

**CITY OF FT. LAUDERDALE  
POLICE AND FIRE RETIREMENT SYSTEM**

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**PERFORMANCE REVIEW  
SEPTEMBER 30, 2013**



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Index	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr
<b>Domestic Fixed Income</b>						
3 Month T-Bill	0.02%	0.06%	0.10%	0.10%	0.17%	1.70%
Barclays Capital 1-3 year Gov't	0.29%	0.30%	0.37%	0.75%	1.84%	2.68%
Barclays Capital Interm Gov't	0.40%	-0.83%	-0.80%	1.75%	3.52%	3.76%
Barclays Capital Interm Credit	1.01%	-0.85%	0.09%	3.71%	7.70%	4.84%
Barclays Capital Interm Govt/Cred	0.62%	-0.84%	-0.50%	2.42%	4.95%	4.10%
Barclays Capital Aggregate Bond	0.57%	-1.89%	-1.68%	2.86%	5.41%	4.59%
<b>Domestic Equity</b>						
Standard & Poor's 500	5.24%	19.79%	19.34%	16.27%	10.02%	7.57%
Dow Jones Industrial Average	2.12%	17.64%	15.59%	14.94%	9.93%	7.74%
Wilshire 5000 Total Market	6.84%	14.96%	17.54%	11.43%	8.37%	7.12%
Wilshire US REIT	-3.04%	2.71%	5.26%	12.48%	5.55%	9.42%
<b>Russell 1000 - Large Cap</b>	<b>6.02%</b>	<b>20.76%</b>	<b>20.91%</b>	<b>16.64%</b>	<b>10.53%</b>	<b>7.98%</b>
Russell 1000 Growth - Large Cap	8.11%	20.87%	19.27%	16.94%	12.07%	7.82%
Russell 1000 Value - Large Cap	3.94%	20.47%	22.30%	16.25%	8.86%	7.99%
<b>Russell Midcap</b>	<b>7.70%</b>	<b>24.34%</b>	<b>27.91%</b>	<b>17.53%</b>	<b>12.97%</b>	<b>10.78%</b>
Russell Midcap Growth	9.34%	25.42%	27.54%	17.65%	13.92%	10.16%
Russell Midcap Value	5.89%	22.94%	27.77%	17.27%	11.86%	10.91%
<b>Russell 2000 - Small Cap</b>	<b>10.21%</b>	<b>27.69%</b>	<b>30.06%</b>	<b>18.29%</b>	<b>11.15%</b>	<b>9.64%</b>
Russell 2000 Growth - Small Cap	12.80%	32.47%	33.07%	19.96%	13.17%	9.85%
Russell 2000 Value - Small Cap	7.59%	23.07%	27.04%	16.57%	9.13%	9.29%
<b>International Equity</b>						
MSCI EAFE	11.61%	16.59%	24.29%	8.97%	6.85%	8.50%
MSCI World	8.29%	17.81%	20.90%	12.46%	8.46%	8.16%
MSCI EM	5.90%	-4.05%	1.33%	0.00%	7.56%	13.16%
<b>Blended Benchmarks</b>						
30% S&P 500 / 70% Barclays Agg	1.97%	4.61%	4.63%	6.88%	6.79%	5.48%
40% S&P 500 / 60% Barclays Agg	2.44%	6.78%	6.73%	8.22%	7.25%	5.78%
50% S&P 500 / 50% Barclays Agg	2.91%	8.95%	8.83%	9.57%	7.72%	6.08%
60% S&P 500 / 40% Barclays Agg	3.37%	11.12%	10.93%	10.91%	8.18%	6.38%
70% S&P 500 / 30% Barclays Agg	3.84%	13.29%	13.03%	12.25%	8.64%	6.68%

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Data Sources: Zephyr StyleAdvisor, Barclay's Capital, MSCI Barra & Standard & Poor's

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## Capital Markets Overview

Speculation the Fed would initiate tapering activities along with political battles which threatened to stall government funding, and therefore shut down the U.S. government, didn't seem to effect performance this quarter. The major markets, led this time by the NASDAQ, added to their yearly gains and ended near record territory.

Fueled by comments from Fed Chairman Bernanke that supported an accommodative monetary policy the equity markets were positioned to set new records this quarter. The Dow Jones Industrial Average (DJIA) and S&P 500 traded near or above record levels by mid-July. Despite a volatile final week the major averages all managed to finish in positive territory. The NASDAQ Composite added more than 11% to its total return and is up more than 26% year-to-date. The S&P 500 Index added 5% for the quarter and is up more than 19% year-to-date. The DJIA added 2%, increasing its total return to more than 17% year-to-date.

International markets, specifically in Europe, watched the U.S. markets for guidance as foreign investors weighed the impact of a stalled funding program and the possible untimely failure of the U.S. to pass a measure increasing the debt ceiling limit. GDP data released in early September confirmed that Europe is exiting its second recession since the beginning of 2008. China's economy, a source of concern for investors earlier this year, showed signs of stabilizing this quarter. Industrial production and exports are up and retail sales are rebounding.

The debt market was outperformed by equities again this quarter as bond yields moved with every Fed committee member's taper announcement. Long-term rates ended the quarter lower after the Fed's official announcement in September that it would not begin its anticipated tapering program. This may have been a pre-emptive move by the Fed anticipating a government shutdown which would likely lead to increased short-term unemployment. The 10-year note was up slightly this quarter to yield 2.61%, and the 30-year note also closed up to yield 3.68%. Away from government notes, Verizon Communications Inc. issued the largest corporate debt offering in history at \$49 billion. According to data provider Dealogic, investment-grade companies sold \$147.7 billion of corporate bonds in the U.S. during September.

Commodity prices, in general, declined as slow growth around the world reduced demand. The availability of raw materials for industrial production is abundant in the market and agricultural output is at record highs. Gold enjoyed a brief muted rally as a safe haven investment for investors concerned about a possible fiscal impasse in the U.S.

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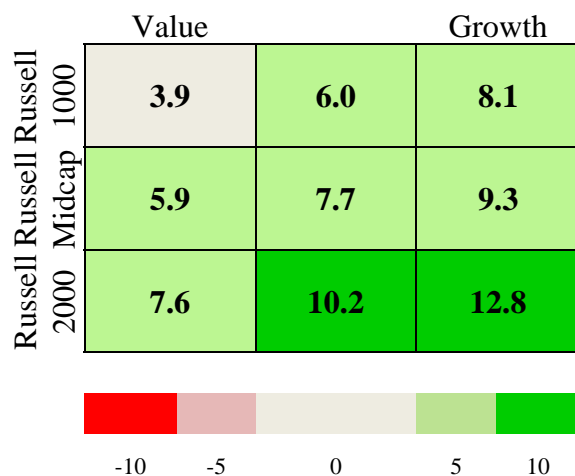
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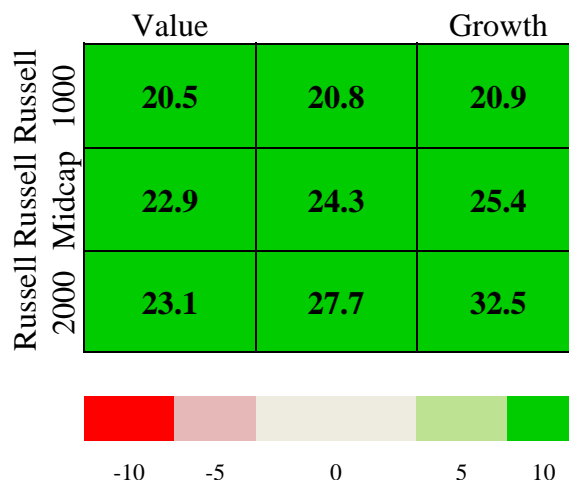
## Domestic markets continued to move near all-time highs after another solid quarter

- Stocks roared into the second half of the year as July saw most averages up over 5%
- Performance for the quarter was strongest in growth and smaller-cap stocks
- All segmentations of the major Russell indices are now up over 20% for the year

### Third Quarter Domestic Equity Returns



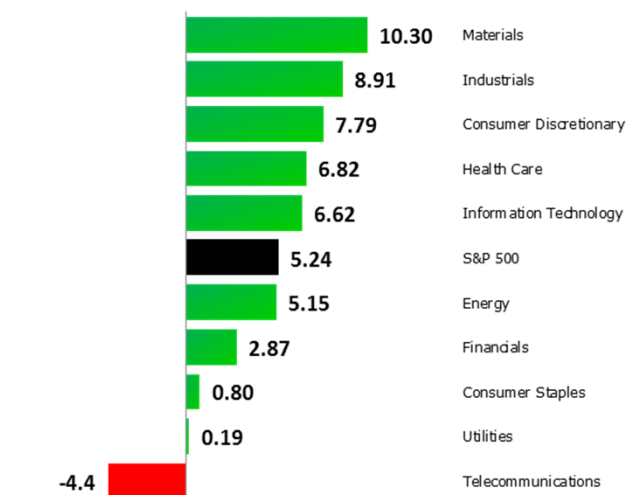
### 2013 Year-To-Date Domestic Equity Returns



## Most sectors of the S&P 500 continued to post solid gains this quarter

- Cyclical led for the quarter as strength in metals helped Materials become the best performing sector
- The Telecommunications sector was the lone negative sector for the quarter as the price of AT&T (T) stock fell 4.19% and shares in Verizon (VZ) fell 7.33%

### S&P 500 Third Quarter 2013 Sector Returns



### Best Performing Subsectors 1 Quarter

S&P 500 Tires & Rubber	46.83%
S&P 500 Computer & Electronics Retail	30.10%
S&P 500 Household Appliances	28.67%
S&P 500 Consumer Electronics	24.66%
S&P 500 Coal & Consumable Fuels	22.26%

### Worst Performing Subsectors 1 Quarter

S&P 500 Food Distributors	-6.05%
S&P 500 Residential REITs	-6.13%
S&P 500 Homebuilding	-7.77%
S&P 500 Department Stores	-8.32%
S&P 500 Health Care Facilities	-10.65%

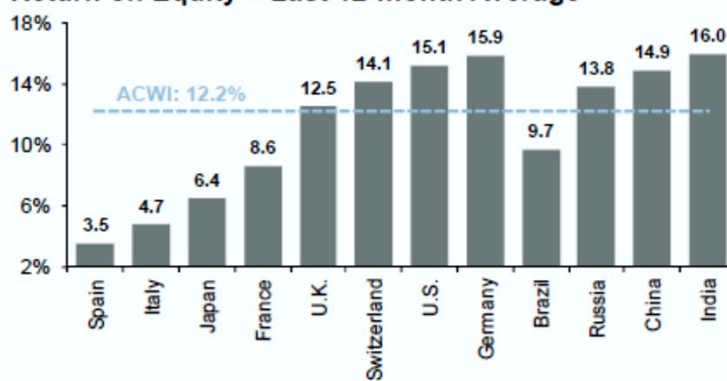
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**Developed vs. Emerging...showing the difference**

- The growth in the Eurozone was slow as anticipated, although it seems that the equity markets recognized the QE and work by the EU was continuing and the markets caught up. Europe (ex-U.K.) saw a gain of over 14% for the quarter and the YTD return jumped from -1% to 19%.
- It seems that “Abenomics” has worked in the short-term, jolting the markets to a gain of over 6% this quarter and taking the YTD return over 24%. The threat to Japan comes as other tactics are implemented over the next year.

**Return on Equity – Last 12-month Average**

Country/Region	2Q13		YTD	
	Local	USD	Local	USD
<b>Regions/Broad Indexes</b>				
USA (S&P 500)	-	5.2	-	19.8
EAFE	7.5	11.6	19.8	16.6
Europe ex-U.K.	9.8	14.5	16.6	19.0
Pacific ex-Japan	8.7	10.4	12.9	5.3
Emerging Markets	5.8	5.9	0.8	-4.1
<b>MSCI:Selected Countries</b>				
United Kingdom	4.9	12.1	12.8	12.4
France	10.9	15.5	17.1	20.3
Germany	8.3	12.7	13.8	16.9
Japan	5.4	6.7	41.3	24.5
China	12.2	12.2	0.2	0.1
India	-0.2	-5.3	-0.4	-12.8
Brazil	9.3	8.4	-3.1	-10.9
Russia	12.5	13.7	5.9	1.0

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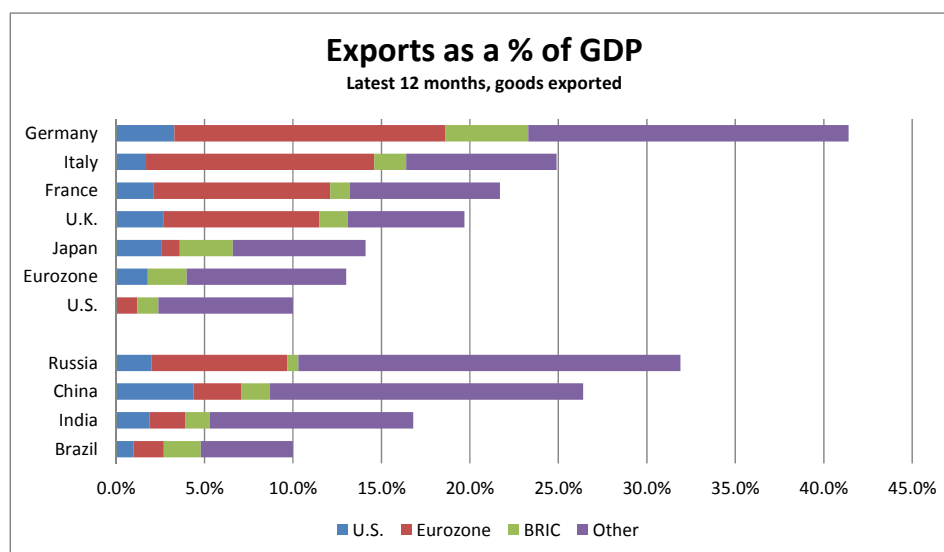
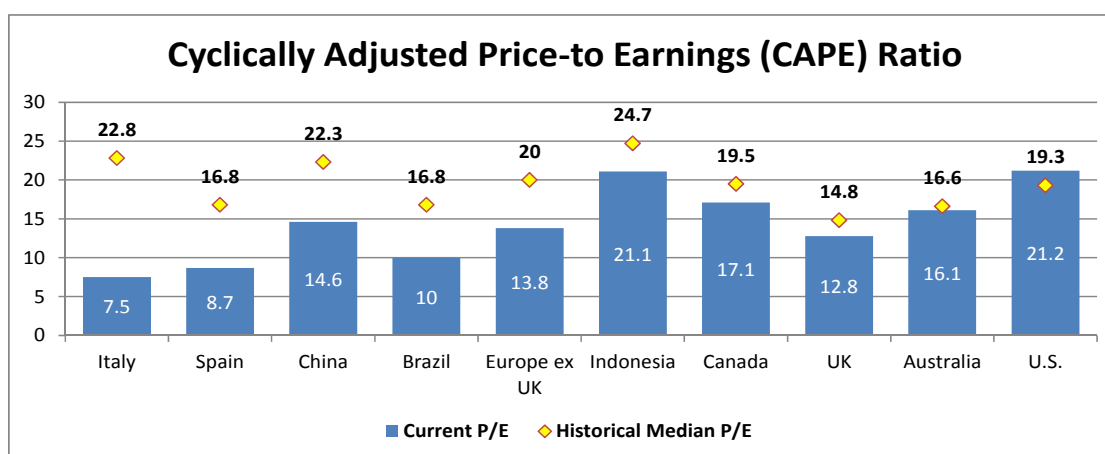
*Data Sources: U.S. Department of Commerce, Bloomberg LP and Wells Fargo Securities, LLC*

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## Emerging Markets need to look within their own borders

- China's economy slowed somewhat in the 3<sup>rd</sup> quarter, however the markets rose based on the results of the "shadow banking" crackdown and monetary infusion. The MSCI China index was up over 12% for the quarter making its YTD over 12% as well.
- The Emerging Markets are still trailing price to earnings while the Developed Markets are beginning to revert to the mean.
- Developed Markets continue to strengthen, causing a lessening of foreign investment; Emerging Markets are going to have to strengthen their domestic consumption to continue their growth.



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## Fed Comments Cause for Concern in Bond Markets

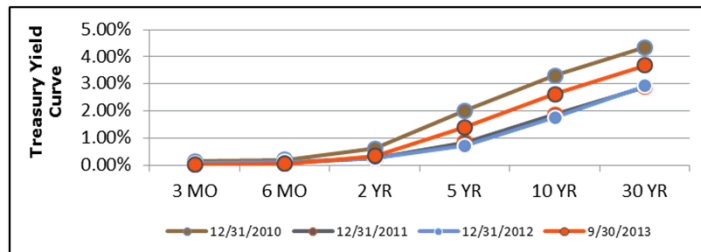
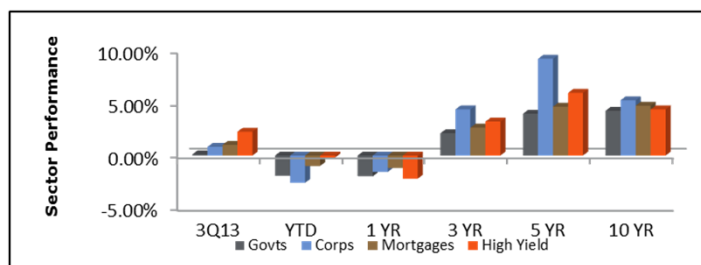
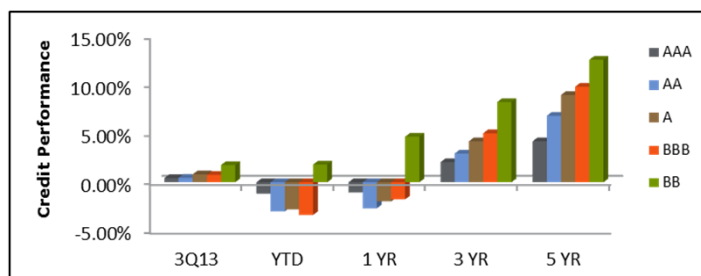
- The 10-year note continued its selloff driven by concerns that the Fed would soon slow its bond buying program. The yield climbed as high as 2.99% before the Fed announced that it would not adjust the level of its bond purchases.
- After the Fed's taper announcement the yield retreated from its annual high, down to 2.61%.

### 10 year treasury yield



## Bonds make slight gains across credit quality and sectors

- Fixed income markets halted their decline this quarter. Gains ranged from 0.77% for the lowest investment grade debt (BBB) to 0.43% for AAA paper. Year-to-date returns for BBB rated bonds rose to -3.36% from -4.10%, while AAA rated bonds are down 1.18%.
- By sector, high yield had the largest gain this quarter, up 2.28%, followed by mortgage paper, up 1.02%. Government debt gained 0.12% and corporate debt gained 0.82%.
- Yields moved higher this quarter based on improving economic sentiment and fear the Fed would curtail its bond buying program.



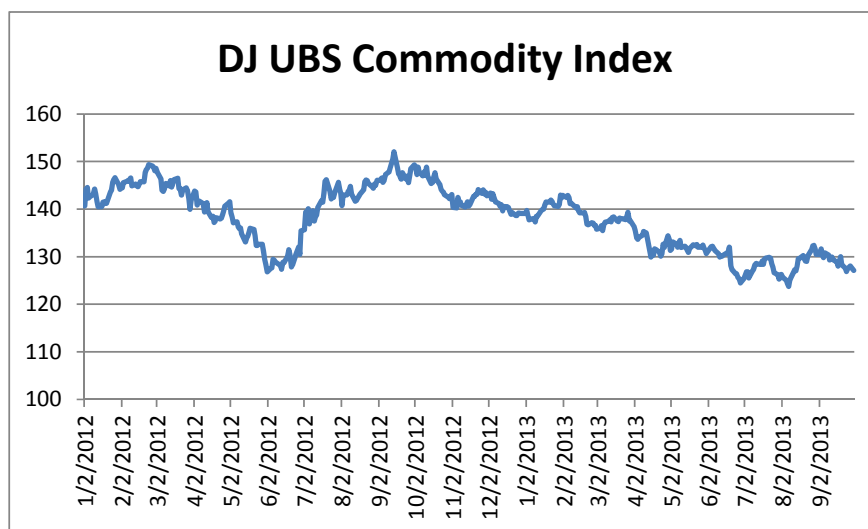
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## Commodity prices remain under pressure

- Continued slow economic growth around the world has kept downward pressure on commodity prices.
- Gold prices were volatile this quarter largely due to political uncertainty in the Middle-East and funding uncertainty in the United States. Gold's lack of ability to sustain a rally may indicate the precious metal has lost some value as a necessary safe haven investment. The price of gold, measured per Troy ounce, is down nearly 25% from a year ago.
- Crude oil is moving opposite of the trend in general commodity prices. Crude, priced per barrel is up 11.58% through the third quarter this year due largely to the current turmoil in the middle east.



Commodities	Current	3 Months Ago	1 Year Ago
	9/30/2013	6/28/2013	9/28/2012
Gold (per Troy ounce)	\$1,332.90	\$1,223.80	\$1,771.10
Oil (per barrel)	\$102.45	\$96.97	\$92.19
Copper (per pound)	\$3.32	\$3.06	\$3.77

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# CAPITAL MARKETS REVIEW – SEPTEMBER 30, 2013

## CAPITAL MARKET INDEX RETURNS

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
BEST  ↑	MSCI EAFE	Russell 1000 Value	DJ Wilshire REIT	Russell 1000 Value	Russell 1000 Growth	Russell 2000 Growth	DJ Wilshire REIT	Russell 2000 Value	Barclays Agg Bond	Russell 2000 Growth	DJ Wilshire REIT	DJ Wilshire REIT	DJ Wilshire REIT	Russell 1000 Growth	Barclays Agg Bond	Russell 1000 Growth	Russell 2000 Growth	DJ Wilshire REIT	Russell 2000 Value	Russell 2000 Growth
	8.06%	38.35%	37.04%	35.18%	38.71%	43.09%	31.04%	13.96%	10.27%	48.53%	33.14%	14.00%	36.13%	11.81%	5.24%	37.21%	29.09%	9.37%	18.05%	32.47%
	Russell 1000 Growth	S&P 500	Russell 1000 Growth	S&P 500	S&P 500	Russell 1000 Growth	Russell 2000 Value	DJ Wilshire REIT	DJ Wilshire REIT	Russell 2000 Value	Russell 2000 Value	MSCI EAFE	MSCI EAFE	MSCI EAFE	Russell 2000 Value	Russell 2000 Growth	DJ Wilshire REIT	Barclays Agg Bond	Russell 1000 Value	Russell 2000 Value
	2.66%	37.53%	23.12%	33.35%	28.57%	33.16%	22.83%	12.36%	3.60%	46.02%	22.25%	13.54%	26.34%	11.17%	-28.92%	34.47%	28.07%	7.84%	17.51%	23.07%
	DJ Wilshire REIT	Russell 1000 Growth	S&P 500	Russell 2000 Value	MSCI EAFE	MSCI EAFE	Barclays Agg Bond	Barclays Agg Bond	Russell 2000 Value	MSCI EAFE	MSCI EAFE	Russell 1000 Value	Russell 2000 Value	Russell 2000 Growth	Russell 1000 Value	MSCI EAFE	Russell 2000 Value	Russell 1000 Growth	MSCI EAFE	Russell 1000 Growth
	2.66%	37.19%	22.94%	31.78%	20.33%	27.30%	11.63%	8.44%	-11.42%	39.16%	20.25%	7.05%	23.48%	7.05%	-36.85%	31.78%	24.50%	2.64%	17.32%	20.87%
	S&P 500	Russell 2000 Growth	Russell 1000 Value	Russell 1000 Growth	Russell 1000 Value	S&P 500	Russell 1000 Value	Russell 1000 Value	Russell 1000 Value	DJ Wilshire REIT	Russell 1000 Value	Russell 1000 Growth	Russell 1000 Value	Barclays Agg Bond	S&P 500	DJ Wilshire REIT	Russell 1000 Growth	S&P 500	DJ Wilshire REIT	Russell 1000 Value
	1.31%	31.04%	21.64%	30.49%	15.63%	21.04%	7.01%	-5.59%	-15.52%	36.06%	16.49%	5.26%	22.25%	6.97%	-37.00%	28.46%	16.71%	2.11%	17.12%	20.47%
	Russell 2000 Value	Russell 2000 Value	Russell 2000 Value	DJ Wilshire REIT	Barclays Agg Bond	Russell 1000 Value	S&P 500	Russell 2000 Growth	MSCI EAFE	Russell 1000 Value	Russell 2000 Growth	S&P 500	S&P 500	S&P 500	Russell 1000 Growth	S&P 500	Russell 1000 Value	Russell 1000 Value	S&P 500	S&P 500
	-1.55%	25.75%	21.37%	19.67%	8.67%	7.35%	-9.10%	-9.22%	-15.94%	30.03%	14.31%	4.91%	15.79%	5.49%	-38.44%	26.46%	15.51%	0.39%	16.00%	19.79%
WORST  ↓	Russell 1000 Value	Barclays Agg Bond	Russell 2000 Growth	Russell 2000 Growth	Russell 2000 Growth	DJ Wilshire REIT	MSCI EAFE	S&P 500	S&P 500	Russell 1000 Growth	S&P 500	Russell 2000 Value	Russell 2000 Value	Russell 1000 Value	Russell 2000 Value	Russell 2000 Value	S&P 500	Russell 2000 Growth	Russell 1000 Growth	MSCI EAFE
	-1.99%	18.48%	11.26%	12.95%	12.3%	-2.57%	-13.96%	-11.88%	-22.09%	29.76%	10.87%	4.71%	13.35%	-0.17%	-38.54%	20.58%	15.06%	-2.91%	15.26%	16.59%
	Russell 2000 Growth	DJ Wilshire REIT	MSCI EAFE	Barclays Agg Bond	Russell 2000 Value	Barclays Agg Bond	Russell 1000 Growth	Russell 1000 Growth	Russell 1000 Growth	S&P 500	Russell 1000 Growth	Russell 2000 Growth	Russell 1000 Growth	Russell 2000 Value	DJ Wilshire REIT	Russell 1000 Value	MSCI EAFE	Russell 2000 Value	Russell 2000 Growth	DJ Wilshire REIT
	-2.44%	12.24%	6.36%	9.68%	-6.46%	-0.83%	-22.42%	-20.42%	-27.89%	28.67%	6.30%	4.15%	9.07%	-9.78%	-39.20%	19.69%	7.75%	-5.50%	14.59%	2.71%
	Barclays Agg Bond	MSCI EAFE	Barclays Agg Bond	MSCI EAFE	DJ Wilshire REIT	Russell 2000 Value	Russell 2000 Growth	MSCI EAFE	Russell 2000 Growth	Barclays Agg Bond	Barclays Agg Bond	Barclays Agg Bond	Barclays Agg Bond	DJ Wilshire REIT	MSCI EAFE	Barclays Agg Bond	Barclays Agg Bond	Barclays Agg Bond	Barclays Agg Bond	Barclays Agg Bond
	-2.92%	11.55%	3.61%	2.06%	-17.00%	-1.49%	-22.43%	-22.00%	-30.27%	4.11%	4.34%	2.43%	4.33%	-17.56%	-45.09%	5.93%	6.54%	-12.14%	4.22%	-1.89%

**Russell 1000 Value** contains those Russell 1000 (larger capitalization) securities with a less-than-average growth orientation. Securities in this index generally have lower price-to-book and price-to-earnings ratios, higher dividend yields, and lower forecasted growth rates.

**Russell 1000 Growth** contains those Russell 1000 (larger capitalization) securities with a greater-than-average growth orientation. Securities in this index generally have higher price-to-book and price-to-earnings ratios, lower dividend yields, and higher forecasted growth rates.

**Russell 2000 Value** contains those Russell 2000 (smaller capitalization) securities with a less-than-average growth orientation. Securities in this index generally have lower price-to-book and price-to-earnings ratios than those in the Russell 2000 Growth Index.

**Russell 2000 Growth** contains those Russell 2000 (smaller capitalization) securities with a greater-than-average growth orientation. Securities in this index generally have higher price-to-book and price-to-earnings ratios than those in the Russell 2000 Value Index.

**MSCI EAFE** is the Morgan Stanley Capital International Europe, Australia, Far East Index designed to measure the performance of developed stock markets in these areas.

**Barclays Agg Bond** is the Lehman Brothers Aggregate Bond Index. This index includes U.S. government, corporate and mortgage-backed securities rated investment grade or higher with maturities up to 30 years.

**S&P 500** is a representative sample of 500 leading companies in leading industries of the U.S. economy.

**DJ Wilshire REIT** is intended as a broad measure of the performance of publicly traded real estate equity. The index is comprised of companies whose charter is the equity ownership and operation of commercial real estate.

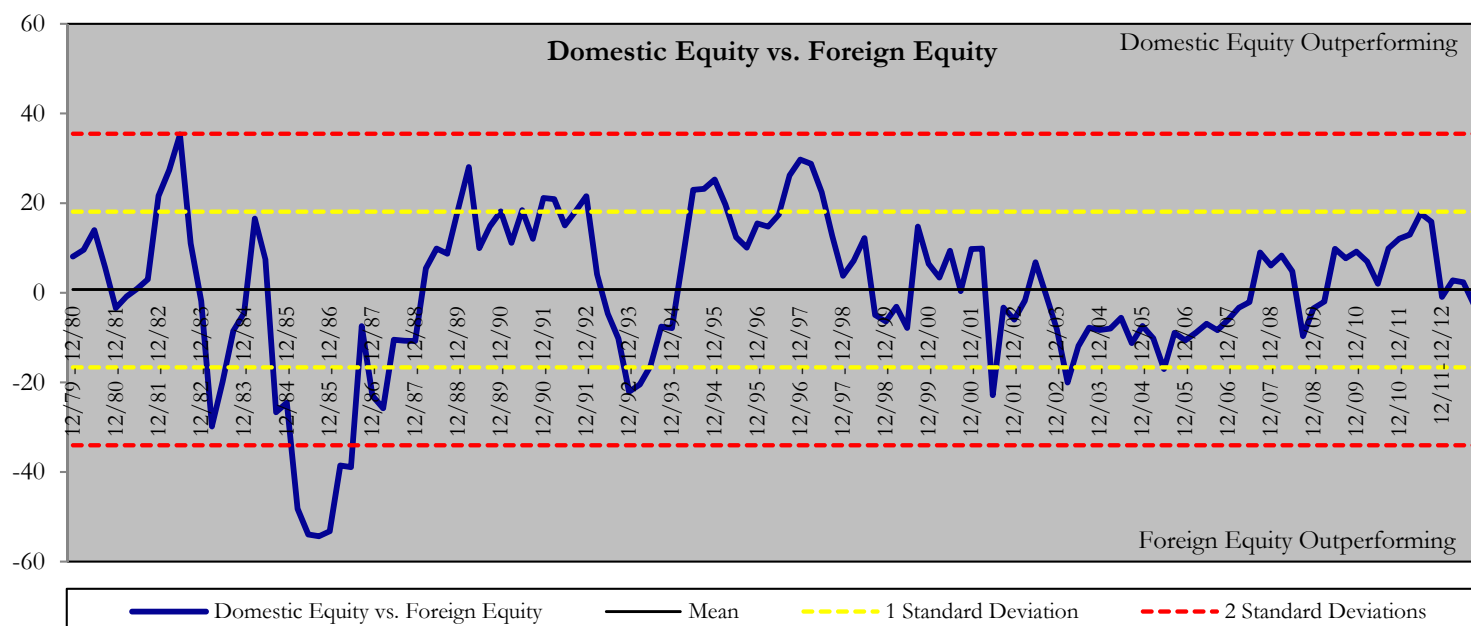
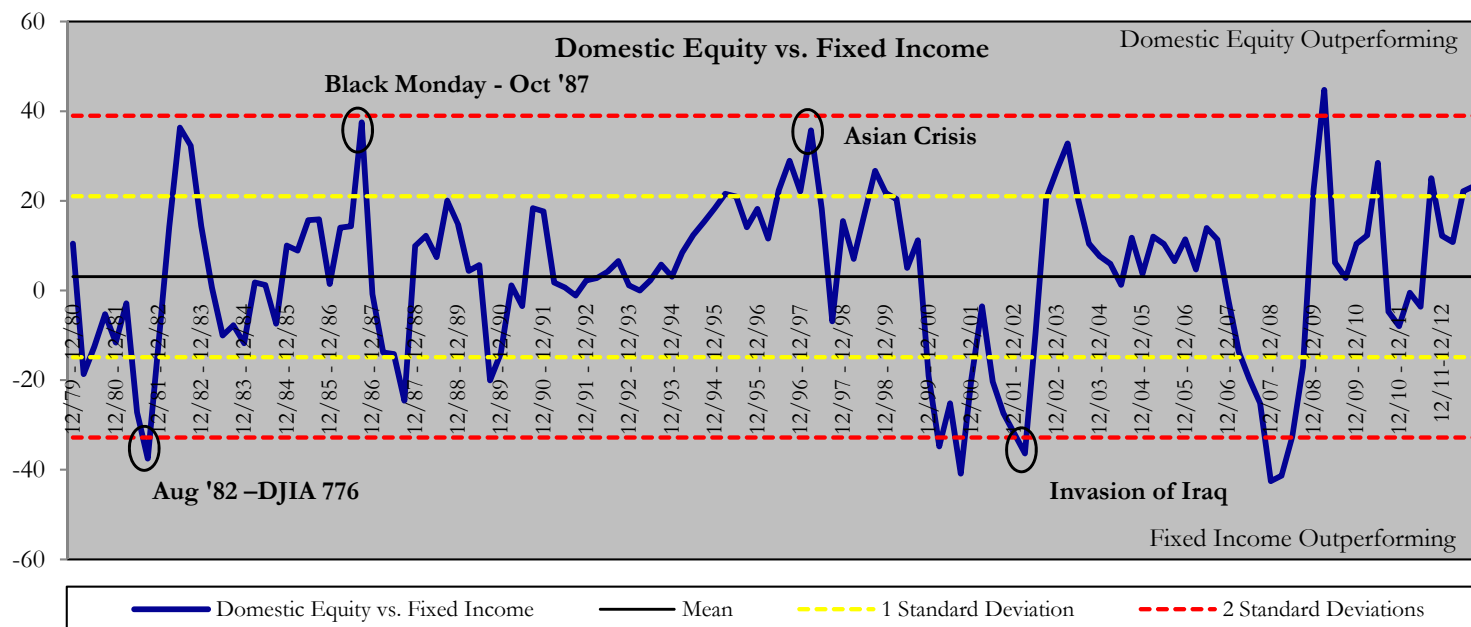
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## RELATIVE PERFORMANCE OF KEY INDICES



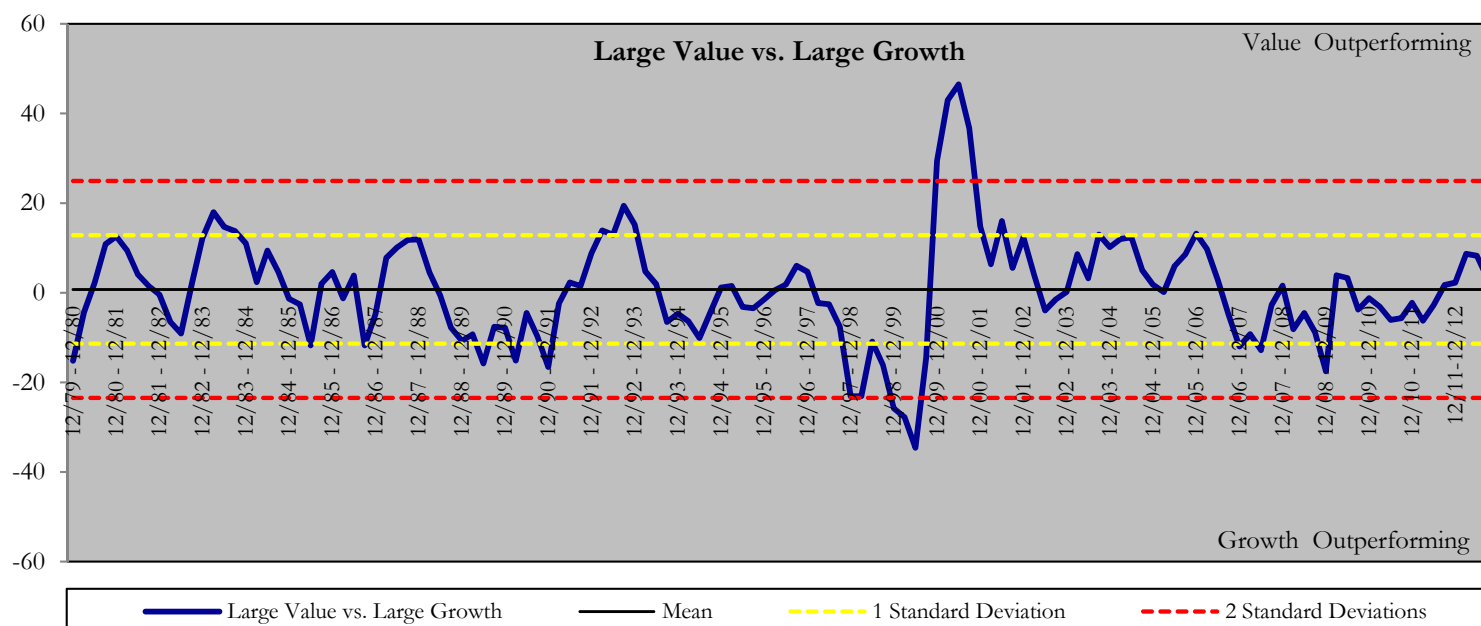
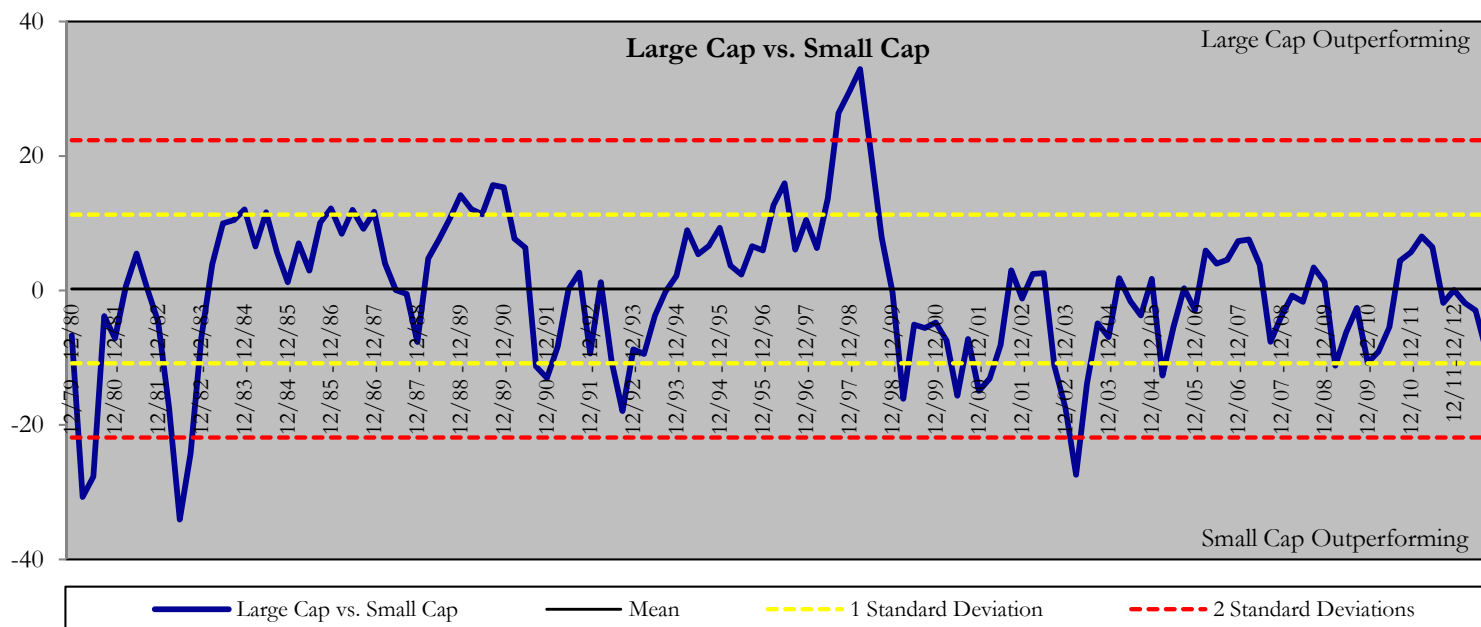
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## RELATIVE PERFORMANCE OF KEY INDICES



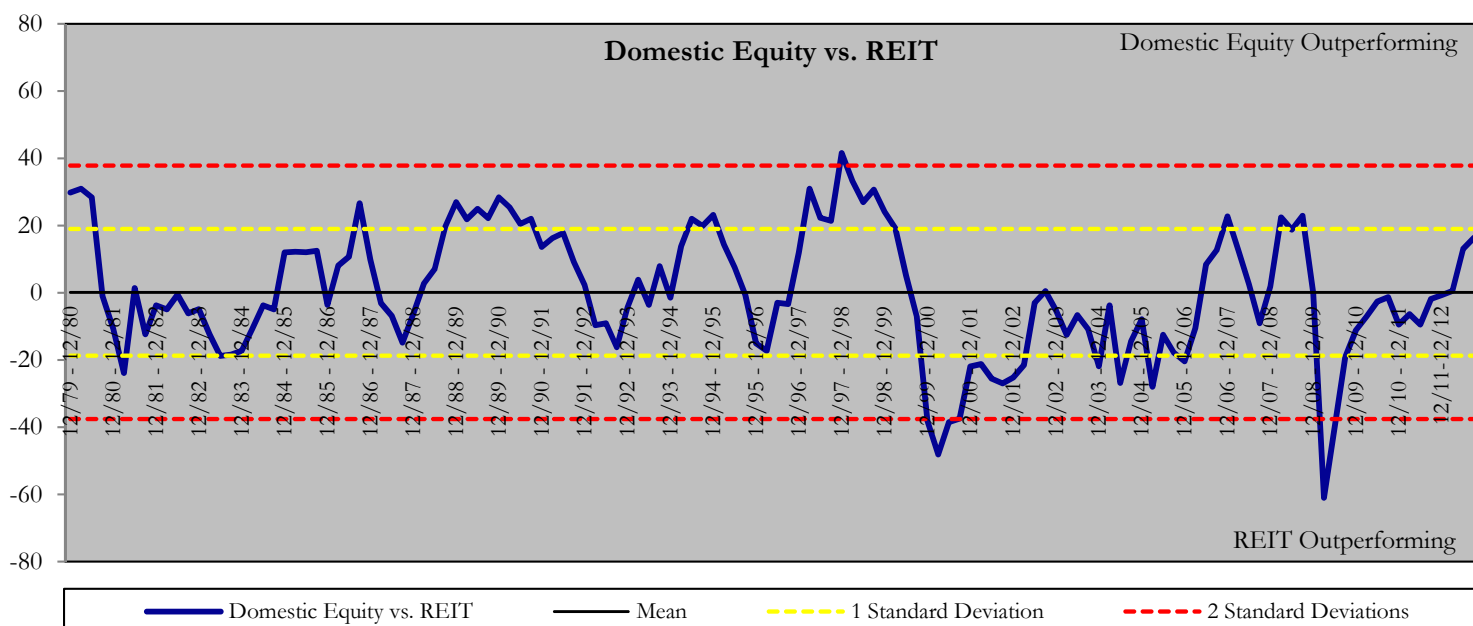
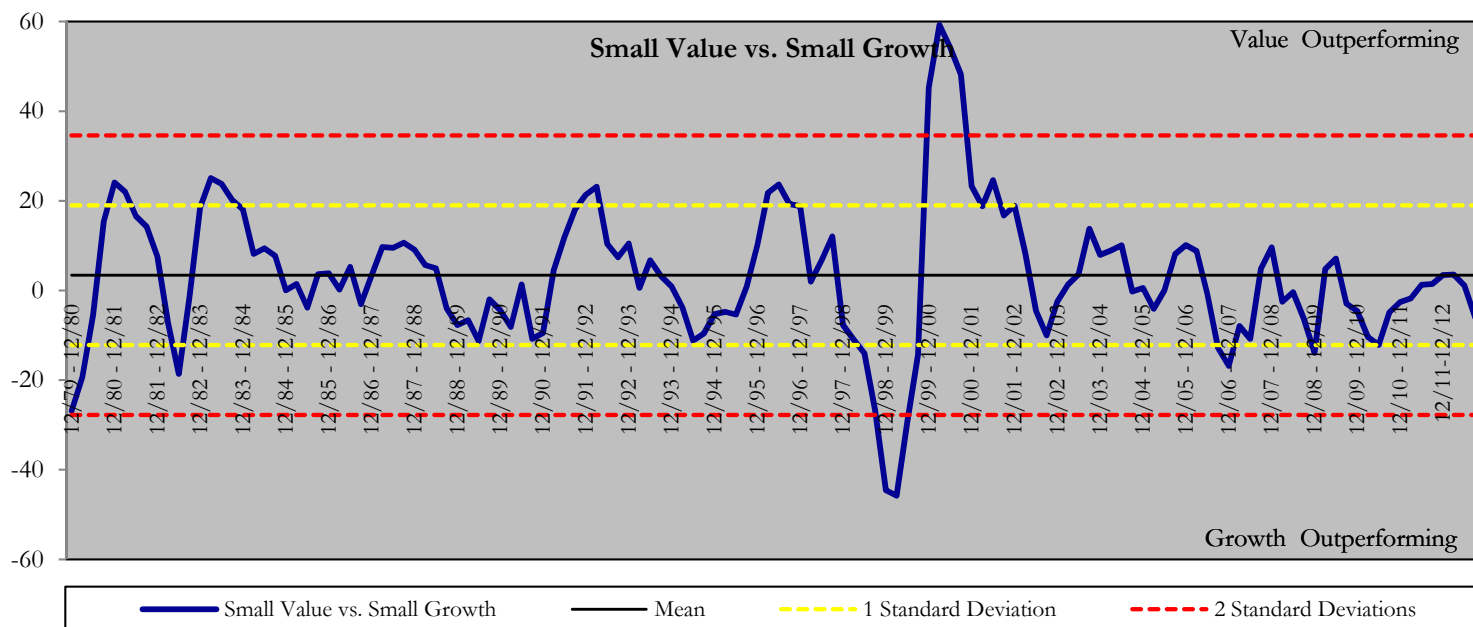
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# CAPITAL MARKETS REVIEW – SEPTEMBER 30, 2013

## RELATIVE PERFORMANCE OF KEY INDICES



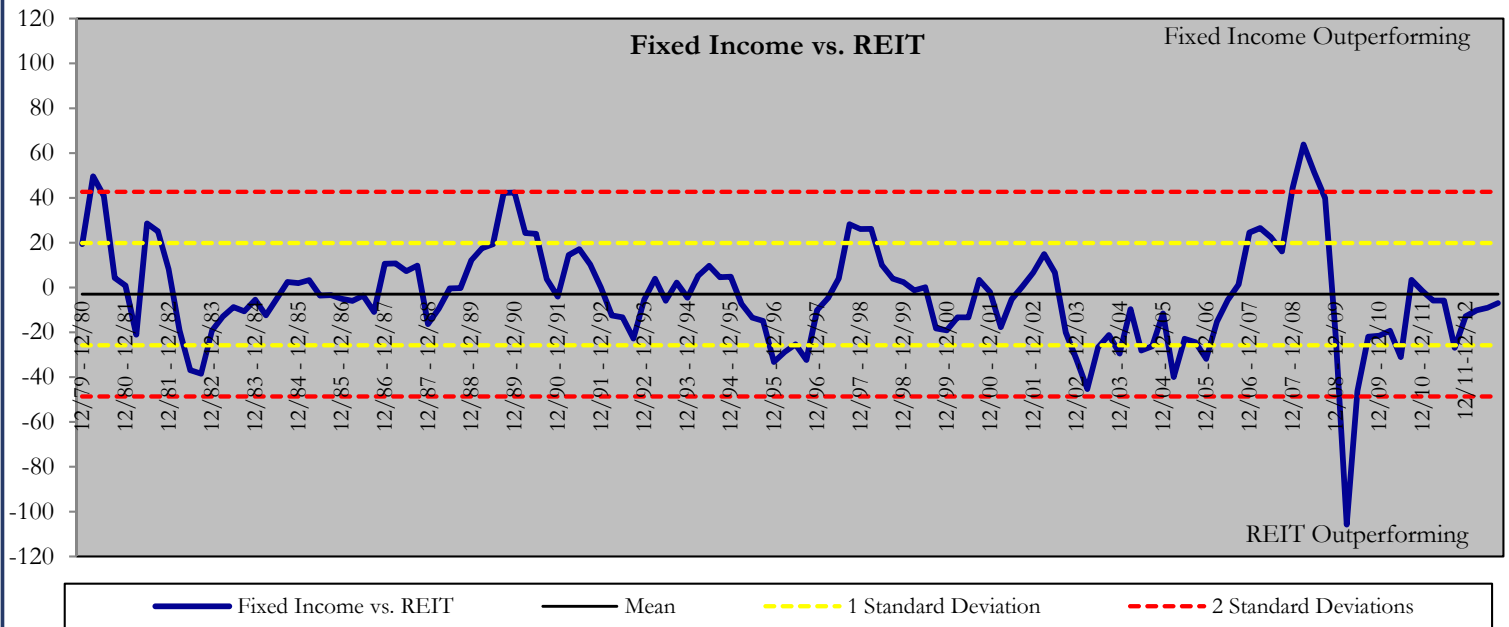
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Data Sources: Morningstar

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**ASSET CLASS SUITABILITY:** Stocks of small companies are typically more volatile than stocks of larger companies. They often involve higher risks because they may lack the management expertise, financial resources, product diversification and competitive strengths to endure adverse economic conditions. High-yield, non-investment grade bonds are only suitable for aggressive investors willing to take greater risks, which could result in loss of principal and interest payments. Global/International investing involves risks not typically associated with US investing, including currency fluctuations, political instability, uncertain economic conditions and different accounting standards.

**PAST PERFORMANCE:** Past performance is not an indication of future results.

**ASSET CLASS PERFORMANCE REPRESENTATIONS:** Long Term Treasuries = BC Treasury Long; Municipals = BC Municipal; Foreign Bonds = Salomon World BIG – IB; US Govt/Credit = BC Govt/Credit; Mtge Backed Securities = ML Mortgage Master; Corporate Bonds = Salomon Corporate; 90 Day T-Bills = Salomon; Japanese Stocks = Salomon Japan BMI; High Yield Bonds = ML High Yield Master; Small Cap US Value = RU 2000 Value; MidCap US Stocks = RU Midcap; Large Cap US Value = RU 1000 Value; European Stocks = Salomon Europe BMI; Small Cap US Stocks = RU 2000; Lg Cap US Growth = RU 1000 Growth; Latin American Stocks = Salomon Latin America BMI; Sm Cap US Growth = RU 2000 Growth

**BROAD EQUITY MARKET & SECTOR PERFORMANCE REPRESENTATIONS:** Large-Cap = S&P 500 or Russell 1000; Mid-Cap = RU Midcap; Small-Cap = RU 2000; International = MSCI EAFE

**DATA SOURCES:** Information found in this document was derived from the following sources: Zephyr Associates StyleAdvisor, Informa M-Watch, Investor Force, Barclays Capital, MSCI Barra, and Standard & Poor's.

**Dow Jones Industrial Average** - This index is comprised of 30 "blue-chip" US stocks selected for their history of successful growth and wide interest among investors. The DJIA represents about 20% of the total market value of all US stocks and about 25% of the NYSE market capitalization. It is a price-weighted arithmetic average, with the divisor adjusted to reflect stock splits and the occasional stock switches in the index.

**NASDAQ Composite** - A cap-weighted index comprised of all common stocks that are listed on the NASDAQ Stock Market (National Association of Securities Dealers Automated Quotation system).

**S&P 500** - A broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held common stocks. This index does not contain the 500 largest companies nor the most expensive stocks traded in the U.S. While many of the stocks are among the largest, this index also includes many relatively small companies. This index consists of approximately 380 industrial, 40 utility, 10 transportation and 70 financial companies listed on U.S. market exchanges. It is a capitalization-weighted index (stock price times number of shares outstanding), calculated on a total return basis with dividends reinvested.

**S&P 500/Citigroup Growth** - The S&P/Citigroup Growth tracks the performance of those stocks in the S&P 500 with lower book-to-price ratios. A cap-weighted index, it is rebalanced semi-annually, based on its price-to-book ratios and market capitalizations at the close of trading one month prior. The index is adjusted each month to reflect changes in the S&P 500. This index is more heavily weighted in the consumer non-cyclical, health care, and technology sectors than the S&P 500.

**S&P 500/Citigroup Value** - The S&P Citigroup/Value tracks the performance of those stocks in the S&P 500 with higher book-to-price ratios. A cap-weighted index, it is rebalanced semi-annually on January 1 and July 1, based on its book-to-price ratios and market capitalizations at the close of trading one month prior. The index is adjusted each month to reflect changes in the S&P 500. This index tends to be more heavily concentrated in the energy and financial sectors than the S&P 500.

**Russell 1000** - The 1000 largest companies in the Russell 3000 index, based on market capitalization.

**Russell 1000 Growth** - A segment of the Russell 1000 with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 1000 Value index.

**Russell 1000 Value** - Represents a segment of the Russell 1000 with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 1000 Growth Index.

**Russell Mid Cap** - The index consisting of the bottom 800 securities in the Russell 1000 as ranked by total market capitalization, and it represents over 35% of the Russell 1000 total market cap.

**Russell 2000** - The 2000 smallest companies in the Russell 3000 index.

**Russell 2000 Growth** - A segment of the Russell 2000 with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 2000 Value index.

