The City of Grand Rapids – Police and Fire Retirement System

Executive Summary of Investment Performance

June 30, 2014

Contents

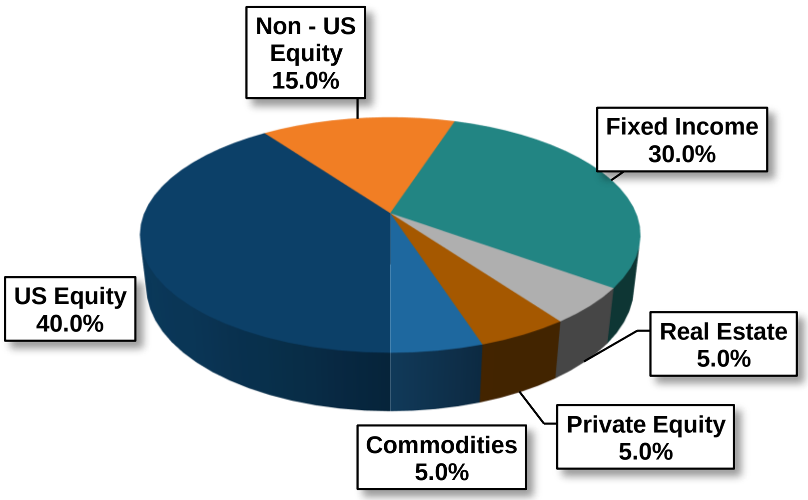
Total Fund

Policy Allocation vs Actual Allocation

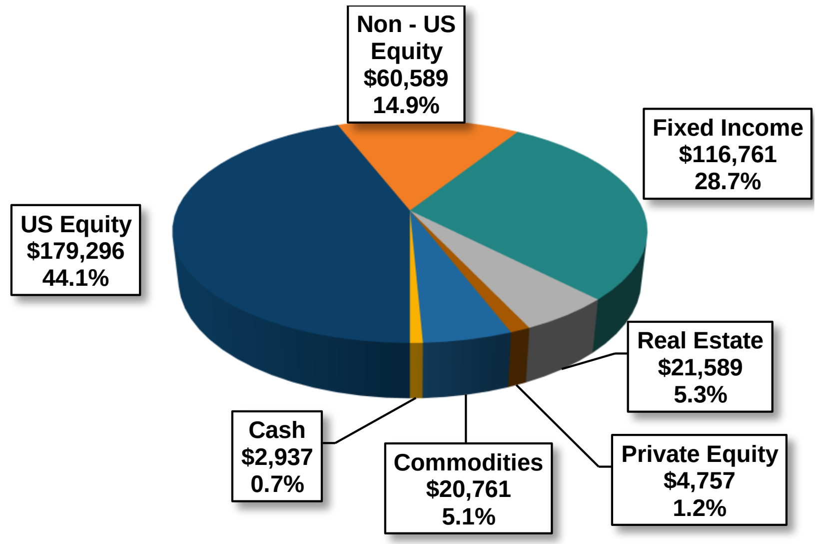
Total Fund Composite

As of June 30, 2014

Policy Allocation



Actual Allocation (in $’000s)



Total Assets: $406,690,000

Policy Allocation vs Actual Allocation

Wilshire

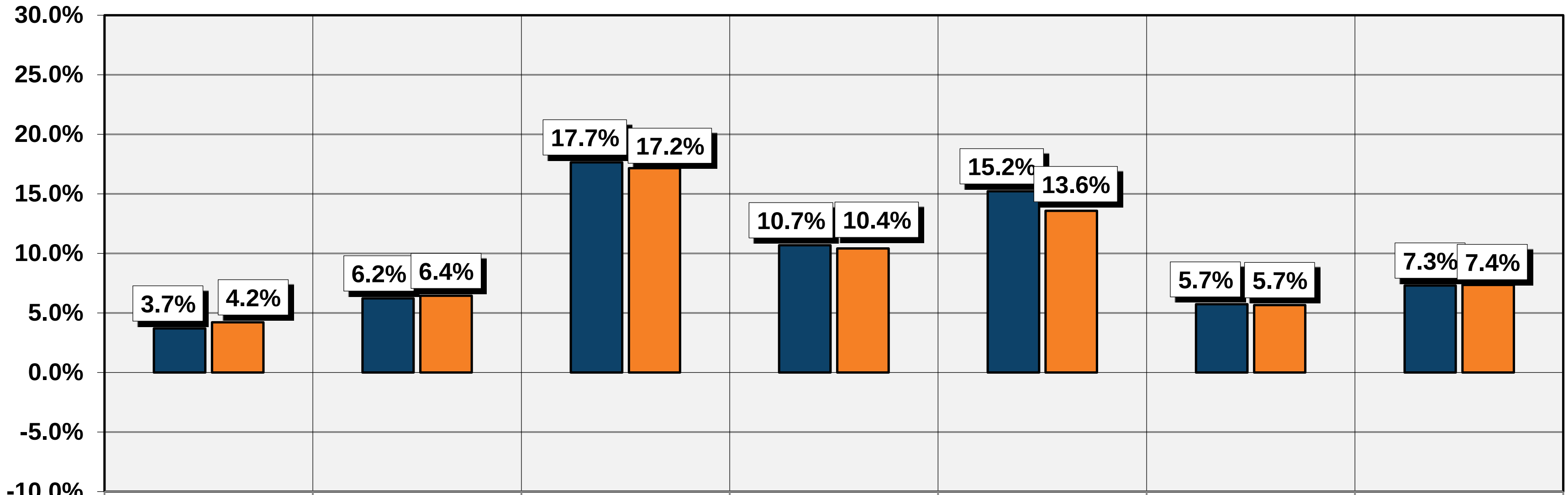
Total Fund Composite

As of June 30, 2014

	Market Value (in $'000s)	Asset Allocation	
		Actual	Policy
US Equity	$179,296	44.09%	40.00%
Non - US Equity	$60,589	14.90%	15.00%
Fixed Income	$116,761	28.71%	30.00%
Real Estate	$21,589	5.31%	5.00%
Private Equity	$4,757	1.17%	5.00%
Commodities	$20,761	5.10%	5.00%
Cash	$2,937	0.72%	0.00%
Total Fund Composite	$406,690	100.00%	100.00%

Total Fund Composite*

Periods Ended June 30, 2014



	Quarter	YTD	One Year	Three Years	Five Years	Seven Years	Ten Years
Total Fund Composite	3.7%	6.2%	17.7%	10.7%	15.2%	5.7%	7.3%
Total Fund Policy**	4.2%	6.4%	17.2%	10.4%	13.6%	5.7%	7.4%

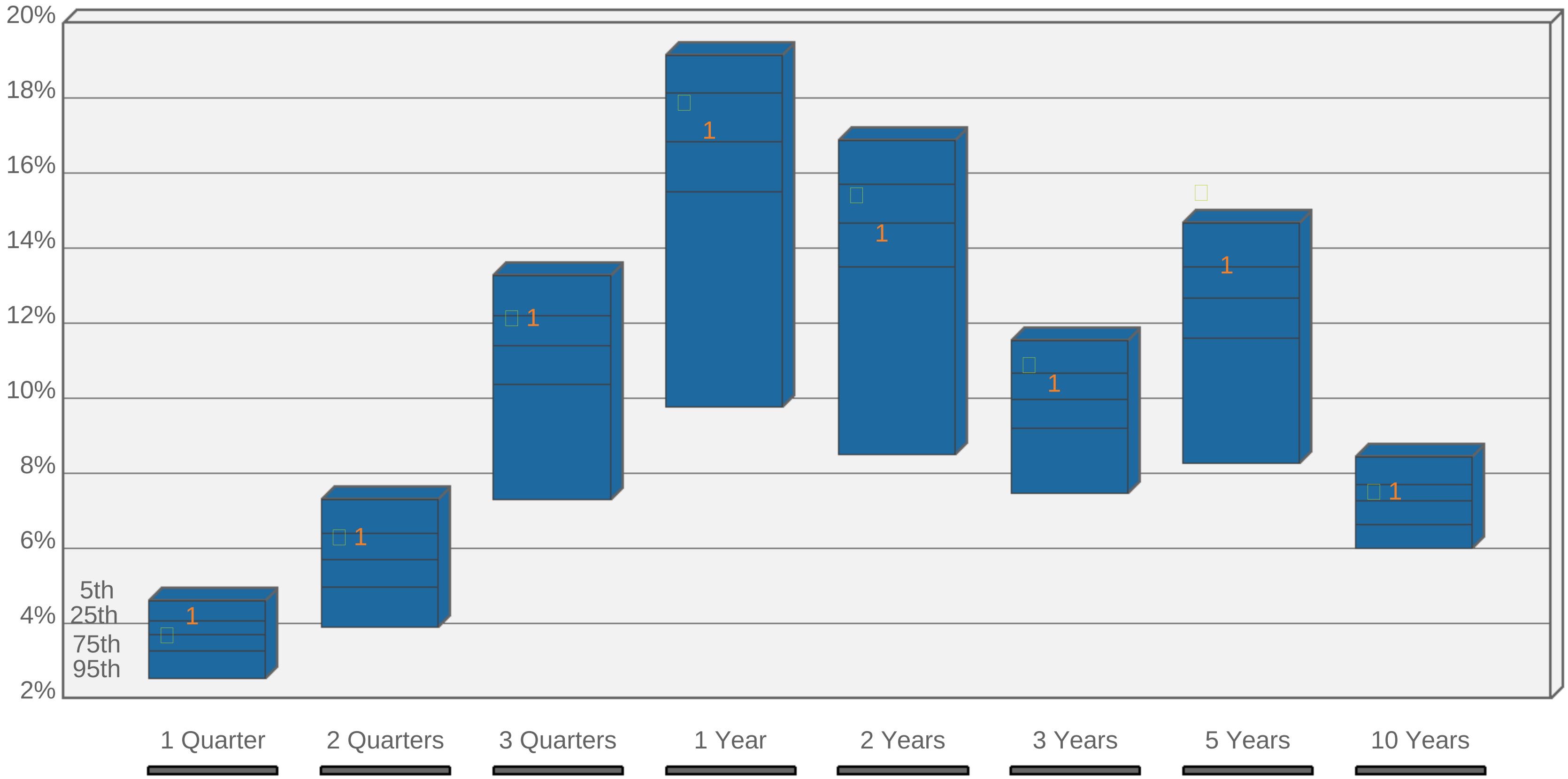
*Returns are net of fees

** Policy index = Wilshire 5000 (40%), MSCI ACWI ex U.S. (15%), Barclays Aggregate (30%), FTSE EPRA NAREIT Dev RE (5%), Wilshire 5000 +2.5% (5%), DJ UBS Commodity Index (5%)

Performance Comparison

Total Fund Composite

Periods Ended June 30, 2014



	1 Quarter	2 Quarters	3 Quarters	1 Year	2 Years	3 Years	5 Years	10 Years
Total Fund	3.77 (48)	6.37 (26)	12.21 (25)	17.96 (28)	15.49 (31)	10.97 (15)	15.56 (1)	7.58 (32)
1 Policy Index	4.21 (13)	6.43 (22)	11.94 (32)	17.15 (46)	14.41 (57)	10.41 (34)	13.56 (24)	7.35 (44)
5th %tile	4.61	7.30	13.29	19.14	16.89	11.54	14.69	8.45
25th %tile	4.08	6.40	12.22	18.14	15.72	10.69	13.51	7.71
Median	3.71	5.72	11.42	16.86	14.69	9.99	12.69	7.27
75th %tile	3.27	4.98	10.38	15.50	13.53	9.21	11.62	6.66
95th %tile	2.56	3.90	7.32	9.78	8.50	7.47	8.28	6.00
Number of Funds	161	161	161	161	159	155	143	116

*TUCS Total Ret of Master Trusts - Public Universe - Gross of Fees

Performance Comparison

Trailing Returns

Periods Ended June 30, 2014

	1 Qtr	YTD	1 Year	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Incept Date	Incept Ret
U.S. Equity Composite									
Net of Fee Return	**4.50**	**7.23**	**25.53**	**16.79**	**20.58**	**7.00**	**8.69**	**9/30/87**	**9.49**
Wilshire 5000	4.86	7.00	24.92	16.29	19.15	6.42	8.28	9/30/87	9.48
Value Added	-0.36	0.23	0.61	0.50	1.43	0.58	0.42	9/30/87	0.01
Fixed Income Composite									
Net of Fee Return	**2.58**	**5.26**	**6.05**	**5.32**	**8.73**	**6.21**	**5.70**	**9/30/87**	**7.38**
Barclays Aggregate	2.04	3.93	4.37	3.67	4.85	5.35	4.93	9/30/87	7.05
Value Added	0.53	1.33	1.67	1.66	3.88	0.86	0.76	9/30/87	0.34
Non-U.S. Equity Composite									
Net of Fee Return	**2.20**	**3.38**	**19.68**	**6.24**	**12.99**	**0.36**	**5.56**	**12/31/89**	**8.79**
Policy Benchmark	5.03	5.56	21.75	5.73	11.11	1.27	7.37	12/31/89	4.99
Value Added	-2.83	-2.18	-2.07	0.51	1.88	-0.91	-1.81	12/31/89	3.80
Real Estate Composite									
Net of Fee Return	**8.07**	**11.36**	**14.19**	**8.60**	**15.62**			**6/30/09**	**15.62**
FTSE EPRA/NAREIT Developed RE	7.88	12.21	14.38	10.19	17.40			6/30/09	17.40
Value Added	0.19	-0.85	-0.20	-1.60	-1.78			6/30/09	-1.78
Commodities Composite									
Net of Fee Return	**3.64**	**7.12**	**8.28**					**3/31/13**	**-3.19**
DJ UBS Commodity Index	0.08	7.08	8.21					3/31/13	-1.61
Value Added	3.55	0.04	0.06					3/31/13	-1.58
Alternative Investments Composite									
Net of Fee Return	**3.06**	**7.62**	**10.08**	**4.78**				**6/30/10**	**4.92**
Wilshire 5000 +2.5%	5.49	8.25	27.42	18.79				6/30/10	22.53
Value Added	-2.43	-0.63	-17.34	-14.02				6/30/10	-17.61

Performance Comparison

Trailing Returns

Periods Ended June 30, 2014

	1 Qtr	YTD	1 Year	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Incept Date	Incept Ret
Total Fund									
Net of Fee Return	**3.70**	**6.23**	**17.65**	**10.69**	**15.22**	**5.72**	**7.29**	**9/30/87**	**8.72**
Policy Index	4.21	6.43	17.15	10.41	13.56	5.66	7.35	9/30/87	8.84
Value Added	-0.51	-0.20	0.49	0.28	1.66	0.06	-0.06	9/30/87	-0.12

Custom Benchmark Specification

Total Fund

June 30, 2014

	Quarter Start	Quarter End	Percent	Description
Policy Index	12/79	6/98	55.00	Wilshire 5000
			40.00	Barclays Aggregate
			5.00	MSCI EAFE Index (N)
	9/98	9/02	50.00	Wilshire 5000
			40.00	Barclays Aggregate
			10.00	MSCI EAFE Index (N)
	12/02	3/06	50.00	Wilshire 5000
			35.00	Barclays Aggregate
			15.00	MSCI EAFE Index (N)
	6/06	6/06	55.00	Wilshire 5000
			30.00	Barclays Aggregate
			15.00	MSCI EAFE Index (N)
	9/06	6/09	55.00	Wilshire 5000
			30.00	Barclays Aggregate
			15.00	MSCI ACWI X US (N)
	9/09	3/10	50.00	Wilshire 5000
			30.00	Barclays Aggregate
			15.00	MSCI ACWI X US (N)
			5.00	FTSE EPRA/NAREIT Developed RE
	6/10	12/12	45.00	Wilshire 5000
			15.00	MSCI ACWI X US (N)
			30.00	Barclays Aggregate
			5.00	Wilshire 5000 + 2.5%
			5.00	FTSE EPRA/NAREIT Developed RE
	3/13	6/14	5.00	DJ UBS Commodity Index
			5.00	Wilshire 5000 + 2.5%
			5.00	FTSE EPRA/NAREIT Developed RE
			30.00	Barclays Aggregate
			15.00	MSCI ACWI X US (N)

Custom Benchmark Specification

Total Fund

June 30, 2014

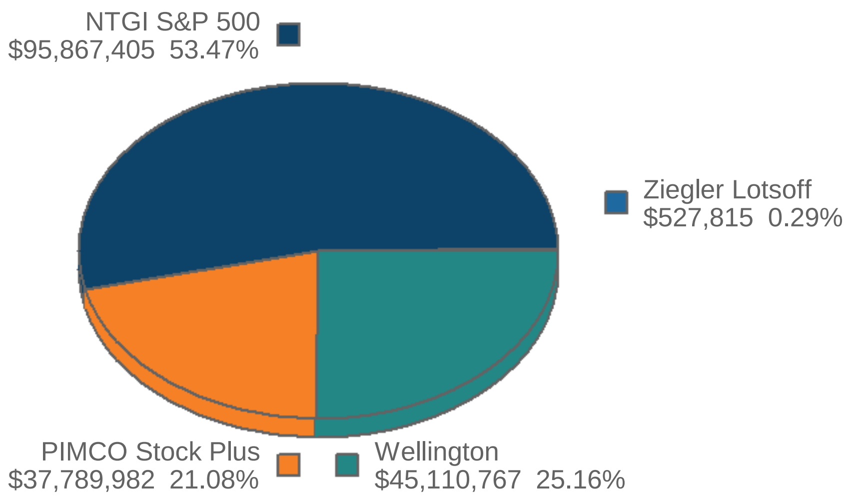
	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)			40.00	Wilshire 5000

U.S. Equity

Manager Allocation

U.S. Equity Composite

As of June 30, 2014



Performance Comparison

Trailing Returns

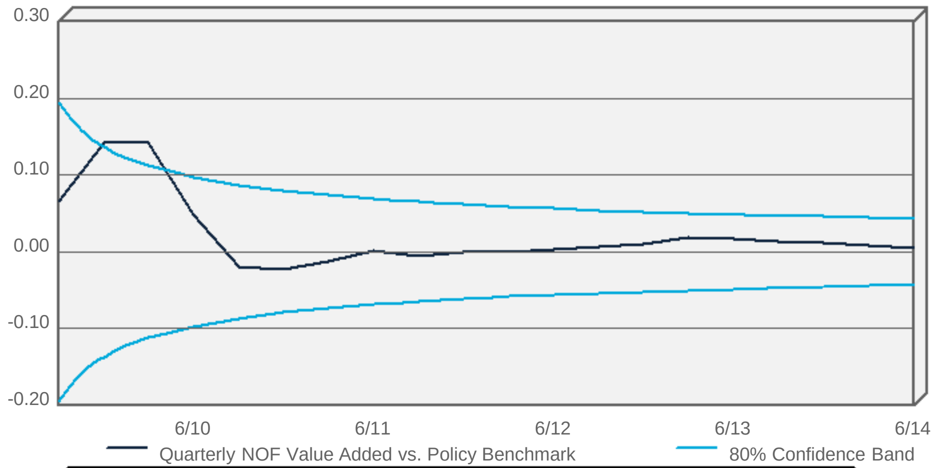
Periods Ended June 30, 2014

	1 Qtr	YTD	1 Year	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Incept Date	Incept Ret
NTGI S&P 500									
Net of Fee Return	**5.22**	**7.11**	**24.56**	**16.59**	**18.84**	**6.04**	**7.93**	**9/30/98**	**6.49**
Policy Benchmark	5.24	7.14	24.62	16.59	18.83	6.15	7.97	9/30/98	6.49
Value Added	-0.02	-0.03	-0.05	0.01	0.01	-0.11	-0.04	9/30/98	-0.00
PIMCO Stock Plus									
Net of Fee Return	**5.39**	**8.38**	**26.91**	**18.87**	**21.87**	**7.64**	**8.71**	**9/30/00**	**5.08**
Standard & Poor's 500	5.24	7.14	24.62	16.59	18.83	6.15	7.78	9/30/00	4.29
Value Added	0.14	1.25	2.29	2.29	3.04	1.48	0.93	9/30/00	0.79
Wellington									
Net of Fee Return	**2.19**	**5.61**	**28.12**	**17.60**	**25.48**	**10.34**	**11.26**	**9/30/99**	**11.98**
Russell 2000	2.05	3.19	23.64	14.57	20.21	6.73	8.70	9/30/99	8.63
Value Added	0.14	2.42	4.48	3.03	5.27	3.62	2.56	9/30/99	3.35
U.S. Equity Composite									
Net of Fee Return	**4.50**	**7.23**	**25.53**	**16.79**	**20.58**	**7.00**	**8.69**	**9/30/87**	**9.49**
Wilshire 5000	4.86	7.00	24.92	16.29	19.15	6.42	8.28	9/30/87	9.48
Value Added	-0.36	0.23	0.61	0.50	1.43	0.58	0.42	9/30/87	0.01

