

# Florida Municipal Investment Trust

(An External Investment Pool)



# 2013

## Comprehensive Annual Financial Report



For the Year Ended September 30, 2013



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(An External Investment Pool)



# 2013

## Comprehensive Annual Financial Report



For the Year Ended September 30, 2013

**Prepared by the Florida League of Cities, Inc.  
for the Florida Municipal Investment Trust**

301 S. Bronough Street, Suite 300, Tallahassee, Florida 32301  
850-222-9684 • [www.fmivt.com](http://www.fmivt.com)

TALLAHASSEE HEADQUARTERS



## Mission Statement

“Providing innovative and comprehensive financial solutions to Florida local governments.”

ORLANDO HEADQUARTERS





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\*The accompanying notes are an integral part of these financial statements.



# Introductory Section



## Letter of Transmittal for the Florida Municipal Investment Trust

March 15, 2014

### To the Board of Trustees of the Florida Municipal Investment Trust:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Florida Municipal Investment Trust (the “Trust”) for the year ended September 30, 2013.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Florida League of Cities, Inc., as the Administrator for the Trust.

The Administrator is responsible for maintaining adequate internal controls designed to provide reasonable assurance that transactions are executed in accordance with the Trust’s authorization, and are recorded as necessary to maintain accountability for assets and to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America.

Due to the inherent limitations in internal control, no system of controls can provide absolute assurance that misstatements, whether as a result of error or fraud, will not occur or that all control issues and instances of fraud, if any, have been detected. The concept of reasonable assurance recognizes that the cost of the control should not exceed the benefits likely to be derived and that the valuation of costs and benefits

requires estimates and judgments by management. The Administrator believes the internal control structure provides reasonable assurance regarding the safe-keeping of assets and reliability of all financial records.

To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Trust. All disclosures necessary to enable the reader to gain an understanding of the Trust’s financial activities have been included.

The basic financial statements contained in this report have been audited by Shorstein & Shorstein, P.A. Their audit was conducted in accordance with auditing standards generally accepted in the United States of America, and their auditor’s report precedes the basic financial statements. An independent audit provides reasonable assurance that the Trust’s basic financial statements for the year ended September 30, 2013 are free of material misstatement. Independent audit procedures include examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. An audit also includes consideration of

President **P.C. Wu**, Councilmember, Pensacola

First Vice President **Lori C. Moseley**, Mayor, Miramar • Second Vice President **Matthew D. Surrency**, Mayor, Hawthorne

Executive Director **Michael Sittig** • General Counsel **Harry Morrison, Jr.**



internal controls over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal controls over financial reporting. Accordingly, the independent auditor expressed no opinion with respect to internal controls over financial reporting.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the Trust's financial statements for the year ended September 30, 2013, were fairly presented in all material respects, in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the **Financial Section** of the report.

Management provides a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Trust's MD&A can be found after the independent auditors' report.

## PROFILE OF THE TRUST

The Trust is an interlocal governmental entity created pursuant to section 163.01, Florida Statutes. The Trust provides eligible units of local government with an investment vehicle to pool their surplus funds in one or more investment funds or portfolios under the direction and daily supervision of an investment advisor. The Trust was formed by the City of Palatka, Fla., the City of Lauderhill, Fla., and the City of Bradenton, Fla. and operates under the Agreement and Declaration of Trust dated April 28, 1993, as amended.

On September 30, 1993, the Trust's former Interim Term Bond Portfolio began managing investments for the Florida Municipal Insurance Trust and the Florida Municipal Self Insurance Fund. In 1996, the Trust's membership was expanded with the cities of Fort Lauderdale, Fla., and Orlando, Fla., making initial contributions to the Trust's Short-Term Bond Portfolio,

which was renamed the 1-3 Year High Quality Bond Fund. Since that time, the Trust has experienced continuous growth.

As of September 30, 2013, the Trust operates five fixed income bond funds and five equity portfolios, with combined net assets of \$1.676 billion. The Trust has more than 60 local governments participating in the program. Membership is limited to agencies in, or political subdivisions of, the State of Florida which include, but are not limited to the state, its agencies, counties, municipalities, special districts and school districts. Members benefit from the Trust's ability to offer a variety of investment options, coupled with extensive oversight, ease of administration, and an experienced team of professional and support staff.

The Trust is considered an external investment pool under Governmental Accounting Standards Board (GASB) reporting requirements.

## OVERSIGHT

The Trust is governed by a Board of Trustees (the "Board") consisting of the president (or appointee) and second vice president of the Florida League of Cities, Inc., two appointed representatives from the Florida Municipal Insurance Trust and up to three additional appointed members who are elected officials of governmental entities that actively participate in the Trust.

The Trust does not employ personnel, rather the management and administration including investment management services are provided by the Florida League of Cities, Inc., as Administrator. The Florida League of Cities, Inc. is a nonprofit organization established in 1922 to serve the interests of Florida cities and has grown to include nearly all of Florida's 410 municipalities as members.

The Administrator, on behalf of the Trust, has entered into agreements with various investment managers to provide investment management services. The Administrator is also responsible for servicing members' accounts, maintaining accounting records and financial reports, and approving applications for

membership. Further, the Administrator is charged with supervising and coordinating the activities of the investment consultant, custodian, trustee, auditor, attorney, or other service provider rendering services to the Trust.

Consulting services are provided by Asset Consulting Group (ACG), the investment consultant, and involve investment performance measurement and compliance monitoring of all portfolios and funds. Performance and compliance results are reported quarterly to the Board. Wells Fargo Bank provides custodian services, including reporting and participant statements.

An Investment Advisory Committee comprised of finance directors from throughout Florida and past presidents of the Florida Government Finance Officers Association (FGFOA) assists the Administrator with developing and maintaining the investment guidelines and policies of the Trust. The Trust is not subject to SEC or other regulatory oversight.

## INVESTMENT OBJECTIVES, POLICIES AND PRACTICES

The Trust's portfolios are designed to attain a market rate of return throughout financial and economic cycles, taking into account each portfolio's investment objectives, risk constraints and permitted investments as referenced in the informational statements. The portfolios are managed and accounted for independently of one another and are structured to meet a variety of investment horizons.

The investments are diversified relative to a broad market standard and both market and nonmarket risk are monitored and acted upon to minimize potential losses. Short-term holdings are of high quality and ready marketability with maturities diversified appropriately with respect to the current operating expenses and expected cash flow obligations of each portfolio. Contributions and redemptions are permitted either once or twice a month, for which the Administrator must have advance written notification.

The Trust has adopted standards for investment manager performance and retention. Investment manager

performance is monitored on an ongoing basis and evaluated based on absolute return, relative return, volatility profile, and consistency with stated style.

Investment returns were prepared by ACG, using a time-weighted rate of return based on the Modified Dietz Method. Additional information regarding the Trust's investment policy and portfolios can be found in the **Investment Section** of the CAFR.

## FISCAL YEAR 2013

The Trust's financial results are directly impacted by the economic conditions across the state, as well as the U.S. and abroad. For fiscal year 2013, the Trust's net investment income was \$71.3 million compared to \$101.1 million for 2012. Cost of shares redeemed exceeded proceeds from sale of shares (contributions) by \$34.5 million. Total additions were \$36.8 million compared to \$155.9 million in the prior year and total deductions were \$2.3 compared to \$2.2 million for 2012. At the close of fiscal year 2013, the Trust's net position restricted for participants was \$1.676 billion, an increase of \$34.5 million or 2.10% over the prior year. The supplementary combining financial statements are contained in the Financial Section of this report.

For fiscal year 2013, the net-of-fee returns of the various portfolios ranged as high as 30.24% for the Diversified Small to Mid Cap Equity Portfolio and as low as (1.76%) for the Broad Market High Quality Bond Fund. Additional information on the Trust's investment performance is included in the Investment Section of this report.

## AWARDS AND ACKNOWLEDGEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Trust for its CAFR for the year ended September 30, 2012. This was the 4th consecutive year that the Trust has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the Trust must publish an easily readable and efficiently organized comprehensive annual financial report. The

report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe this current report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report was made possible by the dedicated staff of the financial services and publication departments of the Florida League Cities, Inc., as well as all additional individuals who assisted with this effort including the staff of Asset Consulting Group and Shorstein and Shorstein, P.A. Appreciation is also expressed to the Board of Trustees and the Investment Advisory Committee members for their leadership and service in matters pertaining to the Trust's operations.

## REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Trust's activities during fiscal year 2013. Questions concerning any of the information provided in this report or requests for additional financial information, including a complete list of the Trust's current holdings, should be addressed to the Administrator for the Florida Municipal Investment Trust, 301 South Bronough Street, Suite 300, Tallahassee, FL 32301. Copies of the comprehensive annual financial report will also be available at [www.fmivt.com](http://www.fmivt.com).

Respectfully submitted,



Michael Sittig  
Executive Director

Florida League of Cities, Inc., Administrator





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

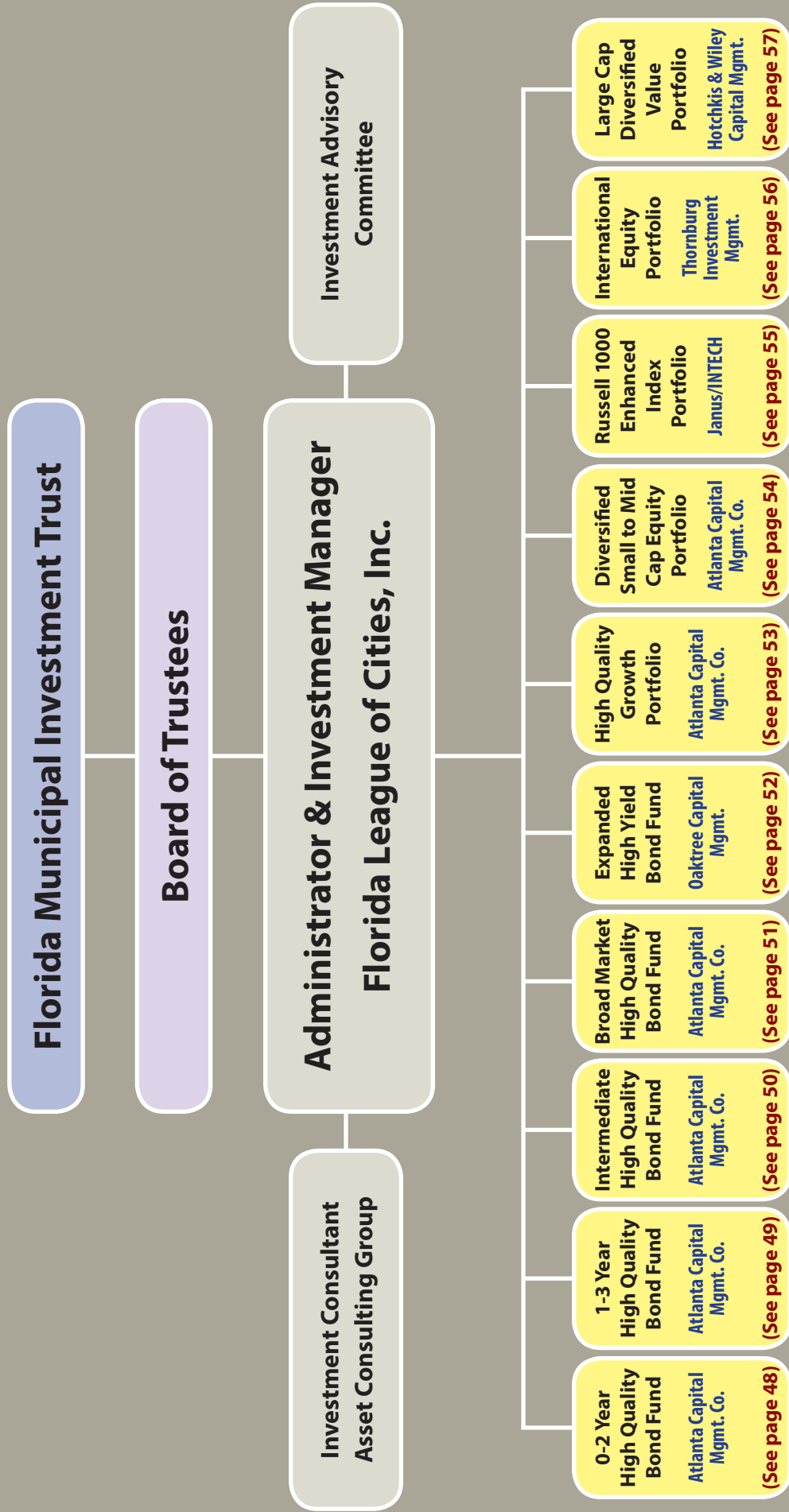
**Florida Municipal  
Investment Trust**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2012**

Executive Director/CEO

# Florida Municipal Investment Trust Organizational Chart





Florida Municipal Investment Trust  
**Board of Trustees** As of September 30, 2013

**P.C. Wu**

President, Florida League of Cities  
Councilmember, City of Pensacola

**Matthew Surrency**

2nd Vice President, Florida League of Cities  
Mayor, City of Hawthorne

**Jack Nazario**

Florida Municipal Insurance Trust Representative  
Commissioner, Belleair Bluffs

**Kevin Ruane**

Florida Municipal Insurance Trust Representative  
Mayor, City of Sanibel

**Bill Arrowsmith, Chair**

Vice Mayor, City of Apopka

**Susan Starkey, Vice Chair**

Councilmember, Town of Davie

**John P. "Jack" Seiler**

Mayor, City of Fort Lauderdale

Florida League of Cities, Inc.  
(Administrator)

**Executive and Financial  
Management Team** As of September 30, 2013

**Michael Sittig**

Executive Director  
Service since July 12, 1971

**Jeannie Garner**

Director of Insurance and Financial Services  
Service since June 1, 1994

**Teresa Colvin, CPA**

Associate Director, Financial Services  
Service since July 6, 1993

**Jeff Blomeley**

Investment and Retirement Services Manager,  
Financial Services  
Service since September 4, 2012

**Kathleen Sexton**

Senior Investment Analyst, Financial Services  
Service since May 8, 1995

Florida League of Cities, Inc.  
**Investment Advisory Committee**

**Robert B. Inzer, Chairman**

Clerk of Circuit Court  
Leon County

**Steven G. Chapman**

Director of Finance  
City of North Lauderdale

**Linda Davidson**

Financial Services Director  
City of Boca Raton

**Joseph Lo Bello**

Town Manager  
Town of Juno Beach

**Christopher McCullion**

City Treasurer  
City of Orlando

**Francine Ramaglia**

**Jane Struder**

Finance Director  
Town of Palm Beach

**Darrel Thomas**

Assistant City Manager/COO  
City of Weston

**William F. Underwood, II**

Director of Financial Services  
City of Oakland Park

**Bonnie Wise**

Chief Financial Administrator  
Hillsborough County BOCC

# Financial Section



FLORIDA MUNICIPAL INVESTMENT TRUST  
FINANCIAL STATEMENTS  
SEPTEMBER 30, 2013

**SHORSTEIN & SHORSTEIN, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS  
8265 BAYBERRY ROAD  
JACKSONVILLE, FLORIDA 32256

JACK F. SHORSTEIN, C.P.A., J.D.  
SAMUEL R. SHORSTEIN, C.P.A.  
MARK J. SHORSTEIN, C.P.A.  
MICHAEL K. PARRISH, C.P.A.  
BARBARA J. HOUSTON, C.P.A.  
O.J. YOUNG  
MARGARET R. CONOVER, C.P.A.  
JOAN B. MOELL, C.P.A.  
WALTER L. HUNTER, C.P.A.  
H. DAN HOOPER

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(904)739-2069  
WEBSITE  
[WWW.SHORSTEINCPA.COM](http://WWW.SHORSTEINCPA.COM)

January 30, 2014

Independent Auditor's Report

To the Board of Trustees of the  
Florida Municipal Investment Trust:

We have audited the accompanying financial statements of the Florida Municipal Investment Trust, which comprise the combined statement of fiduciary net position as of September 30, 2013, and the related combined statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

We also have audited the financial statements of each of the ten individual portfolios which comprise the Trust presented as supplementary information in the accompanying combining financial statements as of and for the year ended September 30, 2013, as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Opinions

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Florida Municipal Investment Trust, as of September 30, 2013, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the combining financial statements referred to previously present fairly, in all material respects, the respective financial position of each of the ten individual portfolios which comprise the Trust as of September 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the Florida Municipal Investment Trust's basic financial statements, as well as an opinion on the supplementary information comprising the combining financial statements. The introductory section, investment section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory, investment and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Shorstein + Shorstein, P.A.*



Florida Municipal Investment Trust  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2013

The following Management Discussion and Analysis (the "MD&A") presents an overview of the Florida Municipal Investment Trust's financial activities for the fiscal year ended September 30, 2013. This is to be read in conjunction with the Trust's financial statements following the MD&A.

### Financial Highlights

- The Trust implemented GASB Statement 63 for fiscal year 2013. GASB 63 provides standards for reporting deferred outflows of resources, deferred inflows of resources, and net position. Additionally, the Trust's basic financial statements will be reported in the aggregate. The net position and activity for each individual bond fund or equity portfolio can be found in the combining statements following the notes to the financial statements.
- The Trust's net position at the close of fiscal year 2013 was \$1.676 billion, compared to \$1.642 billion in 2012, an increase of \$34 million or 2.1%.
- The components of additions represent investment income, investment expenses and beneficial share transactions. Total additions for fiscal year 2013 were \$36.8 million, compared to \$155.9 million in 2012. This is a decrease of \$119.1 million or 76.4%.
- Total investment income for fiscal year 2013 was \$74.7 million compared to \$103.6 million for 2012, a decrease of \$28.9 million or 27.9%. Net investment income was \$71.3 million for fiscal year 2013, compared to \$101.1 million in 2012, a decrease of \$29.8 million or 29.5%.
- Net share transactions were \$(34.5) million for fiscal year 2013 compared to \$54.8 million for 2012. The Intermediate High Quality Bond Fund had the highest net decrease in share transactions of \$76.9 million.
- Total deductions were \$2.3 million for fiscal year 2013, compared to \$2.2 million for 2012. The increase in deductions of \$139,962 or 6.43% over the previous year was due to an increase in assets under management as well as a general increase in certain other Trust expenses. Rating agency fees, however, decreased in fiscal year 2013 as a result of the board of directors' decision to discontinue the S&P rating on the 0-2 Year High Quality Bond Fund. The fund maintains a rating by Fitch.
- For fiscal year 2013, the net-of-fee returns of the various portfolios ranged from as low as (1.76%) for the Broad Market High Quality Bond Fund to as high as 30.24% for the Diversified Small to Mid Cap Equity Portfolio.

### Overview of the Basic Financial Statements

This overview is intended to serve as an introduction to the Trust's basic financial statements. The Trust's financial statements comprise: 1) entity-wide or combined financial statements; 2) notes to the financial statements; and 3) supplementary combining financial statements. The Trust operates five fixed-income portfolios and five equity portfolios, for a total of ten investment funds or portfolios.

Florida Municipal Investment Trust  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2013

## **Overview of the Basic Financial Statements (Continued)**

### Combined Financial Statements

The Trust operates as a fiduciary trust fund under governmental accounting standards that require the Trust to prepare a series of financial statements. The combined statement of fiduciary net position provides information about the assets, liabilities and net position at a specific point in time, in this case September 30, 2013. The combined statement of changes in fiduciary net position provides information about revenues, expenses, and sales and redemptions of shares recorded during the entire fiscal year from October 1, 2012 through September 30, 2013.

The accrual basis of accounting was used to prepare the Trust's financial statements. Revenues are recorded when earned and expenses when incurred, regardless of whether or not cash has been received or paid. Investments are recorded at market, as provided by an independent pricing service. The fair value of the positions in the Trust's portfolios is the same as the value of the portfolio shares. Information on the specific types of investments owned by each portfolio as well as total shares sold and redeemed by each portfolio is detailed in the notes to the financial statements.

### Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to an understanding of the data provided in the Trust's financial statements. The notes to the financial statements can be found following the Trust's basic financial statements.

