

STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2013

	December-13							September-13					Current FYTD		Prior Year FY13		3 Years Ended 6/30/2013		5 Years Ended 6/30/2013	
	Market Value	Allocation		Quarter		Month		Market Value	Allocation		Quarter		Gross	Net	Gross	Net	Gross	Net	Gross	Net
		Actual	Policy	Gross	Net	Gross	Net		Actual	Policy	Gross	Net								
TOTAL FIRE & TORNADO FUND	28,625,262	100.0%	100.0%	4.04%	3.99%	0.75%	0.73%	27,532,705	100.0%	100.0%	3.48%	3.43%	7.66%	7.56%	10.81%	10.59%	10.18%	9.94%	6.53%	
POLICY TARGET BENCHMARK				2.90%	2.90%	0.47%	0.47%				3.23%	3.23%	6.22%	6.22%	6.64%	6.64%	7.57%	7.57%	5.25%	
ATTRIBUTION ANALYSIS																				
Asset Allocation				0.14%	0.14%	0.07%	0.07%				-0.01%	-0.01%	0.14%	0.14%	0.06%	0.06%	0.00%	0.00%		
Manager Selection				0.99%	0.94%	0.21%	0.19%				0.26%	0.21%	1.29%	1.19%	4.10%	3.89%	2.61%	2.38%		
TOTAL RELATIVE RETURN				1.14%	1.09%	0.28%	0.26%				0.25%	0.21%	1.44%	1.34%	4.17%	3.95%	2.61%	2.38%		
LARGE CAP DOMESTIC EQUITY																				
Los Angeles Capital	1,775,783	6.2%	5.6%	11.50%	11.46%	2.93%	2.92%	1,579,141	5.7%	5.6%	6.91%	6.86%	19.21%	19.10%	18.87%	18.66%	19.01%	18.80%	7.51%	
Russell 1000 Growth				10.44%	10.44%	2.86%	2.86%				8.11%	8.11%	19.39%	19.39%	17.07%	17.07%	18.68%	18.68%	7.47%	
LSV	1,733,466	6.1%	5.6%	12.57%	12.51%	2.81%	2.79%	1,559,277	5.7%	5.6%	5.64%	5.58%	18.91%	18.78%	32.50%	32.20%	20.05%	19.73%	7.86%	
Russell 1000 Value				10.01%	10.01%	2.53%	2.53%				3.94%	3.94%	14.34%	14.34%	25.32%	25.32%	18.51%	18.51%	6.67%	
LA Capital	1,155,486	4.0%	3.8%	11.30%	11.26%	2.67%	2.66%	1,042,604	3.8%	3.8%	5.61%	5.57%	17.55%	17.46%	21.58%	21.39%	19.18%	18.90%	7.81%	
Russell 1000				10.23%	10.23%	2.70%	2.70%				6.02%	6.02%	16.86%	16.86%	21.24%	21.24%	18.63%	18.63%	7.12%	
Clifton Group (moved from fixed 11/1/08)	1,140,608	4.0%	3.8%	10.10%	10.08%	2.31%	2.31%	1,029,210	3.7%	3.8%	5.05%	5.03%	15.66%	15.62%	20.94%	20.84%	19.20%	19.00%	N/A	
S&P 500				10.51%	10.51%	2.53%	2.53%				5.24%	5.24%	16.31%	16.31%	20.60%	20.60%	18.45%	18.45%		
TOTAL LARGE CAP DOMESTIC EQUITY	5,805,342	20.3%	18.8%	11.51%	11.46%	2.72%	2.71%	5,210,231	18.9%	18.8%	5.91%	5.87%	18.10%	18.00%	23.83%	23.63%	19.34%	19.08%	4.96%	
S&P 500				10.23%	10.23%	2.70%	2.70%				6.02%	6.02%	16.86%	16.86%	21.24%	21.24%	18.66%	18.66%	7.12%	
SMALL CAP DOMESTIC EQUITY																				
Research Affiliates	989,339	3.5%	3.1%	10.81%	10.72%	2.12%	2.09%	898,701	3.3%	3.1%	10.11%	10.02%	22.02%	21.81%	30.62%	30.17%	20.28%	19.80%	10.56%	
Clifton	975,719	3.4%	3.1%	8.52%	8.43%	1.97%	1.94%	893,991	3.2%	3.1%	10.15%	10.05%	19.53%	19.33%	25.51%	25.08%	20.17%	19.70%	N/A	
TOTAL SMALL CAP DOMESTIC EQUITY	1,965,058	6.9%	6.3%	9.69%	9.60%	2.05%	2.02%	1,792,692	6.5%	6.3%	10.23%	10.14%	20.92%	20.72%	28.04%	27.60%	20.25%	19.77%	9.84%	
Russell 2000				8.72%	8.72%	1.97%	1.97%				10.21%	10.21%	19.82%	19.82%	24.21%	24.21%	18.67%	18.67%	8.77%	
INTERNATIONAL EQUITY																				
Capital Group	1,207,396	4.2%	4.0%	5.40%	5.28%	1.52%	1.48%	1,156,968	4.2%	4.0%	11.57%	11.44%	17.59%	17.33%	20.78%	20.25%	9.88%	9.29%	-0.15%	
LSV	1,256,134	4.4%	4.0%	6.68%	6.57%	1.21%	1.18%	1,173,228	4.3%	4.0%	13.05%	12.94%	20.60%	20.37%	20.71%	20.23%	8.65%	8.16%	-0.02%	
MSCI EAFE - 50% Hedged				5.71%	5.71%	1.50%	1.50%				11.56%	11.56%	17.94%	17.94%	18.62%	18.62%	8.10%	8.10%	-0.01%	
DFA	317,067	1.1%	1.0%	7.94%	7.80%	4.18%	3.34%	292,608	1.1%	1.0%	16.61%	16.46%	25.87%	25.54%	24.89%	24.23%	12.35%	11.62%	2.25%	
Vanguard	310,706	1.1%	1.0%	7.80%	7.71%	2.76%	2.73%	285,413	1.0%	1.0%	12.57%	12.48%	21.36%	21.15%	21.16%	20.74%	10.65%	10.23%	2.09%	
S&P/Citigroup Broad Market Index < \$2BN				3.42%	3.42%	1.69%	1.69%				14.42%	14.42%	18.34%	18.34%	18.05%	18.05%	9.78%	9.78%	1.26%	
TOTAL INTERNATIONAL EQUITY	3,091,303	10.8%	10.0%	6.41%	6.30%	1.71%	1.67%	2,908,217	10.6%	10.0%	12.74%	12.62%	19.97%	19.72%	21.07%	20.56%	9.74%	9.20%	0.44%	
MSCI EAFE - 50% Hedged				5.71%	5.71%	1.50%	1.50%				11.56%	11.56%	17.94%	17.94%	18.62%	18.62%	8.10%	8.10%	-0.01%	