NTGI S&P 500

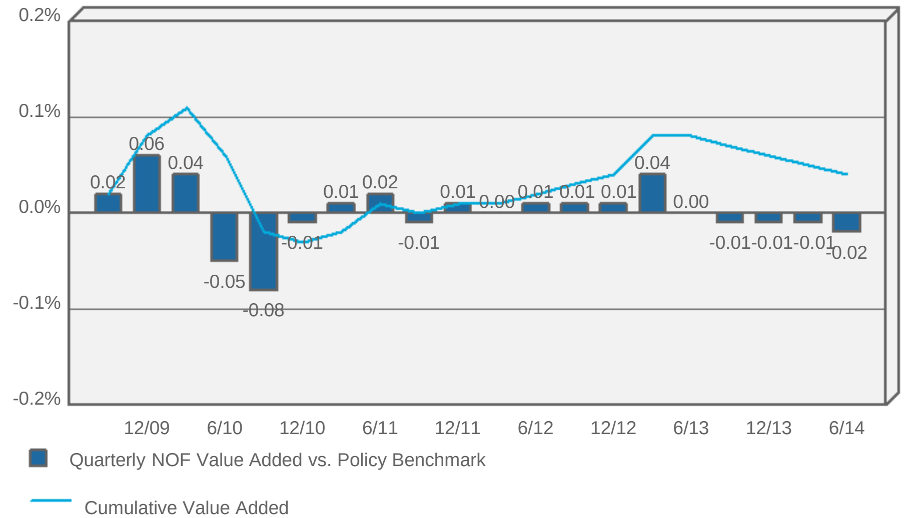
June 30, 2014

Cumulative Skill Analysis vs Benchmark

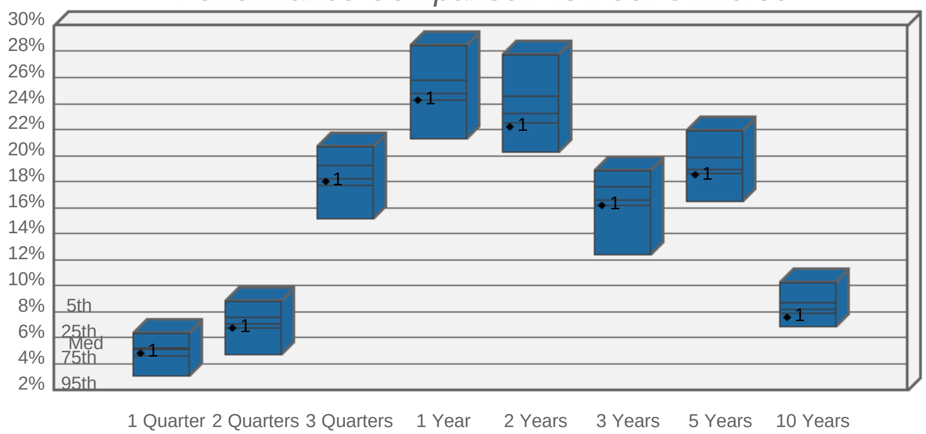


Excess Return:	**0.01**	**Information Ratio:**	**0.09**
Excess Risk:	**0.06**	**T-Stat:**	**0.19**

Value-Added Analysis vs Benchmark

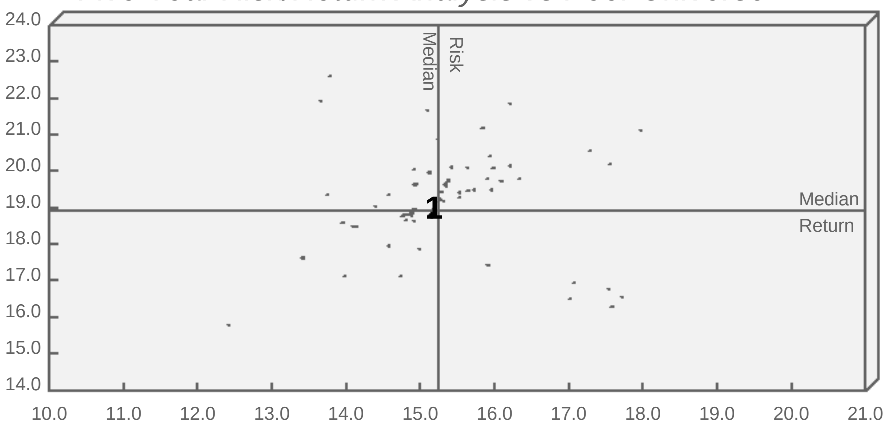


Performance Comparison vs Peer Universe*



	1 Quarter	2 Quarters	3 Quarters	1 Year	2 Years	3 Years	5 Years	10 Years
◆ NTGI S&P 500	5.24 (26)	7.14 (43)	18.41 (32)	24.62 (55)	22.65 (61)	16.63 (44)	18.90 (54)	7.99 (60)
1 Policy Benchma	5.24 (26)	7.14 (43)	18.40 (33)	24.62 (55)	22.59 (65)	16.59 (52)	18.83 (64)	7.97 (60)
Median	5.10	7.11	18.27	24.81	23.21	16.59	18.93	8.24
Number of Funds	348	348	343	339	316	281	235	103

Five Year Risk/Return Analysis vs Peer Universe*



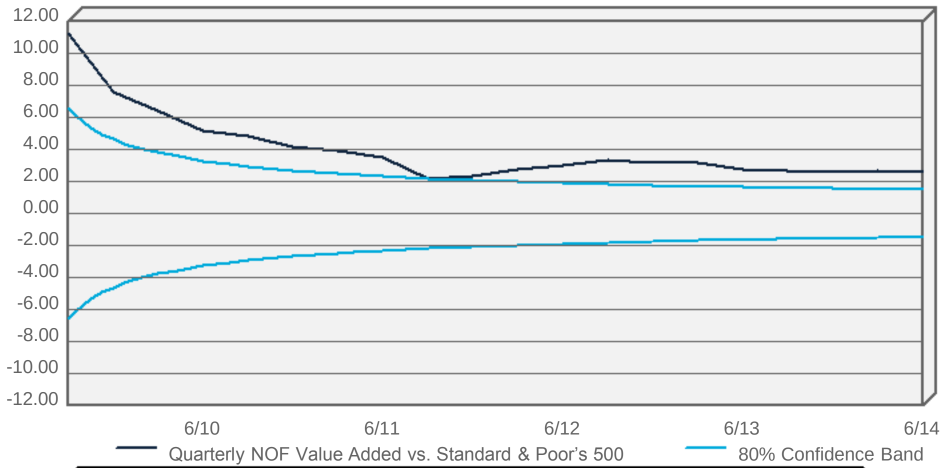
Description	Legend	Gross Fee Ret Value	Gross Fee Ret Rank	Standard Deviation Value	Standard Deviation Rank
NTGI S&P 500	◆	18.90	54	15.29	44
Policy Benchmark	1	18.83	64	15.26	48
Median		18.93		15.24	

*TUCS Total Returns of Large Neutral Equity Portfolios Universe - Gross of Fees

PIMCO Stock Plus

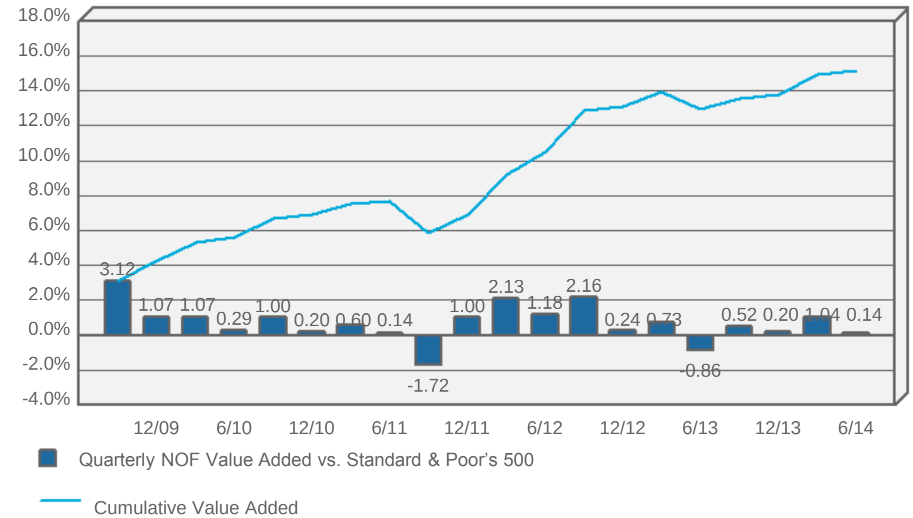
June 30, 2014

Cumulative Skill Analysis vs Benchmark

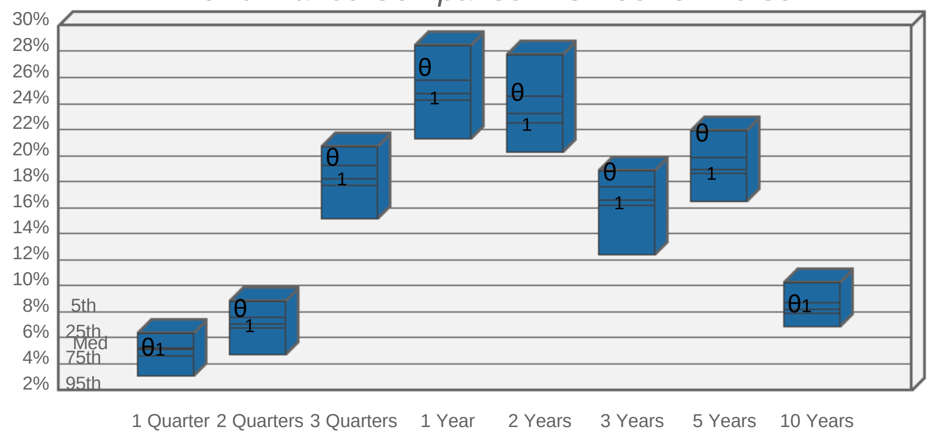


Excess Return:	**2.56**	**Information Ratio:**	**1.28**
Excess Risk:	**2.00**	**T-Stat:**	**2.86**

Value-Added Analysis vs Benchmark

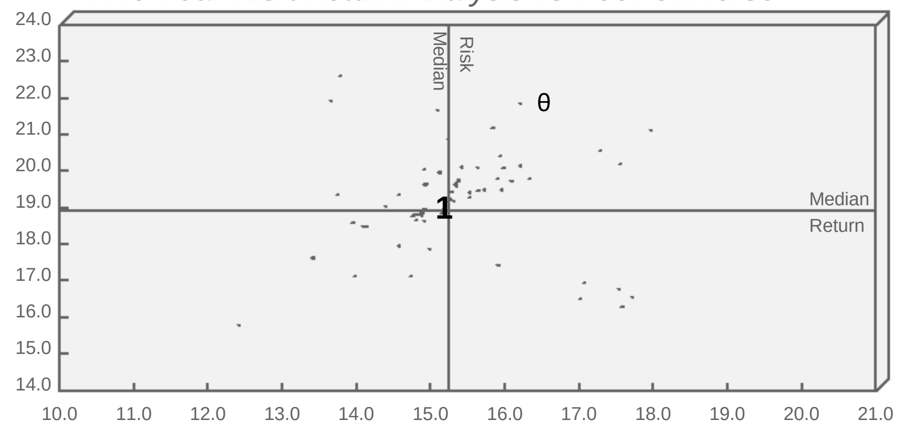


Performance Comparison vs Peer Universe*



	1 Quarter	2 Quarters	3 Quarters	1 Year	2 Years	3 Years	5 Years	10 Years
θ PIMCO Stock Pl	5.39 (19)	8.38 (9)	19.99 (12)	26.91 (17)	25.00 (22)	18.87 (3)	21.87 (5)	8.71 (24)
1 Standard & Poo	5.24 (26)	7.14 (43)	18.40 (33)	24.62 (55)	22.59 (65)	16.59 (52)	18.83 (64)	7.78 (84)
Median	5.10	7.11	18.27	24.81	23.21	16.59	18.93	8.24
Number of Funds	348	348	343	339	316	281	235	103

Five Year Risk/Return Analysis vs Peer Universe*



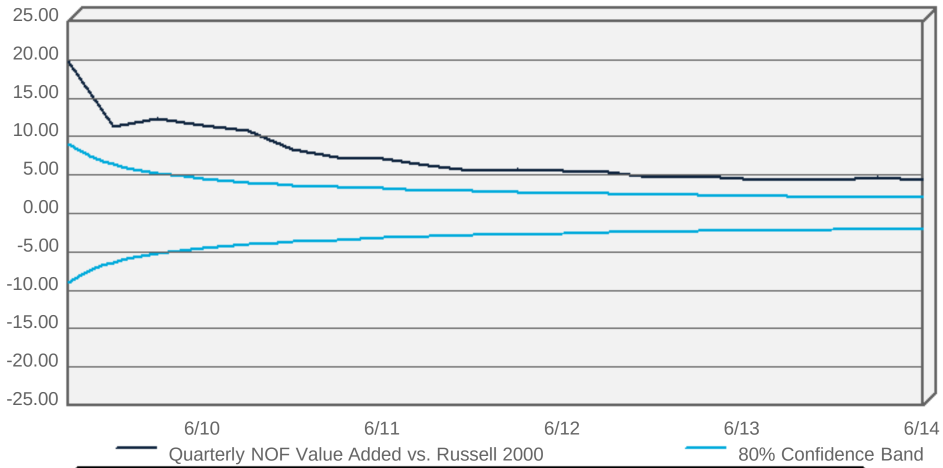
Description	Legend	Gross Fee Ret		Standard Deviation	
		Value	Rank	Value	Rank
PIMCO Stock Plus	θ	21.87	5	16.63	18
Standard & Poor's 500	**1**	18.83	64	15.26	48
Median		18.93		15.24	

*TUCS Total Returns of Large Neutral Equity Portfolios Universe - Gross of Fees

Wellington

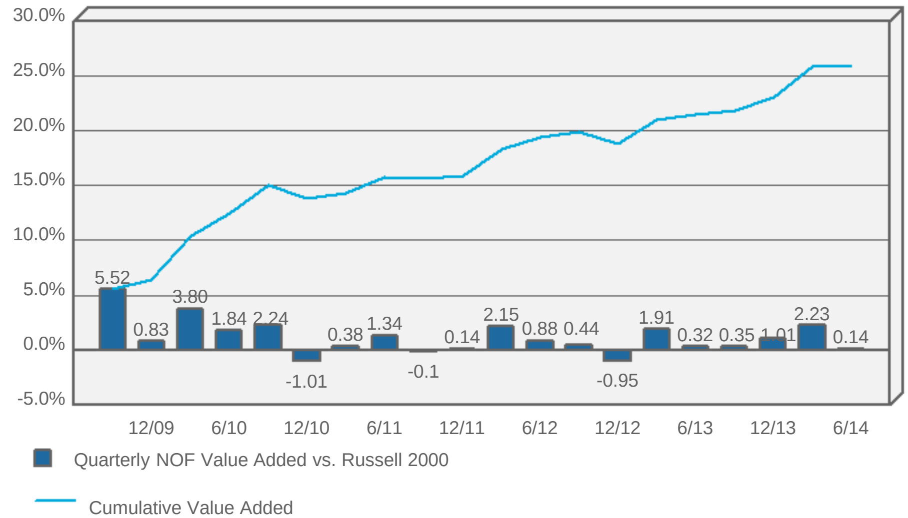
June 30, 2014

Cumulative Skill Analysis vs Benchmark

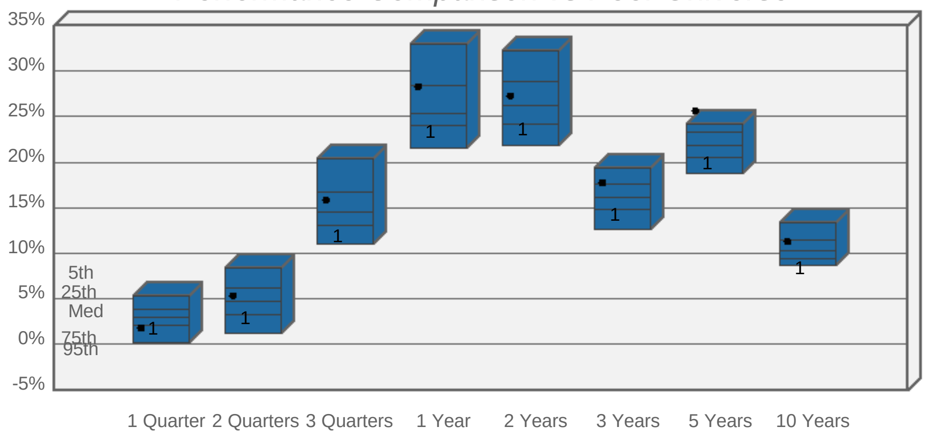


Excess Return:	**4.38**	**Information Ratio:**	**1.59**
Excess Risk:	**2.75**	**T-Stat:**	**3.56**

