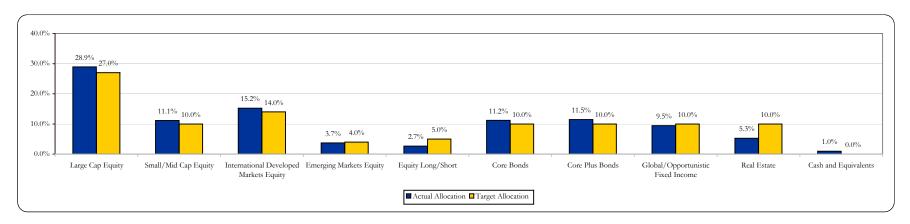
City of Lansing Police & Fire Retirement System

For the Periods Ending December 31, 2013



	Market Values			Over/Under
Asset Class	(000s)	% Actual	% Target	Target
Large Cap Equity	\$86,680	28.9 %	27.0 %	1.9 %
Small/Mid Cap Equity	\$33,326	11.1 %	10.0 %	1.1 %
International Developed Markets Equity	\$45,638	15.2 %	14.0 %	1.2 %
Emerging Markets Equity	\$11,092	3.7 %	4.0 %	(0.3)%
Equity Long/Short	\$7,987	2.7 %	5.0 %	(2.3)%
Core Bonds	\$33,534	11.2 %	10.0 %	1.2 %
Core Plus Bonds	\$34,403	11.5 %	10.0 %	1.5 %
Global/Opportunistic Fixed Income	\$28,368	9.5 %	10.0 %	(0.5)%
Real Estate	\$15,782	5.3 %	10.0 %	(4.7)%
Cash and Equivalents	\$2,907	1.0 %		1.0 %
Total	\$299,717	100.0%	100.0%	

	Market Values (000s)	Market Values (Previous Period)	% of Total Portfolio	One Month	Three Month	One Year	Three Years	Five Years	Ten Years
Total Portfolio	\$299,717	\$296,101	100.0 %	1.3 %	5.6 %	18.4 %	11.5 %	13.8 %	7.1 %
Total Portfolio (net of fees)				1.2 %	5.5 %	17.9 %	11.0 %	13.3 %	6.6 %
Policy Index	1			1.0 %	5.0 %	16.9 %	10.6 %	12.7 %	7.0 %

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City of Lansing Police & Fire Retirement System