### Supplementary Combining Financial Statements

Combining financial statements for each individual portfolio are included in the supplementary section of this report and are prepared using the same measurement focus and basis of accounting as the combined financial statements. The amounts reported in the combined statement of fiduciary net position and the combined statement of changes in fiduciary net position are the sums of the amounts reported in the combining financial statements.

Florida Municipal Investment Trust  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2013

**Financial Analysis of the Trust as a Whole  
Comparative Financial Information**

	Fiduciary Net Position			%
	<u>9/30/2013</u>	<u>9/30/2012</u>	<u>Change</u>	
<b>ASSETS</b>				
Investments in Securities at Fair Value	\$1,648,716,042	\$1,625,939,876	\$22,776,166	1.40%
Cash and Cash Equivalents	36,621,535	26,519,878	10,101,657	38.09%
Receivables:				
Interest and Dividends	2,878,919	3,681,670	(802,751)	-21.80%
Securities Sold	<u>7,334,890</u>	<u>40,996,258</u>	<u>(33,661,368)</u>	-82.10%
<b>TOTAL ASSETS</b>	<b>1,695,551,386</b>	<b>1,697,137,682</b>	<b>(1,586,296)</b>	<b>-0.09%</b>
<b>LIABILITIES</b>				
Payables:				
Securities Purchased	18,229,926	54,407,662	(36,177,736)	-66.49%
Accrued Expenses:				
Investment Management Fee Payable	677,064	589,894	87,170	14.78%
Administrative Fee Payable	499,734	474,071	25,663	5.41%
Audit Fee Payable	119,800	116,800	3,000	2.57%
Consulting Fee Payable	<u>29,150</u>	<u>28,661</u>	<u>489</u>	1.71%
<b>TOTAL LIABILITIES</b>	<b>19,555,674</b>	<b>55,617,088</b>	<b>(36,061,414)</b>	<b>-64.84%</b>
<b>NET POSITION RESTRICTED FOR TRUST PARTICIPANTS</b>	<b><u>\$1,675,995,712</u></b>	<b><u>\$1,641,520,594</u></b>	<b><u>\$34,475,118</u></b>	<b>2.10%</b>

Florida Municipal Investment Trust  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Year Ended September 30, 2013

**Financial Analysis of the Trust as a Whole**  
**Comparative Financial Information**

	Changes in Fiduciary Net Position			%
	9/30/2013	9/30/2012	Change	
<b>ADDITIONS:</b>				
<b>INVESTMENT INCOME</b>				
Interest and Dividend Income	\$ 26,137,068	\$ 32,979,324	\$ (6,842,256)	-20.75%
Fair Value Increases and Decreases	48,530,724	70,660,836	(22,130,112)	-31.32%
Total Investment Income	74,667,792	103,640,160	(28,972,368)	-27.95%
<b>INVESTMENT EXPENSES</b>				
Investment Management Fees	3,397,010	2,496,260	900,750	36.08%
Net Investment Income (Loss)	71,270,782	101,143,900	(29,873,118)	-29.54%
<b>Beneficial Interest Share Transactions</b>				
Proceeds from Sale of Shares	342,137,465	279,962,896	62,174,569	22.21%
Cost of Shares Redeemed	(376,617,367)	(225,192,214)	(151,425,153)	67.24%
Net Increase (Decrease) from Share Transactions	(34,479,902)	54,770,682	(89,250,584)	-162.95%
Total Additions	36,790,880	155,914,582	(119,123,702)	-76.40%
<b>DEDUCTIONS:</b>				
Administrative Fees	1,970,804	1,831,589	139,215	7.60%
Audit Fees	123,242	119,587	3,655	3.06%
Consulting Fees	116,117	113,820	2,297	2.02%
Rating Agency Fees	36,000	44,500	(8,500)	-19.10%
General Insurance	48,117	51,902	(3,785)	-7.29%
Trustee Fees and Travel	15,603	9,970	5,633	56.50%
Miscellaneous	5,879	4,432	1,447	32.65%
Total Deductions	2,315,762	2,175,800	139,962	6.43%
Change in Net Position Restricted for Trust Participants	34,475,118	153,738,782	(119,263,664)	-77.58%
<b>Net Position</b>				
Beginning of Year	1,641,520,594	1,487,781,812	153,738,782	10.33%
End of Year	<u>\$ 1,675,995,712</u>	<u>\$ 1,641,520,594</u>	<u>\$ 34,475,118</u>	2.10%

Florida Municipal Investment Trust  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2013

**Capital Asset and Long-Term Debt Activity**

The Trust has no capital assets or long-term debt.

**Economic Factors**

The Trust's operations are dependent on the financial market conditions and the members' ability to budget surplus funds and pension obligations.

According to Atlanta Capital Management, economic growth has begun to accelerate. Real GDP growth was 2.5% in the second quarter of 2013, up from 1.1% in the first quarter. For the second half of the year, trends in the leading indicators and new orders for capital equipment point toward a 2.5% or better growth rate in GDP for the remainder of 2013.

The Trust's performance monitor, Asset Consulting Group, reported that while economic activity suggested the underlying recovery was gaining ground, financial conditions tightened in the third quarter, driving interest rates higher. Markets continued to price in an end to the Federal Reserve's latest round of quantitative easing. U.S. 10-year Treasury yields rose to 2.61% on September 30 from 2.04% back in May when Fed Chairman Ben Bernanke stated that the Fed could taper its bond buying by the end of the year. The decision to delay a reduction in stimulus surprised financial markets, increasing investor risk appetites and sending stocks higher globally.

According to the Florida Legislature Office of Economic and Demographic Research, population growth is Florida's main contributor to economic prosperity, fueling both employment and income growth. Population growth is forecast over the next few years. In the near term, growth is expected to average 1.3% between 2013 and 2015. The growth trend will continue at an average of 1.4% between 2015 and 2020. Nationally, average annual growth will be about .74% between 2013 and 2030. Florida's population is on track to break the 20 million mark during 2016 which would make it the third most populous state, surpassing New York.

In September of 2012, Florida's unemployment rate was 8.7%. As reported by the Tampa Bay Times, as of November 2013, Florida's unemployment rate fell dramatically to 6.4% and the state added a net 6,100 jobs between October and November of 2013. After suffering deeper job losses than most of the country and initially lagging in recovery, Florida's economic rebound has gained steam this year. The national unemployment rate stood at 7% in November.

Many Florida cities and other local governments are reporting a stable or increasing property tax base. Taxable values in the aggregate have bottomed out and are on the rise. Sales tax is growing and, as a result, state shared revenues are increasing. While FMIvT members have reacted to the rise in interest rates by adjusting their asset allocation and reducing exposure to longer-term fixed income investments, the outlook for growth in Trust assets is positive as economic conditions improve and local government budgets stabilize and position for growth.

**Request for Information**

The information contained in this MD&A was designed to provide readers with a general overview of the Trust's existing and foreseeable financial condition. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Michael Sittig, Administrator for the Florida Municipal Investment Trust, 301 South Bronough Street, Suite 300, Tallahassee, FL 32301.



# Combined Statement of Fiduciary Net Position

Florida Municipal Investment Trust  
\*COMBINED STATEMENT OF FIDUCIARY NET POSITION  
September 30, 2013

ASSETS

Investment in Securities at Fair Value	\$1,648,716,042	
Cash and Cash Equivalents	36,621,535	
Receivables:		
Interest and Dividends	2,878,919	
Securities Sold	<u>7,334,890</u>	
Total Assets		\$1,695,551,386

LIABILITIES

Payables:		
Securities Purchased	18,229,926	
Accrued Expenses:		
Investment Management Fee Payable	677,064	
Administrative Fee Payable	499,734	
Audit Fee Payable	119,800	
Consulting Fee Payable	<u>29,150</u>	
Total Liabilities		<u>19,555,674</u>
Net Position Restricted for Trust Participants		<u>\$1,675,995,712</u>

\*The accompanying notes are an integral part of these financial statements.

Florida Municipal Investment Trust  
 \*COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 For the Year Ended September 30, 2013

ADDITIONS:Investment Income

Interest and Dividend Income	\$ 26,137,068	
Fair Value Increases and Decreases	48,530,724	
Total Investment Income		\$ 74,667,792

Investment Expenses

Investment Management Fees		<u>3,397,010</u>
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Net Investment Income

71,270,782

Beneficial Interest Share Transactions

Proceeds from Sale of Shares	342,137,465	
Cost of Shares Redeemed	<u>(376,617,367)</u>	
Net Decrease from Share Transactions		<u>(34,479,902)</u>

## Total Additions

36,790,880

DEDUCTIONS:

Administrative Fees	1,970,804	
Audit Fees	123,242	
Consulting Fees	116,117	
Rating Agency Fees	36,000	
General Insurance	48,117	
Trustee Fees and Travel	15,603	
Miscellaneous	<u>5,879</u>	
Total Deductions		<u>2,315,762</u>

Change in Net Position Restricted for Trust Participants 34,475,118

Net Position Beginning of Year 1,641,520,594Net Position End of Year \$1,675,995,712

\*The accompanying notes are an integral part of these financial statements.

Florida Municipal Investment Trust  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 1 - Organization and Significant Accounting Policies

- A. Organization and Purpose - The Trust was created on April 28, 1993, under the laws of the State of Florida, to provide eligible units of local governments with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Trust began operations on October 1, 1993.

The Trust is comprised of the following bond funds and equity portfolios (collectively referred to as funds or portfolios):

- 0-2 Year High Quality Bond Fund
- 1-3 Year High Quality Bond Fund
- Intermediate High Quality Bond Fund
- Broad Market High Quality Bond Fund
- Expanded High Yield Bond Fund
- High Quality Growth Portfolio
- Diversified Small to Mid Cap Equity Portfolio
- Russell 1000 Enhanced Index Portfolio
- International Equity Portfolio
- Large Cap Diversified Value Portfolio

The Trust's attorneys have advised that the Trust is exempt from registration under the Securities Act of 1933, the Investment Company Act of 1940, and the Florida Securities and Investor Protection Act.

The Trust is governed by a Board of Trustees consisting of the President (or his appointee) and Second Vice President of the Florida League of Cities, Inc. (League), two representatives of the Florida Municipal Insurance Trust, and up to three additional appointed members who are elected officials of the governmental entities who actively participate in the Trust.

- B. Reporting Entity and Basis of Accounting - The Trust is an independent reporting entity accounted for as a fiduciary trust fund in accordance with generally accepted accounting principles for governments as established by the Governmental Accounting Standards Board (GASB). The Trust uses the flow of economic resources measurement focus and accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. These financial statements have been prepared utilizing accounting principles for governmental external investment pools.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Florida Municipal Investment Trust  
 NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 1 - Organization and Significant Accounting Policies (Continued)

- C. Security Valuation - Securities are reported at fair value, the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Securities' market values of each portfolio were obtained from an independent pricing service. Pricing services typically consider such factors as security prices, yields, maturities, call features, prepayment rates, ratings and other information as it relates in determining a specific security's market price.
- D. Cash equivalents include short-term investments with original maturities of three months or less.
- E. Federal Income Taxes - The Trust is exempt from federal income taxes.
- F. Other - The Trust follows industry practice and records security transactions on a trade date basis. Dividend and interest income is recognized on the accrual basis. Fair value increases and decreases include both realized gains and losses and the change in unrealized gains and losses during the period.

Note 2 - Investments and Cash and Cash Equivalents

The Board of Trustees adopted an investment policy which identifies various authorized investment instruments, issuer diversification, maturity constraints, investment ratings and liquidity parameters. Authorized investments include obligations of the United States of America and its agencies, corporate debt obligations, asset-backed securities, money market instruments or funds, common stocks, convertible preferred stocks or bonds, repurchase agreements, commercial paper, banker's acceptances, municipal obligations, commingled investment funds, guaranteed investment contracts, certain nonnegotiable certificates of deposit, mortgage obligations and real property located within the state of Florida. Each portfolio's informational statement includes investment guidelines which describe the investments authorized within the portfolio.

*Interest Rate Risk.* Through its investment policy and guidelines, the Trust manages its exposure to fair value losses arising from increasing interest rates by limiting the modified duration of certain bond funds as follows:

<u>Fund</u>	<u>Expected Target Duration</u>
0-2 Year High Quality Bond Fund	0.5 to 1.25 years
1-3 Year High Quality Bond Fund	1.0 to 2.25 years
Intermediate High Quality Bond Fund	3.0 to 4.5 years
Broad Market High Quality Bond Fund	4.0 to 5.5 years

Florida Municipal Investment Trust  
 NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 2 - Investments and Cash and Cash Equivalents (Continued)

The Expanded High Yield Bond Fund should provide broad exposure to the domestic and European high yield markets through investment in fixed-income securities. There is currently no set target duration for this fund.

*Credit Risk.* Except for the Expanded High Yield Bond Fund, which is not rated, the investment guidelines of the remaining bond funds state that each fund will seek to maintain a bond fund credit rating from a nationally recognized statistical rating organization (NRSRO) as follows:

<u>Fund</u>	<u>Target Rating</u>
0-2 Year High Quality Bond Fund	AAA
1-3 Year High Quality Bond Fund	AAA
Intermediate High Quality Bond Fund	AAA
Broad Market High Quality Bond Fund	AA

Funds having an AAA bond fund credit rating are composed of a preponderance of assets that carry the highest credit ratings from an NRSRO. Funds having an AA bond fund credit rating are composed of a large percentage of assets that carry the highest credit rating from an NRSRO. The 0-2 Year High Quality Bond Fund and the 1-3 Year High Quality Bond Fund may invest in direct obligations issued or guaranteed by the U.S. Government or any of its agencies, money market obligations, asset-backed securities, mortgage securities, including CMOs, and commingled investment funds. The Intermediate High Quality Bond Fund and the Broad Market High Quality Bond Fund may also invest in corporate bonds issued by any corporation in the United States with at least an A rating from any NRSRO and non-agency collateralized mortgage obligations having a rating of AAA from any NRSRO. The Expanded High Yield Bond Fund may invest in commingled funds that provide exposure to the high yield fixed-income markets in the United States, Canada and Europe.

As required by the GASB, the following tables present information based on the lowest credit ratings on individual securities provided by an NRSRO. The fund target ratings discussed above are calculated by the NRSRO providing the rating and do not require utilizing the lowest credit rating on individual securities.

0-2 Year High Quality Bond Fund

<u>Money Market</u>	<u>US Treasuries</u>	<u>US Agencies</u>	<u>Asset Backed</u>	<u>Total</u>	<u>Rating</u>
\$14,792,050	\$ -	\$ -	\$ 72,544,011	\$ 87,336,061	AAA
-	<u>129,742,270</u>	<u>32,349,780</u>	-	<u>162,092,050</u>	AA
<u>\$14,792,050</u>	<u>\$ 129,742,270</u>	<u>\$ 32,349,780</u>	<u>\$ 72,544,011</u>	<u>\$249,428,111</u>	

Florida Municipal Investment Trust  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 2 - Investments and Cash and Cash Equivalents (Continued)

1-3 Year High Quality Bond Fund

<u>Money Market</u>	<u>US Treasuries</u>	<u>US Agencies</u>	<u>Asset Backed</u>	<u>Total</u>	<u>Rating</u>
\$ 4,953,922	\$ -	\$ -	\$ 184,417,024	\$ 189,370,946	AAA
-	133,138,570	175,250,255	-	308,388,825	AA
<u>\$ 4,953,922</u>	<u>\$ 133,138,570</u>	<u>\$ 175,250,255</u>	<u>\$ 184,417,024</u>	<u>\$ 497,759,771</u>	

Intermediate High Quality Bond Fund

<u>Money Market</u>	<u>US Treasuries</u>	<u>US Agencies</u>	<u>Asset Backed</u>	<u>Corporates</u>	<u>Total</u>	<u>Rating</u>
\$ 9,731,772	\$ -	\$ -	\$ 57,974,043	\$ -	\$ 67,705,815	AAA
-	75,358,272	111,492,691	-	-	186,850,963	AA
-	-	-	-	17,354,262	17,354,262	A
<u>\$ 9,731,772</u>	<u>\$ 75,358,272</u>	<u>\$ 111,492,691</u>	<u>\$ 57,974,043</u>	<u>\$ 17,354,262</u>	<u>\$ 271,911,040</u>	

Broad Market High Quality Bond Fund

<u>Money Market</u>	<u>US Treasuries</u>	<u>US Agencies</u>	<u>Asset Backed</u>	<u>Corporates</u>	<u>Total</u>	<u>Rating</u>
\$ 1,426,717	\$ -	\$ -	\$ 47,453,167	\$ -	\$ 48,879,884	AAA
-	84,487,948	77,905,140	-	-	162,393,088	AA
-	-	-	-	10,483,866	10,483,866	A
<u>\$ 1,426,717</u>	<u>\$ 84,487,948</u>	<u>\$ 77,905,140</u>	<u>\$ 47,453,167</u>	<u>\$ 10,483,866</u>	<u>\$ 221,756,838</u>	

Expanded High Yield Bond Fund - At September 30, 2013, the fund's only investment, the OCM Expanded High Yield Fund, was not rated.

*Concentration of Credit Risk.* The investment guidelines of each bond fund limit the amount that may be invested in corporate securities of an individual issuer to three percent at the time of purchase and five percent based on market value. The guidelines also limit the amount that may be invested in an individual series of asset-backed securities or non-agency collateralized mortgage obligations to five percent of each portfolio. The Trust places no limit on the amount that may be invested in an individual issue of the United States Treasury or of any United States agency.

Florida Municipal Investment Trust  
 NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 2 - Investments and Cash and Cash Equivalents (Continued)

The following provides information about the concentration of credit risk in the individual fixed-income portfolios at September 30, 2013 by disclosing investments that represent more than five percent of total investments in any one issuer or in any one security.