**Russell 2000 Value** - A segment of the Russell 2000 with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 2000 Growth index.

**Russell 2500** - The index consisting of the bottom 500 stocks in the Russell 1000(as ranked by market capitalization) and all of the stocks in the Russell 2000. This index is intended to be used as a measure of small to medium/small stock performance, and it represents over 22% of the Russell 3000 total market cap.

**MSCI EAFE** - A market capitalization-weighted index representing all of the MSCI developed markets outside North America. It comprises 20 of the 22 countries in the MSCI World. These 20 countries include the 14 European countries in the MSCI Europe and the 6 Pacific countries in the MSCI Pacific. This index is created by aggregating the 20 different country indexes, all of which are created separately.

**MSCI World** - This market capitalization-weighted index represents all 22 of the MSCI developed markets in the world. It is created by aggregating the 22 different country indexes, all of which are created separately.

**MSCI Emerging Markets Free (EMF)** - A market capitalization-weighted index representing 26 of the emerging markets in the world. Several factors are used to designate whether a country is considered to be emerging vs. developed, the most common of which is Gross Domestic Product Per Capita. The "Free" aspect indicates that this index includes only securities that are allowed to be purchased by global investors. This index is created by aggregating the 26 different country indexes, all of which are created separately.

**Barclays Capital Government/Credit** - This index includes all bonds that are in the Barclays Capital Government Bond and the Barclays Capital Credit Bond indices.

**Barclays Capital Government Intermediate** - All bonds covered by the Barclays Capital Government Bond index with maturities of 1 and 10 years.

**Barclays Capital Aggregate Bond** - This index is made up of the Barclays Capital Government/Credit, the Mortgage-Backed Securities, and the Asset-Backed Securities indices. All issues in the index are rated investment grade or higher, have at least one year to maturity, and have an outstanding par value of at least \$100 million.

**Barclays Capital Government Long Term** - All bonds covered by the Barclays Capital Government Bond index with maturities of 10 years or greater.

**Barclays Capital Municipal Bond** - This market cap weighted index includes investment grade tax-exempt bonds and is classified into four main sectors: General Obligation, Revenue, Insured, and Pre-refunded. To be included in this index, the original transaction size of a bond must have been greater than \$50 million.

**Merrill Lynch Convertibles** - The convertible securities used in this index span all corporate sectors and must have a par amount outstanding of \$25 million or more. The maturity must be at least one year. The coupon range must be equal to or greater than zero and all quality of bonds are included. Excluded from this index are preferred equity redemption stocks. When the component bonds of this index convert into common stock, the converted securities are dropped from the index.

**Merrill Lynch High Yield Master** - Market-cap weighted index providing a broad-based measure of bonds in the US domestic bond market rated below investment grade but not in default. Includes only issues with a credit rating of BB1 or below as rated by Moody's and/or S&P, at least \$100 million in face value outstanding and a remaining term to final maturity equal to or greater than one year.

**Dow Jones Wilshire REIT Index** - A measurement of equity REITs and Real Estate Operating Companies. No special-purpose or health care REITs are included. It is a market capitalization-weighted index for which returns are calculated monthly using buy and hold methodology; it is rebalanced monthly.

**Citigroup 3 Month Treasury Bill** - Representing the monthly return equivalents of yield averages that are not marked to market, this index is an average of the last three three-month Treasury bill issues.

**50/50 Blend (S&P 500/BCIGC)** - A blended benchmark consisting of 50% S&P 500 and 50% Barclays Capital Government/Credit Intermediate indices.



City of Ft. Lauderdale Police and Fire  
Asset Allocation vs Target & Policy  
Total Fund Composite  
As of 9/30/13

Manager	Market Value	Actual %	Target %
Systematic Financial Management	23,983,830.66	3.19	4.50
Intech Large Core	21,862,692.43	2.91	4.25
Rhumblin Large Cap Fund	73,957,941.06	9.84	4.25
Sawgrass	23,645,431.90	3.15	4.50
Lee Munder Small Cap Value	28,896,996.58	3.85	3.75
Eagle Asset Management	29,135,252.71	3.88	3.75
Rhumblin Mid Cap Fund	43,439,557.45	5.78	5.00
<b>Total Domestic Equity</b>	<b>244,921,702.79</b>	<b>32.60</b>	<b>30.00</b>
Thornburg	55,992,492.66	7.45	7.50
Lazard International Equity	64,549,090.76	8.59	7.50
<b>Total International Equity</b>	<b>120,541,583.42</b>	<b>16.04</b>	<b>15.00</b>
Agincourt	106,169,973.04	14.13	20.00
Boyd Watterson	93,785,059.57	12.48	10.00
<b>Total Domestic Fixed Income</b>	<b>199,955,032.61</b>	<b>26.61</b>	<b>30.00</b>
Cash	21,629,814.57	2.88	0.00
<b>Total Short Term</b>	<b>21,629,814.57</b>	<b>2.88</b>	<b>0.00</b>
Core Realty Fund	41,315,939.03	5.50	6.67
Prudential RE Investors PRISA II	25,387,958.71	3.38	3.33
<b>Total Real Estate</b>	<b>66,703,897.74</b>	<b>8.88</b>	<b>10.00</b>
PIMCO All Asset	61,553,917.88	8.19	10.00
EnTrust	36,096,912.00	4.80	5.00
<b>Total Special Investments</b>	<b>97,650,829.88</b>	<b>13.00</b>	<b>15.00</b>
<b>Total Fund Composite</b>	<b>751,402,861.01</b>	<b>100.00</b>	<b>100.00</b>

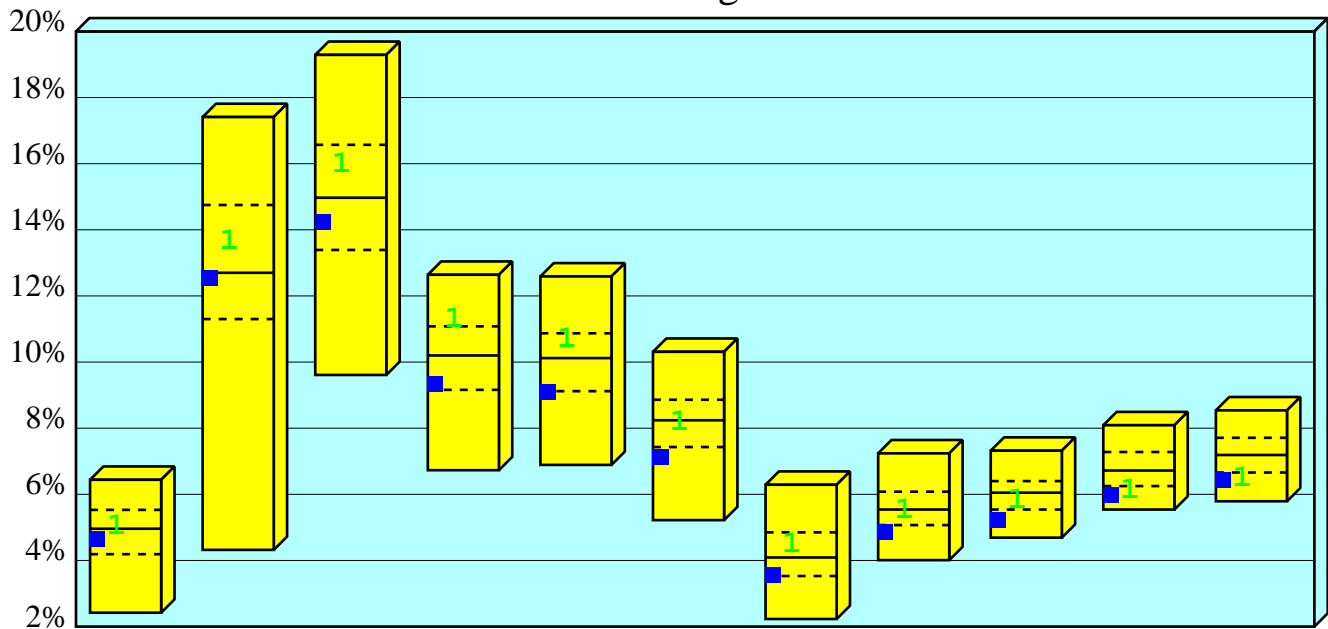
City of Ft. Lauderdale Police and Fire  
Executive Summary Table  
Periods Ending September 30, 2013  
Net of Fee Return

Name	Value \$(000)	% of Fund	Periods Ending 9/30/13						Since Inception	
			Cur Qtr	2 Qtrs	3 Qtrs	1 Year	3 Yrs	5 Yrs	Ret	Date
<b>Total Fund Composite</b>	<b>751,403</b>	<b>100.0</b>	<b>4.62</b>	<b>4.82</b>	<b>10.19</b>	<b>12.51</b>	<b>9.31</b>	<b>7.09</b>	<b>7.36</b>	<b>9/30/95</b>
<i>Policy Index</i>			5.02	5.83	12.12	13.64	11.27	8.15	7.44	9/30/95
<b>Large Cap Composite</b>	<b>143,450</b>	<b>19.1</b>	<b>5.90</b>	<b>8.97</b>	<b>20.87</b>	<b>20.23</b>	<b>16.17</b>	<b>10.25</b>	<b>5.01</b>	<b>1/31/07</b>
Intech Large Core	21,863	2.9	5.69	8.32	19.69	18.72	16.25	10.20	7.46	3/31/04
<i>Standard &amp; Poors 500</i>			5.25	8.32	19.81	19.35	16.26	10.01	6.49	3/31/04
Rhumblin Large Cap Fund	73,958	9.8	5.23	8.27	19.69	19.27	16.30	10.14	8.16	9/30/95
<i>Standard &amp; Poors 500</i>			5.25	8.32	19.81	19.35	16.26	10.01	8.03	9/30/95
Sawgrass	23,645	3.1	6.38	8.87	21.52	19.69	17.33	11.09	6.42	3/31/07
<i>Russell 1000 Growth</i>			8.12	10.35	20.88	19.27	16.94	12.07	7.06	3/31/07
Systematic Financial Management	23,984	3.2	7.53	11.76	24.51	24.82	15.54	9.92	9.81	11/30/02
<i>Russell 1000 Value</i>			3.95	7.28	20.49	22.33	16.25	8.87	8.20	11/30/02
<b>Small/Mid Cap Composite</b>	<b>101,472</b>	<b>13.5</b>	<b>8.21</b>	<b>10.11</b>	<b>24.36</b>	<b>28.40</b>	<b>16.99</b>	<b>11.91</b>	<b>6.39</b>	<b>10/31/06</b>
Eagle Asset Management	29,135	3.9	11.08	14.35	28.70	31.39			12.07	6/30/11
<i>Russell 2000 Growth</i>			12.80	17.01	32.46	33.05			14.53	6/30/11
Lee Munder Small Cap Value	28,897	3.8	6.36	8.26	21.98	26.59	14.09	11.55	7.97	11/30/06
<i>Russell 2000 Value</i>			7.60	10.25	23.07	27.04	16.56	9.13	4.30	11/30/06
Rhumblin Mid Cap Fund	43,440	5.8	7.53	8.56	23.20	27.97			13.02	6/30/11
<i>S&amp;P Midcap 400</i>			7.54	8.62	23.23	27.68			12.94	6/30/11
<b>International Equity Composite</b>	<b>120,542</b>	<b>16.0</b>	<b>9.63</b>	<b>9.37</b>	<b>14.23</b>	<b>21.01</b>	<b>6.65</b>	<b>5.67</b>	<b>3.81</b>	<b>11/30/00</b>
Lazard International Equity	64,549	8.6	9.54	10.51	17.40	25.00			22.08	11/30/11
<i>MSCI EAFE (Net)</i>			11.56	10.47	16.14	23.77			17.77	11/30/11
<i>MSCI ACWI ex US (Net)</i>			10.09	6.66	10.04	16.48			13.99	11/30/11
Thornburg	55,992	7.5	9.73	8.12	10.82	16.79	6.10	6.25	-0.50	11/30/07
<i>MSCI EAFE (Net)</i>			11.56	10.47	16.14	23.77	8.47	6.35	-1.04	11/30/07
<i>MSCI ACWI ex US (Net)</i>			10.09	6.66	10.04	16.48	5.95	6.26	-1.12	11/30/07
<b>Total Domestic Fixed Income</b>	<b>199,955</b>	<b>26.6</b>	<b>0.79</b>	<b>-1.08</b>	<b>-0.77</b>	<b>-0.50</b>	<b>3.20</b>	<b>6.25</b>	<b>5.05</b>	<b>5/31/05</b>
Agincourt	106,170	14.1	0.79	-1.18	-0.89	-0.46	3.54	6.83	6.03	12/31/95
<i>Barclays Int Govt/Credit</i>			0.62	-1.10	-0.84	-0.50	3.21	5.63	5.72	12/31/95
Boyd Watterson	93,785	12.5	0.79	-0.96	-0.64	-0.56			3.01	4/30/11
<i>Barclays Int Govt/Credit</i>			0.62	-1.10	-0.84	-0.50			3.00	4/30/11
Cash	21,630	2.9	0.05	0.10	0.18	0.18	0.29	0.94	1.97	1/31/06
<i>Citigroup 3-month T-Bill</i>			0.01	0.03	0.04	0.07	0.08	0.15		1/31/06
<b>Real Estate Composite</b>	<b>66,704</b>	<b>8.9</b>	<b>3.27</b>	<b>6.30</b>	<b>8.45</b>	<b>10.82</b>	<b>13.07</b>	<b>-1.27</b>	<b>0.44</b>	<b>6/30/07</b>
Core Realty Fund	41,316	5.5	2.87	5.59	7.71	9.89	11.17	-1.04	0.69	7/31/07
<i>NCREIF Prop Index</i>			2.59	5.53	8.25	11.00	12.67	3.35	4.16	7/31/07
<i>NCREIF ODCE Fund Index</i>			3.56	7.56	10.44	13.04	14.27	0.68	1.71	7/31/07

City of Ft. Lauderdale Police and Fire  
Executive Summary Table  
Periods Ending September 30, 2013  
Net of Fee Return

Name	Value \$(000)	% of Fund	Periods Ending 9/30/13						Since Inception	
			Cur Qtr	2 Qtrs	3 Qtrs	1 Year	3 Yrs	5 Yrs	Ret	Date
Prudential RE Investors PRISA II	25,388	3.4	4.03	7.31	9.53	12.29	16.69	-3.31	-1.60	7/31/07
<i>NCREIF Prop Index</i>			2.59	5.53	8.25	11.00	12.67	3.35	4.16	7/31/07
<i>NCREIF ODCE Fund Index</i>			3.56	7.56	10.44	13.04	14.27	0.68	1.71	7/31/07
EnTrust	36,097	4.8	2.62	3.53	6.52				10.39	10/31/12
<i>HFRI FOF: Diversified Index</i>			1.33	1.47	4.79				6.45	10/31/12
PIMCO All Asset	61,554	8.2	3.11	-1.21	-0.35	2.35			5.01	7/31/11
<i>Consumer Price Index + 5%</i>			1.53	3.09	5.73	6.18			6.66	7/31/11

City of Ft. Lauderdale Police and Fire  
Cumulative Performance Comparison  
Total Returns of Total Fund Public Sponsors  
Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8 Years	Last 9 Years	Last 10 Years
High	6.44	17.41	19.29	12.64	12.59	10.31	6.29	7.24	7.32	8.09	8.54
1st Qt	5.53	14.75	16.57	11.08	10.87	8.86	4.85	6.08	6.40	7.28	7.71
Median	4.96	12.70	14.97	10.20	10.12	8.24	4.09	5.54	6.05	6.72	7.19
3rd Qt	4.19	11.30	13.39	9.16	9.12	7.43	3.53	5.07	5.54	6.25	6.66
Low	2.42	4.32	9.61	6.73	6.89	5.22	2.23	4.01	4.69	5.54	5.79

■ Total Fund Composite

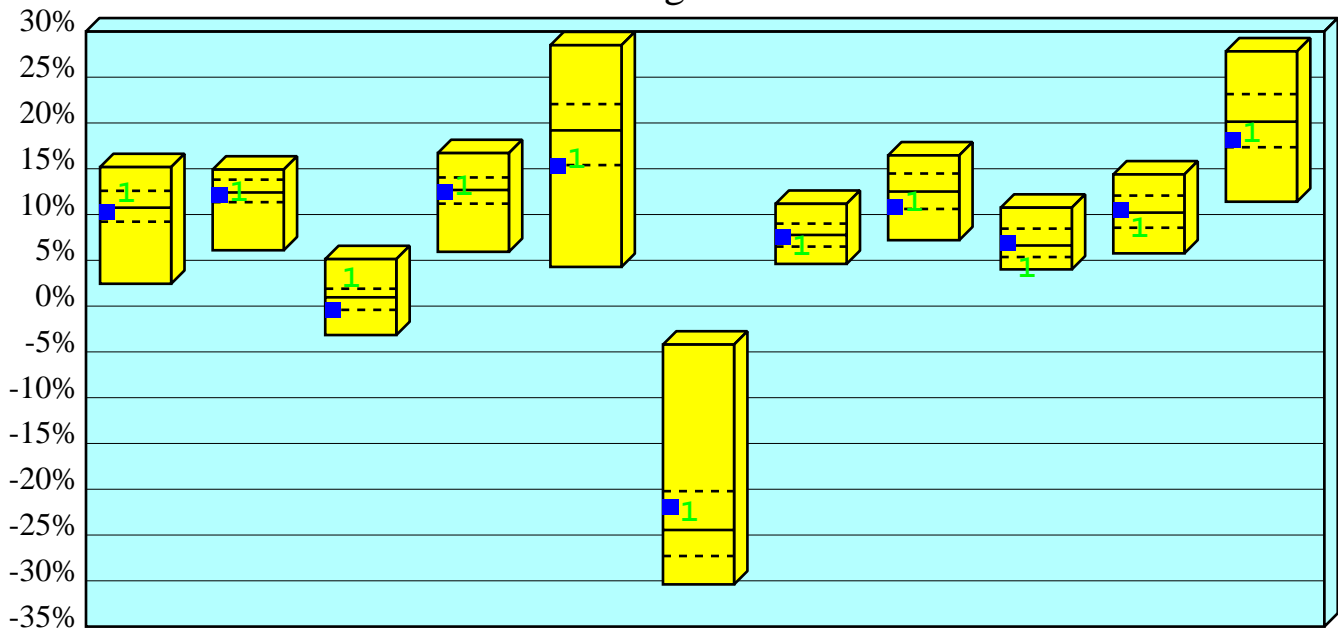
Net Ret	4.62	12.51	14.20	9.31	9.06	7.09	3.52	4.84	5.20	5.94	6.40
Rank	61	52	61	74	76	82	75	81	87	87	85

1 Policy Index

Net Ret	5.02	13.64	15.96	11.27	10.67	8.15	4.46	5.50	5.80	6.09	6.47
Rank	47	39	34	21	30	52	36	51	63	81	81



City of Ft. Lauderdale Police and Fire  
Calendar Year Performance Comparison  
Total Returns of Total Fund Public Sponsors  
Years Ending December



9/30/13

	YTD	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
High	15.18	14.91	5.13	16.71	28.49	-4.20	11.17	16.46	10.75	14.38	27.82
1st Qt	12.59	13.81	1.90	14.05	22.06	-20.21	9.01	14.48	8.46	12.07	23.15
Median	10.75	12.41	0.96	12.68	19.19	-24.45	7.77	12.51	6.62	10.21	20.14
3rd Qt	9.22	11.35	-0.41	11.19	15.40	-27.29	6.50	10.61	5.36	8.56	17.35
Low	2.44	6.10	-3.16	5.93	4.28	-30.39	4.61	7.20	4.01	5.76	11.40

■ Total Fund Composite

Net Ret	10.19	12.07	-0.54	12.33	15.13	-22.08	7.38	10.66	6.81	10.42	18.01
Rank	59	57	76	58	76	34	57	74	47	48	69

1 Policy Index

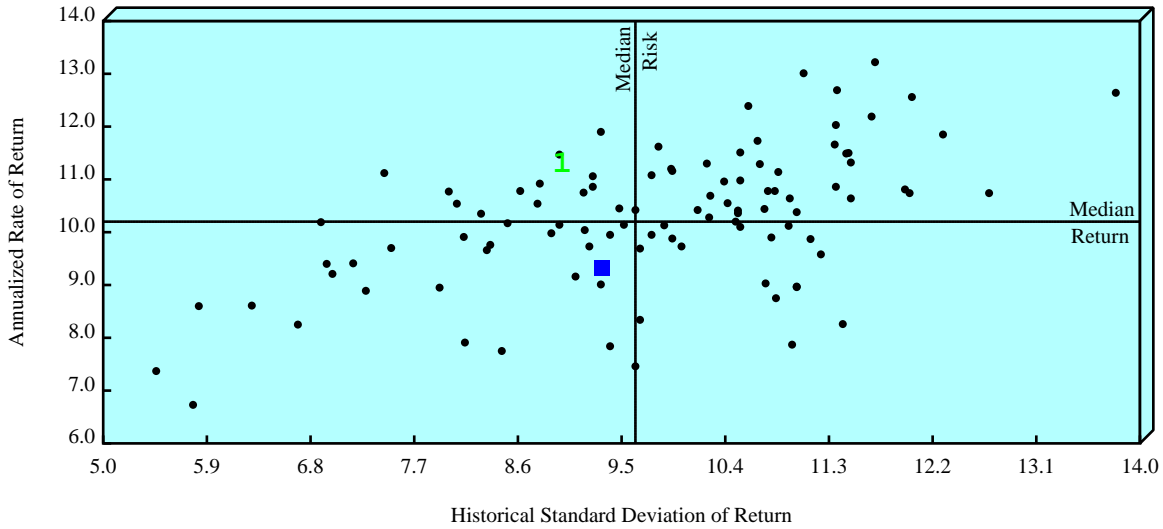
Net Ret	12.12	12.28	2.79	12.92	15.86	-22.66	6.30	11.14	3.93	8.35	18.64
Rank	34	54	15	46	72	38	79	67	95	78	63

# City of Ft. Lauderdale Police and Fire

## Return vs Risk

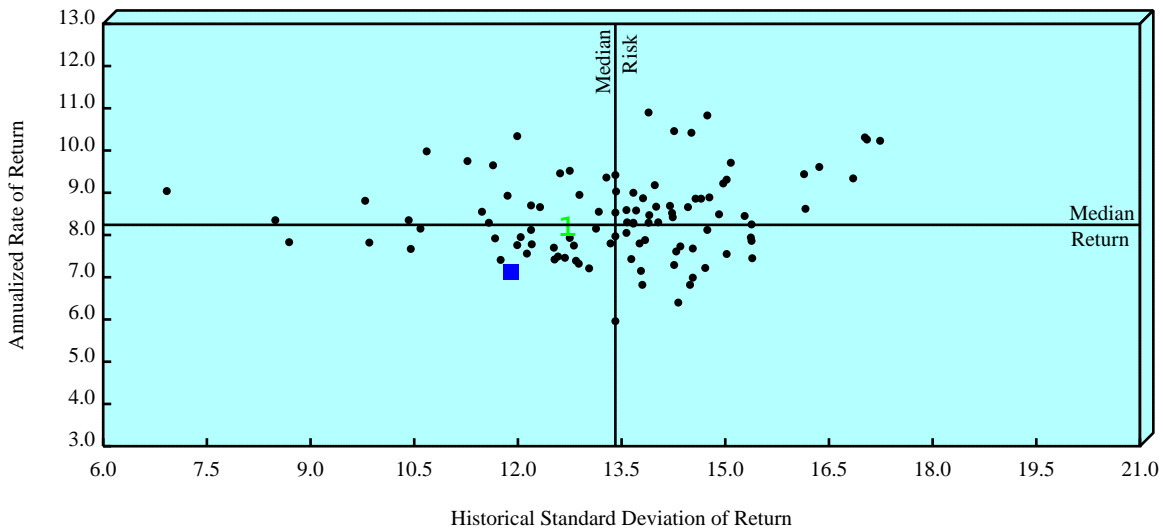
### Total Returns of Total Fund Public Sponsors

3 Years Ending 9/30/13



	Annualized Net of Fee Return		Standard Deviation	
	Value	Rank	Value	Rank
■ Total Fund Composite	9.31	74	9.39	48
1 Policy Index	11.27	21	9.03	39
Median	10.20		9.62	

5 Years Ending 9/30/13



	Annualized Net of Fee Return		Standard Deviation	
	Value	Rank	Value	Rank
■ Total Fund Composite	7.09	82	12.00	27
1 Policy Index	8.15	52	12.80	41
Median	8.24		13.41	

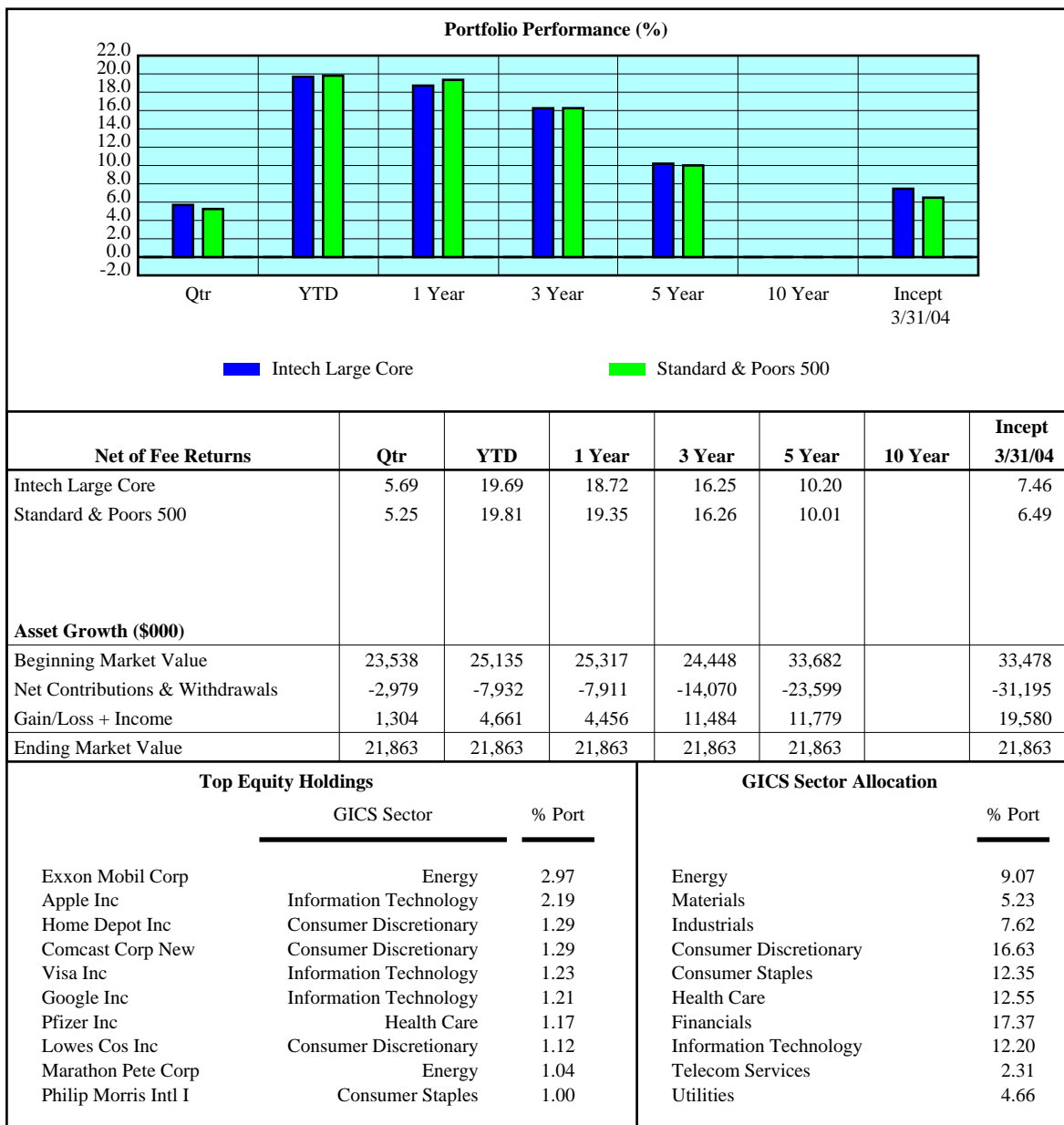
City of Ft. Lauderdale Police and Fire  
Risk Measure Summary  
Total Fund Composite  
Quarterly Periods Ending 9/30/13

Risk Measures	1 Year		3 Years		5 Years		Inception	
	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	0	0	2	2	5	5	20	20
Positive Periods	4	4	10	10	15	15	52	52
Up Market Capture	0.93		0.92		0.91		0.97	
Down Market Capture			1.18		0.97		0.95	
Batting Average	0.25		0.17		0.25		0.46	
Worst Quarter	0.23	0.77	-9.73	-8.41	-11.33	-12.61	-11.33	-12.61
Best Quarter	5.17	5.94	7.23	7.63	10.07	11.10	14.12	12.93
Worst 4 Quarters	12.65	13.64	-0.49	2.44	-0.49	-1.39	-22.18	-24.64
Best 4 Quarters	12.65	13.64	15.99	18.33	26.88	29.38	33.57	32.86
Standard Deviation	4.60	5.18	9.39	9.03	12.00	12.80	10.10	10.37
Beta	0.88		1.03		0.93		0.95	
Alpha	0.15		-0.50		-0.12		0.03	
R-Squared	0.96		0.99		0.99		0.96	
Sharpe Ratio	2.73	2.61	0.99	1.24	0.58	0.62	0.44	0.44
Treynor Ratio	14.21		9.07		7.49		4.68	
Tracking Error	1.37		1.11		1.47		1.97	
Information Ratio	-0.67		-1.52		-0.71		-0.06	

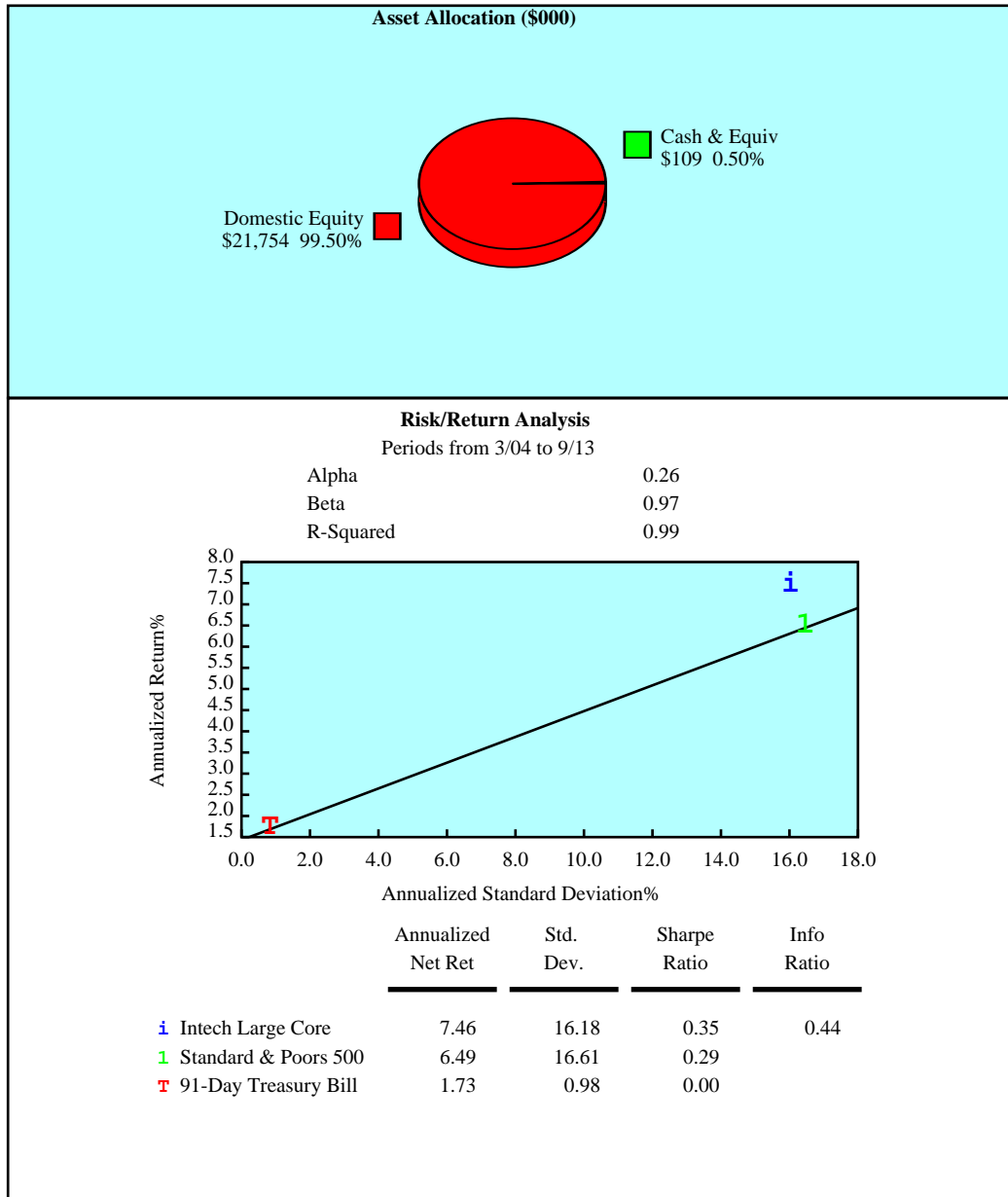


# City of Ft. Lauderdale Police and Fire

## Intech Large Core as of 9/30/13



# City of Ft. Lauderdale Police and Fire Intech Large Core as of 9/30/13

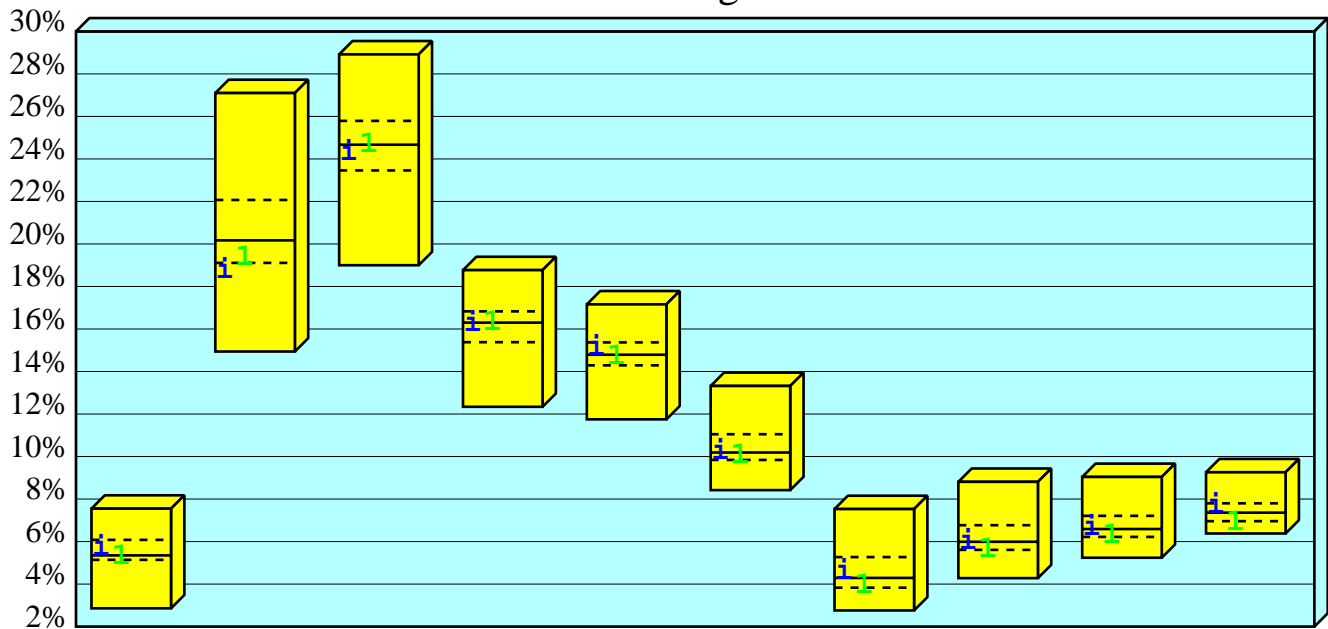


# City of Ft. Lauderdale Police and Fire

## Large Neutral Cumulative Performance Comparisons

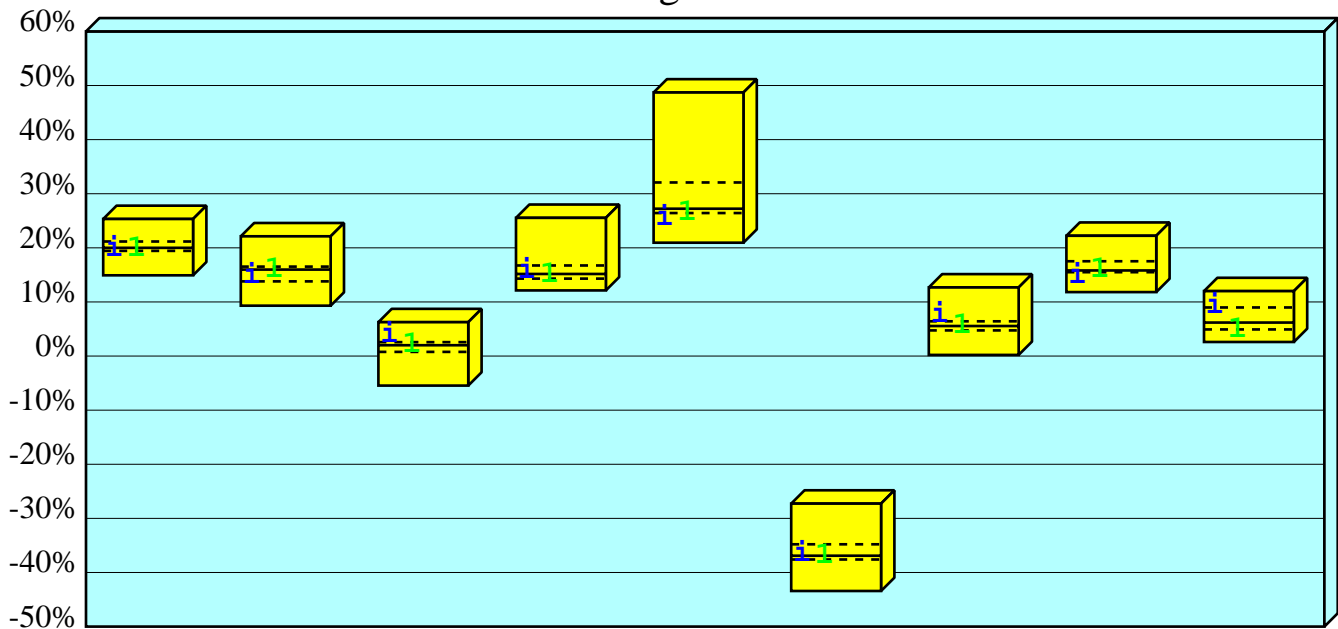
### Total Returns of Equity Portfolios

#### Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8 Years	Last 9 Years
High	7.55	27.10	28.92	18.77	17.16	13.32	7.53	8.81	9.04	9.26
1st Qt	6.08	22.07	25.79	16.83	15.37	11.05	5.27	6.77	7.21	7.80
Median	5.35	20.17	24.67	16.30	14.79	10.19	4.29	5.99	6.59	7.36
3rd Qt	5.14	19.11	23.46	15.38	14.29	9.84	3.83	5.61	6.22	6.96
Low	2.86	14.94	19.00	12.34	11.75	8.42	2.76	4.28	5.24	6.38
<b>i Intech Large Core</b>										
Net Ret	5.69	18.72	24.27	16.25	15.12	10.20	4.58	5.98	6.62	7.68
Rank	38	78	70	57	37	49	43	51	47	33
<b>1 Standard &amp; Poors 500</b>										
Net Ret	5.25	19.35	24.65	16.26	14.70	10.01	3.89	5.60	6.24	6.89
Rank	61	64	53	55	63	68	73	76	74	81

City of Ft. Lauderdale Police and Fire  
Large Neutral Consecutive Performance Comparisons  
Total Returns of Equity Portfolios  
Years Ending December



	9/30/13								
	YTD	2012	2011	2010	2009	2008	2007	2006	2005
High	25.33	22.13	6.26	25.54	48.71	-27.27	12.68	22.23	12.00
1st Qt	21.17	16.53	2.57	16.74	32.08	-34.79	6.42	17.52	8.98
Median	20.00	15.98	2.00	15.17	27.23	-36.90	5.55	15.82	6.19
3rd Qt	19.44	13.80	0.77	14.31	26.43	-37.60	4.74	15.50	4.92
Low	14.92	9.31	-5.46	12.13	20.95	-43.42	0.21	11.82	2.60
<b>i Intech Large Core</b>									
Net Ret	19.69	14.70	3.95	15.77	25.49	-36.60	7.61	14.84	9.24
Rank	71	68	14	39	83	40	16	83	23
<b>1 Standard &amp; Poors 500</b>									
Net Ret	19.81	15.98	2.12	15.05	26.45	-36.99	5.52	15.81	4.89
Rank	60	53	40	64	73	62	55	54	80

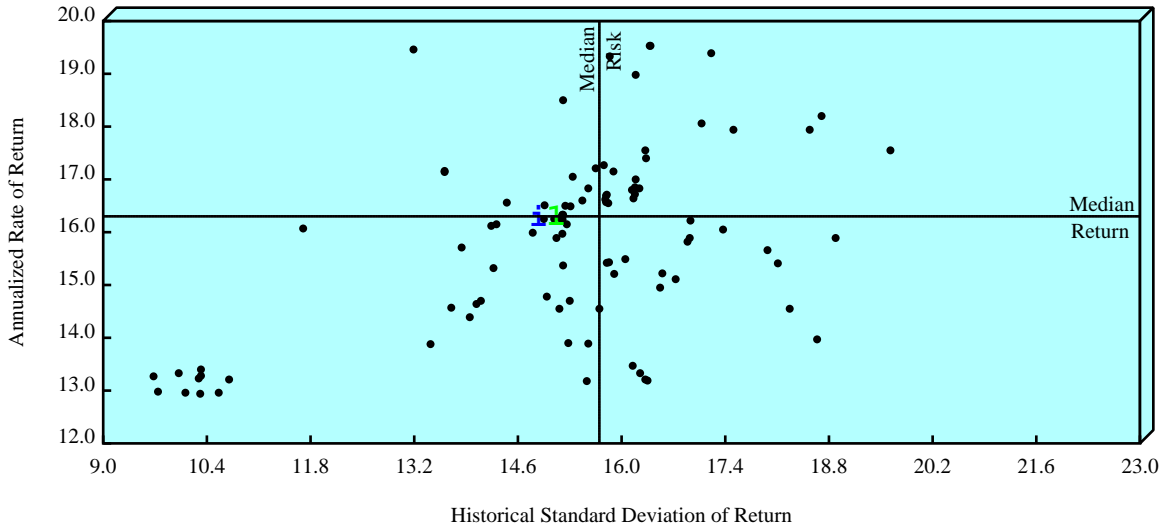


# City of Ft. Lauderdale Police and Fire

## Return vs Risk

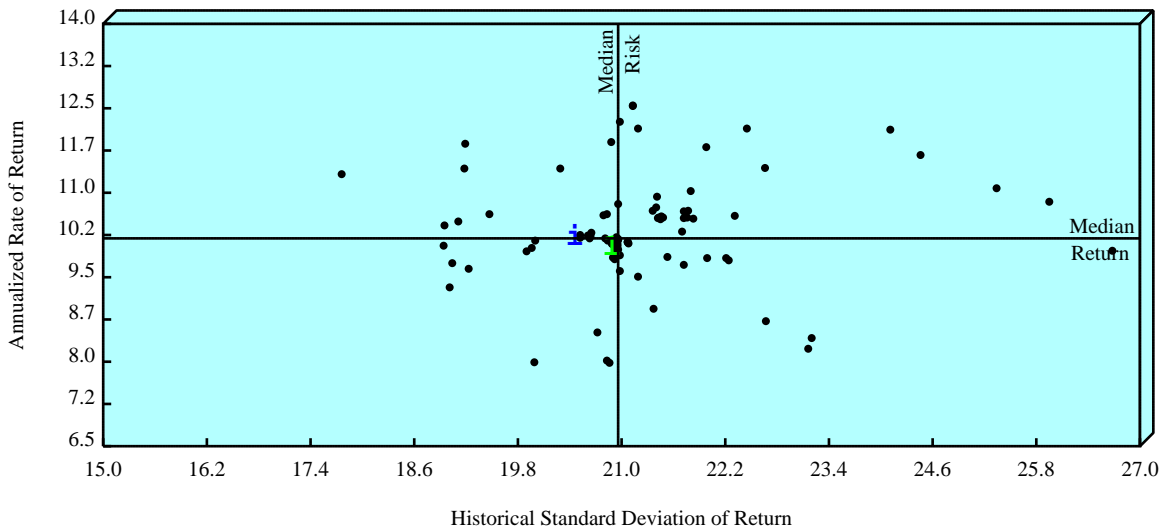
### Total Returns of Large Neutral Portfolios

3 Years Ending 9/30/13



	Annualized Net of Fee Return		Standard Deviation	
	Value	Rank	Value	Rank
i Intech Large Core	16.25	57	14.95	17
l Standard & Poors 500	16.26	55	15.19	27
Median	16.30		15.70	

5 Years Ending 9/30/13



	Annualized Net of Fee Return		Standard Deviation	
	Value	Rank	Value	Rank
i Intech Large Core	10.20	49	20.52	18
l Standard & Poors 500	10.01	68	20.95	45
Median	10.19		20.96	

City of Ft. Lauderdale Police and Fire  
Risk Measure Summary  
Intech Large Core  
Quarterly Periods Ending 9/30/13

Risk Measures	1 Year		3 Years		5 Years		Inception	
	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	1	1	3	3	6	6	12	13
Positive Periods	3	3	9	9	14	14	26	25
Up Market Capture	0.99		1.00		1.00		1.01	
Down Market Capture	2.11		1.01		0.99		0.93	
Batting Average	0.25		0.50		0.60		0.63	
Worst Quarter	-0.81	-0.38	-14.27	-13.86	-21.62	-21.93	-21.62	-21.93
Best Quarter	10.50	10.61	12.48	12.58	15.35	15.93	15.35	15.93
Worst 4 Quarters	18.72	19.35	1.74	1.15	-7.47	-6.90	-37.08	-38.07
Best 4 Quarters	18.72	19.35	30.06	30.18	48.89	49.75	48.89	49.75
Standard Deviation	9.64	9.25	14.95	15.19	20.52	20.95	16.18	16.61
Beta	1.02		0.98		0.98		0.97	
Alpha	-0.23		0.08		0.09		0.26	
R-Squared	0.99		0.99		1.00		0.99	
Sharpe Ratio	1.93	2.08	1.08	1.06	0.49	0.47	0.35	0.29
Treynor Ratio	18.22		16.49		10.27		5.92	
Tracking Error	0.82		1.59		1.34		1.90	
Information Ratio	-0.64		-0.03		0.06		0.44	

City of Ft. Lauderdale Police and Fire  
Equity Summary Statistics  
Intech Large Core  
Period Ending 9/13

	Portfolio	Standard & Poors 500
	<hr/>	<hr/>
Total Number Of Securities	329	500
Equity Market Value	21,753,766	
Average Capitalization \$(000)	76,193,088	106,738,418
Median Capitalization \$(000)	18,033,522	15,367,226
Equity Segment Yield	1.99	2.13
Equity Segment P/E - Average	18.08	18.34
Equity Segment P/E - Median	18.77	19.08
Equity Segment Beta	1.00	1.00
Price/Book Ratio	2.06	1.98
Debt/Equity Ratio	55.82	49.73
Five Year Earnings Growth	9.68	8.57

Ten Largest Holdings	Market Value	% of Portfolio	Quarterly Ret
	<hr/>	<hr/>	<hr/>
Exxon Mobil Corp	645,300	2.97	-4.11
Apple Inc	476,750	2.19	21.16
Home Depot Inc	280,645	1.29	-1.57
Comcast Corp New	279,930	1.29	8.79
Visa Inc	267,540	1.23	4.76
Google Inc	262,773	1.21	-0.51
Pfizer Inc	253,825	1.17	3.34
Lowes Cos Inc	242,811	1.12	16.87
Marathon Pete Corp	225,120	1.04	-8.93
Philip Morris Intl I	216,475	1.00	1.04

Ten Best Performers	Quarterly Ret	Ten Worst Performers	Quarterly Ret
	<hr/>		<hr/>
Netflix Com Inc	46.48	Tesoro Pete Corp	-15.49
Best Buy Inc	37.84	Hewlett Packard Co	-14.85
Safeway Inc	36.08	Expedia Inc Del	-13.62
Yahoo Inc	32.06	Conagra Foods Inc	-12.55
Celgene Corp	31.67	Pulte Homes Corp	-12.51
Cognizant Technology	31.16	Tenet Healthcare Cor	-10.65
Oneok Inc New	30.00	Ventas Inc	-10.49
Rockwell Automation	29.30	First Solar Inc	-10.11
Eog Res Inc	28.72	Centurylink Inc	-9.76
Whirlpool Corp	28.67	Macys Inc.	-9.34

City of Ft. Lauderdale Police and Fire  
Equity Contribution to Return  
Intech Large Core  
Period Ending 9/13

	Portfolio	Standard & Poors 500
	<hr/>	<hr/>
Total Number Of Securities	329	500
Equity Market Value	21,753,766	
Average Capitalization \$(000)	76,193,088	106,738,418
Median Capitalization \$(000)	18,033,522	15,367,226
Equity Segment Yield	1.99	2.13
Equity Segment P/E - Average	18.08	18.34
Equity Segment P/E - Median	18.77	19.08
Equity Segment Beta	1.00	1.00
Price/Book Ratio	2.06	1.98
Debt/Equity Ratio	55.82	49.73
Five Year Earnings Growth	9.68	8.57

Ten Best Contributors	Market Value	% of Portfolio	Quarterly Ret
	<hr/>	<hr/>	<hr/>
Apple Inc	476,750	2.19	21.16
Netflix Com Inc	154,605	0.71	46.48
Yahoo Inc	185,696	0.85	32.06
Celgene Corp	153,930	0.71	31.67
Lowes Cos Inc	242,811	1.12	16.87
Gilead Sciences Inc	157,100	0.72	22.71
Whirlpool Corp	117,152	0.54	28.67
PPG Inds Inc	200,472	0.92	14.53
Time Warner Inc	197,430	0.91	14.36
Amgen	179,104	0.82	13.96

Ten Worst Contributors	Market Value	% of Portfolio	Quarterly Ret
	<hr/>	<hr/>	<hr/>
Exxon Mobil Corp	645,300	2.97	-4.11
Marathon Pete Corp	225,120	1.04	-8.93
Tesoro Pete Corp	79,164	0.36	-15.49
Verizon Communicatio	158,644	0.73	-6.38
Mattel Inc	138,138	0.64	-6.81
Conagra Foods Inc	72,816	0.34	-12.55
Ventas Inc	86,100	0.40	-10.49
McCormick & Co Inc	103,520	0.48	-7.59
Kellogg Co	99,841	0.46	-7.87
Campbell Soup Co	77,349	0.36	-8.51

City of Ft. Lauderdale Police and Fire  
Equity Sector Attribution Analysis  
Intech Large Core  
Quarter Ending 9/13

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	11.93	10.52	0.54	5.14	-0.55	-0.00	-0.55
Materials	4.54	3.27	9.73	10.29	-0.03	0.06	0.04
Industrials	9.07	10.15	9.29	8.87	0.04	-0.04	-0.00
Consumer Discretionary	14.88	12.24	7.01	7.83	-0.12	0.07	-0.05
Consumer Staples	11.53	10.47	0.33	0.80	-0.05	-0.05	-0.10
Health Care	10.70	12.80	7.21	6.82	0.04	-0.03	0.01
Financials	15.39	16.64	4.83	2.86	0.30	0.03	0.33
Information Technology	12.46	17.77	8.07	6.66	0.17	-0.08	0.10
Telecom. Services	4.48	2.84	-2.18	-4.35	0.10	-0.16	-0.06
Utilities	5.01	3.31	1.61	0.18	0.07	-0.09	-0.01
	100.00	100.00	4.93	5.23	-0.02	-0.28	-0.30

