



New York City
Firefighters' Variable Supplements Fund
Performance Overview as of March 31, 2014

Total Fund Overview



New York City
Firefighters' Variable Supplements Fund

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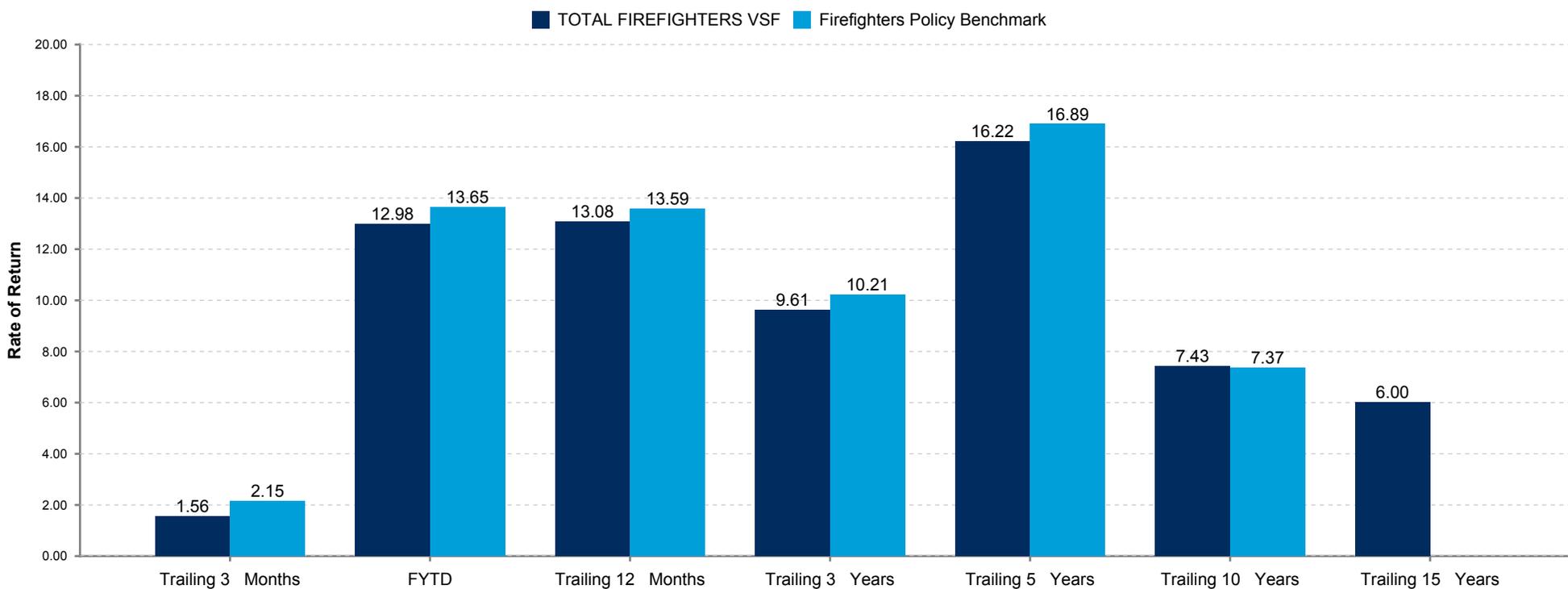
Equity Analysis
Fixed Income Analysis
Appendix



Market Value (Millions)

\$407.9

TOTAL FIREFIGHTERS VSF



	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 7 Years	Benchmark 7 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation								
TOTAL FIREFIGHTERS VSF	9.7	9.7	16.2	11.0	12.8	13.6	11.2	11.8

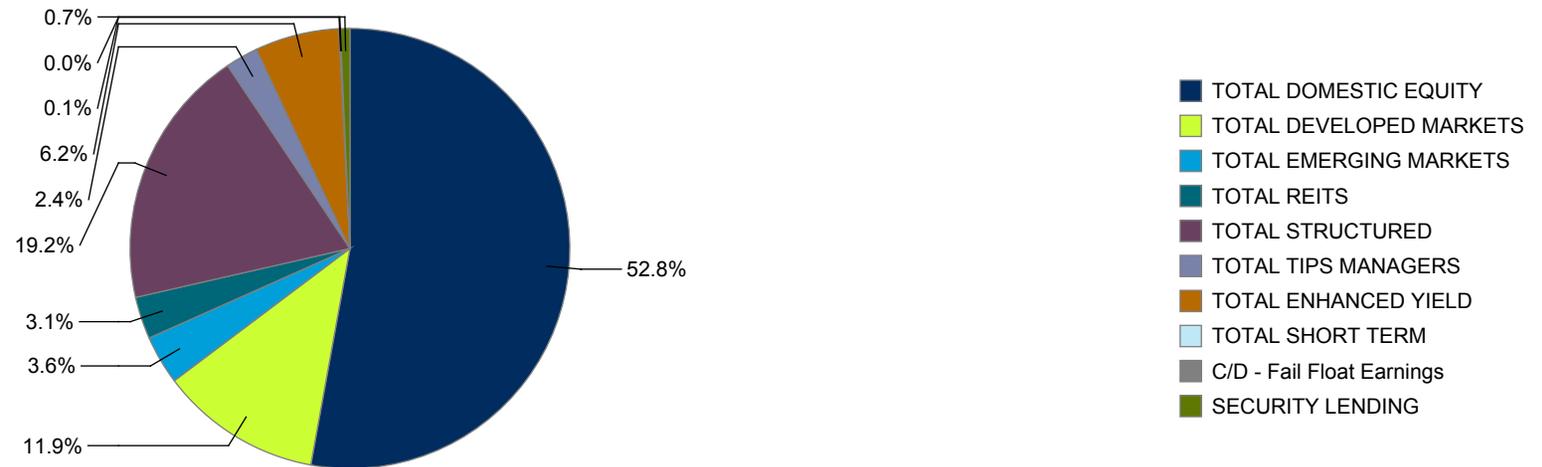


Market Value (Millions)

