

Southfield Fire & Police Retirement System

Investment Performance Analysis

June 30, 2014



**Asset
Strategies**
Portfolio Services, Inc.

Independent, Professional Investment Consultants Since 1992.

2635 Lapeer Rd.
Auburn Hills, MI 48326

Phone: (248) 373-9900
Email: gvitta@assetstrategie.com

Southfield Fire & Police Retirement System

Table of Contents

	<u>Page</u>
Global Capital Markets Review	2
Conclusions and Recommendations	3
Total Fund Performance Analysis	4
Asset Allocation vs Target/Policy	6
Total Fund Cash Flow	8
Manager Performance Summary Table	10
Risk Statistics Summary Table	15
Domestic Equity Manager Performance Analysis	
⇒ LSIA Dividends Aristocrats	17
⇒ Loomis, Sayles Large Cap Value	19
⇒ NTGI S&P 400 Enhanced Index Fund	21
⇒ Morgan Dempsey	23
⇒ Energy Opportunities	24
International Equity Manager Performance Analysis	
⇒ 1607 Capital Partners	26
⇒ WHV Investment Mgmt	28
⇒ Brandes Emerging Markets (3Q14)	
⇒ INVESCO Global	30
Domestic Fixed Income Performance Analysis	
⇒ Bradford & Marzec	32
⇒ Loomis Sayles Full Discretion	33
⇒ Avignon Holdings LLC - Mortgage Loan	34
Hedge Fund of Funds Performance Analysis	
⇒ Nantucket	36
Real Estate Performance Analysis	
⇒ Real Estate Composite	38
⇒ PRISA I	40
⇒ PRISA II	41
⇒ PRISA III	42
Summary of Alternative Investments	43
About This Report	44
Investment Policy Summary	45
Glossary	46



GLOBAL CAPITAL MARKETS REVIEW

Periods Ending - 6/30/2014

Quarterly Market Review

The final first quarter US growth number finished to the downside at a -2.9% annual rate. However, the first estimate of second quarter GDP showed a strong rebound to a 4% annual rate. Inflation rose by 0.87% in the second quarter and 2.07% on a 1-year basis. There continued to be signs of job growth with the unemployment rate falling from 6.7% to 6.3%. None of these reports had a noticeable impact on bond or equity prices.

U.S. equity prices continued upward despite significant geopolitical conflicts in the Ukraine and Middle East. Large cap equities (Russell 1000, +5.12%) were the best performing capitalization size for the quarter. All economic sectors of the stock markets posted positive returns. The strongest performing sectors were Energy (+12.26%), Utilities (+7.66%) and Information Technology (+5.99%). The weakest performers were the Industrials (+3.54%) and Consumer Discretionary (+3.14%) sectors.

The yield on the 10-Year U.S. Treasury declined by 20 basis points over the quarter to 2.53%, despite of the Fed announcing the intent to stop the monthly bond repurchase program this October. Long-term bonds (Barclays U.S. Treasury Long, +4.70%) outperformed shorter-term bonds by a wide margin (Barclays U.S. Treasury 1-3 Years, 0.27%). Investment-grade bonds (Barclays U.S. Corporate, +2.66%) outperformed high yield bonds (Barclays U.S. High Yield Corporate, +2.41%).

The escalating tension between Russia and the Ukraine, deterioration of the regimes in Syria and Iraq, and conflict between Israel and Hamas, had little impact on non-U.S. equities (MSCI ACWI x-U.S., +5.03%). Pacific region equities (MSCI Pacific, net, +5.77%), aided by China's improving outlook, outperformed European equities (MSCI Europe, net, +3.30%). Emerging Markets (MSCI EM net, +6.59%) bounced back strongly from a weak first quarter, outperforming developed markets (MSCI EAFE net, +4.09%).

U.S. Equity Market Indices

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
Standard & Poor's 500	5.24	24.62	16.58	18.83	7.78
Russell 1000	5.12	25.37	16.63	19.25	8.19
Russell Mid Cap	4.97	26.85	16.08	22.07	10.43
Russell 2000	2.05	23.64	14.57	20.21	8.70
Russell Micro Cap	-1.41	25.00	15.95	20.03	6.66

International Equity Market Indices

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
MSCI EAFE	4.34	24.10	8.59	12.26	7.74
MSCI ACWI x-US	5.25	22.27	6.18	11.58	8.21
MSCI Emerging Markets	6.71	14.68	-0.06	9.58	12.30

Global Fixed Income Indices

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
Barclays U.S. Aggregate	2.04	4.37	3.67	4.85	4.93
Barclays Corporate H-Y	2.41	11.73	9.48	13.98	9.05
Barclays Global Agg x-US	2.72	9.42	1.75	4.37	5.10

Other Indices

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
NAREIT - Composite	6.97	13.71	12.01	22.92	8.85
NCREIF Property Index	2.91	11.21	11.32	9.67	8.63
ML Convertible Bond	4.97	24.44	12.62	16.50	7.71
Broad Consumer Price	0.87	2.07	1.83	2.02	2.31
U.S. 91 Day Treasury Bill	0.01	0.06	0.07	0.11	1.63
HFRI FoF Composite	1.46	7.54	3.28	4.23	3.42

CONCLUSIONS AND RECOMMENDATIONS

Investment Performance Evaluation, Second Quarter 2014

1. Strong Total Fund return of +4.12% exceeded the Policy Index by 53 basis points primarily due to outperformance from WHV, Bradford & Marzec, the Loomis Sayles Full Discretion Fund, and Nantucket.
2. Long-term results (10 years) remain ahead of objectives, and continue to rank favorably among U.S. public employee retirement plans.
3. In the third quarter of probation (10/01/2013 - 6/30/2014), WHV Investment Management exceeded their benchmark by 3.14%. We recommend the removal of probationary status.
4. In the second quarter of probation (1/01/2014 - 6/30/2014), Orleans Capital lagged their benchmarks 3.08%. We recommend extending probation through 12/31/2014.
5. On 8/01/2013, a \$814,309.44 capital call for the JCR Capital Fund #3 was met from the Cash Account.
6. We did not detect any violations of investment policy or guidelines.
7. As of 8/07/2014, asset allocations are close to new policy targets.

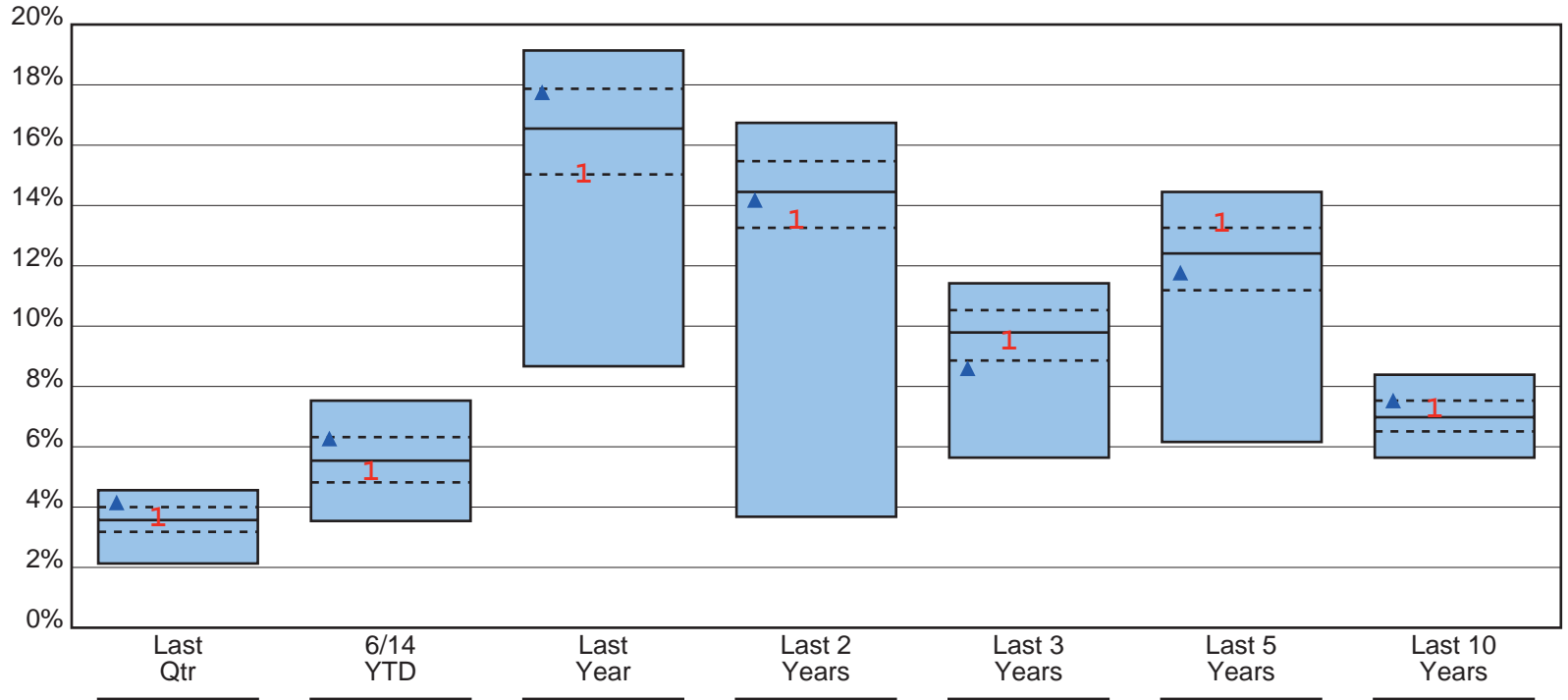
FUNDamental Facts

1. The S&P 500 extended its upward move to six consecutive quarterly gains, a record last achieved in the late 1990s.
2. The S&P 500 has made a new all-time high on the market close this year, 25 times. The current record is 77 times, in 1995.
3. Through July 2014, the S&P 500 has gone 33 consecutive months without a 10% correction, a record that began in November 2011. There are only four other market run-ups in history, which lasted longer.
4. The longest run-up without a correction is 84 months, starting in October 1990 and continuing to October 1997.
5. Please note that gravity matters: the S&P 500 closed at 31.30 on September 3, 1929 and did not close above that level again for 25 years (September 16, 1954).

Southfield Fire & Police Retirement System Cumulative Performance Comparison Total Returns of Total Fund Public Sponsors Periods Ending 6/14

Policy Index
(effective 2Q14)

U.S. Equity	34%
Non-U.S. Equity	17%
U.S. Fixed Income	25%
Alternative Investments	10%
Real Estate	14%
Cash Equivalents	0%



5th Percentile	4.56
25th Percentile	4.00
Median	3.57
75th Percentile	3.18
95th Percentile	2.13

▲ Total Fund Composite
1 Policy Index

	Last Qtr	6/14 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 10 Years
5th Percentile	4.56	7.53	19.14	16.74	11.42	14.45	8.39
25th Percentile	4.00	6.32	17.87	15.47	10.53	13.26	7.53
Median	3.57	5.54	16.55	14.45	9.79	12.41	6.98
75th Percentile	3.18	4.82	15.03	13.26	8.86	11.19	6.51
95th Percentile	2.13	3.54	8.67	3.68	5.64	6.16	5.64
▲ Total Fund Composite	4.12 (19)	6.24 (28)	17.72 (28)	14.15 (56)	8.57 (79)	11.74 (67)	7.50 (26)
1 Policy Index	3.59 (49)	5.13 (64)	14.97 (76)	13.47 (72)	9.46 (56)	13.36 (20)	7.19 (42)

Quarterly Variance Analysis:
Strong Total Fund results exceeded the Policy Index due to outperformance from multiple managers.

(Note: numbers in parentheses reflect the actual peer group rankings. 1 = high; 99 = low)

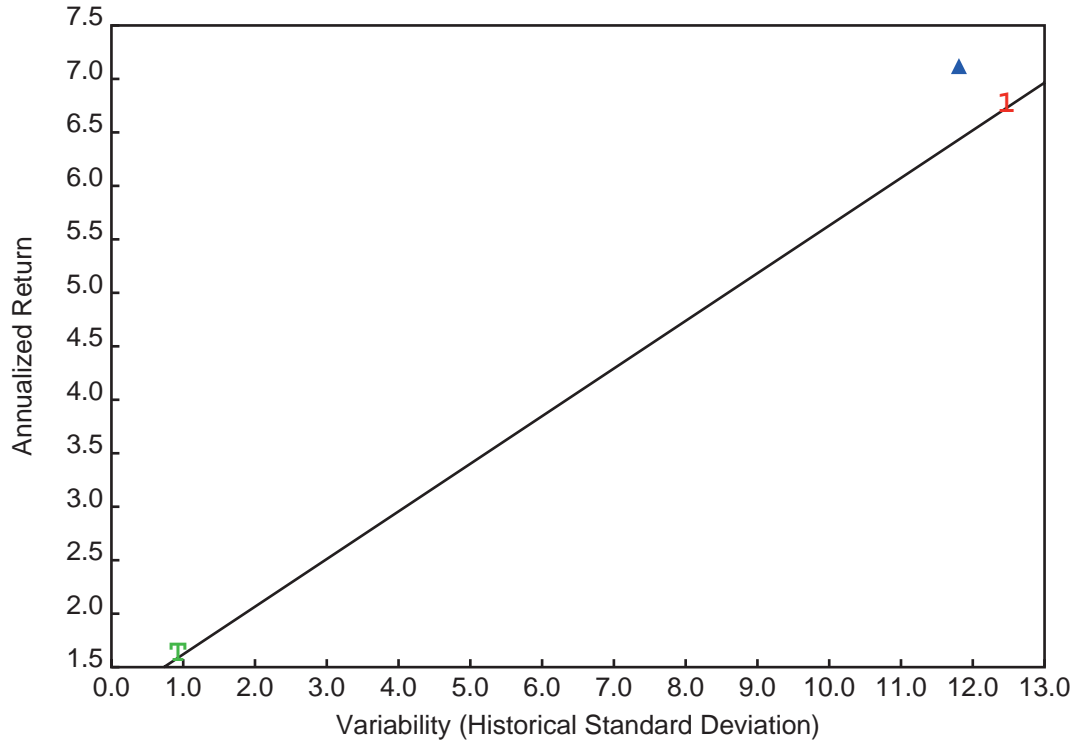
Returns for periods greater than one year are annualized.

Southfield Fire & Police Retirement System Quarterly Total Return Market Line Analysis Periods from 12/04 to 6/14

Total Fund Annual Return: +7.11
 Less: Annual Fee -0.54

 +6.57

(Note: Annual Fee is an estimate that reflects only the custodial fees and the investment manager fees which are based upon their current target allocations. Does not include actuary, or other Plan-related fees)



	Annualized Return	Variability	Reward	Sharpe Ratio
▲ Total Fund Composite	7.11	11.90	5.49	0.46
1 Policy Index	6.76	12.54	5.14	0.41
T 91-Day Treasury Bill	1.62	1.00	0.00	0.00

Longer-term Fund Performance vs. Objectives:
 Total Fund results exceed expectations over the past 9.5 years.

Sharpe Ratio = Reward / Variability

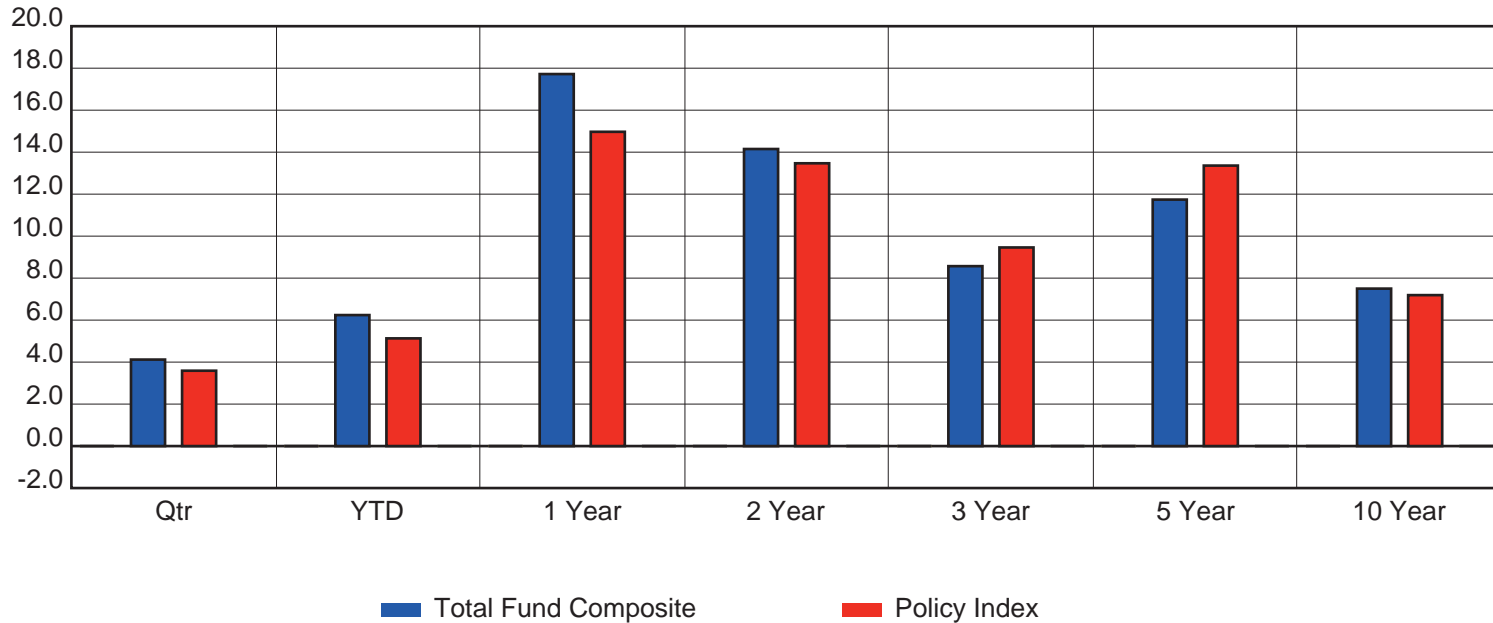
Southfield Fire & Police Retirement System
 Asset Allocation vs Target & Policy
 Total Fund Composite
 As of 6/30/14