Index - Standard & Poors 500

Stock Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

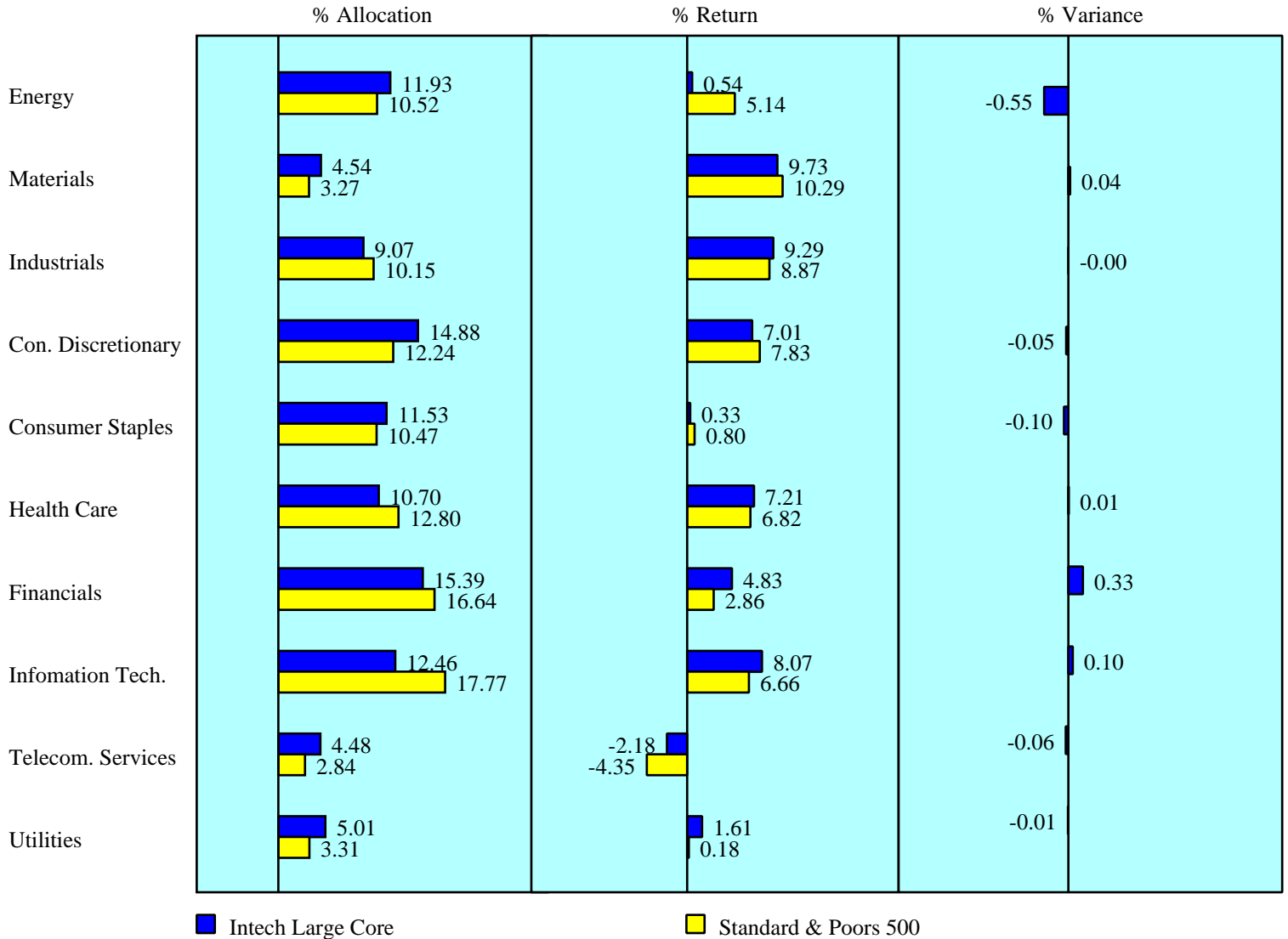
Sector Selection Return Attribution

[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

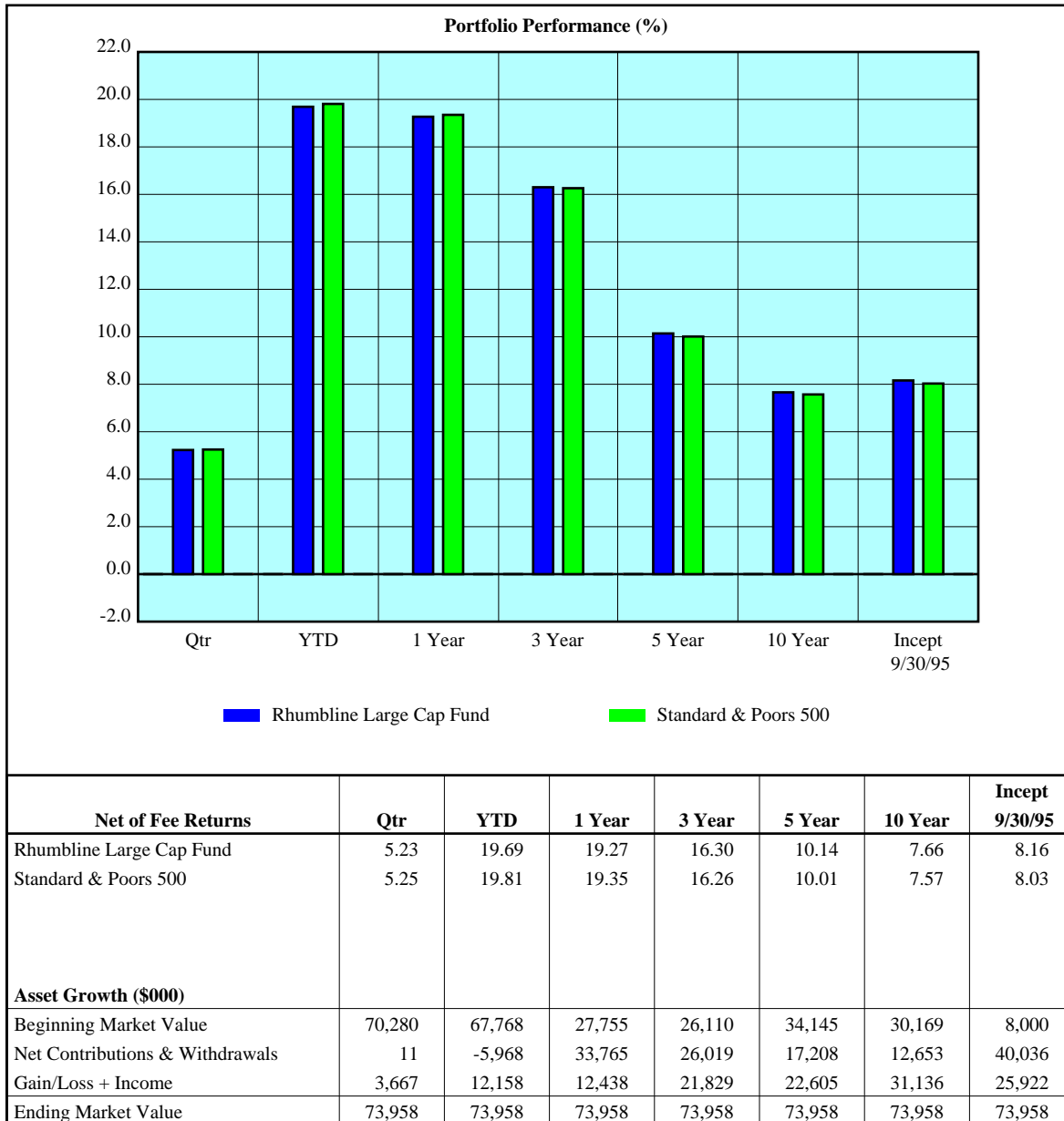
Trading Effect 0.27%

[ Actual Return 5.20% ] - [ Buy Hold Return 4.93% ]

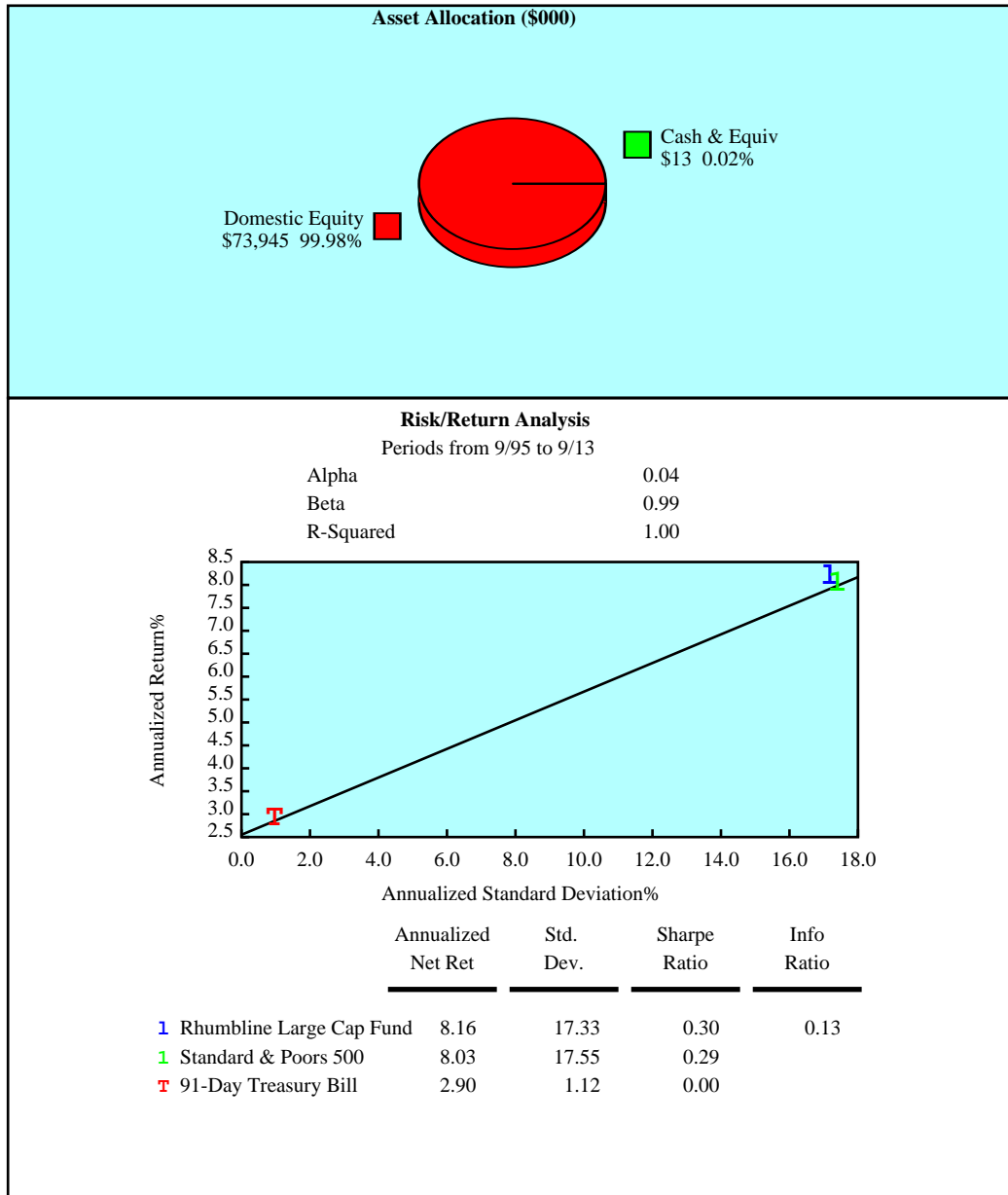
City of Ft. Lauderdale Police and Fire  
Equity Sector Attribution Chart  
Intech Large Core  
Quarter Ending 9/13



# City of Ft. Lauderdale Police and Fire Rhumbline Large Cap Fund as of 9/30/13



# City of Ft. Lauderdale Police and Fire Rhumblin Large Cap Fund as of 9/30/13



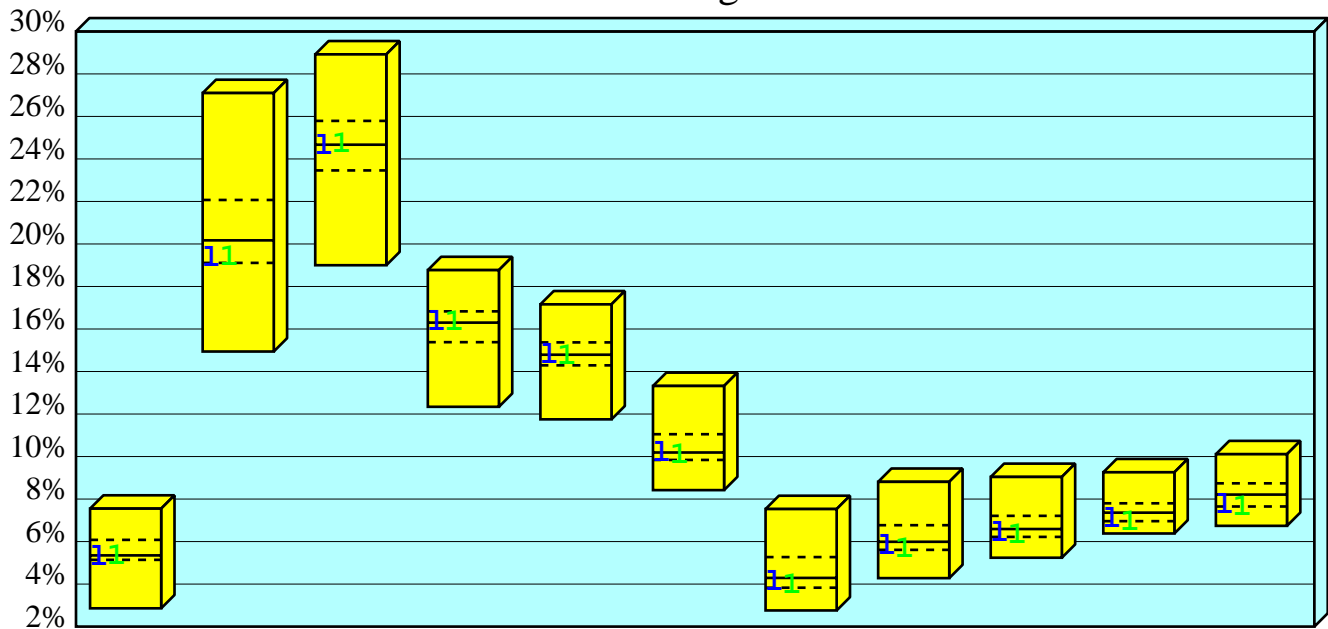


# City of Ft. Lauderdale Police and Fire

## Large Neutral Cumulative Performance Comparisons

### Total Returns of Equity Portfolios

#### Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8 Years	Last 9 Years	Last 10 Years
High	7.55	27.10	28.92	18.77	17.16	13.32	7.53	8.81	9.04	9.26	10.11
1st Qt	6.08	22.07	25.79	16.83	15.37	11.05	5.27	6.77	7.21	7.80	8.74
Median	5.35	20.17	24.67	16.30	14.79	10.19	4.29	5.99	6.59	7.36	8.21
3rd Qt	5.14	19.11	23.46	15.38	14.29	9.84	3.83	5.61	6.22	6.96	7.65
Low	2.86	14.94	19.00	12.34	11.75	8.42	2.76	4.28	5.24	6.38	6.74

#### 1 Rhumblin Large Cap Fund

Net Ret	5.23	19.27	24.54	16.30	14.75	10.14	4.04	5.74	6.37	7.00	7.66
Rank	69	72	60	50	56	54	57	57	58	64	73

#### 1 Standard & Poors 500

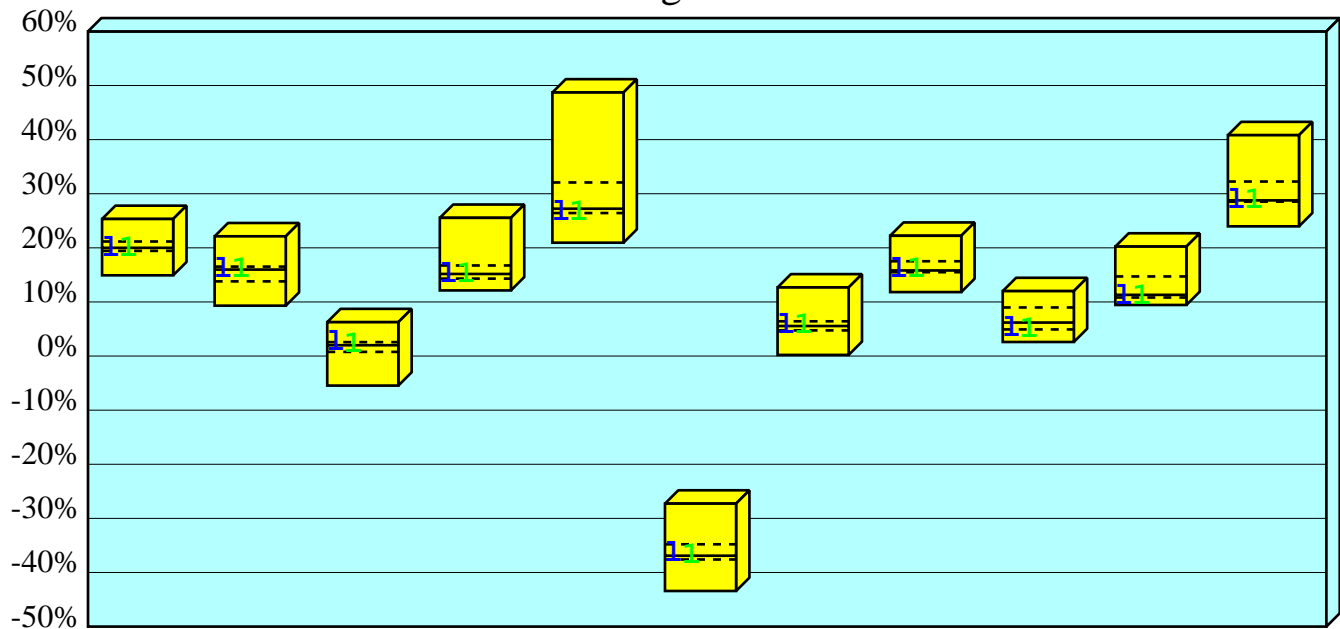
Net Ret	5.25	19.35	24.65	16.26	14.70	10.01	3.89	5.60	6.24	6.89	7.57
Rank	61	64	53	55	63	68	73	76	74	81	84

# City of Ft. Lauderdale Police and Fire

## Large Neutral Consecutive Performance Comparisons

### Total Returns of Equity Portfolios

#### Years Ending December



9/30/13

	YTD	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
High	25.33	22.13	6.26	25.54	48.71	-27.27	12.68	22.23	12.00	20.23	40.82
1st Qt	21.17	16.53	2.57	16.74	32.08	-34.79	6.42	17.52	8.98	14.71	32.25
Median	20.00	15.98	2.00	15.17	27.23	-36.90	5.55	15.82	6.19	11.31	28.77
3rd Qt	19.44	13.80	0.77	14.31	26.43	-37.60	4.74	15.50	4.92	10.82	28.54
Low	14.92	9.31	-5.46	12.13	20.95	-43.42	0.21	11.82	2.60	9.44	23.97

#### 1 Rhumblin Large Cap Fund

Net Ret	19.69	15.94	2.48	14.93	26.51	-36.56	5.60	15.86	4.90	10.85	28.59
Rank	71	56	26	67	72	38	44	47	80	73	73

#### 1 Standard & Poors 500

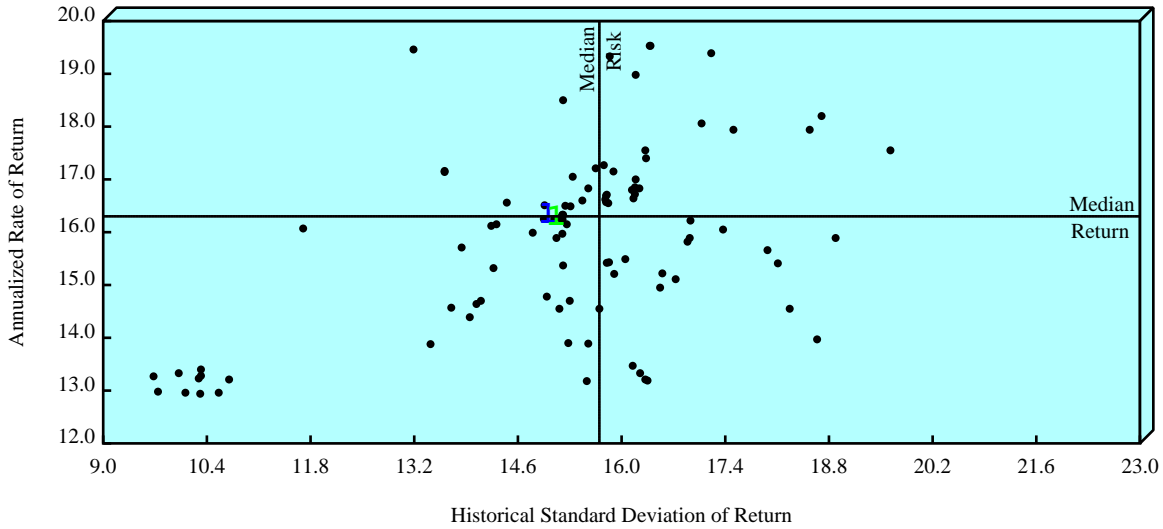
Net Ret	19.81	15.98	2.12	15.05	26.45	-36.99	5.52	15.81	4.89	10.87	28.69
Rank	60	53	40	64	73	62	55	54	80	71	59

# City of Ft. Lauderdale Police and Fire

## Return vs Risk

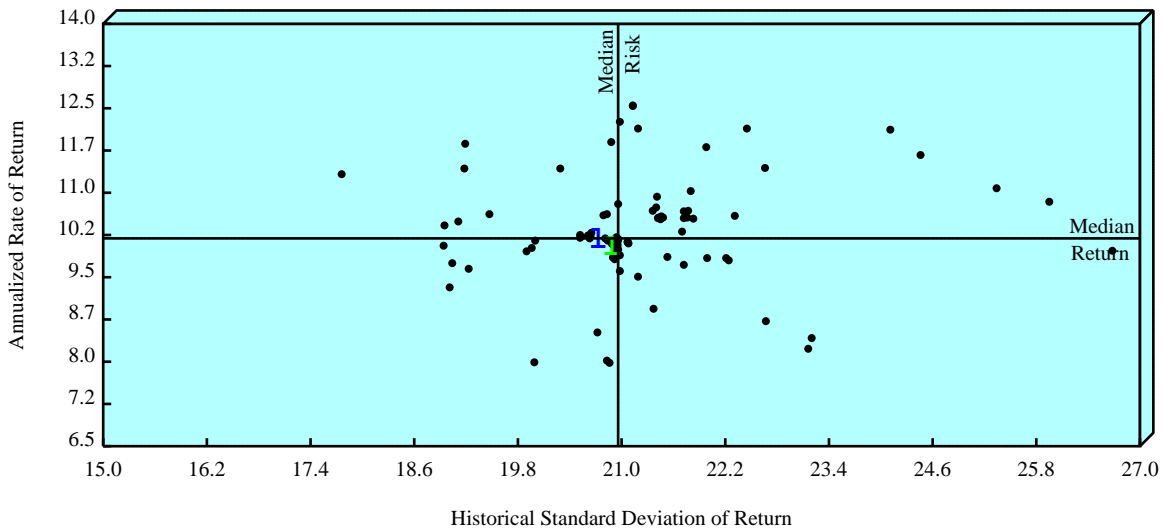
### Total Returns of Large Neutral Portfolios

3 Years Ending 9/30/13



	Annualized Net of Fee Return		Standard Deviation	
	Value	Rank	Value	Rank
<span style="color: blue;">■</span> Rhumblin Large Cap Fund	16.30	50	15.08	21
<span style="color: green;">■</span> Standard & Poors 500	16.26	55	15.19	27
Median	16.30		15.70	

5 Years Ending 9/30/13



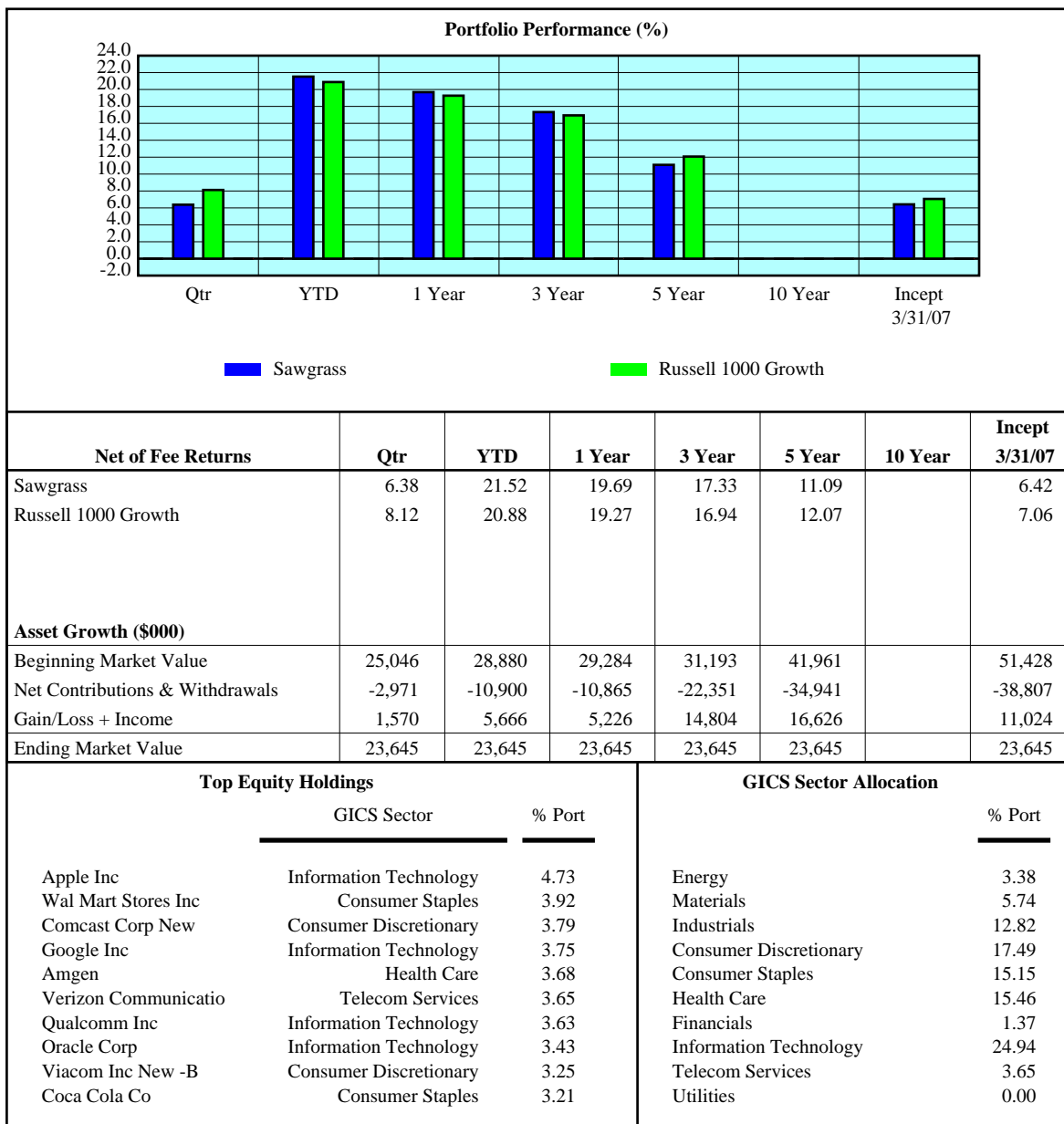
	Annualized Net of Fee Return		Standard Deviation	
	Value	Rank	Value	Rank
<span style="color: blue;">■</span> Rhumblin Large Cap Fund	10.14	54	20.79	28
<span style="color: green;">■</span> Standard & Poors 500	10.01	68	20.95	45
Median	10.19		20.96	

City of Ft. Lauderdale Police and Fire  
Risk Measure Summary  
Rhumbline Large Cap Fund  
Quarterly Periods Ending 9/30/13

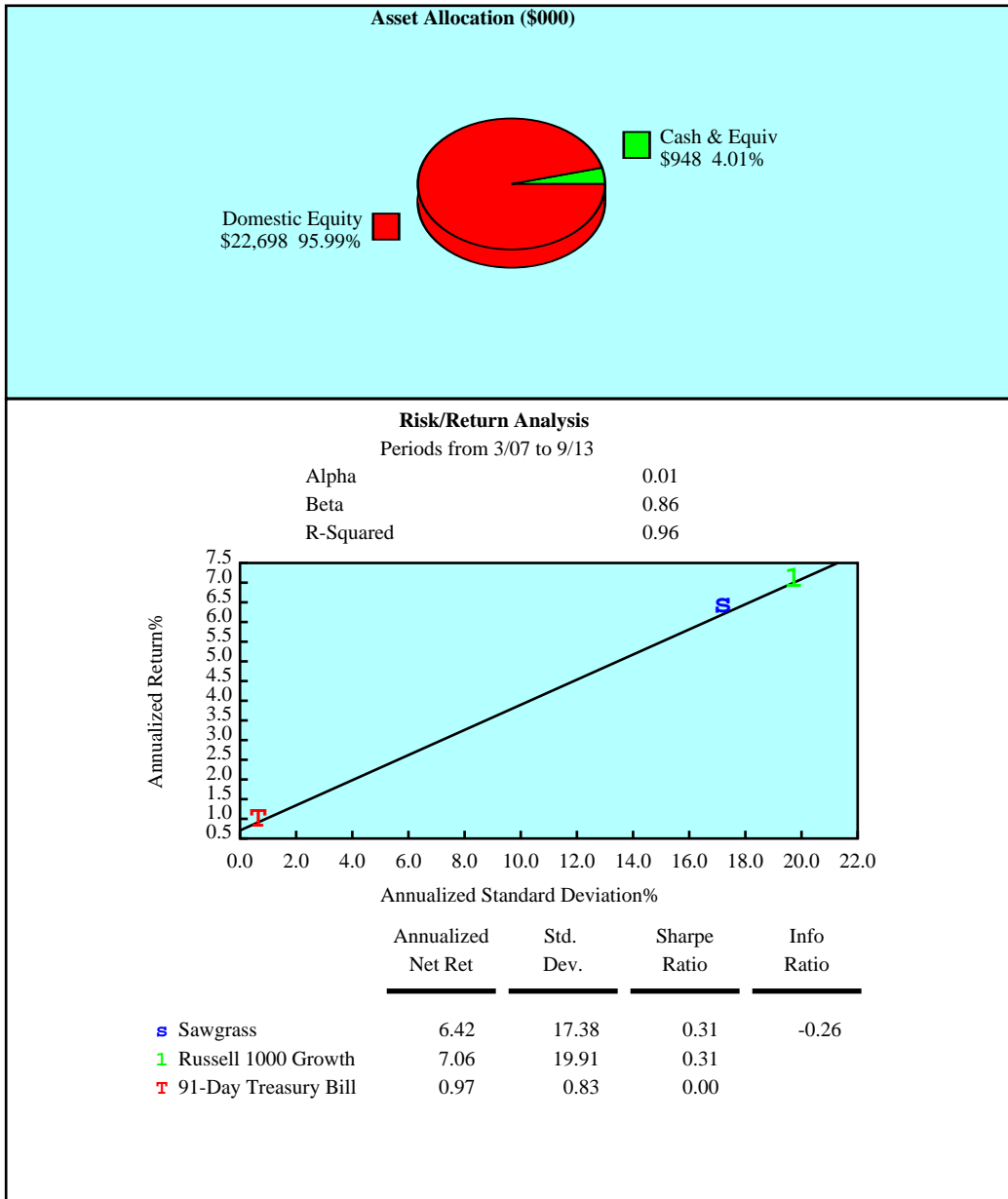
Risk Measures	1 Year		3 Years		5 Years		Inception	
	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	1	1	3	3	6	6	23	23
Positive Periods	3	3	9	9	14	14	49	49
Up Market Capture	0.99		1.00		1.00		1.00	
Down Market Capture	0.92		1.00		0.99		0.99	
Batting Average	0.25		0.33		0.40		0.60	
Worst Quarter	-0.35	-0.38	-13.83	-13.86	-21.62	-21.93	-21.62	-21.93
Best Quarter	10.55	10.61	12.55	12.58	15.88	15.93	21.07	21.32
Worst 4 Quarters	19.27	19.35	1.43	1.15	-6.51	-6.90	-37.64	-38.07
Best 4 Quarters	19.27	19.35	30.04	30.18	49.68	49.75	49.68	49.75
Standard Deviation	9.18	9.25	15.08	15.19	20.79	20.95	17.33	17.55
Beta	0.99		0.99		0.99		0.99	
Alpha	0.01		0.04		0.04		0.04	
R-Squared	1.00		1.00		1.00		1.00	
Sharpe Ratio	2.09	2.08	1.07	1.06	0.48	0.47	0.30	0.29
Treynor Ratio	19.30		16.33		10.06		5.33	
Tracking Error	0.08		0.36		0.31		0.65	
Information Ratio	-0.96		0.05		0.26		0.13	

# City of Ft. Lauderdale Police and Fire

## Sawgrass as of 9/30/13



# City of Ft. Lauderdale Police and Fire Sawgrass as of 9/30/13

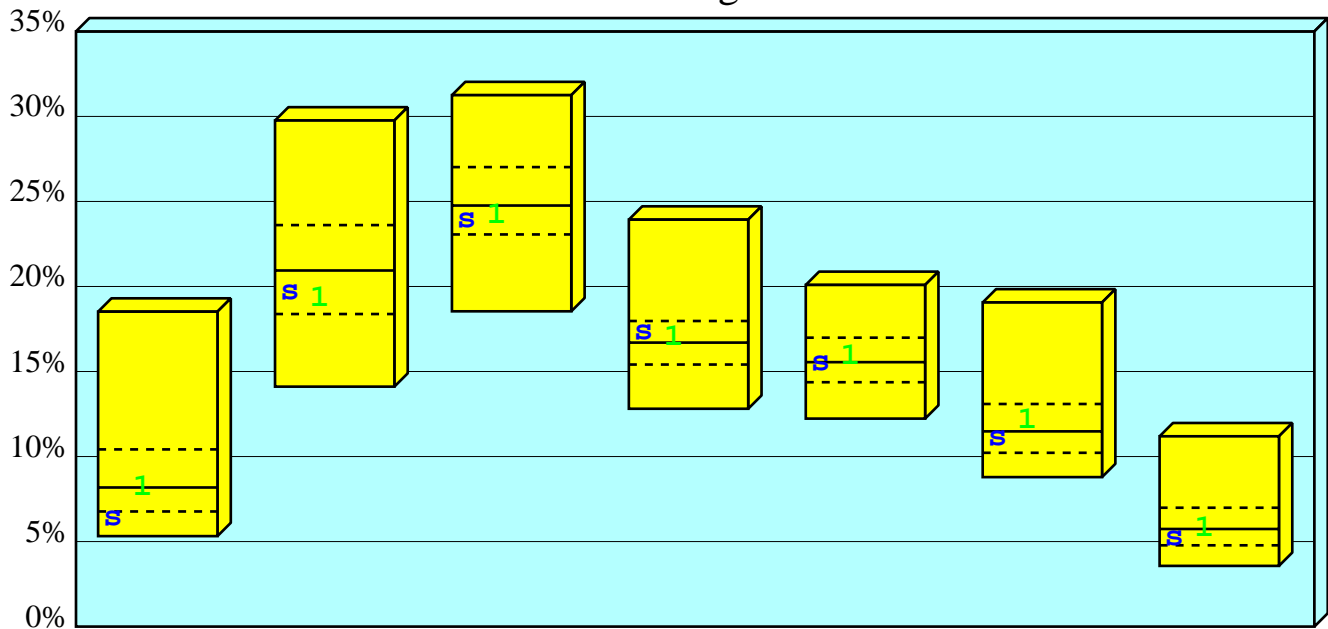


# City of Ft. Lauderdale Police and Fire

## Large Growth Cumulative Performance Comparisons

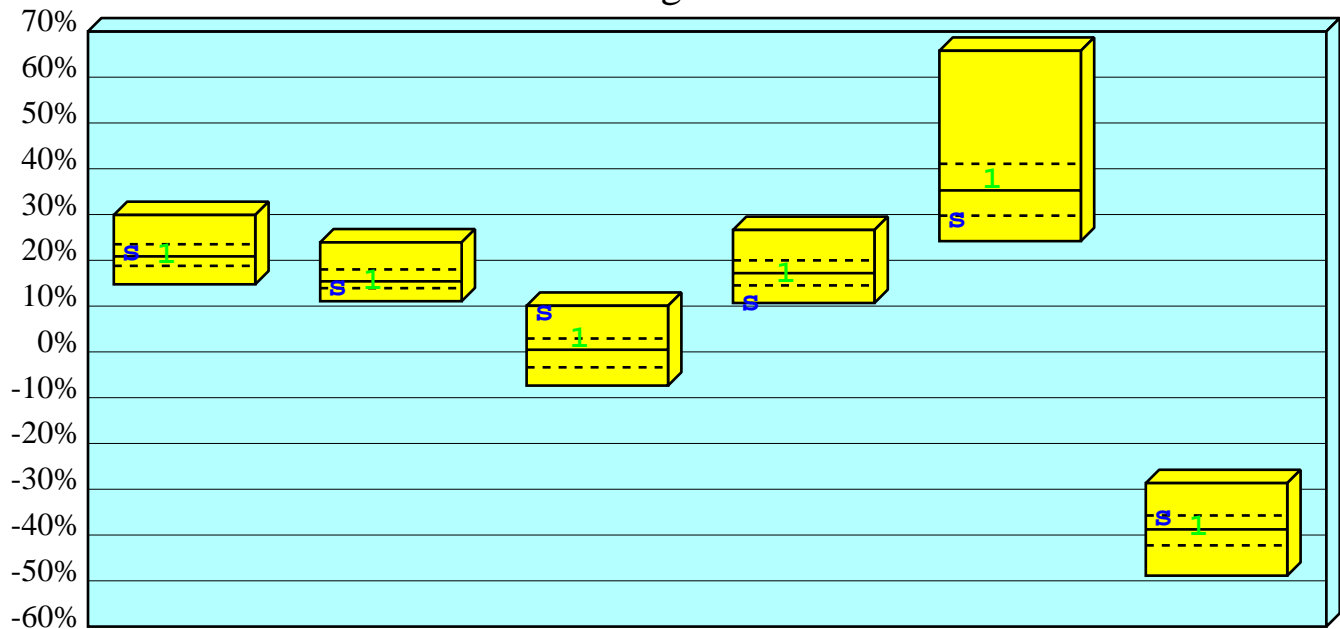
### Total Returns of Equity Portfolios

#### Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years
High	18.52	29.76	31.25	23.93	20.09	19.06	11.19
1st Qt	10.42	23.61	27.02	17.97	16.99	13.09	6.99
Median	8.18	20.94	24.76	16.70	15.55	11.48	5.74
3rd Qt	6.77	18.38	23.06	15.41	14.37	10.22	4.78
Low	5.32	14.11	18.54	12.81	12.23	8.79	3.57
<b>S Sawgrass</b>							
Net Ret	6.38	19.69	23.90	17.33	15.51	11.09	5.19
Rank	85	60	65	36	53	63	65
<b>1 Russell 1000 Growth</b>							
Net Ret	8.12	19.27	24.14	16.94	15.86	12.07	5.76
Rank	52	67	61	44	42	42	49

City of Ft. Lauderdale Police and Fire  
Large Growth Consecutive Performance Comparisons  
Total Returns of Equity Portfolios  
Years Ending December



	9/30/13					
	YTD	2012	2011	2010	2009	2008
High	29.90	23.92	10.07	26.63	65.77	-28.66
1st Qt	23.51	18.01	2.92	19.99	41.08	-35.73
Median	20.86	15.41	0.47	17.20	35.27	-38.77
3rd Qt	18.79	13.92	-3.37	14.52	29.76	-42.26
Low	14.76	11.07	-7.36	10.68	24.19	-48.87
<b>S</b> Sawgrass						
Net Ret	21.52	14.03	8.49	10.69	28.88	-36.37
Rank	42	74	7	94	79	31
<b>1</b> Russell 1000 Growth						
Net Ret	20.88	15.26	2.63	16.72	37.21	-38.44
Rank	48	52	27	60	42	48

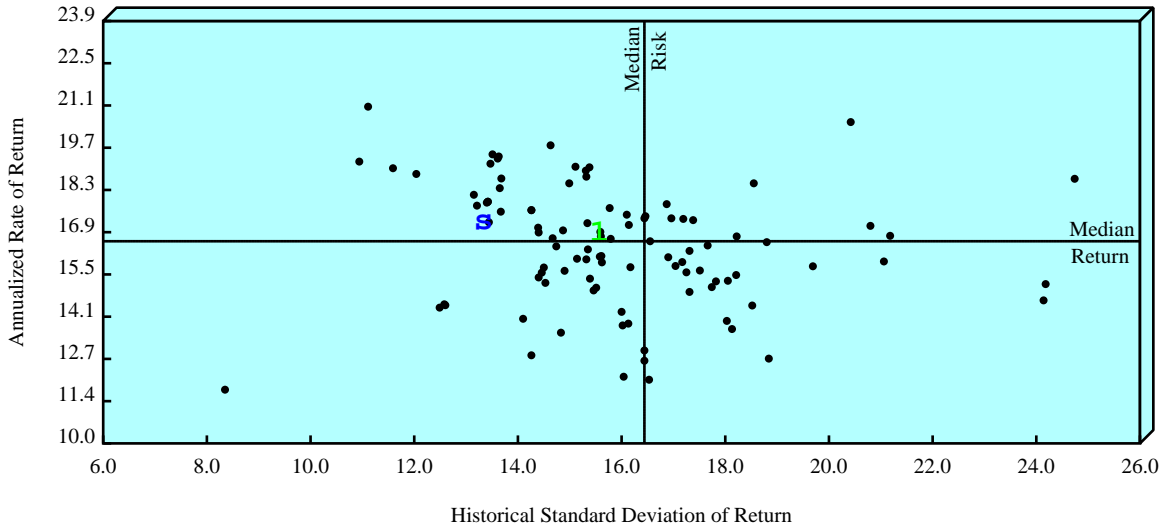


# City of Ft. Lauderdale Police and Fire

## Return vs Risk

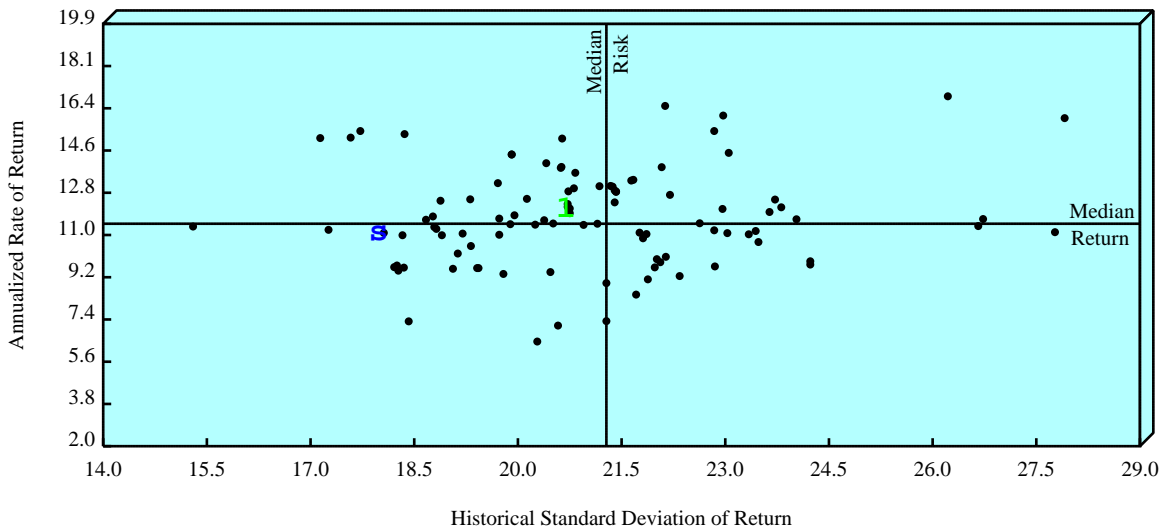
### Total Returns of Large Growth Portfolios

3 Years Ending 9/30/13



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
S	Sawgrass	17.33	36	13.44	11
I	Russell 1000 Growth	16.94	44	15.67	40
	Median	16.70		16.44	

5 Years Ending 9/30/13



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
S	Sawgrass	11.09	63	18.06	6
I	Russell 1000 Growth	12.07	42	20.77	45
	Median	11.48		21.28	

City of Ft. Lauderdale Police and Fire  
Risk Measure Summary  
Sawgrass  
Quarterly Periods Ending 9/30/13

Risk Measures	1 Year		3 Years		5 Years		Inception	
	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	1	1	3	3	6	6	10	9
Positive Periods	3	3	9	9	14	14	16	17
Up Market Capture	1.03		0.95		0.88		0.86	
Down Market Capture	1.13		0.80		0.89		0.89	
Batting Average	0.50		0.58		0.45		0.46	
Worst Quarter	-1.50	-1.33	-10.62	-13.14	-21.12	-22.79	-21.12	-22.79
Best Quarter	11.61	9.54	12.75	14.69	13.15	16.32	13.15	16.32
Worst 4 Quarters	19.69	19.27	5.22	2.63	-4.99	-1.85	-36.37	-38.44
Best 4 Quarters	19.69	19.27	28.25	29.20	40.15	49.75	40.15	49.75
Standard Deviation	11.24	10.22	13.44	15.67	18.06	20.77	17.38	19.91
Beta	1.05		0.84		0.86		0.86	
Alpha	-0.12		0.69		0.12		0.01	
R-Squared	0.94		0.95		0.97		0.96	
Sharpe Ratio	1.74	1.88	1.28	1.07	0.60	0.57	0.31	0.31
Treynor Ratio	18.66		20.50		12.73		6.35	
Tracking Error	3.13		4.00		4.25		4.42	
Information Ratio	0.13		-0.01		-0.35		-0.26	

City of Ft. Lauderdale Police and Fire  
Equity Summary Statistics  
Sawgrass  
Period Ending 9/13

	Portfolio	Russell 1000 Growth
Total Number Of Securities	42	616
Equity Market Value	22,697,860	
Average Capitalization \$(000)	115,125,494	87,646,454
Median Capitalization \$(000)	70,206,610	7,765,296
Equity Segment Yield	1.63	1.67
Equity Segment P/E - Average	18.68	22.35
Equity Segment P/E - Median	19.46	21.65
Equity Segment Beta	0.74	0.94
Price/Book Ratio	3.03	4.25
Debt/Equity Ratio	53.57	47.87
Five Year Earnings Growth	15.28	13.53

Ten Largest Holdings	Market Value	% of Portfolio	Quarterly Ret
Apple Inc	1,072,688	4.73	21.16
Wal Mart Stores Inc	889,739	3.92	-0.11
Comcast Corp New	858,302	3.79	8.79
Google Inc	849,633	3.75	-0.51
Amgen	833,953	3.68	13.96
Verizon Communicatio	826,815	3.65	-6.38
Qualcomm Inc	823,813	3.63	10.86
Oracle Corp	776,841	3.43	8.39
Viacom Inc New -B	736,340	3.25	23.27
Coca Cola Co	728,432	3.21	-4.87

Ten Best Performers	Quarterly Ret	Ten Worst Performers	Quarterly Ret
Celgene Corp	31.67	Conagra Foods Inc	-12.55
Schlumberger Ltd	23.78	Verizon Communicatio	-6.38
Viacom Inc New -B	23.27	Coca Cola Co	-4.87
Apple Inc	21.16	Abbott Labs	-4.47
Kroger Co	17.24	Exxon Mobil Corp	-4.11
Mastercard Inc	17.23	Directv	-3.03
United Technologies	16.60	Intl Business McHn	-2.61
Ecolab Inc	16.21	Kimberly Clark Corp	-2.16
Boeing Co	15.22	Home Depot Inc	-1.57
Amgen	13.96	Google Inc	-0.51

City of Ft. Lauderdale Police and Fire  
Equity Contribution to Return  
Sawgrass  
Period Ending 9/13

	Portfolio	Russell 1000 Growth
Total Number Of Securities	42	616
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Ten Best Contributors	Market Value	% of Portfolio	Quarterly Ret
Apple Inc	1,072,688	4.73	21.16
Celgene Corp	564,923	2.49	31.67
Viacom Inc New -B	736,340	3.25	23.27
United Technologies	706,221	3.11	16.60
Mastercard Inc	679,508	3.00	17.23
Amgen	833,953	3.68	13.96
Ecolab Inc	705,146	3.11	16.21
Schlumberger Ltd	380,832	1.68	23.78
Qualcomm Inc	823,813	3.63	10.86
TJX Cos Inc New	619,726	2.73	12.95

Ten Worst Contributors	Market Value	% of Portfolio	Quarterly Ret
Verizon Communicatio	826,815	3.65	-6.38
Conagra Foods Inc	342,539	1.51	-12.55
Coca Cola Co	728,432	3.21	-4.87
Directv	677,565	2.99	-3.03
Abbott Labs	459,018	2.02	-4.47
Exxon Mobil Corp	384,599	1.70	-4.11
Intl Business McHn	566,651	2.50	-2.61
Home Depot Inc	503,644	2.22	-1.57
Kimberly Clark Corp	243,088	1.07	-2.16
Google Inc	849,633	3.75	-0.51

City of Ft. Lauderdale Police and Fire  
Equity Sector Attribution Analysis  
Sawgrass  
Quarter Ending 9/13

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	3.28	4.51	7.98	15.47	-0.25	-0.09	-0.34
Materials	5.42	4.48	11.01	8.85	0.12	0.01	0.12
Industrials	13.73	12.00	8.60	9.92	-0.18	0.03	-0.15
Consumer Discretionary	14.48	19.81	7.73	8.92	-0.17	-0.04	-0.22
Consumer Staples	16.16	13.18	0.38	0.74	-0.06	-0.22	-0.28
Health Care	16.40	11.86	10.52	10.67	-0.02	0.12	0.09
Financials	2.27	5.54	1.33	3.70	-0.05	0.14	0.09
Information Technology	26.14	26.09	7.73	9.76	-0.53	0.00	-0.53
Telecom. Services	2.11	2.32	-6.38	-3.97	-0.05	0.02	-0.03
Utilities	0.00	0.22		13.37	0.00	-0.01	-0.01
	100.00	100.00	6.86	8.10	-1.20	-0.04	-1.24

Index - Russell 1000 Growth

Stock Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

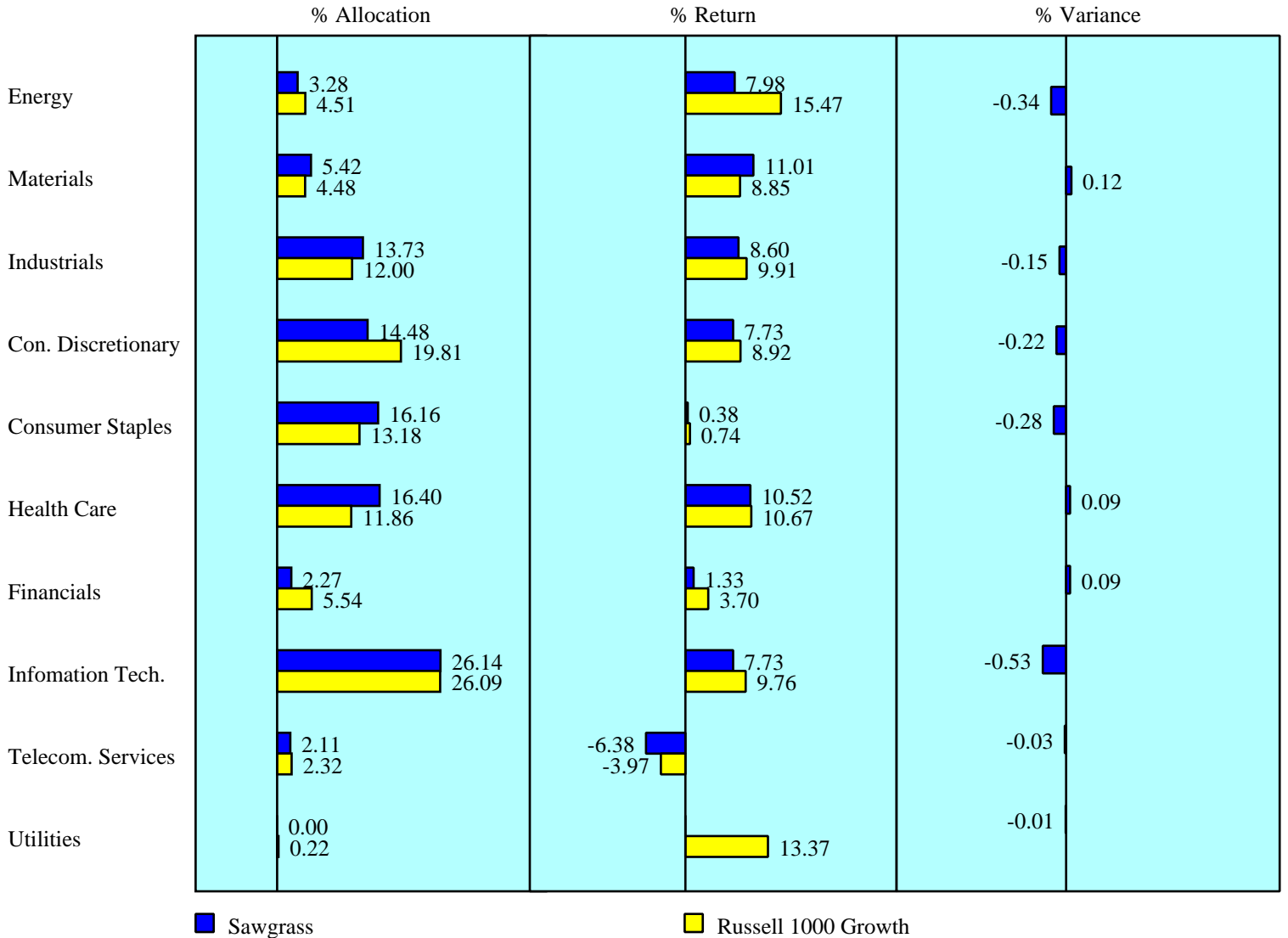
Sector Selection Return Attribution

[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

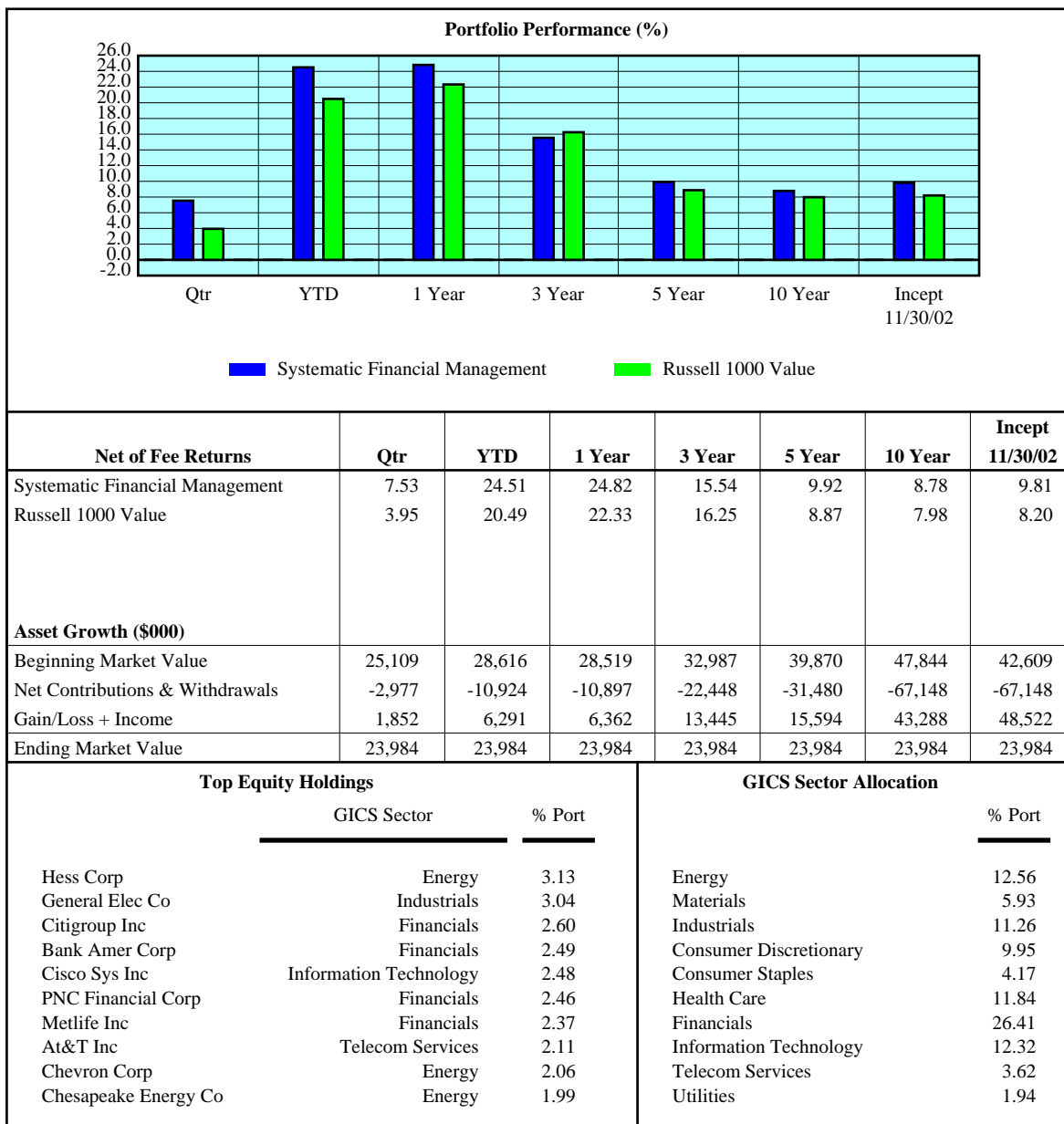
Trading Effect 0.05%

[ Actual Return 6.91% ] - [ Buy Hold Return 6.86% ]