	<u>Market Value of Security</u>	<u>Percentage of Portfolio Investments</u>
<u>0-2 Year High Quality Bond Fund -</u>		
<u>Issuer</u>		
Federal National Mortgage Association	N/A	10.46%
Ally Financial	N/A	5.60%
<u>1-3 Year High Quality Bond Fund -</u>		
<u>Issuer</u>		
Federal Home Loan Mortgage Corporation	N/A	17.73%
Federal National Mortgage Association	N/A	16.74%
Case New Holland	N/A	5.08%
<u>Security</u>		
Federal National Mortgage Association	\$ 34,225,080	6.88%
Federal Home Loan Mortgage Corporation	\$ 25,375,745	5.10%
<u>Intermediate High Quality Bond Fund -</u>		
<u>Issuer</u>		
Federal Home Loan Mortgage Corporation	N/A	26.73%
Federal National Mortgage Association	N/A	12.91%
<u>Broad Market High Quality Bond Fund -</u>		
<u>Issuer</u>		
Federal Home Loan Mortgage Corporation	N/A	13.90%
Federal National Mortgage Association	N/A	20.40%
<u>Security</u>		
Federal National Mortgage Association	\$ 14,414,598	6.50%



Florida Municipal Investment Trust  
 NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 2 - Investments and Cash and Cash Equivalents (Continued)

The following is a detail of investments and cash equivalents by bond fund or equity portfolio:

0-2 YEAR HIGH QUALITY BOND FUND

Investments

<u>Shares or Par Value</u>	<u>Description</u>	<u>Fair Value</u>	<u>Modified Duration (Years)</u>
58,725,000	United States Treasury Bills, due 2014	\$ 58,663,178	0.84
71,000,000	United States Treasury Notes, 0.25% to 0.75%; due 2013 to 2014	71,079,091	0.56
13,005,000	United States Agency, 0.5% to .75%; due 2014 to 2015	13,051,874	1.55
17,422,951	Fixed-Rate United States Agencies - CMOs and Pass-throughs, 0.595% to 5.5%; due 2015 to 2038	17,571,682	1.07
1,722,924	Variable-Rate United States Agencies - CMOs and Pass-throughs, .484% to 1.169%; due 2013 to 2038	1,726,225	0.09
370,000	Variable-Rate Asset-Backed Security, 0.784%; due 2016	370,351	0.10
72,107,912	Fixed-Rate Asset-Backed Securities, 0.39% to 2.15%; due 2014 to 2017	72,173,660	0.54
<u>234,353,787</u>	Total Investments	<u>\$ 234,636,061</u>	0.71
<u>Cash Equivalents</u>			
14,792,050	Money Market Mutual Fund	\$ 14,792,050	0.13
<u>14,792,050</u>	Total Cash Equivalents	<u>\$ 14,792,050</u>	

Florida Municipal Investment Trust  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 2 - Investments and Cash and Cash Equivalents (Continued)

1-3 YEAR HIGH QUALITY BOND FUND

Investments

Shares or Par Value	Description	Fair Value	Modified Duration (Years)
133,010,000	United States Treasury Notes; 0.25% to 1.25%; due 2014 to 2016	\$ 133,138,571	1.79
77,250,000	United States Agencies, 0.375% to 0.875%; due 2013 to 2014	77,604,965	0.82
94,973,150	Fixed-Rate United States Agencies - CMOs and Pass-throughs, 1% to 6%; due 2015 to 2040	96,457,251	2.09
1,187,355	Variable-Rate United States Agencies - CMO's and Pass-throughs, 0.492% to 0.584%; due 2034	1,188,038	0.11
16,000,000	Variable-Rate Asset-Backed Security, 0.75%; due 2017	16,042,992	0.10
167,884,661	Fixed-Rate Asset-Backed Securities, 0.39% to 4.47%; due 2014 to 2020	168,374,032	1.44
<u>490,305,166</u>	Total Investments	<u>\$ 492,805,849</u>	1.52
<u>Cash Equivalents</u>			
4,953,922	Money Market Mutual Fund	\$ 4,953,922	0.13
<u>4,953,922</u>	Total Cash Equivalents	<u>\$ 4,953,922</u>	

Florida Municipal Investment Trust  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 2 - Investments and Cash and Cash Equivalents (Continued)

INTERMEDIATE HIGH QUALITY BOND FUND

Investments

<u>Shares or Par Value</u>	<u>Description</u>	<u>Fair Value</u>	<u>Modified Duration (Years)</u>
9,850,000	United States Treasury Bills, due 2014	\$ 9,842,534	0.67
59,700,000	United States Treasury Notes, 0.5% to 2%; due 2013 to 2022	59,341,588	3.99
7,500,000	United States Treasury Strip, due 2021	6,174,150	8.03
10,920,000	United States Agencies, 1% to 5.25%; due 2013 to 2022	10,655,296	6.61
98,028,199	Fixed-Rate United States Agencies - CMOs and Pass-throughs, 1.426% to 10%; due 2016 to 2039	100,837,395	4.62
6,900,000	Variable-Rate Asset-Backed Security, 0.58%; due 2018	6,883,268	0.10
50,963,085	Fixed-Rate Asset-Backed Securities, 0.44% to 3.96%; due 2014 to 2020	51,090,775	1.66
15,920,000	Corporate Bonds and Notes, 1.625% to 5.625%; due 2014 to 2020	17,354,262	4.10
<u>259,781,284</u>	Total Investments	<u>\$ 262,179,268</u>	3.76
<u>Cash Equivalents</u>			
9,731,772	Money Market Mutual Fund	\$ 9,731,772	0.13
<u>9,731,772</u>	Total Cash Equivalents	<u>\$ 9,731,772</u>	

Florida Municipal Investment Trust  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 2 - Investments and Cash and Cash Equivalents (Continued)

BROAD MARKET HIGH QUALITY BOND FUND

Investments

Shares or Par Value	Description	Fair Value	Modified Duration (Years)
79,145,000	United States Treasury Notes and Bonds, .25% to 7.5%; due 2013 to 2043	\$ 82,838,286	6.14
1,880,000	United States Treasury Strips, due 2020	1,649,662	6.56
14,700,000	United States Agencies, .5% to 2%; due 2016	14,673,642	2.49
60,960,683	United States Agencies - CMOs and Pass-throughs, 2.164% to 5.5%; due 2019 to 2037	63,231,498	4.86
43,233,980	Fixed-Rate Asset-Backed Securities, 0.44% to 3.96%; due 2014 to 2021	43,198,510	1.90
4,265,000	Variable-Rate Asset-Backed Security, .58%; due 2018	4,254,657	0.10
9,505,000	Corporate Bonds and Notes, 3.15% to 5.625%; due 2014 to 2020	10,483,866	3.74
<u>213,689,663</u>	Total Investments	<u>\$ 220,330,121</u>	4.47

Cash and Cash Equivalents

3,142	Cash	\$ 3,142	
1,426,717	Money Market Mutual Fund	1,426,717	0.13
<u>1,429,859</u>	Total Cash and Cash Equivalents	<u>\$ 1,429,859</u>	

Florida Municipal Investment Trust  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 2 - Investments and Cash and Cash Equivalents (Continued)

EXPANDED HIGH YIELD BOND FUND

Investments

<u>Shares or Par Value</u>	<u>Description</u>	<u>Fair Value</u>	<u>Modified Duration (Years)</u>
634,545	Mutual Funds	\$ 47,284,338	3.84
<u>634,545</u>	Total Investments	<u>\$ 47,284,338</u>	

Cash Equivalents

3,355	Money Market Mutual Fund	\$ 3,355	0.13
<u>3,355</u>	Total Cash Equivalents	<u>\$ 3,355</u>	

HIGH QUALITY GROWTH PORTFOLIO

Investments

737,415	Common Stocks	\$ 50,957,752	
<u>737,415</u>	Total Investments	<u>\$ 50,957,752</u>	

Cash Equivalents

445,590	Money Market Mutual Fund	\$ 445,590	0.13
<u>445,590</u>	Total Cash Equivalents	<u>\$ 445,590</u>	

DIVERSIFIED SMALL TO MID CAP EQUITY PORTFOLIO

Investments

1,584,170	Common Stocks	\$ 86,625,329	
<u>1,584,170</u>	Total Investments	<u>\$ 86,625,329</u>	

Cash Equivalents

4,292,664	Money Market Mutual Fund	\$ 4,292,664	0.13
<u>4,292,664</u>	Total Cash Equivalents	<u>\$ 4,292,664</u>	

Florida Municipal Investment Trust  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 2 - Investments and Cash and Cash Equivalents (Continued)

RUSSELL 1000 ENHANCED INDEX PORTFOLIO

Investments

Shares or Par Value	Description	Fair Value	Modified Duration (Years)
9,332,597	Mutual Fund	\$ 131,798,802	
<u>9,332,597</u>	Total Investments	<u>\$ 131,798,802</u>	

Cash Equivalents

3,534	Money Market Mutual Fund	\$ 3,534	0.13
<u>3,534</u>	Total Cash Equivalents	<u>\$ 3,534</u>	

INTERNATIONAL EQUITY PORTFOLIO

Investments

N/A	Commingled Fund	\$ 71,386,628	
<u>N/A</u>	Total Investments	<u>\$ 71,386,628</u>	

Cash and Cash Equivalents

2,000	Cash	\$ 2,000	
5,024	Money Market Mutual Fund	5,024	0.13
<u>7,024</u>	Total Cash and Cash Equivalents	<u>\$ 7,024</u>	

LARGE CAP DIVERSIFIED VALUE PORTFOLIO

Investments

1,279,077	Common Stocks	\$ 50,711,894	
<u>1,279,077</u>	Total Investments	<u>\$ 50,711,894</u>	

Cash Equivalents

961,765	Money Market Mutual Fund	\$ 961,765	0.13
<u>961,765</u>	Total Cash Equivalents	<u>\$ 961,765</u>	

Florida Municipal Investment Trust Grand Totals

Total Investments	<u>\$1,648,716,042</u>
Total Cash and Cash Equivalents	<u>\$ 36,621,535</u>

Florida Municipal Investment Trust  
 NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 3 - Shares of Beneficial Interest

The Agreement and Declaration of Trust authorizes the Trustees to issue an unlimited number of shares of beneficial interest, no par value. Sales and redemptions of shares are made only on a valuation date at the net asset value used to report investments. No legally binding guarantees have been provided or obtained to support the value of the shares. The net asset value of the 1-3 Year High Quality Bond Fund and the 0-2 Year High Quality Bond Fund are determined on the 15th day and last business day of each month. The net asset value of the other funds and portfolios is determined on the last business day of each month.

Beneficial interest share transactions for the year ended September 30, 2013 were as follows:

	<u>Shares</u>	<u>Amount</u>
<u>0-2 Year High Quality Bond Fund</u>		
Shares Sold	8,460,256.411	\$ 87,120,702
Shares Redeemed	(4,001,180.646)	(41,202,589)
Net Increase	<u>4,459,075.765</u>	<u>\$ 45,918,113</u>
<u>1-3 Year High Quality Bond Fund</u>		
Shares Sold	9,498,653.343	\$ 170,318,743
Shares Redeemed	(11,004,659.397)	(197,346,623)
Net Decrease	<u>(1,506,006.054)</u>	<u>\$ (27,027,880)</u>
<u>Intermediate High Quality Bond Fund</u>		
Shares Sold	1,420,561.790	\$ 31,249,799
Shares Redeemed	(4,971,880.538)	(108,114,174)
Net Decrease	<u>(3,551,318.748)</u>	<u>\$ (76,864,375)</u>
<u>Broad Market High Quality Bond Fund</u>		
Shares Sold	1,253,855.531	\$ 27,033,929
Shares Redeemed	(163,333.232)	(3,496,000)
Net Increase	<u>1,090,522.299</u>	<u>\$ 23,537,929</u>
<u>Expanded High Yield Bond Fund</u>		
Shares Sold	91,393.052	\$ 1,400,000
Shares Redeemed	-	-
Net Increase	<u>91,393.052</u>	<u>\$ 1,400,000</u>



Florida Municipal Investment Trust  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 3 - Shares of Beneficial Interest (Continued)

	<u>Shares</u>	<u>Amount</u>
<u>High Quality Growth Portfolio</u>		
Shares Sold	164,813.652	\$ 3,149,804
Shares Redeemed	<u>(130,245.521)</u>	<u>(2,620,896)</u>
Net increase	<u>34,568.131</u>	<u>\$ 528,908</u>
<u>Diversified Small to Mid Cap Equity Portfolio</u>		
Shares Sold	251,785.222	\$ 9,445,775
Shares Redeemed	<u>(171,185.836)</u>	<u>(7,331,270)</u>
Net Increase	<u>80,599.386</u>	<u>\$ 2,114,505</u>
<u>Russell 1000 Enhanced Index Portfolio</u>		
Shares Sold	576,808.870	\$ 7,853,091
Shares Redeemed	<u>(638,911.384)</u>	<u>(9,555,857)</u>
Net Decrease	<u>(62,102.514)</u>	<u>\$ (1,702,766)</u>
<u>International Equity Portfolio</u>		
Shares Sold	314,278.807	\$ 3,374,769
Shares Redeemed	<u>(39,849.342)</u>	<u>(433,553)</u>
Net Increase	<u>274,429.465</u>	<u>\$ 2,941,216</u>
<u>Large Cap Diversified Value Portfolio</u>		
Shares Sold	122,216.156	\$ 1,190,853
Shares Redeemed	<u>(624,927.862)</u>	<u>(6,516,405)</u>
Net Decrease	<u>(502,711.706)</u>	<u>\$ (5,325,552)</u>
<u>Florida Municipal Investment Trust Grand Totals</u>		
Shares Sold	22,154,622.834	\$ 342,137,465
Shares Redeemed	<u>(21,746,173.758)</u>	<u>(376,617,367)</u>
Net Increase (Decrease)	<u>408,449.076</u>	<u>\$ (34,479,902)</u>

Florida Municipal Investment Trust  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2013

Note 4 - Related Parties

The League serves as Administrator, Investment Manager, and Secretary-Treasurer of the Trust. The League also serves as Administrator of certain of the Trust's members.

Note 5 - Investment Manager and Administrator

The Trust entered into an investment management agreement with the League to direct the investments of certain portfolios for fees of ten to eighty-five basis points of the portfolios' net asset values. The Trust has also entered into an administrative services agreement with the League for fees of ten and one-half to fourteen and one-half basis points of the portfolios' net asset values.

Note 6 - Custodian

Wells Fargo Bank serves as Custodian for the Trust.

Note 7 - Subsequent Event

On December 12, 2013, the Board of Directors approved the FMIvT Core Plus Fixed Income Fund.

Supplementary Information

Florida Municipal Investment Trust  
 \*Combining Statement of Fiduciary Net Position  
 September 30, 2013

	0-2 Year High Quality Bond Fund	1-3 Year High Quality Bond Fund	Intermediate High Quality Bond Fund	Broad Market High Quality Bond Fund	Expanded High Yield Bond Fund	High Quality Growth Portfolio	Diversified Small to Mid Cap Equity Portfolio	Russell 1000 Enhanced Index Portfolio	International Equity Portfolio	Large Cap Diversified Value Portfolio	Totals
<b>Assets</b>											
Investments in Securities at Fair Value	\$ 234,636,061	\$ 492,805,849	\$ 262,179,268	\$ 220,330,121	\$ 47,284,338	\$ 50,957,752	\$ 86,625,329	\$ 131,798,802	\$ 71,386,628	\$ 50,711,894	\$ 1,648,716,042
Cash and Cash Equivalents	14,792,050	4,953,922	9,731,772	1,429,859	3,355	445,590	4,282,664	3,534	7,024	961,765	36,621,535
Receivables:											
Interest and Dividends	146,761	450,428	682,432	737,877	710,155	65,797	33,592	-	-	51,877	2,878,919
Securities Sold	7,002,164	-	-	-	-	-	-	332,726	-	-	7,334,890
<b>Total Assets</b>	<b>256,577,036</b>	<b>498,210,199</b>	<b>272,593,472</b>	<b>222,497,857</b>	<b>47,997,848</b>	<b>51,469,139</b>	<b>90,951,585</b>	<b>132,135,062</b>	<b>71,393,652</b>	<b>51,725,536</b>	<b>1,695,551,386</b>
<b>Liabilities</b>											
Payables:											
Securities Purchased	18,023,967	-	-	-	-	-	-	205,959	-	-	18,229,926
Accrued Expenses:											
Investment Management Fee Payable	50,901	131,021	81,660	82,271	5,938	56,164	98,745	47,226	20,499	102,639	677,064
Administrative Fee Payable	53,446	137,572	85,743	79,529	17,221	18,097	31,818	33,640	24,065	18,603	499,734
Audit Fee Payable	11,980	11,980	11,980	11,980	11,980	11,980	11,980	11,980	11,980	11,980	119,800
Consulting Fee Payable	2,915	2,915	2,915	2,915	2,915	2,915	2,915	2,915	2,914	2,916	29,150
<b>Total Liabilities</b>	<b>18,143,209</b>	<b>283,488</b>	<b>182,298</b>	<b>176,695</b>	<b>38,054</b>	<b>89,156</b>	<b>145,458</b>	<b>301,720</b>	<b>59,458</b>	<b>136,138</b>	<b>19,555,674</b>
<b>Net Position Restricted for Trust Participants</b>	<b>\$ 238,433,827</b>	<b>\$ 497,926,711</b>	<b>\$ 272,411,174</b>	<b>\$ 222,321,162</b>	<b>\$ 47,959,794</b>	<b>\$ 51,379,983</b>	<b>\$ 90,806,127</b>	<b>\$ 131,833,342</b>	<b>\$ 71,334,194</b>	<b>\$ 51,589,398</b>	<b>\$ 1,675,995,712</b>
Shares Outstanding	23,144,979.96	27,769,278.52	12,509,601.65	10,423,367.92	3,126,313.70	2,432,276.35	1,945,851.13	8,403,578.01	6,098,998.56	4,574,464.03	
Net Position Per Share	\$ 10.30	\$ 17.93	\$ 21.78	\$ 21.33	\$ 15.34	\$ 21.12	\$ 46.67	\$ 15.69	\$ 11.70	\$ 11.28	

\*See accompanying notes.

# Combining Statement of Changes in Fiduciary Net Position

**Florida Municipal Investment Trust**  
**\*Combining Statement of Changes in Fiduciary Net Position**  
**For the Year Ended September 30, 2013**

	0-2 Year High Quality Bond Fund	1-3 Year High Quality Bond Fund	Intermediate High Quality Bond Fund	Broad Market High Quality Bond Fund	Expanded High Yield Bond Fund	High Quality Growth Portfolio	Diversified Small to Mid Cap Equity Portfolio	Russell 1000 Enhanced Index Portfolio	International Equity Portfolio	Large Cap Diversified Value Portfolio	Totals
<b>ADDITIONS:</b>											
Investment Income											
Interest and Dividend Income	\$ 1,497,658	\$ 6,385,735	\$ 6,824,416	\$ 4,798,539	\$ 3,867,948	\$ 7,413,343	\$ 874,663	\$ 226	\$ 183	\$ 1,146,357	\$ 26,137,068
Fair Value Increases and Decreases	(821,731)	(5,035,593)	(10,862,589)	(8,069,329)	(1,139,624)	6,816,097	21,500,100	23,257,863	10,519,823	12,165,707	48,530,724
Total Investment Income	675,927	1,350,142	(3,838,173)	(3,270,790)	2,728,324	7,557,440	22,374,763	23,258,089	10,520,006	13,312,064	74,667,792
Investment Expenses											
Investment Management Fees	199,194	522,166	342,937	319,417	23,175	2,119,919	365,962	483,639	540,377	388,224	3,397,010
Net Investment Income (Loss)	476,733	827,976	(4,181,110)	(3,590,207)	2,705,149	7,345,521	22,008,801	22,774,450	9,979,629	12,923,840	71,270,782
<b>Beneficial Interest Share Transactions</b>											
Proceeds from Sale of Shares											
Cost of Shares Redeemed	87,120,702	170,318,743	31,249,799	27,033,929	1,400,000	3,149,804	9,445,775	7,863,091	3,374,769	1,190,863	342,137,465
Net Increase (Decrease) from Share Transactions	(41,202,589)	(197,346,623)	(108,114,174)	(3,496,000)	-	(2,620,896)	(7,331,270)	(9,555,857)	(453,553)	(6,516,405)	(376,617,367)
Total Additions	45,918,113	(27,027,880)	(76,864,375)	23,537,929	1,400,000	528,908	2,114,505	(1,702,766)	2,941,216	(5,325,552)	(34,479,902)
	46,394,846	(26,199,904)	(81,045,485)	19,947,722	4,105,149	7,874,429	24,123,306	21,071,684	12,920,845	7,598,288	36,790,880
<b>DEDUCTIONS:</b>											
Administrative Fees	209,154	548,274	360,083	308,770	67,207	68,285	117,921	128,562	92,182	70,366	1,970,804
Audit Fees	12,324	12,326	12,324	12,324	12,324	12,324	12,324	12,324	12,324	12,324	123,242
Consulting Fees	11,612	11,609	11,612	11,612	11,612	11,612	11,612	11,612	11,612	11,612	116,117
Rating Agency Fees	9,000	9,000	9,000	9,000	-	-	-	-	-	-	36,000
General Insurance	4,812	4,809	4,812	4,812	4,812	4,812	4,812	4,812	4,812	4,812	48,117
Trustee Fees and Travel	1,560	1,563	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	15,603
Miscellaneous	587	589	587	589	586	588	589	587	588	589	5,879
Total Deductions	249,049	588,170	399,978	348,667	98,101	99,181	148,818	159,457	123,078	101,263	2,315,762
Change in Net Position Restricted for Trust Participants	46,145,797	(26,788,074)	(81,445,463)	19,599,055	4,007,048	7,775,248	23,974,488	20,912,227	12,797,767	7,497,025	34,475,118
Net Position Beginning of Year	192,288,030	524,714,785	353,856,637	202,722,107	43,952,746	43,604,735	66,831,639	110,921,115	58,536,427	44,092,373	1,641,520,594
Net Position End of Year	238,433,827	497,926,711	272,411,174	222,321,162	47,959,794	51,379,983	90,806,127	131,833,342	71,334,194	51,589,398	1,675,995,712

\*See accompanying notes.

# Investment Section







## Administrative Overview ■ ■ ■

As stated previously, the Trust was created through an interlocal agreement in 1993 to provide local governmental entities with an investment vehicle to pool their surplus funds. Membership is limited to agencies or political subdivisions in or of the State of Florida. The Trust has entered into an agreement with the Florida League of Cities, Inc. as Administrator to provide administrative services and investment management services for the portfolios.