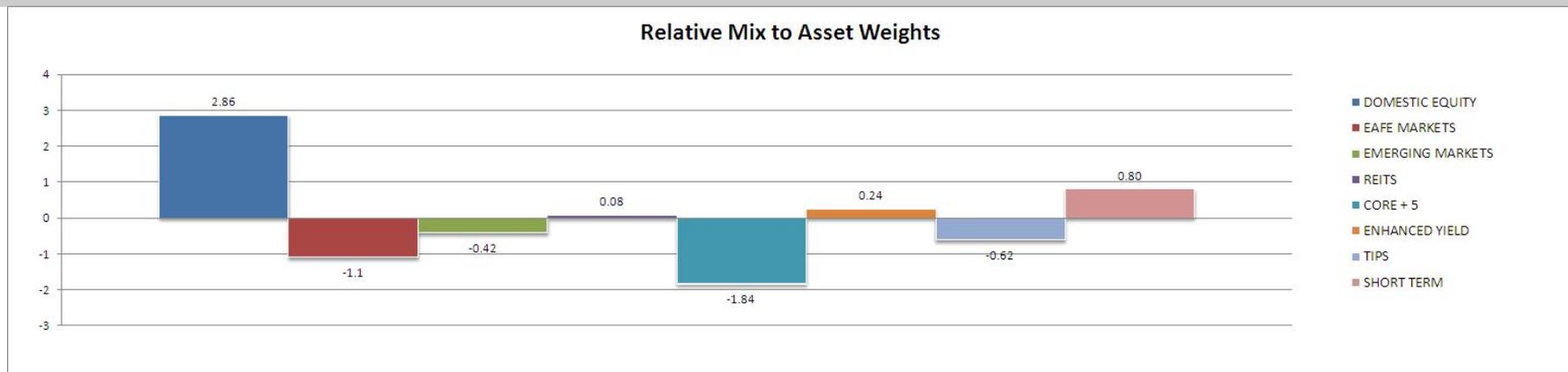
\$407.9

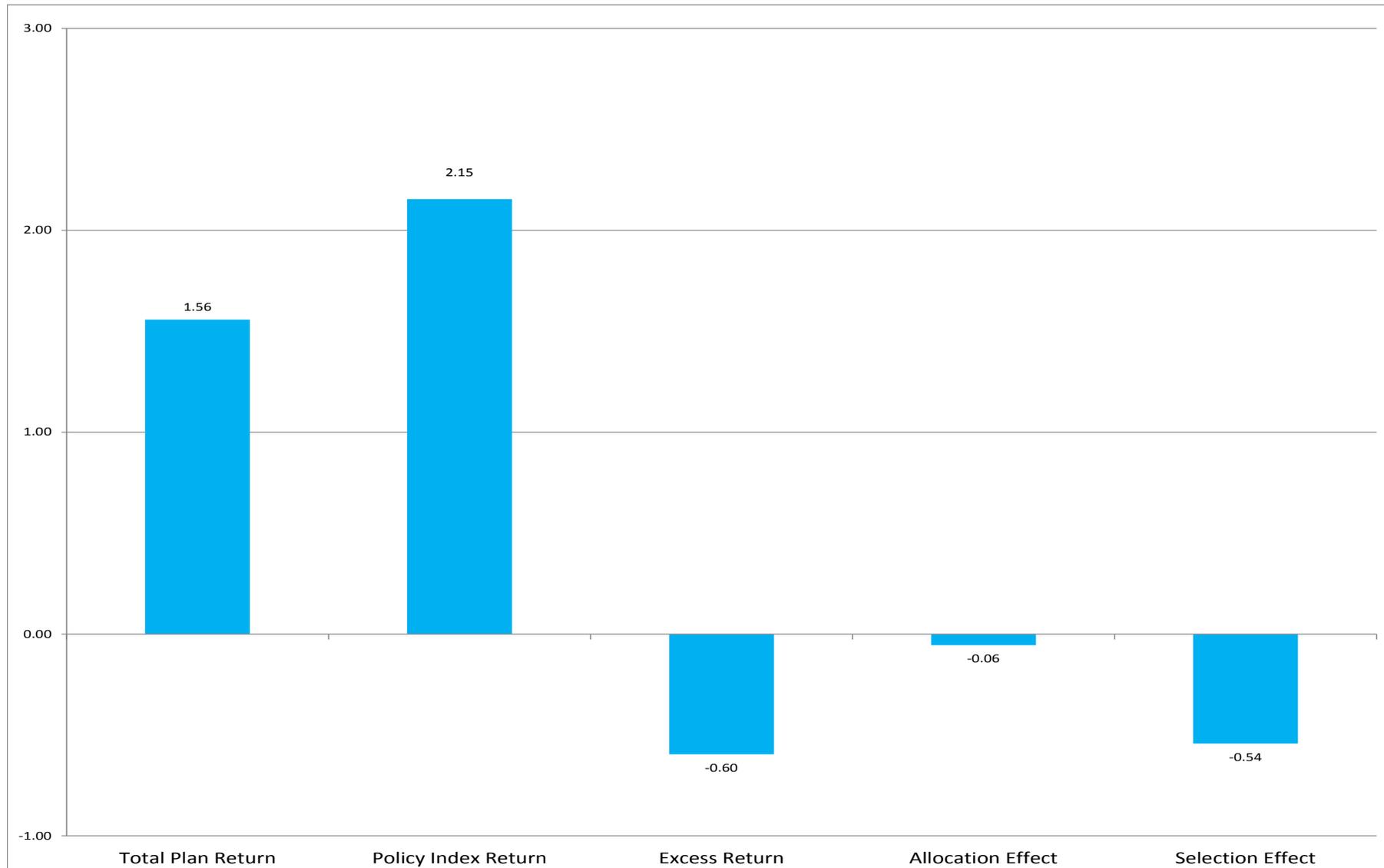
TOTAL FIREFIGHTERS VSF

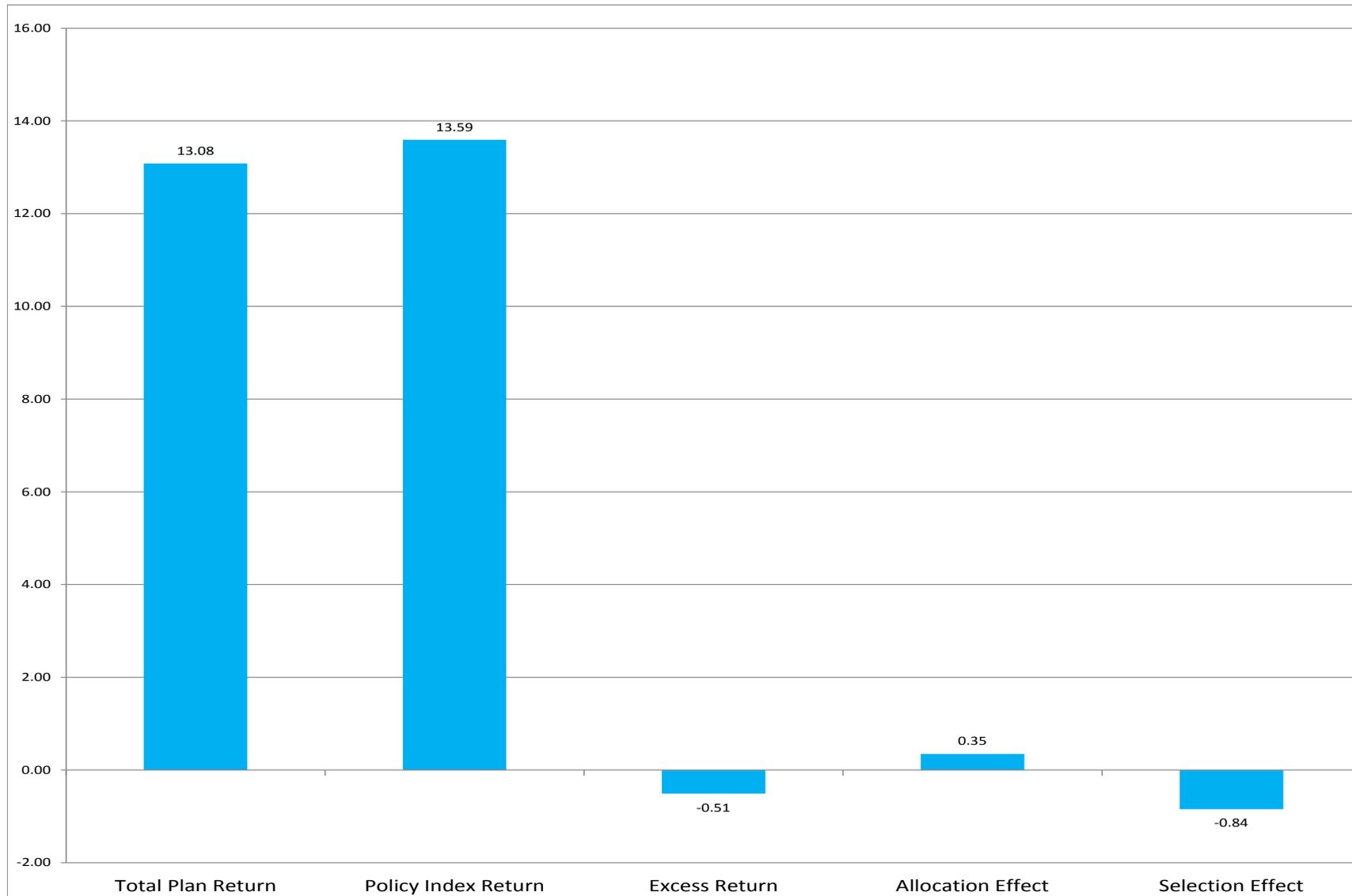
Asset Allocation

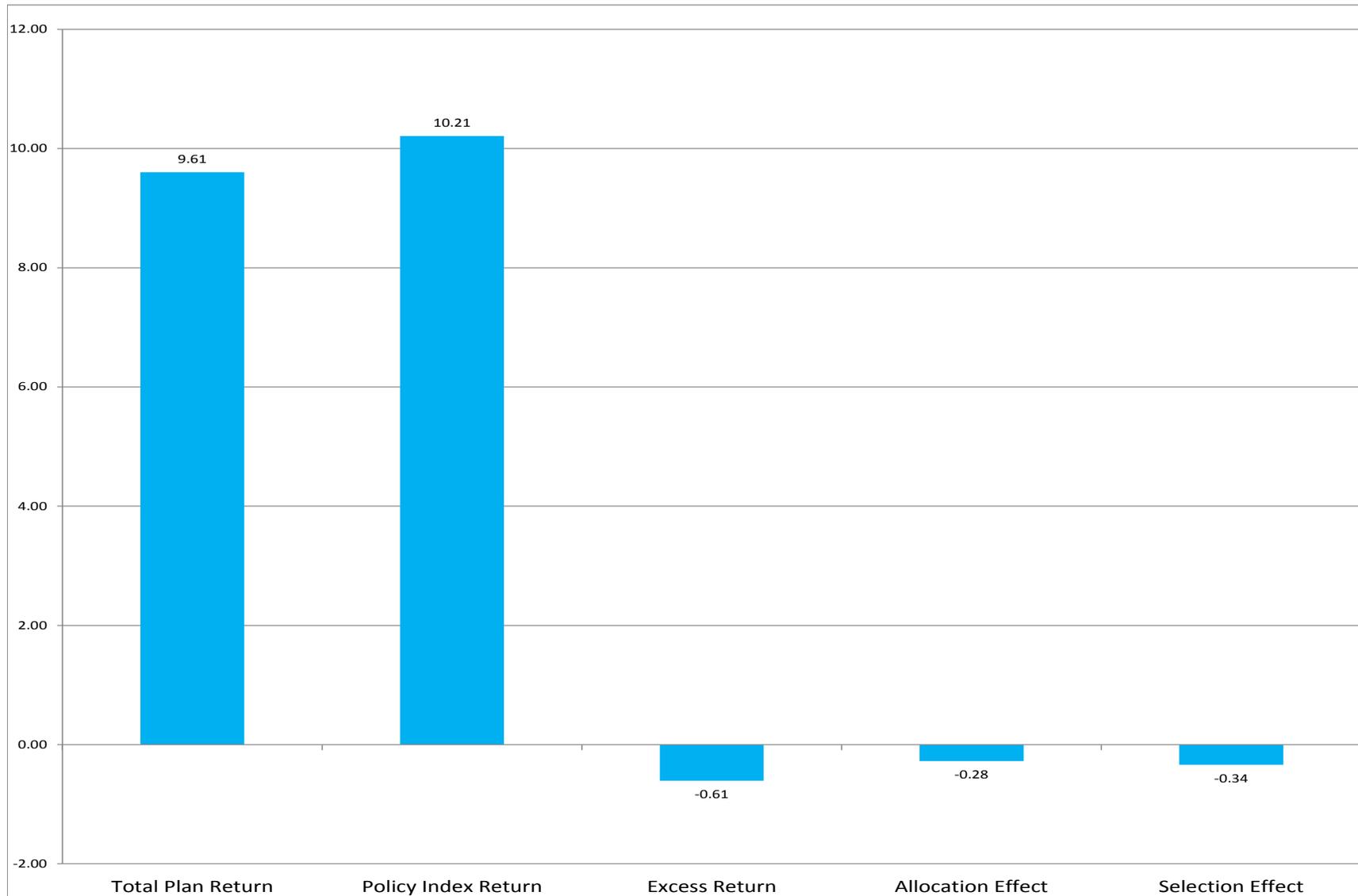


Relative Mix to Asset Weights











Allocation Effect - Asset Class Breakdown				
	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
TOTAL FIREFIGHTERS VSF	-0.06	0.35	-0.28	Firefighters Policy Benchmark
TOTAL US EQUITY	-0.01	0.12	-0.04	RUSSELL 3000
TOTAL DEVELOPED MARKETS	0.00	-0.09	-0.07	MSCI EAFE NET
TOTAL EMERGING MARKETS	0.00	-0.80	-1.46	MSCI EMERGING MARKETS
TOTAL REAL ESTATE SECURITIES	-0.01	0.04	-0.03	DJ U.S. Select REIT
TOTAL STRUCTURED	-0.03	1.00	0.91	NYC - Core Plus Five
TOTAL ACTIVE TIPS MANAGERS	0.00	-0.05	0.15	Barclays U.S. TIPS Index