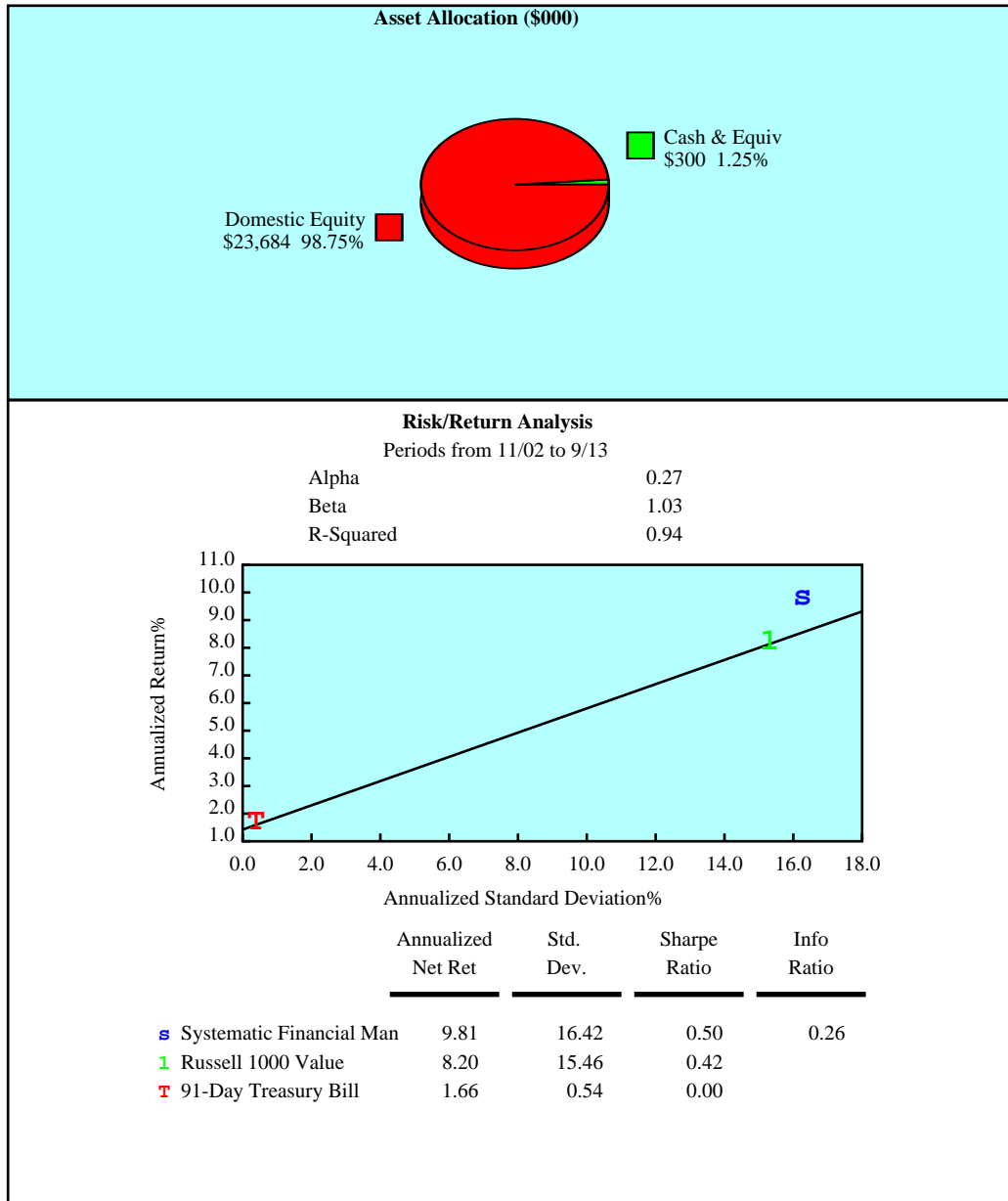
City of Ft. Lauderdale Police and Fire  
Equity Sector Attribution Chart  
Sawgrass  
Quarter Ending 9/13



# City of Ft. Lauderdale Police and Fire Systematic Financial Management as of 9/30/13



# City of Ft. Lauderdale Police and Fire Systematic Financial Management as of 9/30/13



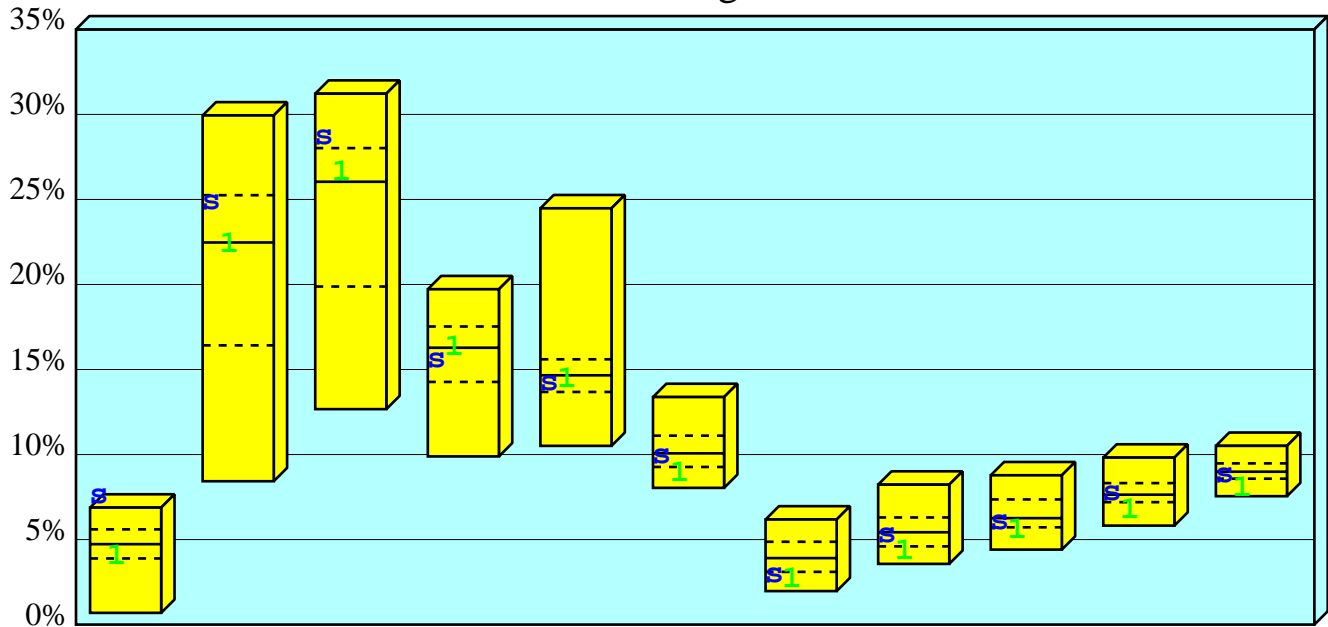


# City of Ft. Lauderdale Police and Fire

## Large Value Cumulative Performance Comparisons

### Total Returns of Equity Portfolios

#### Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8 Years	Last 9 Years	Last 10 Years
High	6.88	29.94	31.22	19.72	24.48	13.38	6.18	8.23	8.78	9.82	10.51
1st Qt	5.60	25.25	28.02	17.53	15.60	11.11	4.87	6.30	7.36	8.32	9.48
Median	4.73	22.47	26.04	16.28	14.66	10.07	3.91	5.43	6.26	7.64	8.99
3rd Qt	3.89	16.42	19.88	14.27	13.68	9.27	3.10	4.60	5.72	7.20	8.58
Low	0.69	8.43	12.67	9.89	10.51	8.04	1.97	3.57	4.41	5.82	7.55

#### S Systematic Financial Management

Net Ret	7.53	24.82	28.66	15.54	14.19	9.92	2.91	5.26	6.01	7.74	8.78
Rank	1	31	20	66	66	58	81	54	58	43	62

#### 1 Russell 1000 Value

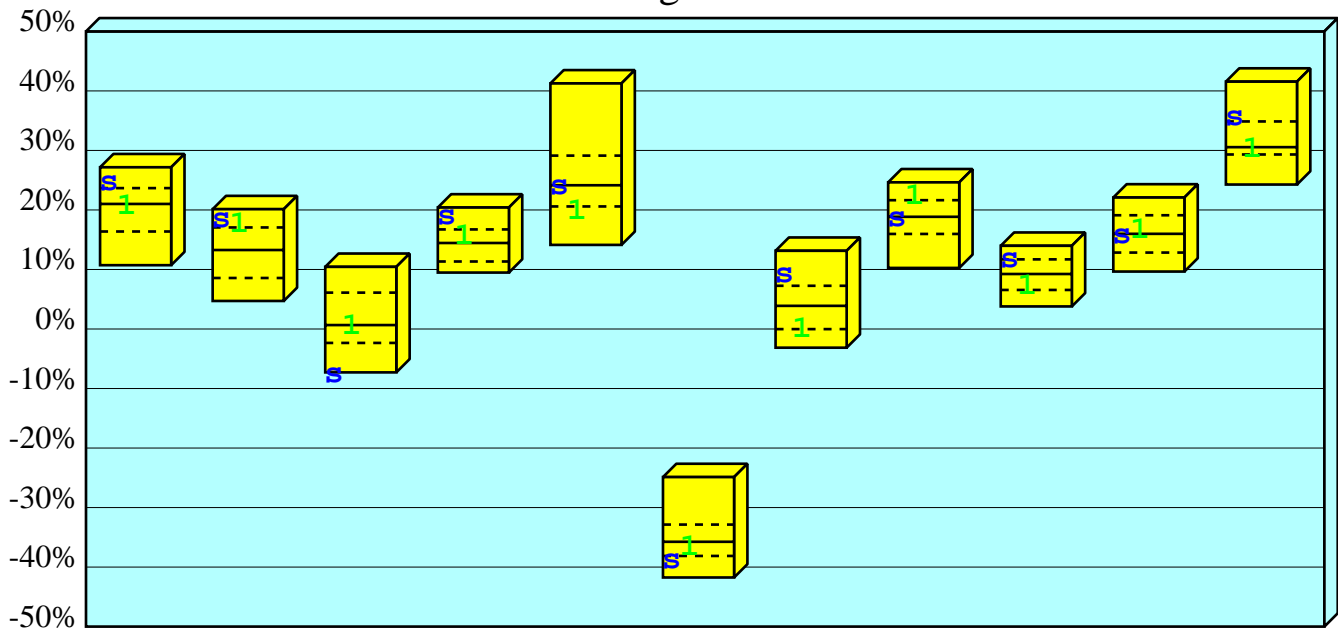
Net Ret	3.95	22.33	26.54	16.25	14.37	8.87	2.63	4.24	5.48	6.67	7.98
Rank	74	53	41	52	61	86	89	88	87	88	91

# City of Ft. Lauderdale Police and Fire

## Large Value Consecutive Performance Comparisons

### Total Returns of Equity Portfolios

#### Years Ending December



9/30/13

	YTD	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
High	27.17	20.13	10.44	20.41	41.26	-24.88	13.14	24.64	13.98	22.09	41.56
1st Qt	23.67	17.06	6.11	16.73	29.13	-32.86	7.26	21.64	11.70	19.11	34.87
Median	21.01	13.27	0.66	14.45	24.15	-35.75	3.89	18.85	9.24	15.99	30.55
3rd Qt	16.38	8.57	-2.34	11.34	20.59	-38.13	-0.02	15.97	6.56	12.84	29.32
Low	10.72	4.71	-7.29	9.48	14.13	-41.75	-3.14	10.26	3.79	9.65	24.27

#### S Systematic Financial Management

Net Ret	24.51	18.38	-7.69	18.73	23.93	-39.03	9.10	18.45	11.54	15.67	35.36
Rank	23	13	96	8	52	80	18	55	27	54	16

#### 1 Russell 1000 Value

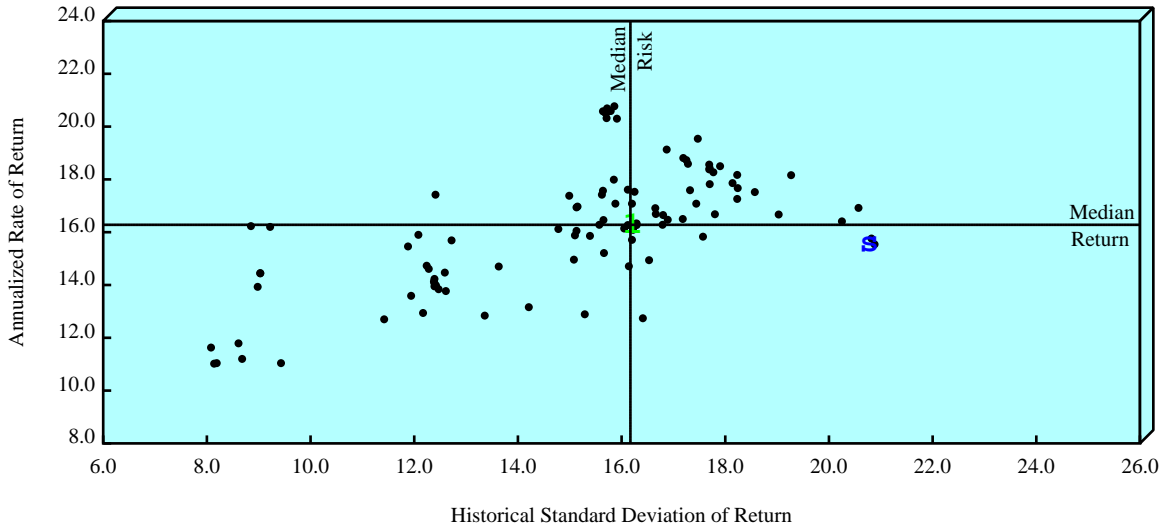
Net Ret	20.49	17.50	0.39	15.51	19.69	-36.85	-0.17	22.21	7.04	16.49	30.03
Rank	57	19	55	43	82	63	76	16	71	44	62

# City of Ft. Lauderdale Police and Fire

## Return vs Risk

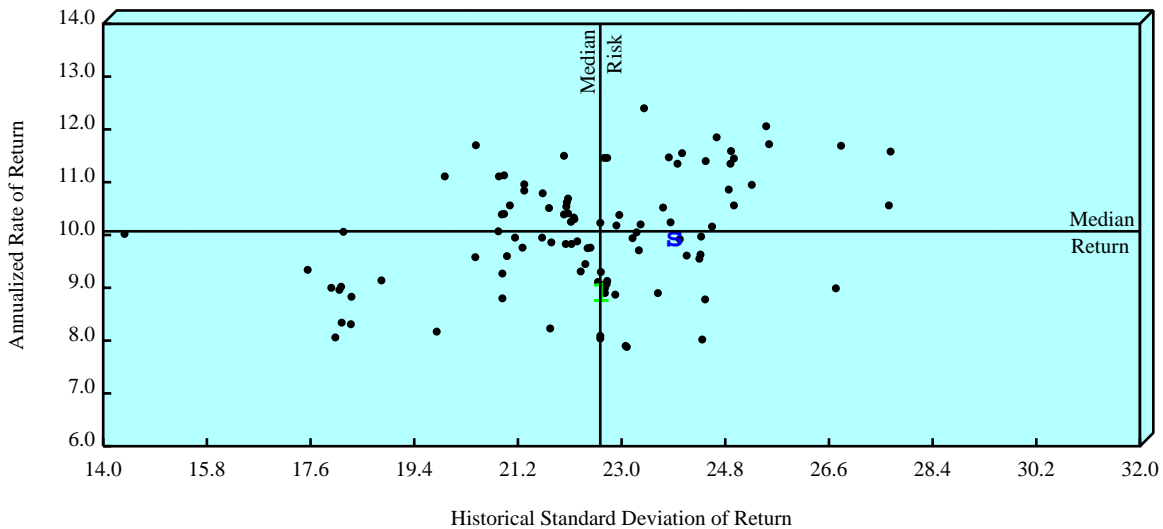
### Total Returns of Large Value Portfolios

3 Years Ending 9/30/13



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
S	Systematic Financial Management	15.54	66	20.88	99
1	Russell 1000 Value	16.25	52	16.31	58
	Median	16.28		16.17	

5 Years Ending 9/30/13



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
S	Systematic Financial Management	9.92	58	24.01	76
1	Russell 1000 Value	8.87	86	22.74	56
	Median	10.07		22.63	

City of Ft. Lauderdale Police and Fire  
Risk Measure Summary  
Systematic Financial Management  
Quarterly Periods Ending 9/30/13

Risk Measures	1 Year		3 Years		5 Years		Inception	
	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	0	0	3	3	6	6	12	12
Positive Periods	4	4	9	9	14	14	31	31
Up Market Capture	1.11		1.16		1.11		1.09	
Down Market Capture			1.46		1.06		1.03	
Batting Average	0.50		0.50		0.60		0.58	
Worst Quarter	0.25	1.53	-22.49	-16.21	-22.49	-22.17	-22.49	-22.17
Best Quarter	11.41	12.31	15.46	13.11	19.48	18.24	19.48	18.24
Worst 4 Quarters	24.82	22.33	-7.69	-1.90	-7.69	-10.62	-39.78	-42.42
Best 4 Quarters	24.82	22.33	32.62	30.90	53.17	53.57	53.17	53.57
Standard Deviation	9.58	9.63	20.88	16.31	24.01	22.74	18.96	17.86
Beta	0.95		1.25		1.03		1.03	
Alpha	0.80		-0.97		0.24		0.27	
R-Squared	0.86		0.96		0.95		0.94	
Sharpe Ratio	2.58	2.31	0.74	0.99	0.41	0.38	0.43	0.39
Treynor Ratio	26.04		12.36		9.48		8.00	
Tracking Error	4.43		5.87		5.43		4.72	
Information Ratio	0.47		0.01		0.21		0.26	

City of Ft. Lauderdale Police and Fire  
Equity Summary Statistics  
Systematic Financial Management  
Period Ending 9/13

	Portfolio	Russell 1000 Value
Total Number Of Securities	89	654
Equity Market Value	23,683,752	
Average Capitalization \$(000)	68,839,393	102,090,588
Median Capitalization \$(000)	23,821,841	6,026,226
Equity Segment Yield	2.03	2.39
Equity Segment P/E - Average	20.93	16.38
Equity Segment P/E - Median	13.88	17.71
Equity Segment Beta	1.39	1.11
Price/Book Ratio	1.14	1.34
Debt/Equity Ratio	55.29	51.95
Five Year Earnings Growth	4.04	3.51

Ten Largest Holdings	Market Value	% of Portfolio	Quarterly Ret
Hess Corp	740,531	3.13	16.69
General Elec Co	719,089	3.04	3.82
Citigroup Inc	614,622	2.60	1.14
Bank Amer Corp	587,880	2.49	7.38
Cisco Sys Inc	586,086	2.48	-2.99
PNC Financial Corp	581,411	2.46	-0.05
Metlife Inc	561,053	2.37	3.17
At&T Inc	498,845	2.11	-3.26
Chevron Corp	486,000	2.06	3.52
Chesapeake Energy Co	471,016	1.99	27.51

Ten Best Performers	Quarterly Ret	Ten Worst Performers	Quarterly Ret
Alcatel-Lucent	93.96	Hewlett Packard Co	-14.85
Nationstar Mtg Hldgs	50.19	Cbl & Assoc Pptys In	-9.76
MGM Grand Inc	38.29	Hcp Inc	-8.76
Best Buy Inc	37.84	Verizon Communicatio	-6.38
Manpower Inc	32.74	Dillards Inc	-4.40
Yahoo Inc	32.06	At&T Inc	-3.26
Groupon Inc	31.88	Cisco Sys Inc	-2.99
Celgene Corp	31.67	Regions Finl Corp	-2.53
Whirlpool Corp	28.67	Liberty Ppty Tr	-2.41
Terex Corp New	27.76	J P Morgan Chase & C	-1.38

City of Ft. Lauderdale Police and Fire  
Equity Contribution to Return  
Systematic Financial Management  
Period Ending 9/13

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Price/Book Ratio	1.14	1.34
Debt/Equity Ratio	55.29	51.95
Five Year Earnings Growth	4.04	3.51

Ten Best Contributors	Market Value	% of Portfolio	Quarterly Ret
Chesapeake Energy Co	471,016	1.99	27.51
Hess Corp	740,531	3.13	16.69
Alcatel-Lucent	113,048	0.48	93.96
Yahoo Inc	283,518	1.20	32.06
Terex Corp New	309,960	1.31	27.76
Delta Air Lines Inc	308,439	1.30	26.44
MGM Grand Inc	203,889	0.86	38.29
Freeport-McMoran Cop	334,108	1.41	21.12
Cummins Engine Inc	287,664	1.22	23.13
Nationstar Mtg Hldgs	125,112	0.53	50.19

Ten Worst Contributors	Market Value	% of Portfolio	Quarterly Ret
Hewlett Packard Co	264,873	1.12	-14.85
Verizon Communicatio	358,116	1.51	-6.38
Hcp Inc	253,890	1.07	-8.76
Cbl & Assoc Pptys In	196,253	0.83	-9.76
Cisco Sys Inc	586,086	2.48	-2.99
At&T Inc	498,845	2.11	-3.26
Liberty Ppty Tr	308,830	1.31	-2.41
Dillards Inc	150,728	0.64	-4.40
J P Morgan Chase & C	454,872	1.92	-1.38
Regions Finl Corp	197,470	0.84	-2.53

City of Ft. Lauderdale Police and Fire  
Equity Sector Attribution Analysis  
Systematic Financial Management  
Quarter Ending 9/13

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	12.97	15.06	10.74	3.36	0.96	0.01	0.97
Materials	3.79	2.66	14.88	11.64	0.12	0.09	0.21
Industrials	7.47	9.65	14.82	8.65	0.46	-0.10	0.36
Consumer Discretionary	12.06	6.23	11.28	8.15	0.38	0.25	0.62
Consumer Staples	3.58	5.95	5.94	1.98	0.14	0.05	0.19
Health Care	11.73	12.94	6.15	4.46	0.20	-0.01	0.19
Financials	30.85	29.27	2.88	2.38	0.15	-0.02	0.13
Information Technology	10.77	8.87	10.00	5.32	0.50	0.03	0.53
Telecom. Services	3.18	2.90	-4.02	-2.92	-0.03	-0.02	-0.05
Utilities	3.61	6.46	3.82	-0.08	0.14	0.11	0.26
	100.00	100.00	7.33	3.93	3.02	0.38	3.40

Index - Russell 1000 Value

Stock Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

Sector Selection Return Attribution

[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

Trading Effect 0.58%

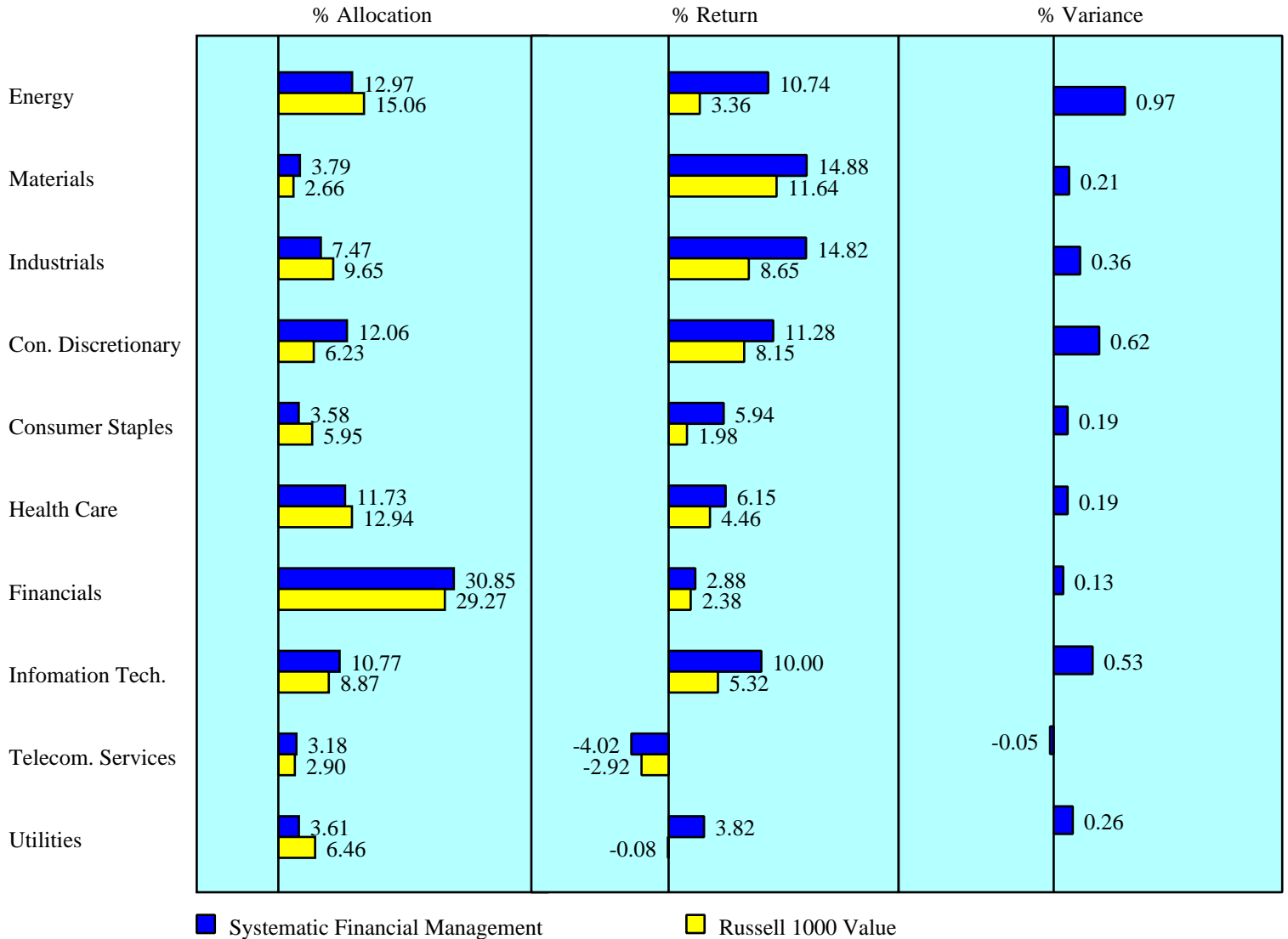
[ Actual Return 7.91% ] - [ Buy Hold Return 7.33% ]

# City of Ft. Lauderdale Police and Fire

## Equity Sector Attribution Chart

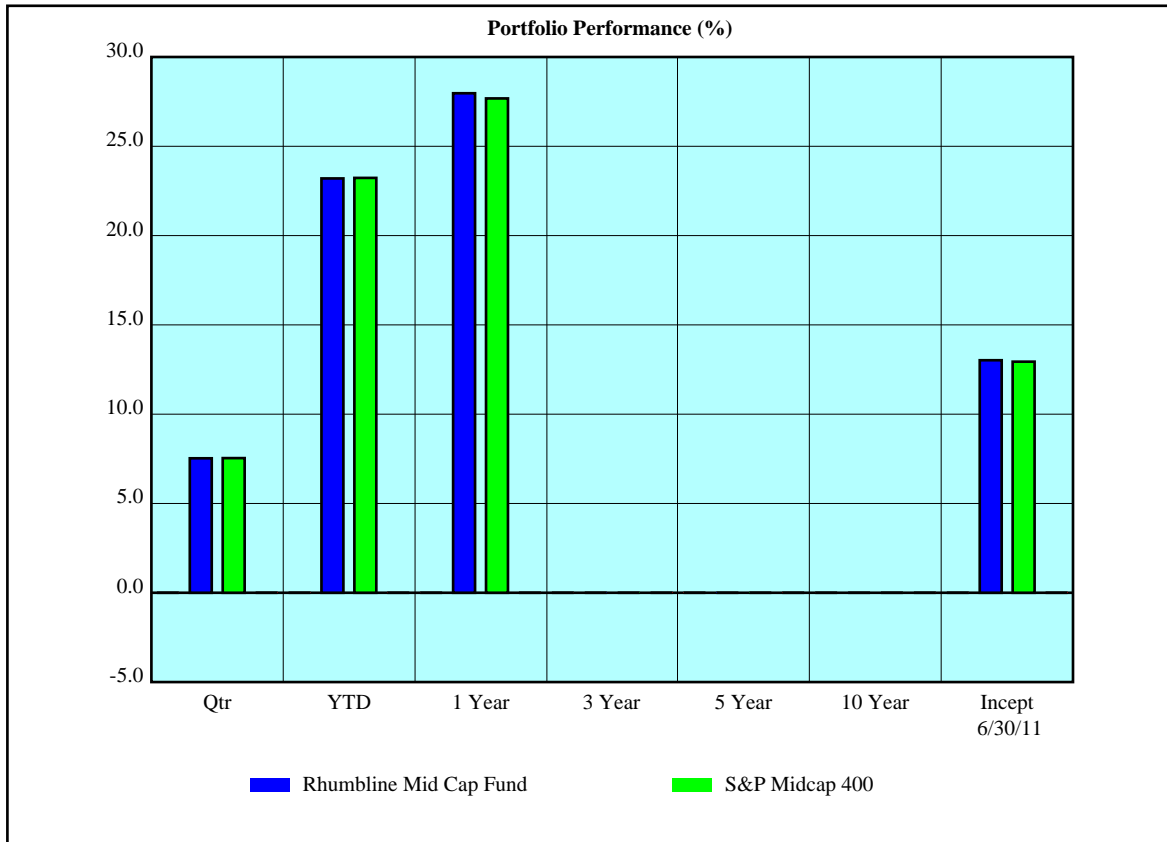
### Systematic Financial Management

### Quarter Ending 9/13



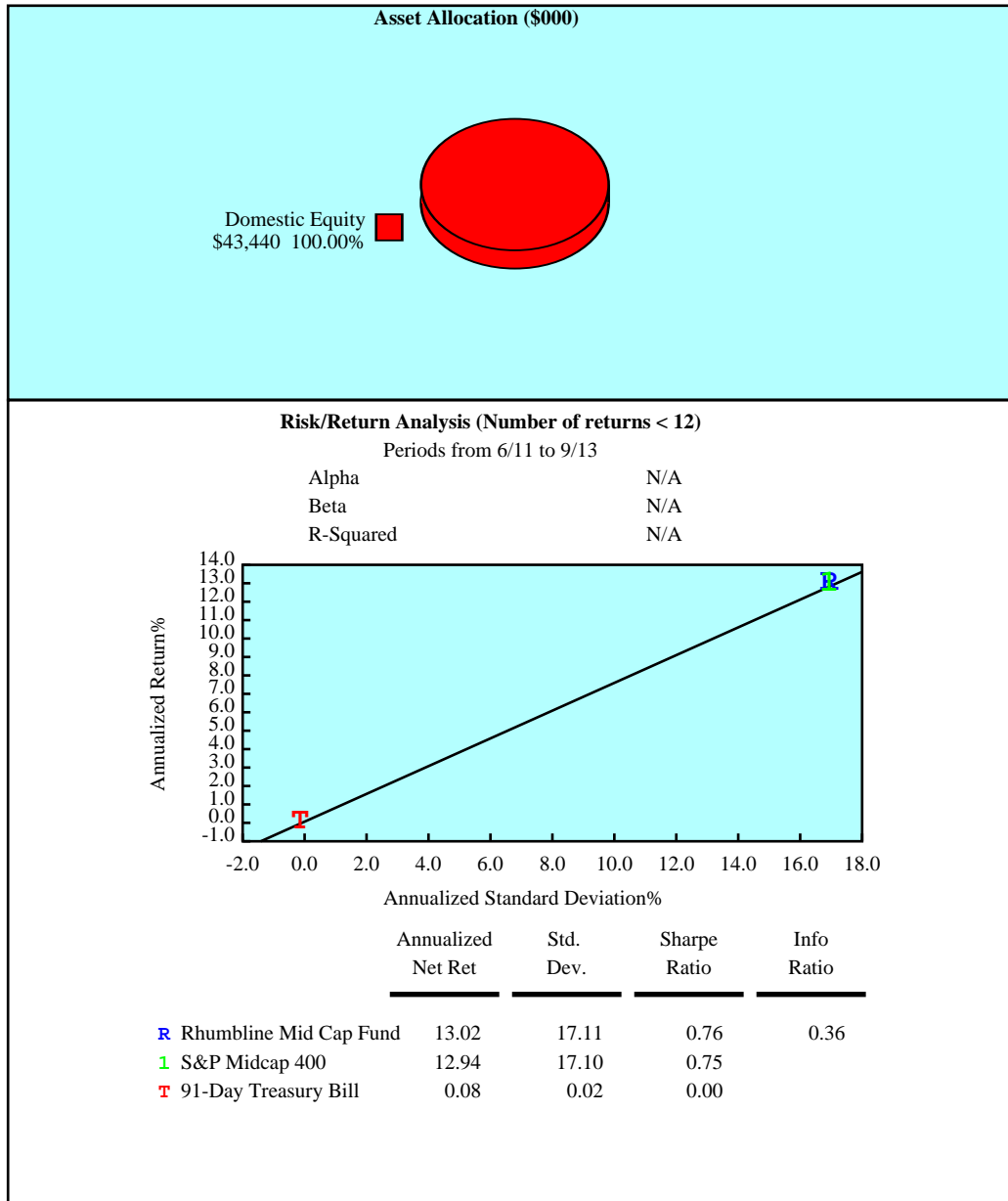


# City of Ft. Lauderdale Police and Fire Rhumbline Mid Cap Fund as of 9/30/13

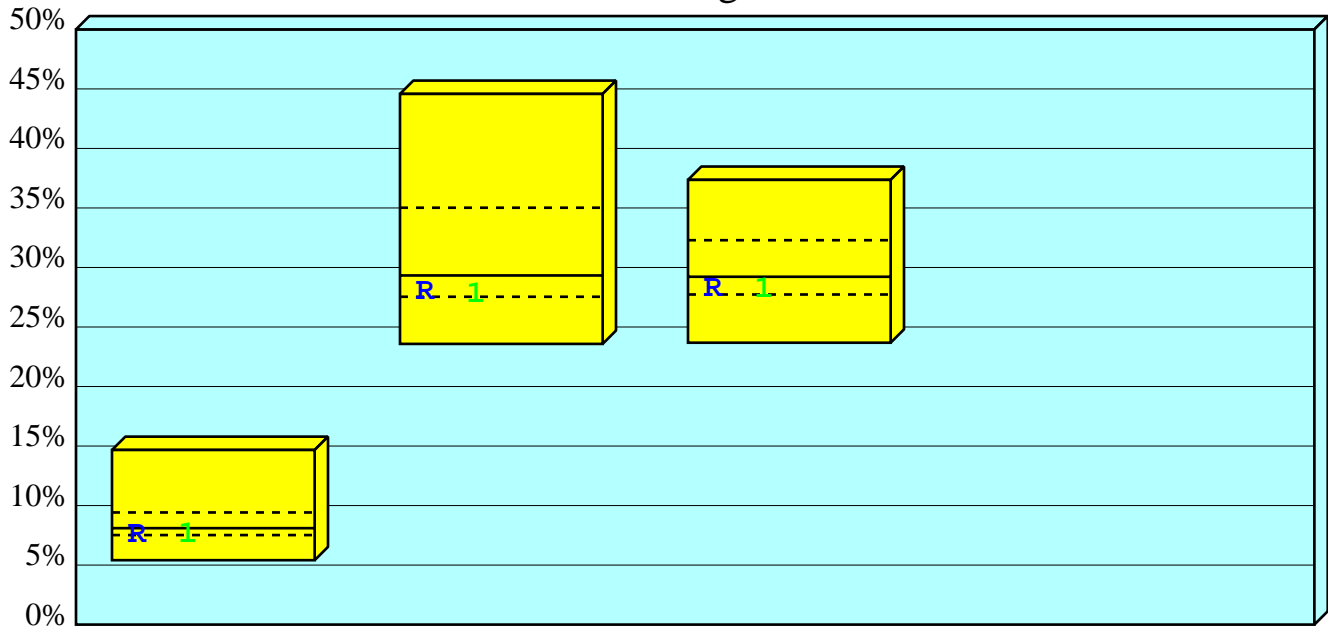


Net of Fee Returns	Qtr	YTD	1 Year	3 Year	5 Year	10 Year	Incept 6/30/11
Rhumbline Mid Cap Fund	7.53	23.20	27.97				13.02
S&P Midcap 400	7.54	23.23	27.68				12.94
<b>Asset Growth (\$000)</b>							
Beginning Market Value	40,393	29,105	16,206				13,182
Net Contributions & Withdrawals	6	6,183	18,144				20,656
Gain/Loss + Income	3,041	8,151	9,089				9,602
Ending Market Value	43,440	43,440	43,440				43,440

# City of Ft. Lauderdale Police and Fire Rhumblin Mid Cap Fund as of 9/30/13



City of Ft. Lauderdale Police and Fire  
Midcap Neutral Cumulative Performance Comparisons  
Total Returns of Equity Portfolios  
Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years
High	14.67	44.58	37.36
1st Qt	9.42	35.02	32.29
Median	8.10	29.33	29.22
3rd Qt	7.52	27.54	27.73
Low	5.41	23.58	23.68

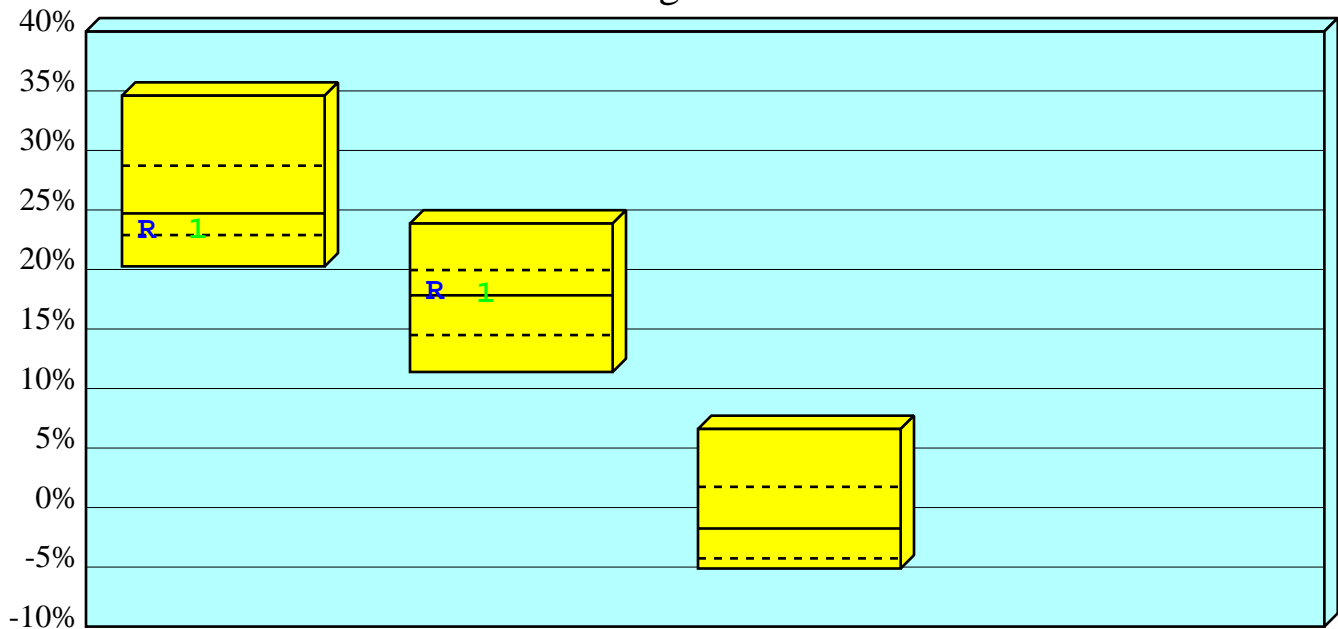
**R** Rhumbline Mid Cap Fund

Net Ret	7.53	27.97	28.21
Rank	73	59	57

**1** S&P Midcap 400

Net Ret	7.54	27.68	28.11
Rank	73	72	64

City of Ft. Lauderdale Police and Fire  
Midcap Neutral Consecutive Performance Comparisons  
Total Returns of Equity Portfolios  
Years Ending December



	9/30/13 YTD	2012	2011
High	34.60	23.86	6.60
1st Qt	28.72	19.95	1.74
Median	24.71	17.83	-1.76
3rd Qt	22.89	14.49	-4.27
Low	20.26	11.39	-5.12

**R** Rhumblin Mid Cap Fund

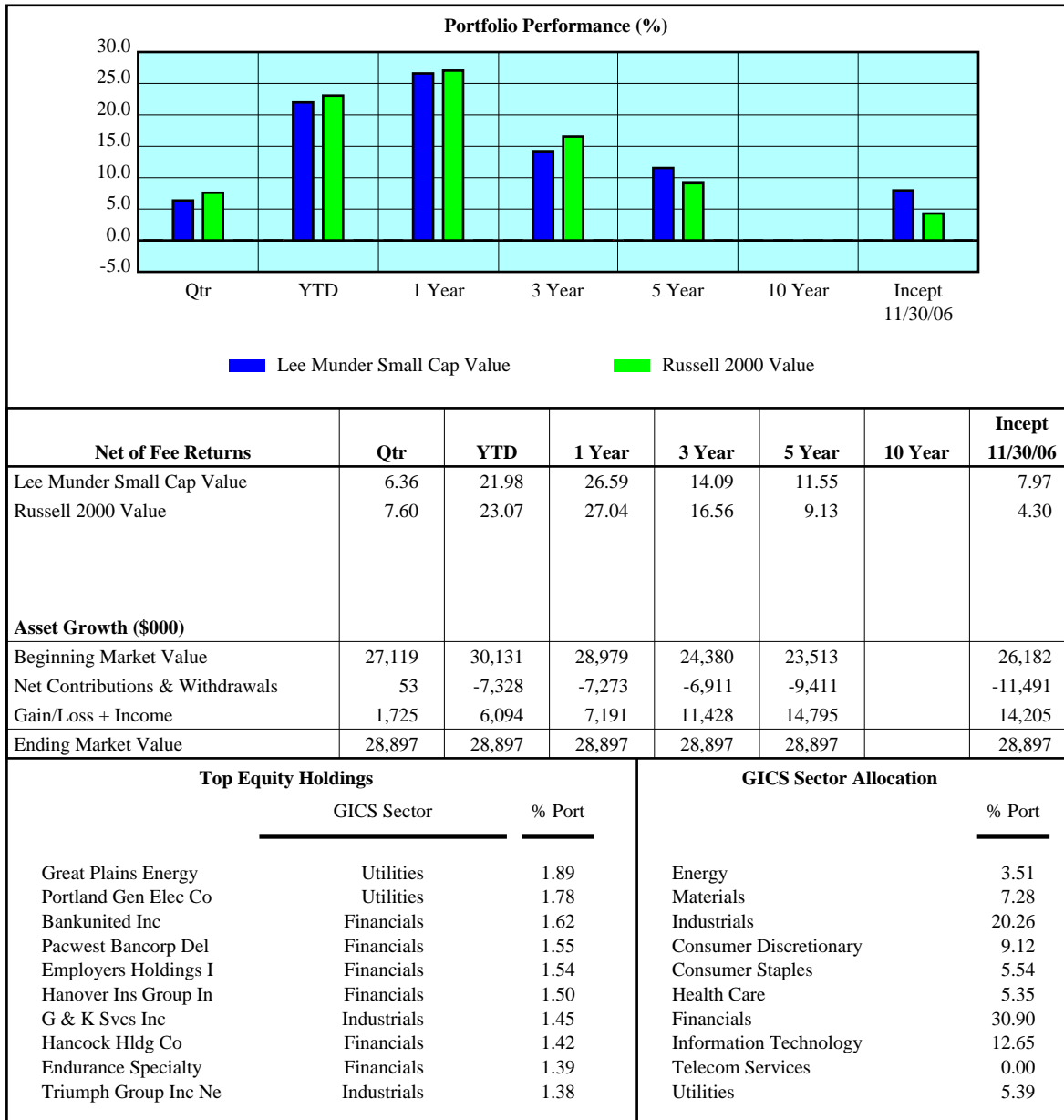
Net Ret	23.20	18.14
Rank	68	38

**1** S&P Midcap 400

Net Ret	23.23	17.88
Rank	65	46

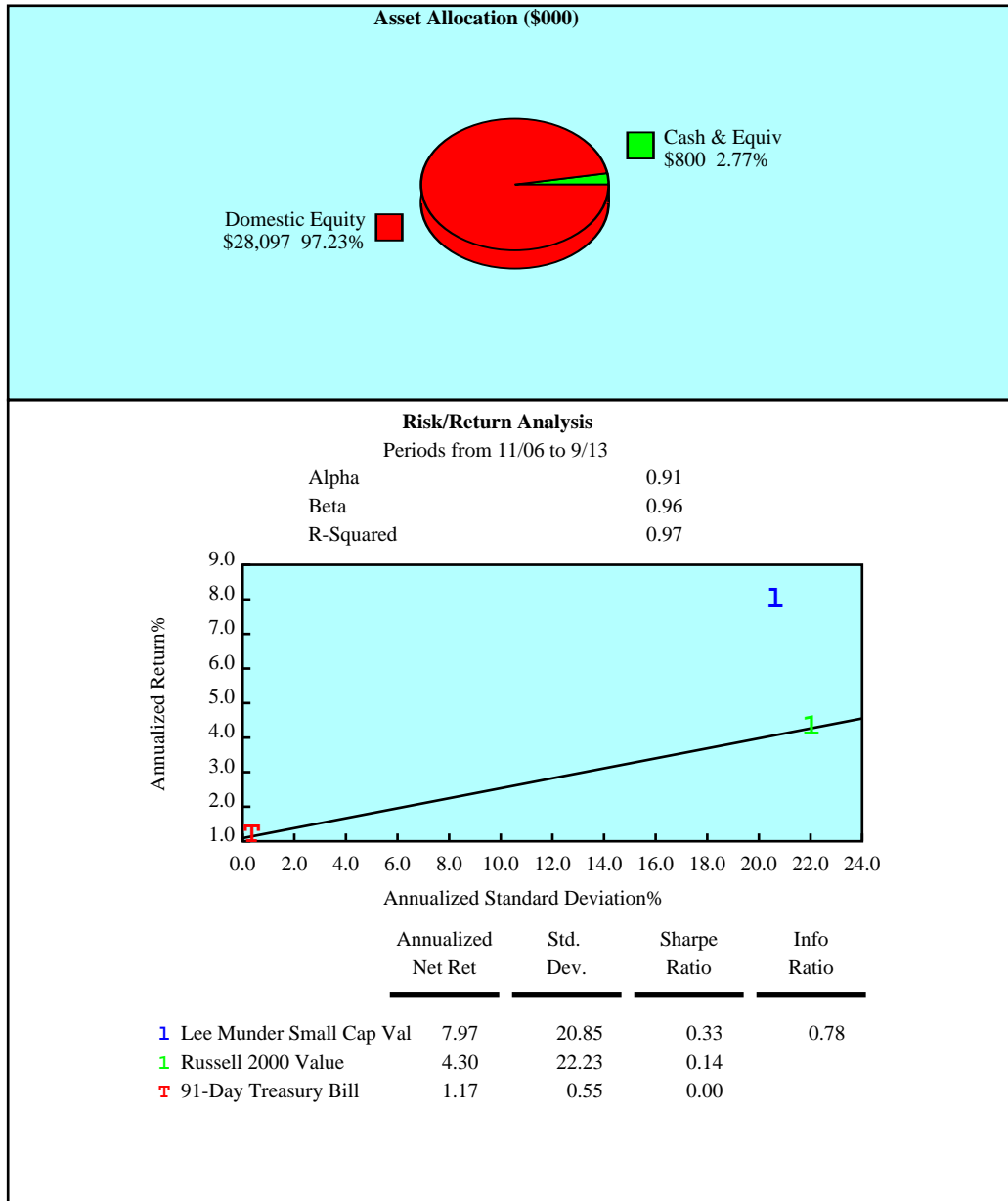
# City of Ft. Lauderdale Police and Fire

## Lee Munder Small Cap Value as of 9/30/13



# City of Ft. Lauderdale Police and Fire

## Lee Munder Small Cap Value as of 9/30/13

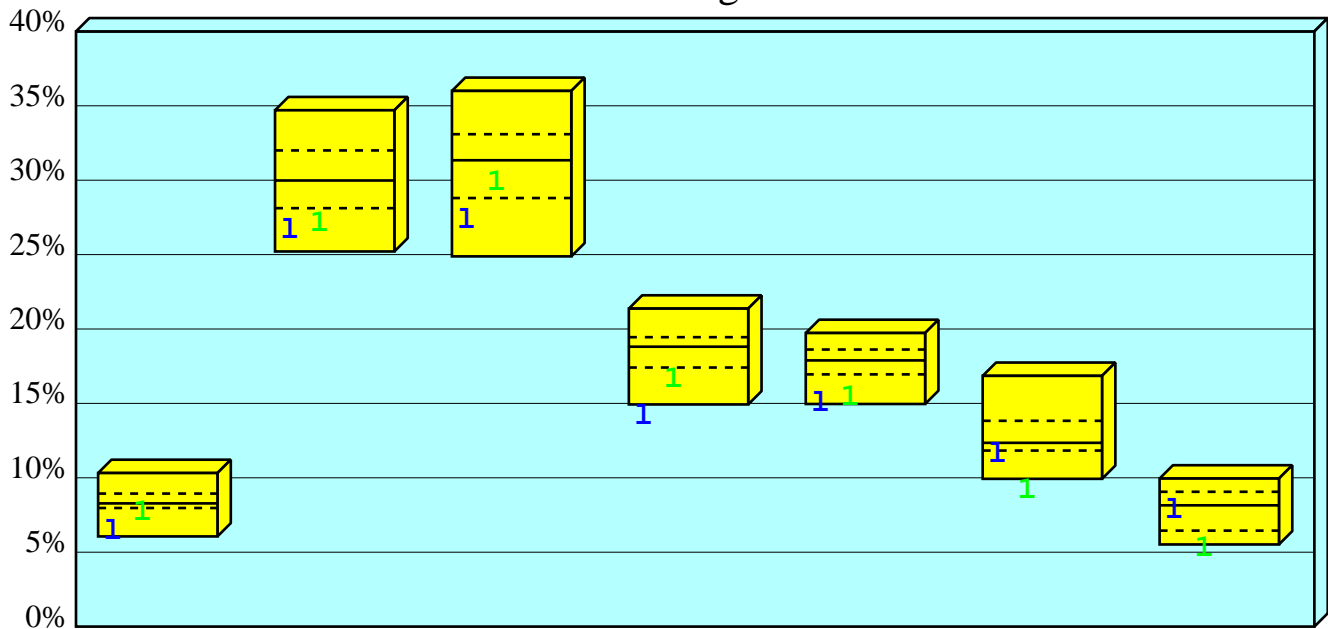


# City of Ft. Lauderdale Police and Fire

## Small Value Cumulative Performance Comparisons

### Total Returns of Equity Portfolios

#### Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years
High	10.32	34.70	36.00	21.37	19.73	16.85	9.95
1st Qt	8.94	32.00	33.09	19.45	18.62	13.83	9.06
Median	8.28	29.98	31.34	18.81	17.89	12.35	8.15
3rd Qt	7.97	28.12	28.80	17.41	16.95	11.83	6.45
Low	6.06	25.21	24.88	14.93	14.96	9.93	5.52