Manager	Market Value	Actual %	Target %	Policy %	Policy Range %
Loomis Sayles LC Value	16,629,646.51	8.18	8.00		
Orleans Capital Mgmt - Energy Opport	4,948,610.75	2.43	2.00		
NTGI S&P Midcap 400 - Lending	18,108,805.10	8.91	9.00		
LSIA Dividend Aristocrats	22,928,584.17	11.28	10.00		
Morgan Dempsey	11,194,223.04	5.51	5.00		
Total Domestic Equity	73,809,869.57	36.31	34.00	34.00	30.00 - 70.00
1607 Capital Partners	14,510,899.81	7.14	7.00		
WHV Investment Mgmt	10,370,525.28	5.10	5.00		
Invesco International REIT	4,115,780.90	2.02	2.00		
Brandes Emerging Mkts	6,389,422.00	3.14	3.00		
Total International Equity	35,386,627.99	17.41	17.00	17.00	10.00 - 20.00
Avignon - Mortgage Loan	3,420,000.00	1.68	0.00		
Loomis Sayles Full Discretion	26,521,523.00	13.05	12.50		
Bradford & Marzec	26,537,996.57	13.06	12.50		
Total Domestic Fixed Income	56,479,519.57	27.79	25.00	25.00	20.00 - 50.00
Cash Reserve Acct	2,185,491.78	1.08	0.00		
Total Short Term	2,185,491.78	1.08	0.00	0.00	0.00 - 1.00
PRISA I	5,759,383.85	2.83	2.67		
PRISA II	3,926,861.91	1.93	2.67		
PRISA III	1,013,470.30	0.50	2.67		
JCR Capital Fund 2	3,275,147.89	1.61	3.00		
JCR Capital Fund 3	1,430,564.78	0.70	3.00		
Total Real Estate	15,405,428.73	7.58	14.00	14.00	0.00 - 20.00

Southfield Fire & Police Retirement System
 Asset Allocation vs Target & Policy
 Total Fund Composite
 As of 6/30/14

Manager	Market Value	Actual %	Target %	Policy %	Policy Range %
Nantucket Institutional	20,006,187.76	9.84	10.00		
Total Hedge Fund	20,006,187.76	9.84	10.00	10.00	0.00 - 20.00
Total Fund Composite	203,273,125.40	100.00	100.00		

Southfield Fire & Police Retirement System Performance Bar Chart Total Fund Composite Periods Ending 6/30/14



	Qtr	YTD	1 Year	2 Year	3 Year	5 Year	10 Year
Total Return	4.12	6.24	17.72	14.15	8.57	11.74	7.50
Policy Index	3.59	5.13	14.97	13.47	9.46	13.36	7.19
Asset Growth (\$000)							
Beginning Market Value	198,025	196,215	181,675	175,144	193,951	169,036	196,988
Net Contributions & Withdrawals	-2,813	-5,003	-9,643	-19,650	-33,053	-62,588	-123,243
Gain/Loss + Income	8,060	12,060	31,241	47,779	42,375	96,825	129,528
Ending Market Value	203,273	203,273	203,273	203,273	203,273	203,273	203,273

Commission Recapture Program

<u>Broker</u>	<u>2002 thru 2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	Y-t-D <u>2014</u>	Current Quarter: <u>2Q2014</u>
Bank of New York *	\$83,102	\$9,820	\$9,338	\$6,458	\$5,200	\$2,796	\$1,640	\$1,241
Income to Fund	\$83,102	\$9,820	\$9,338	\$6,458	\$5,200	\$2,796	\$1,640	\$1,241

* (formerly L, J&R)

* Participants may include: Loomis Sayles, Fiduciary, WHV, and 1607 Capital

Securities Lending Program (Northern Trust)

	<u>2002 thru 2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	Y-t-D <u>2014</u>	Current Quarter: <u>2Q2014</u>
Gross Income	\$391,093	\$69,727	\$62,080	\$97,838	\$98,488	\$110,349	\$60,953	\$31,362
Less: Program Fees	\$161,404	\$23,496	\$24,795	\$39,093	\$39,342	\$44,072	\$24,336	\$12,520
Income To Fund	\$229,689	\$46,231	\$37,285	\$58,745	\$59,146	\$66,277	\$36,617	\$18,842

Southfield Fire & Police Retirement System Performance Summary Table Periods Ending 6/30/14

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs	Incept Date	Incept Ret
LSIA Dividend Aristocrats									
Total Return	4.24	5.25	21.46	22.28				6/30/12	22.28
S&P 500 Dividends Aristocrats	4.33	5.36	21.47	22.68				6/30/12	22.68
Variance	-0.09	-0.11	-0.01	-0.40				6/30/12	-0.40
Rank	84	91	93	82					82
Loomis Sayles LC Value									
Total Return	4.42	7.08	25.87	27.26	17.18	18.37	10.11	6/30/95	9.98
Russell 1000 Value	5.10	8.28	23.82	24.57	16.92	19.23	8.02	6/30/95	10.22
Variance	-0.68	-1.20	2.05	2.69	0.26	-0.86	2.09	6/30/95	-0.24
Rank	57	67	21	25	34	71	17		92
NTGI S&P Midcap 400 - Lending									
Total Return	4.30	7.24	25.19	24.25	14.75	21.47		6/30/09	21.47
S&P MidCap 400	4.33	7.50	25.24	25.21	15.27	21.67		6/30/09	21.67
Variance	-0.03	-0.26	-0.05	-0.96	-0.51	-0.20		6/30/09	-0.20
Rank	57	59	72	85	76	52			52
Morgan Dempsey									
Total Return	1.59							3/31/14	1.59
Policy Index	0.11							3/31/14	0.11
Variance	1.48							3/31/14	1.48
Rank	85								85

Southfield Fire & Police Retirement System Performance Summary Table Periods Ending 6/30/14

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs	Incept Date	Incept Ret
Orleans Capital Mgmt - Energy Opport									
Total Return	9.18	12.01	24.14	24.94	6.08	17.20		9/30/08	19.22
S&P 500 Energy Index	12.25	13.21	28.79	22.59	11.11	16.34		9/30/08	9.32
Variance	-3.08	-1.20	-4.65	2.35	-5.02	0.86		9/30/08	9.90
Rank	1	1	75	42	99	90			
1607 Capital Partners									
Total Return	5.78	6.78	24.00	19.48	8.46	14.89		6/30/06	7.82
MSCI ACWI x-US	5.25	5.89	22.27	18.08	6.18	11.58		6/30/06	4.90
Variance	0.53	0.89	1.73	1.40	2.27	3.32		6/30/06	2.92
Rank	24	29	32	49	48	31			25
WHV Investment Mgmt									
Total Return	8.39	9.83	26.60	18.20	5.70	13.77		6/30/06	8.35
MSCI ACWI x-US	5.25	5.89	22.27	18.08	6.18	11.58		6/30/06	4.90
Variance	3.14	3.94	4.32	0.12	-0.48	2.19		6/30/06	3.45
Rank	5	8	19	59	75	45			20
Invesco International REIT									
Total Return	8.48	6.94	14.91	17.21	9.22	12.86		9/30/08	13.25
FTSE EPRA/NAREIT Global x-US	8.78	7.48	15.16	16.97	8.99	13.68		9/30/08	9.12
Variance	-0.30	-0.54	-0.25	0.23	0.23	-0.81		9/30/08	4.13
Rank	6	40	21	5	67	24			

Southfield Fire & Police Retirement System Performance Summary Table Periods Ending 6/30/14

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs	Incept Date	Incept Ret
Bradford & Marzec									
Total Return	2.40	4.50						9/30/13	5.12
Barclays Intm Aggregate	1.62	2.85						9/30/13	2.71
Variance	0.78	1.65						9/30/13	2.41
Rank	13	13							11
Loomis Sayles Full Discretion									
Total Return	3.19	6.22						9/30/13	8.45
Barclays U.S. Aggregate	2.04	3.93						9/30/13	3.78
Variance	1.15	2.30						9/30/13	4.66
Rank	12	14							9
Avignon - Mortgage Loan									
Total Return	0.00	0.00	0.00	-24.50	-16.34	-7.22		9/30/07	-3.56
Citi 2yr Treasury +4%/yr	1.24	2.42	4.74	4.50	4.54	5.14			
Variance	-1.24	-2.42	-4.74	-29.00	-20.88	-12.36			
Rank	100	99	99	100	100	100			
Nantucket Institutional									
Total Return	3.35	5.92	13.87	12.73	9.09	9.65		6/30/08	5.10
HFRI Diversified FoF Index	1.38	1.86	7.38	7.28	3.44	4.33		6/30/08	0.86
Variance	1.97	4.06	6.49	5.45	5.65	5.31		6/30/08	4.24
Rank	6	6	5	9	7	1			15

Southfield Fire & Police Retirement System Performance Summary Table Periods Ending 6/30/14

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs	Incept Date	Incept Ret
PRISA Real Estate Composite									
Total Return	3.38	6.24	14.72	12.72	13.36	11.07	6.55	6/30/93	7.45
NFI-ODCE	2.93	5.52	12.74	12.46	12.45	10.00	7.10	6/30/93	7.82
Variance	0.45	0.72	1.98	0.27	0.91	1.07	-0.54	6/30/93	-0.37
Rank	41	46	24	32	17	31	65		
PRISA I									
Total Return	3.28	5.81	13.68	12.19	12.69	10.98		12/31/05	4.84
NFI-ODCE	2.93	5.52	12.74	12.46	12.45	10.00		12/31/05	5.11
Variance	0.35	0.29	0.93	-0.27	0.24	0.98		12/31/05	-0.26
Rank	45	53	35	38	23	34			
PRISA II									
Total Return	3.49	6.90	16.51	13.99	15.15	12.20		12/31/05	3.80
NFI-ODCE	2.93	5.52	12.74	12.46	12.45	10.00		12/31/05	5.11
Variance	0.56	1.38	3.77	1.54	2.70	2.20		12/31/05	-1.31
Rank	41	41	11	22	7	26			
PRISA III									
Total Return	3.78	6.08	13.19					3/31/13	14.42
NFI-ODCE	2.93	5.52	12.74					3/31/13	13.46
Variance	0.85	0.55	0.45					3/31/13	0.96
Rank	39	50	47						

Southfield Fire & Police Retirement System Performance Summary Table Periods Ending 6/30/14

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs	Incept Date	Incept Ret
Total Fund Composite									
Total Return	4.12	6.24	17.72	14.15	8.57	11.74	7.50	12/31/88	7.94
Policy Index	3.59	5.13	14.97	13.47	9.46	13.36	7.19	12/31/88	8.86
Variance	0.53	1.11	2.74	0.67	-0.89	-1.62	0.31	12/31/88	-0.93
Rank	19	28	28	56	79	67	26		

Southfield Fire & Police Retirement System Risk Statistic Summary Quarterly 3 Year Ending 6/30/14

Manager	Return	Standard Deviation	Tracking Error	R-Squared	Historical Beta	Historical Alpha	Information Ratio	Sharpe Ratio
LSIA Dividend Aristocrats S&P 500 Dividends Aristocrats	NA NA	NA NA	NA	NA	NA	NA	NA	NA
Loomis Sayles LC Value Russell 1000 Value	17.18 16.92	17.68 15.95	2.50	0.99	1.10	-0.30	0.20	0.97
NTGI S&P Midcap 400 - Lending S&P MidCap 400	14.75 15.27	18.66 18.62	0.98	1.00	1.00	-0.12	-0.47	0.79
Morgan Dempsey Policy Index	NA NA	NA NA	NA	NA	NA	NA	NA	NA
Orleans Capital Mgmt - Energy Opport S&P 500 Energy Index	6.08 11.11	24.77 20.30	7.78	0.92	1.17	-1.43	-0.49	0.24
1607 Capital Partners MSCI ACWI x-US	8.46 6.18	16.58 17.16	2.54	0.98	0.96	0.58	0.79	0.51
WHV Investment Mgmt MSCI ACWI x-US	5.70 6.18	20.76 17.16	6.50	0.92	1.16	-0.21	0.02	0.27
Invesco International REIT FTSE EPRA/NAREIT Global x-US	9.22 8.99	18.89 17.84	1.99	0.99	1.05	-0.03	0.20	0.48
Bradford & Marzec Barclays Intm Aggregate	NA NA	NA NA	NA	NA	NA	NA	NA	NA

Southfield Fire & Police Retirement System Risk Statistic Summary Quarterly 3 Year Ending 6/30/14

Manager	Return	Standard Deviation	Tracking Error	R-Squared	Historical Beta	Historical Alpha	Information Ratio	Sharpe Ratio
Loomis Sayles Full Discretion	NA	NA	NA	NA	NA	NA	NA	NA
Barclays U.S. Aggregate	NA	NA						
Avignon - Mortgage Loan	-16.34	25.00	25.03	0.01	-7.16	-2.55	-0.67	-0.66
Citi 2yr Treasury +4%/yr	4.54	0.31						
Nantucket Institutional	9.09	4.60	1.31	0.90	0.97	1.38	4.20	1.96
HFRI Diversified FoF Index	3.44	4.67						
PRISA Real Estate Composite	13.36	1.47	0.99	0.84	1.10	-0.08	0.85	9.03
NFI-ODCE	12.45	0.93						
PRISA I	12.69	1.46	1.01	0.82	1.05	-0.09	0.22	8.63
NFI-ODCE	12.45	0.93						
PRISA II	15.15	1.83	1.55	0.70	1.18	0.09	1.60	8.22
NFI-ODCE	12.45	0.93						
PRISA III	NA	NA	NA	NA	NA	NA	NA	NA
NFI-ODCE	NA	NA						
Total Fund Composite	8.57	10.50	1.63	0.98	1.06	-0.33	-0.47	0.81
Policy Index	9.46	9.78						

Southfield Fire & Police Retirement System

Large Neutral Cumulative Performance Comparisons

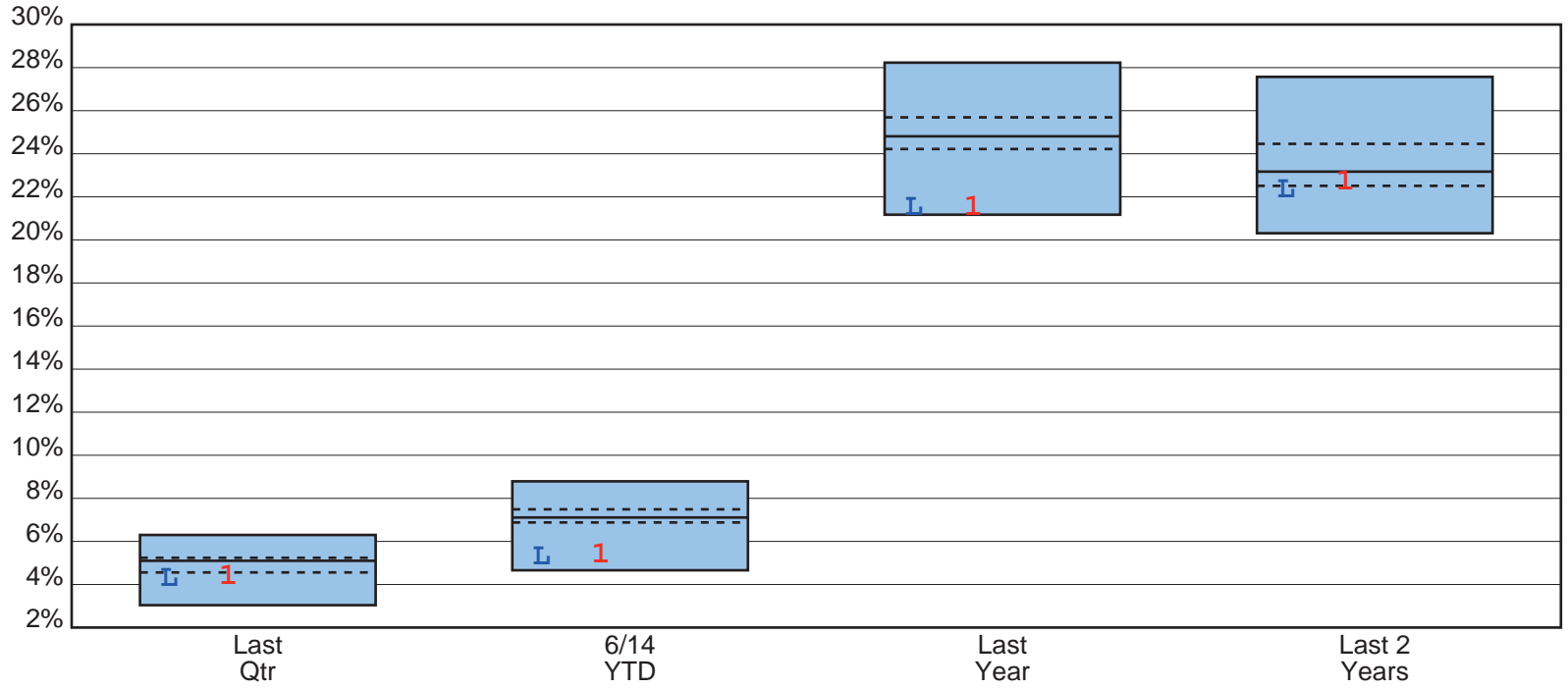
Total Returns of Equity Portfolios

Periods Ending 6/14

Manager Biography:
Hired in April 2012 with
funding of \$14 million.

Fee schedule:
First \$10mm 10 bps
Next \$40mm 8 bps
Next \$50mm 6 bps

Current Fee: 9 bps



5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

	Last Qtr	6/14 YTD	Last Year	Last 2 Years
5th Percentile	6.30	8.79	28.23	27.57
25th Percentile	5.24	7.49	25.69	24.46
Median	5.10	7.11	24.81	23.17
75th Percentile	4.56	6.88	24.22	22.51
95th Percentile	3.04	4.66	21.17	20.31

L LSIA Dividend Aristocrats 4.24 (84) 5.25 (91) 21.46 (93) 22.28 (82)
1 S&P 500 Dividends Aristocrats 4.33 (82) 5.36 (91) 21.47 (93) 22.68 (58)

Quarterly Variance Analysis:
Performance was in-line with the index.
This index normally contains about 50 stocks.

(Note: numbers in parentheses reflect actual peer group rankings. 1 = high; 99 = low)

Returns for periods greater than one year are annualized.

