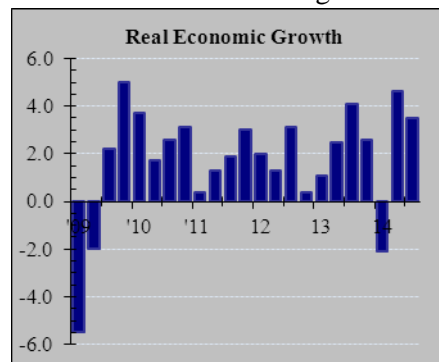
**PERFORMANCE REVIEW  
SEPTEMBER 2014**



## ECONOMIC ENVIRONMENT

### Modest Economic Growth Continues

The third quarter real GDP growth rate of 3.5% was surprisingly good. While it was not as strong as the second quarter's real GDP expansion



of 4.6%, it still exceeded most economists' expectations. There was abundant good news with strong employment gains and higher housing prices. Most manufacturing and service sectors made good progress as well. The CPI remained in check, thanks to falling commodity prices which were linked to great global harvests and to weak

economic news from Europe. After compiling all of this data and taking geopolitical concerns into account, the Fed decided to keep interest rates down. Most analysts were expecting Chairman Yellen to announce the first of several future rate increases; this decision caught them by surprise. All told, the third quarter economic story was constructive.

Below are the third quarter highlights:

- Economists remain confident that GDP expansion should continue to be strong for the rest of 2014 and into 2015. In the third quarter GDP rose 3.5% following the second quarter's 4.6% rate. Robust exports, business purchases and new car sales drove the strong expansion.
- Payroll numbers jumped 248,000 in September, not far below June's near-record 288,000. The unemployment rate fell to 5.9%, which was just a shade below the Fed's comfort level. Year-over-year, job gains have averaged an impressive 213,000 per month, while the unemployment rate has fallen by 1.3% for that period. In September, the number of unemployed fell 329,000 to 9.3 million. However, the number of *long-term* unemployed still hovers near 3 million. In addition, the 62.7% labor participation rate remains near a post WW II low.
- August home prices (latest available) edged up 0.3% from July and rose 6.4% year-over-year. These increases have subsided

from earlier in the current cycle; yet they represent a return to a more balanced picture and away from a housing bubble scenario. The return to normal is also reflected in a dramatic 6.3% bump in housing starts in September to an annualized pace of 1.02 million starts. For the 12-months ended in June, close to 800,000 home equity loans were originated. That's a 21% increase from the prior year and the highest number since the recession. The loan activity suggests that homeowners have become more confident in the strength of the housing recovery.

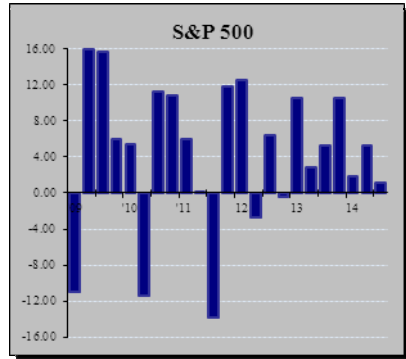
- Growth in both the manufacturing and service sectors showed the diversity of economic gains. The manufacturing sector expanded in September for the 16<sup>th</sup> straight month; the September ISM Manufacturing Index registered 56.6%. The Production Index was higher still, at 64.6%. Fifteen of the 18 manufacturing industries reported growth. Only machinery, plastics and electrical equipment contracted. The service sector reading was 58.6% in September, with new orders at 61%. Two-thirds of the service industries reported improvement and only entertainment, mining and education softened.
- The DJ-UBS Commodity Index posted its biggest drop (-12%) since the fourth quarter 2008. Component commodity price indices uniformly fell, but for different reasons. Grains were particularly hard hit (-23%), as record harvests led to greater inventories. Energy (-12%) suffered from lower global demand and increased US supplies. Precious metals (-11%) reflected higher US interest rate expectations. Raw materials (-4%) were impacted by an unusually strong US dollar and economic softness in Europe, Japan and China.
- CPI inflation has been very tame lately. Abundant food crops and oil supplies, both key to the index calculation, largely explain the consumer price stability. The CPI was flat for the quarter and expanded by 1.7% year over year as of September 30.
- The Federal Reserve is on track to end its QE3 bond buying program in October, reflecting ongoing economic and job gains. The next major item on the Fed's agenda is the timing of short-term interest rate hikes. At its September 16-17 meeting, the Federal Open Market Committee minutes indicated three major concerns. The dual effects of a stronger dollar and disappointing overseas growth led the Fed to hold down rates for at least several

more months. Geopolitical chaos in the Middle East, Africa and Ukraine also gave many Board members pause. However, the Board recognized that low interest rates have also fueled our stock market and may continue to do so, despite the fact that they contributed very little this past quarter.

## DOMESTIC EQUITY MARKET

### *A Spot of Red Ink for Some Indices*

The broad market indices had a roller coaster ride with little to show for it, rising in July and dropping precipitously in August; then, rising again to record levels by mid-September before falling back by quarter-end. When it was all over, gains were quite muted. The bellwether S&P 500



returned a paltry 1.1%. The tech-oriented NASDAQ gained 2.2%. The DJIA gains landed in between the two, moving up 1.9%. The large-caps performed relatively better than the mid-caps, which fared far better than their smaller-sized brethren. The Russell 1000 Index gained a paltry 0.7% and the Russell Mid Cap Index lost 1.7%, but they were both well ahead of the

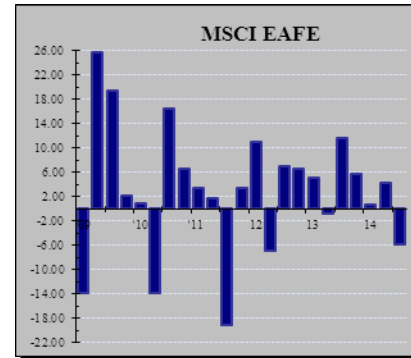
Russell 2000, which fell 7.4%! REITs, typically small-cap in size, lost 2.5%, following a nice run up during the first-half of the year. Results for all value style indices fared worse than comparable growth indices.

S&P sector returns were all over the map. Computer technology was the best performer (+6.4%), reflecting product enhancements from both Apple (iPhone 6) and Microsoft. Non-durable consumer goods added 5.3% on the strength of health care expenditures and FDA clearance for some new drugs. Additionally, finance names were up 2.3%. On the downside, traditional utility companies dipped 1.3%, as the EPA announced new environmental regulations. Basic industry stocks, excluding energy, lost 2.8% and resulted in falling commodity prices. Bringing up the rear was energy, which took an 8.6% tumble amid growing oil supplies and falling demand. At least, it offered a pleasant offset for the consumer.

## INTERNATIONAL EQUITIES

### *Disheartening News Sparked Losses All Over the Globe*

With the EU in recession and slow economic growth in most other developed markets, negative MSCI EAFE performance was widely expected. When the European Central Bank announced a round of limited quantitative easing, the program did little to lift investors' spirits. The EAFE Index was down 5.8% for the quarter. The combined EU market fell a fairly dramatic 7.4%, while the Far East dropped 2.2%. Germany and France, the two giant European markets, lost 11% and 8%, respectively. Third-ranked Italy gave back 9%. The small Portuguese and Austrian markets were particularly hard hit, each plummeting roughly 25%. With its ties to EU markets, the UK fell 6%.



Australian investors saw their market drop 8% due to falling raw materials prices and a sharply declining currency. Tumbling iron ore prices impacted Australian giant BHP Billiton and the currency decline dragged down the country's bank stocks. By comparison, Japan's 2% loss looked relatively strong, as its export-oriented economy was helped both by a falling Yen and by several Japanese tech stocks that soared. In Hong Kong, casino revenues fell amid the focus on corruption, while pro-democracy demonstrations didn't help the situation; the turmoil nicked prices there by 3%. Market winners were hard to find. Singapore turned in the second best return (-1%) and the tiny Israeli market edged up 0.4%.

Emerging markets also lost ground, but less so than EAFE. The MSCI EM Index declined 3.4%. Stock prices were depressed in the majority of EM countries for several reasons: (1) geopolitical instability; (2) the potential for tighter US Fed policy; (3) several slow growth economies; and (4) falling currencies. There was a 48 percentage point difference between Greece, the worst performer (-20%), and Egypt, the best performer (+28%). For the most part, though, country returns were typically in the single-digit negative to single-digit positive range.

The BRIC Index, comprising the four largest EM economies, fell 3%. **Brazil** lost 8.6%, as it dealt with the uncertain outcome of a looming presidential election, economic stagnation and a 10% decline in the Brazilian Real. **Russian** stocks plunged 15.1% in response to a host of issues including falling energy prices, military forays into Ukraine, economic sanctions, and a falling ruble. **India** made another relatively good showing (+2.3%). Not only did its GDP grow slightly, but, more importantly, investors remained hopeful for pro-business change after Prime Minister Modi's election. **China's** stock market was up 1.5% as investors approved of President Xi Jinping reforming state-owned enterprises, while also cracking down on corruption and balancing economic growth.

The Middle East continued to swirl with military conflicts. Most notably, Turkey is the latest country squeezed by political and military problems on its Syrian border. Adding to the unrest, credit rating agencies have downgraded its debt. Turkey's shares fell 11.8%.

Asian EM markets were modestly negative (-1.4%). Within the region, Thailand (+7.7%), the Philippines (+4.2%) and Indonesia (+3.5%) all gained ground due to more stable political environments. South Korea lost 7.3%, mainly because of sliding tech company prices.

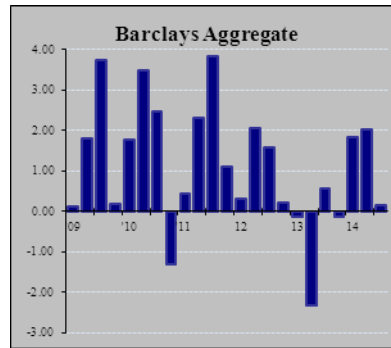
Markets were mostly negative in Latin America as that region's combined return was -5.4%. While most of the smaller-sized countries spilled red ink, Mexico continued to surprise on the upside; its 2.1% appreciation was attributable to solid economic growth, increasing success in capturing drug cartel leadership and ongoing reform efforts.

## BOND MARKET

### *Greater Credit Risk Meant Worse Return*

If the global stock market didn't provide Q3 gains, investors found no solace in bonds. Domestically, there was pullback in all sectors and credit ratings. The Barclays Aggregate Index barely edged into positive territory, returning only 0.2%. Junk bonds, which had been riding high since the end of the recession, fell 1.9%. Very long-maturity Treasuries, which gained ground, provided the only real exception, as 20-year-and-longer Treasuries earned 3%. Investors' bond concerns centered around:

(1) likely interest rate increases, sooner or later; (2) the fits and starts of this year's GDP growth; (3) CPI inflation that is too low as opposed to



too high; (4) the dramatic increase in strength of the US dollar vs. all other major currencies; (5) growing US involvement in Middle East conflicts; and (6) the potential economic implications from the growing Ebola threat.

Treasuries were the best-performing component, but only marginally, as the sector inched ahead 0.3%. A

Treasury bond investor would have had to own issues maturing beyond five-years to have gained any ground. In fact, returns from 2-year-to-5-year Treasuries were fractionally negative. However, very long maturity issues performed well; as investors reached for yield, those issues returned 3%.

Investment grade corporates were slightly lower for the quarter (-0.1%); but, higher-yielding utility names were up 0.5%. Mortgage-backed securities (MBS) added just 0.2%. Asset-backed securities (ABS) were flat for the period, while commercial mortgage debt (CMBS) lost 0.2%.

From a credit rating perspective, the lower the credit rating, the poorer the bond performance. Starting with single A names, the return in that space was flat. BAAs lost 0.2%; BAs were down 1.3%; single Bs fell 1.9%; CAAs were lower by 2.7%; and CA-D issues hemorrhaged an astounding 17.2%! AA bonds were the sole exception to the pattern; AAs earned 0.3% vs. AAAs, which added 0.2%.

## CASH EQUIVALENTS

### *Wait Until 2015 (or 2016?)*

For some time we have commented that holding cash equivalents was a no-win game. Fed guidance points to a continuing of that for the foreseeable future.

**MARKET SUMMARY**

**ECONOMIC STATISTICS**

	CURRENT QTR	LAST QTR
GDP	3.5	4.6
Unemployment	5.9	6.1
CPI All Items Year/Year	1.70	2.10
Fed Funds Rate	0.25	0.25
Industrial Capacity	79.3	79.1
US Dollars per Euro	1.26	1.37

**MAJOR INDEX QUARTER RETURNS**

INDEX	PERFORMANCE
Russell 3000	0.0
S&P 500	1.1
Russell Mid	-1.7
Russell 2000	-7.4
MSCI EAFE	-5.8
MSCI Emg Mkts	-3.4
NCREIF ODCE	3.2
Barclays Agg	0.2
90 Day Tbills	0.0

**EQUITY RETURN DISTRIBUTIONS**

	QUARTER			TRAILING YEAR		
	VAL	COR	GRO	VAL	COR	GRO
LC	-0.2	0.7	1.5	18.9	19.0	19.1
MC	-2.6	-1.7	-0.7	17.4	15.8	14.4
SC	-8.6	-7.4	-6.1	4.1	3.9	3.8

**MARKET SUMMARY**

- \* GDP expanded at a rate of 3.5% in Q3.
- \* Unemployment continued to fall to 5.9%.
- \* CPI was flat over Q3 and grew by 1.7% year over year.
- \* Domestic markets were volatile, resulting in weak returns for large cap stocks and steep losses for small cap stocks. Mid cap stocks fell in between. Growth style indices beat their value counterparts for the quarter.
- \* The US Dollar strengthened relative to the Euro.

## **INVESTMENT RETURN**

On September 30th, 2014, the Miramar Firefighters' account was valued at \$99,103,302, which was a decrease of \$223,199 relative to the June quarter's ending value of \$99,326,501. Over the last three months, the Fund recorded total net contributions of \$952,511, which offset the account's \$1,175,710 net investment loss for the quarter. The fund's net investment loss was the result of \$206,452 in income receipts and realized and unrealized capital losses totaling \$1,382,162.

For the cumulative period since September 2004, the account has recorded net contributions totaling \$30.8 million, while generating net investment gains of \$41.7 million. For the period since September 2004, if the total account had returned a compounded nominal rate of 8.5% it would have been valued at \$108.4 million or \$9.3 million more than its actual value as of September 30th, 2014.

## **RELATIVE PERFORMANCE**

### **Total Fund**

In the third quarter, the portfolio returned -1.1%, which was 0.6% below the Miramar Policy Index's return of -0.5% and ranked in the 49th percentile of the Public Fund universe. Over the trailing year, the portfolio returned 12.4%, which was 1.4% less than the benchmark's 13.8% return, and ranked in the 8th percentile. Since September 2004, the account returned 7.1% on an annualized basis and ranked in the 45th percentile. The Miramar Policy Index returned an annualized 7.8% over the same time frame.

### **Large Cap Equity**

In the third quarter, the large cap equity portion of the portfolio returned 0.9%, which was 0.2% less than the S&P 500 Index's return of 1.1% and ranked in the 42nd percentile of the Large Cap universe. Over the trailing twelve months, this segment returned 19.4%, which was 0.3% less than the benchmark's 19.7% return, and ranked in the

39th percentile. Since September 2004, this component returned 7.7% on an annualized basis and ranked in the 88th percentile. For comparison, the S&P 500 returned an annualized 8.1% during the same period.

### **Smid Cap Equity**

The Smid cap equity segment returned -4.2% last quarter, 1.2% above the Russell 2500 Index's return of -5.4% and ranked in the 57th percentile of the Smid Cap universe. Over the trailing year, this segment returned 10.1%, 1.1% greater than the benchmark's 9.0% performance, and ranked in the 54th percentile. Since September 2004, this component returned 9.2% on an annualized basis and ranked in the 80th percentile. The Russell 2500 returned an annualized 9.5% during the same period.

### **Foreign Equity**

The foreign equity component lost 4.5% during the third quarter, 0.8% above the Foreign Equity Hybrid Index's return of -5.3% and ranked in the 47th percentile of the International Equity universe. Over the trailing year, the foreign equity portfolio returned 6.2%; that return was 1.4% above the benchmark's 4.8% performance, and ranked in the 48th percentile. Since September 2004, this component returned 6.2% annualized and ranked in the 91st percentile. For comparison, the Foreign Equity Hybrid Index returned an annualized 5.6% during the same period.

### **Real Assets**

During the third quarter, the real assets component returned 2.0%, which was 0.5% below the Real Asset Blended Index's return of 2.5%. Over the trailing twelve-month period, this component returned 10.5%, which was 1.1% below the benchmark's 11.6% return.

## **Fixed Income**

In the third quarter, the fixed income component returned 0.2%, which was equal to the Barclays Aggregate Index's return of 0.2% and ranked in the 41st percentile of the Core Fixed Income universe. Over the trailing twelve-month period, this component returned 4.1%, which was 0.2% above the benchmark's 3.9% return, ranking in the 70th percentile. Since September 2004, this component returned 4.3% annualized and ranked in the 94th percentile. For comparison, the Barclays Aggregate Index returned an annualized 4.6% during the same period.

## **ASSET ALLOCATION**

On September 30th, 2014, large cap equities comprised 40.7% of the total portfolio (\$40.4 million), while mid cap equities totaled 24.3% (\$24.0 million). The account's foreign equity segment was valued at \$13.4 million, representing 13.5% of the portfolio, while the real assets component's \$8.2 million totaled 8.3%. The portfolio's fixed income represented 8.5% and the remaining 4.7% was comprised of cash & equivalents (\$4.7 million).

## EXECUTIVE SUMMARY

## PERFORMANCE SUMMARY

	Quarter	FYTD	1 Year	3 Years	Since 09/04
	-----Annualized-----				
<b>Total Gross/Fees</b>	-1.1	12.4	12.4	17.2	7.1
<i>PUBLIC FUND RANK</i>	(49)	(8)	(8)	(1)	(45)
<b>Total Net/Fees</b>	-1.3	12.0	12.0	16.7	6.7
POLICY INDEX	-0.5	13.8	13.8	18.0	7.8
SHADOW INDEX	-1.4	12.2	12.2	17.4	7.4
<b>Domestic Equity</b>	-1.1	15.5	15.5	21.8	8.2
<i>ALL CAP RANK</i>	(47)	(47)	(47)	(65)	(82)
RUSSELL 3000	0.0	17.8	17.8	23.1	8.4
<b>Large Cap Equity</b>	0.9	19.4	19.4	21.7	7.7
<i>LARGE CAP RANK</i>	(42)	(39)	(39)	(71)	(88)
S&P 500	1.1	19.7	19.7	23.0	8.1
RUSSELL 1000G	1.5	19.1	19.1	22.4	8.9
RUSSELL 1000V	-0.2	18.9	18.9	23.9	7.8
RUSSELL 1000	0.7	19.0	19.0	23.2	8.5
<b>SMid Cap Equity</b>	-4.2	10.1	10.1	23.6	9.2
<i>SMID CAP RANK</i>	(57)	(54)	(54)	(37)	(80)
RUSSELL 2500	-5.4	9.0	9.0	22.8	9.5
<b>Foreign Equity</b>	-4.5	6.2	6.2	13.0	6.2
<i>INTERNATIONAL EQUITY RANK</i>	(47)	(48)	(48)	(62)	(91)
HYBRID INDEX	-5.3	4.8	4.8	11.8	5.6
ACWI EX US NET	-5.3	4.8	4.8	11.8	7.1
MSCI EAFE NET	-5.9	4.3	4.3	13.7	6.3
<b>Real Assets</b>	2.0	10.5	10.5	11.0	---
BLENDED INDEX	2.5	11.6	11.6	10.3	6.3
NCREIF ODCE	3.2	12.4	12.4	12.3	7.1
NCREIF TIMBER	1.5	10.4	10.4	7.4	8.3
<b>Fixed Income</b>	0.2	4.1	4.1	2.5	4.3
<i>CORE FIXED INCOME RANK</i>	(41)	(70)	(70)	(85)	(94)
BARCLAYS AGG	0.2	3.9	3.9	2.4	4.6
INT AGGREGATE	0.0	2.7	2.7	2.1	4.3
BARCLAYS INT GOV	0.0	1.1	1.1	0.9	3.7
INT GOV/CREDIT	0.0	2.2	2.2	2.0	4.0

## ASSET ALLOCATION

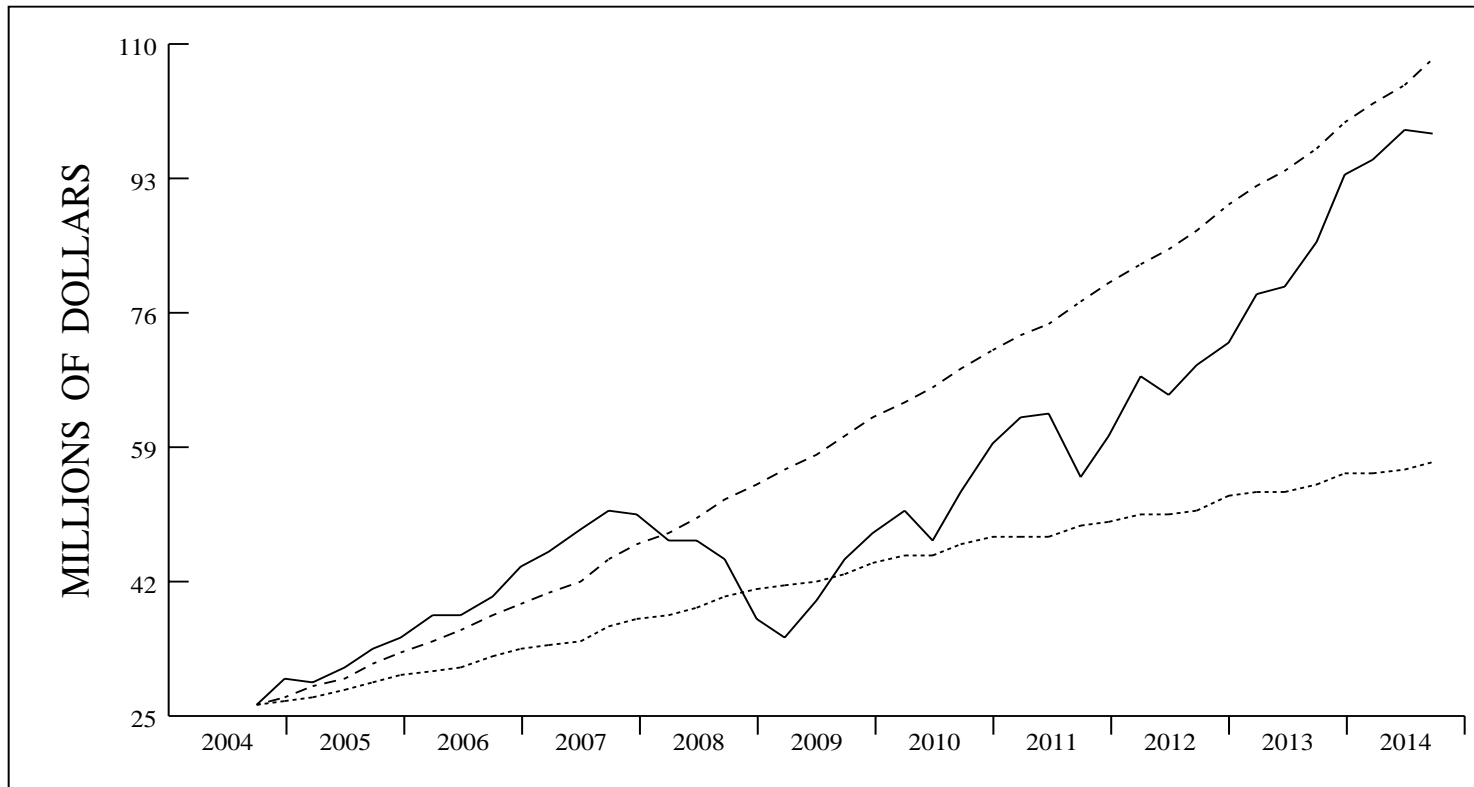
Large Cap Equity	40.7%	\$ 40,355,533
SMid Cap Equity	24.3%	24,032,678
Foreign Equity	13.5%	13,424,381
Real Assets	8.3%	8,196,018
Fixed Income	8.5%	8,439,214
Cash	4.7%	4,655,478
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 99,103,302</b>

## INVESTMENT RETURN

Market Value 6/2014	\$ 99,326,501
Contribs / Withdrawals	952,511
Income	206,452
Capital Gains / Losses	- 1,382,162
Market Value 9/2014	\$ 99,103,302



**INVESTMENT GROWTH**

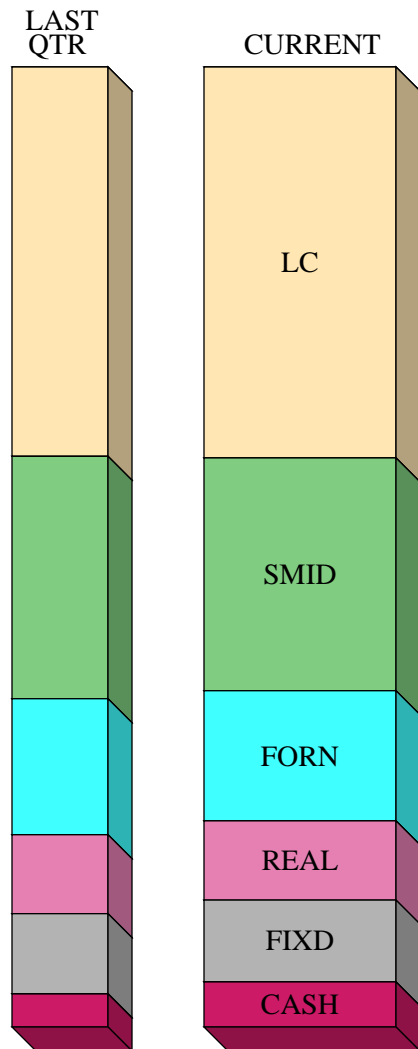


— ACTUAL RETURN  
 - - - 8.5%  
 ..... 0.0%

VALUE ASSUMING  
 8.5% RETURN  
 \$ 108,376,379

	LAST QUARTER	PERIOD 9/04 - 9/14
BEGINNING VALUE	\$ 99,326,501	\$ 26,581,730
NET CONTRIBUTIONS	952,511	30,772,381
INVESTMENT RETURN	- 1,175,710	41,749,188
ENDING VALUE	\$ 99,103,302	\$ 99,103,302
INCOME	206,452	3,127,272
CAPITAL GAINS (LOSSES)	- 1,382,162	38,621,916
INVESTMENT RETURN	- 1,175,710	41,749,188

**ASSET ALLOCATION**



	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>DIFFERENCE</u> + / -
<span style="color: yellow;">■</span> LARGE CAP EQUITY	\$ 40,355,533	40.7%	40.0%	0.7%
<span style="color: green;">■</span> SMID CAP EQUITY	24,032,678	24.3%	25.0%	-0.7%
<span style="color: cyan;">■</span> FOREIGN EQUITY	13,424,381	13.5%	15.0%	-1.5%
<span style="color: pink;">■</span> REAL ASSETS	8,196,018	8.3%	10.0%	-1.7%
<span style="color: grey;">■</span> FIXED INCOME	8,439,214	8.5%	10.0%	-1.5%
<span style="color: red;">■</span> CASH & EQUIVALENT	4,655,478	4.7%	0.0%	4.7%
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TOTAL FUND	\$ 99,103,302	100.0%		

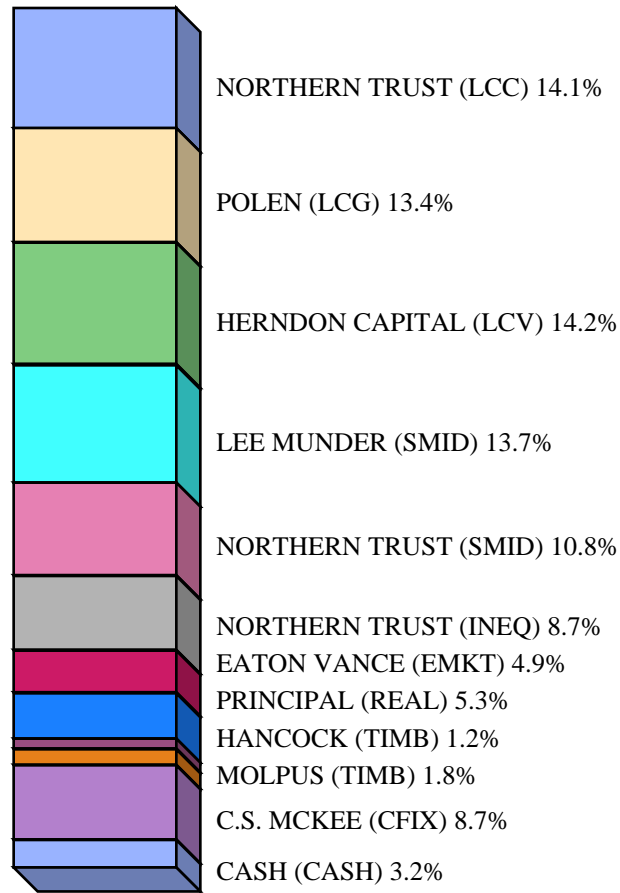
## MANAGER PERFORMANCE SUMMARY

Name	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years	Inception
Composite	(Public Fund)	-1.1 (49)	12.4 ( 8)	12.4 ( 8)	17.2 ( 1)	12.1 ( 3)	7.1 (45) 09/04
<i>Miramar Policy Index</i>		<b>-0.5 ----</b>	<b>13.8 ----</b>	<b>13.8 ----</b>	<b>18.0 ----</b>	<b>12.8 ----</b>	<b>7.8 ----</b>
Northern Trust	(LC Core)	1.1 (43)	19.6 (47)	19.6 (47)	22.9 (57)	15.7 (57)	8.1 (88) 09/04
<i>S&amp;P 500</i>		<b>1.1 ----</b>	<b>19.7 ----</b>	<b>19.7 ----</b>	<b>23.0 ----</b>	<b>15.7 ----</b>	<b>8.1 ----</b>
Polen	(LC Growth)	1.8 (33)	---- ----	---- ----	---- ----	---- ----	6.1 (42) 03/14
<i>Russell 1000 Growth</i>		<b>1.5 ----</b>	<b>19.1 ----</b>	<b>19.1 ----</b>	<b>22.4 ----</b>	<b>16.5 ----</b>	<b>6.7 ----</b>
Herndon Capital	(LC Value)	-0.1 (52)	17.6 (55)	17.6 (55)	20.6 (85)	15.2 (58)	15.2 (58) 09/09
<i>Russell 1000 Value</i>		<b>-0.2 ----</b>	<b>18.9 ----</b>	<b>18.9 ----</b>	<b>23.9 ----</b>	<b>15.3 ----</b>	<b>15.3 ----</b>
Lee Munder	(Smid Cap)	-3.7 (46)	10.2 (53)	10.2 (53)	23.5 (39)	15.7 (67)	6.0 (89) 12/07
<i>Russell 2500</i>		<b>-5.4 ----</b>	<b>9.0 ----</b>	<b>9.0 ----</b>	<b>22.8 ----</b>	<b>16.0 ----</b>	<b>8.1 ----</b>
Northern Trust	(Smid Cap)	-4.8 (72)	9.6 (58)	9.6 (58)	23.0 (45)	16.4 (54)	10.1 (66) 09/04
<i>Wilshire 4500</i>		<b>-5.0 ----</b>	<b>9.8 ----</b>	<b>9.8 ----</b>	<b>23.1 ----</b>	<b>16.3 ----</b>	<b>9.9 ----</b>
Northern Trust	(Intl Eq)	-5.8 (72)	4.6 (65)	4.6 (65)	14.0 (52)	6.9 (71)	6.7 (84) 09/04
<i>MSCI EAFE Net</i>		<b>-5.9 ----</b>	<b>4.3 ----</b>	<b>4.3 ----</b>	<b>13.7 ----</b>	<b>6.6 ----</b>	<b>6.3 ----</b>
Eaton Vance	(Emerging Mkt)	-2.0 (31)	7.9 (38)	7.9 (38)	9.8 (48)	---- ----	1.5 (39) 06/11
<i>MSCI Emerging Markets Net</i>		<b>-3.5 ----</b>	<b>4.3 ----</b>	<b>4.3 ----</b>	<b>7.2 ----</b>	<b>4.4 ----</b>	<b>-1.5 ----</b>
Principal		3.1 ----	12.6 ----	12.6 ----	13.0 ----	12.9 ----	4.7 ---- 03/06
<i>NCREIF NFI-ODCE Index</i>		<b>3.2 ----</b>	<b>12.4 ----</b>	<b>12.4 ----</b>	<b>12.3 ----</b>	<b>12.4 ----</b>	<b>5.1 ----</b>
Hancock		0.0 ----	12.5 ----	12.5 ----	---- ----	---- ----	8.1 ---- 06/12
<i>NCREIF Timber Index</i>		<b>1.5 ----</b>	<b>10.4 ----</b>	<b>10.4 ----</b>	<b>7.4 ----</b>	<b>3.6 ----</b>	<b>9.2 ----</b>
Molpus		0.3 ----	5.5 ----	5.5 ----	6.0 ----	---- ----	5.5 ---- 06/11
<i>NCREIF Timber Index</i>		<b>1.5 ----</b>	<b>10.4 ----</b>	<b>10.4 ----</b>	<b>7.4 ----</b>	<b>3.6 ----</b>	<b>6.7 ----</b>
C.S. McKee	(Core Fixed)	0.2 (42)	3.8 (83)	3.8 (83)	---- ----	---- ----	2.6 (68) 03/12
<i>Barclays Aggregate Index</i>		<b>0.2 ----</b>	<b>3.9 ----</b>	<b>3.9 ----</b>	<b>2.4 ----</b>	<b>4.1 ----</b>	<b>2.4 ----</b>

## MANAGER PERFORMANCE SUMMARY - NET OF FEES

Name	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years	Inception
Total Portfolio	(Public Fund)	-1.3 ----	12.0 ----	12.0 ----	16.7 ----	11.6 ----	6.7 ---- 09/04
<i>Miramar Policy Index</i>		<i>-0.5 ----</i>	<i>13.8 ----</i>	<i>13.8 ----</i>	<i>18.0 ----</i>	<i>12.8 ----</i>	<i>7.8 ----</i>
Northern Trust	(LC Core)	1.1 ----	19.5 ----	19.5 ----	22.8 ----	15.6 ----	7.9 ---- 09/04
<i>S&amp;P 500</i>		<i>1.1 ----</i>	<i>19.7 ----</i>	<i>19.7 ----</i>	<i>23.0 ----</i>	<i>15.7 ----</i>	<i>8.1 ----</i>
Polen	(LC Growth)	1.6 ----	---- ----	---- ----	---- ----	---- ----	5.8 ---- 03/14
<i>Russell 1000 Growth</i>		<i>1.5 ----</i>	<i>19.1 ----</i>	<i>19.1 ----</i>	<i>22.4 ----</i>	<i>16.5 ----</i>	<i>6.7 ----</i>
Herndon Capital	(LC Value)	-0.3 ----	16.9 ----	16.9 ----	19.8 ----	14.5 ----	14.5 ---- 09/09
<i>Russell 1000 Value</i>		<i>-0.2 ----</i>	<i>18.9 ----</i>	<i>18.9 ----</i>	<i>23.9 ----</i>	<i>15.3 ----</i>	<i>15.3 ----</i>
Lee Munder	(Smid Cap)	-3.9 ----	9.4 ----	9.4 ----	22.6 ----	14.9 ----	5.2 ---- 12/07
<i>Russell 2500</i>		<i>-5.4 ----</i>	<i>9.0 ----</i>	<i>9.0 ----</i>	<i>22.8 ----</i>	<i>16.0 ----</i>	<i>8.1 ----</i>
Northern Trust	(Smid Cap)	-4.9 ----	9.5 ----	9.5 ----	22.9 ----	16.3 ----	10.0 ---- 09/04
<i>Wilshire 4500</i>		<i>-5.0 ----</i>	<i>9.8 ----</i>	<i>9.8 ----</i>	<i>23.1 ----</i>	<i>16.3 ----</i>	<i>9.9 ----</i>
Northern Trust	(Intl Eq)	-5.9 ----	4.4 ----	4.4 ----	13.9 ----	6.8 ----	6.6 ---- 09/04
<i>MSCI EAFE Net</i>		<i>-5.9 ----</i>	<i>4.3 ----</i>	<i>4.3 ----</i>	<i>13.7 ----</i>	<i>6.6 ----</i>	<i>6.3 ----</i>
Eaton Vance	(Emerging Mkt)	-2.3 ----	6.9 ----	6.9 ----	8.7 ----	---- ----	0.5 ---- 06/11
<i>MSCI Emerging Markets Net</i>		<i>-3.5 ----</i>	<i>4.3 ----</i>	<i>4.3 ----</i>	<i>7.2 ----</i>	<i>4.4 ----</i>	<i>-1.5 ----</i>
Principal		2.8 ----	11.4 ----	11.4 ----	11.8 ----	11.7 ----	3.6 ---- 03/06
<i>NCREIF NFI-ODCE Index</i>		<i>3.2 ----</i>	<i>12.4 ----</i>	<i>12.4 ----</i>	<i>12.3 ----</i>	<i>12.4 ----</i>	<i>5.1 ----</i>
Hancock		-0.2 ----	11.6 ----	11.6 ----	---- ----	---- ----	7.1 ---- 06/12
<i>NCREIF Timber Index</i>		<i>1.5 ----</i>	<i>10.4 ----</i>	<i>10.4 ----</i>	<i>7.4 ----</i>	<i>3.6 ----</i>	<i>9.2 ----</i>
Molpus		0.0 ----	4.5 ----	4.5 ----	5.0 ----	---- ----	4.4 ---- 06/11
<i>NCREIF Timber Index</i>		<i>1.5 ----</i>	<i>10.4 ----</i>	<i>10.4 ----</i>	<i>7.4 ----</i>	<i>3.6 ----</i>	<i>6.7 ----</i>
C.S. McKee	(Core Fixed)	0.2 ----	3.5 ----	3.5 ----	---- ----	---- ----	2.3 ---- 03/12
<i>Barclays Aggregate Index</i>		<i>0.2 ----</i>	<i>3.9 ----</i>	<i>3.9 ----</i>	<i>2.4 ----</i>	<i>4.1 ----</i>	<i>2.4 ----</i>










**MANAGER ALLOCATION SUMMARY**














Name	Market Value	Percent	Target
Northern Trust (LCC)	\$13,967,245	14.1	10.0
Polen (LCG)	\$13,252,233	13.4	15.0
Herndon Capital (LCV)	\$14,098,452	14.2	15.0
Lee Munder (SMID)	\$13,615,059	13.7	15.0
Northern Trust (SMID)	\$10,750,758	10.8	10.0
Northern Trust (INEQ)	\$8,592,482	8.7	10.0
Eaton Vance (EMKT)	\$4,831,899	4.9	5.0
Principal (REAL)	\$5,253,180	5.3	6.0
Hancock (TIMB)	\$1,158,243	1.2	2.0
Molpus (TIMB)	\$1,784,595	1.8	2.0
C.S. McKee (CFIX)	\$8,621,641	8.7	10.0
Cash (CASH)	\$3,177,515	3.2	0.0
<b>Total Fund</b>	<b>\$99,103,302</b>	<b>100.0</b>	<b>100.0</b>

## MANAGER VALUE ADDED - NET OF FEES

## Most Recent Quarter

Manager	Benchmark	Value Added Vs. Benchmark
Northern Trust	S&P 500	0.0
Polen	Russell 1000G	0.2 
Herndon Capital	Russell 1000V	 -0.1
Lee Munder	Russell 2500	1.5 
Northern Trust	Wilshire 4500	0.1 
Northern Trust	MSCI EAFE Net	0.0
Eaton Vance	MSCI EM Net	1.2 
Principal	NCREIF ODCE	 -0.4
Hancock	NCREIF Timber	 -1.7
Molpus	NCREIF Timber	 -1.5
C.S. McKee	Barclays Agg	0.0
<b>Total Portfolio</b>	<b>Policy Index</b>	 -0.8