For the Periods Ending December 31, 2013

	Market Values (000s)	Market Values (Previous Period)	% of Total Portfolio	One Month	Three Month	One Year	Three Years	Five Years	Ten Years
Equity Managers									
Large Core									
NT Index Fund (10/91) ²	\$43,222	\$42,155	14.4 %	2.5 %	10.5 %	32.4 %	16.2 %	18.1 %	7.4 %
NT Index Fund (net of fees)				2.5 %	10.5 %	32.4 %	16.1 %	18.0 %	7.3 %
T. Rowe Price (08/10)	\$43,458	\$42,362	14.5 %	2.6 %	10.7 %	33.4 %	16.6 %		
T. Rowe Price (net of fees)				2.6 %	10.6 %	33.0 %	16.1 %		
S&P 500				2.5 %	10.5 %	32.4 %	16.2 %	17.9 %	7.4 %
Small/Mid Cap Value									
Integrity (05/07)	\$17,062	\$16,502	5.7 %	3.4 %	9.9 %	38.4 %	16.4 %	22.1 %	
Integrity (net of fees)				3.4 %	9.6 %	37.4 %	15.4 %	21.1 %	
Russell 2500 Value				2.4 %	8.9 %	33.3 %	15.4 %	19.6 %	9.3 %
Small/Mid Cap Growth									
William Blair (04/11)	\$16,264	\$15,999	5.4 %	1.7 %	7.7 %	43.4 %			
William Blair (net of fees)				1.7 %	7.5 %	42.4 %			
Russell 2500 Growth				2.7 %	8.5 %	40.6 %	17.1 %	24.0 %	10.1 %
International Equity									
Mondrian (11/98)	\$22,463	\$22,333	7.5 %	0.6 %	6.7 %	23.8 %	9.2 %	10.9 %	8.0 %
Mondrian (net of fees)				0.6 %	6.5 %	23.3 %	8.6 %	10.3 %	7.3 %
MSCI EAFE Value				1.4 %	6.3 %	23.6 %	9.0 %	12.6 %	7.4 %
Artisan Partners (05/04)		\$22,707	7.7 %	2.2 %	7.7 %	26.8 %	14.7 %	18.0 %	
Artisan Partners (net of fees)				2.1 %	7.5 %	25.5 %	13.6 %	16.8 %	
MSCI EAFE Growth				1.6 %	5.2 %	23.0 %	8.4 %	13.2 %	7.3 %
Emerging Markets									
Wells Fargo EM Large/ Mid Cap Fund (09/13)		\$5,778	1.9 %	(1.4)%	(0.0)%				
Vells Fargo EM Large/ Mid Cap Fund (net of fees)				(1.4)%	(0.0)%				
MSCI Emerging Markets				(1.4)%	1.9 %	(2.3)%	(1.8)%	<i>15.1</i> %	11.5 %
Wasatch EM Small Cap (12/12)		\$5,459	1.8 %	(1.1)%	3.3 %	0.1 %			
Wasatch EM Small Cap (net of fees)				(1.2)%	2.9 %	(1.4)%			
MSCI Emerging Markets Small Cap				(0.5)%	1.3 %	1.4 %	(3.2)%	19.9 %	12.3 %
Equity Long/Short									
Private Advisors (07/10) ³	\$7,987	\$7,902	2.7 %	1.2 %	3.7 %	15.3 %	8.3 %		
Private Advisors (net of fees)				1.1 %	3.5 %	14.2 %	7.3 %		
S&P 500				2.5 %	10.5 %	32.4 %	16.2 %	17.9 %	7.4 %
MSCI World				2.2 %	8.1 %	27.4 %	12.1 %	15.7 %	7.6 %
HFRI Strategic	2404	****	<i>(4 (5)</i>	1.4 %	3.9 %	10.6 %	2.7 %	5.5 %	3.9 %
Equity Composite	\$184,723	\$181,197	61.6 %	2.0 %	8.6 %	30.8 %	14.9 %	17.2 %	7.1 %
Total Equity Index 4				2.0 %	8.5 %	30.3 %	14.6 %	17.5 %	7.8 %

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City of Lansing Police & Fire Retirement System

For the Periods Ending December 31, 2013

	Market Values (000s)	Market Values (Previous Period)	% of Total Portfolio	One Month	Three Month	One Year	Three Years	Five Years	Ten Years
Fixed Income Managers	` '	<u> </u>							
Core Bonds									
MD Sass (12/90)	\$33,534	\$33,800	11.2 %	(0.8)%	(0.5)%	(1.6)%	3.4 %	4.1 %	5.0 %
MD Sass (net of fees)				(0.8)%	(0.5)%	(1.7)%	3.3 %	4.0 %	4.8 %
Barclays Capital Aggregate				(0.6)%	(0.1)%	(2.0)%	3.3 %	4.5 %	4.6 %
Core Plus Bonds									
Western Asset Mgmt (01/06)	\$34,403	\$34,532	11.5 %	(0.4)%	0.7 %	(0.5)%	5.5 %	12.1 %	
Western Asset Mgmt (net of fees)				(0.4)%	0.7 %	(0.8)%	5.2 %	11.8 %	
Global Opportunistic Bonds									
Franklin Templeton Global (01/12)	\$28,368	\$28,032	9.5 %	1.3 %	3.4 %	4.3 %			
Franklin Templeton Global (net of fees)				1.2 %	3.3 %	3.6 %			
Barclays Capital Multiverse				(0.5)%	(0.3)%	(2.2)%	2.7 %	4.4 %	4.6 %
Fixed Composite	\$96,305	\$96,359	32.1 %	(0.0)%	1.1 %	0.5 %	5.8 %	9.1 %	6.0 %
Barclays Capital Aggregate				(0.6)%	(0.1)%	(2.0)%	<i>3.3</i> %	4.5 %	4.6 %
Real Estate									
Trumbull Property Fund (06/02)	\$9,937	\$9,839	3.3 %		1.3 %	9.4 %	10.9 %	4.4 %	7.8 %
Trumbull Property Fund (net of fees) 6					1.0 %	8.1 %	9.7 %	3.4 %	6.8 %
PRISA II (09/11) ⁵	\$5,844	\$5,844	1.9 %			9.9 %			
PRISA II (net of fees)	1.7.	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,				9.0 %			
NFI ODCE (Net)					3.0 %	12.9 %	12.6 %	2.7 %	6.2 %
Real Estate Composite	\$15,782	\$15,683	5.3 %		0.8 %	9.6 %	11.6 %	3.5 %	7.1 %
NCREIF Property 5						8.3 %	11.0 %	5.2 %	8.4 %
Reserve (S&P 500 Fund + Cash)	\$2,907	\$2,862	1.0 %	1.6 %	6.3 %	13.7 %	11.5 %	11.7 %	5.8 %