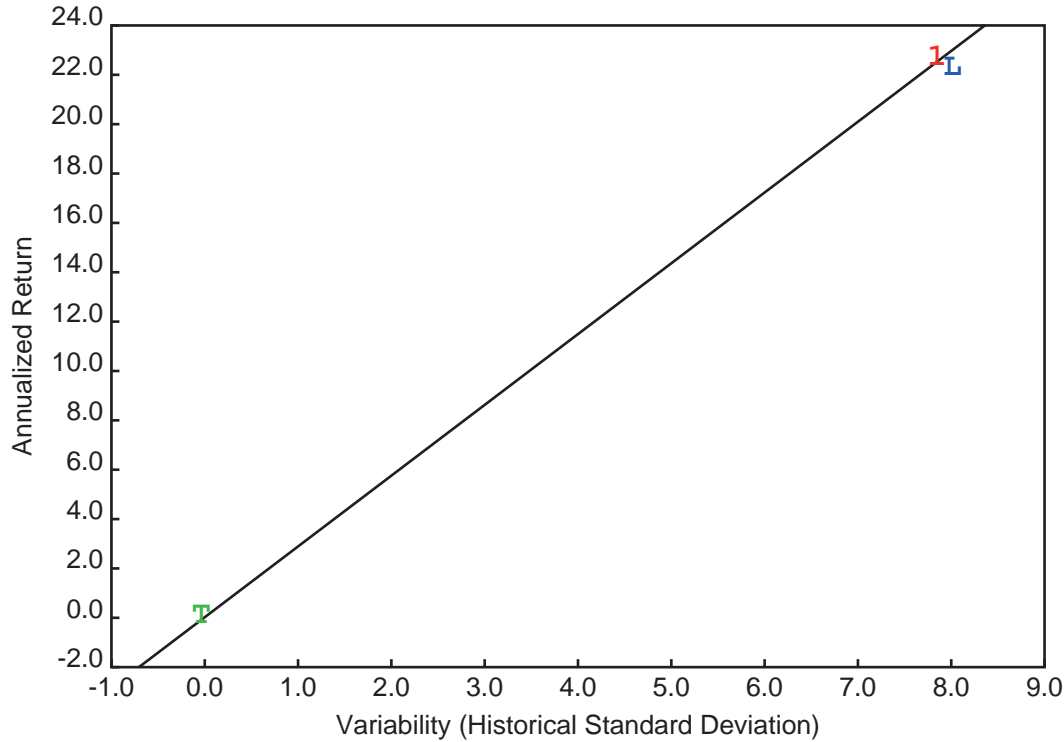
Southfield Fire & Police Retirement System Quarterly Total Return Market Line Analysis Periods from 6/12 to 6/14

Manager Annual Return: +22.28
 Less: Annual Fee -0.09

 +22.19

 Less: Benchmark Return -22.68

 Net Value-added Result -0.49



	Annualized Return	Variability	Reward	Sharpe Ratio
L LSIA Dividend Aristocrats	22.28	8.07	22.20	2.75
1 S&P 500 Dividends Aristocrats	22.68	7.90	22.60	2.86
T 91-Day Treasury Bill	0.08	0.02	0.00	0.00

Manager Performance vs. Objectives:
 Index strategy meets expectations after 2 years.

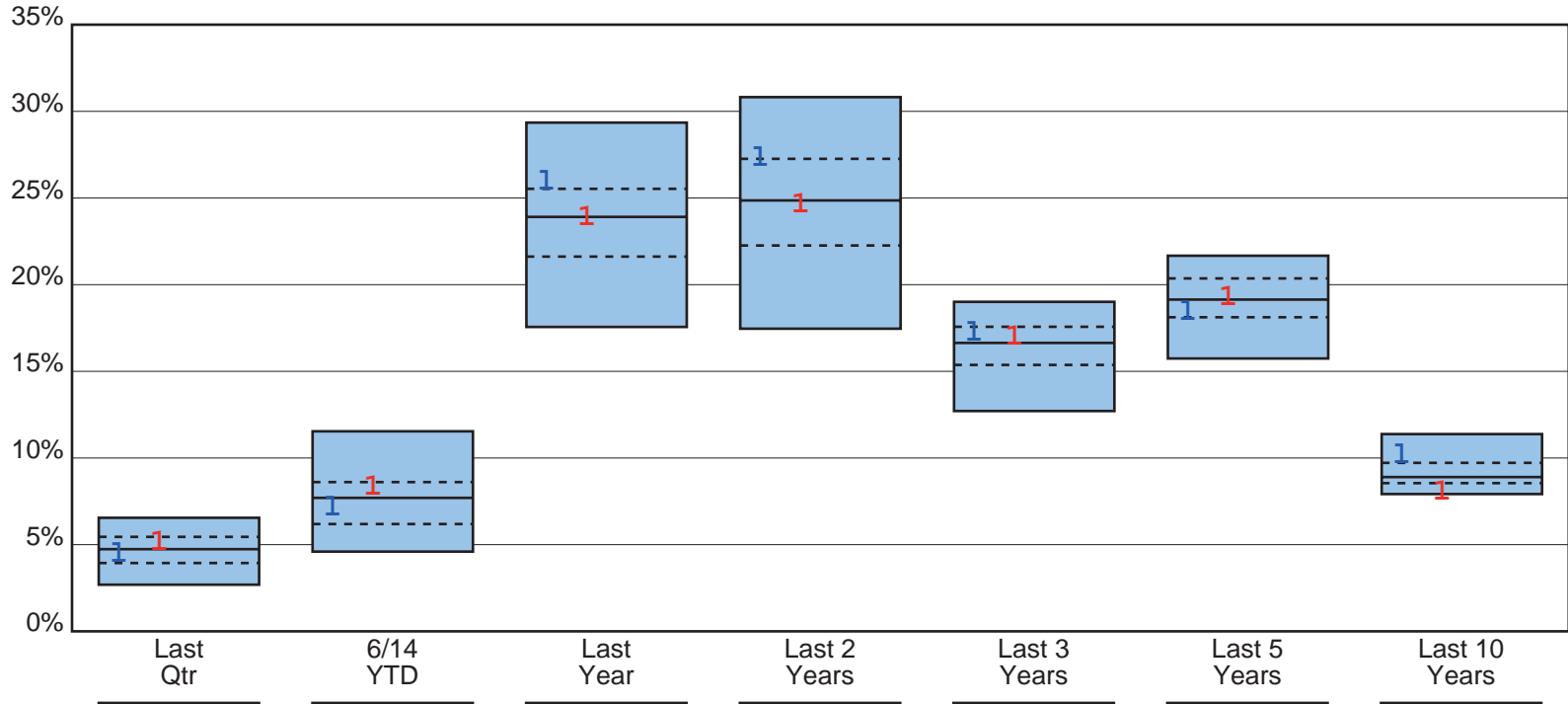
Sharpe Ratio = Reward / Variability

Southfield Fire & Police Retirement System

Large Value Cumulative Performance Comparisons

Total Returns of Equity Portfolios

Periods Ending 6/14



Manager Biography:
 Loomis, Sayles hired in April 1995, with funding of \$12 mm. Added \$2.5mm in June 1998, and \$6.6mm in Dec. 1998. In Nov. 2000, \$18.3mm was transferred to NTGI Barra/S&P Value. In May 2002, \$15 mm was returned.

Fee schedule:
 First \$2 million 60bps
 Next \$20 million 50bps
 Next \$28 million 45bps
 Over \$50 million 40bps
 Minimum fee is \$10,000

5th Percentile
 25th Percentile
 Median
 75th Percentile
 95th Percentile

	Last Qtr	6/14 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 10 Years
1 Loomis Sayles LC Value	4.42 (57)	7.08 (67)	25.87 (21)	27.26 (25)	17.18 (34)	18.37 (71)	10.11 (17)
1 Russell 1000 Value	5.10 (39)	8.28 (34)	23.82 (51)	24.57 (54)	16.92 (43)	19.23 (48)	8.02 (93)

Quarterly Variance Analysis:
 Underperformance is primarily attributed to the poor stock selection in the Information Technology sector. Weak stock selection in the Materials and Industrials sectors further detracted from results. Underperformance in 2Q12, 2Q11, and 3Q11, combined with poor results in 2010 are impacting 5-years results. (Note: numbers in parentheses reflect the actual peer group rankings. 1 = high; 99 = low)

Returns for periods greater than one year are annualized.

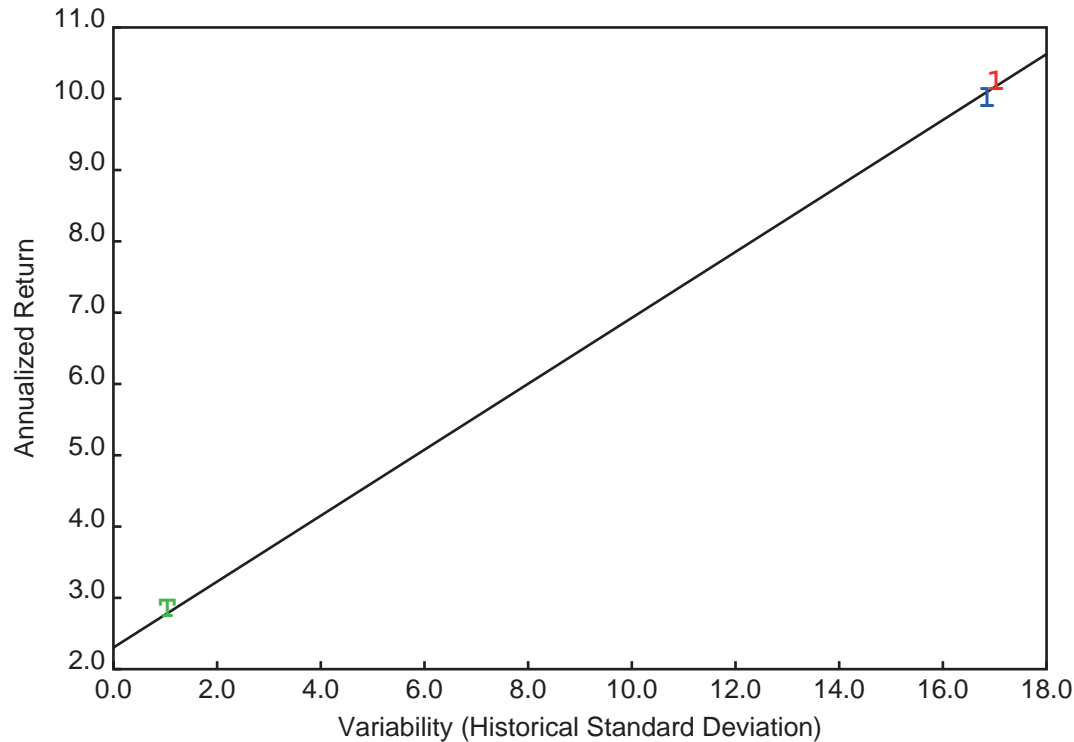
Southfield Fire & Police Retirement System Quarterly Total Return Market Line Analysis Periods from 6/95 to 6/14

Manager Annual Return: +9.98
 Less: Annual Fee -0.50

 +9.48

 Less: Benchmark Return -10.22

 Net Value-added Result -0.74



	Annualized Return	Variability	Reward	Sharpe Ratio
1 Loomis Sayles LC Value	9.98	16.95	7.16	0.42
1 Russell 1000 Value	10.22	17.12	7.40	0.43
T 91-Day Treasury Bill	2.83	1.14	0.00	0.00

Manager Performance vs. Objectives:
 While portfolio manager trails expectations after 19 years, results for the past 10 years exceed expectations.

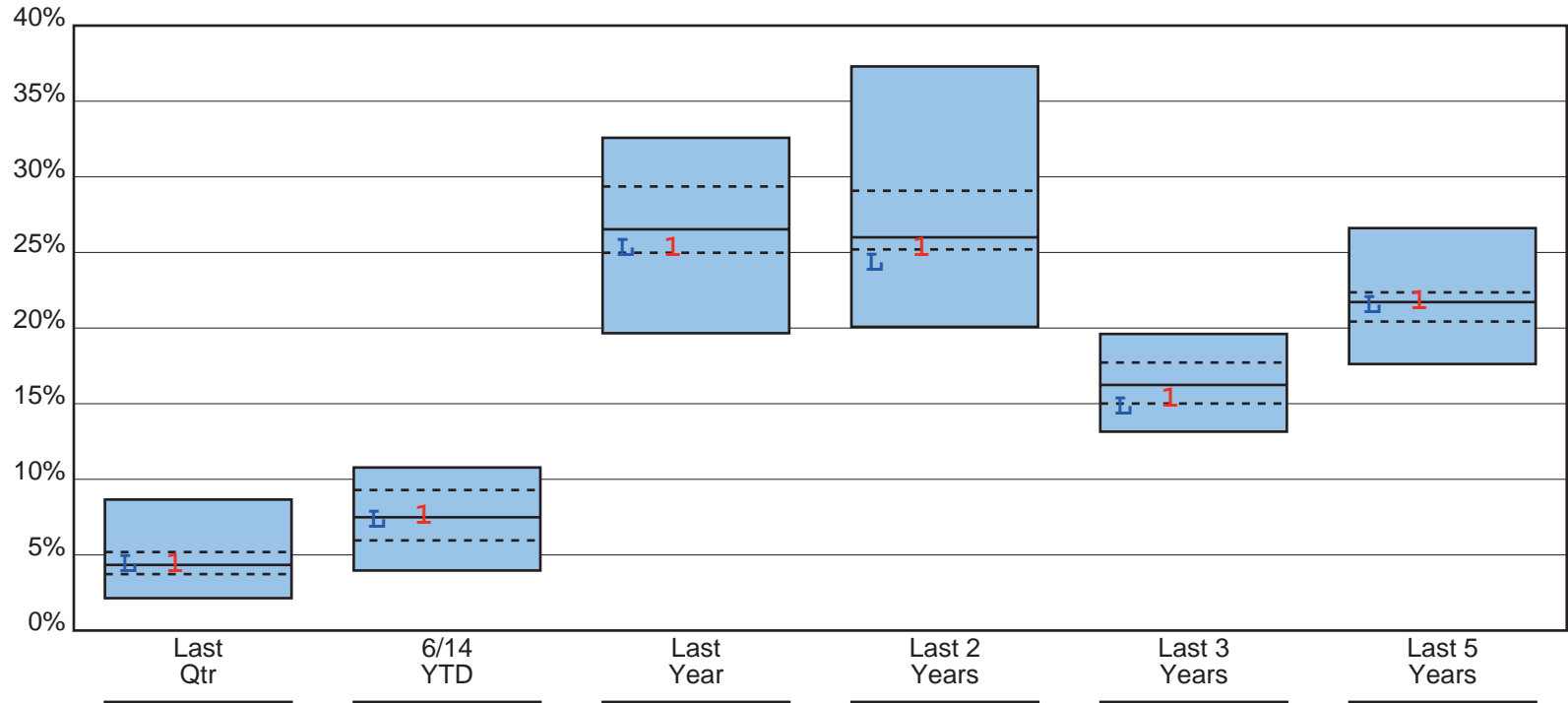
Sharpe Ratio = Reward / Variability

Southfield Fire & Police Retirement System Midcap Neutral Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 6/14

Manager Biography:
Replaced the NTGI S&P
Midcap 400 Enhanced Index
on 4/09/2009.

The Enhanced Index fund
was funded in October 2003
with approximately \$19mm.

Fee schedule:
First \$100 million 4bps
Balance at 3bps



	Last Qtr	6/14 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	8.66	10.78	32.58	37.30	19.61	26.61
25th Percentile	5.19	9.29	29.36	29.08	17.72	22.36
Median	4.34	7.49	26.53	26.00	16.24	21.72
75th Percentile	3.73	5.96	24.98	25.20	15.01	20.43
95th Percentile	2.14	3.97	19.66	20.08	13.15	17.62

L NTGI S&P Midcap 400 - Lending	4.30 (57)	7.24 (59)	25.19 (72)	24.25 (85)	14.75 (76)	21.47 (52)
1 S&P MidCap 400	4.33 (54)	7.50 (49)	25.24 (69)	25.21 (73)	15.27 (62)	21.67 (50)

This is a non-proprietary fund designed to approximate the risk and return of the S&P 400 Index. Any performance difference is generally the result of trading costs, and should be minimal. The fund and benchmark are rebalanced every December. The universe is comprised of equity managers classified as medium capitalization with yield and earnings characteristics tending to market-like levels. (Note: the numbers in parentheses reflect the actual peer group rankings. 1 = high; 99 = low)

Returns for periods greater than one year are annualized.

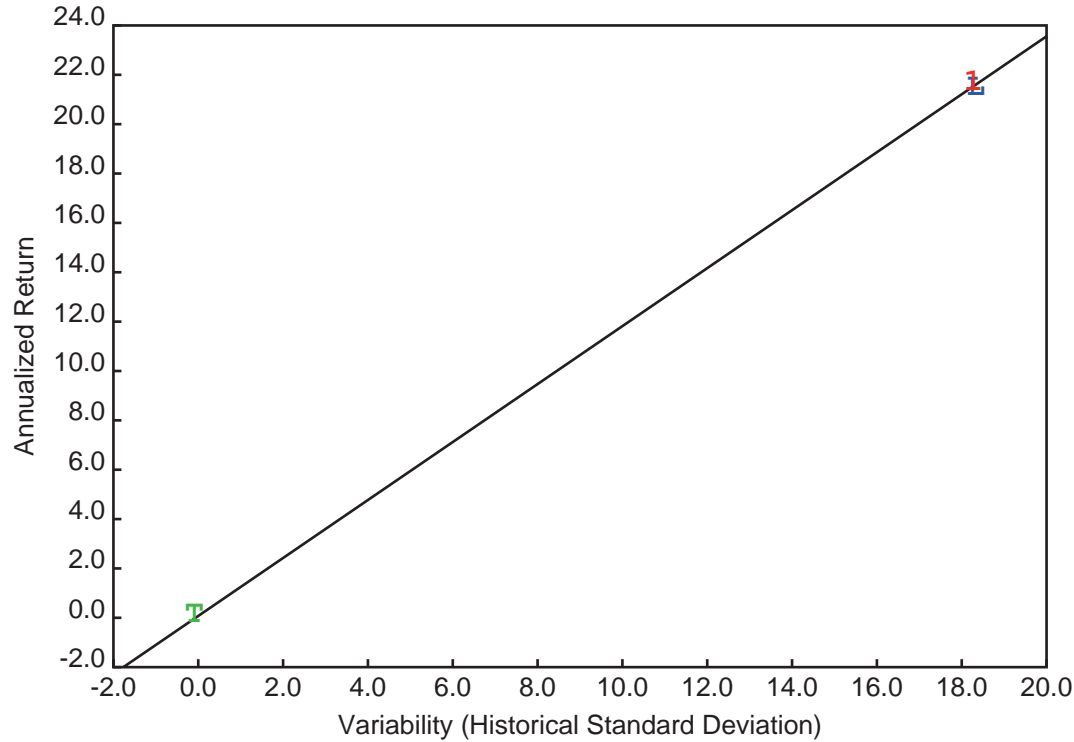
Southfield Fire & Police Retirement System Quarterly Total Return Market Line Analysis Periods from 6/09 to 6/14

Manager Annual Return: +21.47
 Less: Annual Fee -0.04

 +21.43

 Less: Benchmark Return -21.67

 Net Value-added Result -0.24



	Annualized Return	Variability	Reward	Sharpe Ratio
L NTGI S&P Midcap 400 - Lending	21.47	18.46	21.36	1.16
1 S&P MidCap 400	21.67	18.39	21.57	1.17
T 91-Day Treasury Bill	0.11	0.03	0.00	0.00

Manager Performance vs. Objectives:
 This index fund strategy meets expectations after 5 years, excluding the 4Q12 variance due to rebalancing the total fund.