Value-Added Analysis vs Benchmark

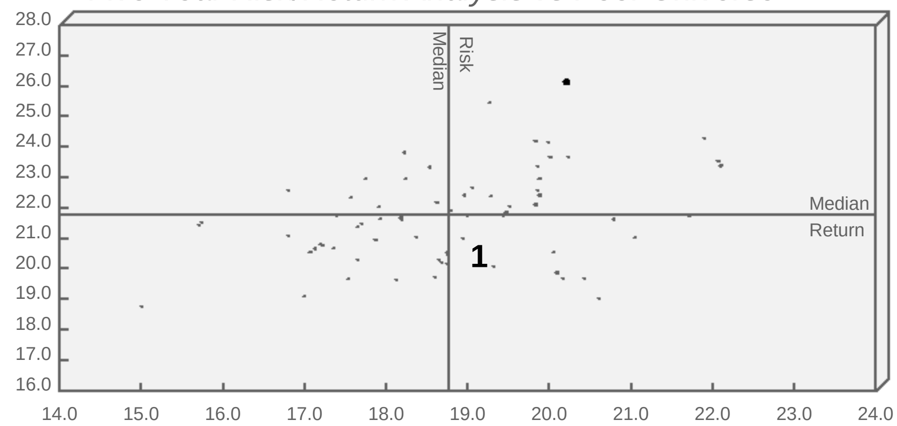


Performance Comparison vs Peer Universe*



	1 Quarter	2 Quarters	3 Quarters	1 Year	2 Years	3 Years	5 Years	10 Years
• Wellington	2.37 (60)	5.95 (28)	16.42 (32)	28.91 (18)	27.85 (32)	18.32 (11)	26.23 (1)	11.84 (13)
1 Russell 2000	2.05 (76)	3.19 (78)	12.19 (89)	23.64 (81)	23.92 (82)	14.57 (81)	20.21 (83)	8.70 (96)
Median	2.98	4.67	14.51	25.37	26.28	16.18	21.77	10.27
Number of Funds	170	170	165	163	149	140	115	40

Five Year Risk/Return Analysis vs Peer Universe*



Description	Legend	Gross Fee Ret		Standard Deviation	
		Value	Rank	Value	Rank
Wellington	•	26.23	1	20.34	16
Russell 2000	1	20.21	83	19.21	42
Median		21.77		18.76	

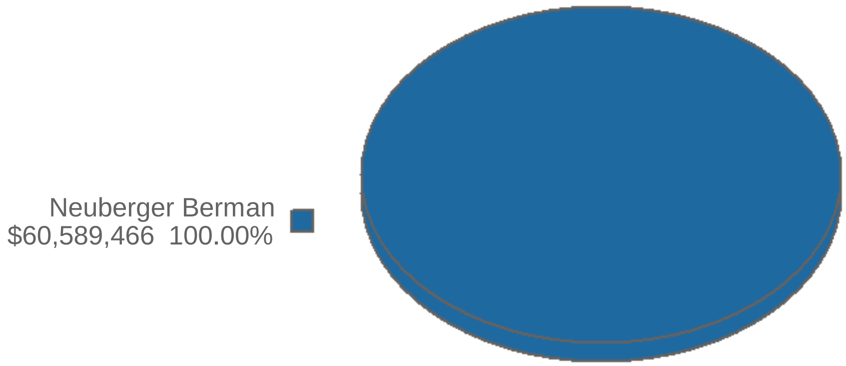
*TUCS Total Returns of Small Neutral Equity Portfolios Universe - Gross of Fees

Non - U.S. Equity

Manager Allocation

Non-U.S. Equity Composite

As of June 30, 2014



Performance Comparison

Trailing Returns

Periods Ended June 30, 2014

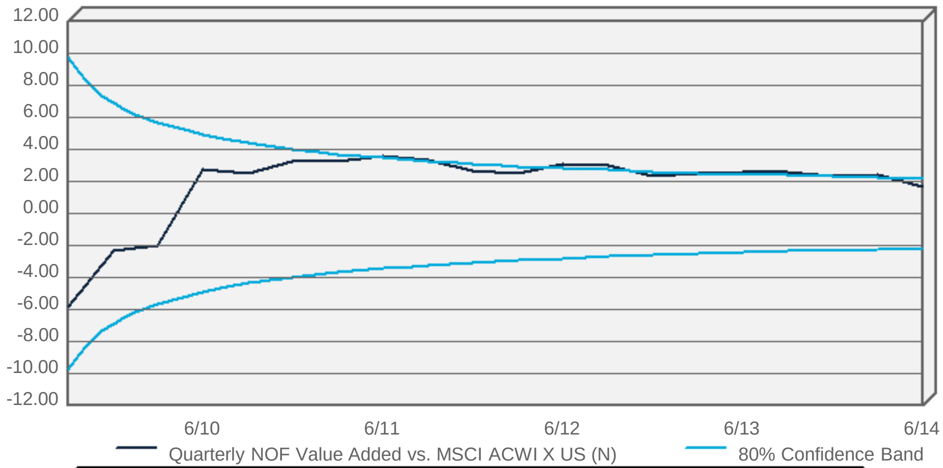
	1 Qtr	YTD	1 Year	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Incept Date	Incept Ret
Neuberger Berman									
Net of Fee Return	**2.20**	**3.38**	**19.68**	**6.24**	**12.99**	**0.36**		**6/30/06**	**3.32**
MSCI ACWI X US (N)	5.03	5.56	21.75	5.73	11.11	1.27		6/30/06	4.44
Value Added	-2.83	-2.18	-2.07	0.51	1.88	-0.91		6/30/06	-1.12
Non-U.S. Equity Composite									
Net of Fee Return	**2.20**	**3.38**	**19.68**	**6.24**	**12.99**	**0.36**	**5.56**	**12/31/89**	**8.79**
Policy Benchmark	5.03	5.56	21.75	5.73	11.11	1.27	7.37	12/31/89	4.99
Value Added	-2.83	-2.18	-2.07	0.51	1.88	-0.91	-1.81	12/31/89	3.80

Investment Manager Analysis

Neuberger Berman

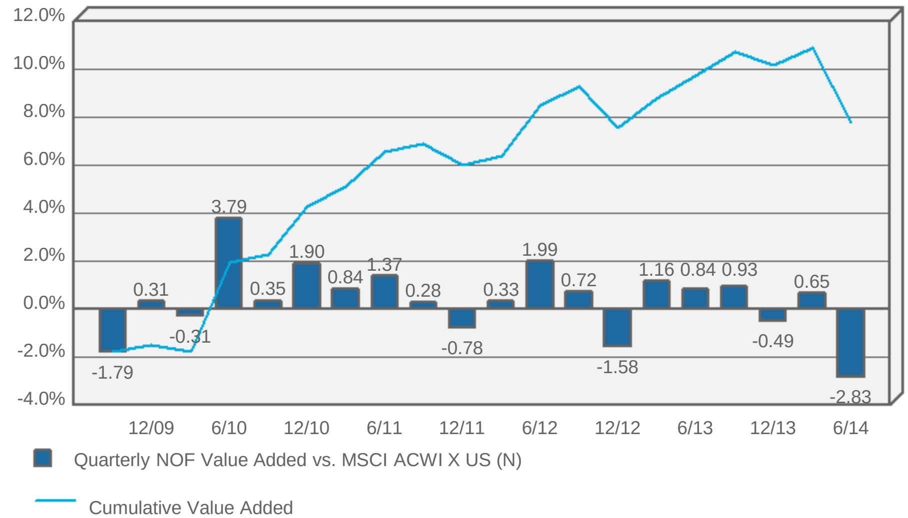
June 30, 2014

Cumulative Skill Analysis vs Benchmark

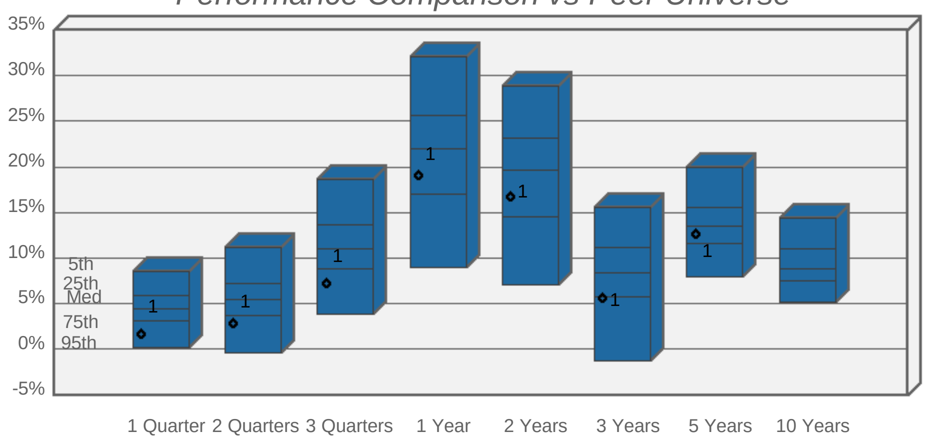


Excess Return:	**1.70**	**Information Ratio:**	**0.57**
Excess Risk:	**2.97**	**T-Stat:**	**1.28**

Value-Added Analysis vs Benchmark

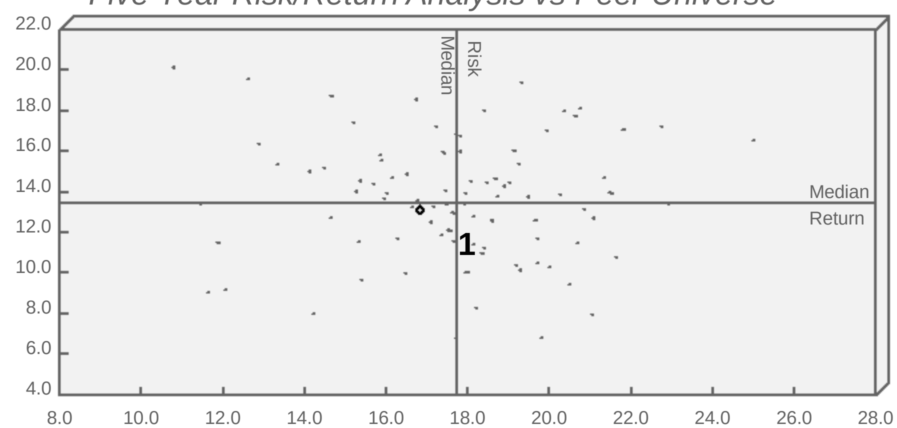


*Performance Comparison vs Peer Universe**



	1 Quarter	2 Quarters	3 Quarters	1 Year	2 Years	3 Years	5 Years	10 Years
◇ Neuberger Berm	2.20 (86)	3.38 (79)	7.80 (83)	19.68 (65)	17.29 (66)	6.24 (69)	13.27 (52)	
1 MSCI ACWI X	5.03 (37)	5.56 (49)	10.59 (56)	21.75 (52)	17.62 (64)	5.73 (74)	11.11 (81)	
Median	4.41	5.47	10.96	21.91	19.60	8.40	13.44	8.79
Number of Funds	2251	2230	2197	2163	1974	1757	1309	504

*Five Year Risk/Return Analysis vs Peer Universe**



Description	Legend	Gross Fee Ret		Standard Deviation	
		Value	Rank	Value	Rank
Neuberger Berman	◇	13.27	52	17.07	66
MSCI ACWI X US (N)	1	11.11	81	18.12	44
Median		13.44		17.72	

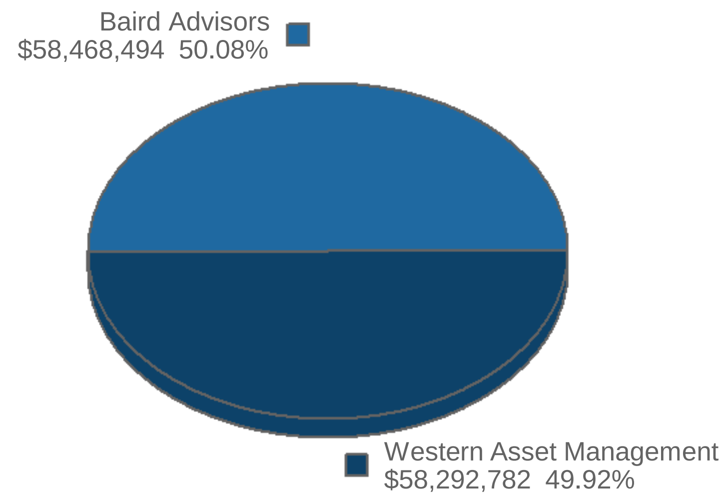
*TUCS Total Returns of International Equity Portfolios Universe - Gross of Fees

Fixed Income

Manager Allocation

Fixed Income Composite

As of June 30, 2014



Performance Comparison

Trailing Returns

Periods Ended June 30, 2014

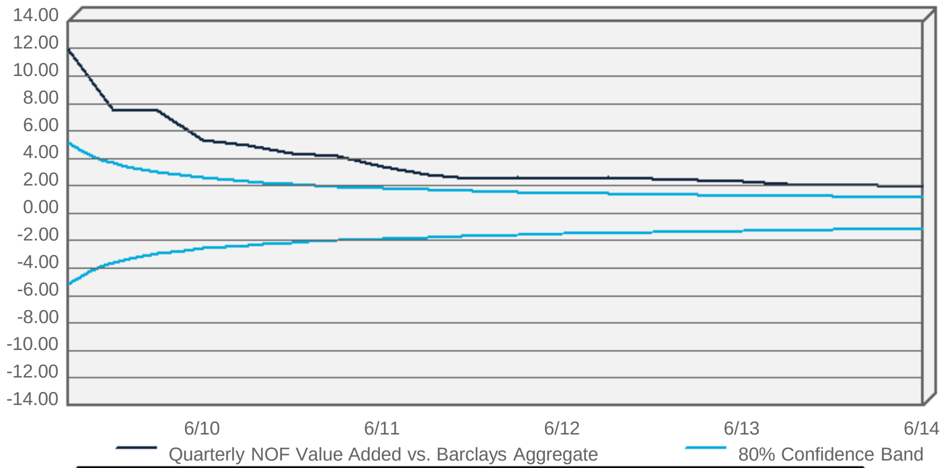
	1 Qtr	YTD	1 Year	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Incept Date	Incept Ret
Baird Advisors									
Net of Fee Return	**2.21**	**4.40**	**4.89**	**4.66**	**6.87**	**5.60**	**5.23**	**3/31/03**	**4.93**
Barclays Aggregate	2.04	3.93	4.37	3.67	4.85	5.35	4.93	3/31/03	4.63
Value Added	0.17	0.48	0.51	1.00	2.01	0.25	0.29	3/31/03	0.30
Western Asset Management									
Net of Fee Return	**2.97**	**6.12**	**7.19**	**5.87**	**10.46**	**6.65**	**6.04**	**3/31/04**	**5.65**
Barclays Aggregate	2.04	3.93	4.37	3.67	4.85	5.35	4.93	3/31/04	4.56
Value Added	0.93	2.20	2.82	2.21	5.61	1.31	1.11	3/31/04	1.09
Fixed Income Composite									
Net of Fee Return	**2.58**	**5.26**	**6.05**	**5.32**	**8.73**	**6.21**	**5.70**	**9/30/87**	**7.38**
Barclays Aggregate	2.04	3.93	4.37	3.67	4.85	5.35	4.93	9/30/87	7.05
Value Added	0.53	1.33	1.67	1.66	3.88	0.86	0.76	9/30/87	0.34

Investment Manager Analysis

Baird Advisors

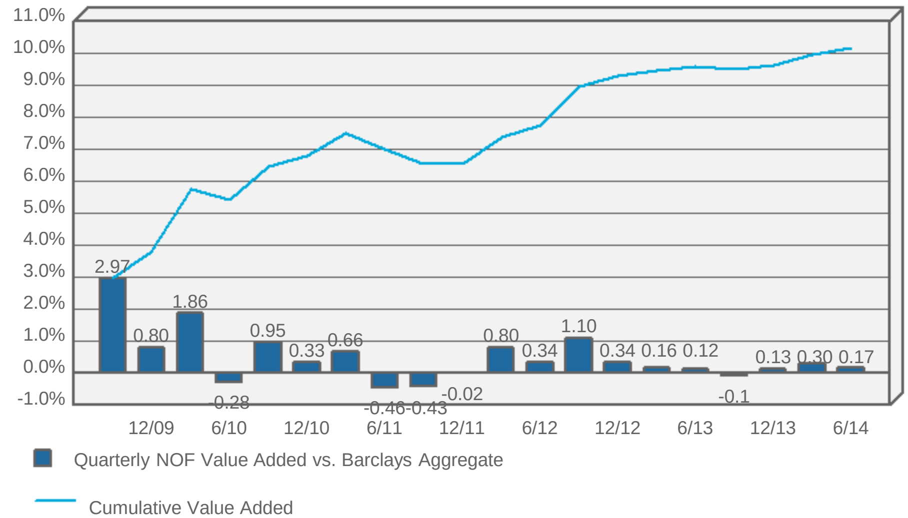
June 30, 2014

Cumulative Skill Analysis vs Benchmark

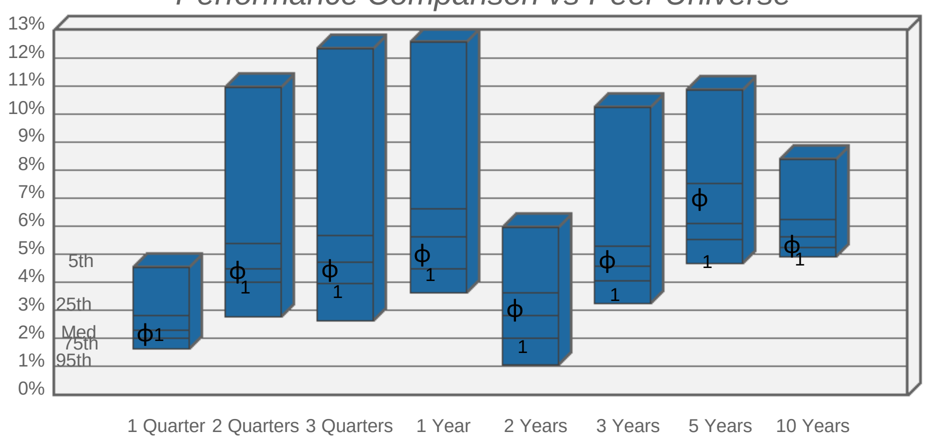


Excess Return:	**1.92**	**Information Ratio:**	**1.23**
Excess Risk:	**1.56**	**T-Stat:**	**2.74**

Value-Added Analysis vs Benchmark

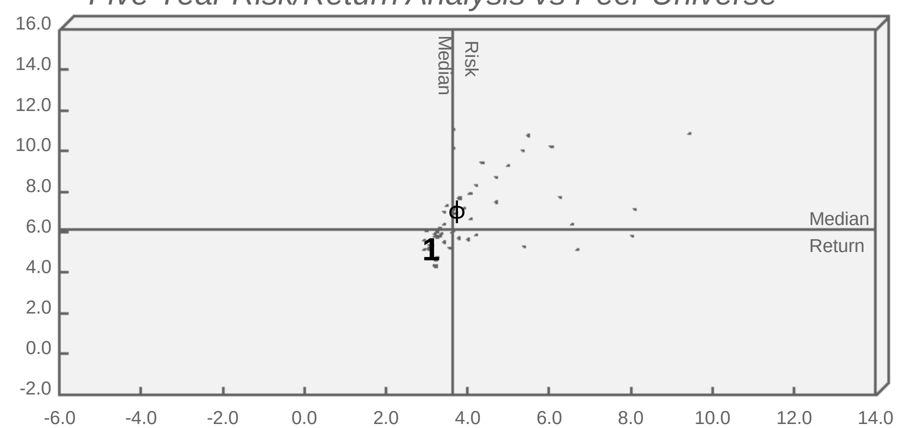


*Performance Comparison vs Peer Universe**



	1 Quarter	2 Quarters	3 Quarters	1 Year	2 Years	3 Years	5 Years	10 Years
ϕ Baird Advisors	2.26 (58)	4.50 (48)	4.55 (58)	5.10 (59)	3.14 (35)	4.88 (40)	7.09 (33)	5.42 (59)
1 Barclays Aggre	2.04 (75)	3.93 (77)	3.78 (80)	4.37 (76)	1.81 (84)	3.67 (83)	4.85 (89)	4.93 (92)
Median	2.29	4.49	4.73	5.61	2.83	4.59	6.10	5.65
Number of Funds	111	110	106	104	94	79	57	32