## Trailing Twelve Months

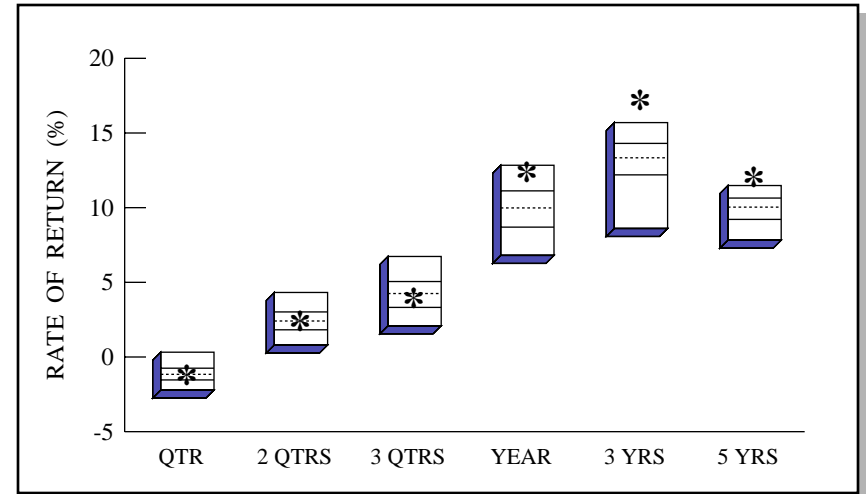
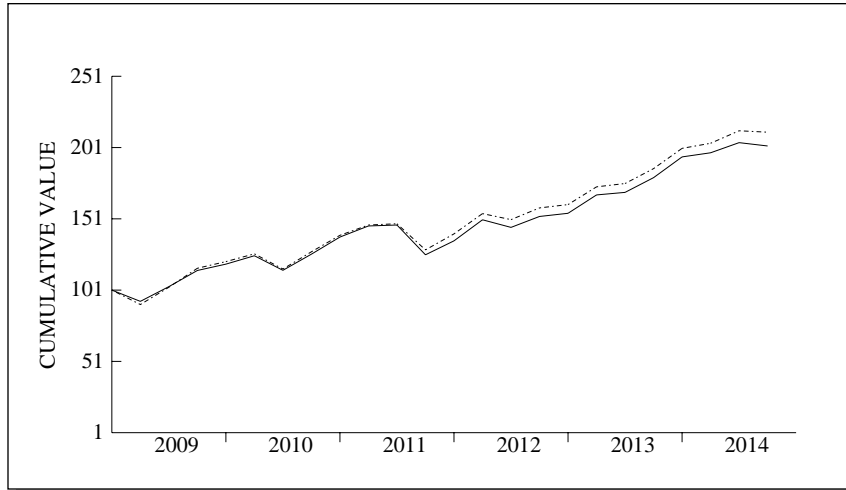
Manager	Benchmark	Value Added Vs. Benchmark
Northern Trust	S&P 500	 -0.3
Polen	Russell 1000G	N/A
Herndon Capital	Russell 1000V	 -2.0
Lee Munder	Russell 2500	0.4 
Northern Trust	Wilshire 4500	 -0.3
Northern Trust	MSCI EAFE Net	0.2 
Eaton Vance	MSCI EM Net	2.6 
Principal	NCREIF ODCE	 -1.0
Hancock	NCREIF Timber	1.2 
Molpus	NCREIF Timber	 -5.9
C.S. McKee	Barclays Agg	 -0.5
<b>Total Portfolio</b>	<b>Policy Index</b>	 -1.8

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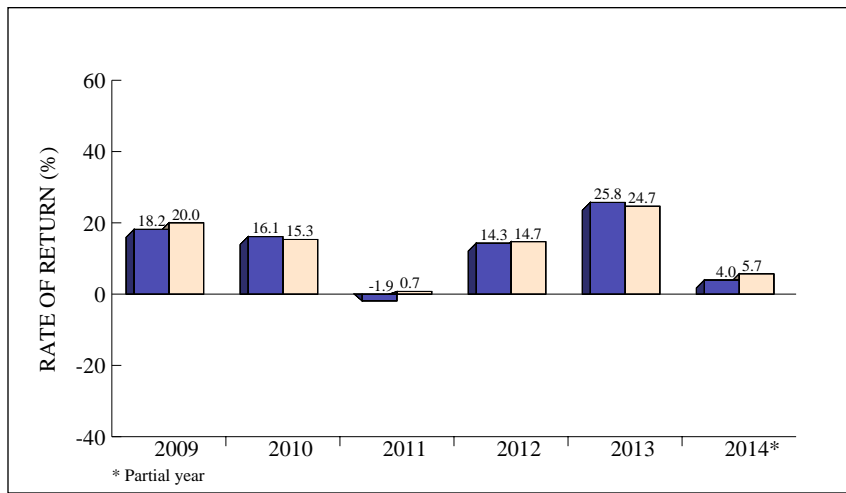
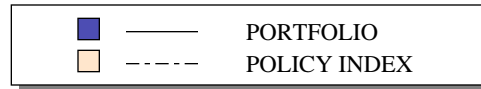
**INVESTMENT RETURN SUMMARY - ONE QUARTER**

Name	Quarter Total Return	Market Value June 30th, 2014	Net Cashflow	Net Investment Return	Market Value September 30th, 2014
Northern Trust (LCC)	1.1	13,811,553	0	155,692	13,967,245
Polen (LCG)	1.8	13,024,047	-1,673	229,859	13,252,233
Herndon Capital (LCV)	-0.1	14,115,554	-1,805	-15,297	14,098,452
Lee Munder (SMID)	-3.7	14,135,699	-1,773	-518,867	13,615,059
Northern Trust (SMID)	-4.8	11,296,349	0	-545,591	10,750,758
Northern Trust (INEQ)	-5.8	9,126,214	0	-533,732	8,592,482
Eaton Vance (EMKT)	-2.0	4,945,197	0	-113,298	4,831,899
Principal (REAL)	3.1	5,108,510	0	144,670	5,253,180
Hancock (TIMB)	0.0	1,160,415	-2,470	298	1,158,243
Molpus (TIMB)	0.3	1,898,358	-113,763	0	1,784,595
C.S. McKee (CFIX)	0.2	8,602,284	-1,155	20,512	8,621,641
Cash (CASH)	---	2,102,321	1,075,150	44	3,177,515
<b>Total Fund</b>	<b>-1.1</b>	<b>99,326,501</b>	<b>952,511</b>	<b>-1,175,710</b>	<b>99,103,302</b>

**TOTAL RETURN COMPARISONS**



Public Fund Universe



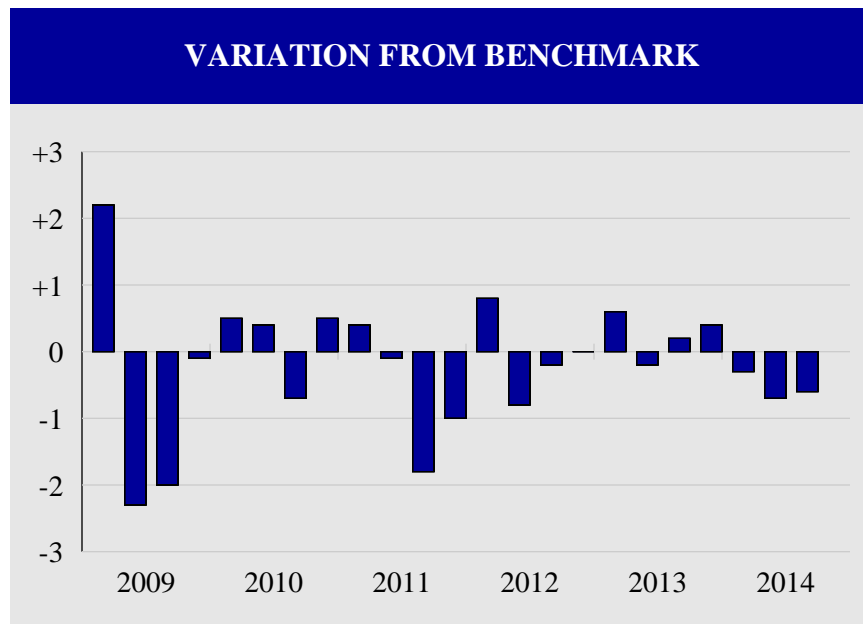
	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	-1.1	2.5	4.0	12.4	17.2	12.1
(RANK)	(49)	(48)	(60)	(8)	(1)	(3)
5TH %ILE	0.3	4.3	6.7	12.8	15.7	11.5
25TH %ILE	-0.8	3.0	5.1	11.1	14.3	10.6
MEDIAN	-1.2	2.4	4.3	10.0	13.3	10.0
75TH %ILE	-1.5	1.8	3.3	8.7	12.2	9.2
95TH %ILE	-2.2	0.8	2.1	6.8	8.6	7.8
<b>Policy Idx</b>	<b>-0.5</b>	<b>3.8</b>	<b>5.7</b>	<b>13.8</b>	<b>18.0</b>	<b>12.8</b>

Public Fund Universe



## TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

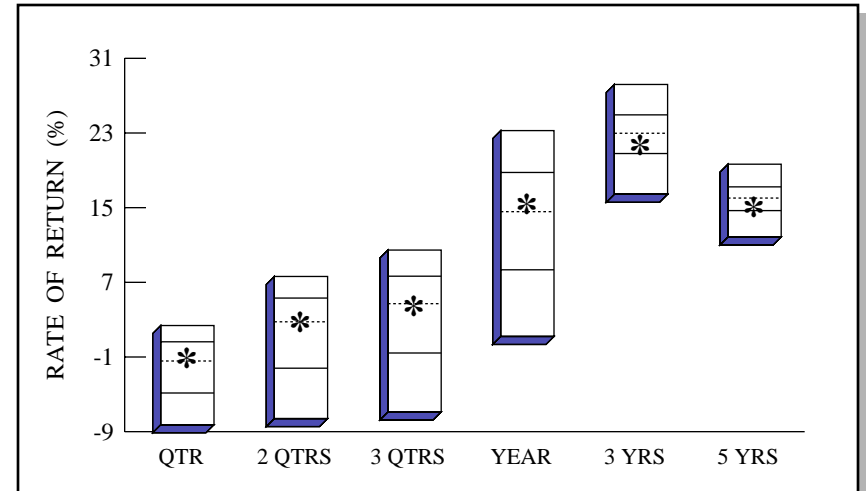
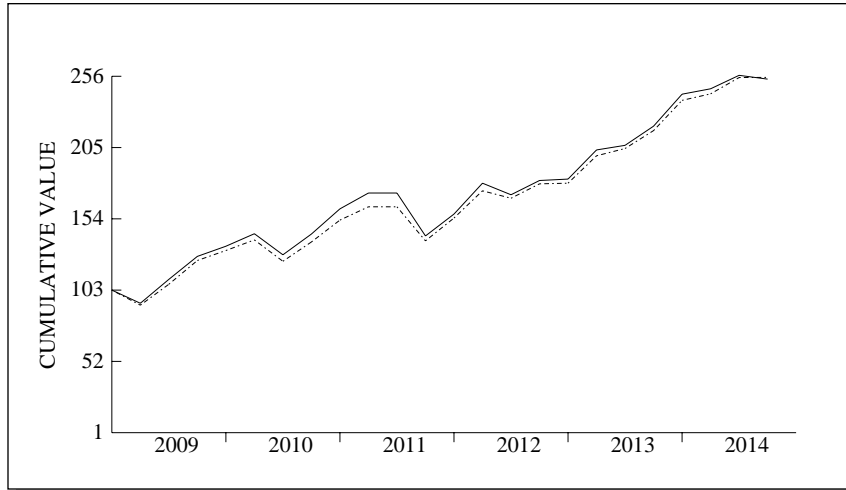
COMPARATIVE BENCHMARK: MIRAMAR POLICY INDEX



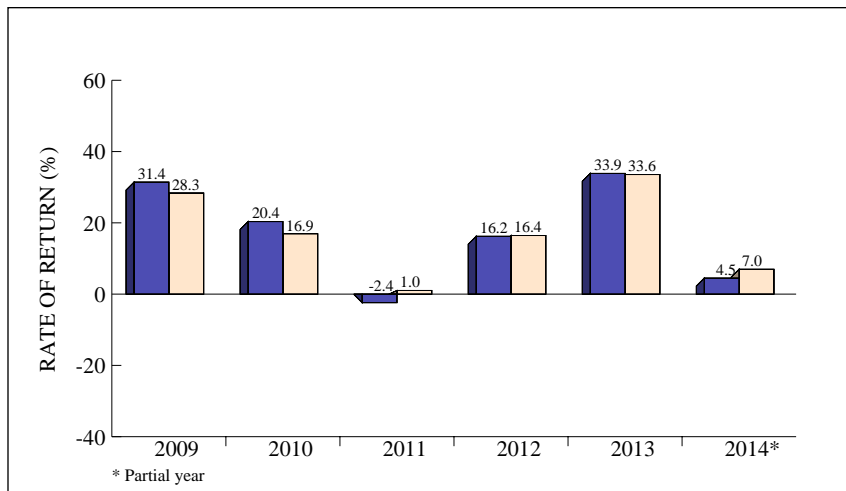
<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>10</b>
<b>Quarters Below the Benchmark</b>	<b>13</b>
<b>Batting Average</b>	<b>.435</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
12/13	8.1	7.7	0.4
3/14	1.5	1.8	-0.3
6/14	3.6	4.3	-0.7
9/14	-1.1	-0.5	-0.6

DOMESTIC EQUITY RETURN COMPARISONS



All Cap Universe



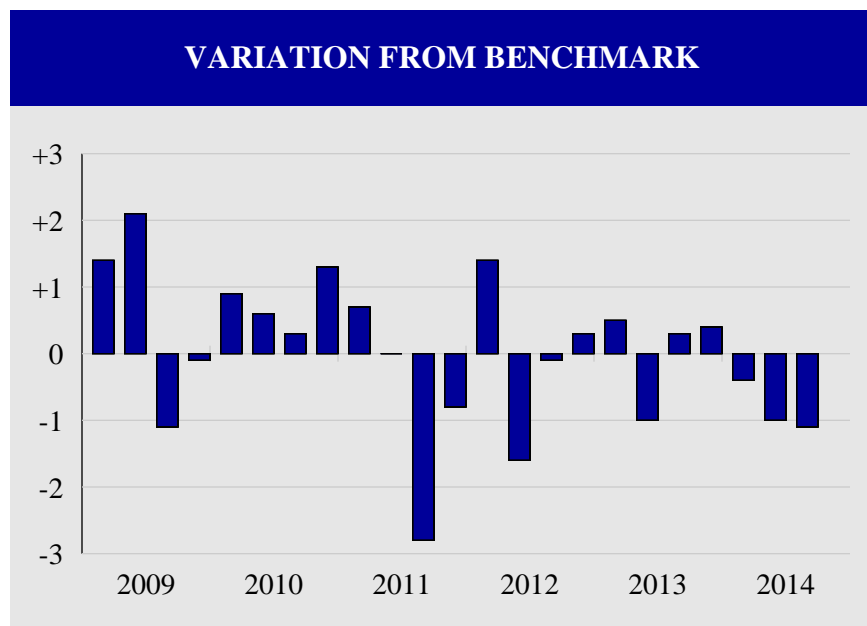
\* Partial year

	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-1.1	2.8	4.5	15.5	21.8	15.1
(RANK)	(47)	(50)	(51)	(47)	(65)	(69)
5TH %ILE	2.4	7.6	10.5	23.3	28.2	19.7
25TH %ILE	0.6	5.3	7.7	18.8	25.0	17.2
MEDIAN	-1.4	2.8	4.7	14.6	23.0	16.0
75TH %ILE	-4.9	-2.2	-0.6	8.3	20.8	14.7
95TH %ILE	-8.3	-7.6	-6.9	1.2	16.4	11.9
<b>Russ 3000</b>	<b>0.0</b>	<b>4.9</b>	<b>7.0</b>	<b>17.8</b>	<b>23.1</b>	<b>15.8</b>

All Cap Universe

## DOMESTIC EQUITY QUARTERLY PERFORMANCE SUMMARY

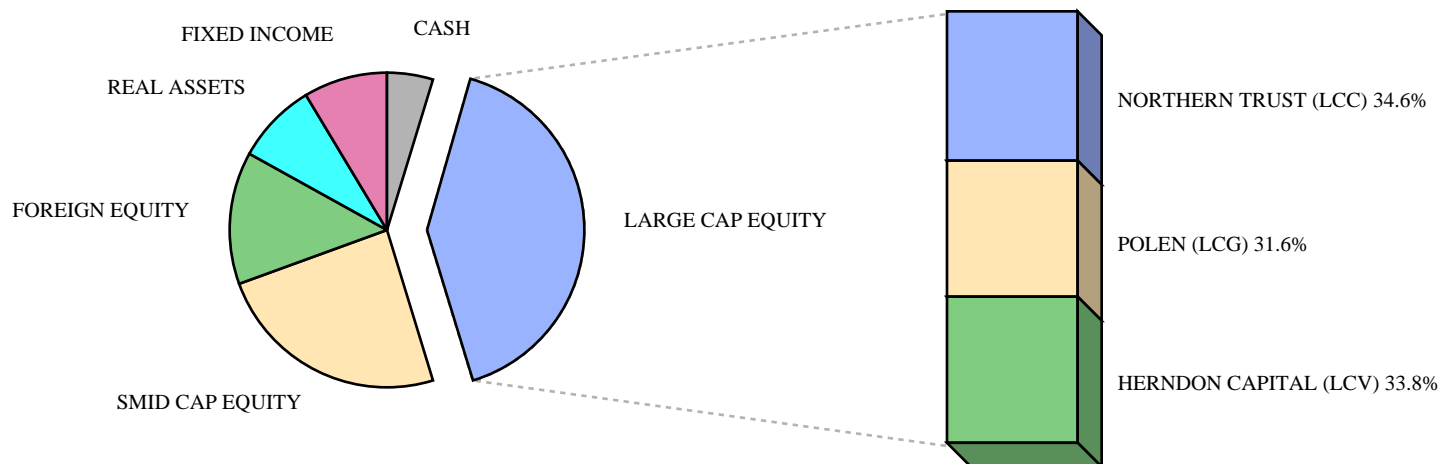
**COMPARATIVE BENCHMARK: RUSSELL 3000**



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

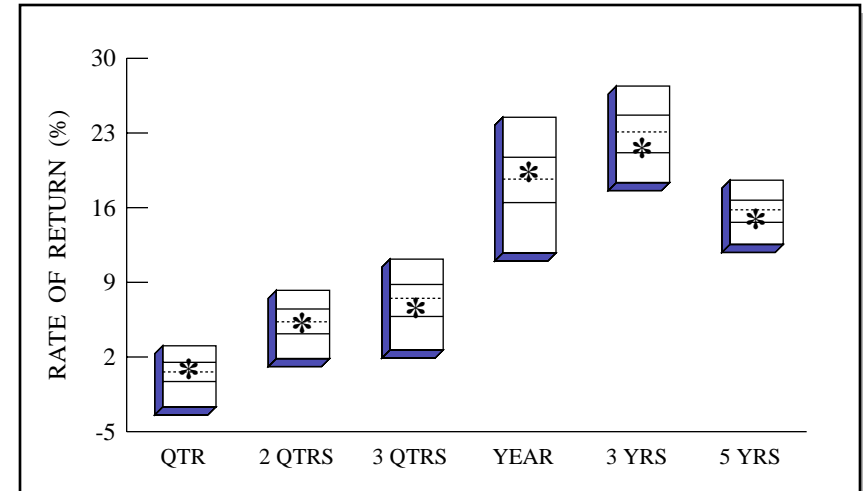
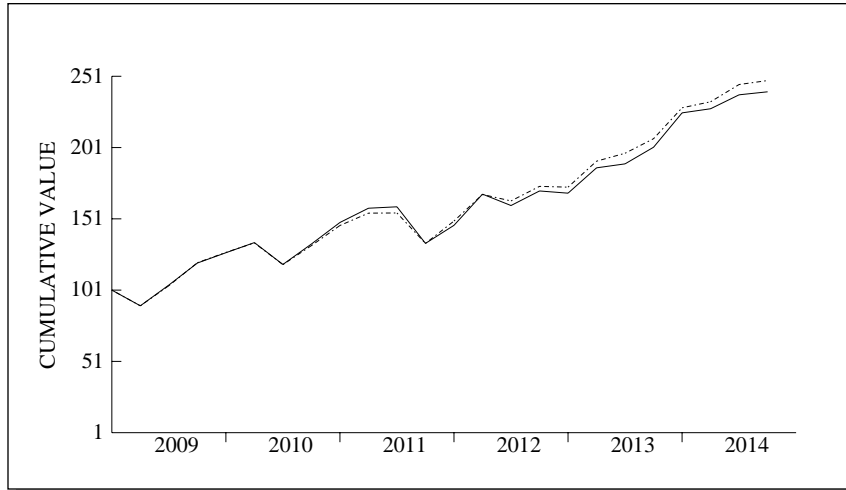
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/09	-9.4	-10.8	1.4
6/09	18.9	16.8	2.1
9/09	15.2	16.3	-1.1
12/09	5.8	5.9	-0.1
3/10	6.8	5.9	0.9
6/10	-10.7	-11.3	0.6
9/10	11.8	11.5	0.3
12/10	12.9	11.6	1.3
3/11	7.1	6.4	0.7
6/11	0.0	0.0	0.0
9/11	-18.1	-15.3	-2.8
12/11	11.3	12.1	-0.8
3/12	14.3	12.9	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
12/13	10.5	10.1	0.4
3/14	1.6	2.0	-0.4
6/14	3.9	4.9	-1.0
9/14	-1.1	0.0	-1.1

### LARGE CAP EQUITY MANAGER SUMMARY

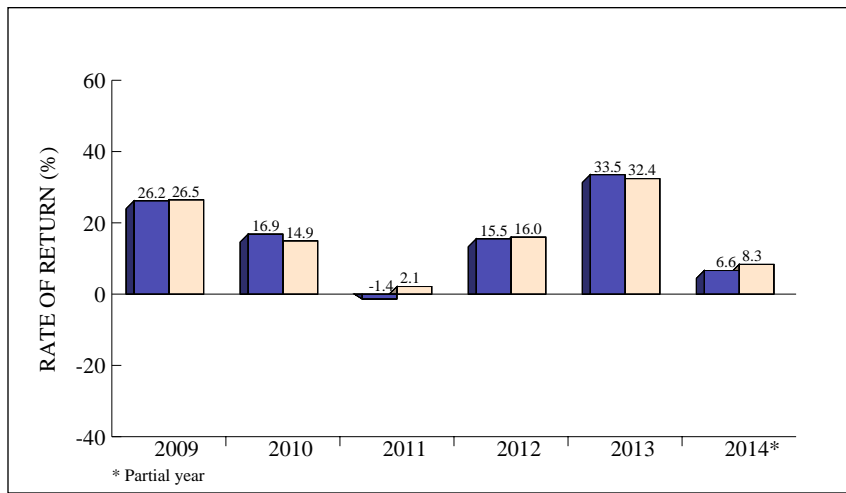


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
NORTHERN TRUST	(Large Cap Core)	1.1 (43)	19.6 (47)	19.6 (47)	22.9 (57)	15.7 (57)	\$13,967,245
<i>S&amp;P 500</i>		<i>1.1 ----</i>	<i>19.7 ----</i>	<i>19.7 ----</i>	<i>23.0 ----</i>	<i>15.7 ----</i>	<i>----</i>
POLEN	(Large Cap Growth)	1.8 (33)	---- ----	---- ----	---- ----	---- ----	\$13,252,233
<i>Russell 1000 Growth</i>		<i>1.5 ----</i>	<i>19.1 ----</i>	<i>19.1 ----</i>	<i>22.4 ----</i>	<i>16.5 ----</i>	<i>----</i>
HERNDON CAPITAL	(Large Cap Value)	-0.1 (52)	17.6 (55)	17.6 (55)	20.6 (85)	15.2 (58)	\$14,098,452
<i>Russell 1000 Value</i>		<i>-0.2 ----</i>	<i>18.9 ----</i>	<i>18.9 ----</i>	<i>23.9 ----</i>	<i>15.3 ----</i>	<i>----</i>

LARGE CAP EQUITY RETURN COMPARISONS



Large Cap Universe



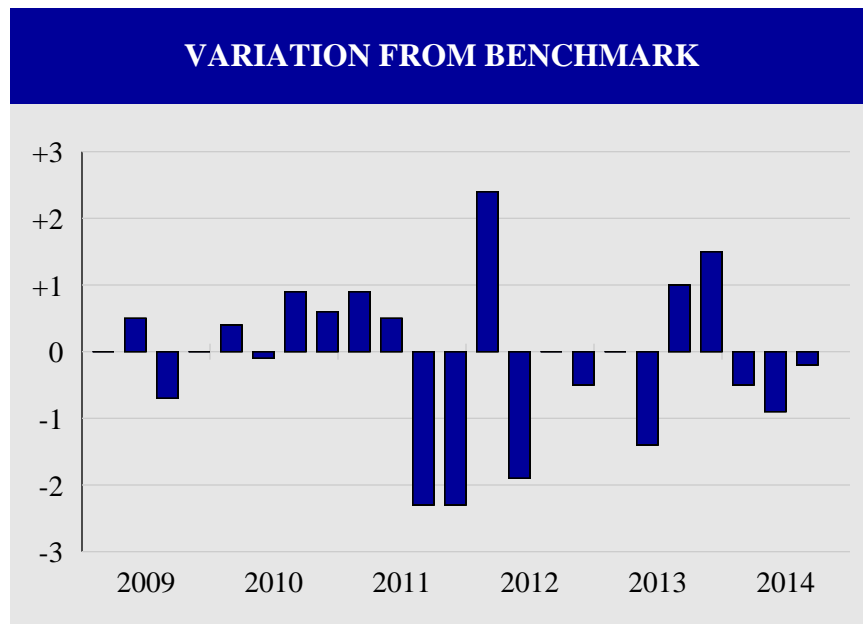
\* Partial year

	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	0.9	5.3	6.6	19.4	21.7	15.0
(RANK)	(42)	(52)	(65)	(39)	(71)	(68)
5TH %ILE	3.0	8.3	11.2	24.5	27.4	18.6
25TH %ILE	1.5	6.5	8.8	20.7	24.7	16.7
MEDIAN	0.6	5.3	7.5	18.7	23.1	15.8
75TH %ILE	-0.3	4.2	5.8	16.5	21.2	14.6
95TH %ILE	-2.7	1.9	2.7	11.8	18.4	12.6
<b>S&amp;P 500</b>	<b>1.1</b>	<b>6.4</b>	<b>8.3</b>	<b>19.7</b>	<b>23.0</b>	<b>15.7</b>

Large Cap Universe

## LARGE CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

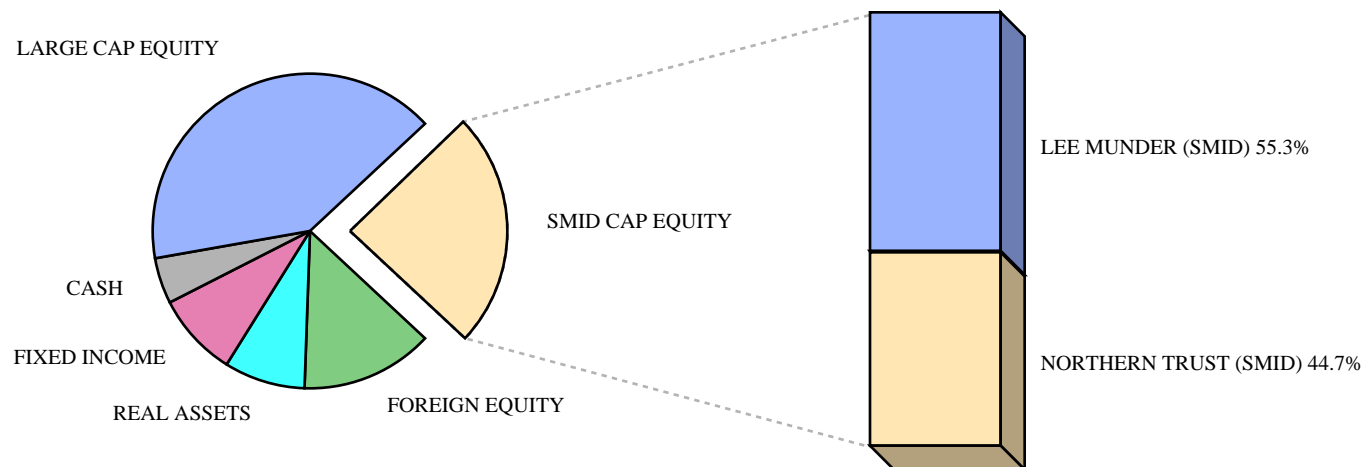
COMPARATIVE BENCHMARK: S&P 500



<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>

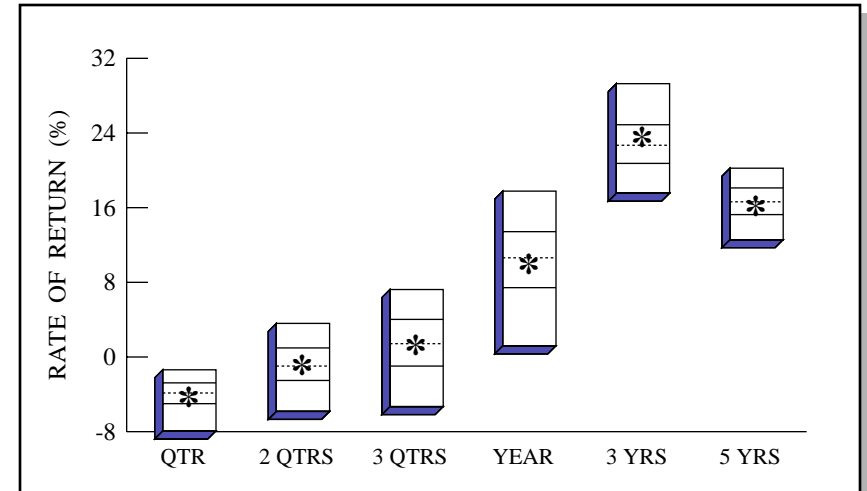
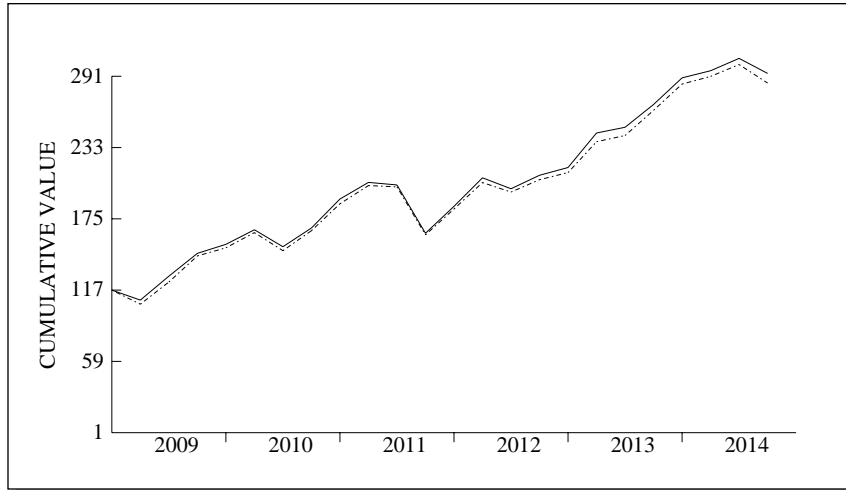
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/09	-11.0	-11.0	0.0
6/09	16.4	15.9	0.5
9/09	14.9	15.6	-0.7
12/09	6.0	6.0	0.0
3/10	5.7	5.3	0.4
6/10	-11.5	-11.4	-0.1
9/10	12.2	11.3	0.9
12/10	11.4	10.8	0.6
3/11	6.8	5.9	0.9
6/11	0.6	0.1	0.5
9/11	-16.2	-13.9	-2.3
12/11	9.5	11.8	-2.3
3/12	15.0	12.6	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
12/13	12.0	10.5	1.5
3/14	1.3	1.8	-0.5
6/14	4.3	5.2	-0.9
9/14	0.9	1.1	-0.2

**SMID CAP EQUITY MANAGER SUMMARY**

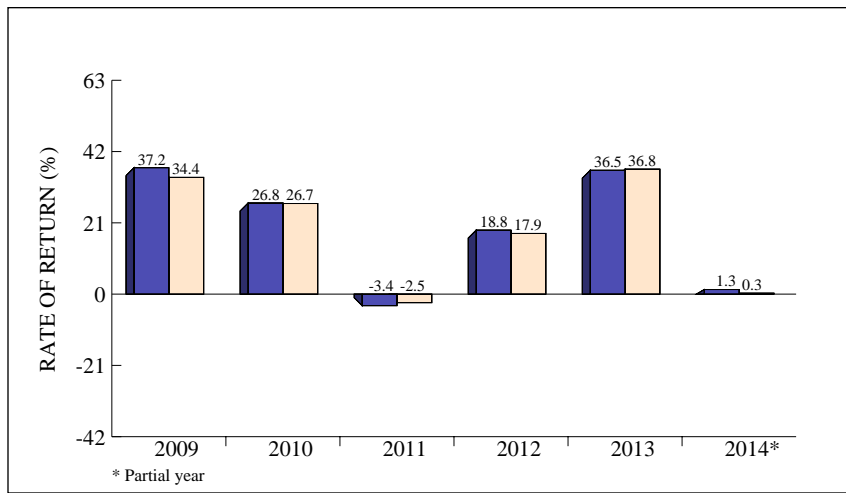


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
LEE MUNDER	(Smid Cap)	-3.7 (46)	10.2 (53)	10.2 (53)	23.5 (39)	15.7 (67)	\$13,615,059
<i>Russell 2500</i>		<i>-5.4 ----</i>	<i>9.0 ----</i>	<i>9.0 ----</i>	<i>22.8 ----</i>	<i>16.0 ----</i>	<i>----</i>
NORTHERN TRUST	(Smid Cap)	-4.8 (72)	9.6 (58)	9.6 (58)	23.0 (45)	16.4 (54)	\$10,750,758
<i>Wilshire 4500</i>		<i>-5.0 ----</i>	<i>9.8 ----</i>	<i>9.8 ----</i>	<i>23.1 ----</i>	<i>16.3 ----</i>	<i>----</i>

### SMID CAP EQUITY RETURN COMPARISONS



Smid Cap Universe



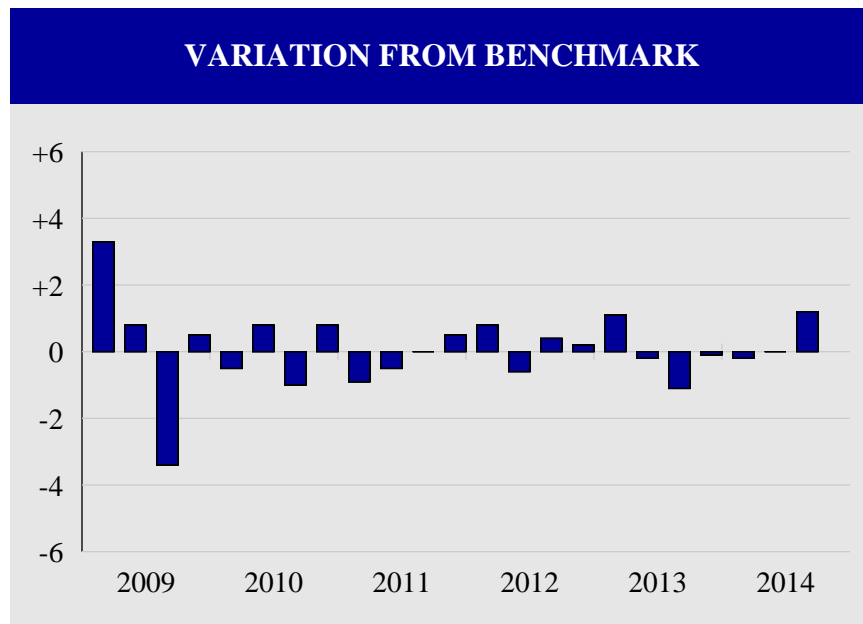
	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-4.2	-0.8	1.3	10.1	23.6	16.3
(RANK)	(57)	(48)	(53)	(54)	(37)	(58)
5TH %ILE	-1.4	3.6	7.2	17.8	29.3	20.2
25TH %ILE	-2.8	1.0	4.0	13.4	24.9	18.1
MEDIAN	-3.9	-1.0	1.4	10.6	22.7	16.6
75TH %ILE	-5.0	-2.5	-1.0	7.4	20.7	15.3
95TH %ILE	-7.9	-5.8	-5.3	1.2	17.5	12.6
<b>Russ 2500</b>	<b>-5.4</b>	<b>-2.0</b>	<b>0.3</b>	<b>9.0</b>	<b>22.8</b>	<b>16.0</b>

Smid Cap Universe



### SMID CAP EQUITY QUARTERLY PERFORMANCE SUMMARY

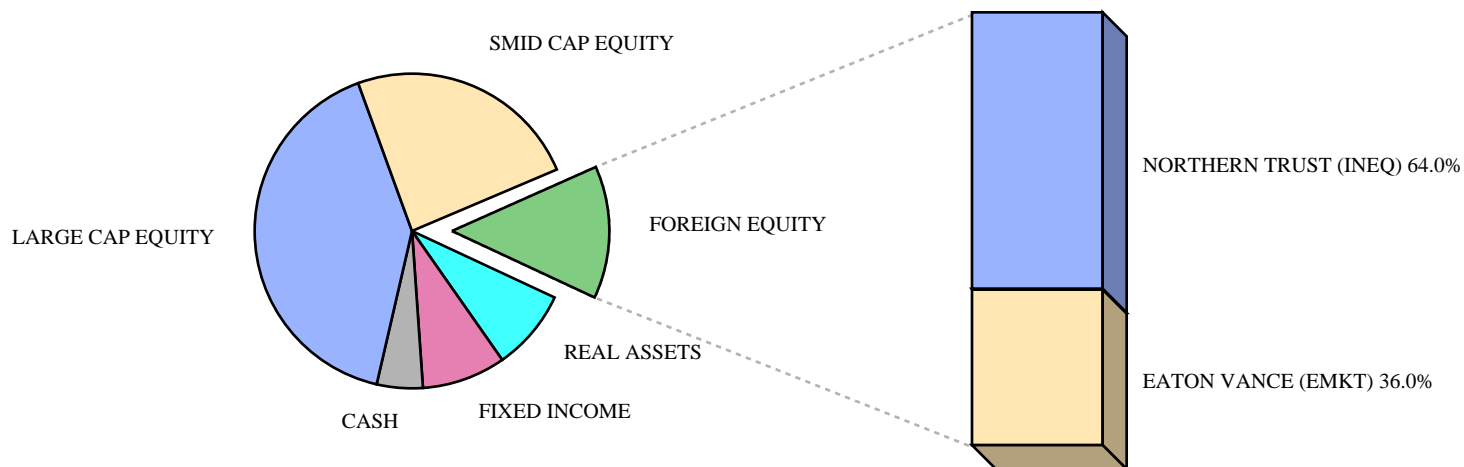
COMPARATIVE BENCHMARK: RUSSELL 2500



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

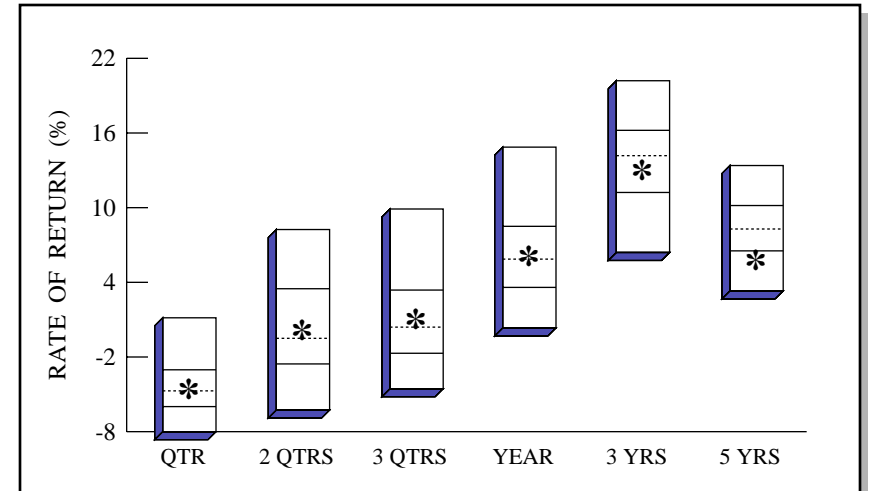
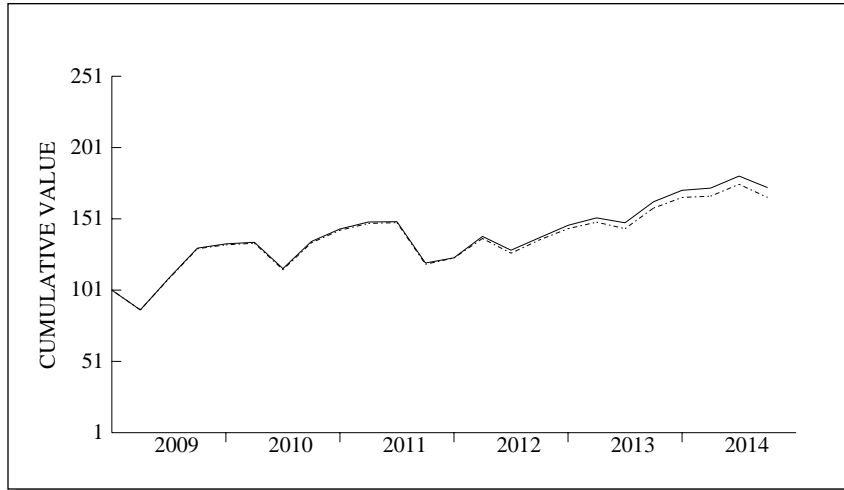
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/09	-8.1	-11.4	3.3
6/09	21.1	20.3	0.8
9/09	16.7	20.1	-3.4
12/09	5.6	5.1	0.5
3/10	8.7	9.2	-0.5
6/10	-9.2	-10.0	0.8
9/10	11.2	12.2	-1.0
12/10	15.6	14.8	0.8
3/11	7.8	8.7	-0.9
6/11	-1.1	-0.6	-0.5
9/11	-21.2	-21.2	0.0
12/11	15.0	14.5	0.5
3/12	13.8	13.0	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
12/13	8.6	8.7	-0.1
3/14	2.1	2.3	-0.2
6/14	3.6	3.6	0.0
9/14	-4.2	-5.4	1.2