By pooling funds, members or participants are able to create increased economies of scale to invest and reinvest such funds in one or more investment portfolios. All investment portfolios are under the direction and daily supervision of professional investment advisers, in a manner consistent with the mutual investment policies and parameters established by the Board.

The Trust currently has 10 separate investment portfolios. Since each participant is responsible for its own investment decisions, there is no specific asset allocation associated with the Trust's investment portfolios. Many participants utilize the Trust's services to invest excess reserve funds. The short duration bond funds (the 0-2 Year High Quality Bond Fund and the 1-3 Year High Quality Bond Fund) are the most commonly selected.

The Board is responsible for determining the general types of securities eligible for investment purposes, including appropriate maturity limitations and other guidelines necessary for the prudent investment of the assets of the Trust. In formulating such guidelines, the Board seeks to provide that the investments are made with the judgment and care under the circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to the permanent disposition of the funds considering the probable income, total return and the probable safety of the invested funds.

Informational statements for all investment portfolios have been prepared describing the purpose of the Trust; the investment objectives of the portfolio; authorized and any restricted investments; Trust policies on income, expenses, dividends, yield and total return;

policies and procedures on the determination of the portfolios' net asset value; and the valuation of the members' shares of beneficial interest.

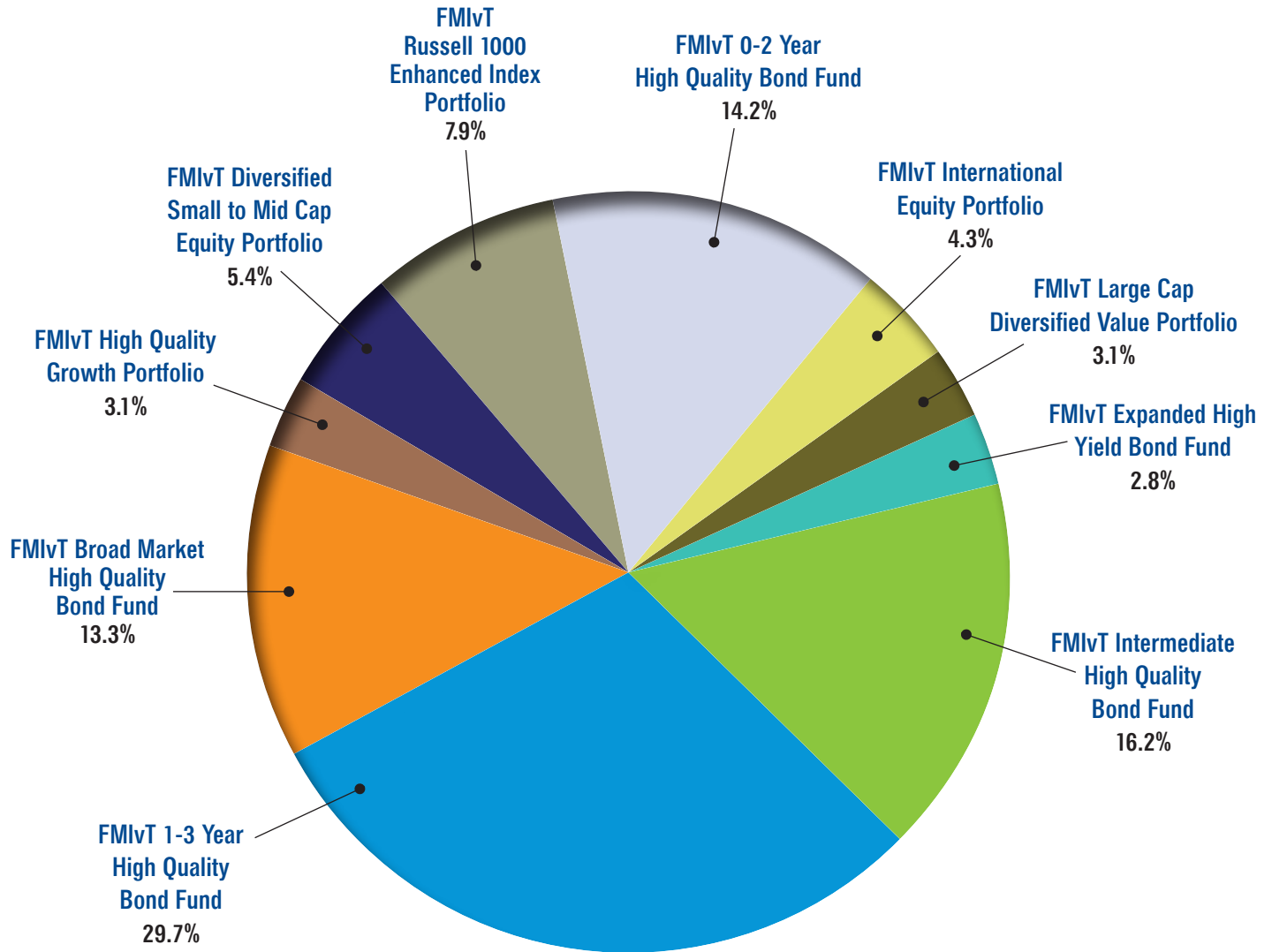
The net asset value on each valuation date is calculated by adding the fair market value of all securities and assets held by each portfolio, including accrued interest and amounts owed to each portfolio for securities sold or principal and income not collected as of the valuation date, less any liabilities of each portfolio. The value of each participant's account is determined by dividing the net asset value of each portfolio by the total number of shares of beneficial interest outstanding in each portfolio, multiplied by the number of shares owned by each participant.

Following the Economic Review discussion are summaries of each portfolio. Investment return calculations were prepared by the investment consultant, Asset Consulting Group, using a time-weighted rate of return based on the Modified Dietz Method. The performance returns listed in the portfolio summaries use gross-of-fees results to accurately compare investment manager performance to the stated benchmark. Therefore, securities lending activity is excluded from the gross-of-fees performance returns. Beginning with July 2008, the net-of-fee performance returns include the securities lending activity. In October 2010, the securities lending program administered by Wells Fargo was completely unwound. The Trust's portfolios are no longer participating in any securities lending activities. The schedules on pages 58-59 report both gross-of-fees and net-of-fees performance returns for all portfolios.

As of September 30, 2013, all funds and portfolios were in compliance with the Trust's investment policy and stated guidelines. A detailed list of securities or holdings is available from the Administrator. Additional information on the Trust's portfolios can be found in the informational statements and are available upon request or on the Trust's Web site at [www.fmivt.com](http://www.fmivt.com). The Trust's investment policy is provided at the end of the Investment Section.

## Florida Municipal Investment Trust Investment Portfolios

For the Period Ending September 30, 2013



Total Net Asset Value: \$1,675,995,712

## Economic Review ■ ■ ■

For the Periods Ending September 30, 2013, as reported by the Trust's investment consultant, Asset Consulting Group.

Economic growth continued at a moderate pace during the third quarter as rising consumer wealth coupled with a rebound in the housing market outweighed ongoing government spending constraints and tightening financial conditions. Federal Reserve (Fed) policy makers surprised financial markets deciding to refrain from a much anticipated tapering of its monthly bond purchases awaiting more evidence of positive momentum in economic activity.

### **US homes sales and property values increased**

**further...** US housing data during the quarter showed an uptick in activity signaling further progress in the sector's two year recovery. Sales of previously owned homes rose in August to the highest level in more than six years. Buyers rushed to lock in mortgage rates that rose from 3.6% in May to 4.5% by the end of the quarter. Rising demand reduced the number of homes available to 2.3 million; down from 3.9 million at the height of the housing bubble in October 2007, helping send home prices 14.7% higher than from a year ago.

### **Rising consumer net worth supporting consumption...**

Accelerating home values and higher stock market prices are boosting American's wealth aiding a rise in consumer spending, which accounts for approximately 70% of the economy. Net worth for U.S. households climbed to \$74.8 trillion during the second quarter, up from \$57.2 during the financial crisis of 2008 according to the latest Federal Reserve data. This enhanced wealth and steady gains in wages are propelling spending higher, rising 9% since the end of the recession in March 2009 through the second quarter of this year.

**Economic sentiment...** while economic activity suggested the underlying recovery was gaining ground, financial conditions tightened further, driving interest rates higher during the quarter. Markets continued to price in an end to the Federal Reserve's latest round of quantitative easing. U.S. 10-year Treasury yields rose to 2.61% on September 30 from 2.04% back in May when Fed Chairman Ben Bernanke stated that the Fed could taper its bond buying by the end of the year. The rise in Treasury yields drove the closely linked home mortgage rates higher reducing affordability and potentially delaying home purchases. The potential drag on the

economy from this increase in borrowing costs and its impact on the housing recovery were the primary drivers behind the Fed's decision to forgo a reduction in bond purchases. Looking forward, the Fed projects the economy will expand at a moderate pace, with steady improvement within the labor markets, but will await clear evidence of stronger data before slowing the pace of monetary accommodation.

The decision to delay a reduction in stimulus surprised financial markets, increasing investor risk appetites, sending stocks higher globally during the quarter as the MSCI All-Country World Index of 45 markets climbed 8.2%, the best quarter since the start of 2012. U.S. stock markets jumped to record highs in September before paring gains in the last week of the quarter when the U.S. political standoff over the raising of the country's debt ceiling threatened the first government shutdown in 17 years. The S&P 500 Index advanced 21 points to an all time high of 1,725.52 on September 18, before closing at 1,681.55 and posting a 5.2% quarterly gain. The equity benchmark's price-to-earnings ratio increased to 16.2 times reported operating earnings from 15.7 at the beginning of the quarter. The Russell 2000 index of small cap stocks broke to new highs climbing 10.2% led by companies tied to the economic cycle with energy, material, industrial, and technology related stocks gaining over 10% and outperforming the index.

Bond markets retraced second quarter losses, rallying on the Fed's decision to keep its bond buying program in place. U.S. Treasuries reversed three straight quarterly losses in the third quarter. After reaching a two-year high on September 5 of 3.01%, U.S. 10-year Treasury yields declined after the Fed announcement, ending the quarter at 2.61%, from 2.49% at the end of June. The Barclays U.S. Aggregate Bond Index gained 0.6%, boosted by investment grade corporate bonds as the Barclays U.S. Corporate Investment Grade index rose 0.8%. Yields on high yield corporate bonds fell to 6.23% from 6.66% at the end of June as the Barclays U.S. Corporate High Yield index gained 2.3%.

## Portfolio Review ■ ■ ■

### 0-2 Year High Quality Bond Fund (Inception 12/3/2002)

As of September 30, 2013, the 0-2 Year High Quality Bond Fund had a net asset value of \$238 million, representing 33 participants. The fund is actively managed by Atlanta Capital Management Company and invests in government and high-quality debt securities while maintaining an average maturity of approximately one year. The portfolio is valued on the 15th and last business day of the month. If the 15th is not a business day, the valuation is the next succeeding business day. Management fees are 10 bps and administrative fees are 10.5 bps. Total expenses are approximately 23 bps.

The fund invests in direct obligations issued or guaranteed by the U.S. government or any of its agencies, money market obligations, asset-backed securities, mortgage securities, including CMO's, and commingled investment funds. The fund is rated AAA by Fitch Ratings.

**Objective.** The fund is designed to provide an investment pool alternative for members that have excess funds and an investment horizon greater than that of money market instruments. The investment objectives are to: 1) preserve capital; and 2) exceed the return of the Bank of America Merrill Lynch One Year Treasury Note Index over three-year periods.

**Investment Risk.** Shares of the fund are neither insured nor guaranteed by any U.S. government agency, including the FDIC. The fund is subject to interest rate, credit and liquidity risk, which may cause a loss of principal. The market value of the securities will fluctuate in value as interest rates, credit and liquidity conditions change, which could affect the fund's net asset value.

**Performance.** The fund rose 0.1% in the third quarter, in line with the Bank of America Merrill Lynch 1-Year Treasury Note but below that of the short-term bond manager (up 0.5%) owing to the peer group's flexibility to invest in the lower quality securities with the investment grade arena. In the 4 years since inception of this strategy, the portfolio advanced 0.7% on average annually, adding value over the BofA Merrill Lynch 1-3 Year Treasury Note Index (up 0.5%) although keeping pace with the short-term bond manager peer group (up 2.5%) was challenging due to the high quality focus of this strategy. This strategy is meeting the objective of providing consistent return enhancement over its benchmark, while maintaining a very favorable risk-adjusted return profile. This fund represents a strong short maturity complement to the other high quality fixed income options within the FMIvT.

As of September 30, 2013, the 0-2 Year High Quality Bond Fund held 62 securities. The notes to the financial statements include a summary of fair value of investment by major category. The top 10 holdings are listed below.

#	Issue Name	Fair Value (\$000's)	% of Account Fair Value
1	US Treasury Bill August 2014	\$ 32,962	13.22%
2	US Treasury Notes 0.750% December 2013	25,537	10.24%
3	US Treasury Notes 0.250% October 2014	18,021	7.22%
4	US Treasury Bill July 2014	15,711	6.30%
5	US Treasury Notes 0.250% November 2013	15,005	6.02%
6	Wells Fargo Government Money Market	14,792	5.93%
7	US Treasury Notes 0.250% September 2014	12,517	5.02%
8	FNMA 0.500% July 2015	10,032	4.02%
9	US Treasury Bill June 2014	9,989	4.00%
10	Ally 2012-1 A3 0.930% February 2016	6,424	2.58%
<b>TOTAL</b>		<b>\$ 160,990</b>	<b>64.55%</b>

## 1-3 Year High Quality Bond Fund (Inception 10/1/1995)

As of September 30, 2013, the 1-3 Year High Quality Bond Fund had a net asset value of \$498 million, representing 67 participants. The fund is actively managed by Atlanta Capital Management Company and invests in government and high quality debt securities while maintaining an average maturity of two years. The portfolio is valued on the 15th and last business day of the month. If the 15th is not a business day, the valuation is the next succeeding business day. Management fees are 10 bps and administrative fees are 10.5 bps. Total expenses are approximately 21 bps.

The fund may invest in direct obligations issued or guaranteed by the U.S. government or any of its agencies, money market obligations, asset-backed securities, mortgage securities, including CMO's, and commingled investment funds. The fund is rated AAA by Fitch.

**Objective.** The fund is designed to provide an investment pool alternative for members that have excess funds and an investment horizon greater than that of money market instruments. The investment objective is: 1) to preserve capital; and 2) exceed the return of the Bank of America Merrill Lynch One to Three Year Government Index over three-year periods.

**Investment Risk.** Shares of the fund are neither insured nor guaranteed by any U.S. government agency, including the FDIC. The fund is subject to interest rate, credit and liquidity risk, which may cause a loss of principal. The market value of the securities will fluctuate in value as interest rates, credit and liquidity conditions change, which could affect the fund's net asset value.

**Performance.** The fund displayed modestly positive performance in the third quarter, rising 0.2% compared with a 0.3% advance in the Bank of America Merrill Lynch 1-3 Year Government Index and a 0.5% rise in the short-term bond manager peer group, due to the headwind of a shorter duration posture for this fund. Over the past 3 years, this strategy (up 0.8%) has modestly outperformed the BofA ML 1-3 Year Government benchmark, but has lagged the peer group owing the fund's lack of exposure to the relatively strong performance in lower quality securities during this period. This fund has met the objective of beating the benchmark over the past 10 years, although it is modestly below the broader quality peer group due to the higher quality bias. This bias had rewarded investors in the form of a very favorable relative risk-adjusted return profile over the long term.

As of September 30, 2013, the 1-3 Year High Quality Bond Fund held 89 securities. The notes to the financial statements include a summary of fair value of investment by major category. The top 10 holdings are listed below.

#	Issue Name	Fair Value (\$000s)	% of Account Fair Value
1	US Treasury Notes 0.250% October 2015	\$ 35,793	7.19%
2	FNMA 0.875% August 2014	34,225	6.88%
3	US Treasury Notes .0375% March 2015	34,081	6.85%
4	FHLMC 0.625% December 2014	25,376	5.10%
5	US Treasury Notes 0.375% November 2015	22,002	4.42%
6	FHLMC 0.375% October 2013	18,004	3.62%
7	GE Dealer Floor 12-1 Variable Rate February 2017	16,043	3.22%
8	FHMS K502 A2 1.426% August 2017	15,049	3.02%
9	CARMX 0.600% October 2017	13,543	2.72%
10	CHAIT 2012-A3 0.790% June 2017	11,539	2.32%
	<b>TOTAL</b>	<b>\$ 225,655</b>	<b>45.34%</b>

## Intermediate High Quality Bond Fund (Inception 10/1/1995)

As of September 30, 2013, the Intermediate High Quality Bond Fund had a net asset value of \$272 million, representing 32 participants. The fund is managed by Atlanta Capital Management Company and invests in government and high quality debt securities while maintaining an average maturity of approximately five years. The portfolio is valued on the last business day of the month. Management fees are 10 bps and administrative fees are 10.5 bps. Total expenses are approximately 22 bps.

The fund may invest in direct obligations issued or guaranteed by the U.S. government or any of its agencies, money market obligations, asset-backed securities, mortgage securities, including CMO's, commingled investment funds and corporate bonds issued by any corporation in the U.S. with at least an A rating. The fund is rated AAA by Fitch.

**Objective.** The fund is designed to provide an investment pool alternative for members that have excess funds and an investment horizon greater than that of money market instruments. The investment objective is to exceed the return of the Barclays Capital Intermediate Government/Credit (Ex-Baa)+ABS+MBS Index over a complete market cycle (usually 3 to 5 years).

**Investment Risk.** Shares of the fund are neither insured nor guaranteed by any U.S. government agency, including the FDIC. The fund is subject to interest rate, credit and liquidity risk, which may cause a loss of principal. The market value of the securities will fluctuate in value as interest rates, credit and liquidity conditions change, which could affect the fund's net asset value.

**Performance.** The fund rose 0.6% in the third quarter, similar to the Barclays Capital Intermediate Government Credit (Ex-Baa) +ABS+MBS Index and the peer group of intermediate bond managers, as the beneficial impact of the asset-backed exposure was offset by a shorter duration posture. The fund has displayed a consistent pattern of performance, posting absolute returns of around 4% over the past 5-10 years. While this performance is similar to the benchmark and peer group over the long-term, the lower risk profile has led to favorable risk-adjusted returns compared to its benchmark. The portfolio's conservative risk profile and high quality bias are in line with the objectives for this fund.

As of September 30, 2013, the Intermediate High Quality Bond Fund held 129 securities. The notes to the financial statements include a summary of fair value of investment by major category. The top 10 holdings are listed below.

#	Issue Name	Fair Value (\$000s)	% of Account Fair Value
1	US Treasury Notes 1.875% August 2017	\$ 12,545	4.61%
2	US Treasury Notes 1.000% May 2018	11,846	4.36%
3	FHMS K026 2.510% November 2022	9,435	3.47%
4	Wells Fargo Government Money Market	9,732	3.58%
5	US Treasury Notes 0.750% December 2013	8,938	3.29%
6	US Treasury Notes 1.125% December 2019	8,629	3.17%
7	US Treasury Notes 0.500% July 2017	8,364	3.08%
8	FHLMC Gold E03124 3.000% April 2027	8,045	2.96%
9	FHLMC 2.375% January 2022	7,879	2.90%
10	FHMS K009 3.810% August 2020	7,329	2.70%
	<b>TOTAL</b>	<b>\$ 92,742</b>	<b>34.12%</b>



## Broad Market High Quality Bond Fund (Inception 1/1/1998)

As of September 30, 2013, the Broad Market High Quality Bond Fund had a net asset value of \$222 million, representing six participants. The fund is actively managed by Atlanta Capital Management Company and invests in government and high quality debt securities while maintaining an average maturity of approximately eight and one-half years. The portfolio is valued on the last business day of the month. Management fees are 15 bps and administrative fees are 14.5 bps. Total expenses are approximately 31 bps.