*Five Year Risk/Return Analysis vs Peer Universe**



Description	Legend	Gross Fee Ret		Standard Deviation	
		Value	Rank	Value	Rank
Baird Advisors	ϕ	7.09	33	3.88	39
Barclays Aggregate	1	4.85	89	3.24	76
Median		6.10		3.65	

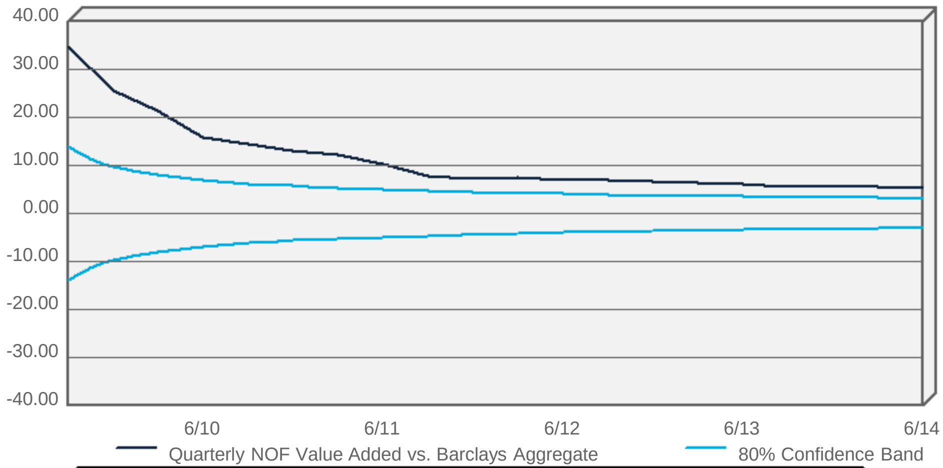
*TUCS Total Returns of Fixed Income Portfolios - Core Universe - Gross of Fees

Investment Manager Analysis

Western Asset Management

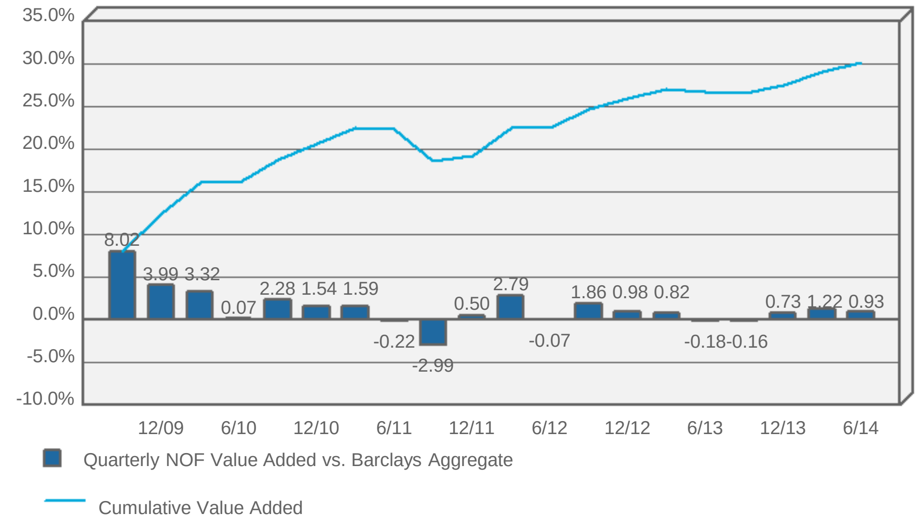
June 30, 2014

Cumulative Skill Analysis vs Benchmark

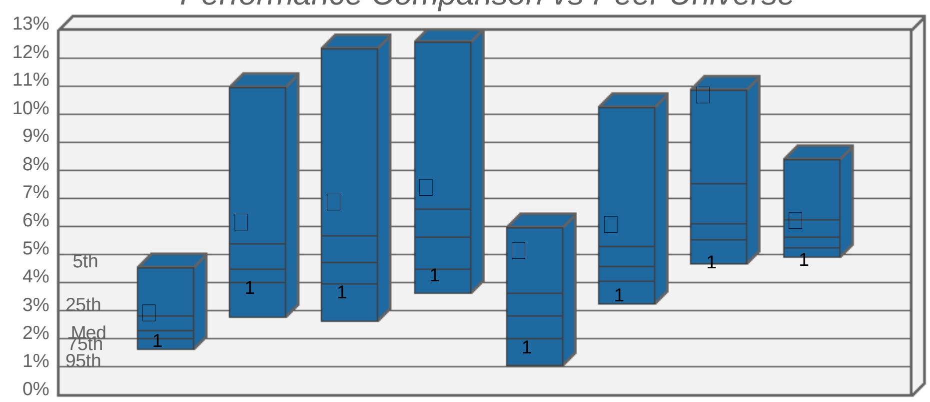


Excess Return:	**5.35**	**Information Ratio:**	**1.27**
Excess Risk:	**4.22**	**T-Stat:**	**2.83**

Value-Added Analysis vs Benchmark

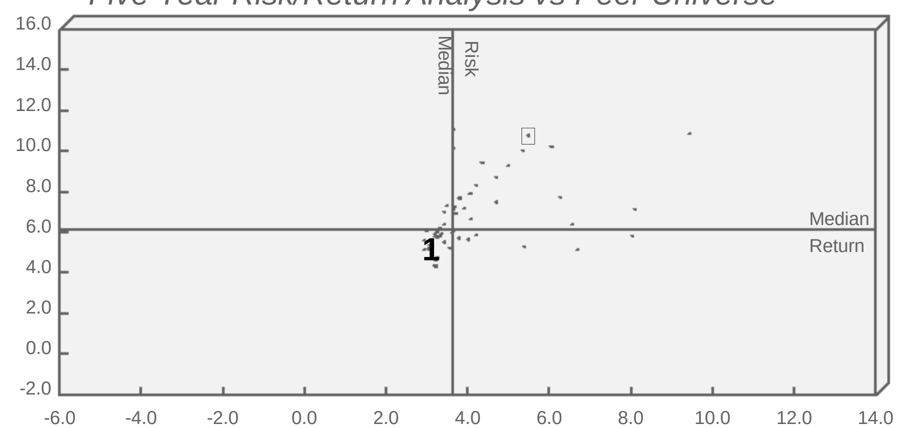


*Performance Comparison vs Peer Universe**



	1 Quarter	2 Quarters	3 Quarters	1 Year	2 Years	3 Years	5 Years	10 Years
☐ Western Asset	3.04 (16)	6.27 (14)	6.98 (13)	7.50 (15)	5.26 (6)	6.18 (16)	10.79 (6)	6.32 (21)
1 Barclays Aggre	2.04 (75)	3.93 (77)	3.78 (80)	4.37 (76)	1.81 (84)	3.67 (83)	4.85 (89)	4.93 (92)
Median	2.29	4.49	4.73	5.61	2.83	4.59	6.10	5.65
Number of Funds	111	110	106	104	94	79	57	32

*Five Year Risk/Return Analysis vs Peer Universe**



Description	Legend	Gross Fee Ret Value	Gross Fee Ret Rank	Standard Deviation Value	Standard Deviation Rank
Western Asset Management	☐	10.79	6	5.64	16
Barclays Aggregate	**1**	4.85	89	3.24	76
Median		6.10		3.65	

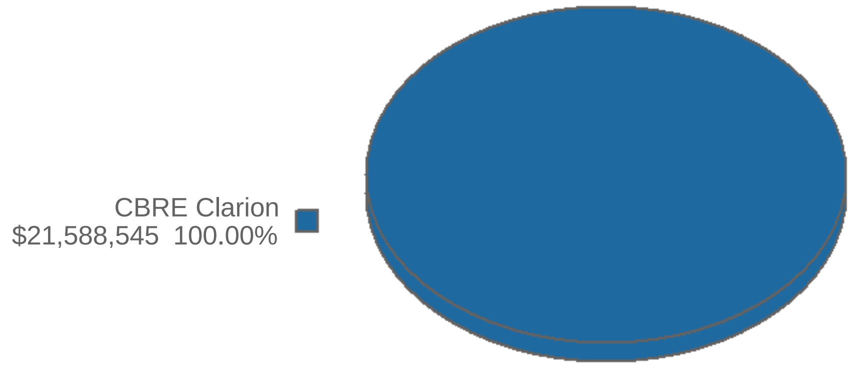
*TUCS Total Returns of Fixed Income Portfolios - Core Universe - Gross of Fees

Real Estate

Manager Allocation

Real Estate Composite

As of June 30, 2014



Performance Comparison

Trailing Returns

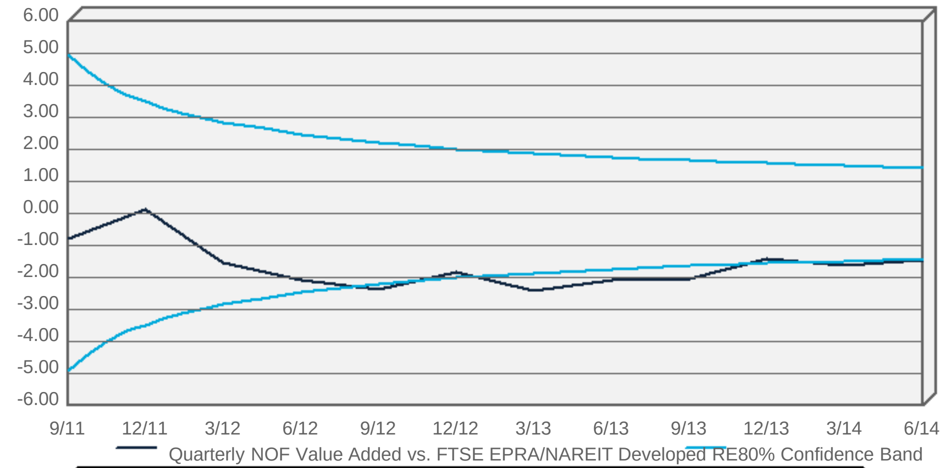
Periods Ended June 30, 2014

	1 Qtr	YTD	1 Year	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Incept Date	Incept Ret
CBRE Clarion									
Net of Fee Return	**8.07**	**11.36**	**14.19**	**8.60**	**15.62**			**6/30/09**	**15.62**
FTSE EPRA/NAREIT Developed RE	7.88	12.21	14.38	10.19	17.40			6/30/09	17.40
Value Added	0.19	-0.85	-0.20	-1.60	-1.78			6/30/09	-1.78
Real Estate Composite									
Net of Fee Return	**8.07**	**11.36**	**14.19**	**8.60**	**15.62**			**6/30/09**	**15.62**
FTSE EPRA/NAREIT Developed RE	7.88	12.21	14.38	10.19	17.40			6/30/09	17.40
Value Added	0.19	-0.85	-0.20	-1.60	-1.78			6/30/09	-1.78

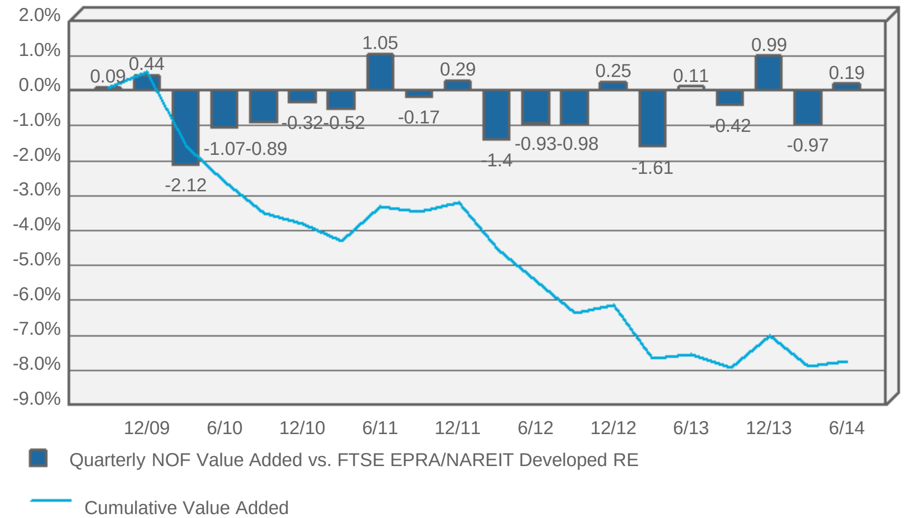
Investment Manager Analysis

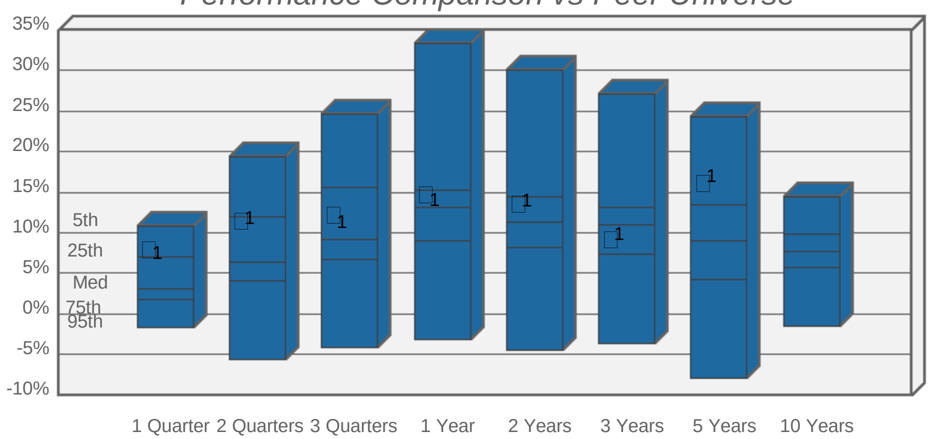
CBRE Clarion

June 30, 2014



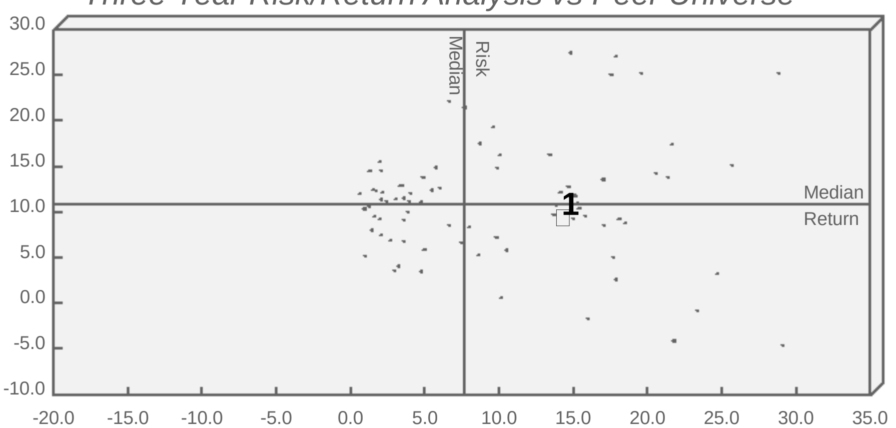
Excess Return:	**-1.45**	**Information Ratio:**	**-0.97**
Excess Risk:	**1.50**	**T-Stat:**	**-1.67**





	1 Quarter	2 Quarters	3 Quarters	1 Year	2 Years	3 Years	5 Years	10 Years
□ CBRE Clarion	8.25 (10)	11.76 (27)	12.53 (31)	15.04 (26)	13.86 (30)	9.46 (62)	16.43 (21)	
1 FTSE EPRA/NA	7.88 (15)	12.21 (23)	11.66 (36)	14.38 (34)	14.33 (25)	10.19 (57)	17.40 (16)	
Median	3.06	6.41	9.22	13.17	11.31	10.90	8.94	7.73
Number of Funds	650	654	651	638	588	536	418	119

*TUCS Total Returns of Real Estate Portfolios Universe - Gross of Fees



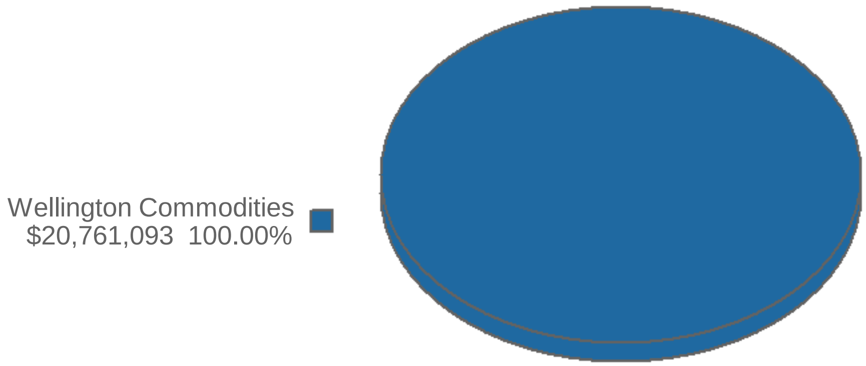
Description	Legend	Gross Fee Ret Value	Gross Fee Ret Rank	Standard Deviation Value	Standard Deviation Rank
CBRE Clarion	□	9.46	62	14.75	27
FTSE EPRA/NAREIT Dev.RE	1	10.19	57	15.19	20
Median		10.90		7.67	

Commodities

Manager Allocation

Commodities Composite

As of June 30, 2014



Performance Comparison

Trailing Returns

Periods Ended June 30, 2014

	1 Qtr	YTD	1 Year	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Incept Date	Incept Ret
Wellington Commodities									
Net of Fee Return	**3.64**	**7.12**	**8.28**					**3/31/13**	**-3.19**
DJ UBS Commodity Index	0.08	7.08	8.21					3/31/13	-1.61
	3.55	0.04	0.06						-1.58
Commodities Composite									
Net of Fee Return	**3.64**	**7.12**	**8.28**					**3/31/13**	**-3.19**
DJ UBS Commodity Index	0.08	7.08	8.21					3/31/13	-1.61
	3.55	0.04	0.06						-1.58

Private Equity

Private Partnerships

As of June 30, 2014

Partnership	Commitment Value	Inception Date	Capital Called Amount	Capital Called %	Capital Distributed Amount	Capital Distributed %	Fair Value	Total Value / Paid-In Capital [1]	Annualized IRR
Adams Street Direct 2010 Fund	$500,000	April 27, 2010	$412,236	82%	$31,647	6%	$517,570	1.33	14.51%
Adams Street Non-US Dev. 2010 Fund	$1,500,000	April 27, 2010	$582,284	39%	$43,228	3%	$635,660	1.17	7.96%
Adams Street Non-US EM 2010 Fund	$500,000	January 3, 2011	$237,000	47%	$0	0%	$226,108	0.95	-3.58%
Adams Street US 2010 Fund	$2,500,000	April 27, 2010	$1,068,760	43%	$104,933	4%	$1,291,825	1.31	12.82%
Adams Street 2013 Global Fund	$5,000,000	July 3, 2013	$633,215	13%	$0	0%	$627,529	0.99	NA
Flag Global Partners	$5,000,000	January 17, 2012	$1,600,000	32%	$66,710	1%	$1,457,839	0.95	-3.60%
Alternative Investments Composite	**$15,000,000**	**April 27, 2010**	**$4,533,495**	**30%**	**$246,518**	**2%**	**$4,756,531**	**1.10**	**6.41%**

[1] TVPI = Fair Value + Capital Distributed / Capital Called

Capital Market Review

U.S. Equity

The U.S. stock market was up 4.9% for the second quarter, posting its eighth consecutive quarterly gain. Investors did not appear overly concerned with the worst quarter for Real GDP growth since the recession – and the largest revision of the initial estimates ever. Reactions from the Federal Reserve were muted, as well. The Fed continued tapering their asset purchases and suggested that they believe the downtick in growth and uptick in inflation are both temporary occurrences.