**FOREIGN EQUITY MANAGER SUMMARY**

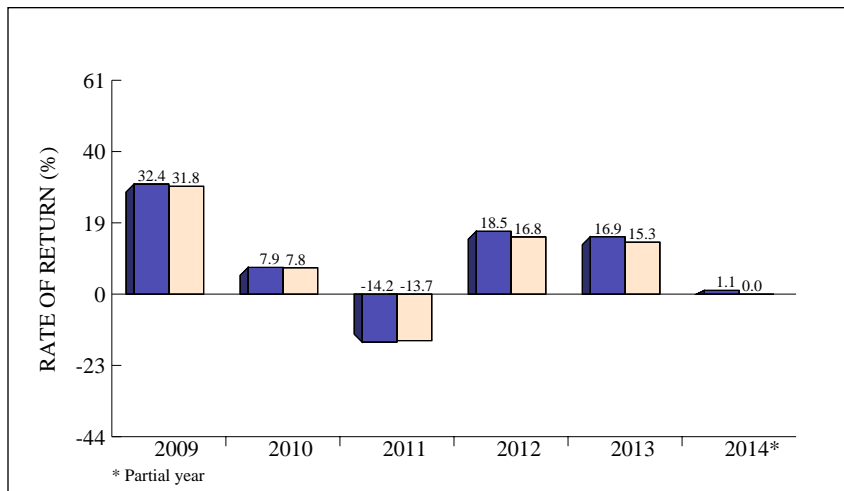
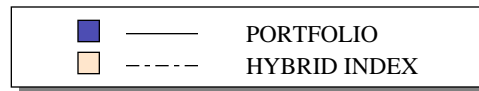


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
NORTHERN TRUST	(International Equity)	-5.8 (72)	4.6 (65)	4.6 (65)	14.0 (52)	6.9 (71)	\$8,592,482
<i>MSCI EAFE Net</i>		<i>-5.9 ----</i>	<i>4.3 ----</i>	<i>4.3 ----</i>	<i>13.7 ----</i>	<i>6.6 ----</i>	<i>----</i>
EATON VANCE	(Emerging Markets)	-2.0 (31)	7.9 (38)	7.9 (38)	9.8 (48)	---- ----	\$4,831,899
<i>MSCI Emerging Markets Net</i>		<i>-3.5 ----</i>	<i>4.3 ----</i>	<i>4.3 ----</i>	<i>7.2 ----</i>	<i>4.4 ----</i>	<i>----</i>

**FOREIGN EQUITY RETURN COMPARISONS**



International Equity Universe

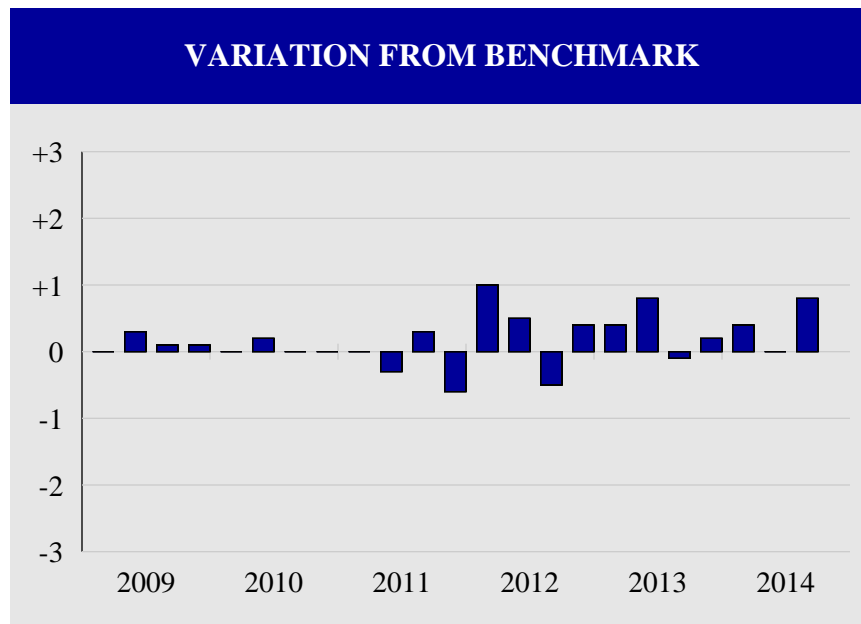


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-4.5	0.2	1.1	6.2	13.0	5.8
(RANK)	(47)	(45)	(43)	(48)	(62)	(83)
5TH %ILE	1.1	8.3	9.9	14.9	20.2	13.4
25TH %ILE	-3.0	3.5	3.4	8.5	16.2	10.2
MEDIAN	-4.7	-0.5	0.4	5.9	14.2	8.3
75TH %ILE	-6.0	-2.6	-1.7	3.6	11.2	6.5
95TH %ILE	-8.0	-6.3	-4.5	0.3	6.4	3.3
<b>Hybrid Ix</b>	<b>-5.3</b>	<b>-0.5</b>	<b>0.0</b>	<b>4.8</b>	<b>11.8</b>	<b>5.1</b>

International Equity Universe

## FOREIGN EQUITY QUARTERLY PERFORMANCE SUMMARY

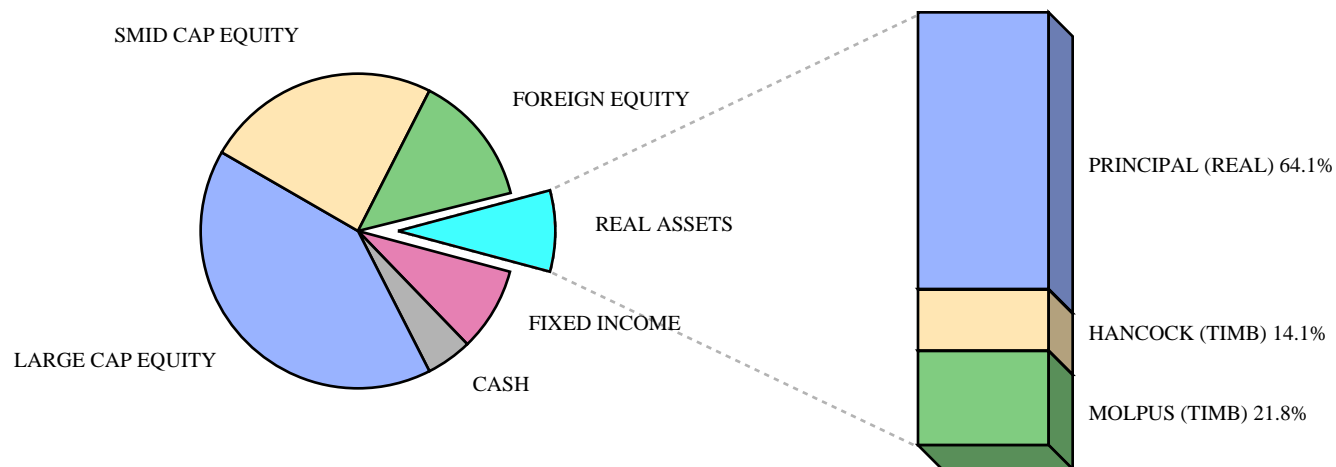
COMPARATIVE BENCHMARK: FOREIGN EQUITY HYBRID INDEX



<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
3/09	-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
12/13	5.0	4.8	0.2
3/14	0.9	0.5	0.4
6/14	5.0	5.0	0.0
9/14	-4.5	-5.3	0.8

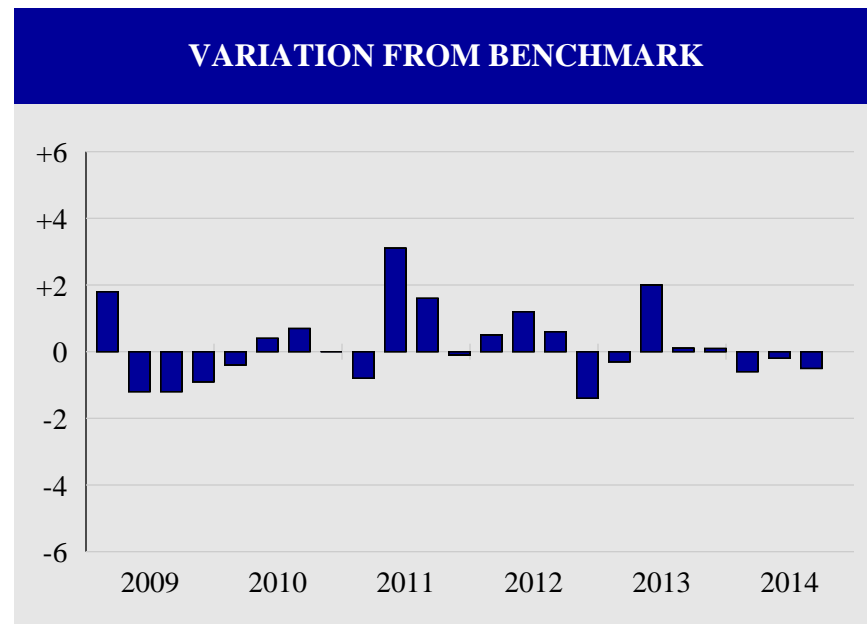
**REAL ASSETS MANAGER SUMMARY**



TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
PRINCIPAL		3.1 ---	12.6 ---	12.6 ---	13.0 ---	12.9 ---	\$5,253,180
<i>NCREIF NFI-ODCE Index</i>		<i>3.2 ---</i>	<i>12.4 ---</i>	<i>12.4 ---</i>	<i>12.3 ---</i>	<i>12.4 ---</i>	---
HANCOCK		0.0 ---	12.5 ---	12.5 ---	--- ---	--- ---	\$1,158,243
MOLPUS		0.3 ---	5.5 ---	5.5 ---	6.0 ---	--- ---	\$1,784,595
<i>NCREIF Timber Index</i>		<i>1.5 ---</i>	<i>10.4 ---</i>	<i>10.4 ---</i>	<i>7.4 ---</i>	<i>3.6 ---</i>	---

## REAL ASSETS QUARTERLY PERFORMANCE SUMMARY

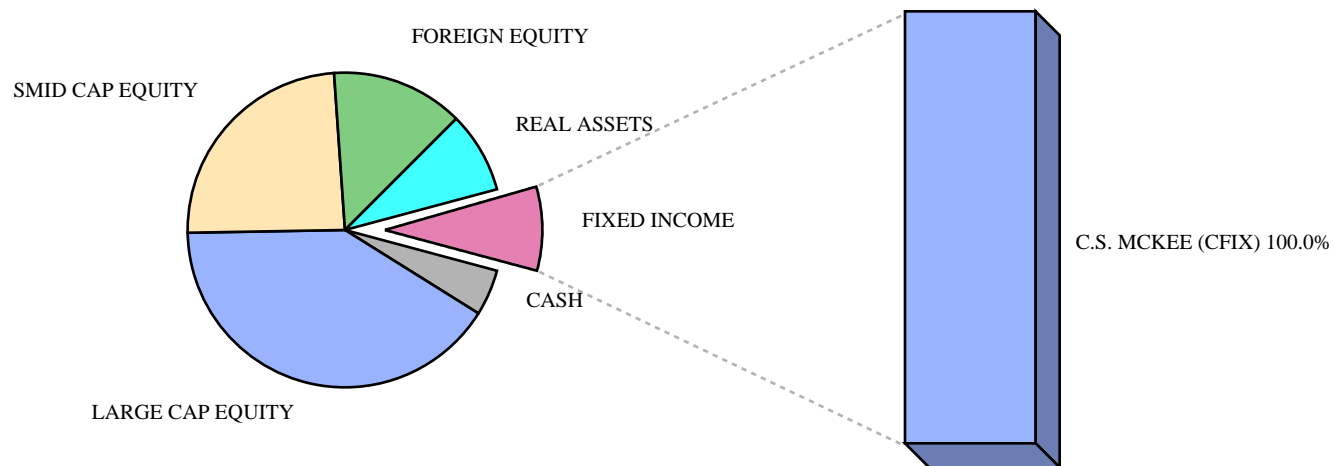
COMPARATIVE BENCHMARK: REAL ASSET BLENDED INDEX



<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>

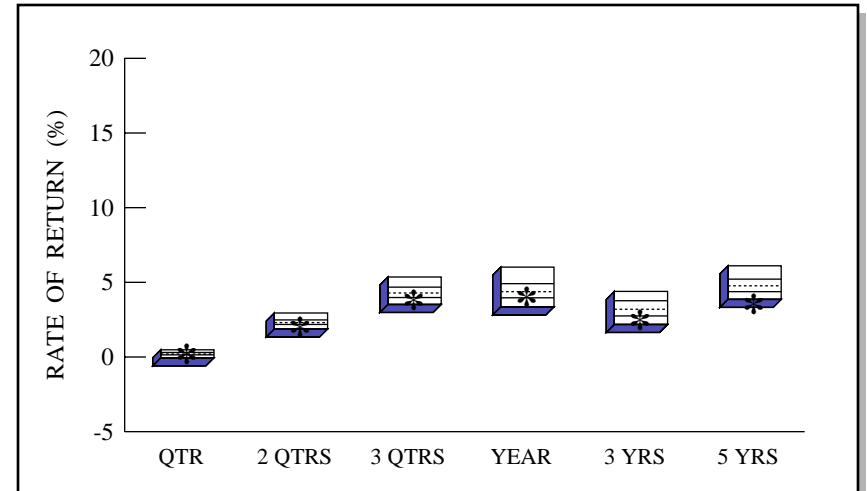
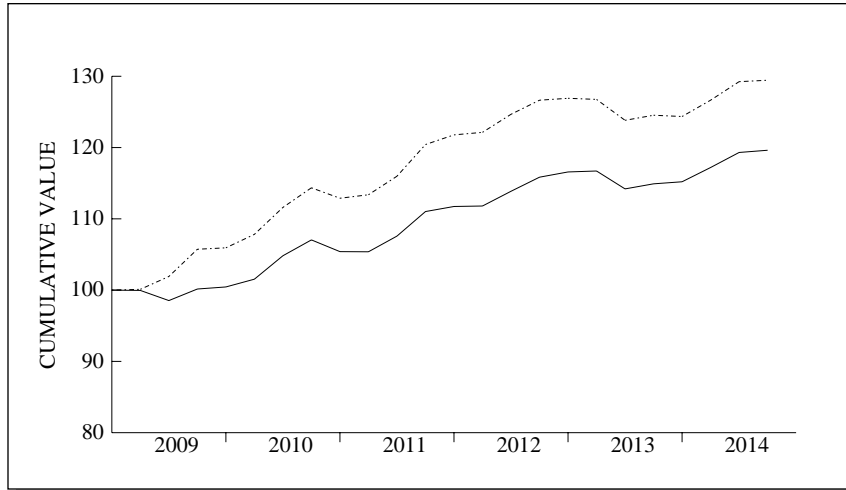
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/09	-11.9	-13.7	1.8
6/09	-10.2	-9.0	-1.2
9/09	-8.5	-7.3	-1.2
12/09	-4.4	-3.5	-0.9
3/10	0.4	0.8	-0.4
6/10	4.8	4.4	0.4
9/10	6.1	5.4	0.7
12/10	5.0	5.0	0.0
3/11	3.2	4.0	-0.8
6/11	6.1	3.0	3.1
9/11	3.6	2.0	1.6
12/11	1.9	2.0	-0.1
3/12	2.3	1.8	0.5
6/12	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
12/13	4.4	4.3	0.1
3/14	1.6	2.2	-0.6
6/14	2.0	2.2	-0.2
9/14	2.0	2.5	-0.5

**FIXED INCOME MANAGER SUMMARY**

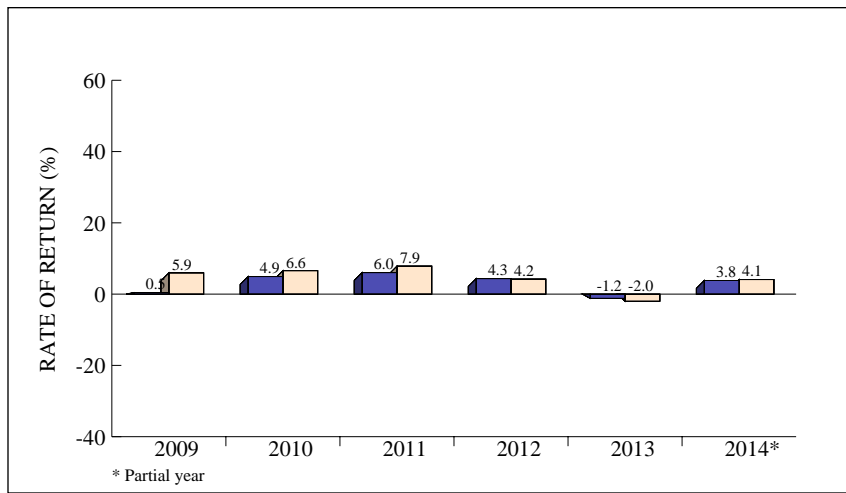


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	FYTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
C.S. MCKEE	(Core Fixed Income)	0.2 (42)	3.8 (83)	3.8 (83)	----	----	\$8,621,641
<i>Barclays Aggregate Index</i>		0.2 ----	3.9 ----	3.9 ----	2.4 ----	4.1 ----	----

**FIXED INCOME RETURN COMPARISONS**



Core Fixed Income Universe



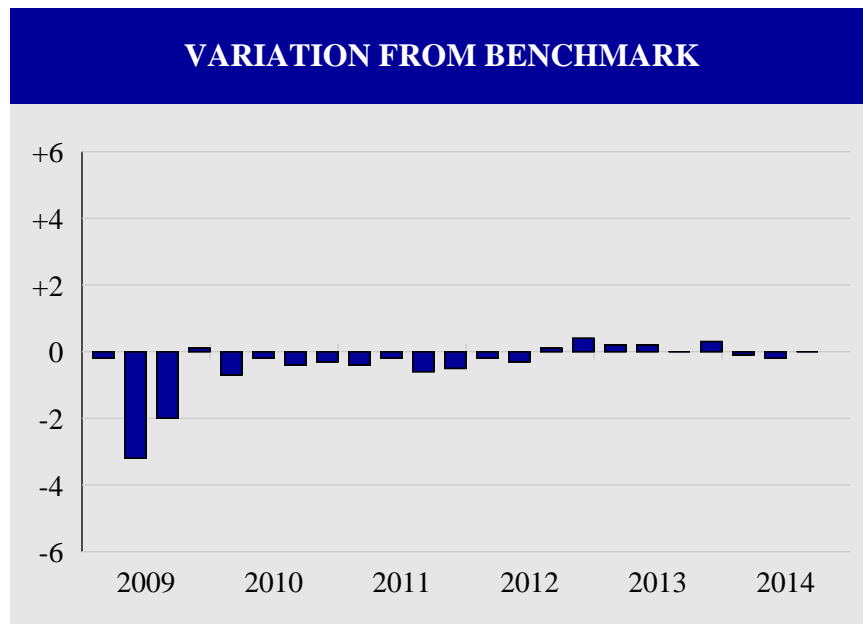
	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	0.2	2.1	3.8	4.1	2.5	3.6
(RANK)	(41)	(86)	(85)	(70)	(85)	(99)
5TH %ILE	0.5	3.0	5.4	6.0	4.4	6.1
25TH %ILE	0.3	2.5	4.7	4.9	3.8	5.2
MEDIAN	0.2	2.3	4.3	4.4	3.2	4.8
75TH %ILE	0.1	2.2	4.0	4.0	2.8	4.4
95TH %ILE	-0.1	1.9	3.5	3.4	2.2	3.9
<b>Agg Index</b>	<b>0.2</b>	<b>2.2</b>	<b>4.1</b>	<b>3.9</b>	<b>2.4</b>	<b>4.1</b>

Core Fixed Income Universe



## FIXED INCOME QUARTERLY PERFORMANCE SUMMARY

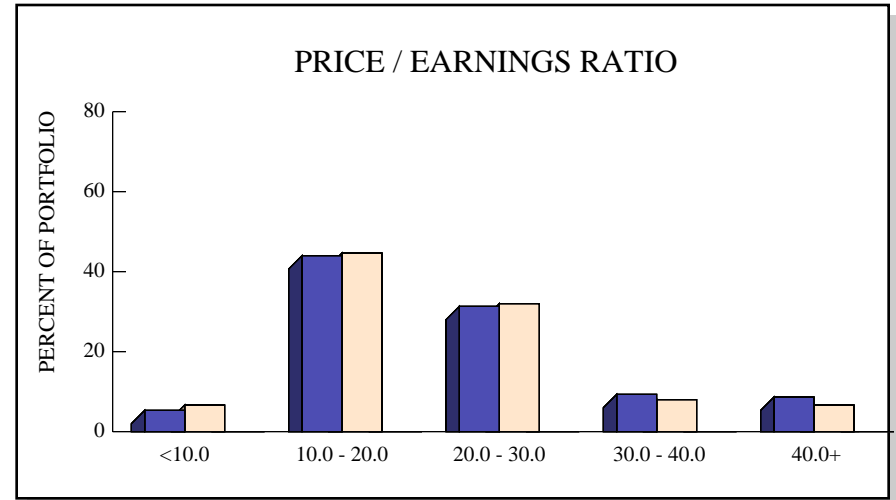
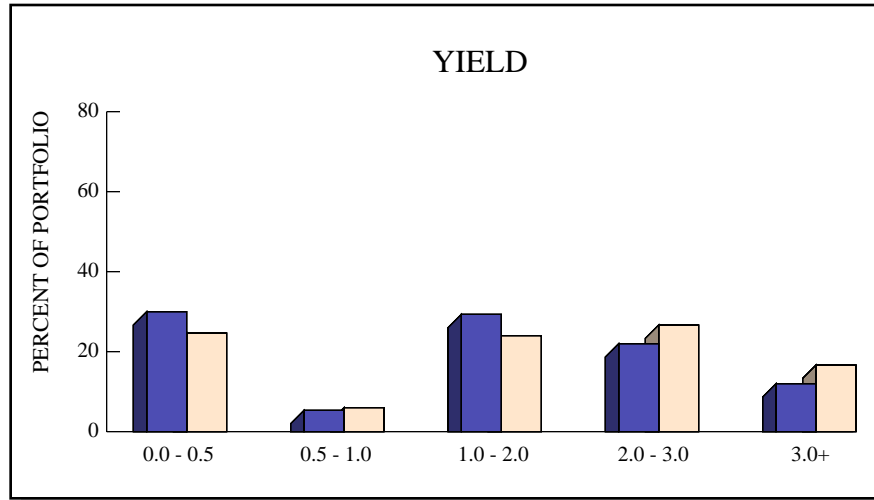
COMPARATIVE BENCHMARK: BARCLAYS AGGREGATE INDEX



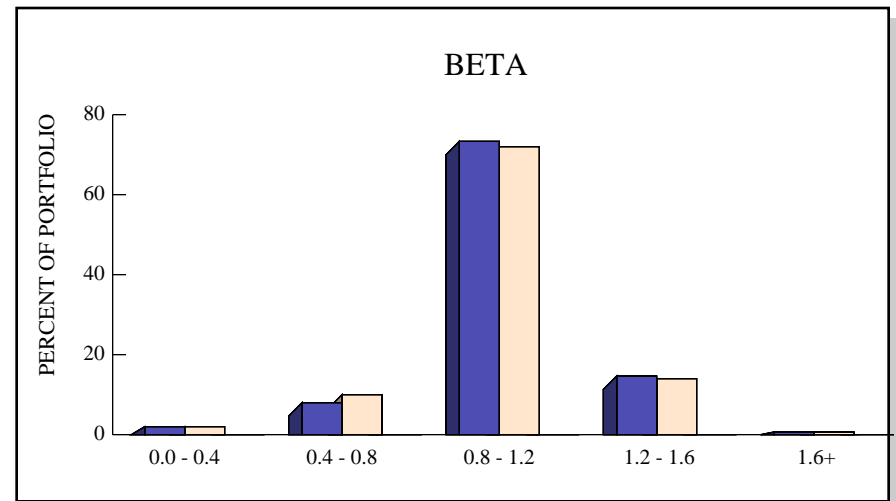
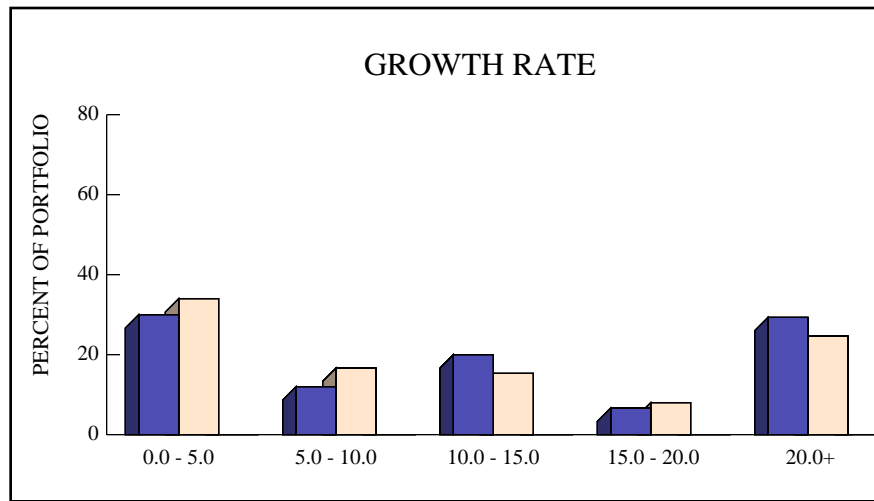
<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>8</b>
<b>Quarters Below the Benchmark</b>	<b>15</b>
<b>Batting Average</b>	<b>.348</b>

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
12/13	0.2	-0.1	0.3
3/14	1.7	1.8	-0.1
6/14	1.8	2.0	-0.2
9/14	0.2	0.2	0.0

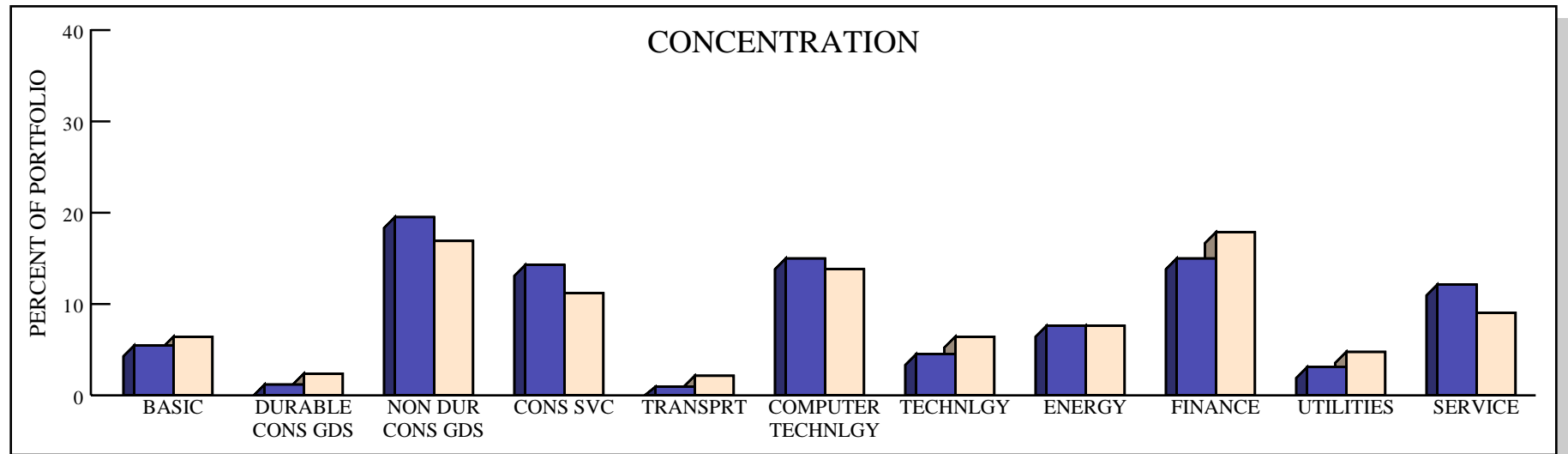
**STOCK CHARACTERISTICS**



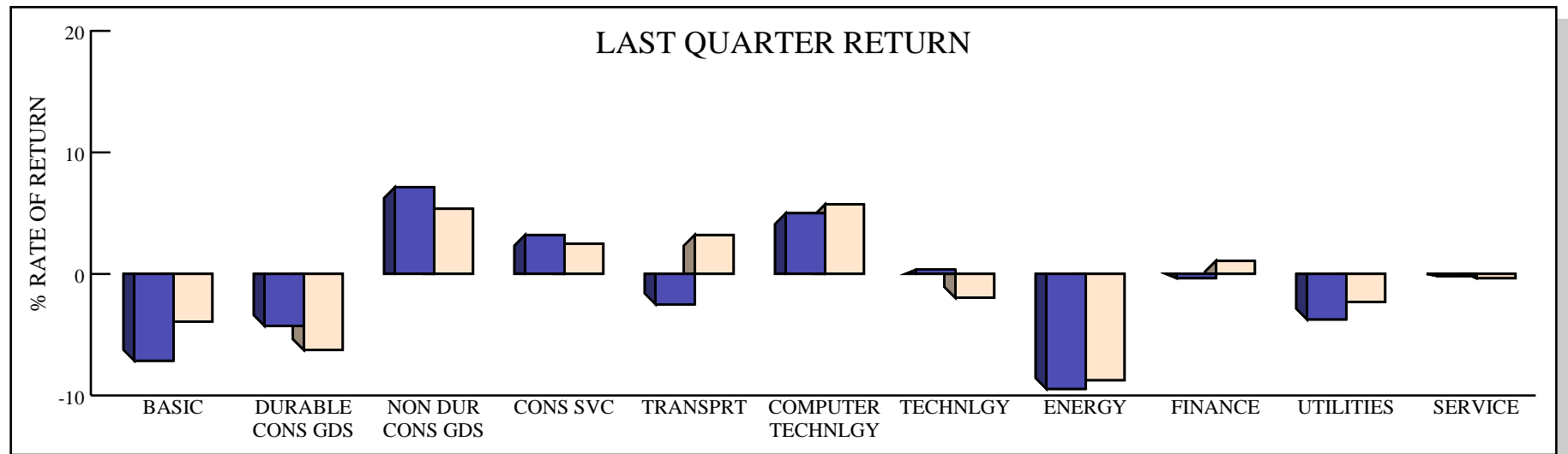
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	601	1.6%	13.4%	23.4	1.02
RUSSELL 3000	2,983	1.8%	11.6%	21.2	0.99



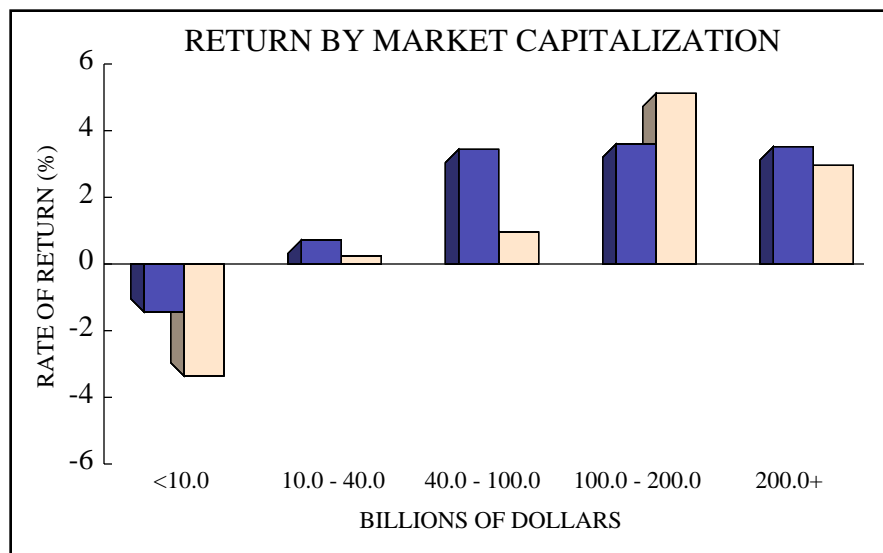
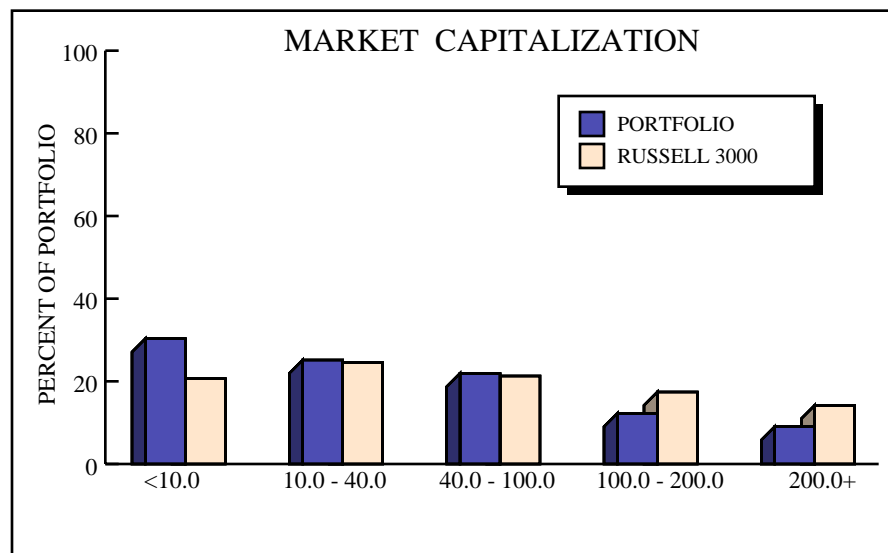
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 3000



## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 1,542,483	2.40%	8.9%	Computer Tech	\$ 603.3 B
2	ALLERGAN INC	1,279,404	1.99%	5.3%	NonDur Cons Goods	53.0 B
3	TJX COMPANIES INC	1,087,367	1.69%	11.6%	Consumer Service	41.0 B
4	VISA INC-CLASS A SHARES	951,417	1.48%	1.5%	Finance	105.6 B
5	NIKE INC -CL B	906,629	1.41%	15.3%	NonDur Cons Goods	61.6 B
6	ORACLE CORP	896,441	1.39%	-5.2%	Computer Tech	169.6 B
7	ABBOTT LABORATORIES	879,296	1.37%	2.1%	NonDur Cons Goods	62.5 B
8	GOOGLE INC-CL C	710,730	1.10%	0.4%	Computer Tech	195.3 B
9	STARBUCKS CORP	709,173	1.10%	-2.1%	Consumer Service	56.7 B
10	GOOGLE INC-CL A	699,619	1.09%	0.6%	Computer Tech	166.7 B

## 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	0.0	17.8	17.8	23.1	15.8
S&P 500	Large Cap Core	1.1	19.7	19.7	23.0	15.7
Russell 1000	Large Cap Core	0.7	19.0	19.0	23.2	15.9
Russell 1000 Growth	Large Cap Growth	1.5	19.1	19.1	22.4	16.5
Russell 1000 Value	Large Cap Value	-0.2	18.9	18.9	23.9	15.3
Russell Mid Cap	Midcap	-1.7	15.8	15.8	23.8	17.2
Russell Mid Cap Growth	Midcap Growth	-0.7	14.4	14.4	22.7	17.1
Russell Mid Cap Value	Midcap Value	-2.6	17.4	17.4	24.7	17.2
Russell 2000	Small Cap	-7.4	3.9	3.9	21.3	14.3
Russell 2000 Growth	Small Cap Growth	-6.1	3.8	3.8	21.9	15.5
Russell 2000 Value	Small Cap Value	-8.6	4.1	4.1	20.6	13.0

<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	-5.8	4.7	4.7	14.2	7.0
MSCI EAFE Growth	Developed Markets Growth	-5.5	3.2	3.2	13.7	7.9
MSCI EAFE Value	Developed Markets Value	-6.1	6.2	6.2	14.6	6.1
MSCI All Country World Ex US	Foreign Equity	-5.2	5.2	5.2	12.3	6.5
MSCI Emerging Markets	Emerging Markets Equity	-3.4	4.6	4.6	7.5	4.7

<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	0.2	3.9	3.9	2.4	4.1
Barclays Gov/Credit	Gov/Credit	0.2	4.1	4.1	2.5	4.3
Barclays Capital Gov't Bond	Treasuries	0.3	2.3	2.3	1.1	3.1
Barclays Capital Credit Bond	Corporate Bonds	-0.1	6.8	6.8	5.2	6.2
Intermediate Aggregate	Core Intermediate	0.0	2.7	2.7	2.1	3.6
Intermediate Gov/Credit	Gov / Credit Intermediate	0.0	2.2	2.2	2.0	3.4
ML/BoA 1-3 Year Treasury	Short Term Treasuries	0.0	0.5	0.5	0.3	0.9
CSFB High Yield	High Yield Bonds	-1.9	7.1	7.1	10.6	10.4

<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	-5.3	-1.1	-1.1	-0.9	-0.5
NCREIF NFI-ODCE Index	Real Estate	3.2	12.4	12.4	12.3	12.4
HFRI FOF Composite	Hedge Funds	0.3	6.1	6.1	5.2	3.0

**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:
 

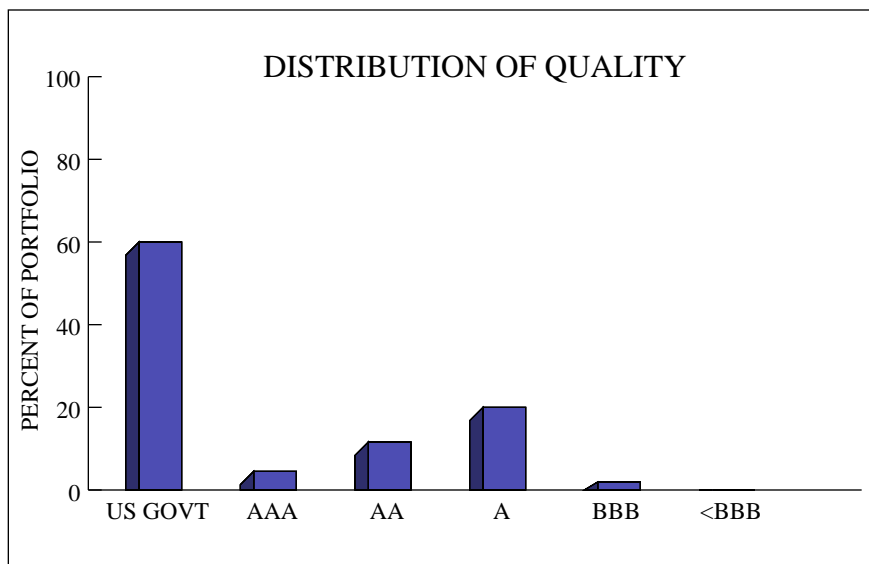
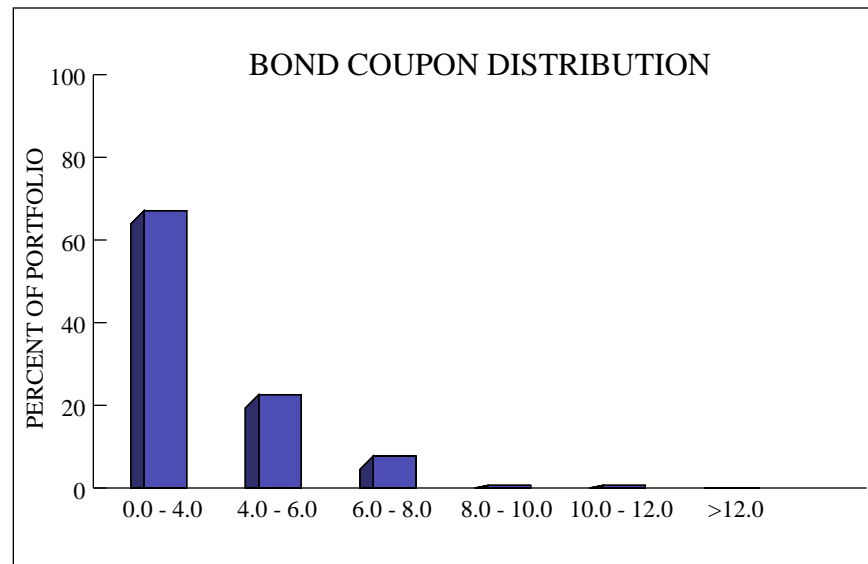
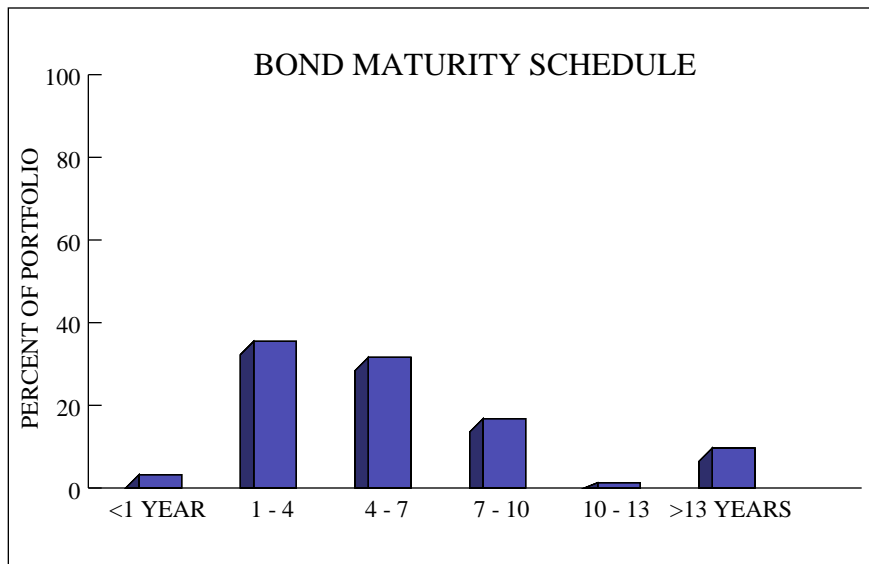
70% Wilshire 5000	10% MSCI EAFE Net	10% Barclay's Aggregate	10% NCREIF ODCE for all periods through September 30, 2009
70% Russell 3000	10% MSCI EAFE Net	10% Barclay's Aggregate	10% NCREIF ODCE for all periods through March 31, 2011
65% Russell 3000	15% ACWI ex US Net	10% Barclay's Aggregate	10% Real 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.