The fund may invest in direct obligations issued or guaranteed by the U.S. government or any of its agencies, money market obligations, asset-backed securities, mortgage securities, including CMO's, commingled investment funds, corporate bonds issued by any corporation in the U.S. with at least an A rating and U.S. dollar-denominated and issued obligations and securities of foreign sovereign states or non-U.S. corporations (Yankee bonds) with at least an A rating. The fund is rated AA by Fitch.

**Objective.** The fund is designed to provide an investment pool alternative for members that seek a longer-term bond fund for a portion of their pension assets or have other excess funds with a longer investment horizon. The investment objective is to exceed the return of the Barclays Capital Aggregate A+ Index over three-year periods.

**Investment Risk.** Shares of the fund are neither insured nor guaranteed by any U.S. government agency, including the FDIC. The fund is subject to interest rate, credit and liquidity risk, which may cause a loss of principal. The market value of the securities will fluctuate in value as interest rates, credit and liquidity conditions change, which could affect the fund's net asset value.

**Performance.** The fund rose 0.5% in the third quarter, similar to both the Barclays Capital Aggregate A+ Index and the peer group of the core fixed income managers, as the beneficial impact of the asset-backed exposure was offset by a shorter duration posture. The fund has displayed a consistent pattern of performance, posting absolute returns of better than 4% over the past 5-10 years. While this performance is similar to the benchmark over the long-term, the lower risk profile has led to favorable risk-adjusted returns compared to its benchmark. The portfolio's conservative risk profile and high quality bias are in line with the objectives for this fund.

As of September 30, 2013, the Broad Market High Quality Bond Fund held 87 securities. The notes to the financial statements include a summary of fair value of investment by major category. The top 10 holdings are listed below.

#	Issue Name	Fair Value (\$000s)	% of Account Fair Value
1	US Treasury Notes 1.875% August 2017	\$ 21,683	9.78%
2	FNMA 0.500% March 2016	14,415	6.50%
3	US Treasury Notes 0.250% November 2013	11,003	4.96%
4	US Treasury Notes 7.500% November 2024	9,128	4.12%
5	US Treasury Notes 0.500% July 2017	7,064	3.19%
6	US Treasury Bonds 4.375% May 2041	5,947	2.68%
7	US Treasury Notes 1.000% May 2018	5,923	2.67%
8	FNMA 2012-M1 2.729% October 2021	5,874	2.65%
9	FNMA Pool AB4665 2.500% March 2027	5,060	2.28%
10	US Treasury Notes 2.500% August 2023	4,900	2.21%
	<b>TOTAL</b>	<b>\$ 90,997</b>	<b>41.04%</b>



### Expanded High Yield Bond Fund (Inception 6/1/2007)

As of September 30, 2013, the Expanded High Yield Bond Fund had a net asset value of \$48 million, representing two participants. The fund is managed by Oaktree Capital Management. The portfolio is valued on the last business day of the month. Management fees are 55 bps and administrative fees are 14.5 bps. Total expenses are approximately 77 bps.

The commingled fund primarily invests in high yield fixed income securities and/or debt issuers organized or located in the United States, Canada and Europe. The fund is not rated.

**Objective.** The fund is designed to provide an investment pool alternative for members that seek a higher-yielding longer-term bond fund for a portion of their pension assets or have other excess funds with a longer investment horizon. The fund's objective is to obtain a high total return as compared to both the Barclays Capital High Yield 2% Constrained Index and the investment grade bond market by investing in a diversified portfolio of domestic and European high yield fixed income securities. As a secondary objective, the portfolio seeks to provide high current income consistent with reasonable risk. The fund seeks to outperform the Barclays Capital High Yield 2% Constrained Index over a complete market cycle (usually 3 to 5 years).

**Investment Risk.** Shares of the fund are neither insured nor guaranteed by any U.S. government agency, including the FDIC. The fund is subject to interest rate, credit and liquidity risk, which may cause a loss of principal. The market value of the securities will fluctuate in value as interest rates, credit and liquidity conditions change, which could affect the fund's net asset value.

**Performance.** The fund advanced 2.1% in the third quarter, modestly behind that of the Barclays Capital High Yield 2% Constrained Index and the high yield bond manager peer group, both up 2.3%, as the lowest quality/most distressed fixed income securities rallied the most, thereby negating the quality focus of this strategy. The fund has turned in very strong absolute returns in the six years since inception, rising 7.9% on average annually during that period and providing by far the best absolute return attributes among the FMIvT fixed income options. While performance has failed to keep pace with an even more rapid advance in the benchmark and peer group since inception, the strategy's modest risk profile has added value, as evidenced by the favorable relative risk-adjusted return statistics (Sharpe Ratio of 0.69 versus 0.68 for the benchmark).

As of September 30, 2013, the Expanded High Yield Bond Fund held one security, the Oaktree Capital Management (OCM) Expanded High Yield Bond Fund.

## High Quality Growth Portfolio (Inception 1/1/1998)

As of September 30, 2013, the High Quality Growth Portfolio had a net asset value of \$51 million, representing five participants. The fund is managed by Atlanta Capital Management Company. The portfolio is valued on the last business day of the month. Management fees are 45 bps and administrative fees are 14.5 bps. Total expenses are approximately 66 bps.

The portfolio invests in large cap growth style common stocks of companies domiciled in the U.S. or traded on the New York Stock Exchange.

**Objective.** The portfolio is designed to provide an investment pool alternative to members for pension or retirement plans or other programs that have long-term investment horizons. The portfolio will generally invest in common stocks of U.S. corporations that offer superior returns as compared to bonds over long periods of time, but with greater volatility in market value during shorter interim periods. The strategy for generating superior returns is to invest in a diversified portfolio of high-quality companies capable of sustaining superior rates of earnings growth. This portfolio seeks to meet or exceed the performance of the Russell 1000 Growth Index.

**Investment Risk.** Shares of the portfolio are neither insured nor guaranteed by any U.S. government agency, including the FDIC. Because the portfolio invests in equity securities, members are exposed to significant price risk as well as income risk. Price risk is divided into market risk and individual company risk. The price of a particular common stock may decline in response to a general decline in the stock market brought on by investor reactions to changes in interest rates, the outlook for inflation, disappointing profits, government policy, economic weakness or a host of other considerations.

**Performance.** The portfolio was up 5.8% in the third quarter, below that of the Russell 1000 Growth Index (up 8.1%) and the peer group of large cap growth managers (up 8.9%) as the beneficial impact of strong stock selection in the materials sector was more than offset by adverse technology and industrial stock picks. This strategy has struggled to keep pace with the very strong equity market over the past 1-3 years, which has also pulled down the longer-term return profile, although both the risk and return results over the past 10 years still remain in line with the benchmark. The high quality and growth oriented focus of this strategy positions this fund to provide consistent performance over long periods of time, while also representing a strong complement to the large cap value-oriented strategy within the FMIvT lineup.

As of September 30, 2013, the High Quality Growth Portfolio held 54 securities. The top 10 holdings are listed below.

#	Issue Name	Fair Value (\$000s)	% of Account Fair Value
1	Google Inc	\$ 2,169	4.22%
2	Apple Inc	2,059	4.00%
3	Monsanto Co	2,000	3.89%
4	Qualcomm Inc	1,707	3.32%
5	Schlumberger Ltd	1,697	3.30%
6	Philip Morris Intl	1,639	3.19%
7	Microsoft Corp	1,598	3.11%
8	Gilead Sciences Inc	1,545	3.01%
9	Union Pacific Corp	1,462	2.84%
10	Coca-Cola Co	1,443	2.81%
	<b>Total</b>	<b>\$ 17,319</b>	<b>33.69%</b>

## Diversified Small to Mid (SMID) Cap Equity Portfolio (Inception 1/1/2000)

As of September 30, 2013, the Diversified Small to Mid (SMID) Cap Equity Portfolio had a net asset value of \$91 million, representing seven participants. The portfolio is managed by Atlanta Capital Management Company. The portfolio is valued on the last business day of the month. Management fees are 45 bps and administrative fees are 14.5 bps. Total expenses are approximately 63 bps.

The portfolio invests in small to mid cap core style common stocks of companies domiciled in the U.S. or traded on the New York Stock Exchange.

**Objective.** The primary objective of the portfolio is long term capital appreciation. Current income is a secondary objective. The portfolio is designed to provide an investment pool alternative to members for pension or retirement plans or other programs that have long-term investment horizons. The portfolio seeks to meet or exceed the performance of the Russell 2500 Index, which measures the performance of the small to mid-cap segment of the US equity universe commonly referred to as “smid” cap. The Russell 2500 Index is a subset of the Russell 3000® Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index measurement.

**Investment Risk.** Shares of the portfolio are neither insured nor guaranteed by any U.S. government agency, including the FDIC. Because the portfolio invests in equity securities, members are exposed to significant price risk as well as income risk. Price risk is divided into market risk and individual company risk. The price of a particular common stock may decline in response to a general decline in the stock market brought on by investor reactions to changes in interest rates, the outlook for inflation, disappointing profits, government policy, economic weakness or a host of other considerations.

**Performance.** The portfolio produced strong absolute returns in the third quarter (up 7.9%), although keeping up with the even more rapid advance in the Russell 2500 Index (up 9.1 %) was difficult due to adverse stock selection in the health care, consumer discretionary and industrial sectors of the market. This strategy has recorded an admirably consistent record of exceeding objectives over all long-term time periods. Over the past 10 years, the fund has outperformed its benchmark by more than 300 basis points on average annually, thereby ranking in the top 10th percentile of the universe of small-mid cap managers.

As of September 30, 2013, the Diversified Small to Mid (SMID) Cap Equity Portfolio held 51 securities. The top 10 holdings are listed below.

#	Issue Name	Fair Value (\$000s)	% of Account Fair Value
1	Wells Fargo Government Money Market Fund	\$ 4,293	4.72%
2	Markel Corp	3,880	4.27%
3	LKQ Corp	3,813	4.19%
4	Morningstar Inc	3,404	3.74%
5	Affiliated Managers Group	3,312	3.64%
6	HCC Insurance Holdings Inc	2,880	3.17%
7	Dentsply International Inc	2,600	2.86%
8	Henry Schein Inc	2,544	2.80%
9	Ansys Inc	2,464	2.71%
10	Kirby Corp	2,306	2.54%
	<b>Total</b>	<b>\$ 31,496</b>	<b>34.64%</b>

## Russell 1000 Enhanced Index Portfolio (Inception 1/1/2000)

As of September 30, 2013, the Russell 1000 Enhanced Index Portfolio had a net asset value of \$132 million, representing five participants. The commingled fund is managed by Janus/INTECH. The portfolio is valued on the last business day of the month. Management fees are 39.5 bps and administrative fees are 10.5 bps. Total expenses are approximately 53 bps.

The portfolio invests in large cap core style common stocks of companies domiciled in the U.S. or traded on the New York Stock Exchange.

**Objective.** The portfolio is designed to provide an investment pool alternative to members for pension or retirement plans or other programs that have long-term investment horizons. The portfolio seeks to meet or exceed the performance of the Russell 1000 Index, which is made up of 1,000 of the largest companies in the U.S. The portfolio primarily invests in the stocks that comprise the Index.

**Investment Risk.** Shares of the portfolio are neither insured nor guaranteed by any U.S. government agency, including the FDIC. Because the portfolio invests in equity securities, members are exposed to significant price risk as well as income risk. Price risk is divided into market risk and individual company risk. The price of a particular common stock may decline in response to a general decline in the stock market brought on by investor reactions to changes in interest rates, the outlook for inflation, disappointing profits, government policy, economic weakness or a host of other considerations.

**Performance.** The portfolio advanced 6.2% in the third quarter, modestly ahead of the Russell 1000 Index (up 6.0%) and the peer group of large cap core managers (up 6.1%) as a modest overweighting to basic material and industrial stocks coincided with market sentiment during this period. This enhanced large cap strategy is focused on producing a consistent (albeit modest) enhancement to the Russell 1000 Index, and has achieved this objective over all long-term time frames, while also outperforming the median large cap core manager universe over the past 3-5 years.

As of September 30, 2013, the Russell 1000 Enhanced Index Portfolio held one security, the Janus INTECH Broad Enhanced Plus Fund, LLC.

### International Equity Portfolio (Inception 6/1/2005)

As of September 30, 2013, the International Equity Portfolio had a net asset value of \$71 million, representing five participants. The portfolio is managed by Thornburg Investment Management. The portfolio is valued on the last business day of the month. Management fees are 85 bps and administrative fees are 14.5 bps. Total expenses are approximately 104 bps.

The commingled fund primarily invests in developed markets outside the U.S. and maintains approximately equal weightings to both growth and value securities through a systematic rebalancing process.

**Objective.** The portfolio is designed to provide an investment pool alternative to members for pension or retirement plans or other programs that have long-term investment horizons. The Portfolio seeks to outperform the Morgan Stanley Capital International All Country World (MSCI ACWI) Ex-US Index over a complete market cycle (usually 3 to 5 years). The portfolio invests in developed markets outside the U.S.

**Investment Risk.** Shares of the portfolio are neither insured nor guaranteed by any U.S. government agency, including the FDIC. The portfolio's investment in foreign securities generally poses greater risk than domestic securities, including potentially greater price fluctuation and higher transaction costs. Foreign investments may also be affected by changes in currency rates or currency controls. With respect to certain foreign countries there is a possibility of nationalization, expropriation or confiscatory taxation, imposition of withholding or other taxes and political or social instability that could affect investment in those countries.

**Performance.** The portfolio produced the strongest returns in the FMIvT lineup in the third quarter, rising 9.8%, which was modestly behind the MSCI ACWI-Ex US Index and the peer group of similar managers (both up 10.2%). An overweighted position to the less strong Japanese market was the primary difference. This strategy was transitioned to a new manager (Thornburg) in 2011. The new manager brings a more broadly diversified exposure to both developed and emerging international markets which can result in periods of short-term volatility but is intended to add value over a full market cycle.

As of September 30, 2013, the International Equity Portfolio held one security, the Thornburg International Equity Fund, LLC.

## Large Cap Diversified Value Portfolio (Inception 11/1/2006)

As of September 30, 2013, the Large Cap Diversified Value Portfolio had a net asset value of \$52 million, representing five participants. The portfolio is managed by Hotchkis & Wiley Capital Management. The portfolio is valued on the last business day of the month. Management fees are 80 bps and administrative fees are 14.5 bps. Total expenses are approximately 101 bps.

The portfolio invests in large cap value style common stocks of companies domiciled in the U.S. or traded on the New York Stock Exchange.

**Objective.** The primary objective of the portfolio is long-term capital appreciation. Current income is a secondary objective. The portfolio is designed to provide an investment pool alternative to members for pension or retirement plans or other programs that have long-term investment horizons. These securities offer the potential of returns greater than bonds, but with greater volatility in market value. The portfolio seeks to meet or exceed the performance of the Russell 1000 Value Index.

**Investment Risk.** Shares of the portfolio are neither insured nor guaranteed by any U.S. government agency, including the FDIC. Because the portfolio invests in equity securities, members are exposed to significant price risk as well as income risk. Price risk is divided into market risk and individual company risk. The price of a particular common stock may decline in response to a general decline in the stock market brought on by investor reactions to changes in interest rates, the outlook for inflation, disappointing profits, government policy, economic weakness or a host of other considerations.

**Performance.** The portfolio advanced 5.8% in the third quarter, exceeding both the Russell 1000 Value Index (up 3.9%) and the large cap value peer group (up 5.1%), primarily as a result of beneficial stock selection in the industrial, telecommunications, and consumer discretionary sectors. Very strong outperformance for this strategy over the past year has bolstered the longer-term performance characteristics, such that this fund is 450 basis points ahead of its benchmark on average annually over the past 5 years and is ranked in the top 6th percentile of similar value funds. This strategy focuses on economic principles and valuations as the key drivers of stock selection, not momentum or growth, representing a strong complement to the other large cap managers in the FMIvT lineup.

As of September 30, 2013, the Large Cap Diversified Value Portfolio held 65 securities. The top 10 holdings are listed below.

#	Issue Name	Fair Value (\$000s)	% of Account Fair Value
1	JP Morgan Chase & Co	\$ 2,006	3.88%
2	American International Group	1,897	3.67%
3	Total SA-Spon ADR	1,749	3.39%
4	Bank of America Corp	1,678	3.25%
5	Citigroup Inc	1,612	3.12%
6	Royal Dutch Shell PLC ADR	1,597	3.09%
7	Vodafone Group PLC SP ADR	1,558	3.02%
8	Microsoft Corp	1,488	2.88%
9	Hewlett Packard Co	1,457	2.82%
10	Oracle Corp	1,353	2.62%
	<b>Total</b>	<b>\$ 16,395</b>	<b>31.74%</b>

**Florida Municipal Investment Trust**  
**Summary of Performance Returns – Gross of Fees**

Periods Ending September 30, 2013

Market Values (000s)	Qtr.	1 Year	3 Years	5 Years	7 Years	10 Years
<b>FIXED INCOME PORTFOLIOS</b>						
<b>FMIvT 0-2 Year High Quality Bond Fund<sup>1</sup></b> <i>BofA ML 1 Year Treasury Note Index</i>	<b>0.12 %</b>	<b>0.38 %</b>	<b>0.54 %</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>FMIvT 1-3 Year High Quality Bond Fund</b> <i>BofA ML 1-3 Yr Government Index</i>	<b>0.12 %</b>	<b>0.30 %</b>	<b>0.38 %</b>	<b>0.88 %</b>	<b>2.05 %</b>	<b>2.09 %</b>
<b>FMIvT Intermediate High Quality Bond Fund</b> <i>Barclays Capital High Quality Intermediate Aggregate<sup>2</sup></i>	<b>0.19 %</b>	<b>0.27 %</b>	<b>0.84 %</b>	<b>1.98 %</b>	<b>2.98 %</b>	<b>2.85 %</b>
<b>FMIvT Broad Market High Quality Bond Fund</b> <i>Barclays Capital Aggregate A+</i>	0.29 %	0.37 %	0.74 %	1.80 %	2.94 %	2.66 %
<b>FMIvT Expanded High Yield Bond Fund</b> <i>Barclays Capital High Yield 2% Constrained Index</i>	<b>0.62 %</b>	<b>(0.98)%</b>	<b>2.22 %</b>	<b>4.00 %</b>	<b>4.58 %</b>	<b>4.15 %</b>
	0.73 %	(0.81)%	2.41 %	4.67 %	4.75 %	4.26 %
	<b>0.46 %</b>	<b>(1.45)%</b>	<b>2.53 %</b>	<b>4.34 %</b>	<b>4.86 %</b>	<b>4.50 %</b>
	0.54 %	(1.66)%	2.63 %	5.00 %	4.92 %	4.44 %
	<b>2.07 %</b>	<b>6.21 %</b>	<b>8.56 %</b>	<b>11.12 %</b>	<b>N/A</b>	<b>N/A</b>
	2.28 %	7.15 %	9.18 %	13.52 %	8.89 %	8.85 %
<b>EQUITY PORTFOLIOS</b>						
<b>FMIvT High Quality Growth Portfolio</b> <i>Russell 1000 Growth</i>	<b>5.81 %</b>	<b>16.90 %</b>	<b>14.67 %</b>	<b>9.95 %</b>	<b>7.12 %</b>	<b>7.79 %</b>
<b>FMIvT Diversified Value Portfolio</b> <i>Russell 1000 Value</i>	8.12 %	19.27 %	16.94 %	12.07 %	7.60 %	7.83 %
<b>FMIvT Russell 1000 Enhanced Index Portfolio</b> <i>Russell 1000</i>	<b>5.75 %</b>	<b>31.37 %</b>	<b>17.55 %</b>	<b>13.50 %</b>	<b>N/A</b>	<b>N/A</b>
<b>FMIvT Diversified Small to Mid Cap Equity Portfolio</b> <i>Custom Index<sup>3</sup></i>	3.95 %	22.33 %	16.25 %	8.87 %	4.25 %	7.99 %
<b>FMIvT International Equity Portfolio<sup>4</sup></b> <i>MSCI ACWI Ex-US</i>	<b>6.24 %</b>	<b>20.35 %</b>	<b>17.11 %</b>	<b>10.76 %</b>	<b>6.50 %</b>	<b>8.36 %</b>
	6.02 %	20.90 %	16.64 %	10.53 %	5.98 %	7.98 %
	<b>7.88 %</b>	<b>31.06 %</b>	<b>21.94 %</b>	<b>16.14 %</b>	<b>12.84 %</b>	<b>13.57 %</b>
	9.07 %	29.81 %	18.44 %	11.58 %	7.52 %	9.85 %
	<b>9.82 %</b>	<b>16.94 %</b>	<b>3.87 %</b>	<b>2.24 %</b>	<b>(0.97)%</b>	<b>N/A</b>
	10.17 %	17.00 %	6.44 %	6.75 %	3.49 %	9.24 %

<sup>1</sup> Assets from the FMIvT High Quality Government Fund were transitioned on April 1, 2009, to the FMIvT 0-2 Year High Quality Bond Fund.