Large capitalization stocks led smaller shares by a sizeable amount for the quarter while results for growth stocks versus value were mixed. All economic sectors showed gains with Energy leading the way, by far. Utilities and Technology were also strong while Financials were the primary laggard.

After 44 consecutive months of job gains, the U.S. has finally recovered all of the jobs that were lost during 2008 and 2009, which totaled 8.7 million. The U.S. is now at an all-time high in terms of those employed although the labor force participation rate is down from 66.4% at year-end 2006 to 62.8% currently due, in part, to retirements within the "Baby Boom" generation. The rate has not been this low in 37 years, which is when that same generation had entered the work force.

Non-U.S. Equity

The escalation of tensions between Russia and Ukraine threatened to impact important energy trade flows between Eastern and Western Europe, with much of the West proposing sanctions against Russia in response to its absorption of Crimea. The deterioration of Iraq's fragile régime fueled additional investor concern during the quarter. However, this turmoil barely provided a pause for global stock markets' upward march. With most major economies enjoying increased central bank support, and China's government working to buoy the nation's economic growth, equities returned healthy gains, with emerging market stocks especially strong.

Fixed Income

Fixed income markets were notably strong in the second quarter, as U.S. Treasury yields fell at most maturities. Janet Yellen's initial public statements as the new chair of the U.S. Fed reassured markets that accommodative monetary policy would stay in place in the short term. Yet again, investors looked to longer-maturity and higher-credit risk paper in search of yield, tightening investment-grade Corporate spreads to their lowest level since 2007. Emerging market bonds have performed strongly in the first half of 2014 as well, with frontier market financing activity reaching new levels.

2014 Asset Class Assumptions

Wilshire

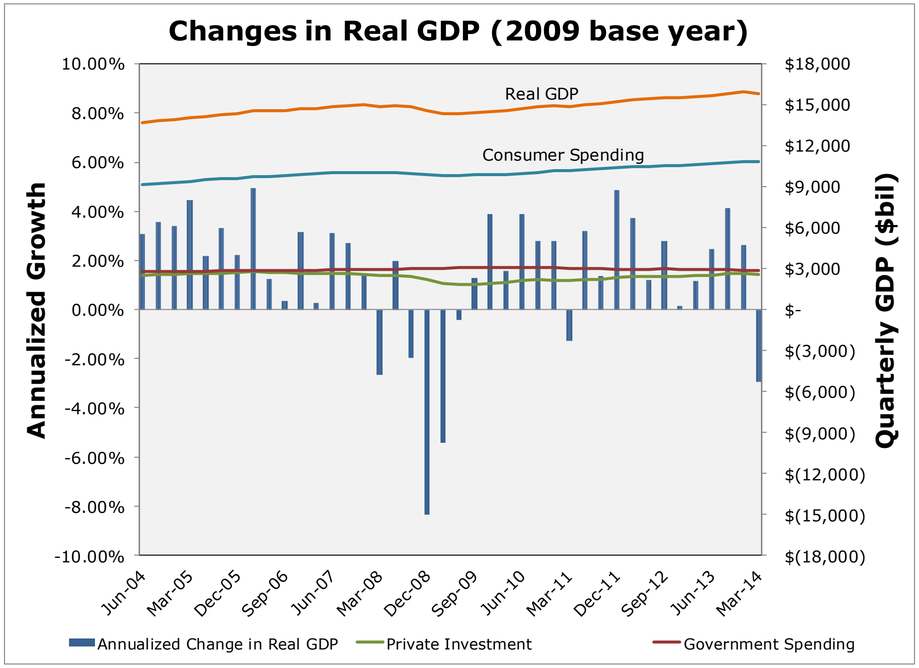
	Total Return (%)			Risk (%)
	2014 ACA	Q2 2014	Change vs YE	2014 ACA
Investment Categories:				
U.S. Stocks	7.25	6.75	(0.50)	17.00
Dev ex-U.S. Stocks	7.25	6.75	(0.50)	18.00
Emerging Mkt Stocks	7.25	6.75	(0.50)	26.00
Global Stocks	7.45	6.95	(0.50)	17.20
Private Markets	10.40	9.65	(0.75)	27.50
Cash Equivalents	1.55	1.30	(0.25)	1.25
Core Bonds	4.10	3.70	(0.40)	5.00
LT Core Bonds	4.70	3.80	(0.90)	10.00
TIPS	4.00	3.40	(0.60)	6.00
High Yield Bonds	5.15	4.70	(0.45)	10.00
EMD Local Currency (h)	6.05	5.35	(0.70)	5.00
U.S. RE Securities	5.20	5.20	-	15.00
Private Real Estate	5.95	5.90	(0.05)	12.25
Commodities	4.25	4.35	0.10	13.00
MLPs	9.10	8.80	(0.30)	17.00
Real Asset Basket	6.55	6.35	(0.20)	7.85
Inflation:	2.25	2.35	0.10	1.75
Returns minus Inflation:				
U.S. Stocks	5.00	4.40	(0.60)	
U.S. Bonds	1.85	1.35	(0.50)	
Cash Equivalents	(0.70)	(1.05)	(0.35)	
Stocks minus Bonds:	3.15	3.05	(0.10)	
Bonds minus Cash:	2.55	2.40	(0.15)	

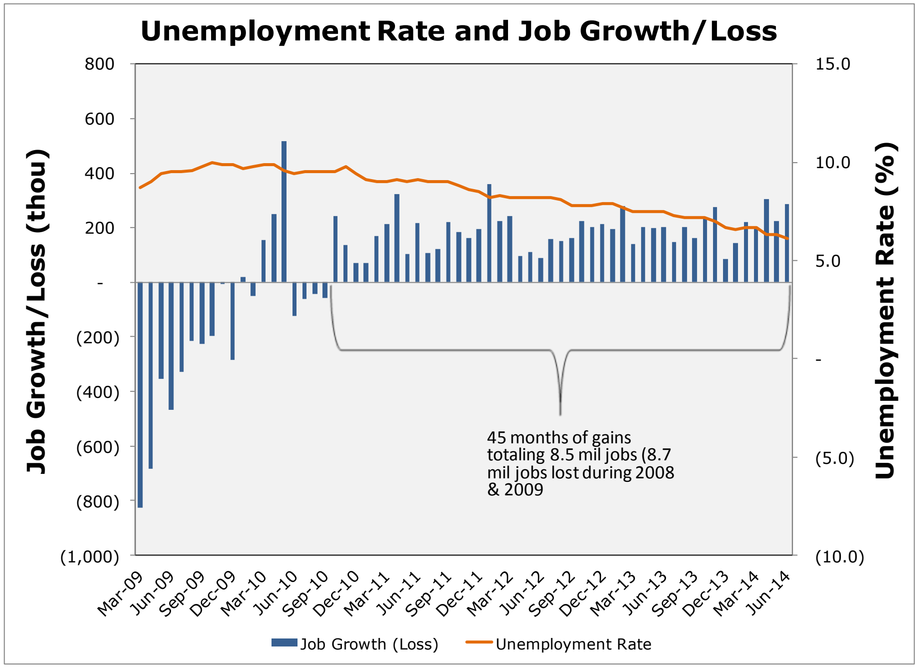
Economic Review

Wilshire

June 30, 2014	Key Economic Indicators			
CPI (all items)	Monthly Change		Cumulative Change	
Seasonally adjusted	Jun-14	0.3	3-Month	0.9
	May-14	0.4	12-Month	2.1
	Apr-14	0.3	10-Yr Annual	2.3
Breakeven Inflation	10-Year	2.4		
Consumer Sentiment	Jun-14	82.5		
Unv. of Michigan Survey	May-14	81.9		
	1-Yr Ago	84.1	10-Yr Avg	77.5
Manufacturing	Jun-14	55.3	Change in Manufacturing Sector	
Inst. for Supply Mgmt	May-14	55.4	>50	Expansion
Purchasing Mngrs' Idx	1-Yr Avg	55.1	<50	Contraction

Note: Seasonally adjusted CPI data is utilized to better reflect short-term pricing activity.

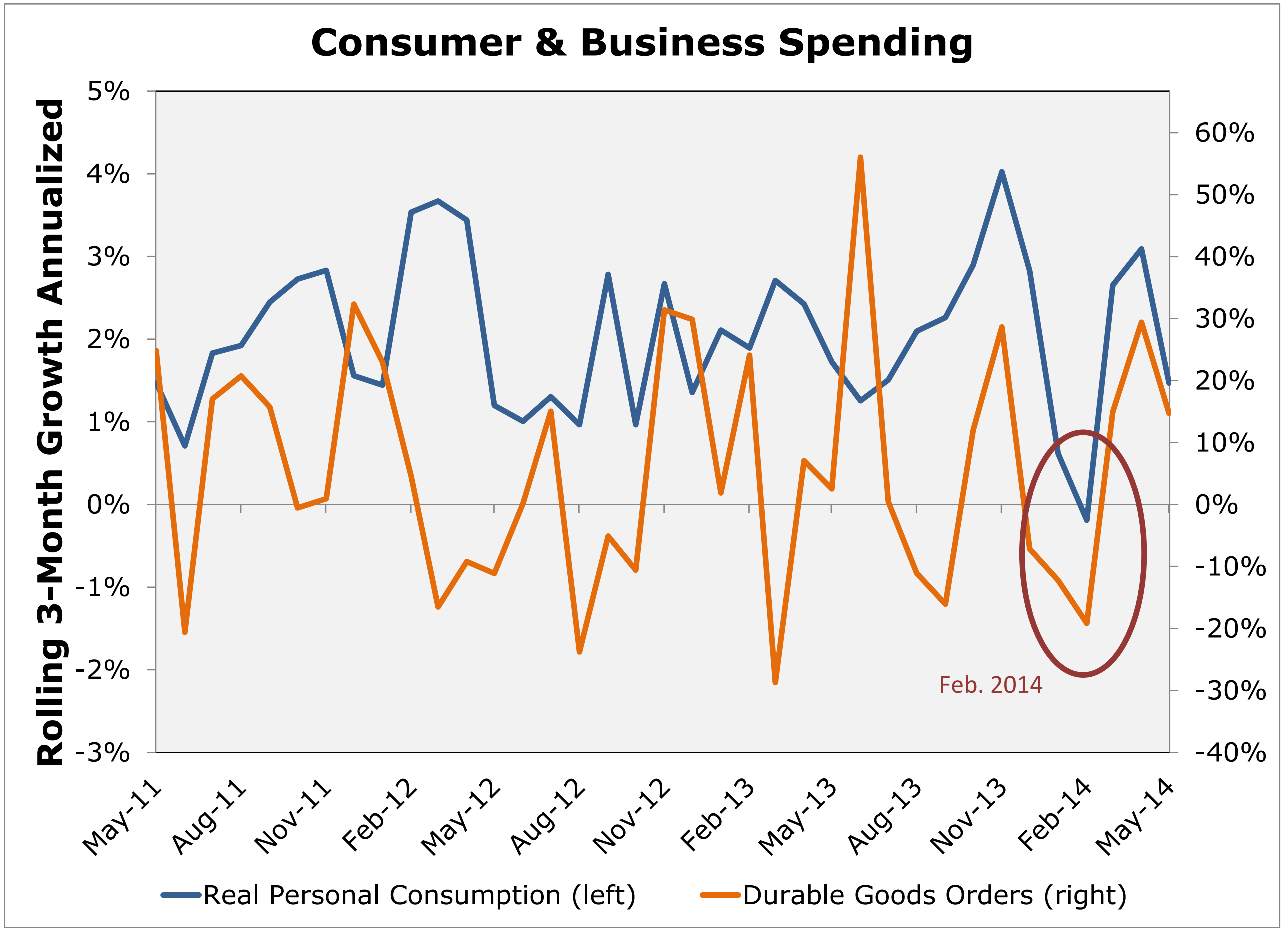




Data sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve Bank of St. Louis, Barclays Capital

Economic Growth

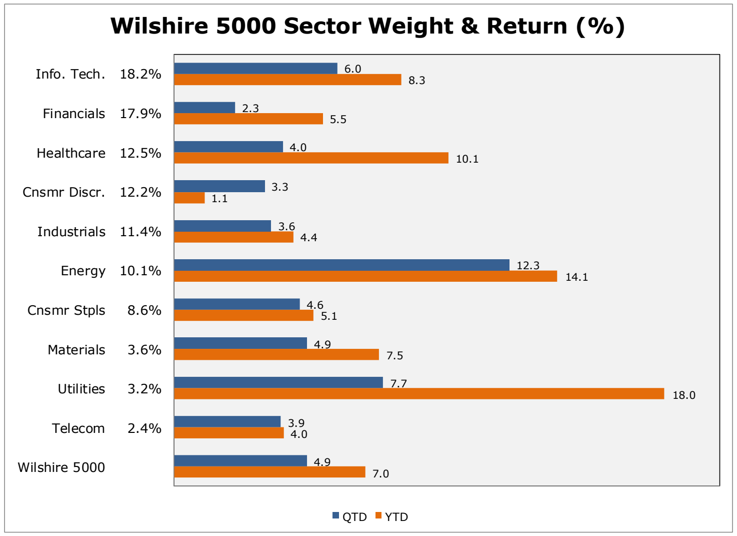
- Real GDP was down during the first quarter on weak consumer spending and a drop in business spending
- Both measures seem to be rebounding during Q2 and most experts are forecasting a return to growth

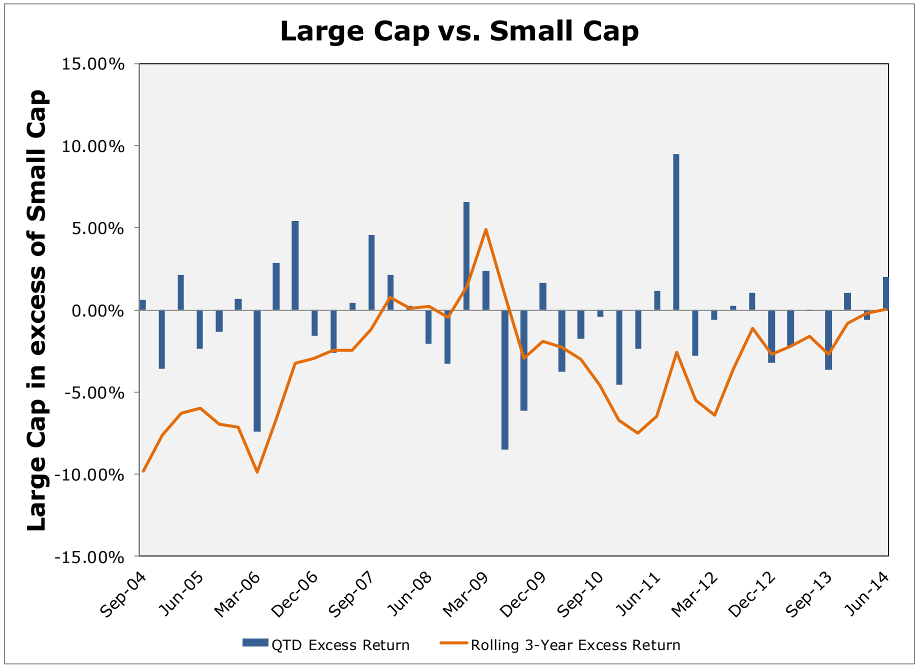


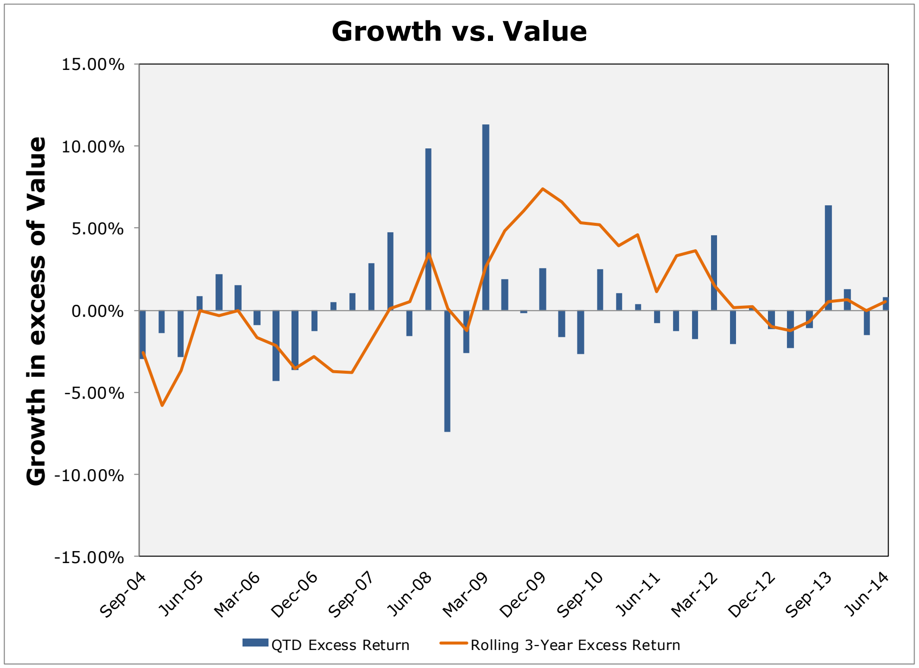
Source: Bureau of Economic Analysis, Census Bureau

U.S. Equity Market

June 30, 2014	Qtr	Ytd	1 Yr	3 Yr	5 Yr	10 Yr
Wilshire 5000	4.9	7.0	24.9	16.3	19.2	8.3
Wilshire U.S. Large Cap	5.1	7.2	24.7	16.3	18.7	8.1
Wilshire U.S. Small Cap	3.1	5.7	26.4	16.3	22.7	10.5
Wilshire U.S. Large Growth	5.7	6.8	29.7	16.7	19.1	8.4
Wilshire U.S. Large Value	4.6	7.4	20.7	16.0	18.5	7.6
Wilshire U.S. Small Growth	2.4	4.7	28.0	16.3	23.0	11.2
Wilshire U.S. Small Value	3.6	6.6	24.8	16.2	22.4	9.8
Wilshire REIT Index	7.2	18.1	13.5	11.7	24.0	9.6
MSCI USA Minimum Volatility Index	3.7	5.7	16.5	14.4	17.0	7.7
FTSE RAFI U.S. 1000 Index	5.1	7.7	25.1	17.4	21.5	9.7