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	129	8,876
Duration	5.58	5.62
YTM	2.35	2.33
Average Coupon	3.12	3.30
Avg Maturity / WAL	6.84	7.74
Average Quality	AAA	USG-AAA

MIRAMAR FIREFIGHTERS  
NORTHERN TRUST - S&P 500 INDEX FUND  
PERFORMANCE REVIEW  
SEPTEMBER 2014



## **INVESTMENT RETURN**

On September 30th, 2014, the Miramar Firefighters' Northern Trust S&P 500 Index Fund was valued at \$13,967,245, representing an increase of \$155,692 from the June quarter's ending value of \$13,811,553. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$155,692 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 \$155,692.

For the cumulative period since September 2004, the portfolio has posted net withdrawals totaling \$2.9 million and recorded net investment gains totaling \$8.4 million. For the period since September 2004, if the fund had returned a compounded nominal rate of 9.0% it would have been valued at \$18.7 million or \$4.7 million more than the actual value as of September 30th, 2014.

## **RELATIVE PERFORMANCE**

For the third quarter, the Northern Trust S&P 500 Index Fund returned 1.1%, which was equal to the S&P 500 Index's return of 1.1% and ranked in the 43rd percentile of the Large Cap Core universe. Over the trailing year, this portfolio returned 19.6%, which was 0.1% below the benchmark's 19.7% return, ranking in the 47th percentile. Since September 2004, the account returned 8.1% on an annualized basis and ranked in the 88th percentile. For comparison, the S&P 500 returned an annualized 8.1% over the same time frame.

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

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 09/04
<b>Total Gross/Fees</b>	1.1	19.6	19.6	22.9	8.1
<i>LARGE CAP CORE RANK</i>	(43)	(47)	(47)	(57)	(88)
<b>Total Net/Fees</b>	1.1	19.5	19.5	22.8	7.9
S&P 500	1.1	19.7	19.7	23.0	8.1
<b>Large Cap Equity</b>	1.1	19.6	19.6	22.9	8.1
<i>LARGE CAP CORE RANK</i>	(43)	(47)	(47)	(57)	(88)
S&P 500	1.1	19.7	19.7	23.0	8.1

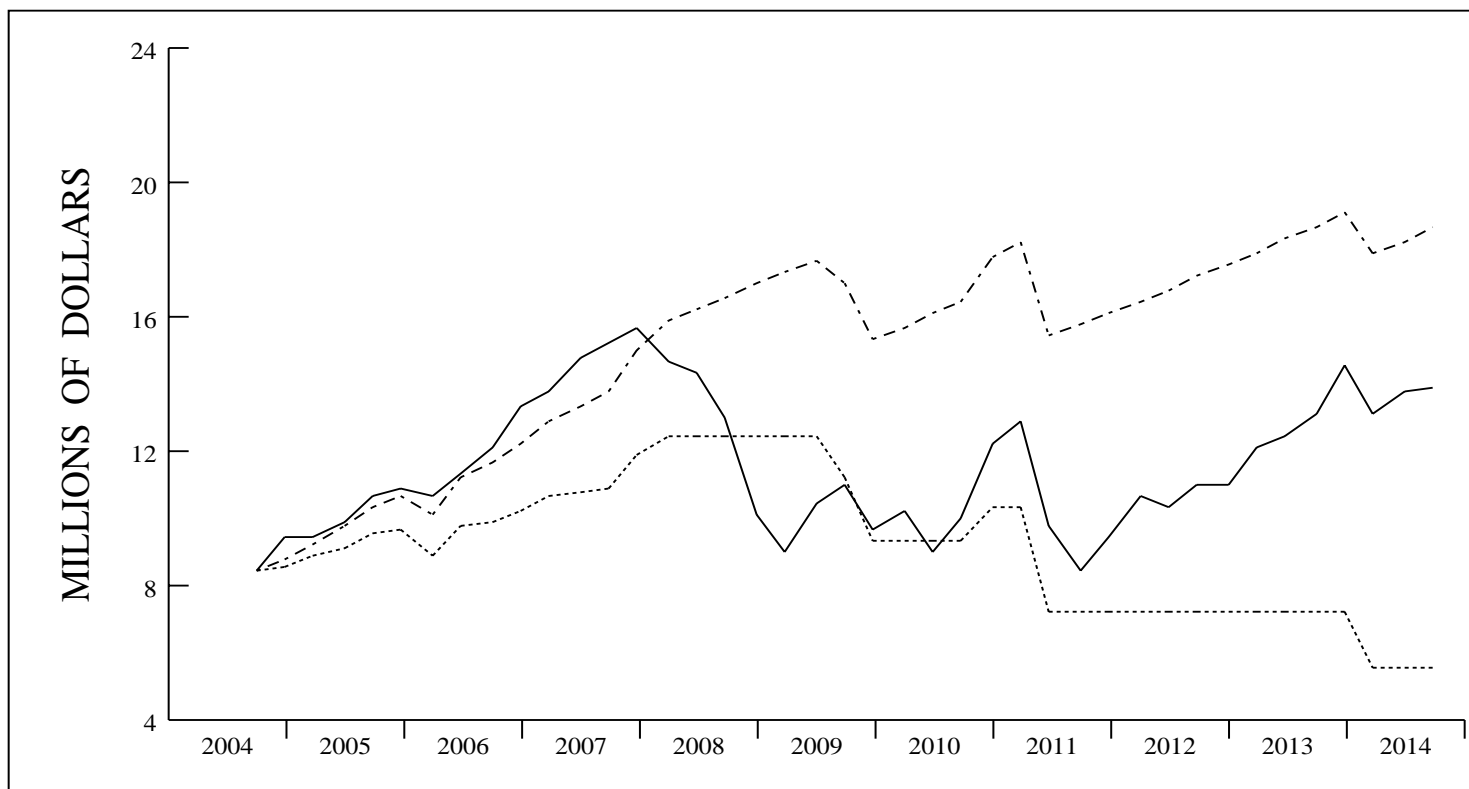
**ASSET ALLOCATION**

Large Cap Equity	100.0%	\$ 13,967,245
Total Portfolio	100.0%	\$ 13,967,245

**INVESTMENT RETURN**

Market Value 6/2014	\$ 13,811,553
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	155,692
Market Value 9/2014	\$ 13,967,245

**INVESTMENT GROWTH**

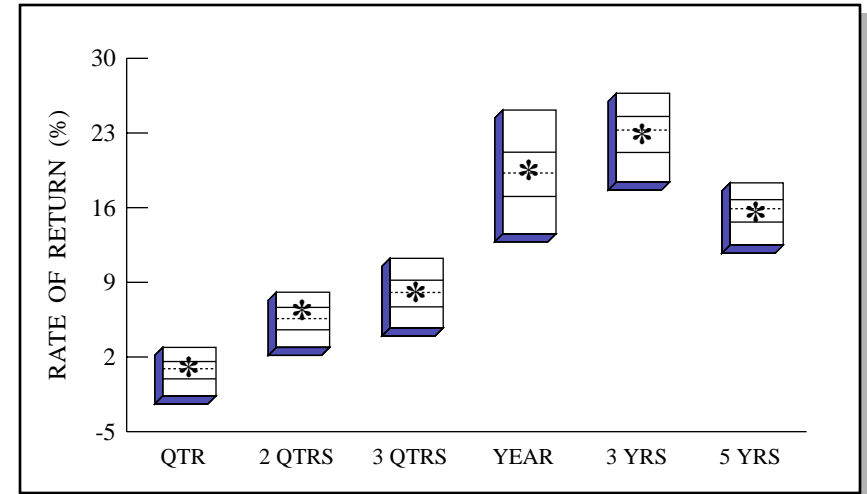
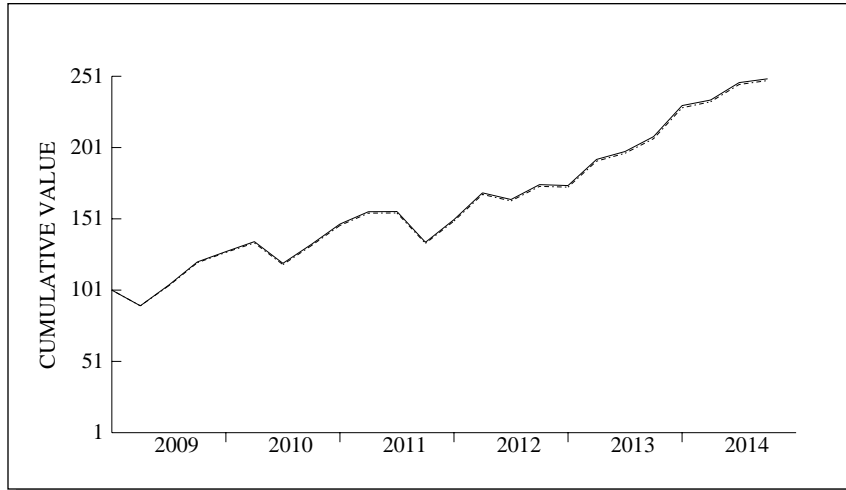


— ACTUAL RETURN  
 - - - 9.0%  
 . . . 0.0%

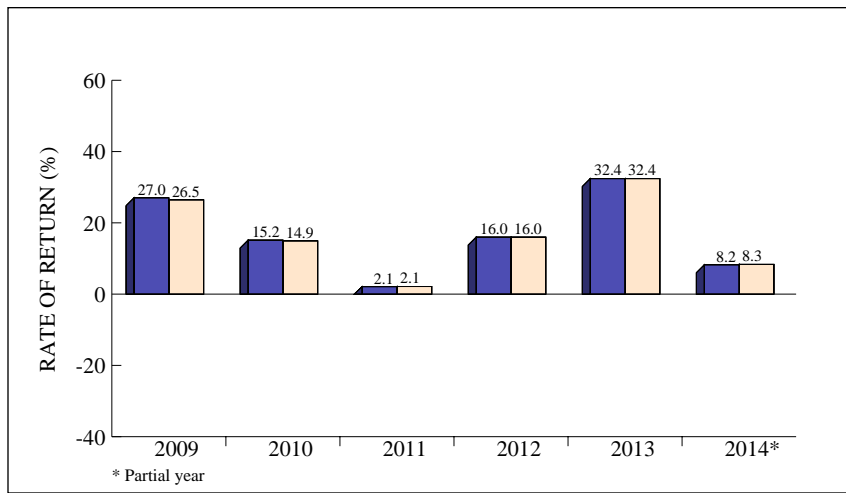
VALUE ASSUMING  
 9.0% RETURN  
 \$ 18,683,544

	LAST QUARTER	PERIOD 9/04 - 9/14
BEGINNING VALUE	\$ 13,811,553	\$ 8,462,040
NET CONTRIBUTIONS	0	- 2,853,291
<u>INVESTMENT RETURN</u>	<u>155,692</u>	<u>8,358,496</u>
ENDING VALUE	\$ 13,967,245	\$ 13,967,245
INCOME	0	0
<u>CAPITAL GAINS (LOSSES)</u>	<u>155,692</u>	<u>8,358,496</u>
INVESTMENT RETURN	155,692	8,358,496

**TOTAL RETURN COMPARISONS**



Large Cap Core Universe



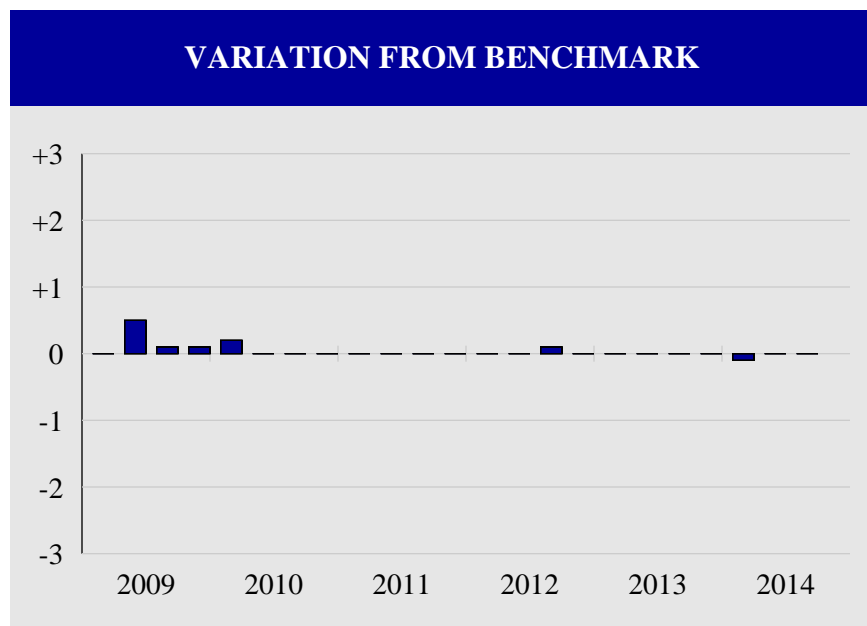
\* Partial year

	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	1.1	6.4	8.2	19.6	22.9	15.7
(RANK)	(43)	(35)	(46)	(47)	(57)	(57)
5TH %ILE	2.9	8.1	11.3	25.1	26.7	18.3
25TH %ILE	1.6	6.7	9.2	21.2	24.6	16.8
MEDIAN	0.9	5.6	8.0	19.3	23.3	15.9
75TH %ILE	-0.1	4.5	6.7	17.1	21.2	14.6
95TH %ILE	-1.7	2.9	4.7	13.6	18.4	12.5
<b>S&amp;P 500</b>	<b>1.1</b>	<b>6.4</b>	<b>8.3</b>	<b>19.7</b>	<b>23.0</b>	<b>15.7</b>

Large Cap Core Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

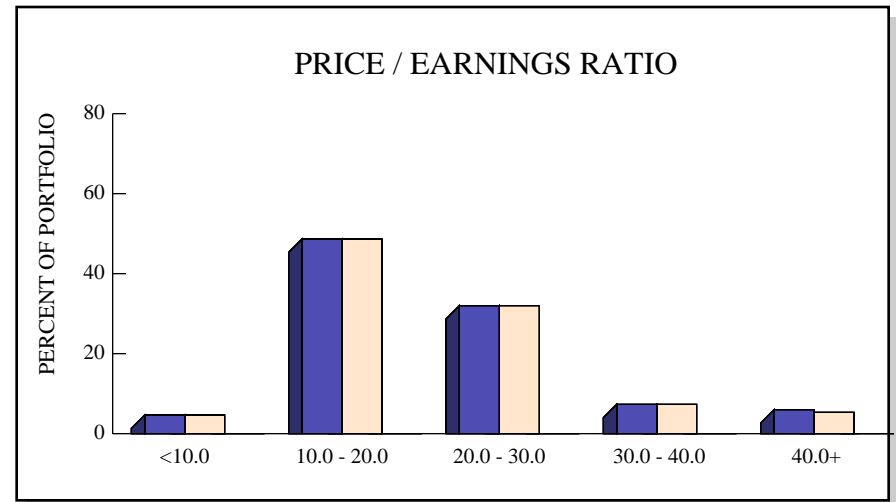
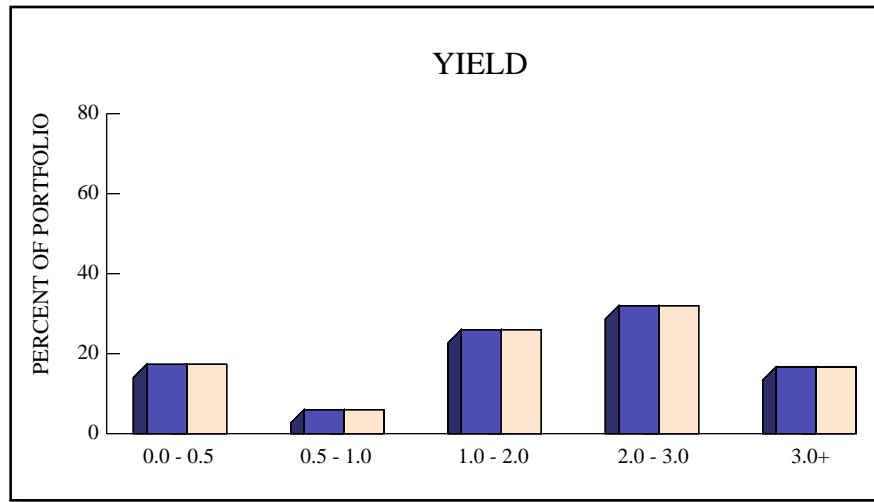
**COMPARATIVE BENCHMARK: S&P 500**



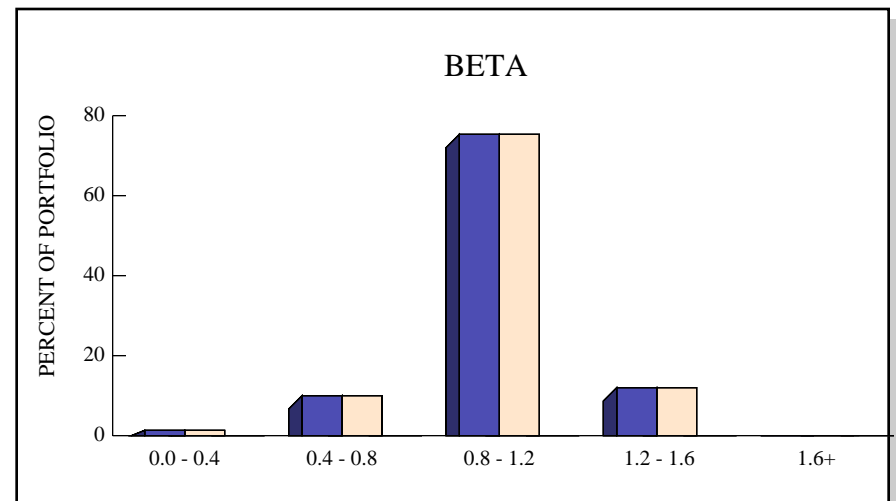
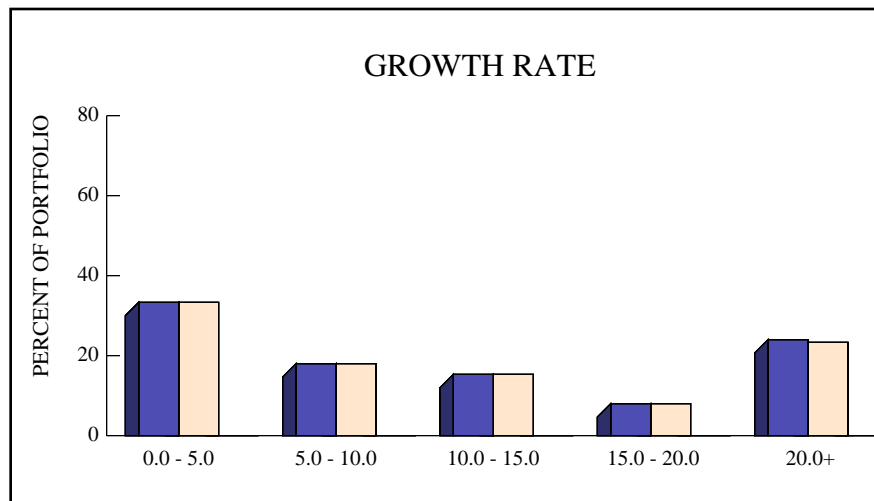
<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>22</b>
<b>Quarters Below the Benchmark</b>	<b>1</b>
<b>Batting Average</b>	<b>.957</b>

<b>RATES OF RETURN</b>			
<b>Date</b>	<b>Portfolio</b>	<b>Benchmark</b>	<b>Difference</b>
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
12/13	10.5	10.5	0.0
3/14	1.7	1.8	-0.1
6/14	5.2	5.2	0.0
9/14	1.1	1.1	0.0

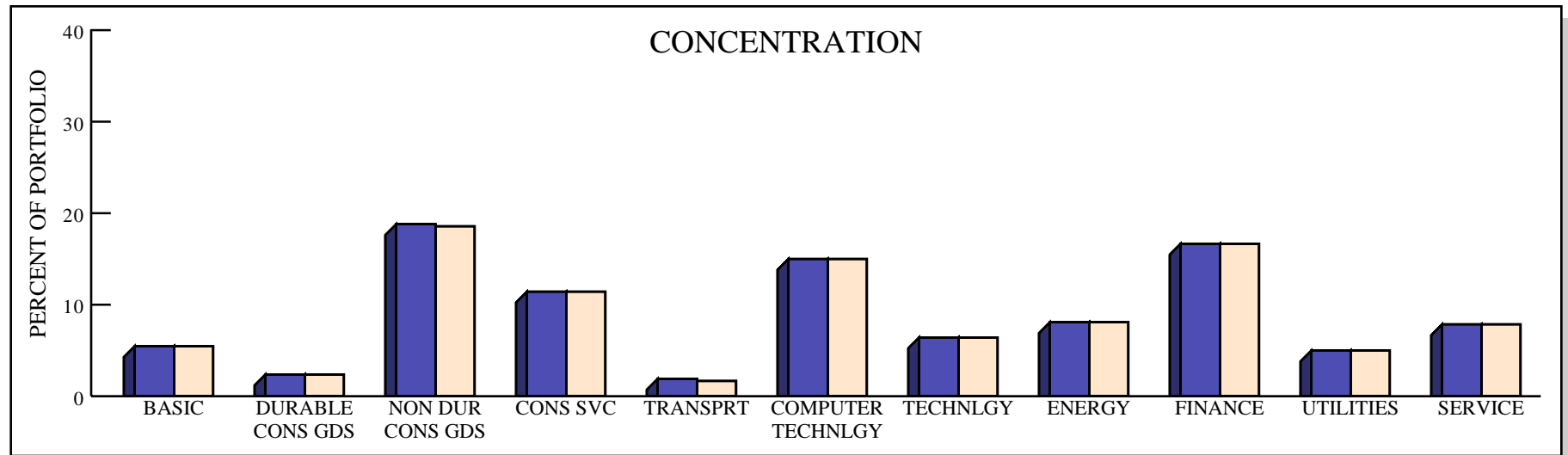
**STOCK CHARACTERISTICS**



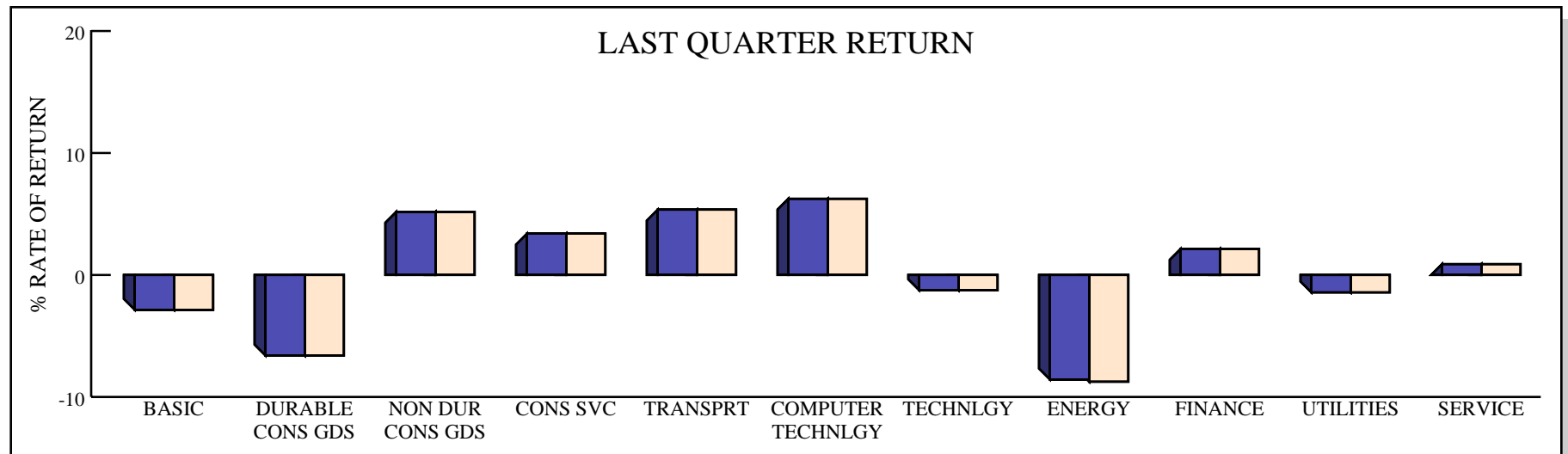
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	502	2.0%	11.5%	21.3	0.99
S&P 500	502	2.0%	11.5%	21.3	1.00



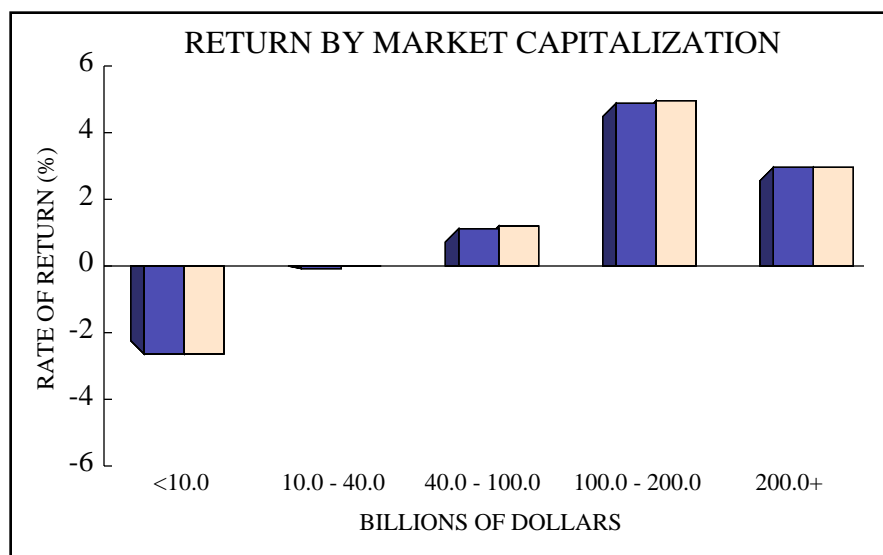
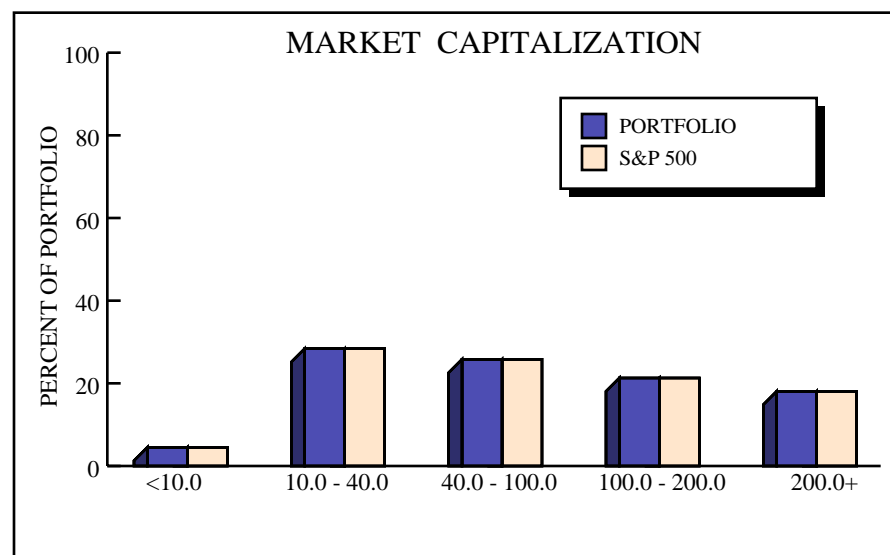
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ S&P 500



## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 466,271	3.34%	8.9%	Computer Tech	\$ 603.3 B
2	EXXON MOBIL CORP	309,989	2.22%	-5.9%	Energy	401.1 B
3	MICROSOFT CORP	295,267	2.11%	11.8%	Computer Tech	382.0 B
4	JOHNSON & JOHNSON	232,366	1.66%	2.5%	NonDur Cons Goods	300.6 B
5	WELLS FARGO & CO	209,295	1.50%	-0.7%	Finance	270.8 B
6	GENERAL ELECTRIC CO	198,683	1.42%	-1.7%	Basic	257.1 B
7	WAL-MART STORES INC	190,487	1.36%	2.5%	Consumer Service	246.4 B
8	PROCTER & GAMBLE CO/THE	175,268	1.25%	7.3%	NonDur Cons Goods	226.7 B
9	CHEVRON CORP	175,162	1.25%	-7.7%	Energy	226.6 B
10	JPMORGAN CHASE & CO	175,118	1.25%	5.2%	Finance	226.6 B



MIRAMAR FIREFIGHTERS  
POLEN CAPITAL  
PERFORMANCE REVIEW  
SEPTEMBER 2014

## **INVESTMENT RETURN**

As of September 30th, 2014, the Miramar Firefighters' Polen Capital portfolio was valued at \$13,252,233, which represented an increase of \$228,186 from the June quarter's ending value of \$13,024,047. Last quarter, the portfolio recorded a net withdrawal of \$1,673, which only partially offset the fund's net investment return of \$229,859. The portfolio's net investment return figure was comprised of income receipts, which totaled \$28,590 and net realized and unrealized capital gains totaling \$201,269.

Since March 2014, the fund has posted net withdrawals totaling \$3,319 and recorded net investment gains totaling \$758,136. For the period since March 2014, if the total account earned a compounded nominal rate of 9.0% it would have been valued at \$13.0 million or \$207,967 less than its actual value as of September 30th, 2014.

## **RELATIVE PERFORMANCE**

For the third quarter, the Polen Capital portfolio returned 1.8%, which was 0.3% greater than the Russell 1000 Growth Index's return of 1.5% and ranked in the 33rd percentile of the Large Cap Growth universe.

## **ASSET ALLOCATION**

At the end of the third quarter, large cap equities comprised 96.1% of the total portfolio (\$12.7 million), while cash & equivalents comprised the remaining 3.9% (\$514,944).

## **EQUITY ANALYSIS**

At the end of the third quarter, the Polen Capital portfolio was invested across five of the eleven sectors in our analysis. Relative to the Russell 1000 Growth index, the portfolio was most notably overweight in the Non-Durable Consumer Goods, Consumer Service, Computer Technology, Finance and Service sectors. The Basic, Durable Consumer Goods, Transportation, Technology, Energy and Utilities sectors were not utilized this quarter.

The portfolio was able to outpace the index this quarter, even though it underperformed in three of the five utilized sectors. The Non-Durable Consumer Goods sector was able to carry the portfolio this quarter due to its heavy allocation and benchmark beating return. The Finance sector also outperformed its index counterpart helping to boost the portfolio's performance. Overall, the portfolio beat the index by 30 basis points this quarter.

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

	Quarter	FYTD	1 Year	3 Years	Since 03/14
<b>Total Gross/Fees</b>	1.8	----	----	----	6.1
<i>LARGE CAP GROWTH RANK</i>	(33)	----	----	----	(42)
<b>Total Net/Fees</b>	1.6	----	----	----	5.8
RUSSELL 1000G	1.5	19.1	19.1	22.4	6.7
<b>Large Cap Equity</b>	1.8	----	----	----	6.3
<i>LARGE CAP GROWTH RANK</i>	(31)	----	----	----	(36)
RUSSELL 1000G	1.5	19.1	19.1	22.4	6.7

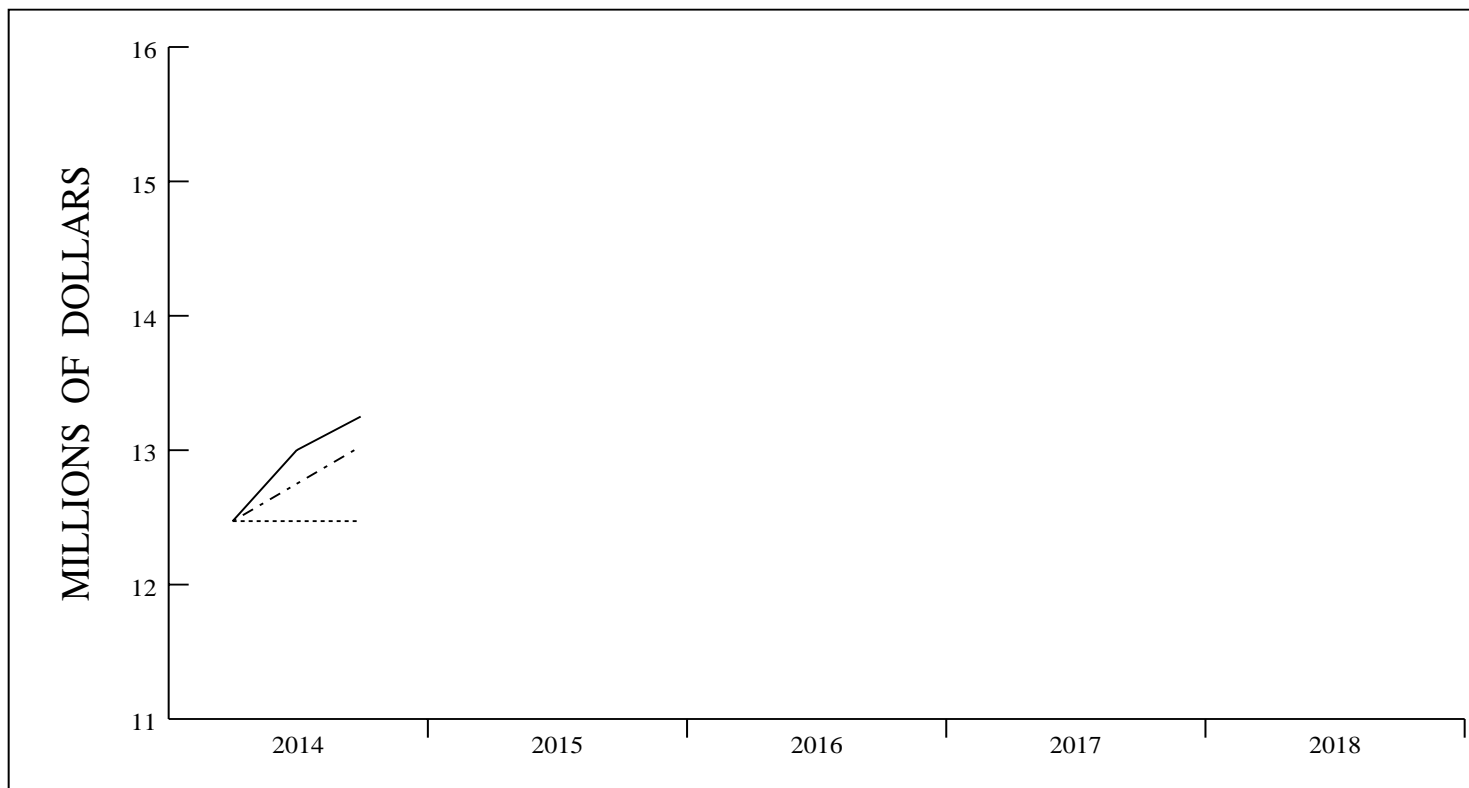
**ASSET ALLOCATION**

Large Cap Equity	96.1%	\$ 12,737,289
Cash	3.9%	514,944
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 13,252,233</b>

**INVESTMENT RETURN**

Market Value 6/2014	\$ 13,024,047
Contribs / Withdrawals	- 1,673
Income	28,590
Capital Gains / Losses	201,269
Market Value 9/2014	\$ 13,252,233

**INVESTMENT GROWTH**

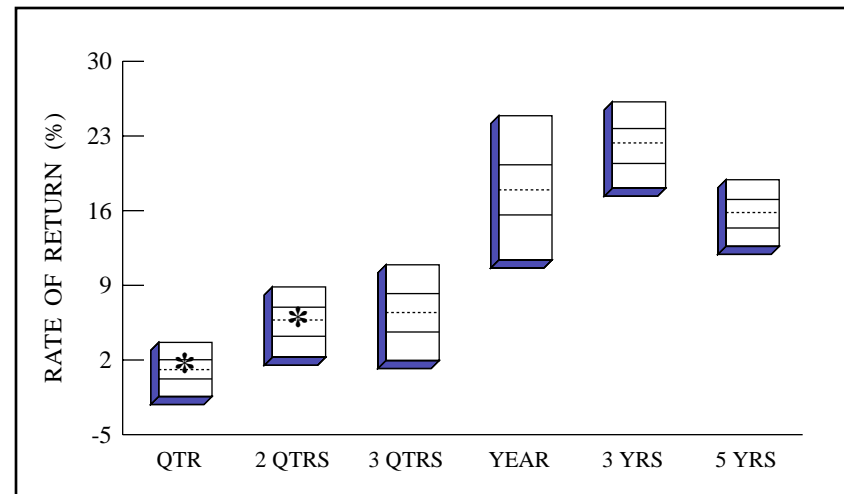
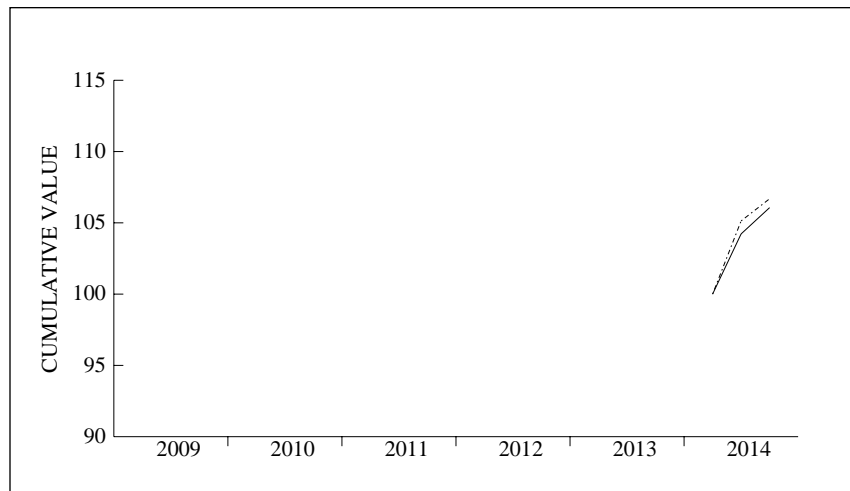


——	ACTUAL RETURN
- - - - -	9.0%
.....	0.0%

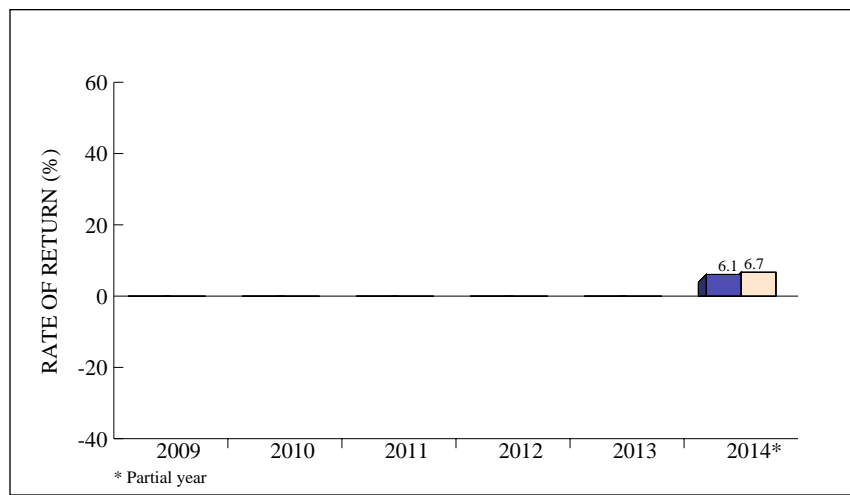
VALUE ASSUMING 9.0% RETURN
\$ 13,044,266

	LAST QUARTER	PERIOD 3/14 - 9/14
BEGINNING VALUE	\$ 13,024,047	\$ 12,497,416
NET CONTRIBUTIONS	- 1,673	- 3,319
<u>INVESTMENT RETURN</u>	<u>229,859</u>	<u>758,136</u>
ENDING VALUE	\$ 13,252,233	\$ 13,252,233
INCOME	28,590	69,209
CAPITAL GAINS (LOSSES)	<u>201,269</u>	<u>688,927</u>
INVESTMENT RETURN	229,859	758,136