TOTAL ENHANCED YIELD	0.00	0.13	0.11	CITIGROUP BB & B

Selection Effect - Asset Class Breakdown				
	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
TOTAL FIREFIGHTERS VSF	-0.54	-0.84	-0.34	Firefighters Policy Benchmark
TOTAL US EQUITY	-0.02	-0.07	-0.05	RUSSELL 3000
TOTAL DEVELOPED MARKETS	-0.58	-0.80	-0.54	MSCI EAFE NET
TOTAL EMERGING MARKETS	-0.03	-0.13	0.17	MSCI EMERGING MARKETS
TOTAL REAL ESTATE SECURITIES	-0.02	0.04	-0.01	DJ U.S. Select REIT
TOTAL STRUCTURED	0.10	0.09	0.04	NYC - Core Plus Five
TOTAL ACTIVE TIPS MANAGERS	0.00	0.01	0.05	Barclays U.S. TIPS Index
TOTAL ENHANCED YIELD	0.00	0.02	0.00	CITIGROUP BB & B



**New York City
Firefighters' Variable Supplements Fund**

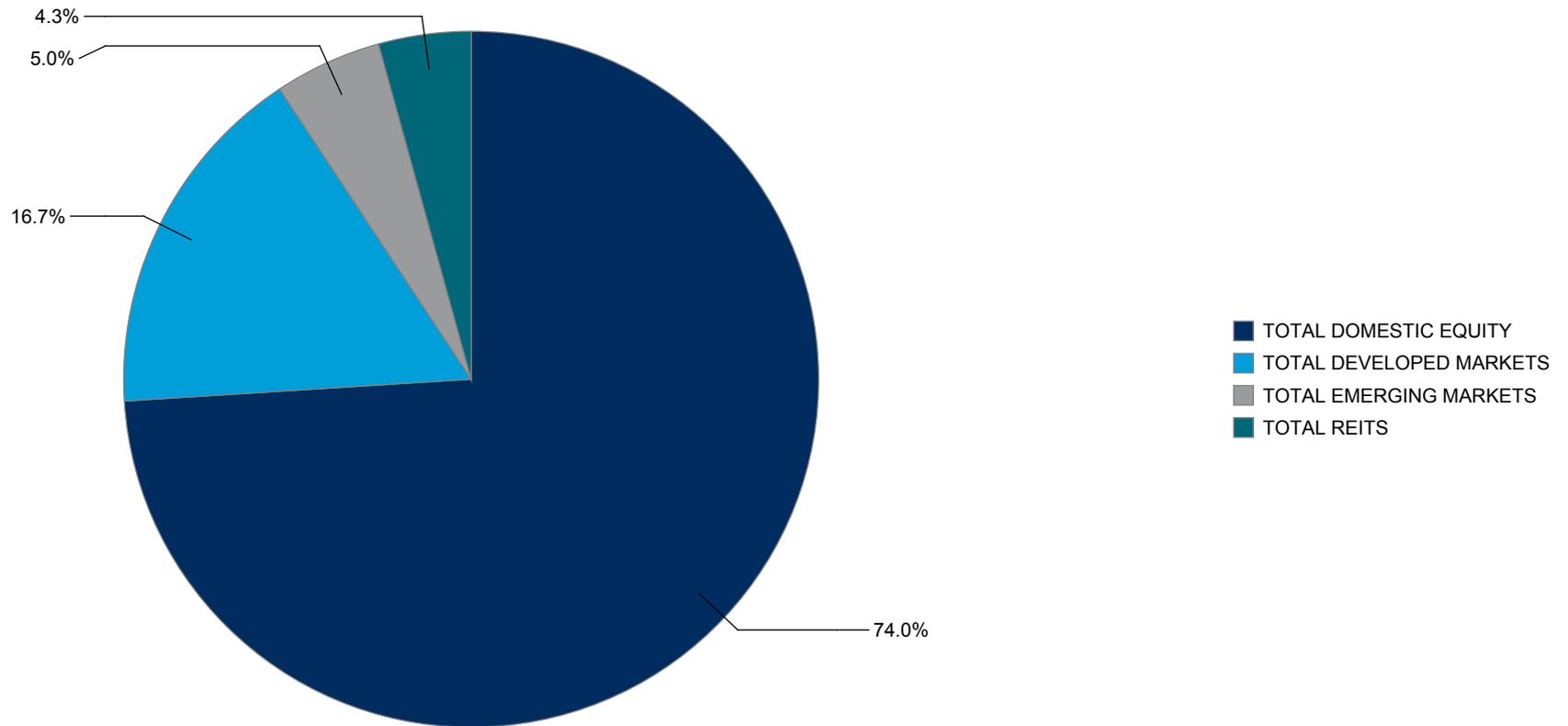
Equity Analysis

Total Equity Asset Allocation: March 31, 2014



STATE STREET.