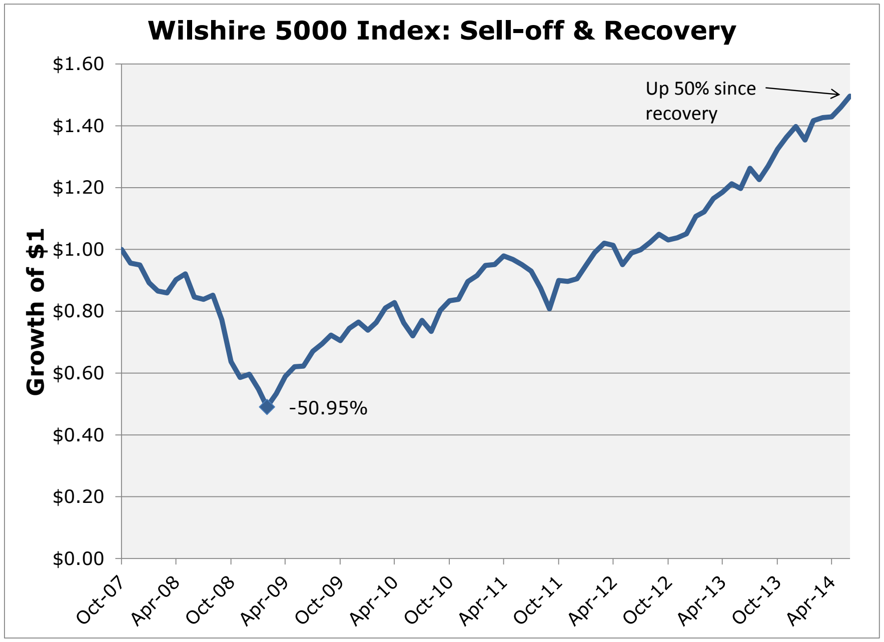


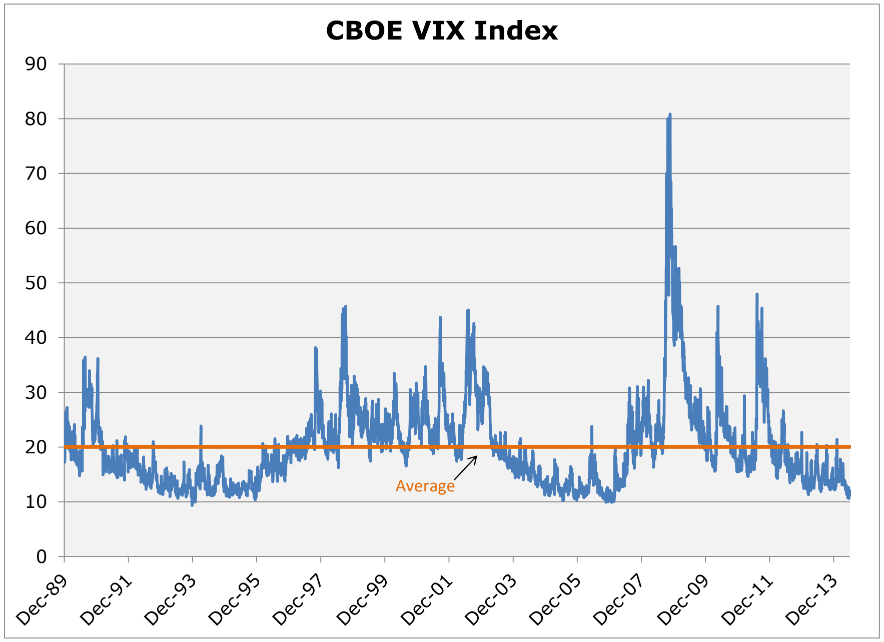


Data sources: Wilshire Compass, Wilshire Atlas

Equity Performance

- Credit crisis sell-off lasted 16 months and took 37 months to recover
- Wilshire 5000 Index is now up 50% since the recovery point in March, 2012
- Short-term volatility expectations are nearing the all-time low

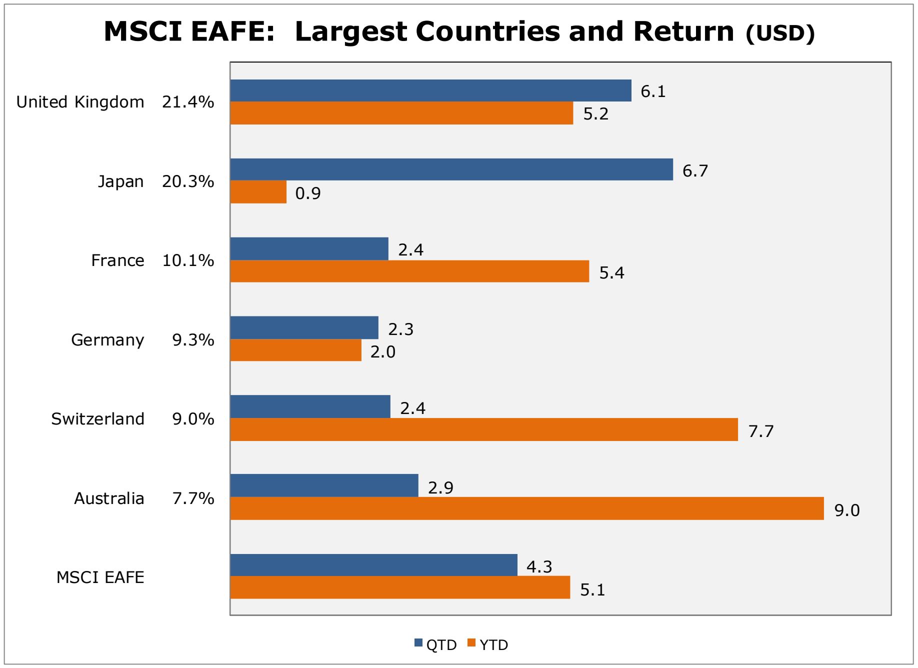


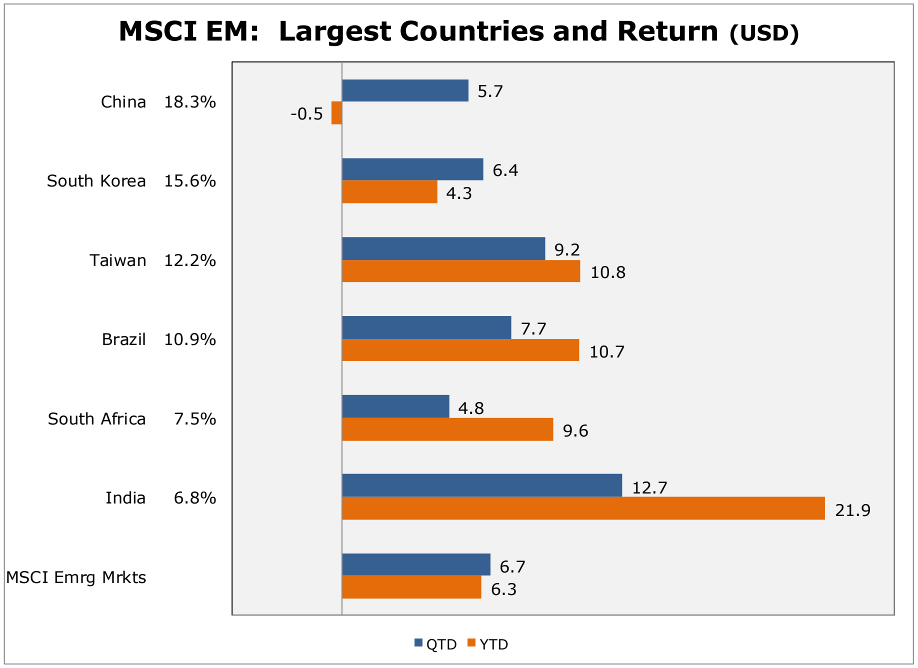


Source: Wilshire Compass, CBOE

Non-U.S. Equity Market

June 30, 2014	Qtr	Ytd	1 Yr	3 Yr	5 Yr	10 Yr
MSCI ACWI ex-US ($g)	5.3	5.9	22.3	6.2	11.6	8.2
MSCI EAFE ($g)	4.3	5.1	24.1	8.6	12.3	7.4
MSCI Emerging Markets ($g)	6.7	6.3	14.7	-0.1	9.6	12.3
MSCI Frontier Markets ($g)	12.1	20.5	36.6	12.8	11.7	9.0
MSCI ACWI ex-US Growth ($g)	4.6	5.0	19.7	5.8	11.7	8.0
MSCI ACWI ex-US Value ($g)	5.9	6.7	24.8	6.6	11.4	8.4
MSCI ACWI ex-US Small ($g)	3.8	7.5	26.5	7.3	15.0	10.2
MSCI EAFE Minimum Volatility Idx	6.4	9.1	19.3	10.3	12.6	9.6
FTSE RAFI Developed ex-US Index	5.0	6.8	29.2	7.8	12.2	8.6
MSCI EAFE LC (g)	3.7	3.5	18.4	10.9	11.4	6.1
MSCI Emerging Markets LC (g)	5.2	4.7	14.1	4.4	9.9	12.0

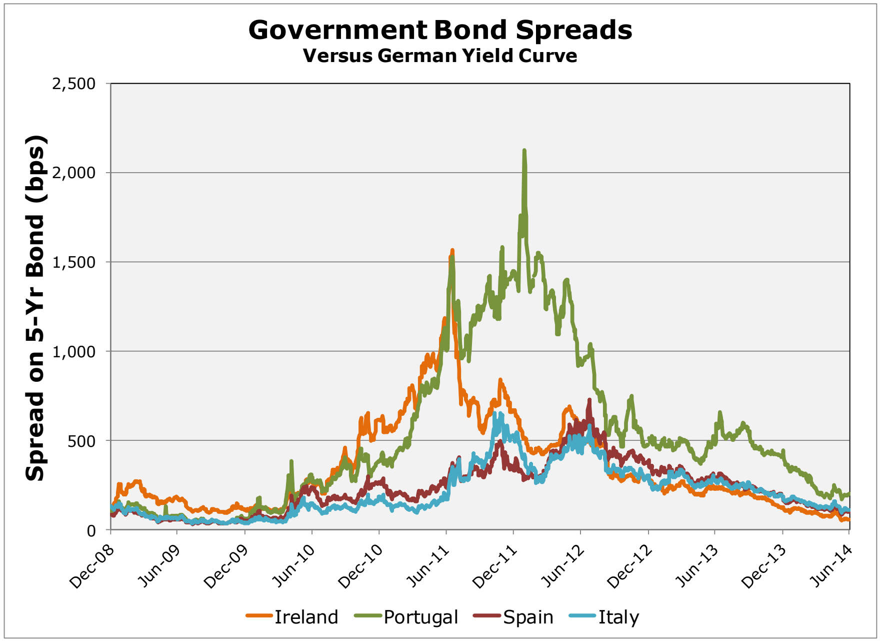




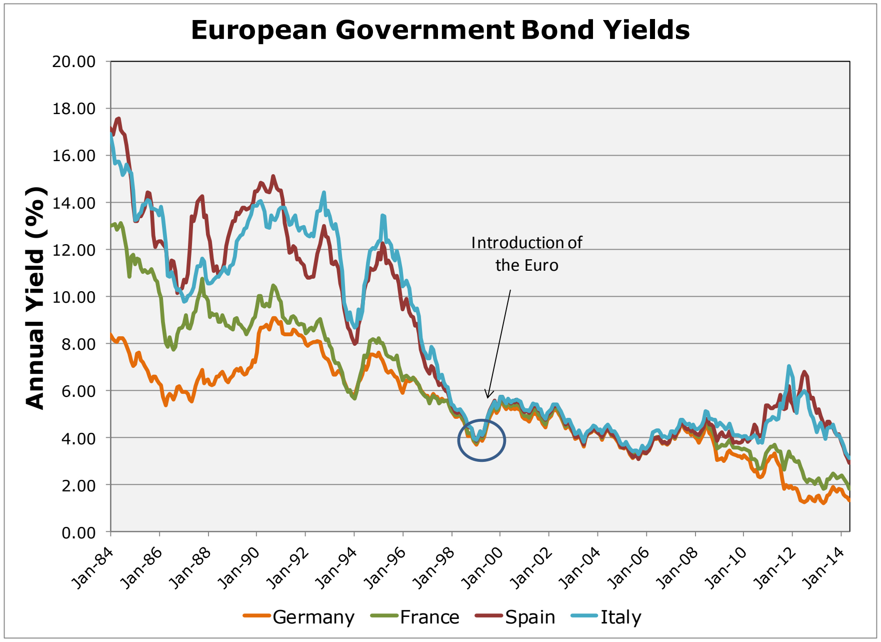
Data sources: Wilshire Compass, MSCI Barra

European Debt Issues

- Government yield spreads for some of the relatively troubled European economies continue to fall



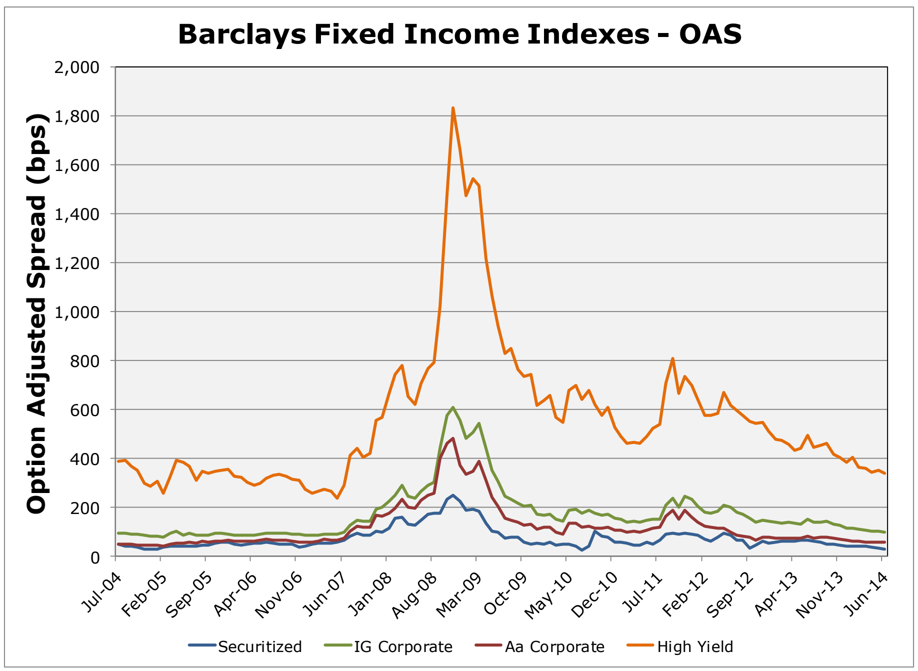
- Yields on government bonds have moderated while the spreads among different countries are beginning to tighten

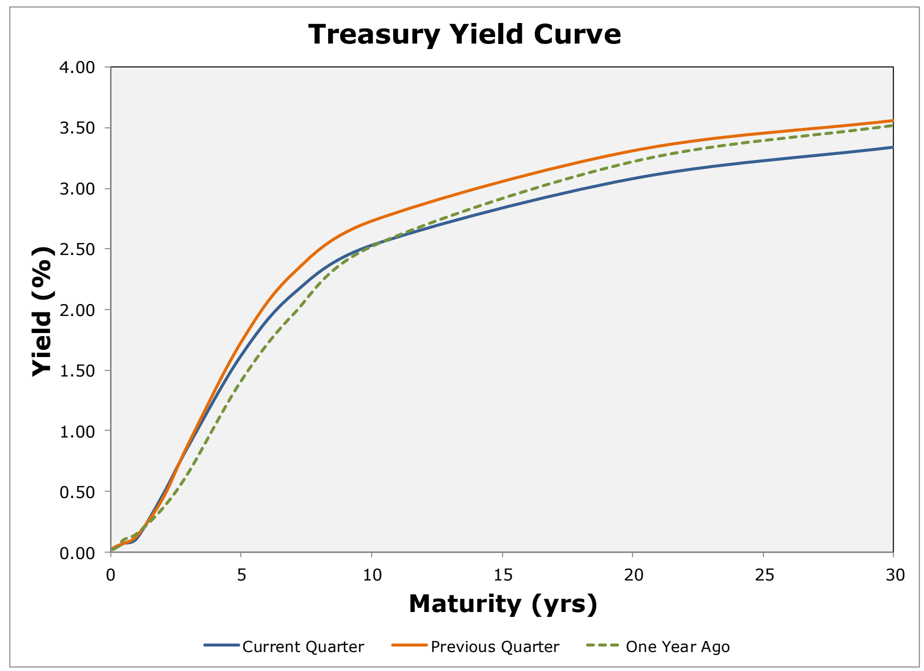


Source: Barclays Capital, International Monetary Fund

U.S. Fixed Income Market

June 30, 2014	Qtr	Ytd	1 Yr	3 Yr	5 Yr	10 Yr
Barclays Aggregate Bond Index	2.0	3.9	4.4	3.7	4.9	4.9
Barclays Treasury Index	1.4	2.7	2.0	3.1	3.6	4.5
Barclays Govt-Related Index	2.2	4.4	4.8	3.4	4.1	4.7
Barclays Securitized Index	2.3	3.9	4.6	2.9	4.4	4.9
Barclays Corporate IG Index	2.7	5.7	7.7	6.2	8.1	5.9
Barclays LT Govt/Credit Index	4.9	11.8	10.8	9.6	9.6	7.6
Barclays LT Treasury Index	4.7	12.1	6.3	8.8	7.4	7.2
Barclays LT Govt-Related Index	5.9	13.0	12.4	9.1	9.5	8.1
Barclays LT Corporate IG Index	4.8	11.2	13.4	9.9	11.3	7.6
Barclays U.S. TIPS Index	3.8	5.8	4.4	3.6	5.6	5.2
Barclays High Yield Index	2.4	5.5	11.7	9.5	14.0	9.1
Treasury Bills	0.0	0.0	0.1	0.1	0.1	1.6