**TOTAL RETURN COMPARISONS**



Large Cap Growth Universe

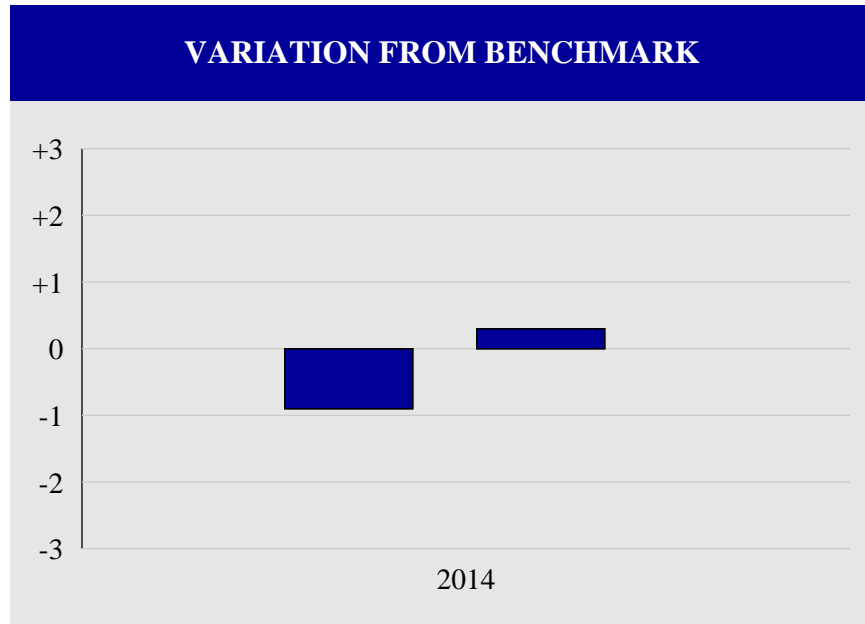


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	1.8	6.1	---	---	---	---
(RANK)	(33)	(42)	---	---	---	---
5TH %ILE	3.6	8.9	10.9	24.9	26.2	18.9
25TH %ILE	2.0	6.9	8.2	20.3	23.7	17.0
MEDIAN	1.1	5.8	6.4	18.0	22.4	15.8
75TH %ILE	0.2	4.2	4.6	15.6	20.4	14.4
95TH %ILE	-1.4	2.2	1.9	11.4	18.1	12.6
<b>Russ 1000G</b>	<b>1.5</b>	<b>6.7</b>	<b>7.9</b>	<b>19.1</b>	<b>22.4</b>	<b>16.5</b>

Large Cap Growth Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

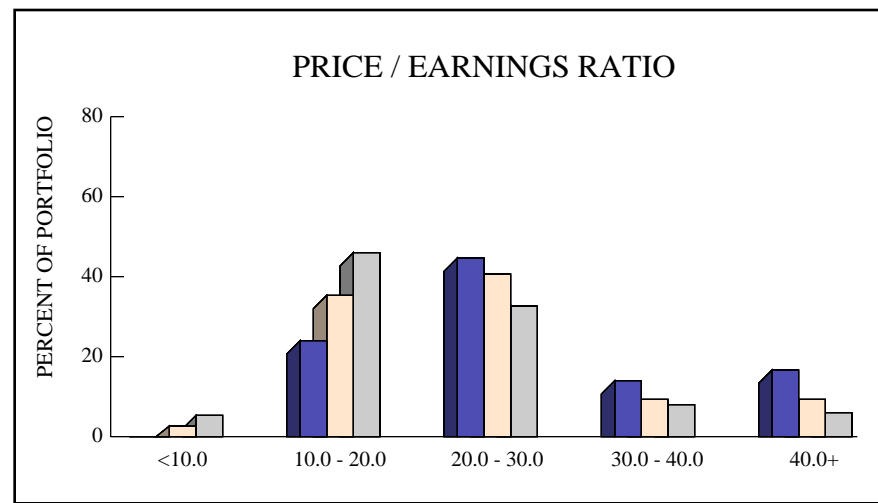
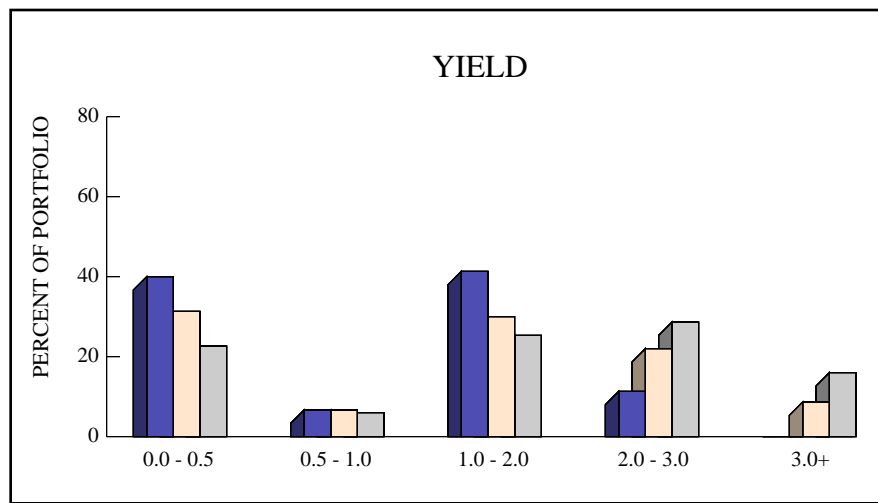
**COMPARATIVE BENCHMARK: RUSSELL 1000 GROWTH**



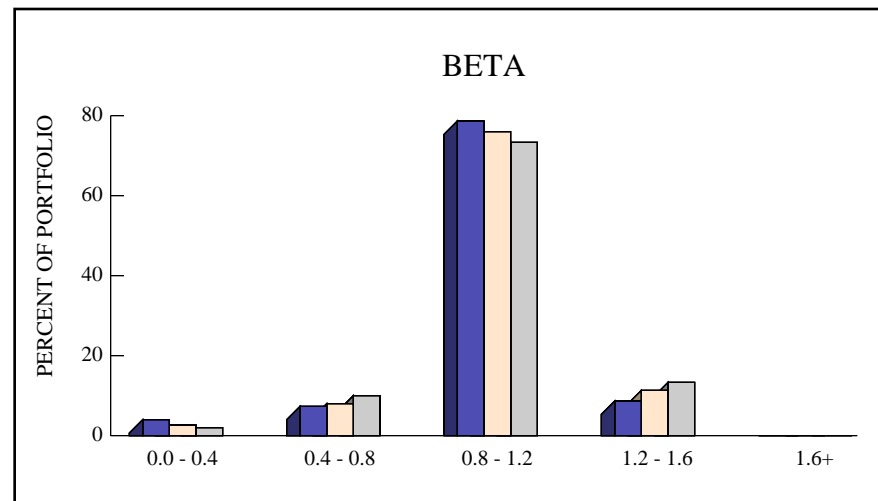
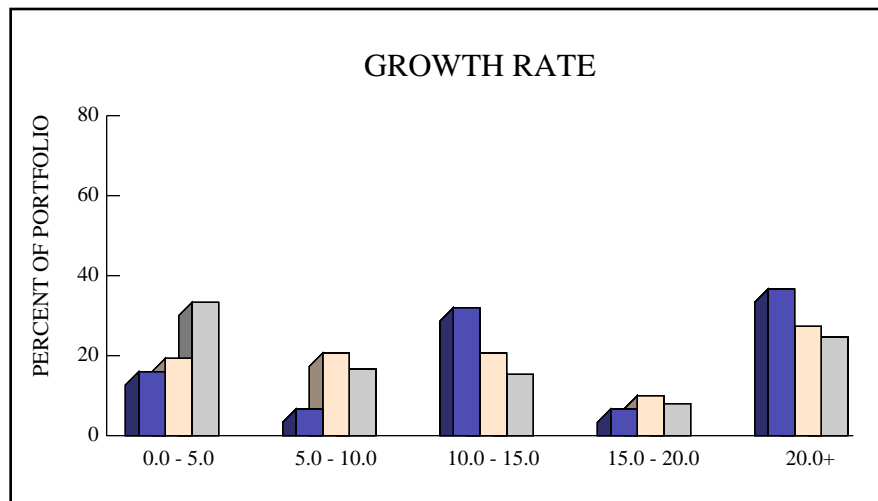
<b>RATES OF RETURN</b>			
Date	Portfolio	Benchmark	Difference
6/14	4.2	5.1	-0.9
9/14	1.8	1.5	0.3

<b>Total Quarters Observed</b>	<b>2</b>
<b>Quarters At or Above the Benchmark</b>	<b>1</b>
<b>Quarters Below the Benchmark</b>	<b>1</b>
<b>Batting Average</b>	<b>.500</b>

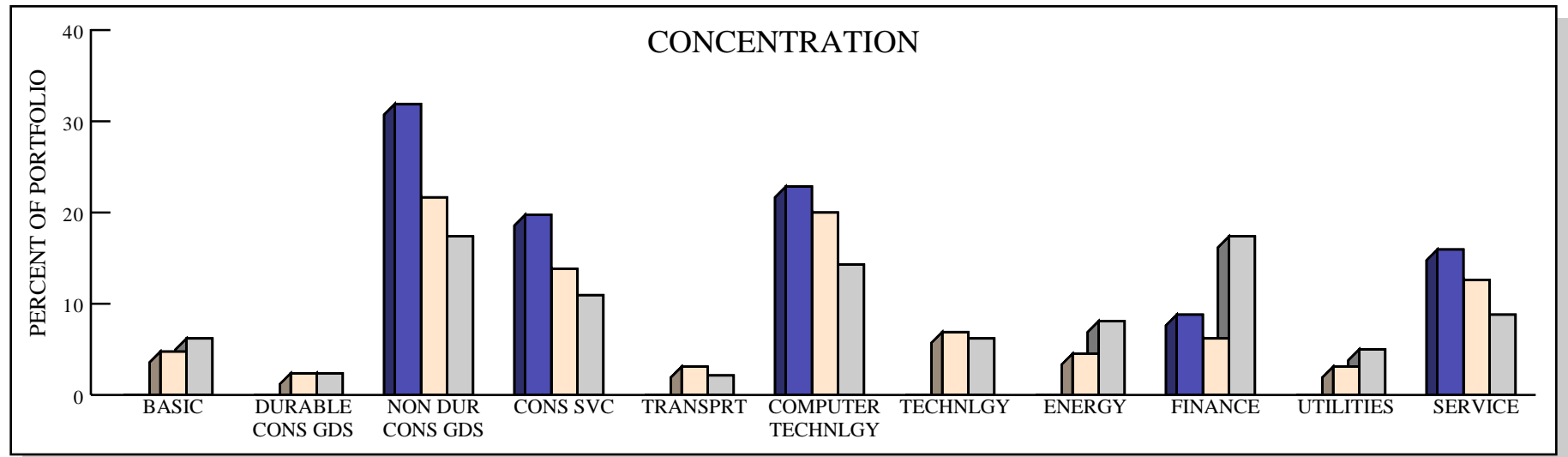
**STOCK CHARACTERISTICS**



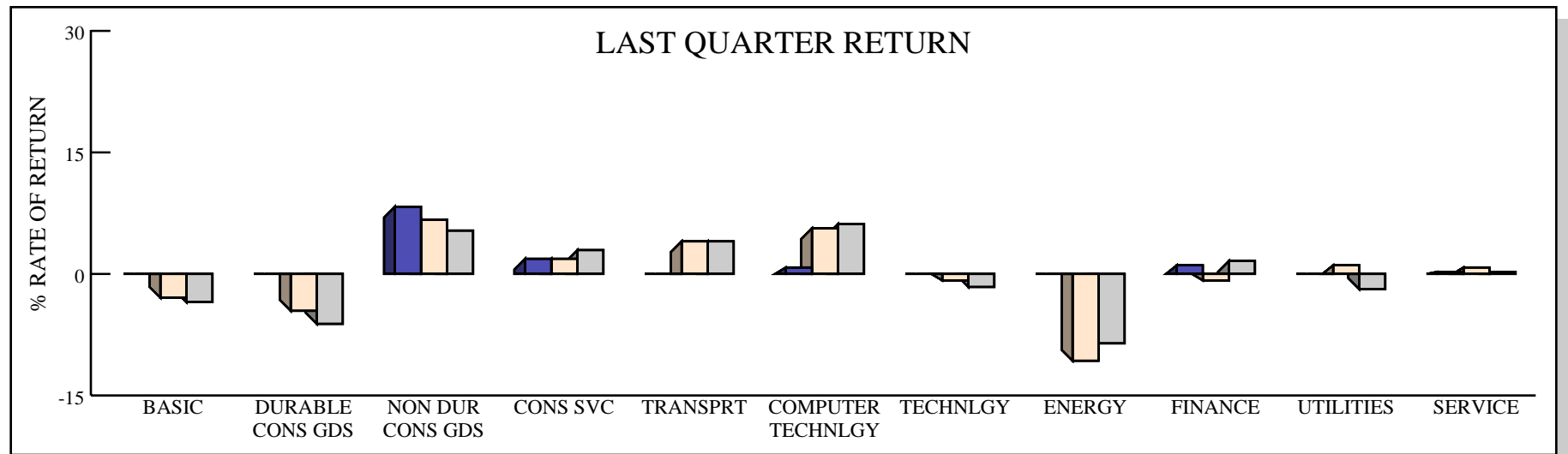
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	21	0.9%	18.2%	31.3	0.99
RUSSELL 1000G	674	1.4%	14.8%	24.1	0.98
RUSSELL 1000	1.9%	1.9%	11.7%	21.4	0.99



**STOCK INDUSTRY ANALYSIS**

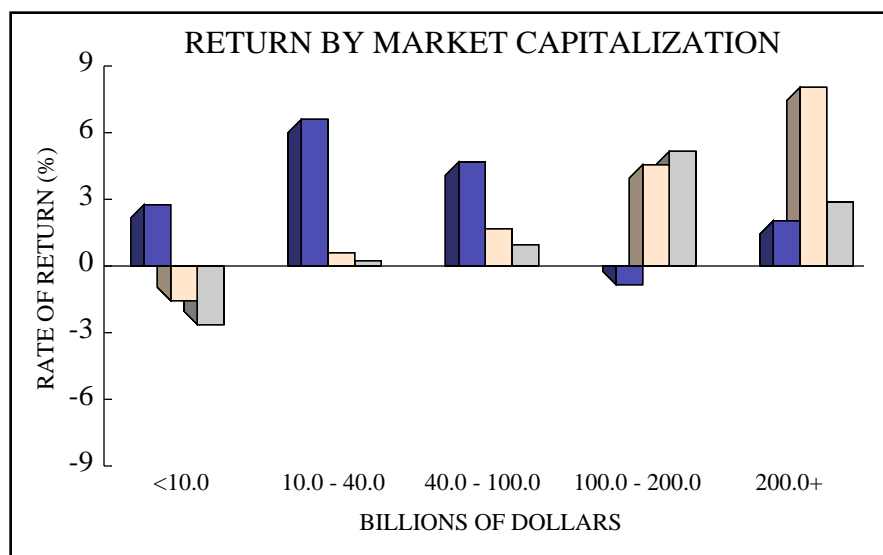
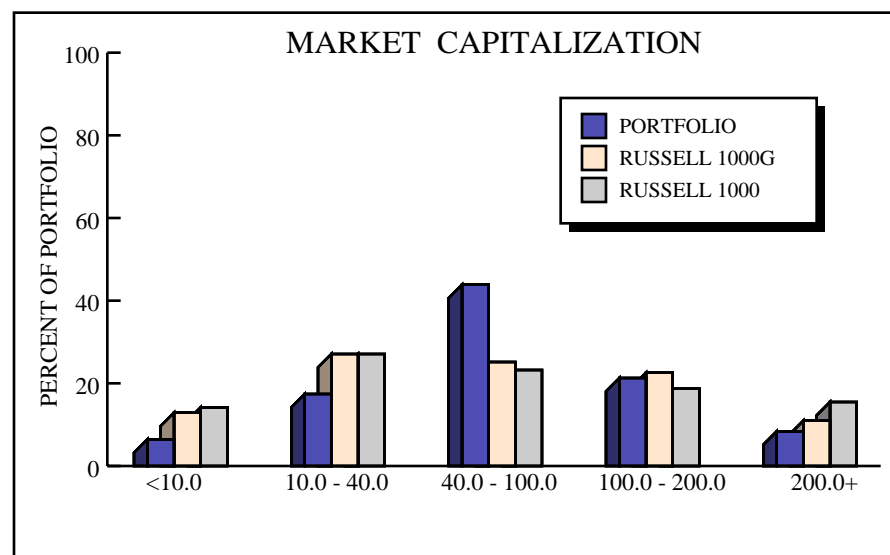


■ PORTFOLIO     
 ■ RUSSELL 1000 GROWTH     
 ■ RUSSELL 1000





## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	ALLERGAN INC	\$ 1,238,421	9.72%	5.3%	NonDur Cons Goods	\$ 53.0 B
2	VISA INC-CLASS A SHARES	869,909	6.83%	1.5%	Finance	105.6 B
3	NIKE INC -CL B	858,996	6.74%	15.3%	NonDur Cons Goods	61.6 B
4	ABBOTT LABORATORIES	830,968	6.52%	2.1%	NonDur Cons Goods	62.5 B
5	ORACLE CORP	765,332	6.01%	-5.2%	Computer Tech	169.6 B
6	STARBUCKS CORP	665,331	5.22%	-2.1%	Consumer Service	56.7 B
7	TJX COMPANIES INC	659,745	5.18%	11.6%	Consumer Service	41.0 B
8	ACCENTURE PLC-CL A	607,623	4.77%	1.2%	Service	51.1 B
9	APPLE INC	589,589	4.63%	8.9%	Computer Tech	603.3 B
10	REGENERON PHARMACEUTICALS	576,832	4.53%	27.6%	NonDur Cons Goods	35.7 B

MIRAMAR FIREFIGHTERS  
HERNDON CAPITAL MANAGEMENT  
PERFORMANCE REVIEW  
SEPTEMBER 2014

## **INVESTMENT RETURN**

On September 30th, 2014, the Miramar Firefighters' Herndon Capital Management portfolio was valued at \$14,098,452, a decrease of \$17,102 from the June ending value of \$14,115,554. Last quarter, the account recorded total net withdrawals of \$1,805 in addition to \$15,297 in net investment losses. The fund's net investment loss was a result of income receipts totaling \$71,109 and realized and unrealized capital losses totaling \$86,406.

Since September 2009, the account has recorded net contributions totaling \$5.1 million, and generated net investment gains totaling \$6.7 million. Since September 2009, if the account earned a compounded nominal rate of 9.0% it would have been valued at \$11.1 million or \$3.0 million less than the actual value as of September 30th, 2014.

## **RELATIVE PERFORMANCE**

For the third quarter, the Herndon Capital Management portfolio lost 0.1%, which was 0.1% above the Russell 1000 Value Index's return of -0.2% and ranked in the 52nd percentile of the Large Cap Value universe. Over the trailing twelve-month period, this portfolio returned 17.6%, which was 1.3% less than the benchmark's 18.9% performance, and ranked in the 55th percentile. Since September 2009, the portfolio returned 15.2% annualized and ranked in the 58th percentile. The Russell 1000 Value returned an annualized 15.3% over the same time frame.

## **ASSET ALLOCATION**

On September 30th, 2014, large cap equities comprised 96.8% of the total portfolio (\$13.7 million), while cash & equivalents comprised the remaining 3.2% (\$447,453).

## **EQUITY ANALYSIS**

At the end of the third quarter, the Herndon Capital portfolio was diversified across ten of the eleven industry sectors utilized in our analysis. Relative to the Russell 1000 Value index, the portfolio was overweight in the Nondurable Consumer Goods, Computer Technology, Energy, and Service sectors, while underweight in Basic, Consumer Service, Finance, and Utilities. The Durable Consumer Goods sector was left unfunded.

The Herndon Capital portfolio retracted at 0.1% clip in the third quarter, but the step back was consistent with the negative performance of the broader large cap market segment. Standout sectors Nondurable Consumer Goods, Computer Technology, and Service delivered quality performances, as the 43.0% allocation boosted the superior returns. However, significant losses sustained by Transportation, Energy, and Finance dragged the portfolio below the index for the quarter. .

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

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	5 Years
<b>Total Gross/Fees</b>	-0.1	17.6	17.6	20.6	15.2
<i>LARGE CAP VALUE RANK</i>	(52)	(55)	(55)	(85)	(58)
<b>Total Net/Fees</b>	-0.3	16.9	16.9	19.8	14.5
RUSSELL 1000V	-0.2	18.9	18.9	23.9	15.3
<b>Large Cap Equity</b>	-0.1	18.2	18.2	21.2	15.5
<i>LARGE CAP VALUE RANK</i>	(52)	(48)	(48)	(79)	(52)
RUSSELL 1000V	-0.2	18.9	18.9	23.9	15.3

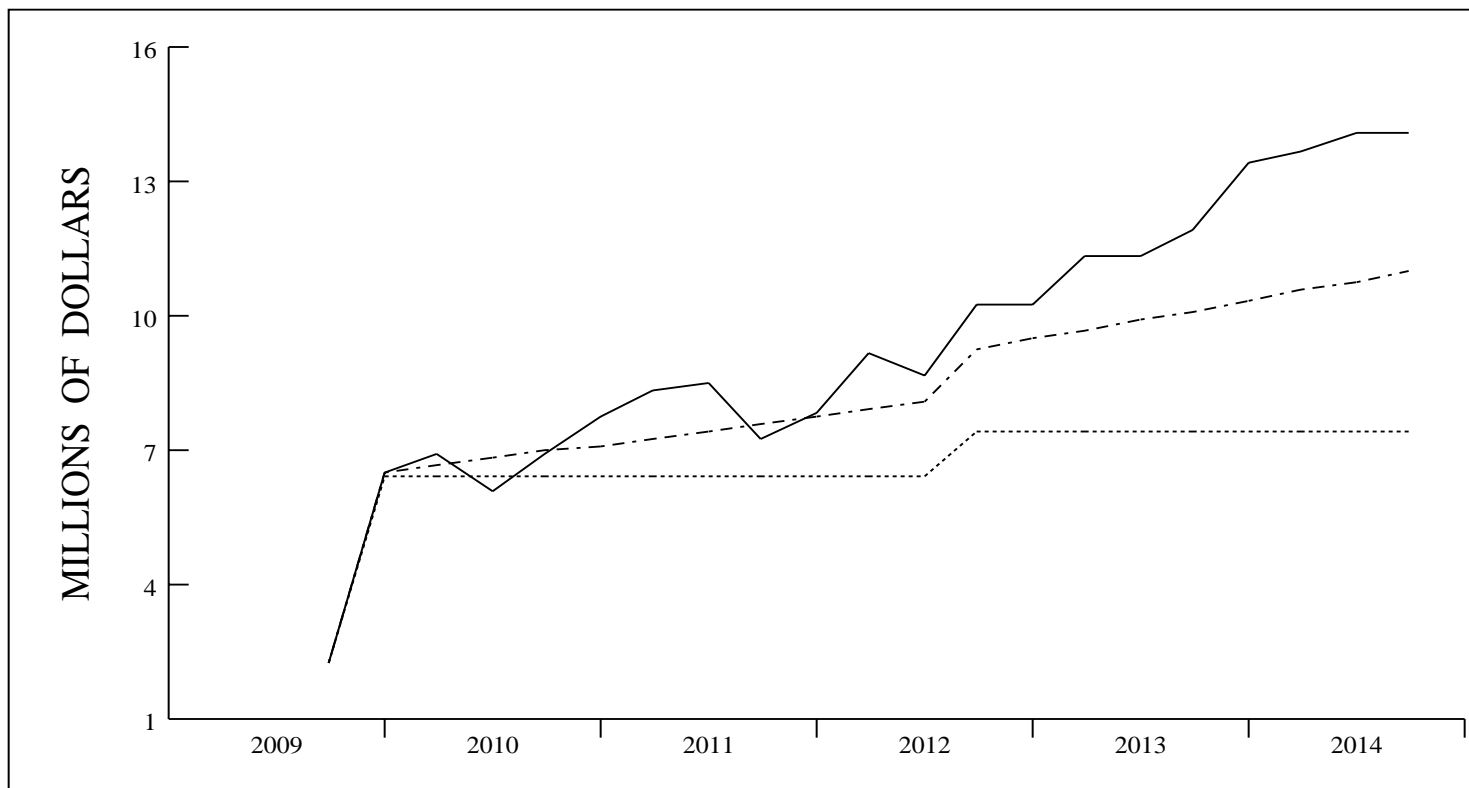
**ASSET ALLOCATION**

Large Cap Equity	96.8%	\$ 13,650,999
Cash	3.2%	447,453
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 14,098,452</b>

**INVESTMENT RETURN**

Market Value 6/2014	\$ 14,115,554
Contribs / Withdrawals	- 1,805
Income	71,109
Capital Gains / Losses	- 86,406
Market Value 9/2014	\$ 14,098,452

**INVESTMENT GROWTH**

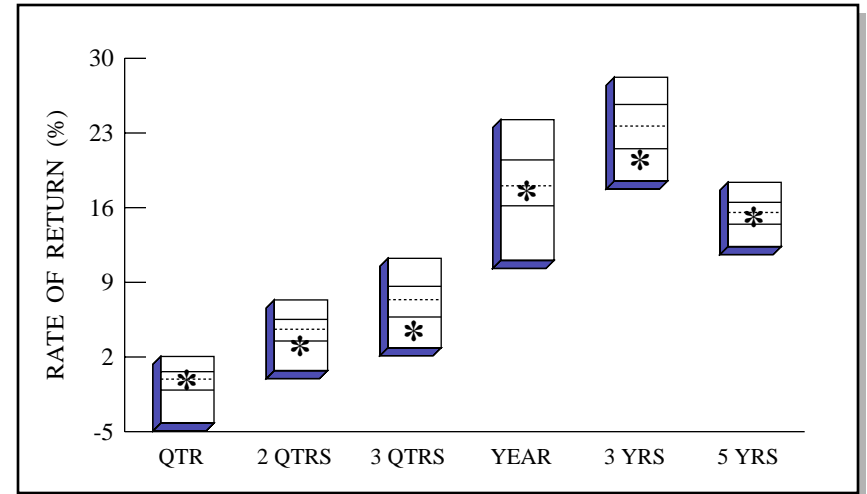
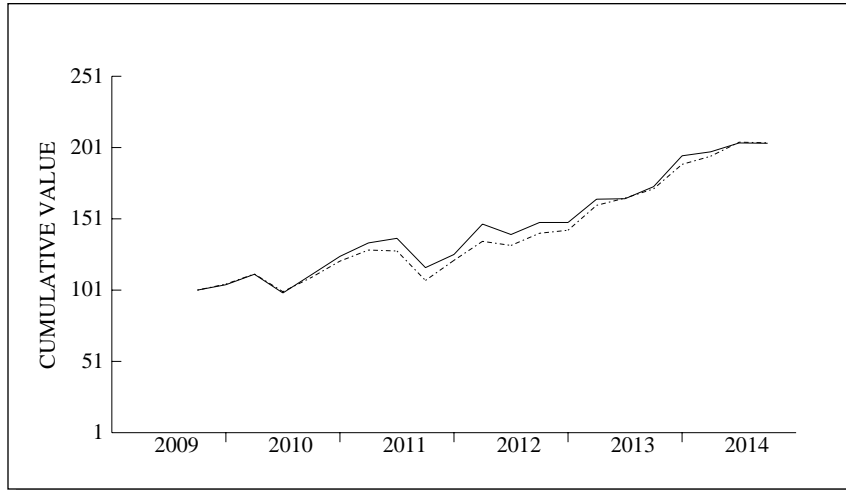


— ACTUAL RETURN  
 - - - 9.0%  
 . . . 0.0%

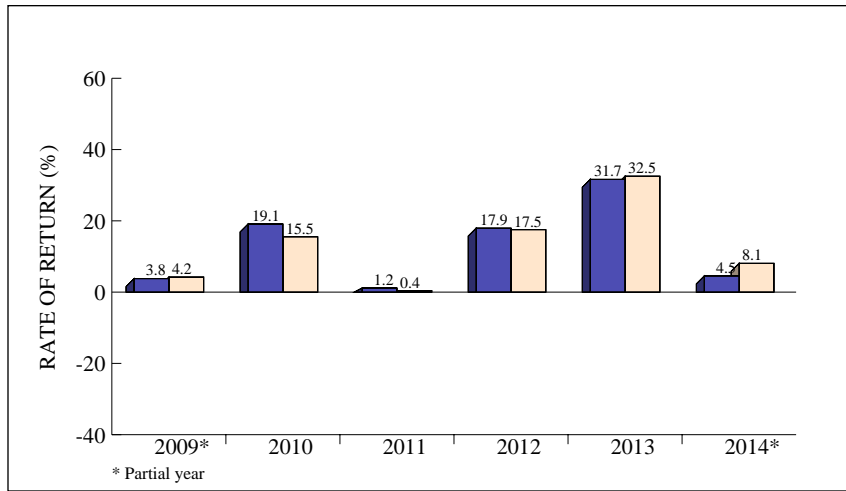
VALUE ASSUMING  
 9.0% RETURN  
 \$ 11,063,676

	LAST QUARTER	PERIOD 9/09 - 9/14
BEGINNING VALUE	\$ 14,115,554	\$ 2,301,396
NET CONTRIBUTIONS	- 1,805	5,124,525
<u>INVESTMENT RETURN</u>	<u>- 15,297</u>	<u>6,672,531</u>
ENDING VALUE	\$ 14,098,452	\$ 14,098,452
INCOME	71,109	1,189,585
<u>CAPITAL GAINS (LOSSES)</u>	<u>- 86,406</u>	<u>5,482,946</u>
INVESTMENT RETURN	- 15,297	6,672,531

**TOTAL RETURN COMPARISONS**



Large Cap Value Universe

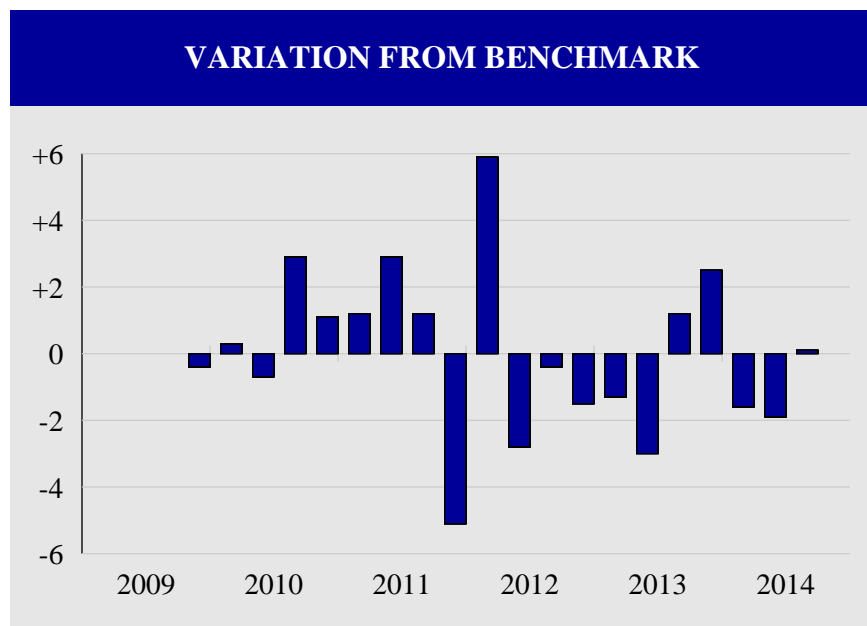


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	-0.1	3.1	4.5	17.6	20.6	15.2
(RANK)	(52)	(82)	(88)	(55)	(85)	(58)
5TH %ILE	2.1	7.4	11.2	24.2	28.2	18.4
25TH %ILE	0.6	5.5	8.6	20.5	25.7	16.5
MEDIAN	-0.1	4.6	7.4	18.1	23.7	15.6
75TH %ILE	-1.1	3.5	5.7	16.2	21.5	14.5
95TH %ILE	-4.2	0.7	2.9	11.1	18.5	12.3
<b>Russ 1000V</b>	<b>-0.2</b>	<b>4.9</b>	<b>8.1</b>	<b>18.9</b>	<b>23.9</b>	<b>15.3</b>

Large Cap Value Universe

### TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

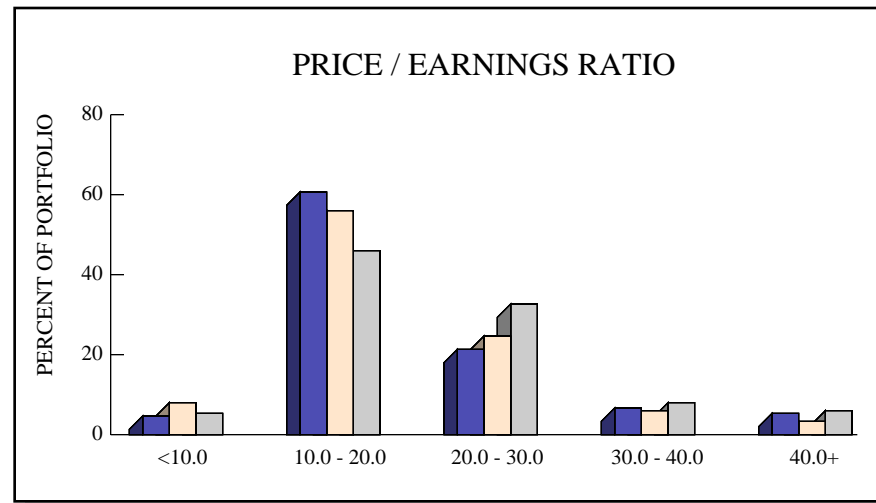
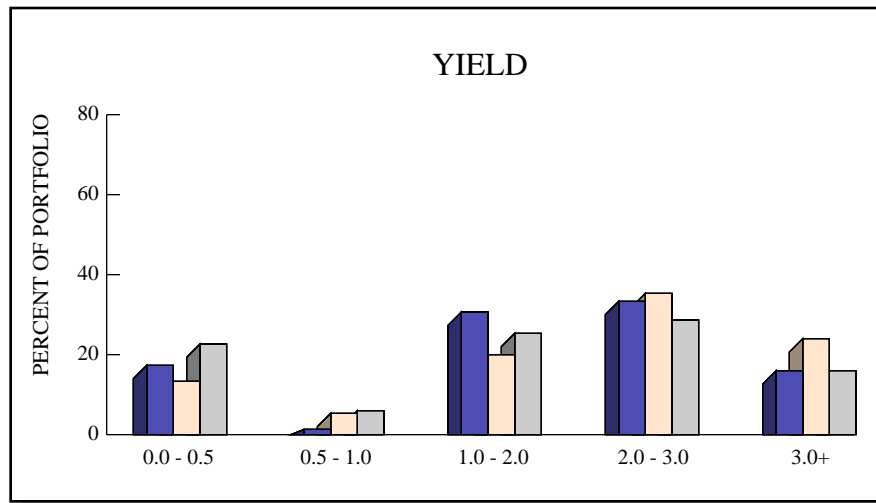
COMPARATIVE BENCHMARK: RUSSELL 1000 VALUE



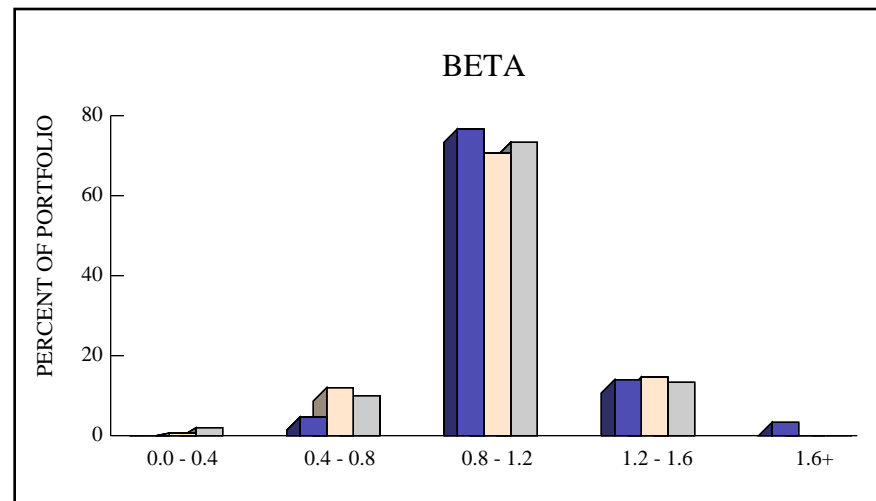
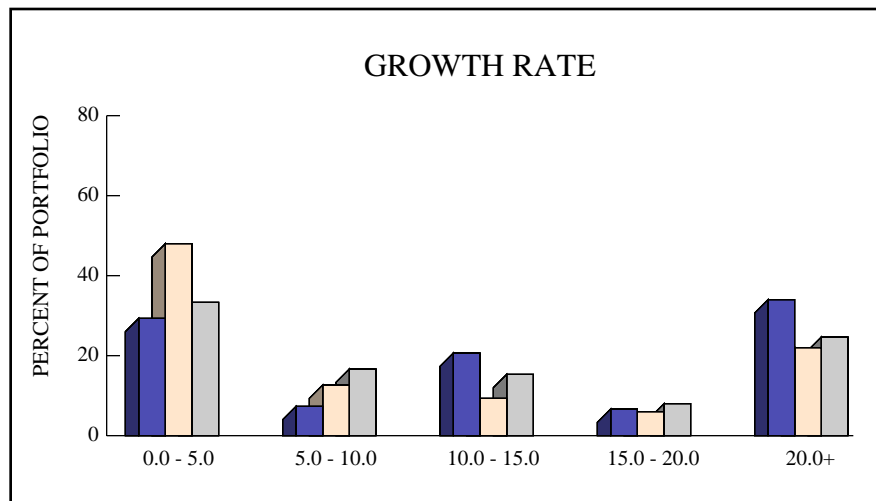
<b>Total Quarters Observed</b>	<b>20</b>
<b>Quarters At or Above the Benchmark</b>	<b>10</b>
<b>Quarters Below the Benchmark</b>	<b>10</b>
<b>Batting Average</b>	<b>.500</b>

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
12/13	12.5	10.0	2.5
3/14	1.4	3.0	-1.6
6/14	3.2	5.1	-1.9
9/14	-0.1	-0.2	0.1

**STOCK CHARACTERISTICS**

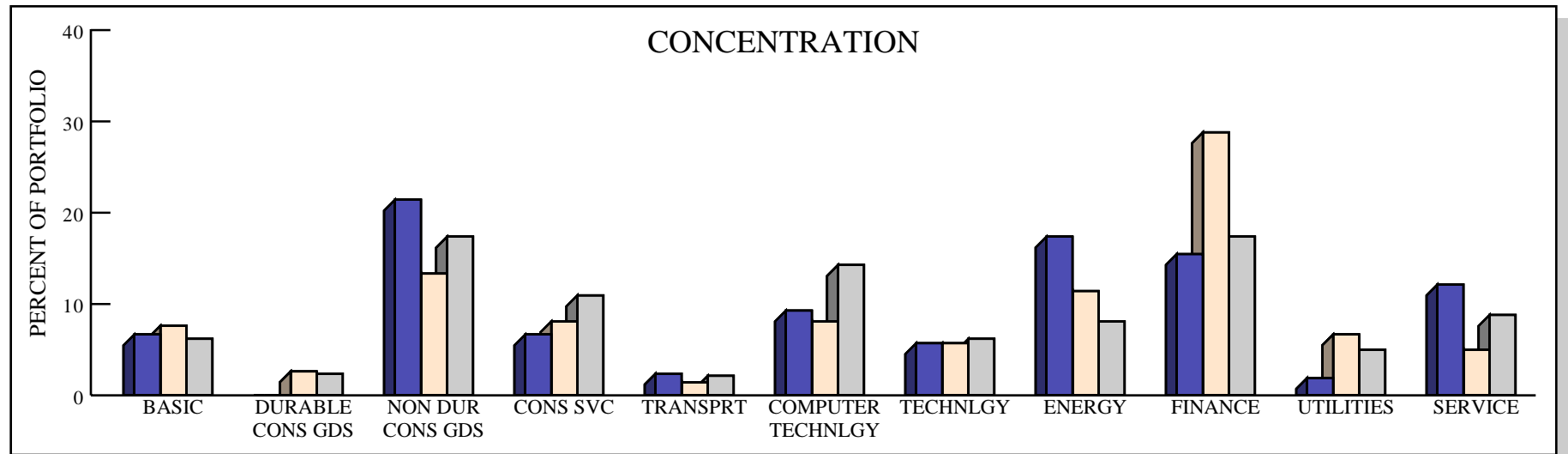


	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	49	1.9%	13.9%	20.7	1.04
RUSSELL 1000V	690	2.3%	8.3%	18.8	1.00
RUSSELL 1000	1,032	1.9%	11.7%	21.4	0.99