	<u>Market Value (Millions)</u>	<u>% of plan</u>
TOTAL EQUITY	\$291.3	71.4

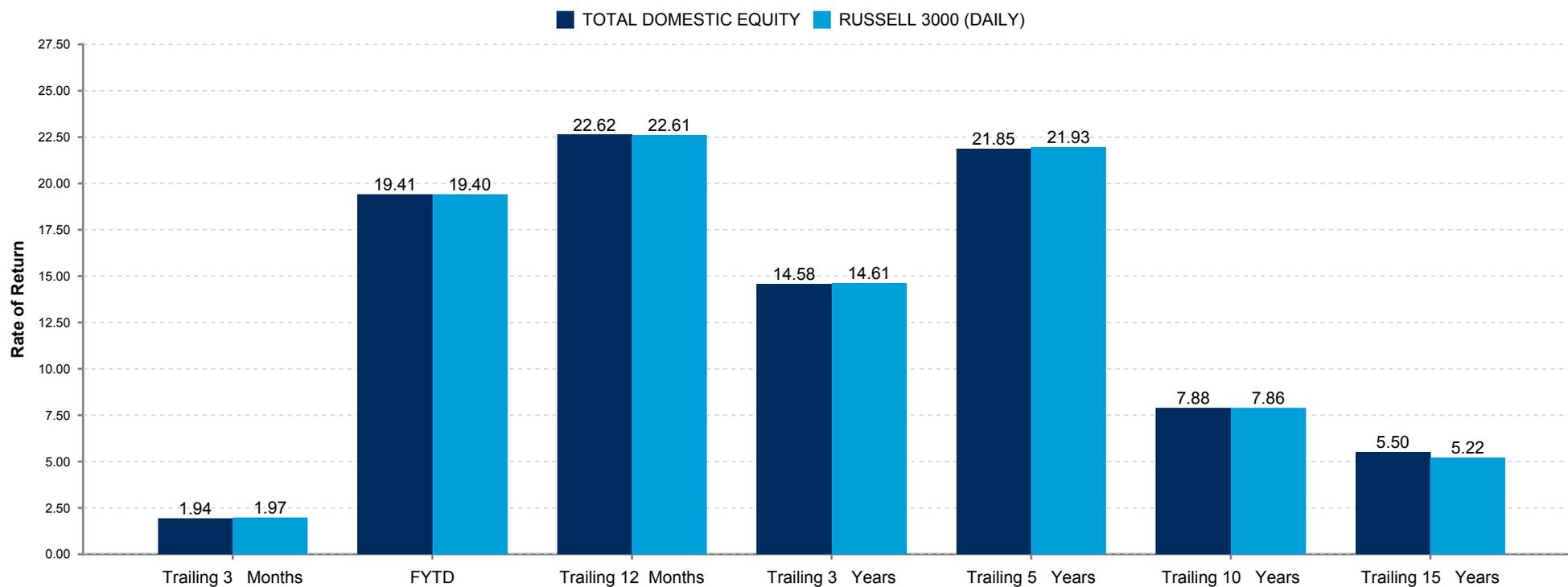


Total Domestic Equity Returns vs Russell 3000 Index: March 31, 2014



STATE STREET

	Market Value (Millions)	% of plan
TOTAL DOMESTIC EQUITY	\$215.6	52.9



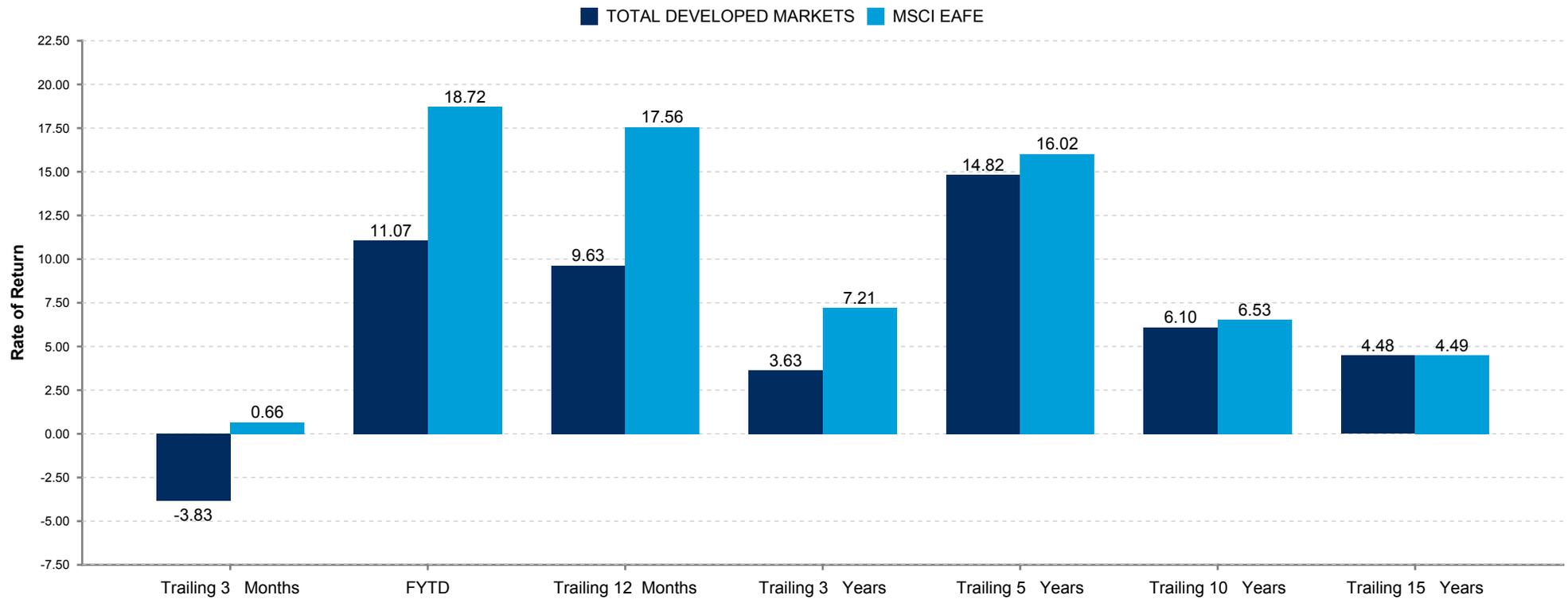
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL DOMESTIC EQUITY	13.0	13.0	14.5	14.6	15.2	15.3

Developed Markets Returns vs MSCI EAFE Net Index: March 31, 2014



STATE STREET

	<u>Market Value (Millions)</u>	<u>% of plan</u>
TOTAL DEVELOPED MARKETS	\$48.5	11.9