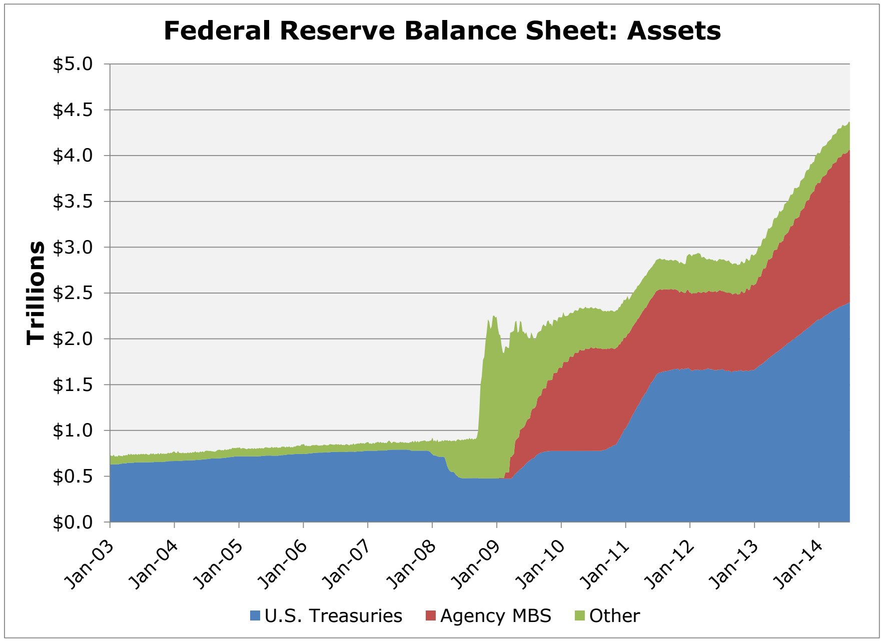


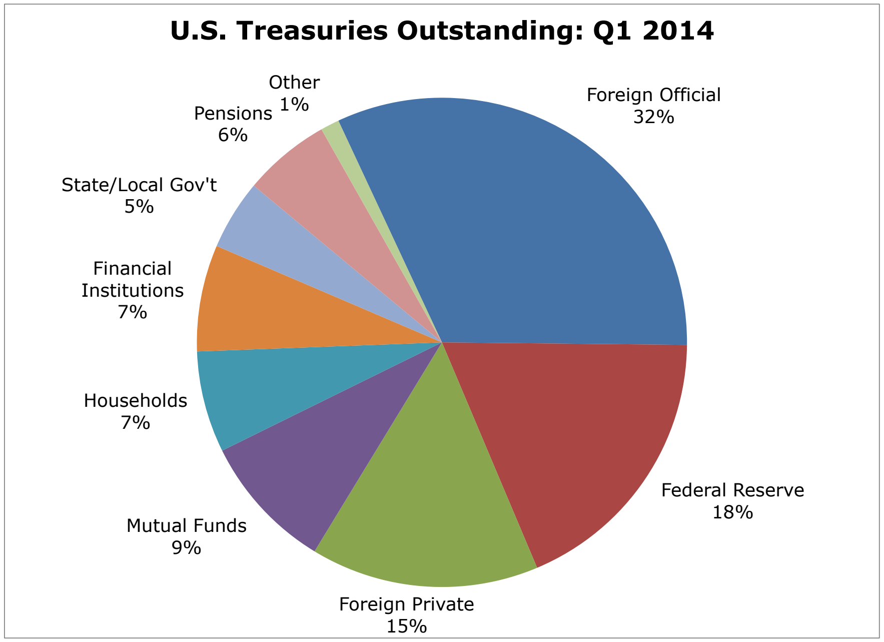
Data sources: Wilshire Compass, Barclays Capital, U.S. Treasury

Federal Reserve Action

- As the Federal Reserve nears the end of quantitative easing, they hold $3.5 trillion more in assets than they did in early September, 2008

- Federal Reserve holds nearly 20% of all U.S. Treasuries outstanding
    - Second only to foreign governments
    - Total U.S. Treasuries outstanding as of Q1 is $12.6 trillion

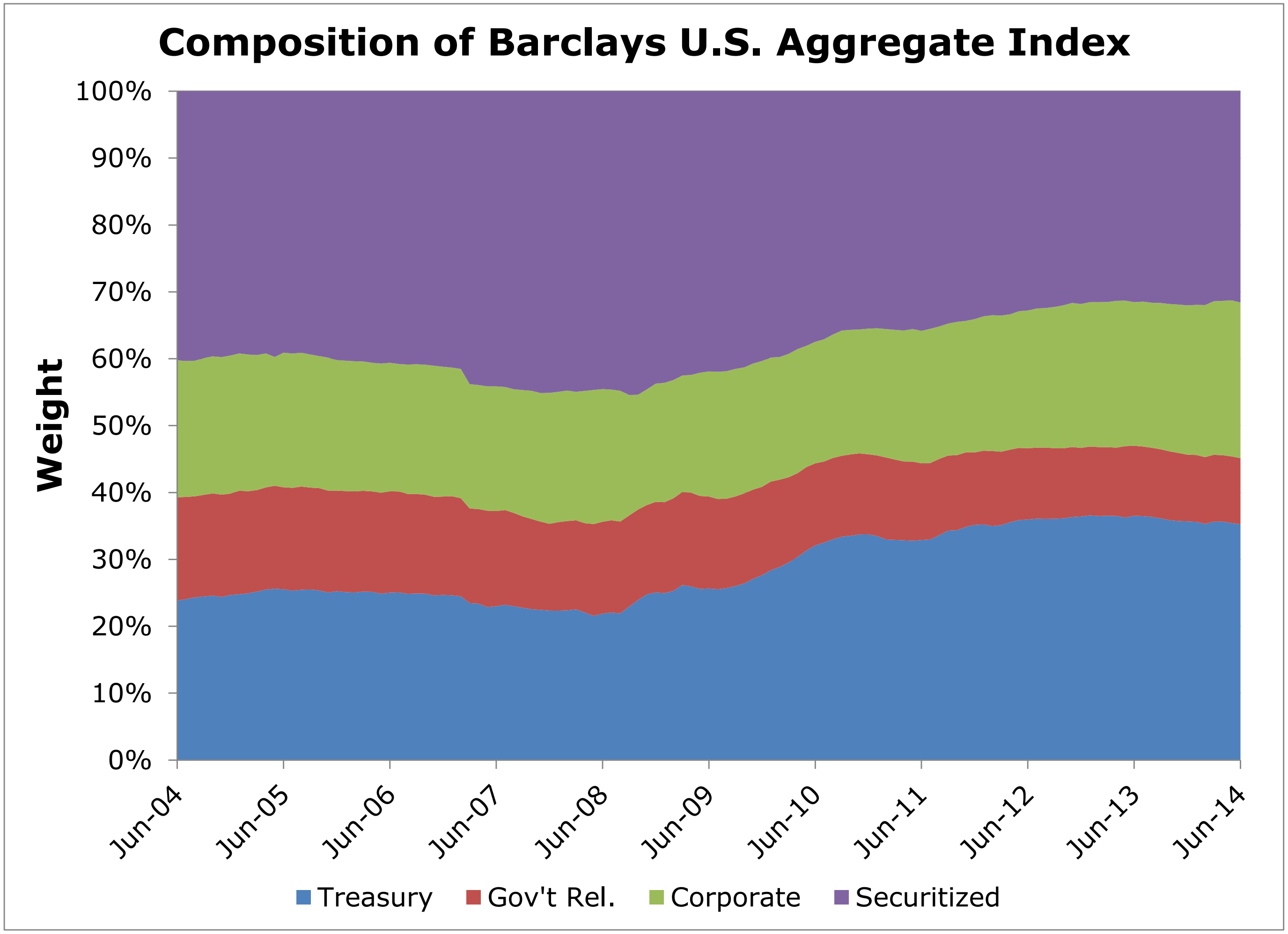




Source: Federal Reserve

Core Bonds

- Dollar weight in U.S. Treasuries has grown to 35% of the index, from 24% ten years ago
- Weight to Corporate bonds also is up while Gov't Rel. and Securitized are down

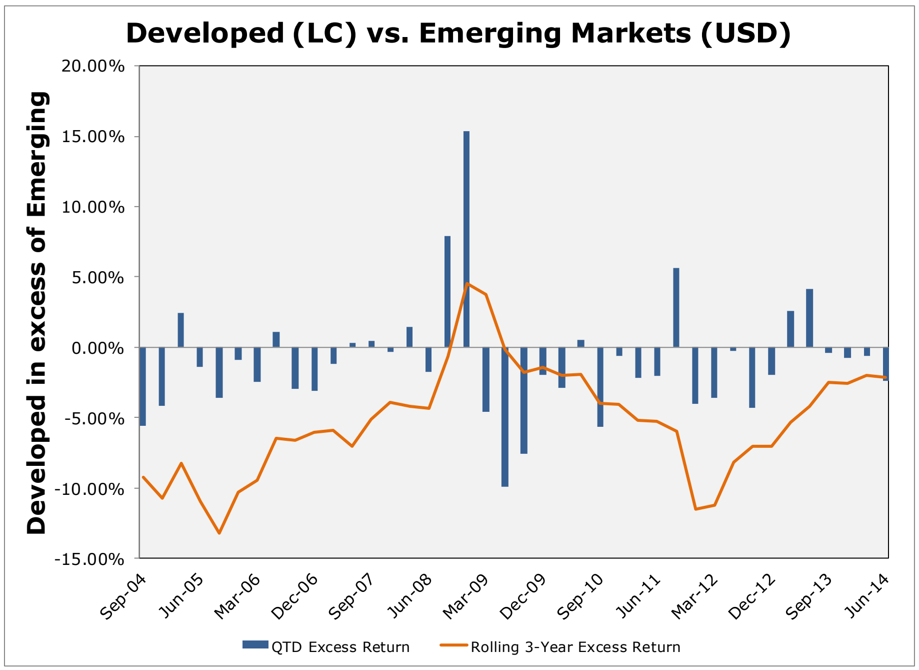


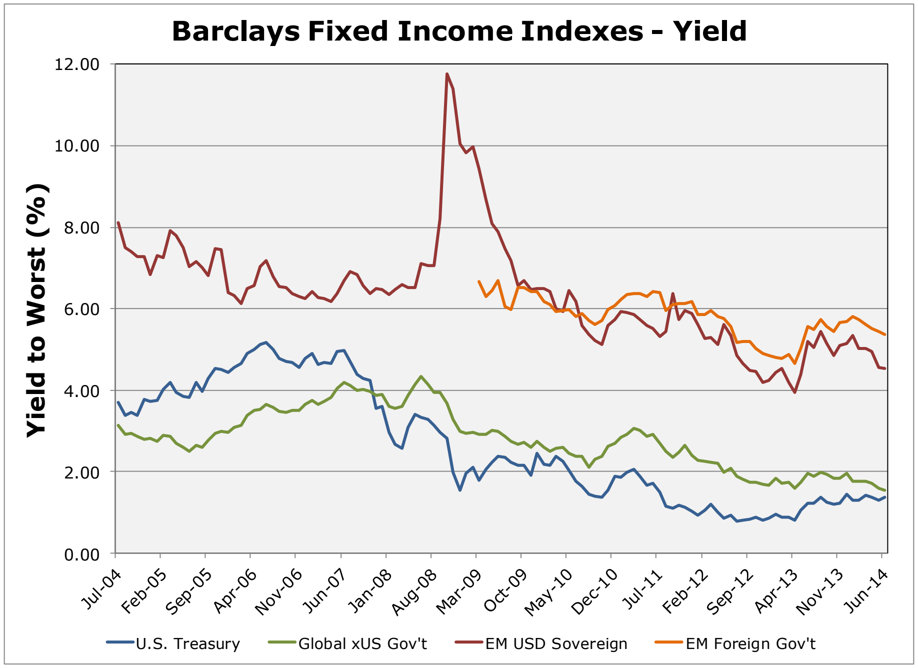
Source: Barclays

Non-U.S. Fixed Income Market

June 30, 2014	Qtr	Ytd	1 Yr	3 Yr	5 Yr	10 Yr
Developed Markets						
Barclays Global Aggregate xUS	2.7	5.6	9.4	1.7	4.4	5.1
Barclays Global Aggregate xUS *	2.0	4.2	5.6	5.0	4.4	4.7
Barclays Wrld Govt xUS IL Bond	3.4	6.5	13.4	4.0	6.0	6.0
Barclays Wrld Govt xUS IL Bond *	2.0	4.7	4.4	4.5	5.5	5.1
Emerging Mrkts (Hard Currency)						
Barclays EM USD Aggregate	4.5	7.4	10.2	7.4	10.8	9.5
Emerging Mrkts (Foreign Currency)						
Barclays EM Local Currency Govt	5.4	7.1	9.2	3.2	8.3	n.a.
Barclays EM Local Currency Govt *	2.2	2.9	2.7	3.5	4.2	n.a.
Euro vs. Dollar	-0.7	-0.6	5.3	-1.9	-0.5	1.1
Yen vs. Dollar	1.7	3.8	-1.9	-7.3	-1.0	0.7
Pound vs. Dollar	2.6	3.2	12.7	2.1	0.8	-0.6

* Returns are reported in terms of local market investors, which removes currency effects.

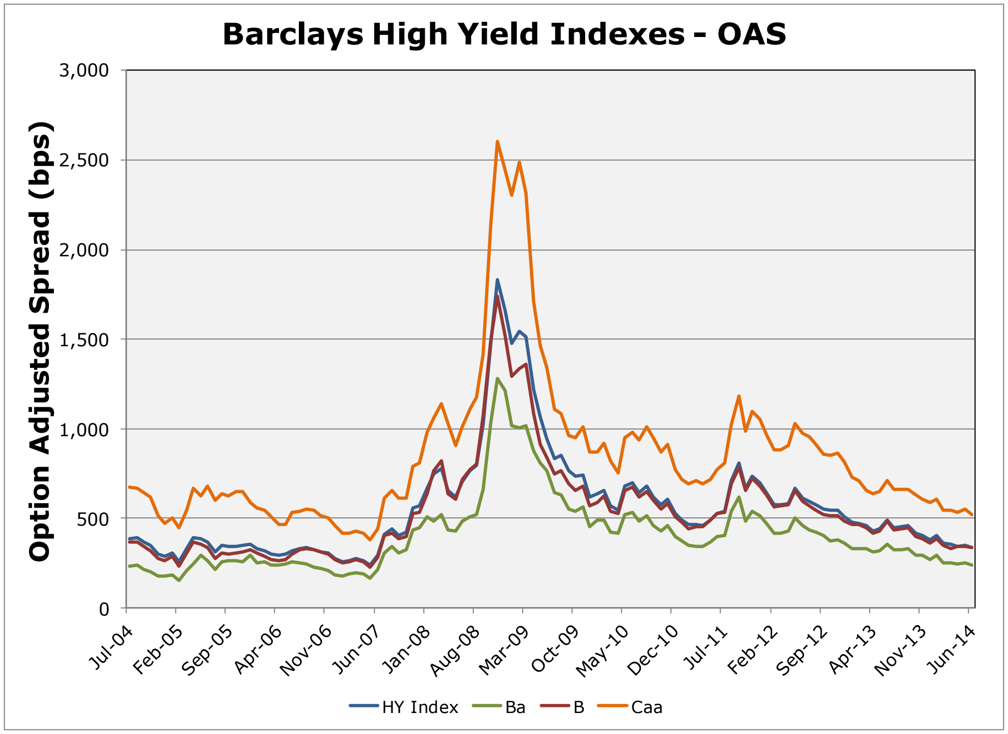




Data sources: Wilshire Compass, Barclays Capital

High Yield Bond Market

June 30, 2014	Weight	Qtr	Ytd	1 Yr	3 Yr
Barclays High Yield Index	100%	2.4	5.5	11.7	9.5
Quality Distribution					
Ba U.S. High Yield	41.4%	2.7	5.8	11.1	9.0
B U.S. High Yield	40.7%	2.2	5.0	11.3	9.5
Caa U.S. High Yield	17.3%	2.4	5.8	14.4	10.9
Ca to D U.S. High Yield	0.5%	-1.6	-3.3	1.1	3.0
Non-Rated U.S. High Yield	0.2%	2.9	9.6	16.7	14.3

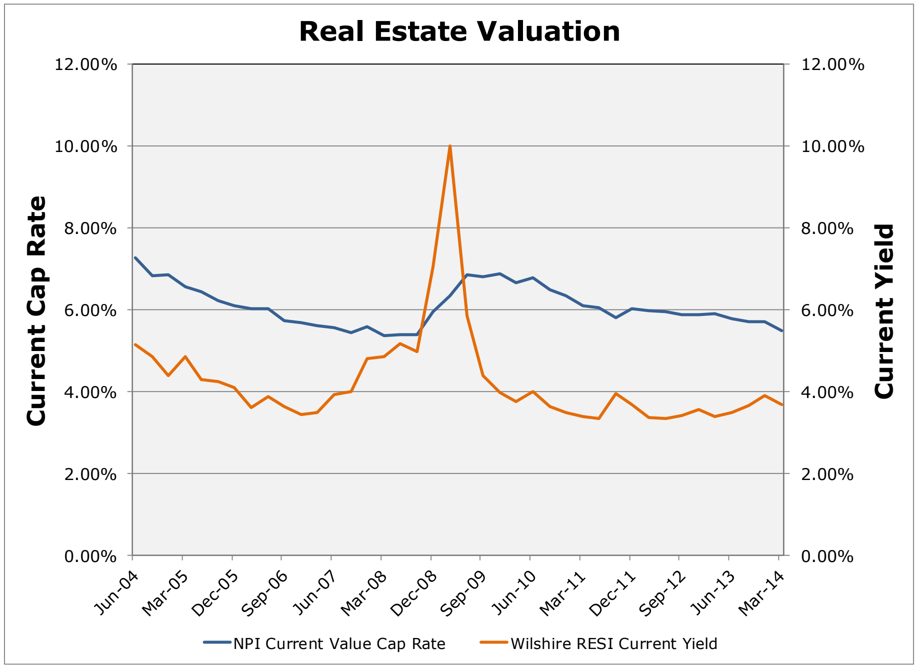


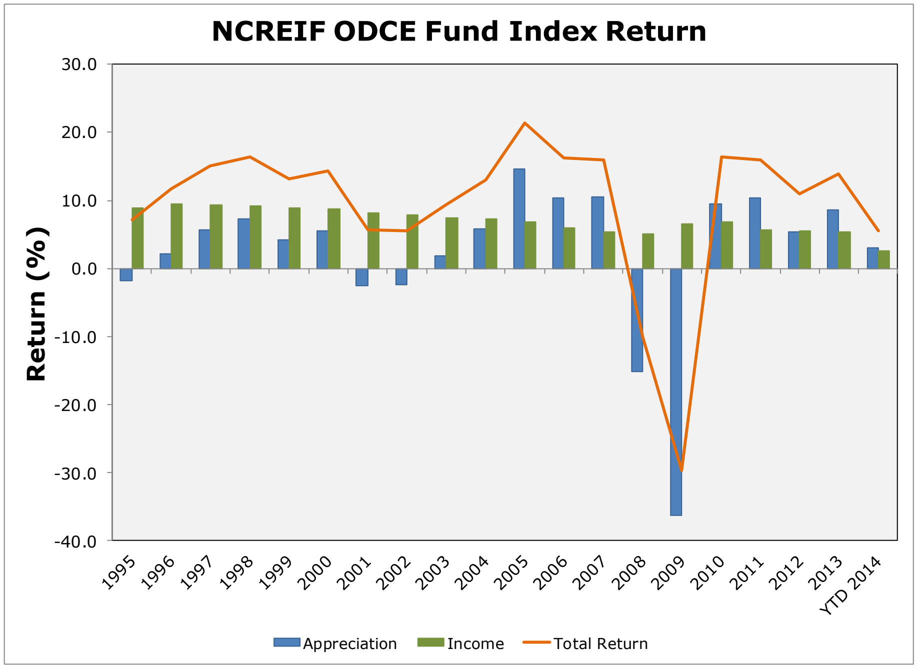
Data sources: Barclays Capital

Real Assets

June 30, 2014	Qtr	Ytd	1 Yr	3 Yr	5 Yr	10 Yr
Barclays U.S. TIPS Index	3.8	5.8	4.4	3.6	5.6	5.2
Bloomberg Commodity Index	0.1	7.1	8.2	-5.2	2.0	0.9
Global Public Real Estate*	8.2	16.5	15.6	11.1	21.7	9.5
NCREIF ODCE Fund Index	2.9	5.5	12.7	12.4	10.0	7.1
NCREIF Timberland Index	1.1	2.7	9.9	6.7	3.3	8.3
Alerian MLP Index (Oil & Gas)	14.2	16.3	21.6	19.0	26.2	17.3

* Wilshire Global Real Estate Securities from June 2004 to December 2004. Wilshire Global REITs from 2004 to present.