Fees are estimated based on a blended fee schedule for each manager. The total fund net of fee returns are an estimate based on a manager weighted fee schedule.

From 7/09 thru 11/12, the Policy Index is comprised of 40% S&P 500, 10% Russell 2500, 10% MSCI EAFE, 35% Barclays Capital Aggregate, and 5% NCREIF Property Index. From 1/06 to 6/09 the Policy Index was comprised of 40% S&P 500, 10% Russell 2500, 10% MSCI EAFE, and 40% Barclays Capital Aggregate.

Prior to that the Policy Index was comprised of 40% S&P 500, 10% Russell Mid Cap, 10% MSCI EAFE, and 40% Barclays Capital Aggregate.

- 2 Assets were transitioned from the Lending Fund to the Non Lending Fund from February 2009 through October 2010. Performance reflects the combination of both funds.
- 3 Preliminary performance used to calculate current month.

- ⁵ Real Estate managers market values, performance data and indices are as of September 30, 2013.
- ⁶ Excludes performance based fee.

Cash Flow Information:

March 2013 - Liquidated \$3.5 million from Integrity and \$3.5 million from William Blair. \$7.0 million was transferred to Comerica Bank for benefit payments.

June 2013 – Liquidated \$10.95 million from T. Rowe Price and \$10.95 million from the NT S&P 500 Index Fund. \$6.9 million was transferred to Comerica Bank for benefit payments. \$6.5 million was transferred to Artisan and \$8.5 million was transferred to Mondrian (target allocation to international equities was increased from 8% to 14%).

September 2013 - Liquidated \$6.35 million from T. Rowe Price and \$6.35 from NT S&P 500 Index Fund. \$7 million was transferred to Comerica for benefit payments and \$5.7 million was transferred to fund Wells Fargo Emerging Markets Large/ Mid Cap Fund.

¹ Beginning 7/13 the Policy Index is comprised of 32% S&P 500, 10% Russell 2500, 18% MSCI ACWI ex US, 35% Barclays Capital Aggregate, and 5% NCREIF. From 12/12 thru 6/13 the Policy Index was comprised of 40% S&P 500, 10% Russell 2500, 10% MSCI ACWI ex US, 35% Barclays Capital Aggregate, and 5% NCREIF.

⁴ Beginning 7/13 the Total Equity Index is comprised of 53% S&P 500, 17% Russell 2500, 30% MSCI ACWI ex US. From 12/12 thru 6/13 the Total Equity Index was comprised of 67% S&P 500, 17% Russell 2500, and 16% MSCI EAFE. From 1/06 thru 3/11 the Total Equity Index was comprised of 67% S&P 500, 16% MSCI EAFE, 8.5% Russell 2500, and 8.5% Russell 2500. Prior to January 2006 the Total Equity Index was comprised of 67% S&P 500, 16.5% Russell 2500, 16.5% Russell 2500, 16.5% MSCI EAFE.