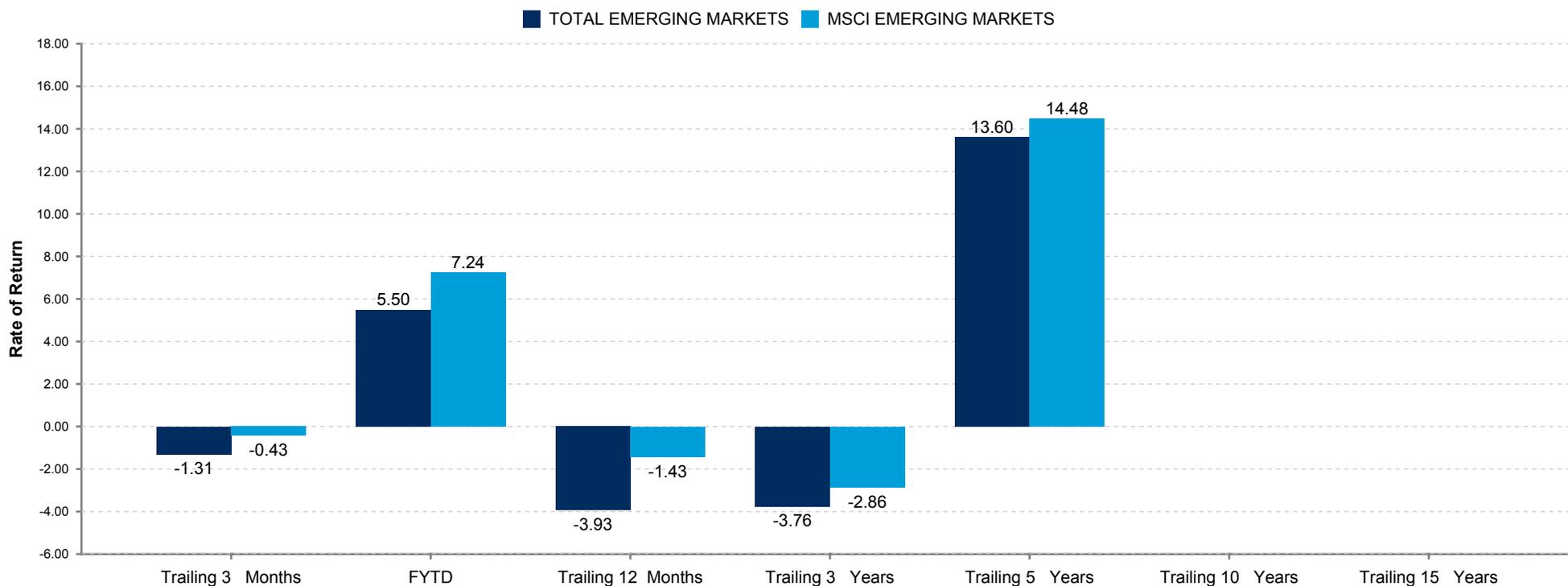
	<u>Plan 3 Years</u>	<u>Benchmark 3 Years</u>	<u>Plan 5 Years</u>	<u>Benchmark 5 Years</u>	<u>Plan 10 Years</u>	<u>Benchmark 10 Years</u>
Standard Deviation						
TOTAL DEVELOPED MARKETS	16.8	16.8	17.7	18.5	17.4	18.3

Emerging Markets Returns vs MSCI Emerging Markets Index: March 31, 2014



STATE STREET

	<u>Market Value (Millions)</u>	<u>% of plan</u>
TOTAL EMERGING MARKETS	\$14.6	3.6



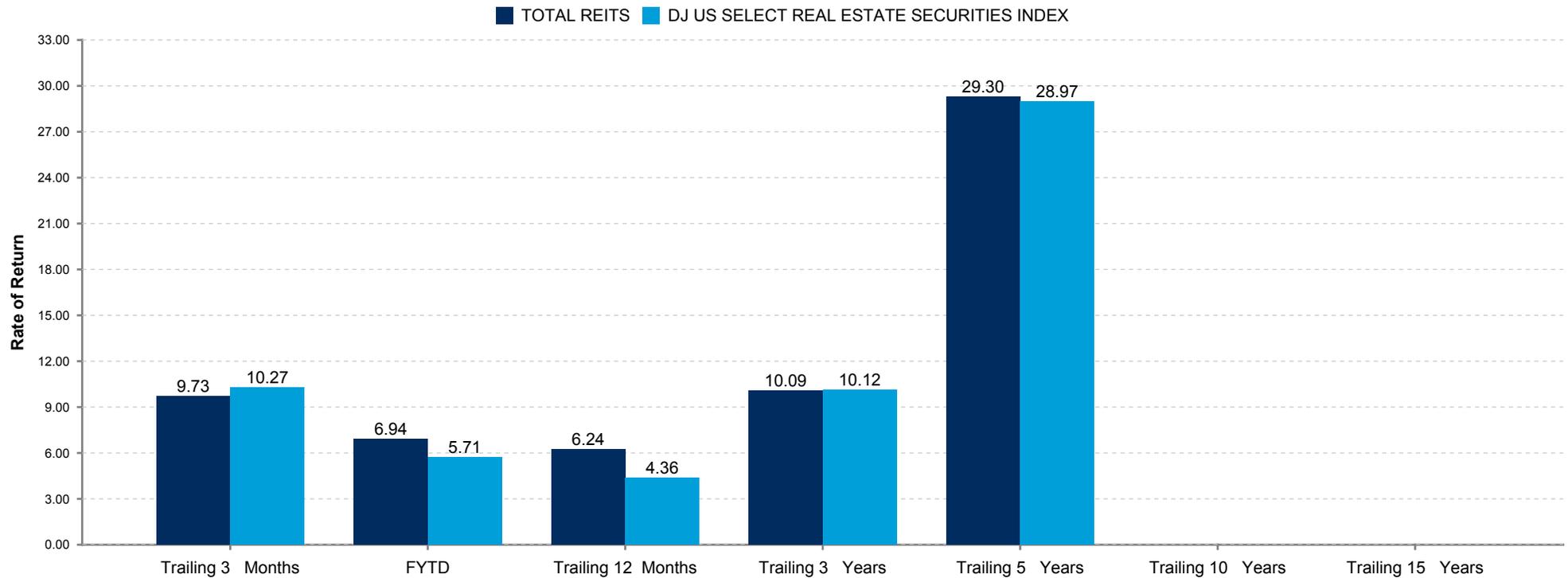
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL EMERGING MARKETS	20.1	19.5	21.9	21.6		

REITS Returns vs DJ US Select Real Estate Securities Index: March 31, 2014



STATE STREET.