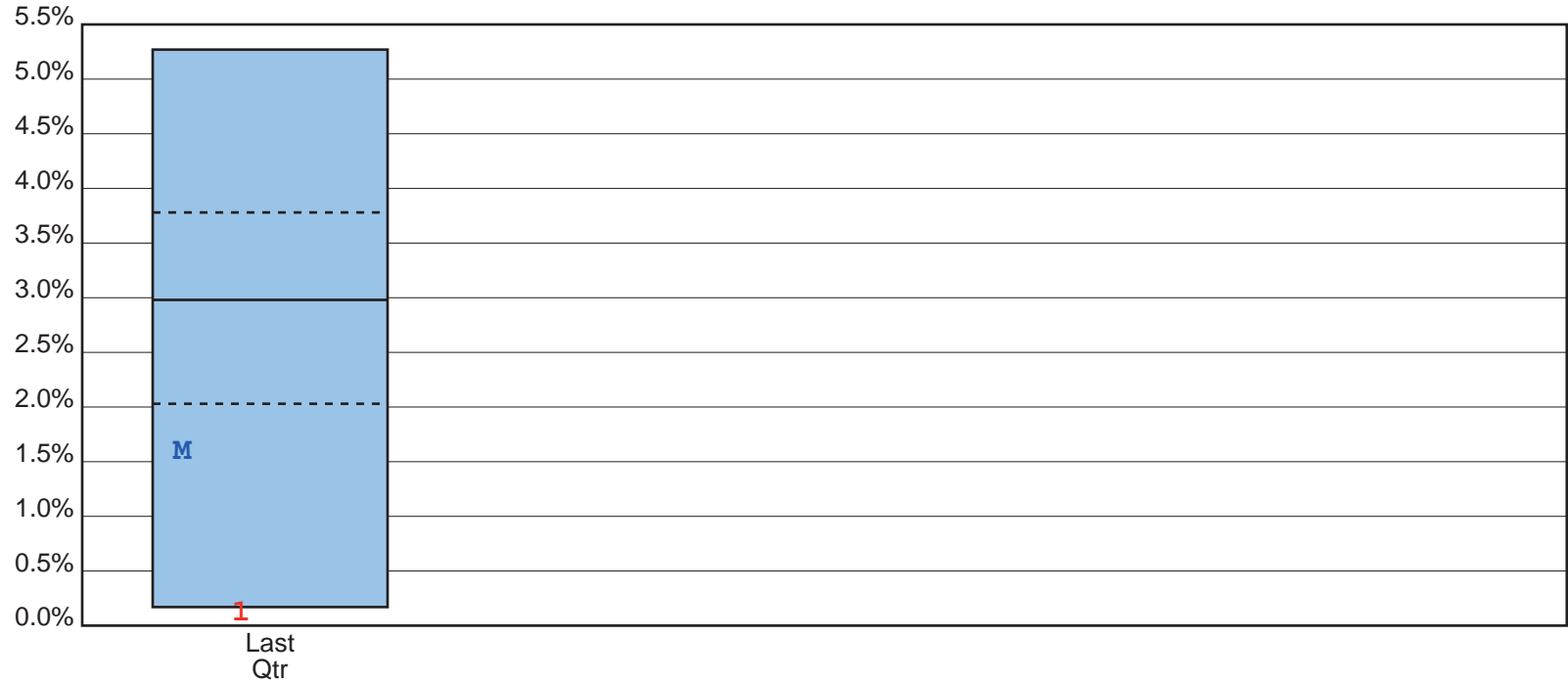
Sharpe Ratio = Reward / Variability

Southfield Fire & Police Retirement System Small Neutral Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 6/14

Manager Biography:
Replaced Fiduciary Mgmt
in March 2014 with funding
of about \$10.8mm.

Fee schedule:
First \$25 million 110 bps
Next \$25 million 100 bps
Next \$30 million 95 bps

Current Fee is 110 bps



5th Percentile	5.27
25th Percentile	3.78
Median	2.98
75th Percentile	2.03
95th Percentile	0.17

M Morgan Dempsey	1.59 (85)
I Policy Index	0.11 (96)

Quarterly Variance Analysis:

Outperformance is primarily attributed to good stock selection in the Consumer Staples and Industrials sectors, as well as an overweight position in the strongly-performing Energy sector.

(Note: the numbers in parentheses reflect actual peer group rankings. 1=high; 99 low)

Southfield Fire & Police Retirement System

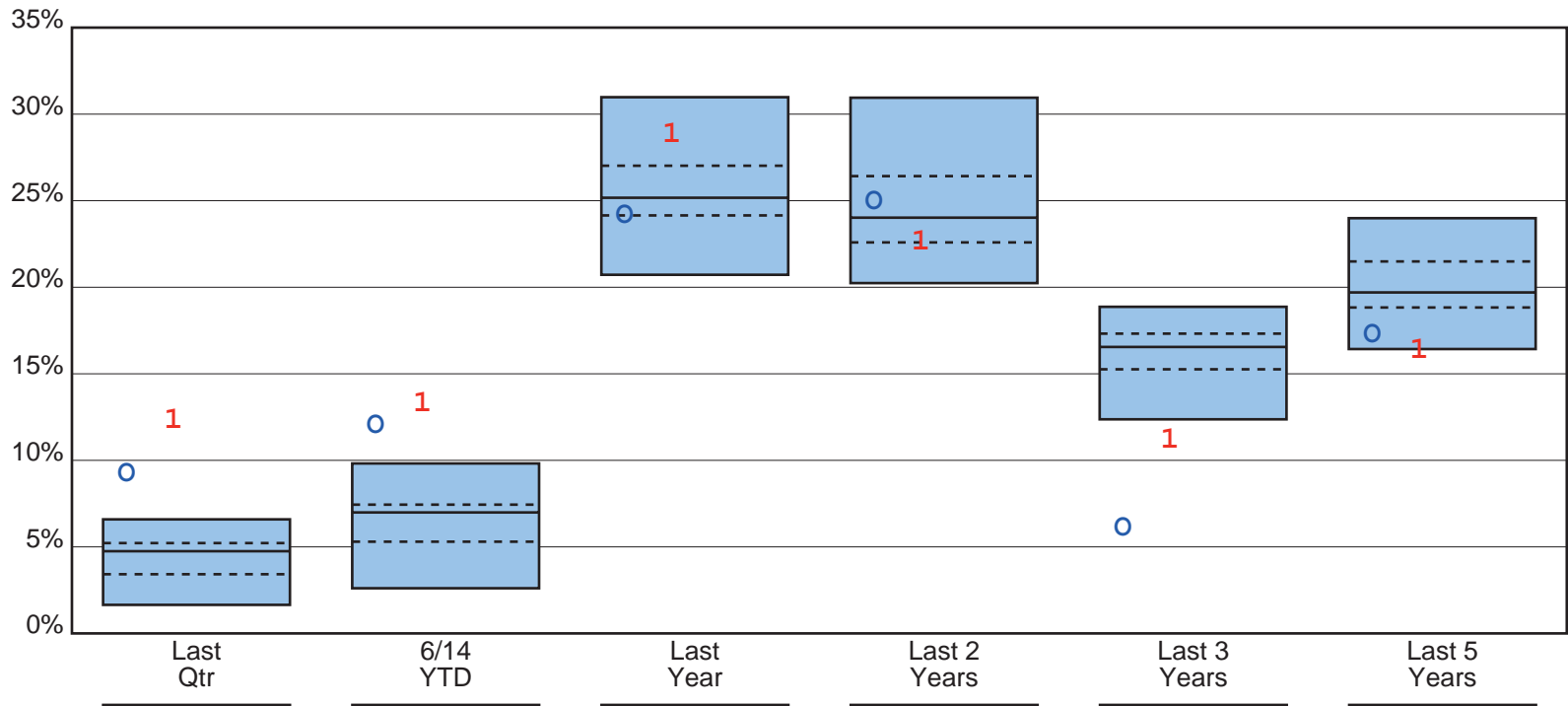
All Neutral Cumulative Performance Comparisons

Total Returns of Equity Portfolios

Periods Ending 6/14

Manager Biography:
Orleans Capital funded
with \$1mm on 10/1, 11/1,
and 12/1/2008.

Fee schedule: 100 bps



	Last Qtr	6/14 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	6.59	9.82	30.98	30.95	18.87	23.99
25th Percentile	5.22	7.44	27.02	26.42	17.32	21.49
Median	4.75	6.99	25.17	24.02	16.55	19.70
75th Percentile	3.42	5.30	24.15	22.59	15.26	18.83
95th Percentile	1.65	2.61	20.72	20.24	12.37	16.43

○ Orleans Capital Mgmt - Energy Opp	9.18 (1)	12.01 (1)	24.14 (75)	24.94 (42)	6.08 (99)	17.20 (90)
1 S&P 500 Energy Index	12.25 (1)	13.21 (1)	28.79 (10)	22.59 (75)	11.11 (98)	16.34 (95)

Quarterly Variance Analysis:

Underperformance is primarily attributed to a significant underweight exposure among stocks of Oil exploration and producers. Chicago Bridge & Iron (-21.67%) and Core Laboratories (+15.62%) were leading detractors from results.

(Note: numbers in parentheses reflect the actual peer group rankings. 1 = high; 99 = low)

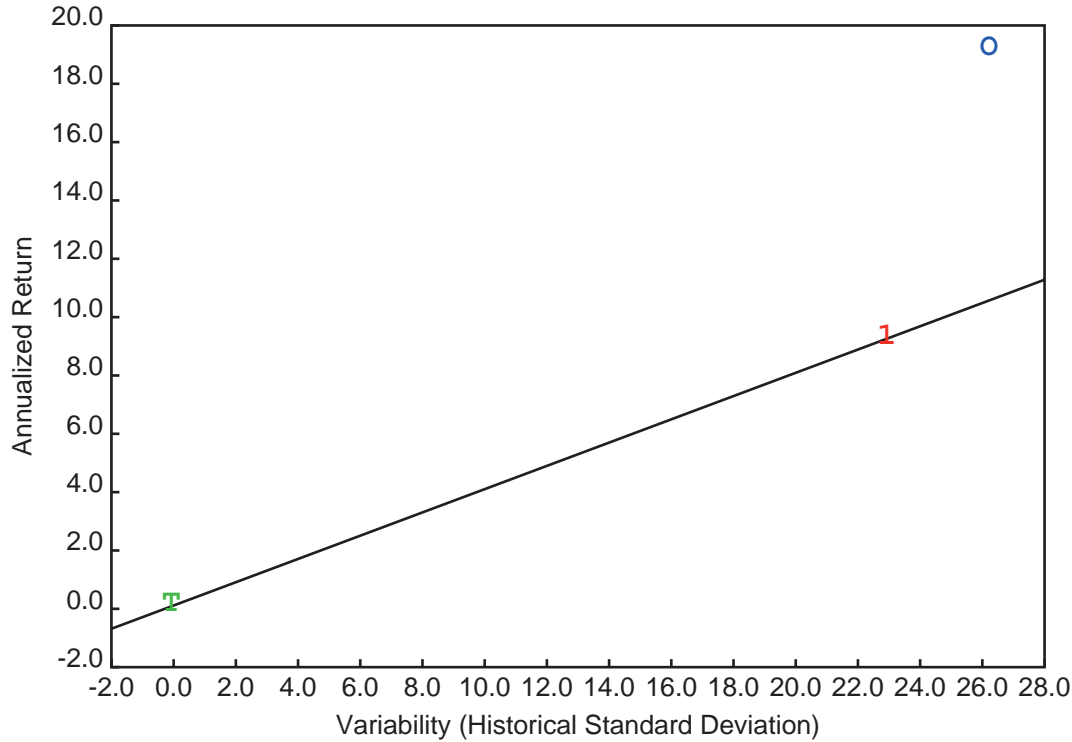
Southfield Fire & Police Retirement System Quarterly Total Return Market Line Analysis Periods from 9/08 to 6/14

Manager Annual Return: +19.22
 Less: Annual Fee -1.00

 +18.22

 Less: Benchmark Return -9.32

 Net Value-added Result +8.90



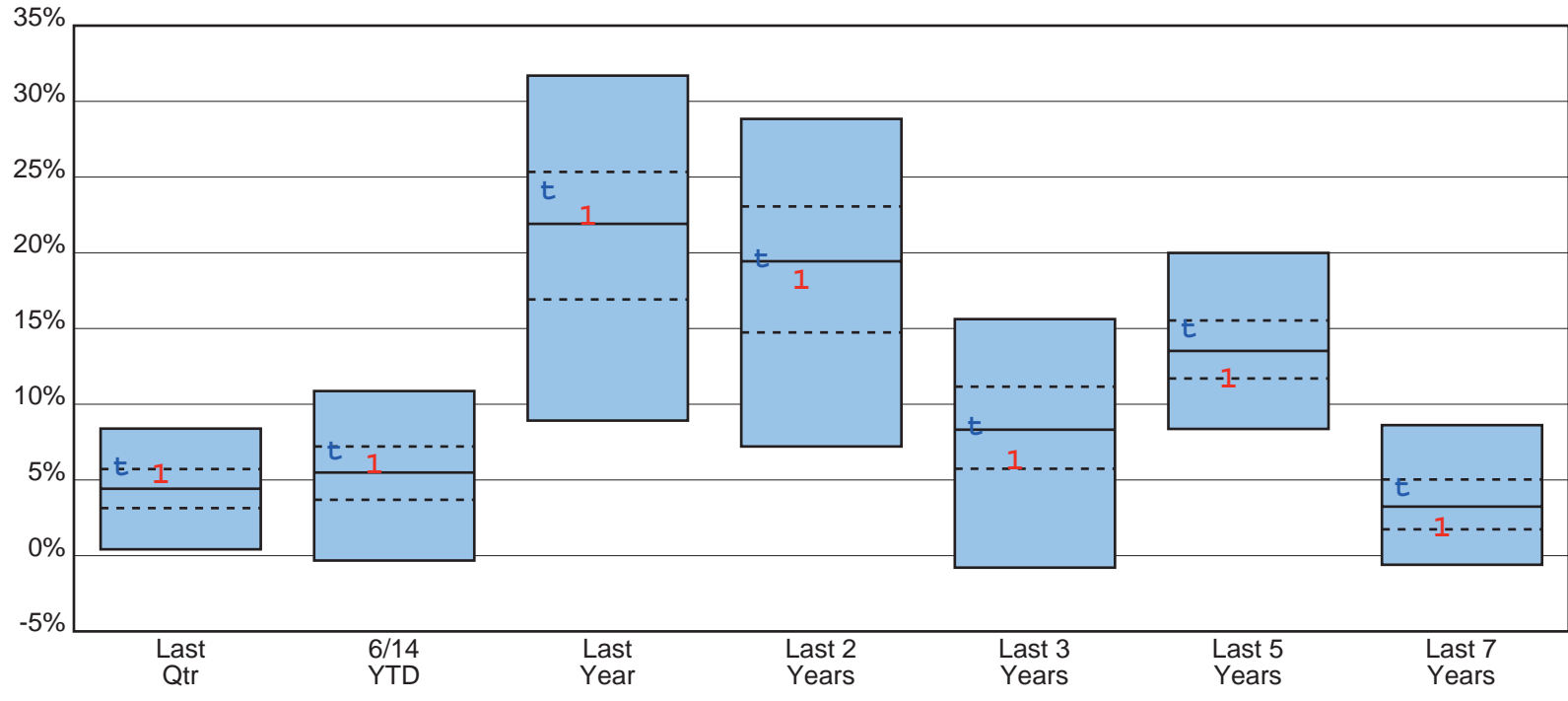
	Annualized Return	Variability	Reward	Sharpe Ratio
○ Orleans Capital Mgmt - Energy Opport	19.22	26.38	19.07	0.72
1 S&P 500 Energy Index	9.32	23.08	9.17	0.40
T 91-Day Treasury Bill	0.15	0.09	0.00	0.00

Manager Performance vs. Objectives:
 Portfolio manager exceeds expectations after 5.75 years.

Sharpe Ratio = Reward / Variability



Southfield Fire & Police Retirement System Cumulative Performance Comparison Total Returns of International Equity Portfolios Periods Ending 6/14



Manager Biography:
Tattersall Advisory was hired to replace the Morgan Stanley Integrated Intn'l Equity Fund on July 14, 2006 with approximately \$10.6 million.

1607 replaced Tattersall in April 2008 because the portfolio management team went to 1607.

An additional \$5 million was transferred in at the end of 1Q07

Fee schedule: 75 bps.
(and internal expenses)

	Last Qtr	6/14 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years
5th Percentile	8.39	10.87	31.70	28.84	15.62	19.99	8.62
25th Percentile	5.72	7.21	25.34	23.06	11.16	15.53	5.03
Median	4.42	5.49	21.91	19.44	8.32	13.52	3.24
75th Percentile	3.14	3.69	16.92	14.74	5.74	11.70	1.74
95th Percentile	0.42	-0.32	8.92	7.21	-0.79	8.37	-0.60
t 1607 Capital Partners	5.78 (24)	6.78 (29)	24.00 (32)	19.48 (49)	8.46 (48)	14.89 (31)	4.42 (32)
1 MSCI ACWI x-US	5.25 (30)	5.89 (42)	22.27 (46)	18.08 (60)	6.18 (70)	11.58 (76)	1.72 (75)

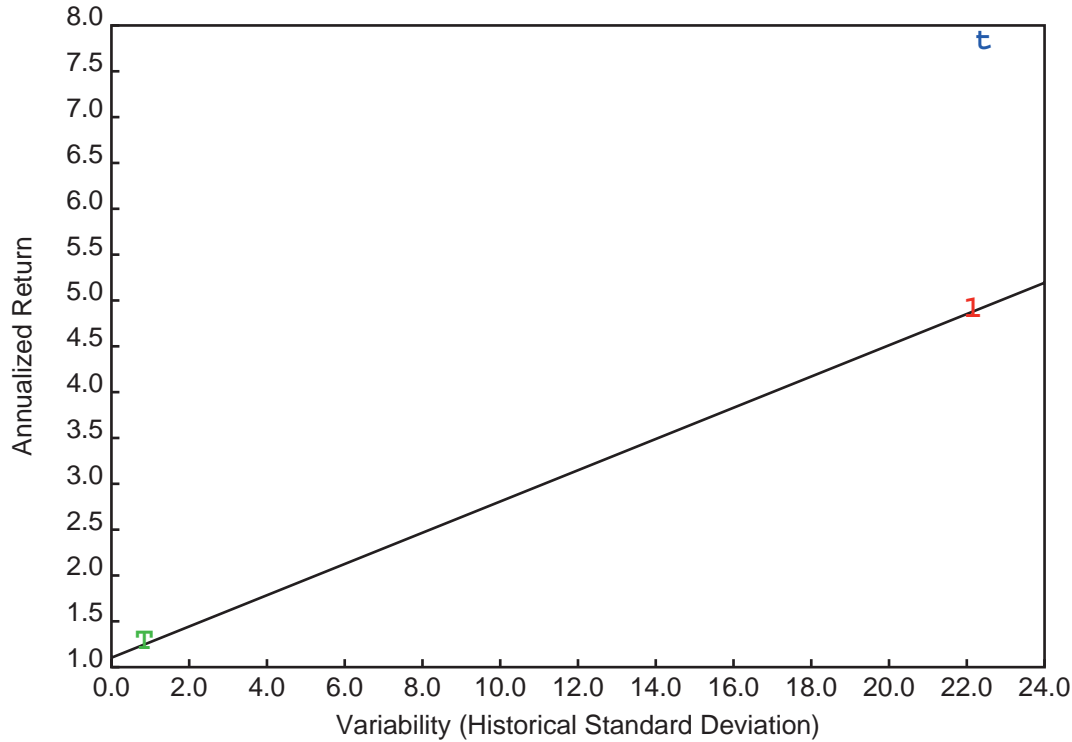
Quarterly Variance Analysis:
 Outperformance is due to good results from funds invested in emerging markets (India, China, Thailand, and Russia), as well as an underweight allocation to funds invested in Europe.
 The manager acknowledges differences in total portfolio valuation with the custodian on a quarter-to-quarter basis.
 Exposure to emerging markets was approximately 24.0% of the portfolio.
 At the end of the quarter, 1607 held 109 closed-end funds. The universe consists of about 315 funds.
 (Note: numbers in parentheses reflect the actual peer group rankings. 1 = high; 99 = low)