<sup>2</sup> Index Returns presented represent the Barclays Capital Intermediate Government/Credit (Ex Baa)+ABS+MBS.

<sup>3</sup> Custom Index consists of the Russell 2500 beginning June 1, 2010 and prior to that the Russell 2000.

<sup>4</sup> Portfolio renamed and manager changed in April 2011.

**Note:** Portfolio performance returns presented here are gross of all fees and expenses. Further, performance of each portfolio presented here is not necessarily representative of the actual return of a particular participant within the Trust due to issues related to the timing of contributions and withdrawals by individual participants.

Prepared by: Asset Consulting Group



# Florida Municipal Investment Trust

## Summary of Performance Returns – Net of All Fees and Expenses

Periods Ending September 30, 2013

Market Values (000s)	Qtr.	1 Year	3 Years	5 Years	7 Years	10 Years
<b>Fixed Income Portfolios</b>						
<b>FMIvT 0-2 Year High Quality Bond Fund<sup>1</sup></b> <i>BofA ML 1 Year Treasury Note Index</i>	<b>0.07 %</b>	<b>0.15 %</b>	<b>0.32 %</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
	0.12 %	0.30 %	0.38 %	0.88 %	2.05 %	2.09 %
<b>FMIvT 1-3 Year High Quality Bond Fund</b> <i>BofA ML 1-3 Yr Government Index</i>	<b>0.14 %</b>	<b>0.07 %</b>	<b>0.64 %</b>	<b>2.01 %</b>	<b>2.86 %</b>	<b>2.70 %</b>
	0.29 %	0.37 %	0.74 %	1.80 %	2.94 %	2.66 %
<b>FMIvT Intermediate High Quality Bond Fund</b> <i>Barclays Capital High Quality Intermediate Aggregate<sup>2</sup></i>	<b>0.56 %</b>	<b>(1.20)%</b>	<b>1.99 %</b>	<b>3.99 %</b>	<b>4.41 %</b>	<b>3.95 %</b>
	0.73 %	(0.81)%	2.41 %	4.67 %	4.75 %	4.26 %
<b>FMIvT Broad Market High Quality Bond Fund</b> <i>Barclays Capital Aggregate A+</i>	<b>0.38 %</b>	<b>(1.76)%</b>	<b>2.21 %</b>	<b>4.27 %</b>	<b>4.65 %</b>	<b>4.25 %</b>
	0.54 %	(1.66)%	2.63 %	5.00 %	4.92 %	4.44 %
<b>FMIvT Expanded High Yield Bond Fund</b> <i>Barclays Capital High Yield 2% Constrained Index</i>	<b>2.00 %</b>	<b>5.93 %</b>	<b>8.27 %</b>	<b>10.87 %</b>	<b>N/A</b>	<b>N/A</b>
	2.28 %	7.15 %	9.18 %	13.52 %	8.89 %	8.85 %
<b>Equity Portfolios</b>						
<b>FMIvT High Quality Growth Portfolio</b> <i>Russell 1000 Growth</i>	<b>5.63 %</b>	<b>16.13 %</b>	<b>13.91 %</b>	<b>9.31 %</b>	<b>6.45 %</b>	<b>7.11 %</b>
	8.12 %	19.27 %	16.94 %	12.07 %	7.60 %	7.83 %
<b>FMIvT Diversified Value Portfolio</b> <i>Russell 1000 Value</i>	<b>5.48 %</b>	<b>30.05 %</b>	<b>16.35 %</b>	<b>12.51 %</b>	<b>N/A</b>	<b>N/A</b>
	3.95 %	22.33 %	16.25 %	8.87 %	4.25 %	7.99 %
<b>FMIvT Russell 1000 Enhanced Index Portfolio</b> <i>Russell 1000</i>	<b>6.12 %</b>	<b>19.80 %</b>	<b>16.60 %</b>	<b>10.38 %</b>	<b>6.17 %</b>	<b>8.05 %</b>
	6.02 %	20.90 %	16.64 %	10.53 %	5.98 %	7.98 %
<b>FMIvT Diversified Small to Mid Cap Equity Portfolio</b> <i>Custom Index<sup>3</sup></i>	<b>7.71 %</b>	<b>30.24 %</b>	<b>21.17 %</b>	<b>15.63 %</b>	<b>12.28 %</b>	<b>12.96 %</b>
	9.07 %	29.81 %	18.44 %	11.58 %	7.52 %	9.85 %
<b>FMIvT International Equity Portfolio<sup>4</sup></b> <i>MSCI ACWI Ex-US</i>	<b>9.73 %</b>	<b>16.56 %</b>	<b>3.40 %</b>	<b>1.47 %</b>	<b>(1.78)%</b>	<b>N/A</b>
	10.17 %	17.00 %	6.44 %	6.75 %	3.49 %	9.24 %

<sup>1</sup>Assets from the FMIvT High Quality Government Fund were transitioned on April 1, 2009, to the FMIvT 0-2 Year High Quality Bond Fund.

<sup>2</sup>Index Returns presented represent the Barclays Capital Intermediate Government/Credit (Ex Baa)+ABS+MBS.

<sup>3</sup>Custom Index consists of the Russell 2500 beginning June 1, 2010 and prior to that the Russell 2000.

<sup>4</sup>Portfolio renamed and manager changed in April 2011.

**Note:** Portfolio performance returns presented here are gross of all fees and expenses. Further, performance of each portfolio presented here is not necessarily representative of the actual return of a particular participant within the Trust due to issues related to the timing of contributions and withdrawals by individual participants. Beginning July 2008 and ending September 2010, the net of fees performance includes the impact of securities lending activity, which may increase or decrease the total expenses of the portfolio.

Prepared by: Asset Consulting Group



**Florida Municipal Investment Trust**  
**Schedule of Fees**

As of September 30, 2013

	Investment Management Fees		Administrative Fees		Total Fees (1)
O-2 Year High Quality Bond Fund	\$199,194	0.10%	\$209,154	0.105%	\$408,348
1-3 Year High Quality Bond Fund	\$522,166	0.10%	\$548,274	0.105%	\$1,070,440
Intermediate High Quality Bond Fund	\$342,937	0.10%	\$360,083	0.105%	\$703,020
Broad Market High Quality Bond Fund	\$319,417	0.15%	\$308,770	0.145%	\$628,187
Expanded High Yield Bond Fund (2)	\$23,175	0.55%	\$67,207	0.145%	\$90,382
High Quality Growth Portfolio	\$211,919	0.45%	\$68,285	0.145%	\$280,204
Diversified Small to Mid Cap Equity Portfolio	\$365,962	0.45%	\$117,921	0.145%	\$483,883
Russell 1000 Enhanced Index Portfolio	\$483,639	0.395%	\$128,562	0.105%	\$612,201
International Equity Portfolio	\$540,377	0.85%	\$92,182	0.145%	\$632,559
Large Cap Diversified Value Portfolio	\$388,224	0.80%	\$70,366	0.145%	\$458,590

(1) Total Fees are calculated using average net assets.

(2) Total Fees do not reflect investment management fees directly charged to underlying investments.

## Florida Municipal Investment Trust Schedule of Commission Fees

As of September 30, 2013

Broker	Trades	Commission	% Total
Abel Noser	211	\$2,760	4.31%
Credit Suisse Securities (USA)	175	\$2,337	3.65%
BNY ConvergeX	74	\$11,635	18.15%
Merrill Lynch	60	\$1,191	1.86%
Morgan Stanley & Co.	59	\$3,438	5.36%
JP Morgan Chase Securities	51	\$2,347	3.66%
Knight Equity Markets LP	41	\$5,778	9.02%
Robert W. Baird	40	\$2,802	4.37%
Barclays Capital LE	39	\$1,797	2.80%
Cantor Fitzgerald & Co. Inc.	38	\$448	0.70%
CS First Boston	36	\$1,479	2.31%
Jeffries & Company	36	\$721	1.13%
Bernstein Sanford C. & Co.	35	\$991	1.55%
Goldman Sachs & Company	31	\$2,264	3.53%
BTIG LLC	29	\$453	0.71%
Barclays Bank PLC	26	\$2,751	4.29%
Liquidnet, Inc.	26	\$1,396	2.18%
Weeden & Company	25	\$358	0.56%
Wells Fargo Securities LLC	21	\$710	1.11%
Bidsbar Cap	17	\$1,430	2.23%
Investment Technology Group	16	\$769	1.20%
Citigroup Global Markets	13	\$1,211	1.89%
DeMatteo Monness LLC	13	\$692	1.08%
ISI Group Inc.	12	\$1,071	1.67%
Pacific Crest Securities	12	\$1,299	2.03%
Deutsche Bank Securities Inc.	11	\$1,469	2.29%
Dowling & Partners Securities	11	\$408	0.64%
Harris Nesbitt	11	\$300	0.47%
Other	205	\$9,795	15.25%
<b>Total</b>	<b>1,374</b>	<b>\$64,100</b>	<b>100.00%</b>

**Florida Municipal Investment Trust**  
**Schedule of Members**

As of September 30, 2013

Participant	Net Asset Values (\$000s)	0-2 Year High Quality Bond Fund	1-5 Year High Quality Bond Fund	Intermediate High Quality Bond Fund	Broad Market High Quality Bond Fund	Expanded High Yield Bond Fund	High Quality Growth Portfolio	Diversified Small to Mid Cap Equity Portfolio	Russell 1000 Enhanced Index Portfolio	International Equity Portfolio	Large Cap Diversified Value Portfolio
Apopka	\$153		X	X							
Boca Raton	61,548	X	X	X							
Boynton Beach	73,439	X	X	X							
Boynton Beach Employees' Pension Plan	7,677							X			
Bradenton	7,310	X	X	X							
Brooksville	6,427	X	X	X							
Cape Canaveral	202	X									
Coconut Creek	27,516	X	X	X							
Cooper City	5,566	X	X	X							
Davie	5,125	X	X								
Davie Firefighters' Pension Trust	6,420							X			
DeFuniak Springs	2,157		X	X							
Delta Farms Water Control District	269			X							
Flagler Beach	7,142	X	X	X							
Florida Association of Counties Trust	13,946		X	X	X	X	X	X	X	X	X
Florida Municipal Insurance Trust	427,447		X	X	X	X	X	X	X	X	X
Florida Municipal Loan Council	40,811		X								
Florida Municipal Pension Trust Fund	348,714				X		X	X	X	X	X
Florida Municipal Pension Trust Fund OPEB	40,575				X		X	X	X	X	X
Fort Lauderdale	59,213		X								
Fort Myers Beach	4,775			X							
Fort Pierce	553		X	X							
Greenacres	11,188	X	X	X							
Gulf Breeze	63		X								
Hialeah Water and Sewer	20,820	X	X	X	X						
Housing Finance Authority of Lee County	1,451	X	X		X						
Indian Harbour Beach	2,012	X									
Indian Shores	1,521	X									
Inverness	7,174	X	X	X							
Jacksonville Beach	11,659	X									
Jacksonville Self Insurance Fund	22,933			X							
Juno Beach	1,078	X	X	X							
Lady Lake	4,855		X	X							
Lake City	4,058	X	X	X							
Leon County Board of County Commissioners	7,705	X	X								
Lighthouse Point	1,416	X	X	X							
Madeira Beach	11,976	X									
Marco Island	46,322	X	X								
Mount Dora	3,599	X	X								
New Port Richey	13,481	X									
North Miami Beach	2,197		X								
North Sumter County Utility - NSU	2,402		X								
North Sumter County Utility - SSF	100										X

# Florida Municipal Investment Trust Schedule of Members

As of September 30, 2013

Participant	Net Asset Values (\$000s)	0-2 Year High Quality Bond Fund	1-3 Year High Quality Bond Fund	Intermediate High Quality Bond Fund	Broad Market High Quality Bond Fund	Expanded High Yield Bond Fund	High Quality Growth Portfolio	Diversified Small to Mid Cap Equity Portfolio	Russell 1000 Enhanced Index Portfolio	International Equity Portfolio	Large Cap Diversified Value Portfolio
Oldsmar	1,568	X									
Palm Beach	35,393	X	X	X							
Palmetto	3,122		X	X							
Panama City	10,605	X									
Pembroke Park	5,920		X								
Pembroke Pines	124,352	X	X	X							
Pembroke Pines - OPEB Trust	43,835		X				X		X		X
Pinellas Park	5,677		X	X							
Pompano Beach	5,270		X								
Pompano Beach CRA - East	149		X								
Pompano Beach CRA - Northwest	438		X								
Sarasota - General Depository	9,188		X	X							
Seminole	597	X									
Shalimar	204		X	X							
South Pasadena	1,000	X	X								
St Cloud	1,198		X	X							
St Lucie County Fire District	4,510		X	X							
St Pete Beach	102	X									
Sumter Landing CDD - Fitness Enterprise	601		X								
Sumter Landing CDD - Lake Sumter Landing	679		X								
Sumter Landing CDD -Project Wide	1,732		X								
Sumter Landing CDD -Sumter Landing Amenity	2,721		X								
Tallahassee	50,050	X	X								
Tampa Sports Authority	50	X									
Tarpon Springs	12,398	X	X	X							
Village CDD - Little Sumter	1,960		X								
Village CDD - Public Safety Fund	863		X								
Village CDD - Recreation Amenities	10,503		X								
Village CDD - Road Maintenance	185		X								
Village CDD - Spanish Springs (VOSS)	168		X								
Village CDD - Village Center	2,913		X								
Village CDD #1	583		X								
Village CDD #2	646		X								
Village CDD #3	611		X								
Village CDD #4	1,491		X								
Village CDD #5	4,151		X								
Village CDD #6	2,511		X								
Village CDD #7	912		X								
Village CDD #8	651		X								
Village CDD #9	650		X								
Wellington	838		X	X							
<b>TOTAL</b>	<b>\$1,675,996</b>										

# Florida Municipal Investment Trust

## Statement Of Investment Policy

Revised 12-04-08

### I. AUTHORITY

In accordance with the Agreement and Declaration of Trust creating the Florida Municipal Investment Trust, dated April 28, 1993, and as subsequently amended, the Board of Trustees shall have the exclusive and absolute control over the Trust property and the affairs of the Trust. Pursuant to Article IV, Section 2., Investments, of the Agreement and Declaration of Trust, the Board of Trustees shall have the power to subscribe for, invest in, reinvest in, purchase or otherwise acquire, own, hold, pledge, sell, assign, transfer, exchange, distribute, lend or otherwise deal in or dispose of investments of every nature and kind, provided such investment is, in the sole and absolute discretion of the Board of Trustees, consistent with this Statement of Investment Policy, as most recently amended or supplemented, and to exercise any and all rights, powers and privileges of ownership or interest with respect to any and all such investments of every kind and description, including without limitation, the right to consent and otherwise act with respect thereto, with power to designate one or more persons, firms, associations or corporations to exercise any of said rights, powers and privileges with respect to any of said investments.

### II. SCOPE AND PURPOSE

All financial assets held or controlled by the Trust, not otherwise classified as restricted assets by the Board of Trustees, shall be invested under the guidelines as herein set forth. No person may engage in any investment transaction with funds held in a trust relationship by the Trust, except as authorized by the Board of Trustees. The policies and procedures herein are intended to provide sufficient latitude and operating flexibility to respond to changing market and economic conditions and to effectively manage the Trust's assets so as to maximize the expected return on assets within an acceptable exposure to investment risk. There are times when risks of specific investments may temporarily increase

such that the Trust may be required to operate under a more restrictive policy. In such cases, the authority to use more restrictive policies shall be disclosed in the Trust's Informational Statements. Additionally, at times, exceptions to the policy may need to be made, on a case-by-case basis, and with the approval of the Board of Trustees.

### III. OBJECTIVES

The objectives of the Trust's investment program will vary in accordance with each of the investment portfolio's objectives which are described in the Trust's Informational Statements. The Trust's holdings shall be generally diversified relative to a broad market standard and both market and nonmarket risk shall be monitored and acted upon to avoid or minimize potential losses. Short-term holdings of the Trust shall be of high quality and ready marketability with maturities diversified appropriately with respect to the current operating expenses and expected cash flow obligations of the Trust's portfolios. The Trust's portfolios are generally designed to attain a market rate of return throughout financial and economic cycles, taking into account each Trust portfolio's investment objectives, risk constraints and permitted investments as referenced in the Informational Statements.

### IV. DUTIES AND RESPONSIBILITIES

Under the direction of the Board of Trustees, it shall be the responsibility of the Administrator to supervise and administer the Trust's investment program pursuant to a written agreement between the Trust and the Administrator including, but not limited to, the following:

1. Supervise and coordinate the activities of qualified investment management firms, dealers, brokers, issuers, custodians, consultants and other investment advisers in keeping with this investment policy and other policies as set forth by the Board of Trustees.

2. Provide advice and assistance in the administration and operation of the Trust's investment program and portfolios.
3. Establish accounting systems and procedures for the safekeeping, disposal of and recording of all investment assets held or controlled by the Trust including the establishment of appropriate internal controls as required.
4. Assist in the design, development, operation, review and evaluation of the Trust's investment program for compliance with this policy. Advise the Board of Trustees as to recommendations relative to amendments to this policy. Inform the Board of Trustees of unaddressed concerns with the Trust's investment program.
5. Immediately notify the Board of Trustees in the event of any information that may have a severe and adverse effect on the Trust's investment program under the provisions of the Administration Agreement or of this policy.
6. Coordinate with the Trust's professional advisers in designing investment portfolios to meet the needs of Trust members and in establishing appropriate levels of investment risk and liquidity for meeting current and projected obligations of the Trust's investment portfolios.

## **V. PRUDENCE AND ETHICS**

The standard of prudence to be used by professional investment advisers, money managers or other qualified parties or individuals with contracted investment responsibilities with the Trust (the "Managers") shall be by "prudent person" which provides that the investments of the Trust shall be made with the judgment and care under the circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of the invested funds considering the probable income, total return and probable safety of these funds. Managers shall adhere to the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974 at 29 U.S.C. s. 1104(a)(1)(A) through (C). Individuals, acting in accordance with established procedures and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to minimize any investment losses.

Any individual who is involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Managers shall have a written policy which addresses the disclosure of potential conflict-of-interests which shall be submitted to the Administrator upon request. Managers shall also disclose to the Administrator any material financial/investment position or finding which may be contrary to this policy or otherwise related to the performance of the Trust's portfolios. Any adverse findings of the U.S. Department of Labor and/or the Securities and Exchange Commission regarding a Manager or its financial activities shall be brought to the immediate attention of the Board of Trustees.

Before engaging in any investment transactions on behalf of the Trust, a Manager shall have submitted to the Administrator a signed certification from a duly authorized representative attesting that the individuals responsible for the Trust's account have reviewed this investment policy and that they agree to undertake reasonable efforts to preclude imprudent transactions involving the assets of the Trust.

## **VI. REPORTING AND PERFORMANCE**

The Administrator shall submit to the Board of Trustees a periodic investment report with information sufficient to provide for a comprehensive review of investment activity and performance for the quarter. This report summarizes recent market conditions, economic developments and anticipated investment conditions. The report would also summarize the investment strategies employed in the most recent quarter, and describe the Trust's portfolios in terms of investment securities, maturities, risk characteristics and other relevant features.

Managers shall provide timely transaction and performance data to record and document investment activity including asset valuation, yield and total return data and such other relative performance data of the Trust's portfolios on a periodic basis as may be reasonably requested by the Administrator.