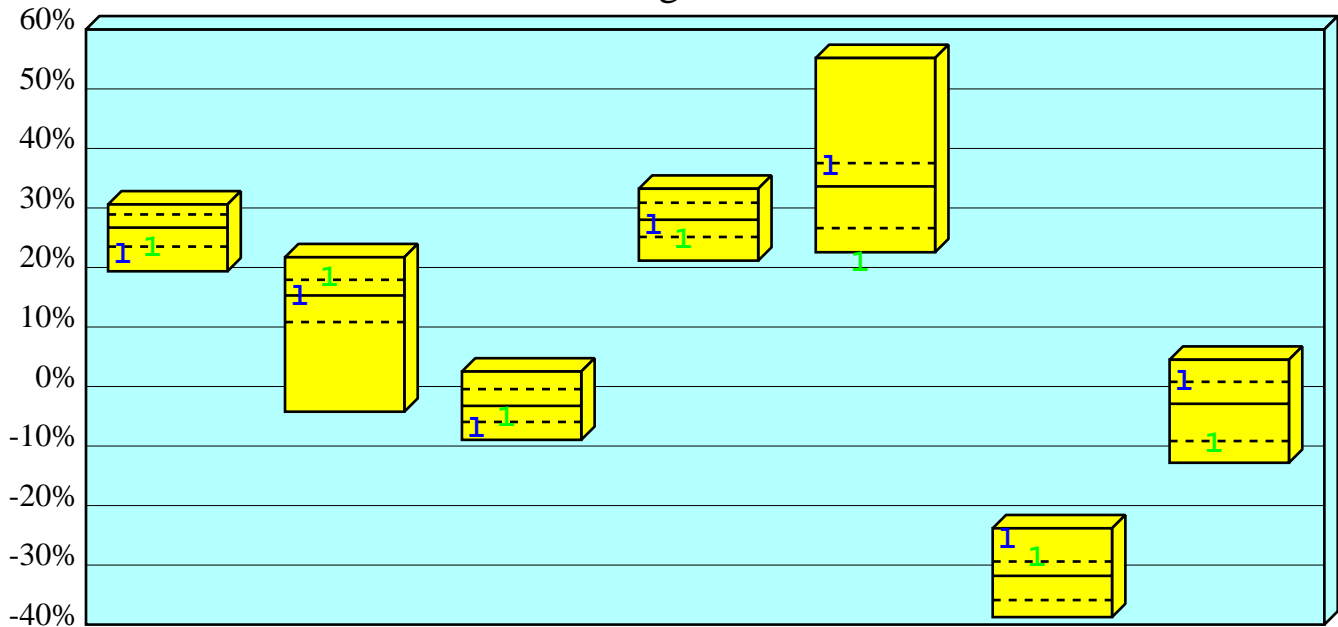
#### 1 Lee Munder Small Cap Value

Net Ret	6.36	26.59	27.24	14.09	14.96	11.55	7.76
Rank	94	89	88	99	95	84	53

#### 1 Russell 2000 Value

Net Ret	7.60	27.04	29.80	16.56	15.37	9.13	5.24
Rank	80	83	68	84	89	97	97

City of Ft. Lauderdale Police and Fire  
Small Value Consecutive Performance Comparisons  
Total Returns of Equity Portfolios  
Years Ending December



	9/30/13	2012	2011	2010	2009	2008	2007
	YTD						
High	30.59	21.72	2.52	33.23	55.19	-23.82	4.50
1st Qt	28.91	17.93	-0.44	30.88	37.53	-29.40	0.79
Median	26.70	15.30	-3.25	28.02	33.62	-31.81	-2.90
3rd Qt	23.51	10.83	-5.95	25.13	26.61	-35.88	-9.16
Low	19.36	-4.23	-8.96	21.15	22.56	-38.74	-12.81

**1** Lee Munder Small Cap Value

Net Ret	21.98	14.88	-7.26	26.73	36.72	-26.01	0.66
Rank	92	53	85	63	29	17	28

**1** Russell 2000 Value

Net Ret	23.07	18.05	-5.50	24.51	20.57	-28.92	-9.77
Rank	80	23	71	82	96	21	78

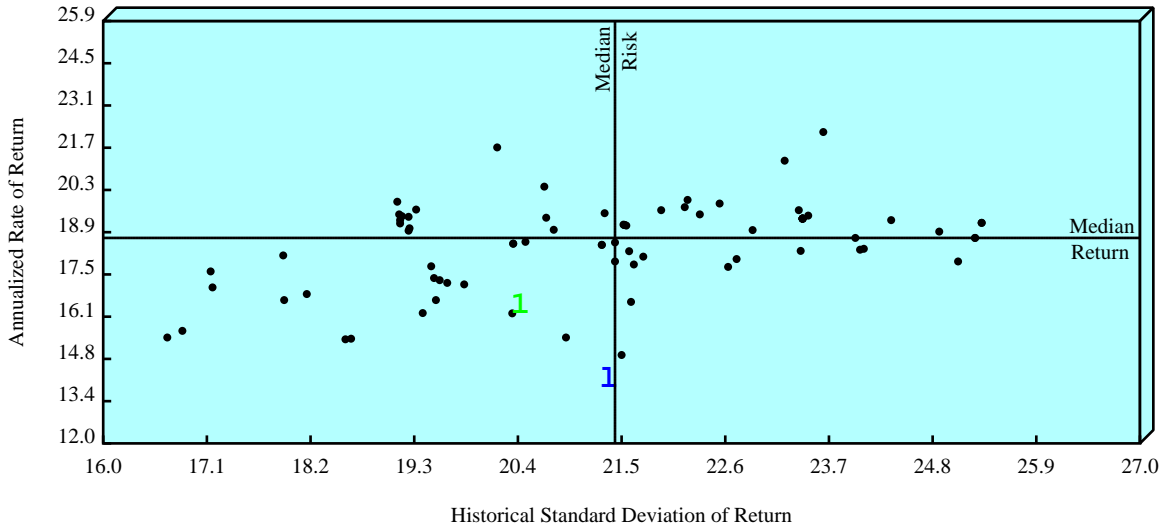


# City of Ft. Lauderdale Police and Fire

## Return vs Risk

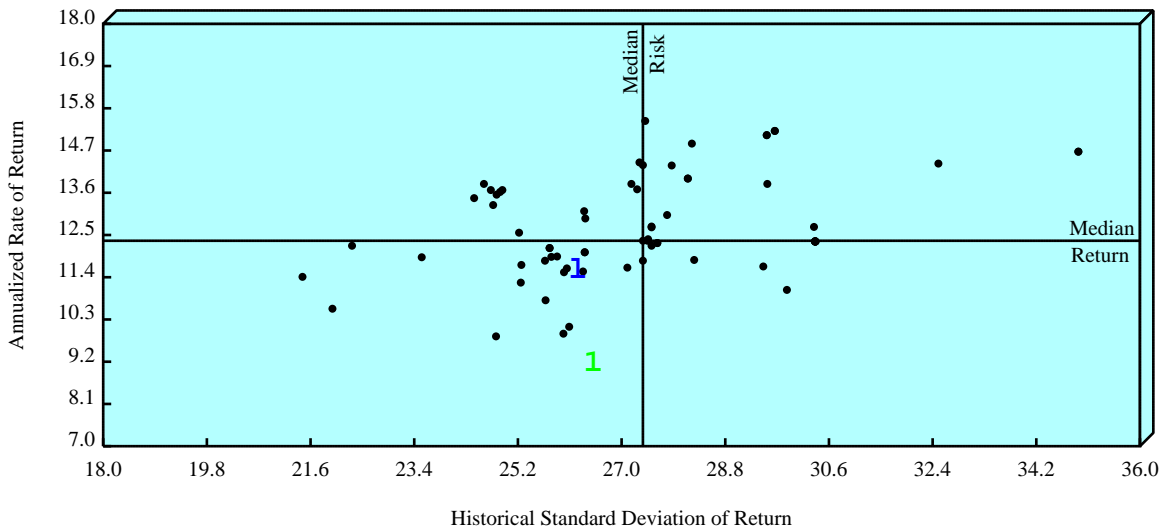
### Total Returns of Small Value Portfolios

3 Years Ending 9/30/13



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
1	Lee Munder Small Cap Value	14.09	99	21.42	50
1	Russell 2000 Value	16.56	84	20.48	40
	Median	18.81		21.43	

5 Years Ending 9/30/13



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
1	Lee Munder Small Cap Value	11.55	84	26.33	38
1	Russell 2000 Value	9.13	97	26.60	44
	Median	12.35		27.37	

City of Ft. Lauderdale Police and Fire  
Risk Measure Summary  
Lee Munder Small Cap Value  
Quarterly Periods Ending 9/30/13

Risk Measures	1 Year		3 Years		5 Years		Inception	
	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	0	0	3	3	6	6	10	10
Positive Periods	4	4	9	9	14	14	17	17
Up Market Capture	0.98		0.96		1.04		1.09	
Down Market Capture			1.10		0.95		0.91	
Batting Average	0.50		0.33		0.50		0.56	
Worst Quarter	1.79	2.47	-22.42	-21.47	-23.28	-24.89	-23.28	-24.89
Best Quarter	12.67	11.63	15.54	15.97	22.56	22.70	22.56	22.70
Worst 4 Quarters	26.59	27.04	-8.27	-6.00	-8.27	-12.62	-33.86	-38.89
Best 4 Quarters	26.59	27.04	27.88	32.63	73.81	65.05	73.81	65.05
Standard Deviation	9.46	8.50	21.42	20.48	26.33	26.60	23.29	23.69
Beta	1.05		1.03		0.98		0.96	
Alpha	-0.37		-0.64		0.60		0.91	
R-Squared	0.97		0.98		0.97		0.97	
Sharpe Ratio	2.80	3.17	0.65	0.80	0.43	0.34	0.29	0.13
Treynor Ratio	25.32		13.56		11.66		7.09	
Tracking Error	2.12		3.28		4.46		4.36	
Information Ratio	-0.15		-0.63		0.46		0.78	

City of Ft. Lauderdale Police and Fire  
Equity Summary Statistics  
Lee Munder Small Cap Value  
Period Ending 9/13

	Portfolio	Russell 2000 Value
Total Number Of Securities	117	1,376
Equity Market Value	28,096,519	
Average Capitalization \$(000)	2,411,027	1,397,886
Median Capitalization \$(000)	1,945,181	552,000
Equity Segment Yield	1.57	2.00
Equity Segment P/E - Average	24.53	32.37
Equity Segment P/E - Median	20.67	14.79
Equity Segment Beta	1.19	1.30
Price/Book Ratio	1.69	1.41
Debt/Equity Ratio	54.93	50.11
Five Year Earnings Growth	3.16	4.31

Ten Largest Holdings	Market Value	% of Portfolio	Quarterly Ret
Great Plains Energy	531,690	1.89	-0.54
Portland Gen Elec Co	499,417	1.78	-6.83
Bankunited Inc	453,970	1.62	21.68
Pacwest Bancorp Del	435,204	1.55	12.92
Employers Holdings I	431,349	1.54	21.91
Hanover Ins Group In	421,760	1.50	13.80
G & K Svcs Inc	406,727	1.45	27.49
Hancock Hldg Co	397,271	1.42	5.15
Endurance Specialty	390,759	1.39	5.07
Triumph Group Inc Ne	388,387	1.38	-11.23

Ten Best Performers	Quarterly Ret	Ten Worst Performers	Quarterly Ret
Goodrich Pete Corp	89.77	American Eagle Outfi	-22.70
Scientific Games Cor	43.73	Ixia	-14.84
Towers Watson & Co	30.53	Orion Marine Group I	-13.90
Kaydon Corp	29.65	Proassurance Corp	-13.14
Belden Cdt Inc	28.38	Diebold Inc	-12.01
Terex Corp New	27.76	Triumph Group Inc Ne	-11.23
G & K Svcs Inc	27.49	Ofg Bancorp	-10.28
Arctic Cat Inc	27.07	Regis Corp Minn	-10.27
Curtiss Wright Corp	26.71	Education Rlty Tr In	-10.06
Eagle Bancorp Inc Md	26.41	Cbl & Assoc Pptys In	-9.76

City of Ft. Lauderdale Police and Fire  
Equity Contribution to Return  
Lee Munder Small Cap Value  
Period Ending 9/13

	Portfolio	Russell 2000 Value
Total Number Of Securities	117	1,376
Equity Market Value	28,096,519	
Average Capitalization \$(000)	2,411,027	1,397,886
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Price/Book Ratio	1.69	1.41
Debt/Equity Ratio	54.93	50.11
Five Year Earnings Growth	3.16	4.31

Ten Best Contributors	Market Value	% of Portfolio	Quarterly Ret
Goodrich Pete Corp	179,819	0.64	89.77
G & K Svcs Inc	406,727	1.45	27.49
Bankunited Inc	453,970	1.62	21.68
Employers Holdings I	431,349	1.54	21.91
Belden Cdt Inc	328,192	1.17	28.38
Kar Auction Svcs Inc	370,651	1.32	24.18
Curtiss Wright Corp	302,610	1.08	26.71
Towers Watson & Co	260,662	0.93	30.53
Scientific Games Cor	181,444	0.65	43.73
Eagle Bancorp Inc Md	281,853	1.00	26.41

Ten Worst Contributors	Market Value	% of Portfolio	Quarterly Ret
American Eagle Outfi	274,372	0.98	-22.70
Triumph Group Inc Ne	388,387	1.38	-11.23
Proassurance Corp	289,420	1.03	-13.14
Portland Gen Elec Co	499,417	1.78	-6.83
Ixia	218,440	0.78	-14.84
Diebold Inc	193,159	0.69	-12.01
Orion Marine Group I	150,206	0.54	-13.90
Education Rlty Tr In	198,389	0.71	-10.06
Mid-Amer Apt Cmnty	285,813	1.02	-6.83
Mfa Mtg Invts Inc	299,483	1.07	-6.03

City of Ft. Lauderdale Police and Fire  
Equity Sector Attribution Analysis  
Lee Munder Small Cap Value  
Quarter Ending 9/13

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	2.91	7.06	18.36	11.49	0.20	-0.16	0.04
Materials	9.15	4.79	5.16	8.45	-0.30	0.04	-0.27
Industrials	18.86	13.06	13.41	11.37	0.38	0.22	0.60
Consumer Discretionary	9.67	10.87	3.91	8.53	-0.45	-0.01	-0.46
Consumer Staples	5.75	2.73	5.21	9.58	-0.25	0.06	-0.19
Health Care	5.03	4.36	13.08	12.48	0.03	0.03	0.06
Financials	31.67	39.44	4.40	4.78	-0.12	0.22	0.10
Information Technology	10.82	10.58	6.34	11.54	-0.56	0.01	-0.55
Telecom. Services	0.00	0.66		5.93	0.00	0.01	0.01
Utilities	6.14	6.44	-2.36	0.80	-0.19	0.02	-0.17
	100.00	100.00	6.80	7.63	-1.26	0.44	-0.83

Index - Russell 2000 Value

Stock Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

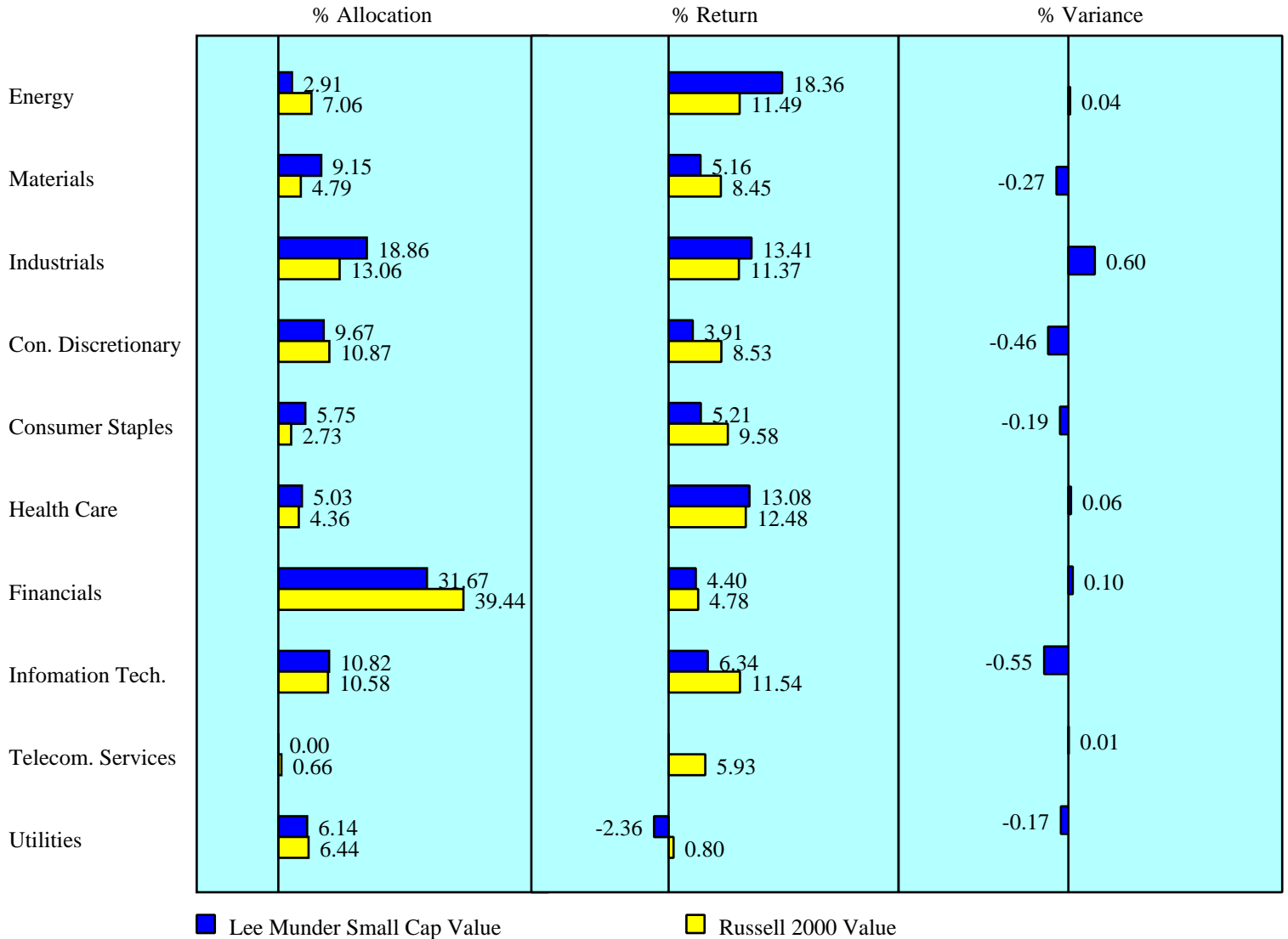
Sector Selection Return Attribution

[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

Trading Effect -0.03%

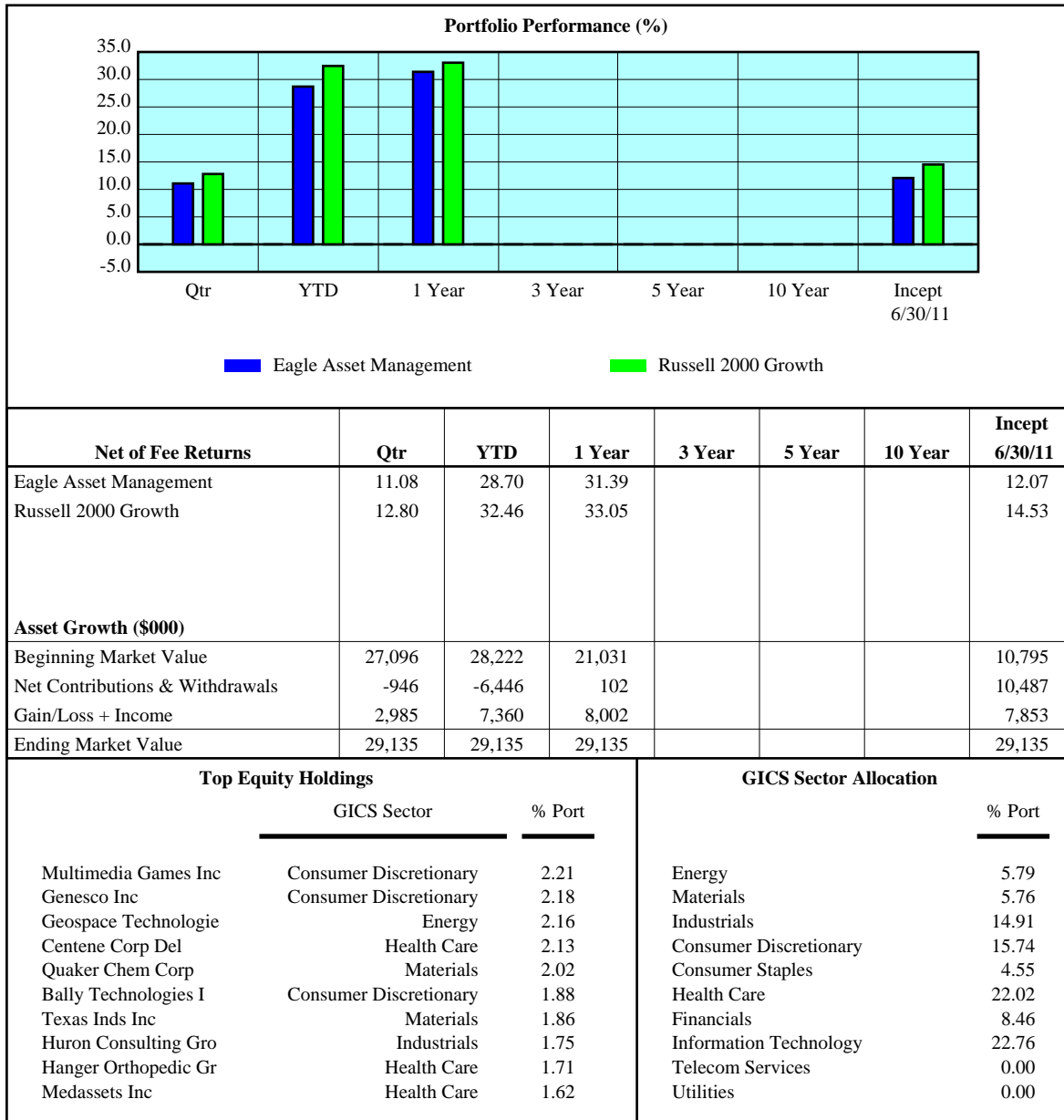
[ Actual Return 6.78% ] - [ Buy Hold Return 6.80% ]

City of Ft. Lauderdale Police and Fire  
Equity Sector Attribution Chart  
Lee Munder Small Cap Value  
Quarter Ending 9/13

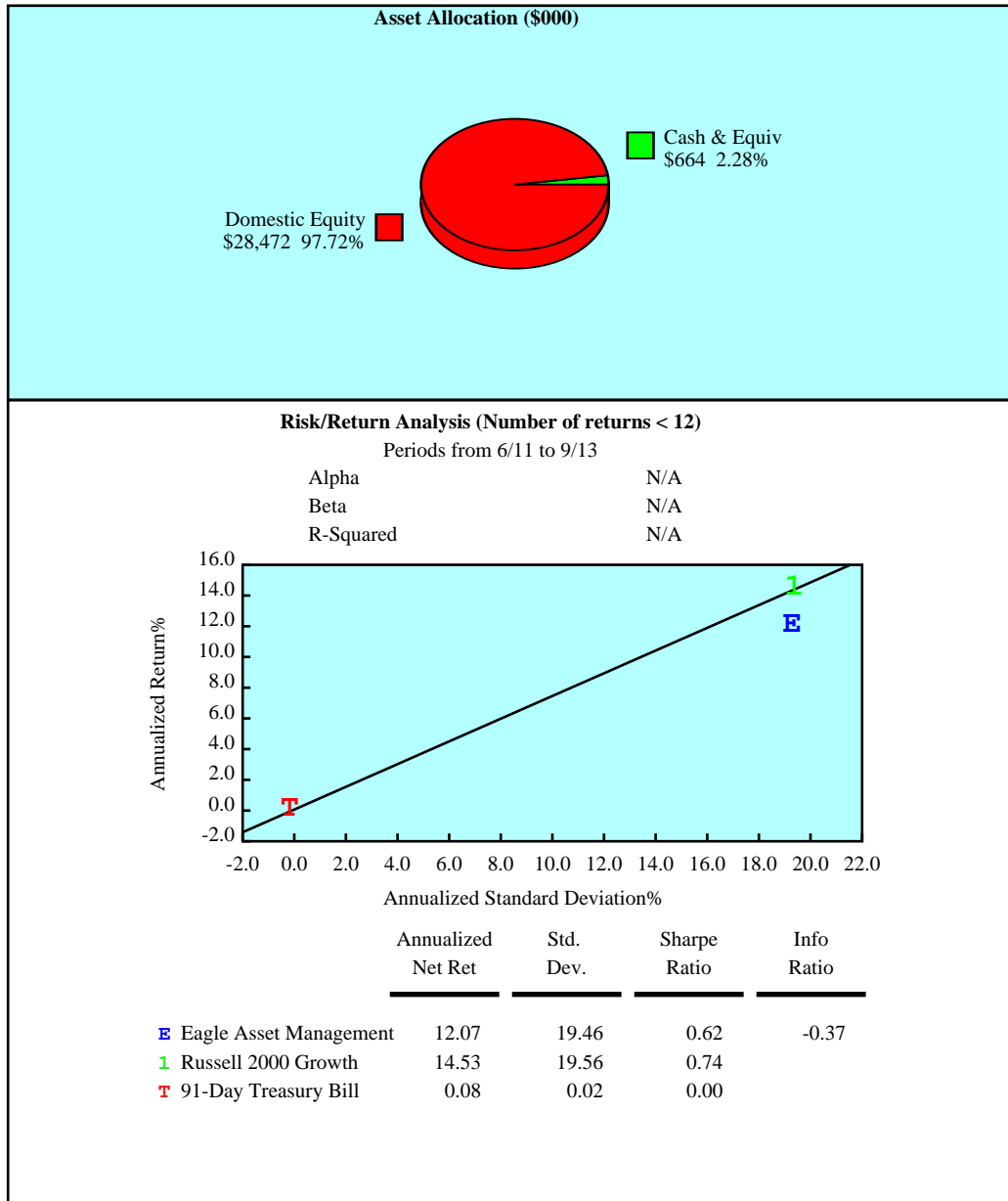


# City of Ft. Lauderdale Police and Fire

## Eagle Asset Management as of 9/30/13

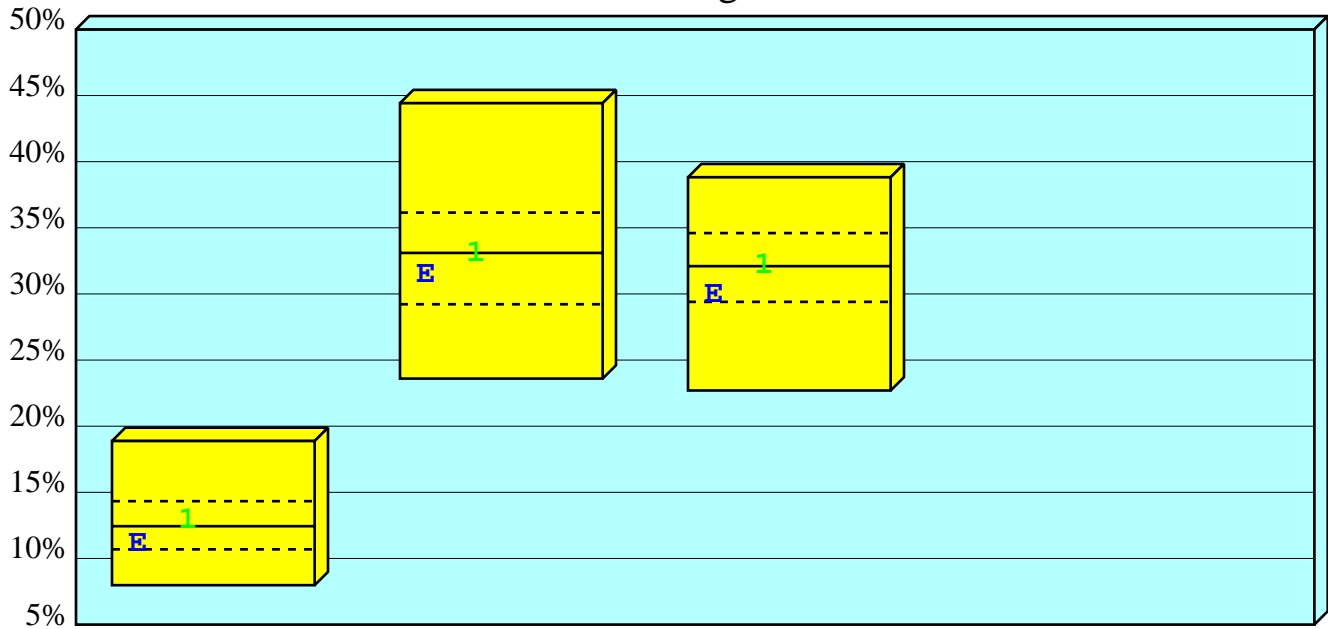


# City of Ft. Lauderdale Police and Fire Eagle Asset Management as of 9/30/13





City of Ft. Lauderdale Police and Fire  
Small Growth Cumulative Performance Comparisons  
Total Returns of Equity Portfolios  
Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years
High	18.88	44.42	38.82
1st Qt	14.33	36.15	34.60
Median	12.44	33.10	32.10
3rd Qt	10.69	29.22	29.40
Low	7.98	23.60	22.70

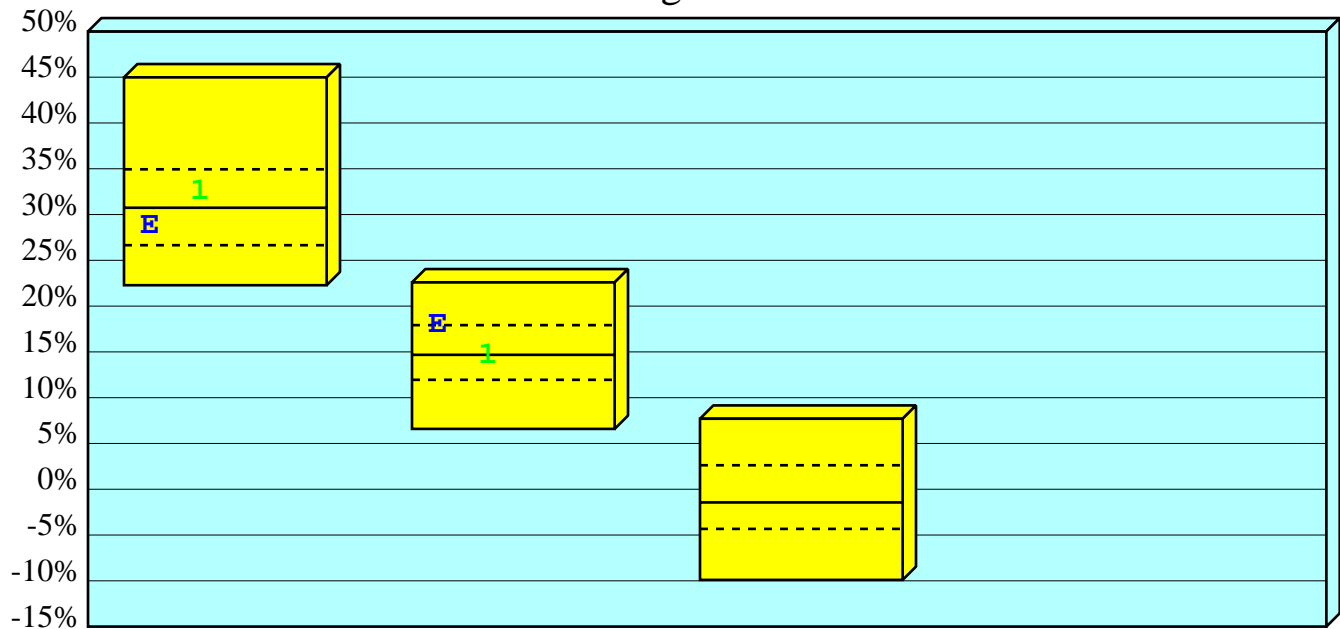
**E** Eagle Asset Management

Net Ret	11.08	31.39	29.90
Rank	68	62	70

**1** Russell 2000 Growth

Net Ret	12.80	33.05	32.11
Rank	43	50	49

City of Ft. Lauderdale Police and Fire  
Small Growth Consecutive Performance Comparisons  
Total Returns of Equity Portfolios  
Years Ending December



	9/30/13 YTD	2012	2011
High	44.98	22.59	7.70
1st Qt	34.94	17.92	2.62
Median	30.74	14.68	-1.44
3rd Qt	26.65	11.95	-4.33
Low	22.28	6.59	-9.90

**E** Eagle Asset Management

Net Ret	28.70	17.98
Rank	62	24

**1** Russell 2000 Growth

Net Ret	32.46	14.59
Rank	38	52

City of Ft. Lauderdale Police and Fire  
Equity Summary Statistics  
Eagle Asset Management  
Period Ending 9/13

	Portfolio	Russell 2000 Growth
Total Number Of Securities	95	1,149
Equity Market Value	28,471,543	
Average Capitalization \$(000)	2,099,306	1,844,680
Median Capitalization \$(000)	1,719,373	820,422
Equity Segment Yield	0.43	0.59
Equity Segment P/E - Average	50.67	61.90
Equity Segment P/E - Median	22.95	18.43
Equity Segment Beta	1.38	1.27
Price/Book Ratio	3.11	3.86
Debt/Equity Ratio	31.70	35.40
Five Year Earnings Growth	6.52	9.72

Ten Largest Holdings	Market Value	% of Portfolio	Quarterly Ret
Multimedia Games Inc	628,534	2.21	32.53
Genesco Inc	621,633	2.18	-2.10
Geospace Technologie	615,390	2.16	22.03
Centene Corp Del	606,980	2.13	21.92
Quaker Chem Corp	575,050	2.02	18.25
Bally Technologies I	535,478	1.88	27.72
Texas Inds Inc	528,623	1.86	1.80
Huron Consulting Gro	497,901	1.75	13.78
Hanger Orthopedic Gr	487,596	1.71	6.73
Medassets Inc	461,576	1.62	43.29

Ten Best Performers	Quarterly Ret	Ten Worst Performers	Quarterly Ret
Tangoe Inc	54.63	Homeaway Inc	-13.42
Trulia Inc	51.27	Pantry Inc	-9.03
Medassets Inc	43.29	Ezchip Semiconductor	-8.71
Boston Beer Inc	43.11	Team Health Holdings	-7.62
Hff Inc	40.97	Imperva Inc	-6.71
Seattle Genetics Inc	39.32	Home Ln Servicing So	-6.39
Cognex Corp	38.70	Chuys Hldgs Inc	-6.39
Gulfport Energy Corp	36.69	Teradyne Inc	-5.98
Aegerion Pharmaceuti	35.32	Fusion-Io Inc	-5.97
Finisar Corp	33.51	Manning & Napier Inc	-5.21

City of Ft. Lauderdale Police and Fire  
Equity Contribution to Return  
Eagle Asset Management  
Period Ending 9/13

	Portfolio	Russell 2000 Growth
Total Number Of Securities	95	1,149
Equity Market Value	28,471,543	
Average Capitalization \$(000)	2,099,306	1,844,680
Median Capitalization \$(000)	1,719,373	820,422
Equity Segment Yield	0.43	0.59
Equity Segment P/E - Average	50.67	61.90
Equity Segment P/E - Median	22.95	18.43
Equity Segment Beta	1.38	1.27
Price/Book Ratio	3.11	3.86
Debt/Equity Ratio	31.70	35.40
Five Year Earnings Growth	6.52	9.72

Ten Best Contributors	Market Value	% of Portfolio	Quarterly Ret
Tangoe Inc	399,297	1.40	54.63
Multimedia Games Inc	628,534	2.21	32.53
Medassets Inc	461,576	1.62	43.29
Gulfport Energy Corp	455,463	1.60	36.69
Cognex Corp	384,191	1.35	38.70
Bally Technologies I	535,478	1.88	27.72
Geospace Technologie	615,390	2.16	22.03
Centene Corp Del	606,980	2.13	21.92
Boston Beer Inc	295,983	1.04	43.11
Trulia Inc	243,615	0.86	51.27

Ten Worst Contributors	Market Value	% of Portfolio	Quarterly Ret
Homeaway Inc	194,740	0.68	-13.42
Pantry Inc	221,434	0.78	-9.03
Team Health Holdings	237,163	0.83	-7.62
Chuys Hldgs Inc	282,490	0.99	-6.39
Home Ln Servicing So	265,947	0.93	-6.39
Imperva Inc	238,337	0.84	-6.71
Fresh Mkt Inc	299,425	1.05	-4.85
Genesco Inc	621,633	2.18	-2.10
Teradyne Inc	206,517	0.73	-5.98
Vitamin Shoppe Inc	461,388	1.62	-2.43

City of Ft. Lauderdale Police and Fire  
Equity Sector Attribution Analysis  
Eagle Asset Management  
Quarter Ending 9/13

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	4.52	4.11	25.90	16.72	0.42	0.02	0.43
Materials	5.59	5.09	12.24	11.53	0.04	-0.01	0.03
Industrials	15.30	15.46	10.64	12.59	-0.30	0.00	-0.30
Consumer Discretionary	16.76	17.66	7.79	7.43	0.06	0.05	0.11
Consumer Staples	4.03	4.99	5.57	14.61	-0.36	-0.02	-0.38
Health Care	21.15	20.14	9.23	15.62	-1.35	0.03	-1.32
Financials	10.11	7.44	8.45	8.56	-0.01	-0.12	-0.13
Information Technology	22.54	24.13	17.02	15.44	0.35	-0.04	0.31
Telecom. Services	0.00	0.86		14.08	0.00	-0.01	-0.01
Utilities	0.00	0.13		2.32	0.00	0.01	0.01
	100.00	100.00	11.65	12.89	-1.16	-0.08	-1.24

Index - Russell 2000 Growth

Stock Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

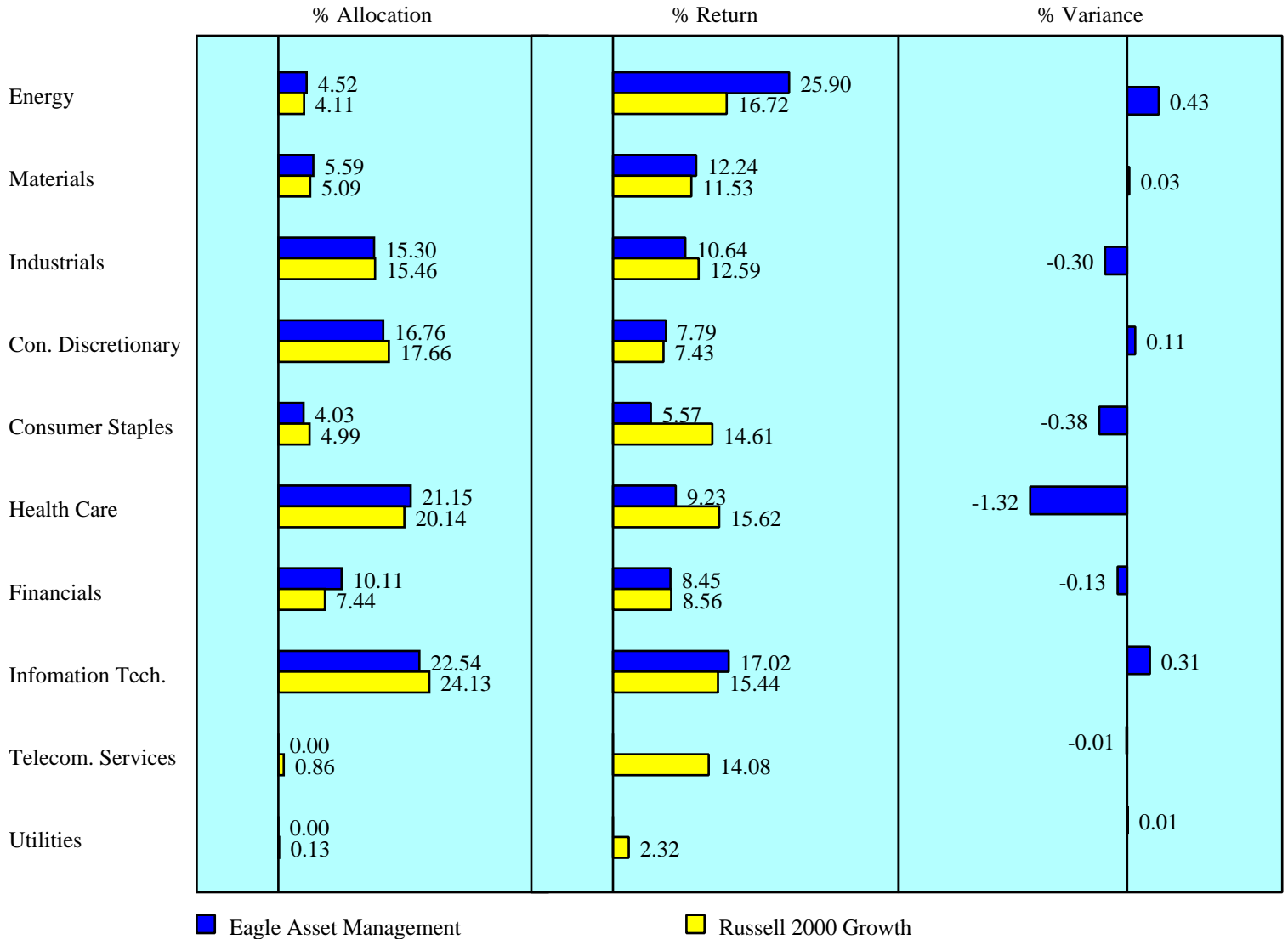
Sector Selection Return Attribution

[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

Trading Effect -0.26%

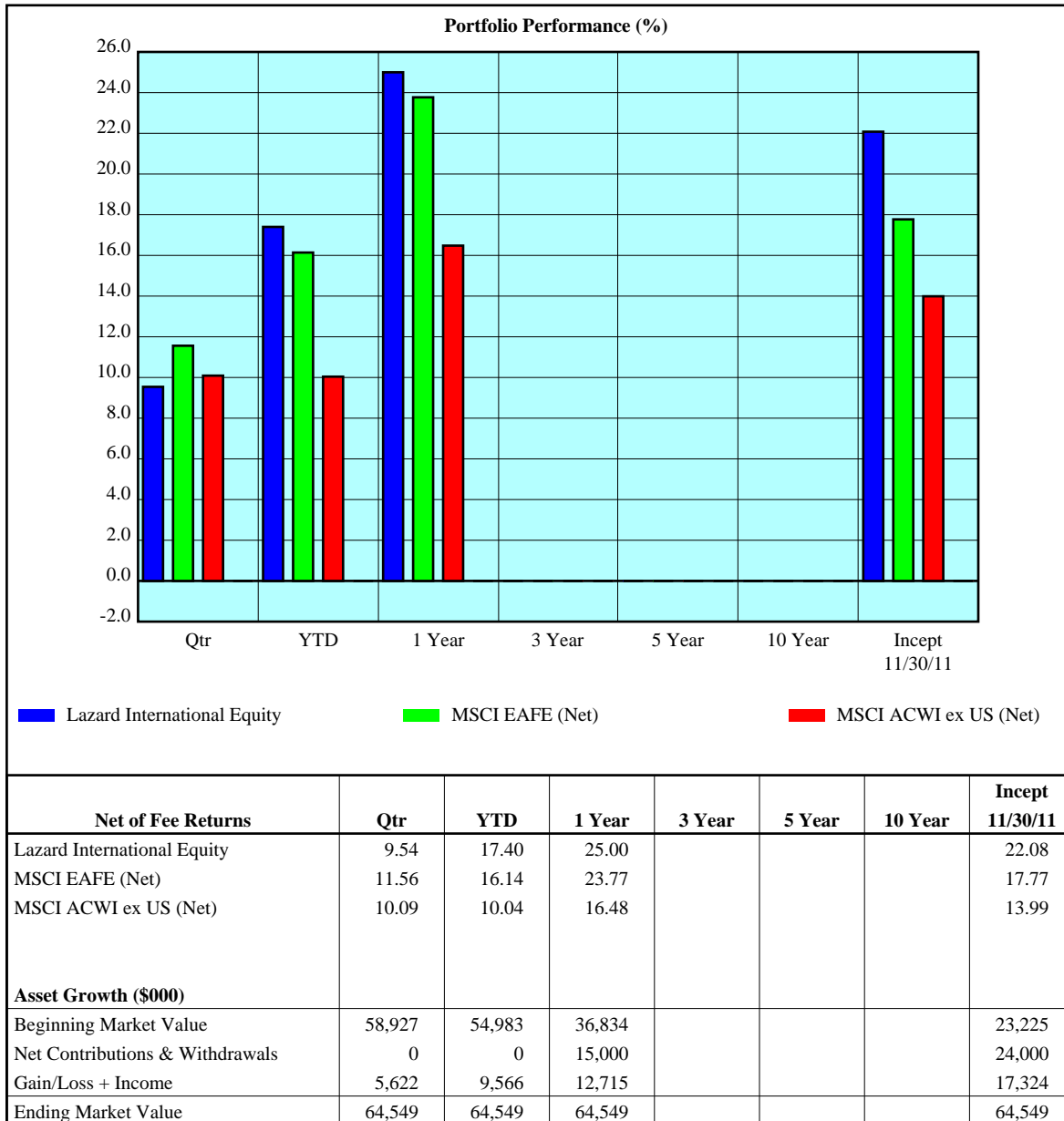
[ Actual Return 11.40% ] - [ Buy Hold Return 11.65% ]

City of Ft. Lauderdale Police and Fire  
Equity Sector Attribution Chart  
Eagle Asset Management  
Quarter Ending 9/13

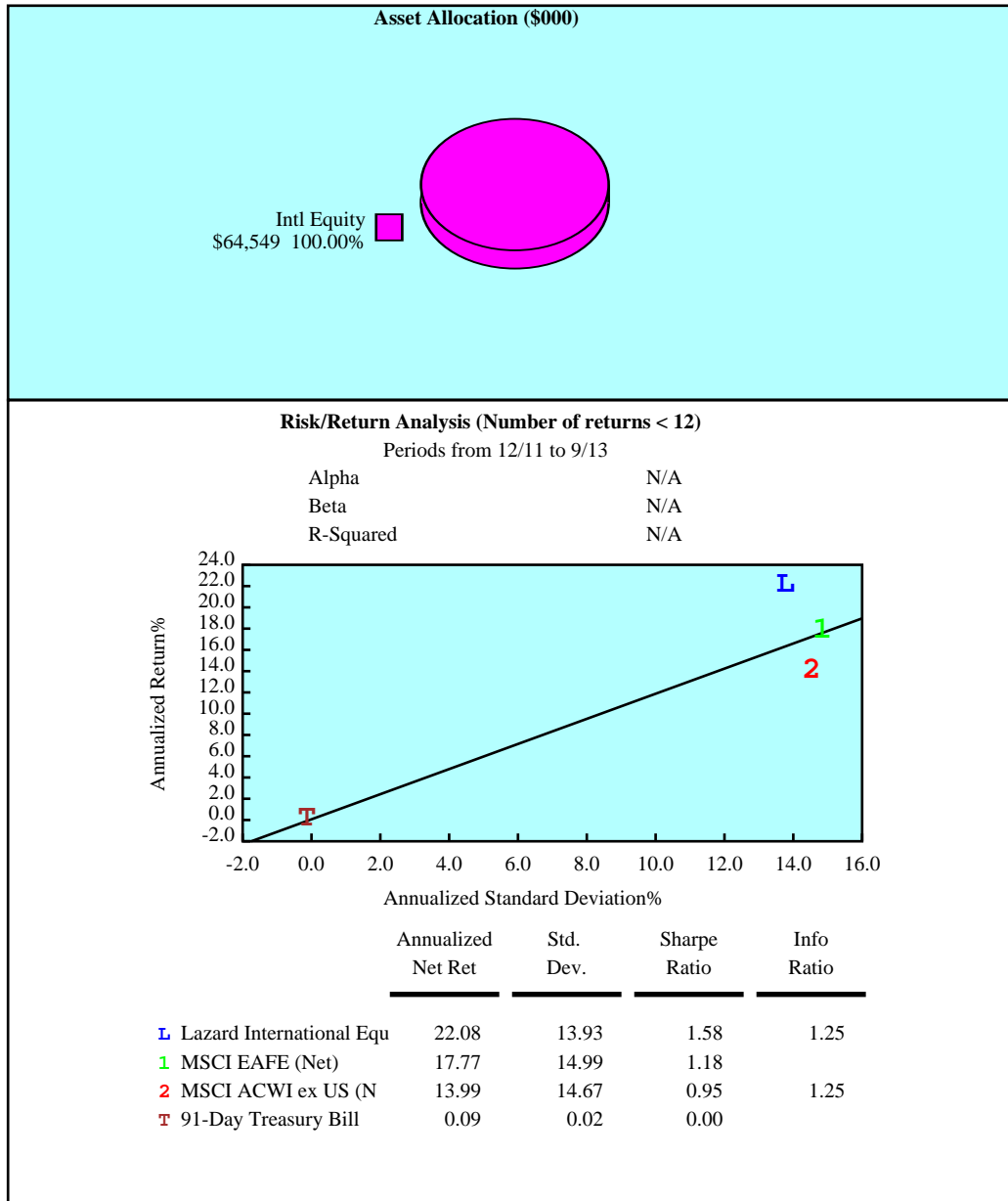


# City of Ft. Lauderdale Police and Fire

## Lazard International Equity as of 9/30/13

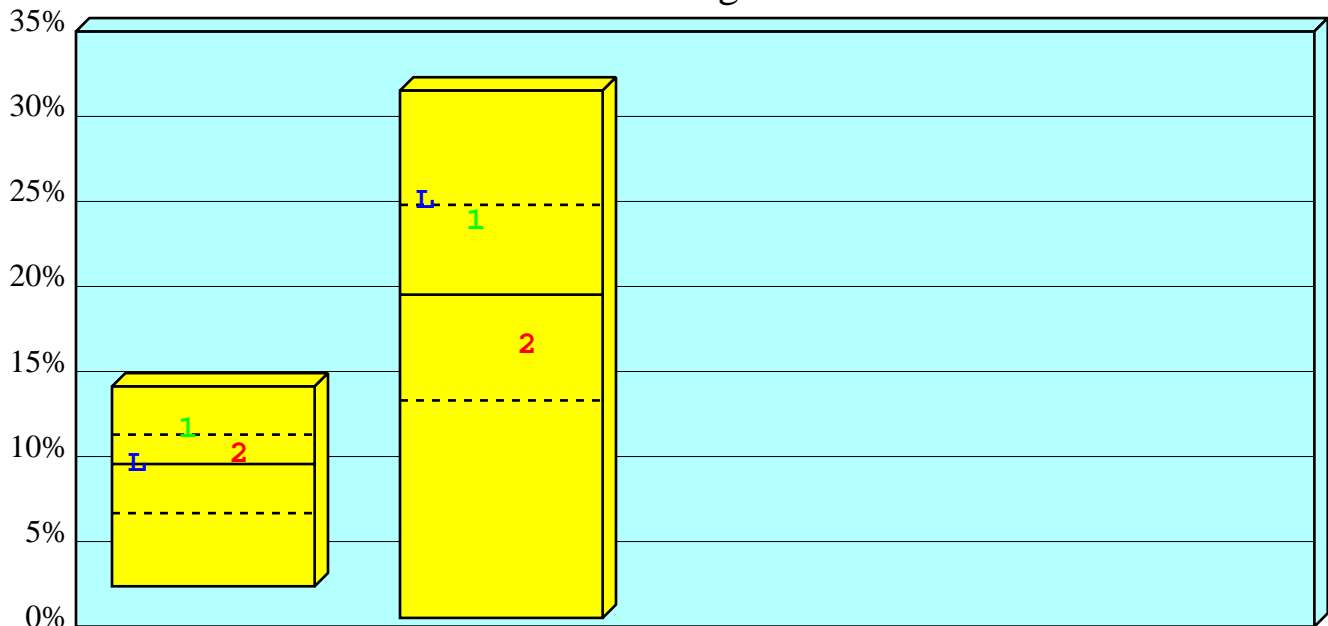


# City of Ft. Lauderdale Police and Fire Lazard International Equity as of 9/30/13





# City of Ft. Lauderdale Police and Fire Cumulative Performance Comparison Total Returns of International Equity Portfolios Periods Ending 9/13