Market Overview
For the Periods Ending December 31, 2013

	One	Three	Year	One	Three	Five	Ten
	Month	Months	to Date	Year	Years	Years	Years
Equity Markets - Core							
S&P 500	2.5 %	10.5 %	32.4 %	32.4 %	16.2 %	17.9 %	7.4 %
Russell 1000	2.7 %	10.2 %	33.1 %	33.1 %	16.3 %	18.6 %	7.8 %
Russell 2000	2.0 %	8.7 %	38.8 %	38.8 %	15.7 %	20.1 %	9.1 %
Russell 2500	2.5 %	8.7 %	36.8 %	36.8 %	16.3 %	21.8 %	9.8 %
Russell Mid Cap	3.0 %	8.4 %	34.8 %	34.8 %	15.9 %	22.4 %	10.2 %
Equity Markets - Growth							
S&P 500/Citigroup Growth	2.7 %	11.2 %	32.8 %	32.8 %	16.8 %	19.2 %	7.5 %
Russell 1000 Growth	2.9 %	10.4 %	33.5 %	33.5 %	16.5 %	20.4 %	7.8 %
Russell 2000 Growth	2.1 %	8.2 %	43.3 %	43.3 %	16.8 %	22.6 %	9.4 %
Russell 2500 Growth	2.7 %	8.5 %	40.6 %	40.6 %	17.1 %	24.0 %	10.1 %
Russell Microcap Growth	2.9 %	9.7 %	52.9 %	52.9 %	17.3 %	23.8 %	6.7 %
Equity Markets - Value							
S&P 500/Citigroup Value	2.3 %	9.8 %	32.0 %	32.0 %	15.6 %	16.6 %	7.3 %
Russell 1000 Value	2.5 %	10.0 %	32.5 %	32.5 %	16.1 %	16.7 %	7.6 %
Russell 2000 Value	1.9 %	9.3 %	34.5 %	34.5 %	14.5 %	17.6 %	8.6 %
Russell 2500 Value	2.4 %	8.9 %	33.3 %	33.3 %	15.4 %	19.6 %	9.3 %
Russell Mid Cap Value	2.7 %	8.6 %	33.5 %	33.5 %	16.0 %	21.2 %	10.3 %
International Markets							
MSCI ACWI	1.8 %	7.4 %	23.5 %	23.5 %	10.3 %	15.5 %	7.7 %
MSCI EAFE Growth Gross	1.6 %	5.2 %	23.0 %	23.0 %	8.4 %	13.2 %	7.3 %
MSCI World ex U.S. Gross	1.5 %	5.6 %	21.6 %	21.6 %	7.9 %	13.0 %	7.6 %
MSCI World Gross	2.2 %	8.1 %	27.4 %	27.4 %	12.1 %	15.7 %	7.6 %
Fixed Income							
BofA ML 1-3 Yr Treasury	(0.1)%	0.1 %	0.4 %	0.4 %	0.8 %	1.1 %	2.6 %
BofA ML High Yield Master	0.6 %	3.5 %	7.4 %	7.4 %	9.0 %	18.7 %	8.5 %
Barclays Capital U.S. Aggregate Bond Index	(0.6)%	(0.1)%	(2.0)%	(2.0)%	3.3 %	4.5 %	4.6 %
Barclays Capital Intermediate Government/Credit	(0.6)%	(0.0)%	(0.9)%	(0.9)%	2.9 %	4.0 %	4.1 %
Barclays Capital 10 Yr Municipal Bond	(0.3)%	(0.1)%	(2.2)%	(2.2)%	5.1 %	5.8 %	4.6 %
Barclays Capital U.S. Credit	(0.3)%	0.9 %	(2.0)%	(2.0)%	5.1 %	7.9 %	5.2 %