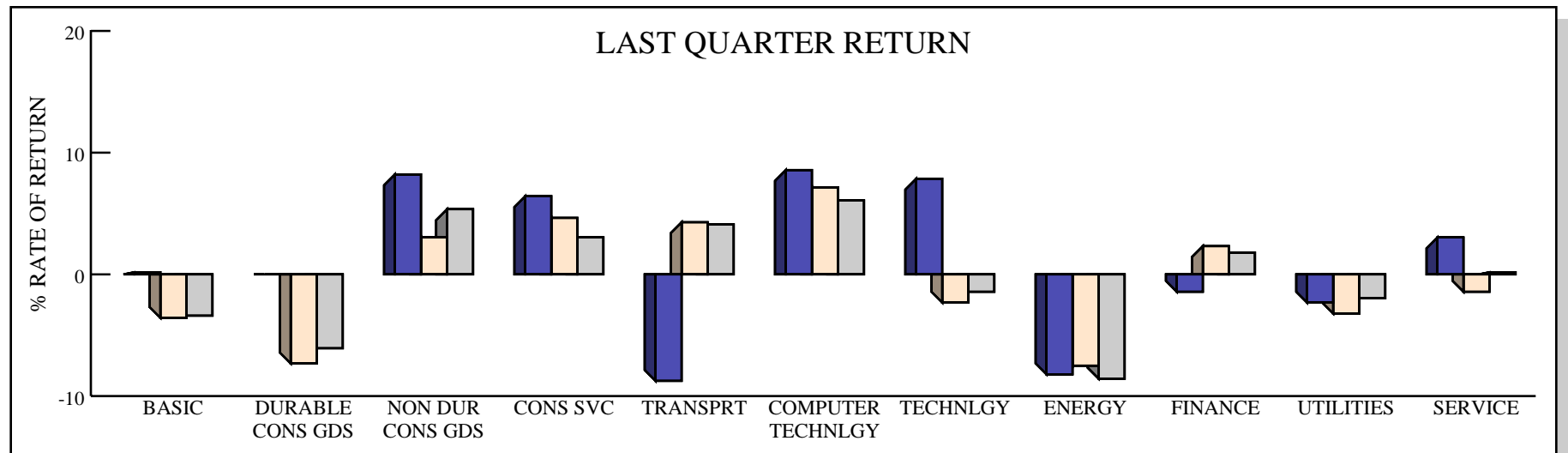




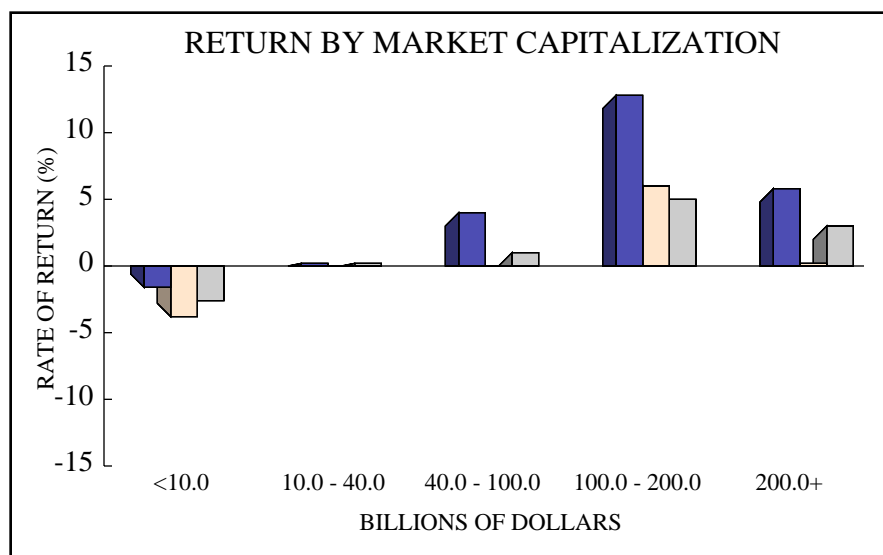
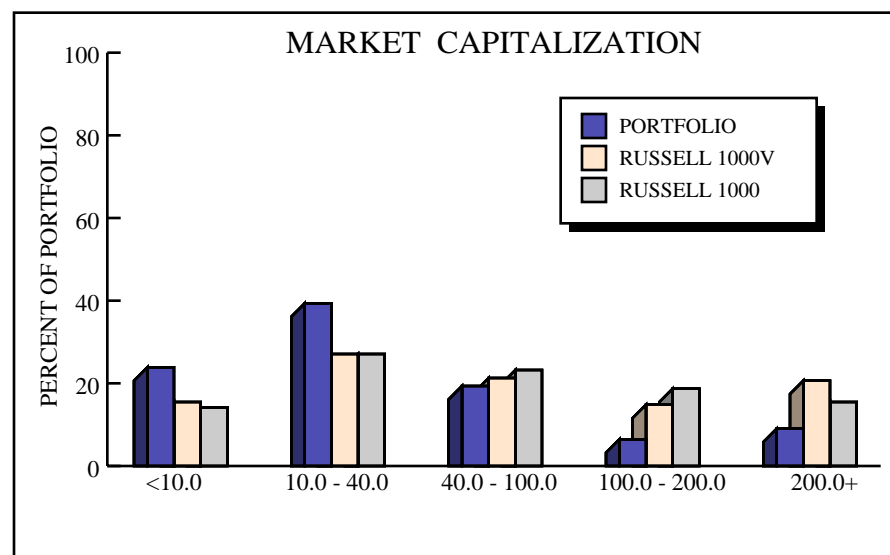
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO     
 ■ RUSSELL 1000 VALUE     
 ■ RUSSELL 1000



## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 486,623	3.56%	8.9%	Computer Tech	\$ 603.3 B
2	LOCKHEED MARTIN CORP	444,338	3.25%	14.5%	Technology	58.0 B
3	WESTERN DIGITAL CORP	404,851	2.97%	5.8%	Computer Tech	22.7 B
4	TJX COMPANIES INC	395,906	2.90%	11.6%	Consumer Service	41.0 B
5	DISCOVER FINANCIAL SERVICES	390,590	2.86%	4.2%	Finance	29.7 B
6	CBOE HOLDINGS INC	390,073	2.86%	9.4%	Finance	4.6 B
7	MICROSOFT CORP	372,781	2.73%	11.8%	Computer Tech	382.0 B
8	MARATHON PETROLEUM CORP	371,447	2.72%	9.0%	Energy	24.0 B
9	ALTRIA GROUP INC	366,555	2.69%	10.6%	NonDur Cons Goods	91.1 B
10	GILEAD SCIENCES INC	358,843	2.63%	28.4%	NonDur Cons Goods	160.9 B

MIRAMAR FIREFIGHTERS  
LEE MUNDER CAPITAL GROUP  
PERFORMANCE REVIEW  
SEPTEMBER 2014

## **INVESTMENT RETURN**

On September 30th, 2014, the Miramar Firefighters' Lee Munder Capital Group portfolio was valued at \$13,615,059, a decrease of \$520,640 from the June ending value of \$14,135,699. Last quarter, the account recorded total net withdrawals of \$1,773 in addition to \$518,867 in net investment losses. The fund's net investment loss was a result of income receipts totaling \$41,336 and realized and unrealized capital losses totaling \$560,203.

Since December 2007, the account has recorded net contributions totaling \$134,286, and generated net investment gains totaling \$4.5 million. Since December 2007, if the account had earned a compounded nominal rate of 9.0% it would have been valued at \$16.4 million or \$2.8 million more than the actual value as of September 30th, 2014.

## **RELATIVE PERFORMANCE**

For the third quarter, the Lee Munder Capital Group portfolio lost 3.7%, which was 1.7% above the Russell 2500 Index's return of -5.4% and ranked in the 46th percentile of the Smid Cap universe. Over the trailing twelve-month period, this portfolio returned 10.2%, which was 1.2% greater than the benchmark's 9.0% performance, and ranked in the 53rd percentile. Since December 2007, the portfolio returned 6.0% annualized and ranked in the 89th percentile. The Russell 2500 returned an annualized 8.1% over the same time frame.

## **ASSET ALLOCATION**

On September 30th, 2014, smid cap equities comprised 97.6% of the total portfolio (\$13.3 million), while cash & equivalents comprised the remaining 2.4% (\$333,139).

## **EQUITY ANALYSIS**

At the end of the quarter, the Lee Munder portfolio was diversified across ten of the eleven sectors included in our analysis. Relative to the Russell 2500 Index, the portfolio was overweight in the Consumer Service, Computer Technology, Utilities and Service sectors, while it was underweight in the Basic, Durable Consumer Goods, Non-Durable Consumer Goods and Finance sectors. The Transportation sector was not utilized.

Even though the portfolio suffered losses in seven of the ten invested sectors, it was still able to outperform the index this quarter. The overweight Consumer Service and Computer Technology sectors both outperformed their index counterpart helping to boost performance. The Computer Technology sector led the portfolio with the help of strong returns from top stocks RF Micro Devices Inc. (20.3%) and Concur Technologies Inc. (35.9%). Overall the portfolio outpaced the benchmark by 170 basis points this quarter.

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

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 12/07
<b>Total Gross/Fees</b>	-3.7	10.2	10.2	23.5	6.0
<i>SMID CAP RANK</i>	(46)	(53)	(53)	(39)	(89)
<b>Total Net/Fees</b>	-3.9	9.4	9.4	22.6	5.2
RUSSELL 2500	-5.4	9.0	9.0	22.8	8.1
<b>SMid Cap Equity</b>	-3.8	10.4	10.4	24.1	6.2
<i>SMID CAP RANK</i>	(47)	(52)	(52)	(33)	(88)
RUSSELL 2500	-5.4	9.0	9.0	22.8	8.1

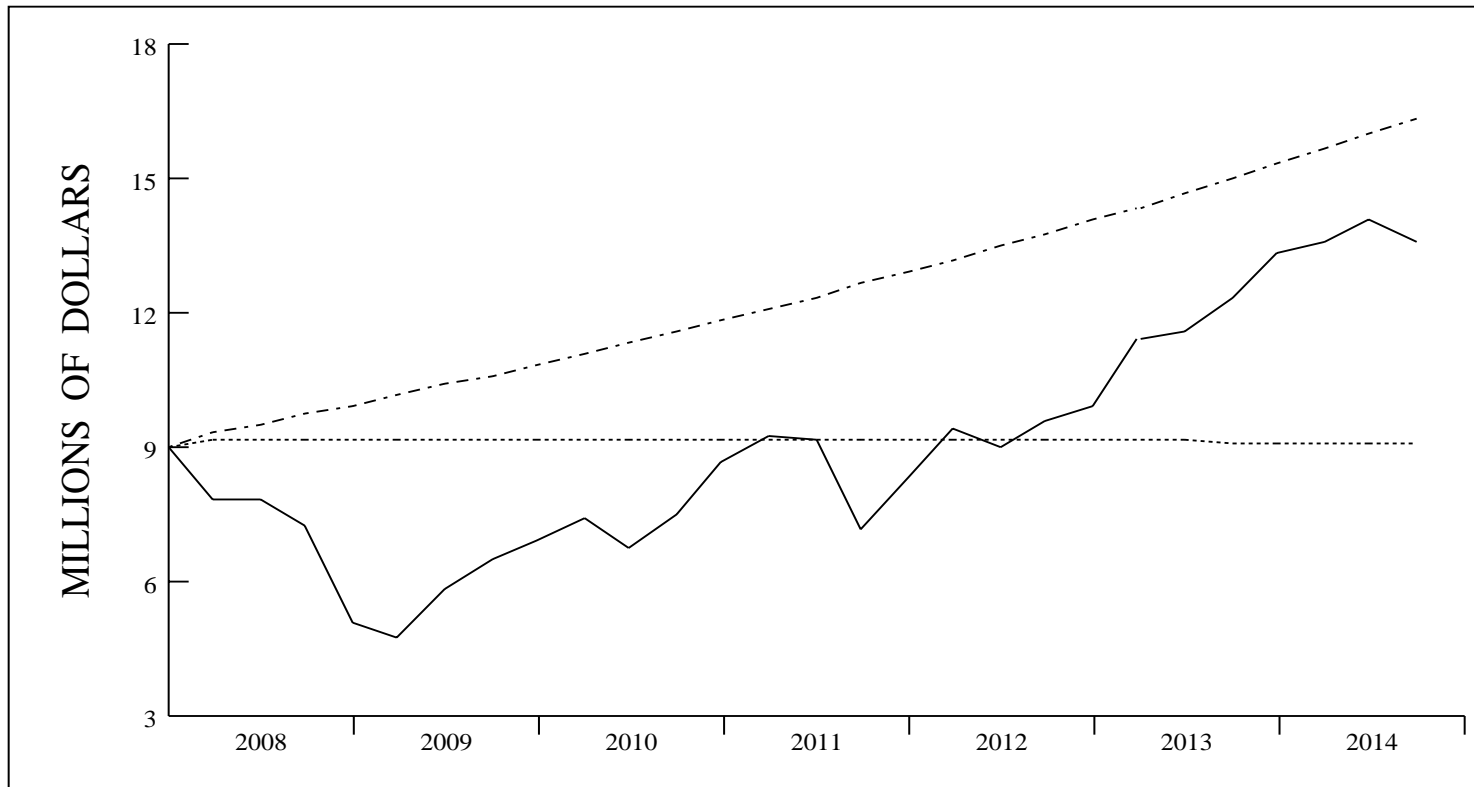
**ASSET ALLOCATION**

SMid Cap Equity	97.6%	\$ 13,281,920
Cash	2.4%	333,139
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 13,615,059</b>

**INVESTMENT RETURN**

Market Value 6/2014	\$ 14,135,699
Contribs / Withdrawals	- 1,773
Income	41,336
Capital Gains / Losses	-560,203
Market Value 9/2014	\$ 13,615,059

**INVESTMENT GROWTH**

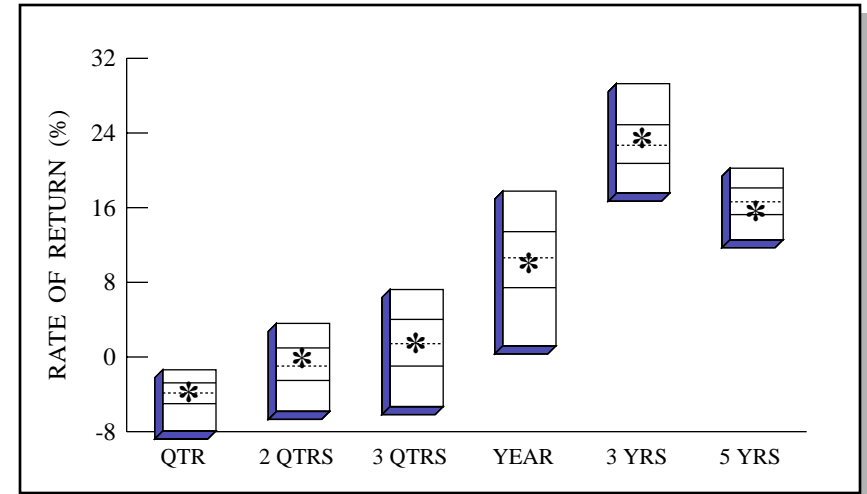
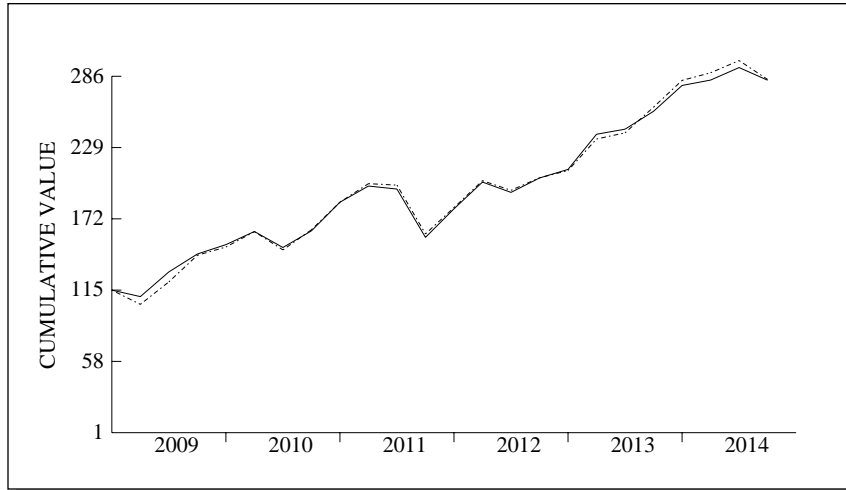


— ACTUAL RETURN  
 - - - 9.0%  
 ..... 0.0%

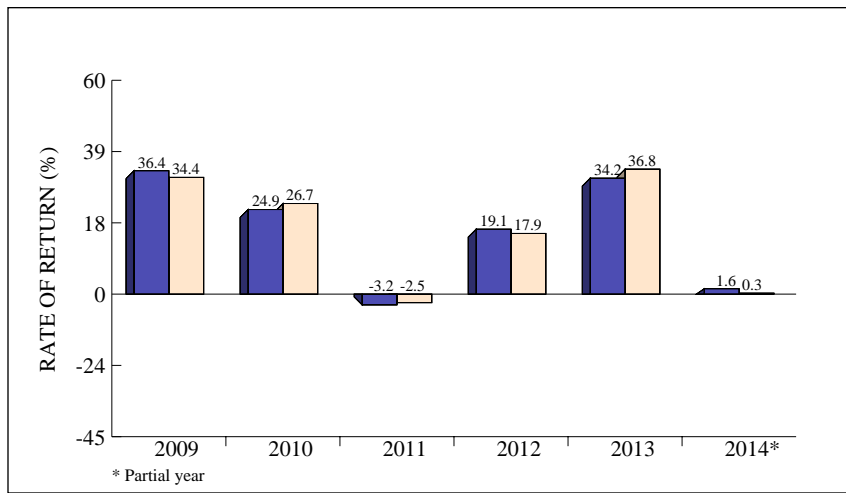
VALUE ASSUMING  
 9.0% RETURN  
 \$ 16,390,920

	LAST QUARTER	PERIOD 12/07 - 9/14
BEGINNING VALUE	\$ 14,135,699	\$ 9,025,150
NET CONTRIBUTIONS	- 1,773	134,286
<u>INVESTMENT RETURN</u>	<u>-518,867</u>	<u>4,455,623</u>
ENDING VALUE	\$ 13,615,059	\$ 13,615,059
INCOME	41,336	839,382
CAPITAL GAINS (LOSSES)	<u>-560,203</u>	<u>3,616,241</u>
INVESTMENT RETURN	-518,867	4,455,623

**TOTAL RETURN COMPARISONS**



Smid Cap Universe

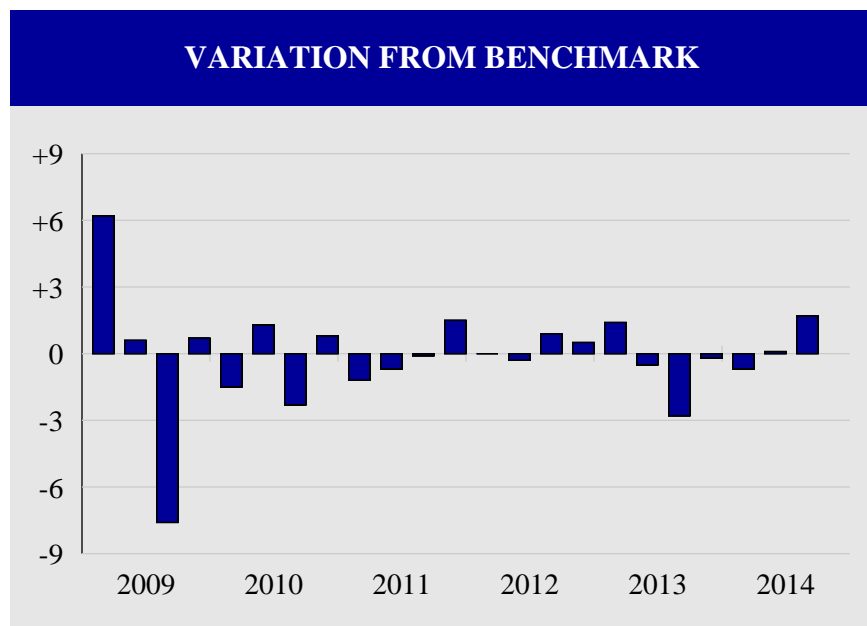


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	-3.7	-0.1	1.6	10.2	23.5	15.7
(RANK)	(46)	(39)	(48)	(53)	(39)	(67)
5TH %ILE	-1.4	3.6	7.2	17.8	29.3	20.2
25TH %ILE	-2.8	1.0	4.0	13.4	24.9	18.1
MEDIAN	-3.9	-1.0	1.4	10.6	22.7	16.6
75TH %ILE	-5.0	-2.5	-1.0	7.4	20.7	15.3
95TH %ILE	-7.9	-5.8	-5.3	1.2	17.5	12.6
<b>Russ 2500</b>	<b>-5.4</b>	<b>-2.0</b>	<b>0.3</b>	<b>9.0</b>	<b>22.8</b>	<b>16.0</b>

Smid Cap Universe

## TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: RUSSELL 2500

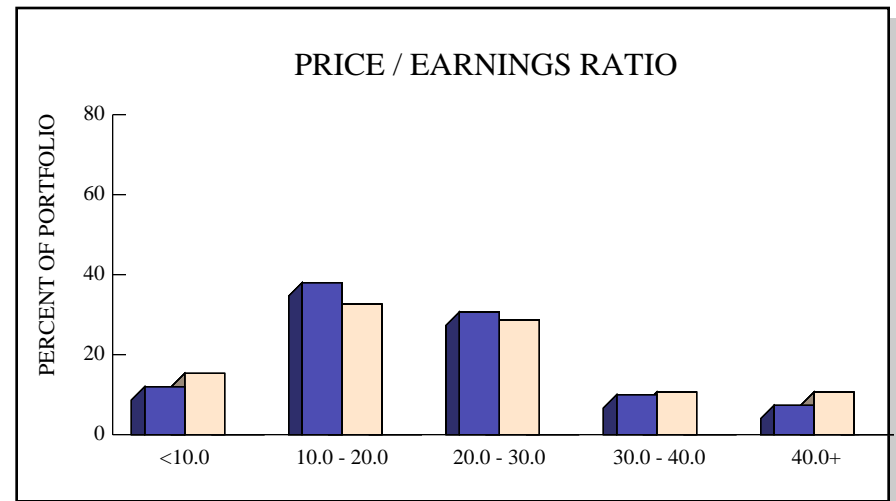
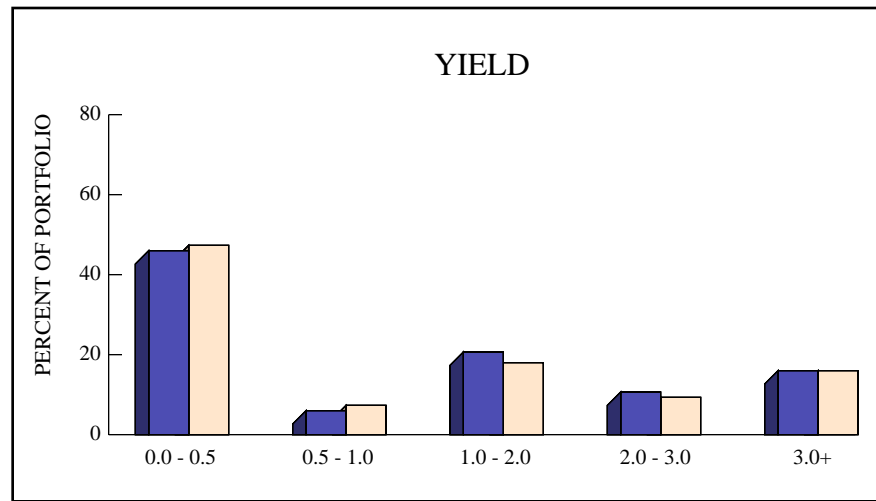


RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/09	-5.2	-11.4	6.2
6/09	20.9	20.3	0.6
9/09	12.5	20.1	-7.6
12/09	5.8	5.1	0.7
3/10	7.7	9.2	-1.5
6/10	-8.7	-10.0	1.3
9/10	9.9	12.2	-2.3
12/10	15.6	14.8	0.8
3/11	7.5	8.7	-1.2
6/11	-1.3	-0.6	-0.7
9/11	-21.3	-21.2	-0.1
12/11	16.0	14.5	1.5
3/12	13.0	13.0	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
12/13	8.5	8.7	-0.2
3/14	1.6	2.3	-0.7
6/14	3.7	3.6	0.1
9/14	-3.7	-5.4	1.7

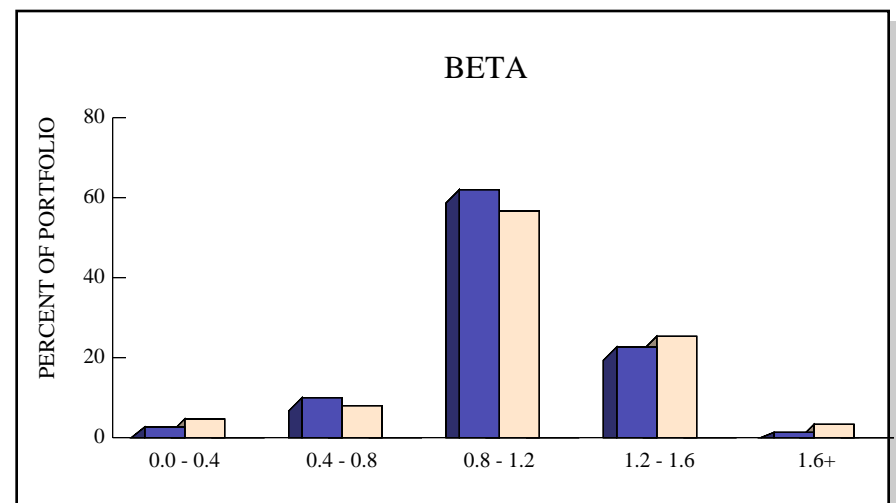
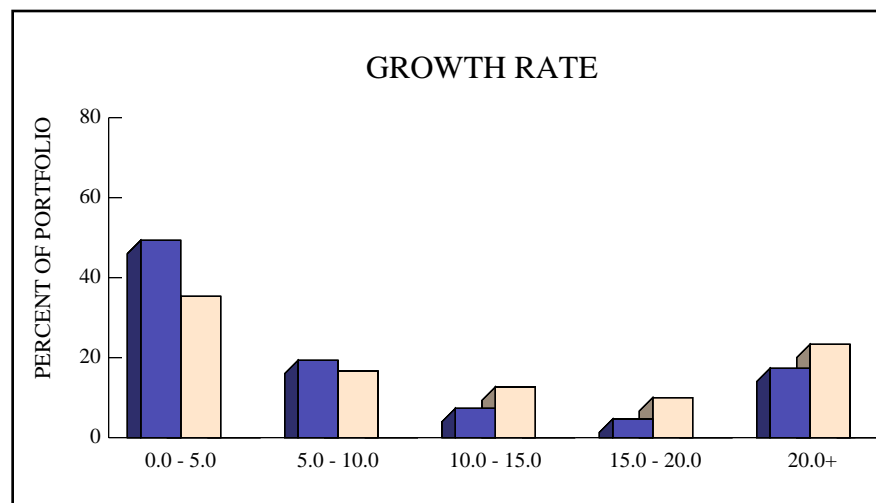
<b>Total Quarters Observed</b>	<b>23</b>
<b>Quarters At or Above the Benchmark</b>	<b>12</b>
<b>Quarters Below the Benchmark</b>	<b>11</b>
<b>Batting Average</b>	<b>.522</b>



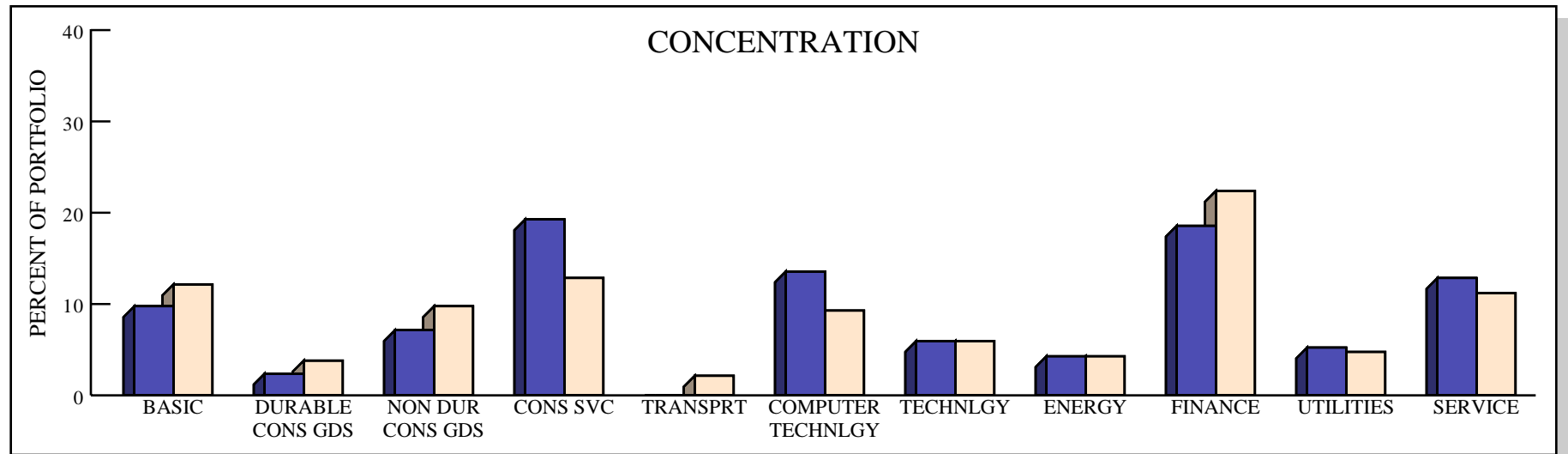
**STOCK CHARACTERISTICS**



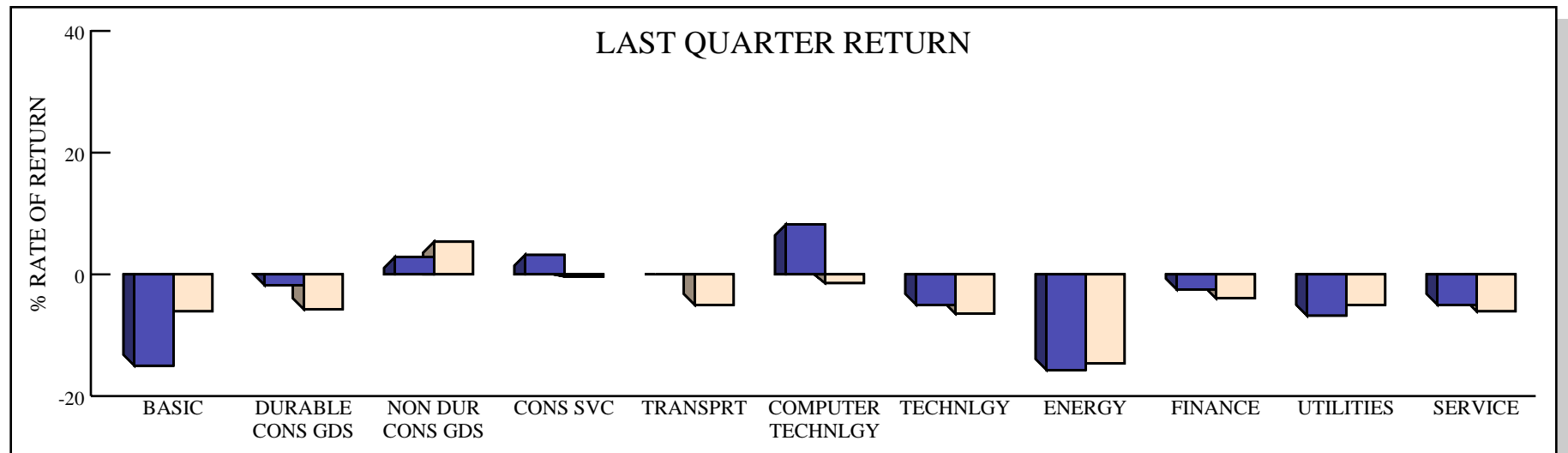
	# HOLDINGS	YIELD	GROWTH	P/E	BETA
PORTFOLIO	111	1.4%	7.7%	21.5	1.04
RUSSELL 2500	2,479	1.4%	11.0%	20.9	1.04



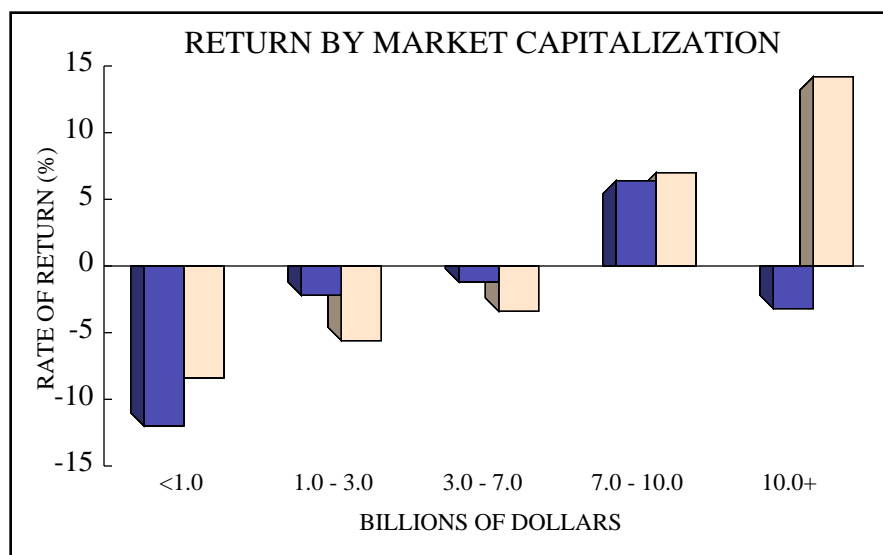
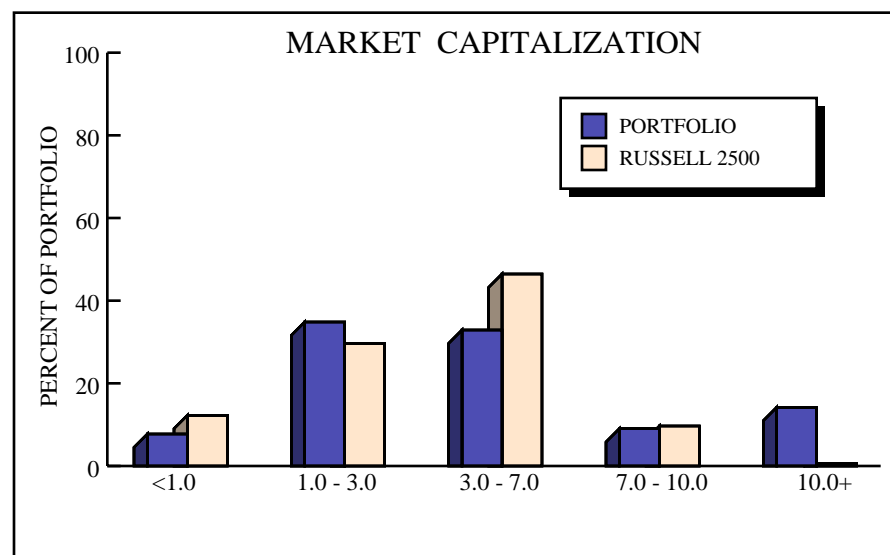
**STOCK INDUSTRY ANALYSIS**



■ PORTFOLIO      ■ RUSSELL 2500



## TOP TEN HOLDINGS



## TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	KROGER CO	\$ 234,156	1.76%	5.5%	Consumer Service	\$ 25.5 B
2	SCANA CORP	207,469	1.56%	-6.7%	Utilities	7.0 B
3	TELEFLEX INC	198,105	1.49%	-0.2%	Technology	4.3 B
4	ZIONS BANCORPORATION	195,487	1.47%	-1.3%	Finance	5.9 B
5	TRIUMPH GROUP INC	194,434	1.46%	-6.8%	Technology	3.3 B
6	RF MICRO DEVICES INC	191,552	1.44%	20.3%	Computer Tech	3.3 B
7	PREMIER INC-CLASS A	187,893	1.41%	13.3%	Consumer Service	1.1 B
8	AMERIPRISE FINANCIAL INC	177,914	1.34%	3.3%	Finance	23.1 B
9	CONCUR TECHNOLOGIES INC	176,787	1.33%	35.9%	Computer Tech	7.2 B
10	SYSCO CORP	176,354	1.33%	2.1%	Service	22.3 B

MIRAMAR FIREFIGHTERS  
NORTHERN TRUST - EXTENDED EQUITY INDEX FUND  
PERFORMANCE REVIEW  
SEPTEMBER 2014

## **INVESTMENT RETURN**

On September 30th, 2014, the Miramar Firefighters' Northern Trust Extended Equity Index Fund portfolio was valued at \$10,750,758, a decrease of \$545,591 from the June ending value of \$11,296,349. Last quarter, the account recorded no net contributions or withdrawals, while recording a net investment loss for the quarter of \$545,591. Since there were no income receipts for the third quarter, net investment losses were the result of capital losses (realized and unrealized).

Since September 2004, the account has recorded net withdrawals totaling \$9.7 million while posting net investment gains totaling \$9.8 million. Since September 2004, if the account earned a compounded nominal rate of 9.0% it would have been valued at \$8.9 million or \$1.9 million less than the actual value as of September 30th, 2014.

## **RELATIVE PERFORMANCE**

For the third quarter, the Northern Trust Extended Equity Index Fund portfolio lost 4.8%, which was 0.2% above the Wilshire 4500's return of -5.0% and ranked in the 72nd percentile of the Smid Cap universe. Over the trailing twelve-month period, this portfolio returned 9.6%, which was 0.2% less than the benchmark's 9.8% performance, and ranked in the 58th percentile. Since September 2004, the portfolio returned 10.1% annualized and ranked in the 66th percentile. The Wilshire 4500 returned an annualized 9.9% over the same time frame.