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		Actual	Policy	Gross	Net	Gross	Net		Actual	Policy	Gross	Net								
FIXED INCOME																				
Western Asset	4,742,201	16.6%	17.6%	0.29%	0.25%	-0.47%	-0.48%	3,863,612	14.0%	20.1%	0.51%	0.47%	0.81%	0.71%	2.17%	1.99%	6.29%	6.10%	6.95%	
Prudential	1,242,300	4.3%	4.4%	0.57%	0.49%	-0.54%	-0.56%	1,213,548	4.4%	4.4%	1.09%	1.01%	1.66%	1.51%	2.03%	1.74%	6.55%	6.25%	7.83%	
PIMCO (DiSCO) (2)	903,978	3.2%	3.2%	3.84%	3.84%	0.95%	0.95%	1,657,608	6.0%	6.0%	2.01%	2.01%	5.93%	5.93%	33.07%	33.07%	N/A	N/A	N/A	
PIMCO (BRAVO II) (2)	63,126	0.2%	0.2%	N/A	N/A	0.00%	0.00%													
BC Aggregate				-0.14%	-0.14%	-0.57%	-0.57%				0.57%	0.57%	0.43%	0.43%	-0.69%	-0.69%	3.51%	3.51%	5.19%	
Declaration (Mortgage)	343,163	1.2%	3.2%	0.45%	0.37%	-0.35%	-0.37%	1,005,342	3.7%	4.4%	0.72%	0.64%	1.17%	1.02%	2.49%	2.00%	6.76%	6.27%	N/A	
BC Global Aggregate (US Securitized Portion)				0.25%	0.25%	-0.18%	-0.18%				1.53%	1.53%	1.79%	1.79%	1.34%	1.34%	4.73%	4.73%		
Declaration (Total Return)	353,445	1.2%	1.2%	N/A	N/A	-0.02%	-0.07%	0	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
3m LIBOR																				
State Street	2,183,113	7.6%	7.7%	-0.05%	-0.06%	-0.62%	-0.62%	2,162,094	7.9%	7.7%	0.36%	0.35%	0.30%	0.29%	N/A	N/A	N/A	N/A	N/A	
BC Gov/Credit				-0.03%	-0.03%	-0.62%	-0.62%				0.36%	0.36%	0.33%	0.33%	-0.62%	-0.62%				
Wells Capital (formerly Strong)	4,758,701	16.6%	17.6%	1.49%	1.44%	0.03%	0.01%	5,042,023	18.3%	20.1%	0.95%	0.89%	2.45%	2.35%	3.19%	2.97%	7.43%	7.21%	9.34%	
BC US Credit BAA				1.35%	1.35%	-0.01%	-0.01%				0.77%	0.77%	2.13%	2.13%	1.77%	1.77%	6.00%	6.00%	8.19%	
TOTAL FIXED INCOME	14,590,027	51.0%	55.0%	0.93%	0.88%	-0.23%	-0.25%	14,944,229	54.3%	55.0%	0.86%	0.82%	1.80%	1.71%	4.90%	4.71%	7.50%	7.31%	7.89%	
BC Aggregate (1)				-0.14%	-0.14%	-0.57%	-0.57%				0.57%	0.57%	0.43%	0.43%	-0.69%	-0.69%	3.51%	3.51%	5.19%	
CASH EQUIVALENTS																				
Northern Trust	3,173,531			0.00%	0.00%	0.00%	0.00%	2,677,336					N/A	N/A	N/A	N/A	N/A	N/A	N/A	
TOTAL CASH EQUIVALENTS	3,173,531	11.1%	10.0%	0.00%	0.00%	0.00%	0.00%	2,677,336	9.7%	10.0%	0.00%	0.00%	0.01%	0.01%	0.27%	0.27%	0.27%	0.27%	0.45%	
90 Day T-Bill				0.02%	0.02%	0.01%	0.01%				0.02%	0.02%	0.03%	0.03%	0.11%	0.11%	0.11%	0.11%	0.30%	

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.

(2) All limited partnership-type investments' returns will only be reported net of fees, which is standard practice by the investment consultant.