	<u>Market Value (Millions)</u>	<u>% of plan</u>
TOTAL REITS	\$12.6	3.1



	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL REITS	17.0	17.0	22.9	23.2		



**New York City
Firefighters' Variable Supplements Fund**

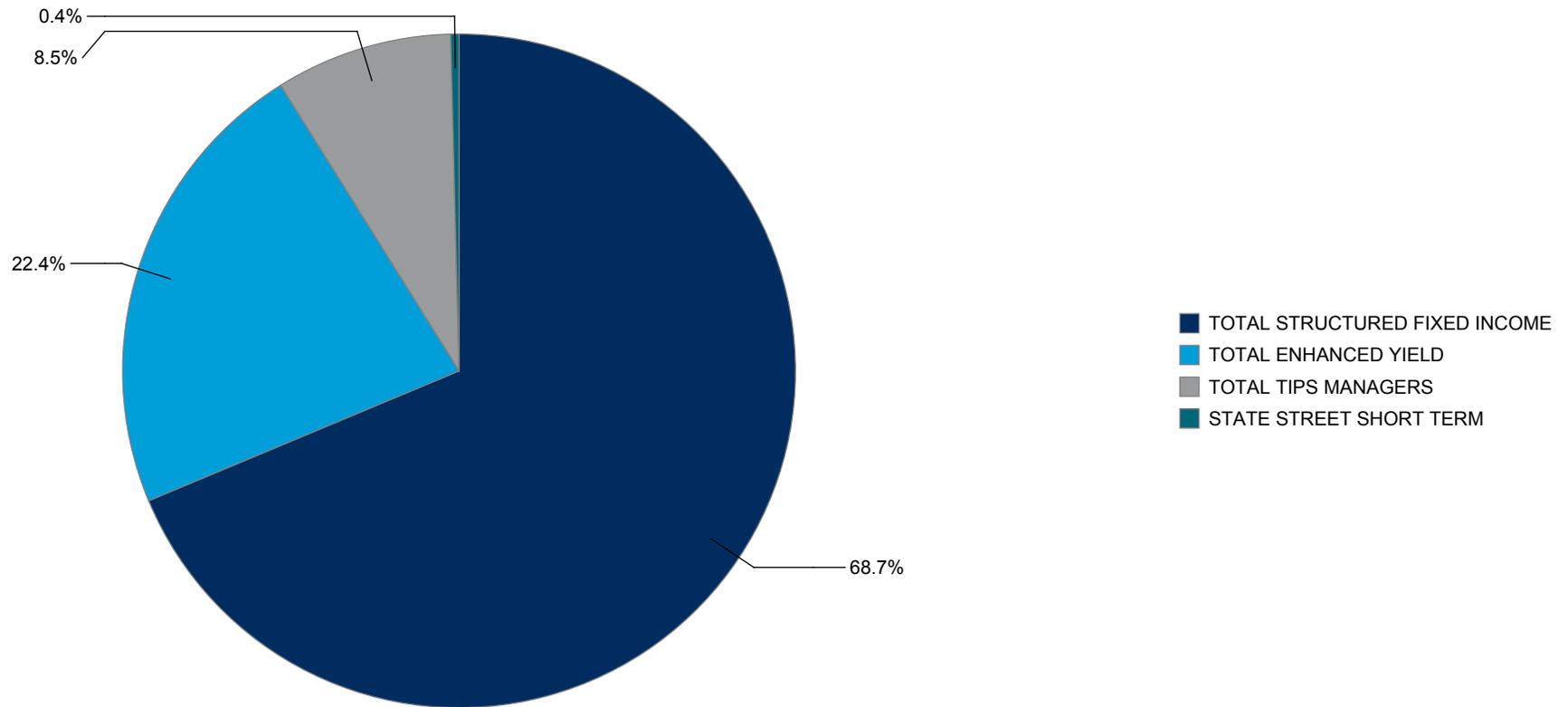
Fixed Income Analysis

Total Fixed Income Asset Allocation: March 31, 2014



STATE STREET.

	<u>Market Value (Millions)</u>	<u>% of plan</u>
TOTAL FIXED INCOME	\$113.8	27.9

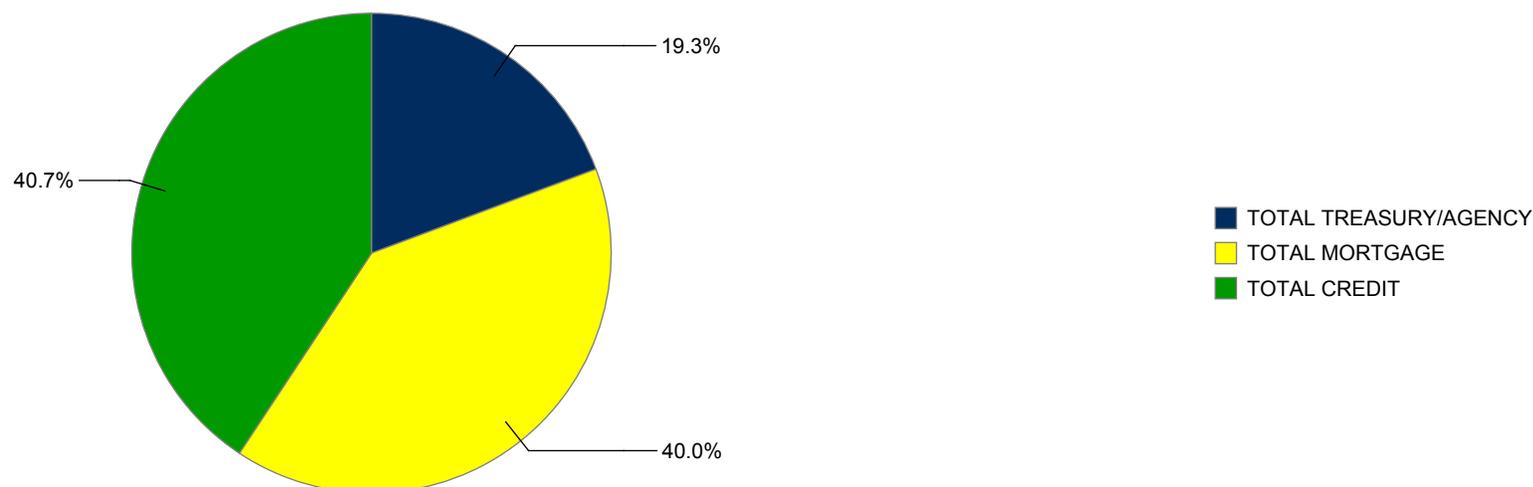


Structured Fixed Income Asset Allocation: Quarter Ending March 31, 2014



STATE STREET

	<u>Market Value (Millions)</u>	<u>% of plan</u>
TOTAL STRUCTURED	\$78.1	19.2



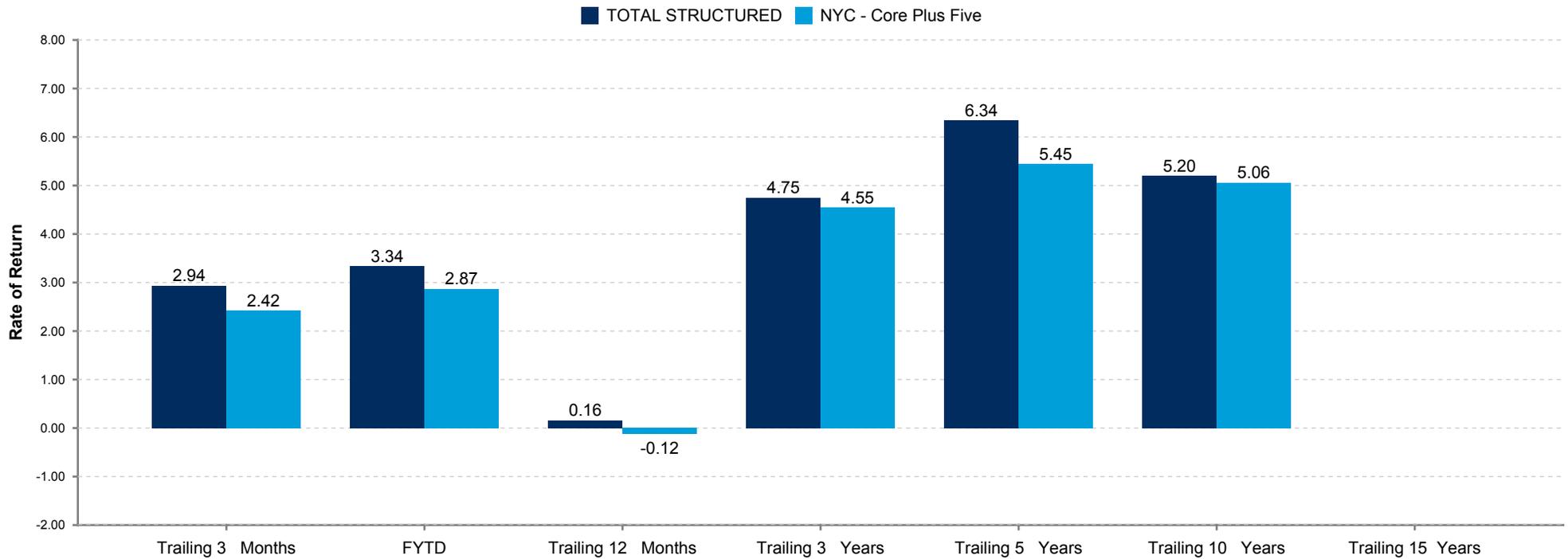
Sub Sector	Policy	Actual	Under/Over	Index	Actual	Difference
	Weight	Weight	Weight	Return	Return	
Total Treasury/Agency	17.88	19.33	1.45	3.47	3.67	0.20
Total Mortgage	38.65	39.95	1.30	1.61	1.86	0.25
Total Inv Grade Credit	43.47	40.72	-2.75	2.70	3.66	0.96