Southfield Fire & Police Retirement System Quarterly Total Return Market Line Analysis Periods from 6/06 to 6/14

Manager Annual Return: +7.82
 Less: Annual Fee -0.75
 Less: Global C/T Fees -0.10
 (Custody/Transaction) -----
 +6.97

 Less: Benchmark Return -4.90

 Net Value-added Result +2.07

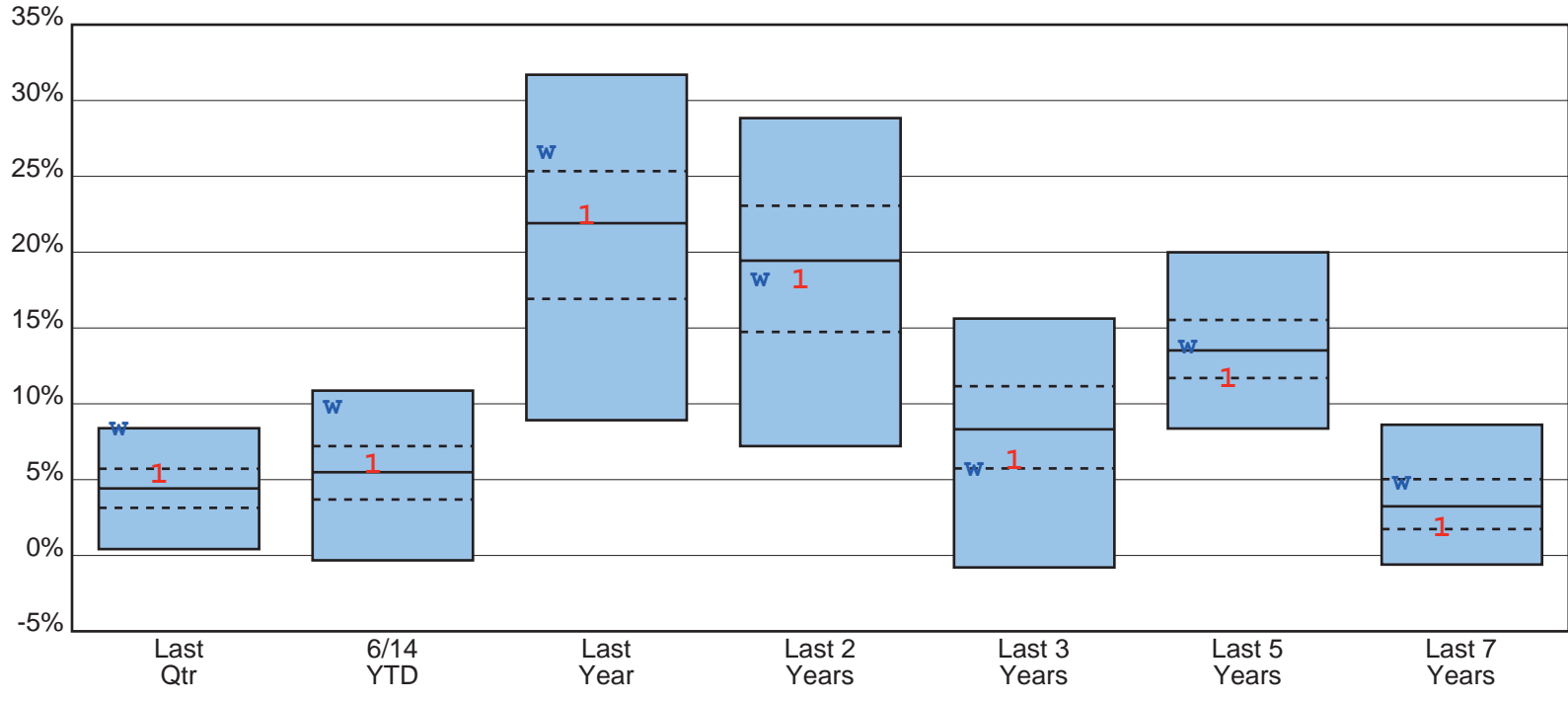


	Annualized Return	Variability	Reward	Sharpe Ratio
t 1607 Capital Partners	7.82	22.55	6.55	0.29
1 MSCI ACWI x-US	4.90	22.28	3.63	0.16
T 91-Day Treasury Bill	1.27	0.98	0.00	0.00

Manager Performance vs. Objectives:
 Portfolio manager exceeds expectations after 8 years.

Sharpe Ratio = Reward / Variability

Southfield Fire & Police Retirement System Cumulative Performance Comparison Total Returns of International Equity Portfolios Periods Ending 6/14



Manager Biography:
Wentworth, Hauser & Violich was hired to replace the Morgan Stanley Integrated International Equity Fund on July 14, 2006 with approximately \$10.6 million.

An additional \$5 million was transferred in at the end of 1Q07

Fee schedule:
100 bps first \$10 million
80 bps thereafter

Current Fee: 92 bps

	Last Qtr	6/14 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years
5th Percentile	8.39	10.87	31.70	28.84	15.62	19.99	8.62
25th Percentile	5.72	7.21	25.34	23.06	11.16	15.53	5.03
Median	4.42	5.49	21.91	19.44	8.32	13.52	3.24
75th Percentile	3.14	3.69	16.92	14.74	5.74	11.70	1.74
95th Percentile	0.42	-0.32	8.92	7.21	-0.79	8.37	-0.60
w WHV Investment Mgmt	8.39 (5)	9.83 (8)	26.60 (19)	18.20 (59)	5.70 (75)	13.77 (45)	4.76 (27)
1 MSCI ACWI x-US	5.25 (30)	5.89 (42)	22.27 (46)	18.08 (60)	6.18 (70)	11.58 (76)	1.72 (75)

Quarterly Variance Analysis:
Outperformance is primarily attributed to strong stock selection in the Industrials sector, as well as an overweight allocation to the strongly-performing Energy sector.

(Note: numbers in parentheses reflect the actual peer group rankings. 1 = high; 99 = low)

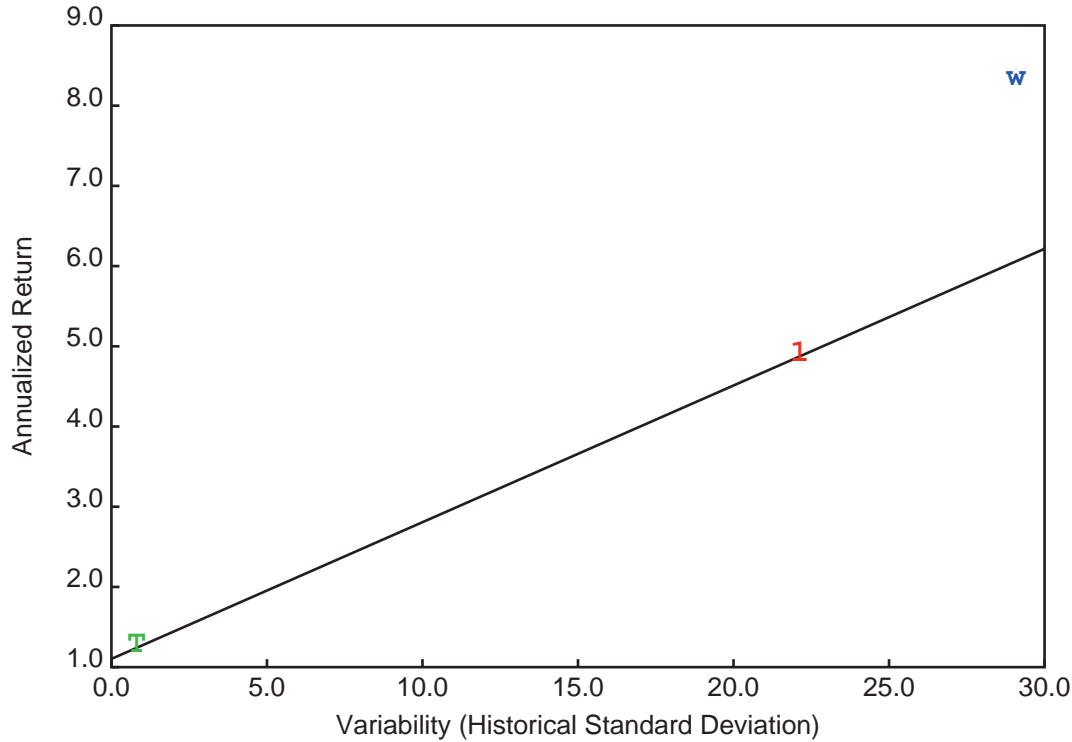
Southfield Fire & Police Retirement System Quarterly Total Return Market Line Analysis Periods from 6/06 to 6/14

Manager Annual Return: +8.35
 Less: Annual Fee -0.92

 +7.43

 Less: Benchmark Return -4.90

 Net Value-added Result +2.53



	Annualized Return	Variability	Reward	Sharpe Ratio
w WHV Investment Mgmt	8.35	29.25	7.08	0.24
1 MSCI ACWI x-US	4.90	22.28	3.63	0.16
T 91-Day Treasury Bill	1.27	0.98	0.00	0.00

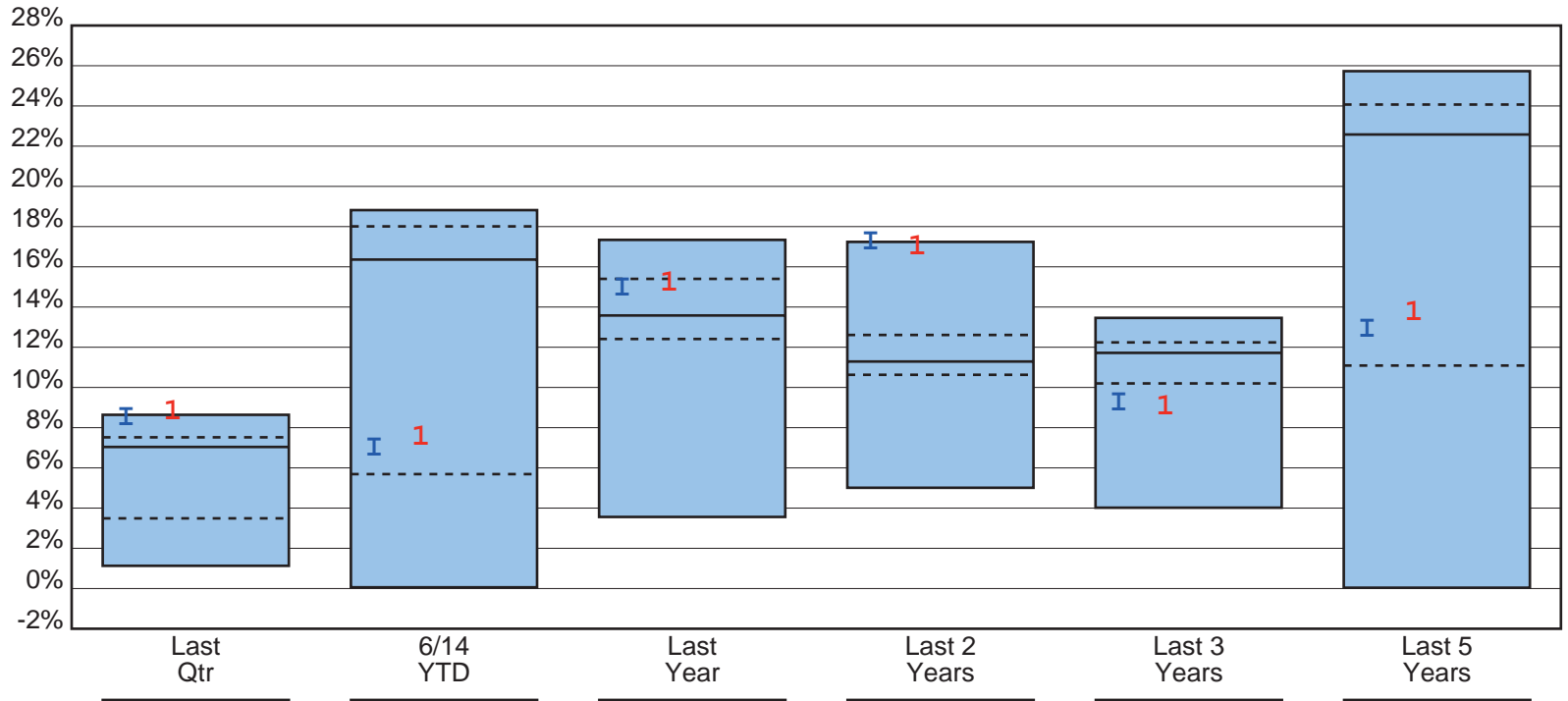
Manager Performance vs. Objectives:
 Despite poor short-term results, portfolio manager exceeds expectations after 8 years.

Sharpe Ratio = Reward / Variability

Southfield Fire & Police Retirement System Cumulative Performance Comparison Total Returns of Public REIT Portfolios Periods Ending 6/14

Manager Biography:
INVESCO International REIT
funded with \$1mm on 10/1,
11/1, and 12/1/2008.

Fee Schedule:
80 bps on first \$100mm



	Last Qtr	6/14 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	8.64	18.82	17.34	17.24	13.46	25.73
25th Percentile	7.52	18.01	15.40	12.61	12.24	24.07
Median	7.04	16.36	13.58	11.29	11.72	22.58
75th Percentile	3.49	5.69	12.41	10.63	10.20	11.09
95th Percentile	1.13	0.06	3.56	5.01	4.02	0.04

I Invesco International REIT	8.48 (5)	6.94 (67)	14.91 (35)	17.21 (5)	9.22 (80)	12.86 (61)
1 FTSE EPRA/NAREIT Global x-US	8.78 (2)	7.48 (64)	15.16 (31)	16.97 (5)	8.99 (82)	13.68 (56)

Quarterly Variance Analysis:

Slight underperformance is attributed to the lack of exposure to the Netherlands and weak stock selection in the UK and Australia.

(Note: numbers in parentheses reflect the actual peer group rankings. 1 = high; 99 = low)

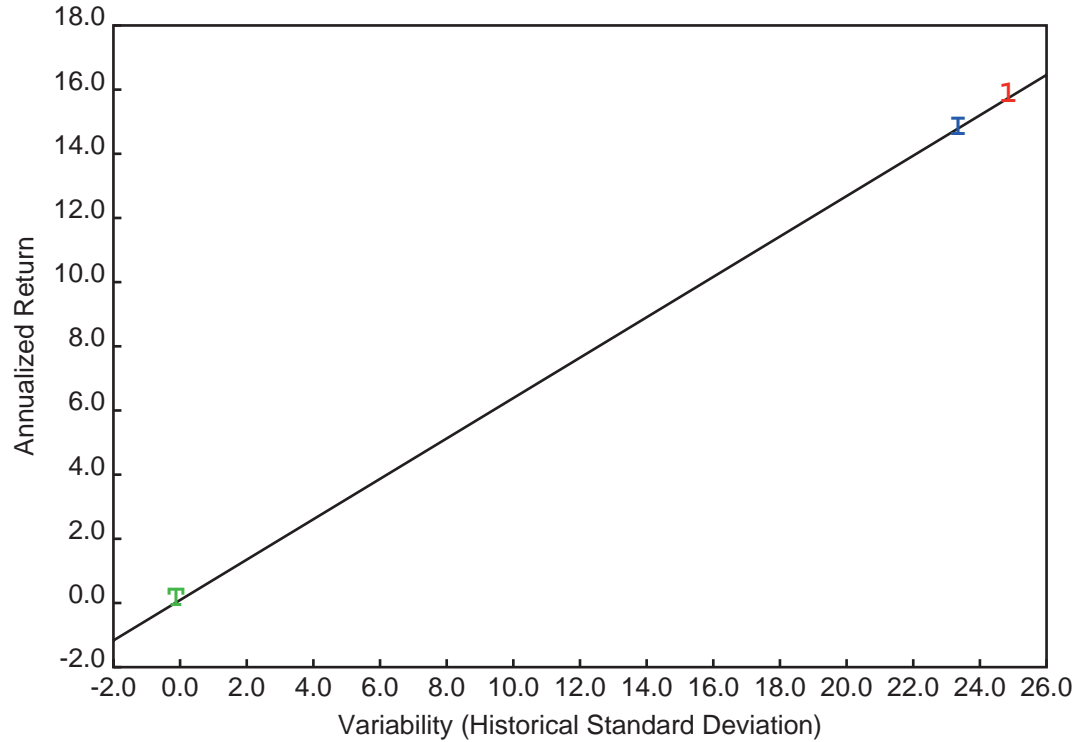
Southfield Fire & Police Retirement System Quarterly Total Return Market Line Analysis Periods from 12/08 to 6/14

Manager Annual Return: +14.79
 Less: Annual Fee -0.80

 +13.99

 Less: Benchmark Return -15.83

 Net Value-added Result -1.84



	Annualized Return	Variability	Reward	Sharpe Ratio
I Invesco International REIT	14.79	23.50	14.68	0.62
1 FTSE EPRA/NAREIT Global	15.83	25.00	15.71	0.63
T 91-Day Treasury Bill	0.11	0.03	0.00	0.00

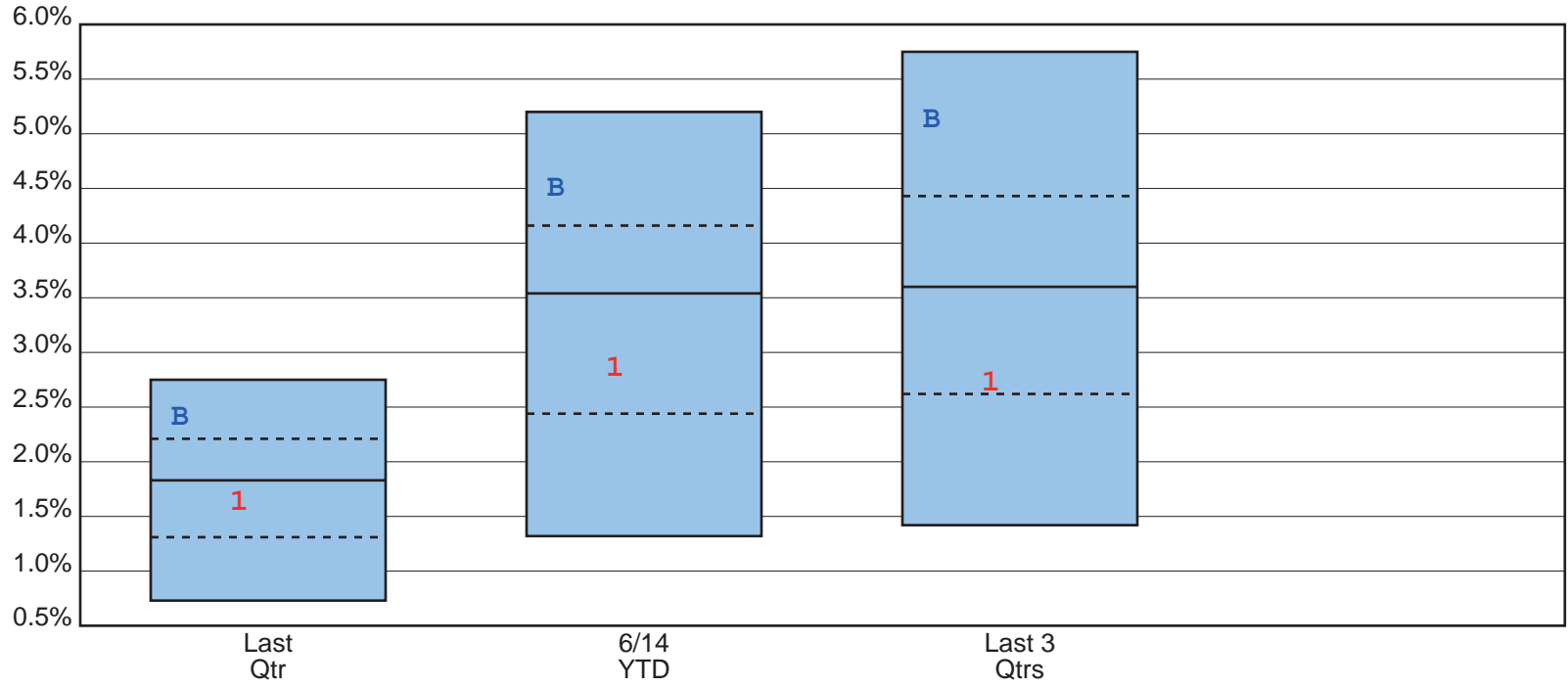
Manager Performance vs. Objectives:
 Portfolio manager is close to expectations after 5.5 years.