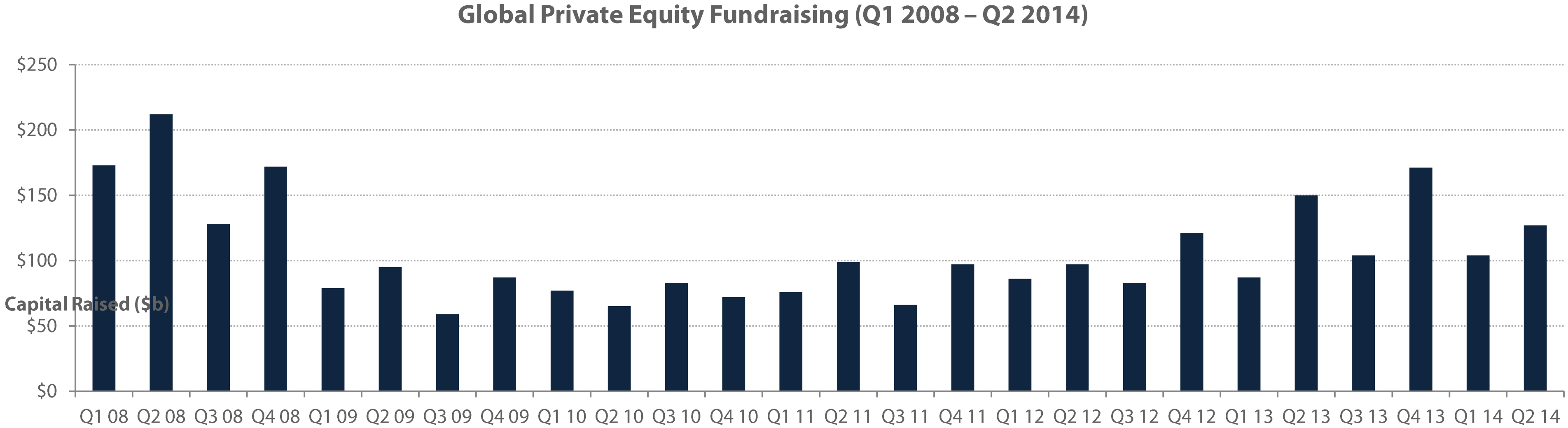


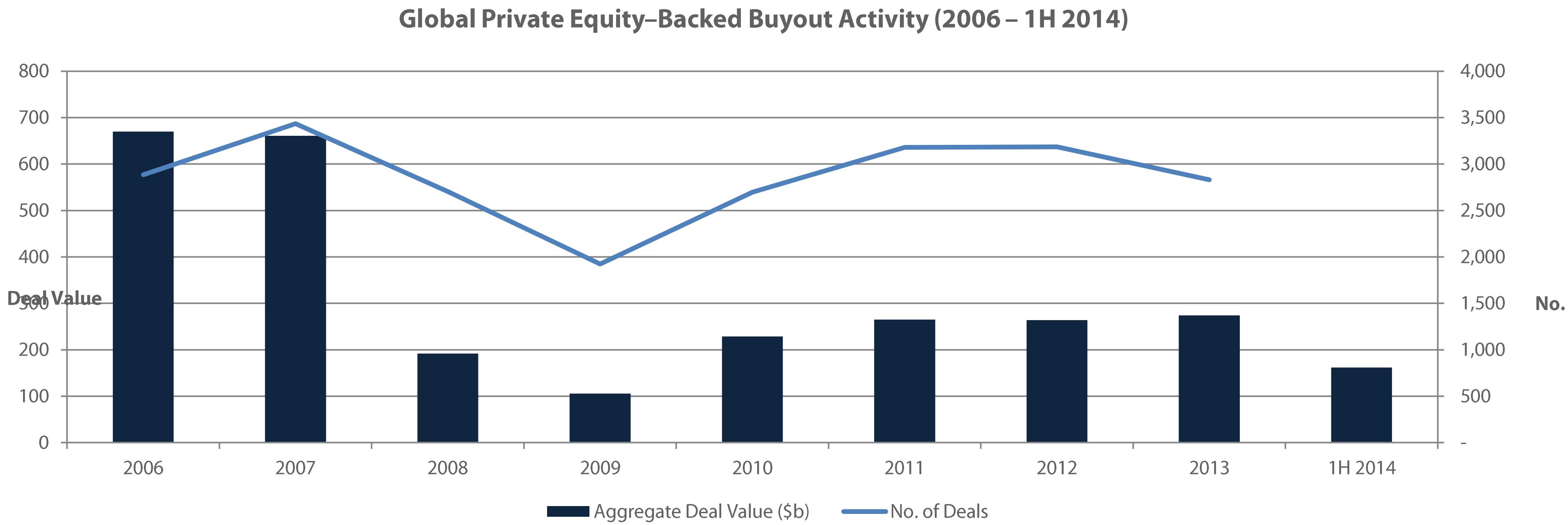


Data sources: Wilshire Compass, National Council of Real Estate Investment Fiduciaries

Private Equity Environment – Fundraising & Investment Activity

Wilshire

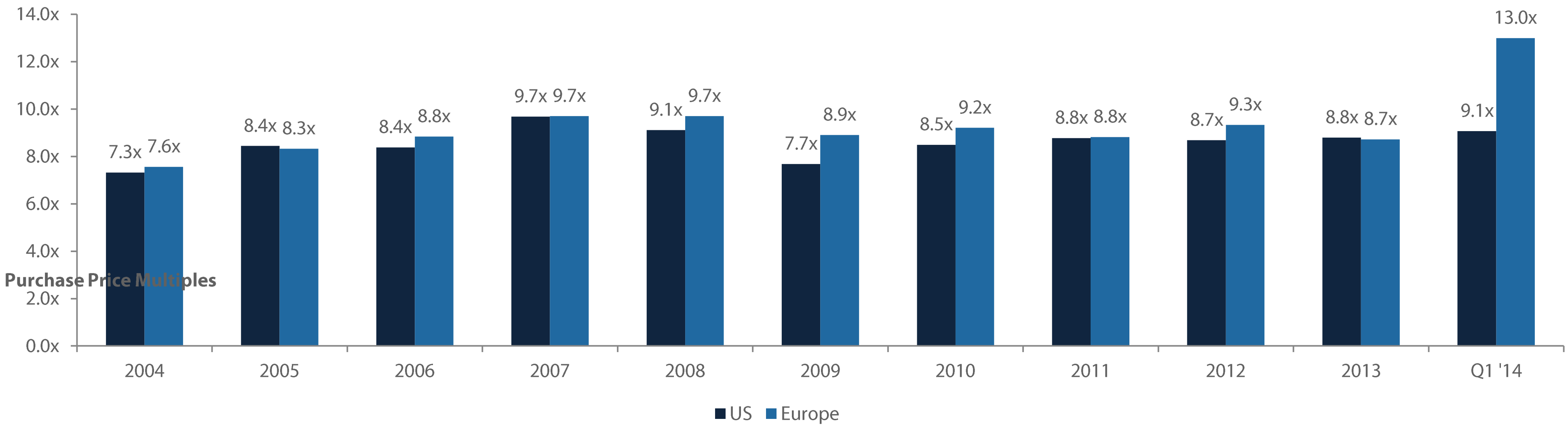


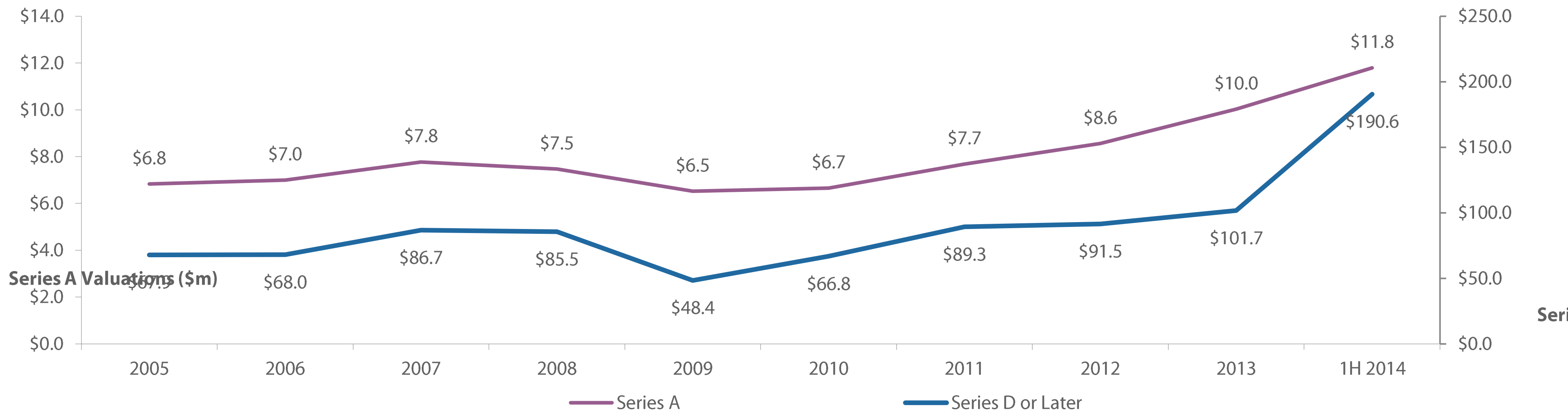


Sources: Preqin.

Private Equity Environment – Pricing

Wilshire

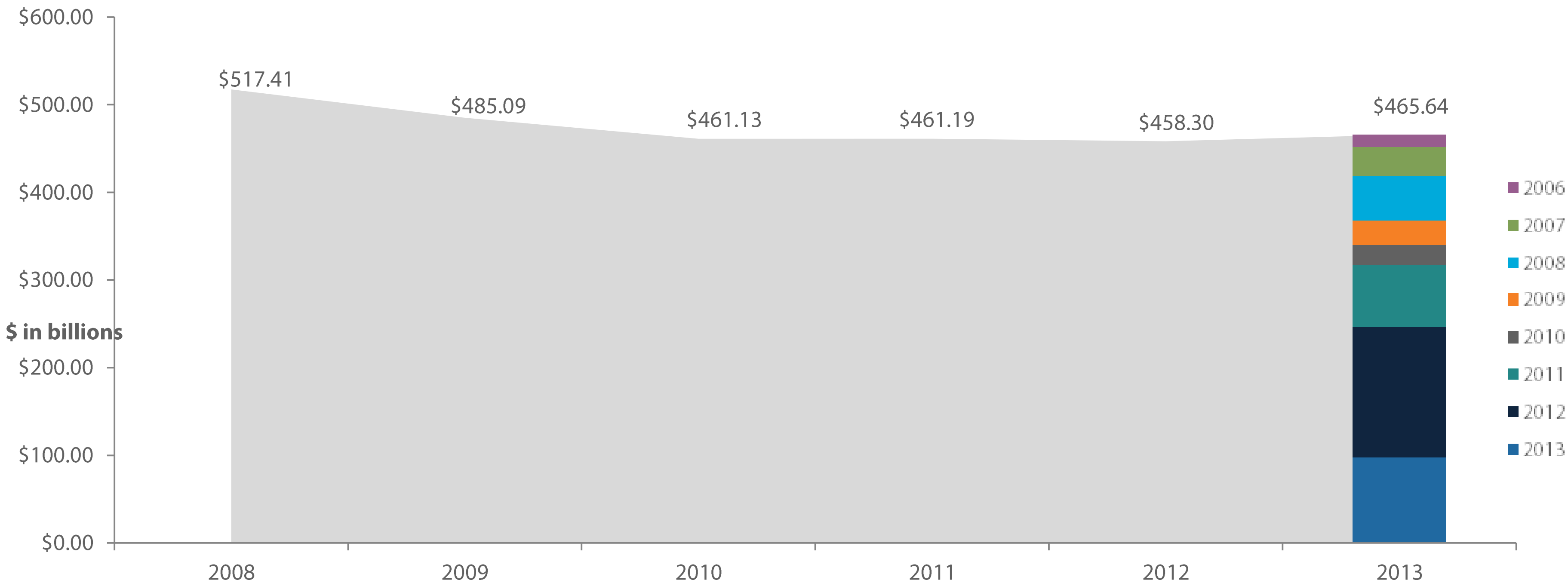




Source: S&P LCD; Pitchbook.

North American Private Equity Overhang

Cumulative Vintage Year Overhang



- Total private equity overhang significantly grew to over $517 billion during the run-up to the financial crisis
- While the overhang has slightly decreased since 2008, it remains relatively high at approximately $466 billion

Source: Pitchbook.

Asset Class Performance

Wilshire

Annual Asset Class Returns - Best to Worst

2009	2010	2011	2012	2013	**YTD 2014**	Annualized 5-Year as of June '14
Emrg Mrkts 79.0%	REITs 28.6%	U.S. TIPS 13.6%	Emrg Mrkts 18.6%	U.S. Equity 33.1%	REITs 18.1%	REITs 24.0%
High Yield 58.2%	Emrg Mrkts 19.2%	REITs 9.2%	Developed 17.9%	Developed 23.3%	Commodities 7.1%	U.S. Equity 19.2%
Developed 32.5%	U.S. Equity 17.2%	Core Bond 7.8%	REITs 17.6%	High Yield 7.4%	U.S. Equity 7.0%	High Yield 14.0%
REITs 28.6%	Commodities 16.8%	High Yield 5.0%	U.S. Equity 16.1%	REITs 1.9%	Emrg Mrkts 6.3%	Developed 12.3%
U.S. Equity 28.3%	High Yield 15.1%	U.S. Equity 1.0%	High Yield 15.8%	T-Bills 0.1%	U.S. TIPS 5.8%	Emrg Mrkts 9.6%
Commodities 18.9%	Developed 8.2%	T-Bills 0.1%	U.S. TIPS 7.0%	Core Bond -2.0%	High Yield 5.5%	U.S. TIPS 5.6%
U.S. TIPS 11.4%	Core Bond 6.5%	Developed -11.7%	Core Bond 4.2%	Emrg Mrkts -2.3%	Developed 5.1%	Core Bond 4.9%
Core Bond 5.9%	U.S. TIPS 6.3%	Commodities -13.3%	T-Bills 0.1%	U.S. TIPS -8.6%	Core Bond 3.9%	Commodities 2.0%
T-Bills 0.2%	T-Bills 0.1%	Emrg Mrkts -18.2%	Commodities -1.0%	Commodities -9.5%	T-Bills 0.0%	T-Bills 0.1%

Data sources: Wilshire Compass

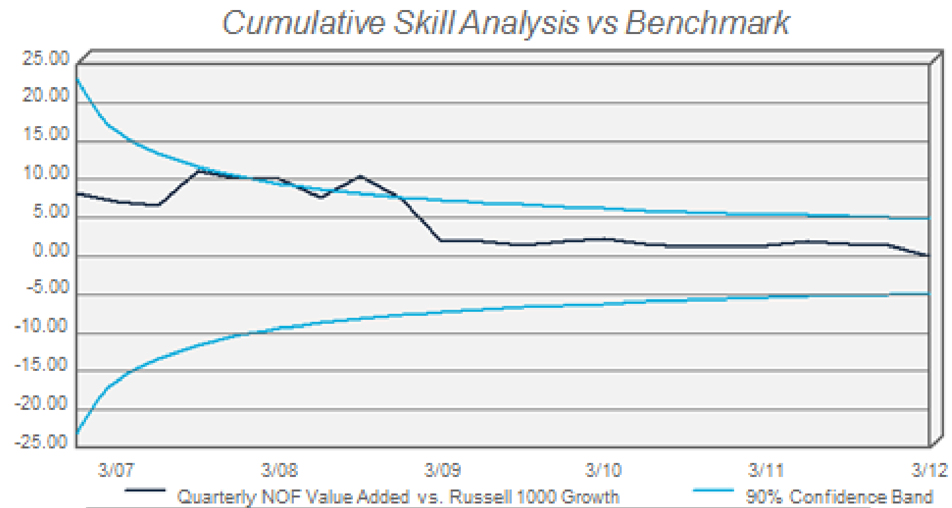
Note: Developed asset class is developed markets ex-U.S., ex-Canada.

Appendix

Wilshire

Cumulative Skill Graph

- Graphical representation of the statistical significance of excess returns over a specified benchmark for the cumulative time period being analyzed.
- Positive cumulative excess performance is shown when the dark blue line is above the "0.00" line measured on the left Y axis.
- The light blue lines that form a channel, or the shape of a trumpet horn, represent the boundaries of the statistical significance test.
- The width of the channel is calculated based on the amount of "Excess Risk" that the manager takes over the benchmark.



Excess Return:	1.34	Information Ratio:	0.19
Excess Risk:	7.03	T-Stat:	0.43

Data sources: Wilshire Compass

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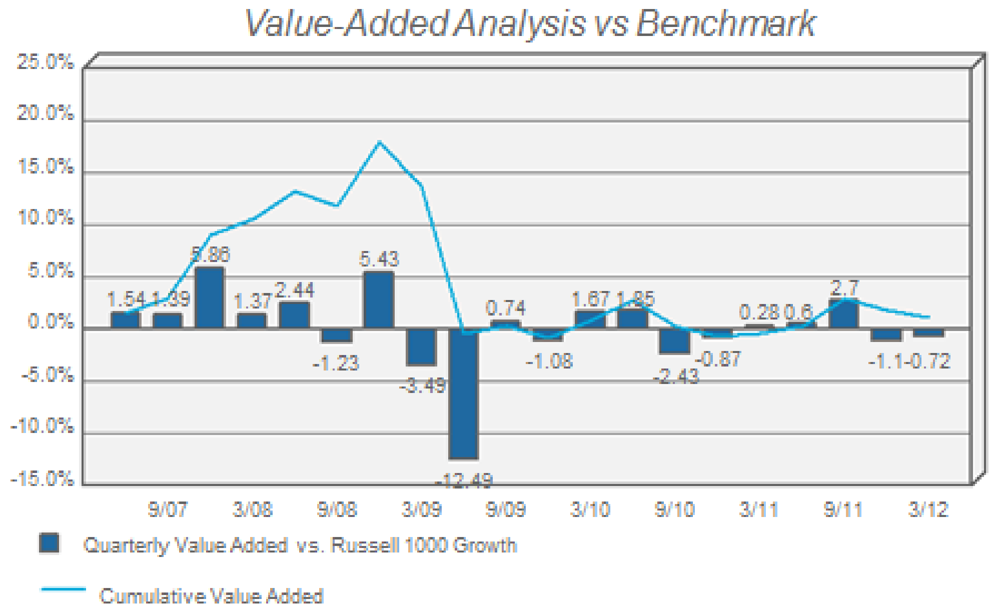
Wilshire

Value Added Graph

- Illustrates excess returns over the specified benchmark for individual periods, usually quarters, and for the cumulative time period being analyzed.
- A period in which there was positive excess performance the dark blue bar is above the line. Negative excess performance is below the line. The magnitude of the excess performance is measured on the left Y axis.
- The light blue line is the cumulative result of the quarterly performance and is measured on the right Y axis.



Data sources: Wilshire Compass

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