The Administrator, Managers, and other contracted parties shall provide to the Trust's Auditor such verifications or reports as are required for the purpose of developing and supporting the annual financial statements of the Trust, and the footnotes thereto.

The Administrator shall recommend and provide appropriate performance measures or indices in

evaluating the performance of the Trust's portfolios. The Administrator shall monitor portfolio performance and determine the applicability of the indices and recommend changes as needed.

## VII. BANK AND DEALER SELECTION

Repurchase and reverse repurchase agreements shall be negotiated only with firms approved in accordance with this policy.

For broker/dealers of other investment instruments, the Trust shall utilize primary dealers and such other reputable and recognized dealers as may be recommended by the Administrator.

## VIII. SAFEKEEPING AND CUSTODY

All securities purchased by the Trust under this policy shall be properly designated as assets of the Trust and shall be protected through the use of a third-party custody/safekeeping agent. The Administrator on behalf of the Trust shall enter into a formal agreement with an institution of such size and expertise as is necessary to provide the services needed to protect and secure the investment assets of the Trust and as set forth by the Agreement and Declaration of Trust and/or the Board of Trustees.

All securities purchased by the Trust under this policy shall be purchased using the "delivery versus payment" procedure if applicable. If it is ever determined to be necessary to perform security transactions on a "free delivery" basis, or to have securities held by the broker/dealer for a temporary period, the approval of the Administrator must be secured prior thereto and the reason documented in writing and presented to the Board of Trustees.

The Trust may lend its investment securities held under the provisions of this policy to qualified brokers, dealers, banks or other financial institutions, provided the loan is collateralized by cash or United States Government securities having a market value of at least 102 percent of the market value of the securities loaned and such authorization is disclosed in the Trust's Informational Statements.

## IX. RISKS

The Trust recognizes that investment risks can result from numerous factors including business and industry specific risk, market risk, credit risk, liquidity risk, reinvestment risk, etc. . . . Managers

are expected to display prudence in the selection of securities and in the diversification of portfolios as a way to minimize risk. In order to effectively monitor and manage risk, the Trust has detailed portfolio guidelines that define the style and strategy of each investment portfolio, the allowable investment securities for that particular portfolio and the restrictions or constraints that must be adhered to in the management of each particular portfolio. Compliance with the Investment Policy and Guidelines is monitored by the Trustees based on data provided by the Administrator, the investment manager, the custodian bank and the investment consultant. In the event that a portfolio is out of compliance with guidelines, the Investment Manager shall immediately notify the Administrator and shall provide recommendations for rectifying any non-compliance with this policy within five business days of discovery of the non-compliance.

## X. SECURITY SELECTION PROCESS

When purchasing or selling securities, Managers shall select securities which provide the highest rate of expected return within the parameters of this policy. Managers shall exercise prudence in managing transaction costs associated with the purchasing and selling of securities in accordance with this policy.

## XI. LIQUIDITY

To meet the redemption needs of the Trust's portfolios, the Trust shall maintain sufficient amounts of liquidity in investments including repurchase agreements, open repurchase agreements, negotiable certificates of deposit, banker's acceptances, commercial paper, U.S. Treasury direct and agency obligations all having a maturity of 90 days or less, all as purchased under the dictates of this investment policy.

## XII. AUTHORIZED INVESTMENTS

In an effort to accomplish the objectives of the Trust's portfolios, this policy identifies various authorized investment instruments, issuer diversification, maturity constraints, investment ratings and liquidity parameters. The investments authorized within each portfolio shall be identified in the Informational Statements.

- A. Repurchase Agreements which are purchased only from dealers authorized by the Board of Trustees and may only involve the sale and re-



- purchase of securities authorized for purchase by this investment policy. Maximum maturity at purchase shall not exceed 180 days with a total average maturity, at any point in time, for all repurchase agreements held of not greater than 60 days.
- B. Direct obligations of the United States Treasury including Bills, Notes, Bonds and various forms of Treasury zero-coupon securities.
- C. Any authorized investments purchased by or through the State Board of Administration or the Office of the State Treasurer and held on behalf of the Trust in a commingled pool or separate account are permitted.
- D. Commercial paper issued in the United States by any corporation, provided that such instrument carries a rating of "A1/P1" (or comparable rating) as provided by two of the top nationally recognized statistical rating organizations (NRSRO); and that the corporation's long term debt, if any, is rated at least "A1/A+" by a nationally recognized statistical rating organization or, if backed by a letter of credit (LOC), the long term debt of the LOC provider must be rated at least "AA" (or a comparable rating) by at least two of the nationally recognized statistical rating organizations publishing ratings for financial institutions. The maximum maturity shall not exceed 270 days from the time of purchase.
- E. Banker's Acceptances issued within the U.S. by institutions with a long-term debt rating of at least "AA" or short-term debt rating of P1 (or comparable ratings), as provided by one nationally recognized statistical rating organization. Exceptions to the above may be approved by the Administrator from time to time and reported to the Board of Trustees. The invested account of a Manager may own no more than five percent of the portfolio in banker's acceptances issued by any one depository institution at one time. Maximum maturity shall not exceed 270 days from the time of purchase.
- F. Nonnegotiable Certificates of Deposit issued by Florida Qualified Public Depositories as identified by the State Treasurer's office. and/or negotiable Certificates of Deposit issued in U.S. dollars by institutions, provided such institution carries a short term rating of at least "A1/P1" (or comparable rating) and a long term rating of at least "A" (or comparable rating) as provided by two of the top nationally recognized rating agencies. The invested account of a Manager may own no more than \$5,000,000 in certificates of any one depository institution at one time. Maximum maturity on any certificate shall be 2 years.
- G. Obligations of the agencies or instrumentalities of the Federal Government including but not limited to the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Home Loan Banks, Federal Farm Credit Banks, Student Loan Marketing Association, and the Resolution Funding Corporation.
- H. Money Market Mutual Funds as defined and regulated by the Securities Exchange Commission.
- I. Mortgage obligations guaranteed by the United States Government and sponsored agencies and/or instrumentalities including but not limited to the Government National Mortgage Association, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation. Mortgage-backed securities, including mortgage-pass through securities and Collateralized Mortgage Obligations (CMOs) issued, guaranteed or backed by an agency or instrumentality of the Federal Government or other mortgage securities including CMOs rated AAA or equivalent by a nationally recognized statistical rating organization. Derivative mortgage securities, such as interest only, principal only, residuals and inverse floaters, are prohibited.
- J. Corporate Fixed Income Securities issued by any corporation in the United States with a rating of A or better by a NRSRO.
- K. Asset-Backed Securities issued in the United States.
- L. U.S. dollar denominated and issued obligations and securities of foreign sovereign states or non U.S. corporations (referred to as Yankee bonds) which are rated A or better.
- M. Securities of State, Municipal and County Governments or their public agencies, which are rated in the three highest rating categories (AAA/Aaa, AA/Aa, or A) by a nationally recognized statistical rating organization.
- N. Commingled investment funds including but not limited to investment trusts, limited partnerships, and limited liability companies and listed



no-load mutual funds are authorized investments as provided herein or as may be approved by the Board of Trustees.

- O. Guaranteed Investment Contracts (GIC's) issued by insurance companies rated in the highest category by AM Best Rating System and maintaining claims paying ability of AA/Aa by a NRSRO.
- P. Investment Agreements with other financial institutions. If collateralized, the collateral securing the investment agreement shall be limited to those securities authorized for purchase by this investment policy. The invested account of a Manager may own, at one time, no more than \$10,000,000 in investment agreements from any one financial institution.
- Q. Equity Assets or equity securities meaning common stocks or equivalent (stocks of foreign corporations, including American Depository Receipts, which trade on a major U.S. exchange, i.e. the New York Stock Exchange, the NASDAQ, and the American Stock Exchange); REITs; warrants resulting from a corporate action of a security held by the portfolio; issues convertible into common stocks and preferred stocks may be considered as eligible investments.
- R. Securities lending with approved dealers & custodians.
- S. Commingled funds, specifically the Expanded High Yield Bond fund, managed by Oaktree Capital Management in the style/strategy consistent with the fund's stated objective and constraints.
- T. Securities transferred directly to the Trust from previously owned commingled investment funds.

### **XIII. ADDITIONAL INVESTMENT AUTHORITY**

Subject to the approval of the Board of Trustees, the following investments may be authorized under this policy, provided that these instruments are consistent with the investment objectives of the Trust's portfolios and the Trust's advisers have provided such information demonstrating the expected benefits and potential risks of such investments; methods for monitoring and measuring the performance of the investment; a complete description of the type, nature, extent and purpose of the investment, including a description of issuer, securities in

which investments are proposed to be made, voting rights or lack thereof and control to be acquired, restrictions upon voting, transfer, and other material rights of ownership, and the existence of any contracts, arrangements, understandings or relationships with any person or entity with respect to the proposed investment; and assurances that sufficient expertise is available to the Trust to properly manage and evaluate such activity.

- A. Non-U.S. dollar general obligations backed by the full faith and credit of a foreign government which has not defaulted on similar obligations for a minimum period of 25 years prior to purchase of the obligation and has met its payments of similar obligations when due.
- B. Corporate obligations and securities of any kind, including commingled pools and mutual funds comprised of such securities, of a foreign corporation or a foreign entity having its principal office located in any country other than the United States of America or its possessions or territories including dollar denominated securities listed and traded on a U.S. exchange.
- C. Such real property located in the State of Florida and certain interests in real property and related personal property, including mortgage and related instruments on commercial or individual real property, with provisions for equity or income participation or with provisions for converting to equity ownership and interests in collective real property investment funds.
- D. Synthetics and derivatives of the obligations and securities not otherwise authorized herein are permitted. Certain derivatives including financial futures, options, swap, and currency exchange contracts may be used in a portfolio risk management strategy design to offset unexpected market conditions. No synthetic or derivative instruments shall be used solely for speculative gain or profit and the use of such instruments shall not exceed 10 percent of the underlying portfolio allocation and 5 percent of the total invested portfolio.

### **XIV. CRITERIA FOR INVESTMENT MANAGER REVIEW**

The Board of Trustees wishes to adopt standards by which ongoing retention of an investment manager should be determined. Manager performance shall be monitored over current and long term time periods.

Although performance expectations are established for a market cycle, performance comparisons to relevant peer groups will be on an on-going basis. Performance will be reviewed over the following periods with an emphasis on 3 and 5 year periods:

3 months  
Year to date  
One Year  
Three Years  
Five Years

The manager's performance will be evaluated on absolute return, relative return, volatility profile, and consistency with stated style.

With this in mind, the following guidelines have been adopted:

If, at any time, any one of the following is breached, the Manager will be notified of the Board of Trustees serious concern for the Trust continued safety and performance and manager termination could occur.

1. Consistent performance below the fiftieth (50th) percentile in the specified universe over rolling three-year periods.
2. Consistent under-performance of the stated target index over rolling three-year periods.
3. Loss by the manager of any senior personnel deemed detrimental to the manager's ability to perform required duties.
4. Substantial change in basic investment philosophy by the manager or significant deviation from stated style and strategy.
5. Substantial change of ownership of the firm deemed detrimental to the manager's ability to perform required duties.
6. Failure to attain at least a fifty-one (51%) percent vote of the confidence of the Master Trustees.
7. Failure to observe any guidelines as stated in this document.

This shall in no way limit or diminish the Administrator's right to terminate a manager or redeem its interest in a commingled fund at any time for any reason.

Investment Management Agreements will be entered into between the Administrator and each Investment Management Firm or commingled fund. The agreements will include such items as Fiduciary Standards, notice requirements, duties and responsibilities and specific investment guidelines for the man-

agement of the Trust and will be subject to the prior review and approval of an attorney for the Administrator.

All investment managers must be duly registered with the appropriate government agencies to act in the capacity of investment manager on behalf of the Board of Trustees. Any investment manager appointed shall promptly notify the Board of Trustees in the event any circumstance arises that may result in its failing to continue to meet the requirements stipulated by the respective government agencies.

Investment manager's performance will be evaluated with the assistance of performance measurement consultants on an on-going basis and will be primary criteria for their retention.

## **XV. EXPANDED HIGH YIELD BOND FUND**

Notwithstanding any other provisions on this statement of investment policy, the authorized investments and investment limitations of the Expanded High Yield Bond Fund shall be as set forth in the Informational Statement of the portfolio as amended from time to time.

## **XVI. EFFECTIVE DATE**

This amended investment policy shall become effective immediately upon its adoption by the Board of Trustees.

As adopted by the Board of Trustees on the **4th day of December 2008**.



Julio Robaina  
Chairman, Board of Trustees  
Florida Municipal Investment Trust



Michael Sittig  
Attest:  
Executive Director, Florida League of Cities



# Statistical Section





## Introduction ■ ■ ■

In union with the **Investment Section** of the report, the **Statistical Section** of the Florida Municipal Investment Trust's CAFR is intended to provide readers additional information. To allow readers a simplified view of trends occurring in this period, the schedules in this section provide an historical overview of the Trust's portfolios over the past ten years. The changes in fiduciary net position schedule details additions from net investment income (loss) and net increase (decrease) from contributions and redemptions as well as expense deductions for each portfolio. The financial highlights schedule provides net asset value, total net return, net assets, and shares outstanding for each portfolio. Finally, the expense and financial ratio highlights show the expense ratios and ratios of interest and dividends net income trends for each portfolio.

The schedules comply with the requirements of GASB 44 by providing ten years of data as applicable, with the only exceptions being portfolios that have not been in existence for ten years.

# Schedule of Changes in Fiduciary Net Position

## Florida Municipal Investment Trust Schedule of Changes in Fiduciary Net Position

Periods Ending September 30

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>0-2 Year High Quality Bond Fund</u>										
Additions:										
Net Investment Income (Loss)	476,733	964,875	1,050,071	2,072,578	2,441,832	4,773,144	8,650,920	10,075,718	5,729,357	2,771,098
Net Increase (Decrease) from Share Transactions	45,918,113	(13,217,547)	33,569,292	(10,795,809)	61,712,552	(24,748,499)	(57,430,055)	5,284,989	(6,822,749)	(43,486,335)
Total Additions	46,394,846	(12,252,672)	34,619,363	(8,723,231)	64,154,384	(19,975,355)	(48,779,135)	15,360,707	(1,093,392)	(40,715,237)
Deductions:										
Total Expense Deductions	249,049	258,034	247,382	240,845	149,833	136,064	25,923	26,769	68,525	42,969
Dividends					765,712	4,637,080	8,624,997	10,048,949	5,660,832	2,728,129
Changes in Net Position	\$ 46,145,797	\$ (12,510,706)	\$ 34,371,981	\$ (8,964,076)	\$ 63,238,839	\$ (24,748,499)	\$ (57,430,055)	\$ 5,284,989	\$ (6,822,749)	\$ (43,486,335)
<u>1-3 Year High Quality Bond Fund</u>										
Additions:										
Net Investment Income (Loss)	827,976	5,375,461	4,976,588	10,769,247	20,847,086	3,613,617	10,582,446	8,169,799	5,293,687	4,167,589
Net Increase (Decrease) from Share Transactions	(27,027,880)	6,497,745	83,232,069	16,949,678	26,854,750	146,487,917	8,833,000	(84,100,022)	(48,041,249)	76,625,345
Total Additions	(26,199,904)	11,873,206	88,208,657	27,718,925	47,701,836	150,101,534	19,415,446	(75,930,223)	(42,747,562)	80,792,934
Deductions:										
Total Expense Deductions	588,170	603,294	527,488	497,800	367,144	348,140	241,111	285,455	330,224	321,818
Changes in Net Position	\$ (26,788,074)	\$ 11,269,912	\$ 87,681,169	\$ 27,221,125	\$ 47,334,692	\$ 149,753,394	\$ 19,174,335	\$ (76,215,678)	\$ (43,077,786)	\$ 80,471,116
<u>Intermediate High Quality Bond Fund</u>										
Additions:										
Net Investment Income (Loss)	(4,181,110)	10,712,179	12,224,395	16,804,234	20,608,360	7,794,159	11,005,301	7,749,505	4,857,385	5,802,802
Net Increase (Decrease) from Share Transactions	(76,864,375)	41,313,659	(10,936,506)	7,007,588	35,537,390	7,471,765	(8,000,000)	(2,122,687)	(1,843,401)	(44,236,233)
Total Additions	(81,045,485)	52,025,838	1,287,889	23,811,822	56,145,750	15,265,924	3,005,301	5,626,818	3,013,984	(38,433,431)
Deductions:										
Total Expense Deductions	399,978	369,480	355,553	339,097	267,890	270,462	260,223	259,602	254,353	312,688
Changes in Net Position	\$ (81,445,463)	\$ 51,656,358	\$ 932,336	\$ 23,472,725	\$ 55,877,860	\$ 14,995,462	\$ 2,745,078	\$ 5,367,216	\$ 2,759,631	\$ (38,746,119)

**Florida Municipal Investment Trust**  
**Schedule of Changes in Fiduciary Net Position**  
 Periods Ending September 30

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>Broad Market High Quality Bond Fund</u>										
Additions:										
Net Investment Income (Loss)	(3,590,207)	7,151,945	8,977,260	10,180,412	11,251,695	4,483,046	5,387,204	2,635,858	2,219,500	1,498,139
Net Increase (Decrease) from Share Transactions	23,537,929	11,631,442	19,869,623	3,420,022	3,510,396	9,632,633	36,357,243	8,070,968	5,797,062	6,553,771
<b>Total Additions</b>	<b>19,947,722</b>	<b>18,783,387</b>	<b>28,846,883</b>	<b>13,600,434</b>	<b>14,762,091</b>	<b>14,115,679</b>	<b>41,744,447</b>	<b>10,706,826</b>	<b>8,016,562</b>	<b>8,051,910</b>
Deductions:										
Total Expense Deductions	348,667	312,621	280,573	248,951	216,461	217,239	164,888	126,286	96,102	88,803
<b>Changes in Net Position</b>	<b>\$ 19,599,055</b>	<b>\$ 18,470,766</b>	<b>\$ 28,566,310</b>	<b>\$ 13,351,483</b>	<b>\$ 14,545,630</b>	<b>\$ 13,898,440</b>	<b>\$ 41,579,559</b>	<b>\$ 10,580,540</b>	<b>\$ 7,920,460</b>	<b>\$ 7,963,107</b>
<u>Expanded High Yield Bond Fund</u>										
Additions:										
Net Investment Income (Loss)	2,705,149	7,636,120	854,483	6,204,017	5,361,365	(2,549,093)	308,783	NA	NA	NA
Net Increase (Decrease) from Share Transactions	1,400,000	(6,500,000)	(5,000,000)	0	0	18,000,000	20,000,000	NA	NA	NA
<b>Total Additions</b>	<b>4,105,149</b>	<b>1,136,120</b>	<b>(4,145,517)</b>	<b>6,204,017</b>	<b>5,361,365</b>	<b>15,450,907</b>	<b>20,308,783</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Deductions:										
Total Expense Deductions	98,101	95,642	93,594	88,663	71,039	9,394	4,597	NA	NA	NA
<b>Changes in Net Position</b>	<b>\$ 4,007,048</b>	<b>\$ 1,040,478</b>	<b>\$ (4,239,111)</b>	<b>\$ 6,115,354</b>	<b>\$ 5,290,326</b>	<b>\$ 15,441,513</b>	<b>\$ 20,304,186</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<u>High Quality Growth Portfolio</u>										
Additions:										
Net Investment Income (Loss)	7,345,521	9,010,804	590,252	2,509,170	(268,684)	(3,981,229)	6,145,794	3,357,797	5,904,544	3,767,114
Net Increase (Decrease) from Share Transactions	528,908	2,710,642	437,853	4,979,299	3,188,447	(2,918,250)	(33,856,831)	(2,108,826)	(4,001,694)	5,893,698
<b>Total Additions</b>	<b>7,874,429</b>	<b>11,721,446</b>	<b>1,028,105</b>	<b>7,488,469</b>	<b>2,919,763</b>	<b>(6,899,479)</b>	<b>(27,711,037)</b>	<b>1,248,971</b>	<b>1,902,850</b>	<b>9,660,812</b>
Deductions:										
Total Expense Deductions	99,181	87,571	78,841	63,692	53,199	57,694	79,140	106,466	96,738	89,827
<b>Changes in Net Position</b>	<b>\$ 7,775,248</b>	<b>\$ 11,633,875</b>	<b>\$ 949,264</b>	<b>\$ 7,424,777</b>	<b>\$ 2,866,564</b>	<b>\$ (6,957,173)</b>	<b>\$ (27,790,177)</b>	<b>\$ 1,142,505</b>	<b>\$ 1,806,112</b>	<b>\$ 9,570,985</b>