	Last Qtr	Last Year
High	14.12	31.52
1st Qt	11.29	24.80
Median	9.56	19.52
3rd Qt	6.67	13.30
Low	2.37	0.51

## **L** Lazard International Equity

Net Ret	9.54	25.00
Rank	51	24

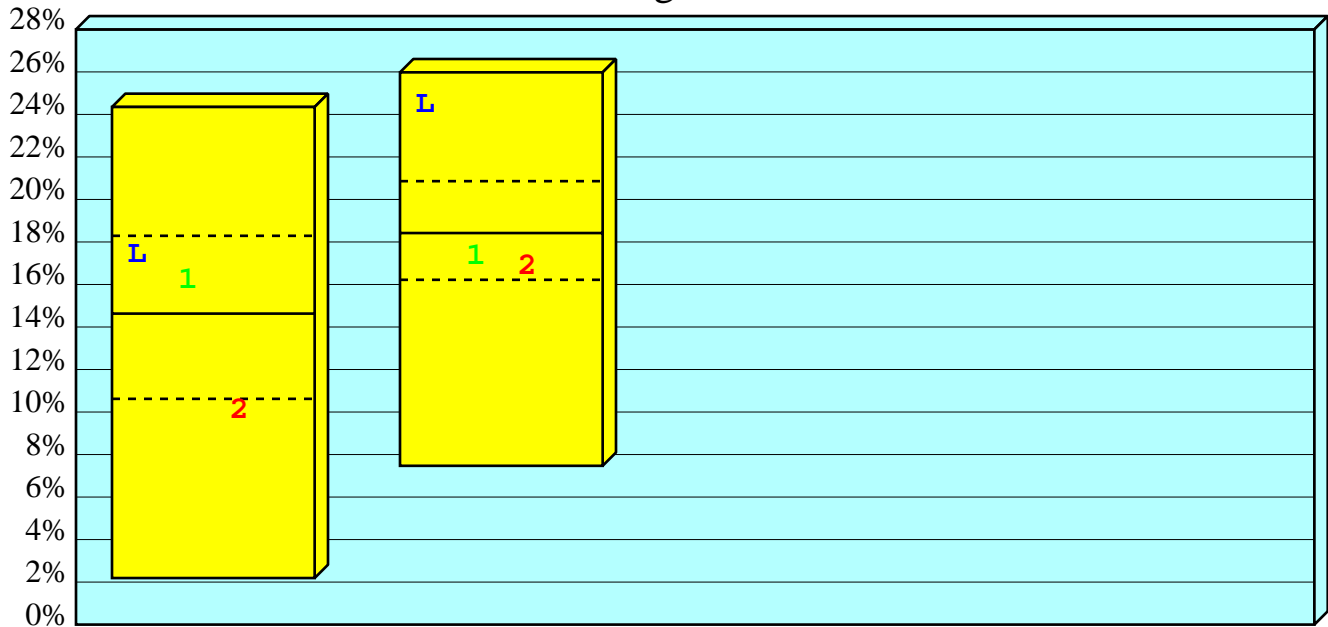
## **1** MSCI EAFE (Net)

Net Ret	11.56	23.77
Rank	20	31

## **2** MSCI ACWI ex US (Net)

Net Ret	10.09	16.48
Rank	43	66

City of Ft. Lauderdale Police and Fire  
Calendar Year Performance Comparison  
Total Returns of International Equity Portfolios  
Years Ending December



	9/30/13 YTD	2012
High	24.35	25.98
1st Qt	18.29	20.86
Median	14.63	18.42
3rd Qt	10.62	16.22
Low	2.19	7.47

**L** Lazard International Equity

Net Ret	17.40	24.42
Rank	29	6

**1** MSCI EAFE (Net)

Net Ret	16.14	17.31
Rank	39	63

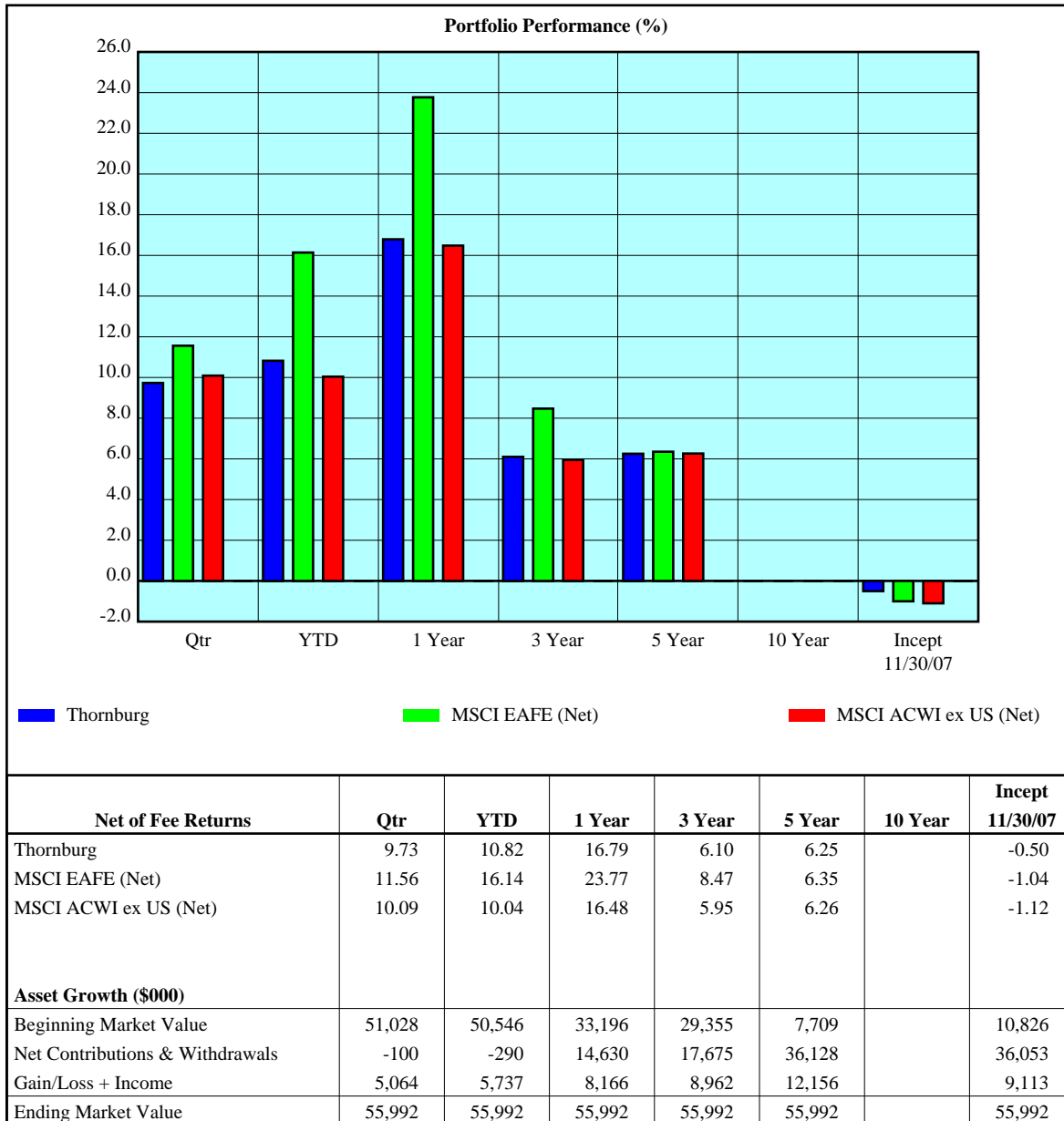
**2** MSCI ACWI ex US (Net)

Net Ret	10.04	16.83
Rank	77	68

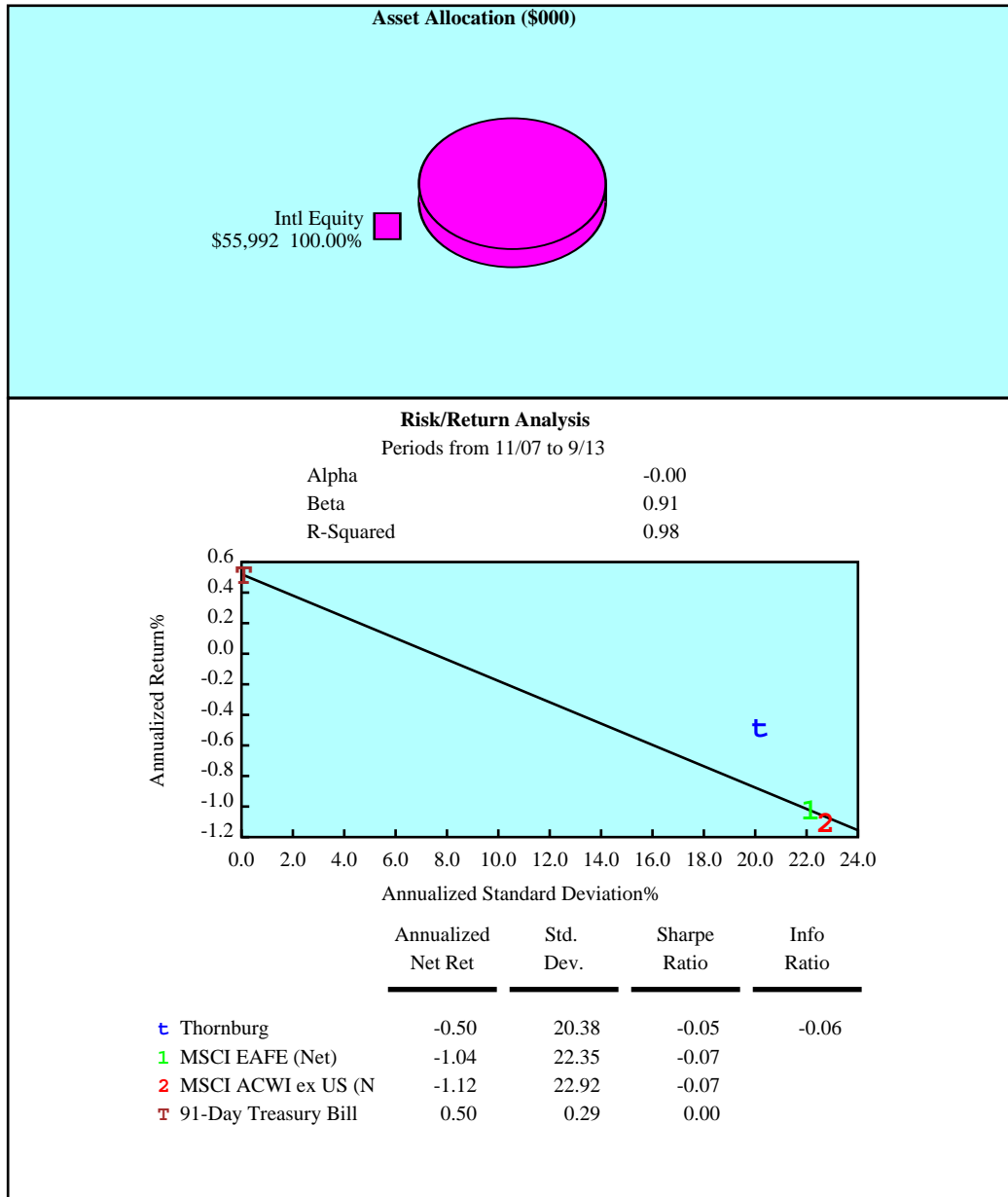
City of Ft. Lauderdale Police and Fire  
Risk Measure Summary  
Lazard International Equity  
Quarterly Periods Ending 9/30/13

Risk Measures	1 Year		3 Years		5 Years		Inception	
	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	0	1					1	2
Positive Periods	4	3					6	5
Up Market Capture	0.96						1.07	
Down Market Capture	-0.91						0.44	
Batting Average	0.50						0.71	
Worst Quarter	0.88	-0.98					-4.40	-7.13
Best Quarter	9.54	11.56					12.97	11.56
Worst 4 Quarters	25.00	23.77					17.01	11.25
Best 4 Quarters	25.00	23.77					25.00	23.77
Standard Deviation	7.19	10.33					11.54	13.31
Beta	0.79						0.87	
Alpha	1.40						1.58	
R-Squared	0.95						0.95	
Sharpe Ratio	3.46	2.29					2.09	1.45
Treynor Ratio	31.68						27.52	
Tracking Error	3.38						3.20	
Information Ratio	0.24						1.25	

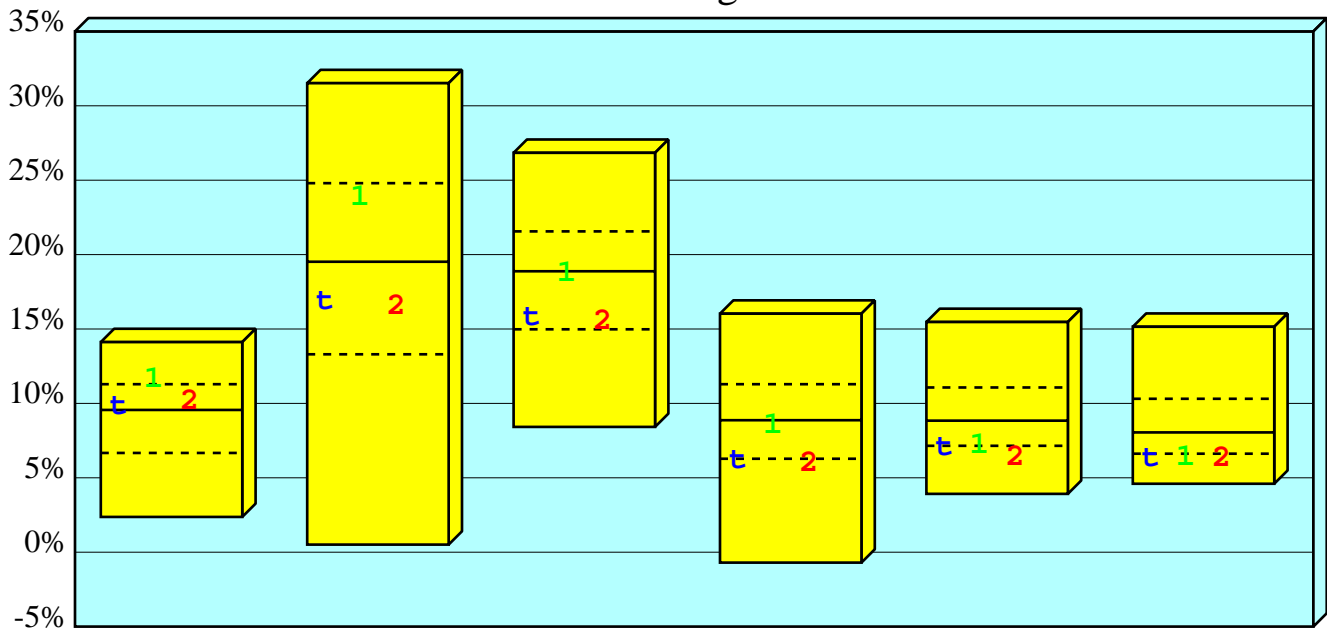
# City of Ft. Lauderdale Police and Fire Thornburg as of 9/30/13



# City of Ft. Lauderdale Police and Fire Thornburg as of 9/30/13

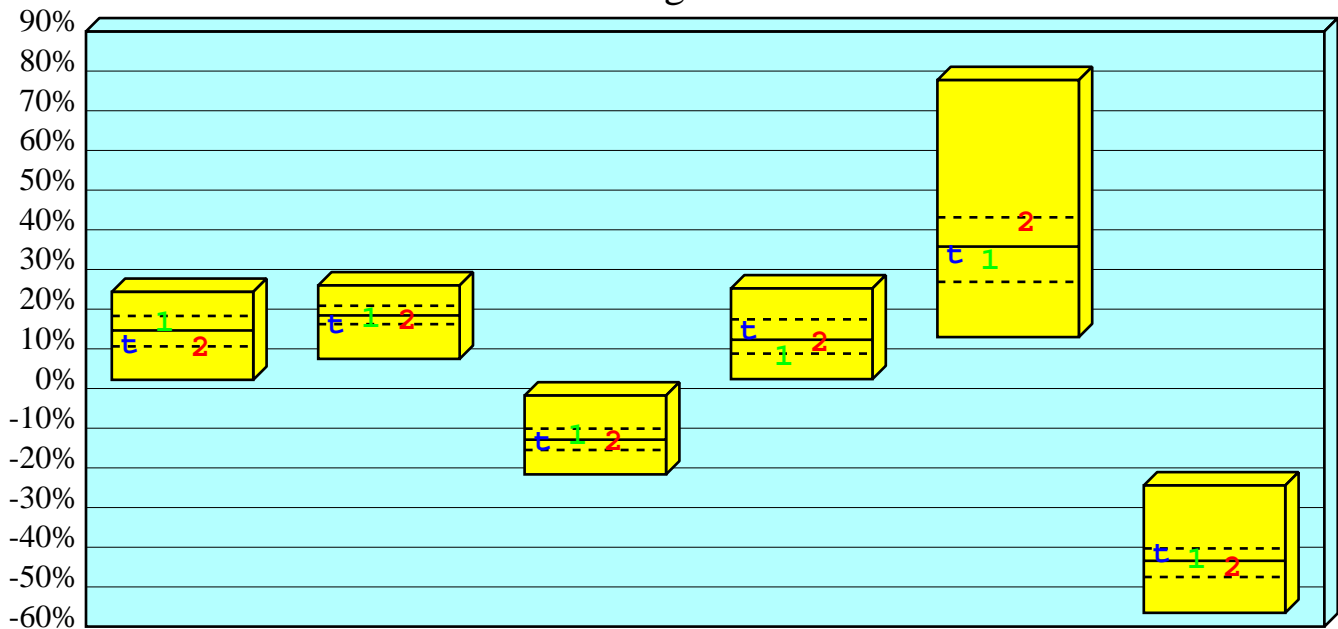


# City of Ft. Lauderdale Police and Fire Cumulative Performance Comparison Total Returns of International Equity Portfolios Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years
High	14.12	31.52	26.84	16.03	15.47	15.15
1st Qt	11.29	24.80	21.56	11.29	11.07	10.31
Median	9.56	19.52	18.88	8.87	8.84	8.05
3rd Qt	6.67	13.30	14.98	6.28	7.15	6.62
Low	2.37	0.51	8.42	-0.70	3.92	4.60
<b>t</b> Thornburg						
Net Ret	9.73	16.79	15.72	6.10	6.99	6.25
Rank	47	64	71	76	77	80
<b>1</b> MSCI EAFE (Net)						
Net Ret	11.56	23.77	18.66	8.47	7.15	6.35
Rank	20	31	51	56	75	78
<b>2</b> MSCI ACWI ex US (Net)						
Net Ret	10.09	16.48	15.47	5.95	6.35	6.26
Rank	43	66	73	77	83	80

# City of Ft. Lauderdale Police and Fire Calendar Year Performance Comparison Total Returns of International Equity Portfolios Years Ending December



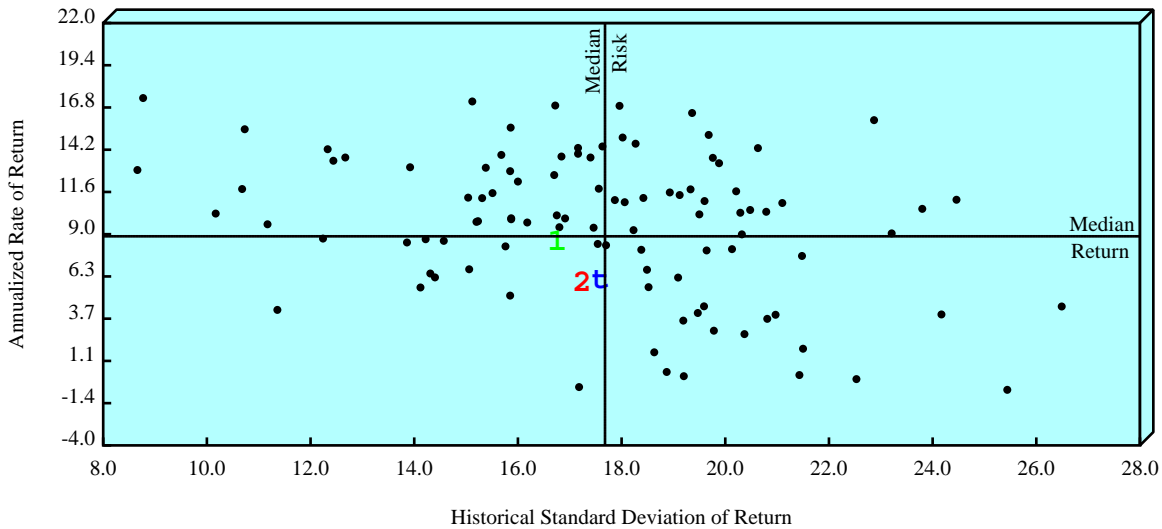
	9/30/13 YTD	2012	2011	2010	2009	2008
High	24.35	25.98	-1.77	25.22	77.72	-24.43
1st Qt	18.29	20.86	-10.11	17.43	43.14	-40.30
Median	14.63	18.42	-12.89	12.29	35.77	-43.42
3rd Qt	10.62	16.22	-15.49	8.80	26.88	-47.50
Low	2.19	7.47	-21.64	2.37	12.96	-56.53
<b>t Thornburg</b>						
Net Ret	10.82	15.80	-13.84	14.23	33.47	-42.03
Rank	73	78	60	39	57	38
<b>1 MSCI EAFE (Net)</b>						
Net Ret	16.14	17.31	-12.14	7.75	31.77	-43.38
Rank	39	63	42	81	64	49
<b>2 MSCI ACWI ex US (Net)</b>						
Net Ret	10.04	16.83	-13.71	11.15	41.44	-45.52
Rank	77	68	59	57	28	63

# City of Ft. Lauderdale Police and Fire

## Return vs Risk

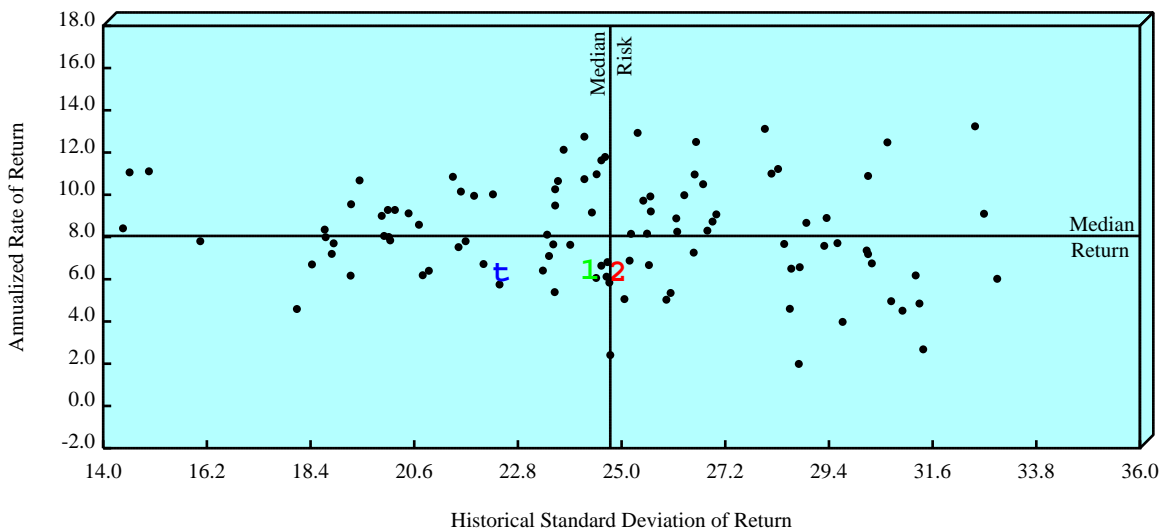
### Total Returns of International Equity Portfolios

3 Years Ending 9/30/13



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
t	Thornburg	6.10	76	17.69	52
1	MSCI EAFE (Net)	8.47	56	16.86	35
2	MSCI ACWI ex US (Net)	5.95	77	17.33	44
	Median	8.87		17.68	

5 Years Ending 9/30/13



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
t	Thornburg	6.25	80	22.56	26
1	MSCI EAFE (Net)	6.35	78	24.44	47
2	MSCI ACWI ex US (Net)	6.26	80	25.01	55
	Median	8.05		24.76	

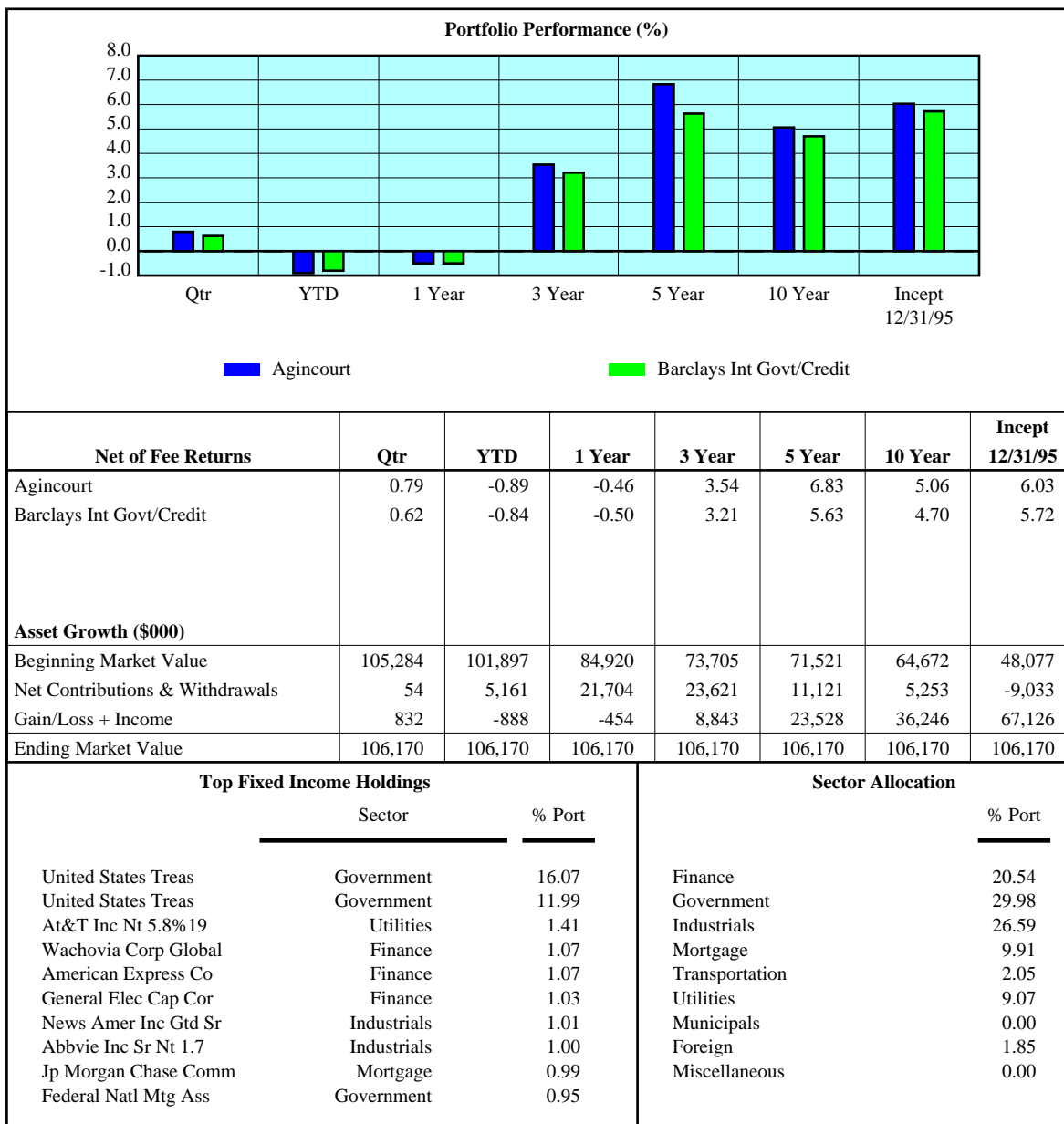


City of Ft. Lauderdale Police and Fire  
Risk Measure Summary  
Thornburg  
Quarterly Periods Ending 9/30/13

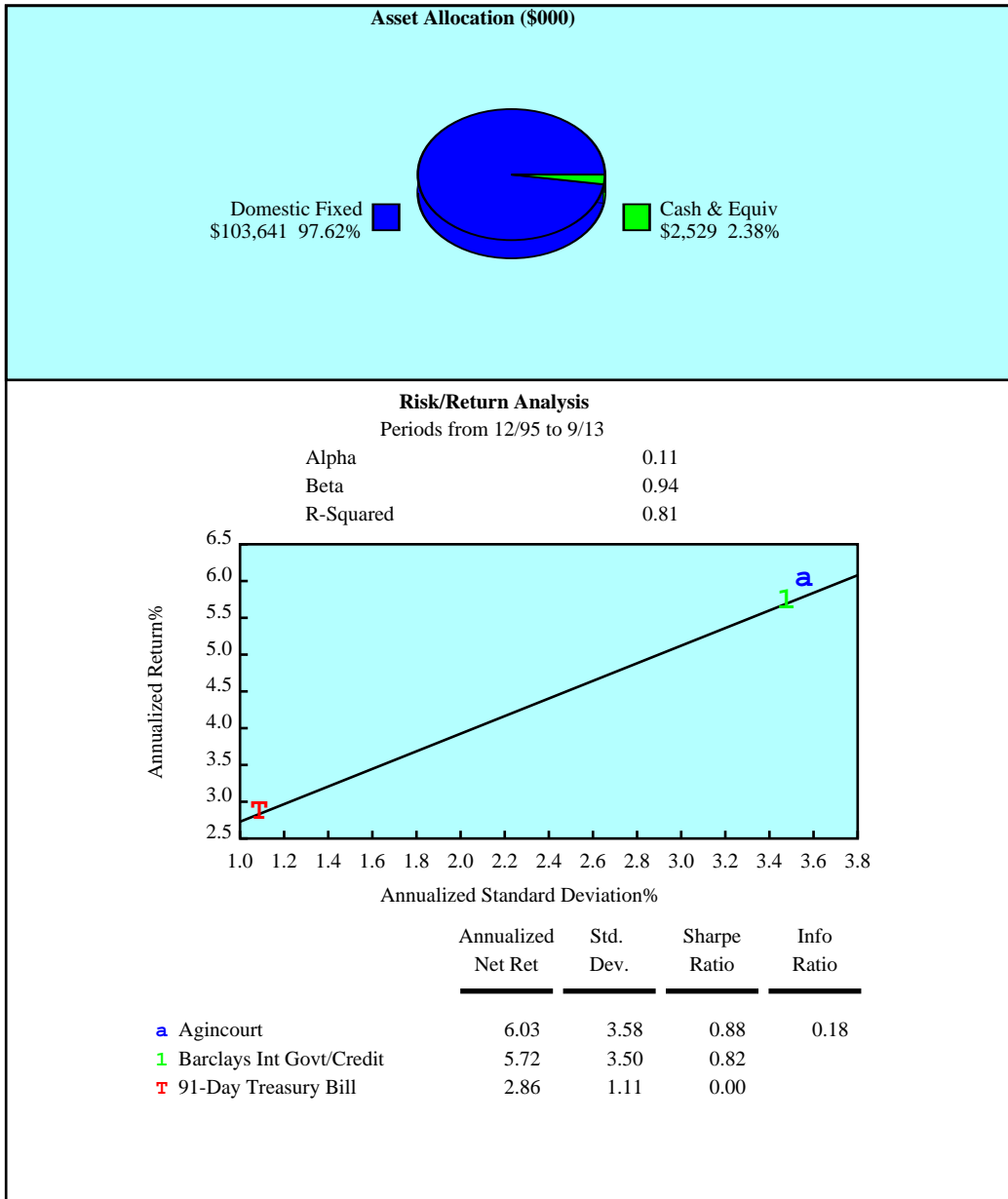
Risk Measures	1 Year		3 Years		5 Years		Inception	
	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	1	1	3	3	6	6	9	9
Positive Periods	3	3	9	9	14	14	14	14
Up Market Capture	0.77		0.96		0.94		0.94	
Down Market Capture	1.32		1.08		0.93		0.94	
Batting Average	0.00		0.42		0.50		0.48	
Worst Quarter	-1.29	-0.98	-21.20	-19.01	-21.20	-19.95	-21.20	-20.56
Best Quarter	9.93	11.56	11.57	11.56	23.51	25.43	23.51	25.43
Worst 4 Quarters	17.66	23.77	-14.32	-13.83	-14.32	-13.83	-42.03	-46.50
Best 4 Quarters	17.66	23.77	17.66	23.77	51.00	54.44	51.00	54.44
Standard Deviation	9.47	10.33	17.71	16.86	22.56	24.44	23.07	25.01
Beta	0.86		1.04		0.91		0.91	
Alpha	-0.59		-0.43		0.18		0.09	
R-Squared	0.97		0.98		0.98		0.98	
Sharpe Ratio	1.85	2.29	0.38	0.50	0.29	0.25	-0.02	-0.04
Treynor Ratio	20.33		6.50		7.17		-0.54	
Tracking Error	1.83		2.65		4.15		4.12	
Information Ratio	-2.88		-0.52		-0.03		0.03	



# City of Ft. Lauderdale Police and Fire Agincourt as of 9/30/13



# City of Ft. Lauderdale Police and Fire Agincourt as of 9/30/13

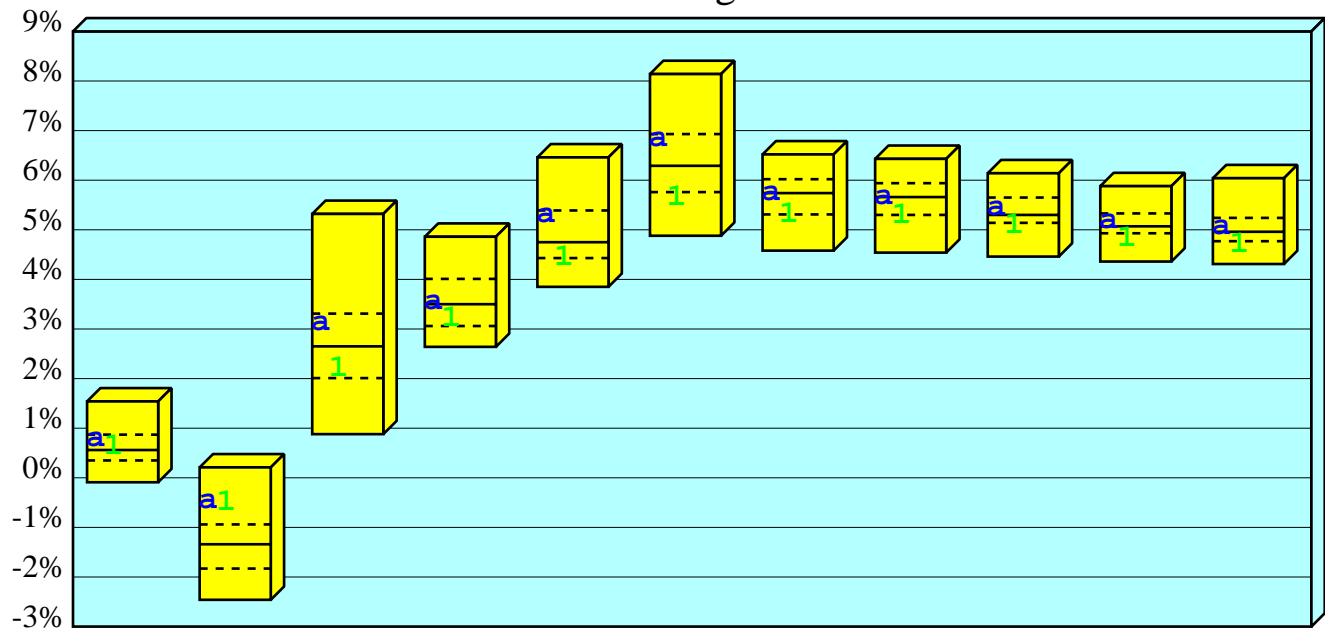


# City of Ft. Lauderdale Police and Fire

## Fixed Income Core Cumulative Performance Comparisons

### Total Returns of Fixed Income Portfolios

#### Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8 Years	Last 9 Years	Last 10 Years
High	1.54	0.21	5.32	4.86	6.46	8.14	6.52	6.43	6.14	5.88	6.04
1st Qt	0.87	-0.94	3.31	4.01	5.39	6.93	6.02	5.94	5.65	5.33	5.24
Median	0.56	-1.34	2.65	3.50	4.75	6.29	5.74	5.66	5.30	5.07	4.96
3rd Qt	0.35	-1.83	2.01	3.06	4.43	5.76	5.31	5.30	5.14	4.93	4.77
Low	-0.09	-2.46	0.88	2.64	3.85	4.88	4.58	4.54	4.46	4.36	4.31

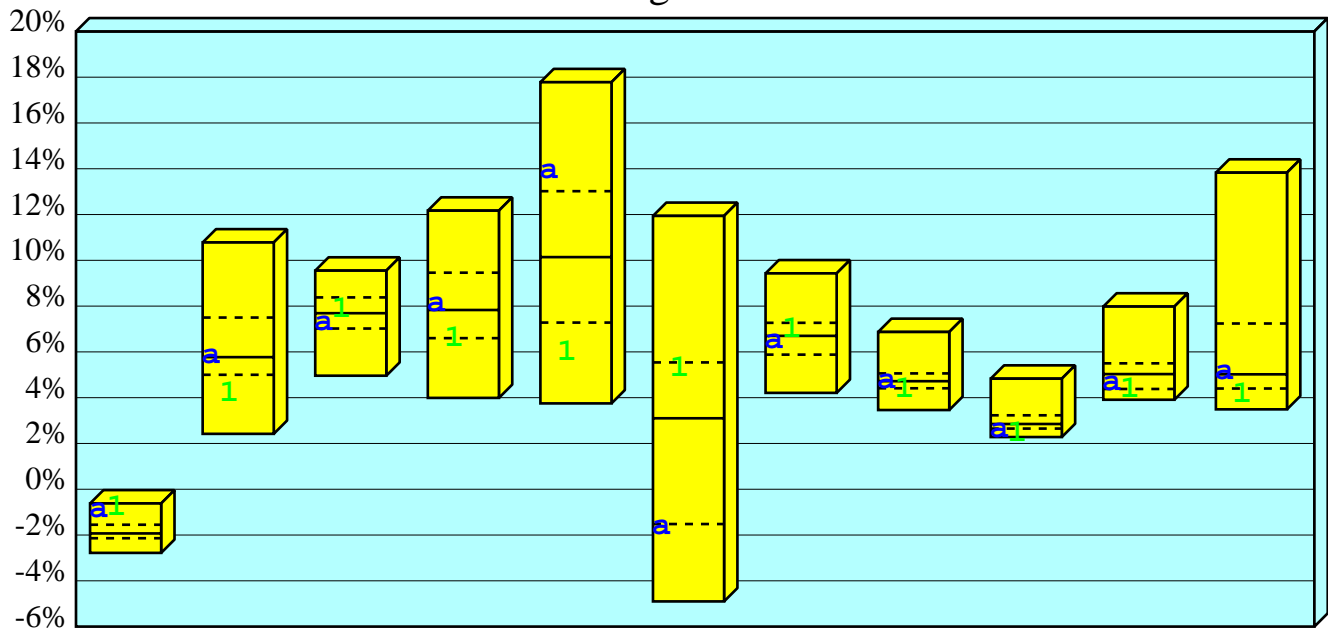
#### **a** Agincourt

Net Ret	0.79	-0.46	3.12	3.54	5.30	6.83	5.74	5.65	5.44	5.17	5.06
Rank	29	10	37	47	30	30	50	50	37	38	41

#### **1** Barclays Int Govt/Credit

Net Ret	0.62	-0.50	2.20	3.21	4.43	5.63	5.30	5.27	5.07	4.82	4.70
Rank	45	11	70	61	75	80	75	79	83	85	84

City of Ft. Lauderdale Police and Fire  
Fixed Income Core Consecutive Performance Comparisons  
Total Returns of Fixed Income Portfolios  
Years Ending December



9/30/13

	YTD	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
High	-0.62	10.78	9.55	12.17	17.78	11.94	9.43	6.87	4.83	7.98	13.83
1st Qt	-1.55	7.50	8.38	9.46	13.02	5.54	7.27	5.06	3.23	5.50	7.24
Median	-1.93	5.77	7.69	7.83	10.14	3.10	6.70	4.72	2.85	5.03	5.02
3rd Qt	-2.14	5.00	7.02	6.60	7.28	-1.52	5.88	4.41	2.65	4.38	4.40
Low	-2.78	2.42	4.96	3.99	3.75	-4.90	4.21	3.46	2.28	3.91	3.49

**a** Agincourt

Net Ret	-0.89	5.83	7.27	8.10	13.88	-1.67	6.49	4.71	2.57	4.66	5.13
Rank	6	48	68	43	19	76	57	50	78	61	48

**1** Barclays Int Govt/Credit

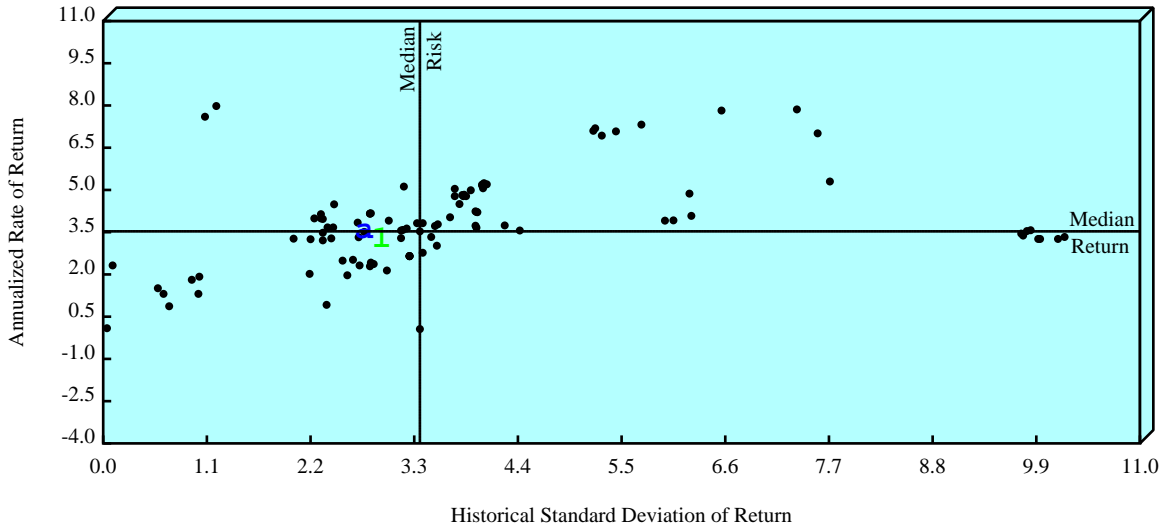
Net Ret	-0.84	4.17	7.84	6.54	5.93	5.24	6.96	4.33	2.43	4.34	4.11
Rank	6	83	43	78	83	26	38	79	88	76	84

# City of Ft. Lauderdale Police and Fire

## Return vs Risk

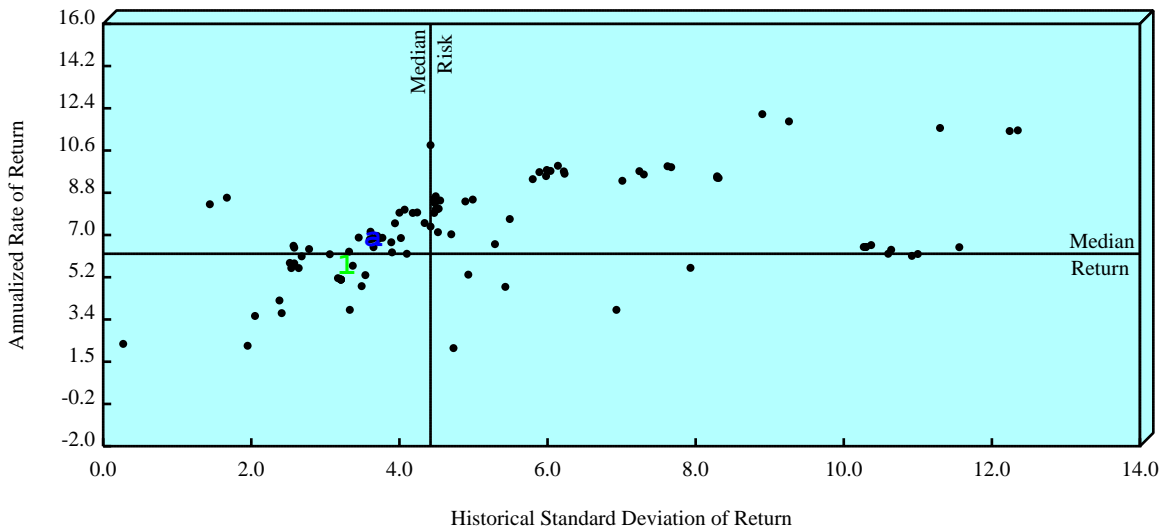
### Total Returns of Fixed Income Portfolios

3 Years Ending 9/30/13



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
a	Agincourt	3.54	49	2.83	31
l	Barclays Int Govt/Credit	3.21	58	3.01	37
	Median	3.53		3.36	

5 Years Ending 9/30/13



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
a	Agincourt	6.83	38	3.72	38
l	Barclays Int Govt/Credit	5.63	59	3.36	26
	Median	6.20		4.42	

City of Ft. Lauderdale Police and Fire  
Risk Measure Summary  
Agincourt  
Quarterly Periods Ending 9/30/13

Risk Measures	1 Year		3 Years		5 Years		Inception	
	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	1	1	2	2	2	2	15	16
Positive Periods	3	3	10	10	18	18	56	55
Up Market Capture	1.25		1.10		1.21		1.05	
Down Market Capture	1.15		1.10		1.10		1.01	
Batting Average	0.75		0.67		0.75		0.69	
Worst Quarter	-1.96	-1.70	-1.96	-1.70	-1.96	-1.70	-2.41	-2.44
Best Quarter	0.79	0.62	2.74	3.82	5.72	4.57	5.72	4.62
Worst 4 Quarters	-0.46	-0.50	-0.46	-0.50	-0.46	-0.50	-1.67	-0.83
Best 4 Quarters	-0.46	-0.50	7.90	7.84	15.10	10.56	15.10	12.95
Standard Deviation	2.50	2.13	2.83	3.01	3.72	3.36	3.58	3.50
Beta	1.17		0.89		0.80		0.94	
Alpha	0.04		0.16		0.56		0.11	
R-Squared	1.00		0.90		0.51		0.81	
Sharpe Ratio	-0.22	-0.28	1.21	1.03	1.79	1.62	0.88	0.82
Treynor Ratio	-0.47		3.84		8.33		3.36	
Tracking Error	0.37		0.98		2.74		1.60	
Information Ratio	0.12		0.31		0.41		0.18	



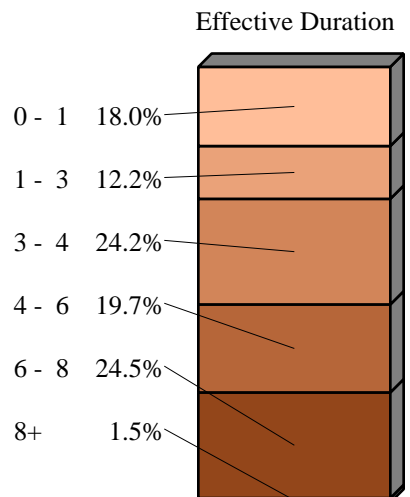
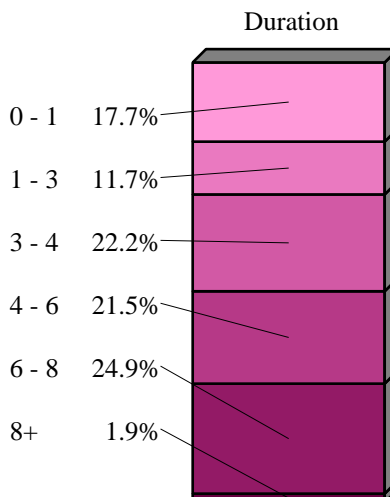
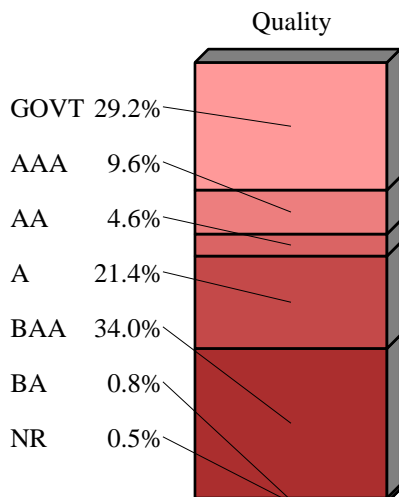
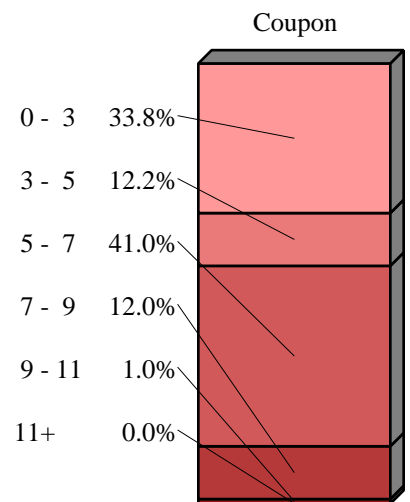
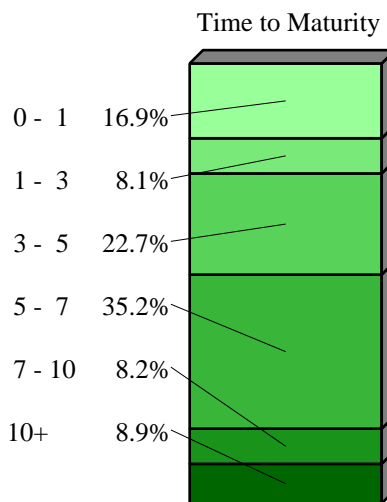
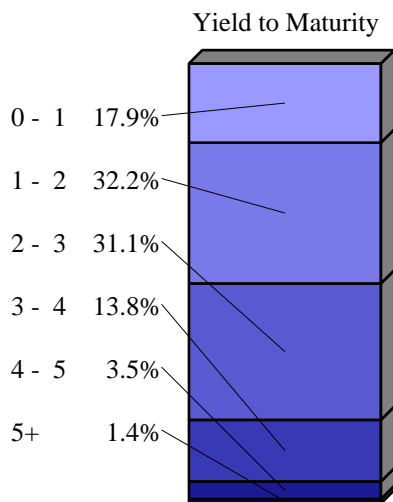
# City of Ft. Lauderdale Police and Fire

## Fixed Income, Mortgage and Municipals Summary Statistics

### Agincourt

#### Quarter Ending 9/13

	Portfolio	Barclays Int Govt/Credit
Total Number Of Securities	210	4,740
Total Market Value	103,640,819	9,427,888,373,760
Yield to Maturity	2.09	1.48
Time to Maturity	6.53	4.19
Current Coupon	4.69	2.61
Duration	3.91	3.85
Effective Convexity	0.21	0.18
Effective Duration	3.83	3.87
Effective Maturity	4.49	4.19



City of Ft. Lauderdale Police and Fire  
Percent Invested by Sector and Quality  
Agincourt  
As of 9/30/13

Name	Moody's Quality Ratings								Total
	Aaa	Aa	A	Baa	Ba	B	Other	NR	
<b>Government</b>	29.98	---	---	---	---	---	---	---	29.98
Treasury	29.00	---	---	---	---	---	---	---	29.00
Agency	0.98	---	---	---	---	---	---	---	0.98
<b>Corporate</b>	---	3.99	20.71	32.57	0.78	---	---	---	58.05
Industrial	---	1.50	6.28	18.16	0.65	---	---	---	26.59
Utility	---	0.10	3.07	5.91	---	---	---	---	9.08
Finance	---	0.55	11.36	8.50	0.13	---	---	---	20.54
Yankee	---	1.85	---	---	---	---	---	---	1.85
<b>Transportation</b>	---	---	0.66	1.39	---	---	---	---	2.05
<b>Mortgage</b>	8.86	0.58	---	---	---	---	---	0.47	9.91
GNMA	---	---	---	---	---	---	---	---	---
FHLMC	2.44	---	---	---	---	---	---	0.47	2.91
FNMA	1.63	---	---	---	---	---	---	---	1.63
Other Mortgage	4.78	0.58	---	---	---	---	---	---	5.36
<b>Municipals</b>	---	---	---	---	---	---	---	---	---
<b>Cash</b>	---	---	---	---	---	---	---	---	---
<b>Other</b>	---	---	---	---	---	---	---	---	---
<b>Total</b>	38.84	4.57	21.37	33.96	0.78	---	---	0.47	100.00

City of Ft. Lauderdale Police and Fire  
Fixed Income Sector Attribution Analysis  
Agincourt  
Quarter Ending 9/13

	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Security	Sector	Total
Finance	20.39	0.00	1.68	0.00	0.34	0.00	0.34
Government	31.65	0.00	0.24	0.00	0.08	0.00	0.08
Industrials	24.96	15.03	1.01	0.00	0.25	0.00	0.25
Mortgage	11.96	0.00	1.12	0.00	0.13	0.00	0.13
Transportation	2.09	0.00	2.24	0.00	0.05	0.00	0.05
Utilities	7.30	2.37	0.78	0.00	0.06	0.00	0.06
Municipals	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign	1.65	0.00	1.08	0.00	0.02	0.00	0.02
Miscellaneous	0.00	0.00		0.00	0.00	0.00	0.00
	100.00	100.00	0.93	0.00	0.93	0.00	0.93