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

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 09/04
<b>Total Gross/Fees</b>	-4.8	9.6	9.6	23.0	10.1
<i>SMID CAP RANK</i>	(72)	(58)	(58)	(45)	(66)
<b>Total Net/Fees</b>	-4.9	9.5	9.5	22.9	10.0
WILSHIRE 4500	-5.0	9.8	9.8	23.1	9.9
HYBRID INDEX	-4.8	9.7	9.7	22.4	9.8
<b>SMid Cap Equity</b>	-4.8	9.6	9.6	23.0	10.1
<i>SMID CAP RANK</i>	(72)	(58)	(58)	(45)	(66)
WILSHIRE 4500	-5.0	9.8	9.8	23.1	9.9
DJ US COMP	-4.8	9.7	9.7	22.4	9.7
HYBRID INDEX	-4.8	9.7	9.7	22.4	9.8

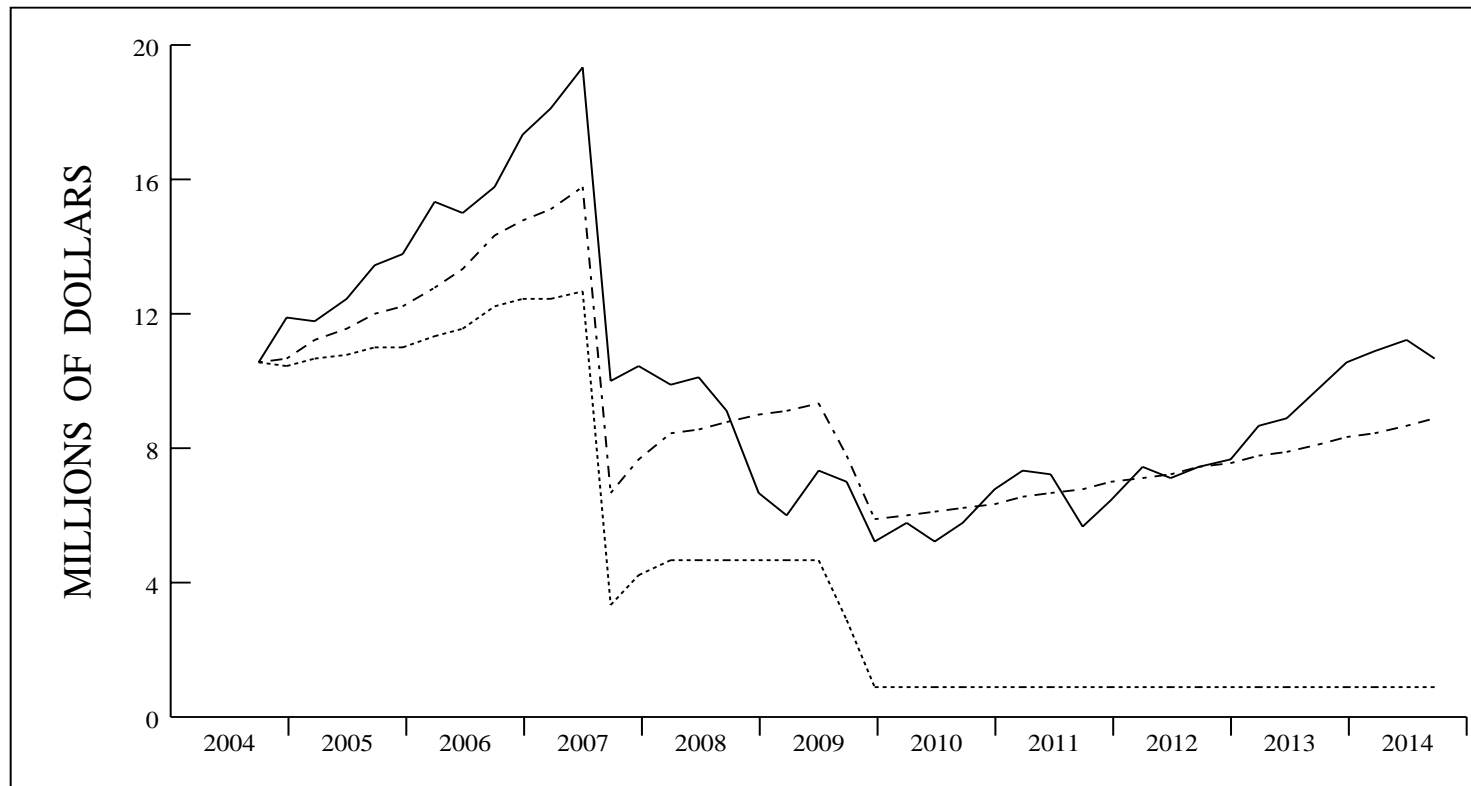
**ASSET ALLOCATION**

SMid Cap Equity	100.0%	\$ 10,750,758
Total Portfolio	100.0%	\$ 10,750,758

**INVESTMENT RETURN**

Market Value 6/2014	\$ 11,296,349
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	-545,591
Market Value 9/2014	\$ 10,750,758

**INVESTMENT GROWTH**

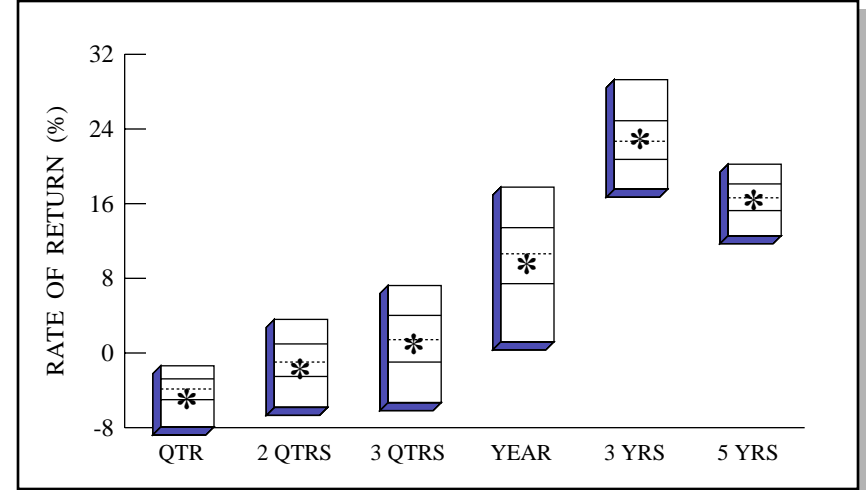
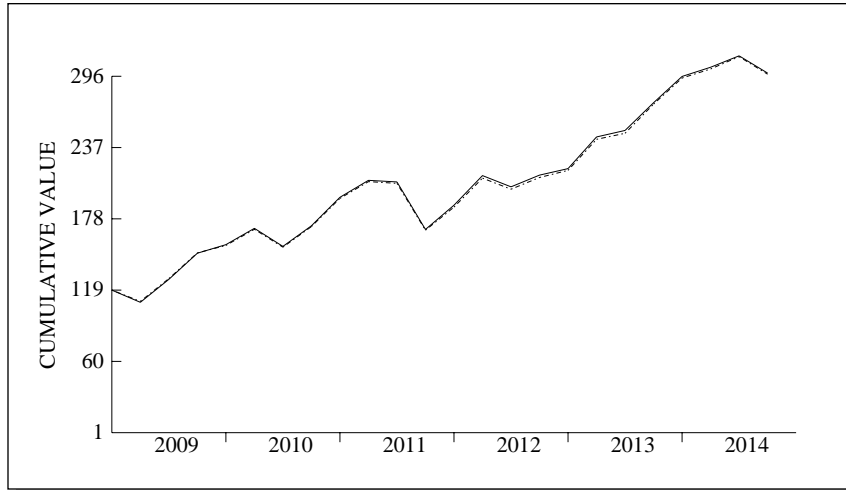


— ACTUAL RETURN  
 - - - 9.0%  
 . . . 0.0%

VALUE ASSUMING  
 9.0% RETURN  
 \$ 8,896,934

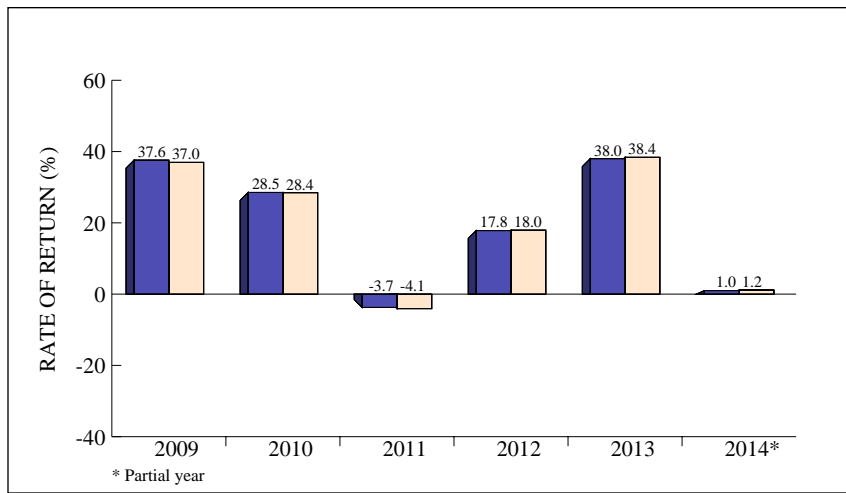
	LAST QUARTER	PERIOD 9/04 - 9/14
BEGINNING VALUE	\$ 11,296,349	\$ 10,623,230
NET CONTRIBUTIONS	0	- 9,703,739
<u>INVESTMENT RETURN</u>	<u>-545,591</u>	<u>9,831,267</u>
ENDING VALUE	\$ 10,750,758	\$ 10,750,758
INCOME	0	0
<u>CAPITAL GAINS (LOSSES)</u>	<u>-545,591</u>	<u>9,831,267</u>
INVESTMENT RETURN	-545,591	9,831,267

**TOTAL RETURN COMPARISONS**



■ ——— PORTFOLIO  
■ - - - - WILSHIRE 4500

Smid Cap Universe



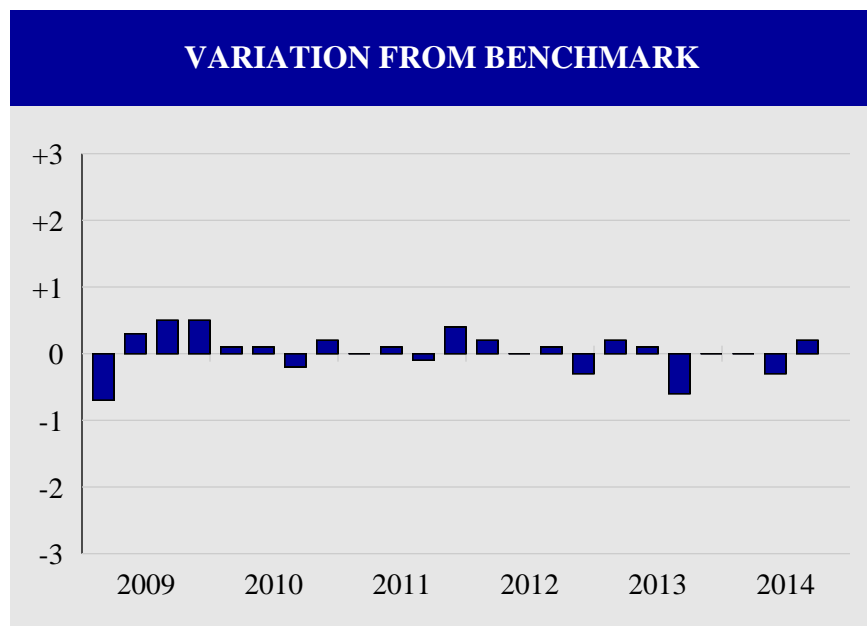
	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	-4.8	-1.7	1.0	9.6	23.0	16.4
(RANK)	(72)	(62)	(58)	(58)	(45)	(54)
5TH %ILE	-1.4	3.6	7.2	17.8	29.3	20.2
25TH %ILE	-2.8	1.0	4.0	13.4	24.9	18.1
MEDIAN	-3.9	-1.0	1.4	10.6	22.7	16.6
75TH %ILE	-5.0	-2.5	-1.0	7.4	20.7	15.3
95TH %ILE	-7.9	-5.8	-5.3	1.2	17.5	12.6
<b>Wil 4500</b>	<b>-5.0</b>	<b>-1.5</b>	<b>1.2</b>	<b>9.8</b>	<b>23.1</b>	<b>16.3</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>17</b>
<b>Quarters Below the Benchmark</b>	<b>6</b>
<b>Batting Average</b>	<b>.739</b>

<b>RATES OF RETURN</b>			
<b>Date</b>	<b>Portfolio</b>	<b>Benchmark</b>	<b>Difference</b>
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
12/13	8.5	8.5	0.0
3/14	2.7	2.7	0.0
6/14	3.3	3.6	-0.3
9/14	-4.8	-5.0	0.2

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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  
NORTHERN TRUST - EAFE INDEX FUND  
PERFORMANCE REVIEW  
SEPTEMBER 2014

## **INVESTMENT RETURN**

On September 30th, 2014, the Miramar Firefighters' Northern Trust EAFE Index Fund was valued at \$8,592,482, a decrease of \$533,732 from the June ending value of \$9,126,214. Last quarter, the account recorded no net contributions or withdrawals, while recording a net investment loss for the quarter of \$533,732. Since there were no income receipts for the third quarter, net investment losses were the result of capital losses (realized and unrealized).

Since September 2004, the account has recorded net contributions totaling \$3.3 million, and generated net investment gains totaling \$3.2 million. Since September 2004, if the account had earned a compounded nominal rate of 10.0% it would have been valued at \$10.8 million or \$2.2 million more than the actual value as of September 30th, 2014.

## **RELATIVE PERFORMANCE**

For the third quarter, the Northern Trust EAFE Index Fund lost 5.8%, which was 0.1% above the MSCI EAFE Net Index's return of -5.9% and ranked in the 72nd percentile of the International Equity universe. Over the trailing twelve-month period, this portfolio returned 4.6%, which was 0.3% greater than the benchmark's 4.3% performance, and ranked in the 65th percentile. Since September 2004, the portfolio returned 6.7% annualized and ranked in the 84th percentile. The MSCI EAFE Net Index returned an annualized 6.3% over the same time frame.

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

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 09/04
<b>Total Gross/Fees</b>	-5.8	4.6	4.6	14.0	6.7
<i>INTERNATIONAL EQUITY RANK</i>	(72)	(65)	(65)	(52)	(84)
<b>Total Net/Fees</b>	-5.9	4.4	4.4	13.9	6.6
MSCI EAFE NET	-5.9	4.3	4.3	13.7	6.3
<b>Foreign Equity</b>	-5.8	4.6	4.6	14.0	6.7
<i>INTERNATIONAL EQUITY RANK</i>	(72)	(65)	(65)	(52)	(84)
MSCI EAFE NET	-5.9	4.3	4.3	13.7	6.3

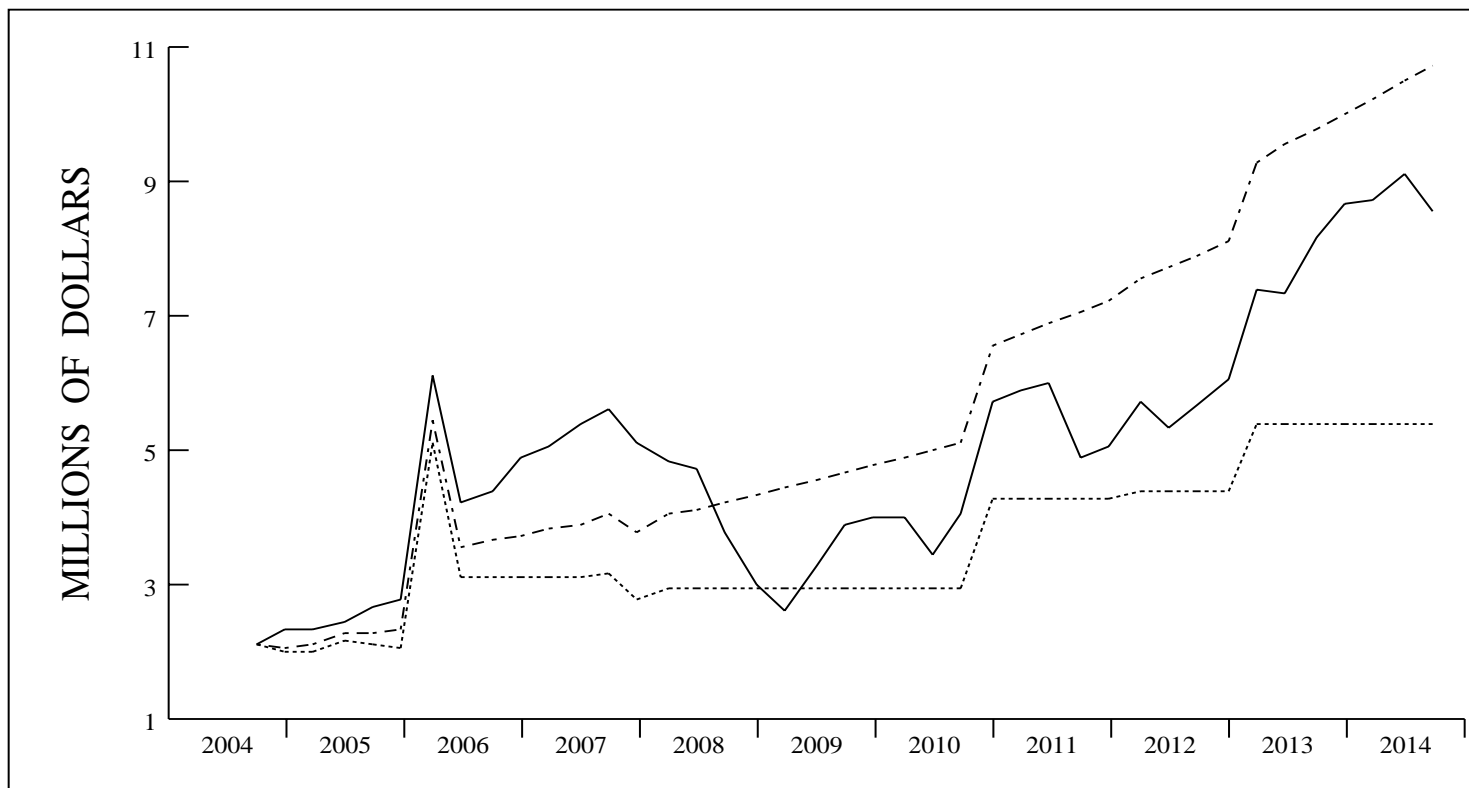
**ASSET ALLOCATION**

Foreign Equity	100.0%	\$ 8,592,482
Total Portfolio	100.0%	\$ 8,592,482

**INVESTMENT RETURN**

Market Value 6/2014	\$ 9,126,214
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	-533,732
Market Value 9/2014	\$ 8,592,482

**INVESTMENT GROWTH**

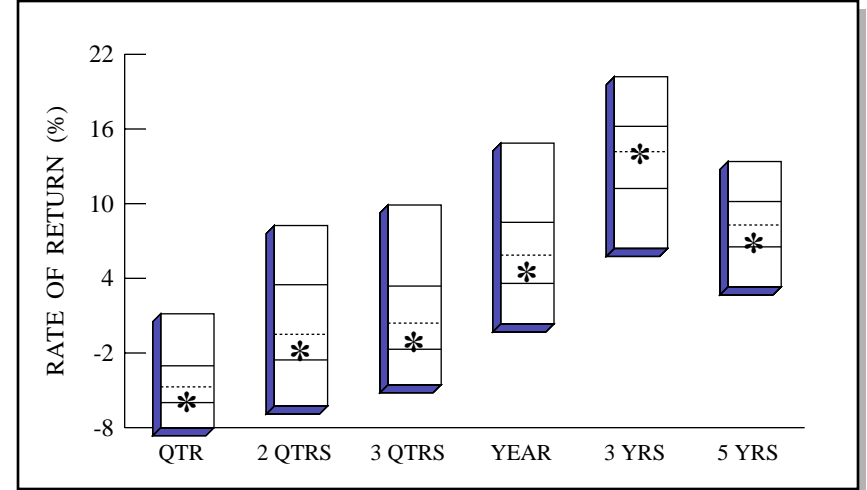
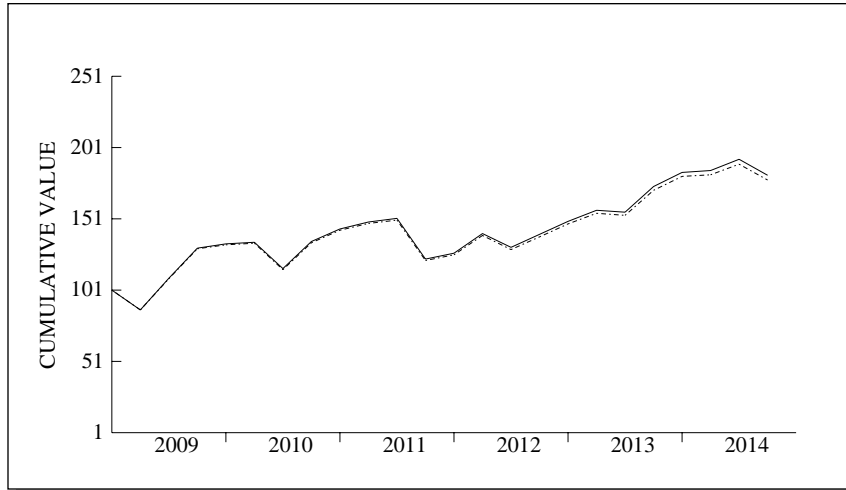


— ACTUAL RETURN  
 - - - 10.0%  
 ..... 0.0%

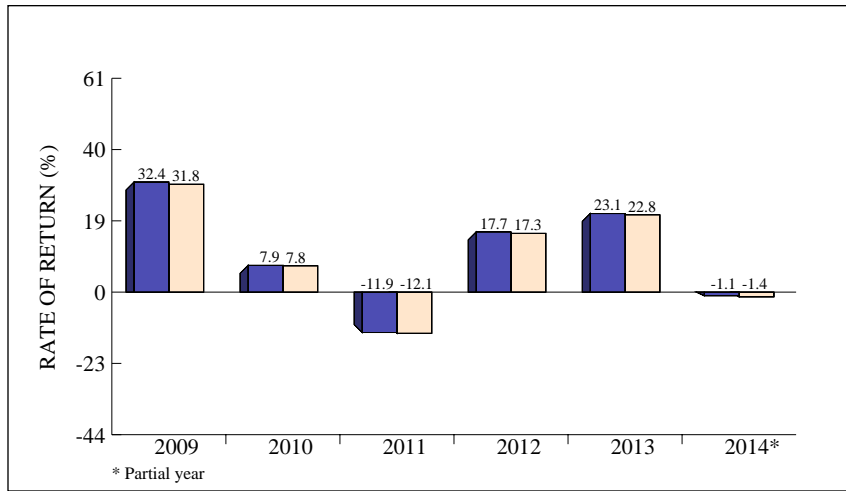
VALUE ASSUMING  
 10.0% RETURN  
 \$ 10,765,813

	LAST QUARTER	PERIOD 9/04 - 9/14
BEGINNING VALUE	\$ 9,126,214	\$ 2,125,920
NET CONTRIBUTIONS	0	3,289,175
<u>INVESTMENT RETURN</u>	<u>-533,732</u>	<u>3,177,387</u>
ENDING VALUE	\$ 8,592,482	\$ 8,592,482
INCOME	0	0
<u>CAPITAL GAINS (LOSSES)</u>	<u>-533,732</u>	<u>3,177,387</u>
INVESTMENT RETURN	-533,732	3,177,387

**TOTAL RETURN COMPARISONS**



International Equity Universe

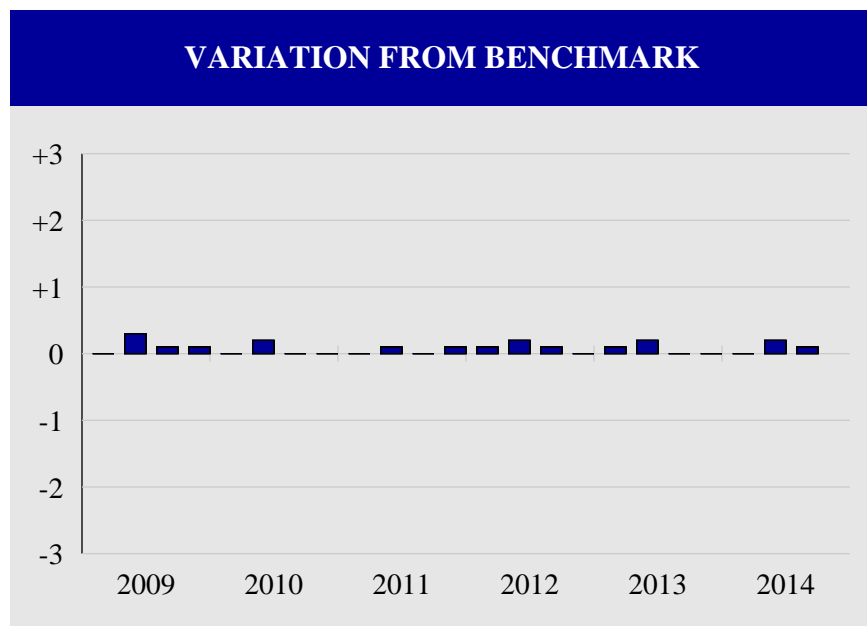


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	-5.8	-1.8	-1.1	4.6	14.0	6.9
(RANK)	(72)	(67)	(67)	(65)	(52)	(71)
5TH %ILE	1.1	8.3	9.9	14.9	20.2	13.4
25TH %ILE	-3.0	3.5	3.4	8.5	16.2	10.2
MEDIAN	-4.7	-0.5	0.4	5.9	14.2	8.3
75TH %ILE	-6.0	-2.6	-1.7	3.6	11.2	6.5
95TH %ILE	-8.0	-6.3	-4.5	0.3	6.4	3.3
<b>EAFE Net</b>	<b>-5.9</b>	<b>-2.0</b>	<b>-1.4</b>	<b>4.3</b>	<b>13.7</b>	<b>6.6</b>

International Equity Universe

**TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**

**COMPARATIVE BENCHMARK: MSCI EAFE NET**



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
12/13	5.7	5.7	0.0
3/14	0.7	0.7	0.0
6/14	4.3	4.1	0.2
9/14	-5.8	-5.9	0.1

<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>



MIRAMAR FIREFIGHTERS  
EATON VANCE - PARAMETRIC EMERGING MARKETS  
PERFORMANCE REVIEW  
SEPTEMBER 2014

## **INVESTMENT RETURN**

On September 30th, 2014, the Miramar Firefighters' Eaton Vance Parametric Emerging Markets portfolio was valued at \$4,831,899, a decrease of \$113,298 from the June ending value of \$4,945,197. Last quarter, the account recorded no net contributions or withdrawals, while recording a net investment loss for the quarter of \$113,298. Since there were no income receipts for the third quarter, net investment losses were the result of capital losses (realized and unrealized).

Since June 2011, the account has recorded net contributions totaling \$1.7 million, and generated net investment gains totaling \$126,568. Since June 2011, if the account had earned a compounded nominal rate of 10.0% it would have been valued at \$5.9 million or \$1.1 million more than the actual value as of September 30th, 2014.

## **RELATIVE PERFORMANCE**

For the third quarter, the Eaton Vance Parametric Emerging Markets portfolio lost 2.0%, which was 1.5% above the MSCI Emerging Markets Net Index's return of -3.5% and ranked in the 31st percentile of the Emerging Markets universe. Over the trailing twelve-month period, this portfolio returned 7.9%, which was 3.6% greater than the benchmark's 4.3% performance, and ranked in the 38th percentile. Since June 2011, the portfolio returned 1.5% annualized and ranked in the 39th percentile. The MSCI Emerging Markets Net Index returned an annualized -1.5% over the same time frame.

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

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 06/11
<b>Total Gross/Fees</b>	-2.0	7.9	7.9	9.8	1.5
<i>EMERGING MARKETS RANK</i>	(31)	(38)	(38)	(48)	(39)
<b>Total Net/Fees</b>	-2.3	6.9	6.9	8.7	0.5
MSCI EM NET	-3.5	4.3	4.3	7.2	-1.5
<b>Foreign Equity</b>	-2.0	7.9	7.9	9.8	1.5
<i>EMERGING MARKETS RANK</i>	(31)	(38)	(38)	(48)	(39)
MSCI EM NET	-3.5	4.3	4.3	7.2	-1.5

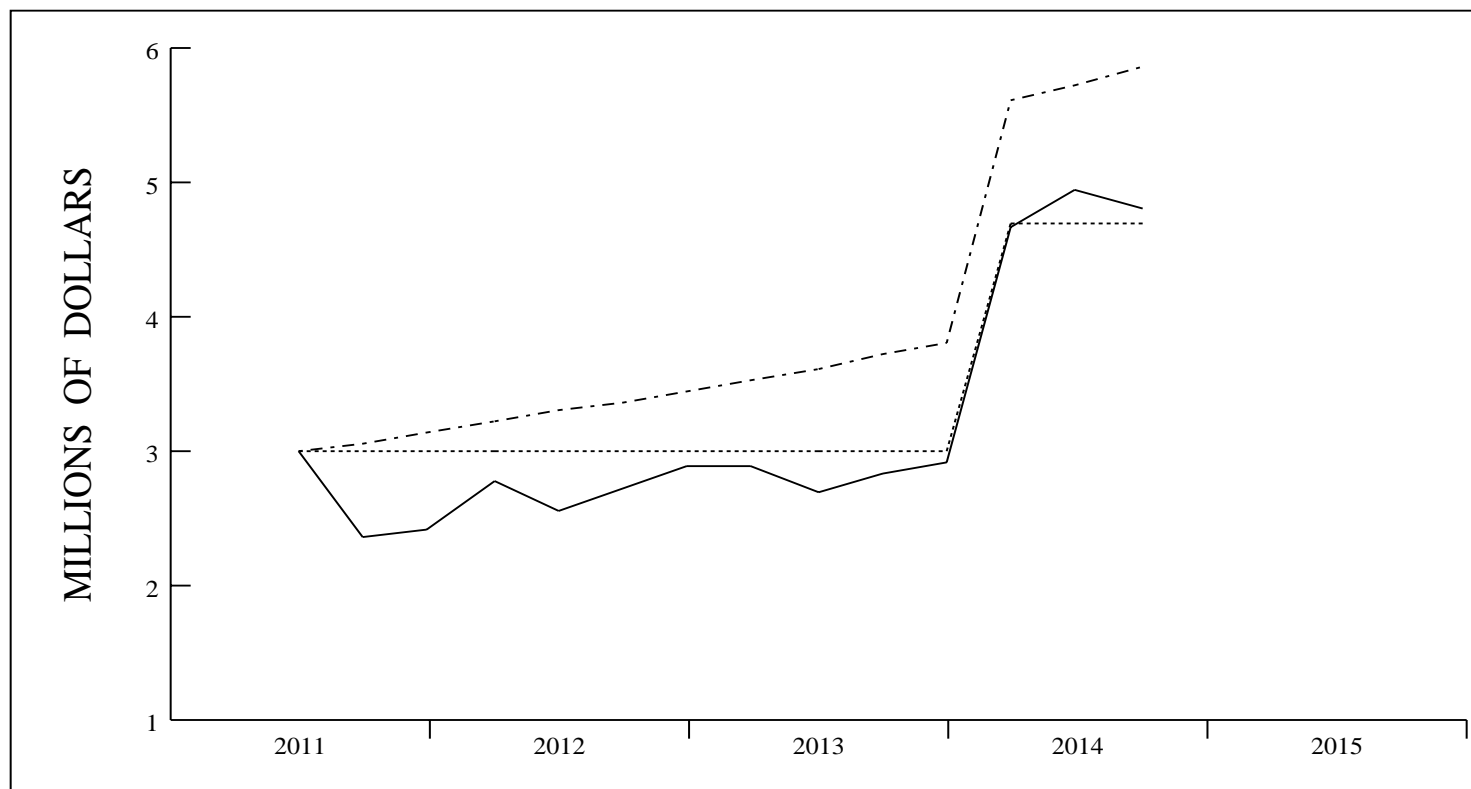
**ASSET ALLOCATION**

Foreign Equity	100.0%	\$ 4,831,899
Total Portfolio	100.0%	\$ 4,831,899

**INVESTMENT RETURN**

Market Value 6/2014	\$ 4,945,197
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	-113,298
Market Value 9/2014	\$ 4,831,899

**INVESTMENT GROWTH**

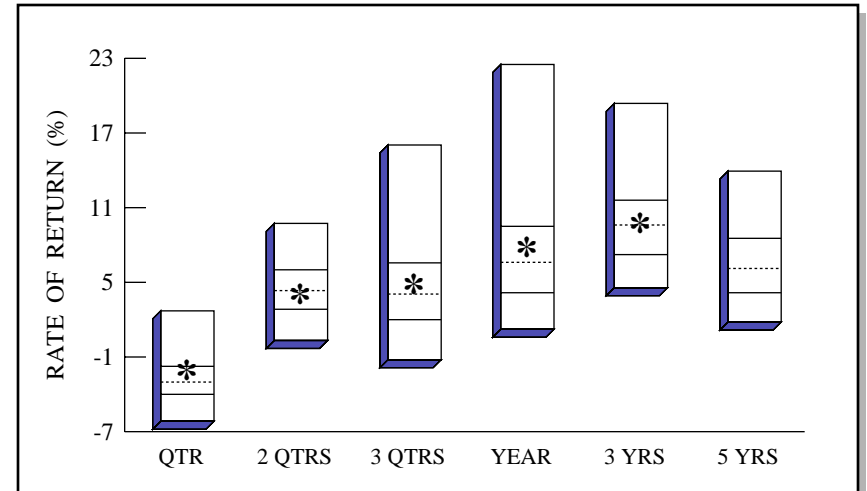
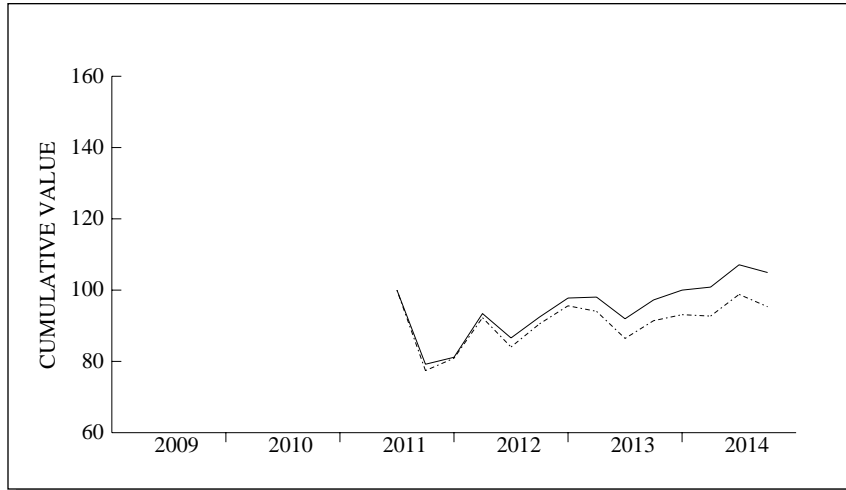


— ACTUAL RETURN  
 - - - 10.0%  
 . . . 0.0%

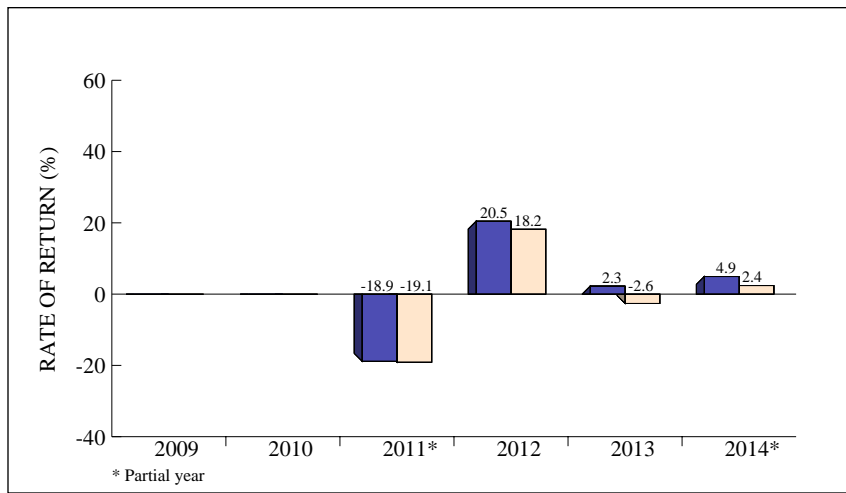
VALUE ASSUMING  
 10.0% RETURN  
 \$ 5,886,638

	LAST QUARTER	PERIOD 6/11 - 9/14
BEGINNING VALUE	\$ 4,945,197	\$ 3,005,331
NET CONTRIBUTIONS	0	1,700,000
INVESTMENT RETURN	-113,298	126,568
ENDING VALUE	\$ 4,831,899	\$ 4,831,899
INCOME	0	0
CAPITAL GAINS (LOSSES)	-113,298	126,568
INVESTMENT RETURN	-113,298	126,568

**TOTAL RETURN COMPARISONS**



Emerging Markets Universe

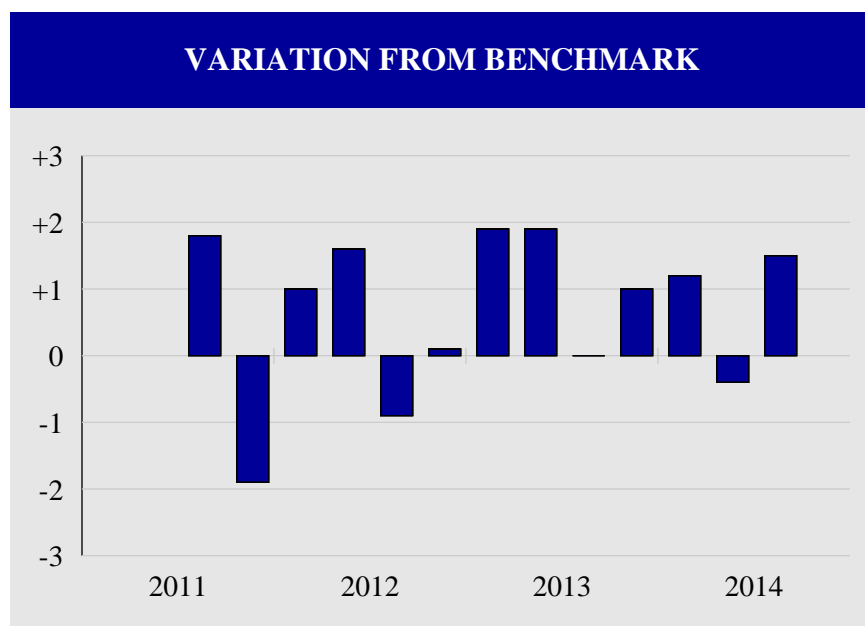


	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	-2.0	4.1	4.9	7.9	9.8	---
(RANK)	(31)	(56)	(42)	(38)	(48)	---
5TH %ILE	2.7	9.7	16.0	22.5	19.4	13.9
25TH %ILE	-1.8	6.0	6.6	9.5	11.6	8.5
MEDIAN	-3.0	4.3	4.1	6.6	9.6	6.1
75TH %ILE	-4.0	2.8	2.0	4.2	7.2	4.2
95TH %ILE	-6.2	0.3	-1.2	1.2	4.6	1.8
<b>EM Net</b>	<b>-3.5</b>	<b>2.9</b>	<b>2.4</b>	<b>4.3</b>	<b>7.2</b>	<b>4.4</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
12/13	2.8	1.8	1.0
3/14	0.8	-0.4	1.2
6/14	6.2	6.6	-0.4
9/14	-2.0	-3.5	1.5

<b>Total Quarters Observed</b>	<b>13</b>
<b>Quarters At or Above the Benchmark</b>	<b>10</b>
<b>Quarters Below the Benchmark</b>	<b>3</b>
<b>Batting Average</b>	<b>.769</b>

MIRAMAR FIREFIGHTERS  
PRINCIPAL FINANCIAL GROUP - REAL ESTATE  
PERFORMANCE REVIEW  
SEPTEMBER 2014

## **INVESTMENT RETURN**

As of September 30th, 2014, the Miramar Firefighters' Principal Financial Group Real Estate portfolio was valued at \$5,253,180, representing an increase of \$144,670 over the June quarter's ending value of \$5,108,510. There were no net contributions or withdrawals recorded to the portfolio last quarter, making the entire increase in value the direct result of net investment returns. In the absence of income receipts during the quarter, the portfolio's net investment return figure was the product of \$144,670 in realized and unrealized capital gains.

Since March 2006, the fund has recorded net contributions totaling \$1.0 million, and generated net investment gains totaling \$1.2 million. Since March 2006, if the account had returned a compounded nominal rate of 7.0% it would have been valued at \$6.9 million or \$1.7 million more than the actual value as of September 30th, 2014.

## **RELATIVE PERFORMANCE**

In the third quarter, the Principal Financial Group Real Estate portfolio gained 3.1%, which was 0.1% less than the NCREIF NFI-ODCE Index's return of 3.2%. Over the trailing year, the portfolio returned 12.6%, which was 0.2% above the benchmark's 12.4% return. Since March 2006, the portfolio returned 4.7% annualized, while the NCREIF NFI-ODCE Index returned an annualized 5.1% over the same time frame.



