

**STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2015**

	December-15					September-15					Current FYTD		Prior Year FY15		3 Years Ended 6/30/2015		5 Years Ended 6/30/2015		
	Allocation		Quarter			Allocation		Quarter			Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	
	Market Value	Actual	Policy	Gross ⁽¹⁾	Net	Market Value	Actual	Policy	Gross ⁽¹⁾	Net									
TOTAL FIRE & TORNADO FUND	23,169,406	100.0%	100.0%	1.79%	1.76%	22,737,348	100.0%	100.0%	-2.84%	-2.89%	-1.09%	-1.19%	3.32%	3.16%	8.96%	8.76%	9.32%	9.11%	
<i>POLICY TARGET BENCHMARK</i>				1.64%	1.64%				-2.42%	-2.42%	-0.82%	-0.82%	2.49%	2.49%	6.57%	6.57%	7.15%	7.15%	
ATTRIBUTION ANALYSIS																			
Asset Allocation				0.00%	0.00%				-0.01%	-0.01%	-0.01%	-0.01%	-0.03%	-0.03%	0.00%	0.00%	-0.01%	-0.01%	
Manager Selection				0.16%	0.12%				-0.41%	-0.47%	-0.27%	-0.36%	0.86%	0.70%	2.39%	2.19%	2.18%	1.97%	
TOTAL RELATIVE RETURN				0.15%	0.12%				-0.42%	-0.47%	-0.27%	-0.37%	0.83%	0.67%	2.39%	2.19%	2.17%	1.95%	
LARGE CAP DOMESTIC EQUITY																			
Los Angeles Capital	1,287,596	5.6%	5.6%	6.11%	6.05%	1,317,186	5.8%	5.6%	-4.79%	-4.83%	1.03%	0.93%	12.53%	12.32%	18.94%	18.72%	19.00%	18.78%	
<i>Russell 1000 Growth</i>				7.32%	7.32%				-5.29%	-5.29%	1.64%	1.64%	10.56%	10.56%	17.99%	17.99%	18.59%	18.59%	
LSV	1,294,561	5.6%	5.6%	4.81%	4.74%	1,257,557	5.5%	5.6%	-8.15%	-8.21%	-3.73%	-3.86%	7.16%	6.87%	22.14%	21.84%	18.93%	18.62%	
<i>Russell 1000 Value</i>				5.63%	5.63%				-8.40%	-8.40%	-3.23%	-3.23%	4.13%	4.13%	17.34%	17.34%	16.50%	16.50%	
LA Capital	880,246	3.8%	3.8%	6.18%	6.15%	858,284	3.8%	3.8%	-5.29%	-5.32%	0.57%	0.51%	8.45%	8.31%	17.90%	17.74%	17.94%	17.71%	
<i>Russell 1000</i>				6.50%	6.50%				-6.83%	-6.83%	-0.78%	-0.78%	7.37%	7.37%	17.73%	17.73%	17.58%	17.58%	
Clifton Group	876,409	3.8%	3.8%	7.87%	7.87%	839,730	3.7%	3.8%	-6.35%	-6.41%	1.02%	0.96%	7.17%	7.10%	17.37%	17.28%	17.76%	17.60%	
<i>S&P 500</i>				7.04%	7.04%				-6.44%	-6.44%	0.15%	0.15%	7.42%	7.42%	17.31%	17.31%	17.34%	17.34%	
TOTAL LARGE CAP DOMESTIC EQUITY	4,338,812	18.7%	18.8%	6.07%	6.02%	4,272,757	18.8%	18.8%	-6.20%	-6.25%	-0.52%	-0.61%	9.02%	8.83%	19.39%	19.19%	18.49%	18.26%	
<i>Russell 1000</i>				6.50%	6.50%				-6.83%	-6.83%	-0.78%	-0.78%	7.37%	7.37%	17.73%	17.73%	17.60%	17.60%	
SMALL CAP DOMESTIC EQUITY																			
PIMCO RAE (formerly Research Affiliates)	465,906	2.0%	3.1%	3.01%	2.94%	410,053	1.8%	3.1%	-11.43%	-11.50%	-8.77%	-8.90%	5.51%	5.18%	19.78%	19.39%	18.02%	17.58%	
Clifton	983,011	4.2%	3.1%	3.80%	3.80%	1,011,221	4.4%	3.1%	-11.63%	-12.06%	-8.27%	-8.72%	8.24%	8.03%	19.20%	18.83%	18.55%	18.13%	
TOTAL SMALL CAP DOMESTIC EQUITY	1,448,917	6.3%	6.3%	3.50%	3.48%	1,421,274	6.3%	6.3%	-11.58%	-11.90%	-8.48%	-8.84%	7.46%	7.23%	19.75%	19.38%	18.45%	18.03%	
<i>Russell 2000</i>				3.59%	3.59%				-11.92%	-11.92%	-8.75%	-8.75%	6.49%	6.49%	17.81%	17.81%	17.08%	17.08%	
INTERNATIONAL EQUITY																			
Capital Group	878,538	3.8%	4.0%	5.10%	4.97%	884,979	3.9%	4.0%	-13.68%	-13.79%	-9.28%	-9.50%	-1.35%	-1.73%	12.88%	12.43%	9.57%	9.06%	
LSV	915,473	4.0%	4.0%	5.26%	5.16%	908,834	4.0%	4.0%	-10.43%	-10.52%	-5.72%	-5.90%	-3.33%	-3.73%	14.09%	13.63%	9.55%	9.08%	
<i>MSCI EAFE</i>				4.71%	4.71%				-10.23%	-10.23%	-6.01%	-6.01%	-4.22%	-4.22%	11.97%	11.97%	8.38%	8.38%	
DFA	254,863	1.1%	1.0%	4.03%	4.03%	238,173	1.0%	1.0%	-9.22%	-9.22%	-5.56%	-5.56%	-3.27%	-3.27%	18.16%	17.72%	13.38%	12.80%	
Vanguard (1)	266,623	1.2%	1.0%	5.34%	5.34%	246,517	1.1%	1.0%	-6.86%	-6.86%	-1.88%	-1.88%	0.57%	0.57%	16.56%	16.27%	12.11%	11.76%	
<i>S&P/Citigroup Broad Market Index < \$2BN</i>				6.01%	6.01%				-8.35%	-8.35%	-2.84%	-2.84%	1.14%	1.14%	14.70%	14.70%	14.70%	11.08%	
TOTAL INTERNATIONAL EQUITY	2,315,497	10.0%	10.0%	5.06%	4.97%	2,278,504	10.0%	10.0%	-11.24%	-11.32%	-6.75%	-6.91%	-2.11%	-2.43%	14.23%	13.79%	10.22%	9.74%	
<i>MSCI EAFE</i>				4.71%	4.71%				-10.23%	-10.23%	-6.01%	-6.01%	-4.22%	-4.22%	11.97%	11.97%	8.38%	8.38%	
FIXED INCOME																			
Western Asset	3,881,256	16.8%	17.3%	-0.05%	-0.08%	3,963,720	17.4%	17.5%	0.82%	0.79%	0.78%	0.71%	2.76%	2.62%	3.68%	3.52%	5.54%	5.38%	
Prudential	1,269,669	5.5%	4.4%	-0.41%	-0.48%	1,134,507	5.0%	4.4%	0.53%	0.46%	0.12%	-0.02%	2.32%	2.05%	3.67%	3.38%	5.72%	5.43%	
PIMCO (DiSCO II) (1)	558,971	2.4%	2.4%	1.49%	1.49%	550,771	2.4%	2.4%	0.39%	0.39%	1.89%	1.89%	4.32%	4.32%	N/A	N/A	N/A	N/A	
PIMCO (BRAVO II) (1)	310,542	1.3%	1.3%	1.62%	1.62%	245,785	1.1%	1.1%	0.00%	0.00%	1.62%	1.62%	10.36%	10.36%	N/A	N/A	N/A	N/A	
<i>BC Aggregate</i>				-0.57%	-0.57%				1.23%	1.23%	0.65%	0.65%	1.85%	1.85%	1.82%	1.82%	3.35%	3.35%	
Declaration (Total Return) (1)	1,034,190	4.5%	4.5%	-0.54%	-0.54%	1,003,485	4.4%	4.4%	0.89%	0.89%	0.35%	0.35%	3.55%	3.55%	N/A	N/A	N/A	N/A	
<i>3m LIBOR</i>				0.09%	0.09%				0.08%	0.08%	0.17%	0.17%	0.26%	0.26%					
State Street	1,788,882	7.7%	7.7%	-0.74%	-0.75%	1,738,839	7.6%	7.7%	1.20%	1.19%	0.45%	0.44%	1.70%	1.66%	N/A	N/A	N/A	N/A	
<i>BC Gov/Credit</i>				-0.74%	-0.74%				1.20%	1.20%	0.44%	0.44%	1.68%	1.68%					
Wells Capital	3,905,852	16.9%	17.3%	-0.54%	-0.59%	3,853,816	16.9%	17.5%	-0.44%	-0.48%	-0.97%	-1.06%	0.96%	0.78%	4.65%	4.44%	6.61%	6.40%	
<i>BC US Credit BAA</i>				-1.01%	-1.01%				-0.74%	-0.74%	-1.74%	-1.74%	-1.37%	-1.37%	3.19%	3.19%	5.16%	5.16%	
TOTAL FIXED INCOME	12,749,362	55.0%	55.0%	-0.17%	-0.20%	12,490,925	54.9%	55.0%	0.42%	0.39%	0.25%	0.19%	2.40%	2.27%	5.00%	4.83%	6.51%	6.34%	
<i>BC Aggregate</i>				-0.57%	-0.57%				1.23%	1.23%	0.65%	0.65%	1.85%	1.85%	1.82%	1.82%	3.35%	3.35%	

**STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2015**

	December-15					September-15					Current FYTD		Prior Year FY15		3 Years Ended 6/30/2015		5 Years Ended 6/30/2015	
	Allocation			Quarter		Allocation			Quarter		Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net
	Market Value	Actual	Policy	Gross ⁽¹⁾	Net	Market Value	Actual	Policy	Gross ⁽¹⁾	Net								
CASH EQUIVALENTS																		
Northern Trust (1)	2,316,819			0.00%	0.00%	2,273,888			0.00%	0.00%	0.01%	0.01%	0.01%	0.01%	N/A	N/A	N/A	N/A
TOTAL CASH EQUIVALENTS	2,316,819	10.0%	10.0%	0.00%	0.00%	2,273,888	10.0%	10.0%	0.00%	0.00%	0.01%	0.01%	0.01%	0.01%	0.10%	0.10%	0.17%	0.17%
90 Day T-Bill				0.03%	0.03%				0.01%	0.01%	0.04%	0.04%	0.02%	0.02%	0.06%	0.06%	0.08%	0.08%

NOTE: Monthly returns and market values are preliminary and subject to change.
Effective July 1, 2013, net of fee returns are calculated on a cash basis in the month paid. Prior years were accrual based and split evenly over the 12 months of the fiscal year.

(1) All limited partnership-type (and mutual funds as of 7/1/14) investment returns will only be reported net of fees, which is standard practice by the investment consultant.