Structured Returns vs NYC Core + 5 Index: March 31, 2014



STATE STREET

TOTAL STRUCTURED	<u>Market Value (Millions)</u> \$78.1	<u>% of plan</u> 19.2
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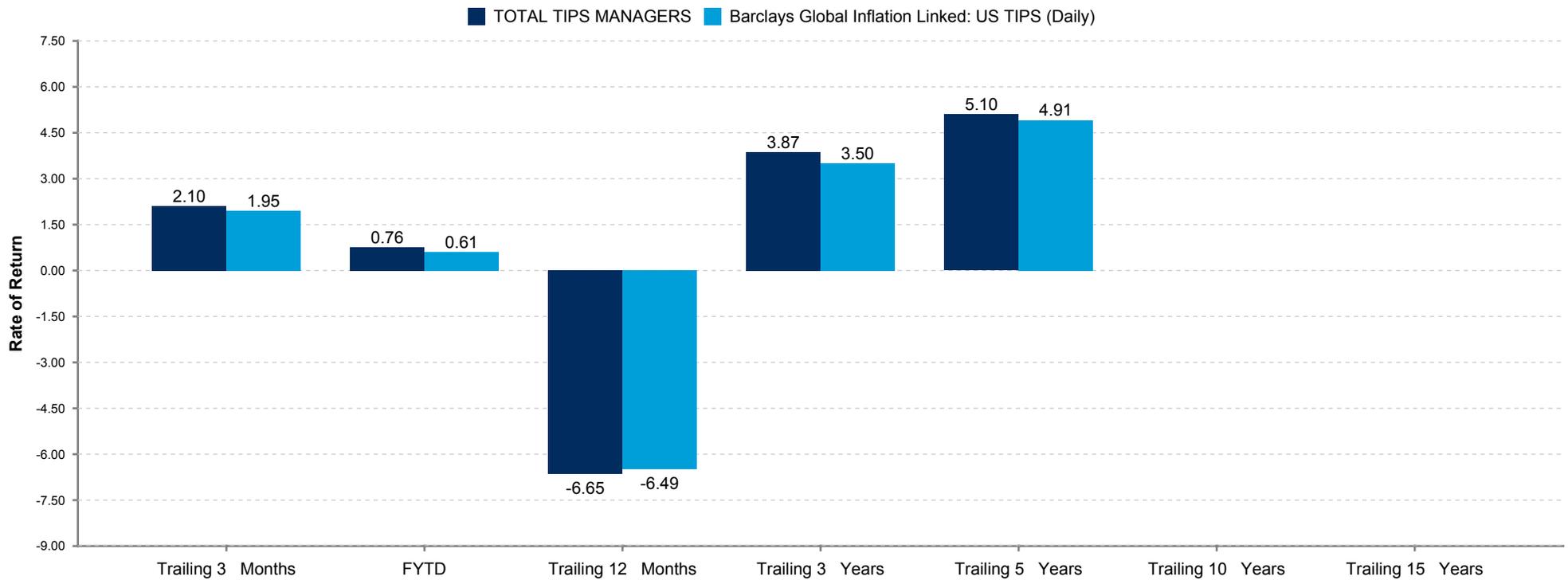
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL STRUCTURED	3.5	3.5	3.3	3.4	4.0	4.1

TIPS Returns vs Barclays Capital US TIPS Index: March 31, 2014



STATE STREET

TOTAL TIPS MANAGERS	<u>Market Value (Millions)</u> \$9.7	<u>% of plan</u> 2.4
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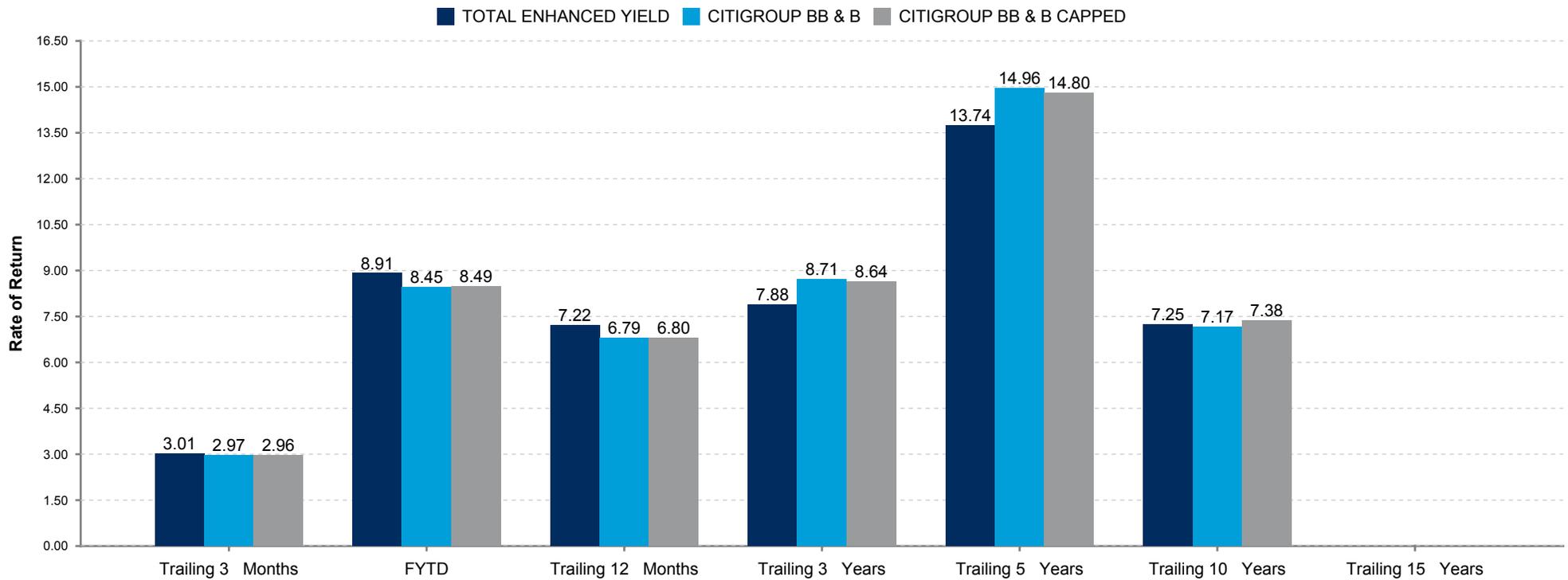
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL TIPS MANAGERS	5.5	5.5	5.3	5.3		

Enhanced Yield Returns vs Citigroup BB & B Index and Citigroup BB & B Capped Index: March 31, 2014



STATE STREET

TOTAL ENHANCED YIELD	Market Value (Millions) \$25.4	% of plan 6.2
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	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL ENHANCED YIELD	6.1	5.7	6.7	6.9	8.2	8.9



**New York City
Firefighters' Variable Supplements Fund**

Appendix

Consolidated Performance Report



STATE STREET

Through March 31, 2014

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
EQUITY MANAGEMENT									
BLACKROCK R2000 GROWTH	9.4	2.30	0.49	0.49					
RUSSELL 2000 GROWTH			0.48	0.48	27.19	13.61	25.24	8.87	6.63
BLACKROCK R2000 VALUE	9.0	2.21	1.79	1.79					
RUSSELL 2000 VALUE			1.78	1.78	22.65	12.74	23.33	8.07	10.70
BLACKROCK R1000 GROWTH	99.9	24.48	1.09	1.09					
RUSSELL 1000 GROWTH			1.12	1.12	23.22	14.62	21.68	7.86	2.98
BLACKROCK R1000 VALUE	97.3	23.87	3.01	3.01					
RUSSELL 1000 VALUE			3.02	3.02	21.57	14.80	21.75	7.58	6.34
TOTAL DOMESTIC EQUITY	215.6	52.86	1.94	1.94	22.62	14.58	21.85	7.88	5.50
RUSSELL 3000			1.97	1.97	22.61	14.61	21.93	7.86	5.22
INTERNATIONAL EQUITY									
DEVELOPED MARKETS									
THORNBURG MTA	48.5	11.90	(3.83)	(3.83)	9.67	3.65	14.83		
TOTAL DEVELOPED MARKETS	48.5	11.90	(3.83)	(3.83)	9.63	3.63	14.82	6.10	4.48
MSCI EAFE (NET)			0.66	0.66	17.56	7.21	16.02	6.53	4.49
EMERGING MARKETS									
STATE STREET	14.6	3.58	(1.31)	(1.31)	(3.93)	(3.76)	13.60		
TOTAL EMERGING MARKETS	14.6	3.58	(1.31)	(1.31)	(3.93)	(3.76)	13.60		
MSCI EMERGING MARKETS			(0.43)	(0.43)	(1.43)	(2.86)	14.48	10.11	
TOTAL INTERNATIONAL	63.1	15.48	(3.26)	(3.26)	6.16	1.74	14.40	6.81	