Sharpe Ratio = Reward / Variability

Southfield Fire & Police Retirement System Intermediate Term Cumulative Performance Comparisons Total Returns of Fixed Income Portfolios Periods Ending 6/14

Manager Biography:
Hired in August 2013 with
funding of about \$25 million.

Current fee is 32 bps
(for first \$50mm)



5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

	Last Qtr	6/14 YTD	Last 3 Qtrs
5th Percentile	2.75	5.20	5.75
25th Percentile	2.21	4.16	4.43
Median	1.83	3.54	3.60
75th Percentile	1.31	2.44	2.62
95th Percentile	0.73	1.32	1.42
B Bradford & Marzec	2.40 (13)	4.50 (13)	5.12 (11)
1 Barclays Intm Aggregate	1.62 (61)	2.85 (65)	2.71 (71)

Quarterly Variance Analysis:
Outperformance is primarily attributed to good securities selection among investment-grade corporate bonds. Exposure to high-yield bonds further strengthened results.
(Note: numbers in parentheses reflect actual peer rankings. 1 = high; 99 = low)

Returns for periods greater than one year are annualized.

Southfield Fire & Police Retirement System

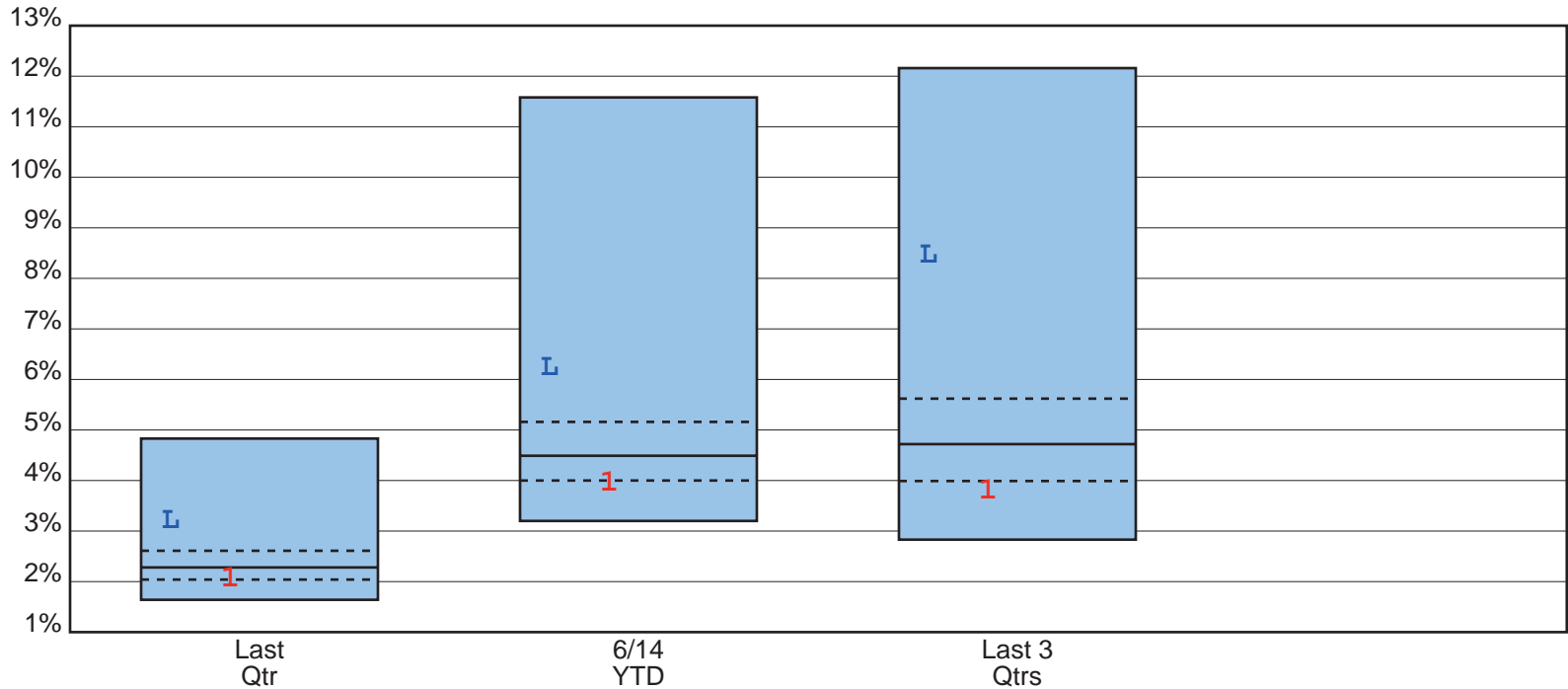
Fixed Income Core Cumulative Performance Comparisons

Total Returns of Fixed Income Portfolios

Periods Ending 6/14

Manager Biography:
Hired in August 2013 with
funding of about \$15mm.

Internal expense ratio
is 42 bps.



5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

	Last Qtr	6/14 YTD	Last 3 Qtrs
5th Percentile	4.83	11.58	12.16
25th Percentile	2.61	5.16	5.62
Median	2.28	4.49	4.72
75th Percentile	2.04	4.00	3.99
95th Percentile	1.64	3.20	2.83

L Loomis Sayles Full Discretion
1 Barclays U.S. Aggregate

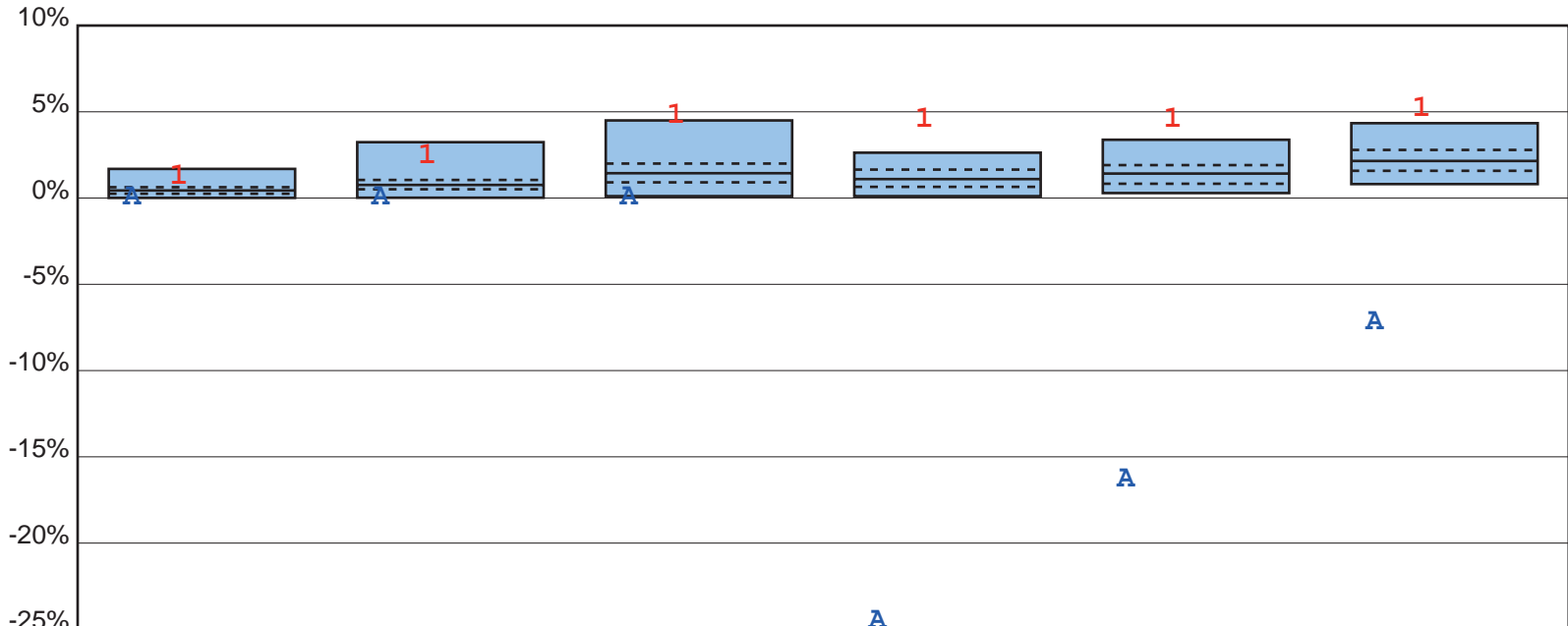
Loomis Sayles Full Discretion	3.19 (12)	6.22 (14)	8.45 (9)
Barclays U.S. Aggregate	2.04 (75)	3.93 (76)	3.78 (81)

Quarterly Variance Analysis:

Significant outperformance is primarily attributed to good security selection in investment-grade bonds and the outside-of-benchmark exposure to high-yield and non-U.S. bonds.

(Note: the numbers in parentheses reflect the actual peer group rankings. 1 = high; 99 = low)

Southfield Fire & Police Retirement System Short Term Cumulative Performance Comparisons Total Returns of Fixed Income Portfolios Periods Ending 6/14



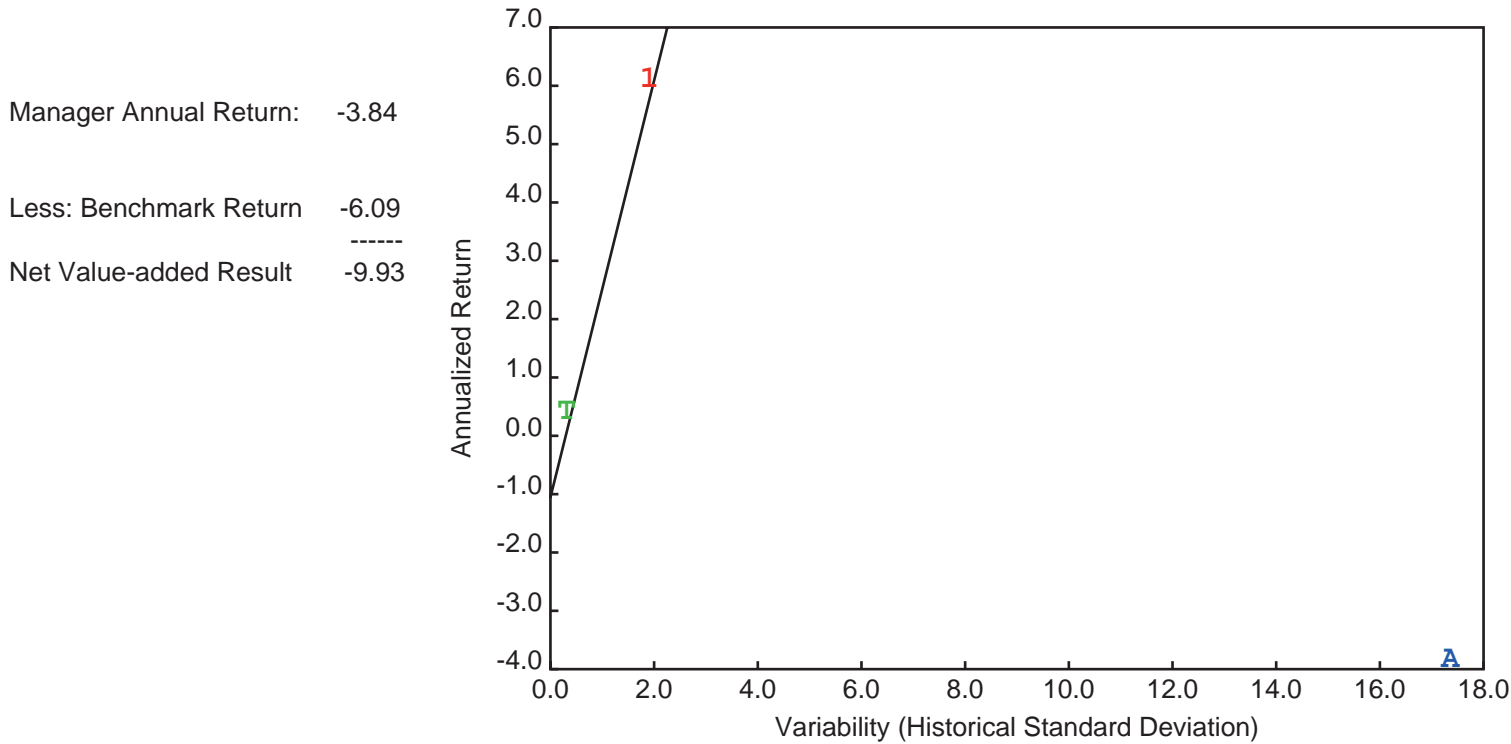
\$6 million loan to Avignon was made in October 2007.

	Last Qtr	6/14 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	1.69	3.24	4.50	2.63	3.38	4.34
25th Percentile	0.63	1.05	2.00	1.65	1.91	2.79
Median	0.44	0.76	1.44	1.10	1.42	2.15
75th Percentile	0.25	0.51	0.91	0.65	0.83	1.58
95th Percentile	0.01	0.02	0.11	0.11	0.29	0.81
A Avignon - Mortgage Loan	0.00 (100)	0.00 (99)	0.00 (99)	-24.50 (100)	-16.34 (100)	-7.22 (100)
1 Citi 2yr Treasury +4%/yr	1.24 (8)	2.42 (9)	4.74 (2)	4.50 (1)	4.54 (1)	5.14 (1)

Quarterly Variance Analysis:
 Loan generated no income during the quarter, with the last payment made on 10/01/2011, and \$1,901,333.33 of interest payments since inception (November 2007).
 A write-down of \$2.58 million was taken on 9/30/2012.
 Book value is \$3.42 million. The properties are listed for sale.
 (Note: numbers in parentheses reflect the actual peer group rankings. 1 = high; 99 = low)

Returns for periods greater than one year are annualized.

Southfield Fire & Police Retirement System Quarterly Total Return Market Line Analysis Periods from 12/07 to 6/14



	Annualized Return	Variability	Reward	Sharpe Ratio
A Avignon - Mortgage Loan	-3.84	17.46	-4.25	-0.24
1 Citi 2yr Treasury +4%/yr	6.09	2.00	5.68	2.85
T 91-Day Treasury Bill	0.41	0.41	0.00	0.00

Manager Performance vs. Objectives:

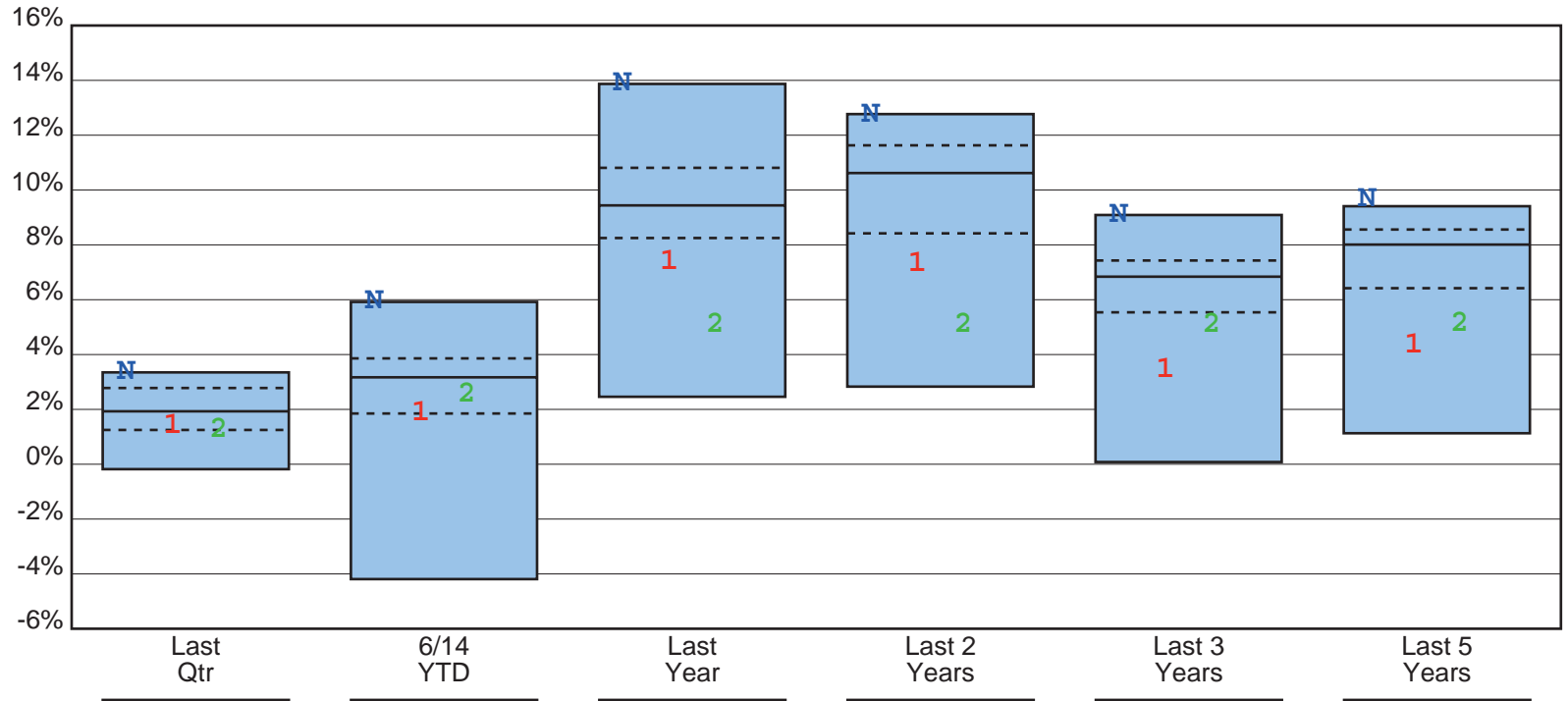
Sharpe Ratio = Reward / Variability

Southfield Fire & Police Retirement System Cumulative Performance Comparison Total Returns of Fund of Funds Hedge Funds Periods Ending 6/14

Manager Biography:
Funded with \$2 million
in June 2008.