Index - Barclays Int Govt/Credit

Security Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

Sector Selection Return Attribution

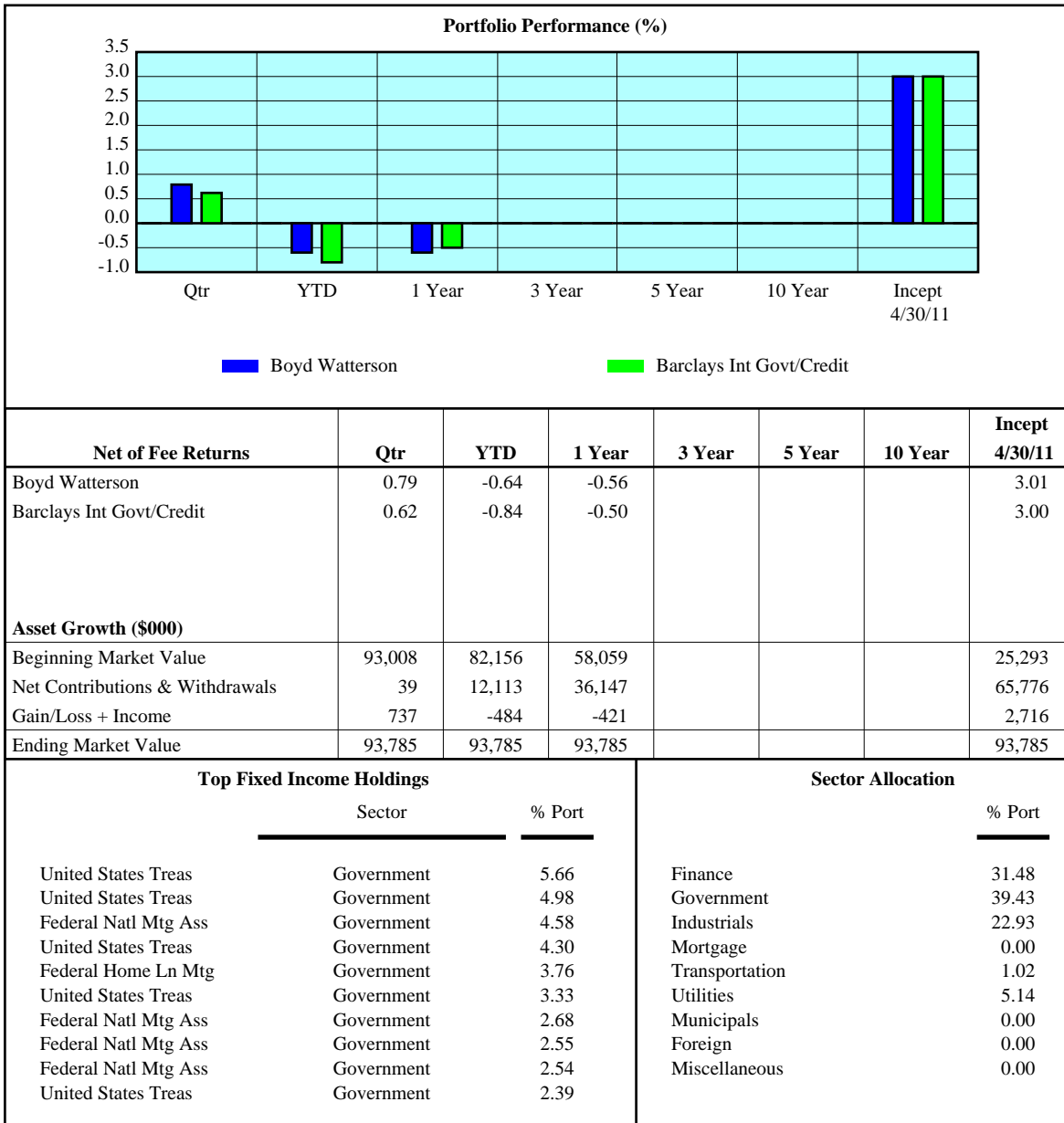
[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

Trading Effect -0.07%

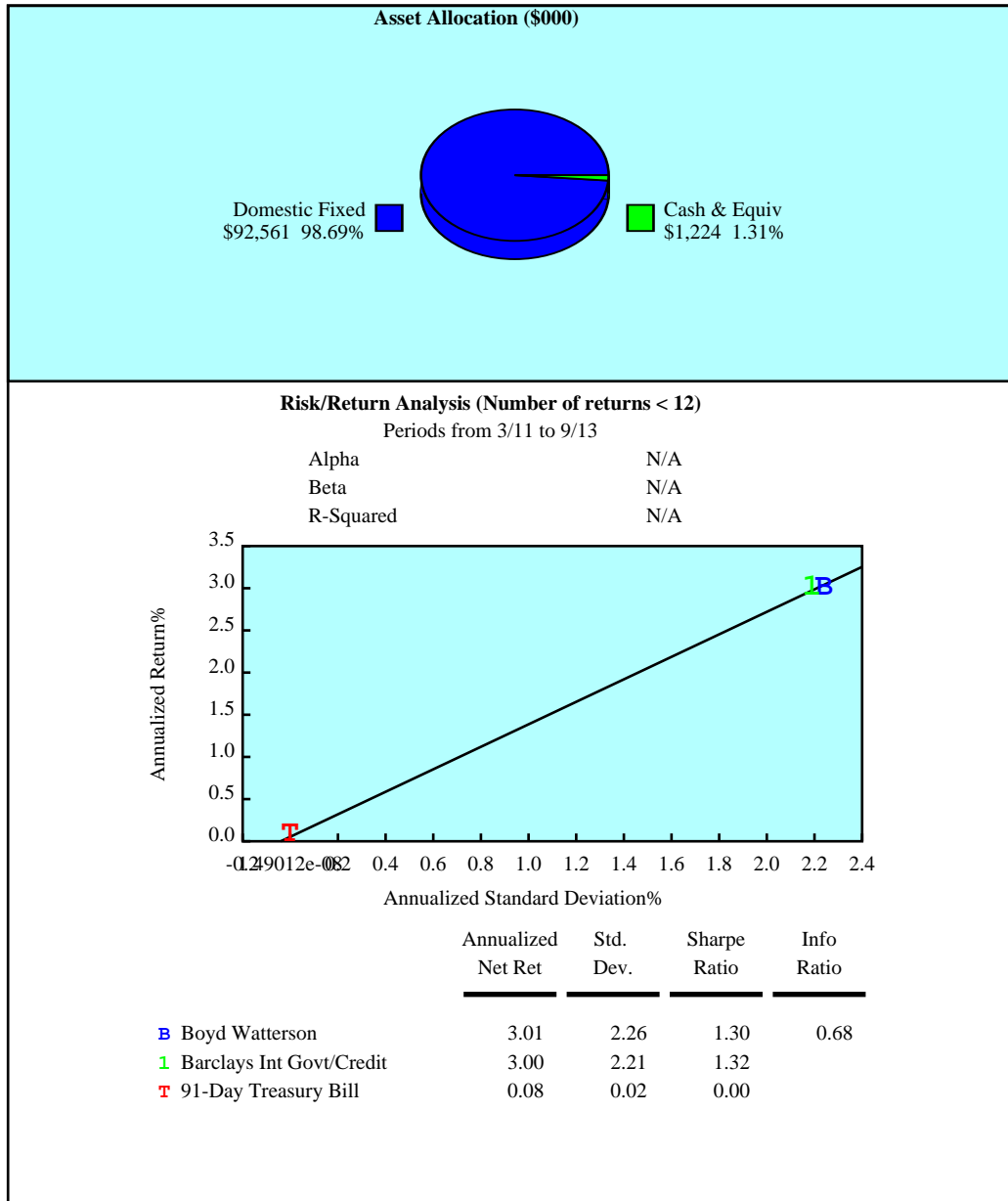
[ Actual Return 0.86% ] - [ Buy Hold Return 0.93% ]

# City of Ft. Lauderdale Police and Fire

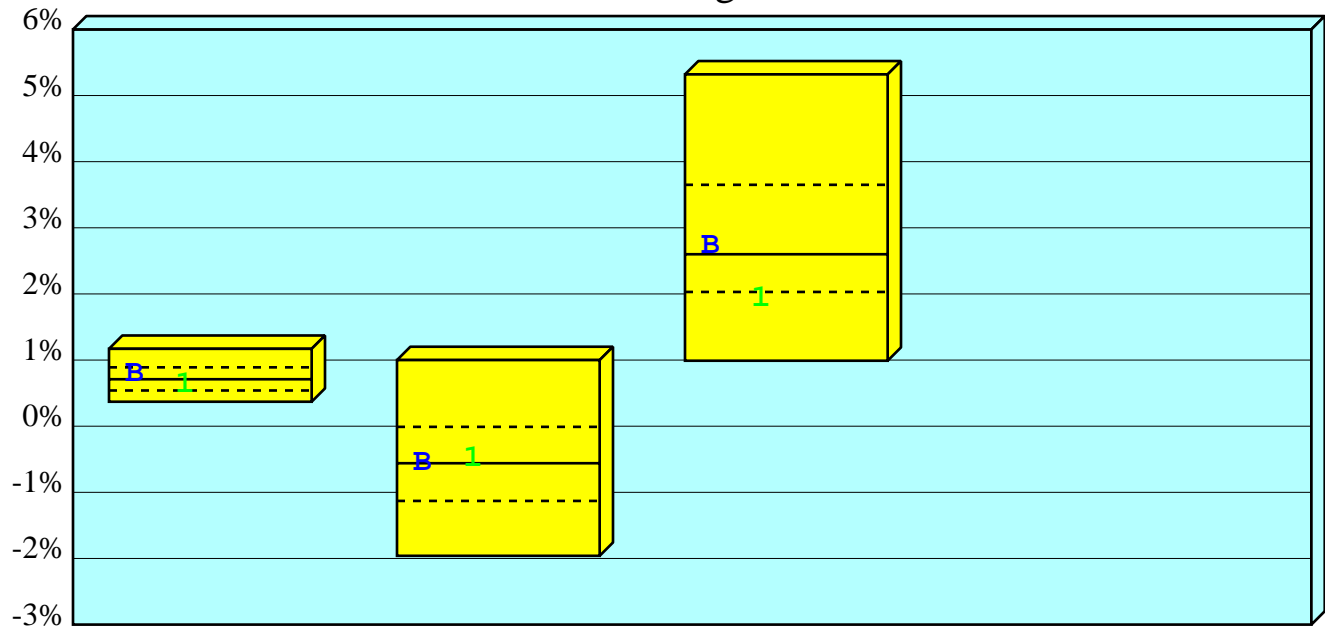
## Boyd Watterson as of 9/30/13



# City of Ft. Lauderdale Police and Fire Boyd Watterson as of 9/30/13



City of Ft. Lauderdale Police and Fire  
Intermediate Gov/Corp Cumulative Performance Comparisons  
Total Returns of Fixed Income Portfolios  
Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years
High	1.17	1.00	5.32
1st Qt	0.89	-0.01	3.65
Median	0.71	-0.56	2.60
3rd Qt	0.54	-1.13	2.03
Low	0.37	-1.96	0.99

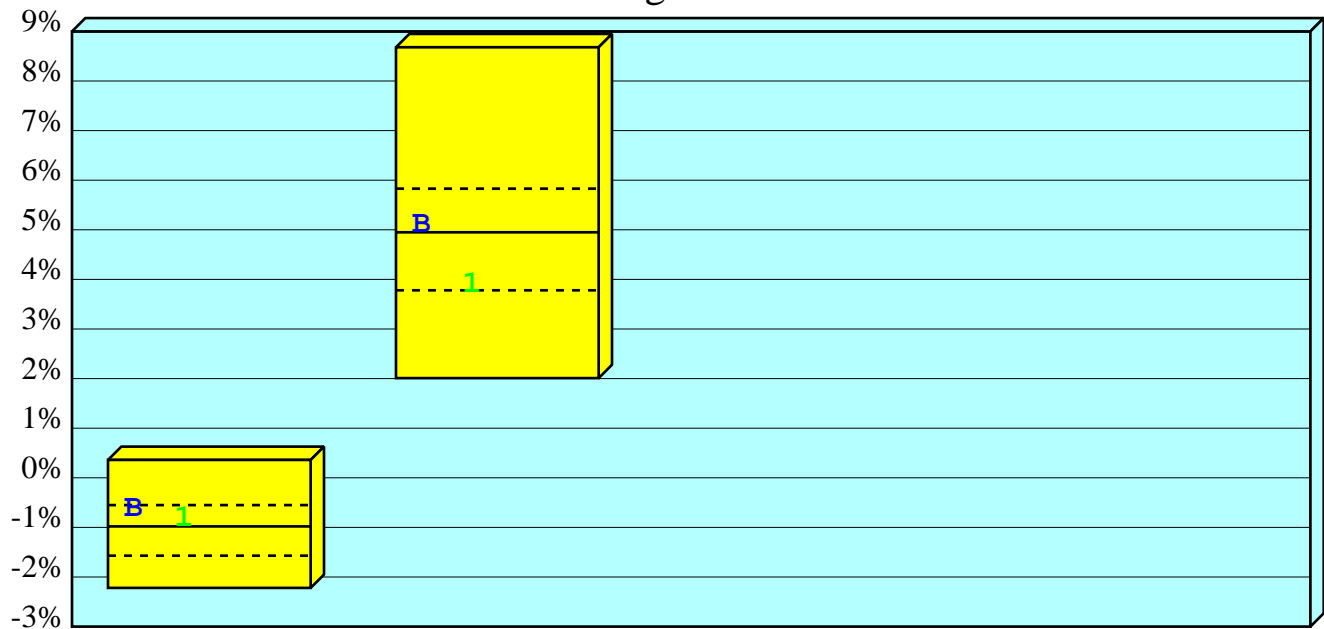
**B** Boyd Watterson

Net Ret	0.79	-0.56	2.73
Rank	38	50	46

**1** Barclays Int Govt/Credit

Net Ret	0.62	-0.50	1.92
Rank	64	47	79

City of Ft. Lauderdale Police and Fire  
Intermediate Gov/Corp Consecutive Performance Comparisons  
Total Returns of Fixed Income Portfolios  
Years Ending December



	9/30/13 YTD	2012
High	0.36	8.68
1st Qt	-0.55	5.83
Median	-0.98	4.95
3rd Qt	-1.57	3.78
Low	-2.22	2.01

**B** Boyd Watterson

Net Ret	-0.64	5.10
Rank	30	43

**1** Barclays Int Govt/Credit

Net Ret	-0.84	3.89
Rank	41	72

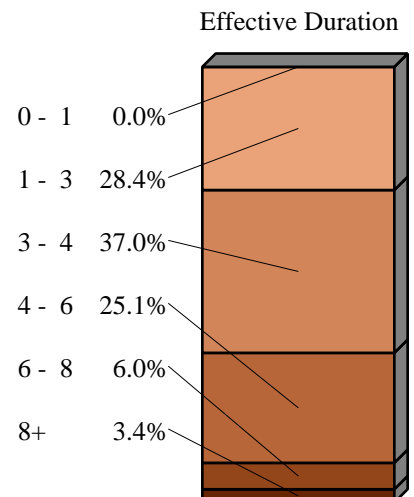
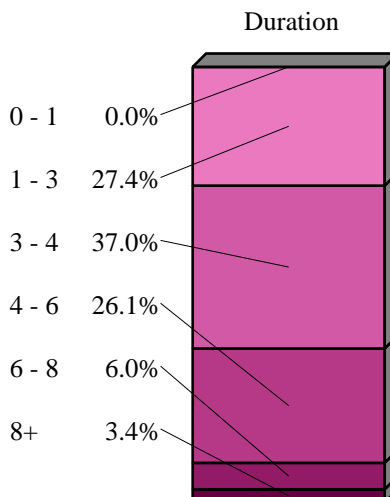
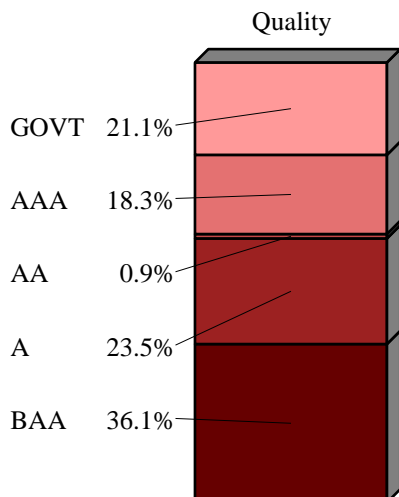
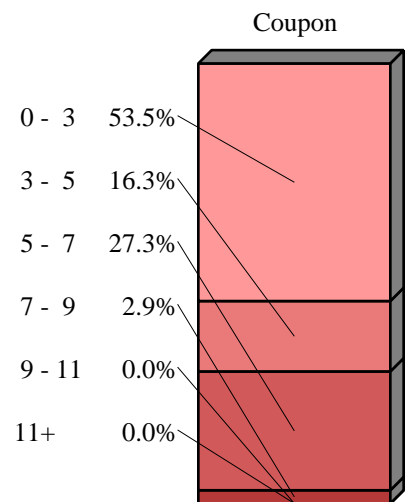
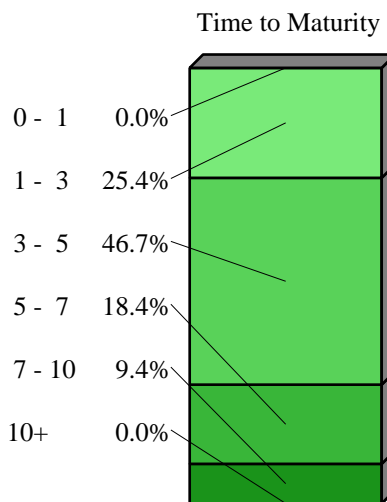
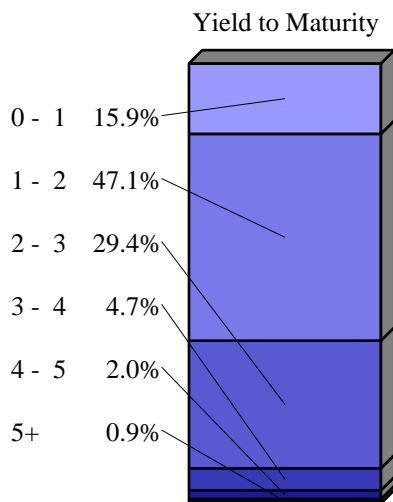
# City of Ft. Lauderdale Police and Fire

## Fixed Income, Mortgage and Municipals Summary Statistics

### Boyd Watterson

### Quarter Ending 9/13

	Portfolio	Barclays Int Govt/Credit
Total Number Of Securities	67	4,740
Total Market Value	92,560,666	9,427,888,373,760
Yield to Maturity	1.76	1.48
Time to Maturity	4.21	4.19
Current Coupon	3.44	2.61
Duration	3.90	3.85
Effective Convexity	0.20	0.18
Effective Duration	3.85	3.87
Effective Maturity	4.21	4.19





City of Ft. Lauderdale Police and Fire  
Percent Invested by Sector and Quality  
Boyd Watterson  
As of 9/30/13

Name	Moody's Quality Ratings								Total
	Aaa	Aa	A	Baa	Ba	B	Other	NR	
<b>Government</b>	39.43	---	---	---	---	---	---	---	39.43
Treasury	21.09	---	---	---	---	---	---	---	21.09
Agency	18.34	---	---	---	---	---	---	---	18.34
<b>Corporate</b>	---	0.88	23.54	35.13	---	---	---	---	59.55
Industrial	---	---	3.28	19.66	---	---	---	---	22.94
Utility	---	---	1.75	3.38	---	---	---	---	5.13
Finance	---	0.88	18.51	12.09	---	---	---	---	31.48
Yankee	---	---	---	---	---	---	---	---	---
<b>Transportation</b>	---	---	---	1.02	---	---	---	---	1.02
<b>Mortgage</b>	---	---	---	---	---	---	---	---	---
GNMA	---	---	---	---	---	---	---	---	---
FHLMC	---	---	---	---	---	---	---	---	---
FNMA	---	---	---	---	---	---	---	---	---
Other Mortgage	---	---	---	---	---	---	---	---	---
<b>Municipals</b>	---	---	---	---	---	---	---	---	---
<b>Cash</b>	---	---	---	---	---	---	---	---	---
<b>Other</b>	---	---	---	---	---	---	---	---	---
<b>Total</b>	39.43	0.88	23.54	36.15	---	---	---	---	100.00

City of Ft. Lauderdale Police and Fire  
Fixed Income Sector Attribution Analysis  
Boyd Watterson  
Quarter Ending 9/13

	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Security	Sector	Total
Finance	30.25	0.00	1.61	0.00	0.49	0.00	0.49
Government	40.99	0.00	0.39	0.00	0.16	0.00	0.16
Industrials	22.90	15.03	0.64	0.00	0.15	0.00	0.15
Mortgage	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transportation	1.01	0.00	2.10	0.00	0.02	0.00	0.02
Utilities	4.84	2.37	0.39	0.00	0.02	0.00	0.02
Municipals	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00		0.00	0.00	0.00	0.00
	100.00	100.00	0.83	0.00	0.83	0.00	0.83

Index - Barclays Int Govt/Credit

Security Selection Return Attribution

[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]

Sector Selection Return Attribution

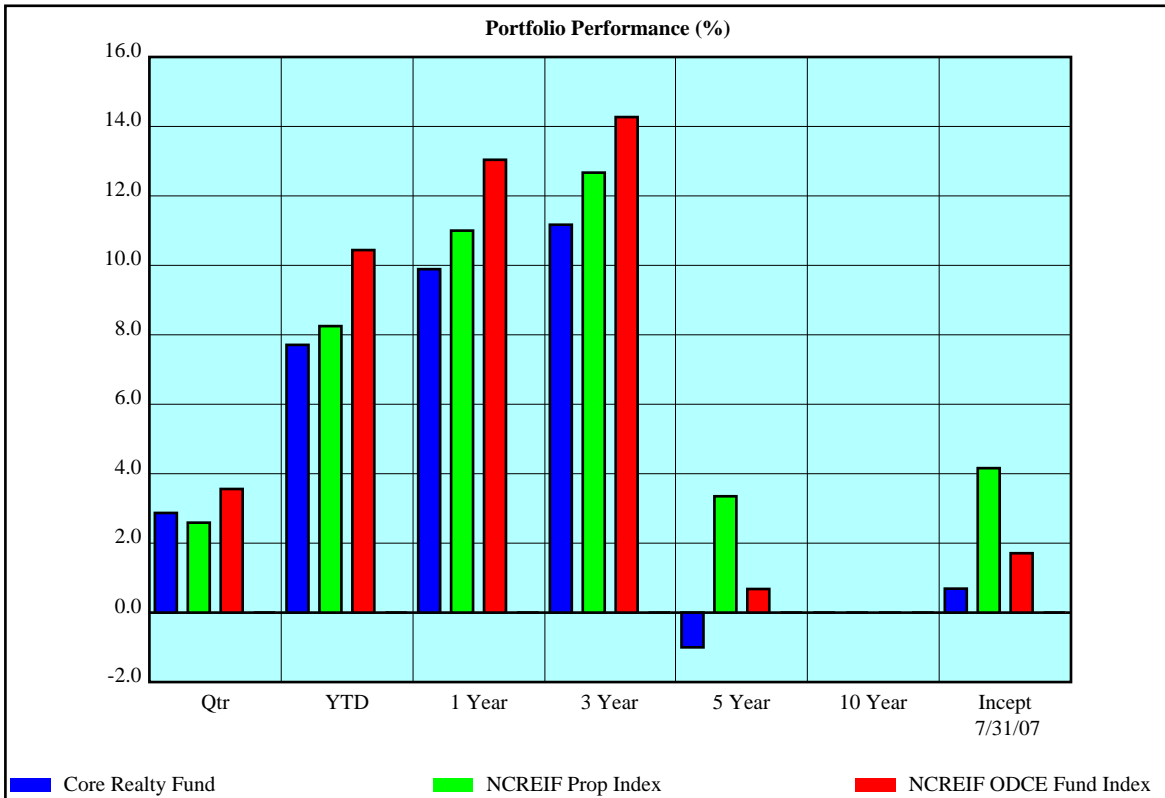
[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]

Trading Effect 0.02%

[ Actual Return 0.85% ] - [ Buy Hold Return 0.83% ]

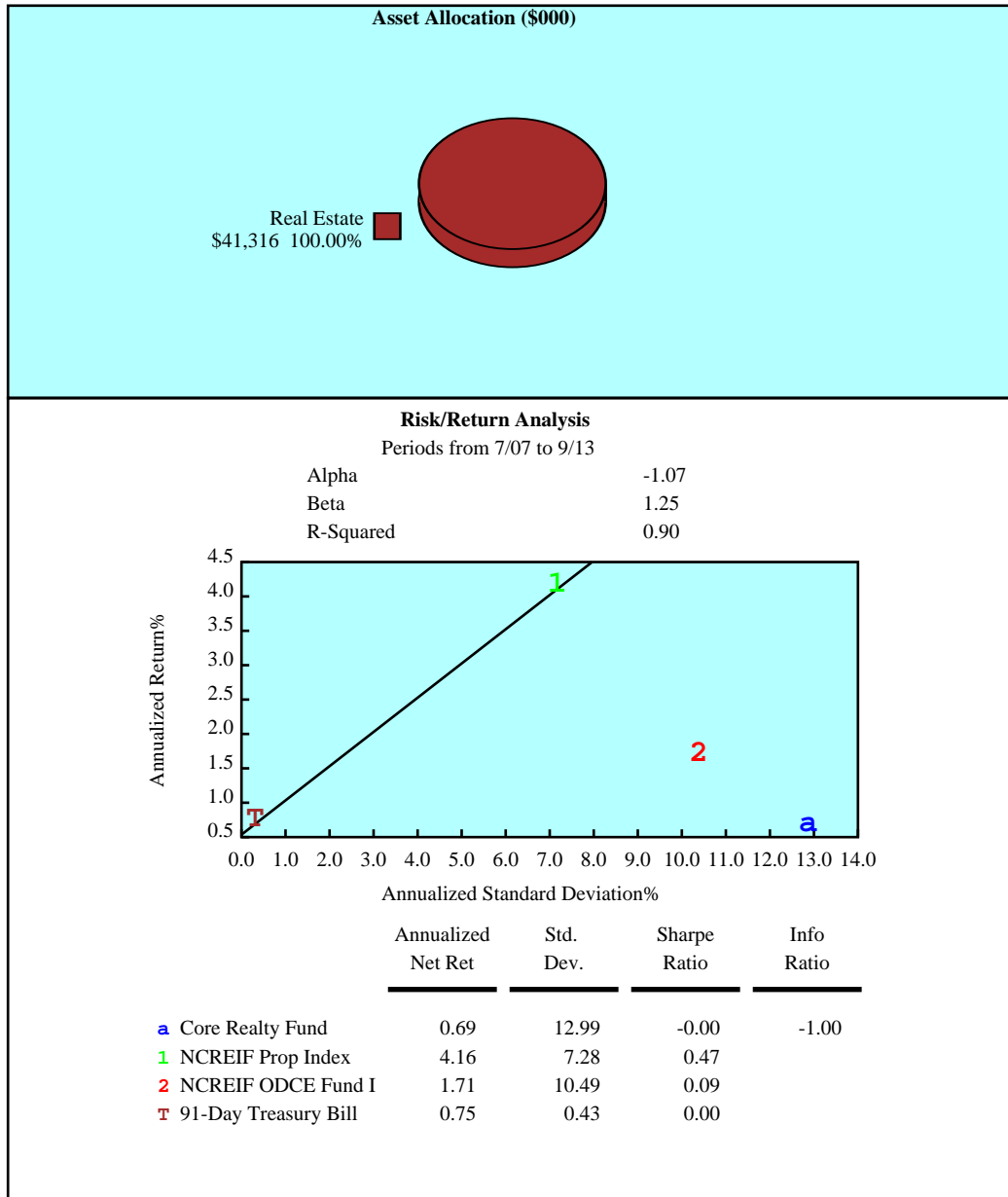
# City of Ft. Lauderdale Police and Fire

## Core Realty Fund as of 9/30/13

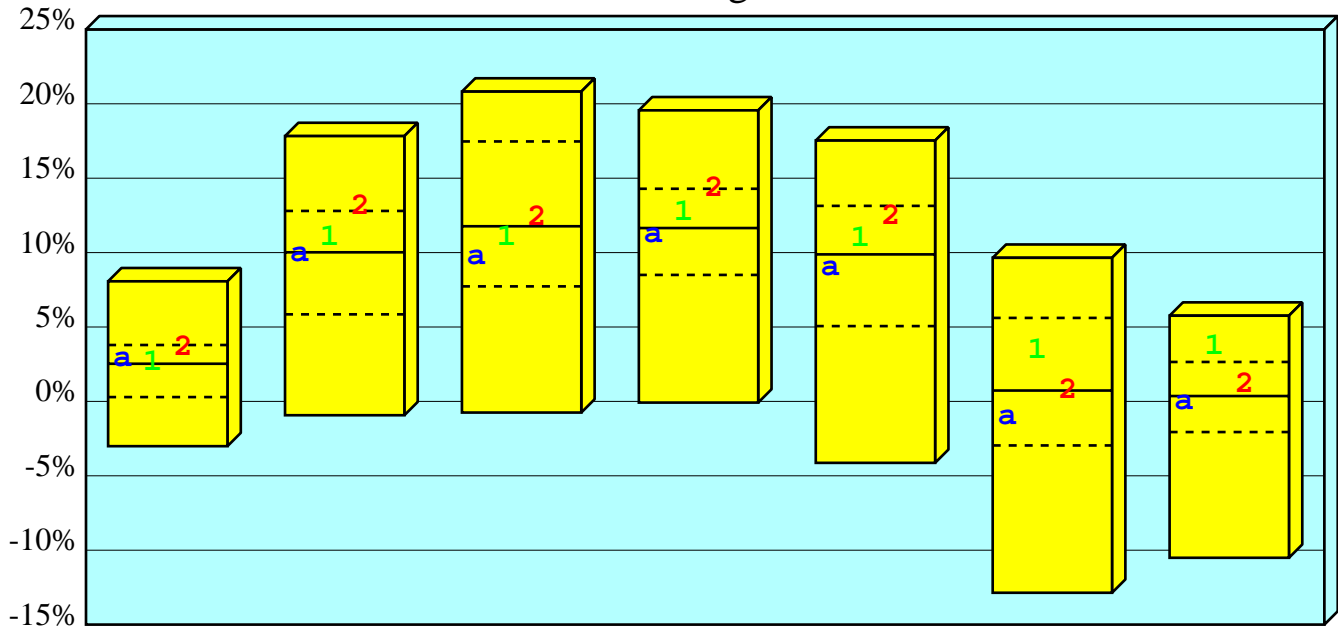


Net of Fee Returns	Qtr	YTD	1 Year	3 Year	5 Year	10 Year	Incept 7/31/07
Core Realty Fund	2.87	7.71	9.89	11.17	-1.04		0.69
NCREIF Prop Index	2.59	8.25	11.00	12.67	3.35		4.16
NCREIF ODCE Fund Index	3.56	10.44	13.04	14.27	0.68		1.71
<b>Asset Growth (\$000)</b>							
Beginning Market Value	36,143	32,620	30,998	18,571	27,241		24,999
Net Contributions & Withdrawals	3,996	5,853	6,825	13,779	13,523		13,331
Gain/Loss + Income	1,176	2,844	3,493	8,967	552		2,986
Ending Market Value	41,316	41,316	41,316	41,316	41,316		41,316

# City of Ft. Lauderdale Police and Fire Core Realty Fund as of 9/30/13

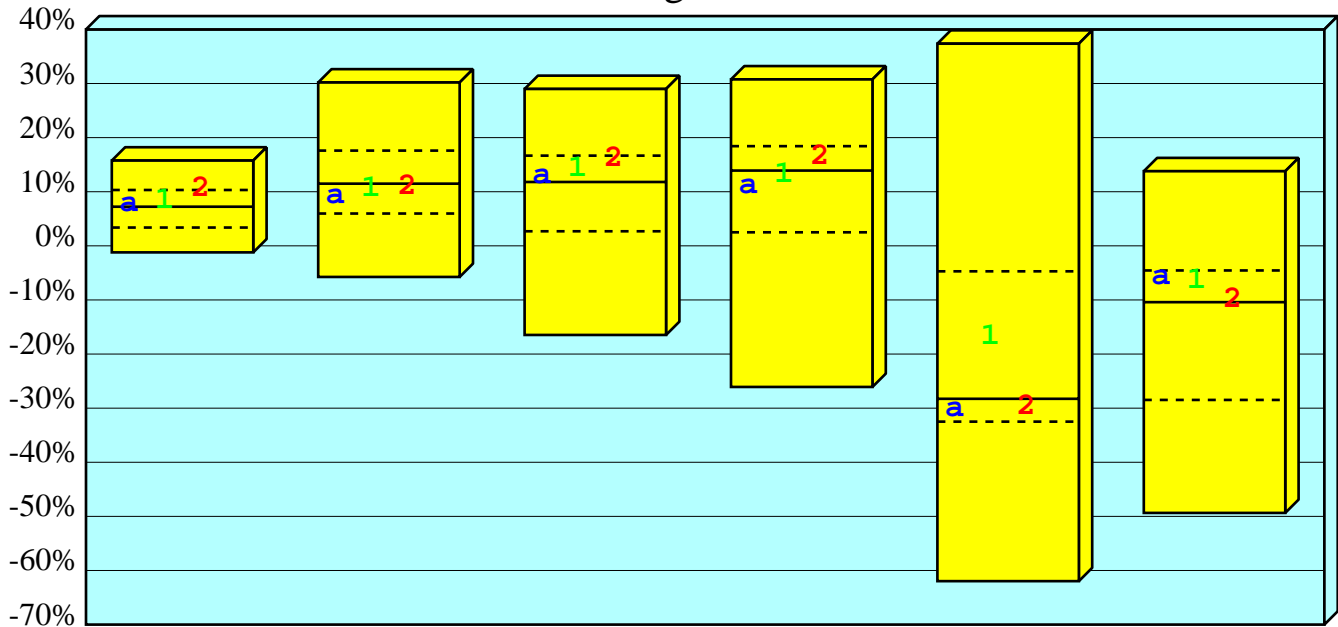


# City of Ft. Lauderdale Police and Fire Cumulative Performance Comparison Total Returns of Real Estate Portfolios Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years
High	8.07	17.83	20.82	19.56	17.53	9.65	5.76
1st Qt	3.79	12.80	17.47	14.29	13.14	5.61	2.65
Median	2.53	10.02	11.77	11.65	9.88	0.73	0.36
3rd Qt	0.29	5.85	7.73	8.50	5.06	-2.96	-2.06
Low	-3.01	-0.93	-0.75	-0.08	-4.13	-12.86	-10.51
<b>a Core Realty Fund</b>							
Net Ret	2.87	9.89	9.67	11.17	8.93	-1.04	-0.06
Rank	41	51	65	54	58	64	56
<b>1 NCREIF Prop Index</b>							
Net Ret	2.59	11.00	11.00	12.67	10.92	3.35	3.67
Rank	48	39	56	37	43	34	15
<b>2 NCREIF ODCE Fund Index</b>							
Net Ret	3.56	13.04	12.32	14.27	12.40	0.68	1.09
Rank	29	22	43	25	31	50	40

City of Ft. Lauderdale Police and Fire  
Calendar Year Performance Comparison  
Total Returns of Real Estate Portfolios  
Years Ending December



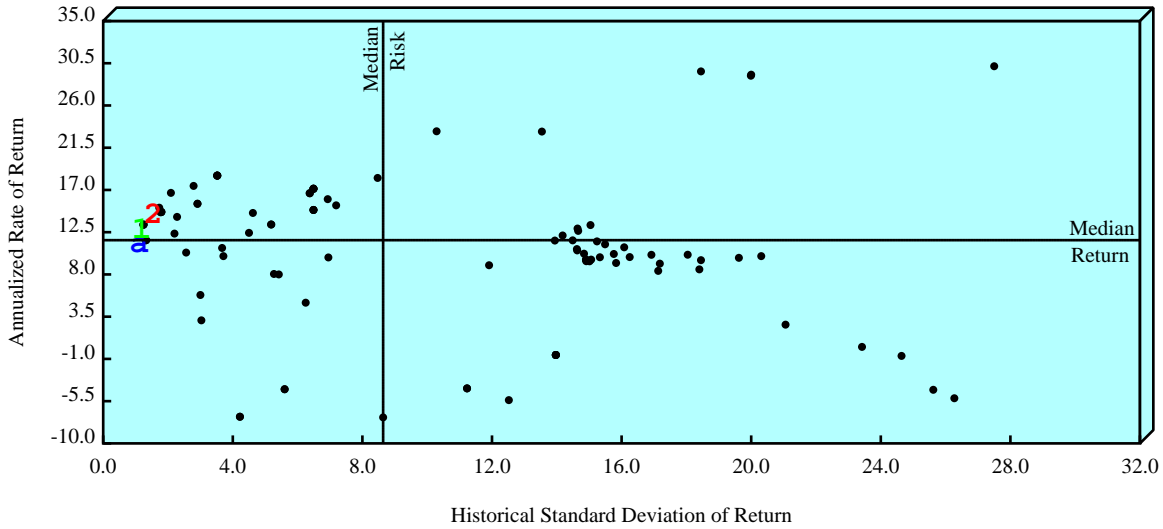
	9/30/13 YTD	2012	2011	2010	2009	2008
High	15.76	30.19	28.99	30.76	37.36	13.79
1st Qt	10.32	17.60	16.67	18.42	-4.71	-4.55
Median	7.23	11.49	11.80	13.91	-28.27	-10.41
3rd Qt	3.38	5.97	2.69	2.50	-32.49	-28.48
Low	-1.21	-5.75	-16.47	-26.08	-61.97	-49.36
<b>a</b> Core Realty Fund						
Net Ret	7.71	9.20	12.88	10.99	-30.19	-5.73
Rank	47	65	45	61	67	32
<b>1</b> NCREIF Prop Index						
Net Ret	8.25	10.54	14.26	13.11	-16.86	-6.46
Rank	41	56	35	53	31	33
<b>2</b> NCREIF ODCE Fund Index						
Net Ret	10.44	10.94	15.99	16.36	-29.76	-10.00
Rank	23	55	26	35	63	44

# City of Ft. Lauderdale Police and Fire

## Return vs Risk

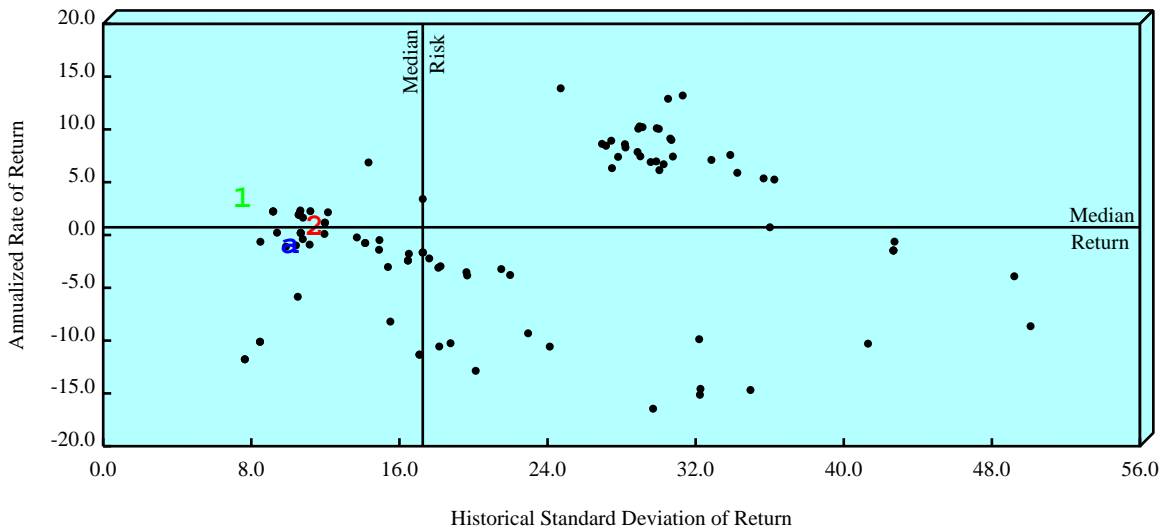
### Total Returns of Real Estate Portfolios

3 Years Ending 9/30/13



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
a	Core Realty Fund	11.17	54	1.28	3
1	NCREIF Prop Index	12.67	37	1.35	4
2	NCREIF ODCE Fund Index	14.27	25	1.69	5
Median		11.65		8.64	

5 Years Ending 9/30/13



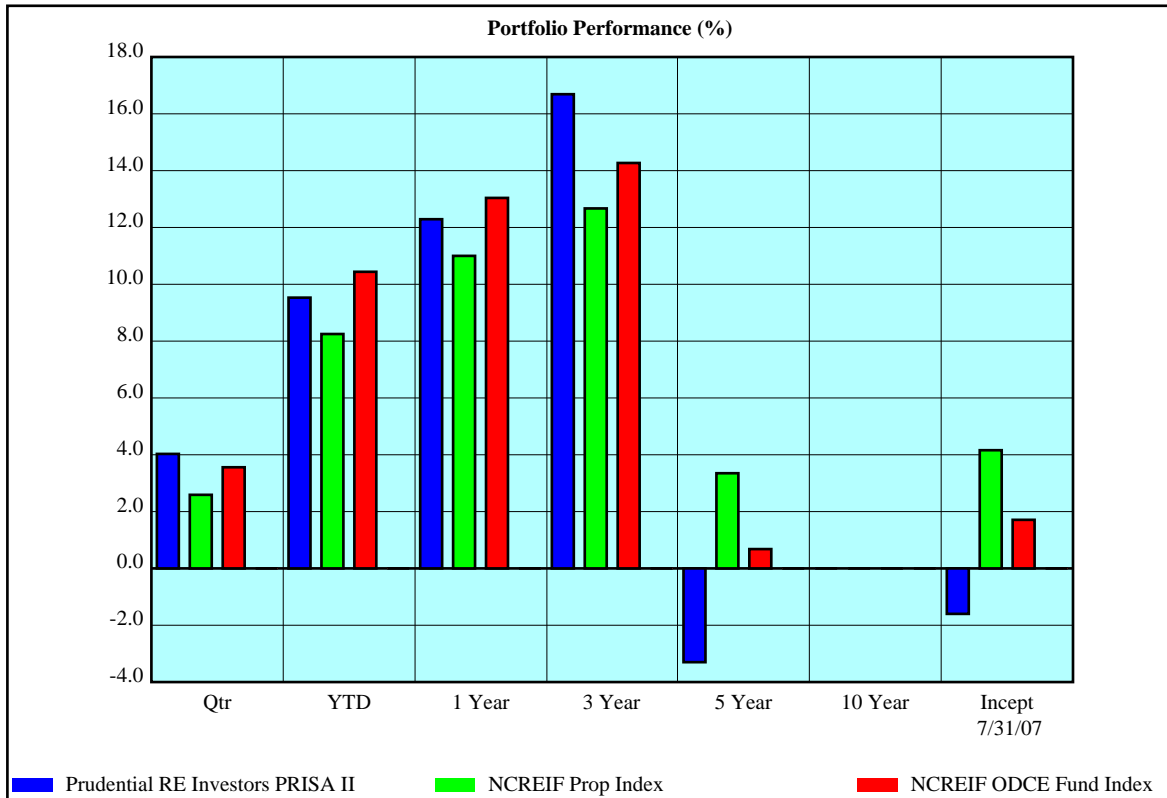
		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
a	Core Realty Fund	-1.04	64	10.39	17
1	NCREIF Prop Index	3.35	34	7.82	7
2	NCREIF ODCE Fund Index	0.68	50	11.67	28
Median		0.73		17.26	

City of Ft. Lauderdale Police and Fire  
Risk Measure Summary  
Core Realty Fund  
Quarterly Periods Ending 9/30/13

Risk Measures	1 Year		3 Years		5 Years		Inception	
	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	0	0	0	0	6	5	7	6
Positive Periods	4	4	12	12	14	15	18	19
Up Market Capture	0.90		0.89		0.89		0.93	
Down Market Capture					1.52		1.54	
Batting Average	0.25		0.17		0.20		0.24	
Worst Quarter	2.00	2.54	2.00	2.34	-12.88	-8.29	-12.88	-8.29
Best Quarter	2.87	2.87	4.04	4.62	4.57	4.62	4.68	4.62
Worst 4 Quarters	9.89	11.00	8.62	10.52	-32.60	-22.11	-32.60	-22.11
Best 4 Quarters	9.89	11.00	14.48	16.10	16.52	16.73	16.52	16.73
Standard Deviation	0.88	0.31	1.34	1.35	10.41	7.82	9.54	7.11
Beta	0.91		0.85		1.27		1.26	
Alpha	-0.01		0.14		-1.25		-1.01	
R-Squared	0.92		0.83		0.91		0.90	
Sharpe Ratio	11.11	35.60	8.33	9.32	-0.11	0.41	-0.01	0.46
Treynor Ratio	10.79		13.18		-0.92		-0.07	
Tracking Error	0.78		0.90		3.72		3.51	
Information Ratio	-1.31		-1.45		-1.10		-0.89	

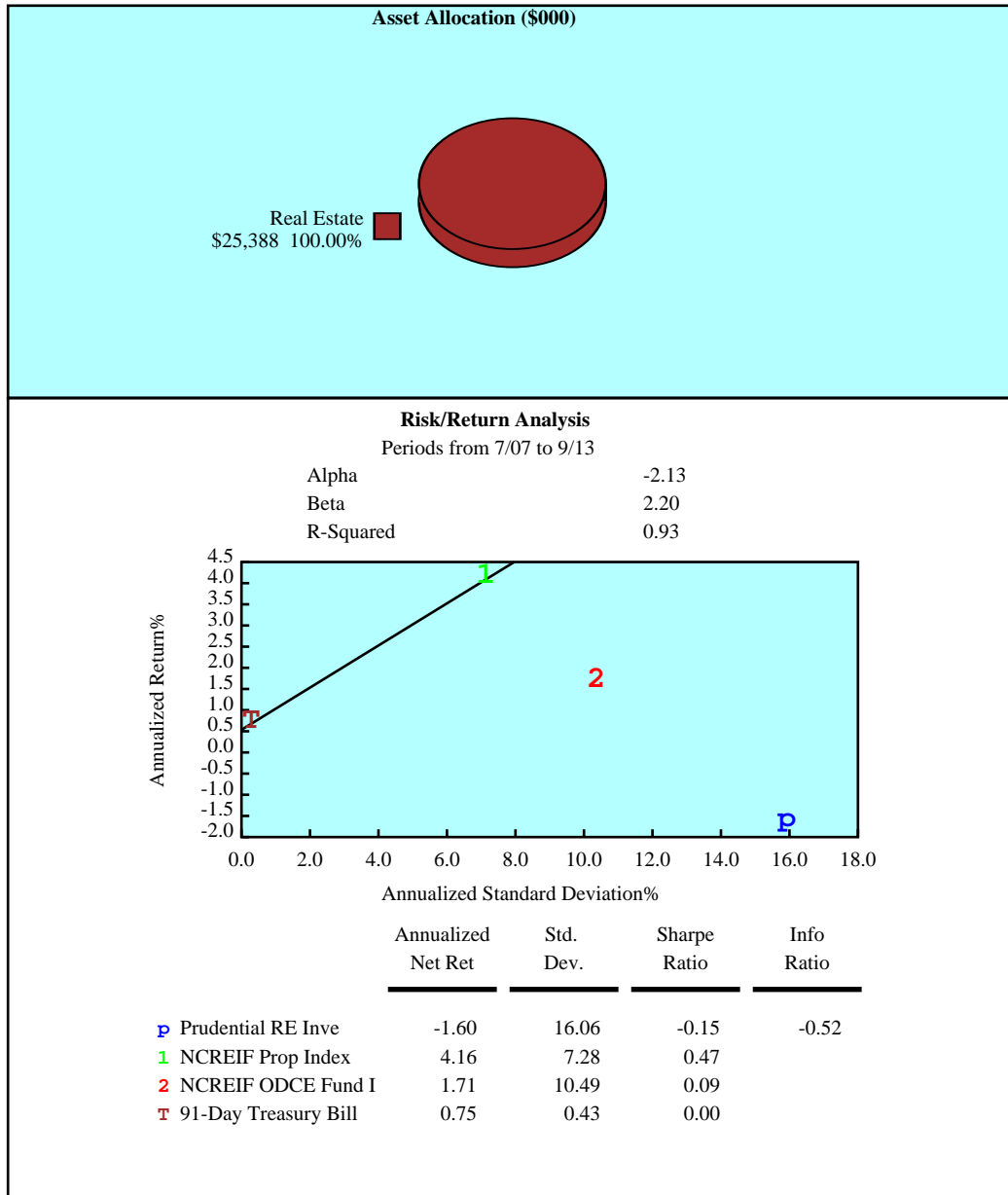


# City of Ft. Lauderdale Police and Fire Prudential RE Investors PRISA II as of 9/30/13

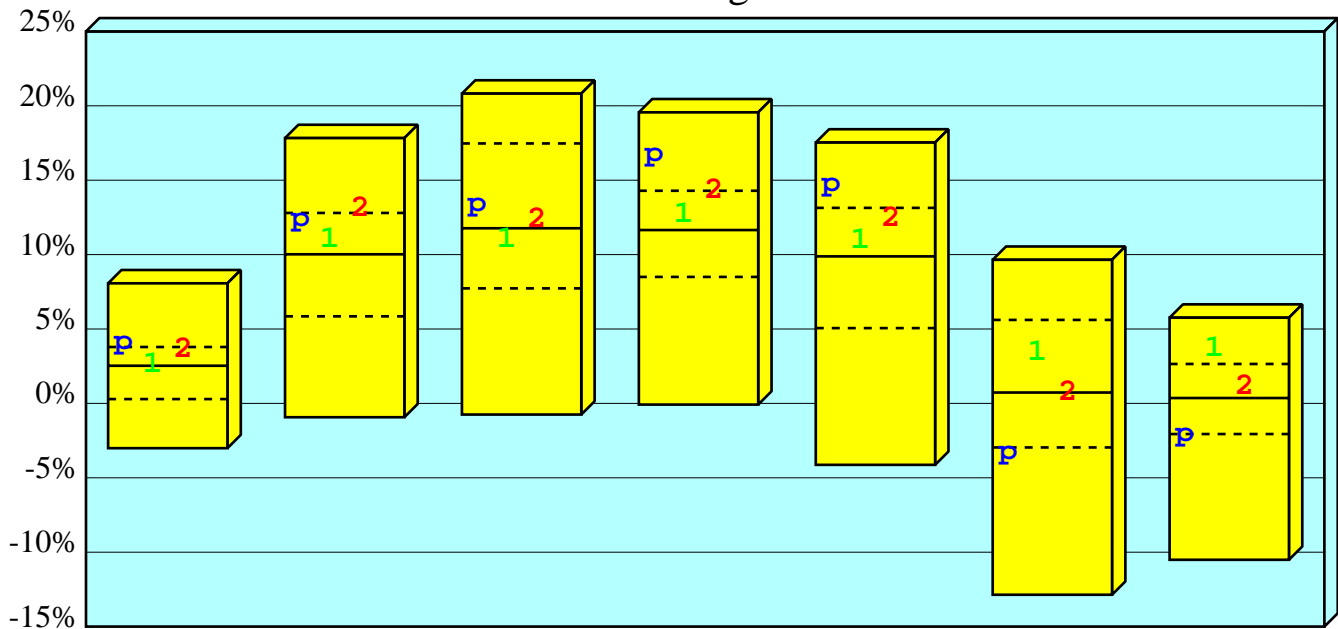


Net of Fee Returns	Qtr	YTD	1 Year	3 Year	5 Year	10 Year	Incept 7/31/07
Prudential RE Investors PRISA II	4.03	9.53	12.29	16.69	-3.31		-1.60
NCREIF Prop Index	2.59	8.25	11.00	12.67	3.35		4.16
NCREIF ODCE Fund Index	3.56	10.44	13.04	14.27	0.68		1.71
<b>Asset Growth (\$000)</b>							
Beginning Market Value	19,784	15,227	14,853	10,338	10,483		3,000
Net Contributions & Withdrawals	4,750	8,356	8,314	8,427	13,287		20,409
Gain/Loss + Income	854	1,805	2,221	6,623	1,618		1,979
Ending Market Value	25,388	25,388	25,388	25,388	25,388		25,388

# City of Ft. Lauderdale Police and Fire Prudential RE Investors PRISA II as of 9/30/13



# City of Ft. Lauderdale Police and Fire Cumulative Performance Comparison Total Returns of Real Estate Portfolios Periods Ending 9/13



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years
High	8.07	17.83	20.82	19.56	17.53	9.65	5.76
1st Qt	3.79	12.80	17.47	14.29	13.14	5.61	2.65
Median	2.53	10.02	11.77	11.65	9.88	0.73	0.36
3rd Qt	0.29	5.85	7.73	8.50	5.06	-2.96	-2.06
Low	-3.01	-0.93	-0.75	-0.08	-4.13	-12.86	-10.51