Consolidated Performance Report

Through March 31, 2014



STATE STREET

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
REAL ESTATE EQUITY SECURITIES									
MORGAN STANLEY	12.6	3.08	9.73	9.73	6.24	10.09	29.30		
TOTAL REAL ESTATE EQUITY SECURITIES	12.6	3.08	9.73	9.73	6.24	10.09	29.30		
DJ US SELECT REAL ESTATE SECURITIES			10.27	10.27	4.36	10.12	28.97	8.06	11.27
TOTAL EQUITY-PUBLIC & PRIVATE	291.3	71.42	1.07	1.07	17.86	11.44	20.51	7.83	
FIXED INCOME MANAGEMENT									
GOVERNMENT									
PIMCO -GOVT	15.1	3.70	3.67	3.67	(3.56)	5.81			
TOTAL GOVERNMENT	15.1	3.70	3.67	3.67	(3.56)	5.81	4.39	5.53	
NYC - Treasury Agency Plus Five			3.47	3.47	(3.54)	5.72	4.15	5.40	6.38
MORTGAGE									
PIMCO - MORTGAGE	31.2	7.66	1.86	1.86	(0.37)	2.74			
TOTAL MORTGAGE	31.2	7.66	1.86	1.86	(0.37)	2.57	3.98	4.34	
CITIGROUP MORTGAGE INDEX			1.61	1.61	0.11	2.77	3.57	4.62	5.34
CREDIT									
TAPLIN CANIDA HABACHT CREDIT	31.8	7.80	3.66	3.66	2.57	6.87	11.22	5.56	
TOTAL INVESTMENT GRADE CREDIT	31.8	7.80	3.66	3.66	2.57	6.87	10.13	5.64	
NYC - INVESTMENT GRADE CREDIT			2.70	2.70	1.17	5.69	8.72	5.06	5.98
TOTAL STRUCTURED	78.1	19.16	2.94	2.94	0.16	4.75	6.34	5.20	
NYC - Core Plus Five			2.42	2.42	(0.12)	4.55	5.45	5.06	5.89

Consolidated Performance Report

Through March 31, 2014



STATE STREET

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
ACTIVE TIPS MANAGERS									
PIMCO-TIPS-MTA	9.7	2.38	2.10	2.10	(6.65)	3.87	5.10		
TOTAL ACTIVE TIPS MANAGERS	9.7	2.38	2.10	2.10	(6.65)	3.87	5.10		
BARCLAYS US TIPS INDEX			1.95	1.95	(6.49)	3.50	4.91	4.53	6.51
ENHANCED YIELD									
T ROWE PRICE	25.4	6.24	3.01	3.01	7.22				
TOTAL ENHANCED YIELD	25.4	6.24	3.01	3.01	7.22	7.88	13.74	7.25	
CITIGROUP BB & B			2.97	2.97	6.79	8.71	14.96	7.17	6.48
CITIGROUP BB & B CAPPED			2.96	2.96	6.80	8.64	14.80	7.38	
STATE STREET SHORT TERM	0.5	0.12	0.04	0.04					
TOTAL FIXED INCOME	113.8	27.90	2.84	2.84	1.00	5.13	7.61	5.56	6.07
SECURITY LENDING	2.7	0.67							
TOTAL FIREFIGHTERS	407.9	100.00	1.56	1.56	13.08	9.61	16.22	7.43	6.00
FIREFIGHTERS POLICY BENCHMARK			2.15	2.15	13.59	10.21	16.89	7.37	



NYC FIREFIGHTERS' VARIABLE SUPPLEMENTS FUND

SECURITIES LENDING INCOME

March 31, 2014

	<u>U.S. FIXED INCOME</u>	<u>U.S. EQUITY</u>	<u>INTERNATIONAL EQUITY</u>
2001	73,000	57,000	- 0 -
2002	34,000	36,000	- 0 -
2003	22,000	48,000	59,000
2004	45,000	93,000	45,000
2005	76,000	147,000	61,000
2006	79,000	192,000	63,000
2007	164,000	293,000	51,000
2008	451,000	492,000	65,000
2009	123,000	231,000	45,000
2010	49,000	204,000	31,000
2011	62,000	211,000	51,000
2012	60,000	201,000	36,000
2013	25,000	174,000	37,000
2014 (3 Months)	2,000	4,000	19,000

Through March 31, 2014



- Effective 4/1/03 the name of the Core +5 benchmark index provider was changed from Salomon to Citigroup.

- Effective 7/1/09, the Core+5 program was restructured.
 - The U.S. Gov't sector benchmark Index was changed from the Citigroup Core+5 Treasury/Gov't Sponsored Index to the Citigroup Core+5 Treasury/Agency Index.

 - The Corporate and Yankee sectors were combined to form the new Investment Grade Credit sector. The benchmark for the new combined sector is the customized Citigroup Credit Index. For historical performance purposes, the old Corporate sector Index is linked to the new Credit sector Index.

 - There were no changes to the Mortgage sector Index.

 - The total Core+5 results and benchmark returns combine the three sectors. Historical total Core+5 returns continue to include the old Corporate and Yankee sector returns.



General Notes

- All Returns are Gross of investment advisory fees unless otherwise indicated.

Page Specific

Page 4 - Portfolio Asset Allocation

- Rebalancing Ranges: the minimum and maximum weights that actual Asset Allocation may reach before rebalancing between Asset Classes is necessary.

Pages 5 - 7 - Performance Attribution: Total Plan

- Plan Return at Policy Weights: the return of the Total Plan assuming actual Asset Class results were maintained at target (Adjusted Policy) weights. *Figure = (Return of Asset Class 1 * Target Weight) plus (Return Of Asset Class 2 * Target Weight) plus (.....)*
- **Allocation Effect** = Total Plan Return minus Plan Return At Adjusted Policy Weights. Allocation is the Contribution to Performance resulting from an overweight or underweight to an asset class. E.g. an underweight to an Asset Class that under-performs results in a positive Allocation Effect and vice versa.
- **Selection Effect** = Equal to the Custom Benchmark (Adjusted Policy Index) Return minus Plan Return at Adjusted Policy Weights. This illustrates how the Managers have added or removed value based on their Security Selection decisions, e.g., *If the manager's Actual Returns are higher than the Implied Return there will be a positive Selection Effect.*

- **Policy Index = Custom Benchmark**

The "policy index" is a custom benchmark representing the weighted average return of the weighted benchmark indexes for each major investment program. Weights may reflect an adjustment of actual policy for outstanding commitments for new or revised programs, such as for private market programs, which are invested gradually, or for any new or updated program requiring the completion of RFPs and contracts. The policy index/custom benchmark is calculated monthly based on adjusted policy weights at the beginning of each month.

The indexes and most recent policy weights are as follows:

*U.S. Equity: Russell 3000 * 50.00%*

*International Developed (EAFE) Markets: MSCI EAFE * 13.00%*



*International Emerging Markets: MSCI Emerging Markets * 4.00%*

*REITs: Dow Jones Select Real Estate Securities * 3.00%*

*Domestic Fixed Income: NYC Core +5 * 21.00%*

*TIPS: Lehman U.S. TIPS * 3.00%*

*Enhanced Yield: Citigroup BB&B * 6.00%*

Page 8 – Allocation and Selection Effects - Asset Class Breakdown

- This chart aims to break down the Allocation and Selection Effects shown on the Performance Attribution pages. The aim of the Page is to show the asset classes where Managers are either out performing or under performing their benchmark and to show the basis point effect that this is having on Plan performance.