An additional \$670,000 was
invested on 4/01/2010.

Fee Schedule: 100 bps
10% incentive fee;
subject to high water mark,
and investors receiving
10% return first



5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

	Last Qtr	6/14 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	3.35	5.92	13.87	12.77	9.09	9.41
25th Percentile	2.78	3.86	10.81	11.63	7.43	8.56
Median	1.93	3.17	9.44	10.62	6.84	8.01
75th Percentile	1.25	1.85	8.25	8.42	5.54	6.42
95th Percentile	-0.18	-4.19	2.46	2.83	0.08	1.13

N Nantucket Institutional	3.35 (6)	5.92 (6)	13.87 (5)	12.73 (9)	9.09 (7)	9.65 (1)
1 HFRI Diversified FoF Index	1.38 (68)	1.86 (73)	7.38 (79)	7.28 (84)	3.44 (88)	4.33 (93)
2 91-Day Treasury Bill +5%/yr	1.26 (73)	2.52 (69)	5.06 (84)	5.08 (89)	5.07 (79)	5.11 (93)

Quarterly Variance Analysis:
 Outperformance is primarily attributed to strong results from Multi-Strategy managers.
 All five strategy allocations posted positive returns for the quarter.
 The peer group rankings should not be emphasized as the peer group is new and still evolving.
 (Note: numbers in parentheses reflect actual peer rankings. 1 = high; 99 = low)

Returns for periods greater than one year are annualized.

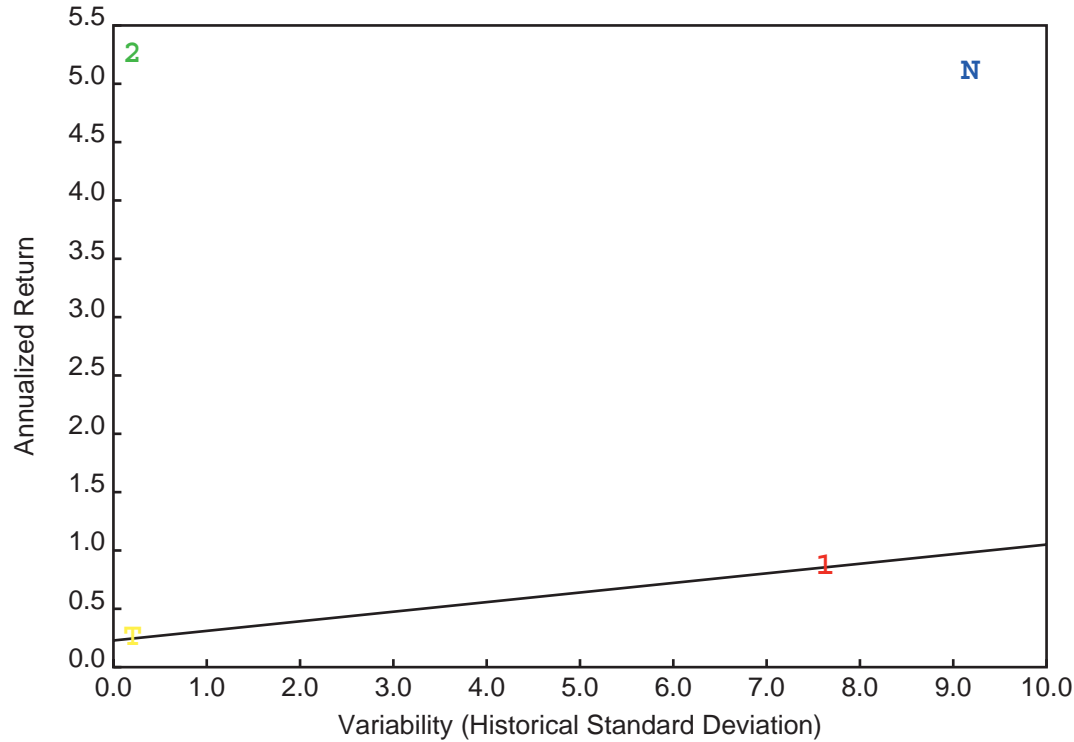
Southfield Fire & Police Retirement System Quarterly Total Return Market Line Analysis Periods from 6/08 to 6/14

Manager Annual Return: +5.10
 Less: Annual Fee -1.00

 +4.10

 Less: Benchmark Return -0.86

 Net Value-added Result +3.24



	Annualized Return	Variability	Reward	Sharpe Ratio
N Nantucket Institutional	5.10	9.24	4.85	0.53
1 HFRI Diversified FoF Index	0.86	7.68	0.61	0.08
2 91-Day Treasury Bill +5%/yr	5.25	0.26	5.00	19.57
T 91-Day Treasury Bill	0.25	0.26	0.00	0.00

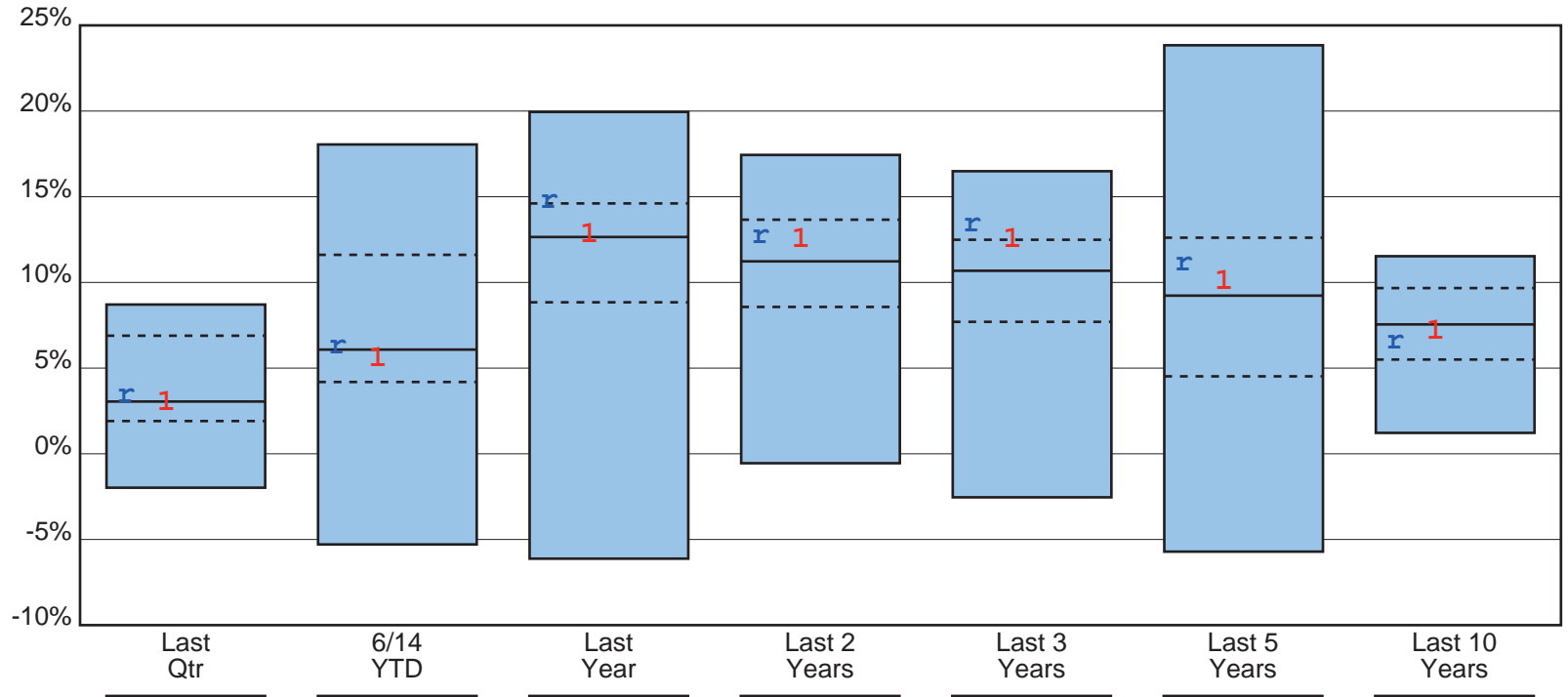
Manager Performance vs. Objectives:
 Portfolio manager exceeds expectations after 6 years.

Sharpe Ratio = Reward / Variability

Southfield Fire & Police Retirement System Cumulative Performance Comparison Total Returns of Real Estate Portfolios Periods Ending 6/14

Manager Biography:
Equity Line (12/87)
\$0.1 mm
PRISA I (12/90 & 12/98)
\$7.5 mm
PRISA II (02/05)
\$2.2mm from PRISA I

Benchmark transitioned to
the NFI-ODCE in 3Q07



5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

	Last Qtr	6/14 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 10 Years
5th Percentile	8.71	18.05	19.95	17.44	16.49	23.84	11.53
25th Percentile	6.89	11.61	14.61	13.66	12.49	12.61	9.67
Median	3.05	6.08	12.65	11.23	10.68	9.23	7.55
75th Percentile	1.91	4.19	8.84	8.57	7.70	4.52	5.50
95th Percentile	-1.98	-5.29	-6.12	-0.55	-2.54	-5.71	1.22
r PRISA Real Estate Composite	3.38 (41)	6.24 (46)	14.72 (24)	12.72 (32)	13.36 (17)	11.07 (31)	6.55 (65)
1 NFI-ODCE	2.93 (53)	5.52 (60)	12.74 (49)	12.46 (34)	12.45 (25)	10.00 (42)	7.10 (55)

Returns for periods greater than one year are annualized.

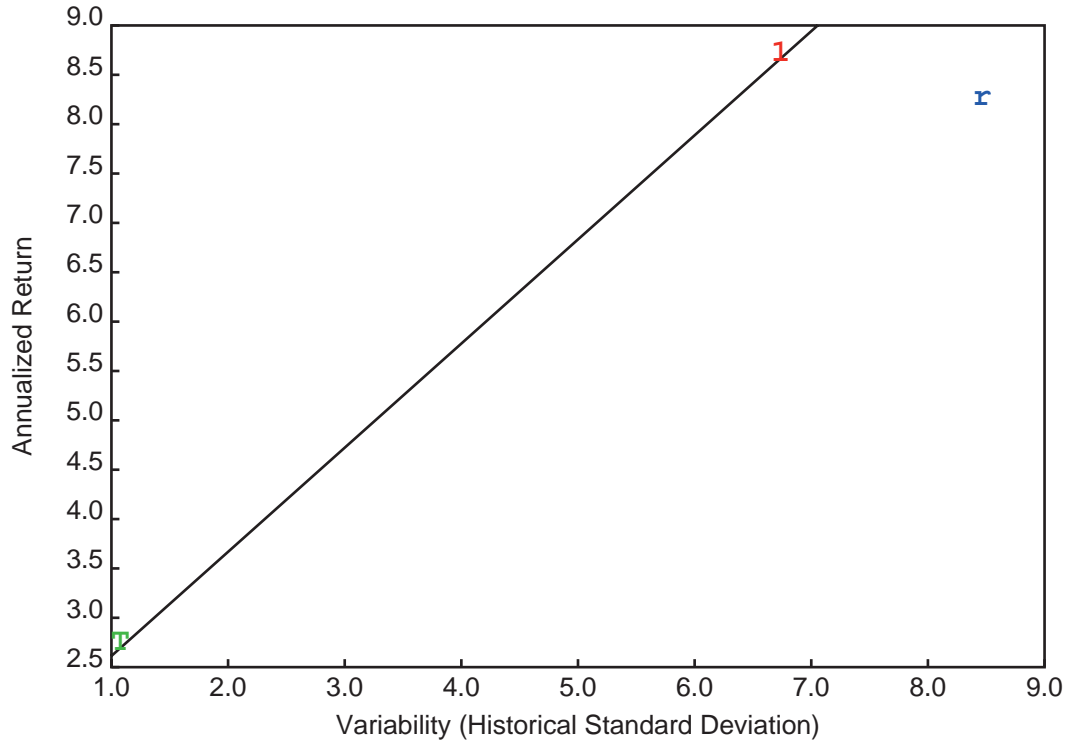
Southfield Fire & Police Retirement System Quarterly Total Return Market Line Analysis Periods from 12/95 to 6/14

Managers Annual Return: +8.26
 Less: (approx) Annual Fee -0.82

 +7.44

Less: Benchmark Return -8.63

 Net Value-added Result -1.19



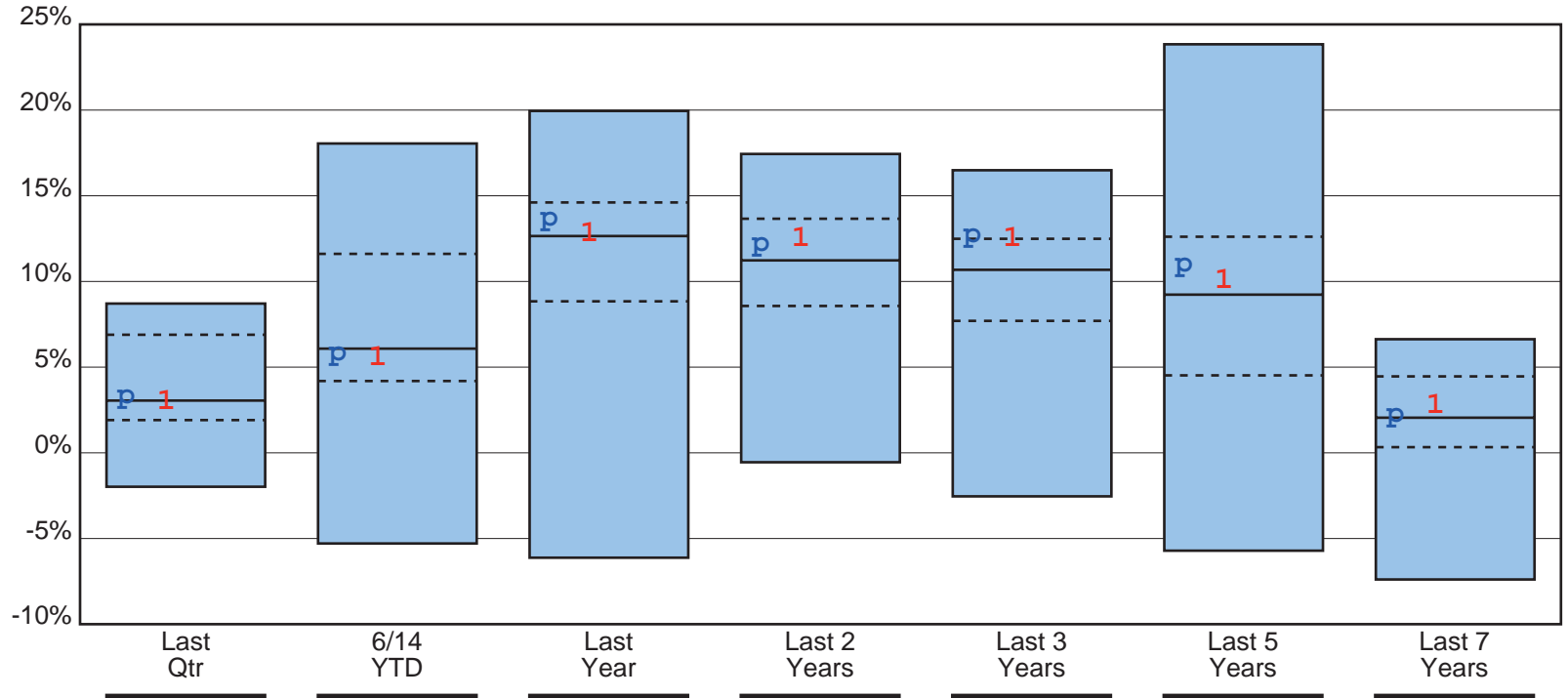
	Annualized Return	Variability	Reward	Sharpe Ratio
r PRISA Real Estate Composite	8.26	8.51	5.52	0.65
1 NFI-ODCE	8.71	6.78	5.96	0.88
T 91-Day Treasury Bill	2.74	1.12	0.00	0.00

Sharpe Ratio = Reward / Variability

Southfield Fire & Police Retirement System Cumulative Performance Comparison Total Returns of Real Estate Portfolios Periods Ending 6/14

Fee Schedule:
75 bps first \$10mm
65 bps next \$15mm
6% incentive fee of distributed cash flow;
Max Fee of 120 bps

Current Fee is 75 bps



5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

	Last Qtr	6/14 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years
5th Percentile	8.71	18.05	19.95	17.44	16.49	23.84	6.63
25th Percentile	6.89	11.61	14.61	13.66	12.49	12.61	4.46
Median	3.05	6.08	12.65	11.23	10.68	9.23	2.05
75th Percentile	1.91	4.19	8.84	8.57	7.70	4.52	0.33
95th Percentile	-1.98	-5.29	-6.12	-0.55	-2.54	-5.71	-7.39
P PRISA I	3.28 (45)	5.81 (53)	13.68 (35)	12.19 (38)	12.69 (23)	10.98 (34)	2.21 (48)
I NFI-ODCE	2.93 (53)	5.52 (60)	12.74 (49)	12.46 (34)	12.45 (25)	10.00 (42)	2.74 (43)

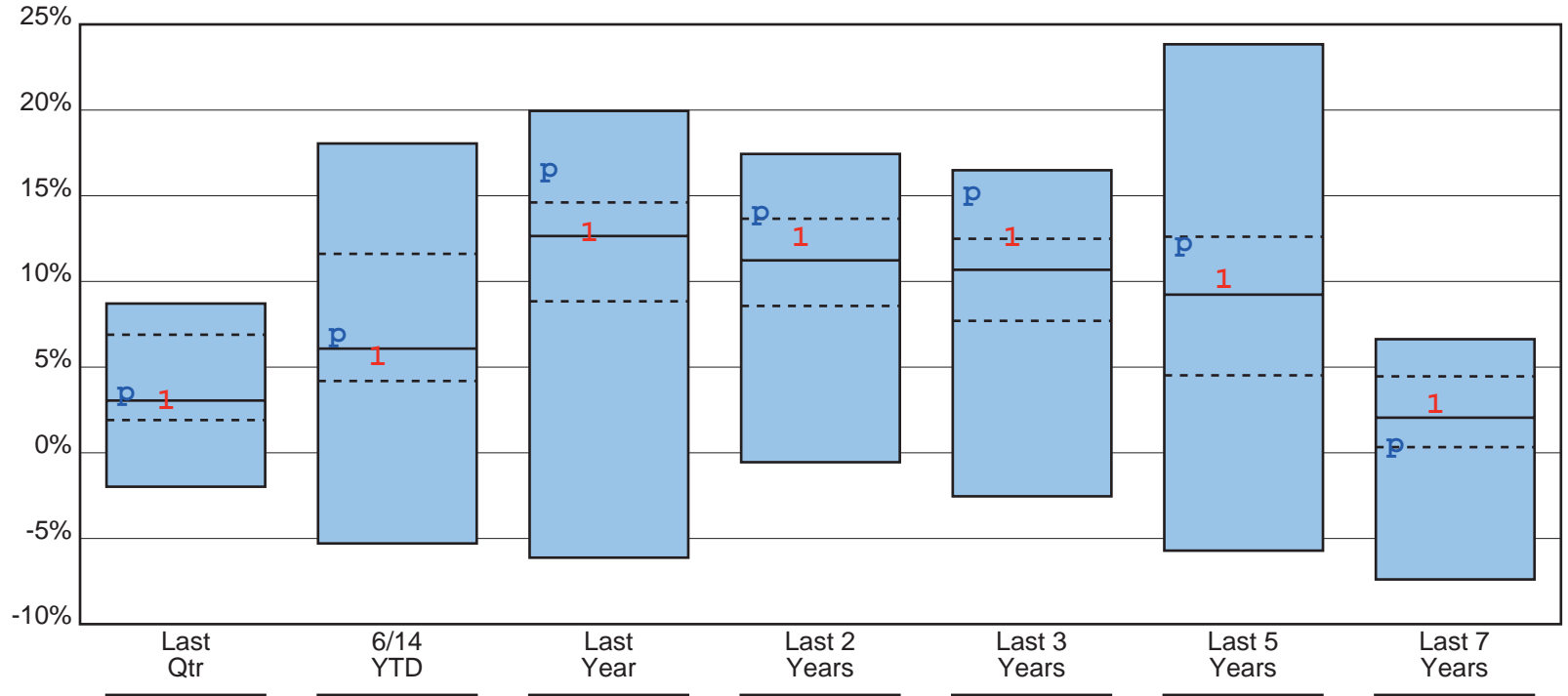
Quarterly Variance Analysis:
PRISA I provided a 1.19% income return and 2.09% appreciation return.
Appreciation was strongest in office and storage properties.