**EXECUTIVE SUMMARY**

**PERFORMANCE SUMMARY**

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 03/06
<b>Total Gross/Fees</b>	3.1	12.6	12.6	13.0	4.7
<b>Total Net/Fees</b>	2.8	11.4	11.4	11.8	3.6
NCREIF ODCE	3.2	12.4	12.4	12.3	5.1
<b>Real Assets</b>	3.1	12.6	12.6	13.0	4.7
NCREIF ODCE	3.2	12.4	12.4	12.3	5.1

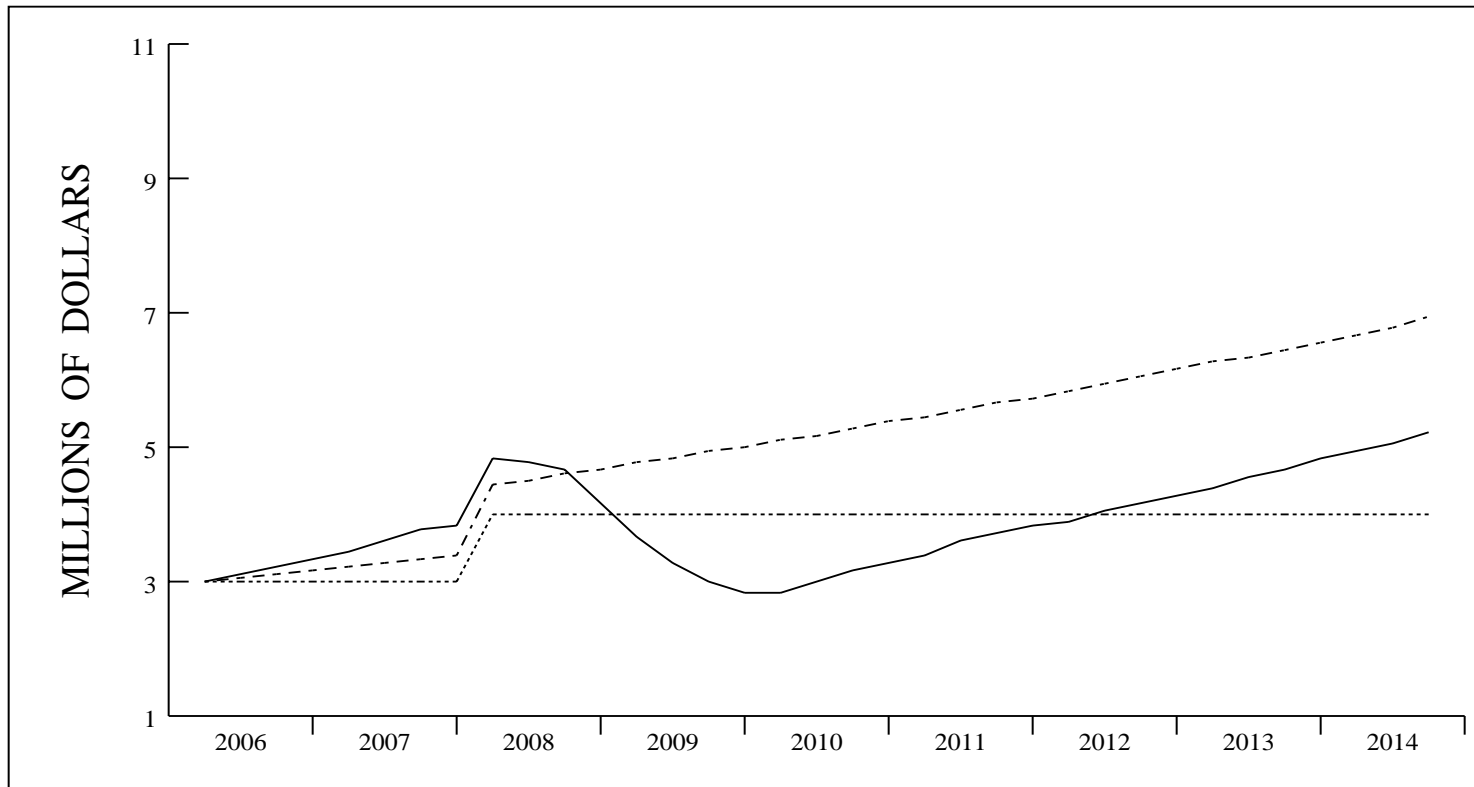
**ASSET ALLOCATION**

Real Assets	100.0%	\$ 5,253,180
Total Portfolio	100.0%	\$ 5,253,180

**INVESTMENT RETURN**

Market Value 6/2014	\$ 5,108,510
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	144,670
Market Value 9/2014	\$ 5,253,180

**INVESTMENT GROWTH**



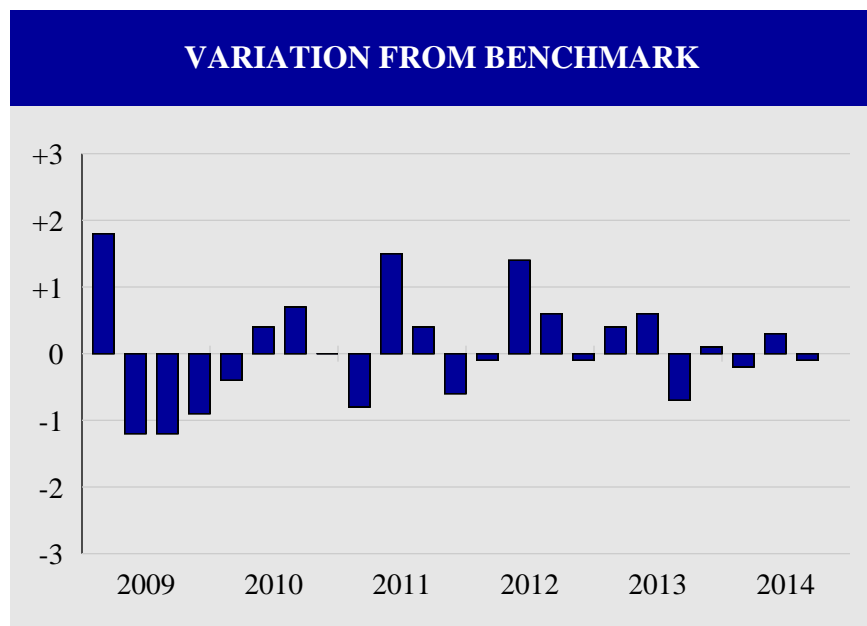
— ACTUAL RETURN  
 - - - 7.0%  
 . . . 0.0%

VALUE ASSUMING  
 7.0% RETURN  
 \$ 6,949,145

	LAST QUARTER	PERIOD 3/06 - 9/14
BEGINNING VALUE	\$ 5,108,510	\$ 3,024,110
NET CONTRIBUTIONS	0	1,000,000
INVESTMENT RETURN	144,670	1,229,070
ENDING VALUE	\$ 5,253,180	\$ 5,253,180
INCOME	0	0
CAPITAL GAINS (LOSSES)	144,670	1,229,070
INVESTMENT RETURN	144,670	1,229,070

## TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
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
12/13	3.3	3.2	0.1
3/14	2.3	2.5	-0.2
6/14	3.2	2.9	0.3
9/14	3.1	3.2	-0.1

<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>

MIRAMAR FIREFIGHTERS  
HANCOCK TIMBER RESOURCE GROUP - TIMBERLAND XI  
PERFORMANCE REVIEW  
SEPTEMBER 2014

## **INVESTMENT RETURN**

On September 30th, 2014, the Miramar Firefighters' Hancock Timber Resource Group Timberland XI portfolio was valued at \$1,158,243, a decrease of \$2,172 from the June ending value of \$1,160,415. Last quarter, the account recorded a net withdrawal of \$2,470, which overshadowed the fund's net investment return of \$298. Barring income receipts during the third quarter, the portfolio's net investment return figure was the product of \$298 in realized and unrealized capital gains.

For the cumulative period since June 2012, the fund has recorded net contributions totaling \$689,732, and recorded net investment gains of \$152,793. For the period since June 2012, if the total fund had returned a compounded nominal rate of 7.0% it would have been valued at \$1.1 million or \$16,583 less than the actual value as of September 30th, 2014.

## **RELATIVE PERFORMANCE**

In the third quarter, the Hancock Timber Resource Group Timberland XI portfolio returned 0.0%, which was 1.5% less than the NCREIF Timber Index's return of 1.5%. Over the trailing twelve-month period, the portfolio returned 12.5%, which was 2.1% above the benchmark's 10.4% return. Since June 2012, the account returned 8.1% on an annualized basis, while the NCREIF Timber Index returned an annualized 9.2% over the same time frame.

## **ASSET ALLOCATION**

The portfolio was fully invested in the Hancock Timber Fund XI at the end of the quarter.

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

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 06/12
<b>Total Gross/Fees</b>	0.0	12.5	12.5	----	8.1
<b>Total Net/Fees</b>	-0.2	11.6	11.6	----	7.1
NCREIF TIMBER	1.5	10.4	10.4	7.4	9.2
<b>Real Assets</b>	0.0	12.5	12.5	----	8.1
NCREIF TIMBER	1.5	10.4	10.4	7.4	9.2

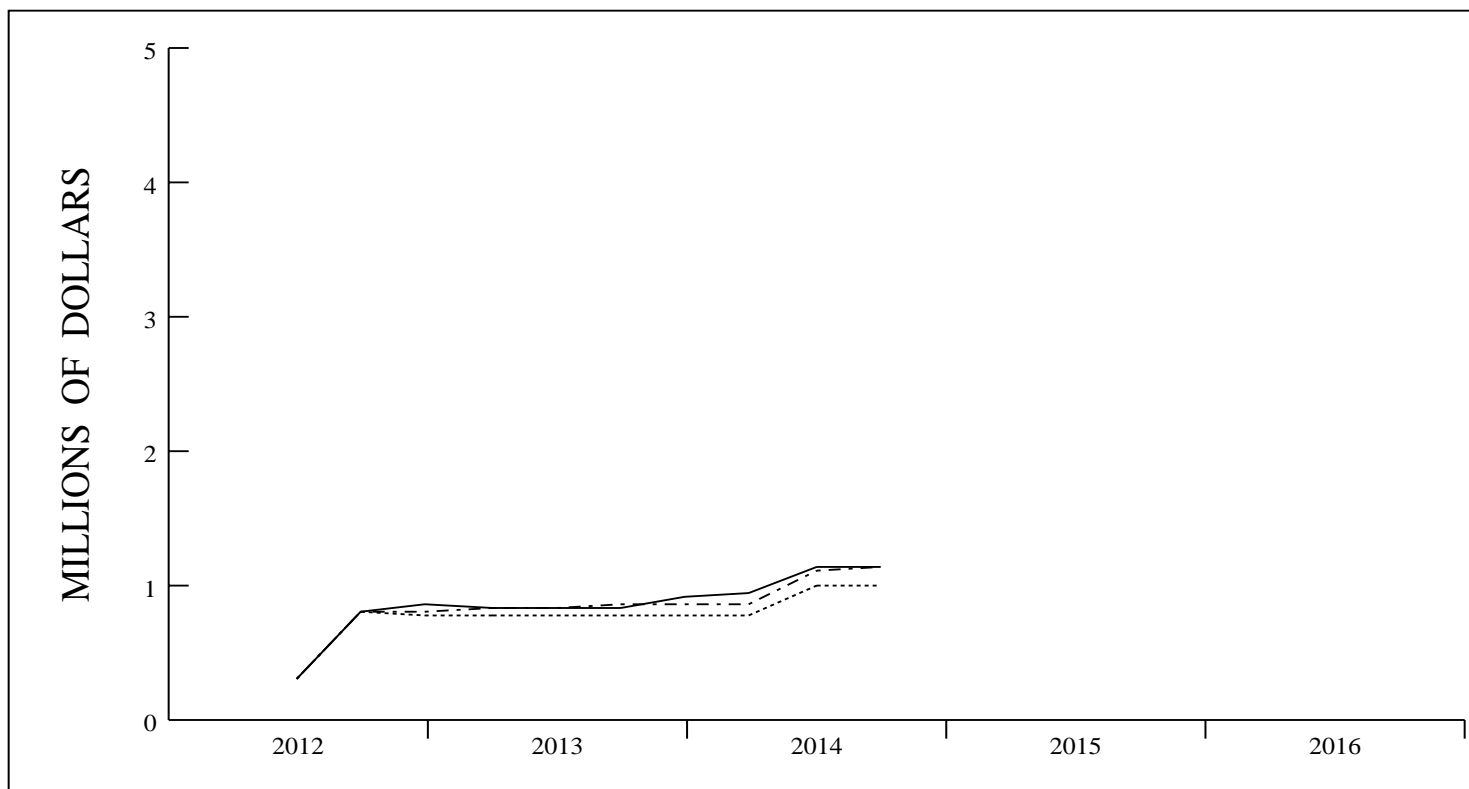
**ASSET ALLOCATION**

Real Assets	100.0%	\$ 1,158,243
Total Portfolio	100.0%	\$ 1,158,243

**INVESTMENT RETURN**

Market Value 6/2014	\$ 1,160,415
Contribs / Withdrawals	-2,470
Income	0
Capital Gains / Losses	298
Market Value 9/2014	\$ 1,158,243

**INVESTMENT GROWTH**



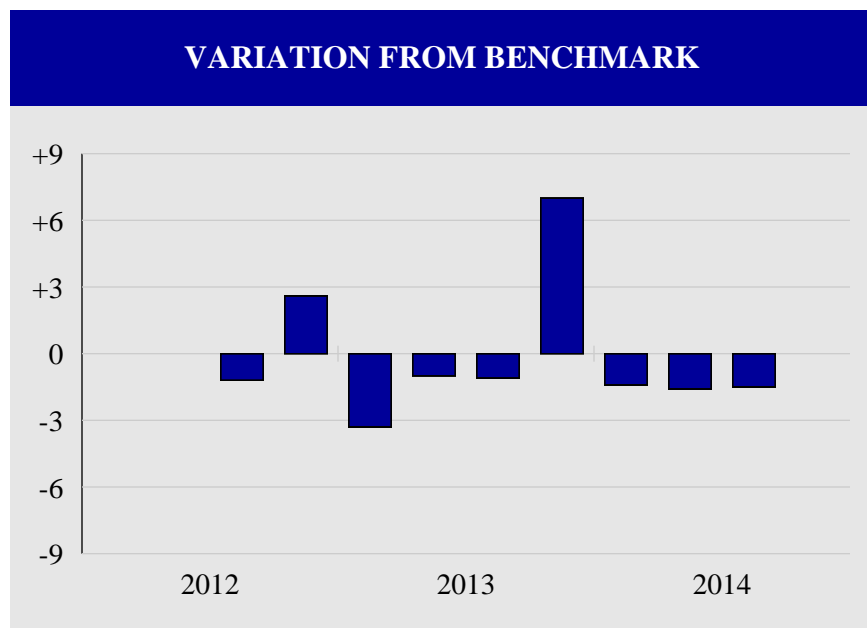
— ACTUAL RETURN  
 - - - 7.0%  
 . . . 0.0%

VALUE ASSUMING  
 7.0% RETURN  
 \$ 1,141,660

	LAST QUARTER	PERIOD 6/12 - 9/14
BEGINNING VALUE	\$ 1,160,415	\$ 315,718
NET CONTRIBUTIONS	- 2,470	689,732
INVESTMENT RETURN	298	152,793
<u>ENDING VALUE</u>	<u>\$ 1,158,243</u>	<u>\$ 1,158,243</u>
INCOME	0	0
CAPITAL GAINS (LOSSES)	298	152,793
INVESTMENT RETURN	298	152,793

**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
12/13	12.9	5.9	7.0
3/14	0.2	1.6	-1.4
6/14	-0.5	1.1	-1.6
9/14	0.0	1.5	-1.5

<b>Total Quarters Observed</b>	<b>9</b>
<b>Quarters At or Above the Benchmark</b>	<b>2</b>
<b>Quarters Below the Benchmark</b>	<b>7</b>
<b>Batting Average</b>	<b>.222</b>



MIRAMAR FIREFIGHTERS  
MOLPUS WOODLANDS GROUP - FUND III  
PERFORMANCE REVIEW  
SEPTEMBER 2014

## **INVESTMENT RETURN**

On September 30th, 2014, the Miramar Firefighters' Molpus Woodlands Group Fund III portfolio was valued at \$1,784,595, a decrease of \$113,763 from the June ending value of \$1,898,358. Last quarter, the account recorded total net withdrawals of \$113,763 in contrast to flat net investment returns. Because there were no income receipts or capital gains or losses for the period, there were no net investment returns.

Since June 2011, the portfolio has posted net contributions totaling \$1.5 million, and recorded \$258,811 in net investment gains. For the period since June 2011, if the total fund returned a compounded nominal rate of 7.0% it would have been worth \$1.8 million or \$54,073 more than its actual value as of September 30th, 2014.

## **RELATIVE PERFORMANCE**

### **Total Fund**

*The finalized second quarter data for the Molpus Woodlands Fund III was not available at the time of this report. The market value and return seen is still preliminary.*

For the third quarter, the Molpus Woodlands Group Fund III portfolio gained 0.3%, which was 1.2% below the NCREIF Timber Index's return of 1.5%. Over the trailing year, the account returned 5.5%, which was 4.9% less than the benchmark's 10.4% performance. Since June 2011, the account returned 5.5% per annum, while the NCREIF Timber Index returned an annualized 6.7% over the same period.

## FUNDING SUMMARY

The Pension Plan made a \$2,000,000 commitment to this investment. The cash flow history as of September 2014\* 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)
1213	\$236,000	\$53,588	0
0314	--	--	(18,202)
0614	--	--	0
0914*	--	--	(113,763)
<b>Total</b>	<b>\$1,890,000</b>	<b>\$236,763</b>	<b>(\$364,041)</b>

*\*We have not received the finalized capital account statement from Molpus Woodlands Group. The distribution indicated was reflected in the Miramar R&D account.*

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

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 06/11
<b>Total Gross/Fees</b>	0.3	5.5	5.5	6.0	5.5
<b>Total Net/Fees</b>	0.0	4.5	4.5	5.0	4.4
NCREIF TIMBER	1.5	10.4	10.4	7.4	6.7
<b>Real Assets</b>	0.3	5.5	5.5	6.0	5.5
NCREIF TIMBER	1.5	10.4	10.4	7.4	6.7

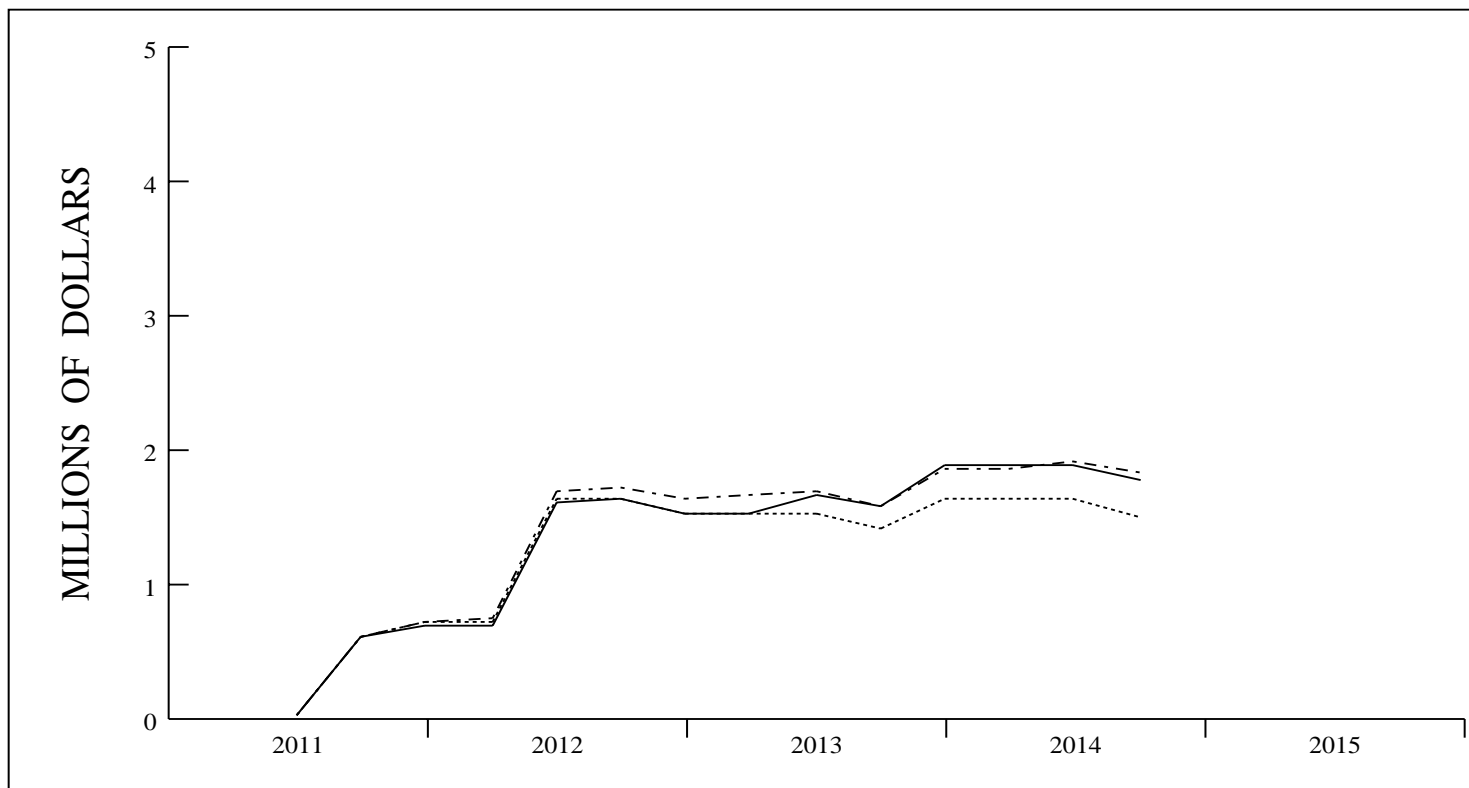
**ASSET ALLOCATION**

Real Assets	100.0%	\$ 1,784,595
Total Portfolio	100.0%	\$ 1,784,595

**INVESTMENT RETURN**

Market Value 6/2014	\$ 1,898,358
Contribs / Withdrawals	-113,763
Income	0
Capital Gains / Losses	0
Market Value 9/2014	\$ 1,784,595

**INVESTMENT GROWTH**



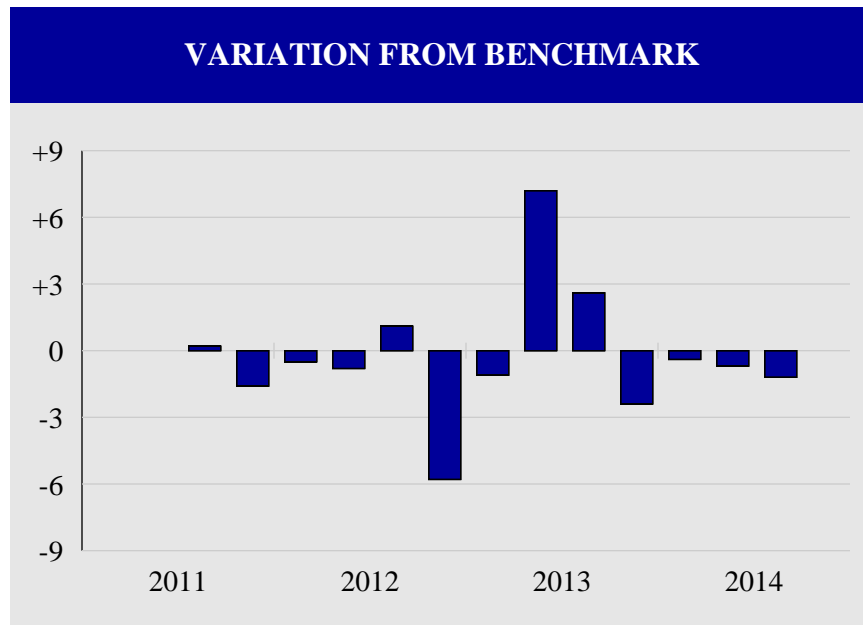
— ACTUAL RETURN  
 - - - 7.0%  
 ..... 0.0%

VALUE ASSUMING  
 7.0% RETURN  
 \$ 1,838,668

	LAST QUARTER	PERIOD 6/11 - 9/14
BEGINNING VALUE	\$ 1,898,358	\$ 27,825
NET CONTRIBUTIONS	-113,763	1,497,959
INVESTMENT RETURN	0	258,811
ENDING VALUE	\$ 1,784,595	\$ 1,784,595
INCOME	0	0
CAPITAL GAINS (LOSSES)	0	258,811
INVESTMENT RETURN	0	258,811

**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
12/13	3.5	5.9	-2.4
3/14	1.2	1.6	-0.4
6/14	0.4	1.1	-0.7
9/14	0.3	1.5	-1.2

<b>Total Quarters Observed</b>	<b>13</b>
<b>Quarters At or Above the Benchmark</b>	<b>4</b>
<b>Quarters Below the Benchmark</b>	<b>9</b>
<b>Batting Average</b>	<b>.308</b>

MIRAMAR FIREFIGHTERS  
C.S. MCKEE  
PERFORMANCE REVIEW  
SEPTEMBER 2014

## **INVESTMENT RETURN**

On September 30th, 2014, the Miramar Firefighters' C.S. McKee portfolio was valued at \$8,621,641, representing an increase of \$19,357 from the June quarter's ending value of \$8,602,284. Last quarter, the Fund posted withdrawals totaling \$1,155, which partially offset the portfolio's net investment return of \$20,512. Net investment return was a product of income receipts totaling \$65,354 and realized and unrealized capital losses of \$44,842.

For the cumulative period since March 2012, the fund has recorded net contributions totaling \$2.5 million, and recorded net investment gains of \$460,523. For the period since March 2012, if the total fund returned a compounded nominal rate of 6.0% it would have been valued at \$9.2 million or \$611,796 more than the actual value as of September 30th, 2014.

## **RELATIVE PERFORMANCE**

In the third quarter, the C.S. McKee portfolio gained 0.2%, which was equal to the Barclays Aggregate Index's return of 0.2% and ranked in the 42nd percentile of the Core Fixed Income universe. Over the trailing year, the portfolio returned 3.8%, which was 0.1% less than the benchmark's 3.9% performance, and ranked in the 83rd percentile. Since March 2012, the portfolio returned 2.6% on an annualized basis and ranked in the 68th percentile. For comparison, the Barclays Aggregate Index returned an annualized 2.4% over the same period.

## **BOND ANALYSIS**

At the end of the quarter, approximately 60% of the total bond portfolio was comprised of USG quality securities. Corporate securities, rated AAA through BBB made up the remainder, giving the portfolio an overall average quality rating of AAA. The average maturity of the portfolio was 6.8 years, less than the Barclays Aggregate Index's 7.7-year maturity. The average coupon was 3.1%.



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

	Quarter	FYTD	1 Year	-----Annualized-----	
				3 Years	Since 03/12
<b>Total Gross/Fees</b>	0.2	3.8	3.8	----	2.6
<i>CORE FIXED INCOME RANK</i>	(42)	(83)	(83)	----	(68)
<b>Total Net/Fees</b>	0.2	3.5	3.5	----	2.3
BARCLAYS AGG	0.2	3.9	3.9	2.4	2.4
<b>Fixed Income</b>	0.2	4.1	4.1	----	2.7
<i>CORE FIXED INCOME RANK</i>	(41)	(70)	(70)	----	(59)
BARCLAYS AGG	0.2	3.9	3.9	2.4	2.4

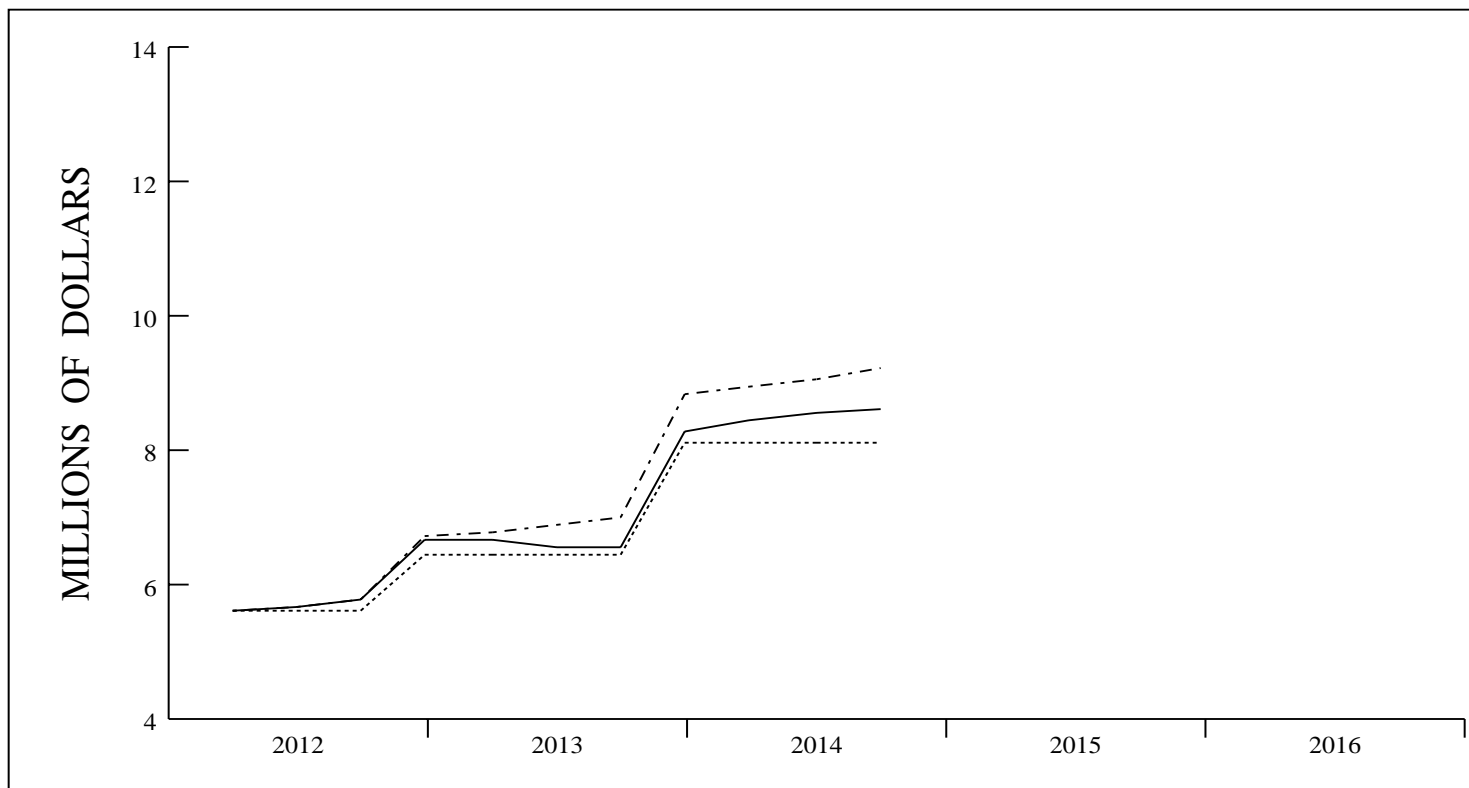
**ASSET ALLOCATION**

Fixed Income	97.9%	\$ 8,439,214
Cash	2.1%	182,427
<b>Total Portfolio</b>	<b>100.0%</b>	<b>\$ 8,621,641</b>

**INVESTMENT RETURN**

Market Value 6/2014	\$ 8,602,284
Contribs / Withdrawals	- 1,155
Income	65,354
Capital Gains / Losses	- 44,842
Market Value 9/2014	\$ 8,621,641

**INVESTMENT GROWTH**

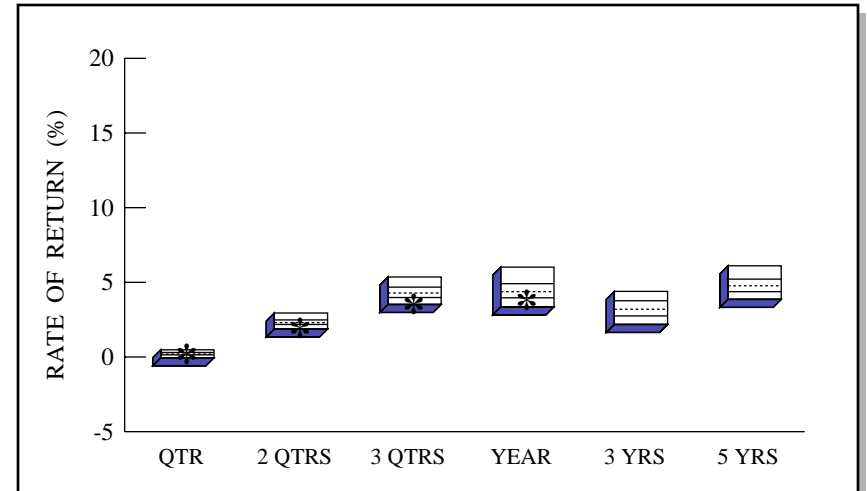
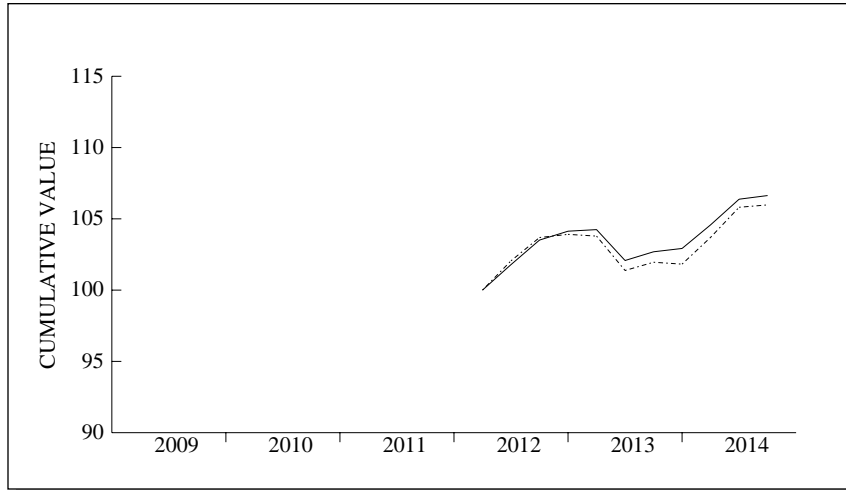


— ACTUAL RETURN  
 - - - 6.0%  
 . . . 0.0%

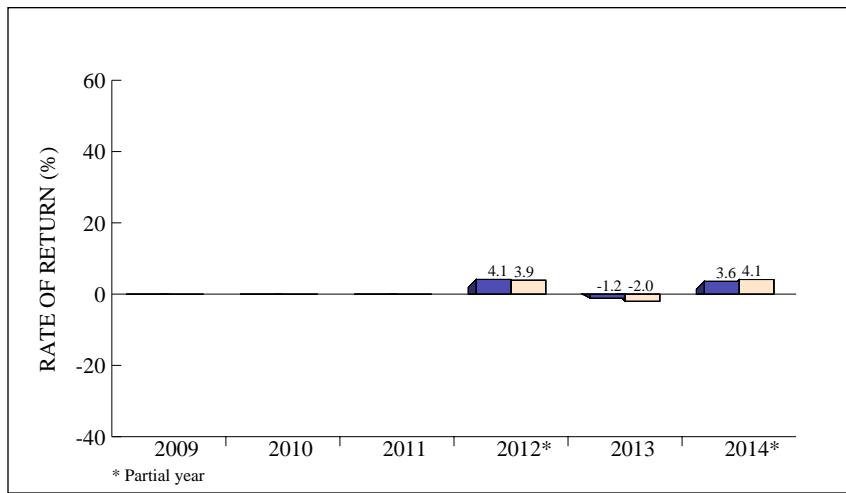
VALUE ASSUMING  
 6.0% RETURN  
 \$ 9,233,437

	LAST QUARTER	PERIOD 3/12 - 9/14
BEGINNING VALUE	\$ 8,602,284	\$ 5,618,905
NET CONTRIBUTIONS	- 1,155	2,542,213
INVESTMENT RETURN	20,512	460,523
<b>ENDING VALUE</b>	<b>\$ 8,621,641</b>	<b>\$ 8,621,641</b>
INCOME	65,354	498,210
CAPITAL GAINS (LOSSES)	- 44,842	- 37,687
INVESTMENT RETURN	20,512	460,523

**TOTAL RETURN COMPARISONS**



Core Fixed Income Universe



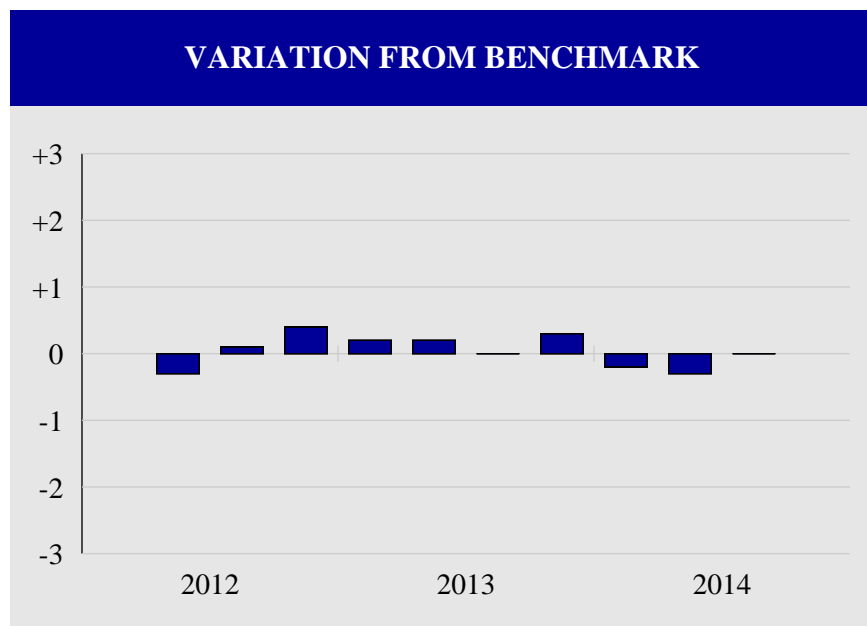
\* Partial year

	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	0.2	2.0	3.6	3.8	---	---
(RANK)	(42)	(92)	(94)	(83)	---	---
5TH %ILE	0.5	3.0	5.4	6.0	4.4	6.1
25TH %ILE	0.3	2.5	4.7	4.9	3.8	5.2
MEDIAN	0.2	2.3	4.3	4.4	3.2	4.8
75TH %ILE	0.1	2.2	4.0	4.0	2.8	4.4
95TH %ILE	-0.1	1.9	3.5	3.4	2.2	3.9
<b>Agg Index</b>	<b>0.2</b>	<b>2.2</b>	<b>4.1</b>	<b>3.9</b>	<b>2.4</b>	<b>4.1</b>

Core Fixed Income Universe

## TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

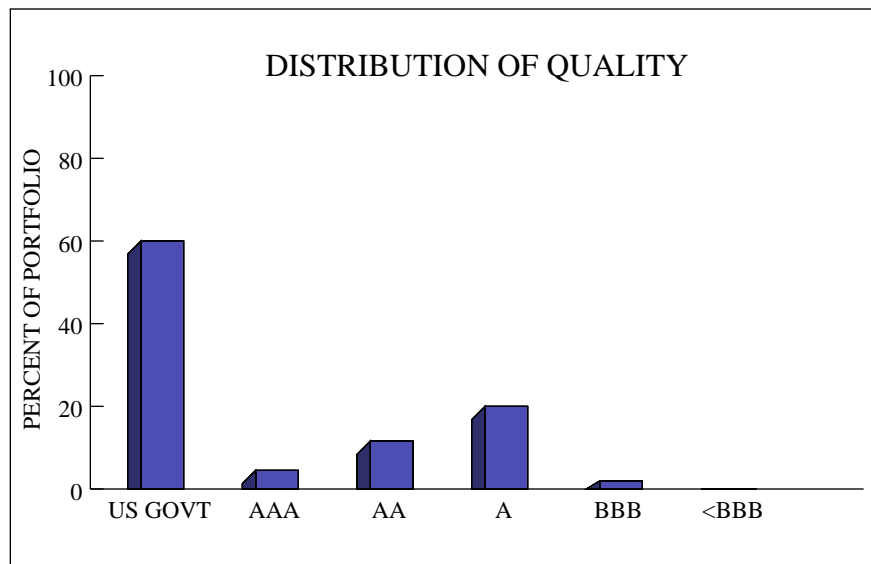
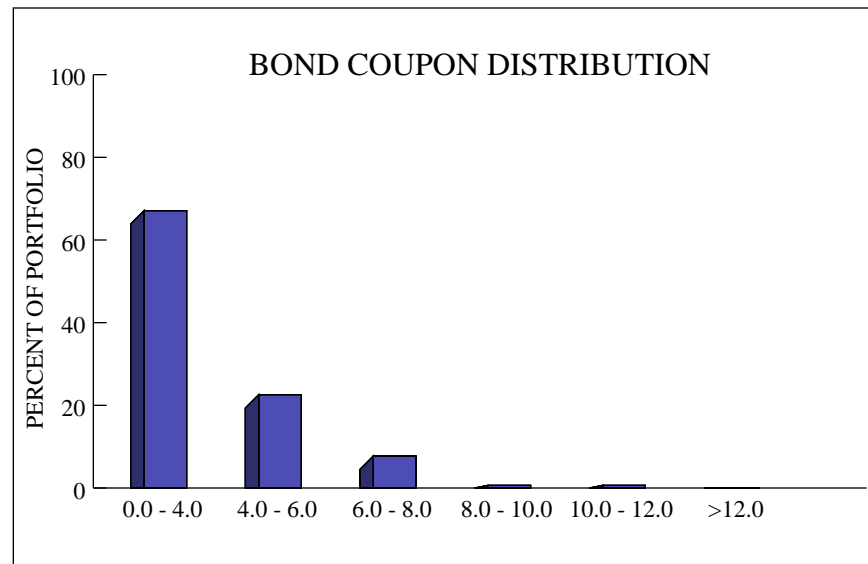
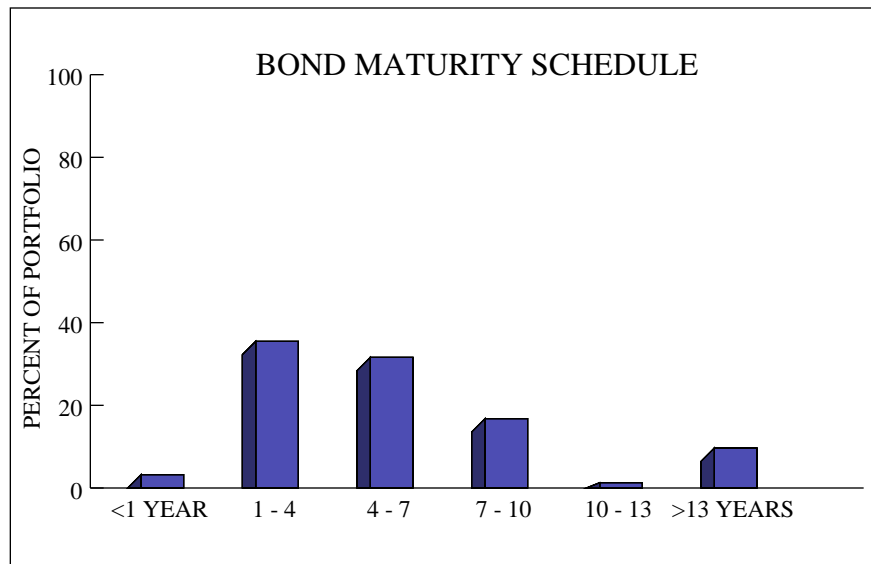
COMPARATIVE BENCHMARK: BARCLAYS AGGREGATE INDEX



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
12/13	0.2	-0.1	0.3
3/14	1.6	1.8	-0.2
6/14	1.7	2.0	-0.3
9/14	0.2	0.2	0.0

<b>Total Quarters Observed</b>	<b>10</b>
<b>Quarters At or Above the Benchmark</b>	<b>7</b>
<b>Quarters Below the Benchmark</b>	<b>3</b>
<b>Batting Average</b>	<b>.700</b>

**BOND CHARACTERISTICS**



	<b>PORTFOLIO</b>	<b>BARCLAYS AGG</b>
No. of Securities	129	8,876
Duration	5.58	5.62
YTM	2.35	2.33
Average Coupon	3.12	3.30
Avg Maturity / WAL	6.84	7.74
Average Quality	AAA	USG-AAA