# Schedule of Changes in Fiduciary Net Position (Continued)

## Florida Municipal Investment Trust Schedule of Changes in Fiduciary Net Position

Periods Ending September 30

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>Diversified Small to Mid Cap Equity Portfolio</u>										
Additions:										
Net Investment Income (Loss)	22,008,801	16,401,873	3,285,885	6,682,608	823,526	(2,932,203)	4,930,721	2,257,243	3,975,182	2,978,540
Net Increase (Decrease) from Share Transactions	2,114,505	(1,350,722)	(3,659,299)	5,395,292	1,415,259	5,979,645	576,681	1,429,726	1,087,063	2,785,038
Total Additions	24,123,306	15,051,151	(373,414)	12,077,900	2,238,785	3,047,442	5,507,402	3,686,969	5,062,245	5,763,578
Deductions:										
Total Expense Deductions	148,818	120,055	114,293	92,960	75,530	71,124	64,820	57,331	43,500	38,539
Changes in Net Position	\$ 23,974,488	\$ 14,931,096	\$ (487,707)	\$ 11,984,940	\$ 2,163,255	\$ 2,976,318	\$ 5,442,582	\$ 3,629,638	\$ 5,018,745	\$ 5,725,039
<u>Russell 1000 Enhanced Index Portfolio</u>										
Additions:										
Net Investment Income (Loss)	22,774,450	26,670,625	2,407,981	9,413,042	(3,063,947)	(13,699,382)	7,101,611	3,721,481	2,616,695	1,822,968
Net Increase (Decrease) from Share Transactions	(1,702,766)	(366,256)	(3,666,907)	14,299,776	10,062,775	16,935,523	6,225,518	8,726,392	7,103,276	2,345,038
Total Additions	21,071,684	26,304,369	(1,258,926)	23,712,818	6,998,828	3,236,141	13,327,129	12,447,873	9,719,971	4,168,006
Deductions:										
Total Expense Deductions	159,457	137,750	126,511	100,661	71,273	62,607	51,514	42,060	27,035	20,451
Changes in Net Position	\$ 20,912,227	\$ 26,166,619	\$ (1,385,437)	\$ 23,612,157	\$ 6,927,555	\$ 3,173,534	\$ 13,275,615	\$ 12,405,813	\$ 9,692,936	\$ 4,147,555
<u>International Equity Portfolio</u>										
Additions:										
Net Investment Income (Loss)	9,979,629	6,753,058	(8,023,157)	966,967	(342,904)	(13,092,285)	4,625,383	1,621,752	890,034	NA
Net Increase (Decrease) from Share Transactions	2,941,216	12,274,582	4,230,740	12,325,212	5,766,682	6,791,225	16,439,253	0	7,750,000	NA
Total Additions	12,920,845	19,027,640	(3,792,417)	13,292,179	5,423,778	(6,301,060)	21,064,636	1,621,752	8,640,034	NA
Deductions:										
Total Expense Deductions	123,078	103,477	93,015	78,194	55,981	50,530	34,699	20,804	3,415	NA
Changes in Net Position	\$ 12,797,767	\$ 18,924,163	\$ (3,885,432)	\$ 13,213,985	\$ 5,367,797	\$ (6,351,590)	\$ 21,029,937	\$ 1,600,948	\$ 8,636,619	\$ NA

**Florida Municipal Investment Trust**  
**Schedule of Changes in Fiduciary Net Position**  
 Periods Ending September 30

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Large Cap Diversified Value Portfolio</b>										
<b>Additions:</b>										
Net Investment Income (Loss)	12,923,840	10,466,960	(2,475,612)	3,039,996	959,762	(8,902,535)	(91,084)	NA	NA	NA
Net Increase (Decrease) from Share Transactions	(5,325,552)	1,777,137	4,058,688	5,152,766	4,453,052	9,346,362	16,691,786	NA	NA	NA
<b>Total Additions</b>	<b>7,598,288</b>	<b>12,244,097</b>	<b>1,583,076</b>	<b>8,192,762</b>	<b>5,412,814</b>	<b>443,827</b>	<b>16,600,702</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Deductions:</b>										
Total Expense Deductions	101,263	87,876	77,132	65,017	55,658	59,453	39,769	NA	NA	NA
<b>Changes in Net Position</b>	<b>\$ 7,497,025</b>	<b>\$ 12,156,221</b>	<b>\$ 1,505,944</b>	<b>\$ 8,127,745</b>	<b>\$ 5,357,156</b>	<b>\$ 384,374</b>	<b>\$ 16,560,933</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

## Florida Municipal Investment Trust Financial Highlights

Periods Ending September 30

	2013		2012		2011		2010		2009		2008		2007		2006	
	0-2 Year High Quality Bond Fund (1)	1-3 Year High Quality Bond Fund	Intermediate High Quality Bond Fund	Broad Market High Quality Bond Fund	Expanded High Yield Bond Fund	High Quality Growth Portfolio	Diversified Small to Mid Cap Equity Portfolio	Russell 1000 Enhanced Index Portfolio	International Equity Portfolio	Large Cap Diversified Value Portfolio						
Net Asset Value, end of year	\$10.30	\$17.93	\$21.78	\$21.33	\$15.34	\$21.12	\$46.67	\$15.69	\$11.70	\$11.28						
Total net return (2)	0.11%	-1.16%	0.04%	-1.76%	5.93%	16.16%	30.24%	19.73%	16.38%	29.86%						
Net Assets, end of year (\$000s)	238,434	497,927	272,411	222,321	47,960	51,380	90,806	131,833	71,334	51,589						
Shares outstanding, end of year (000s)	23,145	27,769	12,510	10,423	3,126	2,432	1,946	8,404	6,099	4,574						
Net Asset Value, end of year	\$10.29	\$17.92	\$22.03	\$21.72	\$14.48	\$18.19	\$35.83	\$13.10	\$10.05	\$8.68						
Total net return (2)	0.35%	0.88%	3.23%	3.67%	18.31%	25.29%	31.22%	30.06%	14.45%	29.85%						
Net Assets, end of year (\$000s)	\$192,288	\$524,715	\$353,857	\$202,722	\$43,953	\$43,605	\$66,832	\$110,921	\$58,536	\$44,092						
Shares outstanding, end of year (000s)	18,686	29,275	16,061	9,333	3,035	2,398	1,865	8,466	5,825	5,077						
Net Asset Value, end of year	\$10.25	\$17.77	\$21.34	\$20.95	\$12.24	\$14.51	\$27.31	\$10.07	\$8.78	\$6.69						
Total net return (2)	0.38%	0.89%	4.00%	4.81%	1.18%	1.56%	4.13%	1.61%	-16.90%	-6.78%						
Net Assets, end of year (\$000s)	\$204,799	\$513,445	\$302,200	\$184,251	\$42,912	\$31,971	\$51,901	\$84,754	\$39,612	\$31,936						
Shares outstanding, end of year (000s)	19,972	28,897	14,160	8,794	3,506	2,203	1,901	8,413	4,511	4,775						
Net Asset Value, end of year	\$10.22	\$17.61	\$20.52	\$19.99	\$12.10	\$14.29	\$26.22	\$9.91	\$10.57	\$7.17						
Total net return (2)	0.94%	2.36%	5.76%	6.80%	14.90%	8.50%	14.36%	12.44%	1.16%	11.08%						
Net Assets, end of year (\$000s)	\$170,427	\$425,764	\$301,268	\$155,685	\$47,151	\$31,022	\$52,388	\$86,140	\$43,498	\$30,430						
Shares outstanding, end of year (000s)	16,683	24,177	14,681	7,788	3,897	2,171	1,998	8,688	4,116	4,242						
Net Asset Value, end of year	\$10.12	\$17.20	\$19.40	\$18.72	\$10.53	\$13.17	\$22.93	\$8.82	\$10.45	\$6.46						
Total net return (2)	1.21%	6.10%	8.79%	8.60%	14.80%	-2.91%	1.49%	-8.27%	-4.29%	2.78%						
Net Assets, end of year (\$000s)	\$179,391	\$398,543	\$277,795	\$142,334	\$41,036	\$23,597	\$40,403	\$62,528	\$30,284	\$22,302						
Shares outstanding, end of year (000s)	17,725	23,165	14,317	7,604	3,897	1,791	1,762	7,091	2,899	3,453						
Net Asset Value, end of year	\$1.00	\$16.22	\$17.84	\$17.24	\$9.17	\$13.57	\$22.59	\$9.61	\$10.91	\$6.28						
Total net return (2)	N/A	2.25%	3.70%	3.70%	-7.17%	-16.93%	-7.94%	-20.88%	-35.45%	-38.11%						
Net Assets, end of year (\$000s)	\$116,152	\$351,208	\$221,917	\$127,788	\$35,746	\$20,730	\$38,240	\$55,600	\$24,916	\$16,945						
Shares outstanding, end of year (000s)	116,152	21,659	12,443	7,414	3,897	1,528	1,693	5,784	2,283	2,697						
Net Asset Value, end of year	\$1.00	\$15.86	\$17.20	\$16.62	\$9.88	\$16.33	\$24.54	\$12.15	\$16.91	\$10.15						
Total net return (2)	N/A	5.58%	5.49%	5.19%	-1.20%	18.04%	16.20%	16.95%	26.68%	1.53%						
Net Assets, end of year (\$000s)	\$140,900	\$201,454	\$206,922	\$113,889	\$20,304	\$27,687	\$35,264	\$52,427	\$31,268	\$16,561						
Shares outstanding, end of year (000s)	140,900	12,703	12,031	6,852	2,055	1,695	1,437	4,315	1,849	1,631						
Net Asset Value, end of year	\$1.00	\$15.02	\$16.30	\$15.80	N/A	\$13.84	\$21.12	\$10.39	\$13.35	N/A						
Total net return (2)	N/A	3.95%	3.81%	3.64%	N/A	6.32%	8.13%	10.14%	17.41%	N/A						
Net Assets, end of year (\$000s)	\$198,331	\$182,280	\$204,177	\$72,310	N/A	\$55,478	\$29,821	\$39,151	\$10,238	N/A						
Shares outstanding, end of year (000s)	198,331	12,136	12,524	4,576	N/A	4,010	1,412	3,768	767	N/A						

# Florida Municipal Investment Trust Financial Highlights

Periods Ending September 30

	0-2 Year High Quality Bond Fund (1)		1-3 Year High Quality Bond Fund		Intermediate High Quality Bond Fund		Broad Market High Quality Bond Fund		Expanded High Yield Bond Fund		High Quality Growth Portfolio		Diversified Small to Mid Cap Equity Portfolio		Russell 1000 Enhanced Index Portfolio		International Equity Portfolio		Large Cap Diversified Value Portfolio		
2005																					
Net Asset Value, end of year	\$1.00	\$14.45	\$15.70	\$15.25	N/A	\$13.01	\$19.53	\$9.43													
Total net return (2)	N/A	1.84%	2.37%	3.71%	N/A	10.92%	18.12%	13.87%													
Net Assets, end of year (\$000s)	\$193,046	\$258,496	\$198,810	\$61,729	N/A	\$54,335	\$26,192	\$26,745													
Shares outstanding, end of year (000s)	193,046	17,890	12,659	4,049	N/A	4,175	1,341	2,835													
2004																					
Net Asset Value, end of year	\$1.00	\$14.19	\$15.34	\$14.70	N/A	\$11.73	\$16.54	\$8.28													
Total net return (2)	N/A	1.37%	2.77%	2.83%	N/A	8.77%	17.80%	13.61%													
Net Assets, end of year (\$000s)	\$199,868	\$301,574	\$196,050	\$53,809	N/A	\$52,529	\$21,173	\$17,052													
Shares outstanding, end of year (000s)	199,868	21,255	12,779	3,660	N/A	4,477	1,280	2,058													

(1) 0-2 Year High Quality Bond Fund changed from \$1.00 stable par value to floating NAV on April 1, 2009.

(2) Total net return calculation is based on the value of a single unit of participation outstanding throughout the year, or since inception if portfolio was created in that year.

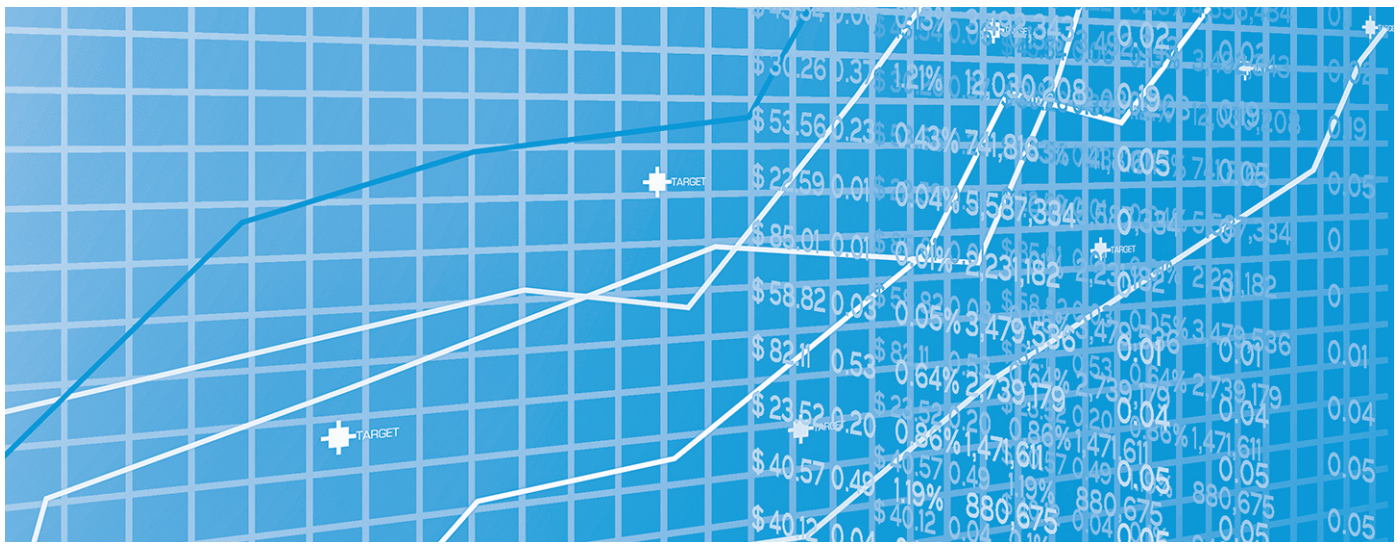
## Florida Municipal Investment Trust Expense and Financial Ratio Highlights

Periods Ending September 30

	0-2 Year High Quality Bond Fund	1-3 Year High Quality Bond Fund	Intermediate High Quality Bond Fund	Broad Market High Quality Bond Fund	Expanded High Yield Bond Fund (2)	High Quality Growth Portfolio	Diversified Small to Mid Cap Equity Portfolio	Russell 1000 Enhanced Index Portfolio (2)	International Equity Portfolio	Large Cap Diversified Value Portfolio
2013										
	Ratio of expenses, including management fees	0.23%	0.21%	0.22%	0.31%	0.66%	0.63%	0.53%	1.04%	1.01%
	Ratio of expenses, excluding management fees	0.02%	0.01%	0.01%	0.02%	0.07%	0.04%	0.03%	0.05%	0.06%
	Ratio of interest and dividends net income	0.75%	1.22%	1.99%	2.25%	1.57%	1.08%	0.00%	0.00%	2.36%
2012										
	Ratio of expenses, including management fees	0.23%	0.22%	0.22%	0.32%	0.67%	0.64%	0.45%	0.28%	1.03%
	Ratio of expenses, excluding management fees	0.02%	0.01%	0.01%	0.02%	0.08%	0.05%	0.03%	0.06%	0.08%
	Ratio of interest and dividends net income	1.42%	1.72%	2.96%	2.91%	1.11%	0.82%	0.00%	0.00%	2.58%
2011										
	Ratio of expenses, including management fees	0.22%	0.21%	0.22%	0.32%	0.67%	0.64%	0.42%	0.69%	1.02%
	Ratio of expenses, excluding management fees	0.02%	0.01%	0.01%	0.02%	0.07%	0.04%	0.03%	0.06%	0.07%
	Ratio of interest and dividends net income	2.33%	2.09%	3.19%	2.95%	1.05%	0.67%	0.00%	0.00%	2.47%
2010										
	Ratio of expenses, including management fees	0.22%	0.21%	0.22%	0.32%	0.69%	0.65%	0.31%	1.06%	1.04%
	Ratio of expenses, excluding management fees	0.02%	0.01%	0.01%	0.02%	0.09%	0.05%	0.03%	0.07%	0.09%
	Ratio of interest, dividends, and securities lending net income	2.75%	2.52%	3.67%	4.62%	1.51%	0.86%	0.00%	0.00%	2.58%
2009										
	Ratio of expenses, including management fees	0.25%	0.21%	0.21%	0.31%	0.76%	0.68%	0.32%	1.10%	1.17%
	Ratio of expenses, excluding management fees	0.04%	0.02%	0.02%	0.03%	0.18%	0.10%	0.06%	0.12%	0.24%
	Ratio of interest, dividends, and securities lending net income	2.24%	3.83%	4.35%	4.20%	1.99%	1.32%	0.01%	0.01%	3.17%
2008										
	Ratio of expenses, including management fees	0.13%	0.22%	0.22%	0.32%	0.69%	0.64%	0.29%	1.01%	1.12%
	Ratio of expenses, excluding management fees	0.02%	0.03%	0.03%	0.04%	0.11%	0.06%	0.02%	0.03%	0.19%
	Ratio of interest, dividends, and securities lending net income	3.99%	4.67%	4.85%	4.83%	1.41%	1.49%	0.00%	0.00%	2.96%
2007										
	Ratio of expenses, including management fees	0.08%	0.23%	0.23%	0.32%	0.65%	0.65%	0.27%	1.03%	1.13%
	Ratio of expenses, excluding management fees	0.02%	0.04%	0.04%	0.04%	0.07%	0.07%	0.02%	0.05%	0.17%
	Ratio of interest, dividends, and securities lending net income	5.22%	4.70%	4.87%	5.04%	1.33%	1.34%	1.46%	0.01%	1.95%
2006										
	Ratio of expenses, including management fees	0.07%	0.23%	0.23%	0.35%	0.65%	0.66%	0.22%	1.08%	N/A
	Ratio of expenses, excluding management fees	0.01%	0.04%	0.04%	0.06%	0.07%	0.07%	0.03%	0.08%	N/A
	Ratio of interest, dividends, and securities lending net income	4.63%	4.07%	5.02%	4.62%	1.40%	1.17%	2.00%	0.00%	N/A
2005										
	Ratio of expenses, including management fees	0.09%	0.22%	0.23%	0.33%	0.62%	0.63%	0.24%	1.09%	N/A
	Ratio of expenses, excluding management fees	0.03%	0.03%	0.04%	0.05%	0.04%	0.05%	0.04%	0.08%	N/A
	Ratio of interest, dividends, and securities lending net income	2.72%	3.76%	4.23%	3.96%	1.65%	1.04%	2.13%	0.00%	N/A
2004										
	Ratio of expenses, including management fees	0.08%	0.23%	0.23%	0.33%	0.63%	0.66%	0.23%	N/A	N/A
	Ratio of expenses, excluding management fees	0.02%	0.04%	0.04%	0.05%	0.05%	0.08%	0.04%	N/A	N/A
	Ratio of interest, dividends, and securities lending net income	1.24%	3.41%	3.91%	3.70%	1.09%	1.23%	1.75%	N/A	N/A

(1) Ratios use average net assets for fiscal year.  
 (2) Expense ratios do not reflect expenses charged to underlying investments.





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