(Note: numbers in parentheses reflect the actual peer group rankings. 1 = high; 99 = low)

Southfield Fire & Police Retirement System Cumulative Performance Comparison Total Returns of Real Estate Portfolios Periods Ending 6/14

Fee Schedule: 85 bps
6% incentive fee of distributed cash flow;
Max Fee of 130 bps

Current Fee is 85 bps



	Last Qtr	6/14 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years
5th Percentile	8.71	18.05	19.95	17.44	16.49	23.84	6.63
25th Percentile	6.89	11.61	14.61	13.66	12.49	12.61	4.46
Median	3.05	6.08	12.65	11.23	10.68	9.23	2.05
75th Percentile	1.91	4.19	8.84	8.57	7.70	4.52	0.33
95th Percentile	-1.98	-5.29	-6.12	-0.55	-2.54	-5.71	-7.39
P PRISA II	3.49 (41)	6.90 (41)	16.51 (11)	13.99 (22)	15.15 (7)	12.20 (26)	0.46 (73)
I NFI-ODCE	2.93 (53)	5.52 (60)	12.74 (49)	12.46 (34)	12.45 (25)	10.00 (42)	2.74 (43)

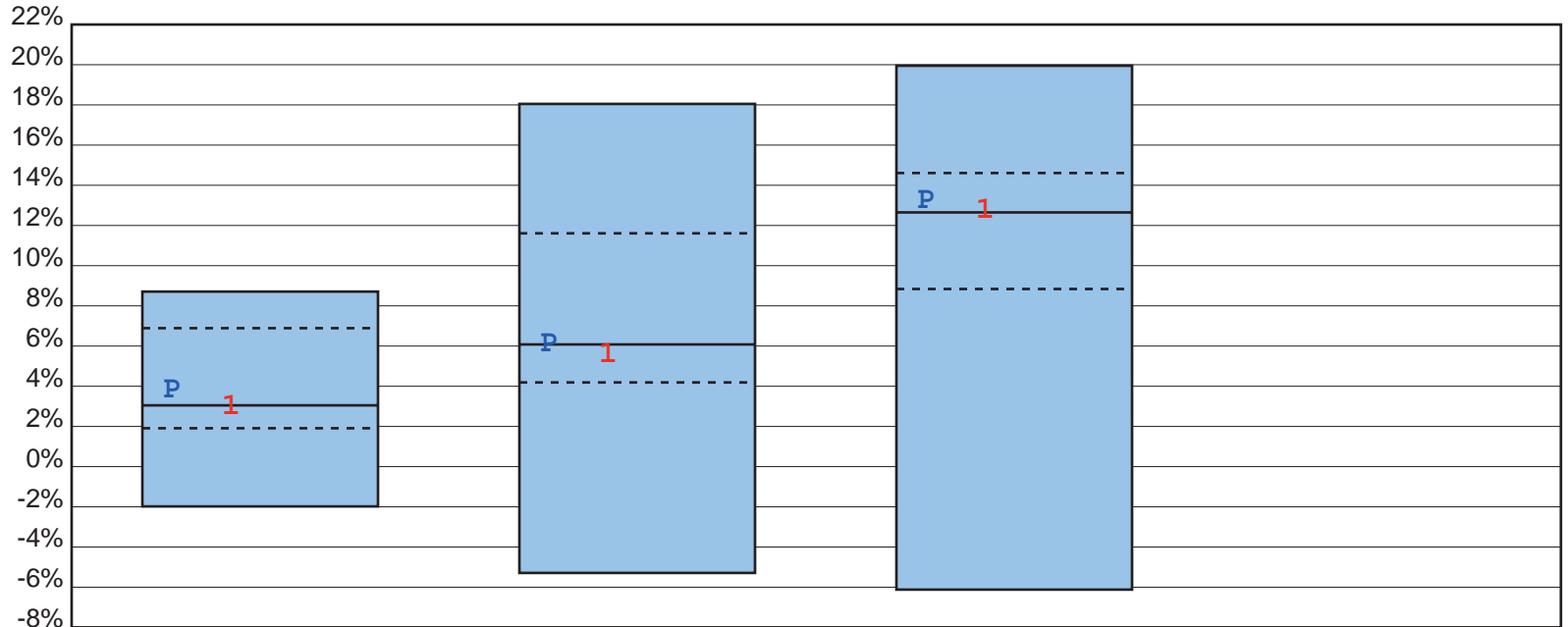
Quarterly Variance Analysis:
 PRISA II provided a 1.18% income return and 2.31% appreciation return.
 Appreciation was strongest in office properties, accounting for 43% of the Fund's appreciation.
 Appreciation was driven by market rent and occupancy increases for assets in the San Francisco Bay area.
 (Note: numbers in parentheses reflect the actual peer group rankings. 1 = high; 99 = low)

Returns for periods greater than one year are annualized.

Southfield Fire & Police Retirement System Cumulative Performance Comparison Total Returns of Real Estate Portfolios Periods Ending 6/14

Fee Schedule: 110 bps
7.5% incentive fee of distributed cash flow;
Max Fee of 180 bps

Current Fee is 110 bps



	Last Qtr	6/14 YTD	Last Year
5th Percentile	8.71	18.05	19.95
25th Percentile	6.89	11.61	14.61
Median	3.05	6.08	12.65
75th Percentile	1.91	4.19	8.84
95th Percentile	-1.98	-5.29	-6.12

P PRISA III	3.78 (39)	6.08 (50)	13.19 (47)
1 NFI-ODCE	2.93 (53)	5.52 (60)	12.74 (49)

Quarterly Variance Analysis:

PRISA III provided a 1.68% income return and 2.10% appreciation return.

Appreciation was strongest in apartment properties, accounting for 53% of the Fund's appreciation.

Hotel properties were the next largest contributor, accounting for 33% of the Fund's appreciation.

(Note: numbers in parentheses reflect the actual peer group rankings. 1 = high; 99 = low)

Southfield Fire & Police Retirement System
Summary of Alternative Investments
Period Ending: March 31, 2014
(One Quarter in Arrears)

	Vintage Year	Committed Capital	Called Capital	% Called	Distributions			Fair Mkt Value ¹	Total Mkt Value ²	Dist. Multiple ³	MoCC ⁴	IRR ⁵
					Return of Capital	Income	Total					
JCR Capital - JCR Fund II	2012	\$5,000,000	\$3,098,287	62%	\$955,290	\$470,643	\$1,425,933	\$2,128,964	\$3,554,897	0.44	1.10	N/A
JCR Capital - JCR Fund III	2014	\$10,000,000	\$0	0%	\$0	\$0	\$0	\$0	\$0	0.00	0.00	N/A
Total												

Fees & Expenses (since inception)⁶

JCR Capital - JCR Fund II Mgt. Fee: \$183,339 Partnership Expenses: \$38,528 Carried Interest: \$117,660 Total: \$339,527

JCR Capital - JCR Fund III No fees have been paid. No capital calls were made until the second quarter.

Quarterly Analysis:

Target IRR (net) for the life of JCR CRE Finance Fund II is 15%. The expected life for JCR Fund II is through February 2017. \$0 of capital was called during the quarter. No distributions were made during the quarter. JCR Fund II has made 18 investments. 5 investments have been fully realized with the following IRR and multiple for each (in order of realization date): 17.6% and 1.17x; 23.9% and 1.27x; 28.4% and 1.33x; 29.4% and 1.29x; 50.4% and 1.47x. The remaining investments are currently meeting or exceeding JCR's expectations established prior to investing.

Target IRR (net) for the life of JCR CRE Finance Fund III is 15%. Fund III did not make any capital calls until the second quarter.

¹Fair Market Value represents all Called Capital plus Net Income or Loss less Capital Distributions

²Total Market Value is the sum of Total Distributions and Fair Market Value of unrealized investments

³Distribution Multiple - measure of Total Distributions paid to the investor relative to the total Called Capital (Realized Return)

⁴Multiple of Called Capital - measure of the Total Distributions paid to investors plus the Fair Market Value of the unrealized investments relative to total Called Capital (Total Return)

⁵Internal Rate of Return (IRR) will not be calculated until the conclusion of the investment period (typically 2-3 years from the vintage year) for each fund

⁶Fair Market Value is net of management fees, partnership expenses and carried interest.

Note: Distribution Multiple and Multiple of Called Capital are net of all fees and expenses

Southfield Fire & Police Retirement System

About This Report

The Board of Trustees of the Southfield Fire and Police Retirement System retained Asset Strategies Portfolio Services, Inc. to evaluate the performance of the external investment managers. LS Investment Advisors, Northern Trust Global Advisors, Loomis Sayles & Company, Morgan Dempsey, Orleans Capital, 1607 Capital, Brandes, INVESCO, WHV Investment Management, Bradford & Marzec, Nantucket, Prudential Real Estate Investors, and JCR Capital are the investment managers.

Northern Trust invests the Plan's cash and holds various commingled investment funds.

This report was prepared using data compiled from the monthly custodial statements provided by the Northern Trust Company. Asset Strategies does not warrant the accuracy of data provided to us by others, but does attempt to obtain and utilize reliable information.

This report contains analysis of both the total fund and the individual managers' performance over various time periods. The returns calculated by investment managers will occasionally differ (albeit slightly) from the returns calculated by Asset Strategies. This difference is generally explained by any one or a combination of the following: a) managers account for securities purchases, sales, and cash flows on a mid-month basis, while Asset Strategies accounts for transactions on the date of occurrence, b) the pricing sources used by the managers are different from the sources used by the custodian, c) managers report purchases and sales on a trade date basis, while custodial banks generally report on a settlement date basis, d) managers and custodians differ in their method and timing in accounting for accrued income.

Performance for periods greater than one year is annualized and gross-of-fees, unless stated otherwise. Prior investment results are not a guarantee of future performance.

Southfield Fire & Police Retirement System

Investment Policy Summary

(amended March 2014)

Investment Objectives:

- *To earn an average annual return of 7.75% over rolling five-year periods.
- *To earn an average annual, real return of 3.75% after inflation over rolling five-year periods.
- *To meet the assumed actuarial rate of return with a high-degree of probability.
- *To rank in the 50th percentile over twelve month rolling periods and in the 40th percentile over rolling five-year periods, among public employee retirement funds.

Managers' Objectives:

- *To exceed their performance return standard with equal or less risk over all three-year periods.

Asset Allocation Policy:

<u>Asset Class</u>	<u>Target</u>	<u>Ranges</u>
U.S. Equities	34%	35-70%
Non-U.S. Equities	17%	10-20%
Global Fixed Income	28%	20-50%
Real Estate	11%	0-20%
Alternate Investments	10%	0-20%
Cash Equivalents	0%	0-1%

Equity Portfolios:

- *No more than 5% of the portfolio may be invested in the stock of any one company.
- *No more than 10% of the portfolio may be invested in ADRs.

Fixed Income Portfolios:

- *No more than 5% of the portfolio may be invested with one issuer, except for U.S. Treasury and Agency securities.
- *No more than 15% of the portfolio in below investment grade.
- *No more than 30% of total assets in non-U.S. dollar denominated securities. At least 75% of any non-U.S. currency exposure must be hedged. May invest beyond the 30% limit in Yankee and Euro issues.

Other Portfolio Guidelines:

- *Managers are expected to be fully invested at all times. However, they may raise cash if this is deemed appropriate under the circumstances.
- *Leveraging the portfolio is prohibited.
- *Derivative contracts only as permitted
- *Additional investment policies and guidelines are contained in the formal Statement Investment Policies, Procedures, and Objectives.
- *All investment managers should follow State of Michigan laws governing the investment of public retirement plan assets.

GLOSSARY

Policy Index:	the expected performance result each period, calculated using the asset mix targets x the market index returns
Manager Peer Group:	a relative performance benchmark consisting of a group of managers with similar investment styles, philosophies, and processes
Risk:	the variation of a portfolio's returns around its average return over the specified period (standard deviation)
Blue-Chip Stocks:	generally large stable companies that have consistent earnings and usually have long-term growth potential the Dow Jones Industrial Average of 30 stocks is considered a blue chip index
Cyclical Stocks:	generally stocks whose prices and earnings fluctuate with the business cycle examples include automotive manufacturers, steel producers, and textile operations
"Large Cap" Stocks: (Large-Capitalization)	stocks of companies with a market capitalization (the total value of a company's outstanding stock) of more than \$12 billion generally stocks that make up the Dow Jones Industrial Average, the S&P 500, and the Russell 1000
"Mid Cap" Stocks: (Medium-Capitalization)	stocks of companies with a market capitalization (the total value of a company's outstanding stock) of between \$2 and 12 billion generally stocks that make up the S&P 400 and the Russell 2500
"Small Cap" Stocks: (Small-Capitalization)	stocks of companies with a market capitalization (the total value of a company's outstanding stock) of less than \$2 billion generally stocks that make up the S&P 600 and the Russell 2000
Growth Stocks:	stocks of companies that have experienced above-average earnings growth and are expected to continue such growth these stocks often sell at high P/E ratios ... examples include high-tech, healthcare, and financial services companies
Value Stocks:	stocks that are undervalued on a historical basis ... typically characterized by low P/E ratios and higher than average (dividend) yields
<u>Equity Sector Composition:</u>	
Energy:	energy equipment and services and oil/gas explorations, manufacture, and distribution industries
Materials:	chemicals, construction materials, containers & packaging, metals & mining, and paper & forest products industries
Consumer Discretionary:	automobiles and components, consumer durables and apparel, hotels/restaurants and leisure, media, and retail industries
Consumer Staples:	food and drug retailing, food/beverage and tobacco, and household/personal products industries
Healthcare:	healthcare equipment and services, pharmaceuticals, and biotech industries
Financials:	banks, diversified financials, insurance, and real estate industries
Information Technology:	software and services, computer hardware, and networking equipment industries
Telecommunications:	diversified hard-wire and wireless telecommunications and services industries
Utilities:	electric, gas, water, nuclear, and multi-utilities industries
<u>Fixed Income Sector Composition:</u>	
Corporate:	debt obligations of corporations secured by collateral and/or the creditworthiness of the issuing corporation sub-sectors include Finance, Industrial, Transportation, Utilities, CBO's, and Asset-backed
Mortgage-backed:	securities backed by public and private mortgage pools ... investors receive the monthly mortgage payments less any administrative fees, including interest, principal, and prepayments on the mortgage pool ... these instruments are typically issued by a federal or governmental agency
Treasuries:	debt obligations of the U.S. government secured by its full faith and credit issued at various schedules and maturities
Maturity:	date when the principal or stated value of a fixed income security becomes due and payable in full to the bondholder(s)
Yield:	the return to a bondholder who holds a bond security under it matures
Yield-to-Maturity:	the internal rate of return on a bond bought at the current price and held to maturity ... this assumes that coupon income is reinvested at the Y-t-M

GLOSSARY (continued)

Risk Measure and Risk Statistics Summary Exhibits:

Historical Beta:	a measure of the volatility of the portfolio in comparison to its benchmark ... also considered to be a measure of the systematic risk of a portfolio
Historical Alpha:	the excess return of the portfolio relative to the return of its benchmark (due to the manager's security and/or sector selections)
R-Squared:	a measure that represents the percentage of a portfolio's movement that can be explained by movement in its benchmark index
Standard Deviation:	a statistical measure of portfolio risk ... it reflects the average deviation of the observations from their historical mean
Tracking Error:	the divergence between the price behavior of the portfolio and the price behavior of its benchmark
Sharpe Ratio:	a risk-adjusted measure of performance ... the higher, the better the portfolio's return gained per unit of risk taken
Treynor Ratio:	measures the excess return per unit of systematic "market" risk taken in a portfolio
Information Ratio:	measures the excess return per unit of residual "non-market" (specific to the manager) risk in a portfolio
Residual Risk:	the unsystematic, firm-specific, or diversifiable risk of a security or portfolio
Downside Risk:	differentiates between "good" risk (upside volatility) and "bad" risk (downside volatility)
Up Market Capture Ratio:	the percentage of the total market movement achieved by the manager during a period in which the benchmark performance increases
Down Market Capture Ratio:	the percentage of the total market movement achieved by the manager during a period in which the benchmark performance decreases
Batting Average:	a measure that represents an investment manager's ability to meet or beat an index