## **P** Prudential RE Investors PRISA II

Net Ret	4.03	12.29	13.35	16.69	14.70	-3.31	-2.15
Rank	23	29	38	11	18	76	75

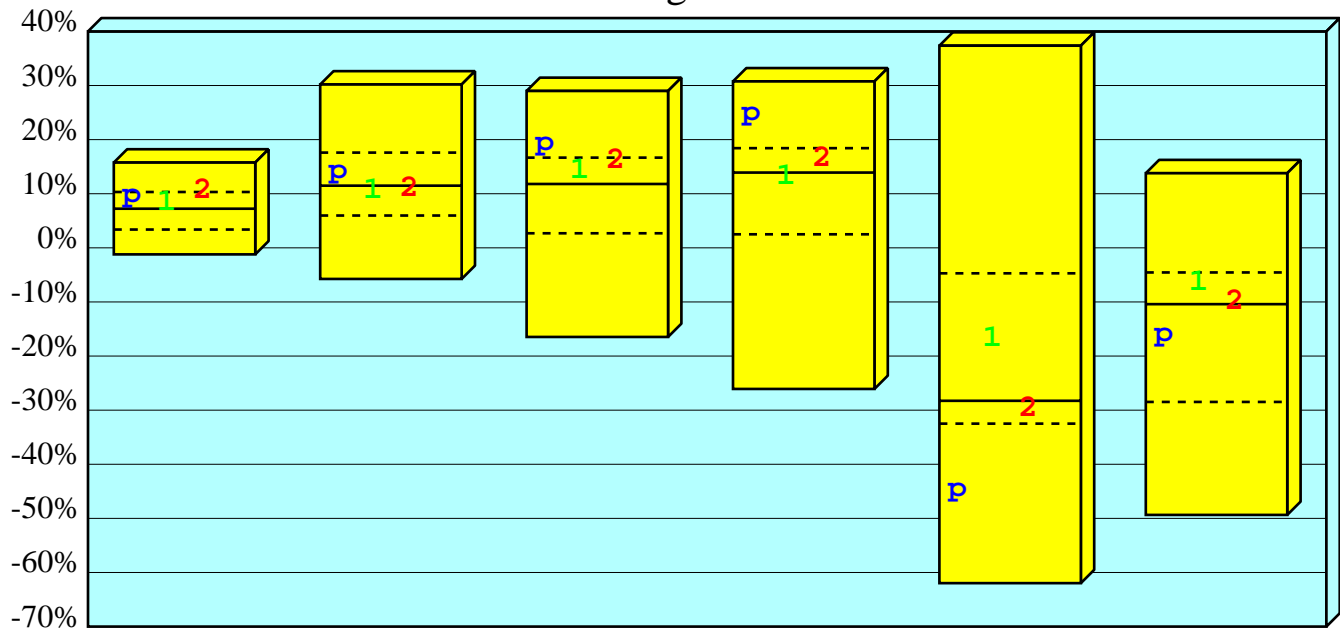
## **1** NCREIF Prop Index

Net Ret	2.59	11.00	11.00	12.67	10.92	3.35	3.67
Rank	48	39	56	37	43	34	15

## **2** NCREIF ODCE Fund Index

Net Ret	3.56	13.04	12.32	14.27	12.40	0.68	1.09
Rank	29	22	43	25	31	50	40

# City of Ft. Lauderdale Police and Fire Calendar Year Performance Comparison Total Returns of Real Estate Portfolios Years Ending December



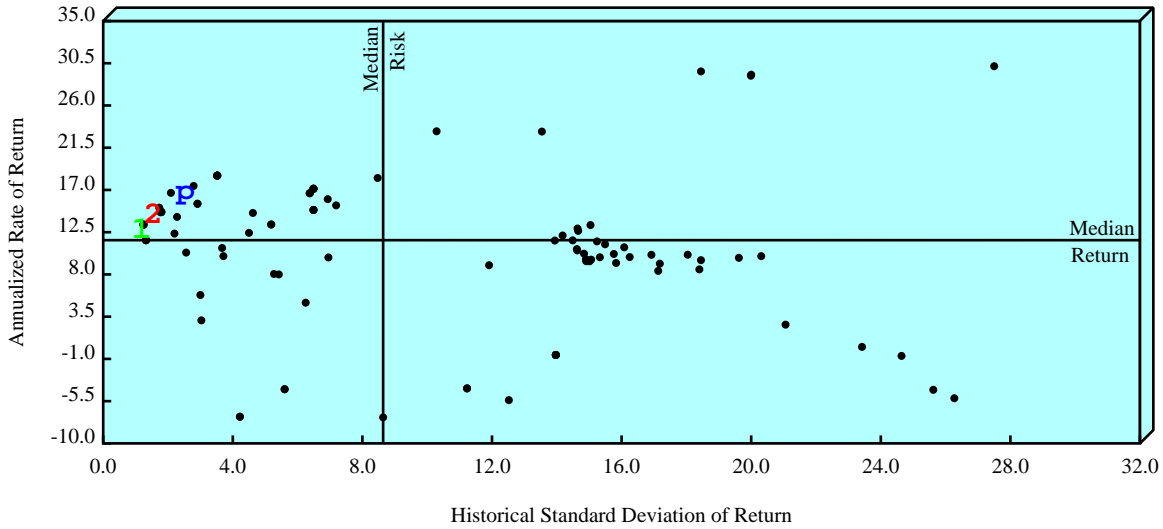
	9/30/13 YTD	2012	2011	2010	2009	2008
High	15.76	30.19	28.99	30.76	37.36	13.79
1st Qt	10.32	17.60	16.67	18.42	-4.71	-4.55
Median	7.23	11.49	11.80	13.91	-28.27	-10.41
3rd Qt	3.38	5.97	2.69	2.50	-32.49	-28.48
Low	-1.21	-5.75	-16.47	-26.08	-61.97	-49.36
<b>P Prudential RE Investors PRISA II</b>						
Net Ret	9.53	14.05	19.23	24.79	-44.82	-16.14
Rank	33	35	15	13	87	66
<b>1 NCREIF Prop Index</b>						
Net Ret	8.25	10.54	14.26	13.11	-16.86	-6.46
Rank	41	56	35	53	31	33
<b>2 NCREIF ODCE Fund Index</b>						
Net Ret	10.44	10.94	15.99	16.36	-29.76	-10.00
Rank	23	55	26	35	63	44

# City of Ft. Lauderdale Police and Fire

## Return vs Risk

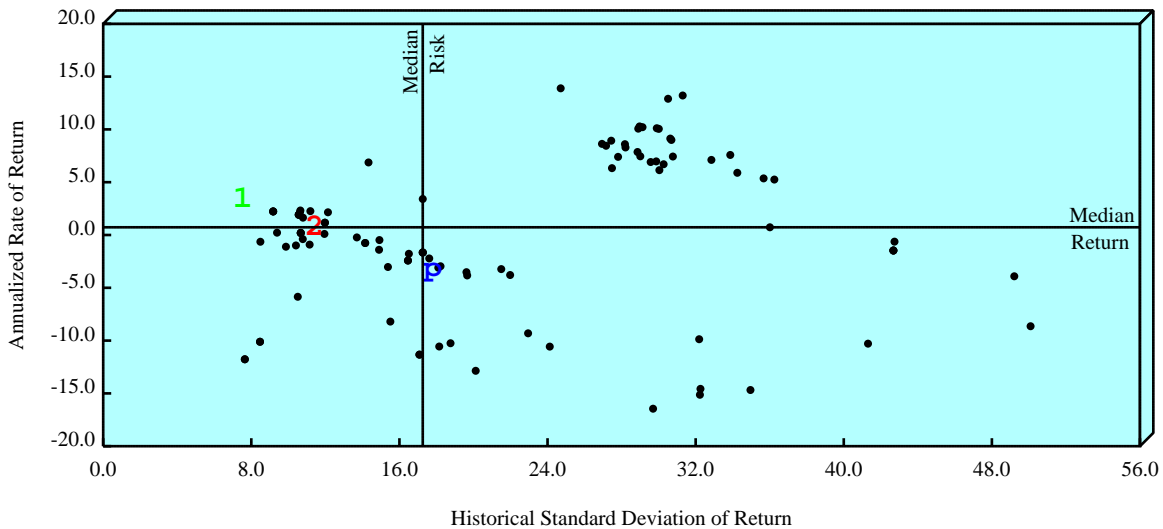
### Total Returns of Real Estate Portfolios

3 Years Ending 9/30/13



		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
p	Prudential RE Investors PRISA II	16.69	11	2.68	18
1	NCREIF Prop Index	12.67	37	1.35	4
2	NCREIF ODCE Fund Index	14.27	25	1.69	5
	Median	11.65		8.64	

5 Years Ending 9/30/13

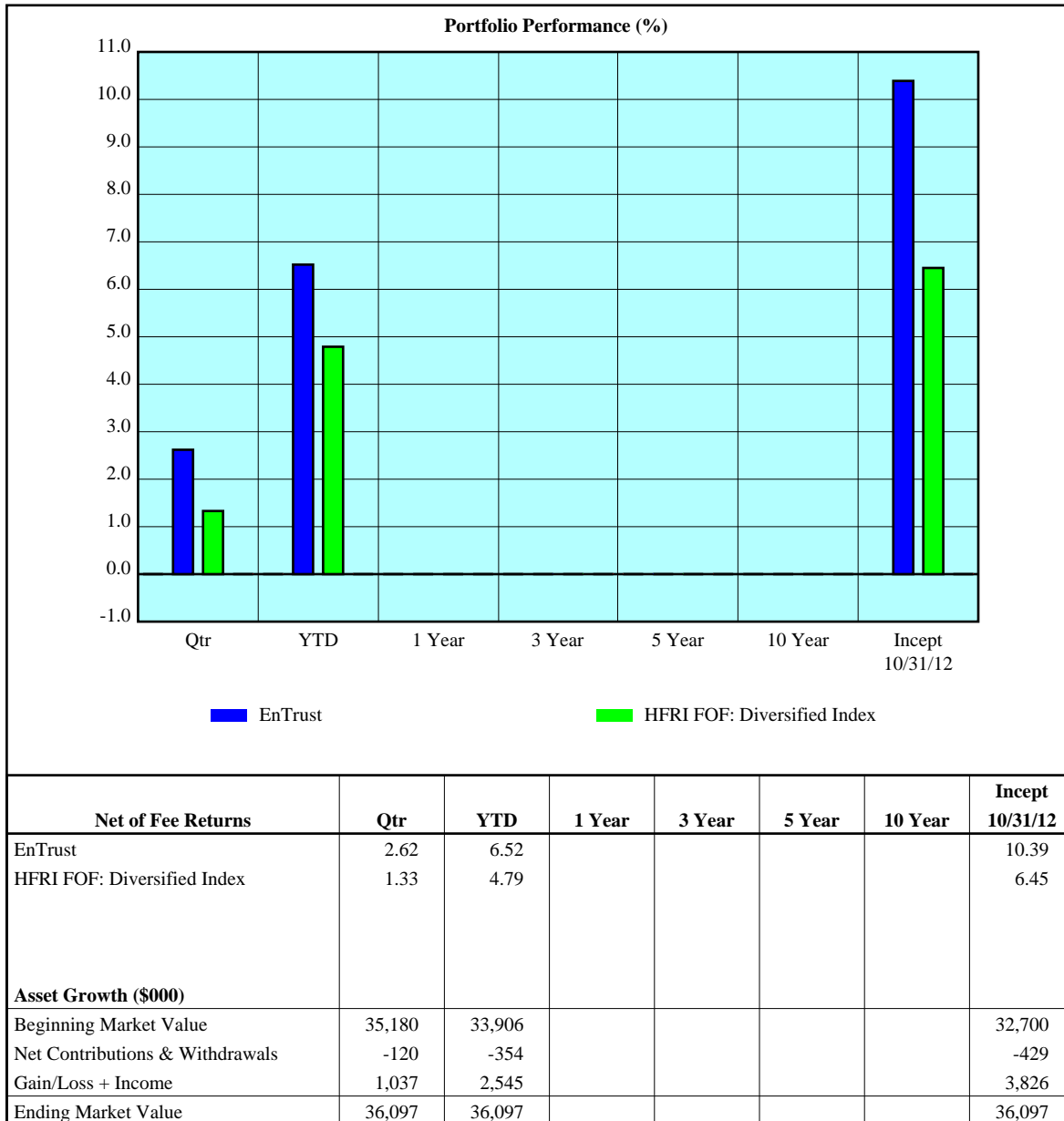


		Annualized Net of Fee Return		Standard Deviation	
		Value	Rank	Value	Rank
p	Prudential RE Investors PRISA II	-3.31	76	18.06	53
1	NCREIF Prop Index	3.35	34	7.82	7
2	NCREIF ODCE Fund Index	0.68	50	11.67	28
	Median	0.73		17.26	

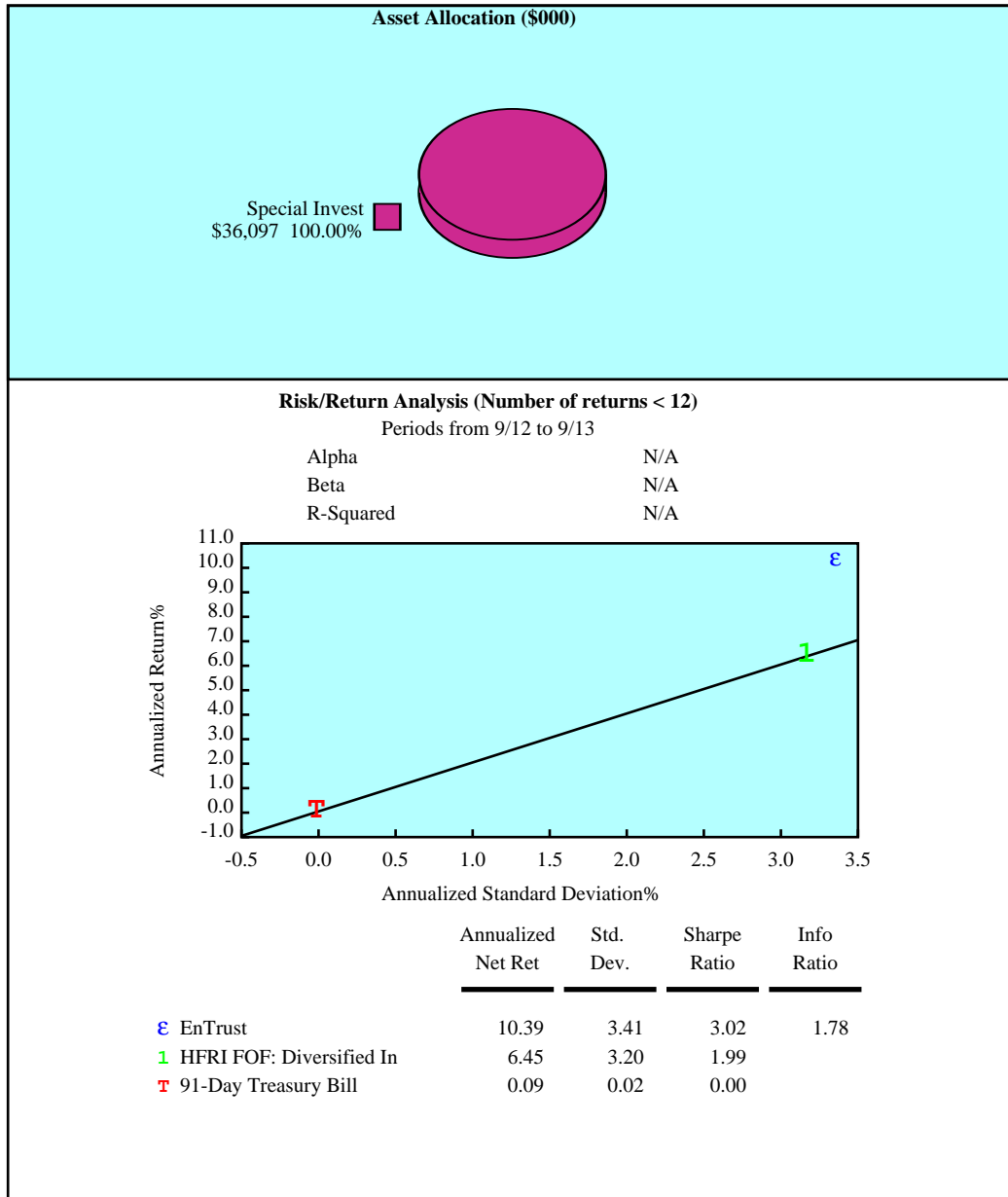
City of Ft. Lauderdale Police and Fire  
Risk Measure Summary  
Prudential RE Investors PRISA II  
Quarterly Periods Ending 9/30/13

Risk Measures	1 Year		3 Years		5 Years		Inception	
	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench	Portfolio	Bench
Negative Periods	0	0	0	0	5	5	5	6
Positive Periods	4	4	12	12	15	15	20	19
Up Market Capture	1.20		1.36		1.49		1.36	
Down Market Capture					2.40		2.45	
Batting Average	0.75		0.83		0.65		0.60	
Worst Quarter	2.34	2.54	2.34	2.34	-24.78	-8.29	-24.78	-8.29
Best Quarter	4.32	2.87	6.67	4.62	8.23	4.62	8.23	4.62
Worst 4 Quarters	13.22	11.00	12.05	10.52	-51.17	-22.11	-51.17	-22.11
Best 4 Quarters	13.22	11.00	23.67	16.10	30.17	16.73	30.17	16.73
Standard Deviation	1.69	0.31	2.52	1.35	18.12	7.82	16.21	7.11
Beta	1.19		1.42		2.24		2.21	
Alpha	0.02		-0.22		-2.31		-2.12	
R-Squared	0.82		0.83		0.95		0.93	
Sharpe Ratio	7.78	35.60	6.80	9.32	-0.18	0.41	-0.13	0.46
Treynor Ratio	11.03		12.09		-1.43		-0.98	
Tracking Error	1.69		1.59		10.62		9.51	
Information Ratio	1.22		2.63		-0.51		-0.49	

# City of Ft. Lauderdale Police and Fire EnTrust as of 9/30/13



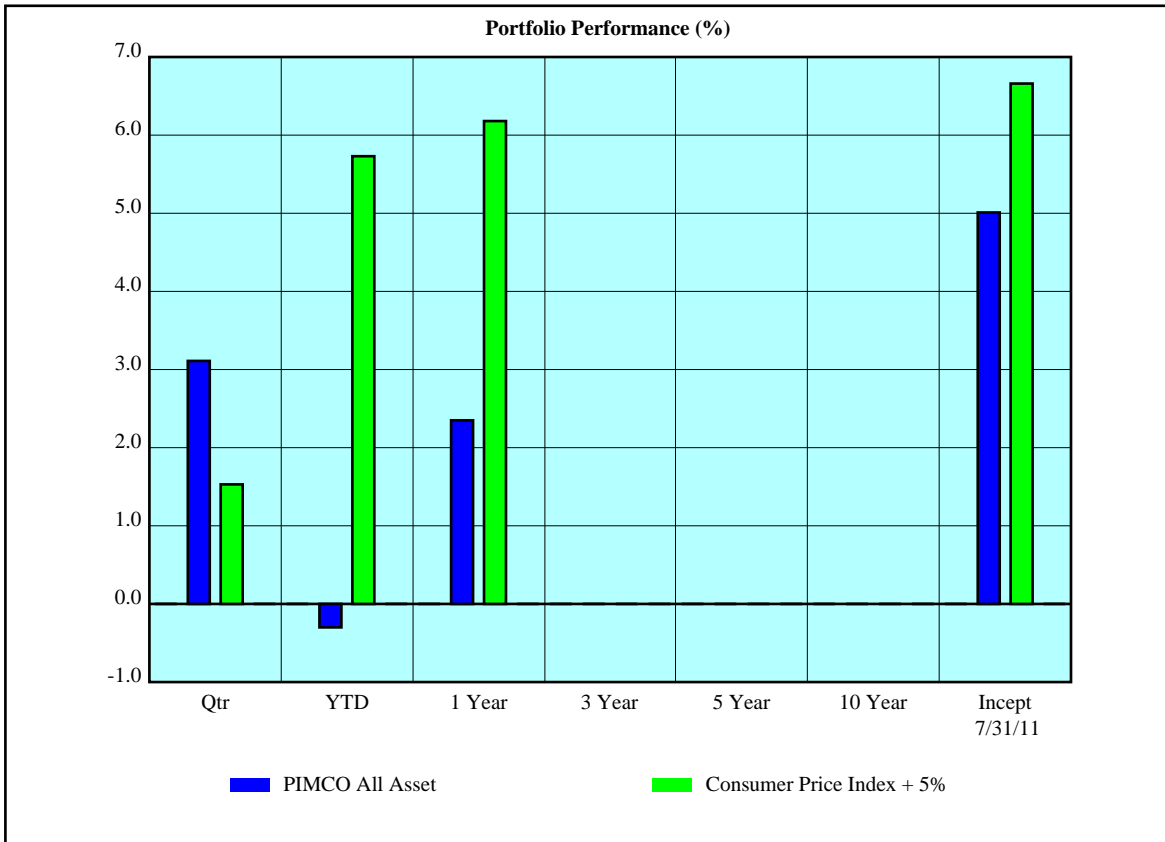
# City of Ft. Lauderdale Police and Fire EnTrust as of 9/30/13





# City of Ft. Lauderdale Police and Fire

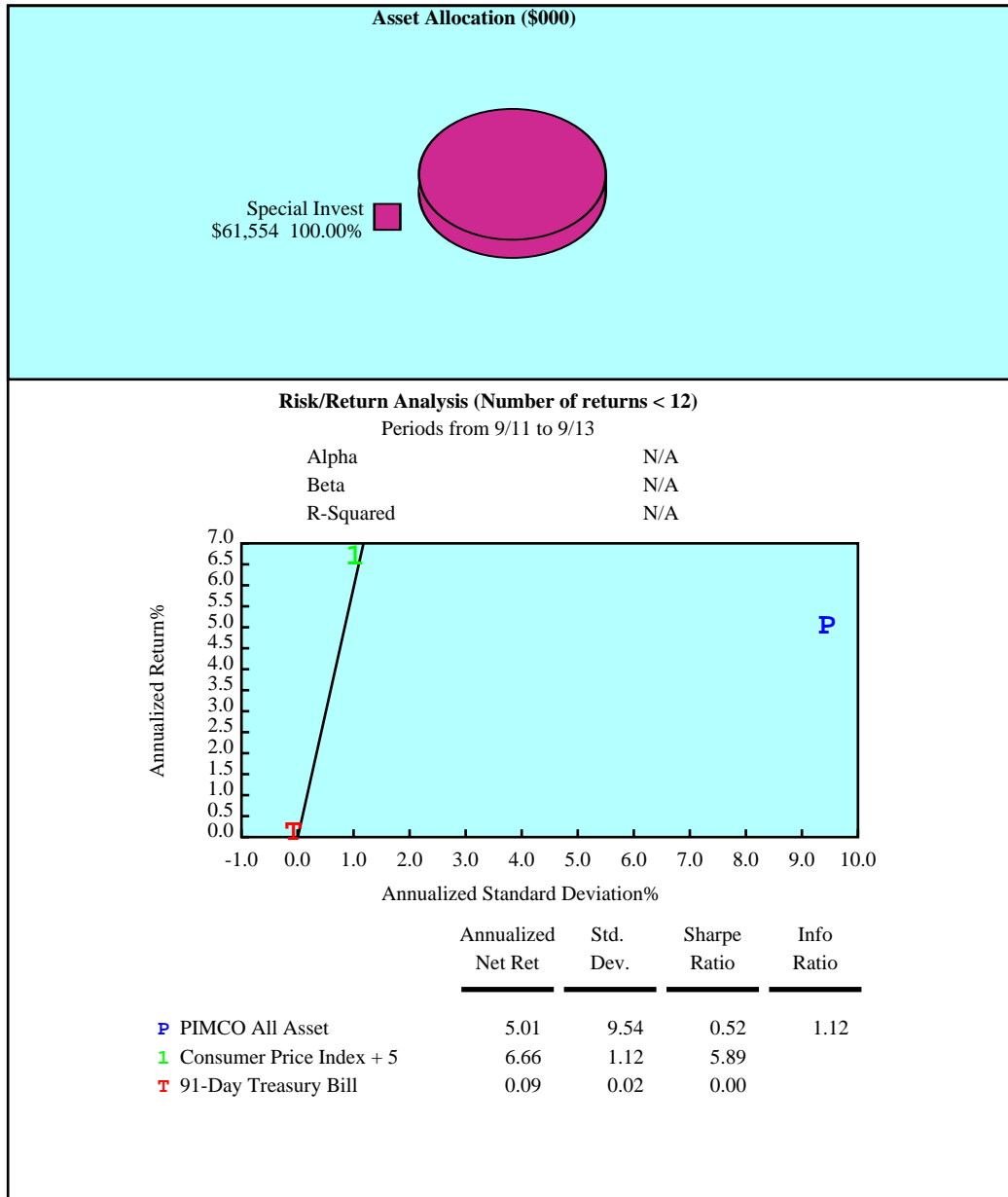
## PIMCO All Asset as of 9/30/13



Net of Fee Returns	Qtr	YTD	1 Year	3 Year	5 Year	10 Year	Incept 7/31/11
PIMCO All Asset	3.11	-0.35	2.35				5.01
Consumer Price Index + 5%	1.53	5.73	6.18				6.66
<b>Asset Growth (\$000)</b>							
Beginning Market Value	69,512	71,924	54,526				20,000
Net Contributions & Withdrawals	-10,000	-10,000	5,500				35,500
Gain/Loss + Income	2,042	-370	1,528				6,054
Ending Market Value	61,554	61,554	61,554				61,554

# City of Ft. Lauderdale Police and Fire

## PIMCO All Asset as of 9/30/13



# Investment Policy Statement

The Trustees of the Police & Fire Retirement System Pension Fund, in adopting the following Investment Policy Statement, intend its provisions to act as guidelines for the investment managers employed by the Fund. It shall be the responsibility of the investment managers to bring to the attention of the Trustees any term of the Statement, which the investment managers believe to inhibit or in any way affect their exercise of management discretion.

## **I. PURPOSE OF STATEMENT**

The Trustees are charged by law with the responsibility for the investment of assets of the Trust Fund. To discharge this function, the Trustees are authorized by law to engage the services of Investment Managers who possess the necessary specialized research facilities and skilled personnel to provide expertise with respect to investment of assets entrusted to them.

In performing its investment duties, the Trustee shall comply with the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974, 29 U.S.C. §1104(a)(1)(A)-(C), meaning that the Trustee must discharge all duties with respect to the Plan solely in the interest of participants and beneficiaries and for the exclusive purpose of: (a) providing benefits to participants and their beneficiaries and (b) defraying reasonable expenses of administering the Plan; with the care, skill, prudence and diligence under circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; by diversifying investments of the Plan so as to minimize risk of large losses, unless under the circumstances it is clearly prudent not to do so. In the event of conflict with other provisions of law authorizing investments, the investment and fiduciary standards set forth in this section shall prevail.

In keeping with the duties of Chapter 20 of Fort Lauderdale Ordinances, this statement of investment goals and objectives is set forth.

Its purpose is to:

Determine the Trust's projected financial needs.

Express the Trustees' position with respect to the funds risk-volatility posture.

Formulate an appropriate set of goals and objectives for the Fund's assets.

## **II. INVESTMENT OBJECTIVES**

- A. Assets of the Fund shall be invested in a manner consistent with the fiduciary's acceptable standards of Chapter 112, Florida Statutes, namely:

1. The safeguards and diversity that a professional, prudent investment manager would adhere to must be present.
  2. All transactions undertaken on behalf of the Trust must be for the sole interest of Plan participants and their beneficiaries.
- B. The Fund shall be invested in a manner consistent with the primary emphasis upon consistency of performance to protect the Fund from excessive volatility in current market value.
- C. The Fund shall be invested with emphasis upon capital protection, i.e., the achievement of adequate investment growth so that the purchasing power of the principal amount of these assets is at least maintained and preferably increased.
- D. The Plan's total return will be expected to provide equal or superior results based on a five year investment horizon, relative to the objectives enumerated below. It is anticipated that achievement of this rate of return will raise the funded status of the plan and lower the contribution rate as a percent of payroll.
1. The Retirement System's annualized total return should equal or exceed the Retirement System's actuarial interest rate assumption, which is currently 7.50%. The Board will file with the City, the Department of Management Services, and the actuary the expected annual rate of return for the current year, for each of the next several years, and for the long term for each annual actuarial valuation.
  2. The Retirement System's total return should exceed the total return of an index composed as follows:  
  
28% S&P 500  
12.5% Russell 2500  
15% MSCI EAFE  
34.5 % Barclays Capital Intermediate Government/Credit Bond Index  
10% NCREIF Index  
  
Please note that the 15% target weight to alternatives in the Total Plan performance benchmark has been split 70% to the S&P 500 Index and 30% to the Barclays Intermediate Government/Credit Bond Index.
  3. The Retirement System's total return should exceed the total return of the median plan in the consultant's peer group universe.

### **III. INVESTMENT GUIDELINES**

- A. It shall be the policy of the Fund to invest the assets in accordance with the following asset allocation levels outlined below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Minimum</u>	<u>Maximum</u>
Domestic Equity:			
<b>Large Cap Equity</b>	<b>17.5%</b>	<b>10%</b>	<b>30%</b>
<i>Large Cap Equity is further defined as:</i>			
Large Cap Core	8.5%	5.0%	12%
Large Cap Value	4.5%	2.5%	7.5%
Large Cap Growth	4.5%	2.5%	7.5%
<b>Mid/Small Cap Equity</b>	<b>12.5%</b>	<b>5%</b>	<b>20%</b>
<i>Mid/Small Cap Equity is further defined as:</i>			
Mid Cap Equity	5%	2.5%	7.5%
Small Cap Value	3.75%	0%	7.5%
Small Cap Growth	3.75%	0%	7.5%
International Equity	15%	10%	20%
Alternative Investments:			
Long/Short Equity	5%	2.5%	7.5%
Real Estate	10%	5%	15%
Multi-Strategy	10%	5%	15%
Fixed Income (incl. Cash)	30%	25%	35%

The Board of Trustees has adopted the asset allocation policy set forth above, which is expressed in terms of target levels and allocation ranges, as measured by market value of assets. Percentage allocations are intended to serve as guidelines; the Board will not be required to remain strictly within the designated ranges. Market conditions or an investment transition (asset class or manager) may require an interim investment strategy, and, therefore, a temporary imbalance in asset mix. At each quarterly meeting of the Fund's Board of Trustees, Staff and Consultant will review with the Board the asset allocation structure of the plan relative to the policy target allocations and acceptable ranges. Staff and Consultant are responsible for providing the Board with a recommendation relative to rebalancing the overall investment portfolio based on predetermined target allocations, and the Fund's current allocation relative to those targets. The large cap, small/mid cap and international allocations are implemented through multiple managers utilizing both value and growth styles. It is intended that these allocations maintain relative style neutrality; therefore rebalancing reviews and recommendation shall also attempt to maintain a balance between growth and value.

This investment policy has been chosen to provide a high likelihood of meeting the objectives outlined above. The asset allocation established by this investment policy represents a long term perspective. As such rapid unanticipated shifts may cause the assets to temporarily fall outside the policy range. Any divergence should be of a short term nature. The Board demands that any such divergences shall be kept as brief as possible. The system administrator shall promptly notify the Board whenever divergences exist.

The Board shall periodically review the Investment Policy Statement and solicit the recommendations of the Investment Consultant with respect to any proposed changes. The Board may also solicit input from the investment managers during this process.

- B. Full discretion consistent with the guidelines described herein is granted to each investment manager in respect to the sector mix of the assets, the selection of securities and the timing of their transactions. Pooled funds or other commingled vehicles may be utilized that are invested in substantially the same manner and same investments as stated in this Investment Policy Statement. The manager of such pooled or commingled fund shall promptly advise the Board of any potential exceptions to or violations of the Investment Policy Statement which may arise for any reason.
- C. The investment managers shall not hold (without the Board's written consent) unsecured investments in a single company in a total amount exceeding 5% of the market value of the assets which they manage **(with the exception of the enhanced equity index and equity index manager, in which case investments in a single company are permitted to be +/-1% of that company's weight in the benchmark at time of rebalance)**, nor shall any investment manager hold investments in any one particular sector exceeding 40% of the equity portfolio or 130% of the S&P500 Sector Weighted, whichever is higher. Only securities issued by or guaranteed by the U.S. Government shall be considered "secured".

The market value basis of Foreign Securities shall not exceed 25% of the total market value of assets of the fund. A Foreign Security is defined as a security issued by a corporation or other issuer that is not organized under the laws of the United States Government, any U. S. state government, or the District of Columbia. Such Securities organized under the laws of foreign governments shall be considered foreign securities, regardless of whether they are traded on United States exchanges, regardless of the ownership of the foreign corporation and regardless of whether the security is denominated in United States dollars.

The Domestic Large Cap Value Equity manager is authorized to invest up to 15 % of its respective portfolio in ADR's or common stocks of non-U.S. companies listed on a major U.S exchange.

All other Domestic Equity managers are authorized to invest up to 5% of their respective portfolios in ADR's or common stocks of non-U.S companies listed on a major U.S. exchange.

The specifically hired International Equity managers are expected to be invested primarily if not exclusively in non-U.S. securities.

The Global Long/Short Equity commingled fund in which the System is invested may invest in U.S. and Non-U.S securities. The percentage of Non-U.S securities will be monitored by the Investment Consultant and counted toward the 25% of the total funds market value limitation to Foreign Securities.

- E. The Board of Trustees will comply with the provisions of the Protecting Florida's Investment Act (PFIA) with respect to its investments. The Board shall not hold any direct securities of any scrutinized company appearing on the SBA website. The Board will review and monitor the SBA's quarterly update to the scrutinized company list to determine whether divestment of any direct holding is required. Each quarter the Board's Investment Consultant shall prepare a written report to the Board advising whether or not any divestment is required or whether any direct holding is on the scrutinized company list as defined by the SBA.
- F. In the event of a spin-off from a company currently held in the portfolio, which prior to the spin-off was a qualified investment, the manager should report on a quarterly basis with a recommendation as to whether we should continue to hold such spin-off. However, it is the intent for the spin-off to meet the Boards equity restrictions as soon as possible.
- G. The use of fixed income investments may include U.S. Government and agency obligations, marketable corporates, Ginny Mae's, U.S. Agency Collateralized Mortgage-backed securities, asset-backed securities, debentures, preferred stocks, commercial paper, certificates of deposit and other such instruments as deemed prudent by the investment manager. The bond manager (including any balanced fund manager with respect to the fixed-income segment of the portfolio) is authorized to invest up to 10% of their respective portfolios in issuers not domiciled in the U.S.
- H. Fixed-Income type securities shall be selected from among those rated within the top five major categories of any recognized bond rating service such as, (Moody's, Standard & Poors and Fitch's). In those cases in which the rating services give different ratings, the lowest rating shall apply. Notwithstanding anything herein to the contrary, **active bond managers are permitted to invest up to 15% of the market value of their portfolio in securities rated in the fifth major rating category by all recognized rating services, provided that such investments are consistent with the mandate of the manager. The overall portfolio quality of the active bond portfolios shall be maintained at A or higher.**
- I. Fixed-income type securities are to be selected and managed so as to assure appropriate balances in qualities and maturities consistent with current money market and economic conditions. Active bond management is encouraged **in instances of non-indexed management**, as deemed appropriate by the investment, although this is not intended to encourage excessive emphasis on short-term trading techniques.
- J. The real estate portfolio is designed as a core mandate. Investments in real estate properties will be broadly diversified geographically, by property type, size of the property and number of properties. Income and appreciation are dual considerations; however more emphasis will be placed on high quality, and income-producing properties in the portfolio. It is expected that the income component will compromise the majority of the portfolio's total return. The manager should not assume excessive risk in terms of leverage utilized. The portfolio may be invested in commingled or partnership vehicles. The selection of properties/investments will be at the discretion of each manager.

- K. The dynamic, flexible management of the portfolio is both permitted and encouraged. Shifts of emphasis among equity, fixed income and cash equivalent sectors of the aggregate asset base are at the discretion of the investment manager. However, major restructuring would require prior consent of the Trustees.
- L. Cash equivalent securities should be viewed not only as avenues to meet the liquidity requirements of the Trust, but also as alternative investment vehicles. In either case, however, selection of particular investments should be determined primarily by the safety and liquidity of the investment and only secondarily by available yield.
- M. It is understood that the managers at any point in time may not be fully invested. While in fact the System's assets may be partially invested in cash equivalents, for asset allocation purposes these funds shall be considered invested in the asset classes of the respective managers. In turn, each manager's performance will be evaluated on the total amount of funds under their direct management.
- N. The Trustees recognize that market performance varies from period to period and that a 4.6% real rate of return may not be meaningful during some periods. Accordingly, relative performance benchmarks for the managers are set forth in Section V, Basis for Measurement.
- O. Certain Securities are deemed to be ineligible for inclusion among this Trust's asset base:

The following transactions would be prohibited:

1. A sale, exchange or lease of any property between the Plan and interested party (interested party being defined as a person rendering services to the Plan for which remuneration is received, i.e., stockbroker, real estate broker, etc.)
2. A direct loan or an extension of a line of credit between the Plan assets and any interested party.
3. A transfer of Plan assets to an interested party for the exclusive benefit or use of the interested party.
4. An acquisition of securities, which would exceed stated limitations, 5% in any one company. Any exceptions to the foregoing restrictions would require written Board approval with the specifics detailed.
5. Instrumentalities which are or may be deemed in violation of prohibitive transaction standards as may be specified in the Florida Statutes, specifically Chapters 112, 175 and 185.

P. Investments not classified as equities or fixed income will be designated as alternative investments. Alternative investments are typically (but not always) less liquid than traditional asset classes and will be expected to provide diversification from traditional capital market risk. Alternative investments that may be allocation to the Plan include real estate, tactical asset allocation mutual funds, hedge funds (including fund-of-funds and



long/short equity vehicles), private equities, commodities, and income-oriented alternatives (i.e. preferred stock, Master Limited Partnerships, multi-sector fixed income strategies).

#### **IV. MATURITY AND LIQUIDITY REQUIREMENTS**

The investment portfolio is structured in such a manner as to provide sufficient liquidity to pay obligations as they come due. The Plan will not be expected to maintain a significant cash balance but will rather raise cash to fund obligations on an as needed basis in accordance with the Plan's target asset allocation. Managers will be notified of any change in the foregoing circumstances.

#### **V. THIRD-PARTY CUSTODIAL AGREEMENTS**

All assets shall be held by a third party, and all securities purchased by, and all collateral obtained by, the Trustee shall be properly designated as an asset of the Plan. No withdrawal of assets, in whole or in part, shall be made except upon authorization by the Trustee. Securities transactions between a broker-dealer and the Custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis to ensure that the Custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

#### **VI. COMMUNICATIONS**

##### **A. Documentation**

Statements are to be supplied at least quarterly by each investment manager and/or bank custodian to the Trustees indicating:

1. The Fund composition, i.e., at book or original cost and at current market value (by sector, including equity, fixed income, cash equivalents, and "pure" cash balances);
2. Position, by individually named securities, showing their respective book and market values, the number of shares by date secured or sold;
3. All income cash transactions, including sources of all interest and dividends in sufficient descriptive detail. The investment manager is expected to provide written confirmation and documentation of all principal transactions, with the exception of cash equivalent trades, within one week of occurrence.

##### **B. Meetings**

Investment managers are expected to meet on a quarterly basis, or more often upon request, with the Trustees to review the portfolio and to discuss investment results in terms of these goals, objectives and policies.

## **VII. BASIS FOR MEASUREMENT**

Performance of this Fund is to be measured, both currently and historically, in context with these goals and objectives. In order to ensure that investment opportunities available over a specific time period are fairly evaluated, the Trustees will use comparative performance statistics to evaluate investment results.

The Fund's investment performance results will be compared, on a time-weighted basis, with that of unmanaged market indices as well as with a universe of managed funds. Such comparative performance statistics shall be used for evaluation purposes.

In that context, then, the Fund's equity performance will be compared with the Standard & Poor's 500 and with a universe of managed equity funds. The performance of each investment manager, in turn, will be compared to the relevant index and a universe of peers categorized by investment style.

The Fund's fixed income performance will be compared with the total return of recognized bond indexes, e.g., Barclays Intermediate Government/Credit Bond Index or the Barclays Capital Aggregate Bond Index, as well as with a universe of similarly managed fixed income funds.

The Fund's real estate performance will be compared with the total return of the NCREIF Index as well as with a universe of core real estate funds.

The Fund's alternative investments will be compared against a performance benchmark consistent with their specific asset class, and will also generally be expected to outperform an absolute performance benchmark (i.e. CPI + 5%).

In addition, it is also recommended that a total Fund's investment performance be compared with a "composite" market consisting of the above unmanaged indices weighted in proportion to the Fund's actual per cent investment in each of these equivalent security classes. The total Fund will also be compared to a universe of local government funds. The fund's performance should also be compared with the annual percent change in the Consumer Price Index.

Consistency of performance results is to be given high priority and the degree will be determined by computing the mean absolute deviation of the total fund and the respective money managers' total rate of return from quarter to quarter and comparing this data with the same statistics measured for the "composite" market described above, with a goal of near or below market volatility.

## **VIII. VALUATION OF ILLIQUID INVESTMENTS**

Investments and assets for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism are prohibited.

## **IX. MASTER REPURCHASE AGREEMENT**

All approved institutions and dealers transacting repurchase agreements shall execute and perform as stated in the Master Repurchase Agreement. All repurchase agreement transactions shall adhere to requirements of the Master Repurchase Agreement. This provision does not restrict or limit the terms of any such Master Repurchase Agreement.

## **X. BID REQUIREMENT**

All securities shall be competitively bid where feasible and appropriate. Except as otherwise required by law, the most economically advantageous bid must be selected. Executions must be made on a best-execution basis.

## **XI. INTERNAL CONTROLS**

As part of the City's annual financial audit the external CPA firm will review the internal controls of the Fund. The hiring or termination of all money managers, consultants or safekeeping custodians must be made by the Trustees. No individual associated with the Fund may authorize any movement of monies or securities without the approval of the Trustees. Trustee approval is not required for rebalancing of the portfolio. Internal controls will be designed to prevent losses of funds which might arise from fraud, error, and misrepresentation by third parties or imprudent actions by the Trustees or City employees.

## **XII. OTHER CONSIDERATIONS**

It is the intent of the Board of Trustees of the Police & Fire Retirement System Trust to revise this statement of goals and objectives to reflect modifications and revisions to the Trust, which may develop from time to time. It is also the policy of the Trustees to review these goals and objectives at least once per year and to communicate any material changes thereto to the Investment Managers and the Fund's custodian.

## **XIII. CONTINUING EDUCATION**

All trustees are encouraged and expected to attend continuing education seminars concerning matters related to investments and responsibilities of Board members. Attendance at two public pension fund seminars during each term of office is suggested.

## **XIV. REPORTING**

The Trustees shall submit periodic reports to the City of Fort Lauderdale, at least on an annual basis or more frequently if available. The report shall include investments in the portfolio by class or type, income earned and market value. The periodic report shall be available to the public.

#### **XV. FILING OF INVESTMENT POLICY**

Upon adoption by the Trustee, this Investment Policy shall be promptly filed with the Florida Department of Management Services, the City of Fort Lauderdale, Florida, and the Actuary. The effective date of this Investment Policy, and any amendment hereto, shall be the 31st calendar day following the filing date with the City of Fort Lauderdale.

Approved February 2013

# City of Ft. Lauderdale Police and Fire

## Appendix

**Dow Jones Industrial Average:** This index is comprised of 30 "blue-chip" US stocks selected for their history of successful growth and wide interest among investors. The DJIA represents about 20% of the total market value of all US stocks and about 25% of the NYSE market capitalization. It is a price-weighted arithmetic average, with the divisor adjusted to reflect stock splits and the occasional stock switches in the index.

**NASDAQ Composite:** A cap-weighted index comprised of all common stocks listed on the NASDAQ Stock Market (National Association of Securities Dealers Automated Quote system).

**S&P 500:** A broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held common stocks. This index does not contain the 500 largest companies or the most expensive stocks traded in the US. While many of the stocks are among the largest, this index also includes many relatively small companies. This index consists of approximately 380 industrial, 40 utility, 10 transportation, and 70 financial companies listed on the US market exchanges. It is a capitalization-weighted index (stock price times number of shares outstanding), calculated on a total return basis with dividend reinvested.

**Russell 1000:** The 1000 largest companies in the Russell 3000 index, based on market capitalization.

**Russell 1000 Growth:** A segment of the Russell 1000 with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-to-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 1000 Growth index.

**Russell 1000 Value:** Represents a segment of the Russell 1000 with a less-than-average growth orientation. Companies in this index have low price-to book and price-to-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 1000 Growth index.

**Russell Mid-Cap:** This index consists of the bottom 800 securities in the Russell 1000 as ranked by total market capitalization, and represents over 35% of the Russell 1000 total market cap.

**Russell Mid-Cap Growth:** The Russell Mid-cap Growth Index offers investors access to the mid-cap growth segment of the U.S. equity universe. The Russell Midcap Growth Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap growth market. Based on ongoing empirical research of investment manager behavior, the methodology used to determine growth probability approximates the aggregate mid-cap growth manager's opportunity set.

**Russell Mid-Cap Value:** Measures the performance of the Russell 3000 Index extended to include micro-cap securities of the Russell Micro-cap Index. The index represents approximately 99% of the U.S. Equity Market. As of the latest reconstitution, the average market capitalization was approximately \$3.8 billion; the median market capitalization was approximately \$612 million. The index had a total market capitalization range of approximately \$368.5 billion to \$67.3 million.

**Russell 2000:** the 2000 smallest companies in the Russell 3000 index.

**Russell 2000 Growth:** A segment of the Russell 2000 with a greater-than-average growth orientation. Companies in this index have higher price-to book and price-to-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 2000 Value index.

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**Russell 2000 Value:** A segment of the Russell 2000 with a less-than-average growth orientation. Companies in this index have low price-to-book and price-to-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 2000 Growth index.

**Russell 2500:** This index consists of the bottom 500 stocks in the Russell 1000 (as ranked by market capitalization) and all of the stocks in the Russell 2000. This index is intended to be used as a measure of small to medium/small stock performance.

**Russell 2500 Growth:** A segment of the Russell 2500 with a greater-than-average growth orientation. Companies in this index have higher price-to book and price-to-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 2500 Value index.

**Russell 2500 Value:** A segment of the Russell 2500 with a less-than-average growth orientation. Companies in this index have low price-to-book and price-to-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 2500 Growth index.

**Russell 3000:** is composed of the 3,000 largest U.S. securities, as determined by total market capitalization.

**Russell 3000 Growth:** This index measures the performance of those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth values. The stocks in this index are also members of either the Russell 1000 Growth or the Russell 2000 Growth indexes.

**Russell 3000 Value:** This index measures the performance of those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth values. The stocks in this index are also members of either the Russell 1000 Value or the Russell 2000 Value indexes.

**MSCI EAFE:** A market capitalization-weighted index representing all of the MSCI developed markets outside North America. It comprises 20 of the 22 countries in the MSCI World. These 20 countries include the 14 European countries in the MSCI Europe and the 6 Pacific countries in the MSCI Pacific. This index is created by aggregating the 20 different country indexes, all of which are created separately.

**MSCI World:** A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. As of June 2007 the MSCI World Index consisted of the following 23 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States.

**MSCI World ex U.S.:** The MSCI World index excluding the U.S. portion of the index.

**MSCI All Country World Index:** a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. As of January 2009 the MSCI ACWI consisted of 46 country indices comprising 23 developed and 23 emerging market country indices. The developed market country indices included are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. The emerging market country indices included are: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Korea, Malaysia, Mexico, Morocco, Peru,

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MSCI All Country World Index ex U.S.: The MSCI All Country World Index excluding the U.S. portion of the index.

MSCI Emerging Markets Free (EMF): A market capitalization-weighted index representing 2 of the emerging markets in the world. Several factors are used to designate whether a country is considered to be emerging vs. developed, the most common of which is Gross Domestic Product Per Capita. The "Free" aspect indicates that this index includes only securities that are allowed to be purchased by global investors. This index is created by aggregating the 26 different country indexes, all of which are created separately.

Barclays Capital U.S. Aggregate Bond: This index is made up of the Barclays Capital U.S. Government/Credit, the Mortgage-Backed Securities, and the Asset-Backed Securities indices. All issues in the index are rated investment grade or higher, have at least on year maturity, and have an outstanding par value of at least \$100 million.

Barclays Capital U.S. Government/Credit: This index includes all bonds that are in the Barclays Capital U.S. Government Bond and the Barclays Capital U.S. Credit Bond indices.

Barclays Capital U.S. Government/Credit Intermediate: All bonds by the Barclays Capital U.S. Government/Credit Bond index with maturities of 1 to 10 years.

Barclays Capital Municipal Bond: This market capitalization-weighted index includes investment grade tax-exempt bonds and is classified into four main sectors General Obligation, Revenue, Insured, and Pre-refunded. To be included in this index, the original transaction size of a bond must have been greater than \$50 million.

Barclays Capital U.S. Treasury Index: This index includes public obligations of the U.S. Treasury. Treasury bills are excluded by the maturity constraint, but are part of a separate Short Treasury Index. In addition, certain special issues, such as state and local government series bonds (SLGs), as well as U.S. Treasury TIPS, are excluded. STRIPS are excluded from the index because their inclusion would result in double-counting. Securities in the Index roll up to the U.S. Aggregate, U.S. Universal and Global Aggregate Indices.

Barclays Capital U.S. TIPS: This index measures the performance of U.S. Treasury Inflation Protection Securities.

Merrill Lynch Convertibles: The convertible securities used in this index span all corporate sectors and must have a par amount outstanding of \$25 million or more. The maturity must be at least on year. The coupon range must be equal to or greater than zero and all equity of bonds are included. Excluded from this index are preferred equity redemption stocks. When the component bonds of this index convert into common stock, the converted securities are dropped from the index.

Merrill Lynch Corp/Govt 1-3 Years A or Better: An unmanaged index of government and corporate fixed-rate debt issues with maturities between one and 3 years.

Merrill Lynch High Yield Master: Market capitalization weighted index providing a broad-based measure of bonds in the US domestic bond market rated below investment grade, but not in default. Includes only issues with a credit rating of BB1 or below as rated by Moody's and/or S&P, at least \$100 million in face value outstanding and a remaining term to final maturity equal to or greater than one year.

Dow Wilshire REIT: A measurement of equity REITs and Real Estate operating Companies. No special-purpose or health care REITs are included. It is a market capitalization weighted index for which returns are calculated monthly

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## Appendix

**Alpha:** A risk-adjusted measure of 'excess return' on an investment. That is, it measures an active manager's performance in excess of a benchmark index or 'risk-free' investment. An alpha of 1.0 means the manager outperformed the market 1.0%. A positive alpha is the extra return awarded to the investor for taking additional risk rather than accepting the market return.

**Batting Average:** The percent of periods the manager has beaten the benchmark. A high average for the fund (e.g. over 50) is desirable, indicating the fund has beaten the policy frequently.

**Beta:** A measure of systematic risk, or the sensitivity of a manager to movements in the benchmark. A beta of 1 implies that you can expect the movement of a manager's return series to match that of the benchmark used to measure beta.

**Down Market Capture Ratio:** A measure of a manager's performance in down markets. A down-market is defined as those periods (months or quarters) in which market return is less than 0. It tells you what percentage of the down-market was captured by the manager.

**Information Ratio:** The Information Ratio measures the consistency with which a manager beats a benchmark.

**R-squared:** The R-Squared ( $R^2$ ) of a manager versus a benchmark is a measure of how closely related the variance of the manager returns and the variance of the benchmark returns are.

**Sharpe Ratio:** The Sharpe Ratio is a risk-adjusted measure of return which uses standard deviation to represent risk. It is calculated by subtracting the risk-free rate from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns.

**Standard Deviation:** Standard deviation of return measures the average deviations of a return series from its mean, and is often used as a measure of risk. A large standard deviation implies that there have been large swings in the return series of the manager.

**Tracking Error:** A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark.

**Treynor Ratio:** The Treynor Ratio is a risk-adjusted measure of return which uses beta to represent risk. It is calculated by subtracting the risk-free rate from the rate of return for a portfolio and dividing the result by the portfolio's beta value.

**Up Market Capture Ratio:** A measure of a manager's performance in up markets. An up-market is defined as those periods (months or quarters) in which market return is greater than 0. It tells you what percentage of the up-market was captured by the manager.



## City of Ft. Lauderdale Policy and Fire Important Disclaimer Information

This report has been created as a courtesy for the clients of CapTrust Advisors.

The information contained herein was taken from sources believed to be reliable, but no representation or warranty is made as to its accuracy or completeness.

### Performance Comparison Page Information:

Shaded areas represent where the investment objective was achieved either by:

- 1) The investment return versus the index;
- 2) The investment return universe ranking (The lower the number the better the ranking)

Due to methodologies utilized by our systems, the performance results presented are calculated and presented beginning on the last day of an account's inception month. Results do not include the interim period from an account's inception date to an account's first month-end. For example, for an account that has an inception date of March 15, this report begins measuring performance as of March 31. Omission of performance during this interim period is likely to result in different performance figures than if the interim period's performance was included in this report.

When applicable, investment results depicted represent historical net of fees performance.

Past performance is no guarantee of future performance.

This report is not the official record of your account. However, it has been prepared to assist you with your investment planning and is for information purposes only. Your Custodial Client Statement is the official record of your account. Therefore, if there are any discrepancies between this report and your Client Statement, you should rely on the Client Statement and call your Financial Advisors if you have any questions. Transactions requiring tax consideration should be reviewed carefully with your accountant or tax advisor. This is not a substitute for your own records and the year-end 1099 form. Cost data and acquisition dates provided by you are not verified by CapTrust Advisors.

Indices are unmanaged and you cannot invest directly in an index.

For index definitions, please see the Capital Markets Review.